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Appendix

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 80th CONGRESS, SECOND SESSION

Appendix

Tax Reduction

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. WOODRUFF. Mr. Speaker, I have noted with much satisfaction the almost unanimity with which the editorial writers of the country are approving H. R. 4790, introduced in the House by Representative KNUTSON, chairman of the Ways and Means Committee.

Under the circumstances that exist, it seems to me the committee could not report to the House a more satisfactory tax-reduction bill.

The bill very properly gives greatest consideration to those in the lower bracket and, as a matter of fact, removes from the tax rolls entirely 7,400,000 of the present taxpayers in that bracket. I hope, and I believe, that both the House and the Senate will pass the bill by substantially more than a two-thirds vote of the membership and that the bill will become the law, a veto by the President to the contrary notwithstanding.

The following editorials from the Tampa (Fla.) Daily Times and the Tampa (Fla.) Tribune are typical of many others appearing from day to day:

[From the Tampa (Fla.) Daily Times of December 19, 1947]

KNUTSON FIRES FIRST SHOT IN A NEW TAX CUT FIGHT

The public will welcome Representative KNUTSON'S announced intention to make another attempt at income-tax reduction when Congress reconvenes in January.

His latest proposals indicate he is cognizant of the pitfalls that trapped the two previous tax-reduction measures vetoed by President Truman earlier this year. If his prediction that this time his measure is veto-proof comes true, no one will be happier than income taxpayers, large and small.

Income-tax reduction legislation, like most other legislation, regrettably places most emphasis on political expediency, with the public interest taking second place. Likewise, the economic soundness of any particular measure proposed is subordinate to its political effect.

The President's chief objections to the tax reduction plans sent him before were that they failed in his opinion to give adequate consideration to the low-income groups and also he criticized reduction moves as coming at the wrong time, but never pointed out when he thought would be the right time.

The new bill outlined by Mr. KNUTSON quite evidently would give relief to the low-income group. It would equalize the present unfair advantage community-property States have over the remainder of the States. It would free an estimated 7,400,000 low-income and elderly persons from any tax obligation and would give proportionately greater relief to moderate income groups on a percentage basis than it would to the high-bracket taxpayers. In short, it is an acceptable proposal from an economic point of view and one which would not cripple the Federal budget.

Which way the wind will blow on this latest proposal may not develop clearly until discussion on the floor of the House gets underway in January. No doubt plenty of straws will be tossed into the wind while Congress takes its Christmas holiday and public opinion may well be fanned to good heat before that time.

It is conceded in advance that tax cutting will be a major political issue in the coming Presidential campaign. Both parties want the credit for any cuts enacted. For this reason, if for none other, the taxpayers will do well to keep their hopes for income-tax relief in check.

The opening gun has been fired, now let the battle rage, and it is to be hoped that this time the public will come out the victor.

[From the Tampa (Fla.) Morning Tribune of December 20, 1947]

CONTEMPLATED SUICIDE

Mr. KNUTSON, chairman of the House Ways and Means Committee, trying again to be a Santa Claus to the suffering taxpayer, has introduced a new tax-reduction bill, which he proposes to make the first major business before Congress when it reconvenes in January.

This new bill removes the major objection urged to the former one by President Truman when he vetoed it, after its passage by large majorities in both Houses. The veto was narrowly sustained. The President attempted to support his veto by asserting that the bill discriminated in the tax cutting in favor of the big fellows and against the little fellows. That wasn't altogether true, but, at lease, it afforded some pretense for the objection.

The new bill, KNUTSON says, is "veto proof," because it would give the benefit of its reductions mostly and decidedly to the smaller taxpayers, with only nominal reductions to the big taxpayers. While it would give cuts to all the Nation's 54,500,000 payers of income tax, the cuts would range from only 10 percent in the highest brackets to as much as 100 percent in the lower brackets. It would remove entirely from the taxpaying rolls 7,400,000 low income and elderly persons. For example, a man with a wife and two children, and an income of $2,400 a year, who now pays $76 income tax, would pay nothing. The bill gives special exemption to persons over 65. All of the lower bracket taxpayers would benefit on graduated scale, from 32 to 100 percent—77 percent of the total reduction would be on incomes less than $4,000. The appeal of this relief to millions of low-income citizens must be irresistibly attractive. Furthermore, the Knutson bill includes the community-property feature, giving an additional saving to taxpayers in the other 36 States now enjoyed by those of 12 States, under State law.

As to the effect on the Federal Treasury, the total of the reductions, estimated at $5,600,000,000, would be well within the estimated Treasury surplus of $7,000,000,000 for the current fiscal year.

It would be extremely difficult to find a reasonable objection to this tax measure. But what did the President say? At a press conference he spoke out against any immediate tax cut. He gave the impression that he would veto it, as he did its predecessor. If he does, he will be denying needed and just tax relief to 54,000,000 people, most of them of small income, to whom the payment of the present income tax is a serious burden; he will also be refusing to remove the rank discrimination under which the people of 12 States are enjoying community property tax saving, which the people of the other 36 States are not permited to use.

In our candid opinion, if Mr. Truman vetoes this bill or any bill carrying similar relief to the taxpayers, he will make himself both a political suicide and a political murderer—killing himself and his party.

Freedom Train Could Run on a Sound Track

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. PHILBIN. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I include therein a well-written, admirable, and impressive editorial on the subject of the Freedom Train recently appearing in the Saturday Evening Post by the distinguished author and commentator, my friend, Richard Attridge, of Clinton, Mass.

His proposal is the product of an alert, active mind and appears to be one ready

solution to what has been the rather vexing problem of trying to arrange a suitable itinerary for the Freedom Train and also accommodate the thousands of people who desire to inspect its contents in various local communities throughout the country.

The editorial follows:

FREEDOM TRAIN COULD RUN ON A SOUND TRACK

(By Richard Attridge)

Why wouldn't it be a good idea to put the Freedom Train on a sound track, and make a documentary movie of it? Wherever the Freedom Train has gone in its travels, it has turned out to be a smasheroo attraction. In fact, the toughest problem for the people planning its itinerary was how to take care of the multitudes who flocked to see the train and its precious cargo.

It hasn't been possible to solve this problem completely. Although thousands of people lined up patiently, in rain or shine, sometimes the lines have been too long, especially for older folks and small children. Physical train dimensions arbitrarily impose limits on the number of people who can view the Freedom Train exhibits in any specified length of time, and also curtail thoroughness of examination by those who manage to get aboard.

A documentary film would bring the Freedom Train to every whistle stop as well as to our larger communities; it would give a break to old and young; it would permit close-up and unhurried study of the great signposts in the history of our heritage of freedom. In brief, it would do almost everything the Freedom Train itself does, more easily for millions more people. The film could, of course, be shown as long as people wanted to see it, could be revived through the years or possibly made available for schools and community groups. If Hollywood should decide to contribute this documentary movie to the Nation, its rentals could be used to support some good cause—perhaps to provide extra little luxuries for the disabled veterans who have already paid extra fares so that the rest of us could ride on the Freedom Train.

Without trespassing on the highly technical field of movie production, it is obvious that Hollywood is equipped to dramatize supplementary historical material that could not be contained in the actual Freedom Train. Of one thing we're certain: Hollywood wouldn't have to glamorize the Freedom Train; it will highball along without any love interest. Hollywood's favorite boy-meets-girl theme might be happily underscored simply by showing an American youngster taking off his hat to the Goddess of Liberty.

Is Washington Becoming Like Berlin and Nazi Propaganda Machine?

EXTENSION OF REMARKS

OF

HON. HOWARD H. BUFFETT

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. BUFFETT. Mr. Speaker, under leave to extend my remarks, I am inserting the following article by Louis Bromfield appearing in the Omaha (Nebr.) Sunday World-Herald of December 21, 1947:

A VOICE FROM THE COUNTRY—"NEVER SO MANY BEING BAMBOOZLED BY SO FEW"

(By Louis Bromfield)

I wish it were possible for every thoughtful American citizen to spend a week each year in Washington watching what goes on. He would learn and understand many things which, save in the case of the most objective news reporters, are seldom revealed to him.

Most reporters and columnists living on the spot are so subject to pressures, local prejudices, personalities and ideologies that frequently they cannot see the forest for the trees.

The fundamental trouble is, of course, that our Government has become so big and so bureaucratically involved that issues are no longer determined along the lines of the policies of two political parties. Issues are threshed out by the policies of countless departments, bureaus and lobbies working inside government for their own individual and selfish convictions and interests.

The fact is that in some instances we have come near to attaining a kind of government by direction and bureaucratic propaganda which, resembles the Goebbels technique in totalitarianism.

INSIDE LOBBIES WORST

There have always been outcries against the lobbying of private interests. But the dangers of these lobbies are mild as compared to the lobbying and pressures of bureaucratic interests inside government itself.

The danger is even more devastating when one or more of these groups inside government teams up with outside special interests.

It is not uncommon nowadays to find open editorial reference to the State Department lobby, the Army and Navy lobbies, and so forth. All of these as well as other bureaucratic lobbies are powerful and dangerous, and often as selfish in their aims as any public utility, labor, or farm lobby.

They are particularly powerful and dangerous when they operate inside government and are able to exert pressures, invisible to the people, directly upon the President and upon some Members of Congress.

Perhaps the most flagrant example was the intense bureaucratic lobbying about a year ago against any attempt by members of either political party—Republican or Democrat—to bring about economies in government. Every pressure known to old-fashioned and comparatively harmless lobbying, together with some new and shameless wrinkles, was exerted by Government bureau groups.

Scruples or conscientious public service had little to do with the motives. They were essentially the motives of ambition, power, and self-preservation.

LATEST BALLYHOO

Lately the people of the Nation have been treated to a high-pressure propaganda campaign in behalf of an all-out Marshall plan. Certain elements in the State Department, the Army, and the Navy have exerted every possible concealed and inside pressure upon Congress and upon the President. The latter is not too sure of himself or his information. All too rarely he is given to making judgments of his own.

The propaganda concentrates itself upon three aspects of the international situation:

1. That the collapse of Europe is inevitable unless we pour out our wealth in unlimited quantities.

2. That unless we do so communism will swallow up Europe.

3. That war with Russia is inevitable and may happen at any moment.

Plenty of sound and informed observers do not believe any of these premises. Their voices have been obscured by the skillfully managed propaganda hullabaloo.

The State Department has, as far as possible, taken the attitude that the American people are unable to judge because they do not know many of the facts which that Department and the Army and Navy are keeping hidden. This is, of course, nothing more or less than the old bureaucratic totalitarian technique.

The answer to it is simple enough. The people have every right to this absurdly mysterious information and can thus judge for themselves.

PROFITEERS JOIN IN

Some of the State Department motives are obscure, and some apparent.

One can also discover the trail of many private interests, both industrial and banking, which are all out for the Marshall plan because they stand to benefit greatly by profiting in foreign markets and the benefits of scarcities, exchange, and high prices.

In other words, American taxpayers will pour out money which, after being filtered through Europe, will return in concentration to the pockets of the individuals and special interests involved.

This is one aspect of the European aid program which has by no means been sufficiently explored. But they are in there pitching, supporting every move of the State Department, the Army and the Navy, and in turn being supported by these bureaus.

The self-interest of the Army and Navy cliques is much more transparent.

Like all military groups at any time in any country, they want money and prestige and power. They are unwilling to return to democratic government the powers delivered to them in time of war.

They fight law, tax reduction, and economies because the appropriations which give them power and prestige may be cut.

Of course, the best technique for maintaining both power and big appropriations is to scare the living daylights out of the American people.

Consequently they keep circulating rumors of the mysterious powers and menace of Russia, many of which are unfounded in fact. They keep dangling bogeymen constantly in front of Congress and the people.

BUREAUCRACY'S PATTERN

By design or by accident, these three groups—State Department, Army, and Navy—have become dangerous and powerful lobbies inside the Government, seeking to dominate the Nation itself.

This is an age-old pattern of bureaucracy.

The Washington Government has developed since 1933 steadily increasing evidences of a vicious bureaucracy. It is becoming like the old days of Berlin when in Germany government and its bureaus became one gigantic propaganda machine.

Editors and other citizens with a sense of public spirit should take a little more notice of bureaucratic lobbies and pressures. They are infinitely more dangerous to this Nation than any outside special interest lobbies have ever been. As one suspicious Senator put it the other day, "Never are so many being so bamboozled by so few."

One thing is certain that never in all our history have we had a Government so dominated by military men.

They are everywhere, going in and out of the White House, the State Department, the Capitol, not singly but in troupes, muttering about the horrible mysteries which cannot be told to the American people whom they are paid not to dominate but to serve.

This is the first of two articles dealing with the dangerous bureaucratic lobbies which have grown up unnoticed, inside our Government.

More Education for Everybody

EXTENSION OF REMARKS

OF

HON. ROBERT TRIPP ROSS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. ROSS. Mr. Speaker, under leave to extend my remarks in the RECORD, I

include the following editorial from the Daily Republic, Mitchell, S. Dak., by W. R. Ronald, chairman of the planning committee, board of directors, Dakota Wesleyan University, and owner and editor of the Daily Republic:

MORE EDUCATION FOR EVERYBODY PROPOSED

Interesting and progressive is the report of the President's Commission on Higher Education. What it proposes is a great deal more of so-called higher education, not only for those of college student age, but of adults as well.

Correlatively a book has appeared, written by Mrs. Viola Lurch Cox, of New York, a life-long educator, entitled "Wealth Through Education." Its premise is that all wealth is derived from education, a point that need not be labored. Therefore, it is proposed to finance universal higher education by means of promissory notes given by the students, the Government to use them as the basis of a special issue of currency.

This method of financing some such program as that proposed by the President's Commission is novel. But it would have this tremendous advantage over any other kind of currency, namely, that it would finance an investment in education that, after all, is more of an asset than any material possession.

Dakota Wesleyan University's commitment to an education based on recognition of spiritual law as the only law, in which many educators, one foundation and two national organizations already are interested, would add the inestimable value of moral quality to the higher education proposed for the great mass of the people of this country.

Union college has demonstrated that very few young men and women are incapable of benefiting from a college education. That is supporting evidence for these attempts to realize upon a sacred assurance that all men shall know the truth and that it shall make them free.

Well-Known Publisher Surveys Conditions in Europe and the Near East

EXTENSION OF REMARKS
OF
HON. LOUIS LUDLOW
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. LUDLOW. Mr. Speaker, while congressional committees were touring Europe and the Near East last summer and fall, Mr. Eugene Pulliam, publisher of the Indianapolis Star, was making a careful survey of the same regions on his own hook, accompanied by Mrs. Pulliam, who paid particular attention to conditions affecting women in the countries they visited. Mr. Pulliam has prepared a summary of his conclusions and I have obtained permission of the House to insert it in the CONGRESSIONAL RECORD on account of the light it sheds on vital problems. Mr. Pulliam's conclusions are the findings of an excellent reporter and a fearless and independent investigator. His summary is as follows:

The blessings and privileges of free America are never so sweet as when you are forced to get along without them. Coming back to the United States after two months in the regimented atmosphere of Europe and the Near East, you are overwhelmed by the sheer joy of being free again. Free to go where you please, free to take a plane or a train without filling in a dozen forms, free to pick up your traveling bags without detailed examination by unfriendly officials, free to go from one city to the next without consent of suspicious police, free to buy food or clothing or what-have-you without governmental coupons or restrictive red tape, free to express your opinions, free to voice your protest, free to say yes and free to say no, free to be a free American once again. It is an amazing experience. You wonder how on earth you ever could have taken freedom for granted like the air you breathe.

The contrast between living conditions in America and almost every country of Europe and all those of the Near East is sharp and stark. The average industrial worker or the average farmer of America lives in Utopia as compared to the lot of the workers and farmers of Europe and the Near East. Industrial workers of America have automobiles, electric lights, radios, refrigerators, a variety of good food and warm clothing. On the continent the workers struggle to remain alive. They know nothing whatever of modern conveniences or simple luxuries. For the most part they live in one- or two-room hovels or in crowded flats.

Not one in 50,000 owns an automobile; very few have radios. There are electric lights in some of the flats, but no electric refrigerators. Their one absorbing interest is to get enough food and clothing to keep alive and warm.

The living conditions of the farm class are even worse, except they do have more food than the city workers. But electric lights, automobiles, and modern farm equipment are practically nonexistent in the farming sections. They live and work and struggle as the peasants of Europe did 200 years ago.

Existence for the middle classes is not much better than that of the industrial workers and farmers. In prewar days the middle classes did enjoy many of the so-called better things of life, but their standard of living at its best was very meager compared to American standards. But all of that is changed now and the middle classes, too, are fighting to stay alive. In the black-market countries prices are soaring and inflation is rampant. In the countries where there is a rigidly controlled economy wages are low and regimentation is a stone around every person's neck.

There is no personal freedom as we know it anywhere in Europe, except in a modified form in the Scandinavian countries. Even free England is no longer free. Under national socialism Englishmen are regimented as never before. They cannot leave the country without the government's consent and even then can take only £20 with them. Elsewhere on the continent everybody is under constant police surveillance. There are restrictions of almost every possible nature, restrictions meekly accepted by the people there, which if attempted here would cause a social revolution.

"If they don't like all these restrictions why don't they rise up and rebel?" a friend asked me yesterday when we were discussing conditions in Europe. It is a natural question and the answer is just as simple: "You don't rebel in the face of machine guns." In generations gone by men could rise up against tyrants and win with clubs and forks. But not any more. Two trained soldiers armed with machine guns can keep a thousand men cowed. In addition, the people of Europe are so tired and exhausted by war they have no heart for rebellion. Complicating their economic troubles is the ever-growing fear of a Soviet war of aggression. Against the Soviets they have no adequate defense. They can only look to America and pray that we will save them.

Socialization, regimentation, class privilege and war have brought Europe to its present unhappy state. By contrast consider conditions in free America. Nowhere on the face of the earth has any country even remotely approached the American standard of living and personal liberty that we enjoy under free enterprise. Nowhere else is there so much production and plenty. This is in fact the workers' republic because almost everybody in America works and works hard in an atmosphere of unrestricted opportunity. That is true of no other country in the world. It explains why so many, many millions of Europeans would give anything they possess just for the chance to come to America to live. They would give everything for what all Americans have for free.

The Constitution

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. ELLIS. Mr. Speaker, I submit to the House for the consideration of its Members a letter written by F. C. Sammons and published in the Huntington (W. Va.) Herald-Advertiser of December 21, 1947.

Mr. Sammons is a successful construction contractor and a student of history and world affairs. You no doubt will find his letter interesting.

The letter follows:

THE CONSTITUTION

EDITOR, THE HERALD-ADVERTISER:

Prominent educators have worked to undermine our Constitution, but I nominate Prof. Charles A. Beard as the pioneer in this field. He was born in Indiana in 1874, he studied at Oxford and received his Ph. D. at Columbia University in 1904. He later wrote textbooks and taught government at Columbia.

In 1913, he wrote The Economic Interpretation of the Constitution—a textbook which devotes much space to enumerate the amounts of money loaned by each of the founding fathers for the financial support of our revolution. The professor insinuates that the patriot fathers may have written the Constitution in order to insure the repayment of their personal loans. He apologizes for raising the dangerous Constitutional question which finally led up to the Supreme Court packing controversy in 1937. Professor Beard had no fine scruples against slandering the motives of our patriot fathers, therefore, it is fair to question his economic motives.

Since reading this book (years ago) we have learned much about the power of the purse, of Marxist Labor International, and the London School of Economics in subsidizing Socialist textbooks and other subversive propaganda.

Please remember that this is a high school or college library textbook—cleverly designed to cast doubt over immature minds regarding the value of our Constitution—a Constitution which was written to protect private enterprise, private property, and a personal money system—and to protect us against all forms of Government ownership, state capitalism, and flat money system. The whole tenor of the book suggests that fascism—or flat money, or what have you—might be a better type of government than the one we inherited.

Since Mussolini, Stalin, and Hitler came to power as a natural result of such doubtful educational theories, which were taught in European schools; why don't we reestablish in our school system the teaching of the main object of our Constitution, and do it before it becomes too late?

F. C. SAMMONS.

Truman's Doctrine Has Failed

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, I am including as part of my remarks a timely editorial written by Mr. John S. Knight, editor of the Chicago Daily News, under date of Saturday, January 3, 1948. Mr. Knight calls attention to the fact that last March, when the gift to Greece and Turkey was being considered, he predicted that it would end in a dismal failure. He now reaffirms that statement. He further points out that the failure of Mr. Truman's efforts in Greece and Turkey will mean that the Marshall plan is in jeopardy. I include the editorial referred to:

TRUMAN DOCTRINE'S FAILURE BODES ILL FOR MARSHALL PLAN

When the Truman doctrine (remember?) was first proposed last March, I predicted that it would end in a dismal failure.

It seemed quite obvious then, and even more so now, that merely lending Greece and Turkey $400,000,000 would neither "doctor up" the Greek economy nor drive the guerrillas from northern frontiers.

After Congress voted for the Truman loan, I said on August 31 that "the United States is now reduced to a painful choice between pulling out when the loan is exhausted or sticking with the Truman doctrine, regardless of cost and American lives."

My views came in for a great deal of criticism at that time because it is part of the American credo that you can fix anything with money.

EVEN PUNDITS SEE THE LIGHT

Now, even the heavy thinkers of American journalism are beginning to see the Greek situation in its true light. A revealing dispatch by Walter Lippmann brings out these facts:

1. We have given the regular Greek Army 74,000 tons of military equipment and provided all of the food for the entire Greek Army of 100,000 men. Lippmann estimates that the guerrilla forces number not more than 20,000 and says they cannot have received anything like the same amount of help from the Yugoslavs and the Bulgarians.

2. The present Government in Greece, although nominally a freely elected government, quite plainly does not have popular support.

3. Some supporters of the Government have begun to do business underground with the rebels. American food and medical supplies are distributed exclusively by Greek politicians.

4. The same people in the United States Government who said last year that $300,000,000 and 78 military advisers would do the job are now saying that two American divisions can stiffen the Greek Government and seal the border.

In that connection, Mr. Lippmann quite correctly observes that if two divisions are put ashore in Greece, the whole military power of the United States will have to be committed to support them. If two divisions do not suffice, it will be necessary to send as many more divisions as are needed to accomplish the purpose for which the two divisions were sent.

That is precisely what I said last March when Dean Acheson, then Under Secretary of State, told the Senate Foreign Relations Committee that "the present plans do not include sending troops to Greece and Turkey."

Mr. Acheson's diplomatic double talk was quite transparent. State Department officials now concede privately that the present Greek Government can never restore order without the help of American troops.

According to James Reston, of the New York Times, our loan has neither helped the Greeks to carry on alone nor will it permit us to end the investment and pull out of Greece with honor.

HOUR IS LATE FOR DIPLOMACY

Mr. Lippmann calls for diplomacy to extricate the United States from a position where its prestige is so dangerously involved with the fate of the Greek Government. He suggests that the middle powers such as Canada, Brazil, and Sweden be invited to submit proposals for settlement of the Greek problem.

The suggestion is a good one, but tragically late. I protested at the time of the Greek loan that the question could be resolved by further discussions between the nations involved.

President Truman's answer was to ignore the report of the international commission then investigating conditions in the Balkans, and to bypass the United Nations with a flimsy, unrealistic, political formula which came to be known as the Truman doctrine.

At the time, I called it an open invitation to war and subsequent developments have not caused me to alter that view.

The two important issues of 1948 will be the Presidential election and the Marshall plan.

Of the two, the Marshall plan is more momentous. If passed by Congress along the lines of President Truman's recommendations, it will involve any future President in a long-range policy having utterly unpredictable results.

The weaknesses of the Marshall plan are precisely the same as those which handicapped the Truman doctrine.

The money flows from the United States to unstable governments which are unlikely to survive even a portion of the 4-year program.

Assurances from present governments that efforts will be made to stabilize currencies, balance budgets, and stimulate production are flimsy props which may collapse at any time under political pressure.

Unless there is a resolute determination on the part of European peoples to recapture something of the national heritages which once made them strong and virile no amount of American dollars can bring about their salvation.

However, our national pulse beats in sympathy with European distress, and it is a foregone conclusion that Uncle Sam will spring to the rescue.

CONSIDER ITS EFFECT ON UNITED STATES

It is important, therefore, to consider what repercussions the 4-year, $17,000,000,000 Marshall plan will have upon our own domestic economy.

President Truman blithely observes that we have already given approximately $15,000,000,000 to world recovery and that the additional proposed expenditure of less than 3 percent of the expected national income is well within our national resources.

The fallacy of the President's argument is that it is exceedingly dangerous to speculate in futures, and I am not thinking of the grain market.

He is assuming a continuance of our boomtime income of nearly $200,000,000,000 a year. What he fails to mention is how we would meet our commitments under the Marshall plan if the national income declined to $150,000,000,000 a year, still a high mark in comparison with free spending 1929 figures.

Wouldn't it be far more prudent for us to vote a 1-year appropriation and take another look at the world situation at the end of that period?

We might discover that the European recovery program was inflating prices in the United States to such an extent that our own economy was being placed in jeopardy.

We might learn that despite all of our efforts to help Europe the plan was failing because of political inepititude, maladministration, or internal conditions in the Marshall bloc of nations over which we had no control.

In the event of a severe recession in the United States during the 4-year period we might find that we no longer could afford to play the role of Uncle Sugar.

Americans are traditionally the most generous people in the world. But how many of us are willing to make firm pledges to the community fund or the Red Cross for a 4-year period?

Our personal charities are based upon what we feel we can afford to give this year but everyone reserves the right to revise the amount of next year's contribution to fit his bank account.

If this is a prudent course for individuals to adopt, should our Government, of which we are collectively the owners, pursue a less sound policy?

PLEA FOR CHINA ALSO MISLEADS

Let us not be misled, either, by the current clamor for additional help to China. More than $5,000,000,000 has already been poured down the Chinese rat hole in a vain effort to support the corrupt and hopelessly inefficient regime of Generalissimo Chiang Kai-shek.

A neutral survey by Associated Press correspondents in China reveals that her deteriorating military-economic situation is reaching a point where neither American money nor arms will have much bearing on the struggle with the Communists.

Correspondent Joseph Burke reports from North China that "Peiping opinion questions whether there is enough money in the world to pull Chiang Kai-shek's government out of the hole far enough to save it for any length of time."

As we go into 1948, a year fraught with fateful consequences, our heads rather than our emotions should govern the United States foreign policy.

We must develop the moral leadership which will enable us to find the truth and fend off propaganda; to approach every problem without prejudice, expediency or fear; to perceive the difference between right and wrong and be fired with the courage to uphold the right, regardless of personal consequences.

We can then bring some inspiration and hope to a weary and confused world suffering from the ravages of war and an overdose of political patent medicine.

JOHN S. KNIGHT.

The Attack on Inflation

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. ANGELL. Mr. Speaker, in the Portland Oregonian published in my congressional district there appeared on December 30, 1947, an editorial under the above caption which is worthy of careful consideration while we are studying

the problems facing the second session of the Eightieth Congress having to do with inflation and the high cost of living. The editorial follows:

THE ATTACK ON INFLATION

When President Truman submitted his 10-point inflation control plan—which may be the basis of his campaign for election in 1948—Congress had three choices. It could have accepted his program of "selective" controls on prices and wages, and selective rationing; it could have gone whole hog, with rationing and price and wage ceilings in all lines; or it could, and did, devise a program based essentially on the hope of voluntary agreements in business and agriculture.

The public recognizes that Democrats and Republicans, though sincere in their hopes of stopping inflation before it culminates in a national bust, are angling to lay the blame on the opposition if prices continue to go up, and to take credit to themselves if the rise is halted.

In deciding to sign the Republican measure, President Truman termed it "inadequate" and stated flatly: "This bill will not reduce the high cost of living and it will not keep prices from going even higher." Yet he agreed to sign it, and promised that his administration would utilize the authority given "to the fullest extent." Obviously, he considers it better than no legislation.

The President's criticism of the Republican program would have carried more weight had there been more meat and less of political sail-trimming in his own proposals. Some Republicans who believed that Mr. Truman's plan for selective controls could not possibly have succeeded, and would have created great discord and inequities in industry and labor, were tempted to let him have the program and the responsibility. But greater consideration had to be given to the national peril, and to this Nation's assumption of world assistance.

Yet neither Republicans nor Democrats were willing to thrust upon the Nation a system of all-out rationing and price and wage controls unpopular in wartime and unexampled in peacetime. Would the people have accepted such a program as a necessity in a period of high wages, high employment, high prices, and high profits? Congress and the President thought not. Criticism by each of the other's program may not then be taken too seriously.

Obviously, the steps taken by Congress will not be effective unless Mr. Truman's government firmly and vigorously implements them with positive action. Perhaps, as the President predicts, the program still will fail, but if it does the need will be shown positively for emergency powers over the lives of the citizens such as most Americans abhor.

There may have been significance in Mr. Truman's omission, in his recapitulation of the powers he had demanded, of the item of selective wage controls in vital industries. If he intended to give Government encouragement to another round of wage increases, the public will be justified in assuming that he will not make much effort to achieve the price-lowering aims of the GOP program.

By encouraging higher wages, on the one hand, and pointing to a failure of the congressional anti-inflation plan, on the other, the President could put himself into a strong vote-gathering position. Yet there is not yet reason to doubt Mr. Truman's sincerity in pointing to the Nation's danger. A strong nonpartisan administration of the Republican program would prove him a better President than politician.

The fundamental hope of stopping the price climb and getting more production lies, however, with business, agriculture, and labor. The unanswered question is: Are the leaders in the private-enterprise system willing to work together to stabilize the economy and prevent a world-shaking collapse? The President and Congress can only point the way, short of an economic dictatorship distasteful to a great majority of the citizens.

Plug This Rat Hole

EXTENSION OF REMARKS
OF
HON. CHESTER H. GROSS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. GROSS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following press release of Hon. Samuel B. Pettengill, a former Member of the House:

PLUG THIS RAT HOLE

The high cost of living and the high cost of giving are in competition. Whatever we give under the Marshall plan, the colossal waste between giver and givee must be stopped.

Senator STYLES BRIDGES, after a look at Europe, reports "miles" of American goods which have been rotting on wharves for a year or more. He believes much of this is due to the hostility of European merchants and businessmen who don't want American relief goods to compete in their markets. How do we stuff up this rat hole?

Obviously, this is no job for left-wing social welfare workers. Some mighty tough talkers must be put in charge. The greater the need of the destitute for relief the greater the need for hard-boiled handling of international charity. Somebody must crack the whip and get the food into the homes of the hungry. Otherwise, local interests and black-market politicians will gum up the works to prevent the group in charge of distributing the food to the hungry from getting the political credit for our charity.

There must remain one impregnable Gibraltar in the world, if the world is to be saved. Uncle Sam is the only visiting fireman now able or willing to respond to any alarm. If the fireman gets sick, who will take care of him?

It is a new thing in American history to hear huge crowds in Paris and Rome and Cairo shouting: "Down with Americans." Are American troops going to be sent into the Near East when British troops pull out?

We used to say, "Don't set your plow too deep." But that was when America was growing up to the mightiest stature any nation has ever achieved. It was before the waste of public funds was a social virtue, and careful Government bookkeeping had ceased to be honored.

Everyone here was under some pressure to buy war bonds. Patriotism was a pressure—an honorable one. But no one was actually compelled by law to buy a bond. Yet, when our Government makes a loan to a foreign government on its promise to repay, the President and Congress compel every citizen, indirectly, to purchase a share in a foreign government's promise.

The loan to Britain a year and a half ago, of $3,750,000,000, amounted to $27 per capita from American pockets. The total aid already extended to Europe since VE-day, plus the new Marshall plan, will amount to about $250 per capita, or $1,000 for an American family of four.

It is interesting to compare these figures with the taxes that brought on the American Revolution in 1776. At that time England was forcing Americans, per capita, to pay her about $3 a year, mostly in customs duties. The tax on the tea dumped in Boston Harbor was threepence per pound. How would you like to pay taxes of $3 a year, or 25 cents a month, to support our Federal Government today?

This comparison is made from figures in a book published in 1766, when Patrick Henry and other patriots were protesting taxation without representation. The book's title is "Considerations on the Propriety of Imposing Taxes on the British Colonies." Interesting reading 181 years later.

Did the atom bomb, the Frankenstein which we created, repeal the Declaration of Independence? If so, sad news to old Sam Adams in his grave: "If I have a wish dearer than that my ashes may be mingled with Warren (who died at Bunker Hill) it is that these American States may be forever free and independent."

SAMUEL B. PETTENGILL.

Foreign Aid

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. HESELTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast of my colleague from Massachusetts, Hon. CHRISTIAN A. HERTER:

Good evening, ladies and gentlemen, in the next few months the Congress of the United States is going to have to decide whether or not it, on behalf of the American people, will authorize a program of foreign aid. The day after tomorrow the Senate will open up hearings on the question and early next week the House Committee on Foreign Affairs will continue its hearings which it conducted for 1 day at the end of our special session. Congress's action is being watched not alone by the 16 nations of Europe which participated in the Paris Conference to draw up a plan of mutual self-help, but likewise by the Far East, South America, and our neighbors on this continent both to the north and the south. Each of these nations, in varying degree, is hopeful that the United States in making available for reconstruction purposes some of its dollars and its commodities, can put the world, or at least that part of the world which is not within the orbit of the Soviet Government, on the path toward greater productivity, a higher standard of living, and greater political stability. Russia and her satellites alone are opposing any program of aid to any European or Asiatic country with all the power of their influence and their great propaganda machine.

Generally speaking, I think it's fair to say that the majority of the Members of the Congress feel that the United States in its own self-interest should give aid within the limits of its financial and economic capacity. However, there is a wide divergence of opinion; first, as to the amount of aid that can safely be given; second, as to the way in which aid should be administered; and third, the extent to which the United States should look forward to any repayment, whether directly through the products which we need and which foreign nations can supply, or indirectly, through the restoration of the world's strength and freedom. To attempt to discuss all these divergences would be impossible in this brief period, but I do wish to concentrate on the second area, namely,

differences of opinion with respect to administration, because in my opinion the finding of the correct answer to this problem very directly affects the others. Unless the United States can provide the strongest and most efficient administration possible for the carrying out of any program, then dollars spent or commodities given away, are likely to be lost and any hope of repayment either in terms of goods or in terms of a stronger and freer world may well be futile.

At the moment the divergence of opinion as to how any program of aid should be administered can be found most clearly in comparing the draft of a bill which the State Department has submitted for the carrying out of its ideas and the bill which was filed by myself and which carries out the unanimous ideas of an 18-member special committee of the Congress of which I had the honor to be acting chairman. This latter committee was directed by the Congress to make a particular study of this subject and devoted a greater part of the summer and early fall to its work both by visiting the principal countries of Europe affected and by working here in Washington.

The major differences in the two approaches are as follows: The State Department bill, in effect, places the entire administration of the program directly under the Secretary of State both in its domestic administration and in its administration overseas. Although a special agency is created and a special administrator named, nevertheless, the latter is actually under the direction of the Secretary of State in all matters affecting foreign policy, and abroad all of his agents would become in effect a part of our foreign service and could report only through State Department Ambassadors and State Department channels.

My bill would create a special agency organized in corporate form. This agency would have a group of eight directors equally divided between the two political parties, all to be appointed by the President and confirmed by the Senate and one of the directors would be the Chairman of the Board of Directors, and would be the operating head of the authority. The latter would coordinate his work with the policies of the State Department through a foreign aid counsel of which the Secretary of State would be the chairman and which would embrace the principal governmental authorities having a direct interest in the program of foreign aid. He would likewise be required to get the counter-signature of the President on directives which he issued to other Government departments, thereby in effect coordinating his policies completely with those of the President. However, on the technical side he would have considerable autonomy, would be free to select his own personnel both in this country and abroad and would be free, subject to the over-all policies of the President and the Secretary of State, in negotiating special arrangements with each foreign country to which we are extending a helping hand. I am convinced that only through some such special agency as my bill provides can two extremely desirable ends be accomplished. First, the sharing of responsibility by the two major political parties through the creation of a bi-partisan board thereby making a bipartisan foreign policy a reality; second, attracting the ablest brains that we have in this country through giving them sufficient leeway in the carrying out of their administrative duties without having complete direction in all detail by the Department of State. These officials would be free from civil-service regulations and would be acting on a temporary basis. They could be paid such salaries as their services should command. Under my bill the services by contract or otherwise of engineering experts and other technical experts would be possible. Only in some such way could a really competent staff be assembled to administer what in effect would be a highly technical and very difficult operation.

There are other differences in the two bills. The State Department bill would appropriate a given sum of money for the over-all operation and would then leave it to the administrator working under the State Department to determine how much of it should be spent for grants in aid and how much should be loaned to foreign countries. With respect to loans, the administrator would consult with the National Advisory Committee which again consists of administration officials, but does not include the Chairman of the Export-Import Bank and in the making of any loan, the terms and conditions and amounts would be decided by the administrator, and would then be administered by the Export-Import Bank. In my bill it is specifically set out that only food, fuel, and fertilizer can be considered in the grant in aid category; the one exception being that a limited amount can be spent for so-called incentive goods such as tobacco and again a limited amount to take care of urgent requirements such as agricultural or mining machinery for which loans are not immediately available. In my bill the Export-Import Bank capital would be increased and that bank, which in my opinion is one of the most efficiently and ably operated agencies in Washington, would make the final determination as it does today as to the loans which it would make for the financing of raw materials and certain types of light machinery. Both of our bills would presumably leave the financing of capital goods or heavy machinery to the World Bank although in the case of the State Department bill, the Administrator whom they propose could go into this field if he chose to do so.

Again, I am strongly prejudiced in favor of the provisions of my own bill because I feel that we should make full use of an agency which is operating well and which by law can make loans only if such have, and I quote "a reasonable chance of repayment." I do not believe that the United States should make any loans except on such a basis.

The third big difference between our approaches deals with the handling of export controls. The State Department bill would leave export controls where they are now in the Department of Commerce. My bill would transfer them to the new agency. This is an important difference. Any program of foreign aid, whether or not it is limited to certain European countries or whether it includes countries in the Far East, must be directly related to what we in the United States can afford to give or sell not alone to those countries but to all the other countries of the world. It is little realized that during the last year we shipped to the 16 nations of Europe which made up the Paris Peace Conference, only one-third of our total exports. The other two-thirds went to Canada, Mexico, South America, Cuba, India, Australia, etc. Obviously, if an intelligent planning of any program is to be made so as not to weaken our own domestic economy it must be made in relation to the rest of our trade with the rest of the world. The export control is the only control which we have which can effectively channel such goods as we can spare to the right countries. Obviously, that control should rest in the hands of the individual or organizations responsible for our foreign-aid program. In a similar way, the State Department leaves the allocation of foodstuffs in the Department of Agriculture. All allocations in my opinion should be left to the one new agency which would certainly have the best facilities available for determining relative needs. The administrator I propose would have to consult with the Secretary of State and with the President but by and large unless responsibility is fixed efficient administration is impossible. Furthermore, that responsibility ought not to be fixed in the Secretary of State because the State Department has to receive all formal protests from foreign governments and should be free to act as a claimant agency for those foreign governments and also be free from the petty annoyances and difficulties of administrative detail.

There are other differences between the State Department bill and my own, particularly with respect to the use of local currencies taken in payment for goods delivered to foreign governments and with respect to receiving in return certain metals for stock-piling purposes which are either nonexistent or have been exhausted in this country.

I have not touched on the question of the amount necessary to carry out an effective foreign-aid program. That matter is still being carefully studied, but I am very doubtful whether in the first 15 months as large a sum is required as the State Department has indicated. I further feel very strongly that the Congress should not commit itself to any specific sum over a four and a quarter year period. I say this for two reasons, first, because to make a commitment at this time for a very hazardous and unknown future would be foolish on our part and might well lead foreign nations to believe that we have promised just so much help regardless of whether or not they did their own share to help themselves. I firmly believe that we should do what we can to help, but I equally firmly believe that we should review what we are doing at least once every year and that we should continue only so long as real progress is being made and a willingness on the part of recipient nations is being shown to carry out to the best of their ability their own share in the program.

Again let me repeat that I cannot emphasize too strongly the need for a strong organization and one which can attract the ablest brains we have. It is the primary essential in granting help to those who are in trouble.

Thank you for letting me express in this brief way my views on a very controversial matter. Good night.

Meredith Nicholson's Advice to Youths Who Are Unable To Obtain a College Education

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EXTENSION OF REMARKS
OF
HON. LOUIS LUDLOW
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. LUDLOW. Mr. Speaker, when Meredith Nicholson, the distinguished author, died, a poor man, at Indianapolis, on December 21, he left a formula which he had used for obtaining a liberal education outside the walls of an educational institution. This formula is a legacy of value to every poor boy and girl in America who cannot find means to obtain a college education. Mr. Nicholson began to earn his own living at the age of 15 as a printer's devil and never went to college. By his own statement he made the city of Indianapolis and its outstanding men his school.

In an autobiographical sketch titled, "Without Benefit of College," Mr. Nicholson detailed his experiences in acquiring an education outside of formal schools:

I shouldn't be writing it at all if it were not for the hope that some boy or girl, denied an opportunity to go to college, or some parent, puzzled and distressed because

a child seems slow or stupid, may find comfort and encouragement in my confession.

He related that he was "undoubtedly below the average child in my ability to learn" and recounted a battle with high school algebra which induced him to end his formal schooling.

My parents were poor, but it was not poverty that drove me from the schoolhouse so much as panic over the algebraic signs—

The Hoosier author wrote.

Upon his withdrawal from high school, he plunged into a different kind of learning—educating himself by talking with outstanding men of all kinds and doing many types of work.

I was making the town itself my school, appointing its most brilliant and stimulating men my teachers and helpers—

He says.

In his sketch he recalls many meetings with Myron W. Reed, then pastor of the First Presbyterian Church; Oscar M. McCulloch, pastor of the Plymouth Congregational Church; with Attorneys John T. Dye and William P. Fishback, for whom he worked for a time, and with many other leaders of the community.

I was probably learning more by observing and listening than from the books I borrowed from the library, which ran the whole range of human knowledge—

He said.

Expressing disdain for the restrictive routine of colleges, Mr. Nicholson said:

I can see now that I would never have been a successful student if I had gone to college; the routine of a fixed curriculum would have crippled my initiative. I gathered such fruit as pleased me from the tree of knowledge and did not worry about the rest.

I have the greatest reverence for exact scholarship, but I was born with what, I believe, is called a journalistic mind and took the shortest cut to any information I wanted.

Who Gets the American Market?

EXTENSION OF REMARKS
OF
HON. JOHN W. BYRNES
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. BYRNES of Wisconsin. Mr. Speaker, a recent editorial appearing in the Green Bay Press-Gazette should give us cause to stop and think. The subject matter is particularly pertinent in view of action taken in the recent trade agreements entered into by the President and in view of the fact that the Trade Agreements Act will expire in June. The big question we must resolve soon is: Who gets the American market?

The editorial follows:

WISCONSIN FOX FARMS

This is not a good time to judge future economic policies because we are still feeling the effects of that great upheaval called war.

But we are naturally interested in the fur-farm problem because we have had many worthy citizens develop the business hereabouts, and they are entitled to our consideration.

The fox-fur industry is laboring hard to keep on its feet. We find that about 65 percent of American imports from Russia last year consisted of furs. These imports didn't do our fur farmers any good although they benefited the Soviets by providing dollar exchange and they also benefited tool makers with whom the Soviets spent their dollars.

It just doesn't seem right. It isn't right. During the past 20 years we were cheering the fellows who dug in their fingernails at a new business venture—that of raising furs instead of depending upon foreign fields or the wilds for them. It takes courage to enter a new venture and use up one's savings or mortgage one's property upon an uncertain future. But it has been ventures of this kind all sewed together that have made America. Our fur farmers burned the midnight oil. They studied markets. They studied animals. They studied food and care. They studied breeds and crossbreeds. They experimented. And they must have balanced in their minds certain perils, for there are always dangers in every business. Yet we doubt that they ever figured their own Government would take their market away from them and give it to someone else.

It is not a matter of the share of this market that goes to the Soviets. It is the deep-seated principle of how much of such market should go to anyone in preference to our own people.

Republican Leaders Review Accomplishments of Eightieth Congress and Assure Country the Republican Majority Will Continue To Keep Their Party's Pledges for Sound, Forward-Looking Legislation

EXTENSION OF REMARKS
OF
HON. LESLIE C. ARENDS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. AREND S. Mr. Speaker, remarks on the brilliant accomplishments of the Eightieth Congress were made by five distinguished Republican leaders in a radio program on the night of January 5, 1948.

The program was presented by the Republican National Committee over the Mutual Broadcasting System from Station WOL in Washington, D. C.

These leaders of the Republican Party included the Speaker of the House of Representatives, the Honorable JOSEPH W. MARTIN, JR., of Massachusetts, and the Honorable CHARLES A. HALLECK, of Indiana, leader of the majority in the House of Representatives.

Accomplishments in reversing the ruinous trend of New Deal Democrat administrations were detailed in the broadcast, and outlined was the Republican Party's program to maintain the American way of life so that America may continue to be strong and a bulwark for the republican form of government in a troubled world.

Herewith is the full text of the Republican radio program presented over the Mutual Broadcasting System last night:

ANNOUNCER. Republicans are on the air.

On the eve of the second session of the Eightieth Congress, the Mutual network presents from Washington a discussion featuring five leaders of the Republican Party. To be heard are Carroll Reece, chairman of the Republican National Committee; Senators Robert A. Taft, of Ohio, and Eugene D. Millikin, of Colorado; Speaker of the House Joseph W. Martin, Jr., of Massachusetts, and House Majority Leader Charles A. Halleck, of Indiana. And now here is the chairman of the discussion, Mr. Carroll Reece.

Chairman REECE. Good evening. The Republican Party is confronted this year with a great opportunity and with the gravest responsibility ever faced by any political group in history.

This is the appropriate time to appraise the situation, to make plans to take advantage of the opportunity and to discharge the responsibility.

The most important single factor in the determination of Republican success or failure this year will be the record of the Republican Congress.

That Congress made a brilliant record during its first session, despite opposition of Mr. Truman and his executive departments.

It kept every promise its Members had made to the people during the campaign with the sole exception of a reduction in withholding and other income taxes.

It was prevented from keeping that promise of tax relief only by an unprecedented misuse of the Presidential veto power.

During the special session just ended—and despite handicaps imposed when the Truman administration injected domestic politics into the European relief emergency—the Republican Congress made a record equally satisfactory to the American people.

During the second session, which begins tomorrow, the Republican leadership will make additional progress toward maintaining our representative Republic and preserving our American way of life.

Tonight it is my privilege to present four distinguished Republican congressional leaders who will discuss with you some of the high lights of the legislative task confronting the Congress.

Representative CHARLES A. HALLECK, of Indiana, the majority leader of the House of Representatives, is first on our panel. Mr. HALLECK, would you like to tell the audience what, in your opinion, the people had in mind when they voted a year ago last November to give the Republicans control of the Congress?

Representative HALLECK. Yes, Mr. Reece, I would like to do that, but I don't think I need to go into detail to refresh the memory of the American people regarding the chaotic, insufferable conditions that prevailed in this country when the people by their votes in November 1946 said they had had enough.

Our country was on the brink of disaster. The years of New Deal Democrat misrule; their rubber-stamp Congresses, huge blank-check appropriations; pollution of every phase of our national economy by all sorts of alien philosophies—all of these and more, had conspired to strangle industry, farming, and mining.

The American people's memory is vivid on those hectic postwar days when the Truman administration was fumbling and bungling and steering the ship of state toward rocks of destruction.

The war had ended but controls, directives, Executive orders, rules and regulations were still going strong and hamstringing the country.

It was plain to almost everybody that bad government was stifling the production of the peacetime goods so urgently needed.

That's why the American people voted for good government—Republican government—and they are not going back to bad government. They are not going back to OPA.

We all remember the meat situation that existed in 1946. Housewives could buy a little meat, but to get it they had to stand in line for hours, or be lawbreakers and go into the black market and pay outrageously high prices. And there were shortages in

nearly every other line—washing machines, clothes, refrigerators, shoes, radios. In short, about all we got was old bull meat and short shirt tails.

Sure, some prices are too high today, chiefly because of the tremendous drain of foreign exports on our limited domestic resources. But the solid fact is that many things that were not obtainable before the people elected the Republican Congress are now on the market shelves.

That is because the Republican Congress got production under full speed ahead. But for that prices would be much higher and we could not begin to meet our necessities, either at home or abroad.

The truth is the Truman administration has no round solution for any of our national problems.

All it wants is power and more power to regiment the people. That is the road to collapse and ruin.

The administration asks for these police-state powers on its record. But the way the administration has abused these powers in the past is the best warning sign for the future.

The American people remember that a few days after they had repudiated the Truman administration in the 1946 elections the President publicly issued a statement acknowledging the people's verdict and pledged cooperation with the Republican Congress.

He has not kept that pledge.

Instead he has called the signals for opposition to every major measure proposed by the Republican majority in the Congress.

He has opposed reduction in Government expenditures. Twice we passed bills to give the people relief from the heavy wartime tax burden only to meet Presidential vetoes. We Republicans have a majority in the Congress, but we do not have the two-thirds required to override all the President's vetoes. Incidentally, with a Republican President, we won't need two-thirds.

Again I ask you to cast your thoughts back to those chaotic days of 1945 and 1946. Labor-management disputes raged all over the country. The year 1946 was the blackest year for work stoppages and loss of production in the entire history of our country. Not once but many times widespread strikes paralyzed large segments of industry.

The people demanding action, we passed the fair and just Taft-Hartley Act.

It is not, and never was, intended to be a punitive law.

Workers now know from experience under its terms that it is a good law and their bill of rights. They know it completely protects their rights—the right to organize, the right of full control over their unions, fair and honorable collective bargaining, and the right to strike. Under it contracts are being made, and, what should be of interest to workingmen everywhere, those contracts are good ones.

The country knows it is a good law because it makes the public interest paramount.

President Truman vetoed the bill. The House of Representatives overrode the President's veto, 331 to 83, only one vote short of 4 to 1. The Senate vote was 68 to 25, or six more than a two-thirds of the 93 Senators who voted. More Democrats in the Congress voted for the bill than against it.

Fellow Americans, I have given you some of the reasons why the people have determined there will be no fifth term for the New Deal. America is going forward!

And now, Chairman Reece, will you take over?

Chairman REECE. Thank you, Mr. HALLECK. Now we go from the House to the Senate. Next is Senator ROBERT A. TAFT, of Ohio, Chairman of the Republican Policy Committee of the Senate. Senator TAFT, suppose you give us a few facts about why we have high prices and what has been done and what could be done to keep them from going higher if the Administration was really interested in that idea.

Senator TAFT. I shall be glad to do that, Mr. Chairman.

The people today are restless and uneasy. In spite of full employment and high wages, they have no sense of safety or security. Abroad, the policies of Yalta have brought us to a condition where no one is confident of peace. At home prices are so high as to shock every housewife and impose hardship on millions of families of the white collar and fixed income groups, the aged and the pensioners. Everyone feels the present artificial conditions will end in a depression if it is not promptly corrected.

Why are prices rising? The New Dealers have been in power for the last 15 years. They have always tried to bring on inflation. They devaluated the dollar! They encouraged Government spending and huge deficits, both before and during the war. They tripled bank deposits and quadrupled the cash money in circulation.

They adopted the extraordinary theory that you could increase the whole wage level by 20 percent without increasing prices, a theory disproved almost before the new wage pattern for factory workers became effective.

They have been promising the farmer higher prices, the consumer lower prices and the workmen higher wages all at the same time. They don't know anything but inflation. How can they be expected to stop it?

Prices go up when there is more money to buy things than there are things to buy. We are producing more today than ever before, but the Government has created still more paper dollars. In spite of these policies, prices were almost stable when Congress was in session in 1947. But more New Deal policies have started them up again.

First, the Government itself is spending four times what it spent before the war and the Government doesn't produce any goods on the selling side.

Second, we have supplied foreign nations with dollars in huge sums to come here and buy our goods. Our exports of goods and services in 1947 amounted to $18,000,000,000, against only $8,000,000,000 of imports. Ten billion dollars came in here to compete with our citizens for goods and services produced here, without adding one bushel of wheat to our production. And most of these dollars were supplied by our taxpayers on credit or as a gift. Of course, the price of wheat rose on the open market to $3. Wheat went up even faster because of reckless Government buying methods. Of course, the members of the Government who bought wheat futures knew the price was going up.

Third, the administration let bank loans increase in a year by $5,000,000,000, creating that many more dollars. It failed to use the powers it has always had to restrict bank credit.

Now the administration demands a return to OPA, to WPB, to the War Labor Board. The President hysterically demands unlimited power to ration the housewife, fix prices, fix wages, and direct every detail of business—the very powers which he denounced 2 weeks earlier as police-state methods. He tries to blame the Republicans because controls were removed. Why, he removed controls himself, 8 months before his price-control powers expired.

In any event, police-state methods won't work in the United States in peacetime as we saw under OPA. They can't be enforced. Black markets spring up overnight. If controls could be enforced, they would stifle production as they have in Europe and did here. And more production is the ultimate solution. Freedom and free competition have made America the greatest producer in the world, and have made it possible for us to help Europe.

Let the administration get at the causes. Increase production and, in the meantime, cut down the demand by less spending for a while.

The New Deal method has always been to set up a bureau, issue orders and regulations, and call out the police to enforce them. They do not know any other method. Let the President try some American methods to cure high prices. Let the Government stop spending itself, and then it can get the cooperation of the people to save more and spend less. Let him tell his bureaus to stop spending $40,000,000,000 a year. Last year he fought every Republican effort to save. Let him cut down on exports, he has had the power right along and has refused to use it.

As long as we have lavish Marshall plans, we will have Marshall-plan prices.

Let the administration make it clear that banks must curtail lending. Most bankers will tell you prices can be turned down over night if the orthodox methods are used which the administration has had full power to use. The power is so great it has to be carefully handled not to bring prices down too rapidly.

The Republican Congress has consistently given the President all the powers needed to stop inflation by American methods. We have given him everything except the OPA and wage fixing and allocation, police state methods. All the important powers he has had ever since the war. But he has not used them. So, even if you get more paper dollars in your pay envelope, the administration policies have reduced the value of your dollars.

Is the President afraid to use American methods? Or is it possible he doesn't really want lower prices? Whenever any food price starts going down, or even threatens to go down, as in the case of sugar, some Government department steps in and starts buying to keep up the price. Does the President think that Democratic chances are better if he keeps the boom going, even at the cost of a serious depression and hardship to millions of consumers?

And now, Chairman Reece, will you take over?

Chairman REECE. Yes, Senator TAFT. And now back to the House again. Next on the panel is the Speaker of the House, JOSEPH W. MARTIN, JR., of Massachusetts.

The Republican Party keeps its promises. During the last campaign it made promises to reduce Government expenditures and wartime taxes. To tell you how the party lived up to those promises, I now call upon the Speaker.

Speaker MARTIN. All right, Mr. Chairman, I'll talk about Federal Government expenditures and taxes.

"Spendthrift" is a term that applies definitely to New Deal Democrat administrations, past and present. Spend and spend and tax and tax has been their guiding philosophy in utter disregard of the road they were traveling—the road to ruin, bankruptcy, and the police state.

For any whim of these New Dealers, any experiment in collectivism they could think of, they spent and spent and they taxed and taxed.

They tell us that if the Government takes the people's money and spends it the result is not inflationary, but if the people use their money as they decide the result is inflationary. That is nonsense.

The American people know that the cost of government has gone up all out of reason. They want those costs cut and we shall do so. The Republican Congress during its first session made a start in eliminating unnecessary expenditures and in relieving the Federal pay roll of persons not needed.

We lopped off several billion dollars from President Truman's padded budget. The number of persons on the Federal pay roll has been reduced by approximately 1,000,000 persons since the beginning of the Republican drive for the elimination of useless bureaucrats.

These accomplishments for the most part were made despite vigorous opposition of President Truman and his followers on Capitol Hill. The administration fought econ-

omy every step of the way, and they turned loose their propaganda machine to misrepresent the facts. All across the country one could hear the wails of busybody bureaucrats, when they were deprived of some of their sugarplums.

The American people are deeply concerned over the high cost of government.

Federal, State, and local governments now cost about $50,000,000,000 a year. That is one-fourth of our entire national income of roughly $200,000,000,000. Think of it. The Nation's food bill was less than $40,000,000,000 in 1946. It costs our people more to be governed or misgoverned than their food costs them. It is estimated that the cost of food has increased about 92 percent since 1939, while the cost of the Federal Government has gone up 331 percent, and we are in our third year after the war.

Yes, we are going right ahead with our reduction of unnecessary governmental expenditures during the session of the Congress beginning tomorrow. Of course, we will not be able to finish the job on it as well as on other matters until the people next November elect a Republican President who will cooperate with a Republican Congress.

Now on taxes: We shall pass a tax-reduction bill during the forthcoming session. I am hopeful we can pass it in the House this month. Continuation of wartime taxes in peacetime is intolerable and indefensible.

The American people know that the Republican Party is the party of economy in Government expenditures and in tax reduction. Twice during the first session of the Eightieth Congress we passed tax-reducing bills only to meet indefensible vetoes by the President. I say indefensible, because the Constitution definitely lodges in the Congress the power to say what the tax policy shall be.

Our Federal Treasury today would be operating in the red if the Republican Congress had approved all of the spend-and-spend proposals of the Truman administration.

Largely due to the freedom of competitive enterprise that the advent of a Republican Congress generated throughout the land—and the constructive record of this Congress—Federal revenue now exceeds outgo for the first time in 17 years.

We got the Government out of the red, and we are getting the Reds out of the Government.

We shall continue to see that adequate funds are provided for effective national defense and for the needs of our war veterans.

We shall do whatever is necessary to maintain the upsurge in home building that began when the Congress took charge of the housing shortage from ignorant New Deal planners.

We appropriated the largest amount in history for flood control. The Republican Party originated the vast reclamation program that today is meeting the needs of our Western States, and the present Republican Congress is expanding and developing that program in a sensible businesslike way.

All of these expenditures are necessary. They will be made and with continuation of the economy record of the present Congress there will be ample margin of Treasury surplus to give the people the tax relief which they demand and which they are entitled to have.

Lower taxes mean more take-home pay. Lower taxes mean more money to invest in business enterprises for production of goods and to provide jobs.

Lower taxes will help cut the cost of living. Taxes enter into the cost of everything we buy, from an automobile to a haircut. Every time you housewives go to the store and spend $10, $2.50 of it goes for taxes.

Lower taxes mean more money to save and for our aged citizens, lower taxes might mean they can obtain the necessities of life. We must cut the cost of government and cut taxes to help keep America strong.

The American people want to do all they can to help friendly foreign countries recover from the war and to stop communism, but our people want the Congress to be prudent about it and not bankrupt America. Only a strong America can be an inspiration and bulwark for the republican form of government. Now, Mr. Chairman, will you carry the ball from here?

Chairman REECE. Thank you, Speaker MARTIN.

Much of the legislation which will be needed to end the chaos bequeathed to this Nation by the dying New Deal will be considered by the powerful Senate Committee on Finance. Its chairman, who is here tonight, is Senator EUGENE D. MILLIKIN, of Colorado, and he is also chairman of the Senate Republican conference, which includes all majority Members of the Senate. Senator, we would like to have your views on the Marshall plan.

Senator MILLIKIN. All right, Mr. Reece.

In 1944 the voters were assured and a majority of them believed that another 4 years of New Deal executive leadership was necessary if we were to win the kind of peace that would justify the appalling human and material costs of the war then in progress.

And so we were promised and a majority of the voters, including our voting servicemen believed, that there would be no territorial aggrandizement by the victorious powers; that liberated governments were to be rooted in the approval of their citizens as determined by secret and uncoerced ballots in free and unrigged elections; that the human race was to walk upright and unafraid in the sun of freedom.

Later on, these and other inspiring principles were formally expressed and pledged by us in the Atlantic Charter and in the Charter of the United Nations Organization.

What happened? At Tehran, Yalta, and Potsdam, the leaders of the executive department of our Government turned their backs on their pledged adherence to the peacemaking principles which I have mentioned and which had comforted and inspired our wartime sacrifices, and joined in deals for their violation. Many of these deals were secret and there is no sound assurance that we have heard the last of them.

It seems that the opposition leaders were operating under a variation of the childhood theory that you can catch a bird by putting salt on its tail. They apparently thought you can tame a bear by feeding him all of the honey he can eat. But there isn't that much honey.

Those deals which were made without the approval of the Congress and without the cooperation and with the abhorrence of the Republican Party, brought down the "iron curtain" with the tragic consequences which confront us today.

It will serve us well to remember these things for it will not be long until we are again told that only the present occupant of the White House has the infallible master touch to insure the victory and keep us out of further war.

Well, what is the Republican position?

We do not say to our opponents—you have made the mess, go and clean it up. Not at all.

Our country has to be protected from the perils which surround it and peace with honor has yet to be salvaged. These facts set our duty.

We have cooperated patriotically on a bipartisan basis and shall continue to cooperate on that basis with every sound measure proposed by the opposition to further those purposes.

I respectfully affirm that the Republican leadership of Senator ARTHUR H. VANDENBERG inspired the reversal of the appeasement policies of Tehran, Yalta, and Potsdam.

The Republican Party wants our foreign policy to move in partisan unity throughout the world.

The sincerity of our purpose has been attested by the conduct of Republicans who represent this Nation in the United Nations Organization. It is attested by the most effective support and leadership which Republicans have given to all our accomplishments in furthering peace and friendly relations throughout the Western Hemisphere.

This should evidence that we shall not allow our disillusionments and frustrations either to move us into isolationism or into measureless, and self-destructive world-wide commitments. We are not insensitive to the troubles of other nations, but this does not require that we shall rush to diaper every squalling problem all over the face of the earth, or shoulder burdens which belong rightfully to others and which they are able to bear.

We shall follow policies of sanity and common sense and these, by their nature, exclude adherence to morbid extremes.

We shall confront the dangers of the hour with courage and self-respect.

We accept the rightful responsibilities of a great Nation. We are not unmindful of the fact that the performance of these responsibilities must necessarily be limited to our means.

We recognize that our broader best interests are served by an economically sound, free, and peaceful world.

It is my personal opinion that this session of Congress will pass foreign-aid legislation.

I believe it is realized that the operation of a foreign-aid program will add to our shortages at home and that this will keep us from buying many things we would like to have, and will exert pressures against the lowering of high prices.

Nevertheless, out of a spirit of helpfulness, unparalleled in world history, I believe that a majority of our people want the Congress to enact foreign-aid legislation.

A decent regard for what is in the hearts of the American people requires that the aid shall not imperil our own economy and shall be of a nature that will help our friends abroad to help themselves.

Decent regard for these duties of high trust will require, among other things, that the Congress shall come up with a plan stripped clean of hysteria, waste, extravagance, overswollen aims, and scatteration. A plan sharply focused on the accomplishment of vital objectives, a plan limited in time so as to assure performance of whatever our promise may be, a plan that will avoid raising false and extravagant hopes, a plan so constructed that the performance can be watched and our aid can be abandoned if the intended purposes are not accomplished.

Now, Chairman Reece, will you take over at this point?

Chairman REECE. Thank you, Senator MILLIKIN. May I say in closing that I am confident the United States is on the road to recovery. We cannot hope for a complete cure overnight.

This Nation has been on the greatest spending spree in history—one which has lasted more than 15 years. The inevitable headache must be endured. But the cure for the headache is not more of the stimulant which produced it.

A year ago the people called in a new physician and under the ministrations of the new doctor substantial progress has been made toward recovery. The American people are not going to adopt a policy of reaction which would take them back to the conditions so vividly described earlier on this program.

The American people are going forward—forward with the Republican Party, the party of progress and liberalism. The Nation's only hope—and it may turn out to be the only hope of the world as well—is the Republican Party, which stands unequivocally for the American governmental and economic system.

The Republican Party had a noble origin. It came into being to prevent slavery and to

promote freedom for the individual. The onslaught on individual liberty by the alien-minded radicals—the Typhoid Marys of communism—who have insinuated themselves into positions of influence in and out of the Government, signifies the importance of maintaining freedom in America at this time.

The Republican Party from its beginning, has been consistent in principle, loyal to its beliefs and faithful to its commitments. Its long record is an assurance of its sincerity and fidelity. The character of the Republican Party gives assurances of good government.

ANNOUNCER. Tomorrow the second session of the Eightieth Congress will convene on Capitol Hill. This evening you have heard a discussion by Republican leaders of what legislative developments may be expected in the months ahead. Heard on the program were Carroll Reece, chairman of the Republican National Committee, Senators Robert A. Taft, of Ohio, and Eugene D. Millikin, of Colorado, Speaker of the House Joseph W. Martin, Jr., of Massachusetts, and House Majority Leader Charles A. Halleck, of Indiana. The preceding half hour was made available by the Mutual network to the Republican Party in the public interest. The program originated in our Washington studios. This is the Mutual Broadcasting System.

Federal Grants-in-Aid

EXTENSION OF REMARKS
OF
HON. JOHN W. BYRNES
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. BYRNES of Wisconsin. Mr. Speaker, we will soon begin consideration of the Federal budget for the fiscal year 1949. We will be looking for ways and means to reduce this budget to an absolute minimum.

One place where great savings can be made is in the field of grants-in-aid. In this connection, I call attention to the following editorial which appeared in the Green Bay Press-Gazette on December 19, 1947:

WANT $2,000,000?

Three years ago the United States Congress increased Federal aid appropriations for highways. One section of the Federal aid law set up the first specific Federal subsidy program for urban streets which are part of the Federal highway system.

Municipal representatives from all over the country, including Wisconsin, represented such a program as seriously needed. Congressmen listened, and gave them the money. The Wisconsin apportionment amounted to more than $8,000,000 divided through 3 years.

But today, with the delayed expiration date nearing for the expenditure of the first year's apportionment, the State highway commission is worried about what to do with the money that has been credited to this State.

Only about $700,000 of nearly $3,000,000 has thus far been claimed by Wisconsin cities, some 50 of which are eligible for the subsidies, our Madison bureau informs us in an interesting dispatch. The cities are apparently indifferent about the disposition of the remainder of the money. Most of them have filed no plans, made no claims.

Here may be a prime example of the confusing lengths to which the grants-in-aids system has been carried by the national Government in recent years.

The Congress has taxed the American people to supply millions of dollars of highway funds which local authorities, by their inertia and indifference, have indicated will not be used. In spite of repeated admonitions from the State highway commission—which evidently is a little embarrassed by this turn of affairs—the money is going begging.

There are other Federal aid programs with which the State and local governments of Wisconsin can easily dispense. We are not so poverty-stricken that we cannot raise the funds needed for the public services which we actually can use and want. The ignored Federal aids may awaken the people to the wild lengths to which our free-spending Washington Government has gone in recent years to willfully dissipate the resources of the people.

Civil Rights

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Mark Foote, from the Bay City (Mich.) Times:

CIVIL RIGHTS

(By Mark Foote)

WASHINGTON.—The President's committee on civil rights has made an exhaustive report, eloquent and at times persuasive. It would set up a Federal bureaucracy to enforce a greatly expanded list of civil rights, including a Federal antilynching law, anti-poll-tax law, and fair-employment law.

It goes far beyond President Truman's Executive order which proposes a study of better ways and means of "preserving of civil rights guaranteed by the Constitution." It also recommends passage of State laws.

There is much to commend in the report. It enunciates a lofty principle of human conduct, a great ideal of morality if not of law. Some of the results of segregation on account of race, color, creed are a shock to the conscience of all good citizens.

It errs in placing more reliance on compulsion by law than the character, vision, and high principle of the people. It errs also in seeking to extend Federal authority into the jurisdiction of the States.

The Constitution-makers were setting up a limited form of political government. They confined themselves to guaranteeing security of person, citizenship, and freedom of expression. They knew that a government which deals with social questions inevitably gets into the realm of sumptuary legislation.

And as the Constitution-makers realized, 140 years before the prohibition amendment, sumptuary legislation does not work in a free society. No legislation works in a free society unless it has the backing of a large majority of the people.

The report lacks balance because it fails to take into account the great progress made in the past. Only six States now have poll-tax laws. The Negro race in this country has only been out of involuntary servitude since 1863. In the period since it has made more progress than any race in the history of civilization.

Some of the promise for the future is contained in the past. Progress in wiping out injustice and inequality is always slow, but it usually goes along with the burial of old antagonisms. The danger of compulsion by law is not only its ineffectiveness, but in the creation of new antagonisms. The committee puts little emphasis on education and evolution as a solvent.

The committee turned the spotlight on the National Capital as the plague spot of discrimination. It holds that Washington should set the example for the country. In this it ignores the practicalities of the situation—a Congress in which southern Democrats bitterly opposed to breaking down segregation—hold a veto through use of the filibuster in the Senate.

The report stated: "The Capital Transit Co. (Washington street railway system) advertised for workers hundreds of miles away and even recruited Government employees on a part-time basis. In spite of this, the company would not employ Negroes as operators."

This is in error. The company was always willing to employ Negroes. But the union of company employees vetoed it. The company knew if it hired even one Negro operator, the National Capital would have a transit strike on its hands in wartime.

Herewith is presented a viewpoint opposed to that of the President's committee of Donald Richberg, who switched from labor lawyer to bitter critic of monopoly and coercive features of labor law as developed by the New Deal. Richberg filed a brief with the Senate Committee on Labor and Public Welfare opposing a bill to prohibit discrimination in employment because of race, religion, color, national origin, or ancestry. He said:

"The essential liberty to choose one's associates because of personal liking and confidence, or individual judgment, whether rational or irrational in the opinion of others, is one of the most essential freedoms guaranteed by the Constitution. Denial of that freedom is not admirable but detestable.

"All unreasonable prejudice may be assumed to be evil. But bad thinking cannot be legislated out of the human mind. And how can a Government official be endowed with the celestial wisdom necessary to determine whether that which is called prejudice and intolerance is really evil, or is righteous dislike or hatred?"

Is it wrong or right for a deeply religious person to prefer not to associate with those who would like to destroy his religion? Is it wrong or right for a free individualist to object to enforced association with a fanatic Communist, who works to enslave him?

Richberg says if the FEPC law were passed, the management of a religious publication (for profit) would be forbidden to discriminate against atheists or hostile religionists, who might be qualified but certainly not cooperative employees.

If an employer is to be regarded as a mere instrument of state policy who can be required to employ anyone whom a Government bureaucrat finds to be qualified for a particular job, why should not all employment be made through a Government agency?

Radio Address to My Constituents

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address delivered by me

over Station WNBF on December 27, 1947:

Dear friends of the Triple Cities and my congressional district, in response to a number of telegrams received from home, informing me of a critical fuel oil shortage in the Triple Cities, I immediately appealed to the authorities in Washington.

The Department of the Interior, which is handling this problem, is not very optimistic over our northeastern supply of fuel oil for the balance of the winter. The director told me that we can expect at least a 20-percent shortage in view of increased demands for this vital utility.

Personally, I feel both Government and industry should take care of fuel-oil users who have homes and families to keep warm before they allocate their supplies to any other applicants.

As you know, Congress passed the anti-inflation bill just before we recessed, along with a moral persuasion proviso. This calls upon industry to cooperate with Government to make voluntary agreements concerning prices and allocations of materials.

I am advised that fuel oil will figure importantly in this whole allocation picture. To my mind the powers that be had better think clearly and precisely through the dilemma in order to keep the people who need fuel oil well supplied.

There will be meetings held soon here in Washington, consisting of men from all petroleum concerns to work out with the Interior Department details of this new legislation which is now on the books.

Compulsory methods in connection with the program of distributing our material resources will not work out. You cannot make some individuals do entirely as they should, even for the public welfare.

Programs like this ought to be voluntary. The will to cooperate must be there, else there will be no cooperation. But to make it a success everybody must cooperate.

The solution then is to convince these people that their chance to save our form of government is now. If they get their heads together and carry out a plan whereby all the United States can be supplied sufficiently with the necessary things for living, all will be well.

If they fail to rise to the occasion, then our citizens will begin to go without. The agitators will come out of their holes and begin to stir up resentment against a society which is rich and powerful, yet cannot supply the needs of the people.

Where there is want, where there is suffering, as there will be if petroleum and other fuel are short, there will be grumbling and dissatisfaction. Those in business certainly will realize this and do everything in their power to see even the reduced supplies of fuel oil distributed fairly around the country. No family must be cold this winter.

Some challenged me when I said compulsory measures will not work. They say industry will never be patriotic enough to volunteer.

I maintain the whole business is past the stage of compulsion. It is either volunteer or lose our form of government. There can be no room for selfishness if we are to save America.

Behind the iron curtain compulsory methods have snuffed out all distribution of fuel of any kind. The majority huddle together in their below-zero dwellings and pray for liberation. Brute forces keep them from getting a look at any fuel, to say nothing of burning it in their homes.

It is the same story over there with food, clothing, and other commodities the people must have.

So I say it has reached a point beyond the stage of compelling private enterprise to do anything. They are aware of the seriousness of our plight. They know only too well that if our people become desperate as the result of want and privation, anything can happen.

As I have said so many times, the best way to lick communism is to make the American system work.

It cannot work if profiteers are tossing monkey wrenches into production. It cannot work if exploiters are jockeying prices far above the reach of the average buyer. It cannot work if those who control the high finances of this Nation throw overboard the legal ballasts that hold down our economic balloon and send it skyrocketing into the stratosphere of inflation.

Saving our American system will take more than idle wishing for the moon. Our leaders will have to see that the standard of living, not the cost of living, goes up. They will have to bring about a state of permanent, full employment. They will have to guarantee a greater production of life's necessities than ever before.

Such conditions will do more to keep foreign "isms" away from our shores than all the armies, all the airplanes, all the atomic bombs we can bring to bear against the enemy.

So you see the fuel-oil shortage is an important part of the whole problem. The remedy of this important part is the same right down the line. Let industry and Government realize that equitable distribution of what is available must be the paramount goal. Their patriotism and willingness to preserve America will be the cornerstone upon which the moral persuasion question, the voluntary compliance with regulations made for the good of us all, will be laid.

The American Way

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. SHORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Harvey S. Firestone, president of the Firestone Tire & Rubber Co.:

THE AMERICAN WAY

As we enter into the new year of 1948, one fact becomes crystal clear. Divine providence certainly smiled kindly on us when we became Americans. Mathematically, our chances of being born in the United States were only 1 in 16. And all of us know that today, except in a few rare cases, the plight of the other fifteen-sixteenths is downright tragic.

Hunger, poverty, and desperation stalk the earth. From all points of the compass, pleading eyes are turned to the United States in prayerful hope that out of our compassion and our generosity will come relief for those in dire need.

Certainly we cannot ignore these appeals to our humanitarian instincts. Therefore, through the principles of the Marshall plan, we are considering ways to make up the deficit between what these people can produce themselves and their actual needs for the next few years. There can be no doubt that we have a definite responsibility to do everything within our power to help alleviate starvation wherever it occurs. But there are those among us who feel that some of the nations that are asking for help will come back again and again for more and more unless we insist that they rebuild on the sound foundation that to produce is to progress. Our contribution to world recovery should be essentially in the form of equipment and know-how and not in dollars and cents alone.

Some of the countries now asking for help were great powers long before the United States became an independent nation, yet in the relatively short span of 171 years we have overcome their head start of centuries and have become the most prosperous, the most powerful, and the most successful nation on earth.

How did this happen? How was it possible for a poor, struggling former colony, made up of people of many nationalities, of many races, and of many creeds, to surpass in so short a time the long-established power and prestige of older nations?

OUR AMERICAN HERITAGE

The answer is fourfold: First, Mother Nature endowed us with tremendous resources; second, we had no powerful neighbors to threaten our security; third, we adopted at the start and developed down through the years a better system of government; and, fourth, we created an economic system which brought to us a better way of life.

We established a republican form of government, and we laid down the rules for its operation in a living document called the Constitution. We laid the cornerstone of a new economic system, based upon competitive free enterprise. The rules for its operation were recorded in the first 10 amendments to the Constitution, which we call the Bill of Rights. In effect, we made it possible for every person to go as far as his will and his skill permit, provided that he does not deprive his fellow men of this same right.

Yes; this is the land of opportunity, where such qualities of character as diligence, foresight, and ability are much more vital to success than noble birth, tradition, and force. Over here America has sought to better the lot of all her people by fostering individual initiative through a system designed to produce a higher standard of living.

And so, it is no wonder that despairing people in other lands cast longing eyes at us and wish with all their hearts that they, too, had the material possessions, the political liberties, and the sociological advantages which we Americans enjoy. But, apparently, it does not occur to some of them that the blueprints and formulas for their own salvation and prosperity are all clearly recorded in the pages of American history. Instead of adopting eagerly a system which has been proved successful, some of them waste their time and our money in futile experiments with doctrines which have failed miserably in the past and which, at best, promise only in the far-distant future a standard of living which we Americans already enjoy.

DOCTRINES OF DESPAIR

Today, Americans look at conditions in many other countries, where starvation, poverty, and tyranny rule supreme, and they see nothing to be gained and much to be lost by changing to any other social doctrine. There are countries which call themselves democracies where a citizen may not own land or select his own job. He may not be tried by a jury of his peers. He may not stay away from work without good and sufficient reasons. He may not employ anyone to work for him. He does not have freedom of speech, freedom of assembly, or freedom of religion and his press and radio are censored by his government.

The weekly wage of this same man will purchase 11 pounds of meat or 40 quarts of milk. An American worker, with his weekly income can buy 94 pounds of meat or 263 quarts of milk. Over there, it takes 104 hours of work to buy a pair of shoes. Over here, it takes only 7 hours. Over there, it takes 250 hours of work to buy a wool dress. Over here, it takes only 13 hours. Over here, one miner produces as much coal as four miners over there. With about the same

number of acres under cultivation, the average American farmer turns out four and a half times as much as a farmer over there. Certainly these contrasts speak for themselves.

The complaints against the American system of competitive free enterprise frequently come from those who want to gain fame and fortune by sponsoring some new cause. They come from failures who do not have what it takes to succeed under our system and therefore want to change the system. They come from paid propagandists whose employers resent the fact that we have a successful system and want to wreck it so they can say "I told you so." And they come from visionaries who either ignore or hope to change the laws of human nature.

I do not mean to imply that we should be completely satisfied with things as they are. I sincerely hope that we never shall stop seeking improvements, for progress ends where smug satisfaction begins. None of us should delude himself that our way of life is perfect. But, fortunately, only a few starry-eyed fanatics and professional rabble-rousers want to destroy the edifice we have built and start all over again. Instead, most of us wisely advocate refinement, renovation, and repair of the present structure.

WHO PROFITS FROM AMERICAN BUSINESS?

Many of the objections to our present system are based on fallacies. Let us examine a few of them. For half a century, soap-box orators, wily subversives, and well-meaning but misled reformers have spread the completely erroneous idea that workers get the smallest share of the income which manufacturing produces and that the owners receive fabulous amounts. Actually, out of every dollar of sales made by a manufacturer, 47 cents go for materials and supplies, of which 35 to 45 cents go to the workers who produce those materials. Nine cents go for taxes of which 4 cents are paid to Government employees. Six cents go for depreciation, maintenance, repairs, and interest; 2 cents for advertising, and 1 cent for research. That leaves 35 cents from the sales dollar of which the employees get 29 cents. The remaining 6 cents are profit of which 3 cents are set aside for tomorrow's jobs by reserves to buy new machines and to expand plants. The remaining 3 cents are paid to stockholders, who are the owners of the machines, the tools, and the factory buildings.

All told, approximately 85 cents out of every dollar of sales by manufacturers go for salaries and wages.

Stymied in that argument, the critics then turn their guns on the 3 cents that go to the owners. They give the impression that American business is owned by a mere handful of individuals. Here again they must face the facts. Actually, some 14,000,000 people own shares in American industry: Workmen, teachers, grocers, bus drivers, and many others who have saved and invested their money. These securities are much like promissory notes; receipts, if you will, for the money which the firms borrowed from these individuals and on which they attempt to pay interest in the form of dividends.

In addition to these direct owners of American business, there are 54,000,000 who have life-insurance policies and 50,000,000 who have savings accounts. All of these people are vitally interested in the successful operations and profits of American business, because the insurance companies and banks in which they have deposited their money have, in turn, reinvested most of these funds in the securities of American business.

Thus, it is apparent that the vast majority of our population receive direct or indirect benefits from American business.

LOOKING TO THE FUTURE

The young men and women of today have before them opportunities greater than have existed since the beginning of time. Strangely enough, the word "opportunity" has no equivalent in some languages. To people who live under totalitarianism, however, this omission is not serious. They have little need for such a word. But it is a priceless word in the vocabutary of an American, and it will become increasingly meaningful as time goes on.

Looking back along the road that Americans have traveled in the past, it may seem that so much has been accomplished that there may be a shortage of opportunities in the future. But when we glance along the road ahead, we realize that there are many more opportunities before us than there were in the years gone by.

Think of the many new inventions and discoveries of the last few years on which whole new industries are being built. Radar, atomic energy, electronics, synthetic chemistry, antibiotics, plastics, and hundreds of other new and revolutionary developments are still in their infancy. The United Nations and the problems which that organization faces may well create wholly new and different fields of endeavor in finance, in sociology, and in law.

A century ago, thousands of families left their homes east of the Alleghenies and braved the unknown wilderness in search of fortune. They knew before they started that thirst, hunger, exposure, and savage enemies were obstacles which they would have to overcome before they could span the continent and reach their goals. Did these hardships stop them? Not for a minute. They knew that anything worth while can be gained only by taking risks, by hard work, and by determination. Most Americans still believe in that creed. America is not getting soft. Like the hardy pioneers who defied the hazards of the trail, Americans know that you have to give in order to get.

Under our system of competitive free enterprise, to all who are willing to work, to think, and to dare, the American way brings rich rewards.

HARVEY S. FIRESTONE, Jr.,
President, the Firestone Tire & Rubber Co.

Capital Punishment

EXTENSION OF REMARKS
OF
HON. WALTER B. HUBER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. HUBER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Thomas Hardie, from the Washington Post of December 21, 1947:

WAR WAS A DAMPER—ONCE ARDENT CRUSADE AGAINST CHAIR SHOWS NO SIGNS OF REVIVAL

(By Thomas Hardie)

The once stormy issue of capital punishment is dying a natural death in America.

As late as 1780 the common law recognized more than 200 capital crimes. A man could be executed for felling a tree, robbing a rabbit warren, stealing a half dollar, or association with gypsies.

Public sentiment gradually whittled this list down until today capital punishment is invoked only for murder, rape, and treason in most States, and, although legal in 42 States, it is mandatory for a first-degree murder conviction in only 5.

However, while there were many fiery movements arguing for complete abolition of the death penalty before the war, there is nothing but ghostly silence today.

The American League to Abolish Capital Punishment, Inc., for example, seems moribund. Only a few gasps have been heard in several years, and these were localized in California.

A lone voice in the House, that of WALTER B. HUBER (Democrat, Ohio), has spoken out since the war for abolition of the death penalty. In August 1946 he proposed a resolution to amend the Constitution, and he said last week he intends to make a similar move next session. But he was pessimistic as to its success.

PEACETIME SUSPENSION

Other countries have been more active in this field. On May 26 the Presidium of the Supreme Soviet of the U. S. S. R. abolished the death penalty in peacetime and decreed that crimes formerly punishable by death would bring "confinement in corrective labor camps for 25 years."

This move was prompted, the Presidium said, "by the exceptional devotion of the entire population" and because "peace can be considered as secured for a long time."

England has witnessed a growing postwar sentiment against capital punishment. London's Law Journal attributes it to a "natural revulsion" after 6 years of killing.

British Socialists in Parliament have revived a 20-year-old proposal by humanitarians to suspend the death penalty for a 5-year trial period. Many think it has a good chance of adoption.

Even George Bernard Shaw, who advocates "state-contrived euthanasia for all idiots and intolerable nuisances," has excoriated the present British method of execution by hanging.

TREND REVERSED

Although there was a latter nineteenth century trend in the United States to abolish capital punishment, Washington State restored it in 1919 and Oregon a year later. In 1931 there was a restoration movement even in Michigan, the State which had been the first to abolish it.

At present, only in Maine, Michigan, Minnesota, North Dakota, Rhode Island, and Wisconsin is life imprisonment the maximum penalty.

The few surviving abolitionists are consoled by modern and supposedly more humane methods of execution, such as electrocution and lethal gas. The District of Columbia uses the electric chair but there has been some agitation for substitution of the gas chamber.

The late Lewis E. Lawes, warden of Sing Sing and crusader for abolition, argued that to a great extent the old eye for an eye doctrine was a product of the sadism inherent in almost everyone. That is why, he said, that as many as 50,000 spectators have attended public hangings in this country.

President Franklin D. Roosevelt opposed capital punishment in principle but believed the question was one for criminal experts to decide.

HEMISPHERE PROPOSAL

Before the war, there was a short-lived movement among the Americas to abolish the penalty. A meeting of Latin-American criminologists at Santiago, Chile, in 1941, urged the step for the entire western hemisphere. But the war finished that.

The declaration of human rights recently presented by Mrs. Roosevelt to the United Nations Human Rights Commission at Geneva, does not mention capital punishment. Drawn up by a committee of State, Labor, Justice, and Interior Department officials, it is intended for adoption by the General Assembly next September. It is described as a statement of the aspiration of the peoples of the world.

As to its silence on the abolition of capital punishment, a high-ranking official explained last week: "The world is not ready for it yet."

Italy Faces 1948

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Sumner Welles from the Washington Post of January 6, 1948:

ITALY FACES 1948
(By Sumner Welles)
COMMUNIST THREAT IN BACKGROUND

Internal developments in Italy justify continued optimism.

A republican constitution has finally been adopted. The government has been greatly strengthened by the inclusion of the right-wing Socialists and the Republicans. The democratic coalition which Prime Minister de Gasperi now heads has an absolute majority in the National Assembly. The cabinet is politically far stronger than the Schuman cabinet in France, since it need not depend for support upon the extreme right. It has public opinion behind it. There is no doubt that the democratic parties could secure an overwhelming victory in fair national elections.

It was because of the government's popular strength that the revolutionary strikes called by the Communist Party failed so abjectly. The government acted with vigor and dispatch. The police and the army, which had not previously been tested, obeyed enthusiastically their instructions to maintain order. And most of the Italian workers, members though they are of Communist-dominated trade unions, were so desperately tired of Communist agitation and so anxious to work, that they refused to strike.

The chief cause for public confidence is that the de Gasperi cabinet is getting things done. Minister Einaudi's financial and economic program is succeeding. Inflation is being controlled. The prices of basic necessities have actually gone down. The devaluation of the lira has stimulated Italy's export trade. Employment is slowly increasing.

Italy is receiving about 75,000 tons of coal a month from the United States, 200,000 from the Ruhr and some 60,000 from Poland. Industry can consequently operate at a satisfactory level. American stopgap relief will prevent acute distress until the end of March. If Italy can obtain the 400,000 tons of wheat from Argentina due under the recent credit, there need be no food crisis before next June.

Yet with all of this encouraging progress the situation of Italy is becoming increasingly precarious.

The creation of a Moscow-dominated Balkan federation is under way. The establishment of the Communist Greek guerilla government is the long-expected sign that the Soviet Union will stop at nothing short of actual hostilities in order to dominate the Mediterranean. If Greece is brought under Russian control Italy would inevitably become the next scene in the struggle.

There have as yet been only minor clashes along the new frontier between Italy and Yugoslavia. But Yugoslav provocation in the Adriatic have now commenced. The Yugoslavs lately seized 25 Italian fishing boats within sight of the Italian coast on the pretext that they had invaded Yugoslav waters. Feeling is beginning to run high. The unsettled status of Trieste invites a major incident.

The next crisis will probably come during the Italian national elections. The tactics of the Communists are already foreshadowed. The Communist Party, which, notwithstanding Togliatti's self-incriminating denials, is largely financed from Soviet-controlled sources outside Italy, and which has by far the largest campaign chest of any Italian party, will use its funds lavishly to cut down the showing of the democratic parties.

On election day the Communists will provoke local riots in order to prevent their opponents, and particularly the Italian women, from going to the polls. If the Communist leaders see that there is a democratic sweep which neither corruption, fraud, nor subversive activities can arrest, they will immediately claim that communism has been cheated. That will be the moment for revolution, provided Moscow believes the time to be then ripe for violence.

Yet the tide against communism is today so strong that, unless the Soviet Government is prepared to support an armed rebellion by force, a coup d'état would undoubtedly fail. Even were the Communist leaders to follow the example now set on Greece's borders, and establish a rebel government in some frontier city like Gorizia, such a government could not maintain itself save with Russian or Yugoslav military assistance.

The Italian people, in their great majority, will resist any attempt to impose a Communist dictatorship upon them.

Because of the help given them by the United States, the Italians are able to stage a magnificent comeback. If they were freed from the growing threat of Soviet intervention they could recover more rapidly than any other major nation of western Europe.

Winston Churchill has rendered democracy no greater service than his salutary warning last year that the Soviet rulers respect only force. In a world in which force is rampant, Soviet power can only be restrained by the Kremlin's knowledge that there exists a superior power, prepared and able to restrain it.

Where so many of our own political leaders are making their fundamental mistake is in their comforting, but wholly unrealistic assumption that loans and relief alone can keep Europe free.

It is true that the only hope for European economic reconstruction lies in that form of cooperative undertaking which the European recovery program can bring into being. But of what value to the American people would such a start toward recovery prove to be if the Soviet Union is able, like Hitler, to crush democracy in one western European country after the other?

If Europe is to be saved, the European recovery program is indispensable. But what is equally urgent is that the Congress of the United States—whose voice is the only American voice that the Kremlin will heed in this Presidential election year—declare that American force will, if necessary, be made available to enforce the provisions of the United Nations Charter, and to guarantee the independence of those European democracies like Italy, whose freedom has today become essential to American security.

Citizens and Politicians

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. BRADLEY. Mr. Speaker, it is a healthy sign for the Nation when our editors begin to appreciate that there are such things as "intelligent and public-spirited politicians."

I know that I have never been associated with a finer lot of gentlemen than it has been my pleasure to encounter on both sides of the aisle in this House of Representatives of the Eightieth Congress, and so it was distressing indeed to see that the recent Gallup poll indicated so few Americans are desirious of having their sons follow political careers.

I think that editorials such as the one which follows from the Hynes-Clearwater Journal of Paramount, Calif., are most beneficial in bringing the people of the Nation to a fuller realization of the encouragement needed for young men who wish to make politics their life's work:

CITIZENS AND POLITICIANS

A recent Gallup poll indicated that few American parents want their sons to go into politics, expressing the belief that "a political career leads to graft and crookedness."

This is a dangerous sign for a democracy which depends for its efficient operation upon the willingness of men to offer their services to a governmental capacity for the benefit of society as a whole.

It should be perfectly obvious that parents with such a complex are attempting to blame the politicians for some of the shortcomings of the citizens of this country. Neither the Government nor the people who serve as governmental officials can be more than the people expect and support. Moreover, a democratic government, in its attempt to reconcile antagonistic interests, can only function through intelligent and public-spirited politicians.

The Cost of Food and the Cost of Government

EXTENSION OF REMARKS
OF
HON. MELVIN C. SNYDER
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. SNYDER. Mr. Speaker, I was startled a few days ago when I saw an article in the United States News on the cost of food and cost of government. The food bill for the Nation, high as it is, is not as high as the bill being paid for government in the United States. Food still costs less per person than taxes to run the Government.

In 1947, food cost the American people $47,520,000,000. Government—Federal, State, and local—cost an estimated $54,300,000,000. The food bill was $330 per person; taxes per capita were $371 in the year 1947. The bill for government on a per capita basis was $41 more per individual than the food bill.

Checking back, we find that in 1929 the per capita cost of food was $161. Government that same year cost $85 per person. Food in that year was only about half as expensive as in 1947. Government then was only about one-quarter as expensive as now. In 18 years the per capita cost of Government has gone up about 4 times; food cost has about doubled.

Today we hear a great deal from the administration about high prices and the high cost of living. Prices are high and every effort possible must be made to bring relief without imposing on the American people a "police state." The exportation of food, steel, and other items in short supply is a material factor in the high cost of living.

The cost of Government receives very little, if any, consideration from the present administration. We still have over two million Federal employees, duplicating and overlapping functions of Government—the cost of which amounts to $371 per person.

The Congress again will make a vigorous and determined effort to cut down the budgets of the various Government agencies and again, no doubt, will be opposed by every Government bureau. Again a determined effort will be made to reduce taxes and increase the take-home pay of millions of workers. I believe all thoughtful people will agree that the per capita cost of Government should not exceed the per capita cost of food in the United States.

Who Will Carry the ERP?

EXTENSION OF REMARKS
OF
HON. SCHUYLER OTIS BLAND
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. BLAND. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the CONGRESSIONAL RECORD an editorial appearing on December 16, 1947, in the New York Journal of Commerce, of which Stanley Ferguson, a consistent friend of the American merchant marine, is the author.

Representatives of the industry inform me that the shipping industry withheld efforts to amend the interim relief bill to sustain American cargo ratios in order that the legislation designed to take care of a desperate situation might go through both Houses quickly, but that when the main Marshall plan comes before Congress, it will be of vital importance that at least 50 percent of the supplies will be carried in American ships for the life of the plan which will run until 1951.

The article follows:

WHO WILL CARRY THE ERP?

(By Stanley Ferguson)

If there is anything in common between European and American views as to what ships shall carry exports shipped abroad under the European recovery program, it is the earnest and persuasive quality of the arguments on both sides.

The European argument, as set forth by Percy Rogers, a variety of influential maritime publications abroad and by our own State Department, is that since the dollar shortage in Europe is the crux of the whole crisis now enveloping the western part of that continent, things are only made worse when Europe is forced to make dollar shipping outlays from its meager supply of this hard currency.

The 16 nations at Paris—or at least the 10 of them most concerned with shipping—argued with some effect that shipping is one service they are able to provide, up to a point; it is one field in which they are able to earn their way. Therefore why waste their dollars by paying them out to Americans for a service they do not actually require when the dollars are so urgently needed by them for other purposes—the purchase of steel, foodstuffs, machinery, and the like? If the United States means business when it urges the European states to help themselves in every way possible before turning to us to meet the deficit, shall it turn around and deny these same countries the right to help themselves in one valid way they are able to do so—by carrying as much of their imports as possible?

The American position is hardly less solid. The United States today has the ships to do the job. It also has a merchant marine which it believes, as a matter of policy, should be maintained in a strong position, not only to support our important maritime industry, but to develop the Nation's commerce and for the very important factor of national defense.

Shipping lines in this country will concede freely that the European recovery program will, if adopted, mean more cargoes for them than they could otherwise expect. Failure of such a plan to materialize would probably cut our exports by 25 percent next year. But the difference to shipping is not as great as commonly supposed for reasons set forth here on previous occasions. Some traffic would continue to move in any case. Moreover, ERP will doubtless punish some American line in the non-European trades by making it progressively more difficult for Latin America, Africa, and Asia to buy scarce materials here.

The American section of the industry, which has been carrying half or more of our foreign trade, is not taking a narrowly nationalistic position when it insists that the mere fact that it flies the flag of the country which is being asked to put up $19,000,000,000 or so for ERP is not an adequate reason for excluding it from the export movement. Shipping lines here have demonstrated that actual dollar savings would be very small, all things considered, even if foreign ships did carry the whole program. And there is the additional consideration that the Government of the United States has to consider the welfare of its own merchant marine. No other government is going to.

A MODERATE COURSE IS THE RIGHT ONE

If one takes either the American or European arguments by themselves, it is quite possible to understand an extreme view on either side. The dollar squeeze tells the Europeans they should carry all they can possibly get and scrape ships together to move, even if it means denuding other trades of tonnage. Americans may feel that since they are putting up the money, their merchant marine comes first and should decidedly get the business.

In view of the tendency toward extremes on both sides, the American shipping industry, as represented by the National Federation of American Shipping, is to be commended for adopting what is on all counts a moderate and common-sense course.

Operators here might well have asked that Congress implement Public Resolution 17—which directs that American shipping shall carry goods purchased here by foreign interests with the proceeds of United States Government loans or credits. They might well have, but they have not. Instead, they are asking merely that Congress direct that American ships shall carry the same proportion of export cargoes under ERP that they have carried during the past 6 months under the various European relief programs. This would amount to somewhere between 50 and 60 percent.

This request simply means that the present ratio of American to foreign tonnage in the United States-European trades should be left undisturbed by adoption of ERP. It means that neither American nor European shipowners will get all of the business they might like to have, but neither group will find itself arbitrarily frozen out.

All in all, this seems to be about the least that Congress could do to offer needed protection to American shipping without throwing too heavy an additional burden upon Europe. It is a restatement of the old doctrine of live and let live, which is still about the best that has been devised in the world of shipping and foreign trade.

THE CAPTAIN ON THE DECK

The time was not so long ago, and the scene was the deck of an American passenger ship just prior to its departure from New York. There were two chief characters, the master and a minor union official. What action there was was brisk but over quickly. During the argument the union official swung and then turned and left the ship as the captain hit the deck.

That was all there was to it. No officials were called. No inquiry was begun. There was no publicity. The captain, seemingly humiliated, indicated he preferred to "forget" the incident. Possibly, by now, he has, but there were others present who have not.

American Legionnaires at Cleveland last week who heard the Coast Guard's Commodore H. C. Shepheard describe conditions affecting discipline and personnel in the American merchant marine today may well have been shocked—as they appear to have been—but among those who have been circulating in maritime circles continuously enough to taste these matters first hand there was nothing whatever that the commodore said that was new—except, perhaps, his statistical compilation of shipboard offenses which have gone unpunished. There have been about 500 since June.

All may not agree with Commodore Shepheard that discipline in the American merchant marine is now at its lowest ebb. All may not agree with him that it is the product of "foreign ideologies." That would be difficult to prove and probably confuses the issues, although there is no doubt that the Communists are doing and will continue to do everything in their power to disrupt conditions in the merchant marine. But discipline certainly is low, and corrective measures are urgently needed.

One should not have to argue that there should be at sea, as well as ashore, not only authority, but the power to enforce it. Such authority did exist, within limits, until the recent overhaul of our shipping legislation when Congress ill-advisedly decided to deprive the Coast Guard of disciplinary powers formerly vested in the Bureau of Marine Inspection. While doubtless spurred by the best of intentions, this was a most unfortunate move, as the steady deterioration of shipboard labor conditions has so convincingly demonstrated.

There is now before the House legislation which would correct this situation by vesting with the Bureau of Marine Inspection the corrective powers which is now lacks. This amendment has already been passed by the Senate. Prompt action by the House will aid greatly in restoring a semblance of order and discipline out of a situation which neither the Nation nor the shipping industry can afford to tolerate any longer.

Forcing Socialized Medicine on America by the Use of Federal Employees and Government Money

EXTENSION OF REMARKS
OF
HON. FOREST A. HARNESS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. HARNESS of Indiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me before the National Physicians Committee's national conference of the professions, Sheraton Hotel, Chicago, Ill., September 29, 1947:

Mr. Chairman and gentlemen, I am particularly happy to be with you this evening, because I am acquainted with the great fight this organization has waged in behalf of free medicine, as distinguished from that type of socialized medicine which we now find in every country in which dictatorship prevails.

The brand of dictatorship makes no difference—communism, fascism, nazism, socialism—all are alike, in that they enforce a system of state medicine, or political medicine, as I prefer to call it.

Whatever the name of the dictatorship, or whatever the pattern of the particular brand of collectivism in a given country, the system of socialized medicine is always pretty much the same. It is based on compulsion and is generally administered by a nationwide system of ward and precinct politics.

But socialized medicine is not for free America, and I am happy to congratulate you gentlemen on the great fight you have made during the last 10 years to head off this unwholesome campaign in Washington.

If the medical profession and all our hospitals can be taken over by the Federal Government and forged into a new and gigantic health bureaucracy, then it would only be a question of time until Washington likewise moved into the field of education, religion, the press, the radio.

Freedom soon would be in total eclipse.

That must not come to pass in mighty America, the last great citadel of freedom and liberty on the face of the globe today.

HEARTENED BY PHYSICIAN SUPPORT

Ours is a great responsibility to hold aloft the bright torch of freedom and honest representative government. And it has been most encouraging to know that we have the great body of the American medical profession standing behind us in this effort in Congress, as this meeting tonight so clearly indicates is the case.

Approximately 5 months have passed since our special subcommittee was established to investigate publicity and propaganda in the executive agencies. We are a subcommittee, as you know, of the standing legislative Committee on Expenditures in the Executive Departments.

Our special interest has been the techniques of Government propaganda by which our Federal bureaucrats perpetuate themselves in office, generate pressures on Congress for more and bigger appropriations, and sponsor socialistic enterprises in the name of national emergency or an artificially stimulated public demand.

More than 6 solid weeks of our investigation has been devoted exclusively to the so-called health work shops set up throughout the country under the aegis of the United States Public Health Service, the Social Security Board, the Children's Bureau and several other agencies having an oar in the administration of health and welfare programs.

The amazing ramifications of the Federal propaganda in behalf of socialized medicine have astonished me. How much of our total appropriations for health and welfare are being diverted to this sort of high-pressure propaganda, we do not yet know. But we do know that the amount is considerable. And before our inquiries are concluded, we shall hope to present for public consideration an itemized account, of the total diversion of Federal funds for this propaganda campaign. In that accounting we shall include a considerable item for foreign travel to New Zealand, England, South America, and Japan. For we now know that our health bureaucrats are interested in socialized medicine not only in the United States but in every other land in which they can find an opening.

Before enlarging on the details of the health work shops inquiry, I should like to give you an over-all picture of the Federal publicity operations, as we have measured them to date.

SEVENTY-FIVE MILLION

We began with a special report from the Budget Bureau which showed that the various Federal agencies spent $74,829,467 for publicity and propaganda work of every kind and description.

An earlier study, covering the fiscal year 1941, showed total publicity expenditures of the Federal establishment at only $28,000,000.

Now, everybody in Washington recognizes that certain information services are an essential part of any institutional operation. But Congress insists that there is a clear line of distinction between legitimate information services and those additional operations which tend to build up public opinion in favor of more projects, broader programs, or Federal invasion of new spheres of public service. It is primarily the latter operations which our subcommittee seeks to itemize as to cost and scope. It is my contention that, at least, the people are entitled to know how much they are spending to educate themselves to more spending.

HUGE PUBLIC RELATIONS STAFF

In the Department of Agriculture, committee investigators found 525 persons engaged in public relations work. Salaries ranged from $10,000 down to $1,888 a year. But only 204 members of this robust information staff were in Washington. The rest were found in Department of Agriculture branch offices in Boston, San Francisco, Milwaukee, Raleigh, Dallas, Denver, Albuquerque, Philadelphia, Ogden, Chicago, Atlanta; Juneau, Alaska; San Juan, P. R., and eight lesser cities throughout the States and Territories.

Total budget estimates for Agriculture's Office of Information for the fiscal year beginning July 1, 1947, were $2,307,000, an increase of $335,350 over the previous year. But this does not include printing or mailing expenses.

Every known media of intelligence is utilized by Agriculture. The Office of Information prepared 1,998 press releases in the 9 months ended April 1—an average of 11 every working day. During the same months the office prepared 837 radio scrips, including several network programs. The radio time contributed for these programs normally has a commercial value of more than $500,000 a year. The same 9 months saw 17 new motion-picture films released through the Department's film stations.

For the 1947 fiscal year, Agriculture's combined printing bill—all bureaus, divisions, and offices—will be $2,260,784, exclusive of mimeographing processed within the Department.

SPENDERS FOR PUBLICITY

These activities begin to explain why the Government Printing Office, which occupies 33 acres of floor space in Washington and employs 7,900 full-time workers, still can't keep up with Government printing demands.

Some of the principal spenders for publicity in fiscal 1946 were:

Department of State	$30,377,000
Treasury	11,104,800
Department of Agriculture	9,295,700
Office for Emergency Management	8,154,021
War Department	5,715,690
Office of War Information	3,772,095
Office of Price Administration	2,572,000
Office of Petroleum Administration	2,572,000
Federal Security Agency	2,043,983
Department of Commerce	2,003,212
Department of Labor	1,440,641
Navy Department	704,000
Veterans' Administration	660.571
Tennessee Valley Authority	245,000
Post Office Department	11,960

My distinguished colleague, Representative RICHARD B. WIGGLESWORTH, of Massachusetts, long has been a crusader on the Appropriations Committee against excessive public relations expenditures within the Federal establishment. He expressed astonishment at the 1946 tabulations I have just quoted.

"In my opinion," he said, "the enormous governmental propaganda set-up is not only a gross waste of the people's money, but, over and beyond that, makes for the destruction of the proper exercise of the legislative functions of the Government."

With that, of course, we are all in full agreement.

SOCIAL SECURITY SPENDING

You will note that the Social Security Board has been spending about $2,000,000 a year in public relations activities—regardless of whether we call it publicity or propaganda. We do not yet know the full scope of this work. But we do know that they have been setting up these so-called health work shops; that they were launched on a Nationwide scale; that they are financed entirely by Federal funds diverted from the regular appropriations; and that it was never at any time the intention of Congress or its appropriations committees to authorize the expenditure of public funds for such activities.

To our committee it seemed reasonable to ask why these agencies should be permitted to spend public money to generate an entirely artificial public demand for a system of socialized medicine in the United States, when all our experience through public-opinion polls, and all our contacts with the medical profession, indicate beyond question that the American people and the American medical profession insist upon maintenance of our traditional system of free medicine, under which we have attained the highest standards of service and scientific skill and proficiency ever recorded in the history of the world.

It seems to our committee to be a proper function of the Congress to determine whether the diversion of public funds from legitimate purposes to purely propaganda purposes for socialized medicine, does not, in fact, constitute a criminal violation of the law.

And on this point, I may say that the Federal Bureau of Investigation is giving that question some serious study at the moment. As you know, we advised the Attorney General, Mr. Clark, what we discovered about the health work shops, and we have since been informed that some of the vouchers are in the hands of the FBI for investigation.

WORLD-WIDE PROPAGANDA

All this federally financed activity for socialized medicine heads up in the Bureau of Research and Statistics in the Social Security Board.

Our committee investigators have found in that bureau a veritable nerve center of socialized-medicine propaganda for the entire world.

Mr. Isadore S. Falk is the Director of Research and Statistics in the Social Security Board. He has been in the Government service for some 12 years. He has always been noted for his militant and aggressive advocacy of socialized medicine.

Our committee, of course, does not challenge the right of any citizen to hold whatever views he may wish on any subject of political or economic policy.

But we are interested that funds appropriated by Congress for public administration shall not be diverted to a world-wide system of propaganda calculated to advance socialized medicine the world around.

Such operations, until specifically approved by the Congress, are positively illegal. And our committee will not rest until they are uprooted and stamped out of the Federal picture.

ILLEGAL USE OF FUNDS

Any group of citizens has a right to agitate for socialized medicine, if it puts up its own money and pays its own bills. But I, for one, do not intend to see this gigantic propaganda machine for socialized medicine financed entirely by funds secretly diverted from moneys appropriated by Congress for the legitimate functions of government.

In our hearings to date we have examined officers of the United States Public Health Service, the Children's Bureau (which is another section of the Federal Security Administration), the Social Security Board, and the Farmers Home Administration, a section of the Department of Agriculture. As a part of this investigation, we also have called upon the General Accounting Office for certain travel vouchers in connection with the Health Work Shops.

On page 8 of the interim report, which most of you have before you, there appears a tabulation of the various Federal officers who have taken part in this propaganda effort. In each case, the agency or governmental unit paying the salary and travel expenses is indicated.

We found that the first meeting on the Health Work Shops was held in Washington on November 2, 1945. It was attended by only 12 persons—10 of whom were full-time employees of the Public Health Service, the Social Security Board, and the Department of Agriculture.

WORK SHOP BORN

This is where the Health Work Shops were born. The chairman of that meeting was Dr. George Perrott, of the United States Public Health Service.

The detailed operations of the Health Work Shops are set forth in House Report No. 786 of the Eightieth Congress, as published by our subcommittee on July 2, 1947.

Suffice it to say here, that the project was financed almost entirely by Federal funds, through the contributions of the participating Government agencies—through the assignment of the so-called forum experts from the Government bureaus, through the payment of travel expenses, and the providing of literature and mimeographed material for the meetings.

The real purpose of these meetings was to generate pressure upon Congress for passage of the Wagner-Murray-Dingell bill.

HILLEBOE'S STATEMENT

At one point in our hearing, our committee counsel, Mr. Frank T. Bow, asked the witness, Dr. Herman Hilleboe, of the Public Health Service, if the literature presented by the Government agencies presented all sides of the medical discussion, or merely the side supporting socialized medicine, as embodied in the Wagner-Murray-Dingell bill. To this question, Dr. Hilleboe answered:

"We would naturally give emphasis to that, because that is why we are in government. Otherwise we should get out of government."

Here, indeed, is a strange concept of Federal service in public health—the concept that any physician who is not a vigorous advocate of socialized medicine should remove himself from the Government service.

And that conception of the public service appears the more distorted when we realize that at no time has Congress approved any declaration of policy favoring the expansion and development of socialized medicine at Federal expense; nor has Congress authorized the expenditure of public funds for any sort of propaganda work calculated to generate public opinion in behalf of socialized medicine as a national policy. Yet here is a responsible official of the Public Health Service testifying before our investigating committee to the effect that the presentation of material supporting socialized medicine is a clear and direct moral obligation of the Public Health staff.

Gentlemen, I am here to say that such a distorted conception of the public service in Washington must be uprooted by Congress.

BECKER ON STAND

On another occasion, we had as a witness before the committee Mr. Harry J. Becker, health consultant in the Children's Bureau. When asked if his public speeches throughout the country presented both sides of the discussion touching compulsory national health insurance this witness answered: "I don't know what you mean by both sides."

Those two bits of testimony, to my mind, offer a pretty complete picture of the present set-up in Washington as it relates to Government propaganda supporting socialized medicine. From the Public Health Service came the suggestion that doctors who do not believe in the Wagner-Murray-Dingell bills simply have no place in government; and from the Children's Bureau came the response that the witness was either unaware of the opposing viewpoint, or had so firmly closed his mind against opposition argument that they could merit no time or attention in his public speeches.

From these incidents it seems reasonable to conclude that some of our bureaus in Washington regard themselves as the protectors and defenders of the whole concept of compulsory national health insurance and socialized medicine.

But, again, I want to repeat—that is not what Congress appropriated the money for.

MISSION TO TOKYO

Plowing deep into these matters, our investigators soon came upon the much discussed health mission to Tokyo. You have seen reports on this in the newspapers. It, too, is revealing for the light it throws on the operations of the Washington inner circle which is forever pulling the wires for socialized medicine..

In our examination of the Bureau of Research and Statistics in the Social Security Board we discovered that practically every argument, every pamphlet, every radio broadcast, and every statistical table advocating socialized medicine originated primarily in the Social Security Board. Here is the world-wide nerve center of the movement for socialized medicine.

Our committee found, and has so reported to Congress, that pamphlets prepared as to basic material in the Social Security Board were distributed to the general public by the CIO and A. F. of L., the Farmers' Union, the Physicians' Forum, and the Committee for the Nation's Health.

All these pamphlets vigorously supported socialized medicine as embodied in the Wagner-Murray-Dingell bill.

In several of the pamphlets, no matter by whom distributed, the language and the figures were the same.

"CENTRAL GENERATING PLANT"

The Social Security Board is the central generating plant, so to speak. And the material is then distributed for popular consumption by whatever organization will lend its official imprint to arguments and briefs of Messrs. Isadore Falk and Wilbur Cohen.

That's the fundamental set-up discovered by our committee, and that's the beginning of the health mission to Tokyo.

Just about a year ago a Federal civilian employee in Washington (one Stanchfield) was detached temporarily from his job to go to Tokyo to make a preliminary survey of social security and health needs. Upon his return to Washington early this year Mr. Stanchfield proposed a general health mission to Tokyo. His proposal was presented directly to Mr. Arthur J. Altmeyer, Commissioner of Social Security.

Next, on March 5, 1947, Mr. Altmeyer proposed the mission in a formal communication to the War Department. In that letter Mr. Altmeyer designated the particular individuals who should make up the mission, and then went further to suggest that William H. Wandel, Chief of the Program Division, Bureau of Unemployment Security, be appointed chief of the Social Insurance Division of the Public Health and Welfare Section of the Supreme Command for the Allied Powers in Tokyo. It is perfectly apparent from the letters we have taken from the War Department files that the personnel of this mission and the planning of its program originated in and was dictated from the Social Security Board in Washington.

Up to this point there had been no hint that the proposed health mission had been requested or urged either by General MacArthur or any responsible Japanese source. The suggestion came first from Mr. Stanchfield, who had been sent to Tokyo from Washington for that particular purpose.

LETTER TO ISADORE FALK

Next, we found a letter, under date of June 14, 1947, from Mr. Wandel in Tokyo reporting directly to Mr. Falk in Washington on the progress of the work in Tokyo. In one revealing passage of this letter, Mr. Wandel said:

"We think that our need is for someone who is primarily not so much an economic analyst as one versed in health insurance. Health insurance is the major field of social security in Japan. * * * Permanent revision requires amalgamating national health insurance with health insurance on a compulsory basis."

When the Tokyo health mission finally was named it comprised two men from the Public Health Service, one from Mr. Falk's bureau, and one from the Federal Housing Authority. This mission departed for Japan on August 28, this year, with the understanding that Mr. Altmeyer and possibly Mr. Falk would follow when the work had been sufficiently organized in Tokyo.

BUREAUCRATIC INTRIGUE

Because this instance offers a shocking demonstration of bureaucratic intrigue in violation of the purposes and intent of Congress, I have brought the matter to the attention of the House Appropriations Committee, with the suggestion that when the next budget comes up from the Social Security Board and the Public Health Service all those engaged in spreading socialized medicine around the world be stricken from the public pay roll—unless, of course, Congress shall determine to support such world propaganda with funds specifically allocated for that purpose.

In my letter to Chairman TABER, of the Appropriations Committee, I made eight specific charges against the Tokyo health mission. I wish to summarize them here, because they are the nub of our case against the Social Security Board and the United States Public Health Service in relation to all this propaganda supporting socialized medicine.

CHARGES AGAINST TOKYO MISSION

My charges against the Tokyo health mission are as follows:

1. That the health mission to Japan is composed entirely and exclusively of men long identified in the public record as advocates and proponents of socialized medicine not only in the United States but throughout the world.

2. That the real purpose of this mission is to lay the groundwork for a system of socialized medicine in Japan.

3. That the scheme for such a mission originated in the Division of Research and Statistics in the Social Security Board in Washington, and nowhere else.

4. That the nominal request for the mission was engineered through the General Headquarters of the Supreme Commander in Tokyo by Federal employees sent from Washington for that particular purpose.

5. That Gen. Douglas MacArthur does not favor—and does not approve—any plan to establish compulsory socialized medicine in Japan.

6. That the dispatch of this mission to Tokyo for the purpose indicated in Mr. Wandel's letter to Mr. Falk under date of June 14, 1947, is a gross misuse of public funds.

7. That the real purpose of the mission is not to assist Japan in working out her basic problems in health and welfare, but to force upon that country a compulsory system of socialized medicine.

8. That although the questions here involved are of a health and medical nature, the Surgeon General of the United States Army was not consulted in reference to the problems involved.

TAXPAYER FOOTS THE BILL

I deem it inappropriate for Federal employees, at the expense of the American taxpayer, to travel throughout the world preparing or assisting in the preparation of legislation to be adopted by foreign countries when similar legislation, long pending, has not been approved by the Congress of the United States.

It is hardly necessary for me to tell you that we shall watch developments in this case with lively interest. General MacArthur certainly does not intend to lend himself to any such intrigue by our Washington health bureaucracy.

And I am equally certain that my distinguished colleague and good friend, JOHN TABER, chairman of the House Appropriations Committee, does not intend to see Federal funds misapplied in this fashion. We shall hear more of this mission to Tokyo as our investigation goes forward.

INTERNATIONAL COMMUNISM

One other point about these operations in the Social Security Board merits brief attention at this juncture, although our inquiry in this direction has not been concluded. The fact is that this entire movement for world-wide socialized medicine is tinged and infiltrated with international communism.

World communism has adopted compulsory health insurance as one of its major tenets; and our committee investigators have found the agitation for socialized medicine in the United States closely linked with Communist and fellow-traveler publications and meetings.

JACOB FISHER'S RECORD

Under date of May 14, 1947, Mr. Isadore Falk, Director of the Bureau of Research and Statistics, sent a memorandum to the Acting Commissioner for Social Security, urging that one Jacob Fisher, a member of Mr. Falk's staff, be sent to New Zealand at Government expense, to study compulsory health-insurance programs and activities in that nation.

We find that this same Jacob Fisher has been documented by the House Committee on Un-American Activities for almost uninterrupted association since 1939, with various Communist-front and fellow-traveler organizations in the United States. At various times, according to his record, Jacob Fisher has been identified with seven different groups or organizations avowedly sponsoring the Moscow party line in the United States. He has published at least one report on health insurance in New Zealand, in the Social Security Bulletin—a report which has been criticized by some reputable medical authorities as extremely biased.

In a later interim report on propaganda activities within the Social Security Board, we shall present to the Congress the detailed record of Jacob Fisher's activities, as certified to us by the Committee on Un-American Activities, together with additional material bearing upon organized Communist agitation for socialized medicine, through such agencies as the Southern Conference for Human Welfare.

THE MOSCOW PARTY LINE

Suffice it at this time to report our firm conclusion, on the basis of the evidence at hand, that American communism holds this program as a cardinal point in its objectives; and that, in some instances, known Communists and fellow-travelers within the Federal agencies are at work diligently with Federal funds in furtherance of the Moscow party line in this regard.

I must emphasize that I have not given you a complete and comprehensive report on our committee's work. But within the limits of the time allotted, I have summarized the main points of our inquiry as it touches this vital problem of Government propaganda in support of compulsory health insurance.

From the letters which have come to us in Washington, I know that the medical profession is well aware of what's going on in the Public Health Service and the Social Security Board. And the medical profession welcomes and supports our investigation.

ILLEGAL ACTIVITIES

We know, too, that much of the activity we have cited is positively illegal under section 201, title 18 of the United States Code.

That section offers a blanket prohibition against the use of any part of any Federal appropriation for the purpose of influencing legislation before Congress. That's the legal point which is now under vigorous investigation by the FBI.

But the issue is even broader than the question of socialized medicine. It is also challenging in that it reveals for public examination the manner in which all Government lobbyists operate on the Government pay roll, how they are always at work to expand their fields of interest, to perpetuate themselves in office, and to impose their ideas and systems upon the American people by organized propaganda paid for entirely by the diversion of public funds from their true purposes to the shielded purposes of the top bureaucrats and planners.

THE BASIC ISSUE

This is the fundamental issue from the legislative standpoint—the question whether the Congress of the United States has lost its power to establish and maintain the sort of government the people want; or whether the bureaucrats are supreme and can give the sort of government they want, regardless of Congress, regardless of elections, regardless of public opinion.

That's a question that goes to the very roots of popular government. If the bureaucrats are above Congress, and may defy Congress in the way they spend their appropriations, then representative government has become a fiction.

PLANNERS DEFIANT

I am certain that the United States has not yet reached the point where it must be submissive to the dictates of a rampant bureauracy in Washington.

But my work with the propaganda subcommittee during the last 6 months has convinced me that there are danger signals in the air.

The spirit of defiance encountered by our committee investigators within the Social Security Board and the Public Health Service is a most unwholesome sign.

The circular letter sent out by the Surgeon General, Dr. Parran, in 1945, wherein he directed that all public statements should be in line with the President's national health message, regardless of the individual views of the officer himself—that is a very dangerous sign in a nation devoted to representative government.

We must not fall into the attitude that all our opinions are made in Washington and handed down to us full-fashioned. That is the way of dictatorship.

HERITAGE OF FREEDOM

Public opinion must be maintained in its free and virile state—in full harmony with the great American tradition of liberty.

If we do that by stamping out government propaganda at its roots, then we shall have rendered a great service, not only to medicine, but to the whole cause of liberty and freedom the world around.

We all know that freedom is not free.

We all know that bureaucratic power feeds upon itself—and upon the rights and privliges and liberties of the people.

If we are to support and defend liberty and constitutional government in America, we must begin by keeping clean and undefiled the wellsprings of public information from Washington.

Government propaganda poisons the wells of public information.

Government propaganda is illegal.

Government propaganda is a method of dictators.

Our purpose will be to uproot and destroy Government propaganda wherever we may find it.

The Panama Canal: Operations or Engineering?

EXTENSION OF REMARKS

OF

HON. SCHUYLER OTIS BLAND

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. BLAND. Mr. Speaker, the problem of the Panama Canal, the width of the project, other improvements needed and its defenses are peculiarly live subjects at this time. There appeared in the United States Naval Institute Proceedings of December 1947, a very comprehensive article by Commander Arthur Stanley Riggs, United States Naval Reserve, retired, entitled "The Panama Canal: Operations or Engineering?"

It is said that the statements of fact and the views expressed in the article are exclusively those of the author, and must not be taken to reflect the opinions of the Department of the Army, the Department of the Navy, or of the Panama Canal.

Attached to the article appears a memorandum which says:

Commander Riggs' first naval service was with the fleet in 1898 as an enlisted man. Anticipating a possible war, he joined the Naval Reserve in 1935, was called to active duty in 1941, and detailed to the office of Censorship. Here he was assigned the task of planning and then supervising the reference libraries of all cable censorship stations throughout the world, with additional duty as information officer. He has long been especially interested in the Panama Canal.

The article is informative and I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include in my extension of remarks the article referred to. I make the request notwithstanding that I am advised it makes three and one-third pages of the CONGRESSIONAL RECORD at a cost of $260.34.

THE PANAMA CANAL: OPERATIONS OR ENGINEERING?

(By Commander Arthur Stanley Riggs, United States Naval Reserve, retired)

The success of any military plan depends upon the relation of its practicality to its purpose. No sane commander would send battleships to hunt submarine packs.

The Panama Canal is first of all for military purposes, then for international marine commerce. Its purpose is to pass traffic of all types from one ocean to the other quickly—and safely. Necessarily that makes the solution of most of the problems it presents, operational solutions. The men most competent to handle such matters are obviously the men who operate the ships traversing the Canal, whether they are naval craft or of the merchant marine of this or any other nation. But the history of this tremendous ditch, from the days of the ill-starred Comte Ferdinand de Lesseps to the present decade, shows that navigators, masters, and pilots had little if anything to say about the original design. The Canal was conceived of as an engineering problem from first to last, its design was elaborated by engineers, other enginers and construction men executed it, and as a consequence it does not fulfill its purpose as well as it could have done had operation been the basic principle of its planning. As a task force, a weapon, and a public utility it has such serious defects that at best its functioning is slow and dangercus.

At last we have begun to be aware of this. What shall we do about it, if anything? If we do undertake the problem, how long a time will its solution require, what will the ultimate cost be, and who will do the planning? Shall we again put our trust in the engineers, who neither know nor care anything about ship handling; or shall we turn for counsel and guidance to the men directly concerned, the men who risk valuable lives, property, and their professional reputations every time a ship goes through from sea to sea? The answer should be rather evident, but as yet so much of the thinking about the Canal has been either tainted by influence (of which this writer knows nothing) or by muddy reasoning, or by both, that it is not amiss to apply a little logic in the endeavor first of all to find out exactly what it is we wish to remedy, and after that the most promising means of effecting the desired result. Moreover, in considering the problem of the Panama Canal we must remember that it is unique in both magnitude and problems. For that reason experience in developing and operating other waterways is largely useless because they are all secondary in importance and so not comparable. The Panama Canal is the only truly interoceanic canal in the world.

INTRODUCTION TO THE PROBLEM

Right at the beginning we may disregard completely all the more or less violent propaganda of various types which for more than a year past has circulated in the press of both halves of this hemisphere and in more than one language. Our concern is with fundamentals only. One of these, and by no means the least important, is the question whether or not what we do today is to be final or of only temporary value. Whether we see the Canal from the naval-military or the business standpoint is not especially significant in the beginning. We must see it with eyes wide open and clear for the future. The great banker, Morgan, once said that "the man who sells America short is a fool." Unless we are utterly crushed by a world cataclysm, which no one today really anticipates, we cannot fail to recognize the normal growth in population, expanding foreign relations, and commercial interests of the United States as one of the main blocks for building our foundation. Other great powers will grow and progress side by side with us, and the demands upon the capacity of any canal will steadily increase. No one today can plot the curve of that growth accurately. It seems more than likely, therefore, that the sensible thing—after we know completely what is wrong and in general what we wish to do about it—is not to try now to make the Canal the final word. Common sense tells us that nothing is final, nothing so adequate in a restless age of achievement that it cannot be improved. The obvious answer to this first question, therefore, seems clearly to be a canal capable of accommodating the increased traffic, both as to numbers and as to the dimensions of individual vessels, in the foreseeable future. Before the saturation point is reached world conditions may have so changed that the national interests will be better served by an entirely different outlook.

A second point that has been repeatedly and senselessly raised during the past 2 or 3 years is vulnerability. So far as that is concerned, no canal conceivable by human intelligence could be constructed that would not be vulnerable. The present Canal could be completely wrecked without ever touching it; the breaching of its protecting dams would put it out of action for an indeterminate period. A single burst in a cut might easily start a chain of geological reactions in the distinctly unstable rock formations on either hand whose end no man can foresee. The only protection of any canal across the Isthmus is adequate air cover able to dispose of attacking elements long before they can reach it. For that reason the ultimate design is something that must be considered wholly apart from defense. To attempt to solve this duplex problem at a single stroke is to try to fire a .45 slug from a 10-gauge shotgun and expect accuracy of fire.

Any detailed study of the problems to navigation imposed by the Canal reveals immediately only the obvious reasons for the hazards of its transit. Beyond the manifest there lies a natural cause of anxiety so profound it cannot be rightly calculated by any engineering methods. This is the soft stratification of part of the subsoil rock whose shifting was the cause of the slides that continually gave trouble by rolling down into the present Canal and having to be laboriously dredged out. Any disturbance of the slightly hardened surface material which exposes new areas of the softer rock beneath disturbs the equilibrium, and almost anything in the nature of a slide or a bottom bulge can easily occur. Geologists who have made careful, detailed studies and examined core-borings of the rock at the slides of the Canal agree almost unanimously that the nature of the terrain is so doubtful that any large-scale operations tending to widen or deepen the channel, or both, would have unpredictable results but might easily result in such further slides as to close the Canal to navigation, for how long a time no one could say. The mere dredging up of the slides might in itself have a tendency to provoke additional displacements of material.

REASONS FOR DISABILITIES

Beyond the geophysical conditions are the even more unpredictable results of temporary meteorological unbalances. No weather chart or calculations on earth could have predicted with certainty when and to what extent the Mississippi River system would rise as a result of exceptional rainfall, burst through restraining levees over a tangled series of courses for a thousand miles, inundate millions of acres, destroy hundreds of millions of dollars' worth of property, and drive the inhabitants of entire large as well as small towns from their homes as occurred in 1947. Similarly, any sudden increment of the normally heavy rainfall in the Panama sector—or its antipode, an unforeseen heavy drought—can operate to the serious disadvantage of the Canal, and cannot be omitted from any calculations for the future. This matter of water, and the further factor of the heavy fogs in Gaillard Cut at night, have a direct and very important bearing on two of the three proposed plans for improvment of the Canal, as will appear.

For the present, with the natural and the not easily recognized factors out of the way, accidents which have made the Panama Canal the most hazardous short waterway in the world, and the reasons for them, complete the picture of what is wrong, and automatically suggest the remedies. To understand the accident record it is necessary to go back and review the history of the design of the Canal from the days of Ferdinand de Lesseps and the first calculations of the French engineers who planned, partially constructed, and so thoroughly estimated the possibilities that when we took over on the collapse of the French company we made full use of the glorious failure.

When De Lesseps arrived at Colón on December 30, 1879, he began work immediately and was reported by the Panamá Star and Herald on January 1, 1880, as saying he recognized only two great difficulties to be overcome. These were the slashing through the summit of the Continental Divide at Culebra and the equally formidable nature of the Chagres River. He had not realized, as did the late John F. Stevens, that the Isthmus was then (and still remains) "one of the most forbidding spots on earth" for construction work of any sort, and with even more obstacles than appear to the unaided eye. The Panama Railroad having been already built, De Lesseps projected the Canal to follow its general route at sea level with a trench 72 feet wide at bottom and 27 feet 6 inches deep. The initial plans included a mighty dam at Gamboa to hold back the waters of the Chagres, which otherwise would have cascaded disastrously into the Canal, and on the Atlantic slope north of the Divide two outlet channels to carry flood waters to the ocean, one to the eastward of the main waterway, the other to the west. South of the Divide two other flood channels were scheduled, one on the east side of the main Canal, one on the west. This made a total of five, the main artery for navigational purposes and four diversionals for surplus water. To compensate for the different ocean levels a tidal lock at the Pacific end was considered sufficient, and a long mole or breakwater at Colón to provide shelter for shipping from the frequent heavy northers. The total excavation was roughly figured at 75,000,000 cubic meters, the total cost at $168,600,000.

Long before the French collapse the engineers knew a sea-level plan was unfeasible because of slides too formidable for their limited equipment to handle, and because of the enormous amount of excavation required on even the scale then governing operations. So difficult and slow was the work at Culebra

that it would have required practically a century to complete the Canal. The slides and the Culebra obstacles were the final cause of the abandonment of the sea-level plan in favor of a lock canal on high level. The change, however, came too late to save the financially exhausted French, though their excavations had extended throughout the entire length of the canal, even including Culebra cut. By May 15, 1889, all work on the Isthmus had been suspended, the great French effort had failed, and misfortune after misfortune followed in rapid succession until the United States undertook the project and assumed formal responsibility on May 4, 1904, a date celebrated annually in the Canal Zone since then as Acquisition Day.

Entirely aside from the financial maneuvering and political influences working against success, France failed not only because of the sickness and corruption which were so freely discussed while the Canal was building, but because all efforts were bent toward a sea-level canal without adequate vision of the terrific size of the undertaking, and the failure of the heads of the project to adopt the logical plan for the high-level lock canal advocated by Adolphe Godin de Lépinay, the only French engineer who knew the region, the geological and hydrostatic conditions, had supervised construction work there, and could see the solution from the navigational viewpoint. Curiously enough, though we eventually built the Canal largely along the lines Godin de Lépinay laid down, we omitted one vital feature of them. It is the adoption of that feature, dating back to 1879, with the essential changes it imposes at the Pacific end of the Canal, that offers a solution of the problem attended by less cost, fewer difficulties, and requiring less time for its completion than any of the other plans thus far suggested.

THE UNITED STATES ASSUMES CONTROL

As soon as we assumed control, new surveys and tests were made, careful estimates figured of the amount of excavation to be done and the best means of disposing of the mountains of excavated material, and plans developed for machinery, tools, labor, supplies, and all the rest of the necessities for making the task not only a success from an engineering standpoint, but the Canal larger and of far greater capacity than anything the French originators had considered. At this point the matter of sickness had to be reestimated, and the vision of Gorgas, with the heroism of the volunteers whose submission to yellow fever and malaria provided our biologists and physicians with the information necessary to mitigate these twin scourges, immediately comes to mind. In other words, the world had progressed mightily, and the new undertaking was carried forward in that spirit of advancement, plus the practically unlimited financial backing the United States alone could give.

From the standpoints of engineering and sanitation, success was certain from the beginning. But unfortunately the conception was still entirely one of engineering. In all the calculations no one thought of consulting the men who must take their ships through the Canal once it became a fact. The technical details of design and construction, and their relation to the traffic, are all a matter of public record in print, so they have no place here. But the flaw in the plan was a serious double one; it took no account of the human factor (not all masters or pilots being equally skilled and instant in their responses to emergency), and no sufficiently generous allowance was made for the behavior of the Canal itself under differing conditions of width, depth, sideslope angle, wind force, currents, surges, and the actions of vessels moving upon its surface but materially affected by many more than surface conditions.

THE OPERATIONAL PROBLEMS AND HAZARDS

Briefly, the operational problems the Canal presents may be summarized as the traffic bottleneck at the Pedro Miguel locks; the double lockage of vessels at the Pacific end, with consequent accidents, loss of transit time for ships involved directly, and hindrance of capacity operation otherwise; delay to traffic caused by nocturnal fogs in Gaillard Cut; heavy surges in the Cut caused by operation of the Pedro Miguel locks; distinctly limited operating range of the 82-87-foot level of Gatun Lake; the navigational risks imposed by the restricted channels, especially in the Cut; and the narrow dimensions of the present locks.

In addition to this formidable indictment, there is the further matter of the difference in maneuverability between different types of vessels, with especial emphasis on the single screw, amidships rudder and the multiple screw, double rudder type on the one hand, and the unwieldy tanker and ore-carrier type on the other. Any examination of the accident record discloses the fact that mishaps fall into two main classes, lock and channel. Those most feared are the ones occurring in Gaillard Cut, where the jagged rock sides have brought grief to many a stout ship so unfortunate as to strike the bank. Damage to vessels in the locks, while not usually so serious as the groundings and sinkings in Gaillard Cut, is nevertheless very expensive and holds up traffic wastefully while blocking the passage.

THE CARDEROCK MODEL BASIN SCALE TESTS

When the French projected the Canal, and a quarter of a century later when we undertook the job of completing it, neither they nor we had the apparatus adequate to such a colossal task. Neither did we have any institutional means of experimentation to scale such as exist today. But, as has invariably transpired when necessity pressed us hard enough, we mixed our labor with intelligence. The practical results, though slow at first in manifesting themselves, eventually gave ample proof that we could accomplish our purpose. That effort did not cease when the Canal was opened, for awakened intelligence struck out boldly into many fields, one of which is right now contributing its revolutionary findings to our knowledge of the peculiarities and hidden forces of great waterways.

With characteristic thoroughness and determination to secure and evaluate every scrap of evidence of whatever nature bearing on the subject, the United States Navy has been unostentatiously holding an elaborate and searching series of tests accurately scaled for the purpose of producing scientific data covering all the problems of restricted channel design, which are steadily continuing. These tests are being held not on the Isthmus but at the David Taylor Model Basin at Carderock, Md. In that great test laboratory the naval architects and engineers conducting the experiments produce conditions minutely scaled to the dimensions and conditions obtaining in the Canal, and by means of delicate recording instruments are achieving results of astonishing detail and accuracy which give mathematical proof and the fullest confirmation of conclusions reached by practical operating experience.

Before a single experiment was conducted, the engineers who were to make the tests were flown down to the Canal for several weeks of first-hand observation of the topography, the plan of the Canal, and the problems of ships in transit. The accident records and their causes came under the closest scrutiny. Always the visitors had the cooperation of the pilots and engineers attached to the canal to clarify their personal observations. Eventually they returned to Carderock knowing precisely by experience what the problems were that they had to solve and how best to go at the task to secure results.

As detailed, highly technical memoranda of progress are available for those qualified by knowledge and by official authority to use them, no attempt is made here to give more than general principles governing the experiments, and brief mention of one or two of the results of outstanding interest to navigators. In the model basin the channel was so arranged as to afford bases for traffic studies in both still and moving waters, in varying depths and widths, both straightaway and with channel bends. Three ship models were used in many of the experiments—one of a large naval vessel, one of a Liberty-type ship, and the third of a huge twin-screw, single rudder oiler. The Navy model, with four screws revolving outwardly, though its general steering qualities were rated as excellent, was hard to handle because of its size. The tanker was a natural selection because so many canal accidents have involved craft of this type and made the canal pilots feel they are exceedingly difficult to maneuver in restricted waters. Summed up, repeated tests under all conditions established the principle beyond controversy that the angle of rudder required to hold the vessel parallel with the axial line of the canal while under way ahead may be accepted in general as the index of controllability. This, of course, varies markedly with the depth and width of the channel, the distance of the vessel from the center line, and her speed.

At every test the Panama Canal pilots, who assisted, said the models behaved very well and that where differences were to be noticed the model was on the whole more difficult to control than a full-scale vessel. The pilots, incidentally, have taken part in the experiments by rotation, so that the full navigating skill and experience that keeps traffic flowing through the canal is being utilized to reinforce the ability of the technicians at Carderock. At the time this is written the tests are continuing steadily to exhaust the subject if possible. In summary, when they are completed and the data they provide are collated and analyzed, they will make available not only the information requisite to make traffic through the Isthmus safer, faster, and easier, but they will quite possibly affect waterway modification and construction all over the world.

LOCK ARRANGEMENT

When the Canal was designed the reason given for placing the single-step lock at Pedro Miguel and the double-shift lower locks at Miraflores a mile away was that the engineers believed suitable foundations could not be had in a single location along the surveyed Pacific end of the Canal route for all three. As each lock is 1,000 feet long inside the chamber, placing three such structures in continuous series would have meant substantial foundations for a good three-quarters of a mile. So the Pedro Miguel one-step lock was placed squarely across the southern end of the Gaillard Cut. This was an error of the first magnitude, since it directly caused operational dangers the designers had not even imagined. They had not realized they were literally creating a choke-bore. Every time 103,000 tons of water are drawn into the Pedro Miguel Lock to fill a chamber measuring 1,000 feet in length by 110 in width and 30 in depth the draft causes a seiche or surge like a tidal wave in Gaillard Cut. The amplitude of this surge at its maximum is approximately 3 feet, its speed almost 25 miles an hour. Hours elapse before this oscillation is dissipated, provided no other ships lock through. If there are other lockages each one creates a new surge, resulting in continuous disturbance of the most dangerous water in the Canal, that of the Cut. Not only does the surge create

powerful local shifts of the water, but it actually decreases the depth of the Canal channel and makes steering and control more difficult. As a result, more than one stout ship has suddenly yawed into one bank or the other and sunk. On February 17, 1942, the 36,000-ton ore carrier *Steelore* sank near La Pita in the Gaillard Cut after sheering into the west bank and breaching several forward plates as a result of these currents caused by the surge. But her sinking is only half the story. After she was securely moored by wire nawsers to the bank and had come to rest on the bottom she suddenly rose, moved forward several feet, snapping the hawsers, and again took the bottom. To lift 36,000 tons and shift it about in that fashion testifies to the irresistible force of the surges and the danger they are to navigation every time the Pedro Miguel Lock is used.

About a mile southeast of Pedro Miguel, the two-lift Miraflores Locks take traffic first when north-bound, last when south-bound. Between the two Pacific locks Miraflores Lake is little more than a huge marsh with a channel across it. The standard speed for vessels in transit is six knots, which for large units gives little more than steerage way under normal conditions. But on approaching Pedro Miguel, craft of any size necessarily have to exercise the greatest caution. As a writer in a popular magazine put it, getting a really large craft into the lock without accident is much like ramming a bass-drum into a telephone booth while on the run. There is opportunity for a mistake. Either she goes in smoothly, or she doesn't go in at all. Naturally this slow approach and extra caution slows traffic down perceptibly. The figures for complete locking at each end of the Canal show that the passage of both sets at the Pacific end takes an hour longer on the average than at the Atlantic. For very large craft, such as those of our aircraft-carriers which can go through, still more time is required, and the maneuvering has to be delicate in the extreme because of projecting sponsons and superstructures. Direct passage from one lock chamber to another, as at Gatun, is relatively safe and simple because the ship is kept continuously under the control of the towing locomotives.

Besides the spacing on the Pacific side, the size of all the locks as compared with the beam of vessels entering them reveals strikingly how far the demands of ocean commerce and the national defense have sent us since the completion of the Canal. With a maximum width inside the chamber walls of 110 feet, none of the present locks can take in our largest carriers or battleships. Such giant passenger liners as the two great Cunarders are automatically barred. An *Essex* class carrier fits the locks almost like a cork in a bottle, with nine inches to spare on either hand. The bigger and beamier *Midway* carriers have to round the Horn to go from sea to sea. With such progress in the past 30 years, is it safe today to attempt to say what we shall need 30 years hence? Is any man today wise enough to determine the ratio of ship dimensions to Canal facilities beyond the nearer future?

GAILLARD CUT DANGERS

Assuming a vessel to have entered, northbound, from the Pacific, and to have progressed safely from the entrance as far as Pedro Miguel Lock, if the weather is clear she proceeds and enters the Gaillard Cut, the most hazardous stretch in the entire Canal. For approximately 7 miles the Continental Divide, a range of hills rising to some 600 feet, is slashed through by a winding channel 300 feet wide at the prism line, with slopes only a tenth off the vertical. In this narrow gorge, its waters troubled by the surges from the lock, vessels have to be handled with infinite skill and care. None is safe anywhere but in the middle of the channel. Let a ship deviate from the center line, and the laws of hydrodynamics come into play at once. The vessel's displacement of water by her forward motion creates pressure greater between herself and the near bank than vice versa, and results in bank suction which has a strong tendency to draw her stern in toward the rocky side of the nearer bank, with a corresponding outward sheer of her bow toward the farther one. Given a strong surge at the same moment the bank suction takes effect, the ship may become uncontrollable, especially if she is of deep draft and heavily loaded. We have already seen in the sinking of the *Steelore* what happens in such a case. And that is not the only instance by a good deal.

Besides the dangers of the Gaillard Cut in itself, there is the further serious impediment of impenetrable fog at night during about 110 days a year. In other words, almost 1 night out of every 3 is foggy, and thus completely stops all transit for a period whose extremes range from 1 to 11 hours. During the rainy season, when fogs are naturally most frequent, they are often so dense that the Canal banks cannot be seen from the deck of a vessel in transit. In such circumstances it is obvious that movement in the area smothered by this impenetrable blanket is utterly impossible. The astonishing feature of the fog is that it generally affects only the Cut. Since the locks at both ends of the Canal are free from this smother, it is clear that the Cut is the cork in the bottle. Vessels can come in from the Pacific and proceed as far as Pedro Miguel, where they must stop until the fog is dissipated. Pacific-bound traffic, since it cannot traverse the fog-filled Cut must wait at Gatun Lake anchorage. Right there is the keystone of the Canal problem.

Berthing capacity for vessels along the Pedro Miguel Lock walls is so limited that only a very few vessels can wait there. Others desiring to make the transit must wait at Balboa, some distance away. Exactly the opposite is true of the Caribbean end of the Canal. These vessels entering or leaving may anchor at the pilot's discretion on both sides of the locks without the assistance of tugs or any special supervision either in Limón Bay outside, or in Gatun Lake, inside the Gatun Locks. The misunderstanding by the designing engineers of the operational problems caused this unsymmetrical arrangement with consequent added dangers to shipping and the risk of blocking the Canal through accident at any time. The experience of 30 years in operating the Canal proves the wisdom of the French canal engineer, Godin de Lépinay, who in 1879 foresaw exactly this condition and struggled to secure terminal anchorage facilities at the Pacific end so as to balance traffic and thus permit use of the locks at their full working capacity.

With adequate water supply, the ability of the locks to pass ships through is the index of the Canal's capacity. The figures given by the Canal authorities show that, including closure of one side of the Pedro Miguel Lock for the biennial overhaul, the "lockage interval for single culvert operations is 53½ minutes, or a daily capacity of 27 lockages in each 24 hours. This figure has been accepted as the minimum capacity of the Panama Canal." These figures, however, are not entirely conclusive, for they ignore the fogs in Gaillard Cut, which may settle down after 9 p. m., and lift under normal conditions before 8:30 a. m. next day. They also did not take into account the necessary traffic restrictions governing the use of the Cut by explosives ships, oilers, ore-carriers, large naval craft, and unwieldy or extra large passenger vessels. For them the Cut must be clear of traffic so as to avoid the risk of possible collision. It follows naturally that with such vessels in transit, approaching traffic must be held, and the delay pulls down the general average. In other words, with so many and such diverse factors entering the equation, any capacity figure must be regarded as approximate, and subject to wide variation in special circumstances.

PLANS FOR IMPROVEMENT

With the principal defects in the Canal briefly indicated, the three main propositions for improvement may be considered. The first of these is the so-called Third Locks project, undertaken in 1939 to increase the Canal's capacity, to permit the transit of the largest naval craft, to achieve a greater theoretical security from bombing, and eventually to make conversion from the high-level, lock-type canal to a sea-level design easier and more expeditious. It may be asked, however, why, if the Third Locks solved the traffic problem, there should be any necessity for conversion of the entire Canal to sea level. No adequate reasons for that conversion have ever been presented. Moreover, no study was made of what the effects of conversion would be.

Only 2½ years of uneasy peace and increasing fear intervened between the authorization of the plan in August of 1939 and the entry of the United States into the war in December of 1941. Excavation was pushed as rapidly as possible for a new set of large locks at some distance from the present Gatun locks, and bypasses connected with the main channels. The first bypass was planned to leave the existing channel near Cucaracha at an angle of 28°59'. Between it and the proposed lock at Pedro Miguel a bend of 46°17' was planned. A ship that succeeded in negotiating these two hazards would then pass through the new and larger Pedro Miguel locks, enter Miraflores Lake, and make a turn there of 37°30' to enter the new Miraflores locks. Shipping men who have studied the question are emphatically opposed to any such plan as adding to the present hazards for all types of vessels by creating new focal points for serious accidents and generally increasing instead of solving operational problems. Fortunately for the welfare of both shipping and the Canal, the war emergencies forced the suspension of the plan in 1942, before it was too late.

The second, and most widely hailed and controversial plan calls for a sea-level canal, thus reverting to the original idea of Comte de Lesseps. It is hardly necessary to go into detail regarding such a fantastically impossible suggestion along the lines proposed by its advocates, none of whom ever handled a ship in any waters. The plan thus far published calls for a titanic excavation job, some of it so demanding as to require special dredges never before designed, to work to a depth of 135 feet beneath the water's surface. With a bottom width of a mere 500 feet, and banks sloping 1 on 1 to give a surface width of about 80 feet, nobody connected with the plan seems to have thought of what would happen to even a very moderate-sized vessel obliged to anchor suddenly in emergency. The chance that she would be squarely on the axial line of the Canal may be granted as a possibility. But even then, with only 45 feet of water under her, and the banks only 400 feet away on either hand, with no tidal lock, a current flowing at all times, and her normal swing to be considered, any such ship would inevitably ground and be damaged, perhaps sinking, and besides blocking at least half the available waterway, creating dangerous eddies.

Besides this perfectly obvious operational hazard, the sea-level plan calls for control of the Chagres River and its floodwaters by the construction of approximately 30 miles of tremendous dams and, to compensate for the difference in tidal levels of the Atlantic and Pacific Oceans, a tidal lock at Miraflores. The flaws in the plan are so numerous and glaring that only a few of the major ones need be indicated for their effects on operating. Such a waterway would, if it followed the same general route and had in the main the same form as the present Canal, increase the danger zone from the length of the present Gaillard Cut of 7.69 miles to approxi-

mately 31 miles, probably extend the fog area considerably, and not only add to the number of curves or bends, but make the aggregate of curvature in the danger zone considerably higher. It appears, accordingly, that the sole benefit to be gained by adoption of the sea-level plan is that of doing away with the present type locks and the consequent diminution of lock-type accidents. The cost of conversion has been estimated at as much as $20,000,000,000, the time required at from 12 to 20 years. Because of the geological formations it is impossible to state definitely whether the excavations would at any time result in closing the present Canal to traffic for indeterminate periods.

It is anticipated on the basis of present conditions and their bearing on the future, that the Canal will have reached its ultimate capacity by about 1970, less than a quarter of a century hence. Whatever plan is adopted for the improvement of conditions must, therefore, be such that it can be in successful operation at or before that time. Furthermore, the cost must not be so exorbitant that ship tolls will have to be heavily increased to amortize the expense incurred. That is a much more important item that appears at first. The ship operators, of course, pay the tolls in each instance, but any accounting shows immediately that the cost is inevitably passed on to the public in various forms. Passengers would have to pay more for their tickets, shippers higher rates per ton for the goods carried, and, of course, the retail customer more for each item on a proportionate basis. So when it comes to discussing calmly the theory that money is no longer a factor in public service, and that only human energy counts, the fact is inescapable that every one of us in some form or other will help to pay for whatever is done, whether we realize it or not. Besides the main debt for the job there is also the matter of terrific amounts to be paid for annual interest.

THE TERMINAL LAKE PLAN

A plan, therefore, which is at once practical and relatively inexpensive, and whose execution would interfere with the daily operation of the Canal less than any other, is not to be considered lightly. The Terminal Lake Plan, which has aroused such opposition from sea-level advocates, is thus far apparently at once the most practical, the most historically based, operationally sound, economical, and capable of being most expeditously constructed. Briefly, it utilizes the present Canal but takes out the Pedro Miguel locks bodily, concentrating all the Pacific locks near Miraflores in a single set, and creates an ample anchorage basin by extending the area of Miraflores Lake. This automatically solves most of the operating problems, increases the safety of the Canal, adds notably to its capacity, and as far as human skill and foresight can go at present, makes an end of the question. By recognizing its own limitations—as the other plans do not—and working not to provide for an ever expanding future but for what can be legitimately estimated as within the probabilities, it provides at a reasonable cost which will not add too greatly to Canal tolls, the capacity for both ordinary and exceptional traffic. By exceptional is meant the occasional transit of some huge liner or other super-size vessel. A noted naval authority recently said to me that in his judgment there will not be much difference in size between the ships of today and those of tomorrow. "The average vessel will be a smart ship of say up to 30,000 tons maximum and good speed. But we must not overlook the possibility of the big freaks that are practically sure to come along jammed with passengers looking for sensation."

Whatever the value of this guess, any survey of the land contours in the Miraflores area shows that by throwing a dam across the present Miraflores locks the lake can be extended well into the impounding hills, thus increasing the summit level water supply and giving a total navigable area of 1.03 square miles. This affords space for nine 300-yard berths and thirty 200-yard berths. The operational advantage of this is evident at a single glance. It enables full use of the Pacific locks without regard to nocturnal fogs, puts an end to surges in Gaillard Cut, removes the dangerous bottleneck at its southern end where the Pedro Miguel locks now stand, provides ample anchorage facilities between Gaillard Cut and the Pacific locks, and thus greatly speeds up the operation of the Canal as a whole, does away with the double handling of vessels in transit at the Pacific end by elimination of the one-step Pedro Miguel locks, lessens lock-operating costs, and enables a much better handling of traffic in transit during slides. It has other marine advantages also, but these are enough to show the utility of the plan as a whole.

The United States Navy's foremost expert on the Canal, after years of study and with more than 3 years of close observation and responsibility as captain of the port at Balboa during the war, feels that besides its manifest advantages, the terminal-lake plan can easily develop into the plan for the ultimate passage across the Isthmus, whatever the future may determine that to be. There are engineering difficulties to be met and problems to be worked out; and beyond doubt, as the surveys and tests are made and the work undertaken, defects will appear, since no human plan is perfect. But considering the needs of the Nation in both naval and commercial spheres, the terminal-lake plan is so simple, so obvious, so operationally sound from the practical standpoint of the men who have to take the ships through, that it seems to meet all our foreseeable requirements at a moderate cost within a predictable time. Behind it stand that most alert and progressive marine interests, the Canal pilots to a man, those engineers who have had experience with great waterways, and every naval expert who has with his own eyes seen what operation of the Canal means at present.

What plan the Congress in its wisdom will finally adopt no one can say. But it is no more than fair to the legislators in Washington to believe that they will declare in favor of the utmost that operating experience can suggest, technical expertness can plan, and the initiative of the American people demand for their service. All the political and selfish interests in this and other countries can be disregarded, all the nonsensical whimsicalities like ship-tunnels, elevated railroads, and whatnot forgotten along with the defense problems, which latter must be solved as an entirely separate affair. The more we know of this Big Ditch—the only truly interoceanic canal in the world—the more certain are two things: the improvements made must insure a faster, safer, greater flow of traffic; and the more reasonable the solution we work out, the less the public eventually will have to pay out in cash as the ultimate consumer.

Defense of the Panama Canal

EXTENSION OF REMARKS
OF
HON. DAVID M. POTTS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. POTTS. Mr. Speaker, in accordance with unanimous consent given to me, I insert in the Appendix of the CONGRESSIONAL RECORD the following radio talk which I made over Station WMCA in New York City on Saturday, December 27, 1947:

As the year 1939 and the war in Europe approached our Army and Navy became profoundly apprehensive about the Panama Canal, not only as to its defense but also as to its capacity to accommodate the extra large battlewagons then being built for our Navy. We know this now. It could not be disclosed then. You see, when the Canal was built the locks were made 110 feet wide. At that time that width was considered more than ample to cover the needs of our Navy in the foreseeable future. But naval building changed very greatly in the interval between the two world wars so that by 1939 we had naval vessels with beams greater than 110 feet. These ships could not fit into the locks. Incredible as it may seem, these ships had to go around Cape Horn at the tip of South America to get to the Pacific from the Atlantic, or vice versa. They were thus subjected to greater danger from enemy submarines as well as delay in getting into action in the Pacific theater of the war. So far as these ships were concerned, the purpose of the Canal, which was to expedite the transit of ships between the Atlantic and Pacific Oceans, was defeated.

The importance of the Canal in war is graphically demonstrated by the report of the Governor of the Canal Zone, General Mehaffey, that over 6,400 transits by combat vessels and about 10,300 by other military craft were made during the war period.

The experiences of World War II indicated the need of reconsidering our interoceanic needs in peace and in war. As a result, the Governor of the Canal Zone was charged by an act of Congress with making a comprehensive review and study, with approximate estimate of costs, of the means for increasing the capacity and security of the Panama Canal to meet future needs of interoceanic commerce and national defense. He was also to make a study to determine whether a canal or canals at other locations might be more useful to meet the future needs of interoceanic commerce or national defense than can the present canal with improvements.

The Governor, Gen. Joseph C. Mehaffey, recently completed his report and the President has transmitted it to Congress with a recommendation for a sea-level canal at the present canal site. The cost of such a project is estimated at $2,500,000,000. Over 1,000,000,000 cubic yards of earth and stone would have to be removed. It would take 10 years to complete. That is as long as it took to build the present canal.

Why is the Congress and the people of the United States being asked to provide funds at this time for the Canal?

It has been estimated that the Canal will not be taxed to capacity by commercial ships desiring transit for many years. Consequently, present consideration of canal improvements is impelled principally by reasons of national defense especially since the advent of the atomic bomb.

The report of Governor Mehaffey reflects a profound anxiety as to the vulnerability of the Canal in event of war. We hope and pray that a new war will not be inflicted upon us. But we are not children and so we must face reality, brutal as it may be, in this atomic age.

Of course, the Canal, as it exists today, could be wiped from the face of the Isthmus of Panama by bombardment from atomic missiles. We all know this. The question before us then is what can we do to establish effective measures of defense? This is the problem which is posed by the Governor's report and this is the issue upon which we must bring to bear our most expert knowledge and judicious consideration.

It has already been concluded by the engineers examining the problem that either a lock canal or a sea-level canal would satisfy the needs of interoceanic commerce and the

needs of naval vessels. But it has also been agreed that a lock canal cannot be designed and constructed to give absolute security against loss of the waterway or to provide as great a degree of security against traffic interruption as the comparatively invulnerable sea-level canal. However, the sea-level project will be substantially more costly to develop. Accordingly, Congress will be required to balance security factors against comparative costs in determining what expansion plans will be approved.

Even before the report of the Governor of the Canal Zone was submitted, as required by law, the House Subcommittee on the Panama Canal, of which I have the honor of being chairman, gave intensive and extensive attention and study to the problem in its many complex and important phases. The members of the subcommittee in April of this year went to the Canal and after a period of the most exhaustive and detailed examination drew up a report. This report was filed with the House of Representatives on July 2, 1947, and in it is contained the thoughts and conclusions of the members of the subcommittee. This report makes no recommendations as to what particular form the reconstruction of the Canal should take nor does it make any recommendations regarding alternative sites for the Canal. However, it is largely upon the basis of the facts contained in this report that the legislation, which will make possible the reduction of vulnerability to attack upon the Canal, will be drawn up for submission to the Congress.

The term "sea level" canal means to the layman that a ship comes from one ocean, sails into the Canal at one end, and out the other into the second ocean. That, however, is a misconception. The Pacific Ocean has a 20-foot tide; the Atlantic Ocean, a 2-foot tide. It is only when there is a meshing of tides during the day that the Canal would be truly sea level. That would only be about 30 percent of each day. At other times a tidal lock would have to be used to control the difference of 18 feet in tide levels.

Many naval experts, in turn, prefer the present-type canal—a lock canal—as the best from a navigational standpoint and safety to ships in transit.

Contrary to popular belief, navigational hazards do exist in the Canal of today, which has experienced many accidents and some sinkings. It is said that the sea-level canal will aggravate these perils and would also involve a tremendous expenditure of funds. On the other hand, it would make the Canal less susceptible to complete uselessness in the event of attack.

Governor Mehaffey in his report said:

"Weapons of attack are of primary importance in the determination of Canal security. The atomic bomb introduced a new era of destructiveness in war. Even conventional weapons have increased so much in power, range, and accuracy that practically all existing defenses have been outmoded. New types of airplanes, guided missiles, and rockets are increasing manyfold the difficulties of interception. New devices for directing these weapons are taking the attack out of the hit-or-miss category. The nature of these weapons is such that dependence cannot be placed entirely upon the military defense to prevent a successful attack."

One thing is certain. If the Canal is to be properly defended, we shall need to prepare it to withstand the destructiveness of the atomic bomb and modern conventional weapons.

Possibly the atomic bomb will not be used in the next war, if there should be one. In World War I, poison gas was used. But not in World War II because its use had been outlawed. Perhaps the use of atomic bombs will be outlawed. But whether that be so or not, we cannot omit consideration of the atomic bomb in our determination of adequate Canal defense needs.

Even with a very strong military defense of the Canal, no assurance would exist that an enemy could not penetrate to the Canal with aircraft of great speed carrying conventional or atomic weapons, or with aerial rockets and torpedoes. Nor is there any assurance that a suicide attack of the Japanese "Kamikaze" type or one employing guided missles, launched from land, airplanes, surface vessels, or from submarines, could be averted. It can be expected that new modern weapons will have sufficient power, range, speed, and accuracy to make their complete interception impossible. Unless a canal is safe against these highly destructive weapons, active defense cannot prevent its extended closure or loss for the duration of a war.

It has been said by high authority that the largest conventional weapons would not be a significant threat to the security of the sea-level canal and that were an atomic bomb to be dropped directly into the Canal, traffic could be restored within a period of a few weeks, with full allowance for the difficulties involved in removing radioactive debris.

Let us consider together for a moment some other matters which will also have to be considered in determining the nature of the improvement.

Navy men say that if the Canal is made sea-level, tidal currents will be introduced. Navigation thus will be made more difficult and therefore some naval officers say it can be expected that accidents will be multiplied.

You will recall that the bed of the Canal proper is 85 feet above sea level. It is the function of the locks to raise and lower ships in transit between the Atlantic and Pacific Oceans. If the locks were blown to bits, the waters of the Canal would promptly cataract into the oceans, leaving behind a muddy mountain pass.

To make the Canal sea level, it will have to be dug down an additional 85 feet the entire distance of the Canal and through the Continental Divide, that range of mountains running down through Central America.

Severe and many slides were experienced in Gaillard, formerly Culebra cut, which runs through the Continental Divide, caused by the excavation when the Canal was built. If it is dug down an additional 85 feet, and the mountains on both sides made that much higher with a consequent greater weight and pressure on the sides of the cut, it is likely that the slides will be more numerous and intensive and a hazard to navigation.

Occasionally islands are pushed up from the floor of the Canal, creating a continuous dredging operation. These are brought about by the great weight of the mountains on the sides of the Canal pressing in on it, the tendency of which in the settling process is to push these islands up in the Canal. If it is dug down an additional 85 feet, it is also likely that many more of these islands will be created.

If it is to remain a lock canal, the question of lock width will have to be given serious consideration. This in turn will depend on what the best minds in naval engineering can foretell will be the nature of naval architecture and construction over a long period of time.

The committee has also reported on suggestions concerning the advisability of building a canal or canals at other sites in Central or South America or both. In all cases it must be kept in mind that the defense of the Canal is not a problem which can affect the United States alone, but, on the contrary, it is quite apparent that every nation in this hemisphere has the most vital concern in seeing established a canal system which not only will be able to transit ships plying the seas in times of peace, but also one which will offer the maximum possible security in times of war. And one, moreover, which will in itself be a mighty bastion against sudden and violent aggression. For their own protection, therefore, it is quite reasonable to suppose that every nation in this hemisphere, and especially those contiguous to the Canal, will cooperate in their own interests as well as for the interests of all the Americas.

Of course, the best defense against war is peace. Two days ago we celebrated the birth of the Prince of Peace. God grant to those in authority—in and out of government—that they shall be so plenteously endowed with a desire for peace, that never again shall humanity be subjected to the utter devastation and demoralization which war brings about.

Poland Should Be Free

EXTENSION OF REMARKS
OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a radio address I delivered Sunday, January 4, 1948, over radio station WORC, in Worcester, Mass. This address was made in support of the Justice for Poland program sponsored by the Polish American Congress, Inc.

The address follows:

Ladies and gentlemen, as United States Representative from the Fourth Congressional District of Massachusetts, I consider it to be not only a pleasure, but a duty to take part in your program.

The pleasure arises from the opportunity presented to express sincere tribute to the millions of my fellow citizens of Polish extraction, in whose hearts burns the same love of freedom that drove Thaddeus Kosciusko to fight on the side of a few weak colonies against one of the great powers of Europe. We have in America no finer citizens than those Poland has given us; none more devoted to the fundamental concepts of a free society; none more willing to suffer privation and hardship, and to die, if need be, to preserve for themselves, for all of us, and our children, the precious heritage of freedom that has been bequeathed to us. We, in America, can well be grateful to Poland and to the Americans of Polish descent for their marked contribution to the progress, from its inception, of our country.

The duty evolves from the obligation resting upon me, and every officer of our National Government, to tell our people the truth about American domestic-world affairs, and specifically to raise our voices on behalf of those peaceful, freedom-loving peoples who today are being cruelly dominated by the ruthless forces of imperialistic suppression.

In our confused postwar efforts to promote a just peace on earth, based upon the principles of the Atlantic Charter and the Charter of the United Nations, there is no sorrier blot on the annals of history than the disgraceful betrayal of the smaller nations, particularly Poland, by the major world powers, including, I am unhappy to say, the United States.

The treatment of Poland is a problem which most Americans here, and millions abroad, regard as the test case of American resolve toward questions of international justice and that fair play among nations which alone can provide an enduring basis for peace.

It is unnecessary, I know, to recite to you in any detail the part played by Poland as our loyal and gallant ally in the recent war. Her military effort on practically all European fronts, the courage of her indomitable

people, their fighting spirit and readiness to sacrifice their lives for their independence and the principles at stake in the common cause, surpassed the expectations of everyone in the world. In fact, Poland's record, as a fighting nation, as a devoted and faithful ally, as the only nation which did not produce a quisling, stands unequaled.

You will recall that on the 3d of September 1939, 3 days after Germany's attack on Poland, Great Britain declared war on Germany in accordance with her treaty to defend Poland's independence and territorial integrity.

You will recall further that on July 30, 1941, the day that the Polish-Soviet treaty was signed by General Sikorski and Ambassador Majeski in London, Mr. Anthony Eden, then British Secretary of State for Foreign Affairs, handed to General Sikorski a statement which ended with these words:

"I also desire to assure you that His Majesty's Government does not recognize any territorial changes which have been effected in Poland since August 1939."

You also know that the Atlantic Charter, which was incorporated in the United Nations Pact of January 1, 1942, declared:

"Their countries seek no aggrandizement, territorial or other. They desire to see no territorial changes that do not accord with the freely expressed wishes of the people concerned. They respect the right of all peoples to choose the form of government under which they will live and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them."

Free public opinion in all the countries which were signatories of this pact interpreted these phrases to be a guaranty by the United Nations, jointly and severally, of the independence and territorial integrity of Poland and the other small nations.

The basic pledge given during World War II to the fighting Polish Nation was that the common victory would bring full restoration of Poland's independence and its territorial integrity.

Neither the United States nor Great Britain have lived up to this pledge. In the three successive agreements reached at Tehran, Yalta, and Potsdam we scrapped the Atlantic Charter and all provisions of international law to become a party to the extinguishment of Poland's independence. The Polish people were forced, in a series of acts inspired by Soviet Russia, to accept a territorial settlement without being given any opportunity to express their views; the administration of Poland was given over to a group of Soviet officials sponsored by the Russian Government.

Shortly after the Polish elections were held, last January 19, 1947, the President of the United States himself declared that the so-called free and unfettered elections promised to the Polish people at Yalta and Potsdam, were carried out, under a rule of fraud, coercion, and intimidation.

The Honorable Arthur B. Lane, former United States Ambassador to Poland, declared publicly on April 3, 1947, that "he could no longer stay in Warshaw because his presence there might have been construed as an acquiescence to the rule of terrorism and oppression exercised by a Communist-dominated administration over the Polish Nation.

The Honorable ARTHUR H. VANDENBERG, President of the United States Senate, stated on January 29, 1947, that "a world war, which started on behalf of Polish liberty, could scarcely be considered adequately won until Polish liberty is something more than a rigged and terrorized election which defies and defeats every elementary concept of autonomy, self-determination, and democracy and which nullifies the most solemn pledge of which Britain, the United States, and Soviet Russia are capable."

All the leading United States authorities agree that Poland, the first nation to fight against the common enemy, has been deprived of its independence, sovereignty, and territory by one of the victorious allies with the consent of the other United Nations.

It is my considered opinion that the whole European dilemma cannot be brought to a satisfactory solution until the Polish question has been solved. If we fail to correct this original injustice, all our actions, based as they must be on that mistake, will be fraught with portentous implications for the future.

I believe that most Americans are daily becoming more concerned about the present fate of Poland, which stands in accusing testimony to our failure to live and act according to the principles for which our people have fought and died in two world wars.

It is increasingly apparent that we have not only sacrificed moral principle but also needlessly weakened our strategic and economic position in a confused effort to preserve by appeasement something of what was gained for all of us by force of arms. The American public realizes now that, particularly, with respect to Poland, the United States is suffering serious strategic set-backs and losses in prestige all over the world.

In simple moral justice our Government must insist that the Polish people be allowed a free and unfettered election to express their inalienable right to order their internal existence as they themselves see fit.

The great wrong that has been done to Poland must be righted, if the United States of America, and the United Nations are to maintain their own self-respect. The appressed people of Poland are not asking special favors from any nation; they are only requesting their God-given right to be relieved from cruel subservience and be permitted to live as free citizens of a nation ordained and developed under the same principles of individual, personal dignity upon which our own beloved nation is based.

The cause of Poland is, and will be, the one great test to determine if this Nation and the United Nations possesses the moral conscience and courage to carry out the great basic principles for which we fought the war, of establishing freedom and liberty for all peoples.

In personal recognition of the magnificent devotion and sacrifice of Poland and the Polish people, as an American ally, I am honcred to pay my humble tribute and to extend my pledge of continued efforts to the sacred cause of Poland and human freedom.

Tax Reduction

EXTENSION OF REMARKS
OF
HON. LEO E. ALLEN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. ALLEN of Illinois. Mr. Speaker, I listened to a news commentary this morning on my way to the Capitol and was so amazed by the subject matter discussed that I have asked the gentleman who made the statements to supply me with a copy of his comments.

I submit herewith the statement made by veteran news commentator George E. Reedy over Station WOL, Mutual network, this morning at 8 o'clock.

I undoubtedly was not the only Member of this body who listened with the same degree of amazement to Mr. Reedy's broadcast this morning. However, I feel that his remarks should be of interest to every man in the country, as well as the membership of this House. I need not elaborate on his statement. However, I do feel that both sides of the aisle should be forewarned of an incredible development in the President's anticipated message tomorrow.

Mr. Reedy's statement follows:

Taking the credit for another man's idea is always a good stunt if you can get away with it. It's even better when you can prevent the other man from doing it himself and still grab the glory at the right psychological moment.

There are strong indications that that is the Democratic strategy at the session of Congress opening today. No one will be positive until the President reads his State of the Union message. Nevertheless, it's in the wind.

The informed guesses are that the President will rock Congress with a request for tax reduction. If he does, the resulting furor will be worth any price of admission. It will be one of the best shows staged on Capitol Hill in years.

The President, of course, is the man who blocked two attempts at tax reduction during the last session. To be sure, they were Republican attempts, and that may have made the difference. With a Democratic name on such a bill he might feel happier.

Naturally, no one expects the President to offer the same proposals advanced by the GOP during the last session. There will be differences, and they may be important differences. Undoubtedly, the approach will not be the same.

Nevertheless, the fact remains that President Truman twice vetoed tax-cutting bills during the last session. In both instances the Democratic minorities were able to muster enough strength to make the vetoes stick.

The principal reason given for the vetoes was that the bills would contribute to inflation. In other words, taxes were being used as a method of cutting down on people's income, so they couldn't buy as much and run up prices.

If the President should change his mind this year and come out for a tax cut, he will have to answer some embarrassing questions. To justify his position he will have to prove that inflation has passed and is no longer a danger.

The Republicans are in no such embarrassing dilemma. They have maintained all along that reducing taxes will not contribute to inflation. On the contrary, they argue that it will help the situation by increasing purchasing power.

Their principal argument at the moment is that the country must either have a tax reduction or a new round of wage increases. They contend that the former is better, because it will be spread out over a large group of people.

The Republicans have their own tax-slicing bill and have made it the No. 1 priority legislation of this session. They are expected to hammer it through in short order. This year they hope they can pass it over a veto.

They may be right. It is hard for any politician—Republican or Democratic—to vote against a tax cut in an election year. That is one operation that is popular with almost everybody. A man who opposes it takes his political life in his hands.

Of course, it may be true, as many Democrats claim, that the voters are not interested in lower taxes. Should that be true, however, it would be passing strange for the President to recommend such action.

At the moment the signs point to his doing just that. Should that be his recommendation, the battle will not be over the legislation but over the credit for it. It's going to be quite a scramble, and at this distance no one knows who will win.

Universal Military Training

EXTENSION OF REMARKS
OF

HON. JOSEPH P. O'HARA

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. O'HARA. Mr. Speaker, the organized drive and propaganda for universal military training has been going on for some time. I have noted a thoughtful editorial entitled "Volunteers Are Better," in the St. Peter Herald, St. Peter, Minn., of December 12, and a letter recently published in the Washington Post, Washington, D. C., which illustrate another question properly raised, as to the conflict between the proponents of universal military training and those who advocate the Marshall plan.

While the letter points out this conflict between universal military training and the Marshall plan, it does not comment upon the fact that some of the most violent advocates of both universal military training and the Marshall plan are one and the same persons and organizations.

It is also timely to call attention to the fourth Intermediate Report of the Committee on Expenditures in the Executive Departments, House Report No. 1073, Eightieth Congress, first session, Investigation of Participation of Federal Officials of the War Department in Publicity and Propaganda, as it Relates to Universal Military Training.

Under the leave to extend my remarks in the RECORD, I include the following editorial and letter:

[From the St. Peter (Minn.) Herald of December 12, 1947]

VOLUNTEERS ARE BETTER

In a recent column written by Past Commander B. D. Livingston in his column called Legion News a forceful and convincing article favoring universal military training appeared. We hold no brief with the writer for demanding military preparedness, for keeping in step with the world, militarily speaking, and for always being aware of the precious freedoms we possess but too often forget about.

But there is absolutely no foundation for believing that just because we will have UMT that there won't be another Pearl Harbor. The ways of the Lord are manyfold.

Of course we should be strong enough to resist attack. But wouldn't a strong concerted voluntary program that would take in the National Guard, the Reserve training program of the Army, Navy, Marines, and the Air Force, the Regulars for all branches and an expanded ROTC program for both high schools and colleges do the trick. No country that has used the compulsion method of military preparedness has ever had good luck with it. At least until a strong voluntary program of military preparedness has been tried, compulsion should be considered a secondary measure.

[From the Washington (D. C.) Post]

UMT AND THE MARSHALL PLAN

America must choose either to help reconstruct Europe or to pass compulsory military training. It cannot do both without injuring the American economy. During the next 4 years the Marshall plan for reconstruction of Europe will cost the United States about $20,000,000,000. Peacetime conscription for the same period would cost in all close to twenty billion.

The yearly cost of conscription would be between three and five billion dollars a year, according to an article in the July 1947 Reader's Digest by the Nation's leading military writer, Hanson Baldwin.

Aid to Europe will, of course, provide markets for American products as well as prevent the growth of communism. Communism is unlikely to spread among people whose needs are being met.

Universal military training, which is far less frightening than the atom bomb, would neither scare Russia nor prevent the growth of communism in Europe, if all our other vast military preparations have not produced these results. Instead, it would withdraw much-needed labor from the production of consumer goods in this country. A shortage of consumer goods and a surplus of money in the hands of the consumers is a major factor in causing inflation.

Marriner Eccles, Chairman of the Federal Reserve Board, was quoted in the press of September 26 as warning that the country faces danger of economic collapse if inflation continues unchecked, and that "military expenditures comprising the largest single item in the budget * * * are one of the most important factors that contribute to inflation." He suggested that it would be better to reduce expenditures on the Nation's military forces. He said, "It may be we could spend less on military forces if we spent more to maintain conditions on which democracy and peace depend."

If we cannot add three to five billion dollars each year to our military expenditures without the possibility of economic collapse, it would be folly to pass conscription. Nothing would do more to encourage the growth of communism at home and abroad than the economic collapse of America.

Not only must a choice be made between reconstruction and conscription, but if the Marshall plan is going to cost about twenty billion dollars there ought to be a reasonable assurance that it will succeed. Insistence on the passage of compulsory military training now would certainly imply lack of confidence in the ability of the Marshall plan to accomplish its purpose. It would obviously be difficult to make a case for compulsory training if the reconstruction of Europe does accomplish its purpose.

Moreover, a provocative move like the adoption of conscription would seem to imply that the reconstruction of Europe was just another aspect of the power struggle between Russia and America and not really intended to help achieve peace. This in itself would injure America. Marquis Childs, writing from Paris, was quoted in the press of October 8 as saying:

"If in coming into being the Marshall plan takes on the appearance of another and grander move in the struggle for supremacy, the chances of final success will be small. The ordinary man who has endured so much wants to believe that it represents the hope of a better world."

To give the Marshall plan of reconstruction the best possible chance to succeed the proposal for compulsory military training should be dropped.

Rev. Allan P. Farrell, S. J., Associate Editor, America; Dr. Harry Emerson Fosdick, Pastor Emeritus, Riverside Church, New York; Rabbi Robert Gordis, Professor, Jewish Theological Seminary; Dr. Mordecai Johnson, President, Howard University; Dr. Alonzo F. Myer, Professor, New York University; Dr. Ralph McDonald, Secretary, Department of Higher Education, National Education Association.

WASHINGTON.

Marshall Plan—International Gamble

EXTENSION OF REMARKS
OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, Mr. John S. Knight, editor of the Chicago Daily News, correctly points out that the so-called Marshall plan will involve risks and sacrifices. The American people should know and fully understand what is involved in this gigantic program. Under leave to extend my remarks, I am including the following editorial which appeared in the Chicago Daily News on Monday, December 22, 1947:

INTERNATIONAL GAMBLE—MARSHALL PLAN TO INVOLVE BOTH RISKS AND SACRIFICES

President Truman's message on the Marshall plan presents to Congress and to the American people the biggest, most daring—and most expensive—peacetime program this Nation has ever been asked to consider.

In effect, the Marshall plan makes the United States underwriter of a new 17-member United Nations.

If the plan is adopted the American frontier is no longer the Rhine; it is the stratosphere.

The plan proposes that we gamble $17,000,000,000 on the proposition that 16 other nations can and will cooperate with us to restore economic and political order in Europe and thus lay the foundation for peace and prosperity throughout the world.

It is a colossal gamble. So many unknowns and variants and intangibles are involved that no sane mathematician would attempt to work out the odds.

In its simplest terms the Marshall plan proposes that the United States contribute during the next 4 years approximately $17,000,000,000 in grants and loans to 16 non-Communist nations of western Europe. The money is to be converted into food, raw materials, and machinery to speed economic recovery.

Also, in President Truman's own words, it is designed to make sure that the 270,000,000 people of those countries do not turn, in their distress, to communism.

"Such a turn of events," said Mr. Truman, "would constitute a shattering blow to peace and stability of the world. It might well compel us to modify our own economic system and to forego, for the sake of our own security, the enjoyment of many of our own freedoms and privileges."

Aid to China is to be considered separately. Also, by inference, the President left the door open to other European nations which might at a later date want to participate on the same terms as the original 16.

To receive our aid, each country must agree to carry out a seven-point program:

1. Increase its own agricultural and industrial production.

2. Stabilize its currency and maintain a proper rate of exchange.

3. Cooperate in eliminating tariffs and other barriers that interfere with trade.

4. Cooperate with other nations for the welfare of Europe as a whole.

5. Stimulate production of certain raw materials and facilitate procurement by the United States for stock piling of raw materials we need.

6. Deposit in a special account the equivalent in their own currency of the grants they receive from us, such funds to be used only in a manner mutually agreeable to them and to us.

7. Furnish their people and the United States appropriate information concerning the use made of our aid and the progress under agreements with us and other countries.

These agreements were entered into in substance by the 16 nations last summer. To date they have done little toward putting them into effect. If the interval had been used effectively to put their own houses in order the plan would have more support in the United States.

Meanwhile, the situation has deteriorated in some European countries—notably France and Italy—and in the United States. Our inflation has increased the cost of the commodities Europe needs by approximately 7½ percent since the Paris Conference was held. This suggests that if the plan is to go through, we, too, will have to put our house in order.

Certainly we will have to increase our production in agriculture and industry. We will have to stabilize our currency. We will have to carry out at home some of the governmental reforms we demand of the beneficiaries of our bounty. High on the list of such reforms are governmental economy and efficiency.

Mr. Truman skirted the subject of our domestic responsibilities warily.

He devoted a few words to stating that the undertaking would be costly, would require self-sacrifice, and carried no guaranty of success. He suggested that rationing and controls might be necessary. He warned that efforts would be made to incite strikes in Europe to hamper working of the plan.

He made no mention of the necessity of avoiding strikes at home, if we are to attain the production goals necessary to make the program succeed here and abroad.

He made one concession to widespread demand: The program, if adopted, will be administered by a new governmental agency, separate from the State Department, but guided by it.

The Economic Cooperation Administration would be headed by an administrator, drawing $20,000 a year. His first deputy would receive $17,500. A director, maintaining liaison with the cooperating countries, would have ambassadorial rank and allowances, and would receive $25,000 annually. The total ECA administration pay roll would be about $712,500 a year.

President Truman said he presented his message now rather than after the new Congress convened in January because it is essential that the plan be in operation by April 1, 1948.

That does not give Congress and the people much time in which to consider one of the most important and revolutionary pieces of legislation the Nation has ever had to face.

The battle in Congress promises to be heated and prolonged.

If we adopt the Marshall plan it means more than acting as banker, commissary, and wet nurse for western Europe. The plan is intended to give western Europe and ourselves military security. If it is to work, we must make ourselves stronger industrially and economically. We must meanwhile make ourselves stronger in arms, lest potential enemies threaten to thwart the plan's objectives by force.

Particularly, we must have the world's biggest and best air force, and bases throughout the world from which it can operate.

Many such bases are available in the countries we propose to aid or in their colonial possessions. The cooperating countries should grant us basing rights, wherever necessary, as part of the Marshall plan agreement. Such bases are as essential to defense of western Europe as they are to us. They are essential to the world peace and prosperity that the Marshall plan seeks to achieve.

We must realize that if we adopt the Marshall plan, it will mean more than adopting a new foreign policy. It may also turn out to be a major factor in our domestic affairs for years to come.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. JOHN PHILLIPS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. PHILLIPS of California. Mr. Speaker, the Congress is about to take up the so-called Marshall plan for discussion in committees and on the floor. This will be an interesting and a historic discussion. It is important in that debate as in all discussions which affect the future of the American people, we should have facts, accuracy, honesty, and a minimum of propaganda.

Under leave to extend my remarks, I include the following editorial comments on this subject which appear in the current issue of American World Intelligence, a bimonthly letter, written by Dr. C. S. Norborg in Washington, which has an increasing and well-deserved circulation, both in the country and abroad. The article follows:

EUROPEAN HONESTY VERSUS AMERICAN PROPAGANDA

Once again, the American public (and the U. S. Congress) will be flooded with the half-truths and sentimental double-talk to which the present administration always repair, when it wants to sell the people a financial foreign-aid plan.

If the recent propaganda efforts of the Foreign Policy Association and the Washington Post are samples of what we are in for, the European recovery plan will be sold to an uninformed American public opinion as (1) a device with which to stop communism; (2) an attempt to build a bulwark in western Europe against Soviet expansion; (3) a plan by which the free governments of Europe will be helped to recover from the war; and (4) a "calculated risk" which—given a chance—will pay good dividends for all, including the United States.

But, is this the real story?

Surrounded by this irresponsible American propaganda, it is morally refreshing to be able to quote exactly what leading European statesmen have told us both publicly and privately. They are very forthright about their interpretation of the so-called Marshall plan, which incidentally, was outlined on the front pages of European newspapers 6 days before Mr. Marshall spoke at Harvard on June 6, 1947.

Here is what the Europeans say:

1. Western Europe looks upon the Marshall plan as a financial aid, pure and simple, without any strategic or anti-Soviet angles.

2. The Marshall plan is but the American part of an over-all plan of inter-European recovery, the success of which will rest also upon a tremendous trade with the Soviet Union and the Soviet-controlled nations of eastern Europe.

3. With the indispensable assistance of the United States during the next 4 years, western Europe hopes and plans to raise its production to a level of from 140 to 170 percent of the prewar level.

4. This tremendously expanded production western Europe plans to sell by exporting it to the four corners of the world. The precise export picture for 1951 is, for example, as follows:

[Millions of United States dollars]

Exports to—	1938	1951
United States	443	1,484
Rest of American continent	807	2,461
Other nonparticipating countries	2,365	6,816

In other words, the Europeans expect in 1951 to export both to the United States and to the rest of this continent three times more (in dollars) than they exported in 1938.

The total figures for exports from the participating countries stand at $10,761,000,000 (1951) as compared with $3,615,000,000 in 1938.

5. The Europeans bluntly warn that the world trade recovery will fail if American dollars are not available in South America, Canada, the Far East, Southeast Asia, and other mutual trade areas.

6. Finally, the Europeans still maintain that the European currencies involved cannot be stabilized except by having sufficient gold being made available: $3,000,000,000 is the minimum needed, and those $3,000,000,000 of gold must come from the United States Treasury.

How trivial, how misleading the American propaganda talk must appear to any informed person: Why should the American people always be cheated?

American World Intelligence firmly believes in the necessity of pooling the economic, political, and productive strength of the free nations. However, we have had first-hand opportunity to watch the inefficiency and secrecy of our representatives in international affairs and believe that no good can come to America or to free men elsewhere by the continuation of cheap, superficial, and nonfactual propaganda.

Henry Wallace Waves Magic Wand, Bringing "Peace, Prosperity"

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein the following article on Henry Wallace by John Griffin which appeared in the Boston Sunday Post, Boston, Mass., recently:

HENRY WALLACE WAVES MAGIC WAND, BRINGING "PEACE, PROSPERITY"—TRIES TO TELL AMERICAN PEOPLE HE, ALONE, HAS ALL THE ANSWERS—REMEMBER HIS SCARCITY PROGRAM?

(By John Griffin)

One of the greatest searches in all history is close to ending. It is the search for peace. Down through the ages, men have looked in vain for some way of assuring peace, but the secret has always eluded them. It seems to have been the eternal quest, the goal of men great and small.

Sometimes the road seemed open, but always something formed a block and caused a detour. Men have kept trying, however. They have formed a league of nations, an organization called the United Nations. They have striven mightily, but have never reached the goal.

SEARCH IS ENDED

But the search is all over now. It ended last Monday night at approximately 10:45 o'clock, a date and hour that will surely live in history. At that time, the great secret was revealed. All that is necessary is to vote for Henry A. Wallace for President of the United States.

In addition to that, Mr. Wallace is going to throw in prosperity, too, all for the price of one vote. Certainly this is a wonderful bargain to set before the American people and, of course, they will jump at it.

Here's how it happened, according to Mr. Wallace's own version:

He went to the leaders of the Democratic Party and laid down certain terms as the price for his support of that party's candidates in the coming election. They said to him, "Henry Wallace, we welcome your support, but we will not change our policies."

And that, Mr. Wallace says, was "the answer to millions of Americans who demand the right to vote for peace and prosperity." Well, that took care of the Democratic Party all right. That leaves the Republican Party to be handled.

As for the Republicans, there is no hope at all, Mr. Wallace states, for you can't expect them to be interested in peace and prosperity. So draw your own conclusions; Mr. Wallace is the only choice left. And he's willing.

SHOW THE WORLD

So he goes a step further, and says that "the bigger the peace vote (meaning, of course, the vote for Wallace) the more definitely the world will know that the United States is not behind the bipartisan reactionary war policy that is dividing the world."

He doesn't see any difference between the Republicans and President Truman. Both, in his opinion, are opening the door for war and are making certain that if war doesn't come in our lifetime, it will surely be ready for the next generation.

Well, nobody wants that, so the answer is clear. All you need to do is cast your vote for Wallace and say right out loud, "We are voting peace and security for ourselves and our children's children."

Simple enough, isn't it? How can Wallace lose? He has a perfect set-up. Here he is, the guarantor of peace and prosperity and security for generations to come. And who's opposing him?

A Truman, a Marshall, a Vandenberg, Dewey, Taft, Stassen, Saltonstall, and all the Democratic and Republican leaders and prospective candidates, all knowing nothing about peace and prosperity, all wanting war and depression.

ALL THE WARMONGERS

Look at all those men who have conferred with the Russian representatives, Stettinius, Byrnes, Marshall, and the rest. All of them giving their time and effort in exhausting efforts to bring about another war.

Think of the courage of Mr. Wallace to come right out flatly for peace and prosperity. There's a man for you. He doesn't want war, with all its misery. He doesn't favor depression and want. No, sir; he's for peace and prosperity.

He is not like the rich monopolists who have always been more ready to sacrifice their sons than their money and now have reached the point where they are willing to sacrifice both for the sake of world control.

Oh, yes. There is one other thing I forgot: Mr. Wallace is also for abundance and against scarcity. Someone might be unkind enough to point to Mr. Wallace and say, "Look who's talking?" Those unregenerate souls might be those who recall who was the apostle of scarcity a few years ago. But they won't embarrass Mr. Wallace; he doesn't embarrass easily.

If he did, he certainly couldn't be talking about the need for a United Nations disarmament conference "to rid humanity for all time of the threat of the atomic bomb and all other methods of mass destruction." Because that is just what the United States has repeatedly tried to do, only to find the Russians in opposition.

But let's not get into difficult things like that; it only makes the situation more complex, when actually, according to Mr. Wallace, it is very simple. All we have to do is have a peaceful settlement of our differences with Russia.

HAS MAGIC WAND

That ought to be easy, even though several leading American statesmen appeared to have failed at the task. Turn it over to Henry Wallace. He will wave his magic wand and all will be well. The Russians will immediately become cooperative and wholesome in all their dealings, they will look upon all our differences objectively.

They won't try to communize Europe or to split up Germany, or to interfere in Balkan affairs. They won't call all Americans who support the American foreign policy "warmongers and hatemongers and imperialists." All will be sweetness and light and the Russians will be gentle of spirit and wholehearted in looking at things objectively.

So if you want to, you can join the forces of peace, progress, and prosperity and support Henry Wallace. It's as simple as that, according to Mr. Wallace. And if you don't join, you are probably a dirty Fascist and reactionary and a monopolist and an imperialist. So there!

There was one line in the Wallace speech which seems to stick out. "It just doesn't make sense," he said. He was referring to the monopolists who want to sacrifice their sons and their money. He was not referring to his own speech.

But it applies pretty well at that.

United States Air Supremacy the Only Hope for a Permanent Peace

EXTENSION OF REMARKS

OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein the following radio address entitled "United States Air Supremacy the Only Hope for a Permanent Peace," delivered by me over the National Broadcasting Co. network, December 26, 1947:

Ladies and gentlemen, the most important and by far the most vital of all principles in a realistic platform on foreign policy for the United States is the rapid achievement and the continued maintenance of full and adequate preparedness for defense on the sea, on the land, and more especially in the air. All the funds required to keep us the strongest military nation on the planet should be unhesitatingly appropriated by the Congress, and then, having done this, the Congress should insist that the armed services efficiently and effectively move to an early and full realization of this proposed goal. A strong and powerful United States is the surest guaranty for the perpetuation of a society of free nations. Only by adopting and acting upon the principle of sufficient preparedness will we be able to win the long-protracted struggle in which we are engaged for the achievement of an enduring peace.

On several occasions I have stated that air supremacy by the United States must for our own national interests become an actuality at the earliest possible moment, regardless of cost, the effort, or the sacrifice involved. Air power is peace power. United States air supremacy is the only hope for a permanent peace. In a telegram to President Truman and the Republican leadership of the Congress on August 21 of this year I strongly urged the calling of a special session to adopt the Marshall European Recovery Program and to strengthen the armed forces of the United States, particularly the Air Force.

There is an imposing array of impelling reasons why the United States must have air supremacy. Overwhelming air power is required to protect our world-wide interests. In view of the Russian program of expansion and aggression, air strength is necessary if we are to make our voice heard in world affairs and if encroachment on strategic points is to be resisted. Complete control of the air is the only defense against the atomic bomb. The vast oil supplies of the Middle East which will soon furnish the life blood of our economic system must not go unprotected. The money which we propose to spend on the Marshall plan to bring recovery to western Europe will be thrown away if we do not achieve air superiority to make our security and the respect for our will certain. Failing to strengthen our armed forces the position of the United States in world affairs will be jeopardized and the decline of the leadership of this Republic will be a favorite subject for dissertations by the historians of the future.

Our position in world affairs must be made perfectly clear. We should have it thoroughly understood that we will use our strength in the future to stop and defeat aggression just as we have done on two occasions within the last 30 years. We should emphatically state that an attack directed at certain strategic positions, the integrity of which we deem essential to the security of the United States, will be considered an unfriendly and inimical act. The world should be informed that when there is any encroachment upon strategic areas, such as the approaches to the Atlantic, Gibraltar, Greece, the Dardanelles, Turkey, Iran, the Near East, the islands of the Pacific, and so on, the aggressor making the encroachment will be met at once with our concerted, sustained, and unrelenting resistance. Any movement on the points I have mentioned would constitute an attack on our country and a threat to our national life. To take such a position as I have outlined requires air power—swift, overwhelming, devastating air power.

Any nation contemplating an atomic attack on the United States will hesitate only if she knows that within a period of hours from the time the attack is made there will be delivered in reprisal a knock-out, devastating, retaliatory blow from the air. The United States can be immunized against assault from the air by building a completely unassailable and invincible air force. With air supremacy and atomic supremacy any aggressor would not entertain the idea of an attack upon us because it would be perfectly clear that the cities of the country making the attack, the industrial centers, the lines of communication, and great segments of the population would be wiped from the face of the earth by a practically instantaneous single paralyzing blow from the air. Only by being fully prepared to deliver such a blow within a matter of hours after the first indication of an impending assault upon us will we be able to consider ourselves in possession of any measure of security. We have the ability, the resources, the strength, and the will which we must begin to exercise to create an air force fully capable of accomplishing the objectives I have set forth.

The rapid pace of our ill-timed and unwise demobilization left us scarcely anything from the wreckage of the most powerful fighting force in all history. One could weep at the asininity of our performance. Within a few months after the demobilization order, the Air Forces were unable to put one single squadron in the air at war-time standards of efficiency. We liquidated 320 groups and 80,000 airplanes, terminated contracts involving more than $10,000,000,000, closed more than 600 zones of interior stations and about 1,000 overseas stations. We disposed of surplus property in a total amount of $25,000,000,000 and lost most of our experienced personnel, both military and civilian.

The peak strength of the United States Air Force during World War II was as follows: Military personnel, 2,411,294. There were 243 groups with 104 separate squadrons, the approximate number of planes, 80,000.

When hostilities ceased, the Air Force Staff reached the conclusion that the minimum level at which the United States Air Force could be reduced in peacetime and still fulfill its responsibilities would be 70 tactical groups and 22 separate squadrons with necessary supporting services. The attainment and maintenance of an Air Force of this size has been the basis for the Air Force's recommended budgets to the Bureau of the Budget and to the Congress. The funds to support this 70-group program have not been forthcoming and the current appropriations for the fiscal year provide for only 55 tactical groups and supporting services.

General Spaatz in a statement at a public hearing before the President's Air Policy Commission on November 17, 1947, said "we need 6,869 aircraft for the 70 groups, including training; 3,212 for the Air National Guard; and 2,360 for the Air Reserve; the total amounts to 12,441 airplanes. To keep this force modern and up-to-date we require an annual procurement of about 5,200 planes. Also a reserve of 8,100 airplanes is essential.

The money we allotted to the Air Force for the current fiscal year is $3,388,000,000. To establish the minimum 70-group program as recommended by the United States Air Force, we should have appropriated approximately $5,235,000,000 for the fiscal year. To achieve the absolute minimum air force for safety and to have a reserve of approximately 8,100 planes as determined by General Spaatz, we must allocate a much larger sum of money to the Air Force.

If the Air Force has a 70-group peacetime organization backed up by a reserve and an Air National Guard, it would demand a procurement program for airplanes, a training establishment and other activities which would require an expenditure for Air Force purposes alone amounting to approximately $6,000,000,000 annually, beginning at once. This means for the next fiscal year. Such a program would call for a force of 401,000 military and 150,000 civilian personnel, making a total of 551,000.

On December 15, I introduced a bill providing for a supplemental appropriation of $500,000,000 to be expended on the Air Force between now and June 30, 1948. This sum could be obligated and used economically during the remainder of the current fiscal year for the purpose of implementing the proposed 70-group program. Beginning with the fiscal year 1948 we should appropriate to achieve the irreducible minimum air protection for the United States, $6,000,000,000 annually. It should be emphasized and reemphasized, iterated and reiterated, that the suggested supplemental appropriation of $500,000,000 and the annual appropriation of $6,000,000,000 beginning with the next fiscal year will provide for this country only the barest minimum peacetime Air Force to maintain our national security.

Even with the allotment of funds I have advocated it would be 1952 before the United States could realize the 70-group program were we to start at once. When this 70-group program is a reality we will have only the basis on which air supremacy could be achieved. Should we be attacked, this minimum Air Force would be just sufficient to blunt the enemy's first offensive. We would not have air supremacy and before we could attain it a period of 18 months would be required. To win a war we must have an Air Force of approximately 175 to 200 groups.

In view of these startling facts and in view of the feverish manner in which the Soviet Union is increasing her armed strength, we must act with haste to acquire air security for the United States. It is utterly ridiculous to continue to talk tough if we have no intention of moving to secure adequate preparedness. The United States cannot make its will felt with a $3,000,000,000 Air Force. I hope that we will exercise the foresight, the courage, and the statesmanship to grant at least the appropriations necessary to realize the 70-group program. Personally, I would make available much larger funds in order that we might reach the goal of complete air supremacy in the immediate future.

The Present Congress

EXTENSION OF REMARKS
OF
HON. JOSEPH P. O'HARA
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. O'HARA. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following two editorials by Mr. A. R. Wilder, the able editor and publisher of the Amboy Herald, Amboy, Minn., which will be of special interest to my colleagues because of their common sense and practical approach:

AS EXPECTED

Sure, just as we expected, the Republicans are now being accused by the Democrats of failing to do in one session of Congress, and against a Democratic President, what the Democrats have failed to do in nearly 15 years. And we think we are more lenient in our attitude than the supporters of present administration in that we make no attempt to deny that they have accomplished some good in that time. But when it is expected that just because the Republicans have had a congressional majority in only one session of Congress, and are thereby expected to right all the wrongs accumulated in over 15 years of the present controlling powers, we think that is just a little bit too much. A lot of detail could be added to back up that statement, but that is the gist of the situation at the present. Also we find the present administration adopting policies and strategy which they hope will entangle the Republicans in case they should be given the entire reins of government at our next election, and which in itself is a tacit admission that they do not expect to win. For nearly 15 years the present administration has played a superpolitical game, and it would not be in the least bit surprising if the people of this Nation would follow the present trend at the next election and make a change.

PRICES

The Minnesota poll reveals that more than three-fourths of the people in the State want Congress to do something about prices. But when it comes to settling on any definite price program the poll reveals that they fly off onto to so many angles that not any one of them gets more than a very small minority. Those that wanted lower prices polled the largest minority vote of 24 percent, and all of the rest of the angles on the price situation had a much smaller minority vote, even down to only 1 percent. And we wonder how Congress can pass any legislation that will fit that kind of a mess. To sum it all up, we might just as well say that we all want lower prices for what we buy and higher prices for what we sell, and who don't? But on the basis of the above it looks as if it might be dangerous to tamper too much with price controls, and let the present situation work itself out in due course. However if some restrictive legislation were passed on black markets and similar abuses of prices, there might be one angle that could receive some just attention, and which is long past due.

Community-Wide Demonstration Commemorating Palestine Partition, Revere, Mass.

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein the following speech delivered by me before the community-wide demonstration commemorating the Palestine partition, Sunday, December 21, 1947 at 8 p. m., in Revere, Mass.:

Fellow Americans, the United Nations has made its first major decision.

This infant organization, upon whose development the security of mankind depends, devoted more time, study, and anxious effort to find a solution to the problem of Palestine than to any other issue to come before it.

It is significant that the first constructive step of the United Nations was to right an ancient wrong which has troubled the conscience of the world for many, many years. The United Nations, faced with the conflicting claims of Jews and Arabs, has struggled with this serious problem during months of intensive investigation and debate.

Then came the last week of November 1947.

In Palestine—that tiny area of land which is the hub of communications between Europe and Asia—a land crossed by the great artery of a pipe line which carries the liquid wealth of oil from Arabia to the Mediterranean ports, a land tense with the intrigues of great powers, the climax of an age-old drama had arrived. Crowds stood for hours in front of radio loud-speakers on the streets of Tel-Aviv. Newspapers worked night and day, rushing special editions off the presses as they tried to give a blow-by-blow account of the great debate which was taking place in the General Assembly of the United Nations in New York. The verdict hung in the balance. Earlier the committee had voted for the partition plan by a margin of 25 to 13. But 2 nations were absent and 17 had abstained from voting. There lay the crux of the whole situation. Why were so many nations on the fence? Which way would they lean? The outcome would alter the foreign policy of great nations, and, as such, was a matter of world interest. To the 1,800,000 Jewish and Arab people of the Holy Land it was more than this. All the hopes and fears and cross-purposes of centuries were coming to a head.

This might be a life-or-death decision for the people of Palestine.

Thirty years ago Great Britain was delegated to rule Palestine under a League of Nations mandate that promised eventual establishment of a Jewish national home in the Holy Land. This mandate specified that "nothing shall be done which may prejudice the civil and religious rights of non-Jewish communities."

Britain failed in the job of trying to satisfy both the Jews and the Arabs. It has cost her much in treasure to garrison this key country. Because she has tried to keep to the middle of the road in her administration of Palestine, she has reaped the harvest of world indignation.

The partition plan, written chiefly by the United States and Soviet Russia, calls for the termination of the mandate by next August 1. By October 1, two independent states and a United Nations trusteeship will come into existence. They are:

The Arab state, comprising 4,500 square miles, with a population of 804,000 Arabs and 10,000 Jews.

The Jewish state, embracing 5,500 square miles, with a population of 397,000 Arabs and 538,000 Jews.

The United Nations supervised area of Jerusalem, with 289 square miles and a population of 105,000 Arabs and 100,000 Jews.

This does not take into account the 75,000 Jews who are expected to emigrate to Palestine in the first half of 1948, with a larger influx toward the end of the year.

Britain said that irrespective of what the United Nations might decide, she was going to give up her mandate and get out of Palestine. She refused to participate in any United Nations plan unless it was accepted by both Arab and Jew. The responsibility which has proved so costly to Britain in men, money, and prestige at last became too much for her. After repeated attempts to get both groups together, the British Government, under the additional pressure of those who wanted her to get out of Palestine for good, threw the whole problem into the forum of the United Nations.

What would the 17 nations who had abstained from voting in the committee—what would they do when the roll call of the Assembly was read? We have no proof that the United States Government persuaded those who were undecided, to vote for partition—but we strongly suspect that Mrs. Eleanor Roosevelt and other public-spirited Americans had something to do with it. For when the final vote was tallied, partition had won.

And there was great rejoicing among the Jews of Palestine—among the refugee Jews in Europe who look to the Holy Land as their only salvation—and among the Jewish community in the United States. I am happy to add that many of your fellow Americans who are not Jews, shared your rejoicing. We have always inclined toward those people who have the belief, the courage, and the persistence to follow through in their quest for freedom. For free peoples need the support of one another in this world where tired nations are in danger of giving up their birthright for the illusion of security. The struggle for liberty is a long and difficult one, as the Jews know, better than any other people. The winning of it is only the beginning—a notable beginning which should inspire us to defend it with vigilance, and to care for it as a living quality which we must nourish for its greater development.

Since the UN made its momentous decision, Britain has quickened her plans to get out of Palestine. Furthermore, she says that British troops will not be available to enforce order between Jews and Arabs. She intends to terminate her mandate as early as May 15 of next year. This, apart from the earlier date set for withdrawal of her troops, was what she had already said before the UN General Assembly. To this, however, she has added a new provision, stating that she does not want the United Nations to send a commission to Palestine to prepare the way for partition until May.

Clearly, this raises the possibility of a serious situation. The UN's administrative machinery to carry out the partition is made up of representatives from Bolivia, Czechoslovakia, Denmark, Panama, and the Philippines. It will be aided by a secretariat drawn from the UN staff.

It will follow these steps.

1. It is now making a preliminary study of its task. Early in January it will go to Palestine.

2. The partition plan has already outlined the general boundaries. The Commission will fix the exact ones.

3. The Commission will work with Jewish and Arab groups to set up the government structure of the new states.

4. On the date that Britain yields up her mandate, the Commission will become the transitional government of the Holy Land.

5. On October 1, at the latest, the Commission will formally transfer sovereignty to the two new states. Partition will then be completely in effect.

The British decision to pull out earlier, without allowing the Commission to start its interim work before that time, might create a vacuum which would lead to widespread violence and bloodshed. The British must be prevailed upon to reconsider, and give the Commission sufficient time to establish a provisional government before she withdraws.

But, apart from this emergency angle, how is partition to be enforced? The UN is hopeful that its prestige will have a moderating effect. If this fails, the problem becomes one for the 11-nation UN Security Council.

It can proceed in two ways. First, it can order members of the UN to invoke economic and diplomatic sanctions against an aggressor state. Second, it can call on member nations to provide troops to deal with the situation.

In view of the tense international situation, and the distance of transport separating the United States from Palestine, our Nation is presently reluctant to supply troops. We have vital oil interests in the Middle East. There is anxiety and tension among the 11,000 Americans directing an investment of hundreds of millions of dollars in these countries. Many of them live in isolated communities where they would be completely cut off in the event of a holy war. It is felt that if we send troops, the Arabs, spurred on by Russia, might provoke a major crisis which would lead to war. On the other hand, if we abstain, Russia might propose that she provide the Security Council's troops—a move that might give her a complete grip on this strategic region. Britain will not lend her troops to enforce partition.

The brief picture I have just drawn, looks at the worst possibilities in the situation, so that we may anticipate and avoid, the worst.

What is the immediate picture? In the 3 weeks which have passed since the United Nations made its decision, hundreds have been killed and wounded, and many thousands of dollars in property damage has been suffered, as Arabs attacked, and Jews defended themselves.

Part of this may be due to the release of overwrought emotions. Part of this stems from the Arab campaign of creating a major nuisance in the hope of obtaining concessions. Perhaps part of it is calculated to save the Arab "face."

And how do Jewish leaders regard these attacks?

They are realistic. They know that the Arabs deeply resent the decision to establish a separate Jewish state. What the Arabs are prepared to do about it—is the factor which must be carefully appraised.

The Jews believe, and rightly, that the United Nations, and particularly the United States as a main sponsor of partition, cannot leave them out on a limb.

Zionists claim that if the British troops are drawn back too quickly toward ports of embarkation, it will put the Jews at a disadvantage against Arab fighters who are expected to follow in the wake of the departing British. English soldiers will be withdrawing through an area which is intended to become a Jewish state and Jews may be handicapped in getting their defense forces organized with British troops in the way. The Arabs, on the other hand, have only to close in as the British pull back.

It is not believed, however, that full-scale warfare of Arabs against Jews will break out. Officials in Palestine anticipate that guerrilla warfare will be carried on by the Arabs against their Jewish neighbors.

The Arabs will boycott goods from Palestine, placing a strain on the economy of the new Jewish state, while guerrillas make raids upon railroads, industrial installations, and upon agricultural projects. Under such an attack, Palestine may have to fight hard for survival for some years after partition. Those of us who believe in her cause are so confident that she has the resourcefulness and the courage to do so.

The Jews have the Haganah.

The Haganah's strength is a secret, but it is believed that they have a total of about 70,000 members, of whom some 10,000 are well-trained, first-line fighters. Among them are several thousand men seasoned in World War II, as British troops and officers. A reservoir of raw material is the additional 30,000 or 40,000 young people between the ages of 17 and 25, now being registered for national service.

No, the Jews are not asking for men. They have their own. But, to guard against any eventuality, they need arms, which they wish to buy from the United States. We have given arms to Greece and Turkey. Can we do less for the young Jewish state, whose cause we have supported with so many words? I say that we cannot and will not abandon them now. The United States must send military supplies to Palestine at once.

But Palestine also needs help in the financial field, in order to survive economic warfare. For this she looks to friends in the United States, as well as in other parts of the world. With characteristic belief in the justice of their cause, the Jewish people are working with a will to help themselves before they ask help from others. Palestine is an old land but its settlements are new, built up from the wasteland by work and sweat and the inspiration of a dream that is on the verge of becoming reality, because the Jews are making it come true.

Aware of the economic needs of the young state as it faces the problems of self-government while harassed by neighboring Arab states, American Jewry is responding to the challenge. During the past week, plans were mapped to raise $250,000,000 in 1948, for aid to the Jewish nation that is coming into being. This is the largest quota ever set by any private relief organization in the history of the United States.

It will require back-breaking effort and sacrifice to raise this huge total which is needed to defend Palestine and put it squarely on its feet as a self-governing and self-sustaining nation.

Your zeal and the cooperation of your fellow-Americans will put this drive across.

The Jews of Palestine will, if need be, fight for their freedom. With your help, and my help, and that of all believers in the future of freemen—they will, most certainly—build for it.

Your people have wandered 20 centuries in search of a haven for your brethren who

are oppressed. Now it is at hand. Within sight of the goal, the Jewish people will not be stopped by those who would challenge their birthright.

For Palestine is born. And it will survive and prosper.

Address of Gov. Earl Warren, of California, to Hollywood Republican Committee

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. McDONOUGH. Mr. Speaker, the recently organized Hollywood Republican Committee which has for its declared purpose to support and defend the American way of life held its first dinner meeting at the Beverly Hills Hotel. The principal speaker was the Governor of California, Earl Warren.

The president of the Hollywood Republican Committee is motion picture actor George Murphy and the vice president is Robert Montgomery. Other officers include Walt Disney, Leo McCarey, Adolph Menjou, Ginger Rogers, and many others prominent in the motion-picture industry.

The Hollywood Republican Committee representing, as it does, many prominent executives and actors in the motion-picture industry will be an effective element in the 1948 campaign, and by its organization and its effective work up to the present time has added prestige and influence to the Republican Party in the State of California.

Following is the address delivered by Gov. Earl Warren:

This gathering is a good sign of the times. To me it represents what is going on in the minds of Americans everywhere. People are reaching out now for an opportunity to be helpful to our country in the solution of our many problems, domestic and foreign. They recognize in these problems both the seeds of progress and of disaster. Single-handedly, however, they often cannot tell which is which. It is only when they are viewed from every angle and from every source of light that one can be clearly distinguished from the other.

It is to accomplish this purpose that people are increasingly recognizing the necessity of associating themselves together for the purpose of political thought and action. It is not only a phenomenon of our day; it has long been a characteristic of the American people. It was this instinct that brought our party system into being a century and a half ago.

Strangely enough, the founding fathers did not perceive the necessity of political parties. Some were violently opposed to the mere suggestion of them, but their development was inevitable. As problems of government appeared on the surface people debated them, made patterns for their solutions, developed philosophies, and gave names to their groups, as a result of which political parties came into being.

Through the years these parties have risen and fallen according to their usefulness. Fortunately for the American system our people have always been satisfied to solve their problems through the medium of two parties. On occasions when they were not measuring up to the standards set for them by the electorate, or when dissension had torn their ranks asunder, new parties were launched. Always, however, within a short time the American people would settle down again to the two major parties which they could use most effectively in the solution of the current problems.

The Republican Party itself came into being through the dissolution of one of the major parties of the day. Many groups were vying for leadership. The present Republican Party supplied that leadership. It started as a party of principle, a party of the people. For almost a hundred years it has been a dynamic force in the life of our Nation.

The Republican Party has had its "ups and downs" as have all other human institutions. It has been in power and out of power. It has at times performed great things for the Nation. At other times when it became self-satisfied and lethargic, it invariably paid the price for its omissions.

But the core of the Republican Party has always remained sound. It has never wavered from true American principles. Invariably, therefore, we have been able to rebuild around it until it could again assume a dominant place in the political life of the Nation.

We now stand on the threshold of the greatest opportunity the Republican Party has had in a generation to serve the needs of the American people. Last year the people turned to the Republican Party by making it the majority party in both Houses of the Congress. They gave it the opportunity to develop the programs which will solve the many and great problems of our day. They gave it a training ground on which to prepare for complete leadership next year.

No majority in Congress has ever been assigned a more difficult task. It took over at a time when the world was in a state of flux and seething with long-established hatreds which were accentuated by the poverty and destruction of war—at a time when our own domestic life had been disrupted by years of this same war.

The Republican Congress has worked hard at its task and is now at grips with the challenging problems of the day. It needs our help. It needs groups that are active in the formulation of public opinion. It needs it in the way you are giving it tonight, by associating yourselves together to advance Republican causes rather than merely to campaign for Republican candidates.

Political parties are not designed merely to elect candidates to office. Any party that so limits its activities is doomed to ultimate failure. Their main purpose is to create sound public opinion by developing issues and pointing up the answers for those who hold public office.

No man or small group of men know all the answers to the many problems of the day. They are too numerous to fall within the experience of any man. They are too complex for one human mind to encompass. The answers to them are to be found in the hearts and minds and collective experience of the American people. They can only be refined through exchange of opinions, debate, publicity, and resulting action. In recent years there has been too little of this in the Republican Party. Groups like your own can supply this deficiency. They can give to Republicans who have the urge to do so, and there are millions of them, the opportunity to help in the solution of the problems of their day. That is the reason I believe this meeting is a good sign of the times.

We cannot afford to have this process going on actively only among the extremists in our society. The Communists work at creating public opinion 24 hours of every day. Because they do this and are so vocal, there appears to be many more of them than there actually are. Their influence is out of proportion to their numbers. I know that to be true in this country, and I believe it to be true in other parts of the world. I am sure you find that this same situation exists in the motion-picture industry.

With all well-wishers of the motion-picture industry, I have been interested in discussions, pro and con, concerning the persons and activities of asserted Communists in the industry.

It is a good thing, now and then, to look into possible communistic infiltration wherever it may occur, and especially in such an important agency of influence as motion pictures. But it is not sufficient merely to identify Communists. We must nullify their effectiveness.

The inspiration and conviction which bring men and women into an organization such as this one will do more to discourage a Communist and defeat him than any other form of effort. I would venture a guess that for every Communist or fellow traveler in your industry there are literally thousands of men and women who abhor communism and who would fight to prevent its spread. The trouble too often has been that while the Communist furthers his cause, we who are unalterably opposed to it sit by and do little to advance ours.

You have taken a step in the right direction by joining together in this organization which not only condemns communistic doctrines, but proposes to put up a fight for the security and survival of principles which communism menaces.

All that is necessary for us to do to make communism impotent in America is to stick to our democratic principles as the Communist sticks to his objectives, and through the application of our principles solve the basic problems of American life so effectively that there will be no hunger for either food or human rights upon which communism can construct its system. Human misery is the only foundation on which communism can build.

But until the world is much healthier than it is at the present time, communism will be a problem for every country on earth. It is not sufficient for us to reduce it to an irreducible minimum in our own country. We must also lend encouragement—both moral and material—to those countries that are endeavoring to maintain their independence in spite of its aggressions. Our relations with Russia have become serious, not because we care what kind of government Russia has for Russians, but because Russian communism is a form of aggression that is bludgeoning its way across state borders and into the lives of nations who want nothing more than the opportunity to work out their own problems without outside domination. This aggression is contrary to the America spirit of fair play and to the commitments that the nations of the world, including Russia, have recently made to one another.

The world is in turmoil at the present time, and there are many people who believe war with Russia is just around the corner. I do not share this belief. Such a war would be a world war. It would involve all the civilized nations on earth. It is my belief that the people of these civilized nations have the intelligence, and the enlightened self-interest, which will compel them eventually to try in every possible way to avoid World War III. They must know that such a war would amount to self-destruction of the winner as well as the loser.

It is possible, of course, that our country cannot guarantee peace as much as we desire it. There are too many factors over which we have no control. But we can delay conflict and perhaps avoid it ultimately by frankness, forbearance, and good will.

I do not believe that vacillation, expediency or appeasement on our part will avoid

trouble with Russia. Nothing but firm adherence to those principles to which we have subscribed in the United Nations and the Atlantic Charter—principles designed to establish peace through united effort and justice, will mobilize the sufficient world intelligence and cooperative action that is necessary to prevent war. To be able to do this we must keep our country spiritually and militarily strong enough to assure not only ourselves but the world that we are able to and will keep our commitments in furtherance of permanent peace.

We must help those nations that are endeavoring to retain their national integrity through the processes of free government, while striving at the same time to rehabilitate their war-torn economies. We must do this both on the grounds of common humanity, and also as a matter of enlightened self-interest. Unless these nations are successful in reestablishing themselves on a free and self-sustaining basis, the world will continue in its unhealthy condition as it is today. Even America cannot prosper ultimately in an unhealthy world.

It seems to me that there are two phases to this problem—one, to relieve destitution; the other, to make the stricken countries self-sustaining. To undertake the former without a sound plan for the latter would eventually weaken our own economy without strengthening theirs. Mere subsistence is not rehabilitation. Neither will it prevent the spread of communism. Any plan adopted must both strengthen the aided countries and, at the same time, not weaken ours. In transfusing economic blood into the anemic bodies of Europe and Asia, we must not bleed this country white. It would serve no world purpose to pour dollars or commodities into Europe at the expense of weakening the economic structure of this country. It is the fond hope of the Communists that we will make just such a mistake in order that they may be able to build upon the misery resulting from our failure.

We want to help our neighbors of the world. We can do it very substantially where they are also willing to help themselves. But they must help themselves. The amount given in each instance should in my opinion be not only in relation to need, but also in relation to the sincerity of purpose of the aided country to maintain free government, to live at peace and in cooperation with its neighbors, and to make a real effort to rehabilitate itself through hard work. Just how and to what extent we are to help depends largely upon them, but in the last analysis, of course, upon all the people of this country. The more political groups such as yours study the problem, the more enlightened our ultimate decisions will be.

In our concern with international affairs we must not lose sight of the necessity of keeping America an inspiration for the freedom-loving peoples of the world. The way we solve our own domestic problems will have much to do with their opinions. The eyes of the world are upon us, and there is no longer a clear line of demarcation between our foreign and our domestic affairs. They are interrelated to a degree which makes consideration of one without the other impossible. The examples of working democracy will mean even more than the principles we espouse. The best example we can give is to maintain the standards of living, cultural attainments, and security for all our people that characterizes a free and healthy state.

We must solve the housing problem, expand our educational and health facilities, and attack the high cost of living and other inflationary tendencies. The solution of such problems not only strengthens our own faith in democracy, but discourages and renders impotent all extremist organizations of either the right or the left.

Here in California we must work at our local problems that are mainly incidental to our rapid growth. We have 3,000,000 more people now than we had before the war. It is as though the entire population of the great State of Virginia had been picked up en masse and set down within the boundaries of our State in the last 7 years. Every facility of government and of community life has been strained to the limit. Resources that formerly appeared to be inexhaustible now call for conservation measures. Our economy has changed. We are now one of the great industrial States of the Union. Life here is changing also. It is our duty to see that it does not change for the worse, because those of us who live upon the resources of our country and State today as well as those who are entrusted with the affairs of government are but trustees for the future. If we are to serve a useful purpose we must try to prepare our country to serve the needs of our children and their children even better than it has served ours.

If we measure our devotion and our civic activities in proportion to the way America has treated us, our opportunities for service are unlimited.

I repeat it is most fortunate for the well-being of our Nation that new committees like yours here tonight are being organized.

From the manner in which you are proceeding, it is evident that you mean business and that you will make a genuine contribution to the integrity and effectiveness of our party efforts. Your personal and active interest in Republican Party affairs and in the formation and promulgation of party principles is a fine and encouraging thing—both for Republicans and for the people generally.

Your participation in the councils of the party will be welcome, not only because many of you are known and admired by millions of our countrymen to whom your names and personalities are so familiar, but because you bring to the party new leadership, new viewpoints, and new perspectives.

The usefulness and vitality of a political party are determined by its capacity for growth, by its ability to attract and hold the confidence both of the mature citizen and of the young men and women who are just entering upon the stage of life.

I believe our party, the Republican Party, is the one great political organization in the United States today to which the people can turn for competent leadership, and I believe the people themselves realize this.

It is up to us as Republicans to make sure that such trust and confidence are justified. We can't let them down, and I don't think we will.

Cost of ERP

EXTENSION OF REMARKS
OF
HON. FOREST A. HARNESS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. HARNESS of Indiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial entitled "Cost of ERP," which appeared in the Fort Wayne (Ind.) News-Sentinel, issue of January 1, 1948.

One of our greatest dangers in approaching the problem of continued aid to Europe is that we think of American aid in dollar figures rather than as actual, tangible wealth and resources. A dollar sign followed by a long string of figures has very little meaning for most of us, for the average person simply cannot comprehend the immensity of the astronomical sums involved. The figures begin to make sense only when they are translated in concrete, understandable terms such as used in this editorial. I sincerely hope that we in Congress, and all other Americans, will measure the cost of ERP by such simple, everyday yardsticks.

COST OF ERP

How many people understand how much is $1,000,000,000? Americans read of huge appropriations voted in Congress. The New Deal accustomed them to the billion-dollar lingo but it didn't teach them how to visualize the immensity of the astronomical sums it so casually and recklessly spent.

Never was it more vital for Americans to understand the size of the $6,000,000,000 bill they'll have to foot for the first year or so of the $17,000,000,000 Marshall plan if it's approved in the form the administration would like.

We are indebted to a reader for suggesting that if the United States plans to give away six billions, then it would be handing out the equivalent of total assets of the following companies:

General Electric, Ford Motor Co., Sears, Roebuck & Co., Chrysler Co., Armour & Co., F. W. Woolworth, Eastman Kodak Co., Atlantic Refining Co., Aluminum Co. of America, Goodyear Tire & Rubber Co., Republic Steel, International Harvester Co., Reynolds Tobacco Co.

To get a broader idea of the scope of these properties, one has only to observe what the Ford Motor Co. alone would embrace. It would mean principal plants at Dearborn and River Rouge, assembly plants in several cities, mines, timber holdings, inventories, and all other properties. To this add the broad expanse of physical assets owned by the other companies.

We wonder how many Americans realize that the Marshall plan would require American resources on such a gigantic scale. Our informant says "this is $6,000,000,000 in a form I can understand."

Americans have a high standard of living because as a people they have produced it. Giving away their substance and reducing that living standard won't raise the standards of any of the 16 nations involved unless we can, at the same time, give them the American spirit of enterprise and determination to produce.

Time for Reasoning

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. ELLIS. Mr. Speaker, under leave to extend my remarks in the RECORD, I attach an editorial from the Parkersburg News, published in Parkersburg, W. Va. The statement is timely and supports the indisputable fact that we can best serve the cause of freedom abroad by demonstrating the fact that democracy, as we know it, is superior to any form of superstate.

The editorial follows:

TIME FOR REASONING

There has been an ominous increase in the fear of Russia on the part of the American people during the past few months. This is not said out of a desire to minimize the

seriousness of the international situation. However, it must be remembered that it is possible to fan the flames of fear and suspicion until a nation comes to believe that war is inevitable. And once that stage is reached, war always comes sooner or later.

David Lawrence put this well when he said, "The danger in a battle of words is that it can conceivably develop into a battle of arms." It is unfortunate that American statesmen have been goaded into using language that is not often employed between countries not at war. The Russians, of course, provoked them into it. Even so, difficult as it may be to keep our tempers, we cannot gain anything by warlike talk simply because Russia employs warlike talk. To quote Mr. Lawrence again, "It is a time for restrained phrases and for persuasive argument. It is a time not for feeling but for reasoning."

We can best serve the cause of freedom abroad, in our relations with the Russians and all others, by backing up our material aid with a demonstration of the fact that democracy, as we know it, is superior to any form of superstate. We can, in other words, help combat the spread of communism by example. We must keep our people and our industries free of the governmental controls which plague Europe. And, at the same time, we must continue to work to the limit of our abilities with all nations, regardless of ideology, to maintain the peace of the world. Fear hysteria will never achieve that vital end.

Let's Not Repeat Mistake Following World War I in Our Peace Effort

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks, I include an editorial of the Kingsport Times, Kingsport, Tenn., of December 12, 1947. Mr. W. J. McAuliffe, the editor of the Kingsport Times, is not only a very capable editor but is an eminent historian and political scientist. His editorials on the subjects of meeting the threat of communism by making democracy work and on not repeating the mistakes we made after World War I in our present quest for peace are great contributions to the thinking of our day. Typical of these editorials is the one included here, as follows:

THOSE SADDEST WORDS

The recent death of Nicholas Murray Butler, former president of Columbia University, recalls the fact that Dr. Butler received the Nobel peace prize, along with Jane Addams, in 1931. That honor was not undeserved and came as a reward for many years' work in behalf of world peace. Dr. Butler was a leader in a group of great Americans who gave time and energy to creating a better understanding among the nations, in the hope that some day a means would be found to find a substitute for war in the settlement of international problems.

But recalling that award brings to mind another story. In 1931 Woodrow Wilson had been in his grave about 6 years, a grave in which the League of Nations was also buried. That League was given its mortal blow by the failure of the United States to join it. The cause of that failure lies partly at the door of Nicholas Murray Butler; whether one calls it blame or credit depends on whether one thinks that it was a good or a bad thing.

Dr. Butler, as we said, had been a worker in the field of world peace for many years. He was a worker in that field before Woodrow Wilson and Jan Smuts conceived the idea of the League of Nations. So had Theodore Roosevelt and William Howard Taft and Elihu Root and Herbert Hoover and a great many other eminent Republicans, in public office and out.

But the group of Republicans led by Henry Cabot Lodge were not workers for world peace. They were in fact cynical of the idea that war could be abolished, and they were, as far as the United States was concerned, isolationists in their approach. This group set out to kill the idea of the United States joining the League. Where was Nicholas Murray Butler and his group in this critical time?

These men were caught on the horns of a dilemma. Recognized as proponents of cooperation, committed by all their past action and words to the principle of an international organization to prevent war, they found themselves obliged to choose between supporting the program of Woodrow Wilson, thus opposing the active heads of the Republican Party, and supporting the senatorial group, thereby letting slip the chance of organizing a real league.

These great men chose the latter course, and thereby the course of history was changed. Because they did the world was committed to travel the same road, and not permitted to try the great experiment. This is true because the League without the United States had as little chance of living as the United Nations would have without our participation today.

An attempt at compromise was made. They professed to believe that amendment to the League constitution was necessary; and that it was Woodrow Wilson who prevented our joining by refusal to accept the legitimate amendments or reservations of the Lodge group. Later they went a step further and supported the campaign of Warren Harding, telling the American people, in a sort of manifesto, that they favored the United States joining the League of Nations, but the best way to get participation was by electing a Republican President.

We do not know how much this word influenced the voters. Likely, Mr. Harding would have been elected in any case. Nor do we know whether the statement was made in all sincerity or not. What we do know is that a Republican President was elected and the idea of bringing up the subject of joining the League was not revived. And it is not of record that any of these great men made an effort to have it revived.

The blame for failure of the United States to join the League is often placed on Woodrow Wilson, particularly since later thinking decided that it was unfortunate that we did not join. Many people who think we should have joined at that time ask what made Woodrow Wilson so stiff-necked in his pride of authorship? But it was not just pride.

Nobody knows what would have happened if we had joined the League. But we can say definitely that we would not have joined if Wilson had accepted any amendments or reservations. Because, if we had acted on the principle that we had the right to amend the League constitution or make reservations in any particular at all, then every other national legislative body would have the same right, and each would have to pass on the reservations made by all the rest. What sort of constitution would come of that? No agreement would ever be reached. Woodrow Wilson knew that we had to take the League as it was just as the Senate knew it had to take the United Nations Charter as it was. Amendment would have to come by action within the League.

But of course the unhappy truth is that the League was only a pretext, not an issue. It was just opportunity for the Republican Senate leaders to destroy Wilson. The group of eminent Republicans, of which Nicholas Murray Butler was one, bowed to those leaders. We will never know what might have been if they had chosen the other path. It might have made so much difference. It might have been—those saddest words.

Accomplishments of the Committee on Public Lands During 1947

EXTENSION OF REMARKS
OF
HON. RICHARD J. WELCH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. WELCH. Mr. Speaker, during the year 1947 the Committee on Public Lands, of which I am chairman, carefully considered and favorably reported to the House of Representatives 124 bills and resolutions at a minimum cost to the Federal Government and at an amount far below that which is authorized by the Congressional Reorganization Act. The House passed 109 of these bills, 68 of which have become law. This is a record of which the members of the committee can be justly proud.

The name of the committee is a misnomer, because it is no longer limited to public lands legislation, but under the Congressional Reorganization Act is a consolidation of six former legislative committees of the House, viz, Territories, Indian Affairs, Irrigation and Reclamation, Public Lands, Insular Affairs, and Mines and Mining. Thus, it will be seen that the Committee on Public Lands has legislative jurisdiction involving nearly all of the Nation's natural resources, and it includes a wider range of legislation than almost any other committee in the House.

In the interest of expediency I appointed five subcommittees as follows: Public Lands—chairman, Congressman BARRETT, of Wyoming; Irrigation and Reclamation—chairman, Congressman ROCKWELL, of Colorado; Territorial and Insular Possessions—chairman, Congressman CRAWFORD, of Michigan; Mines and Mining—chairman, Congressman LEMKE, of North Dakota; and Indian Affairs—chairman, Congressman D'EWART, of Montana.

The Congressional Reorganization Act authorized the appointment of four professional staff members in addition to six clerical staff members. The basic salary of each professional staff member could have been $8,000 annually. Such professional staff members would be of no possible use to the committee unless they made field investigations which would have cost an amount equivalent to their salary. In the interest of economy the committee has not made these appointments nor has it filled the full quota of clerks, with a resultant saving of a minimum of $60,000 during 1947.

It was decided that instead of employing a full staff, members of the committee would go into the field and make personal studies of the most important problems under the committee's jurisdiction. To carry out this program I requested, and the House authorized, $25,000 to be expended by the committee for field studies.

There were 20 hearings held by the full committee and the subcommittees in California, Washington, Colorado, Wyoming, Montana, Nevada, and Alaska. While the committee was allowed $25,000, it expended only $12,548.50, approximately half the amount authorized and appropriated, for the payment of all costs, including members' traveling expenses and transcripts of hearings.

The Plan Should Be Ignominiously Defeated

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. ELLIS. Mr. Speaker, today I submit for your consideration an editorial from the West Union Record, published in West Union, W. Va., and edited by Walter Stuart. This is a Democratic paper, circulating in a great farming section of our State, and no doubt reflects the thinking of these fine people. They are fed up on foreign relief and are not being fooled by the administration's boom for the Marshall plan.

The editorial follows:

Congress has voted to give three European countries and China twice as much of the American taxpayers' money as it cost the United States to build the Panama Canal. And Congress did it with about as little debate and with about as little interest or solicitude as if it had been considering a bill appropriating money for the erection of a post office or a dam here in the United States. Only six votes were cast against it in the Senate, and, before the bill was sent to conference, it went through the House without a roll call, only a few feeble voices being heard against it. The bill as slightly amended by the conference committee went through the Senate without a roll call and was opposed by 82 votes in the House.

Upon the reassembling of Congress a determined effort will be made to secure the enactment of the Marshall plan, a plan by which, if adopted, the United States Government will obligate itself to give Europe four or five billion dollars a year for the next 4 or 5 years.

That plan should be ignominiously defeated, but as the so-called interim or emergency bill went through Congress so easily it is very likely that the Marshall plan will be favorably acted upon although it will meet with much more opposition than did the emergency bill.

Congress and the President seem to be more interested in the people of Europe than they are in the people of their own country. There are millions of people here in the United States today who are having a hard time to live and who should be as much the concern of the Nation's lawmakers as any of Europe's millions.

We should give to the needy people of Europe as much food and clothing as we can spare without lowering the standard of living in our own country or without weakening the Nation's economy, but we should certainly not obligate ourselves to give any definite amount each year for a period of years. Let us give what we can on a year-by-year basis and no more.

What sense would there be in our pledging to give Europe a definite sum 1 year from now, a like sum 2 years from now, 3 years from now, and 4 years from now? Who knows what the conditions will be in Europe 1 year from now or 2 years from now? Why, of course, nobody knows, certainly not anybody in Washington. Why then obligate ourselves to give Europe four or five billion dollars every year for 4 or 5 years? Could anything be more foolish, more unbusinesslike, more unstatesmanlike? Would it not be far more sensible to hand out supplies as Europe needs them and as we can stand to hand them out and then quit as soon as Europe becomes self-supporting or is no longer in need of relief?

It appears that the President and Congress are not giving money and supplies to Europe so much for the purpose of helping the people of Europe who are in distressed circumstances as they are doing it for the purpose of preventing the spread of communism or of preventing Europe from falling prey to communism.

Who knows that Europe is about to go Communist or would go Communist if she should not be aided by money and supplies from the United States? Certainly not President Truman nor any member of his official family nor anybody in Congress. It is simply nothing but a guess that Europe will adopt communism if she is not helped by the United States to get back on her economic feet. The threat of communism is being used solely for the purpose of gaining support for the Marshall plan. If it were not for the threat of communism, the Marshall plan would stand little chance of enactment.

The average European, no doubt, has just about as much sense as the average American, and human nature over there is just about the same as it is over here. If the people of Europe want communism and believe that it will better their condition, they will have communism in spite of all the money and supplies that the United States might be able to pour into their country. If they do not believe in communism, they will not accept communism, regardless of any pressure or influence that might be brought to bear upon them by Communist countries.

If the people of Europe want communism, it is none of our business. They have a right to any kind of government they want. The American people have never tried to deny Russia the right to any kind of government she has chosen to have. Then why should we deny the same right to the countries of Western Europe? They have the same right to their choice of government as Russia has to hers.

Survival in Chaos

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. ANGELL. Mr. Speaker, Mr. Philip H. Parrish, editor of the Oregonian editorial page, published in my congressional district, recently returned from a second tour through Europe and is writing his views and observations on the problems of these war-devastated countries. Mr. Parrish is a keen student and experienced writer and his observations are worthy of careful consideration by all of us who have the responsibility of deciding upon the issues involving these war-torn countries. The first of the series of articles is as follows:

SURVIVAL IN CHAOS—WRITER'S RETURN FINDS PEOPLE OF EUROPE MORE IN STRIDE FOR SNATCHING LIVELIHOOD FROM AMIDST DEBRIS OF WAR

(This is the first of a series of articles detailing observations made recently in Europe by Philip H. Parrish, editor of the Oregonian editorial page. Mr. Parrish spent 7 weeks in Germany, Austria, France, and England as a sequel to similar 1946 visit.)

(By Philip H. Parrish, editor, the Oregonian editorial page)

This first article is by way of being a misplaced conclusion. I am writing the conclusion first for the convenience of Secretary of the Army Kenneth C. Royall, Gen. Dwight D. Eisenhower, and Gen. Lucius D. Clay, to whom a prompt report is due, and also for the benefit of such readers of the Oregonian as may not have the desire or the opportunity to follow through a series of articles.

When invited by the War Department to resurvey the European theater something over a year after my first visit, and report on progress or retrogression, I assumed that it was to be as one of a group of repeaters.

It was somewhat alarming to find, when we reported in Secretary Royall's office in the Pentagon on the morning of November 13, that only Barry Bingham, president and editor of the Louisville Courier-Journal; Charles Gratke, foreign editor of the Christian Science Monitor, and I were in that category. We are the only ones who so far have retraced a War Department tour. Mr. Bingham was along with me in 1946. Mr. Gratke—who, incidentally, is an Oregonian and an alumnus of the university, and an old friend—was a member of a still earlier party.

ARMY PRESSURE LACKING

It can be imagined that the burden of responsibility suddenly assigned to the three of us was no whit lessened when General Eisenhower, as his only statement to the gathering, asserted that he and the Department of the Army were going to be particularly concerned with what the repeaters had to say—good or bad.

(It needs to be stated here, and insisted upon, that no one indicated directly or indirectly that the high command was looking for a good report. There were no restrictions on what we saw or learned. Nothing was off the record unless we ourselves felt it should be. And though it will be difficult to convince the skeptical of this, we were not led around by the nose. All of us have had rather more experience than most persons in not being led by the nose.)

GERMAN PEOPLE CHANGE

Anyhow, what follows is a summary of the changes in the European scene—particularly in Germany and Austria—between the autumn of 1946 and the early winter of 1947-48, as it appears to one observer. There may be modifications later, and especially additions, but in general this is how affairs seem to me to stand:

First. There has been a startling alteration in the attitude of the conquered peoples—specifically the Germans. The Austrians have always been considered liberated rather than conquered and did not have a hang-dog demeanor even in the beginning.

In the case of the Germans, the alteration has been so gradual as to be almost unnoticed by those on the scene but to the visitor it is unmistakable. In the fall of 1946, they avoided the American in the street. They walked on the other side if possible, with head down and eyes on the ground or

averted. They still did not know what the Americans were going to do to them, what burst of anger and punishment they might encounter. Also, there was a frantic air about them. Each was on the prowl for a cigarette butt, a lump of coal, a piece of paper, or string. They poured along the streets carrying their brief cases and bags in which they secreted their black-market goods and whatever they might pick up. Their frantic air resulted from a combination of fear and confusion—confusion as to just how to supplement their diet—along with supplementing clothing and fuel—in a world of fallen buildings and no lights.

FEAR OF UNITED STATES FADES

The change results from two facts: In the first place, the United States has restored nearly all powers to the German governments and acts for the most part in an advisory capacity. The Germans are surprised at this but they take it at face value. They feel they have little or nothing left to fear from us. They say in effect: "We are your Germans now. What are you going to do about us?" They no longer look aside in the streets and sometimes are even impudent, though not often.

In the second place—and perhaps most important—they have learned the technique of survival in chaos. It is not that they have more to eat and wear. They grow hungrier and shabbier. But they are no longer frantic, because they know the exact procedure necessary. If one is a farmer, he knows just how to secrete the maximum of crops and sell on the black market. If one lives in the bigger towns and cities, he has counted his possessions over and over. He knows just how each possession is to be slipped to the butcher or baker, or carried out to the farms. He understands their value, and how long a man and his family can expect to live on what remains.

ROPES OF MISERY LEARNED

If one resides in Berlin, he appreciates the exact dangers of running the Russian blockade into the countryside around. He appreciates the chances of his being hauled off a train by a Russian wielding a specially devised hook, and of having his bag of potatoes—bought for the winter—taken away from him.

He has learned the ropes of misery. He still picks up butts but he does not leap for them. That takes too much energy.

Second. The German is flagrantly not working, and generally speaking he has no intention of working so long as present conditions exist. And before denouncing him, we should face the simple realities of existence as the German faces them.

Suppose he is a laborer receiving 200 marks a month. He can get all the rationed goods allotted to him with 100 marks. That is, he can get his rationed food, soap, fuel, clothing and so forth, as well as pay his rent and electricity bill. He has half his wages left over—100 marks—which looks pretty good. But with this second 100 marks he can only deal on the black market, and on that market 100 marks amounts to only, for example, a fourth of a pound of coffee—little more than a package of American cigarettes.

CIGARET HIGH PAY

In other words, with the official rate standing at 10 marks to the dollar and the black market rate as bad as 175 marks to the dollar, it does not pay the German to work any harder than is necessary for him to keep on the official ration list. After that the important thing is that he conserve his strength so that he will be able to scour the countryside for leavings, make excursions among the farms, pick up wood in the forests and cart it into the cities, beg for cigarets around the Army camps. (A German who acquires one cigaret a day makes as much as one who labors 8 or 10 long hours in the rubble.)

Perhaps I should revise my statement. The German actually is working, but on the black market after hours, not on the job. It profits him more to beg or steal a bar of soap somewhere than to become foreman of his plant and be paid off in valueless marks.

The tragedy of all Europe is the lack of a firm currency, and in Germany, where we are most heavily involved, the situation is most critical.

RUSSIAN PATTERN CLEARS

Third. The past year has witnessed a remarkable clarification of our contest with Russia for the soul of Europe, and particularly it has witnessed clarification of the pattern of Russian procedure.

I do not think there is one of our party of editors but would agree that without the Marshall plan, or its equivalent, communism would flood to the Atlantic, either forcing our withdrawal or precipitating war. Nor do I think there is one who disagrees with the policy of giving back frank talk for frank talk, as adopted this sumer—though some feel our policy should have been adopted without fanfare rather than announced.

However, the details of the conflict will be discussed later. At the moment the vital thing is to make plain what I mean by the "clarification of the pattern of Russian procedure." Here in America we tend to think of the Russians as assaulting western Europe with great blasts of verbal propaganda. They do that all right. But far more important is the fact that they are materialists, who believe economic control means ultimate ideological control and who are operating on that basis. In every area behind the iron curtain they are gaining majority stocks of the leading industries. In the Russian zone of Germany this is done by means of a single gigantic holding company; in Hungary it is by four companies. And so forth. The details vary from country to country but not the over-all purpose. Russia intends to run these countries after it pulls out its military forces, and it does not intend to pull out its military until the financial control is established.

OFFICER PROVIDES DATA

Along with a special article on the subject, I have a remarkable document to release in regard to the economic penetration of Hungary, done by an American officer who was denounced by the Communist press a few weeks ago as "the spy in uniform." He gives the dates, places, and names. There will be a remade and largely Sovietized eastern Europe when and if the Kremlin orders the troops out. It is too late to do anything about it now, but the knowledge may help us in the future.

While Russia was accusing us of economic imperialism in the west, it has achieved such imperialism for itself in the east. It has perfected the methods which the Nazis used in their expansion.

Fourth. In regard to our actual administration in Germany and Austria, reactions must be mixed. The troops are better than a year ago—older soldiers serving longer periods of enlistment. There is every reason to feel pride in them. So also with the high command under General Clay at Berlin and Lt. Gen. Geoffrey Keyes at Vienna. These are professional soldiers picked for their ability, and now in the occupied areas only because it is their assignment.

MILITARY GOVERNMENT RULE GOOD, BAD

However, among the temporary officers and the run-of-the-mill civilian officials of military government there is an incredible admixture of decent people, carpetbaggers, earnest idealists, and plain adventurers. One could understand how that would be. After the fighting stopped, most of those trained for military government headed home. Their places were taken by some who actually felt they had a duty to perform and by others who were "on the make" or feared the competition at home. Their ranks could stand a lot of improvement.

As to the over-all policies of military government, as worked out in cooperation with the State Department, yes and no. A year ago the Germans were trying to accustom themselves to the idea that government was being turned back to them, with American officials only advising and using the veto. The feature of the year has been the German response to this responsibility, and it is not too good. They are using their political independence to defeat the social, juridical, religious, and educational reforms without which political democracy cannot survive. For instance, Bavaria has openly defied military government in regard to reform of the aristocratic school system, and Wuerttemberg-Baden and Hesse have given no more than meaningless lip service. Also, the dreadful German party system continues to exist. And the free press we have established could not survive 6 months if left to the mercy of the parties and the governments. Personally, I think there needs to be a return, in some degree, to orders in place of advice. There are basic procedures without which no democracy can function.

On the other hand, though the economy of western Germany has been disrupted by the severity of the past winter and the drought of the past summer, I am convinced that military government has done a fairly creative job with industry and that it deserves the principal credit for getting the scene set for a political and economic union of the American, British, and French zones. Such a union is a minimum need, now that the Russians have proved adamant in regard to a general solution. And General Clay has operated well in preparation.

RED MARCH REVERSED

Summary: During the year Russia moved with absolute ruthlessness to strip the areas behind the iron curtain of movables and secure permanent financial control over the immovables, so that its effective control will continue after its troops are gone. It has been helped psychologically and materially by the fact that east of the curtain, in a farming region, there were extra good crops, while west of the curtain, in industrialized Europe, there was one of the poorest crops on record.

So, in the spring and summer communism was on the march. But the march was slowed down by our fairly prompt and generous response with food, and in the past few weeks the implementation of the Marshall plan—giving our policy some permanency—has turned the march into a definite retreat.

Two weeks ago today—from the time when this is being written—most of my party flew into Paris to discover that the French general strike had collapsed the night before, and that a million and a half union members were prepared to leave the Communist-dominated organizations which had sacrificed them on behalf of the Kremlin's war against the Marshall program.

At that same hour, I landed in London, where the conference of foreign ministers was in its final stage, but this time with Bidault and Bevin unswerving in their support of Marshall, and Molotov retiring in the worst disarray of his career.

History was breaking around our ears, and with a friendlier sound than we had been accustomed to during recent months.

MOLOTOV TYPIFIES FEAR

However, during those days in London, when Molotov's isolation was becoming complete and communism was in confusion in France, there was a disturbing picture which kept returning to mind. At the time when we landed at Northolt Field, west of the city, amused British customs officials had pointed out to us Mr. Molotov's special plane, under heavy guard of Russian soldiers, off in one corner. They had informed us that even the

gas was flown in by special and guarded plane from Russia.

So, on the morning of Saturday, December 13, when I took off for Paris—the same morning that the meeting of foreign ministers finally collapsed—I looked out the window of my British Viking toward Molotov's corner and had a slight case of the willies.

There can be no assurance of peace on earth so long as the representative of so great a power as Russia lives in a primitive atmosphere of fear and ambition. It is worth our prayer, anyhow, that somehow they may learn to move among us as just pilgrims like ourselves.

The Third Step Necessary for Permanent Peace

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. KEFAUVER. Mr. Speaker, most of us felt that in our effort for peace it was necessary to take a stand against expansive communism by coming to the aid of Greece and Turkey. Most of us were convinced that it was required to provide emergency aid to the people of western Europe to hold the line until conditions could be stabilized by the European recovery program. Even after the successful application of the Marshall program, a third step is going to be definitely necessary if world order is to be given any real degree of permanence. It is time for us Members of Congress to be thinking seriously of this third step. It is succinctly but clearly described in a feature article by one of the South's most capable editors, Mr. Edward J. Meeman, in the Memphis Press-Scimitar of December 26, 1947. The article is as follows:

THIS UNITED STATES CAN NEITHER STAND ALONE NOR SAVE THE WORLD

(By Edward J. Meeman, editor, Memphis Press-Scimitar)

President Truman has asked Congress to authorize $17,000,000,000 for the European recovery (Marshall) plan and to appropriate $6,800,000,000 for the first 15 months.

This will be opposed by those who, tired of the rest of the world, imagine that we can crawl back into our thin shell and find safety.

Yet the Marshall plan is only the irreducible minimum required for our safety. It is only the second step, of which the Truman doctrine was the first. There is a third and greater step we must take beyond the Marshall plan.

In the Truman doctrine we said to communism: Thus far shalt thou go and no further. We went to Greece and Turkey, which we once regarded as far-away lands, and said: This is the frontier of our liberties—the frontier of our national safety. President Truman's announcement was an act of great political courage. Its daring has not been fully appreciated because of the fact that its necessity was so quickly accepted by public opinion. The Truman doctrine has recently been given even wider scope when we served notice that we will not stand for aggression against Italy.

ONLY EMERGENCY MEASURE

The Truman doctrine should be regarded only as an emergency measure. It is a limb we had better not stay out on too long. We do not have the strength to defend the safety and liberty of the free world alone. Magnificent as was her courage, Britain could not have defeated Nazi aggression with her own power alone. If we had not joined her, she would have gone down. We had better not count on having the same luck—better not count on the chance that we will pick up some allies after we get into a war. We had better get those allies now, by firm, unbreakable bonds.

Let us get those allies not through power politics, but by the natural next step in world organization. We have done some bold things which are really a sharp break with our traditions. We have joined a United Nations; we have served notice on the world that we will not stand for aggression in Europe. But we have overlooked the most natural thing for us to do—we have not joined hands, hearts, and forces with the peoples whose traditions are like ours and whose objectives in the world are like ours—peace, freedom, and democracy. Perhaps we have overlooked it because it is so obvious.

LET'S DO IT NOW

Let us do now what we should have done in the first place—form a federal union of the free, composed of the nations of the British Commonwealth and the democracies of western Europe. We could not possibly win a war without them; let's federate with them now, so that we know they will be with us in time of crisis. (Maybe that crisis is already here.)

The United Nations is a good thing; let's keep it. It is a valuable international forum. It is a valuable agency through which to work out many international agreements and to improve world conditions by joint action of the nations. But it cannot prevent aggression from striking or defend us from aggression if aggression strikes. The belief that it could do so was based on the illusion that Russia intended to cooperate with the western world

Within the outer circle of the United Nations let's form the inner circle of the union of the free. Let the federal union of the democracies have a common international policy, common defense forces, common currency, mutual free trade. The creation of such a union would assure such wide markets for free enterprise that the collapse for which communism is hoping could not occur. Some of the democracies which would be included in such a trans-Atlantic union have large dominions and colonies, assuring us of such a storehouse of natural resources that democracy would be impregnable.

TWO MISTAKEN EXTREMES

The isolationist who thinks that this Nation is strong enough to stand alone is mistaken. The interventionist who thinks we can save the world alone is equally mistaken.

The defense of freedom is the job of all free peoples equally. The benefits of freedom, economic and spiritual, belong to all free peoples alike. They can assume this joint responsibility and enjoy these benefits in but one way: through the federal union of the free. It must come eventually if freedom is to survive in a world which is so largely unfree; it had better come now. For the hour that necessity forces it upon us may be too late.

Mr. Speaker, it will be observed that Mr. Meeman in this article, as he has in other writings on the subject, proposed to go far in merging the economies and national interest of the nations which would make up the Federal Union of the Free. I am not now prepared to go this far and from a practical viewpoint we know, and Mr. Meeman knows, that the aims he seeks will have to be attained gradually and by degrees. It is stimulating, however, that he and other thoughtful men are shooting at the ultimate objective. A beginning should be made now. We, in Congress, should lose no time in trying to work out arrangements for close cooperation in every feasible way between our country and the other democracies of the world. Plans for a common international policy, coordination of defense forces, and mutual trade with free or low tariffs would be a good beginning. The future of our world depends upon what we do with this third step.

Hon. Sam Rayburn

EXTENSION OF REMARKS
OF
HON. JOHN E. LYLE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. LYLE. Mr. Speaker, on this anniversary of Mr. RAYBURN's birth, it is not possible to overlook the great contribution he has made to the stability, strength, and honor of our Government. There can be no finer birthday wish than that we may have his wise counsel at the policy table of our Government for many, many years, and that the men who take their seats in this body may approach the stature of SAM RAYBURN.

On behalf of the people of my district, I offer him congratulations and best wishes.

Address of Mr. Justice William O. Douglas

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith an address by Mr. Justice William O. Douglas, of the Supreme Court of the United States, principal speaker at the dinner in Chicago on the occasion of the one hundredth anniversary of the birth of John Peter Altgeld, which was held at the Hotel Stevens on December 30, 1947:

John Peter Altgeld is probably unknown to most Americans. He seldom figures in our history textbooks. Few adults or school children identify him with the great human causes which have shaped the American character. His name has not yet become, as it should, a symbol of the clean, powerful force which we call American idealism.

He has, indeed, been an "eagle forgotten." But as Vachel Lindsay nobly said of him, "To live in mankind is far more than to live in a name." Altgeld does, I believe, "live in mankind." It was the cause of mankind which he pleaded. Though his name may no longer be identified with the issues which he espoused, their vitality in the years which followed him reflect the courage and faith with which he embraced them. Moreover, those who would not have seen eye to eye with him on many of the contentious issues

of his era nevertheless gain inspiration from the character of his advocacy.

He feared no man. As a lawyer, his clients did not cause him to stand mute when his conscience urged him to speak out. As a politician, he did not follow the safe course of indecision or of ambiguous pronouncement when his instinct for justice told him to meet an evil head-on. As a private individual, he did not turn his back and withdraw to the ease and comfort of his wealth when the victims of an industrial system cried out against its inhumanities.

The powerful social forces of his age moved him to action. He was blunt, outspoken, and at times indiscreet. Edgar Lee Masters once said that perhaps "his weakness was that he hated the bad so much that it obscured his love of the good." He certainly made up in daring what he may have lacked in discretion. His was the frontal attack—he stormed the walls of the enemy at high noon; he did not delay in order to infiltrate their fortress at midnight. He was, indeed, an expendable. The heat of his zeal, the tremendous demands of his nervous energy consumed him in a brief and hectic 55 years.

He lost almost every major cause he pleaded. But those were the skirmishes and the battles which were mere episodes in a larger and more far-flung campaign. His failures caused new recruitments. A full generation later men who never knew his name were summoned by the ideas which he had generated or espoused. They marched to great victories of which he perhaps had never even dreamed.

His activities were, in the main, restricted to Illinois. But the ideas which he represented spread throughout the land as seed travels on the great airways of the world. His platform power was potent, though his spoken word was carried by the tongues of men, not by the magic of radio. The issues of which he spoke later became national issues. Millions became advocates of his lost causes. A generation unborn at his death witnessed victory in the war of which his lost battles were a part.

One who follows a trail through the wilderness may not know who first laid it out, who blazed the trees that mark its course. The pioneer who went ahead and marked the trail may, like Altgeld, be unsung. Those who later come to know its rigors—the crags which it mounts and the treacherous lowlands which it skirts—will want to pay tribute to him who first dared walk it. As Irving Dilliard said, the State of Illinois paid such a tribute in a literally inspired way in 1941 when it chose Altgeld Hall as the name of the building to house its distinguished college of law. Such monuments to his name do more than honor him. They help insure that his ideas continue as potent forces in our national life.

Altgeld came to maturity during the days of our robber barons. The great industrial and financial strength of the East had won a war and had grown stronger in the process. A large productive capacity, a huge reservoir of capital awaited new ventures. Men of vision saw untold opportunities in the exploitation of the western two-thirds of the continent. Parrington has described the beginning of this gilded age in pungent terms:

"A passionate will to power was issuing from unexpected sources, undisciplined, confused in ethical values, but endowed with immense vitality. Individualism was being simplified to the acquisitive instinct. These new Americans were primitive souls, ruthless, predatory, capable; single-minded men; rogues and rascals often, but never feeble, never hindered by petty scruple, never given to puling or whining—the raw materials of a race of capitalistic buccaneers. * * * The romantic age of Captain Kidd was come again, and the black flag and the gospel banner were both in lockers to be flown as the needs of the cruise determined. With all coercive restrictions put away the democratic genius of America was setting out on the road of manifest destiny. * * * It was an anarchistic world of strong, capable men, selfish, unenlightened, amoral—an excellent example of what human nature will do with undisciplined freedom. In the gilded age freedom was the freedom of buccaneers preying on the argosies of Spain."

Banker, industrialist, builder, and speculator were the driving forces in that tremendous undertaking. Some maintain that, at least in days of peace, the job never could have been done so fast any other way. However that may be, it is clear that it was extravagant in its cost, inhuman in its methods, corrupt in its influence.

The agrarian groups were exploited by the mercantile and industrial interests. A scourge of poverty and want—10-percent interest and 10-percent corn—swept the farms. Out of such stuff grew the Granger movement and later the Populists and other groups bent on reform.

Jungle warfare was the technique that fashioned the trusts. Big business rose out of the ruins which it had made of little business.

The newly acquired wealth became, in part, a slush fund to corrupt legislatures, to purchase favors from public officers. The credit mobilier scandal and the whisky-tax frauds were typical.

The Nation had just rid itself of chattel slavery, renouncing for all time the idea that men could be bought and sold and exploited like cattle. But it seemed to many that the Nation was on the verge of embracing a form of industrial slavery, which in its consequences was almost as vicious as the slavery which had just been abolished.

The great industrial projects of that age required men as well as capital for their execution. But in the eyes of the promoters, men were as fungible as the ties of the railroad tracks which spanned the continent. There was at least some effort to protect the capital placed in the ventures and to give it rights against the day of loss and failure. But there was little or no effort made to compensate for the arms and legs and eyes and lives of human beings that went into these great industrial undertakings. Workmen's compensation laws, employer's liability laws were still in the future. There were only a few who talked of social justice.

Many workers, living in company towns, were beholden as in feudal days to a master; and this time their master was a corporation.

Child labor was widespread. Long hours of work obtained for men and women alike. Unhealthy and unsanitary conditions of work were found on every hand. The 8-hour day was a radical idea. Trade-unions were sabotaged. Collective bargaining was still largely a dream.

The claims of stockholders and bondholders against enterprises had long been recognized. But there was no similar recognition of the claims of labor. Workers had no right to work; they had no claim to a fair wage.

Men struck for more wages so that they might live decent lives, so that they might raise sturdy sons. Strikebreakers were brought in, and the poorly organized strikers were usually defeated. A great industrialist handled his strike with these words: "There is nothing to arbitrate. The workers have nothing to do with the amount of wages they shall receive."

The reaction was severe. There were probably some men of violence on the scene who would destroy the system that gave birth to the new industrial oligarchy. But men of good will—zealots and reformers—were also pilloried as anarchists. So were those who only protested against the chains of their new slavery.

There were riots and bombs. Violence begat violence. Troops—Federal troops—were called out to enforce injunctions issued by Federal courts. These were injunctions not only to protect property but to keep plants open and to outlaw strikes. He who defied the injunction went to jail. He was in contempt of court.

A great restlessness swept the country. There was a depression in the early nineties and millions were unemployed. They swept over the Cascades and the Rockies on the move to Washington for currency reforms, for a public-works program. Some stole trains and were jailed. So were the hitchhikers who rode the boxcars. Strikers, too, were jailed. Contempt of court became a weapon in industrial warfare. It was a powerful weapon. It alined the forces of government—the courts, the marshals, the troops—on the side of industry and against the workers. Government was there not to adjudicate the justness of the claims, not to mediate nor to arbitrate the disputes, but to crush and suppress those who protested against the injustices of the new industrial era.

These issues were injected into local and national politics. A distinguished line of muckraking journalists, starting with Henry Demarest Lloyd, emerged and wrote in words that all could understand an indictment against the age of plunder and exploitation.

Antimonopolists pressed their reforms. Those who protested against the great and uncontrolled power of industry often advanced as their cure-all the socialization of business. Many good people were alarmed. Mr. Justice Brewer, who severely criticized Altgeld, was of the view that "the cry for socialism comes largely from the dissipated, the lazy, the dishonest." Men stood condemned as un-American whose programs of reform were not more radical than the vision of our own Tennessee Valley Authority and Grand Coulee. The specter of socialism did indeed stalk the land. Mr. Justice Holmes, writing in 1897, observed that "when socialism first began to be talked about, the comfortable classes of the community were a good deal frightened"; in fact, the fear of socialism "influenced judicial action both here and in England." Many in high places believed that this society of ours was headed for a pitched battle along class lines.

It is easy in retrospect to draw a false picture of an age merely by emphasizing the extremes which history has recorded. The sketch of the gilded age which I present may suffer that defect. But whether it does or not, I think it fair to say that this is the view Altgeld had of the era. The enormous injustices which he saw violated his sense of social justice. He first wrote and spoke his protests; then he moved to action, giving and expecting no quarter.

As Governor of Illinois he put through a law aimed at sweatshops, at the employment of children who were under 14, and at the employment of women over 8 hours daily or more than 48 hours a week. The latter provision was held unconstitutional on grounds which reflected the dominant political philosophy of the age—that it violated both the employer's and the worker's freedom of contract. He put through a law in aid of collective bargaining, which made it a crime to dismiss an employee because of membership in a labor union, and thus sowed one of the first seeds out of which the National Labor Relations Act grew a generation or more later. He inaugurated a system of mediation and arbitration of labor disputes. He put through a law that outlawed limitation of production, price fixing, pooling agreements, and other restraints of trade. He got an inheritance tax law passed. He was offered $500,000 if he would sign a bill which would tighten the hold of the traction and other utility interests on the State. He vetoed the bill, stating it was a "flagrant attempt to increase the riches of some men at the expense of others by legislation." Thereafter he campaigned for public ownership of utilities.

He protested vigorously against the use of Federal troops to break strikes. He resisted

the use of the injunction in industrial disputes. As Harry Barnard graphically shows, it was Altgeld who coined the phrase "government by injunction" and drove home at every opportunity the oppression which that practice fostered. The Norris-La Guardia Act, passed in 1932, thus can trace its ancestry to him.

As Governor he put his influence behind the development of a strong, progressive university. He feared that monopoly capital might spawn its own seats of learning and dominate the minds of men as well as their bodies. He also knew that the character of a university is a "force that creeps silently over the land and by day and by night molds the sentiment of men." He therefore wanted a university which would represent the great common people of this country, which would be the friend and the helper of the toiling masses, of those people who do the work of the world.

He well knew the workings of the judiciary because he had been a judge. So when he saw rulings of courts which seemed to him prejudiced and partisan, which tipped the scales against the common man and in favor of the vested interests of that day, he cried out in protest. In 1893 he said, "The men who administer the laws are human, with all the failings of humanity. They take their biases, their prejudices, with them on to the bench. Upon the whole, they try to do the best they can; but the wrongs done in the courts of justice themselves are so great that they cry to heaven." He saw the corrupt use of wealth extending its influence so far as to create judges "who do its bidding."

Altgeld knew what we are apt to overlook or forget, that the procedural safeguards of the Bill of Rights were designed to protect the citizen against the tyranny, not only of legislatures and of executives but of judges, too. He knew that power could be abused, whether it was industrial power or judicial power. He knew his history and had read those chapters which reveal that even courts sometimes show a callous disregard for human rights. Their robes do not always conceal their tyranny. The framers of the Constitution, knowing that, designed the constitutional requirement of a fair trial to protect the accused, not only against the police and the prosecutors but against the judges as well. All these things Altgeld knew, and that is perhaps why, as Charles A. Madison says, "he was harshest on judges who abused the spirit of our laws to the hurt of the people."

When Altgeld became Governor four of the men found guilty in the Haymarket riots had been hanged. Three were still in prison. Altgeld reviewed their cases and granted them pardons. The pardon was for him a simple, uncomplicated act. For as he told Brand Whitlock, he knew he was "merely doing right." He felt that way because in his judgment "those fellows did not have a fair trial." Unfair attitudes of both judge and jury had, in his view, infected the trial.

The reaction was violent as Altgeld knew it would be. He at once experienced what many both before and after him experienced—that he who calls for the application of the Bill of Rights to unpopular minorities, as well as to the other groups of the community, often becomes himself suspect. Thus when Altgeld insisted that even anarchists were entitled to due process of law, he was dubbed an anarchist. But a man whose devotion to our system of government was so great that he did not want it to become the tool of a capitalist oligarchy was not even remotely related to the anarchists. He was merely seeking to apply the philosophy of Jefferson to the workaday world of the 90's—due process of law for every man, whatever his race or creed or political faith; social justice for those at the bottom, as well as those at the top, of the economic pyramid.

But the label stuck. Then came the bitter years. He lost both his wealth and his health under the pressures of his enemies. The man who had the courage to adhere to the spirit of our Bill of Rights and extend its benefits to a despised and hated minority was hounded to his death by powerful influences bent on his destruction. Yet I am confident it will be recognized as true 100 years from now, as it is increasingly recognized today, that of those on the public stage in that era it was Altgeld who brought the brightest honor to the democratic ideal.

Some issues survive all ages. But most of them have a habit of being redefined in the special context of the next generation. Hence this review of the issues which drew Altgeld's fire has relevancy here only as a reflection of his philosophy. It is that philosophy which remains a vital factor in American life, although the issues which gave it content have been resolved or forgotten. Altgeld's philosophy has relevance to current American problems in at least two respects.

First. Altgeld placed human beings higher than the dollar in the national scale of values. A nation's industrial plant represents not only the daring of capital and the imagination of executives, but the blood and sweat of men. The men and women who compose a nation are its greatest natural resource—greater than its mines or forests or rivers. The nation is healthy only if its people are strong. The state must concern itself with their economic disasters. For the greater share of their troubles are due not to laziness but to economic forces beyond their control. There is in most men a lively sense of decency, of good will, of fraternity. The poor have those instincts, as well as those blessed with more worldly goods. The powers of government should be directed to protect them in their struggle to survive and in their efforts to live in dignity and to share the fruits of freedom.

Altgeld felt with Cardinal Manning that even a starving man had the right to eat. And he thought it was an insult for those who started in life with good brains, good training, and excellent advantages, and who are now well-housed, well-clothed, and well-fed, who know nothing about the actual conditions or wants of the poor, to lecture them on laziness or shiftlessness.

We will be wise if we carry that philosophy into the world problems which confront us today. There are active bidders for the good will and support of the common people of the world. There are emissaries of totalitarian regimes in the capitals of the world, bargaining with bags of wheat for the souls of men. They are our competitors, but we need not emulate their example.

The victims of war in Europe and Asia need and ask our aid. But these people must not be treated as if they can be purchased with the dollar. We must not manage this great crisis of democracy as if it were an auction; as if the peoples of the world were on the block and going to the highest bidder. The sensitiveness of people increases with their suffering. The peoples of the world have suffered beyond our comprehension. If we so manage this crisis as to leave the impression that our standards are mercenary, we will have generated a revulsion to our system which may well be irreparable.

As a result of their struggles all peoples of the world are closer together. Their common interests have made them parts of something which is bigger than their own country. That is true of us, too. We have wider horizons, greater obligations. So when we come to the aid of the distressed people of the world, we act not out of charity alone but in answer to a responsibility to support in peace the ideal for which we were willing to wage a war.

Someway, somehow, we must let the peoples of the world know that. We must reach behind the facade of ministers and cabinets and commissions and let the common people feel our warm handclasp. We must let them know that we understand their suffering. We must make sure they know that our desire is not to make them our satellites but to meet them as equals in a world where standards of decency and justice prevail.

My remarks are not directed to agencies of government. I refer more particularly to the role which all groups—civic, cultural, and religious—can play in keeping close ties with the peoples of the world. Behind even the iron curtain of eastern Europe are human beings whose thirst for freedom is as great as our own. We must manage to let them feel the warmth of our understanding and friendship. We must not let them become the forgotten people of the world. They must know that their problems are our concern, too, that we respect their worth as human beings, that they also are part of the brotherhood which we have come to symbolize in the world. Governments may be imposed on these people. But the people themselves are the ultimate source of political power in every state. The pattern of an enduring peace will be found only in their hopes and aspirations.

Altgeld once said that "All great reforms, great movements, come from the bottom and not the top." That is true in the international as well as the national field. Thus, it is doubly important that we do not lose the link which we have with all peoples whose dream is political, intellectual, and religious freedom.

Second. There is another current problem to which Altgeld's philosophy is relevant. On the domestic scene his courage and steadfastness of purpose are needed for protection of the civil liberties of our people.

We are apt to leave that task to the far away court in the State or National Capital. Those courts, by their examples, exert a great influence. But the great percentage of the grist is found in the lower courts. A more accurate measure of the vitality of our Bill of Rights is not in the sporadic rulings of our highest tribunals but in the day-to-day attitudes of the lower courts. Moreover, it is not in the courts alone that the strength of our civil liberties is to be ascertained. The executive and legislative branches of government also have responsibilities for enforcement of the Bill of Rights. The administration of the voting booths, the habits of the police in law enforcement, the nature of the city's ordinances—these all are indices of the vitality of the Bill of Rights in the life of the community. So is the attitude of the community. For an indifferent community, like a misguided one, will surely breed disrespect for the standards embodied in the Bill of Rights.

We may never reach perfection in our practice of the ideals of the Bill of Rights. But there is no earthly reason why with education and organization it cannot become an increasingly potent force in the everyday lives of our people. The extent of a community's respect of the human rights of all of its citizens is in fact the measure of its progress in civilization. Altgeld broke the trail—making it easier for every man of conscience who followed.

The creation of a healthy community attitude is not the exclusive task of any one group. The task starts in the homes, in the schools, and in the churches. But city and State officials, editors, lawyers, and other groups of citizens have an important share of the responsibility. I remember recent instances where tyrannical judges sitting in local courts rode roughshod over the civil liberties of defendants charged with crime. In one case it was a doctor, in another an editor who thundered personal disapproval and started campaigns to rid their cities of those oppressive practices. They were, indeed, the ones that alerted the local bar associations and caused civil liberties committees to be formed to patrol the local scene.

These are not always easy steps to take. When Altgeld insisted that even anarchists

were entitled to due process of law he himself was labeled a subversive influence. That will often be said today when one insists that the safeguards of the Bill of Rights be extended to all groups, including any minority group in our midst that may be at the whipping post or the subject of temporary hysteria.

Yes; it takes courage to stand between an unpopular minority and the community, insisting that our Bill of Rights was designed for the protection of all people whatever their race, creed, or political faith. The lawyer may feel uneasy when it seems that important clients may slip away because of his attitude. The editor may be tempted to stand mute by reason of the views of important advertisers. Even the clergyman may be under pressure to hold his tongue because of the influence of some of his parishioners.

But those who are devoted to the democratic ideal expressed in our Bill of Rights will take the direct and daring course. Once they are sure of their facts and know they are doing right they will, like Altgeld, espouse the cause of the victims of ignorance, prejudice, or passion. They, too, may be pilloried or cursed. But institutions become great by the greatness of the men who champion them, by the greatness of the advocacy that defends them. A people indifferent to their civil liberties do not deserve to keep them, and in this revolutionary age may not be expected to keep them long. A people who proclaim their civil liberties but extend them only to preferred groups start down the path to totalitarianism. They emulate either the dictatorship of the right or the dictatorship of the left. In doing this they erase a basic distinction between our system of government and totalitarianism.

To allow that to happen is to lose by default. Far better to lose pleading the cause of decency and of justice. Then we win greatness even in defeat, and leave behind a rich heritage for those who later rebuild on the ashes of our lost hopes. But there will be no failure if we adhere steadfastly to our faith. For the goal of people of all races is toward a system which respects their dignity, frees their minds, and allows them to worship their God in their own way. None has yet designed an article of political faith more suited to those ends than our own Bill of Rights.

Problems of a Congressman

EXTENSION OF REMARKS
OF
HON. LEON H. GAVIN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 7, 1948

Mr. GAVIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the York (Pa.) Dispatch:

MANY ODD INQUIRIES REACH CONGRESSMEN—ONE CALLER ASKED GROSS HOW TO SELL CIGARS TO LEGISLATORS—ELUSIVE WORD FOUND

YORK, PA., January 6.—Responding to a last minute year-end inquiry, Congressman CHESTER H. GROSS, of the Twenty-first Congressional District, comprising York, Adams, and Franklin Counties, today made public a compilation of activities handled in his district office in York. The Congressman revealed that more than 1,000 persons visited his office during 1947 with their problems.

More than one-half of these constituents were from York County, but Adams and Franklin Counties were also well represented. Furthermore, many personal contacts were made during bimonthly visits by the Congressman and his district secretary, Lee K. Smith, to the county seats in Adams and Franklin Counties.

In making this, which is probably the first annual report ever made by a Congressman representing this congressional district, a great diversity of problems and interests are revealed.

A break-down by groups and interests shows:

Veterans: A total of 512 visited the office. Principal interest centered around pensions for veterans and dependents, hospitalization, relief, claims involving back pay, subsistence, lost articles as a result of service, errors in discharges, release from prisons, bringing back soldier dead, etc.

Businessmen: A total of 155 sought information as to the next move in Government, taxes, etc., so as to enable them to get a sense of direction in the conduct of their business. Many wanted copies of bills and laws or appointments in the various departments of Government, while others sought information as to proper contacts to sell their merchandise to Government agencies.

Immigration problems: Total, 42. Most of these involved cases of American citizens endeavoring to bring their kin or relatives to this country, principally from Greece and Italy.

Individuals: Total of 81, all Republicans, whose principal interest centered around "active party leadership."

INQUIRIES FROM LABOR

Labor: Total of 59 raising a wide range of questions, such as whether their check-offs were legal; others wanting to feel certain that the Taft-Hartley Act would not injure the cause of labor. A few wanted to know how to sever union connections and still hold their jobs.

Professional men and women: Total, 25. Interest was directed to taxes, the Taft-Hartley Act, the Wagner-Murray-Dingell bill, better known as the socialized medicine bill, and the bill for Federal aid to education, etc.

Federal employees: Total of 44 cases raising questions of retirement and disability compensation, aggregating more than $20,000.

Farmers: Total, 180; whose problems and inquiries concerned subsidies, soil-conservation payments, the agricultural outlook, need for farm labor and equipment, requests for information as well as agricultural bulletins dealing with general farm problems obtainable from the Congressman and of which the office carries a generous supply.

Rent cases: Total of 20 involving complaints on the part of landlords that rents are too low, while tenants were inquiring for living quarters at rentals they could afford to pay.

Clergymen: Total of 26, interested mostly in the question of universal military training, the problem of getting food and livestock to needy people in Europe, as well as expressing concern over the Stratton bill now before Congress which would permit the admission to this country of 400,000 displaced persons.

Relief and public assistance: Total 17, individuals seeking relief through Federal and State agencies.

Claims against Government: Total 18, ranging from $50 to $250,000, filed by individuals and corporations for reimbursement for traveling expenses, transporting personal effects, loss of personal property, damages, and contract violations.

Passports: Total 13, chiefly industry representatives and others leaving the country on business or pleasure.

Postal employees: Total 12, interested in their jobs, advancements, and legislation affecting their civil-service status.

Service academies: Twelve boys seeking appointment to West Point and Annapolis.

Mail-delivery cases: Nine concerning extension of postal service, with a few complaints about postal service.

Miscellaneous cases: Total 58, men and women who wanted to discuss trends, express themselves generally, or, in other words, "wanted to tell it to their Congressman."

"MISSING WORD" FOUND

Listed in still other categories were inquiries concerning a word to complete a crossword puzzle (the word was located in an office dictionary); selection of an "honest" lawyer; how to sell cigars to Congressmen in Washington; hotel and tourist reservations; whereabouts of straying husbands; tickets to football games, passes to horse races, radio broadcasts, courtesy cards for admission to visitors' galleries of Congress, etc.

All this made a busy and interesting year for the Congressman and his staff, Congressman GROSS said. He explained that the compilation covered only activities with respect to his York or congressional district office. Not covered was the business handled in his Washington office which was similar in many respects. The work there included giving guidance and entertainment to various groups visiting Washington from time to time. Such groups numbered from 25 to 200 persons. Also, the Congressman said, is the task of handling the regular daily chores, such as answering the mail, attending committee meetings and the sessions of the House.

Statement on the President's Message, January 7, 1948

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 7, 1948

Mr. MASON. Mr. Speaker, at the opening of the special session last fall President Truman asked for a return of his wartime police powers to ration goods and to control prices. The Congress refused to grant those powers knowing how they had been used and abused. In his message on the state of the Nation President Truman demands those powers and controls knowing full well that the Congress will again refuse to grant them.

During 1947 the administration entered the wheat market and bought up hundreds of millions of bushels of wheat for export. This Government buying of huge quantities of wheat for export forced the price of wheat up from $2 plus per bushel to $3 plus per bushel in 9 months' time.

Every farmer knows that the price of corn, of meat, of dairy products, of poultry and eggs are all tied to the price of wheat and fluctuate with the price of wheat.

After causing present high prices by its own market manipulations, or wheat buying spree, the administration now demands of Congress through President Truman wartime police powers to ration goods and to control prices, which Congress is in no mood to grant.

High prices are only symptoms of the disease that is afflicting this Nation today. We should treat the disease itself by removing the cause. Controlling the symptoms will not remove the trouble.

President Truman also wants to reimpose the excess-profits tax that was

repealed in the Democratic tax-reduction bill of 1945, which he signed in the face of a $20,000,000,000 Treasury deficit for that year. The repeal of the excess profits tax in 1945 was a great stimulus to American business enterprise; it brought about a tremendous increase in production, and also in the number of jobs available. In fact it achieved the goal of 60,000,000 jobs 2 years ahead of the time F. D. R. predicted. Now President Truman wants to reverse the trend of expanding business, increasing job opportunities, and badly needed production, and go back to a period of contracting business, decreasing production, and fewer jobs. As one member of the Ways and Means Committee I am not for his tax program. It is unsound and contrary to all past experience. It would have the opposite effect to what he hopes for it. If 10,000,000 low-income taxpayers are exempted from paying Federal taxes as he proposes, and there would be a decrease in the number of jobs available from 60,000,000 jobs to 50,000,000 jobs—which would be the probable result of his tax program—would the country be better off?

An Unbiased View of Europe

EXTENSION OF REMARKS
OF

HON. HAROLD KNUTSON

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. KNUTSON. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following memorandum I have mailed to the entire membership of the two Houses which was prepared by a very able and distinguished Swiss citizen who stands high in the business life of that country, analyzing the situation in Europe:

JANUARY 5, 1948.

DEAR COLLEAGUE: A prominent Minneapolis flour miller, whose product formerly went to all parts of the globe, has sent me a report on the European situation, prepared by a gentleman highly connected with Swiss banking and industry, who acts as adviser to clients in the United States. I feel that this report should be made available to every Member of Congress as it presents an angle on the European situation that should be helpful to us in determining our future policy in Europe.

Yours very truly,

HAROLD KNUTSON,
Member of Congress.

MEMORANDUM TO CLIENTS

OCTOBER 29, 1947.

In our memorandum of August 4 we called clients' attention to the fact that the real question about the Marshall plan was whether it could be made to work. The writer left for a trip to Europe in order to obtain, if possible, an answer to that question. The best place to seek such an answer was Switzerland. The Swiss think the way we do; they understand the European problems far better than we; they are internationally minded; they have no axe to grind as far as the United States is concerned and, before all, they are hard-headed realists.

At no time during my stay in Switzerland did I seek to reach conclusions of my own. Rather, I attempted to conduct a sort of qualified Gallup poll. Thus, the views presented in this letter are based completely on the consensus of opinion of Swiss people whom I consider properly qualified.

I was very fortunate at the outset to meet in Basle Mr. ———, a prominent attorney, who has visited the United States several times in a semiofficial capacity and who is closely connected with the leading Swiss banks as well as the Swiss Government. Dr. ——— is a specialist on the problems of international clearings, a man of high intelligence, and with a remarkable understanding of the American viewpoint. He arranged an interview for me with Mr. ———, of the Vorort of Swiss Commerce and Industry. The Vorort is virtually the economic and financial dictator of Switzerland, and regulates all clearing and import and export transactions. Mr. ——— warned me right away that he had no right to speak for the Vorort, but was merely expressing his personal views. Besides Dr. ——— and Mr. ——— spent considerable time with Mr. ———, of the Swiss Bank in Zurich, and Mr. ———, of Basle, who is the Swiss representative of very important French steel and coal interests. I also talked with any number of other people, but the four I mention above were so representative of Swiss opinion and their views, so strikingly similar, that the conclusions I came to and the suggestions I have to offer are based principally on my interviews with them.

(NOTE.—Actual names are omitted for obvious reasons.)

ANALYSIS OF THE PRESENT SITUATION

There is no practical way of implementing the Marshall plan. As the situation stands now, the European mess is so bad that it has to get worse before it can get better. A crisis is inevitable and American help at this stage will merely defer and aggravate it. This applies, of course, to the rehabilitation and rebuilding of Europe and not to the relief of hunger and want which should be placed strictly on a humanitarian basis and separated entirely from the reconstruction program.

England: The English need another Dunkerque. They are one of the greatest stumbling blocks to European recovery. Their stupidity is simply beyond belief. Unfortunately they are in command of the Ruhr and it is impossible to penetrate the barrier of ineptitude, incapacity, and red tape which they have set up. They won't do any work themselves and will not let anyone else work. The conditions in the Ruhr are appalling and are their direct responsibility. Here are a few stories to illustrate.

Mr. ——— took me out to the port of Basle to show me his coal yards (heavy shipping to Switzerland comes over the Rhine from the Atlantic seaboard and the North Sea via barge). A barge was unloading coal and he took me to it. "See this coal," he asked, "where do you think it comes from?" Of course I had no idea and said so. He spat on the ground in disgust and said, "Pennsylvania, via rail to Baltimore, via steamer to Antwerp, and via barge to Basle; and dammit all, the Ruhr is 100 miles away and we own two coal mines there. But do you think I can get any coal from the British? Not a chance. We have been unable even to see what shape our mines are in. So the Americans, instead of the British, get our Swiss francs, the Ruhr is starving, and not producing the coal and steel for which all Europe is clamoring."

Before the war the Germans used to make an excellent automobile known as the DKV, the plant being located in the Ruhr. A group of Swiss industrialists conceived the idea of reopening the plant, reequipping it, and putting it into production. Swiss capital was going to take care of everything. As no one knew exactly in what shape the plant was, a delegation was sent to the British zone to ascertain the facts. The delegation came back without any facts. The British would not even let them get a set of the old blueprints of the factory. No reasons were given. The Swiss are still wondering why good, hard Swiss francs and brains were not permitted to go to work. As one of the men put it, "The British have a bunch of school teachers sitting in the Ruhr who haven't the slightest knowledge of the problems involved. They don't even have the intelligence necessary to realize their own shortcomings."

The hard-working Dutch managed to raise a substantial crop of vegetables this summer and requested parmission from the British to ship the surplus to the Ruhr (3 hours by truck); the matter of payment to be arranged in some mutually satisfactory fashion, no question of actual money being involved. Permission was refused as, according to the story I heard, the British were fearful that the Dutch, their allies during the war, would possibly have some claim somehow on the Ruhr. The produce had to be dumped in the Dutch canals.

The Swiss do not care whether the British Government is socialistic or not. What they care about is the ineptitude of those at the helm and the unwillingness to work prevailing in England. As one Swiss paper put it sarcastically, "For the first time since its inauguration, the Labor Cabinet, in view of the crises, met on a Saturday afternoon."

According to Mr. X our gravest mistake was to grant the British a loan a year and a half ago. The show-down would have occurred sooner and Mr. X still hopes that after a real shock Britain will pull out somehow.

France: France is beyond a shock. It needs a dictatorship, as the French people have lost the virtue necessary for democratic government. A show-down is inevitable and the sooner the better. We have to gamble that the Communists will get licked. The average Frenchman is not so much pro-Communist as against everything. And the Communists will sabotage every effort of rehabilitation under present conditions.

It is estimated that gold and dollars hoarded by individuals exceeds $3,000,000,000. The official rate of the French franc (approximately 120 francs to the dollar) is out of line with reality. I bought French francs in Switzerland at the rate of 380 to the dollar, but try and export goods from France based on the true rate. Nothing doing. It has to be at the official rate. One of the comical results is that you can buy French wine in Switzerland cheaper than in France. The Swiss are doing a lot of business with France through the Vorort, which sees to it that the phony exchange does not hamper the Swiss and also that when credits are extended to France, the Swiss get merchandise in return at the proper price no matter what the official rate is for the French franc.

Right now the French have a phenomenal wine year, both in quality and quantity but no place to store it and not enough bottles for it. There is a natural market for this wine in the United States, and export of wine would give France some of the dollars they are clamoring for, but naturally the growers' price is based on the true value of the franc and not on the artificial rate maintained by law—and thus we do not get the wine here, the French Government gets no dollars, and the grower still has his wine. This applies naturally also to the French peasants who will not sell the products of their farms and incidentally have no incentive to increase production. The French workman, as usual, doesn't give a damn anyway. Any help to France outside of relief will be an incentive to do less rather than to do more. As Mr. ——— put it, "The only reason I have for believing that France will pull out is because I believe in miracles."

Italy: Italy is a hopeful spot, especially the north. Italians are hard at work, communistic sabotage and shortages of raw materials permitting. The lira is the only currency to have gone up in the black market

in the last 6 months (from 850 lira to the dollar to 650 to the dollar). There are practically no currency restrictions. All the Italians want is for people with hard money to buy their goods, live there, and leave their francs or dollars behind. Italy is in bad need of coal and steel, which, of course, should come from the Ruhr and not from the United States.

Sweden which was in a very strong position, is going down hill due to the hash made of the economic situation by the socialistic government there. The great mistake was the revaluation of its currency which resulted in a loss of some $500,000,000 in gold (about half of the Swedish reserve), and the imposition of import restrictions which were a hard blow to the European economy.

Denmark was doing remarkably well but now has an economic crisis based, of all things, on the surplus of foodstuffs—England under its new austerity program having stopped its purchases.

Holland would love to buy food from Denmark, but while the official rate for the guilder is 38 cents you can get all the guilders you want in Switzerland for 13 cents; so, of course, Denmark does not want to sell to Holland at a fictitious rate. The same, of course, holds true for England. The Danes would take pound sterling in payment for their produce at the true market rate, which is $2.20, as against the official rate of $4.04, especially so if pounds were convertible into hard money. But nothing can be done because British pride or stupidity or what not refuses to recognize the true value of the pound sterling.

According to Dr. ———, the currency problem is one of the sore spots of Europe and will have to be cured before any of our efforts are effective. The Swiss have set up a highly competent organization to deal with it, and as a result everything is obtainable in Switzerland and the Swiss manage to do business with everybody, even the Russians.

The Marshall plan is based on the idea that Europeans should help themselves. I am sorry to report that most Europeans either cannot (France) or will not (England) do it. Under these circumstances, outside of the purely humanitarian help which Europe needs because of general crop failures, any attempt to implement the Marshall plan is futile from a European standpoint and harmful from our domestic standpoint. Congress is meeting to consider rising prices and the danger of inflation. Won't we ever learn that one does not cure a sickness by discussing symptoms? Prices will come down fast enough if we stop our senseless exports to Europe and concentrate on domestic production.

Please bear in mind in considering the above that the Swiss have everything to gain from the Marshall plan. Economically it will permit them to increase their trade with France, Italy, England, etc. Politically the Swiss are in far greater danger of communism than we are. They are right next door to it, and, notwithstanding all of this, they just about said to me, "Good Lord, you Americans are not going to be suckers enough to fall for it."

A SWISS SUGGESTION

At the end of my interview with Mr. X he said to me, "Look, I hope you will not take offense at what I am about to say, but why do you Americans always want to save the whole world, and at the same time solve the problems of 57 nations? It just cannot be done! Why don't you work with us? We think alike, our money is at a premium, we understand what is going on in Europe and we are all set up to handle practical problems—one by one. Europe is now a festering swamp. You cannot drain and heal the whole of it. You will just sink yourself in the mire. Why don't you try to heal one spot at a time? Show the rest of Europe what can be done instead of talking about it. You must get one starting point somewhere and give Europeans a practical example. Do so and they will all be coming to you crying 'me too'."

In conclusion, I would like to offer the following suggestions of my own.

Segregate relief of Europe from rehabilitation; the latter to be on a cold-blooded business basis.

Whatever form our assistance to Europe takes, we should work very closely with the Swiss and take advantage of their know-how of European affairs.

Don't try to bite off more than we can chew.

The rebuilding of the Ruhr will do more for Europe at a smaller cost than anything else we can possibly do. What is the sense of shipping coal and steel to Europe which we need so badly ourselves, when most of Europe's requirements can be produced in the Ruhr at a fraction of our cost. If the Ruhr problem is properly handled, it could be put into full production within a year. Europe would be supplied with coal and steel and the drain on our economy will be stopped, partially at least.

By following a realistic program, we will show Europe and the Russians that we mean business and are not a bunch of suckers.

Benefits of Tennessee Valley Authority Program

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Wednesday, January 7, 1948

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter which I just received from Mr. E. R. Deaver, of the Deaver Dry Goods Co., of Knoxville, Tenn., describing the advantages which have come to the people of the Tennessee Valley as a result of the program carried out by the Tennessee Valley Authority.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAVER DRY GOODS CO., INC.,
Knoxville, Tenn., December 23, 1947.
Hon. JAMES E. MURRAY,
United States Senate,
Committee on Public Lands,
Washington, D C.

DEAR MR. MURRAY: This will acknowledge receipt of your letter of December 18 and in reply to same I am pleased to give you any information I can pertaining to benefits received from TVA.

There is no doubt that the flood control brought about by building dams has done a great deal to stop soil erosion and to furnish rural and urban communities with cheap electrical power.

I can readily understand how you would receive some adverse criticism, but in my opinion this comes from a very small minority who felt that they were being personally inconvenienced by being forced to give up some productive land. Now that these families from the flooded areas are relocated they seem very happy in their surroundings and are more alert to the opportunities they have to improve their farms, homes, churches, schools, and living conditions generally.

There has been a movement in progress for some time sponsored by the civic organizations of Knoxville and working in conjunction with the Extension Division of the University of Tennessee, bringing to the attention of the entire section that has been affected by the building of these power and control dams, to awaken the people of the section to the possibilities they have.

As a result of this movement more scientific farming is being carried on and in this year there has been 186 communities competing in a friendly manner for prizes offered to the ones showing the greatest progress in their respective communities. This movement is also closely connected with the university and through the county agents throughout east Tennessee they are given information that has a lot to do with their progress.

Summing up all the results that I have seen I am convinced personally that the project as a whole is very beneficial.

Without meaning to burden you with extra mail reaching your desk I am enclosing a pamphlet prepared by the committee referred to above, which will give you a condensed i .a of the fine work being done from the standpoint of agriculture and home improvements.

Then too, there is no way to estimate the value of the recreational facilities afforded by the fine lakes well stocked with game fish where hundreds of boats are in use daily.

Without burdening you with figures which are usually rather monotonous, we can safely say that thousands of tourists are visiting our section and they marvel at the improvements being made.

Please be assured that I very much appreciate the report sent me and in closing may I say that I remember very pleasantly meeting you personally at one of the meetings held in Washington concerning hosiery.

With apologies for the lengthy letter and assuring you that if there is any further or more detailed information you would like I shall be very glad to cooperate in any way possible.

Yours very truly,

E. R. DEAVER.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, January 7, 1948

Mr. O'CONOR. Mr. President, the people of America will give support to a sane and properly considered program for aid to the devastated countries of Europe, just as soon as the fullest information is imparted to the people. I think it most desirable that the fullest discussion be had of the Marshall plan in all its implications. From a desire to assist in the dissemination of all pertinent information, I issued recently a statement upon this general subject matter. I request unanimous consent to have the statement printed in the Appendix of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

To the hungry millions of Europe's war-devastated areas, it must seem symbolic that at this Christmas season, when the age-old promise of "peace on earth to men of good will" resounds throughout the world, America proposes a program of help and rehabilitation which would open a way to the peace and progress which these unhappy people crave so desperately.

The Marshall plan for assistance to 16 countries, proposing the outlay of an estimated 17 billions of dollars, is the most gigantic humanitarian program ever conceived upon this earth. While there will be doubt in many minds as to whether that amount actually will be needed, and whether also our own economy can withstand the impact of such a tremendous additional load, nevertheless I believe that all men of good will everywhere will approve America's willingness to assist these nations to regain their economic balance, and to become again respected, self-supporting members of the family of nations.

"Before one could reject the Marshall plan in its entirety, it would be necessary to consider the alternate possibility of a helpless Europe, deprived of American aid and wallowing in the misery of the chaos that must inevitably ensue. The end of that chaos, we can be certain, would be absorption into the Communist orbit. The ruin of these tottering countries, if America withholds her aid, can only result in a Europe gone completely communistic which means antagonism to every American concept of living and of government.

When the treacherous Japanese struck at Pearl Harbor on that fateful Sunday in 1941, and in the dark war years that followed, no one could reasonably question the tremendous expenditures for defense which piled one upon another. Those expenditures, we rightly believed, were for the defense of democracy and decency, for the saving of civilization itself. Not less threatening to the future of free peoples everywhere is the tide of misery and despair which now threatens so many countries of Europe, and will surely overwhelm some or all of them unless, with the assistance of American food and machinery and finances, they can be rescued from their present helplessness, and put once again upon the solid path of self-sufficiency.

The whole conception of this gigantic program is so far reaching in its ramifications that it is difficult for the average citizen, secure in our own American economy here at home, fully to visualize. As a prerequisite we must have faith in the leaders who have the information available upon which to base such momentuous decisions. I have such confidence in those of our leaders who have carried forward our bi-partisan foreign policy so successfully in recent times. Likewise, I have confidence in Secretary Marshall's understanding of the forces at work in Europe which threaten to pull down the whole fabric of civilization.

I am heartily in favor of the European recovery program in principle. I believe that every American of good will likewise will subscribe to it. Whether $6,800,000,000 is the proper amount for the first 15 months of the program will be debated thoroughly in the Congress and in hearings before the responsible committees of that body. Likewise, whether a grand total of $17,000,000,000 will be necessary, or whether, with the nations in question striving to help themselves once they are assured of our helping hand, they can regain their status as self-supporting sovereignties on a lesser amount must also await future determination.

It is vital, however, that assurance be given the leaders of those countries promptly that a continuing program of assistance will be available. I believe there is need for, and I am convinced that there will be forthcoming, adequate checks and balances on the expenditures in this first 15-month period to June 30, 1949, and as a prerequisite for further allotments of funds. Consequently, the American public and, of course, the Congress will have the benefit of this experience in deciding if the recipient countries are doing their part in order to secure continuing benefits.

It is a gigantic task to which America is asked to set its shoulder. After more than 2 years of futile attempts to erect a peace, it seems more evident with each passing day that lasting peace can never be achieved except with self-supporting, self-respecting nations. This result, I believe, can be achieved by, and only by, some type of continuing American aid.

The only adequate program offered thus far, based on certain knowledge of present conditions and of future needs of the individual countries, is the Marshall plan. Fundamentally it is sound and entitled to our support, under conditions and stipulations that will insure the realization of its objectives for the mutual advantage of America and of the friendly peoples of Europe.

Future Desperate Gamble for Residents of War-Torn Berlin

EXTENSION OF REMARKS
OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1948

Mr. ANGELL. Mr. Speaker, the following article is the third in the series written by Philip H. Parrish, editor of the Portland Oregonian editorial page, on European problems:

FUTURE DESPERATE GAMBLE FOR RESIDENTS OF WAR-TORN BERLIN—CAPITAL STATUS STILL IN DOUBT—QUARRELS OF VICTORS BRING HEAVY CLOUD

(This is the third of a series of articles detailing observations recently made in Europe by Philip H. Parrish, editor of The Oregonian editorial page. The writer spent 7 weeks in Germany, Austria, France, and England.)

(By Philip H. Parrish, editor, the Oregonian editorial page)

Berlin differs from other German cities only in that it is much bigger; that it is farther north than most, and so in the winter colder and darker; that it is more a governmental creation than the natural creation of economic forces; that it stands far out in the Russian zone of occupation. Thus the differences merely serve to intensify the struggle for life among the millions who pack its outlying houses, damaged apartments, and cellars among the rubble.

Standing downtown one could hardly tell but what he was in Munich or Essen or Frankfurt. But the climate is harsher; there is constant trouble in the air through the quarrels of quadripartite management; the countryside with its food is farther away, and the trip there is more dangerous because of the Russian guards who surround the city. Nor does Berlin know who will be its ultimate master, or whether it will ever be a capital city again. It has no assured resilience, such as that of the Rhine cities. Any study, just now, of mass-man in calamity should begin and end in Berlin.

It began with me on this second visit—and ignoring for the moment the official meetings with General Clay and his staff—with a drive through the evening streets with Lt. Col. and Mrs. Glen W. Campbell.

That, in itself, had its drama, for Mrs. Campbell is a daughter of Edward L. Wells, so long our Portland weatherman, and her brother Ed is chief engineer for Boeing. The vast havoc around us as we drove through the desolation of the Tiergarten, past the Chancellory, and on through the dim streets, was in large part Ed's technical achievement.

"I want Ed to come over and visit us," she said. Mrs. Campbell gives much of her own efforts to charity.

GIRL LEADS TOUR

Just then an old woman came out of the shadows to stop us and beg cigarettes in exchange for pictures of Berlin as it had been.

It was through the good offices of the Campbells that I set out the following afternoon with Ilse Borzym, 23-year-old German girl who works at their house, to see what the depths of the city were like. They had asked what I wanted to do, and it had seemed a good idea to get into the streetcars and subways. There are no automobiles for the Germans—only for the conquerors; so movement must be by mass transportation or by bicycle or by foot. (Queer description of us, isn't it?) I had been fascinated by the jamming of the surface cars. Ilse spoke English and we could get by.

Once, however, will be enough.

We got on at Zehlendorf station in the southwest (our zone) and turned east past Templehof airport and up northward on the Ringbahn through some of the most congested of the Russian-held working-class areas. We circled northwestward on the Ringbahn, and on the northern side of the city transferred to the newly reopened Nord-Sued Bahn—the subway that roars beneath the city, north and south, and which brought us out at Schoeneberg, near our starting place, where Colonel Campbell was waiting and was welcome. (The subway had been closed until recently because in the final days of the Berlin siege the crazed SS troops released the river waters into it, drowning uncounted numbers of their own people who had taken refuge there.)

Our trip required nearly 2½ hours, and took us through the most crowded sections at quitting time. On occasion we had to fight and squirm and struggle to keep from being trampled underfoot or smothered.

LIGHTS TURNED OUT

Then the lights would be turned out, in order to conserve power, and the cars, jammed beyond conception with swaying humanity, would roll along in darkness—everybody reeking because of the lack of soap, and especially because of potatoes. I had visions of being wrenched away from my interpreter, and of having to battle my way out, and home, among these grim beings who looked neither to the right nor left, and never smiled.

Once Ilse whispered to me:

"Sometimes there is trouble in the cars. The people are so tired after work and it is so difficult to get home."

One should only shudder at the thought of what would happen in one of those blacked-out holes if even one man gave way to the "furor Teutonicus"—shudder and struggle for breath.

Once when Ilse had explained something or other to me, a German at her elbow interrupted with a stern guttural phrase. Afterward she told me that what he said was: "Tell him the truth."

I think she did. Certainly there were many details I must have missed without her aid. She pointed out how many persons were wearing shoes made of cloth tops sewed to wooden soles. At first the people had been fairly well supplied with shoes but now these were giving way, and among those who received no contributions from abroad the wooden soles were almost the only answer. Also, note the garments made from blankets. These were multiplying. The tailor was bribed, with something, to make over a piece of blanket into coat or pants. One could sleep in the garment at night as well as wear it in the day.

LITTLE LEFT UNGUARDED

"These were very fine cars on the Ringbahn," Ilse said, as though a little surprised herself at their present condition. She rides her bicycle to and from work and avoids the mass transportation. "They had good upholstery."

"Where is it now?"

She shrugged. "The people needed for a little something at home. They are wearing it."

Anyhow, the cars are now just hard boards. And such lights as there are in the cars are heavily covered, with bars. Bulbs are scarce and cannot be left within reach. Indeed, nothing in Berlin except bricks and stones is left unguarded if one hopes to preserve it. Even automobiles are stripped within a few moments, down to the body proper. Thrill crimes—the crimes of violence—are rare. The people have no time or strength for them. But pilfering and theft have become a part of the life of the great majority of persons. (General Clay told us that he himself might steal under similar circumstances, with his children hungry.)

BIG BURDENS CARRIED

But the feature of our trip, if I were to name one, would not be the packed misery, or the greatly increased shabbiness. It would be the burdens that men carry—that is, both men and women.

Naturally there is no such thing as delivery of purchases in Berlin, or in any other German city. So delivery would explain much lugging in itself. But also it serves to distract attention from what is lugged illegitimately. Down in the subway stations one sees men staggering under great boxes, attached to poles, which they can barely get up the stairs. An old woman drags along under a bag of potatoes which bends her almost double. Children with immobile eyes go by carrying this or that. There is a dizzy and unending movement of people in all directions, and of people who want to be overlooked. They just want to get home, without speaking and without being noticed or stopped, with their burdens.

It was a relief to emerge into the cold of the city. And that night it was cozy to sit late in the close little apartment where Ilse lives with her parents, Herr Paul Borzym and his frau, Frieda. Ilse's fiance, Richard Tischler, was present also. He is an auto mechanic employed at the European Exchange Garage, and his ability with English helped in getting answers to my questions. I went with great detail into the economy of the family—and the situation of similar families—and believe I was answered honestly.

This family group was fortunate because Ilse and Richard both work for the occupation forces and can bring home extras. Also, the father and mother receive their little apartment by acting as caretakers for the apartment house. There are no children to worry about. But presumably there will be if Richard and Ilse get up nerve to marry. They are afraid now of the single room somewhere in the ruins to which they will be assigned by the municipality in case of marriage. Also, it costs 35 marks and up on the black market to buy even one pot to cook in. The Campbells, though, have promised pots, and the young folks are going to try it presently.

Herr Borzym has a job in the records office in the city hall. Prior to 1937 he worked on a lathe in a factory but suffered a spine injury. In the final months of the war, along with others who were incapacitated, he was taken into the Army and thrown in front of the Russians on the eastern front after only a few days of training. The Russians didn't think it worth while even to hold him for the work camps.

FORTY-EIGHT MARKS DEDUCTED

He gets 188 marks a month at the city hall, amounting to 140 marks of take-home pay after deductions.

His way of supplementing the family diet is by fishing. He gets a license each year for Wannsee Lake, northwest of the city, and goes there once or twice a week during the season. The fishermen line up 10 or 12 feet apart along the bank, and their take is a few tiny roach.

"Father," said Ilse, making a face, "grinds them up heads and all in the kitchen grinder. Says they are best that way. Mother and I do not like it so well."

Herr Borzym nodded at me laughingly from his chair, having caught the turn of the conversation.

Ilse receives 160 marks a month as a domestic, of which 110 marks are take-home pay. (Richard receives 320 as a mechanic, taking home 220.)

Out of Herr Borzym's take-home pay of 140 marks, about 50 will cover all the general food which can be had on the ration list; the rent would be 36½ marks—that, at least, being the ceiling; 3½ for cooking gas; 5 for electricity; 1.75 for the ration of coal when it can be had; 2 for use of the radio on restricted hours; 5 for vegetables when any can be found—a total of 104 marks. Thus 36 marks a month are left over theoretically.

And what could be done with 36 marks?

They reported the following black-market prices:

One pound sugar, 80 to 90 marks; 1 pound butter, 250 to 300; 1 pound coffee, 350 to 400; shoddy cloth for a suit, but unsewn and no thread, 800 to 1,000; 1 pair lady's hose, 150; 1 bar American soap, 30 to 50; a candle, 5; a light globe, 16. Put the 36 marks where you wish on this list.

They have had no milk since 1943. Breakfast, on the average, will consist of dark flour soup with water and salt, or bread, and an ersatz coffee. Herr Borzym takes his lunch with him on his bicycle, perhaps bread with a smear of fat on it, and a touch of vegetable. Supper is usually soup again. Sunday may be better. The family, under the ration, should have a total of 4 pounds of meat a month.

BLADE USED 3 WEEKS

Herr Borzym has a ration of one razor blade every 3 weeks. (A photograph of Frau Borzym's allotment of laundry soap for 6 weeks accompanies this article.) No thread, no needles. The little things bother a woman around the house.

I took my leave without asking questions as to whether or not this particular family traded in the country or otherwise resorted to the black market, and how. They would have answered frankly, I am certain, but in recounting their story I wanted to use names, and it is best not to use the names of those running the Russian blockade. Disappearance has become common in Berlin. An American-licensed German newspaper recently charged that about 6,000 persons who had displeased the Russians have vanished from the western-held sectors of the city.

Besides, I already had the information on that blockade. By prearrangement I had been met by a young German professional man and his wife, and spent hours with them on the details. The very clothes they wore had come from the cousin in Oregon who got in touch with me, and they were eager to be helpful.

This young German would be judged in the street as educated and successful. And he is. At least, he receives basic pay of 600 marks and makes a legitimate salary sufficient to live on, particularly where there are two small children. So he has become a blockade-runner and black-market trafficker on the side. At carefully chosen times of the year, depending on what has been harvested, he disguises himself in his seediest clothes, takes what may be a last look at the children, kisses his wife, and makes off in the darkness before dawn for one of the roads leading out of the city. There he creeps through the line of German police operating under Russian direction, or, more often, bribes a German truckdriver for 20 marks—the average price—and gets far out into the country in a box or curled under a pile of rags. There he alights and starts out to make the best deal possible with whatever it is he has brought along to trade.

He explained: "Last week—and that is the last time until spring, because the harvest is over—I had a bicycle tire. I got 30 pounds of flour.

"You ask what is it the farmer wants most? The farmer wish to have no money, but all other things. No people wish to have money. The farmer wish clothes most. Or glass for his windows. It is the joke that he wish to have a carpet for his cowhouse. I go to him and say, 'I have a shirt; you give me potatoes.' Or I say, 'Take my shoes; give me potatoes.'"

GOODS RUNNING LOW

My friend is getting down to the bottom of his bag of possessions now. He won't return to the country until spring, and he figures that by then he will have to sell his camera, perhaps for 6,000 or 7,000 marks.

"And after that is gone?"

He shrugged, "There is nothing left."

Possibly then it will have to be thievery.

I asked to whom he would sell his camera for 6,000 or 7,000 marks. "Not to Germans," he replied. "The richest are the Polish farmers. They come in with pork. They have pockets stuffed full of thousand-mark notes."

Of course, getting out of the country is only the first and easier part of his adventure. Then he must reenter Berlin with his potatoes or flour. Perhaps he has gone south, in the Dresden direction, from which there are many trains nightly. He is fortunate indeed if he gets inside, in the jam, where he can pass undetected. Ordinarily he will be hanging to the outside somewhere, and when the train draws onto a siding to let other trains pass he will have to dart off and hide behind a tree or bank to avoid the police with their hooks. These are special hooks to drag the blockade-runners from the trains.

If they catch him the children will cry for food through the winter. And perhaps he will not return to tell them why.

All of which illustrates how it is—as I observed in the opening article of this series—that the Germans are no longer frantic. This man and all his neighbors have learned the ropes of misery. It has become a calculated routine with them. They face the chances with cold eyes. Only those can hope to live who are not afraid to die, and make no missteps.

Universal Military Training

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, January 7, 1948

Mr. O'CONOR. Mr. President, realizing the imperative necessity of keeping America well prepared to cope with any emergency, I am of the belief that the American people have a right to expect a forthright statement from its elected representatives upon the important question of universal military training.

Accordingly, I prepared such a statement, and ask unanimous consent to have it printed in the Appendix of the RECORD

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

UNIVERSAL MILITARY TRAINING

(By HERBERT R. O'CONOR, United States Senator from Maryland)

Among all the many problems facing America today, that of preserving our national security is paramount. That there is a real

threat to that security in the defiant attitude of Russia and its satellites, no reasonable person can well deny.

At the moment America may hold a trump card through possession of the atomic bomb. Russian propagandists have indicated that their country now is able to manufacture the bomb. Whether that is true, or whether America actually is the sole possessor of the bomb today, it is generally agreed by leading scientists that our potential enemies will be able to develop atomic bombs themselves within the matter of a relatively few years.

Furthermore, every well-informed person is aware of the rising tide of communism. The clash of ideologies underlying the democratic and totalitarian systems naturally leads to misunderstanding, distrust, and possibly could lead to the breach of friendly relationships. While we pray God that neither we nor our children may experience another war, we cannot take anything for granted.

We must be prepared to cope with any emergency which may arise. Especially in view of the unsettled condition of world affairs must we remain so strong that no nation will dare to attack us.

Of course, there will be many who will reject the possibility of another unprovoked, undeclared attack. However, representatives of the Soviet Union have made it amply clear in the discussions before the United Nations, and in their animosity to European aid through the Marshall plan, that they hold America to be the No. 1 enemy of communism.

In their vision of speedy world-wide conquest, these opponents of freedom rightly regard America as the spokesman for and the leading advocate of individual freedoms throughout the world.

As the greatest industrial country in the world, the country which armed and financed the Allied nations in World War II, America would have to be silenced, Soviet officials know, before they could proceed to realize their dream of world domination. And make no mistake about it, they will do their best to insure that America is silenced completely, if they think the time is ripe to launch their world attack on democratic nations.

To meet such a threat, America must have an air force prepared in size and in equipment to launch immediately an overwhelming counter attack, and she must possess likewise a highly trained military force in every section of the country. Not only must these forces be skilled in procedures to meet any air- or sea-borne invasion that likely would follow an all-out bomb attack but they must also be versed in methods to cope with the peculiar problems that would be occasioned by widespread economic disruption or by radioactivity in the bombed areas.

One method of meeting such an eventuality, namely, a huge standing army, the American people would reject without much ado. Experience over the past months has shown, likewise, that voluntary enlistments cannot be depended upon to meet such an emergency. The only other avenue, therefore, to guarantee the establishment of the needed armed forces would be Universal Military Training.

Obviously, and naturally, any program of military training will meet with definite objection in a country where the idea of permanent military conscription has always been abhorrent. As parents we dislike the idea of having our sons taken from home during the formative period of their youth. While admitting the force of the arguments that can properly be advanced against Universal Military Training there still remains the alternate possibility. America could be destroyed in atomic warfare unless, sometime in the near future, the most comprehensive preparation for all-out defenses are developed.

In perfecting a plan for Universal Military Training it is imperative that we keep uppermost in mind the need for specialized training of a "key" force to concentrate upon the atomic bomb. Because of scientific advances it is incumbent upon us to have this special group devote itself exclusively to the peculiar problems incident to the use of this devastating implement of warfare.

Add up all the arguments that can be advanced against military training, and compute, if you will, the danger to the youth of our country, their loss of interest in their interrupted education, conjure up all the losses such a system would occasion, and they still are small as compared to the loss of our freedoms which could quickly follow an atomic bomb assault upon an unprepared America.

America's security, the whole future of world civilization, is under constant threat as long as world conditions remain as they are. Until permanent peace is assured we must remain powerful enough to discourage any potential enemy. Universal Military Training offers the only sound program of preparation that has been advanced for the safeguarding of America's security.

Repeal of the Taft-Hartley Act

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Wednesday, January 7, 1948

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very able and concise editorial appearing in the Trainman News, official publication of the Brotherhood of Railroad Trainmen, December 20, 1947.

This editorial points out the fallacies of the Taft-Hartley Act, the serious damage it is causing in promoting industrial unrest, and the need for its early repeal.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AFW: "REPEAL THAT LAW"

After reading Gerhard P. Van Arkel's factual article, The Taft-Hartley Act Really Hurts Labor, in the December Railroad Trainman, we are more convinced than ever that a lot of labor trouble can be avoided by prompt repeal of the Taft-Hartley Act.

The strike now disturbing the Chicago newspapers and the restive situation developing in the Remington-Rand plants are evidence that the law not only may be what the doctor ordered for employers who want to make unions powerless, but is also a direct cause of labor trouble.

As Mr. Van Arkel says (and as former general counsel of the National Labor Relations Board he is competent to speak authoritatively on the subject), "The unexpressed purpose of the Taft-Hartley Act is to break up unions and defeat collective bargaining."

We contend that to deny any union access to the procedure of government simply because its officers have not accepted the insult and certified that they are not Communists is an utterly new philosophy in this country and a provision of the act which we believe is clearly unconstitutional. It is made to order for the employer who is looking for a reason not to bargain with the strong, militant union equipped to represent the rank and file of the workers.

In the Remington-Rand case, the NLRB refused to recognize the United Electrical Workers' Union, CIO, notwithstanding the fact that a majority of employees selected that union to bargain for them. Can you think of a better way to promote labor trouble and provoke a strike? In this instance the Taft-Hartley Act is the cause of the trouble and the Federal Mediation Service, the arm of the Government charged with the responsibility of promoting and preserving industrial peace, is powerless to act. As you watch developments in the Remington-Rand dispute, mark this one down as directly traceable to the NAM's brain child.

Consider the unwise feature of the law which prohibits the closed shop under any circumstance, regardless of the desire of the employees and employer. Here again is a new philosophy and another provision which probably is not constitutional. It is the cause of the strife between the International Typographical Union and the Chicago papers. And here again the Mediation Service is powerless. As you watch developments in this case and observe the trouble spreading to other cities, bear in mind that it is a result of the antilabor law.

Under another equally obnoxious provision, a union is prohibited from expending or contributing money to promote or discourage election of candidates for Federal office. The union, according to Senator TAFT, Republican, Ohio, may not even make a candidate's voting record available to its members. This feature destroys political freedom and restricts rights of all citizens. We can't believe that any court would hold this constitutional.

Certainly there was no mandate from the people for any such law. And if TAFT does not know it, he will be enlightened in 1948.

To allow the Chicago Tribune to go all out for TAFT or BALL or HARTLEY, while not permitting a union-owned newspaper freedom of the press, just doesn't make sense and is wholly un-American. Yet this would seem to be TAFT's understanding of the law which bears his name.

No wonder Mr. Van Arkel resigned from the NLRB the week the act went into effect. We commend him for having the courage of his convictions and the character so much needed today in public officials.

What we need now is men of equal character and conviction in Congress to work effectively for repeal of the Taft-Hartley Act before it creates more avoidable labor trouble.

A. F. WHITNEY.

Rehearsal for History

EXTENSION OF REMARKS
OF
HON. E. WALLACE CHADWICK
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 7, 1948

Mr. CHADWICK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Malvina Lindsay:

REHEARSAL FOR HISTORY

(By Malvina Lindsay)

CONGRESS ON TRIAL

They look like most other men and women, these members of the Eightieth Congress who are beginning their historic session of 1948. Yet we who are audience at their new drama see something special about them. Familiar as they are, we regard them with fresh curiosity. They are suddenly set a little apart.

Perhaps it is because they are about to try out for their roles in history. How will posterity finally judge a VANDENBERG for his performance? Or a TAFT? A MARTIN? A TABER? Or the seven Congresswomen, minute symbol of the feminine millions who are praying for freedom from fear of war? Or a freshman

legislator who has one of the 531 votes that may sway the destiny of the world?

We think of all that is expected of them—to curb inflation, prevent depression, get enough houses built, settle the factious universal training issue, make the Nation's moral decision about Europe's tragic displaced, decide which turn a critically sick world is to take—toward recovery or relapse.

We see them standing out with a few other little groups in the procession of Congresses since 1789. Another reconstruction Congress is at the job of building peace, which is always so much harder than waging war. Will it do any better than did the stubborn, myopic, politics-ridden one of 1919? Or the passionate, vengeful one of 1867? Will the seeds of peace or of war be sown in the reconstruction it ordains? Will another Thaddeus Stevens achieve legislation of fear and hate? Will provincialism and political ambition bring about timid, negative subterfuges when bold, far-visioned action is needed?

We shudder momentarily at thought of the endless debate ahead—the demagogic archaisms that will provide a field day for cliché experts, the chauvinistic and petty utterances that will advertise our worst side to the world. Yet that is part of our freedom—and there will be noble expressions, too, which school children may some day learn.

We think sadly of the world cry for leaders. "There is paralysis in leadership from the Elbe to Washington," laments the London Economist. Our fellow Americans sigh, "If only we had some great figures as in the early days of the Republic."

Yet we know that the leaders of those days appeared to their contemporaries much as ours do to us. They were ridiculed, berated, even physically attacked. The first Congress was widely criticized for logrolling and for catering to money interests. A later Congress passed the notorious Alien and Sedition Acts which ruthlessly invaded civil liberties. Yet these Congresses at times acted with audacity and vision to strengthen the foundations of the Republic. Is there not a chance this one will take the steps that will strengthen foundations of freedom throughout the world?

After all, we tell ourselves our legislators have the advantage of hindsight. They know of hate's bitter reconstruction fruits of the sixties and seventies. They know of the whirlwind of boom, bust, and war that was reaped in part from congressional plantings of selfishness after the First World War. Nor is this Congress dominated by the vengeance and passion that prevailed in 1867. It is not ruled by the provincialism of 1919. One-third of its Members were abroad last summer. Most of them know that our oceans have become creeks.

We see these men and women, weighted with their loads of decision, sitting in Senate and House, watched by the world. Modern communications have brought them an audience of hundreds of millions—the hungry, the homeless, the suffering, the eager, the cynical, and the scornful abroad; the anxious, the searching, the hopeful at home. Never has a Congress played to such an unseen "house." Surely it will be inspired to a great and self-forgetful performance.

European Recovery Program

EXTENSION OF REMARKS
OF
HON. BARTEL J. JONKMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 7, 1948

Mr. JONKMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Arthur Krock from the New York Times of January 6, 1948:

IN THE NATION—ISSUE ON ERP ADMINISTRATION IS NOW PLAIN

(By Arthur Krock)

WASHINGTON, January 5.—The pretense has been dropped that the agency to administer the European recovery program would, in the form recommended to Congress by the President, be independent of, or even separate from, other executive agencies. Senator CONNALLY and Representative EATON, of New Jersey have conceded that, if Congress adopts the President's blueprint, the administrator of the ERP will be a subordinate of the State Department, with his every act as well as policy under its detailed direction.

Two fantastic arguments were employed by the Senator and the Representative in their attempt to further the State Department's ambitious plan to take minute charge of a vast economic and business operation. Mr. CONNALLY said that, if this ambition is not gratified by Congress, "Moscow would placard it to the world as an evidence of Russian victory over President Truman"—the logical conclusion being that Congress must agree with Mr. Truman 100 percent on every detail for the same reason. Mr. EATON said he has serious doubts that a truly independent agency to administer the ERP would be legal, because the Constitution reserves to the President the conduct of foreign affairs. The logical ultimate of this argument is that it would be unconstitutional for Congress to decline to appropriate in the field of foreign affairs any sum requested by the President for any purpose.

The importance of these observations does not derive from their substance, which is flimsy indeed, but from the concession of fact involved. This is that, despite the evasive words used in the President's message and the State Department's accompanying break-down of the administrative plan, the Chief Administrator of the ERP, like his principal assistants abroad, is designed to be just another employee of the Secretary of State.

That makes the issue plain, and gives to Representative HERTER, Speaker MARTIN, probably Senator VANDENBERG, and others in Congress who oppose this arrangement, a clear field to devise an administrative plan which will not be subject to the same objections as that sold to the President by a State Department increasingly bent on becoming an operating instead of a policy-making branch. These objections are:

1. The proposal follows a model that became the symbol of inefficiency and waste during World War II, being based on the principle of responsibility without commensurate authority.

2. The administrator would be the captive of the State Department because (a) he "must be subject to the direction of the Secretary of State on all matters affecting our foreign policy," and every "matter" he deals with necessarily does that; (b) Congress could not reach him for an accounting without breaking through two executive barriers, the Department and the National Advisory Council; (c) he would be obliged to recruit his assistants abroad from the Foreign Service of the Department, and these are given the titles of "Ambassador" and "Minister" to clinch the control; (d) all reports from these assistants to him, and instructions from him to them, must be channeled through the Department and cannot be handled by him d'rectly.

A series of endless frustrations and disputes would be the consequence of this arrangement, as our experience in World War II amply demonstrated when an administrator was assigned a large task without direct authority to accomplish it. The administrative plan recommended to Congress by the President even excludes all decisive phases of allocation and procurement from the official in charge. All this foreshadows a running battle among the executive departments; and between the executive and the legislative branches of Government whether or not the same party controls them both after the 1948 elections.

With such a set-up it should have been obvious that congressional analysis would soon cut away the screen of words which represented the new agency as independent and separate. But Mr. Connally and Mr. Eaton have made unnecessary a painstaking effort to do that by conceding the misrepresentation.

When it is remembered that calls have been uttered by the Executive for the ablest men in the country, with appropriate experience, to man the program, the attempt becomes the more remarkable. Obviously few men who meet that description would undertake the task if the State Department is really to run it and it is to be manned by its foreign service employees, trained in a specially limited field. One probable exception, of course, is Ambassador Douglas, who, being already a member of the State Department, might conclude he would be permitted to run his own show.

Alternative plans, like Representative HERTER'S envisage a truly independent and separate agency, subject to proper coordination with economic and foreign policy, but with complete operating authority for its director, the right to recruit and dismiss his own staff and to deal with its members and their reports at first hand.

The Mufti of Jerusalem Again

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 7, 1948

Mr. KLEIN. Mr. Speaker, repeatedly the crimes of Haj Amin el-Hussein, Mufti of Jerusalem, have been presented to the world, from this floor and from every forum of public opinion. His history is a matter of record running back to the First World War. In World War II he was openly allied with Hitler.

No adequate explanation has been forthcoming of his escape from France and his return to power in Araby. No one has been able to explain the failure to put the Mufti on trial with the other war criminals. Hitler, Mussolini, and their cutthroats are dead; only the Mufti has survived his vicious crimes and gained new infamy, surrounded by others of his ilk in defiance of the United Nations.

I commend to you, Mr. Speaker, and to everyone else who esteems justice and despises treachery, a vigorous editorial from the Washington Post of Tuesday, January 6, 1948, which I am inserting in the RECORD under leave:

MIDDLE EAST

No means are available to us to check British charges that Jewish refugees seeking to enter Palestine from the Balkans are hand-picked Communists or left-wing sympathizers with links to the Stern gang. But the kind of Arab who is leading the resistance to the UN plan to partition Palestine needs no check. His record is plainly written in the pages of the war's history. At the head and front is the Mufti of Jerusalem, the notorious Haj Amin el-Husseini, the man whom Mr. Churchill called Britain's worst enemy.

The Mufti, slipping through British fingers, spent the war in Berlin, plotting with the Germans against Britain's interests. He has around him the same breed of troublemakers as himself.

This was brought out in a recent dispatch from Jerusalem. The most active man in the field at the moment, according to Emile Ghory, a leading Arab nationalist in Palestine, is Sheik Hassen Salameh. Sheik Salameh during the war was a German major, and he was dropped by parachute in Palestine to undermine the British. Unlike the Mufti, whom the French picked up in Germany, only to let him escape from Paris, he was never caught. This is the character who is in charge of the Arab forces in the whole Lydda-Jaffa district, and, according to the New York Times correspondent in Jerusalem, "probably was responsible for the numerous recent train robberies." The other field commanders have the same common denominator of anti-British and pro-Nazi activity. They are merely identified as leaders in the 1941 revolt in Iraq headed by the Mufti and Rashid Ali which sought to turn Iraq over to the Nazis. It is curious that these Arab gentry get no mention in recent comment of British spokesmen in Britain.

Since the General Assembly's Palestine recommendation the comments from London have been as irregular as some of the acts in Palestine of the British-officered Arab Legion of Transjordania. The concern in London seems to be with the attribution of pro-Soviet motives to the Jews in Palestine. To be sure, there are Communists in Palestine, as in every other country. In Palestine they appear to make up the notorious Stern gang, which arose as the result of the delay in attending to the Palestine problem. It is a small group of terrorists. In all likelihood they were back of the dynamiters of the offices of the Arab Higher Committee in Jaffa last week end. But we take leave to doubt whether the 10,000 or so Balkan refugees trying to get into Palestine are, as to the bulk of them, Communists. All we know about them is that they include 5,000 children fleeing from anti-Semitic lands where they have been freshly persecuted. It is time that the British spokesmen tuned their comment to a regard for their responsibilities as the mandatory power and for their membership of the United Nations.

The Christmas Message of Pope Pius XII

EXTENSION OF REMARKS

OF

HON. CHARLES J. KERSTEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, from the watch tower of the Vatican came a Christmas message on December 24 that applies to all people who believe in the fatherhood of God without which there can be no brotherhood of man.

It is significant that Palmiro Togliatti, a potent foreign agent of Moscow, who seeks to add Italy to the Communist chain, should have attacked the Vatican again only a few days ago at the Sixth Congress of the Italian Communists in Milan.

Togliatti knows that Christianity ideologically defeats communism. The Communists seek to make a god of the state and a materialistic animal of man. They seek to make a mockery of the family and to destroy religion, which is the relationship between man and his God. The Communists know their enemies. They know that the Vatican is a spiritual bulwark of defense, not only to western civilization but to men everywhere in the world against the hard-driving world ambition of Marxists who seek to enslave all men to communism.

VATICAN CITY, December 24.—The English text of the Christmas Eve message to the world, delivered by His Holiness Pope Pius XII is as follows:

ENGLISH TEXT OF PONTIFF'S 1947 CHRISTMAS EVE MESSAGE TO ALL MEN OF HONESTY

"The feast of Christmas and the new year close at hand bring with them certain signs which point a warning finger toward the days to come.

"The customary greetings exchanged at this season, which ascend to heaven in a cloud of incense and of prayer, cannot and will not, for all the deep and sincere affection prompting them, allow us to lose sight of the condition which confronts us at the present hour, when Europe and the wide world have reached a turning point of their destiny. The gravity of the crisis is unquestionable, its possibilities for good or evil immeasurable, its issue unpredictable.

"When last year on this same occasion we addressed our Christmas message to the Catholic world, and to all men of good judgment and good will besides, who could have had it in his heart to predict for humanity, tired of war and hungry for peace, what has today become a cruel, undeniable reality?

"Christmas bells will still ring in the feast, as from the days of old. But for many closed, embittered, and tormented hearts they ring out in the desert, where they wake no living echo any longer.

"Now that another postwar year has passed, with its burden of distress and suffering, of disillusionment and privation, those who have eyes to see and ears to hear cannot but be pained and humiliated by this: Europe and the world—even to distant and tormented China—today are farther from real peace, farther from complete and definite safety, farther from a new order based firmly on agreement and justice, than ever they were before.

"The champions of negation and disagreement, with the long line of profiteers in their train, are jubilant at the thought—or the illusion—that their hour is near.

"Contrariwise, the friends of peace, the promoters of a lasting reconciliation between the people of the world, feel the twinge of anguish in their hearts when they compare the moral and social wealth of Bethlehem's good tidings with the misery of a world that has wandered far away from Christ.

"But genuine Christians, for whom the whole of life, the source of all its lights and worth, consists in 'thinking with the Church,' perceive and realize better than anyone else the meaning and value of times like ours; times of dense darkness, but of blinding light as well; where the enemy of Christ reaps a vast, tragic harvest of souls, but many also of the good are leading better lives; where generous hearts can scale victoriously the peak of heroism, while numbers of the tepid and the faint of heart, slaves of human respect and afraid of sacrifice, slip into mediocrity or sink into the vile depths of degradation, like these who 'neither rebels proved, nor yet were true to God but for themselves were only.' (Dante, Inferno.)

"In the titanic struggle between the two forces now competing for the mastery of the world, if hatred is all that is needed to marshal under the leadership of the evil one men who would seemingly have every ground to disagree, what could love not accomplish toward uniting in a world-wide league those whose high purpose, noble instincts, and community in suffering have drawn them together by ties stronger and more intimate than any difference or divergency which could keep them apart? To the millions who are disposed to become members of this world alliance, the charter of which is the message of Bethlehem and its unseen head the king and peacemaker who lies before us in the manger, we direct at this juncture our heartfelt appeal.

"The brand on the brow of one generation, and the source of its disruption and decadence, is the tendency, every day more obvious, to insincerity, a lack of honesty, and this not merely as an occasional expedient, or of obstacles unforeseen. No. Today it amounts practically to a system. It has been raised to the distinction of a strategy, in which the lie, the garbled word or fact, and trickery have come to be an accepted weapon of offense, which some people wield with the skill of professionals, boasting even of their competence.

"So clearly, as they view it, has the suppression of all sense of right and wrong come to be part and parcel of modern technique in the art of forming public opinion, of controlling it and making it serve their political ends. For they are bent on winning at any cost the battle of class interest and theories, of ideologies and power politics.

"We do not propose to describe here in detail the havoc wrought by this tournament of insincerity in public life. But we are in duty bound to open the eyes of Catholics all over the world—and of all others besides who share our faith in Christ and a transcendent God—to the dangers which this prevalence of falsehood presents for the church and Christian civilization, for the entire religious and even merely human heritage which has supplied the peoples of the world with the substance of their spiritual life and of their real greatness for the past 2,000 years.

"When Herod of old was plotting anxiously to slay the Babe of Bethlehem he hid his plan under a pious mask, and tried his best to make the honest men into unwitting spies. Likewise today, his modern imitators move heaven and earth to conceal their real purpose from the masses, and make them the unconscious instruments of their designs.

"But once they have won power and feel the reins securely in their hands, little by little they let fall the veil, and pass by successive stages from oppression of the dignity and liberty of man to abolition of all authentic and independent religious life.

"Here, then, is the question we put to all honest men: How is humanity to recover, how can any new order worthy of the name emerge from the mistakes and agitation of this present hour of confusion, if the lines which mark off friend from foe, yes from no, and faith from lack of faith are to be erased and moved about?

"The church, though her heart is ever full of love and sympathy for these erring souls, cannot fail to denounce error, in loyalty to her divine founder's declaration: 'He who is not with me, is against me.' (Matt. 12, 30.) She cannot but tear the mask from the 'forgers of lies' (Job 13, 4) who come forward as wolves in sheep's clothing (compare Matt. 7, 15), as founders and pioneers of a new golden age. She cannot but warn the faithful not to let themselves be lured from the path of rectitude, or be deluded by fallacious promises.

"Our position between the two opposing camps is exempt from every prejudice, from any preference for this or that people, for this or that bloc of nations, as it is foreign to any sort of temporal consideration. To be with Christ or against Christ—that is the whole question.

"Each of the opposing sides believes itself constrained to this mistrust, as by a duty of elementary precuation. Obviously, this very fact leads to the building of an immense

wall which renders hopeless every attempt to bring to the bewildered human family the blessings of true peace.

"Have we not had occasion, even during the past few weeks, to experience the tangible results of this mistrust? Have we not seen a most important conference of the great powers adjourn without having taken those essential and decisive steps along the road to peace for which the world in its anguish was waiting?

"There can be but one way out of the straits to which the cult of insincerity has brought the world—the return to the spirit and practice of straightforward honesty.

"No one today—to whatever social or political movement or party he may belong—who wants to bring the weight of his convictions and his public acts to bear upon the present or the future destiny of nations, has any right to wear a mask, to appear to be what he is not, to avail himself of the strategy of the lie, of tension and of threats, in order to restrict the honest citizens of every land in the exercise of their just liberty and civil rights.

"You will readily understand, then, how pained we are to see hostile propaganda distorting what we think and say, embittering men's hearts, hindering the peaceful exchange of ideas, and deepening the chasm which separates from us so many souls redeemed by the blood of the same divine and loving Savior. At the bottom of it lies, unfailingly, the same identical duplicity, deliberately adopted and ruthlessly employed as the most incisive weapon with which to combat justice and truth, and hinder mutual understanding, reconciliation and peace.

"The inevitable outcome of such a situation is the splitting of humanity into powerful and rival groups, whose highest law of life and conduct is a basic and invincible mistrust. Here is at once the tragic paradox and the curse of our time.

"That is why we would remind you, dear sons and daughters, that we celebrate tomorrow the birth of Him from whose lips one day escaped the cry: 'Veritas liberabit vos' (John 8, 32); the truth (which is His teaching) shall make you free. Never, perhaps, has this cry reechoed so loudly as it does today in a world hungry for peace but forced to groan beneath the oppressive yoke of falsehood.

"Let all Christendom, too, make answer—to Him who was made flesh that He might be for all "way, truth, and life"—in a prayerful plea that the truth may find its way back to the hearts of the rulers of nations, whose yes or no may determine the fate of the world. And with the truth may there shine out upon the earth no deceptive mirage, but Bethlehem's bright star of peace divine."

II

"Those who were absolutely determined to win the war were ready for any sacrifice, even unto death. Those who sincerely wish to win the peace must be ready for sacrifices just as generous, since nothing is more difficult for convulsed and embittered human nature than to forego reprisals and lay aside its unforgiving rancor.

"The injustice and cruelty committed by those who unleashed the Second World War aroused waves of righteous indignation, but served, alas, at the same time, to develop the seeds of a natural inclination for revenge.

"The saner portion of mankind—even among nations chiefly involved in the conflict—unanimously denounced the excesses and atrocities which a political system, falling into moral nihilism, not only practiced during the war which it provoked, but even dared to justify in theory. Facts and documents recently come to light have only served to confirm that those who sponsored and worked out this system are mainly responsible for the world's misery today.

"Men of the postwar period could have easily confronted this degeneracy with their own moral superiority; unfortunately, in not a few instances they have let slip a golden opportunity. It must be admitted that the history of the world during the days and weeks and months immediately following the war was very far from being one of unmixed glory.

"The punishment justly meted out to the chief culprits could have inspired Dante's pen with scenes for the Inferno, but the great poet would have shrunk from depicting the reprisals wrought upon the innocent.

"Forced migrations and compulsory hard labor followed later, defying the most elementary laws of humanity as well as the letter and the spirit of the rights of nations. Who, then, could be surprised that the sense of justice which had been rightly shocked at the sight of such deeds perpetrated by one side should also react similarly when it sees others commit them?

"Who can measure what futher moral domestic and social distress, what harm to the cultural and economic stability of Europe—and not alone of Europe—will be caused by the compulsory and indiscriminate displacement of peoples, what sorrow at present, what anguish for the future? Only a broader vision, a wiser and more judicious policy on the part of those who hold the fate of the world in their hands, can provide a tolerable solution for an otherwise insoluble problem.

"All honor, then, to those of every nation who shirk no privation or shun no labor to hasten the fulfillment of such a noble enterprise. Let them not be troubled at the contradictions and opposition they will have to meet and which precisely in these days seem to have grown more intense, in stimulating another war of nerves, provoking discord, reducing to naught the efforts of the champions of unity and peace. Let them be confident that the hour is at hand—as we trust and ask in our prayers—when the King of Peace will grant victory to those who do battle for His cause with a right intention and with the weapons of peace."

III

"The human race, then, will be powerless to emerge from the present crisis and desolation and to go forward to a more harmonious future unless it restrain and control the forces of division and discord by means of a sincere spirit of brotherhood uniting all classes, all races, and all nations with the one bond of love.

"We launch such an appeal to the entire world today, the eve of Christmas, because we see this spirit of brotherhood in danger of being stifled and crushed; because we see selfish appetites getting the better of sound reason, and the cruel tactics of oppression and violence prevailing over loyal understanding and mutual respect, and the utter disregard for any consequent evils to the detriment of the zealous maintenance of public welfare.

"The church, whose maternal heart embraces all nations with equal affection, is following with great anxiety this new development in national and international conflicts.

"When faith in God, the Father of all men, begins to grow dim, the spirit of brotherly union also loses its moral foundation and cohesive force; and when the consciousness of a society embracing all men, as wished by God, and which includes reciprocal rights and duties, determined by fixed norms, begins to die out, there arise in its place a morbid hypersensitiveness to what divides, a ready propensity to overstate one's rights, true or imagined, and a neglect—at times thoughtless, but not for that reason less ruinous—for the essential needs of others.

"At this point, the way is open for the struggle of all against all; a battle which knows no other right except that of the strongest.

"Our age, alas, has provided some sad examples of fratricidal war, resulting with relentless logic from the weakening of the spirit of brotherhood.

"Even the land which heard the hymn of the angels announcing peace to men, which saw the Star of the Saviour shine forth, and where the Divine Redeemer died crucified for our salvation—even that Holy Land, with all its memories and shrines most dear to every Christian heart, is now divided and has become the scene of blood and strife. And Europe herself, the center of the whole great Catholic family—is she not perchance today, a warning and an example of the plight to which the loss of the spirit of brotherhood can reduce a part of the world once so beautiful and flourishing? The wounds she suffered during the late war are still unhealed, and already the sinister light of a new conflict flashes on the horizon.

"Oh, if all honest men were to unite together, how quickly would the victory of the brotherhood of men be realized and along with it the rehabilitation of the world. Such people already constitute a substantial element of public opinion, and show that they possess really human instincts, with political wisdom as well.

"But there are others just as numerous, whose mere word has considerable weight in hastening or impeding the peace of Europe—the necessary initial step toward world peace—and who follow a course directly opposite. Are they afraid, perhaps, that if Europe were to recover, regain her strength, and become conscious once more of her Christian mission, she would wish to rid herself of the deadly germ of atheism and revolution and live a life of her own, free from unhealthy foreign influence?

"It is obvious that a Europe shivering and feverish from economic difficulties and social chaos yields more readily to the seductions and illusions of a fatuous ideal state than a healthy Europe with her vision clear.

"Meanwhile, the propagators of such deceptive schemes spare no effort to make converts to their cause among the fanatics and the simple, whose aim, in turn, it will be to drag their people along the path of ruin that others have traveled before them, not from choice but because their civil and religious liberty had been systematically repressed.

"Have we not had occasion to see here, on the sacred soil of the city where God has established the Chair of Peter, the emissaries of a concept of life and human society based on atheism and violence sowing cockles in the good earth of Rome, and doing their utmost to convince her sons that they have discovered and set up a new culture more worthy of man than the ancient and eternally youthful Christian civilization?

"Since things have reached such a pass, the time has surely come for everyone who cherishes the human and spiritual heritage of his forefathers to rouse himself from sleep, take up the arms of faith and courage, and preserve the city, civilization's mother, from religious, moral, and social deterioration, such as might render very difficult, to our keen regret, that solemn celebration of the coming holy year desired by Catholics the world over.

"If, however, the frank words we utter during today's celebration know no boundaries, they refer only to doctrines denying faith in God and Christ, and certainly not to the nations or groups of nations who are the victims of these doctrines. For these latter the Church ever cherishes the same constant love. Nay, the more they suffer the greater is her love for them. It is in the days of trial, rather than in untroubled hours, that men of all nations should realize that they are brothers. The real meaning, the lofty mission, and the power to reconcile of this brotherhood has never been, nor shall ever be, extolled with such force

as it was by 'the first-born among many brethren' (Romans 8: 29), who from Bethlehem to Golgotha preached by His example more than by His words that great and universal brotherhood of men.

"Over this Christmas a dark cloud is gathering. As the people's anxious yearning for peace grows ever ever more intense, the inability of their leaders to satisfy it by merely human means is just as apparent. Do not the honest efforts of some to arrive at an equitable peace and the systematic planning of others to prevent its fulfillment bring perchance to mind the picture of a dangerous game of chance of which the stakes are forture or ruin?

"Into the meeting places of men the spirit of evil creeps unnoticed, 'the angel of the abyss' (Apo. 9, 11); the enemy of truth, the fomentor of hatred, the denier and destroyer of all sense of brotherhood, believing that his hour is nigh, uses everything at hand to hasten it. Nevertheless, we desire to end our Christmas message with an irrepressible appeal for hope and confidence.

"Although faith in the Divine Redeemer prompts Christians to ponder everything in the light of the truth—ever ancient, ever new—of aged Simeon's declaration concerning the Child Jesus at the presentation in the temple: 'Behold this child is destined for the fall and for the rise of many . . . and for a sign that shall be contradicted' (Luke 2, 34), still we know that the number of those who do not separate themselves from Christ by unbelief, who cling to Him, who are ready to give their lives for Him and who place in Him and in the resurrection their unwavering hope—we know that the number of these is great, that it is increasing and growing strong. We see them radiating energy and influence for good in every sphere of life. We see that other men of good will are joining them.

"To you all, therefore, beloved sons and daughters, we say: Your hour is come.

"At the assemblies of statesmen another unseen spirit presided as Sovereign Lord, the Omnipotent God to whom nothing is secret and who holds in His hands the thoughts and hearts of men, to bend them as He wills and when He chooses; God, all of whose inscrutable designs are governed by His paternal love. But to fulfill these designs He wishes to make use of your cooperation. In the day of battle your place is in the vanguard, fighting at the front. The timid and those afraid to come out in the open are very close to becoming deserters and traitors. He is a deserter and a traitor who would give his material support, his services, his talents, aid, or vote to parties and to forces which deny God, which put might in place of right, and threats and terror in place of liberty, which make of lying, opposition, and incitement of the masses to revolt so many weapons of their policy, thus rendering national and international peace impossible.

"Let us bring ourselves back 300 years, to a Europe torn by the horrors of the Thirty Years' War. The year 1648 brought at last the message of peace, the dawn of restoration.

"Pray and work to obtain from God the grace that the year 1948 may be for wounded Europe and for the nations torn by discord a year of rebirth and of peace. So pray and work that after the rout of the spirit of darkness, the angel of the bottomloss pit, the sun of justice may rise over the world: Jesus Christ our Lord, to whom the honor and glory in time and in eternity.

"And now let our Apostolic blessing, a pledge of divine grace and aid, go out to all our beloved sons and daughters, those of this episcopal city of ours as of the whole word. But let it extend especially to those groaning under a heavier weight of distress and pain; the sick, the poor, the unemployed; the homeless and all who are hungry and cold; for those bereft of freedom, family, country through the tragic happenings of a dreadful war, through other men's injustices, or through their own past mistakes and faults, and who feel the pang of discouragement and anguish all the more keenly at this holy season; to the prisoners of war not yet restored to their dear ones; to the refugees and the displaced; in a special way to those, particularly priests, suffering persecution, prison, exile, threats of torture and of death simply because of their fidelity to God, to Christ, to the Church, and to their duty."

Our Changing Land Policy

EXTENSION OF REMARKS
OF
HON. CLIFFORD R. HOPE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 7, 1948

Mr. HOPE. Mr. Speaker, under unanimous consent given me to extend my remarks in the RECORD, I am including herewith an address delivered by Mr. E. H. Taylor, associate editor of the Country Gentleman, at the second annual meeting of the Soil Conservation Society of America, at Omaha, Nebr., on December 4, 1947.

This address is a most constructive and challenging criticism of the land policies followed by this Nation since its beginning. It is the ablest discussion I have seen of the importance of land conservation in the future social and economic development of our country. It should be read by every Member of Congress and all others who have a duty and responsibility in determining public policies in the field of conservation.

The address follows:

Mr. Chairman and members of the Soil Conservation Society of America, after long and troubled reflection I have concluded that your program committee contains some practical jokesters. They gave me a subject entitled "Our Changing Land Policy." It was kindly suggested that if I traced some of the significant historical changes in our land policy it might help us all to understand better why we are where we are now—and where we might be going.

I have earnestly tried to carry out this assignment. In my efforts to find that land policy, which the committee asked me to describe to you, I have read a dozen or so books dealing with the administration of this Nation's land and have delved into a number of congressional debates and enactments. And now a firm respect for truth and honesty compels me to say that I cannot live up to the promise made on your program. To trace and interpret our changing land policy just can't be done, for reasons that should become apparent to you before long.

It has been said, "If we know the past, we can better understand the present." How true that statement is I never quite realized until I began this intensive study of our land history. In greater part it is a history of what happened to a public domain, vaster and richer than ever possessed by any other nation. In its entirety this public domain embraced 1,300,000,000 acres, acquired by conquest, cession, purchase, and outright occupation. Within less than a century and a half it had all been disposed of—settled and farmed, devoted to grazing use, logged over, and mined, or set aside into national reserves.

By what manner of means was all this turn-over of land accomplished? What were the acts of farsighted statesmanship and the wise principles which shaped the distribution and treatment of this mighty store of natural resources? Here surely we should find signs of that land policy, which my subject assumes. But the historian-economist, Benjamin Wallace Hibbard, author of perhaps the best work on our land history, has only this to say:

"While there were many individuals with interesting, even excellent, ideas as to how the public domain should be administered, it cannot be said that a conscious policy worthy of the name existed. * * * It was rather a series of expedient actions."

The curtain lifts on the first of these actions involving the land soon after independence was achieved. The young Republic was in debt and it had few sources of revenue. But it owned an unsettled territory, stretching from Ohio to the Mississippi, more than 265,000,000 acres, acquired by defeat of England and by cession from the original colonies. The statesmen of the time saw in it one of the means of solving their financial problem. Both the land ordinance of 1785, in which Thomas Jefferson had a hand, and Alexander Hamilton's Report to Congress on the Public Lands held that the public domain should constitute a source of national revenue through the gradual sale of land.

For more than a third of a century this emphasis on the revenue function of the land was to prevail. But there was little agreement otherwise.

At the very start there was a sharp difference of opinion whether the land should be sold in large blocks to land-settlement companies—and speculators—or in small acreages suited to the financial ability of the settler, at auction, or to the individual buyer. The result was a compromise—one of so many that were to develop. The auction method was adopted. Land was sold in large blocks—to the Ohio Co., the Scioto Co., and others, in one of which, I am sorry to say, Congressmen were the promoters. It was also sold in settler-sized blocks.

The land history of the next quarter of a century is a long series of controversies—over the price of land, the terms of credit, and extensions of payment. Prices started off at a minimum of $1 an acre, were raised to $2 an acre, but with concessions to land companies that were sometimes as low as 16 cents an acre. Credit terms began at one-half down and the rest in 2 years. This time limit for final payments was lengthened to 3, then to 5 years. When settlers became hard-pressed Congress frequently voted extensions, depending on whether the eastern or western viewpoint prevailed.

For land was ensnarled in one of the many conflicts of interests, which have marked our history. The West, seeking new settlers and development, wanted low-land prices and easy terms. But the East feared the loss of its population and the increasing political power of the West. Its growing industrialism wanted a plentiful and cheap labor supply, which every easing of land settlement made harder to hold.

So the historian, writing of that period, merely comments: "No policy developed for making the best or most logical use of the public domain."

But one marked change took place in 1824. As a result of unprofitable experience, the credit system was abolished. Almost as an incidental afterthought Congress attached a reduction in the price of land to $1.25 an acre. It was the beginning of a trend, away from the emphasis on the public lands as a source of revenue and toward an emphasis on the human values they might serve.

Lending a powerful voice to this trend was the appearance in the Senate of one of the great figures in our land history—Thomas H. Benton, of Missouri. He was pontifical, egotistical, and no doubt often irritating to his fellow Senators. But he deserved the title

of "Statesman of the West," and he looms as one of our few statesmen of the land.

In a series of speeches in the 1820's he advocated graduated land prices and even the free settlement of land. "The freeholder," he declared, "is the natural supporter of a free government, and it should be the policy of republics to multiply their freeholders. Pass the public lands easily and cheaply into the hands of the people; sell, for a reasonable price, to those who are able to pay; and give, without price, to those who are not. I say, give without price to those who are not able to pay, and that which is so given I consider as sold for the best of prices."

Settlement and cultivation, he maintained, were the true means of increasing wealth and the national income. Revenue could be derived from the sale of land but once, he asserted, while the land, settled and under cultivation, would be a source of endless future production.

Senator Benton did not achieve any of his objectives at the time. But he planted seed that was to bear abundant fruit later on. And he invested land with a social purpose that was to carry on down to our day in the stress on the family-owned and operated type of farm.

The historian comments: "Benton did not originate a policy so much as a philosophy of the land. Great changes, it is true, were to follow along the lines of his thinking. But they were not the products of any orderly program but rather of circumstances that rendered them advantageous for other reasons."

His ideas failed at the time because land became involved in another of those struggles between conflicting interests. From Hamilton's time the Federal Government had two main sources of revenue—duties on imports and income from the sale of public lands. In the first 45 years sales of these lands totaled 87,538,347 acres, yielding a considerable outlay of money to a Government that then cost little. But by Jackson's second administration the Government could see itself soon out of debt. There was, in consequence, less need for revenue. The South was hostile to the tariff and wanted lower duties or none at all. The West wanted cheaper land prices or, better free land.

The industrial East was alarmed over both possibilities. Here the adroit Henry Clay began a series of strategems. He entered into an agreement with John C. Calhoun for the retention but gradual lowering of the tariff. And he proposed that the proceeds of the land sales be distributed among the States. The guise was to promote internal improvements, but the intent was to keep up the price of land by arousing the covetousness of the States. This proposal was brought up at one session of Congress after another until it was finally passed in the form of a deposit of the Government's surplus funds with the States. But the deposits continued less than a year, for then the panic of 1837 was on and the Federal Treasury was broke.

It was not the first—or the last—time that politics was to sacrifice the welfare of the land.

But another influence, more powerful than politics, was soon to enter upon the scene. From the outset grants of land for various public purposes had become an accepted practice. They had been awarded as military bounties and for the protection of the frontier. Section 16 in each township had been set aside to promote education. In all, through this original act, a further grant in 1841, and the Morrill Act in 1862, for the establishment of agricultural colleges, the Government gave more than 100,000,000 acres for educational purposes.

Then, as the newly settled areas began to demand outlets, grants were made for wagon roads, canals, and river improvements.

These gifts tended to shape a phase of the popular and official attitude toward the land—it was something that could be exchanged for improvements that the people wanted. This paved the way for a development that was to hasten land settlement and to shift the historical balance of interests in this country. It was the coming of the railroads and the grants of land to promote their construction.

The first of these land grants to subsidize the building of railroads was made in 1850, with the Illinois Central the recipient. Alternate sections of land for 6 miles on either side of the railroad—or their equivalent if the land was already settled—were given to the States, through which the Illinois Central was to pass. The land was to be sold and the proceeds turned over to the railroad's builders. The price of the public land intervening between these railroad-grant sections was raised to $2.50, on the theory that the benefit conferred by the railroad increased its value to that extent.

Before the period of railroad building, financed in part by land gifts, ended, the Government was to make total grants for that purpose of 129,028,558 acres and the States 37,789,169 acres. The wisdom and justice of these land grants, the means by which some of them were obtained, the subsequent use of these railroad lands all have been subjects of question and controversy. I shall not enter into their merits. But I do venture the opinion that no other factor had so revolutionizing an effect on the course of our land history.

With the advent of the railroads, the industrial East began to realize the possibilities of the western markets and to become more favorable to rapid land settlement. Easy and comparatively fast transportation opened up distribution outlets for industrial goods. In return the abundance of cheap food from the West relieved the pressure on wages. The great mineral and lumber resources of the West were made accessible, with eastern capital the chief beneficiary. The northern and western alliance began. It was to have historical repercussions.

The first of these was a more friendly attitude toward homestead—or free land—proposals. Such spokesmen as Horace Greeley and Amos Lawrence reversed their former positions and became champions of a homestead law. A Pennsylvania Congressman—Galusha Grow—became the chief advocate of homesteads. A pre-emption or "squatters' rights" act, termed by one historian "the first democratization of the public land," had been passed in 1841. Homesteading had been officially approved for the Oregon Territory. The spirit of manifest destiny was pushing the Nation to the shores of the Pacific, and giving the settlement of the intervening territory an urgent importance. From 1840 on some form of homesteading act was introduced at nearly every session of Congress.

It seemed Benton's dream was about to be fulfilled. But land again became involved in a political issue—the struggle between the slave and the Free States. Southern leaders saw that the small landholder, who would be multiplied by a homestead act, would prove a barrier to the extension of the plantation, slave-farming system. Antislavery interests were equally quick to see the same fact. So, for 15 years, homesteading was delayed by this deeping conflict between political and economic interests. A hybrid homestead act was vetoed by Buchanan in 1859 in deference to his southern supporters.

The victory of the new Republican Party in 1860 insured the passage of the Homestead Act. It was delayed by the needs of the Treasury, but only until 1862.

With the Homestead Act a period in our land history ended and another began. The public lands ceased to be regarded as a source of revenue. Their use for the subsidization of railroads was to attain still larger proportions, but it is significant that the year 1871 saw the last railway grant. The rapid settlement and cultivation of the public lands by an independent, home-owning population had become recognized as their best use.

Like all Government actions in respect to the land, it was late. Two-thirds of the land suited to homesteading had already been occupied. There were other failures of foresight in connection with it. Yet this comment by one land historian seems fair: "With all its shortcomings the Homestead Act has more to its credit than any other one act passed by the Federal Government. A million and a third homesteads were taken up and carried to completion under it." Some of us here were to grow up on homesteaded farms.

It did not constitute a policy, only the culmination of a long tendency to make land easier of settlement. Nor did it bring order into our land affairs. The Homestead Act was based on experience in the settlement of the middle country. It broke down when it attempted to cross the Plains and enter an area of different climatic conditions.

Here, as in all of the Government's land activities, one grave deficiency was to have costly effects. This was the failure to classify the public lands—the very essence of a rational land policy. Thus for the first half century all land, good and bad, sold for virtually the same price; and under the Homestead Act, all public land was considered equally adapted to entry in 160-acre tracts, regardless of the character of the land or its geography.

Under this blind and improvident system, enormously valuable mineral and timberlands were to pass into private hands for a pittance in comparison to their real values. The results were an incalculable loss to the Federal Treasury, the promotion of fraud and corruption, and the exploitation and waste of natural resources. There were other byproducts, still all too familiar. The lands west of the one-hundredth meridian became the scene of ill-fated attempts at homesteading settlement, of wars between the "nesters" and the rangemen, and of tragic failures and disappointments to thousands of homesteaders.

The wise advice of Maj. J. W. Powell who, I believe, spent his last years in Omaha, was disregarded. After a survey of the West he recommended that what is now mostly range country should be settled in large tracts, suited to pasturage. Instead Congress attempted to repair the flaws in the Homestead Act by numerous pieces of patchwork legislation: The Kinkaid Act, the Enlarged Homestead Act, the Stock-Raising Homestead Act, the Timber Culture Act, the Desert Land Act, the Carey Act and still others. But no act of Congress could enable a homstead-farmer to succeed on land that nature intended to be grazed by animals. The limitations of geography, and not the wisdom of Government, have had to work out the solution to this problem of land use.

Not until 1891, when most of the public domain had passed into private hands and much of the most valuable parts had been possessed by the railroads and the mining and lumber interests, did Congress act to protect the little remaining against exploitation. It then passed a General Revision Act of all land legislation. And not until 1907, in Theodore Roosevelt's Administration, did the first real movement for the conservation of our natural resources take shape. But it was mainly concerned with waterpower, timber, and minerals. The first official move toward conservation of our greatest natural resource—the land—was to wait another quarter of a century.

I believe the review of our land history might properly end here. All of you are familiar with the subsequent actions of the Government—the Reclamation Act, the legislation establishing the Soil Conservation Service and the Agricultural Adjustment Act. In their merits, and in their shortcomings, they are in keeping with the rest of our land record. None of them attains the rank of a land policy, although they might contain the seed of such a policy.

Somehow, after such a fashion as I have outlined, the land of this country has been settled and turned to use. Of all our mighty store of land resources, less than 100,000,000 acres remain to be reclaimed by the costly processes of drainage or irrigation. It is a sadly mixed history—this occupation of the world's greatest land empire. If we consider only the courage, the hardihood, the sacrifices, and the resolution of the pioneer settlers we can well feel a glow of pride. In all too many histories and official documents these pioneer settlers have been held up as "soil robbers" and blamed for the wastage and destruction of our natural resources. There were, among them, some who were guilty of such abuses—through ignorance, greed, or shiftlessness.

But here and now I intend to put the blame for the dissipation of our land resources exactly where it belongs—on the Government of the United States and on the men who constituted that Government from time to time. By their improvident and short-sighted actions they set the example for a wasteful attitude toward the land. By their failure to enact policies that would safeguard the disposal of the public lands they encouraged speculation, fraud, and exploitation. By making land the football of politics they set back the type of development that would have best served the interests of the Nation. The miracle is that the development of our land resources turned out as well as it has. For that fact we can thank the intelligence, the spirit, and the enterprise of a majority of the people who have settled and cultivated the land. As to the record of the Government in that respect, I shall quote the remarks of perhaps the best-qualified historian on that subject:

"Thus far there has been no genuine land policy in and for the United States. True enough, there have been temporizing plans, some of them good for a time, and for certain sections. But a plan involving and comprehending the welfare of the whole Nation, we have not had."

Now you understand why I am unable to carry out the assignment given me by the program committee. We have had no past land policy to change. We have no present land policy to which we are changing.

What we have had have been trends in the prevailing attitude toward the land. What we have now is a changing trend, one toward the maintenance of our land resources. Like the trend toward the use of the land to encourage an independent, home-owning citizenry, this also has had its seer and spokesman. He is Hugh H. Bennett. One of the few things of which I am proud is that I first met him, and helped a little, when he was still a lone voice crying in the wilderness. He it was who first really awakened the country to the irreparable loss it was suffering from soil erosion—from all the ravages of water, wind, and neglect that were deplenishing our land resources. He not only saw the need; he had the constructive ability to bring together in a practical program the practices that would insure a good stewardship of the land. If history is just, it will list Hugh H. Bennett as one of the half dozen most useful Americans of our time.

But again, as with Benton, the trend he initiated is slow of achievement. Our land history is being repeated—the needed action always late. And again, as in our past, it is the people who are ahead of the Government. The farmers themselves, and not Washington, are now the chief motive force in the trend toward conservation of our land resources. They are realizing more and more that the soil is their primary capital asset, and that its proper use and care is the first commandment of good farming. I have been impressed by the number of them who have appeared before the congressional committees and put soil conservation first, asking that benefit payments be made only for those practices that will be of permanent value in maintaining the productivity of the soil. The huge crowds that have attended the demonstrations of complete conservationizing of farms signify the wide farm interest. In a recent poll in Wallace's Farmer as to who is the most successful farmer, by far the largest vote was cast for the one who follows the best soil-conservation practices.

Sportsmen now see that wildlife conservation is inseparably linked with soil and water conservation. Wildlife must have food and cover and clean streams if it is to exist. Only the conservation of our soil and water resources will provide these essentials.

Again, as with the homestead idea, the trend is gradually gaining the support of business interests. Bankers are learning that an eroding farm means a declining security for a loan or a dwindling deposit in the bank. The implement companies and other suppliers of farm equipment are enlisting behind conservation because only productive land will afford them an enduring market. The local businessmen in the thousands of small towns, who depend upon farm trade, are beginning to understand that the soil is the sole basis of purchasing power in their areas. The meaning of conservation is also taking hold in a larger sense. I quote from an editorial in the Kansas City Star, entitled "The Land That Feeds Us":

"The soil losses in the Middle West this year concern every American housewife who has to pay the price at the butcher's counter. They concern the poorly fed Europeans who wait for American shipments. But here in the Missouri Basin the issue is far greater. The future of Kansas City, Topeka, Omaha, and all the other cities in the Missouri Valley depends on stopping the wasting away of the land that supports them. There is no alternative. * * * Soil conservation is a national must. It is an absolute essential to the whole flood-control program. It goes far beyond the reservoirs and levees to keeping the soil on the land and water on the soil. Flood control and soil conservation roll together into one vast program—keep the soil on the land, keep all the water on the land that the soil will hold, harness the water resources of the basin for the use of man. We had better wake up to the fact that soil and water are the sources of life."

All of these are valuable contributions to a changing trend in the general attitude toward the land. But they do not constitute a policy. A policy would be an enactment by Congress, establishing the conservation of the Nation's soil and water resources as a declared purpose of Government and adjusting other programs and policies to it. This we do not have, and it isn't going to be easy to get. The land has again become involved in another issue—the world struggle now going on between different social systems. For the time being the short-term needs of our foreign policy seem likely to take priority over all else—even the interests of the land. Actually a sound land policy is the strongest arm of any long-time foreign policy, as will shortly become evident. But there is another reason why such a policy is not in sight. It is the simple fact that a majority of those who presently make up our Government do not realize any better than those of the past the paramount importance of our food-producing resources to the progress, stability, and destiny of this country.

Let us, for the sake of record, make clear their full meaning to the life of the Nation. It is my considered opinion that the abundance of our food-producing resources has been the greatest single factor in the social and economic development of this country. There are conclusive reasons for that opinion and I shall state them now.

1. The bounteousness and variety of our food supply, coming from a comparatively new soil, have given us a vigorous and energetic population throughout our history. Only a people, well-nourished and strong, could have accomplished so much in so short a time. For corroboration and for its significance to our future, I shall quote a statement by Dr. George R. Minot, of the Harvard School of Medicine, who said recently, "Initiative, progress, success, and the happiness of a people tend to go hand in hand with an abundance of food and a good diet."

2. An adequate supply of food has been one of the strongest supports of our free political institutions. We are having demonstrated to us, on the present world stage, how precarious is the life of governments where the food supply is inadequate. Hunger is the greatest threat to the stability of any form of government. We have never had to face it here. There have been times when some of our people did not have enough to eat. But those occasions were due to the failure of political and social leadership, never to a shortage of food.

3. Our vast industrial development would have been impossible without an abundance of food. The processing and marketing of food is in itself our biggest single industry, drawing upon innumerable others for materials and equipment. But in another and still more significant way our food resources have facilitated the growth of our complex industrial system. With the single exceptions of the periods following the two world wars, food has not only been plentiful but cheap. This insured a labor force physically capable of doing the work. More important, it left a large margin of earnings to be spent on the products of industry. Over the long record kept by the Department of Agriculture the food basket has accounted for little more than 20 percent of the average spendable income. Nowhere else in the world has it been possible to satisfy the food needs of a people and have so much of a balance left to be used in raising the common standard of living. Suppose this margin above the food requirement slips down, as it inevitably will if the deterioration of our soil resources continues, to 70, to 60, to 50 percent—what will happen to industry?

4. The three essentials in war are: Manpower, weapons, and food. A nation without adequate food resources and with its supply lines destroyed is a defeated nation. Never, in all our wars, have we had to worry about an ample supply of food. We have been able to take full care of ourselves and to provision our allies as well. God grant that we may never suffer another war, but if we do we can be sure that a sufficient food supply will be as vital as in the past. A reserve of productivity, stored in the soil, will be as necessary as a stock pile of bombs or other weapons.

5. The products of our soil have been and are now one of the strongest forces for success in our foreign relations. All but forgotten is the fact that for three-quarters of a century they accounted for our favorable balance of trade, enabling us to pay off the capital investments foreigners made here when we were a creditor nation. We know well what they mean now. They are the most powerful arm of our foreign policy. Without them the Marshall plan or any other effort to stay the march of communism in Europe would be impotent. Our food producing resources will be no less indispensable to an effective foreign policy in the future. Upon their maintenance depends our strength at home and the ability to produce the surplus supplies needed to back up our

foreign policy. A sound land policy does not run counter to our foreign policy; it is its strongest support.

6. The maintenance of our food-producing resources is the very foundation of our national security. Our rival for world leadership is master of the greatest storehouse of natural resources left on earth. But we have ruined one-fifth of our original grant of tillable land and we are using up the remainder faster than it is being restored. All history holds for us the lesson of nations that ignored the waning of their food resources. Their epitaph is written in the Book of Isaiah: "Thy speech shall whisper out of the dust."

And yet, in the face of all of these facts so vital to the destiny of the Nation, this is what an eminent land historian has to report: "During the century and a third, over which our legislation has extended, there has been little attempt to couple land policies with the ultimate need for food."

Isn't it time that we had such a policy, one that comprehends this ultimate need for food and the basic importance of our soil resources to the economy and security of the Nation?

You and I know the answer well enough but too many other people do not. The necessary job ahead is to make the facts known, to bring home to these others the element of their own self-interest that is at stake. And, as the facts plainly show, the interests of all—city as well as country—are involved. The present condition of scarcity and high prices of certain primary foods is but a preview of what will be normal 15 or 20 years from now if the present deterioration of our soil goes on unchecked. I am not an alarmist, but I saw what the floods of last spring did to the richest of our farm lands.

There are obstacles to be overcome—the still persistent myth of land plenty; the historic tendency of Congress to adopt temporizing measures instead of the needed reality; the subordination of the land to other interests and issues; the uncalled-for fight over who shall administer the conservation program; and the "parlor conservationists," who would go to extremes as in their present war on the range cattlemen.

But these obstacles can be overcome. I have faith that they will be. The changing attitude toward the land, evident over the country, can become an irresistible movement. An increasing number of men in Washington, CLIFFORD R. HOPE, BEN JENSEN, Senator ED THYE, Secretary Clinton Anderson, to name but a few—understand the importance of our soil resources to the welfare of the Nation. Perhaps from among them will arise a new statesman of the land to write his name above even that of Benton.

Yet we might as well be honest about this job of conserving our soil and water resources. It's something of which everybody speaks highly and lets it go at that. So far as real effort is concerned, we've just been using a boy to do a man's job, or rather dividing it up among two boys. It isn't going to be done right until we're committed to it in a national land policy that allows no further evasion. Some of us have worked out this outline by which such a policy might be stated: "That it is hereby recognized that the conservation and maintenance of our basic food-producing resources are essential to the national security and to the physical and economic well-being of the American people; that the wastage of our soil and water resources, resulting from soil erosion, loss of soil fertility, flood damage, and the silting of our streams, lakes, and reservoirs, has become of critical national concern; that the enactment of a permanent national land policy, for the purpose of conserving these basic resources, is necessary to prevent their further exhaustion and the consequent endangering of the national security and the physical and economic well-being of the American people; and that this national land policy shall be established and used as a foundation for other agricultural policies and programs."

Such an enactment, stated in those terms, really commits us to do the job and should give us the tools with which to do it. All of us can see the useful results it would have. I shall cite some of them. It would command public support because it represents a manifest public interest; it would provide a practical and defensible basis for the payment of benefits in any future farm program; it would act as an effectual check upon any near-time crop surpluses while insuring our ability to produce more when it is needed to feed our growing population or to meet emergencies; it would expedite flood control and reduce the public expense caused by the silting of streams and reservoirs; it would make possible an upgrading of the American diet and give the people more of the kind of foods they have shown they want—the foods rich in minerals, vitamins and the first-class proteins (for a good land policy is a necessary preliminary to a good food policy); and it would eventually stop this insidious loss of irreplaceable national resources.

I am not a believer in conservation just for conservation's sake. I believe in it because I recognize in it a co-worker with the laws of nature, and of nature's God, as revealed to us in the processes by which the earth was made productive. And there is still another reason. We are engaged on this continent in an experiment with a form of society in which men and women may live and think and work and worship in freedom. That experiment can succeed only if the natural resources to sustain it are kept adequate. I want it to have that chance.

Review of Senator Wiley's Book Laughing With Congress in American Bar Association Journal

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EXTENSION OF REMARKS
OF
HON. OWEN BREWSTER
OF MAINE
IN THE SENATE OF THE UNITED STATES
Wednesday, January 7, 1948

Mr. BREWSTER. Mr. President, I know my colleagues will be interested in a review carried in the December 1947 issue of the distinguished magazine, The American Bar Association Journal, on the subject of the book Laughing With Congress, written by the senior Senator from Wisconsin [Mr. WILEY]. The review draws attention to many of the high lights and interesting characteristics of the volume.

Taking themselves too seriously has been the chief defect of the dictators. A sense of humor assures a sense of perspective. I therefore ask unanimous consent to have inserted in the Appendix of the RECORD the review, together with the introduction to it, in order that we, at least, may not fall into the difficulty which has afflicted so many other nations.

There being no objection, the review and introduction were ordered to be printed in the RECORD, as follows:

LAUGHING WITH CONGRESS—SENATOR WILEY TELLS MANY HUMOROUS INCIDENTS

(By Walter P. Armstrong, of the Tennessee bar (Memphis))

("An anthology of American political laughs," to use Paul F. Douglass' apt phrase, has been assembled by Senator ALEXANDER WILEY, of Wisconsin, chairman of the Senate Committee on the Judiciary, member of our association since 1923, and stanch coworker for many of its objectives. The grand art of laughing is, of course, an important part of the process by which, under a free government, proposed legislation is tested by men's wits, pretense and impromptu ideas are deflated, and the cross-roads scrutiny finally points the way to national policy. We doubt if rubber-stamp legislators under a dictatorship or a planned economy ever poke fun at each other and at other branches of government as do the Members of both Houses of the American Congress. Senator WILEY has strung together an amusing batch of stories and anecdotes, and it may be that some of our readers in these tense days will relish good, clean fun. But something more emerges—a philosophy of legislative government, a sanity of the lumbering democratic process, a realization that the over-all picture is on the good side.)

No doubt it was Senator WILEY's customary courtesy toward his fellow Members that led him, in selecting a title for this little volume,[1] to emphasize the mirth-provoking sallies that originate on the Hill rather than the shafts of wit that are flung at the body of which this Wisconsin lawyer is a distinguished Member. It was a permissible choice, for the brew is 'arf an' 'arf of the sayings of those who have laughed with and of those who have laughed at Congress.

Criticism of Congress is one of the few things in which the American people have shown a continuing consistency. Representative EVERETT DIRKSEN in 1942 compiled a long list of historic criticisms of Congress, the earliest of which dates back to the beginning of the nineteenth century; three[2] of the most popular of the current Broadway plays have scenes ridiculing Members of the House or Senate. There are no lacunae in the years between.

The general idea seems to be that a Congressman will attain the proper humility only when, like Kipling's Tommy Atkins, he has "stood beside and watched himself be'avin' like a bloomin' fool." I have always thought that the thing was overdone, for Congress in the main is an intelligent, conscientious, hard-working body, fairly representative of the American people. It is because he shares this view that Senator WILEY good-naturedly quotes freely the most extreme jibes of the Congress baiters. I may add that the Senator has no need to shrink from the "hair shirts" he exhibits, for he has no penance to do; he has always been a capable and energetic Member whose work has reached its flower in his chairmanship of the Judiciary Committee of the Senate.

MEMBERS OF THE CONGRESS CONTRIBUTE MUCH HUMOR TO THEIR SESSIONS

More entertaining than the invectives—nearly always exaggerated and frequently dull—that have been hurled at Congress is the humor for which the Representatives and Senators are themselves responsible. Of this there's an excellent cross section. As the entire period of congressional history is covered, necessarily some of the stories are not new. There's the one about those mortal enemies, John Randolph, of Roanoke, and Henry Clay, meeting face to face on a sidewalk too narrow for them to pass. Randolph: "I never turn out for scoundrels." Clay (gingerly stepping out into the mud): "I always do." And the one concerning the colored barber and the new Senator. Barber: "By de way, Senator, you remind me of Dan'l

[1] Laughing With Congress, by ALEXANDER WILEY. Illustrations by Leo Manso. New York, Crown Publishers, September 1947; $3. pp. ix, 228.

[2] Finian's Rainbow, Call Me Mister, and Command Decision.

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Webster." Senator: "Is it my brow or my speeches?" Barber: "No, boss, it's your breath."

More in the modern manner. Member: "Have you heard my last speech?" Another Member: "I hope so." Reprints from the CONGRESSIONAL RECORD "are printed without profit and read the same way." Congressman: "I don't pretend to have had the advantage of education; I am a self-made man, sir." Fellow Congressman: "I am glad to learn this; it certainly relieves the Lord of a great responsibility."

These retorts are perhaps not typical, for most Congressmen who essay humor are in their anecdotage and usually seek to make their point by a pertinent story. The anecdotes which are included are the most original and amusing I have come across in the last few months outside of Bennett Cerf's column[3] in the Saturday Review of Literature.

OASES FOUND IN THE ARID WASTES OF CONGRESSIONAL DEBATES

It is not easy to transfer oral humor to the printed page—so much depends upon unexpectedness, appropriateness, facial expressions, intonation. Senator WILEY has performed this difficult task well and has guided us to any oases in the arid waste of the CONGRESSIONAL RECORD.

Some of the humor is unconscious. Perhaps some day a Congressman who has involuntarily retired will tell us what he really thinks of those constituents who at times tried men's souls. Senator WILEY does give one or two instances where his colleagues' constituents have proved pestiferous, including the one who wrote for a copy of the Declaration of Independence "with all the recent changes"; but to the Wisconsin voters—half apologetically—he explains that "laugh-time" represents not "more than a tiny fraction of 1 percent of Congress' proceedings," and that "on no occasion was any official business sacrificed in order to complete this volume."

SHREWD AND PITHY COMMENTS ON THE WORK OF THE CONGRESS

One of the excellencies of Senator WILEY'S method is that he does not confine himself strictly to his subject. He includes Jerry Kluttz's[4] glossary of "bureaucratese, or the language of the red tapist," which is the wittiest and most penetrating challenge to bureaucracy that I have seen. From time to time Senator WILEY interjects shrewd and pithy comments on the work of Congress. Not even all the quotations from his colleagues are humorous. Senator HILL'S defense of Gen. George C. Marshall is an admirable example of modern congressional eloquence:

"I recall what General Joffre said. Someone asked him, 'Who won the battle of the Marne?' General Joffre replied, 'I don't know who won the battle, but if it had been lost, it would have been Joffre who lost the battle.' If we were to lose the war, if we were to have any unusual catastrophe, any terrible situation of any kind, I imagine that George C. Marshall, as Chief of Staff, would have to bear the prime responsibility."

We are being deluged with a spate of serious studies of Congress. Senator WILEY'S book, dealing with the lighter human side, not only provides an excellent supplement to these, but it reveals the atmosphere and gives the flavor of Capitol Hill as no one of them does.

[3] Trade Winds. Senator WILEY'S congressional stories are racy of the soil, while Mr. Cerf's smack of the supersophistication of the New York literary set.

[4] Columnist of the Federal Diary in the Washington Post.

Memorial to the Late Senator James J. Davis, of Pennsylvania

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, January 7, 1948

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a memorial to the late Senator James J. Davis, of Pennsylvania, printed in the Moose Magazine, volume 33, No. 11.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

JAMES J. DAVIS DIES; NATION, FRATERNAL WORLD MOURN DIRECTOR-GENERAL OF THE LOYAL ORDER OF MOOSE

The Honorable James J. Davis, 74, of Pittsburgh and Washington, humanitarian and statesman, died early Saturday morning, November 22, 1947, in Washington Sanitarium, Takoma Park, Md. His death was attributed to uremia.

Mr. Davis, director-general of the Loyal Order of Moose, founder of Mooseheart and Moosehaven, former United States Secretary of Labor under three Presidents, and former United States Senator from Pennsylvania, was without doubt the world's outstanding fraternalist and one of the most distinguished statesmen in American history.

His life story outshone the pattern of success made famous by Horatio Alger. James Davis was born into a family of humble means in Tredegar, Wales, October 27, 1873, and was brought to this country by his parents when he was 8 years old. While still a boy, he was doing a man's work at hard, grueling labor as he helped to support his family. By his own labors and determination, plus a natural gift of leadership augmented by idealistic vision, he lifted himself to international prominence. He became the main driving force to build the Loyal Order of Moose from a faltering membership of 246 to the dynamic humanitarian organization it is today with more than 800,000 members and a program of loving care for orphaned children and impoverished old folks. The child city of Mooseheart, Ill., and the city of contentment for the aged, Moosehaven, Fla., are world-famed. His was the vision that built them.

Although such a marvelous accomplishment would be more than enough to crown the lifetime career of the most exceptional among men, it was only half of the success story of James J. Davis. The other half of his brilliant career was in American Government where he attained the highest honors that can be held by a naturalized American citizen—membership in the Presidential cabinet and a seat in the United States Senate. It has been said many a time that if James J. Davis had been born in this country instead of Wales, he might have become President of the United States.

James J. Davis was one of six children who, with their parents, immigrated to this country from Wales in 1881. The family settled in Pittsburgh, Pa., then moved to Sharon, Pa. Davis, Sr., was by trade an ironworker, as were his father and grandfather before him. Jim followed his forebears into the mills, and at 11 began working in the iron and steel works at Sharon. In 1892, when he was 19 years old, he went to Pittsburgh to work as an iron puddler. (In later years, he wrote the biography of his life under the title of "The Iron Puddler." The laboring men of America and the political and fraternal leaders of this country knew Davis affectionately as "Puddler Jim.")

In 1893, Jim Davis moved to Elwood, Ind., to work in the steel and tin-plate mills. By this time, despite his youth, he had acquired considerable knowledge of the relationship between industry and labor, a knowledge that was going to serve him well as he surged upward to governmental heights in later years. He was popular with his fellow workers and his leadership talents were becoming apparent.

He was elected president of the Amalgamated Association of Iron, Steel and Tin Workers and held the office for many years, greatly furthering the interest of employees. Mr. Davis became city clerk of Elwood in 1898 and 4 years later was elected recorder of Madison County. He had prepared himself for such advancement by a business course and the study of law and accountancy.

Jim Davis joined the Loyal Order of Moose at Crawfordsville, Ind., on October 27, 1906—his thirty-third birthday. He was the two hundred and forty-seventh member of the fraternity which had been organized in 1888 for social purposes and was virtually dormant.

Jim Davis had found his vehicle for humanitarian service.

From that moment forward, the Loyal Order of Moose became almost the pulsebeat of Mr. Davis' life. His qualities of leadership and magnetic personality had come to full flower. With his driving energy and enthusiasm pushing him to the forefront, he quickly became director-general of the Moose, a position that he held until his death more than 41 years later.

Among his gifts was the knack of organization and the ability to rally to his cause conscientious men of high ideals. He had the vision that the handful of members would some day be a multitude and the determination and courage to plot a course and hold steadfast to his goal. He traveled from border to border and coast to coast, painting with thrilling words his dream of a better world, founded on brotherhood, and with service to the helpless. He preached the principle of men banding together, "one for all and all for one," sharing their substance that orphaned children might have a home and an education; and that the aged might pass their last days in happiness and security.

He was inspiring in his vision and good men by thousands rallied to his call. He had only a beautiful dream to offer but he radiated assurance that the dream eventually would be a reality. Lodges sprang up all over the country. The strength of the Moose grew.

In 1913, the first part of Jim Davis' dream came true. On the rolling prairie of Illinois, 35 miles west of Chicago, Mooseheart, Ill., the child city, was founded to provide care and education for children of deceased members of the fraternity. Jim Davis and the men who had rallied to the Moose banner were putting into practice their belief that every child is entitled to at least a high-school education and a trade. Mooseheart was the fruit of Mr. Davis' sage observation that "no man stands so straight and tall as when he stoops to lift up a child."

Mooseheart that day in 1913 was not the beautiful community of 150 charming buildings set deep amid green lawns that one sees today. Mooseheart was a circuit tent pitched in a field. Thomas R. Marshall, Vice President of the United States, dedicated the community with the words: "Thank God that here, on this most sacred day, humanity has again proved its right to be called the children of the Most High, has reached out its hand in love and loyalty to the needy brother

and has disclosed not only the right but the duty of this great order to exist."

Nine years later, when Mooseheart had flowered forth from the prairie into a beautiful and ever-growing community, the Loyal Order of Moose founded its home for the aged, the city of contentment, Moosehaven, in sun-kissed Florida, on the banks of the sparkling St. Johns River, at Orange Park, 14 miles south of Jacksonville. Both Mooseheart and Moosehaven—the dreams of Jim Davis and his pioneer Moose—stand today as models for the world.

Mr. Davis' work with the Moose made him friends and boosters in every section of the country and raised him to national prominence. A laboring man himself, he was trying to bring security through the Moose to all workingmen, providing a means for protection of themselves and their families. In 1921, Mr. Davis was appointed United States Secretary of Labor by President Harding and retained that office in the Cabinets of Presidents Coolidge and Hoover. He resigned from the Cabinet in 1930 when he was elected United States Senator from Pennsylvania for an unexpired term of 2 years. His popularity was attested by the margin of his victory, almost a million-vote plurality. In 1932, he was elected for the full-term of 6 years by a majority that was far ahead of the rest of the Republican ticket, another testimonial to his popularity. He was reelected for the third time in 1938.

In addition to his leadership of the Moose, which included chairmanship of the Mooseheart Board of Governors and the position of pilgrim governor, head of the highest honorary degree of the order, Senator Davis held membership in other fraternities, including the Masons and Odd Fellows. He was a member of the Pittsburgh Athletic Club, the Chevy Chase Club, the American Republic, the Press Club, and the Congressional Club of Washington. He had received honorary degrees from Bucknell and Drake Universities, St. Bonaventure College, the University of Pittsburgh, and Pennsylvania Military College, of Chester, Pa.

He is survived by five children—all of whose names begin with "J" like his own—James, Jr., Jane, Jean, Joan, and Jewel. Mrs. James J. Davis, Sr., died some years ago.

Senator Davis held top rank as a statesman, but time probably will record his most enduring monuments as Mooseheart and Moosehaven.

The Grain Situation and the Distilling Industry

EXTENSION OF REMARKS

OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1948

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I am inserting the following summary on the grain situation and the distilling industry. Upon this subject much has been written and said and undoubtedly much more will follow. The summary has been prepared on behalf of the Distilled Spirits Institute, Inc., and the Licensed Beverage Industries, Inc. A full discusion of any subject should present both or all sides of the question. Especially for this reason, as well as in the interests of the dispassionate, unemotional consideration of a pressing problem of today, I am pleased to insert the summary.

THE GRAIN SITUATION AND THE DISTILLING INDUSTRY

A SUMMARY

Beverage distilling industry's use of all grain is comparatively small in terms of total available supplies.

Since repeal in 1933 the beverage distilling industry has used on the average less than 1 bushel out of every 100 bushels of total available supply [1] of types of grain used for distilling in this country.

The averages used throughout this summary are for 13 years, rather than 14, as it must be noted that no beverage spirits production took place during 1944.

The statistics are all fiscal-year figures.

Average annual amount of all grain used in production of distilled spirits since 1933

[56-pound bushels]

Average amount used by beverage distilling industry ---------- bushels--	35, 828, 000
Average annual total available United States supply [1] ---------- bushels--	4, 613, 867, 000
Beverage distilling use of total supply ---------- percent--	0. 78

[1] Includes current crops, carry-over, and imports of types of grain used for distilling.

Total grains used in the production of distilled spirits (including miscellaneous grains)

[56-pound bushels]

Fiscal year ended June 30—	Used by beverage-distilling industry	Total United States supply [1]	Beverage-distilling use of total supply
	Bushels	*Bushels*	*Percent*
1934	14, 482, 051	[2]	
1935	33, 006, 619	2, 881, 361, 000	1. 15
1936	48, 156, 776	3, 592, 618, 000	1. 34
1937	50, 702, 560	2, 904, 235, 000	1. 75
1938	25, 659, 121	4, 005, 408, 000	.64
1939	23, 698, 452	4, 377, 770, 000	.54
1940	25, 072, 315	4, 577, 274, 000	.55
1941	30, 599, 082	4, 698, 210, 000	.65
1942 [3]	46, 807, 221	5, 296, 640, 000	.88
1943 [3]	18, 772, 505	5, 993, 152, 000	.31
1944	[4]	[4]	[4]
1945 [3]	19, 414, 445	5, 518, 043, 000	.35
1946	54, 937, 596	6, 291, 527, 000	.87
1947	53, 108, 069	5, 230, 163, 000	1. 02

[1] Includes carry-over from the previous crop year, production and imports during the current crop year.

[2] Not available.

[3] From Oct. 8, 1942, through June 1945, American beverage distillers produced war alcohol for the Government almost exclusively. Grain use data of the U. S. Government is not segregated as to use for war alcohol or beverage spirits; accordingly, grain "used by the beverage distilling industry" from the fiscal year 1943 have been estimated by the research and statistical bureau of Licensed Beverage Industries, Inc., in an attempt to approximate beverage distilling industry uses.

[4] War period—no beverage-spirits production.

Source: Prepared by Licensed Beverage Industries, Inc., from data of the Alcohol Tax Unit, Bureau of Internal Revenue, Treasury Department, and the Bureau of Agricultural Economics, Department of Agriculture.

Normally the beverage distilling industry's use of wheat is very small in terms of the total available wheat supply.[1]

Since repeal in 1933, eliminating war years and their aftermath (1942–46), the beverage distilling industry has used about 1 bushel of wheat out of every 25,000 bushels of the available supply of wheat.

[1] Includes current crops, carry-over, and imports.

Average annual amount of wheat used in the production of distilled spirits since 1933 excluding the war years, 1942–46 [1]

Average amount used by beverage distilling industry ---------- bushels--	49, 179
Average annual total available United States supply [2] ---------- bushels--	1, 039, 655, 000
Beverage distilling use of total supply ---------- percent--	0. 005

[1] From time to time during the war years, distillers were required by the Government to use wheat because of the bumper crops of that grain and the shortages of corn then existing.

[2] Includes current crops, carry-over, and imports.

Wheat used in the production of distilled spirits

[56-pound bushels]

Fiscal year ended June 30—	Used by beverage-distilling industry	Total United States supply [1]	Beverage-distilling use of total supply
	Bushels	*Bushels*	*Percent*
1934	47, 398	996, 536, 000	0. 005
1935	54, 705	872, 678, 000	.006
1936	58, 765	866, 464, 000	.007
1937	54, 311	862, 285, 000	.006
1938	41, 268	1, 026, 107, 000	.004
1939	58, 452	1, 149, 964, 000	.005
1940	31, 857	1, 062, 321, 000	.003
1941	44, 840	1, 174, 821, 000	.004
1942 [2]	1, 109, 105	1, 462, 821, 000	.078
1943 [2]	2, 576, 631	1, 722, 107, 000	.150
1944	[3]	[3]	[3]
1945 [2]	6, 723, 655	1, 533, 107, 000	.439
1946	10, 524, 003	1, 506, 321, 000	.699
1947	51, 014	1, 345, 714, 000	.004

[1] Includes carry-over from the previous crop year, production and imports during the current crop year.

[2] From Oct. 8, 1942, through June 1945, American beverage distillers produced war alcohol for the Government almost exclusively. Grain use data of the U. S. Government is not segregated as to use for war alcohol or beverage spirits; accordingly, grain "used by the beverage distilling industry" from the fiscal year 1943 have been estimated by the research and statistical bureau of Licensed Beverage Industries, Inc., in an attempt to approximate beverage distilling industry uses.

[3] War period—no beverage-spirits production

Source: Prepared by Licensed Beverage Industries, Inc., from data of the Alcohol Tax Unit, Bureau of Internal Revenue, Treasury Department, and the Bureau of Agricultural Economics, Department of Agriculture.

The principal grains used by the distilling industry are corn, rye, and malted barley. Since repeal, the industry has used on the average of less than 1 bushel out of every 100 bushels of the available corn supply; [1] its use of malted barley has averaged less than 2 bushels of every 100 bushels of the available supply; [1] while use of rye has averaged less than 12 bushels out of every 100 bushels of the available supply.[1]

In examining the figures that follow, the similarity between the years 1936–37 and 1946–47 should be noted. In 1936–37 the industry was building up whisky inventories after prohibition. Now it is building up toward normalcy after war stoppage of production.

Average annual amount of corn, rye, and malted barley used in the production of distilled spirits since 1933

[56-pound bushels]

	Average amount used by beverage-distilling industry	Average annual total available United States supply [1]	Beverage distilling use of total supply
	Bushels	*Bushels*	*Percent*
Corn	20, 664, 000	2, 913, 443, 000	0. 71
Rye	6, 815, 000	57, 706, 000	11. 81
Malted barley	4, 533, 000	282, 359, 000	1. 61

[1] Includes carry-over from the previous crop year, production and imports during the current crop year.

[1] Includes current crops, carry-over, and imports.

It was noted on the previous page that the beverage distilling industry in the years since repeal has used an average of 11.81 percent of the total available United States supply [1] of rye. Some explanation of this percentage figure is in order.

Rye has always been a relatively insignificant crop in terms of total available grain supplies or for use as a food. By and large, rye is a "marginal" crop—that is, it is grown as a "filler-in" crop in between the harvesting and planting of other major crops.

The alcoholic beverage industries have always been one of the principal users of rye grain and, in fact, a large part of the rye crop sown each year in certain parts of the country is specifically grown for use by the alcoholic beverage industries.

Aside from alcoholic beverage industries' use, domestic use of rye is limited; a small part of each year's total crop is ground to rye flour, and the balance is used on the farm. The largest rye supply total on record since repeal—88,000,000 bushels in 1943—was only one-fortieth the size of that year's corn supplies and one-nineteenth the size of that year's wheat supplies.

Rye used in the production of distilled spirits

[56-pound bushels]

(Farmers regard rye as a marginal crop. Its domestic uses are limited and it is exported only on rare occasions and then in extremely small quantities)

Fiscal year ended June 30—	Used by beverage-distilling industry	Total United States supply [1]	Beverage-distilling use of total supply
	Bushels	*Bushels*	*Percent*
1934	4,471,631	[2]	
1935	10,170,985	41,535,000	24.49
1936	12,562,587	71,204,000	17.64
1937	11,551,036	50,182,000	23.01
1938	5,958,563	54,862,000	10.86
1939	5,452,554	65,985,000	8.26
1940	5,534,103	60,562,000	9.14
1941	6,463,553	62,376,000	10.36
1942 [3]	6,698,857	72,822,000	9.20
1943 [3]	1,247,914	88,763,000	1.41
1944	[4]	[4]	[4]
1945 [3]	3,870,246	60,585,000	6.39
1946	8,031,796	41,100,000	19.54
1947	4,235,114	22,500,000	18.82

[1] Includes carry-over from the previous crop year, production and imports during the current crop year.
[2] Not available.
[3] From Oct. 8, 1942, through June 1945, American beverage distillers produced war alcohol for the Government almost exclusively. Grain-use data of the U. S. Government are not segregated as to use for war alcohol or beverage spirits; accordingly, grain "used by the beverage distilling industry" from the fiscal year 1943 have been estimated by the research and statistical bureau of Licensed Beverage Industries, Inc., in an attempt to approximate beverage distilling industry uses.
[4] War period—no beverage-spirits production.

Source: Prepared by Licensed Beverage Industries, Inc., from data of the Alcohol Tax Unit, Bureau of Internal Revenue, Treasury Department, and the Bureau of Agricultural Economics, Department of Agriculture.

Corn used in the production of distilled spirits

[56-pound bushels]

Fiscal year ended June 30—	Used by beverage-distilling industry	Total United States supply [1]	Beverage-distilling use of total supply
	Bushels	*Bushels*	*Percent*
1934	7,835,666	2,785,087,000	0.28
1935	18,222,666	1,823,609,000	1.00
1936	29,306,002	2,385,247,000	1.23
1937	32,698,074	1,785,245,000	1.83
1938	16,448,145	2,710,452,000	.61
1939	15,289,599	2,910,633,000	.53
1940	16,467,918	3,165,762,000	.52
1941	20,279,224	3,151,212,000	.64
1942 [2]	33,554,884	3,321,325,000	1.01
1943 [2]	12,949,663	3,624,345,000	.36
1944	[3]	[3]	[3]
1945 [2]	4,809,163	3,424,007,000	.14

Footnotes at end of table.

[1] Includes current crops, carry-over, and imports.

Corn used in the production of distilled spirits—Continued

[56-pound bushels]

Fiscal year ended June 30—	Used by beverage-distillin industry	Total United States supply [1]	Beverage-distilling use of total supply
	Bushels	*Bushels*	*Percent*
1946	21,374,740	3,326,841,000	.64
1947	39,392,748	3,461,000,000	1.14

[1] Includes carry-over from the previous crop year, production and imports during the current crop year.
[2] From Oct. 8, 1942, through June 1945, American beverage distillers produced war alcohol for the Government almost exclusively. Grain use data of the U. S. Government is not segregated as to use for war alcohol or beverage spirits; accordingly, grain "used by the beverage-distilling industry" from the fiscal year 1943 have been estimated by the research and statistical bureau of Licensed Beverage Industries, Inc., in an attempt to approximate beverage-distilling industry uses.
[3] War period—no beverage-spirits production.

Source: Prepared by Licensed Beverage Industries, Inc., from data of the Alcohol Tax Unit, Bureau of Internal Revenue, Treasury Department, and the Bureau of Agricultural Economics, Department of Agriculture.

Malted barley used in the production of distilled spirits

[56-pound bushels]

Fiscal year ended June 30—	Used by beverage-distilling industry	Total United States supply [1]	Beverage-distilling use of total supply
	Bushels	*Bushels*	*Percent*
1934	2,127,374	[2]	
1935	4,557,621	143,539,000	3.18
1936	6,229,021	269,703,000	2.31
1937	6,399,139	206,523,000	3.10
1938	3,211,145	213,987,000	1.50
1939	2,897,841	251,188,000	1.15
1940	3,038,437	288,629,000	1.05
1941	3,811,465	309,801,000	1.23
1942 [3]	5,279,842	363,888,000	1.45
1943 [3]	1,976,743	451,167,000	.44
1944	[4]	[4]	[4]
1945 [3]	2,294,349	318,802,000	.72
1946	7,379,915	290,790,000	2.54
1947	7,314,789	280,286,000	2.61

[1] Includes carry-over from the previous crop year, production and imports during the current crop year.
[2] Not available.
[3] From Oct. 8, 1942, through June 1945, American beverage distillers produced war alcohol for the Government almost exclusively. Grain use data of the U. S. Government is not segregated as to use for war alcohol or beverage spirits; accordingly, grain "used by the beverage distilling industry" from the fiscal year 1943 have been estimated by the research and statistical bureau of Licensed Beverage Industries, Inc., in an attempt to approximate beverage distilling industry uses.
[4] War period—no beverage-spirits production.

Source: Prepared by Licensed Beverage Industries, Inc., from data of the Alcohol Tax Unit, Bureau of Internal Revenue, Treasury Department, and the Bureau of Agricultural Economics, Department of Agriculture.

During the distillation process, starch only is removed from the grain, whereas yeast is added. All the proteins and all the vitamins remain plus the extra vitamin and nutritive value of the yeast used in fermentation. Thus, processing grain by beverage distillers leaves 100 percent of the feeding value for beef, dairy cattle, swine and poultry, if these distillery residues are used properly to supplement grain feeding on the farms of the Nation. Practically every distiller in the country utilizes his grain mash for animal feed purposes either as dried grains and dried solubles or as spent grain mash in liquid form.

The full value of distillery-processed feed can be more clearly understood by this example: Any farmer can take 20 percent of his grain to a distillery, have it distilled, take back the residue and feed it to his livestock with the remaining 80 percent of his grain and not lose, in the entire procedure, one single ounce of feed value.

The Assistant Secretary of Agriculture, Charles F. Brannan, declared in a radio address on November 11, 1946, "These special protein elements help make prime beef prime; help make hens lay more eggs; help broiler chickens to develop more rapidly, and improve the litters of sows."

Continuous research into the further development of distillers' feed recovery is being spearheaded by the Distillers Feed Research Council which has its headquarters at 1232 Enquirer Building, Cincinnati 2, Ohio.

One bushel of corn equals $49.65 in excise taxes

It has been explained that the beverage-distilling industry's use of grain is comparatively small; it has been explained that 100 percent of the feeding value of the grain used by distillers is retained and may be returned to the farm in the form of high-protein livestock and poultry feeds. But it should be emphasized that a single bushel of corn processed by the distillers brings into the United States and State Treasuries a total of $49.65 in excise taxes alone. This is an amount 20 times the market value of the original grain. Here is how this figures out:

From a 56-pound bushel of corn costing approximately $2.50 at current prices beverage distillers can produce 4¾ gallons of 100-proof whisky. At the wartime excise-tax rate of $9 per gallon, which is currently still in effect, the Federal Government collects $42.75 in excise taxes alone from these 4¾ gallons. The average State government, moreover, collects approximately $6.90 additional in excise taxes alone (at the average rate of $1.45 per gallon) on the whisky produced from that same bushel of corn. These two figures added together total $49.65 in excise taxes alone—they give no consideration to the other revenues received directly and indirectly by Federal, State, and local governments through other taxes—licenses and permit fees, etc.—levied on distilled spirits.

In the 1946 calendar year, Federal, State, and local governments received a total of approximately $2,448,000,000 from taxes, fees, etc., levied on whisky and other distilled spirits, making this commodity the largest single tax producer of all products manufactured by American industry.

Thus, the small amount of grain which the beverage-distilling industry uses each year in the production of beverage spirits yields billions of dollars in revenue for Federal, State, and local governments.

The facts on whisky supplies

Because of the stoppage of whisky production during the war years when distillers used their facilities to make war alcohol, an unbalanced whisky inventory situation resulted, and the industry has been striving to get back to a more normal position.

Because of this, there is today and there will be for several years to come a shortage of aged and bonded whiskies.

Of the whisky currently sold approximately 90 percent is what is known as blended whisky. This is a combination of neutral spirits and aged whisky, the relationship between the two being variable, depending on the brand in question.

There is on hand at the present time (as of August 31, 1947) sufficient neutral spirits to produce approximately an 8 months' supply of blended whisky.

De facto prohibition

If it can in any way contribute to saving grain for the hungry peoples of the world, the liquor industry wants to do so. The liquor industry, as we know it today, was brought into existence by an affirmative vote of the American people in 1933. Its leaders are doing everything within their power to see that the industry discharges its social responsibilities to the American people. The distilling industry wants nothing except the right to continue to function in its proper place in a free-enterprise system of business.

However, there are some aspects that must inevitably be considered in this connection.

Because of the curtailment of production during the war and the consequent unbalanced whisky inventory situation, any total prohibition of production, coupled with the high wartime tax rates, is an incentive to illicit distilling and moonshining. This has already started on a large scale in the Eastern States and has been further encouraged by the recent release of sugar from rationing. Illicit distilling will inevitably lead to the antisocial evils of the prohibition era—mobsters, gangsters, gang wars, and crime waves. Any total shut-down of the production facilities of this industry has other consequences; it means loss of employment in the production departments of distilleries which will be closed down, as well as other disruptions.

The answer to all of these problems is not complete prohibition of production of distilled spirits. This industry wants to do everything within its power to effect a real saving of grain. It is ready, willing, and anxious to contribute its experience toward achieving this end and asks nothing more than to be allowed to participate in the planning to accomplish this in a sane and realistic manner that will be productive of the most good and the least evil.

Isn't It Obvious That Stalin Is Supporting the Marshall Plan?

EXTENSION OF REMARKS
OF
HON. HOWARD H. BUFFETT
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. BUFFETT. Mr. Speaker, under leave to extend my remarks, I enclose the following excerpt from a letter:

DEAR MR. BUFFETT: Congressmen who are hysterical on communism in Europe and Asia have been made so by the Communists. Can none of them be shown that every Comintern move, from the Kremlin to the fellow travelers' stooges in our press and radio, is designed to support the Marshall plan?

Can't they see that every Soviet move is timed? And for a motive?

Why does Molotov rage? And Pravda attack the United States of America?

Why was the Comintern formed—and publicized—when it was?

Why does it pull off abortive uprisings in France and Italy just at the moment when Congress in special session is debating stopgap aid?

Are any of these moves calculated to lull Congress and Americans to sleep? Or are they calculated to make Congressmen hysterical on communism?

As originally proposed, the Soviet Union and all its "liberated" eastern European countries could have come into the Marshall plan. If they had, this country would have gone on handing them money and goods. So why didn't they? Is it assumed that, suddenly proud and self-respecting, the Kremlin wants no more American hand-outs?

The reason they didn't come into the Marshall plan is that, if they had, anti-Communist sentiment in this country would have opposed the Marshall plan, perhaps strongly enough to have stopped it.

The reason that the Kremlin officially has been screaming, raging, foaming at the mouth against the Marshall plan, the reason for the Molotov and Pravda attacks, the reason for the Comintern and for the Communist outbreaks in Europe, is that every one of them weakens the opposition to the Marshall plan in this country. In heaven's name, isn't it obvious that Stalin is supporting the Marshall plan?

The Kremlin is like a sleight-of-hand magician. Any fool knows enough not to watch whatever it directs attention to. The way to see the trick is to look in the other direction, at the other hand. But Congressmen gawk like school children and believe what the trickster intend. them to believe. Can't you teach them how to play "odd or even"? Don't they ever play poker?

Western Europe is going to collapse; in fact, it has collapsed already. The Republican Party is not going to escape being made the goat for pouring this country into the sewer. Americans, in general, drive cars; when they see a wreck piled up on the highway, they know enough to try, at least, not to pile their own cars into it. They know enough not to support the Marshall plan.

Suppose your party leaders say "Yes" (as they are doing) to the hand-out, and the Communist collapse comes in the areas to which the hand-out is going. Do they think that then they won't be made the goat?

Can't they get it into their heads that no bank robber ever decided not to rob a bank because there was too much money in it? The Comintern is an organized band of gangsters; it will take any country that it can, when it can, if taking that country fits Kremlin world strategy. It makes no difference whatever whether the people are eating or not eating in that country at that time; the people have nothing to do with the matter.

The Marshall plan is a fairly important move in Comintern world strategy, because it weakens this country (the only one left on earth with strength enough to resist the Comintern at present); it increases inflation and economic chaos here, and that is all to the good as preparation for resumption of world war, because in modern warfare the strong economy wins.

Meanwhile, the military advance is through the Balkans to the Dardanelles, and the United States of America helps that along by demanding the partition of Palestine and turning that whole area anti-American.

You will see, too, that the tactic that works so well in re the Truman-Marshall plan will be used in regard to compulsory military training here; that is, the open Communists will openly rage and roar against it, while all the concealed Communists (the liberals, New Dealers, fellow-traveler writers, commentators) will support it, chanting, "America must be strong." Because universal military training weakens the country that adopts it, and especially weakens the economy, which is this country's strength. You will see, too, that at precisely the right moment, when universal military training is before Congress, the Kremlin will make some threatening gestures, to scare our scared Republican leaders still more—if possible.

Sincerely yours.

Mr. Speaker, here is a chronological record of acts of the present administration favoring communism in the past 5 years:

First. Unconditional surrender.

Second. The Tehran Conference.

Third. The Morgenthau vengeance plan.

Fourth. The Yalta Conference.

Fifth. The Potsdam Conference.

Consider this list. The effects of the first two plans and the actions taken at the three conferences showed each episode to be a sucker play for Communist gains.

After this unbroken series, Is it not only possible, but highly probable, that the Marshall plan will turn out to be another sucker play for Stalin, a prospect my correspondent points out so convincingly?

Mr. Speaker, many Members concede that the Marshall plan is a gamble. Would not they serve America best now by refusing to gamble any longer on the plans of an executive branch with an unanimous record of failure in Russian relations?

Where's Your Meat?

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 7, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, no Member of this House would deny that the meat shortage in the fall of 1946 played an overwhelming part in the Republican victory at the polls. Once again we find the question of meat uppermost in the minds of the people in this country. This issue could well determine the outcome of the general election next November.

This morning a prominent radio commentator, George E. Reedy, of Station WOL, called attention to this issue. Under leave to extend my remarks, I am including his statement in full:

A compelling issue is likely to take the spotlight at this session of Congress and displace the Marshall plan in public interest. It is the frightening specter of a meat shortage, which experts believe will hit us in early spring.

Neither political party will be happy to see such a thing bob up in an election year. No one can gain from it, and nobody can be sure of just who will be hurt. But everyone remembers the violent public reaction the last time it happened.

The meat shortage in the fall of 1946 unquestionably played a large part in the overwhelming Republican victory. The public laid the blame at the door of the Democrats and voted accordingly. When the smoke cleared away Congress was in new hands.

The coming shortage is something that cannot very well be prevented by either political party. It is due to a number of factors that are out of control. They all add up to very little meat to put on the table at any price.

The question that will have to be faced is just what can be done about it? The answer would be worth a fortune to any up and coming politician. So far, however, no one has offered to produce even the suggestion of a politically wise answer.

Undoubtedly there will be strong proposals to reimpose rationing and price controls. But it is unlikely that the American public will stand for it. Every indication is that the voters still have unhappy memories of the OPA.

The last shortage was ended when controls were lifted. Today, of course, there are none to lift. Even if there were it could not do much good. The coming situation will be a real shortage of meat and not just a reluctance to sell at low prices.

The President has already asked for standby authority to impose rationing in the event of a shortage in critical goods. Even his own party members in Congress, however, refuse to back him in this move.

They rightly consider it political suicide. No politician is going to commit political suicide. That is something that happens

only once in a matter of decades. As a rule, an officeholder prefers to go right on holding his office.

Nevertheless, something will have to be done. The leaders of both parties are well aware of the dangers inherent in the situation. The estimates of the coming meat shortage have been too well substantiated to be doubted.

The Democrats, acting through the administration, are debating a program of voluntary rationing. They hope to conserve enough meat now to tide the country through the critical days ahead when the shortage really hits.

Should such a program be successful the leaders of both political parties would be greatly relieved. They would far rather see the issue out of the picture altogether than spend the next few months trying to pin the blame on their opponents.

The failure of a voluntary rationing program would put the next move up to the Republicans. As they are in control of Congress they are the ones who have to do the legislating. Theirs is not an enviable position.

The American people have always considered meat a basic part of their diet. They have reacted violently to any proposal and any situation in which it is cut down. It may well be that meat—and not the high cost of living—is the real key to the 1948 elections.

Col. Julius Klein

EXTENSION OF REMARKS
OF
HON. THOMAS L. OWENS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 7, 1948

Mr. OWENS. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein a well-written article with respect to Col. Julius Klein, national commander of the Jewish War Veterans of the United States of America. I have known Colonel Klein for almost 20 years and have a tremendous admiration for his ability. He is a veteran of both World Wars and won distinction in each, as well as the admiration and friendship of Gen. Douglas MacArthur for his bravery. He has now assumed a post in which he will be in position to carry on the great work which he has done for our country, and I am pleased to join Mr. Herczog in his remarks, and also Senator BREWSTER in the comments which he previously made concerning Colonel Klein on June 5, 1947, at which time there was printed in the RECORD a report of Colonel Klein with respect to occupation troops in Germany.

[Translation of an article published in the November issue of AZ Ember]

COL. JULIUS KLEIN

(By Geza Herczog [1])

We have a dear friend who lives in Chicago, but is nevertheless nearer to us than if his residence were here on Fifth Avenue. He is a born American—a native product in every sense—but he understands not only the language but the slightest sigh of every American of foreign extraction. He was as well known at the Imperial Hotel in Vienna as at the Romanischer Cafe in Berlin; he was present at the Paris Peace Conference, as he was on the boundless battlefields of the South Pacific. He worked in the palm-bordered university city of Hollywood at their studios as he did in the sooty city. A man out of the ordinary, whose talent is great, but whose goodness and kindness are greater still. His brain is superb, but his most important physical organ is his heart, and because within it there is a special treasure chamber for everything that is Hungarian we, in return, love him and respect him.

This extraordinary man is Col. Julius Klein, 46-year-old Chicago newspaperman.

He is a bred-in-the-bone newspaperman, excitingly typical of Chicago; the characters in Ben Hecht's and Charles MacArthur's Front Page might have been modeled from him. Since everything he does is filled with the electricity of complete conviction and the atomic energy generated by his heart, he has attained high distinction in newspaper work, as well as in other fields. At one time he was one of the most famous foreign correspondents of those in the Chicago contingent. Because it is not his passport that makes him American, but his flaming belief in freedom and human dignity in this, the last stronghold of these things, General Pershing gave Colonel Klein his confidence, as did Franklin Delano Roosevelt; Herbert Hoover respects him, as does Dwight Green, Governor of Illinois. There is no notability in American public life who has not asked his advice at one time or another, or who would not gladly open the door of his house if Colonel Klein were knocking on it.

He fought through the First World War, an adolescent lad, a soldier in the United States Army. He had reached the rank of captain shortly after the war to save democracy ended. He was proud of his rank in peacetime, too, and during the truce between the two wars, however anachronistic it may have appeared to be, and sometimes contradictory to his surrounding—in a Hollywood studio or a Chicago editorial office or a Hungarian restaurant in New York, or in the Bismarck Hotel in Chicago—he was always "Captain Klein," always on a war footing, always mobilized, always ready for the call to the colors. He did not await the outbreak of the Second World War. He was the first to enlist, back in 1940, a year before America's entry into the war, for he foresaw what was coming more clearly than the then Members of Congress, a majority of whom passed the Selective Service Act. In the Second World War he became a colonel, not an office colonel, but a combatant, and that of the best. He shared with his fellow soldiers from Chicago every danger of jungle warfare. He became an office colonel on the day the war ended; after VJ-day, Robert P. Patterson, Secretary of War, asked him to become one of his special assistants.

Who is this outstanding man, this soldier here, this brilliant journalist—first in everything he attempts?

A Jew. An American of the Jewish faith, to state it with precision.

He is not a Jew because he was born one, and therefore accepts, with head held high, the particular hardships of that destiny. He is not a Jew in the sense that he keeps his hat on in the house of worship, or does not smoke on the Sabbath. He is a Jew not merely by birth and fate, but a Jew by conviction. He believes that the Jewish philosophy was the cradle for the teachings of Christianity, the origin of the New Testament and the Koran, and that the Ten Commandments are the only constitution by which life can be governed. He is a proud—more, a haughty—Jew, an active, indefatigably fighting Jew, one who, in a single lifetime, has performed tasks sufficient for a hundred people, tasks of fighting for the rights of Jews, not only here, but all over the world. Julius Klein is the national commander of the Jewish War Veterans of the United States. Those who wish to find out what a powerful organization that is should read I. Kaufman's book, American Jews in World War II. There they will learn that 550,000 American Jews served on every front in the world.

A touching coincidence: The writer of these lines interrupted his work on Sunday morning to attend ceremonies at the Riverside Memorial Chapel in memory of Lt. Murray J. Ritter, heroic son of Lajos Ritter. Beside the flag-draped coffin, the Jewish veterans stood with their arms—Julius Klein's soldiers saluting a beloved comrade. One of the 550,000.

The Jewish War Veterans' National Convention, held in St. Paul, immediately following the first ballot in which Colonel Klein led Jackson J. Holtz, a Boston lawyer, by 2,500 votes, unanimously elected Colonel Klein their national commander. Of the 800,000 Jewish soldiers who took part in the two world wars, the organization now has an active membership of 104,000, in 612 branches.

After his election, Colonel and National Commander Julius Klein gave a brief address. "A hundred percent Americanism" without wavering in the direction of any other "ism" whatsoever was his topic. He expressed the wish to work in perfect harmony with all other veterans' organizations—this spokesman for the Jewish veterans of both world wars.

A scene to which readers of AZ Ember were witness in the Yorkville Casino was an unforgettable one. It was in 1942, at the beginning of the war, at the loyalty celebration conducted by AZ Ember. Julius Klein, then a lieutenant colonel on his way to the front, heard that his friend, AZ Ember, was organizing a celebration to express the loyalty of Hungarian-America in America's war. Julius Klein stepped onto the stage, sought out Ferenc Gondor's box, and saluted toward it—saluted precisely, in a soldierly way, in a manner prescribed for the forces of the United States.

AZ Ember now returns the salute to the national commander of the Jewish War Veterans of the United States.

[1] Geza Herczog is one of America's most outstanding playwrights and is the author of such famous plays as The Life of Emile Zola, The Wonder Bar, etc.

What Should We Do in China Now?

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 7, 1948

Mr. JUDD. Mr. Speaker, under leave to extend my remarks, I include a radio address given on the Town Meeting of the Air January 6, 1948:

WHAT SHOULD WE DO IN CHINA NOW?

(By Hon. WALTER H. JUDD, Town Meeting of the Air, January 6, 1948)

The preceding speaker, Mr. Lauterbach, has followed the usual technique of calling the Chinese so many names that some are apt to be diverted from the really important consideration, namely, what events in China mean from the standpoint of our own compelling stakes there. I believe those stakes require that we give open and effective assistance to the government and people of China in their efforts to keep from being subjugated by the well-organized and armed Communist rebellion. Without vigorous American aid the Chinese Government will almost certainly collapse, just as will the Governments of Greece, France, Italy, and

several other countries without American aid. Such a collapse in China would have the gravest consequences—for Asia—for Europe—and for the United States.

1. It would bring the vast resources and manpower of China under the control of a ruthlessly efficient Communist government, subservient to the Soviet Union.

2. Asia could then be taken under the Soviet wing almost at will. If Chiang Kai-shek's 20-year struggle against Communist imperialism in Asia is lost, who else or what else in the Far East can possibly stop its spread?

3. We would be forced for years ahead to send American dollars to subsidize Japan and Korea, and America soldiers to defend them, or else walk out on our promises to those peoples and abandon the whole western Pacific.

4. Let no one be so naive as to imagine the Philippines can ever become self-sufficient or long remain free, if the continent of Asia comes under Communist—which means Russian—control. It is 50 years of splendid investment of American lives, effort, and money in the Philippines that will go down the sewer if we are so short-sighted as to pay attention to purple adjectives instead of to the interests of the United States.

5. With China and other parts of Asia behind the iron curtain, England, France, and Holland would be unable to rebuild their trade with the Orient. Without it how can they recover so they can get along without American subsidies in endless billions of dollars.

6. Most important of all, if Chinese resistance should be broken, Russia would have satellites and security all along her Asiatic frontiers. She would then be able aggressively to concentrate all her attention and efforts on Europe in her announced purpose of defeating recovery there. How much chance of success would the Marshall plan have then? Or, put it this way—How many additional billions in American dollars and resources would then be necessary to keep Western Europe free?

One cannot imagine the hard-headed men in the Kremlin being as stupid as Hitler and getting themselves into a two-front war. In my opinion our best chance of preventing World War III is to make sure, if we can, that Russia does not get control over the Chinese, thereby eliminating her Asiatic front and becoming free to concentrate all her efforts and strength on her other front—Europe.

But is not the Chinese Government so undemocratic it does not deserve our support? So inefficient and so corrupt that any aid given will inevitably be wasted? The answers are, no, not if the aid is well handled. Eight years of war, invasion, and occupation have inevitably weakened the Chinese Government seriously. It has suffered even worse from the Communist threefold strategy—in full operation since early 1944. First, to destroy the Chinese Government at home by wrecking the nation's economy and communications and bringing its people to despair. Second, to discredit the Chinese Government abroad by magnifying its weaknesses, and ignoring its very great strengths. And third, by portraying the Communists as merely patriotic Chinese peasants not connected with Russia.

It is instructive to note that Moscow's organ in the United States, the Communist Daily Worker, recently scoffed at what it called those good-hearted but misguided people who believe that the way to defend the Yenan government is to pretend that Chinese Communists are really Jeffersonian Democrats. The Daily Worker thinks Communist victory in China is now so near that it no longer needs to maintain the hokum about agrarian reformers. It has served its purpose—the pretense bought time and produced confusion. Now the mask can be taken off.

The Chinese Government despite its weakened condition as a result of 8 years of war and occupation and the opposition of the Communists demonstrated its determination to move toward more democracy by calling right after VJ-day a national assembly to work out a constitution. The Communists refused to participate but the assembly went ahead and produced a year ago a constitution which was inaugurated on Christmas day. Of it General Marshall stated, "in all respects it is in accordance with the principles laid down by the all-party political assembly last January (1946). It is unfortunate that the Communists did not see fit to participate in the assembly since the constitution that has been adopted seems to include every major point that they wanted." General Marshall at that time apparently still thought that what Communists say in their propaganda is what they really want. He has had some expensive lessons since then, both from Chinese Communists, and from Messrs. Molotov and Vishinsky.

There are bad elements in the Chinese Government. Recent history indicates all is not well in our own. But no realistic person can expect the Generalissimo to throw out the support he has until he is sure of receiving other support in its place—any more than American Presidents repudiate the support of machines here which are as corrupt as any in China.

Right after Pearl Harbor, Congress, without a negative vote, appropriated $500,000,000 to help China under the same government it has now, the same one it is said we must not now support. Why did we help it then? Because it was a good government, democratic, efficient, without corruption? No. Because we saw it was imperative for our own security that China be kept independent and on our side, holding the line until we could rebuild our sunk navy, capture the islands one by one, and ultimately—3 years later—bring our superior power against Japan.

Well, is it less important, less vital to our security now? Indeed not.

The crux of the matter is this: If China is free, she can and will move rapidly toward greater democracy and better government, as was proved during the period of peace from 1932–37. If China is taken over by the Communists, there will be no more opportunity for her to move in those directions than there is today in Poland or Yugoslavia. The more we want improvement in the admittedly bad conditions in China, the more we must support the government which is trying to keep China free—and on our side.

We recognize that France and Italy cannot recover until we help them. But we won't help China until she recovers. It is precisely like saying to a desperately ill patient, "You get well first, and then we'll give you the penicillin."

No aid will be given to China, or to any other country for that matter, on a blank-check basis. Aid will be given only on the basis of carefully drawn agreements. They will specify a joint or cooperative administration, including the use of Americans to observe, advise, and report. Congress has by law directed our President to stop at once all aid to any country if that country is not using the aid properly and in accordance with the joint agreements.

On such a basis it is possible to carry out a program of assistance to China with no greater corruption and waste than in other countries. It has been done repeatedly in the various famines and floods in China during the last few decades.

If we try either to order the Chinese around or condescendingly and patronizingly look down upon them, then we should not start a recovery program there or anywhere else because it will fail. But if Americans are willing to work with the Chinese, they will find them as reasonable and cooperative as any people on earth.

The Communists cannot be checked without American moral, military and economic assistance for the Chinese Government. But that government cannot adequately improve living conditions for the people so as to regain their full confidence and support unless some basic reforms are carried out even while the war is in progress. The Generalissimo realized this fully when I talked to him about it in 1944, and he is fully aware of it now—as I know from a long conversation with him only 2 months ago. But how can anyone actually expect him to make drastic changes just on the hope of support from us—especially when we have let him down tragically several times in the past.

The less we help the Chinese Government, the worse it gets; and the worse it gets, the less we help. That vicious circle must be broken, or the results for ourselves will be disastrous. Only we can break it—by forthright assistance now.

The obstacles to success in China, except for the lateness of the hour due to our own indecision, are no greater than in Europe and in some respects, less. It is sounder and involves less risk to the United States to build on the existing government in China than to have it collapse and come under the Communists—which means under the Kremlin. Our choice is not between the present government in China and something better. I wish it were. It is between the present government in China and the Communists—which is infinitely worse.

If China is not to be free, then it would have been far better for her to be under Japan rather than under Russia. Not to aid her now may well mean that all the sacrifices in men and money in the Pacific during the war were useless; or even worse than useless, because if we wind up with one imperialistic power, Russia, dominant in both Europe and Asia, then we will have less security than when we started.

If there are risks in supporting the Government of China—and there are—the risks in not supporting it are infinitely greater. Let us not make the same tragic mistake twice in one decade.

Development of Atomic Energy

EXTENSION OF REMARKS
OF

HON. HERBERT C. BONNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1948

Mr. BONNER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech delivered by my colleague from North Carolina, Hon. CARL T. DURHAM, at Guilford College, N. C., on Monday, January 5, 1948:

The whole world seems greatly concerned these days with the future. Our newspapers are filled with conjecture about what is in store for us. I can't help but wonder, whenever I see the word "future," just when the men who use it expect it to arrive. Of course, we have a future, and we are rightly much concerned about it. But what we do today determines to a large extent what we will be doing tomorrow and next month and next year. Out of the crude materials of our daily political, social, and economic life we are building the future about which we read and hear so much.

If each of you could visit the laboratories of the Atomic Energy Commission, as I did in September, the day-by-day construction of the future would be immeasurably more

impressed upon you. Inspecting those laboratories and the plants which they serve is part of my job in Congress. Your jobs are here, far removed from the dozens of workrooms of our atomic scientists. Yet, what they are doing will have an immense effect on your future. For that reason it is very important that each of you attempt to keep informed about what is going on in those laboratories. Only in that way can you intelligently aid and guide the methods of application of those developments.

War and peace lie side by side in our laboratories. Atomic bombs made a memorable debut at Hiroshima and Nagasaki more than 2 years ago. Since that time, an increasing amount of our scientific effort has been devoted to adding to our basic knowledge of atomic energy. The progress that has been made in these nonmilitary areas will affect our lives just as surely and perhaps even more completely than did the atomic bombs.

We must know what is happening in those laboratories—we must understand and examine the projects under way in the workshops of our atomic scientists—we must prepare for what lies ahead. For the science of atomic energy will one day enter into every phase of our lives. We can know more today about what lies ahead than most of us realize. No writer of fantastic fiction or soothsayer is needed to depict what is in store for us and for our children. Knowledge of what is going on in the laboratories plus sound common sense will tell each of us what tomorrow will bring, if we but look, listen, and make an effort to understand. Let me tell you a little about how atomic energy may affect your lives tomorrow—how it is already affecting you today.

The first area is that of atomic power—industrial atomic power—the kind that will light your homes and run the trains and steel plants. An atomic power plant is now under construction in upper New York State at the Knolls Laboratory near Schenectady. There, General Electric, working under Government contract, is busily engaged in constructing a new type of power-generating plant. This test model is intended to produce enough electricity to light a city of several thousand people. Out of this experiment, it is hoped that enough will be learned to permit eventual construction of commercial plants.

At present, such a plant is expected to produce electricity at a considerably higher cost than coal-powered generators. Costs may come down, but the main use for such atomic power plants will be in areas where other types of power plants are not feasible. Thus, metallic ores which are now prohibitively expensive to operate because the whole mass of rock must be transported to refineries, might become cheap to operate. Atomic-powered refineries at the mine sites would eliminate the need to transport anything other than the metal itself.

Predictions as to when we may expect a critical segment of industry to be atomic-powered vary, but a conservative average of the more informed predictions leaves us with an estimate of about 1970. Atomic power is on its way, and that is the all-important fact to be placed in the balance.

The power plants of which I have been speaking will resemble conventional power plants using coal or oil and requiring transfer of heat from a sort of boiler to a generator. In the deeper and more basic laboratories scientists are working feverishly on the problem of direct energy utilization. No one, even they, can say when they will emerge with an answer, but until they do the possibility of direct energy production from atomic fission remains. That is the unknown and distant future about which the most brilliant of men can scarcely hazard a guess. The power bill to run your car is in that realm—not the foreseeable future. Atomic power already on the horizon is great enough so that there is no need to fool ourselves. Learn to distinguish between fantasy and fact, and you will be better prepared for life in the atomic-powered future of 1970. There is plenty of time after that to speculate about life in the year 2000.

To the individual in his own home the benefits of an atomic power plant such as I have described may seem remote. What of other benefits? Well, a whole host of scientists are busy applying known atomic information to the field of agriculture. These men hold out hope of realizing one of the oldest dreams of mankind—the ability to grow better and more crops with less effort. Agricultural experiment stations all over the country are seeking the answers to the nature of plant nutrition and growth. Out of their work are already coming ways of getting higher crop yields per acre, better crops, and improved disease resistance. These findings will show up on your dinner table. Atomic energy, like the international situation, is about to take a place at your dinner table. The results are not going to become evident all at once, but gradually atomic science can help to lower the cost of the food on your table and to place more food on the tables of all the families of the world. Those are worthy and desirable goals—those are the attainable goals of scientists studying atomic energy today.

More people will be able to enjoy the higher standards of living tomorrow because of what our atomic scientists are doing in the medical laboratories today. The history of medicine has been a constant struggle to overcome the biological enemies of mankind—the disease which afflicts and destroys millions of potential productive citizens of free nations. Today, in hundreds of hospitals and laboratories, scientists and doctors are using the powerful new tool of the atomic age—the radioactive isotopes of almost every element known familiarly as tracers. These tiny bits of matter produced in atomic furnaces can be added to almost any known substance and traced as they move about. Thus, radioisotopes are assisting biologists in the study of hundreds of human ailments from glandular excesses to cancer. In some cases the radioisotopes are more than tools—they are medicine in themselves. So it is with leukemia—a disease of the blood—which is greatly reduced in its action through the use of radioactive gold.

Atomic energy has brought problems to the medical profession as well as assistance. New diseases and new biological weapons are now possible and must be studied and understood in order that the dangers of this great scientific discovery may not overbalance the benefits. The hazards of radiation are still relatively unknown. In time we may expect not only preventive methods but also basic medical benefits to result from scientific investigation of the horrible new dangers. Remember the terrible scars suffered by the survivors of the Japanese bombings? Study of those scars is yielding information about cancer. Have you seen the pictures of hemorrhaging caused in animals exposed to the Bikini tests? Already, knowledge of heart disease and the ailments of old age is coming from study of those animals. Every aspect of atomic medical science offers new hopes for life for more people. Think of it. One day you may owe your very life to the knowledge scientists have gained through the study of atomic energy. That's not a very far-removed benefit, is it? Your life and mine might be saved some day because we encouraged doctors and scientists to study atomic energy. Our lives might be lost because we failed to appreciate that simple fact and so worked to forbid scientists to investigate the atomic horizon. That is not a pleasant prospect and alone should stimulate us to encourage our atomic scientists.

The greatest hopes for the future in the atomic age lies in the field of pure science, however. Out in the area of the scientific unknown there are facts which may one day revolutionize life itself. Only through constant research can our scientists forge ahead into that area. The secrets of photosynthesis which makes plant life possible, of cellular reproduction which makes all life possible, and of atomic structure makes matter itself possible—those secrets still lie beyond our grasp.

The huge Government-built laboratories, the atomic piles and cyclotrons—these are the sort of tools the scientists of today must have. These things cost more money than any private group can afford. Yet, the further advancement of science depends on having these tools. That is the reason underlying the Government program of sponsoring research and development in the field of atomic energy. We will benefit from those developments as a collective whole—we must finance them as an equal entity.

I have refrained from the overoptimism of popular science and business writers in telling you what lies ahead. Atomic energy is a part of our lives, but not a fantastic part. Clean sanity is ever at a premium, and especially in a field such as this in which so few are expert. I have held out no hope to you of atomic-powered cars and washing machines in a few years because those things are unrealistic. Those who write and speak of them, however cleverly, are not being honest with you.

Interplanetary rocket travel and fuel pills are as much a conjecture as they were several years ago. Speculate if you wish, but don't fool yourselves into thinking that they are practically here. When they will be depends on far more factors than I can resolve.

Finally, it is only fair to ask, "What are our chances of gaining even these practical benefits of atomic energy in a world torn by political and economic conflict?" The future holds these tangible things, but if they arrive in a world chilled and made powerless as a result of atomic warfare they would be of little use. That is the sober and mature counterbalancing fact to this picture of a roseate future.

This is our balanced picture. On one hand, we have the daily arrival of new atomic science benefits which make life better for all of us. On the other hand is the daily threat of atomic conflict which threatens to make our world of tomorrow an uninhabitable horror. The statesman, the businessman, the teacher, the housewife—each of them has the citizen task of understanding this balance and taking part whenever our democratic process requires in deciding how best we as a people can advance into the future without upsetting this balance in our own disfavor. This is a great challenge—it requires each of us to draw upon all our training, knowledge, understanding, and common sense. With each other's help—in our living rooms, classrooms, and legislative halls, and with the help of God—I believe we can meet the challenges which lie ahead in this atomic age.

The Free-Enterprise System

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Phelps

Adams, from the New York Sun of January 5, 1948:

THE FREE-ENTERPRISE SYSTEM—WHAT IT IS; HOW IT WORKS; WHAT IT HAS DONE

(By Phelps Adams)

When the stork picked you up, slung you comfortably from his bill, and began winging his way earthward with you, the chances were fifteen to one against you. But you were lucky. You hit the jackpot. You live in the United States of America!

This means that you live better than the people of any other nation on earth. Nowhere else in the world could you acquire so many of life's material riches in return for so small an expenditure of effort. In no other country will an hour's labor buy so many of the necessities, comforts, and luxuries of life. Never in history has any people known a standard of living as high as that which Americans enjoy today.

America harbors only one-sixteenth of the earth's population, but she produces nearly seven-sixteenths of the world's goods. Her people own 46 percent of the world's electric power, 48 percent of its radios, 54 percent of its telephones, 59 percent of its steel capacity, 60 percent of its life-insurance policies, 85 percent of its automobiles, and 92 percent of its modern bathtubs.

Yes, it is statistically true that in the 150 years of her dynamic, adventurous life, America has made more progress than all the other nations have made in 6,000 years. Why? What has she got that the rest of the world has not?

She has only 6 percent of the world's area. Other nations have more land and more people. Some are more richly endowed with natural resources. Several enjoy a general level of health, education, political freedom, and native ingenuity approximately comparable to our own. Carry the comparison on down the line, and you will be forced to the conclusion that the one thing which America has that the other nations lack is the American system of free enterprise.

That you live in America is circumstance; but that America lives as she does, is not. For a century and a half Americans have planned it that way.

WHAT IS FREE ENTERPRISE?

The American system of free enterprise, on its record, indisputably is the most progressive and completely democratic form of capitalism yet devised by man. It is the only economic system extant which provides investor, producer, and consumer with freedom of choice and opportunity.

It is a system under which all the productive facilities of the Nation are owned directly by the people themselves. The people alone—not their Government nor their politicians—determine what wages shall be paid for what services, and—without governmental coercion they decide how much capital shall be invested, in what competing enterprises, at what prospective profit.

The 9,000,000 individual enterprises in America know only one boss: the customer. Every time the customer buys a car, an ice box, a radio, or a bucket of paint, he casts a vote that determines which business shall be big and which shall be small—which shall grow and give increasing employment and which shall fail and produce unemployment. The only way a business can grow big and stay big in America is by winning the larger share of the votes that are cast daily by the American consumer.

American enterprise today provides gainful employment for more than 60,000,000 persons, who work only at the pleasure of their customers. But these 60,000,000 workers are the customers. As workers, they constantly exact higher wages; as customers they insistently demand lower prices. Caught squarely in the middle, management is forced, under this tremendous competitive pressure, to operate more and more efficiently and to produce better goods at lower cost. When it ceases to do this it ceases to exist.

Thus the American system of free enterprise may truthfully and accurately be defined as the economic system under which the worker exploits management.

CONTRAST WITH OTHER SYSTEMS

Capitalism and communism stand at opposite economic poles. Their essential difference is this:

The Communist, seeing the rich man and his fine home, says, "No man should have so much." The capitalist, seeing the same thing, says, "All men should have as much."

That difference lies in the point of view. Communism—born of poverty and hunger—seeks to perfect a system for the equal distribution of a scarcity of goods, so that ultimately no man has enough of anything. Capitalism—born of hardship and toil—seeks to provide such a plentitude of goods that, ultimately, all men may have enough of everything. Communism is content that no man should be rich; capitalism strives that no man shall be poor.

A third system, socialism, represents a kind of economic purgatory wherein nations hang suspended between the riches of capitalism and the poverty of communism. Here the government owns and operates part or all of the nation's enterprises. By taxation or otherwise, it raises the necessary capital, and then decides what this capital shall be used to produce. Since the government alone determines what shall be produced, it also decides what its people may buy, what they shall pay, what wages they shall receive, and at what jobs they shall work.

They have no choice in the matter. There is no customer control of production. There is no competition. There is only monopoly, and since monopoly inevitably becomes lazy and inefficient, the people must pay too much for what they buy. Production and purchasing power decline and the system tends finally to give up the struggle and drown in the ever-spreading waters of communism.

These are the three basic economic systems at work in the world today. How have they operated? Which has succeeded? Which truly provides the greatest good for the greatest number?

THE RECORD

Economically speaking, the system which provides the greatest good for the greatest number is the system which provides the greatest supply of goods for the greatest number. By any standard of comparison that system is free American capitalism. It has enabled every American worker to produce and to possess more than six times as much goods as the average worker outside the United States. No other system has equaled—or closely approached—that record.

During the war, one nation, singlehanded, outproduced the combined powers of the Axis. That nation was America.

One nation was able to arm and equip all of its own fighting forces and still give vast quantities of supplies and munitions to its allies. That nation was America.

Many military analysts concede that while the Allied troops outfought the enemy all over the world, the decisive victory was won on the American assembly line which literally buried fascism under a never-ending deluge of production.

Behind the battle lines, throughout the war, both sides engaged in a grim race to produce a weapon of total destruction. The scientific geniuses of many nations contributed to the final discovery and design of that weapon, but only one nation possessed the industrial capacity to produce it in time. That nation was America.

And now that the war is over—now that the nations of Europe have turned to socialism or have been engulfed in communism—they seek the help of the only nation on earth that can produce enough and give them enough to keep them from actual starvation. That nation is America.

Is it mere coincidence that the United States also is the only nation left which enjoys free enterprise as we have known it?

The record speaks for itself.

THE SECRET OF PRODUCTION

The secret weapon which has enabled American free enterprise to triumph in the competitive battle of production is the machine. American capital has provided the American worker with better tools than the workers of any other nation possess. The story can be told in a few simple statistics:

One hundred years ago it took only $557 worth of capital to provide the tools, machines, and plant facilities used by a single American factory worker. He labored 70 hours a week for a bare existence.

Today it takes 11 times as much capital to provide tools for this worker. He puts in 40 hours a week. His hourly earnings, in terms of dollars, are about 16 times as high as they were 100 years ago. In terms of purchasing power they are about five and one-half times as great. Over the century, the gross value of this worker's product has increased in almost exact proportion to the amount of capital invested in his job. His purchasing power would have increased, it will be noted, in almost the same proportion had he not chosen to forego nearly half of his earnings in exchange for additional leisure.

But this is only half the story.

One hundred years ago the worker was economically muscle-bound. The volume of his output was limited by his muscular strength. The precision of his work was similarly limited by the individual dexterity and skill which he possessed. Since he produced little, he earned little. There was little to buy, and little that he could afford to buy. Even so, the price charged for the things he produced was fabulous in relation to the cost at which things of the same quality could be produced today. But most things of that quality could not be sold at any price today.

By way of illustration, take one staggering example:

In 1908, before the automobile industry was the highly mechanized, mass-production institution that it now is, it took one man 8 hours to shape the top half of a gasoline tank. Today one man—and one machine—does the same job in 1 minute. If a whole automobile were produced by the hand methods of 40 years ago, and at today's basic wage of $1.49 per hour, that automobile would cost $50,000.

Because one machine can do the work of a hundred men, because it can work with a precision that the most skilled and dexterous of men could never achieve, and because it can operate with incredible speed, Americans today can buy $50,000 worth of automobile for about 3 percent of that price.

And that is the story of the machine and the secret of American production. One hundred years ago machines did only 6 percent of man's work. Today they do 85 percent of it, and do it better, cheaper, and faster. while man gets more pay in an hour for running a machine than he did in a day for exhausting his muscles.

To this story, however, must be added one brief postscript. For a century men—both here and abroad—have looked upon the machine with deep suspicion, foreseeing the day when it would enslave and destroy them. Because it would do the work of a hundred men they insisted that it would throw a hundred men out of work. Their fears caught the popular imagination and were echoed in literature and on the stage. Frankenstein and the stage play "RUR" were fascinating drama, but they were very bad economics, because they helped to perpetuate one of the most expensive fallacies in all history.

What are the facts? Well, in 1890, when only a few machines were at work in the

United States, 18,000,000 persons were gainfully employed—29 percent of the total population. Today 60,000,000 are gainfully employed, or 43 percent of the total population. Machines have created jobs, as well as wealth and leisure for the workers in the Nation that has used them most extensively.

YOU ARE A CAPITALIST

Before any man can go to work in the average American industry today, someone must put up $6,500 in cash to provide the machines, tools and plant facilities that man will use. To supply this cash is the job of the capitalist.

To millions of Americans, unhappily, a capitalist is a silk-hatted, pot-bellied, cigar-smoking caricature with dollar signs on his vest. The concept is as ridiculous as it is tragic.

The truth is that under American free enterprise the capitalist is every man and woman who has a savings account, a life insurance policy, or a share of stock. Capitalists, in America, are the families that are seeking to set aside something for their old age. They are people who are looking beyond the mere desire for a shorter workweek, to the hope of providing a shorter working life for themselves, or a better future for their children.

They, in a word, are the millions of little people who deny themselves the luxuries of today in order to provide the necessities of tomorrow. And theirs, economically speaking, is the kingdom of heaven, for without them there would be few jobs and little to buy.

Many of the biggest corporations today have more stockholders than workers. The most reliable statistics available in Washington indicate that 90 percent of all the stockholders in the country have incomes of less than $5,000 per year. The latest available tax returns show that in 1944, more than half of all the corporate dividends paid out went to "little people" in the brackets below $5,000. In that year alone, $150,000,000 in dividends and interest was reported by taxpayers whose adjusted gross income was less than $1,000.

These, however, are only the direct investors. In addition, there are 50,000,000 savings bank depositors and the owners of 147,000,000 life insurance policies, who—all together—have created a reservoir of capital totaling $200,000,000,000. These people are capitalists, too, for much of this money is reinvested by the banks and insurance companies. And since there are only 2,500,000 persons in the country whose income is more than $5,000 a year, and only 138,000 who get more than $25,000 a year, it is obvious that the rich bulk small.

But even these little people, who by self-denial, supply the funds that buy the machines that provide the jobs and produce the goods, expect a return on their investment. Whether it is in the form of interest on their savings, reduced premiums on their life insurance policies, or dividends on their stock, they demand a profit. For their services to industry they ask payment just as insistently and just as reasonably as the worker does for his labor. They want a fair wage for the work their savings do, and without that incentive they are no more willing to invest than a worker is willing to labor without pay.

This is not greed, nor a desire to exploit their fellowmen. It is a simple matter of security. If they can earn a profit of 6 percent on their savings and put aside 10 percent of their pay every week, they find perhaps that at the end of 40 years of their normal working life, they can provide for their old age. But if the profit is only 2 percent, 40 years won't do it.

And when inflation comes—as it has after every war—they find that the sum which they had thought would give them security will no longer suffice. To live, they must have a larger profit, just as the workingman must have a higher wage. Thus, as prices mount, wages rise and profits tend to do the same.

So it all boils down to one simple fact which the critics of free enterprise prefer to ignore: The selfsame workers who are the customers, are also the principal owners of American industry. And when the soap boxer denounces profiteers, whom is he talking about?

Why, bless my soul, it's you.

FACTS ABOUT PROFITS

For more than a year, now, you have been told that today's skyrocketing prices are due to the exorbitant profits of industry. But is that really true? What would the cost of living be were there no profits?

Official Government records show that corporate profits last year amounted to about 6.2 percent on sales. That means that when you spent a dollar for a manufactured article 6 cents of that dollar was profit. But that 6 cents bought you more probably than all the rest of your dollar.

That 6 cents provided all the machines that produced the article—and machines, remember, did 85 percent of the work on it. Animal power did 10 percent. Human energy did only 5 percent of the work; yet for that human energy you paid ten times as much as you did for the machines.

It is that 6 cents, moreover, which has made it possible for you today to buy a $50,000 automobile for 3 cents on the dollar. Without it there would be no machines, and machines work much cheaper than men. Year in and year out, the average American industry pays ten times as much in wages and salaries as it pays in profits for the machines it uses.

But Philip Murray of the CIO will tell you that the 6 cents was an "unconscionable profit"—much more than you should have paid. He will tell you that industry made $12,000,000,000 more in profits last year than it did in 1939. He will not, of course, tell you that labor made $62,000,000,000 more in wages than it did in 1939. Both figures are correct. Neither means a thing, except in relation to the total national income.

So, let's see what really happened to that 6 cents profit you paid.

The significant fact is that less than half of it went to the investors who paid for the machines. Government reports show that only 3.1 percent of the total national income went to stockholders last year. Yet, in only three of the past 18 years did these investors receive a smaller share of the total national income. They did not do nearly as well as usual.

What happened to the rest of the profit? It had to be placed back into the business to meet rising costs. The inventories—the raw materials and the supplies out of which the finished product is manufactured—rose tremendously in price. It took more money to buy them, so more money had to be tied up in them.

Then, too, factories and machines wear out. Out of its earnings industry must always establish a fund to replace them. But replacement costs have gone up enormously, and the funds originally set aside for the purpose are no longer adequate. For example, it costs twice as much to provide the plant and machinery necessary to produce a ton of steel today as it did before the war.

A Department of Commerce study shows that in the first 6 months of last year, industry needed $11,000,000,000 to meet the higher costs of inventories and the replacement of tools. But all the funds it had set aside for that purpose, plus all the profits it was able to retain, amounted to only $7,500,000,000. It had to borrow the other three and one-half billions.

So the bald truth is that the 6-cent profit which you paid was not enough to meet even the current needs of industry—let alone to provide for the normal expansion of plant and facilities which must take place if America is to have the new jobs and the additional goods that her ever-increasing population demands.

Clearly, you didn't get gypped.

WHAT'S WRONG WITH IT?

The greatest paradox of this bright New Year is the fact that free enterprise, with its unparalleled record of achievement, is under attack and on the defensive all over the globe. Millions of men and scores of governments are turning their backs on it, and today there are not half a dozen nations in the world which still embrace it completely.

Its enemies bombard it with catchy phrases which are glibly parroted by thousands and believed by millions, while its champions can defend it only with facts which many refuse to believe and decline to verify for themselves. So the facts are engulfed in a torrent of fallacies. Let's look at a few of them:

Opinion polls show that an overwhelming majority of the American people believe that stockholders get the largest share of the income produced by the manufacturing industry. The majority is wrong. Government records show that of all such income produced in the past 18 years the workers got 86 percent.

Opinion polls show that 40 percent of the American people believe that corporate profits exceed 25 percent. Government records show that over the last quarter century manufacturing corporations have had an average profit of about 4 percent, and that their highest profit in any of these years was less than 7 percent.

Soap boxers charge that free enterprise has resulted in a maldistribution of income, and that 2 percent of the American people own 80 percent of America's wealth. Not only is that not true; it is silly. Studies just completed by Notre Dame University show that over a 30-year period 88 percent of the total national income was paid to persons receiving less than $5,000 per year; 8 percent was paid to those in the $5,000 to $25,000 bracket; and only 4 percent went to those receiving more than $25,000 annually.

They also tell you that big business smothers little business; yet the truth is that big business is the best customer that little business has. About half of the parts for the products manufactured by big business are purchased from smaller enterprises.

They cry monopoly, but there are 500,000 corporations and 3,000,000 unincorporated businesses competing against each other in this country today. Five hundred thousand new ones have been born in the past 12 months and 200,000 old ones have closed their doors. Thirty percent of all corporations failed to show any profit in 1944—the latest year for which tax statistics are available.

They charge that the financially overstuffed executives of the big corporations get the lion's share of the pay roll. That isn't so either. If the salary of the three top executives in General Motors Corporation was divided among all the workmen, it would take each man 6 days to buy one pack of cigarettes out of this money.

And so it goes. Check the facts and you will find that there is only one well-founded and significant charge that can legitimately be leveled at the American system of free enterprise, namely, that over the years its progress has been interrupted regularly by recurrent circles of boom and bust. That evil persists. It stands as a challenge to the Americans who have built the greatest—and the only successful—economic system in the world.

But here again two highly pertinent facts should be borne in mind, first, American business has relatively little control over the present boom cycle upon which we appear

to be embarking. Most economists agree that its causes lie chiefly in the war and in the inflationary policies pursued by the Federal Government. Second, no other economic system has solved the problem that plagues free enterprise. Thus far the others have prevented booms only by creating permanent busts.

The American system of free enterprise is your business. Its success is a matter of life or death to you. It will survive only so long as men strive sincerely and understandingly to improve and perfect it. But the next time some long-haired orator tells you that it is an evil and oppressive thing which should be scrapped and urges you to follow in the despairing footsteps of Great Britain or of Russia, check the facts and ask yourself the question:

What nation will then be left on earth to bail us out when our folly, too, has run its course?

German Men, Women Lose Weight in Fight for Life

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. ANGELL. Mr. Speaker, the following article is the fourth in the series written by Philip H. Parrish, editor of the Portland Oregonian editorial page, on European problems:

GERMAN MEN, WOMEN LOSE WEIGHT IN FIGHT FOR LIFE—NATIVES NEED FOOD, SHOES—FEAR LESS COMMON IN AMERICAN ZONE

(By Philip H. Parrish)

I had thought to wrap up in a single article my picture of the great cities of industrialized Germany trying to survive in catastrophe. But yesterday I didn't even manage to get out of Berlin.

The other cities, however, follow, in general, the pattern.

We approached them from the south, the party having flown to Vienna and then to Trieste, returning to Germany for Thanksgiving Day at Berchtesgaden in the Bavarian Alps overlooking Austria, where the first fall of the year deposited a foot and a half of snow on the passes and covered the town itself with several inches. From there on down through the American zone of Germany, our trip was by motor caravan. We drove northward from the Alps across the stormy plateau of the upper Danube to have a couple of days in the Bavarian capital, Munich, then westward across the frigid landscape and over the Danube-Rhine divide to Stuttgart, capital of Wuerttemberg-Baden; and on, after a couple of more days, down the Rhine valley to Frankfurt-am-Main.

Then there were several days on the lower Rhine in the British zone, specializing in the Ruhr and including the cities of Essen, Duesseldorf, Duisberg, and Cologne. There we lived, out of politeness, on our private train, since the British do not have too much hotel space or food.

STORES LACK LIGHT

Anyhow, it was always the same with the cities. The same overcrowding and devious life in the ruins; the same routine of contact with the countryside; the same deterioration of clothes and shoes; the same slowdown of work in order to conserve strength for barter and the black market. And everywhere, so far as the open market is concerned, the stores are dark little shops reconstructed in the injured buildings and offering postage-stamp collections, picture frames, or hand-made knickknacks. Christmas was coming on, and hungry-eyed crowds formed around the tawdry windows, searching for something to buy. I suppose many of the people were well supplied with their almost worthless marks from the black market.

There was one contrast with Berlin, however. Here the people had lost most of their fear of the invaders. They still salute the British officials punctiliously, though not the Americans, who do not require it. But in the ordinary run of things they feel they are not going to get hurt.

A man can go out of Frankfurt or Cologne with his pane of glass to trade to the farmer, or his fountain pen or collection of cigarets, and not skulk in dread that he will be dragged off the returning train, with his loot, by a Russian hook.

"It isn't the law," a German at Stuttgart told me, "but the American soldier is more likely to help me than take my potatoes."

That means that bartering between city and country is "regularized" if not legally accepted. And the situation has its complications. As matters stand, the farmers of the American and British zones surrender the least possible of their crops to the collectors who must keep up the stocks of the official ration stores. They hide away the maximum for barter with their secret callers from the city.

Even so, the weights of the town and city people, including Berlin, show a fairly firm tendency, and downward.

So-called street weighings have been taken since the beginning of the occupation, and those of September 1947 show that men aged 20 to 39 are 10.7 pounds under the weights fixed as normal for those ages; men 40 to 59 are 17 pounds under; men over 60 are 22.5 pounds under. Women of 20 to 39 show a weight deficit of 3.7 pounds; women 40 to 59, a deficit of 14.4 pounds; women over 60, a deficit of 20.6. The fall had been steady up to this summer when it appeared to slacken.

Actual starvation, however, is rare, to say the least, and military government is touchy on that subject.

"Personally," we were told by an Army officer who heads the health service in Land Wuerttemberg-Baden, "I have yet to see my first authentic case of starvation edema, except for the prisoners of war and expellees from the Russian zone."

RUINS STILL APPALL

The explanation obviously is that the food, though inadequate, has been spread fairly evenly, so that one person could not starve without many starving. The weights are eloquent as to the universality of hunger; the mortality tables are clear enough evidence that the masses are still above starvation, if barely so.

But what are these cities doing in the way of cleaning up? What are they doing in the way of rebuilding? Surely, they have bricks and stones enough? What are they doing for themselves? These are questions everyone at home asks me.

The answer is that the cities are but little improved in appearance over a year ago, though in fairness it must be agreed that a great deal of effort would show but little result against so great a task. The streets are more open, with the rubble carried off. Every city has its crews loading miniature trains—sometimes the crews consisting of women, especially the old, who want the extra food allotment which goes with this heaviest work. And nature itself is effecting some unidentifiable alchemy of mellowness. But it will be a long time before the cities are sightly, and a certain percentage of the wives and mothers of American personnel, joining their husbands and sons, continue to have the heebie-jeebies over discovery of the reality. Some have not been able to take it.

Nor can it be claimed that anything spectacular is being accomplished in the way of construction itself. At Munich, which is typical, I found the American officials most critical of the Bavarian Government's building program. Under it 60 percent of available materials—and remember that building requires more than brick and stones—is for the Government itself, with 40 percent for private construction. The 60 percent goes to bridges, roads, Government buildings, and a remarkable part to the restoration of monuments. The 40 percent, so far as I could determine, largely trickles out on the black market. There is shamefully little for industry and for housing to meet the overcrowding.

In this discussion—as in nearly every discussion of Germany—one always comes back to the black market.

With regard to construction, the case becomes obvious once it is mentioned. The butcher or the baker or the grocer or the farmer is the one who can get a shop repaired or a barn built. He has something more than marks to offer the officials who assign the priorities, the dealers who distribute the materials and the workmen who handle the hammers and trowels. One can't just start out on a job, unless he himself is the artisan. One has to wangle his materials and workers by gifts under the counter.

The government, of course, practices what amounts to forced labor. The workers must take jobs assigned to them or suffer loss of ration cards.

MANY YIELD CARDS

But even loss of the ration card has not coerced many of the Germans into conformity. Besides the black market operators themselves, there appear to be hundreds of thousands of ordinarily honest workmen who have given up their cards, or never asked for them, in order to hire out where they wish. A good mason, for example, can make far more by doing a job for a grocer who pays him with a pound of butter (350 or 400 marks), and requiring a week, than he could by laboring a month for 350 marks on repair of the autobahn.

And of course the magic of goods as distinct from marks is not confined to the building trades. It extends into all of the efforts at survival.

At Berlin, Ilse Borzym mentioned to me: "Our family is fortunate about shoes. Father gives the cobbler a roach or two he has caught in Wannsee. The cobbler is fond of fish."

MINERS DRAW BOON

So with the tailor. He has been asked to make a coat from an old blanket and his attitude is entirely changed by an electric light bulb to replace the burned-out one above his table. Or the plumber. He perhaps has a sweet tooth. And more than likely he has children at home.

Or take what I would judge to be the supreme example, since it involves left-handed acceptance of the black market situation by the occupation forces. The Americans and British, desperate to reverse the falling coal production in the Ruhr, not only offered greatly increased food rations, CARE packages as prizes and the right on the part of miners to purchase a certain percentage of consumer goods received as a result of coal exports. They also allotted each miner 5 tons of coal a year. Since this is far more than the miner needs, it sets him up as a little businessman on the black market. He is a man of wealth among the shopkeepers, craftsmen, and farmers.

There has been much celebration in recent weeks over Ruhr coal production climbing to a postwar peak of 285,000 tons a day, compared to a dispirited 200,000 this past spring. And such production, and better, is necessary for the recovery of German and European industry. But the miners are now by far the

most favored workers in the country, and if they won't settle to their sawing under present incentives, the case would be hopeless indeed.

Something I did not get around to mentioning is in connection with my experiment in the jammed surface stations and cavernous subways to Berlin.

Germany is much more dominated by its mass transportation than the American ordinarily stops to realize. Such transportation, particularly in the form of railroads, coincided in development with Germany's industrialization, unification and bid for world position in the past century. And since the state owned and planned the roads, there was no limit. Every city seems to be built around its vast downtown station, such as those of Stuttgart and Frankfurt—some like immense medieval castles, with walls after the Prussian fashion. Once Germany dreamed of a widespread chain of continental transportation, as witness the idea of the "Berlin-to-Bagdad railroad," so prominent in conversation before World War I. And even now the proud word "Mitropa" is embroidered on nearly every piece of linen remaining in the German trains.

The point, however, is that with virtually no automobile traffic as of today, these stations are crowded as never before, and their size and complexity and dim depths have conspired to make them "the" black-market centers. Considerable has appeared about this in the past three or four months in American books of travel, magazines, and newspapers. And it would be hard to overdo the truth.

REDS HOLD WORKERS

At Frankfurt, for example, where the station spreads for blocks, one can walk through at night and see enough suffering, desperate, criminal humanity to do for a lifetime. One finds himself, in the darkness, in a crowd of war prisoners getting off a Russian train. Their clothes hang raggedly. Their faces are expressionless and they move obediently like automatons. (Russia is not yet returning those well enough to work.) One moves on into the crowd beyond—people trying to get to and from work, weary with their loads; girls of the underworld; beggars; thieves. The black-market centers are usually definite but apparently shift as the law becomes mildly interested. Blocks and blocks of it.

The jam in these centers, as on the surface cars, has been complicated by the removal of so many people from the bombed downtown and working-class sections into the less bombed suburbs. On the average, the distance has become much extended from residence to work.

Maybe it was a latecomer from that midnight turmoil who wakened me early one morning, before daylight, when we were at the Hotel of the Four Seasons at Munich. At first I was drowsily conscious of a voice a block or two away, and thought that I was safely at home and it was a newsboy. Then it became louder, finally under the window, so that I got up and looked out.

Snow had been falling—was still falling—and in all the long length of the street there was only this one figure. I presumed that he must have been drinking, since he leaned against a corner of a building and then crossed slowly and unsteadily to rest against a street vendor's closed stand. But it was not until he had trudged on into the snow that I realized that his voice had a clarity and range which belied the idea of very much to drink. Rather, his voice would have done credit to a Wagnerian character. And there was Wagnerian tragedy in the fact that he could have passed, so very solitary, through the middle of a great city. I saw only one light go on in one window in answer to his implorations.

But it wasn't until morning that I realized that possibly I should have gone down into the snow in my bare feet. Ralph McGill came in from his side of the bathroom and asked what that commotion had been along toward morning. He said he hadn't awakened but that he had heard the words, cried out in German, "mother" and "bread."

The incident is beyond me.

If the lonely passer was not intoxicated, and if he talked through the deserted street of mother and bread, then the bootlessness of the people along the way becomes a social problem. Many of the American personnel told me they were shocked at the callousness of the Germans to one another under the conditions of disaster.

Anyhow, I don't know, I should have learned German in school.

The Economics of Power

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. POULSON. Mr. Speaker, this week hearings are being held in California to determine how much of our oil lands shall be set aside to enlarge the present naval reserves. This has been brought about by the fact that our oil resources are dwindling to such an extent that the Navy has become alarmed. In southern California there is only one substitute for oil and that is electric power. The source of supply of electric power does not become depleted, as does the source of oil supply. Therefore it becomes a necessity to immediately develop the unlimited power resources of the Colorado River.

The accompanying editorial from the Los Angeles Daily News clearly sets forth this problem, and I subscribe to it 100 percent:

THE ECONOMICS OF POWER

The Los Angeles metropolitan area development of the Colorado River system holds chiefly the promise of power.

While current interest in the Arizona-California squabble over water rights focusses attention on the Colorado as a source of reclamation, the power potential of the river is of even greater importance insofar as Los Angeles is concerned.

Los Angeles' power appetite is enormous. With the growth locally of both industry and population, available kilowatts are being devoured greedily. Still more kilowatts are needed. And they can be obtained only from natural energy resources—coal, oil, or water power.

As a means of satisfying this increasing power appetite, the local city-owned bureau of water and power, as well as private utilities, are carrying out expansion programs—new generating plants, new transmission lines.

Because no additional hydroelectric power has yet been harnessed, these expansion programs have had to be geared to the use of fuels such as oil and gas.

Some idea as to the extent to which fuels are being consumed, or may have to be consumed, in order to produce the kilowatts Los Angeles needs can be gained from the estimates of power officials.

Translated in terms of what two proposed projects on the Colorado might be made to produce is a significant reality. This reality is that oil, figuratively speaking, is flowing down the river and into the ocean at the rate of 15,000,000 barrels a year.

This is because power experts figure it take a barrel of oil to produce 500 kilowatts of electrical energy. Also, based on a current delivery price of approximately $2 per barrel, this means dollars, too, are flowing down the Colorado—about $30,000,000 each year.

Hence, what's being wasted through failure to develop fully the Colorado River system are not only millions of acre-feet of precious water—water that can reclaim arid desert lands and produce a flourishing agriculture. What is also being wasted in even greater quantity is real wealth—the wealth of the Nation's oil reserves, the wealth of dollars.

The two Colorado projects which would save 15,000,000 barrels of oil and $30,000,000 annually are the Bridge and Glen Canyon projects. Each has been blueprinted by Bureau of Reclamation engineers.

Bridge Canyon, at the headwaters of Lake Mead, would have an installed hydro electric capacity of 650,000 kilowatts. Glen Canyon, farther upstream, would produce 400,000 kilowatts.

Considering the requirements for electrical energy by the metropolitan areas of southern California, and by other similar, though smaller areas in southern Nevada and central Arizona, early construction of these projects is indicated.

Naturally, they're going to cost money—lots of money—which will have to be provided by the Federal Government. But as the oil and dollar similes have shown, not having these projects is costing much more money and is depleting the oil and gas resources of the Nation as a whole.

All estimates of future total power requirements in the southern California area point to enormously increased consumption. In residential, farm, commercial, mining, manufacturing, and transportation uses consumption of electrical energy is multiplying steadily.

Development of the Colorado resources clearly is the prime requisite for a future, prosperous Los Angeles.

That's why citizens should take an interest in the Colorado projects and spread the word, as the Bureau of Reclamation has said, that "this mighty river is a life giver, a power producer, a great constructive force."—R. E. G. H.

A Threat to the Republic

EXTENSION OF REMARKS
OF
HON. ROBERT J. TWYMAN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. TWYMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I submit herewith an editorial by Mr. Felix Morley, which appeared in the January 14, 1948, issue of Pathfinder magazine. I recommend this for reading of all Members of Congress:

A THREAT TO THE REPUBLIC
(By Felix Morley)

Opposition to the $17,000,000,000 European recovery program is not due to any lack of generosity among our people nor any failure to appreciate the gravity of Europe's economic picture.

The underlying and justified fear of those who criticize ERP is that it may result in undermining our republican system of government. Such a result is possible for two reasons. One is obvious. The second is coming out now.

The obvious reason for anxiety about this tremendous relief program is its inflationary effect. It is simply impossible to make the contemplated shipments of goods to Europe, getting little or nothing in return, without creating domestic shortages. Shortages mean higher prices for food and manufactured articles in short supply. Higher prices mean agitation for higher wages. Higher wages mean still higher prices, and so on.

Strikes, even if apparently successful, only make the situation worse. Any strike means a loss of production. That means further shortages. As matters stand now, a strike may put more dollars in some pay envelopes. But this is offset by the fact that everybody's dollar is losing value.

The inflationary effect of ERP has been recognized by all of the many agencies which have studied the program. The general conclusion is that because of tremendous productive capacity we can afford the risk.

Even so, President Truman thought it advisable to ask Congress for authority to impose rationing, price controls, wage controls, and other forms of regimentation characteristic of what Mr. Truman himself called a police state. Congress has refused to grant this authority. It does not see how we can defeat communism by imposing on the American people the same sort of controls the Communists apply.

This issue was fought out during the debate on the stopgap relief appropriation approved by Congress just before it adjourned for the Christmas recess. None of the drastic economic controls requested by the President was approved and the stopgap assistance asked for the period until April 1 was cut by nearly 13 percent.

This may prove to be a precedent for cutting the $6,800,000,000 appropriation requested for the first 15 months of ERP. But a cut in that proportion will not diminish inflationary effects, stimulating demands for un-American governmental controls.

The effect of ERP on American institutions is not confined to the amount of money involved. There is an even more dangerous threat in the character of the administrative set-up.

The President proposes a new political agency, to be called the Economic Cooperation Administration. It would be responsible to the White House. The Administrator, said President Truman in his message of December 18, "must be subject to the direction of the Secretary of State on decisions and actions affecting our foreign policy."

It is an unfortunate fact, which the public is beginning to realize, that during and since the war the administration has not taken the public into its confidence on matters of foreign policy. For that reason Congress will resolutely oppose giving the Department of State absolute control over the expenditure of billions of relief dollars. This would mean secret diplomacy on a scale heretofore never even imagined here. And secret diplomacy could spell the end of our Republic.

Congress already has before it, in the Herter bill, a far more desirable measure for the control of ERP. This would set up a temporary Government corporation, with a bipartisan board of directors responsible to Congress. The whole operation would be out in the open, not hidden away in the corridors of the Department of State.

For the future of the Republic, the issue of how ERP is run is more important than the amount it spends.

Stanislaw Mikolajczyk Reports on Poland

EXTENSION OF REMARKS
OF

HON. CHARLES J. KERSTEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, the Milwaukee Sentinel is printing a series of most significant articles by Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party. As you know, Mikolajczyk recently escaped from Poland where it is believed he would have been put to death if he had remained. The evidence of communistic terror emanating from all countries into which the Soviet Government has placed its despotic hand becomes overwhelming. Humanity cries out at the barbarism of the Soviet Government. Mikolajczyk's voice is only one in the chorus. The situation in Poland is all the more tragic because of the Christian tradition in that land. The Polish people are highly spiritual and have a strong attachment to Christian culture. That is why the heel of Russia presses hard upon the Polish heart.

Under leave to extend my remarks, I include the following article from the Milwaukee Sentinel:

MIKOLAJCZYK TELLS HOW REDS TORTURE PEOPLE OF POLAND—"MY NATION IN FRONT LINES OF NEW WAR," HE ASSERTS

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and President of the Polish Peasant Party)

(Installment I)

Poland, conquered by Adolf Hitler first and later forsaken by its own allies, may seem to be a remote land to the reader.

The names of its people, including my own, may be difficult to pronounce, and its tragedy may be dismissed by some as the normal plight of Europeans and particularly Poles.

But Poland today is you. When a Pole today is deprived of his God-given rights or is tortured vilely and put to death for simply believing steadfastly in what millions of democratic peoples elsewhere take for granted, you, too, are being attacked. And so is the sanctity of your home.

A fantastic World War began on Polish soil, after being conceived in the twisted minds of Hitler, Stalin, Mussolini, and Tojo.

And now an even more horrible war has erupted in Poland. It is a war against the dignity and freedom of all democratic peoples, and the Poles once again are in the front lines.

REDS IMPOSE YOKE ON WORLD

Just as World War II spread its tentacles out of Poland, this war could reach the homes of peace-loving people elsewhere in the world—and more quickly and with a thousand times the venom of the opening of the Battle of Britain and the attack on Pearl Harbor.

I know, because I am a survivor of the opening movements of that war of which I speak.

I know the determination, the pitilessness and the vigor of the new common enemy of mankind, communism directed from the U. S. S. R.

I know Stalin personally. I know the men behind him, and the workings of their minds and the yoke which they are now imposing on the world.

Forget for a moment my very name and the positions that I held in the Polish Government not only during the occupation by the Nazis but by the even more sinister invader of today—the Reds.

Simply assume you are a Pole, like myself, and that you are still possessed of your love of personal liberty, your feelings on the rights of man, and your beliefs that you have the right to speak, act, and vote as your conscience dictates.

MIXTURE OF MOCKERY, MURDER

One night, without warning, a group of armed security police, trained, directed, and controlled by a foreign power, enters your home and arrests you.

You ask to see their warrant and they laugh at you, for their warrant is the machine gun that is pointed at your stomach. In their pockets is your sentence, already made out, and your "trial" in the military court—if you are given one—will be only a fiction.

One of them casually pulls out a revolver, opens a drawer in your desk, puts the revolver in the drawer, lifts it out again, and accuses you of concealing weapons in violation of a "law" that is suddenly a mixture of mockery and murder.

Your wife and children and relatives and even associates are taken from you, and you may never see them again and—if you live—you will always be tormented by the terrors inflicted upon them.

You yourself are subjected to what could be 10,000 types of torture, for there is no limit to the infamy concocted by the Communist torturer. And if you survive and are released, you must sign a document in which you promise not to reveal what has been done to you or your family. If you break that promise, there are other tortures and no difficulty in arresting you again.

You are cursed in the controlled newspapers as a "bandit" or "Fascist" or "traitor" though you are none of these things and have proved it throughout your life.

Your crime? You liked a certain candidate for office and had announced your intention to vote for him. Or, perhaps, you had decided to run for office yourself—constitutionally your right—on a ticket that does not happen to please Moscow.

You would protest, of course. You might even die—as thousands of Poles similar to you have done—rather than yield to such an incredible tyranny.

But this is certain: You would say to yourself, "This cannot happen in the twentieth century. This cannot be the work of men by whose side we fought the Germans. The Americans and British will do something about this," you would say, knowing the heart-warming humanity of those powers.

There lies the ultimate tragedy.

What Russia and its agents are doing in Poland today is nothing but a bold perversion of solemn pacts and promises signed by Stalin, Franklin D. Roosevelt, and Winston Churchill, first at Tehran and then at Yalta.

Roosevelt and Churchill must have sincerely believed that they could do business with Russia. Those men, men of good faith, believed in the solemnity of the pacts which they signed with Stalin.

They simply underestimated Stalin. Nobody can do business with Stalin. Take this as the testimony of a man who tried for 2½ years, and then failed under the brutal force of Stalin's Communist agents in Poland.

Those historic pacts have been spat upon by Moscow and the stooges Stalin has placed in office in Poland by means of arrogant pressure, careful programs of villification against Polish democrats, and an "election"

which criminally frustrated the honest votes of a brave people which still believed that pacts and promises made by the three big powers were more than paper and hot air.

There have been vigorous protests from Washington and London, but they have been callously ignored by Russia and by the Reds who pose as Poles and dominate the police state.

They laugh at such protests, and when they do not laugh they carry out reprisals which cause additional bloodshed in my land—such as the destruction of the Warsaw headquarters of my Polish Peasant Party by Communists immediately after Mr. James F. Byrnes' speech at Stuttgart.

The only vestige of democracy left in Poland today—in a country, mind you, which Mr. Roosevelt earnestly hailed as "the inspiration of nations"—is in the pulpits of the church.

Only here can the so-called liberated Pole be told he should be free. Only here can he be openly told to love instead of hate, to tell truths instead of lies, to believe in his destiny.

But the Red offense against this last barricade of democracy in Poland has now been brought into the open. At the opening session of the Sejm, our Parliament, on October 29, 1947, Josef Cyrankiewicz, Prime Minister of the Communist-dominated Polish Government, accused the church of attempting to thwart the "people's democracy."

Two weeks later, in a brutal burlesque of a military trial, Cardinals Hlond and Sapieha were denounced by a specially instructed witness as collaborators with the anti-Government underground.

Do not be surprised at the news, in the near future, that there have been other trumped-up charges against clergymen as "collaborators," "saboteurs," and "traitors." All this inevitably in the maniacal tradition of dictatorships.

Poland is but one country in Russia's overall plan for conquest of the world. But it is a key nation, for it symbolizes the essential treachery of the Red plan and its ruthless lack of conscience. Though occupied throughout World War II, Poland produced no quisling government. It was an Ally. Today it is invaded again and is actually paying reparations to Russia.

Russia will strike former friend or former foe without discrimination. France and Italy have but recently barely evaded Communist-inspired civil wars which would have been the signal for the Red army to plunge to the Atlantic with legions of troops and the most modern armor, to "defend the rights of the suppressed peoples."

Russia has lost these two recent battles, but they were only battles. Russia has not lost the war it is waging on the dignity and freedom of all democratic peoples any more than the loss of some of its western cities to Hitler in 1941–43 meant that it had lost World War II.

It will try again, soon and on many fronts.

It will do its utmost to defeat the Marshall plan, whose aim is to stabilize and raise the European standard of living—a condition which is an antidote against the Reds' program, based on misery and chaos.

Russia is content that nothing can stop the march toward domination—political, economic, and military—of the entire world. Stalin can die, but his successors, Zhdanov, Molotov, and others, will carry on.

There are countless trained men in many echelons behind these leaders, waiting to step forward and pursue the Red program. Tomorrow I shall tell you about that program.

Report on Un-American Activities in the United States

EXTENSION OF REMARKS
OF

HON. J. PARNELL THOMAS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1948

Mr. THOMAS of New Jersey. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following radio speech I made over the Columbia Broadcasting System network, January 7, 1948:

What to do about communism at home and abroad is one of the foremost questions facing the American people today. The Congress was recently called into special session in an effort to dike the floodtide of communism which threatens to sweep a great part of the world, a floodtide which we all know would destroy the very freedom of mankind. The surrender of a number of eastern European countries to Stalinism and the tottering of France and Italy provides stark realism of what is upon us.

We, in the United States, are not immune from the Communist cancer, for we have within our boundaries a small but highly organized, well disciplined, Moscow-directed conspiracy which operates under the misnomer of the "Communist Party of the United States." It is a conspiracy seeking to overthrow our Government, our American system of business, and, indeed, everything which we Americans hold dear and sacred. The question is, therefore, What are we going to do about this conspiracy? This is a most important question, and as chairman of the House Committee on Un-American Activities, I would like to report to you for a few minutes this evening on what the Committee on Un-American Activities has done on this subject during the past year, and what it intends to do in the future.

First, I would like for you to know a little about the committee, how it is constituted and how it functions. It is one of the 19 standing committees of the House of Representatives. It is composed of nine members and it is our function to determine what legislation is needed to cope with subversive influences in the United States. In order to legislate, it is necessary that the Congress have the full facts on a subject. Thus we, like all committees of Congress, serve basically as a fact-finding body. Facts can only be determined by a thorough and diligent investigation and inquiry. Congressional committees, equipped with the historic and unchallenged prerogative of investigation, perform for the American people one of the most necessary and effective functions of our democratic form of government, for it is through these investigations that the spotlight is focused upon the corrupters, the subversives, the war frauders, and others who cannot stand its beam.

When I became chairman of the Committee on Un-American Activities last January, we adopted an eight-point program. This program had as its objective the determination of the extent and character of subversive influences in the United States. We have worked diligently to carry out that program in order that we might avail ourselves of sufficient facts and information to determine what legislative action, if any, was necessary to protect the welfare of the United States against the un-American forces active here. In pursuing this program, we conducted many public hearings. We began by exposing Gerhart Eisler and revealed him as the No. 1 commintern agent directing the activities of the Communist Party here. He was thoroughly unmasked, his many aliases, his fraudulent passports, his tax evasions, and his perjured statements are no longer secrets. As a result of our exposure, Gerhart Eisler has been tried and convicted of passport fraud and for contempt of Congress, and is now facing a possible 6 years imprisonment and a $6,000 fine.

We likewise turned the spotlight on the activities of his brother, Hanns Eisler, who, like Gerhart, is an important cog in the world revolutionary program of Moscow. We showed how many high personages in and out of the Government had interceded in his behalf in an effort to secure for him a visa to legally reenter and remain in the United States, even though at the time he was illegally a resident here. Following our hearings, the Immigration and Naturalization Service issued a warrant for his arrest on deportation proceedings.

Communist Leon Josephson was exposed as a procurer of false passports for important Communists in the United States, and his refusal to be sworn and answer questions before our committee resulted in his conviction for contempt of Congress. He has been sentenced to serve 1 year in jail and pay $1,000 fine.

Eugene Dennis, general secretary of the Communist Party of the United States, was likewise convicted for contempt of Congress and sentenced to 1 year and $1,000 fine. During the course of the hearing on Dennis he, like, Gerhart Eisler, was shown to have traveled under false passports, used many aliases, and, in addition, had falsified his draft registration, and was a fugitive from justice of the State of California.

We held extensive hearings on the subject of Communist penetration into the labor movement. We had before us the best authorities on the subject of communism, including such experts as J. Edgar Hoover, William C. Bullitt, and many others, during a public hearing on two bills to outlaw the Communist Party. We also heard in public hearings a former Government official of the Soviet Union, who described to us the inner workings of the Soviet espionage system in the United States. We revealed to the public various "legal espionage" techniques being used by the Soviet Government here in America, such as their raid upon our Patent Office, in which they obtained hundreds of thousands of our military and industrial patents without giving us a single patent in return.

The committee has issued special reports on the American Youth for Democracy, Southern Conference for Human Welfare, and the Civil Rights Congress, in which we unanimously found these organizations to be Communist fronts. We likewise issued a special report entitled "The Communist Party of the United States as an Agent of a Foreign Power."

The voluminous files of our committee on "subversives" in the United States have been open to the Congress and to the intelligence agents of the Federal Government. To give you some idea as to the extent to which these files are used, during the past year 1,567 Federal agents came to our offices for information on un-American individuals and organizations.

In an effort to determine the extent of Communist influences in the important motion picture industry, we conducted hearings both in Los Angeles and in Washington. Over 40 witnesses were heard. By now, I think that most of you are familiar with the 10 Hollywood figures who refused to answer the question: "Are you now or have you ever been a member of the Communist Party?" for which they were cited for con-

tempt by the House of Representatives, and have been indicted by a Federal grand jury and are now awaiting trial.

You may also remember that the committee placed into evidence the date and number of the Communist registration cards of each of these 10 persons. This was supplemented by a detailed report of the Communist and Communist front affiliations over a period of years of most of these individuals. All of them occupied important high salaried positions as writers and directors in Hollywood. As a result of our hearings, the motion picture industry has fired these 10 persons, and has apparently set about to put its house in order, somewhat belatedly, however, I must say, but I wish to serve notice upon the motion picture industry and to advise the public that our investigation of Hollywood is far from over, and in the very near future the records of many more top salaried Hollywood figures will be spotlighted, and well they should, for it is sheer folly to permit the Communists and their fellow travelers to remain in strategic positions in such a powerful medium of propaganda, education and entertainment as the movies which draw over 85,000,000 spectators in the United States each week.

If any of you who listen tonight entertain any doubt as to the strength and influence of the Communists in the United States, you have only to reflect upon the elaborate campaign that was launched against our committee during the Hollywood hearings in an effort to destroy the investigation by any means. I am sorry to say that they were aided and abetted in this ill-fated but powerfully organized venture by certain prominent dupes and innocents in the motion picture industry. They did not succeed, however, and the recent action of the industry and certain recanting individuals in it, speaks louder than words as to the effectiveness of our hearings.

Now I would like to deal with our program for this year. As we all realize, we are rapidly approaching a shown-down with world communism, or the "totalitarian left" as I choose to call it, which is just as great a threat today as was the "totalitarian right" yesterday, exemplified by Nazism and Fascism.

What we do here on the home front to stop the spread of this cancerous growth will have an important effect in other parts of the world. With this in mind, as chairman of the Committee on Un-American Activities, I shall recommend the following program for the coming year:

1. Submit to the House as soon as practicable a series of bills designed to break up the Communist conspiracy in America. To expedite this, I have appointed a subcommittee, headed by my colleague Congressman RICHARD M. NIXON, of California, and I expect that they will begin hearings this month. They will wish to hear from the Attorney General and other Government officials and qualified experts, and, above all, from the people, as to the best means to legislate against the threatening forces of communism. Therefore the thoughts and opinions of the American citizen will be most welcome. We must bear in mind, however, that it is easy to say "Let's outlaw the Communist Party," but to effectively do it is another matter and we must be very cautious that in our actions we do not destroy or impair any of the rights and liberties which we hold so fundamental here in America.

2. Full public hearings on the activities of those in the United States who have organized themselves to spread antiracial and antireligious propaganda. These hearings, I propose, will be conducted by subcommittee which I have appointed, headed by my colleague Congressman JOHN MCDOWELL, of Pennsylvania, and should begin sometime this month.

3. Intensify the committee's present investigation of Communist influences in our educational institutions.

4. Public hearings by the full committee, beginning on March 1, on a number of Communist aliens who are illegally in the United States. Our committee has a complete record on these individuals and will demand their deportation.

5. That early in February hearings before the full committee on the extent of subversive influences seeking to exploit the Negro population of the United States be held. Early last year the committee appointed a Negro investigator to direct this inquiry. His report is now ready to be submitted to the committee and 30 witnesses have been scheduled to appear.

6. That public hearings should also be held on the Communist domination of strategic labor unions which are vital to the national defense of the United States.

7. I shall recommend that a conference be held, composed of delegates from each of the legislative branches of all of the governments of this hemisphere with the idea of working out a hemispheric unity of purpose in legislating against the further spread of communism in this hemisphere, and a mutual exchange of information on this subject between all countries of this hemisphere.

8. That the committee recommend legislation aimed at strengthening the authority of the Government in dealing with espionage activities, the need for which has been demonstrated by the activities of certain foreign agents exposed by the committee during the past year.

9. Resumption of the Hollywood disclosures.

10. That the committee staff prepare for public consumption reports on all Communist-front organizations operating in the United States.

11. That we continue to expose and ferret out those employees in the Federal Government who are identified with communism in the United States.

12. For 6 months the committee investigators have been exploring Communist influences in the field of atomic energy. This investigation is almost complete, and I shall recommend that the full facts be submitted to the Congress as soon as possible.

Let me assure you in closing that we will continue in the future as we have in the past to expose the subversives in America wherever they may be, for never before in the history of our Government has it been so essential that the Congress and the people be informed of the activities of those who seek to destroy our Government, whether they be on the totalitarian right or the totalitarian left.

Alaska Statehood

EXTENSION OF REMARKS

OF

HON. E. L. BARTLETT

DELEGATE FROM ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1948

Mr. BARTLETT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein the following editorial from the December 8, 1947, issue of the Cleveland Plain Dealer on statehood for the Territory of Alaska entitled "The Fiftieth State":

THE FIFTIETH STATE

The Territory of Hawaii, as we have already emphatically asserted, should be admitted to the Union by act of Congress soon after it convenes in its next regular session in January.

Without any protracted delay, after that action is taken, Congress should make Alaska the fiftieth State.

Alaska needs to be a State of the Federal Union in order to realize its vast potentiality for development. But, more than that, this Nation needs Alaska as an integral part of its economy, its political constitution and its defensive strength.

There is no longer any valid reason for maintaining Alaska in the condition of a distant relative from whom it is convenient and profitable to take, but to whom we are too selfish to give. And there is real danger in further delay in admitting Alaska to the Union, for not until the people of Ohio and Michigan and New Mexico regard the people of Alaska as one with the people of the present 48 States will this Nation have the same zealous concern for Alaska's protection as it does for the States that happen to be in a geographic entity.

We most urgently suggest that the Members of Congress, and we want to address especially Ohio's Representatives in the Senate and the House, make it plain that they will give early and sympathetic consideration to the bill for Alaskan statehood. That bill is before the House Committee on Territories. The case for Alaskan statehood, and a powerful case it is, is on the record for every Member of Congress to see.

The bill that would make Alaska a State of the Union ought to be reported out of committee soon after the convention of the regular session of Congress, voted up by the House and passed along to the Senate for action before the session ends.

Alaska, as anyone who knows its people, is well aware, meets the decisive test for statehood, the test of devotion to democratic government. Alaska knows well how to conduct government of the people, by the people, and for the people. It has earned the right to carry on such government in the dignity of and with the prerequisites of statehood.

Only two arguments against statehood for Alaska have been advanced which, we believe, are at all stumbling blocks to the admission of that Territory to the Union.

One is that Alaska hasn't sufficient population (only 90,000) to be a State. As a matter of historic fact, Alaska now has more inhabitants than did 13 States when they were admitted. Moreover, inadequate, obsolete, discriminatory territorial laws, which would be supplanted under a modern State constitution, stand as the greatest obstacle to large, healthy, and steady increase in Alaska's population. Laws of property acquisition and title transfer like those in the present 48 States would alone be enough to result in rapid growth of Alaska's population.

The other major argument used by opponents of Alaskan statehood is that "Alaska is not yet developed enough." It is the set of conditions imposed on Alaska as a territory, a territory in which the people pay all Federal taxes but get little in return except the leavings from the congressional pork barrel that has prevented the development of Alaskan industry, the carefully regulated but not strait-jacketed development of its immense and varied natural resources and the development of its trade with a United States that now appears to Alaskans as an under-sized funnel with a pinched tube ending at Seattle.

Alaska's potentiality for development in the field of agriculture has been criminally neglected, while across the Bering Straits from this Territory vast sums are being poured by a Soviet Government into experimentation that is making Russian land, under climatic conditions similar to those in Alaska, productive land. This state of affairs can be ended only by giving Alaska statehood and devoting to its agriculture the same means and technics that are employed in the agriculturally productive States of the Union as now constituted.

There is no reason, save the unreasoning selfishness of a very few, why two stars should not soon be added to the flag of the United States.

The Real Truth About Liquor

EXTENSION OF REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. RANKIN. Mr. Speaker, under permission granted me to extend my remarks in the RECORD, I am inserting a newspaper clipping entitled "Bible News Flashes," which contains an advertisement on the liquor question that appeared in the Boise Democrat, of Boise, Idaho, more than 60 years ago.

I wish every American could read it in the light of what is going on in this country today.

The matter referred to follows:

THE REAL TRUTH ABOUT LIQUOR

(Transcript by Charles Chester, Topeka, Kans.)

In 1886 James Lawrence conducted a saloon in Boise, Idaho, which he named the "Naked Truth Saloon."

In the issue of February 24, 1886, of the Boise Democrat he ran an advertisement of which the following is a transcript:

"Friends and neighbors, having just opened a commodious shop for the sale of liquid fire, I embrace this opportunity of informing you that I have commenced the business of making drunkards, paupers, and beggars for the sober, industrious, and respectable portion of the community to support.

"I shall deal in family spirits which will incite men to deeds of riot, robbery, and bloodshed, and by so doing, diminish the comfort, augment the expenses and endanger the welfare of the community.

"I will, on short notice, for a small sum, and with great expectations, undertake to prepare victims for the asylums, poor farms, prisons and gallows.

"I will furnish an article that will increase accidents, multiply the number of distressing diseases, and render those who are harmless incurable.

"I will deal in drugs which will deprive some of life, many of reason, most of their property, and all of their peace; which will cause fathers to become fiends, and wives, widows, children to become orphans, and all mendicants.

"I will cause many of the rising generation to grow up in ignorance and prove a burden and a nuisance to the Nation. I will cause mothers to forget their offsprings, and cruelty to take the place of love.

"I will sometimes corrupt the ministers of religion; defile the purity of the church and cause temporal, spiritual, and eternal death; and if any be so impertinent as to ask me why I have the audacity to bring such accumulated misery upon the people, my honest reply is, 'money.' The spirit trade is lucrative and some professing Christians give their cheerful countenance.

"From the United States Government I have purchased the right to demolish the character, destroy the health, and shorten the lives and ruin the souls of those who choose to honor me with their custom.

"I pledge myself to do all that I have promised. Those who wish any of the evils above specified brought upon themselves or their dear friends, are requested to meet me at my bar where I will, for a few cents, furnish them with the certain means of doing so.

"THE NAKED TRUTH SALOON,
"JAMES LAWRENCE, *Proprietor*.
"BOISE, IDAHO."

On Deflating Prices

EXTENSION OF REMARKS
OF
HON. GEORGE W. GILLIE
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. GILLIE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter from Dr. Norman Sweet, which appeared in the Fort Wayne (Ind.) News-Sentinel on January 4, 1948:

ON DEFLATING PRICES

To the EDITOR:

Our cost of living has now reached its peak—66.1 percent above 1939 prewar standard-of-living cost. Now, my suggestive hints for deflation are to have CIO, A. F. of L., UMW heads get together with the United States Chamber of Commerce and AMA heads and all work together unselfishly for America to increase production of commodities on a deflated basis until we have an economic balance established.

This will do away with partisan politics upon our great economic stronghold in 1948 Presidential election.

Let us all become one people, united together—labor and capital, Democrats and Republicans—all 100 percent Americans for democracy. This will do more to show Russia that its scheme to break America's economic back is futile. I dare not hope we are scientifically intelligent, unselfish enough to do this great thing.

However, anyone reading these deflation hints knows we could effect this absolute victory without threat of a third world war and the stabilizing of the UN organization.

However, production must be colossal. No strikes; let wages remain at present levels until deflation standards are effected and be used to continue our high tax rate and additional tax for European economic assistance, which, with great production, can be met without endangering our own domestic economic situation. Stalin then will be given a second economic thrust from all the American people.

This can be done and should be done and at once. Will our boastful labor-union chiefs, business leaders, and political aspirants be big enough to do this? If not, they are too little to hold the top positions of power in America. No exceptions.

NORMAN SWEET.

The President's Message

EXTENSION OF REMARKS
OF
HON. CARTER MANASCO
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. MANASCO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast by George E. Reedy:

The confused welter of comments and interpretations on the President's message to Congress has boiled down to just one point. Mr. Truman has put the Republican Party on a spot, and it's going to be a tough one to get out of.

The message is being studied from every angle by GOP experts in all fields of legislation. But basically they know that most of it can be disregarded. The thing that counts—and the only thing that counts—is his proposal to cut taxes.

Leading Republicans have already assailed it as a demagogic proposal, meant only to draw votes from the left. Whether they are right, however, is beside the point. It is definitely a program that will appeal to large masses of voters.

The philosophy of soaking the rich and giving to the poor has always been popular in America. The New Deal rode to power on such a program and managed to stay in office for practically 15 years. There's no getting away from it. It is liked.

Republicans have already produced figures to show that the President's proposal would give less tax relief than their own proposal. Furthermore, they are on record as twice trying to cut taxes during the last regular session of Congress.

The President is now in a strong strategic position. There is no doubt that the Republicans will pass their own tax bill. But Mr. Truman, on the basis of his message to Congress, can snap back with a strong veto.

He can point to his own proposal which would have cut taxes in the low brackets and plastered them on corporations. From a political standpoint this is an appeal that will be hard to resist or explain.

Of course, there are obvious inconsistencies in this whole approach. Mr. Truman asks that business be taxed even more heavily than it is now. At the same time he recommends that businessmen be encouraged to expand their production.

The two ideas cannot very well be said to go together. But the one sticks out of his message like an automobile headlight on a dark night. The other is lost in the shuffle and is not very apt to strike home in the minds of the average American.

Whatever else may be said, there can be no doubt that the President is getting very astute political advice these days. The tax proposal was worthy of the late Franklin D. Roosevelt in the days when he kept Congress in continual jitters.

To pass it is out of the question in a Republican-controlled Congress. Not to pass it is to give the President an opening for a bitter attack on his opponents. It should not be forgotten that in 1948 the President is also a candidate for office.

The Republicans have no choice except to hurl every conceivable argument at the proposal and hope they can convince the country that they are right. It is not a very pleasant prospect, but there is simply nothing else to do.

The effects of the President's message will not be immediately apparent. He has merely laid the groundwork for the battles that are

to come later in the year. From the standpoint of political strategy it is a solid groundwork.

Of course, much can happen in the next few months. The changing tides of election-year controversy may alter the situation overnight. But no one can dodge the fact that the President has scored heavily in the opening round.

Radio Address to the People of My District

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address delivered by me over Station WNBF on January 3, 1948:

Dear friends of the Triple Cities and my congressional district, it is my sincere wish that all of you in our most patriotic section of America enjoy a happier, more fortunate new year than you did in 1947.

For my part, I am glad we are turning over a new leaf. We can start fresh and forget about some of the mistakes during the months just ended.

Regardless of the doldrums we went through the recent past, the future must always look bright and promising. We must not have it any other way. To my way of thinking, 1948 will be a year of great issues and conquests on the domestic front, which, if won, will mean a grand, exotic life for the people of the United States.

Of course, to win these conquests, we must be prepared to exercise patience, fortitude, and charity instead of selfishness and greed.

The powerful and the prosperous must be satisfied to take less profit, if we are to be successful.

The rich and the consequential must be willing to divide up their material wealth among the hungry and the needy.

They must follow the direction of the Lord when he said to the rich young man, who wanted to follow him:

"Give up thy worldly treasures and render them to the poor."

The ambitious and the smart will reach their goals more speedily in 1948 if they consent to think of their fellow men before they take from the downtrodden.

We could arrive at the millennium within one short year if men were disposed to look upon their brothers with love and tolerance.

We could attain a paradise on earth if everyone, not just the few who now do, would carry out the principles of the Golden Rule.

Yes, our families, our friends, our neighbors, yes, even our enemies and ourselves would profit by putting into practice the simple exhortation, "Do unto others, as you would like to have them do unto you."

You and I cannot command the rest of the world to do these things, but we can appeal to them to follow the examples we might set. If we do our part, I believe the rest will come around.

There is no choice in today's world, but to do the best we know how. Nations are in distress, they are once again at each others' throats. We must try to keep the peace if it is humanly possible.

As for America, I believe we must work the hardest on her. I hate to see events at hand which promise to undermine and weaken the greatest Nation under the sun. I dread a continuance of the ruthlessness and selfish decorum I have seen all around me since the struggle for permanent peace began.

During the war, it seemed that nearly everybody thrust aside thought of self and rushed to preserve their country. I wish we could work half as hard today to preserve this land as we did then.

So I say that 1948 will see a battleground upon which the forces of greed will be challenged by those patriots who really want to save America.

If these patriots succeed in beating back our enemies, this form of government will prevail. We will continue to enjoy the highest standard of living on earth. We will keep on living safely with our neighbors and will honor them as they will honor us without thought of what race or religious group any of us belongs to.

If patriotism is triumphant over subversive elements, our citizens will not be torn by strife or civil conflict. They will be protected by the Bill of Rights and the Constitution which guarantee life, liberty, and the pursuit of happiness to all.

We have the choice now to take the road to ruin or the path to glory. We cannot keep going, however, in the direction we have lately unless we meet with disaster.

In view of the seriousness of our present plight, the hunger and want which inflation will bring about, the dangers now evident to our domestic front because of high prices, I want to appeal here and now for united action to remedy the economic ills now besetting us.

Yes, 1948 will be a crucial year, but we can make it the best yet for this Nation. We can resolve to eliminate the dangers by stamping out all evil practices which a few are pursuing at the expense of the great majority.

As your representative, as one in whom you have had faith and confidence for many years, I feel it my duty to disclose to you my intentions for the new year. The following is a set of resolutions for 1948 which I expect to try to carry out to the best of my ability. I realize I will have plenty of opposition from a selfish and powerful few just as I always have had, but I promise you I will fight on, no matter how great the odds, to keep these resolutions.

Therefore, I do hereby resolve:

1. To continue my agitation in Congress for an immediate end to the terrific prices you are now being forced to pay for the necessities of life.

2. To use whatever influence and power are at my command to battle the greatest curse the American people are facing, namely, inflation.

3. To wage war against the hypocrites and the scoundrels who have flaunted and are still sabotaging my efforts in behalf of our veterans and their loved ones.

4. To keep on fighting for the older folks, now dependent upon somebody else, or upon public charity, so they can enjoy reasonable pensions and annuities in their declining years.

5. To continue the struggle for a national bonus for veterans of World War II in line with the loan guaranty in the GI bill of rights for which I voted.

6. To introduce at the earliest possible moment a bill providing for payment of pensions to veterans of World War I, who have for the past few years been shoved aside and not considered as they deserve to be.

7. To fight to protect the workers of the Triple Cities and America against exploitation whether it comes from employer or labor agitator.

8. To help the farmer preserve his family-size farm which has made America agriculture great and is feeding not only America but the whole world.

9. To do my utmost to save our Constitution, our country, and the people of the United States from the viciousness, deception, and odious designs of our enemies who would overthrow and demolish the Government of our great land.

What Are War Industries?

EXTENSION OF REMARKS
OF
HON. LINDLEY BECKWORTH
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. BECKWORTH. Mr. Speaker, under leave to extend my remarks, I include in the CONGRESSIONAL RECORD a letter I have received from the Honorable James Forrestal:

THE SECRETARY OF DEFENSE,
Washington, January 6, 1948.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: Reference is made to your letter of December 17, 1947.

War industries include those which produce small arms and ammunition, specific war chemicals and gases, magnesium, primary aluminum and alumina for the purpose of producing aluminum, radioactive materials, hydrogen peroxide above 50 percent in strength, and beryllium.

Those peaceful German industries which will be allowed to develop freely within the limits of resources available include furniture and woodwork; ceramics; bicycles; flat glass, bottle and domestic glass; and potash.

Sincerely yours,

JAMES FORRESTAL.

Cooperative Associations

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. TEAGUE. Mr. Speaker, congressional committees are giving considerable attention to changes believed to be needed in Federal laws governing operations of cooperative associations. I have received many letters from people expressing opinions both pro and con on this matter which reflect serious thought and consideration.

Under leave to extend my remarks in the RECORD, I wish to include the following report by Mr. W. Bassett Orr, president, Bryan Feed & Seed Co., Inc., Bryan, Tex.:

SOME SIGNIFICANT CHANGES NEEDED IN FEDERAL LAWS GOVERNING OPERATIONS OF COOPERATIVE ASSOCIATIONS

(By W. Bassett Orr, president, Bryan Feed & Seed Co., Inc., Bryan, Tex.)

As a preliminary statement I want it clearly understood that I am unalterably in favor of our democratic way of life, and I believe that free trade and free enterprise are necessary

basic factors in our social and economic life in the United States, if we are to continue as a democracy. I would not for one minute agree to the conditions of any measure that would preclude any group of citizens of this Nation, whether they be farmers or others, from associating themselves together voluntarily in an effort to improve their mutual social and economic conditions so long as the action of such an organized group is not assisted or accelerated by law or subsidy in achieving the desired goal at the expense of some other citizen or group of citizens.

It is my belief that any organized group of citizens engaged in carrying on any legitimate business should be chartered by the State or Federal Government, thereby entitling them to receive all the benefits provided by law and generally accorded to any other similar group or organization engaged in carrying on a like activity. I believe further that any organization receiving protection or benefits through a charter issued by the State or Federal Government should be required to assume the corresponding responsibilities and liabilities that are necessary and justifiably in keeping with the benefits and protections granted in the charter by the Government. Inasmuch as existing laws afford various kinds of protection and immunity to stockholders in business corporations, so should the Government provide the same protection to stockholders or members of any organized and chartered cooperative group. In return for these federally granted favors, cooperatives, as well as their individual members, should be required to bear certain responsibilities that are in keeping with the favors granted them. I am opposed, generally, to any measure or practice that results in the granting of special privileges by the Federal Government to any person or group of persons, if the same privileges cannot be granted to any or all other citizens.

Most States and the Government of the United States now have laws that provide for granting of charters to organized groups of farmers engaged in business activities pertinent to the production of new agricultural wealth in the form of the products they raise. Generally these laws were adequate and reasonable when they were passed, and in actual practice usually they imposed no inequities on other persons or organizations. The beneficiaries of these laws were real farmers who made their livelihood from the land and associated themselves together for the purposes of shipping, transporting, handling, and marketing their agricultural products, or for the purchasing of supplies necessary in the production of these agricultural products. Such cooperative associations transacted most of their business with members and all savings or profits earned through the efforts of the association itself were passed back to the individual members as dividends. These associations were properly known as nonprofit associations because actually they did not retain the profits in the association as such. Even after Federal income taxes became such a large cost factor in business generally, these farmer-owned nonprofit associations were granted Federal income-tax exemptions, because it was assumed that the individual members of such an association would show on their individual income-tax returns the savings or profits received from the association income and thus the profits from such organized business activities would make their proportionate contribution to Federal income taxes through the tax return of the individual farmers.

Along with the many changes and complications which have arisen in recent years in the business life of individuals and corporations, so have many changes arisen with respect to the objectives of cooperative associations and in their operating practices, as well as in the make-up of the membership itself. It is with respect to these changed conditions that the revision of the present laws governing cooperatives is desirable. An example of some of these changed conditions is seen in an effort to understand the complex definition that must be given to the term "farmer." A few years ago any sixth-grade school child could explain the meaning of the word "farmer," but now the term "farmer" in its broadest meaning has become so complicated and the occupation of farming has been so invaded by people from the professional fields that the term "farmer" now is almost undefinable. One generally accepted definition of a farmer would include a millionaire New York businessman who owns a farm in the heart of a Texas oil field, and who carries on his farming operations merely as a hobby. Under existing laws governing the operations of cooperatives this farmer is entitled to the benefits originally intended for persons who actually produce agricultural products through their own efforts and who depend on this production for their economic livelihood. Pioneers in the development of the cooperative movement and the laws that subsequently were passed to further the movement carefully provided that all cooperatives receiving benefits under State and Federal statutes should be owned and controlled by the farmers themselves. Under the present conditions it is not uncommon to find the directorate of a chartered cooperative association comprised of such professional people as doctors, merchants, bankers, and even employees of State or Federal Governments. Oftentimes such professional people own farms on which they "lose" a considerable portion of their incomes in the form of operating expenses. They thus avoid the payment of income taxes justly due the Government. These professional people are not the only owners of rural property who have taken advantage of privileges granted under cooperative laws to avoid the just payment of income taxes. The theory that the payment of income taxes on profits realized through a cooperative is double taxation, when such income items are reflected again in the farmer member's personal income tax returns, loses much of its persuasiveness when one realizes that in recent years actual farmers have become expert at keeping their farm accounts in such a manner as to show as repairs or operating expenses many items of cost that in fact represent capital investments in permanent improvements. These conditions arise because of loopholes in existing laws, and represent losses in tax revenue to the Government and in turn result in increasing unfairly the tax burden on other citizens who may not be in a position to take advantage of such evasions. Such inequities should be corrected through revision of those laws governing the operations of farmer cooperative associations.

Many of the great leaders in the development of the cooperative movement in America saw in it the vehicle to be used in successfully combating the development of great monopolistic organizations. It was not expected that farmer cooperatives themselves might combine and themselves be guilty of becoming monopolistic in their operations. Yet, today, some of our largest monopolies operate under the powers granted by the Federal Government to cooperative associations. Oftentimes in such cases the operations of these giant organizations are so far removed from the individual farmer member that he has little or no real or personal interest in them.

These large cooperatives usually are run by a paid manager who, theoretically at least, takes orders on matters of policy from a board of directors. In practice, the professional manager often becomes a dictator in his own right and exercises the utmost control over the directors and ultimately the members. Usually these managers are well educated and well trained in business methods and are clever, capable, ambitious men who covet a successful name for themselves, and naturally desire to increase the reward from their efforts. It is to their best interests to enlarge the associations' operations and to expand its physical properties. Our present cooperative laws provide a splendid opportunity for this sort of growth and development by permitting a cooperative to issue, for all practical purposes, an unlimited amount of preferred stock as dividends to its members in lieu of cash dividends. This practice enables the cooperative association to retain in the business its earnings to be used for capital expenditures or other purposes and at the same time receive exemption from the payment of Federal income taxes on these earnings. This practice might not be so inequitable except for the fact that individual members of the association who receive these preferred stock dividends are not required to list such dividends on their personal income-tax returns. This is due to the fact that preferred stock of cooperative associations is merely a promise to pay at some unspecified time a certain amount of money, if and when the association is financially able to do so and provided further that the board of directors in their discretion decide that such payment shall be made. It is not difficult to understand that preferred stock of a cooperative that issues an unlimited amount of stock certificates without any regard to the true value of the stock and with no examination by the Securities Exchange Commission or even the stockholders themselves, usually is worthless paper, and should not be considered as income in the personal income-tax return of the holder of such stock. By the same reasoning, however, it is difficult to see the justice in permitting a cooperative association to retain in its treasury its earnings, income tax free, under the guise that it has been paid back to its members in the form of preferred stock.

In summary, let me emphasize that there is a need for the revision of our State and Federal laws governing cooperative association to the end that:

The language and phraseology of laws governing cooperative associations be changed so as to no longer require that members and directors of cooperatives be farmers but that any person meeting the full requirements for citizenship in the United States be eligible to membership in a cooperative and permitted to serve as a director when duly elected by the members.

The Congress of the United States should take the initiative in designating a term such as "profits," "savings," or some other suitable one, that for the purpose of fixing income-tax assessments under Federal laws shall represent the difference between income and expenses of a cooperative association.

The Congress of the United States should enact laws that require cooperative associations operating under a charter granted by the Government to pay the same taxes as are exacted from any other person, firm, or corporation engaged in a like or similar business activity.

Cooperative associations operating under a charter granted by State or Federal Government and issuing preferred stock as dividends in lieu of monetary returns should be limited in the amount of preferred stock issued to an amount in keeping with a fixed ratio of such stock to the net worth of the cooperative, and the practice of such cooperative associations with respect to issuance of preferred stock should be subject to review by the Securities and Exchange Commission, or the directors of the cooperative association should be required by law to make a report to the United States Treasury annually setting forth the names of the recipients of preferred stock and the respective amounts of stock issued. The Federal Government should amend the present income tax laws

so that it becomes mandatory that anyone receiving preferred stock dividends from a cooperative association whose operations provide for its issuing an unlimited amount of stock and not subject to review by the Securities and Exchange Commission shall list for income tax purposes such preferred stock certificates as income on their personal income tax returns.

Federal laws should be enacted that will provide for the Attorney General or some other proper Federal agency to investigate charges of monopolistic tendencies and practices on the part of cooperative associations and to provide suitable penalties for violation of antitrust laws, in case such penalties are not already provided for in existing statutes to the end that monopolies among cooperatives shall be dealt with and assessed penalties on the same basis as any other monopolistic organization that violates the laws of the land.

These statements outline the most significant changes that are needed at this time in the laws governing cooperative associations in order to correct the inequities now receiving so much attention from cooperative groups and those opposed to cooperatives and the public in general.

The Work of Congress

EXTENSION OF REMARKS
OF
HON. KARL M. LeCOMPTE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. LECOMPTE. Mr. Speaker, as the New Year begins and the second session of the Eightieth Congress convenes Members of Congress would do well to scrutinize with care the work of the first session and appraise its accomplishments. Reading editorials in newspapers and magazines gives us a very fair picture of the view taken of our work by the country as a whole; and in this connection, under leave to extend my remarks, I include a fine editorial entitled "The Work of Congress" that appeared in the January 2, 1948, issue of the Ottumwa (Iowa) Daily Courier:

THE WORK OF CONGRESS

Political party policy is established in two ways—by the platform adopted by the quadriennial national convention and during the intervals between conventions by the records of the party's elected public officials.

Carroll Reece, chairman of the Republican National Committee, points this out in a letter today to 17,500 party officials and leaders throughout the country.

Probably the most important single factor in the determination of Republican success or failure this year will be the record of the Republican Congress.

That Congress made a brilliant record during its first session which convened a year ago. It kept every promise its Members made to the people during the 1946 campaign with the exception of a reduction in withholding and other income taxes. It was prevented from keeping its promise of tax relief by an unprecedented use of the Presidential veto power.

During the special session recently ended, despite handicaps imposed when domestic politics was injected into the European relief emergency, the Republican Congress made a record equally satisfactory to the American people.

There is no reason to doubt that the record of this Congress during its second regular session, which convenes January 6, will be in harmony with that established during the first regular and special sessions.

Members of the Republican majorities in the Senate and House have proved that they are fully aware of the responsibilities imposed on them by the fact that they control the most powerful legislative body in the world.

California Antisegregation Bill

EXTENSION OF REMARKS
OF
HON. HARRY R. SHEPPARD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. SHEPPARD. Mr. Speaker and Members of the Congress, it gives me pleasure to present for printing in the CONGRESSIONAL RECORD an editorial by Mr. Eugene Nogueras, publisher, El Sol, a Spanish-language weekly printed in San Bernardino, Calif. This editorial received national recognition and award by the Common Council for American Unity. It follows:

With the signing of the antisegregation bill, Gov. Earl Warren has let the rest of the Nation know—especially those States where an FEPC is not operating—that public schools are truly public schools and not centers for the exclusive use of this or that group of citizens.

The act of the government as symbolized by Governor Warren brings to light the fact that something had to be done to correct constitutional abuses to citizens and residents that in the past, and up to this very moment, were and are segregated by reason of their nationality or their country of birth. The fact is that in our so-called civilized State the Mexican-American children are sent to special schools in their own neighborhoods commonly designated as "Mexican schools." How stupid to refer to a public school in California as a "Mexican school" when it should be of common knowledge that Mexican schools are functioning in Mexico.

The acceptance by Governor Warren of legislation concerning this vital problem indicates that the so-called dominant group have at last come to understand that the correct way of learning to live in a truly democratic society is by demonstrating to our children—our youth—that the act of being born is a mere incident, not punishable by the degradation of one citizen as against another. It is in the schools where customs and social habits are formed. It is in such places in civilized nations where one should start learning to respect the dignity of man. Perhaps when the future society accepts the desired ways in a nonsegregated school it shall understand that, also, in the social and the economic aspects men shall be appreciated by their moral, social, and intellectual contributions to that society and not as of today by appearances, that is the bark, the epidermis.

If my brother is unworthy and sins against society, my brother should be punished according to his acts, but if my brother is a decent individual, a respected and respectable citizen, it is criminal to abuse him because he is my brother and not a member of the privileged class that believes itself endowed with the power to direct and dominate our lives. He who punishes another man only because he believes that he has been differently conceived is a fool that has not learned that man is born not of his own choosing.

Governor Warren has only commenced to draw the first lines of the beautiful picture of true democracy with the signing of the bill that will eliminate segregated schools in California. May his example be emulated by other States of the Union where still is being practiced the archaic system of castes in our public schools.

Why Not European Bonds?

EXTENSION OF REMARKS
OF
HON. ALVIN F. WEICHEL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. WEICHEL. Mr. Speaker, there are always those who are willing to help others but not with their own resources. This is especially true of those who would give away America. However, one's test of charity is giving of his own resources which could be accomplished by the private purchase of bonds. The matter is most timely, and I want to include the following very fine editorial of Spencer Canary, editor, Sentinel-Tribune, Bowling Green, Ohio:

WHY NOT EUROPEAN BONDS?

If Congress finds it economically unwise for the United States to adopt President Truman's plea of financing the Marshall plan for aiding Europe to recover, it might consider letting these countries issue long-time bonds, whose ultimate payment would be guaranteed by the United States.

The President suggests a 4-year program involving an expenditure of $17,000,000,000. The details are so many that it is estimated it would take 2 hours to deliver it at an ordinary speaking rate; and, of course, it will take many more hours for Congress to study and digest it. Congress is likely to refuse to commit America to 4 years of definite appropriations, for its first duty is to our people who elect members as our representatives. What they decide after the first of the year will bind all Americans who live during the period adopted; and their decision will affect future generations.

There are three reasons for our helping to rehabilitate war-torn Europe. These are peace, humanity, and future commercial trade. The first will have the most influence on judgments. If fair prosperity may be restored in Europe, war is less likely to occur; and those countries are certain to be moral forces in denouncing it; and, if it should be forced by Russia, they would be our allies instead of the Soviet's.

The call of humanity is always strong in the American breast and will be a factor.

To restore these countries to self-sufficiency would stimulate world trade. For Americans who export and their employees this prospect will be a stimulating influence for the present; but the specter of competition from these nations, when they shall have recovered, will dampen enthusiasm.

But for our people as a whole it is probable they would consider an investment of seventeen billion as a guarantee against war a reasonable premium to pay for insurance. However, Marshall himself and other leaders do not think his plan would be such insurance. They only think it would likely so to be. But it still would be a gamble.

One of the biggest needs of these countries is American dollars. If they were allowed to float low-interest rate bonds in America partly guaranteed by our Government, in order to get dollars, many Americans would buy them. Any sale of such should be limited

as to the amount to be bought by any single individual so as to spread their purchase over the country; and they should be nonnegotiable for a few years except in case of death so that they might not become a target for speculation and tie up funds needed for our own expansion of industry. It is probable that Americans, swayed by various considerations, would be ready to take their chances on ultimately getting all their money back, if the Government guaranteed half of it.

If you thought you could buy world peace and at the same time help humanity, you would chance losing half of $50 or $100 or much larger amounts, wouldn't you? To raise 17 billions by our 142,000,000 people would take an average of about $120 each or $300 per family.

The issue of such bonds should be limited for each country on the basis of a reasonable expectation that they would be paid by each country issuing them. This reasonable expectation should be a little more liberal than the directors of the International Bank fund are now willing to act upon, for taking a chance of repayment is an essence of the proposal.

However, a country would be less likely to repudiate its bonds of many issues than to try to twist out of paying Uncle Sam a big lump sum.

The bonds should be issued from year to year for the 4 years and a promise to pay through a series of years be made, just as municipal bonds are. They should not all fall due on the same date, as such payments in a lump might cripple a government in the future.

Of course, the United States would have to guard against counterfeiting or issues in excess of the amounts authorized by Congress. This probably would necessitate our Government endorsing and affixing its seal on each bond.

Flotation of the bonds could be through all banks with a small charge for doing so and without compulsion to handle them.

To Promote the Marshall Plan

EXTENSION OF REMARKS
OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1948

Mr. KEATING. Mr. Speaker, friend and foe alike of the European recovery program, as well as the still open-minded, though for differing reasons, have hailed the decision of the administration not to insist that this Congress take the obviously improper step of attempting, futile gesture though it might be, to bind future Congresses to expend a specific amount in dollars over a 4-year period. Such a course would lead almost inevitably to misunderstanding at home and abroad, accompanied by charges of misrepresentation from both quarters. That there is now unanimity in this respect is confirmation of the statements of those who counsel careful study and thoughtful consideration of the devious ramifications of this many-sided problem.

Mr. Walter Lippmann, in an article which, under leave to extend my remarks, is set forth below, has called attention to another decision which should be made before we proceed further. Upon the identity of the top personnel selected to administer foreign aid may depend the decision of some Members whether to support or reject the measure. It is more than a mere detail. It is basic and fundamental. A wise decision on this issue may spell victory or defeat for the entire program. It is altogether fitting, therefore, that we know in advance as much as possible on this important phase of the problem before we are called upon to make a final decision.

Since the program was first proposed I have urged the impropriety, indeed probable illegality, of any attempt to usurp the functions of the Eighty-first and Eighty-second Congresses. I have also favored the general principles of the Herter bill, and share emphatically the views of its author, my distinguished colleague from Massachusetts, that a separate bipartisan agency should not only administer any future programs of overseas assistance, but also should take over at an early date the implementation of our already extensive commitments.

Also, I shall continue to press for the enactment of legislation to require the disclosure by our Government of the identity of each national of recipient countries known to have property or assets in the United States, together with the character, location, and value, if determinable, of such property or assets, to the end that satisfactory arrangements may be made to guarantee that such assets be held by the United States as security against any loans or credits made by this country to the nations to which these foreign nationals owe allegiance.

Upon the outcome of these and like controversial features will, in considerable measure, depend the extent of support accorded to the program itself.

Mr. Lippmann's valuable contribution to our deliberations follows:

TO PROMOTE THE MARSHALL PLAN

(By Walter Lippmann)

The agreement between Mr. VANDENBERG and Mr. Lovett to delete the total figure of 17 billions is the first of several practical steps that need to be taken before the Marshall plan will be ready for general debate in Congress. It was a necessary first step. For there was no point in asking Congress to accept a figure which is at best only an educated guess as to what may be needed for a period of more than 4 years.

The naming of the figure in the authorization bill would not have meant that Congress was committed to appropriate that sum, and no European government would have been justified in regarding the figure as an American commitment which it could count upon and take for granted in its calculations. But the American public and the European public would have been misled; they would not have understood easily why Congress named the definite figure 17 billions in a law if that huge sum of money was not in fact promised and made available.

A second step which might now be taken is the negotiation of an agreement on the agency which is to administer the European recovery program. In fact, there is much to be said for separating the bill which creates the agency from the bill which contains the authorization of money and defines the standards which are to govern the use of it. If this were done, the bill for the agency could be reported to Congress and passed before the debates on the program itself began.

There are many practical advantages in this procedure. The greatest perhaps is that Congress and the people would know quickly who was actually going to handle the money and the whole complicated operation. If they have confidence in the men who are to operate the program, they will have much greater confidence in the figures.

For these men, selected by agreement among the leaders of Congress and the administration, will have to be men of eminence and experience. The fact that these men, who will be bearing the responsibility, vouch for the figures will be a better test of the soundness of the figures than any amount of prolonged, abstruse, and abstract statistical calculation. Most of the Congressmen who have to vote will be in the position of a man who wishes to invest his savings prudently and profitably. In deciding where to invest he cannot really make up his mind by studying the financial prospectuses. He makes up his mind by looking at the names and records of the directors and managers of the corporation.

Moreover, in this way an agreement on the agency should be easier to reach. There are some abstract differences in principle between the State Department plan, the Herter plan, the Bureau of the Budget plan, and one or two other plans that will be proposed. But there is no point in debating these differences in the abstract, no point in getting into a wrangle about the blueprints of the organization. Once there is the basic agreement on the men who are to administer the business, the heat will go out of the argument about principles. The men will obviously have to be men who are trusted by the President, by Secretary Marshall, and by Congress. It will be these men, not the blueprints of organization, who will see to it that the program is consistent with our foreign policy and with the intent of Congress.

By giving priority to the agency the congressional committees will be doing what Congress, in its vote for the interim-aid bill, has already suggested. Section 14 of that law says that "the functions, applicable records, and funds provided for the purpose of carrying out this act shall be transferred to the administration of any organization for general foreign aid which Congress may provide."

The interim-aid bill provided funds which were to be used up by March 31. No one thought when that bill was passed, and few think now, that the general foreign-aid program will have been adopted and the funds appropriated by March 31.

Therefore, it is a fair conclusion that Congress contemplated the creation of a new administrative organization for foreign aid early in this session.

There are other advantages to be gained by creating that agency first, and as soon as agreement can be reached on the form of organization and the men who are to be appointed. One is that Congress can then demonstrate concretely its general approval of the idea, and yet not commit itself to the substance of the program until it has had a full opportunity to debate it. This will have a salutary effect in Europe at a time when the strain of the winter and the tensions created by the debates here will be serious.

The enactment of a short bill and the naming of the men will prove at once not only in London, Paris, and Rome, but in Moscow, Prague, and Warsaw that Congress, while it means to deliberate and is no rubber stamp for the administration, does in fact mean business.

Stalin will understand it. For Stalin, we may recall, refused to believe that the British and Americans really meant to invade the continent until Roosevelt and Churchill had appointed a supreme commander. If in a few weeks' time Congress creates the agency for the Marshall plan, everyone will understand that there is going to be a Marshall plan, however much delay there may be over the details of the program.

Another great advantage to be gained is that the European countries will have no further reason for delay in creating a European organization to police the commitments they made at Paris. The Marshall plan requires European cooperation, and no more time should be lost in organizing that cooperation. The European countries by acting together while Congress is discussing the program will be showing that the program is in fact what it professes to be.

Our people will be much more disposed to contribute the large sums which the plan calls for if they are convinced that they are contributing to the unification of Europe. They will not take kindly to this whole project if they are left with the impression that all there is to the plan is 16 separate shopping lists put together in one envelope.

Therefore, it is imperative that the European countries, led by Britain and France, act as soon as possible to prove that they are in fact cooperating. They will have no excuse for not acting promptly if Congress adopts quickly a law to create the American agency.

Bill Introduced To Give Reserve Components of the Armed Forces the Same Privileges as Regular Personnel

EXTENSION OF REMARKS
OF
HON. GEORGE A. SMATHERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. SMATHERS. Mr. Speaker, I have today introduced a bill which if passed by the Congress will, I think, do much to help preserve our country and its democratic institutions. Twelve million young men were actively engaged in the last war. Each one of them was trained to do one or more jobs as a part of a fighting unit. The Government of the United States expended much time and tremendous sums of money in training them. Many of those 12,000,000 men were in combat with the enemy. Those who survived gained an experience that is an invaluable one—one which cannot be bought nor taught.

Now that the ambitions and true intentions of the leaders of the Soviet Union and the Communist governments have been unmasked for all the world to see, we know that they constitute a threat to the United States and the peace of the world. Prudence demands we prepare to defend ourselves militarily as well as politically. In view of that fact is it not logical that we should avail ourselves of the experience and training of those 12,000,000 veterans who comprised our defense in the recent world war? An attempt to utilize them has been made through the various Reserve programs. However, none of those Reserve programs has thus far been successful, and the principal obstacle has been this: Veterans in the Reserve who went on training for less than 30 days were not granted the protection in event of injury that has been given to enlisted and officer personnel of the Regular Army, Navy, Air Forces, Marine Corps, and Coast Guard. Airplanes, machine guns, grenades, and all weapons of warfare are dangerous instrumentalities. They maim and kill just as easily whether Congress has declared war or not. Consequently most of the veterans have been reluctant to join Reserve organizations and subject themselves to the hazards of training without adequate protection for either themselves or their families.

To overcome this obstacle I have introduced this bill which provides in substance that all officer and enlisted personnel of the Reserve components of the Army, Navy, Air Forces, Marine Corps, and Coast Guard, including the National Guard, who might suffer death or disability in line of duty from an injury received while performing active-duty training, with or without pay, shall be entitled to receive the same benefits, compensations, retirement pay, and commissary and post-exchange privileges as are now provided for Regular officers and enlisted men of the armed services.

There is much talk in the Congress about the universal military-training bill. It has been estimated that if it becomes law it will cost the Government over $2,000,000,000 annually and take 14 months to organize and get under way. Thereafter, it will take considerable time to train the new men in the ways of warfare. Universal military training is therefore still a long way away.

In my opinion, it is the height of folly to waste the great reservoir of experience and training which we now have at hand in the form of veterans of World Wars I and II. It is a case of "not seeing the forest because of the trees." Undoubtedly, in the event of conflict it would be these veterans who would be the instructors and leaders of the young men proposed to be trained under the universal military-training program. Should not then all veterans be given every encouragement to immediately join up in the various Reserve organizations of the branches of our armed forces? This bill, I think, will go a long way in providing that inducement for them and thereby immediately strengthen our national defense at minimum expense. It is my hope that the Members of Congress who talk so much about national defense will join in pushing this bill through the Congress.

The President's Message

EXTENSION OF REMARKS
OF
HON. ROBERT N. McGARVEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. McGARVEY. Mr. Speaker, if President Truman can fulfill all the campaign promises made in his state of the Union address and still balance the budget—and it is incredible that he would propose a program without believing that it could be made effective—Congress should adjourn immediately after passing a resolution vesting the President with all legislative and administrative powers and go home to campaign for the 1948 elections. A great deal of time and hard work will be needed to defeat the man who can accomplish the things which Mr. Truman evidently thinks can be done without plunging the Nation into bankruptcy.

The Role of Government in Management-Labor Relations

EXTENSION OF REMARKS
OF
HON. ELBERT D. THOMAS
OF UTAH
IN THE SENATE OF THE UNITED STATES
Friday, January 9, 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD the opening address which I delivered at the round-table discussion on the subject The Role of Government in Management-Labor Relations, at the session of the annual meeting of the American Political Science Association held at the Statler Hotel, Washington, D. C., December 29, 1947.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE ROLE OF GOVERNMENT IN MANAGEMENT-LABOR RELATIONS

(The opening address delivered by Senator ELBERT D. THOMAS, Democrat, of Utah, at the round-table discussion on the subject The Role of Government in Management-Labor Relations at the session of the annual meeting of the American Political Science Association, held at the Statler Hotel, Washington, D. C., December 29, 1947 at 2 p. m. Those participating in the round table with Senator THOMAS were Miss Frances Perkins, member of the United States Civil Service Commission; Senator JOSEPH H. BALL, Republican, of Minnesota; Mr. Cyrus Ching, Director of Conciliation of the United States Conciliation Service; Dr. Paul F. Douglas, professor of political science of the University of Chicago; and Dr. Dexter Keezer. Dr. William M. Leiserson, former member of the National Labor Relations Board, acted as chairman.)

I have no desire to continue the months of debate that we passed through in the last few years, at this Round Table. My aim is merely to present the fundamentals behind the stand I have taken in those debates.

A guaranty of labor technique or management technique in law will not make for industrial peace. The acme of decent industry-labor relations in the United States, and the one on which all industry-labor relations should rest, came out of the pledge agreed upon unanimously by both labor and management at the Industry-Labor Conference held in Washington in 1941. Those representatives pledged:

1. There shall be no strikes or lock-outs.
2. All disputes shall be settled by peaceful means.
3. The President shall set up a proper board to handle disputes.

We fell from this high plane of achievement through congressional action, by (1) the Smith-Connally Act; (2) the Portal-to-Portal-Pay Act; and (3) the Taft-Hartley Act. Also, it should never be forgotten that even before the above-mentioned agreement was reached, the industry-labor conference was attacked on the floor of the Senate. While the attack was partisan, it was, nevertheless, encouraged by those elements in our country who do not want to see industry-labor

peace. The President was charged with having no authority for calling the conference. Then too, no sooner was the War Labor Board set up and started functioning than its decisions, following the good American habit, became precedents for other decisions and argument on the basis of standing on decisions turned the War Labor Board into an institution of law.

My conception of the meaning of liberty in our industry-labor relations may seem very trite. But to me there can be no liberty without respect for others. There can be no freedom without respect for the public welfare. There are no rights unless those rights are linked with duties and responsibilities. No better definition can be given for liberty and for freedom, in a political sense or in a labor-management sense, than the one expressed so often by Jefferson—that one can be free to do only so long as that which he does does not interfere with another. There are no absolutes in freedom.

We have had about 50 years in the development of the freeman in industry under Supreme Court definition and the expansion of legal rights in the growth and development of those definitions. Before that time man's right to seek freedom through organization was interpreted in law as conspiracy. It was in a Utah case where man's freedom in the modern industrial sense had its start. There had been a great disaster in one of our coal mines and scores of men lost their lives. This made our people thoughtful about conditions under which those men worked. The whole country had passed through troubles of the depression of the nineties, the labor troubles incident to that depression, and the political reactions to both. At that time there dawned in the minds of certain men that tired miners, overworked miners, were a menace to their fellows, and, therefore, to society. The 8-hour law in the mines was the result.

However, there was the sordid aspect to this great reform. The workingman was charged with advantage taking and the industry was charged with attempting to exploit and overwork laborers. But the idealist accepted the thesis I have advanced, and when the law was challenged in the courts the opposers to the law also took the idealistic approach. Suit was brought in the name of one of the miners who said he had a right to work as long as he wanted to work, that depriving him of working 12 hours a day was a destruction of his liberty and an infringement of freedom of contract. Strange as it may seem, but nevertheless it was true, and it occurred a few months before Mr. Dooley made his profound pronouncement that he did not know whether the Constitution followed the flag or not, but he was sure the Supreme Court followed the election returns. The Court denied that there was any freedom for the employee because it said the "proprietors lay down the rules and the laborers are practically constrained to obey them." (*Holden* v. *Hardy* (169 U. S. 363, 397).)

This case is important in at least three ways. First, the State stepped in showing a public interest. Second, the court denied that there was any freedom for the worker under the condition he had to work because the employer prescribed the condition and he had to submit. Therefore, there was no freedom of contract because the employer had the absolute right to hire and fire. And third, it showed definitely that if the individual employee was to enjoy any freedom he must gain it alining himself with other employees in the seeking, by united action, of a right for all to work at the pleasure of all as expressed by the majority of the group.

Note how a later interpreter of our law in the Supreme Court followed this reasoning. In sustaining the constitutionality of the National Labor Relations Act, the Supreme Court said, "a single employee was helpless in dealing with an employer; * * * that union was essential to give laborers opportunity to deal on an equality with their employer." (*National Labor Relations Board* v. *Jones and Laughlin Steel Corporation* (301 U. S. 1, 33).) Thus, as a new freedom was born through the act of the Utah Legislature and the decision of the Supreme Court just before the turn of the century, so it was confirmed by the Supreme Court of the United States in the middle of the last decade and the theory of liberty in industry-labor relations, as then defined, had its birth. The Supreme Court sustained the new theory of collective bargaining and for 10 years it became the recognized practice of our land.

Another development had taken place. Federal rights in the field of labor had become recognized and the old dictum that manufacturing, mining, and agriculture were of purely local concern ceased to hold. A definition of the public's welfare today in our industry-labor relations is as broad as our Constitution itself. Industry and labor as they affect commerce in the United States must seek their rights under the theory that those rights are of common or national concern.

The theory accepted in the Utah case, that, for the good of the State, the hours of miners' work per day could be limited, has expanded into the theory of the Fair Labor Standards Act. Upon three decisions of the Supreme Court, the one dealing with the Utah case, the National Labor Relations Act, and the Wages and Hours Act, the law of the last 10 years has rested.

The constant agitation on the part of those who have fought labor on the score that labor organizations denied men their freedom of action are using freedom only as a cloak to cover their attempts to destroy freedom and liberty for the working men and women of America. There were attempts to extend the Selective Service Act to force labor to work against its will. There were attempts to use service in the Army for punitive purposes. There were attempts to force the laborer to stay on the job, work where he was told to work. And there were attempts to draft certain fields of labor. But all of these failed, failed primarily because the American people in their judgment and in their thinking saw that, while the State had the inherent right to call men to service in the defense of their country, a right which was developed in law from a mathematical theory that the whole is greater than any of its parts, the State must maintain proper limitations on that right. Therefore, this theory should not be made to apply and the State restrained itself from becoming completely totalitarian and refused to move into the fields of industry and labor.

In the development of freedom and liberty for the laborer, the state built its theory upon the political concept that the majority shall rule. It turned its back upon the notion that liberty and freedom are absolute. The rights of the minority are maintained by a concept of common consent and a recognition of the notion that the minority must be protected. Thus, politically speaking, the genius of the American Government rests not so much upon the fact that the majority rule, as it does upon the fact that the minority shall be respected. The minority maintains its respect, its right, and its freedom by recognizing the right of the majority rather than eternally contesting it. Thus industry and labor both have liberty and freedom only so far as they are willing to submit to the will of the majority in the protection of and the working out of that liberty and freedom.

To assume that there is such a thing as an absolute right to strike would likely destroy all decent relationships between employees and industry, and probably would result in the destruction of the basic elements which hold society itself together. No law can provide any right at all unless it is linked up with certain duties and responsibilities.

American democracy, American freedom, and American liberty all center in a single concept—individualism with a social conscience and a sense of responsibility. When American democracy works and reaches its conclusions, it is understood by all that that which is done is done by common consent for the public good.

My concern is that by the whittling away of certain broad rights gained and principles laid down labor will lose its fundamental freedom and liberty. That, to me, is the evil behind one of the last Supreme Court decisions (*James F. Morris* v. *Wm. R. McComb*, No. 7, October 1947), the passage of the Taft-Hartley Act, and the amendments to the Fair Labor Standards Act, the passage of the portal-to-portal amendments. Labor's losses cannot be estimated at this time because a whittling of any foundation stone is not apparent at first, but let that which has been started in the last 2 years continue, and the great gains made for labor in the last 10 years will be nullified. I do not want to be accused of striking at the motives of anyone. Excesses and abuses generally follow in the wake of any new governmental habit. But those excesses and abuses should be corrected in such a way that the correction shall not retard or break down the liberties and freedoms gained.

Altgeld Centenary Banquet

EXTENSION OF REMARKS

OF

HON. SCOTT W. LUCAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Friday, January 9, 1948

Mr. LUCAS. Mr. President, on December 30, 1947, there was held in the city of Chicago a memorial meeting of representative citizens honoring the one hundredth anniversary of the birth of Peter Altgeld, one of the most forward-looking and progressive Governor Illinois or any other State of the Union has produced. A very memorable and extraordinarily illuminating address was delivered on that occasion by His Eminence Samuel Cardinal Stritch, of Chicago. I ask unanimous consent that the address be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Archbishop Spalding, at the Altgeld memorial meeting, held on April 20, 1902, said: "In assembling to honor the memory of Governor Altgeld, to profess our faith in his personal worth, and to value what he has said and done, we honor ourselves, for there is no better proof of noble nature than appreciativeness of noble men." This evening we are gathered publicly to pay tribute to the name of Altgeld, because we are convinced that the struggle for what is right and good, even though success is not apparent, is the way of genuine progress. We honor those who labor and suffer for justice's sake, who are strong enough unselfishly to strive to make our democracy more and more real, because there is in us the conviction that

man is capable of achieving what is noble and good and is not hopelessly enchained by passion and pride and the weakness of shameful compromise. The defeatist who has no faith in the best that is in man, the trafficker in human weaknesses, the exploiter who plunders his fellowmen for ugly greed—such men would not be comfortable at this gathering. We are idealists, who dare to dream dreams of a better day, and we are sturdy realists who are willing to try to make these dreams come true. If we admire the noble in Altgeld, it is because we love the noble and are brave enough to seek it. Altgeld is not a museum piece from the pages of our history; his spirit calls to us and lives in us.

The man that we honor tonight was in everything, above all else, a true American. Born in Europe, he came here as a boy and from boyhood loved with an almost romantic love our sublime political ideals. He had very little formal education. The university in which he learned and grew was American life, with its hopes and its constant pioneering to expand western culture. A farmer boy, a soldier, a lawyer, a successful businessman, and a public servant, he was never a scholar, but his keen direct mind did cull from his opportunities and experience wisdom, the wisdom which creates personal greatness. Our country was growing and expanding in his times. The pioneer was not engaged so much in taming the wilderness as in trying to make democracy work as it grew. Altgeld did not have the paralyzing illusion that with the ratification of the Constitution, American ideals suddenly became a full reality. He understood that genuine democracy is a living thing, which constantly must struggle in changing environments and grow and expand. As changes come in our society, there come problems, which must be faced and solved in the light of our fundamental democratic principles. At such times there always will be some who will try in narrowness of mind to lead us away from our fundamental principles and some who will try to interpret them for selfish or group advantages and not for the common good. The hardest thing in our democracy is to plumb its depths and discover how to fit into it a right solution of problems which come with changes in society. It may be said that Altgeld's memory is cherished and honored because he was able to see in the sound principles of genuine democracy a real solution for the problems of his generation.

It was his lot to live at a time when our industry was still in the pioneering stage. Strong men were building our great factories, our businesses, and our system of transportation. Cities were growing. Our population was increasing, particularly by the addition of waves of immigrants, who had come to our shores to find happiness in our free institutions. New problems of human relations in our democracy had appeared. Everybody wanted to solve these problems in an American way. Unfortunately, there was the danger of an industrial feudalism. Some insisted so strongly on the inviolability of the individual, imbedded in our fundamental law, that public good in their minds was identified with an economic condition in which there would be barons and serfs. This was not a deliberate thought in them, but something which grew out of the confusion which had come in trying to Americanize large industry. Others there were who in sheer ignorance of our tradition saw a solution of the problem in the importation of Marxian and revolutionary doctrines. There were contradictions in the minds of many, which endangered the very preservation of our political ideals. The great masses of people longed only to be American freemen. They needed a voice, a voice which would tell them at once the danger of feudalism and the sorry aberrations of un-American revolutionaries. This voice had to point out that safe within our Constitution there was a right way of solving the problems and enriching our political inheritance. Altgeld was that voice. Despite the bitter accusations heaped on him by some of his contemporaries, he had no sympathy with the revolutionaries. He was distinctly a figure in the American culture. He envisioned harmony in our economic life, in which all would remember the high social function of production and work and would unselfishly seek the common good. If at times he was the defender of the weak and the victims of injustice, he never forgot the high social function of the economically strong. He was not a perfect man. In his choice of means to power, he was at times very weak. He was not always right, but particularly when he reached the maturity of his powers, his honesty and sincerity made him really a great man. When he championed seemingly lost causes, he was at his best, and then he revealed a humility and unselfishness and high disinterestedness which we cherish in the memory of him. In his speeches and addresses there is a charming fervidness and a logic which, were it not for his personal appearance and defects in education, might have made him a great orator. The fact in his life which stands out is that he always sought an American solution of American problems. We must not measure his worth by the success which crowned his efforts. In many things he saw clearer and further than his generation. We honor him because in public life he was a noble man, a great American.

In our own day, we face great changes. Something like the beginning of a new era, with the disappearance of an old one, is taking place about us. Problems and problems challenge us. Our great work is to find a solution of these problems without the surrender of our democratic inheritance, and in our day to widen the reaches of our free institutions and enrich the political inheritance of future generations. There are those who will not recognize the changes, or, recognizing them, think that the solution of them is to be found in turning back the pages of history. And there are those who insult us by daring to offer us a new political philosophy. Deep down in our American tradition it is written that government is for the prosperity of all in the common weal. We recognize that there are rights which are above and beyond the rights given in our human law, rights with which the Creator endowed man. These rights are imbedded in a law which the Creator gave, a law which speaks of justice and charity. We cannot be great defenders of our American tradition unless we recognize that immutable law of the Creator—the moral law. Religion must inspire us and help us to understand that the greatness of our country must not be found in mere material things, but in the greatness of its citizens. We need great men, men in whom the noble is refulgent, men who are strong enough to prize virtue above goods, men who are clear-minded enough to think out the solution of our problems in the enrichment of our own American tradition, men who do not forget our past and yet courageously face the changes of the present, men who unselfishly, even at the cost of failure, work for the common good, for a better and greater American democracy. We are honoring the name and the memory of Altgeld, because we want our country to be great in the virtue and fortitude and clear-headedness of its leaders and citizens.

Why Do We Stay in New England?

EXTENSION OF REMARKS
OF
HON. HENRY CABOT LODGE, JR.
OF MASSACHUSETTS
IN THE SENATE OF THE UNITED STATES
Friday, January 9, 1948

Mr. LODGE. Mr. President, in a recent issue of the Boston Herald there were printed excerpts from an address by Mr. Edward Weeks, the editor of the Atlantic Monthly. He set forth in a specific and interesting fashion the many advantages of life in New England, and mentioned by name a number of prominent citizens of New England who had achieved great success in life. I ask unanimous consent that the article be printed in the appendix of the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

WHY DO WE STAY IN NEW ENGLAND?—EDWARD WEEKS GIVES HIS ANSWER

(Excerpts from the talk by Edward Weeks, editor of the Atlantic Monthly, at the Advertising Club of Boston luncheon yesterday)

This fall I did some traveling in October. During the 29 days I was on the jump, I delivered 22 lectures and handled many a question period. But when you return home, no one seems to attach quite as much importance to your words, no one seems to listen to you with the same rapt attention, not even your wife. This results in deflation, and in this low period a man is apt to ask himself—why am I here in New England anyway? And why do I stay?

REDISCOVERS CHARM

The dismay—it is simply a puncture of vanity—lasts about 48 hours. Then you begin to rediscover Boston. You begin with fundamentals. You find that Boston appeals to you because this is where your wife lives. Well, you go down to your office, like Admiral Byrd to the Antarctic, through a frozen landscape. But inside your office nothing is frozen; it is warm, loyal, with an unpretentious air of integrity. There are none of the nervous jitters of New York, nor the annual turnover of personnel; we haven't the tension nor the iron smile of Detroit; what we work with here is neither the burly suspicion of the Middle West nor the glad hand of California. Of course, we don't earn the salaries of Hollywood. We live by something else.

When I go to a Boston restaurant, Malatesta's, Joseph's, or Locke Ober's, I go to enjoy the company and the meal. I know I shall be treated as a friend of the house. I shall not be expected to gape at those who are already there at tables near the entrance. If they are sitting at better tables than I get, my reasoning will be that I should have got there earlier, had I some deep interest in the location of my table. I am not going there hoping to see the Prince of Monaco in disguise or the fifth and newest wife of some well-to-do and famous souse. Neither am I likely to be mistaken by my fellow diners for the public relations man who is getting himself on page one in the latest congressional whoop-te-do.

I walk to work of a morning through the prettiest public park in North America; even if I were riding the Cambridge subway I should not need shin guards and a crash helmet. Within 30 miles of Boston are the

sea, the deep woods, and the open country; wild deer, the otter, the striper, trout, and ducks unlimited; the Gloucester wharves, the Marblehead fleet, Chestnut Street in Salem, Walden Pond, and Hugo's lobsters, Ipswich clams—and plenty of Bisodol. Within 10 miles of the statehouse is the best orchestra in the world; the best hospitals for young or old; the great trees planted by Charles Sargent; the hospitality of Beacon Hill; the eagerness of our great public schools, and the leadership of our great universities.

Men from all over the country prefer to make their bid here—Luckman and Robert Frost, Pinanski and Mullins and Marquand, Tom Pappas and Conant and Compton; Bradley Dewey and Charles Francis Adams, and Mike Kelleher, Lloyd Brace, Rabbi Liebman and you and myself.

Why in New England? Because here, accessible to Europe, with an open hand to Canada, here we stand, as a lighthouse to an anxious continent. "Let your light so shine before men," so runs the ancient saying, "that they may see your good works. * * *" In the light of tomorrow we of New England have to balance our thinking against the motors, the ore, the oil of the wealthier States.

FUTURE IS GREAT

New England has been in the business for going on 400 years, and in that time it has learned to live by the long view. It has populated the West with its younger sons, its capital, and now its industries. But I submit that it has retained a very vigorous heart-beat here at home.

Consider for a moment that $6,000,000,000 question which will be decided in Washington in the immediate future. Shall there be civilian or military control of atomic energy? That is part of the question, and behind it is a greater decision; can we develop atomic energy for peacetime use by private industry with the people as the ultimate beneficiary?

The Nation goes slow on an undertaking as big as that, and during the period of transition, while the research goes forward—I mean the research at MIT and the Harvard labs; while the first benefits find their way into medicine—I mean at the MGH, at the Children's, at the Faulkner, at the Peter Bent Brigham Hospital; while the financial readjustments which may affect every phase of our national life are worked out by our great banks—the First National and the Shawmut—and our insurance companies—the John Hancock and the New England Mutual—keep in mind the words of our most conservative Yankee philosopher, the man who wouldn't leave the White House until he had found that other rubber. "Have faith in Massachusetts."

The National Science Foundation

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Friday, January 9, 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address on the subject The National Science Foundation, which I delivered before Pi Gamma Mu, national social-science fraternity, at one of the sessions of the annual meeting of the American Political Science Association, at the Hotel Statler, Washington, D. C., December 30, 1947.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A few years ago, in the extremity of war, there was created on a bare stretch of land in Utah County of my home State, a steel plant more modern than any in Pennsylvania or Alabama, and affectionately known by those who have spent their lives in the industry as the steel maker's dream.

Inside, it was obvious that the steel maker, when he dreams pleasantly, envisages the reduction of fabulous-sized ingots to thin, smooth plates as a consequence of methodic button pressing. It was a technological marvel to watch the man in his great, roving, overhead cage and to witness his industrial exploits without benefit of tools. Relatively there were few men at work. One could speculate on the number of labor gangs it would have required to pound the hot, dense, converted iron blocks into industrial submission. These men who were there, and who did participate, were past masters of a rather complicated process. Their catlike manipulations were abundant testimony to the product of the engineer's unconfused thinking.

It was wartime; the fact that such a plant would cost millions and millions of dollars was of no consequence. The only question was whether we could produce—and we did. Man had found a way to let machinery do his work abundantly.

Such a fine plant was erected dozens of years before it might have been, and I use the borrowed phrase advisedly, in the course of human events.

In other areas men and women of science meanwhile produced other monsters of engineering, some Frankenstein in their potentialities, some not, in a necessary struggle for national life or death.

Everything done was dictated by science and directed by scientific formulae.

Edison, Morse, Bell, Fulton, Franklin, the Wrights, Baldwin—their words were joined with hard studies of those who understood them. Certainly Tennessee Valley Authorities, and Boulder Dam, and Geneva Steel plants may be erected if a nation has science and money.

During the war, while admitting it could throw flame so many feet for so many seconds with its most modern announced device, the Service actually had a flamethrower with a range several times as long, and with longer burning power. It had the incomparable Norden bomb sight. It had a fantastic floating harbor, and it created the "big inch" pipe line and the "red ball" highway. We heard scattered comments about the Bailey bridge long after it had been in use. Portable ground-strips created air fields on partly imaginary land. "Ducks," "water buffaloes" and other inorganic amphibians took to land or water with like relish. Stories of the *Seraph* and other underwater craft replace the standard sagas of the surface sea.

Science was on the loose. The inventor who could not therefore get someone to back him found that if he could get past the National Inventors Council he could have spent on his gadget more money than he could ever see in a pile.

Our enemies were not idle either. Japan was being unscientific when she failed to recognize her secret telegraph code as probably broken, its details within our knowledge so that we could cover her next chessman before it was played, and, too, in many ways her people were more imitative than inventive, yet Japan did well because of her background of dozen of years of consistent technological advance. As for Germany, except for a costly 2-year's withdrawal of public support for research, and except for throwing out of her borders outstanding Jewish scientists, Germany was scientifically superb during most of the war and, had she been able to produce her V-bombs and other articles which military men invariably call "new stuff," might have turned its conclusion in her favor.

And, of course, everyone stimulates his imagination each to its utmost when we consider the atom bomb.

Science—why even the earth tenements of the Pueblo Indians were applied science. Irrigation as practiced on the Nile was the most beautiful scientific application in agricultural history, or at least many of my own neighbors so believe. The seven wonders of the world include the scientific with the natural. Fire, wool, the use of cow's milk—all were scientific discoveries of a marvelous hour. Science has no known alpha. We are not a hundredth of the way to the omega.

Nor shall we, as a nation, come close to real scientific development unless we now take unusual and abundant steps to encourage the development of science and scientists. If we turn men and women back into the darkness and groping of their own initiative we are lost.

In an unorganized community all men are adversaries at the drop of an insult or the birth of a whim. The last frontier now remaining is, curiously enough, the whole world itself, whose simple frontier assets are the United Nations organization, scattered treaties, and some precepts in international law. Roughly speaking, except for these fragments of world unity, we as a Nation are on our own resources and have no more idea how we are going to fare next decade than had some little country of an earlier era, in stark wonderment of Napoleon's next move.

In this state of affairs we have no choice but to be scientifically as nearly perfect as American ingenuity can provide and money can buy such perfection. That we have active competition on a grand scale is a statement almost too obvious to make.

Moreover, looking at the subject from the standpoint of uniformity of education, it must be recalled that the dean of an outstanding college declared recently that in comparison with the student of agriculture, the student engineer had felt frustrated for 35 years because of the numerous and substantial benefits in favor of the former.

Scholarships for scientists provide, of course, the greater essence of the so-called science bill, or bills, rather. The encouragement of the schoolroom and laboratory, without the growing fear of paying the landlord and meeting the grocer for the common necessaries of life, may spell the difference between the United States as a great and proud nation and a second-rate, groveling and perhaps occupied land area. The dean's complaint today registers as the wishful expression of a quiet thinker. Unanswered, the deficiency will gather tongues to sound into Washington as a great sullen roar. Your scientist does not work 30 hours without food in cheap and bare lodgings as in the success stories of a different age. The houses of magic, such as we have and such as they are, have replaced the garret and the starvation diet. To the extent that they are supposed to serve, they are effective. Indeed, the industrial laboratory of a corporation frequently meets the highest expectation of its owners; new and profitable discoveries; inventions and refinements, for the good of the stockholders—with no objection, of course, to a contribution to public welfare, comfort, and progress, as an incident, if it is a source of convenience and profit to the corporation. It is a mistake to regard worthwhile commercial adaptations as general public assets. It is wrong to consider factory technology as a guaranty of national security.

Knowing these premises, and especially interested during the repeated worry over battle outcomes, many Members of Congress and many dozens of scientists, besides the President of the United States, have been organizing their wits and endeavoring to prove their opinions in order to create a National Science Foundation. Great strides were made during the Seventy-ninth Congress, when divergent interests, divergent ideas, and even diverse and divergent committees were got together and held together through the American process of give and take. At that time I was chairman of the then Military Affairs Committee of the Senate. As such I sponsored the final hearings, in which were merged the interests of all Senate committees having shares of interest in the subject matter. The coup was successful to the point of the Senate's agreeing upon a bill.

We were on the march.

In 1947, in spite of the renascence of the committees under the Reorganization Act and in spite of the further reorganization of both Houses owing to the political change, Congress went a step further. When I say that I introduced S. 525, I do so in all modesty, for S. 525 was about as original as the Ten Commandments would be if I were to publish them in the form of a bill. S. 525 was an accumulation of knowledge upon the subject.

In the same way a variation of S. 525 appeared as S. 526 under the sponsorship of Senator H. ALEXANDER SMITH, of New Jersey, and associates. Senator SMITH'S bill was another and certainly not opposite reflection of the accumulated knowledge upon the subject. This time the subject matter was—and is—before the Committee on Labor and Public Welfare, and as I had been chairman of this committee under its old name, and now am its ranking minority member, I feel at home having this legislation where it now is and should be under the groupings offered by the Reorganization Act.

Our committee agreed on features of the Smith bill and the Thomas bill. We reported the compromise onto the calendar as S. 526, the number of Senator SMITH'S bill; and both Senator SMITH and I, and no one else, personally reported the bill and personally signed the report.

Out of this—for want of a better word I shall call nucleus—was molded a bill on which both the House and Senate could and did agree, a bill which went to the President for signature which was not forthcoming for reasons given in a veto message which I shall not attempt to analyze except at some official time and place such as in committee, on the floor of the Senate, or in conference. Suffice it to say that there are those who believe his objections could be overcome by the simple expedient—if Congress is willing—to make the foundation's chief officer more nearly responsible to the President. There are likewise those who believed his message was even more—they call it ominous—far reaching. The President went to the White House from the Senate. In this there should be hope and faith for an understanding of what can be done, practically, toward further overhauling, and wherein the limits of possibility may lie. At any rate to enact a bill which can pass the Senate and House and still be attractive to the Executive is our problem. We shall have undertaken its solution manfully after January 1, 1948.

Very little of the bill would appear to be moot. There seems to be no question but that the final product will provide for medical, mathematical, physical, and engineering research and development, the furtherance of the bilogical sciences, provision for consideration of scientific personnel and education, and the very strong and very greatly emphasized consideration of national defense. These subjects are appropriately arranged into five working divisions, concerning the constitution of which, so far as they go at least, there should be no further controversy.

We may, so far as I can determine, confidently expect that the act as finally passed will authorize the Foundation to: "(1) formulate, develop, and establish a national policy for the promotion of basic research and education in the sciences; (2) initiate and support basic research in the mathematical, physical, medical, biological, engineering, and other sciences, by making contracts or other arrangements—including grants, loans, and other forms of assistance—for the conduct of such basic scientific research; (3) initiate and support scientific research in connection with matters relating to the national defenses by making contracts or other arrangements—including grants, loans, and other forms of assistance—for the conduct of such scientific research; (4) grant scholarships and graduate fellowships in the mathematical, physical, medical, biological, engineering, and other sciences; (5) foster the interchange of scientific information among scientists in the United States and foreign countries; (6) correlate the Foundation's scientific research programs with those undertaken by individuals and by public and private research groups; and (7) establish (a) a special commission on cancer research, (b) a special commission on heart and intravascular diseases, (c) a special commission on poliomyelitis and other degenerative diseases, and (d) such other special commissions as the Foundation may from time to time deem necessary for the purposes of this act."

In carrying out the foregoing an objective of the Foundation is to "strengthen fundamental research and education in the sciences, including the independent research by individuals throughout the United States, including its Territories and possessions, and to avoid undue concentration of such research and education."

It would seem that any residue would and will contain the scholarship and fellowship provision, most likely in the language of the most recently current bill, as follows:

"SCHOLARSHIPS AND GRADUATE FELLOWSHIPS; REGISTER OF SCIENTIFIC PERSONNEL

"SEC. 10. (a) The Foundation is authorized to award, within the limits of funds made available pursuant to section 14, scholarships and graduate fellowships for scientific study or scientific work in the mathematical, physical, medical, biological, engineering, and other sciences at accredited nonprofit American or foreign institutions of higher education, selected by the recipient of such aid, for such periods as the Foundation may determine. Persons shall be selected for such scholarships and fellowships from among citizens of the United States, and such selections shall be made solely on the basis of ability; but in any case in which two or more applicants for scholarships or fellowships, as the case may be, are deemed by the Foundation to be possessed of equal ability and there are not sufficient scholarships or fellowships, as the case may be, available to grant one to each of such applicants, the Foundation shall award the available scholarship or scholarships or fellowship or fellowships to the applicants in such manner as will tend to result in a wide distribution of scholarships and fellowships among the States, Territories, possessions, and the District of Columbia.

"(b) The Foundation shall maintain a register of scientific and technical personnel and in other ways provide a central clearing house for information covering all scientific and technical personnel in the United States and its Territories and possessions. No individual shall be listed in such register without his consent."

Without detailing the patent provisions, let me say that they were submitted to the most microscopic scrutiny, and if and when a bill is passed and signed we may be assured that the patent features in such an act will include substantial encouragement to private discovery and invention, the complete protection of inventor's rights and property interests, enrichment of the Government's own store of science, and, in the public welfare, a greater abundance of public patents and rights, and security of information for our Nation's safety.

It should be stated, or, rather, restated for emphasis, that in the discussion about the veto nothing is intended to imply a negative, reluctant, or captious attitude on the part of the executive branch toward science legislation. It is, of course, a matter of record that the President exercised a considerable degree of leadership in his message to Congress on the subject.

If I have stressed the legislative background perhaps it is because it has been as a legislator that I have lived with the subject and with its aims and ideals through a number of years and have been most active in bringing the Foundation so near to fruition.

I would not willfully withhold full appreciation of the work of others. The efforts of Senators KILGORE, MAGNUSON, and FULBRIGHT certainly might be said at least by these gentlemen to have eclipsed my poor efforts. The House has been active. Scientists themselves have in a creditible manner explored our common problem, and generously they have offered us their solutions. I dare not begin a roster of credit. It would be a long roll; a single omission of a worth-while name would be a mistake of the utmost gravity.

Our abiding hope is in the capacity of men of good will for compromise and the achievement of a unity of purpose.

Henry A. Wallace

EXTENSION OF REMARKS

OF

HON. ALBEN W. BARKLEY

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Friday, January 9, 1948

Mr. BARKLEY. Mr. President, on December 31, 1947, and January 2, 3, and 5, 1948, there appeared in the Washington Daily News and various other newspapers throughout the country articles by Mrs. Franklin D. Roosevelt pertaining to the candidacy of Hon. Henry A. Wallace for President of the United States. I ask unanimous consent that the articles may be printed in the Appendix in the order in which they appeared in the newspapers, that each article be captioned as it is captioned in the newspaper, and that the date of each article be shown.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Daily News of December 31, 1947]

HENRY WALLACE HAS ALWAYS BEEN POLITICALLY INEPT

(By Eleanor Roosevelt)

HYDE PARK, Tuesday.—So Henry Wallace is really going to head a third party and run for President in 1948. What strange things the desire to be President makes men do.

He has probably forgotten, but I remember his coming to see me in the summer of 1945 in Washington. At that time, I felt very strongly that it would be good for the country if Henry Wallace, whom we all believed in and admired, would leave active politics

and become the leader of the independents of the country. Their vote had increased greatly in the years between 1929 and 1945, but they needed leadership and organization.

They were neither Republicans nor Democrats. They were primarily interested in getting the kind of leadership which would keep them free of economic depressions. And they wanted to continue what had been a peaceful but steady revolutionary movement which had given us, over the years, a greater number of people in the middle-income brackets and fewer people in the millionaire group or in the substandard-income groups.

This had been accomplished in smaller countries like Norway, Sweden, and Denmark, but it was a little more complicated in a country the size of ours and had to come more gradually.

I felt that out of politics Henry Wallace could do a tremendously valuable piece of work to keep both of our political parties on their toes; to make both of them less prone to act for purely political reasons; to make both of them realize that to win any election this independent, liberal vote was essential and must be courted by deeds, not words.

At that time, Henry Wallace told me he believed it was his duty to stay and work in the Democratic Party. I knew then, as I know now, that he was doing what he thought was right. But he never has been a good politician, he never has been able to gauge public opinion, and he never has picked his advisers wisely.

All of these things might have been less important if he had been a disinterested, nonpolitical leader of liberal thought, but as a leader of a third party he will accomplish nothing. He will merely destroy the very things he wishes to achieve. I am sorry that he has listened to people as inept politically as he is himself.

[From the Washington Daily News of January 2, 1948]

WALLACE'S APPROACH LIKE CHAMBERLAIN'S WITH HERR HITLER

(By Eleanor Roosevelt)

HYDE PARK, Thursday.—I read with great care Henry A. Wallace's speech in Chicago Monday. Affirmatively, he stands for "a positive peace program of abundance and security, not scarcity and war. We can prevent depression and war if we only organize for peace in the same comprehensive way we organize for war."

There is no country in the world where the people would not agree they wished to organize for peace and abundance and security. But in this speech Mr. Wallace oversimplified the problems that face us today. If he were in office today and responsible for our policies, he would understand how much more complicated it is actually to carry the responsibility, to try to get at what is the truth of any situation and then convince people of many diverse backgrounds and political beliefs that certain methods will achieve the results which you succeed in making them believe are desirable to achieve.

To begin with, let us take the political situation which a third party faces. No one in this country wants a third party as much as the Communists do. All over the world they are working for confusion because that is the way to create economic chaos and political weakness, and this is their one hope of defeating democracy in the world and proving that communism is the only thing people can turn to.

The American Communists will be the nucleus of Mr. Wallace's third party. I know all the old arguments in favor of working with people who want the same objectives as you do. But I have worked rather more steadily and closely with the representatives of the U. S. S. R. than has Mr. Wallace. I like all those I know and I hope that we can get on with them in a peaceful world, but I know that our only approach is an economic approach.

They do not understand many of the things which we consider essential and they will not until their economy reaches a much higher standard than it has yet reached or will reach for some time. They understand strength, not weakness, and they say many things they know are not true because they think they can make others believe they are true.

We did not oblige the Soviets by any action of ours to take over Estonia, Latvia, and Lithuania, or to attack Finland. Therefore, when Mr. Wallace assumes that by changing certain of our policies until we resemble Mr. Chamberlain, hat in hand, approaching Hitler, we will have the results which he calls "peace and abundance." I am afraid he is doing more wishful thinking than realistic facing of facts.

A totalitarian government, whether it is Fascist or Communist, has certain earmarks. Secret police rule is one of them. Another is benefits to the people, but no freedom. We live, in fact, in a much more complicated world than Mr. Wallace seems to understand, and the issues are so important that tomorrow I will continue my discussion further.

[From the Washington Daily News of January 3, 1948]

WALLACE WOULDN'T BE SO COCKSURE IF HE WERE PRESIDENT

(By Eleanor Roosevelt)

HYDE PARK, Friday.—Henry Wallace says he is in favor of helping Greece and he believes in the humanitarian side of the Marshall plan, but that he would turn the aid program over to the United Nations and that aid should be given without consideration of political beliefs, on a basis of need, with the only strings attached being that nothing be used for preparation for war.

Let's look at that program. Most of the aid for Europe has to come from us or through arrangements which we make with other nations. We have no means for inspection. How would we know that none of the aid we sent was used for war preparation?

We have offered a perfectly fair system for control of atomic energy by the UN and for inspection of all the nations under that plan. The people who have stymied it right along are the Russians. Mr. Wallace would say that is because they know we have the bombs. They also know quite well that we have offered to give them to the UN under the control plan. I do not think we have always been wise or tactful in our approach to the government of the Union of Soviet Socialist Republics, but basically we have been the ones to make the constructive offers and they have been the ones to refuse.

Mr. Wallace's objection, of course, to the present support we are giving Greece is that Great Britain returned the King to Greece with the kind of government Great Britain wanted. Possibly the people were not anxious for that type of government, but the people have had plenty of time and opportunity to express themselves since then, and have done so. Neither Great Britain nor the United States has such great military power in Greece that the Greeks are under any compulsion to have a government of which they do not approve.

The "government" established recently by the guerillas is led by a known Communist. Certainly the Greeks have a right to ask for help in remaining a democratic state, and certainly the steady progress of the U. S. S. R.'s political influence over every state which they have taken over shows that they have every intention of spreading communism wherever they can. Are we to be so naive as to believe that, with such a program well under way, a few gentle words from us will change the U. S. S. R.'s policy?

Foreign Minister Molotov's statement that we had refused at the London conference to allow Germany to rehabilitate itself industrially because we were afraid of Germany becoming a competitor may seem laughable to us, but it is proof of the type of thing that Russian representatives say, knowing full well they are not telling the truth. We feel that Germany should be helped to rebuild along peaceful lines, but we do not want to risk having the military group again take over control.

The U. S. S. R. knows that as well as we do, but she thinks it sounds well to the people of Germany and of Europe to announce that we are retarding Germany recovery out of fear of economic competition.

Oh, Mr. Wallace, if you were President, you would not have such pat sentences to offer us. You would find it far harder to act constructively than you suggest in your speeches.

[From the Washington Daily News of January 5, 1948]

CONCLUSION—WALLACE HAS DONE COUNTRY AND WORLD A DISSERVICE

(By Eleanor Roosevelt)

HYDE PARK, Sunday.—One of the main things that Henry Wallace attacks, namely, universal military training, will come up in the new session of Congress.

Purely military universal service has never been much to my liking, but at the present time I think it is probably one of the most important gestures we can make to convince the U. S. S. R that we mean to remain strong in a military way until some settlement is made within the United Nations which will make it possible for the U. N. to be strong enough to hold even a big nation in check.

Then I would agree that disarmament was justified and much to be desired. Yet I am not sure that even then I would not approve of 1 year of universal service for boys and girls alike. The military part of it I would cut, but I would keep the discipline. I would make it a point to stress physical development and health, and then make the service consist of work of value to the community and the country. And I would tie it in, where possible, with the individual's preparation for his life work.

For years people have searched for a way in which to give the same sense of responsibility and selfless devotion to their country which is called out in time of war. This year of service might well be the substitute that has been looked for. We need to start our lives as citizens with a sense of responsibility to the community.

Later we will be called upon within our communities to do many services and perhaps we will enter fields of public service, but a first year of work for the Nation may well be the first intimation to many youngsters that they have obligations as well as privileges because of their citizenship in a democracy.

I think there is plenty of room in this country for us to fight to improve our democracy. I am frank to say that I was deeply troubled when I read of the machinery to be used by the Loyalty Review Board. We are far from having achieved the rights, and I can understand why Mr. Wallace wants to fight for some changes which are long overdue and without which we cannot feel that if we have a true democracy.

If, in organizing a third party, Mr. Wallace has in mind simply forcing the Democrats to make better nominations and then throwing his third-party strength to those candidates, he may, of course, have a few successes. In addition, if he hopes to force the Democratic candidate for President to come out for more liberal policies, after which he, Mr. Wallace, would bow himself out of the picture, he may have some success there too. But there is no assurance that this is what he intends to do, nor that he will succeed in doing it.

In the last analysis, he may simply make it possible for the Republicans to nominate a complete reactionary and still win. He may find his party repudiated by all liberal Congressmen who will feel that they are being tagged with communism. If he thinks that a complete reactionary 4 years will bring us a saner 4 years afterward, I am afraid he will find that is not the way the pendulum usually swings. Great reaction brings chaos and confusion afterward.

I do not think we have the time to go through reaction to the right and then to the left. It would take too long to reach a normal middle-of-the-road period. We might survive, but the rest of the world would not—and so my conclusion is that Mr. Wallace has done both his own country and the world a great disservice.

Get Together on the Budget

EXTENSION OF REMARKS
OF
HON. HENRY CABOT LODGE, JR.
OF MASSACHUSETTS
IN THE SENATE OF THE UNITED STATES
Friday, January 9, 1948

Mr. LODGE. Mr. President, I ask unanimous consent to have published in the Appendix of the RECORD an editorial entitled "Get Together on the Budget," published in the Worcester (Mass.) Telegram of December 31, 1947.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GET TOGETHER ON THE BUDGET

The open season on the Federal budget will soon be here again. It is obvious, even to those uninitiated in the intricacies of Federal finance, that income-tax reductions can only be in direct ratio to the amount actually pruned off the list of Government expenses. To bring about a veto-proof tax-reduction program, it must be the Republican responsibility to cut down Government expenses wherever they can be saved without impairing the national safety. In January the budget trimmers must again go to work. Tax cuts may remain a mirage unless Government expenses are reduced much more than they have been so far.

Senator MILLIKIN, Colorado Republican, apparently seeking Republican agreement on budget slashes, has suggested that the Comptroller General be given power to frame a budget for Congress. The Comptroller General is the traditional watchdog over the Treasury. Under the 1946 Congressional Reorganization Act, Congress is given the responsibility of working out a budget of its own for the Government. The experience of Congress showed, however, the need for effective congressional agreement on what should, or should not, be cut. Such agreement can come about, of course, only by having more information available to Congress.

When Congress convened in January 1947 the Republicans were in control for the first time since 1932. They had made campaign promises to cut expenses and to reduce taxes. They tried to do both. The Republican-controlled Joint Committee on the Budget voted almost at once to chop off $6,000,000,000 from Mr. Truman's $37,500,000,000 budget requests. No sooner was this goal announced than cries of anguish—some justified and some not justified—began to be heard from this department and that department. Some Republican Congressmen joined with the Democrats in resisting cuts for pet departments or services. For instance, the Department of Agriculture was cut some 28 percent, but under protests—many of them from western Senators and Congressmen—several million dollars were restored to its allowance. Representatives from the service establishments all fought, of course, against budget cuts in their departments. Even so, substantial savings were achieved.

A job remains to be done, however. The Truman expenses are still running about four times those of the Roosevelt administration in its peacetime years. With an election year, there may be an unfortunate tendency to play politics with the budget, and to defer savings. In mid-December, for instance, a group of House Republicans who cut funds for western reclamation projects early in 1947 now not only want those cuts restored, but want increased appropriations. It was last May that Governor Warren, of California, said the reclamation cuts might hurt the Republican Party in the West. Both parties will feel the political pressures from now until next November. They may soft-pedal efforts to make any sizeable cut in the Federal pay roll, now running about 2,000,000 persons, as compared to Roosevelt's 887,000 in 1939.

The people want a reduced budget—and reduced taxes. A year ago the Republicans made a beginning to prune those expenses. Considering the fact they had been out of office so long, they did a good job. They should continue that job, however, without falling prey to bloc pressures.

Be a Leader: They're Needed

EXTENSION OF REMARKS
OF
HON. ARTHUR CAPPER
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Friday, January 9, 1948

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an able editorial written by Hon. W. D. Jamieson, who was a Member of the Congress from the Eighth District of Iowa 23 years ago.

Mr. Jamieson now lives in Washington, and publishes an interesting weekly paper called the Window Seat, which contains in its January 7, 1948, issue this timely editorial comment on the need of leadership.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BE A LEADER: THEY'RE NEEDED

I write this mainly with the young people in mind—the oldsters are too set to "Do something about it, and do it now!"

Religious workers say they can get 10 or more child converts with the same work and care it takes to get one adult.

But I do want every reader to ponder this statement I am about to make, think of it time after time, and if you pray, then pray over it—and then act. Here it is:

The world desperately needs leaders! you can be one, no matter who or where you are.

I beg of you to think of this, make up your mind you are going to help, and then be a leader. I mean, be a leader in your own community, be a small leader. Don't try to be an Edison, or a Ford, or a Washington, or a Lincoln, or a Wilson, or a Horace Mann, or a Phillips Brooks, or a Bryan, or a Frances Willard, a founder of the WCTU. No; be a little leader.

However, the little leaders often do wondrous things. I think of Jessie Field, a country school teacher in my home country who got the idea of better home making and better farming. The result was she taught it, and from this came the wonderful 4-H clubs which are helping to remake the United States.

The best way to start is to learn this great Bible verse, John 10:10; then live it:

"I am come that they might have life, and that they might have it more abundantly."

Having made up your mind you are going to help other folks and help the world, then pick out one or more of the things you know need to be set right, get somebody else to join you, go at it. Bang! You are a leader. And you can't tell what the end may be.

Ten million such leaders will set the United States and the world going right. Form study and other clubs to find the facts, then move to correct: the world's tens of millions hungry and ill, the fuss between Russia and the United States, our own millions of children out of school, too high prices, not enough production, too much party greed in Congress, 10,000,000 children without religious teaching, the church's main weakness of laymen not working at it, the terrible demon of booze, broken homes, Sunday breaking, monopolies, industry-labor troubles, and on and on.

Be a leader. Yes, you. The world is crying to you. Providence will help you.

Side Show

EXTENSION OF REMARKS
OF
HON. ALBERT W. HAWKES
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Friday, January 9, 1948

Mr. HAWKES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Side Show," written by Charles Francis Coe, editor and publisher of the Palm Beach Post-Times, Palm Beach, Fla. This editorial appeared on December 28, 1947.

I wish it were possible to have printed the cartoon which accompanies the editorial, by Enright, likewise entitled "Side Show." This cartoon shows Uncle Sam standing at the crossroads of Constitution Avenue holding the hand of the newborn babe, "1948." Off to the side, with all kinds of noises and sounds to attract the attention of the little fellow, "1948," are such things as Crackpot Alley—buzzards sitting on a sign, No Work—All Play; another sign, Everything for Nothing; another sign, The Great Side Show—Freaks Galore. Mushroom growths of new plans and the 5-year plan with an alarm clock ringing.

The question is, Will Uncle Sam allow the little fellow to be attracted by these crackpot plans, which can never bring anything but sorrow and regret to the American people, or will Uncle Sam properly induce the newborn babe, "1948," to walk straight down Constitution Avenue, which has at the end of it a sign in the words of the great pronouncement, "Government of the people, by the people, for the people, shall not perish from the earth"?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SIDESHOW

A babe enters the world. With all the eager, unfounded hope of the traditional

infant, that which appears before its eyes will attract. 1948. Swaddling clothes. Uncle Sam.

It is a combination upon which the eyes of the world center. It is cynosure. Will the eyes of infancy be capitivated by the sideshow? Or will the indulgent old Uncle see his true course and follow that course? History will tell.

Pandemonium circus is vociferous, as it is always vociferous. The barkers of communism assault the ear. The tinsel of exaggerated promises furnish allure to the uninitiate eye. The teachings of democracy are mingled in the din, even as the gold in the alloy.

The alchemists of the ages are concocting a new brew. Nineteen hundred and forty-eight will know but a brief infancy. That will be turbulent. Its youth will be a series of maladjustments in frenzied efforts to avert calamity. Its middle age will be laden with travail. Its deathbed will glow with the lights of triumph, or be obliterated in the depths of night.

Every man who thinks, agrees that these things are so. We have found none unaware of the seemingly insoluble problems ahead. Economically, we balance on the wire stretched taut between prices and wages. Here and abroad. That is not an emotional element. We balance under the umbrella of inflation. A change in the wind of so much as 10 degrees, can imperil the whole structure.

If 1948 takes the wrong road, pandemonium circus will embrace us with all its fraudulent tumult. If we take the right road, it will be because the consciousness of these United States will have roused itself in time.

If the babe drags Uncle Sam onto the byway of illusion, then chaos will engulf civilization. If Uncle Sam guides the babe into the sanctuary of the Constitution, the consecration of devoted citizenship, the proven ground of our way of life, then chaos will be averted.

We have no hesitancy in saying that the twelve-month existence of this babe aborning will write the history of mankind for at least a century. In the accompanying cartoon Mr. Enright depicts Uncle Sam gazing at the babe. It would be less cartoon but more wisdom were he gazing along Constitution Avenue. Too many babes have been leading us. We have led too few babes.

The hour has come when the fibers of our philosophy must meet the tests of time and opposition. That, we admit, is easily said. It is another matter to state how these may be met. We suggest, as we have suggested before, a basic plan for Europe. That plan should be patterned on the building loan.

Building loans are not too highly regarded by many financiers. That alone is concession enough on the score of generosity and good faith. If we do that, we have served amiably and nobly the actual needs. As Europe is rebuilt, we should advance funds to carry on the building. The moment the building stops, the advance of funds should cease.

More: That which has thus far been rebuilt should find a lien impressed, payable to Uncle Sam. Only so can control be maintained. Only so can the fingers of lechery be kept from the dollars advanced.

A survey of assets must support the funds advanced. Those assets must be cultured in the sweat of a working Europe, the fires of a purposeful human hearth, determined to rebuild. By act of Congress on the deathbed of 1947, 1948 is mortgaged. If the covenants of that mortgage are loosely drawn, then we are downright subversive.

We are unresponsive to the call of duty and the dictum of civilization. Into the arms of this babe we have placed burdens beyond the computation of the finite mind. If we fail to stand strong, to plan well, to enforce equitably, then well may we name the babe "malfeasance."

The main tent is our objective. The sideshow is the allure for suckers and saps. And for unknowing infants. Uncle Sam, we urge that you keep such strength at home as will dissipate any ambition to assail you. We urge that you assert this strength abroad, by the dictation of terms upon which your largess will be disbursed for the needs of others.

We deny your right to waste time at the sideshow, that the infantile ear and eye may gaze in wonder at perishable tinsel, raucous and rancid promises. We pray that your feet will guide this infant into the realms of permanent democracy. We pray that you will not be actuated to supine surrender to the plaintive cry of puerility, the temporary satiety of irresponsibility, the devastating denial of your mission in the world.

Harry Truman, you have greatest influence on Uncle Sam. This babe will, on its deathbed, write your obituary for history. See that it writes in luminous letters of patriotic import, not in the blood of warfare induced by a combination of "I don't know" and "I don't dare."

Your forebears dared. Your compatriots dare. Do not misconstrue the meaning of "a little child shall lead them." That is inapplicable to the new year dawning. For this dawning year will test the sinews of our Republic. will spell out the future of the modern world; will establish you as great, or as frustrated, futile, and inadequate.

There are great and determined Americans. Gather this about you. Forget the sideshow.

CHARLES FRANCIS COE.

One Way America Can Help

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Friday, January 9, 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a statement which I prepared, entitled "One Way America Can Help," published in the Deseret News, of Salt Lake City, Utah, December 17, 1947.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ONE WAY AMERICA CAN HELP

America must always stand in the minds of the people of the world as a country which, above all other things, guarantees "life, liberty, and the pursuit of happiness."

The Senate of the United States has now voted nearly $600,000,000 interim relief aid to Italy, France, and Austria. This is a prelude to the Marshall plan. All but six Senators present voted this aid, some for one reason, some for another.

I, myself, did not succeed in having inserted in the bill what in my opinion should be its most essential feature. The bill as it stands today is purely a relief bill, carrying food, fuel, fertilizer, and pesticides to a stricken humanity. The way to help any people is to help them to help themselves. This, the bill fails to do.

I have never favored make-work projects for the sake of merely making work. There is so much that needs to be done in this world to make it a better place to live in without making work an end in itself. Economic ills cannot be corrected by breaking all of the rules of economy. Wealth is produced from the earth through the application of labor. It is wealth that is lacking in Europe today.

We should plan conditions today which will make a better world tomorrow. That is the essence of true relief. That is the basis of the full employment declaration uttered at Philadelphia in 1944, when the nations assembled there voted for recommending to the governments of the world that each nation should make full employment a national objective.

Our own country responded to that suggestion by passing the National Employment Act of 1946. This act does a new thing for our Government. It provides for the President's submitting to Congress an economic budget as well as a fiscal one. Private employment, private property, free enterprise, individual initiative, all of those things which make America what she is, are the considerations which enter into the economic budget. One of the hardest-headed economists of the United States asserts that the Full Employment Act of 1946 represents the spirit of 1776 at its best. The hope is that distress, inactivity, loss of wealth, financial panic, and depression can be avoided. The spirit of the Full Employment Act is as much the spirit of 1776 as are the words quoted above, "life, liberty, and the pursuit of happiness."

The thoughtless realists of the world will reply to this by saying you cannot eat "life, liberty, and the pursuit of happiness." My reply to such realism is always the same: You cannot eat religion. You cannot eat morals. You cannot eat a decent philosophy of life. You cannot eat loyalty. I may go on indefinitely. But without these, man remains an earthworm.

For us to ever hold out aid to the rest of the world without always showing the rest of the world what we really stand for is one of America's mistakes. What has made America great can make the rest of the world great. You cannot eat free education. But free education ultimately makes it possible for men to eat. You cannot eat freedom of thought. But freedom of thought leads to invention which, in turn, creates abundance.

Someone long ago said that man cannot live by bread alone. I am wondering if, while man is only free to the extent of his physical limitations, America, like the Church which is founded on the teachings of Jesus, will ever offer to the world anything finer than the two basic idealistic systems represented by the teachings of Jesus and the basic theories of our founding fathers. On second thought, they are not two systems. They are divergent activities springing from the same source.

John C. Cooper Defines the Fundamentals of Air Power

EXTENSION OF REMARKS

OF

HON. CLARENCE F. LEA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1948

Mr. LEA. Mr. Speaker, in accordance with the consent granted by the House, I insert in the RECORD excerpts from an address delivered by John C. Cooper, a member of the Institute for Advanced Study at Princeton University. This address was delivered at the Coolidge Auditorium in the Library of Congress on the 7th of January 1948, under the auspices of the Library and the National Air Council. It helps in clearly defining the fundamentals of the aviation problems now confronting this Congress.

Mr. Cooper is recognized as being qualified to discuss these problems in a way well worthy of our consideration. In the course of his remarks Mr. Cooper said:

THE FUNDAMENTALS OF AIR POWER

Today the world is in the midst of one of the great revolutionary periods of history. Institutions, standards, values—the basic foundations of national and international life a generation ago—are changing before our eyes. New forces have emerged gravely affecting our whole political, economic, and social structure. Of these forces, none is more potent than air power.

Our historic political territorial system has been based on the existence of surface boundaries, some natural, some artificial. Man has lived in communities connected or separated one from another by surface conditions. Until air power emerged as a world force, man moved about only on the surface of the earth. Nations traded by land and by sea, built surface armies and navies for their protection, fortified themselves behind rivers and oceans and mountains in fancied isolation and security. But those fine days have passed. Today nations are flying over those same rivers and oceans and mountains. The airspace has become boundless highways for war or for peace, for destruction or for commerce. Which shall it be? That is our problem today.

What do we mean by air power? What are the factors and conditions which govern its existence, its growth, or its decline in this or any other nation? To what extent are these elements of air power within our control? It is vitally important that air power be understood if we are to guard the Nation's future and have any real opportunity to restore lasting peace to this very troubled world.

Air power is the total ability of a nation to fly, to act through the airspace, to use controlled flight, such for instance as the flight of aircraft. Gen. H. H. Arnold, in his last report as commanding general of the United States Army Air Forces, pointed out that air power "is the total aviation activity, civilian and military, commercial and private, potential as well as existing."

This is the first fundamental of air power. From it springs a second fundamental—that the air power is indivisible. Military air force and civil aviation are supported by the same elements of national power. So long as a nation continues to possess these basic elements its potential air power is not impaired, though some uses of its air power may be temporarily limited.

The third fundamental of air power is this: The air power of a nation will continue to exist so long as that nation has first, the political right to fly and to control its own air space, and second, the physical capacity to fly.

The extent of a nation's political right to fly is not a matter of abstract theory, but a very real international question. Since 1919 the nations of the world have recognized that each nation has complete and exclusive sovereignty of the air space over its lands and territorial waters. Also long before 1919 it was recognized that no nation has or could have sovereignty over the high seas, and that the navigation of the high seas was free to all. The doctrine of air-space sovereignty carries with it the right and the power of every nation to control the air space over those parts of the earth's surface under its sovereignty and to admit or exclude any foreign aircraft from that air space. The same doctrine however says in substance that as there can be no national sovereignty of the high seas, every nation has the equal right to fly in the air space over the high seas of the world. That this principle of air space control is of basic importance in any consideration of air power is well illustrated by the fact that the Soviet Union, for example, includes within its sovereign territory about one-sixth of the land surface of the world. It therefore has the complete and exclusive control of an enormous amount of the world's navigable air space. In that air space it has the sole political right to fly while at the same time it enjoys with every other nation equal right to fly in the air space over the oceans that lie between the Soviet territory and such other nations.

AIR PROVISIONS OF VERSAILLES TREATY

Historically the importance of the political elements of air power are best illustrated by the collapse of the air clauses of the Versailles Treaty ending World War I. By that treaty, it was provided in most positive terms that "The Armed Forces of Germany must not include any military or naval air forces." This prohibition was to continue so long as the treaty existed. The intent to disarm Germany in the air was plain, but the method employed was destined for certain failure. The treaty left with Germany, after January 1, 1923, control of German airspace. Civil aviation and aircraft manufacturing were little impeded. The German government used as a bargaining weapon this right to control its airspace and to admit or exclude foreign aircraft. In the end it admitted the aircraft of its former victorious enemies only under an arrangement which resulted in the complete collapse of the controls which were intended to enforce the permanent disappearance of German military air force.

The fundamentals of air power must not be misunderstood again. If we have reached a fixed determination that Germany and Japan must be prevented from rebuilding the air forces which came so close to providing an Axis victory in World War II, then the potential air power of Germany and Japan must be destroyed. To do this, we must provide complete international control of German and Japanese airspace and the right to fly in that airspace. We must also control so far as possible German and Japanese capacity to fly.

CAPACITY TO FLY

The elements of a nation's capacity to fly are of two kinds: first, assuming that it has a right to fly, those which determine its present usable national air power, and, second, those additional elements which measure the potential air power of a nation over a long period. In the first class I would include aeronautical industry, aeronautical facilities, the civil air establishment and the military air establishment. Aeronautical industry (including the aircraft manufacturing industry, engineering and research) furnishes the air fleet and its necessary replacements. Aeronautical facilities (including airports, maintenance, and air navigation aids) provide the physical operating requirements without which the civil and military air establishments would be useless. These elements of a nation's capacity to fly and therefore of its air power have several things in common. They are visible and acquired national assets. Together they will provide the national air transport in its widest sense, whether in peace or in war. If any one of them is deficient, national air power suffers.

The civil air establishment must be sufficient to provide the needs of a nation's air commerce in time of peace and a reserve of aircraft and airmen in time of emergency. The military air establishment must be adequate to maintain the peace and defend the Nation from any oissubke aggressuib. Both aeronautical industry and aeronautical facilities must be adequate to serve the needs of peace and capable of such immediate and practical expansion as any foreseeable emergency may require.

LONG-RANGE AIR POWER

Vital as are these elements of present national air power, there are certain conditions which together with these elements determine the long-range potential air power of a nation. So much has been said and written about the visible elements of air power, the military and civil air establishments, aeronautical industry, and aeronautical facilities, that we have lost sight of those underlying factors which make possible the continued existence of air power over a long period of time. Included in those conditions which affect the potential air power of any nation, I would suggest: (1) Geographic conditions, including among other things location, size, physical conformation, climate, and weather of national territory; (2) Resources, both economic and material; (3) Population, including size, educational level, and adaptability for aeronautics; (4) Industrial development; and (5) Political conditions, including national incentives and government policies.

Consider, for example, the status of France at the date of its liberation. It had neither air fleet, nor aircraft industry, and its air navigation facilities were largely destroyed, but France had regained political control of its own airspace and still had national characteristics which gave it great potential capacity to fly. Its air power still existed. Neither Germany nor Japan has today any of the visible elements of air power, but each of them has still many of the national assets on which were built the air forces of World War II. If the final treaties of peace leave to either of them the control of its own airspace, potential air power will certainly exist.

SIZE AND LOCATION OF A NATION'S TERRITORY

No national asset is more important to air power than the size of a nation's territory. This is particularly true if national territory is included in a single land mass. The larger the national land mass, the more the internal air traffic of the nation is developed, thus building a reserve supply of aircraft usable elsewhere in an emergency, as well as the aircraft maintenance and manufacturing industries needed to support its internal aviation, together with the trained airmen and ground crews, navigation facilities, and airports.

The location of national territory also directly affects its capacity to fly and its air power. Of any two nations, otherwise equal, that nation will have the greater air power which is so located that it can normally reach the larger number of its foreign air objectives with less flying and by more direct routes, particularly if such routes need not cross intermediate foreign territory.

The length and location of a nation's ocean boundaries are therefore of the greatest importance. Over a boundary separating national territory from that of another nation aircraft may fly only when political permission has been obtained. But over boundaries facing the sea a nation has complete freedom or air action and may fly when and where it wishes.

The Territory of the Soviet Union occupies approximately one-sixth of the land surface of the world. In area it is approximately equal to all of North America. The Soviet Union has the longest shorelines in the world. While the thousands of miles of its Arctic shores may be useless as an asset of sea power, they are not useless as an asset of air power. Its aircraft may fly northward across the Arctic toward Greenland and Canada and eastward across the Pacific toward Alaska and continental United States as and when they wish. The geographic air-power potential of the Soviet Union is quite beyond that of any other nation. Aircraft with a range of 5,000 miles, flying from bases within this single great Soviet land mass could reach any point in Europe, any point in Asia, including Japan and the Netherlands East Indies, any point in Alaska, Canada, continental United States, most of Mexico, and any point in Africa as far south as Johannesburg in the Union of South Africa.

The geographic air-power position of Germany was and is excellent. While its comparatively small size necessarily limited its internal flying, its central position at the crossroads of Europe gave it tremendous advantages. These were fully realized in the development of its international civil aviation prior to World War II and in the use against its neighbors of military striking force during World War II.

The geographic air-power position of the United States is unique. Its continental land mass as well as its industrial resources have fostered the development of the greatest existing civil aviation. Its boundaries on the Atlantic Ocean, the Gulf of Mexico, the Pacific Ocean, and the Arctic Ocean and Bering Sea (through Alaska) give it great freedom of action. It is handicapped however by the fact that Alaska and Hawaii (two of its most important geographic air-power factors) are physically disconnected from its mainland mass. Aircraft are quite useless for military or civil purposes unless they can be kept adequately supplied with the necessary fuel and replacement parts. Aircraft located in Alaska or in Hawaii or in any other outlying bases which the United States may maintain suffer from this handicap.

ECONOMIC AND NATURAL RESOURCES

Although geographic conditions are important, they alone do not determine potential air power. Other national factors are directly involved. Not the least of these are the economic and natural resources available for the construction, operation, and maintenance of air fleets, military and civil, together with the necessary airports and other ground facilities. I cannot impress on you too strongly that any nation which must import its completed aircraft or necessary parts and accessories, is almost fatally deficient in potential air power. In time of emergency such importations might be prevented and replacements would cease, with fatal results to the military and civil air establishments.

Almost as important is the status of the raw materials needed to construct aircraft, aircraft engines and parts, as well as the fuel required for their operation. This is one of Great Britain's real air-power handicaps. Practically any kind of material that goes into the construction of its aircraft and all the petroleum products needed for fuel and lubrication in its aircraft engines must be imported from far overseas. In this respect both the Soviet Union and the United States have certain advantages. The petroleum industry of the Soviet Union has certainly expanded, and I am personally inclined to think that it can now rely on its internal sources of supply for aircraft fuel and lubrication without importation. The Soviet Union is, of course, handicapped by very difficult inland transportation conditions in northern and northeastern Siberia. It must be recalled, however, that the great Siberian rivers which flow from south to north are open during part of each year and that the trans-Siberian railway crosses each of these rivers in southern Siberia, thus providing combined rail and water transportation for supplies to the Siberian Arctic coast. Also, with the use of efficient ice breakers the Soviet Union has developed summer seaborne traffic as another source of supply for its Arctic territory.

The metallurgical resources of the Soviet Union are very little known. Within the last few years they have certainly been tremendously developed and the Soviet Union is probably approaching self-sufficiency in the matter of materials needed for the construction as well as the operation of its aircraft.

RAW-MATERIAL POSITION OF UNITED STATES

The raw-material position of the United States has been a matter of serious debate. It is quite impossible to review it at this time. Suffice it to say that in the construction of modern aircraft certain light metals are necessary and also certain scarce metals for the required alloy steels. Last year I made a study of this problem with the result that I found that the plans for the construction of one type of modern high-speed transport aircraft indicated that the materials to be used would be approximately 58 percent aluminum and 34 percent alloy steel. It is my information that the United States is deficient in and must import certain of the metals needed for these alloys. As to our supply of aluminum, without which I do not believe we could maintain an adequate air fleet, I call your attention to the language of a report as to the wartime use of strategic raw materials made by a special Senate committee in 1946. Aluminum is a refined product of what is known as bauxite. The Senate committee said that "the United States never had large resources of bauxite, except in the State of Arkansas. These fields were large enough only for a year or two of production at our maximum rate. We are, therefore, dependent for our supply of bauxite on South America in particular, and to some extent on the Pacific areas. Unless we can develop new industrial methods * * *, the United States will always be dependent in this very basic industry on its ability to import from abroad."

Petroleum products are needed for aircraft fuel and lubrication. Raw rubber is needed for aircraft tires. If the air power of the United States is to be maintained, adequate supplies of these basic materials are absolutely necessary. The United States has been in the past the greatest producer of petroleum. Whether we have already arrived at the time or whether we are approaching the time when we must depend on importation of petroleum products is a subject of wide debate. As to rubber, we certainly must rely on the imported raw product unless we maintain our capacity for synthetic production developed during the war.

Maintenance of air power for the future requires the most careful consideration as to the sources from which the United States will obtain the needed raw materials, metals, fuel, rubber, and all of the other products required for the construction and operation of aircraft. To the extent that stock piling may be necessary, it must not be neglected. To the extent that the manufacture of synthetic products will be required, we will forget them at our peril.

Manpower

But the construction, operation, and maintenance of aircraft involves more than material. It also requires manpower. The population characteristics of any nation will affect its present and, even more so, its future air power. Aviation calls for young men and women. Particularly in the operation of aircraft youth is a major factor, and to some extent this is also true in the manufacturing and maintenance processes. The educational level of the population is also a matter of importance in considering air-power problems, for no other industry requires higher over-all technical skill than does aviation, whether it be manufacturing, operation, or maintenance.

On the other hand, a nation which has a very large number of youth from which to pick may have real advantages even though the educational level and technical skill of its inhabitants might be below that of another nation of fewer inhabitants. If we would compare the future air-power potential of the great nations of the world, I would call your attention to these provocative figures. In the last prewar census there were approximately 170,000,000 people in the Soviet Union. Of these it was estimated that 36 percent or approximately 61,000,000 were then of 15 years of age or under. At approximately the same time there were about 190,000,000 people in the English-speaking nations, comprising the United States, Great Britain, Canada, and Australia. But of this 190,000,000, a little less than 25 percent or about 46,500,000 were 15 years of age and under. The Soviet Union lost heavily during World War II. Since 1939, however, additional territory has been added to the union and it has been estimated that its present population may be about 200,000,000 with a normal increase of about 2,800,000 per year. From these figures it appears that the Soviet Union has a very large percentage of young men and women, and that either now or in the very near future the number of Soviet youth may be twice that, age for age, of the youth of the United States, Great Britain, Canada, and Australia combined. May I suggest that these questions of population cannot be overlooked in assessing world air power problems.

Aeronautical industry

Air power, of course, requires more than materials and men. The whole complicated economic structure of a nation, and its technological ability, is also involved. Aeronautical industry in being at any particular time is one of the vital factors of usable air power. Even more important as an element of potential air power is the national ability to maintain that industry and to continue its technical advance, and to be able in an emergency to increase many times its output capacity.

THE ATTITUDE OF THE GOVERNMENT

Of the long-range factors which may control the growth or decline of national air power, none however is more important than the attitude of the government which has the responsibility of directing a nation's activity. Perhaps little can be done about the territorial status of a nation or the numbers of its population or the natural resources within its borders. These factors are more or less fixed and out of our control. But otherwise the attitude of a government may be decisive. A nation may have every other element of air power but still lag behind if its government has no real urge to insure its future development. The attitude and actions of government will fully determine the size of our military air establishment, and greatly affect the efficiency of our civil air establishment, our aeronautical industry and facilities—hence our air power in being. The same attitude may also determine our ability to take advantage of those national conditions which aid our long-range potential air power as well as to improve those conditions, such as the waste of natural resources, which threaten our future.

But government alone cannot be responsible. We ended World War II with the greatest military and civil air establishments then in existence, the finest aeronautical industry and world-wide aeronautical facilities. Our air power in being, military and civil, was then unassailable. Our potential capacity to fly is, in my judgment, unequaled even today. To maintain this leadership and realize these potentials is the problem of our people, our industry, and our Government. Planning for the future is a most complex matter, and in no field is it more complex than it is when dealing with air power.

Air power is today the most dynamic force in the life of nations. Properly used it can be the means to better understanding among the people of the world. Improperly used it can be a threat to the general security even in time of peace. If war comes again air power can transport the armed forces and missiles fated to destroy our civilization. I submit to you that we cannot afford to ignore the lessons of history. We must realize that air power is the ability of a nation to fly; that air power is indivisible, used at times

for civil air transport and at times for military striking force; and that air power will continue to exist as long as a nation has the political right to fly and to control its own airspace, and as long as it vigorously and consciously maintains its capacity to fly. These are the fundamentals of air power.

Jesse Jones and RFC

EXTENSION OF REMARKS
OF
HON. ALBERT THOMAS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. THOMAS of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Houston Post of December 28, 1947:

JESSE JONES AND RFC

In the happy hunting days which went on for congressional investigating committees, from the beginning of the Roosevelt administration in 1933 to the end of the war in 1945, the boys on Capitol Hill gave the RFC a wide berth.

Its activities were too well known; its unique record of making money, instead of throwing it away, too well established; and the popular understanding of how well it had done its job was too apparent for it to offer any juicy bits for those who were seeking to get their names on the front pages of the Nation's newspapers.

But since that time, with the great bulk of the RFC's splendid work for the country accomplished, some of the committeemen, who have had lean lickings in public attention, have made furtive forays after the agency.

The General Accounting Office led off with a vague, and patently ridiculous charge that billions were unaccounted for. There has never been an iota of material on which to base such a charge. The most the average reader can make out of the accusations is that the RFC and the GAO did not keep their books in exactly the same manner.

Last summer, the House Banking Committee took a little flyer at the RFC, but it didn't last many days. Now, another House committee has scheduled hearings for January.

One of the best tests of any organization, of course, is in men it turns out.

The record of the "graduates" of the Reconstruction Finance Corporation has been a notable one. One of these "graduates" is now the Secretary of the Treasury; another is president of the New York Stock Exchange.

Still another former staff member of the RFC is now an associate justice of the United States Supreme Court.

Many of the country's biggest banks are headed by former employees of the RFC. Synthetic rubber companies and other great industries, manufacturing a wide variety of products, have called on the RFC to furnish their executives. Other RFC men have gone ahead in the law and in various types of finance.

Only recently, at a dinner in New York, hundreds of alumni of the RFC met to pay honor to their long-time chief, Jesse Jones, of Houston.

At that meeting, there was offered a world of testimony about the RFC. Among those who were heard from were three men, who are in best position of any to know what the agency was set up for, what it accomplished, and how well it did its work.

Those witnesses were:

Former Vice President John N. Garner, who was Speaker of the House in 1932 and piloted the RFC bill, sought by the Republicans, through a House which was controlled by the Democrats.

Former President Herbert C. Hoover, who sought the legislation creating the RFC; who signed the bill, and who appointed the first board, including Jesse Jones.

President Harry S. Truman, who headed for many years the Senate War Investigating Committee which had before it all the "dirt" which could accumulate in Washington, and who, since he became President in April of 1945, has been the Chief Executive of the Nation, and, as such, sees the operations of such boards as the RFC.

All paid unstinted praise to the organization and to Mr. Jones who headed it for so long.

Hear what Mr. Garner had to say in a telegram:

"I understand his former associates are honoring Jesse Jones tonight. He richly deserves any honor, and the entire RFC organization is entitled to the thanks of the country for a fine job in a dark hour of our national history.

"It was my opportunity to serve in Washington for 38 years, or one-fourth of the history of the Republic from its founding until the time I left Washington. I had an opportunity to observe the work of many administrative officers in that time and I place Jesse Jones at the top of all of them."

From Herbert Hoover, delivered in person:

"It was toward the end of my administration that we undertook to meet the financial disasters of the depression by a new method in government. We created the RFC so that business could be helped to recovery. It was a sound business program and the results proved to be very sound.

"If the RFC did not actually save the economy of the country, it came awfully close to doing so.

"In making appointments to the board, it was my pleasure to name Jesse Jones as one of the original members. It was Jesse Jones and the men around him who built the RFC into such a great institution and made it a fabulous success.

"I take great pride in my 15 years of friendship with this man of an opposite political party.

"But Jesse Jones never let politics enter into his service to his country or his personal friendships.

"His concept of public service constitutes the mark of a great American."

And the President of the United States, in a special message:

"I understand that the alumni of the Reconstruction Finance Corporation are giving a testimonial dinner to the Honorable Jesse H. Jones this evening.

"I wish you would express to Mr. Jones and those gathered at the dinner my compliments on the inspiring part that the RFC played in the rescue and stimulation of business during the depression years, and on its magnificent role in the development of production and the accumulation of critical and strategic supplies for the defense and war programs.

"It is fitting that those associated with Mr. Jones during those significant periods now do honor to their great leader, a tribute in which I heartily join."

These men were in a position to know what went on in Washington. They have stated their views on the work of the RFC.

Any congressional committee really wanting to get at the actual facts, and not simply to throw a harpoon, might begin its investigation by calling them.

Universal Military Training

EXTENSION OF REMARKS
OF
HON. HOMER A. RAMEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. RAMEY. Mr. Speaker, under leave to revise and extend my remarks, I include herein a petition received from my friends at Holland, Lucas County, Ohio, asking the Eightieth Congress to establish a system of military training as recommended by the President's advisory commission.

I know Mrs. Doris Woggon, the lady who has circulated this petition and know her to be a very alert lady, a good citizen, and always active in worth-while enterprises not only for her community but interested in the Nation's welfare as well.

The petition follows:

PETITION

To HOMER A. RAMEY:

Peace is worth striving for. Therefore we, citizens of the United States and voters, urge you, our Representative in the Eightieth Congress of the United States, to support and vote for legislation establishing a system of universal military training for American young men, as recommended by the President's Advisory Commission on Universal Training.

Mrs. Doris Woggon, Mrs. Otto Dose, Mrs. Milo Downs, Mrs. George Cunningham, Mrs. Emma E. Thorp, Mrs. William Kurtz, Mrs. Ernest Blauvelt, Mrs. Orlando Rowell, Mrs. John Groh, Mrs. Richard Witte, Mrs. Gale Buerk, Mrs. C. W. Fisher, Mrs. Allan B. Linn, Mrs. R. E. Gandlander, Mrs. Dorothy Hess, all of Waterville, Ohio; and Mrs. Albert Kiefer, of Perrysburg, Ohio.

Problems Facing the Congress

EXTENSION OF REMARKS
OF
HON. ELBERT D. THOMAS
OF UTAH
IN THE SENATE OF THE UNITED STATES
Friday, January 9, 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the radio remarks of the senior Senator from Alabama [Mr. HILL] on Friday evening, January 2, 1948, at which time several distinguished leaders of the Democratic Party participated in a Nation-wide broadcast, discussing the critical problems which face the Congress.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

We Alabama Democrats look with confidence to the re-election of President Truman in November and we know that Alabama will once again lead the victory parade.

Chairman MCGRATH, Senator BARKLEY, Senator GREEN, Senator MAGNUSON, and Congresswoman NORTON have reminded us of how President Truman and the Democratic

Party have fought for a strong and expanding economy at home and a workable peace for all mankind.

They have reminded us of the Republican attacks on the farm program—soil conservation, reclamation, and farmers' cooperatives—on the school-lunch program, the REA, TVA, on the Fair Labor Standards Act with its protection and benefits for millions of unorganized and white-collar workers, on rent control and the housing program, on the program for the encouragement and protection of small business and independent and locally owned business.

The Republicans have had no program except to block the Democrats. Their only bill has been a tax bill to salve the rich and soak the poor. For years the Republicans have been bankrupt in ideas and in default in leadership.

When President Truman called Congress into special session on November 17, he told the truth as to the grave danger of inflation and ever-increasing prices, and urged a program of 10 specific points. The Republicans refused to accept the program and brought in a bill that does practically nothing to meet the situation but that cripples the antitrust laws and extends the grip of big business on our economic system.

Prices continue to go higher, unit sales of goods and merchandise steadily decline, the pinch of living cost is felt more and more and millions of American families are forced into the red to get bread and sustenance.

The American people know that today's mounting prices imperil our entire economic system and that inflation carries the threat of a chaotic bust which would plunge the United States into a depression vastly deeper and more lasting than the Hoover depression. They know that such a depresssion would drag down the rest of the world with America and would end our hopes for world peace. The people know how the Republican leaders—TAFT, WHERRY, MARTIN, WOLCOTT—struck down the Democratic safeguards against inflation and its danger. They know how the Republicans carp and criticize but refuse to act to curb inflation and put an end to its threat. The Republicans have been weighed in the balance and found wanting.

The American people will make answer in November by reelecting President Truman and giving him a Democratic Congress that will support and sustain him in keeping America strong and building the peace of the world.

Democratic Nation-Wide Radio Rally, January 2, 1948—Comments by Democratic Leaders and Typical Citizens Discussing Critical Issues Facing the Congress

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EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Wednesday, January 7, 1948

Mr. HILL. Mr. President, on Friday evening, January 2, five distinguished leaders of the Democratic Party participated in a Nation-wide broadcast over the facilities of the Mutual Broadcasting System in a discussion of the critical problems which face the Congress during this session. In this radio rally, typical citizens in various parts of the country joined with those leaders in telling how they were affected by the problems which face the Congress.

The leaders of the Democratic Party who took part in this broadcast were the Senator from Kentucky [Mr. BARKLEY], the Senator from Rhode Island [Mr. GREEN], the chairman of the Democratic National Committee, the junior Senator from Rhode Island [Mr. MCGRATH], the Senator from Washington [Mr. MAGNUSON], and the Congresswoman from New Jersey, Hon. MARY T. NORTON.

I ask unanimous consent that the full text of the Democratic radio rally be printed in the Appendix of the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

DEMOCRATIC RADIO RALLY, MUTUAL BROADCASTING SYSTEM, FRIDAY, JANUARY 2, 1948, WASHINGTON, D. C.

THOSE PARTICIPATING

From Paris, France: Hon. ALBEN W. BARKLEY, minority leader, United States Senate.

From Washington, D. C.: Hon. THEODORE F. GREEN, United States Senator from Rhode Island; Hon. WARREN G. MAGNUSON, United States Senator from Washington; Hon. MARY T. NORTON, Congresswoman from New Jersey.

From Los Angeles, Calif.: Senator J. HOWARD MCGRATH, chairman of the Democratic National Committee.

Typical citizens in Cleveland, Chicago, and Omaha will broadcast their views on the issues discussed in Washington.

In the final 3 minutes of the program local Democratic leaders spoke over the Mutual stations carrying the program.

ANNOUNCER. The Democratic Party is on the air.

The following half hour has been made available by the Mutual Broadcasting System to the Democratic National Committee as a public service. Issues which will be decided in the session of Congress which convenes on Monday will be discussed by party leaders and plain citizens broadcasting from various parts of the country and from Europe. Senator J. HOWARD MCGRATH, chairman of the Democratic National Committee, will be the first speaker. From Los Angeles, Senator MCGRATH.

Senator MCGRATH. Good evening, fellow citizens, as we start this critical year, we in America along with men of good will the world over seek one thing more than anything else—a lasting and just peace. Peace is in every heart, in every prayer, and it is a subject of great anxiety in the souls of all of us, for we know that lasting peace is not yet within our grasp—in fact, there is grave danger that it may not be possible in our time.

We in the United States—members of both political parties—have kindled a new flame of hope in the freedom-loving nations overseas through our proposal for what has been called the Marshall plan, a program of European economic recovery.

It will come before the Congress this month. Is it vital? What do the people of Europe think about it? What can it accomplish? Senator ALBEN W. BARKLEY, Senate Democratic leader, is in Paris, France, tonight, and he will give you the on-the-spot answers to these questions.

(Program switches to Paris.)

Senator BARKLEY. I am happy to join in this program though compelled to do so from Paris on account of my absence from home.

In the few moments at my disposal I shall try to emphasize the importance of the economic recovery and political stability of Europe.

No one who has not seen the vast devastation which the war wrought throughout Europe can fully understand the magnitude of the recovery task. This devastation was not only physical. It was economic, political, moral, and social. As a result there has been a great uprooting of humanity, and the failure to agree on peace treaties, to restore actual peace, has complicated the task of anchoring the people and their institutions to a solid pier of hope and reconstruction.

This hope is indispensable. It requires faith in the justice and stability of government. It requires the financial aid necessary for a long-term program designed to enable the nations accepting it to get on their own feet and go forward on their own steam.

That is what the Marshall plan is designed to accomplish. Without it the prospects of European recovery are dim to the vanishing point, and the hope of political and social stability will vanish with the failure of European economic recovery.

America's vital interests are deeply concerned with this whole project. We cannot afford merely to nibble at the bit. We must sink our teeth into it, however unpleasant the taste. The Marshall plan contemplates a 4-year program of aid and recovery. It makes it possible to work out arrangements in advance with a view to the formation of a well-considered and well-rounded approach to the problem. A shorter commitment would make this impossible and would involve the risk of making what we do totally futile and ineffective.

If we are to undertake it, let us do it well. Our own welfare and the peace of the world require it. It will be an investment in world security which will return large and comforting dividends, and will be infinitely cheaper in dollars to the American people than another war which might see the destruction of civilization itself.

Congress is to tackle this problem immediately upon reassembly. It will undertake to gather all the facts, because both it and the American people are entitled to the facts. I feel confident that when the American people know the facts and recognize the opportunity and the duty, to themselves and to the world, our country will not fail in this hour of crisis and of leadership.

ANNOUNCER. And now we turn to domestic problems—problems which members of both parties agree are closely tied in with foreign relations. Congresswoman [MARY NORTON] talks from Washington, D. C., on high prices. Mrs. NORTON.

Mrs. NORTON. Good evening, ladies and gentlemen, I am not only a Member of Congress, I am also a housewife, and have personal knowledge of the problem of every housewife in America. I know something must be done to bring food prices down or a great number of America's children will suffer from malnutrition. This is an individual problem for each and everyone of us and the question in your mind and mine is what we are going to do about it. Well, the President tried to do something about the high cost of living in his message to Congress on November 17, but the Republican Congress was not interested in reducing inflation.

I charge the Republicans choked price controls to death before supply had a chance to catch up with demand. Their slogan was "end price controls and prices will find their level." Time has proved how wrong they were.

Prices have literally soared since the Republicans and the National Association of Manufacturers succeeded in killing price controls. And, they are still soaring.

For example, just in the 6 weeks during which Republican Congressmen stalled over the President's anti-inflation controls before they finally voted, too little and too late to attack soaring prices, the cost of living took a substantial jump.

Butter in Washington went up from 88 cents to $1.05 a pound. In Pittsburgh men's shoes went up just in 6 weeks from an average of $8.72 a pair to $9.38 a pair.

These are typical. But worse yet, wholesale prices which give us an indication of future retail prices, show even more trouble ahead.

During the week ending December 20 wholesale prices averaged seven-tenths of 1 percent higher than the week before. This rise was just in 1 week and it was a new postwar record.

And on that date, wholesale prices were at their highest peak since May 1920 just before the sharp recession which followed the last war—the recession we are trying to avoid after this war. These facts do not seem to alarm the Republicans.

They know that swollen profits and high prices will bring a depression but they are not willing, nor will the National Association of Manufacturers permit them, to do anything to stop it. The session of Congress starting Tuesday will determine whether greed or stupidity caused the Republicans to kill price controls. As I have said, there are now before Congress proposals submitted by President Truman which will curb our inflationary spiral. The Republicans refused to enact these proposals into law at the special session. Instead of cooperating with the President in this great crisis they deliberately passed a half-way bill which will not curb inflation. I regret to say that the Republican controlled Congress stands convicted of deliberately voting for inflation in sponsoring a weak bill in their effort to blame the President who must administer their unworkable program. This definitely is playing politics with human misery.

The Democrats will support the President and would if in control of Congress do whatever is necessary to bring down the cost of living but unfortunately for the working people of America the great tragedy is that the Democrats are not now in control of Congress.

In Cleveland, Ohio, a typical housewife is waiting to tell her story:

Mrs. WILLIAM AULT. I am Mrs. William Ault, of 698 Eddy Road, Cleveland. My husband makes about $50 a week. We have three children, 6, 9 and 11 years old. During the war, with rationing and price control, we got our fair share of food at prices we could afford. Now that there is no rationing and price control, we cannot afford to eat as well as we did during the war. You can get all you want if you have the money, but we can't afford much at today's high prices—butter at 93 cents a pound for example. I don't want luxuries, but I do want decent food and clothing for my children. I want to know why the Republican Congress doesn't take the steps necessary to give me relief from high prices. If the Republicans don't act, I'm afraid we'll have another depression and folks like me will be even worse off than we are now.

ANNOUNCER. Back in Washington Senator MAGNUSON speaks to you on problems of the West.

Senator MAGNUSON. Thank you.

We are faced here in America with the necessity of giving freely of our resources so as to preserve the peace of the world.

Yet certain Republican leaders in Congress have taken the unrealistic view that we can give of our food and resources as we are asked and at the same time cut down on the reclamation of the lands of the West that are now arid and nonproductive.

Some Eastern Republicans who seek to keep the West as a sort of colonial empire for their own exploitation forget that power for industry is vital in the West to create even greater industrial capacity.

Where would the country be in the race for atomic power if we did not today have the great public power projects that have given us the industrial head start that is necessary for atomic production?

They forget, too, that the entire economy of the Nation is based on a 6-inch layer of top soil extending across the country. They forget this and slice the funds vital to soil conservation.

They forget that the American farmer does not yet know all the answers for controlling of our rivers, for the conservation of the rich croplands that are menaced by erosion. They slash the funds for the scientific study of methods to meet these problems.

They attack the farm cooperatives that have helped make our farm owners economically self-sufficient and to improve their production and methods of distribution.

They refuse to accept the tenet that farmers need to partake of the benefits of electric power—that rural electrification is vital to increased productivity. Great steps were taken toward expanding the REA in America during the last 15 years, yet in great areas of the West and Midwest there are thousands of farms that have no electricity.

In my State of Washington, for instance, there were on last July 1 some 4,500 farms without electric power; in Minnesota, 71,000; in Iowa, nearly 57,000; and in Wyoming over 5,000. This is typical.

The Federal Power Commission said recently, "The national situation with respect to the supply of electric power is serious." Yet in the face of this, the Eightieth Congress in the first session lopped $25,000,000 off the President's request for funds.

This is the sort of penny-wise and pound-foolish philosophy these Republicans have taken in their approach to the problems that involve our national resources—not in the West and Midwest alone—but all over the country.

Soil conservation is a subject close to every farmer's economic life. It is a fact that conservation, according to figures released by the Soil Conservation Service, means about $4.90 per acre more for the average farmer in increased production.

Think what that means in increased food for a distressed world.

Since 1933 we have spent $480,000,000 to conserve soil. Yet during the same period we have lost $14,000,000,000 by erosion. During the war and even yet we used and are using our soil resources faster than we are replenishing them.

It seems obvious we need more expenditures for soil conservation since they are more than self-supporting; not the senseless cuts the Republicans give us.

Yet the Republicans have trimmed requests for soil conservation by more than 10 percent. Our national resources are vital to all of us, but especially to farmers. Let me introduce a typical farmer, who will speak to you from Omaha, Nebr.

Mr. PETER PARKERT. I am Peter Parkert, dirt farmer from Hooper, Nebr. Thanks to aids given us by Democratic administrations, Nebraska farmers have increased average production of wheat from 50,000,000 bushels in the Hoover era to 90,000,000 in 1947, and midwestern farmers increased corn yields from two and a half to more than three billion bushels. In the same period our cattle herds increased greatly. Prices have advanced from 25-cent wheat and 2-cent hogs to their present heights. Now the GOP would destroy our gains. If the cheap Republican philosophy prevails, you can look for return of the Dust Bowl. Development of our great rivers will be abandoned. Farmers' cooperatives will be scuttled. For these reasons farmers will vote Democratic in November.

ANNOUNCER. And now Senator GREEN in Washington.

Senator GREEN. Why should we fear talk about communism here in America. It promises material gains in return for surrender of civil liberties, but our American system of free enterprise has made us the strongest and richest country in the world.

Communism has spread the fastest where there has been a class split. For example, where the owner of a factory has had too much profit and the worker too little wages. In our country the owner of the factory has lived well, but so has the worker. In America the man who helps to build a car can also own one.

Yet today this system of ours is dangerously out of balance. Soaring prices are robbing many people of a fair share of our national production. If this continues, we must face a crippling depression. That would be a failure of our capitalistic system to which the Communists might well point.

Only recently has the Republican Party shown any appreciation of this danger, and then only in applying superficial treatments.

America has reached its highest level of production and, what is more important, the fairest sharing of it under a Democratic administration. Why? Because Democrats realize that our human resources are the bedrock basis of our national wealth, and that to continue to grow stronger as a nation we must continue to grow stronger as individuals.

This basic truth seems to escape the Republican Party, but it does not escape the Democratic Party.

On the one hand American people are better housed than any other; but on the other hand millions of Americans are not decently housed.

American people are in general healthier than those in the rest of the world; but the war revealed that millions of American youth were unfit to serve their country.

America has a high standard of public education, but it is still out of reach of many.

The average citizen has more security than he had, yet millions are without any form of old-age security.

The Republican Party does not think these problems are important.

The Democratic Party says they are very important. We say that our free enterprise system depends upon our solving them and that the Government must act to solve them.

Consider the Nation's health. The Democratic Party believes that we must make sure that all people get adequate medical care so that all can contribute to the Nation's production. That is why the Democratic Party supports national health insurance, while the Republican Party wants only a medical dole for the poor.

Bad housing breeds insecurity and unrest, disease and crime. All these are expensive and hamper our production. The Democratic Party proposes that the Government solve our housing problem but the Republican Party gives only lip service. It is true that individual Republicans indorse housing measures but the party itself does nothing.

With education it is the same. Lip service and inaction.

Similarly with expanded social security and a higher minimum wage. Some lip service, but nothing is done.

It all adds up to a record of Republican blindness to the fact that human values are the keystone of American strength and wealth.

The free enterprise system cannot succeed fettered by the Republican philosophy that the men who operate small businesses or who work in a factory or on the farm or in the mine need only be kept alive to go on producing indefinitely.

President Truman has proposed positive, workable programs to meet the problems I have cited. They will be before the Republican controlled Congress in this session.

But the Republican leadership is not likely to think them important enough to carry through to success.

My fellow Americans—what do you think?

In Chicago three typical citizens are ready to give you their answer to that question.

Mr. ERNEST SIPPLE. I am Ernest Sipple, 4745 North Rockwell Street, Service Office, Marine Corps League.

Senator GREEN said that the Republican Party gives only lip service to the housing

problem, but I think that possibly a better name for it would be slip service. They certainly slipped up on their chance to do something for veterans, who are generally harder hit by the housing shortage than any other category of our citizens. They could have passed the Taft-Ellender-Wagner bill, but intentionally or not, they slipped on that one. They had a chance to give veterans preference in buying materials, but they slipped there, too.

Under present prices—Republican prices—very few veterans can afford to build homes. Let's hope, for the sake not only of veterans but of all the unhoused, that something is done to solve this problem in the new Congress.

Mr. ALBERT TOWERS. I am Albert Towers, 7514 Rhodes Avenue, a member of the United Steelworkers, CIO.

Ever since the last elections I've been thinking of that Republican slogan, "Haven't you had enough?" That was so full of the promise of better times for all of us. What we've experienced is just another example of how different actual performance can be from promises. By now I'm sure every workingman has had enough of the Taft-Hartley law, to say nothing of the Republican prices. To my way of thinking there's only one remedy—it's up to organized workers to register and vote against those who have demonstrated they would throw labor for new losses if given new power in 1948.

A CHICAGO SCHOOL TEACHER. As a school teacher, a Chicago school teacher, I know that the members of my profession all over the Nation will be watching the new session of Congress with unprecedented interest. Most teachers, I feel, are convinced that the Republican-controlled Congress overlooked the opportunity of a lifetime in the last session when they did nothing about President Truman's proposals for expanded educational program. One result has been that teachers, to whom we have traditionally entrusted the training of our citizens of tomorrow, are leaving their poorly paid profession and I think it is safe to say that many of them will not go back until something is done at the Federal level to improve our educational system.

ANNOUNCER. Again from Los Angeles, Senator J. HOWARD MCGRATH.

Senator MCGRATH. The protection of the human resources of the American people is vital.

The development and conservation of our great natural resources is equally important.

The Republican Congress, as you have heard, has not seen fit to protect these vital assets.

But what about our political resources?

The Republican Congress cannot be blamed for the failure of the American people to use and protect the most priceless assets of all—the ballot.

Part-time citizenship and rocking-chair voters are not the answer to the problems of our present-day world. The American citizen—the free voter—cannot close his eyes to the world of reality. He is a part of that world and his well-being is affected by political action whether he wills it or not.

Thinking men and women will recognize the truth of this premise.

Yet, thinking men and women have failed in the United States to use their franchise. They have failed to vote.

There are, according to the Bureau of the Census, some 91,000,000 persons who are qualified to vote in this country. In 1946 little more than one-third of these qualified voters went to the polls.

The Republicans, with a tightly organized core of voting party members, cast some 20,000,000 votes. With two-ninths of the qualified voters of the Nation they were able to take control of the Congress.

A tightly organized minority thus has given the Republicans the majority control of the Eightieth Congress. This majority of the minority has failed to act on vital problems in the first session of the Eightieth Congress. They failed to act adequately again in the recent session. If they can, they will defer action on vital matters in the coming session.

How serious such deferment can be has been illustrated by plain-speaking citizens on this broadcast. You have heard workingmen and farmers, housewives, and professional women tell how they are affected by the problems which Republicans in Congress have refused to face.

All of us must understand that the only compelling voice left is the voice of the American citizen manifested through the ballot box. We must realize that the ultimate master is the voting citizens.

This ability to take part in the affairs of the Nation depends on the use of the ballot. It is imperative that all of us understand that.

Nonvoting citizens who think nothing can happen here should be reminded that atomic bombs, when they drop, fall on voters and nonvoters alike. They don't just pick out a favored few.

The problems of our time are the problems of all our citizens.

Secretary Marshall said recently that foreign policy has entered every home and taken its place at every dinner table.

Never were more prophetic words spoken. Every citizen must realize his responsibility. He must register and vote. He must see that his neighbor registers and votes.

The good health of our citizens is important.

The good health of our economy is important.

But our political good health is just as important as either.

Regardless of which party wins elections, we do not enjoy political good health unless those of us who are entitled to vote actually go to the polls and do so.

That way, and that way only, can we have a truly representative government.

And I am confident that the people want to go forward through the progressive legislative steps we have discussed tonight and that we will do so only through government that represents the will of all eligible voters.

These problems tie in closely with each of you as individuals and with the activities of the Democratic Party in your city, county, and State.

It is the party workers in the wards and precincts who see to it that their neighbors understand the issues and that they register so that they can record their opinions in the polling booths.

You local Democratic leaders are the ones who will join with you in these activities.

And now, a local Democratic leader from your own town or county will talk to you over the station to which you are listening.

(At this point the program was switched to local stations for participation by local leaders.)

Trading in Grain Futures

EXTENSION OF REMARKS

OF

HON. JOSEPH H. BALL

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Monday, January 12, 1948

Mr. BALL. Mr. President, I ask unanimous consent that there be printed in the RECORD an article entitled "Grain Trading Cuts Your Bread Bill," by Harry A. Bullis, from the Washington Post of Sunday, January 11. Mr. Bullis is chairman of the board of General Mills, Inc. The article deals with the function of the futures market on the grain and milling trade in the United States.

Along with this article I ask that there be printed an editorial entitled "Trading in Futures," which appeared in the same paper.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Washington Post of January 11, 1948]

HEDGING REDUCES PROCESSOR'S RISKS—GRAIN TRADING CUTS YOUR BREAD BILL

(By Harry A. Bullis)

(Mr. Bullis is chairman of the board of General Mills, Inc. The importance of General Mills as a grain trader is indicated by the fact that in its last fiscal year, ended May 31, 1947, the corporation paid $311,953,057 to farmers and other suppliers. That is 84 cents out of every sales dollar, on sales totaling $370,932,427.)

The grain futures markets are like any other markets—a place where people go to sell their products and where others go to buy them. The only difference is that in one market the goods are actually displayed and the purchaser buys them and takes them away. The futures market operates by contracts between the seller and purchaser to deliver the product at some agreed future date. It is a meeting place where the transactions record the forces of supply and the prices that prevail therein.

To these markets go producers, processors, exporters, importers, elevator operators, commission houses, grain merchandisers, consumers, and actual handlers of the commodities, and equally—as in any other market—those who attempt to wager their judgment against the future prices for purposes of gain. These are commonly known as speculators.

The vast proportion of commodities passing through these futures markets go directly or indirectly into the hands of processors, or those who perform services in connection therewith. These for the most part rely upon a charge for the service they perform, rather than on any changes in the value of the products. To this end they attempt to minimize the risks involved in any possible price changes by what is known as the process of "hedging."

Briefly stated, hedging is merely the method of protecting a purchase by the immediate sale of the product either in its original or processed form.

For example, a processor buys a volume of wheat for delivery to him on a certain date, and immediately sells an equivalent amount of flour to be delivered by some future date. Or, if he wants to insure a supply of wheat for the future, he may purchase wheat and store it in his elevator, at the same time selling an equivalent amount for delivery at some future date, relying upon the differences in price to pay for the cost of carrying, insurance, and servicing.

In considering these futures markets, one must fully understand that production of agricultural products is seasonal, but consumption is continuous. At harvest time there is a great flood of the commodity coming into the market, far more than the consumption at that time. By hedging, one may buy freely without risk and without price interest, and thus absorb the flow of the commodity which would otherwise be accumulated without buyers, unduly depressing the price.

A SENSITIVE REGISTER

The grain futures markets perform their very important economic function in three ways:

1. They provide a highly sensitive price-recording mechanism wherein the forces of

supply and demand can be promptly registered. With the futures markets in existence, no individual or group of individuals, even including the United States Government, can artificially control the price level. They may affect it temporarily, or they may hasten a trend; but prices cannot be kept high or low with the futures market in existence solely as a result of futures trading. Supply and demand ultimately set the level. Any individual who feels that the price level is either too high or too low at that particular moment may buy or sell, depending upon his opinion.

With the grain futures markets in existence, any changes in the supply or demand picture can be reflected in change of price level. In a free economy it is highly desirable that such changes in the supply and demand picture be recorded promptly, as an increased price level tends to increase production and curtail consumption, and a lower price level tends to do just the reverse. The earlier the price-level changes are established and recorded, the quicker our economy sets to work to counteract these changes.

The present situation is a good case in point. Last year's total grain production in the United States was approximately 800,000,000 bushels less than was consumed and exported during the previous crop year. In order to make our reduced supplies go around, it was necessary to sharply curtail the use of grain in some category. The way it could best be reduced was in the animal feeding category. With our highly sensitive futures systems, prices rapidly rose to a level wherein grain feeding to animals was sharply curtailed.

It was very important to the national economy that this scarcity of grain be immediately recognized, and that the counteracting grain saving commence at the earliest possible date. Had we not had such price-recording machinery, which quickly and accurately reflected supply and demand, it is almost certain that we would have wasted grain through excessive animal feeding and the Nation would have discovered the shortage of grain for human food after it was too late for corrective measures to be effective.

INVALUABLE PRICE TAGS

2. The second important economic function of the grain futures markets is to establish grain values and publicize those values for all to see. With this system it is possible for both the producer and consumer to observe not only the value of the different kinds of grain, but also the value of grain for immediate delivery versus grain for deferred delivery or the same grain for delivery in the following crop year. Likewise, these futures markets record the differential in value of one grain versus another, or the differential in value of grains in various locations. The important thing is that every segment of our population can know exactly what the price of grain is at any given moment and can observe the results of changes in the supply and demand picture.

To the producer this is very valuable information. The extreme importance of grain futures quotations to the farmers of the Nation is dramatically evidenced by the fact that every radio station in the Farm Belt must carry grain quotations regularly as a part of its farm service.

In the marketing of his grain the farmer is able to observe the market reports in the public press, to select his own time for marketing, and to establish price before date of shipment. If he elects to market his grain in his local market he can, by again observing the futures markets, establish exactly the cost of using one or more middleman's services in the marketing of his grain. Neither of these features is available to the producer of commodities not traded in on futures exchanges.

PRICE RISK MINIMIZED

3. Probably the most important function performed by the futures market is that these markets provide a means and a system whereby risk of ownership may be largely eliminated by those who wish to avoid such risk, and these risks passed on to those who are willing to assume them.

As the greater part of each year's wheat production is marketed during the first 3 months after harvest, and the demand is dependent upon the buyer's attitude, wheat must be accumulated by processors, exporters, and others in anticipation of a later demand. The buying and accumulation of wheat in excess of immediate sale exposes the owners to changes in market prices. To avoid such hazard, the same processors, exporters, and merchants turn to hedging in the futures markets.

The sole and vital use which my company makes of the grain futures market is for this purpose of hedging to minimize the price risk. This is of real value, not only in contributing to the stability of our company's operations, but in making it possible to sell our products at a lower cost to the consumer than we could if we had to make provisions for potential losses due to price fluctuations. thereby narrowing the spread between the producer and the consumer to a very small conversion cost.

It is a well-publicized fact that in order to protect our national economy we must have a carry-over of grain from one year to the next. In the case of wheat this carry-over, for safety's sake, should always be at least 200,000,000 to 250,000,000 bushels, and at times a carry-over of 500,000,000 bushels may be faced. Here again someone must assume the risk of ownership of this vast quantity of wheat carry-over from one year to the next.

If we did not have the mechanism by which the risk of ownership could be readily transferred from producer, processor, and consumer to those willing to assume this risk, the value of wheat would be subject to extremely wide fluctuations. Prices would be very depressed whenever producer selling exceeded consumptive buying, and the prices would rise very sharply whenever consumptive buying exceeded producer marketing.

SPECULATOR'S FUNCTION

The public, and particularly the producer, should know that the minute grain has been produced and harvested, a risk of ownership exists, and that it is to the advantage of all that a means is provided for transferring this risk to the shoulders of those who are willing to assume it. The speculator, therefore, does perform a true economic function. He absorbs this risk of ownership, which must be borne by someone. Whenever producer selling and consumptive buying are out of balance, he is the balance wheel which prevents violently fluctuating markets.

Under our present system the producer may, if he wishes, retain the risk of ownership by withholding his produce from the market at harvest time, and marketing it gradually throughout the season or late in the crop year. However, with the futures market in existence, he may elect to market his entire crop at harvest time and avoid completely any risk of ownership from that date forward and without unduly depressing the market in so doing. The speculator assumes the risk and will suffer any loss if values decline as the crop year progresses. Likewise he does and should benefit from any enhancement of price following the date of his assumption of this risk.

The flour miller, grain merchant, or cereal processor may, if he wishes, buy an entire year's supply of grain at harvest time, thereby assuming the market risk of such ownership. In most instances, however, he considers himself simply a processor or merchandiser and plans to earn his profit as processor or merchant. It is of great benefit to him and to the consumers who purchase his product that he can pass this risk of ownership on to others. This is known as "hedging" against market fluctuations.

FORM OF INSURANCE

When attacks are made on the futures exchanges, the reader or listener should bear in mind that this risk of ownership becomes a fact the minute the commodity is produced, and that this risk remains in existence until the date of consumption. The risk is real, and someone must carry it.

In this important function the futures market can be compared favorably with the fire-insurance company. The owner of the property must assume great risk of loss by fire. Through our fire-insurance companies he is able to avoid such risk, placing it in turn on those who are willing to assume it.

As we can all recall, whenever grain prices are high as the result of heavy demand versus supply, attention is focused on the futures markets as the cause of high prices. Likewise, when grain prices are low as the result of heavy supply and poor demand, the futures markets are given as the reason for depressing the prices. Actually, the futures markets act for a more stable price and a more realistic price based upon the law of supply and demand than would be possible if the futures markets did not exist.

The public, in my opinion, should regard the grain-futures markets as machinery which records grain values at various points and in future months, and in so doing eliminates an element of risk which otherwise would add to the cost, and consequently to the price, of the grain products offered for sale to the consumer throughout the Nation.

TRADING IN FUTURES

The drive against speculation in the grain futures markets has undoubtedly caused many people to believe that the organized commodity markets are the haunts of gamblers whose operations ought to be suppressed in the public interest. As previously stated, we think that, for reasons of policy, Federal employees should not engage in speculative operations of this sort. And, of course, Government officials in a position to obtain inside information regarding Government grain-buying plans are guilty of a betrayal of trust if they take advantage of their knowledge to feather their own nests. But, so far as private citizens are concerned, speculative transactions in the futures markets are legitimate operations serving a highly useful purpose, as pointed out by Harry A. Bullis, president of General Mills, in an article published today on page 1 of this section.

Mr. Bullis explains in nontechnical language the important services performed by grain futures markets as sensitive recorders of changing conditions of supply and demand. His own company makes use of the futures market for hedging purposes, thereby minimizing risks of loss from changes in grain prices. As a result the company is able to sell its products at prices below those that would be charged if it were not protected from price fluctuations. In brief, hedging—made possible by the existence of organized grain futures markets—cuts your bread bill, as Mr. Bullis says, instead of increasing it.

Speculators on the organized grain exchanges, as distinguished from hedgers, are an essential part of the country's distributive mechanism. For their buying and selling give the futures markets the necessary balance and liquidity without which they could not offer merchants or processors of grain the necessary facilities for insuring themselves against price risks. Of course, there are times when speculative activity becomes excessive and tends to aggravate short-term fluctuations in prices. But, generally speaking, prices in the futures markets register changing factors affecting supply and

demand; they are not long-run determinants of prices. The speculator who assumes the risks of ownership of commodities, the prices of which are constantly fluctuating, is, as Mr. Bullis states, performing a "true economic function" in absorbing this "risk of ownership, which must be borne by someone." Why that is so will be apparent to the readers of Mr. Bullis' instructive article.

Universal Military Training

EXTENSION OF REMARKS
OF
HON. HOMER A. RAMEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. RAMEY. Mr. Speaker, under leave to revise and extend my remarks, I include herein a petition received from my friends at Holland, Lucas County, Ohio, asking the Eightieth Congress to establish a system of military training as recommended by the President's advisory commission.

I know Mr. Simmons, the gentleman who circulated the petition, very well and am most pleased to state that he is one of our most outstanding citizens, as well as one of my closest personal friends.

The petition follows:

PETITION

HOMER RAMEY,
United States Congressman:

Peace is worth striving for. Therefore we, citizens of the United States and voters, urge you, our Representative in the Eightieth Congress of the United States, to support and vote for legislation establishing a system of universal military training for American young men, as recommended by the President's Advisory Commission on Universal Training.

A. E. Simmons, Irene Knighton, Ira V. Knighton, Edwin E. Holman, Vileda Holman, George Holman, Jr., Mrs. M. W. Reid, John C. McFellin, James Delaney, William H. Y. Slaymaker, Holland, Ohio; Raymond Babich, Toledo, Ohio; Roy C. Wood, Holland, Ohio; Charles Crim, Maumee, Ohio; Albert E. Lormer, Dallas N. Barnes, Charles A. Hartman, Donald E. Brown, Alvin Hamberry, Mrs. W. H. Slaymaker, Mrs. A. E. Lormer, Holland, Ohio; Mrs. Charles Crim, Maumee, Ohio; Mrs. Alice Barnes, Mrs. Charles Hartman, Holland Ohio; Mrs. Carl M. Barnes, Carl M. Barnes, Toledo, Ohio; Mrs. Roy Wood, Scott Wood, Mrs. Lucille McFellin, Mrs. Latis Knighton, Rex W. Vesey, Mrs. W. N. Heeter, Mrs. Rex Vesey, Edward Berendt, Mrs. Edward Berendt, Mrs. C. R. Vesey, Donald Williams, C. R. Vesey, Holland, Ohio.

Mr. Truman's Platform

EXTENSION OF REMARKS
OF
HON. KENNETH S. WHERRY
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Monday, January 12, 1948

Mr. WHERRY. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial entitled "Mr. Truman's Platform," from the Omaha World-Herald of January 8, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. TRUMAN'S PLATFORM

The President's message to Congress yesterday was only incidentally a report on the state of the Union. It was primarily a report on Harry Truman's candidacy and a bland, undisguised, plea for votes next November.

In this, his platform for 1948, Mr. Truman gives notice that his celebrated "swing to the right" is now a closed chapter. That was all very well for the early, callow days of his administration, but now an election is impending and he returns to the time-tested techniques, the vote-buying techniques, of the New Deal.

Spend and spend. Elect and elect.

As had been forecast, the President places his greatest emphasis on more social services, wider social security.

Unemployment compensation, he says, should be increased. Likewise old-age benefits. Likewise survivors' benefits. Then there is the matter of health. "Our ultimate aim must be a comprehensive insurance system to protect all our people equally against insecurity and ill-health." As for education, "the Federal Government has a responsibility for providing financial aid to meet this [school] crisis."

Security, health, and education, from the cradle to the grave, provided by benevolent old Uncle Sam.

At a cost of how many billions? The President does not at this time face that question. Sufficient to the campaign the promises thereof.

Spend and spend.

But let it not be implied that President Truman ignores economic issues. He discusses them in extenso and in terms of magnificent self-contradiction.

For example:

"We are today far short of the industrial capacity we need for a growing future. At least $50,000,000,000 should be invested by industry to improve and expand our productive facilities over the next few years."

And how does he propose to help industry to set aside this huge sum for expansion? By slapping a whopping tax increase on corporations. An increase of three and two-tenths billions a year.

Corporate profits last year, he says, reached an all-time high of $17,000,000,000. Probably he is right about that. Wages also reached an all-time high. So did the cost of living. All were inflated out of reason because everybody was using a 50-cent dollar.

And now, at a time when fifty billions are needed for reinvestment in industry in order to increase productivity, the President proposes an added tax on industry of three and two-tenths billions. This would be given back to the taxpayers at the rate of $40 per head—thus increasing spending power, increasing the demand for goods which underfinanced industry cannot produce.

On one point the President is adamant. There must be no over-all tax reduction. No decrease in the cost of Government. Not "until inflation has been stopped."

As a matter of cold fact, as every economist knows, high taxes are a major cause of the high cost of living. The American people last year paid out more money for taxes than for food. High taxes are a part of the exorbitant price of beefsteak and potatoes, overshoes and underpants, magazines and prayer books. If the Government in Washington, by economy, could bring about a substantial reduction in its total tax levy, the dollar would gain in value and the cost of living would decline.

If that were to come about, every American would be more secure, better able to take care of his own health and provide for the education of his children.

But any such sensible attack on the basic problems of inflation and security has no appeal for Candidate Truman. To his mind, apparently, no cure for the ills of the people and the Republic can be adequate unless it is made in Washington, managed by the bureaucracy and paid for by New Deal taxes.

Space limitations forbid a detailed examination of all sections of President Truman's platform in these columns.

But the careful reader will find that the President's feet are back on the path of the New Deal. The path that leads to more and more Government do-goodism, higher and higher Government costs, stronger and stronger Government authority—always at the expense of the individual citizen and his liberties.

The Hendersons and the Bowleses and the Wallaces are gone from Washington but their philosophy—economic and political—lingers on, given voice now by the man from Missouri.

Thus one side of the campaign of 1948 has been staked out and occupied. Whether the other side—the side of the self-sufficient American who loves freedom—will be taken and resolutely advocated by the Republican Party and its candidate, that remains to be seen.

Economic Problems of the Netherlands in the Postwar Period

EXTENSION OF REMARKS
OF
HON. JOHN J. SPARKMAN
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Monday, January 12, 1948

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject Some Economic Problems of the Netherlands in the Postwar Period, delivered recently by the commercial counselor of the Netherlands Embassy before the Women's National Democratic Club.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The title I have given to this address seems deceptive, since it is hardly possible nowadays to speak of the economic ills of one particular country, or even of a particular group of countries. We can see the proof of it right here in Washington. Secretary of State Marshall's now famous Harvard address has developed far beyond its original goal—aid to Europe. Within Europe it has stirred up the question of relations between eastern and western Europe; of the future of Germany, especially the level to which its industry is to be allowed to develop without impairing the security of its neighbors; and here on this side of the Atlantic it has been felt that aid to Europe could affect the economy of this country. Aid to Europe has opened discussions on the whole field of United States economy; it has made this Nation aware of the potentialities and also of the limits of its resources; it has stirred up anew the question of prices and of price controls. But also other areas besides the United States and western Europe were to enter the picture. Latin America and Canada, with their large surplus of foodstuffs, are prospective suppliers under a general recovery plan. Furthermore, those vast raw-material-producing areas in southeastern Asia which contributed to such a large extent to the welfare of Europe should be mentioned. When I finally remind you of the large reconstruc-

tion needs of China, you will realize how at this moment the economy of the whole world is at stake, and how the economic problems of most of the world are now focused on Washington.

Nevertheless, tempting as it may be to discuss all of these subjects, I must somehow come to my subject and tell you something of the economic problems now facing my country. When Holland was liberated in the spring of 1945, 8 months after Belgium and France, it was stripped of practically everything which makes human life possible. I am not exaggerating when I tell you that the food packages dropped from Allied airplanes were literally lifesavers for the population of the large cities. Had the occupation lasted only a few more weeks, mass starvation would have taken place. Factories were stripped of their machinery, bridges were destroyed, railway tracks had been removed, and transportation equipment was carried away.

As a result of 2½ years of extremely hard work, coupled with generous help from wartime Allies, Holland was able to heal some of the worst scars left by the war. Once more food supplies are adequate if not plentiful. Transportation is improving rapidly; numerous bridges, so many of which were destroyed, have been replaced; most of the railway tracks have been laid anew; trains are on schedule although many of them necessarily are using obsolete equipment. However, it would be grossly incorrect to conclude from these apparent improvements that Holland is on its feet again and could, without further outside help, gradually regain its prewar prosperity. The most one can say is that Holland is now beyond the first postwar relief stage. And even in saying this I must strike a cautious note. The economic level which has now been reached, owing to the strenuous efforts of the whole population, is very precarious; reserves are so thin that each set-back—for instance, a drop in world food supplies—would immediately affect the consumer. The drought which struck western Europe this summer has resulted in a more or less serious reduction in a number of basic food rations in the Netherlands. The same thing happened in other western European countries, which illustrates the permanent danger of the food situation in western Europe.

If I say that even what I would like to call the relief stage in the Netherlands is hardly overcome, how much more serious is the long-term economic outlook of the courty. Let me be very clear about this. With modern technical means, with the great reservoir of good will which always exists at the end of a great catastrophe, it is not too difficult to repair the worst damages caused by such a catastrophe and to restore the first essentials of life. But it is quite another problem to put a country back on its feet again, especially a country which suffered what the Netherlands had to endure. Besides that, exactly what do we mean by putting a country back on its feet? Do we mean thereby restoring the same conditions under which it used to live in prewar days? Such action, even if it were possible, would prove to be rather unrealistic because it would simply ignore the quite substantial changes in the economic relationships among the various countries which were brought about by the war. When you read the report of the Committee of European Economic Cooperation, the committee of 16 European countries which worked all through last summer in Paris to state their economic difficulties, you will see that the main part of their report is a vast production drive aiming at targets which are well above the prewar level. This is a realistic approach. When one has lost out, the way to overcome this loss is to work harder. But in order to work harder, one needs food, clothing, tools, raw materials, and a roof over one's head. This is really the gist of the Paris report.

I can make clear to you what this really implies by indicating the way the Netherlands has to adapt itself to changed world conditions. The Netherlands is one of the most densely populated countries in the world. If in prewar days it had managed to attain a degree of welfare for its population, which was not far below American standards, this was due to its extensive trade relations with the rest of the world. The Netherlands could feed, house, and provide a living for its dense population—in a country poor in raw materials—only by building up an extensive source of income, apart from its exports which never were sufficient to pay for its imports. This was done by rendering services to other countries, such as foreign investments, shipping, and insurance. Investments in the Netherlands East Indies before the war amounted to $1,600,000,000. These investments made it possible for the Netherlands Indies to become an important supplier of foodstuffs and raw materials for the whole world. It was through this category of services that the Netherlands was able to finance its large trading deficit with the United States.

In speaking about trading deficits, let us first have a look into the problem of the dollar shortage which is so widely discussed nowadays. There are some economists in this country who deny the existence of a dollar shortage. Their reasoning is rather simple. They have calculated that there are now far more dollars held by noncitizens of the United States than there were before the war. So they say that there are sufficient dollars in the world to buy American goods and that there is no need for this country to extend any foreign help. I would like for these economists to spend a winter in any of the countries which are involved in the European recovery program. I am sure that on their return to the United States next spring they would have become aware of the reality of the dollar shortage. They would have observed it in the daily meals, in the cold homes they would have visited, in the clothes people are wearing, and in hundreds of other items of the people's daily lives. If they had, during their stay in the Netherlands, wished to exchange a hotel room for a house or an apartment they would have discovered—even if they were lucky enough to have found a place—that they would have had to share it with others; the blessing of a private home is a luxury. The dollar shortage prevents the building of sufficient homes to make up for the large-scale destruction of houses during the war.

These, however, are only the outward signs. But let me make a point of it right away that the people in these countries do not expect and do not wish other more fortunate nations to feed and clothe them. What they do expect is that within a reasonable time they will be able once more to be self-sufficient; that is to say, to be able to pay for wha they need with their exports and their services. Now they are not able to do so, and their last resources are being used to keep life going, at the expense of their future. If the help they have been receiving since the end of the war were to be withheld from them, the standard of living they have been trying to rebuild would all at once be pitched to low levels and hunger and misery would once more enter every home.

There is in reality a very serious shortage of dollars because of the simple fact that the dollar is the ticket, so to say, with which most of the goods Europe needs for its recovery are to be procured. Many of these goods in prewar days could be procured nearer by in Europe—in Germany, in France, in eastern Europe, in the United Kingdom.

Take coal for example: before the war Europe produced sufficient coal for its own needs. Now, in order to have a minimum return of its vitally needed industries, not to speak of coal for domestic heating purposes, Europe yearly has to import half a billion dollars' worth of American coal. I can assure you that this is sheer necessity because nobody in his right senses would think of using his scanty financial reserves for the haul over the ocean of American coal and pay freight, which amounts to 150 percent of the price of the coal. One only does such a thing when there is no other means of obtaining sufficient coal.

A few figures on the Netherlands balance of trade will also show you the implications of the dollar shortage. Before the war one-fifth of our imports had to be paid for in dollars; for the year 1947 this proportion is twice as high, 40 percent. The total value of our imports this year is three times as high as it was in 1938. This means that we are spending on our current trading account six times as many dollars as we did before the war. On the contrary, our dollar receipts still are far below our prewar dollar inflow. Besides that, for the time being there is not the cushioning effect of very substantial exports of foodstuffs and raw materials from the Netherlands East Indies to the dollar area. These figures apply to the Netherlands. When we make the same calculation for other European countries, we shall, with a few exceptions, arrive at similar results. The dollar shortage at the moment remains a very serious and real problem for European nations.

Another factor which weighs heavily on the problems of recovery of the European nations is the situation in Germany and the allied policy in that country. The German problem has been complicated in many ways, and it is a fallacy to say that restoring Germany economically is synonymous with restoring her war potential. No European, and especially no European who has experienced the horrors of the Nazi occupation of his country, will wish to see the revival of a Germany capable of waging wars of aggression. But no European will wish for a continuation of the present chaos in Germany. Apart from the very real dangers of the economic prostration of from 60 to 70 million Germans in the heart of Europe, the crippling of Germany's industrial production greatly affects the economic recovery of its neighbors and aggravates their plight.

Let us study a few figures. A moment ago I mentioned coal. In 1938 western Germany (the Bizone) produced 206,000,000 tons of coal, a large share of which was exported and which was of vital importance to the steel industry in France, Belgium, and Luxemburg. In 1947 production is estimated to amount to 133,000,000 tons, a difference of 73,000,000 tons, which is almost double the present yearly exports of coal from this country to Europe. This clearly shows that even taking into account the substantial coal shipments from the United States, the coal situation in Europe remains extremely critical.

Steel production gives an even more marked contrast. Production of crude steel in the Bizone in 1938 amounted to 17.6 million tons. This year it will be not more than 2.8 million tons. You will remember that under the Potsdam declaration Germany was allowed a steel capacity of 5.8 million tons. Recently this figure, under the revised level of industry plan, was increased to 10,000,000 tons which was equal to German steel production in 1936 before the great Nazi rearmament boom set in. When you look at present production, however, you will see that it is still far below the Potsdam figure and that German steel exports, which would accelerate European recovery is at present out of the question.

To the Netherlands the economic fate of Germany is of the greatest importance. Twenty-five percent of the Netherlands prewar imports came from Germany. These consisted mainly of manufactured articles, machines, and machine tools. Most of these goods, which on account of wartime destruction and the necessary expansion of the

Netherlands industry must be imported in greatly increased quantities, are no longer to be purchased in Germany and we are compelled to come to this market thereby increasing our dollar deficit.

On the export side, the picture is equally dismal. Germany before the war bought 16 percent of our exports. This market is almost completely lost because the military authorities have to cut down on imports. The reason for this policy is obvious. On the other hand, it seems anomalous in these days of food shortage to leave the Netherlands with unsalable surplus of vegetables which would help to make up for the deficiency in the German diet. But the real importance of Germany to our economy was our geographical position on the mouth of the Rhine River, that great artery of water traffic which leads right into central Europe. The ports of Rotterdam and Amsterdam are natural inlets and outlets, and are important commercial links between central Europe and the world overseas. When one considers these great ports, the cruel bombardment to which the Germans subjected Rotterdam in the May days of 1940 and the almost scientific method in which they wrecked port installations in Rotterdam and Amsterdam in 1944 and 1945, they gain special significance. The Netherlands ports before the war gained their ascendancy only in heavy competition with the German ports of Hamburg and Bremen. This competition from the German side had to take into its stride artificial devices such as special railway rates between Hamburg and Bremen and numerous places in central Europe. We had hoped that the military defeat of Germany would have ended the preferential position of Hamburg and Bremen, and that it would have restored Rotterdam and Amsterdam to the place to which their geographical positions and their past records would have entitled them. It is quite a disillusionment, however, to see the bizonal administration in Germany channel all overseas traffic to Germany through the ports of Hamburg and Bremen. Financial reasons are again called upon to motivate this policy. This may be so, but on the other hand, the use of the ports of Rotterdam and Amsterdam for this purpose would have been of enormous benefit in the strenuous struggle for recovery the Netherlands are waging. Restoration of Rotterdam's and Amsterdam's earning capacity would greatly diminish the dependency of the Netherlands on American aid.

The Netherlands Government is following with a keen eye the proceedings which are taking place in the drafting of a peace treaty with Germany. In January of this year the Netherlands Government submitted a memorandum to the Big Four giving its views on Allied policy with regard to Germany. In this memorandum the Netherlands Government states as its principal aim, relative to the German problem, "the creation of adequate guarantee to ensure peace and security, and the creation of the prerequisites for the recovery of the national economy and the recovery of the prosperity of Germany insofar as this is essential to European and world prosperity." It is felt throughout the Netherlands that its economic relations with Germany, as a result of its geographical position, have always been so close; that the Netherlands has such a long-standing experience in dealing with Germans; that they, as well as other countries neighboring Germany, feel they are entitled to a large degree in helping to draft the future status of Germany. Germany's importance for European recovery was recognized in the report of the Committee of European Economic Cooperation in these words: "For the purpose of drawing up a European balance sheet of resources and requirements, it is indispensable to take account of Germany since that economy has been, in the past, and by the nature of things will remain, closely tied up with the economic system of other European countries."

But let us now leave the German scene and turn to a more general aspect of European aid. I believe the core of the whole problem of aid to Europe to be the question whether the proposed aid will serve its purpose, and whether the countries now applying for such aid will thereby, after a number of years, really succeed in becoming self-sufficient.

The answer to this question, to a great extent, lies in Europe itself. There is no use denying that the line which runs from Stettin in the north to Trieste in the south, separating the west of Europe from the rest of the continent, is in itself an economic monstrosity. Take only the fact that Europe's bread basket in the east is no longer available to the densely populated western Europe. It is the American taxpayer who has to make up for a part of this loss by having to pay almost $1,000,000,000 a year for feeding the population of the Bizone. Furthermore, the collieries in Silesia now wholly in Polish territory, used to supply many a European country with coal. This flow to the west has now become a thin trickle.

The Paris Committee of European Economic Cooperation, in various places of its report, makes full allowance of this fact and stresses the importance of the reopening of the source of supplies from eastern to western Europe.

A second problem in connection with the efficacy of American aid to Europe is the question of economic cooperation among the European countries. The recovery program of the Paris Committee is based inter alia on the development of economic cooperation between the participating countries. Now I know that Americans feel very strongly about this point and that they are apt to belittle the obstacles which exist in welding together the economies of a number of national units, each with their own language, their historical traditions, their ways of living, and last but not least with their own bureaucracies. It is clear that all of these very real obstacles cannot be overcome within a few months, even with the best possible intentions.

In the Netherlands the need for such action is keenly felt. During the war in 1944 the Netherlands Government, then in exile in London, concluded a treaty with the Belgian Government-in-exile whereby both Governments pledged themselves to submit a bill to their Parliaments after the liberation of their respective countries establishing a customs union between the Netherlands and the Belgo-Luxemburg Economic Union. This bold plan inaugurated in wartime London found a warm reception in both countries. The work involved in bringing this idea into effect, however, proved to be an enormous task. A new common tariff had to be elaborated which would apply to the three countries. This task has now been accomplished, and as from January 1, 1948, the new tariff will be in force. As from the same date, the customs barrier between the Netherlands and Belgium will be eliminated. But this is only the first step in the audacious program of the Benelux. The program when completed envisages a complete economic union eliminating all trade barriers between its partners, such as excise duties, quota regulations, and foreign-exchange restrictions. This means a complete merger of the economies of the Benelux countries. It is needless to point out that this ultimate aim cannot be accomplished overnight. A number of mixed committees with representatives from the Netherlands, Belgium, and Luxemburg are continually working on the various aspects of the program. Very close contacts among the business interests have to take place. The countries of the Benelux are aware that they are giving up a part of their sovereignty in their proposed merger. For instance, under a cooperation of this kind it is no longer possible to work out plans for the establishment of a new industry in one of the countries without consulting the other Benelux countries and without estimating the economic effect of such a new industry on the economy of the whole Benelux territory.

At the recent Paris conference I believe that the Benelux had a favorable press. A study group was set up which was required to examine the question of further customs unions on the Benelux model. European countries would greatly benefit from further steps in coordinating their economies and thereby rationalize their overseas requirements and enhance their chances for speedy self-sufficiency. But such steps, even when vital, must take their time. Customs, habits, methods of work, even prejudices have to be overcome while a great amount of work of a difficult technical nature is to be done. It took the Benelux countries exactly 3 years to reach the first stage of their program. How much longer will it take to do the same thing for a large number of very diverse European countries?

Secretary Marshall in his Harvard address clearly indicated that the responsibility for the restoration of Europe could lie only with the Europeans. This view is shared in my country.

The Netherlands was badly struck in this war, not only in the European mainland but also in the territories in southeast Asia. The Netherlands history shows many a dark hour, but every period of darkness in our country has been followed by a revival of the strength of the Netherlands people. The war had terrific effects on the economic life but there is one thing that no enemy has been able to take away from our people and that is their capacity and their will to work. Holland is buzzing with work, as I have been able to witness during my two visits there in the course of this year. Every time you see Holland, improvements have been made. Each time more war scars have disappeared. Life is simple, but sufficient. No one will object to simpler ways of life, which, simple as they may be, are a great contrast to the horrible experiences of the Nazi occupation.

However, as I told you before, this level is extremely precarious and far from what it should be, and the resources of foreign exchange are dwindling away rapidly. Without further help all of the efforts which have been exerted would be jeopardized. The whole purpose of the Marshall plan is to prevent this from happening in Europe.

Repeating what I pointed out in the beginning, it is hardly possible today to speak of the economic ills of one particular country. People in many countries in the world are becoming aware of these things. Daily the facts are appealing to the consciousness of mankind and inciting them to use their best efforts in overcoming the present economic disease. I believe this growing awareness to be an advantage.

The task and the responsibility of the Congress of the United States is an enormous one. The importance of its decision on the European-recovery program is far greater than the billions it may appropriate for European aid. Its views may set the course of a freely organized economy in Europe for the next decade. But the responsibility of European statesmen, businessmen, and workers is just as great, maybe greater. It is up to them and to their mutual cooperation that American aid can be made effective. It is up to them to create that feeling which will make Americans say—to paraphrase an expression recently used by a distinguished American—"Europe is a good risk."

God Bless America

EXTENSION OF REMARKS
OF
HON. LISTER HILL
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Monday, January 12, 1948

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article written by the former Chaplain of the Senate, Dr. Frederick Brown Harris, which appeared in yesterday's Washington Star.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPIRES OF THE SPIRIT—GOD BLESS AMERICA—SOME OF THE THINGS ABOUT THIS COUNTRY THAT ITS CRITICS FORGET WHEN THEY EMPHASIZE OUR FAILINGS

(By the Reverend Frederick Brown Harris, D. D., Litt. D.)

Our majestic Capitol, with the Eightieth Congress in momentous session under its white dome, is in full view and hearing of a fear-haunted world. What American does not find in his heart the sound of a great amen to the prayer of a distinguished citizen, who said, "Every time I gaze on the illumined dome I offer the prayer: 'God make me worthy of America at its best' "?

It is easy to see America at its worst. In these days of the whirlwind and the earthquake, there are small groups of misguided and misinformed people who owe everything to this dear land of the free, but who seem to have nothing but jeers for the gold of America and cheers for the dross of alien systems. They condemn almost everything under the Stars and Stripes and condone, and even approve almost everything drenched in the blood and tears of cruel regimentation abroad. In one hand every such person holds pink glasses and in the other a magnifying lens. Whenever they gaze abroad they put on the rose spectacles of praise; whenever they look at their own land they use for their appraisal the magnifying glass of disdain. Just as it is possible to miss the face of Cromwell because of the wart, so these critics scarcely can see the benign face of Uncle Sam because of defects.

To be sure the most ominous loss, to a person or a nation, is the faculty of self-criticism. As Americans we keenly must be conscious of our national failure in practicing the democracy which is our proud creed. We never must be oblivious to our racial prejudice, our glamorous paganism, our blatant irreligion. Always, with searching of heart must we repeat the prayer, "America, America, God mend thine every flaw." But there is more to America than flaws.

God bless America, for the free speech which allows even ungrateful citizens of this privileged land to utter bitter anathemas, for which they immediately would be liquidated in the lands they speak of with such fervent approbation. While some are blaming America for dividing Europe into two warring camps, when that decision was made by another power which vetoed the grand design that America desired, we say: God bless America for the most unselfish and humanitarian gesture recorded in history. And, while this pink-glasses group charges America with imperialism in threatening the sovereignty of other nations and, in the next breath, extolls the system which has crushed more national sovereignties by sheer power than have ever before been turned into puppets, we say again: God bless America!

With the greatest physical might in her hands that any single nation ever has controlled, yet manifesting such scrupulous regard for the national rights of even the amallest and weakest nation on her borders (even when her own national security may be involved), she promptly gives up her bases in a tiny country which asks her to vacate. When America, with the fearful power of the atomic bomb in her hands, offers, in a spirit of internationalism no other nation ever has manifested, to share the dread secret even with those plotting against her own life, some of our own citizens blindly charge her with threatening the power that stubbornly refuses her generous overtures. But, God bless America, for this supreme witness of her belief in the United Nations.

There are those who cry to high heaven over one life in America taken by a lawless mob defying our national laws and our national sentiment, but who are silent about millions kept from their homelands, dying like flies, or toiling under a taskmaster's whip. God bless America, whose leaders in both political parties plainly see that there is a vast difference between cooperation and capitulation—abject appeasement of a system whose theories of the universe, of man, and of ethics are the exact opposite of those principles which are the foundation of America, is the way to the final loss of our own liberties.

God bless America, as in the fear of God and in the name of all humanity she stands before the whole world for the dignity of the individual and the invincible creed that the state is made for man, and not man for the state.

God bless America, because her spires are symbols of a church which is the conscience of the state, and not the slave of the state.

God bless America, because, as Lincoln declared, she is "the last best hope of earth."

Mikolajczyk Tells of Russian Plans

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, I hope that the fate of the message given us by Mikolajczyk shall not be that of the warnings of Cassandra.

The Milwaukee Sentinel is printing his story on conditions in Poland, installments of which I herewith submit:

MIKOLAJCZYK BARES RUSS PLANS TO SEIZE EUROPE IN HOURS—BRITAIN TO BE NEUTRAL, UNITED STATES UNPREPARED, REDS REASON

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment II)

Communism, linked with Russian military might, is a fantastic machinery which, having been set in motion in Poland and elsewhere in eastern Europe, now must roll on with the relentlessness of a Juggernaut.

Let me tell you of the fervor of one Russian colonel who outlined Russia's master plan to me several months ago in Warsaw.

"You must believe this," he said. "Nothing can stop us. We have profited from the mistakes of previous would-be conquerors and we cannot conceivably make the same blunders.

"France and Italy may be a bit difficult for a time, but we have good men working there and, in time, they will achieve our purpose in those countries.

"But even if they do not," he shrugged, "we have the military might to advance across Europe to the water at a speed which is unknown to students of modern warfare. I do not speak of days, I speak of hours."

I asked him what the Red Army thought England would be doing during this conquest of the Continent. He laughed, without mirth.

"England will be neutral in the war," he said. "They know we have made tremendous development in the rockets we recovered in Germany. They know, too, what suffering they underwent when hit by the undeveloped rockets the Germans used against them. They know they cannot survive if they protest."

"And the United States?" I pressed him.

"Oh, we'll offer them a negotiated peace and probably they'll turn it down and declare war. But what does that matter? We will hold the beaches of the entire Continent. America is unprepared, so the declaration of war will be useless for a long time—while they build back their forces and devise means of transporting men and armor all the way to the Continent without the aid of an offshore base, such as England and Ireland were in World War II.

"In the meantime, we can consolidate our gains."

But that is in the future—how distant I cannot predict. If you want to know what Russia is doing today, in pursuit of its master plan, you need look no further than Poland.

For here is the test case. Here is the sampling of democracy's boiling point—just as the Japanese bombing of the American gunboat *Panay* was the sampling for Pearl Harbor.

All of these depredations I will deal with at length in subsequent articles. My point now is simply to touch certain high spots, sound a warning to all lovers of freedom in the world, reveal the galling tragedy of a people who sacrificed 5,265,800 dead in World War II and yet would have considered that almost a bargain if we had been granted even the most elemental of postwar promises.

In the name of humanity I will certainly make no appeal in these articles for a military war on Russia. We need no further proof that war is the worst and least effective means of settling disputes.

A World War III would not only be a most terrible calamity to my people and my country but a blow from which civilization itself could hardly recover.

IT CAN BE AVERTED

I believe World War III's military phase can be averted, despite the fact that the prime aggressor, first with the acceptance of the British and American Governments, and since that time with a ringing scorn for both those powers, has made enormous gains.

It would have been comparatively simple for me to die in Poland. Had I remained a few more days, I would have been stripped of my immunity as a member of the Polish Parliament, tried by a military court for preaching and practicing the only kind of democracy which peace-loving people know, and shot.

This would have been the culmination of 2½ years of ever-tightening pressure on me which began the day I returned to Warsaw in 1945.

It would have been the final act of a series of intimidations of me and the party I head which began with my arrival at the airport outside Warsaw, when Boleslaw Beirut, the old-line Communist who has been imposed on Poland as its so-called President, ordered me to address the hopeful thousands on hand with a salutation that was even less humane than comrades, and I turned my

back on him and said instead, "My sisters and brothers."

GLAD HE'S ALIVE

It would have climaxed the murders of 104 Peasant Party leaders and the cynical confiscation and destruction of the party's various headquarters. It would have been the apparent coup de grace administered to the last articulate democratic political body, bearing the undisputed support of a majority of the people, left in Poland.

The latest news I have had from Poland is that the people are saying they are glad that I am still alive. They say I would have become a symbol, but a very dead one.

They say they prefer me as a living Pole, a living hope.

So I escaped, by methods which I will deal with later. I reached the haven of Britain, and now the United States—to tell the whole world my story.

MIKOLAJCZYK TELLS HOW RUSS HAMPERED FLIGHT FROM NAZIS

(Installment III)

It may perhaps help the reader understand what is happening in Poland today if he first understands what happened to me during those tragic days of disorder leading up to and following the declaration of World War II.

Europe is a land of intense nationalistic feeling, and I readily shared that trait. My father, one of 16 children born on a small farm in western Poland, had given up the soil to work in the coal mines of western Germany. We remained Poles at heart.

I was born in western Germany, returned to the farm with my mother when I was 7 and at 16 took a job as a laborer in a sugar factory.

In 1918 I joined the Falcon organization, a group of independence-minded Poles, in their uprising against the Kaiser. In 1920 I fought as a private in the Polish forces that turned back the advancing Bolsheviks. I was wounded.

So, before my 20th birthday, I had been a private in what amount to two wars for the freedom of my country. And when the second war was done and Poland's sovereignty established beyond doubt, I returned to our family farm near Poznan and worked there, increasing our holdings to 12 acres.

And I went back to school, got interested in various agricultural, cooperative, and political clubs in my area and joined the Polish Peasant Party. I was attracted to it because of its liberal, democratic platform and because it represented the hopes and ideals of a majority of the Polish people.

Today, under Communist domination, for a Pole to espouse those same hopes and ideals is tantamount to inviting the Russian-trained security police to crack down with penalties that range from confiscation of one's property to death.

By 1924 I was secretary of the district headquarters of the Peasant Party, editor of a farmer's weekly, a contributor to newspapers and magazines which are now banned, organizer and first president of the Association of Polish Youth of Western Poland, founder and instructor in the Peasant University at Nielazkow, and active in self-government, agriculture, and cooperative organization.

I ran for Parliament in 1930 on the Peasant Party ticket and was elected from the Gniezno area.

Pilsudski and Beck had seized control of the Polish Government, changed the constitution which he had patterned after that of the United States. Pilsudski exiled the leader of my party, Wincenty Witos, and the pressure on me stepped up when I became acting chairman. I vigorously opposed Pilsudski because of his appeasement of Nazi Germany.

HITLER PLAN OBVIOUS

From the moment he took office it was obvious Hitler planned to attack Poland. He had said as much in Mein Kampf and one had only to speak to average German youths to know their receptivity toward the approaching war.

"You're fooling yourself," I told one German with whom I had grown up. "Hitler's a Socialist, or says he is. You were always a conservative. How can you support him?"

"Political parties mean nothing anymore," he replied, as if surprised I did not know such an obvious fact. "Germany has had three great leaders who transcended party politics, Frederick the Great, the Kaiser Wilhelm, and now the greatest of them all, Der Fuehrer. Providence ordained him to make us the herrenvolk. Under his leadership we will rule the world."

FULL OF ECSTASY

Another young German, full of ecstasy for Hitler, told me of the wonderful economic gains Germany had made under him.

"We have no more unemployment," he said, "Hitler has put the nation to work, building guns, tanks, planes * * *"

"For what?" I asked him.

"To relieve unemployment, of course."

"But how will these things be used?" I inquired, and, in his bewildered way, he said what countless other Germans must have been saying.

"When we have a sufficiency, Der Fuehrer will know what to do."

MUST STAND BY ARMY

He did. He attacked us. Shortly before the blow fell, I spoke, as chairman of the Western Poland Farmer's Association, to a group of 15,000 farmers and agricultural authorities and told them that in the perilous days to come we must stand by our army.

As a result, the government offered me a post as coordinator of food during the war to to come. But I had made my speech and meant it. I joined the army on August 27, 1939, once again as a private.

Poland was felled as if struck by lightning, as, indeed, it was. The disorder was beyond belief. I had urged that the people permit the panzers to roll through, and thus remain behind the advancing Nazi lines in ever-increasing numbers, and continue the fight.

JAMMED ALL ROADS

Instead, millions of Poles were ordered to flee in the face of the approaching Germans. They jammed all roads and were slaughtered by strafing German planes. The Army could not possibly maneuver.

It was a bitter shambles. It is a sickening feeling to see one's country plunged into utter defeat through blind unpreparedness.

One dim hope remained as the German tanks forged on against us—our defending forces sometimes made up of youths bravely but pathetically throwing bottles of benzine at the steel monsters.

That hope centered around Russia. Poland had a solemn-sounding nonaggression pact with Moscow. Perhaps we could flee into the U. S. S. R. Perhaps, even, Russia might come to our aid.

Then on September 17, as our map unit—now depleted by casualties—retreated toward the southeast, our commander turned from his radio with a look I shall never forget.

"This is the worst," he cried. "Russia has put the knife in our back. The Red Army is now entering eastern Poland to help the Germans."

With 4,000 other remnants of the Polish Army, I walked into Hungary, then still neutral, and was interned. I had never been able to reach my family.

The defeat of Poland lay on me like a fever, and a part of that malady was the anger at the callous, pitiless manner in which Russia, our friend by pact, had kicked us while we were prostrate.

Inflation

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of the Economists' National Committee on Monetary Policy, New York, N. Y.:

RECOMMENDATIONS OF 53 MEMBERS ON HOW TO COMBAT INFLATION IN THE UNITED STATES

The Economists' National Committee on Monetary Policy pointed out at its inception in 1933, and at various times since, that the stage was being set by a variety of governmental monetary and spending policies for what is commonly called inflation—more specifically, a relatively rapid depreciation in the purchasing power of our dollar in terms of goods and services.

Now that these policies, combined with those related to the expansion in note and deposit currency and other economic distortions that occurred during the war, are revealing some of their logical consequences, there is considerable concern, in Government circles as well as outside, as to what should be done to arrest or to minimize what is now being widely recognized as an unhealthy trend of events in our economy. Once so many seeds of inflation have been sown and cultivated with such persistency, in peacetime as well as in war, the problems of arresting or counteracting the consequences sometimes become exceedingly difficult and complicated. Sometimes the consequent forces become so strong that they tend to run their natural course to their unfortunate end despite efforts to counteract them.

It was because of the world's experiences with results flowing from the employment of inflationary procedures that members of this committee, from time to time, have protested and issued warnings against the pursuit of a course, when not required by the necessities of war, that opened the way for, and invited, consequences that might be seriously harmful, if not disastrous, to our economy.

There is, apparently, no easy way to arrest the inflationary tide now running with so much force in this country. The attack on it requires action on a variety of fronts since its causes are numerous.

We, the undersigned, members of the Economists' National Committee on Monetary Policy, recommend the following:

1. A radical reduction in Government expenditures; in particular, abandonment of all public-work projects except those of an emergency nature.
2. A reduction in taxes.
3. A reduction in the Federal debt.
4. A return to a gold-coin monetary standard, and a revision of our monetary laws, in order to return to the people of the United States greater control over the Government's use and abuse of the public purse and to reverse the pronounced trend in this country toward a governmentally managed economy.
5. An increase in production, productive effort, and efficiency of all productive agents.
6. Abandonment of make-work, featherbedding, and other devices for collecting pay for work not done.
7. The maintenance of relatively low inventories and the avoidance of hoarding by business enterprises.
8. The retention by business enterprises of a large percentage of earnings for improvement and expansion of their businesses, and a revision of our tax laws to permit such retention without penalty.

9. The cautious use of credit, and an increase, where possible, of margins of safety against extensions of credit.

10. That sellers make special efforts to maintain the lowest possible prices consistent with a low margin of profit as a means of forestalling a possible large price decline and severe liquidation.

11. Reduction in tariffs and other restrictions to trade, domestic and foreign.

12. A recognition on the part of our Federal Government that it cannot buy large amounts of already relatively scarce supplies and at the same time not contribute to high or higher prices.

13. Abandonment of Federal subsidies except where matters of national protection—in air, army, and naval forces—are involved, and also repeal of price-parity and price-maintenance laws.

14. That the Government not confuse symptoms with causes and that it not attempt to control symptoms since such controls tend to conceal causes, distort the economic picture, and perpetuate, accentuate, and foster new, economic maladjustments.

15. That people not buy what they do not need and that they not borrow to buy things they can do without.

16. That the apparent tendency to loan too freely and too much to foreign countries be sharply curbed.

17. That interest rates be permitted to find their natural levels.

18. That the Board of Governors of the Federal Reserve System give greater attention to the type of administration of our monetary and credit structure that should foster more harmonious relationships in the various segments of our economy.

Eugene E. Agger (2, 4, 16, 17), Rutgers University; Benjamin M. Anderson (10, 18), University of California at Los Angeles; Charles C. Arbuthnot (13, 16, 18), Western Reserve University; James Washington Bell (2, 4), Northwestern University; Claude L. Benner (2), Continental American Life Insurance Co.; William A. Berridge, Metropolitan Life Ins. Co.; Ernest L. Bogart, New York City; Frederick A. Bradford (2), Lehigh University; J. Ray Cable, Missouri Valley College; Wilbur P. Calhoun (2), University of Cincinnati; Arthur W. Crawford, Chamber of Commerce of the United States; William M. Cumberland, Ladenburg, Thalmann & Co.; Rev. Bernard W. Dempsey, S. J., St. Louis University; Charles A. Dice (2, 3, 4, 17, 18), the Ohio State University; D. W. Ellsworth (7, 8, 10, 15), E. W. Axe & Co., Inc.; Fred R. Fairchild, Yale University; Charles C. Fichtner (10), Buffalo, N. Y.; Major B. Foster (18), Alexander Hamilton Institute and New York University; Roy L. Garis (16), University of Southern California; Lewis H. Haney (4, 7, 8, 15), New York University; E. C. Harwood, American Institute for Economic Research; Hudson B. Hastings (2, 4, 11), Yale University; William F. Hauhart, Dean Emeritus, Southern Methodist University; Henry Hazlitt (2), Newsweek; John Thom Holdsworth (2), the University of Miami; Montfort Jones (2, 14, 17), the University of Pittsburgh; Donald L. Kemmerer (5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 18), University of Illinois; William H. Kiekhofer, the University of Wisconsin; Frederic E. Lee, University of Illinois; J. L. Leonard, University of Southern California; Philipp H. Lohman (2, 4, 17), University of Vermont; A. Wilfred May (18), Executive Editor, the Commercial and Financial Chronicle, New York City; Roy M. McDonald (14), Donovan, Leisure, Newton, Lumbard and Irvine, New York City; David H. McKinley (2, 6, 10, 14, 15), the Pennsylvania State College; Frank Parker, University of Pennsylvania; Clyde W. Phelps, University of Southern California; Chester A. Phillips, the State University of Iowa; Charles L. Prather (2, 4), the University of Texas; Howard H. Preston (2, 4, 16, 17), University of Washington; Leland Rex Robinson (2, 16), 2 Western Forty-fifth Street, New York City; R. G. Rodkey, University of Michigan; Olin Glenn Saxon (10), Yale University; Carlton A. Shively, the New York Sun; Walter E. Spahr, New York University; William H. Steiner, Brooklyn College; Charles S. Tippetts (2, 4, 16, 17), Mercersburg Academy; Alvin S. Tostlebe (2, 4, 17), the College of Wooster; James B. Trant (2, 8, 17), Louisiana State University; Rufus S. Tucker (2, 8, 11, 16, 18), Westfield, N. J.; Russell Weisman, Western Reserve University; Nathaniel R. Whitney (10, 18), the Procter & Gamble Co., Cincinnati; Edward Wiest (2), University of Kentucky; Max Winkler, College of the City of New York.

NOTE.—Numbers in parentheses after names of signers indicate items regarding which they have reservations or to which they are opposed, fully or in part.

We're Preparing for the Wrong War

EXTENSION OF REMARKS
OF

HON. W. J. BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1948

Mr. DORN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Maj. Alexander P. de Seversky from Look for December 9, 1947:

WE'RE PREPARING FOR THE WRONG WAR

(By Maj. Alexander P. de Seversky)

(In an article for Look, December 17, 1940, Major de Seversky wrote: "American air power must be built to deliver knockout blows at great distances * * *. Not one nation has yet made full use of real air strength. Victory will go to the one that does." Result: Military experts scoffed. A year later, in Look, October 7, 1941, de Seversky wrote: "The Army continues to treat aviation as one more auxiliary to its services * * *. This is not air power—it is merely a miscellany of airplanes hitched to older, slower services. * * * The first [thing to do] is to wrest our military aviation from the control of the older services and merge it in one separate and unified Air Force." Result: The high command categorically rejected the idea of an autonomous air force as impractical. In Look, July 13, 1943, Walt Disney's dramatization of Major de Seversky's Victory Through Air Power repeated the aviator's call for air power. Result: Stategic air bombing at last got off to a slow start. During this entire period, military diehards, unable to rebut his arguments, accused de Seversky of doing a disservice to the war effort. But by VJ-day, the world finally was able to see what air power could do if given half a chance. And last February, de Seversky was awarded the Medal for Merit with a Presidential citation crediting his appeals to the public with an inestimable contribution to the final victory. Four months later, he received the International Harmon trophy. The award cited his work to prove the principles of long-range escort fighters and said their application helped to guarantee victory. Still more recently, as he had long advocated, the Air Forces at last became an independent, unified service. But real air power is still not a reality. In this article, Major de Seversky describes what we must do—while we still have time.)

The world is in turmoil. While we strive earnestly for peace, we dare not ignore the possibility of war. Certainly, a weak America would invite aggression, a strong America would discourage it.

If war does come, will we be ready for it? Not unless we have a clear prevision of how it will be fought and prepare accordingly. Not unless we concentrate our wealth and effort on the decisive weapons, instead of spreading them thin, indiscriminately, over all weapons.

In the victorious phase of the last war, we pulled an intellectual surprise in the form of strategic air power; long-range aviation striking at the industrial sources of the enemy's strength. Germany and Japan were not ready to use or to defend themselves against that kind of aerial potential.

But today every nation capable of engaging in modern warfare is thoroughly aware of the meaning of such real air power. The nation must, in simple common sense, channel its major resources into air forces.

The hope of another such surprise must be dismissed. Moreover, despite vastly increased aircraft speed, penetration to the heart of the enemy country will be more difficult and more costly than ever before. Defensive potentials are being rapidly raised through electronic detection, proximity fuzes, ground-to-air rockets, and other kinds of devices.

A future war will, therefore, resolve from the outset into a contest for right-of-way in the air ocean. The side that first achieves freedom of aerial navigation over the enemy country, while denying that freedom over its own country, will be in a position to win. It will then be able to deliver atom bombs and other destruction, while eliminating the enemy's ability to do so.

AIR POWER SHOULD COME FIRST

Unless we can attain control of the skies, all other military forces will be useless. They will never come into play. That being the case, we must immediately divert the major portion of our national resources to building unmatched air power in being.

In the last war we faced a fateful choice—and a golden opportunity—when we lost our fleet on December 7, 1941. We could have elected to put all we had into building true strategic long-range air power. In that case we could have attained complete control of the air all over the globe and defeated Germany and Japan by our own strength, without dependence on allies other than Britain. At the end of the war we would have had the decisive voice in organizing an enduring democratic peace.

Unhappily some of our leaders could not envision the possibilities of air power. They knew only the "true and tried weapons." They were obsessed by the inherited idea that war had to end on the ground, on the field of face-to-face battle.

Instead of building invincible long-range air power, capable of bypassing the enemy surface forces, we proceeded to rebuild the fleet to carry armies to battlefields all over the world. In this way we chained ourselves to the surface struggle, in which manpower was decisive. Since we lacked adequate manpower for victory, we proceeded to build Russia into the greatest land power on earth. Theoretically, this was to save American lives; in actuality, we created a

Frankenstein monster which now jeopardizes millions of our lives.

LONG-RANGE BOMBING FEASIBLE IN 1943

As an aeronautical engineer, I stated then, and repeat now, that we could have built the necessary long-range air power for all-out use by 1943. We needed only to tackle that task on the same scale, and with the same concentration of effort, that we brought to bear on developing the atom bomb.

In 1939 I consulted most of our leading aircraft designers and manufacturers. I can attest that industry was prepared to build aircraft at that time which, by 1943, could have flown directly from Alaska or Newfoundland to Asia and Europe, respectively; which could have deposited ten times the bomb load which was delivered in Flying Fortresses and Liberators on Germany.

In other words, had we decided that air power is the backbone of modern strategy, we could have dropped on Germany in 1943—not in 1944 or 1945—not 1,600,000 tons of explosives but 50,000,000 tons! Even laymen today concede that Germany would have collapsed under that weight of bombardment long before we mobilized the necessary forces for surface invasion—and without need to draw the Red armies into eastern and central Europe.

Against Japan we could have used strategic air power—the method that doomed that country when finally we did resort to it—years earlier. The bloody island-to-island ordeal from Guadalcanal to the Marianas would have been avoided.

WE WERE BLIND TO AIR POWER

But, alas, we ignored the new strategic possibilities. Aeronautical science was ready. Industry was ready. It was not a technological failure but a failure of strategic imagination-strategic astigmatism in high places.

We planned the most amateurish war on record, breaking every basic strategic principle. For instance, we undertook to build the biggest Army, the biggest Navy, the biggest Air Force, the biggest everything at the same time. In trying to be strong everywhere, we failed to attain maximum strength in any of the component forces. Yet we got away with it. Why? Simply because we were so terrifically strong and wealthy that we could afford the luxury of major errors and fantastic waste. Like a heavyweight in the ring with an infant, we could make any mistake and score a knockout—even by accident. We just smothered the enemy under the weight of our matériel downpour.

In another war, we may not be able to afford such luxury. In terms of manpower and natural resources, we may be the "little Nation," fighting a big nation—perhaps the whole Eurasian Continent. We cannot risk the profligate methods of the past. We have to determine which force is decisive and concentrate on it to assure a favorable decision. Little David pitted against Goliath, we will have to score a strategic bull's-eye.

Anything short of that may spell calamity.

Yet at this moment, we are again building in all directions at once, dividing appropriations fairly among all forces and weapons without deference to the kind of war we shall have to fight.

Let us visualize the next war. We know that World War I was a war of position, with two opposing forces in trenches shooting it out to a decision. World War II was a war of movement over the face of the whole planet.

WE FACE ANOTHER WAR OF POSITION

World War III will again be a war of position, only on a global scale. The two adversaries on respective sides of the earth will be like two fortresses possessing artillery that can strike at any part of the opposing fortress. They will shoot it out to a decision.

On one side of the globe is Eurasia, on the other America, with the Arctic area as the no man's land in between. Tactically, of course, there will be lots of movement, primarily in the air. But strategically the adversaries will be stationary, pinned to their positions.

The "walls" of these fortresses locked in a clinch will be their defensive air power; the ramrod that will seek to penetrate the walls will be the opposing striking air power. Our No. 1 job is to build the ramrod—the striking air force—capable of breaking through and destroying the air walls of the enemy fortress.

This, moreover, will not be merely a prelude to invasion. It will be the supreme goal in itself. I am entirely convinced that there will be no need for military invasion. The victor may decide to occupy and hold the conquered area for economic or other reasons—but invasion as a component of total military victory will be a thing of the past.

Even in the last war we did not have to occupy Germany and Japan from a purely military standpoint. After we assumed control of the air we could have bombed those nations into a pulp, destroying the last vestiges of their industrial civilization and leaving them to dig out of the debris for the next two or three generations.

OCCUPATION WILL BE UNNECESSARY

Occupation made sense in the past, when the enemy's means to wage war could not be finally eliminated without the entry of a victorious army. Today, when total demolition can be obtained from the skies, the concept has lost its validity.

The real reason for occupation, however, was political. Three ideologies—fascism, communism and democracy—were involved in the last war. After fascism was destroyed, the question that emerged was which of the remaining ideologies would dominate in the defeated areas. Occupation, both by the Russians and the democracies, was not a military necessity but a political race to stake out spheres of influence.

But in the foreseeable future, the world will be divided, geographically and politically, only into two warring ideologies. Whichever side wins, there will be no third party ready to take over the conquered regions ideologically. That is why the next war will end with total destruction of the foe, without need for military occupation.

Of course, if war should come tomorrow, before either side has forged longe-range weapons, we will have merely a continuation of the methods of World War II. In that case, I can see no likelihood of either side scoring a final decision. The best we can expect is a stalemate, with attrition working against us. We would be obliged to try to contain the enemy, fighting for time to build the indispensable long-range striking air force, which alone can bring us total victory. This transitory struggle would resolve itself into the two-fortress image I have projected.

Three to five years hence, the siege "artillery" will be represented by long-range bombers and escort planes. They will be of somewhat different military characteristics than those in the last war. Later, they may be replaced by robot planes, and still later by rockets. But the nature of the "artillery" will not alter the strategic equation. We will still have two fixed fortresses shooting it out.

OUTLYING BASES WON'T HELP

A decision will not be scored until long-range artillery is brought into play because under modern conditions, war cannot be waged to a finish from outlying bases. No country can absorb the losses involved in such an attempt.

No nation now has enough aircraft to strike in force across oceans and across the Pole—but their average range is long enough to prevent an enemy from holding bases anywhere within their striking radius.

In justifying distant bases, some experts insist that if you are closer to the target you need less fuel and can therefore carry more explosives. This slight tactical advantage, however, will be offset by big strategic disadvantages.

In commercial aviation, to cite an analogy, a lot more passengers could be carried if a lot of stops were made for frequent refueling. Yet over-all efficiency makes nonstop transcontinental flights more desirable. Similar over-all considerations rule out intermediary bases.

In order to gain the marginal tactical advantage of bases nearer to the enemy, we have to spend enormous amounts of our national resources for naval and land power to hold and supply and defend those stepping stones. That cost is ludicrously out of proportion to the benefits the bases offer—even if we could hold them.

During the last war, we used overseas bases because we had no alternative; owing to backward strategic thinking, air power of the necessary range for direct operations had not been prepared. And because we fought from advance bases, we had to provide colossal naval forces to clear the oceans of submarines; to transport and supply the armies that occupied and serviced the advance points. We had to provide almost incalculable surface forces of every kind to seize outlying bases and aircraft to shield that vast deployment of surface forces.

EUROPEAN BASES PROVED COSTLY

I had occasion to compare our action against Europe from European bases as against direct action across the Atlantic. I had to figure out the labor and material that went into naval and land forces necessitated by warfare based on distant points. Obviously, the investment was immense.

What would have happened if only a fraction of that investment had been put into long-range air power; and if we had mounted our bombing offensive directly from, let us say, Newfoundland? We might have deposited on Germany several times as much explosive for one-tenth of the cost of the same attack from close-up bases. What is more, the lives invested in fighting for and defending such bases would have been saved.

The only overseas base that can still be an asset to us is the British Isles, not only because they are separated from the Continent by a body of water but because they have the industrial power to generate their own fighting machine. England is capable of producing and maintaining an air force in being comparable to our own in size and quality. It will be an ally for our own aerial potential in the vtial struggle for control of the skies.

BASES NEED FULL AIR SUPPORT

Suppose the enemy had a powerful base on Bermuda. How long would it survive? Could it conceivably be provided with air power superior to what we could hurl against it from our mainland? Yet some of our military men seriously plan for such operations in reverse; they are already dumping our wealth into invasion forces to implement such fantastic and foredoomed plans.

It is possible to prescribe a definite rule: Outlying bases intended for decisive action should be so located that any air attack against them will involve for the enemy the risk of joining in a major air battle to be fought to a conclusion. In other words, these bases, whether fixed or floating, such as aircraft carriers, must be subject to protection by our entire air force in being. Unless a base can muster such total defense, it will be flattened out instantly by the opposing air force.

I come now to the atom bomb. Despite the hysteria churned up on the subject, the atom bomb does not alter the strategic relationships I have outlined.

The American people must grasp the fact that it is not a new military force, in the sense that the Army, the Navy, and the Air Force are military forces. It is another explosive—immensely, horribly destructive, but before it can be instrumental in attaining a

decision, it has to be delivered, like any other explosive, by one or a combination of military forces to the right target at the right time.

Let it be understood that I do not underestimate the atom bomb. It is every bit as potent and terrifying as generally described. I have seen it in action and I have seen its effects, so I know.

But I am discussing the atom bomb in cold terms of military science. I am convinced that the tactical values ascribed to it are all out of proportion. There has been too much loose talk, scare talk, and exaggeration. In letting the mere existence or possession of atom bombs distort the large strategic picture, we are in danger of generating a false sense of security on the one hand, a false sense of defeatist despair on the other. Another danger of exaggeration is that it may tempt us to mount a premature offensive with all of its tragic consequences.

ATOM BOMES HAVE A LIMIT

We hear talk of a bomb so terrific that it could destroy nations, or the entire planet, at one blow. If that comes true, some scientist, we may be sure, will explode it just for the hell of it, to prove his point. In that case, the problem of national defense would certainly be simplified.

But, unfortunately, we are still dealing with bombs of finite, rather than infinite, capacity. Hence, the science of war making has not been canceled out. We must continue to give thought to strategy and the complex military machine to carry out strategy.

To think of the atom bomb as an apocalyptic force is a bit premature. The bomb may double or quadruple its capacity. But for the predictable future, there will still be a practical limit to its size. There will be a point at which further expansion of explosion in one missile becomes wasteful. For a long time the atom bomb will necessarily be of limited capacity, able to destroy a specific target and requiring control of the medium through which it is delivered.

After I had studied aerial destruction in Europe for 5 months, the Secretary of War asked me to make a similar survey in Japan. Accordingly, I put in 2 months in that country studying the results of our bombardment of Japanese targets. I spent several days in Hiroshima and Nagasaki. Later, after I returned from Japan, the Secretary of War sent me as his representative to Bikini for the bomb tests there.

Judging by what I saw in Hiroshima and Nagasaki, no single bomb of the type dropped there—or two, or three—will, in my opinion, be able to destroy a large concrete and steel city like New York or Chicago. Atomic scientists who insist that a single bomb will automatically wipe out any major modern city are venturing beyond their depth. With the courage of their military innocence, they calculate the number of stock-piled bombs needed to destroy the key cities of this or that county, as equal to the number of cities. Their assumption, of course, is that the score of hits will be 100 percent, that the winds will blow in the right direction and other ideal conditions will prevail, as in a Bikini-type laboratory test.

Suppose we had operated against Japan or Germany on the basis of such simple arithmetic. We knew, let us say, that Germany had 82 major targets that had to be destroyed to cripple its capacity to wage war. Suppose that we had provided exactly the number of bombs theoretically needed to do the job, and no more. This, mind you, before the issue of control of the air had been decided.

Nothing more absurd could be imagined. People forget that even in target practice the average score is about 50 percent, and that under battle conditions the score seldom exceeds 3 percent.

The real novelty of the atom bomb, aside from its greater power, is its three-in-one character. It produces blast; it is an incendiary through flash-heat; and it is poisonous through its radioactivity. Against the poison factor, there is as yet no defense except mass: 6 feet of concrete or several inches of lead.

PRINCIPLES OF WAR ARE UNCHANGED

Again, at the risk of being charged with underestimating radioactivity, we should recognize that it does not change the basic principles of war. After all, what is the difference between a square mile of industrial area made untenable through being reduced to rubble by old-fashioned bombs, with people buried alive under the ruins, and the same square now roped off, due to radioactive contamination, with people dying in hospitals?

If the enemy should succeed in capturing control of the air over the United States, our atomic stock pile will not do us the slightest bit of good. Once the foe enjoys freedom of navigation over our country, he will proceed to demolish us at his own leisure—with atom bombs or with old-fashioned TNT or, for that matter, with sacks of potatoes, if they are heavy enough. As for the stock pile of atomic bombs, under those circumstances, we might just as well use them for pins in a bowling alley.

My point is that the atomic bomb is a most powerful weapon, but only in the hands of a country that is prepared to conquer the air ocean. Scientifically, atomic energy is, indeed, a revolutionary development. But it does not at this stage revolutionize the strategy based on long-range air power.

ATOM STOCK PILES NEED PLANES

After Bikini, one of our military columnists stated that the relative military strength of nations hereafter would be measured by their relative stock piles of atom bombs. Militarily speaking, that is sheer nonsense. The relative strength of nations will depend on superior means of delivery of these bombs—and that means air power.

Those who claim that there never will be any defense against the atom bomb, in my opinion, confess their intellectual bankruptcy. Such people are selling science down the river. Throughout my 30-year career as an engineer, I have observed that as soon as a statement is made that something cannot be done—it is done. Atomic energy itself is bound to produce the necessary antidote against the use of the atomic bomb.

The notion that the very threat of atomic attack will frighten an enemy into surrender is a dangerous fallacy. New weapons of destruction have always prompted extravagant claims that there could be no defense against them. Invariably, of course, some antidote emerged to curb the new weapon at least to the point where it could not by itself impede a nation's capacity for making war.

Before World War II, extreme claims were made for bombing and poison gas. It was said the poison gas from the skies would result in ghost cities and even ghost nations; also that such attacks would have the advantage of destroying people instead of things; and that an attack of that kind on a capital city alone would bring panic and precipitate immediate surrender.

Yet we saw no use of gas in the last war. This was not because of humane scruples, but because attack against human beings, who are mobile and intelligent, is infinitely less effective than attack against inert things. We saw bombs rain down on nations for years without producing panic and immediate collapse of morale.

The fact is that the human animal—when ideologically inspired—can take an immense amount of punishment. Once people are engulfed in war, regardless of the weapons used, it is not fear, horror or misery which makes them collapse but the actual elimination of the physical industrial means to make war.

Those who believe that war in the atom age will be short—a matter of days or even hours—are sure to be disillusioned. True, the atomic explosive is many times more powerful than its predecessors. But to destroy war-making capacity in order to cripple a nation will require many times greater effort and time because of improved defensive techniques.

Nor will the victory be "cheap," as some suppose. Because one plane dropping one bomb was able to destroy a flimsy, highly inflammable and unprepared Hiroshima, it does not mean that the same will hold true in the future. Air being the main arena of action, not thousands but millions of people will be involved in the decisive air battles of tomorrow, in the skies and on the ground. The drain on our resources will be even greater than in former wars.

Control of the air is the first indispensable condition of victory. We do not merely need planes to carry bombs, but planes capable of fighting their way through the opponent's defenses. As long as we use piloted aircraft—jet or even rocket-driven—it means combat for command of the air and electronic domination.

PUSH-BUTTON WAR IS REMOTE

Only with the advent of long-range, supersonic robot rockets will it become possible to talk of penetration without combat. The push-button warfare with its transcontinental and transoceanic rockets is still very far off. At the present stage, a rocket that theoretically could be fired from our mainland against a target several thousand miles away would have to weigh 400,000 tons, or the equivalent of eight battleships. To be effective, a great rate of fire would have to be sustained. Imagine firing "billion-dollar bullets" every second or so. We would exhaust our total resources in a few minutes.

Until new materials and fuels are developed, therefore, guided missiles and rockets will be merely an adjunct of air power, in the sense that the torpedo is an adjunct of sea power.

Having put these weapons in their practical place, let us see how we can implement long-range air strategy with piloted aircraft. Right now, we are on the verge of getting aviation through the speed of sound. It is likely that in a short time jet-propelled aircraft will fly at 1,200 or even 2,000 miles an hour.

Beyond such speeds, we shall run into problems of heat generated by fraction. The VX2, for example, at its top speed heated up to 600 degrees centigrade. Even at 2,000 miles an hour, we must therefore expect temperatures that the human organism cannot endure. This may prove to be the limiting factor, for the time being anyhow, on speed in piloted aircraft.

In any case, such speeds will not affect basic strtegy. For the crew under combat conditions there is no difference between a 6-hour flight from London to Berlin and a 6-hour flight from Chicago to the Urals. They will still have 6 hours of fighting to overcome hazards and obstacles: attack by enemy aircraft, antiaircraft fire including proximity fuses, all sorts of ground-to-air rockets and guided missiles.

That means that the bomber of the future, carrying an atomic warhead, must be shielded by escort planes. These planes may take entirely new forms, but they will remain indispensable. Escort tactics will be different but basic principles will remain unchanged. As long as piloted air planes are used—as they must be in any war in the foreseeable future—we can expect no revolution in the basic strategy I have indicated. To let the power and the horror of the newest explosive distort our vision is to court disaster.

WE KNOW OUR POSSIBLE ENEMY

Our strategic picture today is clearer than ever before—because, if a new war comes, we

know the direction from which the war can come and the tasks it will set us. In the last war, we had to build weapons for universal application anywhere on the globe; that imposed design compromises for which we paid in reduced efficiency. In the next war, we know in advance the precise terrain and targets. We can design for combat under predictable conditions, against specific targets with a greater efficiency.

It would be suicidal to accept battle on the surface of the earth, where we shall, in the nature of the case, be hopelessly outnumbered. Our strategy for the future must be one that circumvents the potential enemy's manpower. Nor must we stake victory on untenable distant bases, fixed or floating, for reasons I have already indicated.

We can guarantee victory only through superior creative imagination; not through fantasy but through clear, practical vision of the nature of future war making as affected by the direction of technological progress.

Intensive research is imperative, particularly in the field of aerodynamics and electronics. Only in this way can we provide ingenious weapons to meet the new conditions—and gear now for unbeatable air power able to strike at the heart of the enemy's industrial set-up directly from our own mainland, bypassing the opponent's massed strength on the surface.

We are in an ideal position for clear thinking, clear planning, and the creation of appropriate weapons. Those weapons should be built with just one vital purpose: to give us undisputed domination of the entire air ocean.

Let us begin to build these weapons now. Let us not squander our limited resources on obsolete strategies and on weapons which will never be taken off the shelves. In war to come, even wealthy America cannot afford to disperse its strength. We can always count on the valor and spirit of sacrifice of our fighting men—but that alone may not be enough to turn the scales of victory.

City Manager for Washington?

EXTENSION OF REMARKS

OF

HON. JAMES C. AUCHINCLOSS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. AUCHINCLOSS. Mr. Speaker, under authority granted me, I am very glad to have this opportunity of inserting in the RECORD, copy of an article written by me entitled "City Manager for Washington," which appeared in the National Municipal Review for December 1947.

This article sketches the development of the municipal government here in Washington since the Civil War and explains in a thumb-nail fashion the results of the study of the Subcommittee on Home Rule and Reorganization of the District of Columbia. I hope the Members of the House will take the opportunity to read this article because it will aid in their understanding of the home rule bill when it reaches the floor.

The study of this problem has been a most interesting and constructive education and I venture to think that an opportunity has at long last arrived for the Congress to do something constructive for the government of the capital city of the Nation.

The article follows:

CITY MANAGER FOR WASHINGTON?—CONGRESSIONAL COMMITTEE FINDS GOVERNMENT OF CAPITAL CITY A HOPELESS HODGEPODGE; SUGGESTS COUNCIL-MANAGER PLAN

(By. JAMES C. AUCHINCLOSS)

We like to think of the city of Washington these days as the center of world democracy—the capital of the democratic world—for the free peoples of the earth are looking to the United States and its Capital City for spiritual and material sustenance in these critical times. But how many of them know, and how many Americans realize, that the people of Washington live in a state of political peonage and that its charter dates back almost unchanged to 1874?

Today the city of Washington has almost 900,000 residents. More people live there than in 13 States of the Union. They pay millions in taxes, are exceptionally literate, and have all the earmarks of an advanced culture. But, believe it or not, they have no representation in Congress and elect none of their local officials.

In the Capital City of the world's greatest democracy you might expect to find a model system of local self-government. But if you examine it, as I have done, as chairman of a congressional investigating committee, you will find a patchwork set-up that looks like a political Donnybrook Fair. The present government of Washington, set up in 1874 as a temporary arrangement, has continued down to the present time by a process of drift and neglect, not in pursuance of any governmental principle or deliberate desire to deprive its residents of home rule.

Washington has not always been voteless and voiceless, nor did the founding fathers contemplate that it would be. James Madison, who had been a delegate to the constitutional convention and later served in the first four Congresses, informed the people in the Federalist that the inhabitants of the Federal District "will have had their voice in the election of the government which is to exercise authority over them." And he went on to say that "a municipal legislature for local purposes, derived from their own suffrages, will, of course, be allowed them."

These expectations were soon fulfilled. After shifting its site several times, the Federal Government moved to the District of Columbia in 1800. Two years later Congress granted Washington a municipal charter with a mayor appointed by the President and a city council elected by the people. Georgetown and Alexandria were municipal corporations when the district was created and they continued to operate as such. From 1812 to 1820 the council was permitted to elect the mayor. And from 1820 to 1871 the people were allowed to elect the mayor as well as the members of the council.

Meanwhile, Washington was beginning to grow up from its infant beginning. The Civil War and reconstruction periods swelled its population to 131,700 in 1871. But as the seat of the National Government the city was a sight to behold with its muddy streets, its open sewers, stinking swamps and sordid slums. The growing District was desperately in need of public improvements and social services which its weak and divided local governments were poorly equipped to provide.

TERRITORIAL GOVERNMENT CREATED

Preoccupied at the time with the tasks of reconstruction, Congress was glad to delegate the work of rehabilitating the Capital City to local hands. By an act of February 21, 1871, Congress created a territorial form of government for the District, consisting of a governor, a board of public works, and a legislative assembly. The governor and the board of public works were appointed by the President and the legislative assembly was elected in part by the people. The assembly consisted of two houses: a council of 11 members appointed by the President to represent the National interest and a house of delegates with 25 members elected each year by the people. In addition, the people were permitted to send a speaking but nonvoting delegate to the House of Representatives as Alaska and Hawaii do today.

Under this new regime, the old city charters were abolished and the towns within the District were merged into a unified city of Washington. Alexandria, and the Virginia segment of the 10-mile square had been receded to that State back in 1846. The governor was the central figure in the territorial regime. He administered the various departments, controlled the city jobs, and could veto acts of the legislative assembly, subject to overriding votes by a two-thirds majority. Congress retained power to veto the acts of either the governor or the legislative assembly. There were also independent boards of health, education, and law enforcement. Under this setup the people of the District had a voice in the house of delegates and a spokesman in the House of Representatives, but Governor Shepherd was the real boss of the town.

With great speed and energy Governor Shepherd launched an ambitious public-works program which soon transformed the face of the Capital City. But his reckless expenditures shocked the taxpayers and Congress liquidated the Shepherd regime in 1874. In its place Congress created a temporary district commission to carry on the necessary municipal functions until a new government could be established. Some of the powers that had been exercised by the governor and the board of public works went to the new commissioners and Congress itself took over most of the functions of the legislative assembly. All suffrage rights were suspended. This makeshift system lasted until July 1, 1878, when with a few minor changes it was made permanent.

During the 70 years since 1878 Washington has grown to be a great city with almost a million inhabitants. It is one of the most beautiful capital cities in the world. In outward appearance it is the fitting Capital of a Nation now at the pinnacle of its power and prestige. But it is still governed by the antiquated charter of 1878.

HODGEPODGE OF AGENCIES

A committee of the House of Representatives of which I am chairman has just completed an exhaustive study of Washington's hodgepodge government. We find it is incredibly complicated, confused, and cumbersome. From a mere handful of agencies in 1878 it has grown like Topsy, until today there are about 125 major units of government rendering services in the District, of which 48 are Federal and 77 District agencies. And there are as many more sub-units.

Federal, State, county, and municipal functions are scattered among a host of governmental agencies without rhyme or reason. Authority over District affairs is divided among many independent boards and commissions. A dozen agencies share the ordinance-making power and executive authority is likewise hopelessly splintered.

At the top of this crazy-quilt setup is a board of three Commissioners, who exercise a split and ineffectual supervision of local affairs. None of the local officials is elected. Members of the Board and other key posts are appointed by the President and are often used to pay political debts. Training and experience in municipal administration are not the criteria of appointment. Vacancies in local judicial and administrative posts are often left unfilled for long periods by a busy President preoccupied with larger affairs, and outsiders are frequently selected for these places to the neglect and disappointment of local talent.

The administrative branch has developed haphazardly over the years. New agencies have been created from time to time as the

need for the performance of new functions has arisen. As a result, the administrative structure of the District government consists of a conglomeration of bureaus, boards, commissions, and offices in large part independent of each other and collectively conforming to no consistent principle of organization. For many years the inevitable result has been confusion, duplication, overlapping of organization and functions, conflicts of jurisdiction, and unnecessary cost.

At the present time, for example, five governmental agencies in Washington are charged with police protection, three with recreation, two with water supply, two with road building, and two with the care of trees. Nor is there any unified personnel system for local employees.

As one local newspaper editor has put it, "the city could well adopt the nine-headed Hydra slain by Hercules as its symbol."

Intertwined with this tangled network of local agencies are more than two score Federal agencies which operate in the District and render services to it, such as the district courts and the United States Employment Service. At the hearings held by the District Investigating Committee last July it took Federal officials 4 days and 120 printed pages to explain the intricate relationships of their agencies and services to the District. And it took a huge, three-dimensional colored chart to display in understandable form the complex structure and interrelationships of the District government.

BUDGET BUREAU TOO

One of the numerous Federal agencies involved in this curious tangle is the Bureau of the Budget. This Bureau, which is in the executive office of the President, intervenes between the District Commissioners and the Congress. All local legislative proposals and appropriation estimates must pass its censorship before Congress can see them, even though the Bureau may know little of local conditions and needs. The city fathers must get a green light from the Budget Bureau before they can communicate with their city council or submit the local budget to the Appropriations Committees of Congress.

Madison's early assurance of a locally elected municipal legislature has remained unrealized since 1874. In place of government by consent of the governed, Congress has chosen for 73 years to sit as a city council for the disfranchised people of Washington. Each session much legislation dealing with District affairs is introduced in both Houses and referred to the District of Columbia committees. These committees often find it difficult to muster a quorum for consideration of such municipal matters, since members are naturally more interested in the affairs of their own congressional districts.

The House Committee on the District of Columbia, of which I have been a member for 5 years, has 25 members; the Senate District Committee has 13 members. Assignments to the District committees are unpopular and are often given to newcomers. Nine members of the House District Committee today are first-term members and two are second-termers. All the members but one of the Senate District Committee are freshman Senators, including the chairman, Senator BUCK.

Congressmen are reluctant to serve on the District Committee because it has often proved to be a political graveyard. They are more interested in national and international affairs than in enacting local ordinances for the capital city.

DISTRICT LEGISLATION

Look at the petty chicken feed which the District committees are asked to consider. Among the bills during the first session of the Eightieth Congress were measures to rehabilitate alcoholics, prohibit mixed boxing bouts, regulate barbers' hours of work, destroy starlings, save daylight time, regulate embalmers, and serve straws in Washington restaurants. It took acts of Congress to change the name of Conduit Road to MacArthur Boulevard and remove a couple of ancient posts in front of the White House. It is absurd that Congress should have to deal with such petty matters when great issues of peace and reconstruction are pressing for decision.

Consider the legislative hurdles that even a trivial district bill must surmount before it becomes the law of the land. First it is assigned to one of the six subcommittees which divide the labor of screening District legislation. (If the bill originated in one of the city departments, it has to run the gauntlet of the Board of Commissioners and the Budget Bureau before it can even be introduced in the House of Representatives.) After subcommittee consideration, possible hearings, and favorable action, the bill is reported to the full House District Committee. If the full committee approves it, the bill is then reported to the House, where it may come up for consideration on the second or fourth Monday of the month, which days are reserved under a House rule for consideration of District of Columbia matters. Few Members of the House are likely to be present on the floor on District Day, so that if the bill is approved it may be by a comparatively small minority of all the Members. The House approved the District appropriation bill for 1944 with only 28 out of 435 Members voting.

Having passed the House, all the steps described above must then be repeated in the Senate. If the Senate and House disagree about the bill, it is sent to a conference committee which will try to compose the difference, and whose report must go back to both Houses for their approval. Having finally passed both Houses, unless it has meanwhile gotten lost in the shuffle, our bill then goes to the President for his signature. Thus, there are at least eight stages in the ordeal that District legislation must go through before it can become effective.

In actual practice, under these circumstances, the affairs of the District of Columbia are controlled by congressional minorities; a large part of the work is done by committee staff aids; Congress as a whole is ignorant of and indifferent to District problems; and a Member's vote on District legislation often depends on the sentiments of the folks back home rather than upon the views of the voteless residents and taxpayers of the District. Small wonder, then, that relations between Congress and the Capital community are sometimes hostile and that the needs of the city of Washington are neglected. Congress at best is a clumsy city council. It should be relieved of the task of managing the city's routine business. I agree with the La Follette-Monroney committee that "the Nation cannot afford the luxury of having its national legislative body and the District committees in both the House and Senate perform the duties of a city council for the District of Columbia."

SOLVING THE PROBLEM

The solution of Washington's dilemma is an easy and simple one. It calls for no act of political heroism, no profound intellectual feat. All Congress need do is grant Washington a modern city charter. During recent decades great advances have been made in governmental organization and administration, particularly at the local level. In the early years of this century the commission type of city government enjoyed great popularity, but has been eclipsed in the last 30 years by the more effective managerial type of city government which had its inception in Staunton, Va., in 1908, and has since been adopted by 800 American cities. Eighty-one cities adopted council-manager government during 1946.

I believe that the council-manager plan, with suitable modifications to meet the peculiar conditions of our National Capital, is the answer to Washington's dilemma. This plan applies to city government the business-manager principle which has been successfully employed for many years by private corporations. The essential and admirable feature of the manager plan is the separation of the function of legislation from those of administration without a separation of powers, coupled with a concentration of administrative responsibility in the hands of one man under the control of the council.

It is interesting to recall in this connection that Mr. Richard S. Childs, chairman of the National Municipal League's council, who produced the city manager plan by uniting the commission plan and the Staunton plan, shares its paternity with the Father of our Country. In a letter to Benjamin Stoddert in 1792, George Washington said in part:

"It has always been my opinion, and still is so, that the administration of the affairs of the Federal City ought to be under the immediate direction of a judicious and skillful superintendent * * * one in whom is united knowledge of men and things, industry, integrity, impartiality, and firmness; and that this person should reside on the spot."

After a full month of hearings and an intensive nonpartisan study, my committee is recommending to Congress adoption of a new organic act for the government of the District of Columbia. Our plan proposes a representative local government chosen by the qualified electors of the District, responsible for providing all essential governmental services to the community, subject to the will of Congress. The plan also provides a streamlined efficient governmental structure for the District with clear distinctions drawn between areas of Federal and District responsibility.

COUNCIL-MANAGER PROVIDED

The new charter would provide the council-manager form of government. All powers of local government would be vested in an elected District council, including the power to tax and spend. The government would be organized into eleven departments along functional lines, with each function concentrated in one department instead of being splintered among several agencies. Financial affairs would be completely divorced from those of the National Government. Federal functions would be performed by Federal agencies and local functions by local agencies. The line of responsibility for the conduct of the District government would run straight from the voters to the District council, chosen at large in nonpartisan elections, to the District manager and the department heads. Federal employees with voting residences in the States would be allowed to vote in District council elections without jeopardizing their tax or employment status.

Under our plan the government of the District of Columbia would, of course, remain subject to ultimate control by Congress because of its constitutional authority over the seat of the National Government.

Under the proposed new charter Congress would have ample means of protecting the Federal interest in the District of Columbia. It could repeal or amend the charter at any time or veto legislation passed by the District council. A joint congressional committee would be set up to maintain continuous surveillance of district affairs. Local legislation on a par with that enacted by State legislatures would lie over for 30 days, subject to congressional veto, before becoming effective.

At a time when the United States is striving to make the world safe for democracy again, let us not forget that there are some major gaps in the democratic landscape at home, particularly in the Nation's Capital. The people of Washington want local home rule, not statehood. Our plan would give them a chance to solve their own problems. It would also relieve Congress of a work load it should not have to bear. We cannot expect Washington to remain a politically depressed

area, on the one hand, and capital of the democratic world, on the other. At present, it is a standing invitation to hostile propaganda. Congress has an enviable opportunity to create here a model local government. I hope it will seize this opportunity now and restore democracy and efficiency to the Capital City of our country.

Tribute to Confederate Veterans of the War Between the States

EXTENSION OF REMARKS
OF
HON. JOHN J. SPARKMAN
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Monday, January 12, 1948

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by the Honorable John H. Pinson, a representative in the Alabama State Legislature, from Sumter County, Ala. The speech was delivered on the floor of the Alabama House of Representatives on June 13, 1947, and is an eloquent tribute to the few remaining veterans who fought in the cause of the South during the War Between the States.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Speaker, 86 years ago scenes were different here at the State capitol of Alabama.

Downstairs in the governor's chair sat Andrew B. Moore of Perry County. Where you sit, Mr. Speaker, William M. Brooks of Perry County presided over the Secession Convention; and where I stand, stood Montgomery's own, matchless, eloquent William L. Yancey, delivering the report of the committee of 13 which withdrew Alabama from the union of States. On the flagpole above the capitol building floated the Stars and Bars of the Confederacy, made by Mrs. Napoleon Lovett, of Marion, Ala., and raised for the first time on March 4, 1861, by Miss Letty Tyler, granddaughter of United States President John Tyler. From the Tennessee Valley of north Alabama, came the bugle call of fighting Joe Wheeler, answered by the cannon of Admiral Raphael Semmes in Mobile Bay. Alabama was on the march, girding to defend herself against the foe.

When a boy, down in the Black Belt of Alabama, I have often heard the Negro cotton pickers singing their "Swing Low, Sweet Chariot," and "Old Black Joe," and it was sweet music. In late years, I have stood in the stadium at Tuscaloosa and heard Alabama's million dollar band play our alma mater, with tears in my eyes. In a mood for sports, I have gone to Louisville, Ky., out to Churchill Downs to see the Kentucky Derby, and stood in the old wooden grandstand, as the band played "My Old Kentucky Home," with a sob in my throat. I have sat in the diamond horseshoe at the Metropolitan Opera House in New York City and heard Enrico Caruso sing the aria from Aida, and all the magnificence and grandeur of the dead and bygone civilization of Egypt and the Nile would pass in review before my mind's eye. I have stood in the coliseum at the Tomb of the Unknown Soldier at Arlington, the ancestral home of Gen. Robert E. Lee, and listened with rapt attention as the Navy band played our national anthem, and was proud that I was an American citizen, but I think the sweetest music I have ever heard has been right here in Montgomery, when one of our bands struck up the old marching song of the Confederacy, Dixie, the words of which were first sung here and written on the walls of an old theater in downtown Montgomery.

Of the mighty army which went forth to defend our State in the 1860's, only four of the grey clad heroes remain alive today. In 1943 when I introduced a bill in the State senate to increase the Confederate soldier's pension from $65 to $100 a month, and their widows from $30 to $40 a month, there were 26 of these veterans living. Twenty-two have died since then. This bill will increase the pension for these four old veterans to $150 per month, and to their widows $50 instead of $40. You do not have to worry about the money to finance this bill. The Alabama Legislature, with foresight and patriotism, 48 years ago, in 1899, earmarked one mill of the State ad valorem tax for the use of Confederate veterans and their widows. This tax now amounts to over $1,000,000 annually. It takes only about $85,000 increase to provide for the increase called for in this bill. Only one-third, or less of this earmarked money goes to the support of the Confederate veterans and their widows. The balance, amounting to about $800,000, we graciously turn over the department of public welfare for old-age assistance.

Then let us pass this bill quickly, without a dissenting vote, and send it forthwith, without engrossment, to the senate, that they may pass it. Then place it on the desk of Jim Folsom, that it may be the No. 1 bill signed by the Governor. In doing this, we will not only care for these old veterans but will honor ourselves.

I move the passage of the bill.

The High-School Graduate Faces the Atomic Future

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES
Monday, January 12, 1948

Mr. PEPPER. Mr. President, on the 18th of December I delivered a commencement speech at a rural school called Turkey Creek School, in Hillsborough County, Fla. On that occasion I heard a valedictory address by a young member of the graduating class, James D. Danley. I said then, and I say now, that the address he delivered at that time would have done credit to any honorable Member of this body. So I ask leave to have incorporated in the Appendix of the RECORD the address delivered on that occasion by this young man, and I commend it to the attention of my colleagues.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Atomic energy, molecular composition, fission—these are five of the most important and closely related words in use in the world today.

On August 6, 1945, the United States made known a new field of scientific research by dropping a bomb on Hiroshima, a strongpoint in the Japanese defense. That, ladies and gentlemen, was no ordinary bomb. The decision to use it was one of the gravest ever made by our Government. It was understood that this bomb could do untold damage by radioactivity and would completely wreck Hiroshima, sparing no one or no thing. This, then, was the now dreaded atomic bomb. The effects of such a bomb have never yet been fully told, even through the tests on Bikini Atoll.

Now, we are faced with the problem of what to do with the atomic secrets. The futility of trying to withhold such important secrets is readily seen, because it would be only a matter of months, or should I say weeks, before every single solitary nation on earth would know the secret of the atomic bomb. Scientists say there is no efficient defense against the atom bomb; therefore, it is evident that atomic energy must be used only toward peaceful purposes.

To approach any world peace organization without an appreciation by the leaders of our country of the power of this new weapon would be unrealistic. No system of control heretofore considered would be adequate to control this menace. Both inside any particular country, and between the nations of the world, the control of this weapon would involve such thoroughgoing rights of inspection and internal controls as we have never heretofore contemplated.

On the other hand, if the problem of the proper use of atomic energy can be solved we would have the opportunity of bringing the world into a pattern in which peace and our civilization can be saved.

Professor A. M. Low, one of the world's most distinguished scientists, predicts that in the year 2000 A. D. an airplane with a top speed of less than 3,000 miles per hour will be considered out of date. Even now, jet-propelled planes are so fast that pilots have to use explosives when they wish to parachute. It is said anonymously that already planes have secretly been clocked at 1,200 miles per hour.

The family auto, if there is such a thing, will be equally at home on land, on sea, or in the air.

Speed will eradicate space. Clothes will be so cheap they will be discarded after a few wearings. I might add that Professor Low did not base these predictions on imagination, but upon thought and reason. He made a prediction in 1898 that in 1948 we would have a petroleum-driven vehicle that would travel on land at a speed of 125 miles per hour. Today, ladies and gentlemen, do we not have such a machine? Indeed, we have.

The high-school graduate in years to come, must be trained to meet the situations that will be brought about by such drastic changes. He will see much activity in the world, higher speed, greater distance, less time—all will cry out for greater physical strength. In order to have a good body and a sound mind, a graduate in the future must have better food, more and greater disease protection, body care, exercise, and, last but not least, plenty of recreation. He must be able to relax and forget his personal business worries.

Minds as well as bodies, not attuned to the greater stress and strain, may crack under the extreme pressure to which they may be subjected.

A high-school student need not be a bookworm to survive in an atomic world. The main courses to be taught a high-school student of the future will train him: First, to preserve peace at any cost because peace is essential. If there is not peace, then in all probability the world will end. Next, to be open-minded to any advancement, no matter how small, which requires mental growth. Small minds, minds that may have been exposed to education but untouched by it, will be unable to grasp the significance of atomic portents.

The high-school student 25 years hence will have no use for such high-school courses as accounting and secretarial work because this will be accomplished by machines which transfer the spoken word directly to paper without any mistakes whatsoever. Math will be important only to those who make the machines which do the computing. Science,

technology, vocational training, will be the watchword.

Democratic education must attain its cardinal objective for the atomic era, and that cardinal objective is peace.

As former Secretary of War, Henry L. Stimson, has said, "The bombs dropped on Hiroshima and Nagasaki ended a war. They also made it wholly clear that we must never have another war. This is a lesson men and leaders everywhere must learn, and I believe that when they learn it, they will find a way to lasting peace. There is no other choice."

In order that schools may contribute to survival in a technological society, teachers in service must share with youth and adults in developing a program of community education concerning such imperative issues as the control and use of atomic energy, world government, and the development of a means of cooperative actions for the solution of problems.

Will atomic energy bring a millenium of cheap power, supplanting oil and coal? Will a protein-deficient world eat cheap beefsteaks made from yeast? Will our descendants have everlasting teeth from drinking water containing fluorine? Can the high school graduate overcome the power of atomic energy, or will it eventually destroy him and his world? It need not. Man, with the help and blessing of his God, can rise above his human weaknesses and hold this thing that he has found as a torch to light the world.

Everett Dirksen's Announcement

EXTENSION OF REMARKS
OF
HON. C. WAYLAND BROOKS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Monday, January 12, 1948

Mr. BROOKS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a splendid editorial which appeared in the January 4, 1948, issue of the Peoria Journal-Star.

The title of the editorial, "EVERETT DIRKSEN'S Announcement," was with reference to his decision to retire from the House of Representatives as Representative in Congress from the Sixteenth Illinois District at the conclusion of his present term. Representative DIRKSEN is completing his eighth consecutive term in the House of Representatives, during which time he has performed many outstanding and valuable services, not only to his district, which included the city of Peoria, Ill., but to the Nation as a whole.

The news that Representative DIRKSEN will not, after his present term, continue to serve his district in the Congress of the United States for "compelling personal reasons," was received with deep and obvious regret by every Member of the congressional delegation from the State of Illinois, as well as by every other Member of the United States Congress.

I have known Mr. DIRKSEN for many years, not only as a Member of Congress, but prior to that time. It is with regret and shock that I have learned of his decision. I have always regarded him as a trusted friend and a sincere colleague. His absence from the Halls of Congress will be sorely noted.

I believe the editorial from the Peoria Journal-Star best epitomizes the opinion that his colleagues, friends, and supporters hold for Mr. DIRKSEN.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

Representative EVERETT M. DIRKSEN's announcement yesterday that he will not be a candidate for reelection to Congress is the most surprising political news in a long time for Peoria. "Compelling personal reasons," Mr. DIRKSEN said, made it advisable for him to reach this decision.

Mr. DIRKSEN has served brilliantly in Congress these last 15 years, and his withdrawal will be a severe loss to the Sixteenth Illinois District. He has not only kept in close touch with his constituents but has won for himself an enviable position in the national scene. He is also known abroad, having twice crossed the Atlantic on tours connected with fact-finding for Congress and also having toured South America on a similar mission.

Mr. DIRKSEN is rated the ablest speaker in the House of Representatives and among the best informed men in Washington. National publications several times have featured him and his work as representing the best congressional traditions.

He has also proven to be a potent force for the Republican Party in the national arena. He was called upon for numerous speeches on radio networks and in different States in the 1944 Presidential campaign, and was at one time near being nominated as Republican candidate for Vice President in the 1944 convention.

With Mr. DIRKSEN's withdrawal, his constituents of this district, who have come to rely heavily upon his representing their interests in the National Capital, will lose the benefits of his experience, his wealth of information, and his prestige in Congress. We do not doubt that his decision was a difficult one and that nothing but compelling reasons could have swung the balance as they did. But in his announcement he says that he is "interrupting" his career of public service, indicating that at some time he may again offer his services as Representative in Washington. We trust that the future will make it possible for Mr. DIRKSEN to return to the career which is interrupted at such a promising time.

An Open Letter to Henry Wallace

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. TEAGUE. Mr. Speaker, we have heard a great deal of discussion during the past 2 weeks on Henry Wallace's speech accepting leadership of a third party during the coming Presidential campaign. It would be difficult to determine what good purpose he attempts to achieve when his contradictory statements are studied. However, I believe the result of his activities will be confusion among Americans over our foreign policy and our national security program unless we can clearly show that Henry Wallace is being used as a tool for an ism which is not Americanism.

Under leave to extend my remarks in the RECORD, I wish to include an open letter to Henry Wallace written by Mr. Henry Gorrell, editor and publisher of the Veterans Report, which appears in the December 1947 issue of that newspaper:

AN OPEN LETTER TO HENRY WALLACE

MY DEAR MR. WALLACE: The International Communists have recently jailed Rumania's "Henry Wallace," one Jules Maniu, and they've hanged Nikola Petkov, who was as liberal as they make them.

Even more recently, Moscow ordered the dissolution of the only remaining liberal party in their sector of Germany—the Christian Democrats—and it probably will be some time before we learn just how many of its leaders have been jailed, hanged, or shot.

It's a dangerous game you are playing, Mr. Wallace, this game of "peace at any price," and of appeasement of the dictators. In case your memory fails you, it is a game that has been played—and lost—by men of the Western World also—men of equal stature to yours; men who were respected and trusted by the masses they represented. Remember Chamberlain, the "umbrella man" of 1939? He tried his appeasement theory out on Hitler and Mussolini. The result was nearly fatal to Britain and France, and to civilization as we have known it.

We regret your candidacy for President of the United States on a third-party ticket, Mr. Wallace, for your platform of peace, prosperity, no war, and no depression will have great appeal to a great number of Americans who are harassed by rising prices and haunted by the fear that another war lies ahead.

We'd be for you if we felt that your International formula was workable, Mr. Wallace. But, honestly, we believe that if you continue denouncing America's foreign policy and universal military training you will only weaken your own country and hasten the day when Communists here will have gathered sufficient strength to put you in jail—or worse—also.

Yes, Mr. Wallace, you'll gather up a lot of votes, for, as you say, we Americans are a peace-loving people, and our hearts have a habit of swelling with genuine good will toward all mankind.

But what about Maniu and Petkov? Perhaps you never knew them?

Well, Mr. Wallace, I knew them, for in 1940 I was a correspondent in the Balkans.

Take Maniu, of Rumania. Like you, Mr. Wallace, Maniu loved his country and his people. He was a man of the soil; a real democrat, and a bitter enemy of Hitlerite methods. When I last saw him in Bucharest, Maniu was challenging General Antonescu and his green-shirted Nazi gangsters to do their worst. I thought sure the Rumanian Nazi Party—the Iron Guard—would murder him, but it seems the Germans decided against it, on the grounds that there were too many other liberals in Rumania who might stab their troops in the back.

Came the German retreat toward the end of the war, and Maniu greeted the advancing Russian Army eagerly. You see, the Russians had signed agreements at Yalta and Potsdam; agreements under which they pretended to subscribe to the principle that people of all nations should have the right to choose the form of government under which they will live.

In the months and years that followed, Yalta and Potsdam agreements were forgotten by the Soviet Union. Sure, the Russians gave Maniu's National Peasant Party a free hand in Rumania—for a while. They needed him to keep the spark of democracy kindled in Rumania until they were sure of themselves. Then, they pounced. Maniu was denounced for an alleged conspiracy to overthrow the Rumanian Government—Communist controlled—by force and violence. His followers, all good liberals, were clapped in jail and denied trials. Maniu himself was tried and sentenced to prison.

Our State Department protested, but in vain. Big hearted, simple, peace-loving Maniu now languishes in a Rumanian prison. He is an old man, and probably will

die there. The Russians used him until they no longer needed him. Then just because he had many followers in Rumania, he became a danger to the Rumanian communistic movement and was branded a traitor to his country—a traitor, mind you, because he was alleged to have had repeated conferences in Bucharest with the American Minister and military attaché.

Maniu's trial was a judicial travesty. It closely followed a set pattern for all political trials staged by Communist regimes in the Balkans, whose obvious purpose is to eliminate every vestige of democratic opposition.

If you think you still prefer Russian "liberalism" to the international approach of the leaders of our two parties—the President, Secretary Marshall, Senators Vandenberg and Taft—whom you claim are guilty of an evil conspiracy and are making common cause with the "Wall Street-military team," perhaps Petkov's trial may be of interest.

Petkov played an active and leading role in the establishment of a coalition government in September 1944 following overthrow of the Bulgarian Nazi regime. He was arrested on charges of conspiracy against the government on June 8, 1947. Although he was a member of parliament with a large following, they hanged Petkov recently against the strong protests of all the Allied Governments. You see, Petkov was a little too liberal for the Communists, who don't want any one man to swing too much weight within his own country. If he won't take orders from Moscow's Politbureau, its curtains for him. Petkov, like you, thought eventually the Russians could be brought around to their way of thinking.

No, Mr. Wallace, we aren't dealing with Russia in these times. We are dealing with an international communistic movement which has no regard for the rights of the common man.

O. K., you've clearly stated that you are no Communist, and that you don't like communism. But the Communists in this country like you, Mr. Wallace, simply because they can use you and your idealistic talk now to soothe us all into complacency.

It's not only your own country's interests that you are harming by your preachings, Mr. Wallace, but also those few countries in Europe that are making an honest effort to preserve their democratic ideals; ideals handed down by their forefathers to yours and mine.

Beware, Mr. Wallace, that by your preachings you do not split America into two camps; that you do not disillusion your own people and cause the eventual loss of their liberties, also.

That you are a good American, we do not question. Nor do we doubt your sincerity. But do you honestly think that labor unions can survive if you spur them on into sabotaging the capitalistic system? Destroy the capitalistic system in this contry, and you are only aiding and abetting economic and political chaos. This in turn, would only lead to communism over here. And the Communists have no use for labor unions. They don't have any real labor unions in Soviet Russia, or Roumania, or Bulgaria.

Don't forget Petkov and Maniu, Mr. Wallace, for you are the Petkov, the Maniu, of the United States. This is a tribute to your sincerity and your idealism, but if like Petkov and Maniu you inadvertently help the Communists to get a grip on your country, you and other liberals will be the first to suffer.

We don't think you will be successful enough to do this, Mr. Wallace, but imagine for a moment that your America had become a Communist-run nation. People would go to jail. That is the way opponents are handled in Communist countries. But many of our politicians would adjust and accept the inevitable. That's why the first man to hang in Communist America would be — — yes, you are right, it would be you Mr. Wallace.

Sincerely yours,

HENRY GORRELL.

America: The Proof of Freedom

EXTENSION OF REMARKS

OF

HON. GEORGE MacKINNON

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. MACKINNON. Mr. Speaker, under leave to extend my remarks, I include the following editorial reprinted in the Minneapolis Argus on Friday, November 21, 1947:

The following thought-provoking editorial is reprinted from the Champ, publication of the employees of the Champion Motor Co., an east Minneapolis industry employing approximately 400 people:

"AMERICA: THE PROOF OF FREEDOM

"Peculiar as it may seem, when things are going good and peace is supposed to surround the world, some people are not satisfied. They do not realize or appreciate the freedom, the fellowship, the benefits, the comforts, and beauty of their own country. Perhaps this condition exists because other forms of government are misunderstood and the propaganda misleading in facts.

"American industry is operated nowadays with the welfare of the worker always in mind. Working conditions have never been so satisfactory to the average worker in history. New factories, modern machinery, pleasant working hours, plant athletic activities, Christmas bonuses, and other factors contribute to make the American method of working the best in the entire world.

"An impressive piece of copy recently appeared in an advertisement of the Warner & Swasey Co., Cleveland, Ohio, makers of machine tools, which depicts the reason why residents of foreign countries want to come to America where freedom is the key to peacefulness. The copy follows:

" 'Millions of men and women, in every country in Europe and Asia, would sell their souls for the chance to live in the freedom of America. They have experienced workers' governments, socialism, government ownership, communism, fascism, governments "run for the people," countries where the land and wealth are confiscated and given to the people. They have experienced all these so-called utopias, and they are frantic to leave them and come to America with its competitive system, its corporations, its opportunity for the man willing to work hard.

" 'There people aren't schoolroom theorists; they know from bitter galling experience that life, liberty, enough to eat, and the right to pursue happiness are possible only under the American method of private capital investment in the tools of production, which over the years steadily increases real wages—the American system where every man is responsible for his own welfare and too proud to let a government assume that responsibility for him.

" 'Too much of that American system has been whittled away these past years. We'd better get it back before it's too late, for if the American system is destroyed there will be no country we could look to with longing. "Liberty and the pursuit of happiness" would be a mockery.'

"Yes, fellow workers, the freedom, liberty, and happiness of our great country depend upon us. Loyalty to our present system will warrant a life of contentment in a country where every individual who desires to work can share the wealth and abundance of opportunities found at every turn in the road. From city parks to nature's playground, it's yours to enjoy. Let us fight for this freedom to continue—for America leads the way to a better form of government for the people.

"CAL JOHNSON,
"Public Relations Director,
"Champion Motors Co."

A New Director for Voice of America Program

EXTENSION OF REMARKS

OF

HON. CARL T. DURHAM

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. DURHAM. Mr. Speaker, under leave to extend remarks in the RECORD, I include the following editorial which appeared in the Durham Morning Herald, Durham, N. C., regarding the appointment of Mr. George V. Allen:

A NEW DIRECTOR FOR VOICE OF AMERICA PROGRAM

The strengthening of the Voice of America is another move in the buttressing of the attack of democracy on totalitarian government. It is believed that this program properly implemented will disseminate the truth to peoples abroad and let them know actually what is going on around the world.

It has been generally accepted that Secretary of State Marshall has made a splendid choice in the selection of George V. Allen to handle this rejuvenated function of the State Department. His choice pleases Durham. That is certain.

Mr. Allen is a native of this city, and a former member of the news staff of this newspaper. The pride in him is reasonable and well founded. During his 1 year and a half as Ambassador to Iran, Mr. Allen has substantiated a reputation acquired in nearly a score of years in diplomatic service.

During these years he has served as special adviser to Presidents and secretaries and has accompanied them to the several conferences in which most of the postwar Balkan problems were uppermost. When he went to Iran it was with some misgivings on the part of close observers. He was young and lacked experience of many diplomats, and the situation in Iran was ranked as "hot." Now these same observers are saying that George Allen has worked miracles. It is a fact that he has almost singlehandedly turned Iran from a sizzling diplomatic problem into one of relative calm.

George Allen knows how much the public will want, and how much the public will accept. He knows the thinking processes of Europeans and Asiatic. He has had evidence of the confidence in which he is held to the extent that in all details he is a worthy successor to William Benton. He goes to his new job as Assistant Secretary of State (subject now only to Senate confirmation) with another big job ahead, but it is one that he may be expected to fill with satisfaction to all.

Communism

EXTENSION OF REMARKS
OF

HON. JAMES C. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. DAVIS of Georgia. Mr. Speaker, on January 11 and 12 the Georgia Department of the American Legion, through its Americanism committee, held in Atlanta a 2-day seminar on the subject of communism.

It was my privilege to address this patriotic group on the first day of its sessions, as follows:

Mr. Chairman, distinguished guests, and members of the American Legion, for many years the American Legion and its members have been aware of the fact that communism is a real and dangerous enemy to our Government and to our people.

The average guileless, honest, friendly American can hardly believe that there exists in the world a conspiracy so cruel, so terrible, so cunning, and so determined to crush out liberty and destroy freedom and decency from every corner of the earth. More than 20 years ago the American Legion began to work at the task of convincing the American people that communism is the mortal enemy of most things which are dear and precious to us. At the beginning it was a thankless task. For a long time patriotic, honest truthful, informed members of the Legion, who were moved by purest principles of patriotism, were subjected to vicious attacks and smear campaigns. They were called warmongers and Red baiters. They were subjected to ridicule and falsehood, and were made victims of cunning attacks which have finally come to be recognized as weapons used by the Communists against decent, patriotic Americans who have the ability to recognize communism and the courage to fight it.

It was my privilege in 1937 and 1938 to serve 2 years as State chairman of the Legion's Americanism committee for the Department of Georgia, the position which is now so ably filled by our present chairman, Hon. J. Walter LeCraw. Mr. LeCraw during those years was a member of the State committee on Americanism. He is a tireless worker and possesses that tenacity which is necessary to successfully carry on the important work of this committee. You are to be congratulated on having the assistance of two such forceful and earnest young Legionnaires as Tom Bobo and Bill VanHook, who went to Washington and attended the seminar there, and who are bringing back to this seminar here important knowledge of Communist activities which they acquired.

Although it has been a long and at times a seemingly hopeless fight, America and the world are belatedly recognizing communism for the menace that it is and are seeing it now in its true colors. I congratulate the Department of Georgia of the Legion for the active part which it is taking in carrying to the people of Georgia the truth about communism. Communism during the last 25 years has cruelly, ruthlessly, and without the slightest compunction, murdered millions of people in many sections of the earth. It has starved, actually starved, millions of men, women, and children through a deliberate, planned program of starvation. It has placed other millions of men, women, and children in actual slavery. It has cruelly separated husbands from wives and parents from children. It has destroyed virtue and debauched womanhood. It has attacked religion and has taught men, women, and children to embrace and commit the vilest crimes imaginable.

One of the greatest obstacles in fighting communism is the fact that its vileness, its cruelty, and its treachery are so shocking and unbelievable, that a normal, decent person finds it next to impossible to believe that such a thing in fact does exist, until positive, inescapable proof is forcefully brought to his attention.

Communists have long been aware of this reluctance on the part of the American people to believe the truth about communism, and they have made the most of this reluctance in promoting communism and in fighting its enemies.

One of the favorite methods of attack used by Communists is that of using smear terms, such as "witch hunt," "Red baiter," "warmonger," and similar terms which are calculated to discredit and ridicule any person who is effectively fighting communism.

The use of these tactics by Communists is illustrated by the testimony of a former Communist, Louis F. Budenz, who testified under oath on November 22, 1946, in Washington before the House Committee on Un-American Activities about the activities of the Communist Party, as follows:

"I do think it is time, from my experience, to raise the little iron curtain in the United States.

"What is the little iron curtain: It is the refusal in many quarters to permit a frank discussion of what the Communist Party actually is. Anyone who endeavors to tell the truth about the Communist Party is greeted with shouts of "witch hunt," "Red baiter," and things of that character.

"I claim that the honest, normal American citizen has a right to know the facts without this effort to put down a curtain upon the activities of the Communist Party."

By using this method, Communists have been able to nullify and destroy the work of many patriotic Americans who have fought communism in the past.

To be able to effectively fight communism, there are certain facts that we must know, and one of these is that it is a serious mistake to ever believe anything a Communist says.

Our willingness in the past to believe that Communists will tell the truth, has cost the world millions of lives of men, women, and children cruelly murdered by Communists, the downfall of many representative governments, and the substitution of Communist dictatorships for those governments, and insofar as the Amercian people are concerned, communism has already cost us billions of dollars, and we are at this very moment called upon by the head of our Government, President Truman, and by our Secretary of State, General Marshall, to dig into our pockets and spend the additional sum of $17,000,000,000 for the sole purpose of stopping the spread of communism throughout the world.

What does this mean to you and to me? It means that if this money is spent under what we call the Marshall plan—this tremendous sum of money, $17,000,000,000—if it could be prorated among the population of the United States, would cost each man, woman, and child $121.42, or, for the average family of 4, the cost would be $485.68. Furthermore, the food, goods, and materials to be sent from this country to the European countries where this money will be spent will cause still greater scarcities of such items in the United States, and will be a direct cause of more price increases, which the American people will have to pay, for the necessities of life.

It is, therefore, easy to see that communism, instead of being something that we can evade, ignore, or laugh off, has reached the point where it has become one of the most important things in our daily lives. It has become a subject which can no longer be ignored. It has spread throughout the world to such a point that it has now become the duty of every American to learn the truth about communism, and to join forces with the President of the United States, the Secretary of State, Congress, and our citizens in fighting this menace to life, liberty, and freedom, which at this moment threatens the entire world.

That we may be able to successfully fight communism, it is imperative that we know and recognize three facts about it. These are:

1. It is the avowed purpose of communism to conquer and rule the world.

2. No Communist is worthy of belief, and a Communist will tell the truth only when it suits his purpose to do so.

3. Communism is not a weak, poverty-stricken, or destitute thing. On the contrary, through its campaign of murder, concentration camps, slavery, and revolution, it has taken over the governments of close to a dozen countries in eastern Europe, and has brought under its control more than 100,000,000 persons there, and is making strenuous efforts to assume control of the governments and people of France, Italy, Greece, and China.

If the Communists could be successful in taking control over these last-mentioned governments, it is extremely likely that the Soviet Union, with that great concentration of power and strength, would then turn its full force upon the United States as its principal target.

Again I quote from the testimony of Louis F. Budenz, who for years was a member of the Communist Party in the United States, but who says that he saw the light and renounced the Communist Party. While testifying under oath on November 22, 1946, Budenz was asked this question:

"Question. Before you go on further, you made a statement just a few minutes ago that 'this is directed against the United States.' Do you mean directed toward the overthrow of the Government?

"Answer, I mean that the Soviet Government has now revealed through my experience in discussion within the Communist Party the fact that it is engaged in a war of nerves against the United States on a general pattern similar to that carried on by Hitler's Germany, but within its own variation, and that this war of nerves will go to the point of military conflict. That is, according to the design of the Soviet Government, it can go to the point of military conflict. At any rate, it is a war of nerves designed to undermine the Government of the United States."

That testimony is found on page 5 of Budenz' testimony before the House Committee on Un-American Activities.

On page 25 of his testimony the following statement which had previously been made to the same committee by William Z. Foster, head of the Communist Party in the United States was read to Budenz:

"When a Communist heads the Government of the United States—and that day will come just as surely as the sun rises—that Government will not be a capitalistic government, but a soviet government, and behind that government will stand the Red Army to enforce the dictatorship of the proletariat."

Budenz was asked if that statement does not express the policies of the Communist Party, and he answered:

"That expresses the present policy of the Soviet Union, veneered over with the appearance of working in the United Nations, but using the United Nations as a sounding board to discredit and belittle the United States and the American Nation."

Budenz also testified, as is found on that same page 25, that the above statement also expresses the policies of the Communist Party of the United States as they now exist.

For your seminar here today, I am quoting you sworn testimony of people who are in position to know the truth about Communists, and who have answered specific questions concerning the aims of communism, and the methods of attaining them.

I call your attention to the testimony of a prominent American citizen, who has held many positions of trust and honor in the American Government, namely Hon. William C. Bullitt. In order that you may know the responsibility and background of Mr. Bullitt, he was Special Assistant to the Secretary of State of the United States in 1933; was a member of the American delegation to the International Economic and Monetary Conference in London in 1933; was Ambassador to the Soviet Union from 1933 until 1936; was Ambassador to France from 1936 to 1940; was personal representative of the President of the United States with the rank of Ambassador for all countries in 1941 and 1942 and was Special Assistant to the Secretary of the Navy thereafter for approximately a year and a half.

Because of Mr. Bullitt's actual residence in Russia, and because of his long and varied experience in our State Department, he is as well qualified as any American to give facts concerning communism. On page 2 of Mr. Bullitt's testimony before the House Committee on Un-American Activities he said this:

"The basis of Communist action in the world, whether in the United States or any other country, is the Communist creed, which is a belief that there will be no peace on earth until all the nations of the world are Communist. This is a very genuine belief which is held by a large number of people, and in the furtherance of that belief they have developed a doctrine that the end justifies the means, and that any means, even the most foul, are justifiable in order to achieve this domination of the world by communism."

Mr. Bullitt then quotes as a part of the Communist doctrine a statement from Lenin, from his collected works, volume 24, page 122, Russian edition, as follows:

"We are living not merely in a state but in a system of states; and it is inconceivable that the Soviet Republic should continue for a long period side by side with imperialist states. Ultimately one or the other must conquer. Meanwhile a number of terrible clashes between the Soviet Republic and the bourgeois states is inevitable."

On page 3 of his testimony Mr. Bullitt says that Lenin's book contains this statement:

"It is necessary to use any ruse, cunning, unlawful method, evasion, concealment of truth."

Mr. Bullitt was questioned about the untruthfulness of Communists. I quote these questions and his answers from page 18 of his testimony:

"Question. Now, you spoke about prosecuting these fellows. You know that no Communist will tell the truth, if it suits him to prevaricate, do you not?

"Answer. Yes; that is quite true.

"Question. No oath will bind a Communist, will it?

"Answer. No.

"Question. None whatever?

"Answer. No.

"Question. Nothing they will find will bind them, will it?

"Answer. No."

I wanted to bring with me today enough copies of Mr. Bullitt's testimony on March 24, 1947, before the House Committee on Un-American Activities, to be able to give each one of you a copy of his testimony. It is so complete, and so revealing, that its contents ought to be brought to the attention of every American. I have distributed all the copies of Mr. Bullitt's testimony which I have been able to obtain. But I want to give you some of the important facts, which he brought to the attention of Congress, and I quote you the following statements from page 3 of his testimony:

"The doctrine that war is inevitable between the Soviet Union and the states which the Communists call bourgeois and imperialist, which includes the United States of America—indeed, all States which are not Communist—grows from the fact that what the Communists intend is the conquest of the earth for communism. It is entirely clear and one may find it in writing after writing, and there is not much point in my quoting further excerpts."

"The present situation in the world is the following: The Soviet Government, in the furtherance of its intention to control the earth for communism, has annexed Estonia, Latvia, Lithunia, and a large portion of Poland, a portion of Finland, a portion of Rumania, and has established absolute control, through puppet governments, over the whole of Poland, the whole of Bulgaria, the whole of Rumania, Yugoslavia, and Albania, and it is closing its iron fist steadily on Finland, on Hungary, on Czechoslovakia. It also controls fully the Red Army zones in Germany and Austria. Thus, the Soviet Government has brought under its control more than 100,000,000 persons in eastern Europe."

"In addition, through its fifth columns—and its fifth columns are like the Nazi fifth columns, since the truth is that communism is Red fascism and uses fifth columns just the way Hitler used them, only much more effectively. Hitler was never able to build up in the countries which he intended to conquer parties or fifth columns having anything like the strength of the Communist parties which have been built up by the Soviet Union. Using these Communist parties as fifth columns, Stalin is threatening the independence of the remainder of Europe.

"The Communist Party in France, for example, is extremely important. It is, in fact, the largest party today in the French Parliament. But there are so many other parties in the French Parliament that, although the Communist Party is the largest party, it only has 28 percent of the seats in the French Chamber of Deputies. Nevertheless, it has acquired control of the French CGT, which is the one big trade union of the whole country, and it can pull a general strike in France whenever it may choose. Since France has not yet recovered from the war and has a very difficult economic situation to deal with, the threat of a general strike is an appalling one."

On page 4 of his testimony, Mr. Bullitt said that in spite of the fact that 72 percent of the French Parliament is anti-Communist, there is a very good chance that the Communists through a general strike and revolutionary activity may be able to take over France. That statement was made on March 24, 1947, and French communistic activity in France in the last few weeks has demonstrated how accurate Mr. Bullitt's prediction was.

On page 5 of his testimony Mr. Bullitt states that murder is carried on on a very large scale by the Communists—that individual assassinations are not very often used by the Communist Party, but that murder on an extremely large scale is very frequently used and is a regular piece of the mechanism of establishing their authority.

He then states as his opinion on page 5:

"That, I think, confronts us with a very practical question of what to do under the present circumstances. The United States, without question, today is in danger, as President Truman very clearly brought out in his statement asking for support for Greece and Turkey. He said that the national security of the United States was involved. I believe those were his exact words. Perhaps I have not quoted him correctly, but that was the sense of some of his words. The safety of the United States is involved because the gradual taking over of countries, the gradual taking over of areas, while possible future victims are lulled into a false sense of security, is the essence of the Soviet tactics, just as it was the essence of Hitler's tactics."

In considering the danger of communism to the United States, one of the first questions which arises in our minds is, How many members of the Communist Party are there actually in the United States? I want to leave Mr. Bullitt's testimony for the moment as a source of information, and look to the statement of another great American, J. Edgar Hoover, head of the Federal Bureau of Investigation. Mr. Hoover made a speech before the annual convention of the American Legion at San Francisco on September 30, 1946, dealing with communism. In that speech, membership in the Communist Party in the United States was referred to by Mr. Hoover as being claimed at 100,000. In referring to the number of members of the Communist Party in this country, Mr. Hoover said:

"The fact that the Communist Party in the United States claims some 100,000 members has lulled many Americans into a feeling of false complacency. I would not be concerned if we were only dealing with only 100,000 Communists. The Communists themselves boast that for every party member there are 10 others ready to do the party's work. These include their satellites, their fellow travelers, and their so-called progressive and phony liberal allies. They have maneuvered themselves into positions where a few Communists control the destinies of hundreds who are either willing to be led, or have been duped into obeying the dictates of others."

Let us consider what it means to the United States if there are 100,000 actual members of the Communist Party in this country today, and 100,000 is the figure used by Mr. Hoover.

The official publication issued by our Government in 1947, entitled "Communism in Action" says on page 97:

"When the Bolsheviks seized power in Russia in 1917, there were only 200,000 members, and the party has remained small, although with a heavy turn-over of membership following the periodic purges."

This official booklet gives the membership of the Communist Party in Russia in 1921, 4 years after the revolution, as 650,000 members, and in 1941 as being only 2,515,481.

It is, therefore, seen that great numbers are not at all necessary to render the Communist Party effective. In fact, the Communist Party purged its membership in Russia in 1939 down to the low figure of only 1,588,000. Yet the Communist Party was not weakened in Russia as a result of this purge. On the contrary, the party seems to have been strengthened, not only in Russia, but throughout the world.

Let us not be lulled into a sense of security because of the relatively small number of members of the Communist Party in the United States.

Those who are members are active and zealous, and the party is constantly engaged in increasing its membership, and in teaching those who are members how to achieve the goals and purposes of the party, which are revolution and seizure of power.

I want to quote you some actual sworn testimony given to the House Committee on Un-American Activities on February 6, 1946, which will show you how the Communist Party of Soviet Russia has reached its long arm down into the State of Georgia, in Walton County, and took a man to Soviet Russia, and schooled him for a year and 4 months in communistic and revolutionary activities.

The following testimony was given by William O'Dell Nowell, colored, who was born in Walton County, Georgia, in 1904. He was

formerly a member of the Communist Party, and later renounced it and gave valuable testimony concerning communistic activity. The following questions and answers are quoted from his testimony on pages 14, 15, 21, 22, 24, 26, 27, and 28:

"Question. What position did you hold in the Communist Party?

"Answer. I was a member of the district-buro, district secretariat, organizer of the American Negro Labor Congress, and director of education; that is, education propaganda. That constitutes about the most of it.

"Question. In connection with your Communist Party activities, were you ever sent to the Soviet Union?

"Answer. I was sent the first time in 1929. In 1931 I returned as a student to Moscow.

"Question. You first went in 1929?

"Answer. Yes.

"Question. Then you returned to the United States?

"Answer. Yes, sir.

"Question. Then you returned again in 1931?

"Answer. That is right.

"Question. As a student?

"Answer. Yes.

"Question. A student of what school?

"Answer. International Lenin School.

"Question. Where is the International Lenin School located?

"Answer. In Moscow.

"Question. Is it connected in any way with the Communist International or the Comintern?

"Answer. It is a school of the Communist International.

"Question. What is a student taught, generally, at the Comintern?

"Answer. Academic subjects with philosophy; of course, Marxism and Leninism; Marx economics; history of the labor movement; party organization; history of the Communist International; conspiracy; sabotage; and then quite some detail with regard to conspiracy. It includes building barricades, wrecking trains——

"Question. Wrecking trains, did you say?

"Answer. Yes. Seizing the essential facilities of a city, its water, lighting. On instructions, how to capture a city, we were told how to seize the most vital means of communications, transportation, lighting, water supply, and so on; food; and, of course, the Army, the armed forces; any arms, if any arms were stored; then, code, of course, transmission of messages; street fighting.

"Question. Were you given a course at that school in espionage technique?

"Answer. Yes. That was a part of the course on conspiracy.

"Question. How many separate times did you go to Russia during the time you were a member of the party?

"Answer. Twice. The first time in 1929. The second time in 1931.

"Question. How long did you stay on each occasion?

"Answer. On the first occasion I was there only a month, just as a delegate. On the second occasion I was there a year and 4 months.

"Question. A year and 4 months?

"Answer. Yes.

"Question. Who defrayed your expenses on these two separate trips?

"Answer. The central committee, local district committee, contributed toward the first trip. The second trip was financed by the central committee of the party.

"Question. In Moscow?

"Answer. No; in New York.

"Question. Any part of your expenses on either trip financed from the Comintern in Moscow?

"Answer. Well, of course, the Comintern was furnishing all of the means, I suppose, but—as a matter of fact, I know—but it is credited to the central committee.

"Question. What I was trying to find out is just how did you get the funds while in Moscow; just by what avenue did you receive the funds?

"Answer. We were paid by the Comintern while studying. We were given 50 rubles a month, dormitory and board.

"Question. I believe you said you were born in Georgia?

"Answer. The State of Georgia.

"Question. Where?

"Answer. The county seat is Monroe. It is down below Atlanta about 40 miles.

"Question. Were you in Detroit at the time of the riots?

"Answer. Yes; I was.

"Question. Did the Communists stir that riot up, or help to stir it up?

"Answer. I think in large part it was due to Communist agitation.

"Question. How large a school was that in Moscow?

"Answer. We had students from about 18 countries, 18 or 20 countries, I think about 2,000 students all told.

"Question. Two thousand students; and how long a course was it?

"Answer. Well, 1-, 2-, and 3-year courses.

"Question. One-, two-, and three-year courses?

"Answer. Yes. Of course, those were year-round courses. You did quite a lot of work, approximately 2 years in 1 year.

"Question. Is it fair to state that many of the students in that school at that time with you are now leading Communists in the various nations in the world?

"Answer. Yes, sir.

"Question. Do they have any type of similar school here in America?

"Answer. Yes. Our local schools were fashioned after the Lenin school; the school that I organized in Detroit in 1933 was fashioned after the school there. We had another one in New York, and one in Chicago, and quite a few smaller schools throughout the country.

"Question. What was the name of the school in Detroit?

"Answer. Detroit Workers School.

"Question. What was the name of the school in Chicago?

"Answer. Chicago Workers School. Originally I believe they called it the Douglas School.

"Question. What is the name?

"Answer. Frederick Douglas. I am not sure of that. I know they changed the name. It was formerly the Chicago Workers School, but they named it after some well-known liberalist or something.

"Question. Isn't it the policy of the Communist Party to maintain in all large cities a so-called workers school, Mr. Nowell?

"Answer. Yes.

"Question. That has been the policy, Mr. Chairman. They carry that out at the present time. I am just asking for information as to the type of school. Did you have a special building, a meeting hall, for the students to assemble in?

"Answer. Yes, we had an auditorium. Part of the building was set apart for meetings.

"Question. I mean did you have the entire building?

"Answer. We leased the building there in Detroit, rented it, and used the entire building for the school.

"Question. Do you know whether or not there are any funds set up to subsidize the agents or subagents of the comintern in the educational institutions of America?

"Answer. That is kept quite secret. Of course, it is well known to us that the whole of the party work was subsidized in Moscow. I don't state I could definitely prove that, but it was understood by the party functionaires that the whole party was subsidized.

"Question. They would subsidize instructors that would teach their doctrines; is that correct?

"Answer. That was part of the reason for sending us to Moscow. We were paid to study there and placed in charge of some form of education when we returned, at the expense of the party.

"Question. Did they teach you a technique for stirring up racial trouble in this country? You spoke of the riot in Detroit. Did they teach a technique for stirring up racial trouble around the country?

"Answer. Well, the technique employed naturally did that. They didn't say, 'Start race trouble,' but naturally, the methods they used, the way they went about doing things, often created racial antagonism and led to bad results. The general idea, the general teaching, was to bring about unity of all labor and equal rights, and all that sort of thing, but the aggressiveness and often the very vulgar manner in which the policy was carried out produced the opposite result, racial antagonism, rather than a way to social harmony."

An American can hardly conceive of the horrible conditions which exist in any country dominated by communism. I want to give you a few more sentences of the testimony of former Ambassador William C. Bullitt about life in Russia. On pages 12 and 13 of his testimony of March 24, 1947 he says:

"In the first place, life in Russia is lived under the constant fear of the knock of the secret police on the door in the middle of the night. No man when he goes to bed, and no woman, knows that in the middle of the night the secret police aren't going to arrive—and then comes disappearance. Then comes either death in a cellar with a shot in the neck or deportation to one of the forced labor camps. We do not know exactly how many men and women are in those forced labor camps today, but there is extremely reliable testimony that there are more than 10,000,000 human slaves today in those forced labor camps working under the NKVD in the Soviet Union at this time.

"It is worse than at the worst moment of Negro slavery. There were never so many slaves as there are today in the Soviet Union actually working in slavery.

"That being the basis for life, whether you have more or less makes very little difference, because you can't call your soul your own; you are scared every minute."

On page 16 and 17 of his testimony, he tells the tragic story of the planned and systematic starvation of three to five million Ukrainians, and the forcing into slavery of some 10,000,000 people. Here is his testimony about those horrible things:

"Question. In 1933, I think it was, they had a crop failure in the Ukraine, Do you remember that?

"Answer. I do; very well.

"Question. And the people of the Ukraine are among the best people in Russia?

"Answer. Yes.

"Question. And they went down and took everything away from them and starved five or six million of the best people in Russia to death, in their own homes; that is correct, isn't it?

"Answer. Mr. Congressman, it was, in one way, even worse than that. They set the grain quotas higher than the total grain crop. They then took the entire grain crop, but because there wasn't more, to come up to quota, the man was a criminal, and, therefore, he was treated as a criminal, in addition to being starved, and his wife and children as well.

"Question. Yes.

"Answer. They managed to dispose, by systematically organized starvation, they managed to dispose of some three to five million Ukrainians.

"Question. The people in the Ukraine are among the best people in Europe.

"Answer. That is right.

"Question. Yet they went in there and took everything they made and starved, you say, five or six million of them to death?

"Answer. Three to five million.

"Question. Men, women, and children starved to death, eating, in their frantic misery, the bodies of their own children, of their own families; that is correct, isn't it?

"Answer. I am extremely sorry to say that I actually have two photographs of a father and mother and the skeleton of the child they had eaten, which were taken down there in the Ukraine.

"Question. Yes; that is what I am trying to bring out.

"Answer. I still have two photographs of that. There is nothing more horrible.

"Question. You spoke awhile ago of there being 10,000,000 people in concentration camps.

"Answer. I should say at least.

"Question. You said that they were infinitely worse off than the slaves were in the Southern States.

"Answer. What I said was this, sir, that there were more slaves today in the Soviet Union than there ever were at the height of slavery, not merely in the Southern States, but in the world."

In the short time I have to talk to you today I can only give you a sketchy picture of the horror, the misery, and the unspeakable human degradation which comes to people unfortunate enough to live under communistic rule.

In these critical days the country looks to the American Legion, as it did in the years following the First World War, to be one of the great forces to keep America safe and strong, and to preserve her institutions. One of the necessary steps is to eliminate communism and Communists from our Government and country.

I commend and congratulate you for taking part in the campaign to spread information concerning communism.

I urge you to continue your efforts to acquaint our people with the truth about this menace to our institutions of freedom.

I invite you to call upon me for any testimony, pamphlets, booklets, and documents dealing with communism which are available in Washington. I will take pleasure in sending you from time to time all of such documents as may be in print and available.

One Hundred and One Displaced Persons Versus 60,000,000 Employed

EXTENSION OF REMARKS
OF
HON. C. WAYLAND BROOKS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Monday, January 12, 1948

Mr. BROOKS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a splendid and timely article submitted by Mr. William E. Zipp, vice president of the Ceco Steel Products Corp., of Chicago.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

In a strange new land they stood—these displaced persons. Silent men with grim tasks ahead worked purposefully and with little thought of the fatigue that racked their weary bodies. They were building a new community—their community.

Women, hollow-eyed, their white drawn faces mirroring pain, went about setting their humble homes in order. On every side was hunger, privation—the plight of desperate people. "A picture of Europe, 1948?" you ask.

No, a picture of America, 1620.

For here, 101 displaced Pilgrims—men, women, and children of the new America—freedom-loving people all, were beginning a new way of life. They were meeting critical shortages and overcoming them—shortages of all the things that make for decent living—food, clothing, shelter; shortages that relatively were the greatest our Nation has ever known.

There was a 100-percent shortage of almost everything on that day, 328 years ago, when their storm-battered ship nosed into the quieter waters of rock-studded coastal bays. Yes, a shortage of everything except courage—a belief in the dignity of man—a passionate desire on the part of each to live as he liked.

Perhaps it was the strong driving force of the urge to be free men that enabled them to solve the critical shortages of their day. For, you see, no one could pass a law providing new homes or schools, nor were there any homes here ready for them to occupy.

So, with bare hands and primitive tools, they individually dug from the earth and cut from the forests their own homes and schools. Ceaselessly and endlessly they worked at their simple tasks, struggling for necessities, looking ahead, not behind, building a heritage for millions of Americans to come.

Are we less courageous than they?

Is war-scarred Europe more destitute than they were?

Is there less hope in our time than theirs?

Are our shortages more acute than 100 percent?

There is a simple answer to those questions and to the problems they pose. It is a word. A short word, without glamour, but a virile word of dynamic force—a word that in its simplicity might be overlooked, but a word so powerful as to be virtually magic.

It isn't a new word to Ceco thinking, for in January 1947 we said this word was the key to better times—to security for all.

May we say it again?

It is "work"—a four-letter word for continuing prosperity, for preserving freedom in America, and for providing hope throughout the world. As we said before, everyone must work more, produce more—management and labor.

Suppose we look at the simple mathematics of the problem. There just aren't enough homes, schools, hospitals, roads to satisfy the needs of all—not enough steel, automobiles, freight cars, food for America and the rest of the world. How can more of these scarce things be made available sooner, and at lower prices?

We, like you, have heard many so-called cure-alls. Some say too many have too much money; they bid against each other for scarce things and thus keep prices ever moving upward, so taxes must be raised, not lowered—must be kept high to draw off excess money. Credit must be curtailed so buying will be slowed down. Or prices must be regulated and goods rationed.

Others say don't buy unless your needs are desperate, quit eating certain foods certain days, don't build now; don't, don't, don't, verboten. It all has a familiar ring somehow. It's a creed of hopelessness—of negation.

Let's hear a new voice in America, raised high in a mighty crescendo, drowning out those voices of fear. Yes, a new voice of hope, which will say in clear, unmistakable tones of triumph—"Let's do something, yes, let's trade do for don't."

We of Ceco believe the American way to solve the problem of shortages and high prices is one of action, one of doing, of making more things, not buying less of what we have, of increasing prosperity, not dividing misery. And prosperity comes from making a lot for all, not dividing a little with all.

Look at it this way. There are some 60,000,000 adults—men and women—employed in the Nation today, making things for the more than 140,000,000 Americans and the many, many millions in all the other countries of the world. Now we can't increase our 60,000,000 employed to any great degree very fast. They just about represent today's manpower capacity—but, if everyone of those 60,000,000 executives, managers, labor, white collar people, all of America's working force, produced more individually, things would become more plentiful and prices would be reduced.

It's basically that simple.

Yes, we 60,000,000 Americans must work more, produce more, instead of less, and that goes for Europe and every other part of the world. Everywhere, we must increase man-hour output, bricklayers must lay more bricks, architects create more buildings, miners dig more coal, farmers raise more produce, stenographers write more letters, managers do more managing, and this must go clear back through the entire economy from raw materials to manufactured products.

Then, and only then, will scarce things be plentiful, will money stop bidding up prices, will inflation be halted and a sound basis be established for the security of all, both labor and capital.

Given a freer rein this past year the building industry made real progress in cutting down building shortages. For example, twice as many homes were completed in 1947 as compared to 1946, plant expansion is getting closer to demand. Ceco salutes construction men for the job they are doing.

We like to feel that in some measure we have been helpful in this progress. Here are some of the things we have done to help the building industry in 1947.

Our production in 1947 nearly absorbed manufacturing capacity, which was doubled in 1946. New fabricating plants were erected in Hillside, N. J., and Houston, Tex. Personnel in plants, offices, and sales force increased more than 50 percent. More than 100 improvements were effected in our products. More than one-third of our new products developed since the war were put in production.

But what about the future?

Today, as was true a year ago, the building industry faces an imposing demand for all types of construction. People want more homes, schools, roads, and will get them if an unhampered building industry is permitted to provide them—could get them at lower prices, too, if all would work to produce more, not less.

We of Ceco believe in America's future, in its ability to meet the challenge of world leadership—for after all a way of life that has given Americans more of the good things of earth than any other people anywhere doesn't have to be proven—it is proven, it is working.

As for the building industry, Ceco has confidence we can count on our architects, engineers, contractors, builders, and industry labor to provide the structural needs of our Nation. To this end the industry—America—can count on Ceco.

Communist Control of United Public Workers of America, CIO, Exposed

EXTENSION OF REMARKS
OF
HON. FRED E. BUSBEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. BUSBEY. Mr. Speaker, Local 471, United Cafeteria and Restaurant Work-

ers' Union, CIO, which called its members out on strike, is an affiliate of the United Public Workers of America, CIO. The union officials complain that the Government Services, Inc., which manages the cafeterias, will not bargain with the union.

The Labor-Management Relations Act of 1947 provides that all officers of the union must sign an affidavit that they are not members of the Communist Party, and do not subscribe to its principles. The officers of the UPWA-CIO have refused to sign such an affidavit. By not complying with the law the officers of the union have taken from the members their right to collective bargaining before the National Labor Relations Board.

These officers have openly boasted of their desire and intention to cripple food service to 80,000 employees, thus causing grave inconvenience for these employees and the Government agencies that employ them. This is fully in line with the international Communist tactics of creating chaos wherever possible. It is the same pattern of agitation and activities of the UPWA in the Panama Canal Zone described in a very enlightening article in the November 1946 issue of Plain Talk magazine.

In order that the public will know the record of the officers who are depriving the members of their rights given them by virtue of the law, I am inserting at this point a report of the United Public Workers, CIO, and its affiliates. This report was compiled by qualified experts at the request of Government Services, Inc., a quasi-official, nonprofit organization, directed by Government officials who serve without pay, and it is my understanding copies of it have been furnished to members of the President's Cabinet and various other officials of the Government.

The report follows:

REPORT ON THE UNITED PUBLIC WORKERS-CIO AND ITS AFFILIATES

Despite the repeated claims of the United Public Workers-CIO that it engaged in the betterment of employment conditions of workers, this organization cannot be considered as a genuine labor union. It is rather a political front, organized to promote the ideology and the goals of the pro-Communist movement in the United States. It is participating in the Communist-sponsored drive to embarrass our Government and to disrupt the services of organizations in any way connected with the Government.

The intensified agitations of the UPW-CIO take on particular significance in light of the fact that Washington has been made the principal target of the Communist Party. Events in the Capital of the greatest Nation in the world are played under the intense international spotlight. Their perversion to the Communist cause will provide first-rate fuel for the propaganda machine of the Kremlin. The pages of the Daily Worker, official organ of the Communist Party, show beyond doubt the effective propaganda use which is being made of the activities of the UPW-CIO and its leadership.

That the United Public Workers-CIO and its principal officers are subservient to the Communist Party line is recognized almost unanimously, both in and outside of the labor movement, in Government, in Congress, and by the responsible press. Even a brief list of charges against the CIO will support this statement:

The Washington Daily News has branded UPW-CIO a "left-wing, Communist-infested organization" and "the kind of an outfit that holds that Russia, with its totalitarian, Communist government, can do no wrong."

The Washington Times-Herald called the union "left-wing" and "fellow-traveling."

The Washington Post charged that it "has had an extreme left-wing label pinned on it" and is following a "pro-Soviet, anti-American" policy.

The Evening Star made the charge that the organization is a "decidedly Communist union."

The New York World-Telegram said that UPW-CIO is "Communist dominated."

Business Week classes the union as a "member of the so-called 'red bloc' of the CIO" which "follows the Communist Party line."

The American Magazine has referred to the union's policy as "both anti-American and pro-Russian."

Plain Talk magazine stated that UPW-CIO has a "flagrant pro-Soviet record * * * unsurpassed among the labor unions of America."

The Veterans of Foreign Wars urged at their twenty-eighth annual district encampment that the UPW-CIO be listed by the Attorney General as a subversive organization because of its "adherence to the Communist Party line."

Edward E. Rhatigan, former welfare commissioner of the city of New York, expressed his certainty that "the United Public Workers have pursued a Communist Party line."

President William Green, of the AFL, declared that UPW-CIO officials "owed their allegiance to another government," meaning, of course, the Soviet Union.

The noted American historian, Prof. Arthur M. Schlesinger, Jr., lists the UPW-CIO among those CIO groups that "can be relied upon to follow the (Communist) party line with fidelity."

These accusations are supported by the history of the United Public Workers-CIO, and its predecessors, as well as the personal records of most of its major officers. UPW-CIO was created by the merger of two Communist-controlled unions of Government employees, the United Federal Workers-CIO and the State, County, and Municipal Workers-CIO.

THE STATE, COUNTY, AND MUNICIPAL WORKERS-CIO

SCMWA-CIO was founded in 1937, under the leadership of well-known fellow travelers, and almost immediately won the reputation of being under the firm control of Communists. The Civil Service Forum, a recognized publication in the field, referred to the SCMWA-CIO as "the fifth column in civil service." After a thorough investigation, a member of a California State legislative committee reached the conclusion that "the so-called SCMWA is not really a union, just a racket, a Communist-controlled racket."

When the Communist-controlled Teachers Union of New York was thrown out of the American Federation of Labor, it affiliated itself with the SCMW-CIO. It is interesting to note that Nancy Reed, discharged from the New York State Labor Department as a Communist was the SCMW-CIO delegate to the Havana National Congress of Workers in 1939. When her ouster was made public, the union not only defended her, but actually asked for the removal of the official who conducted the investigation of her Communist connection.

SCMW-CIO has faithfully followed all the twists and turns of the Communist Party line. During the early period of Nazi aggression, it participated in the so-called stop Hitler movement. As soon as Hitler and Stalin signed their infamous 1939 agreement, the union reversed itself and became a champion in peace activities, demanding that the United States "stay out." Peace commissions were formed among local unions, and innumerable resolutions against involvement in the war were passed. SCMW-CIO worked closely with such Communist peace fronts as the American Peace Mobilization and boasted of sending 150 delegates to the Chicago Peace Mobilization of 1940.

With the German invasion of the Soviet Union, the State, County, and Municipal Workers-CIO, whipped up a veritable fury for our entry into the war and for full support to the Red army.

In the 1943 elections, six prominent New York members of SCMW supported the election to the city council of Peter V. Cacchione and Benjamin J. Davis, Jr., official candidates of the Communist Party. These same candidates were endorsed 2 years later by "500 officers and shop stewards of the SCMWA."

THE UNITED FEDERAL WORKERS-CIO

The pro-Communist history of the United Federal Workers, CIO, bears a striking parallel to its sister organization, the SCMWA-CIO. UFW-CIO was established in 1937, as the outgrowth of a Communist-led split in the American Federation of Government Employees-AFL.

Before the Stalin-Hitler agreement of 1939, the union demanded aid for the victims of Nazi aggression and for a world-wide fight against "Fascist aggression" as laid down by the Communist Party. As soon as the Nazis and Soviets reached agreement on the division of the spoils, UFW-CIO followed the party line in opposing American participation in the war and demanding an embargo on all shipments of arms to the nations that later became our allies. Union publications went all out against expenditures for the national defense—expenditures that might have saved thousands of American lives—the Selective Service System, and other measures designed to gird America for the attack that finally came on December 7, 1941. Communist-led strikes in vital defense industries received the full support of this organization of Government employees. UFW-CIO even came to the defense of Earl Browder, then national chairman of the Communist Party, who was sent to prison for passport fraud.

The organization also came to the aid of subversive Federal employees who were fired during this period and enlisted the support of prominent Communist fronts to their defense. The Federal Record, official UFW-CIO publication, showed a picture of the union president with Helen Miller, who was ousted from the Labor Department.

After June 22, 1941, when the Germans began their invasion of the Soviet Union, UFW-CIO joined in the Communist-inspired war cry, eventually demanding the opening of a second front, passage of the teen-age draft, declaration of war on little Finland, and a diplomatic break with Spain. Each of these demands conformed to the current line of the Communist Party.

During its period of existence, the United Federal Workers-CIO has cooperated with numerous Communist-dominated and front organizations, including the Workers' Alliance, Consumers' Union, Labor Research Association, Washington Bookshop, Washington Friends of Spanish Democracy, and the Washington Peace Mobilization. Congressman FRED E. BUSBEY, of Illinois, characterized the UFW-CIO as follows:

"Although the United Federal Workers of America claims that it is a bona fide union seeking to advance the interests of Federal workers, it is actually an organization which has as its primary purpose the advancement of the policies and organizations supported by the Communist Party."

FORMATION OF THE UNITED PUBLIC WORKERS-CIO

The United Federal Workers-CIO and the State, County, and Municipal Workers-CIO met concurrently in Atlantic City during April 1946. On the 23d, they voted to merge into a new union, and on the following day the first joint meeting was held under the vigilant eyes of the Communist Party. The

nature of the meeting and of its principal participants was exposed in the report of Jerry Kluttz, of the Washington Post.

"George Morris of The Daily Worker, official Communist party organ, and another New York reporter came into the convention hall at the Hotel Chelsea. Abram Flaxer, SCMWA president who was later elected president of UPWA, told them what he had told me earlier—that nothing newsy was on the schedule.

"Morris, however, told Flaxer that he was concerned over the sharp criticism directed at the Russian foreign policy by Emil Rieve, president of CIO's textile workers and a leader of the right wing in the CIO. * * *

"This had made Morris most unhappy, and he frankly told Flaxer that he needed a story from the public workers to offset Rieve's speech. Finally, The Daily Worker correspondent suggested to Flaxer that he 'pull out the foreign policy resolution and get it passed'. (Obviously, Morris knew what it proposed or he wouldn't have made the suggestion.)

"Flaxer returned to the platform and took over the gavel. It was only a matter of minutes before the foreign policy resolution was called up for action."

The resolution which was called up by Flaxer conformed clearly to the official line of the Communist Party. It represented an abject surrender to the interests of the Soviet Union and an open denunciation of the United States of America.

The UPW-CIO charged that the demobilization of American troops following the war "is being deliberately delayed" by "powerful influences" with "imperialist ambitions" which are trying to "drive a wedge between the peoples" of the United Nations. This clause coincided with the propaganda demands of the Soviet Union that United States armed forces be withdrawn from all countries and with the Communist-instigated soldier "strikes" aimed at American military operations.

UPW-CIO insisted that "an Anglo-American" bloc had been formed in the UN to "isolate the Soviet Union." The trumped-up charge that the western democracies are trying to isolate the Soviets is the line followed by Gromyko and Vishinsky in their hysterical outbursts against this country.

A handful of delegates rallied against the Communist-inspired foreign-policy resolution. They attempted to modify the demand for the withdrawal of American and British troops by including a provision that Soviet troops be withdrawn from "friendly countries." They were snowed under in an avalanche of party-line oratory and the overwhelming "no" note of the convention.

The New York Times reported that the supporters of the Communist-line resolution "said Russia had not been guilty of any act that could be deemed hostile * * * but that 'powerful interests' in the United States and England had stooped to every type of trick to stir disunity and provoke war * * *." Henry Beitcher, left-wing head of the Washington CIO Council, parried questions regarding the foreign policy stand of the new organization by the lame assertion that "Russia has already promised to withdraw her troops * * *. It would be silly to include it."

Although delegates showed unflinching confidence in the Communist dictator of the Soviet Union, only 2 days earlier they made a violent attack on the Congress and President of the United States "for carrying out a program of aggressive imperialism." The remaining program adopted by the UPW-CIO also conformed to the Communist Party line in all its essential features. A demand was made for the repeal of the Hatch Act, which wisely forbids civil servants to engage in politics. Resolutions supporting the Soviet-sponsored drive to break diplomatic relations with Spain and to expel the Argentine Republic from the United Nations were passed.

When news of the convention reached Washington, the UPW-CIO received the condemnation of almost all responsible observers. In a strongly worded statement, President Harry B. Mitchell, of the Civil Service Commission, denounced the union for "throwing an utterly uncalled-for proverbial red flag in the face of the American public." He bluntly informed the union that—

"There is no question but that evidence that individuals participated in the drafting of such resolutions or actively supported the adoption of such resolutions would be considered as relevant evidence in determining whether or not a person was following the Communist Party line."

"We should like," said the Washington Post, "to call attention to what appears to have been a successful effort by our Stalinist friends to gain complete control of the new United Public Workers of America, and to exploit it in the interests of the Communist Party line."

John H. Cline, of the Evening Star, wrote on May 5: "Here is an organization which has deliberately chosen to identify itself with the policy line espoused by Communist spokesmen which are openly hostile to the policy of our own Government. * * * The important point is that a union of its complexion has no place in this Government. And responsible Government officials * * * should be the first to denounce it."

In an editorial entitled "Federal Party Line," the Star declared that when a "union of Federal employees attacks the employer's foreign policies and uses as its text a theme which could have been lifted bodily from the Communist Daily Worker, it is time to ask whether the employer should sanction or in any way recognize such a union."

STRIKES AND SLOW-DOWNS

It is an almost universally recognized principle that government must remain immune from strikes. A strike against government is a strike against the people, endangering their safety, their welfare, and perhaps their sovereignty. This principle has been repeatedly violated in fact and in spirit by the UPW-CIO, as well as its predecessors.

At the 1946 convention, the union adopted a constitution which laid down a full-fledged procedure under which a strike might be called against the Government. President Truman, at his press conference following the convention, denounced the assertion that a union had any right to strike against the United States, pointing out that in such an event government would cease to exist. Congress was forced to enact legislation which unequivocally outlawed membership of government employees in any organization "that asserts the right to strike against the Government of the United States." In order to circumvent the act, the international executive board of the union adopted a resolution which gave up the right to instigate strikes against the Government. Before the end of the year, the United Public Workers-CIO endorsed, however, the Communist Party's drive in New York to legalize strikes against the Government, and during the early months of 1947 the union led the fight against outlawing strikes against the State of New York.

The tenuous nature of the UPW-CIO no-strike policy is shown by the strikes staged against the Government Services, Inc., a quasi-official, nonprofit corporation managing cafeterias in Federal Government buildings. In September 1947 the union distributed mimeographed flyers to employees of the Veterans' Administration, promoting what officials interpreted as a "slow-down."

RACE AGITATION

One of the principal activities of the Communist Party is to instigate race agitation and to promote prejudice and disturbances among minority groups as part of the program of breaking down the American political fabric. In this endeavor, the United Public Workers-CIO has been a faithful follower. The Daily Worker has repeatedly published inflammatory, but unfounded, statements of UPW-CIO units, designed to give the impression that minorities were deliberately persecuted by the Government and by all those who did not follow the union's line. On a number of occasions, these misrepresentations have been exposed. For example, the Washington Daily News, reported late in 1946 that a UPW-CIO "complaint of alleged discrimination against Negroes and Jews in the New York City Weather Bureau office has backfired with a nasty bang. Officials say a thorough investigation showed the charge completely unjustified—and they do mean 'completely.' Also it turned up some unpleasant stuff on the records of the two chief complainants."

In 1947, union officials attempted to accuse one of the leading Washington government reporters, one who had been in the forefront of the fight against Communist control of UPW-CIO, of anti-Semitism. This charge was branded as completely unfounded by other newspapermen. Perhaps the low point of distortion was reached in September 1947 when David Cohen, international representative, made the fantastic claim that the Federal loyalty program would be used to dismiss Negro employees of the Government and to replace them with whites.

During the current dispute of UPW-CIO with Government Services, Inc., mimeographed letters are being mailed out to obscure the refusal of the union to disavow communism, as required under the Labor-Management Relations Act of 1947, by making oblique references to racial prejudice. A letter dated December 11, 1947, refers to the anti-Communist affidavits as "so-called 'purity' affidavits." In Communist lingo the term "purity" invariably refers to race prejudice.

SECESSION FROM UPW-CIO

As a result of the Communist road followed by the UPW-CIO leadership, a number of local and affiliated groups have withdrawn. Among the seceding groups are postal unions in Detroit, Pittsburgh, Chicago, Duluth, and Kansas City.

UPW-CIO'S COMMUNIST FRONT CONNECTIONS

The numerous Communist fronts with which the predecessor unions have been connected have already been listed. In its brief period of existence, UPW-CIO has endorsed the notorious Communist front National Negro Congress. Attempts have been made by some union leaders, with the so-called "Win-the-Peace Conference" staged by the Communist Party in Washington, to beat the propaganda drums for the Soviet Union.

The New York district UPW-CIO announced its support of the left-wing American Labor Party ticket. Communist literature is frequently distributed at UPW-CIO meetings, and UPW-CIO literature has been distributed at sessions of the Communist fronts.

PERSONNEL OF UPW-CIO

Nearly every leader and officer of the United Public Workers-CIO has a long record of Communist affiliations. Their undisputed control of the union must necessarily solidify the conviction that the organization is part of the Communist front network in this country. The principal officers are Abram Flaxer, president; Eleanor Nelson, secretary-treasurer; Robert Weinstein, director of organization.

Abram Flaxer

Abram Flaxer was born in Vilna, Russia, on September 12, 1904. He has been active in the Communist movement for more than a decade. According to the House Special Committee on Un-American Activities, Flaxer's allegiance to the Communist Party "is indisputably established by his presence at closed meetings of the party, by the statements of those who have been closely asso-

ciated with him in the labor movement, by his complete loyalty to the party line throughout its various changes, by his defense of Communists and Communist fronts."

Flaxer was at one time active as an official of the New York local of the American Federation of Government Employees A. F. of L. According to the testimony of John P. Frey, head of the AFL Metal Trades Department, Flaxer was known as a Communist. In 1936 Flaxer joined the Communist-controlled Workers' Alliance in a request for a parade permit. The project had the complete endorsement of the Young Communist League.

When the State, County, and Municipal Workers was founded in 1937, Flaxer became president, a post which he held until the 1946 merger, when he became president of the United Public Workers CIO.

Before the signing of the Hitler-Stalin pact, Flaxer called for collective security and support for nations fighting fascism. He changed his tune as soon as Germany and the Soviet Union agreed on the conquest of Europe. During the so-called defense period, Flaxer, therefore, opposed aid to Britain and France, opposed United States participation in the war, and supported strikes despite the critical defense needs of the United States. He became a leading spirit in the Communist-front American Peace Mobilization, which agitated against military service, lend-lease, convoying of British ships, and other activities vital to the security of the Nation.

When Hitler invaded Russia, Flaxer made another sudden turn with the Communist line and began to advocate revision of our Neutrality Act and active participation in the "struggle that the Red Army, the people of the Soviet Union, are conducting."

With the end of the war, Flaxer and his organization again followed the Communists in demanding American withdrawals from our defense outposts, appeasement of the Soviet Union, and the adoption of a Communist-inspired program at home. When these efforts failed, he supported the charges that this country was engaged in imperialist moves against the faultless Soviet Union.

During the spring of 1946 the Atlanta local of UPW-CIO asked in a letter that Flaxer make a public statement in answer to the numerous statements in the press "that you were a Communist." It is significant that Abram Flaxer did not take the opportunity to make a denial.

Abram Flaxer has been affiliated with at least 30 Communist-front organizations, and this evidence can be found in the records of the House Committee on Un-American Activities. The New York World-Telegram recently reported that it had documentary evidence to prove that Abram Flaxer is a member of the Communist Party. Among the Red front organizations with which Flaxer has been affiliated are the following: Committee on Election Rights, 1940, Prestes Defense Committee, Schappes Defense Committee, Joint Committee for Trade Union Rights, Committee for Defense of Public Education, Reichstag Fire Trial Anniversary Committee, Open Letter Defending Harry Bridges, National Federation for Constitutional Liberties, American Committee for Protection of Foreign Born, American Committee to Save Refugees, United American Spanish Aid Committee, Nonpartisan Committee for the Reelection of Congressman VITO MARCANTONIO, National Negro Congress, Social Work Today (pro-Communist magazine), Public Use of Arts Committee, and National Council of American-Soviet Friendship.

Eleanor Nelson, secretary-treasurer

Eleanor Nelson, like Abram Flaxer, has shown complete submission to the Communist Party line. Her story, as well as that of most UPW-CIO leaders, is almost a monotonous repetition of the Communist Party program over the past decade.

During the early part of the war she was connected with the American League for Peace and Democracy, which stood for "collective security against the Fascist aggressors." She spoke at a Washington meeting, together with the internationally known Communist writer, Anna Louise Strong, urging repeal of the Neutrality Act, boycotts, and other measures designed to injure the Axis powers. Nelson ended her drive for "collective security" as soon as Hitler and Stalin signed their pact. After the German invasion she again supported an aggressive anti-Axis foreign policy.

Eleanor Nelson was secretary-treasurer of the United Federal Workers-CIO and member of the CIO executive committee. She has fought tenaciously against all attempts to oust subversive workers from the Government. She has been connected with a number of Communist fronts, including the National Negro Congress, and was speaker at a Washington meeting supported by the Washing Committee to Aid Spanish Democracy and the Communist Party.

Robert Weinstein, director of organization

Robert Weinstein has a record of Communist affiliation and was an instructor at the (Communist) Jefferson School in New York.

DISMISSALS OF UPW-CIO MEMBERS FOR DISLOYALTY

A large number of UPW-CIO members and officers have been discharged from the Government Service for being Communists or pro-Communists. Perhaps the most celebrated case is the firing of the five top officers of UPW-CIO at the Aberdeen Proving Ground "in the interests of national security". The five were: Harry Spector, president; Rheabel Mendelsohn, secretary; Phil Weiss, chairman of the organizing committee; Irving Spector, chairman of the grievance committee; and Abraham Kotelchuck, chairman of the legislative and educational committee.

The union immediately undertook an all-out campaign to the defense and possible reinstatement of the discharged employees, making unfounded charges that the War Department had launched a "union-busting" campaign because it dismissed employees whose loyalty to the United States was questionable.

Late in 1946, the Labor Department undertook ouster proceedings against a number of Communists in the agency, several of whom were members of UPW-CIO. Similarly, among the employees fired last fall from the Central Intelligence Group a large part were UPW-CIO members. Morton Friedman, whose dismissal on loyalty grounds was upheld by the Supreme Court of the United States, was a member of the UPW-CIO, and the organization exerted heavy pressure on his behalf.

In Birmingham Malcolm Dobbs was dismissed from his post on the CIO Council for Communist activities. He, too, was a member of UPW-CIO.

FIGHT AGAINST THE LOYALTY PROGRAM

It is not surprising, under the circumstances, that the officers of the United Public Workers-CIO have been in the forefront of the fight against the loyalty program of the United States Government. Many of them would not be qualified to hold Government jobs because of their Communist affiliations. Some have actually been thrown out of the Government for this reason.

The attitude of UPW-CIO is in sharp contrast to the position of the legitimate Government unions, which have gone on record as unequivocally supporting the removal of Communists and other disloyal elements from the Government. In fact, some of these unions have even urged a strengthening of the loyalty procedure in the secure knowledge that their membership was safe from the Communist taint.

The campaign against the loyalty program undertaken by both the Communist Party and the UPW-CIO is too extensive to report fully. It has manifested itself in the form of trumped-up charges that the Government is "union busting," indulging in race prejudice, or is violating civil rights. The union has resorted to heavy financial expenditures in the drive to prevent the firing of Communists from the Government and has purchased extensive advertising space in the left-wing New York newspaper, PM.

The real reasons behind the desperate campaign of the United Public Workers-CIO were perhaps best expressed by James B. Burns, president of the American Federation of Government Employees-AFL, when he declared:

"Government employees whose interests are fundamentally American need have no fear of any investigative effort growing out of this program. Their record is one of achievement in service and the organizations to which they belong are devoted to upholding our national character. On the other hand, Government employees who are members of organizations or groups that carry out the dictates of foreign purveyors of disunity have every reason to worry. They fear the truth. It is well nigh impossible for them to hide their affiliation with groups which work only in the shadows against the very fundamentals of our democracy. It will be impossible for them to continue the pretext of being loyal Government employees."

LOCAL 471, UNITED CAFETERIA AND RESTAURANT WORKERS, AN AFFILIATE OF UPW-CIO

Like its parent organization, local 471 of the United Cafeteria and Restaurant Workers has followed the Communist Party line.

During the period of the Hitler-Stalin pact, UCRW and its leaders sponsored public meetings designed to impede United States defense preparations.

On May 1, 1940, a May Day meeting arranged as a benefit for local 471 and under the chairmanship of its business agent, denounced the administration for its "war drive." It should be pointed out that May Day is the principal holiday of the Communist Party.

On May Day, 1941, leaders of local 471 again participated in anti-war, anti-imperialistic demonstrations.

After the invasion of the Soviet Union, local 471 suddenly found itself supporting the war and on October 12, 1942, sponsored a "Second Front Now" rally. Speakers at the affair included such fellow travelers and pro-Reds as Clayton Powell, Jr., of New York; Reid Robinson, of the Communist-controlled CIO Mine, Mill, and Smelter Workers; and Russ Nixon, of the Communist-dominated United Electrical Workers. Many members of the Communist Party were present.

Since the end of the war, local 471 leaders have continued to integrate their activities with the party line. Two of the leading officers of the union have been closely identified with Communist-front activities. They are Richard A. Bancroft, president; Oliver T. Palmer, business agent.

Richard A. Bancroft

Bancroft was a radical student at Howard University. He was national president of the American Student Union, a Communist organization among students.

On January 26, 1941, Bancroft attended a meeting of the Communist-organized American Youth Congress. The meeting laid plans to recruit speakers to spread the party line. On May Day, 1941, he took part in a Communist-sponsored anti-war tirade, accusing the "capitalists" of attempting to drag the United States into war.

As soon as Germany invaded Russia, Bancroft changed his political outlook and by October 12, 1942, he was joining in the Communist-sponsored call for a second front.

After the war, Bancroft became a leader in the United Negro and Allied Veterans, Communist front among Negro veterans.

He was a speaker on July 29, 1946, at a protest meeting of the Red-front National Negro Congress and at another NNC meeting 2 days later.

On August 5, 1946, Bancroft appeared as speaker on Fascism at a meeting of another well-known Communist front, the Southern Conference for Human Welfare. In 1947 he sponsored a community rally with several other known pro-Communists. The Communist smear sheet "In Fact" was distributed at the meetings.

Oliver T. Palmer

The record of Palmer is closely parallel to that of Bancroft. He joined in the anti-Fascist cry after the invasion of Russia, joining an "Action Conference" which included many fellow travelers.

He was a speaker at the National Negro Council Rally on July 29, 1946, as an officer of that Communist-dominated group. Among his fellow participants were such notorious pro-Communists as Max Yergan.

Mr. Speaker, from the foregoing report one can easily understand why the officers of the UPWA have refused to sign non-Communist affidavits.

I am sure the patriotism and loyalty of the members of the UPWA and Local 471 will equal that of any group in the United States, and my only object in making this report public is to expose the type of people who have gained control of this union. The members of the UPWA should start immediately to remove all officers of their organization who are not loyal to our country.

I have confidence that the motives of members of Local 471 are only activated by a sincere desire to improve their working conditions and increase their wages to take care of the increased cost of living. The rights and privileges to bargain collectively to gain their objective should not be denied them by officers who follow the Communist Party line.

Lee J. Noftzger—Praiseworthy Activities of the Veterans of Foreign Wars in Assisting Widows Upon the Loss of Their Husbands

EXTENSION OF REMARKS

OF

HON. RICHARD M. NIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. NIXON. Mr. Speaker, under leave to extend my remarks in the RECORD, I take this opportunity to pay tribute to one who rendered outstanding and devoted service to his country, both as a soldier under arms in time of war and as a public servant of his government in time of peace. At the same time, I wish to call attention to the splendid, humanitarian service tendered this man's widow by the Veterans of Foreign Wars of the United States last week when she brought her husband's remains to the Nation's Capital for interment in Arlington National Cemetery.

Lee J. Noftzger passed away at Mercy Hospital, in Denver, Colo., on New Year's Day in the fifty-ninth year of his life. He left his widow, Mrs. Norma Noftzger, of Denver; a son, Richard L. Noftzger, of Ainsworth, Nebr.; his mother, Mrs. Thomas A. Noftzger, of Portland, Oreg., and a sister, Miss Millicent Noftzger, also of Portland.

At the time of his death, Lee Noftzger had for some time past served his country faithfully and diligently as a civil engineer with the Bureau of Reclamation, Department of the Interior. Prior to this, during the second world war of his lifetime and on the second occasion wherein he answered his country's call to service, Lee Noftzger gave some of the latter years of his life to notable work with the War Relocation Authority at Rivers, Ariz., and Topaz, Utah.

Enlisting at Fort Riley, Kans., on August 17, 1917, Lee Noftzger saw considerable combat service overseas during World War I and was in the thick of the battle of the Argonne as a member of the One Hundred and Tenth Engineers, Thirty-fifth Division. He was honorably discharged from the Army on April 2, 1919.

Lee Noftzger was a Mason and belonged to the American Society of Civil Engineers and the Society of American Military Engineers. He was active in affairs of Francis Brown Lowry Post, Veterans of Foreign Wars of the United States, and Leyden-Chiles-Wickersham Post, American Legion, of Denver. It was his wish to find a final resting place in Arlington National Cemetery, across the river from Washington. His widow was without assistance in her time of sorrow in her desire to facilitate the granting of her husband's wish, being without relatives in Denver. In this emergency, the officers of Francis Brown Lowry Post stepped into the breach, making all arrangements for Mrs. Noftzger's passage to Washington and the forwarding of her husband's remains. Upon her arrival here, she was met at the train by Mr. Harry T. Chapin, chaplain of the District of Columbia Honor Guard of the VFW. Mr. Chapin made every detail of Mrs. Noftzger's sad mission entirely devoid of inconvenience.

I want also to commend the Office of the Quartermaster General, Department of the Army, for the very impressive ceremony provided by this branch of the service at the graveside in Arlington. The flag ceremony, the tributes of the firing squad and bugler and the message of the Army chaplain are indeed treasured last memories for Mrs. Noftzger and all the others who are given this token of their country's appreciation of service to its ideals.

Needed Antitrust Program for Congress

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks, I include herein an address which I delivered before the annual convention of the American Economic Association on Tuesday, December 30, 1947, at Chicago. In this address I attempt to outline the present status of our antitrust program and the legislation needed to carry on an effective program.

The address is as follows:

NEEDED CHANGES IN ANTITRUST LEGISLATION

Mr. Chairman, I feel that it is a great honor to be invited to address this gathering. I hope you will forgive me if my address is phrased more in terms of legal concepts than economic ideas, since my training has been that of a lawyer rather than that of an economist. However, I cannot say that I have fully escaped the influence of economists, since one of my friends in college days was Dr. Walton C. Hamilton, who occupies a sort of hybrid position as an economic lawyer or legal economist. Moreover, as a Member of Congress, I have had the opportunity to listen to the testimony of numerous economists, whom, I might add, generally offer the more carefully phrased, lucid, and sensible testimony presented before congressional committees.

In this paper, I wish, first of all, to state the fundamental reasons behind by belief in antitrust. Far from sharing the belief that trust-busting is "futile," I believe not only that it can be made effective but that it is the most desirable of the few basic courses of economic action available to us at the present time.

ALTERNATIVES TO ANTITRUST

As long-range alternatives to antitrust,[1] I know of only four basic approaches—the status quo, socialization, regulation, and deficit financing. To my way of thinking, the first two are not really alternatives at all. Allowing the status quo to continue merely means that we allow our economic destinies to be governed by the managers and directors of a few large corporate organizations. This alternative implicitly assumes a sort of blind faith that these corporate managers, in determining price, production, and other economic policies, will be guided by considerations that reflect the public interest. Although an increasing number of large corporations have, in fact, shown some evidence of concern with the public interest, I know of no reason why these corporate managers should be immune from Lord Action's well-known dictum that "power corrupts and absolute power corrupts absolutely."

As far as the second alternative is concerned, it is a waste of time even to talk about the socialization of industry. Not only is the whole idea of socialization repugnant to the political convictions of the American people, but there is little, if any, tangible evidence to support the contention that socialism would be efficient or workable as an economic system.

In my opinion, the third alternative—the regulation of industry—would probably never be advocated by a member of this organization who had ever been a Member of Congress. It is not difficult for me to imagine the buffeting and pounding to which the average Congressman would be subjected by the industries to be controlled. If any attempt were made to impose long-range controls over prices, production, wages, and so forth, over many of the Nation's basic in-

[1] I wish to emphasize here the words "long range." In the short-range emergency situation which now confronts the country, antitrust is obviously incapable of meeting the drastic problems raised by the acute shortages of grains, livestock, and similar items. Consequently a few short-range specific controls must be put into effect if we are to avoid sky-rocketing inflation and a resultant inevitable economic collapse.

dustries we know that it would not be tolerated. This would stifle the spirit of initiative which has made our country great. This has been the typical history of most attempts at regulation, and there is no reason to assume that it would not prevail in the future as it has in the past.

DEFICIT FINANCING

This leaves as an alternative to antitrust only Government spending, which, I believe, boils down to deficit financing. The question may be raised, of course, as to why the necessary funds over a long-range period could not be raised by taxation. The answer to that lies in a basic political paradox. It is only in prosperous times that taxation would yield sufficient funds to support an extensive public-works program; yet during prosperity, public spending is not needed, and since the need would not exist, taxes for this purpose would not be imposed. If anyone has any doubts concerning the reluctance of legislators to provide a governmental surplus in times of prosperity, let him examine the record of the Eightieth Congress.[2] In contrast, during a depression when public works really are required, taxation, within any conceivable, realistic bounds, would not yield the necessary revenue, especially when some $5,000,000,000 of the tax payments would have to be used to pay the interest on the national debt and an additional large sum would have to be used for national defense and other fixed purposes. Even if we were to grant the desirability of deficit spending during depressions, we must recognize the improbability of such deficits being made up by surpluses provided in prosperity. Hence, it would appear that the public-spending approach, as a long-range course of action, inevitably implies deficit financing—a fact which many of its supporters refuse to acknowledge. It may come to pass that at some future date the American people and their representatives in Congress will come to accept deficit financing as the basic long-range approach, or at least change their minds concerning the desirability of creating large surpluses during periods of prosperity, but I seriously doubt it.

By briefly discussing these other possible approaches I do not wish to convey the impression that my belief in antitrust rests only upon the greater disadvantages of its alternatives. In addition to this factor, which incidentally if of compelling importance to anyone who must take a daily stand on all manner of related and unrelated issues, my belief in antitrust rests upon positive and affirmative economic, sociological, and political considerations.

PRICES LOWER WHEN COMPETITION EXISTS

When I went to college I was taught that, in the long run, prices tend to be lower and production greater under competition than under monopoly. Perhaps there have been new discoveries in the field of economics which would tend to invalidate this basic maxim. But from all that I have observed from the vantage point of the House Small Business Committee and the House Judiciary Committee, this rule seems to be even more applicable today than ever before. For example, at a time when profits are exceeding all-time highs, when demand is the greatest in history, we are confronted with the anamolous situation that certain monopolistic industries refuse to expand their capacity. I wish to ask you economists whether or not such a situation could exist in a competitive industry.

A second economic reason behind my belief in antitrust consists of what Dr. Blair, in his paper, which he was good enough to lend me back in Washington, refers to as the "decentralizing technics." The thesis advanced by Dr. Blair that technology is now moving more in the direction of smaller rather than larger-scale operations certainly derives support from numerous instances which I personally have observed in my own region, the Tennessee Valley. Aided by low-cost electric power (which Dr. Blair lists as a major decentralizing technique), many relatively small enterprises have become established in the valley and have been successful in their competition with much larger enterprises.

The sociological basis for my belief in antitrust is my conviction that standards of human welfare tend to be higher in communities which are characterized by the existence of a large number of independently owned and operated enterprises than in comparable communities in which most of the economic activity is carried on by a few large plants owned by distant and outside interests. In this connection, I want to call your attention to a very provocative little study made by the Smaller War Plants Corporation, and printed by the Senate Small Business Committee, on Small Business and Civic Welfare, which compared the levels of civic welfare in three pairs of communities. One member of each pair was a small business community in which most of the economic activity was carried on by a large number of relatively small business enterprises. The other member was a typical big business community in which most of the employment and production was centered in a few giant absentee-owned plants.

By nearly all of the many sociological tests employed, the levels of civic welfare were found to be higher in the small business than the big business communities. This finding for industrial communities was substantiated for agricultural communities in a report prepared by the Department of Agriculture which was also issued by the Senate Small Business Committee.

POLITICAL BASIS FOR ANTITRUST PROGRAM

Finally, my belief in antitrust rests upon a fundamental political basis. Is there not some real merit in the argument that a great concentration of industry would inevitably lead to some type of collectivistic state in which our democratic liberties and political rights would cease to exist? There may be those who are convinced that some type of state control is inevitable and are willing to take their chances that this top control will be exercised benevolently and in the public interest. I, myself, would prefer not to take that chance. Certainly the pages of recent history lend little comfort to those who would stake their hopes on a wise, humane, and judicious exercise of a great centralization of political and economic power.

To summarize, my belief in antitrust as the most desirable program for economic progress is based upon (1) the serious and sometimes overwhelming disadvantages of its possible alternatives; (2) the economic considerations, (a) that in the long run prices tend to be lower and production greater under competition than under monopoly and (b) that modern technology is now tending more in the direction of smaller scale than larger scale operation; (3) the sociological consideration that levels of civic welfare appear to be higher in small business than in big business communities; and (4) the political consideration that the centralization of economic power will inevitably lead to the centralization of political power, which in turn will endanger if not destroy our democratic institutions.

After having thus set forth the bases for my belief in the desirability of a vigorous antitrust program, I shall now suggest certain changes in the law which are needed in order to make the antitrust program effective, since it certainly has not been particularly effective up to the present time. The specific points which I wish to suggest fall under the following general objectives:

1. Provide adequate appropriations.
2. Eliminate conspiracies.
3. Halt the growth of concentration.
4. Reduce existing concentration.
5. Remove the financial control over industry.
6. Use the economic fact-finding power of the Federal Trade Commission Act.

PROVIDE ADEQUATE APPROPRIATIONS

It has become more or less of an accepted tradition in speaking about the requirements for an effective antitrust program to begin one's remarks with an invocation for appropriations—a tradition which has become well established and one which I see no reason to change. Actually, the facts concerning appropriations for the antitrust agencies are even worse than most of you have probably been led to believe. As chairman of the Monopoly Subcommittee of the House Small Business Committee during the last session of Congress I had an opportunity to make a fairly thorough investigation of this whole subject of appropriations, the results of which are printed in the staff report of this subcommittee (which, unfortunately, is now out of print).[3]

Rather than take up your time with a detailed exposition of the findings of that report, I would like to call your attention to just a few simple figures—the requests made by the antitrust agencies to the Bureau of the Budget, the amounts approved by the Bureau of the Budget for submission to Congress, and the amounts actually appropriated by Congress. During the 10-year period, 1938–47, the requests by the Federal Trade Commission to the Bureau of the Budget averaged $3,101,019 a year; the amount approved by the Bureau of the Budget for presentation to Congress averaged $2,328,727; and the amount appropriated by Congress averaged $2,193,597. During the period 1939–47 the requests by the Antitrust Division of the Department of Justice to the Bureau of the Budget averaged $1,986,077; the amount approved for submission to Congress by the Budget Bureau averaged $1,517,472; and the amount actually appropriated by Congress averaged $1,634,517—actually more than the amount approved by the Budget Bureau. To quote the report:

"Two facts stand out: (1) With the exception of the 1947 appropriation, Congress in each of the 10 years gave the Federal Trade Commission practically the amount approved by the Budget Bureau. Therefore, as far as the Federal Trade Commission's budget for the last 10 years is concerned, the Budget Bureau must be held, in the first instance, responsible for that agency's limited appropriation. (2) The Budget Bureau made very substantial reductions in the amounts originally requested by the Federal Trade Commission."

The report went on to state that:

"The Budget Bureau always musters good reasons for cutting an agency's appropriation. The consistent cuts by the Budget Bureau indicate more clearly than any amount of words either (a) lack of awareness of the importance of antitrust activity to the maintenance of the competitive-enterprise economy, or (b) a belief that the Federal Trade Commission's activities were not sufficiently significant to the antitrust program to warrant additional funds. If the latter was the reason, it is no answer to slash the agency's budget. Instead, the Budget Bureau should undertake, as the Executive's general manager, to bring about the administrative

[2] Cf. reports of the House Ways and Means Committee and the Senate Finance Committee on H. R. 1 and H. R. 3950.

[3] 79th Cong., staff report to the Monopoly Subcommittee of the House Small Business Committee, United States versus Economic Concentration and Monopoly, 1946.

improvements necessary to enable the Commission to properly carry out its functions." (P. 30.)

In regard to the Antitrust Division, the report stated:

"Here again, as in the case of the Federal Trade Commission, one finds that when sharp cuts are made they are made by the Budget Bureau. As a matter of fact, in 4 of the 9 years reported on, Congress appropriated more money to the Antitrust Division than has been approved by the Budget Bureau." (P. 51.)

It may surprise you to know (a) that the total amount received by the Federal Trade Commission and the Antitrust Division combined is less than the appropriation for the Securities and Exchange Commission whose functions, of course, are much more limited and restricted than those of the antitrust agencies; (b) that the annual appropriations for the two antitrust agencies combined would have been sufficient to carry on the war effort for a period of about 30 minutes; and (c) that the Federal Trade Commission has now the overwhelming total of eight economists, as does the Antitrust Division, to survey the entire economy, prepare economic reports for Congress, discover the areas of possible monopolistic practices, determine the relative significance and economic importance of the multitude of possible infractions of the law, develop economic data required on individual antitrust actions, and survey the results, from an economic point of view, of the effectiveness of the agencies' actions, for, as the monopoly subcommittee report pointed out: "There is oftentimes a great difference between a legal victory and an economic victory." [4]

IMPORTANCE OF ENOUGH FUNDS

The fundamental importance of appropriations to any antitrust program cannot be overstressed. Year in and year out the Congress has added to the number of existing antitrust laws, particularly those administered by the Federal Trade Commission. Yet funds have not been provided to carry on these increased responsibilities. As a result, the Federal Trade Commission has been forced to spread its regular appropriations over a wider and wider number of functions, thereby making it impossible for the Commission to do an effective job on any one of the laws under its administration. There is, I believe, no purpose in continuing this practice of increasing the number of statutes to be enforced, if the means of enforcing them are not also provided.

Up until this last month I was truly fearful that the Sherman Act, the Clayton Act, and the Federal Trade Commission Act would come to suffer the same fate that has already befallen other antitrust provisions of law, such as the State antitrust laws (many of which are not enforced at all), or, to take a more striking example, the Panama Canal Act of March 4, 1913, which contains a surprising provision that no vessel owned or operated by a concern that is doing business in violation of the antitrust laws shall be permitted to enter and pass through the Panama Canal. Monopolies are thus condemned to the ardous, time-consuming trip around the Horn, while competitive firms are given the definite advantage of some 9,000 miles.

To the best of my knowledge, this provision of law, which certainly indicates that Congress has tried to be imaginative in dealing with the monopoly problem, has never been enforced.

However, we now have some basis for hoping that the Nation's other antitrust laws will not go the way of the Panama Canal Act of 1913. For the first time in many years the Budget Bureau has approved a substantial increase in the amounts requested of Congress for the Federal Trade Commission and the Antitrust Division. The amounts requested for the next fiscal year are $3,802,000 for the Commission and $3,250,000 for the Antitrust Division, as compared with actual appropriations for the current fiscal year of $2,900,120 and $2,150,000, respectively. What Congress will do to these requests may prove to be an entirely different story. But at least it appears that the Budget Bureau has finally roused itself from that comfortable lethargy into which it has always fallen whenever the subject of antitrust enforcement has been raised. Of course, there is still a long way to go. The former economics adviser to the Federal Trade Commission has stated: "An annual appropriation of $150,000,000 for the Antitrust Division of the Department of Justice and $100,000,000 for the Federal Trade Commission will not be too large if monopoly is to be driven out of business." [5] Although I do not know what the actual figures should be, I do know that they should be much higher than the present estimates, but at least we take hope from the fact that at long last the Budget Bureau seems to be moving in the right direction.

ELIMINATE CONSPIRACIES

The law is clearer and more definitive on the question of conspiracies than on any other aspect of the antitrust laws, owing largely to the resolute and uncompromising stand taken by the Supreme Court against monopoly by conspiracy. The Court has been particularly assiduous in dealing with conspiracies to fix prices. When independent competitors get together and enter into an agreement, arrangement, or understanding to fix the price of goods which they sell or purchase, they are violating the antitrust laws, without any "ifs, ands, or buts." As Dr. Milton Handler has pointed out:

"It matters not whether the prices are set by combinations of sellers or buyers, whether prices are raised, lowered, or maintained at existing levels, whether the prices are reasonable or unreasonable, whether the agreement fixed minimum or maximum prices, or whether price structures are tampered with by direct agreement or by any other means. Nor are the motives or intentions of the members of the combination material. It is of no moment that they may in good faith have regarded such an agreement as essential to their economic salvation. Nor would evidence be admissible, if such could ever be produced, that in practice the agreement resulted in demonstrable social and economic benefits to all those in or dependent upon the industry in which the combination operates. The fact that the agreement fixes or maintains prices is conclusive of its illegality." [6]

The Court has been equally hostile to conspiracies aimed at the control of output. Although, strangely enough, only a handful of cases involving this practice have gone to the Supreme Court, the few available decisions indicate that it is just as illegal for producers to conspire to control output as to fix prices.[7]

Likewise, the Court has frowned upon any sharing of the market through such means as allocating fixed percentages of the available business to each producer, dividing sales territories on a geographical basis, allotting customers to each seller, distributing business through a common sales agency which apportions orders, imposes production quotas on its members, or engages in similar activities. "Recognizing the dangers implicit in these arrangements, the Supreme Court has held that agreements and arrangements for sharing markets are illegal under the Sherman Act." [8]

HEAVIER PENALTIES NEEDED

Despite the clarity of the judicial decisions on this general subject of conspiracy, there are a number of ways in which the present laws could be made more effective. One of the most important steps to be taken is to make the punishment fit the crime. At the present time the maximum penalty by way of fine for violation of the antitrust laws is $5,000. In the words of the Temporary National Economic Committee:

"This amount is clearly inadequate as a deterrent to businessmen or to groups of businessmen whose incomes are in the millions, and the committee therefore recommends that the maximum limit for fines be raised to at least $50,000, leaving discretion with the court to assess the penalty according to the means and circumstances of the defendant and according to the extent to which it has profited by the violation of the act." [9]

I have, however, a different type of suggestion to offer in regard to this question of penalties. I would suggest that a systematic method of determining penalties be developed and incorporated in legislation based on the following criteria:

(a) That this system of penalties should apply only to cases involving restraint of trade (i. e., antitrust actions);

(b) That the fine should be retroactive to the date on which it was found that the violation has been initiated and should be continuous on a daily basis from that time until the final determination of the case; and

(c) That in determining the penalty a fixed ration should be followed between the size of the company, as measured by its invested capital, and the amount of the fine.

In essence, this system would be based on two perfectly logical principles: that the illegal activity should be punishable during the entire period of its existence, and that the amount of the penalty should vary directly in accordance with the size of the company. Such a system would, I believe, do much to improve the appreciation and interest in the antitrust laws by many of our large corporations which today have only a nodding acquaintanceship with these "charters of economic freedom."

As an additional step to strengthen the law against conspiracies, I would concur in the recommendation of the Temporary National Economic Committee (which was also unanimous) "that the Federal Trade Commission Act be amended to provide that on request of the Attorney General, the Commission, or any member thereof, may hear evidence and make findings of fact and conclusions of law in any pending antitrust proceeding. These findings should be made advisory to the Federal court under whose jurisdiction the case is pending, and that court should be in a position either to pass finally on the Commission's findings and conclusions, refer the report back for additional information, or hear further testimony itself." [10]

The purpose of this provision, of course, would be that of speeding up the progress of antitrust cases initiated by the Attorney General by having them heard before a tribunal which has had long experience in matters relating to the antitrust laws. Any proposal such as this which would accelerate the slow progress of the antitrust cases through the labrynths of the courts should receive the unhesitating support of everyone who is interested in making the antitrust program effective.

GIVE FTC ORDERS MORE FINALITY

Finally, I wish to endorse a recommendation of the Federal Trade Commission itself, which it has made for many years, that its

[4] Ibid., p. 26.

[5] Willis J. Ballinger, By Vote of the People, Charles Scribner's Sons, 1946, p. 308.

[6] TNEC Monograph No. 38, A Study of the Construction and Enforcement of the Antitrust Laws, by Milton Handler, 1941, p. 13.

[7] Ibid., pp. 14–16.

[8] Ibid., p. 17.

[9] Final Report and Recommendations of the Temporary National Economic Committee, 1941, p. 40.

[10] TNEC Final Report, op. cit., p. 40.

orders under the Clayton Act be given the same degree of finality and the same sanctions that its orders now have under the Federal Trade Commission Act. Cease and desist orders issued under the Clayton Act can now be enforced only by first obtaining court affirmance and a court decree commanding obedience to the order, and then following this with a contempt proceeding if the decree is disobeyed. In contrast, as a result of the Wheeler-Lea amendment, the Commission's orders under the Federal Trade Commission Act now become final within 60 days unless judicial review is initiated, and violations of any final order are subject to a specified money penalty, recoverable by civil penalty suit. In the words of the Commission's Annual Report of 1946: "There appear to be no substantial reasons why orders under both acts should not have the same status as to finality and as to penalties for violation." (P. 12).

HALT THE INCREASE IN ECONOMIC CONCENTRATION

While the Court has interpreted the provisions of the antitrust laws relating to conspiracies in a reasonably explicit and enforceable manner, the provisions relating to mergers and corporate consolidations have been so interpreted as to make them practically useless and unenforceable. Although in the opinion of many of the Supreme Court's own members, the Sherman Act was originally intended not only to prevent conspiracies but also to halt the unchecked growth of giant corporations, these members, unfortunately, have not been in a position to make the law, but only to issue ringing dissents.

Obviously, the same economic ends can be achieved through the power of giant corporations as through conspiracies. If, for example, prices are set by an ill-informed conspiracy of independent businessmen who have held letters which should never have been written, minutes which should never have been kept, and records which should long ago have been burned, the outcome of the case is fairly clear. The law has been violated and the evildoers will be punished. But if prices are set at the same level and under the same economic conditions by a giant corporation, the firm will not run afoul of the law, even though its prices are followed by the remainder of the industry out of instinct, respect, or appreciation of its economic power.

The ability of corporations to do, through mergers and consolidations, that which they are prohibited from doing in concert with other independent firms obviously makes a mockery of the law against conspiracies. Indeed, as the Federal Trade Commission has stated:

"The antitrust laws (Sherman Act and Federal Trade Commission Act) condemn attempts to control the market by means of mutual understanding or agreement among competitors, but if the same objective is achieved through the purchase of physical properties, it is lawful in the absence of monopoly and the antitrust agencies are powerless to act. In other words, the weaker, less effective cooperative methods of eliminating competition are prohibited, but the permanent and more effective method of consolidated ownership under a single management is permissible. Moreover, the more effective is the enforcement of the law against collusion among competitors, the greater is their incentive to achieve the same ends through purchase, consolidation, and merger." [11]

Nearly two decades ago, Drs. Dexter Keezer and Stacy May summarized the prevailing economic opinion, which is undoubtedly even more widespread today: "Almost every student of modern economic affairs is convinced that a concern which dominates an industry, without rivals of comparable size, is able to determine, in large measure, the policies of an industry without resorting to compulsive tactics." Yet, they pointed out, "Judicial interpretation of the antitrust laws has had the effect of legalizing almost any degree of concentration of economic power if certain legal formalities are observed." [12]

THE RULE OF REASON

In gradually developing what is flatteringly termed the "rule of reason," the Court came to adopt four basic standards to determine the legality or illegality of mergers and consolidations, namely:

1. The intent to monopolize.
2. Predatory practices.
3. The existence of power to exclude competitors or fix prices.
4. The effect on potential competition.

As may be seen merely from their listing, the first, third, and fourth are the ultimate in the hypothetical and thus the unenforceable, while the second has tended to become an anachronism in the modern world of big business. On the question of intent to monopolize, who can determine intent, particularly in well-informed and sophisticated corporations? How is an antitrust agency to find out what is in the back of the minds of those who promote consolidations? And of even greater importance, how is the attempt to be proved since the accused is presumed to be innocent until proved guilty? Why does a big company buy up a large number of small firms? Is it because of an intent to monopolize? The answers have become a matter of automatic reflex. The companies are bought up merely in order to improve their efficiency, or to keep them from going bankrupt, or to provide employment, or to resurrect an old broken-down plant, or to serve some other laudatory economic objective. By injecting this question of intent, the Court has made the art of mind reading—a practice which is prohibited in many States—the primary consideration in deciding whether or not a merger or consolidation should be halted. As Dr. Hamilton has observed, "To isolate from the complex of impulses playing upon a host of persons a particular motive, or to make one impulse to action dominant and the others recessive, is to indulge sheer fiction." [13]

Along with the question of the intent to monopolize, the Court, in cases against consolidations and mergers, has placed greatest emphasis on the existence of predatory practices. Such practices as the exclusion of competitors, discrimination, cutting prices below costs aimed at forcing competitors out of business, artificial restrains on potential competition, and the general abuse of power are some of the practices to which the Court has objected, and which, incidentally, have given rise to the ethically interesting but economically irrelevant distinction between good and bad trusts. The trouble with the injection of these practices into such cases lies in the consummate ease with which they can be avoided by any large corporation which has already achieved dominant size and power. Predatory practices are vestiges of the free-booting days of old whose use is no longer required by entrenched corporate giants and whose adoption today would be considered an unforgiveable blunder by any reputable corporation lawyer.

Perhaps the most ephemeral of all of the standards adopted by the Court is the question of whether or not the corporation has the power to exclude competitors or fix prices. Unfortunately, though understandably, the Court has not seen fit to answer the critical question of just how the existence of this power is to be determined. Is it to be inferred that when a corporation achieves a certain degree of control over an industry—say, 60 percent or more of its production—it then possesses the power to exclude competitors or fix prices? If the Court were to adopt some such measurable standard—a remote possibility—it would be doing what it has refused to do in defining a monopoly.

Similarly, the effect on potential competition requires an inquiry into the motives behind the businessmen who do not go into a particular industry. There are literally thousands of possible reasons why businessmen do not go into an industry, only one of which would be the power of the combine. The isolation of this one factor from all of the others is another one of those exercises in mind-reading imposed by the Court.

In the United States Steel case, the Court gave verbal expression to the nullification of the law which inevitably resulted from the use of these standards when it first uttered the celebrated dictum that, "The law does not make size an offense, or the existence of unexerted power an offense." [14]

As if it were not sufficiently explicit, the Court in 1927 left no room for doubt by stating in the International Harvester case that "The law * * * does not make the mere size of a corporation, however impressive, or the existence of an unexerted power on its part, an offense, when unaccompanied by unlawful conduct in the exercise of its power." [15] In a dissenting opinion to the International Harvester case, Justice Day, who was joined by two other members of the Court, objected in indignant sarcasm to this sanctification of size:

"From the earliest decisions of this Court it has declared that it was the effective power of such organization to control and restrain competition and freedom of trade that Congress intended to limit and control. That the exercise of the power may be withheld, or exerted with forbearing benevolence, does not place such combinations beyond the authority of the statute which was intended to prohibit their formation, and when formed to deprive them of the power unlawfully obtained." [16]

Although in the aluminum case the judicial interpretation of the Sherman Act in regard to consolidations and mergers has retreated slightly, though very slightly, as will be discussed below, the law of the land still apparently sanctions an extreme and almost complete monopoly of an industry if it is unaccompanied by what the Court chooses to regard as unlawful practices.

The Sherman Act was not only law directed against mergers and consolidations which has been undermined by the Supreme Court. Its passage was followed some two and a half decades later by the enactment in 1914 of the Clayton Act, as well as the Federal Trade Commission Act. Section 7 of the Clayton Act gave to the Federal Trade Commission the power to prevent the acquisition by one company of the stock of another company, if the result of the acquisition would be to substantially lessen competition or tend to create a monopoly.

The purpose of this section was to halt the growth of trusts and monopolies. The decision of the Supreme Court in the Northern Securities case in 1904, and in the Standard Oil and Tobacco cases in 1911 had apparently established the principle that the Government already was armed with the power to break up existing monopolies. The problem, as Congress saw it at the time, was how to prevent the formation of monopoly, how to nip it in the bud. In section 7 of the Clayton Act, Congress thought that it had the answer.

But, as events later proved, it thought erroneously; it had not reckoned with the legal profession. The bill had hardly become law

[11] Federal Trade Commission, The Present Trend of Corporate Mergers and Acquisitions, 1947, p. 3.

[12] Dexter Keezer and Stacy May, The Public Control of Business, Harpers, 1930, p. 49.

[13] TNEC Monograph No. 16, op. cit., p. 68.

[14] 251 U. S. 416.

[15] 274 U. S. 708.

[16] 251 U. S. 465.

before the great legal minds of the country were busily at work trying to discover a loophole in this new and potentially forbidding measure. And, before long, they had hit upon the answer. Instead of buying up merely the stock of a competitor, why not purchase its assets—that is, its physical plant, inventories, and everything else? While the law was very specific in prohibiting the purchase of stock, it said nothing about assets.

THE LOOPHOLE IN SECTION 7 OF CLAYTON ACT

Shortly after the end of World War I, corporations began to take advantage of this loophole. If they purchased assets entirely, and did not bother at all with any transaction involving stock, they were obviously free from any action by the Federal Trade Commission. However, in some cases, acquisitions of assets were not feasible unless the stock could be purchased first, and this raised a problem. If a firm went through this "double play," buying up the stock first and then using the stock to obtain the assets, was it not violating the law?

The Federal Trade Commission thought so. The law certainly did not specify that those who broke its provisions could gain immunity from its penalties by subsequently purchasing something else, such as assets. Yet in a 5-to-4 decision, with Justices Brandeis, Taft, Holmes, and Stone dissenting, the Court held in 1926 that where a corporation had gone through this "double play" the Commission was powerless to take effective action.[17] Specifically, the Court held that the Commission's only authority in cases of this kind was to order a divestiture of the stock of the acquired corporation—which, of course, had been automatically made valueless by the transfer of assets. The Court, in effect, said that the Commission was quite free to use the power which Congress had conferred upon it, as long as it confined the use of that power to ordering the divestiture of pieces of paper which happened to be worthless.

As a result of these decisions, plus an additional decision in the Arrow-Hart and Hegeman case which further widened the loophole, the Commission was completely deprived of power to halt acquisitions of stock when they are followed by acquisitions of assets. Today, when the Commission takes action to halt the acquisition of stock, it usually finds that, before it can enter its order, the acquiring company has bought up the assets; thus removing the case from the Commission's jurisdiction.

A typical instance of the futility of attempting to enforce section 7 is the case of the Consolidated Grocers Corp. Through a number of stock acquisitions in competing corporations, Consolidated Grocers had become in 1945 the largest wholesale grocery in the country with assets of $20,000,000 and annual sales of $100,000,000. It occupied a leading position in the wholesale grocery trade in numerous important trade areas, including Chicago, Baltimore, and Canton, Ohio. Since its acquisitions took the form of the purchase of stock, the Commission issued a complaint in 1946, charging a violation of section 7. But while the case was in the very process of being tried, the corporation acquired the assets of its subsidiary concerns which it had previously controlled only through stock ownership and dissolved the subsidiaries. The Commission had no alternative but to dismiss the case, which it did in February 1947. It is this situation which recently led the Commission to complain bitterly that, "* * * when the Commission tries to prevent acquisitions which take the form of purchases of stock, it usually finds that it is chasing a vanishing will-o'-the-wisp." [18]

The present impotence of the law raises the question as to why Congress, in granting the Commission power to prevent purchases of stock, did not also give it the power to move against acquisitions of assets. Inasmuch as purchases of assets are more binding and lasting, and thus more destructive to competition, this omission seems particularly paradoxical. The answer lies in the fact that at the time when Congress enacted the Clayton Act, most acquisitions took the form of stock purchases. By comparison, acquisitions of assets were almost unknown.

ECONOMIC BACKGROUND OF CLAYTON ACT

The economic background behind the passage of the Clayton Act in 1914 was the great merger movement which began at the very end of the nineteenth century and extended through 1907. During this period, which witnessed the birth of such huge consolidations at the United States Steel Corp., most mergers were effected through the purchase of stock. There were solid reasons behind this predominance of stock acquisitions. In the first place, it is much easier to purchase stock than assets. This is especially true in the case of holding companies, which mushroomed during this early merger movement, since the holding company can readily exchange some of its shares for the stock of the company to be absorbed. And, in the second place, stock acquisitions are peculiarly suitable in any era which is characterized by the flotation of enormous amounts of watered stock. The prevailing method of promoters in bringing together these huge consolidations was to form a great holding company, which would then issue under its own name vast amounts of stock. Part of the stock so issued would be used to pay off the owners of the separate companies absorbed in the consolidation. The greater the amount of watered stock, the easier was it to absorb companies through the medium of stock transfers.

That acquisitions of stock were indeed the customary and prevailing method of absorbing competitors was forcibly brought out by Justice Stone in his dissenting opinion in the Arrow-Hart and Hegeman case. He said that corporate mergers were "commonly" effected through stock acquisitions, that "only in rare instances" would a merger be successful without advance acquisition of working-stock control, that such control was "the normal first step toward consolidation," that it was by that process most consolidations had been brought about, that this was "the first and usual step" and that the statute therefore reached the evil of corporate mergers "in its most unsual form by forbidding the first step." [19]

The plain fact of the matter is that Congress simply did not foresee—nor could it reasonably be expected to foresee—the loophole implicit in the possibility of acquisitions of assets. It took action against the customary and prevalent form of mergers. Its intent was quite clear. It wanted to stop the growth of monopoly. In a report dated July 22, 1914, which accompanied the Clayton Act, the Senate Judiciary Committee said:

"Broadly stated, the bill, in its treatment of unlawful restraints and monopolies, seeks to prohibit and make unlawful certain trade practices which, as a rule, singly and in themselves, are not covered by the act of July 2, 1890 (the Sherman Act), or other existing antitrust acts, and thus, by making these practices illegal, to arrest the creation of trusts, conspiracies, and monopolies in their incipiency and before consummation."[20]

It is difficult to conceive of a more explicit expression of intent. Yet the Court, as in the case of the provisions of the Sherman Act relating to mergers and consolidations, nullified the law, and the extreme length to which the Court went in nullifying the law—holding, in effect, that a violation was perfectly legal, if followed by the acquisition of something not mentioned in the law—clearly reveals the one consistent element in the Court's treatment of the antitrust laws—its refusal to take effective action against the fundamental problem of size and power.

The remedy needed for section 7

For several years Senator O'MAHONEY and I have regularly introduced into the Congress bills designed to plug this outstanding loophole in the law and give to the Federal Trade Commission the same power to prevent acquisitions of assets as it now has in regard to acquisitions of stock. It may interest you to know that twice—that is, in both the Seventy-ninth (Democratic) and the Eightieth (Republican) Congresses—a bill designed to accomplish this objective has been approved by a subcommittee of the House Judiciary Committee; twice it has been approved by the full House Judiciary Committee; and twice it has been pigeonholed by the Rules Committee. On both occasions the reason given by the Rules Committee was the absence of time owing to an early adjournment of Congress. It is certainly to be hoped that at this meeting of Congress the Rules Committee will not be able to use this excuse and will permit the elected Representatives of the people to debate and vote on this bill.

The bill before the House at the present time is known as H. R. 3736. In report No. 596, dated June 17, 1947, by Representative JOHN W. GWYNNE (Republican) of Iowa, the majority of the Judiciary Committee stated:

"The history of legislation previously adopted to prevent monopoly, the great increase in recent years of competition-destroying mergers, the damage to small business, the blighting of opportunity for our young people—all cry out for the enactment of legislation to stop the rising tide of monopoly."

The report concludes with these words:

"In adopting the Sherman Act and later the Clayton Act, the Congress, without partisan division, gave expression to a virtually unanimous demand that our competitive economic system be protected against those forces of monopoly which would destroy it. The platforms of both major political parties have consistently carried planks approving the course thus charted. Both President Hoover and the later President Roosevelt recommended tightening up of the Sherman and Clayton Acts. President Truman has specifically recommended this amendment to the Clayton Act."

It is my personal conviction, if the Rules Committee ever permits this bill to come on the floor, that it will be passed by the House of Representatives, that it will be passed by the Senate, that it will be signed by the President, and that it will thus become the law of the land.

REDUCE EXISTING CONCENTRATION

It should be realized, of course, that this pending bill is designed to deal only with future mergers and acquisitions. It does not provide the antitrust agencies with any additional means of reducing the existing high levels of concentration. Although the importance of providing a check upon future mergers and acquisitions can hardly be exaggerated, especially in view of the current

[17] *Federal Trade Commission* v. *Western Meat Co.; Thatcher Mfg. Co.* v. *Federal Trade Commission; Swift & Co.* v. *Federal Trade Commission* (272 U. S. 554; 1926).

[18] Federal Trade Commission, The Present Trend of Corporation Mergers and Acquisitions, 1947, p. 3.

[19] 291 U. S. 587, 600, 601.

[20] Senate Committee on the Judiciary, S. Rept. 698, 63d Cong., 2d sess., July 22, 1914, to accompany H. R. 15697, p. 1.

merger movement, yet it must be recognized that in many industries concentration has already reached such high levels that effective price competition has practically disappeared. In such industries a few large corporations have already attained such size and power that, without buying up a single additional firm, they are in a position to determine the industry's price and production policies and to control the market generally. How, then, is this problem of existing concentration to be met?

Before advancing any particular recommendation, it might be well first to make a brief review of the major problems that stand in the way of an effective program of "divorce, divestiture, and dissolution," as the Department of Justice terms it, or "divorce, divestiture, and disillusionment," as one rather cynical lawyer of the Department has termed it. First, there is the problem of the judicial interpretation of the law in regard to cases of this type; and, second, there is the administrative problem of developing new procedures which would enable such cases to be really effective in terms of economic results and to move with reasonable rapidity, without sacrificing the fundamental legal rights of the parties involved.

Of course, all of the legal decisions, as mentioned above, which nullify the effectiveness of the Sherman Act as a means of halting mergers and acquisitions, also nullify the effectiveness of that law as a means of reducing existing concentration.

There has, however, been a new legal development on this question of existing concentration in the form of the decision in the Aluminum case. The Supreme Court withdrew itself from that case on the grounds that several of its members had been officials of the Department of Justice at the time that the case was in process, and a decision was therefore rendered by a special court of last resort, headed by Justice Learned Hand. The court introduced the novel doctrine that 90 percent control of an industry was per se a violation of the Sherman Act, and that the existence of unlawful practices was not necessary to prove a violation of the law.

Actually, it happened that the Aluminum Co. of America was found guilty of such a practice. It had exercised an illegal price squeeze on its nonintegrated competitors, forcing them to pay a relatively high price for the raw ingot which they had to buy from the Aluminum Co., and then holding its own price on the competitive product, aluminum sheets, at a relatively low level. But the existence of such practices was incidental; 90 percent control was too much. Size and power, standing by themselves, were held illegal.

There are, however, important qualifications to even this modest departure from the old doctrine. In the first place, the idea that 90 percent control is in itself illegal was a ruling of a special court and has not been endorsed by the Supreme Court.[21]

In the second place, the special court itself qualified the new doctrine by holding that it was doubtful that 64 percent would be enough to constitute an unlawful monopoly and that 33 percent is certainly not enough.[22] In the International Harvester case, the Supreme Court had ruled that 64 percent was definitely not enough.

It is difficult, indeed, to derive much encouragement from the Aluminum decision, since its actual application to American industry would have little effect upon competitive conditions. If the 90-percent rule were to be adopted, it would not affect more than a handful of American industries. In 1937 there were only 21 important products (those with an annual value of over $10,000,000) in which the largest four producers accounted for 90 percent or more of the total output. Consequently, there are probably fewer than half a dozen important products in which the largest single firm accounts for more than 90 percent of the output.

If the Supreme Court were to recede to the 64 percent doubtful point—an unlikely possibility—the scope of possible action would, of course, be materially increased.[23] However, such a ruling would still permit an entire industry to be divided between only two firms, one controlling 63 percent and the other holding the remaining 37 percent. To cite a specific example, if the 64-percent point were adopted, there would be no definite legal bar in the steel industry to a merger of the eight concerns next in size to United States Steel into one company, which would represent 63 percent of the industry, and which, coupled with United States Steel's one-third, would put some 96 percent of the industry into the hands of two corporations.

Hence the most liberal interpretation which could possibly be placed on the Aluminum decision would still be subject to the criticism of former Assistant Attorney General Berge that the Sherman Act has merely set up the "domination of the few as a substitute for the domination of the one."

The second problem concerning the dissolution program, that of administrative procedures, is nearly as formidable as the question of judicial interpretation. From this point of view alone, the process of "unscrambling the eggs" is not an easy one. What standards are the antitrust agencies to utilize in determining such questions as: Whether or not a specific corporation should be dissolved; how many units should it be divided into; what should be the size and character of the resultant units; who should be permitted to own them; what measures should be adopted to prevent the resulting units from coalescing together in some community of interests (as took place following the formal dissolution of the anthracite coal mining companies from the railroads); how are the fundamental economic considerations of efficiency and competitive results to receive their due and proper importance in what is formally a legal procedure? In regard to this last question we must not forget the immortal words of the Supreme Court in resisting the arguments of Mr. Brandeis that the old tobacco trust be split into a greater number of units:

"This whole line of argument deals with the economics of the tobacco business. No doubt the novel problem presented to this Court is connected with questions of economics as well as with questions of law. But, this is a court of law, not a Commerce Commission, and the legal side of the proposition would seem to be the controlling one." [24]

I do not know the answers to these and many other related questions. I only know, first, that the problem of existing size must be dealt with; second, that even under the most favorable interpretation of the Aluminum decision, the existing law does not provide an adequate means of achieving this objective; and third, that the administrative problems involved in the program are of no small amount.

I know that my friend, Mr. Raymond, believes that he has the practical answer in the form of his limitist proposal which would impose some arbitrary limitation on the size of corporations, such as a general limitation that no firm with over 10,000 employees should have more than one shipping point. While this is, indeed, an interesting proposal, my offhand reaction is that it is too arbitrary and inflexible both from an economic and a political point of view.

Since I do not have the answers to these legal and administrative questions, and since the Temporary National Economic Committee did not go into this question of breaking up existing size, I propose that the old Temporary National Economic Committee be reconstituted and directed to obtain expert information and advice on this subject; and, on the basis of such information, to develop a new program of dissolution, to be accompanied by reports to the Congress and recommendations for specific legislation.

LESSEN THE FINANCIAL CONTROL OVER INDUSTRY

The matter of the financial control over industry is another one of those very broad problems, similar to that of reducing existing concentration, which requires more intensive analysis and study before I would care to advance any specific legislative proposal.

It will be recalled that the old National Resources Committee, after a study of intercorporate ties such as stock ownership, interlocking directorates, common affiliations with investment bankers, intangible personal relationships, and so forth, came to the conclusion th there were eight more or less clearly defined financial interest groups in the country; that these eight controlled 106 of the 250 largest nonfinancial and banking corporations; and that the assets of these 106 "controlled" corporations represented approximately 29 percent of all nonfinancial and banking assets.

Of course, as a lawyer, I am in no position to pass upon the accuracy of these estimates, but I think that everyone must recognize the existence of a definite financial control over important segments of American industry. You may recall that in his message to the Congress recommending the establishment of the Temporary National Economic Committee,[25] President Roosevelt stated:

"Close financial control, through interlocking spheres of influence over channels of investment and through the use of financial devices like holding companies and strategic minority interests, creates close control of the business policies of enterprises which masquerade as independent units.

"That heavy hand of integrated financial and management control lies upon large and strategic areas of American industry. * * *

"But modern efficient mass production is not furthered by a central control which destroys competition between industrial plants each capable of efficient mass production while operating as separate units. Industrial efficiency does not have to mean industrial empire building.

"And industrial empire building, unfortunately, has evolved into banker control of industry. We oppose that.

"Such control does not offer safety for the investing public. Investment judgment requires the disinterested appraisal of other

[21] It is true that in the recent Tobacco case the Supreme Court stated that it welcomed the opportunity to endorse certain statements the Aluminum case opinion. But the statements that were endorsed were to the effect that a monopoly cannot be disassociated from its power, that its power cannot be disassociated from its exercise, and that if 90 percent of the ingot producers had combined it would have constituted an unlawful monopoly. (328 U. S. 813–814.)

[22] 148 F. (2d) 416, 424.

[23] The TNEC found that of 1807 census products, there were only 97 of which the leading producer accounted for over 65 percent of the Nation's output (and they represented only 5.3 percent of the total number and 2.3 percent of the total value of all products surveyed); the leading producer accounted for over 60 percent of the output of only 152 products (only 8.1 percent of the total number and 3.3 percent of the total value). (Cf. TNEC Monograph No. 27, The Structure of Industry, p. 292.)

[24] 191 Fed. Rept. 376.

[25] S. Doc. No. 173, 75th Cong., 3d sess.

people's management. It becomes blurred and distorted if it is combined with the conflicting duty of controlling the management it is supposed to judge.

"Interlocking financial controls have taken from American business much of its traditional virility, independence, adaptability, and daring—without compensating advantages. They have not given the stability they promised."

I might suggest that on this problem of financial control some committee could begin its work by devising appropriate amendments to section 8 of the Clayton Act, which as you may recall, prohibits the same person from being a director in two or more competing corporations. However, the law is riddled with loopholes which make it largely ineffective. In the first place, a firm can evade its provisions by placing on the board of a competing concern not one of its own directors, but rather one of its officers or employees; the law applies only to interlocking directors, not to interlocking officers or employees. In the second place, an investment or banking firm, which is prevented by the law from placing the same men on the boards of two or more competing companies, can achieve the identical control by placing one of its men on the board of one company and another on the board of its competitor. Finally, the law applies only to competing concerns; for example, interlocking directorates between a supplying company and an end-product manufacturer, or between firms in different industries (even though closely related), or between a manufacturer and a distributor are thus perfectly legal. Like section 7 of the Clayton Act, section 8 is thus characterized by both a laudatory intent and the existence of devastating loopholes which can and should be plugged.

USE THE ECONOMIC FACT-FINDING POWERS OF THE FEDERAL TRADE COMMISSION

Finally, I wish to call your attention to a provision of law which already exists, which requires no legislative changes, and which could become an extraordinarily effective measure in the public interest. I am speaking of section 6 of the Federal Trade Commission Act, which grants to the Commission far-reaching powers for the purpose of conducting economic investigations. The only thing required to make this law effective is appropriations.

The origin of this section has an exceedingly interesting story. After passing the Sherman Act in 1890, the Congress gradually became aware of the existence in many lines of industry of large corporations, which through their mere size and power, implemented by such specific practices as price leadership, could control the market without resorting to conspiracy or collusion or illegal activities of any kind.

Therefore Congress, convinced of the "curative power of publicity," felt that, at the very least, the people and their representatives in Congress should be informed of the economic practices and behavior of these large corporations—their prices, costs, profits, economic power, business practices, etc. With this thought in mind, Congress on February 14, 1903, established the Bureau of Corporations with power and authority "* * * to make * * * diligent investigation into the organization, conduct, and management of the business of any corporation, joint stock company, or corporate combination engaged in commerce." When the Federal Trade Commission was established in 1914, these fact-finding powers were enlarged and transferred to the new agency. It was under this section that the Commission has conducted its economic investigations which not only have resulted in new and improved legislation but also have acted as an important restraining influence upon the policies and activities of many of the Nation's largest corporations.

It is indeed a tragedy, considering its proven usefulness, that this highly useful function has been permitted to atrophy over the years. As early as 1927 Prof. William Z. Ripley, of Harvard, regretfully commented upon the "innocuous desuetude" of section 6 which he termed as a "stone dead letter." Urging a vigorous use of the fact-finding powers, Professor Ripley stated:

"This statute (the FTC Act) contains in section 6 a positive delegation of authority to this body which is entirely adequate to the performance of the service so greatly needed at the present time * * *. The record of debate upon the subject makes it clear that Congress intended this work to constitute one of its chief activities * * * here then we have plainly indicated the most obvious, the simplest, the most effective remedy of all * * *. No legislation is necessary. There is nothing revolutionary about it—nothing paternalistic * * *. Let the word go forth that the Federal Trade Commission is henceforward to address itself vigorously to the matter of adequate and intelligent corporate publicity, and, taken in conjunction with the help of agencies already at work, the thing is as good as done." [20]

At one time the Economics Division of the Federal Trade Commission numbered over 600 persons with over 200 economists and other professional employees. At the present time, as I have indicated above, it is down to the staggering sum of 8 economists, who, in addition to carrying out these broad powers of section 6, must also prepare all of the economic material required in the Commission's legal cases. I think it is about time that we resurrect this important provision of law which Professor Ripley termed "the most effective remedy of all."

AIDS TO SMALL BUSINESS

Before summarizing my specific recommendations for changes in legislation, I wish to mention briefly a number of additional points which I do not have time to discuss at length. It is my personal opinion that an effective antitrust program represents only one side of the penny. The other side consists of certain types of affirmative assistance which should be made available to small business, particularly financial aid and industrial research. In regard to the former, I would like to see the RFC greatly accelerate its program of loans to small business; in regard to the latter, I would like to see Congress pass some bill, such as that proposed by Senator FULBRIGHT, designed to bring to small business the benefits of modern science and technology.

In addition, there are other problems, particularly patents and cartels which are of such extraordinary complexity that I am unable to discuss them adequately within the time limits available to me. Also, I am withholding comment on the basing point system for the reason that this whole subject is now before the Supreme Court in the form of the Federal Trade Commission's case against the Cement Institute.

In conclusion, the recommendations which I wish to offer as needed changes in antitrust legislation, may be summarized as follows:

SUMMARY

1. In order to provide adequate appropriations:

(a) Awaken the Budget Bureau.

(b) Stimulate the interest of Congress.

(c) Make known to the people the critical importance of the monopoly problem.

2. In order to eliminate conspiracies:

(a) Increase the penalties for violation of the antitrust laws.

(b) Permit the Federal Trade Commission to serve as a master of chancery in antitrust cases at the request of the Attorney General.

(c) Give to the Commission's orders under the Clayton Act the same degree of finality and the same sanctions which they have now under the Federal Trade Commission Act.

3. In order to halt the growth of concentration:

(a) Pass legislation designed to plug the loophole in section 7 of the Clayton Act and thus give to the Federal Trade Commission the same power to prevent acquisitions of assets as it now has in regard to acquisitions of stock.

4. In order to reduce existing concentration:

(a) Reconstitute the old Temporary National Economic Committee and direct it to make an intensive study of the legal and administrative problems involved, and present to the Congress specific recommendations for legislation.

5. In order to remove the financial control over industry:

(a) Send up daily prayers that the Department of Justice will win its present suit agaisnt the investment banking companies.

(b) Plug the loopholes in section 8 of the Clayton Act against interlocking directorates.

(c) Direct the proposed reconstituted TNEC to make an intensive study of the extent and significance of financial control over industry and propose specific recommendations for legislation.

6. In order to use the economic fact-finding power of the Federal Trade Commission Act:

(a) Provide adequate appropriations and personnel to the Federal Trade Commission.

[20] Wm. Z. Ripley, Main Street and Wall Street, Little, Brown, 1927, pp. 222-228.

An Open Letter

EXTENSION OF REMARKS
OF
HON. CLIFF CLEVENGER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. CLEVENGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

AN OPEN LETTER

To Mr. BASIL O'CONNOR,
President, the American National Red Cross.

DEAR MR. O'CONNOR: We received your terse note stating that unless the officers and directors tendered their resignations within 30 days the Van Wert charter would be revoked. If we thought for a moment that our resignations would advance the objectives of Red Cross, locally or nationally, you would receive them by return post, but, frankly, Mr. O'Connor, we cannot reconcile ourselves to resigning a trust for doing that which we believed, and still believe, is for the best interests of the Red Cross.

The Van Wert story is short—perhaps of little consequence—but in principle it certainly bears a second look. The sin was deliberate. After the war we rejoined our local Community Chest. Although the right to make independent drives in event of disaster or other emergency was reserved, the Red Cross membership was explained, membership cards were to be issued, and our quota was more than raised; yet, as such affiliation is not in keeping with the theories of the board of governors, our chapter is to be cast into outer darkness.

To presume to challenge this policy may be more of a bray than a voice from the wilderness, but to us, this action seems so arbitrary, so unreasonable and so out of keeping with tradition, that if continued as a

national policy, it eventually will reflect on the motives and the very integrity of the Red Cross movement. We find it difficult indeed, to believe that such theory long will continue as an edict or mandate of the board, to be practiced without reason, judgment, or exception.

No one questions the functions of the Red Cross to promptly and adequately meet its responsibilities in the emergency of war or disaster. It is the obligation which is set apart to us in the field of charitable endeavor. An independent action and solicitation in such instances goes without saying, and such policy should be definite and firm, but surely there should be an exception in those usual and ordinary years in peacetime, in which the maintenance of membership and an adequate budget is our chief concern.

We are familiar with your arguments supporting the policy of independent financing, but again we are unable to follow you. It is true that personal contact with each contributor or member is much to be desired, but that is true of any charitable or philanthropic endeavor. While all of us have an intense interest in the Red Cross, is it your duty, or ours, to place it primary and above all other worth-while and important endeavors, and refuse to cooperate or associate with them? To us, such an attitude hardly is compatible with our charter or the eternal fitness of things. It senses of smugness, of a self-contained and rather arrogant satisfaction growing out of our established position, patriotic appeal, and financial assurance.

No, Mr. O'Connor, we should not become obsessed with one idea to the distress of all others. There is a time and place for Red Cross services, and a time and place for other services. Should you or we, or one of our dear ones suddenly require surgical attention, then we will be glad, indeed, that someone has taken the same interest in some hospital that you and we have taken in Red Cross.

Nor are we able to accept your postulate that joint fund raising necessarily involves control over our objectives and operations, and that if accepted in one community we are obliged to accept it in every community. We are not convinced that the trustees of any community chest, or that of any company which contracts with its employees to deduct Red Cross memberships, has the inclination, desire, or even the thought of assuming any control or supervision over our activities. The function of Red Cross is so well known, so firmly established, that it almost is a tradition.

As to the acceptance of joint financing in one community making it obligatory in all others, we think that should be a matter for the local men and women who make up the chapters to decide. They can better weigh and determine a local situation, the leadership, the public opinion, and the advantage of cooperating with a chest. What may be advisable one year may not be the next and what may be expedient for Portland, Maine, may not be expedient for Portland, Oreg.

In all modesty, Mr. O'Connor, we submit that local chapters may well be entrusted to use their good judgment in each instance. Should quotas not be raised, or independent emergency drives discouraged, or an attitude of restriction or supervision become evident, or the chapter otherwise function improperly, then and only then need the national office become concerned.

The suspension of a local chapter is not a matter to be taken lightly. As anyone from "main street" well knows, the matter is town talk and the conclusions not always are friendly to the national office. Contention in any charitable endeavor does not improve its standing in that community, and if such incidents are numerous—it becomes a national problem.

While we may be censored in raising this issue, we justify our action in the hope that it will correct a practice and modify a policy which we believe will impair the Red Cross endeavor. To not cooperate with the national office is to be criticized, but to "Mary lamb" a policy while serving on your chapter, and then in disgust, refuse reelection and to no longer serve—is quite another matter. We have heard of many instances of this kind, and of the two evils, we chose the former.

While we have the highest respect for the opinions of the governors and of your good self, yet in your antagonism to federated financing, it seems to us that your philosophy resolves into "everybody being out of step but me." With so many thinking men and women at variance with your philosophy, do you not think that your conclusions should be urged modestly, and the rod applied sparingly?

The community chest idea originated in Cleveland some 30 years ago, and without fanfare, propaganda, or program, has grown and developed throughout the land into a national institution, supported by the press and radio, and accepted by nearly everyone as the "Time to do his or her bit" and "To give his or her mite." Like Topsy, it just grew—typically American, and growing out of our inherent propensity to do things efficiently.

Another criticism of your policy, and perhaps a basic one, is its total lack of consideration for the wishes, preferences, or inclinations of the contributors. In your zeal to make Red Cross first and foremost, have you not forgotten the little man that makes Red Cross possible? If he should like to give a pink check for his contribution, he resents being told that it must be a blue check, and that we want it later instead of now. After all, the people who give the money should have some say as to the manner in which they give it.

It is possible that we may look at the situation more objectively than yourself. While we actually raise the money, we do not have the salary or the duties that go with your office, but in all other respects, we are as much interested in Red Cross as yourself, and may our motives be taken for granted.

We hope that at the spring meeting the board will reconsider and modify its policy as to joint fund raising; that in peacetime years, and when the right to make independent drives is reserved, the Red Cross membership emphasized, and quotas maintained, local chapters, at their discretion, may cooperate with employers and community chests in the raising of funds.

To this end we are sending copies of this letter to the governors, chapters, and others interested in this policy.

Yours very truly,

THE OFFICERS AND DIRECTORS, VAN WERT COUNTY CHAPTER, THE AMERICAN NATIONAL RED CROSS.

The Jewish Agency for Palestine

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. KLEIN. Mr. Speaker, under permission granted I am inserting in the RECORD the statement of the Jewish Agency for Palestine which was published in the New York Times of Sunday, January 11; an editorial from the New York Herald Tribune of Monday, January 12, entitled "Explosives for Palestine"; and a news story from PM for January 12.

I am inserting these articles in order to keep the record straight. There has been a great deal of misinformation and misinterpretation in regard to shipment of supplies to the new government of Jewish Palestine. I think it is important that we have the facts available to form calm and reasoned judgments in the matter.

Text of the Times story, including the formal statement of the Jewish Agency, follows:

"LEGAL" BUYING OF MUNITIONS ADMITTED BY JEWISH AGENCY—NEW PALESTINE STATE NEEDS ARMS TO FIGHT OFF ARAB ATTACKS, SPOKESMAN DECLARES—BUYER OF M-3 EXPLAINS DEAL

After its name had been brought before the Federal Bureau of Investigation in connection with the quantity of M-3 explosive found near Asbury Park, N. J., last Thursday, the Jewish Agency for Palestine declared through a spokesman here last night that it believed the material to be legally purchased and awaiting legitimate shipment.

A statement on behalf of the agency, which has offices at 16 East Sixty-sixth Street, said that it had made dollar credits available for the purchase of surplus war materials, under the authorization of the United Nations plan for raising and equipping militia.

Earlier, a witness gave the FBI the names of "several Palestinians" in connection with the Asbury Park explosives, and had understood that they were being legally bought for shipment to the Near East.

The witness, Leonard M. Weisman, 32-year-old businessman, said he acted as an adviser to the Foundry Associates, Inc., 41 East Fifty-second Street. He added that he understood the persons for whom he acted to be representatives of the Jewish Agency.

"I told them," he added, "that I did not want any of these goods to be shipped to Irgun or the Stern gang, as I do not approve of terrorist activities, but I said I would be happy to get such goods for Haganah or the Jewish Agency."

Mr. Weisman said that on returning at 2 a. m. yesterday from a business trip to Norfolk, he called the FBI and, at his invitation, it sent two agents to see him at his home, 311 Hawthorne Terrace, Mount Vernon. There later in the day he said he had told the Government operatives the following story:

Two days before partition of Palestine was voted by the United Nations on December 5 some Palestinians—Mr. Weisman said he had disclosed their identities to the FBI but was told not to make the names public—approached him to act as their agent in the purchase of equipment, including explosives, from the War Assets Administration. This equipment was to go to the Jews in Palestine "in the event the British withdrew suddenly and left the Jews unprotected and undefended."

"I am in sympathy with the Zionist movement," Mr. Weisman related, "and I told them I would be very glad to help, but I warned them I would not participate in any illegal shipment of such supplies under Federal Government regulations.

"They proved to me that they represented the Jewish Agency for Palestine and they furnished proof that the agency had set up funds in the United States 'of not more than $750,000' for this purpose.

"They wanted, in addition to explosives, canvas tents, shelters, hospital equipment, and supplies. We finally made arrangements for the purchase of about 200 tons of M-3 demolition blocks at $90 a ton and I went with them to the Seneca Ordnance Depot of

the War Assets Administration at Romulus, N. Y. We bought the explosives, as advertised in the newspapers as being good for export."

ASSERTS TRUCKING WAS LEGAL

Mr. Weisman said the check was for a sum slightly less than $18,000—he could not remember the precise amount—and that it was drawn by Foundry Associates, Inc.

"We bought legally and had it transported by trucks properly licensed to carry explosives," he declared. "In fact the Romulus depot released the shipment only after proper certification of such licensing."

This did not quite tally with what was happening to the drivers of three truck loads of the M–3 who were being arraigned before Police Justice Ernest E. Schirmer at Saugerties. Professing ignorance of the fact that they were carrying 69 tons of the explosive, part of the 200 tons purchased by Mr. Weisman, they were held in $2,500 bail each for transporting explosives without proper identifying markings on their trucks and having no flares on them.

In addition the drivers were fined for minor traffic law violations. Martin J. Jablonski, of New York, was fined $50 for driving an unregistered vehicle. Bruno Olszowy, of Garfield, N. J., was fined $10 for failing to note an address change on his chauffeur's license; and Stanley T. Golenia, of Clifton, N. J., was assessed $10 for having no flares in his truck and not having a photograph on his chauffeur's license.

TRUCKS HELD UNDER GUARD

State troopers said the trucks bore "explosives" signs only 1¾ inches high, while the State law requires signs at least 6 inches high on front, rear, and both sides of vehicles carrying explosives.

The trucks remained under guard at an undisclosed place near Kingston. Inspector Edwin McGrath of the Bureau of Mines, Tunnels, and Exposives of the State labor department arrived at the Lake Katrine police barracks to take charge of the cargo. State Industrial Commissioner Edward Corsi said it would be stored in an approved magazine in the Calinans Quarry, outside of Kingston.

At the same time Mr. Corsi, in a statement issued at his office in New York, took to task the War Assets Administration for allegedly not complying with State regulations. If the Federal agency, which Friday put an embargo on all surplus war explosives, had voluntarily complied with State regulations, Mr. Corsi declared, "the illegal traffic in explosives would have been averted."

Mr. Corsi said that State regulations required buyers of explosives to obtain an owner's and possessor's license, and that dealers must record every sale.

"Our department then makes an immediate check of all large purchases," he said. "Obviously, if the War Assets Administration had voluntarily compiled with State regulations required of private dealers this illegal traffic in explosives would certainly have been averted."

Mr. Corsi said that his department, in cooperation with State police, was conducting a State-wide search to determine whether other caches of explosives from the same source were being stored illegally under unsafe conditions.

JEWISH AGENCY STATEMENT

The statement on behalf of the Jewish Agency, made by a spokesman follows:

"The Jewish people of Palestine are in desperate need of arms for their defense. The ex-Mufti, of Jerusalem, who collaborated with Hitler in the destruction of 6,000,000 Jews in Europe, has now called the Arab world to arms to carry on his work of massacre and extermination. Through his connections with the Arab League and the Arab states, the Mufti has the facilities to acquire arms and munitions for aggression and invasion.

"The Jewish Agency for Palestine has the responsibilities of a state about to be born. It must protect the lives and homes of the 700,000 men, women, and children of Palestine. The United Nations decision made no provision for an international force but did provide for a Jewish militia to defend the Jewish state and to maintain public security.

"It therefore devolves upon the responsible defense forces of the Jewish community of Palestine to rush preparations in a race against time in view of the threatened Arab aggression in defiance of the United Nations decision and the announced early withdrawal of British troops.

"Accordingly, steps were taken to arrange for the legitimate purchase of war-surplus matériel and equipment. To facilitate these purchases the Jewish Agency made dollar credits available. The materials found near Asbury Park on Thursday were to the best of our knowledge legally procured to await legitimate shipment with the understanding that all such purchases and their transportation were in full conformity with American law. We are proud to give our aid to the embattled Jews of Palestine. We trust that material urgent for their defense may soon be shipped to them legally, and with God's help reach them in time to meet their grave emergency."

Mr. Weisman in his story denied that the 200 tons he purchased had any connection whatever with the shipment of what is now believed to be nearly 100,000 pounds of TNT found when a crate broke on the American export liner *Executor* a week ago.

Letterheads of the Foundry Associates were found yesterday in a warehouse of Charles Lowy at Asbury Park. In a farmhouse nearby and on trucks an estimated 59 tons of the M–3 had been recovered Thursday night and early Friday morning.

The address listed for the Foundry Associates was 41 East Forty-second Street. That is the address also of a number of Zionist organizations and of Mr. Weisman's three business concerns. He said that he was president of the Paragon Design & Development Corp., an engineering concern; the Materials Redistribution Corp., which exports heavy industrial machinery to South America; and the Pratt Steamship Lines, which operates a freight service between New York and South American ports.

Mr. Weisman, who is married and lives in a colonial three-story house, told a little about himself. He is a member of the Zionist Organization of America but has never visited Palestine. He was born in Pittsburgh and attended Carnegie Institute of Technology, but was not graduated. He has developed his three business concerns, he said, in the last 6 years.

"I am not ashamed of my participation in any part of this matter," Mr. Weisman said. "I believe that the United States, in aiding and leading the United Nations partition vote, indicated its stand sufficiently to make me feel that, first as an American and second as a Jew, I could do nothing improper in legally placing in the hands of the official Jewish Agency in Palestine the means of protecting the lives of Palestine- Jews against marauding Arabs armed with British weapons.

"Historically, no American condemns De Valera in his securing from the United States the means to free Ireland from British tyranny. Our own American freedom was obtained through the aid of Lafayette, who placed arms in the hands of American colonists."

Mr. Weisman, referring to the visit of the FBI agents, said that "they went away satisfied that I am an honest young man."

Despite statements by informed sources that 71 or 73 tons of the 200-ton demolition block purchase were unaccounted for and were probably on the high seas, Mr. Weisman insisted that none of the shipment was missing.

Saying that it was difficult to make contact with his associates over the week end, Mr. Weisman promised that by 11:30 a. m. tomorrow at his office he would be in a position to account for every pound of the stuff.

Lt. Col. Robert R. Judson, commanding officer of the Seneca depot, insisted that the entire consignment was accounted for. Colnel Judson said that the Army, after the freeze order of the War Assets Administration, refused to deliver the last 64 tons of the explosive which he termed "composition C." "It is composed," he said, "of 90 percent TNT and half again as devastating. Before the embargo six truckloads of the explosive had been removed from the arsenal at various times," he said.

"Composition C," Colonel Judson said, "does not detonate readily but has to be touched off with a fuse or firing cap." He said that neither was shipped from the Seneca depot with the explosives.

OTHER CACHES HELD PROBABLE

Monmouth County Prosecutor J. Victor Carton expressed the belief that the consignment found in the farmhouse near Asbury Park was a local project and said he had learned that other local campaigns had yielded caches of arms and munitions. He said he believed there were undiscovered caches of munitions in the country ready for shipment to Palestine. He did not explain the ground for his belief.

Mr. Carton recommended that the War Assets Administration review all large sales of munitions to determine to what use they were being put. Inquiries in Washington brought no indication that WAA would make public a list of large purchasers of TNT or other explosives.

Mr. Speaker, following is the text of the editorial from the New York Herald-Tribune, expressing the point of view of a great libertarian Republican daily, and showing a sympathetic understanding of the Palestinian position:

EXPLOSIVES FOR PALESTINE

The statement by the Jewish Agency, formally accepting responsibility for the purchase of 200 tons of M–3 demolition explosives from the War Assets Administration for ultimate shipment to Palestine, clarifies some aspects of this mysterious subject. At the same time, it raises a great many more questions than it answers.

Neither the agency nor Mr. Leonard M. Weisman, who assisted in arranging the purchase, admits to any knowledge whatever about the 50 tons of war-surplus TNT accidentally discovered as they were being loaded on the cargo liner *Executor* under the criminal disguise of machinery. This was not only a patently illegal but an outrageous business, imperiling the ship and the lives of every one in the communities through which the explosives were handled. It is impossible to countenance this kind of thing, no matter what may be the pressures in Palestine; and if the Jewish Agency can furnish no information the Federal Bureau of Investigation will have to get it. And the War Assets Administration will need something more than its sudden interdiction on further delivery of explosives to exculpate itself of the suspicion of gross carelessness in allowing these dangerous tools to be sold off for concealed or unknown purposes.

All this is easy to see. Nothing could do the Zionist cause more damage in this country than the existence of clandestine gunrunning operations illegally shipping arms to Palestine. What is not so easy to see is the proper policy for the United States Government. The State Department has placed an embargo on all arms shipments to the Middle East. This is a simple but more than a little

Pharisaical solution. It cannot overcome the fact that the Palestinian Arabs are getting not only arms but armed men from the neighboring Arab states, that the British are not successful in maintaining order now and are about to evacuate, and that if Jewish Palestine is to achieve and maintain the independence which this country officially advocates its people will have to get arms from somewhere.

It is conventional to regard arms as in themselves immoral; Mr. Henry Wallace, for example, has been very vocal in condemning "programs which give guns to people when they want plows." This overlooks the fact that when a man really needs a gun he wants it more passionately than he could ever want a plow; and the lengths to which the Zionist interests are going in the effort to get explosives here might lead even Mr. Wallace to some second thoughts on the importance of arms in the contemporary world.

Clearly, the question of arming or recognizing Haganah seems in the first instance one for the United Nations Palestine Commission. But the United States cannot simply wash its hands of a matter in which it is so deeply involved. Everyone so far, has shirked the question of security and defense for the proposed Jewish state, yet in the harsh world of today it is obviously the fundamental question in the whole Palestine problem; and if the other nations will not themselves fight for the Jewish state then they must clearly afford to it the means of fighting for and defending itself.

Mr. Speaker, the following news story by I. F. Stone from PM indicates still another point of view:

JOKERS IN THE PALESTINE ARMS EMBARGO

(By I. F. Stone)

WASHINGTON.—The arms embargo imposed on the Middle East by the State Department has more jokers than a diplomat has alibis. These jokers may cost the Jewish community of Palestine dearly, and put the American Government in the position of helping to destroy the partition scheme for which it voted at Lake Success.

The first and obvious joker is that this embargo, Pontius Pilate style, smugly washes its hands of the whole affair, placing attacker and attacked in the same category, denying aid to both. It refuses arms to Arabs fighting the U. N. decision—and to Jews defending themselves against those Arabs.

This is neutrality, Spanish Civil War style, an encouragement to the forces of lawlessness and disorder. It ill comports with the high moral tone the Truman administration is taking in foreign affairs. A man who stood by, while a bandit beat a victim, could hardly qualify for a Carnegie Medal on the ground that he had righteously refrained from helping either.

MORE SERIOUS LOOPHOLE

But if this were the only joker in the embargo, it could be dismissed with wry reflections on the hypocrisy of a policy that purports to uphold the U. N., but turns its back when a U. N. decision is attacked.

A more serious loophole is the fact that while imposing an embargo on both the attacking Arabs and the attacked Jews, the United States is supplying arms to Turkey and Iran. The embargo applies neither to these countries nor to Pakistan, which is becoming one of the pet states of American-Asiatic policy. Yet all three of these Moslem countries voted against the Palestine decision at the U. N., and there is nothing to stop them from passing American arms on to the Arabs.

BRITISH POLICY

The third loophole lies in British policy. When the British want American help, they act as if they would not blow their noses out of tune with Washington. But when the Americans want British help in return, as the President well knows in his 2 years of effort to get 100,000 Jewish DP's into Palestine, the connection seems to go dead at the London end.

To impose an embargo from Washington without a similar embargo order from London, as the State Department did, was to leave open the main Arab source of arms supply while shutting off the only source from which the Jews could hope to obtain arms.

The British have not only imposed no embargo, but have just renewed their military alliance with Iraq, an alliance under which they provide the arms for the Iraquian Army and police. The British have shown no readiness to stop supplying arms to Iraq, Transjordan, Syria, or Egypt. Attacks on Palestine are being organized from all four.

In addition, only a few days ago Britain, despite her shortage of dollars, made a $25,000,000 loan to Egypt, a loan in dollars, not pounds sterling. These dollars are in effect supplied by the United States through the Anglo-American loan, and Egypt can use the dollars to buy arms in Argentina or Spain, both of which have arms to sell and need dollars. Franco, worried over unrest in Moslem north Africa, would like better relations with the Arab League.

AS IN SPAIN

Thus the American neutrality embargo is working out much as neutrality did in Spain. The embargo imposed by the western powers helped to keep the republic pinned to the mat, while Franco with Axis help beat it into submission.

In this case the American Government, by the embargo, is shutting off supplies to Jewish Palestine while the Arabs, with the aid of Britain and perhaps American arms obtained indirectly through Turkey, Iran, or Pakistan, can go on with their attack on the Jews and on the U. N. decision.

Is this, perhaps, the State Department's purpose? Does the White House realize what is going on? Does it approve?

Veterans' Benefits

EXTENSION OF REMARKS

OF

HON. GEORGE W. SARBACHER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. SARBACHER. Mr. Speaker, today I have introduced a bill to increase the disability, death compensation, and pension rates of World Wars I and II veterans, including increased benefits for widows, orphans, and dependent parents of deceased veterans of World Wars I and II. I feel that this legislation is vitally needed at this time, not only with the aspect of increased costs of living, but to bring about a fair adjustment in the over-all structure of disability, death compensation, and pension rates.

This legislation coincides with the mandate of the New York national convention of the American Legion, August 28–31, 1947.

Resolution 162 of the American Legion convention brought forth the following mandate:

Whereas the cost of living has increased to such an extent, and that compensation and pensions of veterans, widows, children, and parents have not been increased to meet these conditions, thus causing hardships and needs in many cases: Therefore be it

Resolved, That this convention request that our national legislative committee introduce legislation to help remedy these conditions, at the next session of the Congress to be held in Washington, D. C.

For the benefit of the membership of the House, I am enclosing an analysis of this bill which I believe will show clearly the desired changes, and effects.

ANALYSIS OF A BILL TO INCREASE WORLD WARS I AND II DISABILITY AND DEATH COMPENSATION AND PENSION RATES

Section 1 proposes a 15-percent increase of wartime rates of compensation payable to World Wars I and II veterans for service-connected disability. These are the rates allowed in those cases in which disabilities are incurred as the result of armed conflict; while engaged in extra hazardous service, including service under conditions simulating war; or, while the United States is engaged in war.

The increase will include statutory awards and allowances as well as basic rates.

Present rates range from $11.04 to $360 for directly service-connected disability. The rates are reduced 25 percent in cases service connected by statutory presumption.

Providing for payment in dollars, as is done in this section of this bill, will simplify awards and eliminate much administrative detail.

Section 2, to increase wartime service-connected death compensation rates payable to surviving widows, children, and dependent parents of deceased veterans of World Wars I or II. It is also provided that these shall be the rates allowed if the deaths of such veterans establish entitlement of these dependents to benefits under section 31, Public Law 141, Seventy-third Congress, approved March 28, 1934 (38 U. S. C. 501a)—result of training, hospitalization, or medical or surgical treatment; section 12, Public Law 866, Seventy-sixth Congress, approved October 17, 1940 (38 U. S. C. 501a–1)—result of examination; and, paragraph 4, part VII, Veterans Regulation 1 (a), as added by Public Law 16, Seventy-eighth Congress, approved March 24, 1943 (38 U. S. C., ch. 12)—result of pursuit of vocational rehabilitation course.

	Present	Proposed
Widow, no child	$60.00	$75
Widow, 1 child	78.00	115
Each additional child (subject to apportionment regulations)	15.60	20
No widow, 1 child	30.00	50
No widow, 2 children (equally divided)	45.60	70
Each additional child (total equally divided)	12.00	20
Dependent mother or father	54.00	75
Dependent mother and father, each	30.00	40

Section 3 proposes a 25-percent increase in pension payable to World War I or II veterans permanently and totally disabled from non-service-connected disability, namely, from $60 to $75 and from, in specified cases, $72 to $90.

Section 4 increases the pension payable to widows and children for non-service-connected deaths of World War I or II veterans.

	Present	Proposed
Widow, no child	$42.00	$55
Widow, 1 child	54.00	70
Each additional child	6.00	10
No widow, 1 child	21.60	35
No widow, 2 children (equally divided)	32.40	50
No widow, 3 children (equally divided)	43.20	65
Each additional child (total equally divided)	4.80	10

Section 5: Establishment of the first day of the month succeeding enactment date as the effective date of the new rates will eliminate the vast amount of work that would be needed to figure awards with rate change made within a calendar month.

Presently the pension award of $60 for permanent and total non-service-connected disability is 43 percent of the compensation award of $138. For total service-connected disability; proposed award of $75 pension is 47 percent of the $159 compensation rate. The $60 death compensation paid a widow is 43 percent of the $138 total disability compensation awarded a veteran; the proposed $75 death compensation rate is 47 percent of the proposed $159 total disability compensation award. The present $42 death pension award to a widow is 70 percent of the $60 death compensation rate; proposed $55 death pension rate is 73 percent of the proposed $75 death compensation award.

I sincerely hope that the Congress will see fit to enact this much needed legislation as soon as possible.

The Truth About Poland's Eastern Boundary

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. MacKINNON. Mr. Speaker, the borders of Poland were the immediate cause of World War II. We all supposed when the United Nations won the war that the Polish boundaries would recognize the historical rights and needs of the Polish people. Consequently, it is very discouraging to notice the lack of proper attention by our Government to this problem, particularly with respect to Poland's eastern boundary with the Soviet Union.

Under leave to extend my remarks, I include herewith a statement from the New York Journal-American of January 7, by Charles Rozmarek, an outstanding Polish American leader who is president of the Polish American Congress, representing 6,000,000 Americans of Polish descent, wherein he sets forth very clearly the true facts with respect to Poland's eastern boundary:

THE TRUTH ABOUT THE POLISH BOUNDARY DISPUTE AT YALTA

(By Charles Rozmarek, president, Polish American Congress, Inc.)

(The following statement dealing with the Yalta Conference discussions of Poland's boundaries was prepared by Charles Rozmarek, president of the Polish American Congress, Inc., representing 6,000,000 Americans of Polish descent. Mr. Rozmarek explains some of the underlying facts concerning the border discussions which he declares were not revealed in former Secretary of State James F. Byrnes' book, Speaking Frankly.)

In one of the installments of Mr. Byrnes' Speaking Frankly, printed in the Hearst papers and dealing with the Polish boundary dispute at the Yalta Conference, there were opinions and statements which do not correspond to historical facts and documents. Stalin presented his claims to Polish territories by cleverly distoring the truth. Now, the American public should be given the true facts underlying the situation.

According to Mr. Byrnes, President Roosevelt "felt that Poland's eastern boundary should generally follow the so-called Curzon Line," but he still held "that it would be desirable to adjust the southern end of the line so that the city of Lwow and at least a portion of the oil fields should be inside Polish territory."

Stalin opposed those endeavors. He is quoted by Mr. Byrnes as saying:

"The Curzon line is the line of Curzon and Clemenceau. * * * Lenin was not in agreement with the Curzon line. * * * Now some people want that we should be less Russian than Curzon was and Clemenceau was. You would drive us into shame. * * *"

Stalin here made it appear that Clemenceau and Curzon were speaking of a Polish-Russian frontier. As a matter of fact, that was neither Clemenceau's nor Curzon's meaning or wording. As is evident from Mr. Byrnes' story, nobody at the time exposed the fact that Stalin was distorting and falsifying Clemenceau's declaration of December 8, 1919, as well as Curzon's note to the Soviet Government of July 11, 1920.

The Clemenceau declaration expressed and contained the decision of the Supreme Council of the Versailles Peace Conference. The declaration text makes it entirely clear that Clemenceau and his American and British partners in the Supreme Council, in establishing the line of Polish administration (the so-called Clemenceau line):

1. Had no intention of tracing and actually did not trace a Polish-Russian boundary;

2. Distinctly recognized the rights of Poland to claim further territories situated to the east of the Clemenceau line;

3. Did not touch or decide anything regarding the former Austrian territory (i. e, Galicia, where Lwow and the oil fields were situated), since the Supreme Council expressly referred to "territories of the former Russian Empire."

The so-called Curzon line was proposed by Britain to the Soviet Government merely as an armistice line between the Polish and the Red Armies at a moment when the Bolshevists threatened to crush Poland and to gain control of central Europe. The future boundary between Poland and Russia was to be established at a peace conference, anticipated by the same British proposal.

It should be remembered also that this very line was rejected by the Soviet Government, in an official note of July 17, 1920, as unjust and unfavorable to Poland. In the same note the Soviet Government expressed its intention to grant Poland more territory in the east than was offered by the British Curzon Line proposal. The Soviet Government also branded the British proposal as "an intrigue of reactionary Russian emigrees in Paris" who intended to diminish Poland's territory.

At Yalta, however, Stalin did not mention any of these facts. In effect, he himself demanded a line like that proposed by "reactionary Russian emigrees." Unfortunately, once more his method of distortion triumphed.

The British armistice line proposal in 1920 provided that "in eastern Galicia each army will stand on the line which they occupy at the date of the signature of the armistice." At the peak of its advance into Poland, the Red Army never captured Lwow and the oil fields never were east of the so-called Curzon line.

The British note to the Soviet Government also contained an error which—in a proper and fair atmosphere—would not be open to misinterpretation. A description of the Clemenceau line was included in the Curzon note. The error consisted in adding to the Clemenceau line an extension through former Austrian territory (Galicia), which left Lwow and the oil fields to the east. This delimitation, however, actually referred to another Galician subject of discussion and was not intended for inclusion in Curzon's note to the Soviet Government.

By inclusion of this careless and incorrect description of the Clemenceau line, the Curzon note proposed two conflicting lines in Galicia, Poland. Stalin, in presenting his case at Yalta, naturally chose to demand the erroneous one simply because it was advantageous for him; it granted him Lwow and the oil fields.

Furthermore, it gave him the chance to bargain on a new compromise line in case Roosevelt and Churchill exposed the error in the Curzon note, but nobody exposed it.

In newspapers and even in encyclopedias descriptions of the Curzon line include this error. The mistake never was rectified before 1944, as the whole Curzon proposition was discarded after its rejection by the Soviet Government. Not until January 1944 was it exhumed by the Soviet Commissariat for foreign affairs.

These are the facts about the Clemenceau line and the so-called Curzon line which the American public should know to evaluate Mr. Byrnes' revelations of the Yalta Polish boundary debate. These facts were known to Roosevelt and Churchill, but were not used to oppose Stalin's claims at Yalta.

The People of the Tennessee Valley Support TVA

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. KEFAUVER. Mr. Speaker, the success of the Tennessee Valley Authority is the most notable achievement on the domestic front of our Nation in recent years. The TVA has proven to be a great benefit not only to the people of the Valley but to the Nation. Under leave to extend my remarks, I include an article by Mr. Alfred Mynders, of the Chattanooga Times of December 31, 1947,

and an editorial of the Chattanooga Times of January 1, 1948.

[From the Chattanooga Times of December 31, 1947]

NEXT TO THE NEWS

(By Alfred Mynders)

Chairman REVERCOMB, of the Senate Public Works Committee, tells the Times that "a thorough investigation into the program of the Tennessee Valley Authority at which all interested forces will be given an opportunity to be heard" will be started by his committee soon after the Eightieth Congress convenes on January 6.

Chairman DONDERO of the House Public Works Committee says that an inquiry will be started there.

Distributors and users of TVA power in the great Tennessee Valley are thus facing another spiritual whipping in the next Congress. It is always open season for the TVA in congressional halls.

Twice have congressional committees gone over the TVA with a microscope and on each occasion the TVA was given a clean bill.

Has anything new transpired since those other thorough investigations? Not a thing. The TVA is still operating under the law of Congress, the TVA Act.

There will be a rehashing of old charges which have been disproved, there will be a parade of the new propaganda retailing old rumors. The TVA has not changed, but the climate of Washington has.

Senator MCKELLAR kept the fight against TVA going for 5 years until at last enemies of any public power project which is conducted for the people seemed to gain the ascendancy in Washington. Now, the threat is to the future of the Tennessee Valley Authority as an independent and successful experiment.

Chairman REVERCOMB says that some amendments to the TVA act are certain to come out of the hearing. But he at least is not as violent as Chairman DONDERO, who went off half-cocked with a lot of bombast which shows that he knows very little about TVA or, at least, chooses not to give the facts.

If the Senate hearing is going to be thorough and if it is going to decide a definite policy toward TVA in the future, then let it come. Let's get all the facts and let's determine once and for all whether the dominant political party in Congress intends to destroy, or at least to cripple, a development which has meant so much to the people of the South and which meant so much in the winning of the war.

Does the dominant party intend to go back whole hog to the exploitation of power resources in order to pile up dividends and to pyramid profits to be siphoned into the big financial centers of the East?

Are any of the power lobby dupes so dense that they imagine that this country will revert to the form of exploitation practiced by the Insull empire?

We might as well know the answer to those questions before the November elections rather than to have those answers explode in our faces after those elections. The United States is not going to go Socialistic, but neither is it going to go plutocratic, if the people can help it.

Possibly there will be no more accurate test of the intentions of the party now controlling Congress than in its attitude towards the Tennessee Valley Authority. This may become a national issue because we can tell the real intentions of the majority party through the manner in which it tries to turn back the clock in the Tennessee Valley.

As for Tennessee itself, in the face of this threat to the TVA whose power is the lifeblood of industry and commerce in the volunteer State, surely in the next senatorial election every man must stand up and be counted.

The people of this State are tired of being kicked around on this TVA matter. They will not favor a man for the Senate who claims to be for TVA now, but who consistently voted with Senator MCKELLAR in keeping the old sores open. One cannot believe the people will vote for the Crump machine, which at least was passive if it did not indeed dictate Senator MCKELLAR'S efforts to tear down the TVA.

But above all, if there is going to be a third investigation of TVA, let it give both sides; let it decide once and for all if the TVA is well operated or not; if it is unfair to any taxpayer; if it is best operated under its regional manner or by constant meddling from Congress—let all of these questions be settled and let us see just how far Congress would be willing to wreck the economy of a great region and to tear down a development which has aroused the admiration of the whole world, in order to appease what is sometimes called free enterprise, but what, to the private power lobby, means free exploitation.

[From the Chattanooga Times of January 1, 1948]

THESE THINGS, TOO

The fourteenth annual report of the Tennessee Valley Authority, just sent to the President, shows that the average domestic consumer of electricity in the Tennessee Valley region uses 60 percent more electricity in his home and pays 16 percent less for it than the average residential consumer in the United States.

But we hope that Congress in studying the report will notice some of the developments of TVA which do not bear on electric power. It is shown, for instance, that the TVA reservoir system in 1947 reduced what would have been the sixth largest flood in Chattanooga in 100 years by nearly 13 feet and averted $7,500,000 in flood damage.

Since the TVA's first reservoir, Norris, went into operation in 1936, about $21,500,000 in flood damage has been averted at Chattanooga.

Little notice is given in Washington to the TVA's great health program, but this annual report shows that of 13,705 blood films taken from residents along TVA lake shores, only 21 showed evidence of malaria infection, an incidence of 0.15 percent compared with 10 percent in 1938 when the first survey was made.

On soil improvement it is shown that in the Tennessee Valley, during the years from 1934 to 1944, more than a million acres of the valley's 11,000,000 acres of agricultural land was shifted from row crops to close-growing grain and pasture crops and more than a million acres had been terraced.

The report shows that not only are the great lakes of the South a fisherman's paradise for sport, but commercial fishermen, last year, obtained $300,000 in gross income from the sale of nongame fish. And musseling operations accounted for about $500,000 of income to the region.

The TVA is helping to preserve our forests. In cooperation with State foresters, the TVA, in 1947, set up nine new large forest-management demonstrations on 55,000 acres. Fire protection, which TVA encourages in cooperation with State and local forestry organizations, has been extended to 6,000,000 acres in the valley.

These are just a few of the ways the TVA is benefiting the valley aside from the power development. We hope that Congress will get the over-all picture.

American Citizens Appeal for Relief in Germany

EXTENSION OF REMARKS

OF

HON. FRANCK R. HAVENNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. HAVENNER. Mr. Speaker, a letter addressed to the House of Representatives by Mr. F. C. Mensing, national secretary of the Federation of American Citizens of German Descent in the United States of America, Inc., has been referred to me by the Clerk of the House as the Representative of the congressional district in which Mr. Mensing resides. Attached to this letter were copies of six resolutions, dealing with problems in Germany, which are stated to have been unanimously adopted on November 30, 1947, at the national convention of this federation held in Los Angeles, Calif.

Resolution No. 1 appeals to the Congress to appropriate $250,000,000 for the relief of starving people in Germany, and requests that this money be used for food and clothing only.

Resolution No. 2 urges the enactment of legislation to reduce the present postal service rate for gift parcels to Germany from 14 cents per pound to 5 cents per pound.

Resolution No. 3 states that the United States Military Government in Germany has transferred the custody of more than 500,000 German war prisoners to France and England, and requests the return of these German war prisoners to the homeland.

Resolution No. 4 appeals to the Congress of the United States to stop the demolition and dismantling of industrial factories in Germany which are essential to the sustenance of the German people.

Resolution No. 5 urges the Congress to establish a democratic and Christian peace in Germany in the near future.

Resolution No. 6 appeals to the Congress to enact legislation for the admission into the United States of 200,000 displaced German people, and German orphans for the next 5 years.

The New Challenge to a Free Economy

EXTENSION OF REMARKS

OF

HON. ALBERT L. REEVES, JR.

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. REEVES. Mr. Speaker, at the request of some of my constituents, and under leave previously granted, I include in these remarks the text of an address which I delivered on January 8, 1948, at the installation dinner of the Southern

States Industrial Council in New Orleans, La.:

THE NEW CHALLENGE TO A FREE ECONOMY

It is axiomatic that free government and a free economy are completely dependent upon each other. They are mutually related and reciprocal. Each is indispensable to the other. Neither can exist without the other. In the generation which has passed since the close of World War I that principle has been repeatedly illustrated. When free government is destroyed the economic life of the people becomes subservient to the state. When a free economy collapses, or signally fails in its obligation to maintain a reasonably stable prosperity, fear and want drive nations blindly to discard their liberty and seek the specious refuge of authoritarianism.

The lesson is clear. How well we in the United States have learned it is a question yet to be answered.

Ours is a capitalist economy. In recent years skillful propagandists have attempted to discredit capitalism as a sinister form of exploitation. This, of course, is the typical Communist interpretation. True capitalism is the framework of any free economy. Webster gives us an excellent definition of capitalism:

"An economic system in which the production and distribution of wealth, the employment and reward of human labor, and the extension, organization, and operation of the system itself are entrusted to and effected by private enterprise and control under competitive conditions."

What more could be said in defining a "free economy"—a term of more popular connotation than the much-maligned "capitalism"?

The existence and survival of a free economy are always challenged by the aftermath of war, as well as by extreme fluctuations of prosperity and depression, inflation, and deflation, in the economic cycle. Its historic task—not yet well performed—has been to cushion and avoid, if may be, the periodic shocks in the cycle which bring poverty and desperation to great masses of people. But in critical times of want and insecurity the trend is always away from a free economy and toward a "captive" economy of an unvarying pattern—absolute governmental control over the economic system and over the economic life of the individual, and the elimination of all competition in business. These are the familiar characteristics of authoritarianism.

The highly organized and determined assault upon the free American economy during the last 15 years has followed the typical pattern. It is clearly outlined in public declarations of men and women who have been officials of the present national administration and its predecessors since 1933. They show without question a grim purposefulness to undermine and destroy the economic system of this country. Let me recall some of them to you.

Paul Porter, who as late as 1943 was head of the Shipping Division of the War Labor Board, and who subsequently headed the late and unlamented Office of Price Administration, helped write a tax plan for the Socialist Party of America in 1934. It said, in part:

"All natural resources of the United States, such as minerals, forests, and waterpower sites, all banks, insurance companies, and public utilities, and all basic industries such as mining and the manufacture of steel, automobiles, and textiles, shall be public property. * * * All owners of stocks, bonds, mortgages, land, buildings, or equipment affected shall be required to surrender them in return for Commonwealth bonds."

Dr. Adolph A. Berle, until very recently an Assistant Secretary of State, told the Temporary National Economic Committee in 1939:

"Briefly, the Government will have to enter into the direct financing of activities now supposed to be private; and a continuance of that direct financing must be inevitably that the Government ultimately will control and own those activities. * * * Over a period of years the Government will gradually come to own most of the productive plants of the United States."

Dr. A. Alvin Hansen, professor of political science at Harvard University, adviser to the Federal Reserve Board and consultant to the National Resources Planning Board, was quoted in the Chicago Journal of Commerce on June 27, 1942, as saying:

"Congress will surrender to the administration the power to tax, keeping to itself the right only to establish broad limits within which the administration may move. Congress will appropriate huge sums of money, surrender its power of directing when and how the money shall be spent. Other extraordinary powers, such as, for instance, to effect wholesale social reforms, will be delegated to the administration, which will retain most, if not all, of the extraordinary wartime powers."

Mr. Paul Blanshard has been an economic analyst and consultant in the Foreign Service Division of the State Department at a per diem compensation of $33 per day. His plan for the economic life of the United States was set out in one of his books, as follows:

"Socialists propose to supplant the competitive planning of capitalism with a highly centralized planned economy. Our aim is frankly international and not narrowly patriotic. * * * If we gained the control of the American Government we would probably begin with a complete revision of the national governmental system. We would write an amendment to the Constitution giving the Federal Government the right to regulate all private business and to enter into any business which it deemed proper, or we would abolish the Constitution altogether."

In Philadelphia, on April 15, 1932, he told the Academy of Arts and Sciences:

"Having once captured the Government and shelved the Supreme Court, we Socialists would nationalize as many large industries as we could chew. We would do it peacefully, if possible, and we would do it otherwise if necessary."

The same authoritarian philosophy expressed by these Government officials still dominates the administration as the President demands that Congress give him the power to use "police state" methods to control prices and the other symptoms of inflation. And it is only a short step from economic dictatorship to political dictatorship.

Since the close of hostilities in World War II our tasks of reconversion and readjustment to peacetime production have been virtually completed. Today we are deep into the second postwar phase. It is at best a difficult period of striving to establish reasonable relations between supply and demand. It is complicated by special problems such as monetary inflation and extraordinary programs for export and foreign relief. No nation in history has faced a like situation. No economic system, free or authoritarian, has had more exacting demands made upon it. Near-demoralization at home and outright chaos abroad make this a time of grave danger for our still free economy. A serious depression might well undermine and destroy it. Continued confiscatory taxation threatens to smother it. Labor-management disputes and industrial unrest tend to sabotage it. The national administration is frankly hostile and its policy is far more consistent with socialism and nationalization of basic industry than it is with the preservation and strengthening of a free economy.

Can a free economy survive in the United States in this unequal battle against both economic and political forces? The answer to that question depends entirely upon whether government and industry and labor adopt more constructive policies and cooperate with intelligence and determination to preserve it.

The course which the Federal Government is to follow has become a major political issue. It is always unfortunate for the country when a great economic crisis and a great political crisis coincide. It is nothing less than dangerous when they coincide in an election year. But that is the situation which we face in 1948. And it is just as well that we meet it and deal with it.

If we are to solve the menacing problems of inflation and meet the challenge to maintain either economic or political freedom in the United States, it seems to me that our national policy must be changed in at least four important respects. I would like to discuss each of these changes briefly.

The first is restoration of the integrity of the currency.

Almost every diagnosis of our inflationary ills reiterates the fact that there is too much money in circulation for the volume of goods produced, with the result that prices are forced progressively higher. The remedy usually suggested is a substantial increase in production with a view to satisfying demand and restoring competitive conditions. But the fact is that price levels have continued to rise in spite of the great advances in production during recent months; and it seems obvious that high prices are brought about by factors other and more powerful than the disparity between supply and demand. For that reason alone, the arbitrary power demanded by the President to fix price ceilings and control distribution through rationing could not effectively deal with the underlying causes of inflation. Unfortunately, our people do not realize that high prices are the result of inflation, and not its cause. The demand for price and rationing controls is simply an effort to exploit the popular misconception in this regard.

Inflation is a rank economic growth. It cannot be eradicated by cutting or trimming. It must be rooted out, and its roots are deep.

As long ago as 1915 the seeds of inflation were planted in the United States. In that year Congress authorized what then appeared to be, and perhaps was, an innocuous monetary step. It permitted the Government to deposit its own bonds with the banking system as a basis for expanded credit and the issuance of new money.

But a major step in the devaluation of the currency was taken in 1933. You well remember the period. It was back at the other end, the deflation, or depression end, of the economic cycle. Rexford Tugwell and Co. were about to "make America over." The administration was proposing to restore prosperity and relieve distress in the United States by sleight-of-hand tricks and by secret plays called by the quarterback. In May of that year the first of a series of rubber stamp Congresses was persuaded that more than anything else the country needed a little rubber in the currency, to make it more elastic. As one newspaper headline put it in my own city, Congress was eager to inflate. And they did, fantastic as it sounds in these days of skyrocketing prices. It looked like a good idea at the time, and few of them remembered that anything you keep on inflating is very likely to burst.

Steamrollering the strenuous objections of the little group that wanted to be honest with the people in money matters the House passed the so-called Thomas inflation amendment by a vote of almost 4-to-1. By its terms the Federal Reserve banks were authorized to buy $3,000,000,000 of Government bonds and issue $3,000,000,000 of new currency—Federal Reserve notes. As one of the sponsors of the measure said, it gave the President "the right to give this country any measure of inflation which, in his judgment, he thinks it needs." More than that,

it authorized the President to fix the weight of the gold dollar, provided only that he could not cut it by more than one-half.

I have listened recently to many of my colleagues across the aisle in the House complain bitterly about inflation, and demand that something be done about it, quickly. Some of them have been there a long time, but their memories must be short. Fifteen years ago they were hot for inflation. Their remarks made in the House in those days would make interesting, if somewhat embarrassing, reading for them today. One of them said, in those rollicking early days of the New Deal:

"This [proposed] expansion of the currency will bring back commodity prices. It will benefit, and not injure, the wage earners. * * * Every salaried man and woman in America, from the President down, is having his salary rapidly reduced at present because of this depression, and it is going to be further reduced, if not wiped out, unless this [currency] expansion program is put into effect."

And here is a classic voiced by another congressional advocate of cheap money:

"Since we have recently suffered from drastic deflationary steps by the adoption of the economy bill, the closing of so many banks, reduction of purchasing power of the people generally, it is necessary that inflationary measures be enacted. * * * No nation has ever got out of a depression without inflation. * * * If quantity of credit is desirable, quantity of money is also desirable."

The gentlemen who voiced these sentiments are still in the House, and frequently denounce the Republican Party roundly for not doing something about inflation. What is more, some of you are pretty well acquainted with them. There are many instances of similar statements, but all of them are in accord with the views of the Congressman who made the amazing statement that—and I quote again:

"If any one thing was ever needed in the opinion of the American people, it is the inflation of currency to meet the increased purchasing value of the dollar."

Yes; he voted for the bill, too.

We must give them credit for doing a thorough job of inflation while they were about it. They bred a new species of blue-feathered buzzard which became such a Nation-wide pest that I understand that this organization originated as a hunting society to exterminate it. In addition to fixing price floors, they adopted a policy of artificial scarcity—of restricting production by manufacturers and farmers and destroying surpluses. And as recently as only a year ago the administration was still at it—pouring kerosene over $90,000,000 worth of potatoes, and plowing them under for fertilizer, while most of the world was starving to death.

The inflation of our currency has increased tremendously in the last several years. By way of comparison, at the peak of high prices following the First World War, on October 31, 1920, we had $6,700,000,000 of currency in circulation, amounting to $53 per capita. But by October 31 of 1947 the total currency in circulation amounted to $29,000,000,000, or about $198 per capita. This tremendous increase alone was enough to precipitate an unhealthy inflation. But six-sevenths of all outstanding currency was Federal Reserve notes, which amounted and still amount to more than $24,000,000,000. An alarming proportion of all outstanding Federal Reserve notes and of banking credit extended by the Federal Reserve System is backed by nothing more substantial than the Government's promise to pay in some form, some day, reinforced by an aggressive policy on the part of the Government to support above par the market price of its own securities. It is particularly significant that during the last week of December 1947, when the Government bond market broke following lowering of the support price, the Federal Reserve System purchased almost a billion dollars in Government securities in 3 days. The immediate effect was to increase reserves on which commercial banks can make additional loans. It was, in other words, a step which sharply expanded available commercial credit and the money supply at exactly the wrong time—when both the administration and the Congress were striving to curtail it.

Here is the germ of our inflation. And here is the threat of ruinous, runaway inflation if it is not curbed. Sooner or later—and gradually, we hope—a readjustment is inevitable. But until the total amount of currency in circulation is reduced by retiring a substantial proportion of the billions now outstanding in Federal Reserve notes, and until the practice of expanding commercial credit on the strength of Government securities is curtailed, price levels will remain on a high plateau. Our economy is a good deal more sensitive to deflation than it is to inflation, and the process of restoring the dollar to its true value and correct volume and of contracting bank credit will have to be as slow and cautious as the process of inflation was speedy and reckless.

Actually there is no way to check the expansion of credit or to retire Federal Reserve notes except by retiring Government securities held by the Reserve banks. This is the painful problem of reducing the national debt. I do not see how we can justify further postponement of debt reduction for this purpose, if for no other. Following World War I a debt-retirement program on a minimum annual basis was successfully undertaken. The inauguration of a similar program, however modest, following World War II would of itself tend to restrain the expansion of commercial credit. It is a responsibility which we must assume immediately.

I venture to predict that in the current session of Congress the entire problem of our banking and monetary system will receive special consideration. An increase in the gold reserve requirements is very probable. There will be a strong policy toward tightening bank credit and reversing the downward trend of interest rates. It is my conviction that a free economy cannot thrive in an atmosphere of cheap money and loose credit, especially when both are subject to manipulation.

The second step which seems essential to guarantee an economy which is both stable and free is the adoption of a sound internal fiscal policy for the Federal Government. It is estimated that for the coming year the President will ask appropriations exceeding $40,000,000,000, more than two and one-half billions in excess of the record peacetime budget submitted last year. And that is only the beginning.

In addition, the Federal Works Agency proposes to spend $5,000,000,000 per year for 15 years on public works.

The three armed services have already prepared budget estimates which, if approved, will cost $25,000,000,000 per year for national defense commencing in the early 1950's.

A special study of the economic development of the South contains a recommendation that over $27,000,000,000 be spent for that purpose.

Expenditures proposed under the Marshall plan average $4,000,000,000 annually for the next 4 years.

The Federal Government is expected to lay out $11,000,000,000 for new school buildings all over the country.

These are typical proposals. All of them are current, all are seriously urged, and there are many more like them.

In the often-repeated words of our Pennsylvania colleague, BOB RICH, "Where are we going to get the money?"

Don't be deceived by the propaganda that the costs of government are coming down. At the present time the contrary is true. The trend of Government expenditures is up, and the possibility of a peacetime budget of $50,000,000,000 a year or more within the next several years is not mere idle talk. It will be a grim actuality unless there is a sharp reversal of the present spending policies of the Federal Government.

We are still maintaining a thousand agencies and two million civilian employees to carry on the work of the Federal Government. I have discussed the personnel problem with officials of various offices and bureaus in Washington and elsewhere and every one of them has complained that he is understaffed. The fact of the matter is that all proper functions of the Federal Government could be satisfactorily performed with several hundred thousand fewer employees. And the sooner the reduction is made, the sooner the tremendous burden of Government can be reduced, and the sooner the several hundred thousand persons can be returned to productive employment.

Obviously, we need a great many fewer Federal employees, and they ought to be better paid. Perhaps if we adopted a policy of increasing the salaries of all remaining Federal employees by 5 percent for every 100,000 removed from the pay rolls, we would receive some cooperation from them instead of the bitter, last-ditch resistance to economy which opposed us in nearly every agency last year.

But economy cannot depend on pay-roll reductions alone. The mounting cost of fixed and unavoidable items in the national budget will compel us to curtail or discontinue appropriations for some of the services, aids, and subsidies now provided to special groups. This is neither a pleasant nor a popular task, but it is a necessary one. Fiscal stability has become a sine qua non. With the aid of the newly created Commission on Reorganization of the Executive Branch of the Government a really intelligent and constructive approach to this difficult problem can be instituted a year hence.

The third of the four essentials to which I referred is tax revision and reduction. So far as tax revision is concerned, there are few either in or out of the Government who will question the need for correcting the manifest inequities which have arisen under the Federal tax laws. There is perhaps none of you who does not immediately think of the existing unjust discrimination against citizens of community-property States under the estate-tax laws as amended in 1942, and the equally unjust discrimination against citizens of the non-community-property States under the income-tax laws. Many, if not most, of you are keenly aware of the need for abolishing the double taxation of corporate earnings and for making other changes in the Internal Revenue Code.

But for the purposes of this discussion my interest tonight is in the reduction of Federal income taxes. More than 2 years following the war surtax rates remain at the confiscatory levels reached in wartime, with no reduction except the straight 5-percent discount authorized in 1946. Yet in 1948 the President reaffirms the view that there must be no reduction in personal income taxes. I do not agree with him.

Persons in all income brackets are entitled to substantial relief from the burdensome tax rates which have been in effect since before the war. Those in the lowest brackets are entitled to the greatest relief. There can be no argument about that. In addition to increasing take-home pay, tax reduction would tend to reduce retail prices because income taxes are an integral and measurable part of every selling price.

But substantial tax relief is necessary for middle bracket and larger incomes because of the special function they perform in our

economic system. It is from these groups that the vast majority of new venture and investment capital originates. So long as we maintain a free capitalistic economy we shall depend on this source for new investment funds.

There is an alternative, of course; we could tax them to death, turn to the Government for all new financing, nationalize our basic industries and then look around for some free country to borrow money from—the way England has done. That is exactly the way Dr. Adolph Berle, late of the State Department, whom I quoted a few minutes ago, would have us do it.

Almost everyone realizes and agrees that for the time being incentive has been destroyed by the continuance of confiscatory income-tax rates and that only substantial tax relief will revive it. I well remember the words of one of my distinguished colleagues on the subject. He said:

"If you tax a man 20 percent of what he earns on Monday, 40 percent of what he earns on Tuesday, and 60 percent of what he earns on Wednesday, and you are going to tax him 80 percent of what he earns on Thursday, and 100 percent of what he earns on Friday, he won't work on Thursday and Friday."

A Fortune survey last spring proved how right he was when 70 percent of the business executives polled stated that they would not work 2 hours a day longer to double their incomes—solely because most of their additional earnings would go to the Government in income taxes.

I said almost everyone agrees that high taxes have destroyed incentive. Not everyone agrees with that proposition. In November the Treasury Department—and surely the Treasury Department is always objective and never rationalizes about such matters—took the opposite view. It declared that high taxes give greater incentive to individual effort and that tax reduction tends to make taxpayers relax in their efforts to earn income. This is how the Department arrived at that somewhat startling conclusion:

"If taxes take larger proportions of their incomes, the incentives of these individuals to work tend to be increased rather than decreased. They will try, within the limits of their abilities, energies, and opportunities to earn more to attain and maintain the desired incomes after taxes. A tax reduction would tend to reduce their incentives to work and slacken their efforts, since their objectives could be met with smaller incomes before tax."

Far be it from me to question what prompted them to put out that choice bit of sophistry as a press release. Experience is squarely to the contrary. It is a well-known fact that persons employed on a commission basis generally stop working for the year when they have earned $18,000, for beyond that amount the Government takes more than one-half of their incomes in taxes. The Treasury has innumerable statistics which disclose clearly the smothering effect of high surtaxes on personal incentive as well as on new investment capital.

The most striking example of this situation is found in current trends in new corporate financing. With an unprecedented demand for increased production and for new products, in this period plant expansions would ordinarily be financed principally with new venture capital, invested in stock or equity issues. This has been the practice and the experience until very recently. In 1925, for example, new security issues accounted for 47 percent of the total new investment in plant and equipment. In 1926 new capital issues were equal to 44 percent of the new investment, but in 1947 the percentage dropped to 25 percent. Even as between 1946 and 1947 the shift from equity, or new ownership, financing to borrowing is apparent; in the first 9 months of 1946 58 percent of the capital raised for corporate financing was obtained by selling common and preferred stocks, and the other 42 percent was raised by selling bonds. But in the same period of 1947 only 29 percent of new capital issues consisted of preferred and common stocks, and the remaining 71 percent of the total new financing was obtained by the sale of bonds, that is, by borrowing. And between the 2 years there was a definite shift from common to preferred stocks. During 1947 new equity issues generally found the market unfavorable and some stock issues were withdrawn in favor of debenture financing.

This situation emphasizes the extent to which under existing conditions high taxes have siphoned off income which would otherwise have been available for capital investment. It illustrates how excessive taxes, coupled with the double taxation of corporate earnings, have prevented the accumulation of new-venture capital and have made the ordinary risks of an equity investment singularly unattractive to such capital as may be available. There is no question but that in this way the present Federal tax policy has progressively stifled the normal and needed growth of our economy. It is an extremely unhealthy condition, particularly at a time when our productive facilities require expansion and adaptation to meet greater demands for consumer goods.

The principal opposition to income-tax reduction is based on the argument that we cannot afford it for budgetary reasons, including primarily the requirements of debt reduction. This reasoning ignores our experience in the 1920's, when each of four different successive reductions in personal income surtaxes was followed by an increase both in incomes and in Federal revenues from income taxes. This same reenergizing of the entire economic structure through stimulus of incentive and the release of venture capital would be brought about by substantial tax reduction at this time. Tax reduction is one of the keys to a long period of sound prosperity in the United States. It is my conviction that Congress will reduce income taxes this year, with or without the approval of the President.

Fourth, and finally, is the curtailment of the high rate of depletion of our national resources. We have enjoyed prosperity in this country because our soil, our minerals, and other resources have been developed and utilized primarily for the use and benefit of our own people. The result is a standard of living of which every other nation in the world is understandably jealous. We have tardily begun to realize what deep inroads have been made into our dwindling and irreplaceable mineral resources by war and by programs of foreign aid and relief. Intensive and protracted agricultural production has mined the fertility of our soil to the danger point.

In a study long withheld from publication, the Interior Department has disclosed the alarming extent to which our mineral reserves have been depleted. The Bureau of Mines reports that at the present rate the United States will exhaust all its known reserves of 21 out of 33 essential minerals in another generation. We have consumed 97 percent of our original supply of mercury; 85 percent of our lead and silver; 80 percent of our chromium; 70 percent of our tungsten, manganese, vanadium, and bauxite; 65 percent of our zinc; and 60 percent of our petroleum.

The prospect is not at all a pleasant one. We have less than 1 year's known supply of nickel and tin left. Manganese will last another 2 years and mercury 3 years. In 4 years our known supply of tungsten, antimony and platinum will disappear. We have enough reserve bauxite for 9 years and enough silver for 11 years. Our known reserves of lead will be used up in 12 years. The diminishing supply of good quality iron ore is a source of concern to every user of steel.

Our poverty in the minerals which feed our industrial machine is part of the price we paid in the war to preserve our liberty as a people and our freedom as a Nation. For many essential materials our peacetime economy will become increasingly dependent upon imports from countries not yet highly industrialized, and another war would create new and difficult problems in industrial production.

To what extent should we accelerate the depletion of our mineral resources and the exhaustion of our soil for the rehabilitation and reconstruction of needy foreign countries?

This is the paramount issue confronting the session of Congress which has just convened. Both sides of the question are affected by political considerations and befogged with propaganda. No one doubts the desperate need of the war-torn nations of western Europe. But I fear that very few have taken account of the far reaching and serious consequences of pledging a substantial part of our remaining resources to reconstruction abroad. I am sure that the average American citizen is badly confused by the prospect of our sending machinery to Socialist England so that she may barter her own machinery to Communist Russia in exchange for grain. Just how the spread of communism will be prevented by that particular do-ci-do in the international square dance is yet to be explained.

The operation of our entire economy might very well be seriously impaired by any long-range, large-scale export program which dipped ever deeper into the dwindling reserves of minerals and soil resources of this country. We must proceed with great caution lest we hasten the day when the United States may become a have-not nation, dependent on the import of vital raw materials for her economic existence.

Let us pause and take stock of America—the richness of her soil, the wealth of her forests, the treasures of minerals in her mines. These are the means by which we live, and they are the only tangible heritage we can leave to our children. We must not be profligate with them.

I have not undertaken to diagnose all of our national ills. I have merely suggested four of the major changes in national policy which I regard as indispensable to our future prosperity. I offer them for your consideration and not as a panacea. Nor do I pretend that the accomplishment of any of them will be easy, or convenient, or painless. But I am satisfied that forthright national policies of restoring the integrity of our currency, reducing both the current cost of Government and the amount of its debt, relieving our weary people of part of the crushing weight of taxation, and conserving our national resources, will establish in America the sure foundations for a resurgent free economy which will become a tower of strength to our posterity and to the whole world.

It is, indeed, a time of great challenge. But it is likewise a time of great opportunity for progress and achievement.

General Arnold Says: "We Will Lose the Next War"

EXTENSION OF REMARKS

OF

HON. JOHN E. RANKIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. RANKIN. Mr. Speaker, the same forces that crucified Gen. Billy Mitchell and prevented us from building up an

adequate air force prior to World War II, which would have prevented the cowardly Jap attack on Pearl Harbor that practically destroyed the American Navy and resulted in the most humiliating disaster this country has ever experienced, seem to be working to prevent our building and maintaining an adequate air force at this time.

Gen. H. H. Arnold, one of the great soldiers of all times, warns us in an article which appeared in Sunday's edition of This Week magazine of the danger of pursuing such a policy.

General Arnold's statement follows:

"WE'LL LOSE THE NEXT WAR"

(By Gen. H. H. Arnold)

We won the last war. And it's the last war we'll ever win. If we have another, this Nation will lose.

We'll lose and the enemy we fight will lose, because victory in atomic warfare is no longer possible. One nation cannot defeat another nation today. That concept died with Hiroshima. War is like fire; you can prevent a fire, or you can try to put it out, but you can't win a fire, because fire is destruction.

If we fought Russia, the best we could hope to achieve is a moral victory, and that would be small comfort to the remnants of our people, crawling amid the burnt-out foundations and charred chimneys of a ruined nation.

So we must not, we cannot, talk about waging war with Russia. Even if we wiped out Russia, we would be wiped out in the process. War itself is defeat. We must talk about waging peace. We must wage peace with all the air power, with all the machines and money and men that we used to fight Germany and Japan. We must be stronger than any other nation in the world, because I am convinced we are one of the few nations in the world today that genuinely, devoutly, and unselfishly want peace.

Where do we stand, then, at this most critical moment in our Nation's history?

How does our air power compare today with that of other nations, either potential allies or potential enemies? Are we strong enough to prevent another war?

ONE-PUNCH OUTFIT

During the war, as commanding general of the Army Air Forces, I was responsible for 2,500,000 men. I still feel a deep responsibility toward these men, and I believe they want to know the facts.

That is why I am breaking a 2 years' silence to state these facts frankly. Any potential enemy knows our military situation anyway; the only ones who do not realize it are our own people. The cold truth is that at present we are almost as bad off, in a military sense, as we were before Pearl Harbor.

If another attack comes, the first blow will again fall through the air. Our Air Force would hit back with all the power it has. It could probably hit the enemy a staggering blow. But then it would be all over for us. Our Air Force today is a one-punch outfit. Without the ability to launch a sustained counteroffensive, we would have to surrender—or be annihilated.

We are little better than a third-rate power in the air. We have about 3,700 first-line aircraft in flyable condition, but more than half of these are being used for training and are not ready for combat. We have another 5,900 or so first-line planes in storage, but to put them in combat readiness would take from 3 to 6 months. And, remember, for many of our first-line aircraft in operation, and for all of our aircraft in storage, time is running out fast. In a very few years every last one will be obsolete.

IT TAKES TIME

Of course, we say, we have the atomic bomb. We comfort ourselves by stating over and over that it would take Russia 2 or 3 or 4 years to get that bomb into mass production. But do we remember how long it took us, last time, to get ourselves ready? If we started rebuilding at full speed, tomorrow morning, we would require several years to reach our full fighting strength.

All the planes and all the engines we used in World War II were on the drawing boards or in actual production at the time of Pearl Harbor, yet American aircraft production did not reach its peak until 1944.

Five full years were consumed last time in reaching our maximum in air power. And at that time we had strong allies to help give us the needed time. Our own factories were never under enemy bombardment. There were no atomic missiles to slow or cripple our production. Even at that, we barely made it; if we had been just a little more tardy, Germany's V–2 program would have been successfully launched, and we would probably still be fighting today. Our margin of victory was perhaps only a matter of weeks.

When Germany surrendered, the Air Force had more than 43,000 combat aircraft. What is more, there were 14,000 fighter pilots and 21,000 highly trained air crews to man our bombardment-type planes. At the time of Japan's surrender, we had 2,865 of the B–29 superfortresses that had smashed and seared Japan's war economy to a state of impotence.

American air power hovered for a moment at that magnificent height. Then, with the war over but with the peace yet to be won, the cries for demobilization mounted in America and echoed around the world. They did what the guns of the enemy had never done. Within a few short months, precipitous demobilization had so riddled the Air Force's wings that not one group was fit for combat.

To be sure, we have made some recovery since that low ebb of our national strength. America is beginning to realize that its part in the allied victories has placed us inevitably in a position of world leadership. We have begun to rebuild our military position.

But we are doing it far too slowly to be safe. The minimum requirement for the Nation's air security is an air-force-in-being of 70 combat groups, supported by the necessary number of service organizations. Although the Air Force was able to activate 55 of these groups by the end of last year, there are funds to sustain the remaining 15 on a skeleton basis only. And a glance at the future is even less encouraging. The Air Force budget for 1948 will permit the maintenance of only 40 combat groups—not much better than half the minimum requirement for the safety of the country.

WE'RE STALLING

Nor does the picture become any brighter when we look at aircraft production. The current Air Force budget allows us to purchase less than 1,500 aircraft of all types this fiscal year. This is just half of the 3,000 new aircraft the Air Force has stated must be procured each year to defend our shores.

Worse even than the decline of our military strength is the deterioration of our national pride. We are growing apathetic toward all national security matters. We hesitate and fumble and stall. We let the Congress cut military appropriations drastically, we debate endlessly over universal training, we let our strength dwindle a little more each day.

These are the plain and chilling facts. We have no time to lose; this golden opportunity to rebuild our military power may not last much longer. It will be too late to start after we are attacked. There are several basic steps that we must take at once, to insure the prompt recovery of our former position as the strongest nation in the world. These may be summarized under four headings.

1. A balanced national defense

We must maintain an adequate Army, Navy, and Air Force as a deterrent to any potential aggressor and as a power actually to stop war. If war does come, our first major task will be the air defense of the United States, its territories and possessions. After that, it would be the task of the Air Force to blunt the enemy's offensive capability through strategic bombardment. This would give us time to build our strength to the point where we could take the initiative.

Once this build-up of offensive strength has been attained, our Air Force would have to launch a full-scale strategic offensive to destroy completely the war industry and the war economy of the enemy nation. Then, when this phase was completed, our Air Force would join with our ground and naval forces to exploit the effects of our offensive and to establish control over the enemy nation.

Our Air Force today is woefully inadequate to perform this task. There is no threat to American sea power in the world; but American air power is dangerously below par. To give America a balanced defense, therefore, we must first of all increase the Air Force's share of our defense budget so it can perform its duty the way it is expected to.

2. Industrial preparedness

The heart and sinews of modern war lie in a nation's production. We must inaugurate a program of industrial preparedness, which will enable industry to maintain pilot plants, to stockpile machine tools, to redesign weapons and adapt them to mass production—in short, to take all steps necessary to insure volume output in a minimum time if another war should ever start.

3. Reserve program

We must support a reserve program which will enable our Army, Navy, and Air Force-in-being to expand rapidly in the event of war. The Air Force budget for 1948 will allow some form of training for only 50,000 members of all three civilian components—the Air Reserve, the Air National Guard, and the Air ROTC. While over 100 Air Reserve training detachments are needed, budget cuts have reduced our Reserve training facilities to 42. These budget cuts must be restored at once. Training takes time; and there may not be much time.

We must change many other old ideas, and fit them to the modern concept of war. Our commercial air lines, for example, form a very important part of our whole reserve system. We must keep our air lines healthy and strong, because we may need them in a hurry if a Pearl Harbor happens again.

4. Universal training

Last but not least, we must establish a program of universal training, to give the three services the trained manpower they need to insure peace. This program has been called for repeatedly by leading statesmen, clergymen, and military men. The temper of the times makes imperative that we set it in motion without further delay.

We cannot win another war. No one can win another war. Therefore, we must not fight another war. Our only hope in this atomic age is to apply our strength firmly and steadily for peace among nations. This is in keeping with our history, our traditions. We must maintain our strength—not to use as a belligerent, but to buttress our position as the world's referee for peace. That means that what we built up together for victory should not be allowed to go to seed. We must work for peace as wholeheartedly, as devotedly as we worked for victory.

Red Cross Chapter To Lose Charter

EXTENSION OF REMARKS
OF
HON. CLIFF CLEVENGER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. CLEVENGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Van Wert (Ohio) Times-Bulletin of January 6, 1948:

RED CROSS CHAPTER TO LOSE CHARTER—REVOKED BY ACTION OF NATIONAL BODY FOR JOINING "CHEST"—BELIEVED TEST CASE IN NEW POLICY OF AMERICAN RED CROSS CONTROLLING FUND RAISING

Van Wert County Chapter, American Red Cross, will lose its charter Thursday, by ruling of the national organization, for refusing to drop its affiliation with the community chest's combined fund drives.

This arbitrary action of the American Red Cross against the local chapter, over the manner in which it chooses to raise its funds, is expected by local Red Cross and community chest officials to eventually reach Congress, and to put Van Wert into the national spotlight.

In the meantime, following public announcement of suspension of the local chapter's charter last October 17, Sprague Jones, president of the Community Chest board of directors, stated that any chest donor, whose donation included a subscription to the Red Cross, may have such Red Cross contribution refunded.

This is the first year since the war that the local Red Cross fund goal was included in the community chest quota, the drive having been conducted last October. Before the war the local Red Cross was also affiliated with the community chest.

The chapter suspension was made known here in a telegram of October 17 sent to Mrs. Marcile Borden, president of the local Red Cross board, by Harold B. Nearman of the eastern area of the American Red Cross.

CHARTER REVOKED DECEMBER 8

This same area official advised Mrs. Borden that he was recommending to the National Board of Governors that they revoke the Van Wert County charter at their meeting on December 8 because of the local chapter's violation of the nonaffiliation rule of the national corporation.

This action was taken at the December meeting in Washington, in denial of an appeal made in behalf of the local chapter by Attorney S. S. Beard, who attended the meeting. The ruling made at that meeting gave the Van Wert County Red Cross officers the option, in effect, of resigning or being fired from the national organization.

Speaking in behalf of the county board, Earl Shackley, a member of that board and chairman of the protest committee, said that the local officers would not resign because of their appreciation of the splendid cooperation of the chest and out of loyalty to the contributors and solicitors who gave so generously of their money and time to the Red Cross.

STATE OFFICIALS SPEAK

The heated argument with the National Red Cross stems from a violation of a recent policy set up by the national board, he explained, in which affiliation with other charitable drives is forbidden. In other words, he continued, the issue involvec only the manner in which funds are raised, and the national board's attitude is one of a dictatorial nature prescribing this manner, with no consideration for local situations or desires.

In Columbus, State Red Cross officials said the policy was adopted in 1942, with the approval of President Roosevelt, honorary national chairman, according to the Associated Press.

The question of affiliation with community chests or other fund-raising organizations was the subject of considerable discussion before the war, they said, with a majority of chapters expressing themselves as opposed to affiliation.

FOUR HUNDRED AFFILIATED IN 1938

By 1938, they said, about 400 chapters throughout the country were affiliated, but many were not able to carry on their full Red Cross program with their shares of community chest donations.

Some large chapters, they added, shrank in size as a result, and consequently a policy of independence of all other organizations in money drives was adopted.

A situation similar to the one in Van Wert, though not so far advanced, now exists in Pittsburgh, State officials reported.

Should the revocation go through, they added, the Van Wert chapter will be the first in the country to lose its charter for any reason.

The reasons for a combined drive have long been known here. It eliminates duplication of time and effort on the part of solicitors, and duplication of being solicited on the part of contributors, it was pointed out. With a quota for the Red Cross established, it should be the prerogative of local agencies to determine the most desirable and efficient method of collecting the required funds, Shackley said the local chapter contends.

PROTEST COMMITTEE FORMED

The Van Wert County Red Cross board of directors decided by unanimous vote to again affiliate with the community chest in raising funds for all organizations in one drive. For this "flagrant violation of the rules," as higher Red Cross officials termed it, and the current decision of local officials not to resign, the charter is to be revoked.

Upon receipt of this decision, which was definitely confirmed by Basil O'Connor, president of the American Red Cross, in a terse note to Mrs. Borden, a protest committee was formed here with Shackley as chairman.

This committee sent out letters appealing to all community chests and Red Cross chapters, where there were community chests, for support in this cause and asking the agencies to write to individual members of the national board of governors protesting the nonaffiliation rule. Letters went to communities in Illinois, Indiana, Michigan, Kentucky, Ohio, New York, Pennsylvania, New Jersey, Delaware, Massachusetts, Rhode Island, and Connecticut.

MANY COMMUNITIES RESPOND

The replies were encouraging. Sympathetic letters poured in from many communities, all accompanied with copies of letters which had been sent to higher authorities in the Red Cross. Nearly all of these communications not only favored the local cause but admitted to similar situations in other communities and the desire to conduct campaigns in the same manner. Some encouraged united action in opposing the national rule.

A copy of a letter written by Dan F. Gerber, president of Gerber's Baby Foods, Fremont, Mich., and an avid worker for charitable causes, to a Red Cross official says in part:

"I think the Van Wert incident has a lot of explosive possibilities. I know that before this incident I shared the resentment voiced at the Detroit meeting (sponsored by Henry Ford II to federate some 39 agencies' fund drives). If they persist in the revocation of the charter of the Van Wert County chapter, I would feel almost like a contemptible appeaser if I not only refused to contribute to the Red Cross but didn't actively and aggressively use every bit of influence I could muster in this community to get them to take their quota through our community chest or not get it at all."

MAKE FINAL MAIL APPEAL

Another letter, upholding the Van Wert case and saying, "There is a resentment by these various [local] units to Washington ignoring their own particular local problems," was written by Lewis A. Shea, chapter chairman of the Bridgeport, Conn., chapter, to E. Roland Harriman of Brown Bros. Harriman Co., 59 Wall Street, New York City, a member of the board of governors of the National Red Cross.

And there were many other letters, including a final, lengthy, explanatory letter from the Van Wert County board to O'Connor, stating that the board would not resign. This went out after that official's curt decision was received here following attorney Beard's unsuccessful appeal before the Washington meeting.

LETTER EXPLAINS POSITION

In a statement released yesterday for the local Red Cross board, Mrs. Borden said:

"The controversy with the board of governors involves a priniciple affecting all Red Cross chapters and community-chest organizations.

"It involves only the manner in which Red Cross funds are to be obtained in peacetime and does not curtail the activities of the Red Cross.

"In view of the splendid cooperation recieved from the chest during peacetime years, the local Red Cross board feels that it would be to the advantage of the contributors, the solicitors and the national organization to remain members of the local chest. We feel that the contributors, solicitors, and volunteer workers should have a voice in saying how the funds should be raised and we do not believe anything would be gained by a separate drive for funds.

"In view of our firm belief that our principle is right, we cannot, in all fairness to the community and ourselves, resign. As a result, our charter will probably be revoked."

LIKELY WILL BE TEST CASE

That Van Wert's may well become a test case, and that the situation is one of national scope, is evidenced by an open letter written to O'Connor by Robert Cutler, president of the Old Colony Trust Co., Boston. Lawyer, soldier, public servant, Cutler was national chest president from 1939 to 1942. His letter, copyrighted (1947) by the Atlantic Monthly Co., follows:

"The only true rule to serve as our guide is that the people in each American community, as freemen in a free society, shall have the right to decide how the money which they give to charity shall be raised and shared. It's their money and they work to raise it. Naturally, they think their voice should determine the amount of their goal and whether one campaign or many campaigns shall prevail."

Jones' statement in behalf of the community chest board of directors follows:

"Inasmuch as the community chest did, in cooperation with the local Red Cross board, solicit and accept funds intended for the Red Cross, and inasmuch as the local Red Cross chapter no longer has authority to accept these funds, the community chest board announces the following plan for the return of donations to those subscribers who wish to have their money returned:

"Any donor to the 1947 community-chest drive, whose donation included subscription to the local chapter of the American Red Cross, may have Red Cross subscription refunded by calling at or writing to the secretary of the community chest at the Community Clearing House, Van Wert.

"All funds earmarked for the Red Cross, not so withdrawn, will remain in the treasury of the community chest for later disposition."

The American Red Cross has refused to accept the check of the community chest for its half of the $3,500 raised for the Red Cross in the chest drive last October, according to E. C. Humphreys, chest secretary.

CHAPTER PROTESTS HIGH RED CROSS GOAL

WASHINGTON, January 6.—The American Red Cross goal of $75,000,000 for its 1948 fund-raising campaign brought a protest today from the El Paso, Tex., chapter that quotas set by the national organization are too high.

E. M. Kelley, Red Cross board chairman in El Paso, said in the Texas city that he is flatly rejecting a $33,000 quota there, adding:

"The war is over. If we can cut down 20 percent locally, the national body should be able to reduce 10 percent of its overhead."

Kelley said the El Paso chapter would seek $75,000 in 1948, of which $23,000 would go to national headquarters. This compares with a $99,000 goal last year with $26,000 for the national group.

Rank and File Labor Union Members Oppose Marshall Plan

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, I am just in receipt of a most interesting letter from a citizen of Tulsa, Okla., who has been for many years one of the leading members of a great labor organization. The author of this letter is an esteemed citizen of the community in which he has lived for perhaps a quarter of a century. He is a student of national and international affairs. Knowing this, I sent this gentleman a copy of the so-called Marshall plan and one of the publications issued by the Department of State in support of the Marshall plan, together with a booklet written by Henry Hazlitt entitled "Will Dollars Save the World?"

The following is the reply this gentleman has sent to me on the subject:

DEAR MR. SCHWABE: Referring to a book by William Hazlitt and the second volume of a report by a Committee on Economic Cooperation with Europe sent to my wife and me from your office, I have read Hazlitt. The other volume is very technical and very hard for the layman to understand but appears to be the opposite of Hazlitt.

According to a Mr. Taylor, a commentator, we have already handed Europe, including Britain, $22,000,000,000 in loans, gifts, lend-lease, etc., since VE-day.

According to Mr. Hazlitt (and I thoroughly agree) we cannot save the world with dollars.

According to Mr. Truman, we should have no tax cuts, we should do without and over a period of some 4 years should use another seventeen billion or more dollars to rehabilitate Europe.

According to the morning paper, DeGaulle in France has suggested the killing of French free labor unions and the forming of associations of labor and management, which actually would be a somewhat similar condition to Mussolini's corporate state.

I agree with Hazlitt. And I'll go farther by saying that it is my opinion that only so long as we patrol the European Continent with bayonets can we maintain any semblance of ideolcgies such as we think they should have, and I am not sure we should try to think for them. We do not seem to be saving the world from totalitarianism. Maybe that's what they wish over there. If it is, let them have it, for it will be only a question of time then until it will break up into another European war, and we had better be strong enough to protect ourselves then. We cannot do it if we send our strength and money over there now. Next time it will be hemispheric, the east against the west.

Let's keep our wealth and soldiers at home. Who wants to be world leaders if it costs the taxpayer the loss of his loved ones and penury and want? Brought down to fundamentals, life is still a struggle to get enough to eat, to wear, and a place to sleep for the average person. If Government steps in and takes all he makes and ships it to people in other parts of the world not so fortunate, then we have a form of world-wide socialism, which cannot eternally be enforced without totalitarian power. That I am opposed to, either in the form of bureaus or in the form of one-man power.

We have entirely too much government now. Instead of making it more omnipresent, let us reduce it considerably.

A Defeatist Attitude

EXTENSION OF REMARKS
OF
HON. HORACE SEELY-BROWN, JR.
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. SEELY-BROWN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial which appeared in the Willimantic (Conn.) Daily Chronicle, issue of January 6, 1948:

A DEFEATIST ATTITUDE

Politics or no politics, the defeatist attitude which President Truman takes toward legislation not of his own making is unworthy of the high office he holds. During the earlier session of Congress he said the Taft-Hartley law wouldn't work and thus encouraged union leaders in their efforts to sabotage it and to interfere in every way with its operation.

In announcing that he would sign the anti-inflation bill, which he presumably had read although later he couldn't find it, declared the law is too feeble to do any good and that the public should not be led to believe that it will either reduce living costs or keep them from going higher.

If that is the spirit in which he approaches the assignments which have been given him under the law what hope can there be of even moderate success? Negative administration can only produce negative results.

The President would have been within his rights in stating that he preferred his own police state anti-inflation bill, complete with OPA, and that he was disappointed by the measure which the Republican majority in Congress enacted into law. But having said that and thus gone on record for the 1948 campaign, he should have stayed his hand.

A President genuinely interested in checking high prices would have proclaimed his intention to do the best he could with the weapons placed at his disposal. He would not have predicted failure in advance.

If now the law does not prove to be an effective instrument for combatting inflation, it will not be clear whether more bureaucratic methods such as proposed by the President should be endured, or whether the fault lies in the fact that the executive branch of the Government made only a half-hearted attempt to put the provisions of the law into effect.

Mr. Truman obviously does not like the law. With the 1948 elections coming up, can't it be also the fact that he does not really want it to succeed?

What Do Republicans Want?

EXTENSION OF REMARKS
OF
HON. RICHARD M. NIXON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. NIXON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial which was published in the South Pasadena (Calif.) Review on December 13, 1947. In view of the fact that the Congress will be faced with a number of important decisions during the coming year I believe this editorial is particularly timely and thought-provoking. The editorial follows:

WHAT DO REPUBLICANS WANT?

Soon the people of this country will be entering an election year, when citizens will exercise their rights of franchise, voting for what they believe to be their best interests.

Parties will be lined up against each other. Political oratory will ebb and flow. Platitudes will soar to new heights, platforms will be written and criticism of the ins, as well as the outs, will be heard on all sides.

But we are not so much interested in criticism, unless it is constructive, as we are in suggestion and program which will make this Nation a better democracy than it is now.

Just because a proposal is Republican policy or is Democratic policy is not really important. The important thing is whether such policy is good for all the people of this great country of ours.

The Republican Party has recently been entrusted with leadership in Congress at a time when every minute move this Nation makes has a major bearing upon the future of our present civilization, not here alone but in the world over.

We are not interested in politics for politics' sake. We are not interested in Washington decisions that are made simply for political party benefit.

We believe the people of this Nation will not entrust future leadership to a revitalized Republican Party unless it is willing to admit that good has come from opposition party leadership—correct the bad that has come

through wrong leadership, admit the errors of its own past, accept the successes of its opponents, and guide this Nation along the lines of fundamental truths.

The Republican Party should rise above party narrowness. The GOP and some of its leadership in the past has not been wholly savory. At times it has forgotten the welfare of many men at the expense of a few.

What the Republicans need today is more statesmanship and less reactionary political persiflage. Fortunately the party's younger element realizes this and is seeking to give the party a program of fundamental issues on which to rest its case.

The Republican Party must not be known as the party of the great industrialists or of any one segment of our population. By the same token the Democratic Party should not be known as the party of the segment of population known as union labor.

The Republican Party became great during the time of Horace Greeley because it stood for great human and social principles. It rose to power and prestige because of these principles.

There is a need today for a party dedicated to true human values and liberal democratic thought, not to opportunistic panaceas proposed by so-called liberals in recent years who would prostitute the American citizen before the ballot box in emotional appeals for votes and power.

Reorganizing Congress—What Remains To Be Done

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks, I include herein an article written by David Cushman Coyle, eminent historian and political scientist, and published in the winter 1947 edition of the Virginia Quarterly Review. I invite the attention of Members to this thoughtful discussion of what was done and what remains to be done to bring our Congress up to date.

The article is as follows:

REORGANIZING CONGRESS

(By David Cushman Coyle)

The Congress of the United States has been more or less reorganized several times in its history. Many a man is now alive who remembers the great revolt of 1909–11, when young George Norris broke the power of Uncle Joe Cannon and his dictatorial Rules Committee in the House. The Senate in 1917, after a campaign against filibustering that started in 1845, finally adopted a cloture rule, by which two-thirds of the Senate can stop a filibuster but usually won't. Previous history shows that Congress can change its rules, but that any improvement is always stubbornly resisted, and that never yet has Congress done a thorough job of streamlining.

At present the need for streamlining is more acute than ever before, for two principal reasons. One reason is that so many important questions have to be handled by Congress as to strain the minds of legislators who must spend four-fifths of their time on errand-boy work for the home folks or deciding how many taxicabs to allow in the District of Columbia. Most Senators and Congressmen would like to be intelligent, but the system gives them almost no chance to learn or to think; and meanwhile history is moving at high speed.

The second reason is in the nature of the world crisis that we are in. First the Nazis, and now the Communists, deny the whole democratic idea, and one of their chief points of attack is the legislative incompetence of democracies. Once they can get the legislature abolished or really reduced to a rubber stamp, the rest is easy.

The American people still believe strongly in the institutions of democracy, and none of our Presidents has ever shown any sign of agreeing with the attitudes expressed by Mussolini, Hitler, or the Communists. Roosevelt never tried to be a dictator, even in the purge incident of 1938, for he never disparaged Congress as an institution, nor ever questioned the necessity for the free consent of the governed. And the repudiation by the voters of both Roosevelt's and Wilson's purge attempts can be taken as healthy signs of our sensitiveness to even the suspicion of an attack on the independence of the legislature. But we have all too much tendency to scoff at Congress for its stupid behavior, in terms which in time may undermine our faith in representative government as a principle—as did happen in Germany and Italy with fatal results.

The greatest single contribution our Congress could make to our security would be to show itself strong, efficient, and clear-cut, so that its actions would yield neither ammunition to our enemies nor confusion to our friends. Those who undertake to promote a more effective organization of Congress have to make clear that we come as friends, with no shadow of doubt that the legislature, for better or for worse, is the bulwark of our liberties; and that every criticism we make is an effort to buttress, not to discredit.

The Reorganization Act of 1946 came out of a year's work by a joint committee led by Senator La Follette and Congressman MONRONEY. The resolution setting up the committee limited the scope of its possible recommendations, forbidding any reference to rules; i. e., mustn't touch the Senate's sacred cow, the filibuster. But no resolution could prevent those who testified before the LaFollette Committee shooting joyfully at every sacred cow in the place, from the seniority rule for committee chairmanships to the passion for inefficiency of the General Accounting Office. And of course no resolution could protect these doleful animals from the barbs of the many private writers on this subject, such as Dr. George Galloway, who was made secretary of the committee, and Congressman ESTES KEFAUVER, whose book on the situation as of 1947 is the principal basis for the present article.

In due time the La Follette committee reported, and the Democratic Congress on August 2, 1946, passed a Reorganization Act including most of the committee's recommendations, leaving it to come into effect in the Republican Congress of 1947. A year later, Mr. MONRONEY put in the CONGRESSIONAL RECORD his appraisal of the results to date (July 26, 1947). This report, together with ESTES KEFAUVER's book, A Twentieth Century Congress, should be read in full by everyone who has enough interest in the subject to read this present article. The resulting information can well be used as a basis for encouraging, or prodding, your Senators and Congressmen to carry on and make a good job of it.

The chief accomplishment of the Reorganization Act was cutting down the number of standing committees from 48 to 19 in the House and from 33 to 15 in the Senate. In the process, the overlapping of committee fields was largely overcome. The work is now divided among a large number of subcommittees, possibly too many in a few cases, but in general the new system makes sense. Subcommittee chairmen do not have the prestige that has been the chief obstacle to abolishing useless committees. Subcommittees can be set up and taken down with comparative ease, and the main committee can coordinate and direct their work.

The intelligent suggestion of Dr. Galloway and others, of having 13 parallel committees in each House, to allow for joint hearings and easy consultation, was not adopted. No progress was made in getting away from the seniority rule. The act piously exhorts chairmen not to pocket bills which their committee has approved, but makes no provision for sewing up the chairman's pocket.

Special committees in the past have varied in usefulness, from the great investigating bodies such as the Truman committee, to manifestations such as the un-American group. Most of the advocates of reorganization believe that special committees should be used seldom, if ever. There were 12 in the Seventy-ninth Congress and 4 in the Eightieth. Purely partisan muckraking has perhaps not been entirely successful lately. Note the futile history of the Pearl Harbor investigation and the rout of Senator BREWSTER, not to speak of the spectacle of Senator MCKELLAR breaking his teeth on David Lilienthal.

There have been some improvements in the operation of committees, such as requiring a quorum for approving a bill, helping witnesses prepare their testimony, and keeping conference committees from writing bills of their own. But the requirement of open hearings was entirely flouted by the House Appropriations Committee, which could not bear to face the public while it swung the ax.

The intelligence services of the Congress were considerably strengthened. The Legislative Reference Service in the Library of Congress, set up in 1915 to dig out information for committees and Members, had been limping along on a starving appropriation until the Reorganization Act gave it some real money and a chance to build a more effective staff of experts. The Legislative Drafting Service, a group of expert lawyers who draft bills, was enlarged. It had been swamped with work. The standing committees were given larger staffs, but this reform has been partly canceled by the appointment of unqualified persons to expert positions.

An important reform is the transfer of private claims to the departments or the courts. Private claim bills have wasted the time of Congress, and with notoriously unjust results. Private bridge bills and corrections of military records were also abolished.

The act required registration of lobbyists, and a long list was published, including some amusing items. (One, for instance, is lobbying for "a constitutional amendment which will prevent the election or appointment to any office * * * where such [persons] become toxt, or cocktailed or sick or muddled or boozy from smoke or drink and/or from other venoms that menace commonweal.") This registration is a gain, so far as it goes, but it does not touch the master minds who work entirely underground, and it may be evaded rather easily by lobbyists who do not devote a major portion of their time to lobbying. The main defense against illegitimate use of the right of petition must lie in general efficiency and good information services—to give the hard-pressed legislator a chance to know what he is voting about.

Probably the most spectacular failure in the new system came at the point where the Republicans had laid the most emphasis—the handling of the budget. For one thing, this Congress refused to appropriate the money for a study by the Comptroller General, provided in the Reorganization Act, on

the economy and efficiency of the administrative agencies. It may be questioned whether the Comptroller General's office is equipped to recognize good or bad management; in the past its authority has generally been used destructively. It is perhaps fortunate that Congress failed to add to the Comptroller General's activity.

The legislative budget was reduced to an absurdity. After a hasty glance at the President's Budget and hefting that large unpleasant book, the Senate decided to cut the estimates 4½ billion, while the more exuberant House chose 6 billion as its goal; neither figure had any apparent foundation. The conference committee to reconcile these estimates quietly died.

According to the act, the Congress was supposed to decide early in the session on a limit for total expenditures. This limit would then serve as a guide for tax policies during the session, and any appropriations beyond the limit must carry either a special tax or a special authorization to borrow. This plan was widely approved by conservatives and also by liberals. It seemed logical, granting the traditional idea that a budget is mainly a device for controlling the tendency to spend. The absurd outcome of the first trial of the legislative budget, however, opens the question whether the plan really was bungled by the Republicans or whether it fell through by not making sense at all.

The President's budget, offered in January 1947, was primarily designed to help control inflation. For this purpose he proposed to maintain taxes and cut expenditures, except where a cut would injure the productive capacity of the country and thus hurt the other side of inflation control. The budget aimed at being a tight estimate of necessary costs, defined as "necessary" because any cut would waste more than it would save. There was no way to look over such a budget hastily and see if it was really tight. Congress had to work over it, item by item, trying to cut, listening to the cries of pain from the country, and then admitting that the item was already tight, with no more slack in it. A few rather abstract or scientific items could be cut, where the harm done would not show up quickly; and a few fake cuts could be achieved by reducing items that would have to be made up quietly later; perhaps a total of one or two billions in all, but no four and one-half or six billions.

Fiscal policy, actually, is not simply a matter of keeping the budget down. Fiscal policy starts with a judgment as to whether a tendency to inflation or deflation calls for a budget surplus or deficit, respectively. This in turn shows whether the budget should be tight or generous. From these two features would come a proper tax policy, whether to increase or cut taxes. In 1947 the President proposed to limit spending to strict necessities and get a surplus as a guard against inflation; and therefore to maintain taxes, since obviously Congress would never consent to increasing them. In this scene there was no place for the legislative budget. The only quick judgment that Congress could properly make was on one point: Did Congress agree that the largest possible surplus was indicated by the economic situation, as reported by the Council of Economic Advisers? If it did, then it could proceed to comb the budget for errors, to be sure it was really at rock bottom, and meanwhile could either raise taxes or suppress any attempt to lower them.

Liberals might do well to drop the idea of the legislative budget, since it only confuses Congress, which ought rather to be discussing the really critical question: Do we want a surplus, a deficit, or a close balance next year? Once that is decided, the others must follow, and any attempt to promise either the budget total or the tax rate in advance is liable to make those who do it ridiculous.

This, then, is the main outline of a year's experience with the Reorganization Act. The committee system is much improved, though still short of real streamlining, and still burdened with seniority chairmen. The expert staff services are much better, and can probably be further strengthened without any revolutionary changes. Some of the silly jobs such as private bills have been drastically reduced. Lobbyists have been listed, whatever that may amount to. The legislative budget was tried and failed completely, which may be a gain in the long run.

Whether the net effect of the 1946 act is good or bad depends on one question: Does it open the way for further reforms, or does it block progress for another 20 years?

Testifying in behalf of the bill which established the Hoover Committee, one Congressman said: "The legislative branch of the Government has been reorganized and streamlined by the Congress itself. The time is long overdue for a reorganization and streamlining of the executive branch." It is, and the Congressman's main position was well taken. But if many other intelligent Congressmen think Congress has now been streamlined, God help us. The efficiency of Congress as an institution was slightly better in 1947 than in 1946, but it cannot be said to have attracted the gasping admiration of a world torn by ideological conflict. In view of what, from the standpoint of management engineering, could well be done to streamline Congress, the job has hardly been touched.

II

What would a real job of streamlining mean?

First of all, as practically everyone except the committee chairmen knows quite well, the committees or the party caucus ought to choose the chairmen for usefulness, not for their value as antiques. The party in power wants to be a success, but not quite enough to be cruel to old fogies. Both parties need to develop a more hard-boiled concentration on the main chance. The Democratic Party suffers more than the Republican, because of the southern habit of electing men for life. The South needs more accent on youth, if it wants the Democratic Party to win national elections.

Congressmen and Senators ought to be paid about $25,000 a year, for personal income, aside from an allowance for a sufficient office staff. The whole cost of Congress, on an efficient basis, would be about twenty-five or thirty million (not billion) dollars, which is less than one dollar per thousand of the cost of government. Congress costs the American people about 15 cents apiece a year. A properly equipped and properly paid Congress would cost us about 5 cents more per year, or the price of one newspaper, in which the news might be much better if Congress were able to do a bang-up job. But why pay the poor dopes $25,000? The answer is that they are poor, but most of them even now are not dopes, and there would be fewer dopes if the pay were reasonable.

It is not that Congressmen have to work desperately long hours at their job. They do, but they like it, in the main. Their complaint is only that too much of their work is wasted on picayune matters. But they don't like trying to live on $12,500 a year, which seems so princely to most of their constituents. A Congressman has to keep two homes, and Washington, at least, is expensive. He has to travel, with his family, and the travel allowance does not cover the cost. He has to contribute to every good cause. He has to pay a big slice of his wages for printing and other campaign costs, including reprints of his speeches, not printed at Government expense. Or else he must accept contributions from wealthy supporters, and who do you suppose would expect him to show a bit of gratitude once in a while? Integrity costs money, in real life, and if the country wants its legislators to look the world in the eye and fear not any man, wouldn't it be sensible to pay them enough so they can pay their own campaign expenses? Incidentally if the national budget would finance the two major parties about $10,000,000 apiece, wouldn't it be possible to drop the hypocritical assumption that political parties live on the pure milk of human kindness?

To be a Congressman, a man and his wife must either love the job enough to be more or less reckless in their personal finances; or else the man must be incapable of making a living at home; or else they must have backing or money of their own. That is not the way to hire, in business or government. We should offer a living wage.

The work load of Congress still needs to be reformed, though most of the mess of private bills has been cleaned up. The biggest slice of a Congressman's or Senator's time is used up in being a Washington representative of his individual constituents. When they come to Washington they call on him, with family in tow, and expect him to take them all to lunch, at his expense, and give them passes to the galleries. Or they call to ask for a job, or for help in putting pressure on one of the agencies, or to get an amendment to a bill that will promote their interest, or to find them a hotel room or a block of theater tickets. Those who don't call write in for every possible kind of help, from getting a letter-carrier's job to asking the Patent Office for a list of things that have not yet been invented.

All these calls must be courteously and promptly met, or else. One Congressman, for instance, got an urgent request, at one of the hottest points of the war, that he arrange to have the President photographed with a basketball team that was coming to Washington from his district. He replied that no one ought to ask such a thing of the President. The next thing he knew his Senator, whose nuisance value was particularly high, had arranged the matter easily. About 50 votes were lost by the patriotic Congressman, and gained by the far from patriotic Senator.

What is even worse, not only the members of the District Committee, but all Senators and Congressmen, are aldermen of the city of Washington. Everyone from the League of Voteless Women to the Real Estate Board and the friends of local policemen and dive operators, can be found parked in the Congressman's office when he is already jumping sidewise trying to take care of his own constituents who have votes.

The Reorganization Committee recommended that each Member should have an $8,000 assistant to do the Washington Representative job. This is not a clerk's job. It takes knowledge of the town, tact, ability to give a few poisonous people and cranks a skillful run-around, and to serve promptly and effectively the mass of legitimate requests from the citizens back home. The Senate has adopted this recommendation, but the House did not do so in 1947. If it takes 2 or 10 high-paid assistants to keep the constituents off the Congressman's neck, it would pay the country, as well as giving better service to the homefolks. As for the Washington alderman job, that is something else.

There is nothing in the Constitution that requires Congress to govern the District of Columbia, and if there were, it ought to be taken out at once. The District is a weird combination of a branch of the Federal Government, a State, a county, and a municipality. While the Federal Government has 60 major units—departments, agencies, commissions, and boards—the District has 125 major units in its 4 governmental levels of action.

The District Committees of the Senate and House in the Seventy-eighth Congress handled 209 bills. Aside from all the time taken up in private lobbying and District Committee work, the House in full session uses 1 day every 2 weeks to deal with District matters. On these days the Congress acts as a city council, sometimes very much so. All this is a waste of time when matters of importance to the Nation and the world are on the docket. One or 2 days a year, mainly concerned with how much taxes the Government is willing to pay, would do the job if the District were allowed to govern itself.

Congressman KEFAUVER, in his recent book, proposes another important time-saver, the use of electric voting.

At present, when either House votes, the roll is called, which takes about 10 minutes in the Senate and 45 minutes in the House. Moreover, whenever anyone "suggests the absence of a quorum," unless the House adjourns, the roll has to be called, and the quorum call can be used to gain time (i. e., to waste it) or even as a sort of filibuster. KEFAUVER reports that in 1943–45, the war years, the Senators used up an average of 79.5 hours, or nearly 16 legislative days per year, in listening to the melodious sound of their own names. The House used an average of 121.8 hours, or 24 days per year. Since Congress usually meets 5 days a week, the House wasted a month on roll calls alone in each of the war years.

Electric voting is done with a key that each Member carries, which he alone can put into the appropriate slot in his desk. The system is used in 11 States. The Texas Legislature boasts of having voted by electricity 30 times in 30 minutes, though with what net result is not reported by Mr. KEFAUVER. At any rate, it is clear that both Houses of the National Legislature could save themselves a lot of time by putting in a set of pushbuttons.

Not only time would be saved. While a roll call is going on, while Congressmen are finishing their interviews or dictation with one eye on the clock so as to dash over to the House in time to be counted, those who are on the floor are at ease, all business is stopped except personal conferences, reading, or lobbying, and the deadening effect of mental shovel-leaning creeps over the assembly. The people in the galleries, who come hoping to see some action, get as bored as an Englishman at an American football game where the huddles take up most of the time. The show is a bad show, and the effect on thousands of tourists from back home is not good for the reputation of Congress. It does not promote that respect for democratic processes which is all-important.

It would be too bad if our civilization should collapse for lack of a set of pushbuttons in the right spot, but stranger things have happened.

The next big problem is a more efficient relation between the executive agencies and Congress. Normally they stand off at opposite ends of Pennsylvania Avenue and chuck stones at each other, which is a poor way to run a family. In domestic affairs at least, Congress is father, who goes out and finds the money; and the administration is mother, who keeps the house, takes care of the children, and runs up the bills. They should have some system for understanding each other's problems and attitudes.

Woodrow Wilson's first venture into political writing, when he was still a senior at Princeton, was an article in the International Review on Cabinet government. Wilson proposed that the cabinet should be chosen by the President from among the Members of Congress, as is done in parliaments such as the British. The Cabinet would then have seats in either the Senate or House, where they would introduce the Government's bills, and they would resign if defeated. Wilson tried when he was President to start the change toward a parliamentary form, but the war required his attention and nothing came of it. The parliamentary form of government requires either a King or a figurehead President, to hold over when the cabinet falls, and it requires a rigid party discipline, since every vote against the cabinet is a bid to throw the majority out of office. Although this is the standard democratic form in other countries, it does not seem well adapted to American political habits.

The Kefauver proposal is much less drastic. KEFAUVER proposes merely to have a question period every 1 or 2 weeks in each House, where Cabinet members and agency heads would have a chance to answer questions and present their problems. This was the original system used in the First Congress, but soon abandoned, probably because the Government was so small that everyone knew everyone else. The Confederate States Constitution had a provision for letting the Cabinet members appear on the floor, but the Congress did not pass the necessary laws.

The question period is the most conspicuous feature of the democratic form of government in other countries. It gives a chance for the citizens, through their representatives, to raise any sort of question about the administration of the law. If the question turns out to be of wide interest, it is discussed all over the country, and the Government has to yield to public opinion or show very good reasons why not. A question period here, if reasonably well managed, would probably arouse Nation-wide discussion from time to time in a wholesome way, as it does in England. It would undoubtedly give both Congress and the agencies a better line on each other's point of view, and would reduce the amount of sniping based on pure ignorance.

The idea of a question period has been supported by many prominent men, including Elihu Root, Charles Evans Hughes, Charles A. Beard, and Presidents Garfield, Taft, Wilson, and Hoover. A Gallup poll on the plan showed 70 percent in favor and 7 percent opposed. Most of the important newspapers in the country favor it. The proposition would seem to have a rather good chance of adoption sooner or later.

In addition to the question period there should be two other forms of organized contact at lower levels. Each agency could well have a regular day about once a month to confer with its corresponding committee in each house, preferably in joint session, for discussion of its current work and problems. At present the only contact is usually in budget hearings, which are exactly when father and mother are least likely to enjoy each other's company. Regular association would considerably ease the tension of the annual discussion of expenses between Congress and the agencies.

Each Department and important agency should also have an office on the Hill, headed by an Assistant Secretary or Assistant Administrator, who would be available for day-to-day cooperation with committees, and for most of the contacts connected with requests from constituents. The liaison agent could supply the committees with copies of administrative rules and orders, so that objections could be raised, and Congress could get a proper check on the use of its delegated powers.

Neither of these liaison arrangements is new or untried. The National Housing Agency during the war had regular and satisfactory meetings with its House committee under Congressman LANHAM. The Veterans' Administration and Civil Service Commission have offices at the Capitol. What is needed is more of the same.

Under the head of reorganizing Congress may perhaps be considered one of our most troublesome constitutional problems, the two-thirds rule for treaty ratification. At present most of our foreign relations are settled by executive agreements or other dodges—recent examples are the Bretton Woods agreement and UNRRA. Other nations are shy of making treaties with us, remembering how often our treaties have been repudiated by a minority in the Senate.

The House in the last Congress passed a resolution for a constitutional amendment allowing both Houses to vote on treaties, but the Senate Judiciary Committee pocketed it. We shall not be in a good position to handle our foreign relations until treaties are subject only to approval by majority vote. This is a flaw in our democratic form of government which is embarrassing to ourselves and exasperating to our friends abroad.

Another proposed constitutional change would make all elective terms 4 years. A 4-year term would relieve Congressmen of half their campaigning burden, would allow the voters to change the whole Senate if they liked, and would increase the probability of having the President and both Houses all belonging to the same party. This is perhaps not as important as the other proposed reforms. It would give the voters no voice except at 4-year intervals. And though the occasional deadlock between a President and a contrary Congress has been rather distressing at times, it has never gone so far as a flat refusal to make appropriations. In fact, one might almost say that our present example has strengthened Mr. Truman's position, put Congress on its mettle, and given the Nation better service out of both ends of Washington than it has sometimes had from a one-party team.

Many of those who testified before the Committee on Reorganization criticized the poor discipline of both the parties. It is notorious that some southern Democrats ordinarily vote Republican and some Republican liberals normally vote Democratic, much to the annoyance of neat-minded people. But there may be more to this lack of discipline than mere lack of neatness.

A two-party system is undoubtedly the best for running a democracy. Three parties commonly result in electing a minority President, and a dozen parties, after the European pattern, may get in such a hopeless mess that democracy itself is endangered or lost.

In England the two major parties are widely separated in their principles, so that if the public is dissatisfied with poor management by the Labor government, it can get no relief except by jumping to the Tories, a serious and upsetting change of base. A couple of years' observation of British politics during the war gave one the impression that it is dangerous for a country to have two parties with principles far enough separated to make the jump from one to the other a radical change. The English, not being logical, can take it calmly, but for most countries such a wide leap is revolutionary and can easily be violent.

In America, fortunately, Tweedledum and Tweedledee have both practically the same set of principles, with some difference of emphasis represented almost entirely by the character of their candidates. To a large degree, therefore, the intelligent middle group, which if interested can usually decide elections, is able to vote for or against the men who are running, without having the ghastly choice of a Communist-infiltrated "liberal" party versus a Fascist-infiltrated "conservative" one. Those would be the choices if our parties were to adopt a consistent and different set of principles.

Our parties are organizations for getting into office, and that is what they ought to be, since it is obvious that our Government, like all others, is one of men, not of laws. The men make the laws. In Congress they ought to have better caucus organization, not to discipline their Members, but to discuss what party line is best to take and why, with

a canny eye on the voters. In most cases, of course, the party members, wanting their party to be successful, will go along. But the mavericks must not be too strictly disciplined, or the mixed character of the parties may be lost. The danger would be that both parties might split into liberal and conservative wings, and these into moderates and extremists, with a few independents running as one-man parties. As the discipline grew tighter, each group would be more and more pure, its principles would be clearer and its number fewer, till each recognizable principle, from the Townsend plan to prohibition, would have a tight little irreconcilable party. Then only a fitful coalition would ever organize Congress, just as in Europe. Like the British we are possibly too illogical to go so far, but meanwhile we can well be thankful to have two and only two parties, devoted to the praiseworthy object of finding successful candidates.

A comment on this viewpoint is supplied by the apparent desire of both our Fascist and our Communist elements to start third parties, for the evident purpose of undermining the democratic system. Too much party discipline would only play into their hands.

From this hasty review of the condition of Congress, it appears that the effort at reorganization has improved the efficiency of the legislature, but only about a quarter as much as could well be demanded by the needs of the day. Congress wants to be strong and respected. Most of its Members want most of the reforms that still need to be adopted. What is Congress waiting for? It is waiting for help from the people. The very fact that Washington is paved with sticky flypaper, that inefficient chairmen still control key committees, and obsolete rules interfere with business, prevents the streamlining that would make good organization possible. The numerous Senators and Congressmen of both parties who long for a more intelligent organization need the help and encouragement of the home folks; and the minority who stand in the way need a good kick, followed if necessary by a courteous but permanent welcome home.

People of the Southwest Oppose Marshall Plan and Price Controls

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, I have said that the people of the Southwest oppose the so-called Marshall plan and price control. The two subjects are inextricably connected. Everyone seems to know that the more we send abroad and the more the Government enters into competition with our own citizens in buying the necessities of life, the more scarce the commodities become. The scarcer the commodities, the higher the prices. Thus the spiral of inflation is promoted by the administration's program. Inevitably the Marshall plan will boost prices and furnish a semblance of plausibility for the President's demand that Congress give him authority to control prices.

Mr. Speaker, the people of my section of the country, and I believe it is generally true through the Southwest, do not favor the continuation of the program of giving the substance of our people to foreign governments. They do not like the idea of having the President's representatives buy Argentina wheat from the Argentina Government at $5 to $5.80 per bushel, which the Argentina Government had bought from the Argentina farmers at $1.30 per bushel, and then pay for its transportation to foreign lands and give the wheat to foreign governments. Then the foreign governments dole it out through their favored millers, bakeries, and distributors, and it is sold to the people of those countries who have the money with which to pay for it. A lot of it is sold through the black markets. This does not reach the hungry. This is not a method of feeding starving people. On the contrary, it is merely a method that the New Deal administration has of subsidizing the Argentina Government and the European governments to which the wheat is given.

The following significant statement appears in the January 5, 1948, issue of Newsweek:

In a seemingly offhand speech at Harvard on June 4, Marshall proposed that western European nations get together, formulate a recovery program, and request from the United States enough help in the form of goods and materials to make it work. To his apparent surprise, Foreign Minister Bevin, of Britain, grabbed the Marshall plan with enthusiasm. A recovery plan was quickly adopted at Paris, even though the Russians pulled out and took their satellites with them. Mr. Truman's request to Congress for a $17,000,000,000 4-year European recovery plan is pending before Congress.

Mr. Speaker, I visited 59 cities and towns of my district week before last. I met the people during office hours in 54 post offices and in the evenings at the courthouses of the other 5 cities. Astonishing as it may seem, I talked to people in all walks of life, Democrats and Republicans, and in many instances without knowing their political affiliations, and I discussed with them the many issues of international and domestic interest. I did not suggest any topic for discussion or consideration, but requested them to suggest the topic in which they were most vitally interested. They mentioned the foreign-aid subject at least five times as often as all other subjects combined, and not a single person expressed himself in favor of appropriations by Congress for foreign aid. On the contrary, all who said anything at all on this issue insisted that no appropriation be made by Congress for such purpose. Hence I say the people of the Southwest are opposed to the so-called Marshall plan. Likewise they are opposed to its complement, or necessary accompaniment, the Truman request for price controls by the President.

Practically every letter I have received from my constituents on this subject, and there have been scores of them, expressed disapproval of the Marshall plan and price control. Typical of such letters, I am pleased to quote the following from a letter just received from a leading attorney, a Democrat, of Tulsa, Okla.:

I realize that persons of fixed incomes, as a matter of immediate selfish interest, might be inclined to favor rationing and price controls, but, very frankly, I haven't found anybody that wants price controls reimposed. Even the old-age pensioners, that is, those on the relief rolls, grumble about prices, but they express willingness to go along and let the law of supply and demand operate as it will. You, of course, know how I personally feel about the matter. I am against price controls and rationing, for all the reasons currently expressed by Members of the Congress and the Senate and for many other reasons. It is my feeling that the administration has to some extent badgered the Republican Congress on this issue, and I hope that Congress won't fall into the error of supporting any sort of price controls or rationing. We had just as well be truthful about these matters. The only answer to the problem of scarcity of goods and commodities is production.

Now, about the Marshall plan. I don't think that any plan to feed people to keep them from following this or that political or religious belief will ever work. It seems the administration seeks to scare the people of the country by saying if we do not do this or that communism will spread. And the this or that is always some sort of program which may be camouflaged but actually is a gift of some sort. Communism is simply a corrupt expedient. The ones who are for it and understand it know this, and I am inclined to think that more of those who are given credit for ignorance understand the expediency more than we sometimes imagine. A lot of those who are considered ignorant are not so ignorant but what they see in communism or socialism a way to take away from those who have and give to the have-nots. We have been doing this by law to a horrible extent.

The way to combat communism, socialism, and every other crooked, crackpot ism is to disseminate the truth and emulate it. I haven't found anybody, rich or poor, who thinks that this country can insure the peace of the world by adopting any kind of expediency, whether it be called the Marshall plan or something else. I believe I am correct in referring to the Marshall plan as an expediency.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Anne O'Hare McCormick from the New York Times of January 10, 1948:

ABROAD—THE MARSHALL PLAN AMID THE OMINOUS THUNDER IN FRANCE

(By Anne O'Hare McCormick)

PARIS, January 9.—Secretary Marshall's statement before the Senate Foreign Relations Committee has made a deep impression on that section of the French opinion which was able to read what he said. Unfortunately, that section is small. The highlights of the address were featured in Paris newspapers and helped reinforce Premier Schuman's argument before the Assembly last week when he asked how Americans could be expected to make sacrifices to help France if the French were not ready to take painful measures to help themselves. Less emphasis has been placed in France than in England on what European recovery will cost

Americans and more on the other side of the picture. A large part of the press is Communist controlled and keeps telling its readers day after day that American aid means American domination, that America seeks to use France as a battleground in the war against Russia.

Some of the propaganda is bound to stick. It is hard for Americans to realize the effect of this constant barrage on the confused and weary mind of Europe. With every weapon short of guns, Moscow is waging a real war for Europe, and this war is now concentrated on the Marshall plan. Even the secession movement from the CGT, regarded abroad as a defeat for the French Communists, is described by party leaders as a means of getting rid of "unreliables" and forging a surer instrument to carry out instructions. "It isn't a crowd we want," said one frank Communist organizer, "but an army."

ONLY A LULL

No one watching operations here can doubt that the Kremlin is in full accord with Secretary Marshall that "the whole world hangs in the balance." The French see France as the pivot on which the balance turns. They think the fight on the Marshall plan is concentrated in France.

Let no one imagine that the Communist failure in November or the grudging vote of confidence in the Schuman government means more than a lull in the Communist campaign. Already both the middle class and the peasants are in revolt against the new tax program. Communists are closing up ranks and stirring up the rural population to regain, among the farmers, the ground lost in the industrial centers.

Nothing is settled. The atmosphere is heavy with suspense, breathless and ominous with thunder on the right and left. This is the crucial winter for France and western Europe. The government prepares for another crisis by dividing the country into eight zones, each headed by a high commissioner charged to control the state police in time of emergency. Everybody speaks of trouble in February. The de Gaullists predict that the half measures of the government they call illegitimate will fail to halt inflation and that in a few weeks it will reach the point where the Assembly will be obliged to dissolve and call the elections de Gaulle demands.

They are at one with the Communists in expecting a catastrophe—and doing nothing to prevent it—but are exuberantly confident they have backing enough to take over and deal with it when it comes. Certainly the mystic Cross of Lorraine throws a long shadow over the land, and in the present state of flux, with labor moving and the middle class in a desperate fight to survive, no one can be sure of the final line-up.

THE IMPORTANCE OF UNDERSTANDING

There is no quiet on the western front from Greece to Ireland. The battle might have been lost this winter without the promise of the Marshall plan, but it is very far from being won. Only on the ground can one feel how near the breaking point Europe is and what stamina it takes just to hold the line.

The Marshall statement is welcomed as a sign that Washington understands the critical situation. Americans may think it strange that the comprehension of the complex and desperate nature of their problems means almost as much to the people over here as the material aid they are waiting for. The French especially, too weak and self-absorbed since the war to take the European lead, resent seeing Europe at the mercy of non-European powers. Lately, however, their attitude toward America has changed a little, partly because of the shift in our policy toward France but largely because Mr. Marshall has made occasion to identify us with Europe by referring to it as "the historic base of western civilization of which we are by inheritance an integral part."

There is no question of gratitude, nations are not bound together by loving sentiments but by common aims and common ideas. France, like Britain, pays official tribute to American generosity, but that is about as far as it goes. Our investment in European recovery is regarded everywhere as enviable and envied proof of the power to produce and distribute wealth and as a grand-scale act of self-preservation. Recipients of our aid envy us most, it should be added, because we have the means to do this.

"The most admirable thing a nation can do," a highly placed French official remarked, "is to devote its resources to carrying out a policy of enlightened self-interest. That is what we think you are doing and what Secretary Marshall announces you are doing when he asks Americans to measure their sacrifices against the alternative. For this perhaps you will not get thanks, but you will command something much better—respect."

General Clay Uses Military Method in Dealing With Charges in Germany

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. ANGELL. Mr. Speaker, the following article is the sixth in the series written by Philip H. Parrish, editor of the Portland Oregonian editorial page, on European problems:

GENERAL CLAY USES MILITARY METHOD IN DEALING WITH CHARGES IN GERMANY

(This is the sixth of a series of articles detailing observations recently made in Europe by Phillip H. Parrish, editor of the Oregonian editorial page. The writer spent 7 weeks in Germany, Austria, France, and England.)

(By Philip H. Parrish, editor, the Oregonian editorial page)

That brings me to a job I would just as soon skip—that of making an estimate on how well our American representatives are doing in actual administrative work in conquered Germany and liberated Austria. The complications are infinite and my study has been limited.

However, I have tried to give a practical glimpse into the lives of the people of Germany's thronged industrial centers as they struggle to keep fed, clothed, and warm enough to survive. Then we have seen something of the other side of the city-country conflict and association—the peasant counting his grains of wheat and cunning ladling out his liters of milk to the government collectors. There remains, before we close with the international problems which in the end will decide the whole tumultuous picture, this matter of how proper a job is being done by Gen. Lucius D. Clay in Berlin, Lt. Gen. Geoffrey Keyes in Vienna, and members of their staffs.

Both men appear to have the almost undivided respect of the American personnel on the scene, including the resident American press correspondents. That in itself is a high compliment.

In the case of General Clay, I intend to be cautious of news stories out of Germany in the future, not because he would influence them but because his frankness and friendship has made the correspondents his partisans. Then General Keyes is particularly beloved as well as respected.

NATIVES FEAR CLAY

On the other hand, General Clay gives an entirely different impression to the Germans. When he rises before the Laenderrat—the joint German governmental council in our zone—or before any other German group, he is stern and unsmiling. I inquired of every German I met along the way, and all fear him. His edict that they must work harder if they intend to eat more bothered them particularly, since they profess they do not know where they could work that would give them more food. Perhaps General Clay is right in maintaining the severe mien. It is the universal judgment that Germans are inclined to cry over themselves, more so if encouraged, and that the only way to stop them is to be strictly military.

Anyhow, that is the policy, with a history that goes back to General Dahlberg's mistake in breaking a chicken wing with the late Herman Goering, and to the strict orders against fraternizing issued when the fighting stopped. It has the drawback of keeping our American officer personnel decidedly naive concerning the people they are overseeing and trying to reform, but it prevents the corruption and break-down which could come with unlimited fraternizing and unlimited sympathy. I am simply reporting that General Clay still practices austerity with the Germans and that his example is official for our forces, though with decreasing effectiveness down through the grades.

And that leads into the great paradox now existing. Though we still maintain the stern attitude of the military conqueror, that is no longer our actual practice. We don't give orders any more, except in extreme cases. Last year's elections were held throughout our zone of Germany, and governments were set up, under appropriate constitutions, in the states of the zone—Bavaria, Wuerttemberg-Baden, and Greater Hesse.

LOCALS GET POWER

Then we passed virtually all powers of government back to the Germans with the admonition:

"We will tap you on the shoulder when we don't like what you are doing."

Personally I don't like a lot the Germans have been doing—and more specifically what they haven't been doing—but I don't find much tapping on the shoulder.

What has happened is the clearest possible proof that the political forms of democracy as we know them, such as regular elections and city, county, and state governments, are forms only. They are meaningless unless they spring from an inner understanding and determination on the part of the people. There must be democracy in education, religion, economics, and in legal procedure as well. There must be adherence to the bill of rights—freedom of speech, press, conscience, and public assembly. Without these the political forms are valueless to the people, and only serve as tools for the ambitious.

That is how affairs threaten to turn out in Germany.

We gave them political democracy eagerly and with the best of intentions—told them to run affairs for themselves.

REFORM LACKING

But we did this without reforming the offensively aristocratic educational system, without exacting concessions from the Catholic forces so powerful in the south or the Protestant forces so strong in the north, without breaking down the Schachtianism (after Herr Schacht, the economic dictator) which reduces all German economic life to government order, without reworking the government-controlled courts, without mak-

ing certain of the survival of a free press—without, indeed, bothering about a lot of detail that looms overwhelming in retrospect.

Enjoying self-government, and not understanding the reforms suggested to them, the Germans bow their Bavarian or Swabian necks and procrastinate or refuse.

Take education, the United States has made just one great contribution to world educational practices—the common public school in which every child is supposed to have his chance on a basis of equality. (In spite of the modified aristocratic system in Britain, the people of the United States believe the common school to be a fundamental of democracy.) Yet, we apparently have let slip all chance of getting it accepted in Germany, and Germany has a system which, though dramatically successful with chosen individuals, is the absolute negation of democracy.

FAVORITES GET BEST

In Germany the method is to separate the "begabten" (gifted) from the "unbegabten" (ungifted), at the end of the fourth year. In practice the 10 percent named as gifted never fails to include most of the children of the privileged. The 10 percent goes to separate schools and are trained through the thirteenth year in preparation for the universities. The 90 percent designated at the tender age of 9 or 10 as ungifted are herded into the "volkschule" (people's schools), and their subordinate lot in life can never be changed.

The volkschule proper ends with the eighth grade, at which time the pupil, boy or girl, must choose a life's work. He or she ordinarily enters an apprenticeship, and attends a manual training or home economics school 1 day a week for 3 years. Then the boy—suppose he was apprenticed to a mason—could become a journeyman. After 2 or 3 years as journeyman, he could return to school and become a master. Then after another spell of work, perhaps when he was 30, he could take an examination to enter school a final time and become as good an engineer as anyone—but never socially or in the eyes of the German caste system.

EDUCATOR WORRIED

In Wuerttemberg-Baden, which is typical, the "hoehere"—the high schools for the gifted—have one teacher to 33 pupils even now, and nearly all men. The people's schools have around 75 to the teacher, the latter being more than half women. The high-school teachers do not recognize the people's teachers socially.

Admittedly such schools have been responsible for some of the greatest achievements in modern education; admittedly, also, they have supported the most ruthless military system of the modern world.

At our briefings at Berlin we found Prof. Thomas Alexander, of Columbia University, shaking his leonine locks and declaring:

"We did not get this system reformed before we gave the Germans governmental power, and now they are doing everything to prevent reform. But they will be reformed or I'll not remain on this job."

In which case, apparently, Professor Alexander probably will not remain.

In Bavaria, Dr. Alois Hundhammer, the bewhiskered minister of education, backed by the church, has defied the military government and made himself the most popular figure in Bavarian politics. If he were overridden on the educational issue, the Bavarians probably would make him minister-president. In Wurttemberg-Baden and in Hesse the educational ministers have given tentative promises, but only to the extent that the common school training would continue to the end of the sixth instead of the fourth grade. What a way to give democracy to Germany.

"Well, what would you do at this stage?" I was asked by my old friend Payne Templeton, who has the M. G. assignment with the Wuerttemberg-Badden schools. (We squired the girls and climbed mountains together at the University of Montana thirty-odd years ago.)

STATE RULES PRESS

I had to wash my hands of it: "Maybe it is too late. Maybe the whole idea of organizing Germany democratically has gone to the devil, now that we no longer order but only give advice."

And maybe it has.

For example, in the matter of a free press, without which popular government cannot work, General Clay, and before him General McNarney, took creative steps in this direction. They sifted all applicants and granted licenses to those who looked acceptable. Every available pound of paper is going into this press today, and General Clay scrupulously encourages true freedom of expression. But since restoration of government powers to the Germans, he also has felt he should not interfere on behalf of the press.

With what results?

Virtually every mayor in Germany has set up a press office which passes on the credentials and ration applications of members of the press. Does a publisher need a typewriter or writing paper or an allotment of gasoline for his deliveries? The mayor's press bureau must write "O. K." Those who criticize get nothing.

We met with a group of these newspapermen at Stuttgart and another at Frankfort. They told us: "We are starving. We get the minimum of food allotment of 1550 calories a day, when many classes of workers who do not work so hard have been granted more; if we work overtime, it does not matter. But it matters for all others. It is only us who are not recognized * * *. Also, it is difficult when German newspapermen from the Russian zone come down and show their cards granting extra rations."

HUNGER RAMPANT

The situation is quite simple: We have set up a free press in Germany, and invited it to review the governments in the American manner. But we have left to the governments the power of life and death over the press and the individuals conducting it. I don't believe this press could exist even a few months after American removal. I remember too well the weazened young man who leaned across the table at Stuttgart and said:

"I am down to 94 pounds."

He looked as though a pound of beefsteak would be about the price of his corruption.

And so on through most of the social reforms should, I am convinced, have been firmly established before the granting of political power.

But enough for now. There only remains space to say, much too sketchily, that the failures in the democratization of Germany appear to be due in large part to the concern of military government with the more urgent economic conditions. From General Clay down one hears one or another version of the idea that it is no use to talk democracy while people are so hungry. I don't agree with that entirely. The fellows at Valley Forge were not well fed. But it all depends on how one happens to get hungry.

WEATHER IMPEDES

In any event, the first order of business in Germany—right or wrong—has been to get the shattered economy in operation again, and in this respect General Clay and his staff have performed well, in spite of the conspiracy of nature in the form of storm and drought, and the occasional slowness of supplies from home.

A year ago, just when the economic merger of the American and British zones was going into effect, the Continent found itself in swirling storms and the lowest temperatures of a century. Then this summer, at the opposite extreme, all precipitation stopped and the rivers fell lower and lower. The barges which carry much of the heavy traffic up and down the Rhine and its tributaries, particularly the coal from the Ruhr to the steel mills of the upper river and for distribution throughout upper Germany, had to be tied up. Most of them were still tied up when I was there. At Duisburg were great idle rows of them. And in turn this failure of the barges broke down the 30 percent of rolling stock which remains on the railroads.

Yet in spite of all this the American and British merger has had results, and largely, I think, through American impatience and determination.

HOPE POSSIBLE

Industrial production, including mining and power, dropped to a low of 28 percent of 1936 in February 1947. In December, 3 weeks ago, it was up to 42 percent. And industrial employment is up to almost 90 percent of 1936—meaning that adequate recovery is merely a matter of supplies and of more efficient work.

This is in large part the achievement of American M. G. and against remarkable difficulties—against difficulties of "bad food, bad money, bad government, and bad transport."

Something will have to be done about the "bad money" if the Germans are to be made to work hard, but now that a firmer western Germany is proposed, with the French to be taken in if possible, we can look for drastic action in regard to the currency. And with that, if it sticks, I don't see why western Germany shouldn't be able to get along.

Dairy Interests Not Responsible for the 10-cent Tax on Oleomargarine

EXTENSION OF REMARKS

OF

HON. CHARLES R. ROBERTSON

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. ROBERTSON. Mr. Speaker, under date of December 18 Senator FULBRIGHT served notice of his intention to introduce a resolution for the rescinding of all Federal taxes and license fees on the manufacture, coloring, and sale of oleomargarine.

No doubt the Senator is prompted to make this move due to the very high price of butter prevailing today. Those of us who are familiar with the long history of butter and its various problems will recall that all too many years has butter been selling at a price much below its true value. There has been a constant conflict between the farmers of the United States who produce butter and the organized interests of oleomargarine. And the effort has been made to lead the American people to believe that the taxes that have been placed on oleomargarine are restrictive, and a great deal of argument is made because certain conditions have been provided to prevent them from the coloring of oleomargarine to make it appear like butter.

I introduce into the CONGRESSIONAL RECORD with my remarks a comprehensive and very intelligent letter addressed to me on this subject from the distinguished dairy commissioner of the

State of North Dakota, William J. Murphy:

STATE OF NORTH DAKOTA,
COMMISSIONER OF AGRICULTURE AND LABOR,
Bismarck, N. Dak., January 5, 1948.

Hon. CHARLES R. ROBERTSON,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: I realize that you will be especially busy during this session of Congress due to the fact that there are so many important problems which will be presented to you for action. However, I would like to bring to your attention and solicit your support in opposition to a bill which Senator J. WILLIAM FULBRIGHT of Arkansas will introduce in the Senate during this session.

Senator FULBRIGHT served notice on the Senate floor December 18, 1947, as recorded on pages 11590, 11592 of the CONGRESSIONAL RECORD, of his intent to introduce a resolution calling for the rescinding of all Federal taxes and license fees on the manufacture, coloring, and sale of oleomargarine.

The propaganda, as put out by the oleo interests, would lead the consumers to believe that there are restrictive taxes on all oleomargarine sold. This is not true. When oleomargarine is sold in its natural color, which is white, there is a Federal tax of only one-quarter of a cent per pound and I believe you will agree with me when I state that this tax does not in any way affect the retail price of the product. All of their propaganda against restrictive licenses and taxes is nothing more than window dressing for their main objective, which is to repeal the provision of the law which compels them to pay a 10-cent Federal tax on oleomargarine when colored yellow to resemble butter.

They would also lead the people to believe that large dairy interests are responsible for this 10-cent tax on colored oleomargarine and again this statement is not true. Under the regulations issued by the Federal Security Commission at the time Paul McNutt was director, manufacturers of oleomargarine are allowed to add diacetyl to their product and, as diacetyl is a natural flavor in butter, the addition of this flavor in chemical form results in oleomargarine which has an aroma and flavor similar to butter. They also churn this product in skim milk, which further adds to its butter aroma and flavor. The result is that the only protection the consumers of the United States now have against the fraudulent sale of oleomargarine as butter is the 10-cent tax per pound on the product when colored.

This fight between the dairy interests and the oleomargarine manufacturers is not alone conducted to protect the dairy farmers as the consumers are also vitally interested in receiving a product when purchased which is easily distinguishable for what it is. As you know, yellow is the natural color of butter and all butter made, regardless of time of year or type of feed fed to the cows, contains the yellow color in varying degrees according to carotene content of the feed consumed by the cow.

The dairy farmers in North Dakota have a vital interest in the defeat of this proposed bill due to the fact that North Dakota, with over 50,000,000 pounds last year, is seventh among the States of the Nation in butter production. Our consumers should also be concerned, as when they purchase a pound of butter, they should know that they are getting butter instead of oleomargarine.

If this tax on colored oleomargarine is repealed and the enforcement of this law is taken out of the hands of the Internal Revenue Department, consumers of the Nation will have very little protection against the fraudulent sale of this product. The Federal Food and Drug Administration, the agency responsible for the correct labeling of products, does not have any jurisdiction over products in intrastate commerce and it would be a simple matter for the oleo manufacturers to set up plants to color and print this product and market it within the State where such plant is set up. The only law-enforcement agencies we would have to protect the consumers would be the State agencies and without licensing provisions it would be almost impossible to detect and prosecute the violators. I don't believe anyone holding a responsible position in the dairy industry has any objection to the consumers purchasing oleomargarine, but all of us would like to see to it that these consumers are aware of the fact that they are purchasing oleomargarine.

I am enclosing a booklet which is put out by the National Cooperative Milk Producers Federation which contains the history of six actual cases on the fraudulent sale of colored oleomargarine as butter. I call your attention particularly to the information contained on the second page, which I have marked in red, which is definite proof that even the oleomargarine manufacturers themselves were not able to determine the difference between this colored product and butter, as they themselves purchased some of this fraudulent product as butter.

This issue is, in my opinion, so important to the consumers of our Nation that I believe every effort should be made to bring out the facts during the committee hearings and on the floor of Congress so that the people of the Nation will get a true picture of what this fight is all about.

In my opinion it is imperative that the 10-cent tax on colored oleomargarine be retained, not only for the protection of the dairy industry, but also to protect the consumers of the Nation against the fraudulent sale of oleomargarine as butter.

Respectfully,

WM. J. MURPHY,
Dairy Commissioner.

Montana Is Proud of the Butte High-School Band

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. MANSFIELD. Mr. Speaker, I am taking the floor at this time to tell the House about the Butte high-school band. I want the membership to know how proud I am of these boys and girls; their director, Henry Schiesser; and the friends who made it possible for them to participate in the Tournament of Roses at Pasadena, Calif., where they stole the show. I know I speak for the city and the State of Montana when I say I am proud of them, and I want to congratulate every single one of them for their fine performances in Salt Lake; Las Vegas, Nev.; and Pasadena. They are a credit to their school, their city, and their county. They are carrying on the traditions which have always made Butte famous and its people so outstanding.

Montana can boast of its mines, farms, and scenery, but these boys and girls are the resources which we treasure the most. To all of them I want to say "Good luck in the future" and for their performances in Montana, Utah, Nevada, and California a very well deserved "Well done."

Mr. Speaker, under unanimous consent, I am inserting in the RECORD articles from the Butte (Mont.) Standard of January 5 and 6, and from Missoula Sportlite of January 8, 1948:

BUTTE HIGH BAND GETS ROARING WELCOME ON RETURN—MORE THAN 10,000 PERSONS TURN OUT TO GREET YOUNGSTERS AND TELL THEM "WELL DONE" FOR PERFORMANCES

More than 10,000 Butte residents started out Sunday afternoon to give its now nationally famous Butte High School Band an ear-splitting welcome. The band, on a 6-day special train tour of Utah, Nevada, and California, brought the mining city Nation-wide publicity of incredible magnitude.

The Union Pacific station was jam packed when the 12-car special train arrived, and hundreds lined Arizona street leading from the depot to the uptown district. Due to weather conditions, and the fact the boys and girls were dead tired, a parade uptown from the depot was dispensed with, the parade forming instead at the Finlen Hotel and then traversing several blocks of the business district before disbanding at the high school.

The huge throng paid tribute to the accomplishment of the band in being denoted the outstanding band in the Tournament of Roses parade in Pasadena on New Year's Day, a spectacle viewed by more than 1,500,000 persons. It was perhaps the noisest reception staged here since the late William Jennings Bryan came to Butte.

The crowd, which lined Arizona street from the depot to Broadway, quickly moved to the uptown area when word was passed along that the parade would form in the business district. City police officers working under Police Chief Bart Riley and Capt. Emmet Sullivan, and State highway patrolmen under direction of Capt. L. E. Black, ably handled the traffic, however, and there was no congestion although thousands of cars traversed the streets both before and after the parade.

Henry Schiesser and his young musicians, Mrs. Schiesser and the twirling groups, thrilled by the hearty welcome, and despite the fact they just Saturday performed in Las Vegas where shirtsleeves are the vogue rather than overcoats, put on a great homecoming show. They displayed the marching technique and peppery playing which won the top honors at Pasadena, and the applause of thousands in Salt Lake City and Las Vegas.

At Park and Main Streets they staged a 15-minute concert, playing their repertoire of selections which thrilled thousands at the Town and Public Market in Los Angeles, at Union Station in the same city, on Salt Lake's busiest street intersection and before thousands in Las Vegas.

During its uptown concert the band played California, Here I Come, the Victors, in compliment to the University of Michigan, which endeavored, but to no avail to have the band play in the Rose Bowl, the Notre Dame Victory March, in honor of boys and girls central high schools, their own school song, On, Butte High School, and as concluding number, Thanks for the Memories. This last was dedicated by the band to the residents of Butte and of other cities in the State, who made possible through contribution of $25,000 the band's trek.

The special train's arrival in Butte was approximately 2 hours behind schedule due to the fact that the tremendous reception in Las Vegas on Saturday, followed by a sightseeing trip to Hoover Dam, ran over the allotted time in that hospitable city.

The band's welcome home really started at Dillon where residents of Beaverhead County

gathered on a rain-swept station platform to cheer as the train went through that community.

On board the special as it neared Butte the youngsters and adults aboard held a birthday party in honor of Jackie Perry, 18-year-old twirler, then held an Auld Lang Syne reception.

Band director Schiesser presided and introduced Eddie Price, chairman of the arrangements committee, who was given a fine ovation for his work. Price, in turn, complimented Mayor Barry O'Leary for his participation on the trip, with the mayor also receiving a big hand from the band group. Principal George Haney praised the boys and girls for their fine work in publicizing Butte, saying:

"In my 20 years of school work I have never been prouder of any group of boys and girls. Your discipline has been perfect. You are to be highly complimented for your splendid success."

Director and Mrs. Schiesser were given rousing cheers when praised for their superb direction.

J. D. Ford, agent for the Union Pacific, who made the entire trip with the group, and the various railroad and pullman company employees all came in for their share of appreciation.

But, it was not all one-sided. The band and Butte party in general were likewise recipients of compliments from the railroaders. One of the nicest tributes paid the band was a written statement read during the reception. It was signed by L. L. Young and George W. Price, representing the dining and pullman car attendants and read as follows:

"As members of the crew we wish to congratulate a wonderful group of people, and also a well-behaved group of children from Butte, Mont."

Followed cutting of a birthday cake for Twirler Perry and the band assembled in their respective car units to await departure from the train. The honking of automobile horns by cars parked along the railroad tracks from the station to Montana street was the first inkling the youngsters had of the reception awaiting them here.

After disbanding at the high school following the parade, the boys and girls were taken to their homes by their parents or in cars provided through efforts of John E. Corette, Jr., who with Carl G. Rowan and Ed DeGeorge served as aides to Chairman Price during the trip.

The youngsters did a great job of publicizing Butte. They had one major disappointment. They did not play in the Rose Bowl as they had been previously invited to do.

The reason is not difficult to understand by anyone who watched them perform on arrival in Los Angeles. The reason given by the University of Southern California, which opposed the plan, was that it would set a precedent if high schools were permitted to play at the Rose Bowl game, and that press of time would not permit such an appearance. This announcement was made on the afternoon of December 31 or less than 24 hours before game time.

But, they're the toast of the Tournament of Roses parade, Los Angeles proper, Salt Lake City, and Las Vegas. And, as good-will ambassadors they did a wonderful job. Here's an example:

Chief of Police R. F. Malburg, of Las Vegas, said after the band's performance there:

"This is the finest thing that has ever happened here. I want Butte residents to know that we of Las Vegas feel indebted to them and that if at any time a Butte resident lands at the Las Vegas airport and is unable to secure immediate transportation to the city he or she is to call police headquarters. From today on there'll be a standing order at the station to care for Butte people here in that manner."

Butte High Band Members Cheered for Michigan in Rose Bowl

Thanks for the Memories, a hit selection of the Butte high-school band from Salt Lake City on through its Los Angeles and Pasadena appearances, was played by the mining city pageantry musicians as they boarded their special train at Los Angeles for the trip home.

And the Butte youngsters brought many memories back to the mining city. Memories of a great ovation in the traditional Tournament of Roses parade in Pasadena overshadow all the rest. They brought factual souvenirs of their musical triumph in that renowned spectacle in pictures and print. Los Angeles papers were generous in their praise of the showing made by the group. The Los Angeles Times carried a four-column picture of the band and in an accompanying story told of the cheering that greeted the group as it swung smartly down Colorado Boulevard in Pasadena. "Butte was repaid for having raised $26,000 to enter the band in the Tournament of Roses parade by the cheers the band received," the Times said. "The Butte high band marched, and how," was comment of the Los Angeles Herald Express.

Discipline of the band on the trip was superb. Aside from splendid response to signals during its marching and playing, a tribute to the work of Director Henry Schiesser and the ability of Majorette Jean Ann Fisher, the band readily responded to directives of Principal George Haney, and to members of the chaperon group. All adults in the party were impressed with the fine manner in which the band conducted itself all along the line, and this behavior, as much as its great showmanship, was a boost for Butte wherever the group made a public appearance.

Among tributes to the band was one received from Ed Allen, chairman of the Tournament of Roses publicity committee, who said:

"I have never seen a finer high-school band or a group of boys and girls who conducted themselves in such orderly manner."

Gen. Omar Bradley recalled with pleasure his associations with mining city residents during the time he was stationed in Butte, as captain of an infantry unit during World War I. He extended his New Year's greeting to Butte through Mayor Barry O'Leary, Eddie Price, chairman of the general arrangements committee; and Principal George Haney, when the Butte group met the Army Chief of Staff at a luncheon held Thursday at the Brookside Country Club.

Jack Meyers was the only casualty on the trip to the *Helena*. He lost a shoe while clambering up the gangplank. Efforts of seamen in the motor launch to recover the shoe from Long Beach Sound were fruitless.

The University of Michigan band is probably the finest playing and marching collegiate organization in the country. It is, however, a different type of band than that boasted by Butte, in that the mining-city musicians are more noted for pageantry and intricate maneuvering. The Michigan band marches with military-like precision, using a high-step cadence of 180, or 60 over the normal marching time. The Butte band members were deeply impressed by the Wolverines' musical group's appearance in the bowl.

Slick, in their snazzy purple and white uniforms and twirling costumes, the mining city kids were prominent at the bowl in that they led a Michigan rooting section just west of the press box. Three Michigan cheer leaders, quick to take advantage of the Butte group's favoritism for Michigan, led them in cheers.

Fully 2,000 persons heard the final performance of the band played in Los Angeles. The boys and girls, tired as they were, gave another sparkling exhibition of their skill on the Union station patio just before boarding the train. The assemblage included scores from all parts of the Nation who were awaiting departure on the numerous trains leaving California's Gotham. Director Henry Scheisser had planned using only a few numbers on the departure program but was forced to use almost every selection in the repertoire as the crowd shouted, "more, more, more."

John E. Corette, Jr., was not an official entry in the Tournament of Roses parade but he marched nevertheless. Mr. Corette followed along in the wake of the band and garnered comments of hundreds of spectators.

"It was one continuous ovation for the 14 blocks I hiked," the vice president of the Montana Power Co. said.

Maurice Cantlon, chief of police of RKO-Pathe, Culver City, and formerly of Butte, was the recipient of the heartfelt thanks of the entire Butte party. Cantlon, on New Year's eve, took uniforms of the entire band to the RKO cleaning plant, and through cooperation of that picture company, had the outfits cleaned and pressed for the New Year's day performance at Pasadena. Sgt. Jimmy Cook of the RKO police staff took over the obligation of returning the uniforms to the special train. He brought them back at 4 a. m. New Year's morning.

Johnny Crowley, one-time Kalispell resident, now chief of the fire department of Culver City, was another big help. Johnny provided transportation to and from the Alameda street station for members of the Butte party and also to points along the band's sight-seeing tours.

Sheriff E. W. Biscoilu of Los Angeles County provided a 24-hour guard for the special train while it was stationed in Los Angeles.

Jimmy Trucano, Butte high, '22, was among the receptionists at Twentieth Century Fox Studios in Beverly Hills. Jimmy, who played with such Purple and White football stars as Tom Walsh, Tom Grady, "Chappy" Chapman, and the late "Shoes" O'Connor, is employed at the studio. He had previously informed his associates of the splendor of the band, and the boys and girls, playing on a lawn before a mansion set used in "Foxes of Harrow," didn't let him down. Carpenters, electricians, gardners, camera men and extras, all took time out to watch filming of the group for Fox Movietone News.

Elliot Levy, former Butte resident, now living in Las Vegas, cried as the band staged its stirring concert at Fremont and Second in Las Vegas. "Haven't wept for 10 years," he said, "but I'm so proud of those kids. They'll be the talk of Las Vegas for a long time."

A beautiful girl on a sleek, black horse, trailed the parade leaving the Las Vegas station. On the counter march she headed the show.

"We don't know who she is," R. W. Elkins of the Junior Chamber of Commerce said, "she wasn't invited to take part but she's doing a fine job of it."

A Lot of People Get a Different Slant on Butte

We have an idea that millions of citizens from all parts of the Nation have a totally different notion of Butte, Mont., the richest hill on earth, after having seen the Butte high-school band perform during its week-long invasion of metropolitan areas from here to the Southwest coast and back again. The fact that Butte is rich not only in metal deposits but rich, as well, in the finer things of life may have come as a distinct surprise

to many people whose only impression of the mining city had been acquired from reading an almost continuous flow of magazine articles and books over a long period of years.

Of course, the mere fact that writers of national reputation had found Butte interesting copy may have indicated to the more discerning readers that people of Butte and the city itself possessed a much more substantial quality that the scribes had been willing to admit in their articles and their books.

The appearance of as fine a high-school band as exists anywhere in the Nation before the eyes of millions of people in Salt Lake City, Los Angeles, Pasadena, Las Vegas, and at way points thus has served to present the city of Butte in a light which has not been possible heretofore.

Butte citizens staunchly maintain that the old mining city has character. That it has color, traditions, unique local customs, ideals, ambitions, and all the other ingredients which go to make up a metropolitan community goes without saying. It is the peculiar mixture of all the various ingredients of a person or a community which add up to the one significant thing called character.

And the Butte high-school band stands today, as a result of its invasion of a broad outlying area, as a representative of the true character of Butte.

From all quarters have come the highest praise of the precise marching, maneuvering and playing of the Butte high band. Its being voted the outstanding band in the Tournament of Roses parade is testimony of this.

But perhaps much more significant is the fact that also from every quarter has come the highest praise of the fine young men and women comprising the band, their excellent behavior and discipline everywhere and their well-groomed, fresh, and wholesome appearance.

This, as the saying goes, is the pay-off.

Butte and all Montana may boast about production of the finest metals, crops, livestock, lumber and other materials. But all this is secondary. It's the young people that count.

The people of Butte and of all Montana doubtlessly were paying an unconscious tribute to the youngsters when they chipped in $26,000 to send the Butte high-school band to the Tournament of Roses. The money may be considered as having been repaid with tremendous interest already. The dividends will continue to roll in for years.

As for the youngsters themselves, they will have their memories. They said thanks Sunday afternoon in a demonstration at Park and Main.

[From the Sportlite of January 8, 1948]

BUTTE'S BAND LAUDED

This piece could be written in the hat's-off column, but it would be a bit late, inasmuch as a couple million Californians already have been lavish in their praise for the now nationally famous Butte (Mont.) High School Band.

Besides, it is no secret to all of Montana today that the 136-piece prep band from the mining city and its capable director, H. J. Schiesser, are the toasts of the Treasure State for their magnificent showing in the recent Tournament of Roses parade at Pasadena, Calif. Thousands upon thousands of spectators cheered Butte's marching musicians who occupied the No. 1 spot in the colorful pageant on Colorado Avenue, and with every step taken by the Butte boys and girls it brought acclaim to the mining city and all of Montana.

QUINN QUOTES

Frank Quinn, veteran newspaperman with the Butte Daily Post, who accompanied the band to California, proved adept at prying information out of celebrities. The roving reporter derived speeches from governors, admirals, colonels, prominent businessmen—all of whom extolled the merits of Butte's musical organization.

Perhaps most notable of the praise for the "note makers" came from California's Gov. Earl Warren. He said:

"I think it was a splendid thing for the people of Butte to join together in sending the Butte high-school band to the Tournament of Roses. I know that these splendid boys and girls will enjoy their visit to Pasadena and their presence was most welcome. It is a grand organization."

In their flashy uniforms, the Butte youngsters performed an intricate routine with perfect precision, putting personality, cheer, and color into every step, every note. As writer Quinn put it: "The mining city—in fact, all of Montana—can be justly proud of the flashy performance of these youngsters."

To us the showing of the Butte band symbolizes the paramount item that has stood out for years and years in the mining city's athletic teams—competitive spirit. The music-minded boys and girls gave it that extra "oomph" which brought their efforts higher and into more prominence than if they had just gone through the motions.

California's papers splashed stories, features, and pictures of the Butte band and all comment was favorable toward the Montana music delegation. To the California writers the band had much more luster than the University of South California football team, which certainly hit a few sour notes on that memorable Thursday afternoon.

Bombs, Bonds, and Burdens

EXTENSION OF REMARKS

OF

HON. ALBERT M. COLE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. COLE of Kansas. Mr. Speaker, under leave to revise and extend my remarks, I include in the Appendix of the RECORD, a copy of the radio speech made by me over NBC, January 9, 1948.

The two atomic bombs which, 29 months ago, brought victory in Japan, cost a billion dollars each to produce.

If the billions we spent to win World War II had all been used to buy atom bombs at this price, this Nation would have made 331 such bombs during the years from 1941 to 1945.

And if, after World War II, this country had been permitted to destroy, as a safety measure, only those atom bombs it had paid for in cash, it would still have on hand 180 bombs liable to explode at any minute. It would be forced to use any available means to prevent such an explosion—a blast of such magnitude that it would certainly wreck the United States as a nation.

We are, of course, in no present danger of an atomic explosion of this size. But we do have a public debt of $256,000,000,000 (and 180 of these billions stem directly from the money cost of World War II). Each of these billions can, unless systematically paid, cause a fiscal explosion as destroying to property as the impact of an atomic bomb.

Our Government can liquidate this war-created obligation if it chooses. For example, it could repudiate it through a method recently used by the Soviet Union; it could declare that the two hundred and fifty-six billions it now owes as a result of World War II will henceforth be worth only eighty-five billions. In other words, it could say, "Instead of waiting for all of our debt to explode, let's explode two-thirds of it right now." The price of any experiment of this type is, of course, a rigid dictatorship; and no American Government is, as yet, openly willing to pay this price.

But what the Truman administration would not dare attempt with an atomic push-button, it is perfectly willing to risk with a slow-burning torch.

It has not, and will not, resort to open repudiation—it will not explode all at once most of our bomb-laden war debt. But it has openly sought to minimize the burden of our war debt by resorting to inflation. When the cost of this inflation, in high debt, high taxes, and high prices brings protests from voters, the Democratic Party does not offer to end inflation; it simply offers to use inflation for its own ends by establishing an economic dictatorship in Washington. Faced with the necessity of increasing production, it prefers to ration scarcity.

This is the administration which told us after VJ-day that the United States should have a $30,000,000,000 budget, a national income of $130,000,000,000, and a permanent debt of $260,000,000,000. More than 2 years later, it is firmly addicted to huge budgets that involve from three to six billions of unnecessary, and, therefore, inflationary spending. This policy has boosted the national income to two hundred billions. If the administration does not curb its own spending, it will boost the 1948 national income to an inflationary high of $230,000,000,000—and each one of these dollars will have a purchasing power of 45 cents. At this pace, we shall be assured within the next 4 years that a per capita debt of $1,600 won't matter because it will be balanced by a per capita income of twenty-one hundred. These dollars, however, will have only a purchasing power of 25 cents. We shall also be told that an interest burden of $6,000,000,000 is only 2 percent of our national income, and is, therefore, of no particular consequence.

But, to redeem our present, tremendous debt, we need not hold to the administration's plan of accomplishing through a creeping inflation what we would not dare attempt through a Soviet-style repudiation. We are not faced with the unpleasant alternatives of destroying our debt burden through an explosive repudiation of consuming it with the slow fire of inflation. Properly harnessed, the material which produces an atomic explosion will yield beneficial atomic power. Properly harnessed, our explosive national debt can give us the power to find and retain peace and prosperity.

Of our present public debt, one-fifth is held in United States savings bonds by individuals. About one-eighth is owed by the United States Treasury to agencies of the United States Government or of the United Nations. Roughly, one-third of our total debt may be counted an asset rather than a liability. But the remaining two-thirds constitutes a potent and continuing threat to our prosperity unless properly handled through a program of steady and consistent debt reduction. These marketable billions—which can be sold for cash at the discretion of their owners—are the economic bombs which must be transformed into power plants during the next 20 years, if this Nation is to preserve its prosperity.

Of this vast sum, $47,000,000,000 is in low-interest debt, subject to annual redemption or renewal. The remaining $118,000,000,000 is held, however, in high-interest bonds; and these bonds, unless they are paid off as they fall due, must be renewed for periods of as long as 20 years. In other words, they will become a liability of the next generation; and since it is human nature to pay only those debts which are incurred for one's own benefit, to renew a bond issue on such long-range terms, is to create perpetual debt at a high rate of interest.

This is the path which the Truman administration is now relentlessly pursuing. While insisting that taxes be maintained at their present level to reduce the public debt, it proposes a tax-reduction measure which, through its rigid forty-dollar credit, regardless of income, would manage to increase food prices and discourage food production. The administration which would now penalize corporations for prosperity is also the administration which, in 1945, willingly reduced tax rates on corporations. Through forty billion dollar budgets, Mr. Truman boosts inflation. At the end of each year, many departments have large, unspent funds which tax even the skills of money-mad bureaucrats. These scientific spenders do a good job, however, in tossing these surpluses out of Washington windows at the end of each year, in the hope that the Treasury will not be unduly rich with unspent funds. These wasted sums are sufficient to solve most of our current debt problems.

The administration has been forced to this costly measure by its own uninhibited extravagance. It refuses to save money for debt reduction by curtailing Government spending; it seeks, rather, to curb your spending and mine through high taxes, rationing, and price control. It realizes, as I have suggested in a bill now before the Congress, that we must set aside $10,000,000,000 each year to pay the interest and principal of our national debt. But it contributes not 1 cent to this debt-reduction fund through its own efforts, even though a vigorous savings program might yield $9,000,000,000 during the next 18 months at no cost to the taxpayer. Its program remains the notorious "spend and spend, tax and tax, elect and elect" of the threadbare thirties.

Foreign aid, debt reduction, and tax reduction are not conflicting aims, although the administration is apparently willing to spend our last dollar to prove they are. Each of these aims can be made to help the other. In fact, if they are not made to work together, there is grave danger that each aim will fail separately. Properly administered, foreign aid will stimulate production and substitute useful goods for virtually worthless foreign currency. Properly administered, a planned debt reduction of five billions each year will trim Government costs, safeguard our savings, and release for private investment and production, money now kept idle in explosive Government bonds. Properly carried out, tax reduction can stem inflation by heading off demands for wage increases and improve our standard of living by encouraging production.

Through its present policies of unchecked spending, high taxes, and rising high debt costs, the Truman administration is bound to assure prosperity for bureaucrats by increasing, beyond all present limits, the burdens on all other Americans. By channeling into more constructive efforts, the energies it now wastes through inflationary spending, the administration could redeem our bonds, curb our tax and cost-of-living burdens, and forestall the chance that bombs will fall in another great war during this generation.

"We Are Overextended"—Lippmann

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including a pointed editorial by Mr. Walter Lippmann which appeared in the Washington Post. He points out the danger that exists at the present time in this matter of foreign aid and inflation:

WE ARE OVEREXTENDED

Never more than in the next 6 months while Congress is in session will so much depend on whether practical judgment is to be the master of our fears and our wishes. Practical judgment is first of all the act of comparing what this country can do with what if it were not opposed, or if it were omnipotent, it would be desirable to do. It will be obvious that it is impossible to do everything for which a strong, even a compelling, case can be made. Practical judgment then consists in choosing to what ends the available limited means shall be applied.

It is the principles of practical judgment which distinguish common sense from hysteria, and statesmanship from agitation, and national commitments which can be realized from entanglements which end in bankruptcy.

The necessity for practical judgment confronts us now because the claims upon our resources, our military power, influence, and competence are now excessive. They cannot all be met. The total will have to be reduced. The question as a matter of fact will be whether the total claims are to be reduced crudely and without a plan by Mr. TAFT and Mr. TABER, who will look at the budget but not at the high national interest, or whether they will be reduced by selection on the considered decision of Mr. Marshall, Mr. Forrestal, Mr. Snyder, and Mr. Harriman.

I think it is fair to name these four principal Cabinet officers as the men who must in agreement make the decisions, with the President's approval, which will bring into balance our responsibilities and our over-all resources, our commitments and our power, our means and our ends.

The limiting factor in making this decision is that the productive capacity of this country is now fully employed and cannot be expanded very much very rapidly. In the primary components of national wealth, in food, in raw materials, in steel, and in transportation, there is, of course, room for greater efficiency, harder work, better management, and productive investment. But for the practical purposes of those who make national policy the net improvement possible quickly is negligible as compared with the immense totals. There is not now, as there was in 1940, a very large reserve of unused facilities and unemployed labor.

Against these inelastic resources we must measure the claims. First and foremost are the huge deferred claims, the unspent purchasing power, accumulated by individuals and corporations during the war. This is the domestic inflation. It is, moreover, of a kind which is creating more inflation, and could potentially through the expansion of bank credit create almost unlimited inflation. If this inflation is not checked drastically and resolutely by taxation, a budgetary surplus, and by monetary restriction, it can devour all the means which we must find to maintain our military security and to support our foreign policy.

If the Democrats and the Republicans cannot agree on an anti-inflationary policy, the Kremlin will not have miscalculated when it holds that a domestic crisis in the United States will change the world situation in their favor. But the Democrats and the Republicans will not agree, and the real issue will be lost in cheap politics, if the Administration does not concentrate its effort on checking the cause of inflation rather than on demagogic palliatives to deal with the high prices which are only the effects of inflation.

The inflated claims of American consumers and of American business enterprise upon our limited resources are in competition with many other claims. The two principal ones come from the armed forces and the State Department. Here decisions of high policy will have to be taken. For it will be impossible at one and the same time to find the funds for a strategic Air Force, a Navy which commands all the oceans, a ground Army based on universal service, research and development of new revolutionary weapons, the Marshall plan for western Europe, the occupation and reconstruction of enemy territory, the support of Greece, Turkey, Iran, the Arab states, and China, and our implied obligations under the good-neighbor policy.

We are morally and politically over-extended. Decisive choices, each of which involves sacrifice, risk, losses, and deep misgiving are, therefore, unavoidable. We are at a point where the Truman administration cannot please all the services, all the departments, all the specialized divisions of the State Department, all the countries to which by its unconsidered and no doubt well intentioned declarations it is morally committed.

The process of deflation is an exceedingly painful process, especially for a democracy, especially in an election year. But we can no more avoid it than could the Russians, who have deflated themselves brutally but effectively, or than the British who are struggling with it, or the French who are face to face with the imperative need for it. Our margins of safety are greater than those of any other great power. But our commitments and our obligations are also greater, and the necessity of making both ends meet is now squarely before us.

We shall have to have from Secretary Forrestal a decision, as is required under the new military legislation, on how our military investment is to be allocated. We shall have to have from Secretary Marshall judgments as to where on the great globe our diplomatic effort is to be concentrated and pushed forward decisively. And in the presence of these decisions we shall have to concentrate our attention, refusing to let it be dispersed all over the surface of the earth. For the earth is much too large, and its troubles and disorders much too extensive, for us to regard ourselves as the ultimate fixers of everything everywhere.

The Wallace Candidacy

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. NORBLAD. Mr. Speaker, I wish to call the attention of the House to an excellent editorial on the Wallace candidacy, written by Verne McKinney, an outstanding newspaperman in my State. The Hillsboro Argus, in which this was published on January 8, has, under the ownership of Mr. McKinney, won a number of State and at least one national journalistic award:

THE WALLACE CANDIDACY

Henry Wallace has envisioned himself as the savior of the world and is going to give the American people the opportunity to vote for him as an independent candidate for President. It is probably just as well for him to come out in the open so that the electorate can reveal its good judgment.

He has listened to the pleas of the radicals and the acclamation of Communist Party organs to the point where he is convinced that he is the hope of the world. The former Republican and then Democratic Secretary

of Agriculture, then Vice President, and then Secretary of Commerce has taken an appealing slogan—"Peace and Prosperity"—which, without question, everyone wants, but because of their common sense have different ideas as to how to reach that goal. Doubtless, every candidate will be for peace and prosperity.

While serving as Secretary of Commerce in President Truman's Cabinet, Wallace criticized the Nation's foreign policy at a time when the then Secretary of State James Byrnes was in the midst of a critical conference with world powers in Paris, jeopardizing our position and creating doubt as to our policy in the minds of other Government representatives. After resigning by request from the Cabinet he went abroad and criticized our policies before peoples in other lands, which to many seemed in very poor taste and a disservice to this country.

Wallace has charged that the present bipartisan foreign policy, which means standing firmly for the things for which this country fought, is leading us into war. The Wallace view, as we see it, is one of appeasement and opposition to adequate preparedness, which have proved in error twice within the lifetime of most Americans.

He opposes the Marshall plan of aid to Europe on the ground that it divides Europe into two warring camps, yet all nations, including Russia and her satellites, were invited to participate in the recovery program. He says he will fight against the spreaders of hate and falsehood against Russia, but what else could develop from such withering propagandistic blasts as were leveled against this country by Vishinsky and Molotov, of Russia, in recent months. Surely peace-loving Americans want understanding but what chance is there for it when nothing but abuse and insults are heaped upon us.

Wallace declares flatly against universal military training, which has been declared necessary by those charged with the defense of this country and is backed by the American Legion and Veterans of Foreign Wars, men who know from experience the need and value of adequate training and defense. Our deplorable lack of preparedness in 1917 and 1939 only served as encouragement to the forces of aggression.

Much of the Wallace support has come from the extreme radicals, from Communists and their official organ, The Daily Worker. Communists in their zeal to throw a monkey wrench into the Marshall plan for the recovery of Europe have called for the formation of a national third party under the leadership of Wallace. Nowhere have we seen any repudiation by him of such support.

Oleomargarine

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. BUCK
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. BUCK. Mr. Speaker, under consent to extend my remarks in the Appendix of the RECORD, I include the following editorial from the New York Times of December 20, 1947:

TIME FOR COMMON SENSE

For 61 years, ever since 1886, the sale of margarine has been conducted under the handicap of restrictive and discriminatory law. Dairy and farm interests, affecting a tearful and altruistic concern for the consumer's welfare, have managed to block at almost every step the efforts made through the years to lift this yoke laid down in Federal and State law. Now Senator FULBRIGHT of Arkansas is determined to try again. He has introduced a bill to repeal all Federal taxes on margarine on grounds that they are directly opposed to the spirit of free enterprise. He sees these taxes and license fees as the only levy made on a domestic product for the benefit of a competing product.

With butter at about $1 a pound retail; with hospitals, schools, and other institutions struggling to keep their heads above water because of high prices and either forced by law to serve no margarine or otherwise handicapped in its use; with some States barring entirely the sale of colored margarine; with the people of low income who are the heaviest users of margarine bearing the chief burden of the unjust, discriminatory tax—surely this is the time to stop listening to the sob stories of the interests fighting margarine and to begin listening to the people as a whole.

Congress needs no long hearings to get the facts on this old story; if it needs to do any more than consult common sense it can examine the 317-page record of Senate committee hearings held in 1944. Albany also has some work to do on this question, and so have many other States. Margarine should be plainly identified. It should be subject to the same pure-food safeguards as anything else to be eaten. It should be produced, sold, and used on the same basis as butter.

Indian Traders

EXTENSION OF REMARKS
OF
HON. WILLIAM G. STIGLER
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. STIGLER. Mr. Speaker, under leave to extend my remarks, I wish to include the following article written by Mr. Frank C. Waldrop, entitled "Indian Traders," which appeared in Sunday's Washington Times-Herald, January 11, 1948:

INDIAN TRADERS

(By Frank C. Waldrop)

Here is a little story about Mrs. Ruth Muskrat Bronson and her friends. Mrs. Bronson is a vibrant ladies' club speaker and registered lobbyist at the Capitol for the National Congress of American Indians. But let's just let this one go from left to right, in the order named, and see what happens:

1. Last year Secretary of the Interior Cap Krug, who looks after Alaskan affairs, asked Congress to pass a law opening the Tongass National Forest in Alaska to modern world development.

Specifically, he asked the power to join with the Secretary of Agriculture in appraising the timber and selling off cutting rights to make newsprint and other pulp products so badly needed on the west coast.

2. Tribes of Indians live in the Tongass region. It's a question whether they have any legal, titular claim to anything, since the United States Government bought Alaska outright from Russia on June 20, 1867, and the title passed between the two Governments without any provisions for Indian tribal claims of any kind.

But, nevertheless, Uncle Sam is a softhearted guy.

And so when Congress passed a law last summer authorizing the projects requested by Interior Secretary Krug, a section was inserted specifically requiring that all money from the Tongass timber sales be put in a special Treasury account until the rights to the land and timber are finally determined.

3. It looked like a good deal for some enterprising pulp and paper outfit to go up to Alaska and do some pioneering, also make paper for the United States west coast, which is so badly in need of same.

So the Puget Sound Pulp & Timber Co., of Bellingham, Wash., got set to bid for the timber rights and put up a papermaking plant costing around $16,000,000.

4. Whereupon, the Puget Sound Pulp & Timber Co. got a letter from Washington, D. C., signed James E. Curry, advising them that his clients, the Tlingit and Haid Indians of Alaska, would be heard from in the law courts and under no conditions to put any faith in certain bureaucrats who might say otherwise.

You can imagine how quickly Puget Sound Pulp & Timber Co. lost interest in putting up a paper mill on land that the Indians and the United States Government would have to fight over with Puget Sound Pulp & Timber Co. as grass under the elephants' feet.

5. Just by chance, there is a James E. Curry listed as counsel to the National Congress of American Indians, for which Mrs. Ruth Muskrat Bronson is lobbyist.

And just by chance, last summer after Interior, Agriculture, and Congress had hotted up the Tongass deal, Mrs. Ruth Muskrat Bronson drifted up to Alaska. And just by chance, she discovered that Indians up there were afraid they were going to lose the timber and so begged her to help them.

Next thing anybody knew, there was James E. Curry up in Alaska doing about, and lo and behold in time it came to pass that the Timber Development Corp., No. 9 Rockefeller Plaza, New York City, found itself with contracts from Indian tribes up there for timber rights.

The contracts each affected a specified $10,000,000 worth of timber. And to tie up the Indians' ownership, if any, Timber Development Corp. deposited with the tribes $500 per contract.

Nice work, a $500 binder for a $10,000,000 deal, is it not? It is.

For the record it appears that Timber Development Corp. was organized by a New York attorney, Richard G. Green, No. 9 Rockefeller Plaza, and as he says himself the incorporators are all people in his office.

6. The Agriculture Department, through Chief Forester Lyle Watts, has denounced the Indian claims and said the Forest Service will oppose them. He invites pulp and paper makers to bid and get started developing Alaska. But Curry, Timber Development Corp., Mrs. R. M. Bronson & Co., have scotched all that.

In fact, Mrs. Bronson put out a press release here last month after the third contract between Alaskan Indians and Timber Development Corp. had been signed, flatly forecasting:

"* * * litigation that will bring to a head the conflict over ownership of timber in Southeastern Alaska that has been simmering for more than 20 years between the Indian inhabitants of the area and the Forest Service of the Department of Agriculture."

She said the Indians are sticking by the Interior Department in its interminable bureaucratic war for power against agriculture, and that "Interior Department officials have urged the Indians to proceed to cut and dispose of their own timber resources, notwithstanding Agriculture Department objections."

But just the same, the forest service will invite bids for timber in Tongass forest in a few weeks, offering a United States Government contract on the same trees the Indians have already sold to Mrs. Bronson's pals.

So here we have Interior Department bureaucrats pulling one way, Agriculture another, pulp companies scared to bid for fear of lawsuits, and lawyers forming timber development corporations nobody every heard of before, and Mrs. Bronson busy lobbying.

When is the United States Congress going to investigate this sort of deal and clean up the whole Indian mess?

Truman Message to the Congress Held Bid to Left-Wing Element for Campaign Support

EXTENSION OF REMARKS
OF
HON. CHARLES R. ROBERTSON
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. ROBERTSON. Mr. Speaker, Mr. David Lawrence, who in my personal judgment is one of the most accomplished writers of the country, analyzes correctly the President's speech on the state of the Union in a syndicated article appearing in the Evening Star of January 8, 1948.

Under unanimous consent, I include it herewith:

TRUMAN MESSAGE HELD BID TO LEFT-WINGERS FOR CAMPAIGN SUPPORT—PRESIDENT SEEN VEERING FROM MIDDLE OF ROAD TO ATTRACT RADICALS

(By David Lawrence)

President Truman's message to Congress is a historic document—mostly because it signifies a complete turn by Mr. Truman to the radical left.

Until now Mr. Truman has been regarded as possibly following a middle-of-the-road course. Now he has embraced radicalism wholeheartedly. Whether this is a victory for Henry Wallace and an effort to keep many Democrats from following the third party or whether it represents a determination previously arrived at to make the issue of the 1948 campaign a fight in behalf of the radical point of view is not immediately explainable.

The first tenet of radicalism is to demolish the profit-and-loss system and wreck individual initiative so that the Government may take over the economic system. Mr. Truman embraces such a doctrine by insisting that all citizens should get the same amount of tax reduction—namely, $40 apiece—irrespective of what they earn. To his way of thinking a skilled mechanic earning close to $100 a week nowadays is on the same level as the unskilled laborer who gets less than that sum in wages.

The man who has spent a lifetime in his profession or in his trade—the doctor or the lawyer or dentist or accountant or college professor or storekeeper—all may earn different amounts but they must be considered on the same level so far as tax reduction is concerned. This is the Truman doctrine assimilated from the industrial union philosophy hitherto championed primarily by the CIO and other radical groups.

THEORY HELD COMMUNISTIC

It sounds all right in theory to say that everybody should get a cost-of-living credit of $40, but it is not this theory that has built America. The idea of penalizing thrift and success and skill and talent is not basically American. It is communistic.

Mr. Truman also accepted another piece of the American Communist Party program—to increase corporation taxes as a means of penalizing the success of those companies.

In wartime high taxes on corporations were feasible because wages and prices were stabilized and controlled. Today, however, if corporation taxes are increased so that every company pays to the Government in taxes 50 cents out of every dollar earned, the chances of raising any money in the investor markets will vanish for many companies.

America's stability today depends on the ability of companies to get working capital to finance their large operations. In one breath, Mr. Truman speaks of the need to spend $50,000,000,000 on expansion of American industry and in another he says the corporations must be taxed at much higher rates, forgetting, of course, that a cut in the rate of earnings will demolish the entire structure of credit for financing the expansion of productive facilities. It will also tend to kill competition and promote monopoly. It will stunt the opportunities of small companies to compete with large ones. Only by retaining earnings can small businesses be built up today. Risk capital is unavailable to them.

WOULD BRING DEPRESSION

Everybody who is at all familiar with the processes of industry knows that it is necessary to improve machinery and facilities if prices are to be brought down through increased productivity and efficiency. Mr. Truman, without stopping to think through his own recommendations, has swallowed the CIO propaganda about corporation profits. If the Truman program were adopted, it would bring the worst depression in all history. The only scheme the radicals would offer to remedy the situation then would be state socialism, which is but one step removed from communism.

The message is indeed historic. It means that New Dealism has been revived and that radicalism is going to be the Truman campaign program. Against such a program, the nonradical forces of America will doubtless be mobilized. The task of nominating a leader to fight radicalism has been made easier for the Republicans. Once the country understands the real meaning of the Truman proposals and their threat to employment, it will elect almost anybody the Republicans select. The President's so-called tax program is a blunder of such magnitude that it seems probable he will modify his proposals materially between now and next November.

The Uncalculated Risk

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, of the hundreds of booklets, pamphlets, and newspaper articles that have been written on the so-called Marshall plan, I believe one of the latest and most convincing statements I have read is an article by Henry Hazlitt, entitled "The Uncalculated Risk," appearing in the January 5, 1948, issue of Newsweek, which I am pleased to quote, as follows:

THE UNCALCULATED RISK

(By Henry Hazlitt)

It has become fashionable to say that while the Marshall plan does not guarantee European recovery or a peaceful victory over communism it would be cheap even at $17,000,000,000 if it did bring these results. We are told that we are asked to take no more than a calculated risk—a gamble for tremendous stakes in which the odds are heavily in our favor. This argument, however, begs the central question. It takes it for granted that the European recovery program, in the form now proposed by the President, could do only good and no harm.

Yet Europe's economic crisis today is only partly the result of war destruction or of bad weather. It has been brought on mainly by Europe's own economic policies, which have destroyed the free-market mechanism and its incentives. Nearly everyone seems to assume that if this self-imposed crisis deepens, or if controls intesify shortages, Europe will turn in desperation to still more drastic controls and even to communism. The Marshall plan, it is thought, will prevent this by making the situation better.

It never seems to occur to those who hold this view that a deepening of this self-imposed crisis could lead to a demand in Europe, not for communism, but for a return to economic freedom. Yet there are already encouraging signs of this. Italy has restored relative freedom of foreign exchange. France has dropped some important controls. Former Premier Daladier recently declared in debate that inflation cannot be overcome in France as long as a managed economy prevails. In Britain the public faith in the managed economy has been visibly slipping. Is there not a real risk that the funds and goods supplied by the Marshall plan, by making the situation more tolerable than it otherwise would be, could delay or prevent a return in Europe to free markets and free enterprise? Will the Marshall plan be in fact so framed and administered as to save socialistic Europe from communism? Or will it be so framed and administered as to save Europe from capitalism?

At present, certainly, these questions cannot be answered with confidence. In his message to Congress on the Marshall plan President Truman admitted that our proposed $17,000,000,000 of help to sixteen European nations would constitute only some 5 percent of their total national production.

Yet he declared the two purposes of our help to Europe to be to lift the standard of living in Europe closer to a decent level, and at the same time to enlarge European capacity for production. Would a 5-percent difference in its standard of living decide socialistic Europe to return to capitalism instead of driving on to communism? To enlarge European capacity for production is to supply Europe with capital goods. To the extent that we do this we must necessarily defer our own capital expansion. Are we going to do it while Europe continues to follow the policies that systematically throttle its own capital production and investment—price fixing and profit control which discourage the output of capital goods and plant expansion; drastic income taxes that dry up the sources of capital accumulation; threatened socialization and seizures that discourage or prevent private investment?

Yet in the President's message there was not one serious word of criticism of the economic policies now being followed by European governments. There was not one hint that these policies have been in any way responsible for the present European crisis. Nothing was said of the effect of overvalued currencies in discouraging exports. European promises for the future were taken as the equivalent of accomplished facts. Mr. Truman warned Americans against the consequences of providing only half-hearted and halfway help. He said nothing of the consequences of half-hearted and halfway self-help in Europe. Yet on the President's own estimate what Europe does to increase its own production will be at least twenty times as important as the American contribution.

It is clear that the risks of the Marshall plan, in the form in which it has been presented to Congress, have not yet been soberly calculated.

Sound Government and Inflation

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. BUCK
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. BUCK. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following article from the New York Journal of Commerce of January 9, 1948:

A STRIKING CONTRAST

"Government, if mismanaged, can be the greatest factor in producing an increasing inflation." (From Governor Dewey's annual message.)

The job of running the country is, of course, vastly more complicated than that of administering the affairs of only a single State, large as it may be.

Yet there are principles of sound government and administration that apply in either case. Foremost at this time is the adjustment of governmental policies to the fight against rising prices which is of equal concern to every public authority from the Federal Government down to the smallest municipality.

That is why the two annual messages presented to their respective legislatures on the very same day by President Truman and Gov. Thomas E. Dewey offer an interesting study in contrasts.

It is, of course, not news that everybody is against inflation. Yet while the Federal Government is floundering around in a vain attempt to weld its own policies into a systematic economic program instead of hysterically asking for blanket authority to revive wartime controls over the economy, Governor Dewey's program, as presented in his message to the New York State Legislature, shows a practical approach to the problem of how Government policies can be adjusted to the threat of continued inflation.

Governor Dewey's program is based on two considerations:

1. Government expenditures must be cut as far as possible without jeopardizing essential services and new programs must be financed in such a way as to cushion their inflationary effect; and

2. Taxes must not be increased at this time because some of the State's resources must be kept in reserve against the time when they may be needed to offset the effects of an economic set-back.

While the Federal Government at this time indulges in the pleasant preelection game of promising additional benefits to all large groups except business, New York State is launching its next fiscal year with a cut in expenditures that averages 9 percent for all its departments.

Moreover, New York State is postponing expenditures for public works wherever possible because of the high costs and the directly inflationary effect of such governmental expenditures.

This policy means that New York State will not be able to meet many of the demands made upon it but, hard as the choice of refusal in such instances may be, the Governor says that "the severest of tests" will be applied to any program that would engender additional government debt or expand in anywise the expenditure of governmental moneys derived by taxes.

Unless restraint in adding to expenditures now is exercised, Governor Dewey is afraid that serious trouble may result at the first signs of business recession.

The Governor's financial advisers apparently are uneasy about the present level of income because the Governor hints that "in the midst of an inflationary spiral we may well be toward the top of the abnormal revenues which flow from that inflation."

This is by no means a predication of an early set-back in business but it shows statesman-like determination to be prepared for any eventuality. Otherwise, the message warns: "With the first mild recession in business, the government of the State, and consequently of all of its municipalities, would be in a catastrophic situation."

Truman Invites Disaster for the U. S. A.

EXTENSION OF REMARKS
OF
HON. PARKE M. BANTA
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. BANTA. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial entitled "Truman Invites Disaster for the U. S. A.," which was published in the Rolla Daily News, Rolla, Mo., Thursday, January 8, 1948. Attention is called to the fact that the Rolla Daily News is an independent newspaper published and widely circulated in a traditionally Democratic city and county in the President's home State.

TRUMAN INVITES DISASTER FOR THE U. S. A.

(An editorial by Edward W. Sowers)

President Truman is inviting disaster for this Nation to further his own selfish political aims.

Never in our recollection have we heard such a bombastic and dangerous program projected upon our Nation by a man in high position as was proposed by President Truman in his State of the Union address to Congress yesterday. It simply reeked with political overtures.

President Truman would sell this Nation out in order to extend his residence in the White House. He would destroy the American system of private initiative and leave us nothing with which to fight communism, the greatest threat upon the world today.

The President, outlining his campaign platform for 1948, proposes a further socialistic form of government, expansion of the bureaucratic Frankenstein, more and more taxes on business and industry which eventually will lead to unemployment of the masses. He would dump more billions of our money into foreign countries and make not one attempt to economize. In his entire address, not one word was devoted to cutting Government expenses.

Now, let us analyze Truman's major legislative proposals, one by one:

1. Tax reductions of $40 for every individual taxpayer plus an additional $40 for each dependent.

That sounds fine, and would practically eliminate income taxes for some 10,000,000 in the low income bracket, but if you will go a little further into Truman's plan you will find that his plan may eliminate the jobs of that same 10,000,000.

2. Increase business and corporate taxes 30 percent to make up for the estimated $3,200,000,000 loss in Federal revenue through the lower personal taxes.

There's where the rub comes in. Already business and industry taxes are so high that expansion of plants and further employment has become practically impossible. In fact, taxes take so much from business and industry that the desire for expansion has vanished. Private initiative is practically dead or dying in this Nation today. When you kill private initiative and profits you kill and prevent business and industry from laying aside reserve funds for expansion and jobs for the masses. And that kills our capitalistic system—the only weapon we have to fight communism.

3. Extension and strengthening of rent controls.

That is simply extending Federal controls on our life.

4. Increase in the national minimum wage from 40 to 75 cents.

That is all right but it will bar the employment door to many inexperienced young men and women. Many employers will feel that they might add more help at 40 or 50 cents per hour—but would not add any at 75 cents.

5. Public housing for low income families.

More millions thus to be spent. And remember, it is your money the Government is spending! Can you remember when people used to work for and build their own homes?

6. Authority to impose price-wage controls and rationing.

That means more bureaucratic control. You may not realize it but government has passed from local hands. It is now centralized with the bureaus in Washington. Is that democracy? Let us bring our Government back to the local level!

7. Continuation of farm price supports and extension of crop insurance.

Why, oh why, does the Government feel it has to support $3.00 wheat and $2.68 corn? Prices like that simply make prices of foods higher for that vast 10,000,000 who are told that they will get a mere $40 reduction in their taxes. That $40 will melt like a snowball in h—— under the heat of Truman's program for this country.

8. Approval of a $20,000,000,000 4-year Marshall plan for aid to Europe with a downpayment of $6,500,000,000.

That, in part, is your money Mr. Truman is proposing to dump into Europe—and 20 billion is a lot to add to our already stupendous debt of 260 billion. And many question whether aid to Europe will do us any good.

9. Adoption of universal military training.

There is much to be said for this proposal. We must keep this Nation's defenses strong to hold off the threat of communism.

10. Extension of unemployment compensation, old-age benefits, and adoption of a national health plan.

This means more "rocking-chair money" to pay dead beats who won't work. It means adding to the $10,000,000 already set aside in Missouri for that purpose. It puts a premium on laziness. It means paying out good money to no goods who won't work alongside of you. Moreover, it means socialized medicine. Socialism. A further drift away from the American system. More and more into the troubled Old World isms. Isn't the American way good enough, Mr. Truman?

11. Approval of Federal financial aid to education.

More money for the bureaucrats to spend. More control for the boys in Washington to exercise over our schools. More propaganda to pump into our youth. Let us pay for our schools at home and control them at home.

12. Admission of displaced persons to the United States.

Sure, throw down the immigration bars. Let the driftwood of foreign countries flood our Nation. We can use a lot more troublemakers in this country. At least they would mean more votes for bloom-brains like Henry Wallace and maybe some more for Truman.

If that's Mr. Truman's platform, then what a program for the American people to stomach.

It is definitely a platform for vote-getting and not for the good of the Nation. Not one word for economy, for less Government spending. Not one iota for curtailment of

exports to provide for home needs and bring prices down.

Mr. Truman's program sounds too much like Wallace's Communist-inspired Utopia. We believe that all thinking citizens will see through it. We hope that all good American citizens will look hard and think carefully and act wisely during this critical election year. We sincerely hope that some other Democrat or some Republican comes forward with a program for the good of the United States of America and not merely good for votes. We believe you will join us in wishing for Mr. Truman's return to his Kansas City clothing store or to the judgeship of Jackson County where he can do less harm and before he leads this Nation into disaster. This is no time to be misled by partisan politics. It is too critical a period in history.

Displaced Persons

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. MADDEN. Mr. Speaker, I wish to hereby incorporate in my remarks an editorial by H. B. Snyder, editor of the Gary (Ind.) Post-Tribune, on the important problem of displaced persons in certain European countries. Legislation should be passed early in this session to admit a great number of European people who are anxious to become citizens of the United States. Mr. Snyder sets out some timely facts in the following editorial:

CONGRESS SHOULD TAKE ACTION ON DISPLACED PERSONS

The Marshall plan is assured of top place on the agenda of Congress as it gets down to work again. But no matter what is done about it on Capitol Hill, there are nearly a million people in western Europe who won't be affected, who will get no benefit from any of the billions we may send across the Atlantic.

These 850,000 people are the displaced persons still living in detention camps, the survivors of Nazi concentration camps; and slave-labor battalions. They are fugitives from all forms of religious and political persecution, and victims of barbarism and Nazi terror.

Their hope for help from the United States rests largely in the Stratton bill, which will be before Congress again in its new session. That bill would permit 100,000 a year to enter the United States for a period of 4 years. It doesn't ask that any money be spent on them; it would just give them a chance to build a new life in America.

If the bill is passed, some of them would come to Gary. A study made by the International Institute, which has been the contact organization for a number of DP's hoping to join relatives in the United States, shows what we might expect under the Stratton bill.

The study lists 217 displaced persons, representing 132 family groups, who would be vouched for by 166 sponsors. Sixty percent of these DP's are males. Of 174 for whom the Institute has age records, 30 are 20 years old or less, 127 are from 21 to 50 years old, and only 17 are over 50.

Out of the group, 81 are from Poland, 54 from Yugoslavia, and 24 from Lithuania. Twelve are from Rumania, and lesser numbers from other European countries.

The Institute found no reason to believe these displaced persons would be a burden on us here. Its study showed that they were largely cousins, nephews or nieces, sisters or brothers of their sponsors, and that their sponsors were able and willing to care for them.

An analysis of 91 sponsors for whom the Institute had full information showed only 23 had assets in savings and property of less than $10,000; 44 had from $10,000 to $25,000, and 24 had more than $25,000.

There's no hazard for us in providing a new oportunity for homeless people such as these displaced persons. They will be carefully screened before admission. They won't become public charges; affidavits of support must be furnished by every sponsor. And we have need of the work they can do.

Further, we will not be upsetting our immigration system by admitting them. If we should accept 400,000 during the next 4 years, we would use up less than half the quotas that went unfilled during the war years.

Another Democrat Opposes the Marshall Plan and Price Controls

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, daily I receive letters from my constituents, Democrats and Republicans alike, protesting vehemently against the adoption of the so-called Marshall plan and the reimposition of price controls. I have sent copies of the Harvard address by Secretary Marshall, which has now become known as the Marshall plan, together with official documents issued by the State and Commerce Departments to many of my constituents. I have also sent one or two pieces of literature answering the administration's arguments in favor of the Marshall plan and price controls. Thus I have attempted to give my constituents the benefit of the best reasoning on both sides of this highly controversial issue, and I have asked them what they want Congress to do with reference to the Marshall plan and price controls.

The following letter from a lifelong Democrat and one of the most outstanding attorneys and citizens of my district, is truly representative of the answers I daily receive from my people. I quote the entire letter as follows:

JANUARY 5, 1948.

Hon. GEORGE B. SCHWABE,
Member of Congress, House of Representatives, Washington, D. C.

DEAR GEORGE: You sent me, with many others in your district, a letter and data in connection with the so-called Marshall plan, and you ask the question in that letter: What do you want Congress to do with the President's proposal involving the appropriation of perhaps $15,000,000,000 of the people's money, and price controls?

The simplest answer I could give in the fewest words is to turn such proposals down and refuse them, and that is my answer, although I would like to make certain observations with that answer.

In the first place, the so-called Marshall plan is nothing but fantastic.

From all available information, we are not called on to feed starving people, yet the administration attempts to use nothing less than pure propaganda to get this effect, to get the consent of the people to such a plan when it is intended to rebuild the national economies of the recipient nations. If we merely feed the starving, anybody would be in favor of keeping body and soul together, and to do so the amount of money would be less than one-fifth of the proposed cost.

There is no obligation, morally or otherwise, to help any country that will not help itself. Production is the only answer to the basic economy of any of the warring nations. We cannot hire them to not be Communists. It is like buying friendship, which cannot be done. Regardless of the cost to this Nation, if repayment is asked, the United States will be called a Shylock, and these advances, if made, will ultimately buy us the enmity of all nations that we help. Too much government regulation exists in these European countries and that is the reason the people cannot produce.

Now as to price controls, the administration seems to want the same controls exercised by the European nations that want help. We have had controls before and our experience in that is the answer to the whole question. The idea is to control necessities and not luxuries. Controls make scarce the items controlled and increase the manufacture of goods not controlled. Absolute Government controls will put the United States in the same condition as Europe. Besides, nobody that has ever enjoyed the blessings of freedom wants to surrender to Government agents, acting as Gestapo agents, spying on their every act, and looking down our throats at all times.

Government meddling in business and the lives of people produces the conditions it complains of. If we are going to have a free country, let's have it; otherwise, change our Government to men that will leave us alone and give an opportunity to restore our own economy.

Poduction and more production is the answer and that can be accomplished only by lowering taxes and relaxing controls. We are not required to restore European economy. If such a thing is done, let the European nations work for their own economy first. They control everything except labor and laborers will not work.

Moreover, the minimum wage scale should not be increased now or at any other time by law. Our recovery was more rapid after the first World War and we had very few controls. Why should we now have controls 2 years and more after the war is over? Get rid of thousands of Government employees and the cost of Government can be reduced.

As you know, I am a Democrat but not a New Dealer. I expect to vote with the Republican Party until such time as new dealism is destroyed and we have a Democratic Party that is democratic and not socialistic and communistic.

Ever since the advent of new dealism it seems to have been the idea to establish a control over the people from the cradle to the grave and yet claim that the people are free. Where is the freedom we boast of if we are controlled by Government agents—carpet baggers—whose controls are changed from day to day, and nobody ever knows his rights?

Pardon this lengthy letter. I can write a book about controls by Government. The same ones we have had were tried during the Ceasars in Rome. None of them are new and none ever worked, and they will not now.

With personal regards, I am,

Cordially yours.

Italy and France Soon May Be Compelled To Ask United States Aid in Military Equipment

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Constantine Brown from the Washington Evening Star:

ITALY AND FRANCE SOON MAY BE COMPELLED TO ASK UNITED STATES AID IN MILITARY EQUIPMENT

(By Constantine Brown)

Italy and France, which are slated to receive assistance under the stopgap aid program and the full Marshall plan, soon may be compelled to ask that military equipment, particularly planes and tanks, be included in supplies sent from the United States.

While Congress is settling down to a lengthy debate over how much to appropriate for the European recovery program, the political situation in Europe is rapidly deteriorating and France and Italy once more have become the target of Russia's expansionist aims. Moscow has issued orders to its subordinates to stymie the efforts of the United States to bring order in the west.

The situation in France has improved temporarily, thanks to stern measures adopted by the government of Premier Robert Schuman. But it is admitted by French leaders that conditions in their country necessarily are tied up with those in Italy, where the Communists, possessing a strong Partisan army, are prepared to place the northern part of the country behind the iron curtain.

VIOLENCE NORTH OF RIVER PO

The Italian Communists "Duce"—Palmiro Togliatti—is preparing his men for action. In the last 10 days there have been many uprisings accompanied by violence north of the River Po. Communists penetration into army ranks was disclosed when hundreds of soldiers in various garrisons demonstrated against being kept in the armed service.

The Communist convention, now being held in Milan and attended by delegates from all the Soviet satellites, may decide to call a general strike preparatory to an armed rebellion against the present government of Premier Alcide de Gasperi.

The Soviet Government is giving them a helping hand. The propaganda against the United States has been intensified. The stopgap aid plan, giving Italy some $180,000,000 worth of American supplies, is being described as a move toward assumption of physical control over Italy.

Moscow's propagandists described the signature of the aid agreement in Rome as follows: "The agreement was submitted to the Italian government in the form of an ultimatum. It was not open to any discussion. Moreover, it was preceded by a very unambiguous reminder of the American warships with guns trained on Rome."

Hundreds of thousands of pamphlets containing this fairy tale are now being distributed throughout Italy. The statement that we had to use threats of force to persuade the Italian Government to accept our supplies, of course, is ridiculous to all informed Italians. But to the majority of people, particularly in north Italy, the story seems plausible since they know little about the nature of the agreement signed in Rome last week.

PARTISAN MOVES IN FRANCE

Underground Partisan units in France which were spread throughout the country are now reported to have been concentrated in areas close to the Italian border in order to make common cause with the Italian Partisans.

From available information it appears that after the collapse of the French Communist-led strike last December, Moscow instructed Maurice Thorez that when the Italian Communists began their moves in the north the French Communists should try to form at least a token democracy, regardless of how small, near the Italian frontier. This would offer an excellent excuse for Communist forces in the east to intervene in France.

Under these circumstances the French and Italian Governments feel that their present forces are inadequate to cope with the situation. The French Army is far better than the Italian and can put down any attempt by Thorez' followers to carry out a coup. But France lacks sufficient planes and tanks to offer real resistance to forces which might come from Italy.

Despite the gift of thousands of machine guns and millions of rounds of ammunition when American occupation troops were withdrawn December 15, the Italian Government still does not have enough strength to cope with even the Partisans, who are better equipped and more numerous at vital centers than the army of the new republic. Moreover, the Yugoslav Fourth Army is within a few hours' march of the Italian frontier.

Military observers maintain that for the immediate future it is more important to send planes and tanks than industrial equipment. But it is doubtful that the American Government will view the situation in that light.

A Dangerous Device

EXTENSION OF REMARKS
OF
HON. JAMES C. AUCHINCLOSS
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. AUCHINCLOSS. Mr. Speaker, under authority granted me to extend my remarks in the RECORD and to include therein an editorial, I am very pleased to have this opportunity of bringing the attention of the Members of Congress to the excellent editorial appearing a few days ago in the Asbury Park Press, of Asbury Park, N. J.

It is entitled "A Dangerous Device" and it refers to the suggestion by the President to offset the decrease in revenue on account of reduction in income taxes by increasing the corporation taxes. The President justified this suggestion because he stated that corporate income after taxes had reached a very large sum during the past year, and his argument was based on the claim that the corporations were better able to pay than other types of taxpayers.

Apparently the President's reasoning is based on the false idea that increased costs to corporations can be met without increasing the price of their products. This theory was exploded when increased wages were advocated on the basis that there was no ground for an increase in the cost of products, but it seems that this economic fact has not yet percolated through the heads of the President or his advisers.

The editorial points out various other fallacies in the President's suggestion, but additional criticism may be found in the fact that the money of insurance companies, trust funds, and the like is invested in the securities of our great corporations and any impairment in the financial stability of these corporations would be to the everlasting disadvantage of a great many American citizens. The President's suggestion is certainly a dangerous device.

I commend the reading of this excellent editorial because it preaches sound doctrine:

A DANGEROUS DEVICE

The prospect that the current session of Congress will be a slugfest between the administration and the Republican majority has been strengthened by the report that President Truman will offer an increase in corporation taxes as the basis of his tax "reduction" program. Certainly if there is a more demagogic way in which to handle the tax problem the administration has not discovered it.

Obviously there is considerable appeal in a rise in corporation taxes. Superficially it is a gesture aimed at taking money from the wealthy and giving it to the lower income brackets. But in reality it is far from that. For corporation profits do not to any appreciable extent go into the purchase of yachts and a fleet of automobiles for stockholders. On the contrary, they are used to produce a reasonable dividend to millions of stockholders throughout the country, many and perhaps most of whom are living on modest incomes, and in maintaining the Nation's industrial plant.

This latter point requires emphasis. Because taxes have been exorbitant for almost two decades, most corporations have had limited funds for replacing wornout equipment and for expanding their facilities. As a result the total American industrial plant has been depreciating. This means that the factories and tools needed to keep men employed are dangerously limited to the point where thousands of corporations and millions of workers may soon find themselves lacking the facilities for production.

The situation has been aggravated by section 102 of the internal-revenue law, which requires corporations to pay out some 70 percent of their earnings in dividends and keep but a relatively small amount for replacing capital equipment and for enlarging their plants. With the population growing and the standard of living rising, there is need for larger plant facilities to supply the wants of the American people. Our tax policy, however, has forced a reduction in our industrial productive capacity and in job opportunities for workers.

The tax on the net profits of corporations now reaches 38 percent. When the balance is paid out as dividends each stockholder must pay a personal income tax on the dividend he receives, the rate depending upon the bracket in which his total income places him. Thus corporation profits are subject to a double tax. The owners of corporations, who are millions of small investors as well as wealthy persons, must pay not only a corporation tax ranging up to 38 percent but a personal income tax on top of this. This brings the total tax on corporation profits to outrageously high figures.

But even if it has no concern in the stockholders who own corporations, the administration should be concerned with the tens of millions of workers employed by corporations. Unless business is allowed a profit balance sufficient to maintain and expand its plant, the development of American indus-

try, which has been the wonder of the world, will be curtailed. Then job opportunities will be lost, our productive capacity to fill our wants will be impaired, and in the event of war this country will be unable to meet the need for industrial equipment upon which victory will depend.

That dire prospect is the inevitable result of taxing corporations to the point where they must reduce productive facilities. It is simply bait concocted by an administration bent on making a capricious appeal for votes.

Radio Address to My Constituents

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address made by me over Station WNBF of January 10, 1948:

Dear friends of the Triple Cities and my congressional district, as the Congress once again convenes, I want to urge each one of you to write me whenever you feel like expressing your thoughts about the state of the Union.

Remember, also, that my Washington office stands ready to go to bat for you whenever you have a problem.

Let me know if you do not get an answer to letters you may write somebody down there. This is your Government and any official who throws your requests in the wastebasket ought to be thrown there himself.

A lot of folks tell me that the bureaucratic big shots in our Nation's Capital refuse to comply with the simplest request. I ask you, who do they think they are? Aren't your hard earned dollars paying their fat salaries?

Who is making it possible for these swivel chair appointees to buy the expensive cigars they chew, while they laugh and chuckle behind the scenes at sincere letters written by the rank and file of our citizens?

Who pays the shot for the luxury-loving official who may give sumptuous banquets at an elite Washington hotel while people I represent are groaning under the heavy tax burdens such expenses cause them?

The answer is, you are footing the bill. While I realize it is well nigh impossible to put a stop all at once to the lush living, the extraordinary cuisine, the rare dainties, and high-priced bill of fare some of these dandies overindulge in, I do feel they might temper their voraciousness with a little hard work in your interests.

Don't get the idea I am indicting Washington officialdom in blanket fashion. There are many, many painstaking and conscientious public servants. There are countless efficient career employees. There are numberless men and women on the Government pay roll who do a real job in making our way of life work.

But the laggards, the neglectful, the wrong-minded stick out like sore thumbs so often and cause blame to be heaped upon the shoulders of the majority who have the best of intentions.

So, I say to you, let me know if you don't get the service from Washington you are entitled to. Or, better yet, write me in the first place. I will personally see that you get a square deal. I will go to bat for you the minute I hear.

Too many big-time appointees like to think themselves far above common herd and close the door to ordinary visitors. The way to their attention is barred unless the caller or writer might be one of pomp and circumstance.

However, a 3-cent stamp is all you need to send a message to me. Or if you don't have one handy, just write me on a penny postcard.

No, they haven't taken the penny postcard away from you yet and they aren't going to if I have my way. They've tried to, though, and they'd do it if some of us in Congress didn't keep pretty wide awake.

Yes, this is still America. You have the right to appeal to your Government and to your Congressman. I can't accomplish the impossible, but I can do a little whip cracking, which I have done, and put some of the boys I've been talking about on their toes.

Don't let the doubting Thomases back home try to discourage your writing to me. Don't let the sophisticates, the self-sufficient, the worldly-wise try to shame you out of your constitutional right of corresponding with the man you elected. Bear in mind, you elected me, not the handful of scoffing, would-be important big-time operators who look down not only on you and me but the whole world.

No, I've never been able to win much favor with them, whether they come from Washington or up our way. But I'll let you in on a little secret: I don't much care what they think because they don't have to be reckoned with.

Why? Because they don't have the votes and you do.

In all seriousness, though, I want you to write me. I need your letters, your suggestions, your views, your reactions. This is going to be a difficult session of Congress. Much will be decided for a long time to come.

I've never suffered any illusions about my being able to solve the great issues we are facing without the advice of you home folks. When the day comes that your Representative is unable to have the benefit of what you are thinking, then my time has run out, and I will gladly relinquish my post.

So let me hear from you at any and all times and I'll be better equipped to do the job you expect me to do. I'll know more about what everybody wants and that means the policy of our Government will be decided along American lines instead of through dictatorship, tyranny, and arbitrary means. Just address me 1121 House Office Building, Washington, D. C.

Thank you.

Clarence E. Hancock

EXTENSION OF REMARKS
OF
HON. LOUIS E. GRAHAM
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. GRAHAM. Mr. Speaker, in the passing of Clarence E. Hancock every Member of this House who knew him is filled with a sense of personal loss.

While it is true that he has not been numbered among us during the past year, yet, the memory of such a man outlasts the confines of mere years in the recording of time. Such lives are timeless.

Truly he was beloved by all his friends and associates. For 8 years it was my privilege to sit with him in the Committee on the Judiciary. There I learned to know him well, and the better I knew him the more I admired him. He was a truly great soul. A friend, a guide, a counselor.

In his nature many fine qualities united to make him outstanding. Innately modest and retiring, he brought to all his work a true humility. Only the wise, the good, and the great do this.

I never knew Clarence E. Hancock to injure anyone by a single spoken word or deed of action. His nature was kindly, gentle, and serene. Nothing disturbed him. He was never hurried or rushed. He always had time to listen to every man's story and to respond with good advice and kind assistance.

A few years ago in speaking of the death of a colleague from the great State of New York, he said: "He served his city, his district, his State, and his Nation long, faithfully, and brilliantly."

Each statement therein made applies with equal force to the worth, the life, and the activities of Clarence E. Hancock. No man could have a better epitaph.

Everyone present on last Tuesday when his death was announced on this floor was saddened by the knowledge that he had gone on forever to join the choir invisible, but, by the same token, each person who heard the heartfelt words that came from the hearts knew that our former colleague was worthy of every word said of him.

Every man who knew Clarence E. Hancock is the richer for that knowledge. To all of us, he has left a priceless heritage. God grant that we will prove worthy of it.

To every man there openeth a way, and ways, and a way,
And the high soul climbs the high way,
And the low soul gropes the low,
And in between, on the misty flats,
The rest drift to and fro.
But to every man there openeth
A high way and a low,
And every man decideth
The way his soul shall go.

And, having chosen that high way, Clarence E. Hancock never faltered. Farewell, my friend.

The New (Raw) Deal

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. GOODWIN. Mr. Speaker, I have not seen a more convincing commentary on the President's message on the state of the Union than an editorial in the Boston Herald of January 8, 1948, and in order that my colleagues may read it, I am including the editorial under leave to extend these remarks:

THE NEW (RAW) DEAL

The message on the state of the Union delivered to Congress yesterday must have come from a tomb. It was certainly not the product of the conservative old Missourian named Harry Truman who used to sit for his State in the United States Senate. Nor even of

that early Presidential Harry Truman who vied with a Republican Congress to see which could decontrol first, which could out-conservative the other. No, something new has been added. The something new is most certainly the Presidential aspiration of Henry A. Wallace. Indeed, if it were not for the foreign-policy portions of the message one might have thought Wallace was its author.

There was never a better demonstration of what is wrong with our democracy than that a President of the United States could stand up, in such times, and make such a sordid appeal for votes—votes at $40 per head. And this from the man who has been chastising a Republican Congress for many months for even thinking of a tax reduction in these perilous days of inflation. This from the the man who twice vetoed a tax-reduction bill. He said it was not the time for such a cut. He has fully lived up to our prediction that when the election got near enough it would be time for a tax reduction, on his terms.

By proposing the ridiculous procedure of lowering individual income taxes to relieve the burden of inflation, the President not only flies in the face of his own economic advisers, but also abandons all semblance of economic common sense. He is trifling not only with the immediate future of our country, but with the longer term interests of democracy and free enterprise as well.

There are good and solid reasons for some tax reductions at this time, but the President didn't mention them. The tax portion of his message was in the same tenor as all of the rest—something for everyone, an angel hovering over the head of every citizen who votes for Truman next fall. While a good political case can be made out for individual income-tax cuts in the lower brackets, there is practically no economic case for it. Witness the President's principal financial adviser, Secretary Snyder, talking about the need for more sales of savings bonds to syphon off spending power from the public. The President would syphon it back again through his $40 a vote tax cut. Moreover, by passing the revenue loss over to the corporations, the President doubles the inflationary impact of his proposal. Corporations will have more cause for higher prices. The fellows who save $40 in taxes will pay it all back through the corporations in the form of higher prices. It is quite clear that the President has been listening to his political advisers, and that they know very little about economics. Also, they grossly underestimate the intelligence of the American public.

What is really needed, taxwise, is to clear up impediments to investment. If the lower income groups need tax relief, which is doubtful, the higher income groups need it more. The reason is economic, not political. The President barely recognized the need for investment to keep our whole free enterprise system going when he said, in passing, that industry needs at least $50,000,000,000 of new investment in the next few years. Where does this investment come from but investors? Who are the investors? Such savings as the lowest income groups accumulate in the form of life insurance, and otherwise, are a factor, to be sure, but the really risk capital which is the dynamic factor in free enterprise comes from investors, the fellows who can afford to gamble. But now they can't afford it. There is, instead, too much "safe" money.

Then, the Chief Executive dragged out that old saw about high corporate profits. Sure, they're high, and why shouldn't they be? Some new investment will come from these profits, but more importantly if profits aren't the highest in peacetime history when production is the highest in peacetime history, then there's something wrong with capitalism. Indeed, if we get much more of this latest variety of Truman economics, we might as well give it up. For if we don't get leadership instead of demagoguery, if we don't face facts instead of serving soothing syrup; we cannot hope to make a go for long of a system which depends for its success upon self-imposed restraints.

If the President hoped to stir up political sentiments with that message of yesterday, he certainly succeeded. But we suspect they will not be generally to his liking. On the contrary, it was such a vulgarly obvious bid for votes from every segment of the population that all intelligent citizens will be offended. It will strengthen the opposition, giving power to the Republican Party's political propaganda that only the GOP is fit to govern. God forbid that the Republican Party, too, will enter this race for demagoguery. Not only common sense, but sound politics dictate that it should stick more firmly than ever to the middle road. President Truman has provided the opportunity that it has long needed—to be the party of the people, against the rash promisers, opposed to the lie that the Government can be all things to all people, defending the individual against the dangerous Truman mythology that we can preserve free enterprise by ignoring its substance. In the best interest of America, we hope the Republican Party will provide the leaders to make the best of this opportunity for statesmanship.

Otherwise, we get the Truman New (Raw) Deal, or something even worse.

Safety Program

EXTENSION OF REMARKS
OF
HON. CLIFFORD DAVIS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. DAVIS of Tennessee. Mr. Speaker, the National Safety Council continues to promote the cause of safety in this country in a perfectly splendid way. Recently its president, Ned Dearborn, delivered a strong address to over 10,000 men and women assembled in the city of Chicago for the purpose of making plans and projecting a much wider safety program throughout the country during the next 12 months. The address was so well determined and so inspiring that I include in the RECORD the full text for the benefit of my colleagues:

I would like to advocate a purge of certain public enemies.

These public enemies are not men. They are ideas and beliefs—murderous beliefs—which pile up a huge and needless toll of human life and limb. They make the prevention of accidents extremely and unnecessarily difficult.

The aim of all safety education is to change attitudes that obviously impede progress toward safe living. But it is hard to change attitudes. Let's examine some of these murderous beliefs—the public enemies that need to be purged.

We are all susceptible to the influence of labels, slogans, and verbal tags of various kinds. If these are wrong or misleading, their influence is bad; if correct and helpful, their influence is good. The following six concepts are bad. They lead to wrong labels.

1. THE "OTHER FELLOW" CONCEPT

Nearly everybody seems to assume that an accident will happen to the other fellow, but never to him. We seem to think we are smarter, or luckier, than the other fellow, and that accident victims must be dopes. Are we individually immune? Or worse, is there in us a lurking arrogant egotism which makes us feel that we are smarter or luckier than anyone else?

2. THE "YOUR NUMBER'S UP" CONCEPT

An amazing number of people subscribe to the philosophy that an accident happens, or it doesn't—that your number is up or it isn't up. In other words, accidents are inevitable when the time is right. Isn't this merely an easy way out of explaining our carelessness and misfortune? Or worse, do people really believe in fatalism to the point of predetermination?

3. THE "LAW OF AVERAGES" CONCEPT

Too many people shrug off accidental death and injury, saying that they are due to the law of averages. Is the factor of chance actually of such magnitude that we are doomed to destruction despite reasonable precautions? Or worse, are a certain number of persons—in proportion to total exposure—bound to be killed or hurt? Is there an inexorable law of fate?

4. THE "PRICE OF PROGRESS" CONCEPT

It is often said accidents are the natural price paid for progress. Must scientific advancement take place in some fields of human endeavor, and not in others? Or worse, is science a parasite that thrives on the blood of the very humanity it benefits? According to this concept, every forward step in human progress is offset by a backward step.

5. THE "SPIRIT OF '76" CONCEPT

Some people hold that safety is inconsistent with the spirit of our forefathers who took great risks to found our country or, in other words, that safety is sissy. In our efforts to prevent accidents, are we being disloyal to our forefathers? Or worse, is accident prevention actually cowardly, and therefore contrary to the true spirit of America? This point of view is very common.

6. THE "ACT OF GOD" CONCEPT

Finally, some folks who are sincerely religious feel that an accident is an act of God. Can there really be a supernatural carelessness? Or, worse, can there be divine retribution which visits us and our loved ones through accidents? This concept is closely related to the belief in some inexorable law of fate, with the added belief in a divine planning.

Adding it all up—is accident prevention impractical, sacrilegious, and effeminate? And are accidents unavoidable, inevitable, predetermined, a matter of luck, the price of modern living?

No. But unless we purge these concepts—these murderous beliefs—and supplant them in the minds of our citizens with positive beliefs we may as well give up the struggle to reduce accidents. We are wasting our time, effort, and money.

Can accidents actually be prevented? Yes—most of them can be prevented.

Can the common misbeliefs be changed? Yes.

One hundred years ago the idea of vaccination was intolerable to a large portion of the population. Today the idea is generally accepted. A similar change came about in attitudes toward inoculations, surgery, and other forms of disease prevention and cure. Only a little more than a century ago even physicians predicted that trains traveling at 15 miles an hour would bring fatal results to heart and respiratory action. You and I remember people saying, "The horse and buggy is good enough for me." Now some say, "The automobile is good enough for me." But tomorrow a New Yorker will say, "Let's wait until we arrive in San Francisco to have our breakfast." And day after tomorrow we will say, "Let's take a cruise next week end to see if what they say about the moon and Mars is true." And on long week ends we will visit another universe just for a change.

So we must make it our No. 1 job to convert the millions in our population to a new credo, new articles of faith, new attitudes.

It is an everlasting job—a job that can be done only if all the big and little guns of our great public information resources are kept constantly in action.

Now that the beliefs have been set forth, let us examine them analytically and constructively.

CONCEPT NO. 1—THE OTHER FELLOW

Our slogan this year—Be Careful, the Life You Save May Be Your Own—recognizes that you and I are not immune to accidents. Accidents do not always happen to the other fellow. The advertising council is rendering invaluable assistance in driving that point home. The slogan has caught on, and it is being used over and over again by people who write and talk about safety. Let's keep it going.

Who can rationally believe that some special dispensation forever especially guards him against an accident and act accordingly? The assumption is so obviously fallacious as to be absurd, and yet the very absurdity is the ghost that must be laid. You as a person may so act as to prevent accidents and to protect yourself from accidents, but you cannot with reason suppose for a moment that anyone else will so act for himself—or for you. One of the most active and influential safety leaders and his wife were crushed to death in Chicago while window shopping. A motor vehicle out of control brought instant death to both of them.

An accident can happen to you. Never forget that.

CONCEPT NO. 2—YOUR NUMBER'S UP

Fatalism is a complete denial of the efficacy of individual initiative. It is especially pronounced among oriental peoples because of the character of their philosophies. Western philosophies and religions do not uphold fatalism.

Fatalism would eliminate traffic lights and signs, safety guards on machinery, life guards at beaches, and any measures to eliminate or reduce accident hazards on our farms or in our homes. Fatalism is fantastic. Fatalism should be eliminated.

CONCEPT NO. 3—THE LAW OF AVERAGES

The law of averages, as used by those who take that defeatist point of view, has some vague relationship to the normal curve of distribution. Anyone with even elementary knowledge of statistics knows that a distribution curve can be skewed by circumstances and—what is even more important—it can be moved up or down the scale of possibilities.

The factor of chance must be accepted in any competent statistical calculation, but it is always a small part. The chance factor is dominant in, at most, 5 percent, and more likely only 2 percent, of all accidents. Thus the belief that chance dominates the frequency and severity of accidents is another absurdity which must be dispelled.

CONCEPT NO. 4—THE PRICE OF PROGRESS

Those who talk about progress and its inevitable price seldom know the meaning of progress. They probably refer to scientific advancement, especially in the last 75 years. They are doubtless thinking, too, of the constantly accelerating rate of advancement. Scientific discovery and invention are the expressions of that advancement in the public mind.

In the field of medicine during the last 50 years, methods, instruments, facilities, and training have brought under control such deadly human ailments as yellow fever, smallpox, diphtheria, malaria, polio, diabetes, and some heart conditions.

Physical and chemical sciences have brought us the steam and electric railroads, telephones, motion pictures, television, telegraphy, high-speed water carriers, the automobile, and the airplane. Only about one-fifth of the fatal motor-vehicle accidents and one-fourth of the fatal train and scheduled air-transport accidents can be attributed to mechanical faults or failures.

The same engineering genius that gave us the modern motorcar can give us complete mechanical safety. But we don't like to wear goggles in hazardous factory operations, and we are proud of our highly polished floors and scatter rugs, which are always good for a quick take-off and a one-point landing.

No, the blame is not on scientific advancement. The blame is mainly on human failure. That can be corrected.

CONCEPT NO. 5—THE SPIRIT OF '76

The courage and daring of our forefathers in risking all for their ideals and purposes is an American tradition to be preserved. Yet that spirit itself can easily be misinterpreted. Our forefathers took risks, but not unnecessary risks. Our pioneer settlers soon learned in Indian warfare that open fighting was extremely unwise. So they fought the Indians in Indian style. Not accustomed to the vicissitudes of the wilderness, our forefathers took immediate steps to build shelters that would protect them from the climate and unfriendly neighbors. They planted grain and vegetables to provide foods necessary to health, because wild game, berries, and fruit were not enough. They used the best safety knowledge they had in felling trees and in hewing logs. They kept their guns at hand and their ammunition dry.

They certainly were not sissies. Neither were they fools. They could turn their backs on a dare without loss of dignity or manhood. It's hard to imagine one of them daring another to stick his head out of the stockade so an Indian might take a potshot at him. And yet that is what we do when deliberately take unnecessary risks and openly invite accidents. It's no fun to be hurt. We need to remember that our heroes of yesterday and today, who are no sissies, protected themselves from unnecessary dangers—Lindbergh, in 1927, flying alone across the Atlantic, the football player wearing nearly a hundred dollars' worth of protective gear, the conditioned and skilled boxer, the trained soldier.

No, there is nothing manly about carelessly stepping in front of a moving truck, needlessly losing an arm in a corn picker, foolishly falling down the cellar stairs or being in dangerous waters when you can't swim.

CONCEPT NO. 6—THE ACT OF GOD

This theory of accidents is not supported in any religion commonly accepted in the Western World. A God on His throne in Heaven deliberately directing death and destruction is inconceivable.

It doesn't make sense that retribution is visited upon an individual as such in the form of an accident which may kill or destroy that which was created in the image of God. When natural causes are obscure or unknown in relation to effects, it is always easy to find an explanation in a divine source.

It will be no disservice to religion, and should be no affront to the religious, if these misbeliefs in acts of God and divine retribution are replaced by beliefs founded on the true ethics and morals of religion.

Can accidents be prevented? Yes; by constant public education to replace common misbeliefs with constructive and positive faith in word and deed.

This is no denial of the importance of enforcement and of engineering. Education transcends enforcement and engineering and makes them possible of improvement. Accident prevention is a problem of public morality. Without an ethical base and a moral code we cannot build a sound safety faith.

Safety must be a promise. The Declaration of Independence and the Constitution were hardly more than glamorous promises, when they were conceived, in an ugly, threatening world. Safety and a safety creed must partake of promise rather than threat, a positive promise of something bigger, better, and more glorious than we have had before or than we have now.

What does safety promise? Safety can promise 20,000 children a year a chance to live and have fun, a chance to grow up and become men and women. Safety can promise freedom from a large amount of unnecessary worry, anxiety, and grief. Safety can lift an enormous economic burden from the backs of 35,000,000 American families. Safety can put money in the pockets of every man, woman, and child in this country. Safety can contribute to our national strength, to world strength.

Let us as safety specialists and safety leaders help build in America a new safety faith that our great work may continue to add more speedily to the happiness and welfare of all mankind. Ours is a glorious opportunity, a tremendous challenge, a solemn duty.

Decline in Airplane Production Threat to Nation's Security

EXTENSION OF REMARKS

OF

HON. GEORGE A. SMATHERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 13, 1948

Mr. SMATHERS. Mr. Speaker, under leave to extend my remarks, I wish to introduce in the RECORD an article from the Miami Herald of December 28, 1947, written by one of the aviation experts in our part of the country. This article well points out the threat to our national security by the decline in our aviation industry. To those of us who are vitally concerned with national defense this article will be of intense interest as it will warn us of the urgent need for immediate action toward maintaining our air defenses.

The article follows:

DECLINE IN AIRPLANE PRODUCTION THREAT TO NATION'S SECURITY—ONLY GOVERNMENT HAS RESOURCES FOR FINANCING IMPORTANT PROGRAM

(By Ned Aitchison)

Whatever 1948 may have in store for the Nation's aviation industry, its present predicament hardly can grow worse. It is, of course, a matter of grave concern to the United States when any major industry hits the skids and tumbles toward the bottomless pit.

For our complex economy is certain to feel the resulting effects.

But there is a double menace to the Nation in the troubles now besetting the aviation business, because our national security is tied up inseparably with that industry.

In this age of the atomic bomb, broad, swift, far-traveling wings hold the key to our entire defense structure.

So long as the aviation industry is geared to turn out the kind of planes we need, in the number that any emergency may require, we are sitting pretty, regardless of unsettled conditions around the world.

But when the industry loses that capacity—through enforced curtailment of resources, capital and manpower—the door is opened to a very dangerous situation affecting both our future security and the peace of the world.

Aircraft development is a terrifically expensive business. Only the Government has the resources needed to finance such a program. In wartime, when the Nation's productive capacity reached an all-time peak, plane manufacturers were assured a market for all the planes they could turn out. Expense in designing and building advanced types of combat and other planes was not a factor. The only thing that counted was to win the war, regardless of cost.

Today, the situation is exactly reversed. Military purchases of all types of aircraft have dropped to an insignificant fraction of the orders that poured in on the plane plants while the conflict raged.

Sales of new types of commercial transports have been extremely limited, far below the rosier forecasts of late 1945.

Likewise, the expected avalanche of orders for private planes has failed to materialize.

These are the three markets upon which the aviation industry must depend to sell the planes it produces.

Millions of dollars of losses will be written into the operating accounts of American aviation manufacturing concerns for this year.

And, despite drastic further curtailments planned for 1948, the picture is no brighter for next year.

It is obvious, of course, that the aviation industry is different from any other major business in our whole economic set-up. Without Government support, in some form, it cannot be maintained on a basis necessary to assure our national security.

That means not so much the production-line capacity of the plants today as their ability to gear themselves to any situation this country may face in the foreseeable future.

It means that only through Government support (subsidiary is another name for it) can the research and study be maintained to assure us the best and finest military aircraft if and when we need them.

Without that support, it is inevitable that (1) we will lag hopelessly in the development of types of aircraft upon which our security will depend if an emergency develops, and (2) we will be deprived of the productive plant to turn out these planes as quickly and in such numbers as may be necessary.

That's the headache: Maintaining a huge and costly industrial set-up in peacetime as a guaranty of our future safety, or the alternative of leaving us wholly unable to meet any threat which may emerge out of the present troubled global situation.

Either way we can guess wrong—and it can cost a lot of money. But there is a lot more than dollars and cents involved in the decision. It involves, too, the possibility of our survival if the challenge should come to our peace and to our future.

Fortune magazine, in seeking answers to the complex matter, suggests: "All proposals for solving aircraft's problem acknowledge one condition—that only Federal credit is sufficient to keep the industry going. In fact, the aircraft industry never has been able to exist satisfactorily in a purely competitive, unsubsidized atmosphere, for its huge customer in war or peace always has been the United States Government."

Factors in the present chaotic conditions facing the plane builders are summarized by the magazine as follows:

Production today is less than 3 percent of the wartime peak, but plants, labor forces, and capital structures are still war-inflated. This year, the armed forces bought only 1,500 combat planes. Foreign orders faded owing to lack of dollar exchange. United States airlines canceled orders left and right. The private plane market ceased to exist.

It sees as a result of the developing situation a 10-year lapse in design of new planes, owing to costs of new development, adding: "Some new way must be found of meeting the financial risks that aircraft companies and their commercial customers can no longer bear alone or together."

It lists, without comment, some of the proposals as including Government loans to companies for construction of new aircraft; direct Government aid to carriers for purchase of planes; Government financing of plane development, experiment and production with the Government retaining title to the planes and leasing them to the air lines.

"Every one of these proposals," the magazine adds, "acknowledges that only the credit resources of the U. S. A. are sufficient to keep the aircraft industry going."

The rub is, of course, that military and commercial types of aircraft are tremendously expensive to create and build, and the field of sales for them is by that very factor extremely limited.

Yet when the chips are down and our national safety is at stake, we have to have the best and fastest planes in the world, in tremendous numbers.

There is no way to build these aircraft cheaply, or to conjure them out of a magician's hat at the last minute if we face an emergency. To have them, we will have to pay for them, and pay to maintain the manpower, productive facilities, and creative genius needed to turn them out on the proper scale.

To do less is to gamble with our national security and our very existence. It is a policy the American people will have to decide. For they must foot the cost, and their liberties are involved.

American and Canadian Taxes Compared; Contrary to General Belief, American Income Taxes Are Higher

EXTENSION OF REMARKS
OF
HON. HAROLD KNUTSON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. KNUTSON. Mr. Speaker, we are indebted to the Winnipeg Free Press for a very interesting and informative article entitled "How Taxes Vary," which will be a revelation to those who have been telling us that the American taxpayer is in a favored position when compared with his Canadian brother.

In addition to paying lower Federal taxes, our Canadian friends do not have to pay State income taxes which, when added to the Federal tax, places the American taxpayer at a serious disadvantage.

The Winnipeg Free Press is a most excellently edited newspaper, with a fine reputation for reliability, therefore the article which follows can be accepted as 100 percent authentic. The Free Press article follows:

HOW TAXES VARY

Those who pay Canadian income tax, and feel themselves hard done by, will be interested in a comparative table on income taxes payable in this country and the United States. The rates shown are those effective in the latter part of 1947 and are applicable to earned income, as distinct from investment income.

In the case of the United States, the compiled Federal and New York State tax is shown. Canada and the United Kingdom have no State income taxes. In the United States case also the tax payable was calculated after making the standard deduction of 10 percent from gross income up to $5,000, in lieu of contributions to nonprofit organizations, interest paid, State and local taxes, and medical and other personal expenditures exempt. For gross incomes over $5,000 there was also deducted the New York State income tax in excess of the amount of such a tax on a $5,000 gross income.

No similar deductions from gross income were made in calculating the Canadian and United Kingdom tax.

For the purposes of comparison the family allowance received by a Canadian taxpayer with children is deducted from the income tax payable by him, since for income-tax payers the family allowance takes the place, in part, of the former income-tax exemptions for children. This accounts for the negative income tax equal to the family allowances shown at low incomes in the following tables. Similar allowances are made for family allowances paid in the United Kingdom in respect of children after the first child.

Gross income in dollars	Single person		Married person without children		Married person with 2 children	
	Canada	United States	Canada	United States	Canada	United States
$600	-------	$8	-------	-------	−$144	-------
$750	-------	33	-------	-------	−144	-------
$1,000	$29	76	-------	-------	−144	-------
$1,250	70	121	-------	$24	−144	-------
$1,500	120	167	-------	66	−144	-------
$1,750	170	212	$29	109	−139	-------
$2,000	220	257	70	152	−108	-------
$2,250	270	304	120	195	−64	$5
$2,500	320	350	170	238	−14	48
$3,000	420	447	270	328	86	133
$3,500	520	548	370	421	186	221
$4,000	620	650	470	523	286	311
$5,000	835	858	670	726	486	505
$7,500	1,465	1,536	1,260	1,267	1,064	1,108
$10,000	2,253	2,333	1,960	2,141	1,786	1,824
$20,000	6,515	6,692	6,140	6,414	5,896	5,922
$35,000	14,478	15,416	14,065	15,088	13,811	14,471
$50,000	22,728	25,338	22,315	24,980	22,061	24,287
$75,000	37,690	43,706	37,240	43,310	36,976	42,534
$100,000	53,903	63,757	53,415	63,334	53,141	62,503

American Legion Endorses Proposal To Admit Displaced Persons Outside of Normal Immigration Quotas

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. KLEIN. Mr. Speaker, much has been made by the people who believe that the United States can live behind an imaginary Chinese wall, shut off from the rest of the world, of the opposition by the American Legion to the admission of displaced persons from Europe outside the regular annual national quotas.

The wildest possible misstatements and misrepresentations and distortions of the clear facts have been perpetrated, and some of the opponents of immigration have even descended to invoking racial and religious animosities repugnant to American traditions.

I am very happy, therefore, to bring to the attention of the House again the fact that the American Legion has reconsidered its position and now endorses the principle embodied in the Stratton bill.

I am particularly happy to place in the RECORD the following letter, dated January 9, from Mr. Irving M. Engel, commander, Willard Straight Post, No. 842, of New York, which embraces many

members who reside in my congressional district, clearly stating the approval of the Legion to immediate admittance of displaced persons as a humanitarian act:

THE AMERICAN LEGION,
WILLARD STRAIGHT POST,
No. 842, NEW YORK,
January 9, 1948.

Mr. ARTHUR G. KLEIN,
House Office Building,
Washington, D. C.

DEAR MR. KLEIN: As commander of the Willard Straight Post of the American Legion, Department of New York, I am inviting your attention to the recent favorable action taken by the American Legion regarding displaced persons.

The action of the American Legion was taken on the recommendation of the National Americanism Commission made by its chairman, James F. Green. The recommendation was based on first-hand information on the DP problem obtained during a 2-month personal survey overseas by Past National Commander Paul H. Griffith and other prominent Legionnaires.

I invite your attention especially to the following paragraphs from Mr. Green's report to the national executive committee:

"Past Commander Griffith reported that these persons have been driven from their countries by persecution during the last war, or have fled from the tyranny of later established communistic dictatorships. There are no homes to which they may return and there is no hope of reestablishing them where they now are. Neither can they remain forever in the camps in which they are presently located, the objects of our Nation's charity. They must be permitted to reestablish themselves in new lands in which they may pick up the broken fragments of their lives and work out their own destiny under circumstances which will afford them an opportunity to succeed.

"These persons are men and women of character who represent a variety of skills which could be fitted advantageously into our national economy. The ability they have, the occupations they pursue are sorely needed in many part of our land. There are no Communists among them.

"He further reported his own conviction that our present national policy of selective restrictive immigration must be continued and strengthened; however, he informed the commission that the problem of displaced persons must be considered separate and apart from our normal immigration law and custom, as a humanitarian emergency requiring immediate correction applicable to the emergency alone. For that reason, he recommended to the commission that it reconsider its prior position, and make provision for the admission of displaced persons in specifically designated numbers in the United States."

An early solution of this problem is certainly indicated. In line with the present stand of the American Legion on this subject, your support of adequate legislation to admit our fair share of displaced persons is strongly urged.

Sincerely yours,

IRVING M. ENGEL,
Commander.

Richard Eberhart: Minnesota Poet

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. MACKINNON. Mr. Speaker, Richard Eberhart, one of today's outstanding lyric poets, is a native of Minnesota. During the last war he served with distinction in the United States Navy, and it was on that occasion that I made his acquaintance. He has recently published a collection of his lyric verse under the title "Burr Oaks," the reading of which I strongly recommend. Under leave to extend my remarks, I include the review of this book, which recently appeared in the New York Times:

BURR OAKS, BY RICHARD EBERHART, NEW YORK; OXFORD UNIVERSITY PRESS

(By Selden Rodman)

Among the half dozen inspired lyric poets writing today in English, Richard Eberhart deserves to be better known in America. His neglect here may be traced in part to the circumstances that he was educated at Cambridge, published by Oxford, and wrongly identified in the early thirties with the Auden-Spender-MacNeice group. Also in part it may have been felt that for an American the subject matter of Eberhart's early poems was too English, his idiom overly literary. Actually Eberhart's one widely quoted poem, The Groundhog, stems directly from Thoreau; and the dry energy of speech that informed such matchless early lyrics as I Walked Out to the Graveyard To See the Dead and I Wish I Could Live at the Pitch That Is Near Madness derives as much from the poet's native Minnesota or adopted Cambridge, Mass., as from the well-assimilated mysticisms of Nash, Blake, or Hopkins. Nevertheless an air of affectation hung heavily over A Bravery of Earth (1930), clouded stretches of Reading the Spirit (1937) and Song and Idea (1942), and has not been altogether dispelled from Eberhart's latest collection.

Burr Oaks is divided into three groups of poems. The first, consisting of short lyrics, contains six of Eberhart's finest—The Ineffable, The Full Weakness of Man, Mysticism Has Not the Patience, The Moment of Vision, I Will Not Dare to Ask One Question, and New Hampshire, February—and at least one of his worst, The Magical. The second group includes four longer poems. Triptych, an argument between a poet and a practical man, fails to come off; one's sympathy is all with the latter who can hardly open his mouth without being overwhelmed by a deluge of whimsy. The title poem is a remembrance of childhood, rich with pastoral imagery.

The Chinese Paper Snake, one of Eberhart's most successful poems, is a subtle and witty evocation, somewhat in the manner of Marianne Moore, of the cross-fertilization of cultures:

The father of a metaphysical principle,
Made in Hong Kong but sold in San Francisco,
The paper snake is foreign to the people of Maine
And has never been seen in the hives of Vienna.
Nearest to stillness his force is most potent.
Thus he adumbrates the meaning of innocence,
Liable in gross action to the unsalvageable and comic;
His least motions manipulate the fiercest evil.
Delicacy is also the mark of civilization
And this is a most uncultured Satanism;
Him no Spengler fingered into exotic play
Nor divested him of his striking parody.

The third part of the book contains six war poems, two of which, Dam Neck, Virginia and The Fury of Aerial Bombardment, have been widely reprinted, and one of which, At the End of the War, has been unaccountably neglected. In these, as in The Chinese Snake, the poem is held in control by its specific subject. Eberhart is an inventive poet, with a healthy urge to let violence and exuberance "shock out over the teeth," and the consequence is that the poems of ideas tend to fly apart like a reved-up machine without a governor. Sometimes the language gets so far out of hand as to be ludicrous, as when he speaks of "My being being being's essence, a mathema" with its "non-feverous, but non brittle-brainy lack-brawn Convolvement." When he adds that "it is to be non-mooned to morality as it is to be bubbly renunciatory"—as proof that "only my I was pure"—one is tempted to beg him to leave his ego alone.

Fortunately, the passage and the style are not typical. Eberhart can write straight, even sparely, and for the most part does. And when he does, he can impart to even so tenuous a subject as the poet himself an unforgettable majesty:

The moment of vision will come when it will,
The gift of the gods, the unshakable
Intuitive stewardship, and still
That matchless satisfaction of the maker.
To read the spirit was all my care and is,
To lose life to find hope,
To destroy in the heady grope
For new world's upon an old's effacement,
Through the breach of evil the breath of grace
The worthy one who did a worthier thing
Than all the worthies did—he kept that hit;
Him whom another age heard not
But now my surest music of the word,
Earth-thrown singer, who burnt his bridges.

Natural Gas Shortage in Pennsylvania Is Not Improving

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. VAN ZANDT. Mr. Speaker, since the advent of winter weather, western Pennsylvania is again faced with a serious shortage of natural gas.

Even with drastic restrictions in effect regarding the use of gas for certain purposes, the demand for natural gas is the greatest in the history of the industry. The supply of gas has increased over 300,000,000 cubic feet per day and is expected to increase to 400,000,000 cubic feet before the end of the winter.

According to the Federal Power Commission, local natural gas from wells in the Appalachian area continues to decline. With the increased demand for natural gas, due to cold weather, there is today a shortage that has caused industries to either cease operation or transport bottled gas to avert a shutdown.

A complete analysis of the natural-gas situation, as it affects Pennsylvania, is contained in the following letter from Mr. Harrington Wimberly, Acting Chairman of the Federal Power Commission:

FEDERAL POWER COMMISSION,
Washington, December 19, 1947.

Hon. JAMES E. VAN ZANDT,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN VAN ZANDT: This will acknowledge your letter of December 4, 1947, in which you requested current information with respect to the natural gas shortage.

From the information the Commission has available, it appears that there will be some, but not much, improvement in the natural

gas picture in Pennsylvania this coming winter over the situation that prevailed last winter, which was described in our letter to you, dated February 27, 1947.

This is in spite of authorization by the Commission of various pipe-line projects to increase the capacity of pipe-line companies to deliver gas in the Appalachian area, such as the projects of Tennessee Gas Transmission Co. to increase its capacity from 263,000 thousand cubic feet per day to 600,000 thousand cubic feet per day and that of Texas Eastern Transmission Corporation (owner of the Big Inch pipe lines) to increase its capacity from 140,000 thousand cubic feet per day to 433,000 thousand cubic feet per day. Tennessee does not expect to have its new facilities completed until the end of 1948 and Texas Eastern expects to reach a capacity of 340,000 thousand cubic feet per day by February 1, 1948, and 433,000 thousand cubic feet per day by August 1, 1948. Other major projects approved recently to help the Appalachian area include a 20-inch pipe line of the United Natural Gas Co. extending from a connection with the Big Inch lines in Greene County, Pa., to its system at Ellwood City, Pa., and the Coatesville-Port Jervis line of the Manufacturers Light & Heat Co. in eastern Pennsylvania. These latter projects are scheduled for completion some time this winter. Continuing difficulty in securing steel pipe is hampering the efforts of the gas companies and delaying completion of needed facilities.

Both Texas Eastern and Tennessee Gas appear to be making strenuous efforts to increase the capacity of their systems as authorized by the Commission, and these efforts have resulted in substantial increases in the volume of gas being delivered each day from Texas and Louisiana into the Appalachian area. A year ago this time, the Big Inch lines were being made ready for the transportation of natural gas. Today Texas Eastern is delivering 216,000,000 cubic feet per day through these lines and the quantity will continue to increase this winter as the company completes additional compressor stations. Since last December, Tennessee Gas has increased its capacity more than 100,000,000 cubic feet per day and its construction program is continuing. Thus the outside supply to the Appalachian area has been increased more than 300,000,000 cubic feet per day since last year and this increase will probably exceed 400,000,000 before the end of this winter.

However, local natural gas supplies from wells in the Appalachian area continue to decline, and the demand for natural gas is the greatest in the history of the industry and is still increasing, despite restrictions and limitations on service to consumers for certain purposes, particularly space heating.

Estimates submitted to the Commission by the principal natural gas distributors in the Appalachian area show that, on a comparable basis (same temperature conditions) the demand of their customers on the peak day of last winter was 3,181,000,000 cubic feet and will increase to 3,378,000,000 cubic feet on this winter's peak day, or by 197,000,000 cubic feet. The total supply from all sources on last winter's peak day was 2,543,000,000 cubic feet and is expected to increase to 2,927,000,000 cubic feet on this winter's peak day, or by 384,000,000 cubic feet. Hence the deficiency in peak day supply will drop from 638,000,000 cubic feet to 451,000,000 cubic feet, or by 187,000,000 cubic feet. The deficiency in supply last year was 20 percent and this year is estimated to be 13 percent of peak day demand. Since the demand of their industrial consumers on this winter's peak day is estimated by these companies to be 635,000,000 cubic feet, the indications are that a curtailment of approximately 70 percent in the use of gas for industrial purposes will be required on the peak day (and lesser percentages on other cold days) in order to protect service to domestic and commercial consumers. Due to inadequacy of facilities or special circumstances, there may be some localities in which service to domestic and commercial consumers cannot be fully and adequately maintained on very cold days.

The Commission's Opinion No. 157, in the matter of Texas Eastern Transmission Corp., and Opinion No. 161, in the matter of Panhandle Eastern Pipe Line Co., contain information concerning the gas situation which you may find useful, and a copy of each is enclosed.

If you desire any further information concerning the natural gas situation, we shall make our best efforts to supply it.

Sincerely yours,

HARRINGTON WIMBERLY,
Acting Chairman.

Truman and Politics

EXTENSION OF REMARKS
OF
HON. HERBERT A. MEYER
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. MEYER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial by Mr. Fred Brinkerhoff, of the Pittsburg (Kans.) Headlight, on the President's recent message on the state of the Union. He is recognized as one of the outstanding editors in Kansas and one who keeps his ear to the grass roots. I know the opinion expressed here is the opinion of the people throughout that section.

The editorial follows:

TRUMAN AND POLITICS

President Truman proposes a reduction of Federal taxes for individuals—$40 for each individual and the same amount for each dependent—and an increase in taxes on corporations to make up the loss in Federal income from individual reductions.

The tax cut for individuals which the President proposes would reduce the Federal Government's income by $3,200,000,000. To offset this loss and retain the Government's income at the present figure, the President would increase the tax on corporations he says are able to pay to take up this slack.

There is nothing in the President's program, which went to Congress after some boasting from Truman aides that the message was a "slugger," to promise reduction of Government expenses. The President said that the Government expenses would be cut down as much as could be safely done. There was no indication that the President believed any reduction could be safe.

The political appeal in the message is obvious. Mr. Truman proposes to throw a little saving to individuals. This he dubbed a cost-of-living cut. At the same time he proposes to hit business, which action would be popular with many individuals who are not in business. His $40 saving would go to more than 54,000,000 Americans. The increase would reach many thousands of corporations. The expected results would be appreciation politically by those receiving the small cuts and approval by them of the increased soaking of the corporations. Soaking corporations is generally considered a paying gesture in politics.

The thing that should appeal with tremendous force to thinking citizens is that the President is not proposing to cut expenses and reduce taxes. He is for maintaining expenses or increasing them and shifting a part of the cost from individuals to business. This will appeal to many as an evasion of the issue that sooner or later must be brought to a solution—that of expenses of government that the people of the United States cannot afford.

Last year Congress sent two tax-reduction bills to the White House. They would have required the reduction of expenses. They would have necessitated the mustering out of an army of pay rollers. The President vetoed them and thus defeated the wishes of the majority of Congress which included in the reduction a great many Democrats. It was maintained then that the tax reduction for which the people had voted overwhelmingly in 1946 should be made at that time. It was suggested that if thrown over into this year the matter would be made a political issue.

There is plenty of reason to conclude that tax reduction now has been made a major political issue. The Republican Congress will be charged with doing that. However, the Republicans of Congress brought in the tax bills last year. They said then that they would be back this year at the very start of the congressional session with tax-reduction legislation. The President was in opposition to reduction. Now he is shifting and proposes reductions—of his own kind—and increases of his own kind, too. Mr. Truman here in 1948 becomes a tax reductionist and cannot escape the charge of promulgating a program for political effect.

The Republican Congress should proceed with its own reduction program which would be an expense-reduction program as well.

Using all efforts to bring about economizing in the Federal Government is a responsibility of the Republican Congress. President Truman stands opposed to that program.

Communists on American Ships

EXTENSION OF REMARKS
OF
HON. ALVIN F. WEICHEL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. WEICHEL. Mr. Speaker, the American merchant marine is a part of the defense of the United States as well as a part of our peacetime economy. During the past 5 years our Government built a great number of ships which helped to win the war. In the operation of these ships tens of thousands of persons were employed. With the war over the American merchant marine remains an integral part of the defense of our country. Nevertheless those who are engaged in the operation of the American merchant marine have little to say as to who is employed on such ships. The captain must take as crew, whomsoever is sent to the ship, without regard to his belief in America, without regard to his allegiance to America, and without regard to his being a Communist. It has been publicly demonstrated as to the number of Communists engaged in maritime activities throughout the world and it is well known that the philosophy of communism is being spread in utter opposition to America. Yet the command-

ing officers of our merchant ships flying the American flag, are obliged to take such Communists as part of the crew of an American-flag seagoing ship. It is folly to spend money to stop the progress of communism throughout the world, while the American merchant marine is wide open to the secret attacks of communism. Above all things the American merchant marine should be safe, and be free in its operation from communism. Mr. Speaker, I am requesting that the Federal Bureau of Investigation make an immediate investigation as to Communists serving as crews in the American merchant marine.

Hon. Albert Engel

EXTENSION OF REMARKS
OF
HON. CLIFFORD DAVIS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. DAVIS of Tennessee. Mr. Speaker, our colleague, ALBERT ENGEL, is highly respected in this body for his industry, fairness, and study of public questions. There appeared an editorial in the Commercial Appeal in my city of Memphis, Tenn., which was most complimentary. It was certainly well and accurately written. Under leave to extend my remarks, I include that editorial that he and all of you may know how a great newspaper in the Midsouth feels about him:

SPEED THAT COUNTS

Chairman ENGEL'S announcement that flood-control hearings on 1949 fiscal year appropriations will begin next Monday is heartening, indeed, for it indicates a vastly beneficial change of pace and viewpoints.

The hearings start, according to that schedule, on the same day President Truman submits his budget message. In the past, flood-control hearings haven't got underway until weeks after the Budget proposals have been received by the Congress. Not infrequently appropriation measures have not been approved until after a new fiscal year actually begun, and there has been a consequent costly delay in continuing or starting flood-control construction.

It is Chairman ENGEL'S hope that hearings can be completed within a period of 3 weeks and that the 1949 appropriations can get final approval by April 15, or not later than May 1. If that can be accomplished it will set a record—give Army engineers an approximate two and a half additional months on their working season.

In his first year as chairman of the War Subcommittee, Representative ENGEL proved, in 1947, that he is a sincere and practical friend of flood control, and of the areas where flood control is imperative. Now he is demonstrating further leadership qualities by insisting that the necessary funds be made available at a time which will enable attainment of maximum benefits.

The gentleman from Michigan is one of the few in Congress, during our long experience with flood-control matters, who has quickly come to realize that flood-control construction is something requiring months of preappropriation planning and that, in the main, it is done on continuing basis from year to year.

Failure to know what could be expected in the way of funds well in advance of the start of any given fiscal year has been the greatest barrier to achievement of peak construction efficiency. Worse, it has resulted in great waste and frequently has been an invitation to flood destruction. Contrary to the rule, haste with flood-control funds means vast savings—a fact which Chairman ENGEL obviously recognizes.

Our Navy in the Future

EXTENSION OF REMARKS
OF
HON. CLAUDE I. BAKEWELL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. BAKEWELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Star of January 9, 1948:

OUR NAVY IN THE FUTURE

In his valedictory report to the Secretary of the Navy, Fleet Admiral Nimitz has drawn up an impressive argument against those who have come to belittle the role of sea power in the new age of rockets, guided missiles, long-range bombers, supersonic flight, atomic weapons, and other actual or potential wonders revolutionizing the grim art of warfare.

It may be, of course, that navies will one day be largely obsolete, but Admiral Nimitz, who has just retired as our Chief of Naval Operations, leaves little room for doubt that that day is distant. In his opinion, and it is a decidedly convincing one, our sea-air power, which now controls the oceans more absolutely than they have ever before been controlled by any other nation, will be of decisive importance to us "in the event of war within the foreseeable future."

This holds true, according to Admiral Nimitz, in both a defensive and offensive sense. But it is of particular significance offensively. Thus, given its present strength in relation to others, our Navy—surface, subsurface, and air—probably would have only a minor problem of defense in case of war in the next decade or so. Its attack role, however, would be very large. Wholly apart from what it would have to do to transport troops and arms to advanced areas—a thing that no other service is equipped to do on the same scale—it would be expected, especially in the opening stages of hostilities, to project its weapons against vital enemy targets on land, the reduction of which is the basic objective of warfare.

Moreover, as Admiral Nimitz persuasively argues, our Navy, if properly maintained and kept up to the minute in adjusting itself to revolutionary new weapons, would be admirably suited for such offensive operations. As demonstrated against Japan, it could have great, mobile, fast-striking task forces virtually as complete as any air base ever established. From these, set up offshore anywhere in the world, it could launch carrier planes capable of dropping atomic bombs, or it could use its heavy surface ships and submarines to project rockets and guided missiles. Indeed, as Admiral Nimitz sees it, our Navy—air, surface, and subsurface—should be able within the next 10 years to critically damage enemy vital areas many hundreds of miles inland. The task forces—the great floating bases—would make this possible and they would be able, besides, to defend themselves with arms and tactics specifically designed to cope with the special naval problems created by the atom and kindred instruments of mass destruction.

Certainly, as far as the foreseeable future is concerned, this estimate of our sea-air strength seems so sound that we can ignore it only at the risk of frittering away our present absolute control of the oceans—a control of vital interest to us, in Admiral Nimitz's words, not because it means riches and power as such, but because it bulwarks our national security and serves to promote that balance and stability among nations that will insure to each the right of self-determination. In sum, until there is genuine disarmament and collective security, our Navy must remain preeminent for the sake of our own peace and the world's as well.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. CLARENCE E. KILBURN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. KILBURN. Mr. Speaker, at a regular meeting of the Ogdensburg Rotary Club, Ogdensburg, N. Y., the following resolution was adopted endorsing the great St. Lawrence seaway and power project:

The St. Lawrence seaway and power project has received the endorsement of every President from Woodrow Wilson to Harry Truman. It has been approved by the Governor of this State and many other States.

It offers a splendid power site and deep water connection between the Atlantic and the world's greatest inland waterway, the Great Lakes.

Our supplies of high grade ore are being rapidly depleted in the West and upwards of one-half billion tons have been discovered in Labrador and the seaway is needed to transport it cheaply to the blast furnaces near the Great Lakes from Pittsburgh to Chicago.

The United States and Canada on March 19, 1941, signed an agreement to complete the St. Lawrence-Great Lakes seaway and power project. Most of the construction work needed to complete this development of the Nation's No. 1 power project has been completed except in the international rapids section of the St. Lawrence River in the boundary waters between the State of New York and the Province of Ontario.

The completion of the seaway will modernize the existing channel for commerce already improved for use by ocean-cargo vessels.

The dual-purpose navigation and power project to be built will develop 2,200,000 horsepower of the cheapest electric horsepower in the world, to be divided equally between the State of New York and the Province of Ontario.

The completion of this great power project will reduce the household rates throughout the State about 63 percent, and will reduce the cost of power to industries by one-half:

Resolved, That we who live in the St. Lawrence Valley and for years have seen the waste of its mighty resource, declare the proposed project to be the greatest public improvement to be built in any part of the world, and strongly favor its construction in order to provide tens of thousands of jobs for returned veterans, displaced war workers; to promote foreign trade and domestic commerce in all parts of the United States; and to furnish 4,000,000 or more individuals—rural and industrial consumers of the State

of New York—with power and electricity at low rates.

Resolved, That a copy of these resolutions be forwarded to President Truman; the Governor of the State of New York, Hon. Thomas E. Dewey; to the senior Senator of the State of New York, Hon. Robert F. Wagner; to the junior Senator of the State of New York, Hon. Irving Ives; and to our Representative in Congress, Hon. Clarence Kilburn. That a copy also be forwarded to the Power Authority of the State of New York; be it further

Resolved, That copies of this resolution be forwarded to other Rotary clubs in this State with the recommendation that they adopt similar resolutions.

OGDENSBURG ROTARY CLUB,
DONALD A. HUNTER, *President*.

Approved:

CLARK M. BOWMAN,
Secretary.

Inspired Control

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. MACKINNON. Mr. Speaker, under leave to extend my remarks, I include an editorial by Mrs. Roe Chase, editor and publisher of the Anoka Herald, which appeared on January 8, 1948. Mrs. Chase is one of the outstanding editors in my State and her editorial "Inspired Control," reflects the conclusion of many Christian Americans, that most of our present-day evils result from excessive materialism and blind self-interest. I am sure we could solve many of our problems if we were to pay more heed to Christian principles. This is really an inspired editorial:

INSPIRED CONTROL

President Truman's call for new rationing brings up an old lesson—one we never seem to learn from history. Freedom and selfishness won't mix. When men do not voluntarily control selfishness, somebody has to step in to curtail freedom.

Why, however, is it always freedom that's curtailed? Efforts have also been made to end selfishness. But these nearly always simmer down to preachment. Somebody tells somebody else to be less selfish. And we need, not exhortation, but inspiration.

Unselfish men can inspire unselfishness in others. They can, with authority, call on others for the self-control that makes government control unnecessary. Without this authority we can't call for unselfishness in anybody. So the place to start is with you and me.

It may be hard for you and me to be unselfish. It may even be impossible if we try it on our own. But hundreds—even thousands—find that the secret of unselfishness lies in loving something bigger than yourself—love of family, love of country, love of God. The latter, they say, takes care of both the former. So those of us who are tired of having others control our freedom might take a chance at letting God control our demands.

Inner discipline of this kind insures continuance of freedom with stability in economics. Rising morals in you and me can begin to end rising prices in the Nation, without recourse to compulsion, rations, or controls.

Rent-Control Story

EXTENSION OF REMARKS
OF
HON. WAT ARNOLD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. ARNOLD. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following article from the Wall Street Journal of December 29, 1947, outlining the experience and the results of rent control in France over a period of 33 years:

RENT-CONTROL STORY—FRANCE'S RENT CEILINGS ARE 33 YEARS OLD; SO IS HER HOUSING SHORTAGE—SOME APARTMENTS COST BUT $10 A YEAR; UNREPAIRED BUILDINGS FALL APART—BUILDERS WON'T RISK MONEY

(By Charles R. Hargrove)

PARIS.—For 33 years France has enjoyed rent controls. And for 33 years France has suffered from a housing shortage. Today it's one of the world's worst.

Last year Paris saw 60,000 people turned out of 2,000 uninhabitable buildings. This year the number has about doubled.

Paris police recently warned about the danger of injury or death from falling pieces of balconies, chimneys, cornices, and window railings because "for years no repairs have been executed on the facades of the buildings."

The police, of course, called proprietors' attention to their "responsibility." The proprietors, after three decades of super low rents that meant investment losses, replied by reminding the Government of its responsibility for their irresponsibilities.

NOBODY WANTS TO BUILD

You can go almost anywhere in France today and see people living in makeshift homes. The state has no money to put into new houses. Private builders, even if they can get the materials and locate laborers, have no desire to risk their money in a field that has been so rigidly controlled by the Government. Although properties built now are not subject to rent control, they would have to carry rentals 5 to 10 times the controlled properties to make a profit.

It was the First World War that brought the first law designed to keep homes cheap, to compensate for soaring prices of food and clothing. What started off as emergency legislation has, over the years, developed into a series of laws voted by successive Parliaments. Rent legislation is now so complex it defies the comprehension of landlord and tenant and everyone else except a handful of experts.

The first law provided a sort of moratorium on rent increases. Subsequent laws were all based on two main principles: (1) The maintenance of rent ceilings that would rise with currency devaluation but never in proportion to the devaluation, and (2) the right of tenants, with few exceptions, to retain their homes despite lease expirations.

Following the First World War it was decided that buildings built after 1918 would be free from rent control; that was to stimulate building. But this privilege lapsed with World War II, and now all buildings predating 1939 are under controls.

RENTALS 1 TO 5 PERCENT OF ANNUAL INCOME

For that half of France's population which lives in cities, where house renting is the rule and house owning the exception, all this mass of legislation means that as long as you behave yourself nobody can turn you out of your apartment. And your apartment will cost you at best 1 percent of your annual income and at worst 5 percent.

Take an example or two.

Here is the proprietor of a house that has been split into two-room apartments with kitchens, running water, electricity and modern sanitation. Several tenants in this house earn the equivalent of $1,500 a year; yet they pay only $10 a year rent. The landlord's gross income from all rentals in this house is $375 a year. Yet after deducting costs of operating there is barely $100 left for him and that is subject to taxes.

Or take the theoretical but typical case of a mason living in what is officially classed as a "worker's dwelling," built in 1914. The rent then was less than 1 franc a day. Now it is around 4 francs (a little over 3 cents). But the mason back in 1914 earned 5 francs a day and now earns more than 300. Thus in 1914, the mason's rent was about 14 percent of his income; today it's a little over 1 percent.

The only condition for being able to settle your annual rent bill with the earnings from a day or two of work is that you stick to your apartment. That, of course, presents many practical problems. A young married couple, for example, is comfortable in a compact two-room place; but over the years the family may expand to five or six people to be cramped into the same space. Or a big family that occupies six rooms may shrink down again to a couple—bouncing around in unneeded space. In some cases such contracting families leave extra rooms empty.

SWAPS AND PREMIUMS

There is one possible way out of such dilemmas. Tenants can arrange to swap premises. Some newspapers, in fact, do a big business in advertising such trades.

In such a rental situation it is inevitable that a black market would exist. Generally there is no direct open cash bribe. But the person taking over an unfurnished apartment will pay an exaggerated sum for old wornout furniture left by the outgoing tenant.

Thus an ancient carpet might bring 48,000 francs (about $400). Sometimes American dollars are demanded, due to distrust of the franc. Instances are known where a million francs (about $3,400) have been paid to find a home this way.

Frenchmen have come to take it for granted that landlords should pay for the privilege of having them as tenants. But underneath there is a growing concern among those thinking Frenchmen who look further than their noses. Not only is most housing antique, it has become dilapidated.

MANY ANCIENT BUILDINGS

Real-estate men explain that a building in urban regions can normally be used 60 to 100 years. In Paris over half the buildings are more than 60 years old. Throughout France one building in five dates back more than 100 years; in certain areas the proportion runs as high as 70 percent. Some experts in this field forecast that over the next few years a high percentage of France's 9,000,000 homes will fall in ruins for lack of upkeep.

And for 33 years there has been almost no new housing. For 10 of those years there was war. Between the two World Wars and since the last one, building has been either suspended or so far below normal as to make little impression. The last war, what's more, destroyed or damaged an estimated 300,000 dwellings.

France's building industry, meantime, has become as out of date as her buildings. The secretary of the building federation recently estimated that in France it takes 25,000 man-hours of work to build a house. In Britain, he said, the figure is 9,000 and in America it is 4,500.

France's building-cost index stands at 6,500, compared with 100 in 1914. The rent index, in sharp contrast, has risen only to 500 from 100.

All political parties and classes of people agree France's housing conditions can't go

on as they are. Already millions are living in hovels. But what happens when the hovels collapse?

REMEDIES ARE PROPOSED

There are several proposals—all with their own draw-backs.

Rents could be raised sharply, to a point where landlords could afford to repair their properties. But such sudden mark-ups would mean hundreds of thousands would have to get out of dwellings they couldn't then afford, or their wages would have to be raised sharply, adding to France's inflationary spiral.

The Tenants' Federation has put forward a plan to finance new buildings by the issue of special redeemable notes interchangeable with ordinary bank notes. That is the way to headlong inflation, monetary experts emphasize.

Another scheme, somewhat more reasonable and more likely of being tried, calls for a series of moderate readjustments of rents. A portion of all such increases would be earmarked for a fund to assist in new building. But even this more cautious approach to the problem implies stability of the general price level. When prices of other things rise as much as 25 percent in a few months, as they have recently, an increase of 5 percent or 10 percent in rents would still leave landlords' income lagging.

If the housing problem is allowed to drift along and owners are forced into bankruptcy, the state will be able to buy housing properties for a song. More conservative people in the Government suggest that Communists, so recently active in France, have not overlooked this possibility.

The Late Honorable Clarence Hancock

EXTENSION OF REMARKS
OF
HON. JAY LeFEVRE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. LEFEVRE. Mr. Speaker, it was with deep regret that I learned of the passing of my good friend and former colleague Clarence Hancock. I immediately thought of my first meeting with Clarence when I came to Washington in January 1943 to begin my first term in the House of Representatives. From the very start, I was greatly impressed with his quiet manner and what seemed to me to be very valuable information for a freshman in Congress to receive. A friendship started then that I shall always cherish. It so happened that we belonged to the same college fraternity and possibly it was due to that fact that he gave me so much good and sound advice. Soon I learned of his ability as a legislator and the respect all the Members of the House held for him. To this day it is not unusual to hear Members who served on the Committee on the Judiciary with him, express the highest praise for his judgment and their regret that he was no longer with them. Personally, I feel that one of the highest compliments that can come to a man is the support and confidence given him by his home people. This Clarence Hancock had. His great patriotic spirit for his country and devotion to the people of Onondaga County will always be remembered. His good-natured humor, sound advice, and delightful fellowship with the Members of our New York delegation are qualities we all admired and shall deeply miss.

My deepest sympathy goes to Mrs. Hancock and their son John. It was my good fortune to have known this family quite well. I have always admired the love and loyal family spirit that existed. I know that Mrs. Hancock and John will have the courage to bear this great loss, feeling that Clarence would have it no other way.

"Investigatin' Congress"

EXTENSION OF REMARKS
OF
HON. ALBERT J. ENGEL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. ENGEL of Michigan. Mr. Speaker, a couple of weeks ago I saw the following little article in the December 14, 1947, issue of This Week magazine. It is by Wally Boren, author of the popular Wally's Wagon column in that publication. We who are on the receiving end here in Congress are in the best possible position to know how exceptionally well expressed Mr. Boren's article is. I take the liberty of quoting one sentence from a letter I have subsequently received from Mr. Boren:

I am thinking of a follow-up piece; it's terribly important that the American public have a feeling of warmth and friendliness toward Congressmen—the foundation on which a respect for Congress, the institution, is built.

In short, let us differ on issues as much as necessary. But let not our differences break down faith in the great institution itself.

Here is Wally Boren's December 14 article:

You know, if I was a Congressman, I would get somebody tough to bargain for me. I would want a fellow that could get me some fair treatment.

Couple of weeks ago a Congressman stopped here. We don't have many Congressmen amongst our regular trade, so I started in braggin' about how I had fried a hamburger for the Honorable Mister X.

Those that recognized the name all knew somethin' bad about him. He had voted wrong on the tax bill or was bought body an' soul by the lobbyists or was known to be a horse thief.

Those that never heard of him before didn't want to now. He was a Member of Congress an' that was enough to stamp him as a nitwit an' a wife beater. Now I think this is all wrong. Congressmen do a lot of good things. But you just take a look at the papers. Or listen to the commentators on the radio. You could cram a year's praise of Congress on a postage stamp. The criticizin' an' complainin' about Congress hardly leave room on the air for the soap operas an' practically crowds the murder stories off the front page.

I was over to the library yesterday. Had to take Miss Coggins, the librarian, some lunch. So I asked her, did she have any books devoted to extollin' the good deeds an' high quality of the elected representatives of the people. Sure enough, she had one. It was wrote in 1904 an' the last time anybody took it out was the summer of '09.

However, Miss Coggins found 41 books that knifed the law-makin' boys—not countin' two shelves of history books heavily sprinkled with their misdoin's.

There was four books defendin' Jesse James, a couple that claimed Benedict Arnold was a martyr an' quite a few that figured some of our famous bandits an' grafters was only guilty of boyish pranks.

But I learn from Miss Coggins that the present Washington set-up is the Eightieth Congress in a row—an' the country is likely to survive a few more. I just can't believe the United States has managed to be so big an' rich, in spite of Congress.

Fact is, I feel so patriotic an' so sympathetic towards Congress that if I knew my Congressman's name, I'd write the stinker a fan letter.

WALLY BOREN.

Survival in Chaos

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. ANGELL. Mr. Speaker, the following article is the second in the series written by Philip H. Parrish, editor of the Portland Oregonian editorial page, on European problems:

SURVIVAL IN CHAOS—DISCOMFORTS OF ATLANTIC CROSSINGS OFFSET BY NEAR DISASTERS ON LAND

(This is the second of a series of articles detailing observations recently made in Europe by Philip H. Parrish, editor of the Oregonian editorial page. The writer spent 7 weeks in Germany, Austria, France, and England.)

(By Philip H. Parrish)

After my 1946 trip to Europe, and the articles resulting from the trip, a surprising number of persons asked why I hadn't written anything about how it felt to fly the Atlantic.

The reason was that it had seemed presumptuous to dwell upon the trials and palpitations of a party of VIP's (very important persons), when so many scores of thousands of our service personnel had made the crossing on bucket seats as a mere detail of the war—dutiful if not uncomplaining.

After all, we did have it better. Very frequently, if one were quick, there was a double seat or a space on the floor of the DC–4 where one could hunch into an hour of restless sleep. Not, however, in the broader space between the front seat and the baggage compartment. That was reserved, by unanimous consent, for Ralph McGill, learned and hearty editor of the Atlanta Constitution, as the only place ample for his girth. Experienced traveler that he is, Mr. McGill could curl up there like a great teddy bear.

COWLING FLOODED

Not that a VIP's feet smell better than others when you are sleeping in an aisle, and not that our journeys were without discomforts and adventures, or at least near adventures. All of Europe and even the islands between were shrouded in cloud and rain and sometimes snow, so that several times we had to come down through the overcast under ground-control assistance.

Then there was that night of tropical downpour in the Azores, when we sat in our plane on the rocky ledge which forms the Lagens airfield, impatiently waiting for the engines to turn over and the ship to take

off on the final hop to Bermuda and home. But if they had turned over, we would have been fried on the spot or we would be running yet—one or the other.

Capt. Charles A. Thomas, our devoted chief pilot, came into the cabin.

"Someone in serving the plane overflowed the gasoline," he explained, not too happily. "About 50 gallons are loose in the cowling of the No. 4 engine. We caught it dripping and vaporizing in the rain."

GEAR FREEZES

So back we went up the hill through the storm to the officers' club, very glad to be alive, and not at all minding that the eternal gales of the Azores kept the club roof out of repair, so that water ran in on some of our beds. It was fortunate in another way that we returned that night. We found we had miscounted and had left Herbert Brucker, editor of the Hartford, Conn., Courant, behind asleep. Odd. Herbert was annoyed at having been overlooked but mollified by the thought that he might have been the only survivor. I think he would have considered it a form of justice.

Then there was that earlier incident at the Azores, on the way over, when the hydraulics handling the landing wheels froze and the wheels had to be shaken down with gravity. The Red Cross wagon and crew were waiting below for pieces of VIP's in event that didn't work. But we didn't know this until afterwards. In a way, it's better to know things afterwards.

All of which is to say that, as yet, air travel to Europe, particularly in Decemberish weather, isn't designed for pleasure, under the best of auspices. The north European plane is wrapped in much colder and closer clouds than western Oregon knows, and London is painfully as advertised, with the sun a red ball through the fog for a short time each day. And so far as living when one gets there is concerned, it is impossible in Germany and Austria unless one is an authorized traveler and can stop in army hotels, and it is difficult in such countries as Britain and France because of the fearful prices. Of course, one can always deal on the black market and buy British pounds at more than a 25-percent discount, or French francs at better than 260 to the dollar instead of the legal 120. But there is also the foreign jail.

VEIL WELCOME

For my purposes, however, it was actually helpful that clouds should have obscured the sea approaches to Europe and lain like a floor beneath us as we moved into the Continent. Last year I had leaned out the windows the better to see the hedgerows of Normandy, the roofs of Paris, the vineyards of the Rhine, and the little strip farms around the innumerable villages of the plains—all merging into an economy so strange to western eyes. But the scene was clear from memory, and this time I was satisfied to zoom down through the ceiling onto the Templehof Airfield, close to the center of Berlin, having my return in the very heart of the very worst.

That is, one stepped directly—it seemed a matter of moments—out of boisterous, crowded, unscarred Washington, with its jammed stores and jammed traffic, into the darkened ruins of what had been Europe's greatest city. One stepped from the brilliant, if perhaps unstable, peace of the New World into the Old World's grimmest example of what all-out war means in an industrial civilization. Here the scurrying, drab, dirty, and unsmiling people passing among the rubble of a city 60 percent destroyed, lived in obedience to Darwin's law of survival. Here an estimated 80 to 90 percent of the women had been raped by a barbarian conqueror. (Don't mention that, you say. But why not?)

Here a comparatively cultured people had released the lawlessness of war and now existed in the wretchedness they had designed for others.

TRANSITION SUITS

But I don't intend to preach. The point is that the suddenness of the transition from Washington to Berlin exactly suited my particular program—a program resulting from my observations in 1946 and considerable studying done in preparation for the second trip.

It is obvious, of course, that what has happened in Europe, primarily Germany, is what philosophers and imaginative writers have been stewing about for a century and a half—almost since the beginning of the industrial revolution, when people started massing in cities and leaving a dwindling percentage of the population to farming, fishing, and forestry. What about catastrophe? the philosophers wanted to know. What then? they asked. Anatole France made it the theme, and the smashing final chapter, of his Penguin Island. He conceived of a disgusted human as dynamiting the industrial agglomeration and leaving the blackened rocks to wild animals.

We know now, from experience, that M. France made his people much too amenable to dynamite. Industrialized man has undergone worse and lived, after a fashion.

BATTLE STILL ON

But the battle for survival isn't concluded. The people of these top-heavy and now almost smokeless industrial centers continue to burrow and hoard among the stones, and claw one another for what they can secure from the countryside, meanwhile eking out with foreign—largely American—generosity. If that generosity were withdrawn at this particular moment, western Germany—the industrialized heart of Europe—would inevitably resort to animal law within a matter of weeks, and I regard it a duty, as a privileged witness, to give the clearest possible report on the conduct of the two principal classes in Germany—the city masses and the peasant producers—so that readers can judge for themselves just how far they wish to go in discouraging or encouraging America's official policies.

Then there is the further necessity of always insisting that we, as Americans and citizens of the New World, stop judging the Europeans as though they were exactly like ourselves.

Perhaps the most shocking thing to me on these visits has been the discovery of the degree of difference. Not that I was unacquainted with the situation from the standpoint of theory. Obviously Europe, including European Russia, is only about the size of the United States and yet is fragmented into many nations, each with its ancient quarrels and prides. Obviously no one of these nations has resources for the American standard of material prosperity, and obviously they need to federate and destroy the disastrous customs barriers which entwine them in poverty.

What one is not really prepared for is the unplumbable depths of their resistance. One is not prepared for the narrowness of their minds as well as their fields. In the United States, where the population is made up of peoples of all races we cannot be prepared for a situation where each race or pseudo-race nurses its tribal heroes and its memories, and hates all its neighbors for wrongs of centuries ago. We cannot be prepared for the fact that there isn't a Lincoln or a Washington in all the galaxy of Europe's great. Through the centuries the Europeans have pulled their forelocks to strength and ruthlessness, while we in our brief history have denied the final salute to those whose strength lacked moral character.

STARK REALITY

I may not have agreed with the late Mr. Roosevelt's programs, but there was an ocean, and ages, between him and Hitler, and between the peoples who followed the two.

All this, which is ordinarily just schoolbook stuff, becomes stark reality to the visitor in Europe today—a Europe stripped of pretense and raw in its hunger.

I thought of all this during our flight above the clouds across western Europe, and tried to bear it in mind throughout our subsequent travels in Germany, Austria, France, and Britain. I felt that my report must do more even than give the maximum of details as to how the city masses and the peasants of central Europe were meeting catastrophe. It also must contain a background of psychological explanation of Europe—not in criticism and not for purposes of sitting in judgment. (There, but for the will of God, go I.)

But for the purposes of cautioning all of us in America to make due concessions on behalf of peoples who have been living under more restricted conditions, and who, at the same time, feel a constant sense of superiority as a result of having given birth to modern civilization. It is hard on western Europeans to have upstart America and upstart Russia struggling and maneuvering across their sacred acres.

MARSHALL HEARD

Having borne this thought in mind throughout Europe, it was strange I should have ended up in London at the Pilgrims dinner, and heard Secretary of State Marshall, the guest of honor, rise and express almost the same idea—in a voice quiet and patient. It was the night of the day on which he had made clear that the Russian position was unacceptable and could not be taken as a basis for further negotiation by the foreign ministers.

He spoke of the difficulties which the people of the United States have in understanding the exact conditions, and the outlook, of Europe. He was sorry for this. There seemed for a moment to be apology in his tone.

Then he added—and a touch of sadness in his voice made his message moving and magnificent—that the reverse must be realized. The difficulty of Americans in understanding Europe, he said, was less than the difficulty of Europeans in understanding America—the breadth of our continent, our traditions, our way of life.

I can only hope that the idea sank home among the assembled ministers and the lords of the empire. Understanding works both ways. Europeans should not always be talking and expecting; sometimes they should be listening.

But I am getting ahead of myself. Just now, for the purposes of this series, our DC–4 is coming down through the clouds onto Templehof Airdrome—an airdrome whose very name once caused the world to shiver, but which now rises silently up to meet us, grim and gray.

Burial of Veterans Dying Abroad

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 13, 1948

Mr. KEATING. Mr. Speaker, under regulations promulgated by the Secretary of War in accordance with existing law, the parents, widow or next of kin of one who died in the service of his country, who elect to bring their loved ones back to this country for burial, are allowed $75 for that purpose. This

amount is not adequate to defray the necessary expenses.

Although I understand that a considerable number of morticians, with commendable generosity, have adopted a policy of not charging in excess of this amount at least in cases where such additional charge would constitute real hardship, several constituents have called to my attention the fact that they have been required to expend considerably larger sums in order to give to these war heroes the final token of honor, respect, and affection which they have so richly earned.

While it is unquestionably our duty to scrutinize carefully every assault upon the public purse, it came as a shock to me, as I feel it will to most of the Members, to learn that the families of these boys, who gave their lives that the rest of us might live in peace and in freedom, have been called upon to defray a large portion of the interment expenses. In many cases they could ill afford this outlay. It meant perhaps going without the actual necessities of life for an extended period in order that a fitting final memorial might be accorded a fallen hero husband or son. I cannot believe that those who sent us here want or expect us to economize at this expense to those who have already given so much. It is small wonder that I have detected a certain note of bitterness in some of the correspondence which I have received on this subject. To relieve, rather than to increase, the suffering of those who grieve should be our aim.

I have, therefore, introduced a bill to provide for reimbursement to the next of kin of their interment expenses in a sum not to exceed $200 provided the burial is in a military or national cemetery or a burial plot set apart in a private cemetery and provided without cost to the next of kin. The measure further provides that if the family prefers to have the remains rest in a family plot or one purchased or provided by the next of kin, a sum not to exceed $275 will be allowed for that purpose. This legislation is applicable not only in the future but also to those cases where burial has already been effected and where an expenditure has been made in excess of the amount allowed by the Government.

This bill, in my judgment, merits the support of those many Members who I know feel, as I do, a deep and continuing obligation to the widows, mothers, fathers, and close relatives of those who fell in defense of us and our great Nation.

Federal Loyalty Tests

EXTENSION OF REMARKS
OF
HON. BURR P. HARRISON
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. HARRISON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Northern Virginia Daily, Strasburg, Va., of January 8, 1948:

FEDERAL LOYALTY TESTS

The very difficult matter of measuring the loyalty of Federal employees is now in operation. There are more than 2,000,000 persons on Federal pay rolls all over the country. The task of processing that many individuals is in itself a tremendous job. Yet it is essential to be sure of the loyalty of the people who serve and administer our Government. The definition of a thing as elusive as loyalty presents an added problem. The Loyalty Board, headed by Seth W. Richardson, former Assistant Attorney General under President Hoover, appears to be endeavoring to use common sense and good judgment in dealing with a problem so delicate and yet so vital.

The Board has stated two standards by which it will appraise the loyalty of Federal employees: First, that the employee is not serving a foreign power, and second; that he does not hold beliefs or belong to organizations calling for the overthrow of the United States Government. These seem to be very mild tests. Any employee who deserves to be on the Federal pay roll should be able to clear himself on both these counts.

Certainly there is nothing unreasonable or unfair in demanding such clearance. The affairs of the Federal Government are much too vital to be entrusted to people whose loyalty is open to question. If an uncertainty exists in any particular case, it is better to err on the side of national safety than otherwise.

The Federal Bureau of Investigation, raised to new peace-time power, has complete authority in weighing the status of United States workers in the matter of loyalty. In most cases the FBI will give no special attention to the routine statements employees must sign. It is only in the case of adverse information that the worker will be brought before loyalty boards to be set up in various sections. This loyalty sifting is an effort to weed out Communists from Federal bureaus where many have found pleasant berths. Obviously there will be some outcry that the screening is in violation of the Bill of Rights. This is not true, of course, for the Federal Government, like any other employer, has the right to decide who shall work for it and who shall not.

It is important to bear in mind that Federal employees have no vested right in their jobs, any more than the employees of private businesses have. Their ability, their conduct, their character, their temperament, and their general suitability for their employment are all subject to the scrutiny of their employers as are the similar qualifications of other workers. In other words, Uncle Sam doesn't owe anybody a job and doesn't have to keep them employed if they don't suit him. No witch hunt is being made of the loyalty investigation. Those who make the loudest protest against being investigated are likely to be those with most to fear. For most employees the whole thing will be merely routine. No good American need fear complete investigation. He should, on the contrary, take pride in proving his status as a loyal American.

Taxes and Inflation

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. ELLIS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an editorial from the Jackson Herald published in Ripley, W. Va., and edited by Mr. Sattis Simmons.

Ripley is the center of enormous natural gas production territory in West Virginia, and one of the finest farm sections of the Ohio Valley. No doubt the good editor is reflecting the thinking of the people in his section. It should impress the Members of the House that the people back home are not being fooled by the administration's double-talk on taxes.

The editorial follows:

TAXES AND INFLATION

One of the prime arguments of those favoring high taxes is that such taxes are anti-inflationary, that to lower personal taxes will increase inflation by stimulating buying on the part of the public.

Under certain conditions this might be true, but not under the New Deal theories which are still activating the executive department of our Government. It is generally agreed that the first safeguard against uncontrolled inflation is a balanced national budget. Our Federal budget has to all intents and purposes been balanced. High taxes limit the spending power of the individual in a time when prices are high and consumer goods are scarce. But they do not necessarily prevent inflation. For the Government will not save the bulk of the money it gets as a surplus from high taxes and apply it on the national debt. What it has been doing and will do is to spend this money itself. It will do this through an inflated budget, with a greater than necessary public pay roll and through heavy spending in Europe.

Now if the Government collects, say, five billions more through high income-tax rates it takes this much spending power away from our people. But if Uncle Sam spends this money himself he is not curtailing inflation. Quite the reverse. It means spending more money on a million too many Government employees who produce nothing in the way of consumer goods which might hold prices down. It means spending more money in Europe which indicates, in turn, shipping more scarce goods out of the country. So far as inflation is concerned there is little difference whether his money is spent by the Government or by our own people, who could use it in their own interests if their taxes were reduced.

Century of Rising United States Debt Ending

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 7, 1948

Mr. REED of New York. Mr. Speaker, it might be of some interest to the Members to consider the extraordinary and extravagant budget proposal by President Truman in the light of the facts and figures set forth in an article which I am including with this observation:

CENTURY OF RISING UNITED STATES DEBT ENDING; PER CAPITA BILL $1,789—CITIZENS OF 1836 OWED NOTHING, BUT A DEPRESSION THE NEXT YEAR STARTED BORROWING WHICH HAS GROWN STEADILY FOR 11 DECADES

WASHINGTON, December 20.—The United States is nearing the end of its eleventh

decade of rising public debt. Since 1837 the Treasury has been going deeper into the red.

Today the Federal debt is about $258,000,000,000, each citizen's share is $1,789, and the man with a family of four owes a little more than $7,000. He is paying interest on it, in taxes, at about 2 percent a year.

The lucky American of 1835 and 1836 owed not a cent of public debt. The account had been practically wiped out by good husbandry and sale of public lands.

In 1837, because of a depression, the Government began a little borrowing—$336,000—and the long upward climb began. The debt has been in the millions and billions since 1838.

The United States started out in life with a debt, a total of $75,880,000 in 1790 ($19.32 a person). This comprised chiefly Revolutionary War expenses of both the Federal Government and the States. The small young Nation tightened its belt and achieved a remarkable reduction of the debt to $45,000,000 by the time the War of 1812 began. This was despite President Jefferson's expenditure of $11,250,000 for the Louisiana Territory, deemed a gross extravagance by many.

GALLATIN PLAN CUT DEBT

The whittling was done largely through a plan of Albert Gallatin, fourth Secretary of the Treasury, whose statue was recently erected in front of the Treasury.

The debt first went into billion-dollar figures after the Civil War. The Union in 1866 owed $2,755,763,000 ($77.69 a person). This debt was retired slowly, but fairly consistently, until the Spanish-American War gave it a boost. Construction of the Panama Canal and some other expenses kept the figure high.

The national debt was about $1,000,000,000 in 1914. World War I raised it to $25,484,500,000 ($253 a person). In the 1920's we paid off at the rate of about 2½ percent a year and reduced the total to $16,185,308,000 in 1930.

Deficit spending in the depression years brought the debt to $40,445,417,000 in 1939. To finance the last war we borrowed about $225,000,000,000, bringing the national debt to its all-time peak of $279,764,000,000 on February 28, 1946.

No people in the world ever owed so much real money as we do. Foreign nations' debts through monetary inflation have reached numerically higher figures, but every dollar of our debt is a Government obligation which can be cashed in for money. It is, of course, an "internal" debt—owned by a large portion of our people, financed by the whole people.

DEBTS RELATIVELY MODERN

The whole idea of Government borrowing seems to be relatively modern. Very little was done until the latter part of the 1700's. Before that government loans were transactions between kings and private money lenders. (Kings had poor credit standings. The lenders often used to make them put up the crown jewels or the crown lands.)

Political philosophers frowned on public borrowing. David Hume, in 1752, warned that it would waste the public's money in interest charges, and that it would encourage idleness among those living on the interest. Adam Smith, in 1776, predicted that borrowing would ruin any state which tried it.

But the habit of borrowing grew with the development of democracies. The peoples willingly supported taxation, and government obligations were viewed as sound investments.

Scholars changed their opinions. C. F. Bastable wrote in 1892: "We may say that any state that pretends to be civilized regards the creation of a debt as one of the essential marks of its having reached that position."

Great Britain is one of the most practiced borrowers in the world. She had a debt of £50,000,000 in 1715. At the end of the Napoleonic Wars she owed £861,000,000. The British national debt had risen to £1,171,000,000 by the time World War I began.

Most of the British debt in 1914 was about 100 years old. The Government had redeemed only about 35 percent of it in a century. World War I raised the total of the British debt elevenfold, and interest charges just after the war amounted to 46 percent of the tax yield.

The British debt at present amounts to about $103,000,000,000, of which all but about $3,000,000,000 is an internal obligation.

The Labor Party during its administration in the 1920's seriously discussed a capital levy as a means of cutting or eliminating the debt. This means appropriating a proportion of all the wealth and property in the nation. But the plan was abandoned.

Some countries on the Continent, practically bankrupt because of debt and monetary inflation, have resorted to capital levies. In Czechoslovakia and Germany it seems to have had some success, but it was a failure in most countries. What can a government do with hundreds of billions of dollars worth of property?

Russia, despite her scorn of capitalistic processes, has contracted quite a substantial internal debt—162,000,000,000 rubles, as reported by the State Department previous to the conversion of the ruble this week. It is not yet known how the conversion affects this total. In terms of the new diplomatic rate of exchange this amounts to $22,750,000,000.

Before 1915 she borrowed from her people at 4-percent interest. Since then all her bond issues have been on a lottery plan. Instead of interest, lottery prizes are given to a portion of the bondholders. The rest receive only their principal after a certain term of years.

Road to Peace or to War

EXTENSION OF REMARKS
OF
HON. BURR P. HARRISON
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 13, 1948

Mr. HARRISON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Winchester Evening Star, Winchester, Va., of January 3, 1948:

ROAD TO PEACE OR TO WAR

With 1948 comes the third anniversary of the United Nations. And this New Year finds the world league not only in ill health, but so sick that many of its friends fear lest its cradle becomes its grave.

The failure of the United Nations to function as an effective instrument for world peace seems to rest almost entirely on the primary defect in the United Nations' charter—the veto power. This permits one nation, if it be Russia, United States, Britain, France, or China, to veto any act or policy agreed upon by the rest of the nations. Almost every experienced observer admits that a world organization cannot succeed so long as one nation possesses the power to nullify the hopes, the fears, and the wishes of all the others.

That being the case, why is it that the State Department and the President will not take positive steps leading to the elimination of the absolute veto? There can be only two possible answers: Either (1) the administration lacks faith in the world organization and desires that it remain as impotent as it is now; or (2) it believes that an effort to modify the veto would bring about the withdrawal of Russia, and that without Russia a world league would be doomed to failure. Of the two, the second seems the most probable. But it seems to us that the answer to that is twofold: (1) If Russia persists, as she apparently has every intention of doing, in blocking all efforts toward an effective peace, then isn't it better to have her outside the family of nations rather than inside; and (2) to the statement that a league cannot succeed without Russia, one has but to point to the very obvious fact that it is not now succeeding with Russia.

This newspaper believes that an effective, workable world organization is essential to a firm and continuing peace. In our opinion, the time has come for a showdown within the framework of the United Nations. This newspaper has opposed and continues to oppose unilateral action on the part of the United States, such as was taken in Greece and Turkey. We believe that the road to peace lies in collective action. If such is true, then isn't it time that we seek to modify what is given as the cause for unilateral action—the veto power? Isn't it time to bring this question into the open and to make a determined effort to strengthen the present world organization? If Russia is not willing to play ball unless she can call all the plays, then it seems to us we must consider organizing a team without Russia.

And as to whether the United Nations without Russia would be stronger or weaker than the present one, it would be well to consider a resolution of the Second Congress of the International, a world-wide Communist organization: "The Communist Party enters (a group) not to participate organically in its activities, but to undermine from within * * *." The resolution continues: "Every Communist representative in a parliament is required to realize that he is not a legislator searching for agreement with other legislators, but an agitator of the party sent to the camp of the enemy in order to carry out the decisions of the party."

Can anyone doubt that those have been precisely the tactics employed by Gromyko, Vishinsky, and Molotov?

The clause in the United Nations' Charter which permits the world organization itself to be sabotaged must, in our opinion, be eliminated, else the league which was born at San Francisco in 1945 will die at Lake Success in 1948. And isn't it apparent that an effective, workable world organization can be achieved only through the leadership of the United States? Isn't it proper to ask when will the State Department and the President supply this leadership? When will they face the issues forthrightly? When will we take determined steps to strengthen this organization which seems on its deathbed? If we delay much longer, it may be too late.

Mikolajczyk Tells of the Double Attack on Poland by Germany and Russia

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 13, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include two additional installments of articles published in the Milwaukee Sentinel, telling Mikolajczyk's story of Poland which all

the world should know. The articles follow:

MIKOLAJCZYK RELATES MIRACULOUS ESCAPE FROM RUSSIAN ARMY

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment IV)

Russia might have disposed of me as long ago as September 1939, and saved itself such subsequent embarrassment as I have been able to impose as an official of a Poland whose love of freedom remains unquenched.

For on September 18, as what was left of the Polish Army unit to which I was attached headed for the Hungarian border, to escape being pocketed between the ever-closing German and Russian forces, a group of us in trucks and light cars ran into a column of Red army tanks in a little Polish town near the border.

But for some reason which I'll never understand, they permitted us to pass, though we were completely at their mercy. The Russian heads which protruded from the open hatches of the tanks seemed unable to comprehend that we were Poles. They were perhaps not too bright, for as we passed by the tank column—expecting every moment to be blasted into eternity—several of the Red army men saluted us.

And so we moved into Hungary and were interned at Camp Hangony with perhaps 4,000 assorted officers and men, ragged symbols of unpreparedness.

Our only thought, now that we were still alive, was to reform our lines and somehow hurl back a punch at the Germans and Russians, who were calmly erasing Poland from the map of Europe by dividing it in half along a line agreed to by Ribbentrop and Molotov.

The morale of the Poles in internment was as low as that of a military man can get. And in the hope of raising it I started a tiny camp newspaper, the news for which was supplied by a sympathetic Hungarian, a retired colonel, who lived near our camp and permitted me—with the consent of the Hungarian prison authorities—to listen to his radio.

But inevitably the paper was banned and for the remainder of my career as a "publisher" in that camp I was forced to make verbal reports of what was happening to our homeland and the world.

One item of news aroused our camp as none other, for it held out a promise that we might renew the fight for our homeland. General Sikorski had escaped to France, and with the help of the French and British, was forming a new Polish armed force.

President Moscicki and his government had also managed to escape but had been interned in Bucharest. Thus stripped of his ability to carry on the functions of government, Moscicki appointed an old Pilsudski-Beck politician, Wieniawa Dlugoszewski, as president—an act which was permissible under the reshaped constitution which Pilsudski and Beck had inflicted on Poland in 1935.

AGREED ON SIKORSKI

France refused to recognize Dlugoszewski, who was Polish Ambassador to Italy, and Moscicki was then forced to name a second choice. Wladyslav Raczkiewicz, who was in Paris and acceptable to the Quai D'Orsay. Raczkiewicz took office and agreed to appoint General Sikorski his prime minister.

My every thought was to break out of Camp Hangony and join Sikorski in France. But I was only one. We all shared that desire and it fell to my lot to put the plan into effect.

First I had to secure civilian clothes, which the colonel provided for me. I let it be known around the camp that I had come down with typhus, which would account for my absence from my daily newscasts in the main compound and allay suspicion. Then I slipped into my new clothes and walked out the gate.

I knew only one word of Hungarian, the word for "good evening," and I had to travel 300 miles to Budapest to secure the funds and support needed for what we hoped would be a mass evacuation of our camp.

I used that lonely word of mine to greet the guard on the camp gate through which I passed, and all might have gone well, but he turned out to be in want of someone to talk to. He began asking me a stream of questions and when I was able to answer only "good evening," or nothing at all, his suspicions erupted. He flashed a light in my face.

HID IN DARK FIELD

Hundreds of workers happened to be streaming into the village that bordered our camp. I ran this way and that among the crowd, something like an American football player, and the guard was afraid to shoot for fear of killing one of the workers.

Once through the crowd, I threw myself into the dirt of a dark field and tried not to breathe when guards swept by on their bicycles, their lights sweeping the road and gullies.

I lay there an hour, then walked 12 miles to the nearest railroad station at Ozd, bought a ticket (I spoke German) and started for Budapest.

The train reached Budapest at 6 the next morning, but when I arrived at our legation in that city, two Hungarian policemen guarded the door. I kept walking and checked into a hotel, where I was immediately visited by the police.

Somehow, I was able to convince them that I had not escaped from an internment camp; that I was a Polish political refugee who wanted only to see some one in authority at his legation.

The police promised to escort me there the next morning, and then I realized, to my great annoyance, that this was Sunday. The legation was closed and I faced the task of remaining at liberty for 24 additional hours.

But at last Monday morning arrived, and I was at the legation virtually at sunup. The Polish colonel who received me thanked me for offering to Poland hundreds of trained airmen, infantrymen, mobile warriors, and technicians, but he said quite coolly that our camp would have to await its turn. Other camps also were providing troops to renew the fight.

But I convinced him we must have a priority, because of our youth and eagerness to get to France, and in the end he gave me enough money to buy a Leica camera and film, told me to make my way back to Camp Hangony, take as many "passport" pictures as I could, and deliver them to him. Then he would go to work on spurious passports which would enable the men to leave without too much of an offense to the neutral Hungarian Government.

I did get back, selected 700 men, photographed them surreptitiously, and made a deal with a patriotic and very brave Jewish merchant to supply clothes and trucks for us at much less than their cost.

We got all the way to the Yugoslav border—there were 28 or 30 in my particular group—before we were stopped. We were ordered back to Budapest by the Yugoslav guards. They put us on a train headed back toward internment.

But 16 of us jumped off the train after a few miles, walked on foot to the border, and rowed across the Drawa River in a fishing boat we appropriated.

There were a few stray shots at us in midstream. But we reached land, made our way to Zagreb, thence to Italy, and finally France.

I reported immediately to Sikorski. I was a private, he a general. I stood at attention, gave my name (we were very old friends), and told him I wanted to go on with the fight to free our country.

He smiled and then threw his arms around me. A new phase of my life was opening.

COLLAPSE OF FRANCE, NORWAY GREAT SHOCK TO MIKOLAJCZYK

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment V)

The Poles who escaped to France in the first savage days of World War II did their utmost to carry on the fight against the Germans and Hitler's ally, Russia.

In what was generally a welter of confusion and mounting despair we formed three divisions under the command of Generals Prugar-Kettling, Maczek, and Szyszko-Bohusz, made up of fugitives and Poles then residing in France.

Our fliers joined the soon-to-be-doomed French Air Force. Our land divisions were sent into the Maginot line and to Norway. But France fell with a terrible swiftness, and in the wild confusion around Paris and then Bordeaux we were appalled to learn that they had arranged for our Polish forces to capitulate with the French forces.

General Sikorski immediately urged General Weygand to retreat into North Africa and reshape the forces. But there was only numb defeatism at the top of France's military and political rule. Sikorski stormed out of his meeting with Weygand declaring that France might capitulate but Poland had every intention of continuing the fight.

It became my duty to evacuate the Polish Parliament in exile to Africa and to help speed our airmen to the same haven. It was not easy. As we moved through southern France to Port Vendres our men—though en route to reengage the enemy—were often assailed by the hapless refugees along the roads who cursed us as the promulgators of all their misery.

When the job was done, I made by way back through the Pyrenees toward Bordeaux in the abysmal days of Dunkerque. But the city was already occupied. I fled south and by June 24, 1940, reached St. Jean de Luz and caught what must have been the last ship to leave—the *Batory*, one of the Polish ships which Winston Churchill had ordered to the Continent to rescue Polish forces.

In London, where I later was named minister of the interior of our government in exile, my first job was to reorganize the Polish underground. Its morale was at the lowest ebb. It had survived both German and Russian invaders, bolstered by the hope that the British and French forces would soon sweep the enemies from our land. But the fall of France and the rupture of the British expeditionary force crushed all hope.

I had to reestablish communications, prevail upon large forces in hiding to come into the open and prepare for a long campaign by organizing themselves into less conspicuous and more efficient units. I set up propaganda organs that would keep the people informed, arranged for underground schools and social services and set about the task of gaining physical aid.

Britain's back was to the wall. There remained only the neutral but essentially sympathetic United States to turn to for help.

So in April 1941 General Sikorski and I journeyed to Canada, to arrange with Mackenzie King to permit Canadian and United States Poles to train on Canadian soil. And then we came down to Washington to see President Roosevelt.

PLEDGE FROM F. D. R.

Roosevelt promised to include Poland in the newly founded lend-lease program, and then asked Sikorski and me to visit United States cities where there were concentrations of Polish-American workers and implore them

to resist the Communist saboteurs then combating American efforts to supply the fighting democracies.

The general and I spoke in Chicago at Soldier Field, in Detroit, New York, and Buffalo. When Sikorski returned to London I remained and made many other speeches—including one in Humboldt Park in Chicago which drew an audience of 230,000.

The Communist press lambasted me without letup. I was "an agent of British imperialism attempting to force the United States into a war." My speeches were sometimes distorted. My only actual theme, of course, was for the workers to resist Red infiltration and continue to produce goods for the cause of democracy everywhere.

PREDICTED BERLIN RAIDS

The political isolation of the United States at the time was none of my business, and I made a point of saying so wherever I spoke. But I did predict aloud that the weapons of warfare would be improved; that oceans could no longer protect countries and that Berlin would eventually be bombed, "an attack on the heart of an octopus which will then be forced to draw in its tentacles wherever they may have spread."

Immediately after our encouraging visit to the White House, Sikorski and I went to Palm Beach, Fla., where Ignace Paderewski, President of our Parliament in Exile, was slowly recuperating from the combined rigors of his great age and the hardships he had undergone.

What a great old man he was. He was an artist to the tip of his fingers. The day we called on him he was preparing to go on the air with other leaders of conquered countries. But almost until it was time to speak, he sat there slowly, feebly looking through his script.

SUPERB PLEA

But when his cue came he spoke in a suddently strong voice and was letter-perfect It was a superb plea for the outraged and overrun democracies in a world threatened with totalitarianism.

Paderewski wept from weakness after he finished, and a reporter, touched by the emotional scene, asked him very gently if he would honor all of us by playing the piano.

Paderewski looked at the young man with a sadness that I cannot record, and with the tears still coming from his eyes he said very quietly, "I cannot play * * * so long as my country is not free."

It was the last time we were to see him. He died shortly thereafter from pneumonia contracted while speaking at a rally of Polish patriots in New Jersey.

Wherever Paderewski is today, he must still grieve for his country. Poland is enslaved by a new and even more sinister totalitarian invader, and for that reason heaven perhaps must be deprived of his music until the old gentleman's wish is gratified on earth.

Relationship of Motion Pictures, Radio Broadcasting, and Comic Strips to the Administration of Justice

EXTENSION OF REMARKS

OF

HON. CLAUDE I. BAKEWELL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 13, 1948

Mr. BAKEWELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a statement made by Arthur J. Freund, an attorney, of St. Louis, Mo., who is chairman of the section of criminal law of the American Bar Association. His remarks were made at a meeting of the criminal law section of the American Bar Association on September 24, 1947, at Cleveland, Ohio.

His analysis of the relationship of motion pictures, radio broadcasting, and comic strips to the administration of justice commends itself to all who are concerned with the dangers of unrestricted emphasis on the subject of crime through the various media of free expression.

The statement follows:

At the meeting of this section of criminal law last year in Atlantic City, there was authorized a committee on motion pictures, radio broadcasting, and comic strips in relation to the administration of justice. With the assistance of Mr. Carl B. Rix, president of the association, a committee of the association was appointed, comprised of some of the distinguished members of this association.

The problem concerns itself, so far as we of the bar view it, (a) with the emphasis placed by the three media upon the depiction of crime and the portrayal of the manner in which crimes of violence are committed, detected, and prosecuted; and (b) the manner in which the lawyer, the judge, and the processes of law are depicted.

Mr. Rix suggested that I act as chairman of the committee and Mr. James V. Bennett was designated as secretary. Members of the public relations committee of the association, together with officers, members of the board of governors, and important committees of the association comprise the membership of the committee, and a meeting was called for June 4, 1947, at the Mayflower Hotel in Washington.

We invited the presidents or managing officers of the national associations of the media concerned, together with the presidents of the four radio broadcasting systems, and the three comic-strip syndicates to attend the Washington meeting to discuss informally the problems outlined. All of those invited, with the exception of the American Broadcasting Co., responded to our invitation.

Before proceeding further with an account of the Washington meeting may I give you my own views on the problems involved and what we hope to achieve.

It is probably fair to say that no one subject in the manifold areas portrayed in motion pictures, radio broadcasting, and comic strips receives greater emphasis than crime and the processes of the law. The listening, reading, and motion-picture public is overwhelmed with the voluminous treatment of this subject, a treatment so extended and continuous as to imply that crime, its methods, techniques, and detection, and the psychical abnormalities of those engaged in criminal pursuits were the major concern and chief subject of interest of the American public from the nursery to the grave.

May we say in all fairness that we recognize the contributions which have been made by the motion-picture and radio-broadcasting industries in programs devoted to mass education of the highest value and on levels wholly in the public interest. We do not believe that it is necessary to concern ourselves here with the good that has been done, and which we are confident will continue to be done by these media. We are not here however, primarily to praise Caesar, but rather to point to what we believe are some of his shortcomings.

It may be helpful first to discuss the manner of presentation of the lawyer, the judge, and the processes of the law in the three media. Our interest in this matter is not generated by motives of self-justification, but rather comes from a belief that grave harm is being done to a fundamental American institution, the administration of justice, through a course either designed or the inevitable effect of which is to breed contempt and disrespect for the keyarch of a free and democratic government.

The lawyer, the judge, and courtroom procedures are all too frequently depicted in an unfavorable manner. Whereas the doctor is almost always represented as a kindly, charitable, and capable professional person, the lawyer is usually portrayed as cruel, selfish, tricky, and unethical. The judge is, also, often shown either to be unworthy of his high office or he demonstrates his probity through the exposure or condemnation of corrupt or stupid counsel. The delineation of courtroom procedures usually strays so far from reality as to border upon the grotesque. This phase of our subject is of high importance, though we approach it with natural diffidence. The lawyer and the law's processes, seeming circumlocutions and delays have been the subject of satire and derisive humor for centuries. There is probably no other subject or group in our society which has a longer history as a target for ridicule. We know that there is some justifiable basis for this and that lawyers, possessing, as they must, the imperfections of ordinary mortals, are not always perfect and that the processes of the law do not infallibly operate to produce absolute justice. We cannot object with validity if instances of this character are reported or portrayed either in fact or in fiction. Such unfortunate circumstances are the exception rather than the rule, though the portrayals in the three media would lead the public to believe that the reverse were true. Furthermore, lawyers and judges, trained to and rigidly disciplined by an exacting professional code of ethics, feel generally that they are performing a vital service to society upon a high plane; and we may perhaps be forgiven for feeling that if unwarranted attacks are made upon the profession from without, the defense might appropriately also come from without our ranks. In any event, whether the legal profession may properly entertain a sense of grievance, if not irritation, upon being misrepresented and distorted, we are far more concerned with the destructive effects of such treatment upon the administration of justice in this country.

Although the lawyer, the judge, and the law have been the butt of ridicule for hundreds of years, the opportunity for mass education and the fixation of social attitudes has never been so great as now. Radio broadcasting, motion pictures, and comic strips reach millions of our people each day, whereas a century or less ago it was not possible to affect the mental processes of a people so quickly or with such continued devastating effect. The evil of the modern process as used by the three media, as we view it, is to infect the minds of the youth and adolescent with the conviction that lawyers are per se antisocial beings and that the law through the judges and courts is an instrumentality unwholesome to our welfare. We know that our Government can only operate through the law, and that if the time should come when the law cannot be enforced fairly and honestly, our republic as we now know it will cease to exist. However, in the motion picture, radio broadcasting studios, and in the comic strips this fundamental axiom all too frequently finds no recognition.

Perhaps something might be done by the media on the positive side. It seems conceivable that the portrayal of the dramatic incidents of the careers of great American lawyers would have a popular appeal. Possibly such portrayals of the accomplishments of John Marshall, Judah P. Benjamin, and William Howard Taft, to mention only a few, would approach in public interest analogous portrayals of Al Jolson or Louis Pasteur.

There may be other affirmative approaches in this area which the industries may be able

to suggest, initiate, and carry into effect. Their record of remarkable achievements in their respective industries demonstrates their ability to attain virtually any goal so long as they are convinced that the goal is one worth achieving.

The major specification in our bill of particulars, however, has to do with the emphasis on crime, criminals, and the techniques of criminals in the three media under discussion. We are wholly aware that crime does pay the motion picture producer, the radio broadcaster, and the comic strip syndicates, and that in this respect the dramatization and exploitation of crime is one of the best paying features of these media. Consequently, a vast host of economic interests has developed sympathetic to the notion that crime in this sense shall continue to pay. We realize that in dealing with such vast vested interests we must overcome obstacles which are not governed ordinarily by good motives or a desire to act in good taste or completely in the public welfare. Nevertheless, we are reluctant to believe that the minds of the leaders of these large enterprises will be completely insensible to the welfare of the Nation when the grave and critical nature of the problem is clearly revealed and understood.

It was said regarding the comics as far back as 1936, and it has equal applicability to each of the media today:

"Sadism, cannibalism, bestiality. Crude eroticism. Torturing. Killing, kidnaping * * * . Raw melodrama, tales of crimes and criminals; * * *. All these, day after day, week after week, have become the mental food of American children, young and old. * * *

"The repetition in word and picture of * * * bestial and degenerate scenes and characters is a * * * serious matter. Such things make their deep impression upon the plastic minds of growing children and have their dangers for the never-too-mature minds of countless adults."

More recently, Mr. Jack Gould, radio editor of the New York Times, wrote in the March 2, 1947, issue:

"Radio programs heard by children again have moved to the forefront of controversial subjects in broadcasting. Several parent-teacher groups in various parts of the country have indicated the 'crime shows' and the hair-raising serial 'thrillers' as psychological dangers to impressionable youngsters as possible stimulants to juvenile delinquency."

Outside of the classroom, the home, and the church, the motion picture, the radio, and the comic strips constitute the most powerful existing educational influences upon the mental growth of the child and adolescent. The usual routine is for the child to read the funnies, later he turns on the radio, and in his more extended leisure he attends the movies. The sequence is variable but the ingredients of the diet are staple.

In each step the emphasis in his menu is crime and criminals. In this there is often the seasoning of illicit sex relations. No one of the media alone at any one time or over any extended period can be said to be more harmful than another, but the insistent and continued repetition of these influences, each complementing the other, must produce a deteriorating effect upon the mind of the impressionable. Immature and undeveloped minds are molded to the concept that crime and criminal conduct is the norm of human behavior. Ethical concepts are twisted from reality, weakened, and all too frequently destroyed.

In addition, crime techniques are blueprinted with meticulous accuracy. Criminal methods are set forth step by step, thereby giving the recipient an accurate handbook for antisocial and often criminal conduct.

To illustrate what we have in mind, may we mention one representation in each media merely as an example of the evil we seek to correct. They are the comic strip Kerry Drake, the motion picture The Killers, and the radio broadcast Gang Busters. Each, however, is highly successful in its field, each makes the presentation of crime pay the producer enormously, and each has stimulated a number of competitors, or else is the result of prior competition or prototype. For example, The Killers was a contemporary of The Outlaw. The financial success of those sordid portrayals of crime was followed by Duel in the Sun, another dramatic account of the same character. This in turn apparently encouraged the production of Brute Force, of which Life magazine in the August 11, 1947, issue has this to say: "The production is a turn-about moral code which portrays each representative of law and order almost as a case history of depravity, while all the lawbreakers seem like real nice fellows."

We are aware of the body of opinion of some of the social-service profession and psychiatrists, that children and adolescents are in need of emotional release afforded by the portrayal of criminal and sadistic exploits. While children do need a certain amount of adventure in their entertainment, there must be a point beyond which the law of diminishing returns begins to operate. We think that current practices in the three media have long demonstrated the operation of that rule, and we do not hold with the minority of experts who defend these programs. While juvenile crime is on the increase in almost every locality in this country, the surprising circumstance is that the rate is not higher than it exists at the present time. However, the effects of the weakening of the moral codes and ethical concepts cannot be measured with any accuracy by crime rates or statistics. With almost every child and adolescent bombarded many times daily with the jargon of the criminal and the horrors and depraved methods of his activity, we should rejoice that we have as much normal and rational child and adolescent behavior as we do.

It is said that the criminal is always brought to punishment, and that thereby the moral lesson is given that the way of the transgressor, if not shown as hard, is at least futile. However, the overwhelming majority of opinion, both lay and professional, is of the view that the eventual capture and punishment of the miscreant in no real sense mitigates the evil created by the lurid portrayal of his criminal activities. On the general subject we quote briefly from an article by Bosley Crowther in the New York Times of May 11, 1947. Mr. Crowther speaks of motion pictures, but his views are equally valid to each of the media. He says:

"For a business which makes so much pretense of being explicity moral and which proudly policies its members with a pious production code, the motion-picture business has been pulling some mockeries of late. Meekly, this sideline observer would like to ask who's kidding whom? Do the industry's moralistic guardians think that the public is being easily fooled—or are some of its less considerate members slyly slipping the business the bird?

"We refer, of course, to the several recent pictures—and others coming up, which emphasize baser passions for no other than sensational effects. * * * Do these films conform to the industry's actual notion of moral responsibility? And, more than that, are they such entertainment as meet the test of public interest and public weal?

"Again we repeat our questions: Is this regarded as fair and responsible by the industry? And does this technique—and the picture—meet the test of public good? We ask them again because it strikes us that the fiber of some of the people in films has shown signs of disintegration under the pressure of making sales. Last week we saw a full-page advertisement in a weekly trade magazine, calling attention of exhibitors to a forthcoming film. It promised 'tawdry love and vicious murder.' The kind that sells millions of newspapers and millions of box-office tickets.

"Invariably, the makers of such pictures excuse their admittedly coarse wares by protesting that they are only 'giving the public what it wants.' And they righteously remark that 'the transgressors are always punished in the end.' How absurd and hypocritical. The public's taste for films is as high as the imaginations and the talents of film makers are able to reach. And as for the transgressors being punished—what's the difference after the damage has been done?"

As Mr. Crowther points out, productions of this category are on the increase, and we could cite the figures to demonstrate this. As a result, the more wholesome productions in each of the media decreases by the operation of a law as inexorable as Gresham's law in economics: The bad productions tend to drive out the good.

The situation today in which we find the three media may be compared to the condition which prevailed in this country prior to 1890, when the Sherman Antitrust Act was passed, and in 1887, which marked the creation of the Interstate Commerce Commission. A period of rapid business expansion resulted in a large number of abuses demanding control and correction. The railroads and business interests generally were either unable or unwilling to correct harmful practices, and the forces of competition often made it impossible for industry alone to correct the evils. As a result, Congress passed regulatory legislation which has been augmented through the years.

The three media have likewise had a tremendous economic expansion over the past quarter century and this very circumstance has created problems which require adjustment. I am sure that every lawyer here believes that regulation of each of the media is equally possible under our constitutional government, both National and State. Indeed, Judge Justin Miller, now president of the National Association of Broadcasters and a former chairman of this section, sounded a warning in a letter to the St. Louis Post-Dispatch of April 20, 1945, wherein he said: "Only by intelligent anticipation of public reaction and by equally intelligent self-discipline can we prevent legislative intemperance."

The very essence of American democracy is founded upon freedom of expression. Legislative restrictions upon the three media, or any one of them, to restrict their free expression would probably entail administrative control resulting in some form of censorship. Someone or some group would have to determine what presentation was in the public interest and what was harmful to that interest. I think that the American public would deplore such legislation and it is my hope that it will never become necessary. However, with the present situation which confronts us, it might be advisable to study the problem of drafting legislation in conformity with the powers granted Congress by the national constitution, and to make a like study for the States. As I have indicated, I should deplore the enactment of any such laws; we know that many in the eighties felt the same way concerning restrictive legislation upon business, but it is clear that unless conditions improve in the media, legislation is inevitable.

As a corrollary, consideration can be given by the American Bar Association, through an appropriate group or section, acting alone in the name of the association, or in conjunction with other organizations in the public

interest, to appear before the Federal Communications Commission and oppose the renewal of a license of a key radio broadcasting station on the ground that the great volume of its programs devoted to crime portrayals warrants the Commission in refusing to grant the renewal of the license. While the Commission, as we understand its public views, has no desire whatever to censor the content of radio-broadcast programs, the law directs the Commission to grant licenses and renewals only if the public interest, necessity and convenience will be served thereby. Such intervention by the American Bar Association would focus national attention on the subject we are considering here today. A denial of license renewal by the Commission on such ground would produce results which no one can now foresee with any clarity or precision.

Are the self-imposed and self-regulated codes in the motion-picture and radio-broadcasting industries operating effectively in the public interest? We are advised that there is no such code formulated and in operation for the comic strips except as such small restraint comes from the syndicates which sell them and the newspapers which print them. It is obvious that the contents of this medium differ in no substantial respect with reference to the treatment of crime from the other two media. It is, therefore, entirely fair to inquire whether the codes which are in effect really accomplish as well as they should their stated purpose to achieve decency and operate in the public interest.

It would appear to one unacquainted with the industries except as an interested observer that the codes are not operating effectively. Perhaps with competition so keen and with the tremendous financial stakes involved the industries cannot effectively regulate themselves without some form of independent supervision.

We appreciate that the three industries cannot have one regulatory code. If the codes are to operate, there must be separate ones for each industry, and yet there should be common approaches in each with a like objective. We submit that consideration be given to the advisability of a complete reexamination of the codes now existing, both formal and informal, with special emphasis upon the desirability and feasibility of injecting administration and supervision by outside objective resources concerned not only with the welfare of the industry, but also of the public.

The third and final suggestion for consideration is one which combines the objectives of the two preceding. Facts, in a field so large and important not only to those engaged in the industries but also to the public at large, are difficult to determine. It may appear desirable to create an independent commission of interested persons and experts to study upon the highest professional basis the entire subject matter and to bring back findings and recommendations. A survey of this character would require the assistance of many persons in many fields. It would require continuing supervision and direction. The cost of such a survey and the method of its financing would also be an important consideration.

We are dealing with great forces affecting the lives of many millions of our people and the millions yet to come. If such a survey could be productive of substantial progress, the time and funds devoted to its formulation and publication could not and should not be counted in dollar value. A revelation of the facts so ascertained would do much to hasten proper self-regulation, should it be found, as many of us believe, that there are abuses which require correction. The draft of proposed forms of legislation, if such recommendations were made by the group, might in itself produce results that would eliminate the need for such legislation.

The views set forth here were not presented in detail at the Washington meeting of June 4, 1947, but their general substance was there given. A large majority of those appointed on behalf of the American Bar Association were present and the media were represented by a distinguished group of representatives. There was a full, free, and frank discussion of the subject matter and a general concurrence of views that the media would approach the problems with sympathy in a genuine endeavor to reach a corrective solution. A résumé of the proceedings of the meeting appeared in a recent issue of the American Bar Association Journal, and I shall not repeat them here.

There was a disposition during the meeting on the part of some of the representatives of the media to doubt the existence of any problem. On the one hand it was said that lawyers, judges, and the processes of justice were not unfairly portrayed. An elaborate self-analysis of motion pictures produced in 1946 was offered to substantiate this view. There were those of the media who took the position that no harm was done by the depiction of crime and that the portrayal of such episodes were a part of our modern way of life. The Washington meeting concluded with an agreement that the representatives of the media would report the views expressed to their respective organizations and that another meeting of the entire group would be held in the late fall of this year, either in Washington or New York. To this end, a committee of members of this association and those of the media has been appointed to prepare an agenda for the fall meeting.

We are deeply gratified that the National Broadcasting Co. has this month officially recognized the problems we seek to correct. In a code formulated for its future programs, it is provided among other corrective measures that:

"Law, justice, and officers of the law should be portrayed without disparagement or ridicule, but with respect."

It gives further recognition to our position that:

"The vivid, living portrayal of crime * * * dramas on the air, has an impact on the juvenile, adolescent or impressionable mentality that cannot be underestimated."

As a first corrective functional operation, the National Broadcasting Co. will broadcast its crime programs at hours when children are supposed to be in bed and fast asleep. With this explicit recognition of the harmful effects of these programs by the industry we may expect even better results.

The National Association of Broadcasters has also taken official notice of the harmful effects of the portrayal of crime. It proposes that crime should never be presented in a favorable light and that references to kidnapping should be barred. While this may be a short step, it is one in the right direction.

We are not expecting immediate results of our efforts and with forces so deeply entrenched we cannot hope that success will come to our endeavors except through the process of discussion with those of the media and a program of public enlightenment. We are gratified that the representatives of the media have agreed to sit down with us and consider the subject in a friendly, cooperative atmosphere for if there is a will to carry out the objectives we seek, a way will somehow be found to reach a solution of the problems.

I am hopeful that more portrayals of a positive character may be produced; portrayals of the lives and experiences of great lawyers, noble judges, and of episodes depicting the majesty and dignity of the law. We have embarked upon an important project affecting the lives of great numbers of our citizens. We are confident of a large measure of accomplishment.

The Late Robert L. Norton

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 13, 1948

Mr. PHILBIN. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I include therein a recent article from the Boston Post of January 8, 1948, relative to the passing of the eminent and distinguished newspaperman, commentator, editor, and publicist, Robert L. Norton, who had been a staff member of that paper for many years. I also would like permission to include the statement which I issued at the time of Mr. Norton's untimely passing.

Bob Norton was a close and dear friend of mine and it is most difficult for me to express the great sense of personal loss which moves me at this time. He was unquestionably one of the outstanding newspapermen in the country and his profession and reading public will greatly miss him. He leaves an irreplaceable void in the ranks of the truly great political writers and thinkers of our time.

The article follows:

R. L. NORTON, NOTED POST WRITER, DIES—FAMED AS POLITICAL ANALYST—SERVICES TO BE SATURDAY

Robert L. Norton, of the Boston Post, one of America's foremost and best-known political commentators—confidant of Presidents and business leaders while Washington correspondent and columnist—died in his sleep early yesterday morning in his home, 53 Monmouth Street, Brookline. He was in his sixty-third year. Death was due to coronary thrombosis, a heart disease.

An erudite student of government and history, and an exceptionally keen observer of political trends, his widely read Personal Message From Your Washington Observer daily, and his special varied feature stories on Sunday were closely followed from day to day by upward of half a million readers. He died shortly after completing his regular day's work—just the way he often said he wanted to.

Funeral services will be held Saturday morning at 10 o'clock, with a solemn high mass of requiem at St. Cecilia's Church, on Belvidere Street, near Massachusetts Avenue, Back Bay.

He leaves, besides his wife, Marion, a son, Robert L. Norton, Jr., of Brookline, a naval officer in the war; a daughter, Mrs. Barbara Schlitzer, of Norton, and two brothers, Charles, a well-known Boston architect, and William, an official of the United States Treasury Department here.

SCOOP ON HARDING

Both children were absent when the noted columnist died. His daughter, accompanied by her husband, had gone to Utica, N. Y., to attend the funeral of Victor Schlitzer, her father-in-law. His son was attending a business conference in Dayton, Ohio.

For 48 years of his life Mr. Norton had been an active newspaper reporter. One of the greatest tributes ever paid him, he recently said, was when his editor described him as being a good reporter, and a true one.

Among his greatest newspaper feats—though one he never boasted of but referred to as "all in the day's work" was his world-

wide scoop of the death of President Harding in August 1923 when he flashed the first word from San Francisco to the Post of the approaching death of the post World War I President.

KNEW MANY PRESIDENTS

Noted throughout the newspaper world for his dispassionate handling of the news, his resourcefulness, erudition, and fidelity to fact, he established an enviable reputation during the many years he conducted his column for the Post for his fairness, nonpartisanship, honesty, and integrity. His contacts and friends were legion—among the humble and the great alike.

He knew, had personal contact with, and wrote about every President since Theodore Roosevelt, and since 1908 had covered for the Post every political convention of importance held in the country. His circle of friends and acquaintances extended far beyond the political field in which he was a specialist.

He first entered the newspaper profession as a boy of 15, and after a short apprenticeship on the old Boston Advertiser came to work for the Post. That was at the turn of the century and since then he had been a Post man—first, last, and always.

BORN IN HUB

His matriculation into the field of politics came shortly after joining the Post. At first he handled general assignments, then became the city hall reporter. It was in that capacity that he revealed a propensity for political writing, commentating, analyzation, and interpretation which quickly won him recognition from every quarter.

He was born in South Boston and while still a child was moved with his family to Butte, Mont. There, while in the midst of his early education, his father, Charles Norton, died. Shortly afterward Mrs. Norton returned to Boston to resume her residence here.

Even as a child he displayed evidence of the sharp memory that was to serve him so well in his newspaper work ahead. He was able to recite to his teachers names, dates, places, and events long after he finished studies pertaining to them.

His profound knowledge, his erudition, his perspicacity regarding matters and events political carried him to lofts far above the newspapermen around him. And he had his other side. He was a naturalist and a philosopher. Money and the material things in life were not primary in his life. He could not be flattered nor bribed.

His true erudition came from literature, nature, and thought. He was never without a book. His affection for friends—and he made friends easily and quickly—was based upon his profound love of humans. He had no prejudices and did not differentiate among race, class, color, or creed. He always and truly sought to defend principles as he saw them in true light, and as they affected all people. In conducting his column and presenting his observations to the hundreds of thousands of Post readers who followed him daily, he was a true reporter.

Of him, his closest friends and associates said, "He came closer to being an altruist than anyone we met."

SIMPLE HABITS

He was wholly indifferent to materialism, and among the many friends he liked to talk about, from time to time, were servants, porters, trainmen, elevator boys, and waiters. He was quick to turn over to any of them in need every penny he might happen to have with him.

His habits were simple. He loved fishing and hiking. He detested hunting animals with pain-inflicting devices. Whenever he was able to, he spent week ends, and a holiday now and then, on his 85-acre farm at Mason, N. H. It was a dead-end farm and afforded him a full view of the mountains around. He loved going there, and a daily sight while there was Bob Norton, of the Boston Post, out strolling along the quiet country road, with Tara.

Tara was his 5-year-old pet Irish setter. The faithful hound was at his master's bedside when death came to the famous columnist in the midst of his slumber. Last night, at the usual hour when Mr. Norton would walk Tara, but was unable to, the setter sensed he had lost his master. This was evidenced by the forlorn manner in which the animal wandered about the Norton homestead—from cellar to garret—pleading with his sad eyes for Bob.

TRAVELED WIDELY

Mr. Norton's assignments for the Post carried him through two continents—his own country and Europe. He knew his America intimately—its cities and towns, its plants, its birds, and its rivers and streams—and he loved all of it.

His charming manner, soft voice, patience, and tolerance, won him friends wherever he traveled. In Paris, following World War I, he was publicly cited by thousands of Legionnaires, for his brilliant stories of the first American Legion convention in a foreign city. Following that convention he traveled extensively over the continent interviewing royalty, ministers, industrialists, and plain people. He treated stories of all of them alike—with truth and fairness.

These stories, which appeared exclusively in the Post, attracted the attention of millions of Americans and won for Mr. Norton additional spurs in his field of reporting.

The faith Presidents, Cabinet members, political leaders, top businessmen, and others had in him was explicit, for "Bob Norton, of the Boston Post," never broke a confidence, never betrayed a news source, never violated a trust placed in him.

Among his closest friends, in addition to the Presidents since Theodore Roosevelt, were Bernard M. Baruch, Sinclair Weeks, James J. Storrow, James A. Farley, Alfred E. Smith, Franklin D. Roosevelt (the latter long before he became the President), Murray Crane, David I. Walsh, the Lodges, and many others.

Mr. Norton followed certain set rules in his handling and presentation of the news and features he wrote for Post readers. He gave all sides of the story. He never resorted to innuendo, fanfare, or flourishes. He was factual, truthful, fair, and considerate—whatever the subject matter being reported or the party label attached.

PLANNED BUSY YEAR

In his chosen field his judgment was good, his perspective proper, his calculations based upon facts and not generalizations. He was familiar and conversant with all great topics—having been an active reporter in the midst of the great events of two tremendous World Wars and a dozen national upheavals.

He had wanted very much to live through 1948, he confided to friends only a few days ago. He was in the midst of preparations, for the Post, for covering of the coming political conventions of the two great American parties.

"This year—1948"—he told them, "may prove to be the most interesting in the history of our country. I pray I shall be able to report its political events."

STATEMENT OF HON. PHILIP J. PHILBIN, OF MASSACHUSETTS

I am stunned by the news of Bob Norton's untimely passing. He has been a dear and close personal friend of mine for many years. I am very deeply moved by his loss.

Bob Norton was an exceptional man. Of amiable personal qualities—kindly, generous, warm-hearted, loyal to his friends, sympathetic and tolerant by nature, he had a host of friends all over the country. I have never known a man, in or out of public life, who knew so many public figures and people in every walk of life as intimately and as well as Bob Norton, or who was more respected, admired, and loved by those who knew him.

A widely read veteran newspaperman, editor and commentator, trained in the traditions of the old school, he was exceedingly proud of his profession, and its members. He was particularly proud of his associates on the Boston Post. He had supreme confidence in the ability of the newspaper business and its personnel to adapt itself to the demands of changing times. He enjoyed the esteem of all his fellows because they recognized in him outstanding ability and achievement and one of the great figures of their craft.

He counseled and helped countless boys entering the newspaper business and politics and was the trusted confidante and adviser of many public men. Like many others, I frequently consulted him and held his judgments and opinions in highest regard. He was imbued with the loftiest sense of honor and would never violate a confidence. Because of his warm, gentle, human qualities, loyalty and wisdom, his friends in every walk of life were legion and intensely devoted to him as he was to them.

He possessed a most remarkable mind, one of the finest I have ever encountered. In the true sense of the word, he was an intellectual. No college professor, no holder of high collegiate degrees could possibly excel him in gathering facts and information, not only in public affairs, which was his specialty, but in many other fields, and then selecting, analyzing, and interpreting them in the light of contemporary events.

He was a sharp, penetrating analyst and a gifted diagnostician of political questions who always went right to the root of the problem. Though he liked to deal mostly with broad principles and concepts because his mind rose above pettiness of detail, this attribute never limited his faculty for presenting the facts in true reportorial style, whenever the occasion demanded. His great contributions throughout the years will need and will receive more careful and extended appraisal but it is unquestionable that in his passing, Boston, the State and the Nation lose one of the truly great newspapermen of our generation. His genius and unique capacity, his love of his work, his wide contacts, his broad human approach, his constructive achievements and above all his deep-rooted attachments to his friends and his fellowmen mark him indelibly as a man of great mind and great heart.

He will be sorely missed by countless readers who implicitly trusted his brilliantly written commentary on current events, but he will be missed most of all by those of us who knew and loved him for the great and noble soul he was.

I feel deeply and keenly his sudden passing and am bowed with grief. I extend my humble sympathy to the members of his bereaved family to whom he was so genuinely devoted during his life and also to the publishers and staff of the Boston Post for what is indeed an irreparable personal loss. Our dear friend and happy philosopher has gone. May he find his true reward in eternal peace.

President Truman Continues New Deal Wild and Reckless Spending Program

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EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1948

Mr. REED of New York. Mr. Speaker, under leave heretofore granted, I include, as part of my remarks, an article by David Lawrence entitled "Colossal

United States Budget Nearing Danger Point of National Economy," which appeared in the Washington Evening Star of January 13, 1948, as follows:

COLOSSAL UNITED STATES BUDGET NEARING DANGER POINT OF NATIONAL ECONOMY—FORTY BILLIONS IN TAXES TERMED HEAVY DRAIN THAT PORTENDS TROUBLE

(By David Lawrence)

What's $40,000,000,000! The Federal budget of expenses proposed by President Truman for that amount is just about eight times what the Government collected in 1939.

It is more than twice all the profits made by American industry in the year 1947.

It is $13,000,000,000 more than the entire Federal public debt at the close of World War I.

It is more than the entire national income in the year 1933.

It is more than four times the Federal budget in 1939.

It is nearly eight billions more than the 1942 budget which included the first year of the war.

The colossal sums in the President's recommendation are intended to be spent in the fiscal year beginning July 1, 1948, and ending June 30, 1949. This means that 4 years after the close of World War II the Government of the United States is spending at a higher rate than at any time in its peacetime history.

DANGEROUS DRAIN ON PEOPLE

Much more important than the sums to be expended is the size of the tax collections. Approximately forty-five billions are to be taken out of the national income in taxes and other receipts. This is such a substantial part of the money earned by the people that it constitutes a drain of dangerous proportions.

It is considered by many economists to be hazardous when the Government extracts as much as 20 percent of the national income for taxes. Assuming a national income of $200,000,000,000 the Federal Government will be drawing out of the stream of national income more than 20 percent.

What is most disconcerting about the President's budget, however, is that it exceeds the 1948 budget by $2,000,000,000. How long can the Federal Government go on increasing its expenses at that rate per annum?

The risk is that the Federal budget may increase fears of a maladjustment in the whole economic situation. There is a tendency to lose confidence in a government which keeps on spending and spending and taxing and taxing. Certainly the system of private initiative gives way to State socialism and Government programs of nationalization when taxes become so burdensome as to make it impossible for individuals to save for investment purposes.

Unless a market for risk capital is provided, many enterprises in business will be compelled to restrict their operations and start laying off employees.

The most depressing aspect of the whole problem is that the Federal Government shows no signs of putting its house in order. This is a sign of approaching trouble in any government. It is true that for the fiscal year 1948 a surplus of $7,000,000,000 is indicated and for 1949 about $5,000,000,000. But the fact that the administration has made no provision for tax reductions and wants to use these surpluses to retire debt without relief to individual taxpayers in the investor class will mean deflation in the midst of inflation.

WILL TEND TO CUT CREDIT

Unfortunately it will tend to restrict credit at the banks and discourage business from getting money in the capital markets generally. The deflation may set off a spiral of curtailment sometime in 1948 which may not be offset by the huge amount of tax-reduction bonuses designed by Mr. Truman for distribution among those in the low-income groups.

The announcement of the Federal budget will send a wave of discouragement throughout the business and industrial sections of America and intensify the drive to get Congress to cut the budget by several billion dollars.

It is true that a billion dollars today buys much less than it did in 1939, so that in terms of prewar dollars the budget would probably be around $25,000,000,000, but even this is a big expenditure for the Federal Government to be making as against $12,770,000,000 in 1941.

The President's huge budget will, of course, become a political issue in the campaign. It would seem that Mr. Truman might at least have tried to present a budget of expenses less than last year. His willingness to raise it by $2,000,000,000 must mean that he is confident the American people don't care how high the expenses of the Federal Government do go.

Oil Shortage Growing Worse

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. BRYSON. Mr. Speaker, in view of the acute shortage of petroleum products throughout the country and especially along the eastern seaboard which includes South Carolina, I am keenly interested in ascertaining the truth about the oil situation.

It had been my purpose to introduce a resolution calling for an investigation in the oil industry as suggested by the South Carolina Oil Jobbers Association in a resolution which is hereto attached. I find however there are two resolutions already pending, one, Senate Resolution 187 as introduced by the junior Senator from South Carolina, the Honorable OLIN D. JOHNSTON; and another, House Resolution 420 introduced by Congressman THOMAS J. LANE, of Massachusetts.

A very excellent and yet astounding summary of the petroleum problem is presented in an article appearing in the January 16 issue of the United States News, which I herewith attach.

I sincerely trust that a proper resolution will be adopted by the Congress and that authoritative information may be gathered and disseminated so that our people will know what to expect. I, of course, am cooperating with other Members of Congress in endeavoring to bring relief where there is now suffering.

The resolution and article referred to follow:

RESOLUTION OF THE SOUTH CAROLINA OIL JOBBERS ASSOCIATION

Whereas the east coast and some other sections of the country are suffering from the worst fuel-oil shortage in history, and predictions point to a similar shortage of other petroleum products later in the year of 1948; and

Whereas there has been an increase in refining and sales by the major oil companies this year as compared to last year in excess of sales percentage wide by the independent marketers; and

Whereas there has been a sharp advance in the price of crude oil, and finished products at the refinery from which the 20 largest oil companies have received most of the benefits, while the independent jobbers' margin has remained stationary or been reduced; and

Whereas the costs of operation of the jobbers has been increased to the point where they are unable to maintain present facilities in line with good practice, and are prevented from building new facilities to take care of expanding demand from the public, while the major oil companies justify their greatly increased earnings as necessary to this end; and

Whereas efforts of the jobbers towards effectuating relief within the industry have proven futile; and

Whereas this trend if continued will eliminate the independent segment of industry and create a monopoly detrimental to the public interest and to our economic structure: Now, therefore, be it

Resolved by the South Carolina Oil Jobbers Association in meeting at the Columbia Hotel, Columbia, S. C., on this 8th day of January 1948, That an investigation be requested by Congress to ascertain if the antitrust laws have been violated by the major units of the oil industry;

That the investigation be solely for the purpose of investigating such violations; and

That if a report be of such nature as to justify prosecution by the Department of Justice, it cover recommendations for appropriation in sufficient amount to carry such prosecutions to a just and final conclusion; be it further

Resolved by the South Carolina Oil Jobbers Association, That the South Carolina congressional delegation be requested to introduce legislation in the National Congress to divorce the marketing segment of the oil industry from the producing, refining, and transportation segments;

That this legislation be pressed for prompt passage and enforcement;

That copies of these resolutions be sent to all members of the South Carolina congressional delegation, to Senator KENNETH S. WHERRY, and to the Attorney General of the United States.

[From the United States News of January 16, 1948]

OIL SHORTAGE GROWING WORSE—TREND TO COOLER HOMES AND LESS DRIVING

Oil shortage, now beginning to hurt, is to grow worse in 1948.

Homes using oil for heat will be colder next year than now.

There will not be enough gasoline next summer to meet all demands for pleasure driving.

Rationing by dealers, not Government, will limit consumer supplies. It will be many months before supply catches up with demand.

The shortage of oil for heating and of gasoline for driving, bad as it is now, is to grow worse during 1948. Some houses will be colder a year from now than they have been this winter. Many car owners are to have less gasoline next summer than they will want. There is danger that farmers will not be able to keep tractors and other machinery in constant operation for growing and harvesting seasons.

Demand for oil and oil products has climbed to dizzy heights since the war and threatens to run still further away from supply in the months ahead. Unless a business set-back cuts demand more sharply than now seems possible, scarcities are likely to continue for a long time.

Relief measures that can be applied during the year will be only partially helpful. Imports can be stepped up moderately, and will be. Exports will be cut. Refinery capacity and transport facilities will be increased. A plan to pool oil supplies, now being developed by producers and distributors, will ease the situation somewhat. But all these measures will provide only slight relief.

Rationing by industry and consumers, not by Government, will be necessary to stretch supplies in some communities. Service stations in some cases already are limiting sales to customers. Home owners will find it necessary to conserve oil by turning thermostats down. Restrictions will be voluntary, with no return to compulsory rationing probable.

For users of oil and gasoline the outlook is this:

Oil for home heating will become less plentiful before the present heating season ends. On the basis of the present outlook, oil supplies for homes will be reduced even more drastically next season. Deliveries to consumers already are being cut 10 to 15 percent by dealers in some areas, and further restrictions are likely. A 15-percent cut in oil means a 5-degree reduction in room temperatures. However, since the average room temperature is 73 degrees, much oil can be saved without causing real discomfort.

A big problem here is that of distribution—of making certain that oil is delivered to areas and homes that need it most.

Back of the shortage of heating oil for homes is a rapid increase in the number of oil burners being made and sold. New installations totaled 700,000 last year, raising the number of burners in use to 3,250,000. The number may reach 4,000,000 this year. Strikes in the coal mines have frightened many home owners away from coal as a fuel, despite warnings by Government and the oil industry that oil burners should not be installed without assurance of oil to feed them.

This demand has boosted oil consumption for home heating 50 percent since the war. Last year 320,000,000 barrels of oil were burned as fuel in homes. This year an estimated 346,000,000 barrels will be burned. To meet this demand, many refineries have been compelled to reduce production of gasoline.

Gasoline for driving is in greater demand than ever before. More cars are on the road and more are being built. There are increasing demands for gasoline from trucks and airplanes. Then, too, gasoline production is retarded somewhat because the demand for fuel oil prevents rebuilding of gasoline stocks.

The pinch in gasoline will begin to show up when motorists take to the road in large numbers next summer. The result will be allocation of gas to dealers by distributors. Gas stations, in turn, often may have to restrict sales to consumers.

Farmers are using steadily increasing quantities of fuel. Consumption of fuel for farm machinery jumped to 2,821,000,000 gallons in 1947 from 1,783,000,000 in 1941. Another large increase is indicated for 1948. Voluntary limitation of fuel for farm equipment is almost impossible. This year there may not be enough gas to go around. Partial loss of some crops might result.

Industrial demand for heavy fuel oil is 5 to 10 percent in excess of supply this winter, and the situation here also is expected to become worse. Relief must come from conversion to coal or from an increased supply of crude oil. Refineries, now producing at capacity, cannot relieve the heavy-oil situation much without producing less light heating oil for homes.

A shift to coal, in many instances, is not difficult. Electric utilities often have dual heating installations. Oil shortages and high oil prices are causing some plants to return to coal.

Diesel fuel demand, almost triple that of 1941, also is contributing to the over-all shortage. Use of oil for Diesel-powered locomotives is increasing rapidly. Of 604 locomotives on order recently, 534 were Diesel-powered. Demand for oil as fuel for ships also runs high.

Military needs for oil have increased sharply in recent months, with the military now taking 4 percent of the country's oil supply. Some is for civilian use in occupied areas and in foreign countries receiving aid from the United States. Congress is looking critically at this practice, but anything it does about it will not affect total United States supplies substantially.

Consumption of oil products, when all uses are added up, is greater than it was during the wartime peak. What is more, this country is burning more oil than the entire world consumed in prewar days. The following figures tell the story:

In 1934 the United States was consuming 2,800,000 barrels of oil a day. At the height of the war, in 1945, consumption had jumped to 5,300,000 barrels. Instead of dropping after the war, as expected, demand continued to climb, so that by 1947 the daily average was close to 5,900,000 barrels. Official estimates for 1948 are for a daily consumption average of 6,150,000 barrels, up 250,000 from last year. This assumes that production can be stepped up that much.

On the supply side, this country is expected to produce 5,700,000 barrels a day. The remaining 450,000 barrels required to make a daily average consumption of 6,150,000 must come from abroad. This will consist mainly of crude oil from the Caribbean area. Any increase above this amount is doubtful, since oil fields in such countries as Venezuela and Colombia are producing to capacity. Little oil can be expected from the rich fields of the Middle East because of distance and tanker shortages.

Total demand, if it could be filled, would run close to 6,500,000 barrels a day during 1948. Thus, the country will actually be short about 400,000 barrels a day from its maximum needs, as long as the United States boom continues.

Bottlenecks that restrict supplies of oil are not to be broken sufficiently in the next year or so to give much relief. The steel shortage restricts production of tank cars, tankers, pipe lines, and expansion of refinery capacity. But removal of all these bottlenecks, however, would not bring an end to the shortage. Supply of crude oil still would be limited in relation to demand.

Relief, over the years, must come from new oil discoveries in this country and from development of synthetic oil and gas.

Drilling for new oil fields, and deeper drilling in old fields, is going on at record rates. Many men in the industry dispute this view and believe that vast untapped resources remain to be discovered.

Synthetic oil, in important quantities, is some years away. Plants now under construction will produce small amounts of gasoline and fuel oil from natural gas, at costs that will be little, if any, higher than for production from crude oil. The effect on total supply, however, will be negligible.

Coal also will be turned into gas and oil in the next few years, but costs at first will be high. Production of synthetics from shale still is in the experimental stage and this, too, is handicapped by high costs.

All in all, the prospect is for a growing shortage that can cause annoyance and some discomfort to many people for many months to come. A sharp business set-back sometime in 1948 could change all this, but the immediate prospect is that the pinch will get worse before it gets better.

South Dakota Leads the Nation in Purchase and Retention of United States Savings Bonds

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 13, 1948

Mr. MUNDT. Mr. Speaker, the records have now been made available for 1947 showing the State-by-State record made in the purchase and retention of United States Savings bonds. This report shows that South Dakota—land of bright sunshine, good sense, and sound stability—leads the entire Nation both in the per capita purchase of United States Savings bonds and also in the percent of bonds retained. In fact, through 1947 South Dakotans bought approximately three times as many E bonds as were redeemed in our State.

Mr. Speaker, South Dakota led the Nation in the per capita E bond purchases, South Dakota led the Nation in the per capita E, F, G sales, and South Dakota led the Nation in having the lowest percentage of redemptions of bonds already purchased. Such an unprecedented and unchallengeable record, sir, comes not by accident. It is the result of a working combination of many factors including the patriotic and unselfish cooperation of many people engaged in the sales of war bonds, the great loyalty of the citizens of this fine agricultural State, and the fact that the vast farming acres of South Dakota and the business and industrial institutions of our cities are busy at work producing large quantities of the products needed in this world.

The people of South Dakota are not contaminated by European "isms"; they are not lured away from the path of sanity and soundness by the siren calls of communism; our laborers and our farmers dedicate an honest day's work for an honest day's pay, and do not fritter away their substance and the Nation's future by joining picket lines and participating in unjustifiable and unnecessary strikes. In addition, South Dakota folks are thrifty and they recognize in Government bonds an investment having value both to themselves and to the Republic which they love so dearly.

Mr. Speaker, there are 47 other States in the Union besides South Dakota. We invite competition in this business of purchasing and retaining Government Savings bonds. We challenge our neighbors and our fellow States to equal our record, and we serve notice that if they are to deprive South Dakota of its place at the top they must better the record we have made in 1947, as our people are resolved to improve our own percentages in the month ahead.

I am including with these remarks an editorial from the Sioux Falls Daily Argus Leader, published in Sioux Falls, S. Dak.,

which comments upon the great record South Dakota compiled in 1947:

SOUTH DAKOTA'S WISDOM AND WEALTH

South Dakota's remarkably fine record in the purchase of United States Savings bonds in 1947 is a source of gratification.

The following tabulation tells the story in brief form:

	United States [1]	South Dakota	South Dakota rank
Per capita E sales	$29	$79	First.
Per capital E, F, G sales	$48	$114	Do.
E sales as percent of redemptions.	100	281	Do.
1947 sales as percent of 1946.	89	147	Do.
Percent of quota reached	95	154	Second.

[1] Based on 11-month actual statistics and estimate for December.

Total savings bond purchases in South Dakota in 1947 amounted to $62,800,537—about $11,000,000 in excess of the average wartime sale of bonds in this State.

South Dakota bought about three times as many E bonds as were redeemed in this State—a national record and one actually 65 percent higher than North Dakota, the State in second place.

The exceptional bond record reflects the wealth and wisdom of South Dakota. It required good earnings to permit the residents to make such a showing and good judgment to decide to set aside so much money as a reserve for future use.

Aggression Is on the March

EXTENSION OF REMARKS

OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 13, 1948

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an article written by me entitled "Aggression Is on the March." This appeared in the New Hampshire Morning Union of January 8, 1948, and in the Manchester Evening Leader of January 8, 1948. Both papers are published in Manchester, N. H.

The article follows:

AGGRESSION IS ON THE MARCH—ISSUES BEFORE THE CONGRESS

During the next few months the second session of the Eightieth Congress must render decisions which will be of far-reaching importance and of impelling significance to the welfare of the country on a variety of exceedingly complex and grave national and international questions. Tax reduction and legislation to halt inflation have priority in the domestic field. Universal military training, extension of reciprocal trade agreements, the Marshall plan for the economic recovery of 16 nations in western Europe, the question of further assistance to Greece, and the achievement of air supremacy are questions which we must face realistically. Adequate preparedness, especially in the air, is the most important issue—barring none—before the Nation today. To solve the problems I have mentioned we must have constructive, progressive, and fearless leadership.

AID TO GREECE

When I was in Athens last October I had a series of conferences with several members of the Griswold Mission. On October 24, 1947, the New Hampshire Morning Union carried an article on aid to Greece which I wrote immediately after my visit to that country. In this article I stated, "Should the Soviets decide to make a stand by all-out assistance to the bandits, the United States must decide upon the course it will follow in the future. To finish the task of destroying or capturing the bandits, the United States will have to continue beyond June 30, 1948, its aid to Greece, and in all probability must appropriate 200 to 300 million dollars to carry on this work. I believe that our future course in respect to Greece is clear.

"We must continue to help Greece until she is free, until the Communist pressure is removed, until the bandits are surrounded or destroyed, and until there is no longer danger of the country being seized, controlled, and dominated by the Kremlin.

"If Greece capitulates to the Communists and falls into the hands of the Soviets, Italy would quickly be overtaken by the same disaster. I canot too strongly emphasize the strategic significance of Greece and the gravity of the current bandit issue. We have adopted a policy of keeping this country out of the hands of the Communists. We must continue this policy and must be ready and willing to increase our assistance until the bandits no longer exist and Greece is on her way to economic recovery and is completely free from Communist pressure."

My position in reference to Greece is the same today as it was when I wrote the above paragraphs. I shall support any and all measures to accomplish the objectives set forth in my report to this paper last October.

OIL

The integrity of Greece is of vital necessity to the United States. This is a Mediterranean outpost and should it fall into the hands of the Soviet Union, the injury to our country would be incalculable. In the Mediterranean area our stakes are tremendous. Russian domination of strategic outposts on this sea would imperial our safety. In the Near East, United States oil interests are vast and illimitable. This supply must be protected for our use in peace, and in the event of war the availability of petroleum reserves of this region for use by our country would be crucial. The vast oil supplies of the Middle East which will soon furnish the lifeblood of our economic system must not go unprotected.

THE MARSHALL PLAN FOR EUROPEAN RECOVERY

The Marshall plan for European recovery contemplates the spending by the United States of $17,000,000,000 from April 1, 1948, to June 30, 1952. The economic recovery of western Europe is essential in this world-wide fight against the spread of communism. An economically strong Europe would be a great bulwark against the Red tide of aggression. The Marshall plan is designed to prevent the sinking of Europe into an abyss of economic chaos more vicious and more devastating than anything mankind has yet seen.

I have long been a vigorous supporter of the Marshall plan. Weeks before the Secretary of State made his now famous speech at Harvard on June 5, 1947, I stated that we should adopt the principle of spending whatever is necessary to bring about the economic recovery of western Europe for the express purpose of stopping the march of the Soviet Union to the west.

There is a fundamental principle in our foreign policy, but the achievement of air supremacy should be considered on the same plane and this second principle is equally as fundamental in any realistic foreign policy for the United States. If I were forced to choose between the two principles, the Marshall plan or air supremacy, I would place air supremacy as of first importance; and as sad as it may seem, we are doing scarcely anything to create an all-powerful striking air force.

WITHOUT AIR POWER MARSHALL PLAN TOO GREAT A RISK

If we spend billions of dollars in western Europe without full military preparedness at home, without adequate air power, the money we spend may be lost and all our efforts to stop the Red tide by trying to bolster the economies of Europe may be to no avail. Without proper preparedness we will be indeed pouring our dollars down the proverbial rat hole. To secure our investments in recovery abroad we must have the power to protect our interests. United States air supremacy is a prerequisite to the successful operation of the Marshall plan, and without air supremacy I go so far as to say we may as well forget the whole business of trying to bring about economic recovery in Europe and Asia. The Marshall plan without an all-powerful air force would involve this Republic in a risk too great to take. By the expenditure of the billions proposed in the Marshall plan we can well do ourselves an irreparable injury unless we have an air force capable of making our voice heard and our will respected.

AIR POWER

Air power—overwhelming—is the only possible defense against assault in this atomic age. Any nation contemplating an attack on the United States will hesitate only if she knows that within a period of hours from the time the attack is made there will be delivered in reprisal a knock-out, devastating, retaliatory blow from the air. The United States can be immunized against attack from the air by building a completely unassailable and invincible air force. With air supremacy and atomic supremacy any aggressor would not entertain the idea of an attack upon us because it would be perfectly clear that the cities of the country making the attack, the industrial centers, the lines of communication, and great segments of the population would be wiped from the face of the earth by a practically instantaneous single paralyzing blow from the air. Only by being fully prepared to deliver such a blow within a matter of hours after the first indication of an impending assault upon us will we be able to consider ourselves to possess any measure of security.

THE SOVIETS, JUST AS HITLER, HAVE DRAWN US A PICTURE

The obvious reason for my recommendations for the achievement of air supremacy is that the policies being pursued by the Soviet Union lead us to the conclusion that if and when their leaders consider the time to be propitious they will move to attack us and to attack areas the integrity of which are essential to our security. Mr. Hitler in his book, Mein Kampf, explained to the world with striking lucidity his intentions. In fact, he drew a picture so obviously clear that even the most unobserving and the most disinterested person could not have possibly failed to thoroughly understand what the dictator of Germany had in mind if and when he was in a position to strike. For years the final victims of Hitler's fury sat idly by debating whether or not Hitler really meant what he wrote and debating whether or not he would really start a war. They got their answer.

The Communist philosophy as developed and written by Karl Marx informs us clearly

that the ultimate goal of the Communists, with the spearhead in the Kremlin, is to dominate the world. If you doubt it, read the Marxian philosophy and there will be no question left as to what the guiding principles of the Communist Party are. Since the close of the Second World War, the Soviet Union by aggressive expansion, by the spread of communism, by the refusal to cooperate, by deliberate attempts to prevent the recovery of western Europe, by constantly rearming and by a never-ending stream of insults has clearly demonstrated that it believes fanatically in the Marxian doctrines and the Marxian objectives.

So by their philosophy and by their actions the Communists in Russia and elsewhere have told us—yes, they have drawn us a picture of their intentions. They have set forth their program. They are developing their plans to realize their goals. Can we blindly stand by and debate as to what they are going to do if and when there is an opportunity? We saw what happened in the 1930's. We can see that within a very short period of time history is repeating itself in almost the same pattern—aggression is on the march.

A TOUGH POLICY

I hope you will agree with me that our policy must become tough, and tough quickly. We must fight communism on all fronts. We should begin a program of counterpropaganda. We must appropriate the necessary money for the rehabilitation of those countries taking a stand against Soviet aggression. We should immediately put an embargo on all materials being shipped to the Soviet Union. The President should be directed by mandatory legislation from the Congress that the sending of goods to the Soviet Union must stop and that we will not tolerate the building up of a country who by her statements and her acts is avowedly hostile to the United States.

The question of strengthening the armed forces of the United States, particularly the Air Force, is the most crucial issue before the country, and if we postpone action we will be doing so at our own peril. I most carefully consider my words when I say if the Congress sanctions a condition of preparedness in any way short of the ability to bring the full might of the United States to bear at once against any aggressor who delivers an attack upon us or any nation, the integrity of which is vital to our security, we will, in my opinion, be negligent of our duty. To pursue a course of inaction will be most disastrous to the Republic. I am making this plea because I am convinced that, were I to remain silent at this critical moment, I would be failing to do my duty as a Representative of the people.

THE HOUR OF DECISION

The United States must decide, and must decide quickly, whether or not she will take the responsibility of world leadership. We must decide at once whether or not we will make ourselves secure against any and all aggressors. The price to maintain our destined position will be great, but the reward is freedom, and no price is too high for liberty. Great effort and sacrifice are required to make ourselves secure in a world where others entertain neither the hope nor the desire for a decent international society.

During the war I never heard anyone ask the question: "Can we afford to win?" We knew we had to win and we put forth the energy required to be victorious. We should not haggle, hesitate, and confuse the issues by asking the question: "Can this Republic in its very prime and in its enviable position of potential power afford to win the peace?" We cannot afford to lose.

Armistice Day Address by Secretary of the Navy

EXTENSION OF REMARKS

OF

HON. SCOTT W. LUCAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Wednesday, January 14, 1948

Mr. LUCAS. Mr. President, on last Armistice Day, Hon. John L. Sullivan, Secretary of the Navy, delivered a very appropriate and inspiring address at the Armistice Day ceremonies sponsored by the American Legion at Arlington National Cemetery. I ask unanimous consent that the address be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

This shrine in which we meet today is the symbol of America's sacrifice for humanity. This day which we have set aside for the remembrance of our war dead is the symbol of America's enduring hope for lasting peace.

The moment of silence which we have observed in humility and in reverence for those who here rest in honored glory signifies our Nation's gratitude to all who have fallen in the pursuit of this ideal. That unspoken tribute marks our rededication to the completion of the tasks for which they gave their lives.

These honors rendered, we ask ourselves in all sincerity why we are here. Surely it must be for a more important purpose than the formal expression of our gratitude. Certainly we are here to render more than mere words in return for the imperishable deeds of those who sleep around us.

We are here on these hallowed grounds, in their company, to take solemn counsel among ourselves as to how best we may accomplish the objectives for which they died.

If we are to give this occasion meaning, if this ceremony is to be more than solemn pageantry, if the wreath which our Commander in Chief has laid at the Tomb of the Unknown Soldier is to be a true measure of the Nation's gratitude—we must implement these symbols of affection and indebtedness with a determination to pursue with all our heart, with all our skill, with all our strength, and with all our resources the twin objectives of security for our Nation and a lasting peace for all the world.

Our goal must be their goal. We must work as hard and as unceasingly for security and peace as they who died to preserve them for our keeping. Our courage must match their bravery. Our devotion must equal their sacrifice.

Our Nation, in recent years, has been dedicated by two great Presidents to the pursuit of international peace through the twin avenues of adequate national strength and full support of the United Nations. The American Legion, under whose auspices we meet here today, is similarly pledged. This is the American way to peace. This is the will of the American people.

We propose to cooperate in every way to help the United Nations realize the hope of humanity which was written into its Charter at San Francisco 2½ years ago. Meanwhile, in this critical period, we do not propose again to risk world chaos or to encourage aggression in others by failing to provide for our own national security. History has demonstrated twice within a generation that unreasoning forces look with contempt upon an America too weak to defend her ideals. Until the United Nations has demonstrated its capacity to establish and to preserve world peace, the price of peace will continue to be preparedness.

The establishment of an effective new world order cannot be accomplished overnight. It will call for the utmost realism and idealism and unity in American thought and action. It calls now for loyalty to our aims, for cooperation among all groups of our economic and political life; for sacrifice by all—at the dinner table, on the job, everywhere and all the time—if we are to succeed.

The time has come for us to be firm with ourselves, if we would give true meaning to the firmness we would assume in democracy's cause abroad. The time has come when we must count it a privilege to be as bold in the pursuit of peace as we were daring in our recent battle for survival.

This opportunity which lies before us today to provide for our own security and to assure the peace of the world, may be our very last such opportunity if we do not seize it eagerly and pursue it with all our zeal.

The task is difficult. There will be delays and irritations. There will be bitter frustrations. There will be seemingly endless disappointments. We must not permit these to discourage us. In the trying years which lie ahead, when we feel our determination is flagging, we must remind ourselves that we are asked only to work for something for which many men died.

These men, our brothers, our sons, and our friends, watch us from some distant shore. To them we must be true.

In their memory, we must wage peace as they waged war—with everything we have. Above all, we must regain that harmony of spirit and that unity of effort which welded the people of America into an unconquerable power through the great crisis of the war years.

We must be strong. We must be strong in our economy, drawing the substance of our fruitful land to our own use and passing on the surplus to men and women overseas in return for the many raw materials and products which we require. We must be strong in our loyalty, taking unto ourselves freely such obligations as nurture among all Americans a true appreciation of the blessings of freedom and equal opportunity for all.

To secure an enduring and just peace, we must for the time being also be strong militarily.

In order to achieve the military standing which befits our position in international affairs, we enacted legislation under which our military services—the Army, the Navy, and the Air Force—recently were made in fact, what they had long been in effect, coordinates of the National Military Establishment.

These three services today—in equipment, in morale, and in leadership—are unsurpassed. Their effectiveness, however, is hampered by lack of a reserve of trained manpower. Crack ground units, vaunted air squadrons, and proud ships cannot be reinforced with phantom ranks, missing elements, or half-complements of crew. Manpower today is the crying need of all these services.

The remedy lies in legislation which would give us an adequate reserve of trained men. Such legislation is now before Congress in the form of a bill to authorize universal military training. Under this measure, each of the three services would obtain its quota of men to train. After training the men would be returned to civilian life, better fitted to become better citizens because of

their tour of military service. They would become our modern minutemen in any emergency.

They would provide the land, sea, and air reserve that in the future might well mean for us the difference between survival and oblivion. As Commander O'Neil so well said—they would serve notice on the world of America's willingness to accept the responsibilities of world leadership.

We became the victims of aggression 6 years ago because we had not learned the lesson which World War I should have taught us. Our guard was down, even though we knew that international banditry was on the loose in Europe and Asia. This must never happen again.

Conversely, 2 years ago when our military, naval, and air strength was at its peak, we exerted an influence in international affairs commensurate with our position as the greatest democracy in the world. In the months since VJ-day we have pared this strength down to but a shadow of its former self, and day by day, as demobilization progressed, our representatives in the council of powers found their tasks increasingly difficult.

The time has come to realize the peril of benevolent disarmament, unilaterally accomplished. We cannot jeopardize our security in the hope that others will again win for us the time we need to prepare to defend ourselves. The next time there may be no time.

In the words of Burke, "a nation is a contract in which three parties are involved—the dead, the living, and the yet unborn." Thus, America is today at once a legacy from the past, a trust of the present, and the hope of the future. Let us pledge here and now among our dead, that we the living will so plan and work among ourselves and with other nations, that peace shall be ours to cherish for ourselves and for generations yet unborn.

Much remains to be done to bind up the wounds of this tired, confused world. A great task must be performed if peace is to become the final fruit of victory, and if we are to keep faith with those who died. We must so conduct ourselves individually and as a Nation that their sacrifice will prove not to have been in vain.

Their place in history will rest upon our actions rather than upon our words. God grant our action will be worthy of their sacrifice.

The Palestine Situation

EXTENSION OF REMARKS

OF

HON. IRVING M. IVES

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Wednesday, January 14, 1948

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered in New York City on December 29, 1947, by Dr. Abba Hillel Silver, who is chairman of the American section of the Jewish Agency for Palestine and of the American Zionist Emergency Council. The address was delivered at a testimonial dinner given in honor of Dr. Silver just prior to his sailing for Palestine. The address is of such significance that I think it should be incorporated in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It was just a month ago that the decision was taken in the Assembly of the United Nations. It has been a month of unprecedented exaltation for our people all over the world. Their spirits leaped up like a brilliant flame in the glad surprise of the long hoped for and never quite expected victory. Their parched and thirsty souls drank deep of the waters of salvation. The nations of the world had again vindicated our claim to national restoration. By an overwhelming vote—only two Christian states dissenting—they decreed that the Jewish state shall be reestablished and set the date for its establishment for October 1948.

Thus the messianic drama of Israel which had been unfolding in many lands through long centuries of tragic acts and sorrowful scenes suddenly reached a triumphant climax in the dramatic setting of an international council chamber, where in an atmosphere of unspeakable tension, they voted, each in turn, and when the vote was tallied, they had decreed the end of the Galut. We have rejoiced in the fulfillment of a prophecy that has come true: "When the Lord will bring back captive Zion, we shall be like dreamers! Then will our mouth be filled with laughter and our tongue with song."

Our tired hearts were refreshed and uplifted when we witnessed the fine championing of our cause of liberation by one noble country after another, by the many countries of South and Central America, by the countries of western Europe, by all the dominions of the British Commonwealth and by other countries of good will. We were deeply moved by the strong, unfaltering support which we received from the Soviet Union and from Poland and Czechoslovakia. And we were, of course, profoundly pleased and happy with the role which our own Government came to play in the final hour of decision. Especially gratifying was that rare phenomenon—baffling and disturbing to all those who prescribe cold war as the remedy for an ailing and war-sick world and proscribe all suggestions of amity and reconciliation—which showed the two greatest world powers working in complete accord and unity of purpose to solve a grave international problem, and succeeded in reaching a solution.

Those who are despondent over the turn of affairs in international relations and the apparent irreparable rift which has been created between the East and the West might well take heart in contemplating the full and ready cooperation which did exist between the United States and the Soviet Union on the issue of Palestine. Here was an area where we were told imperial interests were inevitably destined to clash, and where power politics would most certainly tear East and West hopelessly apart. Nothing of the sort happened, to the utter consternation of all the preachers of the irresistible conflict. On the contrary—here was ready and friendly agreement. In my humble judgment there is much food for thought here, and strong warrant for a more hopeful world outlook, and a less intractable statesmanship.

In this connection it should be stated that those who were responsible for the earlier and now discredited propaganda that the Soviet Union, in its desire to penetrate the Middle East and its rich oil fields would side with the Arabs against the Jews, and, that Great Britain and the United States must therefore not favor the Jewish cause for fear of driving the Arab States into the arms of the Soviet Union, have now slightly revised their propaganda. The Soviet Union, it is now proclaimed, favored the setting up of a Jewish State in Palestine in the confident expectation that this would arouse the Arabs, create disturbance, and necessitate the intervention of the Security Council. The Security Council would have to send troops. The Soviet Union, being a member of the Security Council, would then have its own troops included in whatever international force is sent to Palestine. Once there, they will never be dislodged.

This is the new, or rather the revamped, propaganda which is being peddled about today in Washington by agents of all sorts—British, American, and Arab—as well as in the public press, and which along with the supplementary propaganda that the so-called illegal immigrants coming into Palestine are really Communist agents in disguise—is being adroitly spread to destroy United States-Union of Soviet Socialist Republics cooperation on Palestine, and to prevent the implementation of the UN decision. Every effort is being made to thrust Palestine back into the dangerous arena of power politics, from which the United States-Union of Soviet Socialist Republics agreement and the action of the UN has most opportunely lifted it. There are even some Members in the Congress of the United States who out of ignorance or malice, are lending themselves to the spreading of this baseless and mischievous propaganda. Needless to say the Zionist movement has no orientation either to the west or to the east. If we need to define our orientation, it is definitely and unmistakably to the United Nations. We are happy that our problem received a solution by international agreement in which the east and the west harmoniously cooperated. We hope that it will remain so in the future.

It might be noted, in passing, that our frank joy in the decision of the UN to reestablish the Jewish state was not prompted by an infatuation with the idea of nationalism as such, or by the idolatry of statehood. We are not chauvinists. Zionists have been denounced as secularists and political nationalists. Of course we are secularists insofar as we oppose a theocratic state, and we are political nationalists insofar as we believe in the reestablishment of the Jewish state. But this does not exhaust the full content of our aspirations.

Israel's resolution through the centuries to rebuild its national life in its ancestral home was guided by sound instinct and inspired by the same prophetic idealism which twice beckoned our exiled ancestors from exile to national restoration in Palestine. In both instances, at Sinai and by the rivers of Babylon, there stirred a deep, mystic conviction that only in a free national existence, could that which was best and unique in its life find full scope and opportunity and what was best and unique was always conceived of as transcending the moiety of political independence, or the customary compensations of national status and security. It reached beyond that to a vision of "new things, things kept in stire, not hitherto known." * * * to a redeemed humanity and a world order reconstructed after the pattern of the Kingdom of God.

In 1929, on the occasion of the twenty-fifth anniversary of the death of Theodor Herzl, I wrote in a Herzl memorial volume which was published in that year:

"It is well that the political phase of Jewish Messianism is coming to a close in the upbuilding of the national homeland. We shall not have to lay so much stress in the future on the importance of nationalism. We shall henceforth be confronted not with its lack but with its consequences. Hitherto wanting the full complement of the attributes of nationalism, we were constrained to overemphasize its virtues. Many of the spokesmen of our cause were driven to extol nationalism, per se, which is after all a

quite recent and, demonstrably, a quite inadequate human concept.

"It is not mankind's ultimate vision. Certainly it is not the substance of our own ancestral tradition, whose motif is not nationalism but prophetism. Nationalism is not enough. It is a minimum requirement, not a maximum program. Our national rebirth was made possible by a war in which nationalism was thoroughly exposed and discredited. Nationalism is a means, not an end. 'What is great in a man,' said Nietzche, 'is that he is a bridge and not a goal.' This is true also of men collectively—of nations and of national cultures.

"Nationalism will not suffice the eternally questing soul of our people. After its national life is secure Israel must push on to the frontiers of the new world—the world of internationalism, of economic freedom, of brotherhood, and of peace."

I believe that this motif of authentic Jewish lineage has not been wanting in the humble and consecrated labors of the present-day nation builders in Palestine, and I am convinced that Palestine will in the days to come become the workshop of our people's highest ideals and aspirations.

Our builders in Palestine will have much to endure and much to overcome, but they will assuredly match their hour. They have still to discover their political eyes. They are children of the crucible. They have come from the four corners of the earth and from all parts of the Galut, and the Galut leaves its mark on everyone. They hail from all cultural zones and from all political backgrounds. They represent most diverse personal experiences, and they must all be fused into an organic whole. They must learn unity in diversity and patience under stress and the knack of subduing the voices of the partisan, the doctrinaire, and the fanatic in the joyous tumult of building.

Edmund Burke defined the religion of the early American colonists as being a refinement on the principle of resistance. "It is the dissidence of dissent and the protestantism of the Protestant religion * * * agreeing in nothing but in the communion of the spirit of liberty." That might well define also the temper and character of our pioneers in Palestine. There is marvelous promise in all this for a free and unshackled life, but also much danger.

Our people will live in a land which is not a "fortress built by nature for herself against infection and the hand of war" as Shakespeare sang of England, but in a very open land whose borders are difficult to defend, and whose security must rest on the stout hearts, the political wisdom and the national discipline of its people. What they had gained with courage, they will have to keep with prudence.

But the spirit, the will and the capacity are there, and they will not be found wanting.

The Land of Israel will be small, made smaller by partition, but the people of Israel will make it great. The monumental contributions to civilization have been made by great peoples which inhabited little countries. Mind and creative endeavor will compensate for what our people has been forced reluctantly to relinquish. Generations to come, living in that land of challenge and renewal, will speak great words and do great deeds, and in the magnitude of their upsoaring, there will tower the majesty of that little land of revelation which, like some precious jeweled clasp, draws three continents together on the shore of the western sea. Not in opulence but in eminence will their destiny be fulfilled and the elixir of their pride will be distilled not out of dominion or far-flung borders, but out of the faithful and skillful building of the good society.

It is now a month since the historic decision, and while our happiness is unabated, our minds are turning soberly to the pressing and difficult problems involved in the implementation of that decision.

Those problems are ours—but they are also those of the United Nations. The UN accepted the responsibility to decide the future government of Palestine. It accepted after long and careful examination and debate the report of the special committee which it had appointed to make a complete and thoroughly objective survey of the entire situation. It has set up the machinery and fixed the time schedule for implementation. It was completely aware of all the difficulties involved, and was forewarned, not once but many times, by delegates of Arab States of their resolve to thwart by violence a decision of the UN favorable to partition. Nevertheless the UN acted, despite these threats and in the full knowledge of all that was involved, convinced that there was no other way out, and that a solution could no longer be postponed. If the UN were now to be deterred from its course by the planned violence by riots and demonstrations, calculated to convince the world that the UN decision is impossible of implementation, and thus by force to alter the settlement which it decreed, the UN would not only suffer an irreparable loss of prestige and authority, but its future effectiveness as the agency "to bring about by peaceful means and in conformity with the principles of justice and constitutional law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace"—would be disastrously undermined.

The Mufti and his henchmen are attempting to sabotage the establishment of the Jewish state but they and their collaborators in the neighboring Arab States, which are covenanted member states of the UN, and as such pledged to abide loyally by its decisions, are engaged as well in a shameless, frontal attack upon the very life of the UN itself.

We are confident that the UN will not permit itself to become the victim of insolent intimidation and the sport of organized hoodlumism. We are also confident that the Security Council of the UN—which is to act as the guide of the UN Commission appointed by the Assembly to implement its decision, will give this Commission every measure of support and encouragement, and should the situation in Palestine come to constitute a threat to the peace, as a result of the attempts to alter by force the settlement envisaged by the resolution of the Assembly, the Security Council will act with decisiveness and dispatch. The conference of some Arab delegates that the Security Council will fail to back up the action of the Assembly will prove as vain as was their earlier confidence to prevent a two-thirds vote in the Assembly itself.

The future of the UN will be enormously strengthened in the difficult months ahead if our own Government will remain indubitably firm throughout and lively and ardently cooperative with the UN in this matter. It has not always been so in the matter of Palestine. It was not always so during the protracted Palestine deliberations in the UN. Our officials were not always of one mind, and this resulted in confused counsel and stultified action as well as in the bewilderment of governments who quite naturally looked to the United States for guidance and leadership.

Our Government has, since the last war, assumed unprecedented diplomatic initiative and preeminent leadership in world affairs. It has not been content to remain passive, or only mildly active, as just one Nation among many, in the tasks of world reconstruction. Destiny has singled it out for leadership in this century and regardless of cost, it has boldly and wittingly assumed that role. In many parts of the world the impact of that political direction is now felt. Palestine is definitely within the orbit of those great political problems which America, true to its assumed role, must face, and to which it must bring the same determined leadership which has characterized its approach to other world problems. Should it fail to do so, and should it evidence, as on occasions it did, only a formal and passing interest, for the sake of the record or to allay criticism, the Palestine problem, in spite of the UN decision, will sag hopelessly, and the situation will move from bad to worse.

Time and again, both at Lake Success and Flushing Meadow, we heard from some American spokesmen the ominous slogan: "The Palestine issue is a matter for the UN, not for the United States. We will vote for the UNSCOP Report when the time comes, but we will do no more than that." We know who was the author of this quite transparent slogan and who defined that line. Fortunately he did not prevail. Involved in this slogan was the total renunciation by our Government of the clear responsibilities of the new diplomatic leadership which it had assumed in the world, and in that very part of the world. Our Government did not announce that Greece and Turkey, or the political and economic fortunes of Western Europe, or China, were matters for the UN and not specifically for the United States.

When the crucial hour of decision arrived, however, our Government rose to the challenge of the hour and the mandates of its destiny. Its voice rose clear and unmistakable; and in so doing, it encouraged other states to back up the recommendations of the UN Special Committee on Palestine. As a result, the resolution was overwhelmingly adopted. Our Government now stands committed to its implementation. The UN plan is now definitely a part of American foreign policy and should be as aggressively and determinedly advanced as other major policies of our Government. Our Government should assist the UN in every way possible and should employ all its diplomatic machinery and influence to expedite the matter. Delay is dangerous. Defeat will be catastrophic.

The problem is to tide over the next 10 months. Once the Jewish state is established and admitted to the UN, and the neighboring Arab states are confronted by an accomplished fact, they will as a matter of practical politics, seek ways for mutually satisfactory arrangements with the Jewish state and for peaceful cooperation—and the way will be open. Peace with the Arab world will then be possible. The dangerous period is the short formative one of the next few months. Here is where our Government can be tremendously helpful.

There is no provision in the UN resolution for an international police force to insure law and order during the transition period. Great Britain announced that it would be responsible for law and order as long as it remained in the country. It is clearly not doing it. If 100,000 soldiers and police cannot insure security in that small country or even patrol properly one main artery of travel in Palestine—the 42-mile road between Tel-Aviv and Jerusalem to enable men to travel on it without being killed by snipers, one is forced to question the sincerity of the government's declaration. It would be highly desirable to have an international force accompany the Commission of the UN when it arrives in Palestine to carry out the instructions of the UN. It need not be large, but it must know what it is there for. The present military force in Palestine is the

blunted instrument of the hopelessly blundering policy of Mr. Bevin which amounts to this, His Majesty's Government "loyally accepts the Assembly's resolution" but it will do nothing to implement it. The British forces in Palestine will maintain law and order but they will remain neutral when clashes result between the Jews who have loyally accepted the decision of the UN and who seek peace—and the Arabs who are violently resisting it and provoke war.

But whether an international force is sent to Palestine or not—it is immediately imperative that the Jewish people of Palestine shall be enabled forthwith to defend themselves. They have the manpower. They need arms. Surely those states—and foremost among them the United States—which voted to create a Jewish state must feel honor bound and duty bound to see that the citizens of that state in the making are properly protected against the murderous assaults of those who have resolved to defy the will and the conscience of the nations of the world. Here, again, the United States holds the key to the situation, both as regards the formation of an international force and the equipment of the Jewish militia. Our Government has not hesitated to send arms and military missions in other parts of the world to back up its foreign policy.

The problem of our refugees still remains most pressing. When will our refugees begin at last to move in large numbers into Palestine? What conceivable purpose is served by keeping these men, women, and children pent up in detention camps where they have languished for so long; or in driving them away from the shores of Palestine now that the United Nations has finally decreed that the Jewish state shall be set up in Palestine in 1948? What else but the meanness of spirit of a prostrate statesmanship and the spitefulness of a disgruntled bureaucracy can account for it? There are thousands of refugees in various parts of Europe who simply can no longer wait. They will not be permitted to remain where they are. They must move. Surely it cannot be Great Britain's wish to climax and close her political career in Palestine with some more stark tragedies like the *Exodus*. Why cannot the act of parting be sweetened by an act of generosity and humanity which will help to reconcile friends who should never have been estranged?

My dear friends, American Jewry has deserved well at the hands of the Jewish people. History will pay homage to the role which it played in this searching and heroic hour. It rose to the occasion splendidly. It knew how to close ranks. It acted with wisdom, dignity, and courage. It spoke effectively to the hearts and minds of the American people and its representatives in government, and to the responsible heads of our Government. It is generally acknowledged that what was achieved was due in a large measure to the magnificent labor of American Jewry.

But much remains to be done. November 29 was only the evening and the morning of the first day—the day when light broke through the darkness of our world. Our great community providentially spared for this hour must now shoulder the vast economic burdens involved in the setting up of the Jewish state. Judging by the remarkable demonstration a few days ago at the conclave of the leaders of American Jewry in Atlantic City, our people are fully aware of their new responsibilities and are resolved to meet them. Whatever aid may come from other sources, the primary responsibility is ours.

We shall also have to stand on guard during the next critical period to see that no political conspiracy of evildoers shall undo or harm the Jewish state as its builders proceed to lay its foundations. The Jews of America, proud and loyal citizens of this great country who have demonstrated time and again, in peace and in war, their devotion and patriotism, will in the spirit of American democracy wish to assist this new free and democratic country which will rise on the shores of the Mediterranean, and which will embody those same great biblical ideals of justice, brotherhood, and peace which inspired the founding fathers of this Republic.

World Peace

EXTENSION OF REMARKS
OF

HON. CLYDE R. HOEY

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, January 14, 1948

Mr. HOEY. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article by Miss Nell Battle Lewis appearing in the column which she conducts regularly in the Raleigh News and Observer every Sunday under the title "Incidentally." Miss Lewis has conducted this column for years. She has a wonderful grasp of public questions and is intensely patriotic and thoroughly devoted to the ideals of the Republic, and tremendously interested in world peace. She has made an effective fight on communism, and brilliantly champions the cause of world peace through an enlarged and rejuvenated United Nations organization. This article sets forth her aims for 1948, which I think might well be adopted by our citizens generally throughout the Nation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INCIDENTALLY

(By Nell Battle Lewis)

AIMS FOR 1948

The aims of this column for the year 1948 are:

1. To combat in every way possible the infiltration of communism into American institutions, particularly those nearest at hand, i. e., in North Carolina. I intend to do this not merely because communism and democracy are basically irreconcilable, but because I, with many others, believe the representatives of communism to be bent upon the overthrow of democracy and because I believe that democracy, the cardinal principle of which is the freedom of the individual, deserves the stanchest defense by us all.

2. To advocate and spread in every way possible the idea of world federation as the greatest single political hope of mankind in this period of gravest peril. Incidentally's advocacy of world federation will be, as it has been, by favoring the strengthening of the weak international organization which already has been set up—the United Nations, that is, making this organization more than a feeble league of nations based on merely a multilateral treaty, one that would be powerless to keep the peace at any time of serious international stress (as we have already seen it to be), i. e., turning it into a real world government in which the member nations delegate part of their vaunted and now most perilous "sovereignty" to the central authority, and relinquish, under that authority with a world police force, the "right" to make war.

3. To foster and encourage in every way possible friendship and cooperation between the English-speaking peoples, not in a spirit of hostile exclusion of others, but believing that, with the common background of constitutional liberty which the Anglo-Saxon peoples have, their unity at this grave point in history is of the utmost importance to the world.

4. To continue to collect and discuss accounts of authenticated instances of phenomena not yet explained by any known law and generally known as "psychic," believing eventually discoverable law to underlie these phenomena, like all others. The ultimate discovery in this field would be that of the survival of human personality after bodily death, which already is strongly suggested—indeed, already in some minds (including my own) proved—by the results of psychical research to date. I consider such research of special value at the present time, when materialism is at its most dangerous height, when many of the old religious concepts have lost their hold on the popular mind, and when for many people human life has become spiritually meaningless, senselessly truncated at the grave. Reestablishment or reinvigoration of the idea of the immortality of the soul by psychical research, as well as through generally accepted religious channels, would be of incalculable value to us in our present materialistic confusion.

THE UNITED STATES SHOULD LEAD THE WAY

"Till the war-drum throbbed no longer, and the battle-flags were furl'd
In the Parliament of man, the Federation of the world."
—*Tennyson in Locksley Hall.*

Throughout this year all pieces in Incidentally advocating world federation will be opened by this quotation from "Locksley Hall," which of late has become familiar in connection with discussions of world unity. In Tennyson's poem this stanza follows close upon two setting forth the poet's interesting prophetic vision of aviation in which he—

"Saw the heavens fill with commerce, argosies of magic sails,
Pilots of the purple twilight, dropping down with costly bales.

"Heard the heavens fill with shouting, and there rained a ghastly dew
From the nations' airy navies grappling in the central blue."

As the prophecy of those two stanzas, made in the early 1880's, has now been fulfilled, it is to be fervently hoped that the stanza about "the parliament of man, the federation of the world" will turn out to have been equally prophetic and that its fulfillment will come soon.

In the extremely important leading article in the January issue of the Reader's Digest, Our Final Choice (between world government and the destruction of civilization), by W. T. Holliday, part of which has already been discussed here, Mr. Holliday makes the point that it is possible under the charter of the United Nations for a general conference of the members for reviewing the present Charter to be called by two-thirds of the members of the UN General Assembly and 7 of the 11 members of the Security Council. Thus, no one nation on the Security Council could veto the calling of such a conference.

By that conference, the present Charter of the United Nations could be changed into a federal constitution for the world, as the weak and inadequate Articles of Confederation were changed by the new American States into a Federal Constitution for this country.

The United States should take the lead in calling this conference. Mr. Holliday writes: "We ourselves are the crux of the problem. Do we want world federation? Will we work for it? Will we lead the way? We had better know for sure what we will do, before we try guessing what somebody else will do."

Now the most powerful Nation in the world, an adolescent giant upon whose reluctant shoulders leadership in the defense of civilization has devolved, the United States should immediately instigate in the United

Nations organization the calling of such an internatonal conference for the alteration of the UNO Charter into a federal world constitution.

Awards to High-School Students for Achievements in Scholastic Journalism

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, January 14, 1948

Mr. O'CONOR. Mr. President, it will be generally agreed that the success of America's future will rest in the hands of the youthful students of today, now being educated in schools of the United States. The Baltimore Youth Advisory Board inaugurated the practice of recognizing youth excellence by selecting an outstanding boy and girl for the month to be given awards. It has been announced recently that these awards should be presented by Charles E. Moylan, Jr., the son of the Honorable Charles E. Moylan, associate judge of the supreme bench of Baltimore City, and Mrs. Moylan, and to Marguerite Rogus, the daughter of Mr. and Mrs. Joseph A. Rogus.

An article giving a full account of the awards was recently published in the Baltimore Sun, and I ask unanimous consent to have this interesting article inserted in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HIGH-SCHOOL STUDENTS HONORED FOR ACHIEVEMENTS

Two honor high-school students whose achievements are in the field of scholastic journalism are the Girl and Boy of the Month for November, it was announced yesterday by N. Ellsworth Bunce, advisor to the Baltimore Youth Advisory Board, sponsor of the awards.

The girl, Marguerite Rogus, 17, is a senior at Patterson Park High School, and editor in chief of her school's weekly newspaper, the Patterson Press. She is the daughter of Mr. and Mrs. Joseph A. Rogus, of 629 Rappolla Street.

JUDGE'S SON CHOSEN

The boy, Charles E. Moylan, Jr., 16-year-old City College junior, in addition to being managing editor of his school's newspaper, the Collegian, is president of the school's Quill and Scroll Society, president of its Press Club and assistant managing editor of The Greenbag, City's yearbook.

His parents are Judge and Mrs. Charles E. Moylan, of 401 Bretton Place.

Both were recommended for the awards by their schools and by a fellow journalist, William Evans, editor in chief of the Collegian.

ACHIEVEMENTS EMPHASIZED

In nominating Marguerite and Charles, the Collegian's editor emphasized their achievements in the Maryland Scholastic Press Association's contest, held at the association's annual convention at College Park on November 8.

In that contest, Marguerite and Charles won first awards in feature writing and editorial writing, respectively, in competition with more than 200 students from 28 Maryland public and parochial schools, according to the recommendations.

Always on the honor roll in her 7 years in Baltimore's public schools, Marguerite also won a Patterson letter for scholarship, described by her principal, Dr. Chester H. Katenkamp, as one of the highest achievements the school offers.

Charles attained early recognition for scholarship at City College. His general average of 97.6 for the first semester not only led the freshman class, but was the highest in the entire student body. He also has always been an honor student.

ON DEBATING TEAM

In that year Charles achieved another rare honor for a freshman by being selected as a member of the debating team of the Carrolton Wight Literary Society. The six debaters, four seniors, a junior, and Charles, won the annual debate with the traditional rival, the Bancroft Society. The team, of which Charles still is a member, also won last year.

He is his class's representative on the student advisory and executive boards; was one of two student speakers chosen to address Community Chest workers at the kick-off luncheon for the 1946 campaign, and speaks frequently at city-wide student-panel discussions.

ADDRESSED STATE TEACHERS

He was one of five high-school students chosen to address the Maryland State Teachers Association here on October 31, and, as a member of the City College chapter of the United Nations Youth Organization of Maryland, participated in a discussion broadcast here on November 10 on Preparing Youth for the World of Tomorrow.

When a member of Boy Scout Troop No. 64, Charles won 32 merit badges, qualified as a life scout and was a pitcher on the troops' baseball team.

Motion Pictures, Radio Broadcasting, and Comic Strips in Relation to the Administration of Justice

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES
Monday, January 12, 1948

Mr. MORSE. Mr. President, at the last meeting of the American Bar Association, Mr. Arthur J. Freund, a distinguished member of the St. Louis, Mo., bar and chairman of the criminal law section of the American Bar Association, made a very able address on the subject Criminal Law Section of the American Bar Association on Motion Pictures, Radio Broadcasting, and Comic Strips in Relation to the Administration of Justice. There has been a great demand for his speech. Therefore, I should like to have it reprinted in the CONGRESSIONAL RECORD, in the Appendix thereof, and I am informed that the cost of printing it will be $230.75. I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

At the meeting of this section of criminal law last year in Atlantic City, there was authorized a committee on motion pictures, radio broadcasting, and comic strips in relation to the administration of justice. With the assistance of Mr. Carl B. Rix, president of the association, a committee of the association was appointed, comprised of some of the distinguished members of this association.[1]

The problem concerns itself so far as we of the bar view it (a) with the emphasis placed by the three media upon the depiction of crime and the portrayal of the manner in which crimes of violence are committed, detached and prosecuted, and (b) the manner in which the lawyer, the judge, and the processes of law are depicted.

Mr. Rix suggested that I act as chairman of the committee, and Mr. James V. Bennett was designated as secretary. Members of the public relations committee of the association, together with officers, members of the board of governors, and important committees of the association comprise the membership of the committee, and a meeting was called for June 4, 1947, at the Mayflower Hotel in Washington.

We invited the presidents or managing officers of the national associations of the media concerned, together with the presidents of the four radio broadcasting systems, and the three comic strip syndicates to attend the Washington meeting to discuss informally the problems outlined. All of those invited, with the exception of the American Broadcasting Co., responded to our invitation. Curiously enough the American Broadcasting Co. carries over its network a very large quantity of programs devoted to the depiction of crime.

Before proceeding further with an account of the Washington meeting, may I give you my own views on the problems involved and what we hope to achieve.

It is probably fair to say that no one subject in the manifold areas portrayed in motion pictures, radio broadcasting, and comic strips receives greater emphasis than crime and the processes of the law. The listening, reading, and motion picture public is overwhelmed with the voluminous treatment of this subject, a treatment so extended and continuous as to imply that crime, its methods, techniques, and detection, and the psychical abnormalities of those engaged in criminal pursuits were the major concern and chief subject of interest of the American public from the nursery to the grave.

May we say in all fairness that we recognize the contributions which have been made by the motion picture and radio broadcasting industries in programs devoted to mass education of the highest value and on levels wholly in the public interest. We do not believe that it is necessary to concern ourselves here with the good that has been done, and which we are confident will continue to be done by these media. We are not here however, primarily, to praise Caesar, but rather to point to what we believe are some of his shortcomings.

It may be helpful first to discuss the manner of presentation of the lawyer, the judge, and the processes of the law in the three media. Our interest in this matter is not generated by motives of self-justification, but rather comes from a belief that grave harm is being done to a fundamental American institution, the administration of justice, through a course either designed or the inevitable effect of which is to breed contempt and disrespect for the key arch of a free and democratic government.

The lawyer, the judge, and courtroom procedures are all too frequently depicted in an unfavorable manner. Whereas the doctor is almost always represented as a kindly, charitable, and capable professional person, the lawyer is usually portrayed as cruel, selfish, tricky, and unethical. The judge is, also,

[1] The membership of the committee is set forth in appendix A.

often shown either to be unworthy of his high office or he demonstrates his probity through the exposure or condemnation of corrupt or stupid counsel. The delineation of court-room procedures usually strays so far from reality as to border upon the grotesque. This phase of our subject is of high importance, though we approach it with natural diffidence. The lawyer and the law's processes, seeming circumlocutions and delays have been the subject of satire and derisive humor for centuries. There is probably no other subject or group in our society which has a longer history as a target for ridicule. We know that there is some justifiable basis for this and that lawyers, possessing as they must the imperfections of ordinary mortals, are not always perfect and that the processes of the law do not infallibly operate to produce absolute justice. We cannot object with validity if instances of this character are reported or portrayed either in fact or in fiction. Such unfortunate circumstances are the exception rather than the rule, though the portrayals in the three media would lead the public to believe that the reverse were true. Furthermore, lawyers and judges, trained to and rigidly disciplined by an exacting professional code of ethics, feel generally that they are performing a vital service to society upon a high plane; and we may perhaps be forgiven for feeling that if unwarranted attacks are made upon the profession from without, the defense might appropriately also come from without our ranks. In any event, whether the legal profession may properly entertain a sense of grievance, if not irritation, upon being misrepresented and distorted, we are far more concerned with the destructive effects of such treatment upon the administration of justice in this country.

Although the lawyer, the judge, and the law have been the butt of ridicule for hundreds of years, the opportunity for mass education and the fixation of social attitudes has never been so great as now. Radio broadcasting, motion pictures, and comic strips reach millions of our people each day, whereas a century or less ago it was not possible to affect the mental processes of a people so quickly or with such continued devastating effect. The evil of the modern process as used by the three media, as we view it, is to infect the minds of the youth and adolescent with the conviction that lawyers are per se antisocial beings and that the law through the judges and courts is an instrumentality unwholesome to our welfare. We know that our Government can only operate through the law, and that if the time should come when the law cannot be enforced fairly and honestly, our Republic as we now know it will cease to exist. However, in the motion picture, radio-broadcasting studios, and in the comic strips this fundamental axiom all too frequently finds no recognition.

Perhaps something might be done by the media on the positive side. It seems conceivable that the portrayal of the dramatic incidents of the careers of great American lawyers would have a popular appeal. Possibly such portrayals of the accomplishments of John Marshall, Judah P. Benjamin, and William Howard Taft, to mention only a few, would approach in public interest analogous portrayals of Al Jolson or Louis Pasteur.

There may be other affirmative approaches in this area which the industries may be able to suggest, initiate, and carry into effect. Their record of remarkable achievements in their respective industries demonstrates their ability to attain virtually any goal so long as they are convinced that the goal is one worth achieving.

The major specification in our bill of particulars, however, has to do with the emphasis on crime, criminals, and the techniques of criminals in the three media under discussion. We are wholly aware that crime does pay the motion-picture producer, the radio broadcaster, and the comic-strip syndicates, and that in this respect the dramatization and exploitation of crime is one of the best paying features of these media. Consequently, a vast host of economic interests has developed sympathetic to the notion that crime in this sense shall continue to pay. We realize that in dealing with such vast vested interests we must overcome obstacles which are not governed ordinarily by good motives or a desire to act in good taste or completely in the public welfare. Nevertheless, we are reluctant to believe that the minds of the leaders of these large enterprises will be completely insensible to the welfare of the Nation when the grave and critical nature of the problem is clearly revealed and understood.

It was said[2] regarding the comics as far back as 1936, and it has equal applicability to each of the media today:

"Sadism, cannibalism, bestiality. Crude erroticism. Torturing. Killing, kidnaping * * *. Raw melodrama; tales of crimes and criminals; * * *. All these, day after day, week after week, have become the mental food of American children, young and old. * * *

"The repetition in word and picture of * * * bestial and degenerate scenes and characters is a * * * serious matter. Such things make their deep impression upon the plastic minds of growing children and have their dangers for the never-too-mature minds of countless adults."

More recently, Mr. Jack Gould, radio editor of the New York Times, wrote in the March 2, 1947, issue:

"Radio programs heard by children again have moved to the forefront of controversial subjects in broadcasting. Several parent-teacher groups in various parts of the country have indicated the 'crime shows' and the hair-raising serial 'thrillers' as psychological dangers to impressionable youngsters as possible stimulants to juvenile delinquency."

Outside of the classroom, the home, and the church, the motion picture, the radio, and the comic strips constitute the most powerful existing educational influences upon the mental growth of the child and adolescent. The usual routine is for the child to read the funnies, later he turns on the radio, and in his more extended leisure he attends the movies. The sequence is variable but the ingredients of the diet are staple.

In each step, the emphasis in his menu is crime and criminals. In this there is often the seasoning of illicit sex relations. No one of the media alone at any one time or over any extended period can be said to be more harmful than another, but the insistent and continued repetition of these influences, each complementing the other, must produce a deteriorating effect upon the mind of the impressionable. Immature and undeveloped minds are moulded to the concept that crime and criminal conduct is the norm of human behavior. Ethical concepts are twisted from reality, weakened, and all too frequently destroyed.

In addition, crime techniques are blueprinted with meticulous accuracy. Criminal methods are set forth step by step, thereby giving the recipient an accurate handbook for antisocial and often criminal conduct.

To illustrate what we have in mind, may we mention one representation in each media merely as an example of the evil we seek to correct. They are the comic strip Kerry Drake, the motion picture The Killers, and the radio broadcast Gang Busters. Each, however, is highly successful in its field, each makes the presentation of crime pay the producer enormously, and each has stimulated a number of competitors, or else is the result of prior competition or prototype. For example, The Killers was a contemporary of The Outlaw. The financial success of those sordid portrayals of crime was followed by Duel in the Sun, another dramatic account of the same character. This in turn apparently encouraged the production of Brute Force, of which Life magazine in the August 11, 1947, issue, has this to say: "The production is a turn-about moral code which portrays each representative of law and order almost as a case history of depravity, while all the lawbreakers seem like real nice fellows."

We are aware of the body of opinion of some of the social service profession and psychiatrists, that children and adolescents are in need of emotional release afforded by the portrayal of criminal and sadistic exploits. While children do need a certain amount of adventure in their entertainment, there must be a point beyond which the law of diminishing returns begins to operate.[3] We think that current practices in the three media have long demonstrated the operation of that rule, and we do not hold with the minority of experts who defend these programs. While juvenile crime is on the increase in almost every locality in this country, the surprising circumstance is that the rate is not higher than it exists at the present time. However, the effects of the weakening of the moral codes and ethical concepts cannot be measured with any accuracy by crime rates or statistics. With almost every child and adolescent bombarded many times daily with the jargon of the criminal and the horrors and depraved methods of his activity, we should rejoice that we have as much normal and rational child and adolescent behavior as we do.

It is said that the criminal is always brought to punishment, and that thereby the moral lesson is given that the way of the transgressor, if not shown as hard, is at least futile. However, the overwhelming majority of opinion, both lay and professional, is of the view that the eventual capture and punishment of the miscreant in no real sense mitigates the evil created by the lurid portrayal of his criminal activities. On the general subject we quote briefly from an article by Bosley Crowther in the New York Times of May 11, 1947. Mr. Crowther speaks of motion pictures, but his views are equally valid to each of the media. He says:

"For a business which makes so much pretense of being explicitly moral and which proudly polices its members with a pious production code, the motion-picture business has been pulling some mockeries of late. Meekly this side-line observer would like to ask who's kidding whom? Do the industry's moralistic guardians think that the public is being easily fooled, or are some of its less considerate members slyly slipping the business the bird?

"We refer, of course, to the several recent pictures—and others coming up—which emphasize baser passions for no other than sensational effects. * * * Do these films conform to the industry's actual notion of moral responsibility? And, more than that, are they such entertainment as meet the test of public interest and public weal? * * *

"Again we repeat our questions: Is this regarded as fair and responsible by the industry? And does this technique—and the picture—meet the test of public good? We ask them again because it strikes us that the fiber of some of the people in films has shown signs of disintegration under the pressure of making sales. Last week we saw a full-page advertisement in a weekly trade magazine calling attention of exhibitors to a forthcoming film. It promised tawdry love and vicious murder. The kind that sells millions of newspapers—and millions of box-office tickets. * * *

"Invariably the makers of such pictures excuse their admittedly coarse wares by pro-

[2] John K. Ryan, How Moral Are Comics? Forum, May 1936, p. 301.

[3] Radio Crime Drama, Rowland, Educational Research Bulletin (Nov. 15, 1944), College of Education, The Ohio State University, vol. XXIII, No. 8, p. 210.

testing that they are only 'giving the public what it wants.' And they righteously remark that 'the transgressors' are always punished in the end. How absurd and hypocritical. The public's taste for films is as high as the imaginations and the talents of film makers are able to reach. And as for the transgressors being punished—what's the difference after the damage has been done?"

As Mr. Crowther points out, productions of this category are on the increase, and we could cite the figures to demonstrate this. As a result, the more wholesome productions in each of the media decreases by the operation of a law as inexorable as Gresham's law in economics—the bad productions tend to drive out the good.

The situation today in which we find the three media may be compared to the condition which prevailed in this country prior to 1890, when the Sherman Antitrust Act was passed and in 1887, which marked the creation of the Interstate Commerce Commission. A period of rapid business expansion resulted in a large number of abuses demanding control and correction. The railroads and business interests generally were either unable or unwilling to correct harmful practices, and the forces of competition often made it impossible for industry alone to correct the evils. As a result, Congress passed regulatory legislation which has been augmented through the years.

The three media have likewise had a tremendous economic expansion over the past quarter century and this very circumstance has created problems which require adjustment. I am sure that every lawyer here believes that regulation of each of the media is equally possible under our constitutional government, both National and State. Indeed, Judge Justin Miller, now president of the National Association of Broadcasters, and a former chairman of this section, sounded a warning in a letter to the St. Louis Post-Dispatch of April 20, 1945, wherein he said: "Only by intelligent anticipation of public reaction and by equally intelligent self-discipline can we prevent legislative intemperance."

The very essence of American democracy is founded upon freedom of expression. Legislative restrictions upon the three media, or any one of them, to restrict their free expression would probably entail administrative control resulting in some form of censorship. Some one or some group would have to determine what presentation was in the public interest and what was harmful to that interest. I think that the American public would deplore such legislation and it is my hope that it will never become necessary. However, with the present situation which confronts us, it might be advisable to study the problem of drafting legislation in conformity with the powers granted Congress by the National Constitution, and to make a like study for the States. As I have indicated, I should deplore the enactment of any such laws; we know that many in the eighties felt the same way concerning restrictive legislation upon business, but it is clear that unless conditions improve in the media, legislation is inevitable.

As a corollary, consideration can be given by the American Bar Association, through an appropriate group or section, acting alone in the name of the association, or in conjunction with other organizations in the public interest, to appear before the Federal Communications Commission and oppose the renewal of a license of a key radio broadcasting station on the ground that the great volume of its programs devoted to crime portrayals warrants the Commission in refusing to grant the renewal of the license. While the Commission, as we understand its public views, has no desire whatever to censor the content of radio-broadcast programs, the law directs the Commission to grant licenses and renewals only if the public interest, necessity, and convenience will be served thereby. Such intervention by the American Bar Association would focus national attention on the subject we are considering here today. A denial of license renewal by the Commission on such ground would produce results which no one can now foresee with any clarity or precision.

Are the self-imposed and self-regulated codes in the motion-picture and radio-broadcasting industries operating effectively in the public interest? We are advised that there is no such code formulated and in operation for the comic strips except as such small restraint comes from the syndicates which sell them and the newspapers which print them. It is obvious that the contents of this medium differ in no substantial respect with reference to the treatment of crime from the other two media. It is, therefore, entirely fair to inquire whether the codes which are in effect, really accomplish as well as they should their stated purpose to achieve decency and operate in the public interest.

It would appear to one unacquainted with the industries except as an interested observer that the codes are not operating effectively. Perhaps with competition so keen and with the tremendous financial stakes involved, the industries cannot effectively regulate themselves without some form of independent supervision.

We appreciate that the three industries cannot have one regulatory code. If the codes are to operate, there must be separate ones for each industry, and yet there should be common approaches in each with a like objective. We submit that consideration be given to the advisability of a complete reexamination of the codes now existing, both formal and informal, with special emphasis upon the desirability and feasibility of injecting administration and supervision by outside, objective resources concerned not only with the welfare of the industry but also of the public.

The third and final suggestion for consideration is one which combines the objectives of the two preceding. Facts, in a field so large and important not only to those engaged in the industries but also to the public at large, are difficult to determine. It may appear desirable to create an independent commission of interested persons and experts to study upon the highest professional basis the entire subject matter and to bring back findings and recommendations. A survey of this character would require the assistance of many persons in many fields. It would require continuing supervision and direction. The cost of such a survey and the method of its financing would also be an important consideration.

We are dealing with great forces affecting the lives of many millions of our people and the millions yet to come. If such a survey could be productive of substantial progress the time and funds devoted to its formulation and publication could not, and should not, be counted in dollar value. A revelation of the facts so ascertained would do much to hasten proper self-regulation, should it be found, as many of us believe, that there are abuses which require correction. The draft of proposed forms of legislation, if such recommendations were made by the group, might in itself produce results that would eliminate the need for such legislation.

The views set forth here were not presented in detail at the Washington meeting of June 4, 1947, but their general substance was there given. A large majority of those appointed on behalf of the American Bar Association were present and the media were represented by a distinguished group of representatives.[4] There was a full, free, and frank discussion of the subject matter, and a general concurrence of views that the media would approach the problems with sympathy in a genuine endeavor to reach a corrective solution. A résumé of the proceedings of the meeting appeared in a recent issue of the American Bar Association Journal,[5] and I shall not repeat them here.

There was a disposition during the meeting on the part of some of the representatives of the media to doubt the existence of any problem. On the one hand, it was said that lawyers, judges, and the processes of justice were not unfairly portrayed. An elaborate self-analysis of motion pictures produced in 1946 was offered to substantiate this view. There were those of the media who took the position that no harm was done by the depiction of crime and that the portrayal of such episodes were a part of our modern way of life. The Washington meeting concluded with an agreement that the representatives of the media would report the views expressed to their respective organizations and that another meeting of the entire group would be held in the late fall of this year, either in Washington or New York. To this end, a committee of members of this association and those of the media has been appointed to prepare an agenda for the fall meeting.

We are deeply gratified that the National Broadcasting Company has this month officially recognized the problems we seek to correct. In a code formulated for its future programs, it is provided among other corrective measures that:

"Law, justice, and officers of the law should be portrayed without disparagement or ridicule, but with respect."

It gives further recognition to our position that:

"The vivid, living portrayal of crime * * * dramas on the air, has an impact on the juvenile, adolescent, or impressionable mentality that cannot be underestimated."

As a first corrective functional operation, the National Broadcasting Co. will broadcast its crime programs at hours when children are supposed to be in bed and fast asleep. With this explicit recognition of the harmful effects of these programs by the industry we may expect even better results.

The National Association of Broadcasters has also taken official notice of the harmful effects of the portrayal of crime.[6] It proposes that crime should never be presented in a favorable light and that references to kidnaping should be barred. While this may be a short step, it is one in the right direction.

We are not expecting immediate results of our efforts and with forces so deeply entrenched we cannot hope that success will come to our endeavors except through the process of discussion with those of the media and a program of public enlightenment. We are gratified that the representatives of the media have agreed to sit down with us and consider the subject in a friendly cooperative atmosphere for if there is a will to carry out the objectives we seek, a way will somehow be found to reach a solution of the problems.

I am hopeful that more portrayals of a positive character may be produced; portrayals of the lives and experiences of great lawyers, noble judges, and episodes depicting the majesty and dignity of the law. We have embarked upon an important project affecting the lives of great numbers of our citizens. We are confident of a large measure of accomplishment.

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[4] A list of those present on behalf of the media is set forth in appendix B.

[5] July 1947, issue; vol. 33, p. 649.

[6] The complete statement of the National Broadcasting Co. is set forth in appendix C. It will be noted that the premise we seek to establish, namely, the harmful effects of the type of programs we discuss are recognized and a specific and positive approach will be used to meet them.

APPENDIX A

COMMITTEE ON MOTION PICTURES, RADIO BROADCASTING, AND COMIC STRIPS IN RELATION TO THE ADMINISTRATION OF JUSTICE

FOR THE AMERICAN BAR ASSOCIATION

Carl B. Rix, former president, American Bar Association, Wells Building, Milwaukee, Wis.

William L. Ransom, editor-in-chief, American Bar Association Journal, 33 Pine Street, New York, N. Y.

Howard L. Barkdull, chairman, house of delegates, American Bar Association, Union Commerce Building, Cleveland, Ohio.

Loyd Wright, member, board of governors, 111 West Seventh Street, Los Angeles, Calif.

George Maurice Morris, chairman, public relations committee, American Security Building, Washington, D. C.

Judge Robert G. Simmons, chairman, section of judicial administration, Supreme Court, Lincoln, Nebr.

William Clarke Mason, member, board of governors, 123 South Broad Street, Philadelphia, Pa.

Henry Cole Bates, member, public relations committee, 1 Madison Avenue, New York, N. Y.

James D. Fellers, national chairman, junior bar conference, Apco Tower, Oklahoma City, Okla.

W. Carloss Morris, Jr., national director, public information program, junior bar conference, 1302 Rusk Street, Houston, Tex.

Charles B. Stephens, First National Bank Building, Springfield, Ill.

Tappan Gregory, president, American Bar Association, 105 South LaSalle Street, Chicago, Ill.

Judge John J. Parker, Federal Building, Charlotte, N. C.

Judge James P. Alexander, Supreme Court, Capitol Station, Austin, Tex.

Judge Bolitha J. Laws, United States District Court for the District of Columbia, Washington, D. C.

Hon. Earl Warren, State Capitol, Sacramento, Calif.

Arthur T. Vanderbilt, 744 Broad Street, Newark, N. J.

Wayne L. Morse, Senate Office Building, Washington, D. C.

James V. Bennett, secretary, criminal law section, Department of Justice, Washington, D. C.

Arthur J. Freund, chairman, criminal law section, 506 Olive Street, St. Louis, Mo.

APPENDIX B

COMMITTEE ON MOTION PICTURES, RADIO BROADCASTING, AND COMIC STRIPS IN RELATION TO THE ADMINISTRATION OF JUSTICE

FOR THE MEDIA

Donald M. Nelson, president, Society of Independent Motion Picture Producers, 6233 Hollywood Boulevard, Hollywood, Calif.

Robert W. Chambers, research director, Motion Picture Association, 1600 Eye Street NW., Washington, D. C.

Theodore W. Smith, assistant vice president, Motion Picture Association of America, Inc., 28 West Forty-fourth Street, New York, N. Y.

Sydney Schreiber, general counsel, Motion Picture Association of America, Inc., 28 West Forty-fourth Street, New York, N. Y.

Judge Justin Miller, president, National Association of Broadcasters, 1771 N Street NW., Washington, D. C.

Col. J. Hale Steinman, chairman of Federal laws committee, American Newspaper Publishers Association, Lancaster, Pa.

Elisha Hanson, counsel for the American Newspaper Publishers Association, 370 Lexington Avenue, New York, N. Y.

Joseph H. Ream, vice president, Columbia Broadcasting System, 485 Madison Avenue, New York, N. Y.

W. K. Hutchinson, International News Service, 235 East Forty-fifth Street, New York, N. Y.

Kent Clark, public relations, Motion Picture Association of America, Inc., 28 West Forty-fourth Street, New York, N. Y.

Eugene Juster, public service manager, National Broadcasting Co., RCA Building, Radio City, New York, N. Y.

Carlton Smith, general manager, National Broadcasting Co., RCA Building, Radio City, New York, N. Y.

Benjamin M. McKelway, Washington Evening Star, American Society of Newspaper Editors, Washington, D. C.

Charter Heslep, Washington manager, Mutual Broadcasting System, Inc., 1440 Broadway, New York, N. Y.

SUPPLEMENTAL APPENDIX B

COMMITTEE ON MOTION PICTURES, RADIO BROADCASTING, AND COMIC STRIPS IN RELATION TO THE ADMINISTRATION OF JUSTICE

FOR THE MEDIA

Others invited who have indicated an interest to participate:

Cranston Williams, general manager, American Newspaper Publishers' Association, 370 Lexington Avenue, New York, N. Y.

Wilbur Forrest, former president, American Society of Newspaper Editors, New York Herald Tribune, New York, N. Y.

Dr. Frank Stanton, president, Columbia Broadcasting System, Inc., 485 Madison Avenue, New York, N. Y.

Mollie Slott, general manager, Chicago Tribune-New York News Syndicate, Inc., News Building, New York, N. Y.

Barry Faris, editor in chief, International News Service, 235 East Forty-fifth Street, New York, N. Y.

Ward Greene, general manager, King Features Syndicate, 235 East Forty-fifth Street, New York, N. Y.

Eric Johnston, president, Motion Picture Association, 28 West Forty-fourth Street, New York, N. Y.

Edgar Kobak, president, Mutual Broadcasting System, 1440 Broadway, New York, N. Y.

Lawrance Rutman, general manager, United Feature Syndicate, 220 East Forty-second Street, New York, N. Y.

Robert McLean, president, the Associated Press, Bulletin Building, Philadelphia, Pa.

Hugh Baillie, president, United Press Association, News Building, New York, N. Y.

N. R. Howard, president, American Society of Newspaper Editors, Cleveland News, Cleveland, Ohio.

A. L. Ashby, general counsel, National Broadcasting Co., Inc., Radio City, New York, N. Y.

Niles Trammell, president, National Broadcasting Co., Inc., Radio City, New York, N. Y.

George T. Delacourte, Jr., president, Association of Comic Magazine Publishers of America, 149 Madison Avenue, New York, N. Y.

APPENDIX C

NBC BARS MYSTERY PROGRAMS BEFORE 9:30 P. M., EFFECTIVE JANUARY 1

(Statement of the National Broadcasting Co. of September 15, 1947, released to the press)

ATLANTIC CITY, N. J., September 13.—The National Broadcasting Co. convention here Saturday unanimously adopted a proposal by NBC that, effective January 1, 1948, "no series of detective-, crime-, or mystery-type programs" will be broadcast over NBC before 9:30 p. m., New York time.

This action, the object of which is "to reduce the exposure of juvenile and adolescent minds to crime suggestion," was taken at a closed meeting of NBC executives and representatives of 160 of the network's stations.

The proposal in full follows:

"Dramatization of crime, mystery, and detective stories, while a recognized and justly popular form of entertainment and literature, requires particularly mature and discriminating judgment in radio presentation.

"While mystery and crime stories are as old as literature itself, the vivid, living portrayal of such dramas on the air has an impact on the juvenile, adolescent, or impressionable mentality that cannot be underestimated.

"In order further to reduce the exposure of juvenile and adolescent minds to crime suggestion, effective January 1, 1948, no series of detective-, crime-, or mystery-type programs will be broadcast over the National Broadcasting Co. network before 9:30 p. m., New York time. Crime and mystery programs broadcast at 9:30 p. m., New York time, or after, will not be broadcast in the Mountain and Pacific coast time zones before 9 p. m., local time, or in the Central time zone before 8:30 p. m., local time. Individual delays—i. e., use of a recording of the original 'live' program—will be permitted on stations in these zones whenever the client does not decide to do a live repeat broadcast.

"It is important, therefore, to reiterate at this time, for the guidance of producers and sponsors of such programs, and for the information of the general public, the policies of the National Broadcasting Co.:

"1. No program will be broadcast which glorifies or justifies crime, criminals, or any antisocial practice, or which treats these matters in a cynical or condoning fashion.

"2. Lurid, overly realistic dramatizations of the morbid or criminal aspects of the story must be avoided: detailed portrayal of murders, electrocutions, hangings, third-degree methods, physical agony, torture of any kind, cruelty to children or animals, are not acceptable for broadcast.

"3. Programs which by virtue of detailed descriptions of the technique and methods of crime become blueprints for imitation by impressionable listeners must be avoided.

"4. Revenge shall never be justified as a motive. Episodes involving kidnaping of children, rape, adultery, or other illicit relationships are not acceptable. Suicide will not be detailed in method or presented as a satisfactory or justifiable solution to any human problem.

"5. No mention, direct or implied, of sex crimes, prostitution or sex perversions will be permitted.

"6. Law, justice, and the officers of the law should be portrayed without disparagement or ridicule, but with respect.

"7. Crime must always be punished, either specifically or by implication. Crime is not a subject for comedy.

"8. News of crime will always be presented factually. No appearance of persons involved or featured in current criminal or morbidly sentimental news stories will be allowed."

Automobile and Truck Exports

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, many inquiries are made as to the exports of automobiles and trucks. The following official table shows that the 1946 shipments of automobiles, trucks, busses, chassis, and parts equalled nearly one-half billion dollars. The

table also shows that for the first 10 months of 1947 these exports had a value of $959,000,000, and that the 1947 exports will be somewhat over a billion dollars in value.

The table is as follows:

Automobiles, trucks, and busses, and parts: United States exports of domestic merchandise, 1946 and January to October 1947

Item	1946 [1]		1947 (January to October) [1]	
	Number	Value	Number	Value
Trucks and busses, and chassis, new	137,278	$197,900,244	185,305	$317,183,834
Automobiles and chassis, new	116,944	122,500,568	226,632	282,943,892
Truck, bus, and automobile parts	[2]	157,387,867	[2]	238,409,654
Total, new	[3]	477,788,679	[3]	928,537,380
Trucks and busses, and chassis, used	10,203	14,334,370	7,352	16,328,321
Automobiles, used	2,482	2,671,977	9,508	14,436,055
Total, new and used	[3]	494,795,026	[3]	959,301,756

[1] Preliminary.
[2] Not reported.
[3] Not available.

Source: Compiled from official statistics of the U. S. Department of Commerce.

Brotherhood Week

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, January 14, 1948

Mr. WILEY. Mr. President, the week of February 22–29, 1948, will be National Brotherhood Week. For this occasion I have prepared a statement on the topic of the unity of all religions, races, and colors in America. I ask unanimous consent for the printing of the text of my statement in the Appendix of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMERICAN BROTHERHOOD WEEK—PROTESTANTS, CATHOLICS, AND JEWS UNITE IN HARMONY

Mr. President, in accordance with the proclamation of the President, during the week from February 22, to February 29, 1948, America will celebrate National Brotherhood Week, which is sponsored by the American Brotherhood of the National Conference of Christians and Jews. The purpose of this week is obvious. It is to draw attention to the paramount need in our times for Americans of good will—of all races, all creeds, and colors to work together harmoniously as children of the one universal God, as brothers unto another.

The first suggestion for Brotherhood Week came from a Catholic priest in Denver in 1932. The idea took fire and the first observance was held in 1934. Since then, Brotherhood Week has expanded so that at the present time, each year countless newspapers, magazines, and radio stations throughout the Nation generously cooperate in helping to foster its noble ideals.

RELIGIOUS BOOK WEEK

Sponsorship of this week is but one of the activities of the National Conference of Christians and Jews of which President Truman is honorary chairman and Robert P. Patterson, general chairman, and on which a very distinguished panel of American citizens in all phases of our national life ably serve. Among the other activities of the National Conference is Religious Book Week. The fifth annual Nation-wide Religious Book Week was celebrated in May of last year, and over 100,000 book lists featuring 200 books for adults and children were distributed. This year Religious Book Week will be celebrated during the second week of October.

PRESERVATION OF RELIGIOUS RIGHTS

Among the other activities of the National Conference are those handled by its Committee on Human Rights. This committee has, for example, called upon the United Nations to investigate the state of religious liberty in Yugoslavia involving the trial and imprisonment of Archbishop Stepinac and anti-Catholic activity. It has also recommended that the United Nations give favorable consideration to the proposed convention making illegal by international law the persecution of groups of people for the reason of their race, language or political opinion. The National Conference also has commissions on educational organization, on community organizations, and on religious organizations working actively with Protestant, Catholic, and Jewish groups throughout the Nation in fostering better understanding among all Americans. It is reported that once every day throughout the year, and many times within the same day, trio teams of a minister, a priest, and a rabbi or laymen of the three faiths appear before audiences from one coast to the other, thus representing the fundamental unity of the three great religious creeds of America.

I feel that it is deservant that recognition be paid to the outstanding work of the National Conference and to all those who participate in Brotherhood Week and the Conference's other activities in order to make America a land of still greater harmony and unity.

ORIGIN OF NCCJ

The national conference was established by such great leaders as Charles Evans Hughes, Newton D. Baker, Dr. S. Parks Cadman, Roger W. Strauss, and Carlton J. H. Hayes. The First World War, as we all recall, was followed by a period of widespread racial and religious prejudice, which was best represented by the spread of the Ku Klux Klan. We in Wisconsin successfully met the challenge of the Klan, as did all of the other States of the Union eventually. But knowing that much intolerance still existed, the great Americans whom I have mentioned founded this inspiring organization. Its president, Everett R. Clinchy, has performed invaluable work in the field of better human relations and has contributed mightily to the success of the national conference's endeavors.

INTERNATIONAL HUMAN RIGHTS

In August 1946 an international conference of Christians and Jews was established. In August 1947 an international emergency conference to combat anti-Semitism was held in Switzerland and widely attended by representatives of many nations. Short- and long-term recommendations were prepared by this emergency conference and detailed suggestions were made for the setting up and operation of councils of Protestants, Catholics, and Jews in all countries. The members of the conference signified the importance of close relations with the United Nations and with its related organizations, particularly the United Nations scientific, educational, and cultural organizations so as to secure their cooperation and assistance in the fight to eliminate hatred.

NEED FOR BROTHERHOOD

Edward Markham told us, "The crest and crowning of all good; life's final star is brotherhood." In the Old Testament, in the Book of Genesis, it is asked, "Am I my brother's keeper?" as indeed you and I are. Today 20 centuries after the coming of the Prince of Peace, mankind is still unfortunately widely divided. Barriers exist everywhere between nations, between races and religions. It is up to us in America to set a standard for the elimination of these barriers, to demonstrate conclusively that we, in the words of our first President, George Washington, "give to bigotry no sanction." It is, of course, in the week of Washington's birthday that Brotherhood Week is customarily celebrated.

Among the devices used by the sponsors of American Brotherhood Week in my own and other States have been publicity materials, such as posters and folders; program aids for educational, religious, civic, and other organizations; the sending out of copies of plays and pageants; and making available speakers for schools, clubs, and other organizations.

We in America have always believed that every man should be judged on the basis of his own merit, not on the basis of the color of his skin, nor on the basis of the temple, cathedral, or synagogue in which he worships, nor on the basis of the land from which his father comes, nor the accent of his words, nor the cultural mannerisms of his people. Yes; he should be judged only on the basis of his own intrinsic worth, his character, his deeds, his relations with his brother men.

ANTI-SEMITISM IN AMERICA

Americans well remember the days of the Ku Klux Klan, the Know Nothing Party, the APA, and other hatemongering groups. We have witnessed in the past outbursts of anti-Catholic feeling and particularly in the recent past instances of anti-Jewish sentiment. This last problem remains as one of the real problems of our American Republic. It is an unfortunate fact that even in this modern day and age there is intolerance against American members of the Jewish faith, in spite of the fact that they have proven that they yield to no group in their patriotism, in their love of country, in their complete devotion to human liberty. I do not want to magnify this problem out of proportion, but I do wish to point out that there has been unfortunately unjustified hatred and envy and fear of the members of the Jewish faith, in spite of their magnificent contributions to every phase of American life—in medicine, in education, in the field of entertainment, in statesmanship, in law, and, yes, on the battlefield.

AMERICA'S JEWISH VETERANS

In this latter connection, one of the most interesting works that has been published is the volume, American Jews in World War II—the Story of 550,000 Fighters for Freedom, by I. Kaufman. This work reports the monumental undertaking of the Bureau of War Records of the National Jewish Welfare Board of chronicling the splendid contributions made to American victory by the 600,000 Jewish men and women who served in

our armed forces—the equivalent of 40 Army divisions. (I have previously paid tribute to this record in the Senate on June 4, 1946.) Incidentally, I might note that the work of the National Jewish Welfare Board earned from the War and Navy Departments hearty joint commendation for "exceptional aid in the successful prosecution in the war and in the preservation of the enduring values of American democracy."

TEN THOUSAND FOUR HUNDRED AND TWENTY-SIX WHO GAVE THEIR LIVES

The volume shows that the total casualties of members of the Jewish faith who served in the armed forces in World War II numbered 35,157, of which 10,426 made the supreme sacrifice. A total of 26,931 awards were given to American Jews, including all of the major medals and other tributes to heroism. In addition, members of the Jewish faith won more than 26,000 Purple Hearts, including those received by the 8,000 who died in action and the 18,000 who were wounded in action. The distribution of Jewish servicemen by services and activities was as follows: 80.59 percent in the Army, 16.6 percent in the Navy, 1.14 percent in the Coast Guard, and 1.81 percent in the Marine Corps. It should be noted that many of these figures are of necessity incomplete and it is estimated, for example, that the number of Jews killed in action may actually be as much as 15 to 20 percent higher than the number listed.

In volume 2 of this monumental work to which I refer, there is a list by State of origin of many of the men and women of the Jewish faith who died in their country's service or who were wounded or who have won awards, including many pages listing men from our own State of Wisconsin.

ALL AMERICAN VETERANS DESERVE TRIBUTE

This record is comparable to the record made by Americans of all creeds and colors—Catholic, Protestant, white, Negro. Tribute is deserved by all of them, not because they are members of any one group, but because they are members of the American community.

It is in this spirit of unity that American Brotherhood Week should be celebrated this year and every year.

CONCLUSION

America has grown great because she has accepted on a free and equal basis men and women of all the lands on earth and all the races and creeds on earth and enabled them to make their full contribution to our economic, political, social, and spiritual life. Let us celebrate this Brotherhood Week and then make of each of the other 51 weeks of this and every year a week of true brotherhood between all Americans.

Economy in Government

EXTENSION OF REMARKS

OF

HON. SCOTT W. LUCAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Wednesday, January 14, 1948

Mr. LUCAS. Mr. President, sometime ago our colleague the senior Senator from Virginia [Mr. BYRD] wrote an article entitled "Economy in Government," which was published in the Elks magazine for December 1947. Recently a friend of mine in Illinois sent this address to me and requested that I have it printed in the Appendix of the RECORD. I ask unanimous consent that it be so printed.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ECONOMY IN GOVERNMENT

(By Senator HARRY F. BYRD, of Virginia)

The cost of living in the United States—excluding taxes—for food, clothes, rent, etc., is almost twice its prewar emergency level of 1939.

The cost of governments in the United States—Federal, State, and local—is nearly three times the total 1939 governmental outlay, and the cost of the Federal Government alone is four times its 1939 expenditures.

Gross personal income in the United States—including pay-roll deductions, but excluding corporate income—is two and a half times the national pay check.

Direct personal taxes and payments collected by all governments in the United States—including taxes and payments withheld, but excluding corporate tax payments—are nearly nine times the 1939 take.

Separately, these four accepted facts are more widely discussed than the weather. Together they make a devastating case against the high cost of government and demonstrate conclusively that increased taxes are a predominant factor in the high cost of living.

While States and localities are just now shifting into high gear on postwar programs for which their current revenue seems generally to be insufficient, most of the tax increases to date, since 1939, have been in Federal assessments. Two efforts to reduce the taxes this year have failed.

Since the budget was submitted we have virtually committed ourselves to future foreign assistance which is unpredictable as to duration and ultimate cost. It is certain, however, that this program precludes the wisdom of Federal tax reduction unless it is accompanied by a substantial decrease in Government spending for other purposes.

The minimum figure suggested for this world relief program is $20,000,000,000. The magnitude of this program, which is proposed as a repellent to expanding communism, may be seen when it is compared with a total of $16,000,000,000 of Federal expenditures in the seven "emergency budgets" for the years 1932–38, inclusive. These were the pump-priming budgets of the depression era, which included AAA, CCC, FERA, WPA, PWA, HOLC, Resettlement, etc.

The importance of this comparison is forcefully significant when it is realized that these "emergency budgets" totaling $16,000,000,000 for home relief were accompanied by budgets for regular governmental functions which averaged less than two and one-half billion dollars a year; whereas now we propose to spend $20,000,000,000 at a greater annual rate in "foreign relief budgets" at a time when the President tells us that the Federal budget minimum is $37,500,000,000, of which nearly $33,000,000,000 is for regular Government functions and outlays, exclusive of foreign relief. This, broadly and briefly, is the Nation's postwar problem. It is as serious as it is perplexing.

The outstanding factors in the problem are these:

1. Taxes—especially Federal taxes—are a predominant quantity in our high cost of living.

2. The American people will not permit starvation abroad, any more than they will at home.

3. There is no irresistible pressure from home upon Congress to deflate the quadrupled peacetime Federal expenditures, ordinary or otherwise.

With respect to taxes, the President's recent economic report shows that the personal tax bill—paid directly to governments by individuals—accounts for more than $1 in every 10 in the cost of living. When the excise taxes on numerous items of merchandise, amusement, etc., and other indirect taxes are added, everybody's tax bill is more than doubled.

No current consideration of taxes should omit the fact that taxes on business have been at a point of diminishing returns for some time. This means reluctance to expand production, which in turn is one of the prime elements of inflation. Inflation—stemming largely from taxes which stifle business incentive—plus over-burdensome taxes on individuals equal high cost of living. Inflation is an abnormal economic condition which does not touch all segments of the population with the same degree of intensity. Therefore, some suffer. Lower prices and lower taxes, with reasonable income and profits, would be better for all.

With respect to foreign assistance, the people of this country are not of a nature to stand by while humans starve anywhere. We will feed the hungry without question. But beyond this, we owe it to ourselves to determine our limitations on ventures into global subsidies of debatable value because communism would thrive just as lustily on American insolvency as it does on distress in other areas.

Neither our own people nor those who would accept our aid should ever forget that the might of America lies in our strength at home—our fiscal solvency, our productive capacity under free enterprise, and our ability to finance our obligations without crushing taxation. Our financial stability is far more urgent for freedom in the world than any program of international subsidies which would severely strain our economy. Fiscal instability in the United States would serve the enemies of democracy far more than any lethal weapon that could be devised. By the same token our financial soundness is the only hope for those who seek our help. Without it there would be no bulwark against communism, and freedom could not survive either here or elsewhere.

With respect to the cost of government which we now not only indulge but condone, by apathetic acceptance, we are spending this year more than $30,000,000,000 for so-called ordinary Federal activities, exclusive of foreign aid. Unless this extravagance is curtailed with force and dispatch, this second full postwar budget may become the peacetime base for Federal budgets of the future.

We can pay such bills only by continuation of the present onerous tax rate against a minimum national income of $150,000,000,000 a year. If, in addition, we should continue spending four to five billion dollars a year for foreign aid, as we are this year, we can pay the bill at the present tax rate only if our national income is around $175,000,000,000 a year. Prior to the recent war-emergency years the national income for the best year in all our history was $83,000,000,000, or less than half of the $175,000,000,000. There is no more reason to expect perpetuation of the present inflated income than there is to expect perpetuation of the present inflated costs of living, and there is already a loud and persistent clamor for tax reduction.

So, on the basis of cold facts and reasonable expectancy, the absolute necessity for cutting ordinary costs of government and moving cautiously on foreign subsidies is clearly obvious. Not only is the need apparent, but most of us actually have observed both waste in Federal operations, and places where expenditures could be eliminated entirely without impairing either security or essential service. To this date there is no irresistible demand upon Congress to ferret out the nonessentials and waste.

In fact, economy in government is still unpopular. A whole generation nearly reached maturity during 17 years of deficit financing by the Federal Government. The prolonged period of heavy peacetime spending has hardened too many people to the misguided acceptance of a grant as a gift. Too

many have come to regard government as a third party when, indeed, we ourssives are the Government. The Government's wealth is no greater than our own collective possessions—they are the only wealth of the Government. Government debt is our debt. When we receive money from the Government, it's our own money. If it pays you a dollar, you can wager it will cost you more than a dollar in the end, for the Government is not noted for administrative economy.

Red tape and overhead are not the only extra added costs to Government spending—especially when it is deficit spending. In all those years of spending more than we had, in peace and war, we piled up a national debt of $258,000,000,000, which today is costing $5,000,000,000 a year in interest alone. That puts the first $35 on everybody's tax bill. Payment of the interest involves the Government's integrity, and it cannot be cut until the debt is reduced.

There is one other item which is virtually irreducible, and that is refunds of taxes collected in excess of amounts due. This runs to more than $2,500,000,000 a year. These excessive collections are largely the result of the withholding system. Some social-security payments and other expenditures, more or less in the nature of trust obligations, also are in the untouchable category. All of these, including the interest payments total about $10,000,000,000, or a little more than a fourth of the entire Federal budget.

Neither national defense nor the Veterans' Administration should be overlooked. Every other item of expenditure should be scrutinized for proper reduction. If functions cannot be curtailed, economy can almost certainly be applied to administration.

National defense is a $10,500,000,000 item, and no one would do anything to impair our military securfity, but the War Department still is employing one civilian for every two men in uniform. It is equally difficult to understand the Budget estimate that the peacetime per man cost of uniformed personnel is nearly 98 percent of the per man cost in the recent war. The per capita cost is now placed at $6,790. In wartime it was $6,960. The difference is less than 50 cents a day.

The budget figure for veterans' affairs is $7,500,000,000 a year. No one would deprive the veterans of their benefits and services, but there is an employee in the Veterans' Administration for every 70 veterans of all wars. These employees total more than 200,000. Veterans themselves have possessions. They pay taxes. They have all the responsibility of citizenship. They stand to gain as much as others through more efficient administration and service.

The items mentioned constitute about seven-eighths of the Government in terms of ordinary Federal budget expenditures. It is probable that the percentage of reduction should be greatest in the remaining eighth.

Congress, in the past session, made some cuts, but they were little more than a token reduction. They must be deepened and broadened in the next session.

There are still 2,000,000 civilian employees on the Federal pay roll. That is twice the number employed in the prewar emergency year 1939. It is more than twice the total membership of the BPOE.

The Government still operates its Federal activities through more than a thousand agencies, many of which duplicate effort and overlap authority such as the score of agencies in the field of housing.

The Federal Government is still paying out on the average of three and a third billion dollars a year in domestic subsidies and grants, all of which are accompanied by Federal control over all who accept them, whether they are State and local governments, or individual including businessmen, farmers, etc.

We fought the recent war at tremendous personal sacrifice for freedom under democratic government. Public frugality and private industriousness are the requirements we have overlooked in 2 years of effort to consolidate the peace. Without these there may be uneasy peace, but not contentment.

Third Party Theme Song: "I'm Wild About Henry"

EXTENSION OF REMARKS

OF

HON. CLYDE M. REED

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Wednesday, January 14, 1948

Mr. REED. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial column entitled "Third Party Theme Song: 'I'm Wild About Henry'" by Dan Kidney, from the Indianapolis Times of January 10.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THIRD PARTY THEME SONG: "I'M WILD ABOUT HENRY"

(By Daniel M. Kidney)

DEAR BOSS: Why President Truman devoted so much of his state of the Union message to trying to appease Henry A. Wallace remains the $64 question here.

That rhetorical part of his speech to the Congress where he repeated the phrase, "This leads to peace—not war," was purely designed to win the Wallace followers—if any—who are not completely committed to the Communist Party line.

Maybe the Boston Globe poll, which showed Mr. Wallace has some supporters in Massachusetts, caused him to bother about this one-man third-party movement. For to a machine-made professional like Harry S. Truman, Mr. Wallace himself must rate as that most despised pariah of politicians—the political ingrate.

This is not without some reason. Because a Democratic President, the late F. D. R., promoted Henry to the Cabinet, Vice Presidency, and back to the Cabinet again. He probably couldn't ever have been elected even to the city council in Des Moines.

For Mr. Wallace has what political reporters hate—shyness born of arrogance.

He loves humanity but he just doesn't like people.

MAKES SENATOR TAFT APPEAR FRIENDLY

Mr. Wallace doesn't want followers. He wants worshipers. And the idolatrous Commies are just the ones to provide them for him—imprisoning him meanwhile.

The man is so aloft and self-satisfied with his own ego that he makes the somewhat frigid Senator TAFT seem friendly.

Where is the humility that his backers boast about? He kicked off his own nomination by saying he had served notice on the Democratic Party and its high command just what they should do—and not having followed his orders he was off them. If that's humility, both the dictionary and Bible need rewriting.

But to get down to cases. When Mr. Wallace was Secretary of Agriculture he held weekly press conferences. Reporters attended them religiously. But maybe 2 hours later he would pass them on the street and not even speak. That went on for years.

After President Roosevelt jammed him down the Democratic convention delegates' throats—some sore from booing him out of the hall at Chicago—he presided over the Senate for 4 years and didn't make a single close friend on either side of the aisle.

ALWAYS STOPPING IN TO SEE GARNER

Where former Vice President "Jack" Garner had a constant open house in his office, with both Democrats and Republicans flocking in for a drink or chat, no Senator ever came to see Henry unless on very urgent business. Senator PEPPER, of Florida, may have been an exception.

When he was replaced by Senator Truman, a whoop went up from Senators of both parties.

Later President Roosevelt appointed him Secretary of Commerce. Having helped depose him as Vice President, it would seem only natural that Senators should drop their opposition. But he only got confirmed for the Cabinet post by a single vote. New Dealers, like Senator HILL, of Alabama, pulled all possible strings to get that done. When they got through, Mr. Wallace never even said "thank you."

When Henry batted down the ears of a news photographer, he was in natural form. When he relented later and posed, he was doing just that—posing.

His favorite game here used to be boomerang. He likes that. For he can both pitch and catch. That should be the symbol of his third party and its campaign song should reflect the real reason for his running. It should be, "I'm just wild about Henry."

DAN KIDNEY.

Our Final Choice

EXTENSION OF REMARKS

OF

HON. CARL A. HATCH

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Wednesday, January 14, 1948

Mr. HATCH. Mr. President, I have already commended the remarks which have been made today by the Senator from Oregon [Mr. MORSE] in support of the Marshall plan, and I have said that I agree wholeheartedly with what he has said. I have said that the Marshall plan must be enacted and that we must maintain our armed strength, although I deplore the condition of the world that forces such a policy.

However, Mr. President, there are other means which we should also be following. In that connection, I request unanimous consent to have printed in the Appendix of the RECORD an article entitled "Our Final Choice," by W. T. Holliday, president of the Standard Oil Co. of Ohio. The article appeared in the January 1948 issue of the Reader's Digest. Certainly Mr. Holliday, a man of wide practical business experience, cannot be classified as a starry-eyed idealist. In the article he is stating practical facts. On the first page of the article, as printed in the Reader's Digest, is an inset reading as follows:

World government is absolutely essential to avoid catastrophe; therefore it is possible. A stirring, forceful article pointing out the steps which should be taken right away.

So, Mr. President, I request that the article be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR FINAL CHOICE

(By W. T. Holliday, president, Standard Oil Co. of Ohio)

(World government is absolutely essential to avoid catastrophe; therefore it is possible. A stirring forceful article pointing out the steps which should be taken right away.)

I am one of those terrible people, a munitions-maker. As chief executive of an oil company, my business is just as essential to war as tanks or planes. So I am supposed to welcome war as a fine thing for my business.

But the next war will not be a fine thing for my business—nor for any business. It will simply be the dead end of all our business—and of a good many other things as well. Man, at long last, has developed the instruments with which he can destroy his world—and will destroy it, unless the power to do so is taken from him.

So I put this to your common sense: If you know that down cellar in your house there is a hundred pounds of dynamite, with a fuse of a certain length attached and lit, is it your main job to see that the beds are made and the cupboard is filled?

Let us wake up. The first job of all of us today is to secure world peace. Our only alternative is World War III. The horror behind those cool words is beyond imagination. Already the scientists, in the merest babyhood of atomic power, are talking about bombs a hundred times more powerful than the Hiroshima type, which could blast New York off the earth and kill 6,000,000 people. Just as appalling, the scientists tell us, are developments in warfare by deadly bacteria.

Whenever a civilization is faced with a new and fundamental challenge, there is only one thing that can save it from decline and fall: Its men and women must change their habits of thought to meet the challenge. Either they meet their new world with new thinking, or they go under.

Do all of us realize that our present and normal state of world affairs is nothing but raw anarchy? We are living under a world condition of lawless chaos that we could not tolerate for an instant in our immediate lives.

Scholars talk about "international law," but the plain truth is that there is no such thing. Law means enforced law. To enforce law, it takes a government. And where is their international government?

Well, you say, don't we have the United Nations?

We do—for what it is. But at present the United Nations is not constructed to do the job that needs doing; let us recognize its shortcomings and try to correct them. While there is still time.

The United Nations cannot maintain world peace for the simple reason that the United Nations is not a government. It has no world laws and no power to enforce them if they existed. The United Nations is nothing but a league, a many-sided treaty signed by 57 separate nations—each of which keeps all its independent power of deciding at any moment whether it will make war.

History is full of such agreements, from the leagues of ancient Greece down to the League of Nations. Every one has proposed to abolish war and every one has ended in war. If the league theory were all that history had to tell us about maintaining peace, the human race might as well shut up shop.

Under our noses, however, is a different fact of history that is equally well proved; it constitutes the only hope by which imperfect men in an imperfect world can live in peace together.

THE PROMISE OF FEDERATION

What is the real meaning behind the symbol of the policeman? If you look closely at the public peace in your city, you will be reminded that you and your fellow townsmen would be completely incapable of maintaining the peace by yourselves as individuals. The policeman represents public force, wished-for order, and agreed-upon laws. Most important, he represents the unseen fact that you and your fellow citizens have given up your primitive, independent right to settle your own disputes with your own force, and have assigned to him the power to handle something which you are individually powerless to handle. In a word, you and your fellow citizens have federated.

The essentials of federalism are all within the policeman. He does not tell you when to get up in the morning or what to eat for supper—his powers are his assigned powers, and no more. But when you have trouble within the scope of his duties and powers, he takes charge. And it works.

It is one thing to say that a federal world government would have supreme jurisdiction in maintaining the peace. But how would it enforce this peace? Right here is where you and I must change our habits of thought. It is hard for us to think of armies and navies not belonging to separate nations but to the world as a whole. Yet, it is a condition of world government that all the great weapons of mass destruction must be given up by the nations and handed over to the world government. Theoretically, the world government would have the power to make overwhelming war upon any nation that threatened world peace.

I say "theoretically" because the real nub of enforcing world peace would be something quite different. Otherwise we are back at the impossible paradox of making war upon a nation for the sake of preventing war. How do we get around that contradiction?

The writers of our Constitution were puzzled by exactly the same point. They wanted the Federal laws to be obeyed in the States. But they knew the Union could not merely ask the States to enforce Federal laws. And they knew that for the Union to proceed by force against a State as a whole, for the sake of punishing a few lawbreakers, would be like burning down the barn to get rid of the rats.

They solved the problem by giving the Federal Government the power to go straight to the individual citizen, within any State, and punish him for his violation of Federal law.

And that is how Federal world government would enforce world peace. Just as you and I, whether we live in Oregon or Ohio, are punished if we break the Federal laws against counterfeiting, any national citizen under world government would be punished if he broke world laws against fomenting international war. If this seems an extreme break with our old habits of nationalistic thought, the fact is that the world is already moving in this direction. The principle of individual guilt for fomenting war is simply setting up Nuremberg trials before the event.

The shape of this world government is clear in outline. At the top is a world constitution. Under this, world government is embodied in a world legislature for enacting the laws to maintain peace, world courts to interpret those laws and decide disputes, a world executive body to execute the laws, and a world police to enforce them.

ARGUMENTS AGAINST WORLD GOVERNMENT

The objections to world government are numerous, but I have never once seen the statement disputed that it is the only final answer to world war. In sum the critics more or less tacitly concede world government to be necessary—and loudly declare it to be impossible. They list a variety of obstacles.

I was invited not long ago to take the side of world federation in a debate against a well-known commentator. I replied that I would be happy to debate with him, provided he would really take the other side. He must do more than point out the problems and difficulties on my side—he must argue against world federation itself as a solution for war. The gentleman declined. He said there wasn't any debate.

Some declare, for example, that national sovereignty prevents world federation, because no nation would diminish its sovereignty enough to join. Let us see what this can mean.

Outside a nation's own borders, there is no such thing as national sovereignty—meaning inherent supremacy. Within its borders, the nation is, of course, supreme among its subdivisions and citizens. The only touching of this aspect of sovereignty by limited world government is its power to punish national citizens for fomenting international war. In this matter, world government has the supremacy. Yet, I hardly see how this takes any supremacy away from the nation, because so far as I know, in the matter of fomenting international war, no nation now exercises any rule at all over its citizens. If the nations really want war prevented under world federation, the sole sovereignty they would have to renounce would be the power of the nation itself to decide to wage war.

Others argue against a world government to prevent war on the grounds that it would be a negative and repressive government, a mere police state. To go a little deeper is to see that the only repression is of disorder, and that the law and order upheld by government is the necessary foundation for everything positive in social living.

Again, it is widely asserted that the world is not yet ready for world government, even of a limited sort. The critics on this score tell us we must first have long practice in international cooperation through such agencies as a world bank, a world food authority, etc. We need such agencies. But they would be no more capable of upholding the peace than the Universal Postal Union, a thoroughly successful example of world-wide cooperation, has been able to uphold the peace since it was founded in 1878. You cannot maintain the peace with a postman, banker, or grocer. It takes a policeman.

Last are the critics who declare that human nature itself is not spiritually ready, has not yet reached the state of perfection necessary for world federation. I am inclined to agree. Yet was human nature any nearer perfection in 1787, when our Constitution was written; will it be any nearer in 1937? The atomic bomb is not waiting for us to perfect human nature.

PROGRAM FOR ORGANIZATION

With all its shortcomings, the United Nations provides the framework for the working world federation we need. Let us see how the job could be done.

The first step is for some nation to introduce in the General Assembly a motion that the United Nations shall call a world convention to draft a world constitution. Article 109 of the charter provides that "a general conference of the members for reviewing the present Charter" can be called by two-thirds of the General Assembly and 7 out of 11 of the Security Council. That conference would be the constitutional convention—and no single nation can veto it.

At that conference, any alteration of the present Charter can be recommended by two-thirds of the nations represented. That alteration would be a federal constitution for the world—and no single nation can veto a line of it.

Now comes the rub. The next step is to submit that constitution to the nations themselves for ratification. Again under article 109, the alteration shall take effect when it has been ratified by two-thirds of the nations, including all the permanent members of the Security Council. In other words, one nation can stop the rest from having constitutional government.

Now that is neither reasonable nor tolerable. It is a curious fact of history that our 13 original States, as they approached federation, were restrained by exactly the same rule of all-or-none. The Articles of Confederation, under which the Constitutional Convention of 1787 was called, said that any amendment adopted must be ratified by all 13 States. How did our infant Constitution manage to come into effect under conditions so stringent?

It didn't. By a bold and wise stroke, the drafters of our Constitution ignored the Articles of Confederation and wrote the provision into the new instrument that it should be established among the ratifying States when 9 out of 13 had ratified.

The delegates to a world constitutional convention would be just as bold, and just as wise, if they ignored the Charter of the United Nations and provided in the new instrument for its own ratification on more moderate terms. If two-thirds of the nations can write a constitution, it would seem reasonable that two-thirds of the nations could establish it among themselves.

Once this federation is established among a reasonable proportion of the world's nations, it forms an open and easily expansible system. For any nation that did not want to come in at first, there would always be a vacant chair.

FACING THE FACTS

Which brings us to today's constant question: What about Russia?

But that isn't the real question. The first question we must answer is this: What about the people of the United States?

We ourselves are the crux of the problem. Do we want world federation? Will we work for it? Will we lead the way? We had better know for sure what we will do, before we try guessing what somebody else will do.

The Russians are realists. And the only way to deal with realists is to give them something real to chew on. This world has no chance of abiding peace until we Americans see to it that our Government takes the lead in establishing a world order of greater and deeper realism than anything the Russians have to offer.

The Russians, too, are seeking an enlarging order, perhaps a world order. They call it "liberation," but the order they apparently want is an order of sheer Russian rule. In one word: Empire. But an empire of force is no longer genuinely workable, as the Russians themselves prove by the suppressive measures they find necessary to take among every people they have "liberated."

Federalism is not empire. Under a world federation the rule would be world rule, the law world law, arrived at by the voluntary cooperation of all the member nations. Which is exactly the reason for the much greater and more lasting workability—and hence superior realism—of federalism over empire.

We Americans must lead the way to federalism. If our Government spoke up firmly and clearly for an immediate world federation limited to the prevention of war, I am convinced that a huge majority of the world's nations would join us at once, and gladly.

I myself believe Russia would join. You may believe differently. Should Russia delay in joining, it is entirely possible to create a working and all-but-world-wide federation out of the United Nations without her help.

No one pretends that this would be an adequate solution. It would, for one thing, mean two worlds. Yet I wonder if two plainly defined worlds might not be preferable to the multiple, chaotic world we have today. At least the issue would be out in the open. And it would be a clear issue, instead of the myriad of small, sordid issues the world now finds insoluble without that clarity. And the issue would no longer lie between Russia and America, on a plane of dog-eat-dog rivalry, but between Russia with only 9 percent of the world's people on one side, and a federation of most, or very possibly all, the rest.

If we Americans really want an enduring peace for the world we must make this effort toward the only true source of public peace that has ever existed: Justice under law and government. We must speak up for it so that our representatives will hear and will act. One by one, whoever and wherever we are, we must stand up and be counted.

The alternative is the catastrophic destruction of our civilization.

It is better to stand up and be counted than be counted while laid out in rows.

National Coal Association Emits Loud Groans Over Mine Wages But Says Nothing About Coal Profiteers

EXTENSION OF REMARKS

OF

HON. ALBERT J. ENGEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. ENGEL of Michigan. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article, pertinent in the coal-cost controversy, from the December 1, 1947, issue of the United Mine Workers Journal:

NCA EMITS LOUD GROANS OVER MINE WAGES BUT SAYS NOTHING ABOUT COAL PROFITEERS

Johnny "Two-by-Four" Battle, secretary of the National Coal Association, is moaning and groaning again about coal miners' earnings. Johnny's background when he was in the railroad yards at a time when railroad management thought that a dollar-a-day section hand wage was enough for any worker doing manual labor, made such a lasting impression upon his stalled mentality that he cannot progenerate with the progress of the times.

We admit that Battle's agents do a pretty good job of alerting the Bureau of Labor Statistics to give the NCA all the publicity aid at the Bureau's command to spread misleading propaganda as to coal mine workers' earnings. But when coal operators and miners get down to cases in wage negotiations the enterprising Battle and the BLS script are invariably discarded in factual considerations.

As an example of the splendid publicity cooperation accorded by the Labor Department, the NCA offered for release November 18 a tabulation by the Labor Department of earnings of employees in various industries which showed that the bituminous coal miners' wages, with 1935 to 1939 as a base, had increased 222.6 percent. The increase shown was based on weekly earnings of $71.25, which included some overtime payments for the sixth day of 8 hours, compared with the 1935–39 workweek of from 3 to 5 days of 7 hours. The $71.25 is all revealing, however, in that it shows that less than one-fourth of the industry could possibly have worked the sixth day although sales prices are based upon working and paying overtime for the sixth day. What's more, the $71.25 average includes mine supervisors and superintendents.

Metropolitan papers in the East failed for some reason to pick up the NCA release, but on the following day the Labor Department came to its aid with a release making the figures official and, of course, coming from a Government agency, metropolitan papers ran it.

The NCA release revealed that a Dr. Walter L. Slifer is now chief sniffer and snooper of the Bituminous Coal Institute, the statistical affiliate of NCA. We cling to the belief that Battle has never gone into the historical background of wage agreements in the bituminous-coal industry with Dr. Slifer. So at the risk of again being denounced for lese majeste at the push-button throne of the NCA secretary, we invite Dr. Slifer to investigate the wage rates prevailing in the bituminous-coal industry from 1920 until 1926, when a large number of the rich owners of coal companies repudiated their signed agreements providing a $7.50-a-day wage base, went nonunion and bankrupted the coal companies, squandered the assets of the stockholders and impoverished coal miners and coal-mining communities.

We would like for the new statistician to investigate the earnings of coal companies from 1925 until 1935, as well as the impoverished conditions prevailing in the coal-mining communities resulting from uneconomic wage rates and cutthroat competition, and compare them with the profits now being made by coal operators of from 50 cents to $3 per ton on bituminous coal sold f. o. b. the mines. If Dr. Slifer will do a little figuring, he will find that the basic wage scale of bituminous-coal miners, based on the current $13.05 basic wage scale, has increased but 74 percent over the $7.50 rate. And if Dr. Slifer will go back and make a comparison of freight rates and retail margins, he'll learn a lot about the big increase in freight rates and margins and how retailers' margins in many instances exceed the cost of coal f. o. b. the mines.

The Journal is receiving a great deal of mail these days from coal consumers complaining about prices and their inability to get stoker coal as well as other grades. Likewise many communications have been received from universities and high-school students. Thus far we have refrained from starting a crusade against excessive profits.

Even newspapermen have been insisting that we give them a break-down of costs in the various fields, freight rates, and retailers' margins. We have told them from time to time that we thought that they could get their information from the Bureau of Labor Statistics, but this branch of the Government does not seem disposed to engage in any industry-wide investigation as to profits, merely confining its studies to wage compilations of about one-third of the industry's most prosperous mines which have the most favorable operating time.

Under the previous director of the BLS a questionnaire was designed to present to the coal companies to ascertain the number of employees not working the full pay periods and the number of mines that were operating less than 5 days a week, but Battle, as secretary of the National Coal Association, promptly advised the coal operators not to divulge this information to the fieldmen of the Department of Labor.

We don't expect nor hope for reform in the method of gathering wage earnings in the coal industry by the BLS, but for the information of the students of the schools and colleges where the Journal is regularly circulated, and to satisfy the curiosity of the newsmen, we have taken current figures published in the Chicago Journal of Commerce (Chicago being the largest coal-consuming market in the world), quoting f. o. b. mine prices on egg-sized coal from four important fields as well as the freight rate and

retail dealer's price. On the basis of these figures we have computed the retailer's margin, the latter exceeding the f. o. b. mine prices in three of the four fields.

Egg coal	F. o. b. mine price	Freight rate	Retail price	Retailer's margin
Pocahontas	$7.00	$3.83	$16.80	$5.97
Eastern Kentucky	5.25	3.63	15.60	6.72
Southern Illinois	4.50	2.44	12.20	5.26
Western Kentucky	4.25	2.64	12.70	5.81

The publicity fling of the NCA directed at miners' earnings, which in effect tries to portray unwarranted pay in a period of dollar-a-pound steak, $3.14 wheat, $15 shoes, $4 shirts, 90-cent cutter, 75-cent eggs, 80-cent bacon, and all else proportionately high, is but another evidence of a business association manned by small fry trying to enslave themselves into greater appreciation of their bosses by keeping alive the false hope that there can be a return to uneconomic slave conditions in American coal mines for which they can claim credit.

The Escape Clause for Benefit of Communists

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. REED of New York. Mr. Speaker, I have before me a Government form headed as "Request for report on loyalty data." It is a very cleverly drawn form. I wonder if some Communist was the author of the escape clause, which is found under No. 11 of form 84A, which reads as follows:

Organizations with which affiliated other than religious or political organizations or those which show religious or political affiliations.

Except for the escape clause the Government already had on file, prior to issuance of form 84A, all information requested on the form, Request for Report on Loyalty Data.

It would be interesting to know to what expense the administration has gone in an effort to determine the loyalty of its employees, which with the escape clause, to which I have referred, made available to Communists, makes the whole thing a matter not only of waste but of stupidity.

It reminds me of the story of the lawyer who went before a judge with his client and pleaded for his client's release on the ground that there was an escape clause in the common law which the lawyer said was a hole that had been worn smooth by the scoundrels who had slid through it.

Under leave granted January 14, 1948, I wish to extend as a part of my remarks, form 84A, Request for Report on Loyalty Data.

Standard Form 84A
Promulgated August 4, 1947, by Civil Service Commission

REQUEST FOR REPORT ON LOYALTY DATA

[This form to be used for incumbent employees and excepted employees where investigation is conducted by agency (part VI—Executive Order 9835)]

To: .....

The following information is furnished for identification purposes on the person named below. Kindly furnish a report on any derogatory loyalty information contained in your files. (The fingerprints of this person are attached.)

1. Full name (initials and abridgments of full name are not acceptable):
.....
(Surname) (Given name) (Middle or other names)

2. Aliases and nicknames ..... 3. Date of this request .....

4. Special numbers known to requesting agency (FBI number or FBI file number, passport number, Army or Navy serial number, seamen's certificate of identification, alien registration number, Social Security number, etc. Specify which): .....

5. Place of birth ..... 6. Date of birth ..... 7. Title of position, occupation, or profession .....

8. Sex: ☐ male; ☐ female. 9. Marital status: ☐ single; ☐ married. 10. If married, give spouse's full name, and date and place of birth .....

11. Organizations with which affiliated other than religious or political organizations or those which show religious or political affiliations:
.....
.....

12. Dates and places of residence for the last 10 years:

Date	Street	City	State

13. Dates, names and addresses of employers for the last 10 years:

Date	Employer	Address

14. This agency has loyalty information report(s) furnished by the agencies indicated below:

Agency which made the loyalty report	Date of report	Remarks

15. This space reserved for return report to agency where no derogatory information is developed: .....

16. Name and address of requesting agency .....

17. Report of derogatory information developed .....

Date: .....

.....
(Name of reporting agency)

The Voice of the People Is Speaking—and How

EXTENSION OF REMARKS

OF

HON. HUBERT S. ELLIS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. ELLIS. Mr. Speaker, the first four letters in the Voice of the People section of the Washington Times-Herald this morning, are, in my opinion, very significant. The four, out of a total of seven writers, addressed themselves to a common subject.

It is hoped that some of our colleagues and the Administration will take heed and give some consideration to the voice of the people, a voice that has been almost completely ignored for the past 10 or 12 years. Yes, the voice of the people is speaking—and how.

The letters follow:

VOICE OF THE PEOPLE

LINE 'EM UP

There should be two Presidential tickets only in the field this fall, namely, a national ticket and an international ticket. Politics should be forgotten for the time being.

As some of the leaders of the two major parties are inclined to put foreign countries ahead of the United States of America in all things, the voters of the country should be put on the spot as to where they stand.

If they believe in the kind of Americanism that was proclaimed by Washington, then they should vote the national ticket. If, however, they believe that the last crust of bread should be taken from the hands of a hungry American child and sent across the waters and also believe that every American boy able to carry a gun should be sent overseas to help aliens to fight their incessant and never-ending wars, then they should vote the international ticket.

The national ticket should be headed by two men whose records for patriotism and American ideals are beyond reproach, and in this connection there are no two men in public life who are better qualified to head this ticket than Senator TAFT of Ohio and Senator BYRD of Virginia.

The international ticket should carry the names of two outstanding public men, who, judging from their speeches, would scuttle the old ship of state for the benefit of foreign countries.

R. A. BARBEE.

ATTENTION CONGRESS

My Federal income tax withheld amounts to about three times as much money for 1947 as I have been able to save for 1947.

I do not live extravagantly. I do not buy expensive clothing. I do have enough to eat, however, and have enough clothes to keep me warm.

However, I fear for the future welfare of our United States of America. I say, let us not make commitments for European aid for over a period of 1 year at a time.

A. C. OTTE.

FIGURED IT OUT

Based on an estimated population of 140,000,000 in the United States, the $17,000,000,000 sought by Messrs. Truman and Marshall for their so-called foreign relief amounts to approximately $12.43 for each man, woman, and child, or $30.36 a year for the 4 years fixed by those gentlemen as necessary to allow them to change human nature and produce "peace on earth, good will toward all men."

At the same time, in an outburst of warmheartedness, they are willing to forgive us our taxes to the tune of $40 a year so that each of us will pick up annually about $9.64, or slightly less than 3 cents a day.

Such generosity should be compared with that exhibited during the Rooseveltian era when the world was flooded with American dollars and goods.

When will the people wake up to the fact that the Truman-Marshall plan is nothing more than a continuation of the Roosevelt plan to scatter this Nation's wealth and resources to the four winds? Billions for foreigners, but only pennies for Americans. Apparently it is still wrong to be an America Firster.

W. H. SHIELDS.

ATTENTION CONGRESS

The tom-toms have started beating to sell the Marshall plan to the Congress and the American public. Accordingly, it is necessary for the public, in view of the critical situation in which the Nation now finds itself, to abandon its time-honored custom of "letting George do it," and do a little real thinking for itself.

During the last administration the Department of State and the Justice Department were filled with red sympathizers; this is a matter of public knowledge. No real cleaning out of this gang has yet occurred. The money will be wasted and when it is spent Europe will be no better or perhaps worse off than it is today. As to us, with our financial foundations seriously impaired, economic collapse will follow, in which the leftists expect to take us over and deliver us to Moscow.

G. ANDREWS MORIARTY.

Henry Wallace's Third Party

EXTENSION OF REMARKS

OF

HON. CLYDE M. REED

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Wednesday, January 14, 1948

Mr. REED. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial column entitled "Henry Wallace's Third Party," by Dan Kidney, from the New York World Telegram of January 8.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HENRY WALLACE'S THIRD PARTY

(By Dan Kidney)

Henry Wallace thinks he is running, when he is only "taking a walk." He has been a "lifelong Democrat" since 1928. That was the year he bolted the Republicans to back Al Smith. Mr. Smith later "took a walk," but he never thought he was running.

Old Carl Hagenbeck could have strengthened the Wallace ticket by taking first place. The Hagenbeck-Wallace show was worth the price of admission. Mr. Wallace thinks he is setting up his own big top. Others think he is only carrying water for the Republican elephant.

When Henry heard the call to run for President on a third-party ticket he must have had a couple of his ears of corn to the ground.

Senator GLEN H. TAYLOR had better stick to his horse. The horse might bolt and throw him in a race, but Mr. Wallace is more likely to do so based on past performance.

It will be hard for Henry to convince the Iowa farmers that the Commies can bring them better prices. With their new cars and airplanes, they are perfectly willing to let the Russian rubes get fleeced of their rubles.

Twenty-four hours after he nominated himself for President in Chicago Mr. Wallace went to Milwaukee and made up a seven-point program. He had forgotten to put any points in his first speech. He was too busy accepting his own nomination. That was bound to be pointless.

Palestine

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. JAVITS. Mr. Speaker, the fight of the Jewish people to sustain the decision of the United Nations General Assembly for the partition of Palestine, against Arab efforts to destroy it, requires for its proper consideration such light as is cast on the subject by the following editorial from the New York Herald Tribune of Monday, January 12:

EXPLOSIVES FOR PALESTINE

The statement by the Jewish agency, formally accepting responsibility for the purchase of 200 tons of M-3 demolition explosives from the War Assets Administration for ultimate shipment to Palestine, clarifies some aspects of this mysterious subject. At the same time, it raises a great many more questions than it answers.

Neither the agency nor Mr. Leonard M. Weisman, who assisted in arranging the purchase, admits to any knowledge whatever about the 50 tons of war-surplus TNT accidentally discovered as they were being loaded on the cargo liner *Executor* under the criminal disguise of "machinery." This was not only a patently illegal but an outrageous business, imperilling the ship and the lives of everyone in the communities through which the explosives were handled. It is impossible to countenance this kind of thing, no matter what may be the pressures in Palestine; and if the Jewish agency can furnish no information the Federal Bureau of Investigation will have to get it. And the War Assets Administration will need something more than its sudden interdiction on further delivery of explosives to exculpate itself of the suspicion of gross carelessness in allowing these dangerous tools to be sold off for concealed or unknown purposes.

All this is easy to see. Nothing could do the Zionist cause more damage in this country than the existence of clandestine gunrunning operations illegally shipping arms to Palestine. What is not so easy to see is the proper policy for the United States Government. The State Department has placed an embargo on all arms shipments to the Middle East. This is a simple but more than a little pharisaical solution; it cannot overcome the fact that the Palestinian Arabs are getting not only arms but armed men from the neighboring Arab States, that the British are not successful in maintaining order now and are about to evacuate, and that if Jewish Palestine is to achieve and maintain the independence which this country officially advocates, its people will have to get arms from somewhere.

It is conventional to regard arms as in themselves immoral; Mr. Henry Wallace, for example, has been very vocal in condemning programs which give guns to people when they want plows. This overlooks the fact that when a man really needs a gun he wants it more passionately than he could even want a plow; and the lengths to which the Zionist interests are going in the effort to get explosives here might lead even Mr. Wallace to some second thoughts on the importance of arms in the contemporary world.

Clearly, the question of arming or recognizing Haganah seems in the first instance one for the United Nations Palestine Commission. But the United States cannot simply wash its hands of a matter in which it is so deeply involved. Everyone, so far, has shirked the question of security and defense for the proposed Jewish state, yet in the harsh world of today it is obviously the fundamental question in the whole Palestine problem; and if the other nations will not themselves fight for the Jewish state then they must clearly afford to it the means of fighting for and defending itself.

German Farmer Hard Hit by West Europe Drought

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. ANGELL. Mr. Speaker, the following article is the fifth in the series written by Philip H. Parrish, editor of the Portland Oregonian editorial page, on European problems:

GERMAN FARMER HARD HIT BY WEST EUROPE DROUGHT—BLACK MARKET AGAIN REALITY—NEEDED GOODS GAINED BY BARTER

(This is the fifth of several articles by Philip Parrish, editor of the Oregonian editorial page, based on his observations during a 7-week tour of Germany, Austria, and England.)

(By Philip Parrish)

But the farmer always has his side of the story. The dwellers in the swarming industrial centers of Germany and Austria may alternately woo and curse the farmer—as all of them are doing under the postwar conditions of calamity—but the farmer is not without his own version, and his roster of wrongs and hardships.

Naturally I anticipated this, since I cultivated a lot of corn in Nebraska as a boy and trained professionally at Oregon State. My cheers would have been the loudest from the gallery if I had been present at the Democratic National Convention in 1896 when the late Mr. Bryan soared into the peroration of his Cross of Gold speech, declaring: "Burn down your cities and leave our farms, and your cities will spring up again as if by magic. But destroy our farms, and the grass

will grow in the streets of every city in the country."

Besides, there had been my sobering experience of 1946, when, in clear weather, I had flown across America—the wide ranges of the West, the generous squares of the Middle West, the adequate rectangles of the East—and on directly over the crowded little strips and wedges of France, Germany, Austria, and Italy, bearing testimony as to how difficult it has been through the centuries to keep alive. And as to how the survivors have quarreled and puzzled over the resources of soil.

COUNTRY VISITED

Anyhow, my program called for breaking away from the schedule and getting off to the country to see for myself. That was managed in Austria where I let the party fly to Trieste without me, and instead took an overnight troop train to Salzburg in the west—scene of the music festival and headquarters of Maj. Gen. Harry (Handsome Harry) Collins, military commander in our zone of Austria.

Seven kilometers (4 miles) up a decent black-topped road which climbs into the Alpian valleys and foothills southeast of Salzburg, one turns in before what appears to be a sizable farmhouse.

It is the farm of Josef Schoenleitner, 51, a 5-foot-5 little man with bent shoulders and rosy cheeks, and his frau, Theresa, 47, hardly 5 feet in heavy boots. He had been a farmhand and she a domestic, but being ambitious they had acquired the place 25 years ago. Despite the ample appearance of the house from the outside—and alterations made during the 25 years—there are only four rooms so far as actual living quarters are concerned. These are on the first and second floors, front. Behind them are the broad central passages for workbenches and storage, and behind these the stable, all cozy under the one innocent-appearing roof. The third floor, even above the living quarters, is entirely haymow and storage place for the products of the fields.

SIX CHILDREN LIVING

Here the Schoenleitners had managed to raise a numerous brood, with six children known to be alive. One son is missing in Russia; another was killed in Italy; there are four girls ranging from 12 to 21; a son of 9 and another of 18—the latter sick in bed but not too sick to wring our hands and be excited over our gifts.

The Schoenleitners are friendly to Americans.

"American soldiers," Frau Shoenleitner told me through Lieutenant Colonel Keller, who interpreted, "were in our house at the invasion. We had to live with neighbors. They took a few souvenirs but not our money."

She literally ran with me to the wardrobe upstairs to show where the money had been kept, and which also holds the family's church clothes.

The farm is about 19 acres. (General Collins, when we described it to him later, thought it a bit above the average for size and economy.)

Only three acres are cultivated—ordinarily wheat, potatoes, and rye; 14 acres are pasture; 2 acres, wood and stream. One might call it a dairy farm, since the main income is from the cows, of which there are seven. Then there are two calves over 6 months, two under 6 months, and a bull; one sheep, five hens, five young pullets, and four cats.

It is the usual practice to send most or all of the cows "am alm" during the summer—that is up to the mountain pasture—where they graze and are jointly tended and milked. But this year Schoenleitner could send only two. It was too expensive. The drought over all of western Europe had dried the grass. So all the cows are very lank and poor, with winter still to get through, and little to feed them.

"Sehen sie!"

MANURE HOARDED

Now we were out in the dark and odorous stable part of the house, with the little barred windows common to all middle Europe, and the cows, sheep, chickens, and cats warmly huddled together. Frau Schoenleitner tromped indifferently and ankle deep along the soggy manure trough to kick one of the cows into getting up.

(Eighty percent of what is fed to farm animals is reclaimable as manure, and without the hoarding of it the peasant agriculture of Europe would fail in a single year. At the Schoenleitners—and their arrangement is typical—the liquid part runs out into a tank under the lowest part of the stable wall. The tank wagons which spread such manure are familiar sights in the landscape. They explain the three crops of grass ordinarily grown even on the clearings high in the mountains, and explain the parklike green of these high clearings.)

The farm, on its record, has been ordered by the Government to deliver 7,000 litres of milk a year. That is the quota assigned. But because of the drought there will be only 6,000. He says 4 litres a day (4½ quarts) are kept for home use.

From something over one-half acre he got 2,000 pounds of potatoes. His wheat patch of between 1½ and 2 acres produced 1,300 pounds from 300 pounds of seed. He got 450 pounds of rye from 120 pounds of seed on a half acre. These crops are not stored away from the house after the American fashion. What remains of the potatoes are in the cellar. The grain is in padlocked trunks in the loft and on the second-floor landing. If I recall correctly, the flour trunk was double locked. Schoenleitner opened it to show me how nearly empty it was.

In the loft was straw along with the hay. The straw will have to be mixed with the hay this year for feed, as well as used for the floor of the stables. A little string of drying tobacco leaves was hung in one corner. (Someone in Berlin had told me the farmers had set out to beat the tobacco market, with every farmer filling his own pipe.)

The potatoes in the cellar were the size of eggs at best, and scrawny. There were a dozen sugar beets, also. Such grain as remained was dry and small from the drought.

Schoenleitner had a workshop in the passageway between the house and stable where, temporarily, he was making brooms to sell. These were not fine enough for houses; but would do for stables and sheds. The broom proper was from the roots of a bush which grows in the mountains. The roots are unusually strong and stiff and straight. He goes into the mountains for the roots, and secures them to the handles in his household factory.

BARTER RULES

Others who are smarter than I, and who have more time for study, will have to decide to what extent the Schoenleitners, and all the other peasants of Austria and Germany, are hiding out on the food collectors—to what degree they deserve the appellation of "rapacious peasants."

This much certainly can be said in their defense, that everything they have to buy is usually obtainable only on a sort of a reverse black market. If the peasant requires a spade, a rake, a yoke, a scythe, a ball of twine, or a gallon of gas he cannot just go to a store and purchase it, even if he has a priority order. The holders of manufactured goods secrete them exactly as the peasant hides his food. The peasant must deal under the counter. All American officials admit the system is universal. And they have little hope of breaking it up until there is a firm currency—some way in which business can be done by means of money rather than through direct exchange of goods and services.

I deliberately omitted mentioning that the Schoenleitners were just finishing a new storage barn aside from the house. The shakes and most of the lumber were handhewn. Nevertheless, it was a building, and down in Salzberg no one could build except the butcher and baker.

So when we started the drive back down the rainy road, one of my companions said most sensibly:

"We might as well be realists. They have wanted that barn for 25 years and couldn't have it before."

I judge the Schoenleitner place was typical enough. Of course, as we drove on out of the Alpian foothills across the Danube valley to the Rhine, and finally down the Rhine valley, the individual farm disappeared. There was now the usual village arrangement, where the farmer lived in a community with his fellows and walked out to tend his strips of land, often widely separated. But the amount of land was about the same, the same restriction to hand labor, the same concern with the individual grain of wheat.

FIELDS DREARY

And everywhere—now that it was December—the farmer was indoors cuddling his oxen and his chickens. The frigid fields were empty to the horizon—as empty as a midwestern landscape in winter. It was a startling contrast with October—late harvest time—a year ago, when the country roads of Germany were busy as city streets, with everybody carrying something, or pushing a cart. In December the harvest had been distributed—as little as possible to the official collectors, as much as possible to the hungry folks from the city who came bearing their hidden possessions. Now the peasant was preparing for a new year—hoping that he might have seed, fertilizer and and pesticides from America early enough for it to do him some good—hoping that he might not have to slaughter more of his stock for lack of feed. His production was, roughly, somewhere around half of what it had been in the prewar years of adequate fertilizer, good seed and a nice balance between crops and animals. And he dreamed of restoring that production both for his own profit and the support of others.

Nor is it difficult to fit his dreams into the problem of the people of the United States, once one grasps certain fundamental facts.

The realities of the situation are as follows:

SOVIET GETS CROPS

In the actual and ideological division of Europe at the end of the fighting, Russia, as a result of geography, got the predominantly agricultural part. Almost everything behind the iron curtain is agricultural, including the Russian zones of Germany and Austria. And this advantage, so far as basic food needs are concerned, has been emphasized by nature. There have been good crops to the east of the curtain and poor crops to the west, almost exactly along the line.

This would be a serious enough situation for highly industrialized western Europe under the best of circumstances, but Russian forethought and ruthlessness have compounded the difficulties. Some 6,000,000 or more Germans have been expelled to western Germany from the German lands east of the Oder, assigned to Poland, and another group of close to 2,000,000 has been expelled from the Sudetenland by the Czechs.

Western Germany was never even 80 percent self-sufficient so far as agriculture is

concerned. Now there is a greatly swollen population; now the neglects of war have destroyed much of the fertility; seed, fertilizer, and implements are short; drought has superimposed its cruel injury.

Under these circumstances, only the United States has been able to prevent utter collapse and utter tragedy. The rest of western Europe, including Britain, has been short also, and concerned with its own survival. And though contrary to public assumption, there has been no world-wide deficit of food production as compared to prewar totals; this has given the United States little relief in its support of the one true area of underproduction, western Europe; for the sufficient reason that though the world is producing as much as it did before the war, world population has increased by 200,000,000 in the intervening years, and only the United States can contrive surpluses to meet the local European need. Indeed, even in our case the sacrifice sends our prices soaring and fills the people with the fear of runaway inflation.

UNITED STATES MUST HELP

I do not know of anything to do but give and pray.

What we need to pray for is that United States itself does not suffer crop failure this coming year or the next year, and that if it does these do not coincide with a continuation of the droughts in western Europe. Indeed, even a break in the record crops the United States has been producing—a drop back to normal—would occasion the most violent world repercussions. And if we had a run of droughts such as those of the 1930's, coming prior to the recovery of western European agriculture, Malthus would turn over in his grave and cry, "I told you so."

We need to pray also that the American people come to a clearer realization of what they are doing, and why.

They are trying to keep western Europe alive until that area can restore its industry and its soil and live by its own efforts. They are doing this as a matter of self-interest—because anything else would mean western European confusion, permitting Russia to expand to the Atlantic. They are doing it also because they are a decent people with charity in their hearts.

AID SEEN GAMBLE

But it is a race against time, and a gamble.

If the breaks of nature are against us, millions will starve in spite of us. The only sensible thing is to get our seeds and fertilizer and implements and insecticides to the scene early enough to mean the maximum for the planting and the harvest.

We are taking a long chance if we let a situation continue where a single month of American drought could upset the whole order of the Old World, and bring what is left of civilization cracking down around our ears.

Induction of Judge Rabin

EXTENSION OF REMARKS
OF
HON. WALTER A. LYNCH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. LYNCH. Mr. Speaker, on January 6 last, our former colleague Hon. Benjamin J. Rabin, who resigned from the House of Representatives on December 31, 1947, was inducted as a justice of the Supreme Court of the State of New York. He had been elected as a justice of the supreme court in the general election held the previous November 4 for a full 14-year term.

Several hundred of Judge Rabin's friends were present at the induction in the spacious courtroom, designated as special term, part I, in the Supreme Court Building, Foley Square, New York City. The ceremonies were presided over by Justice Bernard Botein, with Justice David W. Peck, presiding justice of the appellate division, welcoming the new justice to the bench on behalf of the judiciary. As a colleague of Judge Rabin's in the House of Representatives, I was invited to address the court on the happy occasion. I am including herein, by unanimous consent, an extract from the New York Law Journal of January 9, 1947, which reported the proceeding:

Justice BOTEIN. As you all know, in recent years Justice Rabin has been a Member of Congress. I understand that the joy of his fellow Congressmen, upon his elevation to the bench, is tinctured only by regret at his leaving the Washington scene. I shall call upon an outstanding member of the New York delegation in Congress. He is no stranger to court rooms, being a distinguished member of our bar. In fact, if memory serves me right, he was a judge himself in this city for only too short a period of time. Will the Honorable WALTER LYNCH step forward, please.

Congressman LYNCH. Your Honors and friends of Judge Rabin, in the House of Representatives at Washington, encomiums, such as you have already heard and such as you will hear, are spread on the minutes of the session under the 1-minute rule, but generally, the Speaker is somewhat indulgent and grants leave to extend one's remarks in the RECORD. I hope that the Presiding Justice will be somewhat indulgent with me although I do not anticipate taking very much time.

It is a keen pleasure for me to participate in these induction ceremonies of my good friend and colleague, Judge Rabin. The rapid advancement of Judge Rabin may well have been presaged in the record that he established in World War I when he enlisted as a mess attendant and, after service in the Navy, was the recipient of the honor of a commission in the United States Navy. Having later completed his law school and practiced law, I think he now goes on the bench of this great court with more of a breadth of understanding and a wider background than any other judge, at least in my 30 years' experience before the bar. I say that for this reason: that he has served both the administrative and the legislative sections of our Government. As counsel and as commissioner of the State mortgage commission he gained a wealth of experience and won the complete confidence of thousands upon thousands of people who had their all invested in real-estate securities. And when he left and came down to the Congress of the United States he was greeted with open arms by the men who were then representing the various districts in the House of Representatives. He served for 3 years on the very important Committee of Interstate and Foreign Commerce, and it was only a short time after having been appointed to that committee—I have to take some little credit in securing his appointment as a member of the Ways and Means Committee—when I was told by the chairman of the Interstate and Foreign Commerce Committee that never in his long years as a Member of the House had a new Member shown such initiative, such reliability and such devotion to the work of the committee as Representative Rabin was then showing.

And so it is with a great deal of regret that we in the House, especially those of us in the Democratic delegation from New York, see him leave the legislative halls of Washington to take his place on the bench.

As a token of the regard of the Members of the House of Representatives, and in particular as evidence of the personal admiration with which Judge Rabin was held by the Speaker of the House, and by his colleagues in the House, I have been asked by the Speaker of the House, the Honorable JOSEPH W. MARTIN, Jr., of Massachusetts, to present to Judge Rabin this autographed gavel which Speaker MARTIN wielded in the determinations of the House of Representatives of which Judge Rabin was so distinguished a Member in the Seventy-ninth and Eightieth Congresses. [Applause.]

(Gavel handed to Justice Rabin.)

Justice BOTEIN. Thank you, Congressman. Judge Rabin receives the gavel with added alacrity because in his capacity as a justice he takes judicial notice of the fact that Speaker MARTIN is a Republican.

Can We Make the United Nations Work?

EXTENSION OF REMARKS
OF
HON. HUGH A. MEADE
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. MEADE of Maryland. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein the following radio talk given by me over Station WBAL in Baltimore:

In many parts of the world today, thoughtful men and women are pausing to survey the progress and appraise the prospects of the United Nations organization.

With the war approaching its end in 1945, the United States and other major powers convened the nations of the world in a conference at San Francisco where a wartime organization of the nations fighting the totalitarian aggressors, was made a permanent organization. Some 50 nations of the world participated in the drafting and ratification of the United Nations Charter. We all recall the high hopes and aspirations expressed at those solemn ceremonies, the steps which have been taken to provide a permanent home for the United Nations, the secretariat and the equipment needed for the beginning of its work. What then, has come about in such a brief time to dash the hopes of so many who sincerely applauded the beginning of the United Nations organization? There is talk of irreconcilable differences in viewpoints; clashes of ideologies and conflicts of opinion that make agreement on anything impossible. I consider such talk malicious and irresponsible. When and where and for how long has there ever been unanimity of opinion between 50 nations or even 5 nations, for that matter, except in time of war? When was there ever a time when there was not on this planet the widest divergence in opinions, thoughts, aspirations and ambitions? Because these differences exist, as they have always existed through the centuries, are we to abandon hope that we can resolve these differences?

As we all know, the American Revolution began in 1776 but the Constitution of the United States did not come into existence until 11 years later and it was not accepted by the American people until 2 years after. Despite the unanimity with which we accept its principles today, they were adopted by our forefathers only after one of the most discouraging and bitter political struggles in our history. Some of the highlights of that struggle acquire peculiar significance

when we reflect upon the fact that the Charter of the United Nations has been adopted by 50 nations and and that the United Nations is a going organization and that only 2 years after it was first convened.

It was difficult enough to devise a system of laws such as our Constitution which would force all individuals of one country to respect freedom and the rights of all other nations * * * such a thing was unheard of, not only as recently as the adoption of our Constitution but even as late as 50 years ago. Up until then, there had been little contradiction to the implied right of the strong to gobble up the weak * * * the supremecy of force over international law. There is little precedent to guide the United Nations in the building of an international code of laws. Twice within our lifetime we have witnessed the breach of all international decency by cunning and power-mad men. Only once before in history has there been an attempt to create an international order based on binding law, and all of us saw the League of Nations collapse into utter futility after its short life of only 20 years. But progress toward the goal is being made, faltering as the forward steps may be. It is only fair to say that the United Nations is a good bit further along than was the League of Nations, and we were never members of the League of Nations. It is impossible to overestimate the significance of that difference.

It is true that 2 years of United Nations' deliberations have put the spotlight on grave imperfections in its machinery. Prolonged and bitter discussion has given world-wide publicity to serious and mounting differences between the great powers. There is talk of war, of withdrawals from the United Nations, of expulsion of members and predictions of its rapid disintegration and decay. I discount most of these heated assertions.

Unfortunately, no concrete program has been offered by the United States under which the almost unbelievable moral and physical power of the United States can be brought to bear inside the United Nations to work for solutions to the most serious problems. Nor has any other nation, great or small, come forward with a constructive and practical suggestion for resolving the vital differences which now plague the world.

The differences which are being encountered with Soviet Russia are certainly troublesome. To ignore them would be foolish, to overemphasize them would be dangerous. Maybe it serves a useful purpose for the Russians to have a place to blow off steam. I believe our reluctance to assume international leadership stems from the widespread failure on the part of the American people to fully understand the unique position the United States now occupies in any world gathering. We are today the most powerful Nation in the world. Because of the fact, I think it is no exaggeration to say that the largest part of the world is looking to us for leadership in economic affairs, in industry, and in almost every phase of international activity. The decisions that you and I will be called upon to make in the next few months may well shape the course of world history for decades to come. They may well spell the difference between an uneasy truce over an indefinite period, followed by hostilities * * * or * * * they may mean the beginning of a new and fruitful era of peace for all the world. If we accept the leadership, then we must also accept the fact that it will take us along a path where new responsibilities and pitfalls will be awaiting us around every corner.

At a period in history when forthright resolution is demanded for us, we have only just begun to examine the way ahead. At a time when the whole world is looking to us for guidance, we stand hesitant and undecided * * * and it is probable that we shall appear even more hesitant in the eyes of the watching world in the months immediately ahead. As we move toward historic debate in Congress as to the role the United States shall play in the United Nations and toward a full discussion of our foreign policy, one great point in that debate will be the question: "Can we make the United Nations work?"

I firmly believe we can make the United Nations work. I believe we must make that job a major national purpose. I believe we can make our largest contribution by adopting and implementing a foreign policy for work both within and without the United Nations, and I believe that foreign policy should have two objectives—peace and production.

If we want to make the United Nations work, the first step is to convince the world by every means at our command that the United States is on such a firm basis of economic stability that it can carry out any and all promises and commitments that it may make. For unless we are on a sound economic basis at home, we shall have little influence abroad.

There is a shortage of goods throughout the world today. Because of these shortages, people who work cannot buy the things they need with their wages, so there is consequently a falling off of work. We have a glaring example of such a condition in the coal crisis in Britain. It is apparent, too, in the agriculture of most of the countries in Europe. The farmers find no incentive to produce when they cannot exchange their products for the things they need. Owners of plants damaged by the war, cannot get the steel, cement, and new machinery they need for rebuilding.

A major and tragic shortage everywhere in Europe is coal and without coal, you cannot have steel. The pressing need for food in western Europe is familiar to all of us.

There is only one place where these people can get much of anything in quantity and that is in this country. Thus, the financial calculations of the various governments are continually being thrown out of balance. The best example of that is our export balance. We are currently exporting goods and materials at the rate of $20,000,000,000 a year. We are importing only about seven or eight billion dollars worth of European goods. Two-thirds of the problems now facing the world stem from the fact that the United States is not buying enough abroad to make dollars available for the European countries to buy from us. And what is true of Europe is true of most of the other countries in the world. Thus, we come face to face with the problem that we shall either have to increase our purchases abroad or we shall have to lend or give other countries the things they need to reconstruct their productive economies.

What I propose then is:

Let the United Nations adopt as its foreign policy the objectives of world peace and world production.

Let us resolve to work within the United Nations with every means at our command and with the firm determination to achieve the greatest measure of success that we can possibly obtain from the workings of its international machinery.

Let us go steadfastly before the court of world opinion to discuss any and all issues that may arise and press for solutions or compromise.

Let us provide inspired leadership to take positive action on all fronts to raise the levels of world production, so that the principal causes of discontent and unrest can be removed.

Let us show a willingness to tighten our own belts and help the nations that are willing to help themselves.

Let us leave the door of the United Nations open at all times to any and all nations who sincerely want to demonstrate their good will.

If we can succeed with such a program, I firmly believe we shall have won the peace and that the United Nations will have become a permanent success. That, to me, is the best New Year's resolution the American people can make.

AAA

EXTENSION OF REMARKS

OF

HON. JAMES W. TRIMBLE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. TRIMBLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to insert a summary of agricultural work in my district by Ralph Hudspeth, Chairman of the Agricultural Planning Committee of the Third Congressional District of Arkansas. Mr. Hudspeth lives at St. Joe in my district, and he is one of the upstanding farmers and farm leaders of Arkansas.

The summary follows:

At our meeting at Harrison, Ark., on December 22, 1947, the Agricultural Planning Committee of the Third Congressional District in Arkansas are passing on to you our thoughts for your consideration and action.

The interest in the welfare of agriculture on the part of our National Government evidenced by progressive legislation dealing with farm problems is greatly appreciated by the farm people. We find the people of this area are concerned with the conservation of humans as well as the soil. We realize a healthy, vigorous people cannot subsist on a land that has been allowed to deteriorate, erode, and become depleted. The two are closely connected and to preserve our people we must keep our soil in good repair.

The most important objectives for agriculture is the conservation of our people, soil, and water resources. If we expect to continue on a sustained-yield basis we must use our national resources intelligently. This is increasingly important at this time when agriculture is making an all-out effort to produce great quantities of food and fiber to alleviate suffering in foreign countries.

To maintain our way of life and to continue to support foreign aid it is essential that our National Government assist to a greater extent soil conservation through agricultural conservation practices.

The cost of controlling erosion as compared with the cost of continuing under the handicap of its destructive forces has been amply demonstrated. In the past, billions of dollars in erosion damage alone has been suffered by American soil. The cost to repair the damage of erosion is greater than the cost of preventing it. It is the responsibility of our National Government to make sure sufficient funds are made available so that conservation practices can be carried out in sufficient quantity to prevent erosion and to rebuild our soils to their original productivity.

It is false economy to reduce the agricultural conservation practice assistance below $300,000,000. We recommend that $500,000,000 be appropriated for conservation practices for the 1948 program year and as long as the emergency exists in foreign countries. This is only about one thirty-fourth of the proposed foreign-aid relief bill or 1.3 percent of our national income. Three hundred million dollars is not too great an amount for our National Government to assist in conserving the Nation's soil annually in normal times.

We are very much impressed with your testimony proposing a long-range agricultural program before the congressional committee. We agree with you that our soil requirements still call for double, five times, and even greater increase in the use of minerals and conservation practices; however, we realize these requirements cannot be met without our National Government fulfills its responsibility in making sufficient appropriations—we recommend $500,000,000—for agricultural conservation practices.

We are asking you as a representative of national agriculture to inform our President as to the needs of sufficient funds for conservation practices in 1948 and future years.

Date With Uncle Sam

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. TEAGUE. Mr. Speaker, I believe it will be of interest to our farmers who file their declarations of estimated income on income tax Form 1040ES, to read the following article before they send in their final income-tax return due about March 15, 1948.

Under leave to extend my remarks in the RECORD, I wish to include an article written by Malcolm Orchard entitled "Date With Uncle Sam," which appeared in his column, This Business of Farming, in the January issue of the Southern Agriculturist magazine:

DATE WITH UNCLE SAM

(By Malcolm Orchard)

Farmers have a tax date with the Treasury Department's internal-revenue service soon. Unlike a lot of farm jobs, this one cannot be postponed until some convenient date in the future.

The Federal tax laws require that all farmers with a gross income of $500 or more for 1947 shall file either a completed return, or a declaration of estimated income on or before January 15, 1948. With farm prices at one of the highest levels in history, few will fail to meet the requirements for filing returns this year.

If you choose to file a completed return, you are through with your tax chores for the year on January 15. If you elect to use the declaration method, you will have a second date to remember, the filing of a completed return prior to March 15.

Many farmers prefer to file their declarations of estimated income on Form 1040ES, then follow up with a final return on Form 1040 any time between January 15 and March 15. This method has the advantage of giving more time to assemble data and work up records to back up claims for deductions, if the return is ever checked.

No figures go with the declaration. Just add up your gross income for the year, determine your deductible expenses and add to this your allowable depreciation. Take the total of expenses and depreciation from your gross income and send a check for your estimated tax in full with declaration.

The Government is more lenient with farmers than with others in the guessing game that declarations of estimated tax have brought about. If a farmer guesses within 33⅓ percent of his correct final tax, there is no penalty when he pays the balance due prior to March 15. Other classes of taxpayers must be within 20 percent of the correct tax to avoid penalties.

Tax rates and personal exemptions are the same as last year. The lowest combined normal and surtax rate is 20 percent on your adjusted gross income after personal exemptions are deducted. This rate applies on the first $2,000 of taxable income, then rates range up to 91 percent on income in excess of $200,000. (See your tax instructions which come with your return forms.)

The personal exemption is $500 for the taxpayer and a like amount for each member of the family dependent upon the taxpayer for support. To be a dependent, the person must have an income of less than $500 for 1947. Age does not enter into the establishment of dependency.

Most farmers use the cash basis in making their returns, and must file Form 1040F with their final return. Form 1040F itemizes the farmer's income from all farm sources, and lists his expenses for labor, repairs, fuel, feed, and all other operating costs. Few farmers choose the accrual basis, chiefly because it requires more detailed record keeping and inventories.

Many farmers could save money by more careful handling of their allowable depreciation. You are permitted to charge off, at various rates approved by the Treasury Department, all machinery, barns, tenant houses, fences, work stock, breeding stock, and other equipment that enters into the production of farm income.

The straight-line method is usually used in accumulating farm depreciation. By this method, if you buy a tractor and equipment in 1946 at a cost of $2,000 and estimate the useful life at 10 years, you will take depreciation of $200 in your return each year for a period of 10 years.

If you have been careless about your depreciation schedule, it might pay you to take a new inventory of your farm property. If you owe any tax at all, each $100 in allowable depreciation will save you $20.

And don't forget that tax date, January 15. The penalties for failure to keep it are such that it will pay to remember.

Tribute to Dr. Abba Hillel Silver

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. JAVITS. Mr. Speaker, on the occasion of the departure for Palestine of Dr. Abba Hillel Silver, head of the American Section of the Jewish Agency for Palestine and chairman of the American Zionist Emergency Council, my distinguished colleague and friend the Honorable IRVING M. IVES, Senator from New York, delivered a memorable address at a testimonial dinner tended to Dr. Silver at the Hotel Astor in New York City on Monday, December 29, 1947, which follows:

We have come together for a purpose which I know gives pleasure to each and every person in this room. We are paying homage to a great man—a leader who has won a new place of dignity for his people among the nations of the world.

This event is gratifyingly unique in one particular respect. We have had occasion to honor Jewish leaders before this evening—for their noble efforts, for their strivings, for the great cause which they represented and which we hoped would one day be victorious. But tonight we do more than honor a leader and his cause. We come also, at long last, to hail an historic victory for that cause and to cheer the imminent establishment of the Jewish state. There is deep satisfaction for me, ladies and gentlemen, in the fact that I can come before my Jewish friends tonight, not to add my vote in protest against one of the greatest wrongs in history but to share in the exaltation over the United Nations' decision on Palestine and to honor the man who led the Jewish cause to that great victory.

Without entering into the pros and cons of that eternal question, whether men are, in fact, the makers of history or merely the instruments of history, I believe it can be said tonight that the man whom we honor—Dr. Abba Hillel Silver—provided that brilliant leadership, that statesmanship, and those policies without which the United Nations' decision favoring a Jewish state would not have been achieved. During the past year the Jewish people was confronted with one of the greatest challenges of all time. And if a people is to meet a challenge effectively and to overcome a long succession of crises, it requires not only the high resolve and moral stamina which the Jewish people possesses in abundance but also courageous leadership. Dr. Silver is living proof that, despite 2,000 years of national homelessness and dispersion, the Jewish people is able to produce leaders of the highest caliber.

It is unfortunately true that the Jewish people's struggle did not end with the United Nations' decision. Many trying days are ahead, during which the Jews of Palestine must establish their state under the most difficult circumstances, confronted by enemies seeking to destroy Jewish national life even before it is fully reconstituted. It is clear, ladies and gentlemen, that our task—yours and mine—is not yet over. While I have every confidence in the readiness and ability of the Jews of Palestine to defend their statehood, I trust that they will not have to do so with their bare hands. We hope that the Arab leaders will cooperate with the decision of civilized mankind and abide by their obligations as members of the United Nations.

If, however, attempts are made to destroy the Jewish state by force, then it becomes the civilized world's sacred responsibility to provide the Jews with the assistance necessary for the defense of their country. In the coming critical months we shall look once again to you, Dr. Silver, for that inspiration which has strengthened the Jewish cause in its other moments of crisis. You have led the Jewish people to its political triumph and now an equally heavy burden—perhaps an even heavier burden—has fallen on your shoulders. You and your colleagues in the Jewish agency and in the leadership of American Zionism must now work to translate the United Nations' guaranty into an established fact. I, for one, have great confidence that once again you will meet the challenge and also that the American people will not be lacking in the support and the moral encouragement that you will require.

During the past 4 years, while the Jewish people's struggle for statehood was mounting toward its climax, a strong bond of friendship was established between the American people and the Jewish National Home. May that bond be a lasting one, and may our country and the Jewish state be forever united in ties of deepest amity and cooperation.

It is my fervent hope that the relationship between the two Governments will be such as to encourage the Jewish state to look to us for the helping hand it will need during its early years, and that we, in turn, will stand ready to extend that support. I know how highly American concepts and American methods are valued by the Jews of Palestine today, and this is, indeed, a happy augury for

the future of both countries. I believe, too, that we may have occasion to learn something from the Jews of Palestine and that the democratic society which they have built in the Holy Land will serve to strengthen those principles upon which our own country has been built.

In this respect, too, we can derive inspiration from Dr. Silver, for he is preeminently representative of the very best in both Americanism and Jewishness. To me Dr. Silver represents the synthesis of two great cultures, of two great peoples—the successful blending of the lofty and prophetic concepts of Judaism, the indomitable will and determination of the Jewish people, with the American democratic tradition and the American way of life.

Tomorrow Dr. Silver leaves for Palestine, where he will see the fruits of his labors in the faces of the hard-working and proud future citizens of the Jewish state. I know that he will derive strength from them, as they will from him. I know, also, that all of you join me in wishing him Godspeed and many years of leadership in the great cause with which his name is forever linked.

Important Issues Are at Stake in the Strike of Cafeteria Workers Against Government Services, Inc.

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. KLEIN. Mr. Speaker, under consent, I am inserting in the RECORD some material bearing directly on the strike of the cafeteria workers' union against Government Services, Inc.

I am not attempting here to discuss the merits of the charges of Communist leadership and inspiration leveled against the union, nor the countercharges of racial bias made in turn against the detractors, nor even to judge issues in the strike.

What I am doing is to complete the record, and to show that Government Services, Inc., in its quasiofficial status, is placing the American Government in a highly embarrassing position of refusing to comply with a duly enacted United States statute by collective bargaining with the chosen agent of its employees, and by strike-breaking tactics similar to those followed by the NAM members who have fought the National Labor Relations law since its inception.

BOGUS ISSUES RAISED

The fact is that in the eyes of many employers, whom I consider short-sighted in their policies, the union is damned if it does or does not bring itself under the jurisdiction of the Labor Relations Board.

The cafeteria workers union elected not to bring itself under the jurisdiction of the Board in accordance with a policy of the company, GSI, which dates back to organization of the union and recognition of its position as bargaining agent in 1938.

In other words, the company had stipulated that it would deal with the union only if it did not avail itself of the Board machinery.

But when rising costs of living made the already small wages of the workers shrink to less than subsistence standards GSI refused to meet with the union—the recognized bargaining agency—to discuss wages, hours, and working conditions unless it did bring itself under the Board. In other words, this strike is not a strike for higher wages only in the sense that the company has refused to bargain collectively on wages.

Government Services, Inc., a private corporation enjoying the privilege of carrying on business on Government property, is affiliated with the National Association of Manufacturers as a member in good standing. It is following the methods of the NAM.

It is using all the dodges provided in the Taft-Hartley Act to harass, discourage, and control unions, and provides another good reason for the repeal of this unjust act.

ISSUES CLEARLY SET FORTH

The red herring of crying red at the union leadership cannot hide the anti-union tactics of the company, nor obscure the fact that the accounting methods of the company are still under scrutiny by the Committee on Civil Service of another body.

The first insertion of material is a strongly-worded letter addressed to the President by Mr. Philip Murray, president of the Congress of Industrial Organizations, which sets out the issues at stake so clearly that it makes anything I can say on this floor redundant.

CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D. C., January 8, 1948.

The PRESIDENT,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: I am writing to acquaint you with a deplorable situation which exists here in Washington, D. C., at the present time. I am referring to the activities of Government Services, Inc., in forcing a strike upon 1,500 members of a CIO union by flatly refusing to meet with them. GSI and this local union have maintained contractual bargaining relations continuously during the past 10 years although this relation has always been a reluctant one on the part of GSI.

Upon the expiration of the last contract on December 31, 1947, the corporation refused even to meet with the union representatives to discuss a new contract. The ostensible reason given is that the officers of the union have not filed the affidavits and financial statements of the Taft-Hartley Act. As of course you know, the filing of such information is mandatory only if the union elects to utilize the services of the National Labor Relations Board. Since this is not the case in the present instance, there is no moral or legal compulsion for the union to file for such utilization. Were any further proof necessary, I could cite the fact that a private corporation which operates similar cafeterias in the Pentagon Building has just signed a contract with the same union for the coming year, without raising any false legalistic issues of this kind. In the case of GSI, however, there was no alternative available to the union members but to leave their posts at the end of the year.

There are several special issues involved in this problem which should be brought to your attention. GSI is a nonprofit corporation all of whose trustees are officials of the Federal Government. In fact, the Government receives 50 percent of the net gains, so that the belligerent and unfair actions of the corporation reflect unfavorably upon the Government of the United States itself. The corporation's actions include the distribution of a pamphlet to all of its employees which is of a union-breaking character virtually unequaled in my long experience.

Further discredit is reflected upon the Government by the conduct of the Federal Works Agency which is responsible for the maintenance of the cafeterias. Not only has the Federal Works Administrator refused to close down the cafeterias, which would be the normal action of a responsible agency, but he has used the Federal building guards, who are Government employees, to escort strikebreakers to and from the cafeterias.

The situation is causing both tremendous inconvenience to 80,000 employees who normally eat in these cafeterias and a considerable loss of efficiency of the Government agencies themselves. It is little wonder, therefore, that public opinion in the District of Columbia has been greatly aroused against GSI. The Washington Post said this morning in its editorial columns: "But in this case, GSI, although it has long recognized the union's authority to represent the cafeteria employees, seems to have seized upon the affidavit clause as a convenient union-busting bludgeon." And this follows a similar editorial stand taken by the same newspaper on January 6, 1948.

May I also call to your attention the fact that all of the striking members are Negro workers and that therefore, the issue has aroused considerable feeling in the Negro community of Washington, which has the greatest interest in the fate of 1,500 of their brethren. Repercussions of this aspect of the problem have already spread widely throughout the country.

I would be remiss in the performance of my duties if I did not remind you also that the average take-home pay of the workers involved in the present dispute amounts to $21.91 per week for full-time work. This I regard as a disgraceful situation and the proper way to have it corrected, Mr. President, is to provide opportunity for this organization to engage with the representatives of the GSI in the spirit of good faith looking toward the attainment of an amicable and mutually satisfactory collective-bargaining contract.

I urge, Mr. President, that you take at once the steps necessary to insure that the Government cease its partisan intervention into the situation; that the Government proceed at once to demonstrate its impartiality by convening a collective bargaining conference at the earliest possible moment; that the Government officials who are members of GSI's board of trustees be made acquainted with their responsibilities as Government officials and further to refrain from union-busting activities and that they be required to meet with the representatives of this union.

I am certain that such steps will lead in a very short time to a complete solution of the problem.

Sincerely yours,

PHILIP MURRAY,
President.

CIO POSITION ON TAFT-HARTLEY ACT

The second insertion is a statement made by Mr. Murray setting forth the general position of the CIO on the Taft-Hartley Act.

STATEMENT BY PHILIP MURRAY AT THE NATIONAL CIO CONVENTION OCTOBER 14, 1947, AT BOSTON

Immediately after its passage, in the latter part of June 1947, the executive board of the national CIO met in the city of Washington, and there, for an entire day the whole Taft-Hartley structure was reviewed, not only by our general counsel but by many members of our board. The question arose

as to what the policy of this organization would be with reference to either fighting or qualifying it. I stated to the members of the board on that date that it was not my purpose, as president of the United Steelworkers of America, to either file or comply, that I had some personal convictions that ran very deep in matters of that description, and that unless the members of my own executive board, namely the United Steelworkers Executive Board, changed my mind about that, I was determined to neither sign nor file.

My reason was not confined alone to the provisions of the act to which General Counsel Pressman made deferences this afternoon. I stated I was unwilling to file an affidavit that I was not a Communist. That is a matter of principle. I do not know why the Congress of the United States should require me to do that, as a citizen. I think the Congress is very presumptuous, because I think if they could do that to me about this question of communism, they could do it with any other citizen about any other kind of issue. Whilst that was not the single and sole reason for my refusal to file or qualify, it nevertheless was important, extremely important to me, as a citizen of the United States of America. I shall not attempt to explain the manifold reasons upon the importance which I attach to that principle. I think it is sufficient for me to say that this is the reason, the reason that I have explained. It is reasonable to assume that if a man is required to file an affidavit of this description, the Congress that enacts legislation of that kind can readily enact a law which says to a labor leader, "What are you, a Catholic, Protestant, or Jew?" He might ask that same question of the business interests of this country, the small and the large businessmen, who have varying degrees of political belief. Why did not this Congress incorporate in this legislation a provision asking a member of a union holding office if he is a member of the Ku Klux Klan? They did not do it. Or the Silver Shirts, or the Black Shirts, or any other type of organization. The Congress did not do it. The Congress had in mind a diabolical piece of work, extremely discriminatory in nature, and revolting to a citizen who believes in decency, and in justice, and in freedom.

Those are my personal convictions about the matter.

POST EDITORIAL POSITION

Following are two editorials from the Washington Post discussing the rights of the strikers and the issues at stake:

[From the Washington Post of January 8, 1948]

BANNING CONCILIATION

The mischief hidden in the Communist affidavit provision of the Taft-Hartley Act is made manifest by the current strike in the GSI-operated Government cafeterias. The newly established Federal Mediation and Conciliation Service, which ought by every consideration of common sense to be working earnestly to bring the disputants into agreement, is barred from any participation in the affair whatever. No one can blame Cyrus Ching or his agency for this apparent abdication of responsibility. Mr. Ching is on incontestable ground in asserting that the agency will not make its facilities available "where it appears, in a labor dispute, that the employer does not accept the authority of a union to act for the employees." The mischievousness of the Communist affidavit clause lies in the pretext it affords employers capriciously to deny the authority of a union when the union has failed, for whatever reason, to affirm that it has no Communist officers.

This appears to be precisely what the GSI management has done in respect of Local 471 of the United Cafeteria and Restaurant Workers Union. As we observed the other day, the fact that the officers of the union have not signed the affidavit seems to us to be irrelevant to the issue in the strike. The union is not complaining to the NLRB or seeking its protection and, of course, the signing of the affidavit is not a prerequisite to ordinary negotiations between unions and management. But in this case, GSI, although it has long recognized the union's authority to represent the cafeteria employees, seems to have seized upon the affidavit clause as a convenient union-busting bludgeon.

Mr. Ching cannot, to be sure, attempt to persuade GSI or any other employer to refrain from using a weapon which Congress has made available. The pity, and irony, of the situation is that irresponsible use of this weapon makes it impossible for the Mediation and Conciliation Service to find any way consistent with the law to fulfill the function for which it was created—that is, to settle disputes. As usual, the public, in its role as innocent bystander, including some thousands of Government employees, will be the loser.

[From the Washington Post of January 6, 1948]

GSI STRIKE

Whether the officers of Local 471 of the United Cafeteria and Restaurant Workers Union have signed the anti-Communist affidavit provided by the Taft-Hartley law seems to us to be irrelevant to the issue in the strike of 1,500 cafeteria workers against Government Services, Inc. The fact that the officers have not signed will be, to be sure, a black mark against the union in the estimation of many persons, including ourselves. It will seem to corroborate the charges that the local's parent union, the United Public Workers, is Communist-dominated. However, judging from the statement of Maj. Gen. U. S. Grant, 3d, president of GSI, GSI is making use of this reaction to support its refusal to bargain with the union.

The fact is, however, that the anti-Communist affidavit is required only for certification by or recourse to the National Labor Relations Board. It does not apply to ordinary negotiations between union and management. Actually, Local 471 never has been formally certified by the NLRB, either before or after the advent of the Taft-Hartley law. An informal election conducted by the Government originally confirmed Local 471 as a bargaining agent because of GSI's contention that its position as a quasi-governmental agency made the Wagner Act inapplicable. Thus GSI's insistence that certification be a prerequisite to bargaining in this case represents a complete switch from its previous stand.

Whether the union's demand for a 15-cent-an-hour raise and adjustment of working conditions is excessive we are not prepared to state. The employees represented are in the lowest wage brackets, as exemplified by the average weekly take-home pay of $21.91 cited by the union, and hence are particularly vulnerable to the squeeze of inflation. In any event, it seems to us that an acceptable settlement on this score should not be difficult if GSI were to forego its legalism and make a real effort to get together with the union. On this point it is significant that the union already has concluded an amicable agreement with the operators of the Pentagon cafeterias and is in the process of reaching a similar agreement at the Department of Agriculture.

The remainder of this material consists of telegrams in support of the union sent by various persons to officials of the Government:

JANUARY 7, 1948.

Maj. Gen. PHILIP B. FLEMING,
Federal Works Administrator,
Washington, D. C.:

We urgently call your attention to a developing health menace arising out of Government Services, Inc., hiring of strikebreaker to handle foods being served to thousands of Government workers. These strikebreakers are being placed in kitchens to prepare and handle foods and beverages without any health examinations whatsoever. GSI is making no effort to determine whether any strikebreakers are sick or have any communicable diseases. Continued operation of the cafeterias under such health hazards endangers the safety of all Government employees. Does the Federal Works Agency wish to be a partner to GSI's dangerous hiring policy? We urge you to close all GSI cafeterias at once as the only way to guarantee full protection to Government workers who patronize the cafeterias.

MAX ROFFMAN,
Regional Director, United Public Workers, CIO.

JANUARY 7, 1948.

President HARRY S. TRUMAN,
White House, Washington, D. C.:

We, the undersigned, are deeply concerned with the social and economic effects of Government Services, Inc., refusal to bargain with Local 471, CIO, to adjust wages and working conditions of its low-paid employees.

We and the Washington community are disturbed by the Government's failure to intervene in the situation and, by inactivity, allowing itself to be used in the company's attempt to break an important union of Negro employees.

Mr. President, we call your attention to this vital situation which affects the welfare of a substantial portion of the community. We urge you to use your good offices to induce this company which operates on properties of the United States Government, to bargain in good faith and in the American way with the union of its employees.

Mrs. MARY CHURCH TERRELL,
Past President, National Association of Colored Women.
Rev. W. H. JERNAGIN,
Fraternal Council of Negro Churches.
Dr. JOSEPH L. JOHNSON,
BELFORD V. LAWSON, Jr.
Dr. E. FRANKLIN FRAZIER.

ADRIAN FISHER,
United States Department of Commerce:

In event of strike by GSI employees urge that proper officers of Commerce Department order cafeteria closed until settlement is reached. General Grant announced intention "to replace those who do not report for work" shows that management will resort to the use of strikebreakers. The property of the Government of the United States must not be used as a battleground by those who wish to wreck trade-unions. A solution should be reached more quickly if unfair tactics have no support from Federal agencies.

CLARENCE MITCHELL,
National Labor Secretary, N. A. A. C. P.

Maj. Gen. PHILIP B. FLEMING,
Administrator, Federal Works Agency:

We demand you close Interior Department cafeteria immediately in accordance with Acting Secretary's request, particularly since you have no authority to refuse such a request from the head of an agency. Obviously, you have taken the side of GSI in its union-busting efforts. We also demand you close all GSI cafeterias. By permitting operation you are placing the Federal Government in the disgraceful position of a strike breaker.

RICHARD BANCROFT,
President, Local 471.

CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D. C., January 3, 1948.

The following telegram was sent today to Gen. Philip Fleming, Federal Works Administrator, by Allan Haywood, vice president and director of organization of the CIO in

regard to the dispute at Government Services, Inc.:

"I am advised that a strike among employees in Government cafeterias is imminent Monday morning. A letter to employees by Gen. U. S. Grant, representative of GSI, declares for a union-busting policy and should be condemned by every Government representative and agency. Other Government cafeteria services have negotiated settlements with the union. This dispute, too, could be settled in the same manner. I respectfully request you to stop these union-busting practices, bring about proper collective bargaining, and oppose operation of cafeterias with strikebreakers. The CIO will support these employees in their efforts to preserve their union. We will join with you in bringing about settlement by negotiation, conciliation, or arbitration. Respectfully request telegraphic reply."

Senator C. Wayland Brooks' Remarks on the Marshall Plan

EXTENSION OF REMARKS
OF
HON. ROBERT J. TWYMAN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. TWYMAN. Mr. Speaker, under leave to extend my remarks, I wish to include a statement which was made by Hon. C. WAYLAND BROOKS, the senior Senator from Illinois, on America's Town Meeting of the Air on January 13, 1948. I heard this broadcast and hope that many others did also. I believe that it would pay the Members of Congress to read Senator BROOKS' remarks and give consideration to them.

The statement follows:

The so-called Marshall plan was no plan at all. It started as a speech made at Harvard on June 5, 1947. Since then it has gone through several successive steps, each of which has been fully propagandized to sell the American people that this is finally the plan to save Western Europe and provide the basis for prosperity, plenty, and permanent peace.

It takes its place alongside of its little brothers, the Bretton Woods plan, the International Bank, the International Fund, the British loan, and the Greek-Turkish loan. These, too, were to solve the problem of a distressed world, except this one is bigger and costs much more money.

The 16 European countries grabbed the idea and met in Paris. The President appointed three committees to report on aid. The European Nations Committee met with our State Department and the figures were announced. Up to a few days ago it was merely a figure apparently based upon a budget deficit between exports and imports. The 16 countries added up the imports they wished to have and subtracted the exports they think they can ship, and then they hand us a bill for the difference. That bill amounts to $22,000,000,000 over a 4-year period.

Is this a loan? Of course not. Those so-called loans are in effect gifts, for none of these nations can hope to repay such huge sums any more than they could after the First World War; nor can England repay the $3,750,000,000 she received for 3 years' necessities and spent almost in its entirety in the past 1 year.

The American committees and State Department have scaled down the figure to approximately $17,000,000,000, but that does not include the $800,000,000 each year we must pay to feed the German population in the American zone, or the approximately $500,000,000 we must spend to feed the people in the British zone when we fully take over the British obligation in the future.

Will this vast sum add to inflation here and increase prices? Certainly it will. First, the money must be provided by increased taxes the same as the other sums of billions we have scattered so freely around the world in loans, grants, and other forms of liberal generosity, since the war. This plan alone will add approximately $500 in increased taxes to every average family in the United States. These billions of dollars like the others will find their way back to compete in America with our own large demand, and force our prices still higher. These dollars will compete in America for grain, scrap iron, coal, petroleum, farm machinery, mining equipment, transportation and transportation equipment, and many other articles and basic raw materials already in short supply.

In 1947, under the Truman administration, we exported from America at the rate of $19,000,000,000 worth of goods and services, while we imported only $8,000,000,000 worth of goods and services. There can be no doubt but that this tremendous rate of exports played a material part in the increased prices we have had in 1947. This is particularly true in the case of wheat, affecting the whole food price scale. Whenever the Government announced a larger export figure the price of wheat went up. The Government demand for export of large amounts of the other items that made up the unprecedented excess of exports over imports added to the price, and at the same time added to the tax load of our people, which in turn reflected in wage and price rise again.

This will lead to continuing high or higher prices and the demand for rationing and price controls. The President has already asked for unlimited power to impose controls to be used in selective form. Make no mistake about it—once rationing and controls go on in peacetime in America, the time will never come to take them off, and we will ultimately be dragged down to the depths of European despair instead of helping them rise by work and production so they can shake off their chains of controls that bind them today.

Should the Marshall plan be adopted in its present form? It should not. We should not attempt to subsidize socialist governments that foster and follow policies that stifle individual initiative and retard production. Money will not cure the ills of Europe. Work and production constitute the medicine so badly needed in a sick world.

The solution of many of the problems of the European countries rests with their own governments. They must balance their domestic budgets; they must change their socialistic planning, bureaucratic controls, false currency values to pave the way to allow hard work and efficient production to aid them in real recovery. As long as those socialist governments believe that America will continue to make up their deficits they will continue their bad practices, and any or all aid we give them, no matter how many billions of dollars are involved, will be, in fact, "Operation Rat Hole."

We should start, if at all, with the basic production of food, coal, steel, and transportation in Europe. These constitute the basis of all other forms of production.

Our money and our help should be administered by patriotic American experts now employed in productive enterprise in labor, agriculture, and industry. Europe needs leadership in production more than anything else—production will form the only lasting bulwark against the spread of the misery of communism.

We should provide that leadership with any of the other essentials we provide to make progressive work and production possible. This leadership should come from American experts administering a separate organization for this purpose and not be manned by political hangers-on around Government departments and bureaus.

It should be on a yearly investment basis only, and its continuance should be determined upon the basis of the increased production in each country concerned.

We have no right to pile the mistakes of tomorrow upon the mistake of yesterday. We have no right to vote away the liberties of the American people. We have no right to vote away their finances unless the recipient people will cooperate with hard work and production to provide the goods their own people so badly need.

The Herter Bill

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. KEATING. Mr. Speaker, fortunate indeed is a body of men which numbers among its leaders a man of the clear vision, devoted purpose, deep patriotism, and extraordinary ability which characterizes our distinguished colleague from Massachusetts, the Honorable CHRISTIAN A. HERTER.

Much argument has been advanced regarding the alleged unconstitutionality of the Herter bill, H. R. 4579, providing for the administration of foreign aid.

Representative HERTER's letter to the editor of the Washington Post answering this argument is deserving of the thoughtful attention of the membership. Under leave to extend my remarks, it is included below:

HERTER BILL

A COMMUNICATION

I have read your editorial of January 7, entitled "President's Power." The gist of the editorial is that the Herter bill for foreign aid would invade the constitutional prerogative of the President because it provides that a portion of the foreign-aid program shall be carried out by an independent agency rather than by the Department of State.

The argument made in the editorial seems to me to rest exclusively on the premise that the agency provided for in the Herter bill is to be an agency independent of the President. A knowledge of what an independent agency is under Federal law, or even a casual reading of the Herter bill itself, would show that this premise is incorrect.

When Congress creates an independent agency, as it has done many times, it is merely saying that the new agency is not to be in any existing agency. This does not mean, however, that the new agency is not under the control of the President. Under the Constitution all of the Executive power is lodged in the President, and the various executive agencies are merely arms of the President. The President's control over such agencies can be made effective in many ways, the most dramatic of which is the power of removal. Only in the case of independent agencies vested with quasi-judicial functions can Congress place any limitations on this removal power.

The Herter bill does not in any way seek to limit the President's control. On the contrary, its provisions throughout recognize the duties, powers, and responsibilities of

the President in the field of foreign relations. The bill, in section 11, creates a Foreign Aid Council consisting of the heads of the various departments and agencies (including the Department of State and the Emergency Foreign Reconstruction Authority provided for in the bill) participating in the foreign-aid program "to advise and consult with the President with respect to the establishment by him" of the programs of aid and of policies in connection therewith. The Secretary of State would be the Chairman of this Council.

The executive director of the Foreign Aid Council, who is also the chairman of the board of the Emergency Foreign Reconstruction Authority, can issue directives in execution of the President's program and policies only with the approval of the President (sec. 11, c).

The stated purposes and objects of the Emergency Foreign Reconstruction Authority itself (this being the independent agency about which the editorial complains) are, as set forth in section 20 (b), to "assist the Foreign Aid Council and its executive director in the performance of their respective functions" which have just been described—namely, to assist the President and to execute, with the approval of the President, programs and policies of foreign aid that have been established by the President. It is only in furtherance of these purposes and objects and in execution of such programs and policies that the authority has power to make arrangements with foreign countries (sec. 20 (b) (1)). The authority is required by section 20 (i) to make a report to the President every 3 months.

The chairman of the board of the authority, as well as its other directors, are all appointed by the President and can be removed by the President at any time for any reason, good or bad, or for no reason.

The editorial made mention of what it characterized as the enormous power of the authority to determine, prescribe and conclude the arrangements under which various commodities would be furnished to foreign countries. As I have previously indicated, this power can be exercised only in furtherance of the authority's stated objects, which are to execute, with the approval of the President, programs and policies of foreign aid established by him. There certainly is no constitutional requirement that arrangements of this character with foreign countries be negotiated and concluded by individuals who have the status of officers or employees of the Department of State rather than of some other agency in the executive branch of the Government over which the President has as much if not more control. If there were, much of what was done under lend-lease was done unlawfully.

For example the arrangements with Great Britain under which approximately 300 Liberty ships were turned over to Great Britain in the early part of the war were negotiated and concluded on behalf of the United States not by the Secretary of State or by one of his subordinates, but by Admiral Land, the War Shipping Administrator. The Lend-Lease Administrator, and not the Department of State, was the operating agency which performed the function of implementing the various master lend-lease agreements.

Arrangements are constantly concluded with foreign governments by the Export-Import Bank for loans. So it is not at all unusual for agencies other than the Department of State to make arrangements with foreign countries, of the general type contemplated.

Furthermore, the bill does not in any way foreclose the negotiation of agreements with foreign countries through the Department of State or its agencies if this proves desirable, and specific provision is included in the bill—section 20 (h)—to give the new agency authority to utilize the services of any department of the Government with the consent of the head of the department.

All of the foregoing indicates that the Washington Post editorial is stating a legal conclusion on the basis of facts which do not exist. While the writer of that editorial asserts that one has only to read the Constitution to see how unassailable his position is, it would seem to me more logical to read the provisions of the bill first. The emergency foreign reconstruction authority provided for in the Herter bill is not independent of the President at all and is an independent agency only in the sense that it is not a part of any other Government agency. Moreover, its sole power is to execute, with the approval of the President, programs and policies of foreign aid established by the President himself.

The Herter bill represents the unanimous recommendations of the Select Committee on Foreign Aid. It was drafted with the assistance of Allen W. Dulles, a distinguished lawyer and chairman of the committee on international law of the New York County Lawyers Association, and Gerald D. Morgan, also a distinguished lawyer, who for many years was assistant legislative counsel of the House of Representatives. I have consulted them regarding your editorial, and they both concur in my reply.

CHRISTIAN A. HERTER,
Representative from Massachusetts.
WASHINGTON.

Address of Hon. Henry A. Wallace

EXTENSION OF REMARKS
OF

HON. VITO MARCANTONIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. MARCANTONIO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Hon. Henry A. Wallace announcing his candidacy for the Presidency reprinted from the New York Times of December 30, 1947:

For the past 15 months I have traveled up and down, and back and forth across this country. I have talked with half a million people in public meetings and with thousands in private gatherings. I have been working for, and I shall continue to work for, peace and security in America, grounded on a foundation of world peace and security.

Everywhere in the United States today, among farmers, workers, small businessmen, and professional men and women, I find confusion, uncertainty, and fear. The people do not ask, "Will there be another war?"—but "When will the war come?"

Everywhere I find that people are spending so much for food and rent that they cannot afford their customary services from the doctor and dentist. They do not ask, "Will there be another depression?" but "When will the depression start?"

Peace and abundance mean so much to me that I have said at a dozen press conferences and in many speeches when asked about a third party, "If the Democratic Party continues to be a party of war and depression, I will see to it that the people have a chance to vote for peace and prosperity."

To those who have come to me asking the conditions of my adherence to the present Democratic administration, I have said, "Let the administration repudiate universal military training and rid itself of the Wall Street-military team that is leading us toward war."

ANSWER OF THE DEMOCRATS

I have insisted that the Democratic administration curb the ever-growing power and profits of monopoly and take concrete steps to preserve the living standards of the American people. I have demanded that the Democratic administration cease its attacks on the civil liberties of Americans. In speeches in the North and in the South at nonsegregated meetings I have stated the simple truth that segregation and discrimination of any kind or character have no place in America.

My terms to the Democratic high command have been well known.

By their actions and finally by their words, they have said: "Henry Wallace, we welcome your support but we will not change our policies."

In answering me, the Democratic leadership also gave its answer to millions of Americans who demand the right to vote for peace and prosperity. Thus, the leadership of the Democratic Party would deprive the American people of their rightful opportunity to choose between progress and reaction in 1948.

So far as the Republican Party is concerned, there is no hope—as George Norris, Fiorello LaGuardia, and Wendell Willkie long ago found out.

When the old parties rot, the people have a right to be heard through a new party. They asserted that right when the Democratic Party was founded under Jefferson in the struggle against the Federalist Party of war and privilege of his day. They won it again when the Republican Party was organized in Lincoln's time. The people must again have an opportunity to speak out with their votes in 1948.

PLEA FOR A 1948 PEACE VOTE

The lukewarm liberals sitting on two chairs say, "Why throw away your vote?" I say a vote for a new party in 1948 will be the most valuable vote you ever have cast or ever will cast.

The bigger the peace vote in 1948 the more definitely the world will know that the United States is not behind the bipartisan reactionary war policy which is dividing the world into two armed camps and making inevitable the day when American soldiers will be lying in their Arctic suits in the Russian snow.

There is no real fight between a Truman and a Republican. Both stand for a policy which opens the door to war in our lifetime and makes war certain for our children.

Let us stop saying, "I don't like it but I am going to vote for the lesser of two evils."

Rather than accept either evil, come out boldly, stand upright like men, and say so loudly all the world can hear—

"We are voting peace and security for ourselves and our children's children. We are fighting for old-fashioned Americanism at the polls in 1948. We are fighting for freedom of speech and freedom of assembly. We are fighting to end racial discrimination. We are fighting for lower prices. We are fighting for free labor unions, for jobs, and for homes in which we can decently live."

We have just passed through the holiday season when every radio and every church proclaimed the joyous tidings of peace. Every year at this time the hearts of the American people swell with genuine good will toward all mankind. We are a kindly, well-meaning people.

But the holiday season soon passes and one of the first items on the agenda of the new Congress is universal military training. I say the first political objective of progressives is the defeat of this bill, which would deliver our 18-year-olds over to the Army and cost the Nation $2,000,000,000 a year.

WAR PREPARATION IS SEEN

The American people read of the fantastic appropriations that are being made for military adventures in Greece, Turkey, China—and billions for armaments here at home.

Slowly it dawns on us that these newspaper headlines have stepped into our every-day lives at the grocery store when we pay $1 for butter, 95 cents for eggs, and 90 cents for meat.

We suddenly realize that we can't have all the people of the world getting ready for the next war without paying for it in our daily lives with less food, clothing, and housing. War preparations create record profits for big business, but only false prosperity for the people—their purchasing power shrinks as prices rise, their needs go unfilled, and they are burdened with new debts.

Yes, corporate profits are over three times what they were in 1939, but every family is paying for our war policy at the grocery store.

Two years ago I denounced those who were talking up World War III as criminals. Of course, the bulk of our people are not criminals, but it is possible for a little handful of war mongers to stampede them. As Mark Twain long ago pointed out:

"The Nation will rub its sleepy eyes and try to make out why there should be a war and will say, earnestly and indignantly, 'It is unjust and dishonorable and there is no necessity for it.' The handful will shout louder * * * and now the whole Nation * * * will take up the war cry and shout itself hoarse, and mob any honest man who ventures to open his mouth, and presently such mouths will cease to open. Next the statesmen will invent cheap lies, putting the blame on the nation that is attacked, and every man will be glad of those conscience-soothing falsities."

STAND ON RESTORING EUROPE

This pattern as Mark Twain saw it 50 years ago is repeating itself on a scale so vast as to threaten the destruction of humanity. The rich monopolists have always been more ready to sacrifice their sons than their money, but now they have reached the point where they are willing to sacrifice both for the sake of world control.

It just doesn't make sense. The time has come for a new party to fight these war makers. We say that peace is mandatory and that it can be had if we only want it.

Universal military training is the first decisive step on the road toward fascism. We shall fight it to the limit and all Congressmen who vote for it.

A new party must stand for a positive peace program of abundance and security, not scarcity and war. We can prevent depression and war if we only organize for peace in the same comprehensive way we organize for war.

I, personally, was for the humanitarian aspects of the Marshall plan long before it was announced. Because I saw the postwar need of helping human beings, I was accused of wanting a quart of milk for every Hottentot.

I pushed for help for Greece against the opposition of the administration 8 months before the Truman doctrine was announced. But I have fought and shall continue to fight programs which give guns to people when they want plows.

I fight the Truman doctrine and the Marshall plan as applied because they divide Europe into two warring camps. Those whom we buy politically with our food will soon desert us. They will pay us in the base coin of temporary gratitude and then turn to hate us because our policies are destroying their freedom.

We are restoring western Europe and Germany through United States agencies rather than United Nations agencies because we want to hem Russia in. We are acting in the same way as France and England after the last war and the end result will be the same—confusion, depression, and war.

FOR UNDERSTANDING WITH RUSSIA

It just doesn't need to happen. The cost of organizing for peace, prosperity, and progress is infinitely less than organizing for war.

We who believe this will be called Russian tools and Communists. Let the fear mongers not distort and becloud the issues by name calling. We are not for Russia and we are not for communism, but we recognize Hitlerite methods when we see them in our own land and we denounce the men who engage in such name calling as enemies of the human race who would rather have World War III than put forth a genuine effort to bring about a peaceful settlement of differences.

One thing I want to make clear to both Russia and the United States—peace requires real understanding between our peoples. Russia has as much to gain from peace as the United States, and just as we here fight against the spreaders of hate and falsehood against Russia, the Russian leaders can make a great contribution by restraining those extremists who try to widen the gap between our two great countries.

I insist that the United States will not be fully secure until there is real peace between this country and Russia and until there is an international police force stronger than the military establishment of any nation, including Russia and the United States.

I am utterly against any kind of imperialism or expansionism, whether sponsored by Britain, Russia, or the United States, and I call on Russia as well as the United States to look at all our differences objectively and free from that prejudice which the hate mongers have engendered on both sides.

What the world needs is a United Nations disarmament conference to rid humanity for all time of the threat not only of atomic bombs but also of all other methods of mass destruction.

DECLARATION OF CANDIDACY

It happens that all of my mother's and three-fourths of my father's ancestors came to this country before the American Revolution. I love the Americanism I was taught to respect in the public schools of Iowa half a century ago.

That Americanism was betrayed after World War I by forces which found their origin in monopoly capitalism, yellow journalism, and racial bigotry. Today there is a greater menace than ever before—a menace more serious than has ever confronted the human race.

That menace can be met and overcome only by a new political alinement in America which requires the organization of a new political party.

To that end I announce tonight that I shall run as an independent candidate for President of the United States in 1948.

Thousands of people all over the United States have asked me to engage in this great fight. The people are on the march. I hope that you who are listening to me tonight will lead the forces of peace, progress, and prosperity in your communities and throughout our country. Will you let me know that you have come out fighting against the powers of evil?

We have assembled a Gideon's army—small in number, powerful in conviction, ready in action. We have said with Gideon, "Let those who are fearful and trembling depart." For every fearful one who leaves there will be a thousand to take his place. A just cause is worth a hundred armies.

We face the future unfettered by any principle but the general welfare. We owe no allegiance to any group which does not serve that welfare. By God's grace, the people's peace will usher in the century of the common man.

Program of Special Conference of National Association of Letter Carriers

EXTENSION OF REMARKS

OF

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. FISHER. Mr. Speaker, under leave to extend my remarks in the RECORD, I enclose the adopted program of the special conference of the National Association of Letter Carriers, which has just concluded a 2-day meeting in Washington. This conference, presided over by Hon. William C. Daugherty, president, was attended by more than 700 delegates from 45 States. Included on their program were Representative EDWARD H. REES, chairman of the House Committee on Post Office and Civil Service; Hon. Donald Dawson, administrative assistant to the President; and Hon. Jesse M. Donaldson, Postmaster General.

PROGRAM

1. Since the inception of the National Association of Letter Carriers in 1889, the organization and its membership have established an unblemished record of sustained loyalty to the Government of the United States; 78,000 members of this association stand shoulder to shoulder with millions of like-minded American citizens in condemning communism, and all other forms of subversive activities.

We hereby reaffirm our faith in our democratic form of government, and we reiterate our pledge of continuing and unswerving loyalty.

2. Endorse the Langer-Chavez-Stevenson liberalized retirement bills, S. 637 and H. R. 4127.

Instruct our national officers to continue their best efforts to have this meritorious legislation enacted into law early in the second session of the Eightieth Congress.

3. Urge the Eightieth Congress to enact legislation immediately which will grant letter carriers an upward wage adjustment to enable them to cope with prevailing chaotic economic conditions.

4. Endorse the Morse-Aiken-Hartley bills, S. 1867 and H. R. 4650, both of which provide for increased benefits under the United States Employees' Compensation Act (specifically computing benefits on basis of 75 percent of $3,000 in lieu of present computation of 66⅔ percent of $1,800).

Both bills propose: "That the monthly compensation for total disability shall not be more than $225, nor less than $112.50, in which case his monthly compensation shall be the full amount of his monthly salary. The monthly compensation for partial disability shall not be more than $225."

5. Endorse the Langer-Butler bills, S. 205 and H. R. 1322, both of which provide for 26 days' annual and 15 days' sick leave per annum to postal employees in the field service.

6. Endorse the Teague bill, H. R. 2985. This measure relates to the appointment of veterans of World War II in the field service of the Post Office Department. It is designed to grant full credit to such veterans for all time served in the military or naval forces in determining salary grades.

7. Endorse the Hagen bill, H. R. 4781, which will reclassify village delivery carriers into the city delivery service.

8. Endorse the Langer-Cole bills, S. 203 and H. R. 1186. Both are to allow 2 cents per mile additional equipment allowance for rural carriers.

Note: S. 203 passed by Senate June 23, 1947, amended to grant 1 cent.

9. Instruct our national officers to continue their best efforts to have the following general legislative proposals enacted into law at the earliest possible moment:

S. 58 (Mr. LANGER); H. R. 738 (Mr. REES) and H. R. 1613 (Mr. GEARHART): To allow tax exemptions on annuities.

S. 202 (Mr. LANGER) and H. R. 1187 (Mr. COLE): To classify rural delivery substitutes under civil service.

S. 204 (Mr. LANGER) and H. R. 1188 (Mr. COLE): To grant $1 per hour additional to rural carriers serving on Burch heavy routes.

S. 635 (Mr. LANGER): To adjust compensation of substitutes who have had continuous service since July 1, 1945.

H. R. 682 (Mr. CLASON): To provide for retirement after 25 years of service, irrespective of age.

H. R. 696 (Mr. SIKES): To provide optional retirement at 60 years of age, with at least 25 years of service.

H. R. 1271 (Mr. STEVENSON): To provide five tours of duty for rural carriers.

H. R. 1272 (Mr. STEVENSON): To correct longevity grades 12, 13, and 14, by allowing credit for all past service in lieu of present 3, 5, and 7 years.

H. R. 1323 (Mr. BUTLER): To establish an 8-9 hour law in the P stal Service.

H. R. 1551 (Mrs. ST. GEORGE): To grant $100 annual uniform allowance to letter carriers.

H. R. 1587 (Mr. CORBETT): To grant substitute postal employees time and one-half for overtime.

H. R. 1622 (Mr. JONES): To grant 90 minutes compensatory time for each hour of service on any compensatory day.

H. R. 1876 (Mr. FARRINGTON): To grant 25 percent wage differential to postal employees in the Territory of Hawaii.

H. R. 2050 (Mr. HAGEN): To provide credit for salary purposes to all carriers advanced from the status of village carriers.

H. R. 3571 (Mrs. ROGERS): To create a United States Civil Service Board of Appeals.

H. R. 2114 (Mr. SHAFER): To provide for 30 years optional retirement.

H. R. 4305 (Mr. FERNOS-ISERN): To provide a 25 percent wage differential for postal employees in Puerto Rico.

10. Declaration of postal policy: It has become common practice on the part of many to consider the Post Office Department as a business. In measuring the success or failure of postal operations, observers are prone to gage success by the presence or absence of the so-called deficit. Unfortunately, such thinking completely obscures many vital facts.

The postal system is basically and fundamentally a service. In early colonial days several attempts were made to operate a postal system for the purpose of personal profit. All such attempts failed. The young American Nation determined from these colonial failures that a postal system to be successful must be operated by the Government, with service as the one and paramount objective.

The Post Office Department is operated to give good mail service to the American people. Mail service and facilities are provided in every nook and corner of the United States. Such operations are established regardless of any consideration of profit. In fact, there are approximately 42,000 post offices, 20,000 of which conduct their operations at a loss. Do our competitive business organizations maintain comparable service? Of course not. Express companies, telegraph companies, and other public services maintain offices and service only where such operations produce a profit.

Third Assistant Postmaster General Joseph J. Lawler recently stated: "It has long been the policy of Congress to extend special below-cost rates to certain classes of mail and to provide facilities and service for the benefit of the general public regardless of the fact that the charges for such services and facilities do not cover the cost of their maintenance."

The only universal service in America today is the postal service. Millions of people do not have electricity; millions live without running water; millions live without telegraph and telephone service or facilities; millions do not have ready access to public transportation. But every American citizen is provided with mail service. It is the one and only universal service in the United States.

Those in charge of postal operations have the responsibility of requesting sufficient funds to operate the Post Office Department properly. Congress has the solemn obligation of providing adequate funds to furnish good service. Unfortunately, under our present system, the officials of the Post Office Department are required to estimate how much money will be needed almost 2 years prior to the period when the funds will be available. This estimate then goes to the Director of the Budget, and finally emerges in the President's budget message. Exalted economic prophets have proven dismal failures in anticipating economic trends. Under the circumstances it is rather absurd of us to expect postal administrators to be omnipotent forecasters. If the needs of the service are greater than anticipated, the public in all likelihood will receive inferior mail service.

In the matter of planning expenditures the Post Office Department is in a somewhat different position than other departments of government. Other departments can plan their activities and gage their expenditures accordingly. The Post Office Department cannot do this. It has no control over the volume of mail. It must deliver all the mail. It has no control over the area of delivery—if people move, the mail must move with them. Poor guessing and inadequate appropriations can result in only one thing and that is an inferior postal service. Congress should recognize these facts and when necessary vote adequate supplemental appropriations to maintain a first-class postal service.

There is an erroneous impression in Congress and among the public that the Post Office Department consistently operates at a loss. It can be readily demonstrated by available evidence that the Post Office Department over a period of years has actually operated at a profit. Misinformation to the contrary should be speedily dispelled.

Unfortunately since 1940 the Post Office Department has not reflected the credits authorized by the Kelly Act of 1930 and has never considered these credits in any cost ascertainment reports. The items included under the Kelly law contain the expenditures of Government departments for mail carried free of charge. The Post Office Department should be credited with payment for this mail either by a transfer of cash or credits from the Departments involved, and this expense should be allocated to the various departments of Government who use the postal service as a part of their operation.

It is true that even with the credit allowance provided by the Kelly Act, there are individual years, such as 1946, when losses are shown. It is also a fact that when all the years 1930 to 1946, inclusive, are examined, and the Kelly Act credits are included, that the Post Office Department shows a cumulative profit of $304,247,315. During the war period, the expense of handling mail for the Armed Forces was also absorbed by the Post Office Department without recompense. The Post Office estimate of the revenues they would have received for this service at regular postage rates is $168,000,000 for the fiscal years 1942, 1943 and 1944. No estimates have been made for 1945 or 1946.

We should at this point pause again to point out that every single function of the Post Office Department has been instituted by Congress with the sole motivation of providing service to the American people. Profit has never been a consideration. Perhaps it is because the operations of the Department have been so successful that the fundamental purposes of the post office system tends to be lost in a maze of accounting. It is true that in the past there have been years when the Postmaster General's reports have shown deficits and years when they have shown profits, but the figures for the 17 years just quoted do not support the contention that the Post Office operates at a loss, and we believe that in fairness to the Post Office, to its employees, and to its patrons accounting and cost keeping should be handled in a manner that will give a true picture of expense and income. To do this properly, the credits allowable under the Kelly Act would have to be extended to include many additional items.

If we project the trends of postal revenue and expense from 1930 to 1946 until 1957, we find revenues increasing substantially faster than expenses, this indicating that consistent increases in volume of business are more important as a means of absorbing expense increases than would be the increasing of rates, which would certainly tend to divert volume to other methods of delivery.

One hundred and seventy years of operation have definitely demonstrated two vital factors in successful postal operation: (1) greater volume promotes lower unit cost and more economical operation; (2) the reduction of the number of times a piece of mail is handled reduces the cost of operation. The best and most inexpensive way to handle mail is to deliver it immediately. Delayed appropriations and curtailed service are more costly in the final analysis. Adequate appropriations and good service promote efficiency in operation.

In this analysis we have made no attempt to estimate the cost to the American people in poor mail service. The cost of delayed mail to businessmen and individuals is enormous. The American people are entitled to and should demand good mail service.

We have not attempted in this study to show all of the operations that are conducted by the Post Office Department on a free or less than cost basis. Before closing, however, we want to briefly point out the major role that the postal service has played and is continuing to play in the development of the American Nation.

The Post Office Department developed our system of roads through the construction of post roads. Through preferential payments to railroads the postal service has kept many branch lines in operation. The Post Office subsidized the development of the merchant marine and the air industry. Yes, indeed it was communication in the garb of the Post Office that took transportation by the hand and conducted it to its present advanced state of development. It was the twins of progress, communication and transportation, that sped our country on to great expansion. What is the purpose of this policy, profit or service? Service and service alone must be the paramount purpose.

11. That this conference go on record requesting immediate action on the part of the Post Office Department, the Bureau of the Budget, and the Congress of the United States to provide proper equipment, supplies, and quarters to conduct the business of this

great institution. In particular the motor-vehicle equipment of the postal service requires immediate attention. The trucks now in use in the Department are almost entirely unsafe, antiquated, and detrimental to the health of the men who operate them as well as a menace to people on the streets. It is pertinent to observe that the trucks now in operation have an average service of 15 years and are in use 16 hours per day. The Army trucks now in use by the Post Office Department are a threat to the life and limb of the men who are required to climb in and out of them in the collection and delivery of mail. Vigorous steps must be taken to provide immediate replacement.

The prevalent shortage of keys, straps, sacks, storage boxes, cases, and, in short, all equipment make the delivery of mail difficult in the extreme. Efficient service cannot be maintained without proper supplies.

Post-office quarters are in a deplorable state. The unprecedented volume of mail has practically every post office and station in the United States bursting at the seams. Proper handling of mail is impossible under the present circumstances. The cost of the delivery of mail is greatly increased because of this congestion. Poor toilet facilities, poor ventilation, and poor lighting are a menace to the health of postal employees. The dictates of good service, the demand for efficiency, and the welfare of the men make correction of these conditions imperative.

We, the representatives of the letter carriers of the United States, by unanimous action request the Post Office Department, the Director of the Budget, and the Congress of the United States to correct these conditions to the end that the efficiency of the Post Office Department be restored to an economical basis, and that the health and welfare of the employees be protected.

Even in Rhode Island They Feel the Ill Effects of the New Deal Agricultural Approach

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, most people realize that the President has the power, authority, and money to control prices whenever he wishes to assume the responsibility of doing so. The fact that chickens and eggs are bringing 50 to 60 percent of parity, no doubt, accounts for the following statement found on page 146 in the Sunday, January 11, New York Times. Inquiry by the reporter about President Truman's speech brought forth the following statement, and I quote:

Fred Bascombe of Bonnie Brook Farm, Cumberland, R. I., chairman of the northern Rhode Island soil conservation district, said: "I didn't pay any attention to Mr. Truman's message. We farmers are not interested in what he says, only in what he does. This administration is not interested in the plight of the dairy or poultry farmer. We've been taking it on the chin so long we're no longer interested in speeches."

Mr. Speaker, the Steagall amendment sounds good come election times, and reads fine, but little attention is paid to its provisions by the present administration.

Security Suckers

EXTENSION OF REMARKS
OF
HON. CLAUDE I. BAKEWELL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. BAKEWELL. Mr. Speaker, during the war we as a Nation were security conscious lest information of a helpful nature be given through inadvertance to the enemy. Since the termination of hostilities, however, certain Americans have revived the practice of competing with one another to reveal strategic information. This is an alarming situation, especially when we recall the stories concerning the atomic-bomb spy ring in Canada. The national emergency has not terminated. There is adequate legislation on the books to cover these instances. Let the Department of Justice do its duty. One conviction will be a more effective deterrent than all the words which we could utter here in a week.

Under leave to extend my remarks, I wish to include herein the following editorial which appeared in Armed Force, formerly the Army and Navy Bulletin, of January 3, 1948:

SECURITY SUCKERS

We are a very generous Nation. We give away food. We give away clothing. We help others with our money and our resources. In no field, however, are we quite as generous as we are with our military secrets. Any agent who collects money from a foreign government for spying services rendered in America is an overpaid fraud.

Why should impoverished foreign governments pay money to agents when all they have to do is to subscribe to some of our publications? Much cheaper; and, actually, they get information almost as complete in detail. Last week, for example, any foreign government interested in determining whether man could fly in aircraft at speeds exceeding the speed of sound—a rather important military question—could have saved about 5 years in research and experiments simply by reading one of our leading aviation weeklies.

New aircraft designs? Location of armaments? Rearward firing guns? Performance characteristics? No agent need apply. Just read your magazines. Strangely enough, this wholesome generosity of ours does not seem to be paralleled by other nations. Even our friends, the British, for example, have not splashed the front pages with their aircraft and ordnance secrets. The fabled "iron curtain" which Russia has placed in front of its civilian activities is transparent as a department store window compared to the amount of military information which leaks out of the Soviet.

Somehow, the security consciousness which was successfully instilled in millions of civilian and military personnel during wartime has rapidly been dissipated in peacetime. Our military leaders are deeply perturbed. Offically they have no authority over anything except the regular establishments, which have not been completely blameless in this matter of leaking out information. Most of the serious breaks, however, have emanated from sources presumably beyond the reach of official discipline.

If the Air Force ever confirms the report that one of its planes has passed the sonic barrier it will be one of the most important developments in aviation since Wilbur Wright hedgehopped across the sand dunes at Kitty Hawk. It will also be a perfect example of the type of secret which should not be broadcast to the world until the military and naval leaders responsible for our Nation's defense decide that to do so will not endanger national security. Armed Force staff members heard unverified reports about supersonic flights more than a month ago, but we feel no particular sense of nobility for not having published them. Frankly, the present international situation has convinced us that right now is a splendid time to clam up.

(EDITOR'S NOTE.—The above editorial was set in type prior to the holiday development wherein the Air Force turned over to the Justice Department an alleged violation of national security by the magazine Aviation Week, which recently claimed that the USAF's XS-1 had passed the sonic barrier. Armed Force is gratified by the courage of Air Force leaders in taking this drastic step and hopes that it will lead to a clarification of security needs.)

Progress of the Foot-and-Mouth Campaign

EXTENSION OF REMARKS
OF
HON. ERNEST K. BRAMBLETT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. BRAMBLETT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Representative GEORGE W. GILLIE, of Indiana, chairman of the special House Subcommittee on Foot and Mouth Disease, before the forty-eighth annual conference of the Veterinary Alumni Society, University of Pennsylvania, at Philadelphia on January 6, 1948:

I suppose you might say that my purpose in being here today is to try to teach a bunch of old dogs some new tricks. For a good many years we of the veterinary profession have said that we could not live with foot-and-mouth disease. We haven't learned any of the tricks of living with this disease because all our planning, all our thinking, has been in terms of eradicating it every time it made its appearance on this continent.

Gentlemen, we are going to have to learn some new tricks. Foot-and-mouth disease is on the North American Continent. It is firmly established. It is going to be here for a long time—certainly for years, perhaps for a generation, possibly from now on.

So, whether we like it or not—and I, for one, frankly admit that I do not like it—we have got to learn the tricks of living with foot-and-mouth disease, if not actually in the United States, at least on the North American Continent.

Most of you here are as familiar as I am with the history of foot-and-mouth disease in this country. Some of you—like myself—have had your own unforgettable personal experience with it. I'm sure it isn't necessary for me to tell you anything about the past history of the disease nor of its dreadful effect on the livestock industry of any country where it becomes prevalent.

The main question before us today is what are we going to do about the outbreak that has now established itself in Mexico? I want to review just enough of the history of that outbreak to bring us up to date and to give us the necessary background for an analysis of the existing situation in Mexico.

Here are the facts as we know them.

On December 26, 1946, the Bureau of Animal Industry, in Washington, received word that foot-and-mouth disease existed in Mexico. The report was made by veterinarians of our own Bureau who had been sent to Mexico, at the invitation of Mexican officials, to assist in the diagnosis of the suspected outbreak.

It was assumed that the disease was brought into Mexico by Zebu bulls from Brazil, which had been imported into Mexico in violation of the Mexican-United States sanitary treaty. Notice that I say it was "assumed" the disease came in by way of these Brazilian bulls. There are some rumors to the contrary in Mexico, and I will refer to them a little later on.

According to our reports, however, the disease was first discovered in a herd near Vera Cruz in which there was one of these Brazilian bulls. The bull itself did not have the disease at the time of the first outbreak.

As soon as the disease was reported, the Mexican-United States border was closed and veterinarians from our Bureau of Animal Industry began informal cooperation with Mexican authorities in laying plans to combat the outbreak.

It was discovered that the disease had already spread to practically all the states of central Mexico—from the Gulf to the Pacific. It wasn't established everywhere throughout those states, but there were local centers of infection scattered clear across central Mexico.

Quarantine lines were set up in an effort to confine the disease. These were manned by the Mexican Army. There were two kinds of quarantine lines—the permanent lines north and south of the generally infected area, to keep the disease within that general area—and the more or less temporary lines which were established within the generally infected area to try to keep the outbreaks localized.

Early in February of last year the Department of Agriculture came to Congress with a request for authority, and for money, to cooperate with the Government of Mexico in efforts to stamp out the disease. That request was promptly granted.

The Committee on Agriculture of the House had already set up a subcommittee on foot-and-mouth disease, of which I had the honor to be named chairman. The Senate Agriculture Committee had set up a similar subcommittee under Senator BUSHFIELD.

With these two subcommittes already on the job, it was only a matter of days from the time the Department of Agriculture came to us until we had provided them by law with both the legal authority to operate in Mexico and the money they requested to start the job with. Incidentally, I would like to say here—and I believe the officials of the Bureau of Animal Industry will bear me out fully in this—there has never been a time since this outbreak was first reported when the program has been held up for 1 minute by the failure of Congress to take prompt and effective action in providing both funds and authority.

In fact, I think the record of Congress as far as foot-and-mouth disease is concerned pretty well disproves the idea that the processes of democracy are necessarily slow and cumbersome. It was less than 3 weeks from the time the Department of Agriculture first requested authority to go into Mexico until Public Law 8, granting that authority, had been passed by both Houses of Congress.

Late in June, when it looked as though the program might have to stop for the first few days of July because the regular appropriations for the new fiscal year were not going to be available, the Department appeared before the House Appropriations Committee and within a matter of hours a special appropriation of $1,500,000 was provided to keep the program going until the regular appropriation came through.

The same kind of speedy action was apparent in Congress when the Department of Agriculture recently announced abandonment of its slaughter program. Although we had only 1 day's notice that the slaughter program was to be terminated, our announcement of a hearing on the subject was released to the press within 30 minutes after the Department's own announcement of the termination of its previous program.

As far as the House Committee on Agriculture was concerned, we could have started hearings the next day. Most of our witnesses had to come from hundreds or thousands of miles away, however, so we gave them 5 days' notice and started our hearings on Wednesday of the following week, December 3.

The committee met almost continuously throughout Wednesday, Thursday, and Friday of that week. Friday noon we finished the public hearings. That afternoon we had a series of private hearings in which we questioned one at a time several of the key witnesses who had appeared at the public hearings. We wanted to do this because we knew that there were some matters involved here which could not be discussed fully in public—and we wanted to get the whole story for our guidance before we took any action.

For the benefit of those who might have been aware that this private conference session took place—and may have wondered what was disclosed there—let me state that in no case did the facts or opinions expressed by the witnesses in their private conference with the committee vary in any material detail from the testimony they had given publicly. The transcript of that testimony—the public testimony—is now being printed and is available to anyone who is interested as soon as it is ready. If you want a copy, write to the clerk of the House Committee on Agriculture and ask that you be sent a copy of the hearing as soon as it is received from the printer.

After hearing all those who had indicated any desire to express themselves on this subject—as well as those who had been requested by the committee to appear—the committee worked late Friday night outlining its report and recommendations. Saturday morning it met in my office and formally approved the report. Saturday afternoon copies of the report—and the recommendations as to our future policy regarding the fight against foot-and-mouth disease—were delivered personally by the committee's staff assistant to the men in the Department of Agriculture and the State Department who were scheduled to meet the next day with Mexican officials to work out a new program and agreement.

Thus—let me repeat—in a matter of exactly 10 days from the time the Department of Agriculture announced the abandonment of its slaughter and eradication program, the House committee assigned to that subject had announced and held a public hearing, had drawn up and agreed upon its report and recommendations as to future policy, and had transmitted those recommendations to the executive departments responsible for carrying out the program. Does that sound, gentlemen, as though the processes of democracy are cumbersome and slow?

By the first of last April, American men and equipment were moving into Mexico. By the middle of June the slaughter and burial program was in full swing. By the end of November, when the slaughter program was stopped, more than 500,000 cattle had been slaughtered. In spite of this, the disease had continued to spread within the infected area.

It was still confined to the same general area in central Mexico, but it had flared up in scores of new communities and new herds within the area. When the program was getting under way, Mexican and American officials estimated that it might be necessary to slaughter some 1,500,000 or 2,000,000 cattle in order to eradicate the disease. By the end of November it had become obvious that it would be necessary to kill and bury virtually every cloven-hoofed animal in the infected area. That would mean the destruction of five or six million cattle and perhaps that many sheep, goats, and hogs.

That would mean the killing of about half the livestock population of Mexico. A complete eradication program would have meant that whole states would have been left, for a time at least, with no livestock whatever—no cattle, no hogs, no sheep, or goats.

The Mexican Government decided that it was impossible to carry out an eradication program of that magnitude—impossible economically and impossible politically. It is a decision that I don't believe we can quarrel too much with. I doubt very seriously if we could carry out an eradication program of that magnitude in the United States.

Naturally, operations in Mexico can be carried on only with the approval and cooperation of the Mexican Government. So when that Government decided that the situation had reached a point where it was impossible to continue with the eradication program, our officials had no choice but to comply. We were left with two alternatives—either continue in Mexico with a program acceptable to the Mexican Government and to us—or withdraw from Mexico and prepare to fight the disease in the United States.

That was the situation with which we were faced when we opened our hearing, just about a month ago, in Washington.

After considering carefully all available evidence—and listening to every suggestion—our committee unanimously adopted recommendations outlining a policy which we believe is the best that can be adopted. We transmitted these recommendations promptly to the Department of Agriculture and the State Department, as I described earlier, and they were made the basis of the new program which is now going into operation.

There were seven of those recommendations, but the basic policy—the only basis on which I believe it is worthwhile to continue in Mexico—is stated in recommendation No. 2. This recommendation reads:

"It shall be understood definitely by all participants that the program now undertaken is not an abandonment of the effort to eradicate foot-and-mouth disease from this continent but is merely a postponement of that effort until it can be undertaken and accomplished in a manner which is more acceptable to the Mexican people and tolerable to the Mexican economy."

In other words, gentlemen, we have not given up the fight against foot-and-mouth disease. We have been defeated in the first battle of the war. There's no use in us trying to kid ourselves about that. In our first battle we have been handed a serious defeat. But I can remember another war—not so long ago—in which we didn't do so well in our first few battles.

We are no more inclined to give up the war against foot-and-mouth disease merely because we have lost the first battle than we were to give up the war against Japan because they got the jump on us at Pearl Harbor.

In Mexico we have met a rousing defeat in our first battle. But we have fallen back in good order—our lines are intact—and we are ready to give battle again along lines that we believe will bring us eventual victory.

The strategy of our campaign from here on is outlined in the first recommendation of the committee. Let me read it:

"The campaign against foot-and-mouth disease in Mexico shall be conducted on the following basis: First, an all-out effort by

both countries to hold a quarantine line immediately north of the present infected area, including a sterile zone as wide as possible south of such line in which all infected and exposed animals will be subject to immediate slaughter and burial, in order to prevent the spread of the disease into northern Mexico and the United States;

"Second, extension and enlargement southward of that sterile zone as rapidly as circumstances will permit, with vaccination being employed by the Commission only as an adjunct to quarantine."

There is the plan that we believe is the best that can be worked out under the circumstances. First, hold the quarantine line north of the infected area. Second, work southward from that line eradicating the disease—by slaughter and burial—county by county, township by township, as rapidly as we can.

And in the meantime—and I think this is very important—put our best available scientists to work on the job of trying to find a scientific remedy for this situation.

Why do I think this plan holds our greatest hope of success? Why do I think this quarantine line can be held when we have always felt that it is virtually impossible to hold a land quarantine against foot-and-mouth disease? Let's analyze the situation. And like good generals, let's consider not only the probable results of our future moves, but let's also analyze the factors that contributed to our earlier failure.

First, what were the factors that contributed to the failure of our first eradication program?

The first factor that contributed to our downfall, I think, was the difficulty of the terrain in central Mexico. A glance at a road map of Mexico will show you that there are very few paved highways. If you have traveled through central Mexico—as our committee did last summer—you know that in most sections there are not only no highways—there are no roads whatever.

Mexico is still a primitive country—except for the few large cities. Out in the country 99 percent of the travel is on foot or on the backs or burros. You don't need roads for that kind of transportation—and in most rural areas of Mexico roads as we know them simply do not exist.

The lack of roads hurt our campaign in two ways. In the first place, it rendered transportation of our heavy digging and disinfecting equipment difficult, if not actually impossible. In a campaign where we were attempting to operate simultaneously and at high speed over an area 450 miles long and 250 miles wide, the difficulty of the terrain presented an almost insurmountable handicap—and, by itself, might have been sufficient to beat us.

But the lack of roads hurt us in another way, too. It made our interior quarantine lines—those thrown around local outbreaks to prevent the disease spreading to nearby herds—it made these quarantine lines almost ineffectual. Mexican soldiers could guard the roads—and they did guard them. On its trip in Mexico our committee passed scores of such quarantine lines and road blocks along the highways.

But where there was one Mexican using the roads to get from place to place, there were fifty or a hundred using the paths and trails that wind up the score across every hill—or simply striking out across the fields. Where farms are small, the countryside is thickly settled, and villages are close together—you don't use the road when you go over to visit your neighbor—even if there is a road. You cut right out across the field.

The Mexican army had, I suppose, thousands of miles of these interior, local quarantine lines. They couldn't possibly have a soldier every 50 feet along every one of those lines. The best they could do was to guard the roads and the main paths. And, as one of our witnesses put it, that is about like trying to keep ants out of your house by putting a domino between your house and the ant hill. So the second way in which the terrain and the geography hurt us was by making the interior quarantine ineffective.

A second big reason for the failure of our campaign, as I see it, was the character of the agriculture in the infected area. In the main, central Mexico is an area of small farms. There are a good many dairy herds, principally around Mexico City. There are a few large ranches, mostly over in the area toward Vera Cruz. But in general, central Mexico is a land of small villages, small farms, and small landowners. The typical farm contains only a few acres. It is operated by one man and his family with a yoke of oxen. Every family has, besides its oxen, its goats and probably a milk cow and maybe a hog or two.

Those in charge of the eradication program found that it was almost impossible to clean out an area and get all the susceptible animals. You would get most of them; yes. You would get oxen by the score, goats and sheep by the hundreds, some milk cows, and some hogs. But you can hide a milk cow in the woods. You can put a hog or a goat under the bed, or on top of a flat-roofed adobe house—and have him well out of sight. Our men would kill everything in sight, cover over the pit, and come back a week later and find animals by the score placidly grazing on the very ground they had cleared.

Hiding animals out when the eradication squad came around, or driving them over the mountain to leave with cousin Manuel in an uninfected valley, was, of course, merely an indication that Jose—the average Mexican farmer—simply didn't understand what the campaign was all about. He hadn't been thoroughly sold on the program. He didn't understand why he should cooperate 100 percent with the government men who were coming around to kill his animals.

Basically, lack of cooperation on the part of the Mexican farmers themselves was the one big reason for the failure of the slaughter campaign. With their full cooperation, the other difficulties might have been overcome. Without it, I don't think the job could have been done even if there had been no other handicap whatever.

In some places this lack of understanding and cooperation on the part of the Mexican farmers merely took the form of hiding out some of their animals, or failure to report an outbreak. In other places there was open and bitter resistance to the campaign.

Part of this was due to mere lack of information—and I don't think any of us realized when this program was started how extremely difficult it was going to be to get information about the program—just plain, factual information—to the Mexican peons. Those little farmers don't have radios, they don't have newspapers. Most of them don't read nor write. And many of them don't even speak Spanish. Most Mexican farmers are Indians and lots of them can't even understand Spanish.

Those of you who have had any experience trying to get American farmers to cooperate in the eradication of foot-and-mouth disease, or in any similar campaign where you had no difficulties of language or illiteracy to contend with, will understand, I think, of trying to convince unlearned Mexicans that they should cooperate 100 percent with this program.

In addition to these difficulties, however, there is no doubt in my own mind but that poor public relations on the part of those conducting the campaign also contributed to the lack of cooperation among the farmers. I don't mean poor publicity—I mean public relations in its broadest sense.

I don't think there was a sufficient effort made to reach the farmer through the means of communication that he does understand, by word of mouth education, by working through the village mayor and political boss, and through the parish priest. I think a little more careful attention to this kind of an educational program in communities where an eradication program was scheduled would have helped. But I doubt if it could have been carried out simultaneously over the tremendous area where the disease was found to exist.

On its visit to Mexico the committee saw other examples of poor public relations. When we were there we saw animals being killed with a .22 caliber pistol. With the residents of the whole community lining the sides of the pit—including, of course, the owners of the animals being killed—we saw dozens of animals half dead, writhing in pain while they were shot time after time with that puny little weapon. Those animals are dear to those people. From long association many of them become almost like members of the family. When word of scenes like that spread to the next village it was an almost certain guaranty that there would be something less than an enthusiastic welcome when the eradication squad reached there.

Failure to have mules on hand to replace slaughtered oxen was also poor public relations. We saw farmers whose oxen had been killed who had been waiting 6 or 8 weeks to get the mule he had been promised. In the meantime his fields were unplanted or were growing up in weeds * * * and the corn and beans that were to feed the family this winter were not being grown. That sort of thing didn't make the farmer any more cooperative.

Another thing that turned out to be an important factor in determining the Mexican farmers' attitude toward this campaign was politics—just plain old politics. They have politics in Mexico just as we have in this country. And, just as in the United States, when there is a party in control of the administration, there are one or more parties who are out and would like to get in and who seize upon every opportunity to make political capital out of the problems faced by the administration. Just as in this country we have seen high prices, rationing, and similar problems seized upon by opposition political parties in an effort to embarrass their opponents politically, so in Mexico the campaign against the foot-and-mouth disease was used by opposition political parties in an effort to make political capital and to discredit the administration.

As in this country, this political propaganda was carried on through every medium—through the radio and press and in a word-of-mouth "whisper campaign" in the rural areas. In Mexico the "whisper campaign" was particularly effective.

An interesting rumor which was started and spread by those trying to make political capital of the situation was the report that foot-and-mouth disease was not new to Mexico but had existed there for a great many years. "This is not a new disease," the peons were told. "The affliction they call foot-and-mouth disease is the same as that disease with which you are all familiar, 'the flying herb,' which you have had among your cattle for many years. This whole campaign is merely a trick on the part of the administration and their Yankee friends to destroy the agricultural economy of Mexico."

Thus ran the argument advanced by those making political opposition to the program. They brought out some evidence to support their propaganda. This point of view was presented to the committee by one of the witnesses at our recent hearing. There is enough factual basis for the contention to permit this kind of argument to have a considerable effect upon the farmers of Mexico. There was an outbreak of foot-and-mouth disease in the southeastern part of Mexico

in 1925 and 1926. Although it is believed that this outbreak was eradicated completely, there has been a disease called flying herb, which has been prevalent in Mexico for the past many years, and which, although it is not foot-and-mouth disease, has symptoms very similar to the more serious malady.

This was not the only type of propaganda used in the political campaign against the eradication program, but it is typical of the kind of opposition the program encountered in certain places, and there is no doubt that this opposition had a considerable effect in preventing the all-out cooperation of the Mexican farmer.

Strangely enough, the disease itself played into the hands of those opposed to the program and made more difficult the job of trying to convince the unlearned Mexican farmer to cooperate with the eradication campaign.

The disease in Mexico is caused by the type A virus and is at present a remarkably mild form of the disease. Since it is caused by a virus, it is impossible to tell when it may become hotter and more malignant, as virus diseases can do almost overnight. Up to the present time, however, there is no denying that the disease has been present in Mexico in a rather benign form. The mortality rate among cattle has been extremely low. Even calves and small animals have recovered from the disease. Recovery among older animals seems to be virtually complete when the disease has run its course, and in many cases even milk cows are not too seriously affected. The disease has been present to only a slight degree in hogs, goats, and other susceptible animals.

All this, of course, has added tremendously to the difficulty of convincing the Mexican farmer that he should cooperate in this program. It is not too difficult to obtain the cooperation of a man whose animals are desperately sick or dying before his very eyes, or if they have had the disease and recovered but have been rendered virtually unfit for any further use. It is much more difficult to convince him that he should cooperate if he sees that the effect on his own animals is relatively mild.

These are not all the factors which contributed to the failure of our wholesale eradication program, but I believe they are the most important, and I think you will agree with me that our failure is not exactly surprising when all these circumstances are taken into consideration.

Now, let's turn to an analysis of our revised strategy. Why do I think that the program the committee has outlined now has a chance of success where our previous program failed? There are two big reasons: First, the scope of our activities will be much more limited. Obviously, one of the things contributing to the downfall of the first program was the very size and scope of the undertaking. Second, many of the factors which worked against us in our original program will be working in our favor in the strategy we have outlined for the future. I will mention a few of these factors as we try to analyze the situation with which we are now faced.

Let's answer first the basic question: Why do I think we can hold the quarantine line north of the infected area when history indicates that no land quarantine has ever been 100 percent successful against foot-and-mouth disease? I hope that I am not indulging in wishful thinking, but I sincerely believe that if all of us—those from both countries—work together, as I believe we will, to maintain this quarantine the line can be held.

In the first place, the difficulties of terrain, the lock of roads and other transportation facilities, and the geography of the country itself seem to me to be in our favor in efforts to hold this northern quarantine line. Where all of these factors worked against us under our original program, I believe that they will be working for us under our revised program.

There are only a few highways and railways north and south across the main quarantine line. That line, as I think you know, runs from the vicinity of Tampico on the Gulf coast almost straight west to a point north and west of Guadalajara and then angles southwest to the Pacific coast. There are only three or four highways and railroad lines across this quarantine line. All north-south traffic that is going for any distance follows these main transportation arteries and these, of course, can be adequately patrolled. The quarantine line is being laid out so that it takes advantage of natural barriers such as rivers, mountain ranges, and other geographical features. The paths and trails run across these mountain ranges just as they run across the interior of the infected area, of course. But the traffic on these trails and byways is not through traffic. It is the village-to-village and neighbor-to-neighbor kind of traffic that is not going to transport the disease very many miles even if it goes on uninterrupted. This kind of traffic was fatal to our local quarantine lines inside the infected areas, as I pointed out previously, but it will hold relatively little danger, it seems to me, for our major quarantine line which is to prevent the spread of the disease from central Mexico into northern Mexico and the United States.

I believe that the agricultural economy of the country, which worked against us in our earlier program in the manner I have described, will be all in our favor in our efforts to hold this quarantine line. As I have mentioned, central Mexico, where foot-and-mouth disease is now established, is a land of small farms and many small villages. The people are poor and usually own only a few animals each. In that part of the country there are almost no ranges and there are very few beef cattle produced. North of the quarantine line, on the other hand, we have the beef cattle and open range area of Mexico. In northern Mexico is some of the best range land on the North American Continent. There are also some of the largest ranges in the world and some of the finest herds of beef cattle. In contrast to central Mexico, the cattle in the northern part of the country are primarily those in large herds belonging to wealthy and highly educated land owners who are fully aware of the menace of foot-and-mouth disease. In contrast to the people of central Mexico, those in northern Mexico are 100 percent behind the program to control and eradicate this disease. The big ranch owners in that part of the country have been the most active of any Mexicans in working to make this program a success.

The quarantine lines run almost exactly on the natural dividing line between the range lands of the north and the small, thickly populated farm lands of the south. The ranchers of the north know that it is to their own advantage to keep this disease out of their part of the country, and I think that we can be assured that our quarantine troops will have the backing not only of the influence and political support of the people in northern Mexico, but will also, very probably, have the physical assistance of the armed guards that most of these big ranchers maintain, to help in enforcing the quarantine line. In other words, by the very nature of our new operation we will be working with the wholehearted support of the people who can make it a success, rather than having to combat the indifference or opposition of the people whose cooperation is necessary as was the case under the previous program.

Another factor which will help us in holding the quarantine line in the north is that there is virtually no transportation of livestock of any kind from south to north in that part of Mexico. The large cities in Mexico, and a large percentage of the population of the country, are located in the central area where the disease now exists. That part of the country is a deficit area as far as livestock and livestock products are concerned. They don't produce enough for their own use so that there is a constant importation from northern Mexico and virtually no movement of livestock or livestock products from central to northern Mexico. There is so little traffic from south to north across this quarantine line, that in spite of the ineffectiveness of the quarantine which has previously been maintained, and in spite of the tremendous spread of the disease within the infected area, there has been no substantial spread of the disease across the north quarantine line. With the holding of a reinforced quarantine as our first major objective, I believe it will be entirely possible to prevent any spread northward across that line.

Most important in holding the quarantine line, however, is the fact that this will not be a mere line drawn on a map nor a mere single row of guards blocking highways at one point. South of the quarantine line there is to be a sterile zone, which will be, according to our recommendations, as wide as practicable. The quarantine line is now in many places 40 or 50 miles north of the nearest infection. At no point, as far as I am aware, is the disease actually existent right up against the quarantine line. In other words, there is a sterile zone already in existence for some miles south of the present quarantine line. This area, now disease-free, will be maintained and guarded by a second quarantine line to the south of that disease-free area. Every effort will be made to keep the disease from entering this sterile zone and any outbreaks which do occur there will be immediately eradicated by slaughter and burial. If this part of the program is carried out, it will prevent the disease from approaching within the immediate vicinity of the quarantine line, so that there will be almost no danger of local traffic carrying it across.

As it becomes possible to resume eradication operations these operations will be conducted so as to push the sterile zone continuously further and further south. In other words, we will start with a municipio, or a county, which is immediately south of the present sterile zone. It will be quarantined off. All infected and exposed livestock in that municipio will be slaughtered and buried. As soon as possible they will be replaced by new livestock. Then when we know that the area is clean and free of the disease, we will take another "bite" out of the infected area, moving the secondary quarantine line farther south and still further enlarging the sterile zone between the disease and our main quarantine line.

Knowing that our public relations have been poor in the past, we will see that the groundwork is laid carefully for the county-to-county eradication program that we will carry out in the future. The farmers in the area concerned will be solidly sold on the program before it is undertaken. With plenty of machinery on hand, animals will be disposed of promptly and their owners will be indemnified immediately. Mules will be on hand to be delivered to the farmer the day his oxen is killed. There may have to be relief food distributed for a period to take the place of livestock products which will not be available during the time the program is being carried out. In other words, in conducing this new campaign everything must be done to demonstrate dramatically to the Mexican farmer that it is to his advantage to have this disease eradicated from his community. By the time this has been done in two or three or a half dozen municipios, I believe we will find the job of education becoming progressively easier, so that as we

move farther south into the disease area we should have less and less trouble obtaining the cooperation that is so necessary.

That, gentlemen, is the strategy on which we expect to proceed in continuing this fight against foot-and-mouth disease. I have analyzed as best I can the factors which I believe contributed to our earlier failure and those which, it seems to me, hold out much encouragement for the success of our new program if it can be carried out as we have recommended.

There is one other important factor which I have not mentioned. That is the factor of research. Our committee has recommended, and I am sure the Bureau of Animal Industry intends to embark on, an intensified and greatly expanded program of research into the control and eradication of this disease. I am sure they will find improvements that can be made in our present methods. I am hopeful that they will make such progress that even before we have eliminated the disease from Mexico in the manner I have outlined they will have found some new method which will greatly facilitate the work.

There is another factor which is very important—the cooperation between our Department of Agriculture and the Mexican Government. Thus far that cooperation has been of the highest caliber. The present administration in Mexico has been and is today wholeheartedly and completely behind this program. I am sure that no one was more disappointed or more reluctant to give up our first control program than were those officials of the Mexican Government who were responsible for that Government's policies. I am sure we can count on their cooperation in the future, and if we have that, I believe we can do the job we have set ourselves to do.

Joseph K. Colton

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. PHILBIN. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include therein a recent article from the Gardner (Mass.) News announcing the retirement of my esteemed friend, Joseph K. Colton, for many years editor of that outstanding publication. Mr. Colton's career has been notable and his contributions to his paper, community, State, and Nation magnificent. I wish for him many happy years of retirement—a wish shared, I know, by all his friends and his legion of admirers, well-wishers, and a grateful public.

JOSEPH K. COLTON, WIDELY KNOWN EDITOR OF THE NEWS, ANNOUNCES HIS RETIREMENT—MEMBER OF STAFF 36 YEARS, RELINQUISHES POST BECAUSE OF HEALTH—ACHIEVED WIDE FAME AS VERSE WRITER—A. J. ABBOTT IS SUCCESSOR

Joseph K. Colton, managing editor and city editor of the Gardner News since 1928 and a staff member for 36 years, dean of the city's newspapermen and one of the most widely known men in the profession in the State, today announced his retirement from active work with the publication. His successor is Alfred J. Abbott, a member of the editorial staff for 16 years.

Although he is giving up the daily grind of a modern newspaper office because of his health, Mr. Colton, or Joe as he is known to his associates and to most readers of the News, will continue to contribute his widely read verses and other features when the occasion requires.

A newspaperman all his adult life, even before his graduation from Springfield Tech High School, his association with the profession covers a span of 43 years, having worked for the Springfield Union and Holyoke Transcript before being induced to come to the city by the late S. Walter Rogers, business manager of the News for many years.

Mr. Colton is directly responsible for the excellent standing of the publication among New England newspapers. His unfailing courtesy and understanding and unquestioned ability, his fair treatment with the city's best interests always uppermost in his mind instilled public confidence and trust that is vital to the success of any newspaper.

Quiet, friendly, and unassuming but forceful when necessary, Mr. Colton has built up a wide acquaintance and friendships among newspapermen and others throughout New England and elsewhere. His retirement will be felt keenly by the thousands of readers and his admirers.

Although his principal contributions were to the well-being of the News, his efforts were recognized by many columnists and other papers throughout the country. For some years, he was Gardner district correspondent for the Boston Globe, which featured on page 1 many of his holiday verses as well as numerous other articles, humorous stories, and sports features.

His verse, The Flag, was reproduced in countless papers and magazines; he provided John Kieran, former New York Times columnist, with material for a series on Lou Little, Columbia football coach, and Rabbit Maranville, with whom Mr. Colton played baseball at Springfield Tech High. Bill Cunningham has used Mr. Colton's rhythmic verses on several occasions in his column and his hundreds of features and editorials in the News have been clipped and collected by hundreds of readers.

One of the results of his verse writing in which Mr. Colton takes great pride is the custom of children in the schools of the city to recite his verses in assembly programs on holidays such as Memorial Day, Independence Day, Christmas, and Thanksgiving.

Gardner High School can thank Mr. Colton for the name "Wildcats" which identifies the school's sports teams. In the regime of Don Bennett back in the twenties, Mr. Bennett, quite a hunter, returned from a trip with a wildcat as a prize. Mr. Colton then and there decided that "Wildcats" would be a proper name for Bennett's lads, and "Wildcats" they have been ever since.

In the same field of sports, the retiring editor was responsible for a "Gardner-Fitchburg" letter in the Boston Evening Globe every year before the annual football game between the two rivals that attracted considerable attention and gave the local team a great deal of publicity throughout the State and New England.

LONG CAREER

Starting his writing career when a junior in his school as correspondent for the Springfield Union, he later went to Holyoke as Union representative in that city after which he obtained a position as reporter for the Holyoke Transcript. He joined the News staff in 1911 and was appointed editor in 1928.

In 1918 he entered the United States Army and was honorably discharged the following year. While in the service he wrote many verses for the newspaper at Camp Hancock, Ga., which he later published in book form under the title "Jimmy Boy, Recruit, and other verses". He is a charter member of Gardner Post American Legion and was the post's first historian.

Always remaining in the background, his name seldom appearing on the list of committees, Mr. Colton nevertheless has wholeheartedly supported every worth while community project and charitable drive held in the many years of his work at the city desk. His willingness to cooperate and his generous use of space to help others has endeared him to the many who have the pleasure of knowing him and coming in contact with him through the years.

The best wishes of his associates and his countless friends go with Mr. Colton in his retirement.

Mr. Abbott, his successor as managing and city editor, is a graduate of Gardner High School in the class of 1927. He attended New York University and joined the News staff in 1931 as a proofreader. He later was shifted to the news gathering and editing department and with the retirement of Mr. Colton takes over the full duties of the editor.

In that position he will carry on a long-established policy of the News, to supervise the gathering and publication of the news of the city and neighboring towns, and news in general, insofar as is humanly possible and with fairness to all.

What Congress Is Doing

EXTENSION OF REMARKS
OF
HON. HOMER A. RAMEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. RAMEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech delivered by me before the Toledo Federation of Women's Clubs:

My good friends, even with your much-talked-of feminine intuition, I doubt if any of you have any idea how glad I am to be here. Not only am I enjoying myself immensely with so many charming and beautiful ladies gathered together for the sole purpose, I am sure, of listening to me, but I am also glad to be here because this organization is, and has always been, a source of pride and inspiration to me.

I wonder if you realize that among men there is no exactly comparable organization in Toledo, or anywhere else. There is, to my knowledge, no example of a large number of men, belonging to different organizations with varying interests and purposes, who meet regularly, carry on business, and work together for the welfare of the community as a whole, completely forgetting or submerging their differences, or reconciling them if reconciliation is necessary. It is an indication of the intelligent and reasonable attitude of American women today. I congratulate each one of you. I hope you realize the importance of your membership in this group, and that you make every effort to transmit your ability to work together for the common good to those around you, to your children, your friends; yes, even to your husbands.

I realize the seeming hopelessness of teaching sweet reasonableness to husbands. I must say, in the defense of husbands, however, we usually behave better outside the home than in it, if there's any comfort in that.

Actually, I believe the women of the world can, and will, be the most powerful force in achieving world peace and world understanding. Once the women make up their minds they want peace and understanding more than anything else, no mere man, no group of mere men, will keep them from getting it. What I am saying is not just blarney. It is true, whether you like to think so or not.

"Never underestimate the power of a woman" is more than an advertising slogan for a Philadelphia newspaper. It is a fragment of the wisdom of the ages. And don't sit there beaming at me so sweetly, you all know it's the truth.

But it is high time we stopped talking about you, because you didn't come here to be insulted, or analyzed, or even patted on the back You came to hear what a Congressman thinks Congress is doing. At least, you came to find out what a Congressman will say he thinks Congress is doing.

Now, there are always many versions of what Congress is doing. At the present time there are not only the interpretations given by the Republicans and the Democrats, not to mention the Wallacites. There are also the reactions of Americans, which differ in many instances from the ideas held by people of other nations who find their very lives affected by what goes on in the Senate and the House of Representatives in Washington.

In this country there are the Government workers in vast executive agencies, in and out of Washington, who may have a job or not, depending on what Congress is doing or what Congress does. There are the constituents who elect a Senator, or more particularly a Representative, and expect him to vote exactly as they would vote on each issue.

There are those who say Congress is doing nothing. They are equaled in number, sound and fury by those who insist Congress is doing too much! The first group says Congress is neglecting its duties. The second holds that the legislative branch is going far beyond the bounds set for it by the Constitution. They accuse Congress of exceeding its powers, of taking over the work of the executive branch, the judicial branch, and State and local governments.

These are the quantitative assessments of congressional activities.

The qualitative judgments vary just as widely. On the one hand we hear that the Congress is bent on destroying free enterprise. Not long ago I was accused of being in sympathy with the Communists. A constituent recently complained bitterly to me saying the Congress was obviously controlled by Jews. I didn't ask him about Mr. RANKIN whom he undoubtedly regards as the one free, upright Member of the House. On the other hand, the Congress is regarded by many advanced thinkers as quite out of date. If not that, it is the tool of the Chamber of Commerce, the National Association of Manufacturers, the Catholic Church, or the Ku Klux Klan. Congress has often been castigated as subservient to organized labor.

The man who said, "I don't care what they say about me, so long as they don't ignore me," would have been happy as a Congressman. What the Congress and its Members are doing invariably evokes comment. Everybody wants Congress to do something, but nobody ever likes what it does for very long at a time. I recently discovered the Library of Congress owns seventy-odd books lambasting Congress, but has been able to discover only one openly in favor of it. During the last 4 years there has been exactly one request for the book defending the legislative branch, while the eight volumes defending Jesse James are in constant demand.

This is no new situation. Walt Whitman defined what he called "the never ending audacity of elected persons." Mark Twain said his greatest fear was that he might become "that lowest form of human creatures," a Congressman. No wonder the sensitive soul who came to Congress full of idealism and determination to save the Nation in its hour of need sometimes falls into the mood of the old song, "I care for nobody, no, not I, and nobody cares for me."

Fortunately most Members of Congress have developed epidermis closely resembling the hide of the elephant. Perhaps the long-suffering elephant and the tough little donkey are particularly suitable emblems for political parties. It takes a thick skin to protect a legislator from the murderous barbs of criticism hurled at him. He must also guard himself from being engulfed in the enervating waves of adulation which pass over him infrequently, but which might lull him into a false sense of security, self-righteousness, or complacence. It is essential for a Congressman to be able to stand up under the torrents of abuse which fall on him, but perhaps even more important that he not stop work and begin celebrating when someone gives him a pat on the back. Congressmen have been known to break into tears of gratitude, actually go to pieces, when thanked or complimented for their work in Washington. The shock was just too much for them.

But, after all, I am not here to talk about what people think Congress is doing. I could give hundreds of examples, and then you could lecture me for awhile, since there are probably as many ideas on that score as there are distinguished women in this audience. I am here to give you my version of what Congress is actually accomplishing at the present time.

If we are to be scientific about our discussion, we must first stop and think, "What is Congress supposed to be doing?" I am not talking about just this Eightieth Congress now back in session. I mean any Congress. Strangely enough, many people, when asked what Congress is supposed to be doing, will reply "Pass laws."

The trouble with that answer, of course, is that it doesn't go far enough. It isn't wrong. It's incomplete. What laws? Dealing with what people, what situations? What are the limitations, other than the brain power of the individual Members?

Let us review the powers of Congress, which are the same today as they were when we studied civics back in high school. Only when we have in mind what Congress is permitted to do, and expected to do, can we judge whether or not the legislature is doing a good job.

We must remember, first of all, the provision of the tenth amendment, that the powers not delegated to the United States, nor prohibited to the States, are reserved to the States or to the people.

The Congress has the power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and the general welfare of the United States, but all such levies must be uniform throughout the States.

The Congress may borrow money on the credit of the United States. It may regulate commerce with foreign nations and among the States, also with the Indian tribes. It is empowered to establish uniform rules of naturalization, and make laws on the subject of bankruptcies, to coin money, to determine its value, to set the value of foreign coin, and to fix the standard of weights and measures. It determines the punishment for counterfeiting the securities and current coin of the United States.

The establishment of post offices and post roads, the promotion of science and the useful arts by securing patents and copyrights, the punishment of piracies, felonies on the high seas, and offenses against the law of nations, all these are within the power of the Congress.

The declaration of war, the raising and supporting of armies, the provision and maintenance of a navy, the calling forth of the militia to execute the laws of the Union, suppress insurrections and repel invasions, these are some of the responsibilities of the Congress. In addition, the Congress is empowered to make all laws necessary and proper for carrying out its explicitly stated powers, as well as all other powers vested by the Constitution in the Government of the United States, or in any department or officer thereof.

In addition, of course, the Constitution provides that all bills for raising revenue shall originate in the House of Representatives. No money may be drawn from the Treasury but in consequence of appropriation made by law.

As they are stated in the Constitution, these acts are within the power of the Congress. They are not listed as duties. However, since no other body has the power to act in these matters, Congress, by implication, is duty bound to use its power when the welfare of the Nation depends upon some action being taken in these various fields.

Now with these powers, what is the Congress doing?

It is facing and preparing to act intelligently upon the two major problems affecting the people of this country today.

The first problem, and the most difficult and delicate one by all odds, is the maintenance of a stable world in which the people of the United States can live freely and confidently at peace with the people of other nations. There is little doubt, I believe, that peace and freedom depend upon economic stability in western Europe. The future of our foreign relations there and to a large extent, throughout the world, depends on what we do about helping the friendly European nations rehabilitate themselves in order to make the speediest possible economic recovery from World War II. The European recovery program is the base from which discussion of this problem begins. What Congress does will depend upon what the people of this country want. I believe you and the majority of my own constituents want to prevent human suffering now and later, if it is within your power to do so. I believe you want safeguards against graft and corruption in the use of money and materials intended for that purpose either here or abroad. I think you want to aid, not subsidize. I believe this is still a Christian Nation in which the vast majority of people try to live by the Golden Rule of Jesus, "Do unto others even as you would have others do unto you." If I am wrong, you and the rest of the people of the Ninth District will waste no time in telling me so.

The second major problem Congress is facing has many sides, and many prophets. Inflation is part of it. High taxes are another part of it. It is a close relative of the first problem, for high prices in this country are certainly in part a result of the tremendous amount of material being manufactured for use outside this country. The housing shortage is tied into the same pattern, and so are strikes and labor-management problems.

I believe Congress will attack this problem at the root, which is wild, uneconomical Government spending of the appeasement type. When things look bad, raise taxes, spend more money, and make the people think they are getting something for nothing.

Congress is facing the facts. It is reducing Government expenditures wherever the general welfare of the whole people will not be adversely affected. It is cutting out duplications, and they are thick as bees 'round a honeypot in the vast bureaus and agencies now operating in this country. Appropriation bills will no longer be gold mines for the departments. They will be sufficient to meet their real needs, and with the padding gone, the departmental budgets really have a new look.

The Congress will then be able to reduce taxes, perhaps by as much as three billion, or even four billion dollars. I have a feeling this will be the right time in Mr. Truman's estimation, to sign the bill.

These are the immediate problems which keep the Members of Congress busy all day, and sometimes awake all night. Besides, there are preparations for legislation which will come up in the future. Committees are meeting daily, holding hearings, talking over proposed bills, sifting reports, statistics, and

testimony, getting ready the documents which may become law or may be only the pioneer effort smoothing the way for legislation to be enacted 2, 3, or 5 years from now. During the special session I introduced a new veterans' housing bill, the fate of which will not be determined for some time. Almost every Member of Congress is working constantly either in committee, on correspondence, on the floor of the Senate or the House, or in conference with constituents or individuals who have information of value in preparing or voting on current measures.

I have listed the specific things Congress is doing today. From a long-range point of view, Congress is doing a great deal more, even, than I have described. If I were not convinced that the Congress served this greater, broader purpose, I would not consider my work there worth the headaches and heartaches it costs every conscientious Member, for Congress is trying to maintain its own sanity in the face of constant attack from special interest and pressure groups.

Congress is representing the individual citizens of the communities of this country who could be called the man on the street.

Congress is working constantly and tirelessly to give the people the kind of government they want. Congress is going to succeed, in spite of the almost overwhelming tide of pressure groups and special interests. The people want the American voluntary way of life, but only the people can make it work.

Congress is giving the people of the whole United States a voice in the Government. It is the safeguard against the bureaucrat, the demagogue, the rabble-rouser. Congress has always represented the whole people, and let us pray that in this great Nation of ours it always will.

Public Power Lauded

EXTENSION OF REMARKS
OF
HON. RICHARD J. WELCH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. WELCH. Mr. Speaker, under leave heretofore granted, I include as part of my remarks an article by Ruth Finney entitled "Public Power Lauded," which appeared in the San Francisco News of January 7, 1948, as follows:

PUBLIC POWER LAUDED

(By Ruth Finney)

WASHINGTON, January 2.—Public power got an unexpected good word today from Henry Luce's $1-a-copy magazine for businessmen, Fortune.

The January issue discusses the current power shortage at some length and concludes:

"Even while this power crisis has been developing, a purblind Congress has been hacking away at Federal power projects, cutting even maintenance funds below the bone, and decimating the staffs of power authorities. Some of the ancient antagonisms to publicly owned power have revived, and some private utilities are not without a hand in turning the clock back. As reported by Joseph and Stewart Alsop, newspaper columnists not of the radical stripe, one Senator remarked that around Washington early last summer you could not take a deep breath without getting a lung full of utilities' lobbyists. But the old cry that federally financed power is forcing free enterprise out of existence is hardly reflected in the $5,000,000,000 or so that the private power industry is committed to risk on the next turn of the United States economic wheel. In fact, this sum represents generating capacity greater than all Federal projects combined, and will cut the percentage of Federal power back to what it was in the middle thirties, before the biggest New Deal projects came in."

The article goes on to say that timing of Federal expenditures is important and that equipment manufacturers are loaded beyond capacity with orders from private utilities. But it continues:

"Nevertheless in the present tense situation, there seems no justification for some of the vindictive cuts made in land reclamation and power authority funds. Transformers at Bonneville are so hard pushed that they must be sprayed with a fire hose to cool them. Yet Bonneville last year had its budget cut from $26,000,000 to $8,600,000, a sum so inadequate that even the president of Puget Sound Power & Light, a competing private utility, pronounced it 'shocking.' This failure to extend or even to maintain Federal power projects threatens the Northwest's lusty new industrial development and has the West up in arms again.

"It may be well to recall that without the great blocks of Federal hydroelectric power that came into being through the late thirties, the war would have lasted much longer. For without big blocks of cheap power, the fantastic aluminum and magnesium schedules could never have been met, and the United States would never have been able to pile the atomic-bomb program on top of all the orthodox needs for power in wartime. The same situation faces the United States in winning the peace. All the most advanced industries, such as light metals, electrometal-surgical alloys, chemicals, aeronautics, and atomic fissionable materials, are tremendous users of power.

"One supersonic wind tunnel, vital in solving problems of supersonic flight, alone takes up to 100,000 horsepower. In the big economy that the United States is now building, the country cannot have too much power."

The President's Program for Making Democracy Work at Home Is Inspiring

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. KLEIN. Mr. Speaker, I listened with enthusiastic approbation, tempered only with reservations as to some phases of our official bipartisan foreign policy, to the address by President Truman last Tuesday.

It was with great interest that I found in the New York Post, a daily newspaper which has stood for democratic action for more than a century and has helped shape the thinking of four generations of Americans, an analysis of the state of the Union message which reflected my own emotions, written down and crystallized in the atmosphere of the Post editorial room.

I am inserting in the RECORD the editorial by my good friend, Ted Thackrey, who is editor and publisher of the Post, with pride and pleasure, and with the hope that Members will find opportunity to read it through for its good sense and enlightened approach. Millions of Americans will echo my own applause.

The editorial is as follows:

STATE OF THE UNION

(By T. O. Thackrey)

The President's program for making democracy work at home, outlined in his report to Congress yesterday, is little short of inspiring.

Unfortunately, the same can hardly be said for his foreign policy, except for his earnest plea for support of the European recovery plan.

At home, the President is committed to the progressive advance of democracy; not by allying himself to its enemies, but to its friends.

Indeed, though the voice was that of the man from Missouri, the spirit of this aspect of his report on the Union was unmistakably that of Franklin Delano Roosevelt. It was a bold challenge to reaction; forthright, specific, and without a single indication of the wavering so disheartening at an earlier period of his administration—the period of trial and error, mostly error.

Abroad, however, we continue to neglect the friends of democracy, while in Greece and in China we have allied ourselves to fascism. Indeed, the President called upon the Congress to increase the flow of American arms and men to shoot down Greek and Chinese citizens in revolt against the oppressions of their government.

Perhaps the saddest aspect of this tragic mistake is the fact that the only enthusiasm shown by the Republican-dominated Congress was for this aspect of the President's report, and this aspect alone.

Our excuse is that communism is on the rise in each of these unhappy countries, and that communism is antidemocratic; but we have failed to ask whether communism is any more antidemocratic than the governments we support; indeed we have failed dismally to consider the fact that our alliance with reaction has driven despairing democrats and liberals into the arms of communism—and that food, work, and political freedom are the allies of democracy—not bullets.

We say we are intervening for peace * * * but we are hastening the day when our national commitments are certain to collide with Russian national commitments in a clash of arms rather than a clash of ideologies or economics.

It will hardly be enough to determine then who fired the first bullet or which armed force was the initial aggressor.

And yet, all of the means to obtain peace in Greece and in China may be found by reshaping our foreign policy on an international basis within the framework of the United States.

Secretary of State Marshall, or the President of the United States himself, at such a grave moment in history, should boldly appear before the Security Council as well as the General Assembly to demand that the United Nations begin at once to assume the responsibility for maintaining the peace for which it was primarily founded.

They could, and should, make it clear that we are not merely willing, but desirous, of turning over to international authority, our "peace-making" commitments; that we will supply the means, and if necessary, the power to enforce United Nations decisions.

We should make it clear, as well, that every veto of action by a member of the Security Council will serve only to prolong and deepen our commitments on a national basis, and bring the risk of catastrophic world war that much closer.

There can be no doubt that if our approach is prompt, our intentions clear, and our determination to forge international agreements to replace national military adventure is undaunted by boycott or veto, we shall win a peaceful world, and advance the cause of law against chaos.

Until those steps are taken, even adoption of the progressive steps advocated by Mr. Truman will scarcely save a democratic world at home or abroad.

It is true, of course, that each failure of the Congress to enact the President's domestic program will weaken, if not destroy, our power to help ourselves, let alone others.

Repeal of the Taft-Hartley Act, continuation of our tax revenues by shifting the burdens from the least able to pay to the most able; a 75-cent-an-hour minimum wage; credit restriction; price-wage controls; national health insurance; Federal aid for schools; new vast Government projects for cheap power; advanced guarantees of civil rights: these are indeed measures for democracy, vital measures.

They will come because they must come—if we are wise enough in our foreign policies to gain the peaceful world in which they will have meaning.

Fuel-Oil Shortage

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

THE WHITE HOUSE,
THE ASSISTANT TO THE PRESIDENT,
Washington, January 14, 1948.

The Honorable EDITH NOURSE ROGERS,
United States House of Representatives.

MY DEAR MRS. ROGERS: The President has referred to me a copy of your telegram of December 6, 1947, which you kindly telephoned to the President's office on December 18. According to our records, the original telegram which you sent to Key West apparently was not received. I assure you that the problem raised in your telegram has received full attention.

Many steps have been taken to alleviate the oil situation in the last few months. Last October 1, when the impending domestic shortage of oil transportation facilities became evident action was taken to break out of lay-up and recondition at Government expense the 26 Mission-type T-2 tankers and 24 militarized T-2 type tankers remaining in the laid-up fleet. The Maritime Commission and the Department of the Navy acted with admirable speed, and since then these tankers are reentering active service as rapidly as they can be repaired in available yards. These 50 tankers are to be used in the Navy service, but they will release commercial tankers, now in Navy service, for the commercial trade. These are in addition to 100 tankers the Maritime Commission withdrew from lay-up and reconditioned earlier in 1947 to relieve the increasing demand for petroleum products. The Maritime Commission has also sold 55 Liberty tankers for repair and use by private operators. All usable laid-up fleet tankers are now either in operation, in repair yards being readied for operation, or have been sold to private operators for repair and operation.

The Coast Guard has cooperated in meeting the emergency by raising the permissible load line on tankers to increase carrying capacity. To increase barge movements of petroleum products and other essential commodities, the upper Mississippi was kept open 2 weeks longer than usual this fall and the Illinois River is being kept open all winter. The Office of Defense Transportation has, for many months, promoted vigorously a voluntary freight car production program, with emphasis on tank cars. This program is now very close to its goal of 10,000 freight cars per month.

It now seems probable that as soon as, or possibly before, these Government-owned tankers are all in operation, which should be in mid-February, the limiting factor on the movement of petroleum products in the United States will be basic supply, not transportation facilities.

The foreign sale of tankers was negotiated and approved in May and June, 1947, when American oil companies indicated no intention or interest in buying further tankers, and was made to alleviate the world petroleum transportation shortage. That is, at that date the only apparent method of getting these reserve fleet, commercial type tankers into use was through a sale—foreign. Tankers sold to a foreign country help the United States situation by relieving those countries of the necessity of relying on United States operators to supply their needs. The number of tankers under the United States flag is and has been more than adequate to meet all United States needs—if they were all used in the United States service.

Since the return on July 1, 1947, of petroleum products to the positive list of materials subject to export control, exports of major petroleum products have been subject to rigorous screening and limitation by the Department of Commerce, except for shipments to Canada. At present the United States is importing more petroleum and petroleum products than it is exporting.

Pursuant to the Hyde Park agreement, shipments of all commodities to Canada have not been subject to export control at any time during and since the war. However, negotiations with the Canadian Government have resulted in an agreement whereby the Canadian Government is limiting imports from the United States during the month of January to a daily rate equal to 50 percent of the daily rate of imports during the first quarter of 1947. Also, during this month, the Canadian Government will review their supply and inventory position, in cooperation with appropriate United States officials, to determine the appropriate percentages for February and following months which would result in Canadian needs for the fuel season being met on a basis of parity with American consumers.

The demand for petroleum products, and in particular fuel oil, has increased tremendously since the end of the war. The increase has been far greater than any of the forecasts made by the industry. There apparently is no possibility this winter of increasing supplies to the level needed to meet all demands in full, unless consumers can be persuaded to reduce their consumption significantly below the current level of demand.

Several important steps have been taken to secure voluntary cooperation for a rationing program. Through the National Petroleum Council, an industry organization created by the Secretary of the Interior, and the American Petroleum Institute, a petroleum conservation campaign has been launched covering the entire United States, except for the west coast and the Gulf States. The Council is also studying possible industry agreements and plans of action for distributing scarce petroleum supplies, in accordance with the provisions of Public Law 395.

At the suggestion of the Department of the Interior, emergency fuel coordinators are being appointed by the governors of the affected States. Later this week, the Department of the Interior is holding a meeting of these coordinators, their industry advisers and other representatives of the industry to discuss methods of facilitating equitable distribution and of preventing or mitigating cases of acute hardship.

If I can be of further assistance to you, please call upon me.

Sincerely,

JOHN R. STEELMAN.

Houses Falling Apart, Vets Charge—Call on Representative Davis for Backing

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. DAVIS of Georgia. Mr. Speaker, I desire to bring to the attention of Congress from the floor of the House a matter of much interest to the veterans of the fifth district of Georgia which I represent. When I returned home in December after the extra session of Congress adjourned, State Commander Joe Crespi of the AMVETS, and Housing Committee Chairman Bill Bowdoin, requested me to accompany them and a group of veterans on a visit to inspect some houses purchased by veterans in a subdivision in the suburbs of Atlanta. In this particular subdivision 192 houses have been erected, and practically all of them have been sold to veterans. The warranty deeds conveying the title to the houses which I examined contained the provision that for a specified period the property conveyed can be sold only to veterans.

An inspection of property disclosed that the lots themselves, although small, are rather good lots, the streets are well laid off, and there are a number of trees in the subdivision, which has practically all city conveniences.

My information concerning the houses erected on these lots is that they were originally erected as part of a Government housing project at Portsmouth, Va., in 1942, and were used as defense housing so long as there was need for them; that when that need ended they were sold, were knocked down and brought to this subdivision and reerected.

The houses have four rooms and bath. There is no subflooring and no storm sheathing. The inside walls are of composition board. The floor sleepers are 2 by 6's, and they are not set into the sills, but simply rest on cleats nailed to the sills, with a nail approximately every 30 inches. These houses are underpinned with cement blocks, and each house has a small porch.

The houses were sold at prices ranging from $6,250 to $6,950, I was told.

Bob Lewin, a reporter for the Atlanta Constitution, was one of those inspecting the houses, As a result of the inspection, he wrote an article describing the houses, and giving the contentions of the veterans on the one hand, the developers of the subdivision, and the appraisers who valued the houses on the other hand, and setting forth the observations of the AMVETS officials who sponsored the inspection. Under leave previously granted I insert herewith this newspaper article:

HOUSES FALLING APART, VETS CHARGE—CALL ON REPRESENTATIVE DAVIS FOR BACKING

(By Bob Lewin)

Some of the veterans who bought homes in the Georgian Hills subdivision have called on Representative JAMES C. DAVIS, of the Fifth District, to help solve their problem of having gotten houses which they say are "falling apart."

Faced with the high prices of new housing, veterans snapped up offerings in the 190-home subdivision, created with prefabricated houses used during the war on a Government project in Virginia.

The houses were bought by a contractor, knocked down, transported to Atlanta and reassembled on new foundations in the subdivision, created for the special purpose. They paid from $6,250 to $6,650 for the four-room, bath, and porch houses. The Government, at the end of the war, sold the houses from original sites at $650.

DAVIS, one of a party of six, toured the 190-home subdivision, near Chamblee, shook his head in dismay, and said he didn't know what could be done.

"I'm not an expert on housing," he said, "but the houses I've looked at don't seem to be worth the money paid for them. Of course, they're second-hand homes, and you can't expect to find the same conditions you would in a new home".

Headed by Joe Crespi, Georgia State commander of AMVETS, the irate homeowners banded together and leveled blasts at the Veterans' Administration, VA housing appraisers, and the Federal Emergency Housing project.

Complaints lodged by 12 to 15 of the vets stated that walls were cracking, floors were sagging, doors were pulling away from their jambs, kitchen cabinets were coming off, and paint was peeling from the outside of the houses.

"We paid $18.50 to appraisers certified by the VA to come out here and look at these homes, and they let us down all the way," said Hilton Moore, commander of the new Georgian Hills AMVETS post.

A poll of several of the VA appraisers who certified the homes revealed they felt the vets got their money's worth. The appraisers, all of whom are with large Atlanta concerns, and have had over 25 years' building experience, said they O. K.'d the homes because of the desperate housing shortage and the low prices.

Ben Burgess, one of the appraisers, said: "The materials that went into these houses are some of the best available. The framing is better than you can buy today anywhere. They were built well to start with, and some were entirely reconditioned, because they were about 4 years old. I still think we gave a fair appraisal."

J. S. Shaw, another appraiser, said: "There's not a perfect house built. Some things are bound to happen. I think we appraised the homes fairly, and still think the veteran got as much as they could for the money paid."

O. H. Werner said, "It's one of the best buys in this district, in a lovely section."

Perplexed by not knowing where to turn, the vets charged the Federal Emergency Housing project with neglect in allowing the homes to be shipped so far. They said this caused undue wear and tear.

"I can't deny that in some cases there was careless work," said Edward A. Judge, vice president of the Georgian Hills Co., "But we tried to remedy these faults wherever we could. Some of the faults just can't be fixed."

Home owners in the subdivision admitted they had been fully warned about the homes before they were purchased, and that there had been no misrepresentation.

"We knew they were second-hand, 4-year-old homes," they said. "But we didn't expect the houses to fall apart, and we don't want the company to pull out and leave us with a load of repairs to make ourselves."

Judge, who has supervised the project since it was taken over from the Henry C. Beck Co. in a deed in lieu of foreclosure, said his company has lost money on the deal.

"Our books are open," he said. "The houses cost about $650. We paid Henry Beck Co. $3,840 for dismantling, transportation to Atlanta, and reerection. That comes to about $4,500. We spent about $1,700 on the lots. They were raw land. Today they have paving, lights, water, sewerage, landscaping and gas. And we didn't get a penny rebate from the county. Figure it out for yourself. In addition, there were extras, like tile, porches, chromed fixtures and so on."

At a veterans housing meeting held December 2 in the Fulton County courthouse, Bill Bowdoin, State housing chairman of AMVETS, lashed out at what he termed "the reputable and competent men" who allowed an appraisal figure price of $6,250 to $6,650 to be put on the homes.

Bowdoin says he has been told the houses could be built for about $5 a square foot. This would amount to about $3,250, and would include subflooring, storm sheathing, doors on closets, and novelty weatherboarding. The subdivision houses do not have the above features.

In a statement issued last year, C. Arthur Cheatham, director of veterans' service for Georgia, said:

"Georgia veterans have lost between $1,500,000 and $2,000,000 so far through faulty construction of postwar homes built with GI loans. But there isn't a great deal either the State or the VA can do, and that is why it is so important that veterans think not twice, but three or four times, before they go ahead and build homes these days."

Chief source of the trouble, according to Judge, has been the bad weather, and the sudden change from the long wet spells to the cold dry spell. Floor furnaces, delivering hot air into the homes, have caused warping and expansion.

The veterans, however, lay the blame on slipshod construction, and refer to the workmanship as deplorable. They point to an outside kitchen stairway supported by only one concrete brick laid loosely in the dirt.

"Look at that," they say. "One rain, and the whole stairway will collapse."

They point to cracks in the flooring, with cold air coming through, and the ground visible underneath. They point to fireproof insulation wrapping that burns.

And according to Crespi, they're not going to stop pointing, and they're not going to stop raising their voices until someone, somehow, can do something about it.

Mr. Speaker, as the controversy concerning these houses has proceeded, another Atlanta paper, the Atlanta Journal, on Sunday, January 11, contained an article carrying a further statement by AMVETS State Commander Joe Crespi, and also a statement by Veterans' Administration loan guaranty officer for Georgia, Robert J. Taylor.

I insert this article herewith:

CRESPI CRITICIZES HOUSE APPRAISING—AMVETS CHIEF SAYS SYSTEM NEEDS CHANGE IF PHYSICAL CONDITION OF BUILDING IGNORED

Joe Crespi, AMVETS State commander, expressed surprise Saturday at a statement by Veterans' Administration officials that the VA guarantees loans—not houses.

Robert J. Taylor, VA loan guaranty officer for Georgia, advised veterans Friday to see for themselves whether a house is well built and if they do not know enough about it to judge, to get the opinion of someone who does know.

"Since the veteran pays to the VA the appraisal fee which is later paid to the appraiser for the veteran, it seems to me that the latter is already employing someone to look after his interests," Mr. Crespi said. "When a house begins to show serious signs of material defects which could not have been detected by the buying veteran, in the space of weeks from the date of purchase, then I say that the lists of appraisers be revised or investigated."

According to Mr. Taylor, the appraiser who is paid by the veteran, only determines if the price of the house is in line with present market conditions. He said that the VA is essentially a credit organization that guarantees the loan and thereby improves the veteran's credit rating for the loan.

"The veteran needs a place to live, and whether he likes it or not, is compelled to buy it," Mr. Crespi declared. "Having paid for the service of appraisal he should be protected.

"Under the present VA system, the so-called veteran appraiser merely 'judges' according to the market and the cost in general of a home. Certainly no attention is being paid to homes of shoddy make-up or design when the stamp of approval is placed in the careless manner that it is. Thus the veteran buyer, the Government, and the lending agency are all three victims—the first being the less able to stand the loss.

Mr. Speaker, the troublesome point in this controversy seems to be that the veterans who purchased these houses thought that they were being protected by the Veterans' Administration appraisers against defects which later showed up in the houses, while the appraisers, according to Mr. Taylor contend that it is the responsibility of the veteran purchasers themselves to determine whether a house is well built, and that the responsibility of the appraiser is only to determine if the price of the house is in line with present market conditions.

I believe that additional protection will be afforded veterans if legislation is adopted, or regulations promulgated, which will require the appraiser in every instance to furnish a statement concerning the construction of the house along with the appraisal report, for the use of the purchaser, and in that statement direct attention to any faulty construction, and to items which subsequently may cause dissatisfaction, as was the result in these particular cases. Many purchasers of homes are not familiar with details of construction, and are not in position to discover for themselves defects of construction. I urge that proper action be taken to afford further protection to veterans and to prevent occurrences of the kind complained of in these newspaper articles.

Help Finland

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. PHILBIN. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include therein a recent excellent editorial from the Bos-

ton Traveller on the subject of the Finnish debt:

HELP FINLAND

Finland is as sorely stricken a country today as any on the face of Europe. It has lost many of its farms, its homes, its resources, its wealth but it still keeps all its honor. This very month it met as always its debt payment of $156,000 to the United States.

Finland is outside the Marshall plan but it is inside the circle of humanity. If we can be generous to every other nation, why not be generous to the one nation that has always kept faith with us? Why not cancel the Finnish debt?

Service in War and Peace

EXTENSION OF REMARKS
OF
HON. HERBERT C. BONNER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. BONNER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Independent, of Elizabeth City, N. C.:

SERVICE IN WAR AND PEACE

The busiest men in town these days are aviators and crewmen of the United States Coast Guard air station.

In the past few days the men of the air station have:

1. Delivered lines by helicopter from the grounded trawler *Charlie Mason* to two Coast Guard vessels off Ocracoke in an unsuccessful effort to get the ship floated again.
2. Carried a doctor to Hatteras to treat a sick man there.
3. Rescued a Navy pilot from the water almost before he had a chance to get his clothes wet after he had crash-landed into the Albemarle sound.
4. Successfully delivered life-saving rabies serum to a merchant vessel crewman aboard a ship 150 miles off Hatteras, at night.
5. Attempted to save another life of a Navy pilot by patroling waters of the Albemarle sound after the pilot had crash-landed.
6. Assisted in the air work necessary to bring a Coast Guard cutter into contact with a disabled tanker off the coast in the vicinity of Frying Pan Shoals.

Next week President Truman will present his budget figures to Congress. How the Coast Guard will fare in his requests, we have no way of knowing, but we do hope our friend, Congressman HERBERT C. BONNER will fight tooth and nail to see that the Guard's budget is not subjected to the usual snipping by Congressmen who are not familiar with the work the Coast Guard does. Maybe if the solons who delight in limiting financially the effectiveness of the Coast Guard could be given a review of the activities just at the Elizabeth City station, their minds would be changed.

On our front page today are two pictures which testify to activities of the Coast Guard in other areas. One shows sea operations and the other shows air operations. We are printing those to demonstrate to local readers that the Guard service is just as active on other fronts as it is on our own, and there is no reason to expound at great length on local operations.

Coast Guard mercy missions are legend among the people of the Albemarle.

We hope that Congress will review these matters of the Coast Guard and stop looking on it as a little brother to the rest of the services, deserving only the hand-me-downs. Coast Guardsmen during the war fought just as effectively and died just as dead as Navy men, Army men, or Marines. In time of peace it seems that the Coast Guard is the only service that has any outstanding record of actual benefit to the people in their daily lives. The rest are gearing themselves for specialized service in time of war.

During the war when the Army and Navy said they were too busy to fuss with helicopter operations, the Coast Guard took the rotary-wing infant and made a grown-up man out of it. Now the other services are profiting by Coast Guard development of the helicopter.

We think the guardsmen deserve extra consideration for their peacetime service, and we believe Congress should be educated to the point where they will harbor the same belief and so that when the budget scissors start snipping they will cut only the figures of these agencies of the Government (and politics) that are of no use to the people.

Newspaper in Great Dairy State of Wisconsin Speaks Up for Modification of Taxes on Oleomargarine

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 8, 1948

Mr. HAYS. Mr. Speaker, when the Milwaukee Journal, one of Wisconsin's leading newspapers, complains about taxes on oleomargarine that makes news. The Journal article follows:

A Milwaukee housewife, who finds it impossible to provide near-dollar butter for a family of six on a meager budget, asks three questions about oleomargarine:

Why is it impossible to buy in many Milwaukee stores? Why, when you can get it, is the price so much higher than in Illinois? And why don't the manufacturers color the margarine themselves and save the housewife a messy job?

The reason many Milwaukee stores do not sell oleo is that, to do so, they must have both a State and Federal license. The State license costs $25; the Federal, $6. A store has to be sure of selling considerable oleo before it buys these licenses.

The reason the price is higher here than in Illinois is that Wisconsin has a tax of 15 cents a pound. Furthermore, a wholesaler, in addition to paying the Federal license fee of $200, must pay a Wisconsin license fee of $500. The high State fee, added to the high tax, means a considerable boost in price.

The reason oleo comes to the consumer white lies in the fact that there is a special Federal tax on colored margarine. There are also special fees for wholesalers and retailers of the colored product. The Federal tax on white margarine is one-quarter cent a pound. The tax goes up to 10 cents a pound if the margarine is yellow.

The Federal license for wholesalers is $200, if they sell only white oleo; if they sell the colored, the fee is $480. The Federal retail license similarly goes up from $6 to $48.

The way to get manufacturers to color their margarine at the factory is to get the special Federal tax and license fee repealed. The way to get cheaper oleo available in more places is to get both the State and the Federal taxes and license fees largely reduced or removed altogether.

Mr. Speaker, these facts provide ample evidence that the proposals for modification of oleomargarine taxes involve simple principles of economics and free enterprise.

A Series of Student Guest Editorials

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. ANGELL. Mr. Speaker, the Oregon Daily Journal, published in Portland, Oreg., in my district, is publishing a series of student guest editorials, as explained in the editorial included below as a part of my remarks. Believing that the views of these young people are worthy of a wide circulation, I include an editorial entitled "Freedom for All," by Atwood Jones, student of Jefferson High School in Portland:

A SERIES OF STUDENT GUEST EDITORIALS

The attitude taken by all-too-many adults that high-school students are primarily interested in football games, parties, fads, and loafing around the corner drugstore is a serious reflection on the understanding and knowledge of grown-ups.

As a matter of fact, most high school students do more serious thinking upon the problems that beset us than do many adults. It is true they may lack the experience of grown-ups (time will give them that), but it also is true they approach problems with fewer prejudices and less selfishness than many of their elders.

Today in the guest editorial column the Journal runs the first of a series of editorials written by Portland high school students. These editorials represent the best thinking of the students—and it's pretty good. The writers choose their own topics and the winners are selected by student judges.

The problem of racial prejudices as discussed by Atwood Jones is an old and difficult one. We aren't born with such prejudices. How do they grow up within us? Read the editorial by Editor Jones. You answer him in your own mind and own conscience.

[From the Oregon Daily Journal, Portland, Oreg., January 5, 1948]

TODAY'S GUEST EDITORIAL

FREEDOM FOR ALL

(By Atwood Jones, student, Jefferson High School)

(EDITOR'S NOTE.—The following editorial selected as the best by a jury of Jefferson high-school students, is the first in a series of guest editorials by Portland high-school students. The students pick their own subjects, and no suggestions or deletions are made.)

Democracy is one of the most abused words in the world today. Webster defined it as "the rights and privileges of private freedom for all." Thus each individual should have equal rights for life, liberty, and the pursuit of happiness. In a democracy every human being is so important that his value to society cannot be measured in nonhuman terms.

If America had freedom for all, Negroes would not have to attend separate schools in the South and be taught by teachers whose salaries are, in comparison with those of white teachers, a disgrace to humanity. Here

is a brief comparison prepared by the National Education Association for the school year of 1943–44. In Mississippi white teachers were paid, on the average, $1,107, whereas Negro teachers received $342; in Texas white teachers received $1,349 compared with $946 for Negro teachers.

The Negroes have been legally free from slavery about 75 years. In this interval, in spite of handicaps, disadvantages, and many set-backs, the Negro has given much to American culture. Most people are familiar with the names of such great Negro athletes as Joe Louis, Jesse Owens, and Jackie Robinson, or have heard the remarkable singing of Dorothy Maynor, Paul Robeson and Marian Anderson. Probably few people, however, know that Mary M. Bethune, educator; Ernest Wilkens, Jr., mathematician; and Dr. Perry Julian, research chemist, have made equally great contributions to our American culture.

Recently, theatergoers enjoyed an unusual treat in the music of the Portland Symphony Orchestra which accompanied Miss Carol Brice. Her magnificent performance was roundly applauded by the audience, but as a guest of the City of Roses she was not welcomed with similar hospitality. This great singer was refused service at two of Portland's well-known restaurants because she was a Negro. Even after she explained that she was a guest soloist with the Portland Symphony, Miss Brice was still denied service.

Prejudice such as was experienced by Miss Brice not only works a hardship on those it is directed against, but it also works harm on those who practice it. People who allow themselves to be controlled by hatred of others on the basis of race, creed, or color cannot themselves enjoy the full meaning of freedom.

Americans must eliminate from their own country prejudices, segregations, and discriminations before they criticize other nations for their failure to provide for full political and economic freedom.

Butter Versus Oleomargarine

EXTENSION OF REMARKS
OF
HON. CHARLES R. ROBERTSON
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. ROBERTSON. Mr. Speaker, naturally with the high price which prevails today on butter, the question is being pressed hard by the people manufacturing oleomargarine as a substitute for butter.

Senator FULBRIGHT has announced his intent to introduce a resolution calling for rescinding of all Federal taxes and license fees on manufacture, sale and coloring of oleomargarine. It seems to me that this is a matter which deserves at least considered judgment before action is taken by the Congress.

Mr. Speaker, under unanimous consent, I include herewith a letter signed by John Burnham, executive secretary of the North Dakota Dairy Industries Association:

NORTH DAKOTA DAIRY
INDUSTRIES ASSOCIATION,
Fargo, N. Dak., December 29, 1947.

Representative CHARLES R. ROBERTSON,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: There is one matter which, I feel, should be brought to the attention of the North Dakota congressional delegation. Senator J. WILLIAM FULBRIGHT, of Arkansas recently made, on the Senate floor, a spirited attack on the dairy industry, more particularly on the butter industry. He announced (CONGRESSIONAL RECORD, Dec. 18, 1947, pp. 11590 to 11593, inclusive) his intent to introduce a resolution calling for rescinding of all Federal taxes and license fees on manufacture, sale, and coloring of oleomargarine.

Senator FULBRIGHT, a Rhodes scholar and university president, makes very convincing his argument that:

1. To make it easier for the public to buy 35-cent oleomargarine instead of $1-per-pound butter would ease the rising living costs of consumers;

2. It would release more milk for other uses, such as fluid milk, cheese, and dried milk powder.

3. The butter industry has no right to enforce its belief that use of yellow coloring should be denied by law to a competitor of butter.

4. Oleomargarine today is as nutritious and pure as butter, and should not be penalized as an inferior product.

Those arguments seem unanswerable until one studies them awhile, but first a little background on North Dakota's dairy industry:

There are 475,000 milk cows in the State, with milch cows on 58,853 of the State's 59,650 farms. Milk production is 1,900,000,000 pounds, and the State produces between forty-eight and forty-nine million pounds of butter annually, making the State seventh in butter production. Leaders are Iowa, Minnesota, Wisconsin, Nebraska, Illinois, and Missouri, in that order.

With a relatively sparse population, North Dakota has no large fluid milk markets, and its cheese production is a small 155,000 pounds annually.

Now, to answer Senator FULBRIGHT, from the viewpoint of North Dakota's dairy industry:

First of all, North Dakota milk is produced largely from small herds on farms spread widely apart. Milk is separated on the farm and the cream is sent to processors for making butter. That type of milk production is entirely different from the highly concentrated production in Minnesota, Wisconsin, parts of Iowa, and New York State.

That production could not profitably be picked up as whole milk by trucks for processing in a condensary, dried-milk plant, or for fluid milk production. Butter is the one outlet feasible for North Dakota milk. To let down the bars on a vegetable-fat competitor would be a serious blow to this State's dairy industry.

Secondly, to maintain this butter industry in North Dakota is exceedingly important at this time. We have had years of high production of flax and cereal grains, a trend toward large, mechanized grain farms. You, Congressman ROBERTSON, realize that a postwar trend to diversification and balanced agriculture is imperative to build up our soil, to give a dry-year living to the farm family, to bring security to this farm family.

Thirdly, oleomargarine is produced largely by five or six large companies which have virtually a monopoly on its production. In all fairness, isn't the security of the agriculture of a dozen States more to be considered than the profits to half a dozen corporations? And, too, hasn't the Federal Government spent enough in soil-building practices so that it should not itself be the instrument for destroying the best soil-building practice of all—the maintenance of livestock on our farms, with organic matter restored to the soil?

Fourthly, butter even at $1 per pound is not out of line with the prices of other foods, household conveniences, automobiles, clothing, and other necessities of living. Why make a scapegoat out of butter alone? The very fact that the number of dairy cattle in the Nation and in North Dakota has declined steadily (6 percent in the Nation from January 1, 1946, to January 1, 1947, and a 7-percent decline in the same period in North Dakota) testifies to the fact that the dairy farmer is not making an outrageous profit. If he were, he'd milk more cows instead of less.

And lastly, I believe that the wage scales in industry today make $1 butter much less of a hardship than Senator FULBRIGHT suggests. The farmer and the laboring man in America's cities should both realize that a time of full employment for one is a time of good prices for the other, and conversely that time of low wages and unemployment means low prices for farm products.

I believe I can speak for more than 58,000 North Dakota dairy farmers, as well as for our 130 milk plants, in saying that we are watching alertly what becomes of this oleo attack on the butter industry.

Very truly yours,
NORTH DAKOTA DAIRY INDUSTRIES ASSOCIATION,
JOHN BURNHAM,
Executive Secretary.

Resolutions Adopted at 1948 Annual Meeting of National Council of Farmer Cooperatives

EXTENSION OF REMARKS
OF
HON. CLIFFORD R. HOPE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday; January 15, 1948

Mr. HOPE. Mr. Speaker, the National Council of Farmer Cooperatives has recently concluded its 1948 annual meeting in Chicago. This great farm organization, through its member groups, represents some 2,500,000 American farmers.

I am sure that the resolutions adopted at this meeting are of interest to all Members of Congress and, under leave to extend my remarks, I include them herewith:

RESOLUTIONS ADOPTED AT 1948 ANNUAL MEETING OF NATIONAL COUNCIL OF FARMER COOPERATIVES

The following resolutions were adopted at the 1948 annual meeting of the National Council of Farmer Cooperatives at Chicago January 5 to 9.

Policies adopted by the national council remain in effect until rescinded or superseded by subsequent action. Therefore, these resolutions constitute an addition to established policy. They are in no sense a complete statement of such policy.

FOREIGN AID

The national council recognizes the needs of people of war-stricken areas and the necessity for the United States to assist in the alleviation of suffering and in the rehabilitation of production and industry.

We urge that in such effort it be the policy of the United States to encourage maximum self-help within countries and that our major emphasis be in helping the peoples of such countries to help themselves.

CURRENCY EXCHANGE FOR FOREIGN SALES

In bringing about a restoration of markets for agricultural products, ways and means must be developed for the private sale of such products in exchange for local currencies.

To that end export corporations, both public and private, should be organized and en-

couraged with facilities for handling such foreign currencies over a long-time period and making available to exporters some immediate return in domestic currency. The development of such a program should be coordinated with the foreign-aid program and the private sale of export commodities should replace Government handling as rapidly as circumstances will permit.

PURCHASE PROGRAM FOR FARM PRODUCTS

The National Council of Farmer Cooperatives urges that farm products in surplus supply, either raw or processed, be included in purchase programs under aid or relief programs that may be established by Congress.

INFLATION CONTROLS

We believe that the most effective brake on inflation is high production by each segment of our economy and an informed people practicing self-discipline in buying in their own best interests.

We believe that free markets and full production provide the basic guidance for allocating material for production and consumption in an expanding economy rather than rationing and price control.

To be effective, efforts to control inflation must be supplemented by sound monetary, credit, and fiscal policies, and economy in public spending. During the period of extensive foreign aid, we recognize the need for continued export controls over certain scarce items.

UPGRADING THE AMERICAN DIET

It shall continue to be council policy to support upgrading of the American diet through research, education, merchandising, improved marketing techniques, promotional campaigns and the production of ample supplies of foodstuffs of superior nutritional quality.

The council believes improvement in the American diet is one effective way of preventing burdensome farm surpluses. In the long run the best food supply can be produced by the voluntary efforts of farmers operating in a sustained or increasing market.

AGRICULTURAL CREDIT

In keeping with the established policy of the national council, we recommend that the farmer cooperatives of the country take steps to acquire ownership of the banks for cooperatives and pledge our support to any plan which is within the resources of the farmer cooperatives to carry out. During the time ownership is being acquired by farmers and farmer cooperatives, Government capital should not be withdrawn so rapidly as to impair or endanger adequate credit service by the banks.

We approve the general principles of the plan developed by the joint committee representing the National Grange, the American Farm Bureau Federation, the National Cooperative Milk Producers Federation, the National Federation of Grain Cooperatives, and the national council, which plan makes it legally possible to gradually replace the Government capital in the banks for cooperatives with farmer and farmer cooperative capital.

COMMODITY CREDIT CORPORATION CONTRACTS

We recognize the substantial benefits that have accrued to agriculture through Government support loans against various commodities which have been administered for the most part through Commodity Credit Corporation pursuant to contracts between Commodity Credit Corporation and borrowers, including farmers' cooperatives.

We do feel, however, that the contractual provisions between Commodity Credit Corporation and various farmers cooperatives providing for such loans, and the administration of these loans, have resulted in the exercise by Commodity Credit Corporation of unwarranted authority in the administration of the internal affairs of such cooperatives.

We believe that, in these contracts and in such operations, Commodity Credit Corporation should be concerned only with the safeguarding of its funds. We do not believe that the legislation authorizing these support loans either provides a mandate or gives authority to Commodity Credit Corporation to interfere in any way with the internal affairs of farmer cooperatives involved.

We believe that these borrowing cooperatives, like all farmer cooperatives, should be owned, controlled, and managed by their farmer members and that anything in the contracts mentioned or in administrative action which takes away this independence is unwarranted by legislative intent, is contrary to true cooperative principles, and is highly objectionable and dangerous to the public interest.

SECTION 32 FUNDS

The national council reiterates its policy that section 32 funds of the Agricultural Adjustment Act should be used only for purposes of expanding the utilization of farm products as provided in the act, and that unexpended balances remaining at the end of any fiscal year should be retained in the fund for use in subsequent years.

RESEARCH AND MARKETING

With respect to the Research and Marketing Act of 1946 the council recommends:

1. The appropriation for the 1949 fiscal year of $19,500,000.

2. In administering the marketing and research program, the United States Department of Agriculture should clearly outline its objectives and over-all policies so that proposed projects can be appraised on their merit as a part of the general research and marketing program.

Priority in the allocation of funds should be given to projects dealing with marketing and utilization, including new uses, marketing efficiency, marketing margins, quality improvement, consumer preference and human nutrition, and to urgent projects in production such as insect control and plant disease.

3. The appointment of a majority of producer representatives (including farmer cooperative representatives) on all committees.

4. A policy utilizing existing public research agencies insofar as practicable in the allocation of funds. Contracts should be made with private agencies when such is advantageous from the standpoint of time, economy, or quality of work.

RURAL ELECTRIFICATION AND CONSERVATION OF WATER RESOURCES

There exists a grave shortage of electric power for rural and urban people, and a serious need for flood control, conservation of water for irrigation and domestic uses, the extension of navigation on our navigable rivers, and for additional reclamation projects in our national economy. We urge that in the building by the Federal Government of multi-purpose dams on the great rivers of our Nation a coordinated program be developed, embracing flood control, reclamation, navigation and hydroelectric energy, as necessary and essential to the future welfare of the people of this country, particularly to our farmers as a means of increasing production of food and fiber.

DOUBLE TAXATION OF CORPORATE INCOME

The National Council of Farmer Cooperatives favors the elimination of double taxation of corporate income.

FOOT-AND-MOUTH DISEASE

The livestock population of this country is endangered by the foot-and-mouth disease which is now prevalent in Central Mexico.

The method of control and complete eradication of this disease is well known to our Government and has been successfully used to eradicate all outbreaks that have occurred in this country.

To protect our livestock and assure our future food supply, the National Council of Farmer Cooperatives insists that our Government, in cooperation with the Government of Mexico develop and carry out a program that will completely eradicate this disease from the North American Continent.

SOCIAL-SECURITY COVERAGE FOR EMPLOYEES OF FARMERS' COOPERATIVES

Farmer cooperative associations operate in an important segment of the American system of private enterprise and the conduct of their several businesses reflects comprehensive activities in many fields which call for employment of persons in diversified positions and responsibilities.

However, there appears to have arisen some question as to what employees of farmer cooperative associations may be exempt from the provisions of the Federal Social Security Act under the provisions of said act applicable to agricultural labor.

The National Council of Farmer Cooperatives believes that all employees of farmer cooperative associations whose duties are not clearly within the exemptions specified in the act, should be definitely regarded as employees covered by the act and subject to its provisions.

FINANCIAL CONTRIBUTIONS TO NATIONAL TAX EQUALITY ASSOCIATION

Farmer cooperatives have made their records of receipts and disbursements for the last 12 years available to the House Small Business Committee. Likewise that committee has officially requested the National Tax Equality Association to furnish to it the names of the contributors to the National Tax Equality Association and records of its receipts and disbursements for the past 2 years.

The public in general and farmers in particular are entitled to know who seek to destroy farmer cooperatives and to divide and alienate segments of private industry of this country.

Therefore, the delegate body of the National Council of Farmer Cooperatives vigorously urges that the Congress of the United States take action to require the National Tax Equality Association to furnish to the Congress the names and addresses of each and every contributor and the amount contributed by each to the National Tax Equality Association during the past 2 years, together with a complete record of all receipts and disbursements for the like period.

PLANKS IN PARTY PLATFORMS

Farmer cooperative associations have been recognized and encouraged by the American people in the public interest under the administrations of the Federal Government by both the great political parties of the United States.

For many years the Democratic and Republican Parties have recognized by their actions the fundamental right of farmers to cooperatively market their own farm products and cooperatively purchase their own farm supplies.

In view of this long record, the National Council of Farmer Cooperatives hereby calls upon the leadership of both great political parties to reaffirm, by platform pledge and prompt affirmative performance, their belief and faith in farmer cooperative associations.

At the same time, this council denounces the activities of those individuals who have violated the pledges of their parties by attempting to cripple agricultural credit and by seeking to destroy the right of farmers to cooperatively market their own products and to cooperatively purchase their own farm supplies.

APPOINTMENTS TO IMPORTANT PUBLIC POSITIONS

It has been the consistent policy of the National Council of Farmer Cooperatives to examine the qualifications of men seeking appointment to important public positions

having to do with agriculture and to either approve or disapprove those qualifications without endorsing a particular candidate as such.

During the next 4 or 5 years, there will be several new appointments made to many administrative agencies having to do with agriculture, in particular to the Interstate Commerce Commission.

The National Council of Farmer Cooperatives will continue this policy and will investigate nominees proposed for important public positions, including commissioners of the Interstate Commerce Commission, and make appropriate representations to the President of the United States concerning its findings.

The National Council of Farmer Cooperatives, on its own initiative, will propose to the President the names of persons who in its judgment are properly qualified for appointment to important public positions.

RAIL WAGE RATE PROCEDURE

Labor costs constitute a substantial portion of all rates charged for the transportation of goods and services; therefore, agricultural shippers and receivers have a vital interest in the negotiations for increased wages, changes in operating rules, and in decisions of arbitration boards, fact-finding boards and commissions. As shippers and receivers, we are not convinced the public interest is adequately served or protected under procedures followed up to this time.

The National Council of Farmer Cooperatives will study the procedures involved and at the appropriate time will petition Congress to introduce and pass legislation to correct the abuses that may be considered damaging to the public interest and to the shippers and receivers of farm commodities and farm supplies.

INFORMATION ON SHIPPING COSTS

In view of the growing importance of transportation to the successful marketing and distribution of agricultural commodities and farm production supplies, there should be prepared information on the effect that rates, charges, and services have on the free movement of agricultural commodities to the consuming centers of the Nation and the distribution of farm supplies in rural areas.

The Research and Service Division of the Farm Credit Administration shall be requested to prepare and distribute to farmer cooperatives a bulletin on transportation services and costs and their effect upon the marketing of agricultural commodities and the distribution of farm production supplies by farmer cooperatives.

GOVERNMENT FREIGHT REPARATIONS

The rail carriers of the Nation are faced at the present time with formal complaints filed with the Interstate Commerce Commission in behalf of the Army and Navy of the United States, which complaints seek reparations totaling, according to press reports, in excess of $2,000,000,000.

The rates and charges upon which these reparations are sought were agreed rates, under section 22 of the Interstate Commerce Act, and the rail carriers of the Nation have no source from which to obtain the money with which to pay these reparation amounts other than through increased rates and charges for transportation services, a large part of which increased rates and charges must, of necessity, be borne by products of agriculture.

In the light of this situation, the National Council of Farmer Cooperatives shall make representations to the President of the United States to the end that the President, by virtue of his position as Commander in Chief of the armed forces of the United States, shall cause these complaints to be withdrawn, so that any and all claims of such a nature arising from the prosecution of the war by the combined efforts of the armed forces and the Nation's rail carriers may be held as part of the inescapable cost of war. We take this position as a matter of fairness to the carriers and the public they serve, as well as in behalf of agriculture and its products.

CARE

The Cooperative for American Remittances to Europe, known here and abroad as CARE has completed over 2 years of efficient, effective, nonprofit shipment of food, clothing, and household packages to war dislocated areas.

Thousands of farm families have been aided thereby in sending packages to friends, relatives or others on a direct person-to-person basis.

The National Council of Farmer Cooperatives recommends CARE to its members and urges that the support, which has helped ship $35,000,000 worth of packages, be continued and extended.

CRUSADE FOR CHILDREN

Because 230,000,000 children the world over are in desperate need of a daily food supplement, the United Nations is organizing a world-wide appeal for children this spring with the campaign in the United States conducted by American Overseas Aid, Inc.

The farmers of America want to do their share not only through increased production but through personal contributions.

The campaign was supported at Lake Success by the International Federation of Agricultural Producers of which the national council is a member.

The National Council of Farmer Cooperatives endorses the crusade for children and urges its members to publicize the campaign and pledges its support in the rural areas toward reaching the American goal of $60,000,000.

APPRECIATION OF PRESS AND RADIO

The National Council of Farmer Cooperatives takes this opportunity to express appreciation to the press and radio for their generally fair treatment of farmer cooperatives in their publications and on the air.

We reaffirm our belief that a free press and a free radio are necessary to our democratic society. We have no fear that farmer cooperatives can be destroyed by false propaganda if the truth is made known to the people.

For the preservation of the American way, it is essential that all sides of controversial issues be fully presented by the press and the radio.

MEMORIAM—CHARLES H. WALKER

With the passing of Charles H. Walker, farmers have lost one of their most earnest workers in the field of cooperative endeavor. His State and community have lost a citizen who was a constructive builder. He sponsored many progressive changes in his industry during his long years of service.

He was vice president of the National Council of Farmer Cooperatives at the time of his death, and he will be remembered by his associates for his kindliness and friendliness, and his prudent counsel on the problems of farmers' cooperatives.

European Recovery Program

EXTENSION OF REMARKS
OF
HON. JOSEPH P. O'HARA
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. O'HARA. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial entitled "A Problem Deserving Deep Study," which appeared in the Cottonwood County Citizen, a newspaper published at Windom, Minn., of January 7, 1948, as follows:

A PROBLEM DESERVING DEEP STUDY

The propaganda pressure is pretty strong on this European relief matter. We are still being told that if we withhold our help and Europe goes Communist, then we must take the blame upon our own shoulders.

If feeding the world for a period of 3 or 4 years would guarantee perpetual peace we have not the least hesitance in saying that it would be a happy state of world condition most cheaply bought.

But we have serious doubts as to whether supporting nations without their doing anything in return is good policy. We cannot believe that nations are a great deal different from people. Take the average individual. Support him in idleness for a few years, assuring him at the same time that you owe him that support, and he will never willingly go back to supporting himself. If compelled to do so he will bear a grudge against the person who made it necessary for him to do that. Can we be sure that the nations of the world will not react in the same manner?

Just suppose that our Marshall plan does not bring the desired results. We bend the national effort for 4 or 5 years toward supporting the rest of the world, while neglecting to build up our own Nation to the strength necessary to withstand what we are told may come, an assault upon us by the Communist forces, when they gain control of Europe. Then the Marshall plan instead of strengthening us for the mighty struggle will have weakened us.

In other words will we be expending our resources in a vain attempt to get the friendship of the world only to awaken to the fact that we have not gained that friendship and that our enemies have built themselves up into a position to defeat us when our resources are depleted and our potential friends are not so friendly? It's a problem, and a mighty big one.

Cost of Government

EXTENSION OF REMARKS
OF
HON. MELVIN C. SNYDER
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. SNYDER. Mr. Speaker, reports show that the cost of government in the United States is $371 per capita and the cost of food is $330 per capita. The cost of government, we find, is four times greater than it was a few years ago.

In this respect, what has taken place in our embassies in foreign countries is indicative of what is taking place in all departments of the Government.

Under a Paris date line, July 1, Henry Wales reports that the number of employees in the American State Department there has risen from 118 members in 1940 to 1,200 as of that date.

Under a date line, Brussels, Belgium, July 28, reported by Larry Rue, the State Department has increased its employees nearly four times in Holland and more than doubled the number in Belgium.

Under a London date line of October 17, reported by Kermit Holt, the United States Embassy in London and associated Federal offices carried a pay roll of

nearly 500 persons—more than double the number carried before the war.

Under a report by Barry Bishop from Mexico City on July 5, the report showed that the United States Embassy in Mexico was 3½ times its prewar size. We now have 350 people in Mexico connected with our Embassy staff.

All of our Government bureaus, including our Embassy staffs, have mushroomed from prewar levels. This growth is a material factor in the cost of government and the reason why the President is requesting a $40,000,000,000 budget.

Since the ending of the war, except in a few agencies of the Government, the work load is not two or three times its prewar level.

Before we can make much progress in economy in government, we must have economy in its operation. There is much room for improvement.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. WILLIAM G. STRATTON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. STRATTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Chicago Daily News of January 2, 1948:

ST. LAWRENCE SEAWAY ATTITUDES CHANGING

(By Phil S. Hanna)

Time and shibboleths are changing the attitudes of many people and economic groups toward the St. Lawrence seaway and power-development program. The shibboleth introduced into the picture comes from Senator AIKEN, of Vermont. Senator AIKEN professes to believe that the farmers in upper New York and New England are in desperate need of another TVA.

As might be expected the opponents of the St. Lawrence project include organized labor in mining and shipping. Vocal and active in opposition is Carroll B. Huntress, vice president, Republic Coal & Coke Co., who is chairman of the National St. Lawrence Project Conference.

There is a refreshing note in the publicized opposition by the last-named group. They frankly say that they are out to protect their jobs and their investments. They are counseling labor groups not to favor the project because even though its construction would provide employment for a time it would result in permanent elimination of thousands of miners' and railroad workers' jobs.

THREAT TO AREA RAILROADS SEEN

But the coal people see another objectionable angle. Should the canal be built and the expected traffic develop, certain railroads in the area would have to be subsidized heavily. Those roads could not exist profitably having to rely on the traffic available to them during the frozen river season. Hence the opponents say: "Having subsidized navigation and power, the Government would also have to subsidize the railroads or take them over."

Subsidizing of that kind is just what the American counterpart of the British Socialist group want, says Mr. Huntress. With public power and railroads in government ownership, national socialism in the United States would be well on its merry way, he declared.

Of course, there are many arguments in favor of the project. But the last war ought to make us remember that no matter how many other transport facilities are developed a nation cannot get along without railroads. One begins to wonder if we can afford all the subsidies inherent in the St. Lawrence project?

Soviets Wage Economic War

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. ANGELL. Mr. Speaker, the following article is the seventh in the series written by Philip H. Parrish, editor of the Portland Oregonian editorial page, on European problems:

SOVIETS WAGE ECONOMIC WAR—RUSSIANS PUSH PROGRAM TO OBTAIN ACTUAL OWNERSHIP OF PLANTS, OTHER ASSETS IN COUNTRIES THEY CONTROL

(This is the seventh of a series of articles detailing observations recently made in Europe by Philip H. Parrish, editor of the Oregonian editorial page. The writer spent 7 weeks in Germany, Austria, France, and England.)

(By Philip H. Parrish)

Before taking off on this latest European trip, I already had considerable evidence of the degree to which Russia has been using its propaganda front to screen its more serious activity—the economic penetration of Europe.

The Russians are materialists. They enter with zest into the battles of the words, but their deeper concern is with who shall be the owner when the talking stops. That—they think—will decide the war rather than the battles.

Dr. Frank Munk, of Reed College, gave me valuable advance help in this respect. His studies of Nazi penetration of Europe were important contributions to the literature of World War II, and from his standpoint the Russians have merely taken over where the Nazis left off, adding ruthlessness of their own. He pointed out the appearance of a giant holding company in the Russian-held zone of eastern Germany, which if given time would control the entire economy of that area; and called particular attention to the new 4-year plan for Czechoslovakia, which, if it went through as originally proposed, would fit Czech production into Russian heavy industry and make it virtually impossible for the Czechs ever to return to their hard-won world markets.

I pursued the idea all over Europe, and no revelation could be more disturbing. Everywhere behind the iron curtain, Russia is moving with all possible speed to acquire actual property ownership, so that it can, at its chosen occasion, recall its occupation forces and still be master. It fills the air with accusations of "capitalist imperialism" in the west and in Greece, and itself practices such imperialism without limit wherever it has the power. The very loudness of its accusations shows where its mind is running.

PATTERN VARIES, RESULTS SAME

The pattern of penetration varies from country to country, but not the results. The Baltic countries of Lithuania, Estonia, and Latvia, along with part of East Prussia, eastern Poland, and Rumanian Bessarabia, have actually been incorporated into the Soviet Union and can be treated as desired. The two countries actually friendly to Russia—Bulgaria and Yugoslavia—are subdued economically through the cooperation of the Communist governments controlling them. Against self-respecting border states, such as Czechoslovakia, Poland, and Finland, adroit trade agreements are a chief dependence for the time being.

Then there are the former "enemy" countries and areas—Rumania, Hungary, and eastern Germany.

In regard to the procedure in these latter areas, I am able to present better testimony than my own. Among those who met us in Vienna was Capt. Daniel H. Swett, a native of Portland, who had been most helpful on my earlier trip. He is a case-hardened and decorated infantryman from the Eighty-eighth Division, now assigned to the Public Information Division in Austria, and as a result of material he had gathered on official missions to Hungary he had recently been denounced in the Communist press of central Europe as "the spy in uniform."

Captain Swett's detailed report on Russian acquisition of economic control of Hungary, never previously released, appears on this page today.

The system, as will be noted, is beautifully simple. The Russians take what they can for reparations from the conquered country, in the way of plants and other assets. Then they agree not to move these plants and assets to Russia (which they tried for a time with disastrous results). Instead, they will contribute the plants and assets as their share of new companies which will monopolize the future economy of the country. Whereupon they put excessively high valuations upon their seized assets, and excessively low valuations on what the country itself puts into the pot, and the trick is done. Russia has 51 percent, Captain Swett does not get around to that, but so far as I could judge the Russians are now dominant in 90 percent of Hungarian business and industry.

PLAN SAME IN GERMANY

In the Russian zone of Germany the system is the same, in general. But the one huge holding company does the job there—called the Soviet AG, for Autien Gesellschaft.

And after this financial and industrial control from the top, the Russians move down into the Sovietizing of the details of life. If they have time enough they will manage that also. In some of the communities of eastern Germany it is estimated that life already is 80 percent sovietized.

I am sorry to make this report but that is the way matters stand. The unpleasant reality is that the whole picture of eastern and central Europe is being altered behind the guardianship of the iron curtain, and mere withdrawal of the Russians and ourselves from the scene would not restore anything like a competing economy and a democratic way of life. The Russians will come out in actual physical ownership, and directing the detailed life of the people.

Myth of Security

EXTENSION OF REMARKS
OF
HON. JOSEPH P. O'HARA
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. O'HARA. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial

from the New Ulm Daily Journal, New Ulm, Minn., of January 9, 1948:

MYTH OF SECURITY

A Minnesota committee containing the names of some of the leading educators in the State is forming to fight the universal military-training bill which is being pushed through Congress at the present session. In his annual message President Truman endorsed the military-training program.

Universal military training is being opposed by a number of important people and one of the ablest and most intelligent is Hanson W. Baldwin, military editor of the New York Times and an author of note.

In an article in Foreign Affairs Baldwin scoffs at what he calls the myth of security. He claims there is no such thing as complete preparedness or military security because we do not know the type of a war we may be called upon to fight next. Hitler, he points out, was completely prepared to fight a war against Poland but Germany was not prepared to fight the type of war they finally got into. Every nation prepares itself against the war it has just fought. France built its Maginot line to protect itself against trench warfare of World War I but was not prepared to defend itself against warplanes and mobile tank units which hurdled the Maginot line.

Baldwin claims there is no such thing as preventing war by being fully equipped with armaments and points out that the nations best prepared have been those which have been involved in war. He also raps the theory that disarmament means insecurity and claims the United States and the world made great gains from the Washington conference which stopped the armament race after World War I.

He also attacks the glib assertion that "the United States will be the first area to be attacked in a future war." The next war, he contends, will start with an attack on air and sea bases and against our allies closest to the attacking nation. He cannot see any real chance of a large scale invasion of the continental United States. At least he can see no chance as long as we control the seas and air.

World War II, this expert claims, developed no new principles of war which is more of an art than an exact science. From our last war we should have learned a few principles and the most important of these Baldwin claims are:

1. Victory in modern wars are won by big factories and not big battalions. After we got mobilized for war and landed our immense store of war machines in France, he claims, it was simply impossible to lose the war against nazism no matter what mistakes our generals might make. Our victory in World War II was an industrial more than a military victory.

2. Continental United States is not only an arsenal and a supply base but it is now our main operating base for our armed forces. In the future all global war will be directed from Washington as it was in the last war.

3. Offense has so far outstripped the defense that our entire ideas of war and defense have to be changed. He contends the best and only defense in war is to have more and better atomic bombs, more and better long-range, globe-girdling planes, better and faster intercontinental missiles and induced plagues so that no other nation will dare to attack us knowing we can return the attack 10 to 1.

4. Wars in the future will be "total" wars far beyond the imagination of even those who coined the phrase. With this he raises the question of how we can prepare for total war without weakening our democracy or how we can prepare for war without adopting the very principles we oppose in military states elsewhere.

The universal military training bill he contends is a mistake because we are thinking about fighting the next war the way we did World War I and in part World War II. The next war will be an entirely different affair, a war more of machines than manpower, and this military expert believes we will be wasting our strength building ourselves strong in the way we will be least effective.

This is something to think about before we get swept away by the talk of the militarists and the jingoes.

The Housing Situation

REMARKS
OF

HON. JOHN E. FOGARTY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. FOGARTY. Mr. Speaker, yesterday morning Mr. Richard Gray, president of the building construction trades department of the American Federation of Labor, appeared before the Joint Committee on Housing and gave one of the most comprehensive and most illuminating statements that I have ever read on the housing situation in the country today. He appeared before the so-called Gamble committee, who I believe are genuinely interested in getting to the bottom of the housing problem which we have at the present time. There is a genuine effort on behalf of the building trades of this country to work with the committee, which is doing a splendid job, in my opinion, in straightening out some of the difficulties that have beset the housing problems during the past few years. I hope that every Member of the House will take the time to read this very constructive statement:

STATEMENT BY RICHARD GRAY, PRESIDENT, BUILDING AND CONSTRUCTION TRADES DEPARTMENT, AMERICAN FEDERATION OF LABOR, BEFORE THE JOINT COMMITTEE ON HOUSING OF THE CONGRESS OF THE UNITED STATES, JANUARY 14, 1948

I am glad to have the opportunity to appear before the Joint Committee on Housing on behalf of the building and construction trades department of the American Federation of Labor. Labor has deep concern in the solution of the extremely critical housing problem which continues to confront the country. The American Federation of Labor through its affiliates has in the past made a major contribution to the study of housing conditions and to the fullest possible discharge of its share of responsibility toward their improvement. It is our purpose to give the fullest cooperation to the Joint Committee on Housing to the end that its factual findings may square with reality, and that it may receive the best guidance in the formulation of policies in the public interest.

The present housing shortage is deeply rooted in the conditions that prevailed for many years before the war, and represented a grave national problem long before the war years. This shortage was greatly aggravated by wartime conditions and numerous maladjustments which grew out of the war. The attempts to solve the problem since the war ended were seriously handicapped by dislocations in the postwar economy.

Let me say at the very outset that keenly aware of the many difficulties surrounding the problem, organized labor and the building-construction industry has consistently made every effort to aid in the promulgation of agreements and policies designed to achieve the maximum volume of home building; to improve the quality of performance; to assure the best and fullest supply of mechanics and laborers needed in home construction, and to achieve stability.

This program of American Federation of Labor unions was not a token program, nor was it confined to verbiage. It represented the considered effort of unions who have attempted in the best way they knew how to render real service to the community and to the Nation.

Building and construction trades unions were not breaking new ground in this work. Experience of World War II prepared and equipped them for it. Early in the war when emergency need for skilled workers on many phases of defense construction became evident, our military branches of the Government were unable to secure qualified workers required for the construction of defense installations, especially in rural communities and outlying areas. Building and construction unions quickly volunteered to recruit skilled men in order to meet the construction requirements of national defense without delay. Over 350,000 mechanics and laborers were provided by unions to man the jobs for which no qualified workers were available from any source.

It should be noted also that the building and construction unions took the initiative in wartime in a program of wage stabilization. A full year before wage stabilization was applied to other industries by the Government, a voluntary wage-stabilization program was put into effect by agreement with the building and construction trades on all defense construction work.

I am mentioning these facts to make it clear that the building trades approached the postwar emergency in the same spirit of constructive contribution to the national welfare that guided them through the war. Labor's attack on the postwar problem of increasing the supply of homes at reasonable cost has been many-sided. In several specific respects unions have succeeded in making a valuable contribution toward solving it.

Unions have cooperated vigorously in assuring a maximum supply of qualified labor needed to do the job. These activities were twofold:

1. While this recruiting work has proved to be exacting and difficult because of the unsettled conditions, the record shows that the manning of housing construction in numerous areas throughout the Nation was successfully accomplished because of the tireless efforts of the unions concerned.

2. Under the leadership of the building and construction department, its affiliated unions have carried on an intensive drive to develop a Nation-wide apprenticeship-training program in order to increase the supply of skilled workers needed. The record of practical accomplishment in this program also demonstrates that we are making remarkable progress toward the solution of this extremely crucial problem.

Labor in the construction industry has also concerned itself with the achievement of maximum stability of wages in the building and construction trades commensurate with the rising living cost. It is notable that in the last 3 years the prevalence of black-market wages and the wide departures from the established wage standards have occurred almost entirely on nonunion jobs. Such practices of paying bonuses and making side payments have had an unsettling effect on wages throughout the housing field. At the same time union standards established under contract have been an important stabilizing influence throughout the industry.

Through the establishment of cooperating committees with the agencies of the Government concerned, such as the Construction

Labor Advisory Committee in the Office of the Housing Expediter, our unions stood ready to help solve the multiplicity of problems brought to our attention by Government officials. This "trouble shooting" was a day-to-day job in which, through our affiliates, we were able to find successful and effective solutions to many problems which seemed insoluble at the time.

I would like to have the opportunity to inform the committee about some of the important aspects of the housing problem in which labor has had primary responsibility.

APPRENTICE TRAINING

In striving to increase apprenticeship training in the construction industry since the end of the war the Building and Construction Trades Department vigorously pursued two objectives: (1) To assure an adequate supply of well-trained and qualified mechanics to meet the Nation's construction needs in coming years; and (2) to help provide employment opportunities for veterans of World War II.

The national apprenticeship program is a cooperative effort in which labor and employers are jointly engaged. The record shows, however, that organized labor has been consistently the initiator of local as well as national programs designed to provide a firm and lasting basis for a steady supply of properly trained journeymen and mechanics to the trade.

Apprenticeship itself came to America with its first settlers. But the development of standards of training to match the requirements of the skill and to assure unbroken continuity of experience and training and the establishment of fair standards of apprentice pay has been the result of unceasing effort of trade unions.

Aware of the need to place apprenticeship on a stable and continuous basis in the community, unions have succeeded in establishing a number of years ago a number of community-wide programs. They have led in such pioneer efforts as the Detroit plan launched by the Bricklayers Union in the thirties, where on-the-job training was supplemented by classroom work in blueprint reading and other related subjects. They were prompt to respond to the challenge of modern technology as did the International Brotherhood of Electrical Workers when they established the Electronics School at Marquette University in 1944, noting that the electronics branch of the electrical industry has grown to production totaling $4,000,000,000. Since 1944, over 15,000 craftsmen received this new and specialized training in this school alone.

With the goal of labor-management cooperation squarely before them, unions, long before the last war, began to drive for the goal of establishing national apprenticeship systems. That the building and construction trades led in this drive is evidenced by the fact that national apprenticeship standards were first established in the following 10 trades: Bricklaying, carpentry, cement finishing, electrical, painting and decorating, plastering, plumbing, stained glass, steam fitting, and tile setting.

The foundation for the Nation-wide program of apprenticeship was laid in 1934 with the formation of the Federal Committee on Apprenticeship, made up of employer, labor, and Government representatives. Of foremost importance in the construction industry has been the general committee on apprenticeship for the construction industry, which consists of representatives of building and construction unions and of trade associations in the building field. The services essential to the success of the program are provided by the Apprentice Training Service of the Department of Labor, headed by William F. Patterson.

The record of the apprentice training program since the end of the war is indeed remarkable, especially when one considers the many difficulties and obstacles with which the industry was beset in recent years. In 1947, more than 2,500 local apprenticeship councils were jointly established by labor and employers in the building and construction industry in all parts of the country. According to the Apprentice Training Service the following is the record of growth in the number of building trades apprentices in actual employment from June 1946 to November 1947:

	June 1946	November 1947
Total apprentices reported	49,092	112,221
Wood trades	17,946	41,065
Electrical trades	9,027	16,937
Pipe trades	6,782	16,966
Trowel trades	5,487	15,479
Paint trades	4,476	8,967
Sheet metal trades	3,363	8,029
Other trades	2,011	4,778

Thus, as the reports of the Apprentice Training Service of the Department of Labor indicate, the number of building trades apprer tices employed was more than doubled in a period of 18 months.

There is evidence, however, that the actual progress has been much greater than these reports indicate. The reason for this is that the Apprentice Training Service does not receive reports from many of the smaller towns and trade areas in which effective apprenticeship programs are underway. The A. F. of L. Building and Construction Trades Department has just conducted a questionnaire survey in an attempt to determine the actual number of apprentices employed in January 1948. Due to the shortness of time, only a few complete returns have been received to date. But these indicate a much greater progress in the apprenticeship program than reported to the Government.

In the masonry trades, for example, the Bricklayers, Masons, and Plasterers International Union reports an increase in apprentices from 328 on January 1, 1945, to 11,858 on January 1, 1948. This is the actual number of apprentices in the membership of the union working under contract.

The Operative Plasterers' International Association reports an increase from 1,876 in September 1946, to 5,000 in January 1948. The International Union of Wood, Wire, and Metal Lathers reported a rise from 358 in January 1945 to 2,200 in January 1948. The Brotherhood of Painters, Decorators, and Paperhangers of America reports an increase from 5,000 in January 1945 to 20,000 in January 1948.

It should be noted that in a number of the building trades the employment of regular apprentices is not customary. There are no apprentices, of course, in such trades as the hod carriers and common laborers or in the teamsters' trade. Elevator constructors provide an example of trades where there is no regular apprenticeship system, but instead, helpers are given the training and are stepped up when they can meet requirements. Asbestos workers adhere to the so-called improver system, with the ratio prevailing in the trade of one improver to three mechanics.

It is often erroneously stated that the unions are responsible for maintaining a rigid ratio between a number of apprentices permitted in proportion to the number of journeymen on the job. The fact is that this ratio is set by experience and is by no means dictated by the union concerned. In this connection these points must be made:

1. The employer always prefers to have seasoned workers on the job. The apprenticeship agreement places a responsibility and a financial burden on the employer which he is often reluctant to assume.

2. The training of the apprentice must give him proper supervision and actual experience in order to be of value. Too many apprentices with not enough supervision from a journeyman would gain little skill, would prove highly unproductive, and would be costly by turning out work of inferior quality.

3. Apprenticeship training must lead to employment at the trade the apprentice learns. When unemployment in construction is high, as has been the case for many years before the war, to train men with no prospect of work for them would have been wasteful and a bitter loss of time and effort to the apprentice himself.

The combined effect of these considerations has often been to establish a prevailing ratio between a number of journeymen and apprentices in a particular trade. When maintained over a period of years, these prevailing ratios were often embodied in contractual agreements.

It should be noted that with the end of the war building and construction unions, aware of the need for an increased supply of mechanics in most trades, took prompt steps to meet the emergency situation. Most of the unions took the initiative to provide for a larger number of apprentices in relation to journeymen and to give special consideration to veterans.

Moreover, many of our unions acted to raise the age limit for admission of apprentices and secured the removal of any age limit for veterans' admission to apprenticeship. The lathers' union, for example, had the age bracket enlarged from the existing one of 16 to 21 years of age to one ranging from 16 to 27, with no limit on veterans.

The building and construction trades department and its affiliates are gratified by the progress of the apprentice training programs. But they don't think that this progress provides any ground for complacency. In my report to the convention of the department held last October, I reported:

"To help provide employment opportunities for veterans and assure an adequate supply of well-trained and qualified mechanics in the years to come, the building and construction trades department continued to cooperate actively with employers and the Government in speeding the apprenticeship training program. By June 1947, over 2,500 local apprenticeship councils were jointly established by labor and employers in the building and construction industry in all parts of the country. Our goal for the coming year is to double this number of apprenticeship councils, in order to make apprenticeship training facilities available, under proper standards, in every sizable community."

This goal and this recommendation were adopted by the convention and are being vigorously pursued by our national and local affiliates in the current year.

Numerous irresponsible statements have been made alleging that building tradesunions have restricted the supply of apprentices needed in order to meet the increased volume of construction of housing after the war. The record shows just the opposite to be true. National, State, and local programs designed to increase and regularize apprentice training are being carried out not only with labor cooperation but also with labor's initiative. The record shows also that in many situations where, because of inadequate supply of building materials, the work has been intermittent the unions have done much to overcome the reluctance on the part of the employers to assume the responsibility and the financial obligation of taking on additional apprentices.

Equally important have been the efforts of unions to assure a fair standard of compensation to the apprentices placed into training. Inadequate compensation offered to apprentices has been a severe deterrent to veterans and other young people in the choice of their trade. The improvement of the apprentice pay under union agreements has been an important factor in increasing the

flow of applicants to train for the skills in which shortages exist or are likely to develop.

It should be emphasized that 9 out of every 10 apprentices now in training are veterans of World War II. In the development of our program we felt a special responsibility toward the veteran in assuring him the maximum opportunity of acquiring skills in the ranks of the building and construction trades.

PRODUCTIVITY

The volume of housing construction in 1947 indicates that a new record has been achieved. The number of units started in 1947, estimated at 860,000 new permanent units, was exceeded only once—1925, 7 years after the end of World War I. This represents an increase of almost 30 percent over the activity registered in 1946.

Of even greater importance is the number of dwelling units completed. Last year 745,000 dwelling units were completed, while during 1946 only 437,800 were made ready for occupancy. In other words, 70 percent more units were made ready for families in need of housing during 11 months of 1947 than in all of the previous year.

In considering this record of performance it is natural to raise the question about the charges made repeatedly, persistently, and often maliciously, that one of the most serious obstacles to the increase in the housing volume is the record of low productivity. It is widely claimed that the output of workers has been greatly reduced, that workers are soldiering on the job, that they refuse to turn out a record of output anywhere near the established standard of their trade.

A searching review of all available information reveals that productivity in the construction of homes, after having suffered a severe decline, has staged a spectacular comeback in the past 12 months. In analyzing the evidence it should be stressed that a record of man-hour performance in the construction of a given volume of dwelling units is by no means confined to the measure of the effort of the worker alone. Many factors, for which labor is in no way responsible, enter into the final record of performance, determining the efficiency on the job.

A brief review of the developments in the field of housing construction over a period of years would be helpful in making a valid assessment of the problem as it really exists. This record is divided roughly into four periods.

1. The decade from 1930 to 1940. During this time the construction industry suffered severely from widespread unemployment growing out of the depression. In 1932 housing construction came virtually to a standstill, with only 58,000 units built in that year. As the result of the depressed conditions persisting in the industry, the supply of new recruits to the various construction trades was curtailed. The fact that new and younger workers were not attracted to the trades during those years accounts for the later character of the available labor force. But in that period itself, the pressures for the utmost efficiency in construction were often absent, the morale was low and an attempt to stretch out the work was sometimes in evidence.

2. The war years, from 1940 to 1945. The labor force in the construction industry suffered severely from the draft. The younger men with skill and training in the construction trades were siphoned off into the armed forces in large numbers. The average age of the worker in the construction force was thereby substantially raised, and because of the heavy volume of wartime construction of all types, the labor force was heavily diluted with men of insufficient training.

Even more important was the increasing prevalence of the cost-plus systems of compensation to the contractors on wartime work. The cost-plus percentage fee and the cost-plus fixed fee methods gave rise to a strong pressure on the part of the contractor to overman the work in order to derive the highest profit from it. The impetus given by the employer to low productivity is probably the largest factor accounting for the inefficiencies growing into the industry during the war.

3. The initial postwar period, 1945–46. During this time the volume of construction was severely retarded by critical shortages of materials. Presence of local labor shortages in many areas led to labor hoarding by the contractors. The number of man-hours required for the output of the same volume of work rose to an all-time high and productivity reached an all-time low. The effect of the prewar and wartime experience on the labor force was also strongly felt. In fact, in much of the private construction the wartime practices of cost-plus compensation were carried over.

4. 1946 to date. Beginning with the closing months of 1946 and on through the construction season of 1947 the improvement in the building-materials supply had a marked effect on the improvement in productivity.

Impartial reports made by Government observers indicate that since July 1946 to the end of last year rapid progress has been made in bringing the productivity back to normal. There is still room for improvement, and we feel confident that this improvement will be rapidly taking place.

Perhaps the best available evidence of the actual record of productivity in home construction consists of the reports provided by the Bureau of Labor Statistics originating from its field staff. Normally the construction of an average one-family house requires approximately 4 months from start to completion. According to the Bureau of Labor Statistics, during the first half of 1946 the time required to complete a one-family house averaged from 6 to as much as 9 months. As the Bureau points out, "The causes for the delays during 1946 were not hard to find. Both materials and labor were in short supply in many of the important housing construction centers. The materials manufacturers had not yet brought their production up to capacity and the labor supply had not become readjusted to peacetime requirements."

According to the Bureau of Labor Statistics findings, the construction time period has been steadily declining since the middle of 1946, reflecting improved productivity. The reports indicate that, beginning in April 1947, there has been an especially notable improvement in the time it took to complete an average single-family unit. Evidence gathered by the Bureau during this period indicates "that the dwelling units started since June of this year will be completed in about 4½ months on the average. The reduction in the construction time period indicates improvements in efficiency on both labor and management."

RESTRICTIVE PRACTICES

In the course of the last 2 years a widespread campaign of propaganda has been conducted in an attempt to discredit unions in the building and construction industry, and to persuade the public that labor is responsible for either the high cost of housing or the housing shortage itself. These charges have appeared in newspaper articles, in special columns, in magazines, and in every other medium of publicity. They have covered a wide range of allegations extending from a blanket and unsubstantiated indictment of organized labor as being the source of what is termed in such charges as featherbedding, to instances allegedly occurring in particular communities as the result of policies pursued by specific trades.

Stories of this nature, publicized in periodicals with Nation-wide circulation, have had the effect of creating the impression that such practices are, in fact, widely prevalent and that they do constitute a major obstacle to housing progress. That such is not the case can best be established by a truly objective examination of the facts alleged.

For my part, I am not appearing before this committee to contend that everyone in the ranks of unions is blameless, that all trade unionists are devoid of sin, or that there have not been instances of abuses within labor's ranks. On the contrary, it is my purpose to this committee that there have been, are today, and will undoubtedly be in the future, instances of unreasonable actions, of abuses and dishonesty among labor men. But I assert that the abuses which do take place among unionists are no more numerous and no more flagrant than in any other group in our society. They are bound to occur with equal frequency among any group of comparable size. And, of course, they do occur among workers, among employers, among bankers and even among Congressmen.

What I consider to be my special responsibility here is not to deny any alleged abuse on the part of the men I represent, but to determine whether the charge is real—and, if it is substantiated, to take prompt and effective action to correct it. Wherever there are substantiated specific instances of such abuses, the Building and Construction Trades Department wants to know about them. Men who act in good faith and wish to serve a constructive purpose have reported instances of abuses directly to us. Every such instance brought to our attention is promptly made the subject of investigation. Wherever it proved to exist, prompt steps were taken to correct the abuse. This is the method we have followed in the past and propose to follow in the future.

We have found that the majority of the complaints brought directly to us have been often the result of either misinformation or misunderstanding of the problem. In some instances we have found that abuses did exist. I assert to this committee without reservation that wherever this has been the case, corrective measures have been promptly taken.

I submit that a good test of the validity of the charges made to date has been the method of presenting them. There have been organizations and individuals who, while withholding the alleged facts from anyone directly connected with the problem, strove to give them the maximum publicity possible. I believe their purpose and their motive was destructive, not corrective. At least 99 percent of the stories so presented have proved to be without any foundation whatsoever. Those who have perpetrated them must stand convicted of bad faith and of malicious intent in falsifying facts and misleading the public.

I am not appearing here to engage in recrimination. It would have been easy for me to trace the antiunion allegations to their source and to meet charges with countercharges. But I think that there has been much too much name-calling in the matter of housing; much too much pointing of the finger at the other fellow and saying that the other fellow is to blame. That does not get any housing built. In fact, I think that by now a good measure of the fellow's own guilt is how loudly he shouts of the cupidity of others, and how much money he spends on advertising publicity and lobbying to spread his venom on the public record.

I do not intend to provide a detailed roster of the types of charges made against labor and engage in the long recitation of detailed facts to disprove them. For one thing I know that the Joint Committee on Housing has been the recipient of every conceivable accusation made against labor in virtually every community of the Nation. I also know that the evidence before this

committee, which is a matter of public record, has provided conclusive proof of the specious nature of these accusations. The charges made to the committee and believed to have some degree of merit were referred by the committee to the building and construction trades department. In an official letter from the committee I have a list of five items in which the committee felt there might be a degree of validity. As the committee knows, all of these cases have been satisfactorily adjusted or explained, with the exception of one which is in the process of adjustment at the present time.

To give a few typical illustrations of the types of charges made, I will cite two or three instances of such charges along with our answers to them.

Refusal to use the spray gun in painting homes: The charge has been made that in many cities union painters either refuse, or are forbidden by union rules, to use the spray gun on home building. It is made as a flat assertion with the idea of conveying the impression that a modern technological improvement is being held back by unions intent on perpetuating the slower, less efficient, and more costly methods, which would yield greater earnings to them. Among the publications in which this charge has been made during the past year are: Look magazine for April 1, 1947; the Wall Street Journal for October 10 and October 20 1947; the Washington Evening Star for October 27, 1947; and the New York Times for October 26, 1947. The layman, not familiar with the facts, is likely to feel indignant about the obstacles being placed in the path of progress by labor unions. It is significant therefore that these stories have failed to raise such pertinent questions as—How efficient and economical is the spray gun in the painting of a home? How safe is its operation and what measures of protection against injury should be maintained when it is in use? Nor do these stories indicate that their authors have gone to the sources of information and interviewed the painters themselves, whom they charge with these tactics.

All of these stories appearing in 1947 failed to mention the fact that the International Brotherhood of Painters, which they name as the culprit in the case, launched in the early part of 1944 a comprehensive survey of the use of the spray painting machine and in September 1946 rendered a detailed report to its convention on the basis of which a specific program on the use of the spray gun was laid down by the painters' international. The fact is that the 1946 convention of the International Brotherhood of Painters adopted a national program of standards to govern the use of the spray painting machine throughout the United States and Canada and recommended that these uniform standards be embodied in a national code after negotiation with the National Painting and Decorating Contractors Association and other employers concerned.

The international brotherhood's special committee on spray painting presented to the 1946 convention a detailed finding of facts which I will attempt to summarize briefly.

1. There are at least 103 manufacturers of paint spray machinery who produce machines ranging in price from $5 to $5,000. These machines are, of course, of varying efficiency. The spray painting machine has been greatly improved in recent years and on large flat surfaces makes possible much more rapid completion of work than with the brush and more rapid application of several coats of paint. It has had wider use in industrial construction than on residential construction. In building work, where actual spray painting effectiveness was studied, it was found that this work was supplemented by at least 50 percent of work with paint brush. While the efficiency of the spray gun is greater on flat surfaces, on any work requiring the painting of sash, trim, molding, etc., in different colors, it is necessary to resort to taping which offsets much of the gain in efficiency. In the case of single-family houses, it is doubtful that any substantial economy in cost can be achieved.

2. The study of materials in use in spray painting shows that there has been no change in their toxic or poisonous content in the past 20 years. After extensive consultation with health and safety officials in the Federal Government and in the several States and with the National Safety Council, it was found that the exposure to lead poisoning and other types of poisoning is considerable in the use of the spray painting machine, but that much of this danger can be prevented by the strict adherence to the use of modern protective measures. Some of these protective devices, including shields, masks, and ventilators, have been developed by the National Safety Council. Considerable improvement in the prevailing practice is still needed to protect the operator and those in close proximity to the spray machine when in operation. In addition to the danger of poisoning there is also a hazard of fire and explosion involved, especially when the paint spray is used in the interior work.

The program adopted by the International Brotherhood of Painters is a positive one. It is designed to insure the use of all necessary safety measures to protect the workers and, where these safety standards are met, to assure the widest possible acceptance by workmen of the spray gun on all types of construction. The national standards which the brotherhood is attempting to evolve would apply in the form of a model State code and a model city ordinance which would require the use of the essential safety devices during operations, would call for shorter working hours for spray machine operators, with periods of intermission, and would call for periodic physical examinations of the operators to determine the effect on their health.

I submit that those who make public charges against the painters' union about the use of the spray gun owe it to the American public to at least inform themselves about the facts they allege. The least they can do is to learn about the record of 4 years of organized study devoted by this union to an effort to solve the problem in the best public interest, yet providing for the worker the minimum measure of protection. I submit also that instances in which the workmen have refused to operate the spray machine where protective devices have been lacking and where the use of the machine has been clearly a menace to the worker's health are ones which should be presented to the public in the light of full facts surrounding such refusal.

The point that stands out emphatically in this connection is that the union concerned is making a real contribution toward better and more rational utilization of a modern technological development seeking at the same time to safeguard the safety and health of workers against hazard; and that it is certainly not standing in the way of reduced home-building costs.

Bricklayers' union limiting production to 400 or 500 brick a day, as compared with prewar record of 1,000 or 1,200 brick a day. One of the most unfair and malicious pieces of propaganda was a newsreel-type of movie produced in 1946 by the March of Time. This particular release of the film showed what purported to be a shot of an actual construction job, with two bricklayers working on a wall. The older man turns to the younger man, waving him to slow down. "Take it easy, bud," he says, "you will live longer. Five hundred brick a day is plenty," or words to that effect. Millions of moviegoers seeing this picture naturally thought it to be a shot of an actual occurrence illustrating a widely prevalent practice. But the trained eye of a brickmason could readily see that the scene was a deliberately—and expensively—staged hoax. Evidently the producers could not find a real bricklayer to do the scene and those who knew enough could readily see that the actor hired for it had never held a trowel in his life: He was clutching it in his fist, holding it straight up, the way no real bricklayer ever would.

Just to make sure that the charge would stick in the public mind, it was again repeated in an equally ill-documented article on housing in the Life magazine. The same charge was also made in an article published in Colliers last November, along with a number of other unsubstantiated allegations against unions. It was again repeated in the Wall Street Journal series on housing published last October and notable for its numerous inaccuracies.

Let me say emphatically that there has not been and cannot be a union rule limiting the performance of bricklayers on any job. The Bricklayers, Masons, and Plasterers International Union, while unable to run down vague and general rumors of this character, has given a thorough on-the-spot investigation to every specific instance where such or similar allegation was brought to its attention.

The union's investigations bring out forcefully the misleading character of the claims made against it, reflecting the accuser's complete ignorance of the trade and of construction methods.

The number of brick a competent worker can lay in a day depends, of course, on many factors, including the degree of his skill, his physical condition, the supply of materials and, above all, the type and thickness of the wall and the number of turns, openings, and corners. The union's investigations of the 500-brick-a-day charges illustrate the real nature of the problem. Some years ago the typical house wall was of solid brick masonry, 12 to 22 inches thick. Today brick-veneer construction has become much more prevalent than in former years. In this type of construction, the outside or curtain wall of brick must be backed with cement block or cinder block, with a heavy mortar fill. This backing up is counted in the number of brick the mason has laid. The work on this new type of brick-veneer construction is in sharp contrast with the daily output on a solid brick wall, on which the number of brick laid may easily be more than twice as great in a day. Any responsible masonry contractor will testify that even 400 brick a day on brick-veneer construction on a typical single-family house is a good record of bricklayer's performance.

But even in the case of a modern house of solid brick construction, it must be realized that the changes in design which now call for more and closer spaced windows, along with many other departures from the design of the older and usually larger typical dwellings have imposed heavier and more exacting work requirements upon the brick mason, reducing the number of brick he can lay per hour or per day.

Let me say that here again it must be said that there are no doubt numerous instances of individual workers slowing down production. Such cases can be found in shops and offices everywhere—they are not confined to construction. There is no doubt that there are also isolated instances of collusion between workers and their foremen or the employer himself. The cost-plus psychology and speculative character of boom-time building of the last 2 years have served to make such instances more numerous than in normal times. But such collusive practices cannot be charged to the workers alone: They cannot exist without participation of the employer who finds increased cost of construction profitable.

What I do challenge is the assertion that the union has been the instrumentality for

slowing down production, with the resulting increase in construction cost. The standard of skill and performance of its members is the most valuable asset that the union possesses. To maintain and preserve a high standard of achievement is a matter of the union's vital concern. Assertions that there is any degree of self-interest in the union's undermining the standards of its own trade fly in the face of both reality and common sense.

Nor can the union be held responsible for the character of supervision over the workers on the job. Much of good performance on the job depends on good management. It should be remembered that the employer's prerogatives in the construction industry are greater than is generally the case in other employment. The building worker is employed by the hour. He goes to work when the employer puts him on the job. The employer may take a particular worker off the job whenever the employer wants to, and the worker goes off the job. The worker's pay ends with the hour he is taken off.

In hiring, the employer exercises complete freedom of passing on the qualifications of the workers whom the union furnishes to him. He is free to reject any worker not satisfactory to him or to dismiss the man after trying him out. Under these conditions and with good management, there is every opportunity for maintaining production at a high level. Under these conditions also there is little room for what the antilabor spokesmen call featherbedding by the worker.

Numerous charges have been leveled against unions that have since been, or can be, completely refuted. The requirement for the three coats of plaster for each room has been publicized as one chargeable to unions. It has been shown to have been embodied in the basic standards promulgated by the United States Bureau of Standards, having nothing whatsoever to do with union rules.

It is argued that the unloading and sorting of plumbing supplies and equipment delivered to a large project should not be done by skilled plumbers, who are paid $2.25 an hour, but should be done by laborers who would be paid $1.10 an hour for this work, because this change would make it possible to cut labor cost on this operation in half. Experience has shown, however, that the unloading and sorting of such equipment is much faster, more efficient and economical, when done by men familiar with the character and function of the unassembled parts and that the cost of having this work done by untrained workers would in the end be actually higher.

I have cited these few instances of the many charges indiscriminately made against building labor primarily to explain the true nature of the problem involved and to point out how misleading they can prove to be when given fair study.

My request to this committee and to every fair-minded American is simple. I merely ask that, when occurrences take place indicating conditions for which unions are actually properly responsible and which call for correction, specific information, giving the time, the place, and the relevant facts be brought to me for attention. I pledge the cooperation of the Building and Construction Trades Department of the American Federation of Labor and of its affiliates to have them promptly investigated and, if found to be valid, corrected. But when the accuser refuses to be specific in his charges, when he denies us the opportunity to examine them, answer them and act upon them, I ask that the judgment against our unions be withheld, but that the accuser of labor, his motives and his actions, be then subjected to thorough public scrutiny.

JURISDICTIONAL DISPUTES

Jurisdictional disputes present a perplexing problem that has caused grave concern to the officers and members of the building and construction trades-unions for many years. A number of different plans have been placed in operation in an effort by the Department to reduce these jurisdictional disputes to a minimum, and provide for their orderly settlement.

Since the enactment of the Labor-Management Relations Act of 1947 there has been a grave question in our mind as to what extent labor unions could exercise any authority in preventing stoppages of work due to jurisdictional disputes.

It is a human characteristic for an employer to seek an increase in his volume of business. It is likewise a human characteristic that workmen desire to extend their field of employment opportunities. Responsibility for proper allocation of work is by no means labor's alone. Actions taken by employers in the light of changing conditions are often deeply involved in the jurisdictional problem. Realizing this fact, the Building and Construction Trades Department of the American Federation of Labor has been for the past 2 months carrying on negotiations with various employees' associations who employ members of organizations affiliated with the building and construction trades department and drafting a plan for the orderly adjustment of jurisdictional disputes in a manner that will not be in violation of the provisions of the Labor-Management Relations Act. These negotiations have now reached a point where they are to be submitted for ratification to various employers' associations and to the affiliated organizations of the building and construction trades department. Upon ratification, the plan will be put in operation.

LABOR COSTS

In the current discussion of the housing cost an attempt has been made to confuse the labor cost at the site of construction with the labor cost entering all component parts. The share of responsibility on the part of the building construction industry for improving the housing supply and keeping down the cost cannot be properly determined unless we clearly differentiate between the site cost and other costs entering into the price of a house.

The two largest elements of site construction cost are materials and labor. As these costs rise so do total costs. It is therefore important to study the relative increase in each item. The best place to look for this information is the Bureau of Labor Statistics. The figures provided by BLS show that the index of union hourly wage scales in the building trades rose from 100.0 in June 1939, to 147.3 in July 1947. On the other hand, all building materials increased 107 percent during the same period. Lumber increased 222 percent between the two dates while paint materials increased by 155 percent. In this respect it must be remembered that lumber is one of the most important components of a house. Any increase in lumber causes a disproportionate increase in total construction cost. If we convert the building material index to a 1939 base we find that the level reached in July 1947 is 185.3. Substantial increases have occurred since then. On the same base all building materials reached 207.1 in November 1947, while brick was 161.2, lumber 317.1, paint and paint materials 195.4, and plumbing and heating 171.7.

While comprehensive information on the share of labor costs at the cite is not available for the country as a whole, and we therefore cannot determine exactly the differences in such costs which exist due to the varying types of construction under different climatic conditions, a number of special studies have been made in a number of localities which indicate the general relationship of labor costs to the total cost. In general these studies show that site labor cost varies between 29 and 34 percent of the total site cost of residential buildings. These studies also show that this proportion has remained approximately the same since before the war.

The Bureau of Labor Statistics reports that an analysis of 106 single-family houses built in Chicago in 1947 showed site-labor cost to be 31 percent of the total construction cost A study of defense housing built in 1940 showed that at that time labor cost at the site represented 32.3 percent of the total site cost. This indicates that there has been no substantial change in the relation between the labor cost and the total cost in the past 7 years. As a matter of fact, we know that according to a comprehensive study conducted in 15 cities in 1932 site-labor cost on housing construction at that time constituted 37.3 percent of the total construction cost.

Let me emphasize that this proportion indicates the relationship between labor cost and the actual site cost of building a house. In relation to the actual selling price of the house, site-labor cost would be considerably smaller.

In 1940 the average total site-construction cost of residential dwelling units was $4,065. The average selling price in that year was about $5,250. For September 1947 the total construction cost of a single-family house was $6,348. The selling price of such a house ranges from $8,500, on up, as high as the market could bear.

It is important to bear in mind that the actual cost to the home buyer is measured by the size of the monthly payments he must make. Virtually all housing is sold under long-term mortgages for the family buying a home. The cost of interest and amortization represents the largest share of the cost of shelter to them. Under standard FHA mortgage, the home buyer pays as much for interest and amortization over a period of years as he does for the house itself. The point I wish to emphasize especially is that in analyzing the cost of monthly payments we find that the cost of labor on the site represents a small proportion of the total cost of home purchase. Even a 50-percent reduction in the site-labor cost would reduce the monthly payments on the average single-family home only 8 percent.

CONCLUSION

The year just completed, 1947, was a banner housing construction year from the standpoint of volume. In the second half of the year, the highest rate of home building in the history of the country was attained. Yet the selling price of this new housing was so far out of reach of the average family in need of homes that this construction has had little direct effect in relieving the critical housing shortage.

Because the volume of residential building in the last 20 years lagged far behind the Nation's need for new homes, we have accumulated a huge housing deficit, made all the more severe by the lack of permanent home construction during the war. As the result, our replacement need alone is now so great that it can only be met over a period of years of maximum construction.

But new housing must also provide for growth and change. These have been intensified by wartime conditions. Our prewar rate of marriages was about 1,400,000 a year. In 1947 it was 1,900,000 and for 1948 it is estimated at 1,700,000. Before the war, the country's birth rate was at the rate of about 2,000,000 babies a year. In 1947, it was 3,730,000.

In 1947, according to the Census Bureau, 1,250,000 new families or households were established. Unable to find homes, these families are forced to increase the doubling up which has been going on throughout the war years.

According to a recent study published by Duke University, one of the most important problems to take into account in meeting the problem is the relationship between family income and prices of homes. The study showed that on the basis of 1945 family income and 1945 building costs, there would be an effective market for 15,000,000 homes between 1945 and 1960. The study showed, however, that if family income remained the same but housing prices went up 10 percent, the demand for houses would fall off by 2,000,000. If prices went up 25 percent for 1945, the market for new houses would be cut in half. Both family income and building costs have increased in the last 2 years. But family income has gone up only about 10 percent, while prices of homes went up more than 60 percent in the same period.

It is clear that the ability of the average family to secure a new home is the most important element in reaching an equitable solution to the present problem. The concerted attack that can be large enough to measure up to the size of the problem must not fall short of the long-range program which would assure a supply of housing of all types, and especially rental housing, at charges which the average family can afford.

The American Federation of Labor has long advocated a comprehensive long-range program in which all elements of the industry and the community could cooperate. Labor's approach has not been restrictive, but positive and aggressive. We urge Congress to deal aggressively with the Nation's foremost domestic problem in the interests of all Americans.

Huge Arms Costs Loom

EXTENSION OF REMARKS
OF
HON. FREDERIC R. COUDERT, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. COUDERT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by the military expert of the New York Times, Hanson W. Baldwin, appearing in today's Times; it is well worth the attention of Members:

HUGE ARMS COSTS LOOM—PLANS FOR SPENDING FIFTEEN TO TWENTY-FIVE BILLIONS ANNUALLY SHOW A LACK OF COORDINATION

(By Hanson W. Baldwin)

Annual military expenditures of between $15,000,000,000 and $25,000,000,000 are forecast within the next few years, if measures already authorized or projected are approved by Congress.

The President's annual budget message which asked for about $11,000,000,000 (for national defense during the 1949 fiscal year), or about 28 percent of the total budget, and the report of the President's Air Policy Commission, which recommended the additional expenditure in the next 2 years of more than $1,500,000,000 annually, indicate the trend.

These two items are only two of many involving the eventual expenditure of billions of dollars annually for direct and indirect costs of national defense. All of these measures either have received congressional authorization, or have been approved by the military and are being, or will be, considered by Congress.

BREAK-DOWN OF COSTS

Here is an incomplete break-down of the costs of various national-defense measures as now outlined:

Annual appropriations to maintain the armed forces at an average strength of about 1,423,000 officers and men (slightly below present strength)—about $10,000,000,000.

Annual appropriations to increase the strength of cur air power, as recommended by the President's Air Policy Commission—an average of about $1,675,000,000 for each of the next 2 years, plus even larger amounts later. (The Commission contemplated a military budget, not including the items outlined below, of perhaps $18,000,000,000 by 1952.)

Annual cost of universal military training—official estimates between $1,750,000,000 and $2,000,000,000; other estimates double this figure. The President included $400,000,000 in anticipation of congressional action in next year's estimated annual expenditures

Annual cost of maintaining the National Guard at its peak strength of 723,000 (to be reached by the aid of universal military training) will be, according to the President's Advisory Commission on Universal Training, about $700,000,000 of Federal expenditures, plus $65,000,000 annually of State expenditures. In the present fiscal year the Federal costs of the Guard are an estimated $110,000,000.

The Army's Organized Reserve Corps, at planned peak strength, according to the same sources, will cost $400,000,000 annually to maintain, an increase of about $340,000,000 above the present appropriation.

No estimates are available of the ultimate cost of the Navy's Reserve when it reaches full planned strength.

David E. Lilienthal, chairman of the Atomic Energy Commission, recently recommended the doubling of our prior investment in atomic euergy, or the expenditure in capital investments of about $2,000,000,000 in the next 4 or 5 years to expand our production of fissionable materials. This capital investment would be in addition to the Commission's annual operating budget of $500,000,000 to $600,000,000.

A 5- or 6-year program of stock-piling strategic materials has been approved by Congress—total recommended and authorized expenditures over this period to be $2,100,000,000.

Estimated costs of National Science Foundation to aid military research and promote scientific education—$33,500,000 first year; $122,500,000 in the fifth year.

In addition to these costs very considerable construction and capital investments are planned to provide the new weapons or the facilities for the expanded forces:

Cost of constructing the necessary new armories and facilities for the expanded National Guard (as estimated by the President's Advisory Commission on Universal Training)—$600,000,000.

Construction of new transsonic and supersonic wind tunnels (recommended by Air Policy Commission)—about $500,000,000.

Construction of new laboratories, test centers and proving grounds for guided missiles and new weapons—about $500,000,000.

Four-year construction program to modernize and strengthen the merchant marine (recommended by special Presidential Commission recently)—$600,000,000.

WOULD BE SPREAD OVER YEARS

These latter expenditures would, of course, be spread out over a period of years and they do not represent recurring costs, but each military capital investment entails a greater annual outlay for maintenance and depreciation.

These lists are by no means complete and could be greatly extended.

But they are definitive enough to prove what the President's Air Policy Commission confirmed—that there is not now and has not been any integrated and coordinated postwar plan of defense, and that individual plans and policies, largely uncorrelated, have, like Topsy, just "growed." These lists also lend great emphasis to the little-noted warning of Secretary of the Army Kenneth C. Royall, given in his testimony before the Air Policy Commission.

"We must realize," said Mr. Royall, "that there is a dollar limit on what this country can spend for national defense. There is an absolute limit beyond which we cannot go without endangering the economic security of the country."

Such a stop-look-and-listen warning sign ought to be carefully noted by Congress.

Is a Racket Being Made Out of the Use of Section 32 Funds?

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, section 32 funds are obtained by taking 30 percent of the custom receipts and setting them aside for removing agricultural surpluses. The following is the law:

TITLE 7, SECTION 612c, UNITED STATES CODE, 1940 EDITION

SECTION 32 FUNDS—APPROPRIATION TO ENCOURAGE EXPORTATION AND DOMESTIC CONSUMPTION OF AGRICULTURAL PRODUCTS

There is appropriated for each fiscal year beginning with the fiscal year ending June 30, 1936, an amount equal to 30 percent of the gross receipts from duties collected under the customs laws during the period January 1 to December 31, both inclusive, preceding the beginning of each such fiscal year. Such sums shall be maintained in a separate fund and shall be used by the Secretary of Agriculture only to (1) encourage the exportation of agricultural commodities and products thereof by the payment of benefits in connection with the exportation thereof or of indemnities for losses incurred in connection with such exportation or by payments to producers in connection with the production of that part of any agricultural commodity required for domestic consumption; (2) encourage the domestic consumption of such commodities or products by diverting them, by the payment of benefits or indemnities or by other means, from the normal channels of trade and commerce or by increasing their utilization through benefits, indemnities, donations, or by other means, among persons in low-income groups as determined by the Secretary of Agriculture; and (3) reestablish farmers' purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption. Determinations by the Secretary as to what constitutes diversion and what constitutes normal channels of trade and commerce and what constitutes normal production for domestic consumption shall be final.

The sums appropriated under this section shall be expended for such one or more of the above-specified purposes, and at such times, in such manner, and in such amounts as the

Secretary of Agriculture finds will effectuate substantial accomplishment of any one or more of the purposes of this section. Notwithstanding any other provision of this section, the amount that may be devoted, during any fiscal year after June 30, 1939, to any one agricultural commodity or the products thereof in such fiscal year, shall not exceed 25 percent of the funds available under this section for such fiscal year.

Mr. Speaker, the custom receipts from duties collected have been from $357,000,000 to $437,000,000 each year from 1935 to 1945. A large percentage of these custom receipts comes from duties on livestock products. If the duty collected on wool in 1946 was $150,000,000, wool then would furnish 30 percent of $150,000,000 or $45,000,000, which is just about the amount appropriated and provided for the present year for section 32, "Funds."

What happens to this money secured largely from the imports of wool and other livestock products? Here is where the special-privilege crops come in.

The following is the official report of the United States Department of Agriculture on the allocations for 1947 up to November 30:

Exportation and domestic consumption of agricultural commodities—approved programs and obligations by commodities—fiscal year 1948 (July 1 to Nov. 30, 1947)

	Approved programs as of Nov. 30, 1947	Obligations incurred	
		July 1 to Nov. 30, 1947	During November 1947
Purchases for direct distribution:			
Irish potatoes	$4,250,000	$2,614,954.59	$1,296,356.22
Sweetpotatoes	1,000,000	437,991.04	20,750.14
General vegetables	500,000	112,876.91	6,453.84
Dried fruits	4,600,000	26,323.75	26,323.75
Dried eggs	750,000	399,747.63	12,841.83
Transportation costs on prior year purchases		157.12	[1] −679.42
Total	11,100,000	3,592,051.04	1,362,046.36
Exportation: Cotton	1,000,000	676,485.66	270,953.30
Diversion: Cotton insulation	1,000,000	204,125.60	
Administration of marketing agreements	[2] 700,000	222,125.00	26,353.09
Other administrative expenses	[2] 1,060,000	575,028.45	98,008.34
Total	1,760,000	797,153.45	124,361.34
Grand total	14,860,000	5,269,815.15	1,757,361.00

[1] Erroneous payments, adjusted in November.
[2] Estimated annual obligations.

Just analyze this table. There is nothing to show that the wool men are to enjoy any benefits, but you will note that $1,000,000 is set aside to pay an export subsidy on cotton even if the Agriculture Department is asking for a 3 percent increase in cotton production this year. You will note that another $1,000,000 was allocated for cotton insulation. This subsidy is to manufacture insulation materials. Is there any provision for wool insulation? No. How about the other nonsubsidized manufactures of insulation material? How long must they compete with federally subsidized cotton insulation? One cotton Congressman tried to explain the cotton insulation on the basis of need for veterans' housing, but this subsidy was being paid before the war. On this basis the proposal to subsidize southern pine for lumber will no doubt soon be in order.

Where, I ask, in the law is there a provision to use these section 32 funds for administration of marketing agreements, or for other administrative purposes? Read the law and give the answer.

In the past other uses of these section 32 funds have been made. The official table from the United States Department of Agriculture is as follows:

TABLE IV.—*U. S. Department of Agriculture Production and Marketing Administration*

SECTION 32—TOBACCO PROGRAMS

Year	Diversion to byproducts and new uses				Exportation	
	Fertilizer experiment		Nicotine insecticide			
	Hundredweight	Value	Hundredweight	Value	Hundredweight	Value
1936			150,647	$1,090,213		
1937			179,645	1,716,756	3,469	$3,881
1938	35,000	$487,616	111,301	1,068,222		
1939	93,996	260,092	42,178	140,805		
1942			90,173	367,361		
1943			233,435	2,092,965		
1944			248,888	2,708,475		
Total	128,996	747,708	1,056,267	9,184,797	3,469	3,881

The fertilizer experiment program was designed primarily to relieve the market of surplus low-grade dark tobacco. Fertilizer produced under this program was distributed largely to institutions.

The nicotine insecticide program was originally an attempt to remove burdensome surpluses of certain types of low-grade dark tobaccos, and to assure production of needed quantities of nicotine sulfate for use in insecticides. Later, the war cut off imported materials such as derris root, and limited the availability of critical domestic materials—copper and arsenic—formerly used in the manufacture of insecticides. Nicotine sulfate, a tobacco byproduct, was used as a substitute in part for these scarce materials.

The foregoing shows the expenditure of these section 32 funds for grinding up tobacco and using it for fertilizer, and for subsidizing insecticide manufacture.

A $45,000,000 blank check to the Secretary of Agriculture should not be appropriated. It does not make sense to obtain funds from wool and spend the funds on cotton. The cotton-insulation program has long ceased to be an experiment. If the cost of food is $330 per capita and the cost of government is $371 per capita, it is an appropriate time to provide more food and less wasteful government.

The Late Honorable Clarence E. Hancock

EXTENSION OF REMARKS
OF

HON. CLARENCE E. KILBURN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. KILBURN. Mr. Speaker, the passing of Clarence E. Hancock was a great personal loss to me. In my opinion, he typified the very best qualities of a public man as well as a personal friend. He never stooped to demagoguery. His thinking on issues before the House was always clear, logical, and on a high statesmanlike plane.

When I first came down here nearly 8 years ago, our former colleague Bert Snell had told me that I would find Clarence Hancock kind and helpful. I had met him a couple of times before coming down and we had some mutual friends. After becoming better acquainted, his counsel, advice, and example were always a great help and comfort to me. This was especially true of complicated legal bills coming from his Committee on the Judiciary. Not being a lawyer, I many times found myself bewildered by the legal language and technicalities of some of these bills. I would go to Clarence Hancock and he would patiently and clearly outline to me the real meaning of the legislation and it was refreshing and stimulating to hear him analyze the bill.

As we all know, he had a great record in the First World War, and his strong character was put to another test in the Second World War. Never from his speech or actions could one tell of the strain he was under while his only son, John, was bombing Japan as pilot of a B–29.

It was characteristic that when he decided not to run for Congress because of ill health, he never told our New York delegation until after the adjournment of the House in order to forestall any tribute that we would want to get together and give him.

I think his dear wife and son know pretty well the affection, high esteem, and respect that his colleagues held for him, and our sympathy goes out to them. Knowing him was one of the grandest experiences of my life.

Awake, America

EXTENSION OF REMARKS
OF
HON. HARRY L. TOWE
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. TOWE. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD an editorial entitled "Awake, America," written by William Schulman, national commander of the Legion of Guardsmen, North Bergen, N. J.:

AWAKE, AMERICA

The way things are going we cannot blind ourselves to the fact that growing tension between the Soviet Union and ourselves easily could produce a shooting scrape. Operating just short of the chalk line of war always involves the risk that someone will miss his step and cross it. In a real knockdown fight, the Russians will prove no pushover. They are smart, and with plenty of know-how. They are regimented to a single despotic will, and, as the Germans discovered, will not yield when the going grows tough. Under circumstances, good sense would dictate that we take every possible move to protect ourselves. Instead we have followed an opposite course, and have allowed our military defenses to disintegrate. In the United States the great bulk of aviation manufactures are either insolvent, or seeking to make ice boxes and prefabricated houses instead of planes—while the Russians plants are being expanded.

We may be mistaken in our judgments and the Russians may not want war, but they are getting ready for it.

What are we doing to meet the crisis?

Part of our plan lies in the huge international ransom by which our State Department hopes to buy peace; this, together with the Greeks, the Turks, and the Saudi Arabians, is supposed to protect us, if and when the greatest test of wills comes.

A modern military machine is a highly organized, complex apparatus. It is composed of specialists and technicians, and places a premium on technical skill, mobility, and all out concentrations of attack power. Its first principle is that the only good defense is a powerful offensive. Today the potentials of machine warfare are far advanced over what they were.

In war of the future, great bodies of men will land directly by air in the center of the enemy's territory, in lightning operations, after the way has been paved by a shattering attack of bombers and guided missiles. Except for the mopping up work, the entire operation will be primarily an air operation. Shattering surprise and massive destruction power will be brought to the highest point of military effectiveness ever visualized by man. Everything, including the supply trains, will be air-borne. Even in the case of germ and chemical warfare, the airplane will play the decisive role.

To establish an adequate air army will prove expensive, but it will not be half as expensive as the Marshall plan of international philanthropy, nor a fraction as expensive as a lost war.

With the great productive machinery of America behind such a defense establishment, neither Russia nor anyone else would dare to entertain the idea of aggression against us.

The mere act of building this air force would tend to revitalize our dying aircraft industry, whose present desperate situation is the most dangerous phenomenon in America today. Only an industrial establishment which is strong and alive can make for a military establishment which has power to win. The two are interlocked and cannot be dissevered from each other.

On the same score, private flying also should receive the sympathetic attention of Government. Aviation easily could become a necessary subject in the public schools. Subsidies to private groups who wish to learn the art of gliding or flying properly could be in order. In and out of schools, 10,000 or 20,000 such groups could exist in the United States within a year. The planes and equipment they would use would entail considerable amount of Government assistance, but the money would remain in America.

Events are moving fast and there may not be much time left. Common sense demands that we be done with the current crop of pipe dreams and illusions, and get down to cases. America can only be safe if she is strong; and strength in terms of this century means unquestionable military superiority in the air. Without this, nothing else counts, and with it, nothing else matters.

WILLIAM SCHULMAN,
National Commander,
Legion of Guardsmen.

Navy Department's Wage Policy

EXTENSION OF REMARKS
OF
HON. ROBERT N. McGARVEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. McGARVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement by John P. Frey, president, metal trades department, American Federation of Labor.

I wish to compliment Mr. Frey and also his workers for the fine job they are doing.

The statement follows:

THE NAVY DEPARTMENT'S WAGE POLICY UNDERMINES CONFIDENCE

(By John P. Frey, president, metal trades department, A. F. of L.)

In the middle of November 1947 the Navy Department issued its new schedule of wages for navy yard employees. This was about a year overdue.

An examination of the new wage rates established, revealed an amazing inconsistency. There was an absence of realism, and a wholly unjustified, unbalance of wages for the same classification of labor as between the several navy yards.

In one navy yard, whose wage classification had been below the average of other navy yards, although the mechanical skill required in this yard equals that of any, none of the classifications of labor received an increase in the hourly wage rate, while 19 of the classifications were reduced from 4 to 8 cents per hour.

In another navy yard increases in the hourly wage rate up to 14 cents per hour were given to 24 classifications; 35 additional classifications received from 15 to 19 cents per hour; 58 additional classifications received increases of from 20 to 25 cents per hour, while 10 additional classifications received over 25 cents.

To accomplish this unbalance and unjustified result, the Navy Department arbitrarily set aside its long-time interpretation and application of the law of 1862, the law establishing the rule for the setting of navy-yard wage rates.

Then, to close the door to labor's right to have an adequate voice in the collection and examination of wage data from private industry, the Navy Department abolished the Navy Wage Review Board, upon which labor had an official representative since 1921.

In 1861, Congress enacted a law basing navy-yard wages upon wages being paid in private shipyards in the vicinity. In 1862 this law was amended to read—

"That * * * the rate of wages of the employees in the navy yards shall conform, as nearly as is consistent with the public interest, with those of private establishments in the immediate vicinity of the respective yards, to be determined by the commandants of the navy yards, subject to the approval and revision of the Secretary of the Navy."

When the law of 1861, amended in 1862, was enacted, the navy yards were constructing wooden warships only. It was apparent that the steam power being introduced in wooden ships, required the services of skilled metal workers. This led to the amending act of 1862.

Two provisions of the law of 1862 are vague and indefinite. How large an area would constitute "the vicinity" of the navy yard, and what construction should be placed on the words "the public interest?"

These two provisions were interpreted by commanders of navy yards according to their own judgment, judgment which led to wide and conflicting variations in wages as between navy yards. The "vicinity" of navy yards was sometime limited so as to exclude more favorable wage data for work of a comparable character in the immediate industrial area. Some navy yards were situated in large industrial areas, such as Boston, Mass., Brooklyn, N. Y., Philadelphia, Pa., Vallejo, Calif., and Bremerton, Wash. Other navy yards such as Portsmouth, N. H., Newport, R. I., Washington, D. C., Norfolk, Va., and Charleston, S. C., were more isolated but nevertheless close to large industrial areas.

As the result of wage rates formulated by navy-yard commanders, and the action upon these by the Navy Department, a wide variation in wage rates for the same classification of labor developed, particularly in the navy yards along the Atlantic seaboard. The local navy-yard wage boards appointed by the yard commanders, while well qualified as naval officers, possessed widely varying degrees of practical experience with the realities of the wage structure in private industry.

Since 1862 an industrial revolution has taken place more far reaching than the replacing of wooden ships by the present types of warships. The navy yards of our country, for many years, have required the highest degree of skills obtainable. No manufacturing establishment requires the same high percentage of thoroughly trained skilled workmen.

The Navy Department recognized the necessity of paying approximately the same wage rate to navy-yard employees as was paid in private industry for comparable work. The unsatisfactory, conflicting, and unbalanced wage rates established in navy yards, was due largely to the fact that the navy-yard wage boards, appointed by navy-yard commanders, were insufficiently familiar with the industries and the types of skilled workers employed in them, to determine the comparability of the work in private industry and the comparable skill required in navy yards.

Navy-yard labor had long protested against the inequality of navy-yard wage schedules for the same type of workmen. Navy-yard labor was insisting upon the right to collect wage data for comparable work in

private industry, and to discuss this data with the local navy wage board.

In 1921, on the initiative of Franklin D. Roosevelt, then Assistant Secretary of the Navy, and the thorough approval of Secretary Daniels, a navy wage review board was established. This consisted of two representatives of the Navy Department, and one appointed by the president of the A. F. of L. This gave labor's representative an opportunity of examining the wage data collected, and of assisting the Navy Department's representatives in determining whether some of it was invalid because it was not for comparable work to that done in the navy yards.

This board of three continued to function annually until in 1938 or 1939, when, because the CIO had organized a few of the workers in some navy yards, the navy wage review board was increased to five, three representing the Navy Department and two navy-yard labor. The Navy's majority on the board was the determining factor, but labor was in a position to give navy-yard employees a voice in the determination of the comparability of wage data.

Under the operation of this committee over the years, the Navy Department enlarged the areas to be known as the immediate vicinity of the yard. Circumstances compelled this modification for the American metalworking industry had enormously developed since 1862, and enlarged the areas in which the private plants were located so greatly that the original vicinity of the yard had become inadequate as a basis for comparisons.

The marked differences in wages paid to the many classifications of labor in navy yards was gradually adjusted so that they were on a basis of approximate uniformity for the same classifications. The unbalances which had existed prior to 1921 were largely eliminated.

In June 1947 the Navy Department abolished the Navy Wage Review Board without notifying the labor members of the Board, or the organizations which had appointed them. It then returned to the vicinity of the yard as applied in 1862. At the same time the Navy Department materially restricted the opportunity of navy yard employees' wage committees to discuss wage data with the local Navy wage board.

In doing this the Navy Department eliminated navy yard labor's opportunity to an adequate voice and to representation, at a time when other large departments of the Government employing civilian workmen had established permanent joint committees, giving to labor the right to representation and participation in the discussion and consideration of wage rates.

The present policy of the Navy Department on the question of labor's right to an adequate voice on the comparability of wage data is as reactionary and as obsolete as the wooden warships of 1862. To abolish labor representation after it had been in existence since 1921 was to move backwards, and this action was as arbitrary as it was bureaucratic, unsound, and impractical.

The Navy Department's present policy has undermined the confidence of navy yard employees, a confidence which it is necessary to have restored if our navy yards are to continue to attract the highly skilled workmen required.

The present unrealistic and autocratic attitude of the Navy Department is unacceptable to free American workmen, who long ago won their right in private industry and in most governmental departments employing civilian mechanics to have an adequate voice in the discussion and consideration of their terms of employment and conditions of labor.

The American Navy, under the Navy Department, is now by far the most efficient in the world. It is forward looking. It is progressive and constructive. It should be big enough to recognize that it cannot afford to go back to the period of wooden warships to find the basis for its present-day industrial-relations policy.

Enough Said

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, the following is from page 19, table II, of Publication No. 572 of the United States Department of Agriculture, showing nutritive value of various foods:

Product:	*Calories*
1 pound oleomargarine	3,327
1 pound lard	4,086
International units, vitamin A	(1)

[1] Plain oleomargarine is considered to have no vitamin A value.

The above shows that lard has 22 percent more calories. Lard can be purchased for much less than oleo. Not all oleo is fortified with vitamin A.

If anyone feels the need of vitamin A there is nothing stopping him from going to the village drug store and purchasing some vitamin A tablets.

If lard was given a shower both to give it taste and odor of butter; if lard had some vitamin A injected into it to give it some of the properties of butter; if lard was colored to look like butter, then a product with 22 percent more calories than oleo can be obtained for 25 percent less money. The price of lard has been from 17 cents to 27 cents per pound since June.

Since Europe is in need of calories, why not lard instead of oleo?

Truman Politics

EXTENSION OF REMARKS
OF
HON. JOSEPH P. O'HARA
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. O'HARA. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Fairmont Sentinel, Fairmont, Minn., of January 8, 1948:

POLITICS

Knowing that some sort of refurbishing of the individual income-tax picture is necessary, President Truman asked for a blanket reduction of $40 a head for each taxpayer and his dependents. The loss, according to the President, should be made up from increased corporate taxes. The plan is, of course, a hasty appeasement move to placate the impatient public until a more thorough tax program can be put into effect.

The $40 reduction, on one hand, and increased rate for corporations, on the other, is as senseless as it is ineffective. The lower-income-bracket taxpayers would benefit somewhat from an immediate reduction—if it was to apply on 1947 income and paid back to the original payee—but increased corporate taxes would lead inevitably to one thing—higher prices.

Many folks in the low-income bracket, with a number of dependents, pay no income tax now and would receive absolutely no benefit from the President's current plan.

Tax reduction, to be of benefit to everyone, must be applied to everyone, big and little. Corporations cannot reduce the price of their products if more and more taxes stare them in the face. The individual can do nothing but ask for wage increases if his taxes aren't reduced, if he is in the moderate-income bracket. The lower-income taxpayer, who now pays no income tax, received no consideration from blanket reductions.

We cannt go along with an across-the-board tax-reduction program that does not prove beneficial to all proportionately.

Problems of Small Businessmen

EXTENSION OF REMARKS
OF
HON. JAY LeFEVRE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. LeFEVRE. Mr. Speaker, last evening I had the good fortune to be one of the many Members of Congress who attended the dinner of the National Small Businessmen's Association. I do not believe I ever attended a more enthusiastic meeting. Since I am a small businessman myself I felt right at home with this group and met several members of the association who are in my line of business. Representatives from the great majority of our States were present. These men are sincere in their efforts, and we all know that their combined forces make up the backbone of our domestic economy. These men were not in Washington with any particular gripe. All they want is a 50–50 break, and, believe me, this Congress should see that they get it.

Elmo Roper's column in today's New York Herald Tribune, which appears below, entitled "Business Seen Taking Chances in Boom," attracted my attention. I judge that the majority of the men present at last night's meeting were retailers—the men back home who operate on their main street. They are the men who guide the destiny of their community; they serve on their local school boards; they hold local municipal offices; they are expected to contribute to every local benefit; and, I am sure, they take an active part in the church of their choice.

What has the New Deal done for this group of small businessmen? Not a thing helpful. They have only been harassed with demands for ridiculous and unnecessary reports—threats of restriction on their trade—and the like. Mr. Truman wants to bring back that wartime condition by again inflicting controls upon us. What are we going to do about it?

In his article Mr. Roper brings to our attention the chances that business is taking today. These small businessmen have to carry an inventory if they are going to do business. They always have to take the chance of a falling market and an inventory loss. They are taking that chance now and facing a slap like we all took in 1920—destructive to the point of ruination in many cases. They stand ready to take the results without a whimper if the Government will only leave its hands off. If we are going to

have free enterprise, let us keep it free.

Mr. Roper's article follows:

BUSINESS SEEN TAKING CHANCES IN BOOM

(By Elmo Roper)

Last week I reported that the business leaders of the country—as polled in the Fortune executive forecast—expect prosperity to last at least through the first half of 1948. They think that the year ahead will bring record volumes of production, investment, sales, and profits.

But will the Nation later pay a price for such prosperity? What are some of the developments inherent in this golden era of boom which might well be the cause of another "bust" unless watched carefully?

Most talked about, and perhaps most important, is the future of prices. The executive forecast asked the cross section of business leaders:

"What about the cost of living? On a 1935–39 base, the Bureau of Labor Statistics Consumer Price Index was 153.3 last January; in July it was 158.4. Compared to July 1947, where do you think the index will be by July of next year?"

	May 1947	January 1948
	Percent	*Percent*
Up sharply (15 percent or more)	1	5
Up moderately (between 5 percent and 15 percent)	6	54
Pretty much unchanged (plus or minus 5 percent)	26	27
Down moderately (between 5 percent and 15 percent)	62	12
Down sharply (15 percent or more)	4	1
No estimate	1	1

In May of last year, the survey of businessmen reported that they expected lower prices, but the cost of living for most Americans actually skyrocketed to new highs. Today the same businessmen expect even higher prices. One can only wonder if there is a limit beyond which customers will be priced out of the market.

As to the reasons for the expected higher prices, clues are found in the answers the businessmen gave to the question:

"Could you indicate below each of the following what you are planning for during the first half of next year?"

	Prices you will charge	Cost of materials and products you buy	Your own labor costs
A sharp increase	2	5	4
A moderate increase	34	55	65
No appreciable change	55	34	27
A moderate decrease	6	4	2
A sharp decrease	1		
No estimate	2	2	2

According to the leaders of management themselves, the reason for higher prices will be still higher costs of materials and bigger pay rolls for labor. Others will charge that the expected higher profits will contribute substantially to the higher ultimate prices. The important news to the American consumer, however, is that more than 90 percent of these businessmen anticipate no price relief in 1948, and more than 33 percent think that prices will rise even higher.

One of the earmarks of booms has been the large degree of speculation rampant in the stock market. Much of this speculation has been curtailed by the Securities and Exchange Commission regulations, but until now the stock market has seemed to be unduly "bearish" in the face of a sizable boom. Not so in 1948, say the business executives. They expect that stock-market prices will be stable or rising this year—a signal for an increased volume of trading. They were asked:

"During the first half of 1948 do you expect generally rising, stable, or falling stock-market prices?"

	May 1947	January 1948
	Percent	*Percent*
Rising	17	26
Stable	29	33
Falling	34	17
Won't guess	20	24

Besides a large amount of activity on the stock exchanges, booms are usually marked by excess inventory accumulation. One of the factors which has always hastened any collapse has been the panic which hits dealers and wholesalers as well as manufacturers who think they are going to be caught with high-priced inventories which they cannot sell. This, of course, has always led to frantic unloading of inventories, resulting in price wars which bring on a crash.

It is not encouraging, therefore, to report that the retailers and wholesalers of the Nation are today not shortening their inventories as they were last spring. Instead, they seem to look forward to relaxing somewhat their former policy of caution. This is indicated in the question which asked retailers and wholesalers:

"For the first half of next year, apart from normal seasonal practice, are you planning to increase inventories, shorten them, or hold them at about the same level?"

	May 1947	January 1948
	Percent	*Percent*
Increase	3	8
Hold at about same level	29	60
Shorten	65	31
No estimate	3	1

These are but a few of the potentially dangerous undercurrents which are by-products of today's boom. After the last Fortune executive forecast in May it seemed that the over-all caution of business toward the boom served to limit rash speculation and unsound ventures.

Today a good deal of the caution seems to be gone from business attitudes. Perhaps this optimism about the future is justified. However, it is also possible that the wave of optimism will sweep away that ounce of caution so necessary to prevent a collapse.

Rarely in the past has the future of so much of the world depended on the decisions which American management must make in 1948.

The Strange Case of Heinz Norden

EXTENSION OF REMARKS

OF

HON. GEORGE A. DONDERO

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. DONDERO. Mr. Speaker, on October 5, 1947, and on December 19, 1947, the Washington Post took occasion to charge me with injustice to two civilians who lost their jobs with the American military government. What is involved here is not merely my personal reputation but rather the ramifications within the American military government in Germany disclosed by these cases. I shall limit myself at this time to the case of Heinz Norden, who is one of those involved. I shall attempt to prove that the case demonstrates inexcusable ignorance or negligence, or both, on the part of those responsible for the American military government in Germany, and I hope that after these facts are made known there will be a searching investigation of the entire situation.

Following its usual tactics, The Washington Post, which is becoming more and more identified as the Washington edition of the Daily Worker, published the disarming denials of Heinz Norden instead of searching for the actual facts in this case. This is not the first time that the Washington Post has defended persons with Communist records.

Here is a man who, according to his own letter, published in the Washington Post of December 19, 1947, was assigned by the American military government in Germany to the work of counterintelligence and was approved for this job by Brig. Gen. Edwin L. Sibert, then Chief of Intelligence. He was later sought out by Brig. Gen. Robert A. McClure, director of information control under the American military government in Germany, and appointed editor in chief of the official magazine, Heute—Today. His record was cleared by a loyalty board of the American military government in Germany. His record and work have been approved by Maj. Gen. John Hester on March 13, 1945; by James A. Clark, chief, information control division, office of military government for Bavaria, on November 6, 1947; and by Gen. Lucius D. Clay.

What are the facts regarding this man's record? Are they such as to warrant his appointment in such sensitive posts as counterintelligence and as the official editor of a magazine in our zone in Germany? Do they warrant his clearance by the Army's loyalty board?

First. According to Heinz Norden's letter of March 6, 1942, he was a member of the American Labor Party. This organization has been repudiated as Communist controlled by numerous labor leaders of the State of New York. It has been cited as a front for the Communist Party by the Special Committee on Un-American Activities on March 29, 1944. Today it is joining hands with the Communist Party in support of Henry A. Wallace.

Second. According to Heinz Norden's letter of December 15, 1947, he was a financial contributor to the American League Against War and Fascism. If Mr. Norden did not know what he was contributing for, he certainly has no place in counterintelligence. If he did know, then there is all the more reason to bar him. The American League Against War and Fascism was active on an outright treasonable program. Attorney General Francis Biddle has declared that it was "established in the United States in an effort to create public sentiment on behalf of a foreign policy adapted to the interests of the Soviet Union." Vice chairman of this organization was none other than Earl Browder, then general secretary of the Communist Party of the United States. This organization has been cited as a Communist front by the Special Committee on Un-American Activities on January 3, 1940, and March 29, 1944.

Third. The Daily Worker of January 28, 1938, page 2, cites Heinz Norden as

a speaker at a model legislature conducted by the American Youth Congress. Former Attorney General Biddle referred to the American Youth Congress as a "front organization of the Communist Party." He said that "since its inception (it) has been controlled by Communists and manipulated by them to influence the thought of American youth." It has also been cited as a Communist front by the Special Committee on Un-American Activities, June 25, 1942, and March 29, 1944. This is the organization which booed President Roosevelt on the White House lawn during the Stalin-Hitler pact.

Fourth. In his letter of July 28, 1943, Heinz Norden has admitted being a member of the Book and Magazine Guild, an affiliate of the United Office and Professional Workers of America, a Communist-controlled union within the CIO.

Fifth. The Daily Worker of February 14, 1939, page 4, shows Heinz Norden as chairman of a City-Wide Tenants' Council. This organization was officially represented in the American Peace Mobilization at its meeting on April 5, 1941. It will be remembered that the American Peace Mobilization picketed the White House during the Stalin-Hitler pact and opposed lend-lease and our defense program in general. There is no question that the City-Wide Tenants' Council was one of a network of Communist fronts supported by the Communist press and operating in New York City. According to the Daily Worker of November 27, 1936, page 2, and Heinz Norden's letter of March 6, 1942, he was a representative of the tenants' league which was active in a housing development in New York City known as Knickerbocker Village, in which activities well-known Communists were active.

Sixth. According to the admission of Heinz Norden in his letter of March 6, 1942, he attended a meeting of the Communist Party held in Madison Square Garden and occasionally read the Daily Worker and the New Masses, official Communist publications.

Seventh. According to a pamphlet entitled "The People versus H. C. L.," page 3, December 11–12, 1937, Heinz Norden was a sponsor of the Consumers National Federation. The California Joint Fact-Finding Committee on Un-American Activities in its report of 1943 has characterized this organization as "created by the Communist Party and used for the purpose of spreading propaganda in schools and through women's clubs." It was cited as a Communist front by the Special Committee on Un-American Activities on March 29, 1944.

Eighth. According to a letterhead dated November 25, 1941, Heinz Norden was a member of the board of directors of the New York Conference for Inalienable Rights. This organization was cited as a Communist front by the Special Committee on Un-American Activities on March 29, 1944. This organization was a predecessor to the National Federation for Constitutional Liberties, which has been cited as an organization defending well-known Communist leaders by Attorney General Biddle.

Ninth. In his letter of December 15, 1947, Heinz Norden admits that "I may have 'belonged' to some Communist-front groups," although in his letter to me of January 8, 1948, he declared: "At no time was I a member of any organization dominated to my knowledge by Communists."

Tenth. In this letter of January 8, 1948, Heinz Norden admits that he joined the American Veterans Committee, which has a chapter in Munich. Observers who have returned from Germany declare that the American Veterans Committee in our occupation zone is strongly infiltrated with Communist influence.

Eleventh. In his letter of January 8, 1948, Heinz Norden admits membership in the State, County, and Municipal Workers of America. This organization later merged into the present United Public Workers, which has been openly shown as Communist controlled by facts presented on the floor of this House. The State, County, and Municipal Workers and the United Public Workers have both been headed by Abram Flaxer, whose Communist record has been exposed by the Special Committee on Un-American Activities in its report on March 29, 1944.

Twelfth. Heinz Norden was the translator of a biography of Karl Marx written by Franz Mehring, published in 1935 by Covici, Friede, Inc. The book was dedicated to Clara Zetkin, the leading woman Communist of Germany. The translator's preface states:

> In 1933, on the fiftieth anniversary of the death of Marx, a new edition was published and it is a translation of this edition which is now before the reader. Franz Mehring dedicated the first edition to: "Clara Zetkin, heiress to the Marxist spirit," and the first American edition therefore respects his wishes. * * * After Mehring's death a new era in Marxist research was opened up with its center in the Marx-Engels Institute in Moscow and many facts unknown to him were brought to light. The fiftieth edition was, therefore, brought up-to-date by means of an appendix. * * * This appendix, which the reader will find at the end of this volume, deals with all points of importance brought to light concerning Marx and Marxism.

It is evident from this note by Heinz Norden and his sister, Ruth Norden, who also occupies a post in the American military zone in Germany, that they were cooperating with Communist propaganda headquarters in Moscow in bringing forth this work.

Thirteenth. Heinz Norden and his sister, Ruth Norden, collaborated in translating the works of other pro-Communist writers, including Dawn Breaks, by Franz Carl Weiskopf; The Great Offensive, by Max Werner, and other works by the latter author.

Fourteenth. The records of the Navy Department, Bureau of Personnel, disclose the following in regard to Heinz Norden:

> Norden made application for enlistment in the naval service on December 14, 1941, and was accepted for enlistment on February 3, 1942. However, upon receipt of information that Norden had, while in New York City, close and active association with and in behalf of groups considered to have interests inimical to those of the United States, he was discharged on February 16, 1942.

Mr. Speaker, I am no investigator, and I do not have any special facilities for obtaining this information. I assume that the Department of National Defense could much more easily have obtained this information. Therefore, I state most emphatically that the employment of Heinz Norden in counter intelligence and in the post as editor of the magazine Heute, was an inexcusable violation of responsibility by the officers of the American military government. His clearance by the AMG loyalty board is all the more reprehensible. An examination of issues of the magazine Heute does not show that it was an effective organ in counteracting the barrage of slander directed from Communist sources at the United States. In answer to a specific request from me, Heinz Norden could not give any examples where he criticized the Communist Party or the Soviet Union.

I hope that the proper committees of the House and the Department of National Defense will investigate this matter thoroughly and hold the proper individuals responsible for the circumstances surrounding this case.

Bill's In Trouble—Poem by James Barton Adams

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. MACKINNON. Mr. Speaker, the ageless poem, Bill's in Trouble, by James Barton Adams, first came to my attention a number of years ago when a close personal friend of mine on the day I first filed for our legislature gave me a reprint which has been run in the Portland Oregonian. According to my information, James Barton Adams wrote this poem over 50 years ago, while serving on the Denver Post. With the convening of many State legislatures and another congressional session just getting under way, the time is appropriate for a republication of this immortal classic, which I include under leave to extend my remarks:

BILL'S IN TROUBLE

I've got a letter, parson, from my son away out West,
An' my ol' heart is heavy as an anvil in my breast,
To think the boy whose future I had once so proudly planned
Should wander from the path of right an' come to sich an end!
I told him when he started out toward the settin' sun
He'd find the row he had to hoe a mighty rocky one—
He'd miss his father's counsel, an' his mother's prayers, too;
But he said the farm was hateful, and he guessed he'd have to go.

I know thar's big temptation for a youngster in the West,
But I believed our Bill had the courage to resist,
An' when he left I warned him o' the ever waitin' snares.
That lie like hidden sarpents in life's pathway everywheres.
But Bill he promised faithful to be keerful, an' allowed
He'd build a reputation that'd make us mighty proud;
But it seems as how my counsel sort o' faded from his mind,
And now the boy's in trouble o' the very wustest kind!

His letters came so seldom that I somehow sort o' knowed
That Billy was a trampin' on a mighty rocky road,
But never once imagined he would bow my head in shame,
An' in the dust'd waller his ol' daddy's honored name.
He writes from out in Oregon, an' the story's mighty short;
I just can't tell his mother, it'll crush her poor ol' heart!
An' so I reckon, parson, you might break the news to her—
Bill's in the legislatur', but he doesn't say what fur.

—*James Barton Adams.*

State of United States Army Vessels

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. BRADLEY. Mr. Speaker, in amplification of the remarks I made under the 1-minute rule I am pleased to include herewith details of the status of United States Army vessels insofar as conversion and safety-at-sea work are concerned as furnished by Maj. Gen. Edmond H. Leavey, the chief of transportation, as follows:

Briefly, however, the status of safety work on our passenger transports is as follows: Nine vessels have already been completed (4 being conversions and safety-at-sea work, and 5 being safety-at-sea projects only); 18 vessels are now at shipyards (10 undergoing conversion and safety-at-sea work concurrently, and 8 having safety work only performed); contracts have been awarded on 6 vessels which have not yet entered yards (3 each for combined conversion and safety, and safety work only); and 4 others on which contracts have not yet been made will go to shipyards prior to March 31, 1948 (3 for combined conversion and safety, and 1 for safety-at-sea work only). One additional passenger transport will undergo safety-at-sea work only, in the Far East during the current fiscal year.

It might well be mentioned at this time that our safety-at-sea work is not restricted to passenger vessels. On both cargo transports and certain seagoing harbor craft also, our program is progressing very rapidly. It is expected that all such vessels will be fully certificated by the Coast Guard not later than March 31 in the same manner as are commercial-operated and privately owned vessels of various types.

The older vessels which are not included in our permanent postwar fleet and which we are presently operating will be retired as rapidly as the permanent fleet vessels complete their safety-at-sea work. Since these vessels will shortly be retired they have, of course, not been included in the safety-at-sea or conversion program.

A tabular summation follows:

U. S. Army passenger and troop transports—status of vessels in safety program

Vessel	Type	Nature of work	Present status
Sergeant Curtis F. Shoup, ex-*Spindle Eye*	C1-MAV-1	Conversion and safety-at-sea	Completed.
Private Elden H. Johnson, ex-*Pinkney*	ZC-2	do	Do.
Private William H. Thomas, ex-*Rixey*	ZC-2	do	Do.
Sergeant Charles E. Mower, ex-*Tryon*	ZC-2	do	Do.
General Harry Taylor	C-4	Safety-at-sea	Do.
General R. E. Callan	C-4	do	Do.
General A. W. Brewster	C-4	do	Do.
General A. W. Greely	C-4	do	Do.
General R. M. Blatchford	C-4	do	Do.
General C. C. Ballou	C-4	do	In shipyard.
General C. H. Muir	C-4	do	Do.
General D. E. Aultman	C-4	do	Do.
General C. G. Morton	C-4	do	Do.
General E. T. Collins	C-4	do	Do.
General H. B. Freeman	C-4	do	Do.
General W. F. Hase	C-4	do	Do.
General Fred C. Ainsworth	C-3	Conversion and safety-at-sea	Do.
General David C. Shanks	C-3	do	Do.
General George W. Goethals	C-3	do	Do.
General Henry Gibbins	C-3	do	Do.
General E. D. Patrick, ex-*Hughes*	P-2	do	Do.
General Simon B. Buckner, ex-*Eberle*	P-2	do	Do.
General Alexander M. Patch, ex-*Coontz*	P-2	do	Do.
General Daniel I. Sultan, ex-*Benson*	P-2	do	Do.
General Hugh J. Gaffey, ex-*Capps*	P-2	do	Do.
General Maurice Rose, ex-*Rodman*	P-2	do	Do.
USAT Hope	C1-B	Safety-at-sea	Do.
General M. M. Patrick	C-4	do	Contract let; vessel to enter shipyard in February.
General H. F. Hodges	C-4	do	Contract let; vessel to enter shipyard in March.
USAT Comfort	C1-B	do	Contract let; vessel to enter shipyard in February.
Admiral W. S. Sims	P-2	Conversion and safety-at-sea	Do.
Frederick Funston	C-3	do	Do.
James O'Hara	C-3	do	Do.
Admiral H. T. Mayo	P-2	Safety-at-sea	Contract to be let third quarter, fiscal year 1948; vessel to enter shipyard in April.
USAT Mercy	C1-B	Conversion and safety-at-sea	Contract to be let in March and vessel to go to shipyard immediately.
Pvt. Jose F. Valdez, ex-*Round Splice*	C1-MAV-1	do	Contract to be let and vessel to enter shipyard third quarter, fiscal year 1948.
Sgt. Jonah E. Kelley, ex-*Link Splice*	C1-MAV-1	do	Do.
Pvt. George J. Peters, ex-*Lock Knot*	C1-MAV-1	Safety-at-sea	To have work accomplished in theater during fourth quarter, fiscal year 1948.

Summary

Type of vessel	Safety-at-sea		Safety-at-sea and conversion	
	Completed or in shipyard	Yet to go to yard	Completed or in shipyard	Yet to go to yard
P-2	0	1	6	1
C-4	12	2	0	0
C-3	0	0	4	2
ZC-2	0	0	3	0
C1-MAV-1	0	0	1	[1] 3
C1-B	1	1	0	1
Total	13	4	14	7

[1] Includes 1 in Far East.

Speculation in Commodities

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. KEATING. Mr. Speaker, "Help wanted—male" is the sign now hung out in Washington. "No applicant will be considered who intends to use his official position as an opportunity to reap personal gain" will, I hope, be the No. 1 requirement established by those charged with the responsibility of selecting substitutes for the faithless to their trust as they begin their exodus from the Nation's Capital.

Shocking indeed is the disclosure of the name of the family of the ranking minority member of the Senate Committee on Agriculture on the latest list of insiders engaged in market speculation in commodities.

A revised standard of propriety is recognized as the foremost need in Washington officialdom in a commendably frank editorial in the normally pro-administration Washington Post, which,

under leave to extend my remarks, I quote:

INSIDE INFORMATION

Gov. Harold E. Stassen's query addressed to the President answers itself. The query is this: "Does a man who has admitted under investigation that he made approximately a million dollars ($932,703 to be exact) in personal profit by speculating since the war in increased prices of food and commodities belong in the position of assistant to the Secretary of the Army for procurement and industrial mobilization?" The answer, of course, is no. And the answer remains the same if it is asked respecting a member of the United States Senate intimately involved in agricultural problems, a physician with easy access to the seats of the mighty or any other high public official whose position might enable him to profit from inside information about the development of governmental policy.

Mr. Pauley's reiterated response to Governor Stassen that his trading was not based on inside information is beside the point. A man wagering large amounts of money on the fluctuations of commodity exchanges is, to begin with, not a man free to devote his full time and attention to his public office. However conscientious and disinterested he may strive to be, moreover, it is impossible for him—or for the public—to feel sure that his actions and motives are altogether unaffected by his private interests. Finally, such a man is a constant embarrassment to his associates. They must be always on guard lest some careless observation, some chance remark, convey the kind of inside information Mr. Pauley professes never to have gleaned. Public servants, in short, should not be persons inevitably subject to suspicion.

Strange Economics

EXTENSION OF REMARKS
OF
HON. FREDERIC R. COUDERT, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. COUDERT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following interesting article which was sent me by a constituent with the suggestiron that it be inserted in the RECORD:

STRANGE ECONOMICS—COUNCIL OF ECONOMIC ADVISORS' REPORT FULL OF HALF-TRUTHS, BANALITIES, SAYS ECONOMIST

(By Lawrence Fertig)

One of the most amazing documents to come out of Washington has been prepared by the President's Council of Economic Advisors. Mr. Truman will undoubtedly base his State of the Union message, to be delivered this week, very largely upon it. It is hard to recall any public statement by a group of economists which contains so many misstatements, half-truths, and banalities as this report incorporates. One shudders to think of the Nation being guided by such economic precepts.

Can you imagine anyone who thinks that increased production at the present time is inadvisable? The Council thinks so. Why? Because increased production in catching up with the market demand may force disastrous price-breaks, result in production cut-backs, and thus prove to be its own undoing. Prices are soaring because there is too much money for our present production.

In increased quantity of goods would plainly lower prices and cause a better balance and a much healthier situation. Apparently the Council thinks that less production, which would cause higher prices, and a bad imbalance, is now preferable. Dr. Nourse's committee admits that there are shortages of basic materials in many industries, but it doesn't see how increasing hours of work from 40 to 44 hours would help that.

ACCUMULATION OF CAPITAL

More work in digging a greater quantity of copper ore, and more hours of work in making more copper pipe would not, according to the Council, decrease the shortage of this product. When the average man reads this he will be forgiven for being reminded of Alice in Wonderland.

Do you know furthermore that the standard of living of the average man has been lowered by the fact that the tractor and the reaper are now employed instead of the plow and hand labor? "Accumulations of capital over the years," says the report, "have in the past involved deprivations to the rank-and-file worker."

All modern machinery, such as tractors, reapers, power-driven machines, etc., represents "accumulations of capital." By means of this machinery a worker can produce in an hour what he formerly produced by hand in a week. As a matter of fact, without these accumulations of capital the American worker might be living on the scale of a Chinese coolie or a South American peasant.

Because of the accumulations of capital represented by modern machines the American worker enjoys the highest standard of living in the world. Can you imagine anyone—no less an economist—denying these simple facts? The Council's statements are a direct paraphrase of the discredited concept fathered by Karl Marx in his famous book, Kapital. Marx stated that the worker would get less and less as industrialization increased.

EXPAND GOVERNMENT'S ROLE

Throughout the report there are overtones of the necessity of an expanding role in our economy for the Government. It points out that the Government has never prevented private schools, private physicians, oculists, dentists, and commercial ventures in music, drama, art, and radio. But, asks the report, will these private ventures "bring the level of total activity in the economy up to an acceptable total of maximum production?"

If not, the Council suggests, it may become necessary to "channel more of our resources through Government agencies in these areas." There we have the final pearl of wisdom of the new economics; Government schools of art, dancing, music, and radio in order to bring a good life, as conceived by the Government planners, into the lives of everyone.

Where in this report for the Nation's economic guidance, the reader will ask, are there specific suggestions for meeting the real danger of the day—inflation? What suggestions are made to control our supply of money, which is at the base of inflation? The answer is, nowhere. The Council thought that other matters outlined above were more important.

Annual Funds for ERP

EXTENSION OF REMARKS
OF
HON. FREDERIC R. COUDERT, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. COUDERT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter which appeared in last Sunday's New York Times and which may be of interest to Members:

ANNUAL FUNDS FOR ERP—EVENTS SHOULD GUIDE US, IT IS SAID, NOT FROZEN FORMULAS

(The writer of the following letter is an economist, active for many years in the international labor movement. He is the author of Famine Stalks Europe, a study of wartime food and relief conditions.)

To the EDITOR OF THE NEW YORK TIMES:

The decision of the administration to drop the original $17,000,000,000 demand for a 4½-year European recovery program and seek annual appropriations instead is all to the good. It shows President Truman and his advisers responsive to growing public and congressional resistance to long-term foreign commitments and to the statesmanlike objections set forth by Senator VANDENBERG.

Under the modified proposal, Congress will be asked to appropriate $6,800,000,000 for the 15-month period from April 1, 1948, to June 30, 1949. Succeeding Congresses will authorize appropriations for whatever aid funds may be needed during the following 3 years. Whether an initial $6,800,000,000 appropriation is too little or too much need not concern us at the moment. More important and in the long run all-decisive is the question of any long-term authorization, even as a gesture on the part of the Eightieth Congress, on which the Europeans are likely to place as much reliance as on appropriations in dollars and cents.

I am, and have always been convinced that the answer to the world's ills is not a rigid, long-range American plan of international aid. I am equally certain that the interests of both the United States and Europe will be served best by providing help as circumstances require, not by an assumption of economic, financial, and moral obligations over a period of nearly 5 years. Not frozen formulas, but events should guide our future course.

FOREIGN NEEDS AND OUR ABILITY

It is not lack of sympathies for the peoples of Europe that made me arrive at this conclusion. Nor is this a plea for a carping and niggardly aid program. It is the recognition that only by discarding long-term governmental blueprints and engaging ourselves solely to the extent determined by foreign needs and our own ability shall we be able to assist the recovery of Europe in a constructive, efficient, and mutually beneficial manner.

There is in my opinion little substance to the belief that Europe is doomed unless we commit ourselves and our resources for years ahead. The opposite might well be true. No one here or in Europe can foresee the future. Conditions might, and undoubtedly will change. The Europeans, too, might in time change their minds; they might seek ways and means different from those contemplated today.

Be that as it may, a limited year-by-year aid program will place the nations of Europe on their mettle. It will strengthen the spirit of self-help and mutual assistance. It will deflect their eyes from the hypnotic lure of seemingly inexhaustible American riches. Last, but not least, it will permit the periodic adjustment of American policies, economic, and otherwise, to whatever changes occur in the international sphere and the power balance of Europe.

These remarks are prompted by personal observations in Europe in recent months, in the course of which I had opportunity to become reacquainted with the views and outlook of European organized labor. Wherever I went I found a spirit of self-assertion and independence, a state of mind which while grateful for help from across the seas wants to make the future of Europe dependent on its own strength.

STAND OF SENATOR TAFT

Curiously enough, similar thoughts were voiced by Senator ROBERT A. TAFT, arch enemy of labor, in an address prior to approval by the Senate of stopgap aid to Europe. The Republican leader argued that the approach of the Truman administration to the problems of postwar Europe was wrong; that mere continuation of methods practiced by the administration so far would not get us or Europe anywhere.

Mr. TAFT, it must be kept in mind, was not dealing with questions of stop-gap aid. His shafts were directed against fantastic long-range commitments and the kind of Washington planning of which the whole world stands in awe.

It so happens that Europeans in all walks of life have similar apprehensions. Though they may say little for public consumption, they are plainly worried over a rigid and overextended American aid program. Their concern is, of course, not with American interests and American domestic aspects, but with the impact of an American-financed international WPA on the European economy and the livelihood of their peoples. These fears the Communists are cleverly exploiting for their own ends.

There is perhaps a lesson in it. American trade-union leadership professes strong dislike for Senator TAFT and what may be called, for want of a better name, Taftism. Yet the TAFT view of limited foreign aid, together with his insistence on independence and freedom from political and economic shackles, whether at home or abroad, strikes responsive chords overseas, particularly among the labor people. It is a strange phenomenon, and American labor which so far has contributed little to the debate on the practical aspects of the European recovery program, might well give it some thought.

ALEXANDER S. LIPSETT.

NEW YORK, January 7, 1948.

Strike of GSI Employees

EXTENSION OF REMARKS
OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. KLEIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following text of a statement by Oliver T. Palmer, chairman of the negotiating committee, Local 471, United Cafeteria Workers, UPW-CIO, outlining the position of the union in its dispute with Government Services, Inc.:

Government Services, Inc., a corporation operating 42 Federal cafeterias, has forced a strike of its employees. This strike has one very simple cause—the corporation refuses to meet and deal with the collective bargaining agency selected by the vast majority of its employees.

In precipitating this strike the corporation has duplicated in every respect the strike-breaking tactics of the most anti-labor employers of this country. The corporation has repeatedly ignored its collective bargaining obligations; it has shown complete bad faith in its relationship to the union; it has deceived its employees with respect to their rights under the law. In short, its deep-seated antagonism to the union has produced the same forms of antiunionism which typify the most open-shop employers in industry. The tactics of this employer bring us back to the flagrant type of antiunionism of an earlier day. Such conduct would be shocking if engaged in by a private employer. When, as here, it is engaged in by an employer which sanctimoniously trades on its peculiar quasi governmental status it cannot go unanswered.

In a statement issued on January 3, under the name of Maj. Gen. U. S. Grant, 3d, there appears what purports to be an account of the dealings between the union and the employer and an enumeration of the reasons which motivated this employer not to deal with the union. Before considering in detail the points made in this statement, two basic facts must be brought home to the members of the public who, after all, will be the final sufferers as a result of the action of this corporation.

1. The union involved, United Cafeteria Workers, CIO, has been the collective-bargaining agent for these employees since 1938. It is not a union certified by the National Labor Relations Board and has never been a union certified by the National Labor Relations Board. The absence of a certification is no accident. It comes as the result of the insistence of Government Services, Inc. When in 1938 the union first sought bargaining rights the corporation refused to grant barganing rights on the ground that its governmental status gave it an immunity from the Wagner Act. When the employer could no longer resist the demands of its employees for collective bargaining the employer finally consented to an informal election which was conducted by the Labor Board at the request of the Secretary of the Interior. When the union won the election, bargaining ensued and the union has operated under collective-bargaining contracts from 1938 until the end of 1947. Of course, the status of the union was no different than a great many other unions which acquire standing as a collective-bargaining agency through designation by the employees but without a Labor Board certification.

2. The second point which must be borne in mind is that the obligation to bargain, as GSI surely knows, does not depend upon certification. It is the law under the Taft-Hartley Act, as it was under the Wagner Act, that the failure to obtain a certification is not a defense to a refusal to bargain and that an employer may not as a condition of bargaining with a union insist that it be certified. Why has GSI suddenly decided that the union should obtain a Labor Board certification? It cannot be because of the requirements of the new law. The new law imposes no such requirement. As a matter of fact, the new law broadens the scope of exemptions of governmental corporations and makes even more plausible than formerly the corporation's claim to an exempt status.

General Grant, in his statement of January 3, seeks to explain this sudden change of heart. He relates as justification for this insistence that the union obtain a Labor Board certification, certain events which occurred in connection with the 1946 strike. That strike was precipitated because the rank and file rejected a management offer of a wage increase which was taken by the negotiating committee subject to ratification of the membership. This offer was smaller in amount than that offered by other Government cafeterias. The corporation has always smarted over the fact that it was unable to force on the employees this inadequate formula and was compelled to accept an arbitration award which granted the same wage increase as was granted to workers in other Government cafeterias.

General Grant enumerates the following specific reasons for refusing to deal with the union:

(a) He states that the new law is the "law of the land." As I have already noted, there is nothing whatsoever in the Taft-Hartley law which imposes upon any union the obligation to submit to the filing requirements. On the contrary, under the new law, as under the old law, an employer is required to deal with the freely chosen bargaining agent of its employees, and he cannot refuse to deal by insisting that the union prove its majority by one means rather than another. No union is required under the law to prove its majority by resorting to the services of the Taft-Hartley Act Labor Board. As I have already pointed out, this same employer has not only continued to deal with the union, although it had not been certified, but in fact insisted that the Labor Board had no jurisdiction to certify it. The new law, far from justifying this employer's sudden reversal of position, makes it more suspicious in view of the fact that previous exemptions in favor of Government entities are broadened.

(b) General Grant suggests that the situation of GSI is unusual because of its relationship to the Federal Government and that it is not free to ignore the law because of that fact. This involves a deception that the union is requiring the employer to deal with it in violation of the law. This is emphatically not the case and General Grant knows that it is not the case.

(c) General Grant next argues that he has a right to insist that the union submit to the filing requirements of the Taft-Hartley Act because "an unqualified union cannot utilize the services of the National Labor Relations Board in solving labor relations problems."

The sole purpose of the Board in connection with labor-relations problems is to redress unfair labor practices either by unions or by employers. A union by failing to qualify does not insulate itself from the jurisdiction of the National Labor Relations Board to redress unfair labor practices. Consequently, General Grant's fear appears to be that the employer may commit unfair labor practices for which the union will have no redress. This is the first time in all my experience as a labor leader that an employer has sought to justify violating one provision of the law because in the future he may also violate other provisions of the law. This is a curious contention to come from an employer who boasts of peculiar responsibilities by virtue of contracts with the Federal Government.

(d) The next point made by General Grant is that other labor unions are interested in organizing in GSI and that it might be the victim of a jurisdictional strike. Here again we find an employer seeking to plead its own wrong-doing in order to evade its bargaining obligation. It is well known that no other labor organization has any following among the employees here involved. It is true that the corporation has since November deliberately sought to promote the activities of rival labor organizations among the employees. But because these illegal maneuvers might conceivably bear fruit is hardly a justification for the refusal of GSI to deal with the union which now represents an overwhelming majority of its employees. If, as General Grant contends, jurisdictional strikes are a possibility it seems strange that no rival labor organization, despite the efforts of the corporation, has petitioned the Labor Board for an election.

(e) General Grant next suggests that contract negotiations would be pointless because unless a union qualified itself under the Taft-Hartley Act it is not legally eligible to speak for employees. This is simply not true. Literally hundreds of thousands of employees enjoy the benefits of collective bargaining agreements signed by unions who have not submitted to the requirements of the Taft-Hartley law. Contrary to the suggestion made by General Grant, the binding character of a collective bargaining contract in no sense depends upon whether or not the union

which is party to such a contract has complied with the filing requirements. It is an interesting fact that the strange theories of law which have been embraced by General Grant are not shared even by other employer operators of Government cafeterias. General Grant should know that at the very time he issued his statement the National Foods Corporation, which operates 18 cafeterias in the Pentagon Building, signed a collective bargaining contract with the same union.

(f) General Grant next suggests that the corporation has a right to insist on the "loyalty" of the union officials because of the present emphasis being placed on the loyalty of Government employees. The general ignores the fact that there is nothing in the law which requires a union to employ the facilities of the Taft-Hartley Act, and that if the union here involved, like a number of other CIO and AFL unions, has decided not to use the facilities of the Taft-Hartley Act that decision may not be reversed by his bureaucratic fiat any more than the union would have a right to insist that the corporation cancel its membership in the National Association of Manufacturers. General Grant has chosen to suppress the fact that there are thousands of employers under contract with the Federal Government whose relationship with the Government is fully as intimate as that of GSI to the Government and that none of these employers has seen fit to use its relationship to the Federal Government to evade its bargaining obligations.

This is an obvious attempt to capitalize on the witch-hunt hysteria which now dominates the Nation's Capitol. Never before has anyone, in or out of public life, raised any question whatsoever about the loyalty of the Government cafeteria employees or their representatives. We deeply resent the slur upon our members contained in GSI's argument on this issue. It is typical of the contempt management has shown for its Negro employees for the past 27 years.

Though this is not the place, it might be interesting to examine the records of the congressional committee that has been investigating GSI's operations which have already revealed GSI's "loyalty" to the Government in terms of questionable financial practices, unpaid debts to the Government, and violation of rationing regulations.

The list of reasons supplied by General Grant for refusing to deal with the union barely conceals the basic antiunionism of this employer. The background of the entire controversy supplies further proof of this employer's bad faith and animosity toward the union.

On November 28, 1947, on the occasion of the first meeting between the union and the employer, the union was confronted with an ultimatum that it would not be recognized unless the filing requirements of the Taft-Hartley Act were met. Neither at this initial meeting nor at any time until the filing of a petition for an election by the employer did the employer in any way intimate that it doubted that the union represented a majority of the employees.

This high-handed rejection of collective bargaining by the corporation was of course a violation of the law.

After refusing to meet with the union in November, the corporation distributed to each of its employees a copy of a propaganda pamphlet published by the National Association of Manufacturers purporting to "explain" the Taft-Hartley Act.

It may come as a surprise to the public to learn that an employer so closely identified with the Government would seek to influence its employees with the notoriously partisan propaganda of the NAM. However, this corporation only insists upon a "special status" when it will serve some antiunion end.

Immediately after seeking to mislead the employees with a distorted and false account of the union's obligations under the Taft-Hartley Act, the corporation sent the employees a series of letters condemning the leaders of the union and charging them with violating the law. This, of course, was a gross misrepresentation of the law but more importantly it was a deliberate attempt of the corporation to divide the rank and file from its leaders through tactics repeatedly condemned by the Labor Board. At the same time the corporation continued its attack against the union in another way. It permitted representatives of a rival labor organization into its cafeterias for the purpose of inducing defections from the union. However, this maneuver was unsuccessful and no petition for an election was filed by a rival labor organization. As a result, the corporation improvised a question concerning representation and hastily filed an unsupported election petition on or about December 18, 1947.

When the corporation's petition was rejected by the Labor Board it continued its program of antiunionism, bad faith and misrepresentation. It announced to its employees that the effect of the Labor Board's rejection of its petition for an election was to remove the union as the qualified bargaining agent. This was a blunt misstatement of the facts. The corporation told its employees in effect that the status of the union was precisely the same as though it had lost the election whereas in fact, as the corporation well knew, it had lost and the status of the union remained completely unchanged since the Labor Board had refused to hold an election at the company's request.

In addition, the corporation, misrepresenting the law again, told the employees that a strike called by the union would not be a legal strike. The employees were given no explanation and, I know of none, why a strike for recognition is not a legal strike. In order to completely intimidate the employees the corporation threatened to hire replacements for all strikers ignoring the fact that a strike instigated by an employer's refusal to recognize a union is a strike caused by the employer's unfair labor practices in which the strikers are fully protected.

Finally, the corporation announced itself as happy to grant a 6½-cent wage increase—obviously a bribe to break the strike and the union which has represented the employees for 10 years.

In addition, it announced to the employees that glad news that there no longer would be deductions for union dues and pointed out that the employees could now spend this money on themselves.

General Grant and his associates seem to be unaware that:

1. It is still a violation of the law to refuse to deal with the freely chosen bargaining agent of the employees or to impose conditions upon such an agent as a prerequisite to dealing with it.

2. It is a rejection of the collective-bargaining principle to substitute for dealing with the union an attack upon its leaders and a systematic campaign to destroy the confidence of the members in its leadership.

3. It is still a violation of the law frequently condemned by the Labor Board to refuse to deal with the majority representative and instead to encourage on company time and property organizing activities by a rival union.

4. It is still a violation of the law to threaten employees with discharge for engaging in a strike precipitated by the employer's unfair labor practices.

5. It is still a violation of the law to bargain individually with employees by offering them a wage increase and bypassing their collective-bargaining agent.

The fact that this sordid course of conduct was sponsored by an agency close to Government hardly justifies it. On the contrary, it makes it more alarming.

Finally, it is important to note that the national CIO completely supports the position of our union in this dispute and views the conduct of GSI, in precipitating the strike, as "union busting" and a matter of utmost importance to its entire membership.

We believe, moreover, that fair-minded men and women in this community will share our views with respect to the conduct of this employer and fully support the strikers.

Address of Gen. Joseph T. McNarney Before National Conference of United Jewish Appeal

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EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. FULTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following text of address by Gen. Joseph T. McNarney, National Conference of United Jewish Appeal, Saturday evening, December 13, 1947:

It is very difficult for me to make a speech before a Jewish audience tonight. I tell you very frankly that I do not know what I ought to say. It is difficult for anyone not of the Jewish faith to understand fully what is in your hearts in an hour when all you have dreamed of, all you have fought for, and all you have sacrificed for, is on the verge of being consummated. One would have to be born into the Jewish fold to have an awareness of what it means to be a member of a people that has, for almost 2,000 years, been considered homeless, and suddenly—after the period of its greatest misery and tragedy—finds itself once again on the verge of having a homeland.

You will note that I have not said that the Jewish people already has a homeland. The United Nations has made a tremendously significant decision on the future of Palestine which, as so many have already said, is also a tremendously significant decision for the United Nations itself, and indeed for the whole world. It took more than the wisdom of Solomon to resolve a problem that has baffled the statesmen of the world for so many years, and if the solution of the problem is not a perfect one, neither is the world a perfect world. Yes, it took more than wisdom—it took courage, for the tensions and the conflicts that had grown with the years could not be expected to be wiped out overnight by the vote at Lake Success.

Democracy on a world scale is too new for that. In the United States, and in some other lands, there has been a history of experience in democracy. We have in our own country evolved a system of government whereby our internal differences are settled in the common interest of all the people through the freely expressed decision of the majority. Even here this principle was not fully accepted until after we had experienced a long and bitter War Between the States. The lack of a determination on the part of the nations of the world to settle their disputes by peaceful means has twice within our memory plunged the world into bitter strife. Having before them concrete examples of the destruction, the sorrow, the suffering caused by war, and mindful of the scientific and technological advances, which, if put to warlike uses, might well result in the destruction of our very civilization, the

nations of the world established the United Nations, agreeing among themselves to practice tolerance and live together in peace with one another as good neighbors.

The decision of the United Nations with respect to Palestine represents the opinion of the majority of these nations. I firmly believe that this decision was based on a realization that fundamental human rights cannot be ignored if the nations of the world are to live together in peace with one another. I firmly believe that this decision is in the common interests of mankind. Perfect or imperfect, it has been made. It is now incumbent upon the nations of the world to accept this decision and to insure its implementation by peaceful means. Whatever may happen, the United Nations is on trial. In my opinion, the principal reason for the failure of the League of Nations was its inability to enforce, if necessary, its decisions. We cannot ignore the fact that the current and prospective situation in Palestine constitutes a serious threat to peace. I hope and pray that it will not lead to a breach of international peace. But whatever happens, the United Nations must not fail; it must, if necessary, enforce the peace, for in modern war there can be no winners, only losers.

There is one interesting angle to the deliberations on the Palestine question. The Jewish people, as a whole, was a displaced people, without a national government. Yet, in the face of this lack of an official status as one of the constituent nations, their case was fairly heard and acted upon in the common interest of all the peoples of the world. To me this is a most hopeful sign for the future of international peace and security, and a significant advance in progressive development toward self-government in other regions of the world. It appears that this advance toward self-government should eventually result in a Jewish state with membership in the United Nations.

But if the Jewish people are at last to realize their age-old dream of a homeland, they are, by the same token, obligated to assume new responsibilities. There are no free rides in history, no matter how much injustice there has been in the past, and no matter how much suffering has been experienced. If the Jews are to be a part of the world democracy, I say to you as a friend of your people, the Jews will have to pull their own weight.

For the Jews of Palestine, this will mean a willingness to give blood and sweat and tears to the building of the new nation. It means intelligence, statesmanship, and above all tolerance in the conduct of its internal affairs. I think that the events and the achievements in Palestine in recent years are sufficient evidence that the Jews of Palestine have the will to build for themselves a new nation. Whether or not, after centuries of frustration and persecution they can practice tolerance and conduct their affairs in a spirit of true democracy remains to be seen. As a friend of your people, I hope and believe they have what it takes to do so.

For you, the Jews of America, it means a readiness to do more, far more than you have ever done before, in the way of providing the dollars without which the efforts and the intelligence of the Jews of Palestine will be futile, and without which they will lack that sense of solidarity, sympathetic understanding and interest that will give them the moral strength to carry on.

Nor can you limit your horizons to Palestine alone at this early date. There is a long hard road ahead. There are still hundreds of thousands of Jewish survivors in Europe who are desperately in need of help, and who cannot hope to leave Europe for many months—perhaps for years. As military governor I got to know the Jews, living under our flag in the United States zone of Germany. I had to know them, as almost daily cables passed across my desk or decisions had to be made which vitally affected their very lives.

When I arrived in Germany in 1945 the average displaced persons center was a depressing conglomeration of bomb scarred burned out German Army barracks, housing three to four thousand people. There was little or no material with which to patch up holes or blown-out windows. There was insufficient fuel and stoves to warm the limited floor space assigned. One saw hungry, scared, milling people everywhere. One seldom saw children engaged in play. The laundry on the clotheslines was pitiful rags. The mere maintenance of law and order presented many difficulties especially among the concentration camp victims who had an almost hysterical fear of any show of force or authority. Today the buildings look much the same with the exception that roofs have been repaired and windows contain glass. Living space is still extremely limited with several families sharing large rooms. During 1946 the Jewish movement from eastern Europe was accelerated, especially following the Kielce Pogrom. In accordance with America's historic policy we offered temporary haven to these persecuted groups. This added to our problem, but with United States Army and UNRRA funds, surplus and captured enemy equipment, we were able to house, feed, and clothe them after a fashion. But idleness, a monotonous diet, limited activities and the inability to lead normal home lives could not help but breed a feeling of frustration and lead to the progressive deterioration of this group, that wished nothing more than the privilege of living by their own efforts in freedom and dignity.

Privacy is still at a premium, but the people do look better. The children have warm clothing and leather shoes. They have their own schools. The young adults are learning useful trades and there is a limited amount of gainful employment. This improvement is largely due to the efforts of JDC. It was your contribution that has sustained their morale and has kept them from sinking into deep and hopeless despair.

I know you are aware of the fact that Army appropriations have been reduced, surplus and captured German equipment has been expended, and the International Refugee Organization has limited funds. This means you will have to do even more to help them now, than you have done in the past.

I have talked to literally thousands of Jews in Germany. I know their hopes and their aspirations. To the vast majority home is Palestine, most of the remainder look toward America. The Palestine emigration problem should now be resolved within a reasonable period. The Stratton bill permitting emigration of DP's into the United States appears to have a good chance of passing. But even so your people in Germany face an extended period of waiting before they actually embark for their new homes, and this period of waiting will be difficult for them. Only those who are familiar with the German scene can imagine just how difficult it will be.

You must continue to help them. It would be tragic indeed if they were to be let down now, after all they have been through, and after all you have done for them.

I have dwelt on the problems of the displaced persons because I know them best. But there are in other parts of Europe additional hundreds of thousands of Jewish men, women, and children who may find it possible to start again in their native lands. Many of them are in serious trouble. We all know what the situation throughout Europe is. We know of the crop failures, the fuel and housing shortages, and the wild inflation. We are cognizant of the ever-present threat of economic collapse which could bring in the wake more years of fear, of suffering, and hunger, which for your people began even before the Nazi hordes began to overrun the Continent.

I know that through the United Jewish Appeal you are performing a great task on their behalf. You are doing many things, without which they might be lost. You are giving them basic relief; you are providing orphanages and nurseries for the children; you are enabling men and women to start over again with loans and training; you are supporting hospitals, and doing endless other services. I hope you will continue to do them. I am sure you will.

I know that through the United Service for New Americans you have helped thousands of newly arrived immigrants find homes and employment and that you have cared for them during the difficult period of adjustment. This essential service cannot be neglected.

You Jews of America have done much for your people. The splendid record marked up by you who are here tonight will attest to that. But much remains to be done, you cannot falter now when what you have fought and sacrificed for is on the verge of being consummated. I believe 1948 will be the crucial year—the year in which the efforts of United Jewish Appeal may well measure the difference between success or failure.

The Late Honorable Clarence E. Hancock

EXTENSION OF REMARKS

OF

HON. R. WALTER RIEHLMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. RIEHLMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorials:

CLARENCE E. HANCOCK MOURNED BY CITY

Saddening to his hundreds of friends in Syracuse and central New York was the news of the death in Washington of Clarence E. Hancock. For 19 years he represented this area in the National House of Representatives—a fact eloquent of the high regard in which he was held.

Native to Syracuse, educated here and at Wesleyan University, Mr. Hancock had consistently identified himself with the best interests of his home community. He had served it efficiently as corporation counsel before entering the wider field opened up to him in Washington.

Still earlier he had shown his patriotism and public spirit as a member of the National Guard in the trouble with Mexico. Then he continued his military career by service overseas in World War I.

To his task as lawmaker Mr. Hancock brought sturdy qualities of character and that soundness of judgment which had won the confidence of all who knew him in the days of his private practice of law. Although his party, the Republican, was for a long time in the minority, he was given important committee assignments and his opinions carried weight. When he retired in 1946, on account of his health, compliments for a faithful stewardship and fidelity to convictions were voiced.

Attractive in personality, and possessing complete integrity and a high sense of honor, Clarence Hancock was popular in social circles here and at the National Capital. Wherever he was known he will be keenly missed.

CLARENCE E. HANCOCK

The death of Clarence Hancock brings a sense of deep personal loss to Syracuse.

He was one of its best known citizens because of his long and distinguished record in military, civic, and national service.

In paying tribute to him his friends—and they are legion—will place even more stress on his appealing human qualities than they will on this public service brilliant as it was.

Clarence Hancock was a man of friendliness. He liked people, seeing the good in them, forgiving the bad. He was a man of great integrity, doing what he believed right even if it cost him heavily. He was a man of fine ability, earning the respect and admiration of his colleagues in Congress, both Republican and Democratic. He was a modest man, never claiming his just dues for his notable accomplishments. He was a quiet man, content to work behind the scenes, doing his work without fanfare, but with brilliance. Most of all, he was a good friend.

His life was one of service. He was a veteran of military campaigns in Mexico and France as a member of cavalry Troop D, ending the First World War with a distinguished record and the rank of captain. Returning to Syracuse and entering upon law practice, he soon was appointed corporation counsel. Then he was elected Representative of the Thirty-fifth Congressional District, at that time comprising Onondaga and Cortland counties.

His career in Washington covered two decades. At the time of his retirement a year ago because of ill health, he was in line to become chairman of the powerful Judicial Committee as control of Congress returned to the Republican Party. It was in this and other committees that he accomplished work that made him one of the outstanding Members of the lower House.

His death takes from Syracuse a man who served it and his country well and faithfully. He was a man of sincerity, understanding, generosity, wisdom.

Profits Are Important to Labor

EXTENSION OF REMARKS

OF

HON. LEROY JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. JOHNSON of California. Mr. Speaker, under leave to extend my remarks I include herein a very enlightening and constructive statement by Mr. George H. Coppers, president of the National Biscuit Co.

Mr. Coppers shows the importance of profits to labor. He shows that the private-enterprise system not only gives more to investors—many of whom are laborers—but gives vastly more to the laboring men who work in the plants built and operated by the private enterprise system. Fair competition while it may have some weak spots gives far more to everyone especially the laboring man, than a regimented system. It also opens the channels of opportunity for advancement infinitely more than a partial or totally regimented economy. I commend to my colleagues a reading of Mr. Copper's statement which is as follows:

WHAT'S WRONG WITH PROFITS?

Because I believe that this country will ultimately be whatever the people want it to be—a free economy such as we now have or a Government controlled economy such as they have in many European countries—I think it important that we all know as much as possible about this free economy of ours and what it does for us as compared with the controlled economies of other countries and what they have done for their people.

Because millions of dollars are being spent by enemies of this country and its free economy (which they call the capitalistic system because that sounds as though it were run by capitalists) to teach the people a lot of lies about business and the evil men who run it, I think that businessmen should tell their employees all they can about this system and how business operates under it and who gets what out of it.

There are about 28,000 employees of Nabisco and they with millions of employees of other businesses are the ones who will decide whether we shall keep our free economy or exchange it for something else. And so from time to time I hope to use the pages of our magazine to talk with you on subjects that I think have been pretty badly mangled. Needless to say I don't expect to be original. I will merely try to haul out a few facts from the rubble of confusion, dust them off and hold them up so we can see them.

SOME FACTS ABOUT PROFITS

One subject that gets an awful kicking around is that of profits and who gets them. Recent polls have indicated that the man on the street believes that employees get anywhere from 10 to 50 cents of each dollar of income produced while the owners or stockholders get 50 to 90 cents. He believes it because he has been told it so often by those whose business it is to stir him up and make him dissatisfied and hasten the time when he will demand a change—communism or something else.

What are the facts? First, let us look at National Biscuit Co. In the year 1946, after payment of all expenses except salaries and wages paid to employees, there was left 39.6 cents out of each dollar of income. Of this amount 30.8 cents was paid to the employees in salaries and wages, 4.2 cents was distributed to the 60,000 stockholders as dividends and 4.6 cents was retained in the business for new plants, machinery, and other future needs.

But this is not the whole story. Out of each dollar of income Nabisco spent 51.1 cents for raw materials, supplies, and services. We cannot say exactly how much of that went to employees of other companies, but we do know from figures published by the United States Department of Commerce that from 1929 to 1945, out of every dollar of income produced from manufacturing in the United States 86 cents was paid to employees, that is, to employees of manufacturing companies directly, and indirectly to employees of suppliers. No other country in the world has such a record, least of all the countries where the Government runs business.

WHAT IS PROFIT?

Profit has become a nasty word. People think of it as something that a fat capitalist in a silk hat gets from squeezing the life blood from his workers. But what is it really? It takes about $6,000 worth of buildings, machinery, and equipment to create one job. Who puts up the money? Stockholders do. What do they get out of it? Profit—sometimes. In the 18-year period from 1925 to 1942 the average return on capital invested in the food and allied businesses was 5.24 percent; in chemicals and allied products 3.50 percent; in metal products and processes 4.67 percent; in paper and pulp products 3.49 percent; in textiles and their products 1.53 percent; and in the whole corporate manufacturing industry 3.67 percent. What's wrong with that? Your bank would charge you more for the use of its money.

Another thing to remember about profits is that they make for employment. The success of an enterprise and the well-being of all who work for it depend on profit. It is no accident that low wages and low profits occur in the same year. They are part of the same pattern. Eliminate profits altogether, eliminate the free-enterprise system and what happens to wages? In the Monthly Survey of the American Federation of Labor for July are some interesting figures comparing wages in America with wages in Europe. The article says that a basket of food is the best unit to use in measuring income. It is a basket containing items for adequate nourishment and of which the average American family of five would need about four a day. One hour's work by a factory worker in the United States in 1940, according to the A. F. of L., would buy 2.83 baskets; in Britain, 1.26 baskets; in France, 1.11; and in Russia, only .40. This means that in 1940 the American worker could buy with his wages seven times as much food as a Russian could with his. Russia has done the best job of eliminating the profit system and the free-enterprise system. It has the least individual freedom and the lowest wages.

Why Not World Peace?

EXTENSION OF REMARKS

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. FEIGHAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following letter from a veteran in my district, Mr. Eugene P. O'Grady, 2049 West Boulevard, Cleveland, Ohio, who is president of the Ancient Order of Hibernians, Division 5, whose thoughts seem most timely:

The average citizen of every country must, by this time, be asking himself the question, "What has happened to the world; why all the chaos, suffering, misery, and fear that seem to have befallen the human race within a period of a few short years?" True, we have had two world wars within 25 years, each war fought for the noble purpose of bringing peace, happiness, and liberty to the subject peoples of the world, guaranteeing to each individual political and religious freedom. These wars cost billions of dollars, millions of human lives, and untold suffering, yet, the result seems to be complete failure to accomplish these lofty ideals. Is it any wonder the people live in consternation and despair?

The answer foremost in the minds of these millions of the common people and also thoroughly understood by the leaders who have been selected to determine the final basis of peace settlements has come down, ringing through the years, in the words of a great American, when William Penn exclaimed, "Those who are not governed by God will be ruled by tyrants." But because of political and materialistic agreements, the leaders refuse to propound such a doctrine in the Council of World Representatives.

Every sane human being upon this earth must believe in a Supreme Power because it would have to be the unrelegated thoughts of an insane mind or a fool to consider man supreme within himself and that life and all within the universe is not subject to a Supreme Power. Therefore, sane people of all nations recognize a God that directs the universe and the destinies of the inhabitants thereof.

Therefore, we must conclude that God gave man a code of laws or rules to govern his

conduct while on this planet. That being so, the moral law is the basic law from which all civil law is patterned and is the code by which the lawmakers or statesmen of nations pattern the constitution which is always the guide or foundation on which the future progress of their nation depends. Those millions of Asiatics who are outside the pale of western Christianization recognize such a code of law purported to be those of the deity they worship, such as Mohammed, etc., all determining the requirements which dictate to man the order "to do good and avoid evil," proclaiming a just regard for righteousness and punishment for those who violate such God-given commands, such a conclusion has never been legitimately contradicted.

Why then should that great body of statesmen representing 57 nations, whose subjects believe in a Supreme Ruler of this universe, and who bow their heads in obedience to His never-changing law, whether such law be the Commandments given to Moses or those of Mohammed, Confucius, etc., be so inconsistent in not recognizing as the basis of peace and international justice, the moral law, which an all-wise Creator gave to man as his guiding light for all future time. Its application to mankind would bring peace, happiness, and prosperity. Consequently, it would bring the same to nations. The common people of this world believe it can be accomplished. They believe, irrespective of color or race or religion or no religion, in the divine author of the moral law as the creator of the universe. Why then should its application as the basis of international peace be sidetracked and at the same time hope for a peaceful and satisfactory settlement of world affairs? Why not be consistent?

Let us start at home to prove our point. The Constitution of this, our beloved Nation, proclaims our belief in God. We administer an oath to our lawmakers, calling on God as a witness. We ask God's guidance upon our deliberations every day in our congressional sessions and even stamp on the coin of the realm, "In God we trust," and yet, we do not seem to have the faith and courage to back up our belief by making such an application of the law of God the foundation of our membership in the United Nations. We know all people of the world believe as we do—at least all people and rulers who are blessed with normal minds. We know they will support us in applying justice to every nation and its citizens because they all want equal rights and the equality which God intended for them. We know and we believe, if we are not hypocrites, that such a cause would be blessed by God and would succeed, even as we know that God will not be mocked and will never allow success if we are dishonest. Can anyone dispute the words of Penn, already quoted, "Those who are not governed by God will be ruled by tyrants." Is it too late to realize the truth of that statement? The answer is, "No." The people of the world should never surrender to madmen who deny the existence of God, or those money-mad men who pretend to believe in a God of wisdom, justice, and goodness, but refuse to obey His laws and deny their application to His children.

We cannot suggest to any country less than freedom of speech, press, and religion, free trade, complete independence to form their own government as the majority of its citizens so decide. If we do suggest such freedoms and mean it, then the wishes of all peoples should be satisfied and world peace at last a reality, and world disarmament would become a possibility within a few years.

Of course, to the power politicians such a proposal is fantastic, unworkable, nonsense—it would destroy the power of the Big Four, the veto, it would end the brass hat rule—the war contracts would not—the easily made millions would vanish—the wastage of taxpayers' hard-earned dollars would cease—the destruction of billions of dollars in property would never occur again and the taxpayers and survivors in wrecked nations would not have to rebuild war ruins. Yes, the silly idea of such a peace would be sheer nonsense to the war lords in the ruling dynasties, who wallow in luxury—the reward they inherit from the reducing of a world and its people to ruin.

If the democratic nations advocate a positive proposal for world peace—a peace that would really mean peace for all peoples—a peace that would bring in its train the abundance of God's gifts, which God and nature intended for man's use, benefit, and progress, what could Russia's answer be? It would have to be acceptance, or her repudiation by the nations of the world.

Sane people everywhere know that the answer to the debacle at Lake Success will inevitably lead to war. Why not try seriously to offset it now by proposing a formula for world peace that would give justice and freedom to all people? There should never be a war. The statesmen at Lake Success can prevent it if they have the courage and honesty to try to do so

The Russian representative at the League of Nations in Geneva years ago offered a proposal for world disarmament which was declared fantastic, crazy. (He might do it again.)

He walked out with the result—World War II. Can we take any chances with a world war III which may be world destruction?

Why then do we refuse to apply the application of the moral law to the world and end war for all time? Can we not apply the moral law before it is too late? Ninety percent of the people of the world would cooperate in bringing about such a positive solution. The natural instinct in man craves for peace, happiness, and freedom. Why then should the world bow to a handful of individuals whose satanic impulses crave for power, greed, and destruction? Crusaders are needed to arouse a world to start on the road to an honest peace while there is yet time.

We want a fighting, virile, national or international organization of the people (not a booster's club), which will dictate its policy to all world statesmen and demand of their respective governments the enforcement of the code of law which has predated governments, constitutions, and statesmen, and which was given by an all-wise Creator to all men for all time. Obedience to such a law would guarantee to all justice and equality. What more does the world want?

Then the answer to the world chaos and misery which we see today and the hope of peace and happiness for tomorrow is to apply to the world's ills the law which man's Creator gave as the guidepost to all His children.

Heinz Norden

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

DEPARTMENT OF STATE,
Washington, January 14, 1948.

The Honorable GEORGE A. DONDERO,
House of Representatives.

MY DEAR MR. DONDERO: I am in receipt of your letter dated December 19, 1947, in which you state that according to an article in the Washington Post of December 19, 1947, Heinz Norden, former editor and staff member of the magazine Heute (Today), published in the American zone in Germany, had received praise from the Department of State. You request to be informed whether this statement is true.

Inquiries have been made in the divisions of this Department concerned with matters of this nature in the American zone in Germany. These inquiries have indicated that the Department of State has not commented on the work of Mr. Norden. It may be recalled that United States Government authorities did not renew Mr. Norden's contract as editor of the magazine Heute when his old contract expired late last year.

Sincerely yours,

CHARLES E. BOHLEN,
Counselor
(For the Secretary of State).

Shall We Break Down Our Immigration Laws and Make the United States the Dumping Ground for the World?

EXTENSION OF REMARKS
OF
HON. JOHN M. ROBSION
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. ROBSION. Mr. Speaker, under the unanimous consent granted by the House, I extend my remarks and include therein excerpts of a radio speech by me on a program of the American Forum of the Air, over a Nation-wide network of the Mutual Broadcasting System, at the Shoreham Hotel, Washington, D. C., January 13, 1948, on the question: "Shall we open our gates to displaced persons?"

Senator J. Howard McGrath, Member of the United States Senate and chairman of the Democratic National Committee, and Hon. Ugo Carusi, former Commissioner of Immigration and Naturalization and now with the State Department, for the affirmative, and Congressman Ed Gossett, of Texas, and myself, for the negative.

As the question was presented it would include all the displaced persons of all the world but the discussion mainly centered on H. R. 2910, the so-called Stratton bill. Knowing that this violates our basic immigration laws, would establish a precedent that would be very harmful to our country and would be very unfair to both native-born and naturalized citizens of this country, I have opposed and I shall continue to oppose the Stratton bill and other similar measures. With our population rapidly increasing and our resources decreasing, and with our housing shortage and demand in the near future for employment of millions of veterans and other American boys and girls, and with our country already having more people of foreign birth according to its population than any other country of the world, I feel constrained to oppose any weakening of our immigration or naturalization laws. I certainly do not want to make our country the "dumping ground" for the world.

I wish every law-abiding citizen and person in the world could have a country like ours. I have no feeling of prejudice

against any other countries or their people, but I think my oath of office requires me to do that thing and take that course that will serve the best interests of our country and our own people.

Mr. Moderator and my fellow Americans, I became a Member of Congress on March 4, 1919. Millions of aliens from Europe and Asia plan to come to the United States. Congress, in 1921, under President Wilson, passed an emergency foreign immigration bill, but the pressure of foreign immigration increased. Space in every availabe ship, especially in Europe, was booked 2 or 3 years in advance. After most thorough investigation of the entire problem by appropriate committees of the House and Senate, agencies of the Congress and representatives of the Federal Government, and after literally weeks of debate and discussion, passed our present basic immigration law in 1924 by a vote of 5 to 1. During the consideration of that bill, many nations of the world, especially Europe and Asia, maintained strong and vigorous lobbies against it. This measure was adopted, not as a matter of offense against any nation or group of people but in the best interest of both native and naturalized American citizens and our country as a whole. During my years of service in the House and Senate, I know of no measure that was more carefully prepared and the rights and interests of all groups so sincerely considered and preserved as in this 1924 act. It was designated as the "Second Declaration of American Independence." Every nation in Europe was given a quota according to the number of persons of such countries living in the United States on the basis of the census of 1910. This basic law has worked well. It was generally observed until after 1933. Since 1933, many efforts have been made to weaken and break down the Immigration Act of 1924.

WORLD WAR II INCREASES PRESSURE

With World War II over, millions of people from Europe and Asia again sought means to come to our country. In the present Eightieth Congress, 86 general bills and 580 or more special private bills have been introduced in the House and 200 or more general and special private bills have been introduced in the Senate. Of course, all of these private special bills seek to set aside or modify, for particular persons or groups, our immigration and naturalization laws. Approximately 75 percent of the general bills attempt to greatly weaken and break down our basic immigration laws. The other general bills seek to strengthen our basic immigration laws.

UNITED STATES HAS BEEN LIBERAL

The United States has been liberal in the admission of aliens. We now have about 3,500,000 aliens living in this country. They have not been naturalized and are not citizens. The 1940 United States Census listed 11,500,000 people in this country of foreign birth and over 23,000,000 who had at least one parent born in a foreign land. This same 1940 census listed 6 cities of more than 500,000 population in this country with less than 40 percent of the white population of native parentage. There were 11 cities between 100,000 and 500,000 population where less than 40 percent of the white population were of native parentage. In 1940 1,047 newspapers in this country were printed in foreign languages. These papers are read by some 10,000,000 to 15,000,000 peoples. The immigration service shows that approximately 37,000,000 aliens came into the United States in 1946 for various purposes. Of course, the most of these leave the United States. But no one can tell how many remain, but many do remain.

In no other country in the world has so many aliens entered, or has so many aliens resided and now reside, as in the United States One of the important considerations in the adoption of the immigration act of 1924 was the matter of assimilation of aliens. We did not desire to have aliens come to this country who could not and would not be assimilated and who would not seek to know and understand our Constitution, our institutions and the American way of life. I think every fair-minded person must admit that we have large numbers of aliens in this country who have refused to embrace the American way of life and persons who are opposed to our Constitution or our free institutions.

THE STRATTON BILL, H R. 2910

One of the 580 special bills before the Congress is the Stratton bill, H. R. 2910, which proposes to bring into this country from the so-called displaced persons camps of Italy, Austria and Germany, 400,000 aliens—100,000 a year for 4 consecutive years. The Stratton bill evidently is the result of a small but well-financed active group of persons who know what they want and by very extensive and misleading propaganda they have sold this proposal to many sincere persons. My distinguished colleague, Mr. GOSSETT, myself and other members of the Judiciary Committee have heard scores of witnesses both for and against this bill. He, I, and others are definitely of the opinion that it would be very unwise for the Congress to pass the Stratton bill or any other similar bill for this particular group. I list some of my objections to this bill.

1. It establishes a very unwise precedent and will be harmful and not helpful to our country.

2. It is most unfair and discriminatory as against the tens of millions of other needy displaced persons of Europe who are in much worse condition and much more unfortunate than these 400,000 persons who have enjoyed the bounty of the American taxpayers for nearly 3 years.

3. Europe must rehabilitate her cities, homes, industrial plants, and transportation facilities. There is a critical manpower shortage. If these persons are able-bodied and are good carpenters, machinists, mechanics, laborers, nurses, teachers, etc., as has been urged their services are more in need in Europe than they are in the United States.

4. There are more than 200,000 Polish veterans who fought on our side on land, sea and in the air in Britain, France and Italy. Their fine records attest their great courage and patriotic service to us, the other allied nations, and to the freedom of the world. They cannot return to Poland. They, their wives and their children are displaced in various parts of Europe. They are men without a country. Many thousands of these Polish veterans who were flyers and helped to destroy the air power of Hitler. They fought the Germans in France, and the Germans and Italians in Italy. Our Government has withheld its bounty from these Polish patriots. Our colleague, Congressman MACKINNON, of Minnesota, introduced H. R. 3620 to permit these 200,000 patriotic Poles and their families to come to this country. I have not heard the administration or other friends of these displaced persons urge Congress to pass the MacKinnon bill and bring to this country these 200,000 Poles. Why this discrimination?

WHO ARE THE 400,000 DISPLACED PERSONS?

There were about 9,000,000 persons in Europe, civilians and others whose status had been changed during the war, and approximately 8,000,000 of these displaced persons returned to their homes themselves or were aided by the Allied countries to do so. Beginning late in 1944, some persons began to attach themselves to the Allied armies, mostly the American armies. This number increased rapidly up until VE-day, and thereafter until they numbered approximately 1,000,000. Hundreds of thousands of these persons have joined the displaced-persons camps since the war was over in Europe. A lot of them were urged into our camps by the officials of certain European countries. Great Britain and France took a part of these displaced persons, but about 600,000 of them sat down on the lap of your Uncle Sam in the American camps. There was a much smaller number in the French and British camps. They became known as displaced persons. They have been better fed, housed, and clothed than other groups in Europe. They are not in concentration camps. They can leave anytime.

Our displaced persons, their wives, and children were provided food, shelter, clothing, household equipment, medical care, and schools for their children through the American Army, UNRRA, and the International Refugee Organization. The cost amounted to about $75,000,000 annually to keep them. The American taxpayers paid and are paying the bill. We have continued to provide these services and care for these so-called displaced persons for almost 3 years.

TWENTY THOUSAND CHILDREN BORN IN THESE CAMPS ANNUALLY

We have been told that these DP's desired to work but could secure no work. This is not true. Responsible people who have visited these camps state that not more than 5 percent of the people in these camps have engaged in any remunerative work. Not more than 15 percent of them have done anything more than take care of their quarters. The other 80 percent have spent their time in idleness. Our Government has suffered to the persons of these camps many inducements to get them to leave and go to other countries where there was not any danger of persecution. France insists that she needs at least 3,000,000 workers. Great Britain needs hundreds of thousands of workers. Australia offered to take 2,000,000. Belgium, Canada, and some South American countries have offered homes and work to these displaced persons. There is a great manpower shortage in Europe. France, nearly 3 years after the war, has 383,000 German prisoners of war and Great Britain has 275,000. Russia has more than a million prisoners of war. France and Great Britain claim they are working these prisoners because of the shortage of manpower. Since the war ended, we have furnished free, France, Britain, Italy, Austria, and Germany, in food, coal, and other supplies costing billions of dollars. Millions of tons of coal have been sent.

Why does not this administration be realistic and insist that we return these war prisoners to Germany and let them help to rehabilitate their own country, help feed themselves and their people, which is costing American taxpayers billions of dollars, and at the same time insist that these 400,000 DP's seek employment in France, Britain, Belgium, and other countries in Europe where their services are needed and where there is no danger of either political or religious persecution, but the friends of the DP's say that France, Britain, Belgium, and these other countries are not the countries of the DP's. Our answer to that is that the United States is not their country. Europe must be rehabilitated, and if these DP's are worth anything as workers, either as laborers, nurses, or in any other capacity, they can be more useful in Europe than they can in our country. Our taxpayers have not only supported the DP's and their wives and children but we have from time to time offered to provide transportation and from 2 to 3 months of rations if they would leave the camps and locate in one of these countries where their services are needed, but they choose to sit on your Uncle Sam's lap. While they have done very little work, they have not neglected matters of romance. There have been born in these camps more than 20,000 children annually that the Stratton bill proposes to bring to the United States in violation of our basic immigration law.

In fact, they urge the Congress to pass this special bill giving this particular group of displaced persons priority over millions of other displaced and needy persons, their wives and their children. Even the 200,000 Polish patriots, their wives and children who have been denied the bounty of the American taxpayers seem unable to enlist the sympathy and help of the backers of the Stratton bill. If we admit these 400,000, it will be charged up to the quotas of their country. Perhaps a million or more have heretofore made applications for visas and passports to come to our country and they may be among the very best citizens of their country, but if we passed this special bill, the quotas for these countries will be absorbed for the next 10 years or more. We know little or nothing of the background of these 400,000 DP's except the children that have been born in these camps. We know little or nothing of their record in the countries where they lived. They came and sat down on your Uncle Sam's lap and told their story with very little, if any, record to back up their claims. We know of no services that they have rendered to the United States or the American people, but we do know of the services of the 200,000 or more Polish patriots and other veterans, and millions of other needy displaced persons of Europe, and we do know what they would mean to our country if they were brought here.

SIT DOWN FROM 3 TO 7 YEARS

The Stratton bill proposes to bring in 400,000 DP's but an amendment will be urged when the bill comes up for 15,000 additional. These 15,000 got into this country during the war or when they saw the war was coming, on one pretext or another. The time for them to leave the country has long expired. Now it is insisted that we amend the Stratton bill, H. R. 2910, and let these 15,000 remain in this country.

The Stratton bill provides we bring 100,000 a year. It would take at least 4 years to bring into this country the 400,000 DP's. It would likely be 6 months or more before any of them could be brought over and therefore, 100,000 of them would continue to sit in the camps on Uncle Sam's lap for nearly 4 years; 300,000 for 3 years; 200,000 for 2 years, and 100,000 for 1 year. Therefore, these DP's would be sitting down for a period of more than 3 years and a part of them as long as 7 years, and of course, all of that time they, their wives, their present and future children, will be taken care of by the taxpayers of this country. We have been reminded that many wonderful people have come to this country as immigrants and succeeded in a big way. That is very true and we are very proud of each and every one of them, but if you will read the story of each of the splendid women and men you will find that they did not, as able-bodied persons sit down for a period of from 3 to 7 years and depend upon the bounty of their adopted country or anybody else. They accepted employment and took advantage of all opportunities that presented themselves. Judging the future by the past, I would rather think that these 400,000 DP's would more than likely sit down again after we got them into the United States.

If we establish this precedent, no doubt in due course, we will have demands to admit Koreans of north and south Korea, admit Chinese of north and south China, admit DP's from north and south Italy; also admit DP's from France, Jews and Arabs, as well as other countries, who can and will claim that they are under governments who have or will persecute them for their religious or political beliefs.

VETERANS OPPOSE

The representatives of the American Legion, the Veterans of Foreign Wars, and 85 other veteran and patriotic organizations appeared before our committee and expressed strong opposition to the Stratton bill, and any other bill that would weaken our basic immigration laws. They pointed out that this would establish an unwise precedent, that it was not only inimical to the best interests of our country but to the veterans and their dependents. They made it clear that there were approximately 2,300,000 young veterans taking vocational or educational training under the GI bill of rights, and that these veterans would soon be ready for positions, and they did not want their chances lessened by bringing in additional groups such as the displaced persons. They also emphasized the housing shortage, and stated that there were perhaps more than 2,500,000 veterans who have been unable to secure shelter for themselves and their families by reason of this housing shortage, and these veterans and their families are forced to double up with other persons. This is true as to millions of other American citizens.

The American Legion and the Veterans of Foreign Wars, regular veterans have gone on record repeatedly in their national conventions in opposition to any change in our basic immigration laws. They did this as late as 1947. They also emphasized that times are flush now but more than likely the time is not far distant when jobs and opportunities would be scarce and the veterans and their dependents would be seeking jobs they could not find. It matters not what anyone may say but the admission of these 400,000 displaced persons is in direct conflict with the best interests of the working people of this country. Through all the years the labor groups have opposed such legislation as this. I am somewhat surprised that some of them have changed their attitude as to this particular bill. They must know there are literally millions of needy working people and their families in Europe who would like to be supported by our Government for three long years and continue that support for 3 or 4 years more, and we have many needy veterans and other needy people in this country who are not receiving 1 penny of support from our Government. Many of these veterans fought through World War I and World War II.

Our country has been liberal to those of the Jewish faith. Dr. Rabbi Phillip S. Bernstein, one of the most noted authorities on the Jewish people and their affairs, testified before our committee that there are approximately 10,000,000 Jews in the world. Five million or more of these are in the United States. Therefore, we have in the United States about one-half of all the Jewish population of the world. Russia is next with 2,250,000. France and England have a small Jewish population. I wish again to emphasize that no country in the world has as many foreign-born, according to its population, as the United States.

FAIR SHARE

Many persons insist that we should take our fair share of the DP's, but, of course, there are millions of needy DP's in Europe alone. We have admitted tens of thousands of refugees during and since the war. We have admitted nearly 100,000 GI brides and their children. Former Commissioner of Immigration and Naturalization of the United States, Mr. Ugo Carusi, who was born in Italy, testified that the number of crossings of aliens of our borders annually is about 37,000,000. Of course, some of these make more than one crossing in a single year and the greater portion return to their countries, but out of these millions of crossings, there is no doubt but what many have remained in this country.

POPULATION INCREASING—RESOURCES DECREASING

The Census Bureau reported on October 1, 1947, that the population of this country had increased from 1940, 13,038,000. This is a tremendous increase in 7 years, and the total population of the United States was approximately 143,000,000. We have approximately 15,000,000 service men and women of World War II and several million veterans of World War I. Every year millions of young men and women are finishing their high school or college training: 2,300,000 World War II veterans are taking educational or vocational training. These young veterans and young people finishing their schooling are now, and will be in increasing numbers, seeking opportunities for their brains and hands. I have lived through two or three depressions and I know the sad story of millions of our own citizens, including veterans and their dependents, walking the streets and highways of the country seeking employment they cannot find.

By reason of a recent destructive war we have greatly depleted our natural resources—timber, coal, iron, lead, and the fertility of millions of acres of our soil. It is no time for us to bring great groups of people from foreign lands into our country to take away the opportunities of our own defenders and other citizens. I think this should be the attitude of the native-born and naturalized citizens to place the welfare of our own country and our own people first. A very large percentage of these immigrants find lodgment in our great congested cities and centers. Very few of them go to the farms. Many of them bring their ideologies with them, which are not in harmony with the American way of life, and in view of these considerations I feel that I would do a very great injustice to the people of our own country to change and break down our immigration laws which I helped to pass in 1924. I have and shall continue to oppose measures to make our country the "dumping ground" of the world. We have been especially generous to Europe in two great world wars. In the last war we gave the blood of approximately 350,000 American boys. A million others were disabled by disease or wounds. We spent approximately $350,000,000,000 in World War II. We inherited the greatest debt and the highest taxes this country or any other country has ever had. We gave about $30,000,000,000 in lend-lease during the war, and since the war closed we have given to Europe in the way of money, credits, food, material, and equipment amounting to more than $24,000,000,000. We have proved ourselves to be the most generous nation that has ever existed, and they are now calling on us for 17 more billion as a minimum. We must change our course or bring disaster upon the finest, best, and most wonderful country that has ever existed in all history.

The Road Ahead

EXTENSION OF REMARKS

OF

HON. HAROLD F. YOUNGBLOOD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. YOUNGBLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to call your attention to an editorial appearing in the Italian Tribune.

Each week the Italian Tribune is delivered to my office and each week for the past year I have read its editorial page with a great deal of interest. This publication is one of the finest foreign-language newspapers, in my opinion, now printed in the United States. Its opinions are free, independent, and nonpartisan and I wish to include in my remarks a copy of the editorial appearing in the January 9 issue of the Italian

Tribune which I feel is fairly representative of the type of editorial that has been presented in this paper for a long, long time.

The editorial is as follows:

THE ROAD AHEAD

This is the age of confusion.

But that does not mean it need be an age of cynical resignation to failure—and of the gradual abandonment of rights and principles that took 2,000 years of almost continuous conflict for mankind to secure.

No one can minimize the problems that confront the nations, ranging from the terrible specter of unleashed atomic energy down to such temporary difficulties as shortages of materials. The very extent and number of these problems have added to the confusion. They have, as the old French proverb says, made it hard to see the forest because of the trees. They have obscured the fact that there is really only one basic problem, and that all the rest hinge upon it in one way or another.

That problem is easily put: Sooner or later, the peoples of the world, including the United States, will have to make a complete final choice between the chimera of security and the reality of freedom.

There is a danger in nursing such words as "freedom" and "liberty" these days. Dictators and tyrants have attempted to pervert them of any semblance to their true meanings. Hitler, after all, established his slave state and fought his disastrous war for world enslavement with freedom and liberty as his rallying call. Even so, the real free man can be described. He is free to express his opinion, whether or not it is in agreement with the majority or with the government in power. He is free to worship as he pleases. He is free to print what he thinks in a newspaper, or elsewhere, subject to the old-established laws of libel and public decency. He is free to work or not to work, and to change jobs of his own volition without dictation from employer, labor leader, or politician. He is free to run for public office on any platform he devises, or to vote for the candidate of his choice. He is free to engage in business under a competitive system which penalizes and favors none. He is free to determine his own destiny, and he is not the tool of the state or any other interest.

These are not separate, unrelated entities. Every last one of them is dependent on the others. When one freedom is lost, all the rest are endangered. No dictatorship has ever been established all at once. A right is abrogated here, another there; the state seizes business, then takes over the labor unions; new "interpretations" are placed on the rights of free speech and assembly—so it goes, step after step, until the job of despotism is completed.

Dictators trade on fear—fear of want, fear of hunger, fear of cold, all the natural, material fears. They promise a maximum of material security to the tragically confused people they entice. And this poses another question: Can a people, in return for the surrender of their freedoms, obtain more goods, a higher standard of living, greater measure of protection from adversity?

The question answers itself. The greatest material advancement in the history of the world has been in the nation where there has been the greatest amount of freedom for the individual—the United States. It is not accident that the pay of the average American worker, measured in terms of purchasing power, is 10 or a dozen times that of the average Russian worker. A still better comparison is found with present-day England, the country to which we are bound the closest by the ties of a common language, inheritance, and tradition. Socialism, which can be the vanguard of dictatorship, has aggravated every English economic problem. It has produced less goods for export, not more goods for export; less coal, not more coal; less agricultural production. Worst of all, it has sapped the energies and ambitions of the people. There can never be progress in a state where individual opportunity, initiative, and enterprise are discouraged and the government does all the thinking.

The superstate is not only spiritually barren but materially inefficient. When we attempt to trade freedom for security, we lose both. This thought was perfectly expressed by Somerset Maugham, the most distinguished living British novelist; when he said: "If a nation values anything more than freedom, it will lose its freedom; and the irony of it is that if it is comfort or money that it values more, it will lose that too." That says it all in a sentence.

The hope of this Nation is that our people will profit by example. The hope of the world is that it will be able to break the shackles of oppression. The hope of mankind lies in a reaffirmation of the rights and dignity of the individual.

Address by Rear Adm. James L. Holloway, Jr., Superintendent, United States Naval Academy

EXTENSION OF REMARKS
OF
HON. L. MENDEL RIVERS
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. RIVERS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I desire to enclose an address by Rear Adm. James L. Holloway, Jr., Superintendent of the United States Naval Academy, at the second century celebration at Ripon College, Ripon, Wis., on Thursday, October 30, 1947.

Admiral Holloway is one of the outstanding heroes of the war. In addition to his having commanded the battleship *Iowa*, in July 1945 he took over the Training Command Pacific. At the end of the war Admiral Holloway was senior member of a board appointed by the then Secretary of the Navy Forrestal, which proposed to the Congress an integration plan whereby young men might attain permanent commissioned rank in the Navy from schools other than Annapolis. This plan was known as the Holloway plan. Fifty-two colleges in this Nation contribute to the officer strength of the Navy under this proposal, along with Annapolis, and they have equal rank with their contemporaries at the above-mentioned school, as well as equal status with graduates of the Naval Academy.

Rear Admiral Holloway was born at Fort Smith, Ark., on June 20, 1898, and he was graduated from the Naval Academy with the class of 1919. His career in the Navy reads like a storybook. For brilliance in performance of duty, courage and daring, he won many citations. For his service in Operation Torch, he was commended by the Secretary of the Navy, and authorized to wear the commendation ribbon with the following citation:

For outstanding performance of duty as squadron commander of Destroyer Squadron 10, assigned to screen the air group, western naval task force, during action off Casablanca on November 8, 1942; and in the operations connected with the amphibious landings on the west coast of Africa and the capture of Casablanca, November 8 to 11, 1942. Expertly directing the destroyer screening action, Rear Admiral (then captain) Holloway prevented the many enemy submarines in the area from delivering effective torpedo fire and, by his aggressive fighting spirit and courageous leadership, contributed materially to the winning of a decisive victory over the enemy. His intrepidity, initiative and professional skill reflect the highest credit upon Rear Admiral Holloway and the United States naval service.

In 1943, as commander of a destroyer and destroyer escort shake-down group, Atlantic Fleet, he was awarded the Legion of Merit, with the following citation:

For exceptionally meritorious conduct in the performance of outstanding services to the Government of the United States as commander of DD–DE shake-down group from March to November 1943. Responsible for the detailed operational, administrative, and material problems incident to initiating the program of this command, Captain Holloway has built up an efficient organization, turning over to the fleet competent, seagoing vessels and thoroughly indoctrinated personnel. His conspicuous success in fulfilling this important assignment, and his skill in collaborating with other commands have contributed vitally to the effective prosecution of the war.

Many intervening citations were received. As commander of the battleship *Iowa*, which participated in the strikes at Luzon, which ship, through its antiaircraft fire, accounted for many enemy aircraft, he received a gold star in lieu of a second Legion of Merit with the following citation:

For exceptionally meritorious conduct in the performance of outstanding services to the Government of the United States as commanding officer of the U. S. S. *Iowa*, flagship of Commander Battleship Division 7, during action against enemy Japanese forces in the Pacific war area from October 30, 1944, to July 24, 1945. With his vessel operating as flagship of several important striking and covering forces and as flagship of a strike group bombarding Muroran, Hokkaido, on July 15, and Hitachi, Honshu, the night of July 17–18, Rear Admiral Holloway rendered distinguished service throughout the intensive actions and by his brillant leadership and outstanding skill, contributed materially to the extensive and costly damage inflicted on the enemy. Achieving and maintaining a high standard of readiness and training on board the *Iowa* during this extended period, Rear Admiral Holloway, by his superb tactical ability, sound judgment, and loyal devotion to duty, contributed materially to the success of our forces in carrying out effective operations against the Japanese in this vital war area.

In August 1945 Admiral Holloway was appointed Commander Fleet Training Command Pacific. In September 1945 he was detached from the Fleet Training Command Pacific, and transferred to duty with the Bureau of Personnel as assistant chief of personnel for demobilization. So expeditiously was this billet handled and with such complete and thorough efficiency, Admiral Holloway received this citation:

For outstanding performance of duty as assistant chief of naval personnel for demobilization from September 26, 1945, to September 1, 1946. Serving with distinction in a position without precedent, Rear Admiral Holloway skillfully directed and supervised the Navy's personnel demobilization plan, and brought the program to a successful con-

clusion without detriment to the country's security. Coordinating the intricate activities and movement of personnel from all parts of the world, he personally visited every part of the country to insure the prompt and expeditious administration of demobilization processes. His devotion to duty throughout was in keeping with the highest traditions of the naval service.

On January 15, 1947, he was appointed Superintendent of the United States Naval Academy, Annapolis, Md., where he is now located.

Admiral Holloway married the former Jean Gordon Hagood, daughter of the distinguished Maj. Gen. Johnson Hagood, of Charleston, S. C. He has two children—Lt. J. L. Holloway III, United States Navy, and Mrs. Lawrence Heyworth, Jr., wife of Lt. Lawrence Heyworth, Jr., United States Navy.

It is always interesting to me to note that the States of Arkansas, Texas, Oklahoma, and Missouri have names and towns and places that signify their close relationship with South Carolina. Many of the Members of this House have names which are originally from South Carolina, and to this section trace their backgrounds. Historically, it is well known that after the Civil War a great immigration went to these States from South Carolina, and I am proud as a South Carolinian to say that the State contributed these men and women to those States, and that Admiral Holloway comes from Arkansas.

Admiral Holloway's splendid address follows:

It is a pleasure to be present at Ripon College and to participate in the observance of Ripon's long and distinguished record among the educational institutions of our Nation. Ripon and the Naval Academy were born in the same period of this country's educational history and have a common heritage in the foresight of the patriots of the middle of the last century. Yesterday began your precentennial observance and earlier in the week the officers and men in the Navy celebrated Navy Day. This evening I would like to focus upon the inspiration for both of these celebrations by discussing the Navy and education.

Education and training are vital factors in naval organization and planning. While it is true that a navy must be built of ships, planes, and other matériel ad infinitum, it is likewise true that all the matériel in the world is useless without men prepared to operate it. The men received by the Navy vary tremendously in intellect, capacity, and personality. They come from all parts of the United States and from every walk of life, and their background is anything but uniform. These men have to be selected and classified, rated, and advanced, rotated, and integrated according to the needs of the Navy and the abilities of the individual. These steps are all inherent in a diversified and comprehensive training program. But training is for the more immediate objectives and its implications may, in a military sense, be called tactical. The Navy distinguishes between education and training, the former conceived to be more profound, more basic and strategical in its long-range implications. Men are selected with a view to giving them, according to their talents and according to the demands of their billets, training, education, or a combination of the two. People even of minimum intellectual ability can be trained for special tasks and people of limited experience but of profound intelligence can be effectively trained in certain specialties in a very short time.

When war struck our country in December 1941 the Navy was confronted with the most challenging personnel problem in its history. We had to convert into a smoothly functioning organization some four and one-half million officers and men. We called upon the knowledge and experience of the colleges, universities, testing agencies, and industrial management, and blended this with the Navy's own experience in procurement, classification, training, and assignment. Personnel research and test development reached a new high in the Bureau of Naval Personnel that was demanded by the exigencies of time and the magnitude of the task. A unit of personnel trained in psychology was established within the Bureau under the name of the Test and Research Section. Objective evaluation was given to such factors as previous education and training, age, and occupational experience of trainees. Special attention was given to methods of measurement, follow-up studies, and predictive factors. Billets were analyzed as to their multiple requirements in regard to the type of persons suited to fill them and the training most appropriate for their successful accomplishment. Not only was an excellent study of immediate needs made but investigations were so exhaustive that paths of future research were indicated which will keep students of personnel research and test development busy for many years to come. The success of the Navy in World War II was due in no small part to selecting the right people for the right job and rendering them effective in the minimum amount of time.

In peacetime the Navy faces a different problem, both in education and training. The rapid training courses, the compressed college course of 3 years at the Naval Academy, the intensive postgraudate instruction and other speed projects are not the normal procedure. What is learned rapidly is sometimes forgotten rapidly, at least in certain fields. Furthermore, motivation was often closely associated with the instinct for self-preservation during the war and we should be highly optimistic if we thought people would be willing to carry on at breakneck pace during peacetime. In peace, time-saving is not as overwhelmingly an important consideration; too much streamlining may even be a deterrent. We are building the profound and deep-rooted foundations of military thought, processes, competence, and objectiveness. Wisdom and perceptiveness come with time and length of service in the profession. An ideal process is that of giving meaning to previous training and education through experience and creating an awareness through experience of the value of future training and education. So in the Navy training and education never end. Intellectual processes are poured on in the course of field experience and progressively integrated with that field experience. We must keep available a nucleus of professional excellence upon which we may rely and around which we may expand when it becomes necessary to mobilize for war. The professional Navy men must be prepared for the moment when they are called upon to take the enormous amount of education and talent, talent in techniques, talent in engineering, talent in almost every profession, evaluate it, select it, place it, train it, and finally deploy it objectively in battle, in campaign, and in total war.

It would be utterly impossible to evolve naval officers who would be at the same time shipbuilding experts, atomic physicists, and research men in fuels and lubricants. That we do not attempt. The role of the perceptive professional officer is to furnish objectives and high-level planning and coordination to a group of experts, to act as a centripetal force administratively. I might say, parenthetically, that coordinating a group of experts, numbering two or over, sometimes calls for considerable tact and understanding. An appreciation of broad objectives is essential.

A naval officer's education begins when he is a midshipman at the Naval Academy or in one of the 52 universities having NROTC programs. This is clearly undergraduate work. It is not concerned with research or specialization any more than would be found in any undergraduate course leading to a bachelor of arts or bachelor of science degree. The Naval Academy is the first phase of the Navy university. It occupies a position analogous to that of Columbia College in relationship to Columbia University where only 3,000 of the university's total strength of 30,000 are enrolled. The Naval Postgraduate School, although located at Annapolis, is quite distinct from the Academy. Here work is done toward the master's or doctor's degree, some of it at the school itself and some under the supervision of the school at various universities throughout the country, wherever the best facilities may be available for various research projects. This is one of the graduate schools of the Navy university. At Newport there is the general line school where a 1-year course in professional work is given to officers who have completed 5 to 8 years in the field. Here I might say that it is the Navy policy to avoid sending men into graduate work immediately upon completion of undergraduate work. Another general line school is being established at Monterey, Calif. There are the operational and staff colleges, such as the Naval War College at Newport, the Armed Forces Staff School at Norfolk, and the National War College at Washington. The area of research and development is ably represented by Bellevue in electronics, Whiteoak in ordnance, Point Mugu in guided missiles and fluid mechanics, and the Engineering Experiment Station at Annapolis. To all of these should be added the numerous research projects assigned under Navy sponsorship to many outstanding research institutions of our educational world.

The Navy realizes that our future national security is dependent upon our scientific knowledge and our ability not only to convert that knowledge rapidly into weapons but to apply it to tactics and strategy. Basic research is essentially a peacetime activity, since during a period of hostilities it is extremely difficult to conduct basic research and to convert the knowledge so gained into practical applications in time to be useful.

The Office of Naval Research was established in August 1946, for the purpose of encouraging scientific research, coordinating and disseminating to the Offices and Bureaus of the Navy world-wide scientific information, providing the necessary services for the conduct of specialized and imaginative research, and supervising, controlling, and administering matters concerning patents and inventions.

The law which established this Office provided also for the establishment of a naval research advisory committee, consisting of not more than 15 persons preeminent in the fields of science, to consult with and advise the Chief of Naval Operations and the Chief of Naval Research.

To give some idea of the work of the Office of Naval Research I should like to describe briefly the three main activities supported by it, namely, the Naval Research Laboratory at Anacostia, D. C., the Special Devices Center at Sands Point, Long Island, N. Y., and the Research Group in the Office of Naval Research.

I. THE NAVAL RESEARCH LABORATORY

Although Congress appropriated funds as early as 1916 for the establishment of the Naval Research Laboratory, it was not until 1923 that it was officially commissioned. Since that time, the Naval Research Laboratory has become the largest Government research institution in the United States, employing about 3,600 people, 1,000 of whom are scientists. Included among these are some of the most competent and well-known scientists in the country. The accomplishments of the laboratory over the past 25 years are well known and I am sure all agree that the early developmental work on radar alone

was well worth all the money the Navy has spent on the Naval Research Laboratory. Since the war, the laboratory has converted from a wartime "crash" development program to a long-term peacetime program in basic and applied research. The future program of the Naval Research Laboratory will include work in the applications of radio and radar to all the fields involved, such as communications, detection, recognition and guidance. In addition, a very active program is being conducted in studies of high temperature metallic alloys. It is essential that we produce materials which can stand temperatures far higher than any we have today before real progress can be made in the guided missiles program or in gas turbines. The development of high energy fuels for rockets and torpedoes is being continued with increased emphasis. In underwater sound work, the laboratory has been preeminent for many years and will continue to be so. I have every reason to believe that the future accomplishments of the laboratory will be on an even higher scale than they have been in the past.

II. SPECIAL DEVICES CENTER

The special devices center at Sands Point, Long Island, N. Y., has an outstanding background in the development of training equipment. This unique organization consists of about 360 people, military and civilian, of whom 94 are scientists or engineers. In addition to the development of synthetic training equipment, the center is including in its program work in human engineering in which is sought fundamental knowledge on the reactions of men as related to machines, and the adaptation of machines to man's limitations in the submarine field, the aircraft field, etc. In the realization that in another emergency, we will have to train more men to do more complex things in less time than we have ever done before, special devices center is making important investigations into the complex problems of the mass training of personnel. Television and radio techniques are being thoroughly investigated.

III. RESEARCH GROUP

The Research Group in the Office of Naval Research itself is composed of scientists, engineers, and naval officers grouped together. Their function is to plan and initiate the basic research program which we are conducting in the universities of the United States. After they plan and initiate the program it is their job to evaluate the results of the program and get those results to the people who are handling the development programs. Great good will come from the association of civilian scientists and naval officers in the Office of Naval Research in a mutual appreciation of problems. It should result in the finest guarantee of security for our country.

The basic research program itself in the universities now amounts to about $50,000,000. The work is scattered through about 100 schools and involves something more than 600 individual studies. There are certain general results which have already come from this program in basic research in the universities. One of the most important is the fact that today we have over 2,000 scientists and over 2,400 postgraduate students working on naval problems. By working on these naval problems, they are becoming familiar with the Navy's needs and could immediately be mobilized to the support of Navy programs should an emergency arise. While it is not the intent of these contracts to form a scientific reserve, actually such a thing has been done by means of these contracts.

Another general result from the program has been the financial aid which we have given the universities. Such aid has made possible the training, at the graduate or the Ph. D. level, of a considerably larger number of young scientists than could otherwise have been trained.

Summing up, we see a Navy university of tremendous scope embracing undergraduate work, graduate work, operational and staff study, research and development.

A moment ago I spoke of 52 universities having NROTC programs which together with the Naval Academy constitute the undergraduate phase of the Navy university. The naval science course pursued at the NROTC universities consists of twenty-four semester hours, plus certain drills and summer cruises. The remainder of the NROTC midshipman's time is devoted to whatever course he may wish to follow, such as prelaw, engineering, or general academic. Upon graduation, the NROTC midshipman is commissioned as an ensign in the Regular Navy and begins his service of 2 years in the fleet. At the end of the 2-year period, he may return to civilian life if he wishes as a Reserve Officer on inactive duty or he may request selection for a permanent commission in the Regular Navy. The integration of the graduates of the Holloway plan with the graduates of the Naval Academy will be of mutual benefit. The Naval Academy will provide the basic professional input of officers for the fleet, maintained at a constant level. The NROTC graduates who follow a Navy career will be an invaluable vitalizing input to the professional content of the Navy, and those who do not will constitute the best Reserve of all time, consisting of NROTC graduates who have had 2 years' active experience in the fleet.

In its beginning the Naval Academy was the sole naval educational institution. Today it is only a part of the Navy University. Until quite recently the Naval Academy was the only undergraduate college for the training and education of naval officers. This, too, has been modified through addition of the NROTC program. With changes in function have come changes in objectives. These in turn are reflected in the curriculum and organization of the Academy. To understand this, it must ever be borne in mind that the Academy is essentially a part of a large educational schematic. The needs of the service are the prime consideration in the plans of the Academy. Annual curriculum studies are made to insure that we are keeping abreast or even a little ahead of the times. New department heads are assigned every 2 or 3 years, bringing with them fresh ideas on the needs of the service. They are often all set to reform practices which existed when they were midshipmen at the Academy and are happily surprised to find that long lines of progressive predecessors have already cured the ills they planned to correct. The Academy is not static. It is ever conducting self-examination. This does not mean that change is made for the sake of change or that there are not constant factors. Indeed there are many of them. One, of course, is the preparation of high-school graduates. We keep our curriculum on the undergraduate level so that the high-school graduate may enter the Academy and succeed. This is particularly necessary since our students are nominated from every State in the Union and we wish to provide an equality of opportunity for all. Another constant is our large civilian faculty in the nonprofessional departments. In departments such as aviation, seamanship and navigation, and ordnance and gunnery, we find the most expert to be experienced naval officers.

What is the Naval Academy curriculum? It is a prescribed one. Every midshipman has the same courses, except that he may elect in foreign languages, French, Spanish, Portuguese, German, Russian, or Italian. In certain departments he may be in a regular or fast section depending on his previous training and ability. Essentially, however, it is the same course for all. The curriculum is drawn up in consideration of the needs of a naval officer both in his professional career and as a citizen of his country. It is an undergraduate curriculum that is constantly and carefully compared with the curricula of leading colleges throughout the country. The establishment of a prescribed curriculum that will have just the right proportion of social-humanistic studies, of scientific studies, and of professional and military studies is a tremendous responsibility. We realize that such a problem has no perfect answer. However, we believe we arrived at a rather good solution. Our formula is based upon our appraisal of the needs of the future naval officer and citizen, the example and advice of leading civilian educators, our curricular experience at the Naval Academy and the considerations of available time, money, instructors, and facilities.

What is the Naval Academy to contribute to the future naval officer? It is to develop him broadly so that he will become a valuable citizen of his country both in domestic and in foreign circles, to prepare him consummately for his professional career, to provide him with scientific insight built upon basic knowledge, to endow him with qualities of leadership and character, and to develop him physically so that he will have the vigor to carry out his task.

I don't believe too much emphasis can be put on the importance of approaching studies according to the fundamental concepts involved. The calculus need not be justified as a narrow range of knowledge essential to lower level operating technique. Rather, the thinking that led to the development of a thousand and one strictly naval techniques in the fields of fire control, propulsion, and electronics, orients to instinctive reactions and concepts having roots in fundamental mathematical theory presented at undergraduate level.

I do not value what we do at the Naval academy in our department of English, history, and government, solely because it develops a capacity for effective articulation, both verbal and written, and a literal knowledge of events, with some literary polish as an appendage. In addition to these and other values, literature and history and the social sciences contribute to the development of character—history is a panorama of great and good men as well as evil ones and in literature we find sentiments and thoughts of noble characters across the field of time which help to establish our standards of life and civilization.

By the same token, I am not content in the field of foreign languages that the only thing accruing to our student is linguistic facility in the narrow field of the interpreter; I hold for example that the study of Spanish must encompass also a concept of the Spanish civilization and its contributions during recorded history, the place of this civilization in the western orbit in our present world, the people and the institutions associated with this beautiful language and so on. These are concepts that, at some future time unforeseen by us, the present student may draw upon in meeting some problem and decision in policy or planning or administration in years to come.

What is the role of the Naval Academy in the over-all scheme of naval education? The Naval Academy should represent the ultimate in professional and personal standards. The Academy and its graduates should be a binding force in the creation of a solidarity of loyalty and ideals of service in the Navy as a whole. I am convinced of the paramount importance and essentialness to the service of this role. I conceive the contribution of the Naval Academy to be both spiritual and professional. The daily life is one of discipline, frugality, and subordination of personal freedom, all pointed to ideals of devotion to duty and responsibility to country. The role of the austere life in connection with training and leadership and character is well recognized by students of military education and lead-

ership. The Naval Academy is an undergraduate institution which no man should enter unless he wishes to make the Navy a life career. It is a known quantity in having a capacity to inspire large groups and high percentages of graduates of intelligence and character to stay in the Navy in years of comparative penury and hardship and to be available in the hour of war.

Both West Point and the Naval Academy face squarely this question of instilling a permanent desire for military and naval service, and have achieved a great measure of success. This professional esprit must continue to permeate the services as the touchstone and binding force in loyalty and devotion to the public interest.

In conclusion, I should like to leave with you my firm conviction that the plans of the Navy and those of civilian education are inseparably interrelated, and that this continued relationship will redound to the advantage of all, the Navy, education, and the Nation.

Arguments For and Against Federal Aid to Education

EXTENSION OF REMARKS
OF

HON. HARVE TIBBOTT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. TIBBOTT. Mr. Speaker, under unanimous consent given me to extend my remarks in the RECORD, I am including herewith an article entitled "Arguments For and Against Federal Aid to Education," by M. Vashti Burr, deputy attorney general of Pennsylvania, published in State Government, December 1947.

This article is one that shows the extensive research and diligent study that Miss Burr has made on Federal aid to education:

ARGUMENTS FOR AND AGAINST FEDERAL AID TO EDUCATION

(By M. Vashti Burr, deputy attorney general of Pennsylvania)

It is a fundamental concept of Government in the United States that certain of the powers of Government are of such intimate concern to the individual and to the community that they belong solely, and must remain solely, in the several States and their political subdivisions. Any control by the Federal Government over the exercise of those powers, to say nothing of the centralization of such powers in the Federal Government, must inevitably threaten or destroy local self-government or home rule.

In the absence of a responsibility directly imposed upon the Federal Government by the Constitution, the Congress should not appropriate enormous sums for recurrent subsidies to the States, on a continuing and ever-increasing basis, for purposes which are the direct concern and prerogative of the State and local governments. It is urged, and rightly so, that the States should finance their own needs with respect to functions of government that are primarily State and local. The national debt is nearly $300,000,000,000, whereas the total indebtedness of the States does not greatly exceed $2,000,000,000. The Congress of the United States has sufficiently heavy responsibilities in finding ways and means of reducing the national debt and paying the billions required for interest on that debt, of balancing the Federal budget, of adopting measures for the adjustment of Federal-State tax relations, of aiding in postwar adjustments in fields definitely within the scope of Federal responsibility, and of meeting the world-wide emergency which requires that we give such aid as we can toward relief and rehabilitation in other lands.

If State and local governments are to finance their own needs, they must not be deprived of sources of revenue which will enable them to help themselves. Recent and continuing studies concerning the possible ways of coordinating Federal and State taxation are evidence of the realization that one of the most important keys to the preservation of home rule is an equitable division of tax sources. By assuring that the States shall have adequate tax sources, the States can enlarge the taxing powers of local units of government. As stated by Gov. James H. Duff, of Pennsylvania: "By enlarging the tax base, local communities can more fairly distribute the cost of government and be enabled thereby to solve their local problems in the way that people want them solved at home."

The comments above apply generally to proposals which would have the effect of pyramiding Federal subsidies or grants-in-aid. Here let us consider one of the most far reaching of the pending proposals, popularly referred to as Federal aid to education. This proposal, in one guise or another, has long been a source of controversy.

Among the more important of the numerous bills on the subject introduced in the Eightieth Congress are S. 199, introduced by GEORGE D. AIKEN, and S. 472, introduced by ROBERT A. TAFT, for himself and others, both bills referred to the Senate Committee on Labor and Public Welfare. The companion to S. 472 in the House is H. R. 1871, introduced by LAURIE C. BATTLE. However, the more active House bill on the subject during the first session was H. R. 2953, introduced by EDWARD O. MCCOWAN, which differed from the original S. 472 principally in that it set a different minimum allotment per child. The House Committee on Education and Labor deferred action on H. R. 2953 until further inquiries could be made regarding the need for and desirability of such legislation. The avowed purposes of the proposed legislation, and its broad scope, are indicated in the titles of the Senate bills:

S. 199. To authorize the appropriation of funds to assist the States in more nearly equalizing educational opportunities among and within the States by establishing a national floor under current educational expenditures per pupil in average daily attendance at public elementary and secondary schools and by assistance to nonpublic tax-exempt schools of secondary grade or less for necessary transportation of pupils, school health examinations and related school-health services, and purchase of nonreligious instructional supplies and equipment, including books.

S. 472. To authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare and for other purposes.

The comments in this review are directed primarily to S. 472, introduced on January 31, 1947. After extensive hearings, the Senate Committee on Labor and Public Welfare, on July 3, reported favorably on the bill, with various modifications.[1]

The modified S. 472 would authorize the granting of $300,000,000 to the States for the fiscal year ending June 30, 1949, and a like amount for each fiscal year thereafter. Apportionment among the States would be based on a somewhat complex formula whereby, as explained in the Senate committee's report, the States would be required "to develop plans for guaranteeing a floor of $50 per pupil in average daily attendance under expenditures in all local school jurisdictions within the State."[2] The United States Office of Education, a supporter of the proposal, has pointed out with respect to the bill: "Aid would be given primarily to public schools, but any State which contributed part of its own revenues to nonpublic schools could allocate a proportionate amount of Federal funds to such schools." The United States Commissioner of Education would administer the program.

The adoption of S. 472 would embark the Federal Government upon a permanent program of subsidies to the States, involving large expenditures of Federal funds, for the purpose of aiding, if not directing, the States in the exercise of functions which heretofore have been conceded to be the constitutional responsibility of State and local governments. Although the Senate committee, in its report, repeated many of the well-known arguments in favor of S. 472, it took the precaution to state: "The question of whether or not the Federal Government should establish a policy of financial assistance to the States for public elementary and secondary education was not at issue before the committee." In short, the committee washed its hands of the policy question.

Proponents and opponents of the proposed legislation both agree that educational opportunity in the United States today is unequal; that it is desirable for every child to have, so far as may be possible within the framework of our constitutional system, an equal opportunity to obtain a basic elementary and secondary education in adequately equipped classrooms; that there is an urgent need for improving the educational opportunities of children, the equipment of schools, and the occupational conditions of teachers in many areas of this country.

They also agree (and it is particularly important to bear this in mind) that the Federal Government has no constitutional power to control or supervise elementary or secondary education in this country. Local responsibility for, and control of, education is part of the bedrock of our American form of government. Proponents of the legislation are extremely careful to reiterate the assurance that Federal aid under S. 472 would not infringe in any way upon the prerogatives of State and local governments in the administration of their educational systems, and some have stated that any thought of Federal supervision or control is merely baseless emotionalism. Indeed, the bill itself purports to prohibit any department, agency, officer, or employee of the Federal Government from exercising any direction, supervision, or control over any school or any State educational institution or agency

[1] S. Rept. No. 425, 80th Cong., 1st sess.

[2] Under S. 472 as originally proposed, 23 of the 48 States would not have been entitled to any aid. The raising of the minimum from $40 to $50 per child 5 to 17 years of age in average daily school attendance, with a modified formula, has the apparent effect of making all of the States eligible. According to the figures set forth in the report of the Senate committee (No. 425, 80th Cong., 1st sess.) showing the grants-in-aid which States would be eligible to receive upon compliance with the conditions and obligations set forth in S. 472, the allotment of Federal aid would range from a low of $135,000 in the case of Nevada to a high of $22,825,000 in the case of North Carolina. The States which would be eligible to receive the major share (each approximately $10,000,000 or more) would be North Carolina, Alabama, Texas, Georgia, Mississippi, Kentucky, Tennessee, South Carolina, Arkansas, New York, Louisiana, West Virginia, Pennsylvania, and Oklahoma, in that order.

with respect to which any funds under the legislation are made available.

Proponents of the bill usually argue that "the States are not able to meet the financial load, help is needed, and the Federal Government must come to the rescue, having a responsibility for preserving the general welfare, education being naturally a vital factor in the general welfare"—or words to that effect. They argue that educational opportunity in America must be equalized and that the only way to accomplish this end is by the granting of Federal aid in such a way that disparities among the various parts of the country will be wiped out.

The United States Commissioner of Education, testifying in favor of S. 472, cautioned against Federal control of education, while at the same time insisting that only Federal aid would wipe out the educational disparities. He admitted that there is a possibility that "a system of education centrally controlled might be prostituted to propagandistic purposes of a political party in control of the Government."

Those who oppose the bill have called attention, on the other hand, to certain factors which cannot be ignored. Federal aid in the field of education is a particularly dangerous device. There is just cause for anxiety lest the proposal, if adopted, undermine the responsibility of State and local governments. It is inevitable, no matter how pious may be the declaration of principle in the bill and however well-intentioned in the inception, that Federal aid on a permanent, recurring basis as proposed would lead to some form of Federal administration, supervision, or control in the field of elementary and secondary education. This is clear from S. 472 itself. While the bill purports to throw safeguards around the constitutional prerogatives of the State and local governments, it would impose definite and essential obligations on the States receiving aid under the legislation, with the United States Commissioner of Education quite clearly having broad administrative powers.[3]

Legislation of the kind envisaged by S. 472 could not, in the absence of centralized control, genuinely equalize educational opportunity and hence would not achieve its avowed object. It is conceded that such control is not desired.

No stronger arguments against the proposal in S. 472 have been pronounced than by Senator TAFT himself, together with Senators WALSH, BALL, and WHERRY, in the minority report concerning S. 637, similar in many respects to the present proposal and considered in a previous session.[4] For example:

"We do not subscribe to the doctrine that because our public schools and our educational facilities are a vital element in our national welfare, they thereby become the proper concern and implied responsibility of the National Government.

"Our schools are one of the few remaining bulwarks of local self-government and community enterprise. They should so remain."

In that same minority report it is stated:

"The bill, therefore, does not do the very thing which it is supposed to do. Equalization, as a matter of fact, cannot be secured except by complete Federal control and direction. Everyone agrees that complete Federal control and direction are worse than the inequality which now exists. * * * Congress ought not to give away Federal funds to the States, with no Federal control over the spending of the funds. If on the other hand the Federal Government is to retain control over the expenditures and to dictate them, then it means Federal control of education * * * an alternative equally obnoxious. There is no middle ground."

To contend that Federal authorities would continue indefinitely to administer a general program of Federal grants-in-aid for equalizing educational opportunities and facilities without participating more and more in the supervision of educational systems is wholly unrealistic. The history of governments refutes any such contention.

In any event, as pointed out in the abovementioned minority report by Senator TAFT and others, "Federal subsidies to the States for matters which are clearly not within the jurisdiction of the Federal Government are certainly not justified on the ground that the States are unable to finance adequately the activities which are constitutionally assigned to them."

Another factor that must be clearly understood, though not as important as the fundamental responsibility of local government, is that Federal aid of the kind which S. 472 would provide is not needed. That is not to deny that there are some areas in the country where there is great need for improvement in the school systems. However, there is no real evidence that the States, with the exceptions of those few areas, are unable to finance adequately their own educational programs. This proposal for Federal aid has not been initiated by the States themselves; that is, their duly constituted legislative and executive authorities. Moreover, in comparison with the National Government's Treasury, the State treasuries are in good condition. In nearly every State, education is given a prior consideration in allocating the funds which are available.

It is true that local government in certain regions of the country have found it difficult or have been unable to meet entirely the financial requirements of a high standard educational system, the difficulties having been accentuated by the strains of war. However, that does not prove the need for a Federal dole. On the contrary, there has been a notable increase of activity on the part of the States within the past 3 years to mend their educational fences. For example, during the past year the legislatures in some 40 States have authorized increases amounting to about $500,000,000 in State funds for schools. County, city, and town appropriations have been increased by about $250,000,000 for the 1947–48 biennium. In addition, several State legislatures have appropriated funds for commissions to study their State school needs. Some of the States have revised and strengthened their departments of education. In some instances the tax bases within the States have been broadened and governors have recommended study and revision of their over-all tax system to bring about, among other things, more adequate support of the schools. In a recent survey by the United States Department of Commerce it was shown that, on the basis of State budgets examined, there had been an average increase of over 28 percent in the budgeted expenditures by the States for schools.[5]

The States are profiting by past experience and are assuming their responsibility to an increasing degree. Certainly it has not been demonstrated that the States themselves have urged the Federal subsidization which S. 472 would provide. Even as to the comparatively few States, mainly in the South, which could receive the major part of the aid under S. 472, it cannot be shown that they are impotent to meet their educational problems when, during the past year alone, they have increased their State expenditures for education by well over $100,000,000. The solution is not in subsidizing the States but in making it possible for the States to help themselves.

The formula provided by S. 472 for the allocation of grants-in-aid gives no assurance whatever that equalization can be accomplished in those States which are reputed to have the greatest need. In some of those States, in fact, equalization is contrary to their existing constitutions or traditional practices. Some of them have educational systems which are not well adapted to equalization of educational opportunity. An obvious example is that of segregation, with consequent duplications in the system. Perhaps it is not for the rest of us to tell the States having such a system to change it. At least, it is difficult to perceive how equalization could really be accomplished in such areas without virtual centralized dictatorship in education. Federal funds alone cannot correct errors in certain of the State school systems.

The aid contemplated by S. 472 is not genuinely needed. Through an adequate program of cooperation by the Federal and State Governments in adjusting their tax systems upon an equitable basis, and through other means, the States would be far better able to fulfill their responsibilities.[6] Then the Congress would not be harassed with proposals for ever-increasing Federal subsidies, and one of the principal threats to the preservation of local self-government in America would be removed.

It is entirely reasonable to point out that one of the best means by which the Congress could encourage the State and local government to finance their educational programs would be by reducing the nonessential Federal taxes for nonessential Federal expenditures.

It is a matter of great importance that the Congress consider what tax levies should be left to the States or should be divided with the States. The Congress has under consideration proposals relating to coordination of Federal and State taxation.

Meanwhile, there are several immediate objectives which could be accomplished. One of these is the proposal in H. R. 3653, introduced in the House by RICHARD M. SIMPSON, of Pennsylvania, during the first session of the Eightieth Congress, whereby the 80-percent credit now allowed against the Federal basic estate tax would be allowed also against the Federal additional estate tax. If such a proposal were adopted, the States would derive a considerable advantage, and one, moreover, to which they are eminently entitled. The field of inheritance and estate taxation is one which has always been recognized as of principal concern to the State governments. The increase in income to the States if the additional 80-percent credit were allowed would be considerable from their viewpoint. The slight effect upon Federal revenue from estate taxes would be more than offset by the increased ability

[3] See particularly secs. 7 and 8 of S. 472.

[4] CONGRESSIONAL RECORD, Oct. 14, 1943, p. 8318.

[5] State budgets submitted in 1947, U. S. Department of Commerce.

[6] As an example of the greater potential advantages to be gained through an equitable adjustment of Federal-State tax relations, without subsidization of the kind proposed in S. 472, it may be pointed out that, although Pennsylvania taxpayers would pay at least $30,000,000 to the Federal Government toward the administration of aid under S. 472, the return to Pennsylvania in the form of aid to elementary and secondary education would be only approximately one-third of that amount. On the other hand, the amount which Pennsylvania might obtain from its own tax sources if the 80 percent credit were allowed on the Federal additional estate tax, to say nothing of additional revenue which might accrue to Pennsylvania through a more equitable coordination of Federal and State taxation, would be expected to exceed three times the amount which Pennsylvania would be eligible to obtain under S. 472. Other States would stand to gain similarly, in varying degrees. In short, the States may gain more, in both tangible and intangible benefits, from a proper allocation of tax sources than from any allocation of grants-in-aid under S. 472.

of the State and local governments to finance their local needs.

The States, if given a chance, can finance those activities which are distinctly and constitutionally their responsibility. This can be accomplished without any semblance of undermining home-rule in the field of education. "In any event," as stated by Governor Duff, "the people back home know better than anybody else what their problems are and how able and willing they are to pay to solve them."

Up to this point, there has been no comment regarding private and parochial schools. The constitutions and laws of nearly all the States provide expressly against the use of public funds for any but public schools.

Federal legislation for educational grants-in-aid, particularly in the elementary and secondary fields, which would have the effect of by-passing State educational authorities for the purpose of giving Federal aid to private and parochial schools, could lead only to troublesome controversy. One hesitates, as a rule, to cite a dissenting opinion in support of a proposition; but truth is truth, wherever one may find it. Associate Justice Rutledge, in his dissenting opinion in the case before the United States Supreme Court involving transportation of parochial school children in public school busses in a New Jersey township,[7] made the following remark which is well worth our serious attention:

"Hence today, apart from efforts to inject religious training or exercises and sectarian issues into the public schools, the only serious surviving threat to maintaining that complete and permanent separation of religion and civil power which the first amendment commands is through use of the taxing power to support religion, religious establishments, or establishments having a religious foundation whatever their form or special religious function."

Any proposal that would open the door, however slightly, to centralized supervision of basic education, to say nothing of making Federal funds available as a favor to religious educational institutions, even on a modest scale, is a proposal calculated to inspire strong mental reservations, especially among those who are genuinely concerned with the "general welfare" of the American people. Potential advantages to be gained in some areas by a guaranty of $40 or $50 per child of school age are hardly a sufficient excuse for surrendering the heritage of unquestioned local control over elementary and secondary education.

Next to the right to worship as one sees fit—to have entire freedom of religion, free from any taint of political sponsorship, favor, subsidy, or coercion—there has been nothing closer to the hearts of the people of America than education and the determination to keep the educational system under vigilant local supervision, or under the watchful eye of "the people back home."

There seems to have been a tendency on the part of some proponents of S. 472, or of similar proposals, to refer to activities of the Federal Government in the field of education—especially aid for vocational education and rehabilitation, agricultural extension work, Indian schools, military and naval schools, school aid under land-grant legislation, aid to hospital training, veteran rehabilitation, etc.—and to compare these with the proposed aid under S. 472. There is no real comparison. Attempts to compare the proposal in S. 472 for so-called equalization in elementary and secondary education with such other types of aid are merely begging the issue.

However, we can derive a useful lesson from the experience with Federal aid under vocational education acts. They may offer a hint of ultimate experience under legislation such as that proposed in S. 472. We may cite, in this connection, the comprehensive article entitled "The Administration of Federal Grants-in-Aid to Education," written by the commissioner of the Connecticut Department of Education, a supporter of the Federal aid-to-education proposal.[8] Those who are interested may read the article. We shall quote only two excerpts:

"Of course, it is true that in any one of these items the Federal Government is in a position to deny the States funds if the concept of vocational education does not agree with that of the Federal Government. It is probable that each must embrace the concept of vocational education concurred in by representatives of the Office of Education * * *

"Again, it may be said that frequently the administrative rules and regulations devised by a bureau may extend farther than the congressional act intended. In other words, usually the congressional act allows considerably more leeway in the administration of federally allocated funds than the rules and regulations otherwise permit. Naturally, the Federal Government is concerned over the proper use of the funds allocated and, unfortunately, in many of our localities money emanating from an outside source is expended sometimes less wisely than the funds raised locally."

So we see that cooperation with the Federal Government in the administration of Federal grants-in-aid usually develops, and logically so, into a situation where the State's concept of education must agree with that of the Federal authorities.

CONCLUSION

The administration in any degree of elementary and secondary education in this country is not within the competence of the Federal Government and is not a proper subject for a permanent program of grants-in-aid on the basis envisaged in S. 472. Even while recognizing the Nation-wide concern in the improvement of educational opportunity in America, the potential byproducts of Federal intervention through a program such as that proposed in S. 472 are so much a threat to local self-government and home-rule that not even the so-called national interest or general welfare is adequate justification for the adoption of such a proposal. There are other and better ways, in the long run, to accomplish the ends desired, one of the most evident being the equitable division of tax sources in order that State and local governments may be better able to help themselves.

[7] *Everson* v. *Board of Education* (330 U. S. 1) (rehearing denied, 330 U. S. 855).

[8] State government, August 1944, pp. 380 et seq.

The Late Robert L. Norton

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Boston Post:

PRESIDENT IN TRIBUTE TO NORTON—"GRIEVED TO LEARN OF PASSING," TRUMAN DECLARES

WASHINGTON, January 7.—Official Washington today mourned the passing of Robert L. Norton.

President Truman learned of Norton's death immediately after he had delivered his State of the Union message to a joint session of Congress—an occasion which Mr. Norton had covered many times.

PRESIDENT GRIEVED

"I am grieved to learn of his passing," Mr. Truman said. "He was a fine craftsman, a good reporter, and a loyal friend."

Charles G. Ross, the President's chief secretary, and a colleague of Mr. Norton's for 25 years, was especially distressed at the news from Boston.

"Bob Norton was an old friend, in what reporters called the 'old days,'" Ross said. "We worked on many a story together. I know many men in public life and in the newspaper business who will miss him."

LOSS TO JOURNALISM

Attorney General Tom Clark expressed grief at Mr. Norton's passing. "The death of Robert L. Norton, for so many decades Washington correspondent for the Boston Post, is a loss to journalism and America, and to the entire field of public education through an informed press," Clark said

Representative PHILIP J. PHILBIN, of Massachusetts, said: "I am stunned by the news of Bob Norton's untimely passing. He has been a dear and close personal friend of mine for many years. I am very deeply moved by his loss. He was an exceptional man of amiable personal qualities—kindly, generous, warm-hearted, loyal to his friends. Sympathetic and tolerant by nature, he had a host of friends all over the country. I have never known a man in or out of public life who knew so many public figures and people in every walk of life as intimately and as well as Bob Norton, or who was more respected, admired, and loved by those who knew him.

"A widely read veteran newspaperman, editor, and commentator, trained in the traditions of the old school, he was exceedingly proud of his profession and its members. He was particularly proud of his associates on the Boston Post. He had supreme confidence in the ability of the newspaper business and its personnel to adapt itself to the demands of changing times. He enjoyed the esteem of all his fellow workers because they recognized in him outstanding ability and achievements as one of the greatest figures of their craft."

REMARKABLE MIND

"He counseled and helped countless boys entering the newspaper business and politics and was the trusted confidant and adviser of many public men. Like many others, I frequently consulted him and held his judgments and opinions in highest regard. He was imbued with the loftiest sense of honor and would never violate a confidence. Because of his warm, gentle, human qualities, loyalty and wisdom, his friends in all walks of life were legion and intensely devoted to him, as he was to them.

"He possessed the most remarkable mind—one of the finest I have ever encountered. In the true sense of the word, he was an intellectual. No college professor, no holder of high collegiate degrees could possibly excel him in gathering facts and information, not only in public affairs, which was his specialty, but in many other fields, and then selecting and analyzing and interpreting them in light of contemporary events. He was a sharp, penetrating analyst and a gifted diagnostician of political questions who always went right to the root of the problem. Although he liked to deal mostly with broad principles and concepts because his mind rose above the pettiness of detail, this attribute never limited his faculty for presenting the facts in true reportorial style, whenever the occasion demanded. His great contribution throughout the years will need and will receive more careful and extended appraisal, but it is unquestionable that in his passing Boston, the State, and the Nation will lose one of the truly great newspapermen of our generation."

WILL BE MISSED

"His genius and unique capacity, his love of his work, his wide contacts, his broad human approach, his constructive achievements, and, above all, his deep-rooted attachments to his friends and his fellowmen mark him indelibly as a man of great mind and great heart. He will be sorely missed by countless readers who implicitly trusted his brilliantly written commentary on current events, but he will be missed most by all those of us who knew and loved him for the great and noble soul that he was. I feel deeply and keenly his sudden passing and am bowed with grief. I extend my humble sympathy to members of his bereaved family to whom he was so genuinely devoted during his life and also to the publishers and staff of the Boston Post for what is indeed an irreparable personal loss. Our dear friend and happy philosopher has gone. May he find his true reward in eternal peace."

Phelps H. Adams of the New York Sun, president of the Gridiron Club of which Mr. Norton was a veteran member, bespoke the grief of club members as follows:

"I was deeply grieved to learn of the death of Bob Norton. Among the scores of newspapermen who knew him during his years of service here in the Capital, he was universally regarded as one of the ablest and finest members of the press corps. As a mark of the affection and esteem in which his colleagues held him, he was elected to membership in the Gridiron Club just 25 years ago. His passing after a quarter century of service in that organization is a profound loss to us all. As indeed it is to the profession which he chose to embrace and which he served with such distinction."

MANY MOURN PASSING

Others who mourned his passing included:

Senator SALTONSTALL: "I was distressed to learn of the death of Mr. Norton. I knew him well and liked him much. He was quick, witty, and an astute observer. I read his comments as often as I could. I am sorry we will no longer hear from him."

Senator LODGE. "I was profoundly shocked to learn of the death of my old and valued friend, Robert L. Norton. He and I had been friends for years, going back to my early days as a newspaper reporter when he helped me and instructed me in many ways.

"I saw him only recently at the Gridiron dinner. I had been his guest at the dinners several times. I had an appointment to spend an evening with him next week."

SHREWD OBSERVER

"Bob Norton was a very able newspaperman and his writing was of a very high quality. He was a most shrewd observer and many men in public life confided in him and set great store by his judgment. My deepest sympathy goes out to his family. I shall miss him and think of him often."

Senator GEORGE AIKEN, of Vermont. "I knew Mr. Norton as a fair and able reporter. I am sorry to hear of his death."

Senator FLANDERS, of Vermont. "Too bad. Too bad. Bob Norton was widely read and greatly respected in our State."

Speaker of the House JOSEPH W. MARTIN, JR., of Massachusetts. "The news of the sudden death of Bob Norton comes as a great shock. It was my privilege to enjoy his friendship for more than 30 years. He was one of the really great political writers of our time. His long experience, his wide information and his intimate friendships with Presidents, political leaders, and leaders of industry and commerce made his interpretations of events of great value. We shall miss his timely and able column as we will the capable and friendly man whose pen created it. His death is a distinct loss to Boston and Massachusetts and will be keenly regretted by thousands of his personal friends."

FINEST TYPE

Representative JOHN F. KENNEDY, of Massachusetts, who said Norton was a close friend of his and of his family for many years, expressed his grief and added, "He was one of the finest type of newspapermen for many, many years."

Representative CHRISTIAN A. HERTER, of Massachusetts. "On hearing of his death, I feel a sharp loss of a good friend—a loss not confined to those who loved him also but to the whole Nation, in that he was one of the ablest and most far-seeing members of the press."

Representative MARGARET CHASE SMITH of Maine. "I'm sorry as I can be. We had wholehearted admiration and respect for him in Maine. His death is an unfortunate loss."

TERRIBLY SHOCKED

Representative CHARLES PLUMLEY, of Vermont, called Norton one of his best newspaper friends.

"His readers," PLUMLEY said, "have sustained a great loss and his friends will never find anyone to take his place."

Representative EDITH NOURSE ROGERS of Massachusetts: "I am terribly shocked. He was a personal friend of mine for many years, and I have read his excellent articles for many years. He had a fine grasp of national and international matters."

Representative THOMAS J. LANE, of Massachusetts: "We all mourn his passing. He was one of the ablest newspaper columnists in New England. We in public life had great respect for his views. Anybody who knew him admired him for his fairness and his fineness."

Representative RICHARD B. WIGGLESWORTH, of Massachusetts: "Mr. Norton was one of the ablest men in his chosen field I have ever known. His life was rich in experience in National and State affairs. He enjoyed friendships and confidences of men in leadership in both. Through his understanding and power of analysis, combined with his integrity and independence in writing, he measured up to the highest traditions of the newspaper profession. He has been a close friend of mine for many years. His death is a great personal loss."

The Superintendents of the House and Senate press galleries, William Donaldson and Harold Beckley, expressed regret at Bob Norton's passing for the 500 newspapermen and women who were his colleagues. Mr. Norton was a member of the galleries for more than 30 years.

MRS. COOLIDGE IN TRIBUTE TO WRITER

Mrs. Grace Coolidge, widow of the late President, visiting at Columbus, N. C., gave the following tribute:

"I regret to learn of the death of Mr. Robert L. Norton, who was Washington correspondent for the Boston Post for many years, including those days when Mr. Coolidge was in the White House. We both considered him one of our good friends and appreciated his loyalty to us and to his paper."

AN ASSOCIATE'S TRIBUTE

(By Joe Harrington)

For a dozen years we shared an office in the Post with Bob Norton and a sturdy bridge of affectionate friendship grew between the two desks. The cluttered room didn't change when the news of his death came over the phone, but it will never be the same.

Though writing words on copy paper is the way we make our living, they turn out to be a feeble medium for expressing our appreciation of Bob. We can't capture in a few paragraphs the essence of hundreds of conversations, jam sessions, arguments, and the views we swapped on everything from the price of a pair of shoes to what was happening to the world at the moment.

In an attempt to appraise an old friend objectively, we'd say that graciousness was his outstanding characteristic. His first words on entering the room on his return from a trip to Washington, a political conference, or a swing around the doubtful States in an election were: "Hello, you old boll weevil. How are things with you?" Then: "How's the family? What are the kids doing?"

We're sure everyone who knew Bob Norton will have the same report to make about this side of his character.

STOOD ALONE

He carried out his thoughtfulness in little things, too. He'd come back from a luncheon at the Parker House, where his opinions were frankly sought by bankers and industrialists, and patiently listen to a garrulous ward heeler, who wanted to tell him what was wrong with the country. He'd hear the fellow out, then pat him on the shoulder and thank him for his information.

Professionally, he stood alone. Commentators blossomed in droves during the war years, on the radio and in newspapers, and most of them remained with us. But none of them could approach Bob Norton's incisiveness in dealing with an involved situation where the arguments pro and con were flavored with the political considerations of the people involved. He had an amazing faculty for cutting through the hokum that beclouded an issue and serving up the meat to the readers of this newspaper, stripped of the confusing garnishes and sauces.

Always articulate, he talked like he wrote. His conversation, as well as the "pieces for the paper" as he called them, were frequently highlighted by parallel background incidents—something that happened in a previous administration or a remark that had been made to him by a President for Bob was a top newspaperman.

DECIDED GREATNESS

There was a decided greatness about the man. Nothing irked him more than instances of human meanness or petty graft. Time and again when he was scanning the day's news he come across an item from here in the city or from some distant capital that caused him to explode with wrathful indignation. With the prelude: "Listen to this * * *" he'd let himself go with a searing identification of the perpetrators involved. It wasn't the act so much as the small spirit behind it that always got him.

Not only will Bob be grievously missed in the room in the building and wherever good newspapermen gather but assorted down-and-outers in these environs will note his absence on the streets. Through his years in writing politics from the city hall reporters' room to the international press galleries, he had a long list of fellows who had seen better days. For them he was a soft touch.

If you questioned the wisdom of his generosity he'd remind you that at one time the recipient was a nice fellow and quote the words of Joaquin Miller:

"For all that you hold in your cold dead hand, is what you have given away."

Our Most Dangerous Lobby

EXTENSION OF REMARKS

OF

HON. WALTER C. PLOESER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. PLOESER. Mr. Speaker, the gentleman from Indiana, Mr. FOREST HARNESS, is one of the most able and distin-

guished Members. His responsibility as chairman of the Subcommittee on Publicity and Propaganda by Government Agencies and Employees has been well discharged. The Reader's Digest in December carried a very enlightening article written by Congressman HARNESS which every citizen should read. It follows:

OUR MOST DANGEROUS LOBBY

(By FOREST A. HARNESS, Member of Congress from Indiana)

Probing the operations of our most dangerous lobby, a congressional subcommittee, of which I am chairman, has uncovered startling evidence of attempts by Federal officials to make Big Government bigger and to extend, by another vast grant of power, the authority of the state over the lives of all of us.

Our committee has found that Government employees are back of the campaign to pressure Congress into passing a national compulsory health insurance law. This campaign was planned inside the Government, on Government time, supported by the Government's publicity and propaganda machine, and paid for by the taxpayer. Confronted with these facts our committee—Democrats and Republicans—voted unanimously to expose them and to turn the evidence over to the FBI and the Department of Justice for prosecution under the law which forbids Federal employees to use Federal funds to influence legislation.

Of recent legislative proposals, none has stronger, more obvious appeal to the devotees of the all-powerful, all-supervising state than national compulsory health insurance, often described as socialized medicine. Compulsory health insurance—cornerstone of every socialist regime—proposes to solve our health problems not from the community up but from Washington down. Instead of voluntary and group health insurance, backed where necessary by grants-in-aid, we would have a Federal law enforced by Federal agents. Estimates of its cost run as high as $7,000,000,000 a year. It would swell by many thousands the number of employees in the Federal bureaucracy.

Bills to launch plans of this sort were introduced in each of the last four sessions of Congress. Each time Congress was subjected to intense, highly organized pressure in their behalf. Unconvinced of the scheme's workability, and unwilling to contribute on such a scale to bureaucracy's urge to expand, Congress resisted this pressure. But, without doubt, the heat will again be turned on Congress in January to pass an even bigger and costlier bill.

Our investigations revealed that headquarters for the drive for this scheme is in the Federal Security Agency in Washington. The FSA is already a vast social service establishment with 35,000 employees. Administration and enforcement of the health-insurance law would be added to its domain. Its size and power would thereby be immeasurably increased.

Government officials at the FSA supplied the law's out-in-front promoters with ammunition for their propaganda. They sent representatives abroad, at Government expense, to bring back data on how similar schemes work elsewhere; arranged a campaign to carry the idea to the various States; and even sent a mission, loaded with proponents of the idea, to work out a health program for Japan.

The files of the Social Security Administration in the FSA bulge with information favorable to the compulsory-insurance idea. The files and SSA's staff of experts have been at the service of those advocating the bill. Staff members largely drafted the present bill—as they had its predecessors. They wrote testimony for witnesses to read at Senate hearings. "The staff and resources of the Bureau of Research and Statistics in the Social Security Administration," we found, "were devoted freely to the preparation of pamphlets and propaganda literature for the CIO, AFL, and Physicians Forum. Much of this material, prepared at Government expense, supported what certain witnesses referred to as 'socialized medicine.'" All opposing arguments were "dismissed contemptuously."

To add to the fund of material available, arrangements were made last spring to send an investigator to New Zealand, at Government expense, to bring back the story of that country's compulsory health insurance experiment. The man chosen for the mission has been "documented by the House Un-American Activities Committee for long association with Communist-front and fellow-traveler organizations." Our exposure of the facts halted this junket.

To increase pressure for the scheme, Federal job holders helped to set up two organizations—the Physicians Forum and the Committee for the Nation's Health—and have been active in both.

The Physicians Forum claims about 1,000 doctors in its membership, two-thirds of them in or near New York City. Its chairman, Dr. Ernst P. Boas, has been identified by the Committee on Un-American Activities as a member of eight Communist-front organizations. Under cross-examination at last summer's Senate hearings, he admitted that his organization is not registered as a lobby, although it had received and spent at least $10,000 for the promotion of the Wagner-Murray-Dingell compulsory insurance bill.

The heads of both the New York and Washington offices of the Committee for the Nation's Health are formally registered with the Government as paid lobbyists. Chairman of the committee and one of its principal founders is Michael M. Davis, Ph. D., formerly employed by the Social Security Administration. Dr. Davis' son is an official of the Public Health Service lately assigned, at Government expense, to the British Ministry of Health in London to observe Britain's system of socialized medicine.

On the eve of the introduction in Congress of a compulsory health insurance bill late in 1945, 10 of the most influential backers of the idea, all Government employees, met in Washington to plan a drive to stir support at the grass roots for the measure they had helped prepare. The device agreed on was the Health Workshop. This, we found, was the name given to conferences, planned for numerous States, to indoctrinate leaders of farm and labor organizations, women's clubs, church groups, and others. Instructions sent out from the Government for training Workshop leaders included techniques for the organization of citizen groups, formation of pressure groups, methods of bringing about group action.

This campaign was launched last year in Minnesota and North Dakota. Our committee held hearings on the Workshop conference which was held in Jamestown, N. Dak. Committee counsel Frank T. Bow brought out in the hearings that representatives of six Federal agencies, traveling on the Government, went from Washington and elsewhere to direct it. It was ostensibly devoted to a consideration of the health problems of North Dakota, but no North Dakota doctor was invited. The only doctors on hand were on the Federal pay roll—and they were not M. D.'s but Ph. D's.

In the literature sent in advance to each of the delegates were pamphlets published by the CIO, the A. F. of L., and the Physicians Forum, advocating compulsory insurance and urging pressure on Congress to get it. This literature was mailed from the Federal Security Administration at Government expense. No material opposing compulsory health insurance was sent to delegates or made available at the meeting. No speaker opposing it was invited or heard.

Before adjournment the delegates, representing numerous State-wide organizations, voted to poll Congressmen and candidates on their stand on the national health program. They agreed to form the Dakota Action for Medical Care Council to coordinate and continue agitation. Our committee unanimously concluded that the Workshop program "was calculated to build up an artificial, federally stimulated public demand upon Congress for enactment of legislation for compulsory health insurance."

The members of our committee, of both parties, also unanimously agreed that these efforts of certain Federal bureaucrats to organize pressure against Congress to advance their ideas and increase their authority are a threat to our representative institutions. We agreed that, with democracy almost everywhere under attack, these efforts must be exposed and fought. To that, we are sure, the American people will agree.

Navy Day

EXTENSION OF REMARKS

OF

HON. CHARLES A. PLUMLEY

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. PLUMLEY. Mr. Speaker, under leave heretofore granted to extend my remarks, I am, by request, including the Navy Day address I made before the Rotary Club in Montpelier, Vt., October 27, 1947:

This is Navy Day. It is a day of peculiar interest to all the people and to Vermonters in particular since the first naval forces under Continental pay and control were those established in the spring and summer of 1775 by Generals Arnold and Schuyler on Lake Champlain and by Gen. George Washington near Boston.

Incidentally, I have recently read a book entitled, "George Washington, the Naval Strategist of the Revolutionary War." True it is that he determined the naval strategy of that war and is justly accorded high praise by all naval authorities for the military excellence of his plans.

On October 13, 1775, the Continental Congress voted to establish a committee to handle naval affairs. This body, called the Marine Committee, was the great-great-granddaddy of the present Navy Department. It began with three members: John Adams, of Massachusetts; John Langdon, of New Hampshire; and Silas Deane, of Connecticut.

Imagine that, three men setting out to construct a Navy from scratch and send it into action against the world's greatest sea power. But one of those members made up for a hundred ordinary. This was doughty John Adams, a "nutmeg" of a character with a blue spark to his eye and the fire of independence in his soul. He was a lawyer, but he knew how to stick to the point—the point now was an American Navy.

He drove the committee into action, and he launched the project on the same day the committee was formed. Historians put him in the book as the founder of the American Navy.

It is common in the naval service to refer to Congress as the "Father of the American Navy." It was Congress that had to legalize this fledgling and provide it with food, weapons, and clothes.

Certainly it was an infant on that October 13, 1775, when Mr. Deane, prodded by John Adams, stood up to propose that the Colonies equip "a swift sailing vessel, to carry 10 guns, for intercepting such transports as may be laden with warlike stores for the enemy."

Did Congress take kindly to the infant? Well, hands were raised in alarm. A Pennsylvania delegate said he didn't like it at all. Such naval force, he said, would be sure to anger King George. The Royal Navy would blockade the entire American seaboard. "I am clearly against any proposition to threaten," said Pennsylvania's Dr. Zubly. "The people of England will take it we design to break off or separate."

At this, Mr. Chase, of Maryland, wanted to know if it was any more threatening to fight the enemy at sea than on land. Many Members of Congress thought it was—the King would declare that sea war was piracy. This aroused John Adams, whose sarcasm could rasp like rosin on a string. Why mince matters? The fight for freedom was on. And with a few warships of their own, the Americans could force Great Britain to keep a large fleet on the job and expend much to gain little.

So, in truly democratic fashion—all sides being heard—the Navy was born.

From the Journals of Congress we learn that on Wednesday, July 3, 1776, the Continental Congress resolved, "That the Marine Committee be empowered to contract with shipwrights to go to Lake Champlain on the following terms:

"To allow each man 34 dollars and two-thirds per month; 1 month's pay to be advanced on their giving security, if required:

"Each man to be allowed a ration and a half, and one-half pint of rum per day:

"Their tools and arms to be valued.

"Two-thirds of their wages to be paid monthly, to whomsoever they shall leave the power of receiving it:

"Their pay to commence from the day they sign articles, and continue untill they are discharged, with an allowance of 1 day's pay for every 20 miles between the place where they are discharged, and their respective homes."

The lake force to which I have referred, and to the growth of which the men furnished under and by virtue of the resolution contributed their services, saw no important service for a year, and was then defeated by a greatly superior British squadron, though it gained a strategic victory by delaying the invading British Army.

THE BATTLE OF MACHIAS

If I ever knew it I had forgotten that the first sea battle of the Revolution was fought by a crew of lumberjacks off Machias, Maine, a few weeks after the battle of Lexington. To Jeremiah O'Brien and his wood choppers goes the honor of waging and winning the earliest American engagement. As the historians tell the story it goes as follows:

The fight took place off Machias, Maine, a few weeks after the Battle of Lexington. In May 1775, British General Gage sent two sloops and an armed schooner to Machias to commandeer a load of lumber for the redcoat garrison in Boston. Instead of lumber, the British got a load of O'Brien—a fighting Scotch-Irishman with hair as red as their coats.

Entering the harbor of Machias, the British war schooner under command of a haughty young midshipman, was surprised to find this O'Brien and a crowd of some 40-odd loggers waiting on the wharf. The young mid directed his two sloops to tie up, and then, holding His Majesty's schooner off-shore, he hailed to learn what the crowd on the wharf wanted.

For answer there came a bellow from O'Brien, "Surrender!" and the lumberjacks brandished muskets, axes, and pitchforks.

The English sailors had to laugh. His Majesty's schooner was armed with three 3-pounders and four swivel-guns—enough to blow the whole village of Machias to matchwood. With a sneer for the rabble on the wharf, the Britons simply turned their backs on the scene and sailed out to the harbor entrance to stand by. So a knight might have refused to do battle with a serf, considering the fellow unworthy of his steel.

This irritated O'Brien and his boys into seizing one of the lumber sloops and giving chase. Piling up lumber along the gunwales for protection, the loggers worked furiously while O'Brien steered the craft straight for the enemy. In the harbor mouth, the schooner turned to fight, her guns roaring out, like a lion wheeling on a small and annoying badger. The Americans replied with a rattle of musketfire and sharp marksmanship that, at first volley, didn't strike the Royal Navy men as so funny.

Cannon balls vs. bullets, the one-sided battle raged for over half an hour—one-sided for the Americans who riddled the British and dropped the young midshipman on his quarterdeck. The sloop, protected by its jerry-built bulwarks, closed in. Swinging the axes, rifle butts, and pitchforks, and led by indomitable O'Brien, the lumberjacks swarmed aboard the Englishman like timber wolves, and down came King George's flag.

Up went a strange new flag—a fitting flag for valiant lumberjacks—a white flag on which a green pine tree stood above the legend, "An Appeal to Heaven." The first American naval encounter had ended in victory for the Americans.

Considering the odds, it was something to be proud of. And it was symbolical, this victory achieved by "made in America" valor, sharpshooting, and New England pine. The lumberjacks of Maine had felled a long-standing giant—the tradition that the King's Navy was invincible—and reared in its stead the tree of liberty—your Navy.

WASHINGTON'S RAIDERS

Washington's fleet, known as Washington's Raiders, saw effective service preying on the sea communications of the British Army in Boston, and in capturing British prizes carrying ammunition, much needed by the American soldiers. This all happened before Congress in October 1775 adopted the resolution providing for the fitting out of two Continental ships, which act was the legislative birth of the permanent Continental Navy. Congress appointed a Naval Committee, which directed the purchasing, outfitting and the operations of the earlier ships, prepared legislation organizing the new naval service.

The first Continental Fleet put to sea in February 1776, proceeding to New Providence (Bahamas) landed and captured a large supply of munitions with which it put out to sea again and delivered its spoils of victory to our Army at New London, Conn.

NO NAVY AT ALL

After the Revolutionary War the Navy went out of existence completely and was not reestablished until 1794, when Congress provided for the construction of six new frigates. In 1798 we bought more ships and went to war against the French. Closely following this 3 year quasi war with France came the Barbary wars. Captain Edward Preble was the highest ranking officer of the squadron under his command with the frigate Constitution as his flagship. Under his command and leadership the loosely knit Navy of that day became a unified fighting force for the first time, and this unification has lasted until now.

Today the Navy is 172 years old. The observance of Navy Day was inaugurated in 1922 by the Navy League of the United States. The date, October 27 was selected because it is an anniversary of the birth of Theodore Roosevelt, often and justly called the father of the modern Navy. It is not a holiday, for no executive order, so far as I know, or proclamation was ever issued establishing this day as a holiday, nor has any congressional action ever been taken authorizing it. But today all over this country people are participating in ceremonies in honor of the Navy and its achievements.

Theodore Roosevelt once said, "Whatever arms have cost us they have made and kept us a great Nation."

Peace at any price for generations has been anathema to Americans. Perhaps that is one reason why we have come to believe that peace has no price. The record disproves that belief. The record shows that peace demands its own price, though an infinitely small fraction of the price war demands. The record shows that a nation can achieve peace only by waging it, by relentlessly working for that objective with the same unity and the same determination with which war is waged. Passive defenselessness has never won peace and probably never will.

OUR OPPORTUNITY

The world stands tonight on the threshold of its greatest opportunity. I believe we will seize that opportunity. I feel that this may be humanity's last opportunity. I pray God the day may come when there is no longer a need for any Navy or any Army.

The arrival of that day can be speeded by the reasonable maintenance of America's might until the hopes and dreams of today are translated into the living, effective world organizations of tomorrow. That happy event will be postponed and perhaps may never materialize unless America retains and develops a navy which will be capable of snuffing out any threat against the just and enduring peace for which the entire world yearns.

I hope I appreciate the opportunity which has been afforded me over some 7 years to learn something of what the Navy means to us. We take too much for granted; are too easily destructively critical; treat our blessings too lightly, and hardly ever stop to think of the hours of nerve-racking toil and study somebody has had to contribute to protect us and preserve us as a nation.

We have been fortunate on these shores, more fortunate than any nation in history. God has granted the American people a supreme opportunity to try a new way of life that pledges every man justice and equality. We have never employed this great gift with half the strength and devotion of which we are capable, but we cherish it as the heart of the American tradition.

NAVAL AIR POWER

May I take a few minutes to suggest that I have learned that out of the experiences of the Pacific war and the Battle of the Atlantic, came reaffirmation of the fact that integration of air, surface, and subsurface forces is essential to successful naval operations. But out of the experience of the Pacific war there also emerged a newer fact—that the influence of naval air power on sea power is decisive. The demonstration of that fact began on that day of infamy when Japanese naval air power struck us at Pearl Harbor. It gained strength when our carrier supremacy frustrated the enemy's supreme effort to move against Australia—at the Battle of the Coral Sea. It was conclusive when our carrier supremacy scattered an enormous Jap invasion armada at the Battle of Midway. Naval air power flanked and supported the strides along New Guinea which were pointed at the Philippines. Naval air power wrote finis, in the early days of the war, to the enemy's use of Rabaul, once a powerhouse as an important naval base. The Gilberts, the Marshalls, the Marianas, the Philippines, Iwo Jima, and Okinawa were all made vulnerable to our surface and land forces by our carrier-based air supremacy. Naval air power is the punch of a modern navy—and of any future navy. That is why when we speak of the Navy, we speak of a combination of air and sea power For naval purposes air power is indistinguishable from sea power. The plane,

as much as the surface vessel and the submarine, is the symbol of our modern Navy, our air-sea power.

THE PEOPLE'S NAVY

Thus, America faces the future with the most modern, efficient Navy in the world. Today it prepares to defend the Nation from attack, to defend this hemisphere from attack, and to make our power available for use against any would-be aggressor or international criminal. How well your Navy will be able to discharge these responsibilities depends largely upon the people of the United States who own this Navy.

I doubt if there exists in this country today widespread public appreciation of the task that lies ahead. No people ever supported its fighting forces as well as the American people backed up their fighting men in this war. No other people ever supported their fighting fronts with such a prodigious increase of uninterrupted production. No other people were ever in such complete partnership with their government in financing a war. The unrelenting effort, the stamina, and the determination of the American home front is one of the most thrilling chapters of this war. Unfortunately, no other people, when wars end, let their armed forces become impotent as quickly as we do.

Today we are not certain that democracy will survive. The world was not made safe for democracy in 1920. The world was not made safe for democracy by World War II. Never did such a situation confront America as now challenges us to a duel to the death in order to keep alive our democratic ideals. New forms of totalitarianism have arisen, extended their territories, increased their prestige. Some are saying that we must abandon democracy in America. Others are saying that we must make it work in America, and can do that only by isolating ourselves from the world. More than in 1917, we must recognize that democracy cannot be safe in a lawless world, continually threatened by totalitarian wars.

The American people must learn to look squarely in the face the implications of their political desires for democracy, security, peace, and prosperity in the world in which they live and from which they cannot escape. Their institutions and systems of life cannot be defended behind material ramparts. There are no ramparts in this world which aggressive powers equipped with the latest devices of science cannot penetrate. The ramparts to defend are the ramparts of law, and the place to defend them is the place where lawlessness begins.

IN RETROSPECTION

It seems hardly possible that on the 7th of November it will be 2 years and a half since Germany surrendered unconditionally to the Allies—and one-half of World War II was over. As the guns fell silent in Europe, the Pacific front blazed with the battle of Okinawa. Day after day Navy ships ringed the island. Destroyers and destroyer escorts took their picket stations, keeping close radar guard, instantly warning the land forces of the approaching Jap air attacks. Heavier ships were on day-or-night call for precision shore bombardment. Transports and supply ships fought their way into the beaches and out again. All the vessels in the area were exposed to the fanatical Jap airmen, aiming their planes—often in flames and carrying a 500-pound bomb—for the bridge of the target ship. For 82 days the battle raged, with heavy casualties in American ships and men because of the suicide air attacks of Japan's last "secret weapon," the Kamikaze Corps. But when Okinawa fell at last Uncle Sam gained sea, air, and ground force bases on Emperor Hirohito's doorstep.

Every day the big B-29's battered Jap cities. Roaming close to the shores of Japan, Admiral Halsey's Third Fleet methodically smashed to pieces the last remnants of the Imperial Navy. Clearly the knockout was coming soon. Yet when it did come, the knockout blow staggered the world, for it was struck with a fantastically powerful new weapon—the atomic bomb. Two of these bombs, in the development of which Navy experts had played a vital part, leveled the Jap cities of Hiroshima and Nagasaki. On August 14, 1945, President Truman announced that Japan had surrendered.

Japan signed the surrender terms on September 2 (Tokyo time) on board the great battleship *Missouri* lying in Tokyo Bay. She and her comrades of the fleet had come a long, perilous way since the Japs fired the first shot—the shot that backfired 'round the world.

PHILOSOPHY OF FREEDOM

Today America has become the last great nation of the world which puts her complete faith in a philosophy of freedom, a philosophy which recognizes the inherent rights of every citizen—freedom of speech, freedom of religion, freedom of enterprise.

That philosophy in a century and a half made this country the greatest Nation on the face of the earth. That philosophy made America strong enough to win the war.

Our people want peace and security. The peace of the world and the security of all requires the maintenance by us of a strong national defense. Congress has provided and will continue to provide the necessary funds for the maintenance of an army, a navy, and an air force to guarantee that the United States will continue to be supreme on the land, on the sea, and in the air.

Americans from the very first have dreamed great dreams and done great deeds. And so long as America dreams, and when the peoples of other nations comprehend the meaning of the American dream, I know there is inspiration and hope and opportunity for humanity.

On the wall of the room in which Victor Hugo died in the Place des Vosges, in Paris, is written, over his signature, this prophecy: "I represent a party which does not yet exist: The party of revolution, civilization. This party will make the twentieth century. There will issue from it first the United States of Europe, then the United States of the World."

Tomorrow keeps new yesterdays in store. Who knows—the prophecy of Victor Hugo may come true.

Dr. Frank D. Fackenthal

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. JAVITS. Mr. Speaker, Columbia University, which is one of the outstanding institutions of learning in my congressional district, is fortunate in having had on its staff for the past 45 years an educator of outstanding ability, Dr. Frank D. Fackenthal, who took over the duties of president of Columbia University when Dr. Nicholas Murray Butler retired.

Under leave to extend my remarks, I include the following article on this subject from the magazine section of the New York Times of January 11, 1948:

HONORS FOR DISTINGUISHED ANONYMITY—COLUMBIA REMEMBERS THAT DR. FACKENTHAL HAS SERVED HER 45 YEARS AND WITHOUT PUBLICITY

(By S. J. Woolf)

Columbia University next Thursday will award the Alexander Hamilton Medal for distinguished service and accomplishment to one of its alumni. It is the second award; last year the medal was bestowed upon Nicholas Murray Butler. This year at a dinner at the Waldorf the alumni will honor the man who has served as president of Columbia for 2 years and has devoted his life to his alma mater.

In preparing his speech of acceptance Dr. Frank D. Fackenthal decided to gather as much material as he could concerning Hamilton, Columbia's most famous alumnus. A professor at Rutgers said to him: "I'll tell you why Hamilton went to Columbia. He originally intended to enter Princeton, but it was too strict for him, so he went to your college because there he could do what he wanted."

Dr. Fackenthal tells this story with a smile, as something of a commentary on educational fashions. In Hamilton's day, of course, the elective system had not been adopted. Dr. Fackenthal rejoices that it is no longer as popular as it was for a time after its introduction and that students are now required to take a certain number of specified courses so that they will not go out into the world as uneducated specialists. Dr. Fackenthal considers this modification of the elective system one of the great advances he has seen in his academic career.

"In the old, old days," he says, "the colleges and universities were sanctuaries of study. Courses were strictly prescribed and although a well-rounded education was provided, the needs and aims of the individual student were not considered. Then, largely through the efforts of Dr. Charles W. Eliot, of Harvard, came the adoption of the elective system and the pendulum swung to the other extreme. Young men and women selected courses without regard to what they eventually wanted to do. In many cases they were too young or immature to make their own decisions and often they selected 'easy' courses.

"Now, although we have not gone back to the old-fashioned immutable programs, and notwithstanding that this is an age of specialization, we see to it that engineers know something about poetry and mathematicians are not entirely ignorant of history. All our courses are to a degree interrelated and even our instructors are encouraged to take up the study of subjects other than those they teach.

"When I was a young man, students could enter either the law or medical school after graduating from high school. Now they must attend college for at least 2 years before they can take up their professional studies.

"After all, the function of colleges and universities is to provide programs of study, instruction in classroom and laboratory, participation in the academic life, all so carefully planned that they will graduate educated men and women whose thinking will be on a high level, and who will be prepared to play their part in a rapidly changing world. In order to do this certain courses in literature, sociology, and history, to name but a few, are essential, irrespective of what line of activity each student intends to follow."

He was posing in my studio as he spoke. His appointment had been for 10 o'clock, and although the weather was bad he apologized for being 2 minutes late. Meticulousness seems to be a characteristic of this man who has spent most of his life within academic walls, and whose only hobby has been his university.

Yet he is no pontifical pedagog, no dry-as-dust professor. The cloistered life has not dulled his humaneness; his intense blue eyes beam sympathetically and a broad smile spreads often over his face. Although he is inclined to weigh his words, at times they have a certain lightness to them.

"I must be careful about what I say," he told me, laughing. "I almost got myself into trouble the other day. I was talking with some students from India who complained about their lack of money. Jokingly, I said

to them that most of our difficulties could be solved if we did away with money entirely. Unfortunately, they thought I was serious and I began to hear reverberations about my peculiar economic ideas."

Unlike Dr. Butler, Dr. Fackenthal has never played a part in public affairs, has not often made public addresses, and his talks to students have been marked by brevity. He is shy and retiring and does not even wear his Phi Beta Kappa key. For years he has been content to rest in the shadow of anonymity. Though for a long time he has carried a heavy burden in the administration of the university, it is only since he became acting president, 2 years ago, that his real worth has come to be generally recognized. The last 2 years, the most difficult in the history of higher education, have been two of Columbia's most successful years.

Yet, while his work is now appreciated, the man himself remains unknown to many of the students; as he climbs the broad steps leading to his office in the Low Memorial Library, he is as often as not unrecognized. This does not worry him. He has neither flair nor desire for publicity.

He regards it a privilege to have worked so long with Dr. Butler and he has enjoyed his work—enjoyed it so much that he has not had a regular vacation in 40 years and except on Sundays has been at his desk every day.

For long before he became acting president, Dr. Fackenthal played an important part in running an institution with an enrollment approaching 40,000 and an endowment of almost a hundred million dollars. The university, founded as Kings College in 1754, now embraces Columbia, Barnard, and Teachers College, as well as schools of law, medicine, engineering, architecture, journalism, business, dentistry, pharmacy, library service, and graduate faculties. In addition, it is connected with institutes concerned with the problems of education, sociology, and public health.

Most of its buildings, including a dozen residence halls and a library containing about 2,000,000 volumes, are on Morningside Heights, but its school of medicine, the college of physicians and surgeons, is located at the medical center overlooking the Hudson at One Hundred and Sixty-eighth Street, and its college of pharmacy is on West Sixty-eighth Street. Much of Rockefeller Center is built on land belonging to the university.

Columbia also owns an estate of 67 acres at Irvington, where, largely through Dr. Fackenthal's interest, a laboratory has been erected to house a gigantic cyclotron. But this is not his first connection with atomic energy. During the war he had a part in organizing the research in atomic fission carried on at Columbia. And after the war he had a share in reconverting the laboratories to peacetime use.

During the time he has served as president many new projects have been inaugurated. The American Press Institute was established and men selected by the newspapers live on the campus and meet the leaders in many fields of journalism. He has also been tremendously interested in the new School of General Studies in which adults who are employed may obtain a complete academic education in late afternoon and evening classes. In addition, he used his influence to obtain both for the faculty and the non-academic staff an increase in salaries.

In his opinion Dr. Butler was the perfect university president—a public figure, an able administrator and executive as well as a scholar. He says that running a university is as big a task as running a city. There are ever-present problems of both finance and education. These mean conferences with deans and heads of departments, with financial advisers over allotment of funds, with representatives of the student body, and, last but by no means least, with the board of trustees.

He pointed out that these duties required primarily administrative ability coupled with a humane outlook and a deep concern for the students as individuals. While scholarship is desirable in a president, it is not essential so long as the man is willing to listen to the advice of members of the faculty. What is important is that the head of a university should have the ability to instill confidence and arouse enthusiasm in the students and make them aware of their social responsibilities.

He feels that our young people realize these responsibilities today more than they did in the past.

"They are more serious and more interested in what is going on in the world than their parents were a generation ago," he told me as he leaned back in his chair and clasped his hands in his lap. "Before the last war the young people were brought up with the idea that wars were a thing of the past. They were rudely awakened; they found that much that they had been taught was false and became a disillusioned lot. Now that the war is over they are determined that the same thing shall not happen again."

"At the end of the First World War there was a veering away from anything German. Students shied off from studying the language or learning anything about our former enemies. Now just the reverse has happened. Today there is a remarkable interest among our students not only in the Germans but also in the Japanese and courses relating to these two peoples are extremely popular." (A copy of Mein Kampf occupies a prominent place in the bookcase in his office.)

"This is partly owing to the number of veterans who are with us, many of whom have been either in Germany or Japan and want to learn more about the countries and the people. This to me is a most encouraging state of affairs, for with an understanding of other nations comes a better chance for a lasting peace. And right here I want to say that the influence of the GI's has been all for the good. They are a serious, intent group whose experiences have broadened their outlook on life.

"The world has grown smaller since I entered Columbia 45 years ago," he went on. "No longer do mountains or oceans or distances form barriers between peoples. The economic, social, and political interests of the world are so closely intertwined and communications are so rapid that all nations are affected by happenings anywhere. The barriers that remain are those of misapprehension and misunderstanding. One of the functions of our institutions of learning is to help remove them.

"In order to help accomplish this we have inaugurated at Columbia new courses in languages as well as a School of International Affairs covering the laws, economics, history, and literature of different nations."

One of the nations studied is Russia and when Dr. Fackenthal spoke of it I asked him how a university could stop the spread of subversive ideologies.

"By telling the students what these ideologies are," he replied, "And by showing them how much better democracy, as we understand it, is.

"Democracy is a stimulating system under which to live because it is not static but changes and varies. Free and uncontrolled education fits the people to select the changes they desire. Having been made fully aware of the fundamental principles of the democracy under which we live, the citizen will prefer to make warranted changes in it rather than discard it. Recognizing its guarantees of freedom, he will not be fooled by such words as 'democracy,' 'progressive,' or 'liberal' applied to systems about which he has been taught and which he knows are basically different from our democracy.

"We are not afraid to let our students learn the truth. We know they will make up their minds that an organized society which fears independent thinking is unworthy of man's God-given intelligence. Our colleges and universities stand for three centuries of refutation of such a doctrine—for three centuries of belief in the exhilarating and unlimited possibilities of life under a free government."

Dr. Fackenthal went on to tell about some of the problems he has had to face as acting president. One of the most serious was the increase in the number of students. Today, with an enrollment almost twice as large as it was 3 years ago, Columbia maintains the same thoroughness in teaching and bestows the same attention on the individual student. This, he points out, has not been easy to do.

The increase has been largely the result of the GI bill of rights. Notwithstanding his praise of the veterans as students, and despite the fact that their tuition is paid by the Government, he does not favor lump-sum Federal grants for privately endowed institutions except for special research problems, for fear that such grants might be the opening wedge for political control over the schools of higher learning. However, he does approve of the establishment of scholarships by the Government.

Looking at the educational field, he sees a new responsibility forced upon colleges and universities by the break-down of family life and the neglect of religion, affecting two of the most important factors in the molding of character.

Frank D. Fackenthal was born 54 years ago in Hellertown, Pa., where his father was a maker of furnaces. When he was 13 his father was made manager of Peter Cooper's glue factory in Brooklyn, and when the family moved to that city, then known for its baby carriages and rubber plants, rather than for a tree that grew there, the boy went to a public school. During his vacations he obtained a certain amount of business experience. He sold cigars at the Brighton Beach Hotel and later was a cashier in a trust company.

When he was 19 he entered Columbia, and during his early years there had to travel by trolley and elevated to the comparatively new buildings on Morningside Heights. It was not until he was in his junior year that the subway was completed. Then he began traveling on that and has been doing so daily ever since. A bachelor, he still lives in Brooklyn with his 94-year-old mother.

At Columbia he was business manager for the college paper, the Spectator, and occasionally appeared in dramatic shows. Before he was graduated he joined the staff of the secretary of the university and was put in charge of obtaining employment for students. Since then his entire career has been connected with his alma mater. He was successively chief clerk, secretary, and provost. In that office he played an important part in directing the over-all administration of the university. He received authority, under the direction of the president, to act on most matters relating to academic administration.

But the president was ailing and by degrees most of his duties devolved upon the provost. When Dr. Butler retired in October 1945, Dr. Fackenthal was made acting president and moved into the office which Dr. Butler had occupied. There, in a setting of tapestries and books, he carried on his work at a desk presented to the university by A. T. Stewart. It was characteristic of him to have a partition put up, behind which he could modestly retire when Dr. Butler made his occasional visits. It was like him, too, when Dr. Butler died, to have the desk removed to another building where objects connected with the history of the university are on exhibition.

One of the innovations for which he is largely responsible, and which he considers exceedingly important, is the university development plan, which provides for the growth and future of Columbia, and he envisions not only Columbia but all universities playing a more and more vital part in the making of a better world.

"It rests upon them," he says, "to raise the standards of conduct, dispel the hallucination of aggressive war, increase the regard for

the rights of others, and so clear the way for the ever-higher life of generations to come. This is education's true role."

But Dr. Fackenthal's influence on education will not cease when General Eisenhower becomes president of Columbia on June 7. He is already a trustee of the university and as soon as he retires as acting president he will become chairman of the trustees' committee on education and in this post he will continue to play a leading role in guiding Columbia's academic policies.

Some Problems of the United States Merchant Marine

EXTENSION OF REMARKS
OF

HON. SCHUYLER OTIS BLAND

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. BLAND. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the CONGRESSIONAL RECORD, I include an article entitled "Some Problems of the United States Merchant Marine," by Frazer Bailey, president, National Federation of American Shipping, appearing in the November-December 1947 issue of the Grace Log. The article is as follows:

SOME PROBLEMS OF THE UNITED STATES MERCHANT MARINE

(By Frazer Bailey, president, National Federation of American Shipping)

The relation of ocean shipping costs to the value of goods moving in international trade is little understood by the average person, and the relative amount often credited to shipping is frequently exaggerated.

There has been much press and public comment concerning the early exhaustion of the United States loan of $3,750,000,000 to Great Britain, and some intimation that ocean transportation charges absorbed a substantial part.

In an effort to establish the facts, the National Federation of American Shipping has been in communication with the interested Government departments in Washington. It has analyzed a speech in the British House of Commons on August 7, 1947, by the Chancellor of the Exchequer, Mr. Dalton, in which he gave a complete accounting with respect to the American loan.

SUMMARY OF FACTS

The following is a summary of the facts established by this investigation:

1. British purchases of American commodities for the year ending June 30, 1947	$1,540,000,000
Exports to United States of America	340,000,000
Trading deficit with United States of America	1,200,000,000
Purchases in other parts of the Americas	
Canada (mainly food)	$220,000,000
Central America (mainly oil and sugar)	260,000,000
South America (mainly meat and cereals)	135,000,000
Total	615,000,000
Total gross purchases from Americas	2,155,000,000

2. Applying estimated average freight rates to tonnage exported from the United States to the United Kingdom and Eire in the same period, the following are liberal estimates of the ocean transportation charges for such exports:

By American vessels:	
Third quarter 1946	$13,000,000
Fourth quarter 1946	7,000,000
First quarter 1947	12,000,000
Second quarter 1947	16,000,000
Total	48,000,000
By British and other vessels:	
Third quarter 1946	20,000,000
Fourth quarter 1946	13,000,000
First quarter 1947	20,000,000
Second quarter 1947	24,000,000
Total	77,000,000
Total payment, vessels of all flags	125,000,000

3. On the basis of the foregoing, the total aggregate ocean transportation charges from the United States to the United Kingdom and Eire amounted to 8.1 percent of the dollar expenditures in the United States under the British loan—American vessels receiving 3.1 percent and British vessels receiving 5 percent.

4. A portion of the amounts paid for transportation in the United States vessels was disbursed for necessary expenses in foreign ports. These expenditures, payable in foreign currency, still further reduced the small dollar drain from shipping. While it was customary to use 25 percent of the total freight charge to estimate such disbursements, the federation in its calculation used only 15 percent in view of the substantial proportion of bulk cargoes involved. It concluded that the net payment in dollars to United States ships amounted to less than $40,800,000, or 2.6 percent of the value of the total British purchases of United States commodities for the period.

5. If all ocean transportation now carried on United States vessels were transferred to British vessels, a minimum of 25 percent of the freight charges would have to be made in dollars, in order to pay port disbursements and meet other expenses of purchases and services in the United States. If all transportation to the United Kingdom and Eire now being carried aboard American vessels were transferred to British vessels, the British dollar shortage would be reduced by less than $28,800,000, or 1.8 percent of the British loan.

6. The proportion of United States shipping participation in the United States-British trade is continually diminishing as additional British ships become available. The following are the latest percentages for April: Foreign, 57 percent; United States, 43 percent. For May: Foreign, 62 percent; United States, 38 percent.

7. It should be noted that the amount expended for tobacco, alone, during this period was 12 percent of the total purchases, or $185,000,000. That is more than 450 percent of the dollar currency used for ocean transportation to the United Kingdom and Eire by United States ships. The purchases of films represented 4 percent of the total purchases, or $62,000,000 and 152 percent of the dollar currency used for ocean transportation by American ships.

DOLLAR EXCHANGE

8. It is also interesting that $615,000,000 of United States currency was expended in purchases in other parts of the Americas. Those nations were unwilling to take sterling for their exports but required dollar exchange which they could in turn use in purchasing requirements in the United States market. During the same period large expenditures of dollar exchange were made by Great Britain to other European nations for food and other items for similar reasons.

9. Mr. Dalton did not, in his speech of August 7, make a single reference to ocean transportation costs. He explained the heavy drafts upon the loan as due to: (a) Increase of between 40 percent and 50 percent in commodity costs in the United States since the loan was concluded, (b) a set-back to our hopes of the export drive, and (c) the speedy growth in dollar starvation all over the world. His explanation shows the necessity for British purchases with dollar currency in countries other than the United States.

WAR-BUILT SHIPS FOR FORMER ENEMY NATIONS

The people of the United States favor every reasonable effort to assist in the recovery of the devastated European nations. This should, however, represent the generous effort of the whole people of our country and should not be a disproportionate burden upon the coal, wheat, flour, railroad, or shipping industries because they are more directly involved in the relief effort.

The National Federation of American Shipping is opposed to recent proposals to turn over United States war-built ships to Germany and perhaps to other former enemy nations. The ships would be used primarily to transport relief cargoes with foreign crews.

Such actions would lead only to long-range damage to our merchant marine entirely disproportionate to any saving in immediate outlay for ocean transportation for these relief commodities. It is necessary that this statement be made to prevent public misunderstanding of the factors involved.

The effect of such a proposal, if carried out, could bring about incalculable damage, not only to our merchant marine, but to our national defense, to our foreign commerce (including its effect upon our economy), and not least, its effect upon our position in world affairs if we are weak upon the seas.

A proposal that recipients of relief and of reconstruction aid should be put in a position to come and get it with a decrease in burden upon the United States taxpayer naturally has appeal upon first consideration, but it ignores less obvious factors to the contrary.

First, let us consider the immediate economy in relief appropriations. No one will deny that ocean transportation of relief supplies costs money. But so do the relief supplies themselves—and in many times greater proportion. The idea originated with former President Hoover. He estimated a saving of $40,000,000 in ocean transportation of relief cargoes, including United States military supplies and personnel. This estimate was based on the assumption that 75 United States Liberty ships would be turned over to the Germans. The War Department reduced the estimated savings to $14,000,000.

No one can begin to estimate correctly, at this time, what relief cargoes, military supplies, and personnel need be transported to Germany, Japan, or any other former enemy country. To say, therefore, that the turning over to such former enemies of any number of our reserve fleet will result in a specified saving to United States dollar outlay is pure conjecture.

There are, however, certain facts we do know. While no contention is made that these constitute a rigid precedent, it must be admitted they furnish a logical guide for reasonable expectancy. Mr. Dalton's figures gave a complete accounting with respect to the United States loan, and conclusively showed that our flag carriage of United States exports and imports is continually dimishing as foreign fleets increase and as the volume of relief cargoes diminishes.

The following are the latest percentages:

	United States-United Kingdom trade		United States-world trade	
	United States ships	Foreign ships	United States ships	Foreign ships
	Percent	*Percent*	*Percent*	*Percent*
January	39	61	61	39
February	41	59	61	39
March	37	63	61	39
April	43	57	56	44
May	38	62	53	47

If we use the latest British experience as a guide, with our diminishing participation, there appears no justification for turning over to our former enemies 75, or any other number, of our war-built vessels to be manned by foreign crews to haul relief cargoes.

Next, let us consider the long-range effect of the proposal. Because of additional deliveries from foreign shipyards, foreign fleets within the next few months will, in the aggregate, reach the level of their 1939 capacity, at which time they were transporting more than 70 percent of United States imports and exports. The Maritime Commission estimates that the active United States postwar fleet will approximate 11,400,000 dead-weight tons, only slightly more than prewar. This includes all oceangoing passenger, cargo, and tank vessels. An active fleet of this size is far short of the minimum requirements to support our defense even in its initial stages. In this situation, is it not ill-advised to place any additional obstacles in the way of our merchant shipping?

ECONOMY

It is not denied that some economy would result in the cost of the recovery program if a substantial number of United States vessels were turned over to former enemies to be manned and operated by them. It must be obvious upon reflection, however, that such economies will fall far short of the long-range damage to our shipping, commerce, and national defense.

Consideration must be given to the damage which will result to the foreign commerce of the United States if it becomes dependent upon foreign-flag carriers. It requires no persuasive evidence to show that trade follows the flag. Not only is this true in the sympathetic and attentive handling of the shipments which comprise our imports and exports, but it is equally true for passenger service for the business executives and salesmen who promote these international transactions. We do not have to look further than the consistent policy in support of American shipping by the Foreign Trade Council of the United States. They have declared, "Two wars within a generation have found us with a merchant marine inadequate to the needs of our national defense and of our commerce when the foreign ships upon which it so largely depends were withdrawn. The convention reaffirms the stand it has taken for the past 31 years for the development and maintenance of a privately owned and operated merchant marine capable of serving as an auxiliary to the armed forces, and of carrying a substantial part of our foreign trade."

The United States is noted for its achievements under pressure and equally for its ability to relax and to await in apparent complacence the need of another supreme effort. Even a laid-up fleet is only a partial answer. What is required in an emergency is an active fleet, manned by trained officers and crews. We have been reminded by our military leaders that we must not rely this time upon much advance warning. Military preparedness, having the support of an adequate active merchant fleet, will discourage those who would risk international conflict. In any event it would materially shorten the duration of such a conflict with the obvious savings in life and wealth. When we are pouring out our wealth to Europe to save the lives and economies of unfortunate people, a relatively lower cost in ocean transportation should have no serious consideration.

This is particularly true when it is proposed to turn certain of our defense assets into the hands of certain European governments which, it is an understatement to say, are unstable. These ships might conceivably be used against us.

The shipping industry has no confidence in the return of vessels after relief cargoes cease. Some people have proposed that the vessels be transferred temporarily to foreign governments. Whatever the original agreement may be, we would fully expect to face their competition in an international trade manned by cheap-wage foreign crews. We cannot forget the 95 ships turned over to Russia (then our ally) under a similar wartime arrangement. The State Department can neither obtain their return, nor even get a reply to requests or demands.

The instability of many European governments must not be overlooked. Any American property entrusted to a present regime carries the risk of falling later into the hands of a new government, of a possibly different ideology or affiliation, and its possible use against us later—commercially or otherwise. Former enemy nations are far from free of this risk.

The Japanese press (Nippon Times, Yokohama, June 4, 1947) applauded the Hoover suggestion and indicated the expectation that United States war-built vessels would soon be manned by Japanese crews.

The State Department is reportedly opposed to the plan, primarily upon the ground that inasmuch as Congress refused to charter American ships to any foreign nation, including our allies, we should not enter into such an arrangement with our former enemies.

The Maritime Commission submitted a report to the Bureau of the Budget. While not specifically opposing the proposed plan, the Commission set forth a number of reasons why it should not be submitted to Congress.

At its annual national convention in New York City, on August 31, 1947, the American Legion adopted the following resolution: "and that we aggressively oppose any sales, charter, or deliveries of American war-built vessels to nations, persons, or organizations of those nations who were at any time enemies of the United States during the course of World War II."

There is no more justification for manning United States ships engaged in hauling relief cargoes with German crews than for using former enemy personnel to raise the wheat, mine the coal, or man our railroads.

Shall our officers and seamen be "beached" and their jobs turned over to former enemies? Shall we deliver into the hands of former enemies war-built vessels which in the future will compete against our own ships with low-wage foreign crews?

The Jewish Problem

EXTENSION OF REMARKS
OF
HON. JAMES G. FULTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. FULTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by the Honorable John Hilldring at the National United Jewish Appeal Conference, Atlantic City, N. J., December 13, 1947:

This is my first speech in over 30 years as a private American citizen. I am glad that it is to this conference of the United Jewish Appeal that I make this maiden speech. My experience in the Government, particularly since the beginning of the war, has given me a unique vantage point from which to observe Jewish affairs at a critical juncture in history. I would like to share some of my impressions with you, in the hope that they will be of assistance in your planning for the future.

The most vivid recollection I have is naturally the United Nations decision of November 29, 1947, to create in Palestine a sovereign, independent Jewish state. This event should be—in fact must be, the key point of your deliberations here in Atlantic City. You have every right to rejoice in the event and to take full pride in the important part which you played in its achievement. It is also true, however, that you must take cognizance of the enormous task that lies ahead in giving reality to the United Nations decision, and to make appropriate plans for the part which it seems to me you must play in converting a simple decision into an effective, economically self-sufficient nation in 9 short months. I will return to this point later.

My mind goes back also to our frantic efforts, even before VE-day, to revive the handful of Jewish survivors liberated from the concentration camps by our advancing armies. I remember those who were nearly killed with the kindness of our own troops. There were some who were so emaciated and disease-ridden by their Nazi tormentors that they were literally unable to survive the wholesome food furnished them by our armies. Our problem then was to keep them alive. We rushed special food to them, doctors and nurses, and called heavily upon the Joint Distribution Committee, which was in the forefront of the advance.

I remember our feeling of amazement at the stamina and recuperative powers of these concentration camp survivors. In the main, they nursed themselves back to health. Soon they were running schools, editing newspapers, and learning new trades.

While the Government of the United States assumed toward the displaced persons in the occupied areas of Germany, Austria, and Italy primary responsibility for food, clothing, and medical care, this was not and could not be enough. World Jewry, and particularly American Jewry, rallied instantaneously to the challenge that was theirs and which was reflected in the desperate plight of their coreligionists in Europe. The Jews of America, through the United Jewish Appeal, assumed with great energy and intelligence the unprecedented task of raising, through voluntary contributions, the sum of $100,000,000, plus an immense volume of donations in kind of food, clothing, amenities, and medicines for the alleviation of the suffering and misery of their people. Slowly but surely the downward slide into the abyss was halted. Slowly but surely the eloquent upward march toward human dignity was begun.

Not only was the task just mentioned one of alleviation of pain and misery, one of assuaging the pangs of hunger, one of mending broken bodies, one of rehabilitating tortured minds. Its most important purpose and result was to bring to these frightened and dismayed survivors of Hitler's scourge the realization that they had somewhere in the world friends—real friends. These gifts and sacrifices of American Jews kindled hope in the hearts of the oppressed Jews of Europe which to them at that time was, if such a thing were possible, more important than food and clothes and lodgings. As one who witnessed the event from the sidelines, I can testify that a magnificent job was done.

But it was not long before we realized that we were not coming to grips with the Jewish problem simply by ministering to the needs of those few who had managed to live. The Jewish problem was not so simple. We were soon faced with the so-called infiltrees. How undescriptive this term is. The infiltrees were mostly Jews fleeing anti-Semitism in Poland. I stated last year, and I repeat now, that I am proud that my country did not bar these unfortunate people from their only haven in Europe. Our problems were increased, but precious human lives—more than 160,000 of them—were saved. Despite all the help given by the Army and UNRRA, I do not think that it would have been possible to have saved these lives, had it not been for the assistance given by the agencies of the United Jewish Appeal.

As recently as last summer it became clear that it was not possible to isolate the problem of Jewish displaced persons from the condition of Jews in other parts of Europe. When conditions in Rumania became unbearable for many Jews they fled to the only safe haven they knew—the United States zone of Austria. How they got there I do not know, but they did. I must admit that they caused considerable concern—even consternation. Some of our military and political officials, with no bias against Jews, wondered where the end would be if Jews oppressed in any country fled promptly to the United States zone of Germany or Austria. It seemed to me that this was the final proof that the answer to the Jewish problem in Europe lay neither in closing the borders of our zones nor in offering temporary haven in them. The only real answer lay in finding areas of the world where Jews might live in security and in peace.

I found, I am ashamed to say, that there are not many such areas left in the world. I found also that most of the Jews had already reached the same conclusion themselves and yearned for a homeland of their own where, at least internally, they could be masters of their own fate. It was therefore a great privilege on my part to be able to participate in the deliberations of the General Assembly of the United Nations which resulted in the historic decision to set aside part of Palestine as a Jewish state.

I hope that the decision of the General Assembly will be viewed in its true perspective—as the considered opinion of the nations of the world. It was perhaps inevitable that the inflamed passions involved in the complicated Palestinian situation should have produced all sorts of charges and countercharges. The United States delegation was accused on the one hand of doing too little and on the other hand of doing too much in support of the modified majority plan. It has been alleged, as well, that there was a wide gulf between the Department of State and the United States delegation at Lake Success as to the methods which should be employed in eliciting the adherence of other nations to the partition plan. It has been said that, except for the heavy hand of the Department, the United States delegates would have brought in the votes at any cost and by any means. I wish to take advantage of this opportunity to categorically deny these rumors. There was never the slightest difference of opinion between the Department and the delegation on this important issue.

The United States Government took the position that every member of the United Nations, large or small, interested or disinterested, was entitled to its own independent judgment on the merits of the problem. To this policy the United States delegation subscribed wholeheartedly, not only out of a sense of loyalty, but even more so from deep conviction. Certainly, we tried as best we could to persuade other countries of the logic and justice of our position. I am glad that we succeeded. But we succeeded not because of threats, intimidation, or pressure indulged in by any member of the United States delegation or by any official of your Government. I am sure that the cause of the new Jewish state is immeasurably more secure and that the hearts and minds of all Americans, Jews, and non-Jews alike, will be comforted and reassured by the knowledge that its officials did not resort to sordid tactics in the Palestine dealings.

I am glad and proud to be able to say that in my judgment the overwhelming vote in the General Assembly of the United Nations was a voluntary and heartening recognition by the nations of the world that the Jews of Palestine and the homeless Jews of Europe must be given an opportunity to live their lives in a country they can call their own.

We are naturally all disturbed and concerned about the violence which has continued in Palestine since the decision of the General Assembly. Personally, I have confidence that these disturbances will be minor in nature and will not endure for long. The truth is that some violence was inevitable regardless of what solution was adopted by the United Nations. I am convinced that even more violence would have occurred if no decision at all had been taken. It is important that you should understand this. Otherwise, I am afraid that after the many years of strife and tension and discouragement there might be a tendency to despair at this late hour. I am convinced that there is no cause for despair. On the contrary, there is every reason to be optimistic about the future of the Jewish state in Palestine.

However, with all optimism about the absence of serious violence, it is nevertheless true that from this very night until October 1, 1948, not an hour too much is available for the accomplishment of a colossal task.

We have so far only a decision to create a state. It remains now to actually create it. The machinery of government from the township to the national level must be produced. An army must be built and trained and equipped. A financial structure must be born and reared and ready to function. Vast economic arrangements must be developed. The highest attainments of statesmanship must be available to the leaders of the new Jewish state to bring all of these forces to bear in the proper manner at the proper time if the new state is to emerge as the vital and vigorous nation that Jews all over the world and their friends fervently hope and expect.

It ill behooves me to lecture or advise my Jewish friends about their duty. However, may I not as a friend, with propriety point out that the job in Palestine is by no means done. Particularly for the next year, there will be great need for patience with the people of the new Jewish state and with their leaders. Especially should we all understand the magnitude of the burden that rests on the shoulders of the leaders of the Jewish people, and we should, while withholding criticism and irrelevant and unwanted advice, stand ready to respond to the requests of the Palestinian leaders for assistance.

If we will dedicate ourselves to these objectives—if we will have understanding of the size of the problem, if we will eschew carping criticism, if we will hold ourselves ready to help when our help is needed, if we will pray for wisdom and courage and strength for the new leaders of the new Judea, then I am confident that there will emerge in due course a virile, a prosperous, and a happy land in Palestine.

In any case it is self-evident that, despite its tremendous achievement to date, the year 1948 will be by all odds the greatest challenge in the history of the United Palestinian Appeal.

In providing for the future development of Palestine I hope that you will not forget the Jews who must still pass another winter or perhaps other winters in Europe. At the maximum rate of absorption into Palestine many hundreds of thousands of Jews who desire to emigrate there will have to remain in Europe for months or even years. They must not be abandoned, especially when their goal is so certainly in sight.

You should also remember the important responsibilities which you have undertaken, and must continue to undertake, for the reception of displaced persons in the United States. At the time of your last conference only a few inveterate optimists like myself believed that there was any chance of obtaining emergency legislation to admit displaced persons into the United States as immigrants. It has been most heartening to observe the upsurge of official and popular sentiment in support of this idea. I am now quite confident that the Congress will pass this legislation at its next session. Meanwhile the United Service for New Americans has been performing outstandingly in arranging for the reception of Jewish displaced persons entering the United States under the President's directive of December 22, 1945. So efficiently has UJNA developed its operations that it has been advising non-Jewish agencies with less experience on how to organize for the great task which will be theirs if the desired legislation passes. I cannot emphasize too strongly the importance of continuing to support the United Service at the highest possible level.

I would like to say a word about the International Refugee Organization. Under the inspiring leadership of Hallam Tuck, I think that it is now operating as effectively as could be expected under the circumstances. I know that the IRO will render all possible assistance to the Jewish DP's. Nevertheless it must be realized that budget limitations necessarily confine IRO to what has been properly called an austerity program for all DP's. And it must also be remembered that IRO does not handle the great burden of the Jewish problem consisting of persons who are not displaced.

I hope that the days of talking of anguish and sorrow are past—the days of extermination and frustration and indignation. The nations of the world have at last recognized the Jewish problem for what it is—a challenge to the collective conscience of mankind. They have met that challenge without flinching. They have given the Jews the opportunity they have sought for 2,000 years. As one who has observed the courage and resilience of the Jews of the Old World in times of direct distress, I am supremely confident that they will respond to this opportunity with vigor and enthusiasm and determination.

We in America must help them to do so.

Foreign Policy in Modern Society

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1948

Mr. BENDER. Mr. Speaker, under authority granted me to extend my remarks in the RECORD, I wish to include excerpts from an address recently given by Mr. Cyril J. Bath, of Cleveland, Ohio, before a group of representatives from the Departments of State and Commerce, Carnegie Institute, and members of the United Nations Associations.

EXCERPTS FROM AN ADDRESS BY CYRIL J. BATH

Eight billion seven million dollars for our national expenses in 1939 was considered inflationary. But $42,520,000,000 in 1947 has brought inflation with it, and this is taking its toll from every pocket in the Nation and proving a higher burden than taxes. Even if we expect our foreign policy to prove futile in maintaining the peace and regard war as inevitable, it is still obviously necessary that we take realistic steps to recognize the extent of our resources and the nature of the problems we face economically. Indeed, the national planning that we fear abroad and scorn at home may prove to be our gravest diplomatic and military weakness.

The Marshall plan contains within its ample outlines conceptions that may be well suited to helping Europe to help herself, but if the funds to do it are an overdraft on our existing economy it will fall short in delivering goods and it will add to the scarcity at home while raising prices in both markets. Mr. Krug may figure out in detail that we can afford the Marshall plan of so many billions but the facts are that the raw-commodity prices are already proclaiming an existing imbalance between prices and available goods; an imbalance of the gravest nature and any further expenditure can only aggravate the situation. We are, and there is no blinking the situation, approaching the limit of our resources and wheat, as usual, is only the bellwether of the raw-commodity flock. We in the cities, after all, are only the remakers of things. The raw commodities are what count. Food, the prime munition of war or peace or of any human endeavor, comes first and the demand is reflected in wheat and corn, cattle, butter, hay, and oats. And then clothing, reflected in the prices of wool, cotton, rayon, and hides comes close after. And then lumber and all building materials and coal and petroleum. These things have a market the world over. We must remember that most of the world is engaged in the simple business of living, eating, and getting some sort of loin cloths and shelter. Significantly, too, are the raw prices of copper, scrap iron, and tin. The average of the prices of the raw commodities is the raw-commodity index. It is the most significant and the most important line in modern life.

In the 150 years that we have kept records there has never been a depression with the raw commodity lines moving up and we have never failed to get a depression when they went down, and the depth and the intensity of the depression depended upon the severity of the decline. Now we are facing a raw-commodity price level that spells a worse inflation than this country has known since the civil war. This price level is a product of supply and demand. It used to be violently affected by changes in gold-currency value too, but that is now gone. The value of the money by which we judge prices today is the value of the circulation notes of our Nation, that is, our money, our promise to pay good on demand. As we issue more promises than we have goods, the goods go up in terms of the money—the price rises, and as it rises it is an evidence of the loss of faith in the dollar itself and this induces further increases in prices as against goods. We cannot watch this movement so readily in fixed priced goods but they will follow the raws and the raws are galloping up. The plain truth is that to restore the value of dollars we must either reduce our expenditures or increase our production. Dollars are the outward and visible sign of a sound or an unsound economy. They are the product of a double-entry system of bookkeeping. Any protracted imbalance between the promises to pay that we have made and our inability to produce will result in a fall in the value of dollars, our promises to pay, our circulating notes if you like, or our national stock if you like.

To add a Marshall plan to the present imbalance without some constructive correction of the balance sheet is to invite grave disorder in our domestic affairs and discredit in our international undertakings.

I recommend a review of our expenditures and our productive capacity. Let us call in men like Pearson of Cornell, and similar students of food and crops and farm prices, to tell us about our overworked land and what we can do about increasing its productivity. (Note their recent reports—"Starvation, Half Truths and Untruths.") Let us look into the taxes that prevent our steel mills from increasing the supply of steel scarcely less vital than wheat, and why machinery, the muscles of production, cannot be purchased economically by our manufacturers. Let us look at the opposite side of the ledger and see if we must spend such enormous sums on Army and Navy and to support our military policies around the world. Let us, in other words, call on the best auditors we can muster to examine the economic background of our economy. Perhaps they will note too that profit sharing and proper recognition of the dignified partnership of labor give a highly productive element. With such a report, let us seek the support of sensible business people throughout the Nation. I think particularly of life insurance presidents and their boards to whom the present route in dollar values spells very grave administrative costs and very fearful problems for their insured. I think of manufacturers of all kinds who are caught by the tax laws in such a manner that they are forced to report as earnings funds that really represent the liquidation of their businesses because they cannot replace plant and equipment at the exaggerated costs without a consequent increase in depreciation which at present they are not allowed to take.

We might form a commission to study the economics of peace and prepare an audit. I am rather confident that the course of events will provide us an audience.

National Defense

EXTENSION OF REMARKS

OF

HON. SCOTT W. LUCAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Friday, January 16 (legislative day of Wednesday, January 14), 1948

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me at 10 o'clock this morning before the Women's Patriotic Conference on National Defense, at the Statler Hotel, Washington, D. C.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am very grateful for the opportunity to speak this morning to so splendid a group as the Women's Patriotic Conference on National Defense.

Annually you gentle people make a pilgrimage to Washington for the purpose of doing your bit to see that this Nation of ours shall never again suffer for the want of an adequate and sound national defense. There has never been a time in all the years you have been coming to Washington when the defense of our Nation occupied such an important position in the structure of governmental responsibility as it does today.

It was only Monday of this week that the President of the United States sent up to the Congress the largest peacetime budget in the history of the Nation, for the fiscal year 1949. In that budget message, the President said, among other things, the following:

"The expenditures of the Federal Government are still inescapably dominated by war and its aftermath. In the fiscal year 1949, 79 percent of our expenditures directly reflect the costs of war, the effects of war, and our efforts to prevent a future war."

The President of the United States was talking about veterans' benefits, interest on the public debt, and international affairs, most of which are financial burdens of World War I and World War II. National defense and part of the funds for international affairs are budget items which the President believes necessary to protect our safety and our security, and possibly to prevent another war. In other words, out of the total of $39,688,000,000, requested by the President, 79 cents out of every tax dollar will be used for the payment of obligations incurred in past wars and for our future protection through a sound and adequate national defense. This 79 percent represents an enormous sum of money. By itself, it is almost four times as much as the cost of running the Federal Establishment in the years before the recent war.

I take no satisfaction from the size of this expenditure. I hoped, as I am sure all of you did, that when we brought the war with Japan to a close, we could sign peace treaties with the nations with whom we were at war, and through the medium of genuine international cooperation, settle down to a long period of peace and prosperity—that swords could be beaten into plowshares—and that mothers and fathers of sons growing into young manhood need have no fear that their sons might be called on to take up arms against aggressors who proposed to jeopardize the security of the United States. We learned all too soon after the end of the war that although hostilities had ceased, a lasting peace could not be brought about immediately, nor was it in early prospect. Today in China, Palestine, India, and other parts of the world, war continues to take its toll.

What is our patriotic duty in such circumstances? It seems to me that our duty is twofold. On the one hand we must continue to have faith in the United Nations organization, with the fervent hope and prayer that sooner or later the peoples of the earth, regardless of their race, creed, or color, will be able to find a solution to the troublesome problems of the world, and work out a way by which we may all live in peace. The many obstacles that have been thrown in the path of the peacemakers by the leaders of the Russian Government make this problem a perplexing one for the legislative and executive branches of our Government. It is, however, a problem which this generation of Americans must take the lead in solving.

Americans are idealistic, but in a crisis we become realists in the true sense of the word. Realism in the situation in which we find ourselves today involves weighing carefully the activities of the forces of world communism, stemming from Moscow, and trying to find a formula under which the peace-loving members of the family of nations can live under the same roof with communistic Russia.

Certainly the rulers of the Russian people have given us little indication of their desire to live in peace with us. But of one thing I am certain—that while we strive for peace, under no circumstances must our defenses be weakened. They must grow stronger in the days ahead. God forbid that war may come again, for if it does, it means the utter collapse of civilization in this atomic age. If such should happen, I am equally certain that those who might be left on earth would have no further worry about the expansion of communism.

For this and many other reasons I cannot understand the activities of the leaders of our powerful and late ally in the world forum of international affairs. To characterize them most mildly, they have been obstructionists at every turn. They have abused the veto power in the Security Council of the United Nations organization. They seem bent on wrecking the only organization which holds any promise of being able to create a permanent peace. In Greece, in Turkey, they actively menace the security of those countries through their Communist satellites. In France and in Italy, their fellow Communists are creating as much confusion as possible, with the view of weakening the struggling Governments of those countries. Everywhere we turn in the world we find evidence that they are trying to undermine free governments and to create that seedbed of chaos in which the doctrine of communism is able to take its firmest root.

We have seen how nation after nation in the eastern half of Europe has fallen under the dominiation of the rulers from the Kremlin. One by one governments have fallen like ripe apples from a tree into communistic hands. In the conquering of European countries through cold war the Kremlin knowingly and willingly violated the pledge of free elections agreed upon at the Yalta Conference.

The countries of Poland, Hungary, Romania, and Yugoslavia were victims of Red terrorism and economic chaos. The peoples of those countries had no choice. Any demonstration of resistance to the communistic rule meant indefinite internment in concentration camps, or death.

Another potent factor which helps convince me that we are going in the right direction is the attitude of the Russian Government toward the Marshall plan, and, indeed, the attitude of Communists all over the world. The Communists understand, perhaps, much better than we do that the success of the European recovery plan will defeat their program of Communist expansion throughout Europe and Asia. The plans being made by the Comintern throughout Russia's satellite countries as well as the efforts of the Communists in the western democracies of Europe to sabotage the Marshall plan should be sufficient to convince doubtful Americans as to the advisability of moving forward with the Marshall proposal. Those who oppose the Marshall plan, I think, should suffer some slight embarrassment in finding themselves in complete agreement with the Communist party line.

My friends, I should like to make it crystal clear that the Marshall plan is not a relief plan. The concept of this experiment has its roots in the economic, political, and monetary recovery of the 16 European nations banded together for the first time for the purpose of studying and solving economic problems common to them all. When this country makes grants or loans under bilateral agreements the money involved will not be frittered away. The sanctity of contracts between nations will be faithfully adhered to, otherwise cancellation or annulment will be in order.

In sponsoring the Marshall plan, I obviously look to the immediate results to lift these nations from their economic lethargy, but it will be only after complete fulfillment of the plan that the people of western Europe, through the help of this Nation, will have laid the foundation for long years of freedom, economy, prosperity, and political stability. If my conclusions are correct such a program guarantees that no limitation shall be placed upon the liberty and the freedom which Americans so cherish and enjoy. In such a program, too, lies the best and, what seems at the moment, the only hope for a lasting and permanent peace in the world.

In this statement, I do not want to be misunderstood. I recognize in the Marshall plan a calculated risk. It is not a fool-proof formula for world peace and prosperity. But I pose this question—what is the alternative to the Marshall plan? Here it is as I see it:

We can forget about Europe and tell the European nations they are no concern of ours; that they must work out their own destinies; bring our armies home; give Germany to the Kremlin; reorient our foreign policy; retreat once again into the isolationism which we once embraced as a Nation; and then become the hated enemy of every nation in the Old World.

Only Wednesday of this week, Secretary of the Army Kenneth Royall said that if the Marshall plan failed, the Department of the Army would seek additional appropriations for national defense. I undertake to say we could spend three times the seventeen billions required for the Marshall plan during the next 4 years, preparing the Western Hemisphere for another war.

My friends, I have tried to set forth briefly what I conceive to be the world-shaking issues in the Marshall plan. The debate upon a plan which seeks to encourage a real economic federation in Europe as well as to secure our liberty and economic freedom at home poses a serious challenge to the Members of the Eightieth Congress. They look down the road of world recovery for years to come and down that road lies the way to peace. My hope is that the Members of Congress who oppose this plan will be open and frank about it. One is either for or against it. There should be no ducking or dodging. This plan is too important to the peace of the world to be defeated by half measures through indirection. It is too important to have the debate degenerate into reams of figures and technical detail over the precise number of dollars necessary to do the job. If we are going through with the Marshall plan, we must do it right. Too little and too late is worse than nothing at all. General Marshall said, "An inadequate program would involve a wastage of our resources with an ineffective result. Either undertake to meet the requirements of the problem or don't undertake it at all."

I sincerely hope that the debate may be kept on a high level, a debate, if you please, that can take its place side by side with other historic debates on international issues which affected our national sovereignty.

This debate should not be marred by petty puny politics and complicated technical arguments on which the major opponents of this bill like to dwell. This is true for many reasons. Two of them which should appeal to the opposition seem to me to be as follows: For many years we have had in Congress a bipartisan foreign policy, sponsored by Senators VANDENBERG, Republican, from Michigan, and CONNALLY, Democrat, from Texas. These two great Americans have labored side by side for years in the advocacy of a foreign policy which would accomplish a peace with honor. No two Members of Congress in the history of this Republic have been faced with such momentous problems. In their patriotic cooperation to render high public service in a world crisis, I have yet to see a shadow of partisan politics enter their deliberations.

We are fortunate indeed to have Gen. George Marshall as Secretary of State. It is doubtful that the world has ever produced a greater military genius than General Marshall. And when the time came for him to retire from his long service in the Army of the United States, he did not hesitate to accept important world assignments committed to him by the President of the United States. General Marshall is the architect of the Marshall plan. As Secretary of State, he commands the respect of the nations throughout the world. In the presentation of this plan to the people and the Congress of the United States, he stands forth with no political ax to grind and wholly devoid of any personal ambition. It was only a short while ago that he told the American people that he was not a candidate for any public office, and that he was not available for any elective office under any conditions. So here stands a man in whom the American people and the Congress of the United States can place their trust. Here is a conscientious Secretary of State who is presenting a plan for world recovery in the highest American tradition. Here is a man laboring for the country he loves with complete unselfishness. In these gigantic, world-shaking undertakings, it seems to me that the people of the United States who are unable to examine all of the details of such a program must place their trust and confidence in someone, and George Marshall should be that man. As for myself, I thoroughly believe in General Marshall. I know of the outstanding service he has rendered to the Nation in time of war. I recognize what this fine American hopes to do for his country in time of peace.

Not only am I going to support the Marshall plan, believing as I do that it is one of the strongest links in our chain of national defense, but I am also going to support to the hilt the President's proposals dealing with the security of our country. The President's recommendation in the budget for $6,100,000,000 is for veterans' services and benefits. The veterans' program must be carried out with efficiency and expedition. Their cause is a just one.

The President also recommends $7,000,000,000 for international affairs and finance, which includes the sum required for the first year of the Marshall plan. The President also requested $11,000,000,000 for national defense. Insofar as the national defense item is concerned, I am willing to go further. I think the time has come when we must make plans immediately to build the air force and the Navy's air arm to a point of world leadership. We held that position immediately following the war. So long as the world remains in turmoil and trouble, we must be supreme in the air. I shall support any additional appropriations which make that supremacy possible. We must be everywhere armed, everywhere vigilant. Our precious liberties must be preserved at any cost. Yet, while we must be adequately prepared for attack from any aggressor, it is also imperative that we continue working night and day with the help of God toward preserving the peace of the world. I am confident a well-prepared, united, and informed America is the only instrumentality in the world today capable of ultimately finding the way to peace.

Address by Hon. Charles A. Halleck, of Indiana, Before the National Small Businessmen's Association

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Friday, January 16 (legislative day of Wednesday, January 14), 1948

Mr. WHERRY. Mr. President, on January 14, before the National Small Businessmen's Association, at the Wardman Park Hotel, in Washington, D. C., the Honorable CHARLES A. HALLECK, the majority leader of the House of Representatives, delivered a very able address. I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Well, here we are together again. We met on the Capitol steps this morning, and I assume that during the day you have been busy carrying out your "Mission Washington."

It was rather rugged up there on the Capitol steps with freezing temperature. There you encountered the "just one more club"—the news photographers of Washington, whose motto is "just one more picture."

You know that it is not all pictures and banquets in Washington. As you mingled with Members of the Congress and others in the Government you found that a lot of hard work is done here. Literally tons of literature pour into a Congressman's office during a session of the Congress.

I understand you have come to Washington to see the operation of the Government at close range. Your president tells me you have not brought a special ax to grind—that you are here to learn and to cooperate. That certainly is a patriotic purpose.

I feel right at home in a group of small businessmen. I come from a comparatively small community, and I know that a great part of the economic strength of our country is in the millions of small business enterprises—the small shops and factories, retail stores, and service establishments of every kind.

Therein lies the real genius of the American way of business life. Therein has been proven the old saying that from small acorns huge oaks grow.

And I hasten to add that therein also lies the graveyard of many an ambitious dream, because the small businessman has to fight with all his might to keep his enterprise alive.

When we talk about small business we are in fact talking about the American business system, because 98 percent of all the approximately 3,500,000 business units in the United States come within the ranks of small business.

In war and peace the small businessman has to struggle to keep afloat. You will recall those years of stepped-up national preparedness prior to World War II. Remember the difficulty that small businessmen had in getting tied into the preparedness program so that they could pull their patriotic load? It was back in 1940 that we Republican Members of the Congress, though in the minority, established an unofficial committee to study the plight of small businesses.

Speaker MARTIN, who at that time was minority leader, appointed a committee of which I was chairman, to make the study, and we held hearings in many communities. Hundreds of small businessmen attended and expressed their views.

Later the House of Representatives established an official committee on small businesses, and I was ranking Republican member of it. We had to fight then and during the war to protect the rights of small businesses and to see that they were treated fairly in priorities, allocations, and in getting their rightful share of Government business.

We are still fighting for the rights of small businesses. During the first session of the Eightieth Congress we passed a bill to require that small-business representatives be consulted by every Government agency in making the transition from war to peace on the industrial front. And the Eightieth Congress is going to continue to do its utmost in assisting small businesses.

You have come to Washington on a mission, and when you return to your respective homes you will be asked by your friends and business acquaintances to report your impressions.

And so I am going to take advantage of this opportunity to do a little missionary work on my own.

We Members of the Eightieth Congress need your help, your active cooperation, in preserving our American way of life. We need your help in resisting constant pressure, under one disguise or another, to change our system of government.

Congress needs this kind of cooperation to save the American competitive enterprise system.

This is the system that has been handed down to us by the founding fathers through the generations.

It is the kind of government and way of life that has made America a bulwark and lighthouse for liberty-loving peoples all over the world.

It is a way of life that rolled up the knockout punch for victory in the war.

It is the way of life that has brought to our people the highest standard of living of any nation on the face of the globe.

And it is the way of life that has produced the goods that the whole world is now drawing upon for recovery from the war.

Yet, incredible as it may seem, there are among us people preaching alien philosophies of government. Some of them are skillful in their efforts. They set up so-called front organizations and they sugar-coat their totalitarian schemes. They talk democracy and practice tyranny.

We don't like Communists at home and we don't like Communists' aggression anywhere.

I am quite confident that with your help and with the help of the overwhelming majority of the American people, who are alert to the dangers of government regimentation to our way of life, we shall maintain our citadels of freedom.

Small businessmen have vivid knowledge of regimentation, directives, rules, and regulations and snooping into their affairs by busybody bureaucrats.

The Eightieth Congress is doing its utmost to establish and maintain a healthy economic climate in which small businesses may flourish.

Now I would like to discuss some of the major issues before the Eightieth Congress. In the premise they are problems that confront the American people.

As far back as I can remember the dawning of each new year has brought forth the weighty, rumbling warning that this is a year of decision. Sometimes it is varied to something like: We are at the crossroads.

In all seriousness I want to say that this year 1948 is, indeed, a year of momentous decisions. Of course, we are going to have a Presidential election this year, but I did not come here to make a partisan, political address.

In the brief time available, I want to discuss some matters of overwhelming immediate concern.

Let's look at prices. We all know that many prices are too high. High prices are the result of inflationary causes. The years of deficit-spending by the Government, during and prior to the war, vastly increased the supply of dollars.

Unloosing of demand for peacetime goods pent up during the war; industrial strife in 1945 and 1946, and the tremendous volume of exports from our short supplies, these are among the basic issues of the inflation that has fired the boilers of high prices.

I need not paint for you small businessmen the tragic effect that production stoppages had on our national economy. The year 1946 was the blackest year in our entire history in the matter of strikes and lockouts.

The people demanded action and the Eightieth Congress passed the fair and just Taft-Hartley Act. It is doing the job demanded by the people and intended by the Congress. Given proper administration, it will be very helpful in keeping production more constant.

Workers are finding from experience under the act that it is protecting their right to organize, to bargain collectively, to control their unions, and to strike if they believe that is necessary.

The Congress passed an anti-inflation bill. As you know, it calls for voluntary cooperation by industries, bankers, farmers, and miners in combatting inflation. It was never intended as the complete answer to the price problem.

The Government already possessed powers to combat exorbitant prices. Members of Congress in voting for the anti-inflation bill did so with confidence in businessmen cooperating in the interest of all the people.

We voted for the bill with the firm belief that the men and women engaged in business know more about their respective problems than do bureaucrats in Washington. But you know as well as I do that there must be leadership. Therefore, I am looking hopefully at the steps being taken by the administration to carry out the purposes of this act of the Congress.

Now, on Government expenditures: The cost of government is outrageously high and the American people want a drastic reversal of the ruinous trend.

Economists tell us that one out of every $4 in the national income is being consumed by Federal, State, and local taxes. In other words, about fifty billion of the $200,000,000,000 of national income. I believe that is an alarming situation.

With Government expenditures and taxes remaining firm and the national income declining—though I do not forecast a substantial business decline—it can be readily seen that the burden upon the people would be well-nigh unbearable.

The Congress has been asked to appropriate nearly $40,000,000,000 for expenses of the Federal Government during the fiscal year 1949; that is, the 12 months beginning next July 1.

That forty billion is more than four times the Federal budget in 1939, more than twice all the profits made by American industry in the year 1947, and it is $13,000,000,000 more than the entire Federal public debt at the close of World War I.

We are in the third year after World War II and confronted by the highest Federal budget in the entire peacetime history of our country.

The Eightieth Congress is going to cut that budget. It means that every item in the budget will be scrutinized closely and not a dollar that cannot be justified will be appropriated.

You know as well as I do that several billion dollars can be wrung out of that budget without hurting anyone. But it requires resistance to pressure groups, each having a pet project to consume the taxpayers' money.

We are going to make certain that our country's defenses are adequately provided with funds. And we are going to see to it that no necessary function of the Government shall be eliminated or crippled.

Appropriation committees of the Senate and House are now working on the budget. Subcommittees for the various Government departments, boards, and bureaus are combing money requests with fine-toothed combs.

This is going to take months to accomplish, but I assure you that the present Congress is economy minded and we wil' do the job the people want to be done just as we have been doing since January 1947. You have heard already from responsible leaders in the Congress that we are going to pass a tax-reduction bill. We are going to reduce taxes, not increase them.

The tax bill that the Congress passes will be geared to production of goods that are so urgently needed by the people. We shall reduce taxes so that the workers will have more

take-home pay, and we will reduce taxes so that the people will find it profitable to risk their earnings in investments that result in production and more jobs.

I cannot tell you now what the total amount of tax reduction in dollars will be. There is a substantial surplus in the Federal Treasury and we are surveying the Government expenditures to uncover the soft spots where cuts must be made.

In closing I reiterate that we in the Congress need your support and the active support of every segment of our population in saving the American system of competitive enterprise.

We shall do our part and we are counting upon you, so that we may keep America strong and a citadel for the republican form of government.

World Government

EXTENSION OF REMARKS
OF
HON. HERBERT C. BONNER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 15, 1948

Mr. BONNER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorials from the Raleigh News and Observer:

[From the Raleigh (N. C.) News and Observer of December 28, 1947]

THE DANGER OF BIGNESS

"What is the chief evil and danger of our generation?"

That question was asked in the early 1920's of Justice Louis Brandeis, who was truly regarded as the wisest and most learned liberal of his day.

"Bigness," was the answer of Judge Brandeis. He pointed out how, when industry, commerce, and Government grew into overlarge proportions, they were too big for the best human direction. The truth of that diagnosis has come to be accepted as monopoly has mulcted the people which calls for the enforcement of antitrust laws, and giant governments overexpanded have invited their own destruction.

And yet—and yet—in the light of what Brandeis said and the experience of Hitler's dream of world domination in worship of bigness, there are many who still worship the great god "bigness." It is this faith, misplaced, in the power of bigness which causes placing faith in an organization of one world in which every country in the world would live under a single government, all of every tongue and continent and race united in a supergovernment. They believe the hope of a peaceful world lies in a single parliament with one legislative body, one executive, and a single armed force.

Is that ideal based on experience or wisdom?

Look about the Europe of today, with the great British Empire "on which the sun never sets" surrendering its diadem of India and destined to be reduced under the spirit of the Atlantic Charter; with the strong empire of Germany not long ago master of most of Europe disgraced, defeated, and down and out; the old-time Spain with its domination of South and Central America and ruling the sea, now a tenth-rate power under the rule of a stooge of Hitler; the story of France, destined to lose its African empire, just emerging from the German occupation; and Russia under Communist rule with ambitions that endanger its future and the peace of the world.

And then compare the bigness of these countries and their wars and misgovernment with the small countries in Europe—Switzerland and Luxembourg, which have been models of the sort of government that has blessed their people. While nearly every other country has been cursed by wars, the little republic of Switzerland has had no avid eye on other lands, content to live in independence under a government that has kept it out of war. It stands as a warning to countries aspiring to expansion by forcible conquest. Because of its peculiarly isolated position as a free republic, the peacemakers after World War I chose Geneva as the site of the League of Nations, and today the magnificent buildings are open to international economic and peaceful organizations.

The other European country whose history disproves the argument for one world government is Luxemburg—called "a 999-mile paradise in a nutshell." It is a small country, with room for everybody, beautiful, well-kept, whose citizens like to call it "Little Switzerland." There are no beggars there and little poverty. It did not escape the hard hits of war, lying in the path of Nazi onrush to conquer France. A writer in Newsweek, after a recent visit to Luxemburg, says "it is a little paradise snuggled down in the folds of a heaving, agitated continent."

The history of Switzerland and Luxemburg disprove the theories about the dream of one-world government. Their history ought to silence those who worship at the shrine of bigness.

[From the Raleigh (N. C.) News Observer of January 7, 1948]

WORLD FEDERATION

The failure of the United Nations to secure the promised peace has caused men hopeless of world peace to fly to the arms of consolidated "bigness." They tell us the only way to reach the goal is to have one government for all the world—a sort of Tower of Babel for our century.

Former Justice Roberts is the ablest advocate of embracing what Justice Brandeis said was the greatest danger to America—Bigness. Until the United States is lost in the one-world government, Mr. Roberts would have Uncle Sam adopt universal military training. He tells us that western Europe, far from being bankrupt, is actually rich in freemen, and these are the best assets we have outside of the United States. He proposes a trans-Atlantic convention representing all the democracies to advance the one-world government.

Uncle Sam will not permit himself to be swallowed or lose his identity.

We Must Save Europe Without Losing America

EXTENSION OF REMARKS
OF
HON. J. WILLIAM FULBRIGHT
OF ARKANSAS
IN THE SENATE OF THE UNITED STATES

Friday, January 16 (legislative day of Wednesday, January 14), 1948

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement entitled "We Must Save Europe Without Losing America," which appeared in the NEA Journal of January 1948.

This statement was formulated by the legislative commission of the National Education Association, which consists of the following members:

H. M. Ivy, Meridian, Miss., chairman; Arthur F. Corey, San Francisco, Calif.; Frank C. Heinisch, Omaha, Nebr.; J. Easton Parratt, Salt Lake City, Utah; Forrest Rozzell, Little Rock, Ark.; Mrs. Grace Dodge, Boothbay, Maine; A. O. Mathias, Cincinnati, Ohio; Robert Wyatt, Indianapolis, Ind.

It was approved as a statement of policy by the executive committee of the National Education Association, consisting of the following members:

Glenn E. Snow, St. George, Utah, NEA president; Pearl A. Wanamaker, Olympia, Wash.; Ivan R. Amerine, Columbus, Ohio; Edgar G. Doudna, Madison, Wis.; Gertrude E. McComb, Terre Haute, Ind.; Martin P. Moe, Helena, Mont.; Corma A. Mowrey, Clarksburg, W. Va.; L. V. Phillips, Indianapolis, Ind.; Beulah Keeton Walker, Dallas, Tex.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WE MUST SAVE EUROPE WITHOUT LOSING AMERICA

World War II ended in victory over the forces of fascism. No sooner had it ended, however, than a bitter struggle between the two conflicting ideologies of communism and democracy arose.

It is perfectly clear that democracy and the system of free enterprise are under vigorous attack in western Europe. It is also clear that they are seriously threatened even in our own country.

Today the American people are called upon to support democratic ideals around the globe. There is no other choice. Retreat into isolation is impossible in today's world.

The future of freedom throughout the world is indissolubly linked with our own.

AID GRANTED ABROAD

Congress has in recent years granted large amounts of aid to western Europe and China.

It has just appropriated over $500,000,000 of immediate stop-gap aid. The next few years, under the Marshall plan, may require from twelve to seventeen billion dollars of aid.

If it will help to keep the peace, to get Europe on its feet, to stem the tide of totalitarianism, this aid will be a small price to pay compared to the three hundred billions spent on the last war.

It is of the utmost importance, however, in the trying years ahead, that we strengthen our defense at home as well as abroad.

We must conserve and develop our human resources with care and foresight. The basic defense of our Nation and of the cause of freemen resides in the intelligence and physical well-being of all citizens.

There is no surer means of strengthening the enemies of democracy than by neglecting these two basic human factors in American life.

THE PRICE OF IGNORANCE

To tolerate ignorance within our Nation is to invite disaster. The alien propagandists would wish for nothing better than for large numbers of our young people to reach adulthood in ignorance, without a deep and abiding faith in the American way of life.

Unless every child in his early years acquires a thorough knowledge of, and a love for, the democratic institutions in our great Republic, he inevitably is a potential threat to the security of our country.

It is a shocking fact that, while the Federal Government wisely appropriates billions of dollars for foreign aid of all kinds to help turn the tide of human affairs strongly in the direction of democracy, it has so far refused to spend even a few million dollars to help public elementary and public secondary schools to eliminate the ignorance which invites acceptance of alien ideas at home.

THREATENING CIRCUMSTANCES

Advocates of communism, for example, find strong potential allies in such threatening circumstances as the following conditions within the United States:

Five million children were without opportunity of becoming well grounded in the foundations of American life because they were not in school at all, according to the United States Census of 1940.

Some communities in some States in 1940 spent 60 times as much for the education of a child as did some communities in other States.

Ten million adults in 1940 had so little schooling as to be almost illiterate.

Three million of this number had never been enrolled in any school whatsoever.

Twenty-five percent of our people over 25 years of age in 1940 had 6 years or less of schooling.

Educational neglect caused selective service in World War II to reject the equivalent of 20 combat divisions, almost as many combat divisions as were deployed in the entire Pacific area during the war.

Right now, in 1947–48, there are: 100,000 teachers employed on emergency substandard certificates—1 in 9 as contrasted with 1 in 200 in 1939–40; large shortages of qualified teachers in many States; salary schedules so low in many States that often the ablest high-school graduates shun teaching as a career; not less than 2,000,000 children denied proper instructional opportunities as a direct result of the teacher shortage; overcrowded classrooms and heavy teacher load in every State; educational slum areas in many States and communities; millions of children denied adequate school buildings, equipment, and instructional supplies.

Such conditions are tragic. They provide the kind of soil in which alien ideologies most readily take root and flourish.

The State legislatures in 1947 did a commendable job of providing the funds to start the schools back on the road toward their prewar status.

The additional appropriations, however, do not offset the decline in the purchasing power of the dollar and overcome the wartime deterioration in our schools.

A BREAK IN THE DIKE

The lack of good schools from which vast numbers of our youth suffer today is a major break in the dike of security for American democracy.

Many States lack the ability to finance good schools for all of their children. The States that are poorest are, as a rule, the ones that have relatively the most children to be educated; yet, as a rule, these less able States make the greatest effort to operate good schools.

Without Federal aid the States with less economic ability will, in the years ahead, continue to have large numbers of children who do not have a fair chance to become citizens well-grounded in the meaning of American democracy.

With Federal aid this grave threat to the American way of life can be averted.

CONGRESSIONAL PROPOSALS

Pending in the Eightieth Congress are two bipartisan bills, S. 472 and H. R. 2953, which authorize $300,000,000 per year to assist the States in more nearly equalizing educational opportunity through public elementary and public secondary schools.

This legislation provides for (a) the maintenance of State and local control over educational instruction and policy; (b) the distribution of funds to the States so that the largest amounts will go to those in greatest need; (c) the expenditure of Federal funds for the same purposes for which State and local school revenues, under State constitutions and State laws, are spent; and (d) no discrimination in the use of Federal funds for separate schools operated for minority racial groups.

The pending Federal legislation places its greatest emphasis upon the improvement of the public schools where they are most meagerly supported. A minimum acceptable standard of educational opportunity is the immediate objective.

To this end, the Senate Committee on Labor and Public Welfare has recommended the enactment of S. 472 by the United States Senate. The House Subcommittee on Education has favorably recommended H. R. 2953 to the House Committee on Education and Labor.

This, or similar, legislation should be enacted at the earliest possible moment.

FOR A NEW ERA

The Nation requires today a school program which will equip our youth for a new era in national and world affairs. Restoration of the State systems of education to their 1940 status is an ill-conceived and dangerous objective. The public schools of the Nation must be lifted to a level far above that of 1940 if this great Republic is to be successful in the drive to make secure the way of free men.

Financial aid to other nations of the world is but part of our obligation. An equally important part is the strengthening of defenses in our own country.

This part of the job must be done in the Nation's front line of defense—its public schools.

It is time for the Federal Government to share in the support of public education, which is our greatest bulwark against the foces which seek to destroy freedom within our own country.

It is commendable to expend billions of dollars to halt the march of communism abroad, but it is the height of folly, at the same time, to refuse to spend a few millions to complete the bulwark at home against the same forces in the minds of otherwise neglected and forgotten American children.

IN THE MINDS OF MEN

Every citizen who is concerned about the preservation and the strengthening of the American way of life has a vital stake in the ideological war that is now raging.

The battleground of the world is in the minds of men.

The victory for freedom must be won on both the foreign and the home fronts.

It cannot be won on the home front without good schools for all children and youth.

Only thus can we develop in the coming generation an imperishable faith and conviction in the ways of freedom and give to our children the knowledge and foundation skills with which to make democracy work.

The Battle of the Family Budget

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Friday, January 16 (legislative day of Wednesday, January 14), 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "The Battle of the Family Budget," by Richard L. Neuberger, which appeared in the New York Times Magazine on January 11, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BATTLE OF THE FAMILY BUDGET—A REPORT ON HOW A HOUSEHOLD OF FIVE STRUGGLES TO MAKE ENDS MEET ON AN INCOME OF $250 A MONTH

(By Richard L. Neuberger)

PORTLAND OREG.—A 6-cent spurt in the price of hamburger a few weeks ago was particularly unwelcome to Martha Andrews. Martha is a 28-year-old housewife with a husband, Ted, aged 34, and three small children—Ted, Jr., aged 8; Jane, 2, and Robert, 7 months. While Ted was off fighting in Europe with General Patton's Third Army his mouth watered for Martha's baked hams and veal roasts. However, meat loaf, hamburger patties, and spaghetti with meat balls have become the regular diet in the wartime housing unit in which the Andrews live, and that is why the rise in the cost of hamburger from 42 to 48 cents a pound at the corner butcher shop did such damage to Martha's budget.

The Andrews are an average American family. Ted earns $250 a month pumping gasoline at an independent service station and garage 4 or 5 miles east of Portland, on U S 30 along the timbered shores of the Columbia River. This is $75 more than he earned at the same work before he went to war in 1942. Of the three children two were born after Ted returned from the Army with a medical discharge early in 1945.

For a time the rising cost of living merely inconvenienced the Andrews. Now it has passed far beyond the casual stage. Ted is not sure what the family would do if it had a serious illness. A small legacy left by Martha's parents is down to $350 and that is their only reserve. Half a dozen series E War bonds were cashed to pay for Christmas presents.

The Andrews take some comfort from the fact that practically all their friends seem to be in a similar predicament. Martha is certain of that from her conversations with other housewives who live in the housing project which was occupied by Henry J. Kaiser's shipyard workers during the war. She also gets letters from her married sister in Spokane, and Ted hears occasionally from men with whom he served in the Army.

All these sources indicate to the Andrews that their experience is by no means unique in this period of the highest prices in American history. Indeed, Martha says, "I suppose there must be millions of families all the way across the United States in just exactly the same boat. If they can keep afloat, I guess we can, but it's getting harder all the time."

How have the Andrews made out thus far? What fate do they think 1948 holds for their strained and battered budget?

It is easy to tell where the money goes today. The two chief items are food and rent. Forty-four percent of the monthly income, or $110, goes for food; rent, including light, heat, and water, is $49.50. And the remaining $90.50 of Ted's salary seems to disappear like a snowman in the noonday sun. Ted insisted on having a telephone installed when the new baby was on the way; this costs $2.75 for a four-party line. He spends $16.50 a month to carry his GI life-insurance policy. The family has no car, and transportation for Ted to and from work comes to $9. They budget $15 a month for medical care and prescriptions, and the total is nearly always spent.

All of this comes to over $200, and still some big items must be taken care of. So far as clothing is concerned, Martha improvises all she can. Jane is very much a little girl, but she wears slickers, "Dr. Dentons," and overalls which her brother Ted, Jr., long

ago outgrew. Martha paid $20 to a crippled friend with sewing skill to make an old coat into a trim suit, complete with the "new look." Ted wore his GI shoes to work until the uppers split away from the composition soles, and then had to count out $15.50 for a new pair which would withstand grease and gravel.

With five $500 deductions, including his own, Ted Andrews' income taxes are small. He pays $42 a year to the Federal Government and $6 to the State of Oregon. Ted says he has no complaint about taxes, but he and his wife resent the high prices that keep them from saving. "After a few dentist's bills and other odds and ends," says Ted, "we don't even have enough left when the month is over to pay for a week's summer vacation 75 miles away at the beach."

Martha allocates $25 for food each week. Last week she spent $24.89, in this way:

Meat	$7.00
Milk (9 quarts)	2.07
Cheese	1.00
Eggs (3 dozen)	2.13
Bread (7 loaves of 1½ pounds each)	1.47
Staples (sugar, coffee, flour, etc.)	2.25
Fruit (canned and fresh)	3.00
Vegetables (canned and fresh)	3.00
Margarine (3 pounds)	1.32
Baby food (canned)	.72
One quart ice cream	.43
Ted's contribution to coffee-and-soup fund at garage	.50

Before the war, with less money, Martha was able to serve leg of lamb or even prime ribs for Sunday dinner and some kind of meat or fish the other 6 nights. Now she buys roasts only occasionally, and on at least two evenings a week the principal course consists mainly of rice, macaroni, or noodles. Many months ago Ted cut out the irregular indulgence of a hot lunch at the diner across the highway from the garage. He and the other workers bring sandwiches and make coffee or heat canned soup over a hotplate.

Only on Sundays does Martha serve ice cream to her family. Otherwise they finish the principal meal with fresh fruit from the grocery store or peaches canned at home. At breakfast only the children get the juice of fresh oranges; the parents drink canned juice, which is cheaper. Eggs are the great luxury all enjoy; it was to enable Ted to start for work with two fried eggs under his belt that, nearly a year ago, the Andrews gave up butter. The one time that Martha entertained the other wives in the housing unit she served a big golden omelet and homemade applesauce.

Martha says all the culinary skill taught her by her mother has vanished in the onrush of inflationary food prices.

"I used to be famous for meat loaf," she tells me. "Everyone raved about it. The recipe was my mother's. But now I have to fill the meat loaf so full of bread crumbs or rice to stretch the hamburger that it has no resemblance to the original. Thanksgiving Day also upset some notions which had lasted since childhood. Even on the farm turkey was a delicacy—yet Ted and I treated ourselves to a Thanksgiving turkey because it turned out to be only a few cents more a pound than hamburger."

She is indignant at warnings from the Government not to waste food. "How many families do they think are able to waste any food at these prices?" she asks, her dark eyes flashing. "That Thanksgiving turkey lasted us a whole week. We had it roasted, warmed over, served in cold slices, creamed and made into hash, croquettes, and soup. I don't believe I threw out enough of that turkey to fill a coin purse."

High prices have forced on the Andrews many economies. They get books at the public library instead of buying them at a bookstore. Except when a jovial customer has thrust a pack in his direction, Ted has not smoked a cigarette since the end of 1946. A pipe satisfies his taste for tobacco. Martha puts up her own jams, jellies, fruits, and vegetables. She and other housewives in the Vanport housing project even buy jars and lids in big quantities to get them cheaper. During the summer months Ted, a 6-footer who was star tackle in high-school football, often spends a Sunday helping cultivate a nearby truck garden along the Columbia bottomlands. Then he comes home laden with heads of cauliflower, bags of peas, and ears of golden corn.

Martha cuts the children's hair, washes her own and gets a permanent but once a year, and then at a beauty school for less than half the regular price. Ted postpones his haircuts as long as he can; when he finally does get one, it is from a beginner at a local barber college for 40 cents instead of at a commercial shop for $1.

The high cost of hamburger and bread long ago ruled movies out of the Andrews budget. However, Ted discovered that by joining the Portland auxiliary police force he could get into shows free, and occasionally he sends Martha into a movie which he tells her is really colossal, while he stays at home with the children. He and Martha can't go together because they can't afford a baby-sitter. Teen-aged youngsters in the neighborhood want 50 cents an hour.

In his spare moments at the garage Ted works with the two mechanics. Within the next 9 or 10 months he expects to be tuning up motors and straightening out bent fenders. Then his salary will jump to $300, or perhaps even $350. However, he believes the increase will do him no good "unless somehow prices are brought into line." The worst of it is, says Ted, is feeling that he is on a treadmill. "At these prices," he says, "you can't build or buy a house, you can't get an automobile, you can't save for a vacation, you can't even put away some money for your children's education. That's the worst of the whole thing. We're just standing still. We can't get ahead of the game. Prices eat up every cent I earn."

The Andrews are resentful of economic conditions in general but their resentment is channeled in no particular direction. They didn't like it when in September their rent was raised $7 a month. The units of their housing development are of flimsy construction and the squeak of boards in the apartment next door is clearly audible in the Andrews home. But their special interests do not shape their whole philosophy. A member of the auto mechanics union, Ted believes organized labor "made it tough on the white-collar fellow by getting pay boosts the white-collar fellow had to help pay for, without any assistance from a union of his own." Ted also thinks business profits are too high and that "the rich man is getting richer."

Ted and Martha are registered as Republicans, principally because they were brought up in rural Oregon, which is predominantly Republican. Ted worked on a farm until he and Martha, the daughter of a German-born wheat rancher, were married in 1938. They moved to Portland a few months later and Ted greased cars while Martha was a member of a championship girls' swimming team.

The Andrews voted a straight Republican ticket in November 1946. They admit they are disappointed, for they thought even then that prices had risen far higher than they should. "We hoped the Republican Congress would bring down the cost of living," says Martha. "Instead, prices are worse now than they were at the time of the election—much worse. I don't know how we will vote this year, but I'm sure it will be for the party we think will do the most to end these fearful prices."

There doesn't seem to them to be anything they can do directly. "I thought at first that buyers' strikes might be the answer to high prices," says Ted. "That was all right when it came to automobiles, radio sets, new refrigerators and even shoes and clothes. But you can't save on food when you have three little children. I believe I'd buy my children milk with the last dollar in my jeans, even if it was 43 cents a quart instead of the 23 it is now."

Ted and his wife have strangely conflicting fears. On the one hand, they fear that inflation may get further out of bounds, that prices will go higher. Ted predicts that his next raise will simply keep him where he is now. Yet the Andrews also fear a deflation, the possibilities of a crash. "If we have another big depression, where will I be?" Ted asks.

When they express these fears, Ted is grim and his wife somber. Yet, on the whole, the Andrews are not a gloomy or melancholy family; in fact, they are quite the contrary. The three children are chubby and cheerful. The parents likewise are in excellent health. Martha, straight and trim, still can flash 100 yards through the water in 66 seconds. And Ted, when he takes a rusty set of clubs and rides on the trolley to a public golf course, can negotiate 18 holes in the low eighties.

Ted had hoped to study civil engineering at Oregon State College, but the $90 a month of the GI bill of rights was not enough to feed five mouths at 1946 prices, let alone those of 1948. Ted overcame that disappointment, and now he takes solace in the belief that some day he will be an expert auto mechanic.

Despite their fears, Ted and his wife are hopeful that both the luxuries and necessities of life will again be available at prices which make sense and that the adjustment will come before the country suffers permanent economic damage.

Admiral Nimitz's Valedictory

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES

Friday, January 16 (legislative day of Wednesday, January 14), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the final statement made by Fleet Adm. Chester W. Nimitz, United States Navy, on the day of his departure from the Navy Department. This article, which amounts to the distinguished admiral's valedictory, I believe so well expresses the situation prevailing today that every Member of Congress and the people throughout the country should read it. Hence, I am taking this opportunity to make it a part of the CONGRESSIONAL RECORD.

I also ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD an editorial from the New York Herald Tribune of January 7, 1948, summarizing the context of Admiral Nimitz's study.

There being no objection, the statement and editorial were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of January 7, 1948]

ADMIRAL NIMITZ'S VALEDICTORY

Admiral Nimitz's valedictory study of the function of the Navy in a possible next war displays a mind alert to the lessons of World War II. Though he calls upon history to prove that the basic pattern of naval warfare and the use of sea power has not changed

since the seventeenth century, he finds it quite consistent to weave into that pattern the use of all the new weapons of defense and offense and dwells not so much on sea power alone as on air-sea power as occupying the leading role in the initial stages of a future war. In other words, here is a highly distinguished sailor, who has recently retired as Chief of Naval Operations, who is very obviously abreast of the times.

Several points obtrude in the text of his study. One is that surface ships, and particularly transports and cargo ships, are as essential to successful naval operation as they ever were, perhaps more so; that a vast importation of supplies, which they alone are capable of handling, will be necessary; that for national protection against sneak attack an all-encircling radar screen must be set up on land and sea and by the use of submarines under the sea, and that both for the defense of vital areas and for offensive purpose, when and where necessary, we should establish floating air bases replete with supply and repair vessels which can maintain themselves at sea for months at distances far removed from land bases and on which task forces, battleships, and so on can depend as they would on land bases.

Though he doesn't say so, those would obviate the diplomatic difficulties relating to the creation of such establishments on foreign territory (as witness Panama's rejection of the United States request for land bases to guard the Canal). There would also be, as the admiral points out, the great advantage of secrecy and mobility with power to penetrate offensively the enemy's territory for several hundred miles inland. Such floating bases were first devised by the Navy in the Pacific campaign. One is now operating in the Mediterranean. Admiral Nimitz strongly urges a development of the system.

He also calls attention to our shortage of military manpower, the intimation being that he strongly favors universal military training. One can readily understand his sentiment in this respect.

DEPARTMENT OF THE NAVY.

On the day of his departure from the Navy Department, Fleet Adm. Chester W. Nimitz, United States Navy, forwarded to the Secretary of the Navy the attached paper, prepared in his office, expressing his views on the function of the naval forces in maintaining the future security of the United States.

The paper states that the Navy provides the first line of defense on, under, and above the sea. It states further that if war cannot be prevented, the Navy's function is to carry the war to the enemy so that it will not be fought on United States soil.

"STATEMENT BY FLEET ADMIRAL NIMITZ

"THE FUTURE EMPLOYMENT OF NAVAL FORCES

"1. Sea power: Sir Walter Raleigh declared in the early seventeenth century that "whosoever commands the sea commands the trade; whosoever commands the trade of the world commands the riches of the world, and consequently the world itself." This principle is as true today as when uttered, and its effect will continue as long as ships traverse the seas. That this period extends beyond the foreseeable future is apparent when it is realized that the 100,000 long tons of cargo which 44 ships can transport from San Francisco to Australia monthly would require for the same purpose 10,000 four-engined C-87 airplanes manned by 120,000 highly trained personnel, plus 89 seagoing tankers to provide gas along the route and at the far end of the run. Cargo-carrying aircraft will no more replace vehicles of the same type on the seas than they will those on land. In fact, cargo-carrying ships will become increasingly important to the United States both in peace and in war. Our national resources in petroleum products alone are inadequate for the prosecution of a long war. A realistic appraisal of the requirements in matériel for this Nation to engage in war shows that an uninterrupted stream of imports will be essential, and that the volume of these imports is such that they must come by sea.

"2. The United States possesses today control of the sea more absolute than was possessed by the British. Our interest in this control is not riches and power as such. It is first the assurance of our national security, and, second, the creation and perpetuation of that balance and stability among nations which will insure to each the right of self-determination under the framework of the United Nations Organization.

"3. Our present control of the sea is so absolute that it is sometimes taken for granted. As a result, there is a faulty tendency, under the assumption that any probable enemy in a future war possesses only negligible apparent fleet strength, to give no major offensive role to the Navy—only a supporting role and the prosecution of antisubmarine warfare. Opposing fleets have been eliminated, it is reasoned, hence ours should be reduced to a mere support force and its appropriations transferred to certain types of aircraft which would be the answer to all our problems of offense and defense. The answer is not so simple. Technology in warfare, as in all else, has simplified some details but has greatly complicated the aggregate. The submarine and the torpedo, far from eliminating combatant surface ships, produced the depth charge, sonar and electronic sounding, and the antisubmarine aircraft which in two wars have successfully defeated them. Similarly, the airplane in its application against naval forces has already given creation to the proximity fuse, homing missiles, electronic ranging and gun control, and carrier attack aircraft which, during World War II, repeatedly defeated concentrations of Japanese land-based aircraft wherever encountered.

"4. Our present undisputed control of the sea was achieved primarily through the employment of naval air-sea forces in the destruction of Japanese and German sea power. It was consolidated by the subsequent reduction of these nations to their present impotence, in which the employment of naval air-sea forces against land objectives played a vital role. It can be perpetuated only through the maintenance of balanced naval forces of all categories adequate to our strategic needs (which include those of the nontotalitarian world), and which can flexibly adjust to new modes of air-sea warfare and which are alert to develop and employ new weapons and techniques as needed.

"5. Employment of naval forces in the past: A report made in 1657 by one of Cromwell's admirals that: 'After we destroyed the ships we plied our guns against the forts,' indicates that the purpose of achieving sea power and the recognized practice of applying pressure against an enemy wherever he can be reached by naval forces has not changed from that day to this. The basic objectives and principles of war do not change. The final objective in war is the destruction of the enemy's capacity and will to fight, and thereby force him to accept the imposition of the victor's will. This submission has been accomplished in the past by pressure in and from each of the elements of land and sea, and during World Wars I and II, in and from the air as well. The optimum of pressure is exerted through that absolute control obtained by actual physical occupation. This optimum is obtainable only on land where physical occupation can be consolidated and maintained. Experience proves that while invasion in some form—of adjacent sea areas, covering air spaces, or enemy territory itself—is essential to obtain decisions in war, it is sometimes unnecessary to prosecute invasion to the extent of occupying a nation's capitol or other vital centers. Sufficient of his land, sea, or air territory must be invaded, however, to establish the destructive potential of the victor and to engender in the enemy that hopelessness which precedes submission. The reduction of Japan is a case in point.

"6. Naval forces have always played a vital and often deciding role in warfare by invading adjacent sea areas to project their pressure on enemy territory. Before the invention of gunpowder, in the days of Greece and Rome, there was no such thing as a fleet in being. Naval forces were built as they were needed, and the transport had equal standing with the man-of-war. The latter served to clear the narrow seas for the transport to discharge its force of men and weapons upon enemy territory where the decision was obtained. In the long history of British domination of the seas, it is safe to say that the Royal Navy fought as many engagements against shore objectives as it did on the high seas. Singularly it was the defeat by his shore batteries of a Royal Navy squadron off Toulon that gave Napoleon early in his career a disdain for British seapower. It was this same British seapower, in the form of a tight blockade which denied world intercourse to him but assured it to his enemies, and in the victories of Copenhagen, the Nile, and Trafalgar, which was the controlling factor in his eventual defeat. Also the great British strategic bastion of Gibraltar was captured in 1704 by a force of Royal Marines and seamen landed from a naval squadron which had first pounded the Spanish garrison into a state of confusion and despair.

"7. The naval history of our own Civil War is a vivid portrayal of the employment of naval forces against an enemy without a fleet. Naval forces were a controlling factor in the Confederate defeat and in shortening the war. The Confederate States had no fleet. They were a consolidated land power with the advantage of interior lines and the possession of several large sea and river ports affording access to world commerce which they vitally needed. The Federal States outlined their naval missions as (a) the blockade of southern ports along a coastline of more than 3,000 miles; (b) the reduction, in conjunction with the Army, of Atlantic and Gulf strongholds; and (c) the occupation and control of the Mississippi and its tributaries. The blockade was established and soon Confederate commerce, as such, ceased. Naval operations started on the western rivers in the first year of the war—November 1861. They were mainly in conjunction with the Army, but frequently objectives were accomplished by naval gun and mortar fire alone. By April 1862, with the passage of Farragut's squadron past the Mississippi entrance forts and the capture of New Orleans, the Confederate States had been sealed on the western, Gulf, and Atlantic boundaries. It is safe to state that had they been unmolested by sea power and had they received money, men, and munitions from Europe, South America, and Mexico they might well have consolidated their secession.

"8. The development between World Wars I and II of naval aviation provided naval forces with a striking weapon of vastly increased flexibility, range, and power. The development and use of this weapon in World War II against both sea and land objectives is one of the great achievements in modern warfare. It spearheaded our Pacific attack. First, it swept the sea of all naval opposition. Then it became the initial striking weapon in the capture of Guam, Saipan, and Iwo Jima—the advanced bases from which long-range bombers were able to strike the vital centers of the Empire. Finally, like the British squadron in 1657, our Navy "after destroying the ships it plied its guns against the forts" and participated directly in the destruction of those vital centers on Okinawa and the home islands by gunfire and bombing; in spite of the concentration of Japanese air power our Navy made possible the success of our gallant Ground Forces.

"9. In all of these operations the employment of air-sea task forces demonstrated the ability of the Navy to concentrate aircraft strength at any desired point in such numbers as to overwhelm the defense at the point of contact. These operations demonstrate the capability of naval carrier-based aviation to make use of the principles of mobility and concentration to a degree possessed by no other force.

"10. Employment of naval forces in the future: In addition to the weapons of World War II, the Navy of the future will be capable of launching missiles from surface vessels and submarines and of delivering atomic bombs from carrier-based planes. Vigilant naval administration and research is constantly developing and adding to these means. In the event of war within the foreseeable future, it is probable that there will be little need to destroy combatant ships other than submarines. Consequently, in the fulfillment of long-accepted naval functions and in conformity with the well-known principles of warfare, the Navy should be used in the initial stages of such a war to project its weapons against vital enemy targets on land, the reduction of which is the basic objective of warfare.

"11. For any future war to be of sufficient magnitude to affect us seriously it must be compounded of two primary ingredients: vast manpower and tremendous industrial capacity. These conditions exist today in the great land mass of central Asia, in east Asia, and in western Europe. The two latter areas will not be in a position to endanger us for decades to come unless they pass under unified totalitarian control. In the event of war with any of the three, we would be relatively deficient in manpower. We should, therefore, direct our thinking toward realistic and highly specialized operations. We should plan to inflict unacceptable damage through maximum use of our technological weapons and our ability to produce them in great quantities.

"12. Initial devastating air attack in the future may come across our bordering oceans from points on the continents of Europe and Asia as well as from across the polar region. Consequently, our plans must include the development of specialized forces of fighter and interceptor planes for pure defense, as well as the continued development of long-range bombers. Offensively, our initial plans should provide for the coordinated employment of military and naval air power launched from land and carrier bases, and of guided missiles against important enemy targets. For the present, until long-range bombers are developed capable of spanning our bordering oceans and returning to our North American bases, naval air power launched from carriers may be the only practicable means of bombing vital enemy centers in the early stages of a war.

"13. In summary it is visualized that our early combat operations in the event of war within the next decade would consist of:

"Defensively:

"(a) Protection of our vital centers from devastating attacks by air and from missile-launching submarines.

"(b) Protection of areas of vital strategic importance, such as sources of raw materials, our advanced bases, etc.

"(c) Protection of our essential lines of communication and those of our allies.

"(d) Protection of our occupation forces during reinforcement or evacuation.

"Offensively:

"(a) Devastating bombing attacks from land and carrier bases on vital enemy installations.

"(b) Destruction of enemy lines of communication accessible to our naval and air forces.

"(c) Occupation of selected advanced bases on enemy territory and the denial of advance bases to the enemy through the coordinated employment of naval, air, and amphibious forces.

"14. Of the above activities or functions there are certain ones which can be performed best by the Air Force and certain others which can be performed best by the Navy—it is these two services which will play the major roles in the initial stages of a future war. The Eightieth Congress took cognizance of this fact when, in the National Security Act of 1947, it specifically prescribed certain functions to the Navy, its naval aviation and its Marine Corps. In so doing the Congress gave emphasis to the fact that the organizational framework of the military services should be built around the functions assigned to each service. This is a principle which the Navy has consistently followed and is now organized and trained to implement.

"15. Defensively, the Navy is still the first line the enemy must hurdle either in the air or on the sea in approaching our coasts across any ocean. The earliest warning of enemy air attack against our vital centers should be provided by naval air, surface, and submarine radar pickets deployed in the vast ocean spaces which surround the continent. This is part of the radar screen which should surround the continental United States and its possessions. The first attrition to enemy air power might be by short-range naval fighter planes carried by carrier task forces. Protection of our cities against missile-launching submarines can best be effected by naval hunter-killer groups composed of small aircraft carriers and modern destroyers operating as a team with naval land-based aircraft.

"16. The safety of our essential trade routes and ocean lines of communication and those of our allies, the protection of areas of vital strategic importance, such as the sources of raw material, advanced base locations, etc., are but matters of course if we control the seas. Only naval air-sea power can insure this.

"17. Offensively, it is the function of the Navy to carry the war to the enemy so that it will not be fought on United States soil. The Navy can at present best fulfill the vital functions of devastating enemy vital areas by the projection of bombs and missiles. It is improbable that bomber fleets will be capable, for several years to come, of making two-way trips between continents, even over the polar routes, with heavy loads of bombs. It is apparent then that in the event of war within this period, if we are to project our power against the vital areas of any enemy across the ocean before beachheads on enemy territory are captured, it must be by air-sea power; by aircraft launched from carriers, and by heavy surface ships and submarines projecting guided missiles and rockets. If present promise is developed by research, test, and production, these three types of air-sea power operating in concert will be able within the next 10 years critically to damage enemy vital areas many hundreds of miles inland.

"18. Naval task forces including these types are capable of remaining at sea for months. This capability has raised to a high point the art of concentrating air power within effective range of enemy objectives. It is achieved by refueling and rearming task forces at sea. Not only may the necessary supplies, ammunition, and fuel be replenished in this way but the air groups themselves may be changed. The net result is that naval forces are able, without resorting to diplomatic channels, to establish offshore anywhere in the world airfields completely equipped with machine shops, ammunition dumps, tank farms, warehouses, together with quarters and all types of accommodations for personnel. Such task forces are virtually as complete as any air base ever established. They constitute the only air bases that can be made available near enemy territory without assault and conquest; and furthermore they are mobile offensive bases that can be employed with the unique attributes of secrecy and surprise—which attributes contribute equally to their defensive as well as offensive effectiveness. Regarding the pure defense of these mobile air bases the same power projected destructively from them against the enemy is being applied to their defense in the form of propulsion, armament, and new aircraft weapons whose development is well abreast the supersonic weapons reputed to threaten their existence.

"19. It is clear, therefore, that the Navy and the Air Force will play the leading roles in the initial stages of a future war. Eventually, reduction and occupation of certain strategic areas will require the utmost from our Army, Navy, and Air Force. Each should be assigned broad functions compatible with its capabilities and limitations and should develop the weapons it needs to fulfill these functions, and no potentiality of any of the three services of the Military Establishment should be neglected in our scheme of national defense. At the same time each service must vigorously develop, in that area where their functions meet, that flexibility and teamwork essential to operational success. It should also be clear that the Navy's ability to exert from its floating bases its unique pressure against the enemy wherever he can be reached—in the air, on sea or land—is now, as it has been, compatible with the fundamental principles of warfare. That our naval forces can be equipped defensively as well as offensively to project pressure against enemy objectives in the future is as incontrovertible as the principle that every action has an equal and opposite reaction.

"20. In measuring capabilities against a potential enemy, due appreciation must be taken of the factors of relative strength and weakness. We may find ourselves comparatively weak in manpower and in certain elements of aircraft strength. On the other hand we are superior in our naval air-sea strength. It is an axiom that in preparing for any contest, it is wisest to exploit—not neglect—the element of strength. Hence a policy which provides for balanced development and coordinated use of strong naval forces should be vigorously prosecuted in order to meet and successfully counter a sudden war in the foreseeable future."

The Causes of Industrial Peace

EXTENSION OF REMARKS

OF

HON. JOHN J. SPARKMAN

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Friday, January 16 (legislative day of Wednesday, January 14), 1948

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a speech on the subject The Causes of Industrial Peace, recently delivered by Mr. Clarence Francis, chairman of the board of the General Foods Corp., before the fifty-second annual congress of American industry, National Association of Manufacturers, in New York City.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CAUSES OF INDUSTRIAL PEACE

(By Clarence Francis, chairman of the board, General Foods Corp.)

There is something both ironic and hopeful in the fact that we should be discussing the causes of industrial peace here today.

It is ironic that Americans, the most advanced people technically, mechanically, and industrially, should have waited until a comparatively recent period to inquire into the most promising single source of productiyity, namely, the human will to work.

It is hopeful, on the other hand, that the search is now well under way. And perhaps the delay is not so strange, after all. Medicine was centuries old and the doctors were still bleeding people when the first hesitant steps were taken in preventive medicine. Along the path of progress the most obvious signposts are often the least noticed. It is obvious today, but it came as a great discovery, that a cause of freedom from disease is health. We are learning now that a cause of freedom from industrial strife is healthy human relations. Just as there are degrees of health, so there are degrees of industrial peace. The sort we seek is a vibrant, affirmative, productive peace. We know that it can exist because we have seen it exist. There have been few times within recent memory when we have lacked examples of this fact.

Yet, ignoring these signposts, we have lived amid the din of industrial disorder from the start. Our economic expansion has been marked by periodic disruptions from the days of the anthracite and rail strikes of the 1870's through the sit downs of the 1930's, right on down to the present.

Why has this been so? Basically, I think, it is because too many employers somehow fell into the grave initial error of treating labor as a commodity, because management and labor leaders became preoccupied with the rules of industrial warfare, because we concentrated on the vocabulary of difference—demands, grievances, disputes, prerogatives, rights, and all the rest, and because, by implication, we accepted the notion that the interests of labor and management are basically opposed.

That's an irony, surely, since the interests of 60,000,000 Americans at work are served not by the cultivation of disunity and discord but by unity and cooperation. The tragedy is that millions of working Americans, whether organized or not, are suffering from the nonexistence of mutual endeavors to create smooth relationships.

You are not the kind of men who came to responsibility by leaving things to chance. I do not believe any industrialist—ever again—dares leave the development of good working human relationships to chance.

To me the ideal in industrial peace would be—not 15,000,000—not 30,000,000, but 60,000,000 Americans working together in well-planned and understood human relationship. Think what that would mean in terms of national unity, production, and prosperity. When we consider such a goal, we are necessarily compelled to adopt the broadest possible outlook in our quest for total industrial peace.

For this reason, I beg to be excused from dwelling at length on the Taft-Hartley Act, the Wagner Act, or any of their legislative predecessors. I do not mean to discount the importance of labor legislation. But conceding its importance, we must grant that it is but one of a number of trees in a very large forest. The rules of the Marquis of Queensbury have their application, but they will hardly suffice as a philosophy of life.

In other words, you can legislate the conditions under which management and labor can quarrel.

You can legislate the conditions under which management and labor can maintain an armed truce.

You can even legislate the conditions under which management and labor can enjoy a negative sort of peace without fighting at all.

But you cannot legislate harmony into the hearts of men.

To attain positive industrial peace, we need something more than bylaws and compulsory rules. We need productive teamwork. We need men working willingly together toward known goals. We need, in short, workers who are informed workers who enjoy a sense of security, workers who are given a feeling of individual dignity, workers who are properly and fairly paid, workers who are given nonfinancial incentives.

You will notice that this list lays little stress on wages as such. This might once have aroused the protests of the old-school, hard-headed employer whose philosophy was "treat 'em rough and tell 'em nothing," who said with finality, "loyalty goes with the pay envelope." But I think you will grant with me today that it may be possible to be hard-headed without being practical. I don't think it is practical to assume that wages are all-important. I just don't happen to think it is true.

Look back over the history of labor relations. The industries that have been wrecked, stymied, and disrupted by strikes most often—the industries most plagued by low morale, slow-downs, and feather-bedding—are among those in which the highest wages are paid. In those industries, I believe, both management and labor have been barking up the wrong tree for decades. Unfortunately, they do not seem much closer to true harmony today than they ever were. And I think we must all agree that you cannot expect a high degree of efficiency from an industry beset by quarrels.

On the other hand, I happen to know of a company that established two almost identical operations during the war. Both plants were making the same item with the same equipment under virtually the same set-up. The only important difference between the two operations was this: One was located in an area where the whole psychology is one of militancy and agitation over rights and prerogatives. The other was located in a small city off the beaten path where the employees were newly recruited to industry with no background of chronic conflict and mutual antagonism. The measured man-hour productivity in the second of those two plants exceeded that of the first by 25 percent.

This and many similar examples indicate that employee attitudes are a vital factor in positive industrial peace. Can we go one step further and conclude that employee attitudes, over the long run, are conditioned by management attitudes toward employees? I believe we can. For it has always seemed to me that:

You can buy a man's time.

You can buy a man's physical presence in a given place.

You can even buy a measured number of skilled muscular motions per hour or day.

But you cannot buy enthusiasm; you cannot buy initiative; you cannot buy loyalty; you cannot buy the devotion of hearts, minds, and souls.

You have to earn those things.

Now we cannot safely assume that we know the employees' attitude unless we inquire. There are today means by which attitudes can be measured. I have seen such measurements taken under conditions which permitted employees to confide freely to a third party their real feelings about their jobs, their immediate superiors, and their company. I have seen some very cocky supervisors—and managers at high levels, for that matter—get some severe shocks when the returns came in. And many of these studies, believe me, covered people who were mighty well paid.

I realize that there was a time when any employer who so much as advocated an interest in employee attitudes would have been cried down as a softy, a Santa Claus, a namby-pamby, a Pollyanna, a wet nurse, or what you will. Today no one of us should fear to stand up on his hind legs and proclaim that improved employee attitudes can be vindicated on a business basis in terms of cold, hard dollars and cents.

The real irony is that of the employer who rushes out of his office past scores or hundreds or thousands of people whom he doesn't understand and who don't understand him and goes home for the week end to spend hour after hour trying to earn the confidence of a dog in order to teach him to hunt or to earn the confidence of a horse in order to teach him to jump.

When will we learn the wisdom of Pope's admonition that "the proper study of mankind is man"? I think we are learning. Turning from irony to hope, it seems to me that the brightest star on the industrial horizon is the rise of education and practice in human relations. This is a matter both of philosophy and techniques applied at the places where people work. Through the years, slowly, haltingly, and after many failures, we are evolving a code. Experience is giving us a body of techniques and, better still, a set of tested principles. Call it human engineering, industrial relations, personnel management, or what you will, it is a code and it is growing. Thomas G. Spates, one of my immediate associates, prefers to call it personnel administration, and in the hands of a man like Tom Spates it becomes something vastly broader than any set of rules for conducting contract negotiations or keeping personnel records.

In today's complex industrial structure, the development of better understanding between management and labor can't be left to chance. When you want to get to know a man better you don't begin by writing letters to his lawyer. You try to find some way of demonstrating your good will and communicating it to the man himself.

This is just as true of dealings between management and employees as it is of dealings between individuals outside working hours. Techniques and organization are needed—in small companies as well as big ones. And I am prepared to stand before you and say that, when the techniques, organization, and principles of good human relations are carefully applied, the end result is bound to be a greater measure of industrial peace.

Do I speak from experience? Partly—but I wouldn't want you to get the impression that any company, including General Foods, has attained the ultimate in good personnel administration. But this I will say confidently: A number of companies in a number of industries—including many that are represented in this room today—have carried the code of human relations forward with conspicuous success. Some of them, indeed, have been islands of harmony in a sea of unrest. So I think today we may say, on the basis of evidence, that good personnel administration is practical and desirable because it has worked. And on the reverse side of the medal we are brought face to face with the conclusion that the company which suffers repeated and prolonged labor troubles has no one to blame but itself.

As recently as 10 years ago, it might not have been possible to point out the pattern of a personnel administration program leading to industrial peace. Today I believe we have learned enough about the principles to enumerate them roughly step by step.

Step one, to me, is top management self-analysis. If management attitudes determine employee attitudes, we must begin by determining our own. Why are we in business anyway? Are we simply in it to make money or do we acknowledge a stewardship toward employees, stockholders, and consumers? Do we believe that what is good for America is good for business—or vice versa? Have we a management policy, a code of our own? Do we believe in our own validity and can we ask others to believe in it?

Do we, above all, believe in the freedom and dignity of the individual in a free American economy? Do we believe in the Bill of Rights? This is not flag waving. This is a concrete question of motivation.

As a nation we have fought wars—and today we are making unprecedented moves in foreign affairs—because of our belief in freedom. These things have direct, fundamental bearing on our own destinies, as individuals and as businessmen.

Do we then believe that political and economic freedom are inseparable, and that they are equally the rights of employers and employees? There is no literal warrant for this interpretation in the Constitution, but I happen to be one of those who believes that you cannot put freedoms in separate compartments or maintain one kind of basic freedom without the other.

Next, what experience do we want the people who work with us to have? Do we value cooperative attitudes? Do we want our employees to get a sense of dignity, achievement, satisfaction, and security through working harmoniously with others in a well-organized, rational, productive industrial structure and at fair wages?

Above all, are we willing to work to create these conditions?

And finally, are we willing to say that we will?

Even today relatively few managements have put their personnel policies on record for all to see. I do not happen to believe in panaceas in industrial relations. Far too often we have been beguiled by the belief that some one thing—profit sharing, the guaranteed annual wage, incentives—would prove a cure-all. Industrial peace is a lot of things. But of them all, I believe the most neglected and the most promising is the fairly simple matter of a written personnel policy. If you write it down you have got to live up to it or die trying. If you set a high standard, you will fall far short of perfection. But your performance, simply because you have pledged yourself to the standard, will be better than it would be if you lacked a specific goal.

Now there may be those who will say: "Well, this is all well and good for companies that are just starting to experiment with relatively peaceful backgrounds. But what about the company that is already pinned down by conflicts and restrictions involving not only itself but perhaps a whole industry?"

I think we've got to be realistic and recognize that such situations exist. But my answer—based on the examples of a number of companies—would be this: there is no situation so bad that it can't be helped materially by the application of human-relations principles just as there is no patient so ill that he can't be helped by health measures. And step 2, to repeat, is a formulated policy.

In 1936 our company set out to prepare a statement of personnel policy. There were few companies on whose experience we could draw. It was the work of months to evolve a document to which the various levels of management and supervision could subscribe. Finally we nailed to the masthead a simple set of principles and policies relating to organization, administration, consultative supervision, employment, hours of work, wages, working conditions, and benefits. I can't quote it in full here but to me the real substance of it has always lain in this conclusion:

"The officers of General Foods want to make clear that, in addition to other responsibilities, each operating executive, manager, and supervisor who directs the work of others will be held responsible for the wholehearted and effective execution of the principles of personnel administration and employee relations set forth here. We want, and need, the cooperation, interest, and loyalty of all employees. We want employees to be happy in their work relationships and well informed regarding the enterprise in which we all are engaged. We want this business to be conducted in an efficient manner and in a spirit of friendliness to the mutual advantage of employees, management, stockholders, and consumers."

Back of that is a memorable statement of management philosophy made by Colby M. Chester when he was chairman of our board:

"An employee is a human being and as such is entitled to the respect and consideration which one honorable person automatically extends to an equally honorable person."

Mr. Chester didn't reduce that to writing until 1944, but he has lived it through a life of sterling business leadership, making it a part of the character and moral code of the business.

Now, assuming that the first two steps—management self-analysis and the preparation of a written policy—have been taken, the third follows naturally. Management has subscribed to a set of principles. All levels of management must now proceed to make those principles effective. This means that both the personnel administration and public-relations functions—which add up to human relations—must be represented in the highest echelons of management to provide the techniques and assist in the formation of policies by which the principles are made effective. Incidentally, it is significant, I think, that, in a recent organizational change at General Foods, both the personnel administration and public-relations departments report directly to the chairman.

After step three has been taken the process branches out into new discoveries, new activities, new methods of securing the utmost in the effective utilization of the entire personnel. Among the visible effects are not only a greater freedom from friction but a positive improvement in organizational effectiveness, in lowered turn-over, better morale, greater productivity, and reduction in unit costs. We have seen real results. But we still have far to go. I can't go deeply into techniques here, but I just wish I had time to tell you of some of the things we have learned about evaluating, training, and organizing management itself to do a better job. This is just one phase of a broad, overall program—and we have barely scratched the surface. We have had our problems, and I rather think we've been lucky at times. But we have been at it long enough to convince ourselves that sound personnel administration does pay.

But let us face the even bigger issue: Just as health is necessary to physical survival, so today I believe that good human relations at the places where people work are necessary to the survival of private enterprise.

"No human institution," says Howard Chase, another of my immediate associates, "whether it be a State, a church, a lodge, a labor union, or a corporation, can survive for very long the sustained mass disapproval of man." And he adds: "The American people have never demanded perfection; they have mistrusted anyone who promises it. But they do demand from their industrial and political leaders the will to progress toward the great and simple goals."

Beyond doubt we live in a questioning age. All over the world people are looking dubiously at established institutions—hopefully at new ones.

On the negative side we know that we simply cannot afford the consequences of industrial conflict. We cannot allow the terrible danger of class consciousness to weaken our internal structure. We cannot permit the collapse of the world economy. We dare not let hunger and poverty lead millions into communism.

All true. But, on the positive side, let us consider not what we have to lose but what we have to gain. Why should our policies be dominated by a negative dread of communism instead of a positive confidence in America? As Gardner Cowles said in a recent significant speech: "No one flees toward Russia." Communism is a dream. It has never worked and it never, in my opinion, will work. America is the symbol of an active reality which has already accomplished more for human betterment than any system on earth.

There's the real challenge.

All the raw materials of a great future are at hand for the American people and for the world. People want leadership. People need hope. They want to hear from us about plans and progress. They want to help us build a better future. They want to be on the team—not just with it. And if we have confidence in our system, in ourselves, and in those who work with us—and if we give the facts—we cannot fail.

Marshall Foch once said: "The most powerful weapon on earth is the human soul on fire." Can't we unleash the constructive impulses of people in a war on poverty and misery in a drive toward peace and plenty?

The process, to repeat, begins here at home in the places where people work. It calls for (1) management self-analysis; (2) written personnel policies; (3) functional representation of those policies at the highest levels of management; (4) constant striving for ever higher standards of personnel administration with emphasis on management personnel; (5) analysis of employee attitudes and elimination of genuine causes of dissatisfaction.

And of these the greatest is management self-analysis. Are we building? Are we striving to improve the system we represent? Are we vindicating ourselves as leaders of people? Do we believe in the creation of human satisfactions as well as in the creation of things? Will we discharge the responsibilities as well as the prerogatives of leadership? Will we act in time?

On the answers to these questions, I believe, will depend the future not only of free labor and free management in America but of freedom itself in the world.

Labor and the St. Lawrence Waterway

EXTENSION OF REMARKS
OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Friday, January 16 (legislative day of Wednesday, January 14), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the RECORD an address on the subject Labor and the St. Lawrence Waterway, delivered by Mr. Matthew Woll, vice president of the American Federation of Labor, before the New England Projects Conference at Boston, Mass., January 12, 1948:

LABOR AND THE ST. LAWRENCE WATERWAY

When the St. Lawrence seaway proposal came before the American Federation of Labor for consideration in 1940 it met with emphatic disapproval. A special committee had then been appointed, of which I was chairman, together with its secretary-treasurer, Mr. George Meany, and vice president, Mr. George Harrison, to inquire into the report on this subject to the executive council of the American Federation of Labor. Our committee unanimously reported opposition to the construction and maintenance of the St. Lawrence deep waterway and power project.

This report received the unanimous approval of the executive council and of the American Federation of Labor. Its findings and decisions have not been altered, changed or modified since. To the contrary, time and subsequent developments have not only vindicated and confirmed conclusions set forth at that time, but have strengthened

the soundness of the findings and decisions noted.

Today, in view of changing world affairs and relations affecting our national well-being and security, it is more important and urgent than ever that we refrain from venturing into an enterprise that can in no way profit our people but which does contain elements of grave danger to large sections of our working population, and undoubtedly will cause untold losses and hardships to business due to dislocations of some of our enterprises.

At the outset it is not to be assumed that labor claims for itself the right, nor does it seek to prevent public benefits merely because of an immediate and passing injury to the interests of labor. If the development of the St. Lawrence seaway and power project carried a great public benefit with only a slight impairment of the interests of a small segment of American labor, labor would hardly be justified in manifesting opposition. Labor, on the other hand, is an important, indeed, an essential part, of the American population. Its interests constitute a significant part of the general public interest.

If, therefore, it is doubtful whether the development of transportation and power by the St. Lawrence project would or would not benefit the country generally and at the same time it is clearly evident to inflict a clear and definite damage to certain localities, certain business enterprises, and to large and important segments of American labor, then the enterprise should not go forward.

It is only speculative oratory that presents a doubtful general public benefit. Contrarywise, there is evidence in abundance to prove injury will be inflicted on specific localities, specific industries, and specific segments of labor if this enterprise is to come to pass. That is exactly the case with the St. Lawrence seaway and power project.

Let us assume, for purpose of argument, that the 7-month canal proposed could, and would, take care of the transportation needs of the country as well—that is to say as cheaply—as the 12-month railroads, bus, and trucking industry and that transmitted water power would be as cheap through the area as local power from steam and/or oil plants. Where does that leave us?

A recent publication of the Department of Commerce evidences that the proposed canal would not only undermine but actually render useless the Port of Buffalo, its mills and grain elevators, and build up Montreal as a shipping point. It also makes clear that the small lake carriers would go into the scrap heap and that ocean shippers from the Canadian Port of Montreal—probably European bottoms—would carry grain from Montreal to Liverpool, bypassing the Port of New York as well as of Buffalo.

This report throughout shows, not only for the grain shipments but for Brazilian and Cuban ores, that Montreal would be built up as a transshipping point, that oil tankers from abroad would change bulk at Montreal or supply pipe lines at that point.

Montreal would be built up as a coal handling center and jobs would be created for the port-labor of Montreal at the expense of the port-labor of New York, Buffalo and other American ports.

To accomplish this destruction of our industries, trades and callings, and do an irreparable injury to some of our cities and populations, it is proposed that an enormous amount of funds be supplied by the American taxpayers. In addition, the bulk of work entailed is to be performed in Canada, employing Canadian labor and using Canadian materials in the construction itself. Every consideration—approached from an American point of view—leads to the conclusion of inadvisability of entering into an enterprise of this character.

This proposal is not only inequitable and unfair in that it enriches Canadian interests at the expense of our home industries; it likewise unjustly discriminates against home interests having so largely contributed to our national growth and well-being. Moreover, it seriously affects the employment opportunities of a large segment of our American working population in favor of an extremely doubtful and temporary advantage to a few commercial enterprises and foreign interests.

It is of utmost importance to note that the St. Lawrence development is a high capital, low operating cost development while our railroads, our trucking and automobile industry and as well our steam and oil power plants are low capital developments with somewhat higher operating costs. What that means for labor is that the St. Lawrence project would give much employment during the 5 or 6 years of the construction period and that when completed, the party would be pretty well over as far as labor is concerned.

Our railroad plant and rolling stock, our trucking and automobile facilities, and our oil and steam-power plants, on the other hands, are continuously expanding to meet the market needs which provide a constantly increasing high and continuous employment without time limit to the labor that maintains and operates these enterprises and systems.

The coal miners, the railroad crews, the truck and bus workers, the operators, distributors, and maintenance workers of our oil and steam powerhouses—all these constitute a very large segment of our population. They represent just about the highest type of stable and of steady labor in the world.

Assuming the total cost, throughout the life of the St. Lawrence project, would be precisely the same for construction and operation as the total cost in the same period for construction and operation of railroads, bus, and trucking, erection and operation of steam and oil powerhouses and the labor employed, nevertheless, the timing element would be entirely different. With the St. Lawrence, it would be feast followed by famine.

The huge expenditure on the St. Lawrence project—if undertaken will be made largely by employing first one trade, and after completion of their work followed by another and still another, etc., successively turning each group of workers loose to shift for themselves. These men would be attracted from their homes. When finished in their work, they would largely become floaters and add to a growing itinerant class. Their families, if any, would either have to pull up roots or be separated from the head of the family. This is not the habit nor the wish or desire of American workmen.

Moreover, the steadily increasing round-the-year employment of workers of the railroads, bus, and trucking industries, the local steam and oil powerhouses means a much more real income for the American workers than the broken time which would go with field labor under interruptions common to construction problems due to the difficulties of coordination, work in the open, and particularly so under the rigors of northern winters.

It is self-evident that both the seaway and power developments involve gravely the future interests of the coal industry and its workers in both the United States and Canada. Their interests are menaced not alone by a possible and highly probable replacement of white power development, but also by a possible and highly probable rivalry at some future date when Russian coal mined by workers whose standards of living is far inferior to that of the workers of Canada and the United States will enter into competition with the coal industry of both the Dominion and the United States. Coal may easily be transported as ballast in foreign ships to Canadian ports and to the Great Lakes section on the American side, and thus add to the element of possible and ruinous competition from abroad.

It is quite true that in a progressive society there is ever-present a constant shifting of the character of employment and of property investments, including the rise and fall of communities and of peoples. However, one would hardly advocate substituting artificially, politically or by ill-founded legislation, one character of property investment and character of employment of a large section of the Nation's population and of industries for an extremely doubtful and at best highly limited field of investment and uncertain and unstable form of employment, and for the sole benefit of a comparatively small section of our national population.

It is not the miners, railroad employees, trucking, and automobile workers and those dependent upon these industries and enterprises for their livelihood who will be adversely affected by the St. Lawrence project. The La Follette Seamen's Act, passed for the express purpose of insurig fair wages and decent American standard of living for our seamen in the merchant marine is threatened by this proposal.

If this project is carried through, ships flying foreign flags will be free to engage in commerce between all the Great Lakes cities and the ports of Cuba, Mexico, and South America. What chance will American vessels have, paying high American wages, maintaining high standards of living, in competition with ships flying the French, Chinese, British, and Italian flags. The waterfronts of Buffalo and of other large American lake cities would ultimately become blighted because of this unfair competition.

Advocates of the St. Lawrence River power project would have us believe the competitive situation of our New England textile mills would be greatly improved by the purchase of electric power from the St. Lawrence River to the textile mills and other New England enterprises. As a matter of fact, the planners of the St. Lawrence project intend giving to general industry little if any share in the economies which they say it will bring about.

To that end, they have invented quite an ingenious soothing sirup for industrial power users in that they allege that an enlarged volume of residential and rural electric loads to be attracted by the St. Lawrence development will somehow produce savings in distribution costs which it is said can ultimately be shared with industrial customers. This is more than a snare and delusion. It might fittingly be described as a misrepresentation.

It is to be noted that the output of the St. Lawrence power from New York State to other States is of a doubtful character because of New York law and because of the inescapable cost of transmission. These requirements and provisions and limitations that are to govern make the service to be rendered in other States of a most uncertain and doubtful character—both as to the volume and as to cost.

With regard again to the textile industry, it is well known, of course, that power costs are already a small percentage of total costs. A further reduction of electric costs will and can not, therefore, provide any substantial help in competing with southern mills. The remedy in this regard is of a more complex and more difficult nature.

There is embraced in the whole of this proposed development and resultant trends by far the greater danger of giving impetus and an incentive to the furtherance of nationalization of railroads by reason of grave additional burdens imposed, excessive difficulties to be faced, and dangers to be encountered by our railroads in taking care of peak loads in time of inoperation of the St. Lawrence seaway and in the great loss of trade, patronage, and income to be suffered at a

time of operation of the seaway. Add to this the potential danger in the power proposal which may lead straightway to nationalization of the electric-power companies, if we take past performances of the Tennessee Valley as a yardstick, and one can immediately foresee and at a glance note the ultimate dangers to which we are heading.

Reference to a supplemental agreement signed last year by the Corps of Engineers and the Power Authority of the State of New York evidences that the State of New York is authorized to sell power in other States, but only to municipalities and to cooperatives in those other States. In other words, the free-enterprise systems in Vermont and New Jersey or other communities could not buy St. Lawrence power direct from the Power Authority of the State of New York. A little TVA, as a go-between, would have to be set up. The whole of the arrangement seems well designed to undermine the structure upon which our American economy has thus far been founded.

Then again, omission from the resolution, in any authoritative form, of a plan for the disposal of the proposed electric-power output is in line with absence of guiding principles for determining toll rates and disbursing toll revenues.

The supporters of the St. Lawrence project present a glowing but quaint, if not highly modernistic, picture of its contribution to the future building up of industry in the State of New York. That is absolute nonsense. From 8 to 10 times as much construction work and investments to pay for it have to go into the typical factory as into the power plant to supply its energy requirements. For high-grade industry the cost of the energy may run 2, 3, or 4 percent of the cost of running the manufacturing plant.

If the power could be had free, gratis, for nothing, it wouldn't be as great a help to building up industry and giving employment as could be had from a resassurance of the stability of our free American economy and the absence of unwarrantable governmental interference or of governmental competition. The canal and its power development would on both of these accounts injure the industry of the community.

The argument that the project is vital to national defense, on which proponents relied heavily, was completely demolished before the Senate subcommittee last year by the then Under Secretary of War, Kenneth Royall. He flatly said it is not vital to national defense. While affirming its helpfulness in that direction, he added: "The committee will note that the views I express are somewhat less positive than those previously expressed by the War Department. It would mean an added defense commitment which would require more men and equipment and money than would be necessary if the seaway were not constructed."

Those conversant with military affairs have clearly and definitely emphasized that that part of the country most vulnerable to enemy attack by rocket and bomber is the St. Lawrence section. One well-placed bomb, from rocket or plane, would wreck the project. Vice Admiral Wilson (former Navy Chief of Staff) and Major General Bradley (retired) testified before the Senate subcommittee that the defense value of the project had progressively declined in the last 15 years, and that on the score of national defense it could not be justified.

Were additional evidence necessary to support that testimony, it is to be found in the report made to Congress on December 1 by Brig. Gen. Joseph C. Mehaffey, Panama Canal Zone Governor. That report, concurred in by the Joint Chiefs of Staff, disposes of the national-defense argument.

Finally, what is the answer the advocates of the St. Lawrence seaway and power project give to all of these questions? Perhaps no better authority might be cited than statements and explanations made by one of its chief advocates; I refer to Senator GEORGE D. AIKEN, of the neighboring State of Vermont.

Ruth Montgomery of the Daily News asked the Senator about his plan to develop the St. Lawrence Valley industrially by bringing several million English citizens over there and colonizing them along the St. Lawrence. The Senator said, "Well, I didn't know that I had said anything about that to anybody," and then he went on to say that the stretch in the Province of Quebec, "could become the greatest industrial region of the whole world."

He was asked whether he would change our immigration laws to permit more people to come to the United States. That was a question of high political import which he dropped quickly by saying, "Well, they would come in on the Canadian side. The British would settle in Canada. They could do that. Canada could absorb 15 or 20 million of them."

Now that is all very well. But the Senator must have had in mind something more serious than the limited amount of power that the St. Lawrence would develop for New England if he was going to take care of 20 million Britishers.

However, what interests labor most is that he hopes to spend United States money in Canada to help make that part of Canada the greatest industrial region of the whole world and quite regardless of its demoralizing influence upon our home industries and those dependent upon them. The arch advocate of the St. Lawrence development has so far forgotten his New England that he would set up an industrial region in Canada to compete with the fine industries of New England and of the rest of the United States in the world markets, possibly even including the United States.

While interested and concerned in having the necessities of British labor taken care of in a very real way, one can hardly picture using United States money to hire Canadian labor to build up the greatest industrial region of the whole world in order to make ghost factories out of our high-grade American enterprises at the same time killing off American railroads, injuring our own bus and trucking industries, undermining our coal mines, depopulating our American ports, destroying some of our American cities, and inflicting an irreparable damage to the wage earners of America.

The St. Lawrence Seaway

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Friday, January 16 (legislative day of Wednesday, January 14), 1948

Mr. WILEY. Mr. President, my attention has been called to an editorial which appeared on Monday, January 5, 1948, in the Detroit News, on the important subject of the St. Lawrence seaway. As my colleagues know, this subject is scheduled for consideration before the end of this month. I ask unanimous consent that the text of the editorial be printed in the Appendix of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IT IS TIME TO STOP FIDDLING

Senator WILEY, of Wisconsin, urging early action on the St. Lawrence seaway, said Congress has "fiddled around with this measure for 14 years."

It has been far more than 14 years, and "fiddling" inadequately describes the shrewd obstructionism of interests opposing the project. However, we follow the Senator without difficulty and understand the feelings that inspired his outburst.

Here is a project advocated by every President since Taft as promising vast benefits to the Nation, and particularly, of course, to this Great Lakes region.

Here is a project whose promise again and again has been proved by actual events.

In both World Wars, for example, it would have saved untold millions and, by official estimate, speeded victory.

It would have enabled direct ocean shipments from war industry centers to war theaters and added Great Lakes shipyards to the twice narrowly won effort to outbuild the U-boat threat.

At the present moment, its contribution of 2,200,000 horsepower of hydroelectric energy would be answer to the approaching menace of a national power shortage. It would ease, as WILEY says, the strain on our overseas shipping capacity and solve out of hand the Midwest shortages of fuel, gasoline, and building materials.

Here is a project more than comparable to the Panama Canal as a national asset, a project that, built in the beginning, would have paid for itself over and over.

And here is a project that, after 30 years, remains unbuilt—because its great promise has been seen as a great threat by vested interests opposed to progress and change.

The power, transportation and commercial interests that have opposed the seaway have not "fiddled".

They have fought with every tool, including a lavish use of money, known to the propagandist's trade.

They have succeeded in convincing millions that a project urged by seven Presidents is only a dream—even while they fought it for an obviously contrary reason.

There truly has been "fiddling" aplenty in the seaway's long history, though all on the part of its advocates.

Congressmen from the Great Lakes States have fiddled, while the project's enemies have been busy. The Congressmen have fiddled because people back home, succumbing to a kind of battle fatigue, also have fiddled. They have been silent when they should have been shouting their own demands for action.

The future of this whole area and its citizens depends on the seaway—most literally, now that Great Lakes iron ores are nearing exhaustion.

The future of the Nation may depend on it, for in a new war the seaway readily could represent the margin between defeat and victory.

It is time to stop fiddling and start demanding. It is time Detroiters in particular begin demanding of Michigan Congressmen that they win this fight.

Censorship Through Fear

EXTENSION OF REMARKS

OF

HON. GLEN H. TAYLOR

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Friday, January 16 (legislative day of Wednesday, January 14), 1948

Mr. TAYLOR. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a brilliant and courageous article, Censorship Through Fear, by William Wyler, which appears

in the December issue of the Screen Writer. Mr. Wyler, as we all know, is one of the outstanding directors in the motion-picture industry, and is the director who has won the last two academy awards.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CENSORSHIP THROUGH FEAR

(By William Wyler)

The demand for Federal censorship and house cleaning of the film industry is predicated on the assumption that Hollywood is dominated by Communists. The Hearst press claims: "So, of course, there has been a continuous and persistent production of communistic films."

Of course, this is one of the grossest misstatements of fact ever perpetrated by newspapers of large circulation.

It would not have been possible to make this statement had it not been for the groundwork of the Motion Picture Alliance and the House Committee on Un-American Activities. Those groups have been making this unsubstantiated claim for so many months that by now the mere repetition in print of the words "communistic films" causes people to believe there are such films.

Responsible opinion in the industry and in such sections of the press as the New York Times and Herald Tribune knows that such a claim is the sheerest nonsense. If there were any pictures which even attempted to undermine the American way of life, it would be impossible to keep them a secret.

So, of course, there is absolutely no need for Federal censorship.

The demand for it, as well as Mr. Thomas' demand that the industry clean house, is designed to keep all liberal and progressive persons off the Hollywood pay rolls, and to make sure that the films produced conform to Mr. Thomas' and Mr. Hearst's peculiar and arbitrary standards of entertainment and Americanism.

I use the word "peculiar" advisedly. To me, persons who attempt to destroy the basic safeguards of American freedom guaranteed by the first amendment to the Constitution, in the name of preserving that freedom, have a peculiar view of Americanism, to say the least.

But of more direct concern to me than the future danger of censorship is the present danger of self-censorship through fear.

An incipient form of blacklist already exists. Some producers would just as soon "play it safe" and not hire certain writers with a known progressive background. "Why look for trouble? Why hire someone who might be subpenaed by the Thomas committee?"

Also, some producers are starting to eliminate "doubtful" stories, scenes, and lines. By "doubtful" they mean controversial. So prevalent has the fear become that these producers are beginning to doubt their own patriotism, or their ability to determine what is patriotic.

My answer is that by playing safe, these short-sighted producers are accepting the standards of the Thomas committee and are merely inviting further trouble. The men in and out of public office who have attacked our industry would like nothing better than to have the Producers' Association adopt a hush-hush policy.

Unless these two trends are sharply reversed, this self-censorship will destroy our free screen, result in financially unsuccessful pictures, which in turn will affect the livelihood of every man and woman who works in the studios.

As far as I know, there has never been any way to preserve liberty and individual rights except by openly attacking any attempt to curtail them.

Our Congress

EXTENSION OF REMARKS

OF

HON. RAYMOND E. BALDWIN

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Friday, January 16 (legislative day of Wednesday, January 14), 1948

Mr. BALDWIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Our Congress," published in the New York Daily Mirror for January 12, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OUR CONGRESS

O for the good old days when Congress delivered grandiloquent addresses on the tariff and similar simple matters.

Nowadays each Senator and Congressman must be an expert on the state of some 50 countries.

He must know the policies and purposes of ibn-Saud and Tito, of Pauker and Hoxha, of Chiang Kai-shek and Mao Tze-tung. He must know the geography of Pakistan and Turkestan, of Iran and Iraq, of France and Greece.

He must be a walking State Department and he needs to be able to discover when an employee of the Government of the United States is practicing diplomacy on him—diplomacy being the gentle art of lying about trivialities and fabricating about major issues.

He must be a super FBI to discover the wiles of the hired hands who pad the pay rolls and other Government expenses.

He must know that the teeth of the children of Georgia require dentistry and that foot-and-mouth disease threatens our food supply. He must know the value of a super air fortress over a submarine.

And so the Senators and Members of the House of Representatives no longer come to Washington for a few weeks of each year. They have an all-year-round job.

Those who take their committee appointments seriously never finish their work. It goes on and on.

And when smart-alecks talk about congressional junkets to Europe or Asia or South America, they give the impression that these representatives of the American people vote themselves fancy vacations.

It is precisely the opposite.

This year more than 100 Members of Congress traveled in Europe and out of it came, for one thing, the work of the Herter committee—the most solid study of the so-called Marshall plan.

It is no longer possible for the little fellows in the State Department to bluff the Congress by hiding reports and not knowing how to answer questions. Plenty of Members of Congress are better informed than plenty of so-called experts.

An excellent example of that was on the Town Meeting of the Air a few days ago. William C. Bullitt and Congressman Walter H. Judd were debating Owen Lattimore and Richard Lauterbach on the subject of China.

Lattimore is one of the smart experts close to the White House in Roosevelt's day; now director of the Walter Hines Page School of International Relations at Johns Hopkins University.

What Congressman JUDD did to Lattimore in this debate should not happen even to one who is not an expert.

JUDD knew. Lattimore opinionated.

JUDD hurled facts at Lattimore which he and Lauterbach dodged. And when Bullitt hit an intellectual solar plexus, you could hear it all the way between New York and Nanking.

The American people are to be congratulated on their Congress. No harder-working men exist anywhere. And they are truly representative of the varieties of Americans.

Maybe some New Yorkers do not like some Congressmen who come from the South and West—and it is certain that lots of folks in the South and West dislike some New York Congressmen. But that is the kind of people we are, and the Congress mirrors the nature and character of our people.

Maybe the good old times were easier or even better—but for what we face today, it is sound to put your trust in Congress.

Disabled American Veterans' Program

EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks, I obtained consent to insert in the CONGRESSIONAL RECORD a statement made by Mr. John L. Golob, national commander, Disabled American Veterans, before the Committee on Veterans' Affairs on Monday, January 19, 1948. The very sincere and comprehensive statement follows:

As national commander of the Disabled American Veterans, I want to express the appreciation of our organization for the opportunity to present that part of our major legislative program which will be considered by the Committee on Veterans' Affairs. Today we are observing a traditional annual custom wherein the commanders of veterans' organizations appear before you in turn to submit the highlights of their legislative programs, and as we understand it, there will be hearings on some of these measures at later dates.

There is no real necessity for me to outline the purposes of the Disabled American Veterans to members of this committee, but, for the record, I might say we are a congressionally chartered organization which has been in existence since 1920. Our membership is confined to the war wounded and disabled veterans. Our aims and efforts are directed to assisting them, their dependents, and families of deceased veterans. We have some 400 full-time paid national service officers throughout the Nation to assist all disabled veterans and members of their families.

During the first session of the Eightieth Congress this committee favorably reported a number of legislative proposals. If we are to have completed congressional action on these, and such other bills as may be reported by your committee before adjournment, it will be necessary for the House to consider them at an early date. The Senate must yet act upon some of them. We are appreciative of the fact that during the first session of this Congress your committee favorably reported a number of our legislative proposals and it is earnestly requested that you take the steps necessary to see that they are brought to the floor of the House.

Included in these measures which have been favorably reported and which the DAV has adopted resolutions to support are:

H. R. 3016, authorizing the Administrator of Veterans' Affairs to furnish stenographic assistance for the use of paid, full-time representatives of organizations recognized by

act of Congress, and who have been assigned office space in the Veterans' Administration.

H. R. 3748, to increase service-connected death rates of compensation for widows, children and dependent parents of Spanish-American War, World War I and II veterans.

H. R. 3889, to establish by statute a presumption of service connection for certain enumerated chronic and tropical diseases which are shown to exist within 1 year from discharge from active service, or within the incubation period of such tropical diseases.

H. R. 4242, to increase annual income limitations governing the granting of pensions to veterans and death-pension benefits to widows and children of veterans.

H. R. 4243, to provide for a disability rating of 100 percent for arrested tuberculosis for the first 2 years of arrest, then 50 percent for 5 years, with a minimum thereafter of 40 percent for those diagnosed as moderately advanced or less.

In addition to the foregoing favorably reported bills, there is another measure still pending before your committee which we consider of prime importance. It is H. R. 2716, introduced by Mrs. ROGERS, which provides for the payment of an allowance to the dependents of service-connected disabled veterans. Letters reaching our Cincinnati and Washington offices reveal many deplorable conditions existing among the families of disabled veterans, particularly where such families are attempting to exist on disability compensation checks. We have made a Nation-wide survey on this subject, and at the time of hearings on the dependency-allowance bill, we shall submit detailed information pertaining to individual case histories to show the extreme hardships many of these families are undergoing. During wartime Congress considered the plight of soldiers' dependents and made provisions for payments to his wife, children, or other dependents in excess of his base pay. We are now asking that the veteran receive similar consideration.

I would like to cite at this time one typical example to show the pressing need for this legislation. Just the week before Christmas our Washington office received a telephone call from Walter Reed Hospital. A master sergeant, married, with two children, was being hospitalized there. With his allotments and combat infantry pay he received $269 per month. He had been in the Japanese death march and suffered from recurrent draining osteomyelitis. It was the hospital authorities' opinion that this veteran should be discharged to a Veterans' Administration hospital where he could receive the same medical treatment as he is receiving at Walter Reed General Hospital. These veterans are being discharged because appropriations have been cut and all patients with chronic disease or injuries that are in need of further hospitalization are going to be discharged shortly after the first of the year. In this case the master sergeant on being discharged from the Army would receive $138, or $131 less per month, and because of the nature of his disability would be unable to work. This is but one example of thousands of such cases. The DAV pleads with you to consider H. R. 2716 at an early date and to report it favorably to the House.

The members of this committee are fully aware of the tremendous increase in the cost-of-living index in recent months, until now it is estimated that a family of four must have an income of about $3,400 per year to live. This is more than double the compensation received by a totally and permanently disabled veteran.

There are many other bills pending before your committee which have our endorsement but as to which no hearings have been held. One of these is H. R. 1279, authorizing the insertion in the rating schedules of the Veterans' Administration a minimum rating of permanent partial 10 percent for wounds incurred in line of duty during World War I or II. We recommend the early passage of legislation to increase the subsistence allowances for men training under Public Law 16. We also urge the immediate construction of the many veteran hospitals now in the blueprint stage. This is an urgent need of the disabled veteran.

Legislation should be enacted to rate a veteran on entering a Veterans' Administration hospital as 100 percent disabled for the duration of his hospitalization.

Another major objective of the DAV is to assist disabled veterans to find suitable employment. The end result of the aid and assistance needed for hospitalization, rehabilitation, and vocational training is the ultimate absorption of the disabled veteran into suitable employment. To accomplish this transition every possible assistance must be given him and the DAV has adopted a national employment plan, coordinated on the National, State, and local levels to bring about the disabled veterans placement in suitable, gainful employment.

Large numbers of disabled veterans will require service and assistance of various kinds over a period of years.

The peak service load of compensation for disabled veterans of World War I was not reached until November 1941. It is estimated that the service volume for World War II disabled veterans will reach its maximum around 1968.

The Disabled American Veterans, chartered by Congress to cooperate with the Veterans' Administration, is particularly qualified and equipped to handle the problems of these men, from the time they leave the hospital until they have been placed in suitable jobs.

Indicative of the manner in which the DAV employment program is being received, I would like to read several short quotations from some of our outstanding, nationally known businessmen. Robert R. Wason, past president, National Association of Manufacturers, stated: "The DAV is not appealing for your sympathy nor to your patriotism, but is presenting a practical plan for making useful, independent citizens of our disabled veterans. It is to be commended for its excellent work." H. W. Anderson, vice president, General Motors Corp., has stated: "General Motors' experience has demonstrated that successfully placed handicapped workers cease to be handicapped from the standpoint of earnings and productivity." Henry Ford II has stated: "No man at the Ford Motor Co. is disabled * * * there are 6,286 men and women who are physically limited * * * all of them have handicaps similar to those we find in many returning veterans * * * every one of these employees does a full day's work * * * receives a full day's pay * * * their absenteeism and accident rate are considerably lower than those of other employees. No jobs were created for them. Instead they were fitted to the job."

Our last national convention adopted a well-considered program pertaining to employment of the service-connected disabled veteran. It is too lengthy to submit in detail, but some of the outstanding points of that program include:

1. Extend effective preferences for veterans, their wives, and widows for all governmental jobs for which qualified.

2. Condemn efforts to remove benefits already extended by Congress by Veterans' Preference Act of 1944 or other laws.

3. Amend the Veterans' Preference Act to grant 10-point preference to widowed unremarried mothers of any deceased person who died while actively serving in the United States armed forces, or of a veteran who died of a service-connected disability, or of any war veteran who is permanently or totally disabled.

4. Liberalize regulations of the United States Civil Service Commission relative to reductions in force, suspensions, transfers, dismissals, demotions, and reinstatements.

5. Liberalize civil-service retirement.

The DAV strongly advocates the enactment of legislation to authorize and direct the Veterans' Administration to make reimbursement to the several States, all State workmen's compensation benefits paid out under the provisions of any workmen's compensation act for compensated service-connected disabled veteran employees.

While not a subject for consideration by this committee, we look to this session of Congress to provide the necessary funds so that the Veterans' Administration may furnish efficient and adequate service to the veteran and his family.

Immediately prior to the convening of this session of Congress it became necessary for me as commander of the DAV to call to the attention of the members of the Appropriations Committees an existing deficit in the Veterans' Administration. This letter reads, in part, as follows:

"Following complaints reaching us from various sections of the country, we have conducted a survey which discloses the fact that out-patient service, including medical treatment and necessary physical examinations of America's wartime service-connected disabled, has been sharply reduced and restricted. This is due to a reported shortage of approximately $32,000,000 allocated to this phase of the medical program to complete the current fiscal year.

"We are convinced that you, too, believe that the required medical treatment of America's war disabled is as important as any action this Nation may take toward the care and rehabilitation of Europe's war refugees. With this thought in mind, we ask that you urge the convening Congress to act immediately to clear up an unfortunate condition, lest its continuance prove disastrous to thousands of our own war disabled."

This will be a subject which will be considered by the House and Senate Appropriations Committees, but we know the deep interest that each member of this committee has in the proper functioning of the Veterans' Administration. We hope the expert knowledge possessed by you in this field will be passed along to members of these Appropriations Committees.

Another bill before your committee which has our endorsement is H. R. 486, to provide follow-up out-patient treatment for war veterans with non-service-connected disabilities following hospitalization for such disabilities.

The Disabled American Veterans, like most veterans' organizations, adopts a large number of resolutions at our annual national convention, but one of our most important mandates requests that "First things should be done first." This in Disabled American Veterans' language, means adequate provision for America's wartime service disabled veterans should be a primary obligation of our Nation.

We are hopeful our national defense will be maintained at the necessary level to deter future warlords against acts of aggression or transgression. We hope our national security will be strengthened through appropriate laws to protect our free American institutions against the subversive forces within our midst.

Housing for veterans should receive immediate attention by the Congress in order to alleviate the deplorable conditions in which the veterans, their families, and dependents are required to live. Our resolutions on housing, while general in nature, urge the Congress to adopt a realistic housing program which will make available adequate, low-cost, multiple rental units in sufficient quantity to satisfy the demands of the veteran. In addition the resolutions urge the Congress to protect the disabled veteran by providing proper preferences or priorities for him. In this connection, however, we are not in favor of loading additional administrative duties on the Veterans'

Administration which will result in a decrease in the service now being rendered the disabled veteran.

The Veterans' Administration was established primarily for the benefit of the service-connected disabled veteran, and any lessening of that service due to excessive administrative functions not directly attributable to such prime objective will be strenuously opposed by us.

I have outlined some of the major points of our legislative program. The past record of your committee indicates you are sympathetic to the cause of the veteran and his family. We believe you will continue your considerate attention. With this hope, I again express my appreciation to the chairman and members of the committee for this opportunity to meet you and to appear before you.

LEGISLATIVE PROGRAM OF THE DISABLED AMERICAN VETERANS, 1947–48

I. Preserve America and its freedoms by (1) maintaining adequate specialized, modernized armed forces, backed up by an adequate reserve of trained young men, through universal military training; (2) such preparedness for war as will best preserve our peace; (3) cooperating with our allies to enforce the preservation of peace; (4) protecting our representative form of government against subversive forces and influences; and (5) so promoting our democratic institutions and methods as to accord equalized opportunities for all Americans.

II. Promote welfare of America's disabled defenders by (1) greater uniformity and simplification as to their various types of benefits; (2) providing living-cost allowances for their dependents; (3) increasing all compensation and pension payments proportionately to increases in the cost of living; (4) providing adequate hospitalization and medical treatment for all extending their disabilities; (5) of equalized opportunity for their suitable employment by (a) requiring the Veterans' Administration to make reimbursement of all benefits paid, under the operation of any State Workmen's Compensation Act, as to any service-disabled veteran employee, and (b) by greatly extending their opportunities for vocational training and permanent employment with Federal agencies.

III. Promote the welfare of the dependents of service-disabled veterans by providing living-cost pensions to the widows, children, and dependent parents, (1) of those who shall have died while serving actively in the armed forces of the United States or by reason of service-connected disabilities, and (2) of those who, during their lifetimes, were handicapped by compensable disabilities.

IV. Promote the welfare of America's war veterans by (1) extending social-security credits to them for all of their military service; (2) more effective preferences as to all governmental employment; (3) hospitalization and domiciliary care for all those in need thereof; (4) greater liberalization and uniformity as to all governmental insurance policies; and (5) living-cost pensions for those who become unemployable.

The World Problem We Face

EXTENSION OF REMARKS

OF

HON. ARTHUR CAPPER

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Monday, January 19, 1948

Mr. CAPPER. Mr. President, I send to the desk and ask unanimous consent that there be printed in the Appendix of the RECORD an interesting and timely address by John Cowles, of the Minneapolis Star and Tribune, entitled "The World Problem We Face." Mr. Cowles recently visited Europe.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

After I had consented to talk to the Life Insurance Association of America on such a sweeping subject as The World Problem We Face, I began to realize what a presumptuous title that was.

I also began to realize that life insurance executives, by the very nature of their business, are accustomed to deal in concrete facts rather than loose generalities. Life insurance is based on actuarial tables, not rhetoric. Consequently, I am going to be as specific as I can in discussing the world problem as I see it.

I believe all of us would agree that our aim is to try to sustain and strengthen freedom in as much of the world as we reasonably can, in the interest of our own national security if nothing else.

We are preparing to spend billions of dollars in an unprecedented effort to bring about those conditions whereby we may have European and consequently world economic recovery, peace, and prosperity with individual freedom.

The problem is how to make our efforts effective, so that there will be at least a chance that we may be successful. I believe there are widespread misconceptions in the United States about some phases of the problem and I want to discuss those in some detail.

Of course we should give to France, Italy, and Austria at the earliest possible moment, food, fuel, and fertilizer as emergency stopgap aid. If we did not do this, there would be extreme suffering this winter. In addition, the slowing down of production and employment as a result of the lack of food and fuel might result in such social and political disintegration as to make probable a successful seizure of power by the Communist minority.

Congress should also appropriate immediately perhaps $50,000,000 additional for the United States Information Service, and our State Department personnel engaged in this activity should be completely overhauled and reorganized. The Voice of America should be enormously expanded. It is now little more than "the whisper of America." We should tell the people of Europe what we have given and are giving in food, fuel, and fertilizer. Wherever possible, our products should be marked with the American flag. Russia has claimed credit for much of the aid that we have sent, either directly or through UNRRA, to Europe. Few Europeans have any idea of the volume of aid America has furnished and is furnishing.

Byron Price, who is now the Assistant Secretary General of the United Nations, should be drafted to head our United States Information Service. Price did a superb job with the Office of Censorship during the war and has the confidence of Democrats and Republicans alike. If American newspaper editors were polled as to who in America was best fitted to head the United States Information Service, I believe Price would receive more votes than all others combined.

Since we are obviously engaged in fighting a cold war with Russia to win men's minds in Europe, there is little point in feeding their stomachs if they think that Russia is their benefactor.

Much of the press on continental Europe is now, as it always has been, venal and corrupt. Many editors or owners are now on the Russian pay roll.

We need a competent, hard-boiled organization in Europe, to get to the people with the facts about the United States and about Russia.

Our Government also should have ample funds to support and protect those political leaders and their families, now living inside the iron curtain, who would rejoice at a chance to escape to a place of refuge where they could tell the world of the Moscow terrorism, without endangering their lives.

An American like Gen. "Wild Bill" Donovan, who successfully organized and conducted OSS during the war, would be invaluable in the American set-up in Europe.

We should also be doing much more to get the people of western Europe the facts about conditions behind the iron curtain.

We should tell them, day after day, of the millions of slave workers in Russian concentration camps. We should tell them the fact that Russian workers are only a fraction as well off, in terms of what their wages will buy, as are the poorest people in America. We should tell them how the Russians have looted the countries that have gone Communist.

We should do everything possible to unify the American, British, and French zones of Germany and to get western Germany to producing again. Before the war, the Ruhr was second only to Britain as the source of coal for Europe. Recovery in western Europe is impossible until German coal and steel production is greatly increased.

Before we can make sound decisions to the long-range Marshall plan, we should disabuse our minds of various fallacies and misconceptions. Here are some of the things Americans need to understand:

Terrible as the war destruction in Europe was, the problems confronting Europe today stem less from the physical ravages of the war than from the ideological consequences of the war years.

The economic policies which almost all the European governments are following today are actually retarding recovery. These policies are based in part upon the sincere but mistaken views of the governments currently in power. They are based in part upon the fact that the governments are too weak politically to do anything other than continue on their present course, even though they may privately recognize its unwisdom. The Communists, moreover, in their determination to prevent western Europe's recovery, seize every opportunity to throw sand into the gears.

We should realize that it is naive to assume that we will necessarily stop the spread of communism permanently in western Europe simply by pouring in our dollars for a few years. Too many Americans suppose that bountiful financial aid will alone achieve that greatly to be desired result. Loans or gifts may help greatly, but most people are inclined to oversimplify the problem. We should rid our minds of the idea that there is anything even remotely scientific in the estimate of the Paris sixteen-nation conference that western Europe needs $25,440,000,000 to cover its prospective dollar deficiency and to provide currency stabilization in the next 4 years.

No one can have the slightest accurate information as to what the cost would be. It depends upon the future economic policies of the different governments, the weather and crops in the next 4 years, the world price level, what actions the Communists may take, and many other unknown factors.

We must not think that most Europeans understand our motives in connection with aid to western Europe—they do not. Many officials and businessmen in Europe regard the Marshall plan as a clever scheme whereby the United States, under the guise of altruism, can export unmanageable surpluses, and

in that way, postpone a serious price recession and business slump in America. Europe has not the slightest understanding of the fact that the commodities which we are sending abroad are contributing to our serious price inflation here at home.

We should abandon the widely held idea that we ought not to attach conditions or stipulations to our aid. It is senseless even to consider large-scale aid unless we do attach conditions, and thus give ourselves a chance, at least, to accomplish our purpose. Aid from the United States will have only a temporary value, if that, unless the country aided changes the policies that are retarding or preventing its economic recovery.

I think it is a mistake to maintain the fiction that the funds that we advance under the Marshall plan are loans which presumably will be repaid. I don't believe that they will be repaid, and I believe that we will clarify our thinking if we will regard them as gifts.

In my judgment, there is little chance that the Marshall plan funds will produce economic recovery in western Europe unless we use the gift of those funds as incentives to persuade European nations to change those economic policies which are now impeding recovery.

The agreement made by the 16 countries at Paris should be an integral part of any arrangements we make with the separate nations.

In the Paris agreement each nation, at least in general terms, undertook to do certain things and to cooperate in certain ways for the recovery of western Europe. If a nation is not doing what it promised to do, and if it is not meeting its production targets, we should be in position to turn off the spigot and stop further aid.

Great tact and diplomacy, in addition to basic economic intelligence, will be required of the individual who has charge of our European aid program. Lewis Douglas, the American Ambassador in London, could probably perform this function better than any other individual.

Perhaps the single most important thing that western European nations could do to stimulate production and trade would be to devalue and make their currencies freely convertible into other currencies. Italy recently did this. Almost all of the other European currencies are now over-valued in relation to the dollar. They have fixed rates for conversion into the dollar and into each other that are completely unrealistic. International trade and production both would be enormously stimulated if the currencies were allowed to find their true levels.

Inflation is growing rapidly throughout Europe. We ought to insist that governments receiving American aid adopt policies that will stop or at least slow down the rate of further inflation. We ought to insist, within reason, that the European nations meet the production targets set up at the Paris conference.

By using our Marshall plan funds to persuade the European nations to abandon those price controls that are retarding production, we would also be helping to bring about real recovery. Artificially low fixed prices on wheat and an overvalued franc are perhaps the two basic things that are wrong today in France.

Of all the misconceptions held by Americans about the Marshall plan, none seems to me so preposterous as the assumption that it is "immoral" for us to impose conditions in connection with our huge financial gifts.

In addition to using our Marshall plan aid to persuade the beneficiary nations to remove those price controls that are retarding production and to end the overvaluation of their currencies, I believe that the sooner we end price controls and the sooner we devalue the currencies in western Germany and in Japan, the better.

Of course, we should also insist that civil liberties must be maintained in all the beneficiary nations as a condition of their receiving continued financial aid under the Marshall plan.

Congress should set up an independent agency, working under the general direction of the State Department, to procure all the commodities we intend to give Europe. By following a unified procurement program, we can minimize the inflationary effect as compared with permitting competitve bidding for American supplies by various foreign nations.

Congress ought to stipulate, moreover, that insofar as possible, we should spend the American dollars abroad, and not within the United States, to buy the commodities which we propose to give to Europe. If we can buy grain in Argentina, for example, instead of in the United States, it will reduce the serious inflationary situation that confronts us here at home.

The more one sees of Europe, the more one realizes that preserving a strong and sound United States is the single most important contribution we can make toward world recovery.

Some of the proponents of the Marshall plan seem to me hysterical in their attitude that we should pour $20,000,000,000 or $30,000,000,000 into Europe without imposing any real conditions and without any consideration of the effects upon the American domestic economy. I am interested in seeing the recovery program prove effective and, consequently, succeed. I don't believe it will succeed in bringing about economic recovery in western Europe unless we insist upon the European nations doing those things that are essential for bringing about recovery. I am sure, moreover, that there is a limit to the amount of aid that America can provide without serious risk of run-away inflation and a wrecked economy here at home.

There are strong reasons for believing that the amount of American aid which has been suggested is excessive. It is entirely possible that more good could be accomplished if the amount were substantially reduced from the totals suggested by Secretary of State Marshall and Secretary of Commerce Harriman.

Only a detailed analysis would disclose how much this reduction should be. It would be most unfortunate, however, for the public to assume that it is unpatriotic or an act of isolationism to suggest that the administration's proposals should be carefully scrutinized and probably reduced.

American aid can be extremely helpful in getting western Europe back on its feet if the aid is wisely given and if it is used as an incentive to encourage European nations to do those things which are essential for recovery.

Every American should understand, however, that simply pouring goods and dollars into western Europe, unless the program is administered with great wisdom and ability, will neither insure economic recovery nor stop permanently the spread of communism.

America will shortly make one of the most momentous decisions in its history. I hope we will give generous aid to Europe—extremely generous. But I also hope that we will be intelligent and realistic, as well as idealistic. Only by such an attitude is there much likelihood, I fear, that American funds will prove effective in bringing about real economic recovery in Europe. And unless our billions of dollars prove effective and do bring about genuine economic recovery, we can't have the peace and prosperity and individual freedom in the world for which America is striving.

Human Relations: The Key to Corporate Survival

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. JAVITS. Mr. Speaker, if our United States private economy is to prosper we must all remember that men and not machines will make it possible.

The following article entitled "Human Relations: The Key to Corporate Survival" by Howard Chase, director of public relations, General Foods Corp., is an excellent analysis of the effort to make average working men and women feel that they have a vital stake in our industrial economy:

HUMAN RELATIONS: THE KEY TO CORPORATE SURVIVAL

(By Howard Chase, director, department of public relations, General Foods Corp., New York)

A dozen approaches to this dramatic subject have convinced me that I have only three things to say:

1. In all the history of man the periods of freedom have been measured in years, but the periods of serfdom have been measured in centuries. If the values and traditions of a free people wither away, the free corporate structure cannot survive.

2. The sense of human frustration in the world today is the most dangerous enemy of freedom. Frustration does not bludgeon a man into slavery. Its attack is more insidious. As the vampire bat which sucks blood while its victim sleeps, human frustration undermines the will to be free and plants the seeds of blind rebellion.

Man, whose motivations and impulses are the grist for your mill, lives 24 hours each day. However convenient it may be to compartmentalize him into an 8-hour producer, a 4-hour consumer, and a 4-hour citizen, such a policy from the beginning of time has produced frustration.

My second point in essence, then, is a warning. Perhaps Alexander Pope best stated it: "The proper study of mankind is man."

The warning: Study the 24-hour man, study his consuming practices, to be sure, but also his hopes and aspirations, his family loyalties, his religion, his fellow-worker relationships.

With the analytical techniques at your disposal, you can be and should be advocates of seeing man whole. If you use your talents to that end, you become the enemy of human frustration, and thus your profession can become a great new supporting force for freedom.

3. My third point borders so closely on the obvious that I almost hesitate to share it with you. It is simply this: No human institution, whether it be a state, a church, a lodge, a labor union, or a corporation can survive for very long the sustained mass disapproval of man.

* * * * *

Now, how solid are the foundations of our system of freeman and free business? How solid is any human institution? There is a little story about a conversation between Mrs. Woodrow Wilson and Queen Mary which may be illuminating. Mrs. Wilson asked the Queen what she thought of freedom of the seas.

The Queen, who took British rule of the seas as a simple fact of life on this planet,

chillingly replied that she hadn't quite made up her mind about mixed bathing.

We know now that Britannia no longer rules the waves. A 300-year-old domination is ended; yet the British battleships, cruisers, carriers, destroyers, have never been so numerous nor looked so impressive—nor been so relatively impotent.

The American corporate business system of mass production is less than one-third the age of the once all-powerful British Navy. Like the fleet, it, too, has advocates who curiously resemble the doughty Queen—aware perhaps that new forces threaten old patterns and privileges. But they keep the stiff upper lip at all costs.

HYPNOTIZED WITH BATHTUBS?

Like the fleet too, the fabulous historical accomplishments of American business are written on the record. A dynamic business system has provided the steel sinews for victory in two great wars. The evidences of men and women cooperatively at work are everywhere about us in great cities, magnificent transport systems, the farms which are literally feeding the world, great educational and cultural systems which may be our temporary despair but which remain the envy of other peoples.

All these are the fruits of a corporate system, using the cooperative and freely offered services of freemen.

Why, then, has this business system lost steadily in the competition for men's minds and men's loyalties?

The tangible fruits of our common efforts, the brands, the things we make and deliver, are synonymous around the world with high standards of living. A so-called subsistence standard in America would be princely living for 75 percent or one and one-half billions of the world's people.

Is it possible that we have so exalted our ability to deliver brands and physical products that we have lost sight of the human needs of the 24-hour man?

Have we so hypnotized ourselves with bathtubs, telephones, central heating systems, and automobiles that mass production has become an end in itself, a kind of twentieth century worship of the golden calf?

Can it be that the American corporation, crying its wares and not a way of life, as the Pharisee cried his virtues in the public place, will suffer the Pharisee's infamy in history?

How is it, in the face of incontrovertible evidence, that what freemen produce is good, that the sands of despotism close in on the few remaining oases of freemen?

These questions I pose as worthy of your attention. It is important that 3 to 4 out of every 10 Americans are prepared to say yes to almost any question that reflects discredit on our corporate system. Any review of the process of historical change confirms its importance.

For instance, the phrase human relations is derived in part from humanism—and humanism represented a fifteenth century revolt from 1,200 years of dogma. In this revolt, western civilization broke through rigid medieval traditions of scholasticism and theology. The Encyclopedia Britannica says sweepingly, "This movement * * * is the parent of all modern development, whether intellectual, scientific, or social." The existence of your own profession is witness to the power of that revolt and the freedom of inquiry it made possible.

CAN CAPITALISM SURVIVE?

Certainly the high priests of feudalism swore that theirs was the best of all possible worlds. But mass movements toward greater dignity and freedom of the individual destroyed feudalism in the western world after 1,200 years of its existence. Many high priests of today's mass production cry out that this is the best of all possible worlds. Can we be sure that capitalism—an infant of less than 200 years—can survive a new human groping for spiritual satisfaction?

I propose that we have no such assurance and that only superhuman effort—first to comprehend human wants and aspirations, and then to move convincingly toward satisfying them—can prevent the tragic decline of a system magnificently productive of things.

I have wished from the beginning of this article that I could plunge into description of techniques by which tangible objectives in human relations could be obtained. I suspect you wish the same thing. But experience has taught me that ideas precede techniques—that long lists of shiny techniques with money-back guarantees are useless unless the spirit and heart and mind are the rocks upon which techniques are built.

Are we ready for techniques? Do we share with Tom Spates, the General Foods vice president of personnel administration, this belief:

"If those things which you hold most dear to your hearts as American citizens are to survive much longer, then something more than has been done up to now must be done if we are to retard progress of the creeping collectivism which is clogging the wellsprings of freedom in this land. I say to you with the conviction born of a quarter century of studious application to the subject of human relations that there is only one remedy left to cure this fatal malady. This last remaining remedy is stored in the heads and hearts of top executives of American business. It must be released and put to use—by the devotion of an ever-increasing proportion of their time to the problems of people—to the discovery of the human resources and liabilities which comprise pay-roll expenditure, and their transformation into an inspired team with unity and purpose."

This is the positive expression of a philosopher whose life is devoted to fighting human frustration of men at work.

THEY FELT EXPENDABLE

But what are the manifestations of frustration? An associate of mine told me about her experience in a New York department store. His fellow clerks said that the employees' cafeteria was run at a loss purposely by the company "so they can write it off on their income tax." The extra-low cost desserts were attributed to the bosses' desire to provide calories "so we'll work harder." That there was no other moderately priced food in the vicinity, that space devoted to the cafeteria could have been put to money-making uses—these facts went unappreciated. No one had assured these girls that they were anything but talking, selling, mechanical dolls. Above all, they felt expendable and they were rightly bitter.

Management had fallen far short in two ways in dealing with individual and mass frustration. First, we have failed for the most part to understand the basic needs and aspirations of people. We have been preoccupied by the unrealistic belief that men work for wages alone. A study just made in one of our own plants reveals that, despite a recent prolonged strike, there is an amazing residue of loyalty toward General Foods, greater than that expressed (in this study) by any other part of the community or the Nation. This holds although the majority of employees believe that another company may pay higher wages. The implication of the fact that men and women almost automatically tend to rate their company as a better place to work, as engaged in finer research, as making better products, as giving the public more for its money—these implications have not yet been understood or capitalized by American management.

The man with a job wants to believe that where he spends his working hours is the best place for him to be.

A JOB FOR EVERY DAY

The second failure of modern management is to tell its story, to identify its activities with the good life, to show by word and deed, not once a year but repetitively, that its goals are linked with the best interests of its employees, its customers, its owners, and the general public.

If I talk in parables and lean heavily on human experience in attempting to describe why human relations are the key to corporate survival, it is because from experience are derived the human attitudes. If these attitudes are positive and loyal to a system, they can and will support it through good times and bad. But if they are attitudes born of human frustration, any system that depends upon them is founded upon the sand and will fall.

A LOOK AT CITIZEN SAM

Gordon Allport describes Citizen Sam:

"Take, for example, Citizen Sam, who moves and has his being in the great activity wheel of New York City. Let us say that he spends his hours of consciousness somewhere in the Bronx. He wakens to grab the morning's milk left at the door by an agent of a vast dairy and distributing system whose corporate maneuvers, so vital to his health, never consciously concern him. After paying hasty respects to his landlady, he dashes into the transportation system whose mechanical and civic mysteries he does not comprehend. At the factory he becomes a cog for the day in a set of systems far beyond his ken.

"To him (as to everybody else) the company he works for is an abstraction; he plays an unwitting part in the 'creation of surpluses' (whatever they are) and though he doesn't know it, his furious activity at his machine is regulated by the 'law of supply and demand,' and by 'the availability of raw materials,' and by 'prevailing interest rates.' Unknown to himself, he is headed next week for the 'surplus labor market.' A union official collects his dues; just why he doesn't know. At noontime that corporate monstrosity, Horn & Hardart, swallows him up, much as he swallows one of its automatic pies. After more activity in the afternoon, he seeks out a standardized daydream produced in Hollywood, to rest his tense, but not efficient mind. At the end of the day he sinks into a tavern, and unknowingly victimized by the advertising cycle, orders in rapid succession Four Roses, Three Feathers, Golden Wedding, and Seagram's which 'men who plan beyond tomorrow' like to drink.

"Sam has been active all day, immensely active, playing a part in dozens of impersonal cycles of behavior. He has brushed scores of 'corporate personalities,' but has entered into intimate relations with no single human being. The people he has met are idler-gears like himself meshed into systems of transmission, far too distracted to examine any one of the cycles in which they are engaged. Throughout the day Sam is on the go, implicated in this task and that—but does he, in a psychological sense, participate in what he is doing? Although constantly task-involved, is he ever really ego-involved?"

And what is the effect of this life in terms of attitudes toward his business system?

Depth studies of Citizen Sams today reveal these prevailing beliefs:

1. Management is more interested in the dollar sign than in humanity.
2. Management manages without heart.
3. Management has to be forced to provide decent working conditions.
4. Management has to be forced by Government and by unions to share profits.
5. Management still makes fantastic profits.

A WAY TO LABOR PEACE

But where management has recognized Citizen Sam as a human being, where genuine effort has been made to make him feel

that he is an appreciated vital part of an important operation, where management has talked turkey about its problems in terms Citizen Sam understands, there has been greater labor peace, greater understanding, and ultimately better production. These are the fruits of an all-out planned attack on human frustration, the enemy of free man and free institutions. My third and last point, if you can remember that far back, was simply that neither your company nor the economic system you represent can survive if the majority of the people decide firmly that they disapprove of the cut of your jib.

If they disapprove, conflict is inevitable and cannot be legislated out of existence. In today's complicated and fast-moving society, conflict can only be resolved by communication between groups, and this Mayo refers to as "the outstanding problem facing civilization today."

HUMAN PROBLEMS FIRST

In no sense does this comment cast discredit on the technologies and the managerial, marketing, and sales skills that make mass production possible. It is another way of saying, however, that whereas in the past perhaps 95 percent of management's brains and energies were devoted to solution to technical problems, and only 5 percent—if that much—to human problems, in the future management of corporations that survive will devote the major share of their brains and energies and sympathies to human problems.

KEY TO CORPORATE SURVIVAL

I am convinced that this process of identifying business with the great goals of the human race, the great but simple goals, is all that can maintain today's free corporate system. We have achieved mass production, in peace and war, and nowhere have achieved mass serenity of the peoples of this land. Instead, we have only contributed to their growing frustration, their decreasing stability, their reduced happiness. Examine the knots and tensions in your own lives for evidence.

Let us never for one moment give up our magnificent technologies. But do let us use our every power to identify the owners and managers of those technologies with the simple goals—better education for everybody's children, better health and nutrition, better housing, better opportunities based on ability, more security for the aged and infirm, more respect for the opinion of any man who has opinions.

These are the qualities that add to human relations. These are the industrial goals to which today's brass hats, and those whose ideas will be around tomorrow, must pay first allegiance. The American people have never demanded perfection; they have mistrusted anyone who promises it. But they do demand from their industrial and political leaders the will to progress toward the great and simple goals.

The politicians have always understood this. Corporate survival depends on how quickly corporate management catches on.

To summarize once more, liberty and freedom are always on trial. Again and again they have been retired to the shadows where they gather rebellious strength during eras of human suppression; they are on trial today.

Secondly, the greatest asset of those who would destroy free men and free institutions is the sense of human frustration which we—in our mad rush toward technological, but not human progress—have allowed to develop. The future, not only of a business system but perhaps of western humanitarian civilization, hangs upon the willingness of today's men of business to concentrate their brains and energies into an all-out attack on human frustration.

It may be unorthodox to conclude with a definition. Be that as it may, the dictionary's first definition of "corporate" is, "Combines into one body; united." The second definition is, "Formed into a body by legal enactment." We can evaluate the success of our combined attack on human frustration if our fellow-workers in our shops and plants choose of their own free will to be "combined into one body; united."

For if they do, it will be a token that we will have played our role in the restoration of human satisfaction, in the restoration of stability. We will have given back to modern man what he most needs and wants: A sense of participation in a way of life, a dedication to a common cause in which every man can play a vital part.

Shipments of Heavy Industrial Equipment to Russia

EXTENSION OF REMARKS
OF

HON. HENRY CABOT LODGE, JR.

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Monday, January 19, 1948

Mr. LODGE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter from Charles K. Morrill, commander of the AMVETS of Essex County, Mass., relating to shipments of heavy industrial equipment to Russia.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COUNTY COMMANDER,
AMVETS OF ESSEX COUNTY,
Newburyport, Mass., January 5, 1948.

CHARLES A. ALLEN,
State Commander, AMVETS,
State House, Boston, Mass.

DEAR COMMANDER ALLEN: My trip to Washington, D. C., during the last week of the Eightieth Congress to make a personal protest of shipments of heavy industrial equipment to Russia and her satellites was a move of progress. While there I conferred with the State Department, Commerce Department, Armed Forces Committee, Senate Committee on Appropriations, Interstate and Foreign Relations Department, and numerous Congressmen.

Therefore, with the information I had received before going to Washington and the additional information I was able to obtain in Washington, due largely to the efforts of Representative GEORGE J. BATES, of Massachusetts, senior member of the Armed Forces Committee, I request that you bring the contents of this report to the immediate attention of the State executive board which meets on Sunday, January 4.

I would like to see that the Massachusetts Department of AMVETS receives full credit for starting this protest which originated with me on November 15, 1947, and was the first protest in the Nation to reach official Washington.

While in Washington, I also conferred with National Commander Edgar C. Corry. Commander Corry is calling a national executive meeting so that the national organization can take an official stand on shipments to Russia.

I offer the State executive board the following resolutions with all sincerity, as I feel that the world today is at the crossroads of civilization and that it will take the combined efforts of all World War II veterans to prevent a World War III.

1. That the United States Government curtail all shipments of heavy industrial equipment to Russia and her satellites.

(A) During the year 1946 we exported to Russia $352,000,000 of American products; $152,000,000 was in lend-lease items.

(1) Electrical machinery	$43,789,000
(2) Machine tools	41,307,000
(3) Internal combustion engines	15,214,000
(4) Mining and pumping machinery	13,856,000
(5) 290 steam locomotives	22,000,000

(B) During the first 9 months of 1947 we exported $113,683,722 to Russia.

(1) Lend-lease "pipeline" goods	$16,200,000
(2) UNRRA relief goods	31,900,000
(3) Machine tools	18,364,000
(4) Electrical machinery	14,252,000
(5) Mining, well, and pumping machinery	10,707,000
(6) Construction and conveying machinery	6,246,000

2. That the United States Government curtail all shipments of petroleum products to Russia and her satellites.

(A) Exports of petroleum products in 1946.

	Gallons
(1) Aviation motor fuels	42,000
(2) Motor fuel and gasoline	42,000
(3) Gas, oil, and distillate fuel oil	42,000
(4) Lubricating oil	42,000
(5) Residual fuel oil	42,000

(B) During the first 9 months the exports were in the same amount as in 1946.

3. That the United States Government issue no further credit to Soviet Russia.

(A) An agreement signed on October 15, 1945, granted the Russians a $250,000,000 credit covering the estimated volumn of goods still in inventory or procurement in the United States at that time.

(B) This credit was granted in order to enable American manufacturers to complete their Russian orders without suffering serious losses.

4. That the United States Government make public the list of individual firms that have been doing business with Russia during the current year through the cover-up of private purchasing agencies who have been acting on behalf of the Soviet Union so that the American people will know what firms are more interested in the dollar than in national security.

5. That the United States Government place a broader scope on export controls and final destinations of American products. At present only 25 percent of United States exports come under Government control; the other 75 percent is left up to the desecration of private business.

6. That the United States Government have an equal exchange of visas with the Russian Government. Over 3,000 unrestricted visas were granted to Russia so far this year. Less than 80 restricted visas were granted to the United States.

7. That the United States set up control commissions in European nations that are receiving lend-lease to see that the final destinations of lend-lease items are going where the American people are led to believe and not being reshipped to satellites of Russia.

8. That the United States Government have all lend-lease items separately identified by American flag markings so that the people of unfortunate European nations will know what America is doing to help them reestablish themselves and their nations.

9. That the United States Government order that all ship manifests be made public so that the American people will know the type, amount, and destinations of cargo leaving this country.

10. That copies of these resolutions be sent to the 48 State commanders of AMVETS and that they be requested to take them up immediately with their executive boards, and after adoption to send same to all the Congressmen in their respective States demanding action at once.

In closing I would like to point out that Communist Russia has overrun more nations since World War II than Nazi Germany did in starting the war. Russia has conquered, absorbed, or now controls all parts of Estonia, Latvia, Lithuania, Finland, Germany, Yugoslavia, Poland, Austria, Rumania, Czechoslovakia, Outer Mongolia, Albania, Hungary, Bulgaria, Kuriles Islands, Dairen, Port Arthur, and Sahkalin. Russia has also requested or demanded Spitzbergen of Norway, two provinces of Turkey and the Dardanelles of Turkey.

America has repeated mistakes which followed World War I, and led to World War II. We have junked our Army, stripped our Air Forces, scuttled our Navy, talked tough to a dictator—shipped war tools to this dictator.

Fifteen million veterans could have kept this from happening, but eleven million of them failed—failed because they failed to join the old-line veterans organizations, and failed to help organize a new organization through which they could speak for themselves.

Yours in comradeship,

CHARLES K. MORRILL,
County Commander, AMVETS, Essex County, Newburyport, Mass.

The Food Situation in the Agricultural West

EXTENSION OF REMARKS

OF

HON. ARTHUR CAPPER

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Monday, January 19, 1948

Mr. CAPPER. Mr. President, I have received a very interesting letter from Mr. Gerald Gordon, secretary-manager of Associated Industries, Topeka, Kans., in which he gives valuable information as to the food situation in the agricultural West. I send it to the desk and ask unanimous consent that it be printed in the Appendix to the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASSOCIATED INDUSTRIES OF KANSAS, INC.,
Topeka, Kans., January 12, 1948.

Senator ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: We note that the Senate Banking and Currency Committee is beginning hearings on price controls, allocations, and rationing as of today, January 12. We of Associated Industries of Kansas sincerely hope that the Eightieth Congress will not tinker with price controls and rationing. Considering the fact that the Republicans are in control in Congress, such actions are startling, to say the least. We realize that there are some ideas among Senators, especially those from the eastern part of the country, that a real meat shortage is about to plague our country. In this regard, please consider some of the following facts:

Cattle slaughter in the last 3 months of 1947 was half again as great as prewar; herds are smaller now because livestock raisers killed their cattle to cash in on high meat prices and to avoid high cost of feeding—a very natural procedure. Secretary of Agriculture Anderson predicts that by spring per capita meat supplies will be down to an annual rate of 125 to 135 pounds per person. The average per capita consumption in 1947 was about 157 pounds, but in 1939 the per capita consumption was 133 pounds. Despite Secretary Anderson's low estimate on meat by spring, the Agriculture Department has predicted that meat supplies for 1948 as a whole will come to about 144 pounds per person. This would afford a much higher consumption rate than prewar.

In closing, we ask you to remember that rationing of meat was not successful even in wartime. If rationing were attempted at this time it could not possibly work; too many people learned how to avoid it during the war years, and last, but not least, while some of the high-priced hotels and restaurants might have plenty of meat, rationing would bring a scarcity on the shelves of local butcher shops and grocery stores. Working people would still pay high prices for meat—if they could get it. We believe the rank and file of Americans are pinning their faith in the sound actions of this Congress—we sincerely hope they will not be disappointed. From these hearings they have reason to be apprehensive lest meat rationing should prove merely to be a "foot in the door" for further regimentation and rationing by a "police state" minded administration.

Cordially yours,

GERALD GORDON,
Secretary-Manager.

California Good-Will Milk Ship

EXTENSION OF REMARKS

OF

HON. LEROY JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. JOHNSON of California. Mr. Speaker, California Maritime Academy is located near the city of Vallejo in the Third Congressional District of California, which I have the honor to represent.

I am very proud of the California Maritime Academy and the work that they are doing. Last Wednesday afternoon, January 14, 1948, the training ship of this Academy, *Golden Bear*, started on a 4-month trip and during that time the *Golden Bear* will be known as the "California good-will milk ship."

As the name implies, the ship is filled with milk which has been donated by California for the use of distressed Europeans. By the time the ship leaves San Diego, in holds of the ship, there will be 1,500 tons of dried and evaporated milk which, of course, means many more tons of natural milk.

The food is being sent to Europe by private citizens of California and will be deposited on docks of Marseilles, Genoa, Naples, and Athens.

Vallejo, the home port of the *Golden Bear*, was the first town to make its deposit. Present at the ceremonies when the ship took off was Gov. Earl Warren, who said:

This is a great day in the life of the State, and this is the greatest cruise any training ship has ever made from the California Maritime Academy.

The drive was really started by the Vallejo Chamber of Commerce under the leadership of Mr. L. E. Gibson who is a member of the Academy Board of Directors. It is interesting to note that the *Golden Bear* was a man-o'-war a few years ago. We hope that it epitomizes the change that may occur in the next 50 years when men-o'-war will become peace ships and when the world will be so strongly organized and knit together for peace that the original use of battleships will be unnecessary.

Under leave to extend my remarks, I include an article about the California milk ship which was printed in the Vallejo News-Chronicle on Wednesday, January 14, 1948:

WARREN LAUDS SPIRIT OF CITY'S FRIENDSHIP CROWD SEES FIRST LOAD GO ABOARD

California Maritime Academy's training ship *Golden Bear* sailed from Morrow Cove this afternoon on the first leg of her mission of charity and goodwill to France, Italy, and Greece with the "Godspeed" and best wishes of Gov. Earl Warren and Vallejo civic leaders and officials.

The Governor, who spoke from a gaily decorated platform to the hundreds of visitors and Friendship drive workers, said, "This warm-hearted thing you are doing is a great thing and worthy of the people of California. I am grateful to the people of Vallejo for placing the first cargo on the Friend Ship and for being here today to wish Godspeed to the *Golden Bear*. I too wish the ship Godspeed and hope we shall be here to welcome them on their return."

GREAT DAY

Governor Warren, who was introduced by Luther E. Gibson, member of the academy board of directors and Vallejo publisher, told the spectators. "This is a great day in the life of the State, and this is the greatest cruise any training ship has ever made from the California Maritime Academy."

In paying tribute to the unidentified Vallejoan who originated the Friend Ship plan, he said, "It is a fine thing to know this idea originated here. It is a very happy thought and I think this unnamed gentleman should be identified."

"The boys and officers of the academy realize the great purpose of this trip. Vallejo's great idea spread rapidly and was soon translated into action. There is no finer thing the State could do and no finer way to express our friendship than sending this ship to Europe," he continued.

DOUBLE MEANING

The Governor pointed out the relief mission had a double significance. "Over and above the precious cargo, the fact that the food will be distributed by 100 of the finest boys in the States is important. These boys represent a cross section of the hearts and homes of California. When in Europe, they will represent us with dignity and honor in every respect."

Mr. Gibson, in his introduction of the chief executive, said, "A beautiful day to do a beautiful deed for our fellow men. This ship, a man-of-war a few years ago, is now transformed for this annual cruise into a ship of good will and mercy. It represents truly the big hearts of the citizens of Vallejo and Solano County and the people of California in the desire to help the less fortunate.

"I have been given the privilege and pleasure of introducing to you a man whose heart is as big as all California. It was our own Governor who has led the State-wide appeal to fill the *Golden Bear* with the necessities of life in order that those starving and unclothed people of Italy and Greece and France might have food and clothing. His energy and enthusiasm have inspired all of us."

HIGH HONOR

Mr. Gibson added, "I personally cherish this high honor. The Governor, with his great heart, has gone forward to lead the people of the State to gather tons of food and clothing for the starving of Europe. This great heart of our Governor is as big as our great State. I present to you Governor Warren."

WELCOME GOVERNOR

The combined Vallejo High School and Junior College band played for the colorful ceremony at the academy docks. As the crowd cheered, three little girls in costumes of Greece, France, and Italy welcomed the Governor when he arrived.

Commodore Russell M. Ihrig, United States Navy (retired), commandant of the academy, and Capt. R. M. G. Swaney, commanding officer of the *Golden Bear*, escorted the Governor to the speaker's platform where he was joined by cochairmen of the drive, fraternal, civic, naval, and governmental officials.

HONORARY CADET

Loading of the *Golden Bear's* cargo from Vallejo-Solano County, which included 22 tons of food and clothing, continued during the festive ceremonies at the pier. The midshipmen, including the honorary cadet for the voyage, Earl Warren, Jr., paused only for the brief presailing program in their duties to prepare the ship for sailing.

Banners and pennants waved in the breeze and decorated the ship during the Carquinez Straits ceremony in the sunshine. The program, which was photographed by newspaper and newsreel cameramen, concluded with the blessing of the Very Reverend Thomas F. Byrne, pastor of St. Basil's Catholic Church. A Boy Scout guard of honor stood before the speaker's rostrum during the program.

OTHERS SPEAK

Al St. John was master of ceremonies for the farewell fete and introduced city and county officials and representatives. Among those who spoke briefly, wishing the *Golden Bear* and her crew bon voyage, were Hollis Gray, president of the junior chamber of commerce and cochairman of the friendship drive; Rear Adm. Frank J. Lowry, United States Navy, commandant, Mare Island-Vallejo area, United States naval base, San Francisco; Capt. Wallace R. Dowd, United States Navy, commandant, Mare Island Naval Shipyard.

Dr. D. B. Park, president of the Vallejo Rotary Club, drive sponsor; Ernest D. Wichels, cochairman of the drive; Commodore Ihrig; Frank O. Bell, chairman of Solano County Board of Supervisors; Ellis Randall, president of Vallejo Chamber of Commerce; Russell F. O'Hara, civic leader; Mayor George Demmon; H. E. Gamble, mayor of Suisun; A. T. Alistaire, Fairfield-Suisun Chamber of Commerce, and midshipmen officers.

St. John also offered a bon voyage to John L. Cleek, Times-Herald staff member, who is making the trip as far as San Diego with the *Golden Bear*.

The Academy's greatest day was climaxed with the *Golden Bear's* sailing shortly after 1 p. m. The training ship, with a crew of 100 midshipmen, started up Suisun Bay for Stockton for another loading tomorrow. Cargo will be taken on Friday and Saturday at Oakland, Sunday at San Francisco, January 21 and 22 at Long Beach, and January 23 and 24 at San Diego.

The St. Lawrence Seaway

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, January 19, 1948

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Read It Carefully, Senators" from the Detroit News of yesterday.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

READ IT CAREFULLY, SENATORS

The minority report of the St. Lawrence Seaway Subcommittee in the Senate urges defeat of the project to enable further study.

This is an entertaining suggestion, made of a project that has been studied by this country and Canada for better than 30 years.

The report says new factors have arisen, naming the finding that the seaway will help national defense and the proposal, now before Congress, to make it repay its cost by charging ship tolls.

The national defense aspect is not in fact new, by any means. But the tolls idea is. It is a concession made with the purpose, it was thought, of softening up the opposition in the seaboard States. The tolls would handicap seaway shipping and thus, it was hoped, would make eastern and Gulf port interests less resentful of the competition they fear from it.

That hope was in vain. The report merely falls back on prepared positions, arguing now that the tolls would not pay for the project, because shipping—the very shipping feared as competition—would not use the seaway. Four Senators sign this document—all from seaboard States.

The report is otherwise entertaining, as when it speaks of a need for further study of the cost of deepening Great Lakes connecting channels.

This additional burden on taxpayers, it says, has been conveniently ignored by advocates of the project. The fact, conveniently ignored by the report, is, of course, that the channel deepening is and always has been included in the total seaway cost, as agreed with Canada and now before the Senate.

Or, again, where the report chastises seaway advocates for irresponsibly failing to consider the effect of winter freezing on the hydroelectric power to be developed by the St. Lawrence dams.

This, in view of the 30-year history of the project, would be a truly remarkable oversight, if it were an oversight, which it naturally isn't.

The minimum wintertime head (71.3 feet) and water flow (180,000 cubic feet a second) have been calculated and rechecked, not once but many times, being basic to the international agreement on water rights.

Incidentally, the thing really of interest in this is the comparatively slight variation—as also at Niagara Falls—between the summer and winter flow, a fact making the St. Lawrence a superlative power source.

The report is excellent at ignoring whatever else its arguments find dispensable. It shortens by 2 weeks the ice-free season on the Great Lakes chain, ignoring readily available Government records on the point. It raises again the bogy of fogs in the St. Lawrence estuary, though it is of record that marine insurance for vessels plying that terrifying waterway is no higher than anywhere on the oceans.

In its entire discussion of the tolls question, the report ignores official findings that tolls as proposed in fact will repay the seaway's cost. It ignores in any case the unique novelty of this concession to the seaway's enemies. No tolls ever have been charged on other inland waterways, nor for that matter on seaboard harbors improved at Federal expense.

The report says of the project's defense aspect that the 1941 findings on that score now are invalid, since the new concept of transpolar bombing has shown it ot be peculiarly vulnerable to attack.

This ignores the finding of the Joint Chiefs of Staff, no earlier than last year, that the seaway has "distinct military advantages and would materially increase the industrial and transportation potential of the United States."

In that connection, the report again becomes amusing when it dismisses the imminent exhaustion of Lake Superior iron ores as a reason for opening up the seaway.

It speaks learnedly of developments in the concentration of low-grade taconite and jasper ores on the Mesabi Range as dispelling any fears of ore shortage. Yet the alleged vulnerability of the seaway to transpolar air attack surely would be shared by these concentration works, which, if we rely on them exclusively, would become the bottleneck of the whole steel industry and of the national economy.

It would seem wise, in war especially, to have two iron ore sources—Lake Superior, plus the rich deposits in Labrador. But the report, needless to say, ignores that.

We would not want to leave the impression that this report is a laughably implausible document. It isn't. We do not remember ever reading a piece of antiseaway literature that failed to contrive, for the careless reader, a plausible case. The powerful interests opposing the seaway lack neither the money nor the talent to see to that.

The report, in fact, is highly plausible, and we are just afraid that some Senators who will be voting this spring on the seaway will not be careful readers.

The St. Lawrence Seaway

EXTENSION OF REMARKS

OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Monday, January 19, 1948

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a letter from Mr. Southworth Lancaster, the present traffic manager of the Boston Port Authority, concerning the St. Lawrence seaway and its effect on the port of Boston, which appeared in the Boston Sunday Herald yesterday.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FACTS ON ST. LAWRENCE

To the EDITOR OF THE HERALD:

The editorial of January 10, entitled "St. Lawrence Bogey," is a good summary of the objections to the so-called seaway project. I have only one comment.

It says that the project would damage the port of Boston by diversion of trade. This is true. It then adds that this diversion includes coastwise shipping. This probably will not follow so far as the general cargo trade is concerned. Such coastal shipping would receive scarcely any direct ill effects because the seaway will be almost useless for the domestic traffic which coastal steamship companies seek. Ultimately there would be certain harmful indirect results, but practically the entire impact would fall upon Boston's export and import trade.

The tonnage which the seaway is expected to move has been variously and ingeniously computed by its proponents, who show a different total each time a new argument is needed. Very roughly, this tonnage would be made up of 60 percent domestic freight and 40 percent foreign cargo. Quite apart from any question of the economic morality of the project, these ratios should be attained if the seaway is to fulfill the claims of its supporters. But this proportion of domestic freight cannot possibly be realized.

Consequently the principal seaway tonnage would be the foreign cargo, the lesser component, which would not be enough in volume to keep the seaway occupied for the seven ice-free months of the year nor to yield tolls sufficient to make the seaway pay for itself. Yet, paradoxically, it would be enough in volume to deal a knock-out blow to Boston by cutting heavily into the export and import tonnages which are the heart of the port's development. In dollars, this diversion of foreign trade has been reliably computed as a minimum annual loss to the port alone of $1,280,000. The actual loss might be twice as great.

With this drastic shrinkage in foreign trade, it would then become a question whether the coastal traffic remaining could support plans for the port's expansion.

This would be the result of the millions in tax money to be poured into the shallow ditch of the St. Lawrence River. New England must contribute its share. St. Lawrence proponents are not satisfied with cutting Boston's throat. They want Boston and New England to help pay for the knife.

SOUTHWORTH LANCASTER.

CAMBRIDGE.

The Freedom Train

EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Monday, January 19, 1948

Mr. HILL. Mr. President, a distinguished former Representative from Alabama, my colleague when I was a Member of the House, Hon. W. B. Oliver, has brought to my attention a letter written by Miss Patti Bees, on Why I want to see the Freedom Train. The letter won first prize in a recent contest held by the Montgomery, Ala., Advertiser and Journal for the best letter written on the subject by an Alabama high-school student. Miss Bees is a student in the Seale High School, at Seale, Ala., and the State of Alabama is proud of her. I ask unanimous consent that her letter be printed in the Appendix of the RECORD, as it appears in an article from the Montgomery Advertiser and Journal.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

YOUNG CITIZENS EXPRESS VIEWS ABOUT FREEDOM—PARTICIPANTS IN LETTER CONTEST SEE RENEWAL OF FAITH IN DEMOCRACY

Of all the excellent letters entered in the contest, that of 16-year-old Patti Bees, a senior III of the Seale, Ala., high school, was finally selected as the winning entry. Miss Bees wrote with sincerity and simplicity and summed up the reasons why most of the American people today are making every effort to visit the Freedom Train.

CHANCE FOR ALL

She wrote:

"Symbolic of our American heritage and way of life, is the Freedom Train. It brings to all Americans, everywhere, a chance to see and explore the documents granting them the right to live and prosper in a great country which God, by His goodness, has granted us. Seeing this train comes as an unprecedented opportunity to me, who will now be able to view rare and precious documents that previously have been secluded from the public eye.

"It brings to mind that we are one United States, and that our Government is 'of the people, by the people, and for the people.' It will flourish always, through the leadership of stalwart and courageous men who have fought and will continue to fight so that other Americans might enjoy that which rightfully belongs to them and theirs.

"It will cause me to stop and renew my faith in my flag, my country, and my forebears, in order that I and my successors might live in a land, forever free and democratic."

The St. Lawrence Seaway

EXTENSION OF REMARKS

OF

HON. GEORGE D. AIKEN

OF VERMONT

IN THE SENATE OF THE UNITED STATES

Monday, January 19, 1948

Mr. AIKEN. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD editorials relating to the St. Lawrence waterway project, the first from the Brattleboro Daily Reformer of January 14, the second from the Rutland Herald of January 13.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Brattleboro (Vt.) Daily Reformer of January 14, 1948]

Whatever the merits or demerits of the St. Lawrence waterway project, it would seem that after nearly 30 years of service as a controversial topic it might be possible for opponents and sponsors of the project to present their cases without resorting to demagoguery. At the moment it is the opposition that is taking the honors in the field of misleading statements. The Boston Herald recently stated: "New England is against this project and must win this fight." This simply is not a fact, since New England (meaning all its citizens) has never voted on this issue. And in New York, Mayor O'Dwyer labels the project as "Roosevelt boondoggling"—ignoring the fact that Roosevelt was the fifth, and not the first, President to recommend the project. The complexity of the issue is so great that Joe Citizen should be spared the further confusion of misstatement.

[From the Rutland (Vt.) Herald of January 13, 1948]

SEAWAY OPPONENTS

Vermonters who attended the forums where the St. Lawrence seaway project was discussed, or who followed the series of articles on this subject published in the Herald, will not agree with some of the arguments being advanced against the proposal.

Typical of these were the remarks of Carroll B. Huntress, chairman of the national St. Lawrence project conference, an organization actively fighting the seaway. It's interesting to note that his objections were discussed and answered not only at Vermont forums but in the articles in this newspaper.

As a result Vermonters have a broader base of knowledge to use in evaluating such attacks. While some of these arguments may be accepted at face value by those in some other States, they have already been discredited in several particulars by facts with which many Vermonters are familiar.

The appeal to local or State interests is commonplace in attacks such as Huntress made. But Vermonters know that the main factor favoring the seaway is not what Vermont or New Jersey might get out of it, but its value and importance to a large section of the Nation.

High Tax on Big Incomes Held Hurting Production

EXTENSION OF REMARKS

OF

HON. EDWARD J. THYE

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Monday, January 19, 1948

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a newspaper article entitled "High Tax on Big Incomes Held Hurting Production," by Francis P. Douglas, which appeared in the Sunday Star, Washington, D. C., on January 18, 1948. In my opinion, it is a very important article, and is appropriate to the subject which is before the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HIGH TAX ON BIG INCOMES HELD HURTING PRODUCTION—ADVOCATES OF LOWER LEVY AGAINST WEALTHY MAINTAIN RICH MAN'S CAPITAL COULD BE BETTER UTILIZED TO HELP NATION

(By Francis P. Douglas)

Public discussion and polls are directing attention anew to the high rates of taxes those in the upper income brackets pay.

The propriety and statesmanship of taking more than half a man's income in taxes is being called into question by responsible individuals and organizations. One line of reasoning behind advocacy of going easier on the rich is that the country needs the rich man's money in a form other than taxes. That form is capital, to expand production.

There is no unanimity in this, by any means. The claim of the lower brackets to the first call on relief from the tax burden has been stated often and ably. Outlining the current attacks on the high rates at which taxes are assessed against incomes in the upper brackets does not indicate any disposition to disregard or minimize the other arguments.

50 PERCENT TOP URGED

The United States Chamber of Commerce and the National Association of Manufacturers both urge that a ceiling of 50 percent be placed on income taxes. A number of other organizations are supporting their position.

As for individuals who advocate this policy, they include one Republican candidate for the Presidency—Harold E. Stassen, former Governor of Minnesota. Neither the State nor Mr. Stassen are given to reactionary policies.

One organization of high standing, however, the Committee for Economic Development, does not urge that the top rates be cut back to less than about the level of 1935.

In that year the New Deal turned to what it called a taxation for social reform program, traceable to the earlier share-our-wealth campaigns. In the doldrum days of the depression the share-the-wealth idea was attractive to many.

People sang the song about the rich getting richer and the poor having children. Its catchy tune belied its cynicism, but many thought there was some truth in the words. There was a widespread feeling that the rich were too rich and the poor were too poor.

FEWER MILLION-DOLLAR MEN

In 1935 individual surtaxes were boosted beginning at 31 percent on $50,000 and reaching 75 percent on amounts over $5,000,000.

A good deal of social reform in this line had already been accomplished by the depression. In 1929 there were 513 persons

with million-dollar incomes; in 1935 the number had fallen to 41.

With the war all taxes were upped until the man with a million-dollar income was taxed about 90 percent. That is the case today. And in the more modest brackets, a man who earns $18,000 finds that if he earns another thousand the Government will take half of that in taxes.

In the words of the Committee for Economic Development, the taxpayer from then on has only a minority interest in his income.

The argument for the need of capital for production, from those in the upper brackets, runs about like this:

Prices are high because too many people with money are competing with one another for the available supply of goods. To get prices down and lick inflation it will be necessary to reverse this condition. Goods must be supplied in such abundance and at such prices that the sellers will compete with one another for the consumer's dollar.

CONANT'S VIEWPOINT

It is now practically impossible to produce more goods at no extra cost because almost every employable person in the country is working. If you lengthen the hours you run into overtime and higher production costs.

The way to do it is by supplying the worker with more efficient tools and machines and by developing new companies and new industries. That means the investment of huge amounts of capital.

One of the chief sources of new capital is people with big incomes. But why should a man with a big income risk his money when, if his venture is successful, he is allowed to keep less than half of the return? Why should a man work hard and take chances when he will have only a minority interest in the profits resulting?

The last part of this argument received unexpected support from President James B. Conant of Harvard. He warned that the present tax system is having a profound effect on the incentives which thus far in our history have contributed to the taking of risks and the seizing of opportunities.

"Americans believe in the equality of opportunity in a fluid society without hereditary privileges," he said, and that belief is reflected in high inheritance taxes. High taxes on earned income have the reverse effect on the fluidity of our society, he maintained. "Therefore, insofar as the national expenditures permit, the case for keeping income taxes low is overwhelming, both in terms of social ideals and incentives."

STASSEN'S REASONING

Mr. Stassen, in his book, "Where I Stand," said he believes that a government that demands more than 50 percent of a citizen's labors, or ingenuity, or inventiveness, or other incomes is a government killing the future of its average citizen and weakening the long-range strength of its economic system.

In explanation of that last point is this passage:

"In order to operate successfully our system requires enormous capital. If that system is to continue striding forward it needs great sums of venture capital, risk capital, dynamic capital. We have now reached the point where our tax program is a real threat to the long-term future sources of dynamic capital."

Laurence Arnold Tanzer of New York, testifying on behalf of the United States Chamber of Commerce before the House Ways and Means Committee, said that the Government taking more than half of any person's income inhibits individual effort so severely as to amount to stifling it in most situations.

By reducing higher surtaxes, he said, the Government stands to gain, not lose revenues.

The Treasury, apparently feeling it had to reply, recently issued a study of The Tax Treatment of Earned Incomes in which it examined the question of taxes reducing incentive.

Offsetting the adverse effect of high taxes on incentive, according to the Treasury, are considerations "based on the high demand for income by many individuals who desire to maintain relatively fixed or even increasing levels of consumption and saving. If taxes take larger proportions of their incomes, the incentive of these individuals to work tend to be increased rather than decreased. They will try within the limits of their abilities, energies and opportunities to earn more and maintain the desired incomes after taxes."

The study conceded, however, that there is no doubt that the response of some individuas to high taxes is a reduction in effort.

NAM'S PROPOSED SCALE

The National Association of Manufacturers is advocating a tax revision which would start with a rate of 12 percent instead of the present 19 percent and progress to a top rate of 50 percent on taxable incomes in excess of $100,000. In addition it urges a couple of measures which would be beneficial to the white-collar worker.

Don G. Mitchell, president of Sylvania Electric Products, Inc., and chairman of the taxation committee of the NAM, asserts the need of venture capital cannot be met, except in small part, out of the savings of the low-income groups.

"There are, in fact," he told the NAM at its convention last month, "only two sources from which we may expect the bulk of the necessary venture capital. These are retained corporate earnings and savings from the middle and upper incomes."

"Mr. Mitchell, citing Commerce Department figures, says the deficiency of capital formation since 1930 amounts to $125,000,000,000. However, not all of this has to be made up. For example, a machine tool which normally would be replaced after 5 years, but which is used for 10 years need be replaced by only one machine, not two.

President Truman in his State-of-the-Union address to Congress saw the need as not so great. He said, "$50,000,000,000 would be needed over the next few years."

POLICY IS CHALLENGED

Reverting to the NAM's insistence on tax cuts for the upper brackets, it should be recorded that such a policy has not by any means passed unchallenged.

For instance, Stanley H. Ruttenberg, assistant director of research for the CIO, testifying before the Senate Finance Committee at the first session of the Eightieth Congress, quoted Business Week magazine as saying that an answer to the tax problem must be found in this question: "Should the tax system be designed to encourage consumption or to minimize restraints on enterprise and new investment?"

Mr. Ruttenberg's answer was simply this: "It does little good to encourage such new investment if the low-income individuals do not have sufficient money to buy the items thus produced." The guiding principle of a sound tax program, he said, must be first to reduce taxes upon low-income individuals, certainly not to lower taxes upon the wealthy or on corporations.

Mr. Truman concurred in the argument that the low-income groups need relief, recommending a credit of $40 for each taxpayer and an additional credit for each dependent to offset the increase in the living cost. And to make up for this tax loss, estimated at $3,200,000,000, Mr. Truman suggested that corporations can well afford to carry a heavier share of the tax load at this time.

WOULD HELP CORPORATIONS

This runs counter to the program of the Committee for Economic Development. The CED did not urge a ceiling of 50 percent on individual tax rates. Its long-range program calls for an initial rate of 11.5 percent instead of the present 19 percent, hitting the 50 percent rate at the $150,000 bracket and graduating the scale on up to a top of 77.5 percent on incomes of $1,000,000 or more.

But the CED would provide more relief for corporations and there is a substantial body of opinion believing this would provide capital more speedily. It would place the corporation tax rate at 30 percent instead of 38 percent and drop it to 11.5 percent when revenues permit. It also would alleviate the double taxation on money paid out in dividends, allow businesses to carry losses forward and backward and give greater leeway in depreciation allowances.

Whether the NAM or the CED program would yield more capital is not going to be proved by the adoption of either one of them by Congress in the near future. But they do chart some of the considerations to which the framers of tax bills will give their attention.

Nor are we going to see shortly the reduction of the income tax on the top brackets to 50 percent. The soak the rich policy, however, is being reexamined to see just what the results are.

The Jewish War Veterans of the United States

EXTENSION OF REMARKS

OF

HON. C. WAYLAND BROOKS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Monday, January 19, 1948

Mr. BROOKS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a résumé of the history and objectives of the Jewish War Veterans of the United States of America, who will hold their fifty-second annual memorial service on May 18, 1948, in New York City.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

In 1896 veterans of the Jewish faith who had borne arms in the tragic struggle between the American States inaugurated an observance that has been regularly conducted on the Sunday nearest Memorial Day for more than half a century. These Americans, among them men who had earned the Nation's highest decoration for valor, constituted a small segment of the 10,000 men of their faith who had served in the contending armies of their country's fratricidal conflict. Let it be marked that they came together in peace because certain of the basic principles for which they had offered themselves in war were under threat by misguided and unreasoning men. For there was abroad in their time a canker that has not yet ceased to afflict the vitals of mankind. Mean and disruptive devices of religious calumny sought to becloud their military contributions, while their coworshippers were subjected to indignities ominously reminiscent of Old World bigotry.

They assembled in the house of their faith to venerate the memory of those of their coreligionists who had fallen in the battles of the Republic and to plead for strength of spirit to meet the tests of peace. They emerged with a concept of civic responsibility. This statement of principles, conceived more than a half century ago, is the preamble to the constitution of the Jewish War Veterans of the United States of America:

"We, citizens of the United States of America, of the Jewish faith, who served in

the wars of the United States of America, in order that we may be of greater service to our country and to one another, associate ourselves together for the following purposes:

"To maintain true allegiance to the United States of America; to foster and perpetuate true Americanism; to combat whatever tends to impair the efficiency and permanency of our free institutions; to uphold the fair name of the Jew and fight his battles wherever unjustly assailed; to encourage the doctrine of universal liberty, equal rights, and full justice to all men; to combat the powers of bigotry and darkness wherever originating and whatever their target; to preserve the spirit of comradeship by mutual helpfulness to comrades and their families; to cooperate with and support existing educational institutions and establish educational institutions and foster the education of ex-servicemen and our members in the ideals and principles of Americanism; to instill love of country and flag and to promote sound minds and bodies in our members and our youth; to preserve the memories and records of patriotic service performed by the men of our faith; to honor their memory and shield from neglect the graves of our heroic dead."

These are the principles which today guide more than 100,000 veterans of our last four wars who make up the present membership of the Jewish War Veterans of the United States of America. How mindful they have been of their heritage was demonstrated last October on the occasion of their fifty-second annual encampment at St. Paul, Minn. More than 2,000 delegates, representing every section of the country, adopted a series of resolutions attesting to their organization's awareness of its responsibility in contributing to the peacetime safety and stability of our country.

They voiced a plea for legislation to provide this Nation with a military and civilian defense establishment of sufficient strength and preparation to cope with any emergency. To speed the economic rehabilitation of more than a half million war veterans who continued to draw unemployment allowances under the GI bill of rights, they asked for a national conference of business, labor, and governmental representatives that might formulate a program to absorb our jobless veterans into the Nation's productive economy. They dedicated themselves to year-round observance of National Employ-the - Physically - Handicapped Week and pledged themselves to urge upon business and industry the employment of our war-injured veterans in the many occupations to which handicapped persons can adapt themselves gainfully. They asked for consideration of such increases in governmental allowances to the widows and orphans of our war dead as would enable these deserving citizens to keep pace with the post-war rise in living costs. They urged humane and judicious assistance to those deserving nations overseas whose struggles to establish free governments are being handicapped by hunger and illness, by inadequate shelter and lack of productive machinery. And they reaffirmed their historic opposition to totalitarianism, reminding avowed or proven Communists that there is no place for their kind in the ranks of the Jewish War Veterans of the United States of America.

To implement these and many other decisions of similar import, they chose as their national commander for this year my friend, Col. Julius Klein, of Chicago. Colonel Klein is the first midwesterner so to be honored in the 53-year history of this organization. One of the foremost citizen-soldiers of the State of Illinois, Colonel Klein is descended from a distinguished family that settled in the city of Chicago more than a century ago. He is a veteran journalist, editor, and soldier who served in both World Wars.

As a war correspondent and Army officer in World War I, he won the praise of the Honorable James W. Gerard, our Ambassador to Germany in the administration of President Wilson. In World War II he commanded troops in the South Pacific and in the Philippines.

He holds the Legion of Merit with two oak leaf clusters, the Bronze Star, the Soldiers Medal for Heroism, the ribbon of the French Legion of Honor, and the Philippine Distinguished Service Star, awarded him personally by former President Osmena. He was also special assistant to the former Secretary of War Patterson, and was commended by that Cabinet officer for his services following VJ-day.

In 1933 and 1934, Colonel Klein, then a member of the Illinois National Guard, was assigned to conduct an investigation of subversive activities in the Middle West. That investigation produced the first dossier of disloyal elements in this country.

His election as national commander of the Jewish War Veterans of the United States of America has been applauded by leaders in all areas of American life. Gen. Douglas MacArthur expressed the view that "no better choice could have been made" by the organization.

General Eisenhower wrote: "Under your leadership, I am certain this fine association of former servicemen and women will uphold the patriotic ideals which have characterized it throughout its history."

General Bradley, in voicing his congratulations, said: "In addition to being one of our oldest veterans' organizations, your group has consistently demonstrated a true spirit of service to the veteran and to the Nation. Please accept my cordial congratulations upon your election."

Lt. Gen. Robert C. Richardson, under whose command Colonel Klein served in the Pacific, wrote: "With your rich experience on all levels of the Army, and with your fine background and knowledge of the world, you should be able to do a great deal for the organization, which is a real power for good in the country."

In adding the congratulations of the United States Navy, Fleet Admiral Chester W. Nimitz took occasion to note the following: "In following the convention of the Jewish War Veterans of the United States of America, it came to my mind that men of the Jewish faith have always been fearless in the defense of our country. It is Navy Day as I write and names like Jones, Barry Truxton, Decatur, and Perry are in the minds of the American people. Too few know of the tremendous importance to our early American history of names like Salvador, Lushington, Franks, and Russel. Commodore Ordroneaux and Commodore Levy are names reflecting great bravery and the making of splendid naval traditions. To all these men of the Jewish faith our country is grateful. World War II again found the Jews ready to serve and die. This they did, and our country is stronger for their sacrifices."

The sentiments of these and other military leaders were echoed by the leadership of our major political parties, the most notable figures of Jewish religious and private life, by newspaper editors and State officials in every section of the country, and by thousands of former enlisted men who served under Colonel Klein in wartime.

At this juncture, I should like to introduce into the record, editorial comments by three major newspaper organizations relative to Colonel Klein's election as national commander of the Jewish War Veterans of the United States of America.

The Chicago Herald-American wrote:

"Col. Julius Klein, a Chicagoan, who has given exceptional service to the Nation in two World Wars, will now give further important service as head of the Jewish War Veterans of the United States.

"He will be elected president of the Jewish War Veterans at the organization's convention in St. Paul, October 15 to 19, having been endorsed by the State departments of Illinois, California, Virginia, and other States.

"Colonel Klein has received many decorations, in both the First and Second World Wars, for gallantry in action and for meritorious service.

"To his service in the Second World War, Colonel Klein added effective postwar service in furthering the Army's readjustment program.

"For this work he received a letter of warm personal commendation from former Secretary of War Patterson, to which General MacArthur added a postscript, saying: 'He (Patterson) said nothing more than you deserved.'

"In these disturbed and dangerous times, the Nation is fortunate that such men as Colonel Klein are willing to serve their country in peace as well as in war."

The Chicago Daily News said:

"For the first time in its history, the Jewish War Veterans of the United States have turned to the west for leadership. Chicago takes pride in the election of one of its citizens, Col. Julius Klein, as national commander, in which post he will guide the influence of the 800,000 Jewish war veterans on national affairs.

"In 6 years of World War II service Colonel Klein made a distinguished record. He was cited for heroism under fire in the South Pacific. Among his other honors, President Osmena of the Philippines gave him a Distinguished Service Star and President Roosevelt awarded him the Soldier's Medal. War Secretary Patterson and General MacArthur had paid him high personal tributes.

"Colonel Klein is a man of unusual energy and a keen interest in public affairs. The Jewish war veterans have chosen one who will combine aggressive leadership, seasoned judgment, and faithful integration of their welfare with the over-all interests of the Nation."

They were joined by the Gannett newspapers, who wrote:

"At the convention of Jewish War Veterans in St. Paul, Minn., Col. Julius Klein, of Chicago, was elected national commander.

"Colonel Klein saw active service in both World Wars. He was awarded the rare Soldier's Medal and won other decorations and citations for 35 months' service in the South Pacific and the Philippines. After VJ-day he was appointed special assistant to the Secretary of War.

"He now becomes spokesman for 800,000 Jewish veterans of the two wars, bringing to the task aggressive leadership combined with seasoned judgment and devotion to the Nation's interests."

The Chicago Tribune reported Colonel Klein's election as follows:

"Col. Julius Klein, of Chicago, today became the first midwesterner to be elected national commander of the Jewish War Veterans of the United States.

"Colonel Klein, who is 46 and veteran of both world wars, was elected on the first ballot at the concluding session of the organization's fifty-second annual encampment. He defeated Jackson J. Holtz, Boston attorney.

"Klein succeeds Milton A. Richman, of Hartford, Conn. The Jewish War Veterans organization has a membership of 104,000 and has 612 posts.

"Klein is a public relations consultant and former newspaperman. He saw 35 months of action in the South Pacific and the Philippines during World War II, and after VJ-day was special assistant to the War Secretary.

"In acknowledging the election, Klein pledged himself to a program of 100-percent Americanism, without deviation to any 'ism,' communism or fascism.

"He said that the organization has a dual purpose: 'To work with the American Legion, Veterans of Foreign Wars, and other veterans' groups as the spokesman for the

550,000 Jewish veterans of World War II and the 250,000 veterans of World War I, from whom the membership is recruited, and to work with all organizations, Jewish and nonsectarian, for the furtherance of the principles of American democracy.'

"Klein described world communism as the greatest threat to world peace, asserting it is part of 'an imperialistic pattern that seeks to enshrine the state over the rights of the individual man.'"

Under the leadership of this distinguished American, the Jewish War Veterans of the United States of America can be expected to grow in stature and to expand its usefulness to our country's institutions. Its veterans' service program has already been broadened to supplement existing Federal and local programs on a scale that is saving the taxpayer many thousands of dollars annually. This organization's service offices, now established in the major cities of our country, are aiding more than 6,000 veterans and their dependents monthly. Its ladies' auxiliary is serving the welfare and morale needs of as many more veterans who are recovering from battle injuries in hospitals of the Veterans' Administration. Under Colonel Klein's administration, plans have been initiated to expand these services greatly and to develop still further the organization's programs for carrying the spirit, as well as the letter, of Americanism into all strata of our daily society.

There can be no comfort in this organization for the forces that seek today to assail our way of life both from the left and the right, from beyond our shores and within our gates. The very existence of a Jewish war veterans' organization signals the abiding determination of the American people to stand united against any challenge to the inheritance willed to us by all the men of our history who served their God in separate tabernacles and their country in a common faith.

Cooperative Housing Venture Pays Off

EXTENSION OF REMARKS
OF
HON. OWEN BREWSTER
OF MAINE
IN THE SENATE OF THE UNITED STATES
Monday, January 19, 1948

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Cooperative Housing Venture Pays Off," from the Washington Post of yesterday. The article deals with the problem of housing, which is certainly one of the important problems before our country. It is a very interesting account of how the housing problem has been solved in one community in Maine by a cooperative housing venture, which has resulted in the production of housing adequately at somewhat less than one-half current costs.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN MILLINOCKET, MAINE, COOPERATIVE HOUSING VENTURE PAYS OFF

(By Earl Aronson)

MILLINOCKET, MAINE, January 17.—Tidy new homes rising rapidly here to ease the housing shortage are monuments to the cooperative spirit in this little northern Maine paper manufacturing town.

The people, the Great Northern Paper Co., and a bank joined the community endeavor which is providing dwellings at a cost of about $575 per room, compared with approximately $1,500 elsewhere.

With many willing hands pitching in, new houses—complete with cellar, electricity, plumbing and heating—are going up at costs of $4,000 to $6,500. Without the cooperative action, the cost would be approximately double.

The paper concern, principal industry for the 6,300 inhabitants, began the enterprise a year ago. It laid out 51 lots. Seven others were laid out elsewhere by individuals. The company constructed sewers and built streets.

The Great Northern reserved five lots in scattered parts of the development and on them is building six-room houses to rent to employees for $45 a month. These homes, not part of the cooperative plan, cost $8,500.

AVERAGE LOT COST $240

The other 46 company lots—averaging 100 feet deep with a 60-foot frontage—were sold for an average of $240 each on an easy monthly payment basis. The purchasers planned to build their own dwellings, hiring what labor was necessary to do work they and their friends couldn't accomplish.

A dozen men went into the woods to cut logs for lumber. Others began casting cement blocks for construction.

Paper-company officials offered their business experience to determine the best means of financing the new buildings.

Since many lot owners were war veterans, they first called in Veterans' Administration officials for discussion, and the Millinocket Trust Co. presented an attractive proposition with loans which can be liquidated in 10 to 15 years The interest rate is 5 percent.

Great Northern helped to trim building costs. It offered special rates for use of its horses and trucks by men who felled their own logs and for milling. The company furnished without charge—except for overtime—a bulldozer and operator to excavate and backfill; a cement mixer and operator and several sets of form panels and miscellaneous equipment. It also provided services of several expert carpenters to instruct the inexperienced.

This helped cut the cost of cellars from $700 to $150.

Company assistance was not limited to employees or war veterans or to the original project or any one section of town.

DIFFERENT HOME DESIGNS

Ground for the first house was broken last April. Eight homes were completed and occupied by mid-December. Frank Bowler, chief engineer of Great Northern's sprucewood division, said then that by this month "25 families will be living in their own homes in the 51-lot project on the east side of Millinocket stream."

Work will continue through the winter when weather permits. Construction has started on all but six lots.

The typical dwelling has five or six rooms and a bath. Some are bungalow style; others have two stories. Walls are insulated. Garages will be built later.

The houses are not monotonously similar. The individual owner's taste in design and color is carried out as practically as possible. Company architects who planned the five company houses also designed the others.

The original cooperative plan for small groups of volunteers to work a few hours in the evening or on days off was outgrown quickly. Volunteers increased and as many as 40 worked on a single building at one time. They brought their own tools.

The owner of one finished home supplied electric current to illuminate night work on nearby houses. When the Bangor Hydro-Electric Co. learned of his generosity, it whittled his bill to average monthly size.

When spring comes again a sandy area—which used to be an estuary—leading to Millinocket stream, will be graded and beautified as a public park. A Great Northern employee versed in landscape architecture is blueprinting the project. Katahdin Garden Club will collaborate.

Double Harness for the St. Lawrence

EXTENSION OF REMARKS
OF
HON. GEORGE D. AIKEN
OF VERMONT
IN THE SENATE OF THE UNITED STATES
Monday, January 19, 1948

Mr. AIKEN. Mr. President, in the New York Times magazine of yesterday there appeared an excellent two-page spread, with photographs of the proposed St. Lawrence development, the best I have ever seen anywhere. Accompanying the photographs, which, unfortunately, cannot be reproduced in the RECORD, was a good factual statement relating to the proposed St. Lawrence development.

I ask unanimous consent that the article, entitled "Double Harness for The St. Lawrence," which, as I have said, appeared in the New York Times magazine of yesterday, be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DOUBLE HARNESS FOR THE ST. LAWRENCE

The tremendous proportions of the St. Lawrence River project are shown in the accompanying maps and drawing. For 50 years the complete development of the river has ben vigorously debated. Today what is officially called the St. Lawrence seaway and power project is before Congress for action. The resolution reported to the Senate approves an agreement between the United States and Canada to complete the project.

The pending measure provides for (1) development of 2,200,000 horsepower in a major hydroelectric project in the International Rapids section of the river; and (2) improvement of relatively short sections of the existing Great Lakes-St. Lawrence seaway to provide a continuous channel with a minimum depth of 27 feet.

Improvement of the International Rapids section would remove the chief bottleneck against navigation and at the same time create, engineers say, a huge volume of low-cost energy. It is estimated that the cost of the works will amount to $513,884,000.

The St. Lawrence, with the Great Lakes as its reservoirs, is unique among the rivers of the world. It has a relatively constant flow of water and the river at the International Rapids section can be harnessed to give an annual output of 12,600,000,000 kilowatt-hours of energy.

The key to the development is the International Rapids section. The powerhouse here would operate the year around, and engineers of the power authority say that the seaway and power project would serve directly about one-third of our population in an area of 300,000 square miles.

The three great features of the project in the International Rapids section are the Barnhart Island powerhouse, the Long Sault Dam, and the canal and locks to carry vessels around the barrier formed by the dam and the powerhouse.

According to the plans the powerhouse will be the longest in the world and its transmission towers will carry electricity to switchyards on the American and Canadian shores of the river. The dam, 3,000 feet long and 150 feet high, is designed, with the powerhouse and dikes, to impound the outflow of the Great Lakes and drown out the rapids.

These locks would be the same size as the MacArthur Lock at Sault Ste. Marie, Mich., and the eight locks of the Welland Canal bypassing Niagara Falls—already completed links in the seaway project. Most of the oceangoing cargo vessels would be able to navigate all of the locks in the 2,340 miles from the mouth of the Gulf of St. Lawrence to Duluth at the head of Lake Superior.

The Cost of Foreign Aid

EXTENSION OF REMARKS
OF
HON. KENNETH S. WHERRY
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Monday, January 19, 1948

Mr. WHERRY. Mr. President, on behalf of the junior Senator from Wyoming [Mr. ROBERTSON], I ask unanimous consent to insert in the Appendix of the RECORD an article written by Frank C. Waldrop, which appeared in the Washington Times-Herald of Sunday, January 18, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT'S YOUR MONEY

(By Frank C. Waldrop)

If you are not interested in $183 of your money, now is the time to skip this item and turn to something else, for this is a factual report on your money. And everybody knows that figures make dull reading.

So if you're flush with cash, with all your bills paid, including taxes, and plenty of meat in the refrigerator, don't waste your time here. This is for poor folks.

The poor folks who have to worry about their money ought to know at the outset that this report is available through the courtesy of Senator JAMES P. KEM (Republican of Missouri), who fell to wondering just how much money the Marshall plan will cost his constituents if it goes through as put by General Marshall on his "take it or leave it" demand basis.

Now for the dismal figures.

Between July 1, 1940, and July 1, 1947, according to the Library of Congress legislative research reports, the United States Government has run up bills totaling $73,092,058,013 for loans, property credits, advances, relief, and rehabilitation grants and other authorizations to foreign governments.

Call the 1940–45 money all for war purposes, says Senator KEM, and just consider the $24,099,211,087 of the 2 years between July 1, 1945, and July 1, 1946, aid in support of reconstruction and peace.

On the basis of the last official census of the United States of America, that works out to $183 a head for every man, woman, and child in the county. On the basis of the average United States family, that's $616 for each American household.

To put it another way, the average American family spent $25 a month for those 24 preliminary months of aid to foreign nations while the Marshall plan was being trimmed up and drafted for demand upon Congress to appropriate more and bigger piles of cash.

That same average cut per family would pay the whole income tax bill for a married man with two children, making $4,000 a year.

So you see, foreign aids and relief have already come to a considerable amount.

Senator KEM drew the comparison even closer home by comparing the anual tax receipts of each county in his home State of Missouri, with the foreign aid already granted and that asked by General Marshall, calculated as if each person in each of those counties had to pay the $183 per head, as aforesaid.

Taking the per capita basis above cited, he showed that since VJ-day, the bill rolled up already and now proposed by General Marshall averages out against a typical Missouri county, that of Macon up in northeast Missouri, at $7,039,284—more than Macon County has collected in taxes for 20 years, all added together.

Out in the Ozarks there is Taney County, which spends about $90,000 a year on county roads and schools. The foreign-aid project averages out to 10 times that much per year for Taney countians.

Or take a look at the way it works out for Kansas City, that up-and-coming town. Recently, after much wrangling and wrestling between politicians there, Kansas City voted $41,500,000 worth of bonded debts upon itself for self-improvement, to be strung out over a 15-year period.

On the other hand, the averaged-out cost to Kansas City for 2 years of foreign aid, much as it may well surprise Kansas City, equals $73,049,524. Add to that the Marshall plan, and Kansas City has $58,000,000 more of finance for foreign aid loaded upon it in the next 4 years.

As Senator KEM pointed out, Kansas City couldn't even tax itself to provide for its own improvement as per the bond issue above noted, without a two-thirds majority vote of its own people. But the foreign aid and the Marshall plan—what two-thirds vote?

Don't say it's unfair to use average figures, and claim it's silly to tell the people of Taney County, Mo., that the foreign aid works out on them at 10 times their annual tax bill.

Who pays the money, in the short and long run? If more than average taxes are collected in actual first-hand cash from Kansas City, still Taney County feels it eventually in higher prices that pass the bill on.

The route by which the tax collector gets to you may be obvious or devious, but he gets there just the same. The estimate of tax obligation on the basis of per capita and average, is the only one that can possibly serve to indicate just how pervasive and oppressive this foreign relief is in fact to the people of the United States of America.

Here in Washington, the taxpayers are going around in dizzy circles because the government for the District is asking something more than $101,000,000 for 1 year of administration in this world capital.

What would happen if it ever penetrated these already dazed characters' brains that their foreign debts laid up against them for the 2 years aforementioned work out on the basis of the Library of Congress' figures, to $146,500,000, more or less?

Don't ever tell it around town. Some civic-minded luncheon speaker would, for sure, jump up and say we're slackers and haven't done enough.

State of the Union

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Boston Post of January 9, 1948:

STATE OF THE UNION

Harry S. Truman stood up in the House of Representatives in Washington on Wednesday and gave the customary Presidential report on the state of the Union. It is well that Americans of all classes, creeds, and varied origins understand each other so well and particularly have such a basic knowledge of politics. Otherwise, from the violent reaction to the Truman speech by the party of the opposition, the citizens would surmise that the Nation was in a mighty sorry state.

There are lots of things the matter with the United States. It is not a perfect Union. One of the greatest body of laws man ever conceived, the Constitution, has been amended and amended again down the years, to meet conditions which arose in each generation or to take care of abrasive points which the founding fathers, with all their celebrated wisdom, overlooked.

But with employment the highest in history, with production still lagging which means jobs for the future, with the forthcoming wheat crop looming better than anticipated, with the Nation beginning to buckle down to the solution of the housing problem and with no war really imminent, it may be that we are, on the whole, doing so well that some of us are getting captious.

On the other hand, although the principal and most vehement critics of Mr. Truman's speech, are outstanding members of the GOP, perhaps they are right when they say that the Truman remarks were pure politics. In an election year, running for a second term, Mr. Truman would hardly be human if he did not put his best foot forward.

But the members of the Republican Party who so eagerly—as soon as he finished his oration—put their best feet forward also, for the purpose of tripping him up in the ambition to remain in the White House, are not, like Caesar's spouse, above suspicion. Some of the most indignant deriders of the Truman declarations as "demagoguery" are themselves candidates for the same post to which the man from Missouri aspires.

Only too recently we pointed out that the big issue before Congress this year, bigger than curbs on inflation or complete passage of the Marshall plan, was the question of who would be President of the United States when January 1949, rolls around. What Mr. Truman said yesterday and the scolding he has since received confirms that thought. It would be too bad if politics took precedence over important matters such as taxes and high prices, but that's the democratic way of it. The alternative is dictatorship and we will not stand for that.

What was amazing about the reaction to what President Truman said was the shock, real or simulated, expressed by opposition leaders because he plumped so strongly for additional social betterment. One would gain the impression some folks had the idea that all social progress, affecting particularly the little man, came to a close when Franklin D. Roosevelt reached the end of the road in his rose garden at Hyde Park.

A long time ago in this country, a man had to own property in order to vote. In a time, not so long ago, men worked 12 hours a day, for $1 a day. Since then we have come a long way. The mass of the people are living better and giving their children greater opportunities, while the Nation, all around, enjoys historic prosperity.

Perhaps Mr. Truman's altruistic aims went beyond the times in which we live. But some of the planks for making America better for more people in the future, indicated that in these matters he would like the Nation to continue to go forward. In the main, we do not think the bulk of Americans are too

worried about that direction. They are concerned we know, at the moment, about what may happen if impetus which the war gave us stops.

A High Farm Income Is in the Public Interest

EXTENSION OF REMARKS
OF
HON. CARL T. CURTIS
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. CURTIS. Mr. Speaker, although this Congress has many pressing problems where time is important, we also have a responsibility to look ahead. We must do those things that will assist and safeguard the American economy in 1949, 1950, and in the years that follow.

A high national income is imperative if the United States Government is going to carry the burdens he has already undertaken, discharge the national debt, and maintain the defense of our country. Without a high national income our Government will have difficulty in securing the revenue needed for these things. The way out must be the way of private enterprise or we will find ourselves facing greater problems. The way to maintain a high national income is to maintain a high farm income. This is a truth that has often been expressed from the floor of this Congress. It means that if America is to avoid a depression or a slump we must avoid a depression or a slump in farm income.

It is gratifying to know that a number of my colleagues have been giving definite attention to this principle. Through them I have received a brief prepared by Carl H. Wilken, economic analyst; Dr. John Lee Coulter, consulting economist; and J. Carson Adkerson, mining consultant.

Mr. Speaker, I would like to submit certain figures and tables prepared by these men. The first one covers the years 1929–41, inclusive, and the year 1946. That table is as follows:

Relationship of gross farm income

Year	Gross farm income (billions)	Percent of national income	Retail sales (billions)	Percent of national income	National income (billions)
1929	$13.0	14.8	$47.1	54.0	$87.3
1930	10.5	14.0	41.3	55.0	75.0
1931	7.6	13.0	34.5	58.6	58.8
1932	5.7	13.7	26.4	63.0	41.6
1933	6.4	16.4	25.7	65.0	39.5
1934	7.8	16.0	31.0	63.7	48.6
1935	9.0	15.7	34.5	60.8	56.7
1936	10.0	14.9	39.2	58.8	66.9
1937	10.6	14.4	42.2	57.3	73.6
1938	9.4	13.9	39.7	58.9	67.3
1939	9.9	13.6	42.0	57.9	72.5
1940	10.3	12.6	45.4	55.8	81.3
1941	13.1	12.6	53.7	51.0	103.8
Total	123.3	14.1	502.7	57.5	872.9
1946	27.1	15.2	102.0	57.3	178.0

This table bears out the principle that for every dollar of farm income we have $7 added to our total national income. It follows then, that if the farm income is increased by $5,000,000,000 the national income is increased $35,000,000,000.

By the same token, should farm income be reduced by $5,000,000,000 the Nation suffers a loss of $35,000,000,000 in total national income. Again, I suggest that the time is now to be thinking about our income level for next year and the years that follow.

Mr. Speaker, the gentlemen whose brief I have referred to have also prepared a table showing a comparison of food expenditures to the national income, which is as follows:

Comparison of food expenditures to national income

Year	National income (millions)	Expenditures for food (millions)	Percentage of national income
1930	$75,003	$18,125	24.1
1931	58,873	14,779	25.0
1932	41,630	11,394	27.3
1933	39,584	10,915	27.5
1934	48,613	12,263	25.2
1935	56,789	13,702	24.1
1936	66,941	15,326	22.0
1937	73,627	16,508	22.4
1938	67,375	15,762	23.3
1939	72,532	15,786	21.9
10-year average			24.28
1946	178,532	42,905	24.1

NOTE.—Expenditures for food do not include tobacco or alcoholic beverage.

Universal Military Training

EXTENSION OF REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. LARCADE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a recapitulation or tabulation of a national poll on universal military training conducted by George Gallup, which discloses that the citizens of the United States are in favor of universal military training 2 to 1.

Mr. Speaker, in view of the fact that this important matter will come before the Congress for action in the near future, I feel that it is of interest to the Members of Congress, as well as to the country as a whole that they might be informed as to the position of the people of our country in regard to this matter; hence I am submitting the complete tabulation of the poll, as follows:

VOTERS 2 TO 1 FOR PEACETIME TRAINING

(By George Gallup, director, American Institute of Public Opinion)

President Truman's request to Congress for a peacetime military training bill finds public sentiment receptive. However, the proportion of voters in favor of universal military training is smaller today than it was 6 months ago.

If the country were to vote in an official referendum on the much-discussed UMT program, approximately two-thirds would favor it today, as shown by the results of a Nation-wide unofficial sampling referendum by the institute.

The vote:

"Do you think Congress should or should not pass a law to require every able-bodied young man (who has not already been in the armed forces) to take military or naval training for 1 year?"

	Percent
Should pass law	65
Should not	24
No opinion	11

A previous poll on the issue, reported July 25, 1947, showed a vote of 75 percent in favor, 18 percent opposed and 7 percent without opinions. The question read: "In the future do you think every physically fit young man (who has not already been in the armed forces) should be required to take military or naval training for 1 year?"

In measuring attitudes on this controversial issue facing the new Congress, the institute used its new, multiple-question technique which makes it possible to probe opinion from many aspects.

VETERANS FOR IT

For example, the survey tested voter awareness of the arguments for and against military training, recorded intensity of sentiment, measured the attitudes of people who have a member of the family of draft age.

It found that:

1. Majorities in every section of the country favor peacetime training.

2. Veterans of World War II show a higher percentage in favor than the population as a whole.

3. The best argument for UMT, in the opinion of the people questioned, is the need for preparedness and protection while the world is upset. The second best reason given by voters is that it is good training and good discipline for young men.

4. The strongest reasons against UMT, voters say, are that it is unfair to young men to take a year out of their lives, disrupting their education, and that it will encourage war and warlike attitudes.

5. Persons who have a male member of the family of draft age vote in favor of military training by almost the same percentage as those who have no family member who would be affected by UMT.

6. Although some labor-union leaders have opposed UMT, the rank and file of union members questioned in the poll showed a vote of approval of nearly 3 to 1 of the training program. The occupation group least in favor is the farmers of the country.

7. Intensity of sentiment is about the same on both sides of the issue.

Opinion on peacetime military training has been measured periodically since 1942, always with a majority found in favor. The trend follows:

	Favor	Oppose	No opinion
	Percent	*Percent*	*Percent*
December 1942	66	27	7
November 1943	63	29	8
December 1944	70	25	5
November 1945	75	21	4
July 1947	75	18	7
Today	65	24	11

PREPAREDNESS PARAMOUNT

Detailed results of today's poll are given in the following tables:

"What would you say is the strongest (best) reason for universal military training?"

	Percent
Preparedness, protection	72
Good training, good discipline for men	17
Show Russia we can't be pushed around	6
No good arguments in favor	4
Don't know	5

"What would you say is the strongest (best) reason against universal military training?"

	Percent
Unfair to interrupt careers and education of young men	18
Will encourage war, make men warlike	13
Undemocratic, breeds regimentation, nationalism	7
Hard on parents, young people needed at home	6
Cost too great	4
Not needed, atomic age makes obsolete	3
Miscellaneous	4
No good arguments against	30
Don't know	17

Both the above tables total more than 100 percent because some people gave more than one argument.

"Do you think Congress should or should not pass a law to require every able-bodied young man (who has not already been in the armed forces) to take military or naval training for 1 year?"

	Should	Should not	No opinion
BY SECTIONS			
New England and Middle Atlantic	Percent 64	Percent 26	Percent 10
East Central	65	25	10
West Central	67	24	9
South	68	16	16
Far West	66	22	12
BY OCCUPATION			
Professional and business	65	26	9
White collar	70	21	9
Farmers	56	30	14
Manual workers	69	21	10
Union members	68	24	8
Veterans	73	21	6
BY EDUCATION			
College	67	25	8
High school	68	23	9
Grade or no school	64	24	12
Those with relative draft age	63	26	11
Those with no relative involved	66	23	11

"How strongly do you feel about this—very strongly, fairly strongly, or not at all strongly?"

	Very	Fairly	Strongly
	Percent	Percent	Percent
Those in favor of UMT	51	43	6
Those opposed to UMT	49	40	11

Surplus

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 12, 1948

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article from the Bay City (Mich.) Times of January 13, 1948.

SURPLUS

(By Mark Foote)

WASHINGTON.—President Truman shows a remarkable lack of faith in the continuing productivity and prosperity of America when in his budget message he predicts a surplus of $12,290,279,054 during the next 18 months and still opposes tax reduction. This estimated surplus of revenues over expenditure assures passage of a tax reduction over his veto.

The President invariably year after year has indulged in this sort of underestimation. By predicting a $12,000,000,000 surplus this time, he convinces even the most skeptical that a tax cut of $5,500,000,000 retroactive to January 1, 1948, is not only desirable but safe and practicable.

There can no longer be any doubt, that the congressional state of mind in an election year will be such as to assure an overwhelming vote for an immediate tax decrease. And it will come in time for the March 15 declaration and payment.

Two provisions of the pending House tax bill which will command such support as to assure its passage, are the increase in personal exemptions from $500 to $600 and the community-property permission for married couples to split their collective incomes for tax purposes.

These two features of the bill are calculated to cost the Treasury $2,600,000,000. But that becomes relatively a small item when it is considered the President predicts a $12,000,000,000 surplus, even after allowing all he asks for foreign relief and a grandiose program of socialistic experiments, which will not be granted.

No sooner had President Truman taken the White House oath of office than his Government experts, including Henry Wallace, then Secretary of Commerce, the Treasury, and the Bureau of Labor Statistics, made predictions of depression and unemployment as high as 8,000,000.

Apparently the President ever since then has been operating with these dire predictions in mind. He has sold America short in every one of his budget messages. In his last previous budget message, of January 1947, he estimated the tax revenues for the present fiscal year ending next June at $37,700,000,000. But now he revises that figure to read $45,200,000,000. This was an underestimate of revenues by $7,400,000,000, or 20 percent.

He was even further off as a prognosticator in his estimates for the last fiscal year, ending last June. A year ahead he had estimated the receipts at $31,500,000,000. But when the figures were in they showed receipts to be $43,300,000,000, or 39 percent higher than estimated.

Republican sponsors of tax reduction, on the other hand predict continuing boom prosperity for several years, with increasing tax liability. Also they say that lower rates will not mean a proportionate loss of revenue, because of the encouragement reduction gives to new industrial enterprise.

Ratings for Service-Connected Arrested Tuberculosis

EXTENSION OF REMARKS

OF

HON. GEORGE W. SARBACHER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. SARBACHER. Mr. Speaker, on July 19, 1947, the Committee on Veterans' Affairs, House of Representatives, favorably reported the bill I introduced, H. R. 4243, Eightieth Congress, a bill to provide minimum ratings for service-connected arrested tuberculosis.

The purpose of the bill is to insure that veterans who have incurred active tuberculosis in the service of their country, either in time of war or peace, will receive compensation proportionate to the degree of disability resulting from arrested tuberculosis so long as they live.

Under existing regulations of the Veterans' Administration, provision is made for payment of compensation for service-connected arrested tuberculosis for specified periods following an arrest of active tuberculosis. In some instances where pronounced symptoms of the disease are manifest after arrest, ratings of 20 or 30 percent are authorized for life. However, in certain other cases where pronounced symptoms of tubercular disability are not manifest, veterans having arrested tuberculosis are ultimately rated as no percent disabled.

The committee, after extensive hearings and thorough consideration of the matter, is convinced that an active tubercular process has residuals which continue throughout life and that a veteran having arrested tuberculosis should be relieved of the fear that his compensation may be terminated notwithstanding the fact that his disability continues.

The following table shows the differences between ratings made under existing regulations of the Veterans' Administration and those proposed by the bill:

Rating for arrested tuberculosis under Veterans' Administration regulations

Period:	Percent disability
6 months after arrest (may be continued for successive periods of 6 months, up to a maximum of 2 years, under certain conditions)	100
Balance of 5 years	50
Next 5 years	30
After 10 years—	
(A) If veteran had far-advanced active lesions, for life	30
(B) If veteran had moderately advanced lesions and residuals continue to show certain evidence of disability, for life	20

Ratings for arrested tuberculosis proposed by H. R. 4243

Period:	Percent disability
2 years after arrest (may be reduced to 50 percent for failure to follow prescribed treatment or to submit to examination when requested)	50
Next 5 years	50
After 7 years (for life)—	
(A) If tubercular condition is diagnosed as far-advanced	40
(B) If tubercular condition is diagnosed as moderately advanced or less	30

Under the terms of the bill, at the rates of compensation now provided under Public, No. 2, Seventy-third Congress, and the veterans regulations issued thereunder, a veteran having arrested tuberculosis incurred in wartime service will be entitled to at least $41.40 per month so long as he lives. A peacetime veteran having the same disability will receive at least $31.05 so long as he lives.

I am firmly convinced that the bill is meritorious and should be promptly enacted to insure the welfare of veterans having arrested tuberculosis.

Tax Reduction

EXTENSION OF REMARKS
OF
HON. WALTER B. HUBER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. HUBER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Thomas L. Stokes:

NATIONAL AFFAIRS
(By Thomas L. Stokes)

WASHINGTON, January 9.—Was President Truman being a bit puckish in his proposal to Congress for a $40-a-head tax reduction that would remove about 10,000,000 persons—and that many potential voters—from income-tax rolls and cut taxes for everybody else?

The question is merely raised.

Whether he was or not, he must indeed be chuckling now over the angry shrieks from big business interests and their friends in Congress—the latter now numerous—whom President Roosevelt kept in a perpetual tizzy. Mr. Truman, it may be recalled, suggested that the $3,200,000,000 cost to the Treasury of his tax proposal, which would chiefly benefit low-income groups, be made up by higher taxes on corporate profits, now at an all-time peak.

"Demagogic," was the outcry. Maybe so.

But nothing has so dramatized the unbalanced state of our economy today—the lush "take" of big corporations, on the one hand, and the scrimping in millions of households, on the other—as this simple factual paragraph in the President's message that preceded his tax proposal:

Many of our families today are suffering hardship because of the high cost of living. At the same time profits of corporations reached an all-time record in 1947. Corporate profits totaled $17,000,000,000 after taxes. This compared with $12,500,000,000 in 1946, the previous high year."

The President, of course, does not expect Congress to enact his tax program. The Republicans, who control Congress, have their own. He was simply engaging in the familiar political poker game—raising the player across the table. It is such an old game that the howl from Republicans, who play it, too, had a slightly synthetic ring.

The Republican offer in the bill prepared by Representative KNUTSON (Republican, Minnesota), House Ways and Means Committee chairman, is not so generous to the low-income groups. The Republicans do theirs differently by increasing the exemption from $500 to $600. The President's proposal would be translated into an exemption of about $700. The Knutson proposal would relieve from income tax about 7,000,000, who now pay it, as compared with 10,000,000.

The Republican scheme would cost the Treasury more. The figure is $5,600,000,000, compared with $3,200,000,000 of the President's plan. That is because it relieves taxpayers in the higher brackets to a greater extent than the Truman proposal. Maybe the President's offer will induce Republicans to do better for the little fellow. Certainly his two vetoes of the bill sponsored by Republicans in the last session, in which he revealed how little it did for the small taxpayer and how much for the big one, must have been influential in the much more gracious Republican offer to low-income groups this year.

The President's pungent remarks about profits direct attention, too, to the present campaign of the National Association of Manufacturers to try to "kid the public" about the size of big-business profits, as it is put in an illuminating article by Nathan Robertson in the revived Progressive magazine.

Mr. Robertson explains how the NAM is taking advantage of the public's blind spot on statistics by the suggested sample newspaper advertisements it is sending to its members. In these a profit figure based on sales would be used instead of profits measured on net worth, which is the standard prescribed by economists. Bluntly the NAM said, "The average American does not distinguish between profit on sales and profit on net worth."

As an example, Mr. Robertson took recent advertisements of General Electric Co. telling how its profits are only 7 cents on each dollar of sales, or 7 percent, whereas they are just short of 22 percent—an all-time peak—when figured on the basis of the company's net worth as given by Moody's Investment Manual.

Maybe this helps to explain General Electric's recent price cut that it advertised so widely.

Could somebody have a guilty conscience?

Wholly Political

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, January 12, 1948

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the Detroit Free Press of January 9, 1948:

STATE OF THE UNION—WHOLLY POLITICAL

President Truman's State of the Union message was a campaign document.

Nobody expected anything else.

The exigencies of the domestic political situation rather than of the Nation dictated its contents and tone.

With Mr. Wallace bidding for the "lunatic fringe" of the Democratic Party it became necessary for Mr. Truman to shift far to the left of center and attempt to outbid Wallace.

The President of all the people stood up before Congress as a partisan candidate for nomination on a platform of undiluted New Dealism, which even F. D. R. soft-pedaled in 1944.

What a spectacle. The conservative whom F. D. R. chose for a running mate, as an antidote to Wallace radicalism, forced by Wallace's third-party threat into vying with him for left-wing votes.

The President promised to ask Congress to enact laws protecting the civil rights of all citizens.

The Government, if Mr. Truman has his way, will be given authority and money to raise and equalize health and educational standards throughout the country. A special Department of Health, Education, and Security would be created.

An increase of the minimum wage from 40 cents to 75 cents an hour is proposed.

"Within the next decade," said Mr. Truman, "we must see that every American family has a decent home."

All of these noble goals are to be attained, of course, at the cost of further centralization of power in Washington and further expansion of an already topheavy bureaucracy. They offer "security" in exchange for freedom.

The 10-point anti-inflation program which President Truman outlined to Congress on November 17 must be promptly enacted. Otherwise he will not be responsible for the runaway inflation and subsequent depression, which he sees ahead.

The legislation which this program envisaged, if Congress had enacted it, would have revived OPA, with its subsidies, subterfuges, and black markets. At one time Mr. Truman repudiated all such controls as belonging to a "police state."

Yet he now demands that a Republican Congress spread them upon the statute books. As ingenious as anything in the message is its tax-reduction proposal.

A tax credit of $40 would be given every income-tax payer and a similar credit for each dependent. This would cost the revenues $3,200,000,000.

As a means of recouping the Treasury the tax on corporation profits would be hiked by $3,200,000,000.

The possibility that this device for redistributing wealth might impair the ability of corporations to sustain or expand employment does not seem to have been explored sympathetically by Mr. Truman's political strategists.

Congress is also asked to "act promptly" on the European Recovery Program—"this decisive contribution to world peace."

Without rearguing here the hashed and rehashed pros and cons of this adventure in power politics, we may pertinently ask who under the sun can yet say whether tossing another $17,000,000,000 into Europe will be decisive for peace or anything else.

We haven't bought peace in Greece.

A Republican Congress was elected as a revolt of the American people against the New Dealism which Mr. Truman has now taken down from the shelf and dusted off. This Congress could not accept the state of the Union message, as a course of action, without violating its mandate.

The political planners in the White House know that. They have asked for the impossible, and, if they don't get it, they will seek to make campaign capital out of their opponents' truculence.

The Republican leaders can escape the trap only by coming up with domestic and foreign policies of their own, which will meet the situation, without forcing this Nation further down the road to socialism.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. OREN HARRIS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. HARRIS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial:

NO ROOM FOR COMPROMISE

Not long ago, after Senator FULBRIGHT, of Arkansas, had delivered the Marfleet lectures at the University of Toronto, Canada's leading newspaper, the Globe and Mail, said of him: "No one who has listened to or read the words of Senator FULBRIGHT could fail to be impressed by his breadth of vision and sound grasp of facts. * * * He is of the caliber of world statesmanship."

It was a high compliment, and a deserved one. The Arkansan's reputation as one of the Senate's ranking authorities on international affairs is no accident. He has devoted much of his public service to the advocacy of and intelligent and effective American foreign policy. He speaks with authority when he estimates the current situation in Europe, as he did this week in a Little Rock address, and reduces it to this stark simplicity: Beyond a doubt communism will dominate all of Europe, Africa, and Asia unless the economic collapse of the western nations is prevented.

The Marshall plan, Senator FULBRIGHT believes, can prevent that collapse and the critical threat to American security it implies. But the Marshall plan, he says, is facing grave dangers in this divided Congress.

"Although I feel certain that Congress at this session will pass some form of aid for the western European countries, my principal fear is that the Marshall plan may be whittled and pared until it is insufficient to meet the needs of those nations. A half-way measure will be worse than none at all, for it will fail to accomplish its purpose and allow the collapse of Europe while at the same time making certain permanent improvements from which Russia will benefit."

Yet, already the threat of congressional opposition to the Marshall plan has forced the administration into a major compromise. In his state of the Union message President Truman, upon the recommendation of his senatorial advisers, abandoned his previous insistence that the plan be established on a 5-year basis and asked only for financial commitments for the first year of operation. This is not important in itself, perhaps, but it is symptomatic. The Marshall plan, as Senator FULBRIGHT insists, must have wholehearted, consistent support if it is to succeed; otherwise we shall only write another tragic chapter in history under the heading: "Too little, too late."

National Defense

EXTENSION OF REMARKS
OF
HON. GEORGE W. GILLIE
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. GILLIE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Clifford Ward from the Fort Wayne News-Sentinel:

GOOD EVENING

(By Clifford B. Ward)

Several thousand flesh-and-blood American marines, mostly kids, like your boy and my boy, are on their way to the Mediterranean area to implement the Truman doctrine, which has gone sour as many of us predicted it would. When it was proposed to stop communism in Greece and Turkey by merely spending huge amounts of American dollars there in ways that native politicians on the scene advised, some of us asked if this wasn't where we had come in and if we were not again meddling in a manner that a bunch of American kids would have to lay down their lives to correct.

Maybe those marines going overseas to edge themselves into the path of bullets from two sides haven't any parents and haven't any claims to a modest amount of security during peacetime but I doubt it. I imagine most of them are lads who like to hear the Brooklyn Dodger games over the radio, follow the college football returns during the autumn season and have dates on Saturday nights with their favorite girls. If you asked any one of them what the Truman doctrine is, they wouldn't know and if you asked them what our foreign policy is, all they would know is that to some of the folks who are loudly interventionist, no American lives, except their own, are too precious to surrender for the sake of a foreign quarrel.

It's a terribly ghastly and unpatriotic thing to be an isolationist, except when the interventionists want to be isolationist. They wanted to be isolationist in Poland, in Latvia, in Lithuania, and Esthonia. They want now to be isolationist in China, but not in other areas.

Today, the interventionists are loudly insisting that millions of American boys be required to give 1 year of their lives to military training. I am for military training as a physical thing, but against it as a moral thing. Except in war, this country has no right to confiscate a year of a boy's time except as a punishment for a crime. Those behind UMT don't want it as a defense measure, they want it as a means of indoctrinating the youth of the country with the idea that it is a privilege to stop a fight between a Greek and a Turk, a fight between a Jap and a Chinese or a fight between a German and a Frenchman. Maybe it is, but I am difficult to convince.

This country needs a strong national defense, but the defense should be against the weapons that threaten it. Those weapons are atom bombs and germ warfare. Massed manpower on a huge scale can't defend this country against atom bombs and bacterial warfare.

There is a new war brewing and the war is against an ally whom we made victorious and then appeased with plunder that we should never have approved. But the dragon's teeth for this new war coming up, let us remember, were shown at such places as Tehran and Yalta, where we entered into secret deals that wouldn't stand the honest light of day and where an American President made a mockery of the high-sounding principles that we enunciated when we entered the war.

The Russians are burglars, but even burglars respect honest men who tell the truth and keep their words. It is even possible to reform burglars, but not by trying to be better burglars than they are. We tried to win the admiration of Russians at Yalta by attempting to be better burglars than they are and today the Russians are black-mailing us.

It's odd, isn't it? We won't let one man in the country treat an old lady for a cold in the head unless he can prove to a State examination board that he knows all about medicine, but we will let almost any stupid playboy who has donated the proper amount to a party campaign fund, become a diplomat in a position to start a war.

Christmas Greetings

EXTENSION OF REMARKS
OF
HON. HOMER A. RAMEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. RAMEY. Mr. Speaker, the most treasured gift I have ever received from Ohio's greatest poet, who is known as the James Whitcomb Riley of Ohio, is a Christmas greeting this year on which he has placed this message:

Homer, believe it or not, but you were the inspiration for these verses, written years ago.

LEW WILLIAMS.

The poem follows:

CHRISTMAS GREETINGS

Just give me the throb of a human heart;
The clasp of an honest hand;
A cheery smile on a lonely mile,
A kindly word or two the while,
And a friend who can understand.

Then may I plod the long trail again
With no fear of worry or strife;
And the way will be smooth and easy to wend
For my Christmas gift is the heart of a friend
Who has brightened the highway of life.

—Lew Williams, the Buckeye Poet.

Radio Address to My Constituents

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address delivered by me over Station WNBF on January 17, 1948:

Dear friends of the Triple Cities and my congressional district, this month the Townsend Clubs of America are celebrating the birthday of Dr. Francis E. Townsend who reached his eighty-first year of age this past Tuesday, January 13. It is a great pleasure to me to join these millions of crusaders for justice in this event, honoring the founder and leader of this magnificent American movement.

In the 13 years since the Townsend program was launched social security has become a dominant issue in this country. Dr. Townsend is, indeed, to be congratulated for founding, steering to Nation-wide prominence, preserving, and strengthening this great movement. I fail to recall another individual who has gone so far or achieved so much for the benefit of his fellow countrymen out of his own efforts and leadership. Joining the millions of my fellow citizens who support his efforts in recognizing the opportunity he has created for all of us to unite, from one end of this country to the other, for the purposes of justice is, indeed, a happy pleasure. At this time, with nearly 150 Members of this Congress already having joined the effort to get a complete showdown on the Townsend bills in this Congress, I think it is a very encouraging situation. To Dr. Townsend I say, "Congratulations and best wishes for another 13 years of the service you are so able to render to the American people."

To my friends, the Townsendites, I say, "Go out and finish the work you have carried to so high a position. No effort has ever yet done so much good for so many people. We are just beginning to see hope of really valuable results. It is a fight and it is getting to be a hot one. That is what we want. That is the forge from which great achievement will come. America and its people need, as never before, what only you can give, namely, power and invincible support to this magnificent work."

As I get reaction from home from day to day I am beginning to discern rumblings of dissatisfaction.

Whether we realize it or not, people are asking, How much is this whole aid program going to cost?

Can't we do more for less money?

Will communism be drowned under the flow of dollars to foreign countries or will the Communists succeed in cutting in on these millions?

Are the American people going without the necessities of life as the result of so much being shipped out?

Should Congress set aside half the sum demanded to carry out the Marshall plan and use this to rebuild our air forces?

Are we neglecting our own defenses, jeopardizing our own economy, impoverishing the American people and generally weakening our own powerful position by participating in this gigantic venture into feeding and equipping the entire world?

No, this is not just your Congressman asking these questions. They are included in countless letters I receive every day from the rank and file Americans I represent.

They have the right to ask these questions. They have the right to answers also.

I am asking them now before I take any stand in favor of the Marshall plan or any other plan. I am a Representative in the American Congress, not the British Parliament or the French General Assembly. My first duty is to the Americans I represent.

Then, too, there is another question. How about the private holdings in this country of thousands of foreign subjects. They amount to millions upon millions of dollars.

Should not moneys such as these be considered as dutifully applicable to foreign aid as the tax dollars American citizens are being called on to pay for this purpose?

British capital or French capital or Dutch capital or any other capital ought to be on tap to help the needy in Europe as readily as ours. Yes, and a little more readily.

The very cheapest we can get out of helping Europe and Asia, I'm told, is to the tune of several billions, already spent.

If that's the case, then the United States will eventually be called upon to pay the whole shot.

Let's make this thing more equitable. We have our burdens, others should have theirs. We haven't yet begun to pay for the recent war, to say nothing of paying for the winning of the permanent peace.

America must be kept strong at all costs. America must be saved along with the rest. I for one want to preserve and keep our country because she is dearer to me than all the other nations of the world put together.

The High Cost of Living

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. KEATING. Mr. Speaker, the New York World-Telegram in the accompanying editorial deals with the boomerang caused by the President's attempt to find a scapegoat upon whom to pin the blame for the high price of commodities.

There is no doubt that speculation in grain is one of the causes, although a much more important one is the reckless spending policy of the administration. Both of these can only be remedied by an internal house cleaning.

THE GREAT GRAIN SNOOP

Speaking here, Secretary of Agriculture Clinton P. Anderson complains that the great grain snoop now going on in Washington is making it more difficult for the Government to employ first-class men.

The great grain snoop is what Mr. Anderson calls the current search by a Senate committee for Government insiders who have profited recently in commodity-market speculation.

But Mr. Anderson's complaint raises a question: Who brought on this great grain snoop? To which the answer is: Mr. Anderson's boss, President Truman, brought it on by trying to pin the blame for high food prices on commodity speculators. Suppose Mr. Truman hadn't said so much about the greed of gamblers in grain and other commodities who, according to repeated statements from him, were profiting in human misery and kicking the cost of living about like a football. In that case it's safe to say the Republicans never would have started the hunt for Government insiders.

Considering what has come out, however, we can understand Mr. Anderson's distaste for the great grain snoop.

First there was Edwin W. Pauley, President Truman's good Democratic friend and appointee as special assistant to the Secretary of the Army. Mr. Pauley, having claimed that he got rid of his commodity holdings at great loss when he learned that Mr. Truman disapproved of speculation, later had to admit making a $932,000 profit.

Then there was Brig Gen. Wallace Graham, the President's personal doctor. He said he didn't know what speculation was or what commodities were; that he never understood what his broker was doing; that he lost his socks by getting out of the market when he learned what Mr. Truman thought of speculators. But later he had to acknowledge a $6,165 profit.

And there's Democratic Senator ELMER THOMAS of Oklahoma, in Congress for 25 years, a good many of them as chairman of the Senate Agriculture Committee which has a powerful influence on the Government's farm-price policies. His constant theme has been that the Government should do everything possible to make farm commodity prices higher and ever higher. He now concedes that he and Mrs. Thomas have speculated in commodities for many years, always on the "long" side—the side that made money when prices went up—and he sees nothing improper in that.

But for Mr. Truman, as we've said, the Republicans probably wouldn't have started "the great grain snoop." However, we can't see Secretary Anderson's plaintive objection inducing them to stop it now.

Henry Wallace and a Third Party

EXTENSION OF REMARKS
OF
HON. E. E. COX
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. COX. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast by George E. Reedy:

Henry Wallace is learning that founding a third party isn't all beer and skittles. Sometimes its nothing but a morning-after headache—with no aspirin in the house. That, is just about his situation, according to reports from Chicago.

The so-called Progressive Citizens of America are holding their big convention in the Windy City. It is an appropriate place for such a meeting. So far, about all that has been produced is a long string of speeches praising Henry.

The delegates have been unable to decide a single question—not even the best method of nominating Wallace for the Presidency. But they have disclosed some interesting back-room arguments that might well kill the whole third-party idea.

It seems that the delegates are only agreed on two major points. They want to see Wallace run for the Presidency—and they don't care if Truman is beaten by a Republican. Outside of that, there is nothing except organized confusion.

The reason for this situation is obvious. The delegates represent every point of view, from extreme left-wing to mildly middle-of-the-road liberal. Trying to find a program that will fit all these people is like trying to feed a lion and a gazelle out of the same bowl.

The mild liberals, of course, stand no chance against the left-wingers, who know where they are going. But the Communists are afraid to go too far, because they might frighten the few remaining liberals out of the organization.

The result is a policy that recalls the famous character who jumped on his horse and rode off madly in all directions. That way, you usually meet yourself coming back.

The situation is best exemplified by the confusion over the stand that the new organization will take on the congressional elections. Some of the delegates are determined to support liberal Democrats or Republicans, no matter how they stand on Russia.

That, of course, is not a tasty prospect for the left-wingers who are swarming through the convention. Their only real purpose is to do a few peculiar things to American foreign policy. The rest is merely a cover-up.

A good example is the stand the so-called progressive citizens are taking on Paul Douglas in Illinois. He is running for election to the Senate against "CURLY" BROOKS, who now holds the seat.

Douglas, a former Chicago University professor, is a New Dealer by any definition. He is the personification of all the domestic policies the progressive citizens are supposed to stand for. Yet they are preparing to oppose his campaign.

If anybody wants to know why they will oppose him the answer may be found in a rather simple fact. Douglas has been very critical of the Soviet Union. That is enough to cast him outside the pale with many of Wallace's followers.

Other delegates can't quite follow this line of reasoning. They don't get the idea, but they are beginning to get suspicious. If they should pull out, of course, there may be nobody left to support Wallace—except a few very shady left-wingers.

That is the last thing the Communists want. It wouldn't be worth their while to back a third party in which they were the total membership. Therefore, they would pull out, too. It may well be that the whole organization will break up, and there will be no third party on the 1948 election ballot.

Oil

EXTENSION OF REMARKS
OF
HON. CARL T. DURHAM
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. DURHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of Secretary of Defense James Forrestal before the Special Subcommittee on Petroleum of the Armed Services Committee of the House of Representatives, January 19, 1948:

In response to the invitation of your chairman, Mr. SHORT, I am pleased to have this opportunity to testify on the subject of oil. It is gratifying to those of us who

are immediately concerned with the grave responsibilities of safeguarding our national security to have congressional committees such as yours give us the opportunity to discuss with you problems so intimately connected with national life as those relating to oil. Full knowledge of facts is an indispensable element to successful operations in any field of endeavor, and in the case of this Government of ours, full knowledge of facts is a "must" if we are to have orderly functioning of democratic processes between the executive branch and the legislative branch.

I propose to consider the following four general topics in my testimony today. In the first place, I wish to underscore the importance of oil to the National Military Establishment. Secondly, I will explain the new administrative set-up within the National Military Establishment to handle oil matters. Thirdly, I will outline the National Military Establishment's attitude toward oil production and reserves within the Western Hemisphere, particularly within continental United States; and fourthly, I will give consideration to the National Military Establishment's attitude toward foreign oil outside the Western Hemisphere, particularly Middle East oil.

Petroleum is the primary source of motive power for military forces. It is the lifeblood of a war machine. In World War II our armament depended on oil. Without oil, our Army could not have marched, our Navy could not have sailed, and our Air Force could not have flown to final victory. There was a time when the major item of supply to a fighting force was food, as Napoleon graphically pointed out when he said that an army marches on its stomach. In World War II, however, the volume of liquid fuel shipped overseas was nearly 16 times that of food. Petroleum and petroleum products amounted to over 60 percent of the overseas military shipments. During the last war the peak consumption of oil for military purposes and for programs supported by the military was 1,375,000 barrels a day.

With respect to the future, it is not anticipated that any new source will soon replace petroleum for military motive power. Indeed, rather than writing down the military value of oil, our future strategic needs of oil must be calculated on the basis of a greater rate of oil consumption than we had during the last war. The maximum military requirements of petroleum in the event of a war emergency are now estimated nearly to double the requirements of World War II. Further, the essential civilian requirements—especially in the light of wide change-overs from coal to oil for domestic and industrial purposes—are anticipated to be appreciably higher than during the last war. It now appears that the United States military and civilian needs for a major war effort would exceed by at least 2,000,000 barrels a day the foreseeable production from the continental United States. The basic fact that oil is an absolutely essential commodity for the fulfillment of the mission of the National Military Establishment is incontrovertible.

The second item of my testimony agenda is to explain the new administrative set-up in the National Military Establishment whereby oil matters will be handled.

At the meeting of the Munitions Board of January 8, a format for the charter of the Armed Services Petroleum Board and for the charter for the Armed Services Petroleum Purchasing Agency were approved. Briefly stated, the Army-Navy Petroleum Board is to be reconstituted as the Armed Services Petroleum Board.

This new Board is to be established as a joint board of the three Service Departments and will consist of six members. Three of the members will be designees respectively of the Chief of Staff, United States Army; of the Chief of Naval Operations; and of the Chief of Staff of the Air Force. The remaining three members will be the Quartermaster General of the Army; the Chief of the Bureau of Supplies and Accounts of the Navy; and the Director of Maintenance, Supply and Services of the Air Force; or their alternates.

The Armed Services Petroleum Board is to be charged with a dual responsibility. First, it is to be responsible to the three secretaries for inter-service planning and coordination of efforts in the field of petroleum. Secondly, the Board is to be responsible for making recommendations to and performing such services, duties and functions in petroleum matters as may be required of it by the Munitions Board, the Joint Chiefs of Staff, and the Research and Development Board as they exercise their respective statutory functions for the Secretary of Defense.

The new Board will be responsible for its own internal regulation and administration, and personnel and facilities requirements will be met by the three military departments.

A word would appear appropriate on the reason for the reconstitution of the Army-Navy Petroleum Board. Briefly, the reorganization of the military establishment by the National Security Act of 1947 prompted the reconstitution of the Army-Navy Petroleum Board. It was felt that the old board could not adequately coordinate petroleum activities among the agencies and departments in the National Military Establishment. To keep in step with the changes effected by the National Security Act and to carry out the Congressional mandates expressed in the act, the Armed Services Petroleum Board is being organized. Because of the particular importance of petroleum to all military operations in war and peace, it was determined that there is still a need for some agency under the three Secretaries which will assist them in the day-to-day performance of their duties with respect to petroleum products. It was also believed that the new petroleum board would be a convenient and economical vehicle for obtaining coordinated recommendations from the Departments for use of the Munitions Board, Research and Development Board and the Joint Chiefs of Staff.

The Armed Services Petroleum Purchasing Agency is to be established as a joint agency of the three military departments and is to be responsible for all purchase functions relating to petroleum and petroleum products within the National Military Establishment. This agency will consist of the Quartermaster General of the Army; the Chief of the Bureau of Supplies and Accounts of the Navy; and Director of Maintenance, Supply and Services of the Air Force. As in the case of the Armed Services Petroleum Board, the budgetary, staff, space and facilities requirements of the Petroleum Purchasing Agency will be met by the Departments of the Army, Navy and Air Force.

The Petroleum Purchasing Agency will have all the powers necessary for it to fulfill its purpose of streamlining the purchasing of petroleum and petroleum products for the armed forces. For example, it will solicit and analyze bids, negotiate, award, execute and administer contracts, obtain all necessary clearances in connection with any of its contracts, and so forth.

The creation of the Petroleum Purchasing Agency is also prompted by the National Security Act of 1947. That act has as one of its objectives the coordination of procurement activities among the armed forces. The Petroleum Purchasing Agency has been determined to be the means whereby such coordination is to be achieved so far as petroleum and petroleum products are concerned. The agency will provide a single point of contact between the petroleum industry and the Departments of the National Military Establishment with respect to purchase.

The third point which I propose to consider is the National Military Establishment's attitude toward oil reserves and production within the Western Hemisphere, particularly within the continental United States. The strategic importance of the location of oil can hardly be overemphasized. During the last war we enjoyed the tremendous military advantage of possessing on our shores or close to them a vast fund of oil. The difficulties which we encountered in the early days of World War II with German submarines in the Caribbean area, which is relatively close to home, is a forceful reminder of the urgency of maintaining ourselves as self-sufficient as possible in our petroleum needs, and such self-sufficiency is the primary goal of the petroleum policy of the National Military Establishment.

In terms of accessibility of petroleum resources, those within the continental limits of the United States are obviously first in importance. The latest estimate of proved crude reserves for the United States is 21,000,000,000 barrels plus, which is about 31 percent of the total proved reserves of the world. The proved reserves of the rest of the Western Hemisphere amount to about 11,000,000,000 barrels or 16 percent of the total proved reserves of the world, and roughly three-fourths of this amount are concentrated in Venezuela and 10 percent in Mexico. In connection with the oil of Mexico, Venezuela and other countries in this hemisphere, it is our hope that exploration of the subject at the forthcoming Bogota conference will lead to further development of petroleum resources of the Western Hemisphere.

Regarding the quantity of reserves as a fund which supports a certain optimum withdrawal, it is clear that the National Military Establishment favors policies which will promote discoveries of new petroleum reserves. In line with this point of view, the National Military Establishment wishes to support the development of the great area of Alaska. Discoveries and development of large crude pools in Alaska could have a heavy impact on the efforts to balance the availability of petroleum with requirements in the event of war. Alaska has shown considerable promise in respect to petroleum resources. I believe that continued Government support of the exploration being conducted at naval petroleum reserve No. 4, in Alaska, under the sponsorship of the Office of Naval Petroleum Reserves is well warranted.

Naval Petroleum Reserve, No. 1, in California is also of military value because of its strategic location on the west coast. Naval reserves other than the two I have just named should be returned to the Department of the Interior, and steps to effect such return are going forward.

In the commercial field it is believed that exploration for new pools still represents great potential for increasing our petroleum productive capacity. The tidelands areas in particular are believed to hold great promise in adding oil to our available resources. It is the view of the National Military Establishment that development of the tidelands areas should proceed as rapidly as possible and that all necessary action should be taken to permit rapid development of those areas. Delays in the development of the oil potential in the tidelands is considered contrary to the best interest of the United States from the viewpoint of national security. I do not mean to imply that the National Military Establishment would in any way condone or favor practices that are contrary to sound conservation principles but I do wish to emphasize that undeveloped oil fields provide no power for the machines of either war or peace. The National Military Establishment, together with the Department of Justice and the Department of the Interior, is currently engaged in drafting a statute dealing with the tidelands, and it is my hope that this statute will be ready for your consideration in 30 to 60 days.

The production story of the Western Hemisphere in 1947 is here briefly summarized. The United States accounted for slightly over three-fifths of the world's production and the rest of the Western Hemisphere, another fifth. As with petroleum reserves, production in Western Hemisphere countries other than the United States was concentrated in Venezuela with over 14 percent of the world's petroleum production and Mexico with slightly less than 2 percent. In terms of barrels, the latest estimates for 1947 production are as follows: The entire Western Hemisphere, 2,433,000,000 barrels; continental United States, 1,855,000,000 barrels; the Western Hemisphere exclusive of continental United States, 578,000,000 barrels; Venezuela, 433,000,000 barrels, and Mexico, 57,000,000 barrels.

To be sure, these figures by themselves sound imposing, but let us now reconsider our anticipated petroleum demands in the event of an emergency. As I stated earlier in my testimony, the United States military and civilian needs for a major war effort would exceed by at least 2,000,000 barrels a day the foreseeable production of the United States. The daily average production for the United States last year was a little over 5,000,000 barrels. Emergency demands for petroleum, therefore, would require United States production to be stepped up by at least 40 percent or would require heavy reliance by us upon foreign oil. The magnitude of a 40 percent or more increase is reflected in the fact that 1947 production was an increase over 1947 production by only 7 percent. The daily production of crude oil for the entire Western Hemisphere last year came to 6,666,000 barrels.

The current petroleum supply situation has also been unsatisfactory from the viewpoint of the services. During the past year considerable pressure has had to be placed upon industry by the military services in order to secure commitments to fill the purchase requirements. In August 1947 the Navy considered it necessary to issue instructions to reduce all operational activities to the essential minimum. At the same time the Air Force allocated extremely limited amounts of aviation gasoline to its commands. Tightness of the supply situation has been relieved to a certain extent and it appears that our military commitments will probably be met for the balance of fiscal 1948. However, in view of the increasing demand for petroleum, it is certain that continued pressure will have to be placed on industry if military requirements are going to be met.

It is appropriate to note here that the current military demands total 343,000 barrels a day. Of this amount, 244,000 barrels come from continental United States, 39,000 barrels from other sources in this hemisphere, and 60,000 barrels from the Persian Gulf. Calculated on the basis of crude production in the United States, the here-and-now military demands have amounted to only 4.4 percent of the total United States production, as contrasted to 32 percent at the wartime peak.

The National Military Establishment is intently interested in ways and means of ameliorating the tight petroleum supply situation in the United States. I note the advancements made in secondary recovery methods and the development of new effective recovery practices. It is believed that Government interest in secondary recovery and Government encouragement of such recovery are highly desirable. The prospects in the synthetic field and the possibilities in the utilization of foreign oil are eminently worthy of comment.

In the synthetic field the prospects for converting natural gas into liquid hydrocarbons appear promising and the military have hopes that the commercial developments in this undertaking will be successful. However, early commercial development of synthetic liquid fuel from coal and oil shale seem far away because of the high cost of the processes—high cost in terms not only of money, but also in terms of material, particularly steel. Nevertheless, the development of these processes is of great importance to national security as a means of supplementing our regular oil supply. The manufacture of synthetic liquid fuels from coal and shale has the considerable advantage of very extensive coal and shale resources in the United States. I am of the firm opinion that the United States Government should not only support pilot-plant operations in the synthetic liquid-fuel industry but also should support a few large-scale plants sufficient to provide the engineering know-how and to advance technical developments. The encouragement and promotion of the synthetic liquid-fuel developments is an important part of the petroleum policy of the National Military Establishment.

The utilization of foreign oil outside the Western Hemisphere brings me to the last topic of my testimony.

The Middle East oil resources at once become the focus of attention. Iran, Iraq, Kuwait, Saudi Arabia, Qatar, and the island of Bahrein are estimated to have over two-fifths of the world's proved crude reserves, or a total of about 28,500,000,000 barrels, and last year these sources accounted for 10 percent of the world's production. The significance of the latter figure is accentuated by the fact that only 199 oil wells account for all of the Middle East oil production. By way of contrast, the United States position in world crude-oil production is maintained by some 440,000 producing oil wells.

From a national security point of view I consider it most fortunate that American enterprises are leading the development of the Middle East oil fields.

It is anticipated that the petroleum of the Middle East will replace petroleum from the Western Hemisphere going to the European areas. The consequential benefit to our national security is patent. The demands on our own oil resources and those of the Western Hemisphere will be lessened, and the consequent savings will mean more petroleum security for ourselves. The European recovery program, for example, will require that large amounts of petroleum products shall flow to western Europe—and it is to our interest to see that this petroleum, to the maximum extent practicable, is supplied from the wells of the Middle East. At the present time, incidentally, our total imports of petroleum are about in balance with our total exports—at a figure of approximately 450,000 barrels a day.

Further, the trend of demand versus availability has, in my opinion, become such that if military operations or individual living standards in the United States are not to be limited because of an economy of oil scarcity, we must adopt an active policy of favoring sizable importations of oil. The National Military Establishment favors the importation of oil to the extent that it provides needed supplies and conserves Western Hemisphere resources but not to the extent that it would discourage or depress United States exploration and development of promising major petroleum resources.

As I indicated earlier, the military has obtained and proposes to continue to obtain petroleum products from sources outside the Western Hemisphere. Insofar as it is consistent with United States policy, the military will generally give priority in peacetime purchases to those areas of supply which appear to represent doubtful accessibility during periods of major conflict unless unreasonable costs are involved or encouragement is needed elsewhere.

Gentlemen, I hope that these remarks will be helpful to you in your wholesome investigation of a problem vitally affecting our national security. If I might be of further assistance, I wish you would let me know.

Thank you.

Michigan's Veteran Laws

EXTENSION OF REMARKS
OF
HON. CHARLES E. POTTER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. POTTER. Mr. Speaker, most veterans are not fully aware of their legal rights to various benefits, privileges, preferences, and exemptions as extended to them, under certain circumstances, by the laws of the great State of Michigan. I am therefore pleased to present, for their information, an outline of such laws, as compiled by Robert L. Berry, department adjutant of the DAV, 2371 West Grand Boulevard, Detroit, Mich., who will be happy to furnish more specific information as to the application of any such State law.

This résumé of Michigan laws, affecting veterans and their dependents and organizations, is quoted in full as follows:

BONUS

Active honorable duty in military or naval service in World War II for a period of more than 60 days between September 16, 1940, and June 30, 1946, residents at time of entering service and for a period of at least 6 months prior thereto, $10 for each month of domestic service and $15 for each month of foreign service up to $500 maximum. Next of kin may be paid sum to which deceased serviceman would have been entitled if able to prove that they were dependent on veteran when he entered service. Applications and information may be obtained from the Adjutant General's Office, Bonus Section, Lansing 1, Mich. Applications must be notarized and mailed to above office by March 19, 1949.

Fifteen dollars for each month of service in World War I from April 6, 1917, to August 1, 1919. The time limitation on applications for benefits under this law expired December 31, 1932.

Payments of Civil War bounties have expired.

BURIAL ALLOWANCES AND ALLIED BENEFITS

County allowances are granted for the burial of certain veterans and wives and widows of veterans with privilege of removal of bodies to soldiers' burial grounds. Provisions have also been granted for the burial of the remains of the Michigan members of the north Russia forces of the American Expeditionary Forces in cemeteries in northern Russia or for their removal to the United States for burial by the Federal Government.

Counties are authorized to purchase burial plots for deceased Civil War veterans. Powers have been granted to the Grand Army of the Republic, Sons of Veterans, Military Order of the Loyal Legion, World War Veterans, and the United Spanish War Veterans, as corporations, to establish cemeteries. Power has also been granted to the State military board to purchase burial plots for certain Civil War veterans.

Municipalities may furnish, at public expense, metal markers for soldiers' graves to mark graves for memorial purposes. The county shall apply to the United States for a suitable headstone and shall have the headstone set in place.

CIVIL RELIEF AND ALLIED BENEFITS

Acknowledgment has been made of legal instruments and the making of oaths, affidavits, or affirmations by members of the armed forces.

In divorce actions, if one of the parties to the action is in the armed services such party's testimony may be taken outside the court, in such manner as the court may direct.

Proof of wills of persons who have died in the armed services is covered by an act effective until 1 year after the end of World War II.

Protection is granted to persons acting under power of attorney granted by members of the armed forces.

Provision has been made for withholding from sale during the war and for 1 year thereafter State tax lands in which persons in military service owned any estate or enforceable legal interest at the time title was vested in the State.

Disability of minority for qualified veterans under the GI bill of rights has been removed.

Powers of a trustee engaged in war service has been suspended.

CIVIL RIGHTS

Provisions have been made for absentee registration and voting.

The Parole Board of the Bureau of Pardons and Paroles of the Department of Corrections shall issue final orders of discharge to any parolee honorably discharged from the armed forces during the term of the parole originally granted.

CLAIMS; ASSISTANCE IN OBTAINING BENEFITS; SAFEKEEPING OF PAPERS

Persons authorized to administer oaths may not charge a veteran or his legal representative more than 15 cents for administering an oath or giving any official certificate in connection with a claim for pension, bounty, or back pay. Such persons may not charge a widow, guardian to a minor child, or other legal representative of a veteran more than 25 cents for administering an oath.

The fee of a judge of probate is limited to 15 cents for a certificate of guardianship, administration, or of the death of a pensioner or the widow, children, or other legal representatives of a pensioner, for the purpose of procuring payment of any installment of pension.

The State Commissioner of Health is required to furnish without charge one copy of any vital record to a veteran or a member of his family for use in connection with a claim for pension or compensation.

Transcripts under seal of any records of the offices of Secretary of State, Adjutant General, judges of probate, county clerks, and justices of the peace pertaining to pensions, insurance payments, or annuities are to be furnished without charge to veterans, their widows, or other dependents.

Discharge papers are recorded and indexed free of charge by county clerks.

Local councils of veterans' affairs may be established by any county, city, village, or township in cooperation with the State Office of Veterans' Affairs. Authority is given the boards of supervision, etc., to make appropriations.

EDUCATIONAL BENEFITS; QUALIFICATIONS FOR THE PROFESSIONS AND TRADES

Admission to the bar has been granted to applicants called into the armed forces of the United States or who volunteer therefor. Credit has been granted to World War veterans on application to take the bar examination.

Exemption has been granted to high-school and county-normal-school students who have been enlisted or inducted into military service during World War II from the requirement of taking a course in civics in order to graduate.

School districts maintaining an approved high school may operate veterans' institutes for education of World War II veterans. Schools may continue for 7 years after the close of World War II.

The State will render financial assistance to institutions of higher education maintained by a school district as a university, college, or junior college to assist in cost of education of veterans of World War II. The school receives $250 from the State Board of Education for each veteran in attendance. Five hundred thousand dollars was appropriated for the year ending June 30, 1947.

EDUCATIONAL OPPORTUNITIES FOR CHILDREN OF VETERANS

Aid has been extended to children of veterans, disabled or killed in action, including those killed in action or who died while serving in the armed forces of the United States between April 6, 1917, and July 2, 1921, or have died since or become totally disabled. Free tuition is granted in State institutions of secondary or college grade.

EMPLOYMENT PREFERENCES, PRIVILEGES, ETC.

Leaves of absence have been granted to municipal court judges in the armed services. Legislative request was made that Congress endorse a proposal that veterans of World Wars I and II be represented at the World Peace Conference.

Preference has been granted to veterans in county civil service. Preference is granted to veterans in employment in public departments and on public works of State and local units, with right to hearings on removal.

Preference has been granted to veterans in State civil service.

Preservation of benefit rights has been granted under the Unemployment Compensation Act.

Teachers must be reinstated within 90 days after termination of military service with preservation of status or seniority rights and benefits under established regulations of the school district.

The commandant and subordinate officers of the Michigan Soldiers' Home are required to be veterans.

War service credit has been allowed State employees for retirement purposes.

EXEMPTION FROM EXECUTION, GARNISHMENT, ETC.

State bonus claims are not assignable or subject to garnishment, attachment, or levy of execution.

GUARDIANSHIP

Provision has been made for the appointment of the commandant of the Michigan Soldiers' Home as guardian of a member of the Home in certain cases.

A Uniform Veterans' Guardianship Act has been enacted with modification which provides for the appointment of a guardian of an incompetent veteran or the minor child of the veteran, to receive certain benefits on behalf of such ward.

HOMES

Provision has been made for admission of veterans to the State Veterans Facility, formerly known as the Soldiers' Home. In 1931, a commission was created to transfer the Soldiers' Home to the Federal Government. Widows, wives, and mothers of soldiers, sailors, and marines may also be admitted to the home.

Aid has been extended to the American Legion children's billet at Otter Lake.

Provision has been made for care of widows, wives, and mothers of veterans of certain wars at the Soldiers' Home.

HOSPITAL BENEFITS

An inmate of the Soldiers' Home, if adjudged insane, may be committed to a State hospital for the insane. Commitment of an incompetent veteran may also be made to a Federal hospital.

Hospitalization has been provided for persons afflicted with tuberculosis. Use of certain wartime emergency funds for hospital and medical care and other purposes has been granted for the benefit of World War veterans.

MEDALS, CERTIFICATES, ETC.

Medals have been awarded for service in the Spanish American War or the Campaign in the Philippines.

MEMORIALS

Highway, United States Route 23, has been designated as United Spanish War Veterans' Memorial Highway.

PATRIOTIC HOLIDAYS

Towns and cities may appropriate money for proper observance of Memorial Day, Independence Day, and Armistice Day.

RELIEF AND REHABILITATION

Aid has been extended to Spanish-American War veterans. Banks and building and loan associations may make loans to qualified veterans under the GI bill of rights.

County relief may be extended to veterans, their wives, widows, children, and mothers. A postwar reserve fund of $50,000,000, has been created to liquidate the State's obligation to returning servicemen, their widows, or dependents.

State allowance has been made for care of dependents of enlisted and drafted men.

TAX EXEMPTIONS, EXEMPTION FROM LICENSE FEES, RENEWALS, ETC.

Members of the armed services when furnished with a driver's permit, and when operating an official motor vehicle in such vehicle, are exempt from State license requirements. This feature is not applicable to civilian personnel.

Operators' or chauffeurs' licenses of persons in the armed services are extended until 30 days after discharge from such service. This is not applicable to civilian personnel.

Veterans are exempt from license fees for peddlers' licenses.

Licensed embalmers and funeral directors in active military service may be relieved of the payment of renewal and revival fees.

No license of a person who was licensed to engage in a profession or occupation by the State shall expire while such licensee is in the armed forces.

Disabled veterans of the Philippine Insurrection, the China Relief Expedition, the Spanish-American, Indian, Civil, Mexican Wars, and World Wars I and II are entitled to $2,000 homestead exemption from taxes. Exemption is not available to owners of taxable property of greater value than $7,500. Memorial homes of World War veterans have been granted exemption.

Personal property of certain veterans' organizations is exempt.

Intangible property of posts of the Grand Army of the Republic and Sons of Union Veterans are exempt from taxation.

Pensions received from the United States Government are exempt from personal-property tax.

TRANSPORTATION PRIVILEGES

Common carriers may provide free transportation to inmates of soldiers' homes.

UNIFORMS

Rights have been extended to inmates of veterans' or soldiers' homes with respect to wearing the uniform of the United States Army or Navy.

VETERANS' ORGANIZATIONS

Appropriations (1942–43) to provide funds for conventions for certain veterans' organizations were made. Counties were authorized to appropriate $1,000 toward the expenses of veterans' conventions. Counties of 50,000 population or over may appropriate $5,000. Counties of 500,000 population or over may appropriate $25,000. Annual reports of the Grand Army of the Republic to the Governor shall include names and military record of deceased members. They shall be printed and distributed to posts.

United Spanish War Veterans' annual report to the Governor shall be printed and distributed to camps and auxiliaries

Incorporation has been granted to certain veterans' organizations and auxiliaries.

Unauthorized wearing or use of the registered name or insignia of certain veterans' organizations is a misdemeanor.

Any county, city, town, village, or school district may lease public buildings to veterans' organizations for 5 years at a nominal rent.

Armory privileges have been extended.

Certain veterans' organizations have been granted quarters at the State capitol.

State appropriation has been made for securing war devices and trophies from the United States Government and distributing same to veterans' organizations.

American Legion has been authorized to administer the Michigan patriotic fund to be used for welfare hospitalization, care, and assistance to disabled veterans.

Tax exemption has been granted to personal property of certain veterans' organizations. Intangible property of posts of the Grand Army of the Republic and Sons of Union Veterans is exempt from taxation.

Memorial homes of World War veterans are exempt from property tax.

Mr. Speaker, most of the above-mentioned laws have been enacted by the Michigan Legislature during the last 27 years, through the sponsorship and cooperation of the DAV and other veteran organizations.

The people of the State of Michigan have evidenced their confidence in the service work of these veteran organizations by making biennial appropriations to the several major veteran organizations.

Most of the 93 DAV chapters in the State, whose membership dues average about $5 annually, maintain volunteer or part-time service and employment officers.

In addition to such State-wide service, the DAV maintains nine full-time national service officers, under the direction of Sydney J. Allen, at 1201 Guardian Building, Detroit 26, Mich., to extend all types of assistance to veterans and their dependents, more particularly in the preparation, presentation, and prosecution of claims before the Veterans' Administration.

The DAV is primarily concerned in seeing that all war-disabled veterans and their dependents receive their just entitlement to rights and benefits provided under the many complicated laws, Federal and State.

To provide gainful employment for all such disabled veterans, the DAV has developed a Nation-wide man-job-matching method program.

During its more than 27 years of service activities, the Disabled American Veterans has sponsored and supported much liberalizing legislation, nationally and in each State.

Formed in 1920 and chartered by the Congress in 1932, the DAV is composed solely of men and women who were wounded or disabled as a result of their service to the United States in time of war.

Having specialized in the protection and formation of the justifiable needs and welfare of America's disabled defenders, the DAV feels that it has been thereby rendering a great service to these veterans and to our Country.

The service-giving activities of the DAV have made me proud to be one of the life members of this association.

Voice of America

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. KEATING. Mr. Speaker, no funds could possibly be more wisely spent in these critical times than in counteracting the false and misleading propaganda which is being disseminated abroad regarding this country. This was recognized in the House last June when we passed by an overwhelming vote the so-called Voice of America bill.

The other body has now, by unanimous action, enacted legislation, differing in details, but similar in purpose.

The conferees from both Houses, I understand, have ironed out their points of difference and agreed on a measure which, I feel sure, will go a long way toward combating in many quarters overseas the savage and vicious attacks which are daily being made on this country and our motives and objectives. Even so, the program envisaged in this bill will involve an expenditure less than one-quarter of that laid out by the Soviet Union in its "information program" to thwart our attempts at world reconstruction and recovery, to dominate the minds, souls, and destinies of increasing millions throughout the world and to impose upon them a godless, totalitarian despotism.

The hour is late but, let us pray, not too late. The ammunition afforded by this bill, wisely administered, may prove the turning point in the current war of words. I urge early action on, and approval of, the conference report.

Under leave to extend my remarks, I include an editorial on this timely subject from the New York Times:

VICTORY FOR THE "VOICE"

The Senate's unanimous approval last Friday of the State Department's cultural and informational program is as good an evidence as could be had of the changing climate of opinion in this country. Six months ago there was so much opposition to this measure and so much indifference to it that the Senate did not even bring it to a vote. In the House the similar measure introduced by Representative MUNDT of South Dakota passed, after a parliamentary rumpus, on June 24, by a vote of 272 to 97. Strangely enough, the program was allowed to continue without formal and separate legislative approval. Funds for it, reduced from the requested $31,381,220 to $12,400,000, were included in the regular State Department appropriations, sanctioned by vote of both Houses on July 3.

Now the withheld approval seems about to be granted. The Senate bill, introduced by Senator SMITH, of New Jersey, differs from the Mundt bill in some respects, notably in separating the radio broadcasting program ("The Voice of America") from the provisions for exchanging students, teachers, specialists, books, and periodicals. These changes do not seem damaging and it is thought the House will accept them. No specific expenditures are mentioned in either bill, but Senator SMITH suggests an immediate increase of $5,000,000 in this year's allowances and a total of from $35,000,000 to $40,000,000 for the next fiscal year. An economy-minded Congress, all things considered, might regard these increases as a true economy.

As long ago as last May, Secretary Marshall emphasized the necessity for making known to the world "what our motives are, what our actions have been, what we have done to assist people outside our borders." There is a greater necessity now, for, since May, the European recovery program has been announced, its principles generally accepted in this country and by democratic forces abroad, and a vicious attack launched upon it by the Cominform and other Russian mouthpieces. The storm of lies and misrepresentations about the United States has drifted across Europe and around the world like this winter's snows.

The old word "propaganda" has lost much of its stately meaning. We do not wish to reply in kind to the attacks upon us. But the truth about the United States will bear frank telling, and it is the truth, we believe, that now goes out in twenty-odd languages to thirty-odd countries, including European Russia and the Maritime Provinces of Siberia. If errors are made, they are certainly no part of a planned policy; nor should we forget that the "voice" is directly supplemented by the program for better acquaintanceship between our own students and scholars and those of other lands. We try to throw our beams of light across the earth and we raise our own curtains to let light in. The months have proved—and they have evidently convinced the skeptics in Congress—that in this bloodless war of words and ideas we must bring up our heaviest battalions.

The Louisiana Gubernatorial Election

EXTENSION OF REMARKS
OF
HON. OTTO E. PASSMAN
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. PASSMAN. Mr. Speaker, I was amazed and shocked when I read the CONGRESSIONAL RECORD of yesterday noting that my colleague from Louisiana, Mr. DOMENGEAUX, had again abused his privilege as a Representative in Congress by inserting in the RECORD a statement charging the Honorable Earl K. Long, a candidate for Governor of Louisiana with income-tax fraud. The people of the great State of Louisiana are well aware of the fact that my colleague's eleventh-hour accusation is to try to stop the tide of Mr. Long's candidacy. I am of the opinion that my colleague, Mr. DOMENGEAUX, has resorted to these unusual tactics in a desperate effort to save the $20,000 wager that he has up that Mr. Jones will get more votes in the first primary than Mr. Long. Certainly, I am interested in the Louisiana gubernatorial campaign but I have not at any time inserted a single statement in the RECORD dealing with Louisiana politics, because I do not believe that the taxpayers' money should be wasted in such a manner. But on account of the many slanderous remarks inserted in the RECORD against the Honorable Earl K. Long, I must now vouch for his integrity. He is a fine, conscientious gentleman; able, honest, sincere, and a man with great ability.

Mr. Speaker, I believe that a resolution should be adopted by the House prohibiting any Member of the Louisiana

delegation from again using the CONGRESSIONAL RECORD to air Louisiana politics. I believe that it is obvious that my colleague, Mr. DOMENGEAUX, flew to Washington for a few hours to insert his remarks in the RECORD so as to have congressional immunity, because certainly he would not dare make such a statement without congressional immunity.

Air Policy Report

EXTENSION OF REMARKS
OF
HON. WAT ARNOLD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. ARNOLD. Mr. Speaker, the subject of national defense is of the utmost importance to every loyal American. We should, however, be alert to any and all propaganda favoring universal military training as a necessary means to national security. An editorial in the Washington Post of January 16 by Marquis Childs, contains some interesting information with regard to economy in our armed forces, supposed to result from the consolidation of the services; and the need for more up-to-date efficiency. Under leave to extend my remarks I include this editorial which follows:

WASHINGTON CALLING
(By Marquis Childs)
AIR POLICY REPORT

In their searching and highly significant report the President's Air Policy Commission did not pass judgment on how the total defense budget is divided between Army, Navy, and Air Forces. But anyone who reads that report carefully can tell that the Commission felt a lot of money now being spent on defense is being wasted because it is going for "yesterday's war."

Neither the Army nor the Navy have faced up to present-day realities. Millions and millions of dollars are being spent in ways than can never serve the security of the United States. This is true in spite of the merger of the armed services 6 months ago which was meant to stop such wastes.

The facts are known, in part at least, to men in high position, some of them in uniform. Waste on yesterday's war—or even day before yesterday's war—is particularly obvious in the Navy. For example, shore installations are being maintained on the Pacific coast which can have no possible relation to any future war.

In the old days when America was relatively isolated by the two oceans this kind of waste did not matter too much. The Military Establishment was hardly more than a museum piece. At the outbreak of a war we would brush it aside and build a new modern war machine. Behind the barrier of the oceans there was always time.

But as the Air Commission's report—called Survival in the Air Age—makes dramatically clear, we shall never again have that much time. In the age of jet bombers and guided missiles there is no second chance. An atomic Pearl Harbor means final and utter defeat and disaster.

The commission's report is the first overall, impartial examination of the postwar Military Establishment and over-all strategy, if any. The commission was not authorized to pass on how the total defense budget should be spent. They came close to it, however, when they said:

"We view with great anxiety the pressures from many sides directed toward the maintenance of yesterday's establishment to fight tomorrow's war: of unwillingness to discard the old and take on the new; of a determination to advance the interest of a segment at the sacrifice of the body as a whole. All this is understandable. For it comes in large part from loyalty of each service to its traditions. But we can no longer afford the waste it involves. Hope rests only with the ability of the Secretary of Defense under the President to discharge effectively the authority vested in him with one objective in mind—the maximum in security for the minimum cost. It is imperative that this be done; for unless it is we will not have a Military Establishment capable of defending the country."

The Air Commission called on Secretary of Defense James Forrestal to show what had been done thus far to integrate the services and bring about essential economy. In tangible results Forrestal could show very little.

Members of the Commission were fully aware of the tremendous task that was dumped in Forrestal's lap. In the past the Navy has been the only force maintained in being between the wars. It was kept in being to guard the sea approaches to the United States.

Vested interests have grown up around the Navy that are like barnacles which fasten on a ship too long in port. It is an institution hoary with tradition and hedged around by guardians of that tradition.

Forrestal's job is now to keep the Navy as a force in being and as a security weapon safeguarding American interests all over the world while at the same time creating a second force in being in the air to guard the air approaches to the Nation. To carry out the second half of this assignment means inevitably that the Navy must be pruned (1) because many of its functions are now those of yesterday's war and (2) because the money simply will not be available unless there is a drastic pruning.

The vested interests are not, of course, all inside the Army and the Navy. For many years after they had outgrown any conceivable usefulness for defense the Army continued to maintain posts that in their day had been useful in fighting the Indians. When it was proposed to abolish these posts, nearby towns rose up in indignation and brought congressional pressure to bear to stop the move. That happened repeatedly, and naturally Army officers who didn't want to see any change could ally themselves with these interests.

Those days are gone forever. If Congress and the Nation persist in living in that kind of a past, then the awakening will eventually be a rude one.

Hoosier Watch Dog

EXTENSION OF REMARKS
OF
HON. GEORGE W. GILLIE
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. GILLIE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Fort Wayne News-Sentinel:

HOOSIER WATCH DOG

One of the most zealous guardians of American freedom against totalitarianism is Representative FOREST A. HARNESS, of the Fifth Indiana District.

As chairman of the House Subcommittee on Publicity and Propaganda in the Executive Departments, he has a particularly strategic position in which to attack Federal bureaus and employees who have used public funds and facilities to foster schemes designed to entrench totalitarianism in America.

President Truman's demand for legislation providing compulsory health insurance, made in his recent message on the state of the Union, focuses attention on the exposé by the Indiana Congressman's committee of the campaign to pressure Congress into passing this legislation.

Mr. HARNESS found this campaign was planned on Government time, paid for by the taxpayers in violation of the Federal statute making it unlawful for Federal employees to use tax funds to promote legislation.

Although Congressman HARNESS' committee of Democrats as well as Republicans voted unanimously to expose these Federal employees and turn the evidence over to the FBI and the Department of Justice for prosecution, the President has yet to utter one word of rebuke to employees of his administration.

Indeed, he has again joined them in an urgent plea for the proposed legislation.

Of the proposed compulsory health insurance law, HARNESS declares "there is no legislative proposal that has stronger, more obvious appeal to devotees of the all-powerful, all-supervising state than national compulsory health insurance, often described as 'socialized medicine.' "

Compulsory health insurance, the Indiana legislator insists, is the cornerstone of every Socialist regime. It would swell the number of bureaucrats by many thousands and would cost the taxpayers billions of dollars a year.

Mr. HARNESS' investigation revealed that headquarters for the intensive drive is in the Federal Security Agency in Washington, to which would be added administration and enforcement of the health insurance law. The FSA already has 35,000 employees.

Last year HARNESS stopped a joint health service Government mission to draw up a socialized-medicine program for Japan, when he exposed it as a grossly unlawful expenditure of Federal funds.

The Nation can be grateful for the zeal of this Hoosier watch dog.

Letter of J. Edgar Small, Esq., of York, Pa.

EXTENSION OF REMARKS
OF
HON. CHESTER H. GROSS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. GROSS. Mr. Speaker, under leave to extend my remarks, I include the following letter:

YORK, PA., *January 14, 1948.*
Hon. CHESTER H. GROSS,
York, Pa.

DEAR MR. GROSS: There have been a thousand reasons presented to me during the past few months why I should be convicted of the fact that the Federal Government should appropriate billions of the taxpayers' money for the so-called purpose of preventing the spread of communism in Europe. But at the present time I am unable to think of one of them.

Mr. Harry Hopkins left the cat out of the bag in some lucid moment as to the real purpose of the "brain trusters" advising the New Dealers' Administration when he said, "The way to succeed politically is to tax and

tax and to spend and spend and to elect and to elect."

Shortly after Harry was sworn in as President of the United States he declared that he would follow in every respect the New Deal philosophy. It is now quite obvious that it is the intention of the administration to enlarge the New Deal to include almost the entire planet so that we won't stop at furnishing two bottles of milk to every family in Europe as Henry Wallace suggested years ago, but now it is proposed that this donation be enlarged to the global extent of rehabilitating the economy of all the nations of Europe.

I am beginning to be astounded with the possibility of a Republican Congress being influenced to go along with the Democratic New Dealers with this program. The influences which seem to be now effective in leading our present Congress astray are appalling when you consider the tremendous force and effect of this well-planned and executed propaganda of the Federal Government. I shudder when I actually perceive the extent of this influence when the Federal Government determines upon some definite line of action, such as the rehabilitation of Europe. They have the power inherent by reason of their high position to lead, mold, and direct the thoughts of the people making use of all the public relations employees employed in every bureau and department of Government who have free access to the press and to the radio. Yet this power is so tremendous that they have actually influenced the minds of a Republican Congress, that it is their duty to go along with this diabolical scheme to take the money out of the pay envelopes for 60,000,000 employees and hand it over to Europeans with the result and effect which is the real undisclosed purpose of providing them with the means to purchase commodities and foodstuffs from America which will have the effect of tremendously accelerating our own cost of living. This whole thing is a tremendous pipe dream and in any angle it is viewed it becomes more cockeyed.

No doubt old Stalin is chuckling in his boots as he becomes more and more convicted of the fact that we are about to commit national suicide. For God's sake do something about this before it is too late. Mr. Marshall stated that the Congress should either appropriate all the money decided by the New Dealers or none at all. This in my estimation, is splendid and opens the door to accept the latter plan.

If the New Dealers are restricted by Congress by setting up an independent agency to control the expenditure of this tremendous amount of money, then they don't want to have anything to do with it. It is perfectly obvious that their whole plan consists in elevating the entire economy of the United States by advising purchases of materials so that wages can be raised and the production and income of the Nation greater during the next 4 years so that they can be elected and that their entire term of office will be guaranteed to maintain this tremendous high level. Of course, the result of all this some day will lead to a tremendous financial bust predicted by Stalin.

These New Dealers do not intend to lift a finger towards staying ascending prices. Instead of cutting down the cost of Government they are constantly adding to its cost, all of which is unproductive money and accelerates the spiral. They are now engaged in adding to the tremendous stock piles of food and materials in Government warehouses. They have planned domestically to expend ten more billions of dollars per annum, in addition to the seventeen they desire to sink in Europe. Their whole conception of the conduct of affairs is so fantastic that you can hardly conceive of any reasonable Republican going along with any of their plans. The only thing for a Republican to do in Congress when he finds that it is a desire of the Democrats to do anything, is to hit it and hit it hard and you will be on safe ground.

Hoping that you have not been inoculated with this New Deal propaganda and will use the head that God has given you, I remain,

Sincerely yours,

J. EDGAR SMALL,
Attorney at Law.

P. S.—If no emergency exists at home, the New Dealers can find one some other place.

J. E. S.

Equal Rights Amendment

EXTENSION OF REMARKS
OF
HON. CLIFFORD DAVIS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. DAVIS of Tennessee. Mr. Speaker, under leave to extend my remarks, I am including a speech I made to the Business and Professional Women's Club of Memphis upon the occasion of their first meeting in 1948. I spoke upon the equal rights amendment. A record was made of my remarks in Washington, forwarded to Memphis and broadcast to their meeting at the King Cotton Hotel. Later in the week, radio station WMC broadcast the speech as a regular facility. The speech follows:

My friends, I am grateful for this opportunity to speak to the Business and Professional Women's Club of Memphis in this unusual way. In the fall when Miss Brasher and Mrs. Richardson came to my Memphis office and invited me to speak briefly by remote control from Washington to your first meeting in 1948, on the subject of the equal-rights amendment, I confessed to them that I had little or no knowledge of the subject. Without reservation, however, I agreed to study the question and to prepare for this occasion which has now arrived.

I had long known the fine reputation enjoyed by your organization in Memphis and many of your members are personal friends of Mrs. Davis and of me. The high character of your business and professional services is generally known. It then followed naturally that I should want to be more adequately informed on a piece of projected legislation which holds your interest and endorsement.

My failure to know more about this particular amendment, I think, can be shared by the majority of the Members of both Houses of the Congress. During the war years much of the legislation presented to the National Legislature concerned our country's preparation for participation in great World War II, which so threatened the institutions, the happiness, the economy, the welfare, and the philosophy of our Government. We know now that Japan was preparing for this last war for 40 years. Russia, through its series of 5-year plans, had prepared for 25 years. Italy had been making ready for 20 years, and strange as it may seem, Germany, which precipitated this terrible experience throughout the world, had been intensifying its preparation for 12 years. Our own country which loved, and still loves, peace, had grown to be the happiest, the richest, and most powerful nation of all nations of the world. With an army of less than 260,000 officers and men, and thinking not in terms of war, found it necessary to prepare in a short period of 3 years not only for actual participation in battle, but through those efforts to turn back with our sons, the sacrifice of human blood, and the expenditure of our wealth, our inventive genius, and all of our great resources, these war lords. We now turn to a consideration of those principles which will insure a full, complete, and lasting peace. We are now in the midst of another war—this one a cold war, so called.

I think 1948 will be a year of great challenge, and as we seek to restore the economy of our own country, and as we may more completely contribute to a restoration of the economy of the world and world peace, we must think soundly and substantially on certain domestic questions. So then it was with amazement that my study of this bill during the Christmas holidays revealed the seeds of equal rights were sown almost 100 years ago.

As a matter of fact, two women of precocious political faith, Lucretia C. Mott and Elizabeth Cady Stanton, first recorded the efforts of women at the Seneca Falls conference on July 18 and 19 in 1848. Out of the convention tumbled these demands for women builders of the Republic: Equal rights in the franchise, in education, in the professions, in public office, in marriage, in personal freedom, in control of property, in guardianship of children, in making contracts, in the church, and in the leadership of moral and public movements. In entering upon the great work before them, these two women said: "We anticipate no small amount of misconception, misrepresentation, and ridicule; but we shall use every instrumentality within our power to effect our object." They spoke in accurate prediction and in the same sort of fearless language their fathers and grandfathers used in drafting the Declaration of Independence and the Constitution. The efforts of the conferees and their descendants toward realization of the avowed objectives are a part of the story of the Nation's unfolding.

Any conclusion bearing on woman's status under the laws of the United States of America must take into account the common law, on which the fabric of the Nation's jurisprudence is woven.

The common-law rules of property sprang from various causes, notably tradition, military or economic exigency, natural male dominance, and the social status of women. Shifts in these have effected an almost complete overturn in laws governing the property owned by a woman prior to her marriage and that coming into her individual ownership after her marriage by gift, inheritance, will, or accumulation from her premarital possessions.

In general, it has been the rule that where specific statutes abrogating them have not been enacted, common-law principles apply. In the century just passed, much ground has been covered in superseding by specific laws the old common-law injustices to women. The largest remaining area to be reformed to the present-day trend lies in the matter of ownership and control of property acquired by the efforts of husband and wife after marriage.

An instance of legislative effort to recognize women's status as an individual in society is the action of one State in amending its constitution so that women are no longer barred from election to the highest public offices; another is the enactment by one State of a law expressly safeguarding a married woman's right as an individual to her personal earnings; another is one State's assurance that the right of any person to declare intention to become a citizen of the State shall not be denied or abridged because of sex or marital status; or the reform by six States of their juror qualifications to remove the ancient bar of sex; or the action by two States to bar discrimination against teachers in contracts of employment because of marital status, or by another State to prohibit this form of discrimination against any public officer or employee.

Good examples of legislative action to relieve economic pressures appear in the tightening of State control over legal obligations for support of families or dependent relatives, the removal of legal disabilities arising from woman's marital status, and the adoption of a State-wide system of community for marital property to divide burdens of taxation.

If the aggregate of legislative action in these fields seems small in comparison with the total number of States within the Union, it must be remembered that these achievements are not initial but final steps in a clean-up movement among the States to remove lingering discriminatory laws which have escaped attention in the broad reforms of the past century.

No amendment to the Constitution should be passed without wholesome examination of the facts.

It is significant that those who argue about the equal rights amendment agree on principle but differ on method. Both proponents and opponents of the amendment resent the more than 1,100 old, discriminatory laws against women which linger in State constitutions. I refer to a few—such as those which:

Prohibit a wife from engaging in independent business and keeping her earnings without husband's consent.

Specify that property acquired after marriage, by cooperative effort of husband and wife, belongs to and is controlled by the husband in the absence of valid agreements otherwise made between the two.

Restrict women in the making of contracts.

Refuse women the right to serve on juries.

Give the father first right to custody, services, and earnings of minor children.

Permit the husband to secure divorce on the basis of his wife's unchaste character while the same advantage is not permitted to women in the same States.

Supporters of the amendment believe that correction of these laws will be more speedily effected through a simple, constitutional adjustment. Opponents, fearful of sharp, clean Federal action, prefer to wait for the slow, voluntary action of the States, action which, amendment proponents contend, may never come about and, if it does, may be of a highly impermanent nature. Without a Federal directive, States would be left free to pass those special laws for women, which many believe must give way to adequate laws for men and women alike.

In 1944 the Democratic Party platform contained this language: "We favor legislation assuring equal pay for equal work regardless of sex. We recommend to Congress the submission of a constitutional amendment on equal rights for women."

Likewise, the Republican Party platform contained this language: "We favor submission by Congress to the States of an amendment to the Constitution providing for equal rights for men and women. We favor job opportunities in the postwar world open to men and women alike without discrimination in rate of pay because of sex.

The matter has been before the Judiciary Committee in both the Senate and the House. Let me quote now from the Senate Judiciary Report of 1946:

"We should like to point out that the proposed amendment is in harmony with the principles to which our Nation has subscribed in ratifying the Charter of the United Nations. * * * Believing that the time has come for Congress to submit this resolution to the State legislatures for their consideration, the Committee on the Judiciary votes, January 21, 1946, to report this resolution to the Senate with the recommendation that the resolution do pass."

Now here is what the House Judiciary Committee reported:

"The committee definitely feels that the laws of many States and the United States, under the guise of protecting the safety and welfare of the female sex, have, in fact, discriminated against such sex in various economic fields of activity or have entirely excluded females from participation in economic fields in which they are as equally proficient as men and in which they can serve without injury to their health or the public interest. The arduous and efficient service rendered by women both in the armed services and in industry during the present war has clearly demonstrated that women are capable of fully participating in the economic activities of this country where not precluded from doing so by discriminatory laws and regulations."

Now, ladies, you have gained another advocate for the passage of your bill. I promise to do all that I can to interest other of my colleagues in this important legislation.

Speaking very practically, if each club represented in your fine federation will do as well, the bill will pass during the Eightieth Congress if properly presented after the so-called Marshall plan and other pressing world matters are out of the way.

Two months ago I should have been glad to have a limit placed upon my radio time. Now, I must confess that the time allowed is much too short for me to discuss adequately my genuine interest in this legislation.

I thank you.

Mikolajczyk Tells of the Fate of the Poles After Hitler Attacked Russia and of the Fate of 11,000 Polish Officers

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include two additional installments of articles published in the Milwaukee Sentinel describing the reaction in England and the United States when Hitler attacked Russia. The fate of Poland was held in an iron vise of conflict and the London Polish Government was the real barometer of liberty. The liberty of a brave people cannot be ruthlessly sacrified without grave consequences for all parties concerned.

Following are Mikolajczyk's two additional installments:

MIKOLAJCZYK SAYS RUSSIA'S WAR ENTRY BEWITCHED CHURCHILL

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and President of the Polish Peasant Party)

(Installment VI)

When Hitler attacked Russia on June 22, 1941, climaxing a series of inter-Axis political clashes of which we had been informed by the Polish underground, Winston Churchill went immediately to the wireless to welcome the Soviets to the side of the fighting democracies.

The United States, still neutral, took a somewhat less enthusiastic view. Sumner Welles reported, "In the opinion of this Government, any rallying of the forces opposite Hitlerism, from whatever source they may spring, will hasten the downfall of the German leaders and will therefore be to the benefit of our own defense and security."

Our Polish Government-in-Exile had something to say, too, in behalf of the country most deeply concerned. Poland had been debased by both Germans and Russians. In addition to unprecedented cruelties to our civilians, the Fascists and the Communists had divided Poland in two with the Ribbentrop-Molotov line. It was still divided on June 22.

Our cabinet met in London and made up its mind. Our Prime Minister, General Sikorski, issued a statement. Poland, he said, did not rule out the possibility of an understanding with the Union of Soviet Socialist Republics.

WANTS RIGA TREATY RECOGNIZED

But unlike Britain and the United States, we had certain conditions to present. Russia, Sikorski said, must recognize again the Treaty of Riga, which established the border the Red Army had crossed in 1939. Russia must also set free the 1,500,000 Polish men and women the Reds had driven into Russia in 1939 for slave labor and worse. Polish prisoners of war in the U. S. S. R. must be freed and given every opportunity to renew the battle against the Germans.

The conditions we offered were most certainly generous. We had ruled out reparations and indemnities, though entitled to both. We had promised to forgive, if not forget that Molotov in 1939 had said, "Poland, as an independent state, is doomed forever"; that the Reds had stabbed us in the back; had cold-bloodedly appropriated half of our country—with which it held a nonaggression pact—burned our cities, killed our people, and driven many others into pitiless serfdom.

RUSSIA UNWILLING

But to our astonishment, when we sat down with Russian Ambassador Ivan Maisky in London to draw up our new pact with this huge new bedfellow in the camp of the Allies, we learned that Russia was not willing to accept all of our conditions.

Stunned and unbelieving, we asked Anthony Eden to help us obtain this bare minimum of demands, but found him immersed in almost the romantic enthusiasm of Churchill himself—over the very presence of the Russians in the war against Germany.

We objected but were asked to remain silent in the interests of "Allied unity"—a phrase used faithfully by the Western Powers, and abused by the Russians from the very beginning of their forced fight against Hitler.

We remained silent, and we compromised.

VALIDITY LOST

The pact which Sikorski signed with Maisky in London on July 30, 1941, provided, among other things, that:

1. The Soviet Government recognized that the Soviet-German treaties of 1939 as to territorial changes in Poland (the Ribbentrop-Molotov line) had lost their validity;

2. The Soviet Government granted an amnesty to all Polish citizens imprisoned in the U. S. S. R.

"A valuable contribution to the Allied cause," Eden said enthusiastically.

But, to us, it was a moral defeat. It was the beginning of the appeasement of Russia which continues to this day.

We had asked for Russia's recognition of the 1921 boundaries by name, not just a dissolution of the Ribbentrop-Molotov line. And we fought the inclusion of the word "amnesty" in the new pact, for it made it appear that Russia was doing a generous thing in releasing 1,500,000 Polish citizens they had criminally carried off to captivity.

QUIT IN PROTEST

We failed, and could not raise our voice. Three members of our Cabinet resigned in protest. The rest of us stayed, hoping that the handwriting that seemed so plain to us on the wall of history was somehow an illusion.

General Sikorski lived for the day when Polish armies re-formed in Russia, would

fight at the side of Red army men, and that in the heat of battle the two groups would be united as understanding brothers.

With that in mind he set about the task of providing a Polish-Soviet military agreement, which on August 14, 1941, was signed in Moscow. It was agreed that:

1. A Polish army would be organized immediately in Russia;

2. The army would be part of the sovereign forces of Poland;

3. Polish soldiers in Russia would receive the pay, rations, and maintenance accorded the Red Army;

4. Russia, aided by such lend-lease as Poland was to receive from the United States, would outfit and feed the Polish Army in Russia.

AMBASSADOR BUSY

Between the time of these two pacts, our Ambasador to Russia, Stanislaw Kot, who, though a sick man, had flown across Germany to get to his post, was busy with the task of releasing and caring for the multitudes of Poles imprisoned in Russia. Gen. Wladyslaw Anders, the great soldier who had been named commander in chief of the Polish Army in Russia by General Sikorski, scoured the country for his old troops and other Poles fit to fight.

In London our misgivings mounted as we began receiving reports from Kot and Anders that the Russians were releasing our people with grudging reluctance.

The tone of our first pact with the new ally continued to be a source of alarm, and when President Roosevelt and Prime Minister Churchill met to fashion their Altantic Charter we hoped for better days.

The precepts of that charter are, of course, familar to all. Suffice it to say that it calls for "no territorial changes that do not accord with the freely expressed wishes of the peoples concerned" and the "right of all peoples" to choose the type of government under which they will live, and promises that "sovereign rights and self-government will be restored to those who have been forcibly deprived of them."

Our efforts to get the British and United States Governments to clarify—for the Russian mind—the spirit and letter of the pact we signed, were generally without avail. Neither country was in a mood to speak bluntly to Russia, though Russia, now in full retreat before the German forces, might have been attentive. It was in sore need of Allied aid.

UNITED STATES "UNDERSTANDING"

But the best we could get out of Washington was Welles' statement that it was the "understanding" of the United States that the Polish-Soviet pact meant that our country's old borders would be reestablished after the war. Eden said in Commons, "There is * * * no guarantee of frontiers."

In Moscow a representative of the American Red Cross was rebuffed three times when he sought permission to send food, clothing, and medical supplies to the Poles in Russia. The Soviet authorities plainly regarded the Red Cross as a "foreign agent" secretly bent upon spying and meddling in the domestic affairs of the U. S. S. R.

RUSSIA INVIOLATE TO ALLIED LEADERS, MIKOLAJCZYK SAYS

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment VII)

The silence of the Polish Government-in-exile, during the autumn of 1941 when we were attempting to empty the Russian work-concentration camps of 1,500,000 captured Poles, had been imposed upon us chiefly by Britain.

There was a widespread feeling in Britain, as Hitler's forces overran what had been the Russian zone of Poland and swept on toward Moscow, that Russia would capitulate to Germany and renew that totalitarian monster born of the earlier German-Russian pact. Churchill wanted nothing to offend the feelings of Stalin.

Some of this feeling penetrated Washington, and over both Washington and London there settled a state of mind which decreed that Stalin was the noblest of leaders and that all things Russian were right.

The Polish Government-in-exile was getting a sharply different view of matters. Many of the Russian labor camp commanders were refusing to yield the tens of thousands of emaciated and work-broken Poles under their yoke. Other Poles, released by the so-called amnesty, were being rearrested and put back into slavery. They were dying like flies.

Our Polish soldiers, released as prisoners of war, found their way to General Anders' headquarters as best they could, while our hampered diplomatic and military staffs in Russia scoured the far reaches of the Union of Soviet Socialist Republics for camps that had contained them as prisoners of war.

We could never be absolutely certain about the number of Polish Army men the Red Army had captured and hauled into Russia. We had mainly to depend on an item in the Soviet Army paper Red Star, dated September 17, 1940.

The Red Star item had revealed that in addition to civilians, 181,000 members of the Polish Army were then being held in Russian prisoners-of-war camps—a list which included 12 generals, 58 colonels, 72 lieutenant colonels, and 9,227 officers of lower ranks.

Slowly, bravely, the remnants of these forces began to report to General Anders, but he noted with growing concern that there were only a few officers among them. He communicated this news to us and we asked Moscow—only to be told that all the men had been released.

We repeated our inquiries about our missing officers, without avail, and at the same time arranged—through a meeting between Norman Davis, of the American Red Cross, and Constantin Oumansky, in Washington—to have Red Cross aid delivered to our stricken people in Russia.

These were fretful times for our government, for we were unable to reveal our difficulties to the world's public opinion. Nothing must distress Stalin. Nothing.

MADE GOOD READING

Russia's formal acceptance of the principles laid down in the Atlantic Charter made comforting reading in the British Empire and in the United States. But in London the Polish Government had had a taste of the insincerity of Russian statements, and that taste was bitter.

Ambassador Maisky signified Russia's intention of abiding by the new world Bill of Rights established by Roosevelt and Churchill in the Atlantic. He denounced "all and any attempts of aggressive powers to impose their will upon other peoples," in a historic mockery of a meeting at St. James's Palace on September 24, 1941.

Maisky said the foreign policy of the Union of Soviet Socialist Republics would henceforth be guided by "the principle of self-determination of nations."

"The Soviet Union," he said, "defends the right of every nation to the independence and territory integrity of its country, and its right to establish such a social order and to choose such a form of government as it deems opportune * * * It proclaims its agreement with the fundamental principles of the declaration of Mr. Roosevelt and Mr. Churchill."

ROLE OF SILENCE

Hats were thrown in the air. A bit later, when Russia announced that it would permit Polish Catholic and Jewish chaplains to administer to the spiritual needs of the army we were attempting to form in Russia, Stalin was widely lauded for his religious tolerance. Our long efforts to achieve that goal were, of course, overlooked. Our role was silence.

Lend-lease shipments for Poland, to be routed to wherever Poles fought, began in September 1941 with a notation by President Roosevelt that "this action demonstrates our intention to give material support to the fighting determination of the Polish people to establish once again the independence of which they were so inhumanely deprived."

GETS STALIN AUDIENCE

On November 14, 1941, Ambassador Kot was able to gain an audience with Stalin at the Kremlin. Molotov and Vishinsky were present. Kot immediately brought up the matter of missing officers.

Stalin looked surprised. "Are there still Poles who have not been liberated?" he asked.

"Many," Kot said. "We are particularly concerned with the case of about 11,000 officers who were detained in the Starobielsk, Kozielsk, and Otashkov camps. They were transferred to an unknown destination in the spring of 1940 and none have reported to General Anders."

"Our amnesty knows no exceptions," Stalin said. He ground out his cigarette and picked up a phone. Then he made a personal inquiry of someone about the officers.

NO CHANGE IN EXPRESSION

Kot reported to us that Stalin listened to a voice on the other end of the line for some time, without a change in expression, and then hung up and refused to speak about the officers through the rest of the meeting.

The terrible truth was beginning to dawn on us in London. We had received reports from families of the men. Those reports jibed with an awful precision. Mail from the officers had ceased during April and May of 1940.

In the face of such difficulties, General Anders nevertheless raised an army of 70,000 Poles in Russia, the equivalent of eight divisions. That fall and winter they trained—many of them barefooted—under appalling conditions. Russia provided supplies for only 40,000 of them. Some of them were at times forced to go without food as long as a week.

As for our civilians in Russia, we were eventually able to place 7,000 Polish relief workers among these more than a million and a quarter Poles. These workers found our people reduced close to the animal stage from starvation, terror, and work. The Russians had spared no one; had heaped on the more intelligent Poles the most menial work. They had turned mechanical engineers into ditch laborers. They had detailed doctors, scientists, and chemists to fertilizing fields with manure.

London and Washington were reluctant to join in our own snuffed-out protests, and it was in such an atmosphere that General Sikorski flew to Moscow on December 1, 1941, for a personal appeal to the man who must have been secretly amused by his trusting or overly timid allies—Joseph Stalin.

War or the Marshall Plan, So Say Experts

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, Mr. Jerry Greene calls the turn on

double talk in the Times-Herald of January 19, 1948, in his column Capital Circus. Top-flight Cabinet officers should be telling the people the truth about our present international situation and not engage in testimony that is designed to scare our people into ill-advised legislation.

Under leave to extend my remarks, I include the editorial by Mr. Greene:

CAPITAL CIRCUS

(By Jerry Greene)

If these United States are as close to war with Russia as the administration stalwarts are telling the Congress day after day, then these dignitaries plugging for the Marshall plan are committing a fraud on the people which is little short of criminal.

For, if the danger of armed conflict is so imminent, if the Marshall plan alone stands between the cold war and a shooting war, then the top-flight Cabinet officers in this Government are being derelict in their duty.

They ought to be out demanding, immediately, the huge expenditures for defense they say will be necessary if communism isn't checked in western Europe.

After endless days when alternatives have been pitched at Congress by the dozens, a poor, feeble effort on the part of any taxpayer to understand the strange campaign for the Marshall plan can lead to but one door—the iron-studded portal of the booby hatch.

You have Defense Secretary James Forrestal telling the House Foreign Affairs Committee if the European recovery program doesn't go over, he will have to ask for 25 or 50 percent increases in appropriations for defense.

At the same time, Army Secretary Kenneth Royall is telling the Senate Foreign Relations Committee that the only alternative to the Marshall plan is another two and a quarter billions in cash for his Department and reenactment of the draft.

After the next Pearl Harbor?

Never since the day when the man in the tall silk hat leaned out of his wagon over the neck of the banjo player and sold the same bottle of medicine to grow hair on the head and remove it from other parts of the body has this Capital been confronted with such peculiar advice from high places.

What started out to be a European recovery program has, over night, turned into "shell out or get ready to fight."

When the hoop-la about the Marshall plan was started by the Secretary of State himself, there was the assumption that Europe's economy must be restored and we would benefit thereby. Also, there was the firm intention to help tired and hungry peoples to determine their own form of government which they might not be able to do otherwise, in view of insistent Communist pressure.

That, apparently, is out the window. Take Forrestal's reply to a GOP questioner before the House committee: "The alternative is that we would live in an armed armistice. We would have to create and maintain a military power so strong that none would dare attack us or start a new war. And this would mean that we would have to deny ourselves the production necessary for a return to normal conditions."

If we aren't living in an armed armistice today, why does Truman want $11,100,000,000 for the Army, Navy, and Air Force in fiscal 1949?

Now let's look at the Secretary's threat about having to maintain this strong military power so nobody will attack us if Congress doesn't pour out the dough for this Marshall plan. There are those around town who, from the Secretary's own words, assumed that the United States already was trying to become invincible.

Just exactly 24 hours before he talked to the House committee last week, Forrestal, without any reference to European-recovery spending, told a press conference:

"We must keep a force of such strength as to deter any nation that would plan otherwise to do what Hitler did."

The President's Air Policy Commission had that same idea and the hell with whether Europe recovers or not. The Commission demanded more billions right now for aircraft production and said the United States ought to be spending $18,000,000,000 a year for national defense by the end of 1952—when Russia is expected to have the A-bomb and planes to carry it.

This frenzy about the Marshall plan or selective service, save Europe or fight, looks even more phony and strictly along the propaganda line when Marshall and Forrestal and Royall fail to turn up a timetable for their gloomy predictions and when they neglect to mention the world's hottest spot—the Middle East.

The danger of a clash which might bring on a real war is as great in Palestine, Iran, and vicinity as anywhere else. What would the Marshall plan do to stop that?

Additionally, some of the Congressmen are asking, since it is obvious that Europe is going to get some help from the United States, when will the Army-Navy-Air Force people know whether or not we need the draft again or those added billions?

Our best intelligence agents report that Russia doesn't want a war for another 4 or 5 years at best—certainly not until she has an atom bomb or two hidden under the Steppes. This is common knowledge around Washington and this assumed fact is causing an increasing number of people to wonder what's back of all that scare testimony turned loose on Capitol Hill in recent days.

The General Electric Price Policy and the Public Interest

EXTENSION OF REMARKS

OF

HON. VITO MARCANTONIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. MARCANTONIO. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement issued by United Electrical, Radio, Machine Workers of America, CIO:

To what extent was the recent announcement of the General Electric Co. of a price decrease of from 3 to 10 percent (average 5 percent) on radio and television sets and large and small electrical appliances in the public interest? This determination can only be made by an examination of the over-all price policy of the General Electric Co.

GENERAL ELECTRIC PRICE POLICY ON HEAVY ELECTRICAL EQUIPMENT

The company publicized widely its December 31 announcement of price decreases on 40 percent of its products. But a statement by the company on December 12 that it was dropping its policy of firm pricing and allowing increases up to 20 percent on locomotives, generators, turbines, and other heavy electrical goods, comprising 60 percent of its production, was quietly buried in the financial pages of most newspapers. General Electric's lead was followed shortly thereafter by the Westinghouse Corp., which announced an identical policy providing for increases up to 20 percent on its heavy equipment. General Electric's 12-percent price rise in tubes in December 1947 was not reported in the press. Thus the company is breaking the price line and setting the stage for pyramiding increases on products which are bound to influence seriously the price structure of American industry and therefore the cost of living of the American people.

PREVIOUS PRICE INCREASES OF GENERAL ELECTRIC

Once before in 1947 General Electric broke the price line. On April 28, 1947, the company, the last major corporation in the industry to settle with the UE for a 15-percent-wage-package increase, was the first to announce simultaneously with the wage settlement a 6 to 17 percent price rise on all of its products. (New York Times, April 29, 1947.) Not until some months later did its competitors follow suit and increase prices.

The General Electric Co. not only helped break the price line in the electrical industry in April 1947, but also destroyed the movement for voluntary price reductions popularly known as the Newburyport Plan. It was reported at the time that Dr. Edwin G. Nourse, chairman of the President's Council of Economic Advisors, was deeply disturbed by this action of the company. (New York Post, April 28, 1947). The Union also criticized the company's price increases as unnecessary—a contention borne out by the company's latest price move.

For the entire year 1947 General Electric admits an increase of 20 percent in its average weighted prices. (New York Herald Tribune, December 22, 1947.) This does not include the proposed 20 percent increases on heavy electrical equipment.

INCREASING COMPETITION FOR RADIO, TELEVISION, AND APPLIANCE MARKET

The price decreases of the General Electric Co., such as they are, were prompted by adjustments as to an increasingly competitive market for radio and television sets and large and small appliances. For some time the trade journals have been carrying stories of increasing competition for a rapidly developing buyers' market. The General Electric price action would appear to be but a near post-Christmas adjustment to this competitive market.

On November 5, 1947, the Journal of Commerce reported that electrical buyers believe "that holiday buying this year may be our last big sales fillip before merchandising gets back on a really competitive footing.

The Wall Street Journal of November 26, 1947, reports: "The youthful television industry is poised for its major competitive war." On December 23 the same journal under the heading Radio Battle Royal, states that leading radio makers "plan to hit the market early next year with new and less costly models, in the opening salvo of what promises to be the fiercest competitive fight the industry has seen in years."

The New York Times of November 11, 1947, reports "Consumer resistance to high-priced gadgets" on electric ranges and points out that "many customers have decided to pass up deluxe models and wait for less expensive standard merchandise."

Business Week of November 8, 1947, notes that "a normal supply situation can be expected in 1948" for electric motors.

The Journal of Commerce for October 29, 1947, states that "Manufacturers of household refrigerators expect to be back in a full-fledged competitive market before the end of 1948."

The market condition is summed up by Business Week, October 4, 1947, as follows: "Producers of vacuum cleaners, washers, water heaters, and the like are telling dealers that the time has come to get out and sell. Floor stocks are becoming adequate, and in a few cases current production is sitting too long on manufacturers' loading platforms."

DISTRIBUTORS' REACTION TO GENERAL ELECTRIC'S PRICING

It has been widely recognized in the electrical industry that General Electric prices have been out of line with those of its competitors. On the occasion of its April 1947 price increase dealers noted that General Electric prices were out of line, and one dealer called the company the "least realistic" and most inept of major appliance producers when mass merchandising was involved. (New York Times, April 29, 1947.) Again, in January 1948, upon the announcement of price reductions by General Electric, the company's prices were criticized, one large distributor stating "it is well known that GE prices before the reductions were not competitive on many appliances. The reductions, among other things, served to bring GE into line." (New York Times, Jan. 1, 1948.)

PRODUCTIVITY INCREASING

For the industry as a whole, Factory Management and Maintenance, September 1947, reports on the basis of a survey among electrical manufacturers that productivity has increased 13½ percent between January 1946 and June 1947. The magazine also reports that electrical manufacturers foresee further increases in productivity from June 1947 to June 1948 of 9.6 percent. In the New York Herald Tribune of December 22, 1947, Charles E. Wilson indicated that increasing productivity in the General Electric Co. is reaching the point where price decreases are becoming possible.

THE PROFIT STATUS OF THE GENERAL ELECTRIC CO.

The profit picture of the General Electric Co. also throws some interesting light on the net results of the company's price actions over the past year. The year 1947 has been the most profitable one General Electric has enjoyed in its 55-year history. The Company's 1947 profit rate comes to the record-breaking figure of $75,280,000, 52.5 percent above its wartime yearly average (1942–45) of $49,348,000 and 82.6 percent above its 1939 level of $41,236,000.

In its effort to minimize the extent of its super-1947 profits, General Electric has undertaken a publicity campaign relating its profits to total sales instead of to its net worth (total stock owned by stockholders plus accumulated surplus). Even with war-inflated net worths General Electric in 1947 was earning 20.8 percent on its net worth—far above its wartime level of 13.9 percent and its prewar 1939 level of 13.5 percent.

Distilled Spirits or Food—Need for Legislation Urgent

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. KEFAUVER. Mr. Speaker, Secretary of Agriculture Anderson is now doing the very necessary job of limiting the use of grain by distillers in this time of world-wide food shortages.

Secretary Anderson's power to allocate grain to distillers was conferred by Public Law 395, enacted by the Congress in the last days of the special session just before Christmas. The power granted by Public Law 395 expires on the 31st of this month—only 12 days away.

Unless the Congress takes speedy action to continue Secretary Anderson's power to allocate grain to distillers, a tremendous amount of grain needed by human beings will be made into whisky in the months to come. The price of corn will jump. Farmers will find cash corn so expensive that they will turn to wheat for animal feed. This will not only raise the price of wheat and bread, but will make it practically impossible to meet the wheat-export goals which are such an essential part of our bipartisan foreign policy.

Mr. Speaker, on December 19, 1947, I introduced H. R. 4799 to continue the President's authority to allocate grain to distillers under the Second War Powers Act. Many of my colleagues on both sides of the floor have introduced similar bills, authorizing the President to allocate grain to distillers, or forbidding the use of grain for distilling entirely. A bill very similar to mine has been introduced under bipartisan sponsorship in the Senate. Hearings on this bill will be held before a subcommittee of the Senate Banking and Currency Committee beginning next Tuesday.

Mr. Speaker, the bills which my colleagues on both sides of the floor and I have introduced in this House have been referred to the Committee on the Judiciary and to the Committee on Banking and Currency. So far as I am aware, no hearings on these bills have as yet been scheduled. With the fullest appreciation of the many pressing duties which now confront both of these committees, I respectfully urge the chairmen of both committees to schedule hearings on these bills at the earliest possible moment so that this House will have the benefit of a careful study of all the facts in this complex situation. In this way, it would be possible to avoid the need for taking action at the 11th hour, without any hearings, as we had to do in the critical situation which confronted us just before Christmas.

Mr. Speaker, the Nation's distilleries have ample supplies of whisky and neutral spirits. Their production and profits over the past few years have been enormous. There is plenty of whisky available for current sale. It will not hurt this industry to give up or cut down on the use of precious grain for beverage spirits for the next several months. Only in this way can we keep down the price of corn and wheat and prevent the start of another inflationary spiral. Only in this way can we export enough food to keep the freedom-loving peoples of the world going during this most critical year in world history.

If the Nation's distillers had any vision, they would welcome restrictions on their use of grain in the next few months. The greedy, self-centered, and short-sighted actions of many distillers are doing more to bring about the return of prohibition than 15 years of earnest labor by temperance workers. Several distilling companies have even challenged the constitutional power of this Congress to restrict their use of grain in order to protect the public welfare.

Mr. Speaker, to help us put the brakes on inflation at home, to help free peoples abroad, and, yes, to help the distillers themselves, I urge that this House, and particularly the Judiciary and Banking and Currency Committees take early action on the grain allocation bills which are now before us.

Proposing a Six-Point Program as an American Approach To Exercising the World Leadership Required for Permanent Peace

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. MUNDT. Mr. Speaker, we Americans should face up to the realistic fact that dollars alone cannot buy peace or outlaw war. As we discuss the substantial figures of the Marshall plan, or the European recovery program, as it is now being more popularly referred to, we should keep in mind that unless we raise our vision above the levels of a cash register or expand our leadership beyond that of the functions of an international paymaster or supply agent, we will get neither world security nor national solvency as a permanent dividend for our expensive and expansive efforts.

Now is the time, therefore, Mr. Speaker, for this Congress and this country to give consideration to the practical concurrent steps which we must take as essential concomitants if our economic and even military aid to Europe is to result in peace for the world, security for ourselves, and increased opportunity for others. We need not, and we must not, limit our activities to doing one thing only, and we must proceed with a comprehensive and constructive program for winning the peace if we expect our astronomical financial sacrifices to bring us the precious dividends of peace.

It is not my purpose to engage in critical generalizations, Mr. Speaker, nor to take the time of the House in a fault-finding, nagging discourse pointing out what I believe to be the obvious earlier errors of our State Department from the days of Cairo or before down to the very present. Neither do I care at this time to detail the errors of commission and omission which in my opinion continue to plague and perplex the Congress and the country as we strive to fashion a nonpartisan foreign policy which will warrant and receive bipartisan support.

I shall content myself, today, with saying simply that the failure of the White House and the State Department to follow through on its so-called Marshall plan or European recovery program suggestions by simultaneously or even subsequently proposing other specific steps for rounding out and shaping up a comprehensive and constructive multiple-front program for waging a peace are a great source of regret and concern to me. Positive action, now, can in my opinion win and hold this peace but it must be

action all along the line and not reliance simply upon a program of sending our dollars and supplies across the seas while we fail to press forward on other fronts which have equal or even greater significance if we are to avert war and maintain world security. The cash register psychology of this administration and the dollars-can-do-it-alone proposals which it presents without supporting them with the necessary concurrent actions so that our dollars and supplies can really help win the peace are a sorry manifestation of a myopic approach to world peace which the Congress and the country must correct if the administration continues to fail to supply leadership.

Mr. Speaker, I have never been one to criticize or castigate unless I have some suggestion for rectifying the conditions about which I feel compelled to complain. Therefore, I am now proposing a six-point program which, in my opinion, can provide a sound basis for an American approach to its responsibility of exercising the world leadership required for permanent peace. I offer these, sir, with all humility. I do not propose them as the final answers nor the perfect panacea. But, sir, I am prepared to defend them and to explain them and I have confidence that if we arm the economic aid program with the five fingers of concurrent action which I propose in addition to that program that we can make of the so-called Marshall plan a hand of friendly and firm assistance which can succeed rather than permitting it to become the hand of futile charity passing our hand-outs to some and disappointments to others without supporting our generosity with actions which can make it effective.

THE PROPOSED SIX-POINT PEACE PROGRAM

Mr. Speaker, I now call attention briefly to the six points which I propose as a comprehensive and constructive basis upon which to function if we are really to wage a peace rather than simply to engage in wishful hoping that handfuls of dollars and shiploads of supplies will bring order out of chaos and tranquillity out of torment.

Point 1. I favor the extension of American economic aid abroad to friendly countries. This must be kept within the limits of our ability to provide and finance, and should be made available on such a basis as to protect our own self-interests and national security and so as to provide the best possible dividends in strategic returns for the United States.

Point 2. In addition to point 1, which is generally referred to as the European recovery program, we should move concurrently with action in the United Nations to revamp the policies and procedures of that organization so that Communist Russia and her satellites can no longer block efforts at preserving the peace through collective security, the establishment of an effective international police force, and the effective control and elimination of atomic armaments for aggressive war. The United States should now, without further devitalizing delay, exercise the necessary leadership to secure action by the United Nations in eliminating the procedural techniques which have enabled the Russian Communists to veto constructive proposals, and exercise absenteeism or deliberately dilatory tactics to disrupt collective security and block progress toward permanent peace. Once this is done, our economic aid abroad will strengthen nations willing and eager to work and cooperate for peace—until this is done, our aid abroad may be a noble undertaking, but the needs of the world are too great and too permanent to permit even the great United States to correct or cure them by unilateral action alone.

Point 3. We must develop and utilize an adequate and effective program of American information abroad to tell the truth about the United States, our plans, our purposes, and our ideals. Today, at long last, the House adopted in final passage my bill, H. R. 3342, setting up such an information service and what is now required is adequate financing and appropriate administration to put this information service into action as a great factor in our campaign to wage and win an effective and a lasting peace.

Point 4. The United States must face up to its expensive error in approving the so-called Morgenthau plan for Germany, and we should abandon all vestiges of that program without further delay. Instead, we must develop a program for utilizing the economic and manpower resources of Germany and Austria to strengthen the economic tone of non-Communist Europe while carefully safeguarding against any form of remilitarization which might permit these occupied and defeated enemy countries again to precipitate aggressive warfare. We should bring Germany and Austria back into the western world and encourage them in the development of successful democratic governments.

Point 5. We must develop and apply a set of relationships with Soviet Russia and her kept Communist satellite countries which will be based on policies which are strictly realistic and reciprocal. This means, Mr. Speaker, we must stop sending freight cars, farm machinery, petroleum products, tractors, trucks, and such other war potentials to Russia until such time as the Soviets demonstrate a willingness to cooperate for peace. It means, too, we must put our other relationships with Russia on a "tit for tat" basis, whereby we do not continue granting visitors' visas to Communists seeking entry to the United States as we are now doing until and unless the Communist countries extend similar privileges and opportunities to American citizens desiring to visit within their boundaries. One-way concessions to the Communists must cease; they must cease now, sir, and they must cease on all matters, whether they be diplomatic, military, or economic considerations. There must be no further appeasement of the Russian Communists if we are to help strengthen the world to resist their aggression. Our present policy of aiding those who resist communism while appeasing the Communists themselves is too much like bailing water out of the boat with one hand while bailing it back in from the Red Sea with the other.

Point 6. We must maintain a strong, modern, and alert defense establishment in the United States capable of supporting our program for peace and second to none in the world. The United States has become the ripest, plumpest, prettiest apple on the tree and it is the envy and the target of the Communist world which aims its efforts at plucking it for its own rapacious appetite. The surest way to lose the peace and to fumble or blunder our way into another war is to manifest weakness to the world or to permit ourselves to become what appears to be an easy victim for a tough aggressor. An ounce of prevention in preparedness today may well produce far more than a pound of cure against the ruinous epidemic of devastating war.

Mr. Speaker, in my opinion if we move forward on these six points today with prompt and positive action we can win the peace and we can protect the world and ourselves against the menace of aggressive communism. Only the first and last of these points will cost us heavily in money or material. And if we pursue the last five of these programs actively we can materially and subsantially reduce the costs of the first point—the so-called Marshall plan. Let us keep in mind that dollars alone cannot win the peace.

Let us do what we must and what we can under point one of this six-point program but by supporting and supplementing action by concurrent activities on the other five points we can greatly reduce the total costs of economic aid abroad and with the billions saved thereby we can built permanently for peace and strengthen our economic foundations at home so as to provide prosperity for all our people and peace for all the world. This is a challenge which this country must accept and I hope enlightened members of both major American political parties will unite in developing and promoting a comprehensive, multiple-point program for peace which does not rely alone upon sending our money and materials abroad but which while holding that policy to the essential minimum will supplement it with constructive action which can maintain permanent peace. We can have enduring peace this time if we deserve it. Let us unite our efforts in exercising the type of leadership which will make it possible.

Rationing and Price Controls

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. MILLER of Nebraska. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a letter I have received from Mr. Glen Wenke, a farmer living in my district, which explains just what will happen if rationing and price controls are put into effect. What he says is based on just what happened during our previous experience with controls.

In addition to what Mr. Wenke says let me point out that our exports still amount to a billion dollars more a month than our imports, which fact greatly aggravates the very condition that causes shortages and high prices—a greater demand for goods than goods to supply it. The only condition that will bring down prices is for the supply of goods to equal or exceed the demand. Mr. Wenke's letter follows:

SPENCER, NEBR., *January 12, 1948.*

DEAR MR. CONGRESSMAN: I see by the papers they intend to ration meat. Well, if they do there will be less meat, for the farmer has had all he wants of rationing. During the war, when our hogs got 1 pound overweight we could not get the ceiling price and had to take a loss on them. Now, if they ration meat again my sows that are bred will go to market, and lots of others will do the same. In a year there will be less meat. Only about one out of a thousand cattle and hogs are now bringing top prices. The others are not bringing enough to more than pay for their feed. We farmers might as well sell our sows and sell the grain and let them holler for meat. We know what OPA was. Then we had black markets. You could buy anything you wanted if you had the money to pay black-market prices.

Yours truly,

GLEN WENKE.

St. Lawrence River Seaway

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein an editorial which appeared in the Evening Tribune, Thursday, January 15, 1948, concerning the St. Lawrence River seaway and power project:

BAD FOR NEW ENGLAND

Ever since the St. Lawrence River seaway and power project was proposed initially a number of years ago, New England for the most part has been opposed to its realization as something that would be harmful to the best interests of this part of the country and now that the long deferred matter is scheduled to come up again in the United States Senate next week the case against the idea from this viewpoint seems stronger than ever.

Originally, the proposal was simply to make the river navigable in its upper reaches to provide direct connection by water from American and Canadian ports on the Great Lakes with Europe, and that constituted New England's main objection. That opposition was based on the contention that grave injury would be done to the port of Boston, to which Middle Western States send a considerable part of their goods to be shipped overseas by boat. The power phase of the project was added later and received the support of the late President Franklin D. Roosevelt and other prominent proponents of public power. Definite action was postponed during World War II, but now the plan is being pressed again.

Last year United States Army engineers testified at a hearing in Washington, D. C., that the complete seaway and power development cost would not be more than $500,000,000, but opponents insist that it would run eventually into billions of dollars. Although Canada also is interested, another basis of the objection is the belief that ultimately the United States would pay the bulk of the expense.

As evidence of prevailing sentiment on the subject, more than 400 representatives of New England business, industry, and labor met in Boston this week and voiced vigorous protest against the plan. United States Senator LEVERETT SALTONSTALL, of Massachusetts, opposed the navigaticnal features, although expressing himself in favor of getting more and cheaper electrical energy. A spokesman for the Brotherhood of Locomotive Firemen and Engineers declared that the seaway would cost 20,000 railroad workers their jobs.

Other speakers stressed various points of opposition, with a sensational high point being reached in the declaration of Vice President Matthew Woll of the American Federation of Labor that associated with the general plan for the project is the intended settlement of 20,000,000 British people in a new industrial area on the Canadian side of the St. Lawrence River that would inflict irreparable damage on American wage earners, industrial enterprises, cities, and ports. That sounds fantastic and exaggerated, but if only a small part of it is likely to come true, New England would make a serious mistake if it did not enter the most formidable remonstrance possible to the current attempt to secure favorable action on the seaway and power project by Congress.

European Recovery Plan

EXTENSION OF REMARKS
OF
HON. WILLIAM J. CROW
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. CROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

WEST GROVE, PA., *January 13, 1948.*

MY DEAR CONGRESSMAN: This session of Congress will decide not the welfare of us Americans but our very existence.

You have before you a recommendation of General Marshall basing European recovery upon economic measures, namely, the expenditure of billions of American dollars. If carried out, this great sacrifice by the American people, raising our own cost of living to unbelievable heights, will be just as successful as the British of old, trying to buy off the Danish ravagers.

If Russia occupied Canada and we had no army, air force, or navy, would any of us be interested in building up our own business? That today is the position of every European country outside the iron curtain.

Why is our country threatened as never before?

Simply because first Roosevelt, Hopkins, and Marshall, and then Truman and Marshall, failed completely, in spite of repeated warnings, to analyze correctly the Russian menace. Yet you gentlemen, selected by our people because of your patriotism, foresight, and integrity, consider seriously again following the disastrous policy of President Truman and General Marshall.

In the autum of 1945 Russia, by breaking again and again her agreements for Europe and Asia, was exposed in her true colors. Then we had the mightiest military power in world's history on land, sea, and in the air, and a monopoly of the atomic bomb. That was the time for the showdown with Russia. And now today, due to the policy of Truman and Marshall, we are about to face this showdown with one tenth of our military power and with God and the Kremlin alone knowing if we still monopolize the atomic bomb.

From the bottom of my heart I say, if Truman is nominated and defeated our Democratic Party is sunk. If Truman is nominated and elected our country is sunk!

Very sincerely,

GEORGE H. EARLE,
Formerly Governor of Pennsylvania,
Democratic National Committeeman,
American Minister to Austria and Bulgaria.

The Voice of America Has Work To Do

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. MUNDT. Mr. Speaker, the House today has given its approval to the final passage of H. R. 3342 which has for its purpose the establishment of a permanent American information service abroad and the utilization of all available information media, student-teacher exchanges, and numerous other devices for the creation of the mutual understandings essential to a lasting peace.

In connection with today's great forward step in setting up this new and comprehensive permanent service feature in our State Department, Members may be interested in the following article appearing in yesterday's Sunday section of many American newspapers:

WE'RE LOSING THE PROPAGANDA WAR—BECAUSE WE DON'T EXPLAIN THEM FULLY, UNITED STATES PLANS AND POLICIES ARE MISUNDERSTOOD AND MALIGNED—AN EFFECTIVE INFORMATION PROGRAM MUST SPEAK ABROAD IN LANGUAGES THAT WILL BE UNDERSTOOD, IDEAS THAT WILL BE COMPREHENDED

(By Ken W. Purdy)

The United States of America is probably today the most maligned major nation in the world, the least understood, and well on its way to being the most detested. There isn't a city in the world, from Bangkok to Berlin, from Spitzbergen to the nether reaches of Patagonia, in which the wildest, most improbable and fraudulent tales about United States plans and purposes are not repeated a thousand times an hour. The food we send to children abroad is designed to stunt their growth, our medicines make illness worse, we are imperialists, money-grubbers, Fascists, selfish materialists, uncultured oafs, stupid, a lucky people whose luck is running out, heartless gangsters, naive do-gooders, a mongrelized rabble, lynch lovers, war fomenters, and so on through the entire catalog of invective and abuse in six-score tongues and dialects.

We are able to do next to nothing to counteract this torrent of planned falsehood.

Of course, we have the means with which to do the job, and the technicians in ample number. The difficulty does not lie there. But up to the present time, the Congress of the United States has not authorized the job to be done. Which is to say that the United States people have not authorized it to be done.

There are two basic reasons for the inaction of Congress on the question of an effective United States propaganda service, and all other arguments are subsidiary to these: (1) Isolationism. Many Americans, and

many Members of Congress, believe that the United States can stand alone, untouched and unharmed, even if the rest of the world collapses. Unfortunately, this has not been true at least since 1918. But to those who believe it to be true, there is no reason to spend money explaining ourselves to the rest of the world. (2) The fear that an official Government propaganda department, if given enough money to be effective, would use its facilities to further the political ambitions of the party in power. The record of the wartime Office of War Information, Overseas Branch, should be sufficient proof that this admitted danger can be overcome.

One way or another, during the next 10 years, we Americans will learn that isolationism is as dead as the mustache cup, and no more to be mourned. We can learn it through a world-wide depression, leaping across the globe like a prairie fire; we can learn it through a third world war—or we can learn it through simple self-education.

It is now commonplace to say that the third world war, if it comes, will begin with another Pearl Harbor. This is certain truth. In the staff schools and war colleges of the world, it has been well noted that the two greatest attempts at world domination in modern history—the two German attempts—failed primarily because they took on America last, instead of first. This is a mistake that will never be made again.

Too many of us think in terms of 1900, when the deadliest weapon in the world was a cannon capable of fair accuracy at ranges under 10 miles; when the French Army, the greatest in the world, stood between us and all western nations of doubtful friendship; when the British Navy, the greatest in the world, patrolled the Atlantic Ocean, serving our identical interests. In those days the Chinese had barely begun to break out of the cocoon of their ancient ways, and the Japanese had yet to win—prophetically, by a sneak naval attack—what we considered their funny little war against the Russians. They have both grown up since.

WORLD CONDITIONS DO NOT WAIT ON US

Today the Russians, currently the only nation with the taste for warlike threats and the muscle to back them up, could drive in trucks to the English Channel and step into Britain at will. In the East, the peoples of Asia are beginning to ponder the fact that together they outnumber, and by a handsome majority, all the white men in the world. Times have changed. It is not 1900 any more. "The time?" a most knowledgeable foreign correspondent said recently, "The time is Germany, 1932."

The answer is always the same. There are no barriers between us and other nations. We live next door to France, and Australia is just down the street.

The shrinkage of the world is a fact, like your age. It can't be changed.

It is not alone the danger of war that demonstates the childishness of isolationist thinking. There is a little matter of economics to be considered, too. A good apple cannot exist in a barrel of rotten ones, and a prosperous America will not survive a bankrupt Europe. Imagine your own State, by a miracle left in prosperity with the other 47 in bitter depression. For how long do you think? A couple of weeks, perhaps. The anology is exact.

Since then, we must live with the rest of the world, it behooves us to know our neighbors, and to see that they know us. To that end, what are we doing?

WE LET PROPAGANDA EFFORTS LAPSE

After VJ-day, we Americans, in what we now recognize as an unwise and adolescent wish to forget the whole thing immediately, demobilized our Army, wrapped most of the Navy in cellophane against moths and rust, and fed a good many thousands of airplanes into metal-baling machines. Naturally we also very speedily reduced the propaganda department of the Government, the Office of War Information, to skeleton proportions. The lesson in the fact that the British, although accepting desperate economies elsewhere, chose this time to double their appropriations for foreign propaganda, somehow escaped us.

The vestigial organization, its name changed to the Office of Information and Cultural Affairs (OIC), asked for $37,000,000 with which to carry out its operations in 67 countries during the fiscal year 1947. After a series of violent attacks in Congress, the agency received $12,400,000—or less than what American women spend on cosmetics in a week. The pleas of Secretary of State Marshall and of General Eisenhower availed nothing. The reduction was made anyway.

The OIC's director, William Benton, an advertising expert of demonstrated ability, then resigned. For months he was not replaced, partially because acceptance of the job carries with it the practical certainty that the individual concerned will be subjected to violent personal and professional attacks, and may well suffer permanent damage to his reputation and his private earning capacity.

Headless, then, and handicapped by insufficient funds, the OIC attempted to carry on its job. It has done as well as could be expected. It has done as well as, say, a small boy operating a toy pump in a sinking boat. He will drown, of course, being a boy doing a man's work, but while he pumps, he pumps well, and much credit should be his for the effort.

Part of the over-all job it has tried to do, though a small part, is the library, necessary to any modern propaganda activity: A center of information set up in a foreign country to which students, newspaper people, writers, and other moulders of opinion may come for background material, statistics, periodicals, and so on. The United States has a grand total of 56 people engaged in this work from one end of the world to the other. That is about the number of individuals to be found attached to a Russian legation in a small South American republic.

America produces more movies than any other country in the world. We invented the thing. Through the film medium, a great deal could certainly be done to inform the rest of the world of our nature, our purposes, our wish to be helpful and friendly. The United States Government carries six people on its pay roll for this purpose. And so it goes.

Congressman KARL D. MUNDT, of South Dakota, who went to Europe to see for himself, was shocked to find that in Prague, Czechoslovakia, one of the world's most crucial areas at the moment, United States propaganda is dispensed by two Americans and three Czech assistants. There are no facilities whatever outside of Prague. The Russian propaganda budget for Czechoslovakia is estimated at about $6,000,000 a year, or half what we spend on the whole world.

The United States radio program, the Voice of America, is a thin and piping treble, although there are pending proposals to strengthen it. We broadcast a total of 17 hours a day to Europe. This is not to be read as a steady 17 hours going to all of Europe; it is a total of 17 hours, made up of such components as half an hour a day to Austria, the center of the fight for the minds of the central European peoples, and 90 minutes a day to Greece, westernmost bastion of the United States, testing ground for the Truman doctrine.

As Congressman MUNDT remarked, in pointing out that an expenditure of less than 1 percent of our current yearly outlay in Europe would give us an altogether adequate information service, "We're battling with pea shooters and popguns against heavy artillery."

The weighty opinions of the authorities have long since been registered. Said former Secretary of State James Byrnes: "There was a time when we could afford—or thought we could afford—to be unconcerned about what other people thought of us. * * * That time is past."

Or, as Senator ARTHUR VANDENBERG remarked a few weeks ago, "I am heartily in favor of all practical means to combat the self-serving propaganda from Moscow and her satellites. * * * The most disreputable campaign of libel and slander which has ever belabored the ears of the world."

In lieu of a functioning professional propaganda organization, various stop-gap methods have been proposed. So far, aside from such suggestions as an improved coordination between White House and State Department public relations, and the recruiting for Foreign Service of more men with journalistic backgrounds, the proposals have been of little value.

Typical was the plan offered by Senator ALEXANDER WILEY, of Wisconsin, who urged that United States newspapers and magazines be sent abroad in quantity, by air transport. Said WILEY, "* * * I believe that America's great press wire services, her leading magazines, and similar institutions can do a magnificent job for us without involving us in the possibilities of a Government propaganda mill with a partisan approach."

NEWSPAPER EXPORT WON'T WORK

WILEY's proposal will probably be graciously received by the State Department, the temper of Congressmen scorned being known, but it will be received in despair by the experts. The percentage of the English-reading population in any given European area is, of course, small. Of those who can read English, the greatest number is to be found among the wealthy and the intellectuals, most of whose minds are either long made up or else unlikely to be swayed by a perusal of the news. Export of periodicals in any amount likely to be agreed to by the United States press would not reach those masses of the people who must be reached.

This idea was, of course, one of the first to occur to OWI personnel during the war. Why make our own magazines, it was said, when the country is full of them, all ready to go? But very few were ever sent, and of those that were, most were ineffective and some were actively resented. To a Parisian who learned English in school, Time magazine, for all its usefulness to us, simply does not make sense. The New Yorker completely mystifies him, as does all our humorous material. He likes picture magazines, but Life, certainly the best picture magazine in the world, has not been able to make a notable success of its international edition, mostly because (1) it is in English, and (2) it is made up of material edited for Americans. The Frenchman has picture magazines of his own, which take into account his foibles, his habits, his tastes, and so, of course, he prefers them. Reader's Digest has been the sole real success, because it is edited to be read in the various countries to which it is sent, and is translated into the languages used there.

Newspapers sent abroad would have to be most carefully selected, lest they defeat the purpose. Papers of the New York Times category would be useful if perhaps 500,000 were available, which they would not be unless the Government paid for their production and furnished the necessary newsprint. So heavy an expenditure would be more useful in other directions.

The heavy percentage of local news which makes United States papers so interesting to their own readers would naturally be incomprehensible for the most part anywhere,

England included. Other papers would serve only to confirm for foreigners what anti-United States propaganda says of us. For example this story, from a major United States daily: "Surgeon claims cure for reds. A world-renowned brain specialist came up yesterday with a sure way to rid the world of Communists. Make a hole in their heads, he said—but by surgery, not a bullet." The story went on to say that Communists and "liberals" who underwent lobotomies were changed into individuals of conservative political beliefs. Lobotomy is a form of brain surgery indicated in some types of mental disease, which it often cures—at a price. The price frequently is loss of initiative, some lowering of intelligence, and the acquisition of a placid, noncurious mentality. One does not have to be a propagandist to know what the Russian machine would do with this story. "United States surgeons turn liberals into moronic serfs" would be the least of it. And they would cite our own newspapers as proof of the falsehood.

No, this is not the answer.

When there is plumbing to be done, one should send for the plumber. For an aching tooth, a dentist and only a dentist is indicated. Propaganda is best done by propagandists.

The core of the machinery is ready in the much-battered OIC, now called the Office of Information and Educational Exchange. It requires only money, say about 25 cents per United States citizen per year, and a reasonable go-ahead.

The fear that such an agency will turn itself into an instrumentality for the reelection of President Truman, or the election of the 1948 Republican candidate, is largely illusory, since its function is fixed by law, and it is forbidden to operate in this country. Few Greeks will go to the polling places in Athens next year to vote in our elections. The Belgians do not hold the United States franchise. In 4 years with the OWI, which was constantly under totally unjustified attack for attempting to influence United States politics, the writer never saw a written directive or heard an oral instruction to do any such thing—even had it been possible, which it was not. The fact that Franklin Roosevelt meant America to most of the world, as Winston Churchill meant England, and as Josef Stalin means Russia to us today, was of course duly exploited, as it had to be. But nothing more.

The United States does not need a propaganda machine in the European pattern. The truth is the best propaganda. One of the reasons for the current set-back of the Russians in Europe has been the extreme cynicism of their propaganda; people wearied of being told one thing today, another tomorrow, ended by believing nothing.

It may be argued that propaganda is a preliminary to war, and that to propagandize against the Russians, as they propagandize against us, is to invite war.

GOAL OF OUR PROGRAM: TO SPREAD TRUTH

If propaganda is preliminary to war, so is diplomacy, yet we did not dismantle the State Department. Nor should we propagandize against the Soviets. We should instead propagandize for the truth, as nearly as we can determine the truth. The accuracy of United States propaganda depends of course in a measure upon the validity of United States policy. It is hard to argue truthfully that we come as liberators if we support reactionary elements with which most of the natives in a given country are out of sympathy. Further, we should not attempt to bludgeon others into our own beliefs. Historically, sugar catches more flies than vinegar, and the man who attempts to break up a fight by urging that the combatants adopt his views usually gets a rousing punch in the nose for his pains.

It may be—it should be—that the world, although at the moment divided in two, will yet learn to live peaceably as one. But meanwhile it is as well to believe that when the Russians say that capitalism and communism cannot exist side by side, they mean what they say. There is every indication that they mean it.

The success or failure of the Marshall plan is the most crucial issue before the world today. It does not appear that anything else can save the peace. If for no other purpose, an apparatus to explain its true purpose is vitally needed.

In this, perhaps the most crucial era of modern history, there is no sound reason for our keeping silence, or speaking in a whisper. If the Rumanian radio says, as it did recently, that United States corn shipped to feed Rumanian children was adulterated, and made them ill, a reasoned reply should be made. The corn may in fact have been contaminated or spoiled in shipment. Such things have happened. But that an entire nation should be allowed to believe that Joe J. Jones, American, tried to poison the children of Rumania, is ridiculous, and to allow it to happen is folly.

After all, Mr. Jones, it's you they're talking about.

The White House Balcony

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. BRADLEY. Mr. Speaker, the following article from the Daily News, of Los Angeles, Calif., discussing the proposed addition of a balcony to the south facade of the White House is entered in the CONGRESSIONAL RECORD at the request of residents of the Eighteenth Congressional District as an indication of their disapproval of the contemplated White House structural changes:

(By Harold L. Ickes)

With all of the hush-hush secrecy of the Pendergast gang getting ready to steal an election in St. Louis, President Truman, an honored and dues-paying member, has suddenly announced that a contract has been let for mutilating the south facade of the White House by building thereon a scabrous balcony.

President Truman has not asked the people what they think about his proposed liberty with their White House. He simply tells them what he proposes to do.

The White House balcony episode, at this writing, would appear to have resolved itself into a question of good sense and good taste, on the part of Truman. There is a further question, whether the Commission of Fine Arts is a watchdog, with, or without, teeth. One might have assumed that Truman would have learned a lesson during the first year of his fortuitous occupancy of the White House when public opinion compelled him to abandon his purpose to build a distorted west wing.

Apparently that experience netted him only the disjointed notion that, when it comes to laying vandal hands on public property, secrecy is the best policy. In any event, the public was given no hint that a disfiguring balcony was to be added to the beautiful south portico until the contract for it, in serene disregard for the disapproval of the Commission of Fine Arts, had been let. This represents neither good taste nor good sense.

As for Truman's taste, perhaps the least said the better. The chief reason given for his yearning for a balcony is that it would provide privacy for himself and his family in the hot summer months, when neither he nor his family would be in Washington, generally speaking. Has Truman overlooked the fact that the matter of his continuing as the tenant of the White House will be decided at the polls this year? Has it occurred to him that the people may reject him as a tenant; and that his successor and his family may not like an iron balcony inside the majestic pillars of the south portico? Or is the letting of the contract purely a boastful gesture of confidence?

These are, really, the lesser aspects of the taste displayed. The larger one is Truman's apparent lack of perception that the White House is as truly and as definitely a national shrine as is the Lincoln Memorial.

Lincoln, and other national heroes before and after him, lived and toiled there. Americans, proud of their traditions, make pilgrimages from far places that they may gaze, if only for a few minutes, at their White House, in which the spirit of great leadership still lives. To them it is the historic mansion in which the great Lincoln, Theodore Roosevelt, Woodrow Wilson, and Franklin D. Roosevelt lived and wrought for their country. They do not conceive of it as the dwelling place of a Chester A. Arthur—or of a Harry S. Truman.

It does seem as though Truman could have put a curb on his adolescent yearning for a balcony until there could have been a real expression of public sentiment regarding it. There was an expression, by proxy; and Truman may fairly, I think, be regarded as adding insult to injury by willfully going ahead in defiance of it.

The Commission of Fine Arts was created, in 1921, to provide a continuing and expert body of men to protect historic landmarks against damage through erratic personal idiosyncrasies of individuals. Truman, it appears, consulted this body—and proceeded to disregard its advice.

At first, a member of the commission gave out an informal statement to the effect that the members were opposed to the balcony. However, the commission decided to string along with the President.

Later, the chairman, Gilmore D. Clark of New York, issued a formal statement in which it was revealed that there had been two meetings to consider the balcony, and the vote was unanimously against it, on the ground that "such a feature would permanently change the appearance of the south facade of the White House."

If, as the commission says, its authority over Presidential whims is no more than advice on request, then, clearly, it should be given teeth; or it should resign, as a body, in protest.

Self-respect requires no less. Undoubtedly it could have exercised more pressure than it did. But it ducked. On the strength of this unhappy precedent, the protection of public shrines is likely to degenerate into an apparently answerless question of "Who is stringing whom?" And American voters do not like to be "strung."

The White House does not belong to you, Mr. President. You do not even occupy it under a permanent lease. It belongs to the people of the United States who have graciously allowed you to live in it as they will allow others after you. You have no more right to mar it than you would have to change the physical appearance of the Washington Monument or the Lincoln Memorial.

Secretary Harriman's Views

EXTENSION OF REMARKS
OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks, I wish to include a clipping and an editorial appearing in the Chattanooga Times of January 15, 1948, concerning the excellent speech made by Secretary W. Averell Harriman at the seventy-first annual dinner of the Chattanooga Chamber of Commerce.

The clipping follows:

Harriman, who will testify before the Senate Banking Committee this afternoon at 2:30 eastern standard time on the Truman program to curb the rising cost of living, said: "Congress has authorized a program of voluntary agreements with industry which I am charged with administering. I shall give this program my fullest support. But from my experience in business and government, I do not believe our present needs can be met without addition of the limited powers the President has asked for. Of paramount importance to us and other countries is the maintenance of a stable America."

LAUDS MARSHALL PLAN

The Secretary of Commerce termed the European recovery program "an indispensable step in building a stable peace. We know that political stability can only be attained by improving economic conditions. There are forces in Europe who wish to take advantage of economic chaos and hunger to establish totalitarian dictatorships."

He said a "program of the contemplated magnitude will be costly and will mean sacrifices by the American people, but the benefits to be gained, I believe, will far outweigh immediate sacrifices. * * * Our returns will be in furthering peace and world stability."

ASKS MIDDLE EAST HELP

"I believe that we can help in the less developed areas of the world, such as the Middle East, where I spent many months during the war, to expand agricultural products through American imaginative projects."

Harriman's address was delivered to a capacity audience of 450 members of the Chamber and their wives and friends in the Read House ballroom.

"I firmly believe that a recovery program for Europe of the size and nature proposed by President Truman will serve the cause of peace and in fact is an indispensable step in building a stable peace," Secretary Harriman said.

"We are proposing to assist the people of western Europe to regain their economic stability. We have given generously already to alleviate the conditions of economic disruption and hunger that existed immediately after the war. Through hard work they have rehabilitated factories, and industrial production has been expanded to almost prewar levels in most of the countries. But we find it is not yet enough to balance the needs."

"WORKSHOP OF WORLD

"These countries on the whole are, next to us, the great workshop of the world, and they must import food and raw materials to convert to finished manufactured products. They must export to live, and so far they have not been able to cover their requirements with their exports. More aid from the outside is needed or else there will be extreme difficulties.

"We know that political stability can only be attained by improving economic conditions. There are forces in Europe who want to take advantage of economic chaos and hunger to establish totalitarian dictatorships.

"The countries of western Europe, including western Germany, include some 270,000,000 of the most talented, industrious and freedom-loving people of the world. They are largely the people from whom our traditions and way of life stem. If western civilization in Europe collapses we shall face world conditions quite different from anything we have before known.

"We have learned that wherever governments are under the control of the people and wherever the people are free to make the ultimate decisions, the cause of peace is furthered. Historically, we can find no such assurance in dictatorships."

SELF-HELP PROGRAM

"At Secretary Marshall's suggestion the 16 nations have developed a cooperative program of helping themselves and helping each other. The success of the program will depend primarily upon their own efforts, but they have asked us for the aid that is necessary to make the program effective.

"Although the amounts from us are large, they are a small percentage of the total job to be done. I, for one, have no doubt that if we support this program with determination it will be successful in reestablishing western Europe on firm foundation and enable it to go forward in its traditions of democracy, freedom, and expanding human values. Not to have such faith is to deny the validity of the free institutions that we so firmly adhere to.

"This program is one of the most far-reaching undertakings for peace and human progress ever contemplated by this or any other country. It is noble in concept but is based on considerations of our own self-interest and in fact on our own self-preservation.

"We must understand and evaluate the alternative—if we should fail to take this step."

QUOTES HIS COMMITTEE

"The President last summer appointed a committee of 19 distinguished private citizens drawn from different backgrounds and experience to give its judgment on a foreign aid program. I served as chairman of that committee. A section of their report deals with the interest of the United States in European recovery. They emphasize our humanitarian and economic interests and then conclude with their views on the consequences of a collapse in Europe. I will quote from the concluding sentences:

" 'The domestic consequences are such as no American could easily tolerate: The swift and complete conversion to a military footing which national security would require; the abrupt but necessary change in our relations with the rest of the Western Hemisphere; the immediate and sweeping limitation of our economic and political life, perhaps extending even to our very form of government.

" 'In such prodigious terms is the interest of the United States in European recovery defined. The committee is convinced that a sound program for western European recovery should be formulated and adopted by the United States with the same boldness and determination and the same confidence in the worthiness of the democratic cause which characterized our action in World War II.' "

COSTLY PROGRAM

"A program of the contemplated magnitude will be costly and will mean sacrifice by the American people, but the benefits to be gained, I believe, far outweigh the immediate sacrifices. We cannot expect direct repayment for a substantial part of the aid given. Our returns will be in furthering peace and world security. In addition, western Europe has been a great factor in international trade, and with recovery I believe we will get an indirect return over the years from expanding world trade.

"We have a great interest in expanding world prosperity, and much can be done if American experience is followed. All estimates indicate that there will be a continuing shortage of food for some years to come. The Congress has recently authorized the Department of Agriculture to engage in broad projects 'to stimulate and increase production of food and agricultural commodities in non-European countries.' This far-sighted legislation is bound to have important results.

"Here, close at hand, we have one of the great American developments—the TVA. In other areas we have great irrigation and reclamation projects that have opened up large areas for cultivation.

"As President Truman has said, the TVA does not belong to the people of the Tennessee Valley alone, but to all Americans. The TVA is a help not only to this region, but to the whole country, to expand and develop production and standards of life. At this time when people the world over look to America for guidance, the TVA has added significance."

CAN AID MIDDLE EAST

"I believe that we can help in the less-developed areas of the world, such as the Middle East, where I spent many months during the war, to expand agricultural production through American imaginative projects. Surplus foods from this area can help provide for the increased populations of the world and develop new trading areas that will bring improved life to many other countries. Peace can only be based on stable economic conditions.

"We are today facing difficult conditions due to inflation. You all know the difficulties which high prices are causing for many families. We want to share those things which are in short supply in a democratic fashion. The form of rationing which results from price increases gives a disproportionate share to those with higher incomes at the expense of those with lower incomes.

"The President has proposed to the Congress a program to deal with inflation and rising prices where they affect the cost of living and industrial production. All of these measures are needed to deal adequately with the situation at home. We must bend every effort to increase production, but in the meantime we must direct some of our effort to the most essential national needs. We must find ways to deal with our domestic problems.

"And so we face real problems at home and abroad. With the greater cooperation that exists today among all groups, I have confidence that the decisions of the American people will be wise and far-sighted."

Harriman declared that it is pretty hard for the American people to face the fact that there is a new aggressive force "out to destroy eventually" the things that this country believes in. There are men, he continued, who will use every means to accomplish this. He said that these men are the leaders of the Soviet Union.

Harriman declared that everything possible has been done to break down Russian suspicions and "it is unfortunate, but true, that they have made their decision to go their own way." He charged the Russians have broken all their agreements made during the war. American policies abroad have but one single motive and that is to lead to world peace, he said.

RESTRICTIONS NEEDED

"I don't like sacrifices. I don't like high taxes," Harriman asserted, adding that what this country has set out to do cannot be done "out of our surplus and will require some restrictions."

He warned that inflation, in his opinion, will continue "up to a bust unless we do something about it. We must give the Government the same type of authority that we give authorities to cope with a traffic jam."

He asserted that he for one is not going to ask labor to hold the wage line unless Congress gives the power to hold the price line. Harriman said that "business does not go with clean hands" unless it is for giving the Government the authority to hold the line." He said that the controls needed, and he mentioned steel among other items, does not mean that President Truman will set up a great new agency. He saw success for the program if sacrifices are made now and if the controls asked to cope with the situation are granted in time.

Representative KEFAUVER introduced Harriman as "one of the truly great Americans of our time." He added that "I feel when the final words are said after we come through this situation, which we will, high on the list of those responsible will be the names of Secretary Harriman and Secretary George C. Marshall."

The Chattanooga Times editorial is as follows:

THE HARRIMAN SPEECH

William Averell Harriman, Secretary of Commerce, former Ambassador to Russia and England, head of the President's Advisory Committee on the European aid program, made an interesting guest speaker at the seventy-first annual dinner meeting of the Chattanooga Chamber of Commerce.

He said frankly that if Europe goes Communist, Scandinavia, Africa, and the Mediterranean area will follow and America will be placed in a precarious position. If the European recovery plan is adopted, he said there was no reason why democracy could not be saved.

Looking more youthful than his 56 years, Mr. Harriman spoke sometimes haltingly and this lack of glibness was refreshing. ESTES KEFAUVER, in introducing him, told of his prowess in sportsmanship—an expert on skiis, member of the Yale crew, an international polo player—those are a few of his sports. He is famous as a breeder of Labrador retrievers.

The meeting did great credit to the Chattanooga Chamber of Commerce. Not only did it show that the Chattanooga C. of C. does not insist on hearing only the customary conservative philosophy, but there was a delightful absence of stuffed-shirt atmosphere.

Roy McDonald, retiring president, held up a booklet and said that his annual address was in it and that they could read it when they got home or give it to somebody else.

Earl Carter, incoming president, cracked wisely and delightfully.

ESTES KEFAUVER made a fine introductory address. The capacity audience arose and gave Mr. Harriman an ovation at the start and applauded him for several minutes at the finish. And the speaker was a charming type, not a ponderous politician.

Still a great power in the railroad world, Mr. Harriman's devouring interest is in working out the problems facing America at home and abroad. Many in the audience might not have agreed with what he said, but he pulled no punches.

"I shall not advocate holding the wage line unless Congress gives the power to hold the price line.

"I shall not advocate labor making the sacrifices unless business joins with clean hands.

"I do not think it undemocratic to ration meat when it is in short supply."

He appealed for the Truman program.

Many in the audience wondered what old E. H. Harriman, "the last great individualist" and "the last figure of an epoch" would have thought of the speech. We know he would have been proud of the son who was speaking.

Edward H. Harriman gobbled up railroads and ship lines. He practiced free enterprise unrestrained. Although the Interstate Commerce Commission and Teddy Roosevelt and the famous Equitable Life Assurance Society investigation found nothing to condemn in E. H. Harriman except a ruthless practice of free enterprise, he became the subject of extraordinary public abuse. Teddy Roosevelt's trust busting was beginning and Harriman was made the chief subject of public disapproval.

And here, Tuesday night at the Read House, was his distinguished son preaching that all Americans should share equally in sacrifices for the common good.

If old E. H. Harriman was the last figure of one epoch, his son seems one of the first figures in a new epoch—one to save free America and to prevent it from being engulfed in the totalitarian world which threatens to come up like thunder across the big pond.

Truman's Grains of Sand

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. MacKINNON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Minneapolis Star for Thursday, January 15, 1948:

TRUMAN'S GRAINS OF SAND

The fact that the United States is riding a wave of inflation toward peril wouldn't be news, except that the President said it yesterday in his second annual economic report to Congress. Everyone knows inflation is bad and is growing worse. Everyone would like prices on things he buys to be lower.

All Harry Truman has said is, "Me, too." Thus, he hopes to cast the Democrats as the only crusaders against the high cost of living

With the same purpose in mind he asked Congress in his state of the Union message "to make available to the Government the weapons that are so desperately needed to fight against inflation." The weapons were described only by plaintive reference to his inflation-control message of November 17.

If they are all Harry Truman would use to stop inflation, inflation will not be stopped. They can be written off as mere grains of sand instead of heavy sandbags to hold down high-flung prices.

Of the fundamental causes of inflation—the largest peacetime budget in history, a foreign-aid program that greatly reduces our basic industrial, feed, and food supplies, and forces their prices upward, expanded cheap Government-insured credit aided and abetted by a Government-manufactured low interest rate originally designed to fight deflation rather than inflation, a money supply four times prewar, and the highest incomes in history, all of which have caused the demand for goods to outrun supply—of these causes Harry Truman has said almost nothing. He has proposed no sandbags to weight down their effect.

Instead, he has asked that Congress spend $39,700,000,000, an inflationary balloon $2,000,000,000 larger than that of a year ago. Thus, he seeks to have the Federal Government perpetuate the Roosevelt Santa Claus legend and himself in office.

People like the effects of inflation on income but not on living costs. And so, while talk of halting inflation is common enough, anything actually done to gain that end would prove unpopular with some group. It has become a national pastime to blame everyone else for inflation—a pastime in which the Truman administration has participated freely.

We suppose that is part of the price of an era in which too many people have come to expect Government to socialize their losses and individualize their gains—if the gains fall below certain brackets.

If any serious stopping of inflation is to be done in 1948, an election year in which politicians often become cross-eyed from riveting one eye on the national destiny and the other on the ballot box, the past 2 weeks are evidence that it must be done by Congress.

It can start by going to work on the budget. First, by detailed economies that carve the fat off necessary services. Second, by flatly refusing to take up new enterprises which, though desirable, can best be deferred to more normal times.

Aid Plan, Backed by Might, Urged for Our Protection

EXTENSION OF REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. LARCADE. Mr. Speaker, since I have been in the Congress I have taken a position in regard to our foreign policy, universal military training, and all other matters which were, in my opinion, to the best interests of our country. I have, unhesitatingly, from time to time, inserted in the CONGRESSIONAL RECORD my views on all of these important subjects over a period of the past 5 years, and it is a source of great satisfaction to find, at least, one of the most prominent Washington columnists who agrees with my ideas as reflected, especially in his article in the Washington Sunday Star, January 18, 1948, and I ask unanimous consent that I may include in this insertion the copy of the article by Mr. Constantine Brown, Washington columnist, referred to, as follows:

AID PLAN BACKED BY MIGHT URGED FOR OUR PROTECTION—ANALYST SAYS UNITED STATES IS REPEATING THE MISTAKES IT MADE AFTER WORLD WAR I BY FAILING TO CURB SOVIET AGGRESSIVENESS

(By Constantine Brown)

Americans have profited little from the lessons of two world wars. This lack of willingness to learn from experience is at the root of the predicament in which we find ourselves today.

This country has fought two wars in the last 30 years. Both brought victories on the battlefield, but we lost them because our diplomats and politicians failed to take advantage of our triumphs.

In 1917 the United States went to war to end all war and to make the world safe for

democracy. In 1940 our Government decided that we must intervene once more to destroy the tyranny of dictators and establish a long period of peace.

CHARTER AND 14 POINTS FAILED

We fought two ideological wars. Unlike both our allies and our enemies, we sought no new territory and no other gains. The only profit we hoped to obtain was an era of peace for ourselves and the rest of the world.

In both cases before we engaged in military operations our wartime Presidents—Woodrow Wilson and Franklin Roosevelt—frankly exposed our program to the world. These were contained in Mr. Wilson's 14 points and in Mr. Roosevelt's Atlantic Charter. Both were admirable documents which met with the whole-hearted approval of the vast majority of citizens of this country, but were paid only lip service by our war associates.

Some of the provisions of Mr. Wilson's 14 points were put into practice. None of Mr. Roosevelt's ever became anything more than a pious wish. The doctrines of Mr. Wilson were by-passed politely over a period of several years. Mr. Roosevelt's were thrown into the trash can only a few months after they were announced to the world.

In both wars the allies would not have survived the enemy's onslaught if it had not been for the complete assistance of the United States. Before we became actively engaged in war we advanced large sums of money to the French and British. Because of the bitterness engendered by the debts of World War I Mr. Roosevelt decided long before we entered World War II to give grants to the victims of totalitarian aggression in the form of lend-lease.

UNITED STATES NOT FIRM ENOUGH

Neither wartime President took advantage of the fact that without the United States the victims of aggression would have been defeated. They did not press the beneficiaries of American support to implement—unreservedly and honestly—the doctrines we espoused.

The 14 points were gradually torpedoed after 1919. The Atlantic Charter was brutally murdered by the Union of Soviet Socialist Republics—the chief recipient of American wartime aid. Both could have been saved if our Chief Executives and their confidential advisers had remained adamant in support of the principles for which this country was sacrificing its sons and substance.

World War II was the inevitable consequence of World War I and we fared far worse after VJ-day than after November 11, 1918. After 1918 we had at least an illusion of peace for 21 years. After World War II we did not enjoy that illusion for even that many weeks.

Through their Government the American people now are following—but on a larger scale—the same policies which we believed would bring peace after World War I. We decided then to help Europe out of her troubles and devised the Dawes and Young plans, which eventually were followed by Herbert Hoover's moratorium.

We were told then—as we are more forcefully told today—that money can buy peace. We poured a few billions—chicken feed compared to our present expenditures—into Germany to recreate her economic potential.

LEAGUE DIED OF INACTION

Since VJ-day we have sent some $20,000,000,000 to Europe and Asia to restore the national economies of the war-torn countries. The important difference between now and then is that whereas after World War I we sent abroad principally dollars, we are now called on to divest ourselves of our already depleted raw materials.

The League of Nations—like the United Nations—was an American creation. Although the United States Senate never ratified the League Covenant, and we did not take our place at Geneva, we did encourage its work, and in some instances—like the Sino-Japanese conflict over Manchuria in 1932—we did take a modest seat at that international gathering.

The League died of inaction. Europeans openly blamed the United States for the League's failure, because we created it and then refused to have anything to do with it. The truth is that the major powers—there were five after World War I—decided to make that peace organization into an instrument for their plan to maintain conquests and promote their own selfish objectives.

The League survived, however, until the UN was created and occasionally did give the appearance of trying to live up to the purposes for which it was created.

The principal trouble with the League, its supporters stated, was that it had no teeth. It had no power to prevent aggression by military intervention. This, we were told, was due to the fact that no such measures could be taken so long as the United States was outside.

We decided to repair this deficiency for the sake of world peace. We entered enthusiastically into the United Nations and provided ample teeth for it by providing for the creation of military, naval, and air forces to intervene in case of aggression.

But when this new instrument for world peace was established the world had shrunk. Only two great powers remained: the United States and the U. S. S. R. Our statesmen refused to recognize this obvious fact and, forgetting the lessons of history, agreed to give the five major powers—among which China, France, and Britain were included out of courtesy—the right to veto.

If the framers of the UN statute had remembered history they would have taken a cue from the fact that Poland, when she was an important power in the eighteenth century, collapsed and was partitioned, for one reason, because her Parliament was made up of noblemen, each of whom possessed a veto over all legislation. There were selfish and unpatriotic persons who took advantage of this prerogative to serve the interests of the country's enemies.

WARMED-OVER METHODS

In the 58-nation parliament in the twentieth century the veto of one of the five permanent members of the Security Council can prevent the UN from taking necessary steps to enforce peace and organize a military force for peace enforcement. The Soviet Government's representatives not only have used but have abused that right in order to serve the selfish interests of Moscow.

There is, however, little difference between the fundamental principles of the conclave of nations as presented to the world in 1917 and as they exist today. The former took 24 years to die; the latter, in their present form, are already on their last legs and continue to live after 2 years only because of artificial respiration administered in the high-sounding speeches by representatives of the west.

Thus after World War II we adopted as our national policy the warmed-over ideas and methods used after World War I, without taking into consideration that the interests and aims of non-American nations are wastily different from those of the people of this country.

Now we are told that we must make a last and supreme effort to bring peace, at least in the Western World, by adopting the Marshall plan, just as we were told after 1918 that we must contribute our wealth to restore peace in the world. The principal difference is that the amounts involved now are enormously larger.

Since we have no other national policy in the field of foreign affairs, there is nothing that we can do but try it again, regardless of the fact that the cost of the European recovery program will be felt strongly by the rank and file of the American people. Conditions all over the world are far worse now than after World War I.

TODAY'S CONFLICT DIFFERENT

An ideological "cold war" is being waged now by a combination of nations representing some 400,000,000 persons—Russia, the nations behind the "iron curtain" and the Chinese Communists. After World War I ideological warfare was scarcely noticeable.

Today the conflict between east and west is different. The whole question is whether western civilization—whose principal representatives are the peoples of this country and this hemisphere—can survive the onslaughts of the semi-Asiatics from the east.

The existence of western Europe—the cradle of civilization of both the Americas—is threatened physically by strong military forces, backed by the best fifth column the world has ever seen. To continue our assistance in an effort to save what is left of it—and possibly save ourselves—we must include in the ERP the necessary military assistance which the western governments are asking in hushed voices and which our political leaders do not dare discuss in public.

POLITICS OVERSHADOWED

This is an election year, but the world situation—much as we might like to deny it—transcends by far domestic political issues. Those who say that mere economic and financial assistance to the 16 nations of Europe which have not accepted Soviet domination, can save the situation are rendering a disservice to the mass of people in the United States.

We are repeating now on a much larger scale the methods we employed after World War I. They failed and led us into another world war. The end of the last struggle sees us in a far worse position than ever before. Not only our economic but our social structure is threatened.

To refuse to admit that economic and financial assistance will have to be backed for our own self-preservation by thorough military preparedness would be rendering the worst disservice of our history to the people of America.

The men in the Kremlin can throw out of gear any attempt at economic recovery in Europe simply by moving military masses. And it is highly probable that they will do so unless they are shown that the western nations are prepared to meet their challenge and oppose force with force.

The Communists and Minority Rule

EXTENSION OF REMARKS

OF

HON. JAMES C. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. DAVIS of Georgia. Mr. Speaker, the citizens and press of Georgia are alive to the menace of communism, and are losing no opportunity to expose the insidious devices which Communists resort to in spreading their cruel dictatorship.

On January 11 and 12, the Georgia Department of The American Legion, through its Americanism committee, held a 2-day seminar in Atlanta, which was attended by delegates from every section of the State. They were fur-

nished information, pamphlets, and publications dealing with communism to carry back to their respective communities for distribution.

On January 12, the second day of the seminar, the Atlanta Constitution published an editorial under the heading "The Communists and minority rule," which lists some of the steps taken by Gen. Lucius D. Clay, native Georgian, and military governor of the American zones in Europe, in his campaign to keep the Army of Occupation and the German people informed about Communists and communism.

Under leave previously granted, I insert this editorial herewith:

THE COMMUNISTS AND MINORITY RULE

A few weeks ago Gen. Lucius D. Clay, the Georgian who has done such a magnificent job as military governor of the American zones in Europe, and also as commander of the small occupying Army, announced a policy of publicly refuting each Communist lie.

This policy infuriated the Communist leaders to an almost rabid attack on General Clay. He now has followed it with a series of pamphlets and posters designed to educate and inform the American Occupation Army. It also will be available to the German population. Prepared by the Army's education and information branch, the posters include one, "How to spot a Communist." It says:

"The party line—if he echoes it, he's probably a Communist (probably underlined).

"The Communist press—if he endorses it, he's probably a Communist (probably underlined).

"The Communist policy—if he supports it, he's probably a Communist (probably underlined).

"And if he does all three—he is a Communist (is underlined)."

While this is interesting, by far the most impressive are those pamphlets which give the progressive steps used by the Communists minority to oust representative government and to kill or imprison the opposition. To support its arguments that only a small party membership was all that was needed in those countries to gain control, with the help of the Red Army, they are listed as follows:

"In Bulgaria, 450,000 Communists, only 7 percent of the population, run the Government."

"In Rumania, 500,000 Communists—some 3 percent of the population—maintain themselves in power through force and fear."

"In Poland, 600,000 Communists—2 percent of the population—are in control."

"In Yugoslavia, a handful of Tito-led Communists also have come to control the Government and Yugoslavia's 61,000,000 people."

"In Greece, 400,000 Communists—6 percent of the population—have caused enough turmoil for the Government to ask the United Nations to force the Communist Party in Greece to abandon seditious methods."

We now know it was Communist influences which spurred on the "bring the boys home" campaign which practically wrecked the American occupation army before, even, Japan was conquered. They inspired and led demonstrations which were close to mutiny. Many editors of Army papers were cleverly persuaded to be the front men, and were carefully fed praise and backslaps.

Truthfully does one of the popsters conclude:

"American Communists do not think first of their own country. If it came to a showdown, they would certainly pledge allegiance to the Soviet Union."

A Voice From the Country

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Louis Bromfield:

A VOICE FROM THE COUNTRY—TRUMAN ABOUT-FACES ON VITAL PROBLEMS

(By Louis Bromfield)

The President's message to Congress was, on the whole, cheap, political, and characterized by absurd economical thinking. His tax proposal was infantile. These things are serious in a great nation, but not perhaps so serious as the confusion and the forces which lie behind them. It is doubtful that we ever have had a President with such a record of snap judgments, confusion, and mind changing, nor one more apparently subject to pressures from advisers, both those chosen by himself and those imposed upon him by circumstances.

To be sure, this is an election year, and a graduate of the Pendergast machine and of local politics is not likely to underestimate the element of politics nor be adverse to moving with changing winds.

None of these things, however, wholly explains Mr. Truman's sudden—almost hysterical—about-faces on questions of vital importance to the Nation and to the world.

From the beginning the President has bewildered newspapermen who were tough and experienced and used to political shiftiness; but it is doubtful whether, beginning with the first blunders of the Wallace-Madison Square Garden incident, they ever have encountered so many colossal examples of mind-changing, confusion, and compromise.

The list is long and sometimes grotesque, as in the case of the Harriman incident when the President was proposing one policy to newspapermen when his Secretary of Commerce was at the same moment proposing exactly the opposite course to Congress.

The attack on grain speculators, at the very moment that two of his most intimate friends, Mr. Pauley and his personal physician, were engaged in speculation on a large scale, is another. The denunciation of Government controls as police government, and the advocacy of those very controls a few days later, is a third. There is not space here even to begin the recording of all of them.

LOST CONGRESS' RESPECT

The record does not lead to respect either for Mr. Truman's integrity of conviction or for his powers of judgment. One is led to suspect that not only is Mr. Truman too small for his shoes but that he has no confidence even in his own judgments. Consequently, his opinions and proposals are regarded with less and less respect by Members of Congress and by the people themselves.

Behind him, of course, lies the wreck of the Democratic Party organization, which is split nationally in one way and in all 48 States in 48 other varying fashions. For this fact, Mr. Truman is not himself directly responsible. It is the heritage of the New Deal administration which sought to be all things to all people, and of the unwillingness of Mr. Roosevelt to allow any other Democratic leader to develop or attain power.

The general confusion began with the retirement of Jim Farley, the giant. Since then the party organization has suffered a hop-skip-jump organizational leadership with backwoods politicians and political pygmies in posts of great power. The fantastic plans of Henry Wallace have not improved the situation, or the presence of Republican majorities in both Houses of Congress.

In some respects the absence of virtually all leadership in the party of the Chief Executive of the Nation scarcely could come at a worse time in the history of the Nation and of the world.

It is fortunate indeed, in view of the world situation, that General Marshall heads the State Department, and that Congress itself, always the most immediate representative of the common sense of the people (and never more so than now), has the leadership and ability of men like Taft and Vandenberg on the national and international fronts.

It never should be forgotten that neither Mr. Truman nor Mr. Wallace, symbolizing in a sense the disruption of the Democratic organization, arrived at their present positions of prominence either by outstanding achievements or by the will of the people. Both were invented by Mr. Roosevelt as instruments of political convenience and imposed upon the people.

Taking all things into consideration, it would seem that the time has come to retire Mr. Truman and give the Democratic Party a breathing spell in which to reestablish and reorganize itself as the traditionally liberal party. At the moment it appears to have no policy or principle or leadership save those of backwoods political opportunism.

Time for Common Sense

EXTENSION OF REMARKS
OF
HON. HAROLD F. YOUNGBLOOD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. YOUNGBLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article contained in this morning's Washington Post concerning the Government's intention to restrict the use of certain grains for the purpose of making liquor while the very same grains that we are shipping abroad in the form of foreign relief are being used for the manufacture of liquor and resold back here to the United States:

TIME FOR COMMON SENSE—AN OPEN LETTER TO THE CONGRESS OF THE UNITED STATES

In the next few days the Congress will be asked to consider legislation to extend the shut-down of American distillers. Since this involves an industry which pays annually more than two and a half billion dollars in taxes, and employs directly and indirectly more than 2,000,000 American workers, we think it might be useful for you and for the public to have some of the facts about the recent voluntary 60-day shut-down.

Schenley entered into the voluntary agreement and has lived up to its obligations 100 percent.

Some American distillers did not shut down.

The Canadian distillers did not shut down.

The British distillers did not shut down.

No other country in the world closed its distilleries.

For the announced purpose of providing food for hungry people in Europe, the shut-down has been an absolute, costly, and utter failure.

The purpose of our Government was to save wheat. We believe that not only was there no saving of wheat, but that wheat was actually lost.

The distilling industry uses practically no wheat. The actual figure is less than one-thousandth of 1 percent of the total wheat crop.

This industry uses principally corn, some rye, and some barley malt. Most of this grain, if not so used, would ordinarily be fed to animals.

Normally, we use about 2 percent of the total corn crop.

It was estimated by the President's Food Committee that the 60-day shut-down would save approximately 10,000,000 bushels of grain, but actually little or nothing was saved because in the process of distilling we return to the farmer feeds for poultry, hogs, dairy cattle, and beef cattle which, in the opinion of experts, have an equal or greater feeding value than the grain we used.

We take out only the starch. We save all the protein and oil and add yeast. The resulting products are rich in protein, vitamins, amino acids, and other feed values.

We are convinced that the final result is this—if a farmer has 10 bushels of grain and sells us 2 bushels for distilling, and then feeds the 8 bushels which he kept and the residue which we return to him, he will get as much added weight in feeding his animals as he would have achieved if he had fed them the original 10 bushels. We think he actually gets more.

Suffice it to say that the benefits of a balanced diet have been proved over and over again for both animals and human beings.

Our own Department of Agriculture, in numerous bulletins, has published many formulas for the use of distillers' feeds to balance animal diets.

We admit, frankly, that the exact percentage of feeding value which we return to the economy is debatable.

You may think that instead of being more, it is even as much as 50 percent less. Let's assume that you sincerely believe that the Luckman plan saved 5,000,000 bushels of corn, or less than one-tenth of 1 percent of the total grain available.

But it wasn't corn the Government wanted to ship abroad. It was wheat.

We knew that our feeds would add weight to cattle, but the Government apparently was not interested in getting more meat. Now the Secretary of Agriculture tells the country that we are faced with a terrible meat shortage. It does get a little confusing, doesn't it, gentlemen?

In addition, we think they lost more wheat than they thought they saved.

When the farmer doesn't get our feed do you honestly believe he is going to let his poultry and hogs and cattle starve?

And maybe this particular farmer hasn't any corn. Maybe he has wheat. So he feeds the wheat to the chickens and hogs and cattle—and it was wheat that we wanted in the first place to ship to Europe.

The government of every country in the world, except our own, has adopted the principle that distilling takes nothing away from the food economy. This is proved by the fact that none of these governments have shut down their distilleries. Surely they are not purposely taking food out of the mouths of starving people.

England is running at capacity; Canada is running at capacity; 11 countries which have submitted their needs under the Marshall plan, have asked for grain for distilling and brewing.

Even assuming that the shut-down saved a few million dollars' worth of corn, let's see what it cost:

It completely dislocated an industry which pays to the Federal and State Governments more than $2,500,000,000 a year in taxes.

It threw thousands of American workers out of work. We know because we alone kept more than 1,000 on full pay.

It increased the price of the neutral grain spirits now in storage in the United States more than 150 percent.

It opened the door wide for foreign distillers and foreign workers to take over the business of American distillers and the jobs of American workers.

We admit that these are strong statements, but we will prove every one of them right up to the hilt.

There is one other fact that ought to be clarified. The public was told that the stocks of whisky in the United States were adequate—that we have over 550,000,000 gallons of whisky. What we have, actually, is about 65,000,000 gallons of whisky in this country which is 4 years old, or older. This is about 1 year's supply. The rest is green whisky not yet fit to drink. (Government figures show what is put away—not what is there after evaporation and outage.)

This is less aged whisky per capita than in any distilling country on the whole face of the globe.

Now you may well ask us why we agreed voluntarily to shut down when we knew all of these facts and had communicated them to the Luckman committee.

We assented because we were conscious of an obligation to the American people, who decided in 1933 that they would prefer to have a sound distilling industry with employment and taxes and Government regulation instead of bootleggers, gunmen, and rot-gut. They put that in our Constitution.

So, when the call came to help hungry people, we wanted to contribute our share, heaped up and running over. We knew no grain would be saved, but when we were told that a great sacrifice on our part would be a tremendous psychological contribution for the purpose of securing assent from others to make comparable sacrifices, we agreed.

No other American industry was asked to make any comparable sacrifice.

No other country asked its distillers to make any sacrifice.

We think it is time for a little common sense.

We think this whole question of the shut-down of distillers and the allocation of grain for restriction of production should be investigated by the Congress of the United States. Not in an hour, not in a day, but in a full-dress hearing with opportunity for all to be heard. Not just distillers, but the communities that are being ruined, the workers who are being thrown out of work and the farmers who have an interest in the feeding of their stock and the disposition of their products.

We believe that the public interest would be best served by full disclosure of all the facts in the full light of day.

Discovery of Gold at Coloma, Calif., on January 24, 1848, by James Wilson Marshall Started First Great Migration to California

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EXTENSION OF REMARKS

OF

HON. LEROY JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. JOHNSON of California. Mr. Speaker, on January 24, 1848, James Marshall and Capt. John A. Sutter, the founder of Sacramento, Calif., were partners in the ownership and operation of a sawmill. On that day Marshall found some yellow metal in the stream where the sawmill was located. He was uncertain as to what it really was, but it later turned out to be gold. This started a great migration to California. It was the beginning of one of the most romantic and exciting eras in our history.

California seems to be a magnet that stimulates migrations. During the depression of the thirties we had the great migration to California of the "Okies" and "Arkies." These names are merely nicknames of the great volume of people who came from the Dust Bowl seeking better opportunities in California.

Then during the recent war we had a tremendous migration to California of almost 3,000,000 people from almost all the States of the Union. They came as servicemen, as war workers, as agricultural workers, and so forth. Many of them have remained and thousands more are pouring in every month and in the course of a few years become as truly Californians as the real "native son."

Mr. James D. White has written an interesting story about the first, or shall we say the gold migration, which was printed in the Washington Post on Sunday, January 18, 1948.

Under leave to extend my remarks, I include the article, which I am sure will be found most interesting:

JIM MARSHALL FOUND GOLD JUST A CENTURY AGO, AND OPENED UP A CONTINENT

(By James D. White)

COLOMA, CALIF., January 17.—A century ago next Saturday a young man stooped down in this sleepy village and picked up the first gold found in California.

He was a shy young wheelwright named James Wilson Marshall. His life never was the same again. Nor, for that matter, was California's.

His discovery led to history's greatest rush to dig gold. It was gold that rocketed a raw new American territory into statehood. It helped finance the Union in the Civil War. It hastened by a generation the building of a transcontinental railroad. It lured men of many races and ways of life into the violence of a lawless frontier and the ruthless, creative experience known as empire building.

THREE-YEAR CELEBRATION

So this January 24, 100 years later, Coloma will be jammed with thousands of Californians celebrating Jim Marshall's discovery. Famous actors will reconstruct the event over national radio networks. The mining industry will exhibit old and modern mining machinery. Visitors can pan gold in the same stream where Marshall found it.

The program will launch 3 years of celebrating by Californians as the centennial dates of their historic beginnings roll around: Discovery of gold will dominate '48; the gold rush and State constitution in '49; admission to the Union in '50.

The State Centennial Commission, which has received $250,000 from the Legislature for this year's events, is asking for a million for all 3 years. Communities all over the State will commemorate local echoes of the great news at Coloma 100 years ago and the chain reaction that followed.

It began slowly, Jim Marshall thought the yellow metal he had picked up was heavy enough to be gold. But the men helping him alter the sawmill where he found it in the millrace were doubtful.

He rode down through the Sierra foothills to Sacramento, 50 miles distant, to show it to Capt. John A. Sutter, his partner in the sawmill. They dunked it in vinegar and nitric acid. It was gold.

Sutter was worried. He held large land grants from the Mexicans and wanted to develop the rich valley, but to do this he needed men, and to keep men he had to have lumber to build houses for them. That was why he and Marshall had built the mill. Now he was afraid his men would leave him stranded.

They did.

Two weeks later California became American territory through the treaty which ended the war with Mexico. This threw Sutter's and Marshall's claims and titles in doubt; neither subsequently benefited from the discovery of gold. Both were nearly ruined and both died disappointed men.

PURELY WESTERN CONTAGION

When the news reached San Francisco, nobody believed it at first. Then gold arrived and was tested by jewelers. Word spread and the rush began.

Shovels sold for as high as $50 and a man's labor became worth pretty much what he figured he could make panning gold. Town by town the fever spread. Communities emptied as people flocked to the Sierra foothills and horses and cows grazed in unharvested fields.

Shops were boarded up. San Francisco's two newspapers closed as editors followed printers to the gold country.

It still was just a California phenomenon. The East did not get what it regarded as reliable confirmation until the following September, when the new American Governor of the Territory reported it to the President.

Again, nobody was too excited. But when gold arrived in New York and was assayed, the news swept around the world. El Dorado, sought for centuries, had been found.

It was too late for travel that year across the high Sierra, but ships could sail around the Horn or to Panama where a short crossing could put a man on the first boat up the west coast. Immigrants began pouring into San Francisco, and by '49 the rush was really on.

Buying outfits in San Francisco, Sacramento, or Stockton, the newcomers hurried into the hills. Many struck it rich along the 250-mile mother-lode area that stretches from Mariposa in the south to the Feather River country in the north. Others failed, went into business, and got rich in stores, shipping lines, manufacturing. Everything was in demand in a world where a man might and often did make thousands of dollars in a single day.

Gold seekers kept coming, and in '49 alone some 25,000 arrived by sea and 42,000 came over the mountains from the East.

Not all were Americans. Mexicans, Peruvians, and Chileans came from Latin America, Kanakas from the Sandwich Islands. A great influx of southern Chinese began, to continue many years through the period of railway building.

SHIPS LEFT TO ROT

Old French prints of the time depict soldiers at San Francisco's Presidio, handcuffed to their sentry posts. They are shown wearing Napoleonic uniforms, so the picture is apocryphal, but not too far from what did go on. In San Francisco Bay in '50, some 500 sailing ships stood idle. Captains had followed crews to the gold fields, and some of the ships never were reclaimed.

California labored in chaos. With Mexican authority gone, the new Territory was not yet a State, and there was a considerable legal vaccum. A State constitution was drafted by October 13, 1849, at Monterey, but Congress did not decide California should come into the Union as a free State (without slavery) until September 9, 1850.

In the meantime some remarkable things had happened in California as local committees took things in their own hands to keep the peace.

The miners were human, and after working hard on diets such as beans and ship's biscuits, fortified by whisky, they often found diversion in violence. They were being mulcted by swindlers and claim-jumpers, and highwaymen preyed on the vast gold shipments. The population was 98 percent male, a tough crowd of venturesome characters who had come a long way to get rich.

Things were getting out of hand, so when the pioneers needed a law and couldn't find one, they made one up and if necessary enforced it with the means at hand—and the means were as tough as the times.

After the six-shooter came the hemp necktie. In Hangtown (now Placerville) they strung one man up for stealing a sack of flour. They gave a convicted murderer 2 years, and dismissed another who killed an Indian. At Hornitos a mob lynched a Chinese by tearing his arm off through an unbarred jail window, using a horse and lariat.

REAL CHINESE LAUNDRY

The miners did prodigious things with their wealth. All the way around the Horn they sent for pianos for music, iron shutters for their stores, and brick and lumber for their churches and schools.

They built long canals and flumes for hydraulic mining and started the California habit of piping water great distances.

Too busy to quarry stone, they shipped in enough from China for at least one store, which still stands and is all that is left of the once-thriving town of Butte City. San Franciscans at one time were so busy that they found it easier to ship their laundry to Canton by clipper than get it done locally.

Among such giddy economics the State of California was born. The great lode held out many years, and in the richer pockets mining still goes on, balanced delicately now on the market price of gold and the cost of production.

California still yields more gold than any other State, but Californians celebrating at Coloma next Saturday realize that gold was just the beginning of riches.

Their annual agricultural production alone amounts to about $2,000,000,000—as much as all the gold mined here since 1849.

Theirs is the second largest State, third in population and edging toward second place with nearly 10,000,000 people.

These people, notes the State chamber of commerce, now have the highest average per capita income (ranking 32 percent above the national average) and operate more radio sets and motor cars than the people of any other State. Some wonder just what it means that they spent more in 1946 for motor transportation than they did for eating.

Anyway, they lead the Nation in taking fish from the ocean, in growing fruits and vegetables and putting them in cans, in pressing wine, in refining borates, and in recording simulated life on celluloid.

Its population of many strains has not merged without friction, but as the generations pass the differences fade, diluted by a steady stream of newcomers.

One thing goes on. These people are Californians and westerners, the spiritual grandchildren of the pioneers who found gold here at Coloma 100 years ago.

Greek Contest Grows More Bitter

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I quote the following editorial in the January 14 issue of the Christian Century:

Latest developments in Greece are more confusing than ever, but they at least show that the tension there is growing rather than diminishing. Some sort of show-down, or explosion, seems not far away. On the Russian side (why not be candid and discuss the Greek situation in terms of its real elements?) a 'free Greek' government has finally been proclaimed by the Communist guerrilla leader, Gen. Markos Vafiades. This constitutes a bid for recognition as the government of Greece from the neighboring Russian satellite nations. Such recognition would open the way for every imaginable kind of gun-running and intervention according to the familiar 'foreign legion' pattern. It might also lead to the often forecast Balkan federation of Communist-dominated nations. This Russian move has been countered from the American side by diplomatic and military action. Undersecretary of State Lovett has warned the Russian satellites that if they recognize the 'free Greek' government 'this step would have serious implications.' Mr. Lovett leaves to the imagination of Marshal Tito and his friends what those 'implications' would be. At the same time the American military mission, which is now 'advising' at every divisional headquarters of the Greek army, has pepped up that force sufficiently to repel an attempt by Markos' guerrillas to capture the little mountain town of Konitsa and make it the capital of the 'free Greek' government. This sudden activity is probably to be read as an effort by the Greek army's higher command to prove that the $300,000,000 sent it from the United States last year—including 47 shiploads of military equipment—has not been utterly wasted, and that the army of 140,000 men is not entirely helpless before 20,000 guerrillas.

In the same issue of the Christian Century is another forceful editorial entitled, "What's the Next Move in Greece?" As part of my remarks I am including it also:

WHAT'S THE NEXT MOVE IN GREECE?

Despite the repulse suffered by Russia's pawns at Koritsa, it is evident that something will have to be done soon to rescue American policy in Greece. The $300,000,000 so reluctantly appropriated by Congress last spring is almost gone; the Konitsa setback has not materially diminished the ability of the guerrillas to terrorize and control most of the country; President Truman knows how close the doctrine which bears his name is to collapse in the first country where he has tried to apply it. More money, much more money, will have to be poured into Greece. Perhaps more troops will also have to be sent there. That may be the meaning of the recent dispatch of marine battalions to the eastern Mediterranean. But will Congress, already sniffing at everything it suspects may be an "Operation rathole," appropriate? Rumors abound that the Athens government will turn to the UN and ask it to put pressure on American Congressmen. That is, on the theory that a plea for more millions will have more persuasive power if it comes from the UN than if the State Department sponsors it. Whether such tactics will be employed by the Truman administration, or will work if they are, remains to be seen. But while all this is going on, the question remains unanswered whether Russian forces are to take part in the partition and policing of Palestine. If they do, and the Red Army is thus placed almost within sight of the Suez Canal and athwart the oil pipe lines from Arabia, the Truman policy of pouring out millions to contain Russia on the Greek border will look like one of the silliest examples of confused thinking and action in the history of modern power politics.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. CLARENCE E. KILBURN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. KILBURN. Mr. Speaker, I am glad to extend in the RECORD a letter from my dear friends, Hon. William A. Pittenger, of Minnesota, who, as the Members know, has been a life-long advocate of the St. Lawrence seaway and power project. I am sure that the colleagues who served with him in the House, and also the new Members, will be glad to read this letter. For years he has been our champion and I am in hope that he will return to us to lead this fight as he has in the past.

DULUTH, MINN., *January 19, 1948.*
Hon. CLARENCE E. KILBURN,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: I have been privileged to serve with you in the House of Representatives over a period of some years. Since coming to Washington in December to help in my advocacy of the St. Lawrence seaway and power project, I have had occasion to consult you at different times on this controversial measure. I am writing this letter because I want you to know how deeply I appreciate your cooperation and leadership in connection with the pending legislation. I take this means of reporting to you and to your colleagues the fact that I am in favor of the St. Lawrence seaway and power project and that I am in Washington to render all possible help in support of this pending legislation.

Very frankly, I do not find much activity in Congress in behalf of the pending legislation. It is my hope that more men will become actively interested and give you their support. I do find that the propaganda factories are particularly active at this time giving misinformation to our people in reference to the St. Lawrence seaway and power project. The powerful lobbies are at work, but there appears to be no lobby working in the interests of the American people. I have been privileged to see bits of propaganda that come from the most powerful lobby in America. I do not dignify this lobby by giving it a name, but it has an office here in Washington, D. C., and is now viciously at work to misinform the American people regarding the seaway project and by misstatements and other methods to shape public opinion against a development that will contribute to the resources, wealth, and happiness of the American people.

Just the other day in one of the local newspapers a columnist reiterated the objections of the opponents of the seaway. He argued that the seaway would cost a lot of money, that it would be icebound and not open to navigation for about 7 months of the year, and that it would take business away from the American railroads. Of course, if the seaway would not be any good, the argument that it would take business away from the railroads is pure nonsense. These inconsistencies do not bother the opponents of the seaway who believe that to the extent that this project benefits the American people they will be harmed accordingly. So, they may be expected to foul their own nest by trying to influence Congress against this project. In view of the misleading statements that have been made, mostly a tissue of falsehood and incorrect series of half-truths, friends of the seaway project should have in mind certain facts.

First, the proposed legislation would deepen some 60 miles of connecting channels in the Great Lakes region from an existing depth of 14 feet to a depth of 27 feet. This would give the Great Lakes region a fourth ocean seacoast and would move the Atlantic Ocean something like 2,600 miles to Duluth, Minn. We already have a 14-foot channel, and all it needs is some additional work in certain spots to permit oceangoing ships to enter and traverse a 27-foot channel.

Five Presidents of the United States and numerous Army engineer boards have endorsed the project. They have pointed out the immense benefits to the American people, and they have estimated that the benefits far exceed the costs of construction.

The project has a twofold purpose. I have just called attention to the fact that the navigation features would be of benefit to the Midwest, and this means to some forty to fifty million people. In addition, it would make available to the people of New York and New England cheap electric power at Massena, N. Y., which is now going to waste.

I do not here discuss the agreement between Canada and the United States which was entered into in 1941, but I do know, as a Member of Congress at that time, that the American people are protected in every way by the proposed agreement.

I am constrained to say that the worthwhile value of this project can be measured by the strength of the vicious propaganda that is being put out to defeat action in Congress.

In conclusion, it seems strange to me that Congress is asked to authorize $17,000,000,000 for Europe, and at the same time people that I choose to designate as enemies of progress are doing everything they can to defeat this measure.

Very sincerely yours,
WILLIAM A. PITTENGER.

Address of Secretary of State Marshall

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Secretary of State Marshall before the Pittsburgh Chamber of Commerce, Thursday, January 15, 1948:

During the past week I have appeared before congressional committees of the Senate and the House to discuss the European recovery program recently recommended by the President.

Other officials of the executive branch are now testifying before the same committees as to the details of the program. It has been widely publicized and discussed. Its purpose and principal features are now well known.

Therefore, I am reluctant to add another statement to the mass of material on the subject. But this issue is of such great national importance that I feel justified in referring tonight to some aspects that may be of especial interest to the leaders in business.

Businessmen quite naturally are concerned about the possible effects on their own position—about how this program will affect the supply of raw materials, prices, sales, profits, and the condition of doing business.

Measures affecting the national economic interest in the long run will influence the private affairs of all of us. In considering the effect of this particular measure upon our individual or collective lives and fortunes, it seems logical first to appraise the present position of the United States in world affairs.

RECALLS FRUITLESS PARLEYS

In order to put current events in proper perspective, it is necessary to go back at least to the Council of Foreign Ministers at Moscow last spring. We met there, as you know, to consider peace treaties for Germany and Austria. That effort to reach agreement failed utterly because the Soviet Union insisted upon conditions which the three western powers could not in good conscience accept.

The reasons for the Soviet attitude have now become clearer and were well defined at the recent London Conference, where resort to similar obstructive tactics and propaganda appeals led again to failure.

Our experience at Moscow was productive in one sense at least. It necessitated a complete reappraisement of the situation in Europe which was steadily deteriorating, and brought us to the important conclusion that we faced the choice of quitting Europe altogether or of completing the task of European recovery. We had no intention of quitting.

Once the basic decision was taken the United States put into effect certain measures susceptible of immediate application. These concerned Germany, where we have major responsibilities as an occupying power.

TOOK NECESSARY STEP

It was apparent that there was no immediate prospect of a German peace treaty nor any likelihood that the Soviet Union would cooperate in establishing a balanced economy for all of Germany as provided in the Potsdam agreement.

Therefore, we had to take what steps we could to enable the Germans to pull their own weight in Europe and at an early date to terminate reliance upon Britain and the United States for the essentials of existence now lacking in western Germany.

The British and American zones were then being integrated economically in the interest of efficiency and economy. This process was accelerated. In addition, the two Governments decided upon an appreciable increase in the level of industry. This is a rather technical matter which is not readily understood.

It should be remembered that the Potsdam agreement called for the economic integration of all four zones of Germany. To enable Germany to be self-supporting, a stipulated portion of the German industrial capacity, factories, machinery, etc., was to be retained in Germany.

Industrial capacity in excess of this requirement was to be destroyed or distributed among the Allied Nations as reparations.

PEOPLE BECOME DEPENDENT

But the refusal of the Soviets to cooperate in establishing a unified economy for Germany invalidated the level of industry and reparation calculations made at Potsdam.

It soon became apparent that the plants and equipment originally selected for retention in the western zones could not—with that area sealed off from the Soviet zone—produce enough to support the increased population of the bizonal area. This left the people in the bizonal area heavily dependent on Britain and the United States, especially for foodstuffs.

The only feasible solution was to increase the industrial capacity to be retained in western Germany at the expense of reparations. This was done.

Incidentally, these measures which we have undertaken together with the British for the revival of economic life in our two zones have all been on the basis of a continuing invitation to the other occupying powers to join us in these necessary and constructive steps.

Such measures as these, which we could undertake single-handedly or in cooperation with other governments, yielded some results. But they did not get to the heart of the problem—which was, the general economic recovery of western Europe, which, after a promising start, had plainly begun to falter.

UNITED STATES HAD ONLY ONE CHOICE

It became unmistakably clear that if Europe was to recover, rather than suffer a perhaps fatal relapse, vigorous action would be required.

The United States was the only nation in the position of economic power and leadership to take the initiative in the matter. The alternatives to such action were so repugnant that for our own self-interest, if for no other reason, we could make only one choice.

These then were the considerations that led to the suggestion of last June 5. It was stated that a continuation of the procedure of intermittent relief measures was no longer possible. It was also stated that recovery must depend primarily on their own exertions.

The suggestion was made that if they would take the initiative and unite in developing a sound and workable cooperative program to restore their economic system to a self-supporting status, we should do whatever we were able to do, consistent with our own capacities and needs.

The response was instantaneous. In the countries where freedom of opinion and action still prevailed the idea quickly caught hold and served as a strong stimulus to morale, as well as a spur to action in a material way. It focused attention on the necessity of treating economic recovery as a continental and cooperative matter rather than a problem confined to the narrow purview of each nation.

REDS SPURN BID

The response of the Soviet Union and the states under its domination was revealing. Their reaction was immediate, sharp, and defensive.

Our proposal to Europe contained no geographical or ideological qualifications of any kind. Any government sincerely desirous of entering into a combined effort to promote the rehabilitation of Europe was free to participate.

It was made clear, however, that we would not aid—in fact, we would vigorously oppose—any nation or group which sought to delay or impede recovery.

This was the suggestion: The nations of Europe were left to their own choice—insofar as they were free to to do. Sixteen countries, led by Britain and France, rallied together at Paris to work out a joint program to which each pledged itself to contribute what it could.

The Soviet Union, though invited to serve as a cosponsor of the conference, spurned this invitation and refused to participate. Moreover, the Soviet Government evidently directed the eastern European countries subject to its influence or control to refrain from attending, even after some of these had indicated a desire to participate and one had actually accepted.

SOVIETS OPPOSE PROGRAM

Subsequently, a high Soviet official, a member of the ruling Politburo, made a public statement that it would be the policy of his government to oppose and attempt to defeat the European recovery program by every possible means. That statement has been confirmed by the actions of the Communist parties in several European countries, notably France and Italy.

The 16 western nations set up the Committee of European Economic Cooperation and proceeded to draft a program for achieving recovery to a self-sustaining basis in a 4-year period.

Far from interfering with the sovereign rights of the countries involved, as hostile propagandists have alleged, the United States refrained throughout the summer from any suggestion or advice to the European representatives at Paris, despite the fact that repeated and urgent appeals for such counsel were made.

We were determined that the initiative in this phase of the procedure should be confined entirely to the European countries involved. Only at the conclusion, and then at the insistence of the participants, did we express our views on some aspects of the preliminary draft of the Paris program as they might relate to the prospect of American support or aid.

After the Paris program was submitted to our Government, it was given an intensive and critical examination. No peacetime project in Government history has received more careful attention and study from a large number of highly qualified individuals both in and out of Government.

LAUDS PLAN PROPOSED

Numerous modifications were made in the Paris program, as the result of studies made by various groups from the executive branch and by the Krug, Nourse, and Harriman committees.

As a result, the measure recommended to the Congress represents the combined judgment of a large number of the Nation's best talent. It is the plan, we believe, best adapted to serve the interests both of the United States and the European countries we wish to help.

There may be flaws of omission or phrasing and no doubt the proposal will be improved in some particulars in the light of congressional hearings and debate, but the principal features have been shaped with utmost care, to meet many vital considerations affecting the national interest.

Radical alteration of the basic structure would, I fear, jeopardize the prospect that the measure will successfully accomplish the purpose for which it is designed.

There is a general determination to secure the most efficient administration of this program that is humanly possible, taking into full account the unavoidable factors of Government legal requirements and diplomatic relationships.

MAY MAKE HISTORY

The proposal is now under close scrutiny in Congress and the resulting publicity should keep the Nation well informed as to the issues. This is especially desirable because we are dealing with a matter which may largely determine the course of history—certainly the character of western civilization—in our time and for many years to come.

The American people frequently hear assertions that events have thrust our Nation into a position of world leadership which imposes on us unprecedented responsibilities. There is truth in these assertions.

The practical question is: Shall we acknowledge and accept the obligations and exactions of leadership and, if so, in what manner shall we exert that leadership?

I dare say no group is more determined to assert its leadership in vigorous and decisive fashion than the business element. Your traditions and instincts, your business experience, tell you that to be a leader you must act like one.

But, of course, the great problem of the leader is the responsibility for what follows as the result of his decisions and actions.

AMERICANS TO PAY BILL

If we agree that the United States has become a world leader and in view of the critical state of the world perforce must assert its leadership, then we must examine all aspects of the problem.

Our contribution to the European recovery program will cost the businessmen of America money—it will cost all Americans money. But on this occasion I refer to the situation of the businessman of America, the great and small industrialists—what are his reluctances in the matter of the foreign aid program?

Expenditures of the magnitude required to set in motion a constructive rehabilitation program in Europe—that is, a cure and not a palliative—will be an evident factor in the matter of Federal taxes.

The appropriations necessary to carry out this program effectively, particularly in the initial 15-month period, must be considered in connection with tax rates.

There are subtle distinctions among the inconveniences and sacrifices that may be expected to result.

Waiting for delivery of a new model car while continuing to drive an old one is an inconvenience. Paying higher taxes than we would wish entails definite sacrifice, as does doing without some scarce goods or articles until there are enough to go around.

PART OF JOB FINISHED

These are some of the realities to be faced in our daily private lives. These are some of the exactions of leadership. But each of the comprehensive analyses of the problem yet made, and there have been a number, resulted in the same general conclusion that the United States can successfully carry out the proposed program.

The fact is that the largest part of the job of assisting Europe, as measured by the rate of exports from this country, is behind us.

The volume of commodities planned for shipment from the United States during the first 15 months of the program is less than the volume of our exports during the past 15 months. Moreover, the program contemplates a steadily decreasing volume of exports in succeeding years.

The goods and services to be financed with American dollars actually will constitute but a small proportion of Europe's total requirements—perhaps on the order of 5 percent. Our aids will be marginal, but that margin is absolutely necessary to enable the European economy to gain sufficient momentum to make real progress toward a pay-as-you-go basis.

It is, in effect, the proverbial nail for lack of which the battle of European recovery may be lost.

The fatal deterioration and collapse of Europe economically and therefore politically would result in consequences of a most serious nature for this country.

The situation we then would face would necessarily impose on us such burdens in the way of taxes, discomforts, sacrifices, and impairments of the rights and privileges we now enjoy as to make those that now confront us seem trivial by comparison.

In the field of foreign trade, for example, this Government is pressing for international agreements to remove or minimize arbitrary restraints on business between nations and to eliminate harmful discriminations.

Many of the restrictive practices we oppose appear in the system known as state trading, where the foreign commerce of a country is conducted by the government as the sole or dominant buyer and seller.

We recognize that many of the present state-imposed restraints are defense mechanisms, resorted to as a result of abnormal conditions caused by the war, and susceptible of correction when stability is assured.

BUSINESS HAS SPECIAL STAKE

The long-term significance of state control of foreign trade, however, is a matter for serious concern. Thus, business has a special stake in European recovery by virtue of what this recovery may mean for the practices and atmosphere of world trade.

There is no doubt that if the countries of Europe should be forced to meet their present problems without further assistance from

this country, the result could only be a radical increase in the restrictions and controls in force throughout that area affecting international trade and investment.

And more important, perhaps, than the actual restrictions themselves would be the deterioration in the atmosphere in which international business would have to be conducted.

If the businessmen of this country are again to enjoy the former facilities for residing, traveling, and doing business among the European peoples, then it is essential that the Europeans retain their confidence in this country and in the soundness of liberal institutions in general.

CALLS SITUATION SERIOUS

It is idle to think that Europe left to its own efforts in these serious problems of recovery would remain open to American business in the same way that we have known it in the past.

I have been talking about Europe, but the situation is even more serious than that. Europe was at the heart of a great world trading and financial organization. Her failure to recover would have disastrous effects in many other areas.

The economies of Latin America and Canada, for example, are organized on the basis of having markets in Europe. If Europe fails to recover, and she certainly cannot do so without our aid, the repercussion will be felt throughout the entire world.

The cumulative loss of foreign markets and sources of supply would unquestionably have a depressing influence on our domestic economy and would drive us to increased measures of Government control.

MUST MAKE DECISION

By contrast with these possibilities, the cost and temporary adjustments required by the European recovery program appear reasonable, as I think they are. I have attempted only to present an estimate of the stakes the businessmen of America have at issue in this matter.

We are all stockholders in the same company—the United States of America. The paramount question before us, I think, can be stated in business terms.

We are required to make a decision as to which is the wiser course: Whether to make a capital investment in European recovery involving a sum that though large is well within our means, with a good prospect of realizing long-term gains; or whether to spend our abundant capital for the satisfaction of our immediate wants, in the hope that the day of reckoning can be indefinitely deferred.

I am not a businessman, but I have some knowledge out of my experience of what has been required in the past to preserve certain of our national assets in security, peace, and freedom.

I consider the prudent course in this situation is prompt and effective action to assure solvency and stability in Europe.

I think that is our role as a leader in a distressed world.

I think we must judge ourselves in our present security and abundance in comparison with distressed people, sick and suffering, but already inspired by a great hope that the new world will help redeem the old.

Hidden Red Ink in TVA's Books

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Reader's Digest for December 1947:

THE HIDDEN RED INK IN TVA'S BOOKS

(By John T. Flynn)

In 1916 war raged in Europe. To insure a supply of nitrates, Congress voted funds for two nitrate plants at Muscle Shoals and a dam to produce hydroelectric power to run the plants. The dam, finished in 1925, became a Government headache. Finally, in 1933, Senator George Norris put through a bill creating the Tennessee Valley Authority to operate the plants for fertilizer and the dam for navigation, flood control, and power.

But TVA is no longer just a plant and a dam. There are 28 dams on 650 miles of rivers running through 7 States. TVA owns 10 steam plants; has built villages, parks, stores; makes fertilizer; carries on forestry, agricultural, and recreational operations. Moreover, it is now proposed to establish as many as nine more TVA's all over the country for the Missouri, Columbia, Arkansas, and other valleys.

I strongly advocated TVA. But in the interest of TVA and the country I think TVA's financial picture should be set straight.

Its managers have made extravagant claims. Dr. Arthur E. Morgan, its first chairman, told Congress in 1934: "After a preliminary period * * * this program will be amortized in 25 years." David Lilienthal, its next chairman, said, in 1944:

"Even if the total investment in power, navigation, and flood control—the entire $700,000,000—were charged against power, revenues would pay the entire cost in less than 60 years."

It cost $762,000,000 to built TVA. The Government borrowed and put up the money and pays interest on it. In addition the plant must be operated. The operation costs over 14 years up to June 1946, including the interest paid by the Government, were $339,000,000. The revenues were $209,000,000. Thus there was actually a deficit of $130,000,000.

But TVA has a different figure. It arrives at it by leaving out of its accounts the $129,000,000 paid by the Government as interest on the loan.

TVA carries on many activities. Power production is only one of them. The figures given above are for the entire program, including power. Now let us look at the power enterprise alone. TVA insists it is selling power cheaper than the private companies and doing so at a profit. Let us see.

The total investment in TVA power—using TVA's own accounting assumptions—is $462,000,000. All of this was borrowed by the Government. A TVA propaganda book claims that the total net profit from power since the beginning in 1933 to June 30, 1944, was $38,000,000. But, alas this left out the fact that $53,000,000 was paid by the Government as interest on the money borrowed to build the power plants. Hence a power deficit of $15,000,000.

TVA, of course, will never accept these figures. If one questions its accounts it replies: "Go to our reports. It is all there, verified by a firm of independent accountants." But it is not all there. Nowhere can you find any record of the interest charges paid by the Government. The firm of accountants it cites took particular pains to point this out, saying: "The net results stated for this program do not include any charge for interest." And the General Accounting Office of the United States in an official report expressly calls attention to this same failure and wants it corrected.

The Government has financed hundreds of housing projects. There is a loss of over $4,000,000 a year on these. But the projects faithfully record their interest costs. If, following TVA, they ignored this item, they could boast of a profit of $14,000,000 a year.

On the Government-financed Bonneville Dam project the Treasury charges 2½ percent interest. Why not on TVA's power debt? As a matter of fact, TVA's debt for its power investment alone is split into two classes. There is a small one of $58,000,000 and a large one of $404,000,000. The Government holds both. TVA does pay 1 percent on the small one, but nothing on the big one. Why is the interest on the small debt—however inadequate—a proper cost item while the interest on the big one is suppressed in its accounts?

If TVA were a private corporation the law would require it to state its debt and interest payments with exactitude. TVA ignores this. Each year it reports its revenues and its expenses (without interest). It calls the difference "net income." This is inexcusable in any case. It is doubly so in TVA, which started out as a scientific yardstick to measure public-utility rates. But a yardstick must contain all 36 inches. The interest costs actually amount to more than a third of TVA's annual power costs. What sort of yardstick is it which leaves out a whole foot?

No one need take my word for this. The United States General Accounting Office says:

"Unless all costs for TVA's power operations are included in its income statement * * * it cannot be conclusively shown that the power operations are self-supporting."

It then insists that the interest on the Government loans must be included and that the proper rate is 2½ percent.

The TVA, of course, greatly improved its showing during the war. The whole valley was turned into a war arsenal. TVA revenues doubled, as did those of many corporations. However, TVA reports its war record for power with the same 2-foot yardstick. It reports net income for the 6 years from 1941 to 1946 as $72,000,000. But what it omits is a bill for $57,000,000 of Government interest on the power debt.

However, these years do show a net power income even when interest is included. At least they seem to do so. But the General Accounting Office is unwilling to say so. It points in its TVA report to various costs left out, one alone amounting to as much as $500,000 a year, and concludes that "power rates appear to produce gross revenues in excess of costs of power production," but "there can be no consistent showing of whether TVA is self-supporting and liquidating unless every element of cost is recorded on its books and shown in its final statement."

The TVA Act says its power project must be self-liquidating. The GAO says it will never be until its electric rates produce enough to liquidate its debt. The Appropriations Committee of the House says it should liquidate its debt in 40 years. This alone would mean an annual minimum payment to the Government of $11,000,000. Who should pay the cost of the power plant which produces power if not the people who enjoy the use of that power as is done by the customers of every private utility in the land?

The General Accounting Office has said the books do not tell the whole story: It is not all there. All of which recalls the complaint of Dr. Arthur Morgan, first TVA chairman, who declared that there ought to be an impartial investigation of the obscure financial record of the power program.

We may now ask: Is TVA selling power at less than it costs? What should power costs include? Obviously the following: (1) All operation costs. The GAO says all are not included. (2) State taxes. It pays some, but less than a private company of the same size. (3) Federal taxes. It pays none. Other utilities pay large sums. TVA boasts that other utilities pay only a part of their profits in taxes, while TVA pays all its profits. But it has no profits. (4) Interest on the Government power debt to build TVA. (5) Liquidation of the debt incurred to build TVA.

Actually, the estimates of the cost of TVA power given above are probably much too low. They are based on certain assumptions made by TVA directors. Upon these assumptions I have put the debt for power at $462,000,000. I believe, however, that a more rational allocation of power costs would put that debt at not less than six hundred million.

Many of the great dams in the Tennessee River and tributaries are called multipurpose dams. It is claimed they were built not only to produce hydroelectric power but to control navigation and floods. The directors of TVA have declared how much of the structure is for power and how much for navigation and flood control. But no one has ever officially checked this allocation. The private accounting firm which audited TVA's books specifically disclaimed any responsibility for the allocation used. And the General Accounting Office has made the same disclaimer.

Competent engineers have disputed TVA's claim and have insisted that the dams are almost wholly for power production and that the element of flood protection or navigation control in them is small. They are supported in this by the leading authority on flood control in Congress, WILL M. WHITTINGTON, a Democrat, former chairman of the House Committee on Flood Control, a supporter of TVA and a Representative of Mississippi, which enjoys a large measure of benefits from TVA. In a speech in the House he declared that "TVA is primarily for the development of power."

There can never be any authoritative accounting of the cost of TVA power until the total amount of the investment in power has been settled. It is this that the General Accounting Office referred to when it recently reported that "the power debt should be finally determined."

I have examined patiently most of the evidence on both sides of this subject and have gone to the TVA country to check on the respective claims. I believe there is no escaping the conclusion that the allocation of power investment and costs made by TVA is arbitrary and that if it is ever audited by a competent board of impartial engineers and accountants it will be found that the power investment and debt is not four hundred and sixty-two million but six hundred million at the lowest.

The reason for TVA's claim of lower power investment is plain. The more costs TVA can unload on navigation and flood control, the less the costs of power will seem. By the accounting trick here described TVA has cut more than one hundred and fifty million from the debt due for power. They can also reduce the seeming cost of operating the dams, because now they charge off most of the cost of operating the common purposes of the dams to navigation and flood control.

Do I want TVA destroyed? Certainly not. But we must submit TVA to the yardstick which it now tries to forget. Just as we had to have commissions to stop private utilities from soaking the customers, we should have some authority to prevent publicly owned power projects from soaking the taxpayers.

What should be done seems to me inescapable. (1) The outstanding Government debt on the power enterprise should be determined definitely and the TVA should pay the interest on it. (2) The TVA should pay off this debt in 40 years. (3) These items and all other costs should be included in the rates charged for power. (4) The TVA directors should not be the sole judges of the amount of the investment in power. (5) All the nonpower activities of TVA— agriculture, fertilizer production, forestry, and other projects—should be transferred to appropriate departments of the Government. They should be divorced from the TVA power project to which they have no rational relationship. (6) The costs of these activities should be paid out of authorized congressional appropriations like any other costs of government.

There is an aspect of TVA which disturbs me more than its fiscal vagaries. It has operated as a Federal corporation under a charter which has enabled it to do an incredible number of things and to escape Government scrutiny. The Federal charter is a comparatively new device to enable the Federal Government to expand its powers immensely. Mr. Lilienthal, in his book, TVA—Democracy on the March, calls attention to the vast growth of Federal power. It has become so great that, he says, it cannot be wisely administered from Washington. But the power must not go back to the governors, mayors, legislatures, and councils elected by the people. It must go to great regional areas administered by directors appointed by the President, to a corporation cunningly devised to accumulate power and to elude congressional authority. We will see the country split into a few great regional provinces run by corporate provincial governors. This is what Mr. Lilienthal calls "democracy on the march." I think it is democracy in retreat, a return to the European system of centrally controlled provincial governors. With TVA as a beginning the advocates of regionalism are planning under the guise of flood, navigation, and forestery control and other excuses to blanket America with this new type of government which represents a complete revolution in our political system.

The TVA should be specifically instructed by Congress that it is not a provincial Government agency of a regional province but a Government-owned power enterprise. If the people of the United States want to adopt the regional form of government they should do so—but only after full discussion and a formal decision. I do not think it should be presented to them suddenly as an accomplished fact.

Tennessee Valley Authority

REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. RANKIN. Mr. Speaker, our distinguished friend the gentleman from Pennsylvania [Mr. RICH] is seeing too much "red."

It is all right for him to complain when he realizes that the Federal Reserve System is spiraling us into a stratosphere of inflation; but when he attacks the TVA and inserts in the RECORD that fallacious article written by Mr. John T. Flynn, attacking that great Authority, I call his attention to the fact that I answered that statement several weeks ago.

Mr. Flynn is just as far wrong as he could possibly be. The Tennessee Valley Authority is not only the greatest development of its kind ever undertaken by man, but it is absolutely sound, and it is rendering one of the greatest services the American people have ever had.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. RICH. It might be rendering a great service, but the Federal Government has put a great deal of money into it, and it is never going to be able to pay it back.

You will wreck the United States if you continue your policy of getting the Government into all kinds of business.

Mr. RANKIN. Every dollar invested in the TVA will be paid back with interest; and at the same time it is adding, and will continue to add, billions of dollars to the wealth of the Nation.

On December 4, 1947, I answered Mr. Flynn's attack on the TVA in a short speech on this floor, which I am reinserting in the RECORD at this point. It reads as follows:

Mr. RANKIN. Mr. Speaker, the December issue of the Reader's Digest carries an article by my old friend John T. Flynn called The Hidden Red Ink in TVA's Books. In his article Flynn unblushingly declared that I advocated the TVA. And he asks rhetorically, "Do I want TVA destroyed?" And then answers "Certainly not."

Yet that is what he advocates. For the proposals he makes concerning the TVA are just the ones which have been advocated openly by the Power Trust and its satellites who make no attempt to disguise their hatred for this highly successful regional agency. Mr Flynn's points and his arguments can be found in any propaganda handbook of the Power Trust lobby.

Right at the beginning of the article he has a financial analysis which follows down the line on the kind of analysis made by the Edison Electric Institute, the Power Trust propaganda organization. He seeks to show that the TVA has a deficit by the simple ruse of charging navigation and flood-control costs, with an assumed interest charge, against power revenues. Of course, he shows what he calls a deficit. Yet certainly Mr. Flynn knows that in other parts of the country, on the Ohio and the Mississippi and other rivers which the Government has developed for navigation and flood control, the costs are not borne by the electric consumers.

The navigation dams on the Ohio and the levees on the Mississippi are not paid for by the electricity consumers along their banks. They are paid for by the Federal Government in the interests of the general welfare.

There can be no justification for assuming that things should be different in the Tennessee Valley—that there, unlike any other place in the country, power consumers should not only pay the power costs but those of flood control and navigation as well.

Mr. Flynn tries to make several points with respect to TVA power. And for an economist he has a strange notion of what interest is. He says it is an element of cost. But as any regulatory commission could tell him, interest is not a cost but a part of the return on profit. Rates of return are set by regulatory commissions without reference to interest. Out of this return, the utility pays whatever interest it has to pay—depending on the amount of bonded debt in its capitalization and on the interest rate it must pay.

But Mr. Flynn goes further than that. The TVA is required by law to pay back to the Treasury money invested in its power system within 40 years. That is something that private utilities do not do; they usually refund their debts, that is, they replace old bonds by issuing new ones. Mr. Flynn seems to think the TVA ought not only to pay back to the Treasury the money invested in the power system, but to pay interest on the money on top of that.

There is nothing the enemies of TVA would like better than to see the TVA hampered and hamstrung by just such a double burden. It would place the TVA under a handicap under which no power system, public or private, could survive. The TVA cannot, like a private utility, go out and borrow money. It has only two sources of funds—appropriations by the Congress and revenues from its power sales. The double burden proposed by

the TVA's alleged friend, Mr. Flynn, would tie up this second source of funds, revenues, so that it is doubtful if it could fulfill its obligations to provide electric service to the 750,000 consumers who are dependent upon it.

Mr. Flynn claims that competent engineers have said the dams are almost wholly for power. Of course, some engineers have said that. Every time the utilities have gone to court against the TVA they have rounded up as many such competent engineers as they could lay their hands on and put them on the stand. They did it in the so-called Ashwander case. That is the case that followed Newton D. Baker's $50,000 private opinion, paid for by the Power Trust, that the TVA was unconstitutional. The United States Supreme Court did not uphold that private opinion.

They tried it again in the 18-company case, and, after listening at length to the competent engineers, this is what the three-judge Federal district court said:

"Certain expert witnesses, in answer to hypothetical questions, stated that the dams might be operated for the primary purpose of power. Thousands of pages of testimony and numerous exhibits were introduced to show that Congress might have adopted a better plan than the TVA unified system. Experts equally qualified testified to the contrary.

"The court is of the opinion that the relative value of these various plans is immaterial, since it has been established that the TVA project is reasonably adapted to use for combined flood control, navigation, power, and national defense, and that in actual operation the creation of energy is subordinated to the needs of navigation and flood control."

So much for Mr. Flynn's competent engineers.

Mr. Flynn declares that all the nonpower activities of the TVA—agriculture, fertilizer production, forestry, and other projects—should be transferred to appropriate departments of the Government. In that statement Mr. Flynn shows either that he has never read the TVA Act and does not know what the TVA unified development of resources is, or that he has read the act, knows it very well, and thus knows just how to go most effectively about destroying it.

Mr. Flynn looks on the TVA as simply another power system, in business solely for the money there is in it. It is true that power is important in the unified development of the resources of the Tennessee Valley—it is the paying partner, the only activity which brings in revenues in the commercial sense. But power is only a part of the whole regional development program which has done such great work in controlling floods, promoting navigation and commerce, and restoring the soils and forests of one of the great regions of the country. The TVA is much more than a power project. Either Mr. Flynn does not know that—or he does know it and wants to destroy it.

Mr. Flynn's anxiety to destroy the TVA leads him to some strange conclusions. Former TVA Chairman Lilienthal, he says, "calls attention to the vast growth of Federal power. It has become so great that, he says, it cannot be wisely administered from Washington. But the power must not go back to the Governors, mayors, legislatures, and councils elected by the people."

Mr. Flynn here has missed the point. The powers Mr. Lilienthal referred to are Federal powers—the powers to develop interstate streams and so on—which never could be held or exercised by States and local governments. The TVA, under the direction of Congress, does not exercise new powers, but simply administers in a new, integrated, and much more effective way the powers which the Federal Government has always possessed. Nor does the TVA, as Flynn suggests, have these powers in itself; the powers are exercised by the Congress, which sets the policies; the TVA carries out those policies.

When Flynn suggests that the TVA has taken over State and local powers and functions, he raises a bogey without any substance. If, as he claims, he has spent months investigating TVA and has gone to the TVA country, then he ought to know better. Just the contrary is true. Two years ago, one of the leading newspapers of the country—the St. Louis Post-Dispatch—asked each of the governors of the seven Tennessee Valley States whether the TVA had encroached upon the rights of the States. The consensus was a vigorous "No." Moreover, the governors said, the TVA had in most cases increased the effectiveness of State and local agencies with which it cooperated in the regional program; they were stronger than ever before.

Mr. Speaker, as everyone knows, I was coauthor with Senator Norris, of Nebraska, of the bill creating the Tennessee Valley Authority. I have fought its battles from the beginning. No one could be more jealous of its reputation or more solicitous of its success than I am. I repeat what I have said on this floor time and time again, that it has wrought the greatest development of ancient or modern times.

From the building of the Pyramids down, there has been no single development that compared with that of the Tennessee Valley Authority. It is now generating between twelve and fifteen billion kilowatt-hours of electricity a year that was formerly going to waste. That power is being distributed to the people within the distribution radius at reasonable rates.

Its yardstick, showing what electricity should cost the ultimate consumers, is saving the users of electricity outside of the TVA area hundreds of millions of dollars annually. It is one of the few great developments the Government has ever undertaken that is paying its way. Every dollar of the cost of construction and operation that can be legitimately charged to power, as I said, will be paid back to the Government within 40 years; and in the course of time the revenues derived from this power will return to the Government every dollar invested for all purposes.

It is controlling floods on the Tennessee River and helping to control the floods on the lower Mississippi River, thereby saving untold millions of dollars of such damages as are being experienced along the Missouri and Ohio Rivers almost every year.

It has provided a navigation channel from Paducah to Knoxville, something like 600 miles, enabling the people of that area to use this great stream for transportation purposes.

At the same time it has carried out its program of reforestation, soil conservation, and experiments in the development of fertilizers that have been of untold value to the farmers of the Nation.

But the private power interests that are owned by the vast holding companies, which exact tribute from every power consumer they serve, are turning heaven and earth to destroy the TVA and to take from the people of that area the benefits this great project provides; just as they are trying to take from the people along the Columbia River and the Colorado River and other similar streams their enormous wealths of hydroelectric power.

Out of the Tennessee Valley Authority grew our program of rural electrification. It has already resulted in the lighting of more than 2,000,000 farm homes. The Rural Electrification Administration now has in its files applications for $300,000,000 to build lines to serve the farmers of the Nation, and they are coming in at a rate of from twenty to twenty-five million dollars a month, or more.

Instead of attacking the TVA, it would behoove the Members of this Congress to join me in my efforts to secure additional appropriations for rural electrification. We are going to need at least $500,000,000 for that purpose from now to the end of the next fiscal year. We need a deficiency appropriation for that purpose now, and, in my opinion, we are going to have one, either during this short session, or in the early part of the session beginning in January.

While this Congress is appropriating billions of dollars for people in foreign lands, let us develop our own national resources, especially our water power, and see that it is distributed at the cheapest possible rates, and at the same time let us provide for the electrification of every farm home in America at rates the farmers can afford to pay.

Let us not permit selfish interests to interfere with this great program by hampering the operations of the Tennessee Valley Authority.

Gutter Politics

EXTENSION OF REMARKS
OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article from the Detroit Free Press of January 9, 1948:

GOOD MORNING

(By Malcolm W. Bingay)

GUTTER POLITICS

Of course, as I always say, I am not quite bright in the head. Therefore, I do not understand a lot of things that other people take for granted. I have reference especially in this epistle to that message of President Truman's supposed to be on the state of the Union.

The things that baffles me is not the message. That is as easily obvious as a half-wit kid trying to do card tricks at a midway carnival. Everybody can see the extra aces tucked in his pockets.

It requires nothing beyond a fourth-grade intelligence to get the pitch. But what do most of our better newspapers do? They come out with editorials lauding this chap Truman for his "high ideals." Says the Wall Street Journal, "f'rinstance":

"Opens with an admirable statement of the basic political ideals which all Americans cherish * * * as he says, we are a people with a faith * * * profound devotion * * * welfare * * * rights * * * human beings."

You betcha!

The staid old New York Times even outdoes the Wall Street chum: "We share his faith * * * foundations of our democracy * * * happiness of our people," and so on.

When they get all through with that, they pause, take a breath, and start off again:

But, comma.

Then they make plain that the tax plan is nothing but a soldier's bonus for every citizen—a pay-off of the voters. "The voters' bonus bill of 1948."

They must know that no man could stoop so low in demagogery and still have any sincere thoughts on the state of the Union.

If, in the darkest hours of its most desperate need, a nation has a president who cannot raise his views above the lowest order of Pendergast precinct politics, then there is little hope left for that country. Especially when the papers and the critics take seriously the platitudinous sugar coating of his horrible plans to pile inflation upon in-

flation "to tax and tax, to spend and spend, and elect and elect."

Not in the maddest moments of the worst of the New Deal hysteria did any demagog in that gang ever suggest such staggering proposals.

Harry S. Truman doesn't know much, but he does know that his whole tax proram is so utterly impractical that nobody can be for it.

He offers everybody everything without stint. Lower taxes, higher wages, new doles, billions upon billions for all of us and the rest of the world—a mathematical phantasmagoria out of a nightmare.

The wilder it looks the smarter the little man thinks he is. Knowing that no Congress would dare pass any such program without having it used against them by psychiatrists in making out commitment papers, he feels that he is quite safe.

As the campaign begins to boil he will say, "You see, I promised you the earth and all that's in it, and heaven, too, but those dirty Republicans wouldn't let me get it for you."

There isn't a politician in Washington who does not understand this. They know the program is the bunk and Truman knows that they know it is the bunk.

Well, then, what about the people?

Oh, hush, they do not understand practical politics. The Republicans will make counterclaims, knowing all the time that what Truman is doing is playing a game in the gutter, to shake off Henry Wallace.

He has got to out-Wallace Wallace and the GOP gang gets a great kick out of his desperate efforts.

Never before in the history of the human race has there been such a delicately desperate world situation. Never before in the history of this Republic have our people been faced with such awful responsibilities and judgments. When there is no vision, the Bible says, the people perish. And we see our highest ideals prostituted by lip loyalty in order to put over the lowest and dirtiest of political tricks.

Franklin D. Roosevelt would have shuddered at the crudity of it all.

But the papers and the commentators speak of expressions of ideals and sincerity.

That's what makes me sore.

I'm thinking of the Presidency and all that it stands for in the eyes of the people. That state of the Union report does not rise above the sordid report on the state of the precincts in the Pendergast machine, of which Harry S. Truman is so proudly a member.

Even a northern city boss or a southern Bilbo must have been somewhat nauseated in hearing it.

The Folly of Peacetime Conscription

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. CELLER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement made by me over the National Broadcasting Co. network, January 16, 1948:

There is an urgency upon us—we must face it—to clear away the hysteria, the confusion, the muddle thinking, the myopia, physical and moral, that surround the issue of compulsory universal military training. Before we rush into a measure that will affect every concept in our structure of life, let us completely realize its meaning.

It is difficult to think rationally on the subject of universal military training when, all unaware, our attitudes are being subtly shaped by the flood of propaganda emanating from governmental and military sources. We are now being told to think about it; we are being told (with all the weight of authority behind it) how to think about it. It is a poisonous injection and our only immunity against it is an aware and enlightened public opinion.

The panic is upon us. We hear such nonsense as the prevention of war by the construction of a war machine. While we with feverish activity harness our manpower, our natural resources, our science, and our skills to the purposes of war, will other nations sit idly by? With the enactment of universal military training, the armament race is on, every nation in the world bending its energies and economies to meet the competition.

The result? A trigger-happy world, ready to unleash the mad dogs of destruction before the word "go." International nerves are strained and raw. It is not difficult to foresee the explosive signal that will be given should the United States depart from its basic tradition of no peacetime conscription. How else can it be interpreted? For the first time in our history, we embark on a program of peacetime conscription. Do we thus reassure a sick and troubled world that our intentions are honorable?

Today, we are spending more than $10,000,000,000 annually on our armed forces, more than $70 a piece for each person in the United States. We have the largest Navy and the best equipped Army in the world, and in addition thereto, have the atomic bomb. Look at this picture and then ask yourselves what hope can there be for international sanity and amity if on top of all this we add peacetime conscription. Let us not for one moment underestimate the potency of a psychological climate.

To me there is complete inconsistency between the Marshall plan dedicated to the purpose of restoring the health of Europe's economy and a measure such as peacetime conscription. If the United States seeks absolute security, so must every other sovereignty in the world. In the present day concept of war, it is total war, not only with atom bombs but with transoceanic missiles, radio-active dust, supersonic, and biologic weapons. All this adds up to the realization that an absolute security calls for military control of every phase of our life. It means the mobilization of industry, the military direction of the kind of output; it means control over the farmer and the laborer; it means the dispersal of cities and the building of underground communities; it means directing science and education toward military objectives primarily. Unless all this is done, how ridiculous is the notion that peacetime conscription is our greatest security. I do not contend that we weaken our defenses already existent, but I do maintain that peacetime conscription in no way adds to our security. If we are asking for the absolute, then we might just as well stop living. Absolute security is incompatible with living. Of course, if a man never goes outdoors, he will never risk slipping on the street, or if he never heats his dinner, he can never run the risk of a gas explosion.

As we do, so shall others, each seeking total security. How consistent is that with the need for greater production of civilian goods in war-torn Europe. And, again, how consistent is this with our plan to build healthy democracies in Europe? Can democracy flourish under military control?

Please keep in mind what I have outlined of security measures is not an offspring of my imagination. Such measures were recommended by the President's Commission on Universal Military Training. I quote from the report itself:

"We do not wish, however, to exaggerate the benefits that would be derived from the establishment of a universal training program. Only when combined with the other elements that enter into a balanced security system would it provide the measure of strength necessary to deter an aggressor from taking up arms against us or from violating the rights of less powerful nations."

No one has called for legisitaion providing for underground factories or industrial mobilization. Yet by the admission of all authority, universal military training would be ineffectual in and of itself. What actual purpose would it serve? I have little patience with those who talk of universal military training as necessary to the health and education of our youth. The function of the military is to train for war. I refuse to subscribe to the absurd contention that the military is better fitted than the home, the school, and the church to take care of our youth in terms of health, education, and spiritual welfare, particularly in the formative years. Let us find the defects in our educational system and apply the remedy there. Let us remedy the defects of our medical services. Let the economy of our democratic system of free enterprise be so strengthened as to eradicate poverty, illiteracy, and ill health. Do we have to call upon the military to do these things for us? I most certainly prefer those who ask for universal military training straightforwardly to those mealy-mouthed apologists for the introduction of complete military regimentation of our lives. Call it what it is—peacetime conscription. Never mind the pink ribbons.

It must be faced squarely today that the military has already entered our lives in unhealthy proportions. A general of the Army is Secretary of State. The President's personal chief of staff is an admiral. Occupied areas are under military men who shape policy every day. The shaping of policy in peacetime is not a normal military function. In the Foreign Service we have General Smith as Ambassador to Moscow, Admiral Kirk is Ambassador to Belgium. In South Africa and Panama retired generals head the legation and the embassy. Some 13 American military missions exist in South America today, again shaping policy. General MacArthur is absolute ruler of Japan. Two military men, Eisenhower and MacArthur, are possible contenders for the Presidency. The military has contacts with many leading universities dealing with basic scientific research. I state these facts certainly not to malign any of the men I named, but rather to indicate how wide the net of military control is being swung.

I cannot, too, understand the talk of peacetime military training as a lesson in democracy. It is a dedication of the individual life to the purposes of the state, a concept which is totalitarian. It places in constant stream the malleable minds of our youth under the tutelage and discipline of professional officers who necessarily bear the military cast of mind. There is nothing democratic about inculcating in our youth the need for immediate and unquestioning obedience. In war we have no choice; we do in peace. Peacetime military training is inconsistent with any intellectual freedom. It means complete submission. It precludes any criticism on the part of the conscriptee and makes for a standardized conduct that destroys the initiative a successful democracy must have. The President's Commission on Universal Military Training states in approval: "It would teach the trainees to think like soldiers in military organizations and to develop habit responses to situations that will save lives in the event of war." How will, may I ask, an unquestioning obedience

fit into a free democratic life which demands an alert, critical appraisal at all times?

Remember, too, under a system of universal military training, the military could select the best leadership among the youth of promise and siphon them away from civilian activities, thus robbing our democracy of the leadership it sorely needs.

In a study made by educators it was estimated there would be a loss of about $2,000,000,000 in goods and services as a result of the withdrawing of 1,000,000 youth from productive work. It would, in addition, add from three to five billion dollars to the defense budget, as estimated by Hanson Baldwin, military expert of the New York Times, who has more than once in his column exposed the fallacies of a peacetime conscription program. But the cost in dollars is not nearly so important as the cost in the increase of venereal disease, the corruption of the democratic base of our Government, and the militarization of our country, resulting in a totalitarianism. Thus we stand in the acutest danger of ending up by becoming that which we sought to oppose.

Assuming that we dare for a moment to embrace the barbarism that war is inevitable, it does not prove the effectiveness of military peacetime training. In the rapidly changing techniques of war, boys trained 10 or even 5 years ago would have to be retrained. Selective service would have to function as if there had been no peacetime conscription program. Our industries, instead of expanding production for peacetime goods, would be kept busy supplying weapons soon to be outmoded and then resupplying others. Again we come to the same conclusion, universal military training serves no purpose, is completely ineffectual unless the country becomes one armed camp. Why this emphasis upon the weakest element, manpower, in modern military techniques? Universal military training neither prevents nor shortens war. This past war was not prevented nor made any shorter by reason of universal military training in Germany, Russia, Italy, France, or Japan. In all these countries save France there flourishes nazism, communism, or fascism. Remember, too, a wall of human flesh is no defense against the atom bomb.

The evidence of national hysteria is all around us. The hysteria is reflected in such governmental activities as loyalty review boards where the accused is not even granted the elementary rights accorded a prisoner at the dock who committed a minor criminal offense. The Government employee when accused of so serious a crime as disloyalty cannot even be told of the nature of the evidence against him nor is he permitted to confront the witnesses against him. The national hysteria is reflected in the methods of the Committee on Un-American Activities, where is revealed such a disregard for civil liberties that many fear to speak freely. The national hysteria is reflected in the absurd censorship imposed at the source by our Army and Navy officials. There can be no doubt that acceptance of the principle of peacetime conscription is still another manifestation of our hysteria. We cannot afford the luxury of taking these symptoms of hysteria lightly. Hysteria is highly contagious. It leads from majority rule, with protection of minorities, to mob rule, untempered, malicious, and corrosive.

What we seek is a restoration of sanity and values in the world today. That is where our moral leadership should take us instead of the path of preparing for destruction. This is a plea for reason and temperance.

Examine the proposal of peacetime conscription. Examine it carefully and logically. Ask yourself what it means to you, to your children, to your country and to the world.

United States Being Duped?

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. ELLIS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Parkersburg (W. Va.) News. The statement adds to the ever-increasing evidence that the people are getting wise to the foreign spending of this administration and have come to the conclusion that the American people are being duped, and that our foreign policy has been a complete failure as far as contributing to peace and the rehabilitation of Europe is concerned.

The editorial follows:

UNITED STATES BEING DUPED?

Just how far and how much are our Government officials being duped in their efforts to aid foreign nations is a question uppermost in the minds of many Americans today. And, at the same time, one wonders at the capabilities of some of the Government officials charged with the administering of the American aid designed to feed the hungry and stave off communism in some of the war-torn countries.

News reports from Greece tell of United States officials being displeased with the Greek attitudes. The United States has poured considerable into Greece where the cold war took on a little heat as government forces used bullets instead of words in battling with Communist sponsored guerrillas.

Dwight Griswold, chief of the American mission to Greece has deplored the noncooperation of the Greeks in assisting the Americans to assist themselves in their struggle against the guerrilla bands and in rebuilding the nation.

One story out of Greece has it that the Greeks purposely did little themselves to halt the guerrilla activities and hoped that the Communist battlers would make even further trouble in their land. It was felt that this would lead to a complete let-down of the gates on American aid and that the United States would pour millions of dollars more into the country. Thus the Greeks could sit back in comfort and without work while the Americans fed them and rebuilt their country.

Congressman McDonough Urges Repeal of Tax on Women's Handbags, Luggage, Toilet Preparations, and Cosmetics; Also the Repeal of War Excise Taxes on Admission to Theaters and Places of Amusement

REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. McDONOUGH. Mr. Speaker, the time has come for repeal of the war-time excise taxes on certain articles that were classified as luxuries during the war, but which by everyday use and custom have been clearly established as necessities to most people in the United States. I refer specifically to the 20-percent war-excise-tax rate which has been levied since 1943 on luggage and leather goods and since 1944 on toilet preparations and cosmetics.

It is also time to reduce the war-excise-tax rate on admissions to theaters and places of amusement such as sporting events and concerts to the prewar rate of 1 cent on each 10 cents.

The present tax on luggage and leather goods was enacted on the assumption that all leather goods were articles of luxury. That there was no justification for such an assumption was proven when the War and Navy Departments listed women's handbags, one of the items subject to this tax, as required articles of apparel for the WAC's, the WAVES, and the women's branch of the Marine Corps. Women's handbags, purses, and billfolds generally serve the same purpose as a man's pockets, and are just as essential.

While expensive handbags, toilet cases, or luggage might be classified as luxuries, these articles when moderately priced and used for commercial and other essential traveling certainly must be recognized as necessary articles. But the tax applies to all leather goods without regard for price or use.

The wartime excise-tax rate on toilet articles and cosmetics is levied on the same over-all basis, and includes all items regardless of whether the use of articles is a necessity, as in the case of certain baby oil and powder, or a luxury as in the case of imported perfumes.

At the time this tax was enacted, arguments in favor of the levy admitted that cosmetics were universally used by women, many in the low-income group, but held that if a person of low income chose to spend part of their income for such articles, the high tax should still apply.

Today many toilet preparations and cosmetics are essential to every woman who needs to get and hold a job. Now that the war is terminated this tax should be repealed.

The high tax on admissions also places an excessive burden upon the low-income groups, and in addition taxes sporting events and many cultural events such as concerts, operas, fairs, and legitimate theater offerings.

It also levies a tax on entertainment of children, even when special programs are shown that are particularly suitable for a child audience.

The present tax of 1 cent on each 5 cents for admissions is exorbitant, and it should be reduced to the prewar tax rate of 1 cent on each 10 cents.

Most arguments against reduction of any taxation at this time center on the fact that national income must remain high to meet enormous national expenditures and pay something on the national debt.

However, opponents to tax reduction generally will not be found among lead-

ing advocates of greater economy in government.

If we appraise Government expenditures carefully, and only appropriate funds for those purposes which are actually necessary to provide full and effective security and protection for the United States and to provide all essential services to our citizens, both veterans and civilians, and not to support nonessential bureaus or duplication of services in the Government; I am confident we can and must give tax relief to our citizens now. We can accomplish this in part by repeal and reduction of these excise taxes without impairing our national economy.

I, therefore, urge the Members of Congress to support legislation to repeal the excise-tax rate on leather goods, luggage, toilet articles, and cosmetics, and to reduce the excise tax on admissions now.

Federal Taxes

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. DINGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address made by me on January 19, 1948:

Fellow citizens, I am grateful for this opportunity to briefly present my views on pressing legislative problems to the people through the facilities of WWJ and the Detroit News.

Federal taxes is the first problem chosen for discussion. There are strongly conflicting arguments on this subject presented to me for consideration by people of varied views and opposed interests. My philosophy on taxation and the course I have always tried to follow was predicated upon the principle of ability to pay. My philosophy of Government spending is to provide those essential services which the people cannot directly and effectively provide for themselves.

I have always opposed all forms of sales and excise taxes as being unfair, discriminatory, punitive, and regressive. My theory is to tax the profit, not the product. Let an industry or an individual make or sell his production, then tax his profit, if any, at the lowest possible graduated rate. Small profit, small tax; big profit, bigger tax; no profit, no tax. Never tax production as such; it stifles initiative and reduces the number of jobs, which in turn further reduces production in an endless and vicious cycle. Right now the trend of discussion centers upon tax reduction and whether it is feasible or desirable.

As I view the situation, tax reduction and the immediate personal gain may be attractive even if it is not the soundest course bearing upon the present and the future. I advocate the application of current surpluses to the reduction of our wartime debt. I point out that for every billion dollars of suspended reduction of the war debt, you, the taxpayer, will be called upon to pay an approximate additional two and one-half billion dollars over the years to come. Besides, you are risking the value of your savings bonds and reducing the purchasing power of your dollar through dangerous inflation.

My proposals for tax reduction are based upon increased personal tax exemption for dependents, the repeal of wartime excise taxes and provision for splitting incomes between husband and wife for tax purposes in order to equalize the tax burdens between taxpayers living in community-property States and States not so favorably situated. The fourth proposal embodied in a bill bearing my name, would reduce surtaxes one percentage point in each bracket.

If my ideas were to prevail, and ultimately they might in part, as is indicated by the belatedly corrected course of Chairman KNUTSON of the Committee on Ways and Means in accepting the proposals for increased exemption and for income splitting between husband and wife which, had they been previously included, might have saved the Knutson tax bills from a distinctive double veto which was twice sustained by a Republican-controlled Congress. I will not at this time undertake to perform a post mortem on the dead Knutson bills. I will let them rest where they were buried. The present tax-reduction proposal by Mr. KNUTSON I will dissect in due time. Now I will say only that aside from the provisions having to do with liberalized exemptions and splitting of incomes, KNUTSON'S latest bill is even worse in its favoritism toward the big income taxpayer than the bills which were killed by veto. The wealthy will obtain thousands more while the little fellow will get but a few more dollars in relief. The small taxpayers that are to be dropped entirely are forced upon the author by the liberalization of exemptions, something he has heretofore always opposed, but now is forced to accept in order to increase the chance for enactment of a more pernicious plan of favoritism in the high brackets.

The President's proposal for a $40 cost-of-living credit recognizes the brutal pressure of inflation upon the lowest income groups. It is an honest across-the-board tax cut for everybody—without fake or fancy arithmetic. Moreover, the average American family of four, earning less than $4,300 a year, would receive greater relief under the President's proposal than under the Republican tax bill. The President's plan could well be substituted for the liberalized exemptions contained in my own bill and that bearing the Knutson label.

The President's idea to maintain Federal revenues at current levels by imposing a tax on the excess profits of corporations has been carefully thought out. It would not injure small corporations, nor even big corporations, as such. The approach is to determine what constitutes excessive profits, and apply a 75-percent rate against this tax base. The tax would apply to no more than 25,000 corporations out of the total of approximately 400,000 business corporations in the country. Corporations with excess profits of $50,000 or less would pay no excess-profits tax.

The President's proposal will discourage corporations from charging the excessive prices out of which these excessive profits are made. With corporate profits after taxes now at an annual rate of over $17,000,000,000 nearly double the $10,000,000,000 profits earned in banner war year 1943—the excess-profits tax is a safe, sound, and equitable method of offsetting the loss of revenue from the $40 cost-of-living credit. By maintaining Federal revenues at current levels, the President will be able to retire the Federal obligations now held by the banks which are used as the basis for inflationary expansion of credit.

Reasonable reserves for all corporations are essential to their safety and continuance. Excess profits are not, as contended by Mr. KNUTSON, used in venture capital. The contrary is true. Smart money—inside money—is used for expansion to further enhance profits for the insiders in going concerns. Venture capital involving risks for wildcatting for new untried industries for making and selling new ideas and products comes from the average uninformed investor and from what is termed "the sucker." So that if we argue for venture capital, we had better plan tax relief for the average taxpayer, the worker, the veteran, the white-collar worker, not for the wealthy or the millionaire. They, as a general rule, plan their investments safely.

In discussing taxation I feel compelled to call to your special attention a proposal now before committees of Congress which is masquerading as a tax simplification. It is nothing of the sort. It strikes at the very heart of our unemployment-compensation system and the operation of our public-employment offices. It threatens the adequacy and promptness of benefit payments to working men and women when they lose their jobs through no fault of their own. Because it does so, it is equally a threat to the corner grocer, to the butcher, to the druggist, to our churches, our doctors, even the bankers. In fact, to every man and woman in the community.

This proposal to which I refer is to allow to the States a 100-percent tax offset instead of the present 90-percent offset under the Federal Unemployment Tax Act. This proposal would cut the Federal Government out of its present cooperative role with the States in both the unemployment compensation and public employment service programs. It would repudiate the national interest in these two programs.

As the Social Security Act and the Unemployment Tax Act now operate, the Federal Government collects a three-tenths of 1 percent tax on pay rolls of employers covered by unemployment compensation. The Federal Government in turn pays the cost of administration of unemployment-compensation programs and the State-operated public-employment offices of our Federal-State employment service system.

Congress now has before it a call for action on a short, simple, innocent appearing little bill, which—offered as a simplication of our tax system—would actually turn over to each State this tax now collected by the Federal Government, and would leave the administration of both the unemployment-compensation and employment-service programs solely to each State.

Why is this proposed change important to every one of us? Because it would remove the Federal Government from all responsibility for the administration of these two programs, for the maintenance in all States of minimum standards of benefit payments. It would cancel out the Federal Government's role in assuring the purpose of the Social Security Act, which is pay benefits promptly when due, to insured workers.

I cannot imagine a more brazen proposal, unless it would be to saw the Washington Monument into 51 sections and ship the pieces to the States.

States would at once be thrown into competition in reducing benefit payments and tax rates, in lengthening the waiting period, in multiplying reasons for disqualifying workers from benefits. The entire system of unemployment compensation would quickly be destroyed.

I have described this proposal as a capsule atomic bomb. I mean just that. The initial explosion would be followed by cancerous activity eating away the tissue and fiber of the entire unemployment-compensation and public-employment-office programs.

Michigan, as you know, has been a leader in the field of unemployment compensation

and public employment service. We know that our progress has been possible in part because the Federal Government took the initiative in establishing, and has used its influence in maintaining, minimum standards in all the States. The role of the Federal Government has been to keep the more backward States from unfairly breaking down standards of benefit payments and employment services available to both workers and employers.

This proposal is an insidious attempt, under the guise of a tax revision, to wreck two programs—programs which are vital to the well-being of citizens of Michigan and citizens of the Nation as a whole.

I want to report that, because of my deep interest in unemployment compensation and the public employment service, I have met with the proponents of this alleged tax proposal, and have endeavored to point out the evil of their intent.

Michigan has a particular stake in defeating this vicious proposal. We have a heavy concentration of durable industrial production, particularly automobiles and related items. As a result, within our borders, there is limited opportunity to shift from job to job when employment turns down. We want the system maintained whereby Michigan workers may be aided in seeking jobs, not only within the borders of our own State but wherever there may be unfilled job openings. Such a system is best for those who have jobs to fill, as well as for those seeking jobs

We know that labor-market conditions in Michigan are influenced by developments outside our State. The labor market must be kept Nation-wide, as wide as the market for automobiles.

We do not want our industries to be compelled to leave our State to go to other States that attempt to offer temporary tax advantages by chiseling down benefit payments to unemployed workers, and by restricting employment offices to merely local registration centers for unemployed workers waiting for jobs to turn up in their communities.

More important, we do not want our well-established industries to have to compete with industries in other States who may be willing to turn the clock back to the conditions that prevailed in the thirties.

The vicious proposal to rub out Federal-State cooperation in our unemployment compensation and public employment services, as I have stated, is promoted under the innocent label of amending the Federal Unemployment Tax Act to provide a 100-percent tax offset to the States. It must be defeated.

My views with regard to the Marshall plan are in strict accord with the recommendations of the President, the expressions and objectives of Secretary of State Marshall, and they square with the views of our own distinguished senior Senator, ARTHUR VANDENBERG, of Michigan. The expenditures entailed by the Marshall plan are intended to secure peace and harmony among nations and world salvation from communism. The defeat of the plan at this time would spell disaster and would lead to war.

To me the problem is as simple as that. Peace and tranquility with the Marshall plan; war and turmoil without it.

On domestic issues other than taxation, I am actively supporting the President's program against inflation, for adequate housing, for aid to needy veterans, Federal aid to education, and for a national program of health insurance. As you know, I am coauthor of the so-called Wagner-Murray-Dingell bill, and of a bill to expand social-security coverage and benefits. I regret that time does not now permit a full discussion of these issues.

Nehru Denies Shipment of Arms to Arab League

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I include the text of a cable I sent to Jawaharlal Nehru and the text of his reply:

JANUARY 14, 1948.

Hon. JAWAHARLAL NEHRU,
Government of India, New Delhi, India:

It is reported in the Roz El Usef, a newspaper published in Cairo, Egypt, that the Arab League secretariat has acquired a large quantity of arms and ammunition sent by the Indian and Afghanistan Governments and that the secretariat is arranging for the safe transfer of this consignment to Palestine. If true, this action on the part of your government is a violation of the decision of the General Assembly of the United Nations on Palestine. Trygvie Lie, Secretary of the United Nations, has urged all nations to uphold the decision. I am sure that Trygvie Lie and many friends of India in the United States will be shocked if you do not repudiate this reported violation of international comity. India has much to gain from a strong United Nations. Actions of this character wound the prestige of the United Nations to which India has, and is now in the act of so doing, applied for redress of wrongs.

EMANUEL CELLER,
Member of Congress, U. S. A.

JANUARY 16, 1948.

EMANUEL CELLER,
Member of Congress,
Washington, D. C.:

Report in Roz El Usef that Indian Government has supplied large quantity of arms and ammunition to Arab League is wholly devoid of foundation, and I am surprised that anybody should give credence to it. India is fully conscious of her obligations to the United Nations and can rightfully claim that she has discharged them faithfully.

JAWAHARLAL NEHRU.

The Last Speech

EXTENSION OF REMARKS
OF
HON. HAROLD D. COOLEY
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. COOLEY. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD the last public utterance of the Honorable Josephus Daniels, a speech delivered on December 18, 1947, here in the city of Washington, D. C.:

REMINISCENCES—EXTRACTS FROM ADDRESS BY JOSEPHUS DANIELS, THE WOMEN'S NATIONAL DEMOCRATIC CLUB, WASHINGTON, D. C., DECEMBER 18, 1947

When I was honored by your invitation to speak at the Women's Democratic Club in our National Capital it seemed an opportunity for an "ex" to discuss the domestic and foreign policies which challenge more wisdom than men and women in and out of office have seemed to possess. Having no official responsibility, I naturally felt, as do all outsiders, fully capable of providing a blueprint to build a warless world. I, therefore, went to work to draft a modern plan of 14 points, more or less, that would end soaring prices at home and bring peace to a frustrated world.

However, before I had gotten far in formulating plans for legislative and executive action needed in this postwar era of doubt and drift, word came to me that it was not desired that I instruct executives and legislators on how to solve world problems but confine myself to reminiscences. Whether the new subject was assigned for fear my 14 points would run counter to the views—or lack of views—of some in the seats of the mighty I do not know. It was probably prompted by a desire that controversial questions should not be intruded because they might mar the harmony of the pre-Christmas gathering. Always obedient to petticoat rule, I turned from proposing constructive public policies to the more pleasant field of looking backward and recalling some incidents, as witnessed from an inside seat, in the 50 years since (as a deserving Democrat) I came to Washington in 1893 to hold a small office for a brief period. It was in the second Cleveland administration and my recollections may not be without interest to those charged with guiding affairs in this era when the problems of all the world seem to wait upon Uncle Sam for their solution.

I have been privileged to have seen every President of the United States since the days of Andrew Johnson, and to have known all of them since I was received at the White House by President Garfield in 1881. In a life beyond fourscore years I have been honored with a commission from every Democrat who has occupied the White House since I was born. It was, perhaps, because of knowledge of this experience that you invited an "ex" to reminisce instead of advise. I hope you were not influenced by the same feeling that caused the president of the North Carolina Society for the Preservation of Antiquities, presenting me facetiously, to say: "Exhibit A of North Carolina antiquities."

Having lived in Washington for 10 full years and holding commissions from four Presidents, and spending much time here between officeholding and conventioning and in diplomatic service, I feel that Washington is a second home. In a sense it belongs to all Americans. It has a pull upon all who have a yen for politics and a flair for public service with an indefinable attraction for all who have once breathed its atmosphere. I love it—the cave dwellers whose hospitality I have enjoyed; its beauty more stately than any of the world's famous capitals; its public officials and bureaucrats; and most of all, like most Americans, I love to see the wheels of government go round. So I come back tonight, cheered by troops of cherished associations and fond memories.

I am particularly happy, on the first occasion of speaking in Washington in recent years to make my come-back to the Democratic women of this club. Preachers emphasize the doctrine "Ye must be born again," but many understand it as little as did Nicodemus of old. However, in matters intellectual we all know the truth of the new birth when we emerge from the shell of ignorance into the perception of a new truth or a new doctrine. I remember as a boy hearing an emotional Christian give his religious experience. He related with something of the glow that never was on sea or land how on a certain night at a certain hour in a certain place God spoke peace to his soul.

In somewhat the same manner I was born into the new light of faith in woman's suffrage. Until my conversion I had never seen an advocate of that strange doctrine or heard anyone profess it. Of course, I had heard of those noted women, Elizabeth Cady Stanton, Lucy Stone, Anna Howard Shaw, Carrie Chapman Catt, and other pioneer advocates of votes for women. They were ridiculed as strange creatures who wanted to wear the pants. They wished to unsex themselves, as critics said, by wishing to frequent polling places, often unfit for the fair sex. I had read about Mrs. Catt who was pictured as a woman whose creed would destroy the home by taking women out of their God-given sphere. From such atmosphere and environment, where election day meant no more to women than old time military muster day, a great light shone round about me, even as that which illuminated the pathway of Saul when he was suddenly converted on his way to Damascus. My conversion to woman's suffrage came with as sudden a change. I recall the place and the hour when going to a woman suffrage meeting in Washington to scoff I remained to pray. It was a summer night in the late nineties. I had come to Washington to attend a meeting of the Democratic National Committee. That business ended, I was taking dinner with a fellow member and his wife at the old Ebbitt Hotel not far from the White House.

"How would you like to go to hear Carrie Chapman Catt tonight?" the lady asked. "Let's go to hear the pussy cat."

"I do not like her name or her cause," I replied.

She said "Neither do I, but I'd like to hear her speak. We should not close our minds."

Thus challenged upon my creed of "trying anything once" I accepted. We arrived at the crowded small hall late and had to stand while the lady with unanswerable logic called unbelievers in the cause of repentance and acceptance of her creed. No, I did not go to the mourner's bench and rise professing a new faith, but I did find myself carried along by the force of the heights of her great argument so irresistibly that I had a new birth of political faith. From that hour I was never disobedient to the heavenly vision and never doubted that my country would recognize the equal right of women to voice in government.

My conversion, not loudly professed in an atmosphere that had not been exposed to the convincing reasoning of Carrie Chapman Catt and the moving eloquence of Anna Howard Shaw, brought forth no early fruit. However, I pondered it in my heart, never doubting its coming until 20 years later at Woodrow Wilson's inauguration I saw marching down Pennsylvania Avenue, led by an American political Joan of Arc, a phalanx of women carrying banners with what was then a strange device "Votes for Women." The demonstration organized to urge votes for women as an integral part of the New Freedom. Woodrow Wilson, reared in the old-time southern conception of the place of women, was adamant to their entreaties, persuasions, and demands. With him in his first term other issues of reform had precedence. However, though denied a seat at the New Freedom table, these militant women never doubted that before a change of administration they would melt down both indifference and opposition. In the inner circle of the Cabinet, William G. McAdoo, Franklin Lane, and Josephus Daniels, were adding their persuasion to the winning voice of Helen Gardner, the first woman Wilson named to an important post. The women were not discouraged when the only dent they could make in Wilson's armor was that in 1916 he favored a plank in the national platform of his party advising the States to grant the right of women to vote.

When persuasion did not move Wilson to go all the way, these resolute women took a suggestion from a letter written long ago by Abigail Adams to her President husband in which she said: "If particular care and attention are not paid to the ladies we are determined to foment a rebellion and will not hold ourselves bound to obey any laws in which we have no voice or representation." Animated by that spirit, on a wintry day, a number of militant suffragists picketed the White House and declined with resentful indignation Wilson's invitation to come into the Executive Mansion and "get warm."

Though outwardly nearly freezing they were hot with rage inside against his seemingly immovable position, and were so militant that some of them were arrested for disturbing the peace and sentenced to confinement in prison. It looked like they had reached the end of their crusade with the arrest of their leaders and the iron bars enclosing them. But these ladies, each like Valiant in Bunyan's immortal Pilgrim's Progress said: "I am Valiant, a pilgrim, and am going to the Celestial City though a host organize against me"—only their destination was the ballot box and not the goal of Valiant.

It was not until the patriotic and sacrificial contribution of women in World War I, including the first women to wear military uniform (the yoemen (F) and marines in the U. S. Navy), that Woodrow Wilson embraced woman suffrage and appeared before the Senate (September 30, 1917) and urged submission of the nineteenth amendment for ratification by the States. He based his eloquent appeal in the name of true democracy. But enough Senators were in opposition to make success then impossible. Again President Wilson cabled from Paris (February 10, 1919) to a number of Senators urging them to submit the amendment. William Jennings Bryan hurried to Washington to intercede for it. All in vain—the provision was defeated by one vote. It was clear, however, that the reform was gaining and could not long be delayed. On the 19th day of June 1919 the suffrage amendment was submitted to the States.

The fight was long and often in doubt until the Volunteer State of Tennessee obtained the honor of casting the deciding vote that conferred full citizenship on women—an honor which my wife (who was appointed by President Wilson as the official delegate from the United States to the World Woman's Suffrage Conference at Geneva in 1920) had coveted for North Carolina. We rejoiced with millions of others, when, in the Wilson administration, the nineteenth amendment was proclaimed on the 26th day of August 1920.

Though liberal men of both parties had cooperated to secure the ratification of the woman suffrage amendment, little recognition of woman as equal partner in government came until Franklin Roosevelt's inauguration. Then the first woman, Frances Perkins, took a seat in the inner circles of the administration as a member of the Cabinet. Florence Allen was named as the first American Portia on the United States circuit court, and Ruth Bryan Rhode and Daisy Harriman were elevated to high station in the ranks of diplomacy. A number of able women like MARY NORTON and EDITH ROGERS pioneered in able and useful service in Congress, and it became almost a rule that a woman should hold a place on every important agency of government under Roosevelt and Truman, not only in civilian tasks but likewise as enlisted personnel and officers in the Army and Navy in World War II where they more than made good.

More still: In my State, in World War I, the wife of the Governor of North Carolina was so abundant in labors at home and with the troops in Europe that it was truly said "The State has two Governors for the price of one." The United States could have made a like boast in 1933–45 for in distinguished public service, then and since, Eleanor Roosevelt proved herself a full partner to her illustrious husband. Uncle Sam had two Chief Executives for the price of one.

What does this reminiscence of the sufferage fight sum up to for the women of the national democratic clubs and other women citizens? The command for the women of today is: Go into politics. Go in red headed. Quit shivering on the brink and plunge into the stream and demand an equal part in navigating the ship of state by women officials who have demonstrated their fitness.

There were more women voters in 1944 than men and a majority of them cast their ballots for Roosevelt and Truman. They will equal or outnumber the male voters in 1948, and they, as harbingers of progress and peace, ought to demand the election of more qualified women to posts of power. It is rare to find a static woman. Just as when housekeeping they move the bed and change the location of furniture, so in public life women are not wedded to the status quo. They are not content with things as they are. The attitude of women of vision and responsibility is in the slogan "Change but forward." Militant and progressive liberalism must be the democratic marching order in 1948, and the result will depend on women voters.

The first President under whom I held office was Grover Cleveland. In the 1892 campaign, I, with many other Democrats, had joined in the song that put him in the White House:

Four more years of Grover
Then we'll be in clover.
Out they go, in we go,
Four more years of Grover
Then we'll be in clover

Deserving Democrats (why use the overworked adjective since all Democrats are deserving?) flocked to Washington, I among the number, in the near panic year of 1893 to hail the realization of Grover's return to the White House, with patriotic desire to lend a hand.

It was in my apprentice days in the second Cleveland administration that I first knew and had a run-in with Theodore Roosevelt, then Civil Service Commissioner. The abuse of the doctrine "to the victor belong the spoils" had caused Grover Cleveland and Theodore Roosevelt to wish to remedy the abuses by substituting civil-service examinations so that clerical and some other appointments to office would be free from politics. The reform as to clerical and like appointments, though not without its evils, was an improvement. This was true even though at the first it was weakened by giving life tenure to those who owed their appointment to political influence. I believe then (and, with some reservations, I believe now) except in war days and times of emergency that all key positions in an administration should be filled by members of the party entrusted with the administration of government by the vote of the people.

The pendulum has swung far—too far—from government by party men to government by men who do not think enough of the obligations of citizenship to even vote, much less take an active part in shaping public policies. In the old days the doctrine "to the victor belong the spoils" was carried to an extreme. But, bad as it sometimes was, it had the virtue of insuring government all down the line by a responsible party which could be driven from power for abuses. Today the pendulum has swung too far toward a government manned by men who if they have any political principles manage to conceal them. Too many men in office are like chameleons, ready to make lightning

changes in their attitude to stay in office in defiance of the mandate of the voters for a change.

The citizen who does not vote (I do not refer to the good people in Washington City, who are unjustly disfranchised along with idiots and convicts) and take interest in public affairs through political activity advertises that he is a civilian AWOL. No slacker at the ballot box ought to be regarded as eligible to hold office. There is need for a new birth of the sort of freedom that gives precedence in official station to men in accord with the party in power who have convictions that send them to the ballot box, to the primaries, and to the conventions.

Today, when the term "communism" is heard oftener than any other word in the English language, I distinctly remember when I first heard that word used in public discussion. It was when Cleveland was preaching the gospel of tariff reform. He charged that the Republican policy was founded on a "communism of pelf."

There was another tariff story in the Cleveland days that had wide currency. I recall it ran like this:

"One night Mrs. Cleveland aroused Grover from his slumber by saying, 'There are burglars in the house.'

"The House had passed a good tariff bill, which the Senate was emasculating and shaping it into one Mr. Cleveland characterized as 'party perfidy and party dishonor.' Half awake, he said to Mrs. Cleveland:

"'There are no burglars in the House, my dear, but you'll find plenty of them in the Senate.'"

It is interesting to recall that when Cleveland was opposing the fiasco of a revolution in Hawaii that dethroned Queen Liliuokalani, a young student at Groton by the name of Franklin Roosevelt was taking the same position in a school debate. In answering his opponents young Roosevelt asked, "Why did not the United States Government submit the treaty to a general vote of the inhabitants?" He answered his question by saying, "Because it was known that they would vote against it to a man."

This proves the consistent policy of most Democrats against imperialism and colonization. At the time when McKinley was, as he said, "benevolently assimilating the Filipinos," this same young Roosevelt in college was denouncing the policy of imperialism in the Philippines. Uncle Sam ruled that people until Franklin Roosevelt pledged independence to the Philippines as soon as victory was won in World War II. That pledge was carried out by President Truman. When Roosevelt appended his name to the Atlantic Charter, promising self-government all over the world, as he was a man carrying out the vision that guided him as a schoolboy at Groton and a student at Harvard. The boy was father to the man.

In 1889, while Mrs. Cleveland had no thought but of a second term, Mr. Cleveland was telling the press that the happiest day in his life would be when he could lay down the heavy burdens imposed upon him by the office of Chief Executive. He thought he was sincere. But the truth is that it took little persuasion to induce him to seek election for a second time in 1892, and he never quite forgave the majority of his party for not renominating him in 1896.

I recall a story told me by a faithful Negro messenger from New Bern, N. C., who served long and acceptably in the White House. It ran like this:

"In March 1889, when the Clevelands were packing up after the defeat in the previous November, Mrs. Cleveland said to her Negro friend, who was to stay in the White House service:

"'Keep everything here in good shape and before 1893 put everything back as it has been these past 4 years. We are coming back then. I wish to find the White House and its furnishings just as they are now.'

"He promised, and when the Clevelands returned, he reported for duty, saying he had kept his promise, and she would feel perfectly at home."

If Mrs. Wilson were not present, I could tell how disturbed the Democratic politicians were when they learned about the romance that made Edith Bolling Galt mistress of the White House. However, at the risk of rushing in "where angels fear to tread," I will tell it, anyhow. Upon my return from a speaking trip in the West in 1915, I found an imperative message from Postmaster General Burleson to call him at once on a matter of the highest importance. He was the political high priest of the Cabinet. News, having gotten out, that President Wilson had won the love of Washington's most charming lady and that marriage was imminent, the Democratic politicians had hurried to Washington to tell Burleson that if Wilson married before the 1916 election it would cause his defeat. They were scared stiff at the thought. So was Burleson, who communicated his fear to me. What could be done to save the party? We did not know then that Edith Bolling Galt entertained a like trepidation and at Cornish earlier in 1915 had set herself against a wedding before the election.

"What can be done to save the party?" That was the question I asked Burleson.

He replied: "Wilson must be induced not to marry until after the election in November 1916."

"How can that be done?" I asked.

"While you were away we discussed it," answered Burleson, "and we all agreed that you were the member of the Cabinet to approach him and tell him the weal of the country depended upon his reelection; that marriage prior to that date would defeat him; and that he should not contemplate such a step until he had been reelected."

"Why was I selected for this dangerous diplomatic mission?" I inquired.

"Wilson thinks as much of me as of you, but as the first Mrs. Wilson and your wife were the closest friends in the administration circle, we think he will be more apt to listen attentively and be influenced by your advice," Burleson said.

I was an ambitious young man and the tender of this position as Envoy Extraordinary and Minister Plenipotentiary had its appeal. I felt sure that an appeal for postponement of the marriage would find no echo in Wilson's heart. I suspected he would wish another Secretary of the Navy, who would think of navigtion on the salt water rather than aspire to direct sailing on the matrimonial sea. I declined the mission and kept my job, and Wilson was shortly happily married.

Wilson followed his heart and his election after his marriage was another proof that "all the world loves a lover." The country, when it came to assess the worth and wisdom of the new mistress of the White House, rejoiced that the President had not permitted political devotion to interfere with marital happiness. Instead of the bride driving away votes, she attracted them. And, in the years that followed, though she meticulously refrained from public participation in affairs of state, the country learned to admire and respect the noble lady whose wisdom and counsel were above the value of rubies in the anxious days of war; who rose to statesmanship in Paris when some upon whom Wilson leaned failed. She was a ministering angel in the long years that followed the breakdown as Wilson lost his health and shortened his life by consecrated devotion to the League of Nations. He correctly believed that American entrance into the League would insure lasting peace. History has proved he was right, for if the United States Senate had been guided by the same wisdom in 1919–20 as it displayed in 1945–46, no Second World War would have cursed the world.

Time does not permit of other stories about occupants of the White House in the years I was privileged to "have an inside seat" in days of peace and war. I'd like if there was time to recall how Wilson broke precedents and delivered his message in person to Congress; drove the horde of lobbyists, thick as locusts in Egypt, out of Washington; and recall the long fight Wilson made for the League of Nations even when broken at the wheel. I would like to dwell on how Franklin Roosevelt converted depression into prosperity, declaring "the only thing to fear is fear" and followed the declaration by New Deal healing legislation; and how both these Democratic Presidents successfully waged war to end totalitarianism and outlined workable peace programs. But time forbids.

Summing up, let me give you an impression based on association, long experience and study of the careers of national leaders. It is my mature conviction that no man since Andrew Jackson ever willingly left the White House, and I doubt that this could be said of Old Hickory if Rachel had been living. Theodore Roosevelt was not the only "willin' Barkis" who died hoping to be given a new lease on residence in the Executive Mansion. There's an appeal about the great office of President which does something to a man and few privileged to hang up their hats there have been happy after its doors were closed to them. No matter how much, like Cleveland, they declared that they looked forward with joy to laying down their onerous duties, or like Coolidge hoping his "I do not choose to run" would result in being drafted, each and everyone of our Chief Executives has been so enamored with the power and glory of the greatest office in the gift of mankind that not one has contemplated a change of residence except with regret. The blow was softened for Taft by a seat on the Supreme Court Bench. Wilson would have felt the urge to be a candidate in 1920 on the League of Nations issue if he had not been stricken. I am not sure Franklin Rooselevt would not have responded to a fourth encore, and there is not room to doubt Herbert Hoover liked it better as a residence than salubrious California's beloved Stanford University, and Harry Truman finds the White House more attractive than Independence, Mo.

It is not only men who have lived in the White House who have yearning to live in that residence, but there is an impression that on Capitol Hill—and in some State houses—the Presidential bee has stung others into a desire to move into the White House. Once bitten by that bee, there is a tradition that no man ever recovers from it.

But—I am in danger of treading on forbidden grounds. If my subject had not been assigned me I might tonight have outlined the course of government that all Allied nations should have pursued after V-day and should pursue now to reach the promised goal. Or—and that gives me pause—I might have advised a course that would have been fatal to the attainment of the peace which alone can save the world from chaos.

If the United Nations must continue to debate and practice manana while there is lack of a program guaranteed to bring the peace, for which all women prayed in the cruel days of war, the responsibility will not lie at my door. I was ready and chart and compass to point the route to the safe harbor and was only deterred from its presentation by being shunted off by the Women's Democratic Club to the uncontroversial theme of Reiminiscence.

Even tonight, however, in the swirl of conflicting tides and eddies, I am a confirmed optimist. I dare to believe that doubt and confusion will give place to the universal peace for which our best beloveds fought and died and the goal for which women prayed

and sacrificed. In this Christmas season let us invoke the blessing, long deferred, promised with the advent of the Prince of Peace, and have the faith that we shall live to see an upswing toward the peace which will cover the earth as the waters cover the sea.

Blueprint for Disruption

EXTENSION OF REMARKS
OF
HON. HUGH D. SCOTT, JR.
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. HUGH D. SCOTT, JR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Henry Hazlitt from Newsweek magazine for January 19, 1948:

BLUEPRINT FOR DISRUPTION
(By Henry Hazlitt)

President Truman's annual message to Congress was primarily a campaign document. It seems to have been written chiefly in fear of losing extreme leftist votes to Henry Wallace. The basic philosophy it embodies is unmistakable. It is the philosophy of the welfare state, the doctrine of salvation through bureaucracy. Free enterprise, free markets, and free prices are no longer to be trusted to stimulate and guide production and consumption. Everything is to be in charge of omniscient and omnipotent bureaucrats.

Everyone is promised economic security, regardless of what he contributes to production. We are to have bigger job insurance, bigger old-age benefits, bigger survivors' benefits, bigger education. The Government is to subsidize our medical care and our housing. It is also to reclaim land, replant forests, build more TVA's. On top of this, it is to spend in 15 months on European aid alone as much as it used to spend in the same period before the war for all its purposes combined.

Mr. Truman, by some miracle, is at the same time for economy. "Government expenditures have been, and must continue to be, held to the lowest safe levels." But the proposals he makes would immeasurably increase even present expenditures, and the Federal Government is already spending in 1 year as much as it took it 5 years to spend just before the war. Of course, all this money is to be taken in taxes only from the rich.

What Mr. Truman forgets is that the entire wealth and welfare of the country depends upon production. The total amount of the national product is far more important to the average family than any possible redistribution of it, yet Mr. Truman's schemes and taxes would undermine, discourage, and disrupt production. It would destroy incentives. The producers would not be permitted to enjoy the fruits of their production, and others would be handed the fruits whether they produced anything or not.

Mr. Truman's speech is a tissue of self-contradictions. He is for free enterprise and free competition, but demands price fixing. He wants to "continue price supports for major farm commodities." But he declares that the price of food is too high and that it must be reduced by Government edict. While prices are to be held down, costs of production are to be forced up. The minimum wage is to be increased from 40 to 75 cents an hour. This would be a wage boost of 87½ percent. All workers above the minimum would, of course, insist on the maintenance of their existing differentials. Production costs and prices would be forced up enormously, and this might cause heavy unemployment even in spite of monetary inflation. If we can raise wages just by passing a law, and do it without such harmful consequences, why not $1 an hour or $2 an hour? Why stop anywhere?

We must enlarge our industrial capacity, continues Mr. Truman: "At least $50,000,000,000 should be invested by industry to improve and expand our productive facilities over the next few years." But such funds could only be provided out of past profits and would only be invested if there were an inviting prospect of future profits. Yet, Mr. Truman is shocked by existing profits, even though, as a percentage of the national income (especially when proper allowance is made for depreciation and inventory replacement) corporate profits today are not at all abnormally high. Mr. Truman wishes to increase taxes precisely where the increase would do most damage to production—on the corporations that are the very means of the workers' livelihood. He would do this in order to free some 10,000,000 voters in an election year from all income taxes, and to create the short-lived illusion that present enormous Government expenditures can be paid for only by a minority, by the rich, by somebody else.

Candidate Truman's program is demagogy run riot. It is a blueprint for disruption. He asks this country to imitate slavishly all the disastrous economic policies that have brought Europe to its present critical state, and he wants us to call this process American leadership.

A Modest Request

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein an editorial which appeared in the Daily Evening Item, Lynn, Mass., recently:

A MODEST REQUEST

The most frugal Congressman will find it hard to quarrel with one item in the President's 1949 budget. That is the modest request for $24,000,000 for ship construction, and $15,300,000 for contract authorization.

Those figures look even more modest beside the billions asked for other branches of national defense. We say "other" because it is generally accepted that a shipbuilding industry and a modern, adequate merchant marine are important to our safety.

The President said that scarcity of steel, surplus warbuilt tonnage, and "uncertainties regarding the future economic requirements for shipping" prompted his decision. He does not think that the Maritime Commission should start any construction now without contracts for sale to private operators.

In this, Mr. Truman goes further than the State Department in its analysis of European-aid requirements. Even on the Marshall plan's home grounds it is felt that our maritime position, especially in the passenger field, is unimpressive. The Department recommends that European shipbuilding be deferred after ships now under construction or contract are finished.

The Keller committee, Truman's advisory group, proposed a "modest start" on eight United States passenger ships in fiscal '48, and a big construction program for the next 3 years at a cost of about $150,000,000 a year. But no start has been made on the 1948 program and it is too late to make one before the fiscal year ends. So Mr. Truman's recommendation, in effect, puts the 1948 program into 1949.

The Maritime Commission now has almost $90,000,000 for ship construction. And there are passenger lines with approved plans for new ships, and money in the bank.

The operators say they could get ships built in foreign yards for half or less what they would cost here. But that wouldn't help American shipbuilding, and besides they wouldn't be able to get an operational subsidy. So they want a 50-percent construction subsidy.

The Commission is permitted to grant a 50-percent subsidy if it can be shown that the difference between American and foreign construction costs is really that much. They think the difference is nearer 40 percent. There the matter rests.

All the dire and oft-repeated predictions seem to be coming true. The last construction job on the horizon for private yards will be finished by August. Shipyard employment is down to 30,000 and is expected to go to 10,000.

The United States still has only one first-class passenger ship to compete with foreign luxury liners. There are only 30 passenger vessels remaining of the 113 operating under the American flag in December 1941. In spite of war-built surplus, there is a shortage of tankers and fast cargo ships.

European aid, like shipbuilding, is a factor in national security. But the postponed fiscal '48 building program would only take an estimated 60,000 tons of steel out of a national production of about 85,000,000. There is little chance that Congress in its present mood will up the budget for ship construction. But perhaps it will at least see fit to iron out some of the difficulties in the laws covering subsidy payments.

Veterans' Education Aid

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. MADDEN. Mr. Speaker, under the present inflationary high cost of living the economic condition of GI's attending colleges and universities over the country is indeed critical. The majority of the Members of Congress, I believe, are anxious to pass suitable legislation which will aid the veteran in overcoming the unreasonable increase in the cost of living since the original veterans' subsistence legislation was passed.

I am herewith incorporating a news item from the Daily Northwestern, of Evanston, Ill. I have received a great number of letters from GI's attending universities at various points in the Middle West, all registering identical protests.

The news item follows:

TUITION JUMP TO SPELL "CURTAINS" FOR MANY GI'S

While Veterans' Coordinator Chester E. Willard yesterday determined that it is too early to announce the effect the recent tuition hike will have on the veteran, comments from campus GI's indicate that it will spell curtains for many of them.

With tuition boosted to $505 beginning in the fall quarter, veterans will run into the red. Every Northwestern student enrolled under the GI bill of rights will finish the 1948–49 school year actually owing the Government money.

VA ALLOWS ONLY $500

Here's how it works: Currently, the Veterans' Administration allows its students $500 a year for tuition and books. That means the veteran may take any course of his choosing and buy all the books that are necessary so long as he doesn't exceed the $500 limit.

Inflation has forced hundreds of ex-GI's into part-time jobs. Many veterans already hold 40-hour-a-week positions in Evanston and in Chicago. Wives of married students are working as office clerks in campus buildings. Under the old tuition of $400, single men as well as married couples have found college life tough sledding.

Most veterans stayed under the ceiling and gave little thought to winding up as debtors. Books averaged $90 a year. That left $10 surplus. But what happens now? Veterans will pay for their books and supplies and still get billed for $5 in June. Meanwhile, board and room bills remain unpaid.

SUBSISTENCE FALLS SHORT

His $65 monthly subsistence allowance falls short of paying for room, board, washing, cleaning, and incidentals. Two may be able to live as cheaply as one, married veterans agree, but not on $90 a month.

If Congress doesn't pass the subsistence bill now pending, Northwestern's enrollment will suffer a drastic decline. Customary Conga lines in front of registrar's offices will be missing. GI Joe will have gone to work.

Truman's Tax Juggling Act

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. BENDER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Cleveland Plain Dealer of January 8, 1948:

TRUMAN'S TAX JUGGLING ACT

A major portion of President Truman's message to Congress on the state of the Union was a prospectus of that brave new world of the future when the Government will insure everybody against everything from the cradle to the grave, when no one will need the courage and foresight to plan for his own economic needs because an all-wise Government will meet every contingency that arises.

Another part of the message contained a recommendation that Congress appropriate $6,800,000,000 to finance the first 15 months of operations under the European recovery program. This was not unexpected, and the subject is scheduled for thorough debate in the coming weeks.

A third section of the message consisted of a reiteration of the President's views on a number of subjects, such as his advocacy of universal military training, of bestowing upon the Federal Government the power to ration and to impose price and wage controls, and of the admission of a number of displaced persons to the United States, and of his opposition to the Taft-Hartley Labor Act.

The only element of surprise in the message was provided by the President's tax proposals, which consisted of a remarkable hodgepodge of faulty economics and a scheme to juggle taxes in return for votes. But perhaps this should not have been a surprise, since 1948 is an election year.

The President's recommendation that a tax credit of $40 be allowed each individual taxpayer and dependent would provide substantial tax relief only to persons in the lowest income-tax brackets. It would provide only infinitesimal relief to those in the higher brackets, while exempting an estimated 10,000,000 persons now on the Federal income-tax lists from paying any Federal income tax whatever.

This proposal is an aggravated example of the New Deal's "soak the rich" philosophy and is nothing more than a brazen bid for votes.

But the President's statement that Government revenues must not be reduced until inflation has been brought under control, and that taxes on corporations accordingly should be increased by $3,200,000,000, is utterly fantastic and wholly inconsistent with other portions of the President's message.

The President seems to think that it is highly inflationary if individuals and corporations spend the money they earn, but apparently he believes the Government can spend the same money without producing any inflationary effect. The fact is that when there is a large amount of money in circulation, the effect is the same, as far as inflation is concerned, whether the Government collects and spends it or whether it is spent by those who earned it in the first instance.

In the early part of his address, the President said that industry should invest $50,000,000,000 over the next few years in new facilities in order to maintain the present level of productivity and go on to greater accomplishments. Where would industry get the money for this enormous investment, or what incentive would there be for the owners of capital to invest it, if profits were to be taxed away, or if the Government, through excessive taxes, were to prevent industry from accumulating surpluses?

The President attempted to justify an increase in corporate taxes on the ground that corporate profits totaled $17,000,000,000 in 1947 as compared with $12,500,000,000 in 1946. In making this comparison, he conveniently overlooked the fact that the profit dollar is just as much inflated as the food dollar. He also ignored the fact that the cost of replacing worn-out machinery and of building new facilities must be paid with inflated dollars. This part of the President's message might well have been taken word for word from a report by the CIO's economists.

The President is greatly concerned about the high cost of living. But nowhere in his message was there any recognition of the effect on the cost of living of high taxes and our foreign aid program.

Taxes are as much a part of the cost of doing business as wages and the prices of materials. Eventually all these costs are passed on to the consumer. Unnecessarily high taxes are bound to result in unnecessarily high prices. But either the President is not aware of this relationship, or he chose to ignore it.

Likewise, he ignored the relationship between foreign aid and domestic prices, although no single factor has contributed as much to high food prices as the Government purchases of grain for export.

One can only conclude from the President's message that the Nation will be in a deplorable state if it must depend much longer for its guidance on an administration as confused and as willing to play politics with its economic welfare as the Truman administration has shown itself to be.

Improving Army System of Justice

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. TEAGUE. Mr. Speaker, I am very glad to be able to give my support to these amendments to the Articles of War which we are now considering as our experience during the recent war demonstrated that changes to the Army system of justice were necessary. Over 11,000,000 Americans not accustomed to military law were brought under this jurisdiction during World War II and approximately 80,000 were convicted by general courts martial. Of course, a far larger number were convicted by special courts martial.

In many of these convictions it has since been established that the result was not justice for the accused in that he did not have the same rights he would have been granted by civilian courts, and in many instances his punishment of long period of confinement and dishonorable discharge was too severe for the offense committed.

At the present time we have a Regular Army Establishment five times the size of our previous peacetime Army. Also it is likely that universal military training will be enacted into law, which will require all young men to participate in some form of military training. Therefore these amendments to our military system of justice are urgently needed.

I believe it will be a great step in the right direction if the following amendments are accepted: First, enlisted personnel to be included as members of a general or special courts martial; second, the trial judge advocate and the defense counsel for the accused to be lawyers; third, that officers as well as enlisted men be tried by special courts for minor offenses and that lesser penalties than those now provided be imposed in many cases; fourth, for pretrial investigations to be conducted before every general courts martial and that counsel be provided the accused during the investigation if requested; fifth, that a more adequate review of sentences by courts martial be established.

The Late Honorable Guinn Williams, of Texas

EXTENSION OF REMARKS
OF
HON. ED GOSSETT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 19, 1948

Mr. GOSSETT. Mr. Speaker, before I returned to Washington, my colleague, the Honorable O. C. FISHER, of the Twenty-first Congressional District of Texas,

announced to this body the death in his home town of San Angelo on Friday, January 9, of the Honorable Guinn Williams. For 10 years, Guinn Williams represented that district of Texas which I now have the honor to serve. He was reared on farms within this district, and for many years was the most distinguished citizen of one of the best-known little cities in Texas, Decatur, the county seat of Wise County.

I want at this time to pay tribute to his memory. He was truly a great American. He came of sturdy pioneer stock. He was one of those rugged, courageous, aggressive, God-fearing individuals who helped to make of Texas and the Southwest a great empire with noble traditions. If our Nation possessed more men of his towering stature, many of us would have less fear for the future strength and security of this Republic. In a busy life filled with multitudinous activities, in the many capacities both private and public in which he served his day and generation, he did all things well. He possessed strength of mind, clarity of vision, and honesty of heart which won him universal confidence and esteem and which endeared him to his many thousands of friends. He embraced and lived by a code of fair play and fair dealing, a spirit of live and let live. Even in his last years, amidst the strife and confusion of our times, he never lost a sense of true values and of direction.

His distinguished services in this body, from which he voluntarily retired, have been and will be elsewhere recorded in the RECORD.

During a constructive and busy life, he did not neglect to rear a splendid and distinguished family to whom he taught, and in whom he inspired his traits of good character and outstanding citizenship. His life will continue to be an inspiration to them and to us.

He left our country much better because he lived, and much poorer because he had to go. No more could be said of any man.

The Need for Action on the GI Educational and On-the-Job Training Allowances Is Now

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. MANSFIELD. Mr. Speaker, I am taking this means to call to the attention of the House the number of letters which I have received from the students at the Montana State College, Montana State University, Carroll College, Montana School of Mines, and Montana State Normal College, all in my district, as well as from Northern Montana College at Havre, Eastern Montana College at Billings, Rocky Mountain College at Billings, and also from interested individuals throughout the State concerning H. R. 4212.

It will be recalled that last year during the first session of the Eightieth Congress, S. 1394 passed the Senate and was referred to the Veterans' Affairs Committee. This committee unanimously reported out H. R. 4212, which has since been held up in the Rules Committee and for which no rule has been given. H. R. 4212 supersedes the previous measures including H. R. 870 which was introduced by Mrs. ROGERS and which had been given consideration. H. R. 4212 is the bill which the committee finally decided to approve.

Both of these measures, S. 1394 and H. R. 4212, will raise the allotment for single veterans in educational institutions from $65 to $75 per month and for the married veterans from $90 a month to $105 and $120 a month, depending on the number of dependents. In an effort to shake this bill out of the Rules Committee, a number of us in the House, myself included, signed a discharge petition, but in order to bring that bill to the floor of the House we must have 218 signatures. At this time we are still very short of that number, and I call upon the Rules Committee and the House, in view of the desperate situation in which many of the GI's and their families find themselves, to either sign the discharge petition so we get the necessary number of signers or get the Rules Committee to give us a rule so we can consider and vote on this very important bill.

I am wholeheartedly in support of this measure, and I will do everything I possibly can to see that it is passed at the earliest opportunity.

I want to also call to the attention of the House a bill introduced by me on January 3, 1947, H. R. 265, which will remove the monthly maximum placed on the incomes of veterans receiving both compensation and salary allowance for on-the-job training. It is my understanding that a bill similar to this, introduced by the gentleman from New York, Congressman PAT KEARNEY, has been reported out of the Veterans' Affairs Committee, and that for this measure also the Rules Committee has refused to give a rule.

I should like to urge upon the membership of the House that both the Meade bill, H. R. 4212, which will allow an increase in education subsistence allowances, and my bill, H. R. 265, or the Kearney bill, H. R. 246, which will increase the maximum for veterans in earnings while on the job training and also the subsistence allowances for those veterans going to school be reported out to the House and passed at the earliest opportunity.

Income Taxes

EXTENSION OF REMARKS
OF
HON. FRED E. BUSBEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. BUSBEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a letter which I received this morning from one of my constituents. I do not wish to include his name because I have not requested his permission to make his letter public. The writer of the letter is a close personal friend of mine and one whose judgment I seek and respect. I assure you, Mr. Speaker, that he reflects the thoughts of the vast majority of the people in my district. It follows:

JANUARY 12, 1948.

Mr. FRED E. BUSBEY,
Member of Congress, Congress of the United States, House of Representatives, Washington, D. C.

DEAR FRED: I spent Saturday afternoon and Sunday figuring my income tax, also that of my mother's, and this morning I am in a bad mood. Upon coming into the office this morning, I found that my disposition is no different than that of the others around here and we have concluded that we are victims of politicians—Democrats and Republicans included. We do not even count Communists, although there is a smoke screen raised on that issue.

The way we size it up is that the Republicans made a miserable failure of putting across their tax plan which they so freely promised all of us who voted for them. They failed, just for one reason—they succumbed to political pressure of their own party, as well as the Democrats, and voted for the appropriation the boys wanted. In turn, the Democrats kicked them in the face and let the override of high-tax Harry's veto fail.

If the present tax bill is to pass, and to prevent everyone moving to a community-property State, leaving perfectly good positions your friends JOHN TABER and LEO ALLEN will have to let the other boys know that the "tap" is shut off until the tax bill is passed.

We cannot continue to go on year after year digging down into our meager investments to pay our income-tax bills.

This letter is not written with any idea of being funny, it is in a very serious vein, and I think you and the other Republican leaders must realize that when sentiment of this kind begins, it will be felt in places where it will be rather effective.

I heard a very interesting lecture the other evening on why Europe's recovery program broke down—due principally to lack of administrative know-how. If men who have administrative ability in this country commence to think of retiring to get out of all the worries connected with high taxes, and working at half time for the Government, it will indeed be a sad state of affairs.

Very truly yours.

Displaced People

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. MADDEN. Mr. Speaker, the second session of the Eightieth Congress is confronted with a great number of major problems, both from an international and a domestic standpoint. During the last session, committee hearings were held on the question of American contributing its share, along with other nations, toward taking care of the unfortunate

displaced persons now standing by in European camps. During the recent war, over 8,000,000 people were uprooted from their homes and either fled or were forced to find haven in other European countries or localities. Over 7,000,000 of those people today have already been repatriated. The displaced persons remaining today number approximately 900,000. The problem facing democratic nations is to admit these displaced persons to countries where they can establish themselves and become useful citizens. Other countries have already assumed their just burden and have admitted to their borders and reestablished a great number of these homeless people.

Members of Congress visiting Europe during the last summer, learned about this problem first hand. They found that these displaced persons are self-reliant and self-respecting people, determined to make their own living and reestablish their lives if given an opportunity to do so. Many of them were pioneers in the battle against nazism and Hitler tyranny and are now ready to combat and oppose the forces of communistic oppression. They are eager to become useful citizens in any free country. It is impossible for the European economy to support them and of course the United States Army cannot continue to support them indefinitely. They cannot be repatriated as it would be impossible to compel all of them to return to persecution and ultimate liquidation. We should immediately open our doors for the admission of a reasonable number of these people outside the immigration quota system, subject of course to our regular immigration requirements.

Almost all of them are in the American, British, and French zones of Germany and about 530,000 are in the American zone alone. Throughout our country, and especially in the Middle West, millions of acres of productive land could be utilized by most of these new citizens. In the last few years we have had a serious decline in our farm population. More than 2,000,000 persons left our rural areas during the war who did not come back at the cessation of hostilities. American farmers have a big job ahead, producing food for America and the hungry people in the world. The American farmer is short-handed. By channelling a great percentage of these displaced persons to the rural areas, it would relieve the scarcity of farm help and aid in providing food for millions, not only in our country but throughout the world. A great majority of these displaced persons are from the Baltic and Slavic countries. Thousands of their fellow countrymen came to America in the last century and today their descendents are the backbone and sinew of this great republic. They became good farmers, good citizens, and patriotic Americans. There is no reason to believe that their unhappy and homeless countrymen might not do as well. Congress should take immediate action on this pressing problem.

Universal Military Training

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. JENSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

SHENANDOAH, IOWA, *January 13, 1948.*
Hon. BEN F. JENSEN,
Member of Congress,
Washington, D. C.

DEAR SIR: We hear considerable about the proposed military-training matter. People are considerably divided as to the matter.

So far the military situation seems to be the principal part of the argument; but to thousands of people there is an entirely different slant to the matter. During the recent world war, our Government had thousands of boys in camps which was necessary, but in so many cases the Government did not protect the boys from the inroads of liquor and red-light women, as the Government should have done; and thousands and thousands of our good home boys turned out to be booze sots and diseased. That happened over and over again during those trying days; and many citizens are afraid to favor military training for fear the same thing will be repeated—good young fellows taken from their homes and subjected to the power of sinful booze and the things that go with it. Thus much of the military argument in favor of conscription is being lost, whether good or bad, by a definite consideration of liquor back of it all. The Government must lick the liquor situation before the people will really like saying yes to the proposed military training.

Yours truly,

JAMES PEARSON.

Graft and Peonage Spur Red Gains Against Chiang

EXTENSION OF REMARKS
OF
HON. HUGH D. SCOTT, JR.
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. HUGH D. SCOTT, JR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Ivan H. Peterman from the Philadelphia Inquirer:

GRAFT AND PEONAGE SPUR RED GAINS AGAINST CHIANG

(By Ivan H. Peterman)

WASHINGTON, January 18.—The Chinese situation, ever a ponderous skeleton in the international closet, is making such ominous noises these days, that it threatens to tumble out in full view. This despite top secrecy on General Wedemeyer's report.

Manchuria is now 98 percent Red. All the rich, potentially powerful areas are in the hands of Chinese Communists. Chang Chun and Szeping Kai, important industrial cities beyond Mukden, were more or less abandoned last week. The Nationalist government decided to shorten lines, defend the capital, Mukden.

Thus down the oriental drain goes the vast province—among the great hopes of the impoverished Far East—on which so much of China's rehabilitation depended. And the Reds drive on * * * toward the Great Wall, toward the Yellow and Yangtze Rivers, toward Nanking, Shanghai, Chungking and victory. All this in spite of the advice, the superior arms, and encouragement of the Western Powers.

Why? What's the matter in China? What happened to the Republic pieced together by Sun Yat-sen.

I put these questions not to some ancient oriental philosopher, not to a Buddhist mystic or down some wishing well, but to a recently returned American in whose judgment I have complete faith. He gave a story shocking in hopeless outlook, unbelievable by today's enlightened standards. It explains a lot about China.

The Chinese today are paying the bill for centuries of subjugation, ignorance, laissez faire. For passive acceptance of a rotten lot, for cruelty from the top and simple-minded resignation by the masses. Only 15 percent of the population can read or write. Does one have to say more?

Americans first arriving there are unable to understand. They see people having not even a faint idea of democracy; they see graft accepted as part of the general scheme. Everyone grafts. Money is ridiculously worthless. Prices are idiotic.

"The best we could hope for China would be a benevolent despotism of some sort. Democratic principles can't be entertained in our lifetime. The Chinese aren't ready." My friend shrugged.

But why do they go Communist if it offers so little?

"Anything the Reds offer is a lot more than the average Chinese may have. In China, the landlord—the rich, all-possessing head of a community—has everything. The people, working his lands, his mills, his inn, his factory or shop (for he owns the village and countryside surrounding) those people are virtual slaves. They work for him, buy from him, pay taxes through him until they've nothing left.

"When the Communists come, the landlord takes off. If he does not flee, he's apt to be stood against a wall. He's liquidated. Then the Red leader calls the peasants together. 'We give you the land for yourselves,' he says. 'Here each to your own parcel. What you raise and produce is your own, except for a small but necessary tax.'

"Then, to the able-bodied, he hands a rifle, tommy gun, or other weapon. With ammunition. 'Use this if the government forces return,' the leader tells them. 'Use it if the landlord reappears. Resist, then retire to the hills if you must, but be loyal to us. We will come and help if necessary. Until then, return to your farms, your jobs, and wait until the victory is won.' "

My friend tapped reflectively upon the table.

"A rather hard procedure to beat, isn't it? Tough to combat. Difficult to sell to unchained millions still sweating under such landlords, isn't it?"

Are China's Communists closely held by Soviet Russia?

I wouldn't say so, except through their leaders. The latter are carefully trained, some in Moscow. The Chinese peasant, the fellow who is handed the gun, doesn't know anything about communism and has no interest beyond his own rice patch. Yet he is firmly held because of his hate and fear of the landlord, the old order.

Chiang's government is getting worse. Since General Marshall left that country, discouraged and disgusted at its failure to adjust differences and pull together, China has

been on the toboggan. Chiang is a creature of his own military lieutenants, warlords, etc., who accept him as a titular head of the mismanaged, grafting, economically, and politically corrupt federation.

If Chiang goes? Few of his subordinates could even suggest a successor. Many believe if that occurs, if the warlords are gradually ousted or forced to flee, China may retrogress to the scattered province condition prior to Dr. Sun's revolution. Nevertheless, the Nationalist leaders won't reform, the landlords refuse to improve conditions, and China, gasping again and again for American help, struggles like a drowning man—weighted with the lead of injustice, but refusing to let go.

This is the proposition American taxpayers will be asked to underwrite. We can't afford to let Russia control China. But can we afford to maintain Ming Dynasty traditions while upholding the rights of landlords to starve millions? Such is the Chinese problem.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. WALTER G. ANDREWS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. ANDREWS of New York. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD an article appearing in the New York Herald Tribune entitled "No Time for the Seaway" on Sunday, January 18, 1948:

NO TIME FOR THE SEAWAY

Among the many items which Mr. Truman displayed so temptingly in his budget message was that venerable and highly controversial project, the St. Lawrence seaway. This vision of cheap power and a direct route for deep-water vessels from the Great Lakes to the Atlantic Ocean has haunted many Congresses and many political campaigns. It has aroused regional support and regional opposition, as well as much argument over the basic merits of the proposal. With a hotly contested national election in the offing, Congress again seems in a mood to give serious consideration to the seaway.

New York City—indeed, the whole region which makes up the port area—cannot afford to ignore the economic implications of the seaway project. The Port of New York Authority is a public body vitally concerned with the manifold activities which result from New York's splendid harbor and geographical position. It is also an agency which has earned and won a splendid reputation for its sound judgment and broad knowledge of the problems of the port. The Authority has asserted that half of the traffic which the seaway would acquire would be at the expense of the port of New York and that this diversion of business would affect the livelihood of some 200,000 persons in the port district—entailing a severe blow to the whole metropolitan area.

This threat cannot be dismissed lightly. But the national interest is paramount, and if the gain to the country as a whole will outweigh New York's loss, the former must prevail. No single community, even one so large as that comprised in the New York port district, can legitimately set its own well-being against a proved case for any proposal which would meet a national necessity. The case for the seaway, however, is not proved. It has been attacked, authoritatively; on a number of grounds—that it would not, on the scale now contemplated, provide the highway to the sea which its advocates foresee; that its locks would be vulnerable to air assault; that the potential traffic would not justify the investment, annual charges, and loss to established ports. These objections are weighty enough to justify continued objections by New Yorkers to the plan.

And there is an even more urgent reason why, at this particular time, the seaway project should at least be held in abeyance. The costs of government, the mounting pressures of inflation, the unsettled international scene, all are powerful arguments against any major capital expenditure that can be avoided or averted. If an undertaking of the magnitude of the seaway were to enter the competition for scarce goods and labor, the costs of the project would certainly increase. The national budget would be burdened by a substantial additional sum, and the whole effect would be inflationary. Even if Congress were only to authorize the project without appropriating for it immediately, the effect upon other future commitments, such as the European recovery program, might well be unfortunate. There is, therefore, every reason why the seaway should be held in abeyance now, and no reason why it should occupy the time of a busy Congress.

Resolution of Litchfield County (Conn.) Farm Bureau

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. PATTERSON. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to call to the attention of all the Members of this honorable body the following resolution which was adopted by the Litchfield County Farm Bureau at their annual meeting on January 9, 1948.

A close reading of this resolution will point out that not all individual groups of our citizens are bent upon receiving benefits for themselves to the detriment of other groups. I believe that the program embodied in this resolution is one which might well be enacted by the Congress of the United States. I direct your attention to it so that you may be aware of the fine concepts of Americanism demonstrated by this wonderful body of Connecticut citizens. The resolution follows:

We believe that all civilization depends fundamentally upon the food, shelter, and clothing, in that order, which are available to their people, but that all of these depend in turn upon a healthy soil. To that end we urge soil conservation as an integral part of a coordinated farm program adequate to the needs of our people and the world for food, shelter, and clothing.

The Litchfield County Farm Bureau believes that the parity-price concept might be useful in appraising the agricultural situation, but that the present parity system is inadequate, since it does not consider all the costs of production nor conditions of supply and demand, and is inapplicable to present conditions, since it is based on a situation that existed prior to World War I.

We demand a change of the parity-price formula so as to make it flexible, permit of regional differentials, include all of the costs of production and take into account conditions of supply in relation to demand.

While agreeing that agricultural planning is necessary, the Litchfield County Farm Bureau believes that plans should be developed from the ground up and that they should be locally administered. To this end we recommend that all the functions and contacts of the Department of Agriculture with the farmers of the country be coordinated and handled locally by one agency in the interests of both economy and efficiency.

The Litchfield County Farm Bureau deplores the use of subsidies to farmers in the interests of other groups. Where low-income groups exist we believe these should be subsidized, if necessary, through such instruments as the stamp plan, rather than subsidizing the general public at vast national expense.

The Litchfield County Farm Bureau deplores the inflationary trend which is both increasing the farmer's cost of living and lowering the margin of profit in his farming operations. It believes that the Federal Government already has the power to control this inflation.

We recognize that prices are now maladjusted; but believe that any attempt to control them through price control is an attack upon a symptom and not the cause of these maladjustments, and that the effect might well be to drive many northeastern farmers out of business by withholding from them grains essential to the production of milk and eggs.

We urge the Congress to make available to the department of education of the State of Connecticut sufficient funds to insure the continuation of an adequate school-lunch program.

The Share of the Sixth Missouri Congressional District in Foreign-Aid Cost

EXTENSION OF REMARKS
OF
HON. MARION T. BENNETT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. BENNETT of Missouri. Mr. Speaker, it is difficult for the mind to conceive the size of the gifts this country has provided in the past and is being called upon to provide in the future to various foreign countries. Perhaps it will help my constituents to get a better understanding of their individual or per capita share of this program if it is broken down into county and town and compared with local county revenues. The Library of Congress has prepared such an analysis.

Assistance this country's taxpayers have given other countries from July 1, 1940, through June 30, 1947, totals $73,092,058,013. This includes war expenditures.

The assistance we have provided foreigners since the end of the war, from July 1, 1945, through June 30, 1947, amounts to $24,099,211,087. This sum

does not include approximately half a billion dollars just voted by Congress at the request of the President as stopgap aid pending a decision on the Truman-Marshall plan.

The Truman administration is now asking Congress for seventeen additional billions for foreign aid, with six billion eight hundred million of it to spend in the next few months.

The amount already provided since the end of the war equals $183 for every man, woman, and child in America, on the basis of the last official census. It has cost each average American family more than $25 per month for each of the last 2 years. That is the main reason for high taxes and high prices.

The official figures prepared by the Library show three things:

First. The cost of foreign aid since VJ-day to the residents of each county and principal town in the Sixth Missouri Congressional District.

Second. The per capita cost to residents of each county and town of the proposed Truman-Marshall plan for $17,000,000,000 more.

Third. The county revenue received from all sources from March 1, 1945, to February 28, 1946, the last dates available for such comparison.

Sixth Missouri Congressional District

County and cities	Foreign aid July 1, 1945, to June 30, 1947—peacetime assistance	Foreign aid proposed by Truman-Marshall plan now pending	Total foreign aid provided and proposed	Annual tax receipts
Barton	$2,589,084	$2,065,608	$4,654,692	
Golden City	158,661	126,582	285,243	$164,274
Lamar	547,536	436,832	984,368	
Liberal	141,093	112,566	253,659	
Bates	3,574,173	2,751,526	6,325,699	
Adrian	158,844	126,728	285,572	
Amsterdam	31,476	25,112	56,588	
Butler	541,314	431,868	973,182	249,503
Hume	89,121	71,102	160,223	
Rich Hill	364,902	291,124	656,026	
Rockville	61,488	49,056	110,544	
Cass	3,574,722	2,851,964	6,426,686	
Belton	177,693	141,766	319,459	
Creighton	49,776	39,712	89,488	
Drexel	82,350	65,700	148,050	366,637
Garden City	109,617	87,454	197,071	
Harrisonville	424,926	339,012	763,938	
Pleasant Hill	378,594	309,228	696,822	
Cedar	2,140,551	1,707,762	3,848,313	
El Dorado Springs	428,586	341,932	770,518	92,443
Stockton	146,583	116,946	263,529	
Greene	16,569,003	13,218,986	29,787,989	
Ash Grove	201,483	160,746	362,229	
Republic	144,570	115,340	259,910	1,148,942
Springfield	11,206,554	8,940,748	20,147,302	
Henry	4,083,279	3,257,698	7,340,977	
Clinton	1,105,503	881,986	1,987,489	301,548
Urich	85,095	67,890	152,985	
Windsor	434,259	346,458	780,717	
Johnson	3,955,911	3,156,082	7,111,993	
Holden	332,694	265,428	598,122	378,115
Knob Noster	117,120	93,440	210,560	
Warrensburg	1,073,844	856,728	1,930,572	
Pettis	6,100,488	4,867,056	10,967,544	
Green Ridge	64,050	51,100	115,150	
La Monte	89,853	71,686	161,539	562,254
Sedalia	3,738,324	2,982,488	6,720,812	
Smithton	73,932	58,984	132,916	
Polk	3,184,200	2,540,400	5,724,600	
Bolivar	482,388	384,856	867,244	183,549
Humansville	143,838	114,756	258,594	
St. Clair	2,405,718	1,919,316	4,325,034	
Appleton City	217,404	173,448	390,852	126,172
Osceola	217,770	173,740	391,510	
Vernon	4,682,238	3,735,556	8,417,794	
Bronaugh	48,495	38,690	87,185	
Nevada	1,497,123	1,194,426	2,691,549	282,149
Sheldon	84,729	67,598	152,327	

Summary by counties, Sixth Missouri Congressional District

County	Foreign aid July 1, 1945, to June 30, 1947—peacetime assistance	Foreign aid proposed by Truman-Marshall plan now pending	Total foreign aid provided and proposed	Annual tax receipts
Barton	$2,589,084	$2,065,608	$4,654,692	$164,274
Bates	3,574,173	2,751,526	6,325,699	249,503
Cass	3,574,722	2,851,964	6,426,686	366,637
Cedar	2,140,551	1,707,762	3,848,313	92,443
Greene	16,569,003	13,218,986	29,787,989	1,148,942
Henry	4,083,279	3,257,698	7,340,977	301,548
Johnson	3,955,911	3,156,082	7,111,993	378,115
Pettis	6,100,488	4,867,056	10,967,544	562,254
Polk	3,184,200	2,540,400	5,724,600	183,549
St. Clair	2,405,718	1,919,316	4,325,034	126,172
Vernon	4,682,238	3,735,556	8,417,794	282,149
Total	52,859,367	42,071,954	94,931,321	3,855,586

Mikolajczyk Tells How United States and Britain Appeased Stalin While Stalin Was Crushing the Poles

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include two additional installments of articles published in the Milwaukee Sentinel that continue to describe the abandonment by the leaders of the United States and Great Britain of the principles of the Atlantic Charter, when it came to dealing with Stalin in his crushing of Poland. If some of us cannot understand now why we are confronted with the communistic ogre, it will be remembered that our leaders grievously sinned against human freedom in the abandonment of Poland to the rapacity of the Communist dictator. Following are two additional installments of Mikolajczyk's story:

RUSS WITHHELD UNITED STATES FOOD FROM POLES

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment VIII)

Prime Minister Sikorski, my predecessor as head of the Polish Government-in-Exile, flew from London to Moscow in December 1941 for several reasons.

He believed that by seeing Stalin, and sitting down with him man to man, he might be able to explain the unfriendliness of Russia's retention in labor camps of many of the 1,500,000 Poles the Reds had forcibly taken into the U. S. S. R. during the time when Hitler and Stalin were collaborating in the rape of Poland.

He believed, too, that Stalin, as a military man, would be able to shed some light on the 11,000 Polish Army officers who had not reported to General Anders for service in the Polish Army being formed in the Soviet to continue the fight against the Germans.

He hoped he would be able to remove the obstacles surrounding the supplying of the Polish Army in Russia. At this time, supplies for the Poles were so short that three soldiers were existing on one soldier's rations, which at their best were far below those of any other Allied army. He hoped, also, to expedite the delivery of promised United States and British, as well as Russian, military aid for the Polish troops in Russia.

At the same time he hoped to be able to obtain proper care for Polish citizens who had been released from their work-concentration camps and who were in desperate need of the relief we could now offer them through American aid and our operatives in the U. S. S. R.

He did not know that such relief was about to be stopped, for a reason which was shocking then and remains just that today: the food and even the tin containers in which it was packed were too good to suit the Russians.

That is the truth. Russian citizens, examining what was being shipped to our people

from the United States, began to wonder aloud how a country where the despotism of capitalism was rife could produce such bounty. So their Communist overseers stopped the shipments, as needed as they were.

General Sikorski flew from Kuibyshev to Moscow protected by Russian fighter planes. The Germans were so close to Moscow that their cannonading could be heard in the streets of the frozen, blacked-out capital. The general brought up the matter of the missing Polish officers as soon as he was seated in Stalin's study.

"They were liberated," Stalin said, "they just have not yet reached your quarters."

Sikorski insisted that this was not possible; that if they were alive they would be ready and eager to rejoin the fight against Germany.

Stalin muttered something about their probably having escaped.

Unable to gain any more information from the Red leader, Sikorski turned to General Anders, who sat at his side, and lauded him to Stalin.

He reminded Stalin that Anders had been wounded eight times in the fight against the combined Nazi and Red forces in 1939 and then had been arrested by the Russians when he sought to come to London to continue the fight.

Stalin looked solemnly at Anders.

"How long were you in prison?" He asked the commander in chief of the army we were trying to form to help Russia fight Hitler.

"Twenty months," Anders answered evenly.

"Were you treated well?" Stalin asked.

"No," Anders answered directly. "I was treated very badly in the camp in Lwow. In Moscow it was a little better, if the word 'better' can be used."

Stalin looked back at him and shrugged. "Such were the conditions," he finally said.

TALK OF FRONTIER

Before the long night was over, Stalin agreed, however, to outfit our forces in Russia and sternly bawled out General Panfilov, his deputy chief of staff of the Red Army, for ignoring his orders to supply the Polish troops—most of whom were housed in stoveless tents in subzero weather, so eager were they to carry on.

The following night, December 4, 1941, with the Germans only a few miles from Moscow, Stalin entertained Sikorski lavishly at the Kremlin. At the height of the party, however, he turned suddenly to Sikorski.

"Now we will talk about the frontier between Poland and Russia," he said.

SLIGHT ALTERATIONS

Being essentially a military man, and knowing Russia was retreating in the face of the Nazi tanks, Sikorski was taken by surprise at this twist of Stalin's mind. He replied that he had no authority to discuss such matters; that Poland assumed that the old prewar boundaries would prevail once the war was won.

"I'd like to see some alterations in those frontiers," Stalin insisted over his vodka. "They'll be very slight alterations."

Sikorski resisted this and Stalin dropped the subject.

Following this evening a joint Polish-Russian mutual assistance pact was announced. It pledged the two governments not only to fight the war until the German invaders were destroyed but to promote a durable alliance of democratic countries for lasting peace. Specifically, the pact's three points were:

1. Poland and Russia, together with Great Britain and other allies, would wage war until the final victory over Germany.

2. Both governments would render each other full military assistance and in peacetime their relations would be based on good neighborly collaboration, friendship, and mutual honest observance of their undertakings.

3. After victory, it would be the task of the Allied states to insure a durable and just peace.

This pact of friendship, signed by both Sikorski and Stalin, as published by Tass, official Soviet news agency, declared that after "a victorious war and appropriate punishment of the Hitlerite criminals" there must be restored in Europe "respect for international law backed by the collective armed might of all the Allied states."

Sikorski left Moscow a troubled and bewildered man. On his mind was the fate of the 1,500,000 Poles in Russia, their misery, their hunger, their helplessness in the face of a desperate need.

Still too clear was the picture of thousands upon thousands of Poles dying in the Russian camps from hunger and disease. He knew only too well that if the pact he had just concluded did not work, the 1,500,000 Poles in Russia would be doomed forever.

REDS GET UNDER WAY

On the surface everything was all right. He clung tenaciously to the hope that, somehow, the thousands of missing officers would appear, that the Reds would indeed supply our men and not renew demands for border alterations which, in the light of the conditions of the war, were presumptuous and, in the light of solemn pacts, criminal.

But the Red machinery was well under way. A Soviet news broadcast soon flatly stated:

"The question of frontiers between the Union of Soviet Socialist Republics and Poland has not been settled and is subject to settlement in the future."

Later, in London, Sikorski was informed by the British that Stalin had reported that the main post of the Polish forces in Russia was being shipped to Tehran and North Africa "on request." Stalin, who had promised only a few days before to supply them, now accused them of cowardice.

LUBLIN BEGINNING

But no new word ever came of the whereabouts of the missing 11,000 Polish officers.

There were other disturbing factors for the Polish Government in London. While Sikorski and Stalin were signing a joint declaration of their war aims against Hitler, Stalin was establishing the "Organization of Polish Patriots" at nearby Saratov, under the leadership of a Polish Communist woman writer, Wanda Wasilewska, who later became a member of the supreme council.

Wanda, who hailed from the prewar Polish town of Lwow, which was occupied by the Russians during the time of the Ribbentrop-Molotov agreement in 1939, is married to a Mr. Korniejczuk, a Ukranian, who now serves as a deputy in the Soviet foreign ministry.

It was the beginning of the Lublin Government. It was the beginning of the police state which "liberated" Poland was to become.

UNITED STATES, BRITAIN GAVE STALIN FREE HAND IN CRUSHING POLES

(Installment IX)

The composite "ear" of London and Washington began to grow deaf to the pleas of the Polish Government-in-exile at the beginning of 1942.

The British were determined to do nothing to disturb their Anglo-Russian relations; even to the extent of overlooking the interests of Poland, their ally over whose problems they had gone to war in 1939.

So we began to look to America to bring the necessary pressure on the Red chieftain. But the Russians, though hard pressed in a war of survival, could and did act the part of a conquering power in diplomatic circles. What is worse, they were permitted to get away with it—and their political aggression continues to this day.

In 1942 Molotov felt secure in telling Secretary of State Cordell Hull in Washington, when Hull questioned him about Soviet pressures on Poland, that it was none of his business.

United States Ambassador to Moscow, Admiral Standley, began having difficulty seeing Molotov or Stalin when the subject dealt with anything except additional lend-lease supplies.

Appeasement of Russia grew by the hour, both in London and Washington. The American people felt, it seemed to the anxious Poles in London, that there was something almost shameful about their inability to open the second front which Stalin and his cohorts were crying for.

Careful Communist propaganda, which stressed the activities of the Red Army and neglected all Russian depredations, made its weight felt in the free press of the Allies.

The picture of Russia became easily distorted. Ambassador Ciechanowski reported from Washington that pro-Soviet elements had moved into important places in the United States war agencies and that any American who attempted to bring up such distasteful matters as, for instance, the cold-blooded murders of the two Polish Jewish Socialists—Victor Alter and Henryk Ehrlich—was pilloried as a Fascist.

We finally had to protest to the United States Department about the tone of the OWI broadcasts to Poland.

Such broadcasts, which we carefully monitored in London, might well have emanated from Moscow itself. The Polish undeground, fighting a sadistic Nazi foe which in time was to murder more than 5,000,000 of our people wanted only to hear what was going on in the United States—toward which it turned haggard but hopeful eyes.

It was not interested in pro-Soviet propaganda from the United States since it duplicated that which was being sent from Moscow itself.

We turned from Churchill to Roosevelt, then back to Churchill again and thence to Roosevelt, without avail. They were sympathetic but continued to impose silence upon us—reluctant to inject anything into their relations with Stalin which might displease him.

Each counted upon making a personal plea to him in respect to Poland at a meeting which Stalin continued to postpone.

UNBEARABLE MUTENESS

In the echelons beneath Churchill and Roosevelt, our position worsened. We were constantly told not to make any move which might anger Stalin or give him an opportunity to break relations with our group in London.

That imposed on us an often unbearable muteness in the face of ridiculous charges being increasingly flung at us by Communist writers and fellow-traveling journalists in the world press, including the free segment of it.

We could not even speak aloud when our Ambassador to Moscow was abruptly handed a note on January 16, 1943, telling him that the 1,500,000 Poles who had been forcibly taken into the Union of Soviet Socialist Republics in 1939 had been made Russian citizens.

PROTESTS IGNORED

Our own diplomatic protests to Moscow were ignored. When we took the matter to Washington, Mr. Wells suggested General Sikorski should again call on Stalin, but we

pointed out such a move would be futile unless he could go with the written assurance the United States would back him up.

We had thereafter to reckon with the Roosevelt administration's definite appeasement of Russia. It became a heavy cloud over our London efforts, but we tried to understand it: Russia was beginning to throw back the German forces.

The United States and Britain had been unable to open the second front, partially because of heavy contributions to Russia's war effort, and their forces were undergoing scant progress in North Africa.

FEARED CAPITULATION

As for the British Government, it apparently had begun to fear Germany might now abruptly capitulate or negotiate a peace with the Red Army before British forces could step back on the continent, and that Britain's position in Europe might thus be irreparably damaged.

After Roosevelt's return from Casablanca, we were told he considered the status of Russian-Polish relations so "delicate and difficult" he did not choose to intervene at just that time—though we pointed out to him that more than a million and a half pawns of aggression, whose husbands and sons were now fighting the Germans, were being held as hostages by a colleague in the anti-Hitlerite fight.

"KEEP SHIRT ON"

He said he could do nothing except marvel at the workings of the Soviet mentality, and would not at that time restate the principles of the Atlantic Charter to which Russia had subscribed.

Our people in Russia, back on starvation rations and increased slavery, were forced at gun point to sign Russian citizenship papers. Those who balked were jailed, beaten, and in some cases shot.

We tried to tell Churchill and Roosevelt that our continued silence was regarded by Stalin as an invitation to renew his political aggression against all democracies.

The best answer we got was "Keep your shirt on."

There followed a period of buck passing, with Poland in the middle.

Everything would be changed just as soon as Roosevelt and Churchill could sit down with Stalin—at Stalin's leisure.

Everything.

Amendment of Federal Employees Classification Act

EXTENSION OF REMARKS

OF

HON. ELLSWORTH B. FOOTE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. FOOTE. Mr. Speaker, under leave to extend my remarks in the Appendix of the CONGRESSIONAL RECORD, I wish to include a bill which I have introduced in the House today which will benefit thousands of Federal workers throughout the country by clarifying the Federal Employees Classification Act of 1923 so that within-grade salary advancements date from the first day following completion of each 12 months of service. Heretofore bookkeeping delays had resulted in loss of pay from 5 to even 30 days each year amounting to a considerable sum during an employee's tenure in office.

The bill reads as follows:

Be it enacted, etc., That so much of subsection (b) of section 7 of the Classification Act of 1923, as amended, as precedes the colon is amended to read as follows:

"(b) All employees compensated on a per annum basis, and occupying permanent positions within the scope of the compensation schedules fixed by this act, who have not attained the maximum rate of compensation for the grade in which their positions are respectively allocated, shall be advanced in compensation successively to the next higher rate within the grade at the beginning of the first day following the completion of (1) each 12 months of service if such employees are in grades in which the compensation increments are less than $200, or (2) each 18 months of service if such employees are in grades in which the compensation increments are $200 or more, subject to the following conditions."

List of Property Taken Over by Alien Property Custodian Which Has Recently Been Returned

EXTENSION OF REMARKS

OF

HON. LINDLEY BECKWORTH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. BECKWORTH. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following tabulation:

Property returned to American citizens and friendly nationals that had been vested under findings that it was owned by nationals of Germany

Order No.[1]	Returned to—	Description of property	Value
N. 1	Askania Regulator Co	6 patents	
N. 2	Radio Corp. of America	44 patents	
D. O. 1	Edgar Ausnit	100 percent capital stock of Cis-Atlantic Corp.	
		100 percent capital stock of Cis-oceanic Corp.	$8,000.00
D. O. 3	American Lumber & Treating Co	7 patents	
D. O. 4	Welding Research, Inc	1 patent application	
D. O. 7	Edward G. Budd Manufacturing Co	2 patents	
D. O. 8	William Kroll	1 patent	
D. O. 11	The National Cash Register Co	20 patents	
D. O. 13	Anaconda Wire & Cable Co	1 patent	
D. O. 15	Elton H. Remington	do	
D. O. 16	The International Nickel Co	do	
D. O. 17	Seophany Corp. of America	do	
D. O. 19	Karl Ludwig Schiff	1 patent application	
D. O. 20	Paul E. Hawkinson Co	1 patent	
D. O. 21	Remington Rand, Inc	do	
D. O. 24	Bronislaw Goldman	do	
D. O. 25	Allied Chemical & Dye Corp	do	
D. O. 27	Bagpak, Inc	8 patents	
D. O. 28	do	1 patent	
D. O. 29	W. F. & John Barnes Co	2 patents	
D. O. 31	Edward G. Budd Manufacturing Co	1 patent application	
D. O. 35	Bernhard Erben	1 patent	
D. O. 36	Harold G. Henry	do	
D. O. 38	Montfort Investment Co	do	
D. O. 39	National Cash Register Co	do	
D. O. 40	do	4 patents	
D. O. 41	do	1 patent	
D. O. 44	Wallace R. Turnbull	do	
D. O. 45	Radio Corp. of America	do	
D. O. 46	Eugene Mittelmann	do	
D. O. 49	The Anglo California National Bank of San Francisco.	do	
D. O. 50	United States Metal Powders, Inc	2 patents	
D. O. 51	do	9 patents	
D. O. 52	do	14 patents	
D. O. 54	Link-Belt Co	1 patent	
D. O. 55	Walter Wisbrun	2 patents	
D. O. 56	General Electric Co	1 patent; 1 patent application	
D. O. 57	B. S. A. Tools, Ltd	1 patent	
D. O. 58	Davis & Co., Inc	do	
D. O. 59	The Fate-Root-Heath Co	1 patent; 1 patent application	
D. O. 60	Radio Corp. of America	1 patent	
D. O. 61	Imperial Knife Co., Inc	do	
D. O. 62	General Electric Co	1 patent application	
D. O. 64	Franz Puening	1 patent	
D. O. 65	Walter Sobernheim	Securities	44,000.00
D. O. 71	Alfred Marshutz	1 patent	
D. O. 72	Aluminum Co. of America	do	
D. O. 73	American Diagrid Corp	do	
D. O. 81	The Hoover Co	do	
D. O. 82	Lewis Larsen, trustee	do	
D. O. 84	Reynolds Metals Co	do	
D. O. 87	United States Radium Corp	do	
D. O. 89	Robert Honigsberg	do	
D. O. 90	Leopold Lion	do	
D. O. 91	Bessie E. Steeves, administratrix of the estate of Aubrey.	do	
D. O. 92	Georg Szekely	2 patents	
D. O. 93	Leopold H. P. Klotz and North American Investing Co., Inc.	Notes issued by Luscombe Airplane Corp.	457,000.00
Do	do	Notes issued by American Investing Co., Inc.	251,000.00
Do	do	225,000 shares of capital stock of Luscombe Airplane Corp.	488,000.00

Footnotes at end of table.

Property returned to American citizens and friendly nationals that had been vested under findings that it was owned by nationals of Germany—Continued

Order No.[1]	Returned to—	Description of property	Value
D. O. 94	Maurice Stern	1,734 shares common stock of General Aniline & Film Corp.	$109,000.00
D. O. 95	Chemipuls Process, Inc	4 patents	
D. O. 97	The Firestone Tire & Rubber Co	1 patent	
D. O. 99	Mechanite Metal Corp	2 patents	
D. O. 100	Precise Products Corp	do	
D. O. 105	Mary A. Leppla	Personal property	100.00
R. 4	Arnold Janowitz	1 patent	
Do	Paul Nickelsberg	do	
Do	Franz Schatzky	do	
Do	Arthur M. Seligman	7 patents	
Do	Delamere Co., Inc	1 patent	
Do	Norbert Bernheimer	do	
Do	Max Jacoby	do	
Do	Inter-Allied Patent Corp	do	
R. 6	Arno Brasch	5 patents	
R. 8	Walter H. Lowston	1 patent	
Do	Hans Lewin	do	
Do	Ingersoll-Rand Co	do	
R. 9	California Spray-Chemical Corp	do	
R. 10	International Shoe Co	do	
R. 11	Petrolite Corp., Ltd	do	
Do	Rudolph Waldman	do	
R. 12	Bagpak, Inc	2 patents	
R. 13	The Celotex Corp	do	
Do	Walter M. Weis	1 patent	
R. 14	Maywood Chemical Works	9 patents	
Do	The Singer Manufacturing Co	1 patent	
R. 15	Dr. Walter R. Hearst	do	
R. 17	Albert H. Stronstorff	do	
R. 19	Charles N. Ehrlich	do	
Do	R. Hoe & Co., Inc	do	
Do	The Light Conditioning Co. of America, Inc.	do	
Do	Pyrene Development Corp	do	
R. 20	Eastman Kodak Co	do	
Do	Dr. August von Borosini	do	
R. 21	Shell Development Co	1 patent application	
Do	Ottmar Loew	1 patent	
R. 22	Builders Iron Foundry	do	
R. 24	Standard Brands, Inc	do	
R. 28	Herman H. Frischer	7 patents	
Do	Karl W. Posnansky	1 patent	
R. 29	Emma Lochner	Cash	12,853.58
R. 31	Henri Weuter Jonkhoff	4 patents	
R. 32	Stephanie Schybilsky Posament	Cash	2,666.49
Do	Josephine M. Lorsch	do	14,197.57
R. 34	Joachim Kolbe	9 patents	
R. 35	Henry J. Beal	Cash	111.76
R. 37	Rudolf A. Sems	do	1,658.96
R. 38	The First National Bank of Chicago with will annexed of the estate of Alfred Quensel.	do	30,861.84
R. 46	Enrique Kummerfeldt	362 shares of common stock of Central American Plantations Corp.	1,000.00
Do		Cash	26,436.00
R. 47	Amalie Fese	do	874.69
R. 50	Anemostat Corp. of America	1 patent	
R. 54	John L. Nicholas	Cash	246.83
R. 61	Serge Koussevitsky	do	4,208.10
R. 62	Erminia Binda	do	5,362.46
R. 63	Leslie Co	1 patent	
R. 64	Kurt M. Vogel	13 patents	
R. 66	Elizabeth Lewin	1 patent	
(2)	J. Robert Bonnar		7,080.00
(2)	Elizabeth S. Hallbach and F. H. Stafford, as trustees		557,550.00
(2)	Henry F. Hermann		3,540.00
(2)	Percy Kuttroff		26,550.00
(2)	Rudolph Lenz		47,200.00
(2)	H. W. Martin		41,300.00
(2)	Lennart Swenson		8,614.00
(2)	A. T. Wingender		4,720.00
(2)	George La Valle		5,900.00
Total			2,160,032.28

[1] N indicates nullification order; D divesting order; R return order.
[2] Amounts paid in settlement of litigation involving vested stock in General Dyestuff Corp. For details see Annual Report, Office of Alien Property Custodian, fiscal year ending June 30, 1945, pp. 72-73.
Source: Office of Alien Property, Department of Justice, Jan. 15, 1948.

The Taft-Hartley Law Really Hurts Labor

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. FEIGHAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following article reprinted from the December 1947 issue of the Railroad Trainman:

THE TAFT-HARTLEY LAW REALLY HURTS LABOR

(Gerhard P. Van Arkel, attorney, Washington, D. C., who served as General Counsel for the National Labor Relations Board and who resigned when the Taft-Hartley law was enacted, and who is regarded as the best authority in the Nation in matters involving the National Labor Relations Act and the emasculated law known as the Taft-Hartley Act, analyzes an article by Mr. J. Mack Swigert, law partner of Senator TAFT, which appeared in the Saturday Evening Post of October 25, 1947.)

The October 25, 1947, issue of The Saturday Evening Post contains an article by J. Mack Swigert, partner of Senator ROBERT A. TAFT, called The Taft-Hartley Law: Does It Really Hurt Labor? This well-known corporation lawyer has little difficulty in concluding that the act is really very good for labor. It's a little like a doctor saying, "But I feel no pain," when a patient complains of a bad headache. Corporation lawyers generally find that the Taft-Hartley Act does wonderful things for labor, and loftily pooh-pooh the bitter protests against the act from the officers and members of all trade unions—AFL, Railway Brotherhoods, CIO and independents.

Mr. Swigert's first point is that labor's gains under the Wagner Act and the Norris-LaGuardia Act are fully protected. But the truth of the matter is: 1. The right to strike has been circumscribed in every manner that legal ingenuity could devise. 2. By providing that the National Labor Relations Board may not order the reinstatement of persons discharged "for cause," and then defining "cause" to cover a wide range of union activities, the act substantially removes the protection of the Wagner Act against discrimination because of union activities. 3. By hampering procedures, separating the functions of the National Labor Relations Board, widening the power of the courts to review board proceedings, making the technical rules of evidence apply in board hearings, and a host of minor changes the enforcement of any rights which existed under the Wagner Act becomes extremely difficult. 4. The protection against "company unions"—organized and controlled by the employer—has been materially weakened.

5. The Norris-LaGuardia Act forbade the courts to grant injunctions against strikes unless violence were involved and certain other conditions were met; the Taft-Hartley Act restores "Government by injunction" by compelling the Government to seek injunctions against certain types of strikes. The great majority of Supreme Court decisions of the past 10 years which conferred a measure of protection on labor's right to organize have been overruled. This—from the point of view of a corporation lawyer—is the manner in which the rights of labor have been fully protected.

Mr. Swigert's second point—seen from his neutral corner—is that the Taft-Hartley Act has granted "14 privileges * * * to the workingman without his knowledge, like a legacy to an unknowing heir." The workingman cannot be expected to cheer the unsolicited legacy of a worthless and debt-ridden estate.

His important thesis is that the Taft-Hartley Act has emancipated the workingman "from domination by unions and union bosses." Curious, how much that "domination" is resented by corporation lawyers and other paid spokesmen for big business, and how little by the workingmen who are supposedly so oppressed. In elections held by the NLRB, by secret ballot, workers have for many years voted by majorities of almost three-fourths—a majority substantially larger than Senator TAFT received when he last ran in Ohio—in favor of such "domination." Mr. Swigert has dealt with enough unions on behalf of corporations to know that the stronger the union the more it can do for its members. But he can't, for propaganda reasons, say that; so the strength of the union becomes the "strength of a few labor bosses" to present the illusion that the rank and file play no part in making the union strong. It must be readily conceded that the Taft-Hartley Act gives the worker a right he did not have before: To belong to a weak rather than a strong union.

How about these 14 new "freedoms"?

1. THE RIGHT TO WORK

Let's call it denial of the right to engage in free collective bargaining with an employer about the closed shop, since that's what Mr. Swigert is really talking about. The closed shop, which has worked well in many industries, is out. So is the union security agreement—by which employees must join the union 30 days or more after being hired—unless the union goes through the elaborate rigmarole imposed by the act. And, contrary to Mr. Swigert's assertion that this prevents discrimination against colored citizens, it is noteworthy that such discrimination is expressly sanctioned (see CONGRESSIONAL RECORD, vol. 93, p. 6372) by the provisions of the act. The purpose of these sections is to weaken the power of unions in collective bargaining by encouraging workers to stay out of unions. So that there could be no doubt about it, Senator TAFT expressly wrote into section 7 of the act the right to "refrain from" engaging in union activities. Workers had that right before, but the real complaint of the sponsors of the act is that not enough of them undertook to exercise it.

To prove his point Mr. Swigert sheds a few hot crocodile tears for someone he apparently does not know, since he incorrectly states his name. Mr. E. E. Pfoh violated a law of the Brotherhood of Railroad Trainmen, which forbade direct solicitation of members other than pursuant to authorized action of the brotherhood. He was tried pursuant to the constitution of the brotherhood where he had two full hearings, and, after full consideration of the facts, was expelled from the union. Pfoh took an appeal to the courts and had a full jury trial in the Common Pleas Court of Cuyahoga County, Ohio. An appeal was taken and on June 25, 1945, the Court of Appeals of the State of Ohio, directed that judgment be entered for the brotherhood, a decision which the Supreme Court of Ohio refused to review. Mr. Swigert has the right of any citizen to disagree with a decision of the courts but to put forward this case as an example of arbitrary action by a union in expelling a member is certainly ill-advised. How many of the employees of the corporations which Mr. Swigert represents have an equal right of hearing, and appeal to the courts if they are wrongly discharged from their jobs? What appeal have the purchasers of the products of those same corporations if prices are arbitrarily raised? What can the stockholders do if those same corporations arbitrarily refuse to distribute dividends owing them? If Mr. Swigert is worried about the power to take arbitrary action, he would do well to examine more closely the practices of his clients instead of worrying about a nonexistent evil in the trade-union movement. Union members are protected, not only by the laws of their unions, but by the law of the land, as the Pfoh case shows, against arbitrary expulsions.

2. PROTECTION FROM UNION THREATS AND VIOLENCE

Propaganda has been carefully spread for years that would tie unions to threats and violence. The same propaganda carefully conceals the use of threats and violence on the corporation side. The reports of the La Follette committee document with care the purchases of tear gas, tommy guns, machine guns, and the like by our large corporations for use in labor troubles. Take a little look at labor history, and immediately you see that the real violence has been on the management side; from the Homestead riots through the Ludlow Massacre down to the Chicago Memorial Day killings. Every union leader—and every corporation lawyer—knows that violence during a strike discredits the union and the strike, and there have, for that reason, been many cases of the hiring of agents provocateurs by corporations to cause violence during a strike in order to break it.

And if there are threats and violence, local police are invariably present with a patrol wagon to take offenders before the magistrates. Under the Taft-Hartley Act, threats and violence are (so they say) to be remedied by the issuance, many years after the fact, of a "cease and desist" order directing the offender not to do it again. What is needed is genuinely impartial enforcement of existing laws against threats and violence which are adequate to protect the public against any abuses which may arise; the Taft-Hartley Act is in this respect merely a continuance of the propaganda effort to make it appear that unions and violence are synonymous.

3. OUSTER OF UNSATISFACTORY UNION

The purpose of the Wagner Act was to "encourage collective bargaining"—and you cannot have collective bargaining without unions. The unexpressed purpose of the Taft-Hartley Act is to break up unions and defeat collective bargaining. Before, if employees, were no longer satisfied with the union representing them, they would join another or merely cease to be active in the one representing them. But now every legitimate union may be harassed at least once a year by petitions, instigated by employers, seeking to "decertify" the union; another handsome union-busting device for anti-union corporations.

4. RELIEF FROM HIGH INITIATION FEES

Many unions provide their members with large benefits; unemployment benefits, old age retirement funds, burial benefits, and the like—just as do many lodges and fraternal societies. New members, who become immediately eligible to these benefits, are usually required to pay an initiation fee to make up their fair share of what all the members have paid in. What is usual practice in every lodge or fraternity, is "unconscionable extortion" (in the eyes of corporation lawyers) when done by unions. Now the Government is given power, in effect, to run the financial affairs of labor organizations by determining what are reasonable initiation fees. What would you think if the Government were given the same power over the funds of your church or lodge? What would Mr. Swigert think about a law permitting a Government agency to reduce unreasonable profits?

5. BAN ON COMPULSORY CHECK-OFF

In every industrial plant the wages and hours must be uniform. The benefits obtained by the union go to all workers, union members or not. But usually the union members who pay the dues, do the work, and support the union resent the "free riders" who, like drones, accept the benefits of the union without its burdens. By banning the compulsory check-off, the Taft-Hartley Act gives another powerful inducement to those cheapskates who will not carry their fair share of the union load by agreeing that their dues shall be checked off.

6. OPPORTUNITY TO PRESENT OWN GRIEVANCES

In every group there are persons who will put their own advantage ahead of that of others; there are "teacher's pets" in industrial plants as there are in schools. And if the individual worker can settle his own grievance without the union, as the Taft-Hartley Act provides, the "teacher's pets" (most frequently the non-union members) are going to be better treated than the other employees. Fairness?—or a union-busting device?

7. AN END TO JURISDICTIONAL STRIKES AND SECONDARY BOYCOTTS

For many years corporation lawyers have been actively at work attempting to prevent the giving of legal advice by trust companies, newspapers, mortgage associations, and the like. This effort to preserve the jurisdiction of lawyers is called "maintaining the ethics of the profession" and is highly laudable. But when carpenters attempt to protect their right to do carpentering, in order that they may maintain their livelihoods, it becomes, in Mr. Swigert's vocabulary, "a struggle between labor leaders for dues-paying members" and highly sinister.

As for the secondary boycott, let us consider for a moment the case of *Bedford Cut Stone Co.* v. *Journeymen Stonecutters' Association* (274 U. S. 41). There a majority of the Supreme Court, in an opinion which Messrs. Holmes and Brandeis said "reminds one of involuntary servitude," held that it was proper to enjoin a union of stone masons from refusing to set stone quarried by men "working in opposition to the union." The opinion shocked the public, and the agitation which followed a decision that workers might not combine to protect their wages was largely responsible for the Norris-LaGuardia Act. Now—under identical circumstances—the Taft-Hartley Act says: (1) That the Government must ask for an injunction against action; (2) that anyone injured may sue the union for damages suffered; (3) that all the men participating may be discharged by their employers with impunity; and (4) that the union participating is guilty of an unfair labor practice. Fairness?—or an effort to make it impossible for workers to maintain their wage standards?

8. OPPORTUNITY TO BARGAIN IN A CRAFT UNIT

"Divide and rule" is sound industrial as well as political practice. As Chief Justice Taft said in *American Steel Foundries* v. *Tri-City Council* (257 U. S. 209): "They (trade unions) were organized out of the necessities of the situation. A single employee was helpless in dealing with an employer. * * * Union was essential to give laborers opportunity to deal on an equality with their employer. * * * To render this combination at all effective, employees must make their combination extend beyond one shop." It is unfortunate that such intelligence concerning labor problems is not an inheritable characteristic. But, because the individual is helpless in dealing with his corporate employer, industry for years divided and ruled by preventing labor organization. And since, under the stimulus of the Wagner Act, labor has for the most part succeeded in organizing, corporation lawyers now seek to have them organize in the smallest possible group. Often this has advantages, particularly among highly skilled workers. But when employers offer such a gift horse, labor has legitimate grounds for looking at its teeth.

9. EQUALITY FOR INDEPENDENT UNIONS

Why are corporation lawyers so solicitous about the welfare of "independent" unions? The employee representation plans which followed enactment of section 7 (a) of the NRA in 1933 were financed by, dominated by, and supported by, large corporate employers. Their only purpose was to frustrate genuine independence of workers and to provide a sham collective bargaining sufficient to fool the public. Ever since they were outlawed under the Wagner Act, corporations have been thinking back to the good old days of the "independent" union which never bothered management on such unpleasant topics as higher wages or shorter hours. So the Taft-Hartley Act attempts to put these bogus unions on the same plane as affiliates of the genuine trade union movements.

10. LIBERATION FROM COMMUNIST CONTROL

During the year or two before the passage of the Taft-Hartley Act, the American trade union movement did an effective job of ridding itself of most of the few Communists leaders in its midst. In union after union, workers in democratic meetings daily vote into office non-Communist officials. But—if a Communist does get into office—the penalty under the Taft-Hartley Act is paid not by the Communist officials, but by other officers and the union members, all of whom, Commu-

nists and non-Communists alike, are denied access to the procedures of the Government. It is a new philosophy in America which states that my access to the courts shall be curtailed because I belong to an organization which has an official with political beliefs over which I have little or no control—and a dangerous one. It is far too easy to go a step further and demand that all union officials take pledges that they are not Democrats or Republicans, before union members may seek relief from governmental tribunals.

11. A LOOK AT THE BOOKS

The Taft-Hartley Act requires unions to file all sorts of data with the Secretary of Labor, which, says Mr. Swigert, "is not nearly so detailed a report as corporations are required to give the Securities and Exchange Commission." Throughout his article Mr. Swigert appears to believe that unions should be run like corporations; an interesting suggestion since this would mean that unions should be run for private profit, with limited liability, by a small, tightly-run, management group. In any event, minority stockholders' suits in the courts have shown that (except where securities issues are floated) the stockholders have an extremely difficult time learning how their corporations are run. It's dollars to doughnuts that Mr. Swigert opposed, and now opposes, the registration requirements of the Securities Exchange Act and would even more strongly fight a law giving stockholders a look at the books.

12. EXEMPTION FROM PERSONAL LIABILITY

The technique of pointing out how much worse it might have been is now standard practice in defending the Taft-Hartley Act. Mr. Swigert makes quite a point of the fact that the individual is not suable under this Act, though his union is and though his union's funds belong to him and other individual members. The vice here is that a citizen, in order to sue a Federal court before the Taft-Hartley Act, had to show that the amount in controversy was more than $3,000 and that there was diversity of citizenship; that is, that the parties to the action were citizens of different states. But now, under the Taft-Hartley Act, only in the case of union agreements, are these requirements removed: a pointed reminder of the bias and one-sidedness of the act.

13. ESCAPE FROM FORCED POLITICAL CONTRIBUTIONS

On June 5, 1947, the following interchange took place on the floor of the Senate between Senators PEPPER and TAFT. Senator PEPPER: "So a workingman's organization (under the Taft-Hartley Act) would be deprived of the power even of advising its membership of the antilabor record of a man who might be a candidate for public office?" Senator TAFT: "Correct." A church, a lodge, a fraternity—in short, any voluntary organization in this country—may take a position on a political candidate and emphatically may make the political and voting record of candidates available to its membership. But not a labor union. And this has nothing to do with forced political contributions; it is still criminal for a union to make any expenditure on behalf of a candidate even though the union members unanimously vote to make it. Fairness?—or a threat to the political freedom of all of us?

14. SECURITY AGAINST ABUSE OF HEALTH AND WELFARE FUNDS

In the hearings before the Congress, and during the debates, not a single instance was cited of abuses of health and welfare funds. This was not oversight, for the Eightieth Congress dredged up every trade union abuse, no matter how trivial, and expanded the few it found to distort and warp and public's understanding of the American labor movement. Under the Taft-Hartley Act it is now, for example, illegal to set up funds for vacations with pay. Corporation lawyers may enjoy them but a union, by voluntary agreement with its employers, may not provide them for workers through funds set up for that purpose.

There are quite a few things about the Taft-Hartley Act which Mr. Swigert fails to mention. The manner in which the act narrows the responsibility of corporations for the activities of their "agents" and broadens it for unions. The numerous exemptions from the coverage of the Wagner Act, so that large groups of workers are outside the scope even of the extremely limited protection provided by the act. The irrational separation of functions and the setting up of the General Counsel of the Board as a labor czar. The nonsensical free speech provision of the act by which what an employer says may not be used in evidence—contrary to the rule applied in all courts. The renewal of government by injunction in the case of strikes affecting a substantial portion of an industry. The adroit manner in which it has deprived the States of power to deal with management-labor relations by making Federal law alone govern, except that State laws more restrictive of union security agreements than Federal law are allowed to stand. The provisions which allow harassment of the citizen by making the issuance of subpenas mandatory.

As Chairman HARTLEY, of the House Labor Committee, is fond of pointing out, employers and unions throughout the country are busily engaged in finding subterfuges to evade this law. Bootleg union security agreements, the abolition of no-strike clauses in contracts, the predating of agreements, and the like, are tributes to the unrealistic provisions of this second prohibition law. American management and labor have too much sense to give up their accepted methods of collective bargaining in the interests of corporation lawyers, whether they are in or out of Congress. The campaign now being conducted by the National Association of Manufacturers, the Chamber of Commerce, and the like, to go slow and take it easy are the best of all possible demonstrations that even the authors of the act fear the resentment of the American people if the people really learn the full potentialities of this act. Fortunately, Senator TAFT and Mr. Swigert, as small-town corporation lawyers, do not represent that neutral opinion to which the American people turn for guidance.

Glass-House Tenant

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. MILLER of Nebraska. Mr. Speaker, the winter 1947 edition of a magazine published by the University of Nebraska Press at Lincoln, Nebr., contains a very interesting article on Congress by our colleague the Honorable KARL STEFAN, of Nebraska. Under unanimous consent, I include this article in my remarks:

GLASS-HOUSE TENANT

(By KARL STEFAN, Member of Congress)

During the crowded days of the first session of the Eightieth Congress a related series of events took place which will not be easily erased from my memory.

A friend and associate of mine, a long-time Member of the House of Representatives, had been appointed by the President to a position of national importance in an administrative agency. It was necessary that his appointment be confirmed by the Senate. However, before the Senate committee charged with the responsibility of examining the character and qualifications of the appointee could call its own witnesses, a commentator-columnist launched a major publicity blitz against the appointee's good name. The traducer went to the limit of combing the former Member's home district for men to testify in support of his argument that the appointee was lacking in patriotism. He came up with some hand-picked witnesses. The Senate committee permitted their testimony. Then, because of that very testimony, the committee voted overwhelmingly to confirm the President's appointment. The entire Senate accepted the verdict of its committee. These results were a blow to the commentator-columnist, a vindication of my friend.

But what could my friend do? There were still those who did not believe him, still those who did believe the untruths about him.

My friend could publish denials in prominent newspapers for days on end. Yet, when these published denials had to cease because they were no longer news, the columnist could begin again. He would always have the last word. He would always have the final plea before the public sitting as a jury.

My friend could ask for radio time over the same network as that which employed the commentator. Again, the commentator would reply to the reply. The advantage of the last word would still be his.

The customary formula for the smear-blitz is usually "attack-defend-attack-attack-attack." For the Congressman, such defense is an expensive luxury. He absolutely does not have the time. Only in extremely rare instances does he have the money.

The case of my friend, the Presidential appointee, calls to mind what happened on one of those sultry, humid days shortly before the Seventy-ninth Congress became history.

Some 20 Members of the House were breakfasting together for what, to many, would be the last time for several months—and the last time altogether for some.

On my right was a Member from a southern State. He had served brilliantly on important committees. Although he and I had had differences of opinion, I respected his convictions and admired his cool, logical, unemotional analysis of problems affecting us all. Conversation veered to the dean of his State delegation who had recently died in office.

I noticed that my neighbor's hand shook so violently that he was forced to lower his coffee cup. At first his lips moved soundlessly. We were all silent when he did speak.

"He didn't die," the man on my right said. "He was murdered. His murderer is still at large. Yes. And he's doing mighty well for himself."

No names were spoken. No names were needed. All present knew against whom this accusation was aimed. My neighbor's associate had been an elderly man. His heart condition was well known, not only to his colleagues, but to the press and the public. His personal financial interests were the same as those of hundreds, even thousands, of businessmen in his section. However, at the very time of the most serious phase of his illness, he had been made the subject of a one-man campaign of character smearing in the press and over the radio. In the midst of this campaign, without having had his opportunity to answer the charges made against him, he died. In our minds, his detractor was a real-life Gilbert and Sullivan character—at once, judge, jury, public prosecutor and lord high executioner.

This set me thinking about conditions I have known to exist during my more than 12 years in Congress. Every Congressman is a tenant in a glass house, in the sense that he lives completely exposed to irresponsible examination and judgment by his ill wishers. It doesn't do us any good to throw stones, no matter how little we deserve the stones cast at us. A calm, objective study of this most controversial subject is, I think, sorely needed.

When Joe Doakes decides to run for Congress he deliberately puts his privacy in moth balls. He has consciously made his own decision. With his eyes open, and of his own free will, he has walked the plank.

There is a prevailing notion about Members of Congress being so thick-hided as to be impervious to criticism. That is only a myth—and not a very good one, at that. In reality, your national legislators invariably react to what is written of or said about them. Their reactions are not the same in each instance. Circumstances, personalities, and the manner in which our faults are presented make for variety. Still, there are bound to be certain similarities in our responses to the frontal attacks of the broad echelons of criticism.

Our most immediate reaction is to that category of criticism coming from our home districts. Our constituents elected us to represent them in Washington. They are entitled to the best service, the highest type of representation, which we can furnish them. They have the right to comment to us and about us by letter, by phone, or in person.

It is not surprising that we actually welcome a good going-over from home. It helps us to become more efficient public servants.

Judge Anderson calls on me at my office to see if I can't speed the passage of flood-control legislation which he favors. He has no disagreement with me about what I am doing. He does think it is possible for me to get swifter action. Perhaps he is right. Perhaps I am. We each have a 50–50 chance. It could well be that the pressure of "must" legislation, committee meetings, and special assignments has kept me from giving Judge Anderson's project the attention to which it is justly entitled. It also could be that I had done all within my power to bring flood control out on the House floor, but that other bills had had priority.

My phone rings. It is a long-distance call from Bob Wentz, secretary of Blank City's Chamber of Commerce. He wants to know why I voted for a bridge across Smith River at Bluffville instead of voting for one at Blank City. The weight of evidence presented to me has clearly shown that Bluffville is the logical place for the bridge, although, had it been put across at Blank City, it might have extended that community's trade territory. Bob has no new evidence; so I stick by my guns. Maybe he isn't convinced, but he sees the way I figure things out.

This letter is from a former Wave who lives in my home town. She is bitter because I haven't as yet taken a stand on an important naval issue. The truth is that I do realize how vital this subject is. However, I haven't made up my mind definitely. On such a decision there can be no turning back. I must assemble all possible facts before casting my vote one way or the other. Still the Wave does not share my uncertainty; so I write a letter in reply, telling her exactly what I intend to do about the affair in which she is concerned and why.

These people—and people like them—whether or not they agree with me, have the highest priority in telling me what they think of me. They elected me; and they will reelect or reject me. They are the true representatives of the only constitutional pressure group in the United States—the American citizen.

Group criticism from my home district, when supported by fair polling of the rank and file of the group, is also welcomed.

When, after a secret ballot of the entire group, a delegation from a farm organization calls upon me to object to something I have or haven't done, what they have to say has real meaning. Should that delegation call on me without having consulted the rank-and-file membership, I would respect their views as individuals, but I would not consider them as duly qualified spokesmen for the group as a whole. And this goes for chamber of commerce delegations, labor delegations, and veterans' delegations as well. I was selected to represent my district by the secret ballot and by majority rule. It is no more than fair to expect criticism from groups to be presented, governed by the same rules.

One of the chief ventures into futility, as far as I am concerned, is the mimeographed letter or the penny post card which drags me over the coals. These messages, identical in wording, even to typographical errors, and distinguished only by differing signatures, are promptly discounted.

Next in order in the futility field is the mass march-on-Congress procedure. Members who are actually in favor of a measure have been known to change their votes when confronted by this vicious form of intimidation. We former teachers, lawyers, preachers, radio announcers, merchants, ex-servicemen, and farmers do not take easily to mob threats. We are the same kind of Americans that you are. Being condemned by the lawless merely raises us in the esteem of the law-abiding.

Each Congressman gets plenty of the trial-by-battle treatment. Read your CONGRESSIONAL RECORD. Or, better yet, go up into the House galleries the next time you are in Washington while your Congress is in session. There you can be an eyewitness to the verbal crossfire to which your Congressman is subjected. Republicans strike at Democrats. Democrats blast Republicans. Republicans blast Republicans. Democrats strike at Democrats. This method is healthful. In this way individual and party opinions are winnowed. In this way the chaff is separated from the wheat.

Nor would any examination of America's glass-house tenants be complete without considering the role of our system of elections. Most of us have opposition in the primaries and in the general elections every 2 years. That opposition is seldom remiss in tearing apart our legislative service records. If the evidence so presented is sufficient, we are returned—to private life.

There is just one test which Congressmen apply to all types of criticism. That test is: Is it informed criticism? It is difficult to take seriously the slurs of delegations who have repeatedly called on us to do what we can to further legislation when that legislation has already been passed. It is impossible not to resent letters taking us to task for not getting bills out of committee when those same bills have already been debated, voted upon, and signed by the President.

Grown-ups don't like being told off for something they haven't done when they have done it any more than children like it—even if the ones who do the "telling off" have the best right in the world to do it.

Even with the recital of this formidable roster of critics of Congress the whole story has not been told. There still remains the impact of press and radio.

Objective "hard news," whether it is reported over the radio or in the press, is an aid to Congress. When what happens is told as it happens—not slanted, warped, twisted or angled—it is an expression of the freedom of speech guaranteed by our Constitution. When truth is so manipulated as to become falsehood it approximates the evil, fraudulent methods of reporting under dictatorships. From my observation of straight news reporting on Capitol Hill, I am happy to state that 90 percent of the correspondents on this beat shun such totalitarian methods themselves and scorn the few who do go in for counterfeiting hard news. Radio reporters of hard news maintain the same high percentage of honesty in their newscast.

Newscasters and reporters call the news as they see it. That is their job.

It is the job of columnists and commentators to shed light on the story behind the news.

Newspapers often accompany a column with the announcement that "John Doe's ideas are his own, and may or may not reflect the editorial policy of this newspaper." In like manner radio stations increasingly identify their purveyors of criticism by: "Joe Blow's opinions are his own, and are not necessarily those of this station or of Puffie's Fish Food, his sponsor." With the disclaimer given, the columnist and/or commentator is free to criticize Congressmen without danger of action against the hiring corporation, and with the name of the hiring corporation behind him.

Should a member protest the injustice and untruth of these protected attacks, the commentator has merely to scream: "The freedom of the press is in peril." He may then wrap his spotless mantle about him and retire to his ivory tower. Even if a retraction is pressed for and obtained, it is seldom published in Bluffville newspapers, and never repeated for the radio public, with the habit of listening same time, same station, to hear.

My estimate of the effectiveness and honesty of this columnist-commentator clan is 70–30—70 percent sincere in their attitude toward Congressmen; 30 percent either kowtowing to alien ideologies, too far removed from the Washington scene to evaluate it accurately, or plain and fancy sensation-hunters. Congressmen will never stop fighting against overt attempts to undermine our form of government by blackening the name of our Congress. There can be no quarter for that style of vilification. Neither is it astonishing that on-the-spot Congressmen do not take lightly to the unrestrained language of night-club nestors, keyhole-peepers, and professional character assassins. Nor do we hold back our contempt for those who would strike at us through our wives and children.

There are depths, as well as heights, of criticism.

No means of appealing to the public has enjoyed a more phenomenal growth than that of the cartoon. Even as the tabloid has condensed the conventional-sized newspaper, so has the cartoon condensed the editorial page. And over a hundred million newspaper readers get daily criticism of Congress in the form of cartoons. The Congressional symbol is, of course, a paunchy man with a string-bow tie and a flapping Stetson. Or, as an alternate to that symbol, a doddering ancient with a patriarchal beard may be used. Whatever the symbol, it is employed equally in criticism and praise and, in many instances, cartoon and lead editorial are synchronized.

Editorials themselves are important in the scheme of criticism directed at Congress. While editors are not without flaw, neither are they likely to be completely uninformed. They may be misinformed, that is true. Yet, in directing thought through editorials, most writers—although following the policy of their paper—feel it their duty to the public to present both sides of a question, even if one side is given a more favorable presentation. Editorial comment in legitimate newspapers is an incentive to Congress to improve itself. Editorial comment in propaganda sheets, where such comment is not confined

to the editorial pages but is present in every news item, is merely ignored.

To my knowledge no Member of either House has maintained a column of national circulation since the late Senator Royal Copeland of New York issued his daily advice on medical subjects. Many of us send weekly or monthly columns to newspapers in our districts, pointing up the high lights of legislative events. It is to the lasting credit of national radio networks that they have requested the appearance of Members on public-service programs, often to answer poorly-informed attacks on their integrity. In addition to speaking over the major radio chains, Members make numerous recordings of speeches to be sent home for use over local radio stations.

Your national legislators have nothing to fear as long as the American press and radio retain their present standards of fairness and efficiency. Your Congress will meet and welcome criticism as long as that criticism is informed.

Haym Salomon—A Son of Liberty

EXTENSION OF REMARKS
OF
HON. SOL BLOOM
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. BLOOM. Mr. Speaker, under leave to extend my remarks, I wish to introduce in the RECORD an article from the New York Journal-American of January 9, 1948, written by my good friend, Harry H. Schlacht, editorial writer for many years for the Hearst newspapers and formerly director of the War Production Board in New York City. This article was written on the occasion of the one hundred and sixty-third anniversary of the death of the great Jewish patriot of the Revolutionary era, Haym Salomon, who helped in large measure to finance the American Revolution.

The article follows:

HAYM SALOMON—A SON OF LIBERTY
(By Harry H. Schlacht)

Let us thank God for our heroes of yesteryear, who have by their vision, their courage, their faith, and their lives made our Nation great and bequeathed to us our glorious heritage.

We commemorate the one hundred and sixty-third anniversary of the death of Haym Salomon. We salute the great Jewish patriot of the Revolutionary era whose qualities of mind and heart endeared him to our founding fathers. We honor the memory, the inspiration, and the example of this son of American liberty.

There was a time "that tried men's souls," and also their purses.

The life story of Haym Salomon is both fascinating and tragic. He came to our shores seeking religious freedom; to help build a Nation which gives to bigotry no sanction; to persecution no assistance.

He gave all he had, he gave all he could borrow that this Nation might be conceived in liberty.

He advanced $640,000 in freedom's holy cause. He died penniless.

Haym Salomon helped to feed, clothe, and equip the Continental Army. His contribution to the cause of our independence should be deeply engraved in our hearts and indelibly inscribed in our historic annals.

He loved America so much. He served America so well.

He toiled, sacrificed, lived, and died in the very shadow of anonymity. Pride and vainglory were alien to his nature. He would have shrunk from worldly acclaim. He loved America with deeds and dedication.

He was a simple man—the badge of a great soul.

He was a man of great character, of noble self-sacrifice, of wholehearted patriotism, and of martyrlike devotion to high ideals.

He was an institution to himself. He became part of our glorious inheritance.

Indeed, Haym Salomon glorifies the race from which he sprang. The Jews have played a noble role in the government of our country. They were identified with our colonial growth. They have fought in all the wars of the Republic. They have won the highest commendation from every President of our Nation.

Let all Americans remember and acclaim this great benefactor and patriot.

You may travel where you will on a thousand battlefields; you may travel where the delicate poppies carpet the earth with their rich, red blossoms, or where the glistening white stones rise above the flower-strewn mounds—there you will see, side by side, one beneath the cross of Christianity and one beneath the Star of David—Christian and Jew—pillowed in eternal glory.

The fought together. They bled together. They worshipped together. They died together for God and country.

No, Haym Salomon shall not be the forgotten man in American history. He belongs to us. He is ours by more than patriotic self-devotion with which he came to the aid of our Nation in the crisis of our fate. He is ours by that unshakable gratitude for his services which is the precious portion of our inheritance. He is ours by that tie of love stronger than death which will link his name for the endless ages with the names of Washington, Jefferson, Madison, Morris, and the other immortals of our history.

The World Situation

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address delivered by me over Station WCOP, Boston, Mass., on December 30, 1947:

The world situation, what we should do, what may happen, is the uppermost thought in our minds today.

As this year draws to a close, it is my purpose to convey to you the situation, as I see it, and while the situation is disturbing to convey to you a message of confidence and of optimism for the New Year, if our country follows the proper course.

In establishing and following this course—the right one—each American can play his or her part.

This can be done by analyzing conditions practically and rationally, and not emotionally, and in the molding of a public opinion that will demand that Members of the Congress view world conditions and the part we shall play therein from the angle of the national interest of America, and not for political advantages, or for partisan purposes.

The national interest of our country transcends political considerations, and yet, there are Members who will try and make politics out of our national interest.

My talk tonight is confined to the world situation.

A sound public opinion will be of inestimable value in doing the right thing for America by the next session of Congress.

This is where you and all other Americans can play an important part.

At the outset, let me state that the basic issue is atheistic or international communism or Christianity.

We might just as well face this fact. To think otherwise would only deceive ourselves, and loose or hopeful thinking will only produce harm.

By "Christianity," as I use it tonight, I mean all who believe in God—Catholic, Protestant, and Jew.

It is about time that all organized religions appreciate the significance of the challenge of atheistic communism, and unite in one front to meet it. The challenge of atheistic communism is a danger to all—not one—and a danger to all of the countries that still are free from Soviet control or domination.

As a matter of fact, atheistic communism is the enemy of all religions. It directs its attacks at the Western World first because its leaders realize that it must destroy, or drive underground those religions that recognize the omnipotence of God in order to win. The other existing religions would be easy prey if the western civilization falls.

Another observation, the people of no nation, even Russia or the Soviet Union itself, have freely accepted communism as a form of government.

It has always been forced upon a people, and it can only maintain itself through ruthless persecution and fear.

It is a challenge and a force we should not underestimate.

On the other hand, with the forces of organized religions of the Western World united, and America adopting the right policies we should not overestimate it.

We should not underestimate our own power and strength. We must remember the Soviet Union, and its satellite nations have their marked weaknesses.

Viewing our national interest from a sound and practical viewpoint, it is imperative—necessary that the Marshall plan proposed by our courageous President, Harry S. Truman, pass the Congress. At least, the main substance of this plan should be enacted.

The basic purpose of this plan is to commit our country to an affirmative policy to meet the challenge of atheistic communism by relieving suffering humanity and helping free nations to rehabilitate themselves morally and economically.

It is essential in our national interest that we do this. I place the wisdom of such affirmative actions on our part on the basis of our own national interest.

The tactics of the Communists are well known. They will use any means to attain their goal. They will use force, deceit, and any means outside the law which will result in uncertainty, confusion, chaos, and fear—all steps prior to actually taking over a government.

They have done this in the Soviet Union itself—in Latvia, Lithuania, Estonia, Poland, Yugoslavia, Bulgaria, Rumania, Manchuria, and wherever they may have puppet governments.

We know of the conditions in Czechoslovakia, Hungary, Austria, as well as what the Communists are attempting to do in Greece, Turkey, Italy, France, and China.

It is the primary intention of the Soviet Union to gain control through puppet governments of all of Europe, and if they are successful, and they will only be successful if America fails in its rendevous with destiny,

this means the Communists will gain control of not only Europe but Asia and Africa as well.

Every American viewing our national interest, and its future, cannot afford to sit idly by, see our country do nothing, and permit this to happen.

If you were to read the papers tomorrow or a month from now, and read that Italy or France had been actually taken over by the Communists—how would you feel?

I believe you would be weighed down with a feeling of despondency. You would know that the best interests of our country had been adversely affected and to a very serious extent.

The Marshall plan is designed to prevent such a thing from happening.

If America fails, or takes only half-way measures, we will be adversely affected. To prevent this, America must use its great power in cooperation with other nations who want only their freedom and independence.

We must bear in mind that the people of Poland and the other satellite countries now dominated by the Communists will drive them out just as soon as they can.

There is no doubt but that there are conditions behind the iron curtain that are very disturbing to the Soviet regime. The cloak of censorship has prevented news of such conditions leaking out to the public at large.

The freedom-loving people behind the iron curtain who are waiting for the first opportunity to drive the oppressors from their lands look to America with hope. Those countries outside the iron curtain depend on America to save them from being enveloped by their enemies within and without.

If America fails to act, the only course left for these peoples is to make the best terms possible with Moscow, and any terms are but the beginning of the end.

Those oppressed look to Washington with hope—to Moscow with fear.

In addition to our response to the call of humanity, we have a direct and personal interest involved. It certainly would not be for our best interests if Europe were to come under the control and domination of communism. We can stick our heads in the sands if we so desire but it might not be long before they will be chopped off. We cannot meet the challenge of communism by avoiding it, or believing it is nonexistent.

Communism achieves its evil aims of taking over governments when human suffering and distress exists. Like so many buzzards, Communists hover overhead during a period of trial and tribulation.

By taking affirmative action along the lines of the Marshall plan—and I am sure the European countries affected will cooperate in this fight against the spread of communism—we will gain many advantages. The success of this program will be consistent with our best interests; our national defense will be strengthened; it will be the means of saving the next generation of our youth from the horrors of another World War; it would be the means of halting communism and its spread over Europe, Asia, and Africa; it would be the means of setting a pattern for the establishment of peace in view of the failure and refusal of the Soviet Union to cooperate with understanding for peace in the world.

We are aware of the fact that Russia does not have unlimited power. Russia knows of our industrial strength, and knows too, of its own weaknesses.

It is because of this that Russia is, through its secret agents who are traitors to their own countries, resorting to creating disorder and chaos so that the Communists will gain control country after country.

After the Communists gain control of a country their policy of liquidation follows with concentration camps and death the fate of those who fail to agree with the Communists.

An aroused public of fair-minded persons everywhere, backed by America, is the only answer to this challenge.

We have seen the failure of the recent London Conference of the Big Four. We know the failure was due to the deliberate refusal of the Russian Foreign Minister Molotov to cooperate with the United States. It was obvious he was there to create confusion and uncertainty. He certainly made no constructive contribution for permanent peace.

The Communist effort to gain control of Greece has failed because of the effectiveness of American assistance. Months ago it was believed that Italy and France might come under the control of the Communists, and while the danger has not completely passed, the forces of decency are in a much stronger position. It is a fact, too, that the rest of western Europe is making recovery because of the assistance and leadership of the United States.

When President Truman sent his first message to the Congress, the now famous Truman doctrine, the issue was joined. President Truman's efforts have given hope to the non-Communist countries.

The passage of the Marshall plan is necessary to bring complete success, and with success, a lasting peace.

In his recent and historic Christmas message, Pope Pius XII called upon all honest men to unite for the rehabilitation of the world. While his holiness Poe Pius XII mentioned no particular country by name we feel sure he had in mind the Soviet Union and its leaders as the harbingers of destruction, as well as their efforts to extend their ideology.

The Pope spoke of peace through a union of honest men. The Boston Post in its editorial of Christmas morning emphasized the importance of his message when it said:

"So 2,000 years after the Sermon on the Mount, Christ's present-day outstanding representative on earth repeats that only through a league of honest men can the nations of the world enjoy peace and prosperity." By honest men, Pope Pius must have had in mind honest nations.

As an honest nation and certainly the most powerful nation in the world today, America must, and with your help will, assume its rightful place of leadership.

A league of honest men and honest nations will achieve victory for the forces of decency.

With affirmative action on the part of United States we can look forward to the New Year with confidence.

Our Swollen State Department

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. NORBLAD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herein an interesting article from the current issue of Pathfinder magazine:

OUR SWOLLEN STATE DEPARTMENT

Twenty years ago the listing of the Department of State required just over 1 page of the Congressional Directory. Now it takes 13 pages of the same reference book, merely to give the names of the divisions and bureaus and offices in this single governmental department.

If you are concerned about what is happening to your Government you will find it useful to visit the nearest public library and examine copies of the Congressional Directory. A new volume is issued for every session of Congress and the volume for the second session of the Eightieth Congress, which convened on January 6, will be available shortly.

Each volume is a mine of well-arranged information. But what makes the Congressional Directory particularly valuable is its continuity. You can compare the current issue with one of 20 years ago, as I have been doing. That shows you the changes that are taking place. It also shows why it is difficult to bring taxes down.

The way in which the Department of State is spreading out is simply fantastic. Twenty years ago it had a dozen divisions, each moderately staffed and headed, for administrative purposes, by four Assistant Secretaries and an Under Secretary.

Now it is almost impossible even to count the number of assistant secretaries, executive assistants to assistant secretaries, special assistants to assistant secretaries, and so on. Under them are a score of separate and often overlapping offices, each composed of numerous divisions. It is a fair guess that Secretary Marshall himself cannot name all of the divisions over which he presides.

As an illustration of runaway bureaucracy one may take the new Office of Intelligence Research, with a director, a deputy director, an executive officer, and five subordinate divisions. Each of these divisions has its chief and sometimes an assistant chief as well, so that the modest title of one petty officer is "Chief of the Division of International and Functional Intelligence of the Office of Intelligence Research of the Department of State." You probably never heard of the man who has this title.

But alongside the Office of Intelligence Research has grown up a separate Office of Intelligence Collection and Dissemination, with a separate director, a deputy director, and four subordinate divisions. There is, for instance, an Acquisition and Distribution Division of the Office of Intelligence Collection and Dissemination. It has a chief and an assistant chief.

Of course all these agencies continuously get in each other's way. So to keep them straight still another division has been established, entitled "Division of Foreign Activity Correlation." It isn't getting things very well correlated, however. Perhaps that is because of the Office of Special Political Affairs. This has a director, a deputy director, a special deputy director, a special assistant to the director and—for good measure—an executive officer above all that.

This maze of bureaucracy explains why there is so much congressional opposition to letting the Department of State administer the European recovery program.

During the war and postwar years the State Department has grown to such size and complexity that its right hand no longer even knows what its left hand is doing. And there has really been a left hand in this department, as the loyalty investigations have shown.

Whatever money is appropriated for European relief from now on must be spent efficiently. That is why there is growing support for the Herter bill, which would make the administration of ERP responsible to Congress, rather than to the Department of State.

Time for Greatness in Congress

EXTENSION OF REMARKS
OF
HON. GEORGE A. SMATHERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. SMATHERS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Miami (Fla.) Daily News of January 13, 1948:

TIME FOR GREATNESS IN THE CONGRESS

The sound American custom of looking at the price tag before buying reaches finest flower in the country's scrutiny of the President's annual budget message. Unfortunately, the representative democracy—for all its advantages—is an imperfect machine for translating the mass decision. Nor do the political considerations of a Presidential election year provide the best lubricants for the Congress. Indeed the result quadrennially is a chaotic pandemonium of stripped gears, cracked pistons, and—inevitably—overheating.

Couple this fact with that of President Truman's unprecedented peacetime budget of $39,669,000,000. There you have it.

But, it must be presumed, the President had the willing ear of his thoughtful countrymen when he told them the realities of our existing international and domestic requirements during 1948–49. The outstanding fact of the budget message is that 79 percent of the expenditures he proposed "directly reflect the costs of war, the effects of war, and our efforts to prevent a future war."

(The efforts to prevent a future war? They include $11,000,000,000 for national defense and $7,000,000,000 for foreign and other international affairs. They account for 46 percent of the record-breaking total.)

Now what of the ordinary expenses of Government, which are already the target of the Republican sharpshooters? They account for only 21 percent of the total.

Withal, the President holds forth the hope of again balancing the budget, and again reducing the national debt. And, he still maintains, income taxes can be cut $40 for each individual and each dependent.

There is little in the record of the Republican Congress' first session to warrant optimism about judicious economy in the forthcoming appropriations. Take the reaction of Chairman BRIDGES (Republican of New Hampshire) of the Senate Appropriations Committee that the President has presented "an extravagant program beyond the means of the Nation to meet this year." By all economic barometers, the Nation's unprecedented peacetime budget comes at a time of unprecedented prosperity.

If there is fat in the budget, the lopping-off will be best performed by the surgeons of Congress, such as the Republicans' own Representative DIRKSEN, rather than by the butchers. If there are more BRIDGES than DIRKSENS on the appropriation committees, and the record of the eightieth more than suggests there are, the result may be that famed in the pronouncement, "The operation was a success. But the patient died."

Now, indeed, is a time for greatness in the Congress. The President's message on the state of the Union ticked off the main spending projects for next year. The budget message affixed the price tags. The world recovery so adhesively linked to world peace, the national defense so vital to our security, these and many other endeavors can best be assayed not at the cost of doing, but at the cost of not doing. History will record this fateful session not for its effect on our November election as the politicians would, but, in the perspective of the years, for its effect on our world.

Address Before Women's Patriotic Conference

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mrs. ST. GEORGE. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I include excerpts from a speech made by me before the Women's Patriotic Conference in Washington, D. C., on January 16, 1948:

As a Congresswoman and, even worse, as a woman politician, I am constantly asked what the woman's point of view is on every question before Congress and the Nation, and I can only say that there is no woman's point of view. Women are citizens and they are individualists, and they agree together even less than men, and that is what makes them so interesting and so valuable politically.

You women here today represent many great patriotic organizations; you are just as interested in the affairs of these organizations as any man, and you are just as interested in national defense as any other patriotic American.

It is a very great tribute to women that the chairman of the Veterans' Committee in the House of Representatives is a woman, Hon. EDITH NOURSE ROGERS, and I think it is highly appropriate she has been named to this high office. She is well named "the Veterans' Angel." She is exactly that, untiring in her efforts for their best interests. All women quite naturally have a very strong urge to work with and for the veterans. The mere fact that we cannot bear arms makes it all the more our duty and our right to see that all veterans shall be given their just due and that, above all, they shall never be forgotten.

After every war we bow our heads and pray again that those who died in the conflict may not have died in vain and that their sacrifice will be the last one necessary to insure peace.

But human nature being what it is, we have a very real responsibility to see that our heroes have not made the supreme sacrifice in vain. We, the living, must be on the alert to keep this country strong. We must, all of us, be alive and diligent in working for national defense.

I believe that we are now in a difficult position. For the first time in our history we have not sufficient resources to do all the things that we are being called upon to do.

We must therefore take stock, we must determine what things come first. I submit to you that as women and Americans we must put peace as our first objective, and that to attain peace we must have an adequate, nay, a powerful program for national defense.

The possibilities of another war are too frightful to contemplate. All the scientists have warned us that it means probably the end of civilization. National defense today means more than armies and navies, it means air force, atomic weapons, and the knowledge of germ warfare—probably the most horrible weapon of all. It also means the planning of complete mobilization of the entire population because the next war will be a war against the entire civilian population of the world.

The greatest thing that has been done in years was done during the first session of the Eightieth Congress, and that was the creation of an over-all Office of Defense and the appointment of a Secretary of National Defense. This is by all odds the most important position in the whole Cabinet, and second only to that of the President.

It is now possible to coordinate all our resources for national defense—civil, military, and scientific—and it would be well to let our friends and enemies abroad know what a tremendous step we have taken to strengthen our country and to put her in the position of being invincible, so that she may maintain the peace of the world.

You have great influence, you represent many groups of patriotic men and women all over the country. There can be nothing more valuable than for you to explain to those in your immediate circle that our country, though rich and powerful, does not have unlimited resources, that we cannot support the whole world and maintain our own strength.

We must not be foolishly sentimental and fall into a trap. Remember Lenin said: "The way to destroy the United States is to make her bleed herself white." We are in a fair way to do that very thing.

No one can destroy us from without but our own thoughtless stupidity can destroy us. If we destroy ourselves all hope for the survival of freedom and liberty will perish from the earth.

If we remain strong and keep our defenses high we can maintain the peace of the world, and in peace, the war-torn peoples may be able to build up once more their own civilization and their own economies.

Let us resolve to put first things first. And let the first thing be a free America. She cannot be free unless she is strong, she cannot be strong without adequate national defense. It is my hope that you will leave this meeting and these deliberations more determined than ever to keep America the hope of the world.

Most Desired Peace

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and editorial:

WASHINGTON, D. C., *January 20, 1948.*
Hon. JOHN W. McCORMACK,
House of Representatives,
Capitol, Washington, D. C.

DEAR CONGRESSMAN: I am sending to you herewith an editorial from the current issue of the Christian Advocate, official organ of the Methodist Church, a weekly having a Nation-wide circulation of over a quarter of a million copies. It is entitled "We Join in This Appeal," and the opening paragraph thereof reads as follows:

"Voicing concern over the uncertain future and the bitter hatred engendered by widespread poverty and social unrest, Pope Pius XII in a historical encyclical entitled 'Optatissima Pax' (translated 'Most

Desired Peace') at Christmastime condemned class hatred and those who exploit the depressed poor of the world. He warned that it is 'necessary for each—and especially he who has greater goods—to put the common welfare before private advantages and profits'."

In my humble opinion, such editorial is worthy of space in the CONGRESSIONAL RECORD, in furtherance of your own well-known views on the general subject.

With personal regards and assurances of high esteem, I am,

Sincerely,

JAMES PATRICK MCGOVERN.

[From the Christian Advocate of January 22, 1948]

WE JOIN IN THIS APPEAL

Voicing concern over the uncertain future and the bitter hatred engendered by widespread poverty and social unrest, Pope Pius XII in a historical encyclical entitled "Optatissima Pax" (translated "Most Desired Peace") at Christmas time condemned class hatred and those who exploit the depressed poor of the world. He warned that it is "necessary for each—and especially he who has greater goods—to put the common welfare before private advantages and profits."

Defining the conditions necessary for the establishment of a peaceful social order, he declared: "It is absolutely necessary to pacify spirits, bring them back to mutual understanding, to reciprocal cooperation, so as to be able to carry out those doctrines and those directions that are consistent with Christian teachings and the conditions of the present hour." Then in an appeal directed especially to children, the head of the Roman Catholic church pled for prayers in behalf of world-wide peace.

In the basic principles of this encyclical every Protestant worthy of the name most surely joins, and the Christian Advocate, as the official organ of a powerful denomination, appeals to its readers and to the Methodist Church to assemble their prayers in behalf of this objective so devoutly desired by all true Christians.

Simultaneously with the Pope's encyclical there comes an appeal from J. Edgar Hoover, the director of the FBI, that parents all across America shall engage in the practice of daily prayers with their families. "If there is hope for the future of America, if there is to be peace and happiness in our homes," he says, "then we, as a Nation, must return to God and to the practice of daily family prayer. Our generation, it seems, has allowed old faithful religious practices to slip into oblivion. As a result, family life has been weakened and the Nation has suffered."

We cannot ignore such an appeal, except at the peril of the Republic.

Statement of Philadelphia Housing Authority

EXTENSION OF REMARKS

OF

HON. HARDIE SCOTT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. HARDIE SCOTT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of the Philadelphia Housing Authority to Joint Congressional Committee on Housing, January 8, 1948, Philadelphia, Pa.:

The Philadelphia Housing Authority is most happy that your committee is here today to investigate housing conditions in Philadelphia. When our chairman, Mr. William Reinhardt, learned that the Joint Committee on Housing planned to visit Philadelphia he wrote to Chairman GAMBLE suggesting that the members of your committee visit several of the Philadelphia Housing Authority's projects in order to learn first-hand the advantages which tenants in our low-income projects are enjoying in comparison with the disadvantages under which their neighbors in adjoining slums are forced to live.

We regret that the pressure of time has prevented you from accepting Mr. Reinhardt's invitation but we believe that if the members of your committee and every Member of Congress could visit one of the low-income public-housing developments in any of the 40 States where housing authorities are established, Congress would take immediate action to extend the benefits of the United States Housing Act of 1937 to more of our lowest income citizens.

Since your committee cannot visit our housing developments and see the results with your own eyes, we will endeavor to review what the Philadelphia Housing Authority has done, and what it proposes to do just as soon as Congress provides additional Federal assistance to local communities for slum clearance.

In 1937 the Pennsylvania Legislature in enacting into law the housing authority law of Pennsylvania declared that there "existed within the various counties of the Commonwealth, numerous slums and unsafe, unsanitary, inadequate, or overcrowded dwellings, which conditions are accompanied and aggravated by an acute shortage of decent, safe, and sanitary dwellings within the financial reach of persons of low income, such conditions arising from overcrowding, dilapidation, faulty construction, obsolete buildings, lack of proper light, air, and sanitary facilities."

The legislature further determined that: "Private industry alone has been and now is unable to overcome the obstacles which have prevented and are now preventing it from clearing slum areas and relieving the shortage of decent, safe, and sanitary dwellings for persons of low income, and the construction, pursuant to this act, of housing projects for persons of low income would therefore not be competitive with private enterprise."

In 1945 the Pennsylvania Legislature confirmed and expanded this policy of slum clearance and aid to families in the lowest income groups by enacting a redevelopment law and the city of Philadelphia has since established a redevelopment authority.

The Philadelphia Housing Authority and the other local housing authorities throughout Pennsylvania are therefore official agencies of this Commonwealth whose established policy is to provide housing for families in the lowest income groups whom private enterprise cannot profitably serve. The people of Pennsylvania and the people of Philadelphia through their respective representatives at the State and local levels have clearly endorsed the principles of public housing and we feel that the Members of Congress should give great weight to their wishes and to the wishes of 120,000,000 Americans in the 40 States which have passed housing legislation similar to the housing authorities law of Pennsylvania.

Pursuant to the housing authorities law of 1937, the Philadelphia Housing Authority constructed three low-rent housing projects totaling 2,859 dwellings at an average capital cost, including land, of $5,400 per dwelling. For each one of these dwellings a substandard dwelling was eliminated in the city of Philadelphia.

At the time of initial occupancy of these dwellings, prior to the war, a maximum income limit for the largest families at admissions was established at $1,399 and the average rent, including all utilities, was $18.94 per month. With changing economic conditions income limits at admission have been increased and now range from $1,875 to $2,275 per year with rentals from $13 to $39 per month, including all utilities. Prior to the war, income limits for continued occupancy ranged from $1,550 to $1,900, but during 1947 as income limits for admission were increased, the limits for continued occupancy were increased and now range from $2,350 to $2,900 for the largest families for whom a rent of $43 per month is charged.

Of the 2,859 families living in these homes 419, or 14.6 percent, are receiving relief or some other form of governmental aid.

During the war, because of the housing shortage and because many of the tenants were essential war workers, the high-income tenants were not required to move when their incomes exceeded the maximums established by the authority.

In June 1947, however, the authority served notice on 850 tenants whose incomes were in excess of the maximum income limits for continued occupancy, notifying them of their ineligibility and at the same time "vacate notices," effective December 31, 1947, were sent to 56 tenants with the highest incomes among these ineligibles. These tenants would have been required to vacate by December 31, 1947, but for the passage of the McCarthy bill (S. 1361) deferring the eviction of over-income tenants until March 1, 1948.

During the period of occupancy of the three low-rent projects, the Philadelphia Housing Authority has paid to the city of Philadelphia $334,163.25 as payments in lieu of taxes to help defray the cost of municipal services rendered to the three housing projects. During the same period the authority has used only 63 percent of the annual contribution available to it under its assistance contract with the Federal Government.

The Philadelphia Housing Authority also has under its jurisdiction four federally owned permanent Lanham housing projects comprising 2,400 dwellings and 4 temporary Lanham projects totaling 2,191 homes. In addition, the authority leases from the Federal Government, and operates as a low-rent housing project, Hill Creek, containing 258 homes. The authority has almost completed as agent for the city of Philadelphia, the construction of 1,781 temporary homes for veterans. More than 10,000 veterans have applied for the 1,781 homes. In all, the authority will have under its jurisdiction, upon completion of its veterans' program, 9,620 homes.

Of the 9,192 homes which have been completed thus far, more than 4,100 or 43 percent, are occupied by veterans of World War II. With veterans receiving preference for all vacancies and with the eviction of many high income tenants during 1948, it is estimated that veteran occupancy will increase to 55 percent of the total by the end of the year. If Congress permits the transfer to the Philadelphia Housing Authority of the 2,400 homes in the permanent war-housing projects, veterans of low income will be given preference in the occupancy of these units, and veterans' occupancy would reach 75 percent of the authority's accommodations.

In 1945 the Philadelphia Housing Authority held public hearings in order to determine the public's attitude toward the ex-

tension of a public housing program in Philadelphia. These hearings were attended by more than 500 persons representing educational, religious, civic and social groups, Federal, State and city officials, real estate and builders' associations, labor organizations, private groups and individuals interested in the practical solution of the vital housing problems confronting the city and the authority. As a result of the testimony developed at the public hearings, the authority, on July 23, 1945, submitted its recommended program to the city of Philadelphia and the city planning commission. This report recommended the construction of 19,500 homes for families of low income, over a 6-year period. Copies of this report and a supplementary report submitted 1 year later, as well as a stenographic transcript of the testimony taken at the public hearings is attached hereto for the information of the committee.

The Philadelphia Housing Authority and the city of Philadelphia have jointly requested the Federal Government to transfer title to the four permanent war housing projects, Passyunk Homes, Abbottsford Homes, Bartram Village, and Oxford Village I, comprising 2,400 homes, to the Philadelphia Housing Authority for use as low-rent housing projects This request by the city and the authority is presently being studied by the Public Housing Administration and a report containing recommendations by the Administrator of the Housing and Home Finance Agency will, in all probability, be submitted to Congress in the very near future. Preference, of course, will be given in the occupancy of these homes to low-income veterans who are so badly in need of rental housing in Philadelphia today. Since these projects as constructed are not readily divisible for sale as individual units and since the Federal Government did not conform in many respects to the Philadelphia Building Code in the construction of these projects, which fact would seriously affect their sale to private individuals, it seems apparent that their operation by a public agency for rental to veterans of low income is in the best public interest.

Turning to the housing conditions as they exist in Philadelphia today, we find that there are almost 200,000 veterans living in Philadelphia and it is conservatively estimated that 50 percent of them are living doubled-up with relatives, in temporary shelters such as rented rooms, trailers, or tourist cabins, or in dwellings needing major repairs or lacking one or more standard plumbing facilities. For the nonveteran today's housing picture in Philadelphia is just as bad. The 1940 census revealed that of the 557,537 homes in Philadelphia 107,917 or 19.3 percent of the total housing supply was substandard. Taking into consideration normal obsolescence and deterioration and the increase in families since 1940, housing conditions are undoubtedly much worse at this time.

What is being done to relieve this admittedly serious housing condition?

For the low-income veteran, and the nonveteran living in substandard and overcrowded housing, the answer is—nothing.

Here are the facts: The Census Bureau reports that the average weekly income of Philadelphia veterans wishing to buy homes is $48 and the average weekly income of those veterans who wish to rent homes is $39. Based on the normally accepted ratio of carrying charges and rentals to income, the average veteran cannot afford to pay more than $5,500 for a home or $40 per month rent. The Census Bureau further reported that one-fourth of these veterans stated that they could pay $4,200 or less for a home and one-fourth reported that they could pay $33 or less for rent.

The conclusion is inescapable that at least 50 percent of Philadelphia veterans are priced out of the housing market today, and without some action by Congress to relieve the situation they will be without hope of purchasing or renting housing within their means for at least several years. If there is any doubt as to the accuracy of this statement, a reference to the news columns of the Philadelphia Evening Bulletin of Saturday, January 3, 1948, should suffice. The headline announcing new housing in Philadelphia reads: "Big spurt in rental housing, chiefly garden-type apartments, predicted for Philadelphia area in 1948." The captions underneath the two accompanying photographs contain the following references to rentals, respectively:

"Rents are $75 and $85 per month, plus $6 for garage.

"The apartments contain four and a half rooms and bath and rent for $90 a month without utilities."

Under the provisions of the Taft-Ellender-Wagner bill Federal assistance will be given to local communities to construct 125,000 low-rent dwellings a year for 4 years, or a total of 500,000 during that period for the entire country. Senator TAFT, the principal sponsor of the bill, estimated that this minimum provision for families of low incomes, including veterans, will provide only 10 percent of the estimated need of low-income families living under substandard housing conditions.

However, the special interests—the National Association of Real Estate Boards, the United States Savings and Loan League, and the National Association of Home Builders, who cannot see any profit in public housing for their members, have effectively prevented the House Banking and Currency Committee from reporting the House version of the Taft-Ellender-Wagner bill to the House floor for a vote. These pressure groups well know that the Representatives in Congress of the 40 States with their 120,000,000 constituents which have adopted public housing legislation would overwhelmingly approve the Taft-Ellender-Wagner bill if it was brought to a vote. Knowing this, the opponents of public housing pickled the Wagner-Ellender-Taft bill (S. 1592) in the House Banking and Currency Committee of the Seventy-ninth Congress after its passage in the Senate, and these special-interest groups are endeavoring to do the same thing with the revised Taft-Ellender-Wagner bill in the Eightieth Congress. We trust that the Joint Committee on Housing will use its efforts to assure fair play and democratic process by urging their colleagues in both Houses to bring the Taft-Ellender-Wagner bill to a vote.

Some of the opponents of public housing charge that it is un-American and communistic for the Government—local, State, or Federal—tc extend direct aid to low-income families living in slums. Senator TAFT has ably refuted this argument by pointing out that this country long ago adopted a policy of educating its children at public expense, of providing free medical care for those unable to afford it, and direct relief payments to those unfortunate citizens unable to feed and clothe themselves. The Senator points out, therefore, that there is no change in the basic policy when Government provides a minimum program of public housing for assistance to the lowest income groups. Those who shout about un-Americanism and communism should remember that communism feeds on want and distress. The seeds of that want and that distress are being sown daily by the continued failure of Congress to provide housing for those with the greatest need and the least chance of satisfying that need. The chaos in France and Italy today should be sufficient proof of this fact.

The House Special Committee on Postwar Economic Policy and Planning of the Seventy-ninth Congress, after making an exhaustive study of public housing, made the following report:

"The committee recognized that there is an area of housing at the lowest rent levels which private industry cannot afford to serve and which local government is not fully capable of serving. The problem of public housing is therefore one of national as well as of local concern. Any program of Federal cooperation with local governments for postwar construction must accord a permanent place to the making up of the large deficiency in housing for low-income families."

Similarly, the Subcommittee on Housing and Urban Redevelopment, which held hearings from June 1, 1944, to February 7, 1945, at which hearings appeared many national organizations interested in the problems of housing as well as Government officials connected with housing, made the following statement on public housing in its report to the Senate Special Committee on Postwar Economic Policy and Planning:

"The entrance of the Federal Government into public housing has produced a much greater controversy. It is contended by many that the whole job of housing can be done by private enterprise and that this form of Government activity results in competition which acts as a deterrent to the expansion of private operations.

"The subcommittee agrees fully that the Government should not go into housing as a business or compete with private enterprise in this field any more than in any other field, but it does not agree with the contention that the problem can be solved at the present time by private enterprise alone. Unaided private initiative has not provided a sufficient supply of decent houses in the past. Although the subcommittee believes that a revivified industry will constantly reduce the need for direct aid, it sees no likelihood of change that would permit private initiative to meet all the requirements of the immediate future.

"The justification for public housing must rest on the proposition that the Federal Government has an interest in seeing that minimum standards of housing, food, and health services are available for all members of the community. The American people have been impressed with the fact that, in a country capable of our tremendous wartime production, there is no reason why hardship and extreme poverty cannot be prevented."

In closing, the Philadelphia Housing Authority will welcome any formula which your committee or the Congress may evolve for solving the housing problem of our low-income groups. If private enterprise can do the job—so much the better. All we ask is that the Congress take immediate action to put into effect a Federal program to aid families of low income who cannot afford to pay for decent housing.

Respectfully submitted,

THE PHILADELPHIA HOUSING AUTHORITY,
WILLIAM REINHARDT, *Chairman.*

The Marshall Plan and Peace

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. GARMATZ. Mr. Speaker, under leave to extend my remarks in the

RECORD, I include the following radio address delivered by me over Station WBAL on January 18, 1948:

Senator MILLARD E. TYDINGS has graciously permitted me to occupy the time usually allotted to him for his excellent weekly program, for which I am very grateful. I also desire to thank radio station WBAL for making this 15-minute period available to me so that I might express my views on subjects of general interest, not only to the residents of the Third Congressional District whom I have the honor to represent, but of vital importance to the citizens of the entire United States. It is not my intention to quote a lot of figures concerning the Marshall plan, or any other plan, but there are some cold facts staring us in the face, and we cannot escape our responsibility in seeking the path to permanent world-wide peace.

Regardless of what may be said, peace will not come until people have food, housing, security, and the basis for hope of the future. Under the stimulation of the announcement of the Marshall plan, representatives of 16 European nations met in 1947 and submitted a general program of economic and fiscal rehabilitation which called for American financial aid for over a 4-year period. Congress is now deliberating as to the actual way the Marshall plan will be applied. While this Nation is debating just how far our participation in world affairs shall go, riots, civil war, bloody elections, and strife are rampant in many parts of the globe. These people are seeking a way out of chaos and uncertainty. We Americans think and know that democracy is the only sure remedy for the ills of the world. If we are wrong, then we, too, will be caught in the maelstrom of world unrest.

We Americans have high ideals and pride in our American way of life—and we have cause to be. That is because we enjoy real freedom, especially the four freedoms as stated by our late lamented great President, Franklin Delano Roosevelt.

But we must remember that our high ideals and pride can vanish if our people suffer want through inflationary prices. The United States is the richest and most powerful nation on the face of the earth. Initiative and production enabled us recently to win a war on two fronts. That same initiative can rescue us from the fear of inflation if we will but realize that we must help other nations while we are helping ourselves. We might as well face the fact that we are the only nation left that can aid world reconstruction, and if we are to survive as a free nation, we must enable all nations—large or small—to remain free.

Even more important than economic reconstruction is our obligation to keep alive the hope of the world by demonstrating that democracy is a workable, humane form of government, in which the people are the rulers of their destinies. At the same time, we must insure adequate living wages for our workers and a reduction in the price of essential commodities. It is a fallacy to suppose that, great as this Nation is, we can keep on raising wages and raising prices, because there is small consolation to the working man or woman in a small salary raise if the price of every-day necessities takes a jump at the same time. Congress is working on a solution to these problems, and we hope the answer will be found during the present session of the Eightieth Congress. We always have been able to solve our domestic problems no matter how difficult they may appear at the time—that is one of our inherent characteristics as free Americans.

Another problem affecting our Nation is the demand for a reduction in taxes. If we look at taxation in the light of a payment to the Government to insure liberty, then we can better stand the burden—but in no event can we hope to escape a fair and equitable taxation. As Congressman from the Third District of Maryland, I am sympathetic with the pleas of my constituents that their tax burden be lightened. President Truman has just presented a proposal to Congress to ease the tax load of the men and women least able to stand heavy taxation. Here again I am sure the solution to the problem will be found, and that some form of tax reduction will be announced in the very near future. But the solution, whatever it is, must be fair and just to all segments of society. That, too, is part of the American way of life.

In theory, excessive price rises could be avoided by taxing the people so heavily that the Government could take back, in the form of taxes, all the extra money it paid out for necessary expenditures to keep down prices, that is to say, by the Government subsidizing producers to keep down inflation, but of course, that is only a nice theory. We must deal with practical, hard facts. In World War II, the percent of the total expenditures obtained from taxation in the fiscal years of 1942 through 1946 was approximately 46 percent, leaving 54 percent derived from borrowing. This result was achieved despite the fact that costs of the war to the United States were about 10 times as great as the cost of World War I. It reflected an even more vigorous use of the income tax and excise taxes.

Here we have a direct cause of inflation, because, even with a modernized tax system and its drastic application, we still had to borrow over one-half of the total war costs. I merely mention this fact to show the high cost of war, the method of financing armed conflict and its resultant effect on our home economy. We must find a solution for world peace and a remedy for our economic ills as quickly as possible. We cannot afford to have another war. Our country is doing everything possible to avert such a disaster. If, in spite of our best efforts, war should come upon us, we must be prepared not only to defend ourselves but to carry the fight to the aggressor.

I am a firm advocate of a strong America, not for purposes of aggression, but solely for defense! We have recognized the fact that if the United States is to retain its position of leadership in world affairs, and if it is going to be able to implement its foreign policy so that the peace may be kept, we must be ever alert to possible attack from without and within.

And now, may I say a few words in behalf of our veterans, the men who preserved our liberty and all we hold dear. The two great wars of the twentieth century were brought about by a challenge to the heritage of human freedom, on which the American heritage of democracy is founded. Each time our Republic has met that challenge and the force of her industrial power and the might of her armed citizens have been largely instrumental in overcoming it. Without our veterans, much of the world would have lost that concept of free democratic government of which the United States of America is the prime example.

How, then, can we best honor our veterans? In my opinion, we can best honor our veterans by helping to create a world in which freedom and peace are inseparable. We can make sure our veterans receive the benefits to which they are entitled, namely, educational opportunities, the right to engage in gainful pursuits, and a home for himself and his family. I pledge my support to these objectives. I am also in favor of adequate compensation for those veterans pursuing educational courses in our schools and colleges, they are entitled to adequate subsistence while at school!

To sum up my remarks, I sincerely hope the Marshall plan can accomplish its purposes because the world will then have been saved from another terrible conflict.

As I stated before, I am 100 percent back of our working men and women who have aided in making this Nation great. I favor an adequate living wage, because as has been so truly said, "The laborer is worthy of his hire."

Along with other Members of the Eightieth Congress, I am giving serious thought to the rapidly mounting spiral of inflation. It must be curbed and quickly. President Truman has asked for certain specific powers which would give him weapons to fight the cost of living. I shall support any legislation which, in my opinion, will best remedy these conditions, and shall continue to look to President Truman for leadership in this threat to our economic life.

A strong nation is a peaceful nation, if that nation is imbued with the principles of true democracy which has for its slogan, "Live and let live." To that end I favor preparedness. I will vote for those measures pertaining to housing which are beneficial to both, veterans and nonveterans, and I pledge continued support for all legislation that will advance the welfare of all our veterans.

To my friends and constituents of the Third Congressional District, I pledge continued efforts in your behalf. I welcome your views on the important matters affecting our Nation and my chief aim is and will continue to be, "The greatest good for the greatest number."

Again, my thanks to Senator TYDINGS and radio station WBAL for this opportunity to express my views on the vital problems confronting our Nation at this time. My only interests will be the interests of our citizens. I thank you.

Mine Safety

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to revise and extend my remarks, I should like to place in the RECORD an editorial appearing in the St. Louis Post-Dispatch in regard to mine safety. I cannot urge too strongly the necessity for the enforcement of mine safety regulations if disasters such as the Centralia mine tragedy of last year are to be averted. The editorial follows:

SIX THOUSAND MINE SAFETY VIOLATIONS

Why should Congress pass a Federal mine inspection law with teeth?

The answer is written in large letters for all who read the Interior Department's report on violations of the Federal safety code:

More than 6,000 violations were found in the 1,000 mines which were inspected last year.

Only 14 of the 25 coal-producing States cooperated with the Federal mine safety code.

The Governor of Illinois, whose negligence and compromising of the State mine inspection service was followed by 111 deaths at Centralia, wrote in protest: "It seems to me that at the present time the forcing of a Federal mine safety code upon the State is a violation of State's rights."

As Representative PRICE of the East St. Louis district says, there is no need whatever for further hearings on this issue. The Landis bill to provide Federal safety enforcement should be reported out of committee and passed.

What is Congress waiting for, another Centralia? Governor Green took that risk and men who had pleaded with him were brought lifeless out of Centralia Coal Co. mine No. 5. Does Congress want the same risk on its part paid for in the same way?

Jack Beall on Communism

EXTENSION OF REMARKS
OF
HON. WILLIAM C. COLE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 20, 1948

Mr. COLE of Missouri. Mr. Speaker, for the past several weeks I have listened with interest to Jack Beall's weekly radio broadcast on communism which is heard every Saturday at 6:45 p. m. eastern standard time over the American Broadcasting Co. network.

Mr. Beall has devoted long hours of research to this subject and through his broadcasts is doing much to bring home to our American citizens the policies of and the methods used by the Communist Party of the United States in its efforts to overthrow our republican form of government. I take this opportunity to commend Mr. Beall for the splendid work he is doing.

I was so impressed with his broadcast of January 10 that I requested his permission to insert it in the CONGRESSIONAL RECORD in order that my colleagues may have the benefit of the factual information it contains regarding this menace of our republican form of government. It is as follows:

Good evening. One hundred years ago this month, two Germans drew up in writing a program to change the world. Karl Marx and Friedrich Engels, in London, prepared their Communist Manifesto. It was a program to turn class against class, and to bring about bloody revolution.

The Communist Manifesto, which was written out in German, in a cheap London flat, just 100 years ago this month, became the bible of the revolution in Russia. Marx became the major prophet of both democratic socialism and of communism. The two parties agree on Marx's materialist approach to history, his dialectic, his economics, but they have now divided on how socialism is to triumph in the world. The Socialists appear to be more consistent Marxists by holding that capitalism is bound to collapse of its own weight. They contend there is no need to precipitate it by violent means. They are the evolutionary party which has grown up about the teachings of Marx, particularly in Das Kapital. On the other hand, the Communists are the revolutionary party which has grown up around these same teachings, but which put more emphasis on the Communist Manifesto, as a program.

Almost everybody has heard the closing words of the Communist Manifesto. Here they are again:

"The Communists disdain to conceal their views and aims. They openly declare that their ends can be attained only by the forcible overthrow of all existing social conditions. Let the ruling classes tremble at a Communistic revolution. The proletarians have nothing to lose but their chains. They have a world to win. Workingmen of all countries unite!"

Of course, there has been a slight change in that attitude of disdaining to conceal their views and aims. More recently—particularly after the Harry Bridges trial—every effort has been made by the Communists to gloss over the angle of bloody revolution. For a while, they even made noises like patriots. Earl Browder, at one time, offered to pal up with J. P. Morgan. But that was a short-lived period—a tactic. It has not changed the basic views and aims. Let me quote you a few other words from Communist Manifesto.

Said Marx: The phases are, first, a more-or-less veiled civil war, within existing society—"up to the point where that war breaks into open revolution and where the violent overthrow of the bourgeoisie lays the foundation for the sway of the proletariat."

The high-sounding term, "bourgeoisie," can be translated as employer and the proletariat are the people who work for wages.

In the Communist manifesto we find this other gem: "You (meaning the bourgeoisie) reproach us with intending to do away with your property. Precisely so, that is just what we intend."

Fairly crisp and to the point, I'd say.

And Marx repudiates in the Manifesto, the Christian code of ethics, by saying that law, morality and religion are, to the proletarian, "so many bourgeois prejudices, behind which lurk, in ambush just so many bourgeois interests."

This puts the Marxian mark of approval on Lenin's famous dictum that his followers should "use any ruse, cunning, unlawful method, evasion and concealment of truth" to achieve the desired ends.

Here are some other quotations, by later Marxists of the Soviet persuasion, on the use of force and violence in the overthrow of governments. They may be important to you to know if some Communist or fellow-traveler denies that communism contemplates overthrow of the state by force and violence. I take this from the Theses and Statutes of the Third International. "The Communist International makes its aim to put up an armed struggle for the overthrow of the international bourgeoisie and to create an international Soviet Republic, as a transition stage to the complete abolition of the State."

Lenin says in his The State and Revolution: "The replacement of the bourgeois by the proletarian state is impossible without violent revolution."

Again, Lenin says this, with particular reference to England and the United States: "The preliminary conditions for every real people's revolution is the smashing, the destruction, of the ready-made state machine."

Stalin—the present high priest of communism—said in his Foundations of Leninism: "The law of violent proletarian revolution, the law of the smashing of the bourgeois state machine, as a preliminary condition for such a revolution, is an inevitable law of the revolutionary movement in the imperialist countries of the world."

In 1929, Stalin wrote a letter to the Communist Party of the United States in which he said: "I consider the Communist Party of the United States is one of the few Communist Parties to which history has given decisive tasks from the point of view of the world revolutionary movement. It is necessary that the American Communist Party should be capable of meeting the moment of crisis fully equipped to take the direction of future class wars in the United States. You must forge real revolutionary cadres and leaders of the proletariat who will be capable of leading the millions of American workers toward the revolutionary class war."

That is the man who is represented by some of his smoother-talking followers as holding that world revolution is not necessary—but that socialism in one country—Russia—is acceptable.

William Z. Foster, the present head of the Communist Party, United States of America, said, back in 1928, when he was a candidate for President of the United States: "We working class," he said, "must shatter the capitalistic state."

We must build a new state, a new government, a workers' and farmers' government, the Soviet Government of the United States. * * * In all our agitation around these demands we must emphasize the absolute necessity for the proletarian revolution. Our strategy is to utilize these immediate demands to educate and organize the masses, in preparation for the final revolutionary struggle, which will abolish capitalism, altogether. * * * Our party is a revolutionary party."

Benjamin Gitlow, a high Communist functionary in this country until his break with the party, said at the Harry Bridges trial, in 1942: "The present Communist Party interpretation of the Communist Manifesto is to lay down the policy that it is necessary to overthrow capitalism. It is necessary to do it forcibly, through a violent revolution."

In May, of 1942, Attorney General Francis Biddle, in reviewing the deportation proceedings against Harry Bridges, found that the Communist Party in this country believes in, advises, advocates, and teaches the overthrow, by force and violence, of the Government of the United States.

A relatively short time after that, the Communist Party dissolved itself. This was the era when Browder was preaching a second front and all-out production—because Russia had been attacked by Hitler. It was something of an embarrassment to be threatening us, as allies, with overthrow by force and violence. Besides that, there was a law on the books that might be interpreted as forcing all representatives of a foreign power, in this country, to register. Certainly, that was the last thing the Communists here wanted to do. So, they changed their name to Communist Political Association. They left out references to the historic mission of the party, which was in the original constitution.

I might say, here, that this historic mission is the forcible overthrow of the government of whatever country they are in.

If you talk to a Communist and ask him about this matter of force and violence he will probably come back at you with some of the party double-talk about the party not wanting violence. It will be forced upon the party he will say, because no capitalistic government will ever yield power without a struggle. If the struggle comes, it will be the fault of the capitalist society for not submitting quietly, in other words. It is something like a highway man excusing himself for shooting his victim—the victim had no right to resist—it was all the fault of the victim.

After the war, in July 1945, the party came back, under its old name, and restored to its constitution the reference to the historic mission.

A great deal of the appeal of both the Socialist Party and the Communist Party has been based on the claim that Marxism is "scientific"—that it follows scientific principles. Its founder, Marx, they claim, was an infallible prophet of the inevitable decay of the capitalist system and its supplanting by socialism, because he used scientific principles, founded on Hegelian philosophy.

Now, I think almost anybody would agree, who thought about it, that the so-called social sciences can hardly be called sciences at all. Who would dare call economics a science, in the meaning of an exact science, or an infallible system?

And yet this pretension to being scientific and infallible has got Marxism a long way. Maybe people are impressed with it—the way they are impressed with the big, mouth-filling words. If you call a wage payer a member of the bourgeoisie, or a wage receiver a proletarian, it is so much more scientific-sounding, isn't it?

Marx had the hardihood to speak of iron laws—one of them amounts to the simple assertion: Collapse of capitalism is inevitable. He bolstered this by the assertion that no system is able to digest unlimited forces of production and that every system must collapse when the "forces of production have outgrown it."

Marx thought that the industrial revolution, brought on by the application of

steam power, would prove this last assertion of his—he confidently expected the collapse of capitalism because it couldn't digest the production of the steam engine. In 1848, the year of the manifesto, there was a great deal of unrest all over Europe. Communists did gain power, for a few days, in France, but the big explosion didn't come. Capitalism and free enterprise have gone on to digest the steam engine, electric power, the internal-combustion engine, and the wonders of modern physics and chemistry. It is now reaching out to digest the products at atomic power and yet the system refuses to collapse.

I'm very unscientific and very ignorant, of course, to have thoughts like this, but I can't help feeling that, when the Communists took the tack they did—that they had to help this inevitable collapse of the capitalist system by doing some positive acts, themselves, it showed a fundamental lack of faith in the inevitability of the collapse. Certainly, the Social Democrats, who claim to be just as good and sound Marxists as the Communists—don't exhibit this lack of faith. They are content to let the system fall of its own weight, then pick up the pieces by being voted into power. I am not a Socialist, but I have a great deal of respect for them, as good democrats with a small "d." One cannot say that they are potential traitors to their country, in behalf of another country.

Another of the iron laws of Marx was that the poor proletarian had to get constantly poorer. There was no possibility of his getting better wages than just the bare minimum upon which to subsist and to reproduce his kind. Under capitalism, nothing stretched before him except increasing want and misery and nothing—literally nothing—could halt the process. Engels said this was true, even of America.

I submit that every workingman today, who drives his own car, is making a fool out of Karl Marx and his inevitable scientific, iron laws. I doubt if Marx—far-seeing prophet that he was—foresaw radio. But if he had, he would not have considered it possible for the proletarian to own such a luxury. Every one of you men who work for wages—shall I call you proletarians?—every one of you who is now listening to me over his own radio, is kicking the stuffing out of Karl Marx and his scientific, inevitable laws.

Usually, a man who predicts the end of the world can get a certain following. They will go up on the mountain with him and wait for the crack of doom to come. But when it doesn't come, he is discredited. He can't get people to follow him the next time.

But Marx and his followers have been predicting the crack of doom many times. Marx has been shown up, many times, as not being an infallible prophet. And yet he is still harkened to, his followers still talk about him as though what he said was predestined to come true.

But I would say this of a prophet who has made many demonstrably bad guesses: maybe he isn't so scientific and maybe his main prediction isn't so inevitable, after all.

This is Jack Beall saying good night from Washington.

Problem of the Expellees

EXTENSION OF REMARKS
OF

HON. HAROLD F. YOUNGBLOOD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. YOUNGBLOOD. Mr. Speaker, this Congress has been much concerned over the problem of rehabilitation of European countries and the problem of the displaced persons.

In this connection, certain matters have come to my attention which I think should be in turn brought to the attention of the House of Representatives as a whole.

This particular matter which I have in mind refers to the problem of the expellees. There are no doubt Members of this Congress who have some question as to just who are expellees and what their problems are and what solution might be offered for these problems.

To that end, and in explanation, I would like to make the following statement:

PROBLEM OF THE EXPELLEES—WHO THEY ARE

Expellees are the people of German nationality or German ethnic origin who, at the end and after the end of the war, were driven from their homes in East Prussia, Silesia, Pomerania, the Sudetenland, Hungary, Transsylvania, and so forth, into the borders of the Reich proper as constituted by the Potsdam Agreement of 1945 and split into four zones—American, British, French, and Russian.

HOW MANY ARE THERE?

An official census has never been undertaken. According to United States Government sources and careful investigations by the American Friends Service Committee—Quakers, also by the Staatssekretaer für Fluechtlingswesen—State Secretary for Expellees, the figures as of November 1946 are as follows: American zone, 2,904,000; British zone, 3,193,000; French zone, 50,000; Russian zone, 3,912,000; Berlin, 37,000; total, 10,096,000. According to statisticians, this figure had grown to about 12,000,000 by December 1947, so I am informed.

HOW THEY LIVE

According to impartial observers, most of them active in relief work, the lot of these people is pitiful. Because of Germany's economic condition, most of them are unemployed. There is some help from the German "laender" governments, from occupation authorities and from American as well as British relief organizations. The problem, however, is so immense that all these endeavors have proven nearly futile. The province of Schleswig-Holstein, an agricultural district, for instance, has been invaded by more than 1,000,000 of these people, nearly doubling the population, increasing the hardships of postwar life in a devastated Reich and changing the entire economic picture in this and all other parts of Germany, even if conditions were normal. The tuberculosis rate and the child-mortality rate are tremendous; the former 1:45, according to British health authorities. Germany, always over-populated, is even more so today. It is estimated that 70,000,000 people live in a territory which has been shrunken to less than half the size of our State of Texas.

INTERNATIONAL REFUGEE ORGANIZATION AND THE EXPELLEES

No provisions whatsoever for these expellees are contained in the constitution of the International Refugee Organization, successor to UNRRA. In fact, it is explicitly stipulated that people of German ethnic origin, whether German nationals or members of German minorities in other countries are excluded from the activities of IRO. The IRO constitution was adopted by the Senate of the United States and signed by President Truman on July 1, 1947, without any changes whatsoever.

OUR RESPONSIBILITY

The true history of these millions of expellees has not yet been written I know. In fact, there has been a concerted drive by certain groups to keep it from the American public. These people were driven from their ancestral homes—with just what they could carry on their backs—on a few hours' notice. This was done with the more or less tacit approval of the western democracies. Looting and raping were rampant. The fate meted out to these people by the "liberating" Allied armies is fully on a par with what Hitler's legions did in Poland and other countries. We preached decency and Christianity, but we did not practice them. Morally, we failed completely. From the standpoint of an enlightened self-interest, we have failed again. Soviet Russia and her satellites have dropped the problem into our laps and we have done nothing to solve it. We have not yet learned the first lesson of history; that it is the intolerable pressure of people living in a confined space which creates aggression and warfare. This is especially true of overcrowded central Europe which has always been unable to feed her own people and had to depend on tremendous imports to avoid famine. With the German granary in the east turned over to the Poles—if not "de jure," but at least "de facto," by our signature under the Potsdam agreement—we have made an already insoluble problem much, much more insoluble.

HISTORICAL BACKGROUND

It is estimated that among these expellees there are at least 3,000,000 people who lived outside the borders of the Reich of 1938. Over 2,000,000 came from Czechoslovakia, the rest from the Baltic states, from prewar Poland, from Hungary, Yugoslavia, and Rumania. These people had settled there or had been settled there hundreds of years ago. They spoke an often old-fashioned German. Otherwise, there was no kinship whatsoever with the people in Germany proper. These peasants and artisans from Swabia, Saxony, and other parts of the Reich were given land by the Hapsburg emperors in the sixteenth, seventeenth, and eighteenth centuries along the eastern and southeastern borders of the old empire to serve as a bulwark against Turkish aggression and to christianize these outposts. They were hard-working, practical, and often prosperous people, which may well be the principal reason for their expulsion. It is only natural that they felt the constant pressure of the Slav millions all around them and that their separate language and customs as well as their prosperity should have aroused the prejudice and envy of

the rest of the population. This has happened to other races and peoples in the course of history. And it has often been considered a crime by those who were envious of success.

HOW TO FIND A SOLUTION

To solve this immense problem will take many decades. The United States could contribute by giving the expellees who are of German ethnic origin—but not German citizens expelled from the eastern provinces of the Reich—the same status as enjoyed by the displaced persons. A bill patterned after the Stratton bill should be introduced immediately. As far as all expellees are concerned, the United States delegates to IRO, vigorously assisted by Congress, should bend all their efforts toward the goal to admit all expellees to the benefits to be derived from IRO. As far as the expellees of German ethnic origin are concerned, the United States and British occupation authorities should appoint a commission composed of experts in agriculture, handicraft, industry, mining, and so forth, to make a census of these people with their special skills. In a nation such as ours, where the number of farm workers decreases from year to year, there should be ample opportunity—benefiting our entire agricultural life—for vigorous, hard-working farmers with a tradition of hundreds of years of tilling the soil successfully. One need only look at the prosperous farms in Wisconsin, Minnesota, Iowa, Nebraska, and so forth, where many a German peasant settled a generation or more ago to become an efficient American farmer and a good American citizen to boot. Among these expellees of German ethnic origin there are famous glass blowers from Bohemia, clever cabinetmakers, experts in husbandry, chemists, foresters, and many, many others who—in line with an enlightened selective immigration policy—could well contribute toward making this land of ours richer and more prosperous. All Americans have the fullest sympathy for the displaced persons who live a life of sorrow in the camps of central Europe. They should be given help and admittance into the western nations in accordance with a carefully conceived plan. The lot of the expellees is just as hard and just as undeserved. Moreover, their number is much greater. I ask for them the same that may be given to other displaced persons, as far as selective immigration and the work of IRO are concerned.

In a Stew Over Rent Control

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith the remarks made this morning in a radio broadcast by the Mutual Broadcasting System's news commentator, Mr. George E. Reedy, over Station WOL, Washington, D. C.

Mr. Reedy expresses the concern of many of us over the important question of rent control. His remarks follow:

There seems little doubt that Congress will extend rent control for another year. But before it happens the legislators are going to have to make a mighty embarrassing decision. It won't be an easy one.

It centers around the 15-percent voluntary rent increase that was slipped into the present law during the last session. At the time it was passed nobody seemed to realize that it would come back to haunt our legislators at a later date.

At the time it was supposed to be merely a cushion against too abrupt relaxation of wartime controls. It offered the landlord a 15-percent increase in his income. But in return he had to give his tenants the security of a long lease in exchange.

The whole idea was based on the assumption that the last day of February would mark the end of rent control. At the time that did not seem too far-fetched. There were some prospects that the housing shortage would ease off in the coming year.

Now that 1948 is actually here, however, those prospects aren't worth a plugged nickel. There are still too many people fighting over too few homes. Even more important, there is not a decent set of plans to solve the situation.

Consequently, there is nothing much that can be done, except extend the Rent Control Act for a longer period. But it is here that the rub comes. Congress simply has to make somebody mad, and there is no way of getting around it.

First of all, let's take the people who agreed to pay 15 percent more rent in return for a long-term lease. They did it only because they expected controls to expire at the end of February. They felt they were following the advice of Congress.

Should Congress simply extend the present law they are going to feel that they were suckers. That is something that irritates almost anybody. They are not going to feel kindly toward the men who are responsible for the situation.

Jacking the others up an additional 15 percent won't help the legislators in the slightest. It will not soothe the feelings of those who signed the long-term lease. It will arouse the ire of those who held out against an increase.

One solution might be to wipe out the 15 percent and send everybody back to the level at which the whole thing started. This, however, would only anger the Nation's landlords, who have already proved themselves a potent force.

The basic difficulty is that any general increase granted now will fall unevenly on the shoulders of the Nation's renters. It will hit those who made the voluntary-lease agreement harder than it hits those who didn't.

No matter how you look at it, it's a tough decision to make, especially in an election year. Hindsight, of course, is always better than foresight, but many a legislator wishes now he had taken a different course when the bill was up last year.

The present situation could have been avoided either by a general rent increase or no increase at all. The important thing was to keep the whole population on an even keel. The mistake was to permit some boosts but not others.

Some of the best brains of the Republican Party are pondering over this dilemma now. Nobody can forecast their answer at the moment. But it had better be good. Rentals and the housing shortage are key 1948 election issues.

The Late Rear Adm. Ingram C. Sowell

EXTENSION OF REMARKS
OF
HON. WIRT COURTNEY
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. COURTNEY. Mr. Speaker, under leave to extend my remarks, I include the following resolution passed by the L. O. Crane Post, No. 63, American Legion, Lawrenceburg, Tenn., upon the death of Rear Adm. Ingram C. Sowell, a citizen of Lawrence County and a life member of that post:

Whereas Rear Adm. Ingram C. Sowell was an honored and beloved citizen of Lawrence County; and

Whereas he rendered valorous and distinguished service to his country during two world wars; and

Whereas he demonstrated his love for his home community and this post by the gift of a plot of ground from his hallowed home place for Legion and civic purposes; and

Whereas he was awarded a life membership in this Legion post; and

Whereas on December 21, 1947, Comrade Sowell passed from this life to his eternal rest and reward: Therefore be it

Resolved, That the L. O. Crane Post, No. 63, American Legion, in regular session at Lawrenceburg, Tenn., does hereby express its great grief for his incalculable loss to our country and to this post, and stand in reverent silence as our charter is draped for this departed comrade; and extend its deep sympathy and sincere solace to his bereaved family; be it further

Resolved, That a copy of this resolution be made a part of the minutes of this meeting, copies to the press services, a copy sent to our Congressman for inclusion in the CONGRESSIONAL RECORD, and the original of this resolution be transmitted to the surviving companion of Comrade Sowell.

ROBERT L. LUMPKINS,
Post Commander.
HORACE W. BLAIR,
Post Adjutant.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. GEORGE D. AIKEN
OF VERMONT
IN THE SENATE OF THE UNITED STATES

Wednesday, January 21, 1948

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a release issued today by the Power Authority of the State of New York, relating to the development of the St. Lawrence River system.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

Development of the St. Lawrence system as one of the major natural resources of North America, with early construction of the Barnhart Island powerhouse and Long Sault Dam on the New York-Ontario frontier, is recommended by the Power Authority of the State of New York in its annual

report for 1947 submitted today to the Governor and the Legislature.

The project approved by the Committee on Foreign Relations and favorably reported to the Senate, Eigthieth Congress, January 7, for debate this month, should be judged squarely on the basis of public need, the Power Authority states.

Completed engineering plans, public hearings held by committees of the Eightieth Congress, and growth of power demand in New York and neighboring States to record peaks in 1947 are reviewed in the report.

"At the beginning of 1948," the report said, "the immense value to New York State and the Nation of the resources of the Great Lakes-St. Lawrence system has been brought into bold relief by—

"Power shortages in the project area itself, including parts of New York State and the Province of Ontario.

"Rising costs for fuel and transportation.

"Expanding demands for more production to help meet domestic and overseas requirements for food and manufactures.

"Renewed emphasis on the importance of the Great Lakes-St. Lawrence resources to the security of the Western Hemisphere."

Joining in signing the report were the five trustees of the power authority, Gen. Francis B. Wilby, Geneva, chairman; Fred J. Freestone, Syracuse and Interlaken, vice chairman; George Stephens Reed, Lowville; Gerald V. Cruise, New York City; and Samuel J. Joseph, New York City, who retired late in 1947 to become county judge of Bronx County; and Ralph G. Sucher, executive secretary and counsel. Trustee Jacob Grumet, New York City, was appointed by Governor Dewey January 16 to succeed Judge Joseph.

The report contains testimony and recommendations by Secretary of State Marshall, former President Hoover, Secretaries of the Army, Commerce, and Interior, Lieutenant General Wheeler, Chief of Engineers, the Joint Chiefs of Staff, the Permanent Joint Board on Defense, and others on record for the Great Lakes-St. Lawrence development.

The pending United States-Canadian agreement of 1941 to complete the project and Senate Joint Resolution 111, favorably reported by the Committee on Foreign Relations, provide, the report states, for—

"Development of 2,200,000 horsepower at a single site in a major hydroelectric power project on the New York-Ontario frontier, half of which will be located in New York State, producing in the New York power plant 6,300,000,000 kilowatt-hours of low-cost hydroelectric energy a year.

"Improvement of relatively short sections of the existing Great Lakes-St. Lawrence waterway to provide 30 feet depth over lock sills and a continuous channel of a minimum navigable depth of 27 feet, a minimum depth already in use over 90 percent of the length of the system."

The report throughout stresses the need for hydroelectric energy to meet a part of the record growth in demand in New York and neighboring States as well as in the Province of Ontario. Shortages which occurred in 1947 and caused curtailment of industrial power use are detailed in the report. Statistical tables and charts prepared by the power authority supplemented by data drawn from published reports of the Public Service Commission, the Hydro-Electric Power Commission of Ontario, and other agencies are printed in sections II, III, and V.

A complete physical description of the project presented by the power authority at public hearings of the Committee on Public Works, United States House of Representatives, July 16, 1947, appears in appendix 14. Detailed estimates of cost based on 1947 prices, presented by the Chief of Engineers, United States Army, at public hearings of the subcommittee, Committee on Foreign Relations, June 13, 1947, appear in appendix 8.

The report is illustrated by charts showing relative growth of power requirements, supply, and use in New York State and the United States; maps of the St. Lawrence River system; and photographs of the Long Sault Rapids, project sites on the New York-Ontario frontier, and other major works comparable to the proposed St. Lawrence development.

A drawing of the works in the International Rapids section, as they will appear when built, based on engineering plans completed by the Corps of Engineers, United States Army, was prepared for the authority by Alexander Leydenfrost with technical advice from Ivan Sattem, engineer, and is published in the report.

EXCERPTS FROM THE REPORT

Following are excerpts directly quoted from the report issued today:

Conclusions and recommendations

"The policy declared in section 1 (of the Power Authority Act) is implemented in section 5 of the act which authorizes and directs the power authority, in cooperation with United States nd Canadian authorities, to plan, construct and operate the St. Lawrence power development in New York State to the end that the project shall 'be adaptable to,' and 'consistent with and in aid of the plans of the United States for the improvement of commerce and navigation along the St. Lawrence River.'

"Section 5 of the Power Authority Act further provides that 'the said project shall be in all respects for the aid, improvement, and benefit of commerce and navigation in, through, along, and past the St. Lawrence River and the International Rapids section thereof, and that in the development of hydroelectric power therefrom the said project shall be considered primarily as for the benefit of the people of the State as a whole' and shall be utilized to 'permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity.'

"Pursuant to the declared policy of its act, the Power Authority has successfully upheld the rights of the people of the State of New York in the St. Lawrence power development and has obtained recognition of these rights under the terms of the joint resolution now before Congress."

Need for hydro development in New York State

"The people of the State of New York possess one of the greatest natural resources of hydroelectric power in the world in boundary waters shared with the Province of Ontario, which carry the outflow of the Great Lakes eastward to the sea.

"In the development of power from these boundary waters, the United States-Canadian Agreement of 1941 and the joint resolution, Senate Joint Resolution 111-House Joint Resolution 192, now pending before the Eightieth Congress give priority to the construction of works in the International Rapids section of the St. Lawrence River.

"In many previous reports, the Power Authority has recommended public development of (1) the 1,100,000 horsepower potentially available to the State from the St. Lawrence River and (2) the additional power, estimated in these reports at more than 780,000 horsepower, which could be made available to the State by redevelopment of Niagara at full head. In renewing these recommendations, and at public hearings on the pending agreement and joint resolution in 1946 and 1947, the Power Authority has directed attention to the growing need for development of New York's major resources of water power on a parity with low-cost hydroelectric projects in other areas."

Rising consumption of coal and oil in fuel-power plants

"The relative decline in hydroelectric-power capacity in New York State, as compared with steam capacity, and as contrasted with hydroelectric expansion in other areas, has inevitably been attended by (1) rising consumption of coal and oil in fuel-power plants of the State; (2) higher costs to customers for electric service than prevail in areas with developed hydro; and (3) a lower rate of usage of electricity and electrical appliances than prevails in such areas.

"As indicated in table V and chart 6, consumption of coal and oil for production of electric energy in power plants in New York State has increased enormously from World War I through the years following World War II. Consumption of bituminous coal reached its peak in 1943, at the time of greatest need of fuel for domestic supply and war production, with a total of 10,316,253 tons. Consumption of oil reached a total of 1,505,707 barrels in 1941, during the national defense emergency, and after declining during the war, rose to a new all-time high of 2,206,127 barrels in 1946. The consumption of these exhaustible fuels has proceeded in 1947 at a rate far in excess of that of any year prior to the war. Chart 7 shows fuel consumption in power plants for the United States as a whole."

Plan for hydro development presented in previous reports

The report for 1947 refers to previous reports of the Power Authority recommending coordinated development of St. Lawrence and Niagara power, and quotes from the Eighth Annual Report of the Authority its conclusion that "a very material reduction in the present cost of power could be achieved with full protection for all present and future private investment in the power industry serving New York State."

"The plan assumes that distribution of power will remain as today, largely in the hands of the private power systems, provided they cooperate in the public purpose of attempting to sell electricity in abundance at the lowest possible rates. It develops an objective rate schedule which offers the incentive of increasing profits as residential use approaches the goal of complete electrification."

The report for 1947 continues:

"Passage of the joint resolution favorably reported by the Committee on Foreign Relations, United States Senate, Eightieth Congress, will provide the necessary enabling legislation for development of New York State's major resource of hydroelectric power in the boundary waters of the St. Lawrence River. It will also set up procedures for later development of the additional power latent in the boundary waters of the Niagara. The need for initiating this program by early construction of the St. Lawrence project, as provided in the pending United States-Canadian agreement and joint resolution, has been confirmed by events of 1947, detailed in the present report."

New York State power requirements and supply

"During 1947 the rate of production and consumption of electric energy rose in the fall of the year to new all-time high records in New York State and the Nation, exceeding wartime peaks.

"Electric-power requirements in New York State expanded to a point at which voluntary curtailment of use of power by industry was asked in up-State areas in October 1947. While the curtailment was temporary and was attributed by utility companies, in part, to drought conditions, it reflected also continued growth in the demand for electric energy from the more than 4,000,000 resi-

dential, rural, commercial, and industrial customers in New York State."

Power shortages in Canada related to New York State power supply

"The large imports of hydroelectric energy from Canada during and since the war must be taken into account in connection with electric power requirements and supply in New York State.

"Over the last 4 years, 1943 to 1946, inclusive, New York State has imported an average of nearly 2,500,000,000 kilowatt-hours of hydroelectric energy a year from the Dominion of Canada to meet requirements in this State. The Hydro-Electric Power Commission of Ontario, which will share with New York State in the development of power from the St. Lawrence River, has been a principal supplier of this imported energy.

"Expanding requirements in the Province of Ontario must be considered in appraising the need for increased sources of supply within New York State. In its last annual report for 1946, the Hydro-Electric Commission of Ontario described the causes of the power shortage which has developed in that Province as follows:

" 'In southern Ontario the Commission, although able to meet all its commitments in respect to delivery of power under its firm power contracts, was not able to meet all the power demands of large industrial users who purchase power on an interruptible basis. Substantial reductions in delivery of both power and energy to this class of customer were necessary during the late fall and winter months of 1946–47; to these customers the power shortage was very real and serious'."

St. Lawrence power required to provide for growing needs and future expansion

"In recommending prompt development of the St. Lawrence River in annual reports and at congressional hearings preceding United States entrance into World War II, the power authority presented estimates indicating substantial growth in the power requirements of the State by 1950, to a point approximated during the war and in 1947. Had the St. Lawrence development been initiated in 1941, its production of hydroelectric energy would have been available to help meet the growth in requirements and would have served to overcome the lack of reserve capacity which became acute in 1947.

"Neither the St. Lawrence project nor the development of additional power on the Niagara can now be expected to relieve existing shortages or to supply needed reserves in up-State areas in 1948, 1949, and the next succeeding years. Construction of the St. Lawrence project, however, would make available to New York State the largest block of low-cost hydroelectric energy which can be readily provided to meet the growing requirements of the State and provide for future expansion. On the basis of the data contained in the present report, the power authority therefore urges authorization and construction of the St. Lawrence project under the measures pending before the Eightieth Congress as the most direct, efficient, and economical means of serving this need."

Use of the project to conserve iron ore and other critical materials

"The Senate subcommittee also received testimony on the value of the St. Lawrence project, in both its power and navigation phases, as a means of augmenting and conserving supplies of critical materials essential in time of war.

"Extensive evidence was taken and the testimony of many witnesses was heard on the depletion of high-grade iron ore deposits in the United States, the discovery of new high-grade iron ore deposits in Quebec-Labrador, and the need for completion of the St. Lawrence waterway to provide a means of transporting ore to the major plants of the steel industry in their present locations in the littoral of the Great Lakes."

New York State's rights in the St. Lawrence power development upheld by the Senate Committee on Foreign Relations

(In section V of the power authority's report for 1947 appears a section of the report of the Senate Committee on Foreign Relations, approved December 18, 1947, and submitted to the Senate January 7, 1948. This section, not previously published in the press, appears below.)

"Extensive testimony was received during the hearings on the need for 2,200,000 horsepower of hydroelectric energy, as well as for the improved navigation facilities, which will be created by the dual-purpose plan for development of the International Rapids section of the St. Lawrence River.

"The use of electric energy by industry, agriculture, and residential customers in the project area rose to new all-time high records in 1947. Actual power shortages developed in New York State and the Province of Ontario which fully confirm testimony taken at the hearings. Continued delay of the St. Lawrence project and resulting lack of adequate reserves of power in these important areas would obviously weaken the security of the United States and Canada.

"Previous reports made by the Committee on Foreign Relations on the self-liquidating power project are set forth in the summary appearing on pages 50 and 51 of the hearings. The committee concurs in the recommendations contained therein." (From the report of the Senate Committee on Foreign Relations, Jan. 7, 1948.)

The recommendations reaffirmed by the committee in the report dated January 7, 1948, appear on pages 121–123 of the power authority's report for 1947.

Tax on Vegetable Oils

EXTENSION OF REMARKS

OF

HON. J. WILLIAM FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Wednesday, January 21, 1948

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter I have received from the director of the Arkansas Resources and Development Commission, replying to a letter which was written to Representative CHARLES R. ROBERTSON, of North Dakota, by Mr. John Burnham, executive secretary of the North Dakota Dairy Industries Association, which appeared in the CONGRESSIONAL RECORD of Wednesday, January 14.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ARKANSAS RESOURCES AND DEVELOPMENT COMMISSION,
Washington, D. C., January 19, 1948.

Hon. J. W. FULBRIGHT,
United States Senator,
Washington, D. C.

DEAR BILL: I have just read the letter from Mr. John Burnham, executive secretary of the North Dakota Dairy Industries Association, which was written to Congressman CHARLES R. ROBERTSON, of North Dakota, and which appeared in the CONGRESSIONAL RECORD of Wednesday, January 14. In this letter, Mr. Burnham attempts to defend the position of the dairy industry in favoring continued tax on vegetable oils, prepared for table use, and to take you to task for introducing a resolution for removing this tax from margarine.

Mr. Burnham's argument against repeal of the margarine tax grows weak in his disregard for the only two legitimate uses of a tax within this country, which are (a) for revenue and (b) to pay for services in maintaining sanitary inspection and to secure disease and insect control. The present margarine tax does not appear to be imposed for the two principal reasons of taxation. In his zeal to main the present taxes against margarine and in favor of butter, Mr. Burnham chooses to continue the violation of the Constitution of the United States which prohibits tariffs between States. A tariff barrier between States is about all that can be claimed for the present tax against margarine.

The North Dakota Dairy Industries Association assumes that by your resolution to eliminate the Federal margarine tax, you are acting in a selfish manner and discriminating against the dairy States. He is undoubtedly presuming that your State of Arkansas does not have any dairy interests. To prove his point some dairy statistics of North Dakota are given in his letter to Congressman ROBERTSON.

For the purpose of making a simple comparison between Arkansas and North Dakota in the dairy business, here is a table showing some comparative figures taken from the census report. The figures used in Mr. Burnham's letter are supplemented in this table by similar figures from Arkansas. They are as follows:

North Dakota:	
Total number milk cows in State	457,000
Total number farms in State	59,650
Farms reporting dairy cows	58,853
Annual production, milk, in pounds	1,900,000,000
Annual production, butterfat, in pounds	49,000,000
Arkansas (1945):	
Total number milk cows in State	480,000
Total number farms in State	198,769
Farms reporting dairy cows	152,082
Annual production, milk, in pounds	1,478,400,000
Annual production, butterfat, in pounds	63,280,000

According to these figures, North Dakota produces about 49,000,000 pounds of butterfat per year and Arkansas about 63,000,000 pounds of butterfat per year. The actual pounds of butter that North Dakota may make and sell is not readily available to me at this time, but the records show that in 1945, Arkansas sold into the market about 1,300,000 pounds of butter. North Dakota probably sold a great deal more butter. The butterfat in Arkansas was consumed or sold in connection with whole milk and other dairy products and not butter. It is safe to assume that a fairly large proportion of the butterfat produced and sold in Arkansas, regardless of the form in which it was finally consumed, is in competition to margarine. Nevertheless, I know that the people of Arkansas, who are in the dairy business just as much as the people of North Dakota, are overwhelmingly in favor of your resolution to eliminate the Federal tax on margarine. I hope you will continue your efforts to get this resolution passed and signed into law.

Very sincerely yours,

H. K. THATCHER, *Director.*

Accomplishments of the Eightieth Congress

EXTENSION OF REMARKS
OF

HON. CHAPMAN REVERCOMB

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, January 21, 1948

Mr. REVERCOMB. Mr. President, our distinguished colleague the junior Senator from Nebraska [Mr. WHERRY] made an enlightening address on the accomplishments of the Eightieth Congress before a meeting of the Republican National Committee at the Mayflower Hotel in Washington on January 20.

In his address, the Senator discussed issues confronting our country and the Congress. Therefore, I believe his colleagues in the Congress and others throughout our country will be interested in reading what he said. I ask unanimous consent that the address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Chairman Reece, members of the Republican National Committee, and guests, it is indeed an honor to be invited to address the Republican National Committee men and women again. I shall never forget the happy friendships and relationships I made as western director for the States west of the Mississippi River under the leadership of JOE MARTIN. It was then that I met many of you, and I have cherished these friendships down through the years.

Your coming to Washington is timely. You are here for the kick-off of the new session of the Republican Congress.

In this new session we will carry forward our constructive legislative program that was so well advanced in 1947—a program that has kept faith with the mandate from the people in the 1946 elections.

The passage over the President's veto of the Labor-Management Relations Act, a cut in governmental expenditures, and a balanced budget for the first time in 15 years, they are some of the accomplishments of the first session of the Eightieth Congress.

It was through the efforts of the Republican National Committee, State and local organizations, and the leadership of Republican Members of Congress and candidates on the firing line, that the Republican Congress, governors, and countless State and local officers were elected in the 1946 landslide.

Next June, in Philadelphia, our party's delegates will meet in a free and open convention. They will nominate the next President of the United States.

No clique of alien-minded radicals has captured control of the Republican Party. Ours is a united party with an alert, able, and progressive leadership and a sound, forward-looking program.

The American people know that the Republican Party is the only safe and truly liberal medium through which their will for sound, sensible government can be achieved.

This is not a wild guess nor an excessive statement.

During the past months I have traveled much across the country. I have made speeches and I have talked to many persons. The signs are plain. The ground swell for the Republican Party and good government is unmistakable.

But right here let me utter these words of caution. Do not be overconfident. Overconfidence has lost many worth-while contests.

There are those within our party who feel that because the Democratic Party is divided, all we need to do is stand by, play for the breaks, and let the opposition defeat itself.

But even though the Democratic Party breaks apart at the seams, we—all of us—have to keep battling for Republican victory and good government.

The radical masters of the Democratic Party are past masters in planning confusion and chaos.

They want to divide our united party.

They are fighting all our conservative measures in Congress to cut the frightening high cost of government.

They are fighting our efforts to reduce the intolerable and indefensible wartime tax burden.

They are fighting all our efforts to buttress and hold fast to our American way of life.

What the present administration apparently wants is confusion, emergencies, and crises—to tax and tax, and spend and spend.

A return to sound, constitutional government will end their hope of gaining control over the lives of everybody through orders, directives, and a police state.

We hold that the principles proclaimed by the founding fathers, and so ably enunciated by Abraham Lincoln—the first Republican President of the United States—are as true today as when they uttered them.

Lincoln championed true liberalism. He fought for the greatest good for the greatest number. He stood firm for all the unalienable rights that are guaranteed by our Federal Constitution.

What would Lincoln do if he were President today?

We know by his precepts and examples. Lincoln never faltered in his faith. He believed the individual is the primary unit of liberty. If Lincoln were President how well we all know he would strive to bind the wounds of war in the spirit of Christian brotherliness. He would tell us, as all history shows, that people cannot be bribed into friendships, but must be won by example, precept, and reason.

Lincoln's way was honesty, simplicity, and understanding, and to stand on principles without giving offense.

Two of his statements are especially pertinent in these times. Lincoln said:

"The prudent, penniless beggar in the world labors for wages awhile, saves a surplus with which to buy tools or land for himself, then labors on his own account another while, and at length hires another beginner to help him."

That's freedom of enterprise, and the Republican Party is pledged to preserve that freedom.

And what would be Lincoln's attitude toward present-day Red-Fascist attacks upon competitive enterprise and the property system? I recall for you these words by the Great Emancipator:

"Property is the fruit of labor; property is desirable; is a positive good in the world. Let not him who is houseless pull down the house of another, but let him work diligently and build one for himself, thus by example assuring that his own shall be safe from violence when built."

This is the right to own property—to own a home. Such rights are basic in a free enterprise system.

That is why those of us who believe in these fundamental principles in our American life view with alarm President Truman's almost daily appeals to the Congress for power and more power; power to regiment our people; power to combat communism abroad with totalitarian methods at home; and the kind of power that creates a police state.

Now, let's break this down to specific issues.

What about communism? The Republican Party has been fighting communism at home and abroad a long time. It is the Republican Party that is fighting to keep from the backs of the voters of this country the regimentation upon which communism thrives.

We don't like Communists here and we don't like Communists' aggression abroad.

It is the Republican leadership that has in most instances provided the policy that has been successful abroad in keeping the iron curtain from entirely encircling Europe.

It is the Republican leadership that caused a reversal of Russian appeasement and the scrapping of the stupid Morgenthau plan, that has held back recovery in Europe. Every competent observer knows that the recovery of all Europe depends on a recovery of the German people as well.

THE TAFT-HARTLEY ACT

On the domestic front, let's take a look at the Taft-Hartley Act. President Truman's indefensible veto of that act was a purely political gesture to radicals and a small, powerful group of labor barons.

Workers now know from its operations that it protects their rights, including the right to organize; the right to bargain collectively; the right to control their unions; the right to an accounting of their union funds; and the right to strike.

Why, the Taft-Hartley Act emancipates the workers. It is doing exactly what it was intended to do: Provide sensible machinery for the settlement of labor-management disputes, so that we can have more constant production of the goods so urgently needed by the people.

President Truman vetoed the Taft-Hartley Act. In his recent message to the Congress on the state of the Union, he stated:

"I made my attitude clear on this act in my veto message to the Congress last June. Nothing has occurred since to change my opinion of this law."

I now challenge the President to tell the country if he is going to ask the forthcoming Democratic National Convention to favor the repeal of the Taft-Hartley Act. Will the President repudiate the overwhelming majority of Democrats in Congress who voted to override this veto?

LIVING COSTS

Another important issue of this campaign will be living costs. President Truman has lost faith in the American people. His is a defeatist attitude. His only remedies offered are controls, controls, and controls. He has lost faith in the free-enterprise system and the ability of the American people to produce and distribute their products.

Controls won't drive prices down. Controls stifle production. Controls foster black markets, confusion, and chaos. These are the results of a regimented state. But let me frankly tell you after 5 years as Chairman of the Small Business Committee of the Senate where we handle thousands of claims of the small businessmen of this country, Washington cannot blueprint the economy of 140,000,000 people.

But there are constructive measures that must be taken with courage to halt inflation and bring the cost of living within the reach of all of our American people.

Governmental expenditures must be cut and they will be cut during the present session of this Congress.

The cost of government in the United States is more than the food bill, and you cannot cut Government expenditures and at the same time appropriate nearly $3,000,000,000 more money than was appropriated last year.

The primary causes of high prices are 15 years of deficit spending, reckless dilution of the currency, and an unequal and unwon battle to bring production abreast of consumer demand. This production lag is due

in part to past industrial strife and is vitally affected by huge shipments abroad of the food and materials so scarce for our domestic use.

Although we face the choice of dealing with these problems or risking economic catastrophe, the Democratic administration has shown no disposition to meet and solve any one of them.

The $40,000,000,000 budget that the President asked for the fiscal year of 1949 is the highest peacetime budget in our country's history. It is more than twice all the corporation profits in 1947, and is more than four times the 1939 prewar budget of $9,000,000,000.

Let me restate to you, this Congress is going to cut that budget. Tax reduction and payment on the debt depend upon the budget and we are going to cut that budget to lighten the outrageously high tax burden of the American people.

Twice the President vetoed tax-reducing bills last year, but my friends this is an election year and he now admits that there is need for personal income tax relief, though he presents a tax plan that is as phony as a $40 bill.

With one hand he would give the people tax relief and with the other he would take it away from them in higher prices, because we all know that taxes enter into the cost of everything we buy.

He would increase the consumers' cost by boosting taxes on business. The bill that will be passed by the Congress will reduce the burden for everybody and it will mean more take-home pay and more incentive capital for business, more production, and more jobs.

Finally, on the domestic front, our people should know more about how foreign commitments affect our own domestic economy. Our exports and imports should be reviewed and only those quotas that our economy can stand without further inflationary effects should be fixed, so that the dollar may become stabilized and so that no further inroads will be made on our economy by the inflationary spiral brought about by the gulf between exports and imports.

The net excess of exports over imports last year was $11,000,000,000. If we go through another year on that basis our living costs will be higher and higher and the inflationary spiral will surely climb. It should be remembered that this Administration under the Second War Powers Act has had absolute authority over exports and imports all through this period. They are the ones responsible for this net of exports. Upon them is the responsibility of placing a ceiling on those exports, for we cannot wait until bankruptcy is threatened.

We must call a halt because only a sound, solvent America can lead and help the nations of the world. We want to help and do all we can to help other people help themselves.

If we are to avert the national calamity of a runaway inflation, we must treat the causes rather than the symptoms.

These dangerous conditions cannot be cured by quack remedies, emotional outbursts, catchy slogans, or propaganda designed to divide the American people and set them at each others throats.

We cannot save Europe by going down with Europe to depletion, confusion, and want, any more than one man can save another who is drowning by going down himself.

The misery, the want, and the chaos in Europe today, are the direct result of totalitarian regimentation and ruthless police state methods. These methods have failed even in Russia. They have just made a capital levy of 90 percent on their people.

Contrast this with the production America has attained under the competitive enterprise system and the standards of living of the American people.

THE MARSHALL PLAN

This brings us head-on with the so-called European recovery program, which, of course, is an issue that is to be thoroughly discussed and debated in this session of the Congress.

In the campaign I hope to see the entire foreign policy of the United States reviewed. Our people have a right to know all the facts. They should know what commitments have been made politically and economically. It should be made plain to the individual voter that foreign commitments, no matter how alluring they may be, affect them in their business and home life.

I am quite sure, whatever European recovery plan is finally passed, that it will require that the administration of a great portion of it be in the hands of competent business executives who will get 100-percent results out of the taxpayers' dollars.

Certainly if we are to loan or give money and goods to Europe the time has come when conditions should be prescribed that the European countries produce; that they show satisfactory progress reports.

After all, the purpose of those plans is to aid the recovery of European people. If we require the governments to produce results the individual people will benefit.

And then there is the question of the amount and whether the money should be given or loaned or both.

Those who are responsible for this legislation on the floors of the House and Senate must tell the American people frankly what every venture or commitment in foreign affairs means to them—why the impact—why the price increase—and then, if the American people want to tighten their belts in carrying on such a program it is for the American people through their representatives to decide.

Now, I want to talk about party organization. It is one thing to talk the issues, but it is another thing to go into the homes of America and discuss these issues with the voters who go to the ballot box to decide them.

Our publicity then will depend primarily upon the party organization which, of course, runs from the national committee to the precinct worker. It is our job to take the candidates and the issues to the people. That is the purpose of political parties.

Candidates should welcome an opportunity to discuss the issues. The party workers and the voters have a right to see the candidate, to hear the issues discussed, to know the ideology of those for whom they are working, the same as the salesman ought to know his merchandise.

It is the responsibility of candidates who are nominated to be aggressive and to welcome the opportunity of leading in the discussion of these issues in any forum or on any platform throughout our different States.

Furthermore, there must be an expansion and strengthening of all our divisions at the national committee's headquarters.

The Women's division, under Assistant Chairman Jane H. Macauley, is doing a grand job. Our Republican Party is especially strong among women voters.

Don't forget that the hand that rocks the cradle also does most of the buying for the homes, and the women are alert to what is going on.

The Young Republicans' Federation is growing by leaps and bounds. In the schools and colleges, where the radical New Dealers and the communistic fellow travelers are so busy, much organization work needs to be done.

Among the so-called minority groups a lot of information must be spread—knowledge that the Republican Party is the champion of the rights of all patriotic minorities, knowledge that the Republican Party had its birth in seeing that the rights of minorities shall be protected, and knowledge that it was not the Republican Party that sold small countries of Europe down the river to Soviet Russia.

I remind you that if we had gotten 470,000 more ballots in 10 States in the 1944 Presidential election, Gov. Thomas E. Dewey would be in the White House today.

Of course, we look for a landslide Republican victory come next November. But let's not take anything for granted. Let's work on the basis that victory may be decided by a difference of only 1 percent of the votes—10,000 in a few States or 100 in a county.

To get that job done we need organization and we have a lot to do. We must have teamwork all along the line—national committee, State committees, and local committees, and tieing into the Republican leadership in the Congress.

Chairman Reece and his staff at national headquarters have been doing a good job. Mr. Reece agrees, as do all of us, that between national conventions the policies of our party are made by the record of our Members in the Congress.

In Congress today is where the issues are being fought out and the record made. Mr. Reece has inaugurated a plan for close liaison between the Republicans in Congress and the national committee headquarters.

Men have been assigned by the committee to the Senate and House Republicans, to assist them in party matters, to keep committee headquarters constantly informed on plans and accomplishments in the Congress, and to transmit to the Republicans in Congress any suggestions or information that committee headquarters desires to give.

As I see it, the Republicans in Congress make the record and the Republican National Committee sees that the party's record is energetically disseminated among the people through an efficient publicity division and divisions covering all other phases of the campaign.

We have talked about the political and economic issues confronting the American people. We have discussed the need of party organization in order that the issues may be fairly brought to and understood by the people throughout the country.

But there is one final point I wish to make. We have need in our country today—an aching, yearning need—for a spiritual and moral revival among our people. The Republican Party is prepared to provide the leadership in such a revival, based on the eternal truths and the principles of freedom embodied in our American Constitution.

The eyes of the world—the hopes of all the world's people—are pinned at this critical moment upon America. The survival of world civilization depends largely upon our ability to keep America strong.

Let me say here and now: America is going forward; America is going Republican.

Republican National Committee Dinner Address by Hon. William F. Knowland, of California

EXTENSION OF REMARKS

OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Wednesday, January 21, 1948

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD an address by the junior Senator from California [Mr. KNOWLAND] on January 19,

1948, at the Republican National Committee dinner at the Mayflower Hotel, in this city.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, members of the national committee, and guests, 1948 is an important year both for our Nation and our party. If we face up to the challenges of the day it is my firm belief that the ticket we nominate at Philadelphia in June will be elected in November.

I am not one of those who believe that all the virtues are to be found in our party or all the faults in the opposition. If we will only take a realistic look at conditions at home and abroad, we must acknowledge that there are a number of problems that must have American rather than partisan solutions.

Our Nation can survive without our party but our party cannot survive if the republic is destroyed from within or without.

The United States has grown from a colony of 3,000,000 people to a Nation of 140,000,000 in the short space of 172 years. During this time our two party system has played its part in the development of our national well-being and the carrying out of national policies.

This, in spite of the fact that at no place in the Constitution or in the Declaration of Independence does one find any mention of political parties. Yet the very necessities of the situation and the actual functioning of Government developed the need for our two party system.

Political parties come and go but our Constitutional government continues. The Federalist and Whig parties played their part and passed from the political scene. But their demise did not leave for long a void. Other more vigorous groups took their places. Political parties must justify their existence or make way for others that will.

Certainly we cannot command the respect or support of the voters by making our party merely the vehicle for replacing Democratic officeholders with Republicans. We dare not, in the critical years ahead, consider political activity as an end in itself.

Rather it must be as a means to serve the Nation. We must keep our eyes on the future, not on the past. The great questions to which Americans want answers relate to 1948 and the years ahead and not to 1947 and the years behind.

The national interest must in all cases override any partisan advantage. It was in this spirit that the framers of the Constitution drafted that document.

It was not we the Federalists or the Republicans, it was not we the employees or the employers, it was not we the merchants or the farmers, it was not we the landlords or the tenants, but it was, "We the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare and secure the blessings of liberty for ourselves and our posterity, do ordain and establish this Constitution for the United States of America."

Both in the field of foreign affairs and domestic economics the people must be told the facts in clear, concise, and accurate terms. It is no time for sugar-coated generalities or for pleasant platitudes. When sickness strikes our loved ones we want the most competent medical advice possible. Breaking the thermometer so we won't have knowledge of the fever curve is no cure for a high temperature.

From time to time we hear criticism because an individual has made a speech which is interpreted as being the position of our party. We know, however, that the only organization that can speak for the Republican Party of the Nation is the national convention that will be held in June of this year when it adopts the party platform. In the meantime I certainly believe that the expression of varied points of view serves a useful purpose. Republican Members of Congress, governors, and leaders who hold no public offices in fact have an obligation to make a contribution toward the constructive solution of current problems. If they remain mute because they fear criticism, I do not believe they would be discharging their obligations.

On all the great questions of the day there are bound to be honest differences of opinion among the members of both parties. Unless there is to be an irreconcilable split, somewhere along the way a common meeting ground must be found. As a general rule, but not always, the Republican Party seems better able to compose its differences than is our opposition.

The American system of profitable business and well-paid labor go hand in hand. Destroy one and you destroy both. We can, I firmly believe, do more under our American system for our people than the new socialism of Britain or the communism of Russia can do for their respective peoples. We don't need their methods but we can use some of their crusading zeal.

In American industry it is highly desirable that employees who are helping to build such industries or businesses have ever-increasing opportunities to improve their economic position through their contributions to increased productivity. In maintaining the profit system it is vital that an ever-increasing number of our people have a personal interest in its continued existence.

Labor or management must not be shackled. Business must be able to operate with profit and efficiency. There is no constructive future for workers or investors in closed factories or bankrupt firms.

The world needs peace in the international field and America needs domestic tranquillity if full production is to continue to raise our standards of living and permit us to help other nations to help themselves.

That we have a serious economic inflationary situation confronting the Nation is clear. Our responsibility as Republicans is to be sure that the cure is not worse than the disease. What are some of these contributary factors to the present inflationary spiral?

We have a public debt amounting to $256,899,844,854 (as of December 31, 1947) which compares with a pre-World War I debt—(as of March 31, 1917), of $1,282,044,346. The high point of World War I debt was $26,596,701,648 (as of August 31, 1919) and the post-World War I low point amounted to $16,026,087,087 (as of December 31, 1930). Our pre-Pearl Harbor debt was $61,363,867,932 (as of November 30, 1941).

Certainly this huge public debt unparalleled in the history of the world is a contributing factor to the inflationary dangers confronting us. Until substantially reduced it will be a constant threat to the solvency of the Federal Government. It seems to me that a consistent program of debt reduction over the years should have the unqualified support of the Republican Party. Not less than $2,500,000,000 should be provided for debt reduction in each fiscal year.

Another contributing factor to inflation is the total dollar supply (currency, commercial, and savings bank accounts). In 1929, which was considered a boom year, it amounted to slightly over $54,000,000,000. In 1947, it amounted to more than $163,000,000,000. While it is true that production and services have also increased during that period of time the increase is less than 75 percent. No one can deny that Government spending has contributed to the increase of the money supply. This pressure against limited supplies of goods can have but one result.

The cost of the Federal Government has increased by leaps and bounds. In 1913 it amounted to $692,000,000, and by 1932 the cost had increased to $4,502,000,000. In 1941 it amounted to $18,988,000,000. The President of the United States a week ago today presented his budget calling for expenditures of approximately $40,000,000,000.

Interest on the public debt alone will amount to over $5,000,000,000, which is greater than the total peacetime expenditures of any year prior to 1933.

The debt in 1947 was 180 percent of the national income. Three years ago, for the first time in our history, our debt exceeded our national income.

There is certainly room for a skilled congressional operation on the budget presented by the President. The job should be done with a surgeon's skill and not with a meat ax.

Frankly, I do not agree with the views of some of our opponents who follow the tortured reasoning that money spent by the Federal Government is not inflationary while that spent by individual American citizens is in that category.

Despite the need for European recovery funds and adequate national-defense appropriations, together with a debt-reduction program, it is still possible to have a moderate tax-reduction bill this year. After the Republican administration takes office in January of 1949 and the full cooperation of the executive departments of the Government is secured in cutting out the fat from the Federal budget, there will be excellent prospects for additional tax-relief legislation next year.

I was greatly disappointed in listening to the President's message to Congress to find in his State of the Union message, wherein he recommended the reestablishment of a controlled economy for our Nation, that he did not outline a program for reducing Federal expenditures below their 1947 high level. The Government should contribute to the common effort of overcoming inflationary pressures.

A major contribution that can be made to meeting the inflationary problem is to increase and assure the continued productivity of this Nation. In traveling through Europe last year I had the opportunity of getting behind the "iron curtain." Neither in Poland nor in any other country outside of the "iron curtain" did I see anything that encouraged me to believe that controls during peacetime would increase our productivity. To the contrary I came back with the strong belief that such peacetime controls would stifle it.

You cannot, in my judgment, go part way down the road to a controlled economy with regard to manufactured goods or agricultural products. If you control prices you must be prepared to control wages, profits, the allocation of raw materials, and ultimately (as in Britain) the allocation of labor. If we permit this Nation to undergo that type of a rigid control in peacetime, I have grave doubts whether we can come out from under them in the foreseeable future. Speaking as one Member of the Senate I shall oppose their reimposition.

One of the great troubles with this administration is that associated with it are those who have worked with controls so long they have apparently lost confidence in the free enterprise system. While they give it lip service they have no confidence in its ability to do the job.

Businessmen throughout the Nation instinctively know this. They also know that today the power of Government is vast and its actions have a far reaching effect upon economic affairs, not only of this nation but of the world. As a result, under present conditions, many do not believe they can plan with any degree of accuracy or feel confident in making long term investments for the expansion of productive enterprise.

We must face up to the question as to whether or not we believe it is in the best interest of world peace and our own national security to have a rehabilitated western Europe. I have no doubt in my own mind

that this is not only desirable but is essential. An essential corollary is that we must provide this Nation with an adequate national defense on the sea, on land, and in the air and I lay special emphasis upon our air program. This will require an effective constantly modern striking air force in being and not on blueprints. No man can say with certainly how long it will be until other nations are able to manufacture the atomic bomb. Sometime in the not too distant future they will do so. Any nation which has in mind a full scale Pearl-Harbor attack upon the industrial and communications centers of America must be made to understand that no such blow will prevent this Nation from launching a swift, sure, and inevitable retaliation on a far greater scale.

This is not a happy prospect but it is a realistic one. To do less than be fully prepared in these uncertain times would be worse than folly, it would be treason.

Let us make it crystal clear that there is not an atom of satisfaction that the Politburo in Moscow can gain from the Republican victory on November 2.

The peace cannot today be saved by appeasement of international blackmailers anymore than it could be at Munich. The sacrifice of Austria, Czechoslovakia, Ethiopia, and Manchuria did not buy peace but rather made certain that power-hungry aggressors would be encouraged to raise the ante.

Our Nation has assumed obligations under the United Nations Charter. The Republican victory will not weaken but should strengthen the system of collective security.

I firmly believe this for two reasons. First, because a sound national economy and a solvent Federal Government is a prerequisite to a strong America and only under those conditions can we help to rehabilitate the war torn free world. Secondly, a Republican victory will mean a more consistent foreign policy.

It just does not make sense to ask the American people for billions of much needed help to save western Europe from going behind the iron curtain while we permit large shipments from our resources to the one nation that is a threat to human freedom. It certainly does not make sense to make mighty efforts to prevent 200,000,000 Europeans from being enslaved by the Communist terror while complacency is shown about communistic activity which seeks to engulf 400,000,000 of our traditional friends, the Chinese. It most emphatically does not make sense to send numerous strong notes on the Petkov case and then to have our Government give full recognition to the Soviet satellite government of Bulgaria 10 days after they have murdered the leader of the opposition.

For better or for worse we live in the age of the airplane and the atom.

As a Nation we can no more return to isolation than an adult can return to childhood. We cannot, we dare not, turn our back on the rest of the world. If we do, the light of human freedom will go out and some day, in the not too distant future, from out of the ensuing darkness would come the knife thrust or the shot to strike us down.

The Government would not be dealing with candor if it did not make clear that the policies we follow in Greece and Turkey involve risks. If Greece, Turkey, or Iran should succumb to overt outside pressure and lose their independence or have their territorial integrity violated without swift action to support them by all the law abiding nations of the world, then the whole fabric of collective security will disintegrate and the United Nations would join the League of Nations in oblivion.

I feel certain that our people have a growing realization based on the experience of two world wars that peace, in this day and age, is indivisible. The international picture is no different in one respect from that faced by a law abiding citizen. As long as gangsterism runs riot and the police force is unable to cope with crime neither he nor his family is safe. Pulling down the shades of his house and stuffing cotton into his ears so that he can neither see the murder, rape, and larceny taking place on the streets nor hear the cries of anguish of the victims is no solution to that problem either.

Lincoln, in his day, clearly understood that human freedom is also indivisible. In his second annual message to Congress he said: "Fellow citizens, we cannot escape history. * * * the fiery trial through which we pass will light us down in honor or dishonor to the latest generation. * * * We, even, we here have the power and bear the responsibility. * * * in giving freedom to the slave we assure freedom to the free. * * * We shall nobly save or we shall meanly lose the last best hope of earth."

The St. Lawrence Seaway

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, January 21, 1948

Mr. WILEY. Mr. President, one of the real concerns in many States of our Nation today is the grave shortage of electric-power facilities for full production. Just today, for example, there was handed to me a copy of the 1947 annual report of the power authority of the State of New York, which describes the adverse effects of the power shortage in the Empire State in reducing production and employment. In this connection, I recently asked Chairman Olds, of the Federal Power Commission, to supply me with up-to-date data on how the St. Lawrence seaway would help answer the power shortage. Mr. Olds sent me a frank reply, and I ask unanimous consent that its text be included in the Appendix of the RECORD. This is but one more strong piece of evidence which, along with countless others, has been presented on the urgent need for the seaway and power project.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL POWER COMMISSION,
Washington, January 16, 1948.

The Honorable ALEXANDER WILEY,
Chairman, Committee on the Judiciary,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: This is in reply to your letter of December 20, 1947, requesting information as to how St. Lawrence project power could help solve present and future power needs.

This Commission's New York regional office recently surveyed the major electric utility systems in New York and New England, including those considered to be in the market area of the St. Lawrence project. In nearly all cases representatives of the systems expressed concern that break-down of major items of equipment or adverse water run-off conditions might affect their ability to meet their expected peak loads.

The Niagara Hudson System, which operates in the greater part of up-State New York, has, on at least one occasion, found it necessary to reduce its over-all load consumption by lowering the voltage on its system as much as 5 percent. The Connecticut Valley Power Exchange has resorted to the same device to decrease its peak-load demands, by reducing voltage 3 percent when hydro storage was being used. On the system of Central Vermont Public Service Corp. it has been necessary to reduce peak loads in the St. Johnsbury division by requesting industrial power customers to turn to night operation.

In northern New York the Niagara Hudson System was forced to cut deliveries up to 15 percent for some time to industrial customers of the Buffalo-Niagara Electric Corp., New York Power & Light Co., Central New York Power Corp., and New York State Electric & Gas Co. This curtailment of electric load has probably resulted in proportional reductions in the output of products of some of the industrial establishments.

In connection with your questions as to what difference the St. Lawrence project's power output would have made in terms of production, employment, etc., if the power were now available, the assistance of the United States Employment Service was enlisted. That agency reports that the Labor Market Letter for November 1947 for the Buffalo, N. Y., district states "Shortages of electric power during the past month, which threatened to curtail production and shorten the workweek in many plants, had no serious consequences. Some factories operating two or three shifts were compelled to reduce night work for a short time, but this did not result in any lay-offs. A possible recurrence of a similar shortage plays only a minor role in management's planning for the coming months." However, the Labor-Market-News for the Caribou Employment Service office for December 1947 stated, "The power shortage, along with freight-car shortages, have resulted in some unemployment. The lack of power has served to make operating schedule adjustments necessary in potato warehouses, starch factories, and fertilizer plants, and in many instances these establishments have had to purchase auxiliary power units to meet their needs."

These quotations indicate the immediate effect of the power shortages. The long-range effects of the shortage of low-cost power in the region may be seen by such an action as the withdrawal of the Aluminum Co. from the Niagara Falls area; it is also understood that the Norton Abrasives Co. is seeking another location where less costly power would be available. These are direct indications of the potential loss of employment and of industrial output for the New York area which may assume serious proportions if construction of the St. Lawrence project should be too long deferred.

The tight power situation in the St. Lawrence market area points up the urgent need for new capacity and gives emphasis to the statements made previously that even under normal conditions of load growth the entire capacity of the United States portion of the St. Lawrence project could be absorbed in the New York and New England area within about 5 years from the time the project begins to produce power. In fact, the total amount of generating capacity that the electric ultility industry in New York and New England, exclusive of Maine, has definitely planned to install in 1948, 1949, and 1950, will be greater than the entire capacity of the United States portion of the St. Lawrence project. The planned installation of new steam-electric facilities through 1950 does not mean, however, that the tight power situation will be remedied. It is possible that the power situation might stay as it is or become worse. During the peak load week of December 1947 New England's energy consumption was 9.1 percent in excess of the like week of 1946 while the Middle Atlantic area's consumption in the peak load week of December 1947 was 8.3 percent above the like week of 1946. In spite of these indicated rates of load growth, present known capacity additions in New York State and in the section of New England which is considered to be in the St. Lawrence market area, will be

at a rate of about 5 or possibly 6.5 percent in 1948, about 5 percent in 1949 and about 4 percent in 1950. It thus appears possible that generating capacity will not be installed fast enough to keep up with load growth in the period through 1950, much less supply the depleted reserve capacity. If the St. Lawrence project had been started early in 1945, it would probably have been ready to help relieve the power situation in that area by late 1948. If the project were started immediately it might be possible to get the plant in operation by 1950 or 1951. It appears from the foregoing factors that barring a major depression, the power supply situation will still be tight in the St. Lawrence power market area at that time.

About 90 to 98 percent of the generating capacity additions, now definitely planned in the St. Lawrence market area for the period 1948 to 1951, are of the fuel-burning type. The New England News Letter published by the New England Council attributes to the head of the New York Power Authority a statement to the effect that "the St. Lawrence development would annually save 5,000,000 tons of coal or 20,000,000 barrels of oil, both wasting assets and would reduce the pressure upon transportation facilities." The news letter also points out that "New England's proportionate use of fuel oil, a costly fuel, to all fuels accounted for 34 percent, whereas the Nation obtained only 16 percent of its power in this manner."

These statements point up the national defense value of the St. Lawrence project. It will be remembered that petroleum products and transportation facilities were in the strategic category during World War II. The greater the percentage of hydroelectric power that can be developed in the New York and New England areas where there is no appreciable amount of local coal, oil, or natural gas, the less their power production will be affected by peacetime or military demands upon the transportation and petroleum industries in time of war.

Sincerely yours,

LELAND OLDS,
Commissioner.

The Case Against Compulsory Arbitration

EXTENSION OF REMARKS
OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Wednesday, January 21, 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article on compulsory arbitration prepared by me.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CASE AGAINST COMPULSORY ARBITRATION [1]

(By WAYNE L. MORSE [2])

The proposal that the Federal Government should require arbitration of labor disputes in all basic American industries means that a system of compulsory arbitration will be imposed upon labor and industry and that voluntary and free collective bargaining procedures in a substantial part, if not eventually all, of industry in the United States will be abandoned. Any program of compulsory arbitration will inevitably lead to increased governmental control and dictation of wages, prices, profits, and conditions of employment. The informed leaders of management and labor, and virtually all careful students of labor relations in the United States, agree that governmental dictation of the conditions under which labor will work and industry will employ, logically leads to economic socialism or fascism.

It may properly be asked why a system of compulsory arbitration of disputes in basic industries is undesirable, when we contemplate the many benefits that flowed from the existence of the National War Labor Board during World War II. That board settled innumerable disputes, although in the final analysis it exercised the power of compulsory arbitration. But it must be remembered that the War Labor Board was a wartime agency, created for a specific emergency period; it operated under a no-strike pledge by the major labor organizations and a no-lockout pledge on the part of American industry. The present proposition envisages, on the other hand, a system of governmental compulsion, during normal peacetime periods, when, insofar as possible, both labor and management should be free to exercise their legitimate economic weapons in the event a full utilization of the procedures of free and voluntary collective bargaining fails to resolve their differences.

Any plan whereby the Government is made available to fix the conditions under which men shall work has the tendency of retarding and impairing the procedures of voluntary collective bargaining. To the extent that compulsory governmental machinery is available, to that extent we will find voluntary procedures abandoned. This proposition is clearly demonstrated by a study of the experience of the War Labor Board. In thousands of disputes labor or management or both went through only the form of collective bargaining before invoking the machinery of the Board. As a result, the Board was engulfed with many thousands of cases which could better have been settled by the parties themselves but for the availability of the Board. Unions and management were indirectly encouraged to make extreme demands and to refuse to yield on many disputed points in the hope that the Board would give them more by way of decision than would be obtained in the give and take of voluntary bargaining. To a substantial extent labor and management lost the art of free collective bargaining during the war period.

When the War Labor Board went out of existence, representatives of labor and industry had to relearn the technique of dealing with each other, with the knowledge that they could not call on the Government to settle their differences for them. There can be no doubt that a contributing factor to the labor-management disputes in the immediate postwar period was the fact that both sides had to adjust themselves to a condition of voluntarism as opposed to compulsion.

The availability of a governmental agency to decide a dispute not only prejudices the particular case, but has important and disastrous effects upon related industries and persons in the same or other industries not involved in the immediate dispute. For example, the Little Steel Formula evolved during the early days of the War Labor Board, or the 18½-cent wage increase pattern recommended by the Government in 1945–46, established patterns for the economy as a whole, from which deviation in individual cases was virtually impossible. The net effect of these governmental decisions—whether they be labelled as recommendations, directives, or reports of fact-finding panels—was to impose a uniform pattern on all industry, totally in disregard of numerous relevant considerations in individual cases, such as competitive factors, locations, nature of product, history of wages, and employment regularity, to mention only a few.

The present proposal would limit governmental compulsion to basic industries. At first glance it would seem that no difficulty would be encountered in arriving at an agreement as to what industries are basic in the national economy. But in view of the integrated nature of our economy, it would be exceedingly difficult to differentiate the industries that are basic from those that are not. Even if a clear line of distinction could be drawn, the fact remains that governmental dictation of employment conditions in the basic industries would establish precedents that could hardly be ignored in the nonbasic industries. Thus, the result would be that for all practical purposes a system of compulsory arbitration would be imposed upon all industry. Here again the experience of the War Labor Board is illuminating. A one-time general counsel and public member of the War Labor Board has summarized that experience as follows: [3]

"The War Labor Board's wartime experience reveals the difficulty of drawing a reliable distinction between disputes that threaten the public interest and those that do not. The criterion of the Board's jurisdiction was an interference, actual or threatened, with the war effort, evidenced by certification of the Secretary of Labor. It was soon found that strikes or potential strikes could not be isolated nor confined within geographical boundaries, nor could their contagious effects on workers not immediately involved be precisely foretold. And it was not easy to explain to workers that their dispute was not serious enough to warrant Government's formal attention. The risk was that such a statement would be accepted as a challenge to aggravate the nature and threatening quality of the dispute. As a consequence, all disputes were held to be subject to the Secretary's certification because, with infrequent exceptions, each contained the seeds of widespread and contagious industrial conflict. It is doubtful that a peacetime agency could successfully resist the adoption of a similar practice."

Legislation is feasible only to the extent that it is workable. It may well be asked by what means would the Government enforce its decision if it were authorized to dictate the settlement terms of a dispute in a basic industry. Constitutional objections aside, how would the Government compel employees to work for a stipulated wage under conditions to which they objected? Again, without going into the serious constitutional problems, how could an employer be compelled to keep his plant open if he did not wish to do so? Although it is possible that the threat of jail sentences or loss of rights under the National Labor Relations Act or other remedial legislation might induce employees to work under terms and conditions distasteful to them, nevertheless, any such sanctions would do great violence to personal freedom and our system of free enterprise. If the recalcitrant party were an employer, governmental seizure and operation of his properties would be the only effective sanction available. Unless the people of the United States are prepared to embark upon a system of public ownership, management, and operation of basic industries, any such procedure would break down in the long run.

Were the Government to assume the role of decision maker in the disputes between labor and management in so-called basic in-

[1] Prepared for American Labor: The Twenty-first Annual Debate Handbook. Copyright 1947. All rights reserved.

[2] WAYNE LYMAN MORSE, United States Senator from Oregon, holds degrees from the University of Wisconsin, the University of Minnesota, and Columbia University. His distinguished record in the public service includes chairmanship of the President's Emergency Board, 1941; and membership on the National War Labor Board, 1942–44.

[3] Freiden, The Public Interest in Labor Dispute Settlement, 12 Law and Contemporary Problems 373 (1947).

dustries, it would eventually be necessary for the Government to assume control over prices and profits, because the relationship of wages, prices, and profits is an exceedingly close one. Hence, if the Government undertakes to decree what wages an industry shall pay, it logically follows that the Government will have to assume some responsibility in making it possible for management to make a profit under the wage structure established by the Government. And since the wages of the workers have been dictated by the Government, it logically follows that the Government owes a responsibility to the workers to see to it that the profits of management are not unreasonable. From the standpoint of insuring a reasonable profit to management, it follows that prices must be regulated and not left to be controlled by the free play of competitive forces. In fact, price-fixing would probably lead to governmental subsidies to industries, since demand for the product at the governmentally fixed price may diminish. Thus, we see that the Government will be regulating important aspects of business even to the extent of determining who shall remain in business and who shall not. For if the Government finds it necessary to subsidize business on any large scale, it obviously should have the power to decide that only efficient concerns shall operate. Otherwise, the Government would be wasting the people's money.

In discussing the general subject of compulsory arbitration of labor disputes, it is necessary to distinguish proposals for the compulsory settlement of jurisdictional disputes in businesses affecting interstate commerce, similar to those made in the Eightieth Congress by my bill to amend the National Labor Relations Act (S. 858), and in substance incorporated in the Senate Committee bill (S. 1126). The gist of those proposals was that the National Labor Relations Board, or an arbitrator appointed by it, would render a final decision enforceable in court in any dispute between unions regarding the assignment of particular work tasks, unless the parties to the dispute within 10 days satisfied the governmental agency that they had settled the dispute voluntarily or agreed upon a method for settling it. The expectation was that the Board would appoint arbitrators in most such cases. This proposal would have served to minimize, if not eliminate, a serious source of friction between labor organizations and would have curbed a particularly unjustifiable practice that over the years has caused great economic injury to both workers and management. It would not, however, have resulted in governmental regulation or dictation of wages, prices, profits, or conditions of employment. It is not unlikely that labor organizations would have established their own tribunals for the voluntary settlement of their jurisdictional disputes rather than have the Government decide such controversies. Thus, the area and occasion for governmental compulsion in this regard would have been reduced to a minimum. The final version of the Taft-Hartley Act did not adopt this approach, but instead limited the remedy for jurisdictional disputes to unfair labor practice proceedings before the National Labor Relations Board. While the solution adopted may alleviate the problem, it does not seem as effective as the approach originally suggested.

With regard to so-called national emergency or paralysis strikes, the Taft-Hartley Act studiously avoids the ultimate sanction of compulsion by the Government insofar as the final settlement of the dispute is concerned. Conciliation and mediation procedures are made available, including investigation and reports by a board of inquiry and a secret ballot among employees conducted by the National Labor Relations Board. While the Government, through the Attorney General, may obtain an injunction for a period not exceeding 80 days, the terms upon which the dispute is to be adjusted cannot be fixed by the Government. If all procedures fail to effect a settlement, the President will submit a report to the Congress, together with his recommendations. Thereafter, Congress must take action, if it so decides.

My experience in the field of labor relations convinces me that if any compulsory arbitration is established to settle disputes in any industry, the result will be that employers and workers, and the Nation as a whole, will have taken a long step away from our system of free enterprise and private property economy toward a form of totalitarianism. It would constitute a serious setback to the development and improvement of procedures designed to facilitate the peaceful settlement of labor disputes by means of conciliation, mediation, and voluntary arbitration. These procedures have been improved and strengthened in recent years and it is significant that all economic groups, particularly industry and labor, vigorously oppose any system of compulsory arbitration and place their faith in the machinery of free collective bargaining. Just as it was politically and economically unsound for the people of this Nation to exist half slave and half free, so it is politically and economically unsound for American labor and industry to develop and grow if half their disputes are to be settled by governmental dictation and half are to be settled by voluntary agreement.

The Potato Situation

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, there has been much discussion concerning the potato support program. It is not my purpose to offer criticism of the administration of the program although it could have been improved. At least some effort has been put forth to follow the support program as provided by the Steagall and the La Follette-Taft amendments. The potato growers have not been subjected to the sorry treatment afforded the chicken and egg producers in regard to support prices.

The following is a complete official report on the product in each State in the United States from 1939 to 1948:

Potatoes—Production in the United States, by States, 1939–47

State	Production								
	1939	1940	1941	1942	1943	1944	1945	1946	1947 [1]
	1,000 bushels	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*
Alabama	4,752	4,386	5,616	3,952	4,794	3,132	4,935	4,646	3,330
Arizona	196	240	273	562	1,320	1,276	1,530	1,836	1,740
Arkansas	3,000	3,854	3,034	3,680	4,320	3,120	2,736	3,293	2,520
California	21,705	21,820	19,541	23,130	27,895	34,560	36,700	46,320	37,260
Colorado	11,858	13,065	12,529	15,840	17,220	18,190	17,745	19,780	19,240
Connecticut	2,918	3,198	3,003	3,260	3,440	3,678	3,482	4,392	3,425
Delaware	320	443	300	335	308	252	315	354	336
Florida	3,868	4,481	3,341	4,116	3,703	3,445	5,285	6,249	3,272
Georgia	1,541	1,728	1,272	1,625	1,953	1,224	1,716	1,909	1,422
Idaho	27,690	32,640	27,450	30,590	43,470	39,648	45,000	45,390	28,600
Illinois	3,330	3,471	3,060	3,234	1,922	1,365	1,805	1,764	1,056
Indiana	5,280	5,145	5,750	6,480	4,100	3,360	3,915	4,480	3,750
Iowa	5,152	5,880	5,100	6,000	4,365	1,836	2,750	2,880	975
Kansas	2,080	2,352	2,530	2,700	2,730	1,121	1,394	1,632	1,188
Kentucky	3,432	3,520	3,354	4,512	4,823	2,850	3,762	3,996	3,366
Louisiana	2,240	2,280	2,623	2,520	3,534	3,363	2,562	2,280	1,643
Maine	36,190	42,720	43,890	43,840	72,000	52,224	54,549	78,402	62,790
Maryland	2,100	2,204	1,824	1,864	1,813	1,556	1,915	2,244	2,087
Massachusetts	2,337	3,026	2,670	3,135	3,750	3,480	2,899	3,664	3,178
Michigan	20,962	17,548	20,020	16,562	22,365	18,792	18,040	18,327	12,390
Minnesota	19,024	22,227	16,068	18,050	22,698	14,700	19,140	17,365	14,520
Mississippi	1,386	1,188	1,380	1,898	1,860	2,170	1,872	2,160	1,460
Missouri	3,936	4,920	4,680	4,680	4,300	2,250	2,600	3,354	2,120
Montana	1,275	1,800	1,610	1,725	2,640	2,125	2,125	2,210	1,820
Nebraska	10,731	11,340	9,620	12,580	12,090	9,100	11,730	11,725	8,060
Nevada	339	391	432	483	680	578	760	672	483
New Hampshire	1,030	1,238	1,023	1,088	1,472	1,102	1,020	1,250	893
New Jersey	7,844	9,288	9,845	10,136	11,431	9,088	12,567	14,076	13,140
New Mexico	210	180	216	272	360	298	338	240	306
New York	26,069	28,457	28,540	28,857	30,503	29,868	30,440	43,000	33,090
North Carolina	8,200	8,316	6,972	9,476	11,990	7,395	8,784	12,616	9,216
North Dakota	12,410	17,710	14,600	17,000	21,594	20,650	23,460	18,750	20,100
Ohio	10,700	9,500	10,614	9,130	8,624	6,365	7,021	7,560	5,460
Oklahoma	1,944	2,156	1,755	2,108	2,257	1,768	990	1,500	1,035
Oregon	6,171	8,400	7,700	7,310	12,760	11,220	12,324	13,520	10,140

[1] Preliminary.

Potatoes—Production in the United States, by States, 1939–47—Continued

State	Production								
	1939	1940	1941	1942	1943	1944	1945	1946	1947 [1]
	1,000 bushels	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*
Pennsylvania	19,635	20,910	21,450	17,595	18,810	19,782	16,577	20,066	17,985
Rhode Island	838	964	966	1,075	1,147	1,268	1,332	1,742	1,512
South Carolina	2,712	2,880	2,470	3,024	3,100	1,458	2,562	3,576	2,440
South Dakota	2,106	1,800	1,740	2,816	3,680	2,560	2,945	2,842	1,840
Tennessee	3,268	3,612	2,800	3,570	4,200	2,691	3,150	3,404	2,880
Texas	2,806	3,450	5,814	4,263	5,874	4,400	4,214	5,883	4,536
Utah	2,099	2,193	1,785	2,312	3,430	2,660	3,240	3,330	2,498
Vermont	1,626	1,820	1,711	1,422	1,750	1,472	1,225	1,392	1,080
Virginia	7,980	10,804	6,808	7,242	9,594	5,976	8,772	10,676	9,450
Washington	7,067	7,955	7,875	6,765	10,580	7,650	9,120	10,120	8,840
West Virginia	2,816	3,465	3,565	3,795	2,975	2,310	2,900	2,960	3,375
Wisconsin	15,470	13,680	14,378	10,050	16,368	11,844	12,160	11,865	10,080
Wyoming	1,729	2,275	2,100	2,240	2,295	2,174	2,362	2,542	2,480
United States total	342,372	376,920	355,697	368,899	458,887	383,424	418,765	484,174	384,407

[1] Preliminary.

Bureau of Agricultural Economics.

You will note that so far as per capita of population is concerned the potato production is around three bushels per person. Many factors influence potato consumption. The above table shows the States that have kept in due bounds under the support program so far as production is concerned.

No. 2 and ungraded potatoes are selling for 6 to 10 cents per pound in the cities. It appears ridiculous to be feeding or destroying No. 1's while these ungraded potatoes sell for this price. If the producer receives 2 cents per pound and the consumer is compelled to pay 6 to 10 cents per pound, all the responsibility of the cost of living cannot be blamed on the producer by any means. The fact that such sorry-looking ungraded potatoes are selling at retail for 6 to 10 cents per pound make it difficult to understand why so many millions are needed for supporting the potato prices. Again, I repeat this food product has had support even though chickens and eggs do not and have not had the legal lawful support to be guaranteed by the Steagall and the La Follette-Taft amendments.

Socialism and Communism Have Failed

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, a well-known writer and liberal, one John Dos Passos, has written a very interesting confession in the current issue of Life magazine. His article is entitled "The Failure of Marxism." I am including it as part of my remarks and I am sure this article will be of great interest to some Members.

THE FAILURE OF MARXISM—BOTH SOCIALISM AND COMMUNISM, AS THEY ACTUALLY WORK OUT, BETRAY THE HOPES FOR THE BETTER LIFE THAT THEY ONCE INSPIRED

(By John Dos Passos)

Not long ago I found myself talking to a pleasant and well-informed woman reporter in a newspaper office in a prosperous city in the middle western Corn Belt. Although the region is usually chalked up as black Republican in politics, the paper she worked for wore a liberal complexion. I was trying to explain to her that socialism as I had seen it working last summer in Great Britain was not necessarily a force for progress. "But I thought you were a liberal," she kept saying almost tearfully, "and now you have turned reactionary." "The Socialists are the conservatives now," I told her, "and the Communists are the real reactionaries." But she remained unconvinced. The reason our conversation was so fruitless was that she had decided that certain words like "liberal," "labor," and "rationing" had a virtuous connotation and there was no way of getting her to look directly at the events that lay behind the words.

It was just this sort of wall of incomprehension you used to meet years ago when you argued the right of working people to form unions and to strike for improved working conditions, or tried to explain that we ought to show a sympathetic interest in the social experiments that were going on in the Soviet Union. Then it was the capitalist slogans that were holding the fort; but during the past 20 years a new set of words has gradually become charged with a virtuous aura in the public mind. Now public ownership, planned economy, controls, and socialized have become words heavy with virtue, while profits, free enterprise, investment, and even dividends have taken on an evil context that needs to be explained away.

The public mind in America that 20 years ago dismissed unheard anything that smacked of a socialistic notion is now receptive to socialistic notions. Partly this comes from a reasoned change of attitude brought about by the success of some of the socialistic measures of Franklin Roosevelt's New Deal, but partly it comes from the unthinking acceptance of the vocabulary of liberal propaganda that spread out in ripples from New Deal Washington, becoming vaguer and more confused and more destructive of clear thinking as the ideas that engendered it lost their vitality at the source. It is in this confused region of the popular mind that the Communists have been able to carry on their most successful propaganda operations. Thus it comes to pass that the liberals who think a man is defeated in argument when they call him a reactionary show very little curiosity about the actual functioning of socialistic-going concerns that have come into being in the last 20 years. The liberal vocabulary that had some meaning in the 1920's has now become a definite hindrance to understanding events in the world of the forties.

Exactly 100 years have passed since Karl Marx and Friedrich Engels issued the Communist Manifesto, which became the first document in the formulation of modern socialism. Nineteen years later the bible of Marxism, Das Kapital, was published, giving immense documentation to Marx's theories that the collapse of capitalism was imminent; that it would inevitably be followed by a socialist utopia.

In the 1920's there were a number of us in the United States who were convinced that this doctrine was valid. Those of us who were willing to be called Socialists had some definite things in mind that we thought would be achieved if ownership of industry were taken out of the hands of the finance capitalists and vested in the community. We thought public service could be substituted for money profit as the driving motive of human behavior. We thought that with the ascendancy of an antimilitarist working class throughout the world, war, and the threat of war, would be replaced by peaceful cooperation in international affairs. Of course it must be admitted that we were caught by the illusory belief that revolution would install utopia. We were carried away by the blind enthusiasm for a new dispensation at hand that was sweeping the masses of the western world.

The revolutions have happened, and regimes and empires have crashed in the mud, but the old problem of how to control man's domination by man remains unsolved.

Enough socialized systems and institutions have been going concerns over a long enough period of time for us at least to begin to get some idea of how they are working out. It's a most curious comment on the blindness induced by dogmatically held beliefs that in all the avalanches of print for and against socialism and free enterprise there's so little comparative examination of capitalist and socialist organizations; there's so little effort to try to discover how they work out for the men and women directly involved.

First let me give an example of a socialized institution that seems to me to have been a success. Rural electrification was one of the New Deal's pet projects. It encouraged the establishment of local committees that gave a much-needed impetus to local self-government in a very important field. Not only did it furnish increased electric service all over the country, but by its brisk competition it shook the private companies out of their lethargy, so that they greatly increased their service, too.

At the other end of the scale in the experience of the average American come the Army and the Navy. We are not accustomed to thinking of the Army and Navy as socialized institutions, but that is exactly what they are. We all admit that in the times of ruin and rapine in which we live we can't do without these vast engines for waste and destruction, but I've yet to meet a veteran of either of these services who thinks that the Army way or the Navy way or even the Air Force way is the best way of running human affairs. About the best face we can put on our Military Establishment is to say that in spite of its cumbrous bungling it has so far managed to defeat our enemies in battle

and that up to now our civilian set-up for production has been so monstrously efficient that we've been able to afford the waste of materials and the frustration of individual effort that the military system implies.

As citizens of a self-governing community it is our first duty continually to be asking ourselves what it is we want from our institutions.

At home in America we have seen enough of the working of socialized enterprises, successful and unsuccessful, to begin to understand the basic problem. We must realize that from the point of view of the well-being of men and women the contradiction is not between capitalism and socialism but between the sort of organization that stimulates growth and the sort that fastens on society the dead hand of bureaucratic routine or the suckers of sterile vested interests. We should by now have learned that the road must be kept open for experiment. We should have begun to learn that no society is stronger than its weakest members. By our habit of government we are committed to trying to keep a rough balance between the demands of different sections of the population. We haven't solved the problem of defending every man's freedom against domination by other men, but we have made a little bit of a beginning.

THE MUSEUM OF SOCIALIST FAILURES

The rest of the world is becoming a museum of Socialist failures. Our first problem now is to understand clearly the needs of our own society and its relationship to the shaky socialized regimes of Europe and to the regime of the law of the club that centers in the Soviet Union. To do this we must free our minds of the stale and rotting verbiage left over from the noble aspirations of old-time Socialist theory.

It was failure to see the world clearly on the part of Franklin Roosevelt and his advisers that deprived us of the fruits of our wartime victory to the point that the things Americans hold most dear are in greater peril today than on the dreadful afternoon of Pearl Harbor. The responsibility for this loss of the peace lies not only in the small group of political leaders in Washington but in the whole body of thinking Americans whose thinking had just not caught up with the times.

The basic reason for this national failure was that as a Nation we had forgotten that our sort of self-governing community can survive only in a world where new avenues for men's ingenuity and enterprise are constantly opening up and where the areas of individual liberty are expanding. We had forgotten that liberty, like peace, is indivisible. We had forgotten that the only sensible foreign policy for the United States was to encourage liberty and oppose oppression.

While not forgetting our own shortcomings, if we are to catch up with the times and to see clearly the hideous world of growing servitude—a world of slavery like chattel slavery in the old South and the slavery of ancient times—which we have helped produce, we must understand the workings of the enemies of liberty and peace. The chief of these, in power and efficacy, is the government of the Soviet Union.

WILSON AND LENIN

When the Communist revolution exploded in Russia in the fall of 1917 the First World War had settled down to a stalemate along the trenches in northern France. The stubborn resistance the French were putting up to the equally stubborn German invasion was bleeding Europe to death. Among the rank and file of all the armies the feeling of mutiny against the senselessness of the butchery was rising to desperation. At that time two separate flares of hope appeared on the eastern and western horizons. In Washington Woodrow Wilson announced his Fourteen Points and in Petrograd Lenin and Trotsky fired the hungry and disorganized Russian mobs with the belief that communism would bring them peace, land and food. No one who was in Europe in '17 and '18 can ever forget the surge of crazy confidence in the future that swept the continent when Armistice Day came and the fighting stopped.

The people's trust in the American way faded as Wilson let himself be trapped into the stale committee rooms of the old men of Versailles, but from Russia came leadership and decisive action. While in Paris they haggled about oil and superannuated boundaries, Lenin let Finland and the Baltic countries form their own governments, let the conscript soldiers go home, distributed land to the peasants and encouraged the formation of workers' soviets, or councils. To many of us at the time these soviets seemed to be a new organ for self-government. For a moment it looked as if the working class under Marxist leadership would succeed in renovating Europe.

It was not to be so easy. The old vested interests of Europe banded together for their own protection; by backing the reactionaries in the Russian civil war they ruined the hopes of free development for the new social system. The Communist Party hardened fast into a military caste. The soviets and trade unions in the Soviet Union, instead of developing into organs of self-government, developed into machines run by a tightly organized and fanatically dogmatic Marxist minority for the domination and exploitation of the masses. Lenin threw overboard the humanitarian baggage of western socialism, an act symbolized in the transfer of the capital from European Petrograd to Asiatic Moscow. The civil war became a struggle for order, any kind of order. The only order the Russians knew was despotism. From the czarist autocracy the Communist government inherited the secret police. Individual liberty had hardly a breathing spell before it was stamped out again, first in the unorganized mass of the people and then, as Stalin struggled for power against Trotsky, within the Communist minority itself.

By the early thirties the social organization of the Soviet Union resembled much more the slave-run military autocracy of the Ottoman Turks than it did any of the European blueprints for a Socialist utopia. This reaction to methods of government that had gradually been losing favor among civilized men for 500 years was accompanied by the building up of one of the most extraordinary propaganda facades in history. A constitution was promulgated on the western model. The entire vocabulary of western self-government was borrowed and applied to the machinery of despotism.

UTOPIA—WITH SECRET POLICE

By killing off the old European-trained Communists and exiling Trotsky, Stalin cleared out of the Kremlin the last traces of western humanitarianism. The organization of a free self-governing Socialist community, which had been the first aim of the Russian revolutionists, was pushed forward into the future, when the millennium should come. Through the pull of this millennial dream Stalin's regime managed to retain its grip over the aspirations of a large part of the European working class. The Communist Party, appealing through this basic utopian dogma to the emotions of confused and tortured people, backed and kept in line by the ruthless and skillfully exercised authority of the secret police, managed to create one of the most efficient machines for the dominating and exploiting of mankind the world has ever seen.

It seems likely, from what we hear faintly through the screen of lies that hems in the Soviet Union, that there the illusions have lost their power in the face of the regime's failure to produce even the rudiments of decent living for its subjects, and that the Kremlin now rules a depraved and exhausted people by brute force. Outside the Soviet Union, however, the utopian illusions of communism still dominate many men's hopes and dreams. Even some Americans opposed to the Communists still talk as if it were an excess of progressiveness and idealism that caused Russian socialism to fail. We find Frenchmen and Americans and Canadians, in all other respects apparently capable of sane and normal thinking, who are willing to turn their backs on the traditions they were brought up in and to give their allegiance to the Kremlin, even to the point of committing treason. The success of the aggressions by the Soviet state in the last few years rests in great part on the Kremlin's command over adherents and sympathizers in the outside world. Largely because the rest of the world has not understood it the Russian socialized state has been allowed to develop into a military force for pillage and conquest. Still the faith of many of our liberals in the Kremlin's idealistic aims has not faltered.

Those of us who believed in socialism in the twenties hoped it would promote self-government, expand individual liberty, and make for a wider distribution of the good things of life. It is obvious even to Mr. Henry Wallace that the Soviet Union is not the place to look for these things. Not even the American Communists really claim any of these achievements; what they say among themselves is that present miseries will be atoned for by the regime of justice and bliss that will be established once communism has completed its conquest of the world.

The Russians are barbarians, the western Socialists will tell you; in England it will all be different.

How different is it? If you go around Great Britain asking questions of as many different kinds of people as possible, as I did last summer, you sense that in its ultimate implications British socialism is turning out to be not so very different from the Russian brand. Of course, there's not the gory police terror of Stalin nor the Hitlerian pomp and parade through which the Kremlin daily expresses its power over the bodies and minds of men. There's not the proselytizing enthusiasm of a quasi-religious dogma that accompanies the agents and armies of expanding Russia. There's not the daily and visible and universal servitude; but neither has socialism brought any broadening of personal liberty. On the contrary, personal liberty in Great Britain has been contracted.

The very humane and well-intentioned people who are running the Labor government are the first to deplore the losses of liberty you bring to their attention. They reassure you with pious hopes that the direction-of-labor measure, which limits the individual's right to work where or when he likes, will be only a passing phase. Listening to these pious hopes, I couldn't help remembering similar reassurances from equally humane and well-intentioned Russian Communists who used to tell me, in the early days, that military communism was a passing phase which would disappear as soon as reactionary opposition was crushed. Thirty years have gone by, and military communism marches on to fresh massacres. A man has a right to ask the British Labor Party whether 30 years from now direction of labor won't be the cornerstone of a new system of exploitation of the productive workers by a new ruling class.

If there is one thing that mankind should have learned from the agonies of the last four decades it is that it's never safe to do evil that good may come of it. The good gets lost and the evil goes on.

DISTRIBUTION OF POVERTY

Of course we must admit that the present situation of the people of Great Britain would be difficult enough if a choir of archangels, superhuman in brains and in self-abnegation, had assumed the government. The island's economy was built up as the processing and financing center of an empire which has irrevocably gone. The class that had ruled

that economy through control of the government, ownership of the land and domination of centralized finance and industry had become overweeningly rich and powerful. In their wealth and self-satisfaction the owners of Britain neglected to keep their industries tooled up to date or to protect the standard of living of their working people or to conserve their natural resources. When the Labor government came in after the war it inherited a concern that had long been bankrupt.

Government control of virtually the entire economy had already been instituted during the war. About all the Labor government has done is to amplify the wartime apparatus of bureaucratic management. The living standards of the working people who were Labor's chief constituents had improved during the war, and the Labor government has continued that improvement, particularly for the lowest-paid third. Because there isn't enough to go around anyway, this has been done at the expense of the middle class, traditionally the nursery of British brains and initiative. Virtually everybody has been reduced by high taxes and high prices to the same bare level of subsistence. Incentive for effort and innovation has tended to disappear. A man is better off if he soldiers along in the shop and spends his Saturdays betting on the races than if he works himself sick trying to rise in the world. The more his income rises the more taxation will take his earnings away from him and the more he'll feel the dead weight of the bureaucratic tangle hampering his every move.

Bernard Baruch's remark, that socialism might not succeed in distributing wealth but would certainly distribute poverty, has never been better exemplified. Up to now socialism in Great Britain has accomplished very little more than to freeze the bankrupt capitalist economy at its point of collapse. Its bureaucratic machinery, operating along the lines of the machinery of bankrupt capitalism, has not been able to stimulate the sort of revolutionary initiative and thoroughgoing reorganization of the economy that might give the British people a chance to escape from their dilemma. Socialism has acted as a brake instead of as a stimulus to enterprise.

Man does not live by bread alone, the Socialists will tell you. The answer is that as strong as the urge to eat is the urge to exercise power over other men. In the past British institutions have done a moderately good job in curbing this deadliest of instincts. But in spite of political democracy British capitalism too often gave too much power to people whose only social gift was the knack of accumulating money. Now British socialism gives too much power to people whose only knack is getting themselves elected to offices in trade unions. At the same time the liberty of movement and the freedom of action that allowed people to escape from under the heel of the capitalist have been seriously weakened.

THE WRONG LEADERS

England has a new ruling class. Added to such remnants of the old ruling class as have remained in office through holding administrative jobs in government, industry, and the civil service, is an infusion of new blood from the trade-union leadership, leavened by an occasional intellectual who has talked or written his way into office. Now, the main training of trade-union officials is in hamstringing production for the purpose of wringing concessions from the owners for the workers. Neither idealistic intellectuals nor civil service employees have any training in industrial production. The result is that at the very moment when the British people need to throw all their energy into discovering new ways of producing food and clothing and housing and export goods, they find themselves in the hands of a ruling class that is hampered by tradition and training from doing anything effective to stimulate production. In recent months there has developed a tendency to give technicians an increasingly bigger share in policy making, but on the whole Britain's new ruling class tends to be so blinded by the utopian glamor of the word "socialism" that it has found it difficult to envisage the problem which confronts the nation.

Well, if the government can't help them, why can't they help themselves? The British people, in my opinion, represent in themselves at this moment just about the highest development of western civilized man. In the middle and upper classes you find a higher level of education than we have reached in America. The level of individual skill and craftsmanship in most trades is higher than ours. In the professionally trained part of the population, though there may be some flagging of creative spirit, there's still a great reservoir of first-rate brains. The British people proved themselves to be still a great people by the dignity and discipline with which they fought off the German air attacks during the war. This great highly trained, highly disciplined, and civilized nation is in danger of dying of inanition because in all the elaborate structure of the state there are so few cracks left where individual initiative can take hold.

The British will tell you that they are "quite free, quite." But we don't need to believe them. When a man can't change his job without permission from someone sitting at an office desk, when he can't perform any of the normal operations of buying and selling necessary to carrying on a business without a complicated correspondence to secure licenses from the Board of Trade, when he can't appeal to the courts from administrative decisions, when he can be sentenced to jail for refusing to work in the mines, he's no longer a free agent. The Briton still has his secret ballot in parliamentary and municipal elections. He's free because he can vote, he'll tell you. Unfortunately the record of history tends to prove that it's very doubtful whether the vote alone, without economic and personal liberty of action, has ever protected any people against the exercise of arbitrary power.

A sinister footnote to the loss of concern for individual liberty that seems inevitably to follow the socialization of enterprise appears in the growing toleration of new forms of slavery. We are growing used to the stories of the vast slave camps in the Soviet Union and its satellite countries, but it comes somewhat as a shock to find the humane British tolerating the use of gangs of German prisoners to do agricultural labor. In all my conversations with farmers in England last summer I found only one man who disapproved of the practice. The farmers paid the prisoners' wages to the government and the government allowed the prisoners nothing more than pocket money. The farmers found that they got more work out of the prisoners if they fed them a hot meal in the middle of the day, but they didn't seem to feel that the working of prisoners of war in this way constituted a backsliding in civilization; most of them regretted that the prisoners would soon be sent home. The wages of agricultural workers in England have been much improved in recent years and the Socialists take justifiable pride in this achievement. The question they didn't ask themselves when they tolerated the enslavement of the defeated Germans was how long a highly-paid plowman or tractor operator would be able to compete with slave labor.

This brings us squarely up against the dilemma of our time. Under the cover of the dazzle of Socialist illusions, and just at the moment when our technology is opening up the certainty of really widespread well-being in material things, the masses of mankind are being plunged back into a regime of misery and servitude such as has not existed in the West since the days of serfdom. We can't go on forever blaming on war damage a situation that results from the fact that socialized economies have not been able to produce. So far the socialized economies, instead of opening up new aspects of self-government and broader reaches of liberty for the individual, have backslid with dizzy speed into aboriginal oppressions. In the Soviet Union, failure to solve the problems of production at home has thrown Russian communism into a dangerous habit of aggression upon the rest of the world. As for Great Britain, we can hope that they will find a way to combine socialism with liberty, or at least that the failure of the socialized economy to provide its people with a decent life at home will produce a new explosion of British migration and colonization that will transmit to the future world of the West the valuable heritages of English culture. In America what we don't want to forget is that we won't have any Western World fit for a freeman to live in unless we keep the avenues open for the freedom and growth of the individual man in the constantly proliferating hierarchical structure of modern industry.

Socialism is not the answer to the too great concentration of power that is the curse of capitalism. We've got to do better than that.

Business Management

EXTENSION OF REMARKS
OF

HON. ROBERT J. TWYMAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday January 21, 1948

Mr. TWYMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Peoria Journal:

BUSINESS MANAGEMENT

Senator BROOKS, of Illinois, has announced that he will lead a group of Members of Congress who will demand that any financial aid extended to the nations of Europe be handled by a business management rather than by the State Department.

Senator BROOKS frequently is accused of being an isolationist, and he undoubtedly has tendencies in that direction. He has been one of the severest critics of the Truman administration's plans for extension of aid to the European nations, so that he might be expected to take a stand against permitting the State Department to administer whatever funds are voted by Congress for European relief.

However, the record of the State Department in past administration of assistance projects gives him some firm ground upon which to base his demand that someone else be placed in charge of the Marshall-plan aid.

State Department representatives have made pretty much of a botch of their handling of such projects in the past with the result that the United States has been shelling out a lot of assistance without getting any credit for it and without accomplishing the purposes which it set out to achieve. Latest failure is in Greece, where we are told that more help is going to be needed just after we have heard stories of great waste and spoilage of previous contributions.

Asserting that production is the key to European recovery, Senator BROOKS asserts, "Nobody in the State Department has ever demonstrated any ability to get production" and the record will bear him out in that.

The Illinois Senator suggests the selection of leaders from the fields of industry, agriculture, and labor to organize the recovery program, much in the same manner as leaders from those fields worked together to organize the American war-production program that resulted in victory in World War II.

The American people who are going to stand the cost of the Marshall plan cannot

afford to have their contribution to world recovery wasted. If the Marshall plan assistance doesn't work, tragedy for the entire world may well result.

It is imperative then that the funds supplied by America be administered efficiently and to the best advantage. The State Department, staffed as it is with a lot of well meaning but ineffective visionaries, hasn't demonstrated that it possesses the ability to do the job.

We should obtain the best men available in our country to supervise the expenditure of our money in Europe and that certainly calls for the "business management" which Senator BROOKS is advocating.

Aid to Europe

EXTENSION OF REMARKS
OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Monday, January 19, 1948

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a letter from Ralph S. Trigg, Deputy Administrator of the Department of Agriculture, with the schedules attached thereto. The schedules show, first, inventories held by the Commodity Credit Corporation as of October 31, 1947. Incidentally, those are the latest schedules on record, I believe. The schedules include figures as to commodities in process of sale or otherwise obligated, and thus do not represent commodities available for sale or other disposition. Second, the schedules show deliveries to cash-paying foreign governments, by country and by commodity, for the fiscal year 1947 and the quarter ending September 30, 1947. I believe the schedules will prove of interest in view of the serious problems that confront us, particularly with regard to aid to Europe and its impact upon our domestic economy.

I am informed that the manuscript will exceed the two pages which may be printed without a statement of the cost, the estimate being that it will make approximately three pages, at a cost of $213. This is the first time I have asked for this special privilege, but I believe these schedules are well worth while printing. I therefore ask unanimous consent that they be printed in the Appendix of the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

DECEMBER 31, 1947.

Hon. LEVERETT SALTONSTALL,
United States Senate.

DEAR SENATOR SALTONSTALL: In accordance with our letter of December 10, 1947, the following information is enclosed:

1. Schedules showing inventories held by the Commodity Credit Corporation as of October 31, 1947. These schedules include commodities in process of sale or otherwise obligated, and thus do not represent commodities available for sale or other disposition.

2. Schedules showing deliveries to cash-paying foreign governments, by country and by commodity, fiscal year 1947 and quarter ending September 30, 1947.

The following information is submitted with reference to Mr. Mynot's telephone request concerning the grain export allocations for January 1948, as shown by the press release dated November 19, 1947 (USDA 2655-47). The allocations were made in anticipation of the needs of the various countries and with the expectation that the necessary funds would be available from some source. Should the needs of the countries change or funds not be available, the grains would be available for reallocation. No sales will, of course, be made unless full reimbursement for all costs is obtained by the Commodity Credit Corporation. As indicated by the press release, approximately two-thirds of the flour under allocation during January will be obtained through regular commercial channels by the countries concerned.

It is anticipated that deliveries to the following countries will be on a cash basis: Belgium, India, Netherlands, and Portugal.

Deliveries to the United States-United Kingdom zone of occupied Germany and the occupied zones of Japan and Ryukyus will be paid for from funds appropriated to the Army for occupied areas, while deliveries to Greece will be paid for from funds appropriated under the Greek-Turkish aid program (Public Law 75, 80th Cong.).

Deliveries to Austria, China, France, Italy, and the French zone of occupied Germany under the January allocations are subject to funds being made available from the proposed interim-aid appropriations or from other sources. The allocation of grain to these countries in advance of any financial arrangements merely reflects the advance planning necessary where limited supplies must be apportioned among potential recipients. Should funds not be available during the month for which the allocation is made, the quantities planned for export are adjusted or reapportioned.

Sincerely yours,

RALPH S. TRIGG,
Deputy Administrator.

Inventory as of Oct. 31, 1947

[U. S. Department of Agriculture, Production and Marketing Administration, Commodity Credit Corporation]

Commodity	Unit of measure	Quantity	Value
Price-support program:			
Cotton:			
American-Egyptian	Bales	939	$212,352.01
Upland	do	15,268	1,396,935.03
Eggs:			
Dried	Pounds	29,160,438	36,776,765.20
Liquid or frozen	do	61,254,320	19,812,896.62
Fruits, dried	do	1,690,500	129,001.94
Milk, dried	do	60,913,702	5,624,857.46
Peanuts	do	111,769,669	11,286,086.12
Potatoes, white	do	64,026,510	1,517,148.09
Seeds:			
Hay and pasture	do	8,906,088	723,121.98
Winter cover crop	do	36,995,524	2,398,139.16
Soybeans	Bushels	1,090	2,525.68
Turkeys	Pounds	1,433,108	510,708.22
Wool	do	394,394,037	218,321,387.94
Total price-support program			298,711,925.45
Supply program:			
Barley	Bushels	1,451,679	2,728,879.32
Corn	do	25,850	41,325.98
Cotton, export to Japan	Bales	103,964	16,602,437.28
Feed for Government facilities	Tons	30	2,640.00
General supply program[1]	Pounds	407,809,286	28,054,831.98
Oats	Bushels	2,174,964	2,720,458.24
Sorghums, grain	do	358	765.46
Wheat	do	71,745,358	195,918,016.01
Total supply program			246,069,354.27

[1] The break-down by commodity of the general supply program is provided in table 2.

Inventory as of Oct. 31, 1947—Continued

Commodity	Unit of measure	Quantity	Value
Foreign-purchase program:			
Coconut oil	Pounds	1,651,014	$177,558.51
Linseed oil	do	6,230,463	2,192,573.87
Total foreign-purchase program			2,370,132.38
Grand total, all programs			547,151,412.10

General supply program inventory, Oct. 31, 1947

Commodity	Unit of measure	Quantity	Value
Eggs, dried	Pounds	2,476,055	$3,389,812.11
Milk:			
Fluid	do	21,758,604	2,252,571.11
Dried	do	1,625,510	676,669.99
Soap and related products	do	720,000	54,885.08
Fats and oils	do	373,201	52,054.55
Beans, garbanzos, and lentils, dry	do	5,180,000	466,945.97
Breakfast cereals	do	6,640,000	434,696.00
Feeds and grains	do	2,030,000	91,408.25
Flour, grits, meals, and related products	do	353,699,800	19,108,284.13
Peas, dry	do	4,480,000	252,400.00
Rice	do	120,000	7,104.00
Seeds, field	do	138,293	49,979.35
Meat products, canned	do	1,886,490	267,018.40
Pork:			
Fresh or frozen	do		[1] 3,046.46
Salted, smoked, or pickled	do	1,100	319.99
Lard and other animal fats	do	3,759,869	606,159.80
Fish and seafood, canned	do	1,929,979	236,303.46
Macaroni, vermicelli, and similar pastes	do	989,660	104,417.20
Miscellaneous	do	725	756.13
Total	do	407,809,286	28,054,831.98

[1] Subject to adjustment.

Summary of cash sales to foreign governments, fiscal year ended June 30, 1947, and quarter ended Sept. 30, 1947

	Fiscal year 1947	First quarter, fiscal 1948	Balance of commitments Sept. 30, 1947
Afghanistan	$1,841,933		
Arabia	896,823		$432,021
Belgium	43,031,099	$3,272,228	5,717,526
Bolivia	1,379,584		
Brazil	3,274,078		
Canada	413,192		4,080
Colombia			1,010,591
Cuba	1,871,368	2,606,223	
Czechoslovakia	284,542	457,134	
Denmark	42,480	842,203	907,573
Finland	8,829,842	3,442,133	
France	83,091,988	12,578,457	11,891,369
Great Britain	305,936,231	32,273,985	19,919,556
Greece	499,059	855,347	
Hungary	784,227		
Iceland	113,026		
India	60,565,477	7,619,764	7,277,668
Ireland	1,623,371	2,549,107	1,813,809
Italy	13,133,088		
Mexico	6,126,739		
Netherlands	40,997,987	7,627,902	5,419,975
Norway	8,578,839	2,833,272	983,651
Peru	1,399,245	1,701,029	
Philippines	28,045,530	1,070,932	248,250
Poland	2,641,611	1,705,916	
Portugal	11,715,172	3,284,729	872,666
Rumania	1,084,685		
Siam	371		
Spain	172,389	33,423	
Sweden	782,039	790,023	1,862,886
Switzerland	7,807,062	3,441,970	2,782,003
Union of South Africa	817,509		998,330
Uruguay	3,433,685	1,653	
Venezuela		374,465	401,997
Total	641,214,191	89,361,895	62,543,951

Cash sales to foreign governments, fiscal year ended June 30, 1947, and quarter ended Sept. 30, 1947

	Unit	Invoiced deliveries				Balance of commitments Sept. 30, 1947	
		Fiscal year 1947		Fiscal year 1948 (first quarter)			
		Quantity	Dollars	Quantity	Dollars	Quantity	Dollars
Afghanistan:							
Wheat	Bushels	224,000	$558,631				
Flour	Pounds	23,473,145	1,283,302				
Total			1,841,933				
Arabia:							
Wheat	Bushels	254,110	650,868			149,333	$432,021
Flour	Pounds	4,528,716	245,955				
Total			896,823				432,021
Belgium:							
Butter, preserved	Pounds	6,088,728	3,117,329				
Cheese	do	[1] 309,561	614,712				
Milk:							
Evaporated and condensed	do	11,327,703	1,446,460		$909		
Dried	do	4,621,164	914,353				
Butter oil	do	250,090	160,800				
Potatoes, Irish	do	29,558,100	220,152				
Wheat	Bushels	7,174,590	17,052,927	1,318,233	3,274,348	1,922,668	5,717,526
Corn	do	500,000	774,409				
Flour	Pounds	44,617,363	2,126,711				
Seed, field	do	456,700	42,787				
Beef, frozen	do	8,593,426	2,304,332	[1] 11,212	[1] 3,029		
Veal, frozen	do	1,120,197	205,066				
Mutton, frozen	do	663,472	102,452				
Meats, canned	do	3,585,653	1,177,075				
Pork:							
Frozen	do	33,443,592	8,005,040				
Cured	do	2,130,472	477,424				
Lard	do	14,526,218	2,414,337				
Fish, canned	do	3,500,016	904,858				
Sugar	do	20,007,250	969,875				
Total			43,031,099		3,272,228		5,717,526
Bolivia: Wheat	Bushels	643,114	1,379,584				
Brazil: Wheat	do	1,375,444	3,274,078				
Canada:							
Soybean oil	Pounds	2,146,452	413,192				
Ration kits	Kits					2,000	4,080
Total			413,192				4,080
Colombia: Wheat	Bushels					354,667	1,010,591
Cuba: Rice	Pounds	19,381,400	1,871,368	26,019,300	2,606,223		
Czechoslovakia:							
Coconut oil	do			1,920,620	457,134		
Wheat	Bushels	141,548	284,542				
Total			284,542		457,134		
Denmark:							
Soybeans	Bushels	16,347	42,480				
Wheat	do			343,467	842,203	317,333	907,573
Total			42,480		842,203		907,573
Finland:							
Corn	Bushels	361,740	636,083				
Wheat	do	2,935,340	7,372,796	1,383,461	3,442,133		
Flour	Pounds	17,913,475	820,963				
Total			8,829,842		3,442,133		
France:							
Hemp line	Pounds	6,435,742	1,555,078				
Eggs, dried	do	224,000	272,594				
Milk:							
Evaporated and condensed	do	62,713,229	8,522,776	[1] 1,205	165		
Dried	do	15,433,425	6,482,463				
Oleomargarine	do	18,748,782	5,301,855	538,450	155,128		
Shortening	do	1,471,978	369,991				
Soybean oil	do	2,023,725	328,042				
Potatoes, Irish	do	92,835,900	764,881				
Breakfast cereals	do	1,197,865	79,801				
Corn	Bushels	3,880,068	7,031,630	1,372,088	2,558,314		
Wheat	do	9,481,122	22,242,632	3,927,198	9,859,996	4,088,936	11,891,369
Flour	Pounds	144,108,188	6,754,743				
Beans, dry	do	159,300	13,149				
Peas, dry	do	[1] 239,653	[1] 16,382				
Beef, frozen	do	39,394,327	9,660,467	3,453	3,543		
Meats, canned	do	5,057,565	1,654,550				
Lard	do	53,028,510	10,167,809	7,598	1,311		
Sugar	do	34,000,000	1,862,479				
Ammonium nitrate	Short tons	1,000	43,430				
Total			83,091,988		12,578,457		11,891,369
Great Britain:							
Cotton	Bales	4,141	522,724				
Cheese	Pounds	88,866,514	40,278,921	[1] 25	[1] 12		
Eggs:							
Dried	do	90,011,067	113,658,576	18,858,861	26,582,497	11,418,105	14,856,172
Frozen	do	15,643,830	4,996,514				
Milk:							
Evaporated and condensed	do	156,653,985	20,408,836	[1] 129	72		
Dried	do	57,622,096	9,414,653	135,705	12,559		

[1] Deduct.

Cash sales to foreign governments, fiscal year ended June 30, 1947, and quarter ended Sept. 30, 1947—Continued

	Unit	Invoiced deliveries				Balance of commitments Sept. 30, 1947	
		Fiscal year 1947		Fiscal year 1948 (first quarter)			
		Quantity	Dollars	Quantity	Dollars	Quantity	Dollars
Great Britain—Continued							
Beans, dry	Pounds	3,941,545	$323,110				
Soybeans	Bushels	102,502	268,956				
Wheat	do	28,136,813	68,601,870	1,852,221	$4,765,363	1,664,675	$4,949,928
Corn	do	3,777,774	6,660,335				
Flour	Pounds	96,159,692	9,443,499	5,400,000	336,188	518,062	113,456
Peas, dry	do	586,633	52,095				
Seed, field	do	110,464	23,040				
Seed, vegetable	do		[1] 34				
Lard	do	4,631,615	1,689,312	2,555,370	575,669		
Cornstarch	do	19,957,359	1,173,756				
Fish, canned	do	77,921,223	20,399,363	[1] 80	1,649		
Vitamin products	do	2,834,945	784,635				
Tobacco	do	18,915,032	7,231,070				
Total			305,936,231		32,273,985		19,919,556
Greece:							
Flour	Pounds	7,685,000	499,059		303		
Wheat	Bushels			349,067	855,044		
Total			499,059		855,347		
Hungary: Wheat	Bushels	322,000	784,227				
Iceland: Butter	Pounds	235,440	113,026				
India:							
Milk:							
Evaporated and condensed	do	1,854,000	342,755				
Dried	do	17,123,411	4,252,383	10,496	878		
Vegetables, dried	do	14,127,445	4,923,754				
Corn	Bushels	3,620,166	6,455,770				
Wheat	do	19,219,958	44,539,598	3,127,268	7,618,886	2,429,904	7,277,668
Vitamin tablets	Tablets	18,197,680	51,217				
Total			60,565,477		7,619,764		7,277,668
Ireland: Wheat	Bushels	645,467	1,623,371	1,029,500	2,549,107	606,000	1,813,809
Italy:							
Potatoes, Irish	Pounds	15,372,500	67,244				
Corn	Bushels	4,004,525	7,024,674				
Wheat	do	2,727,160	6,041,090				
Total			13,133,008				
Mexico: Wheat	Bushels	2,561,644	6,126,739				
Netherlands:							
Army spread	Pounds	999,882	494,377				
Milk, evaporated and condensed	do	392	43				
Fruits, canned	do	1,861,650	218,746				
Vegetables, dried	do	804,476	285,792				
Potatoes, Irish	do	2,240,322	414,459				
Corn	Bushels	357,534	557,567				
Wheat	do	10,861,563	26,442,904	3,080,452	7,627,902	1,847,930	5,419,975
Flour	Pounds	17,919,815	909,671				
Rice	do		2,203				
Beef, frozen	do	4,062,946	969,539				
Beef and gravy	do	11,308,370	3,731,255				
Lard	do	5,040,840	838,068				
Fish, canned	do	8,033,667	778,425				
Sugar	do	126,629,768	5,324,537				
Ammonium nitrate	Short tons	700	30,401				
Total			40,997,987		7,627,902		5,419,975
Norway: Wheat	Bushels	3,535,673	8,578,839	1,140,400	2,833,272	321,067	983,651
Peru: Wheat	do	634,168	1,399,245	683,700	1,701,029		
Philippines:							
Rice	Pounds	364,511,978	27,431,939	19,709,098	1,070,932	9,711,663	248,250
Fish, canned	do	1,298,566	203,384				
Sugar	do	6,860,000	410,207				
Total			28,045,530		1,070,932		248,250
Poland:							
Milk, evaporated and condensed	Pounds	1,429,760	193,161				
Wheat	Bushels	1,006,000	2,448,450	696,067	1,705,916		
Total			2,641,611		1,705,916		
Portugal:							
Potatoes, Irish	Pounds	43,557,100	348,457				
Corn	Bushels	906,855	1,436,485				
Wheat	do	3,927,460	9,633,456	1,329,400	3,284,729	317,333	872,666
Flour	Pounds	6,272,000	296,774				
Total			11,715,172		3,284,729		872,666
Rumania: Corn	Bushels	644,500	1,084,685				
Siam: Seeds, vegetable	Pounds	125	371				
Spain: Potatoes, Irish	do	43,296,400	172,389	5,142,000	33,423		
Sweden: Wheat	Bushels	335,981	782,039	322,187	790,023	329,813	1,862,886
Switzerland:							
Corn	do	358,266	556,424				
Wheat	do	3,111,610	7,250,638	1,387,638	3,441,970	920,267	2,782,003
Total			7,807,062		3,441,970		2,782,003
Union of South Africa:							
Wheat	Bushels	324,000	792,181			317,333	998,330
Flour, soya	Pounds	448,200	25,328				
Total			817,509				998,330

[1] Deduct.

Cash sales to foreign governments, fiscal year ended June 30, 1947, and quarter ended Sept. 30, 1947—Continued

	Unit	Invoiced deliveries				Balance of commitments Sept. 30, 1947	
		Fiscal year 1947		Fiscal year 1948 (first quarter)			
		Quantity	Dollars	Quantity	Dollars	Quantity	Dollars
Uruguay:							
Potatoes, Irish	Pounds			110, 200	$1, 653		
Wheat	Bushels	1, 311, 600	$3, 433, 685				
Total			3, 433, 685		1, 653		
Venezuela: Corn	Bushels			180, 024	374, 465	193, 016	$401, 997
Grand total			641, 214, 191		89, 361, 895		62, 543, 951

[1] Deduct.

NOTE.—These data, in some instances, reflect adjustments to prior periods.
PMA, Fiscal Branch, Financial Analysis Division, Dec. 12, 1947.

European Recovery Program

EXTENSION OF REMARKS
OF
HON. WAT ARNOLD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. ARNOLD. Mr. Speaker, the need for clarification of the purpose and motive behind the European recovery program is brought out by Andre Visson's article in the Washington Post of January 18. Under leave to extend my remarks, the article is quoted below:

DOLLARS ARE NOT ENOUGH
(By Andre Visson)
ERP MISCONCEPTIONS

At the very moment when the administration is doing its best to make Congress understand the necessity for and the purpose of the Marshall plan, reports from Europe indicate that many Europeans also appear to be in need of clarification.

To be sure, Europeans do not question the necessity for American aid to assure and speed up their victory. But many of them are at a loss to understand the real motives behind the determination of the United States to pour billions of dollars into European countries where both political and economic conditions are so uncertain, and at the very time when so many people, both in Europe and in the United States, are beginning to fear that World War III may be around the corner.

The most perplexing thing to European minds is the American insistence on the humanitarian aspect of our aid to Europe. European nations have never had an opportunity to practice humanitarianism on an international scale. So they simply cannot understand that any nation could seriously consider the giving away of billions of dollars just for humanitarian purposes. Whenever Europeans hear responsible Americans insist on the humanitarian aspect of the Marshall plan they become suspicious and ask themselves, "What do these Americans really have in back of their minds?"

The fundamental European misconception about the Marshall plan is that the funds and goods which Europe is to receive will come from American surpluses. One of the most important tasks for American information services abroad will be to give Europeans the real facts, and especially to emphasize that the Marshall plan definitely means a sacrifice on the part of every American taxpayer.

Another, perhaps even more urgent task for the Administration, is to make Europeans realize how wrong they are in their suspicion that the Marshall plan may be used for American economic expansion. The bogey of American imperialism, unfortunately, is not limited to Communist circles. Many western European industrialists welcome the Marshall plan for the opportunity it offers them to obtain the badly needed raw materials with which to renovate their obsolete equipment and improve the general economic and social conditions in their countries so as to increase the people's resistance to communism. But at the same time they cannot help having fears about the increasing American economic grip.

Lord Beaverbrook's press in England protests against what it terms the "selling of British sovereignty for scrambled dry eggs." And the French industrialists, complaining about the clause on the import of American movies which was attached to the loan obtained by Leon Blum in 1945, wonder what new clauses of a similar character we may attach to the grants and loans given under the Marshall plan.

The Socialists in western Europe, on the other hand, are afraid that we may attach some political strings which may curtail or even completely end any further socialization in the countries receiving American aid. Socialist leaders are planners, and all planners want the greatest possible independence of foreign influences. Thus we have the paradoxical situation, that while Socialist planners insist on political internationalism, in the economic field they tend to behave like isolationists.

This trend is more obvious in England than in France. Sir Stafford Cripps wants short bilateral agreements which would not tie his hands too much. All western Europeans, whether Socialists or not, believe in international free trade as an economic ideal. But European Socialists—especially the British—are most reluctant to put off their socialistic reforms, even for the sake of world recovery. And they are prepared to resist most strongly any American demands to curtail socialization.

Thus we have the bogey of American "economic domination" raised both by Lord Beaverbrook's "imperial isolationists" and by Sir Stafford Cripps' "socialistic planners." Both groups are prepared, if necessary, to increase British austerity if it will lessen Britain's dependence on American aid.

I do not believe that it will be too difficult to prove to Europeans—Socialists and conservatives alike—how unfounded are their fears about the alleged American intentions to control and dominate the European economy. The motto of all imperialists throughout history has been: "Divide and conquer." The United States follows exactly the opposite line. It says to the European nations: "Unite, the better to help yourselves and to make it easier for us to help you to become stronger."

No imperialist nation has ever tried to strengthen those whom it wanted to conquer. No imperialist nation has ever tried to bring together those whom it wanted to dominate politically or economically.

Europeans should learn that of all the developments in western Europe, few have been more heartily welcomed both by responsible Americans and by American public opinion than the customs union of Belgium, Luxemburg, and The Netherlands. While the ideal development from the Soviet viewpoint would be to see all western European nations reduced to the size of the Grand Duchy of Luxemburg, from the American viewpoint the ideal would be to see the newly formed customs union of Benelux expand to include all western Europe. And this, every intelligent European will have to admit, can hardly be interpreted as American imperialism.

Los Angeles Needs Additional Postal Facilities Because of Tremendous Population Increase

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. McDONOUGH. Mr. Speaker, the population of Los Angeles has increased at an unprecedented rate during the war and postwar years. War workers and servicemen from all parts of the country came to southern California, most of them to the Los Angeles area, and since the war most of them have remained. Latest estimates indicate that the population of southern California has increased by 1,000,000 since 1940, most of this increase in the Los Angeles area. And the migration still continues.

During this same period many nationally known concerns have moved their headquarters to Los Angeles, and new industries have sprung up in this area and now have become permanently established in Los Angeles.

All of these factors have contributed to a tremendous increase of almost 100 percent in the amount of mail which

must be handled by the Los Angeles post office. And during this same period not one single square foot of space has been added to operate this post office even though it has been necessary to almost double the number of persons employed.

The receipts of the Los Angeles post office for the year 1942 were $15,000,000. In 1947 these receipts increased to almost $29,000,000. With the growth of Los Angeles continuing at its present unprecedented rate, it has been estimated that the Los Angeles post office will reach, the $40,000,000 class the top bracket in which only New York and Chicago are now classified, by late 1951 or early 1952.

These figures present conclusive proof of the necessity for immediate provision for additional post-office facilities for Los Angeles.

H. R. 4845, which I have introduced, would authorize construction of a parcel-post building adjacent to the Terminal Annex Post Office. It will also provide for extensive remodeling and the construction of an additional floor on the Terminal Annex Post Office where the tremendous volume of incoming and outgoing mail is handled.

It would also provide for the construction of a post office garage building. Since the post office garage facilities in Los Angeles are used not only for storage and repairs on vehicles operated in southern California but also for repairs and servicing of vehicles operated in the Southwest area including Arizona and Nevada, this garage building is necessary to maintain efficient mail service.

The construction of adequate parking space and loading-zone facilities would also include landing space for helicopter delivery of air mail.

More space is needed for the handling of the mail in the Los Angeles Post Office. At present with almost double the number of employees working in space designed originally to accommodate only half that number, resulting unsatisfactory working conditions tend to lower the morale of workers and may not maintain maximum protection of the health of employees.

The need for construction of the additional facilities for the postal service in Los Angeles is evident if working conditions for employees are to be restored to normal and satisfactory postal service maintained in Los Angeles. I, therefore, urge the Members of the House to act favorably on H. R. 4845.

Reduction of Federal Expenditures

EXTENSION OF REMARKS
OF
HON. WALTER C. PLOESER
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. PLOESER. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include the following resolution adopted by the United States Savings and Loan League at the fifty-fifth annual convention, San Francisco, Calif., September 1947:

The United States Savings and Loan League desires to commend the first session of the Eightieth Congress, particularly the House Committee on Appropriations, for their work in making a start at retrenchment in the war-swollen activities and expenditures of the Federal Government. Their task was a stupendous one, made more difficult by the organized resistance and propaganda technique of the bureaus and agencies whose appropriations were threatened. The achievement of any reduction required courage, conviction, and a knowledge of what was truly essential and what could be eliminated without impairment of necessary or helpful services. They deserve the gratitude of every taxpaying American citizen and should be encouraged to renew their efforts for a more economical and efficient Federal Government in the coming second session.

Salary Increase for Postal Workers

EXTENSION OF REMARKS
OF
HON. WILLIAM A. DAWSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. DAWSON of Utah. Mr. Speaker, the postal employees of this country are suffering great hardship as a result of the increased cost of living. Under leave to extend my remarks in the RECORD, I include the following statement made by me on January 16, 1948, before the United States Senate Committee on Post Office and Civil Service:

I appreciate this opportunity of appearing before the committee in support of increase in salary for postal workers.

I have received numerous letters and wires from my constituents in Utah emphasizing the fact that under present living conditions, the salary which is received by most of them is not sufficient to maintain a decent standard of living.

Today we hear very little about the almighty dollar because it has lost its mightiness. The purchasing power of the dollar, as we all know, is far below its prewar purchasing power. It is dangerous to quote figures nowadays because with the vicious rise in prices recently, statistics compiled a month ago would be obsolete today.

I am sure, gentlemen, that we are all aware that the cost of living has far outdone any increase in salary that postal employees have received in recent years. This fact has been borne out by evidence already presented by other witnesses before this committee. I do not feel that it is unjustified to urge a reasonable salary increase at this time.

The employees of the United States Government, as I understand, are expected to meet all financial obligations, otherwise they are subject to dismissal. The cost of living has soared to such heights that the least little extra expense not expected puts a person behind, often in debt, and makes it impossible to save for a rainy day. In fact, a rainy day is here now for most of the employees of the Postal Department and other underpaid Federal employees unless a salary comparable to the cost of living is given to them. I therefore feel that it is only fair to them as loyal Government employees to recommend a reasonable salary increase at this time.

Memorandum Summarizing Labor's Position

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks, I include the following statements of the Congress of Industrial Organizations:

THE BASIC 40-HOUR WEEK CAN GIVE THE U. S. A. FULL PRODUCTION

A sunny fair day is the best time to repair the roof.

A period of high employment and high wages is the best time to strengthen our protections against long hours, low wages and unemployment.

In other words, 1948 is the best time to strengthen provisions of the wage-hour law, so that it will operate in the public good in good times and bad.

The CIO believes that the Wage-Hour Act should be improved by the Eightieth Congress—to increase the minimum wage from 40 cents an hour to 75 cents; to bring protection of wage-hour standards to important, sizable groups of workers who are now exempt and thus do not now enjoy protection of the law.

But, powerful forces, in and out of Congress, are moving in just the opposite direction. They would weaken, not strengthen, the wage-hour law.

They would use the present sunny weather, not to strengthen the roof, but to punch holes in it. The damage would be serious enough right away—but it will show up even more quickly if an economic storm breaks upon us.

At the present time the law provides (1) for a minimum wage of 40 cents an hour; (2) for time-and-one-half pay for all hours over 40 hours a week which a worker puts on the job.

Notice this: The law does not prohibit the employer, in any way, shape or form from keeping workers on the job more than 40 hours each week. He can employ his workers 44 hours, or 50 hours, or 60, or 70. The law does say that he must pay them no less than 40 cents an hour—and that for each hour over 40 hours in any workweek, he must pay them time-and-one-half their regular rate of wages.

Forty cents an hour for 40 hours is just $16 a week—not enough in these days of soaring prices for any adult to support himself, let alone his family, on decent American standards.

A 75-cent minimum would guarantee a $30 weekly income—still pretty low, but a big improvement over the present minimum rates. It is still below the minimum necessary for an adequate American standard of living—and purchasing power.

People who oppose improving wage-hour standards don't like to talk cold, $16-a-week facts; they seem to prefer propaganda claims and doubtful theory.

They say the present law hurts production. The false implication is that the employer may not work his employees more than 40 hours a week—and so production is cut, but that simply isn't so.

They say an improvement in minimum wages would be inflationary. That isn't so either. The CIO recognizes that most workers are making more than 40 cents an hour today; but CIO feels that Congress should remember three facts:

1. The Department of Labor's minimum budget for a family of four now ranges between $3,000 and $3,500 a year, which is far more than a large proportion of our industrial workers now receive. For a full year's work at 75 cents an hour a worker would bring home only $1,560.

2. The amount of inflation deriving from an increase in minimum wages from $16 a week to the still below-standard $30 a week is not enough to have any effect on the American economy; and, it isn't inflationary to put butter on children's bread and clothes on the backs of workers who need clothes.

3. Every cent of buying power for necessities will be important—and in depression both workers and businessmen will be grateful for the positive effects of a 75-cent minimum and for the fact that it will act as a meaningful floor under wageslashing and sweatshopping.

These same groups who want to weaken the Wage-Hour Act argue that the overtime pay provisions should be lowered in the hope of increasing output. But many Government studies show clearly that lower overtime rates will not increase production.

For one thing, overtime work cuts overhead costs, makes it easy for employers to pay higher wage rates for that "cheap time." In many big industries—auto, textile—longer working hours per employee would have no effect on production, since the basic difficulties arise from material shortages in which the labor problem is insignificant. In the steel industry, where operations are on continuous process basis, working hours cannot be added to their working day. In many other industries, cutting the overtime pay rates would merely stretch out the working time of employees already on the job. They would be working at a cut in hourly wage rates. And, lastly, lower overtime rates would act as no real incentive to workers to do overtime work where it is necessary. Pay to compensate them for the risk of accidents, increased fatigue, etc., that come with long hours, is only fair.

Thus, a cut in overtime rates will bring no higher production, but it will produce a bumper crop of bad industrial relations and friction.

We cannot use wage cuts to buy the sort of production and industrial stability we need.

Many groups appearing at wage-hour hearings say, in effect: "O. K. Let's raise the minimum wage, but let's weaken the law here, and here, and there, and there." Such changes amount to piecemeal repeal of the act. The minimum wage, whatever it may be, should apply to all industry; and the law should give protection to everybody in interstate commerce or whose work affects interstate commerce. If we fail to do so, we have created an incentive to wage-cutting and sweat-shopping and thereby are digging a grave for full consumption, full production, and full employment.

In summary, CIO says: Raise the minimum wage under the wage-hour law from 40 cents an hour to 75 cents an hour. Extend the law to cover important groups of workers, now not protected. Abolish exploitation of children for profit. Don't tamper with the overtime provisions of the Wage-Hour Act. Don't make the law meaningless by weakening its important provisions while going through the motions of raising the minimum rate. Don't make that gesture a joke played on millions of the lowest-paid workers of the Nation.

A constructive program on the Wage-Hour Act will help America, help industry, help labor.

For your convenience, we list herewith a point-by-point examination of CIO's views on the hours provisions of the act.

CIO'S VIEWS ON THE HOURS PROVISIONS OF THE ACT

1. The law prevents the undermining of good standards through unfair competition: The act was intended to put a floor under wages and to provide national standards in regard to child labor, the length of the work week, and overtime payment so as to provide basic minimum protection to American working people. It is especially helpful to unorganized wage earners who are least able to protect themselves. The law contemplates that employers will succeed in the competitive struggle through better management rather than through sweat-shop conditions.

Without minimum legal standards, some firms will seek to undersell their competitors by lengthening hours and slashing wages, thus undermining the decent standards established by unions and other employers. State laws on wages and hours, where they exist, are limited and completely inadequate to meet the national problem.

2. The provisions in regard to hours are flexible: The law does not prohibit hours longer than 40 a week. It provides merely that pay for such excess hours should be at one and one-half times the regular rate. The effect is to establish 40 hours as a standard rewarding the wage earner if he must work longer, and requiring the employer to pay more for the extra time, which brings savings in overhead for him.

3. The threat of weakening amendments is real. Proposals have been made for nullifying the hours provisions by various methods. Some advocate outright repeal; others, changing the hours to 44 or 48; others changing the rate at which overtime is to be paid. Of the latter, some suggest that overtime be paid on the basis of time-and-one-half the legal minimum. Even if the legal minimum is increased considerably it is still a minimum. If overtime were paid at time-and-a-half an increased minimum, it would still be below the average hourly earnings of many workers, and would be meaningless.

This is merely a design to increase profits by getting extra work out of each worker without fair compensation. It undoubtedly would result in a lowering of pay for overtime which would also result in decreased purchasing power and a lowered standard of living for a large segment of the population. Furthermore, all incentive to work overtime would be removed. In short it is a left-handed way of killing the 40-hour week.

Another suggestion calls for a new definition of "regular rate of pay" on the grounds that under the present interpretation regular bonuses are included in "regular rate of pay." Actually both management and labor accept the fact that such extra wages for production as regularly paid premiums, incentive rates, and bonuses are part of the regular wage and must be counted as such. If the definition of "regular rate of pay" is altered to exclude all except the straight hourly rate, it will simply mean a wage cut which workers are not going to accept.

Another proposal states that overtime pay should be any sum agreed upon in a bona fide collective bargaining agreement. Such an amendment would be an underhanded way of annulling the 40-hour week for unorganized labor, because in nonunion shops the workers have no way of carrying on negotiations and cannot participate in setting up fair agreements. This proposal would also lower overtime payments for members of new or weak unions that do not have sufficient economic strength to negotiate fair agreements.

4. The present overtime provisions are not a bar to increased production. American output can and should be increased, but this must be done by planning to overcome bottlenecks in steel, power, food, etc. These bottlenecks will not be remedied by a change in the basic workweek. Production is already at record-breaking levels in many fields and shortages of materials and power arise from this very fact. Capacity must be expanded in steel to meet demand at home and abroad. Until this is done, metal-fabricating industries, such as autos, will be limited in output not by working hours but by lack of material. Similarly, an industry like cotton textiles could not produce more in 1948 with a longer workweek because there is not enough raw cotton and synthetic yarns. If some employers work long hours and use a larger share of the cotton supply, others will have to lay off employees.

The Council of Economic Advisers has supported the pattern of an 8-hour day and 5-day week. The council also states that "Even in those manufacturing lines where materials are adequate and weather impediments not the significant factor, it is not clear that merely stepping up the amount of labor effort would meet the real economic problems which confront us."

To insure greater production, there should be concrete plans for greater capacity in steel, etc.; careful allocation of scarce materials; a constructive farm program; compulsory licensing of patents; elimination of waste; and constructive cooperation between management and labor through industry councils to overcome bottlenecks.

5. Much manpower is now being wasted or used less efficiently than is possible. Many workers are unemployed, many more are underemployed in terms of hours or their potential skills. Women and minority groups are often denied training and advancement. Too little effort is made to adapt working hours to the needs of older people and partially disabled victims of war or industrial accidents. Improved training, health, and placement policies, with more efficient employment offices, can substantially increase the supply of labor. The proper approach is to make improvements in these matters, not to let employers take the easier course of simply imposing greater burdens on their employees.

6. The 40-hour week, with time and one-half pay for overtime, has become accepted as the American standard: It must be remembered that many workers must spend an hour or two getting to and from work each day in addition to the time at the work place. The speed-up, poor ventilation, and other bad working conditions often undermine the workers' health even in a 40-hour week. Longer hours have been proved repeatedly to mean more accidents, sickness, and waste. A recent study of the United States Bureau of Labor Statistics confirms these facts and also indicates that output in the extra hours is apt to decline.

Millions of workers are close to or above 60 years of age or are veterans whose health was impaired or mothers with children to care for. They would suffer especially from a change in the scheduled week and so would their children. Undoubtedly some would be driven from the labor market.

The basic 40-hour week, with payment of time and one-half for overtime, is now embodied in most union-management contracts. These terms were found in 85 percent of a large group of agreements recently studied by the United States Bureau of Labor Statistics. Amendments of the Fair Labor Standards Act in this regard would affect first of all the unorganized workers not covered by such agreements. Insofar as employers would seek to change the overtime provisions in union agreements, industrial unrest would be increased.

American wage earners want adequate real wages rather than longer hours, especially since they know lay-offs may come without warning. Some few workers may be driven by low wages to work hours beyond their strength but they will pay the cost later and so will the Nation. The remedy is to increase their pay and limit rising prices, not to eliminate overtime provisions.

7. Inflation will not be remedied by changing the basic workweek or ending the payment of time and one-half for overtime: Food prices are highest of all due to shortages, and rationing of meat and other prod-

ucts with control of their prices is essential. Labor costs is a very small part of the bill in the food industry, and working hours are already long.

Industrial prices have soared because of shortages or because of deliberate setting of prices by companies at a level that is too high to permit mass consumption. With profits at the record-breaking level of $17,000,000,000 after taxes, it is clear that the cost of the overtime payments is not a real deterrent.

As former Commissioner of Labor Statistics Lubin testified, an employer is apt to make additional profits, and not lose anything, by lengthening the workweek, even though he pays time and one-half rates.

For example: Present straight-time hourly earnings in manufacturing average $1.21. A 44-hour week at customary overtime rates would yield weekly earnings of $55.66. If the employers got what some of them are asking for, the worker would receive only $53.24, a reduction of $2.42. Applied to a wage for the 44-hour week, it would mean a wage cut of about 4½ percent.

Below the Belt

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. MANSFIELD. Mr. Speaker, under unanimous consent, I am inserting in the RECORD an editorial from the Washington Evening Star of January 21, 1948. This editorial illustrates the type of thinking which marks the Republican national chairman but which I think is not typical of the majority of the Republican Party. It is too bad that Mr. Reece does not have the common decency to represent the views of honest Republicans rather than his own. His vicious and unfair attacks on the Democratic Party, the Democratic President, and the Democratic national chairman will not, and should not, sit well with the American people. As the editorial says, Mr. Reece hits "below the belt" when he continues the tactics which have marked him as the hatchetman of the Republican Party.

BELOW THE BELT

Republican National Chairman Carroll Reece's latest pronouncement gives a disquieting preview of things to come in this year's Presidential campaign.

According to Mr. Reece, Henry Wallace's entry into the field has resulted in the desperate efforts now being made by Mr. Truman to recover his disreputable lost foreign legion. And so that no one shall be in doubt as to the meaning of this foreign-legion reference, Mr. Reece goes on to discuss the domestic partnership of the Democratic Party and the Communist Party.

One must expect, of course, that the Republicans will make what political capital they can out of the Wallace challenge to President Truman. But the line which Mr. Reece seems bent upon following is a pretty shabby reward for a President who has had the courage to stand up for what he believes to be essential to the security of this country, knowing full well that such a stand would alienate the Wallaceites and that it might throw the election to the Republicans.

There have not been many rules in American politics and we have come to expect our political battles to be rough. But, granting all of this, Mr. Reece still is hitting below the belt, and it is quite likely that a good many Republicans will find it hard to stomach this smearing of a President who, if Mr. Wallace and the Communists have their way, is going to be liquidated politically because he refused to surrender on such vital points as military preparedness and the Marshall plan.

Time for Action on Displaced Persons

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. KLEIN. Mr. Speaker, aid to the displaced persons of Europe, tragic and helpless victims of war, is beyond all partisan consideration.

American public opinion has solidified in favor of immediate action. The highest leadership of both major parties is fully in favor of immediate action on the Stratton bill, or on some acceptable and practicable form of it.

The facts are known. The only remaining segments of public opinion rejecting the necessity of immediate action along the lines of the Stratton bill are the irreconcilables who refuse to accept facts.

Under leave, I present for the RECORD an editorial from the New York Herald Tribune published yesterday which expresses the views of the most distinguished editorial voice of the Republican Party—a view with which every American who glories in this country's past can agree:

FOR ACTION ON THE DP'S

Excellent reports on the displaced persons from Members of Congress and others who visited the European camps last year have discredited opposition to the resettlement of a reasonable number here. That opposition had its chief basis in the murky and mistaken suspicions of American isolationists. A move by State governments to facilitate the resettlement of needed farm workers, particularly in the Middle West, indicates that opposition on economic grounds was likewise baseless.

There is everything to be said for permitting a fair share of the displaced persons to come to our shores. The United States responsibility for leadership toward a just and permanent peace requires that we offer a solution of the war's gravest human problem. Resettlement is now the only acceptable solution for the hard core of refugees remaining in the DP camps. This country must open its doors if it hopes that other nations will open theirs. The refugees are, for the most part, people this country wants and needs. They hate tyranny; they have miraculously maintained self-respecting ambition through years of camp life. There are large groups of Poles and Balts who cannot return to their homelands for fear of persecution. They are like the 48 sailing Estonians whose plight, following their landing in Miami in late 1946, stirred the sympathies of the country. Such people still come to our shores in their small ships. Twenty-three reached Savannah last summer, only to be interned on Ellis Island. This group has just received permission to enter Canada. Is it not time that the United States opened its doors, took such people in?

It is far more costly to support a barren existence for the displaced in camps than to permit them to be self-supporting. If we are to offer that solution—it will be to our eternal shame if we do not—the offer must be made soon. Some of the best of the displaced are filtering off to countries which bid for special skills; the morale of the others cannot be maintained forever in internment camps. We urge that Congres speed the action required to admit a fair share of those whose loyalty to democratic principles is something to be nourished and sustained in this modern world.

Need for Investment Capital

EXTENSION OF REMARKS
OF
HON. FRED L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 13, 1948

Mr. CRAWFORD. Mr. Speaker, the enterprise system which we operate here in the United States is one which must continually expand in order to accommodate the new workers coming from an increasing population and, furthermore, all to the end that the goods and services which our people require and have reason to assume, will be available to them, may be produced.

It is a fact that here in the United States we do have more buildings, machinery, and machine tools for the use of our people than has any other country. Skilled and intelligent workers who desire to work have access to this machinery and machine tools, and when the skilled intelligence of the worker is combined with the productive machinery and tools, there comes forth great production per individual worker and these goods are placed on the market at prices which the masses can afford to pay.

There was a time when England and the western Europe countries enjoyed heavy production and a better standard of living than at the present time. But in due course, western European governments and England adopted a procedure and has since followed a course which has not been conducive to the individual citizens of those countries accumulating savings and investing them in buildings, machinery, and machine tools and thereby providing themselves with modern equipment. These people of western Europe and of England have participated in too many wars, have taxed their people beyond the capacity of the people to pay taxes and at the same time maintain their productive machinery and the necessary skilled workers.

The United States, Canada, and Japan stepped ahead of England and western Europe in the building and operation of modern machinery and machine tools, and the western European countries along with England began to lose their export markets to Japan, United States, Canada, and Australia.

Now the United States appears to be moving in a direction which imposes upon our people tax burdens for the purpose of maintaining heavy military operations, for the purpose of extending aid

to these countries to which I have referred, and for the purpose of providing Federal revenues to do so many other things which are not encouraging to the exercising of thrift and the investment of savings in the necessary buildings, machinery and machine tools to provide the people of the United States with the industrial goods which our citizens expect and demand.

Today there is a shortage of funds to be invested in capital goods. This shortage is becoming more acute. Mr. Truman, as you will remember only a few days ago, called upon our people to invest $50,000,000,000 in the tools of production. At the same time, Mr. Truman followed the usual New Deal angle and proposed a taxing formula that would siphon off much of the money that would normally go into capital investment. If the people are to accumulate money for capital investment purposes, those who receive income will have to be permitted to retain enough of it to so invest. People of large incomes have historically furnished a great amount of the capital for investment here in the United States. If those with substantial incomes are forced to put most of it in the tax box, from what source can capital for production purposes be obtained?

To illustrate some of the forces with which we must deal, I would like to insert in the RECORD the following article from the New York World-Telegram of December 19, 1947, by Lawrence Fertig:

TOOLS AND PROGRESS—BIG RISE IN NEW MACHINERY INVESTMENT NEEDED TO AVERT LIVING STANDARD DROP, SAYS ECONOMIST

(By Lawrence Fertig)

It is a startling fact, not generally recognized, that the standard of living in this country must decline over the year unless there is a tremendous increase of investment in the tools of production. Better tools and more tools, which can turn out more goods at lower cost, is the basic reason why any country increases its living standard in the long run. All other schemes—tinkering with money, raising wage rates, subsidizing one part of the population at the expense of another—are mere delusions. Production is what counts and tools make production.

It is disturbing to note that, by comparison with past decades, we have been falling far behind in our new capital investments. In every decade between 1880 and 1930 we increased our production plant from twenty to forty billion dollars (measured in dollars of 1929 purchasing power). In the 1920 to 1930 decade the increase totaled thirty-five billions. But from that point on our investment fell off.

As a matter of fact, during the 10 depression years after 1930, we actually decreased our productive plant by about $17,000,000,000, and today it is interesting to note the investment behind each worker in industry is actually smaller than it was in 1930 (measured in 1929 dollars). During the current year the capital market has been far from vigorous.

SAVINGS SHRINKING

The SEC reports that new securities issued for cash during the first 9 months totaled three and nine-tenths billions—a billion dollars less than last year, and this in the year of the highest volume and highest earnings in history.

The curious fact about this situation is that it is the direct opposite of the predictions made by the British economist, Lord Keynes, who was the father of the New Deal economic school and his followers. There could not be enough investment opportunities, they said, to absorb the oversupply of the people's savings. But where is this oversupply today?

Our actual savings are shrinking rapidly. There is not enough saved to meet the tremendous new demand for capital. Capital savings are made, to a great degree, by those who earn larger incomes—above $10,000 a year.

Despite the fact that there are twice as many such incomes as there were in the years 1925-29, the total of such incomes is about a billion dollars less. And as everyone knows, a great part of these earnings is taxed away by the Government. How can enough capital be accumulated to improve the average man's living standard if the Government takes it away in taxes?

Obviously a radical tax decrease in high-income brackets will have to be made if this situation is to be remedied. Labor leaders who oppose this move for political purposes will be cutting off their noses to spite their faces. Such opposition will, in the long run, lower the living standard of every laboring man in the country.

CONFIDENCE SHAKEN

It is confidence in the future, more than anything else, which encourages a man to give up his hard-earned savings for a possible future return. That confidence was badly shaken during the 1930's, first by the depression, and then by the experiments and business attacks of the New Deal.

More recently that confidence has been cooled by the widespread predictions (especially by administration representatives) of a coming depression. Another factor in dampening investment ardor has been the persistent barrage against high profits and fear of some Government action.

In a year like 1947 in which wages and salaries will probably total 125 billions, dividends paid out will be about six billions and total corporate profits will amount to 17 billions. When such dividends and profits are declared unconscionable by administration officials, many people hold fast to their preciously saved dollars and who is to blame them?

The Detroit Board of Education Requests Increased Allowances for Veterans' Educational Program

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following resolution that was adopted by the board of education, Detroit, Mich.:

Whereas there are in attendance at Wayne University approximately 8,000 veterans, the majority of whom are receiving educational benefits of the Servicemen's Readjustment Act; and

Whereas it is evident that the rising costs of living are forcing many of these veterans either to withdraw from school, seriously modify their schedules of study, or undergo undesirable personal privations to remain in school: Be it therefore

Resolved, That this Board inform the Veterans' Administration of its belief in the necessity and importance of an upward adjustment of the subsidies for educational benefits; further,

Since married veterans under Public Act 346, and especially married veterans with children, are most sorely affected by the inadequacy of present allowances, that special consideration be given to such adjustments of subsistence allowances as will enable those veterans to pursue their educational programs; and further,

Since many Wayne University veterans must engage in some measure of outside employment to supplement their inome from other sources, that favorable consideration be given to raising the level of restrictions on earnings for veterans attending school so that they may to a greater extent than now possible assist themselves in meeting the increased costs of living.

Keeping Guard on Our Fisheries

EXTENSION OF REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. TOLLEFSON. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include therein an editorial appearing in the Seattle Post-Intelligencer on Friday, January 16, 1948:

KEEPING GUARD ON OUR FISHERIES

Encouraging progress is reported by Congressman HOMER R. JONES in his efforts to bring about the appointment of an Assistant Secretary of State charged with representing the interests of the American people in ocean fishery matters of international character.

This is of vital importance—not only because of the benefits which would be derived by the fishing industry from such a step, but because of its effect on the welfare and security of the whole Nation.

The Pacific Fisheries Conference, held in San Francisco last September, did not overstate the case in its "policy for fisheries—a policy for peace" when it declared:

"War or peace may hang upon the fishery clauses written into the peace treaty granted to Japan. Controversies over fisheries have led to war in the past. This danger is doubled today when nations compete for food in order to survive.

"Alone among industries, ocean fisheries are international affairs. In the fisheries alone, Americans compete in physical contact with men of other nations in areas where only international law applies—and few holds are barred. * * *

"Other nations recognize the international importance of fisheries, and the need for a firm voice in their behalf. They have ministers; we have subordinates. In our State Department there is no official of rank who can meet with the fishery ministers of other maritime nations on a basis of equality. Now, when we are granting a treaty of peace to Japan—the foremost fishery nation of the world—there is among our diplomats no authority competent to represent American fisheries."

The Seattle Chamber of Commerce has gone on record in support of the Pacific Fisheries Conference demand and only this week laid the matter before the Western States Council, as part of its program for the development of Alaska. Council approval would bring the concerted backing of all the chambers of commerce in the 11 western States.

Meanwhile Congressman JONES has been enlisting the support of Senator ARTHUR VANDENBERG, chairman of the Senate Committee on Foreign Relations, and Senator ROBERT A. TAFT, chairman of the Republican policy committee.

Senator VANDENBERG has promised to urge the State Department to give urgent consideration to the matter, and Senator TAFT expressed deep interest in the subject when he visited Seattle last autumn.

Thus we have reason to be optimistic, but we must not be complacent. We must keep up the fight until it is won.

The urgency of the situation was well expressed by Miller Freeman, chairman of the Pacific Fisheries Conference, in his keynote address.

"Almost alone," he said, "America liberated the Pacific—but we do not ask that it be made an American lake. We seek only equal opportunity for our fishermen on this greatest of oceans—but an equality measured in realism which recognizes:

"1. Difference in standards of living.

"2. The iniquity of employing debased currency and debased labor as weapons of international competition.

"3. The rights of Americans in the markets of America.

"4. The preferential position which a record of conservation and protection confers in fisheries.

"Finally, that the young men of the Pacific, who redeemed the Pacific, will not be driven from the sea."

As Mr. Freeman observed so eloquently, we must see that "the things America bought with blood are not given away by visionaries"—and an adequate fisheries secretariat is essential for that purpose.

President's Civil Rights Committee

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. KLEIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution passed December 17, 1947, by the Willard Straight Post, No. 842, the American Legion, New York:

Whereas the concepts of Americanism and the American way of life are inseparable from the concepts of human equality and political fredom; and

Whereas an essential condition of human equality and political freedom is that individuals and minority groups shall enjoy guaranties of civil rights and be protected by the State in exercising them; and

Whereas the members of the American Legion have fought in two wars to defend Americanism and the American way of life: Be it

Resolved, That the American Legion, New York County Organization, endorses the report of the President's Civil Rights Committee, headed by Charles E. Wilson, president of the General Electric Co., and urges the President and the Congress to take action to effect the carrying out of the recommendations of that report; be it further

Resolved, That the commander of the county organization transmit copies of this resolution to those Senators and Representatives who represent New York County in Congress and to the legislative representative of the American Legion in Washington for information, and to the Department for its consideration.

IRVING M. ENGEL,
Commander.
FRANK GLICK,
Adjutant.

Truman, New Deal Regular

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein an article which appeared in the editorial page of the St. Louis Post-Dispatch for January 19, 1948:

TRUMAN, NEW DEAL REGULAR

(By Roscoe Drummond, in the Christian Science Monitor)

(Latest message to Congress as well as 10-year voting record in Senate show President to be devoted to liberal cause, says correspondent, but he may not press program on unwilling Republicans, preferring to concentrate on European aid, inflation, and defense.)

WASHINGTON.—There is nothing in his annual message to Congress which makes President Truman any more or any less of a New Dealer than he always has been.

His entire voting record as a 10-year Senator from Missouri and every State of the Union address which he has delivered to Congress show that Mr. Truman has consistently embraced all the essential social and economic objectives of the administration in which he was elected Vice President in 1944.

Mr. Truman has not departed from these purposes since he has been in the White House, and his election year message of this week does not add to the public-welfare program he has espoused in the past. The President has varied his tactics, as when he greatly muted his requests upon Congress after the Republicans won control of both Houses in 1946. At different times it has been suggested, either superficially or wishfully on the basis of surface events, that Mr. Truman was turning to the political right. He wasn't.

ADDRESSING THE VOTERS

The fact is that, without altering his objectives, the President made only a mild and moderate appeal for them to a Republican Congress which he knows is not going to follow his leadership. Actually, he was addressing himself more to the voters than to Congress and was setting forth the platform on which he will be campaigning for election next fall.

Even in the field of public-welfare legislation, the difference between the Republican and the Truman position is one of degree and of method.

Both the Republican and Democratic leaders are on record as endorsing a widening of social-security coverage and benefits, Federal aid for education, housing and medical care, and a higher minimum wage.

The Truman approach is to ask for large Federal appropriations to achieve most of these ends and to create new Federal agencies to administer them.

The approach of Senator ROBERT A. TAFT, Governor Dewey, and others, if they can carry the Republican Congress with them, is to begin spending in these fields in a more modest compass and to have Federal funds made available to the States and administered by the States. Mr. Truman is not alarmed at increasing the role and authority of the Government in public-welfare functions, while the Republicans wish to avoid expanding Federal bureaucracy by increasing State bureaucracy.

TAFT OPPOSES TVA

An examination of his speeches shows that Senator TAFT, for example, does not stand out against the stated social welfare objectives of the New Deal, except that of applying the TVA technique to the Federal development of other river valley projects. He resists and rejects its methods. He, as do most Republicans, wants the administration largely by States; the New Dealers, like Mr. Truman, want administration largely by Washington.

Thus, as contrasted with the New Deal concept of the "social security state," the Republican spokesmen, like Senator TAFT, bespeak the concept of the "social security states"—the 48 States aided financially by the Government to achieve social and educational objectives which their own resources do not permit their people to enjoy.

The tenor of his messages suggests that Mr. Truman may not press his long-range New Deal objectives upon the present session of Congress. He stated them in general terms, offered no specific recommendations. He has made his record and can stand on it.

The need right now is to concentrate on what imperatively needs to be done in the interests of the internal and international security of the country and not to stir up controversies which can't even safely be entered upon—let alone settled—until first things have been put first.

The first things are: Passage of the European recovery program on time; meaningful measures to control still-mounting inflation; the beginning of universal military training.

Inability To Deport Alien Communists in the United States

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. BOGGS of Delaware. Mr. Speaker, under unanimous consent given me to extend my remarks in the RECORD, I am including herewith a news article by Joseph Dear captioned "Russians hard to send back once admitted to United States," which was published recently in the Wilmington (Del.) Sunday Star.

I recommend a careful and thoughtful reading of this article for it points up a serious need for some revision in our immigration and naturalization laws and emphasizes another real threat to our national security.

You will note from this article that, according to the Commissioner of Immigration and Naturalization, there are now approximately 3,000 Russians legally in the United States. It is reported that more than 1,500 of them were admitted in 1947 alone. In addition, there are known to be at least 80 other Russian aliens who are deportable because they have been adjudged to be Communists and who are roaming at liberty about this country because Russia has refused to take them back or because acceptance of them by Russia is still pending. The use of the word "pending" is questionable, however, since many of these cases have been in that status for periods up to 15 years. In addition to

these approximately 80 Russians, the immigration authorities state that there are approximately 45 other alien Communists who are deportable, but who, after short periods of detention, have been freed because their governments have refused to permit them to return.

I am told that under our existing laws the only requirement with which these alien Communists must now comply is to report to the immigration authorities any change in permanent address. Consequently, it seems to be admitted that this Government does not know what these alien Communists are doing; what their sources of income are; or what associations they maintain.

This situation, I say, needs prompt and appropriate remedial action. We are spending billions of dollars annually for national security. Yet, these aliens who are known to profess an ideology which includes the overthrow of our Government—by force, if necessary—are allowed to roam at will throughout our country.

Certainly this is an incongruous situation which merits our immediate attention. Therefore, it is my earnest hope that the Committee on the Judiciary will study this problem in an earnest effort to find and to establish legislation which will tend to control the present situation and make certain that no new cases of this nature can arise.

In this same connection, I wish to commend the Committee on the Judiciary on the prompt action it has taken to consider H. R. 4555 and House Joint Resolution 263, both of which were introduced during the recent special session and both of which would establish a reciprocal arrangement controlling the number of citizens of Soviet Russia and its satellites residing in or visiting the United States.

The afore-mentioned article from the Wilmington (Del.) Sunday Star follows:

RUSSIANS HARD TO SEND BACK, ONCE ADMITTED TO UNITED STATES

(By Joseph Dear)

WASHINGTON.—Once a Russian gets into this country it is almost impossible to get him out.

He may be a Communist agent disguised as a businessman here on a 2-month trip, he may be visiting friends and relatives, he may have entered the country illegally, he may have entered lawfully with the intention of taking out naturalization papers; but no matter how he comes, the United States is powerless to deport him unless Russia agrees to take him back.

This little publicized possibility exists because of the present immigration laws. The joker in these statutes is: Aliens can be deported only to their own country, and only if that country is willing to readmit them.

These revelations were made by Immigration Commissioner Watson B. Miller to the Sunday Star.

They have some lawmakers on Capitol Hill worried.

Suppose Russia should purposely refuse to readmit a citizen because she wanted him to stay in the United States and operate as an agent? Suppose it has been done many times already?

More than 1,500 Russians were admitted to the United States in 1947, says Representative CHARLES EATON, Republican, of New Jersey, chairman of the Foreign Affairs Committee. Apparently they can stay, if their country wants them to, no matter how Uncle Sam feels.

Miller also stated the United States cannot keep deportable aliens in custody "for an unreasonable length of time," even if it is known they are agents of a foreign power.

According to the Immigration Commissioner, an agent would have to be given virtual freedom after a period of 4 months to 1 year, if his native country would not issue him a passport.

Miller disclosed that Russia "became diffident" about issuing passports to its traveling citizens about 1938.

Even if a Russian should enter the country illegally, he could stay as long as his government deemed it necessary.

Immigration laws state aliens can be deported to the port of embarkation for the United States.

If the alien sailed for this country from a French port, the United States could return him to the French port and let authorities there worry about him.

But if the alien sailed from a Russian port, or from the port of a Russian satellite country, the United States could not deport the alien unless Russia was willing to lift one of her iron curtains to readmit him.

Earlier this week Commissioner Miller testified to a subcommittee of the Senate Judiciary Committee that Russia has refused to take back between 160 and 180 of her deportable aliens now in the United States.

Some observers suggest Russia would refuse responsibility for the actions of her agents. If an agent were arrested in the United States for a criminal offense, Russia would claim the agent acted completely on his own initiative.

Veterans Hospital at Birthplace of Booker T. Washington

EXTENSION OF REMARKS
OF
HON. CLAUDE I. BAKEWELL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. BAKEWELL. Mr. Speaker, under unanimous leave to extend remarks granted to the Members of the House on January 19, 1948, at the time that H. R. 3814 was approved by this body, I wish to extend my remarks as follows:

It gives me particular pleasure to urge the establishment of a veterans hospital at the birthplace of Booker T. Washington in Franklin County, Virginia. As a member of the Veterans' Affairs Committee I cast my vote in favor of this legislation when it was first considered by our committee.

By our action here today, we are providing $5,000,000 to honor a great American in the manner in which he would most like to be honored—not by erecting a marble shaft or a bronze statue, but by creating a vital, living thing which will be of benefit to the people of the community where Booker T. Washington was born and lived. It is highly appropriate that on this occasion the rules should be suspended in favor of so worthy a bill.

The Veterans' Affairs Committee has had the benefit of the loyal cooperation of the Booker T. Washington Memorial Association and of its president, Mr. S. J. Phillips, during the time this bill was pending in committee. The assistance which they rendered was of inestimable value and I should like to extend to them my personal appreciation.

No Grain Saved

EXTENSION OF REMARKS
OF
HON. THRUSTON B. MORTON
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. MORTON. Mr. Speaker, I attempted to make a factual study of the whole problem of grain allocation for beverage distilling purposes. In a few days this matter will once again face the Congress, and I think it very important that we approach the problem in a realistic and unemotional manner. Unfortunately, when any legislative problem affecting the distilling industry comes before the Congress, the wet and dry issues inevitably become involved. Such issues have absolutely no place in the matter of allocation of grains, and I have tried to approach the problem from the standpoint of what should be done to assure maximum food production. Maximum food production is needed to increase domestic supply and thereby control further price advances and to provide foodstuffs for export to the starving people of the world. In my opinion, serious curtailment of beverage distilling operations does not increase the over-all food supply, and this point I will attempt to prove.

AMOUNT AND TYPE OF GRAIN USED

In 1935 through 1940 this country produced an average of about 4,500,000,000 bushels of feed grains per year. The distilling industry used 34,000,000 bushels per year, which amounted to 0.76 percent. I think we Members of the Congress realize that the distilling industry uses less than 1 percent of our annual grain production. Much of our grain remains on the farm, but of the grain which is actually marketed, less than 2½ percent is used by the distilling industry. Except during the war years, when the distillers were directed to use wheat because at that time it was in surplus and we had no means of shipping it to Europe, the consumption of wheat by the distilling industry is almost negligible. It amounts to about 1 bushel out of every 25,000 bushels raised. For the most part, distillers use grains which are not in themselves end-food products. Corn is the grain used in largest quantity in the production of distilled beverage spirits. Corn is not primarily a human food grain, but it is a means toward beef, pork, dairy, and poultry products.

THE ANIMAL FOOD VALUE OF THE BYPRODUCTS

To understand this problem, we must know something about the byproducts from the distilling process. Two principal byproducts of the industry are distillers' light grains and distillers' solubles. Distillers' light grains are secured by the drying of the coarse grains which have been screened from the spent stillage. For each 100 pounds of grain used by a distiller, about 16 pounds of light grains are obtained. By an evaporation and drum-drying process, distillers' dried solubles are obtained. This amounts to another 16 or 17 pounds from each 100

pounds of grain mashed. It can, therefore, be seen that 32 to 33 pounds of dry byproduct is obtained from each 100 pounds of grain used. The interesting fact to note is that this 33 pounds, when used as a supplement feed, has greater value for animal nutrition than the original 100 pounds of corn. The plus value comes from the addition of yeast in the distilling process. A recent test was made on 30 head of steers averaging 840 pounds each. They were fed during the course of this test 1,000 bushels of corn and 13 tons of roughage. In 112 days, they gained an average of 160 pounds each. Thirty similar steers, averaging 840 pounds each, were fed 800 bushels of corn plus the distillers' feed made from 200 bushels of corn, and only 11 tons of roughage. These cattle in 112 days showed an average gain of 205 pounds per head. In other words, by using the same amount of corn and 2 tons less of hay, the cattle fed with distillers' feed made from a portion of the corn showed an average increased gain of 45 pounds. This is the way to produce more food.

We are all very much concerned with the acute shortage of dairy products. In 1943, 24,000,000 pounds of dry skim milk was used in animal feeds. This can be completely replaced with 29,000,000 pounds of distillers' dry solubles and the dry skim milk can then become available for human consumption.

Since the grain used by the distillers is feed grain, which will ultimately lead to animal products in our agricultural economy, I cannot see how human food supplies are increased with the curtailment of distilling operations, when the byproduct from the distillery proves to be a better animal food than the grains used by the distillery in the production of that exact amount of byproduct.

Address by Hon. James A. Farley Before Lynchburg Chamber of Commerce

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, January 21, 1948

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a very fine speech made by Hon. James A. Farley before the annual meeting of the Chamber of Commerce of Lynchburg, Va., on January 15, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am very happy to meet with the businessmen and civic leaders of Lynchburg. Never was there more need of such leadership as this body is giving to its city, its State, and its Nation. Our major economic problem is production, and it is up to American business to meet that problem with vigor and vision. I congratulate you and wish for you a prosperous and productive new year.

A very special reason for my happiness in being here is rooted in many personal memories. Lynchburg gave Carter Glass to the world and to history. Here he was born, was educated. Here, too, he was a civic leader and a businessman. And here he was always at home.

No man in this century gave more devotion to his State, his Nation, and the world. His statesmanship was in the great Virginia tradition of Washington, Jefferson, Madison, Marshall, and Wilson. He was a worthy successor to these great builders. And his constructive achievements will live as long as the Nation endures.

I cherished his personal friendship for many years. The proudest moment in my life was made possible by an act of splendid unselfishness by Carter Glass. In 1940, he stood before a not-too-friendly National Democratic Convention in Chicago and commended me for whatever services and loyalty I had given to the country and to my party. When he did that he was giving of the fast-ebbing physical strength of 82 years, and he was braving the resentment of time-serving men. But when personal and public loyalties were involved, Carter Glass never counted the cost. He gave all that he had, over the long years, in the most difficult situations and on to the very end of a long life.

We might tonight, in framing our policies and planning our course, draw our inspiration and our ideas from the faith of Carter Glass. For his ideas live on. The dangers we face he always saw. The remedies for our present ills were what he believed. His spirit can carry us through, if we are as loyal to that spirit as he was loyal to us.

Carter Glass was a man who thought for himself. He never hesitated to tell the truth as he saw it. A long succession of Presidents knew and respected him, but he never hesitated to criticize them when the public interest was involved. He laid it on the line in words no man could misunderstand.

And that, above all, is what is needed in these times. Time-serving and face-saving in public office only deepen the dangers that we face. These times call for plain speech and courageous action.

But while Carter Glass blazed with independence, he believed in party government. A man cannot serve by himself alone. He serves when he works shoulder to shoulder with like-minded men. If we all go our separate political ways, we shall be lost in a wilderness. We shall be the prey to alien and domestic enemies.

We should belong to a party—some party. When our party is wrong we should say so and we should try to make it right. Sometimes that way is hard. We may be misunderstood for a time. But in the long run, a party is controlled by the best blood within it. In the long run, a party comes back to its best traditions. In the long run, it finds its way home. That Carter Glass believed and that should be the faith of all of us, whatever party we join.

We have already heard of the rise of a new party. So far, it seems to be a one-man party. Perhaps it will end as a one-man party. It is significant that the founder of this new party has in one lifetime already been for a few years in each of the old parties. In neither party has he found happiness. We may only hope that now that he has a party of his own, he can be happy in it and be loyal to it.

Another great principle for which Carter Glass stood was sound finance and sound, economical administration of government. In these days we are in great need of the lessons taught by Carter Glass in keeping our country on the road to stability and prosperity. A great war and great foreign demands since that war have given us full employment and a full measure of prosperity. Our task now is to see that we can sustain this high level of production and jobs without the old familiar slide down into the depths of depression. Never was it so essential to do this, because our whole influence in the world depends upon our remaining strong and stable. The Communist world is eagerly expecting that economic trouble at home will weaken us abroad. We must disappoint that hope at all costs.

This effort to avoid economic disaster should, in the last analysis, be no mere party issue. It ought to be an American issue. Nonpartisanship in this field has already shown itself in the cooperation between Democrats like Senators BARKLEY, CONNALLY, GEORGE, and BYRD, with Senator VANDENBERG and Congressman EATON, like-minded Republicans.

We must find the means of curbing inflation without destroying freedom of enterprise, and we ought to do it without seeking partisan advantage.

One of the basic principles of Carter Glass was that, while government could do many things which might destroy confidence and retard natural economic progress, it could not provide a substitute for economic progress. The great ideal of government ought to be to discover the needs and trends of free enterprise and to lend what aid it can to furthering those needs and trends. Government spending can never be a real and lasting substitute for private investment and venture capital. Taxation should be used for two purposes—to gather revenue for the legitimate expenses of government and to promote the essential expansion of our industrial production through private funds. Taxation should not be an instrument for redistributing wealth for political advantage.

Moreover, we should, in times like this, when Government revenues are high, attempt to reduce, not increase, the costs of Government. Whatever can be saved should be saved here and now, for we cannot be assured that our national income will always remain at the immense and unprecedented levels it has now reached. In his incessant labors to reduce the costs of Government and the burdens of taxation, your able Senator, HARRY BYRD, has well served his Nation.

I am not one of those who indulge in vain hopes or gloomy predictions of the future. Last year many of our experts were predicting a great recession of business in 1947. They little reckoned on the great productive capacity of the American people. They made the mistake of selling the United States short. They were proved to be wrong.

But because they were wrong and because we ended the year prosperously, we must not assume that good times are to be with us always and that we need not exercise all prudence and energy. We can move forward if we are alert and if we work as we should.

The great demands of our people and the vast needs of Europe and Asia require production and yet more production. We cannot produce without work. And we cannot constantly reduce our work hours and increase our leisure hours without courting trouble. Labor and management must work shoulder to shoulder at the task of lifting our standard of living through the making of the goods necessary to that standard of living. A man does not attain a full life by a full pay envelope alone. His life is made up of what his money will buy.

Our greatest inflationary problem is in the realm of food. From August 1939 to August 1947 farm products rose nearly 200 percent. Food rose 150 percent. But the products of machines, such as motor vehicles, metal products, house furnishings, and agricultural implements rose on an average less than 50 percent. (These figures are from Bureau of Labor Statistics.)

Thus, the most serious problem before us is the price of what we eat and drink. The prospects for checking inflation in that direction are not particularly dark.

In 1947 European crops were worse than in 1946. To make matters worse, our own corn crop was 850,000,000 bushels less than in the preceding year. We had a better wheat crop, but that did not make up the difference. All of this means that our meat supply will be shorter and shorter for some time. I think we have every reason to believe that the food

situation will be very much better this year. I am optimist enough to believe that we will not have two successive years of bad corn crops. Moreover, there will be less demand for corn for animal feeding, because there will be fewer animals.

The wheat prospects are not so good as last year, but they are far above the prewar average. The new estimates of the wheat crop are now almost up to 1,300,000,000 bushels. This is 50 percent higher than before the war. The Canadian wheat crop looks good. And the Argentinian wheat crop is already larger than was anticipated.

In Europe, the crop prospects are better than they were last year and the year before. More acres are being planted. The winter weather has been more favorable. Europe has more fertilizers and better seeds than last year.

Over the world the situation in fats and oils is better. Rice prospects are somewhat better than last year, especially in places like Burma.

Even Russia is going to export a large amount of grain. Some of this will go to England, and that will relieve us of part of our burden.

In the face of these favorable prospects, it is not rash to believe that the inflationary trend may be checked by natural causes.

I am not a business prophet, but I am certainly able to distinguish between a good prophet and a bad prophet a year after the facts are in. As you remember, a year ago many of our economists were telling us that 1947 would be very bad, especially in the latter part of the year. The prophets were all wrong. They are not prophesying with such certainty this year, and perhaps that should be a note of warning to us. I certainly would be frightened if they were all predicting good business for the whole year, because they have been wrong in the past.

However, I find among reliable businessmen a note of caution, particularly with reference to the second half of the year. This spirit of caution is a very good thing, because it will mean careful inspection of all the signs and careful control of inventory and prudent investments.

Since the President's budget has got itself involved in a political controversy, I shall limit my comments on Government finance to a few very general remarks. I am not in the administration and I am not in Congress and, therefore, I can look upon this controversy with some detachment. It seems to me, however, that at a time like this it may be wise to defer as many of the Government expenditures as possible and perhaps hold them for a period, later on, when there is greater unemployment and greater need for stimulating business.

It is not wise, however, in the troubled state of the world to economize in matters that affect our national defense. We are living in a world in which our diplomacy must be firmly backed up by undiminished strength. We should maintain our Navy in a state of the highest efficiency and provide for a sound and national system of military training. Whether this is to be based on conscription or not is a matter for Congress, after a careful examination of the facts, to determine. Above all, however, we must not starve those agencies in our military services which are developing higher and higher degrees of scientific perfection. The next war, if it must come, will be a clash of scientific and mechanical inventions and developments. We have led the world in this field and we must continue to lead it, not only as a measure of national defense, but as a sound measure for production in civil life.

I am sure that if Carter Glass were here, he would favor the general principles of the Marshall plan. Carter Glass served under the great war President, Woodrow Wilson. He supported Wilson loyally on that great man's effort to establish the machinery of peace. Glass was no isolationist. He believed that the great power of this country, of necessity, would project it deeper and deeper into the affairs of the world. We cannot remain safe and prosperous in this country if Europe is permitted to disintegrate and to fall into the hands of communism. We must lend a strong hand in preserving in western Europe ideals and institutions from which we derived our own principles and system of government. President Truman and General Marshall have proposed a plan which utilizes to the full the cooperation of all those countries and also offers to them material means of recovery.

This is not a party question, nor is it a question that ought to be thrown into the arena of partisan debate. We are asked to provide assistance over a period of years and to fix the amount of our assistance for the first 16 months at something over $6,000,000,000. Those of us who are not in the Government are unable to ascertain all the facts that are involved, and I have confidence that our congressional leaders in both parties will ultimately make a wise judgment in this vital matter.

Whether Congress can or should pledge any amount for the years beyond July 1949 is beside the question. The important thing, it seems to me, is to agree on principles of wisely helping Europe in attaining recovery and in building up free institutions as long as that may be necessary. We can determine that as we go, if we agree on the principles now.

However, it is not the amount of aid that we give that is most significant. It is the way it is to be administered. We must avoid as far as possible the mere subsidizing of governments through the careless giving of money and goods. Our aid ought to be built into the vital economic structure of these countries. If France, Italy, and other countries have sound and productive economies we can feel assured that a prosperous people will not turn to communism. They will support governments based on principles of freedom, justice, and fair representation of all groups. Communism grows only in confusion.

I am convinced, therefore, that in setting up the administrative machinery to conduct our European aid we should draw into its management some of the best strains that America's free-enterprise system has created. We must look for management and direction to those who have successfully managed and directed great productive enterprises in the United States. In setting up this plan we ought to have the trained and experienced advice of men like B. M. Baruch, Herbert Hoover, and many others that I might mention. These men ought to be drawn into this service regardless of the party to which they owe allegiance.

And we ought to make sure in setting up this program that every dollar that is not needed for the actual relief of hunger and cold is used to build productive enterprise so that Europe will ultimately attain a sustaining basis.

Along with all this economic help should be the wisest and the most trained service in the diplomatic field. The time is past when we can look upon the foreign service of the United States as a minor part of the Government. We need training of the most intensive sort in our institutions of learning and in our Government to see that those who represent us abroad truly stand for all that is best in American life.

I have had some experience in the field of exports, and in the course of my business I have traveled over the past years in most of the civilized countries in the world. I have met hundreds of foreign businessmen and public officials. I have seen how American enterprises are respected abroad. And I have come to realize with more and more intensity how important it is to develop the best brains in matters relating to foreign service—both in business and in government. The greatest export that this country can provide is an export of brains.

With respect to that, I think we might be guided by the spirit of Virginia's great educator—Thomas Jefferson. I need not remind you that Jefferson gave the last and best years of his life not to public service but to the development of education. It was his firm belief that free governments could survive only with an educated citizenship. In the educational system that he conceived, there was to be not only training of average citizens, but the training of leaders. That is why he conceived the great idea of the State university—an idea that has gone out from Virginia and has permeated every State in the Union. In my own State of New York, a subject of discussion now is the establishment of a State university. This idea, which is so vital in this year of 1948 in the State of New York is a direct outgrowth of the thinking of Thomas Jefferson.

America is launched upon a career of world-wide influence and activity. In this we are not following the lines of the old imperialistic exploitation. When the Roman Empire stretched its power over the world, it was in pursuit of selfish gain. Wherever it went, it exacted tribute from conquered states. The same thing was true of the Spanish Empire of 400 years ago. And it was true of the British Empire in its earlier stages.

Americans must avoid this mistake that, in every case that I have mentioned, brought proud empires down to death and dissolution. While we cannot avoid the enormous spread of our influence, we must win the confidence and respect of the peoples with whom we come in contact. At the present moment we are manifesting what may be called "imperialism in reverse." Instead of exploiting those countries with which we come in contact, we are offering help. There is no reason why we cannot continue this wise and unselfish policy. We have at home the greatest sources of wealth in the world. We can, if we maintain a sound economic system and retain the blessings of political liberty, support ourselves at home on a continually rising standard of living and at the same time help stabilize the world. Wherever our goods are sold throughout the world, we want those who buy them to know that they are getting full value and that we are seeking no selfish ends.

It is this vision of constructive international cooperation that should enlighten our public policies. The great statesmen who came from Virginia—Washington, Marshall, Jefferson, Madison, Wilson, and, I may add, Carter Glass—stood for this kind of foreign policy. It is for us, upon whom the responsibilities of a new generation have fallen, to continue this enlightened policy. The tasks ahead of us are very great, but with the light of the past to guide us and with the firm determination to be loyal to our traditions, we can move on to increased influence and sound and stable peace.

The Federal Government's Position in Housing

EXTENSION OF REMARKS

OF

HON. CLARENCE E. KILBURN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. KILBURN. Mr. Speaker, on January 20, 1948, Congressman RALPH A.

GAMBLE, chairman of the Joint Committee on Housing, made a statement opening a public hearing on the Public Housing Administration of the Housing and Home Finance Agency.

This statement contains startling information about the ever-upward rising cost of Government ownership and operation in housing.

How many of you are aware that already, in this Nation, whose strength was derived from and rests upon private enterprise, our Federal Government's position, direct and contingent, in housing, foots up to $20,000,000,000?

The statement follows:

THE FEDERAL GOVERNMENT'S POSITION IN HOUSING

(Opening statement by Chairman RALPH A. GAMBLE at hearing of Joint Committee on Housing, January 20, 1948)

Early in our inquiry, Mr. Raymond M. Foley, Administrator of the Housing and Home Finance Agency, kindly prepared for us an excellent summary of all Government agencies related to housing, whether or not under his supervision. Although I sent this summary to the members of the Joint Committee on Housing I now should like to include also a copy in the record.

In preparing for the hearing today Housing and Home Finance Agency, at our request, provided further voluminous information on the Federal Government's present over-all position in housing. While I, personally, was most concerned with expenditures, commitments, and results, I also was interested in the effect which Federal Housing policies may be having on the housing shortage, which every member of this committee is trying to overcome.

From this latest information which I now submit in its complete form for inclusion in the record, a brief analysis has been made. The outstanding fact of this analysis is that the Federal Government's position in housing today involves at least $20,000,000,000.

The expenditures made by the central agency, its predecessor agencies, and the various agencies which at one time or another have been engaged in construction and other activities related to housing from about 1933 down to June 30, 1947, appear to total approximately:

Operating expenditures	$1,624,000,000
Construction expenditures	2,754,000,000
Subsidies to low-rent housing and to producers of materials	80,000,000
Total expenditures	4,458,000,000

The financial commitments by the Government for housing which come under the jurisdiction of the Housing and Finance Agency may amount in the periods through which these commitments run to the following sums:

Contribution to low-rent housing during the next 50 years

Maximum amount less loans and loan commitments, which would be wiped out by such contributions	$641,000,000
Insurance, maximum now authorized plus $1,000,000,000 which the President is empowered to add to the authorization	9,158,000,000
Total commitments	9,799,000,000

The expenditures and the commitments of the Federal Government which fall under the jurisdiction of the Housing and Home Finance Agency therefore total as a maximum approximately $14,257,000,000.

In addition to the expenditures and commitments summarized above the Federal Government has made further expenditures and commitments in other agencies, as—

Insurance of GI housing loans through the Veterans' Administration.

GI housing loans as of Dec. 25, 1947:	
Number of loans guaranteed	1,056,771
Amount of Federal commitment	$6,107,000,000

Federal National Mortgage Association, under the jurisdiction of the Reconstruction Finance Corporation.

The Reconstruction Finance Corporation has provided a secondary market for the purchase of mortgages on homes through the RFC Mortgage Co., the authority for which expired June 30, 1947, and through the Federal National Mortgage Association. The amount of the mortgages purchased or for which there are commitments to purchase totals:

For RFC Mortgage Co	$146,000,000
For Federal National Mortgage Association	4,700,000
Total	150,700,000

Public housing under the jurisdiction of the War and Navy Departments.

This housing is located at posts or stations of the Army and Navy, so is not considered herein as part of the public-housing commitments of the Government.

Much has been said by the public and in the hearings about the lack of help and participation by the Federal Government in the housing program past, present and future.

Consequently, it should be helpful to the country to know more about the participation by the Federal Government. According to a compilation of figures from the multifarious Federal agencies which I have just seen, I wonder whether the Government's right hand knows what its left hand is doing? I personally doubt it.

As indicated by the above summary, the Federal Government has made specific commitments and obligations by direct guarantees of bonds and contingent guarantees, and/or contingent liabilities of guarantees on bonds and/or subsidies, from 1933 up to June 30, 1947, apparently involving at least $20,000,000,000, plus such expenditures and commitments as have been made by the Housing and Home Finance Agency and its underlying agencies since June 30, 1947. I would say that was a sizeable amount.

Against this must be offset, of course, revenues from operation, such as rentals on properties directly operated by the Government, fees, and insurance premiums, etc., and the difference between the interest rates which the Government charges for use of credit and the rates at which money is made available by the United States Treasury. Much of the income from the operations of Federal housing agencies which has been reported by the Housing and Home Finance Agency up to June 30, 1947, appears to be of a nonrecurring nature, or at least subject to very substantial shrinkage in the years ahead.

There is also the asset value of properties either directly owned by the Government or which it may be forced to take over. Apparently there is no well-defined and comprehensive appraisal of asset values. The realization values that may be obtained through liquidation are, of course, impossible to estimate. As one example of the uncertainty of realization from capital expenditures may be cited the war housing programs which to date have cost $2,468,024,000, from which the realization as reported by Housing and Home Finance Agency to June 30, 1947, has totaled only $16,826,900.

The reserves accrued to date, principally on physical properties, appear to total only about $152,000,000, to which should be added the reported net worth of insurance funds amounting to about $152,000,000, making a total of about $334,000,000 compared with potential commitments by H & HFA alone of nearly $15,000,000,060.

The information on expenditures and commitments made under the United States Housing Act indicates that there are loan commitments, of more than $106,000,000 for construction of dwellings that has been held up largely because the cost of completing the projects would be in excess of the limits set in the United States Housing Act of 1937 as amended. Considerable land has been acquired and some expenditures have been made on these projects which are designed to provide 17,649 urban dwelling units and 6,460 rural dwelling units. In view of the present serious shortage of dwelling units, especially of the multi-family type, it would appear that every effort should be made to utilize as promptly as possible any lands and structures now frozen under the "deferred projects". Public Law 301 authorizes State and local authorities to activate these projects through contributing funds required in excess of the limits set for Federal funds. Action either by such bodies or provision of authority for private developers to complete the projects would contribute directly toward solving the housing shortage.

The information submitted by Mr. Foley contains a comprehensive discussion of the effect of Federal housing policies on the housing shortage, the subject of one of the questions put by the committee. The conclusions expressed in that treatment of the subject appear to boil down to the following:

Rental ceilings on new construction, based on a fair return on investment, have not impeded the volume of desirable new construction.

The solution of the housing shortage is large and sustained production of houses, especially rental and low-priced homes.

Increased capacity and production of basic materials and better use of the materials is necessary to a higher rate of production of homes.

Some price increases are necessary to increase of production.

FHA title VI insurance has increased effective consumer demand for dwellings.

Title II insurance which requires the mortgagor to put up substantial equity has not been as extensively used in 1946 and 1947 as the more liberal title VI insurance.

The Veterans' Administration loan program does not provide as great a direct aid to production as that offered by FHA title VI insurance.

Government aids to the production of housing have increased production substantially—and also have added consumer pressure.

Veterans have been given a preferential position in the supply of new housing which, however, has tended to be most effective in the higher income groups of veterans.

To the extent that credit aids increase demand without increasing production or reducing costs and prices they are not only futile, because the extra credit is drained off in higher prices, profits, and incomes, but they are also harmful to the economy as a whole because of their inflationary influences. Future Government credit aids for housing should be guided by this principle. Legislation embodying these principles have been before Congress during the last 2 years.

The Public Housing Administration has the responsibility for all development of housing projects in which the Federal Government is interested; for operating the federally owned projects and for supervising the fiscal side of the operations of the locally owned low-rent housing projects. It is also responsible for disposing of the properties embraced by the vast program of war housing and

other projects assigned to it for liquidation. The low-rent housing developments covered by the United States Housing Act of 1937 comprised a total of 215,310 dwelling units in which about $884,000,000 has been invested. Federal loans and direct construction account for $504,000,000. The average investment per dwelling unit is $2,340.

In order to maintain the low-rent nature of the developments, the Federal Government under the law is authorized to contribute up to $28,000,000 yearly to the expenses of operating and meeting the debt service and other expenses of the housing projects. Up to June 30, 1947, a total of $56,211,600 has been contributed to the expenses of the local housing authorities.

From an immediate monetary standpoint one of the most important phases of the operations of the Public Housing Administration today is the responsibility for disposing of the war housing built under the Lanham Act and various other acts enacted to provide housing for war workers. The total investment by the Federal Government in property assigned for disposal is almost $2,000,000,000. This includes expenditures made under the veterans' reuse program, which converted some of the war housing structures to use for distress cases and others to meet the demand for dwellings to house veterans and their families at educational institutions.

Nearly 700,000 dwellings units are involved in this program. Of these over 100,000 dwelling units are of a type comparable with the low-rent housing built under the Housing Act and nearly 80,000 are demountable structures which can be left in place or moved as desirable. The temporary structures must be disposed of, according to the law, before July 25, 1949; the permanent housing "as expeditiously as possible."

The Public Housing Administration reports that it has budgeted for its operations for the fiscal year 1948 a total of $11,500,000 for administrative expense. A total of 1,872 persons were employed as of December 31, 1947, in administrative work compared with employment of 4,273 as of June 30, 1946, and 3,380 at June 30, 1947.

As of December 31, 1947, Housing and Home Finance Agency had a total of 11,888 employees, of which 6,296 were with PHA.

The record as to dates of approval by PHA of the budgets for locally owned projects with local fiscal years ending in the Federal fiscal year 1947 is as follows: Of budgets approved for 254 statutory projects, only 62 were approved in advance of the beginning of the local housing authority fiscal year; 61 were approved within 1 month after the beginning of the local fiscal year; and of the remainder, 30 were approved within 2 months, 40 within 3 months, 25 within 4 months, 8 within 5 months, 8 within 6 months, and 20 were approved more than 6 months after the beginning of the local fiscal year. There were 10 instances where project budgets were not approved for that fiscal year.

To sum up: Including commitments, the Federal Government's position, direct and contingent, in the ownership, operation, and insurance of housing today, appears to involve at least $20,000,000,000. How is this position justified in the face of demands for price reductions, tax reductions, increased appropriations for our armed services and increased appropriations for European relief?

In this experiment, of the type that led to the establishment of the present British Government, it appears that the Housing and House Finance Agency has 11,888 employees, of which 6,296 are with the (Federal) PHA, and that, of the latter 6,296 PHA employees, 1,872 are assigned to administrative work, which work carries a budget for the fiscal year of 1948, of $11,500,000. When the urgent national demand is that every worker be a producer how can this economically nonproductive expense be justified?

In the above total, no account is taken of employees and administrative expense in the 254 statutory local housing projects. I wonder what this bill to the taxpayer foots up to? I propose to find out.

Finally, I note that considerable numbers of these local housing authorities apparently keep on spending money regardless of whether or not their budgets are approved by PHA, as required by Federal regulation, based on the law. What is the law? And what can the taxpayers do to regain fiscal control of these local public-housing operations, which now apparently function in a financial no-man's land, free from real control by the Federal, State, or municipal governments, yet heavily endowed by the Federal Government, and sustained by Federal subsidies, plus local subsidies, in the form of virtual tax forgiveness?

Communism Defined

EXTENSION OF REMARKS
OF
HON. ARTHUR CAPPER
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Wednesday, January 21, 1948

Mr. CAPPER. Mr. President, I send to the desk and ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Defines Communism," which appeared in the first issue of the Young Republican News of Washington, D. C., under date of January 15, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DEFINES COMMUNISM

Recently a nationally known radio commentator awarded a $10,000 mink coat for "the best definition of a Communist."

We already had a best definition from William Z. Foster, head of the Community Party in the United States.

Under oath before a Committee of Congress, as reported in the CONGRESSIONAL RECORD, he revealed the world-wide objectives of communism.

The testimony:

"The CHAIRMAN. Mr. Foster, does your party advocate the destruction of religious belief?

"Mr. FOSTER. Our party considers religion to be the opiate of the people, as Karl Marx has stated, and we carry on propaganda for the liquidation of these prejudices among the workers.

"The CHAIRMAN. To be a member of the Communist Party do you have to be an atheist?

"Mr. FOSTER. Many workers join the Communist Party who still have some religious beliefs, and when he joins the party he will soon get rid of them.

"The CHAIRMAN. Well, can members of the Communist Party in Russia be married in the church and maintain religious belief?

"Mr. FOSTER. My opinion is that a member of the party of the Soviet Union who would be married in the church wouldn't be of any value to the Communist Party.

"The CHAIRMAN. And now for loyalty to our country. If I understand you, Mr. Foster, the workers of America look on the Soviet flag as their flag.

"Mr. FOSTER. The workers of this country and the workers of every country have only one flag. That's the Red flag.

"The CHAIRMAN. Mr. Foster, do you owe allegiance to the American flag? Does the Communist Party owe allegiance to the American flag?

"Mr. FOSTER. I stated very clearly that the Red flag is the flag of the revolutionary class and we are part of the revolutionary class and all capitalist flags are the flags of the capitalist class and we owe no allegiance to them."

The Tariff Issue

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Bristol (Pa.) Courier of January 20, 1948:

THE TARIFF ISSUE

A year ago it appeared likely that the tariff issue would be one of the big fights in Congress. But for better or worse, the new Republican majorities were beguiled from going to bat for their historic pledge of tariff protections.

The result has been a huge increase in the number of tariff reductions, coupled with a determined effort on several New Deal fronts to "freeze" this Nation into a free-trade policy.

Despite the fact that several phases of the tariff issue will come before Congress in connection with other matters, it does not appear probable that the tariff question, as such, will be fought through to a conclusion at the present session.

The fact of the matter is that the tariff issue, large as it looms during normal conditions, is dwarfed by other special issues raised by current foreign and domestic policies.

Inflation is uncurbed. What matters high or low tariff if the Nation is going broke? The Marshall plan calls for the siphoning off of billions of dollars in money and commodities—the giving of them to foreign countries so that, among other things, they can afford to buy more of our exports. This will produce, for its duration, a wholly abnormal state of world trade in which tariff questions will have little immediate importance.

The war clouds grow. Defense expenditures are climbing steadily. Stock piling is a new device of government by which, along with subsidies and insurance, the effects of unsound trade policies can be concealed from the American people. Moreover, our Government has frankly seized upon the dictatorial device of monopolistic control of exports and imports.

Still further, it is gradually becoming apparent to a growing number of persons that protective tariffs never were the war-breeders and trade-barriers they were depicted; and that there are a number of other trade controls (quota systems, import licensing, currency juggling, slave labor, government subsidies, etc.) which, while not so loudly maligned as the much-abused tariff, nevertheless include the real offenders in upsetting proper trade relations.

It is very likely that the Truman administration is going to refrain from making an issue of the protective-tariff principle. This is true for several reasons. One is that the hopeful nations abroad, eager to industrialize, are very insistent on their right to do what the New Deal free traders insist is wrong in this country—which is to protect their own industries by setting up tariffs to keep

out American goods at prices less than their own production costs.

Another interesting development is the awakening of a new tariff consciousness in the South and in the West, where there are now innumerable baby industrial plants that would be the first to close if this country were to be flooded with cheap slave labor, foreign versions of the articles they are manufacturing.

Both Republicans and Democrats realize quite well that the general tariff situation in this country is ambiguous and anomalous—so much so that there is a distinct touch of humor in the matter. The ruling law on tariffs, a hold-over from the Hoover administration, is strongly protectionist, both in its general statements and in its detail. Yet under that law, by means of the Reciprocal Trade Agreements Act, there has been worked out the closest approach to outright free trade in a century.

Again, the Constitution says that the control of trade is a function of Congress, yet under the present laws Congress has next to nothing to say about tariffs, virtually all the authority has been usurped by the President and State Department, and the courts, supposedly created to rule on such disputes, either cannot or will not assume jurisdiction.

From present indications, nothing short of an economic crisis is going to break the deadlocks thus produced.

But the crisis may be nearer than is generally realized. Soaring domestic prices could be one of the factors which would hurry it along. Every cent which our home-front prices rise make it just that more attractive for foreign producers to send their output here, where there is not only the demand, as in their own countries, but also money with which to pay for the goods.

Two factors have, thus far, held back the almost inevitable flood of cheap foreign merchandise which the tariff protections were erected to keep out. The tariff protections themselves have been swept away. The only remaining automatic protections are, first, lack of industrial production abroad, and, second, lack of available ships to carry the goods to American shores.

England has made a desperate effort to build up her industrial machinery to the stage where she could skim the cream off the American market while we, delayed by strikes, Government red tape and interference, and a general slow-down of individual energy, are still unable to meet our own requirements.

Because England has been experimenting with socialism, she has missed the boat—and may have to look to it to keep her own head above the water. But that does not mean all the other nations of the world will be equally unsuccessful.

Meanwhile, the Truman administration, worried though it professes to be about the course of inflation and the nearness of another depression, is industriously trying to perpetuate the executive authority over foreign trade and the present free-trade policies.

One approach is through the International Trade Organization charter now being written at Habana. This will include all the essential provisions of the Trade Agreements Act, so that ratification of the charter by Congress would make the program perpetual.

Another approach is by putting the provisions of the act right into the trade agreements so that, once these are accepted by Congress, they again would become permanent.

This means that the fact that the present Trade Agreements Act expires this summer, so that one would expect a vigorous pro-and-con battle on it, may be a matter of no importance whatever. The strategy of the Administration appears to be, not to demand an extension of the Act, but to get its provisions enacted permanently in some different fashion.

Of course, the long and short of all tariff arguments this year is that they are going to be answered in the presidential election.

It really makes very little difference, in the long run, precisely what may or may not be done with the various legal and treaty questions during this summer. But it makes all the difference in the world who is elected next November.

If the next President is a protectionist, all the globaloney laws conceivable, on the books, won't seriously impede him in restoring the principles of the protective tariff.

And if the next President is a disciple of free trade, under whatever current term may be fashionable, then no imaginable process or legal barrier can possibly prevent his continuing the long-standing New-Deal practice of using American production, American industries, and American jobs as political bribes to foreign powers.

Constitution Is Ignored in Civil Rights Hysteria

EXTENSION OF REMARKS
OF
HON. HARRY FLOOD BYRD
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES
Wednesday, January 21, 1948

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD an article written by Mr. Donald R. Richberg, which appeared in the Washington Star of January 4, and which I think is of very great interest.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONSTITUTION IS IGNORED IN CIVIL RIGHTS HYSTERIA—MOVE TO LEVEL INEQUALITIES RESULTING FROM DIFFERING ABILITIES CITED AS THREAT TO END COMPETITIVE FREEDOM

(By Donald R. Richberg)

People are pleased to be told they have a "right" to do what they want to do. They applaud the politican who assures them that they have a "right" to enjoy the things they desire.

It is much more comforting to be assured that you have a right to obtain a good job from some one, than to be informed that you have a duty to do a good job for someone. But, let's not forget, that no right can be enforced for one person without compelling another to fulfill a duty. In the language of the courts: "When a right is invaded a duty is violated." "There is no right where there is no remedy."

A PHILOSOPHER'S VIEWS

Even the basic right of my individual liberty cannot be enforced except by imposing restraints on your individual liberty. The claim of a right is worthless unless it can be enforced; and, as more rights are enforced against more and more people, there will be less and less liberty; more and more domestic conflicts, less and less internal peace.

Long ago a great philosopher pointed out that "the right of all to all things" means "the war of all against all." The surest way to destroy the fundamental freedoms of American life would be to build up a vast legal structure of social, economic and political rights, all of them creating corresponding duties, and all of them enforced by governmental restraints upon individual freedom.

Communists and their dupes complain that a "hysteria" of anticommunism is causing the suppression of civil rights in the United States. So now they are diligently fomenting a counter-hysteria for expanding civil rights until the basic rights of life, liberty, and property will be completely lost in a maze of petty rights and duties and regulations which only a communistic dictatorship could possibly enforce.

BAD EXAMPLE OF HYSTERIA

The horrible and outstanding example of this civil rights hysteria is the recent report of the President's Committee on Civil Rights, which is probably the most mischievous document that has been published since Marx and Engels produced the Communist Manifesto 100 years ago.

In the name of liberty this report proposes to compel American men, women, and children to live and work in a social and economic system created and regulated by Government, a system in which their most profound emotions and ambitions are to be suppressed at the will of political monitors.

Here are the two most fundamental recommendations of the committe, in its own language:

"The elimination of segregation, based on race, color, creed, or national origin, from American life."

"The enactment of a Federal Fair Employment Practice Act, prohibiting all forms of discrimination in private employment, based on race, color, creed or national origin."

Please note that segregation is to be eliminated—not only from Government operations, but everywhere "from American life." That is precisely the aim of the committee, which announces, with the voice of omnipotent omniscience: "We can tolerate no restrictions upon the individual which depend upon irrelevant factors such as his race, his color, his religion or the social position to which he was born."

A CURIOUS OBSERVATION

Hundreds of millions of Protestants, Catholics, Jews, Mohammedans, Buddhists, and Hindus have believed and taught for centuries the one way of living, or the one road to salvation, was divinely ordained and revealed in the articles of their particular faith. Anyone's religion is necessarily a restriction on him and, if he is to be free in the exercise of his religion (a freedom expressly guaranteed in our Constitution), then he must be free to restrict his associations with others in accordance with his feelings and his convictions as to what is necessary and desirable. Yet the committee would have a man forced by law into associations which may be repulsive to him—not because of any narrow prejudice but because of his profound religious convictions.

Race and color may seem irrelevant to the committee. Yet differences of race and color have divided mankind for centuries. They may fade in the coming centuries. But they cannot be wiped out by a State or Federal law; and every such foolish effort only intensifies prejudice and intolerance, creates disrespect for law, and is itself an intolerant violation of individual liberty.

Curiously enough the committee observed that an essential part of our freedom is that we are free to be different. Evidently the committee is willing to have us differ in our taste for cigarettes, but not in our taste for companions. But, in another breath, the committee says: "In a democracy, each individual must have freedom to choose his friends and to control the pattern of his personal and family life." Nevertheless, in order to eliminate segregation and to prevent discrimination, the committee insists that this free American shall be compelled to spend his working life with undesirable associates, and to send his children to schools, to eat in restaurants, to live in hotels, and enjoy

all public amusements in the company of those whose company he would not voluntarily choose.

LOGIC HARD TO FOLLOW

The logic of the report is very difficult to follow. But, as the king said in Alice in Wonderland, "If there's no meaning in it that saves a world of trouble, you know, as we need'nt try to find any."

Let us assume, however, that every like or dislike based on race, color, or religion is unreasonable and unfair and that such prejudices ought to be eliminated from human thinking. Nevertheless, is it proper or even possible for the government of a free people to attempt to prevent men and women in business or social life from acting in accord with their prejudices? Now this is an entirely different question from asking whether the Government itself should deny equality of opportunity to some of its citizens.

Political equality, in the right to vote, in the administration of justice, and in the rendering of public services, is due to all citizens. But unless government is to destroy an economic system of competitive freedom and a social system of free association, it cannot undertake to level down the inequalities that result from differing abilities and opportunities, or to interfere with the voluntary selection of one's associates in work or play.

No one would dare to propose that an employer be given the right by law to compel a man to work for him. That would be "involuntary servitude"—slavery. Yet it is solemnly proposed (in Senate bill 984, which is evidently approved by the committee) that an employer shall be forbidden to refuse to employ a "qualified" man because of his race, color, or religion. This means, in practical effect, that if a Government regulator says that a man is "qualified" and rules that he has been denied employment because of race, color, or religion, then he must be employed.

LESSON OF EXPERIENCE

We know from experience under the Wagner Act that the employer would be presumed to be wrong. "Sentence first, verdict afterwards" is the conventional procedure. It seems to be forgotten that an employer works for his employees just as they do for him. He is obligated by law to do a great many things for his employee. So the proposed law would force an employer into involuntary servitude to men who are under no obligation to work for him.

Superficially, it may seem to be a noble project for government to insure to all citizens an equality of opportunity to earn a livelihood and to enjoy the benefits of society. But, no government can insure equality of opportunity to human beings who differ so widely in natural capacity and who, because of parental variances in ability and fortune, are so differently nurtured. It should also be pointed out that the benefits of a democratic, free society are not gathered by an omnipotent government into one treasure house for distribution to a dependent population. On the contrary, individuals in a host of big and little enterprises, work and produce things and seek to gain out of their cooperation with others the benefits and satisfactions which they desire and for which they are willing to work and sacrifice.

The concept of a society in which all are working for the common good and obtain only their proportionate share of the total product is the idealism of communism. Now that the world has had a good look at communism in actual operation, it has become quite clear that only a ruthless despotism can compel human beings to live and work in such a regimented society. Furthermore, it has been demonstrated up to date that the productivity of free men and women, working primarily for their own gain and reaping individual rewards, is far, far greater than the productivity of a people working ostensibly for equalitarian progress. Indeed, the reward of individual merit has been reluctantly adopted in Russia as a drastic compromise of communistic theory which was necessary to prevent economic disaster.

SLOGAN SIGNIFICANT

It is most significant that the shrill slogan of all those fomenting the civil rights hysteria is "equality," although the great declared purpose of the Constitution was not to achieve an impossible equality among unequal human beings but to secure the blessings of liberty so that men could be free to be different and to realize their differing ambitions with their differing abilities. Every law which seeks to give a man a right to something which as a freeman he cannot gain for himself, must impose burdens and restraints on the freedom of other men.

We may, reasonably, tax the fortunate. We may, reasonably, prevent the abuse of freedom by those who heedlessly or ruthlessly injure others in the pursuit of selfish gain. We may reasonably enact laws to protect the right of every citizen to an equal participation in government and to equal treatment in all Government operations. But, let us be watchful against every effort to create by law a right in one man to compel others to associate with him or to accept obligations to him in the domain of private enterprise or private life. Let us realize, not only that it is a part of our heritage that a "man's house is his castle," but also that freedom of association in work or play is the most precious of all our liberties.

It is well at this time to recall the words of the late Justice Brandeis—whom no one would ever accuse of religious intolerance or racial prejudice. He wrote:

"PURSUIT OF HAPPINESS

"The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings, and of his intellect. They knew that only a part of the pain, pleasure, and satisfactions of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions, and their sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized men."

Increase of Death Compensation of Dependents of Members of the Armed Forces

EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following bill introduced by me to increase the rates of service-connected death compensation payable to certain widows, children, and dependent parents of persons who served in the active military or naval service, and for other purposes:

Be it enacted, etc., That paragraph IV of part I of Veterans Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"The surviving widow, child or children, and dependent mother or father of any deceased person who died as the result of injury or disease incurred in or aggravated by active military or naval service as provided in part I, paragraph I hereof, shall be entitled to receive compensation at the monthly rates specified next below:

Widow but no child	$60
Widow with 1 child	84
Widow with 2 children (with $15 for each additional child)	102
No widow but 1 child	48
No widow but 2 children (equally divided)	72
No widow but 3 children (equally divided, with $12 for each additional child; total amount to be equally divided)	96
Dependent mother or father	54
Dependent mother or father (or both), each	30"

SEC. 2. Subparagraph (c), paragraph I, part II, Veterans Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"(c) Any veteran or the dependents of any deceased veteran otherwise entitled to compensation under the provisions of part II of this regulation or the general pension law shall be entitled to receive the rate of compensation provided in part I of this regulation, if the disability or death of such veteran resulted from an injury or disease received in line of duty (1) as a direct result of armed conflict, or (2) while engaged in extra hazardous service, including such service under conditions simulating war, or (3) while the United States is engaged in war."

SEC. 3. Paragraph III of part II of Veterans Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"The surviving widow, child or children, or dependent mother or father of any deceased person who died as a result of injury or disease incurred in or aggravated by active military or naval service as provided for in part II, paragraph I, hereof, shall be entitled to receive compensation at 75 percent of the rates specified for such dependents in paragraph IV, part I, hereof, as now or hereafter amended."

SEC. 4. The increases provided by this act shall be effective from the first day of the second month following the passage of this act.

Federal Office Building Needed in Los Angeles To Adequately Serve the Public Demands

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. McDONOUGH. Mr. Speaker, there is great need today for a new Federal office building in Los Angeles. The population in southern California has soared during the war and postwar periods until today that area has a population increase of at least 1,000,000 since 1940. Most of this increased population is located in the Los Angeles area.

At the same time the present Federal building in Los Angeles has become overcrowded, and the Federal Government has found it necessary to rent additional commercial space to house its activities, including warehouse and storage facilities.

This rental-space area has now reached the staggering figure of approximately 1,410,805 square feet. And the cost for the annual rental of this space amounts to approximately $1,284,306.

At the same time, private businessmen, lawyers, doctors and others are unable to find office space in the downtown area in Los Angeles where the Government has taken up much of the office space normally available for professional men.

The construction of a new Federal office building would effect a large annual saving to the Government in rentals, and it would release office space in the Los Angeles metropolitan area that is needed by business and professional men.

It would centralize the activities of the Government and eliminate great inconvenience to the public because of present inadequate quarters and the wide dispersion of locations of various Federal offices in the Los Angeles area where at present Government business is carried on in 43 different buildings.

A new Federal office building is needed in Los Angeles to serve the public and to provide adequate space for Federal agencies in that area. I have introduced H. R. 3795 to authorize the construction of a new Federal office building in Los Angeles, and I urge the Members of the House to give this bill favorable consideration.

The following is a list of the locations of Federal agencies in the Los Angeles area where rental space is now being used:

Treasury: Heilman Building, Juasti Warehouse, Juasti Building, Bendix Building, 621 South Spring, 617 South Olive, 417 South Hill, 110 Broadway, First National Bank, Tenies Building, Citizens Bank, Ninth and Hill.

Navy: 210 West Seventh.

War: 751 South Figueroa, 621 South Hope Street, 815 South Figueroa, 556 South Flower, 808 South Western, 220 North Virgil, 3636 Beverley, 111 West Seventh Street, 610 South Main, 1252 East Colorado.

CPA: 1206 Santee, Ninth and Hill, 117 West Ninth Street.

OPA: 1206 Santee, 110 East Anaheim, 85 East Colorado, Chase Hotel.

War Assets: Transportation Building, 155 West Washington Boulevard, 3636 Beverley, 836 Santee, Bendix Building, 215 West Fifth, 2019 Bay Street, Fries and A Street.

Agriculture: Ninth and Hill Streets, 148 South Mission Road, Black Building, 909 South Olive, Western Package Products Co., Financial Center Building, Wholesale Terminal, Live Stock Exchange, Bendix Building.

Commerce: Commerce Exchange, 1500 Fourth Street, Builders Exchange, Pacific Building, Eleventh and Colorado, 1515 Fourth Street, Burns Building, Lockheed Air Terminal, 3201 Winona Street, Municipal Airport, 411 California, Singer Building.

Interior: 751 South Figueroa, Rowan Building.

Justice: Security Building, Rowan Building.

Labor: H. W. Heilman Building, 1206 Santee.

Veterans: 1031 South Broadway, 2334 Mortenur, 215 American, 301 Olive, 1905 Lincoln, Legion Building.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. ANDREW L. SOMERS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. SOMERS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith the following item appearing in the New York Times on January 14, 1948, being the statement of Mayor William O'Dwyer in opposition to the St. Lawrence seaway:

Mayor O'Dwyer renewed yesterday his opposition to the plan for a St. Lawrence seaway, sending telegrams to that effect to President Truman and Senators Robert F. Wagner and Irving Ives.

The mayor has denounced the seaway proposal as a piece of Federal boondoggling that would ruin the port of New York by taking business away from this harbor.

He was joined in his opposition yesterday by the Chambers of Commerce of Brooklyn, Queens, and Staten Island; the Central Trades and Labor Council, the Maritime Association of the Port of New York, the New York Board of Trade and the West Side Association of Commerce. The Commerce and Industry Association registered its opposition last Monday.

MAYOR'S MESSAGE

In identical messages to the President and the two Senators from New York, Mayor O'Dwyer said:

"I respectfully urge that you refrain from support of Great Lakes-St. Lawrence project in view of its high cost to all United States taxpayers and its lack of possible benefits to inland areas to compensate for tremendously destructive effect upon port of New York. Cost to the United States of construction of navigation project alone would be hundreds of millions of dollars.

"Maximum annual revenues from United States commerce would be small as compared with heavy annual interest amortization, operation and maintenance charges. New York and New Jersey taxpayers would have to pay 25 percent of these costs and in addition would have to bear the heaviest part of the burden of diversion of commerce from port of New York.

"While project would not be self-supporting and would serve no essential purpose, over one-third of our overseas traffic would be diverted from the port of New York. This would gravely injure general economy of entire New York-New Jersey port area, dealing a severe blow to its greatest industry, and causing possible loss of jobs upon which 200,000 people are dependent.

"I submit that the Great Lakes-St. Lawrence proposal carries no proof or even promise of national or essential benefits, but without doubt threatens to increase the cost of national government and to impair the welfare of the country's greatest port. I am in sympathy with the potential public development of power from the St. Lawrence, but the figures indicate that the State of New York could obtain St. Lawrence power at a lesser cost under a compact between the State of New York and the Province of Ontario without adding unnecessary and destructive seaway."

BLOW TO CITY SEEN

Opposition to the seaway among mercantile groups in the city centered on its high cost and their belief that it would take shipping away from the port of New York.

Cornelius M. Callaghan, executive vice president of the maritime association, described the project as one that would be a fatal blow to the American merchant marine. James J. Danahy, vice president of the West Side Association of Commerce, said the project would injure not only the city but the Nation as a whole. George F. Mand, president of the Bronx Chamber of Commerce, said it would be detrimental to the city's interests.

The Public Records of the District of Columbia

EXTENSION OF REMARKS
OF
HON. JAMES C. AUCHINCLOSS
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. AUCHINCLOSS. Mr. Speaker, under authority granted me, I am very glad to include in my remarks an article by Meredith B. Colket, Jr., entitled "The Public Records of the District of Columbia" and urge that my colleagues in the House read this article.

In its study of the District government the Subcommittee on Home Rule and Reorganization has in many instances referred to the records of the District and it is a fact that there are many historical documents which have disappeared and which should have been preserved.

The city of Washington, commonly known as the District of Columbia, plays a very definite part in the history of our country and the development of our Government, and steps should be taken without delay to collect and preserve all the historical documents which can be found.

The article I refer to follows:

THE PUBLIC RECORDS OF THE DISTRICT OF COLUMBIA

(By Meredith B. Colket, Jr., of the National Archives, and Curator of the Columbia Historical Society)

Before the District Court of the United States for the District of Columbia there has just been decided a case designated simply as *U. S.* v. *Groen*. The question involved was whether certain property owners were entitled to fill in land below the 1794 waterline of the Potomac River. Necessary evidence could not be obtained from printed materials, so it was essential to examine original records before presentation of the case. Mr. Robert R. MacLeod, an attorney in the Lands Division, Department of Justice, attempted to trace certain records in order that the Government might effectively present its case. His research took him into a labyrinth of documents—from the Surveyor's office, the Washingtoniana Division of the Public Library, and the Columbia Historical Society on the one hand, to the National Archives and the Manuscript Division of the Library of Congress on the other. All had original governmental records relating to the subject of his inquiry; but none could produce a specific document he desired, a document that had disappeared since the days of Governor Shepherd. Thus forcibly does Mr. MacLeod bring to our attention the fact that while the Federal Government has centralized and, to a considerable extent, organized the inactive records of permanent value of the Government of the United States, the records of the Government of the District of Columbia are dispersed and are without a home.

The records of the Federal Government were not always housed in a beautiful building on Pennsylvania Avenue. They were scattered in basements and attics, in many

cases heaped in great disorder, the valuable interspersed with the valueless. Not the least of those who advocated their careful preservation was the distinguished American scholar who subsequently became executive director of the American Council of Learned Societies, Dr. Waldo G. Leland. Just 40 years ago he addressed the Columbia Historical Society on the archives of the Federal Government, and became cocompiler of a guide to the Federal records, which has become a classic in the field of archival publications. His address, subsequently published in the Records of the Columbia Historical Society, became one of the milestones in the march toward the establishment of a central archival depository for the Federal Government. Today, the lawyer, the political scientist, the historian, the biographer, scholars of many interests, can utilize with an ease never before possible these Federal papers. Such records have been recognized, however belatedly, as worthy evidences of the experience of our past, and have been received and nurtured in a depository well suited to their needs. The records of the local government at the seat of our National Capital, on the other hand, have been as orphans, ill-clothed and ill-fed, almost entirely neglected, though a few have found their way into such agencies as the Manuscript Division of the Library of Congress.

It is our purpose tonight to call attention to the pathetic state of our local records and to give special emphasis to the problem of maintenance in a proper building of those inactive records of permanent value.

An inquiry into the nature of the District records reveals some interesting separations of governmental authority. From an archival point of view, it is clear that the records of the District of Columbia embrace those records of agencies created by Congress to perform municipal functions for the District, their subsidiaries, and their legitimate predecessors. Included in this category are the records of the present government of the District of Columbia, consisting of the records of the Commissioners, which have been on file since the Organic Act of 1878, together with the records of those offices under the Commissioners, such as those of the Assessor, the Board of Education, the corporation counsel, the health officer, the municipal architect, and the Surveyor.

The records of the predecessor governments of the present municipality include those of the temporary government of commissioners, 1874–78, and of the Territorial government (with a governor appointed by the President) which was in existence from 1871–74. Before 1871 the District records consisted of the records of the county of Washington, the boundaries of which are coterminous with the present District of Columbia. The county of Washington had been created by act of Congress approved 1801 and subsequently its powers were vested in a levy court. The records of the District not only include the records of the levy court but also the records of two municipal corporations, the city of Washington created in 1802 and Georgetown, granted municipal powers by Congress in 1802, but which had been given a government under the laws of Maryland in 1751 and later became a town. The records of the District of Columbia do not, of course, embrace the records of the county and city of Alexandria, the land of which was retroceded in 1846 to the State of Virginia.

The records also extend, however, to local entities which do not seem to be clearly within the orbit of the present Commissioner government, such as those of the Recorder of Deeds and the Register of Wills.

In addition to the type of records falling under the jurisdictions above described, there are some records relating to local affairs of the District of Columbia which are created by agencies not purely or wholly municipal in character. These agencies are agencies of the Federal Government, and are charged with dual responsibilities. This springs from the fact that Washington, D. C., is not only a municipality; it is also the seat of the National Government. Thus, some of the most important records of interest to the student of local history are the records of the Commission of three appointed by President Washington in 1791 under authority of Congress to survey the Territory. Among other Federal agencies is the National Capital Park and Planning Commission, which is charged not only with planning memorials of interest and benefit to the Nation, but also with developing recreational facilities of foremost benefit to the local residents. The District Court of the United States for the District of Columbia, one of two Federal courts in the District forming a part of the local court system, deals in part with matters of distinctly a Federal character, but also has jurisdiction over matters which in the States would be handled by State courts.

The separation of functions into local and Federal has, of course, resulted in the separation of records into local and Federal. But the line of demarcation is not always a clear one, for when Government entities are abolished or reorganized by Congress, the innocent records are sometimes split in all directions. Thus, records of the Record Office for the Territory of Columbia which, according to the Sentinel of Liberty of May 13, 1800, was moved from Georgetown to the city of Washington, have been dispersed widely throughout the city. These were the records of the three early Commissioners. The Commissioners had been charged by Congress to perform the Federal functions of surveying the Territory, purchasing land, and providing for suitable Government buildings. But also they had been granted by the Maryland State Legislature specific municipal powers which were binding until Congress provided its own local law. In 1791 the Commission had been empowered to appoint a clerk to record deeds, to license the building of wharves, to regulate the unloading of vessels, to make building regulations, to provide penalties for violations, and to grant licenses for the retailing of liquors in the city of Washington. Today one can find a central core of the records in the National Archives. But one can find other important ones in the Manuscript Division of the Library of Congress (which had received them from the Department of State before there was a National Archives), still others in the Surveyor's Office of the District of Columbia, and others with the Recorder of Deeds. Some, including an important early volume of the Proceedings of the Commissioners, can't be found at all. Understandably enough, the very nature of the arrangement of the files prevented any really logical functional separation of records so that the separations that have been made must have been on an arbitrary basis.

Sometimes as functions are transferred from the local government to the Federal Government, or vice versa, records, the victims, must transfer their character as rapidly as chameleons change color. Before 1936 physicians' licenses were recorded with the Health Department, between 1896 and 1929 with the Supreme Court of the District of Columbia, a Federal agency, and, since 1929, with the Commission on Licensure, a local agency. The Commission on Licensure possesses the early registers maintained by the Health Department, but not those filed with the Supreme Court of the District of Columbia. If the recommendations of the Subcommittee on Home Rule which were released 2 weeks ago are approved, there may be created similar record problems of this character.

The public records of the District of Columbia not easily available to the scholar are those in the custody of the government of the District of Columbia. It is toward these that our attention is centered. Where are these records, what are they, and of what value are they? A room in the basement of the District Building, Fourteenth and E Streets NW., contains 31 large wooden boxes. In these are some of the most valuable records of our city government. For the period before 1871 are record sets of the laws of the Corporation of the City of Washington, the Ordinances of Early Georgetown, the Proceedings of the Council of the City of Washington, and Ordinances of the Levy Court. For the period of the Territorial government there are the original laws of the legislative assembly and basic correspondence relating to the policy of the government. For the period of the subsequent Commissioner forms of government are incoming and outgoing correspondence from 1874 to 1929. These records were boxed and stored away as a precautionary war measure 5 years ago. Material in them is practically unobtainable to the historian today, although under certain circumstances the Commissioners have been most courteous in seeing that specific information is secured. The secretary's office of the board of commissioners has kindly given me the carbon of a typed list describing the contents of each box and it gives me great pleasure to make this available for inspection.

Such records, however, represents but a single high light in the unfortunate story of our city's records. If one would examine the basement storeroom in the District Building, one would see hundreds and hundreds of early volumes of the city and great quantities of unbound materials rapidly gathering dust. They are in such shape as practically to bar scholarly use. One could multiply the volume many times if one should visit those storerooms and offices throughout the District including even rooms in the new District building on Indiana Avenue.

The best historical materials from the public records are to be found in the correspondence and minutes of the Commissioners and the correspondence of the primary departments and boards under the Commissioners. But there are many other records which contain a wealth of research data, including ledgers, journals, tax lists, assessment lists, birth and death records, statistics, surveys, and reports. From such records one can obtain excellent materials dealing with the history and growth of the school system; the transition of the city streets from dirt paths to beautifully paved boulevards; the development of the commercial areas and the segregation of the residential areas; the spread of the city northward and eastward; the development of the early system of canals and how they operated; the responsibilities of the local government in the Civil War, when large numbers of troops were quartered within the city limits, and in World War II, when the city had to support an abnormally large population; the part the city played in welcoming distinguished guests from the day when Lafayette paid a visit to the day President Aleman paraded here; the history of the old city markets; and the impact of the early automobile on city life, with the regulatory measures established to control its use.

The political scientist should have an opportunity to study the system of the Commissioner government, to examine its actual operations and evaluate it as a successful governmental entity. He should make studies and comparisons of many phases of civic life and determine in what ways Washington is advanced over other cities and in what respects it lags behind. He can inquire into the success of our zoning regulations. For perspective he can see how certain areas became beautiful developments of which the

citizens can boast because of careful planning, while others became an unreasoned combination of business firms and dwellings because of the lack of planning.

The sociologist should have a greater opportunity to inquire into the success of the city in improving family and community life. He should be able to see how the undernourished and impoverished are aided, how the child-welfare program is working, and whether recreational facilities are adequate.

The public records, of course, are by no means the only sources for information about city life. Primary vital source materials include (1) public records, (2) newspapers, and (3) private letters, diaries, memoirs, merchants' accounts, and the like. The public records, except for some for the very earliest years, have been sadly neglected. The newspaper, on the other hand, has been given a high place by the student of local history. W. B. Byran, for example, in A History of the National Capital, drew heavily on such excellent sources of local information as the Star and the National Intelligencer. An interesting story can be told of how files of the National Intelligencer fill in an important gap in the public records, a gap resulting from the loss of an early Journal of the Board of Aldermen. Private letters, diaries, and memoirs of this city have not been assembled in a systematic manner and there lies ahead a great field of collecting and assimilating. It is only by intelligent utilization of all of these varied sources of information that the scholar can produce scientific, thorough, and well-integrated studies of our local life. There are indeed many valuable forms of local records that in no wise can be duplicated among records of a more national character.

The assembling of these public records in a central place should not only prove a boon to scholarship but should create a wider civic interest. Our community lacks a critical biography of its great benefactor, Governor Shepherd, and many deserving figures of lesser fame. Our community lacks and desperately needs a well-woven history of the city's development from the date in 1878 when Historian Bryan stopped his narrative. Our local schools need a good text on the local government of our community. Our schools of higher learning, such as George Washington, Catholic University, and American University, and especially their graduate bodies, could be encouraged to study our local life and to produce works of outstanding merit.

Centralization of these records is important enough for the scholar of the present; but it is also most important for posterity. The passing of each decade means the losing of many more valuable records through carelessness, neglect, fire and other hazards. Until a thorough survey is made, it is impossible to tell exactly what records are lost. But it is not hard to echo the sentiment of H. C. Gauss as printed years ago in the published records of the Columbia Historical Society "The history of the records of the city of Washington is that of most of our American records. They have been used for the purpose of the moment without thought of perpetuation." Over 90 percent of the city's records for the 70-year period from 1801 to 1871 including most records of the mayors, the boards of aldermen and the common councils have completely disappeared. What seems to be available today of the regime of Governor Shepherd may only be a fraction of what once existed. Old-timers say that when the District building was moved from First and Indiana Avenue to 462 Indiana Avenue great quantities of records vanished never to appear again. Sometimes valuable early local records turn up in the hands of descendants of city officials and are sold. In such cases the manuscript division of the Library of Congress has lent a helping hand. Some of the earliest records of old Georgetown were secured some years ago by the Library of Congress, which preserves them and makes them available for research purposes.

Other municipalities have had most tragic records losses. Records of the cities of San Francisco and Chicago were destroyed in large quantities at the time of spectacular holocausts. It is reported that during the Revolutionary War the early records of the city of New York were moved back and forth in the province, depending upon the fortunes of war of the patriot armies. During the nineteenth century these records were stacked loosely in large boxes; while it is suspected that many people helped themselves. New York City was quite fortunate, on one occasion, by bringing suit and recovering an original holograph letter signed by George Washington and addressed to the mayor and aldermen of New York. This municipal record was recovered in 1868 as the document was exchanging hands for $2,050. Other less fortunate New York City records got into the hands of rag dealers and junkmen about the turn of the century. Some of these, recognized as of considerable value, were purchased by individuals and deposited with the New York Historical Society.

Philadelphia, a city which particularly holds sacred the history of its past, is also a great loser of local records. In 1848 one gentleman wrote of the deplorable maintenance of the early records, how some which had been in the mayor's court were removed to a waste room. When the room was wanted for other purposes, the records were dumped into a cellar. Finally the cellar was used for the caring of stray dogs so the records were carried in boxes, bags, and baskets to a loft of the Supreme Court room. To use the writer's words: "In the summer of 1845 they were in the utmost disorder and neglect, and were rapidly disappearing." This man succeeded in preserving a few samples which he gave to the Historical Society of Pennsylvania.

Concentrated efforts were made at different periods in Washington's history to improve the condition of the records. Early in the present century the board of managers of the Columbia Historical Society appointed a committee on the early city records. This committee, which was composed of such well-known antiquarians as W. B. Bryan, H. T. Taggart, and M. I. Weller, was authorized to contact the Commissioners. They carefully examined the records of the city of Washington for the period 1802-71. Those records that were not bound were arranged into two groups, papers connected with the mayors' office and of subordinate offices of the executive branch of the city government, and papers connected with the business of the various city councils. It is to be regretted especially that the recommendations then made for the publishing of certain of the early records by this society could not be consummated, for District officials are today unable to explain what became of these records. Fortunately, some were copied by members of the Columbia Historical Society. From the copies now in the library of the society are obtained important evidence for legal cases in which the Government has an interest.

In November 1938 an attempt was begun by the Historical Records Survey to describe the records of the government of the District series by series, and to publish inventories showing the work accomplished. Projects of such a nature had already been undertaken in many other cities. Consequently, municipalities such as Cleveland, Ohio, can boast of informative published inventories of the utmost interest and usefulness. The survey of city records for the District of Columbia was headed by Mr. H. B. Dillard, now of the Division of Manuscripts of the Library of Congress. Approximately two dozen individuals were employed in the work. Unfortunately, the project got under way too late to make a lasting contribution; for, when the project came to a close in 1941, the only production was a 31-page processed inventory of municipal archives of the District of Columbia. This has little value to present-day historians, since it deals with but four minor boards, all of which have been created during the last 25 years. It illustrates, however, what could be done.

The material collected by the survey workers was transferred to the Library of Congress. A careful examination shows that this data is extensive and would take one man a great many years to duplicate. Almost entirely in stencil form is inventory No. 2 of District records which describes the records of about two dozen local offices in detail. It is a pity that thousands of the taxpayers' dollars went into the preparation of this second inventory, yet not $100 needed to put it in final form has been found. Here lies a challenge to a civic-minded group to investigate the possibility of issuing and marketing this partial inventory of our city's records.

For years records-minded citizens of the District have recognized the importance of obtaining copies of the early Maryland land grants pertaining to this area as well as other records such as tax lists created prior to the establishment of a federally authorized local government. A systematic and intelligent examination of basic Maryland records including those filed at the Hall of Records, Annapolis, ought to be undertaken. Such a study should result in the careful reproduction of essential materials to be maintained permanently for public inspection in Washington.

The Board of Commissioners of the District government has, in late years, given special consideration to two different aspects of the record problem. One was the duplication on microfilm of strategically valuable records so that in the event of their destruction in wartime, the information would not be lost. The second was the destruction of records in order to save space. The dual program was effected by the establishment in 1942 of the Committee on Microfilming and Disposition of Obsolete Records, with A. R. Pilkerton, auditor, as chairman. This committee instigated a general survey of all District records with a view of microfilming those of greatest strategic value. All plats in the surveyor's office, in the assessor's office, in the Water, Sewer, and Electrical Divisions of the Engineers Department were microfilmed at a cost of $5,500. The tiny film, totaling 2.5 cubic feet in volume, was deposited in temporary storage with the National Archives.

The second problem, the problem of space, was and is an acute one, since inactive records of the District have been occupying space valued at $1.50 per square foot per year. This space is desperately needed for current administrative use. Should these records be microfilmed, and then destroyed, the District might not only save space but might also sell the records as waste paper. Microfilming, however, runs into money and should not be undertaken for this purpose without careful consideration of the character of the records and their arrangement. To date, the District has not microfilmed records with the view of destroying the originals.

The committee recognized that it was better to ascertain what were the noncurrent records of no value and destroy these than to microfilm records simply because they were noncurrent. The District has centered its records program, therefore, on the disposition of useless papers. It is estimated that, since the establishment of the committee, 33,000 pounds of records have been destroyed each year. By an order dated 1945 the Commissioners asked the heads of departments to prepare a comprehensive survey of records in their custody. In the case of useless records, they were directed to make accurate descriptions of the records

and to present conclusive reasons why each category of records had no further value. In accordance with a Commisioner's order of May 28, 1946, the primary responsibility of disposing of old records was vested in the departments themselves. The department heads were instructed to designate an experienced and responsible person in each office or department to go through the files from time to time in order to retire old records and thus reduce the need for new file cases.

It is earnestly hoped that disposition of records is not based entirely upon a determination of whether documents have future administrative value. It is earnestly hoped that careful evaluations are given as to the research values of administratively obsolete files. We should look forward to the establishment of a responsible district officer, whether he be called archivist, supervisor of public records, or records administrator, to be responsible for passing upon the future research values of records no longer of use to the departments. That District officials are giving consideration to this problem of future use is suggested by a report from a custodian of medical records: "The retention of medical records appears to be a matter of purely professional determination and ought to be approached from that angle rather than soliciting a layman's opinion."

Proper and careful evaluation of the records of a municipality is of the utmost importance. Records should be analyzed, series by series, to determine (a) what groups of records have sufficient administrative, legal, research, or other value to be maintained permanently, and (b) what groups of records can be destroyed safely. It is wise to vest responsibility of such evaluation into the hands of a single accountable records official, whose actions are subject to review by a committee. He could draw some information from the Federal Government, but he would find that many types of records have no parallel in Federal experience; he could learn something from other municipalities, but he would find that they have not yet evoked a clear program as to the types of municipal records that should be preserved; he should also consult experienced persons skilled in specialized fields of technical knowledge; but above all he must have a clear historical perspective and sound judgment. No records should be destroyed unless formal permission is granted in writing after a written description of the records is made and reason for destruction given.

One must always guard against the philosophy not uncommon throughout the country that because certain records in a basement have not been used for years they have no value and must be thrown out. By destroying them one may save space and, by the sale of waste paper, add to the municipal treasury, but, at the same time, one is apt to throw away rich historical material about the early history of the city and its growth, material which future generations will have serious cause to regret.

The problem of the proper maintenance of noncurrent records of permanent value is, from the point of view of administration, but a phase of the larger story of a sound records program. Such a program calls for the establishment of a basic records act covering the maintenance, preservation, repair, duplication, authentication, and disposition of records. It calls for an act setting up a records office of trained personnel to deal with records. Finally, it calls for the construction of a public-records building.

Whether the records office should be an independent establishment or should become a part of the Board of Education or some other agency is a matter of detail that need not be explored at this time. The matter of a place for the housing of the records, however, is a matter worthy of special consideration. It is not sound for agencies of a local government to place inactive records in basements and storage vaults. It is recognized that many inactive records have a degree of administrative use but not a sufficient degree to maintain them near the operating offices. Such records should be among those centralized in a single place.

Other cities have had extremely interesting experience in handling their inactive records of value. In the past they have often turned over the more valuable to historical societies or libraries, and sometimes local entities have made a small annual contribution for their make-up. Here in Washington, before there was a National Archives, the Manuscript Division of the Library of Congress became the depository for Federal records. But a library has only limited facilities, and, as the work of a municipality increases and its records increase, a library finds it has not the technical training, interest, or storage facilities for the upkeep of records. But the library can afford a splendid service as a temporary stopgap for the preservation of the basic records of a municipality until the formal archival program is innovated.

It has been pointed out that there is a close relationship between certain local records which have been created by Federal agencies and records of the government of the District of Columbia. It is of primary importance that adjustments be made in this overlapping of local and Federal records. The National Archives might be of especial service in this connection, but also it could be relied upon for advice. The National Archives has developed a wide range of experience in the field of archival operations. The National Archives possesses elaborate technical equipment and knowledge, especially in such fields as photoduplication and repair. Finally, a close relationship could be fostered readily because of the physical proximity of the National Archives and the District government offices.

It is recognized that the National Archives Building is not large enough to house the inactive Federal records for plans are being formulated for the construction of an additional building or buildings. To what extent there can be a close cooperation and development with the National Archives is a matter of future administrative determination and legislative action. It is clear, however, that the primary responsibility for the maintenance of District archives lies with the District government, not with the Federal Government.

I would like to see a public records office of the District of Columbia, a building separate and distinct from other local government buildings, that could offer the departments, boards, and agencies, a high caliber of service on the older records. I would like to see the historian, the sociologist, the political scientist, the lawyer and the genealogist also have ready access to some of the basic records of our everyday life. Such an institution could do many things to improve the record situation in the District. Such an institution could house the bulk of the inactive files of the District as the office of recorder of deeds houses a specialized group of records. A program of this character is very much in line with the kind of thing that is being developed during the present decade in many of the States, counties, and municipalities of the Nation.

In closing, I should like to quote from the recently published report of the advisory committee on New York State's records system, a report prepared by a committee of three consisting of Dr. Solon J. Buck, Archivist of the United States, Dr. Luther H. Evans, Librarian of Congress, and Miss Margaret C. Norton, archivist for the State of Illinois. In this case a State archives is proposed:

"A separate building is of benefit to the records agency and records program in a psychological sense in its relation to other agencies and to the public. It is a symbol of the State's maturity and permanence. It is an obligation the State owes to its own history and to the men and women who produced it. It is an obligation it owes to their descendants of the present and the future. The records of the past that are worthy of preservation are their rightful heritage."

Now is the psychological time to plan a records program and a public records building for the District of Columbia. In the first place, the practical knowledge and rich experience accumulated by the National Archives during the past and present decades are ready to be tapped. Second, a formal records program could be given impetus and fostered by the Auchincloss subcommittee of the House District Committee. Such a committee might initiate much needed legislation relating to District records. Third, a drive for a public records building might logically form part of the program of the recently established National Capital Sesqui-Centennial Commission for the celebration of the one hundred and fiftieth anniversary of the removal of the Capital of the United States from Philadelphia to Washington. Out of a similar celebration in 1900 grew many excellent programs for civic planning and improvement, centered in the McMillan plan. The part that the Columbia Historical Society has played in creating an interest in the history of this city makes our organization a fitting one to sponsor and encourage the development of a vigorous, substantial, and worth-while records program.

Return of World War II Dead

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. TEAGUE. Mr. Speaker, I have received a letter from the father of a deceased serviceman regarding our program for the return of World War II dead whereby the next of kin may elect to have the remains returned to this country for burial. It has been stated that the boxes the Government uses to enclose the caskets are not suitable to use in burial and if the parents or the widow choose to secure an adequate vault for burial purposes, they must purchase one at a price of $150 to $300.

You can readily see that the $75 allowance for home burial of returned war dead is not sufficient to defray these expenses. I urge that the Congress give serious consideration to this matter in order that the allowance may be increased to provide suitable burial for our war dead.

Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following letter received from Mr. Cyrus McCaskill, of Ennis, Tex., who has forcefully described this situation:

ENNIS, TEX.

HON. OLIN E. TEAGUE,
Sixth District of Texas, House of Representatives, Washington, D. C.

MY DEAR MR. TEAGUE: There is a condition existing respecting the burial of the returned dead war veterans from overseas which I do not believe is generally known, and which, I think, is a reflection on the good faith our Government should have for our sons who gave willingly their lives for the protection of America.

As you know, I have a son, a first lieutenant of infantry, now buried in the Third Army Cemetery, Hamm, Luxemburg. His body should be returned about August 1948. He willingly gave his life for our country and I would not have him to know that our Government thinks so less of his honorable deeds to give him a decent burial in the land he gave his life to protect. Accordingly, I am furnishing you a report on the information the undertaker here, J. E. Keever, funeral director, gave me respecting the returned war dead.

J. E. Keever, funeral director, showed me through his storeroom of vaults (boxes) which the next of kin in charge of the returned dead purchase to enclose the caskets of the loved ones. The vaults run in prices from $150 to $300. There is no part of this cost borne by the Government. He also showed me the thin, fiber, boxes the Government enclosed the returned caskets in, and he frankly stated that they were not suitable for boxes to use in burial. Are our sons due a decent burial at the cost of the Government in whose service they gave their lives? The kind of burial their loved ones are only willing for them to have? The Government, unlike a corporation, pays nothing for the lives taken in the protection of their country. My son was a minor. I had with love and care given him an education to his senior year in college. Now he gave his life in action for his country. All we ask is that our Government give him a decent burial in the land he gave his life to protect. Will the Congress of the United States permit for any less?

I shall thank you to call this matter to the attention of the Texas Members of Congress. With kindest regards, I am,

Sincerely yours,

CYRUS MCCASKILL.

Antilynching Bill

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. KEATING. Mr. Speaker, it was my privilege to appear yesterday before a subcommittee of the Senate Committee on the Judiciary on behalf of my antilynching bill, H. R. 4528.

It is my hope that favorable committee action will ensue and that this or similar legislation, so sorely needed to maintain our domestic tranquility, as well as our world position as the leading proponent of fundamental freedom and equal justice, will soon be the subject of debate on the floor of the other body. My understanding is that it has been accorded a favored position on the legislative calendar, which should insure this result. It then remains to be seen whether the bitter opponents of such measures, who have so effectively blocked action for years, can again succeed in this Congress in denying to a large, although admittedly minority, segment of our citizenry the equal protection of the laws guaranteed to them by the United States Constitution.

In order that there may be no undue delay in the final enactment of legislation, if the minority opposition in the other body is successfully routed, it is my sincere plea to the House leadership that an early date may be set for hearings on antilynching legislation in this body. Although it is true that such bills have frequently passed the House only to suffer defeat in the Senate through a well-organized filibuster, the party of Abraham Lincoln, it is submitted, should not accept these previous defeats as a precedent but should press on toward the victory of even-handed justice over racial discrimination which now lies within our grasp.

Practically all of the bills which have been introduced in both Houses to correct the existing blot on the fair name of our country provide for punishment to lynchers and those who fail to prevent lynching or apprehend offenders and also for compensation to the victims of lynchings. With regard to the latter, I fear that in many instances the provision for monetary recompense to those who suffer at the hands of lynch mobs may be rendered nugatory unless there is embodied in the legislation a provision peculiar, so far as I am aware, to my bill, H. R. 4528.

The various measures provide that a determination of the amount to be paid to the injured person, or his next of kin, within certain minimum and maximum limits, shall be made by a court in an action brought and prosecuted by the Attorney General of the United States, and that if payment of any amount awarded is not forthcoming, it may be enforced by any process available under the State law for the enforcement of money judgments against governmental subdivisions.

It is well known to lawyers that in any jurisdiction technical difficulties exist to the collection of a money judgment against a municipality or the State itself which are not present in the case of an established liability against an individual. Thus, oftentimes, in fact, so far as I am aware, without exception, it is necessary to bring a separate action in the nature of a mandamus proceeding to compel the legislative authorities of a city, town, or county to levy a tax to collect a judgment, unless they take such a step on their own initiative. In addition, I entertain the fear that those States which might be unsympathetic to this Federal legislation might pass laws or take administrative action which would render it even more difficult than it now is to turn the piece of paper which we call a judgment into cash in hand for the unfortunate victims of lynch mobs.

Therefore, I have provided in H. R. 4528 that if such a judgment is not paid, upon proper certification by the Attorney General, the amount of the award shall be paid out of the unappropriated funds in the Treasury of the United States and deducted from any funds which would otherwise be available for payment to the State, where the violation occurred, under any grant-in-aid program. It is submitted that this provision has teeth in it, which will insure that the legislation is effective to accomplish the purposes desired. I trust that in the hearings before the committees of both Houses and in the framing of legislation this provision will have sympathetic treatment.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. MELVIN C. SNYDER
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. SNYDER. Mr. Speaker, it seems that the President, who, under the Constitution, is charged with making the foreign policy of our Nation, has definitely committed our country in giving aid to 16 western European nations, under what is commonly known as the Marshall plan.

The Congress is being asked to implement that policy by the appropriation of money. Under the Marshall plan we are being asked to appropriate some $6,700,000,000 for the next 15 months.

It is the responsibility of the Congress to examine carefully the items for which aid is being requested. Among the nations who will get aid we find Ireland, Portugal, Turkey, Norway, Sweden, and Switzerland. Certainly in some of these countries it is not necessary to appropriate money to stop communism, and some of these countries were not devastated by the war. In fact, some prospered to a very high degree by reason of the war. Many of the countries for whom aid is requested are not broke.

I call attention to the following editorial which appeared in the Martinsburg Journal, Martinsburg, W. Va., on Saturday evening, January 17, 1948:

THEY'RE NOT BROKE

The idea that the 16 "beggar" nations of Europe, who are clamoring for another $17,000,000,000 cash hand-out from the United States taxpayers, are broke, is completely erroneous. Entirely aside from reputed foreign holdings of $15,000,000,000 to $17,000,000,000 liquid assets in the United States, Britain, France, Belgium, Holland, Turkey, Norway, Sweden, and Portugal at least have formidable holdings of critical minerals which we would need should we be called upon to fight another war. The magazine World Report gives us an excellent picture of what these nations could do to compensate us with minerals if they were willing. Here is the list of what they have:

Asbestos, Southern Rhodesia; bauxite, British and French Guiana, Dutch East Indies, Surinam; chromite, New Caledonia, Southern Rhodesia, Turkey; cobalt, Belgian Congo, Northern Rhodesia; columbite, Nigeria; copper, Belgian Congo, Northern Rhodesia, Norway, Sweden; corundum, Nyasaland; graphite, Ceylon; lead, Morocco, Tunisia; manganese, Gold Coast, Morocco; mica, Madagascar; nickel, New Caledonia; tantalite, Belgian Congo; tin, Belgian Congo, Malaya, Dutch Indies; tungsten, Portugal; zinc, Belgian Congo; diamonds, Belgian Congo, Gold Coast, Sierra Leone.

It will be remembered that when war was imminent many months before December 1941 Congress authorized the stock-piling of rubber. When asked afterward why the rubber stock pile had not been assembled, Jesse Jones, RFC Chairman, gloomily replied, "We thought Singapore would hold out longer." It was one of the saddest confessions ever made by an American patriot. If we now take these needed minerals from the nations clamoring for our dollars, they might stand us in good stead in some future day of need.

American Legion Supports Marshall Plan

EXTENSION OF REMARKS
OF

HON. WILLIAM J. CROW
OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. CROW. Mr. Speaker, under leave to extend my remarks, I include the following statement of James F. O'Neil, national commander, the American Legion, before the Senate Committee on Foreign Relations, Wednesday, January 21, 1948, on the Marshall plan:

Mr. Chairman and gentlemen of the committee, I desire to take this opportunity to express to you as national commander of the American Legion our appreciation for this opportunity to appear before your committee on this matter so vital to the peace and security of our country as exemplified in the action taken by the national organization of the American Legion.

The American Legion strongly endorses the European recovery program now before Congress. The American Legion gives full support to the principles of this program. The report of our Foreign Relations Committee shows an early appreciation of conclusions which have been largely accepted by most Americans.

The greatest menace facing America today is the aggressive spread of communism, fostered by a powerful totalitarian state. We must combat this resolutely. In doing so, our most important instruments at this moment are the constructive principles of what has generally been known as the Marshall plan of approach to European rehabilitation and our active policy in the Balkans.

The principles of this plan which the American Legion is advancing are of vital concern to every American. Its purpose is to help rehabilitate western Europe, whose nations are holding back the rising flood of communism. If that dam should break, the Red tide would pour through to the Atlantic. We cannot ignore the fact that the Communists are actively hindering European rehabilitation for the very purpose of creating chaos. This we must not permit.

Our American economy must be kept sound, strong, and healthy. But time is of the essence, since the Communists are hard at work striving to bring about an economic collapse, both here and abroad. Therefore, we earnestly recommend that the principles here set forth shall be given fullest support by the people of the United States, to whom they are of vital interest, and that the American Legion accept leadership in this task.

At the meeting of the National Executive Committee of the American Legion at Indianapolis, October 30 to November 1, 1947, the report of the foreign relations committee stated flatly: "The Marshall plan is vital, not only to the rehabilitation of the world, but to our own self-preservation."

The resolution on the foreign situation adopted by the national executive committee at that meeting stated: "That in our endorsement of the Marshall plan for the rehabilitation of western Europe we emphatically urge that the President and the Congress of the United States:

"1. Maintain the closest supervision over all such expenditures, the use and distribution of all materials and the purposes to which they are devoted;

"2. Insure that the people of countries receiving our assistance be made fully aware that the United States is the source of such aid; that it be made clear that the purpose of this aid is not to interfere in any nation's government, but to assist it in resisting totalitarian infiltration or aggression and to reestablish a self-sustaining economy."

These passages I have quoted indicate the extent to which the American Legion has supported and now supports the Marshall plan. I do not wish to enter into the organizational details of the program. We feel that those are in good and expert hands, the hands of Secretary Marshall and of the Congress of the United States. But I am sure that a great proportion of our total membership, who see in Secretary Marshall the defender of the peace as well as the architect of victory, would go along with his considered judgment on these questions.

The American Legion speaks for a great and Nation-wide body of patriotic Americans. The largest veterans organization in history. Our total membership as of December 31 was 3,272,060. The membership of the American Legion Auxiliary was 933,052. American Legion posts today number 16,816. Units of the American Legion Auxiliary number 11,987.

But the place of the American Legion in the Nation is far larger than its numbers. The American Legion is a cross-section of the country and reflects the over-all sentiment of the American people. It includes all kinds and all professions and types of business. It is essentially a grass roots organization, for it is in the little towns and communities that the Legion posts are most active and play the greatest role in civic and community life. Its entire membership are veterans, the men and women who fought and worked to win two world wars. A great part of our members have survived battle; they know what war is, and they want to prevent war being brought to America.

In these questions of national security—and the European recovery program is, among other things, a question of national security—the voice of the American Legion should consequently be counted as particularly significant.

The European recovery program, adequately implemented and effectively carried out, will perform three vitally important functions for the United States, in each of which the American Legion has the deepest interest.

First, it will block the expansion of communism. The American Legion has fought communism for 25 years. The insidious manner in which this would-be world-conquering ideology is now seeking to expand over Europe has been demonstrated in the totalitarian tyranny forced upon the formerly free nations of eastern Europe and the Balkans, in the strikes inspired recently in France and Italy and in the so-called "Protocol M" providing for strikes and sabotage in Western Germany.

That the Communists are engaged in a cold war against the United States, as the immediate phase in their struggle for Europe and the world, has been amply shown. A failure to bring about the economic recovery of western Europe at this critical time would have disastrous consequences for the United States. It could reverse the favorable trend in western Europe, which has developed on the basis of confidence in the Marshall plan, and result in the economic, political, and social collapse of the western European nations and the spread of communism to the Atlantic.

Such a catastrophe would increase immeasurably the threat of communism to the United States and our American way of life, as Secretary Marshall indicated when he stated in his testimony that: "The way of life we have known is literally in the balance." It would be very likely in the future to heat up the cold war the Communists are waging against us. For as they expanded their hold on Europe and Asia and gained new territories, industries and resources and manpower, they would become stronger. What valid grounds are there for believing they would not eventually attack us if they ever thought they could do so successfully? The men in the Kremlin look upon the United States as the citadel of capitalism and free enterprise and the principal obstacle to a Communist-controlled world. We cannot afford to risk the peace and security of the United States and the future existence of some of our great cities on a hope that they would refrain forever from seeking to eliminate this obstacle by war.

The European recovery program, adequately implemented and effectively carried out, is our best means of preventing a Third World War. That is its second great function for the United States, a function of particular concern to the 4,000,000 veterans of the American Legion.

We see in the European recovery program a direct insurance of the future peace and security of the United States. And because it must be expected that war with the new weapons now being developed would strike without warning within our country, we see in this program an insurance of our great cities and of millions of American men, women and children.

A week ago, the Secretary of Defense made it clear in his testimony that if this program were not to be carried out, he would feel constrained to ask the Congress for an increase in defense appropriations of 25 to 50 percent. Why would we need such increased appropriations? Because without this program the United States would be less secure. Because without this program there would be increased danger of war.

The Secretary of Defense explained also that totalitarian control of western Europe and its industrial and military potential could be a threat not only to the peace of the world but also to the very existence of the United States.

Those of us appearing before you who are not officers of the Government are in a position to speak with greater freedom. I wish to place before you certain aspects of such a situation which I believe demand your most earnest consideration.

Communist control of western Europe, the probable result of failure to implement this program, would bring at least half a billion people under the control of the Soviet Government. It would marry the manpower and natural resources of eastern Europe to the industries and industrial efficiency and skill of the western European workshop. The offspring would necessarily be a vastly increased war potential at the disposal of the Soviet Government, a war potential which could in the future surpass our own.

Such a war potential, including within it the precision industries of western Europe, would increase tremendously the capabilities of the Soviet Government for production of atomic bombs and the means of delivering them, such as bombers, guided missiles, and rockets. Through control of the Atlantic coast of Europe, the Soviet Government would have gained bases for future use of such weapons against our country.

Nineteen hundred and fifty-two, 4 years from now, is the year in which this program is designed to make western Europe self-sustaining. Nineteen hundred and fifty-two, 4 years from now, is also the year in which the President's Air Policy Commission reports we must become prepared to meet a sustained atomic attack upon the United States.

If failure to implement this program will increase the threat of war to our country, we must recognize clearly the kind of war with which we would be threatened. After 1952, 4 years from now, that war could be atomic war, with consequences for our people and our cities entirely beyond either our previous experience or our imagination.

We must recognize also that the danger of war which failure to implement this program would create is not solely long-range, but could arise acutely even within a year. To appreciate this it is only necessary to look at the map, note how the colonial territories of western Europe extend widely over the earth, and then consider whether our Government and the American people would be willing to remain passive while all these territories became bases and potential springboards of the Soviet Union. Some of these territories, such as parts of north Africa, are of great strategic importance. Others, such as the French and Dutch territories in the Caribbean, are within the American Hemisphere. It seems clear that for the Soviet Government to extend their system into this hemisphere through control of these territories would be a direct contravention of the Monroe Doctrine.

I believe that all those who have questioned the need of adequate implementation of this program should face squarely the acute and dangerous problem which the collapse of western Europe would raise for the United States in respect to these far-flung colonial territories, and should themselves consider just what action would be required to solve that problem.

The third function of the European-recovery program, which is of particular interest to the American Legion, is the rehabilitation of western Europe.

A large number of our members are businessmen who know the importance of foreign markets and continuing exports to our economy. A large number are workers in industries which have important export markets. The many who have given serious study to economic problems realize that this country cannot long remain an island of prosperity in an impoverished and chaotic world. They realize also that European recovery actually involves the whole world, due to the central role of Europe in world trade. The world cannot regain economic health without Europe, while European recovery will rapidly benefit all other continents.

A great proportion of our members have fought in Europe in the two World Wars. Their battles either saved or liberated the people of Europe from tyranny. Only they have known the peoples of Europe at first-hand and wish to see them healthy, prosperous, and free. Today the free peoples of Europe are threatened with a new tyranny to which, without the aid contemplated in this program, they could be forced to bow. To untold thousands of the veterans who fought in Europe such a catastrophe would mean that they had fought in vain, and that their comrades who did not come back had died in vain.

When Secretary Marshall appeared before you he said, "Though the war has ended the peace has not commenced. We must not fail to complete that which we commenced." The veterans of the American Legion agree wholeheartedly that we must complete the task of winning the peace for which we fought. The cost of this program is small, very small compared to the cost of war, and involves a reasonable assessment each citizen can and should bear for the prevention of war. It is also small compared to the program's value as an instrument for wining the peace and as an insurance of our peace, our national security, and our American future.

The American Legion has always worked for peace and is still working for peace. The only way to prevent war and critical situations such as exist in Europe today is to act firmly, promptly, and adequately but with complete readiness if war should be forced upon us. Time is of the essence. There must be no appeasement. Respectfully I urge upon this committee speedy consideration of this legislation so vital to the peace and welfare of our people and its speedy enactment into law.

Tax Reduction

EXTENSION OF REMARKS
OF
HON. ROBERT E. JONES, JR.
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. JONES of Alabama. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Huntsville (Ala.) Times of January 13, 1948:

TAX REDUCTION NOT EVERYTHING

The perpetual slogan of the Republican Party in Congress is "Cut taxes."

Apparently little else matters to most of its Members. National security, aid to Europe, internal improvements—all these are secondary to a reduction of taxes.

Everyone, of course, wants tax reduction. It is a natural urge, for Federal taxes as a result of World War II, are at fantastic heights. They are a sore drain on individual and corporate pocketbooks. They add to the mounting cost of living.

But national welfare and private interest often conflict. They do so today, greatly.

At a time when our national security is scarcely less perilous than when we were at war, because of the attitude of Russia; when the possible collapse of Europe stares us in the face, unless food and funds are provided for reconstruction; when the national debt is at an astronomic height, it is certainly debatable whether the time is here when there can be any slashing of taxes, just because individuals are galled and vexed by the burden they impose.

And certainly the gnashing and ranting of the Republican majority upon this sole topic is not either very informative or impressive.

National security and debt reduction are assuredly entitled to prior consideration.

The Old Age and Survivors Insurance Law Should Be Amended

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. MACK. Mr. Speaker, under leave to extend my remarks, I include the following radio address made by me recently to the citizens of my district:

The present social-security law, enacted in 1935 and which went into effect in 1937, has now been in operation for 10 years. As is the case with nearly all laws, time and experience have revealed injustices and inadequacies in this one. In simple justice to the more than 40,000,000 workers who are covered by this act and to the 30,000,000 others who at present are denied its protection, the shortcomings and defects in social security which time and experience have revealed should be corrected by this Congress. The correction of exposed and revealed injustices in old laws often is of as great or more importance to the people than the enactment of new legislation.

My attention was first attracted to injustices in the present old-age and survivors' insurance clause (title II) of the Social Security Act by a group of public-power district workers in the State of Washington.

These workmen, for many years, had been employees of a private power company. For six of those years these men had paid social-security withholding taxes to the Government for old-age and survivors-insurance protection. Then a public power district bought out the holdings of the private company.

As employees of the private power company, these workers paid withholding taxes every pay day and were entitled to old-age and survivors-insurance benefits at the age of 65. But, now as workers for a publicly owned utility, they no longer are permitted to pay withholding taxes, even though they wish to do so, and forfeit all benefits from the payments in withholding taxes which they made over 6 years as employees of the private company. They not only are denied old-age benefits but the money they have paid into the fund for this protection is forfeited to the Government. They never will get any old-age benefits for the payments they made. Not a cent of money they paid into the fund ever will be refunded to them. Obviously, this is unfair and unjust.

The same injustice is perpetrated by title II (the old-age and survivors insurance clause) of the present social-security law on every worker of a privately owned bus line, water company, or other utility that later is transferred to public ownership.

The policies of private insurance companies carry a cash surrender value and paid-up insurance clauses. The policyholder is assured of getting back something of what he has paid in should he for any reason discontinue making premium payments. Why should not our Government be as fair to those whose money it collects for old-age protection as private insurance companies are to their policyholders?

Obviously, the Government should assure the worker some measure of old-age protection for the money the worker has paid in withholding taxes or part or all of the worker's premium payments made in the form of withholding taxes should be refunded to him. Otherwise, the money collected from a worker to whom no benefits accrue and to whom no premium refunds are made becomes an unjust and discriminatory tax because it is levied not on everyone but only on a limited group.

This injustice is all the more apparent when we consider the worker's withholding taxes are taken away from him by compulsion, he having no choice as to whether he wishes to come under social security or stay outside of it.

If employees of private power companies that later are acquired by public bodies were the only ones affected by this unjust provision of old age and survivors insurance the need for amendment of the act might not be so pressing. However, many other groups of workers are similarly affected.

The same injustice would have occurred had these people been employees of a privately operated bus line, a privately operated water company, or any other private utility that later was transferred to public ownership.

But public utility district employees are not the only ones injured by this injustice in the present social-security law.

A young store clerk may pay social-security taxes for 9 years and 9 months (39 quarters) and then become a partner in the business. As a clerk he is in a covered employment. As the owner, or part owner, of a business he is in uncovered employment. By changing his status from employee to employer, he forfeits not only old-age pension benefits at 65, for which he has paid, but he also loses all the premium payments, in the form of withholding taxes, which he has made.

The same is true of any employee in a covered employment who quits to go into business for himself, as merchant, manufacturer,

or farmer. These people should not lose everything they have paid into the fund.

Likewise, workers who quit covered employment to take a position with the State, a county, a city, a port district, a school district, or with any governmental body lose both benefits and also what they have paid into the fund, for governmental workers are not covered with old-age and survivors insurance under the present Social Security Act.

An individual's loss in such payments may total a considerable sum. A worker receiving a $250-a-month salary in a 9-year-and-9-month period has $585 paid into the fund by himself and his employer for his old-age protection. Yet, under the present law, he will not receive back a cent of this $585 or be entitled to obtain any benefits should he leave his covered employment at the end of 9 years and 9 months. Obviously, this is unfair and unjust. It is a wrong that Congress ought to right. How can Congress correct this?

The simplest and quickest way to right this wrong is for Congress to broaden social security to bring under it many groups which now are not covered.

At the present time there are an estimated 7,300,000 self-employed persons, not counting those in agriculture, who are in business for themselves. These 7,300,000 people are mostly small businessmen and professional people—lawyers, doctors, and accountants. Social security should be broadened to include and protect them. By covering these business and professional people, the injustice to the covered worker who quits his covered employment to go into business for himself can be largely eliminated and his investment in social security previously made by him through withholding-tax payments thereby can be preserved.

At the present time the owner of a small incorporated business is legally an employee of his own corporation, pays social-security taxes, and is entitled to old-age and survivors' insurance benefits. The owner of an unincorporated business is not. Certainly, the owner of the unincorporated business should enjoy the same rights as his competitor, who is the owner of an incorporated business.

The Social Security Administration estimates that there are 4,300,000 employees of State governments and their political subdivisions, including public power districts, public bus lines, and other public utilities. Today these public employees are denied a chance to participate in social security. The act should be broadened to admit them, with possibly a provision for teacher, police, and firemen groups, who in some communities and States have their own old-age pension plans, being permitted to come in or stay out of social security as they elect.

The benefits of old-age and survivors' insurance should also be extended, I feel, to employees of medical, health services, religious, charitable, and membership organization employees who are not now covered.

The broadening of old-age and survivors' insurance coverage of self-employed persons, of employees of States and their political subdivisions, and of several other special groups will bring an additional 12,000,000 to 15,000,000 persons under old-age and survivors' insurance protection.

This, in my opinion, is both good business and good humanitarianism. It will provide old-age and survivors' insurance protection for almost everyone and at the same time, within not too many years, largely wipe out the tax drain for State old-age public assistance which now is costing the States and Federal Government almost $1,000,000,000 a year.

Under title II of social security everyone, if possible, should pay during the earning years of his youth for the protection he obtains in his old age. This is not added tax expense for the general public, for all will be paying while they earn for protections in the period when, through old age, their power to earn declines.

Another injustice in the present social-security law is the provision which takes away the pensions of a covered worker of over 65 whenever he or she earns in a covered employment more than $14.99 in any calendar month.

This provision leads to many absurdities. For example, a Congressman who has built up social-security pension qualifications while in private life, can draw his social-security benefits at age 65, while at the same time drawing a salary of $1,000 a month from the Government. This is true because the Congressman obtains his $1,000 salary from an uncovered employment.

At the same time another person over 65, if he earns as much as $15 working part time in a covered employment, loses all social-security benefits.

Under the present law, a person over 65 who has an old-age and survivors' insurance pension can continue to receive that pension even though he draws $1,000 or more a month in profits, interest, or rents, while one who has no income at all except his social-security pension, forfeits that pension if he earns as much as $15 in any month in any covered employment. Obviously, this is unjust and unfair to pensioners. It is absurd. More than that it is economically unsound in the light of the present desperate need for more and more production to supply the goods and services which the people of this Nation want and need and which they are prepared to buy were these goods and services available.

In my opinion, the amount of money a worker may earn in any calendar month in covered employment without forfeiting his old-age benefits should be raised to at least $50 a month or the clause limiting the pensioner's earnings should be wiped out altogether.

Workers over 65 who are in good health and find happiness in working part time should be encouraged, not discouraged, for working part time if they desire to do so. They should not be penalized for working. Work alone produces wealth. The more people who work the more goods this Nation will have to divide and the higher our American living standards will become.

Another defect in present social security and old-age survivors' insurance is that it does not now provide as adequate monthly pensions to persons over 65 as the huge sums being collected by withholding taxes justify.

I am convinced that any fair-minded study of social security's income compared to its outgo during the last 10 years will reveal that substantially higher monthly pensions can be paid to persons over 65 without disturbing the soundness and stability of old-age and survivors' insurance.

The old-age and survivors' insurance reserve fund—a fund that represents the amount of money social security has collected from workers over and above what it has paid out on November 30, 1947, contained $9,380,000,000.

In the 5 months between July 1 and November 30 of last year, social security and survivor insurance fund receipts were $580,000,000 more than it paid out during those same 5 months. In short, old-age and survivors' insurance reserves from which pension payments are made are increasing at the rate of more than a billion dollars a year, more than $116,000,000 a month or $3,800,000 a day.

This great surplus of income over expenditures is not something new. It has been going on for a long time. During the last fiscal year which ended last June 30, the Federal Government collected from workers for old-age and survivors' insurance $1,459,000,000 in withholding pay-roll taxes and the old-age and survivors' fund received another $163,500,000 from interest on investments.

From these gross receipts of $1,623,000,000 there was paid out last year for both administration and for old-age and survivors' pensions a total of only $455,400,000 with the result that last year alone more than a billion dollars were added to the old-age and survivors' reserve fund. Of every $1 collected for old-age and survivors' insurance, 26 cents was paid out for benefits and 74 cents went into the reserve.

In the light of the great increase of receipts from withholding taxes over and above expectation, and of disbursement below expectations, I feel that a substantial increase in present benefits is easily possible without any danger to the financial soundness of the reserve fund.

The maximum monthly pensions which now may be paid to a worker over 65 and who has paid into the fund continuously since its start 10 years ago are $44 to the single worker, $66 to a couple both of whom are over 65 and $33 to a surviving spouse. The pensions payable to persons who have not been covered for the full 10 years or whose earnings were less than the maximum $250 a month taxable salary, are much lower.

This schedule of old-age-pension benefits is, in my opinion, inadequate in the light of present day living costs and should be increased and, I believe, can be increased safely probably by about 25 percent.

Our goal in old-age and survivors' insurance should be the bringing of every possible group under its protection. By doing this we will be providing nearly all Americans protection in their old age. At the same time, we will be reducing the heavy drain in taxes levied on the people by the States and Federal Government to support the present system of State old-age assistance which now costs approximately $1,000,000,000 a year, for the more people we have under old-age and survivors' insurance, if its pensions are made adequate, the fewer we will have on State old-age assistance.

The broadening of old-age and survivors' insurance and the making of its pensions more adequate provides a way to make old age more secure and general taxes less burdensome.

I sincerely hope Congress will do something this year toward making social security a better and a more just law by so amending it that some of the defects and shortcomings in this law which time and experience have revealed will be eliminated.

Scio-Ohio Pottery Co.

EXTENSION OF REMARKS

OF

HON. EARL R. LEWIS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. LEWIS. Mr. Speaker, on December 11, 1947, a fire destroyed the main plant of the Scio-Ohio Pottery Co., located at Scio, Harrison County, Ohio, in my district. It is another episode in the challenging story of a prosperous little Ohio town.

In November 1932, using the run-down buildings of an abandoned pottery, Mr. L. P. Reese, president of the Scio-Ohio Pottery Co., began the construction of this plant. He interested the townspeople in his idea; and, with only the hope of jobs, virtually everyone turned out during Thanksgiving week, 1932, to repair roofs, replace broken windows, re-

build the road, and clean up weeds and debris. He then redesigned the kilns and set up machinery and equipment, using the assembly line theory for the mass production of tableware. In the intervening years the plant has grown, until last year it produced more individual pieces of pottery than any other plant in the United States, and has brought unexampled economic health and wealth to the community where it is located.

In the week before Christmas, 1946, Mr. Reese gave a Christmas party, at which time he distributed bonuses totaling $705,000 to his 825 employees. The bonus was computed on a sliding scale based on length of service and was made possible by the accumulation of profits while wages were frozen during the war. Eighty people received $3,500 each, and a man who went to work the day before received at least $10.

In early December 1947 Mr. Reese issued invitations for another Christmas party at which he intended to distribute bonuses in excess of $440,000. When the fire almost completely destroyed the plant the 1947 Christmas party had to be canceled, but 2 days later Mr. Reese announced that the plant would be rebuilt. Immediately the citizens of Scio and the surrounding countryside began to clear the charred ruins for reconstruction of the plant. So spontaneous and genuine was their response to the challenge posed by the destruction of their sole industry that men, women, and children of that community, whether former employees of the pottery or not, turned out as one man to aid in clearing the grounds to make way for the new building which will house the pottery. This constituted such unusual community action that the Pittsburgh Sun-Telegraph of December 14, 1947, published a feature story describing it. The article follows:

SCIO, OHIO, December 13.—This is one place on earth where good will toward man is more than just a theory.

The town which L. P. Reese put on the map with the Scio-Ohio Pottery Co. now is helping to rebuild the pottery plant which was half ruined by a $1,500,000 fire last Thursday.

Saturday men, women, and children wielded brooms, pushed wheelbarrows, and helped sort seared and broken china in the twisted shell of the gutted plant.

Working as hard as the rest were Reese, who started the factory 15 years ago, January 5, and his brothers, George, the purchasing agent, and Scot, superintendent of the plant.

MINISTER AIDS

Also working, in lumbermen shirts and wool caps, were the Reverend Herbert B. Shiltz, a Methodist minister, and the mayor of Scio, P. W. Getter.

Gone are the plans for the Christmas party and the annual Christmas bonus with which Reese rewarded the townsmen who built the plant from scratch.

Said Mayor Getter: "The town is back of them 100 percent. The industry is the town."

R. W. Bushy straightened over a shovelful of debris and said: "You're doggoned right I'm going to help rebuild. I helped when the industry started 15 years ago and I'm going to do it again."

ALL PAID

Last night at a meeting in the Scio High School auditorium, L. P. Reese handed out the paychecks for December.

His message to the people, was that the pottery would rebuild, that those who helped rebuild would be paid, and that those of the 830 employes who could not be employed in the rebuilding should get other temporary jobs, seek unemployment compensation and be on hand when the pottery reopens on full schedule

He expects to have two or three kilns operating in three weeks, but full production is at least 6 months away.

Stacks of yellowed and cracked plates, cups, and dishes littered the cinder-covered floor of the pottery.

Back in the war days, said George Reese, "L. P.," the "long-headed" brother, foresaw that any of the 139 items which the firm produced would not be considered essential, so he cut down production to such necessities as cups, saucers, plates, meat platters, and bowls.

MANY ORDERS

Said George Reese:

"The result was we never lost one hour during the war and we're still running a year behind on orders."

In the fire, $400,000 worth of tableware was destroyed. Ironically, Thursday was not shipping day, and the fire hit the products which were to be shipped on 11 waiting freight cars the next day.

Biggest item, though, is the machinery.

Last week a $9,000 cartonsealer was operated for the first time. It was destroyed.

But promises of help are coming from many directions. Companies in Cleveland, Pittsburgh, and New York are calling "L. P." and telling him they'll do all they can to put the firm on its feet again. That also includes the Pennsylvania Railroad.

Meanwhile, in portions of the plant which the fire did not touch, secretaries and clerks are going on with the paper work.

MUSEUM

At the height of the fire, when it was feared the entire plant would go, files were hastily cleared; "the museum," a room wellfilled with animal trophies shot by both L. P. and employees, was emptied.

Strange combinations of papers, mounted animals and intact pottery found its way into the homes of the workers, who are now returning the goods they saved.

In the steel skeleton of the ravaged part of the plant men swing at work like monkeys in the cages of a weird, king-size zoo. Women on the floor below pile the unbroken china in stacks

While the self-appointed salvage crews clear up the debris, Aaron Wagner, the construction engineer, is taking inventory of the destroyed machinery and placing his orders immediately with George Reese.

It isn't much of a Christmas party that Scio is celebrating this year, but it is certainly demonstrating that good will is there.

According to M. W. Horton, druggist:

"We've been here 67 years, and we have seen the Reeses come, and now we've seen them go, but we know they'll be back again, twice as good as before."

Mr. Speaker, the man whose energy, ability, and foresight led to the construction of the Scio-Ohio Pottery Co. and the development in that community of one of the most successful businesses in America is an unusual man. I know him well and count him among my warmest friends. The people of Scio and those who work in the pottery are splendid people. I know many of them personally; they are industrious, thrifty, and dependable. The combination of an unusual leader, like Mr. Reese, working with splendid men and women, like the citizens of Scio, has resulted in an employer-employee relationship that is almost without parallel in the United States. The fact that such a relationship exists in Scio points to the possibility that other such relationships between employer and employees can be established elsewhere in these United States of America to the immense profit and advantage of both employer and employees and the ultimate welfare of our Nation as a whole.

In conversation with Lou Reese last week he told me that the new building to house the pottery will be ready for occupancy and operation by February 13, 1948. I think this a truly remarkable accomplishment of remarkable people.

Expand and Extend Rural Electrification

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. EVINS. Mr. Speaker, recently the Rural Electrification Administration Administrator, Claude R. Wickard, announced a major change in REA loan proced re. The announcement was to the effect that loans will no longer first be allocated and later a loan contract signed. Instead, the allocation and contract will be effected at the same time. This will not only speed up the process of making funds available for furtherance of the rural-electrification program but serve to allay the often-advanced criticism that funds are available within the Rural Electrification Administration which have not been contracted. Heretofore, an allocation was necessary prior to the signing of the loan contract. The existence of this procedure allowed many so-called friends of REA to proclaim their "support" of REA while at the same time claiming that REA had all the money it could use, as they pointed to unadvanced funds. The smoke screen of allocation made their argument seem real but in fact not representative of the true situation. Henceforth, unadvanced funds will be contracted for by REA and borrowers in a single step.

During the special session of the Congress, an effort was made to appropriate a sorely needed $200,000,000 deficiency for REA loan authorization. This measure failed of passage by a few votes because some Members of the House insisted that REA was retaining at the time substantial unadvanced loan funds. Actually these funds had previously been allocated and there presently exists a need on the part of the REA for funds for the approval of outstanding applications for loans which cannot be approved by reason of insufficient appropriations for furtherance of the rural electrification program.

Mr. Speaker, moneys provided to REA do not represent gifts but loans for a most needed purpose in our own country and every cent appropriated for building rural electrification power lines will be paid back and returned to the Treasury of the United States. It is hoped that the Congress will appropriate adequate

funds for furtherance of the rural electrification program during this session of Congress.

In this connection, Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to include an editorial from the Rural Electrification Magazine, January 1948, entitled "Year for Courage and Action." The editorial is as follows:

YEAR FOR COURAGE AND ACTION

Nineteen hundred and forty-eight—a year for men of courage and foresight.

We have passed through one of the most trying years in the short history of the rural electrification program. Complex problems—material shortages, a critical power supply deficiency, inadequate loan authorizations, and intensified private utility enmity—hampered the program last year. Happily, deliveries of materials have improved during the last 12 months and the outlook for '48 is brighter. But the shortage of generating capacity lingers—and even the utility officials who deny that any shortage exists (merely an "excess of demand over supply," as they say) are worried about winter peaks. An attempt to secure a deficiency loan authorization for REA during the special session of Congress failed during the waning days of 1947; hopes flicker dimly for a deficiency authorization during the regular session. The obstructions and delaying tactics of the private utility industry are something we evidently must resist as long as we seek to exist.

But courage and foresight saw us through 1947, and enabled construction of 52 percent more miles of rural line than were built in the preceding year. Courage and foresight can pull us through in the most trying of years ahead.

It will take courage to fight—to fight until we win—for adequate loan authorizations, to convert unadvanced funds into completed construction quickly enough to silence our critics, and to stave off utility spite-line and lobby attacks. It will require courage, and probably provident rainfalls and pure luck tossed in, if the power shortage is not to plague our people.

As we begin the new year there is more reason for hope than despair, though. Our hopes are pinned on the unity and cooperative spirit displayed by the Nation's rural electric systems during the year just past. Their foresight in joining State organizations and their national association in order to meet mutual problems as they arose is encouraging. Their support of REA before congressional committees adequately answered utility attempts to drive a wedge between the Agency and its borrowers early last year.

All of this promises that new records established by the rural electrification program in 1947 can and should be shattered in 1948. More money should be advanced, more miles of line energized, and more new members served than ever before in any one year.

The year 1948 will be a year of growing maturity among REA-financed systems. Older co-ops and power districts are already assuming tasks formerly performed as a part of REA's divisional services. And they are doing it without, in any way, increasing the Government's negligible risk. As the new year begins, only one-half of 1 percent of interest and principal payments to REA are 30 days overdue. The record continues to be one of the most enviable of all time.

It is probably true, as opponents of increased REA loan authorizations have stated, that Congress will continue to add new loans each year. However, from the standpoint of finishing the rural electrification job in the quickest and most efficient manner, Congress has failed to provide adequate loans during the past year and demonstrates an unwillingness to correct a deplorable situation. Applications on hand in REA now exceed unallocated (uncontracted) loan authorizations by the staggering amount of $157,000,000—an amount which is pyramiding at a rate of $25,000,000 each succeeding month.

We must meet this problem of inadequate loan authorizations head on in 1948, and meet the other problems just as squarely, too, if the rural electrification program is to accomplish what it should this year.

Naval Air Transport Service Has Record of No Passenger Fatalities During 1947

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. VAN ZANDT. Mr. Speaker, even though the Naval Air Transport Service is a unit of the United States Navy, yet its chief mission is the transportation of passengers and cargo.

The record of completing a calendar year without any fatalities on the part of the NATS reflects credit upon the United States Navy and, in particular Rear Adm. J. W. Reeves, Jr., United States Navy, and all of his officers and men for their efficiency in maintaining and flying NATS planes.

I take pleasure in joining thousands of Americans in complimenting the NATS for the splendid record that has been established as revealed by the following statistics:

The Naval Air Transport Service flew more than 320,000 passengers a total of almost 500,000,000 passenger-miles during 1947 with no passenger fatalities, according to an operational summary released by Rear Adm. J. W. Reeves, Jr., United States Navy, commander of NATS.

Approximately 75 percent of the route miles flown by NATS lies outside the continental United States, and is flown in support of deployed fleet units and shore establishments.

Although figures included in the operational summary cover only scheduled flights, the Naval Air Transport Service had no passenger fatalities throughout the system during the year. Approximately 90 percent of all transport flying done by NATS is scheduled flying, while the other 10 percent is carried on as special missions, training, and test flights.

The operational summary follows:

NATS operational summary, 1947

I. SERVICES PERFORMED

1. Route miles (December 1947):	
Domestic	7,972
Overseas	32,863
Total	40,835
2. Transport hours flown	[1] 117,569
3. Transport plane-miles flown:	
Domestic	[1] 5,044,660
Overseas	[1] 16,981,110
Total	22,025,770
4. Passengers loaded	[1] 312,522
Air-evacuation patients loaded	8,254
Total	320,776

NATS operational summary, 1947—Con.

I. SERVICES PERFORMED—continued

5. Passenger-miles flown:	
Domestic	[1] 106,826,143
Overseas	[1] 370,975,997
Patient-miles flown	[1] 18,091,035
Total	495,893,175
6. Cargo loaded tons	[1] 25,526
7. Cargo ton-miles flown	[1] 34,231,775
8. Mail loaded tons	[1] 5,053
9. Mail ton-miles flown	[1] 10,760,292
10. Total tons loaded	[1] 59,558
11. Total ton-miles flown	[1] 98,770,966

II. SAFETY RECORD

1. Passenger fatalities per 100,000,000 passenger-miles	0

III. DEPENDABILITY OF SERVICE

1. Percent scheduled flights canceled	5.1
2. Percent scheduled departures delayed (Jan. 1–Dec. 13)	11.3
Average hours per delay (Jan. 1–Dec. 13)	2.80
3. Percent scheduled miles completed (Jan. 1–Nov. 30)	98.0

IV. SATISFACTORINESS OF SERVICE

1. Percent of passengers who submitted reactions	57.1
2. Percent passenger reactions received that were unfavorable	1.5
3. Ratio of actual to scheduled shipping time of NATS priority cargo	116.1

V. EFFICIENCY AND ECONOMY

1. Average number of transport aircraft assigned	116
2. Average aircraft operational utilization hours:	
R5D	[1] 6.8
RAD	[1] 2.4
JRM	[1] 8.5
3. Average load factor (January through November)—percent	83.3
4. Average personnel on board	[2] 5,766
5. Average month ton-mile per unit of personnel	1,427

[1] December estimated.
[2] These on-board figures include transport personnel only.

Rubber in National Defense and National Economy

EXTENSION OF REMARKS
OF
HON. FRED L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. CRAWFORD. Mr. Speaker, this Congress will soon be called upon to consider legislation having to do with rubber both in relation to our national defense and in relation to our national economy.

Recently the Chemical Engineers Club of Washington made the rubber problem the topic of a symposium and, under the unanimous consent privilege given me, I desire to submit for consideration of Members of Congress the views of two of the speakers, Rear Adm. C. E. Braine, chairman of the Army-Navy Munitions Board rubber committee, and Mr. C. B. Hadlock, of the Office of Rubber Reserve of the RFC.

Their statements follow:

THE NATIONAL RUBBER SITUATION FROM THE VIEWPOINT OF OUR NATIONAL DEFENSE

(By Rear Adm. C. E. Braine)

One of the peacetime duties of the Navy Department is war planning. This includes

industrial-mobilization planning, which is one of my functions in the office of the Under Secretary. One of the most important materials in this program is rubber.

Industrial-mobilization planning is no different from any other planning. First, we estimate the situation. What do we desire to achieve? What is available to us? What obstacles must be overcome? Then make our decisions. Such planning is similar to attacks on all problems, but in this case the scope is so broad and so many factors are involved we need a supercharge of magic. This element, fortunately, has been provided by the wholehearted patriotic cooperation of scientific societies, business associations, industry, labor and government, which all together form our great democracy. A democracy is based on a view of the role of the people's will in government. If we will to have a strong national defense, which means wish it with a knowledge of the price and a willingness to pay for it, we shall have our will. If we merely want it, making no great effort to find the means, we go the way of many admirable societies which died because they were politically inadequate to the necessities of the times in which their fate was decided. We hear that 1948 will be a year of momentous decisions. I agree that decisions made now will affect our lives drastically, and I hope that we do not lose sight of the lesson of history in regard to the importance of rubber to our life and as a necessity for national defense.

Fortunately, I believe, that the price the taxpayer will have to pay in this case will be small and soon we will have a new self-supporting national asset in the form of a new industry using American management and labor. We must become as self-reliant as possible and not have to depend on others. Information which is not secret indicates that due to the brains and ability of the American chemists we soon can expect substantial improvements in American-made rubber. This does not mean that the entire product will be synthetic, and I am not losing sight of the proper proportion of natural rubber. Such amounts must be stock-piled for safety, but without an impossibly large stock pile, we must retain an active and readily expendable, technologically advanced, American rubber-producing industry. This should be backed up by retention of sufficient stand-by capacity from our presently owned plants to permit rapid and prompt mobilization if needed. This proposed plan for the rubber industry does not differ radically from that for other basic materials, such as magnesium. During the war, certain progress was made in the growing and processing of certain plants within the limits of the United States which gave a sap from which a natural rubber could be obtained. Peace came before this was perfected, but the promise was there, and a small development program along these lines is being carried on by the Department of Agriculture at our request.

I am sure that Mr. Kennedy will cover the State Department's position in regard to cooperation with rubber-producing countries. We fully realize the importance to national defense of a healthy world and have no wish to ruin any country. However, others are much more willing to cooperate with a strong country than a weak one, and we must always try to be in a position where decisions regarding our national defense are in our hands.

You are all aware I am sure of the history of the American rubber industry. After VJ-day the Interagency Committee on Rubber Policy continued under Mr. Batt's chairmanship. The military departments were members of this committee and their views in respect to defense matters were given full consideration. When this committee was dissolved, it was re-formed under the Army and Navy Munitions Board and I became chairman. In general the membership remained the same representing all departments and agencies of the Government interested in rubber. Therefore, when the Army and Navy Munitions Board undertook to send a draft of legislation to the Congress in July the resultant effort followed the lines this committee had been pursuing for the past several years. This draft met certain objections particularly from parts of industry. An analysis of these differences of opinion showed that the controversial features were not important from the defense viewpoint as long as legislation was passed securing our basic aims. These were clarified in writing and I am delighted to say that everyone with whom I talked gave them full support, with the exception of the size of the active industry to be retained. All agree there should be such an industry but figures vary depending on the viewpoint.

This does not mean that there was an unanimous agreement on methods of supporting this industry, its management, or the ownership of plants. But the Munitions Board speaking for the military departments has decided that such decisions which affect our country and its citizens as a whole are not proper matters for their jurisdiction but properly must be decided by the Congress. We all stand ready to offer our official and personal opinions and to assist as we can, and I am sure that the hard work and intelligent study of Mr. Shafer's committee will bring forth the best possible legislation which will protect our defense interests and the welfare of the whole country.

The most recent comment on this matter by Mr. Hargrave, chairman of the Munitions Board, is that legislation should provide:

(a) About one-third of the total new natural and general purpose synthetic rubber used in this country should be general purpose synthetic rubber manufactured in our plants.

(b) A small amount of synthetic rubber of the type suitable for use in inner tubes should also be kept in production.

(c) The total operating and stand-by capacity for the manufacture of general purpose synthetic rubber should be about 600,000 long tons per year.

(d) The simplest possible method, with the minimum of Government control, should be used to accomplish the above objectives.

(e) Mandatory usage appears to be the best method of fulfilling these prerequisites; such mandatory usage to be confined to as few products as possible.

They also emphasize the need for the active operation of as many plants as possible in dispersed locations.

The Munitions Board will continue to be interested in rubber from the viewpoint of rubber products required by the military forces. The other aspects of the whole picture will come under the cognizance of the National Security Resources Board which handles all raw materials subject to the restrictions placed by the Congress in the new legislation.

As a naval officer, I can state wholeheartedly that our country needs a self-reliant domestic rubber-producing industry as a vital element of our national defense and should war never come, as we hope, I believe it will be a national asset.

SYNTHETIC RUBBER INDUSTRY AND ITS RELATION TO OUR NATIONAL ECONOMY

(By G. B. Hadlock)

If there are any full-fledged economists listening to me tonight, I hope they will bear with me for a moment while I invade their field of operations. It is not my purpose to expound any weighty arguments that might leave me over my depth. Instead I shall ground my approach to a fundamental segment of economic principle—the law of supply and demand. That law governs just about everything we have in our daily lives.

As long as there is a free play of economic forces in the world, the old law of supply and demand works with clock-like precision. But when those forces are distorted by artificial means of one sort or another, somebody has to suffer. This is clearly shown when the supply of a basic commodity is restricted by means of a reduction in output, through arbitrary curtailment of productive acreage, or the withholding of goods from the market. The laws of this country have worked rather effectively to eliminate artificial controls over domestic production, but wherever we are dependent upon foreign sources for our supplies of vital materials we have to pay the other fellow's price. He can release supply when prices are high, and contract them when they are low.

This Nation was paying the other fellow's price for crude rubber a few years ago, and there was nothing we could do about it. Not only that, but we had to haul our purchase over 11,000 miles. All too often that purchase represented only what the British and Dutch dominated cartel was willing to allow us. Certainly that constituted a precarious supply line for the largest consumer of rubber in the world.

But that was the shape of things before your synthetic rubber industry came into being. As long as enough rubber came in to cover our requirements and we could all buy a new car every year or so, there was little or no occasion to ponder over the fact that 92 percent of the world's rubber was produced so far away. As the war in Europe grew in intensity and spread its influence to the Far East, the danger to a continuance or dependable shipping became more and more apparent. Almost suddenly the supply of ships soon became alarming. As stocks in the hands of manufacturers began suddenly to drop dangerously low, it began to look as though this Nation on wheels might soon become a nation of pedestrians. Let us not lose sight of that scare when we consider the value of our newly established synthetic rubber industry.

But this new industry could not be created overnight. It took over 2 years of unremitting labor, employing the best technical brains in the Nation, to produce the first pound of synthetic rubber. Meanwhile, the best that your Government could do was to buy all the crude rubber there was to be found, wherever it was and whatever the price demanded. The RFC stood on the doorstep of the rubber cartel—virtually with hat in hand—seeking to purchase all the crude rubber they would sell us.

The last lot to leave Malaya on January 25, 1942, was under a rain of Japanese bombs, but that final cargo was more precious than gold. It was one small thumb in the dyke that was getting weaker every passing minute. We combed the wilds of the Amazon Valley for rubber and spent $135,000,000 before another 100,000 tons was added to our rapidly dwindling stock pile.

The sight of that small handful of rubber cast a gloom over every thinking man and woman. The sad story was brought home with poignant effect as the public was admonished to turn in their old tires and household rubber articles—bath mats to garden hose—so that our armed forces might move forward on wheels.

Such was the atmosphere as the man in industry enthusiastically joined hands with the Rubber Reserve Organization in getting that first synthetic rubber plant in operation.

We were deep into the war when the first ton of synthetic rubber oozed through the Firestone plant at Akron, Ohio, on April 26, 1942.

We were now over the hump—operating an American-owned, strictly independent source of rubber. It was now upward and onward, free of the hesitation that had characterized the plans of 1940 for the first synthetic

plants. A new industry had been established on which the Reconstruction Finance Corporation had expended about $760,000,000, adding about one-third to the Nation's rubber industry investment. Included in this new industry were 51 plants representing $335,000,000 in butadiene plants, both alcohol and petroleum; $77,000,000 in styrene plants; $51,000,000 in butyl rubber plants; $200,000,000 in copolymer and neoprene plants; and $20,000,000 in various miscellaneous projects representing catalysts, minor chemicals, etc.

Starting with 500 tons in April 1942 those plants turned out 2,241 tons during the year, rising to 738,000 tons in 1944, and 802,000 in 1945. While capacity was estimated at 833,000 tons, an operating rate of a million tons had been achieved by VJ-day. At the height of production in 1945, there were about 22,000 employees engaged in these operations. We are now employing approximately 12,000 persons in the production of approximately 400,000 tons annually.

I shall not attempt to draw any comparisons of synthetic rubber with the natural product, because I am rather confident that my audience of eminent chemists have already given some thoughtful consideration to that subject. But let me dwell for a brief moment on the fact that this synthetic rubber has performed a war service that is virtually without parallel. When General Eisenhower swept across Germany and on to Berlin, synthetic rubber was on every moving vehicle. It went with General MacArthur into Tokyo. It is keeping up that service today wherever American troops are stationed, while here at home it affords us continued and efficient transportation. Through postwar exports, synthetic rubber has kept transportation in foreign lands at a high peak of efficiency.

Here at home no vehicle of essential transportation ever had to stop because of a lack of wartime rubber. Although rigid conservation was demanded by the War Production Board, rubber was available for every essential industrial use. Rubber balloons were out for the duration, as were rubber toys, and rubber heels were not as easily obtainable as they were prewar, but rubber moved into war plants with constant regularity, permitting an uninterrupted flow of munitions to our fighting forces. We were breathing easier with this dependable supply of synthetic rubber, but without it we could have lost the war.

It is certainly not easy for me to tell an audience of chemists anything about the quality of today's synthetic rubber. I do think, however, that you will agree with me that a product that has performed such an outstanding job is entitled to a more acceptable designation than the word "synthetic" connotes. I venture the opinion that time and public acceptance will ultimately bring about the discarding of that tag label and the products that flow from our plentiful supplies of petroleum, coal, and alcohol will be known only as rubber.

Then synthetic rubber will join a respectable group of other products that have enriched our lives through the miracles of chemistry. In this group there are many essential materials, only a few of which have come out of the caldron of war. Rayon and nylon come quickly to mind as staunch competitors in the field formerly preempted by silk. In the manufacture of dyes, whoever today would think of reverting to the archaic methods employed before Perkins, an Englishman, who in 1856 synthesized dyes for the first time. By the turn of the century, the natural product from indigo fields had virtually vanished, along with the enormous expense of money and labor for their cultivation.

Actually, there are horizons unlimited for the further development of synthetic rubber. In this age of scientific research and development the potentialities are limited only by the capacities of man's mind. Contrast this, if you will, with the improvements that have been made over the years in the quality of natural rubber. And the synthetic product is right here at home, closer by 11,000 miles, with potentialities for increased production dependent only upon the opening up of more valves and using up available quantities of raw materials.

Where and how is this synthetic rubber used? Here in these United States, 76.2 percent of all synthetic-rubber production goes into the transportation industry, 23.8 percent into auto accessories, mechanical rubber goods and general-purpose uses, such as adhesives.

This market did not have to wait for rubber from foreign lands when the collapse of Japan put us back on a peacetime footing. While shortages were evident in a wide assortment of other essential materials, there has never yet been any delay in getting as much rubber as is needed. The automobile manufacturers, largest of any user, have been delayed time and again by the lack of steel, copper, and lead. As a consequence, you may have to wait another 2 years before automobiles are in ample supply. But that delay has come about at a time when the automobile manufacturers can get all the rubber they want. What a different story this would be if we had to wait for rubber to start moving in this direction from the Far East after the surrender of Japan. Today there is rubber for every requirement, from the large industrial establishments employing from 60,000 persons down to the little shops with as few as 10 persons. They have all been able to swing back into peacetime activity. We have had good quality rubber heels for a long time now, and the little rubber dog and toy balloons are all over the place again.

Plentiful and cheap, synthetic rubber has made it possible for you and me to have new tires on our automobiles. At 18½ cents a pound GR–S, we can now buy a tire for $15. Do you remember the state of things after World War I, with crude rubber selling at $1.06 per pound, and tires selling at $35.00. This plentiful supply of synthetic rubber has made it stand out as a one essential commodity in which there is no black market, no gray market; only a normal everyday buyer-seller market.

What has this contributed to our postwar national economy? Well, take a look at the earnings of our tire manufacturers. In 1946 and 1947 they have benefited tremendously, with earnings at all-time records. These earnings have been made with a minimum of hazard that formerly characterized their operations. No longer do they have to carry huge inventories over periods of from 6 to 9 months, and face the ever-present possibility of having to write off inventory depreciations at the year end. Today these rubber companies can get their raw materials as they are required, carrying an inventory that normally amounts to a 30-day supply.

Now I anticipate that some people may chide me about some of these things I have said tonight in view of the temporary short supply of GR–S. The present situation is the result of human error—failure of industry and Government to foresee consumption requirements and to plan accordingly. Errors of planning certainly cannot indict the fundamental truths nor detract from the value of our synthetic-rubber industry in our national economy.

In short, the rubber industry has today reached a state of stability unknown before. The synthetic product has brought this about. It has also placed this Nation in the enviable position of substantial independence of foreign supplies in the event of another war, which I pray God never blights this fair land again.

Government Services, Inc.

EXTENSION OF REMARKS
OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. HOFFMAN. Mr. Speaker, Government Services, Inc., operates some forty-odd cafeterias in Government buildings serving thousands of Federal employees. Because the officers of the union to which the employees belonged and who worked in those cafeterias, would not sign the affidavits, especially the anti-Communist affidavit, required by the Taft-Hartley Act, the company refused to deal with them, so they went out on a strike and threw a picket line around the Government buildings where the cafeterias were being operated. There was this exception. The marshal of the United States Supreme Court and the Secretary of Labor closed those two cafeterias, that is, the cafeteria operating over here in the Supreme Court Building and the one in the Labor Department.

The point is this: the picket lines' purpose was to close those two cafeterias. The corporation rendering the service was able, as I understand Mr. Fleming, to give adequate service to the Government employees. All the cafeterias were open except those two. By what right was this done? Yesterday Mr. Schwellenbach testified that he knew of no law which authorized him to close that cafeteria; nevertheless, he closed it.

The Marshal of the United States Supreme Court, Thomas E. Waggaman, requested the cafeteria in the Supreme Court building, which serves the employees of that building and the members of the public who desire such service, be closed. That, at least, is the testimony.

We do not know whether the cafeteria in the same building which serves the Supreme Court Justices was closed.

Carved in stone over the entrance to the Supreme Court building is the legend "Equal justice under law." Recently we have heard not a little about the evils of discrimination about the right of every man to vote, about the right of the Negro to equal opportunity to work, to attend institutions of learning, about the right to vote without the payment of a poll tax required of his white brother.

It is more than passing strange that in a building set apart to, among other things, prevent unconstitutional discrimination, men and women, white and black, should, by a Federal official, who draws his compensation from the Federal Government, be denied the opportunity to work just because the officials of the union, who will not officially declare that they are not Communists, do not follow the teachings of an organization, which by force advocates the overthrow of our Government, threaten to picket that building. It does not seem possible that the Justices, sworn to see that every citizen is to have equal justice

under law, know of this action by their Marshal.

It does not seem possible that any Federal agency, having charge of public buildings, any court charged with the duty of administering equal justice, the head of the Labor Department, should join a picket line in its efforts to close a cafeteria which is being operated in accordance with the law of the land.

That which the picket line of local 471 was unable to do, that is, close these two cafeterias, the board, headed by Mr. Fleming, the Marshal of the United States Supreme Court, and the Secretary of Labor, accomplished by order.

Thus, these two agencies and the Marshal assisted this union, whose officials refused to forswear allegiance to the Communist Party or their Communist affiliation, in depriving men and women, black and white, of the opportunity to earn a livelihood. They aided that union in depriving thousands of Government employees of the opportunity to eat a needed meal in a cafeteria lawfully operated. It would seem that here in Washington we should have a little more clear thinking, a little more of equal justice under law, a little less of political maneuvering, a little more support by Government agencies and officials to not only the letter of the law enacted by Congress but to the spirit of that law. It would seem as though, while we are being asked to appropriate some $17,000,000,000 to stop communism abroad, we have a little less support to communistically inclined individuals here in the Capital.

Strong Air Force Needed

EXTENSION OF REMARKS
OF
HON. JOHN BELL WILLIAMS
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. WILLIAMS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to include herewith an editorial from the Jackson (Miss.) Daily News of date of Tuesday, January 20, 1948, which states one of our most vital needs today:

STRONG AIR FORCE NEEDED

Stark facts regarding the inadequacy of American air power as it exists today and looking to the frightening possibilities of atomic warfare within a few years are presented to the people of the United States by the President's Air Policy Committee.

This group—all civilians—unanimously declare that the Nation must spend billions to enlarge and strengthen the Air Force and must plunge into air research as never before against a not distant day when we shall no longer have a monopoly of atomic weapons.

That day is computed as the beginning of 1953—5 years hence. It is the time when, these five men believe, "other nations will have atomic weapons in quantity and the equipment to deliver them in a sustained attack on the United States mainland."

It is the time when, they also declare, we must have "a counteroffensive air establishment in being which will be so powerful that if an enemy does attack we will be able to retaliate with the utmost violence."

But what, in the reasoned judgment of this committee, is the condition of the United States Air Force today? They assert it is "inadequate even now." For that grim atomic future—now so close—the prospect is infinitely worse. On the present basis of planning and preparation, American air power would be "hopelessly wanting" in a period of "serious danger of atomic attack."

What the committee sets forth is not fear mongering. It is a cold, reasoned analysis of conditions which cannot be denied and which it would be a fantastic extreme of folly for the American people, their Congress, or their Government to ignore.

Even without the vast perils of the atom it is indisputable that our country can be protected against all possible risks only by dominant air power.

On the record we do not have it now. We have not begun, seriously, to achieve it. To do so will involve enormous costs, the most thorough planning, and great efforts. Not to do it involves—invites—destruction.

Chairman Thomas K. Finletter and his associates on the President's committee soberly express the conviction that in the absolute sense the United States can be secure only if war itself is "abolished under a regime of law."

We should not despair of that. We should pursue, however, what the Finletter group outlines as a double-barreled policy abroad: to achieve world peace through support and development of the United Nations and at the same time "prepare * * * for the possibility that war may come."

We must, indeed, strive for peace with all our might. But we must never, in the sad present state of world affairs, make the unutterable mistake of neglecting our defenses.

The Air Force now plans to create 55 groups. The committee urges 70 by the end of 1949, with double the present basis of 3,500 first-line planes. It recommends swift modernization of the Navy's air branch. It earnestly urges extended air research, particularly in supersonic speeds, and calls attention to the condition that such research is now virtually at a standstill.

These recommendations and many others of great importance with reference to both military and civil aviation will call for Government outlays high above any that have heretofore been envisoned. It is, at least, encouraging to note that President Truman's current budget proposals seek substantial advances toward the committee's goals.

Are we, in this vital matter, going to count the money cost and say it is too much? We dare not be so blind. We should seek peace, by every honest means. We must not, however, run a single risk of atomic warfare against us. America must be made invulnerably strong in the air as quickly as the task can be done. There is little enough time. We must make the most of it.

Tax Reduction

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. KEATING. Mr. Speaker, after a thorough study, I cannot escape the conclusion that the most equitable method of tax reduction is by an increase in the personal exemptions and reduction of percentage points on the surtax. My bill, H. R. 5064, effects a graduated tax reduction ranging from 100 percent for a single person with a $700 income or married man with a $1,400 income, down to 4 percent in the highest income brackets. Though differing in details, this is the principle embodied in the tax-reduction bill which I introduced last year.

Conceding that the so-called Knutson bill, H. R. 4790, is a definite improvement over H. R. 1 and H. R. 3950 passed last year, I feel that, in the light of greatly increased living expenses, still further consideration should be given to those who now simply find themselves unable to make both ends meet.

There is certainly some bare minimum beyond which we should not go in forcing our people to contribute directly to the expense of running the Government. That principle is now recognized in the $500 exemption for a single man and $1,000 for a married man. If these figures were fair when established, certainly a $200 increase now is amply justified.

I do, however, subscribe to the doctrine that there should be some reduction all along the line. To argue that equality is achieved by reducing the tax of a married man, who is now paying $100 to $20, and of a man who is paying $10,000 to $9,920 is political demagoguery of the rankest type and a long step toward destruction of the very economic system which has permitted our lower income groups to enjoy a standard of living to which none other in the world is even remotely comparable.

My bill is in the nature of a compromise measure which, I feel confident, if enacted would either not suffer a veto or, if vetoed, would speedily be enacted in both bodies by the necessary two-thirds majority. It would insure tax-reduction legislation at this session of Congress.

Attached are schedules showing the tax under present law, under the President's proposal, H. R. 4790 and H. R. 5064.

It will be noted that the significant difference between H. R. 4790 and H. R. 5064 is that under my bill for single persons the reduction in tax under a $1,000 income is substantially more, and above $25,000 income substantially less, and also for a married couple with two children is substantially more under $5,000 and substantially less above $20,000.

Schedule showing income-tax reduction under various proposed plans

[Net income in first column is after allowable deductions, but before personal exemption]

SINGLE PERSONS, NO DEPENDENTS

Net income	Tax under present law	Tax under President's proposal	Tax under H. R. 4790	Tax under H. R. 5064	Percentage reduction under H. R. 5064
$600	$19	0	0	0	100
$700	38	0	$14	0	100
$800	57	$17	27	$16	72
$1,000	95	55	53	46	52
$1,200	133	93	80	76	43
$1,500	190	150	126	122	36
$2,000	285	245	206	198	30
$3,000	485	445	371	355	27
$5,000	922	882	727	709	23
$7,000	1,435	1,395	1,185	1,151	20
$10,000	2,347	2,307	2,003	1,929	18
$20,000	6,645	6,605	5,855	5,811	13
$50,000	25,137	25,097	22,482	23,127	8
$100,000	83,541	63,501	59,602	57,032	6
$500,000	407,897	407,857	366,949	388,750	5
$1,000,000	840,147	840,107	755,974	800,265	4

Schedule showing income-tax reduction under various proposed plans—Con.

MARRIED COUPLES WITH 2 CHILDREN

Net income	Tax under present law	Tax under President's proposal	Tax under H. R. 4790	Tax under H. R. 5064	Percentage reduction under H. R. 5064
$2,000	0	0	0	0	100
$2,500	$95	0	$13	0	100
$3,000	190	$30	80	$30	84
$4,000	380	220	233	182	52
$5,000	589	429	386	338	43
$7,000	1,045	885	708	703	33
$10,000	1,862	1,702	1,210	1,360	27
$20,000	5,890	5,730	3,656	4,856	18
$50,000	24,111	23,951	15,986	21,770	10
$100,000	62,301	62,141	44,224	57,946	7
$500,000	406,600	406,440	343,940	387,015	5
$1,000,000	838,850	838,690	732,966	800,265	4

The Share of the Sixth Missouri Congressional District in Foreign-Aid Cost

EXTENSION OF REMARKS

OF

HON. MARION T. BENNETT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. BENNETT of Missouri. Mr. Speaker, it is difficult for the mind to conceive the size of the gifts this country has provided in the past and is being called upon to provide in the future to various foreign countries. Perhaps it will help my constituents to get a better understanding of their individual or per capita share of this program if it is broken down into county and town and compared with local county revenues.

Assistance this country's taxpayers have given other countries from July 1, 1940, through June 30, 1947, totals $73,092,058,013. This includes war expenditures.

The assistance we have provided foreigners since the end of the war, through June 30, 1947, amounts to $24,099,211,087. This sum does not include approximately half a billion dollars more recently voted by Congress in special session at the request of the President as stop-gap aid pending a decision on the Truman-Marshall plan.

The Truman administration is now asking Congress for seventeen additional billions for foreign aid, with six billion eight hundred million of it to spend in the next few months.

The amount already provided since the end of the war equals $183 for every man, woman, and child in America, on the basis of the last official census. It has cost each average American family more than $25 per month for each of the last 2 years. That is the main reason for high taxes and high prices.

The official figures show four things:

First. The cost of foreign aid since VJ-day to the residents of each county and principal town in the Sixth Missouri Congressional District.

Second. The per capita cost to residents of each county and town of the proposed Truman-Marshall plan for $17,000,000,000 more.

Third. Total foreign aid provided and proposed.

Fourth. Net amount of taxes received by each county for county, county road and bridge, special road and bridge, and school purposes. The county tax total was derived from real estate, personal property, merchants and manufacturers, railroads and utilities, and covers a period from March 1, 1945, to February 28, 1946, inclusive, the last dates available for such comparison.

Sixth Missouri Congressional District

County and cities	Foreign aid July 1, 1945, to June 30, 1947—peacetime assistance	Foreign aid proposed by Truman-Marshall plan now pending	Total foreign aid provided and proposed	Annual county tax receipts from all sources
Barton	$2,589,084	$2,065,608	$4,654,692	$164,274
Golden City	158,661	126,582	285,243	
Lamar	547,536	436,832	984,368	
Liberal	141,093	112,566	253,659	
Bates	3,574,173	2,751,526	6,325,699	249,503
Adrian	158,844	126,728	285,572	
Amsterdam	31,476	25,112	56,588	
Butler	541,314	431,868	973,182	
Hume	89,121	71,102	160,223	
Rich Hill	364,902	291,124	656,026	
Rockville	61,488	49,056	110,544	
Cass	3,574,722	2,851,964	6,426,686	366,637
Belton	177,693	141,766	319,459	
Creighton	49,776	39,712	89,488	
Drexel	82,350	65,700	148,050	
Garden City	109,617	87,454	197,071	
Harrisonville	424,926	339,012	763,938	
Pleasant Hill	378,594	309,228	696,822	
Cedar	2,140,551	1,707,762	3,848,313	92,443
El Dorado Springs	428,556	341,932	770,518	
Stockton	146,583	116,946	263,529	
Greene	16,569,003	13,218,986	29,787,989	1,148,942
Ash Grove	201,483	160,746	362,229	
Republic	144,570	115,340	259,910	
Springfield	11,206,554	8,940,748	20,147,302	
Henry	4,083,279	3,257,698	7,340,977	301,548
Clinton	1,105,503	881,986	1,987,489	
Urich	85,095	67,890	152,985	
Windsor	434,259	346,458	780,717	
Johnson	3,955,911	3,156,082	7,111,993	378,115
Holden	332,694	265,428	598,122	
Knob Noster	117,120	93,440	210,560	
Warrensburg	1,073,844	856,728	1,930,572	
Pettis	6,100,488	4,867,056	10,967,544	562,254
Green Ridge	64,050	51,100	115,150	
La Monte	89,853	71,686	161,539	
Sedalia	3,738,324	2,982,488	6,720,812	
Smithton	73,932	58,984	132,916	
Polk	3,184,200	2,540,400	5,724,600	183,549
Bolivar	482,388	384,856	867,244	
Humansville	143,838	114,756	258,594	
St. Clair	2,405,718	1,919,316	4,325,034	126,172
Appleton City	217,404	173,448	390,852	
Osceola	217,770	173,740	391,510	
Vernon	4,682,238	3,735,556	8,417,794	282,149
Bronaugh	48,495	38,690	87,185	
Nevada	1,497,123	1,194,426	2,691,549	
Sheldon	84,729	67,598	152,327	

Summary by counties, Sixth Missouri Congressional District

County	Foreign aid July 1, 1945, to June 30, 1947—peacetime assistance	Foreign aid proposed by Truman-Marshall plan now pending	Total foreign aid provided and proposed	Annual county tax receipts from all sources
Barton	$2,589,084	$2,065,608	$4,654,692	$164,274
Bates	3,574,173	2,751,526	6,325,699	249,503
Cass	3,574,722	2,851,964	6,426,686	366,637
Cedar	2,140,551	1,707,762	3,848,313	92,443
Greene	16,569,003	13,218,986	29,787,989	1,148,942
Henry	4,083,279	3,257,698	7,340,977	301,548
Johnson	3,955,911	3,156,082	7,111,993	378,115
Pettis	6,100,488	4,867,056	10,967,544	562,254
Polk	3,184,200	2,540,400	5,724,600	183,549
St. Clair	2,405,718	1,919,316	4,325,034	126,172
Vernon	4,682,238	3,735,556	8,417,794	282,149
Total	52,859,367	42,071,954	94,931,321	3,855,586

From the tables here provided, the individual reader can readily compute how many years it will require for his county to pay its per capita share of foreign aid, assuming all of the county's revenues could be diverted to such a purpose. It is fantastic to assume that the people, if given opportunity to do so, would vote to place such a mortgage on their counties and so obligate themselves and their descendants. As their representative in Congress, I cannot bring myself in good conscience to vote to place such an obligation on them, to keep their taxes and cost of living high.

The best thing we can do for our own national security and the peace of the world is to have an economically prosperous and sound America. A continuation of extravagant foreign aid may keep the boom going until after the election, but, judging from history, it is also the sure road to bust as well as boom, to war and the loss of liberty. Returns from 53,000 questionnaires I recently distributed in my district on the subject, to all rural, star, and post-office boxholders, and 12,000 telephone subscribers show my constituents about six to one against the Truman-Marshall foreign-affairs policy.

Real Democratic Party Should Benefit

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. TEAGUE. Mr. Speaker, I believe it will be of interest to know of the reaction of a county Democratic party leader to Henry Wallace's announcement to seek the position of President on a third-party ticket. Mr. A. B. Brady, chairman of the Robertson County Democratic Executive Committee, Hearne, Tex., very ably describes the response of a true Democrat to the recent action of Henry Wallace.

Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include Chairman Brady's statement which appeared in the newspaper, the Hearne Democrat, on January 9, 1948:

REAL DEMOCRATIC PARTY SHOULD BENEFIT

A. B. Brady, chairman of the Robertson County Democratic Executive Committee, thinks that Henry A. Wallace's bid for the Presidency on Third Party ticket should benefit the true Democratic Party. Mr. Brady has issued the following statement:

"It will make true Democrats take more active interest in the campaign. It will at least show the real alinement of the voters that still believe in the democratic principles of Thomas Jefferson from those of Mr. Wallace and his communistic backers. It is true that in Mr. Wallace's imaginary campaign for liberalism there will be some innocent and sincere people to fall in his camp.

"Let us not forget that it was a Henry A. Wallace who formed the first Republican Thousand-Dollar Club (every member gave a thousand dollars) to help elect his personal friend, Herbert Hoover, in 1928.

"Is there anyone living now that was living then that could forget what happened after the election of Herbert Hoover and the overwhelming Republican House and Senate? Could anyone forget that 4 years of terror in which the economical structure of our country almost collapsed? Is there any one in Robertson County that could forget that cottonseed dropped to $8 a ton; cotton to 6 cents a pound; nice size hogs as low as $4 and $5 each, and some cattle $7 and $8 a head; eggs, 3 dozen for 25 cents? Many other items of like drop in value could be enumerated. But most of all, can anyone forget the poverty-stricken situation of the 25,000,000 people that were out of work during the Hoover administration? Mr. Wallace and his thousand-dollar clubbers promised the voters a chicken in every pot and a car in every garage. Well, voters, you know what you got.

"Then came along that great leader, Franklin D. Roosevelt, who led the country out of chaos and the throes of revolution. Then came the turn-about-face. Things looked greener in the other fellow's pasture and Wallace got on the bandwagon. He was so convincing that Roosevelt eventually chose him as his running mate. Wallace's ideas were so mystifying that Roosevelt dropped him for a running mate on his fourth race and chose that great leader, Harry S. Truman to run in the place formerly held by Mr. Wallace. Mr. Truman, to appease Mr. Wallace, gave Mr. Wallace a place in the Presidential Cabinet. When our administration saw that we had to get firm with Russia, Mr. Wallace buoyantly repudiated the stand of the administration, much to the embarrassment of our Government and its foreign policy.

"President Truman had to ask for Wallace's resignation. There was only one camp left for Mr. Wallace—the Red camp and so sprung the third party with Mr. Wallace as its Presidential candidate.

"Loyal Democrats do not fall for false theories. While this country and all its people prosper, the farmers of Russia turn their wheat over to the Government and in turn are given back black bread to eat.

"Loyal Democrats do not forget the Thousand Dollar Clubs and the great Hoover depression. Don't forget that $8 a ton cottonseed, 6-cent cotton; 15 cents a bushel oats; 50 cents a bushel wheat, and that miserable 25,000,000 people out of employment.

"Let us be on the alert and as active, loyal Democrats we will not have to worry about the grand old party of Thomas Jefferson, Jackson, Woodrow Wilson, Franklin D. Roosevelt, and of our now great President, Harry S. Truman, being overwhelmed either by Henry A. Wallace, and the Red baiters of Joe Stalin's atheistic communism, or by Taft or Dewey or anyone of the Republic Party. In other words we are going to defeat Wallace's Russian theories and the Republican depression theories. Let us remain democratic and our country prosperous."

Former President Realistic and Patriotic

EXTENSION OF REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. LARCADE. Mr. Speaker, under previous authority to extend my remarks in the RECORD, I wish to include an article by Ted Lewis, which appears in the Washington Times-Herald of even date, which covers a statement by former President of the United States Herbert Hoover, which, in my opinion, is at long last a realistic and patriotic program for this country to assume to protect and preserve our own great Nation.

The article is as follows:

HOOVER CITES PERILS, ASKS DRASTIC REVISION OF MARSHALL PROGRAM—SEES CAVE-IN OF DOMESTIC UNITED STATES ECONOMY IF PLAN GETS APPROVAL IN PRESENT FORM

(By Ted Lewis)

The Marshall plan in its present form threatens to cause a cave-in of our domestic economy "and thus defeat all world recovery," Herbert Hoover said yesterday in urging a sweeping revision of the program.

In a letter to the Senate Foreign Relations Committee, the former President proposed that:

1. Congress refuse to make even a "moral commitment" for 4 years of aid, but confine assistance to 15 months only.

BIPARTISAN COMMISSION

2. A bipartisan policy commission heads up the foreign-aid program, which is too big to be handled "by one man or any one department of our Government."

3. The proposed $6,800,000,000 appropriation for 15 months, plus the $2,000,000,000 slated for other aid abroad during the same period be reexamined for possible economies.

4. The $5,000,000,000 in holdings in this country of citizens of the 16 Marshall-plan nations be used as collateral for United States loans by those nations.

IMPACT ON UNITED STATES ECONOMY

5. A flat $3,000,000,000 of initial aid be in the form of gifts of food, coal, fertilizers, and similar goods. Steel and other capital goods "can be paid for out of the increased productivity they create."

6. An absolute prohibition be made against use of American money by the aided nations for payment of goods from other countries.

Hoover's proposed changes were based on the major premise that the Marshall plan at present fails to take properly into account the impact on domestic economy of a huge relief burden involving hiked exports, a drain on natural resources, and continued "excessive taxation, all of which might bring depression and thus destroy the strength of the one remaining source of aid to a world in chaos."

SUGGESTS SCALING DOWN PLANS

He specifically proposed that in view of the oil shortage, plans for sending $650,000,000 worth of petroleum products to western Europe in the next 15 months be scaled down. Similarly he urged that steel and machinery shipments for the period be cut.

In suggesting that "even a moral commitment to a 4-year program is unwise," Hoover said, "we cannot enforce ideas upon other self-governing peoples, and we should keep ourselves entirely free to end our efforts without recrimination." Moreover, he added, Europe could always bank on the United States for "aid against hunger and cold."

Backing foreign aid in principle he reminded that "the front against communism lies not alone in Europe" and that "the food supply and reconstruction of industry in Germany, Japan, Korea, and China are inseparable from the 16 (Marshall plan) countries."

Subsistence Allowance for GI Students

EXTENSION OF REMARKS
OF
HON. MARGARET CHASE SMITH
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mrs. SMITH of Maine. Mr. Speaker, I bring to the attention of the House first-hand facts which I have received from students attending the University of Maine. These summarize impressive and constructive facts emphasizing how imperative it is that we increase the subsistence allowance for GI students who have proved their earnestness and perseverance in equipping themselves with a better education. The education of our youth is the most important investment of our country.

We must match the courage and determination of these young people by immediate action to give them greater financial aid and encouragement through an increase in their subsistence allowance.

Under unanimous consent to extend my remarks, I include a letter from Dalmar S. McPherson dated December 17, 1947, and a letter from Bernard W. Dubay dated January 11, 1948; also a survey of housing and economic conditions at the University of Maine as submitted by Mr. Dubay, representative of the GI student body:

ORONO, MAINE, *December 17, 1947.*

Mr. EARL WHITE,
Men's Senate, University of Maine,
Orono, Maine.

DEARL EARL: Following is a résumé of answers to certain questions on the group study of south apartments made for the department of economics and sociology.

There were 115 families answering both, the question, "How many children do you have?" and "Approximately how much a week has it cost you to live this past year?"—all of whom live in south apartments low-rent housing and all of whom are veteran students.

Answers were tabulated as follows:

Number of families	Number of children	Average cost of living per week per family during 1947
56	0	$33.82
51	1	36.23
7	2	35.00
1	3	40.00

Average cost of living of all families was $36.26.

Of the 115 families, 53 husbands worked part time, 34 wives worked full time, and 12 wives worked part time to supplement Government subsistence.

Not one family was able to manage on Government subsistence, and most used part of their savings or received aid from their relatives to supplement the subsistence money.

On a monthly basis, you can see from the above that the average family's expenditures have been quite far above the monthly $90 income supplied by the Government.

Sincerely,

DALMAR S. MCPHERSON.

UNIVERSITY OF MAINE,
Orono, Maine, January 11, 1948.

Representative MARGARET CHASE SMITH,
House of Representatives,
Washington, D. C.

DEAR MRS. SMITH: Enclosed are the results of surveys concerning economic conditions, housing conditions, and part-time working possibilities with rates of pay. I hope this information will help in our fight for a subsistence increase.

The student senate asked me to express their gratitude to you for the way you aided Roger Thurrell and me during our recent Washington visit.

Sincerely,

BERNARD W. DUBAY.

SURVEY OF HOUSING AND ECONOMIC CONDITIONS AT THE UNIVERSITY OF MAINE

Enrollment figures

Number of men veterans	2,600
Number of married veteran students (approximately one-third of total enrollment of all men)	900
Total university enrollment at Orono	3,894

Housing conditions

(Figures from the housing manager's office)

Number of university dwellings (including trailers, cabins, and FPHA units)	[1] 247
Number of students on housing manager's waiting list	674
Number of expected vacancies in 1948	81

[1] Of these 247 dwellings, 65 are occupied by faculty members.

SUMMARY

About one-fifth of all the married students attending the University of Maine can expect to get university dwellings. The others must seek housing in Bangor, Orono, and Old Towne. All these towns have housing shortages, Bangor having the most critical shortage. Many students are living in dormitories or fraternity houses, while their wives and children are forced to live with their parents or in-laws. Most of these students have given up hope of being able to find housing in the immediate locality. Dow Field personnel are taking some of the apartments and houses in the area, making it more difficult for the college student to find a place to live. Any aid toward housing military personnel of Dow Field would also help the married students at the University of Maine.

PART-TIME WORK FOR COLLEGE STUDENTS

(From Mr. Brockway at the University of Maine placement bureau)

In an interview with Mr. Brockway, he stated that there are not enough part-time jobs for all the students who desire to work.

The wages paid for part-time work are between 60 cents and 75 cents per hour. The university pays 60 cents per hour for part-time work.

Mr. Brockway's statement: "Considering the existing rates of pay for these part-time jobs, the University of Maine administration does not expect a student carrying a full course of study to be able to earn more than $30 a month."

European Recovery Plan

EXTENSION OF REMARKS
OF

HON. FREDERIC R. COUDERT, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. COUDERT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the New York Times of January 22, 1948, embodying excerpts of a statement of former President Herbert Hoover concerning the proposed foreign-aid program:

EXCERPTS FROM HOOVER'S STATEMENT ON THE ERP

First of all I wish to make clear my conviction that we should help to the full extent which does not weaken our own economy and thus defeat all world recovery.

There are three dominant reasons why we should do so:

First, the spiritual character of the American people has always led them, and will for all time compel them, to prevent hunger and cold to the full extent of their surplus, and even to the extent of personal self-denial.

Second, while the defeat of communism in western Europe is of vital importance to the preservation of moral and spiritual values for which we stand, it is also of vital importance to us that the economic and political unity of western Europe should be stimulated.

Third, the project builds for peace in the world.

We must take some risks, and I should have liked to be able to give unqualified endorsement of the ECA as presented to the Congress. I am compelled, however, by conscience to say that the plan as presented should have certain constructive modifications and more safeguards.

SIX MODIFICATIONS SUGGESTED

I suggest six directions of such action:

First, as to its organization.

Second, as to the scope of the plan.

Third, as to positive conditions to which the recipient countries should agree.

Fourth, as to the period to which we are committed.

Fifth, as to limits of burden upon the United States.

Sixth, as to some suggestions for lightening the burden to the American taxpayer and upon our economy, and yet preserve our purpose.

No one would contend that the political relations involved in this plan should not be controlled by the foreign policy branch of the Government. But this plan is far more business and economic than political.

By this proposal, together with other authorities, and our other foreign-aid projects, we are placing the control of the whole American economy in the hands of the organization which directs these operations. Its policies can determine the volume of exports, and thus prices, wages, rationing, inflation, and the progress of the incomplete reconstruction in the United States.

Beyond domestic questions, there are momentous foreign economic policies to be decided by the administrators of these powers.

HERTER PLAN FOR CONTROL BACKED

Such power should not be placed in the hands of any one man or any one department of our Government. Obviously the administrative work involved should be conducted by one man. But its policies should be directed by a group, no doubt including department heads, but also including nonofficial citizens. The proposals of Congressman CHRISTIAN HERTER insofar as they imply group conclusions come nearer to meeting this requirement.

I assume it is intended to carry out this operation as a bipartisan enterprise, for only thus can we hope for success. There is far too much at stake to permit partisan approach. If these policies are to be bipartisan, then the members of this board or commission should be selected by prior consultation with the congressional leaders.

Even if administration of these funds is limited to the 16 countries, the scope of policy determination must be far wider. The front against communism lies not alone in Europe, it stretches through Latin America and Asia. We have to bear in mind that the exports of the United States include also very necessary exports to those countries which supply us with essential imports and whose economies are positively linked with our own as, for instance, the Latin-American States.

We must, if we pursue this national policy, include aid to China and other nations, together with the occupied territories of Germany, Japan, and Korea. There are thus not 16 countries directly under relief, but 20, and possibly more

The food supply and reconstruction of industry in Germany, Japan, Korea, and China are inseparable from the 16 countries. Both logic and administrative management suggest that they be placed in the hands of this commission.

GERMAN TRIZONAL UNION NEEDED

Moreover the reopening of German and Japanese industrial plants is not only essential to provide needed materials in Europe and Asia but the situation is at present an "operation rathole" to the extent of $1,500,000,000 for each year of charitable food from the United States to keep these people alive. With restoration of their production and exports that sum could be applied to reconstruction by ECA, not used to keep idle thousands of German and Japanese plants and workmen. Specifically those of the 16 countries concerned should agree to the trizonal economic union of western Germany, a peace with Japan, a cessation of plant destruction and removal, and abolition or increase in levels of industry in these two countries.

The plan originally proposed an authorization to ECA of $17,000,000,000 and a 4-year program. The first 15 months' appropriation is proposed at $6,800,000,000. But in addition to this, we are committed to western Germany, Japan, Korea, and possibly China, and perhaps others, for supplies amounting to about $2,000,000,000 in this same period of 15 months, or a total of nearly $9,000,000,000.

It was prudent not to require that commitments be made by the United States at the present time for more than the first 15 months, until July 1, 1949. We cannot even hazard what the export and financial possibilities of the United States will be for more than a year in advance. Food being

the largest item in the whole program, we can only judge from harvest to harvest.

Even a moral commitment to a 4-year program is unwise. We cannot enforce ideas upon other self-governing peoples, and we should keep ourselves entirely free to end our efforts without recrimination.

Whether the American economy can stand a burden of $9,000,000,000 of relief in this 15 months must arouse great anxiety.

PRICE-WAGE PROBLEMS WEIGHED

Another disturbing question is the effect upon prices, wages, and inflation generally of the volume of exports and finances here proposed. In the fiscal year 1946 we exported $4,400,000,000 more goods than we imported. In the fiscal year 1947 we exported $7,000,000,000 worth of goods more than we imported. (In both cases services are omitted.)

These differences were represented by gifts and loans to foreign nations. They were bumper-crop years, yet the volume of exports in fiscal year 1947 and since have undoubtedly raised prices and started inflationary spirals. It seems difficult to believe that we can continue at the rate now proposed and not produce the same effect.

It is an illusion that scarcity and thus increasing inflation can be more than temporarily retarded by compulsory fixing of wages, prices, and rationing. Aside from the reduction of primary freedoms involved, history and our national experience prove that any such course sets up chain reactions which ultimately decrease production and defeat their very purpose. A part of western Europe's present difficulties is due to these practices.

The only safe road for us is not to overexport. We can to some extent increase the amounts available for export and hold prices by adopting strong voluntary conservation measures; by using voluntary restraints on prices and wages; by doing more and harder work with uninterrupted production. Such voluntary organization, if vigorously and systematically administered, avoids most of the evils of the coercive system.

If some of the imported quantities scheduled be reexamined in the light of supplies, if certain principles were established by Congress, if certain requirements were fixed, and if an effective business organization were set up, I am confident that the burden upon the American taxpayer could be lessened and our essential purpose accomplished.

FOOD DEMAND HELD VERY HIGH

First. The food programs, when correlated to the needs of the rest of the world, would appear greater than the world supply during the first period from April to June 1948, and at the same time maintain rations in the occupied areas and some "plan" countries at an endurable level. Further, these programs seem to imply a dependence upon world harvests much greater next year than last.

Second. The program for agricultural reconstruction seems imperative, but the program for industrial production implies not alone a restoration of prewar productivity but a great increase in such production above prewar. That is indeed greatly to be desired, but whether Americans are able out of production and taxes at this time to provide more than a restoration to prewar levels is another question.

Third. The program calls for export of about $800,000,000 of capital goods, including steel and machinery from the United States in the 15-month period. Both the Harriman and the House of Representatives reports cast doubt upon our ability to supply this amount of steel production and to maintain our necessary exports to other vital quarters. A House report states that these demands are "a staggering deficit to impose upon steel in the United States * * * it is difficult to see how * * * it would be possible to fulfill this program without seriously weakening our economy." The capital goods programs of the 16 nations of necessity may need to be extended over a longer term.

HOME NEEDS EMPHASIZED

In fact, our productive machine today is crippled by the insufficient railway equipment for the prompt delivery of goods; our food production is lessened by scarcity in agricultural machinery; we have sporadic oil famines due to lack of oil-well, refining, and transport equipment; our automotive industry is short of raw materials; we are dreadfully short of building materials for veterans' homes. No further evidence of shortages is needed than the black market where steel is selling for over 100 percent premiums.

It would seem that the possibilities of early steel and machinery production in Germany should be more vigorously undertaken, obviously with readily effective curbs as to any munitions diversion. With removal of the inhibitions on these German industries, with vigor and working capital, a large segment of this program could be supplied from that quarter, instead of by increasing scarcities and delaying reconstruction and increasing taxpayer costs in the United States. It may be said that Germany cannot do this and export coal to the 16 nations. Pending increase in Ruhr coal, some increase in United States coal exports might be found to be better. The same policies should be applied to fertilizers and to oil refining in Germany.

In any event, it would appear that the 15 months' capital goods program must be extended over a much longer period.

Fourth. The estimates of over $650,000,000 of petroleum supplies to the 16 nations for the next 15 months represent a considerable increase over the last 15 months and would seem to be greater than the supply. Pending development in the Persian Gulf, the world is already short of oil and there seems no source for any such an increase.

Fifth. Inquiry might be made into methods of relieving the United States Treasury of some of this cost through collateral loans by, say, the RFC or by the Export-Import Bank.

There are citizens in some of these European states who have large private property in the United States and in other parts of the Western Hemisphere. Prior to the war, the British Government collected a group of such investments and borrowed money on them in the United States.

There are large sums of this character still outstanding, and they could be collected by the various European governments, paying their citizens in their own bonds; these assets could then be pledged as security for loans in the United States. If there is protest that taking over these privately held resources is a hardship to the owners, it may be pointed out that the alternative is a far greater hardship for the American taxpayer. In the first instance, the owner would be reimbursed in full in his own currency; in the second, the American citizen would be taxed the full amount and never see it again.

Sixth. Some expansion of private enterprise in supplying of capital goods to the 16 nations, and thus relief to the United States Treasury, might be found in the use of foreign currencies realized from the sale by the recipient countries of United States goods coming to them as gifts or grants.

Seventh. It is proposed that this nearly nine billions in 15 months shall be by grants, which are gifts, as well as by loans. I suggest the Congress should define some general principles of distinction between gifts and loans.

We must disillusion ourselves of the idea that loans from the United States Government, except where secured by transferable property, or other specific security, are real loans. They are gifts. There are economic as well as political reasons why such loans will not, and cannot, be repaid. We will act more intelligently if within the minds of our own people and those of the recipient peoples we separate our gifts from our loans. We should separate charity from business.

AMERICANS WILL GIVE COMMODITIES

That division can be made clear if we confine our gifts to the actual American surplus of consumption goods, such as food, coal, fertilizers, and cotton (not for reexport), which are essential to maintain life. I believe the American people are perfectly willing to give these commodities as a gift to those countries which cannot pay for them. While giving these away will be privation, yet we can reproduce the agricultural products and we have ample future resources in coal and some fertilizers.

The total of such relief goods from the United States during this 15 months might amount to $3,000,000,000. Such an amount of gifts would enable participating countries to use their exports to pay for other goods in their programs.

The relief exports to Germany, Japan, and Korea should be a first charge on all reparations.

Eighth. I do not believe we should be called upon to make gifts or grants of steel and other capital goods. They can be paid for out of the increased productivity which they create.

Ninth. I do not believe we should make gifts or grants of American money to pay for goods from other countries.

The program of supplies apparently calls for a large part of $3,500,000,000 of Western Hemisphere goods to be purchased with American money from Canada, Argentina, and other Western Hemisphere states. Of this amount under $200,000,000 represents capital goods, the rest being mostly agricultural products. As the latter represents surplus production of the other Western Hemisphere countries, it would appear that they should be anxious to sell and, no doubt, to cooperate in creating world stability. It would seem, therefore, that these states should extend credits to the 16 countries for such goods. A partial guaranty, or advance, against such credits by the United States through the Export-Import Bank is the most that we should be asked to give.

The State Department and ERP

EXTENSION OF REMARKS

OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. DAGUE. Mr. Speaker, under leave to extend my remarks, I include the following article entitled "Our Swollen State Department," by Felix Morley, which appears in the issue of Pathfinder for January 28, 1948:

OUR SWOLLEN STATE DEPARTMENT

(By Felix Morley)

Twenty years ago the listing of the Department of State required just over one page of the Congressional Directory. Now it takes 13 pages of the same reference book, merely to give the names of the divisions and bureaus and offices in this single governmental department.

If you are concerned about what is happening to your Government you will find it useful to visit the nearest public library and examine copies of the Congressional Directory. A new volume is issued for every session of Congress and the volume for the Second Session of the Eightieth Congress, which convened on January 6, will be available shortly.

Each volume is a mine of well-arranged information. But what makes the Congressional Directory particularly valuable is its continuity. You can compare the current issue with one of 20 years ago, as I have been doing. That shows you the changes that are taking place. It also shows why it is difficult to bring taxes down.

The way in which the Department of State is spreading out is simply fantastic. Twenty years ago it had a dozen divisions, each moderately staffed and headed, for administrative purposes, by four assistant secretaries and an under secretary.

Now it is almost impossible even to count the number of assistant secretaries, executive assistants to assistant secretaries, special assistants to assistant secretaries and so on. Under them are a score of separate and often overlapping offices, each composed of numerous divisions. It is a fair guess that Secretary Marshall himself cannot name all of the divisions over which he presides.

As an illustration of runaway bureaucracy one may take the new Office of Intelligence Research, with a director, a deputy director, an executive officer, and five subordinate divisions. Each of these divisions has its chief and sometimes an assistant chief as well, so that the modest title of one petty officer is "Chief of the Division of International and Functional Intelligence of the Office of Intelligence Research of the Department of State." You probably never heard of the man who has this title.

But alongside the Office of Intelligence Research has grown up a separate Office of Intelligence Collection and Dissemination, with a separate director, a deputy director and four subordinate divisions. There is, for instance, an "Acquisition and Distribution Division of the Office of Intelligence Collection and Dissemination." It has a chief and an assistant chief.

Of course all these agencies continuously get in each other's way. So to keep them straight still another division has been established, entitled "Division of Foreign Activity Correlation." It isn't getting things very well correlated, however. Perhaps that is because of the "Office of Special Political Affairs." This has a director, a deputy director, a special deputy director, a special assistant to the director and—for good measure—an executive officer above all that.

This maze of bureaucracy explains why there is so much Congressional opposition to letting the Department of State administer the European recovery program.

During the war and postwar years the State Department has grown to such size and complexity that its right hand no longer even knows what its left hand is doing. And there has really been a "left" hand in this department, as the loyalty investigations have shown.

Whatever money is appropriated for European relief from now on must be spent efficiently. That is why there is growing support for the Herter bill, which would make the administration of ERP responsible to Congress, rather than to the Department of State.

Reclamation

EXTENSION OF REMARKS
OF

HON. A. L. MILLER

OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. MILLER of Nebraska. Mr. Speaker, I ask permission to insert in the Appendix of the RECORD my own remarks and include seven resolutions passed at the annual meeting of the Nebraska Reclamation Association which was held this month.

Mr. Speaker, the Nebraska Reclamation Association at their annual meeting at Kearney, Nebr., on January 15 and 16, passed some resolutions which I recommend as good reading for my colleagues.

The development of reclamation, which includes electric energy, has been retarded in Nebraska until recent years. The Nebraska Reclamation Association is giving new force and focusing the attention of the public upon the great need for developing and using the natural resources which we have in the State. Nebraska has a large supply of water which is not now being used, either for irrigation or the production of electric energy.

It is my opinion the Nebraska Reclamation Association is rendering a great service to the State in promoting the full use of all of our natural resources. Nebraska can well be the new Garden of Eden if we use wisely the great reservoir of water now stored in the State.

The resolutions follow:

Resolution 1

Whereas we recognize that the greatest obstacle to progress in the field of reclamation is the subversive influence of special interest groups; and

Whereas these groups operate under various pretenses as interested in the public welfare and under names often misleading; and

Whereas associations with genuine interest in progress are frequently infiltrated with a purpose to hamper their efforts: Now, therefore, be it

Resolved, That we urge State associations and the National Reclamation Association to safeguard democratic processes in their activities and to avoid undue influence of special-interest groups seeking selfish ends.

Resolution 2

Whereas a Nation-wide as well as a Statewide shortage of electrical energy exists: Now, therefore, be it

Resolved, (1) The Nebraska Reclamation Association reaffirms its faith in public-power development as a corollary of irrigation as the most beneficial and efficient means of providing ample electrical energy for every use; (2) we commend the Nebraska public power and irrigation districts for the efforts they have put forth to meet the emergency involved in the current shortage of electrical energy and for their effective coordination and planning under the most difficult conditions; (3) we ask the utmost of cooperation from both State and Federal governmental bodies in the efforts of the Nebraska hydros to erect additional facilities for the production of electrical energy and we, as an association, pledge our complete cooperation toward that end.

Resolution 3

Whereas the conservation and effective use of water resources is undeniably essential to the welfare of all of the people of Nebraska; and

Whereas the harnessing of the tributaries of the Missouri River flowing through Nebraska is an integral part of the development of the whole Missouri Valley; and

Whereas the solution to the most beneficial use of water in Nebraska can only be achieved through the mechanism of such an over-all program as the Pick-Sloan plan, which already has been given the approval of the Federal Congress; and

Whereas attempts to obstruct the development of the Missouri Valley can only serve to delay the further application of water to Nebraska acres: Now, therefore, be it

Resolved, (1) We endorse the Pick-Sloan plan, and we call for an acceleration of that plan in conformity with Nebraska law in Nebraska, as well as in conformity with the laws of other States in the entire Missouri Valley, so that we may enlarge our available supply of electrical energy, bring more acres under irrigation, and strengthen our existing means of flood control; (2) we recommend the construction of a high-level dam at Fort Randall so that the maximum amount of electrical energy may be produced there to help alleviate the present power shortage and contribute materially to the repayment of reclamation district construction costs, thus reducing the cost of irrigation to the farmers.

Resolution 4

The Nebraska Reclamation Association wishes to commend in highest terms the Nebraska Legislature for the passage of L. B. 350, authorizing the formation of reclamation districts. We believe that these districts will have a far-reaching beneficial effect on the irrigation program in Nebraska.

We also wish to commend the sponsors of and the participants in the reclamation district now being formed in the central Platte Valley for their prompt adoption of this aid to a balanced use of gravity and pump irrigation.

We recommend that other areas in the State having similar problems give serious consideration to the adoption of that procedure.

Resolution 5

Whereas in the expenditure of Federal funds for the reclamation of lands by the application of water from a Government-financed project, the national policy under which the Bureau of Reclamation functions has been to limit the acreage owned by individual persons, before construction costs are paid, to 160 acres: Now, therefore, be it

Resolved, That the Nebraska Reclamation Association favors a policy of limitation of acreage to individual farmers on family-sized farms and opposes the application of water from Government-financed projects to large tracts of land under centralized ownership farmed by tenants under corporate management.

Resolution 6

Whereas the need for an adequate knowledge of the supplies of ground water in the State of Nebraska has long been recognized; and

Whereas the various State and Federal agencies studying ground water have collected immense amounts of data and are diligently continuing their surveys: Now, therefore, be it

Resolved, That we commend the substantial progress that has been made and urge the various agencies involved to fully coordinate the data obtained so that the greatest possible benefits may be derived therefrom; be it further

Resolved, That we urge the Nebraska delegation in Congress to continue diligently to seek adequate appropriations for the further development of this investigation to the end that at the earliest possible date we may have a subsurface map of our State which will not only give information as to water levels but also the permeability of materials and the rate and directions of movement of our ground water.

Resolution 7

Be it resolved, That we believe that a sound reclamation program in Nebraska can only

be developed when a large majority of our citizens understand the full significance to the future welfare of the State involved in the conservation of our soil and water resources. We highly commend the University of Nebraska, its board of regents, Chancelor Gustavson and the faculty, for their recognition of the importance of the need for highly qualified technicians in this field and their effort to offer a complete course in the conservation and development of our natural resources. It is particularly noteworthy and significant that increased emphasis is also being placed by them on the research phases of reclamation problems and their solution. We express our special gratitude to Chancelor Gustavson for using his exceptional talents in marshaling the various research agencies into a coordinated program designed to bring to bear on our urgent problems the combined results of their research.

Commercial Fishing Operations in the Trustee Island Area

EXTENSION OF REMARKS
OF
HON. FRED L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. CRAWFORD. Mr. Speaker, in the far Pacific and in the general vicinity of Guam, Samoa, and all of the trustee island area, we are taking on new responsibilities.

In my opinion, it is very important that American citizens operating American commercial fishing equipment, be permitted to do business in the general area here referred to so that our own people will have the opportunity to study weather conditions and observe ocean shipping activities and operations of the nationals of other countries.

There is an American firm with headquarters now in Honolulu which desires to expand its commercial fishing operations into the trust territory area. A few days ago, the members of the Subcommittee on Territories and Insular Affairs had an opportunity to hear an explanation of this general subject by Mr. Carl H. Holm. We are informed the State Department, the Department of the Interior, and the Navy Department are now all giving consideration to this question.

For the information of the Members of the House, I submit the following letter which I have just received from Mr. Holm:

ARLINGTON, VA., *January 14, 1948.*
Hon. FRED L. CRAWFORD,
United States House of Representatives,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN CRAWFORD: I desire to extend my very sincere thanks for your kindness in arranging the unrecorded executive meeting of your committee this morning to which I was allowed the privilege of stating our views in connection with the establishment of American industrial enterprise in the trust territory.

Especially do we appreciate your acute understanding and appreciation of the problems involved.

I know that the members who were present and heard your very succinct explanation gained considerable benefit in foreseeing the obstacles which must be surmounted before American free enterprise, along the line we propose, can be with security established in that area.

I should like again to emphasize the importance of the three main considerations which are in need of determination prior to the investment of American industrial capital in any project in the area.

First, it is necessary that such industrial enterprise be afforded the opportunity to purchase or lease on a long term basis real estate for operational bases.

Second, it is necessary that products of the area enter the United States duty free.

Third, the importation under special permit of a limited number of nonnatives to the area for purposes of special training of the natives in the nature of the particular industry involved.

It is difficult to overemphasize the pioneering effort necessary in activities such as those which we contemplate. They involve transportation of every item of material, ingredient, and living requirement more than 4,000 miles southwestwardly from Honolulu, and 6,000 miles from continental United States. We are therefore entering an area more than 6,000 miles from the mainland from which we must transport all of the industrial essentials and to which we must transport our finished product.

Your explanation of this aspect of the problem this morning reflected a complete understanding of the situation on your part. The necessity of security of investment as an incentive for the establishment of industry under the American system of free enterprise in the area is one of prime importance without which there can be no development of the area. I think also that the consideration so far as the present world food situation is concerned is one which should strike the chord of common sense in the deliberation of those having to do with the determination of the policies for the trust territory.

The sooner American enterprise is allowed to enter the area then so soon are native problems to be converted from a dole existence to one of self-sustaining economy.

I shall be pleased to present any additional information the committee may deem beneficial.

I am leaving Washington tomorrow for Honolulu.

With kindest personal regards, I am,
Very truly yours,
CARL H. HOLM.

Need for Fullest Information and Facts Concerning European Recovery Program

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. BOGGS of Delaware. Mr. Speaker, like all other Members of Congress and, I hope, all of our people, I have been devoting much thought and study to the European recovery program, or Marshall plan, as it is familiarly known.

Never before has so much effort been expended to convince the Congress and the people that they should loan—or give away—so much money to so many foreign nations. The initial proposal involves spending at the rate of $5,440,000,000 per year, a sum in excess of the total Federal expenditures in fiscal year 1933.

Thus it behooves all of us to study carefully all phases, all aspects, all implications of the Marshall plan proposal. In fact, the President's Committee on Foreign Aid had this to say:

> The people of the United States face a momentous decision. It is one that should be made only after the administration has laid before them and their Congress all the available facts bearing on the critical world situation which it has so fully and frankly given to this committee. The committee has faith in the sound judgment of the people and of the Congress when they have learned the whole truth.

In that statement of the President's committee, I wholly concur. However, in that 286-page report I was unable to find any reference to the fact that as of last September the 16 European nations seeking our aid, or their nationals, have in the United States alone assets totaling nearly $12,000,000,000. Nevertheless, as the result of correspondence with the Department of State initiated by me last October 24, I have been informed that the 16 nations comprising the Committee of European Economic Cooperation, or their citizens, do have in the United States gold and dollar balances as well as securities and other assets approximating $12,000,000,000.

It has been explained to me by the State Department that the great bulk of these foreign assets in our country are required as working balances so that the flow of foreign trade will not be hampered and as reserves against their currencies, their note circulation, and certain of their bank deposits.

I am further informed that only a relatively small portion of these foreign assets could be utilized to offset the cost of the Marshall plan to our own taxpayers. Certainly, however, every foreign dollar which can so be used should be spent for that purpose before a corresponding dollar of the American people's money is used.

However, the principal point I wish to make in connection with these billions of foreign assets is the failure of the President's committee and of the executive departments of the administration to disclose, initially and forthrightly, the existence of these foreign assets with such explanation as may have been deemed necessary so that the people and the Congress would have, in the words of the President's committee, "laid before them all the available facts." Failure to make such disclosures certainly serves to create a basis of suspicion with respect to other aspects of the proposed program—a basis of suspicion which, perhaps it can be clearly established, has no basis in fact.

It should also be clearly understood that the approximate $12,000,000,000 of foreign assets to which I have just referred represents only the known assets of these foreign governments and their private citizens in the United States. It is a generally accepted assumption that they also have in the United States, within their own boundaries, and in other countries, additional undisclosed assets in amounts which, therefore, have not been determined.

In my letter of October 24 to the State Department, I asked to be told

what efforts had been made to ascertain where such other assets exist and in what amounts. In reply I was told—and I note that within the past few days the Secretary of the Treasury has reaffirmed this position of the State Department—that the problem herein involved is how far our Government can properly go in aiding foreign governments to obtain information which has been supplied to our Government on a confidential basis by the banking community, or the compulsory disclosure by our banks which would violate the relationship between banks and brokers and their clients. Yet, very recently, information has been released publicly disclosing the private business of private American citizens concerning their activities in the commodity markets. Such speculative activity by our private citizens is not illegal, although certain basis for criticism may exist. It is not my purpose to condemn or condone either speculative activities on the commodity markets or the public disclosure of the private transactions of our private citizens.

What I am unable to understand, however, is why, under these circumstances, the business of foreigners remains sacrosanct. Why is it so disturbing to our Government to disclose the assets and business transactions of foreigners at precisely the same time when that same government discloses similar information about our own citizens? I believe that in rendering aid to European countries, not one dollar of our taxpayers' funds should be used if there is a dollar of foreign assets which could first be used toward achieving foreign recovery and rehabilitation.

Let me give you an example of the type of thing which I hope can be avoided, and which I believe must be avoided, before our people agree to pour out billions of their own funds on behalf of those in other countries. In connection with the $522,000,000 provided for Austria, Italy, France, and China in the interim-aid bill approved in December, it was stated, and frequently emphasized, that these funds were solely to provide fuel, food, fertilizer, and medicines for the people of those countries throughout the winter months—in other words, to preclude human suffering. Nevertheless, we find that of the $228,000,000 allocated for France, $26,000,000 was to service that country's foreign debt; $17,000,000 was to enable France to make payment to Belgium on its commercial account; $3,000,000 was to enable France to make payment to Brazil on its commercial account; and $10,000,000 to enable France to make an additional contribution to the International Monetary Fund.

I want to make it entirely clear that it may have been important for France to make these payments. It may even have been advantageous to the United States for us to provide the funds for those purposes. But what concerns me is the apparent assumption that the United States is the only nation responsible for the economic recovery of Europe, or perhaps the assumption is that we are the only country rich enough and wealthy enough to do so. That, of course, raises another question: Is it not quite an assumption in itself to assume that this Nation, which now has a national debt of considerably more than one-quarter of a trillion dollars—and I suppose we had better get accustomed to the word "trillion"—is wealthy?

But I want to go back for a moment to our gift of $3,000,000 to enable France to pay Brazil. If it is true that Brazil is financially unable to contribute large sums toward European recovery, could not that country at least forego payments on accounts for the time being and either renegotiate or grant an extension of time to France?

I want to make this point clear: I am not opposed to rendering aid to foreign nations when it is practicable and in the interest of the United States and its people to do so. Nevertheless, every effort should be made to ascertain and understand all of the facts so that the ultimate burden to be borne by this country and its citizens will be kept to a minimum.

In connection with the comments which I have just made, I believe that at least a portion of an article by Mr. Walter Lippmann which appeared a few days ago in his widely syndicated column is pertinent. That portion of Mr. Lippmann's column follows:

> There is a notion, held by some in Washington, that the only way to win the support of Congress for the Marshall plan is to frighten it. I believe that nothing but mischief can come of that, and that to organize a propaganda of fear would be wrong in itself, would not deserve to work, and would not in fact work.
>
> A campaign of fear, designed to ride roughshod over all doubts and hesitations, would be at bottom an attempt to rob the Congress of its right to be convinced and its duty to deliberate. The notion, though it is put forward by fervent, even frantic, opponents of the totalitarian system, is profoundly undemocratic.
>
> It lacks a decent respect for the dignity of representative government, and it rests on the self-righteous assumption that the true believers in whatever it is that is to be stampeded through Congress are entitled to do evil that good may prevail.
>
> The practitioners of this notion have been operating for nearly a year, ever since the crisis of last March during which the Truman doctrine was improvised.
>
> That crisis, which arose out of a diplomatic failure to anticipate and to prepare for the recession of the British power in the Eastern Hemisphere, caused a panic within the administration. The panic caused it to stampede Congress into voting aid to Greece.
>
> The campaign of fear employed to stampede Congress, though it may have been successful in lining up the votes, committed the United States so publicly and so irretrievably that it was then impossible to make a success of the Greek policy.
>
> In order to frighten Congress, the administration put itself in a position where, in fact, it was married indissolubly to any Greek Government in Athens which, no matter what else it did or did not do, proclaimed its anticommunism.
>
> The propaganda employed to sell the Truman doctrine for Greece deprived the United States of its leverage and influence in Greece.

The State of the Nation

EXTENSION OF REMARKS
OF
HON. WAT ARNOLD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. ARNOLD. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to include an article by Felix Morley in the Nation's Business of January 1948 under the heading "Trends of Nation's Business." This article recites the disastrous results throughout history from all attempts at State controls or regulations which suppress individual initiative:

TRENDS OF NATION'S BUSINESS

THE STATE OF THE NATION

The humble potato has played a considerable role in history. Failure of that crop in Ireland a century ago was the proximate cause of the famine which cut the population of Erin by one-third. A volume could not trace the full effect of the hundreds of thousands of Irish immigrants who then swarmed to this country.

It was in 1847 that the Irish potato crop fell away to almost nothing. It was in 1947 that a catastrophic decline in the English potato crop became apparent. The acreage sown has gone down, but the yield per acre is off even more. The total British potato crop for 1947 is estimated by the Ministry of Food as 20 percent under 1946.

Writing of the Irish potato famine, the English historian, J. A. R. Marriot, says: "So severe and general was destitution that by June 1847 no less than 3,020,712 persons (nearly 40 percent of the population at that time) were daily supported on government rations." But food subsidies did not avert starvation in Ireland a century ago. And they are not averting a destitution not far removed from starvation in England now.

On November 9, 1947, potato rationing went into effect in Great Britain, on the basis of 3 pounds of the tubers per person weekly. Cards must now be punched to obtain one of the few basic foodstuffs heretofore unrationed in Great Britain. The present potato ration is 11 percent below the average prewar consumption of this vegetable in England, and 44 percent below the average consumption during the recent war, when the acreage planted in potatoes was greatly increased. Even this ration may have to be cut.

English historians, seeking to gloss a far from admirable chapter of English history, generally ascribe the Irish famine to the malevolence of nature. Bad weather was held responsible then, much as bad weather is blamed for the current decline in English production. Professor Marriot, however, went beyond climatic irregularity to assert that "the most obvious" cause of the Irish famine "was the appalling rapidity with which during the last century and a half the people of Ireland had multiplied." The same might be said for present food shortages in England.

But there was one contemporary Englishman, the great Quaker member of Parliament, John Bright, who was not interested in alibis for governmental failures, no matter whether the government was that of his own or another country. Early in 1848, speaking of "the agonies which have been endured by the population of Ireland," he told the House of Commons that:

"We must retrace our steps. We must shun the blunders and, I would even say, the

crimes of our past legislation. We must free the land; and then we shall discover, and not till then, that industry hopeful and remunerated, industry free and inviolate, is the only sure foundation on which can be reared the enduring edifice of union and peace."

What John Bright was criticizing in this famous speech was absentee landlordism. What he meant by freedom of the land was the removal of state controls, exercised over Ireland from London, which made it virtually impossible for the Irish peasant either to own, or to improve, or even to cultivate intelligently the soil on which he labored. When arbitrary state controls produced the Irish famine, John Bright blamed neither the weather nor the Catholic Church. He put his finger on the source of the decay—a governmental system dedicated to suppression of individual initiative in behalf of a privileged governing class.

In the century since John Bright argued for industry free and inviolate, the wheel has come full cycle in the British Isles. The Irish people have achieved their independence and, far from fearing famine, now eat in a manner which is the envy of their English neighbors. And there is bitter irony in the fact that the English Socialists, who worked devotedly for Irish freedom, have misguidedly fettered on their own people a governmental system as crushing as the one from which they helped to liberate Ireland.

On November 17, President Truman asked the special session of Congress for authority to impose a price-fixing, wage-fixing, rationing and production-allocation program going beyond anything which the American people endured as a part of the war effort. In a radio broadcast that night Senator TAFT aptly referred to English experience under what the President has himself described as a "police state" economy. Said Mr. TAFT:

"The English have complete price control and rationing, and they haven't got enough to live on. They have no incentive to get production. Men don't work longer hours, because there isn't anything to buy with the money they will earn. Surely, with that example before us, we don't want to socialize and regiment America."

The tragedy of the English experience should be better appreciated in this country. I have before me material from the official British Information Services, issued 10 days before potato rationing went into effect in Great Britain. It points out that "Government subsidies control the price of basic foods" and mentions potatoes at 2¼ cents a pound as an illustration of the advantage of this price-fixing policy to the consumer. Almost before the ink was dry on this propaganda the British housewife found herself unable to buy more than 3 pounds of potatoes a week, and forced to queue up to obtain even that pathetic hand-out.

Ten years ago I was in Berlin, when the Nazis were going strong and very proud of their planned economy. But the anxious German people had a grim joke, passed round by word of mouth because in a police state no paper dared to print it. "Hitler keeps down the price of eggs," they said. "The only defect in his planning is—there are no eggs."

That is the catch in national socialism everywhere. The British Government has certainly kept the price of potatoes down, but nobody in England can now have more than "one medium-sized boiled potato" a day. It is interesting to see how a "ministry of public enlightenment" can play both ends against the middle. At the end of October the British information services were emphasizing the cheapness of potatoes. At the end of November they were emphasizing the scarcity of potatoes.

The potato is only a symbol, though an important one. If a controlled economy meant merely a shortage of this particular food, men would survive the hardship. The Irish peasants survived by emigrating to the United States. We are no longer so hospitable to immigrants. But we are glad to give of our surplus to save demoralized Europeans from starving in their own countries.

But that sort of help can never be more than a palliative. Before Ireland could become prosperous it had to be freed, as John Bright pointed out, of absentee landlords. Before England can become prosperous again it will have to be freed of absentee bureaucrats—those who are absent from productive enterprise so that they may hamper the production of others with countless decrees, controls, taxes, and regulations. There are fewer potatoes in Britain than there were 2 years ago. But in this period the Ministry of Food has added more than 10,000 employees to its pay roll. By ironic coincidence, the percentage decline in potato production is the same as the percentage increase in officials planning for agriculture.

Perhaps the most tragic part of the English picture is the effort to eliminate the disasters of a controlled economy by adding more controls. On December 8, conscription of labor, on the true national socialist pattern, started in Great Britain. The first men and women to be drafted, for mining, agriculture, and textile factories, are the "spivs" and "drones"—those who have no occupation or who live by betting operations and the like. Are there no "spivs" and "drones" among the 53,600 employees of the Ministry of Food?

The great majority of Americans are descendants of men and women who came to this country to escape those countless regulations which kept them from being productive in Europe. America today attests what men and women can do when they build on what John Bright called the only sure foundation.

Will a free people accept the national socialist devices which have been so disastrous for Europe?

FELIX MORLEY.

Mikolajczyk Tells of the Appeasement of Russia Even at the Nuremberg Trials With Regard to the Massacre of the 11,000 Polish Officers

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include two additional installments of articles published in the Milwaukee Sentinel which describe how the murder of 11,000 Polish officers was contained in the Nuremberg indictments, but when it appeared the proof indicated that the Russians were guilty of this crime the matter was strangely dropped.

Following are Mikolajczyk's two additional installments:

RUSSIANS MURDERED 11,000 POLE OFFICERS AT NAZIS' SUGGESTION

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment X)

The complete story of the murder of 11,000 Polish officers in the Katyn Forest near Smolensk has never been told.

But because I am free today I can shed new light on a catastrophe which, while numerically small in the great picture of World War II's mass murders, remains significant because it gave Russia a long-awaited reason to break diplomatic relations with Poland and because it remains a milestone in the appeasement of the U. S. S. R. by the British and Americans.

I have already outlined the repeated inquiries made of Stalin and other Russian leaders by the Polish Government-in-exile concerning the missing officers.

As late as March 13, 1942, Russian Ambassador Bogomolov had replied—in a formal note—that the 11,000 missing officers had been released in the so-called amnesty of July 1941. But less than 400 of these men, who had been held as prisoners of war at the Red Army camps of Kozielsk, Starobielsk, and Ostashkov, had reported to General Anders. These 400 were sent to Moscow when the others were sent westward to their doom.

In London we had been receiving disquieting news from our Polish underground concerning these men—the very cream of Polish manhood. We learned, for instance, that they had written to their families in the spring of 1941 that they would be sent home. Germans in Warsaw readily told our citizens that the officers could be expected on an exact date in April of '41.

Then all mail from the officers suddenly stopped. And all we were able to receive from the Russians thereafter were evasive replies or outright untruths that the men were free and just did not choose to report to General Anders for further prosecution of the war against Germany.

Here is the true story. There are two "holes" in it—voids that can be supplied only by American and British sources who, at this late date in communism's war on civilization, still do not choose to speak.

TRAIN UKRAINIANS

In the spring of 1941 when Hitler and Stalin were still allies, the Germans decided to train 30,000 Ukrainians for service in the German armies. They set up training camps at Krosno and near Zakopane. The Ukrainians in question had escaped from the Soviet-occupied zone of Poland and had made their way across the Ribbentrop-Molotov line to the German zone of occupation.

The Russians soon learned of these training plans and protested to their Axis ally. Communications were exchanged and out of these came a deal whereby the 30,000 Ukrainians were to be exchanged for the 11,000 Polish officers the Russians were holding.

But the Germans tired of the whole business, and when the deal was completed, and the Ukrainians delivered, the Nazis remembered certain fundamental Nazi precepts; among these being the need of room, but no more people, and the planned extermination of the intelligentsia of conquered countries.

MURDER FOR ECONOMY

So the Germans informed the Russians that the Polish officers could be murdered, to save transportation and other problems.

Still believing they were going home which, as bleak as the prospect was, must have lifted their hopes a bit, the Polish officers from Kozielsk, Starobielsk, and Ostashkov were led into the Katyn forest and, in what must have been a scene that sickened Heaven, were murdered. Each man was shot through the back of the head, after his hands had been tied behind him by fence wire.

The Russians threw the bodies in a long single grave. Beyond the crime of the act itself, they made one other mistake. The ground in which they placed the dead officers was of a peculiar composition which virtually mumifies dead objects placed in it. What might have become unidentifiable skeletons in a few months remained almost perfectly preserved corpses * * * with papers and other means of identification intact.

DISCOVERED BY GERMANS

On April 12, 1943, as the Germans retreated slowly back into Poland, after having advanced to within sight of Moscow, the German News Agency announced the discovery of the bodies and added that the men had been killed by Soviet political police following the occupation of that region by the Red Army in 1939.

In London the Polish Government faced the stern reality of restoring the suddenly broken morale of our Poles who were now fighting bravely on the same side as the Russians. The Germans, making heavy capital of their discovery, posed as the outraged defenders of human rights. They placarded Warsaw and other Polish cities with startling posters condemning the Russians for their act.

We ordered a counter-propaganda wave that reminded the Germans of their infinitely greater crimes against the Polish people—including their hideous extermination of Polish Jews—and anxiously awaited some convincing denial by the Russians.

ASK RED CROSS AID

On April 14, with Moscow still silent, we asked the International Red Cross to investigate the German claim. We knew it was fruitless to appeal to the Russians to investigate—for, unknown to the world, we had been quietly asking for such information for nearly 2 years. We had to secure some explanation now for our outraged people.

The Russians were informed immediately of our appeal to the Red Cross for an impartial investigation. On April 15 the Soviet information bureau called the German allegations "vile fabrications."

The Polish cabinet met the next day and made a public announcement that we had asked the Red Cross to inquire into the tragedy, and we made it very strong that we were unwilling to accept the German side of the story.

LIST GERMAN CRIMES

Our formal statement declared:

"The Polish Government denies to the Germans the right to draw from a crime which they ascribe to others; arguments in their own defense. The profoundly hypocritical indignation of the German propaganda will not succeed in concealing from the world the many cruel, repeated, and still lasting crimes committed on the Polish people."

We listed a number of those crimes, "* * * so as not to enable the Germans to lay impudent claims to appear in the role of defenders of Christianity and European civilization."

On April 18, a campaign of abuse against the Polish Government opened in the Russian press. The following day Pravda, in its lead article, declared that members of General Sikorski's government had "swallowed a carefully baited hook thrown out by the German propaganda agencies."

Our simple appeal to the Red Cross, Pravda said, aided the German fabrication of "a foul lie which will fill all people of common sense with repugnance * * * Those Poles who willingly snatch at Hitler's forgery and support it and are ready to cooperate with the Hitlerite hangman of the Polish people, will go down in history as Hitler's helpers. The Polish people will turn away from them."

Stalin, as I have earlier noted, had set up his own Communist-dominated Polish "government" in the Union of Soviet Socialist Republics, and we in London now knew that he had seized upon the Katyn murders as a reason to break with the true government in London.

The blow fell officially on April 25 when Molotov handed a note to Tadeusz Romer, our Polish Ambassador to Moscow. It was the now historic note which began:

"The Soviet Government considers the recent behavior of the Polish Government with regard to the Union of Soviet Socialist Republics as entirely abnormal and violating all regulations between the two allied states."

The note accused the Germans of the murders, charged that we in London had been plotting to seize territory (the area of Poland which the Red army had occupied as Hitler's ally in 1939) from the Union of Soviet Socialist Republics, and it concluded:

"All these circumstances compel the Soviet Government to recognize that the present Government of Poland, having slid on the path of accord with Hitler's government, has actually discontinued Allied relations with the U. S. S. R. and has adopted a hostile attitude toward the Soviet Union.

"On the strength of the above, the Soviet Government has decided to sever relations with the Polish Government."

FINDS WELLES CHILLY

General Sikorski immediately asked to see Anthony Eden and was criticized for his "impetuous" act. In Washington our Ambassador found Sumner Welles suddenly chilly and impatient.

We who had been advised by Britain and the United States not to reveal to the world our long quest for the men were now placed in the difficult position of provocateur in a split among two Allied powers.

The International Red Cross dropped our plea on April 27 because no "corresponding invitation" had been received from Moscow.

TRIAL AT NUREMBERG "CONVICTED" SOVIETS OF POLISH MASSACRE

(Installment XI)

Before I leave the question of the Russian murders of 11,000 Polish officers in the Katyn Forest in the spring of 1941--which was used as a pretext by Stalin to break relations with the Polish Government and recognize a Polish Communist "government" which he had formed in the U. S. S. R.—I must trace this tragedy to its bitter end at Nuremburg.

When I returned to Poland as a member of the cabinet in the Communist-dominated provisional government in 1945, I soon discovered that the Polish people had maintained their hatred of the Russians because of the Katyn murders.

I learned that Russian-trained Polish officials were considering staging a "trial" in which it was planned to acquit the U. S. S. R. of the murders and pin the crimes on the Germans.

General Prosecutor Sawicki, acting for Minister of Justice Swiatkowski, approached me and asked if I thought it would be a good idea to stage such a hearing.

"Katyn stays in the hearts of the Polish people," he said.

"Certainly," I replied. "Let us have a public trial and introduce all the proper documents. A fair trial will unquestionably prove the identity of the murderers."

Sawicki hesitated before he asked me what I would be prepared to testify when called to the stand.

"Only what I know," I answered. "I know positively that there was a secret agreement between the Germans and Russians by which the Germans released 30,000 Ukranians to the Reds, in exchange for our 11,000 officers, and that the Germans gave the Russians permission to shoot our men because the Germans did not want to be bothered with them.

"I would testify, too, that we in London made repeated efforts to gain information from the Russians about the whereabouts of the men. I would point out that Russian Ambassador Bogomolov stated formally, a year after they had been murdered, that they were 'released,' and I would tell of the vigorous efforts of the retreating Germans to salvage all documents pertaining to this crime."

Sawicki asked me what I knew about documents. His concern was obvious. I said:

"The Katyn documents were taken by the retreating Germans from Cracow to Breslau, from Breslau into Germany and finally to Czechoslovakia, where there is every indication they were recovered by the American forces."

I told him, too, of Polish Red Cross documents concerning Katyn which were sent "to the west."

Sawicki left me, mumbling that such testimony would not "prove" the identity of the murderers. He reported this conversation to the Polish security police and then he and Swiatowski went to Moscow, where they were ordered to drop all plans for such a trial.

HOPES FRUSTRATED

Poles still looked forward to the official war criminal trials at Nuremberg as their hope of repudiating the Russian lies. But, once again, we were frustrated.

The indictment against the Nazi war leaders made specific mention of the Katyn murders. But the prosecution of German crimes in eastern Europe was handed to the Russian members of the international tribunal. The court ruled that prosecution and defense might call three witnesses each.

Goering, Ribbentrop, and the others on trial were permittted to introduce the official German White Book which accused the Russians of the murders. They were also permitted to put on the stand a scientist who testified unequivocally that the Russian claims of innocence were false because trees—growing out of the communal grave of our officers—were old enough when the grave was discovered to prove that the men had been buried there sometime in the spring of 1941. The Russians occupied the Katyn area at that time.

OWN STAR WITNESS

The Russian prosecutor produced his own star witness—a Bulgarian scientist who had been used by the Nazis in 1943 as an official observer of the opening of the grave.

The Bulgarian now testified that the Germans had permitted him to examine the grave for only 15 minutes and that he had been coerced, at gun point, into making his report which accused the Russians.

As for the Bulgarian witness, the tribunal failed to note that he had been arrested by the Russian secret police when the Red Army entered Bulgaria, had been confined to prison for a long period, and now was telling an entirely different story from the one he had presented before

The ultimate sentence of the Nazi war leaders eliminated mention of Katyn, though it had been prominently mentioned in the indictment.

Obliquely, then, the Germans—though certainly guilty on other counts—had been acquitted of killing the 11,000 Polish officers.

REDS ESCAPED BLAME

But the blame was not pinned on its real perpetrators, the Russians. Why? Because not even Nuremburg, the first such court of justice in the history of civilization, was immune to the appeasement of Russia by its allies.

The rupture of Polish-Russian relations in April 1943, over the Katyn incident, did not lessen our participation in the war against Hitler and our efforts to reestablish our relations with the Kremlin.

On April 28, 1943, 3 days after the break, General Sikorski formally denied the Russian charges that we sought any part of Russian territory. He reminded Stalin that thousands of our men were fighting the common enemy wherever that enemy could be reached, and said that Poland would continue to live up to the pacts it had signed with Russia concerning prosecution of the war and restoration of Polish sovereignty after the war.

INDIRECT ANSWER

Stalin answered indirectly on May 4 of that year, in the course of replying to two questions submitted to him by the Moscow correspondent of the London Times and New York Times. I quote the questions and answers:

1. "Does the Government of the U. S. S. R. desire to see a strong and independent Poland after the defeat of Hitlerite Germany?"

Stalin: "Unquestionably, it does."

2. "On what fundamentals is it your opinion that relations between Poland and the U. S. S. R. should be based after the war?"

Stalin: "Upon the fundamentals of solid good neighborly relations and mutual respect, or, should the Polish people so desire, upon the fundamentals of an alliance providing for mutual assistance against the Germans as the chief enemies of the Soviet Union and Poland.

General Sikorski took note of that.

"It is difficult for me not to show reserve," our prime minister said, "even in the face of such a favorable declaration by Premier Stalin, at the very moment when the Polish Ambassador has left Russia and the masses of Polish population in the U. S. S. R. are left without the care and assistance of their government."

At 11 p. m. on July 4, 1943, General Sikorski's Liberator struggled off the short runway at Gibraltar, was sorely buffeted by a gale and failing engine power, and plummeted into the water.

He, his beloved daughter, all of his staff, and a British Member of Parliament attached to him went to their deaths. The only survivor was his Czech pilot. Poland and the world had lost a great man.

Objectives of ERP Must Be Defined

EXTENSION OF REMARKS
OF

HON. CHARLES J. KERSTEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a letter from one of my constituents which contains many thoughtful considerations with regard to the contemplated European recovery program.

Unless we clearly understand our objectives before we take positive action the resources of our country would be dissipated or even used against us rather than in the defense of our civilization. "Make haste slowly," was an old Roman saying, and applies to the tremendous problem facing Congress.

Following is the letter of Alfred J. Kieckhefer, president of the National Enameling & Stamping Co., Milwaukee, Wis.:

MILWAUKEE, WIS., *December 18, 1947.*
The Honorable CHARLES J. KERSTEN,
House Office Building,
Washington, D. C.

DEAR SIR: There has been much discussion relative to the proposed Marshall plan, and this undoubtedly is one of the most important issues that Congress will have to deal with in the very near future.

I have talked personally to Mr. Ernest Weir, of the Weirton Steel Co., Mr. Walter Harnischfeger, of the Harnischfeger Corp., and Mr. Floyd Blair, vice president of the National City Bank, all three of whom spent from 4 to 7 weeks in Europe this past summer visiting England, France, Belgium, and Germany. They made many contacts with various people in the countries enumerated, talking to individuals in all walks of life. They naturally have been able to bring back much information that is valuable, particularly as it pertains to the consideration of the Marshall plan and the impressions that I am about to give you are the result of the combined thinking of these three men. There isn't any question that if the Marshall plan is accepted or rejected such decision must be based upon careful and intensive study of the facts, also very deliberate judgment as to what our aid could reasonably be expected to accomplish.

Up to this point it is very apparent to me and to many people that our efforts up to this time to aid foreign countries fall far short of reaching their objectives. We apparently had two aims, one to relieve the existing starvation period forced upon the people in the war area, and second, that by means of help that we give we hoped that we would thus enable the beneficiaries of our aid to get back into production and thus work to a self-supporting basis. To some extent relief to the starving people has been accomplished. The second of our objectives has not been realized in countries that are now asking further help under the Marshall plan.

It is intended, of course, under the Marshall plan that further aid be given, but the success of the method of giving such aid depends entirely upon the administration of the plan, the follow-through that we make on it, and the measure of cooperation that we procure from the benefited nations. It is also essential that there be a mutuality of helpfulness between the participating nations.

If our sole aim is to help the people of Europe to get back into production and enjoy a reasonable standard of living, it is very necessary that the plan itself be administered in a nonpartisan way not only domestically but in a larger sense abroad as well. We cannot support any particular type of government in any of the countries of Europe that will fall under the Marshall plan except that we must be hopeful that by aiding the people to the extent that they can live decently and be gainfully employed there can be justified the type of government that will insure them a better way of life. If we extend money it must be utilized for the purposes for which it is granted and except in a dire emergency there can be no compromise whatsoever in the matter of utilization of the funds given.

It seems apparent to me that under any Marshall plan we should have before us balance sheets of the benefit countries. If we do not know precisely their economic conditions and their own potentialities for self-help we cannot make effective a practical plan. It is a well-known fact that gold hoarding has long been in vogue in some of the nations we now propose to help. This is undoubtedly due to the lack of faith that people have in their own paper currency. What program is contemplated by the governments asking aid to force this gold into circulation? If a nation's people are facing starvation, surely it is their obligation to help each other as best they can without asking outside aid. It is a well-known fact that in farming communities in some of these countries food is being withheld or diverted into black markets. If this is a known fact, and many people have so reported, what is the plan that is set up by these governments to undertake to get the food distributed to the people in the populated areas? The most important need in these countries is a sound financial program and it seems to me that if they are intending to set up a sound fiscal program a prime requisite would be a stabilized currency.

Very recently there has been published in the papers the estimated amount of dollars invested in America by foreign countries which total is about $15,000,000,000. It has also been stated that there are approximately $10,000,000,000 of gold exchange in our own country owned by foreign nationals and their countries. Of course, not all of these assets are owned by the countries or their people who would participate in the Marshall plan but the people of those countries and their governments do own a part of this reserve and it would appear that one of the required plans for self-help should be the use of a part of these assets by participating nations in their own rehabilitation programs. This phase in connection with the Marshall plan, of course, should be very carefully explored because it is not to be expected that the nations should utilize all of these assets as some of these investments and some of these balances are not in excess of their minimum needs for the proper conduct of their commerce. We therefore must know just what is proposed to be done by way of using these balances and investments by our prospective debtors.

Undoubtedly the argument will be made that these assets are privately owned and consequently not available to the governments with whom we are dealing. It is most important for us to explain to the people of foreign nations our own position with respect to the help that we are asked to extend to them and that the Government of the United States has no money to give or lend to Europe. All our Government has is a debt of $260,000,000,000 and the power to tax its people. Any aid we give to Europe will come from our taxing power unless we intend to go further in debt in which case the ultimate payment of the added debt will result in further taxes. Expressing it a different way, if we agree to the Marshall plan the American people will be giving their private property to aid the distressed people abroad, therefore, to the extent that the distressed people have investments and balances over here beyond their commercial needs it is only right that they use these for their own national objectives as they call upon us for future aid.

It is about time that we put over to the people of Europe that this Nation does not have an inexhaustible supply of resources. We have only to think back to realize that our destruction of livestock, our plowing up of crops, and other unjustifiable programs have undoubtedly led people of Europe to believe that we are so wealthy that we can afford to waste. The British Empire has much more in the way of natural resources than we possess. Half the development of these resources has not kept pace with that in this country. It is up to the participating countries to step up their production to justify our tapping our resources to aid them in an emergency.

It is most vital that in the consideration of the Marshall plan that you give very careful thought to the set-up toward the end that we do not exhaust our own natural resources. Exploitation in the past years has resulted in a production that has taken a very heavy toll of many materials and much of our natural resources. The aid, therefore, that we give abroad should be directed toward the development of their resources so as to enable them to produce all or more than their needs on their own account. They must be made aware of the fact that we have to lighten the withdrawal of our resources in the years to come and that some day undoubtedly our grandchildren may be forced to draw on them for some materials.

In the careful analyzation of the question as to the Marshall plan, particularly referring to England, I feel that England can and still does do business on its own exchange with many of the countries under consideration in the plan. Some of the segments of the British Empire right now are short of much desired dollar exchange and thus there is a limitation to the extent to which they can deal in sterling even with their mother country. However, they certainly can do more than they are doing at present. France, likewise, is a nation with greater possibilities for supplying her own needs than she has exhibited. All of these matters are essential to a proper evaluation of the Marshall plan.

Any aid under the Marshall plan even though expressed in dollars will actually be fulfilled in goods and services. With our postwar domestic demands there is definite competition for our goods and services between our own people and those of Europe. It is only academic that at the present time to a great extent this competition has been responsible for the increased food prices that have developed and the result is that every man, woman, and child in this country is paying a secondary tax to aid Europe when they purchase the necessities of life.

There is a very definite political aspect in the Marshall plan, both at home and abroad and therefore it is vitally important that the administration of the plan here and abroad be carried on in a strictly nonpartisan way. We are extending aid to the peoples of Europe but not to the party in power in any particular nation. We do not lend endorsement to the British socialistic program in helping Great Britain. Unfortunately, however, much of the money set up for use by Great Britain has been wasted by the British socialistic program. We are seeking to help people toward a fuller and more comfortable way of life, hoping that they will choose a form of government that will bring about a more peaceful world and a higher standard of living in an atmosphere of freedom and self-determination.

We must not overlook the fact that much of the fund must be used for the purpose of production of goods and services for which there is an expanding import need in this country. The measure of cooperation in this respect, therefore, is that we must recognize that as a creditor Nation we must increase our imports.

If we accept the Marshall plan and if we put into effect the checks and balances suggested above and if we are given real cooperation by the participating countries in the fulfillment of the conditions of the plan it could prove an incomparable contribution toward a peaceful world. It is believed that some of the nations are conscious of these conditions but now is the time when the promises that they make to us must be backed up by performance. Unless we consider the proposal from all of its practical aspects and put on an intensive program both here and abroad, the money we extend will not enable Europe to reach its objective. Throughout the history of the world a wanton prodigality has brought contempt upon the people of the nation that has practiced it. The constructive creditor, on the other hand, has merited respect.

While the Marshall plan will be debated in Congress we must not lose sight of the fact that it is the problem of every citizen of this country and of the peoples of the participating nations. It needs the best and most logical thought of every individual. If it is put into effect we must set up the workings of the plan so that it will not fail us or the hopeful people of other nations who are willing to work for an opportunity. We here must realize that if the plan is made effective it will result in an artificial stimulation of our economy during its life and therefore we must plan carefully and wisely to avoid a serious depression when the production due to the plan has ceased, and make preparations to meet a normal situation when eventually and inevitably we face it.

It is a very important responsibility that has been placed upon your shoulders as a representative of the people of the State of Wisconsin. It requires very careful analysis on your part of those particular things that I have brought to your attention above. I believe you are aware of the seriousness of this problem and before putting yourself on record as for or against the Marshall plan you will make very careful studies of all of its aspects. Your responsibility is tremendous because of the many important reactions that will result to our economy because of the adoption of this plan.

Yours very truly,

ALFRED J. KIECKHEFER,
President, National Enameling and Stamping Co.

European Recovery Plan

EXTENSION OF REMARKS
OF

HON. ROBERT F. RICH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast by Henry J. Taylor:

Exactly who gets the money in the latest European recovery plan? Seventeen billion dollars. I've just found out for sure. I think you'll be very surprised to know.

Our money doesn't grow on trees. It's hard for most any of us to get along at best. Before we're challenged further by the idea that the $17,000,000,000 new European plan must be all or nothing and start paying the bill in our homes and work places and the high cost of living, we need some facts that are contrary to public impression and which were withheld in the original presentation of the plan itself.

Fact No. 1 is who gets the money. It's hard to imagine that fact was left out but it was, and I think we have a right to know. We've already spent $22,000,000,000 abroad since the end of the war. And now we're expected to spend seventeen billion more. Yet, in the mountains of words and figures, this fact was of itself an amazing omission. Actually, the plan, to be truly revealing, should never have been given to Congress and to the public without this fundamental information—who gets the money?

After all, who is more entitled to know where his money goes than the man who pays the bill, which means us all? But the State Department in Washington could not reveal and still feature the anti-Communist angle, my friends, on an over-all $17,000,000,000 basis, on an all-or-nothing basis. So in order to be factual and exact in discussing on the air this latest project, so important in your land and mine, so heavily involved in our inflation, high prices, taxes, the cost of living that is bearing down on us all, and on our future, I've been making for weeks in Washington every possible attempt I could make to get official information regarding what countries in terms of percentages were to get our new seventeen billions.

So at long last here are the facts to plug that loophole, the official figures obtainable only yesterday. They indicate much we've not been permitted to know.

First, you will find that in percentage of dollars, a full third of our $17,000,000,000 plan is primarily another aid-to-England project. The lion's share of the funds goes to the British Isles, one-third of the entire amount, $5,348,000,000 of the seventeen million—billion, to be exact. Now, certainly, that part hasn't anything to do with buying off Communist popularity there and to this large extent the Marshall plan should not have been presented to us an anti-Communist measure any more than the last $3,750,000,000 we gave England in 1945.

Maybe they need it, I don't know. But they certainly don't need it to stop communism in England. No one has even had the nerve to suggest that the British are on the verge of voting Communist. Had the fact that a third of the money we sent—or are to send—was to go there been made public, and early, it would have been impossible to present the powerful appeal for the over-all seventeen-billion fund on an anti-Communist basis, all-or-nothing basis, in the official support for the outlay, at least to the extent of one-third of the entire proposition.

Now, next with England, seven additional countries are ruled out in the same way, where there is, by common consent, no more idea of the population voting Communist than there is in England—this plan or no plan. I refer to Holland, Belgium, Luxemburg, Denmark, Ireland, Norway, Portugal, and little Iceland. So let's see what they'll get. Some of the figures are unbelievable, my friends, but they are correct and official and at last come from our State Department itself.

Do you know how much all of us are to be taxed for the Dutch? Holland is to get $2,436,000,000 American dollars. Fantastic as it may seem, the plan gives Holland, a little country with fewer people than live in New York City, $2,436,000,000. And if that's a calculated risk against communism in Holland it's quite a calculation, yet imaginable. The plan is nevertheless presented as "take the whole plan or nothing, all or nothing." Why, the figure for Holland alone means a charge on us for $308 for every man, woman, and child who lives on the shores of the Zuider Zee.

Denmark is supposed to get over a half billion dollars, $582,000,000 to be exact. For this one little country alone, with a population less than Chicago, that's as much as all the stopgap aid for which the special session of Congress so dramatically called last November. Denmark, a half billion dollars.

Now Ireland: Ireland was not in the war. Ireland is an island. The Communists would have to swim to get there and if there's a Communist there now not an Irishman knows it. But Ireland is to get a half billion dollars, $497,000,000 to Ireland to be exact. So, my friends, $3,500,000,000 out of the seventeen billion go to Holland, Denmark, and Ireland.

For good measure, even Iceland. Apparently there must be quite a Communist threat in Iceland and a lot of western civilization tottering on the brink there besides, for Iceland (SIC) comes into the Marshall plan, and for $38,000,000. Fewer people live on that island than live in Trenton, N. J. And Iceland is just about as much in the throes of chaos, just about as much tottering on the brink of giving up western civilization as Trenton, N. J., except that there isn't much western civilization in Iceland (SIC) anyway. But they're to get $38,000,000 from us, all or nothing, just the same.

Then there's Norway, where the Communist vote is about 7 percent. But Norway is in for $234,000,000 from us. The plan gives $234,000,000 to Norway.

Next comes Portugal in deciding whether or not the propaganda for the plan is padded in its over-all anti-Communist appeal to our

public. Now, in Portugal, the Communist vote happens to be nonexistent. For 20 years the country has been and remains in the hands of a Fascist dictator, Dr. Salazar. Portugal did not fight in the war. Portugal profited immensely in the war by Portuguese standards. Yet Portugal gets our money just the same. Portugal gets one hundred and fifty million American dollars in the Marshall plan. All or nothing. Can the seventeen billion be cut? Can the first installment now asked for $6,800,000 be cut? Well, I should say so, and now.

The anti-Communist angle is valid to a degree in some places where the money is to go, like Italy. But, my friends, the simple truth is, now that we get the figures, so belatedly published and in a most confusing way, only yesterday, the truth is that over ten billion of the seventeen billion is going to countries—I visited every one of them myself—that are by common consent no more on the verge of voting Communist than the State of Indiana, which I visited last week and which hardly looks on the verge of voting Communist to me.

Or take another angle: The appeal is made to us that we are aiding the victims of war-torn countries in gratitude for their losses in the war. Now, there are other appeals that are sound and very much better. That isn't a very good one. How many billions are ruled out on that one? Of the 16 countries in the Marshall plan, over $6,000,000,000 out of the $17,000,000,000 are to go to enemy countries—Germany, Italy, and Austria—for which there are other reasons to help, not gratitude. Seven hundred million goes to countries that stayed neutral, did not fight in the war, and, in fact, got richer than they've ever been in their lives during the war, largely at American expense. They might well be giving something back to us—as if anything like that could ever happen. Sweden and Switzerland, however, have asked us for nothing, praises be.

Now, my friends, all summer long in one European country after another, in England, France, Italy, Greece, Switzerland, Belgium, Luxemburg, Holland, Germany, and in broadcasting in Paris, where the 16 nations were meeting to put in their requests for additional American funds in substance now being decided, I tried to say on the air as factually as I could, right there on the scene and repeatedly, from London, Rome, Athens, Zurich, Berlin, Brussels, Paris, and a dozen other places, and since I've been home, that the objectives of the Marshall plan are good—heaven knows there's no question about that—but that the gigantic amounts asked for were overstated, inflated, padded, padded, and padded, and shockingly weak in respect to how the money should be administered to get the results on which we pin our American hopes.

In short, I think we should be for the objectives of the Marshall plan. But the plan is no longer just an idea, you know. It's now a tangible piece of proposed legislation, ready to be enacted into law and to absorb billions in our American people's money and goods. It shouldn't be approved as written. I'm convinced it will not be. Once we get the air pumped out of the claims and make the necessary changes suitable to the real problem over there, which is a production problem and needs realistic, production-minded American handlers to whip it, we can stop sailing in the pattern of the twenty-two billion that has already gone with the wind since the end of the war and really get some place, really serve ourselves and Europe and the cause of lasting peace by the changes that must be made in the plan, and save ourselves billions and billions besides, that would have been wasted had we allowed our judgment to be blitzed.

The Spirit of Old Greer County

EXTENSION OF REMARKS
OF

HON. PRESTON E. PEDEN

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. PEDEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herein an editorial which appeared in one of southwestern Oklahoma's leading newspapers, the Altus Times-Democrat, Altus, Okla., for January 18, 1948. The pioneer Oklahoman mentioned in this editorial is D. C. Jester, Mangum, Okla., 90-year-old Greer County resident.

It is heartening to know that there still exists this loyalty and patriotism as demonstrated by Mr. Jester's unselfish act.

The editorial follows:

Maybe you're not worrying about what has happened to the spirit that built America—the spirit that came ashore when the *Mayflower* landed. But you should be, because we can all take self-inventory and discover it's about gone from within us. What we are thinking today is of today only, and that's a crime being committed against generations to come.

Had it not been for the spirit of thinking of the good that you can do today to make a better tomorrow, southwestern Oklahoma would have been left to the prairie grass. The men and women who came here first and stuck it out couldn't have been thinking of that current day only. They wouldn't have stayed. They stayed because they were possessed of a spirit of America that gave them the foresight to see the fruits ahead for their children and grandchildren—springing from the seeds of labor they planted.

What kind of path are we preparing today for our children and their children? Right now it looks like a blind alley. Although we may deny that we were personally, individually responsible for the recent war, certainly it was our war, and certainly we are responsible now for preparing for peace—or another war.

The cost of what has happened and what is to happen is prohibitive. Seventy-nine percent of the almost $40,000,000,000 budget for the 1949 fiscal year is devoted to peace and/or war preparation. Don't do it, you say. Then let's line up and cut our own individual throats in unison. That's stupid, of course, so we will spend the money gambling for peace and gambling against war.

But here we are trying to dodge the issue of paying the fiddler. We all want income tax back on a prewar basis when there's not a thing in this world except maybe the ocean tides still the same. We don't want to pay our share of the freight—and justly our share should be more than that the future generations will have to pay.

We've lost the spirit of taking care of our own troubles and making every effort to make the path ahead a little smoother for the next generations.

That is, most of us have lost it. There's still a drop or two of the old Greer County spirit left, because, we guess, there are still a few of the old Greer pioneers still living. And there is proof. The Bureau of Internal Revenue Saturday told the story. A 90-year-old Greer County farmer refused an exemption he was entitled to under Oklahoma's community-property law even though it would save him about $500 in income taxes. He made an income-tax payment of nearly $3,000, passing up the exemption of $500 with this statement: "I've got plenty of money and my Government needs it more than I do."

He looked out after us by helping conquer the prairie grass. He loved his country then for the hopes it held tomorrow. And he still does.

Most of us, we fear, love our country for the haven it provides us today.

Russia—The Truth Will Out

EXTENSION OF REMARKS
OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. LARCADE. Mr. Speaker, it seems that it takes an appropriation crisis for the Congress to obtain vital information on matters connected with our foreign policy, and while it seems to be expected that the Congress is not presumed to know anything about such matters, and is expected to vote for any and all appropriations presented to "save" Europe from communism, starvation, and so forth, regardless of the effect upon our own economy or the welfare of the people, the protection and the preservation of our own beloved United States, and these so-called secret documents are fed to us as the occasion arises for such action as is desired by those in authority. Therefore, Mr. Speaker, I ask unanimous consent to include in these remarks the latest release reported by the State Department published under Associated Press caption in the Washington Times-Herald, of even date, as follows:

PACTS SHOW PLAN TO DIVIDE EAST EUROPE—CAPTURED DOCUMENTS REVEALED BY MARSHALL

Secretary of State Marshall threw the book at Soviet Russia last night—a massive array of captured Nazi documents baring details of the partnership between Russia's present leaders and Hitler's Reich for the division of eastern Europe.

With Marshall's sanction, the State Department published the entire record of 260 formerly secret records disclosing that Russia:

1. Backed Germany heavily in her war against the west, furnishing supplies by the hundred thousand tons, striving to the last for friendship with Germany and aiding the Nazi campaign to keep Turkey neutral.

HAD PACT AGAINST UNITED STATES

2. Agreed with Adolf Hitler that the United States, as well as Britain, should be shut out of Europe, Asia, and Africa.

3. Lost Hitler as an ally, and paved the way for Germany's invasion of Russia, by demanding among other things a military base within range of the Bosphorus and the Dardanelles and assurance that the oil-rich area south of Batum and Baku in the general direction of the Persian gulf be recognized as the center of the aspirations of the Soviet Union.

Starting with an official report of the first Soviet bid for closer ties with the Nazis, months before World War II, the book embodied evidence whose release Russia blocked at the Nuremberg war crimes trials.

PLANNED TO SPLIT POLAND

Included in the 362-page volume were secret agreements, signed by Soviet Foreign Minister Molotov, to partition Poland and slice eastern Europe into Russian and Nazi spheres of control. The final entry dealt with Hitler's invasion of Russia.

The State Department said the documents were all from the official archives of the Nazi foreign office, were captured by American and British troops and were published now to complete the record.

While there was no reference to the present state of United States-Russian relations, the circumstances nevertheless gave the sudden release the effect of a major diplomatic stroke.

The first document records a proposal for better and better relations between Moscow and Berlin—advanced April 17, 1939, by the Russian ambassador to the Reich. This was at a time when Britain and France were seeking to enlist Russia in a collective security pact to head off Nazi aggression.

PACTS TOUCHED OFF WAR

The agreements to divide eastern Europe were in the form of strictly secret annexes to the published Russo-German nonaggression treaty of August 23, 1939, which sealed Poland's fate, rebuffed France and Britain and touched off the world conflict. They were signed by Nazi Foreign Minister Von Ribbentrop, who was hanged at Nuremberg as a war criminal, as well as by Molotov.

Other documents detailed Russia's help to the Nazis in the form of grain, oil, cotton, and other materials until Adolf Hitler turned on his partner with the signal for the Wehrmacht invasion.

In the array of first-hand evidence were:

1. Reports of Count von der Schulenburg, Nazi ambassador in Moscow, on Molotov's prewar negotiations with the British and French envoys at a time when he was treating secretly with the Nazis, Schulenburg advised Berlin that with the British and French Molotov "sat like a bump on a log" but with the Nazis he was "very communicative and amiable." The envoy noted earlier that Molotov "is known for his somewhat stubborn manner."

STALIN SHOWN ANTIBRITISH

2. A very secret memorandum on a discussion in Moscow among Ribbentrop, Stalin, and Molotov the night of August 23–24, 1939, quoting Stalin as remarking that if England dominated the world "this was due to the stupidity of other countries that always let themselves be bluffed."

3. Terms of the German-Soviet trade agreement by which Russia for 2 years helped the Nazis defeat the British blockade. A foreign office memorandum showed that even in April 1941, when relations between Hitler and Stalin were becoming strained, the Nazis received from Russia 208,000 tons of grain, 90,000 tons of petroleum, 8,300 tons of cotton, and 6,340 tons of copper, tin, and nickel. Four thousand tons of raw rubber were shipped across Siberia.

4. German embassy reports on Moscow's difficulties in justifying the Red Army's grab of eastern Poland. In the end Stalin himself drafted a joint communication.

PRAISED FRENCH INVASION

5. A very urgent telegram of June 18, 1940, from the Moscow Embassy reporting to Berlin that Molotov had expressed the "warmest congratulations of the Soviet Government on the splendid success of the German armed forces" in their invasion of France and the Low Countries.

6. Scores of documents detailing subsequent Nazi-Soviet quarrels over division of territorial spoils beginning with the Red Army's occupation of the Baltic States. Russia went beyond the secret agreement and seized northern Bukovina and the strip of Lithuania allotted to Germany, and Berlin claimed compensation.

7. A record of a conversation between the Fuehrer and Molotov in Hitler's air-raid shelter November 13, 1940, on terms for Russia's full partnership in the Axis. Hitler argued that Soviet expansion should be in the direction of the Indian Ocean, and opposed any new Russian move against Finland or territorial changes in the Balkans. Molotov demanded a free hand in Finland, quarreled with Nazi actions in the Balkans, and said Russia had the right to "obtain a guaranty against an attack on the Black Sea via the straits."

JAP TALKS DISCLOSED

8. Detailed memoranda on conversations among Hitler, Ribbentrop, and Japanese Foreign Minister Matsuoka. In one of these Ribbentrop asserted Nazi flyers reported American planes they had encountered were "junk."

Hitler and Ribbentrop, one memorandum said, sought to dissuade Matsuoka from negotiations for a Soviet-Japanese pact, urging instead that Japan attack Singapore. The document quoted Ribbentrop as contending "Roosevelt would not let it come to war since he was well aware of the impossibility of any action against Japan." Japan, he advised, "could occupy the Philippines and in this way deal a severe blow to Roosevelt's prestige." Hitler was quoted as promising that if the United States did fight, Germany would go to war beside Japan.

Congressman Gallagher Congratulates Mrs. Eleanor Roosevelt

EXTENSION OF REMARKS
OF
HON. JAMES GALLAGHER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. GALLAGHER. Mr. Speaker, I notice in an Associated Press item from Hyde Park, N. Y., in today's Washington Post a statement by Mrs. Eleanor Roosevelt to the effect that the Russians are dangerous.

In view of the fact that Mrs. Roosevelt has heretofore advocated a "Be nice to Russia" policy, I want to congratulate her upon her ability to do an about-face stunt. Russia is not a friend of the United States, and we are glad that the doors of the White House are no longer open to the Communists, so far as this lady is concerned. The Republicans believe that we should look after America, while doing something for the rest of the world. The news item reads as follows:

SOVIET DANGEROUS, SAYS MRS. ROOSEVELT

HYDE PARK, N. Y., January 20.—Calling the Russians dangerous, Mrs. Eleanor Roosevelt says that unless the United States "finds ways to be strong enough, so Russia will work with us, we will have to build for another war."

"We need tact as well as strength in dealing with the Soviet," she said last night. She recently returned from last month's Geneva meeting of the United Nations Commission on Human Rights, of which she is chairman.

"If the United States withdrew from Europe, Russia would go in everywhere we went out," the President's widow told a meeting of the Hyde Park Historical Association.

"We are the most powerful Nation in the world," she said. "Russia is next. She is newer, therefore not so secure. * * * They infiltrate where they can, and they are going to expand if they can. They really believe their way is the only way to govern the world. We have to believe just as strongly in our way."

"The Communist economy is not one of plenty, but one which people turn to when there is nothing else to turn to," she said, adding:

"Europe is in that position. It's Russia or the United States. Either we work together in the United Nations, or face each other as enemies. That would be very painful for all of us."

Foreign Aid

EXTENSION OF REMARKS
OF
HON. WILLIAM C. COLE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. COLE of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Daily Mirror of January 20, 1948:

BREAKING IT DOWN

What a good day it would be if one should go by without a single cry of crisis out of Washington.

The approved Capitol formula for meeting every crisis is, of course, greater power for the Federal Government over the lives of the people, plus more of the people's wealth to ward off the most critical effects of the crises.

There is a crisis, and so the planners get busy with their schemes to ration meat again—thus inviting back the black market, with its hundreds of millions of dollars out of our pockets to fatten the underworld and escape the tax collector, with its substitution of filthy crooks for honest dealers.

There is a crisis, and the New Dealers are able to figure it out, to the penny, no less, how many of our billions can set Europe back on its feet.

It is as if we were to be narcotized by repetition. As if it were planned that our senses should be so dulled that nobody would sit down soberly and count the costs.

The CONGRESSIONAL RECORD, however, discloses that one man, Senator KEM, of Missouri, has done some cost-figuring, and done it in such a down-to-earth manner that it can be easily understood.

Senator KEM asked the Library of Congress, Legislative Reference Service, for some figures and came up with these whoppers:

Our foreign loans, property credits, advances, relief and rehabilitation grants and other authorizations, from July 1, 1940, through June 30, 1947, came to $73,092,058,013.

Writing off the war years, the Senator found that peacetime foreign relief, July 1, 1945, through June 30, 1947, totaled $24,099,211,087.

Since it is hard for anybody, particularly the administration, to understand what a billion dollars is, Senator KEM broke the figures down to common terms.

The little $24,000,000,000 item cost $183 for every man, woman, and child in America, $616 for each family. KEM comments:

"Foreign aid has cost each American family $25 a month for each of the past 24 months. This would pay all the income tax a married man with two children pays on a $4,000 income."

Still the Senator wasn't satisfied. So he took all the counties and cities in Missouri and prepared a table showing how much each has contributed to foreign aid on a per capita basis.

His native Macon County, for instance, has paid $3,915,468 for foreign aid since VJ-day.

That is a figure more than 10 times the county's annual tax receipts, $332,332.

The Marshall plan, if adopted, will cost the residents of Macon County as much in the next 4 years as all their county, county road, and school taxes will cost in the next 9 years, according to Senator KEM's figures.

Progressive Kansas City, Mo., recently voted a $41,500,000 bond issue for civic improvements. It was a tough job. It required and got a two-thirds majority ballot. It will take 20 years to pay off.

But, per capita, the people of Kansas City have provided $73,049,524 in foreign aid in the past 2 years. The Marshall plan would tap them for $58,000,000 in 4 years. Senator KEM writes his own editorial, saying:

"It is interesting to speculate how the people of Kansas City would vote on a $58,000,000 bond issue to pay their share of the Marshall plan.

"It would be even more interesting to see what would happen to city officials who would raise every city tax and license fee the necessary 85 percent for the next 4 years, just to pay Kansas Citians' per capita share of the Marshall plan."

World Crisis in the Mediterranean

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. HAGEN. Mr. Speaker, I recently read a report on the crisis prevailing in the Mediterranean which I consider so significant that I am making it a part of my remarks.

It was authored by Dr. Christopher Norborg, who was formerly with the Office of Strategic Services, and whose book Operation Moscow received so much comment in past months. Dr. Norborg is a former Minnesota resident but now resides in Washington, D. C., at 3817 Cathedral Avenue NW.

The article appeared in the January 17 issue of American World Intelligence, which is a biweekly intelligence letter mailed from Washington. The article is important because it gives a clear bird's eye view of the tremendous Soviet pressure upon a strategic area, where the destiny of America and the world may well be decided.

The article follows:

Some time ago American world intelligence mentioned how the commander of the United States Mediterranean Fleet had stated that our fleet was not leaving the Mediterranean, since the United States had permanent interests in those waters. During the past weeks dozens of new reports have come in to give an over-all intelligence picture of what is really happening in that explosive area, from Gibraltar to Basra, from Klagenfurt to Eritrea and Oran.

Five years after the north African invasion American troops embarked once again from these shores to wherever they will be needed in the Mediterranean during the coming months. At the same time the chairman of the United Nations Palestine Commission, Dr. Karel Lisicky, defined, in New York, the prospects of his mission's success in these pathetic words: "No one can expect miracles from five lonely pilgrims going to Palestine." The Mediterranean and the Near East have become the show-down area between American commitments and Soviet expansion—between the Truman doctrine, backed by armed force, and the Cominform, backed by Soviet power. Military logic says that, irrespective of the numbers of armed forces present, where a big power flies its flag, its total military power is engaged.

The United States is facing an explosive situation directed by Moscow according to the classic advice of Nikolai Lenin: "Stop the imperialist war and start the civil war." Washington has served notice that it is about to demand a stop to Soviet civil war in Greece, Iran, and, if need be, in Italy. American military power backs the integrity of these states, even if the attack should take the Soviet form of "a people's revolt." Our military moves in this theater of tension indicate that we are no longer trying to pay off realities with words.

The American Ambassador to Iran said: "Patriotic Iranians * * * may therefore rest assured that the American people will support fully their freedom to make their own choice." That commitment was made in face of recent intelligence reports of renewed Soviet troop activities north of the Araxes River and intensified Soviet espionage from the Baku MVD headquarters via Erivan, Miyandaub, and Mahabad. The world has not heard the last about Kurdish resistance and the Mosul oil fields.

To Moscow, the open transfer of four American fleet submarines and eight motor mine sweepers to Turkey can only mean that the Black Sea is no longer a Soviet lake. The transfer of the British military mission to Salonika can only mean that the Soviet pressure on the Dardanelles is going to be stopped. The Anglo-Russian declaration of August 13, 1941, is being enforced where Moscow declared that it had "no aggressive intentions or claims in regard to the straits." The ridiculous Bulgarian demand for western Thrace is going to be rejected as is any Soviet-Yugoslav appetite for Macedonia.

Power politics has its own stern logic: The moment the Truman announcement of American assistance to Greece was uttered it was obvious that Mr. Dean Acheson was merely daydreaming, when he testified: "The present plans do not include sending troops to Greece and Turkey." The constant military expeditions which Mr. Tito continues to operate from Corizza (Albania), Bitol, Prilep, and Skoplje into Greek territory must either stop or be crushed by military power.

Recent intelligence reports prove that the chosen instrument for Soviet pressure on the Mediterranean is the Cominform, about which further details are now coming to light. It was created to relieve Moscow of any "responsibility" for the actions of the satellite Soviets. Headquarters was, therefore, placed in Belgrade. The reported top leader will be the present Bulgarian Premier, Georgi Dimitrov, who will abdicate the moment Tito and Moscow find the time right for uniting Bulgaria and Yugoslavia into one state, "from Trieste to Varna."

During Tito's November visit to Sofia, the Bulgarian Vice Premier, Traitcho Kostov, received great applause when he demanded "the complete unification of the South Slavs by the creation of one common Yugoslav motherland." And Mr. Kimon Georgiev, the Foreign Minister, echoed, "We South Slavs are so situated that only if we are firmly united can we effectively defend our interests." The creation of this greater Yugoslav Soviet Republic makes any real settlement of Trieste impossible.

Which fact fits into the picture of the Soviet Ambassador. Mr. Kostylev's approach to Italian Foreign Minister Count Sforza that Moscow might back Italian claims to a mandate over the former Italian colonies provided Italy would break with America. Count Sforza pointed to America's postwar record of great helpfulness. At that, the Italian Communist Party has grown from 402,000 (December 1944) to 2,253,000 members (reported October 1, 1947), with no less than 105,000 students and intellectuals, and with 52,500 Communist cells (as compared with 38,200 such party cells in France). The relative peacefulness at present on the Italian scene does not deceive informed observers. Neither does it change the burden of the American commitment: "If we betray Italy as we betrayed Poland, I leave it to you to decide where that leaves us as the greatest nation on earth" (Congressman LODGE, in the House of Representatives, December 5, 1947).

From London the report comes that Mr. George Marshall has received the promise of the Egyptian Government that Egypt will remain neutral, when the question comes up about the disposal of the Italian colonies: Overpopulated, democratic Italy may be considered. Above all, arrangements will be made whereby famed Tobruk goes to the British as permanent base in a defense triangle: Cyprus, Tobruk, and southern Red Sea harbors: main weapons to be jet-fighters and guided missiles.

When the British Foreign Office announced to the United States State Department that British warships would intercept two Panamanian ships out of Soviet controlled Constanza, it based its decision upon intelligence reports from Istanbul to the effect that the Jewish refugee ships were carrying as high as 4,000 young Soviet-trained troops to Palestine. This discovery squares with the announced policy of eastern European Communist parties "to control immigration to Palestine and to see to it that the best fitted elements emigrate." Recently the Jewish organizations of Rumania, Poland, and Bulgaria have been reorganized by the Communists to give the leadership to the democratic elements among the Jews. The Bulgarian Jewish National Organization in its recent congress voted to lead the movement into the anti-imperialistic formation. From the Stern gang and the Irgun Zwai Leumi the men of Moscow received resolutions of thanks for the Soviet attitude in the question of Palestine.

Throughout the Mediterranean, as elsewhere, the Cominform has ordered the Communist Parties to enroll as the storm troops in the fight against the imperialistic Marshall plan. In the case of the free German movement the Belgrade directive significantly enlists the members to fight American intervention in European affairs.

Students of history have suggested that the month of February 1948, marking the centennial of the February Revolution and of the Communist manifesto, may have been chosen by the Politburo (Moscow) as the occasion of a global demonstration of the strength of the Marxist idea.

In fact, rumors indicate that the next month may see the announcement of a Communist liberation center for Asia, where American political initiative has suffered from lack of imagination and extremely faulty timing.

Congressman Gallagher Protests

EXTENSION OF REMARKS
OF
HON. JAMES GALLAGHER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. GALLAGHER. Mr. Speaker, under leave to extend my remarks, I insert an editorial from the Times-Herald, of Washington, D. C., under date of January 21, which deals with the fuel-oil shortage.

This editorial says "the Truman outfit" is too busy sending petroleum to other countries in the world and is overlooking the people of the United States.

We have a fuel-oil shortage in Philadelphia, Pa. People are having a hard time to heat their homes. I suggest that the Democratic administration take notice of its mistakes and read this editorial, which is as follows:

WHERE'S OUR OIL GOING?

Secretary of Defense James V. Forrestal day before yesterday, pursuing the Truman administration's policy of trying to scare the boots off the American people to gain administration ends, painted a horrific picture of our oil situation at a session of a House Armed Services Subcommittee.

We're already short of petroleum for one reason or another, said Mr. Forrestal—which was scarcely news to Atlantic seaboard and Midwest home owners, hard pressed for fuel oil to heat their houses.

But, according to the Defense Secretary, that is only the half of it. The rest of it is, the man says, that in another major war our own oil production would most likely run short of our needs by 2,000,000 barrels a day; that the uproar in Palestine may result in Arab cutting of various Near East pipe lines; and that we'd better get busy now on building up a synthetic-oil industry in this country at an eventual cost of $8,000,000,000.

It so happened that last Saturday evening our Ambassador to France, Jefferson Caffery, told the American chamber of commerce in Paris that between December 16 and January 10—the first 24 days of the stop-gap aid program—France had received $53,000,000 worth of essential materials from the United States. Among these, Mr. Caffery added, was 200,000 tons of petroleum; he didn't say in what form, whether crude, gasoline, light or heavy fuel oil, or shipments of all of those commodities.

According to reliable sources of information here, the Caffery statement must have been oversimplified—meaning it seems impossible that 200,000 tons of petroleum could have gone to France from the United States in those 24 days. That comes to 1,500,000 barrels of crude, and 14 tankers would have been required to carry it.

November United States petroleum shipments to France totaled 294,000 barrels; October 251,000; September, 141,000—with December figures as yet unavailable here. It doesn't seem likely that United States shipments would have ballooned to 1,500,000 barrels between December 16 and January 10.

It is entirely probable, though, that Caffery's over-all figure was correct, and that France did receive in the period under discussion 200,000 tons from various sources—the United States, South America, the Near East, and so forth.

One more statistic, if you don't mind: Under ideal refining conditions, you can get a 17 percent yield of No. 2 fuel oil out of a mess of crude petroleum. That means the 200,000 tons that went to France would have yielded 34,000 tons of this favorite heating oil. Whatever petroleum is sent out of the United States carries with it a potential 17 percent of fuel oil which Americans don't get.

United States oil companies control, process, and distribute about 80 percent of all the world's petroleum outside Russia.

On the face of these facts and figures, it looks to us as if the Truman outfit is being far too zealous about funneling oil to other countries and far too lackadaisical about the defense, manufacturing, and home oil needs of the American people. Maybe we're wrong, but we think a clear and detailed accounting is due the people as to just what the administration is doing with petroleum and its products.

Federal Trade Commission Appropriations

EXTENSION OF REMARKS

OF

HON. WALTER C. PLOESER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. PLOESER. Mr. Speaker, I am extending the following testimony of Mr. George J. Burger given before the House Appropriations Subcommittee on Independent Offices. It is important because it carefully relates a serious handicap regarding antitrust enforcement. As chairman of the Select Committee on Small Business of the House, I addressed a letter to the same subcommittee on the same subject several days before this testimony.

Mr. Burger's testimony follows:

My name is George J. Burger. I am a member of the board of directors of the National Federation of Small Business, Inc., head office San Mateo, Calif., a national organization, which has the largest individual membership of any business organization in the Nation. I am also in charge of the Washington Office of the National Federation of Small Business, Inc., located in the Bond Building, Washington, D. C.

I also own and operate the Burger Tire Consultant Service, 250 West Fifty-seventh Street, New York City. I represent only independent tire and tube retailers and independent tire rebuilders. My clients are located in each of the 48 States of the Nation.

Mr. Chairman and members of the committee, I wish to take this time to thank you and your committee for giving me the opportunity to appear and present to you in as few words as possible the reason for my appearance. My sole purpose is to speak on anti-trust-law enforcement and as to those agencies responsible for their enforcement and the part the Federal Trade Commission may have in handling their portion of these antitrust laws. I say to you, without fear of contradiction, that to permit any program to continue that would not be all-convincing that there is a vigorous program of these laws being enforced, then I say that small business of this Nation might just as well know now as later on that they are through.

I make this statement not as a professional witness but as one who has owned and operated a retail establishment from 1909 to 1935, and know well from actual experience, that due to the violations of these laws and the lack of all-out enforcement by the Federal Government, it is impossible for small business to continue. Some of you might say this is quite an irrational statement and I will answer that by saying that I will refer you to the testimony of the then Assistant Attorney General, the Honorable Wendell Berge, appearing before the Senate Civil Service Committee on February 13, 1947. You will find that he made some very startling statements as to what has taken place in the enforcement of these antitrust laws during the past 35 or 40 years. In substance, his statement was that merely lip service has been given to the laws by the administrations during that long period. How did this happen? It was merely due to the fact of a lack of sufficient and adequate appropriations to have these laws vigorously enforced. Further, when appropriations were made by the Congress, no directive was made as to how these appropriations were to be expended when in productive or unproductive activity by those agencies. Were these appropriations utilized in matters entirely foreign from the antitrust enforcements? In my opinion, all aid that the Congress may consider as a help to small business of this Nation in the near future, such as tax relief, capital loans, educational programs, and so forth—all these will be of no avail to save the life of small business until we get at the cancer that is destroying, namely, lack of sincere, vigorous, antitrust law enforcement. I know this from costly experience and so do thousands upon thousands of other small businesses know this to be the fact.

At this time it is necessary to place on the record the wisdom of the Congress when, in the fall of 1940, they voted to establish the Small Business Committees in the Congress. Goodness knows what would have happened to small business, especially during the war years, if these committees had not been functioning. These committees, it can be truthfully said, went a long way to save the life of all small business during these past 6 years, and more important, it was a signal to all Federal agencies and to Big Business themselves that these committees would not permit small business to be destroyed through ruthless and unfair practices, and that for the first time small business of this Nation could take their rightful pleas to a congressional committee where all just and fair claims did receive the rightful attention. It is important to note that due to the actions of these committees, all Federal agencies having anything to do with the small-business problems were now aware of the objectives of these committees, and the result has been more sympathetic actions to small-business problems. Goodness knows what would have happened as to the trend that was taking place in our economic structure had not these Small Business Committees been set up in the Congress.

Still the basic situation facing small business has not changed and in fact, is getting even more precarious, that is, as to their future. Concentration is increasing in the Nation's industry, and if there can be any question as to that statement, I respectfully refer the committee to the reports of the Senate Small Business Committee, Seventy-ninth Congress, Economic Concentration and World War II and Future of Independent Business, Senate Committee Print No. 16. Then the staff report to the Monopoly Subcommittee of the House Small Business Committee, Seventy-ninth Congress, also the testimony given by various Federal Trade Commission officials before congressional committees in the Seventy-ninth and Eightieth Congresses. Small business, as a whole, is afraid to come forward and lay the facts on the line before congressional committees because they are fearful of retaliation from their source of supply. I don't make that statement just to hear myself talk, but know from actual happenings where some talked out of turn, or were afraid to talk because they were afraid of creating a business war. They knew that antitrust laws were being violated but were fearful of talking. You may find that the Federal Trade Commission has had similar experiences along this line, and yes, even the Antitrust Division of the Department of Justice.

Special credit must be given to the House Small Business Committee in the Eightieth Congress. Because of their actions they have been able to get two agencies of the Government to cooperate in the enforcement of these antitrust laws as they apply to one major industry for the first time in the history of these two agencies. Of course the major industry that is affected by this joint action through the House Small Business Committee, has already set in motion penalties for the ones that were "spark plugs" in bringing about the constructive action of the House Small Business Committee.

Not a week passes by but that some members of the federation's Nation-wide mem-

bership lay before us concrete evidence of antitrust law violations, and in the majority of cases, although their information is factual, the pleas are "Please don't quote us, as we are fearful of retaliation." Surely the House Small Business Committee had this experience within the past month when they attempted to move in immediately on a serious charge of law violation. I do not want the committee to feel that the witness is merelly making broad statements, but I will stand for any questioning to confirm what I said as to these practices, etc. Surely, in view of the fear in the minds of all small business, this situation cannot go on, and if it does, small business of this Nation is facing ruin quicker than Members of Congress can expect.

As I review the reports of the budget requests of the Federal Trade Commission, appearing in the staff reports of the Monopoly Subcommittee, House Small Business Committee, Seventy-ninth Congress, and note the reduced amounts approved and recommended by the Bureau of the Budget and the Congress, which include the enforcement of the Robinson-Patman law, I can readily realize now why this most important law is for all practical purposes a "dead-letter law" insofar as a help to small business of this Nation. I do not make this statement in any way to damage or belittle the constructive work of the Federal Trade Commission, but when one stops to realize the magnitude of what the FTC is expected to do, and what they have to do it with, I can now readily realize the impossibility of full enforcement of the Robinson-Patman law. I quote from the staff report to the Monopoly Subcommittee, House Small Business Committee, Seventy-ninth Congress:

"Any shortcoming of the Federal Trade Commission which may be pointed out in this report should not be allowed to obscure the highly salient fact that the appropriations to the Federal Trade Commission, even if the agency were devoting all its time to handling the most significant antitrust cases, would be insufficient to allow it to fulfill its function in helping to reverse the trend of concentration.

"The unfavorable odds against which the staff of the Federal Trade Commission must work is nowhere more glaringly illustrated than by the case against the Cement Institute. In this case only three Commission attorneys participated in the trial, yet they were opposed by lawyers from 41 law firms, many of them amongst the largest and most successful in the country. Press releases, according to the Federal Trade Commission, have appeared to the effect that the defendants in this case spent in excess of $5,000,000—$5,000,000 against three Commission attorneys. Five million dollars represents twice as much money as the entire Federal Trade Commission receives in 1 year. * * * The Federal Trade Commission lost this case against the Cement Institute by a 2-to-1 decision in the circuit court of appeals.

"Two facts stand out: (1) With the exception of the 1947 appropriation, Congress in each of the 10 years gave the Federal Trade Commission practically the amount approved by the Budget Bureau. Therefore, as far as the Federal Trade Commission's budget for the last 10 years is concerned, the Budget Bureau must be held, in the first instance, responsible for the agency's limited appropriation; (2) the Budget Bureau made very substantial reductions in the amounts originally requested by the Federal Trade Commission."

The Robinson-Patman law was given to the Commission by the Congress early in 1936 and in my opinion Congress would not have been criticized as over-generous or wasting the taxpayers' money if any amount equal to each fiscal year's budget of the Commission was granted exclusively for the enforcement of the Robinson-Patman law. If this has been done the results would be a virile, progressive small business of this Nation and less concentration taking place in Nation's industry. Big business interests of this Nation, as Congress is aware, left no stone unturned to bring about the defeat of the Robinson-Patman law when it was being considered by the Congress, and Congress only voted that law when the facts were presented to them, namely, that without the law, small business, both producers and retailers, would be destroyed. Surely the Federal Trade Commission, on March 4, 1946, presented the happening as to what took place with one major producer and one major distributor. Some years later, a Member of the Senate, when reviewing that operation, stated it was not competition but destruction for all other producers and retailers in that industry. It was largely due to the facts that were brought out at that time by the Commission and some others, that Congress was convinced that the Robinson-Patman law was necessary to save Nation's small business.

What a discouraging situation confronts us and the people I am speaking for when we see that not until July 1947, fully 11 years after the enactment of the Robinson-Patman law by the Congress, was any action taken to enforce the Robinson-Patman law, and it is to the credit of the present House Small Business Committee that the Commission for the first time has instituted action pertaining to one major industry's pricing policies under section 2 of the law. Under the law, the Commission has the power to fix quantity discounts, and no attempt was ever exercised by the Commission under that provision to protect small business against price discrimination until the House Small Business Committee explored the situation in that certain industry. How far the Commission will be able to go will depend upon the funds available in this major undertaking. If their funds are in an ample amount to do this job, then the job will be done sooner; but if, on the other hand, they are not ample, the result will be delays and more delays until the ones who would have benefited by their efforts will have ceased to be in the business world.

Members of the committee may wonder if the Commission was lacking or faulty in its administration. I will answer that before the question arises, as I have had the closest contact with the Commission for 11 years or more, as the Commission well knows. I will state definitely for the record that due to the many twofold duties of the Commission, and due to the lack of adequate appropriation, it was utterly impossible for the Commission to center its main activity on one special action. They did the best job possible under conditions prevailing.

I recall a certain major case instituted by the Commission under the Robinson-Patman law in 1938-39. This case was of major importance and many other industries were watching the development of the planning by that certain major producer. This producer, in less than 6 months after the Robinson-Patman law was placed on the statute books, as some competent business authorities felt and states, his sole action was to circumvent the Robinson-Patman law. All other leading industries were watching the development of the scheme and were wondering whether they would get away with it. Well, they were until the Federal Trade Commission moved in and found them guilty of the violations under the law and the producer admitted his guilt and accepted the Commission's cease-and-desist order; but the irony of the situation has been that the Commission has not been able to follow through in seeing to it that their order was being complied with, and by that I mean that the Commission could make the closest study of the order being carried out if they had had sufficient funds to do so. However, they did not have the necessary competent manpower to use and, due to the lack of sufficient appropriations, could not make this necessary follow-through. The result of the failure of the Commission to follow through on that case brought about just this: All members of that particular industry knew as well as those in other industries that the Robinson-Patman law was just another "eighteenth amendment." This time the victims were small-business institutions of this Nation.

On July 14, 1947, by invitation to the National Federation of Small Business from Senator ROBERT TAFT, chairman of the Joint Committee on the Economic Report, I presented testimony in behalf of the president of the federation, Mr. C. Wilson Harder. He requested that special all-out attention be given to the antitrust law enforcement. He recommended that a special appropriation be given to the Federal Trade Commission in the enforcement of section 2 of the Robinson-Patman law. Although the request was well received by that committee, no action has been taken up to the moment.

If the annual appropriations by the Congress to the commission was for just the enforcement of the Robinson-Patman law, in my opinion, the appropriation would not be too much, nor would the taxpayer's money be wasted. When we look at what the Commission has to do with its limited appropriation, then we can see now more than ever why we have only received a "hit or miss" administration of the law by the Commission.

I do not know whether the reduced appropriations of the Commission rest with the actions of the Bureau of the Budget or the responsibility rests with the Congress. If it is due to the Bureau of the Budget, then I believe the Commission should be granted the authority to lay these facts before the Congress of their own free will, when it happens and then Congress make known publicly where the responsibility lies for reduced appropriations. Nation's small business wants these facts and the sooner the better. Then, on the other hand, if no responsibility rests with the Bureau of the Budget or the Congress as to the necessary funds for the Commission to operate on and to vigorously enforce the laws entrusted to them, small business will then, for the first time, know how to approach the Commission, and if they are found wanting in their administration of the laws, to advise the Congress what should be done, and done at once with the Commission.

Both the Sherman and Robinson-Patman law will go a long way, and in fact a definite way to protect small business, provided lip service action does not continue by the administration and Congress does not close their eyes to the situation. Every so often Members of Congress have repeatedly stated opinions on the problems of small business, but no one does anything about it. You will find this statement appearing repeatedly in the CONGRESSIONAL RECORD.

To make certain for the first time that something will really be done to immediately protect small business, and after all, I am not speaking for myself, but for the entire membership of the National Federation of Small Business who, by the way, has time and time again, by their own vote urged increased appropriations for the administration of all antitrust laws, and speaking also for the people that I represent through the Burger Tire Consultant Service, I recommend:

1. That the committee recommend the full amount requested for the fiscal year by the Federal Trade Commission.

2. That if and when the Bureau of the Budget should reduce the appropriation

requested by the Commission, that the Commission be permitted to make this action public information.

3. That not less than $500,000 of the total request to the Bureau of the Budget be earmarked for cases under the Robinson-Patman Act, with strong emphasis to the Commission of cases involving the establishment by the Commission of maximum quantity limits on discounts as specified under section 2 of the Robinson-Patman Act. This is necessary if the function of the Commission is to promote free and fair competition in interstate trade.

Make no mistake, business of this Nation will get back to normal quicker than many of these so-called experts will tell you or lead you to believe. It cannot go on the way it has been since the end of the war. Signs are appearing in quite a few industries that they are catching up with orders, and when this condition arrives you members of the committee must realize this will be the time when small business will face the most severe squeeze play, and it is our purpose in appearing now before you so that you will see that this important agency of the Government, empowered with important laws to protect the public and the business structure, both big and small, are put in a position to function effectively which, after all, will be saving our Nation's economy.

Signs and actions are appearing of attempts by congressional actions, or otherwise, to bypass the antitrust laws due to the so-called emergency, to suspend these laws. We cannot close our eyes to these attempts and the two services that I am speaking for will fight to the last ditch in the protection of Nation's small business to defeat all such attempts, no matter where the actions come from. This is definite, and we are committed to this fight, and so should any other small business groups be who are supposed to be fighting for small-business interests. This should be their principal objective.

It is encouraging to small business institutions of this Nation to note the new activity of the Federal Trade Commission in its 1949 operation, namely, administered pricing program. We are glad to see this instituted by the Commission because we know from experience of the ruthlessness and vicious practices of major producers putting on special programs in an area, but not in all the areas throughout the Nation. The Commission is to be commended on their action and the results can be beneficial to the consumers of this Nation and also the small business enterprises of the Nation. We think the American public has a right to know the facts.

Finally, the Robinson-Patman law and all other antitrust laws were voted by the Congress so that the public would be protected from gouging, and so forth, and also that small business would be protected and permitted to exist in the business world. These laws were not put on the statute books to protect the inefficient.

If time had permitted, Mr. Chairman, I had hoped to lay before your committee more factual data, but believe me I am speaking the truth and the whole truth, and I trust my pleas in the sole interest of the Nation's small business will not have been in vain, and that the agencies empowered with the enforcement of these antitrust laws may receive the necessary and adequate appropriations that they may do a real job. Let us start to protect our own Nation's business economy now. That is more important to the people of this Nation. Many youths of this Nation want to go into business for themselves. If they have the ability to open a business and put their own money into their own business, let us hope that the little they may have to start a business with and also that are now operating in small business, their investments will not be ruined due solely to the lack of enforcement of the antitrust laws.

The Nazi-Soviet Documents

EXTENSION OF REMARKS

OF

HON. THOMAS S. GORDON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. GORDON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of January 22, 1948:

THE NAZI-SOVIET DOCUMENTS

From the collection of Nazi-Soviet documents for the war years 1939 to 1941, seized by American troops in Germany, made public last night by the State Department and printed extensively in the Times this morning, we cite one item as typical. It is taken from the secret additional protocol to the celebrated Russo-German nonaggression pact of August 23, 1939.

This was the treaty, signed by Molotov for Russia and by von Ribbentrop for Germany, which was negotiated shortly before Hitler's unprovoked attack on Poland. This treaty has always been defended, by apologists for Russian diplomacy, and on the basis of its published text, as an agreement designed to stabilize the relations of the Soviets and Germany in the interest of peace in eastern Europe, and the text published at the time does, indeed, say much of refraining from acts of violence and eschewing aggressive alliances. But behind this published text, it is now revealed from the seized files of the German Foreign Office, there stood a "secret additional protocol," in which the Russian Government and the German Government—in advance of Hitler's attack on Poland—drew the boundaries of their respective spheres of influence in the Baltic states and Poland, in the event that what was nicely called the political rearrangement of these areas should be brought about. Thus, in Poland, the line between Russian and German influence was to follow approximately the rivers Narew, Vistula, and San. But more than this. The secret protocol went on to say:

"The question of whether the interests of both parties make desirable the maintenance of an independent Polish state and how such a state should be bounded can only be definitely determined in the course of further political developments. In any event, both Governments will resolve this question by means of a friendly agreement."

So here were Stalin and Hitler calmly deciding, just before Hitler struck his blow at Poland, that they would consider later, and resolve by friendly agreement, whether there would even be an independent Polish state, after Hitler's blow had fallen. Certainly this evidence offers the unhappy Polish people an opportunity for ironic thought on the fidelity with which their present puppet government supports, in the UN and elsewhere, the policies of that same Russian Government which was ready in 1939 to will all Poland out of existence, as a plain matter of political plunder.

The documents now published by our State Department deserve close study. They cover the whole period from 1939 to the June day in 1941 when Hitler double-crossed his partner in the nonaggressive pact and suddenly threw his legions into Russia. The relationship which these documents reveal in those critical and history-shaping years is that of two mutually suspicious and untrustful but equally cynical and ruthless governments matching wits while they plotted a division of power in eastern Europe in the event of a war which had not yet begun but the certainty of which was sealed by their maneuvers.

Palestine Partition

EXTENSION OF REMARKS

OF

HON. ED GOSSETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. GOSSETT. Mr. Speaker, most thoughtful Americans are gravely concerned with the results of our action in bringing about a partition of Palestine by the United Nations. Most Americans are ashamed of the fact that we permitted partisan domestic politics to influence our international conduct. If we continue such a course we will bring shame and disgrace upon this Nation. Doubtless, American troops will soon be called upon to go into Palestine to quell the disorder which our action has promoted. No American wants his son to die in the sands of an un-Holy Land in defense of an illegitimate state. The Arabs and a billion people over whom they exert influence are watching us. If we send American troops into Palestine we not only play into the hands of Russian Communists, but we further alienate the good will of half the world's people who occupy half the world's land area.

This sentiment is expressed in a resolution just received by me from the Public Affairs Luncheon Club of Dallas. This club is composed of hundreds of the leading women of Texas. Their club exists to study public affairs. Their action is characterized by intelligence and good citizenship. Their appeal to this Congress should certainly not go unheeded.

I commend their resolution, which is as follows:

Whereas the partition of Palestine by action of the United Nations has resulted in strife and violence in that country; and

Whereas it is becoming apparent that if the decision of the United Nations to establish a Jewish state in Palestine stands and is enforced, it must be by military power which would threaten the peace of the whole world: Now, therefore, be it

Resolved, That the members of the Public Affairs Luncheon Club, here assembled, are unalterably opposed to the use of any part of the United States Army to enforce the partitioning of Palestine, and that we do earnestly beseech our representatives in Congress to oppose, with all their influence, any effort to send a military force from the United States to Palestine; and be it further

Resolved, That a copy of this resolution be incorporated in the minutes of this organization and that copies also be sent to Senator TOM CONNALLY, Senator W. LEE O'DANIEL, to the Honorable J. FRANK WILSON, of Dallas County, and to the Honorable ED GOSSETT, of Wichita Falls.

Adopted December 15, 1947.

Respectfully submitted.

Mrs. PAULINE ADOUE HALL,
Chairman, Resolutions Committee.
Mrs. MAURICE C. TURNER,
President.

The West Virginia Plan

EXTENSION OF REMARKS
OF
HON. WILLIAM J. CROW
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. CROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein the West Virginia plan for veterans' housing:

Housing: Corporation sponsored for World War II veterans.
Erection: Production-line methods.
Financing: Title III, Public Law No. 346.

I. PROPOSAL—WHAT IT IS

A. To suggest a way to contribute to the solution of veterans' housing problem, viz., by corporation sponsorship of home construction projects for resale at cost to World War II veteran employees of the corporation.

B. Making use of production-line methods for building homes as developed by the Byrne organization, at Baltimore, Md., Moline, Ill., and elsewhere.

II. OPERATION—HOW IT WORKS

A. Finance arrangements made by corporation to—

1. Procure extension of bank credit to—
(a) Acquire suitable land.
(b) Develop the subdivision re—
(1) Surveying, landscaping, plotting,
(2) Water.
(3) Sewerage.
(4) Streets.
(5) Electricity.
(6) Gas.
(7) Parks and playgrounds.
(8) Schools (if necessary).
(9) Stores (if necessary).
(10) Miscellaneous improvements.
(c) Coordinate construction of houses.

2. Contract with veteran employees to purchase houses and lots at actual accrued cost by—
(a) Loans from banks and loan associations for 100 percent purchase price which is guaranteed under title III of Public Law No. 346, under escrow trust agreements.

III. RESULT—WHO BENEFITS

A. To corporation:
1. Will improve corporation's relations with its (a) employees, (b) community, (c) customers.
2. Will indirectly increase production.

B. To veterans:
1. Will ease housing shortage by (a) enabling war veterans, who cannot presently purchase building lots or make usual down payments, to purchase corporation-sponsored houses at cost; (b) enabling corporation's war-veteran employees to move into their own homes, thus releasing additional housing for its nonveteran employees and other community citizens.

IV. GENERAL

A. Fortifies private enterprise methods for solving problems of public concern by—
1. Financial sponsorship by corporations to provide homes for their veteran employees.
2. Utilization of banks and loan associations to finance veteran home loans.
3. Multiple construction methods which maximize values and minimize costs.

V. FEASIBILITY OF WEST VIRGINIA PLAN

A. Plan in operation in West Virginia and other States.

B. The John Byrne organization has demonstrated that by using production-line methods the cost of housing can be reduced from one-third to one-half. In this manner veterans can secure good homes within their incomes.

VI. ENDORSEMENT OF WEST VIRGINIA PLAN

A. National convention of the American Legion, August 28, 1947, at Madison Square Garden, New York, N. Y.

B. West Virginia Bankers Association in convention at Wheeling, W. Va., October 26, 1947.

Mr. Speaker, a method has been developed whereby World War II veterans who have regular jobs but who have no substantial savings with which to buy building lots or make down payments on homes, could purchase suitable homes under the loan guaranty provisions of title III of Public Law No. 346.

These loans are particularly attractive because, first, under corporation sponsorship the veteran would get full value for the money he puts in his home; second, the veteran has a steady job whereby he can keep up his payments, and, third, the loan is guaranteed by the United States Government.

These loans would also be attractive to banks as the servicing of such a large number of loans could probably be arranged with the corporation sponsoring the project.

This plan eliminates faulty construction and thereby decreases the number of defaults on veterans' loans.

The proposal is that the original finances can be provided by some corporation, labor union, or cooperative, which can arrange for the purchase of a site of land on which to construct a substantial number of homes, on a multiple-construction basis, such as worked out by the Byrne organization, thus effecting substantial economies of construction and making it possible for the corporation, labor union, or cooperative to sell the completed homes to World War II veteran employees on an actual cost basis, including the cost of landscaping, surveying, plotting, and improving the land, under a contract for sale that could be worked out ahead of time, supplemented by regular trust agreements with a bank or building and loan association, which might be persuaded to advance the necessary funds, particularly where all the coordinating planning should have been approved by the loan guaranty division of the regional office of the Veterans' Administration, as to the contemplated individual loans to be advanced by the bank or the loan association to the individual veteran home purchasers.

Upon completion of such an arrangement the sponsoring corporation, labor union or cooperative would thus be reimbursed as to all of its original expenses. The bank or the building and loan association would feel secure as to its individual loans on the basis of the loan guaranty under title III of Public Law No. 346, extended by the loan guaranty office of the Veterans' Administration. The loan guaranty office of the Veterans' Administration could feel assured of the repayment of such loans, that is providing, of course, that the planning has been coordinated and the construction had been safely performed and supervised, because of the fact that all such veterans would be regular employees of a particular sponsoring corporation, or members of the particular labor union or veterans' cooperative.

Ordinarily, it would be more feasible for a corporation to sponsor such a multiple-construction project as to its own World War II veteran employees, than would be the case as to a veterans cooperative, or as to a labor union, because of its ability to give assurance of the probable continuance of employment of its World War II veteran employees and purchases of such sponsored homes.

Sponsorship of such homes for its World War II veteran employees by the corporations would probably directly bring considerable additional good will to the corporation, on the part of its employees, on the part of the local community in which its plants may be located and on the part of its customers. Satisfied employees—not constantly worried about the housing shortage, would be relieved of much of their anxiety, and consequently their energies would be converted into greater productiveness and serviceability to the corporations, that had assisted them in the solution of their housing problems.

The feasibility of the West Virginia plan nationally is established because it is already in operation on a sound basis in several States.

Navy Veterans Support Marshall Plan

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith the following resolution which was adopted unanimously by the East St. Louis (Ill.) Navy Club, Ship No. 58, at its last regular meeting in the interest of the Marshall plan and calling for the maintenance of our Military Establishments at the highest possible peak of efficiency:

EAST ST. LOUIS NAVY CLUB, SHIP NO. 58,
East St. Louis, Ill., January 6, 1948.
Hon. MELVIN PRICE,
Congressman, Twenty-second District, Washington, D. C.

DEAR SIR: The following resolution was presented to the East St. Louis Navy Club, Ship No. 58, at the regular meeting and approved unanimously:

"The East St. Louis Navy Club, Ship No. 58, views with alarm the steady deterioration of the relations between the United States and Russia, and the ceaseless and relentless encroachment of Russian domination in Europe.

"The East St. Louis Navy Club, sees in the attitude of Russia, as has recently been evidenced in the United Nations organization meeting, a distinct threat to world peace, The East St. Louis Navy Club believes that it is becoming increasingly clear that communism is the greatest external foe of the United States of America and must be recognized and treated as such: Therefore be it

"Resolved by action of the East St. Louis Navy Club, Ship No. 58, at the regular meeting, That we recommend and endorse the

following course of action by the United States of America:

"1. Maintain our Military Establishments at the highest possible peak of efficiency and instantly ready for action at any time.

"2. Effectuate the Marshall plan of aid to Europe, but under the direct supervision of the United States of America."

L. L. HERGENROEDER,
Commandant.

Pensions of Widows of World War I

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

THE COMMONWEALTH OF MASSACHUSETTS,
DEPARTMENT OF THE ATTORNEY GENERAL,
Boston, December 31, 1947.

Hon. JOSEPH W. MARTIN, Jr.,
Congressional Office Building,
Washington, D. C.

DEAR MR. SPEAKER: I wish to call to your attention a very serious situation which is confronting the widows of World War I veterans; namely, widows' pension. It is a serious thing at this time because of the increase in the mortality rate among the veterans of World War I whose average age is now over 50.

The statute, section 11, Public Law 144, provides: "Payments of compensation under the provisions of this act shall not be made to any widow without child or children whose annual income exceeds $1,000 or to a widow with a child or children whose annual income exceeds $2,500. In determining annual income any payments by the United States Government because of disability or death under law administered by the Veterans' Administration shall not be considered." In interpreting this statute, the Veterans' Administration has made such a narrow construction that widows who have as their only asset a small commercial life-insurance policy have been denied the pension which you wanted them to receive.

I give you two illustrations of decisions of the Veterans' Administration which are numbered among the thousands throughout the country. A Massachusetts veteran died while on vacation in the State of Maine. The widow had to take care of burial expenses in Maine and in Massachusetts amounting to approximately $800, and her health was such that it was impossible for her to work. Her husband left her a commercial life-insurance policy in the face amount of $1,000. When the policy was payable there was a dividend added to it of $98.08. The Veterans' Administration denied the widow a pension on the basis of her annual income being in excess of $1,000.

Another example is of a widow whose husband died January 31, 1947, and she, too, took care of the burial expenses and of his last illness. She was unable to work, and her husband left her a commercial life-insurance policy for $1,000. The Veterans' Administration denied the widow a pension and said, "It appears that after the veteran's death on January 31, 1947, she received, as beneficiary of said veteran's commercial insurance the sum of $1,000, which on a proportionate monthly basis is at a rate in excess of $1,000 per annum. The fact that she expended a sizable portion of the proceeds of the commercial insurance for expenses of the funeral and burial of her husband would have no bearing upon the statutory limitation."

It is my contention that the Veterans' Administration is not correct in its interpretation of the act that the proceeds of such commercial life-insurance policies are income, since everyone of the 48 States, the United States Treasury, and the Collector of Internal Revenue do not consider such proceeds as taxable income. In addition, the Veterans' Administration has refused to give any consideration to the payment by the widow of burial bills and those of last illness in determining her annual income.

May I call to your attention the fact that, under the interpretation of the act by the Veterans' Administration, a World War I veteran with commercial life insurance policies of a large amount who provided for the proceeds to be paid to his widow in installments of less than $1,000 a year would be enabled to still have his widow receive a pension despite this amount of insurance. In addition, a widow of a World War I veteran who had a $10,000 converted Government life insurance policy would be entitled to the widows' pension. However, the widow of a World War I veteran in dire circumstances whose husband, after going through a depression and two postwar periods, and therefore unable to provide for anything save a small life insurance policy to cover the expenses of burial and last illness, is penalized by the interpretation of the Veterans' Administration that such a policy constitutes annual income.

I have under appeal one of these typical widow's cases to the Board of Appeals in Washington, and I am awaiting word for the date of a hearing on it. If there is anything that you can do to expedite this hearing, which is the case of Gertrude Rae Moor, widow of Frank E. Moor, XC-1,789,883, it would be appreciated. In the meantime, however, may I suggest that you contact the Veterans' Administrator and acquaint him with the situation which I have presented to you, and also the possibility of introducing legislation that would correct this problem. In considering corrective legislation I suggest three possibilities:

1. The proceeds of commercial life insurance be placed on the same basis as Government life insurance.

2. That at least a commercial life-insurance policy be exempted from consideration as a widow's annual income in the amount of $3,000.

3. That in determining the annual income of widows, expenses of burial and last illness be deducted and that the income of such widow would be on a net basis.

Since the publication of the fact that the veterans' division is to appeal this widow's case, many widows have contacted me revealing their unfortunate situation, and I can sincerely inform you that a check-up of the Nation would reveal thousands of like widows who have suffered by the adverse decisions of the Veterans' Administration in rejecting their claim for a widow's pension.

It seems to me that it is a challenge to all of us who wish to be of some service to the widows of the men who served in World War I and I will be pleased to join with you in anything that may accomplish this purpose.

Sincerely yours,
CLARENCE A. BARNES,
Attorney General.

A bill relating to the eligibility for pensions of certain widows and children of veterans of World Wars I and II

Be it enacted, etc., That section 1 (c) of the act of June 28, 1934, entitled "An act to compensate widows and children of persons who died while receiving monetary benefits for disabilities directly incurred in or aggravated by active military or naval service in the World War," as amended (U. S. C., 1940 ed., Supp. V, title 38, sec. 503 (c)), is hereby amended to read as follows:

"(c) Payment of compensation under the provisions of this act shall not be made to any widow without child, or a child, whose annual income exceeds $1,000, or to a widow with a child or children whose annual income exceeds $2,500. In determining annual income the Veterans' Administration shall not consider (1) any payments by the United States Government because of disability or death under laws administered by the Veterans' Administration, and (2) any payments by reason of insurance on the life of the deceased veteran: *Provided,* That where payments to a widow are disallowed or discontinued hereunder, payment to a child or children of the deceased veteran may be made as though there is no widow."

Self-Imposed Fair Play Standards Best Control of United States Enterprise

EXTENSION OF REMARKS
OF
HON. BRENT SPENCE
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. SPENCE. Mr. Speaker, under leave to extend my remarks, I herewith insert the following article appearing in the January issue of the Southern Banker, by Hon. John D. Goodloe, Chairman of the Board of the Reconstruction Finance Corporation:

SELF-IMPOSED FAIR PLAY STANDARDS BEST CONTROL OF UNITED STATES ENTERPRISE

(By John D. Goodloe, Chairman, Reconstruction Finance Corporation, Washington, D. C.)

Much has been said and written about the achievements of the American private enterprise system, what makes it tick, what its essential elements are, the dangers it faces, the changes necessary to insure its preservation, and so on. It has been defended and occasionally by a few openly attacked. It is not strange that so many sincerely profess faith in its ability not only to maintain the highest standard of living in the world, but to continue to make available to an increasing number of our people more of the materials necessary for health and enjoyment of life. It is strange, however, to observe the difficulty encountered in any attempt to specify the component parts of that system, the interacting relationships of those parts, and the constant adjustments which are occurring.

ERRONEOUS GENERALITIES

The amazing success of our private enterprise system in supplying a per capita quantity of consumer goods far exceeding that produced by any other country in the world is frequently explained, and sometimes erroneously, through broad generalizations. For example, the many natural resources possessed by the United States are pointed out as an explanation. While we have abundant natural resources, we have not been exceptionally endowed compared to many countries of the world. This fact became alarmingly clear during the recent war when it was necessary for the Reconstruction Finance Corporation to seek abroad, and to stockpile, many raw materials necessary to meet our industrial requirements. These included natural rubber, tin, nickel, manganese, mercury, cobalt, industrial diamonds, and quartz crystals. There are many other materials, such as lead, copper, chromium, uranium, and bauxite, which must be imported in quantity to supplement production in this country.

While we have about 35 percent of the world's proved oil resources, those reserves have been determined largely through the initiative of private industry in persistent exploration and discovery. When we consider that the land area of the United States is only 7 percent of the total world land area, it becomes apparent that we must look elsewhere for an explanation of the success of the American private enterprise system. Nor can it be explained by pointing to the large population of the United States which provides a working force for high production. Our population constitutes only 6 percent of the total world population.

The answer lies not in these factors, but rather in the unique character of American competition, the influence of which is felt in every direction and in every activity. Geographical areas compete with other geographical areas; small business competes with large business; industries compete with each other; new inventions compete with old methods: airplanes compete with railroads and bus lines; coal competes with oil; nylon competes with other fabrics; aluminum competes with steel; and so on ad infinitum.

Of equal importance insofar as the individual is concerned is the fact that opportunity is provided as nowhere else to engage in business or professional activity on such a basis that personal return is governed primarily by the individual's ability, initiative, and resourcefulness. A leading American advertising agency recently conducted a survey to determine the starting salaries of top executives of 50 of the largest businesses in the United States. The average for the 1,943 men surveyed was $13.40 week. Only seven had started at more than $25 weekly. This can be matched in no other country.

Critics of our system frequently state that it is basically selfish: that inherently it is an application of the law of the jungle to the economic relationships of people. Nothing could be farther from truth. Obviously there is a small minority which will never obey the rules. Human nature being what it is, I suppose this will always be true. This is not a condition peculiar to the American system. Nevertheless, the vast majority of American businessmen recognize the rules of fair play and operate within those rules because they sincerely believe in them. Indeed, it is good business to do so since violation of these self-imposed standards of conduct promptly brings disapproval.

HIGH ETHICAL PLANE

My 16 years with agencies of the Government—particularly the RFC—whose functions have involved close and intimate working relationships with private industry during the depression years, and especially during the war, has been more than sufficient to convince me that the vast majority of businesses is conducted on an extremely high ethical plane and with full recognition of its tremendous responsibility. This does not mean that American competition is soft.

Business is not engaged in a game of touch football. The going is much more rugged than that. Competition always results in some casualties. Some enterprises cannot survive for a wide variety of reasons—bad management, failure to keep abreast of technical improvements, new inventions, and numerous others. Occasionally, although most of the rules governing business relationships are unwritten, the Government must step in and establish other rules, including, for example, the Sherman Antitrust Act, the Clayton Act, the Securities Act of 1933, the Federal Trade Commission Act, and the Robinson-Patman Act. None of these laws, however, are designed to interfere with private competition, but to preserve it.

Undoubtedly the American system of free enterprise is and will continue to be affected and influenced by Government, acting, we trust, at all times within its proper sphere. Tax laws will be enacted; tariffs will be lowered or raised; interstate commerce will continue to be regulated; freight rates will be subject to Government control; and working conditions in mines and factories will continue to be a proper field for Government action. All these and many more affect the operation of our competitive system. But in the main adjustment to changing conditions in a free enterprise economy will of necessity be achieved through voluntary decisions of private management, farmers, and labor. Admittedly this is all very complicated; it is interacting and interrelated. Nonetheless the simple fact is that it has worked, if judged in terms of the standard of living made possible through its operation.

At the present time, and certainly in the next few years, the American system is, and will be, put to the severest test in history. This Nation must assume obligations of staggering proportions with respect to the reconstruction of devastated areas the world over. Those responsibilities, as well as the demand for goods at home, will require production possibly rivaling even that of the war years. It is a challenge which can be answered successfully only through the closest cooperation of Government, industry, the farmer, the laborer. Such cooperation can exist only if all parties concerned recognize to the fullest extent possible the individual and collective responsibilities imposed by world conditions.

The RFC was originally established in 1932, when we were balanced precariously on the brink of national bankruptcy, and many well-informed people thought the complete destruction of our great American economy was inevitable. The RFC quickly became one of the most important of the several forces responsible for pulling the country out of that terrible depression. Acting through the RFC, the Government provided billions of dollars to banks, insurance companies, railroads, and other business enterprises. This not only permitted the continued operation of those enterprises but more important, from the standpoint of public interest involved, protected and preserved the investment therein of the millions of depositors, investors, and policyholders.

During those grim depression days in the early thirties, as well as during the critical war years, the RFC and industry were able to work together successfully without any ill effect on our free economy or any substantial diminution of the rights and liberties of the individual citizen. We are proud of that record of cooperation and mutual understanding.

When the clouds of World War II first began to appear, Congress, to expedite our national defense program, gave the RFC extremely broad powers and tremendous financial resources to meet the impending emergency. You are all familiar with the tremendous and important role the RFC played in our war effort. Among its major achievements were the purchase of hundreds of critical and strategic materials and the construction and operation of thousands of defense plants for the production of airplanes, tanks, guns, ammunition. Success of these wartime activities was largely attributable to the cooperation and assistance RFC obtained from private industry, due in a large measure to RFC's recognition of the desirability—indeed, the necessity—of utilizing the personnel, experience, facilities, and know-how of private industry, as well as the belief of RFC in the willingness of industry to work with the Government on a friendly and fair basis. We are proud of the wartime record of our relations with industry.

EMERGENCY POWERS OUT

The present Congress has enacted legislation extending the life and functions of the RFC until June 30, 1948. Under the revised law the emergency powers granted the RFC in 1940 were eliminated, and with this action I am in complete agreement and so testified before both the Senate and House Committees. They were too broad for the normal, peacetime activities of the RFC, having been designed basically for wartime use. However, the extension of the RFC recognizes the desirability of having an organization in existence whose powers, in the event of another emergency, can rapidly be expanded.

The RFC is especially qualified from the standpoint of experienced personnel and organization to deal effectively with such emergency situations. The corporate form of governmental organization responsible to the Congress permits flexibility of operation hardly possible in the case of the usual "old line" Government agency or department. With its 31 field offices strategically located throughout the country, the RFC is in position to move promptly and effectively whenever Congress determines that in the national interest its services are required.

Action by the Congress in extending the life of RFC is also a recognition of the fact that there is a field within which Government can supply credit on a safe and sound basis without competition with the credit facilities provided by private credit institutions. In fact, it has always been RFC's policy to assist and augment the credit facilities of those institutions, and I think it is a fair statement that the loans which RFC makes result in the establishment of new businesses and the preservation of old businesses, thus ultimately creating a sound market for the services of private financing institutions.

The illiquid position of the banks in the early and middle thirties prevented them from making many loans which in the national interest should have been made. It also forced the liquidation of loans which in the national interest should have been extended. In those circumstances, the gap which RFC was intended to fill was relatively large. Today, in contrast, the proportion of deserving borrowers who cannot obtain credit from private sources is smaller and the proper area for RFC operation is correspondingly smaller than in the thirties.

Whether the present period of full employment, high production, and favorable markets and prices will continue indefinitely is not for me to say. So long as we can maintain a free competitive economy and can enjoy conditions which will provide individuals with maximum opportunity to engage in competition on a fair basis, we need have no fear for our country's future.

One Hundred Sixty-seventh Anniversary of the Battle of Cowpens

EXTENSION OF REMARKS

OF

HON. JOSEPH R. BRYSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. BRYSON. Mr. Speaker, last Saturday, January 17, was the one hundred sixty-seventh anniversary of the Battle of Cowpens, a notable conflict in the American Revolution in which Gen. Daniel Morgan led our troops to victory over Tarleton and his redcoats.

In recalling this historic battle, I wish again to express my wholehearted support of Mr. RICHARD'S bill, H. R. 3570, now pending in the House, to establish the Cowpens Battleground Park on the site of this Revolutionary victory. A similar bill is pending in the other body.

To commemorate this battle in the South Carolina up-country, a song, Cowpens Battleground, has been published by four South Carolina chapters of the Daughters of the American Revolution, the Cowpens chapter, Spartanburg; the Kate Barry chapter, Spartanburg; the Mary Musgrove chapter, Woodruff; the Daniel Morgan chapter, Gaffney.

Music for the song was composed by Mr. Geoffrey O'Hara, and the lyric, which follows, by Mr. Harry Wilkins, well-known poet-businessman of Spartanburg and Gaffney.

COWPENS BATTLEGROUND

O sacred spot of Cherokee,
Where heroes bled and died,
O cradle of true Liberty,
Your glory is our pride.
Here freely ran the warm, red blood
Of strong, young Spartan men,
While battling in cold, winter mud
As British ranks grew thin.
From Carolina's rugged hills,
And faithful Georgia's plains,
Virginia's far-off winding rills,
Men came thru drenching rains,
Then from historic Delaware,
And ardent Maryland;
It seemed they came from everywhere,
This patriotic band!

With Blue Ridge Mountains standing guard,
And Thicketty near by,
Those lean Americans fought hard,
That Right should never die!
By that old Mills' Gap wagon trail
Brave Morgan charged his men:
"We must not fail; we cannot fail!
Today we die or win!"
On your immortal hills and dales,
Redcoats breathed dying breath,
In cattle pens of ancient rails,
And Tyranny met death!
We honor patriot sires today,
Applauding their renown,
And thank Jehovah, we can pray
Without consent of Crown!

Study of the Veterans' Administration

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

JANUARY 22, 1948.

Hon. JOSEPH W. MARTIN, JR.,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: There is enclosed a draft of joint resolution authorizing the Administrator of Veterans' Affairs to reimburse the Commission on Organization of the Executive Branch of the Government for certain sums expended in connection with its study of the Veterans' Administration, which the Veterans' Administration recommends be enacted into law.

The purpose of the proposal is to authorize the Administrator of Veterans' Affairs to reimburse the Commission on Organization of the Executive Branch of the Government to the extent mutually agreeable to the Administrator and Chairman of the Commission for sums expended by it in extending its study of the Veterans' Administration pursuant to the act of July 7, 1947 (Public Law 162, 80th Cong.), as amended.

Since my appointment as Administrator of Veterans' Affairs, I have received numerous complaints about the service being rendered to veterans in connection with their contracts of national service life insurance. Apparently similar complaints have been made to the Committee on Veterans' Affairs, House of Representatives, as evidenced by its inquiry into the matter of such insurance.

I feel very strongly that veterans are entitled to the best possible service, not only with respect to insurance but also as to all benefits administered by the Veterans' Administration. To this end it is believed that a study of Veterans' Administration's operations and procedures would prove helpful to the Congress and to those of us who administer the laws, and would be in the interest of all citizens, veterans and nonveterans alike.

Apparently my predecessor, Gen. Omar N. Bradley, had a similar view concerning the need for such a study, at least with respect to insurance activities. On September 9, 1947, inquiry on behalf of General Bradley was made to the Comptroller General concerning the authority of the Veterans' Administration to expend appropriated funds for the payment of compensation or expenses to a limited number of specially qualified persons under a contractual agreement whereby they will survey the established procedures and practices of the Veterans' Administration with respect to national service life insurance. By letter (B-69461) dated September 22, 1947, the Comptroller General advised that the procurement of the services of experts for such a purpose would be in contravention of the terms of section 5 of the act of April 6, 1914 (38 Stat. 335; 5 U. S. C. 55), and therefore unauthorized.

General Bradley discussed with Hon. Herbert Hoover, chairman, Commission on Organization of the Executive Branch of the Government, the possibility of the Commission undertaking the type of study indicated. No conclusions had been reached at the time that General Bradley left the Veterans' Administration to return to active military duty. After my appointment as Administrator I contacted Mr. Hoover concerning this matter and he agreed to extend the facilities of the Commission to examine into the organization and procedures of the Veterans' Administration in the field of insurance and other authorized activities beyond that contemplated by the Commission in its budgets.

As you know, the Commission is required by the act of July 7, 1947, supra, to investigate present organization and methods of operation of all Federal agencies in the executive branch of the Government. It is understood that the amount of funds available to the Commission would not permit as detailed a study in the Veterans' Administration as was indicated in my discussions with Mr. Hoover. It is the purpose of the proposed joint resolution to supply the funds necessary to meet the additional cost of a more detailed study than the Commission originally contemplated.

In submitting this proposal consideration has been given to the advisability of seeking authority of the Congress for the Veterans' Administration to contract directly with experts to conduct the desired studies. It was concluded that it would be more feasible and sounder policy to utilize the facilities of an existing Government agency which is authorized to engage in such activities.

By reason of the nature of such work, Mr. Hoover and his staff are unable to state with any degree of certainty the probable cost of the proposed extended studies in the Veterans' Administration. However, it has been indicated that the cost would be in the neighborhood of $100,000.

The early and favorable consideration of this proposal will be greatly appreciated. The need for expeditious action in this matter is indicated by the fact that the Commission's report to the Congress is due within 10 days after the Eighty-first Congress is convened and organized.

Advice has been received from the Bureau of the Budget that there would be no objection to the submission of the proposed resolution for the consideration of the Congress.

Sincerely yours,

CARL R. GRAY, JR.,
Administrator.

Halt! About Face!

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. KLEIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial by T. O. Thackrey, from the New York Post of January 21, 1948:

HALT! ABOUT FACE!
(By T. O. Thackrey)

We have become so obsessed with war hysteria that we are establishing a dictatorship of fear in democracy's citadel, where reason once ruled in the name of the people and with their consent.

It is time to call a halt.

We have become so determined to beat our plowshares into swords that we have abandoned all—or nearly all—thought of the harvest.

It is time to about-face.

In the name of strengthening democracy we are deliberately and grimly preparing for war—war which may destroy Russia but which is certain to destroy the very democracy in whose name we are preparing to wage it.

As a prelude, the over-age gentlemen who speak so persistently about saving democracy from the perils of Communist dictatorship are tearing up liberty, freedom, and progress by the roots.

We cry that we are determined to die for democracy, when the truth is that we are merely determined to die: democracy requires that we live for it; that we nourish it by extending it; that our vast resources are used to produce a maximum of food, clothing, shelter, health, education.

Our slogan has become bullets, not bread; guns, not butter: and if that has a familiar sound, it is because we have not yet wholly forgotten that this was Hitler's way—and has been the call to arms of every dictator from Attila to Hirohito.

It is time to halt, about-face.

The President's budget calls for an expenditure of well over half our national resources for military purposes.

The President's Air Policy Commission calls for upping that expenditure by billions—not millions—in an ever-increasing ratio over the next 5 years—for military air power alone!

Our only constructive foreign policy—bread instead of bullets, butter instead of guns, tractors rather than tanks—the European recovery program is beginning to lose its greatest constructive force by talk of military conditions—an alliance of arms for the new war.

Is this, then, to be America's price for bread?

It is time to call a halt. Time to about-face. We must give, and give freely, if we

are to win friends. It is no bargain to a starving man, if he must pay for the food which gives him life, by merely making himself ready for death by bomb, bayonet, or bullet.

A great and progressive and democratic civil administrator has been removed from the Civil Aeronautics Board—ex-Harvard dean James Landis. The President insists—and here even the Senate restrains him—on replacing this able civilian with a major general of the Army, who is to retain his Army status if the President succeeds.

Is this toward peace—or toward war?

It is time to call a halt; about-face.

In the name of protecting ourselves against communism at home we have begun by denying Government employees the very safeguards of fair trial, freedom of conscience and the right to confront their accusers—rights we fought a revolution to preserve and have fought in two world wars to retain.

It is time to call a halt; about-face.

Sometime ago the proposal that the United States adopt universal military service in peacetime, to give us reserves of military strength if our plans and efforts to achieve the peace should fail seemed sound, sensible, and wise to us, and we gave it our support.

It is time to call a halt; about-face.

We are no longer willing to see this added regimentation of our national human resources in a program already beyond bounds in its emphasis on war, and its neglect of equally determined effort to win the peace.

Only if we reorient our policy—determine to place our best brains, our power, our resources, our all-out effort—at work on the constructive task of restoring hope by making the United Nations, and work within its framework, the cornerstone of our policy, would we be willing to consider peacetime conscription as useful, if necessary.

Only, of course, if we do so, neither peacetime conscription nor peacetime budgets with 75 percent of our resources for military purposes will be necessary.

The Distilling Holiday

EXTENSION OF REMARKS
OF
HON. THRUSTON B. MORTON
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. MORTON. Mr. Speaker, in my State of Kentucky, and in other States with distilling capacity, the recent distillery holiday seriously interfered with the food-producing efforts of the farmers. Cattle had been purchased in the West and brought to Kentucky for finishing. The feeders contracted with various distillers for their byproduct. The distillers then were shut down by the efforts of the Luckman committee. There was no feed available for the cattle and they were taken to the stockyards and sold. These were unfinished cattle, not ready for market, and the farmer who had purchased the cattle lost the freight from Texas to Kentucky. In other cases in Kentucky, the distillers fed corn out of their elevators to the livestock in their feeding lots because no byproduct was available.

A protein concentrate is necessary to obtain milk production, egg production, broiler growth, and in the finishing of beef and pork. Distillers' dried grains, along with soybean meal, cottonseed meal, and other products provide such a concentrate. When the distilleries shut down, the supply of concentrate is diminished with resulting higher prices. We talk at great length here in the Halls of Congress about the price of butter and the price of beef, and in the very next breath we pass legislation to cut off the flow of protein concentrates so vital in the production of these items. The farmers of my State are having great difficulty in planning an intelligent, comprehensive feeding program, in view of the hit-or-miss policy of the Congress and the Department of Agriculture in the operation of the distilling industry.

DISRUPTION TO EMPLOYMENT

It was stated by the Citizens Food Committee, otherwise known as the Luckman committee, that only 414 persons had become unemployed due to the voluntary shut-down in the distilling industry. I consider this statement completely at variance with any realistic study of the facts. Most of the major distillers attempted to keep all of their employees at work during the holiday because they were assured it would be temporary in nature. They made work for the men and the National Distillers Products Corp. alone incurred an idle-plant expense for this period in excess of $1,000,000. Obviously, over a long-term period, regardless of their desire to do so, the operating companies cannot continue to maintain these padded pay rolls even though they have a strong desire to take care of their loyal employees. Apparently, the Citizens Food Committee gave no expression to the tremendous lay-offs that occurred in the allied industries. The white-oak cooperage industry is dependent entirely on the operation of the distilleries of this Nation. Thousands of men were laid off during the holiday in the forests, in the sawmills, and in the cooperage plants. The distillery employees of my State rightly feel that it is a great injustice to discriminate against them, especially in view of the fact that no over-all food saving develops as a result of this discrimination. There are counties in Kentucky where a distillery provides the only industrial pay roll and there are many farmers in Kentucky dependent on the byproduct from the operation of that distillery.

LOSS OF TAXES

From a 56-pound bushel of corn, average distillers can produce 4¾ gallons of 100-proof whisky. At the present excise-tax rate, the Federal Government collects $42.75 in excise taxes alone from the whisky produced from 1 bushel of grain. The average State government collects an additional $6.90. These two figures total $49.65 in excise taxes alone. There are many additional revenues received directly and indirectly by Federal, State, and local governments through other taxes, licenses, and permit fees. In the calendar year of 1946, Federal, State, and local governments received a total of approximately $2,500,000,000 from taxes and fees levied on distilled spirits. Congress is now making efforts to reduce personal income taxes. The elimination of the above-named excise taxes will in no way simplify that problem.

THE DEPARTMENT OF AGRICULTURE

Activities of the distilling industry to improve the Nation's complex economy by helping to provide high protein feed concentrates has received the blessing and the cooperation of the Department of Agriculture. Last year Assistant Secretary Charles E. Brannan had this to say: "The Department of Agriculture is quite proud of the fact that it not only urged but aided the distilling industry to get into this program." We now find the Department of Agriculture urging a program which reduces the supply of high protein feed concentrates, even though they exceed in animal food value the grain from which they are produced. In a press release on October 27, 1947, 2 days after the inception of the recent distillery holiday, the Agricultural Research Administration of the Department of Agriculture pointed out that insects and rodents account for a loss of 9 percent of the stored grain and cereal products in this country every year. This means that rats and weavil destroy about 10 times the grain used by the distilling industry. It seems to me that if some time and money were expended on an educational program to reduce this loss, we would make a real contribution toward our over-all agricultural economy. Here is a real opportunity to do something to provide more food for the world.

I sincerely trust, Mr. Speaker, that the very competent Committee on Banking and Currency and its distinguished chairman will arrange to hold exhaustive hearings on this entire matter and not rush through legislation extending the powers of the President from month to month to curtail the use of grain for beverage-distilling purposes. It is my honest conviction that the food production of this country is not in any way increased by such curtailment. Let us examine this thoroughly from a practical, unemotional, and dispassionate point of view.

Fuel-Oil Shortage

EXTENSION OF REMARKS
OF
HON. MARGARET CHASE SMITH
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mrs. SMITH of Maine. Mr. Speaker, under unanimous consent, I wish to include in the Appendix of the RECORD the Christian Science Monitor editorial of Friday, January 16, Why Is Fuel Oil Short?

WHY IS FUEL OIL SHORT?

Will that oil in the tank hold out until the tank truck comes again? Which will win in the first big race of 1948, the creeping depletion of fuel-oil reserves or the "rustle of spring"? For some millions of people, anxiety prompts another question: Why is fuel oil so short this winter?

The situation, when stated in general terms, is not hard to understand. Petroleum production is at an all-time high. But consumption is even higher. A month ago it was estimated that the demand for fuel oil would run 3.3 percent ahead of supply until the end of the heating season. That

means dipping into reserve stocks at the rate of almost 7,000,000 gallons per day. These reserves are distributed all the way from big refinery tank "farms" to the small dealer's retired tank car.

Some storage nearest the consumer is pretty slim. A process of progressive depletion slices safety margins almost to zero. The margin in transportation is also thin. Tank-car production, although increasing, has not caught up with the need. Too many tankers, Navy and others, were laid up, and it takes weeks to condition them for service.

In such a situation any interruption in the flow from well to consumer—whether by strikes, bad weather, or inability to shift short transportation around quickly—can cut down that slender margin into a frigid famine. Interruptions from all these causes have occurred. They have aggravated shortages basically created by increased demand.

Nevertheless, there is something about the specific crises and the conservation measures so far undertaken that seem disturbingly unreal. The petroleum industry rests its campaign on urging not only reasonable building temperatures, which make sense, but also such things as insulating and weatherstripping, which either were done during the war or can hardly be done now before the pinch is over. In some areas it has announced 15 percent cuts in consumer deliveries, but has yet to make clear who does the rationing—the buyer or the seller.

One is forced to wonder why the petroleum industry underguessed so badly—why it waited so late to go after more tankers. Also why the oil-burner manufacturers (who installed 475,000 units in 1946 and were putting out 50,000 a month last summer, 127,591 in September) and the oil producers haven't paid attention to each other's figures.

For the present, however, those dependent on fuel oil are chiefly concerned with their prospects of keeping warm. Where real oil famines occur, it is going to take measures more immediate than insulation and more positive than utterly unpoliceable thermostat setting to prevent freezing homes before spring.

State of the Union

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. KLEIN. Mr. Speaker, a few days ago I inserted in the RECORD the third in a series of editorials on the State of the Union, taken from the New York Post and written by Ted Thackrey, whom I am proud to call friend, and who is, with his wife, Dorothy Backer Thackrey, editor and publisher of the Post.

The editorial brought so many comments from Members who had not seen the series, and who wished to read all of Ted Thackrey's sharp, realistic, and commonsense comments that I am inserting I and II of the series today:

[From the New York Post of January 6, 1948]

STATE OF THE UNION—I

(By T. O. Thackrey)

It is a tragic paradox that at this moment in history, when the United States of America is the envy of the world because of unwatched power and material wealth, we are also the despair of mankind because of the poverty of our statesmanship.

At home and abroad we have permitted fear, timidity, and cupidity to usurp the leadership of courage, self-confidence, and humanity without which democracy cannot survive, nor can freedom, liberty, and justice.

Tomorrow the President presents to the Congress his report on the state of the Union. In this fateful session the Congress, by its actions, will serve either to rekindle the light of the world or extinguish hope's flickering flame for centuries to come.

Now is the time for all of us, as citizens responsible for the representation we have in the White House and the Congress, to examine the state of the Union and demand that the power and the resources which belong to us be used to serve the desperate needs of the many, rather than the selfish and destructive aims of the few.

It is only faintly helpful that we are in the year of national elections, whereby we can before its close register with our votes our approval of certain public officials and our disapproval of others.

But even this period is too long a time to wait; in those short months decisions will be taken in the name of the people that may rob us forever of an effective voice in our destiny.

It is the purpose of this and succeeding editorials to observe the nature of our more outstanding problems, look squarely at our failures as a Nation to measure up to our responsibilities, and to suggest remedies within our power to apply.

First, let us determine to rid ourselves of fear, recognizing that fear is the father of hysteria, and hysteria the murderer of reason.

No wiser words have been spoken in our time than those of Franklin Delano Roosevelt when he reminded us at another time of crisis that there is nothing to fear save fear itself.

Even the most superficial examination of our resources and strengths should be enough to prove that it is not the means we lack to banish fear, but the will to progressive and constructive action.

Our irrational fears have blinded us, not only to our strength, but have obscured for us, in a kind of red haze, the recognition of our real enemies * * * the enemies of all people, everywhere.

The enemies of mankind are war, hunger, poverty, disease, ignorance, slavery, discrimination, bigotry, insecurity, hate.

Fear of all, or some, of these disasters has gripped us as a nation in such a profound neurosis we are in danger of suffering the fate of the giant who was bound helpless as he slept by the pygmies of Lilliput.

Yet we alone among all the peoples of the world have the instruments and means to conquer these real enemies.

The United Nations, conceived by President Roosevelt and established at the call of America, deriving the major share of its material support justly from us since we have the greatest means, is the finest instrument ever fashioned by man to substitute international law for the blind passions of brute force between nations.

Fear has driven us too often from its halls. Courage and self-confidence must require us to persistently demonstrate our reliance upon its machinery to provide peaceful and just solutions.

It has been fearfully protested that the United Nations is weak, without power to enforce its decisions, helpless in the face of conflicting national interest.

And yet, if in place of nationalistic adventures sparked by fear, we determined to place our entire military establishment wholly at the command of the United Nations.

[From the New York Post of January 7, 1948]

STATE OF THE UNION—II

(By T. O. Thackrey)

While a hostile Congress listens to the President's report on the State of the Union, our destiny is being shaped by momentous events outside the legislative halls in Washington.

War—the most destructive scourge of mankind—is beginning in Palestine because of our neglect; in Greece and in China our arms, our munitions, our dollars, and even our military forces are pledged to Fascist-minded governments in their fratricidal conflict with communism.

In a blind terror of being scorched by an ever-advancing red flame, we have chosen to fight it with the gasoline of reaction instead of the water of reason.

Only in the European recovery program have we given genuine evidence of confidence in the strength of our democracy and a determination to use its vast resources to conquer democracy's real enemies—poverty, hunger, disease, and ignorance.

Even there, a reckless Republican Congress appears determined to make certain that our aid will once again be too little and too late.

It is not enough merely to bemoan our carelessness in electing Senators and Representatives who are bent on crippling humanitarian programs and frustrating the President's effective and specific plan for controlling inflation. It is not even enough to resolve upon their defeat at the polls next fall.

Grave as the effect of congressional heedlessness will be upon our lives, it is possible that we could, nonetheless, survive long enough to take an active rather than an academic interest in politics.

We cannot, however, survive a continuation on a global scale of a foreign policy which is more and more substituting unilateral action on a nationalistic basis for collective action within the United Nations.

If the United Nations seems weak, we must strengthen it.

If it lacks power, we must supply it.

It will be effective only if we insist upon making it effective; it will have both the means and the will to make decisions and to enforce them, if, and only if, we endow it with our best statesmen and support it with at least as generous a hand as we lavish on our ill-favored Fascist friends abroad.

It is argued that Russia is acting unilaterally; that the national interests of Russia and the United States are colliding around the world; that Russia refuses to abide by United Nations decisions which conflict with her policies; that Russia will veto, boycott, and perhaps finally withdraw, and this is, in the main, true; but the failures of the United Nations can scarcely be said to be exclusively Russian—they are American and British, also, and for the same basic reasons, an insistence on holding national sovereignty above international authority.

But unless our national interests are merged with international interests, and even made subordinate to them, it is inevitable that our national collisions around the world will result in war on a global scale.

The United Nations is an instrument conceived by us, nurtured by us, and shamefully neglected by us in the very functions it was organized to bring about—a peaceful compromise of differences among nations.

We must determine not only to make use of the United Nations as our basic instrument of foreign policy but to make certain that its decisions can be enforced and are enforced.

Specifically, Arabia in making war upon Palestine, and Great Britain by condoning war, are in fact making war on the United Nations.

The United States has not been above supplying arms to Arabia while piously embargoing shipments at the moment arms might have been useful to the Jewish state.

Arms, military power, funds—all these should be supplied—but to the United Nations for enforcement of its will. The United Nations will act promptly and effectively if the United States insists.

Certainly, here no conflict will be found with Russia. Judea was the fruit of Russian-American cooperation.

The United States without delay should present both to the Assembly and the Security Council of the United Nations our intimate knowledge of the threat to the peace of the world in Greece and in China.

Our national commitments to each of those unhappy countries should be withdrawn in favor of international commitments to the United Nations, together with an insistence that the United Nations promptly determine the formula for peace, and that we, in turn, will place our power and our resources at the disposal of the United Nations rather than to any faction in either area.

This is a formula for peace.

This is a formula for a really democratic foreign policy.

It is, in fact, the only means of maintaining and advancing democracy, and establishing a world of law rather than anarchy.

Gambling in Grains

EXTENSION OF REMARKS
OF
HON. EDWARD O. McCOWEN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. McCOWEN. Mr. Speaker, under leave to extend my remarks in the RECORD, and in compliance with a request from the Honorable Adam Frick, of Portsmouth, Ohio, I am inserting the following letter in the Appendix of the CONGRESSIONAL RECORD.

Mr. Adam Frick, of Portsmouth, Ohio, was mayor of that city for several terms. He also represented Scioto County, Ohio, in the general assembly or State legislature for two terms.

PORTSMOUTH, OHIO, *December 13, 1947.*

Re gambling in grains.

Hon. HARRY S. TRUMAN,
President, Washington, D. C.

DEAR PRESIDENT TRUMAN: Even before the induction of Roosevelt into the Presidency, following the cruel state of conditions which bankrupted most farmers of this republic, I insisted that gambling in grains be denied by appropriate Federal legislation. During the current decade I have pressed the matter at every opportunity, but have had to wait until now for recognition.

Grinding farmers' grains had been my business for well over a half century, now three score ten and ten years. During that time I have always had to do with the American farmer, and still have my major investments in these very necessary objectives. Legislation has in the interim been enacted allegedly to benefit, better the lot of the farmer, like county agents, university extension services, and countless isms, under very attractive titles. None of these introductions have saved agriculture from conditions which continue to drive youngsters from our farms. Propagandists of this twentieth century, want farmers wheat, corn, and hogs at 1914 levels, even every other less necessary convenience has risen 200 percent.

I am very deeply grateful for your timely recognition, as of October 5, 1947, of the evils that grow out of gambling in farm commodities. Arresting this sinister practice, which has been permitted uninterruptedly, will redound to the benefit and peace of all mankind on or off the farms. Legislation to prohibit this juggling in food commodities must immediately be enacted. Let those who want to live by way of gambling put their money on Joe Louis, Babe Ruth, Knute Rockne, Maude S., Man of War, or their successors, but not on the sweat of our folk who toil with the Lord in his earth.

Senate investigations reveal that the American taxpayer has paid for these added bureaucrats stationed over all of our 48 States who compile figures and forecasts, not for the welfare of mankind but for the benefit of those who seek to gain riches on odds to harm the others. These insiders grease the way for friends who can carry on the high-handed practices uninterrupted. Pauley says "seeking him out is mere peanuts." He should be commended for that frank statement, alarming as it is, because it confirms what I have always recognized. For these sins there is no fitting name.

Millions—yes; billions—have been made in grain speculation. True, millions—yes; billions—have been lost. But at that, all have had a demoralizing effect on the producers, who sweat in bringing in the sheaves. Prices at the farm must have governmental protection. Wheat, corn, and hogs are necessary to the human race each and every day. Their prices must be fixed at the farm, and be the same every day through the year, not shoved up and then down at the pleasure of these gamblers who never have seen a grain of wheat, corn, or a hog, neither would grow them for even twice the current price. You cannot stop the bit of opening through which these leaks drip information to friends in and out of these various departments that quicken their pace to the trading posts where the farmers sweat and labors are trafficked in every hour of the day, while he and his family on the farms have their hands to the plow and their backs bent working with that which brings daily bread. Pauley says that if Congress wants to outlaw trading, such as it is, then pass a law to that effect. Do that and give our farmers the protection due them and every other from a government by and for all people.

Very truly,

ADAM FRICK.

If trading in these commodities is an honorable business, why the squirming?

Mr. Lewis' Reply to Mr. Krug

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. ELLIS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a copy of a letter written by Mr. J. A. Krug, Secretary of the Interior, which I am informed, was mailed to leaders in the coal industry, and also a copy of a letter written by Mr. John L. Lewis, president of the United Mine Workers, in reply to the letter from Mr. Krug.

Mr. Lewis, in his wisdom, has correctly stated that the bituminous-coal industry is the outstanding example of an American industry doing an adequate production job without cost to the taxpayers and independent of bureaucratic advice. The labor and operators in the coal industry have done an unprecedented job in production and the same can be said of practically all of our industry. The bottlenecks which have been most troublesome in the postwar period can be traceable in most cases to governmental interference. The men who have developed and operate the coal industry know best how to continue this production.

JANUARY 19, 1948.

The bituminous-coal industry of the United States is on the threshold of a new era in which the prospects for a higher level of economic well-being are bright and in which even greater accomplishments can be made in coal research, safety, conservation, and other activities of importance to the industry. To obtain these objectives, however, particularly in the coming years when the demand for American coals probably will be confined largely to our normal domestic markets, will require foresight, planning, and action by the leaders of the coal industry.

It is believed that there is much that can be done cooperatively by the industry's own leaders to assure a stable future for its affairs. For that reason, and in order that I may have the benefit of the industry's point of view in current and future coal matters, I am anxious to establish a Coal Advisory Council composed of outstanding leaders in the coal industry who will serve as consultants and advisers to the Secretary of the Interior. Accordingly, I am pleased to invite you to become a member of the Council and to meet with me in the Secretary's conference room, Interior Building, in Washington, 10 a. m., Tuesday, January 27, 1948, personally to discuss the organization of the council. I shall appreciate a reply by telegraph if you will be able to attend.

Sincerely,

J. A. KRUG,
Secretary of Interior.

JANUARY 22, 1948.

Hon. J. A. KRUG,
Secretary of the Interior,
Washington, D. C.

DEAR SIR: I refer to your letter of January 19, re appointment of a coal advisory council. I suggest as follows:

1. It is questionable that you possess the authority to designate yourself or anyone else for the task of designing a pattern of production, distribution, or regulation for the bituminous coal industry. It is the outstanding example of an American industry doing an adequate production job without cost to taxpayers and independent of bureaucratic advice.

2. You have previously demonstrated your total lack of ability to comprehend the problems of the coal industry, as well as your complete lack of concern for its requirements. For 2 years you have done nothing to aid the industry in securing machinery for replacements or railroad cars to transport its product to market. Fifty million tons of production were lost during the calendar year 1947 through such inaction.

3. I can conceive of nothing more anemic or futile than a coal industry advisory council attempting to give private advice to you. You have had such a committee to advise you on oil, and it is to be fervently hoped that the consumers of coal will be spared the present unhappy fate of the consumers of oil.

4. The coal industry has no present problem affecting production that management and men in the industry cannot meet if provided adequate mining equipment and transportation. Congress has not bestowed upon you the power to establish controls for this industry. Recently you asked for such power, including the power to freeze wages, which was a gratuitous insult to the men employed in the mining industry. In the absence of the necessity for such a committee and congressional authority empowering you to act, which I am sure Congress will withhold from you, the undersigned in the exercise of commonsense reasoning is forced to decline your invitation.

Yours truly,

JOHN L. LEWIS.

Challenges and Responsibilities of American Law

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Friday, January 23 (legislative day of Wednesday, January 21), 1948

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "Challenges and Responsibilities of American Law," which I delivered at a luncheon meeting of the Federal Bar Association, Washington, D. C., on January 22.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

CHALLENGES AND RESPONSIBILITIES OF AMERICAN LAW

Mr. Chairman, members of the Federal bar, my friends, it is a privilege to appear before your group this noon, and at the outset I wish to express my appreciation.

In a very real sense, I feel that I have a great deal in common with this group today. We are all members of the same profession, and we are all servants of the people. We work for the people and we work with the people.

In addition to the professional standards and ethical requirements which members of our profession must always seek to maintain, we also have an additional obligation as public servants—particularly those of us who are at times acting in a quasi-judicial capacity.

Our job is to serve the people and it is absolutely imperative for us to remember that at all times. It is not enough for us to be good lawyers; we must also be good and faithful servants.

COUNSEL TO LAWYERS

On this matter of being better servants of the people and better lawyers, I should like, by way of introduction, to cite a bit of counsel that I respectfully submitted to a group of lawyers, judges, and embryo lawyers back in my own State sometime ago.

When we were in college we used to present to one of the old practitioners who taught us, various questions which he couldn't answer. Some of the boys used to indicate surprise at this apparent lack of knowledge on his part.

This teacher would therefore comment to them in this manner: "A lawyer isn't one who always knows. If he always knows, he is either a darn fool or a darn liar and he will make a poor counselor. Don't be ashamed to say 'I don't know.' You will be fortunate to know even after you have spent time to look up the law."

You and I know that a lawyer or anyone else who always knows the answers is generally an unsafe person to follow, and folks usually find him out to be unsafe. Here is another suggestion that came to us in law school days, and it is just as valuable today in Washington as it was then. It is this. Every day take at least 15 minutes apart from your work and profession. Lose yourself, so to speak, in reading the great truths in the Bible, in listening to good music, in reading good books or poetry (if need be in your lunch hour). Do your Boy Scout good deed. In other words, get apart from your law, and you will be a better lawyer because such action clears your brain and you will be better able to see your way. By "seeing your way," an old practitioner said, "you will be able to see the issues clearly and then prepare your case accordingly."

The same wise counselor gave us three other vital guidespots for life:

(A) Develop a sense of humor. Be able to laugh at yourself and with other people.

(B) Develop a good disposition. It oils the wheels of everyday life making for friends and clients, and it saves you from resentment and jealousy.

(C) Seek common sense (which includes faith). It will solve more problems than mere ability or great talent.

Man does not live by bread alone, and wise is the lawyer who realizes that he does not live by or for his law business alone or law work alone.

Now what about your legal work and mine in government?

PROBLEMS OF ADMINISTRATIVE LAW

Our interest in government is not only that of the average taxpaying American citizen but is also that of a worker within the governmental machinery itself. We are in the process of developing new techniques of administrative procedure—particularly with respect to hearings examiners—techniques which, I feel, will do much to eliminate the criticisms which have been directed at governmental lawyers in the past.

Most of us who are present here today are involved in the vast networks which we call administrative law.

This network has grown out of the myriad complexities of present-day government and is probably the outstanding legal development of the twentieth century just as the growth of equity was the outstanding legal development of the eighteenth century, and the expansion of legislative activity was the most widely discussed phase of legal development in the nineteenth century.

There are, of course, those agencies of government whose function is purely executive. There are other agencies which exercise in addition to executive powers subordinate legislative or judicial powers in some degree, at least.

HIGH STANDARDS FOR GOVERNMENT LAWYERS

Administrative law is largely an operating system rather than a common-law subject, although there is a large degree of common law in State administrative law. Only portions of administrative law can be derived from court decisions. Administrative law evolves in a surprising degree from established practices of administrative agencies. That is why it is so imperative that in our administrative agencies, we have the highest caliber legal talent available.

I am certain that this group here today shares with me the fervent desire to maintain the highest possible standards for our corps of Federal lawyers.

However, it is not my purpose here today to discuss either administrative law or the role which attorneys in the Federal service play in the field of administrative law.

Instead I am going to discuss briefly the subject which has been suggested to me as being of particular interest to this group, both as lawyers and as citizens of the District of Columbia.

EFFECT OF THE RECENT RICHMOND DECISION RELATING TO DISTRICT OF COLUMBIA

Undoubtedly every member of this group is familiar with the recent majority decision of the United States Circuit Court of Appeals at Richmond which in effect invalidated a 1940 act giving Federal courts the same jurisdiction to hear disputes between a Washington man and a citizen of a State which those courts already possess in cases involving disputes between citizens of two States.

I am certain at the outset that you gentlemen, as lawyers and as citizens, do not want to reside in a kind of judicial no-man's-land. That is why you are rightly concerned with this recent decision.

I am reluctant to comment on the decision or even on the possibility of legislation permitting citizens of the District of Columbia to sue in Federal courts unless I preface it by stating very definitely that I do not want to have any statement of mine construed in any way as instruction or advice or comment for the Supreme Court in the event it decides to review the Richmond ruling.

I have constantly sought to maintain separate and independent the three coequal branches of our Government, each one of which is sovereign in its own sphere. Of course, it is obvious that the Supreme Court has absolute right to make whatever decision it deems appropriate if it reviews this case.

BACKGROUND OF 1940 ACT

The act of April 20, 1940, represented an attempt to include the District of Columbia within the diversity of citizenship jurisdiction of Federal district courts. In other words, the provision was worded so that a suit between a citizen of a State and a citizen of the District of Columbia amounted to a diversity of citizenship conferring original jurisdiction on the Federal district courts in that class of claims.

My interest in this matter stems, in part, from the fact that a similar provision is now pending before the Senate Committee on the Judiciary as a part of the proposed codification of title 28 of the United States Code in section 1332 thereof.

The proponents of such legislation point out that the need for the legislation is based on the case of *Hepburn* v. *Ellzey*, wherein Chief Justice Marshall ruled that the District of Columbia was not a "State" within the meaning of the term as used in the Constitution and that consequently a citizen of the District could not sue in the courts of the United States on the ground of diversity of citizenship. These citizens, of course, can sue in the Federal courts of the District itself.

The constitutionality of the provision in question has been considered in Federal courts a number of times and there have been eight decisions holding the statute unconstitutional.

There are two cases upholding the constitutionality—the most recent decision on the issue is, of course, that of the Fourth Circuit Court of Appeals in the Tidewater Transfer case.

It is indicated that a writ of certiorari will be sought in the Supreme Court in this particular case. I might add that in both circuit court of appeals decisions, one circuit judge dissented from the judgment of the court.

BASIS FOR AFFIRMING ACTS' CONSTITUTIONALITY

The courts who have upheld the constitutionality have considered:

1. The dictum of Chief Justice Marshall in *Hepburn* v. *Ellzey*, supra, that "This is a subject for legislative not for judicial consideration"; and

2. Article I, section 8, clause 17, of the Constitution gives Congress, among other powers, the authority to "exercise exclusive legislation in all cases whatsoever, over such District" as might become the seat of the Federal Government. Consequently, this power would appear to go so far as to authorize Congress to grant citizens of the District of Columbia the privilege of suing in the Federal courts of the several States.

BASIS FOR AFFIRMING UNCONSTITUTIONALITY

Those courts which have denied the constitutionality point to article III, section 2, of the Constitution, providing that the judicial power of the United States shall extend among other instances to controversies "Between citizens of several States," since the term "State" has been defined by the Supreme Court as excluding the District of Columbia. These courts thus hold that Congress could not constitutionally enact legislation beyond the judicial authority conferred on the United States.

Chief Justice Marshall once said that the statute cannot extend the jurisdiction beyond the limits of the Constitution.

The argument has been that Chief Justice Marshall's dictum in *Hepburn* v. *Ellzey* was not intended to decide literally that legislation could be enacted to remedy the situation, since the term "legislative" was used in a broad sense which would include the process of amending the Constitution. This raises a number of very interesting legal questions. One thing is, however, certain and that is that when the citizens of the District are denied a privilege accorded to those of the States, their situation is unusual and unfortunate.

PROBLEM BEFORE US NOW

Chief Justice Marshall's statement about the anomaly of the present situation under which the United States courts are open to aliens and citizens of other States, but not to District of Columbia citizens, stands as a very clear definition of the present problem.

To establish a kind of judicial twilight zone, in which there is a District black-out of the privileges accorded to the citizens of the several States, hardly seems fair to the people of a great city—a people who have made the same sacrifices in the war as the citizens in the several States. I believe that this subject is a proper subject for study by the Judiciary Committee of the Senate, and it is possible that it should perhaps be the subject of a proposal for a constitutional amendment—a matter in which I have already indicated my keen interest.

CONCLUSION

Now, in closing, I wish again to pay tribute to the interest which your group has in maintaining its professional and ethical standards in the administrative law field.

The lawyer in government is a career man whose work should be rewarded and whose tenure should be safeguarded in a manner commensurate with his interest and his professional standards.

It has been my privilege in the first session of the Eightieth Congress to work with members of your group, particularly in connection with the consideration of nominees for judicial office. While I do not desire to see the legislative branch encroach in any way on the proper exercise of the executive authority to nominate and appoint, I am equally zealous in maintaining that "advice and consent" shall be more than a phrase. It is my continued intention to consult with bar-association groups and with groups such as this one to secure competent professional advice on the professional standards and acceptability of nominees proposed by the executive branch.

In the field of judicial nominations and in many fields relating to administrative law, it should be possible and probable for the legislative branch to consult with lawyers in the Federal service in furtherance of our mutual interest in good government.

Address by Hon. Theodore Francis Green, of Rhode Island, in Reply to Hon. Robert A. Taft, of Ohio

EXTENSION OF REMARKS

OF

HON. BRIEN McMAHON

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Friday, January 23 (legislative day of Wednesday, January 21), 1948

Mr. McMAHON. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the senior Senator from Rhode Island [Mr. GREEN] at Providence, R. I., on January 19, 1948, in reply to the Senator from Ohio [Mr. TAFT].

There being no objection, the address was ordered to be printed in the RECORD, as follows:

My fellow citizens, last Thursday United States Senator ROBERT A. TAFT, of Ohio, an avowed candidate for the Republican nomination for President, addressed a gathering of his fellow Republicans here. He evidently had the purpose of getting the support of the Rhode Island delegates at the Republican National Convention. Senator TAFT was speaking as a candidate and he clearly defined the ultra-conservative course that he will follow, if and when he receives the Republican nomination for President, and if and when he is elected President of the United States.

Senator TAFT criticized severely the so-called New Deal, inaugurated and developed by our great President, the late Franklin D. Roosevelt. For the information of Senator TAFT and as a reminder to our Republican friends, I desire to point out that at each succeeding election President Roosevelt increased his plurality in our State and that in the 1946 election Rhode Island was one of the few States to elect a Democratic United States Senator and two Democratic Representatives in Congress—in other words, a complete Democratic congressional delegation—also, a Democratic Governor together with a complete Democratic slate of general officers. In my opinion, the last place in the world for Senator TAFT to criticize the New Deal was here in "Little Rhody," where the 1932 depression is still sadly remembered for its hardships and sacrifices, and the New Deal is remembered for its assistance to our businessmen and those in need, for its liberal social-security program and its help to all our citizens.

As chairman of the Republican Policy Committee, Senator TAFT is in the foreground as a leader in his party and under his guidance the policy of the Republican majority in the Senate is formulated and promulgated. As leader of this majority his lot is not a happy one and his ultra-conservative policies and his ultrapartisan maneuvers for carrying them into effect are not in accordance with the views of many of the liberal members of the GOP who subordinate party to country when legislation affecting the welfare of all our people is concerned.

Among these Republican Senators who have many times disagreed with Senator TAFT and his policies, are Senator AIKEN, of Vermont, Senator TOBEY, of New Hampshire, Senator BALDWIN, of Connecticut, and that former Rhode Islander, Senator FLANDERS, of Vermont. These Senators, all New Englanders, all staunch Americans, have from time to time disagreed with Senator TAFT and have publicly stated that fact. Senator AIKEN called for the resignation of Carroll Reece as chairman of the Republican National Committee and stated that "he failed miserably to win the confidence of the voting public." Carroll Reece, it will be remembered, was named chairman of the Republican National Committee by Senator TAFT and his friends. Senator TOBEY, of New Hampshire, a liberal, called upon the Republican national chairman, in a public statement, to issue a "manifesto" assuring the country that the Republicans in Congress "are Americans before they are party members" and that they stood ready to cooperate with the Democrats in important foreign and domestic policies. Of course, as yet, Mr. Reece has not complied with the suggestion that he resign nor heeded the appeal that the Republican Party cooperate with the Democratic Party in foreign and domestic policies. If Mr. Reece had so complied he would have found himself in conflict with his patron, Senator TAFT.

After Senator TAFT's radio address criticizing President Truman's message to the special session of Congress last November, Senator FLANDERS, of Vermont, and Senator BALDWIN, of Connecticut, together with other Senators attending a Republican Party conference, are reported to have rebuked Senator TAFT for his radio criticism. These liberal Senators wanted it definitely known that Senator TAFT was speaking as a Presidential candidate rather than a Senate leader and that he was speaking for himself and not for the Republican majority in the Senate.

These Senators had many complaints regarding Senator TAFT's speech and pointed out that many of the suggestions made in the President's program had previously been recommended by a subcommittee of the Joint Committee on the Economic Report, of which Senator FLANDERS, of Vermont, was chairman and of which a majority were members of Senator TAFT's own party. In this connection we should remember that Senator TAFT's policy is clear. As expectant contender with President Truman for the Presidency, he must not admit that President Truman is right about anything he says or does. I don't suppose there is anyone familiar with politics who could not have foretold that whatever the President's program would be, Senator TAFT would be ready to condemn it, as he did that very same evening. If the Senator himself had drafted the message that he thought President Truman ought to deliver and had President Truman delivered it, the Senator still would have found no difficulty in pointing out how full of faults it was—sins of commission and also omission.

Speaking of sins of omission, I believe that many of those who listened to Senator TAFT last Thursday evening were sadly disappointed that he did not discuss at length either price controls, or anti-inflation measures, or adequate housing, or other subjects affecting the daily life of the average citizen. The most important subject under discussion in the Senate is that of controlling prices and I believe that this subject is of more interest and concern to the average citizen than any other matter affecting him and his family. But Senator TAFT conveniently ignored price controls, and did not advise his Rhode Island friends as to whether he concurred with the suggestions of Senator FLANDERS, of Vermont, who only recently in a public statement reported that he and numerous other liberal Republican Senators favored meat rationing. I do not believe it is necessary for us to establish another OPA. However, it does seem necessary that some form of control be exercised in order that the price of food and commodities may be brought within the reach of our average citizens.

What Senator TAFT's proposals are to combat the inflation already mounting, we cannot tell, for he ignored this subject entirely. Perhaps he was fearful that he might unwittingly agree with President Truman.

With regard to housing, you may have forgotten, as Senator TAFT apparently has, that he was one of the sponsors of the Taft-Wagner-Ellender housing bill. This measure, after lengthy hearings, was reported to the Senate by the Committee on Banking and Currency and has been on the Senate Calendar since last April. It may have served the purpose of being something to which Senator TAFT may point as proof of his interest in the subject, but no action has been taken by him, so far as I know, to have this bill considered, and in the meantime tens of thousands of our citizens, including thousands of veterans, are begging for housing and Federal assistance to obtain homes for their families.

Neither in his address here nor in his many addresses as a leader of the Republicans in the Senate has he offered any inkling as to when this housing bill, or for that matter, *any* housing bill, will be considered either by the Senate or the House. If he has forgotten, I beg to assure him that the people of Rhode Island have not.

There is another matter which Senator TAFT failed to mention but which is looming large in the coming campaign, namely, the Taft-Hartley labor law, of which he is a cosponsor. Here, again, he seems to have felt that he has fulfilled his duty on the subject when he lends his name to the introduction of a bill, or, perhaps, he hesitated to do this because he was speaking in a large industrial center and our population includes substantial groups of working people. I voted against this Taft labor bill and also to sustain the President's veto of the Taft-Hartley bill, as it was then called. I regret that this was enacted into law over the President's veto and I hope that at some future date this act, if not repealed, will be amended so that it will be impartial in its treatment of labor and management.

Senator TAFT in his speech here dwelt at length on the President's budget and in particular on compulsory military training and appropriations for the Army, Navy, and Air Forces. I am not surprised that he assumed the role of a military strategist. Nor am I surprised at his suggestion that "If the air is as important as this report indicates it would seem that there might be a further cut in the expenditures for the Navy and the ground forces." Those of us who must listen to him daily in the Senate have learned that there is no subject on which he hesitates to set his own opinion above that of any expert. We Rhode Islanders, living on the Atlantic seaboard, are, I know, definitely in favor of a large Navy, adequately equipped and supplied and fully manned to protect our shores against the enemies of our peace and security. So I know that you agree with me that our Navy should be given the best of modern equipment and that our officers and enlisted men should be the best trained and the best paid Navy men in the world.

With regard to our ground forces, both Army and Navy, I am definitely in favor of retaining a large Military Establishment until the peace of the world is secured and nations behind the iron curtain and elsewhere realize that the United States will not tolerate the spread of their doctrines by aggression. Senator TAFT seems to disagree with this proposal to an extent he left rather uncertain.

President Truman has himself recommended all the cuts for the Army and Navy which he felt safe for the country. However, I have no assurances that Senator TAFT and his Republican policy committee and the Republican majority in both Senate and House will not recommend further cuts. I am firmly convinced that if the Marshall plan is not put into effect for our self-protection we will be forced to adopt not only universal military training but also a peacetime draft. I trust that the Republican majority in Congress will not follow Senator TAFT and cut further the appropriations for the Army, Navy, and Air Forces.

With regard to universal military training, I am at a loss to understand how he believes that we can maintain our huge air bases, our Naval and Military Establishments through voluntary enlistments. The Army, including the Army Air Corps, is now about 100,000 enlistments short of the quota established for this year in spite of strenuous efforts made to stimulate recruiting. Compulsory military training has been discussed in the Senate committees and has been advocated by many patriotic Americans who believe that until peace is assured, the United States must have a well-trained, well-equipped Army, Navy, and Air Force, not to be used for aggressive action but to forestall another catastrophe such as Pearl Harbor and what followed.

Senator TAFT, when speaking here, cautiously avoided mentioning to his audience the secret meeting of 20 Republican Senators, the majority of whom disagreed with Senator VANDENBERG, chairman of the Senate Foreign Relations Committee and President of the Senate, as to his views on the Marshall plan. Senator TAFT, according to press reports was not present at this meeting. However, many of his colleagues were in attendance and voiced their opposition to the plan sponsored by General Marshall for European recovery. The Marshall plan, my fellow citizens, is the only program for world recovery submitted to the Congress of the United States. It is sponsored by that great American, soldier, and statesman, George C. Marshall, and recommended for enactment by President Truman in order to establish and maintain peace in the world. A plan such as this should not be adopted piecemeal—it should not be cut down here and there. To be effective it should be adopted in its entirety. I believe, with most of the members of my own party and with many of the members of the Republican Party, that no consideration of party politics should affect our vote on this matter of such great importance to our country and to the world. Furthermore, we must consider, not only the sacrifices which we must make to carry it out, but also, the greater sacrifices we will almost surely be called upon to make if it is *not* carried out. Senator TAFT seems to have concentrated his attention on the former alternative only. Let us consider the whole question, both as world citizens and primarily, as Americans.

The St. Lawrence Seaway

EXTENSION OF REMARKS

OF

HON. CARL A. HATCH

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Friday, January 23 (legislative day of Wednesday, January 21), 1948

Mr. HATCH. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD the text of an editorial endorsing the St. Lawrence seaway carried in the Manitowoc Herald-Times.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BACKING THE SEAWAY

Senator WILEY, chairman of a subcommittee which held hearings on the St. Lawrence seaway, was justified in his remarks the other day about relative amounts of Federal money shoveled into other sections of the country and the Midwest. He was equally right in pointing out that the proposed deepwater route to the Atlantic would not be merely a middle western project.

"The St. Lawrence seaway * * * is an integral part of not only America's economy but of the economy of the entire North American Continent," he declared. He could have added, without exaggeration, that the proposed project would be important in the economic scheme of things for the whole world. Certainly this is true now with so many nations depending on American foodstuffs for their very existence.

The Wisconsin Senator went into statistics to show that other sections of the country, particularly the South and far West, last year received many millions of dollars more in United States appropriations than the Midwest. He wisely added, however, that it would be "obviously absurd" to appropriate money for the development of the Middle West merely to equalize the amount given each region.

Mr. WILEY offered his figures not to promote logrolling, or you vote for my bill and I'll vote for yours, but to shame certain sectors of the country into withdrawing completely selfish opposition to the waterway. The South has long been a stubborn foe of the project and the Pacific coast also seems to have rallied to the antiseaway banner. Their enmity stems from real or imagined competition with the Mississippi River system and West coast ports.

Sectionalism should not be permitted to block a project which is manifestly a national and continental improvement, particularly when it promises to be self-liquidating and self-supporting. Of course, it will benefit the Midwest more than any other region, but that is not the principal reason for urging its passage.

The St. Lawrence measure is expected to come to a Senate vote late this week. If passed, it will then face House action. Manitowoc supporters of the plan should waste no time in contacting their Senators and Representatives and demanding vigorous action.

Antiseaway forces have persistently nudged Congress and can be expected to shove their campaign accelerator to the floor during these last remaining days.

Meat Rationing

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Friday, January 23 (legislative day of Wednesday, January 21), 1948

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "A Thin Line Between," from the Morning World-Herald, of Omaha, Nebr., of January 21, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A THIN LINE BETWEEN

Two Republicans this week introduced a bill which would authorize the Department of Agriculture to spend $1,000,000 in getting ready for meat rationing, when the crisis comes, if it comes.

True, the two introducers—Senator FLANDERS, of Vermont, and Representative JAVITS, of New York—are not members of the Republican high command. But they are elected representatives of the party, and the fact that they introduced such a measure tends to smudge, more than ever, the line of distinction between Republican principles and Democratic principles.

It is a mighty thin line these days, and has been during the past two Presidential campaigns.

In 1940 and again in 1944 the Republican candidates and their official spokesmen, in most cases, failed to come to grips with the basic issue. They refused to make a frontal attack on Government paternalism and New Dealism. Instead they adopted a sort of me-too attitude, talked in terms of we-could-do-it-better.

Naturally they lost. The American people don't like pale imitations. If they are going to get New Dealism they would prefer to get it from the original, bold New Dealers, rather

than from trembling Republicans wearing New Deal masks.

Now another election year is at hand, and various Republican officials and leaders—among them Senator FLANDERS and Representative JAVITS—again are showing signs of the fidgets. Apparently they can't bear the thought that some of President Truman's "Mr. Fixit" proposals will win a handful of votes in Bennington or the Bronx.

In fairness it should be acknowledged that some of these me-too Republicans may be acting in accordance with principles rather than political expediency.

If so, they should be given credit for sincerity—but not for understanding.

Take this business of meat rationing, for example. What would be the effect of it, out here in the cattle country?

Hart Jorgensen, director of the Omaha Livestock Foundation, broadcast that question last week to farmers and feeders.

"If they put controls back," wrote one, "I'm going to unload and vacation in California. I'm through."

"If rationing returns," wrote another, "the farmers will ship what they have on feed and stack their feed bunks as they did before. It takes about 2 years to start up in feeding, but you can get out quickly."

"I am not a large producer," said a third, "but was completely forced out under the former controls."

So it went, without exception. The farmers and feeders have been through it all, and they know what Government control can do to production. The consumers ought to know, too. It was less than 2 years ago that rationing drove good meat off the legitimate market and left in the butchers' trays only an occasional cut of tough Utility beef.

Rationing doesn't make more of anything. It simply divides the scarcity. And because of muscle-bound controls, rationed items generally become scarcer and scarcer.

If the American people are reconciled to a lean future, if they see nothing ahead but shortages of this and shortages of that—getting worse year by year—then they had better make up their minds to accept rationing and wage control and price control and all the other planned-economy machinery.

And they might as well rehire President Truman to run the show for them because he and his crowd have had quite a lot of experience in making people dance.

But if the people are determined to have an economy of abundance, if they intend to have more meat and more food of all sorts and more oil and more steel and more jobs in years to come—then they had better put a stop on restrictive Government controls and let the free economy get busy in a big way.

It is the latter possibility which gives the Republicans their chance in 1948. Provided they have enough courage to make a fight, and don't content themselves with a feeble "me too" every time a totalitarian mind has another brainstorm.

Opposition of Certain Railway Brotherhoods to the St. Lawrence Seaway Project

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Friday, January 23 (legislative day of Wednesday, January 21), 1948

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD a statement which I have prepared on the subject of the opposition by certain railway brotherhoods to the St. Lawrence seaway project.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RAILROAD LABOR SHOULD NOT OPPOSE ST. LAWRENCE SEAWAY

I know that every Member of this body feels a very deep respect and admiration for America's great railway brotherhood organizations which have been pioneers in the field of labor and which have on countless occasions set a model example for labor unions throughout the Nation in fair, democratic, peaceful bargaining procedures. Moreover, the outstanding record of American railway labor in the First and Second World Wars is so well known that it does not require repetition.

It is with regret, therefore, that I have recently noted that some representatives of the railroad brotherhoods have apparently been speaking to Members of the Senate, urging opposition to the St. Lawrence seaway project.

May I say that I respect the right of representatives of the brotherhoods to present their suggestions to their Congressmen just as it is the constitutional right of every American of whatever organization to point out to his Congressman what he regards as justice and equity in legislation. However, I believe that if the representatives of railway labor continue to seek to influence a vote against the seaway, they will be doing the gravest possible disservice to American railway labor. They will be swallowing hook, line, and sinker the most spurious, obsolete and outdated conceptions of alleged seaway competition with the railroads, which have been foisted by seaway opponents.

WHY RAILROADS SHOULD NOT OPPOSE SEAWAY

1. In the first place, only a very small segment of railway labor is involved at all in this seaway development, and this is some of the railway labor of the Northeast. It is astonishing to find railroad brotherhoods of the Midwest and Far West presenting opposition to a project which does not even affect them and which affects only a few eastern financial interests adversely rather than the railroads themselves.

2. Even the effect of the seaway project on railway labor in the Northeast will be both remote and comparatively insignificant. The effects will probably not be felt for around 15 years or so. At that time, our Nation will be so vastly expanded that the minor diversion of traffic from railroads to the seaway, if any—and even minor diversion is open to doubt—will be completely insignificant in relation to the total expanded needs for railroad transportation. We are today a Nation of 143,000,000, and within 15 years, with increased population, with increased demands for goods, with increased overseas shipments and a perhaps $250,000,000,000 economy, the railroads will still be operating at capacity, even with the seaway completed.

NEW RAILROADS WILL FEED SEAWAY

I am convinced that the overwhelming rank and file of American railroad labor appreciates and understands the need for the continued growth of all forms of transportation in our country. They know, too, that the development of the St. Lawrence seaway will inevitably involve the vast expansion of railroads to feed seaway commerce.

VOTE FOR SEAWAY IS VOTE FOR LABOR

I appeal, therefore, to every Senator and to every Member of the House who may be approached by a railway labor representative to call these facts to his attention. A Senator or Representative who casts his vote for the seaway is casting his vote for American railway labor and for the American Nation as a whole. Railway men of Wisconsin recognize this, and I believe that the railway men throughout the Nation understand it.

REACTIONARY OPPOSITION TO SEAWAY

Railway labor has always prided itself on what it regards as liberal and progressive causes and has fought what it regards as reactionary. To oppose the seaway is, I believe, the most dyed-in-the-wool reactionary (in the truest meaning of that term) effort conceivable. To oppose the seaway is to try to strait-jacket our economy—to choke it to death rather than to allow it to evolve. The welfare of railroad workers will hardly be served by trying to freeze in immobility a transportation system that was good for a $70,000,000,000 economy, but is hopelessly inadequate for a $210,000,000,000 or $250,000,000,000 economy of the future.

In the name of their own enlightened self-interest the brotherhoods should support and fight for the seaway rather than serve as the dupes for a few selfish interests which have fought railway labor anyway.

The Veterans' Economic Development Corporation Act

EXTENSION OF REMARKS

OF

HON. HENRY C. DWORSHAK

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Friday, January 9, 1948

Mr. DWORSHAK. Mr. President, one of the real concerns of the Nation today is the economic betterment of our veterans and our small businesses to set the country back on the path of peace and national security. I have here a copy of a Nation-wide radio address given by Commander in Chief Ray H. Brannaman, of the Veterans of Foreign Wars of the United States, prior to a meeting with Congressmen and Ambassadors here in Washington, January 3, before the session of the Eightieth Congress opened.

With it is a State plan as a basis for the veterans' plan to win the peace, which the commander in chief said "may well prove to be the turning point in our history as it provides a direct method of reducing the increasing threat of war and of securing peace and prosperity."

In developing a tentative State plan, which I have designated the Idaho plan, I hope it will be of value to persons in other States with similar problems to further the effectiveness of the proposed Veterans' Economic Development Corporation if enactment is secured.

At this point, I am inserting in the CONGRESSIONAL RECORD a letter that is self-explanatory:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
January 5, 1948.

Hon. HENRY C. DWORSHAK,
Senate Office Building,
Washington, D. C.

DEAR SENATOR DWORSHAK: It was a particular honor to have you attend our luncheon Saturday in Washington given for distinguished Members of Congress, for Ambassadors and representatives of nations under the Marshall plan, of China, of the Philippines, and for representatives of the American Legion, the Disabled American Veterans, and the American Veterans of World War II.

In "the veterans' plan to win the peace" that I announced over the NBC national network and at the luncheon, your Idaho plan can serve to implement plans in the other 47 States. We wish to compliment you on your plan as it will help the people of the communities, including veterans, by bringing new industries to the communities, expanding present businesses, modernizing agriculture and by creating new industrial uses for agricultural products.

We find that experts from other nations are interested in developing programs similar to the Idaho plan to enable their people to prosper and to hold the line against communism and war. It is not an overstatement to say that if applied here at home and abroad, such a plan would help win a bloodless World War III before the shooting starts.

Your championship in Congress of small business in the United States and the establishment of veterans in businesses and profitable careers has our supporpt. The bill that you introduced in the Senate on July 17, 1947, S. 1652, entitled "The Veterans Economic Development Corporation Act," will enable millions of veterans to catch up with the economic parade at home and abroad. Your bill will interest the taxpayers particularly as no appropriation of taxpayers' money is contemplated. In addition, it is estimated that it will reduce taxes as it will save a billion dollars a year of the present cost of government.

The bipartisan support of your bill and its early passage is indicated by the companion bills introduced in the House by ESTES KEFAUVER, of Tennessee; EDITH ROGERS, of Massachusetts, chairman of the important Veterans' Committee; WOLCOTT, of Michigan, an authority on finance and chairman of the Banking and Currency Committee; and past Chairman SPENCE, of Kentucky; by Congressman KEARNEY, of New York, and VAN ZANDT, of Pennsylvania, both former commanders in chief of the Veterans' of Foreign Wars and members of the American Legion. The unusual support of your bill in the Senate is shown by the introduction on July 17 of companion bill S. 1652 by you and Senator BRIDGES, of New Hampshire, chairman of the important Appropriations Committee on your behalf and on behalf of Senators BARKLEY, of Kentucky; BUTLER, of Nebraska, chairman of the Public Lands Committee; REVERCOMB, of West Virginia, chairman of the Public Works Committee; FLANDERS, of Vermont, of the Committee for Economic Development; MORSE, of Oregon, chairman of the Veterans' Committee of the Committee on Labor and Welfare; and Senators CAIN, of Washington; CAPEHART, of Indiana; FERGUSON, of Michigan; HAWKS, of New Jersey; KNOWLAND, of California; JENNER, of Indiana; MARTIN, of Pennsylvania; JOHNSON, of Colorado; FULBRIGHT, of Arkansas; EASTLAND, of Mississippi; MAYBANK, of South Carolina; and HILL, of Alabama. In addition to the approval of your bill given by President Truman, it is significant also that small business associations and others are enthusiastic about the prospects of your bill's helping to enrich the people in the communities.

As our Veterans Economic Development Corporation bill helps others as well as veterans, it should implement your Idaho plan as a new milestone in the illustrious history of Idaho and of the Nation. More power to you, and we veterans are behind you.

Best wishes,

Sincerely,

RAY H. BRANNAMAN,
Commander in Chief.

Mr. President, in the above letter, Commander in Chief Brannaman says that a program such as the Idaho plan is of interest to experts from other nations because it would enable their people to prosper and to hold the line against communism and war.

As a member of the Appropriations Committee, which recently toured Europe to evaluate the requests of the nations under the European recovery program, I visited England, France, Germany, Austria, Trieste, Italy, and Greece.

While I was abroad, our experts in Washington met with the ambassadors and ministers of the European countries, China, and the Philippines, to implement the plan to win the peace by developing the production program in the United States to meet the critical needs of other countries, and by installing in other countries pilot industrial and modernized agricultural operations to demonstrate to those people our system of free enterprise and proficiency.

In these pilot operations in free countries, American experts, with the cooperation of American veterans, will help to speed the modernization of their economy by on-the-scene demonstrations. Not only will this modernization increase the self-sufficiency of the free peoples, but will also increase their purchasing power for American goods and services.

As a preface to Commander Brannaman's radio address I wish to quote from a luncheon talk he made the same day.

This plan to win the peace is timely and urgent. It is evident that World War III is being launched against us by the enemies of democracy as surely as we foresaw that the acts of aggressor nations would bring World Wars I and II. In fact, we are still at war because the enemies of democracy are defeating the peace by refusing to conclude World War II.

This Nation of 140,000,000 people in a world of 2,000,000,000 people is called upon to tip the scales between war and peace. Fortunately, among us is a segment of our population which can balance our forces toward peace. It is the group of 20,000,000 veterans who were selected for their strength and leadership to supply the balance of power which won two world wars. As they supplied the skilled military leadership, they can now under American technological leadership, at home and abroad, constitute a great factor in preventing war.

I ask unanimous consent to insert in the RECORD a major portion of the radio speech referred to above:

THE VETERANS' PLAN TO WIN THE PEACE

(Radio address by Ray H. Brannaman, commander in chief, Veterans of Foreign Wars of the United States, January 3, 1948)

Today, representing the Veterans of Foreign Wars of the United States, an organization composed solely of overseas veterans, I want to present to you a plan for peace and national security. All of us desire peace and security for ourselves and our Nation, and to this end we offer a plan for peace and security for each of us in which you can, as an individual, help and be a part. This plan concerns your present welfare, that of your children, and of their children. It is a plan that may well prove to be a turning point in history. Many people believe it provides a direct method of reducing the increasing threat of war and of securing peace and prosperity. It may be one method to make our contemplated aid to Europe less costly to the American taxpayers.

Our domestic policy is failing because we have adopted a philosophy of scarcity, less work, less production, dog eat dog, everyone seeing how much he can get and how little he can give.

At this moment the crisis here at home is acute. One reason that our cost of living is rising in a dizzy spiral is that our productive capacity in goods and certain foods in the United States has not kept pace in the last decade with our population increase and demands. Clearly this shortage of productive capacity in both food and manufactured products will continue to raise our living cost until it gets out of reach. Unless we act promptly, the expression "boom and bust" will be a reality and not an idle warning. Our standard of living—our very system of personal freedom and free enterprise—is in jeopardy.

Fortunately, we have a plan at this time which can help us meet this double crisis. This plan will enable us not only to correct the weaknesses in our national economy but also to help friendly foreign countries to reinforce their own economies, thereby strengthening the democracies to resist communism and avoid war. The plan is provided by the Veterans Economic Development Corporation Act, one of the most constructive pieces of legislation ever to be introduced in the United States Congress.

Identified in the Senate as Senate bill 1652, this bipartisan proposed legislation was introduced by 19 distinguished Senators. In the House it is identified by six different numbers, one of which is House bill 157, and was introduced by six Members.

The Veterans Economic Development Corporation, popularly known as the little man's RFC, was originally designed to provide veterans with adequate financing to enter business—to make sure they would not become the apple sellers of this generation.

The plan is simple and has two main objectives: The first objective is to develop the maximum human and physical resources of each community. Careers for veterans, as well as continued full employment for other citizens, will be fostered through the following: The establishment of needed new businesses or the expansion of existing businesses; the modernized productivity of agriculture; the utilization of unused natural resources; and the improvement of self-liquidating public projects. Capital for these ventures, and also the technical know-how, will be made available by the Veterans Economic Development Corporation, which will borrow money through the United States Treasury at a low rate of interest and then extend loans to veterans and others at 4 percent, the duration of the loans being up to 20 years.

The second objective of the Veterans' Corporation is to help friendly foreign countries to help themselves through a similar program of modernization abroad by supplying American technical experts who will provide the necessary knowledge for pilot operations in the foreign countries asking our aid.

Essentially, the Veterans' Corporation will be of aid to small business, the foundation upon which our whole system of free enterprise has been built. It should reverse the unhealthy tendency for small industrial companies to merge or sell out to larger companies that have the technical engineers and capital to operate successfully.

Perhaps its best feature is that it will operate without cost to the taxpayers, and will require no appropriation. Furthermore, the Corporation would not compete with private banking. In effect, this "littleman's RFC" would work for individuals and small business just as the original RFC has for big business and big industry.

The veterans' organizations are now taking an inventory of industrial opportunities in every State. We find there is hardly a community that does not need new businesses, the expansion of present factory facilities, and self-liquidating public projects. In most of our States, in addition to

critical housing needs, our agricultural economy is out of balance with our industrial production.

States, counties, and municipalities would be helped to finance useful self-liquidating local public projects, such as parks, buildings, airports, irrigation systems, and so on. Municipalities and private enterprise would be enabled to break bottlenecks in housing.

Further, through the Veterans' Corporation, both veterans and nonveterans could exploit the hundreds of thousands of enemy patents, secret processes, and manufacturing methods that our veterans have captured, and they could utilize our unused war plants and equipment.

Senator BUTLER, chairman of the Public Lands Committee, points out that this bill would help provide for the development of irrigation and the vast mineral deposits of western States could also be developed.

The plan is remarkable for its down-to-earth common sense. I have said that almost everywhere in the United States there is work to be done that is not being done. This veterans' corporation would be, in fact, a fulfillment of the age-old objective to match the ambitious man with the career opportunity, and to finance him so that he may make the most of it. It would utilize profitably the efforts of 2,800,000 veterans who are now in training.

While the primary objective of the plan is to set the United States on its feet economically, the possibilities of its application in other countries are equally promising.

It is significant that the veterans' corporation program is the only program of foreign aid which would enable American technicians with American know-how to be on the spot in the communities of those countries seeking our help. This would assure American taxpayers of the wise investment of the billions of dollars to be given to other countries by the United States if the Marshall plan is adopted.

This piece of legislation, if enacted into law, will place into the hands of millions of veterans and others the tools to work with; place them in a position to be self-supporting; to start a new business or expand an old one; to explore new fields at home and abroad. It will enable veterans to recoup their time and opportunities lost while serving their Nation in uniform. It will save the taxpayers of the Nation approximately a billion dollars a year in the present cost of veterans' affairs.

This bill has the support of James F. O'Neil, the national commander of the American Legion; John Golob, commander of the Disabled American Veterans; Edgar C. Corry, Jr., commander of the American Veterans of World War II; and many others.

I plead with every person listening to me today to adopt a philosophy of plenty—a philosophy of big production. I further plead with you to sell this philosophy to others, because the philosophy of bigger production, both in factories and on our farms, is the only philosophy that will reduce prices, help us feed and clothe the world, and help us place in the hands of our own people, as well as those of the rest of the world, the tools with which to work so that they may become self-supporting.

The veterans' economic development corporation bill will serve as the sparkplug to reach this objective. It provides every Member of Congress the opportunity to serve many millions of our veterans and at the same time insure prosperity and peace for the Nation. The bill is now in the hands of Chairman TAFT, of the Senate Labor and Public Welfare Committee, and of Chairman WOLCOTT, of the House Banking and Currency Committee. We hope this bill will be passed in this session of the Eightieth Congress for the good of the veterans and of the Nation.

I thank you.

Mr. President, nearly everyone with whom I talk, asks "What are we going to do about meeting our own needs as well as those of other countries? What can we do about rising prices? How can we prevent another war?" Everyone will agree that these are directly related problems. We must start in the communities to solve the problem for the individual person and for our State. To serve the interests of our people, I have devised the Idaho plan, which I submit for the CONGRESSIONAL RECORD as it appears to interest people of other States who are also designing a State plan to enrich the people in their communities:

THE IDAHO PLAN

The Idaho plan is designed to develop, under the provisions of the Veterans' Economic Development Corporation, the resources of Idaho to promote the prosperity, welfare, and health of all our people. Career opportunities for veterans as well as continued full employment for others would be fostered through the development of needed new businesses, the modernized productivity of agriculture, the utilization of unused natural resources and the implementation of needed self-liquidating public projects.

The Veterans' Corporation, with authority to extend credit totaling $5,000,000,000, will direct its loans toward supplementing the loans of banks and other existing private lending agencies, and the capital needed will derive from existing public money. No appropriations from Congress will be necessary, as only profitable self-liquidating projects will be considered.

Planning activities would be on a State, county, regional, or community level. A State planning board, with the assistance of a know-how committee composed of technical experts, would plan for the physical development of the State, cooperating with other State agencies in the preparation of programs. It would also assist regional and county committees and community planning boards. It would further extend technical assistance to individuals, new businesses and projects.

Since the veterans' economic development program is essentially a grassroots program—designed to serve small business and industry and agriculture in the community—emphasis on planning would be on a community level. Thus, while the State planning board and know-how committee would engage in planning on a State-wide basis, their primary function would be to serve the interests of the communities and to bring to bear the cooperation of the Federal Government on local projects whenever advisable and necessary.

Because of this emphasis on local planning, the following outline on State and community planning will list specific opportunities for development and expansion under the section on community planning.

Technical experts of friendly nations seeking our help under the Marshall plan and other forms of aid have shown great interest in applying this Idaho plan to their own countries under the provisions of the Veterans' Economic Development Corporation Act.

COMMUNITY PLANNING

1. Local planning board established, representing industry, finance, business, labor, sciences, the professions, veterans, religious groups.

2. Planning board sets up a know-how committee.

3. Planning board outlines program of activity, receiving assistance in organizing and formulating programs from State planning commission or State know-how committee.

(a) Inventory to determine present and future economic needs, including preparation of town and agricultural maps on the following:

Population distribution and trends, property tax surveys, land use, zoning ordinances, traffic studies, recreational facility requirements, health and welfare survey, community center redevelopments, highway maintenance, fire protection, water supply, housing, school system, farming, utility services, transportation service—airport, etc. using facilities of Federal, State, and regional agencies for fact-finding and making projective studies.

4. Opportunities for development and expansion:

(a) Local industries as to research for new products, use of captured enemy patents and new processes, use of natural resources, and new industrial plants for agricultural products.

(b) Land-use development, giving attention to irrigation, underground water resources, reforestation, erosion control, soil treatment, and fertilizers.

(1) Water power development as to utilities, industrial uses, and agricultural purposes.

(2) Agricultural practices relating to livestock improvement and new crops.

(c) Commerce in fields of sales development, new market centers in growing communities, farm cooperatives, assembly, processing and warehousing facilities, air transport, and trucking.

(d) Mining, geological surveys.

(e) Tourist and recreational areas: Beaches, lakes, wood trails and roads, camping areas, sports, fish and game stocking, restoration of historical areas, scenic improvement, hotels, cabins and restaurants, stream and pond pollution control, and handicrafts.

(f) Public service (self-liquidating): Utilities and transportation of passengers.

(g) Public health and welfare (self-liquidating): Medical clinics, fire prevention, sanitation, stream pollution abatement, and sewage disposal.

(h) Public works and public improvements (self-liquidating): Housing, parking areas and buildings, and municipal projects.

(i) Education (self-liquidating): Colleges, professional and trade schools (improvement), community recreation centers, vocational and social guidance, rural school consolidation and transportation.

STATE AND REGIONAL PLANNING

1. State planning board established, representing all groups.

(a) Supplements and implements work of existing State planning agencies.

(b) Cooperates with and serves community planning boards.

2. Planning board sets up a State know-how committee composed of technical experts in various fields.

(a) Know-how committee gives technical advice to planning board, to community know-how committees, to county or regional committees, to individuals, to new businesses and projects.

3. Planning Board outlines program of activity, receiving assistance in organizing and formulating programs from State know-how committee or State planning commission.

(a) Takes inventory to determine present and future economic needs of State and geographical area, preparing State, regional, and county maps and statistical studies—

(1) Uses facilities of Federal, State, and regional departments and agencies for fact-finding and making projective studies.

4. Planning board integrates county, community, and regional plans, eliminating overlapping, confusion, and unprofitable enterprises.

Mr. President, from my studies of the needs of the people of Idaho, I find that there is hardly a business or agricultural community in our State that will not profit from the benefits of this Idaho plan. To mention only a few of the benefits that will enrich the lives of practically everyone, I refer to the new scientific processes, trade secrets, and patents that our veterans have captured from enemy countries, which now are of commercial profit to businesses in our communities. These were developed by the best scientists of Europe over a period of 10 years behind an iron curtain of secrecy. At a recent meeting our expert who made an inventory in Germany of this material said its value to American businessmen is estimated to be as high as $20,000,000,000.

Industrial development in the communities of Idaho and new uses for agricultural products will save on freight rates and provide more profitable labor for our workers, fertilizer plants, canneries, potato-starch factories, cheese factories, tanneries, fiber-processing plants, woolen mills, clay plants, pulp-and-paper mills, and other needed businesses. To add to the creative wealth of the people of our State, the unused mineral deposits and natural resources of Idaho can be developed.

As our veterans are fresh from the war, where they demonstrated their patriotism, resourcefulness, and adaptability in utilizing the products of science, they can now help spearhead the economic development of Idaho for the benefit of all the people in our communities. Teamed with our community fathers and leaders, veterans and everyone else can benefit from the Idaho plan, which will be implemented under the provisions of the Veterans' Economic Development Corporation Act, which we have introduced in this Eightieth Congress.

The Strange Case of the Taft-Hartley Law

EXTENSION OF REMARKS
OF
HON. ARTHUR V. WATKINS
OF UTAH
IN THE SENATE OF THE UNITED STATES

Friday, January 23 (legislative day of Wednesday, January 21), 1948

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article appearing in the January 1948 issue of the Reader's Digest, which is entitled "The Strange Case of the Taft-Hartley Law," written by Claude Robinson, president, Opinion Research Corp.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE STRANGE CASE OF THE TAFT-HARTLEY LAW

(Condensed from Look)

(By Claude Robinson, president, Opinion Research Corp.)

Shortly after passage of the Taft-Hartley bill over President Truman's veto, my organization decided to sound out the ordinary worker's real opinion of it. We sent interviewers into the concentrated manufacturing areas of the East and Middle West where 7 out of 10 American manufacturing workers live. They talked with union members and nonunion employees in large factories and small plants; with manual and white-collar workers, and with both Roosevelt and Dewey voters. To all they addressed this simple question:

"Do you think Congress should have passed this bill or not?"

"No," said 54 percent. "Yes," said 31 percent. And 15 percent had no opinion. This meant that slightly better than one out of every two workers is against the Taft-Hartley law.

So we decided to find out what features of the law made it unpopular. Selecting several of the most controversial provisions, we asked each worker about each one, without telling him it was part of the Taft-Hartley law. To our surprise, a majority in each case approved all these provisions of the bill. Even the section outlawing the closed shop drew the approval of more union members than were against it.

This is the question the Opinion Research Corp. asked: "If you were in Congress, would you be for or against laws to do the following things?"

1. Require unions to give 60 days' notice before they can go out on strike.

	Percent
All employees:	
For	78
Against	16
No opinion	6
Union members:	
For	70
Against	25
No opinion	5

2. Give the company the right to sue the union if the union breaks its contract.

	Percent
All employees:	
For	77
Against	13
No opinion	10
Union members:	
For	70
Against	20
No opinion	10

3. Require unions to make reports on money taken in and what they spend it for.

	Percent
All employees:	
For	86
Against	11
No opinion	3
Union members:	
For	85
Against	12
No opinion	3

4. Prevent Communists from holding union offices.

	Percent
All employees:	
For	76
Against	18
No opinion	6
Union members:	
For	77
Against	19
No opinion	4

5. Prohibit unions from spending money or making contributions in connection with political campaigns for Federal offices.

	Percent
All employees:	
For	56
Against	36
No opinion	8
Union members:	
For	50
Against	42
No opinion	8

6. Forbid a company to have a union shop until a majority of the workers vote for it. (A "union shop" is defined as one in which the worker does not have to belong to the union to get a job, but must join after he is hired.)

	Percent
All employees:	
For	79
Against	14
No opinion	7
Union members:	
For	77
Against	18
No opinion	5

7. Outlaw the closed shop. (The "closed shop" is defined as a shop in which no one can get a job unless he already belongs to the union before he goes to work there.)

	Percent
All employees:	
For	60
Against	30
No opinion	10
Union members:	
For	48
Against	43
No opinion	9

8. Allow the Government, in industries considered vital to the country's welfare, to get a court order preventing a strike for several months while settlements are attempted.

	Percent
All employees:	
For	78
Against	14
No opinion	8
Union members:	
For	70
Against	21
No opinion	9

The vote results, when averaged up, show a 73-percent approval of these Taft-Hartley provisions. On the basis of our investigation, it seems clear that the American worker favors what is in the Taft-Hartley law—but doesn't know it.

The St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Friday, January 23 (legislative day of Wednesday, January 21), 1948

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "St. Lawrence Seaway," published in the Washington Post of January 21, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ST. LAWRENCE SEAWAY

When the Senate begins debating the Vandenberg resolution approving the agreement between the United States and Canada for development of the St. Lawrence seaway, it will reopen a controversy which has had passionate adherents on both sides for many years. The fight has usually evoked more emotion than deliberation. But that is doubtless inevitable in the case of any project affecting so many varied interests as does this one. We can only hope that the Senate will cut through the special pleading and the barrages of propaganda that are coming from both sides and render a decision in keeping with the national interest.

Mayor O'Dwyer claims that the proposed seaway would take away from New York one-third of its overseas traffic. Whether or not

this estimate is well founded, the fact that some traffic between the Middle West and Europe will be shifted away from the bottleneck of New York is one major reason why the project has found favor in the eyes of a vast number of citizens. Far too much of the Nation's tran-Atlantic traffic is dependent upon the facilities of one great port. Economically as well as from the viewpoint of national security we think it is desirable to improve and develop other channels of commerce. The argument for extending this waterway into the heart of the North American Continent to serve the great agricultural and industrial areas bordering on the Great Lakes is especially strong because of the advantages given to the seaboard areas several decades ago by the construction of the Panama Canal.

In addition, of course, the St. Lawrence project would make possible the generation of a vast amount of hydroelectric power. The plan calls for generators with a capacity of 2,200,000 horsepower at Barnhart Island in the International Rapids section of the river. No doubt the Senate will give careful attention to complaints that this power would not be available in winter because of ice conditions and low run-off from the Great Lakes. There are many technical aspects of the project that call for scrutiny. We have little doubt, however, that the project will be approved on grounds of high policy. The St. Lawrence treaty previously negotiated with Canada failed to obtain the necessary two-thirds vote for ratification in 1934, but it won 46 favorable votes to 42 negative ones. The resolution now awaiting action will require only a majority vote, for it was negotiated under the terms of a treaty already in effect. Moreover, Senator VANDENBERG and other sponsors have added a proviso to the effect that the deep-water navigation works should be made self-liquidating by charging reasonable tolls. Allocation of materials for construction of the seaway will have to be carefully weighed against other demands and our commitments under the European recovery plan. But the arguments for ratifying the agreement at this time are unquestionably strong.

National Security and Universal Military Training

EXTENSION OF REMARKS
OF
HON. JOHN W. BYRNES
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. BYRNES of Wisconsin. Mr. Speaker, the Commission on Air Policy, after long and serious deliberation, reported that our only real security in this age of the atomic bomb, bacterial warfare and the rapid development of supersonic aircraft and guided missiles was the elimination of war itself "through a regime of law." Realizing the practical remoteness of this ideal, however, it suggested that our national-security policy must be twofold: First, to work toward the elimination of war through support and development of the United Nations; and second, to prepare to defend ourselves for the possibility that war may come.

In preparing for a war that may come in spite of all of our efforts to prevent it, the only course open to us is to arm ourselves so strongly that not only would other nations hesitate to attack us because of our ability to strike back powerfully and swiftly, but so strongly that, if we were attacked, we could smash the assault quickly and surely. The Commission, dealing largely with air policy, concluded that other countries, by the end of 1952, would not only have atomic weapons but the planes and missiles necessary to deliver them on us in quantity. Our only course, therefore, is to develop an air defense that can break up such a sustained attack, and an air offense which would cause any nation contemplating such an attack to think twice before bringing a rain of destruction down upon themselves.

Such an air force will require huge sums of money. It will have a serious impact on our national life. But, the alternatives are so risky and so filled with menace to the security of our Nation that we can ill afford to do less. But this is not all. There are other requirements for a sound national defense, a defense not only necessary in and of itself but necessary as a possible deterrent to war.

At this point, I wish to make clear that I am not discussing the type of warfare that is referred to by sensation seekers as push-button warfare. It is possible that this type might become a reality in 25 or more years. What we are discussing now is that type of warfare which is possible today, or in the light of recent developments, within the next few years. If the estimates of the Commission on Air Policy are correct, we are discussing the type of warfare which will be possible in 1952.

What, then, are the other requirements, besides a powerful air force, for adequate national security, in these days when war is total, terrible, and swift?

It is the general concensus of military men and of civilians who have studied the matter that these are the other basic requirements for national security:

First. A coordinated and highly efficient intelligence service. Intelligence means knowing what the enemy, or potential enemy is doing and thinking. Good intelligence is vital.

Second. Continuous scientific research and development. We must keep abreast of latest developments in basic and applied science, but we must do more. We must keep ahead of the rest of the world.

Third. Industrial mobilization. We must be ready to back up our armed forces with industrial readiness. In this day and age, war requires that all of the resources of the Nation be mobilized for its prosecution.

Fourth. Unified armed forces. We have already placed under a single Cabinet head all of our armed forces. There is much that remains to be done by the Secretary of Defense to make unification more than just a paper affair. A strong Army, Navy, Marine Force, and Air Corps must be molded together into an effective offensive and defensive organization.

There is no serious disagreement that the five points I have mentioned are vitally necessary in any program of preparedness for the possibility of war. The only persons who disagree are those who either believe that we should disarm entirely—and the fallacy of that belief is obvious—and those whose sympathies lie closer to other nations than to their own country.

The main area of disagreement concerns a sixth point which has been suggested by many as being vitally essential to an adequate national security policy. That point is the immediate adoption of a universal military training program.

As your representative, I have expressed my opposition to peacetime conscription on many occasions. To me, as it must be to all Americans, the thought of drafting young men into military training during a time of peace has been repugnant. It has gone against everything that my schooling and my instincts have taught me to believe.

Yet today, I am telling you that I believe universal military training, as outlined in bills presently before Congress, is vitally necessary to our national security. I have not arrived at this conclusion lightly, nor without a great deal of study and soul-searching. I want to explain the reasons for this sincere belief of mine in some detail.

I approached this problem by attempting to find the answer to just one question only. I tried to throw sentiment, emotion and prejudice aside and arrive at a clear-cut answer to this question: Will universal military training make our Nation more, or less, secure? If I could find the answer to that question, I knew that I would have the answer to the basic question, "Should we adopt universal military training?", because national security, to my mind, supersedes all other considerations.

My search for this answer took me back again to a study of what kind of war is possible now, and more important, what kind of war will be possible within the next few years, when other nations have developed and produced atomic weapons in quantity and the means of delivering, or dropping, them upon our homeland.

We have already discussed the first phase of such warfare. The attack would come through the air without warning. I might say, parenthetically, that we would have no warning of the attack except through our intelligence service, and I might also add, that we, as a democracy, would probably have to be attacked before we went to war. It is not in our nature to declare war first.

A military leader has described the initial attack in these graphic words:

> The attack would be primarily at the great cities and would cause great destruction both to physical structures and the people. It might involve atomic bombs, radioactive materials, biological warfare, and crop-destroying chemicals. The atomic bomb would probably be used against cities in preference to military targets. We would have chaos, with communications disrupted, millions of persons sick, wounded, and dying, civil disorder, and sabotage.

Of course, as I have mentioned previously, it would be the duty of an enlarged United States air force to make

this first attack as ineffective as possible and to crush it with counteroffensive measures. Present indications are, however, that even with superdefensive measures, large numbers of planes or missiles would get through to their targets.

The military leader continues:

The initial bombing attack would likely be followed by air-borne troops.

In such a war, where such a devastating initial attack is possible, what kind of armed forces do we need to prevent chaos from engulfing our whole land and leaving us open prey for further follow-up attacks?

First, it is absolutely necessary to have a highly trained body of men, equipped with the latest weapons, ready to strike back through the air to seize either advance bases for future operations or to follow up our own bombing counteroffensive in the homeland of the enemy. The objective of this force must be to make the further launching of attacks against us impossible. This will be the assignment of our regular standing Army, Navy, Marine, and Air Corps.

Now, many people opposed to universal military training agree thus far. They believe that comparatively small, well-trained, and well-equipped forces are absolutely necessary, but they claim that future wars, because they will be fought between such forces, render large bodies of troops unnecessary and even dangerous. They call this concept "World War I thinking."

Here is what I believe is the fallacy in the argument of these sincere people.

We must be realistic. We must grant to our potential enemies an intelligence equal to our own. The bare fact is that in future wars it is entirely within the realm of possibility that we shall be invaded by air-borne forces who will have the same objective as our own striking force, namely, to make it impossible for us to attack their homeland. We must be ready to crush such an invasion.

There is only one way to defend against air-borne invasion against any one of a hundred strategic points in America—that is, by well-trained reserve units in every part of our own country ready and able to meet possible invasion.

There are other reasons for having these units instantly available; with large-scale destruction, they would be needed to handle problems of evacuation, medical care, fire fighting, and repair of essential communications and transportation. They would be needed to maintain order in an atmosphere of disorder and demoralization. They would be needed to combat organized sabotage. They would be needed to clear radioactive areas. They would be needed for a hundred and one jobs, which we cannot rely upon local police and improvised civilian agencies to do satisfactorily.

This will require large numbers of trained men organized into reserve units. True, we could expand the size of our Regular Army to provide these men, but this would require that practically the whole Nation be under arms constantly.

To maintain such a large number of men in reserve units, it is my opinion that universal military training, which will give the rudiments of training to our young men for 6 months, then require that they join one of our reserve armed forces units and train with it for a certain period is essential and necessary. Our reservoir of trained men left over from the last war will not last forever. It must be constantly refreshed.

Thus, straight logic, based upon a review of what is possible in the future, has led me to believe that universal military training is vitally necessary, in this era of uneasy peace, for our national security.

Universal military training will cost money. So will the other five points in an adequate national defense. They will cost money that could be more productively used in other places in our national scheme of things. However, if it will prevent a war, or make us relatively more secure against attack, it is money which must be spent.

There are dangers, of course, in a universal military training program. One is that we would consider it, in itself, as a sort of Maginot line against aggression. I have already pointed out that it must be considered as only part of our national defenses. Another is that it would give too great power to our military leaders, and another is that it might become dangerous to the morals and education of our youth. For these latter two reasons control of the program must be rigidly overseen by an alert citizenry.

Further, the program itself must be universal in its application to all persons of a given age. Only those handicapped persons who can make no material contribution or whose absence from home would create extreme hardship could be excluded. The training undergone by the trainees must be geared to modern warfare and must be intensive; close-order drill will not suffice in the atomic age. The need for skilled craftsmen, technicians, and so forth, must be considered. In short, in adopting a universal military program we must make sure that we will devise a program which will contribute to, and not detract from, our national security.

A final word: It is apparent that logic and the national welfare dictate a military program that is far greater than we conceived would be necessary at the end of the war. This crushing burden upon our national economy can only be dropped when we have achieved real security in a world in which war is no longer possible. We must devote all of our intelligence and energy toward making such a world a definite reality.

Forrestal All Out for Universal Military Training

EXTENSION OF REMARKS

OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. LARCADE. Mr. Speaker, under previous authority to extend my remarks in the RECORD, I am pleased to submit for inclusion herein a copy of a newspaper article by John A. Giles, columnist, appearing in the Washington Sunday Star, of date January 25, 1948, giving the views of Secretary of Defense Forrestal in regard to universal military training, as follows:

UMT FOES' ARGUMENTS FALLACIOUS, FORRESTAL LETTER TELLS ROBERTS

(By John A. Giles)

Arguments by foes of universal military training that atomic weapons and push-button warfare had made "mass armies" obsolete and UMT unnecessary were branded as fallacious yesterday by Secretary of Defense Forrestal.

Mr. Forrestal, who is leading the Army-Navy-Air Force fight for passage of the UMT bill, made this charge in a letter to former Supreme Court Justice Owen J. Roberts, chairman of the National Security Committee. Justice Roberts released the text of the letter at a press conference.

The committee, which is composed of individuals and 55 Nation-wide organizations with a membership totaling 16,000,000, was formed last fall to crystallize the campaign for UMT.

"DISTURBED" OVER CHARGES

Justice Roberts said he had become "disturbed by the possible effect of published charges by opponents of UMT to the effect that push-button warfare makes mass armies obsolete and, therefore, universal military training," and that he wrote Mr. Forrestal for his views.

"This argument is fallacious for two reasons," Mr. Forrestal wrote. "In the first place, the push-button era of warfare has certainly not yet arrived and may be many years in the future. In the meantime, we must anticipate that any future war might be of a total aspect involving at the outset a possible sudden and violent attack upon our homes and cities.

"We must therefore be prepared at all times for an immediate mobilization of trained men on a large scale throughout the country. I firmly believe that UMT is the only effective democratic means of providing the necessary trained and ready reserves in such an emergency."

WON'T GIVE "MASS ARMY"

"Secondly, UMT would not give us a 'mass army' in the popular sense. On the contrary, the entire military-training program emphasizes the technical and specialized training that modern warfare requires.

"Before World War II it required a ground crew of three men to service a combat airplane. Today's planes require 12 and more men to keep them in the air. Scientific development of weapons requires not only greater numbers of highly trained men, but longer periods of training as well. The UMT program is designed to furnish the basic elements of such training prior to any future emergency."

Mr. Forrestal also branded as not sound the argument that a greatly increased striking Air Force would obviate the need for UMT.

ERP CALLED VITAL

"True, national security cannot be obtained through any single measure to the exclusion of any other," he wrote. "From the broad standpoint it includes, in addition to a strong Military Establishment, the preservation of a sound free-competitive system of enterprise in our country, the recovery of Europe, the solution of problems of Greece, Turkey, China, and the Middle East, and the revival of the machinery of production throughout the world.

"In short, the European recovery program is a vital element of national security. UMT is another vital element. One cannot discuss security in terms of only one of its

elements nor in terms of the United States alone."

Calling UMT the basis of manpower planning for all of the armed services, Mr. Forrestal declared it absolutely essential to our national security.

Justice Roberts, in releasing Mr. Forrestal's letter, said it effectively destroys the mass-armies fallacy.

ARGUMENT CALLED NONSENSE

"The argument that we don't need millions of men behind the machines is pure nonsense," Justice Roberts said.

The demoralization that would be created by a blitz atomic attack alone necessitates the enactment of UMT, he declared.

The American Legion, meanwhile, charged last night that the House Rules Committee is gagging Members of Congress on universal military training, and demanded that it report a training bill to the House floor for a vote.

In a letter to Chairman ALLEN, John Thomas Taylor, Legion legislative chief, said opinion polls show the public favors universal training by a 2-to-1 margin.

CONGRESS HAS EXCEPTION

"Every group in America except one has expressed its views on universal training or had full opportunity to do so," he declared. "That one exception is Congress. There is no valid reason for further hobbling this legislation and preventing a vote by the House membership."

Mr. ALLEN was not available for comment.

Representative HARNESS, Republican, of Indian, said yesterday he is personally convinced the universal military training bill will not be reported by the Rules Committee for some time He is a member of the committee.

"I think whether the bill is reported will depend on developments between now and the time it is placed on the committee's agenda," he said. "I have taken no position as to the merits of the bill."

No Humanity for Germans

EXTENSION OF REMARKS

OF

HON. THOMAS L. OWENS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. OWENS. Mr. Speaker, since the early part of last year I have called your attention on a number of occasions to the serious question with respect to the German prisoners of war, who are being held as slave laborers in England, France, the Soviet Union, and several other countries of Europe. It has been practically impossible to obtain any definite information or cooperation from the U. S. S. R. and while England and France have gone through the movements of cooperating they really have done comparatively little toward eliminating the inhumane practice of involuntary servitude on the part of these prisoners of war. I have had much correspondence with the Secretary of State and the Acting Secretary of State about this matter. It is my definite intention to ask that steps be taken to end this slavery, which is inhumane, and which we should discourage by refusing to give aid to any countries which indulge in such practices. I would also suggest that the Members of the House read the article entitled "No Humanity for Germans" which appears in the current issue of Human Events. It reads:

NO HUMANITY FOR GERMANS

(By Oswald Garrison Villard)

It should be obvious that the failure of the foreign ministers to create even a basis for an approach to a peace with Germany has intensified the miseries, the psychological sufferings and the growing hopelessness of the German people. But Secretary Marshall has yet to emphasize this simple humanitarian aspect of the tragedy.

This is the more regrettable because the Secretary of State did say, in his comment on April 28, 1947, on the similar failure of the Moscow Conference: "The patient is sinking while the doctors deliberate. So I believe that action cannot await compromise through exhaustion." Moreover, Secretary Marshall has discussed the horrible situation of the Chinese masses, after years of starvation, revolution and warfare, with an appreciation of what this has meant to those pitiful people.

But the Secretary wound up his radio report of December 19, on the utter failure of the London Conference, without a single word as to where this failure left Germany, or as to the outlook for another move.

He merely said: "I fear there can be no settlement until the coming months demonstrate whether or not the civilization of western Europe will prove vigorous enough to rise above the destructive effects of the war and to restore a healthy society," and that "the situation must be stabilized" before any other attempt to solve the impasse. He gave no encouragement to the suffering and half-fed Germans and Austrians to hold out, or to believe that the state of war in which they are still kept will be terminated—not even in the face of the increasing signs of desperation among a literally starving people.

The patient may continue to sink; the doctors have ceased even to deliberate. They seem content to slang each other across the dying body.

This policy of drift means a continuing refusal to reintegrate our conquered subjects into the life of what used to be called one world. The Germans remain beyond the pale. They cannot send cables or radio messages, or use the telephone for any communications outside their existing frontiers. The airmails are closed to them, though they may receive air-borne letters, but these can only be answered by the regular mails which are 4 weeks or longer in transit to the United States. All mail remains liable to wartime censorship, and the ensuing delays, although hostilities ceased in the early summer of 1945.

II

Germans cannot receive from abroad any moneys, large or small—not even from friends and relatives overseas—even though the large sums which would pour in would considerably improve conditions and cut down our Government's expenditures.

As a result the Germans cannot purchase foreign books, magazines, or newspapers. Very few American publications seep in, while their own censored press remains inevitably inefficient and inadequate in the presentation of news and the molding of a free public opinion.

All our efforts at denazification and democratization are thwarted by the lack of materials for extensive assistance to schools, to adult education through the labor unions and otherwise, and because we are withholding the very books and newspapers which would familiarize the Germans with our attitudes, policies and democratic processes. If our Government would but lower the high postal rate charged on food and clothing parcels and remove the present limit on weight (22 pounds), there would be a still greater volume of relief shipments by Americans.

Worst of all, the Germans and Austrians cannot buy hospital equipment or supplies—even such articles as rubber operating gloves and toilet essentials—or the necessary drugs. If they receive some—but not enough—penicillin and streptomycin, it is in part because our military government is fearful that venereal and other contagious diseases may spread to infect our troops.

Travel is almost an impossibility for any German. Even merchants and salesmen are gravely restricted, despite the military government's assertions that it is bent on building up the economy of Bizonia. It is extremely difficult for any German to get permission to cross into Switzerland, though the Swiss Government raises no particular objections. There is a case on record of an elderly woman, seeking a permit to visit Switzerland, who was accused by an American colonel of trying to avoid the hunger punishment.

Again, the Germans cannot understand why anti-Hitler refugees in this country, even men who served in the American Army during the entire war, are frequently refused permission to return to Germany and help to rebuild their country along democratic lines. They are cut off by a brass curtain, as impenetrable as Russia's one of iron.

III

Two facts stand out clearly in this picture. One is that to alter the conditions cited as controlling in our zone requires no further conference of Foreign Ministers, nor any other step beyond a decision by the President to take such action, especially as we have now voluntarily assumed one-half of Britain's expenses in maintaining its zone.

President Truman could certainly order the necessary postal changes, end the ban on airmail, permit the use of the cables, and insist that the American banks now established in Germany be allowed to do business with the Germans instead of only with the occupying forces. This improvement would require only one stroke of the Chief Executive's pen, and the recall of officers now devoting their time to the intricacies of red tape would improve the present desperate housing conditions. So would a further reduction of garrisons which offer no threat to the Russians and are not needed to hold down the unarmed Germans.

One word from the White House to the Army, and the State Department would end its stubborn refusal to allow the return of the anti-Nazi refugees and would make possible the importation of the needed drugs. The Postmaster General can regulate the size of the packages to be sent abroad and the rate to be charged for them. If the President should desire the "Bizonians" to have access to all American books, magazines, and newspapers it would not be difficult to make the necessary currency changes to enable the free import of American intellectual material.

There is an even more important step which Mr. Truman could take if he desired to influence the German mentality in the direction of the the democracies and against the communism of the East. There are still over 3,000,000 prisoners of war in captivity, in violation of the laws of war and of the Geneva Convention; forced to work for beggarly pay in involuntary servitude. For some of this slave labor the United States is morally responsible since it "loaned" German prisoners to the French and British Governments after the surrender.

In 1947, in response to proddings from the International Red Cross, the United States demanded of France the release of the numerous prisoners in that country, with a resultant promise, according to the press, that they would be set free last fall. The

Red Cross has again protested against the continued enslavement of many of these men—an unprecedented outrage of every principle for which America stands.

Millions of Germans have a direct or indirect interest in these "loaned" prisoners. The longer the prisoners are detained, contrary to law and to human decency, the more the German public will regard as pure hypocrisy American assertions that ours is a Christian country, and therefore spiritually and ethically fitted to reform German thinking.

IV

In two speeches prior to the London Conference, General Marshall exalted with true American modesty the complete altruism and unselfishness of our foreign policy. Always, he suggested, it has been wholly just and actuated by the highest motives—forgetting the Mexican War (denounced in 1885 by General Grant as "one of the most unjust ever waged by a stronger against a weaker nation"); and our attack on Spain.

Such self-laudatory interpretations of our history are not only contrary to truth; they do violence to the best in our American traditions. And the tendency to gloss what we are doing with hypocrisy is the second important fact in the present status of our relations to Germany and Austria.

Hypocrisy is attested by the severe criticisms of our policies and their results, as voiced by returning soldiers, civilian officials and journalists—Whitelaw Reed, editor of the New York Herald Tribune, declares that German conditions under our flag are "subhuman."

Letting the patient live—or die if he can—goes counter to our historic policy of generous aid to any and all peoples in distress, to the spirit of General Grant at Appomattox, to our consideration for the Filipinos after the conquest, to the most praiseworthy good-neighbor policy acclaimed by Franklin Roosevelt, to every one of the democratic and humanitarian ideals which were voiced as our reason and our purpose in entering the war. Our sadistic policy in Germany is also contrary to every teaching of history. Nobility begets nobility, and generosity, generosity. This is what the Secretary of State must remember if he wishes to make American foreign policy of today conform to what he thinks and asserts it has been in the past.

There lies a surer road to the restoration of goodwill, true peace and prosperity for all Europe, than the present frantic effort to purchase safety for democratic institutions with dollars. The present turn of events in Germany shows that even if the patient can be resuscitated at the last moment, he is all too likely to hate those who sanctimoniously preached the outlawry of war, and ended up by demanding the outlawry of charity for a fallen foe.

You Can't Fool the People

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, Abraham Lincoln is accredited with having said that you cannot fool all of the people all of the time. That certainly is applicable to my constituents. They are alert, and do not have to be told by their Representative in Congress what is going on. The many sources of information through which they get information is almost unbelievable. But today, they are wise. They know what is going on. You cannot fool the people. The New Deal Administration certainly is not fooling them. They are not to be fooled any longer.

Typical of the many letters I am receiving, I quote the following one which I have just received from one of the fellows back home:

Attached is a copy of the letter which I have just written to the regional manager of the Veterans' Administration trying to get my son his $65 per month, which he applied for about 2 years ago, and for which they sent him another form instead of the final certificate. I am sending this letter to you only for your files, you need not follow it up.

I see that Mr. Pauley has finally got his foot too far in the door. Maybe if the Thomas committee would take a look at the actions of Mr. Pauley just before the "aid" to Greece was signed, they might find where Mr. Pauley got a hand in that, too. For it was told to me that he owned considerable of the Greek shipping, which was organized just a few weeks before the aid bill was passed, and that the bill provided for one-half of the tonage to be hauled in Greek Bottoms, and since Greece had no merchant marine, Mr. Pauley and his friends provided the Greek Bottoms, and thereby hangs another nice New Deal tale.

If we are to help the people of Europe, let's help them. If we are to help the European Governments, let's loan it to them. For you know as well as I that we'll be Uncle Shylocks in a year's time. But if this is a measure to help find jobs for the displaced personnel of OPA, CCC, GPU, and XYZ, then let's manufacture an island or some such spot where they can all rest and relax listening to the soap operas.

Let's get a foreign policy as well as a domestic policy; but first let's get some kind of a vacuum cleaner that will get our own house in order. Really the boys who pay the taxes don't give a damn so long as they are paying them for something in which they can see results; but when their debt is not reduced, when there is more talk of more spending, and no thought of abolishing so many damn departments that no one single person can make heads or tails of it, well, they are getting a little wrathy, and they are going to put a lot of people in who can clean house.

Southern States Industrial Council Insists Upon Careful Scrutiny by Congress of the Marshall Plan

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, the Southern States Industrial Council, which comprises an organization of business men from some 16 Southern States, has expressed itself in no uncertain terms on the Marshall plan. The board of directors of the Southern States Industrial Council insists upon careful scrutiny by Congress of the Marshall plan. The following is a resolution adopted by the board of directors of this organization January 8, 1948:

Whereas British and European recovery is almost wholly dependent upon the efforts of the people themselves, it being authoritatively estimated that a 10-percent increase in production in those countries would do more to advance their economic recovery than any amount the United States conceivably could contribute in loans and gifts; and

Whereas it was the opinion of this board, expressed at a meeting held in New Orleans on January 28–29, 1946, that the proceeds of the British "loan" would be largely wasted and would accomplish few if any of the desirable purposes which the sponsors of this American subsidy of British socialism urged in its support, which opinion and prediction have since been fully confirmed by events; and

Whereas it is the opinion and belief of this board, expressed at a meeting held in New Orleans on October 31–November 1, 1947, and hereby reaffirmed, that "with or without American aid, any program for the economic rehabilitation of Europe is foredoomed to failure unless and until the people of Britain, France, Italy, and other claimant nations are provided with additional incentives to work, produce, save, and invest, which incentives * * * are available only under a system of free enterprise."

Resolved—

1. That the Foreign Relations Committee of the Senate and the Foreign Affairs Committee of the House of Representatives be and they hereby are respectfully urged to explore all aspects of the so-called Marshall plan at the forthcoming hearings, including but not being limited, to the following:

(a) The history of postwar foreign aid to date; the amounts expended; the purposes for which such expenditures were made; and the results accomplished.

(b) Information about production and productivity in the claimant countries; controls in effect and the effect thereof on production; the development and status of cartels; tax burden and what the money is spent for; plans for further nationalization; and the gold and dollars now available to those countries without enactment of any Marshall plan.

(c) How the Marshall plan would operate; the specific purposes for which this money is to be expended and in what amounts; what safeguards are contemplated against use of funds for collectivist political and propaganda purposes; extent to which these countries have implemented the self-help and mutual-aid aspects of the plan; and the effect of any such program on the strategic position of the United States and the claimant countries vis-à-vis the U. S. S. R.

(d) The probable impact of the proposed plan upon the people of this Nation, their daily lives and scale of living, their natural resources, the taxes they pay, the direct and indirect costs of the plan, including the resulting additional inflation and higher prices, and whether the adoption of such a plan will necessitate the reimposition of compulsory price control and rationing.

(e) Possible alternatives to the Marshall plan, including the elimination of the now infamous Morgenthau level-of-industry program under which American taxpayers are compelled to pay German reparations.

2. That the Senate and House committees be respectfully urged to report their findings in language understandable to the average United States citizen, employing terms commonly used in this country, such as bushels (instead of metric tons) in the case of grain.

3. That copies of this resolution be sent to all Members of Congress; that the council tender its assistance to the aforesaid committees in their efforts to assemble all the facts which might assist the Congress and the American people to arrive at a sound and realistic conclusion with respect to the momentous public issue here involved; and that the staff of the council be instructed accordingly.

Fulcrum of Democracy

EXTENSION OF REMARKS
OF
HON. EDWARD G. ROHRBOUGH
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. ROHRBOUGH. Mr. Speaker, under leave to revise and extend my remarks, I include therein an editorial from the Washington Post for January 25, 1948, entitled, "The Fulcrum of Democracy." This editorial urges Federal support for education:

FULCRUM OF DEMOCRACY

On Monday, the Republican Steering Committee of the House will meet to decide whether it will permit the Eightieth Congress to act on proposals of Federal aid to education. Here are some stark and stubborn facts for the committee to consider: Five million youngsters between the ages of 6 and 17 are not attending schools of any kind in the United States today. There are some 10,000,000 adults, according to the 1940 census, whose education has not gone as far as completion of the fourth grade. Half a million young men had to be rejected for military service during the war because they lacked even the rudiments of an education.

The quality of public education in the United States, moreover, has dropped deplorably. Niggardly pay scales have caused a tragic exodus from the teaching profession so that in countless communities today classes are conducted by teachers who have no qualifications for their task. Gross inequalities exist throughout the country in educational opportunity—the key to all other opportunities. More than a million children in 1939–40 attended classrooms which cost more than $4,000 a year. On the other hand, more than a million attended classrooms which cost less than $500 a year. This is scarcely a democratic system of public education. The public schools, once an American pride, have been allowed to deteriorate in so many respects that rebuttressing must be undertaken if we are to avoid a colossal waste of human talent.

The inadequacies and inequalities in educational opportunity stem from want of funds. Only Federal aid can furnish the remedy. The Republican Steering Committee is committed, to be sure, to tax reduction and to a program of governmental economy. Let its members ask themselves, however, not whether we can afford to tax ourselves and spend public money for public schools, but whether, as a Nation dedicated to the concept of government by the consent of the governed, we can afford to let ignorance sap our efficiency, our productivity, our capacity to guide ourselves with intelligence in a period of unparalleled difficulty. Such economizing would be nothing more than parsimony. Education is not a luxury. It is the fulcrum of a democratic sociey.

The Cafeteria Strike

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therein an editorial from the Washington Star, Washington, D. C., of January 22, 1948, in reference to the strike which has been in progress against the cafeterias in Government buildings here in Washington. This editorial presents in clear language the issue involved in this controversy.

Information has reached me that the War Department and the Department of Agriculture, notwithstanding the issue that has been raised, have ignored and bypassed the spirit and clear intent of a Federal law. These two departments have entered into a contract, so I am informed, with Local 471, United Cafeteria and Restaurant Workers, of the United Public Workers, CIO, after that union had disqualified itself as a bargaining agent by refusing to file non-Communist affidavits, as the law provides.

The purpose and intent of the Federal statute was to encourage labor unions to free themselves from the domination of Communist influence. In spite of that fact, it is difficult to understand why an agency of the Federal Government would deliberately proceed in defiance of the clear intent of the law. Such action can only result in disrespect and encouragement to others to ignore the law of the land.

The Federal Government should be the first to fully comply with the purpose of the law, and the last to ignore it or bypass it.

The editorial follows:

FINDING THE CAUSE IS EASY

Secretary of Labor Schwellenbach is correct in contending that the Taft-Hartley law does not prevent Government Services, Inc., from negotiating with the UPWA-CIO Cafeteria Workers' Union in the current strike. But he is wrong if he fails to see any difference between GSI and any private employer confronted with a problem similar to the one which GSI faces. That problem is whether to bargain with a union which refuses to certify that its leadership is noncommunistic.

Mr. Schwellenbach has been directed by President Truman to investigate the strike, which began January 5, when GSI declined to negotiate a new contract unless the union complied with the anti-Communist provisions of the Taft-Hartley law. The Labor Secretary will not have to do much digging to learn that the real issue in the strike is not wages or working conditions but the refusal of the Cafeteria Workers' Local 471 to sign the non-Communist affidavit.

GSI officials have never argued that they are prohibited by law from bargaining with a union which adheres to such a policy. They have asserted, with much logic, that GSI is in a position apart from that of the average restaurant operator. GSI has a unique relationship to the Federal Government in that it was founded by Government officials to serve Government employees. Its board of trustees is composed of administrative officials of various Federal departments. It is, in short, a quasi-governmental agency with quasi-governmental responsibilities. Congress holds it strictly to account for its policies and its actions, as witness the long and still uncompleted investigation of its activities by a Senate committee.

It is contended by GSI—again with much logic—that Congress, in writing into the Taft-Hartley law the anti-Communist provisions, had in mind purging labor unions of communistic influences. A quasi governmental body like GSI would certainly be sticking its neck out if it were to become a party to a union scheme to circumvent the intent of Congress in this respect. GSI should not be subject to criticism for eschewing an untenable position. It would undoubtedly bring down on its head plenty of criticism from Congress if it were to collaborate with the union in any such subterfuge, especially at this time of increasing vigilance against communistic infiltration of the Federal departments.

Secretary Schwellenbach should have little difficulty in finding a simple solution of the controversy. All that is necessary is that the union certify that it is free from Communist domination. That should be an easy thing to do if the union is, in fact, not under communistic leadership. Whether the union, after so certifying, could again qualify as bargaining agent for a majority of GSI employees is a question which only another election could determine. For a large number of new employees have filled the vacancies caused by the walkout. Thus, the recalcitrant union leaders not only are subjecting their followers to the unnecessary hardships of a strike but may be taking their jobs away from them permanently.

Missourian in Peru Describes How Uncle Sam Is Played for a Sucker

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, I just received in the mail a copy of the St. Clair County (Mo.) Republican of January 1, 1948, which contains a copy of a letter written by a Missourian showing how the South American governments are playing Uncle Sam for a sucker. Apparently this man has written to his home county newspaper, the St. Clair County (Mo.) Republican, purporting to give a description of the way in which our American dollars are being used to subsidize the Argentina Government under Peron's 5-year plan. This is a letter worth reading and I have copied the same from the above-named newspaper and pass it on for your information:

LIMA, PERU, SOUTH AMERICA,
December 18, 1947.

THE REPUBLICAN,
Osceola, Mo.

HI FOLKS: Christmas greetings from South America; first off I enclose $1.50 which will pay up until July, at which time we expect to be in or around Osceola on vacation.

Summer is in full swing here on this side of the equator and schools out for the season, the beaches swarming with people trying to keep cool, both from the heat of the season and the political situation, while the kiddies are working up a frenzy over the coming Christmas season we try to join in, but it's just a bit odd to get accustomed to Santa Claus coming calling in the middle of the summer.

We have just returned from a vacation around the southern part of South America, including parts of Peru, Bolivia—where it is an effort even to breathe, due to the altitude—Uruguay, Montevideo, its capital with the wonderful beaches and clean streets and government buildings, with prices reasonable. Several provincial cities in Argentina and, of course, the New York of South America, Buenos Aires, with their beautiful modern stores, prices sky high, and the highly

nationalistic attitude of their people; however, their steaks are delicious and not too expensive if one doesn't let his appetite run away. (Brother, does Peron have a nice little racket that the United States pays for especially with their wheat—the Argentine Government buys up all the farmers' wheat for 75 cents to $1.20 a bushel, sells it abroad to the poor European countries which the United States has staked, call it a loan if you wish, sells it to them for $5 and $6 payable in United States dollars per bushel; the difference in what is paid the farmers and what it is sold on the world market is put into Peron's 5-year plan; this, of course, is just one of their schemes.)

After visiting in Argentina we visited Santiago, capital of Chile, Valparaiso their main seaport, and Vina Del Mar, where the "big shot" politicians and tired businessmen go for rest and relaxation on the beach and in the casino. They have at least done one good deed in that country—they have thrown most of the Communists out and are trying their best to get on their feet again. And so back to Peru. We traveled by plane, train, ship, and bus, had a wonderful trip, but glad to be back home.

We, here in Peru that receive United States dollars, are living in sort of fool's paradise. As the demand for dollars is quite high we receive over double the legal rate in local currency, and at the moment I would say Peru is one of the best places for anyone with dollars to live in South America, but again the political picture is rather shaky and who knows what may happen next. Ah, yes, but Señor, that is manana, so let us enjoy today's blessings.

We expect to be seeing you some time around the middle of July 1948. Meanwhile, I'll keep well informed of the doings of Osceola and surrounding country; through your paper we do enjoy it and can hardly visualize that building boom going on around there now.

Wholly to the Left

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, I am pleased to quote the following editorial from the Tulsa Daily World, of Tulsa, Okla., of January 16, 1948:

WHOLLY TO THE LEFT

Opinion, generally, is that President Truman has abandoned whatever rightest or conservative leanings he may have had and is now wholly committed to New Deal leftist policies and methods. To what or whom is this presumably final switch due? Apparently, he has a revised set of advisers and they have, in their desire to keep him and themselves in office, decided that the way to get support is to prolong big spending, restore the wartime controls, and, possibly, put on some new ones, to cater shamelessly to the CIO, and kindred elements. Mr. Truman has apparently assented in full; he is striking out for more new dealism than we had before, or at least for aggravated application of the ideals in effect for 15 years.

This is tantamount to saying that the President of the United States played politics in his economic message to Congress as in his Budget message. That is what we meant to say. The defense for the President will be that the Republican majority in Congress is playing politics, too. That is, to a considerable extent, true. Under that state of facts, what will the people favor? What will Congress do to fulfill its trust? Whose politics are the soundest? Congress, apparently, has to prove that its way is better than the President's way, and that is what the people want—the best way out of this awful mess of prices and ruinous Federal costs, this deadly flirting with inflation, this pandering to extremists, this vicious circle called liberal or progressive. It is a demagogic course the administration is evidently bent upon.

The key word is "votes." Mr. Truman was not always thus. He was an acceptable Senator, but he appears to have lost the trust and support of his former colleagues of both parties. The Presidency or something has spoiled him.

An example of the evil attention the President has attracted is found in the comment of Prof. Harold Laski, the noted British leftist (possibly a Communist), who remarked: "It is difficult not to say with vigor that President Truman's address to Congress (the budget message) is the best document that has come out of the White House since Franklin D. Roosevelt died. * * * The real point is that the probable nominee for the Presidency next November has come squarely out for continuation of the New Deal at home and for swift and generous aid to European recovery abroad. * * * He has entirely taken the wind out of Henry Wallace's sails." This is a way of saying Mr. Truman has amplified and particularized the New Deal policies at home and abroad. Upon this endorsement from England and upon the general purport of his two messages, the President must go before the country as an unqualified advocate of controls as a remedy for everything and for an unlimited course of action and involvement abroad.

Mr. Truman, with considerable tiresomeness, continues to advocate controls, tax reduction for the small folk and "sock the rich" for the big ones. Nothing about reduction of costs, nothing about reducing the cost of living except by more costly regulations, nothing about escape from the wildly variegated political bondages imposed in wartime.

Appointment and Installation of Archbishop O'Boyle

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Monday, January 26, 1948

Mr. O'CONOR. Mr. President, in the past few days the District of Columbia gained a new citizen of outstanding merit, whose worth in the spiritual sense and also in a very practical way as well, has been recognized by citizens not only of his own particular faith, but of all faiths and of no particular faith.

I refer to His Excellency, the Most Reverend Patrick A. O'Boyle, newly consecrated archbishop of Washington and as such the spiritual leader of 165,000 Catholics in the District of Columbia and the five adjacent Maryland counties included in the new archdiocese of Washington.

Archbishop O'Boyle's appointment and installation constitute a merited recognition of the importance of the District of Columbia in church affairs in this country. Likewise, the progressive record of the new archbishop elsewhere, as an administrator and organizer, as well as a leader of deep spiritual character, mark him as an outstanding churchman who can be counted on to afford the finest type of spiritual leadership in a day when moral values are so all important.

Because his coming is so significant an event in the history of the District of Columbia, now become a separate archdiocese, I ask unanimous consent to have printed in the RECORD a copy of the statement made by Archbishop O'Boyle to the people and an excerpt from his installation address, as reported in the Catholic Review, the official publication of the archdiocese.

There being no objection, the statement and excerpts were ordered to be printed in the RECORD, as follows:

ARCHBISHOP O'BOYLE'S PROMISE

I know I speak for all the Catholics of this archdiocese when I promise wholehearted support and cooperation in every genuine endeavor to promote the common good.

We may rightfully claim an organized Catholic life going back long before the Revolution, even to the time when the *Ark* and the *Dove* cast anchor off our shores, and the Holy Sacrifice of the Mass was first offered by Father Andrew White in the colony dedicated to the patronage of our Blessed Lady.

It is to a high and ancient lineage that we succeed. If the future is worthy of the past, the fine Catholic life of our people in the District of Columbia and in the historic counties of Prince Georges, Montgomery, St. Mary's, Charles, and Calvert in Maryland will shed on the name of their new archdiocese a luster that will allow us to share the glory that all associate with the mother church of Baltimore.—From Archbishop O'Boyle's address at his installation.

ARCHBISHOP O'BOYLE THANKS WASHINGTON FOR ITS WELCOME—TELLS PEOPLE OF HIS ARCHDIOCESE THAT HE WILL DEDICATE HIMSELF COMPLETELY TO THEM; TOGETHER THEY WILL PROMOTE THE SALVATION OF SOULS

(In response to requests from the press, the following statement by Archbishop-elect O'Boyle was made public at the rectory of St. Matthew's Cathedral shortly after his arrival from New York:)

The gates of the city of Washington have swung open to welcome me with traditional hospitality. Since my appointment was announced the priests, sisters, brothers, and laity of the archdiocese have been very kind in their expressions of fealty and their promises of service. They have reflected my own attitude on the matter. I come with a desire to serve and to help all the people.

I am encouraged by the prospect of close association with the beloved Bishop McNamara. As he assisted at my consecration he will, I hope, stand at my side all my days. The good priests, sisters, and brothers will, I know, serve in our vineyard with the same fervor and zeal which have always marked their labors.

DEDICATES HIMSELF TO PEOPLE

Naturally I am not yet entirely familiar with the many good works and noble institutions of the archdiocese. This knowledge will be my future pleasure. I am, of course, aware that the five counties in Maryland mirror the infancy of our Church in this country. The future, moreover, offers the pleasing prospect of absorption into the life of that great center of Catholic culture—the Catholic University.

To you—the people of the archdiocese—I dedicate myself humbly and completely.

With your help we shall go on together as one family doing God's work for God's honor and glory. Thus will we all promote the salvation of souls—our common responsibility.

I shall earnestly try to be worthy of the great traditions of love of Church and country which have come down from the first American bishop, John Carroll; from the saintly Cardinal Gibbons; from the dynamic leader, Archbishop Curley.

TRIBUTE TO HIS PREDECESSORS

They dedicated their full lives to the salvation of souls. Their attainment in this direction is my ambition. If my years among you help to increase the goodness and sanctity of your lives, then, and only then, will I have discharged the responsibility which I now beseech you to share.

I am humbly grateful to the Holy Father, Pope Pius XII, for the vastly greater opportunities now offered me as a devoted citizen to advance my constant interest and support of everything that contributes to the common good of the archdiocese of Washington and of our beloved country.

European Aid Program

EXTENSION OF REMARKS
OF
HON. JAMES P. KEM
OF MISSOURI
IN THE SENATE OF THE UNITED STATES
Monday, January 26, 1948

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Would You Vote the Bonds?", published in the Joplin (Mo.) Globe of January 22, 1948. The Joplin Globe is an important newspaper in the great lead and zinc district of Missouri.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WOULD YOU VOTE THE BONDS?

Wouldn't it be a good idea to put this European aid program on a business basis? To that end, why not add the amount Uncle Sam has expended for the purpose since VJ-day to the amount we are proposing to give to the 19 suppliant nations under the Marshall plan, allocate the total to the various counties and cities of the land and ask the taxpayers to approve bond issues for whatever their share comes to, so it can all be put on a pay-as-you-go basis?

Sounds all right, doesn't it? Quite in line with good business practice?

All right. Here are the various bond issues citizens of the different counties, cities, and towns in this part of Missouri would be called upon to approve:

For Joplin, a bond issue of $12,220,376.

For Carthage, a bond issue of $3,482,465.

For Webb City, a bond issue of $2,313,857.

For Sarcoxie, a bond issue of $347,753.

For Carl Junction, a bond issue of $341,841.

Perhaps it would be better to vote the bonds by counties, in which case the taxpayers of Jasper County would be asked to approve an issue of $25,893,945. Newton County an issue of $9,553,831. McDonald County an issue of $5,181,421. Lawrence County, $8,105,573. Barry County, $7,745,634. Barton County, $4,654,692. Vernon County, $8,418,794. Dade County, $3,700,592.

These figures are taken from a statement prepared by the Legislative Reference Service of the Library of Congress for United States Senator JAMES P. KEM, of Missouri, and printed, at his request, in the January 16 issue of the CONGRESSIONAL RECORD.

The various allocations are divided into two parts, first the foreign aid already extended by Uncle Sam from July 1, 1945, the approximate end of the war, until June 30, 1947, and second, the foreign aid proposed by the Marshall plan. For purposes of comparison, annual tax receipts for the county are included. Thus the tables for Jasper and Newton Counties, as they appear in the CONGRESSIONAL RECORD, are as follows:

County and cities	Foreign aid, July 1, 1945, to June 30, 1947	Foreign aid, proposed by Marshall plan	Total foreign aid provided and proposed	Annual tax receipts
Jasper	$14,403,015	$11,490,930	$25,893,945	$980,344
Carl Junction	190,137	151,694	341,831	----------
Carthage	1,937,055	1,545,410	3,482,465	----------
Jasper	147,132	117,384	264,516	----------
Joplin	6,797,352	5,423,024	12,220,376	----------
Sarcoxie	193,431	154,322	347,753	----------
Webb City	1,287,039	1,026,818	2,313,857	----------
Newton	5,314,137	4,239,694	9,553,831	307,855
Diamond	88,938	70,956	159,894	----------
Granby	266,265	212,430	478,695	----------
Neosho	973,194	776,428	1,749,622	----------
Seneca	199,653	159,286	358,939	----------

If bond issues for the amounts stipulated were put up to the voters, do you think they would be approved? Neither do we.

The question is rather foolish, of course, because the voters are not going to be asked or permitted to express their sentiments on the matter. Not, at least, unless it should become an issue in the next election, which is not probable since Congress is being urged to approve the aid program en toto promptly or risk dire results.

Is it really our duty to help to such an extent these people of Europe who are suffering from a war we didn't start? And isn't it naive to call it aid? Sounds more like complete sustainment, if you get what we mean.

The Home Owners' Loan Corporation

EXTENSION OF REMARKS
OF
HON. THEODORE FRANCIS GREEN
OF RHODE ISLAND
IN THE SENATE OF THE UNITED STATES
Monday, January 26, 1948

Mr. GREEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very excellent summary of the work of the Home Owners' Loan Corporation, showing what a great advantage it has been to the citizens of this country, and at so little cost to the Government. The summary appears in the form of an editorial published in the Pawtucket Times, of Pawtucket, R. I., on January 23, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOLC REPORT

The Home Owners' Loan Corporation is preparing to wind up its business undertaken during the period of severe depression. It does so with some satisfying attainments. It appears certain this agency will cease business operations with no loss of any sort to the Government and there is a possibility of a small profit.

More impressive than any other achievement is the news it has served the purpose for which it was created and so more than four out of every five of its original debtors have succeeded in avoiding the loss of property. Thus we learn through the latest HOLC report that home owners who have used the agency have paid off 86 percent of a total of $3,500,000,000 lent to them in the depression years. At the close of the HOLC year on November 30 the agency had a profit of $18,000,000, which was built up chiefly from interest on loans. Figured closely, it is revealed the net deficit of the agency comes to about $5,200,000, which is less than two-tenths of 1 percent of its total loans.

It is reported that during the last year of high income and record employment a total of 71,000 borrowers paid off their mortgages entirely and ahead of schedule with about 323,000 accounts remaining on the books. About 97 percent of these are being paid on time and the total investment of the Corporation is down to $497,000,000.

Its operations have been cut to a great extent also with but 600 now employed, which is a drop of 312 in a year. The last of the branch offices was closed not long ago and all business is conducted from headquarters in New York City.

This was a Government venture into business which was born of depression. It was based upon recognition of a quality of human honesty which has been the backbone of business on credit. It has long been recognized that most people will pay for the things they acquire if they possibly can. In other words, by far the great majority of people are honest. The experiment of the HOLC has proved this all over again and there is satisfaction that the helping hand to many has saved cherished property at no loss to the taxpayers who provided the funds to make this possible.

Congress' Major Surgery for Truman's Bloated Budget

EXTENSION OF REMARKS
OF
HON. ROBERT A. TAFT
OF OHIO
IN THE SENATE OF THE UNITED STATES
Monday, January 26, 1948

Mr. TAFT. Mr. President, I ask unanimous consent that there be inserted in the Appendix of the RECORD an editorial entitled "Congress' Major Surgery for Truman's Bloated Budget," from the San Antonio Express of January 14, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONGRESS' MAJOR SURGERY FOR TRUMAN'S BLOATED BUDGET

Popular sentiment on national tax reduction has reversed since last spring. The American Institute of Public Opinion today reveals a strong majority favoring immediate income-tax cuts. Previous Gallup polls indicate that demand to be for genuine general reduction, not for any tricky, ineffective political shift of the direct burden from one economic group to another.

Congress' great majority—including most Republicans and many Democrats—are well advised to agree, in opposition to the Truman administration. As deficit spending during an inflationary period is unthinkable, that demand equally is for over-all reduction of Federal expenditures—enough to enable substantial tax relief without preventing continuing debt retirement.

Consequently, President Truman's intolerable fiscal 1949 budget will be so slashingly revised before congressional approval that little purpose would be served by its detailed analysis here. Even were this not election year, Congress would not "rubber stamp" that proposed unprecedented peacetime outlay ($39,700,000,000). Nor will it allow near war-peak annual revenue around $45,000,000,000 to pile up a 2-year surplus exceeding $12,000,000,000—far more than is needed for debt retirement.

Suffice it to reject the President's budget on sound general principles:

1. The budget is sharply inflationary; it would drain off net income desperately needed for production-expanding industrial investment—the only long-range prosperity-stabilizing force.

2. The budget is extravagant. Congress can pare virtually every item, save perhaps the national-defense outlay, without disrupting essential works and services if economically administered.

3. The budget is political. The President included numerous vote-getting recommendations on matters better left to State and local governments or private enterprise, or deferred to a more propitious time for Federal consideration, or not done at all.

The United States' economy simply cannot support that combination of Rooseveltian domestic New Deal and Wilsonian world-saving. Something has got to go, and Mr. Truman has endangered his Marshall plan seriously by insisting on simultaneous impossible schemes at home.

The rapidly upward cost-of-living trend must be checked, for world, as well as national rehabilitation and stability. All the urgent adjectives at the command of the White House speech writers cannot obscure that glaringly compelling fact. Congress' main task now is to apply careful, but major surgery to that bloated Presidential budget.

St. Lawrence Seaway

EXTENSION OF REMARKS

OF

HON. WALTER G. ANDREWS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. ANDREWS of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Daily News of today:

ST. LAWRENCE SEAWAY—WHY?

The St. Lawrence seaway proposal, discussed off and on for the last quarter-century, is hotting up again in Congress. Many are the politicians who are for it, in both parties, and many are those against it, likewise in both parties.

We're against it, for two main reasons.

The first of these is that we are against virtually anything you can name which will injure the port of New York, and we've long been convinced that this project would do just that. Anybody who wants to call such an attitude selfish, ignoble, and generally horrid is welcome to do so. It's still our attitude. "I'm gonna dance with the guy what brung me."

The second reason why we're against the seaway is that we think it would be impractical at any time, and especially so just now, with labor and material prices skyhigh and the Nation short on steel, which the St. Lawrence project would eat up in great quantities.

Mayor O'Dwyer calls the scheme an outsize boondoggle, and we think he has something there.

As most readers probably know, the plan calls for an elaborate deep-water passage plus a big electric power set-up, the whole thing to sprawl all the way from Duluth, Minn., to Montreal, Quebec.

The object of the deep-water passage would be to let oceangoing liners and freighters into Great Lakes ports—Buffalo, Chicago, Cleveland, Duluth, Milwaukee, and so on. From the power project, it is claimed, great wads of kilowatts could be generated for up-State New York and Canada's Province of Ontario, and this would drive power rates downward on the New York side; also, the whole layout is alleged to be desirable from the point of view of national defense.

It all sounds big and broad visioned until you look at some of the catches.

One of these, as remarked above, is the cost. The original estimate, back in 1921, was $252,000,000. That guess has now gone up to $674,000,000, of which the United States would pay $491,000,000. Out of the $491,000,000, incidentally, New York State would have to pony up $161,000,000—the cost of the entire power project.

HUGE COSTS AND DUBIOUS RETURNS

Another catch is that this $674,000,000 estimate covers a channel only 27 feet deep, whereas big modern ships of the type the seaway people want to let into the Great Lakes need channels as deep as 35 feet. That would balloon the cost above the $674,000,000 estimate—and then there would be the heavy expense of dredging many Great Lakes ports' harbors to let the big ships dock in them.

When it comes to national defense, the seaway looks like as much of a liability as an asset. A big series of locks would have to be installed. One bomb, well placed, will knock out one such lock. The next war may easily start with a surprise air attack on our eastern and midwestern industrial centers from across the world's polar cap.

Can we afford to risk having a goodly part of our troop transport and supply ship strength bottled up in the Great Lakes some morning by a bombed-out St. Lawrence seaway lock?

As for the power project, it could be built by the State of New York alone or in cooperation with the Province of Ontario, without help from Washington or Ottawa, assuming a majority of New Yorkers and Ontarians wanted to go ahead with it—which such a majority seemingly has no present desire to do.

As for the selfish interest of the Port of New York in defeating this scheme, the seaway's friends admit that the project, if completed with full-depth channels, would divert huge tonnages of shipping from Atlantic ports. They also admit that fully 50 percent of such tonnages would be drawn off from the Port of New York.

For these reasons, we think the St. Lawrence seaway project should be abandoned.

It would cost too much, especially at this time; the returns on the investment would be dubious at best; and, as we've said for years, we think New Yorkers owe it to themselves to fight the proposal every time it bobs up.

Peace on Earth

EXTENSION OF REMARKS

OF

HON. GLEN H. TAYLOR

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Monday, January 26, 1948

Mr. TAYLOR. Mr. President, I ask unanimous consent that an address on the subject Peace On Earth, broadcast by the well-known commentator, Mr. Arthur Gaeth, on December 24, 1947, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Out on the White House lawn tonight a big green Christmas tree is now sparkling with several hundred lights, and 5,000 spectators are gathered on the lawn in the cold atmosphere. The President pushed the switch just about 2 hours ago and after the carollers sang Adeste Fideles, he sent a message of good fellowship to the world, promising additional commodity assistance to countries in need.

Everywhere in this Capital, Government business has come to a halt for the next few days—except over in the Department of Agriculture where that list of grain speculators lies heavy on the Department's conscience. Congressional investigators will soon receive another roll including 71 local, State, and Federal employees who have been dabbling in the commodity market. At the same time, Harold Stassen who started all this, told a news conference out in St. Paul that he hopes to follow through and add some more facts to the speculation story.

From Vatican City, Pope Pius warned the world that it is heading for a new war. He accused world diplomats of practising deception and raising it to the dignity of a new system of strategy.

From Chicago, next Monday Henry Wallace is scheduled to announce his candidacy for the Presidency on an independent ticket.

In the Holy Land, scene of the first Christmas, violence marred this evening. At least four persons were slain and four others were wounded in communal strife.

Each year on Christmas Eve we yearn to hear again the story of Jesus. Nineteen-hundred-fifty-one years ago a child was laid in swaddling clothes on the clean straw of a manger in Bethlehem. That infant grew into a sturdy carpenter's son in his native Palestine, a then satellite state of the Romans. But he left carpentry to become a teacher. He was proclaimed a people's prophet. His followers, imbued with the traditions of their times, saw him ultimately as the great Jehovah—God incarnate.

In His first public pronouncement—in the Beatitudes—He offered hope to the poor in spirit, comfort to those who mourned, protection to those who were persecuted for righteousness sake. He extolled the peacemakers. He spoke in easily-comprehensible parables. He would have us act as the despised outsider—the Samaritan—when he found an innocent victim of thieves by the wayside.

The Master advocated prayer in secret and in humility—and He prayed a people's prayer—for daily bread, for the forgiveness of trespasses. He was outspoken against those who devoted their lives only to wealth. He had no sympathy for the fellow who saw all his neighbor's faults but none of his own. He taught his followers to treat others as they themselves expected to be treated.

This Jesus was unbeloved by the religious leaders of His time. He drove money-chang-

ers out of their temples. He was a constant scourge to those who offered lip-service to the law but didn't live it. So they conspired to do away with Him. They finally induced the representative of a foreign power to permit His crucifixion. Yet, in the hearts of His followers He did not die. They perceived the miracle of the resurrection. They sought to establish a kingdom of God on earth—one which will ultimately unite all mankind. The essence of Christ's teaching is peace—and the establishment on earth of the Kingdom of heaven.

Centuries have passed. We Christians never realized the peace. Only slowly have we begun to free mankind from want and fear. Millions have been slaughtered in Christian wars. Always there have been Judases to betray—although many have caught the meaning of the gospel and built hospitals, shared with others, and comforted the distressed. That help has extended across borders and nationalities and it has cast a shadow of brotherhood.

In this rich, productive country of ours we have accepted Christianity. Yet, how often it is with difficulty that the concept shines through the clouds of prejudice and discrimination. True, at Christmastime, we hunt out all the unfortunate. We see to it they have a Christmas dinner and presents—we talk about and do something for the hundred most needy families in our community. Somehow we awaken to the meaning of the words we recite so glibly out of our prayerbooks and scriptures the rest of the year.

Then, after the holiday is over, only too rarely do we sense that those who live about us are our brothers and our neighbors. In community after community in this great land, we brand as if with an iron, the black and the white, the saved and the sinners, when it comes to providing fundamental opportunities in education, housing, and earning a living; too often our charity continues to be degrading instead of opening vistas for self-respect.

Even now a Freedom Train is moving from community to community across the land. It is a museum of documents which form the cornerstone of the political and economic liberties we champion. But that Freedom Train will not stop in Birmingham, Ala., as was scheduled next Monday—so-called free and equal citizens in this country were to be segregated into classes so they could view their Declaration of Independence. The colored people announced they would boycott such meaningless freedom. The train will pass right through Birmingham.

From Jefferson, Lincoln, and Roosevelt—all Christians—we learned much about the application of political liberty. Much less receptive have we been to the concept of economic opportunity and security. Our fight against economic combines has been extended over 50 years—but we find that today the forces of monopoly are as active as ever and that they have friends in Congress and in court. Many seek to charge what the traffic will bear—not to work for prices that will expand increasingly the commodity wealth of the Nation to the greatest possible number. Some of us are shocked that the worker or the farmer should be doing so well and that we no longer hold them as bondsmen. Too many still find it difficult to conceive that our way of life should make possible medical attention when people are ill, social security when they have grown old and contributed to society all their strength allowed, or a decent minimum standard of living. We find it difficult to believe in Christ's miracle of loaves and fishes—that He would give to believing people something for which they had not slaved.

Here in our midst the light does shine through from time to time, but it still causes many of us to blink, to squint, and rebel. We do have the highest standards of living achieved anywhere for the greatest number, but we forget that only as we continue to increase and expand it can we hope to keep all at work and our way of life alive. It is more blessed to give than to receive operates in a very tangible and practical way in a democracy because only economically free people can actually be politically liberated. It seems that from the workers of Hawii we obtain the best example of practical brotherhood. In times past, the employers of the islands brought in workers from all over the world—there is a polyglot population but when they organized it was not along racial lines. The leadership shows Hawaiians, Portuguese, Spanish, Italians, Swedes, Chinese, Japanese, and even some Anglo-Saxons.

Now, we look beyond our own domain, we are suddenly plagued. We find ourselves in a cold war. Not so many moons ago, after months of bloody slaughter, we expressed the pious hope, with the other peoples of this shrinking globe—that all of us must learn to live together as brothers. We cannot all be alike because through the ages we arose from different environments and traditions, but we can all be tolerant and worship at the same altar—breathe the same fresh air. Yet, how easy we have found it to forget the mote in our own eye while we see the beam in another.

Today correspondents report the Communists are responsible for us losing our air bases in Panama. We seem to overlook the fact that for years, while we protected our communications from that land, we put the inferior silver label on the natives—while we blessed ourselves with a gold one. When we built the Canal, American workers were paid in gold—the natives were given silver—and that label of inferiority continued throughout this war—until resentment flashed—and we are pulling out—speaking about building another canal.

Now in the broken and shattered world in which we, almost alone, can live in plenty—it is the Communists we must fight in Europe and Asia—not the people we must help. That is becoming the basis for our recovery program—and we wonder why countries are torn with strife—why classes fight each other to the death. Through the recent weeks, many sections of a friendship train crossed the continent—picking up food donated out of the goodness of the American heart. The idea touched all with the warmth that goodness carries. Among the needy in France it was unloaded and received with the same spirit with which it was given—no one had any opposition and everyone blessed the giver. If international brotherhood ever is to take root, assistance must be divorced from politics. We have learned in Greece and may soon learn in China and elsewhere that when we play politics with aid, we engage in an "Operation Rat Hole."

Today the Russians curse us as warmongers—we revile them as dirty reds. When a 24-year-old Russian agronomist, just out of college, took his first trip abroad and stopped in Karlsbad, Czechoslovakia, he requested from a Russian-speaking acquaintance of mine: "Pokazete mi Bourzoj"—show me someone of the bourgeoisie. He expected to see a strange character, possibly as he had seen the Soviet Punch—Krokodil—depict him. When this same acquaintance took a group of Russian agriculturalists to Texas during the war, to show them developments on American farms, one of the farm occupants told the company to wait while he got his shotgun, when he was told through the door who his visitors were. He apparently expected long-bearded Bolsheviks with guns in their belts.

Our world has grown so small—yet we continue to live so far apart. Our governments and our press continue to raise barriers of distrust. We know other peoples have erected walls to stop us from going to look and see—but now our own country, which has boasted freedom, has begun imitating the others—intimidating expression—casting chains that bound so many for years.

We have just made the most important discovery since fire. Fifteen pounds of atomic fuel will produce enough energy to meet all the demands of the United States for 1 year. A carload of it would heat every building, light every light in the world for a thousand years. Radioactive isotopes today can make the body as transparent as a pane of glass and we are on the way to discovering the causes for all the secret ailments of mankind. If we survive, the day can come when man will be able to live a thousand years.

But we see the atom merely as the basis for destruction—our motto continues to be: "Kill or be killed." All our Christian teaching has never enabled us to escape organized savagery called war. The light of Christmas never dissolved human greed. His example never impressed governments that bludgeons in international relations today will bring no revival, create no millenium or era of peace.

Robert Hutchins, president at the university where atomic enegy was developed wrote in this month's American Magazine that there is no bomb secret and there is no defense against the bomb. He maintains we are foolish if we believe the Russians haven't learned how to make the bomb—if we believe they have no bombs. He explains how two of the new-type bomb—dropped in or off the shores of this country might annihilate great sections of our population through its rays. Rays from the bomb dropped at Bikini were picked up in Los Angeles within a week—and we can make bombs today 1,000 times as powerful.

No nation can dominate militarily for more than a moment at the dawn of this atomic era. No people by power can force other peoples to be good. Christ said that long ago.

Says Hutchins: "Many of us who have thought the situation through have concluded that our only salvation lies in the establishment of an international morality. I believe that all nations must sit down together and agree to be good * * * instead of glowering at one another, nations must understand that we are inevitably destined to have one world or none at all."

This is Christamas Eve. The bells are ringing for peace on earth, good will toward men. What do they say to you? Is there hate or indifference in your heart—or a prayer to God to help you understand to have a sense of responsibility and belongingness toward and with the other fellow—whether he be slight or dark, American, French, Chinese, or Russian. This awakening must begin in our homes—then it may ultimately reach Congress and from there into the United Nations and on to the Russians and others. Remember—the word is still stronger even than the atom bomb—pass it along. What a Christmas spirit would arise if a hundred million of us let such a wave swell and encompass our people. Christ and His Christmas message have not failed us—it is we who have failed Him.

And now a Merry Christmas and to all a goodnight.

Reclamation

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. MILLER of Nebraska. Mr. Speaker, under leave to extend my remarks in

the RECORD, I include an excellent address by Michael W. Straus, United States Commissioner of Reclamation, on the subject, Reclamation Looks Forward. This address was given before the Nebraska Reclamation Association at Kearney, Nebr., on January 15, 1948. The address follows:

It is my good fortune to again be permitted to come before the Nebraska Reclamation Association at its annual meeting, particularly in this special week when in Washington, which I left last night, the President and the Congress are undertaking action which will have major and beneficial effects on the many plans you are developing at this meeting.

Not only did I want to be with you here in Nebraska now, but it is no great state secret that whether I wanted to or not, force of circumstances has just about required my presence here, for Nebraska, with your able support, is rapidly becoming the brightest star in the reclamation constellation. Reclamation is moving forward in this State with a determination and a speed that really keeps the Bureau of Reclamation scrambling. That's only one reason I wanted to be here.

Another reason is because of your energetic congressional delegation that virtually ordered me here. Senator KENNETH WHERRY is the aggressive chairman of the Senate Interior Appropriations Subcommittee that handles the reclamation appropriations that make possible our work in Nebraska and in the West. He follows Nebraska affairs closely and the Senate committee under his able leadership has always supported the reclamation program. Senator WHERRY asked that I come to Kearney in his stead when pressing duties kept him in Washington. Senator HUGH BUTLER, of Nebraska, on whose knowledge and support reclamation frequently relies, is chairman of the Senate Public Lands Committee which writes the reclamation laws and thereby calls the signals for the Bureau, of which I am proud to be the Commissioner. And your representatives in the House, CARL CURTIS, with whom I frequently counsel, and Dr. MILLER, CARL STEFAN, and HOWARD BUFFETT, have like interests. So, when I got your invitation with such forceful seconding from your delegation, I had little choice. With that surprising originality of most bureaucrats, I replied, "Yes, sirs."

Now, I don't want to waste your time and mine by looking backward and extolling the virtues of what has already been accomplished or admiring the beauties of the Nebraska landscape and praising the historical accomplishments of your fine State. I would happily do all that, but we have more pressing business on hand. And I am not going to insult the reclamation leaders of Nebraska by a flock of adjectives and a welter of oratory intended to sell you reclamation. You are already experts on the subject, and anyway that would be too easy. Selling water in the West today is about as hard as selling a sandwich to a starving man. Likewise, I will refrain from vital statistics and description of this or that fine Nebraska project and will not bore you by discussing the relative virtues of a 102- or 107-foot earth dam, or a wooden or iron gate in this or that project. I won't do it for several reasons, but chiefly and truthfully because of the fact that Mr. Avery Batson, the regional director of reclamation, and the Bureau's staff in Nebraska have far more familiarity with the details of the individual Nebraska projects than I have and, incidentally, they are far more competent to perform that particular task than I am. They have already done so or will do so during your meeting here in Kearney.

I ask you to lean back a bit with me and take a broader look at reclamation's problems. They are very real and, in the end, the developments here in Nebraska that will help establish the future economy for the next few decads in your State, will be governed by the solution of those broad problems in which you will participate.

Here in Nebraska, while reclamation is not a new and untried experiment, we are now doing some trail blazing—pioneering which I think is going to lead the way for the water resource development in this country and throughout the world. Nebraska is a pivotal State in the comprehensive Missouri Basin program—the first such program on such a scale that has been embarked upon in this country or anywhere in the world. The Missouri Basin is seven States and one-sixth of the total area of the United States. Here, together with the able Corps of Army Engineers and other local, State, and Federal agencies, there has been blueprinted an integrated and a comprehensive plan for the ultimate development of the natural resources with which the area is blessed. And contrary to history in many other areas, you are not going forward blindly on this little segment or that individual bit of work, but moving forward on a planned basis that takes all resources and benefits into consideration, fitting the picture together to make a comprehensive whole watershed development on a scale heretofore never undertaken. As the principal source of all our well-being in this country and in Nebraska, particularly, is the wealth of our natural resources, our water and our lands and our other blessings, what you are doing here is going to set the framework of the lives of your grandchildren and their grandchildren. So, let us keep our perspective as we meet and solve the thousand tough problems which will arise, and be conscious of the fact that the world is watching a great endeavor—a pioneering effort well worth watching.

In the Republican River Valley here in Nebraska you have, through your own good efforts, got a flying start toward attaining the benefits of the Missouri River plan. Two of your big dams, the Harlan County and the Enders, are already under way and we shall be in a position to get started on Medicine Creek when the weather permits construction to open next spring. At the propitious moment in the wake of disastrous floods last spring, you demonstrated the need to proceed at once with Culbertson and Bonny Dams and to expedite Medicine Creek. You did it so effectively that I was able to go before the Congress in its closing minutes last July and secure funds to get work under way on eight more Missouri Basin dams. It is indeed a pleasure and a test for reclamation to work with the people of Nebraska. But let us lift our sights and take a far look at the horizon and see how and where we can get along with our goal of putting a million acres of the rich Nebraska farmlands under irrigation in our times to achieve all the benefits of the multiple-purpose Missouri River Basin plan.

President Harry Truman, who is not unfamiliar with the midlands landscape, helped us in aiming at our goal when, within the week, in his State of the Union message to the Congress, he said:

"We must expand our reclamation program to bring millions of acres of arid land into production, and to improve water supplies for additional millions of acres. This will provide new opportunities for veterans and others, particularly in the West, and aid in providing a rising living standard for a growing population. * * *

"We must continue to erect multiple-purpose dams on our great rivers—not only to reclaim land, but also to prevent floods, to extend our inland waterways, and to provide hydroelectric power. This public power must not be monopolized for private gain. Only through well-established policies of transmitting power directly to its market and thus encouraging widespread use at low rates can the Federal Government assure the people of their full share of its benefits. Additional power—public and private—is needed to raise the ceilings now imposed by power shortages on industrial and agricultural development.

"We should achieve the wise use of resources through the integrated development of our great river basins."

Well, that's the program. That has been your program in the Nebraska Reclamation Association for some years. But this is a very big country and it needs a lot of education before your and my program becomes fully supported as a national program. And, of course, words alone aren't going to achieve the end. It takes perseverance, work, skill, men, material, and money.

I don't like to talk about this program primarily in terms of money because it goes far beyond money and leads directly to the way of life of those who come after us. All the money in the world won't get you a good program alone without your local wisdom and the technicians' training. And it takes foresight to build the Missouri Basin plan these days as anybody knows who has built a house, a store, a barn, or a shed within cost estimates recently. But it does take money. And it just happens that the dollar mark is a yardstick that a lot of people use and it is going to be used on the Missouri Basin program. So, we better measure ourselves somewhat by the measure that is going to be applied to us under the law.

You may have noticed that sometimes Reclamation discusses, of necessity, some money matters with the Congress. You may also have noticed that the President did not confine his support of your program to words. Just as I was leaving Washington he transmitted his budget to the Congress calling for a $268,000,000 appropriation for Reclamation for the next fiscal year. Now it happens to be true that that is the largest reclamation appropriation ever sought of the Congress at one time. It is nearly double the amount of last year's Presidential requests. You are probably going to hear quite a lot of discussion on this subject in the next few months. Here again I ask you to lean back a bit with me and get your program into perspective.

Arithmetical and historical comparisons of these sums with the past are an interesting numbers game, if you like to play numbers, and it may bring an unwarranted, understandable feeling of achievement that at last our reclamation program is pointed toward a goal more nearly in keeping with our needs for developing water, land, and power resources. But interesting as these comparisons may be, they are no adequate way to scale our needs. We should not and must not gage our progress forward by looking through a rear-view mirror. Funds that were adequate in yesteryear are not adequate for the present or the future because programs of the past are no relation to the scope or velocity of present and future reclamation programs. The road to our destination, where reclamation development will have caught up with national and Nebraska needs, is long and rough, and the goal is still far, far away. To get there, we shall have to keep our eyes fixed on the road ahead and look forward through the windshield and not backward through the rear-view mirror. We will also have to keep the gas pedal shoved flat to the floor board. And that is the situation in the Bureau of Reclamation today as we are striving and struggling to keep up to your thinking.

We should not take as our criterion last year or the year before any more than the boy who came to the stream and took as his criterion the tremendous leap of, say, 8 feet over the stream. He should not have boasted about that tremendous 8-foot leap, for the stream happened to be 16 feet wide and he went splash in the middle. And that is the way it is with our endeavor in the Missouri Basin, and we cannot go "kerplunk" because we misjudged the size of our task.

Federal reclamation projects throughout the West, under construction or authorized for construction, now come to a grand total of some $4,435,000,000 at today's prices. We are scarcely well embarked on this tremendous undertaking. Reclamation is reaching out to satisfy our growing needs of water resource development and must grow with our rapidly expanding national economy to a degree beyond any comparison of the concepts of the past decades. There is little good new agricultural land to be opened up in this country without irrigation. We are past that stage of development. Our frontier is gone, except as we extend it by irrigation. Our population is increasing. I suspect that Americans are going to continue to want to eat well and a lot of them have never eaten as well as you people have here, where the food comes from. And beyond that there are a lot of people in this world, outside the United States, who are getting hungry, and some of them are already starving. One way or another we are going to help feed them. The Missouri Basin and Nebraska are going to do their share and more than their share in providing that food.

And a further word about our backlog of authorized projects: We still have a tremendous project planning and investigations job to place much of these planning data in shape for construction to go forward, as well as to provide for authorization of new work.

Now, let us get a little closer to home, at least in the Missouri Basin program, and see how these broad figures affect the Missouri Basin plan, which is a comparatively new plan and is now coming up for its fourth regular annual appropriation. Also, take a look to see where we are heading. The first Missouri Basin plan reclamation appropriation was only made as recently as 1946 and amounted to $3,200,000. The second regular appropriation of 1947 was $17,500,000 and about the same amount was provided for 1948 in the regular appropriation—the funds being used today. There also have been sizable supplemental appropriations. Over the 3 years to last July 1 a total of $55,000,000 was provided. This week, for the coming single fiscal year starting July 1 alone, the President has asked that $63,900,000 be provided—in other words, as much for reclamation's work in the Missouri Basin program in the coming year alone as in the past 3 years combined. This thing, once started, rolls like a snowball. But with all the midlanders' and the honest Nebraska respect for a dollar, don't let us be fearful of the figures when we use the dollar yardstick. We are going to get our money's worth. This money is not just spent and gone. It is transformed into producing assets of real value that will serve us and those who follow us as long as snow and rain fall and water runs downhill. It is just about the best investment Uncle Sam can ever make.

We have a Missouri Basin plan for the ultimate comprehensive development, to be sure, and it is moving forward successfully. But the people of Nebraska and the Missouri Basin and the United States have not as yet decided how long they shall take in achieving all those benefits, and that is one of the great problems I hope you will consider. The President has asked that almost $64,000,000 be provided for the Missouri Basin plan in the coming fiscal year. That's a lot of money, but much more will be needed before this long-range plan is achieved and the benefits reaped. The construction program to meet the plan's needs is measured in many millions of dollars per year, and you might be interested in the fact that the rate of construction progress now being achieved in the Missouri Basin starts work and sets a pace which in a few years will require annual appropriations of $100,000,000 to $150,000,000 if we are going to think of getting this job done within our times—say, within 20 years—if any of us consider that within our times. So, you see, that perspective shows this is the greatest water program of the world today, and it is high time we made up our minds how long we'll take to do the task.

Now, it happens that rivers and transmission lines, acre-feet of water, and kilowatts are no respecters of arbitrary political subdivisions such as State lines. Water is where you find it and it runs downhill, and hydropower gets up and walks on transmission lines from natural sources to markets, paying no attention whatsoever to State lines. Reclamation, which deals with water and power, does it realistically on the basis of nature's map as it is found, and that is the way the Missouri Basin plan you have brought into being considers these resources, even though Nebraska happens to be one of the States that lies wholly in the basin. But, nevertheless, just to rifle our sights for a moment on what generally may be considered the State of Nebraska in which you have particular interests, although occasionally we will stray over that unnatural State line, you will be interested to know that the President's budget of almost $64,000,000 for this seven-State area of the Missouri Basin in the coming year happens to provide for some $17,855,000 for work primarily of direct interest to Nebraska. The principal part—some fifteen and a quarter million—is for construction of Enders, Medicine Creek, Culbertson, Bonny, and Bostwick, plus transmission lines centering in Nebraska. Additional sums are provided for preconstruction work or surveys and investigations for such projects as Columbus, Grand Island, Middle Loup, Kansas Basin, Lower Platte, Niobrara, North Republican, and South Platte.

Now, that's what the cash register shows. But don't become myopic by staring at the cash register. Large as these sums are they must be viewed not as expenditures but as investments in capital goods—our national agricultural and industrial tools of production. Those are capital goods that bring immediate returns, profits year after year, over many years to come, from our national agriculture and industry. Our producing plant is the envy of the world and makes us the strongest nation in the world. The continuing dividends that will be enjoyed from them dwarf the initial investment. In fact, the growth of our country will be sorely retarded if we fail to go forward with this investment, just as it would if industry should timidly freeze up the flow of new capital investment.

That's not just a reclamation theory; that is an established reclamation fact. Over all the West in the past 45 years of reclamation you, through your Government, made an investment of about a billion dollars in reclamation, in turning waste lands and waste water into productive investment, in opening and establishing the West of today on the soundest economic basis in this world—firm and prosperous communities with assured water supply and industry where sagebrush grew before. Now from that billion-dollar investment dribbled into reclamation over 45 years, there came a yield in the single year of 1947 in crops grown solely by Federal reclamation water of $538,000,000—a return in crop values in the last single year of almost half the total investment of nearly half a century. In addition, revenues from reclamation power sales totaled over $23,000,000 for the single year and the demand for both water and power naturally is increasing instead of diminishing as our country is developing. That's why Uncle Sam is investing. In fact, it is a good investment for anybody in any league, anywhere.

Now, there are a few other things on which I'd like to report to you briefly because they are problems with which we all are confronted. Perhaps the most important of these is that we must find a way of securing steady continuity in carrying forward our reclamation plans—we must take reclamation off the merry-go-round. Past reclamation programs have, by various and sometimes temporary jurisdictions, been alternately cleared and blocked, speeded and slowed down, frozen and thawed, and commanded to "Giddap" and then "Whoa." As one of the great construction programs of the world, reclamation merits and must secure better treatment. You cannot accomplish a multiple-million-dollar complex program by, in alternate years, squeezing it fat and then stretching it thin as if it were an accordion. At least, it cannot be done on an economical and rational basis. While it is inevitable that each shift in the world kaleidoscope reflects on reclamation's and Nebraska's program and that each Congress, by appropriation action, refixes schedules in the light of its latest estimate of comparative needs, reclamation and Nebraska must win for themselves a minimum firm program base that the West can rely upon in scheduling its work intelligently several years—I will say not less than 6 years—in advance. We can provide such a program. It's up to us together to find a way of securing it.

I am hurrying back to Washington from meeting with you here because of two legislative matters which are up and in which you are vitally interested and which will fix a couple of basic ground rules under which Federal participation in your program proceeds. You have a big stake in these measures.

The first is the so-called Rockwell bill, otherwise known as H. R. 2873, with an identical measure known as S. 1608 pending before the Senate, where it was introduced by your own Senator HUGH BUTLER last year. The measure is about to come out on the floor for passage in the House backed by the unanimous favorable report of the committee that gave it long hearings.

The Rockwell bill is of primary interest to you because it will make feasible, under existent law, many sections of the Missouri Basin plan that are now only sketched roughly as possibilities. It does this by reducing the interest rate on the investment in power facilities on reclamation projects from 3 percent where it now stands to 2½ percent (which is still more than your Government pays), by settling long controversies over the application of this interest, and by fixing the amortization period on power investment at 78 years or the useful life of the facilities, whichever is the shortest. Of equal importance, the Rockwell bill would make nonreimbursable to the Federal Government its expenditures on reclamation projects which may be properly allocated to recreation development, fish and wildlife development, silt control, and general salinity control. On the decision of this matter by the Congress will depend whether many of the projects in which you are interested can proceed under reclamation law. I am happy to be able to report to you that the National Reclamation Association and the Bureau of Reclamation and all the interests involved seem to have been able at last to reach agreement on the many features of this bill, and the National Reclamation Association has taken positive action to endorse the measure. On behalf of the Bureau of Reclamation, I wish to report to you that Reclamation approves it in the form in which it is going to the floor of the Congress. It is most important that it be embraced in that form into reclamation law.

The other immediate legislative problem and one on which I offered testimony the day I left Washington, although it sounds technical, is of major importance to Nebraska and the Missouri Basin plan. It is a bill that revises the law under which repayment contracts are made by irrigation districts benefiting from the Missouri Basin development. It does this by revising the so-called 9 (e) clause of the Reclamation Act of 1939. Under this law in its existing form, it is not possible for the Bureau of Reclamation to provide a continuing and pertinent

water right at low annual payments to water users. That is because the present law prohibits Reclamation from making any commitment of water beyond 40 years under this clause in the 1939 act. The tradition of the West and of this area is that permanent water rights accrue by development and use. Reclamation recognizes this tradition and has joined in asking the Congress to provide the authority for making repayment contracts which give assurance of continuing and permanent enjoyment of the water that Reclamation develops. It is Reclamation's hope that this legislative action is taken, for with it, a better, more attractive, and liberalized type of repayment contract can be written in the Missouri Basin and in Nebraska which not only I, but many others, believe will be most attractive to you and meet the West's natural desire and requirement for permanent and assured water.

There are many other items which I might discuss but Reclamation has developed over the past half a century from the wisdom of the communities and the areas which have sampled it and found it to their liking. You will be in session here several days and this convention is but one more milestone in Nebraska's achievement in the Missouri Basin program. You will be solving, by your own wisdom, many a problem over the years that is no thornier than those which have already been overcome. As some of these problems seem large and magnified under the microscope of close attention, my only counsel is to keep them in perspective against the great fabric of the Missouri Basin plan.

All the signs and indicators now point to success in this great endeavor. Through your wisdom and support the program has been successfully launched. Reclamation is proud to be in partnership with Nebraska on this great venture and with you looks forward to the future.

Pushmataha, Choctaw Diplomat

EXTENSION OF REMARKS

OF

HON. WILLIAM G. STIGLER

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. STIGLER. Mr. Speaker, from my early years I have heard and read much about Pushmataha, one of the greatest chiefs of the Choctaw Tribe of Indians whoever lived. He was known far and wide and beloved by many. Many times was he the guest at the White House.

Recently there appeared a well-written article in the Evening Star of Washington, written by John Clagett Proctor on the life of "Pushmataha, Choctaw Diplomat." Under leave to extend my remarks I desire to include this article, as follows:

PUSHMATAHA, CHOCTAW DIPLOMAT

(By John Clagett Proctor)

Poor Pushmataha! Methinks I heard this brave Indian's name mentioned on the radio recently, and it carried my mind back to an account of this Indian's visit to Washington in 1824, during the second administration of President James Monroe.

This celebrated Choctaw Indian chief died in Washington about midnight December 23, 1824. He had come to this city with several other chiefs to see the President for the purpose of obtaining a settlement of the debt due from the Government, originating in the treaty held at Doak's Stand in 1820, and known as the "net proceeds claim."

Three of the four chiefs who came here—including Pushmataha—died waiting for a settlement. The fourth, seeking what might await him if he stayed here, went back to the tall timbers and at least had the satisfaction of passing away among those who loved him more and appreciated him better than did the white man at Washington.

DEBT PAID IN 1888

Of course the Government paid the debt—it always does pay its just obligations—but not until 1888, 64 years after poor old "Push" had gone to the happy hunting ground where even United States coins will not pass as currency. However, the unfortunate result was that more than $1,000,000 paid by the Government could then only be used by the grandchildren and great-grandchildren of Pushmataha.

While in Washington this great Indian frequently was the guest of the President and the White House and was often dined and wined by other public officials, notably Gen. Andrew Jackson, who was then serving in the Senate and was always glad to see him. It was General Jackson whom Pushmataha had joined with a large number of his warriors in the Creek War in 1813–14, engaging with distinction in all the battles of that eventful period—Talladega, Holy Ground, and Pensacola—and later accompanied the general to New Orleans, where he witnessed the battle of January 8, 1815, but not as a participant.

MEETS GENERAL LAFAYETTE

While Pushmataha was in Washington, General Lafayette was a guest of the Nation, and the Indian chief had the pleasure of meeting the Marquis, to whom he is said to have made a brief but very eloquent address, closing with the following prophecy which was fulfilled before the close of the year: "We heard your name in our distant wigwams. I longed to see one who had come a long way to assist our friends of the white race when they were a small people. I have seen and shaken your hand. This is our last meeting on earth. Soon the great ocean will divide us. We shall see each other no more till we meet in the happy hunting ground."

Pushmataha was born in what is now the State of Mississippi about the year 1764 and before he had reached his twentieth year he had distinguished himself on the warpath. He early joined an expedition against the Osages on the western side of the Mississippi and, so it is said, because of his youth and propensity for talking, he was a good deal laughed at by the more experienced men of the party.

The principal speech made by Pushmataha upon his visit to Washington was addressed to John C. Calhoun, then Secretary of War. As recorded by McKenney and Hall, the following is what he said:

"Father, I have been here some time. I have not talked—have been sick. You shall hear me talk today. I belong to another district. You have no doubt heard of me. I am Pushmataha.

IN THE BEND OF YOUR ARM

"Father, when in my own country I often looked toward this council house and wanted to come here. I am in trouble. I will tell my distresses. I feel like a small child, not half as high as its father, who comes up to look in his father's face, hanging in the bend of his arm, to tell him his troubles. So, father, I hang in the bend of your arm and look up in your face, and now hear me speak.

"Father, when I was in my own country I heard there were men appointed to talk to us. I would not speak then. I chose to come here and speak in this beloved house. I can boast and say and tell the truth that none of my fathers or grandfathers, nor any Choctaw, ever drew bows against the United States. They have always been friendly. We have held the hand of the United States so long that our nails are long like birds' claws, and there is no danger of their slipping out.

"Father, I have come to speak. My nation has always listened to the applications of the white people. They have given to their country till it is very small. I repeat the same about the land east of the Tombigbee. I came here when a young man to see my Father Jefferson. He told me if ever we got in trouble we must run and tell him. I am come. This is a friendly talk. It is like a man who meets another and says, 'How do you do.' Another will talk further."

MENTIONED BY RANDOLPH

The celebrated John Randolph, of Virginia, who served in Congress, off and on, from 1799 to 1827, upon one occasion alluded to the Indian chief in a speech upon the floor of the Senate, and to his grave in Congressional Cemetery. He said:

"Sir, in a late visit to the public graveyard my attention was arrested by the simple monument of the Choctaw chief, Pushmataha. He was, I have been told by those who knew him, one of nature's nobility; a man who would have adorned any society. He lies quietly by the side of our statesman and his magistrates in the region—for there is one such—where the red man and the white man are on a level. On the sides of the plain shaft that marks his place of burial I read these words: 'Pushmataha, a Choctaw chief, lies here; this monument to his memory is erected by his brother chiefs, who were associated with him in a delegation from their nation, in the year 1824, to the Government of the United States. Pushmataha was a warrior of great distinction. He was wise in council, eloquent in an extraordinary degree, and on all occasions, and under all circumstances, the white man's friend.' He died in Washington on the 24th of December 1824 of the croup, in the sixtieth year of his age. Among his last words were the following: 'When I am gone let the big guns be fired over me.'

"The day after the funeral of Pushmataha the deputation visited the office in charge of the Bureau of Indian Affairs. The countenances of the chiefs wore a gloom which such a loss was well calculated to create. Over the face of one of the deputation, however, was a cloud darker than the rest, and the expression on his face told a tale of deeper sorrow. 'Ask that young man,' said the officer in charge of the Bureau, 'what is the matter with him.' The answer was, 'I am sorry.' 'Ask him what makes him sorry.' The loss, the answer was expected to be, of our beloved chief. But, no; it was, 'I am sorry it was not me'."

THOUSANDS WITNESS FUNERAL

"The ceremonies of the funeral, the reader will bear in mind, were very imposing. The old chief had said, 'When I am gone, let the big guns be fired over me,' and they were fired. Besides the discharge of minute guns on the Capitol Hill and from the ground contiguous to the place of interment, there was an immense concourse of citizens, a long train of carriages, cavalry, military, bands of music, the whole procession extending at least a mile in length, and there were thousands lining the ways and filling the doors and windows, and then the military honors at the grave, combined to produce in this young chief's mind a feeling of regret that he had not been, himself, the subject of these honors. Hence his reply, 'I am sorry it was not me;' and so he explained himself."

The Congressional Cemetery was established in 1807, by the vestry of Christ Episcopal Church parish, G Street between Sixth and Seventh Streets SE., and here are interred more than 60,000 bodies, many distinguished Washingtonians who helped establish the Capital City, celebrated Members of Congress and outstanding members of the Army, Navy, and Marine Corps.

To an extent it is a Federal cemetery, although, as stated, it is governed by Christ Church, and in this connection we find that the United States holds title to sites in ranges 24, 25, 29, 30, 31, 54, 56, 57, 59, and 60, which are occupied by 87 Members of Congress and other high Government officials. In these ranges are also 96 cenotaphs which were erected to the memory of persons whose remains have either been removed from the cemetery for burial elsewhere or who were never buried in this cemetery. It appears to have been the practice at one time to erect cenotaphs to the memory of distinguished persons regardless of whether or not they were actually buried in the Congressional Cemetery. It is one of the outstanding cemeteries of Washington and one of its oldest.

Rhode Island's Freedom Train

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. FORAND. Mr. Speaker, the Freedom Train, now traveling throughout our country, carries many historic documents. Permitting the American people to view these documents is reviving and developing the spirit of Americanism in the hearts of many who have taken for granted the freedom that we enjoy without realizing the real basis for these freedoms and the price that was paid by our forefathers to gain, and pass on to us, this great heritage.

My home State of Rhode Island, though small in area, is great in historic background. In fact there are so many historic documents in our State archives that we could furnish a freedom train of our own. In order that my colleagues, and all who read the CONGRESSIONAL RECORD, may be privileged to gain in small measure a knowledge of some of our prized documents, I am inserting, as a part of my remarks, a brief summary of some of the most important documents that may be viewed by any visitor to our statehouse which is located in the city of Providence.

Secretary of State Armand H. Cote has just transmitted to me a summary prepared by Miss Quinn, his assistant in charge of archives. It follows:

The Freedom Train came to Providence and young and old from all over Rhode Island came to view its treasures. Had you but glanced from its windows as you went through, you would have realized that it had come home for there silhouetted against the sky was the dome of the State house topped by the symbolic figure of the "independent man," a silent guardian of the records which prove that Rhode Island and its people have always been devoted to the idea of freedom and to the ways of democracy. Its very name Rhode Island and Providence Plantations is an evidence of a people who learned to act together. Its legislative body, the general assembly, is a reminder of the fact that long ago government was accomplished through the will of the majority acting in an assembly.

The very oldest document in the State archives, written the 7th day of the first month 1638 is an agreement entered into by the founders of Portsmouth on the Island of Acquidneck to incorporate themselves into a body politic. Their first action under that agreement begins with the words, "We that are freemen incorporate," after which they proceed to elect William Coddington as judge or president to govern them. In turn the judge gives his oath that he will maintain the "fundamental rights and privileges of this bodie politick." From that day forward Rhode Island never turned from its goal, the records tell a continuous story of the building of a government by the inhabitants assembled together freely. At first all acts were agreed on in concert. Then the powers of the assembly were delegated to a judge and elders, with the freemen meeting in quarterly sessions only. As the number of inhabitants grew, this form of meeting became too cumbersome and a petition was presented to parliament by Roger Williams for a "Free Charter of Civil Incorporation" for a "Society * * *, which may in time by the blessing of God upon their endeavor, lay a sure foundation of happiness to all America." This petition resulted in the grant of a Parliamentary patent in 1643–44.

In 1647 the four towns—Providence, Portsmouth, Newport, and Warwick—met in a general court of elections to put the new charter in effect. "It is agreed by this present Assembly thus incorporate, and by this present act declared, that the forme of Government established in Providence Plantations is democratical, that is to say, a Government held by ye free and voluntarie consent of all or the greater part of the free inhabitants." A code of laws was drawn up at this same assembly and the administering of justice according to the laws agreed upon and established throughout the whole colony. In May 1648 "It is ordered that six men of each Towne shall be chosen, in whome ye General Court shall continue." Always the emphasis is on this free choice, "the inhabitants shall choose" and "by the election were chosen."

Because the Patent of 1643 did not seem specific enough in the powers and duties it conferred upon the Government, a petition was presented to King Charles II, which resulted in a most liberal charter being granted on July 8, 1663 to the Colony of Rhode Island and the Providence Plantations. By this charter the colony was permitted to elect its own Governor and general officers who were not subject in any way to approval by the Crown, and to enact such laws as were deemed necessary, provided only that they did not conflict with the laws of England. Rhode Island remained under this form of government until the adoption of the State Constitution of 1842, which is still the basic form of government. When the charter was put into effect according to the provisions contained in it, one of the first acts of the assembly was a discussion of the advisability of allowing the freemen to put in their votes by proxies, because of the difficulties of travel, rather than requiring them to be present at the election of officers to be held at Newport and so perhaps depriving them of their voting privileges. At this same session the section of the charter having reference to liberty of conscience was repeated as an act of the assembly: "That noe parson within the sayd Collony at any time hearafter shall be in any wayes molested, punished, disquieted or called in question for any differance of opinion in matters of Religion and doe not actually disturb the Civell peace of the sayd Collony."

With such a beginning it was but natural that Rhode Island should refuse to submit to any government not of its choosing. So in addition to a continuous legislative record dating back to 1638, which includes not only the acts and resolves of the assembly but also petitions from private citizens which give more than a fair picture of the life of the times, there are these milestones on the path of freedom preserved in the archives of the State:

The Portsmouth compact with the signatures of the founders of the Island of Rhode Island, dated March 1637–38.

A certified copy of the Parliamentary Patent of the Providence Plantations for 1643.

The Code of Laws of 1647.

The King Charles Charter of 1663.

The first revision of the laws of 1705.

The first printed revision of the laws of 1719, which made possible a wider distribution of the laws by which the Colony was governed.

The Commission of the Board, dated September 2, 1772, which inquired into the burning of H. M. S. *Gaspee* in June of 1772, in Narragansett Bay.

The Rhode Island Declaration of Independence, the name by which "An act for altering the form of allegiance" has become known.

The Test Act of Oath of Allegiance to the United Colonies signed on June 16, 1776, by the Governor, the general officers, the members of the House of Magistrates, and most of the deputies.

A certified copy of the Declaration of Independence, signed by John Hancock and indorsed on the back: "Made part of the laws of the State of Rhode Island &c—nemine contradicente."

The Constitution of the United States as ratified by the Constitutional Convention on May 29, 1790.

An engrossed copy of the Bill of Rights forwarded by President Washington in October 1789 and ratified in June of 1790 by the General Assembly which met immediately after the ratification of the Constitution.

The Constitution of the State of Rhode Island of 1842, adopted after the so-called Dorr War.

How To Help Europe Back on Her Feet

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. HESELTON. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the RECORD, I include an article appearing in the February 3, 1948, issue of the magazine Look, which is entitled "How To Help Europe Back on Her Feet," written by our colleague, the gentleman from Massachusetts, Mr. HERTER:

HOW TO HELP EUROPE BACK ON HER FEET
(By Christian A. Herter)

The problem of temporary relief to Europe has now been dealt with. Congress has passed legislation allowing France, Italy, and Austria to maintain their meager economies through April. Some assistance is also provided for China. Now, what next?

It is obviously wishful thinking to believe that this interim aid program is anything other than a stop-gap program. No one in his right senses can believe that France, Italy, or Austria can feed themselves or keep their industries running after April of this year and until the next harvest without still further help. It is equally ostrichlike to refuse to face the fact that not only these countries, but other countries in Europe are going to have further aid from the United States unless their internal economies are to be allowed to disintegrate completely.

This at once poses the question of what the United States can and should do. When I

use the word "can," I speak in terms not of what the United States is able to do under any or all circumstances, but what the United States is physically able to do without weakening its own domestic economy. No one favors jeopardizing our internal strength. The maintenance of that strength is the one beacon light guiding the peoples of the world who believe in the essential rightness of the freedom of the individual as against the slavery of the police state.

The Select Committee on Foreign Aid of the House of Representatives, of which I am privileged to be vice chairman, has submitted to the Congress a number of reports dealing with the principles and organization which we believe should govern any foreign-aid program.

There is much justice in the frequent complaints that the peoples of western Europe are not doing as much for themselves as they should be doing. Either they are not working hard enough, according to these complaints, or they are not securing all the food they can from their own land; or they are failing to take courageous measures to stabilize their monetary systems.

To discuss all these points in detail and find the reasons behind some of the failures would go beyond the scope of this article. The essential fact remains that, in spite of the many shortcomings we could criticize, internal recovery in most of the western European countries outside of Germany has been very real. Recently, we have seen encouraging signs in the right direction—increased productivity in the coal mines of the Ruhr and of Great Britain, increased productivity in the British textile industry, as well as industrial recovery in Italy.

Obviously, the most discouraging phase of the continental picture lies in the continuing disruptive efforts of the Communist minority. It endeavors to demoralize and obstruct economic recovery, to terrorize governments and to invalidate any help that the United States is able to give. It is this continuing opposition from the Communist side that makes many people in this country despair of the efficacy of any help we might give.

Whatever doubts may be entertained as to the efficacy of our help, we cannot afford not to make the try. In my opinion, it is this communistic opposition that requires us to do everything we can, within the limits of our readily available resources, to continue our help.

The stakes for which the United States and other freedom-loving peoples are today playing are the greatest stakes in history. Behind every move that is made on the international chessboard lies the specter of war. The specter is not confined to a duplication of the destruction and horrors of the last war. It is a nightmare in the shape of the unknown destructive potentialities of the atom bomb. In that case, and I think few would deny it, what action can the United States take in order to be most effective and to minimize any gamble on the future it is willing to risk?

The Select Committee on Foreign Aid has recommended that a specific type of new organization be set up within our Government to handle part of the problem. It also laid down the objectives for any program of foreign aid—objectives running parallel to the pledges made by the 16 nations that met in Paris to consider the Marshall proposals. We felt that any American aid given should be given only to complement and assist the European nations in carrying out their own programs of self-aid.

The new organization, which we proposed under the name of the Emergency Foreign Reconstruction Authority, was to take a Federal corporate form. As we saw it, it should have a bipartisan board of eight directors appointed by the President and confirmed by the Senate. One of them would be the full-time Administrator for the Authority. Paralleling this Reconstruction Authority and to act in an advisory capacity, we proposed the creation of another group. This was a Foreign Aid Council comprising certain Cabinet officers, as well as the head of the Export-Import Bank; and the American representatives of the World Bank and of the International Monetary Fund. The Secretary of State would be the Chairman of the Council.

It would be the responsibility of the administrator and the directing head of the Reconstruction authority to lay our programs of foreign aid and to consult with the Foreign Aid Council. He would examine carefully all European requests and screen them against what we had or could make available in surplus and what other nations could contribute. He would also direct the purchase of such food, fuel, and fertilizer as could be made available to the nations in need. At the same time, he would coordinate any programs which the World Bank or the Export-Import Bank might agree upon with respect to loans to these nations with which they could buy raw materials and capital goods. Finally, he would be responsible for the administration of export controls.

In other words, subject to this board of directors and in consultation with the Foreign Aid Council, he would be fully responsible both for the execution of the foreign-aid program and for the protection of our own domestic economy.

I have stressed this organizational side particularly because the committee feels that a properly integrated organization attracting the very best brains we can find in this country is an absolute prerequisite to any intelligent treatment of the problem. It is the best guarantee that there will not be a repetition of some of the mistakes we have made in the past in foreign-aid mistakes that unhappily but justifiably have shaken the faith of many persons in this country as to the efficacy of any foreign-aid program.

Assuming that a proper administrative setup for programs of foreign aid can be achieved, we are then faced with this question: How far can the United States go in making commodities or dollars available to foreign countries without injuring its own economy?

I don't believe anyone can answer that question with any degree of assurance at this time. Many figures have been advanced. Some studies have been submitted by committees appointed by the President to indicate that we could tentatively commit ourselves to a $20,000,000,000 program.

To me, that type of thinking is entirely unrealistic. In the first place, any program by which we finance exports from the United States should consider two things: Not only the situation of the 16 nations of western Europe but also our trade relations with the whole world. I stress this most emphatically because there are many people who feel that our present price rises in the United States have been due entirely to the aid we have been giving to Europe. Just a glance at the figures of our exports for 1947 will disprove this entirely.

During the first three quarters of 1947, we exported at an annual rate of $19,000,000,000. Of this amount, only about one-third went to the 16 nations of Europe that made up the Paris Conference. The rest went to every section of the globe and was paid for in accumulated dollars, gold, Export-Import Bank loans or private credits. It is true that a major proportion of the bread grains exported went to the 16 European nations. Yet, at the same time, our exports of bread grains or their equivalent in flour to South America doubled the prewar figures.

During the whole of 1947, the President, acting through the Secretary of Commerce, had complete power to control any or all of our exports. Yet we allowed to go out of the country this colossal volume. If exports are as great a factor in our price rises as many have alleged them to be, then we have clearly not utilized our export controls as they should have been utilized. But assistance to the war-torn countries has been only as indicated by the figures—one third of the bulk.

It is obvious, however, that exports alone are not wholly responsible for increasing prices. Inflated currency, bank credit and purchasing power—each must take its fair share of the blame.

To come back to the question of how far we can go, we must make three major calculations, each of which will vary very considerably year by year.

The first calculation is the extent to which the nations in need of aid have increased their own productivity both agriculturally and industrially. The second is the quantity of commodities, not dollars, that we have in surplus and can supply without intensifying our domestic scarcities. And the third calculation we must make is how many dollars we are willing to make available to these nations in need in order to secure commodities in surplus supply in other sections of the world.

Each of these calculations is obviously subject to very wide variations and cannot be charted ahead with any degree of accuracy. For that reason I feel that no program of foreign aid should be projected further than 1 year ahead, however much we want to continue helping as long as real progress is being made.

As an example of the difficulties of making accurate calculations, let me take the third category I have mentioned—namely, how many dollars is the United States willing to supply in order to secure commodities in other countries for assistance to those who are in need? The British purchase most of their food from Canada and the Argentine. Canada is badly in need of dollars and cannot make much use of additional sterling. To what extent should the United States supply dollars with which Great Britain will buy Canadian wheat or Argentine meat or Brazilian fats and oils or Cuban sugar? And to what extent should those nations be willing to accept sterling?

At this juncture I do not believe anyone knows the answer. But I think it is clear that the United States should not take the entire burden of supplying credit in dollars. It is also clear that each of these other supplying countries should make some contribution of their own.

Let's also look at the first and second calculations that must be made in drafting a long-range foreign-aid program. With the movement of foodstuffs and particularly cereal grains such an important factor, how could anyone successfully estimate ahead how great the harvest of any one nation will be? The droughts with which the world has been plagued in the last few years have continuously upset our calculations. No one yet can foretell just what effect there will be on next year's crop after the drought of last fall in both Europe and the great grain-producing areas of our country. The best that Congress can do, in my opinion, is to make prudent guesses and then make frequent adjustments in the light of developments.

The hazards in estimating what can properly be done by the United States are another reason why I have felt so strongly that an organization administering foreign-aid programs is of paramount importance—an organization of men in whom the United States has full confidence.

Obviously, the great decisions that will have to be reached in the near future will be based primarily on the self-interest of the American public. There are always humanitarian considerations in giving help to persons who are in need of food and clothing and shelter. But the problem ahead of us is not limited to these humanitarian considerations alone. It involves the question whether in our own self-interest we

wish to see western Europe once again producing and living under conditions that promise freedom of the individual. We must measure this objective against the alternative of having police States on the entire continent of Europe.

It is difficult for most of us who are struggling with our day-to-day problems here at home to try to visualize the kind of world we will be facing if communism spreads to the English Channel. It is even harder for us to visualize the repercussions of such a contingency, both on the Far East and on our neighbors to the south.

It was not many years ago that we were faced with the real prospect that Hitler, if successful in his conquest of Europe, would jump across to South America. Today, unless we are willing to visualize realistically possibilities that are not in the realm of dreams, we are doing a disservice both to ourselves and to our children. We must seriously consider the possibility of a world in which we alone will be trying to maintain the freedom of the individual surrounded on all sides by Communist-governed totalitarian States.

Under such conditions, none of our own freedoms, either in trading with the world or in the maintenance of our own economy, could continue. By default, we would have surrendered to a totalitarian and slave existence.

A Redeclaration of Rights

EXTENSION OF REMARKS
OF
HON. ALBERT L. REEVES, JR.
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. REEVES. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

A REDECLARATION OF RIGHTS

The life of our Nation is dependent, first, upon the extent to which freedom, truth, and justice are reflected in the daily lives of its citizens; and, second, the willingness of its people to make every sacrifice essential to maintaining these fundamental rights. The cornerstone of this Nation is individual liberty, keyed to the axiom that the Government derives its just powers from the consent of the governed. In the exercise of the inalienable rights guaranteed to us by the Constitution we have achieved a greatness that finds no parallel in all history, and men everywhere have hailed America as the great exponent of the Jeffersonian philosophy that that government is best which governs the least. This is the only real security a citizen can rightly demand or attain.

Achieving greatness has demanded struggle and sacrifice, and remaining great demands an awareness to the designs of those actuated by a purpose to destroy rather than to build. Events have occurred during our generation which make it obvious that the proponents of collectivism and of the socialistic philosophy that "the Government will take care of you" are seeking changes in the fundamentals of our governmental structure that are incompatible with and destructive of our democratic institutions, and one who gives the matter a second thought will realize that we are rapidly losing our constitutional republican form of government. For this reason it is essential that these dangers be revealed and the American people made aware of same.

We charge that the collectivist policies adopted by the Government have destroyed the basis of our monetary system, have devaluated the dollar and have deprived the citizen of his property without just compensation; have promulgated a fallacious theory of national debt; have sought to tear down local self-government and to make the States subservient to the will of Federal bureaucrats; have indulged extravagance in government and loosed a horde of unessential Federal employees to harass the people; have sought to control wages and working conditions and have destroyed equality of contract in employment relations; by the use of subsidies, grants-in-aid, and favoritism have sought to seduce labor and the farmer and to make them slaves to a Socialist state, and by the use of threats and coercion have prevented the exercise of constitutional rights; have sought to control our economy by organizing great Government corporations to compete with private business, by seeking to control all business and by depriving the individual citizen of his constitutional right to work; have used the power to tax as a means of destruction, thereby destroying the initiative to work and produce, have sought to destroy the profit motive and thereby to wreck the free-enterprise system, and have by deceit, duplicity, and guile sought to control our educational system, thereby to lead the American people into the ways of socialism and to destroy the American way of life.

Realizing that the future welfare of this Nation is at stake; we, the officers and directors of the Southern States Industrial Council, do declare our condemnation of the practices which have produced the above conditions, and we unreservedly pledge ourselves to the attainment and preservation of the following rights:

1. The restoration of a sound monetary system, based on the gold standard.
2. The adoption of a systematic plan for payment of the national debt.
3. The balancing of the national budget in times of peace.
4. The reduction of Federal expenses, and the elimination of all unessential Federal employees.
5. The withdrawal of the Federal Government from competition with private business.
6. The restraint of all monopolies, whether of Government, business, or labor.
7. Elimination of Federal subsidies and establishment of a public policy condemning same.
8. The establishment of a sound tax system that will restore and protect the incentive to produce.
9. A return to States' rights, and the restoration of local self-government.
10. A public policy rededicated to the protection of the right to acquire and own private property, and guaranteeing equality of obligation in all contractual relations.
11. The guaranty to the individual of his constitutional right to work, without fear of domination or control from any source.
12. Restoration of the dignity of the individual and a return to the fundamental principle that the Government is the servant of the people.

We call upon all people to support us in this effort to reestablish the guiding principles under which this Nation was founded, and under which it has lived and prospered.

Christian Principles in Business

EXTENSION OF REMARKS
OF
HON. DWIGHT L. ROGERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. ROGERS of Florida. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered on January 10, 1948, by Mr. J. C. Penney, director of the Laymen's Movement for a Christian World. This address is entitled "Christian Principles in Business," and I heartily recommend the reading of this message by the Members of the House, as well as those who receive the CONGRESSIONAL RECORD. Mr. Penney is president of the J. C. Penney Stores which number approximately 1,600:

CHRISTIAN PRINCIPLES IN BUSINESS

(By J. C. Penney)

I have adopted as the basis for my talk the principle taught by Christ, "Render unto Caesar the things that belong to Caesar and unto God the things that belong to God."

As a businessman I shall not be expected to know anything about homiletics. I am not even sure that this text would be regarded by sermonizers as applicable to my theme. But I think of these words as applying directly to the greath truth that there can be no arbitrary line drawn between the secular and the sacred even though we are directed to "render unto Caesar the things that belong to Caesar and unto God the things that belong to God." In other words, I believe the Great Teacher was admonishing men to do their duty and their whole duty; that even though those who came to Him obeyed all the laws of their faith and failed to pay their taxes, they could not hope to be free from condemnation.

Just as certainly, He meant that taxpayers, however respected by their business associates, had not done their full duty until they had returned proper thanks and service to their Creator.

The man who does not give to business what honest business deserves—his best—is failing in his duty. He may succeed in a measure; but his success is always less than it might have been and is of a kind that will disappear under pressure.

I believe much of the difficulty in the world of business is due to the fact that too many people are trying to get material gain without giving their best or are foisting unfair values upon the public. When we discuss honesty in the abstract there is no difference of opinion. It is only when the principle is applied to our activities, particularly our commercial enterprises, that we may contradict one another. No one will say there is ever justification for an employee taking a dollar from his employer, or for the head of an organization to increase his prosperity by deceiving the public or by underpaying his employees. But how often many of us fail not only to give the best goods for the prices offered but also fail to give to business the best of our minds and talents—the best of our loyalty.

Success, first of all, is a matter of the spirit. When I see a young man or a young woman identifying himself or herself so closely with his or her work that the closing hour passes unheeded I recognize the beginnings of success. Such young people are doing more than is required of them—that is, more than the employer requires—but not more than their conscience demands.

My father was both a clergyman and a businessman. One of the things about him that impressed me was that to him there was no difference between his farm and the church when it came to the matter of faithfulness. He did his best on the farm, in the details of his daily living, and in his relationships with his fellowmen; and he was devoted and consecrated in his religious service.

If it is possible to live the Christian life at any point it should be possible to live it in all relationships of one's life. A man should first ask himself, when he faces a

question of business choice, "Is this worthy of my best?" If the answer is "Yes," he should go into it not only retaining his self-respect but also holding fast to the highest Christian standards.

Some men attain positions of distinction in the business world, and are entrusted with responsibilities involving the well-being of hundreds or even thousands of their fellowmen, while others never get beyond the village store or the country office. But again and again I find those who are in positions often regarded as insignificant doing so much for the people of their communities that others in spectacular positions are shamed by comparison.

Why is this? It is because these unknown people are giving everything they have to their work; unselfishly counting their gains not by money profits but by the service they can render. These humbler members of society do not separate the secular from the sacred. They recognize them as united and in their own lives they are one.

The world at large never heard of my father but I know he was a successful man. I know he lived largely because he lived truly, because he rendered "unto Caesar the things that belong to Caesar" even as he rendered "unto God the things that belong to God."

We shall not be judged by the Heavenly Father by the material success we achieve, nor only according to what we do. We shall be judged by the honesty of our purpose and by the spirit with which we pursue life's duties in all their various phases. We should examine carefully our motivating purpose in life. Is it the thought of material reward—how much we can get by our own efforts to be spent on our own interests? Or is it our purpose to release such powers and talents as we may possess, to release them fully and make them work not only for the support of our dependents and to give us economic sustenance, but also to build a better community, a better state, a better nation, and a better world?

For my life program I adopted six principles. I believe they contain the essentials of success. Since they have a direct bearing on my subject, Christian Principles in Business, I quote them here:

"I believe in preparation. A man must know everything possible about his business; he must know more than any other man knows. Generally, we find what we look for. Our achievement depends largely upon our preparation.

"I believe in hard work. The only kind of luck any man is justified in counting on is hard work; this means sacrifice, persistent effort, and dogged determination. Growth is never by chance; it is the result of a combination of forces.

"I believe in honesty. The kind of honesty that keeps a man from taking something which belongs to someone else, of course; but I believe in that finer honesty that will not allow a man to give less than his best, that makes him count not his hours but his duties and opportunities; that constantly urges him to enlarge his information and to increase his efficiency.

"I believe in having confidence in men. I have found my most valuable associates by giving men responsibility, by making them feel that I relied upon them. And those who have proved unworthy have only caused the others, who far outnumbered them, to stand in a clearer light. In a large measure this principle is responsible for the success of the J. C. Penney Co. Use good judgment, of course. One cannot throw away common sense. But I urge you to believe in yourself and trust your fellowmen.

"I believe in appealing to the spirit of men. One of the wisest men who ever lived said, 'For the letter killeth, but the spirit giveth life.' Every enterprise in which I have been interested demonstrates this fact.

"I believe in a practical application of the Golden Rule as taught by the Master nearly 2,000 years ago. 'Therefore all things whatsoever ye would that men should do to you, do ye even so to them, for this is the law and the prophets.' "

The Golden Rule is one of the most fundamental laws that can be expressed in words. We find it specifically stated in the literature of 11 known religions. Of its origin but little is known, for Christ was not the first to give it expression, though His was the perfect pronouncement.

The Golden Rule is a law of love. It underlies all true religion. Observance of the Golden Rule ensures observance of civil law and carries us past the letter of the law to the spirit which "giveth life." It makes us willing to sacrifice what is commonly called personal liberty for the welfare of others and willing to forego indulgences which however harmless they may seem in our own lives, work ruin in the lives of others.

For many hundred years after the Golden Rule was spoken by the Master it was regarded as beautiful idealism rather than as a law to be put into practice in the everyday lives of men and women. Its early application encompassed only the narrow scope of friends and neighbors. As horizons widened and the definition of "brotherhood" took on broader significance, gradually people came to realize that the Golden Rule was a basic principle to be applied in all one's relationships.

Inherent in most normal human beings is the disposition to defend the weak against the strong, to sympathize with those who are exploited. The Golden Rule permeates the ideals of our public and private justice, even though those ideals are not always translated itno reality. Disregard for the Golden Rule creates untold misery and suffering. It is, I believe, the disregard for the rights and welfare of humanity, through greed and the lust of conquest by a few minorities, that has brought the world to such a terrible impasse at the present time.

Even in our generation we used to think of business as secular and of service as religious. Since no arbitrary line between secular and sacred exists, the realization that the Golden Rule was meant for business as well as for other relationships has in a small way penetrated public consciousness. But men have feared if they were too generous they would be unable to meet the competition of their more unscrupulous neighbors. They have not realized that another principle laid down by the Master was also essential, "Whosoever will save his life shall lose it; and whosoever will lose his life for My sake shall find it."

We have been finding out that by an immutable law the spirit and practice of service underlie even material success. As a seed must be buried in the cold, damp earth before its blossoms can come forth into the sunshine, so every success must be preceded by sacrifice. Self-denial is the basic requirement for accomplishment in any field of endeavor. The law is inescapable. This I know not only in theory but from personal experience. Success comes only to those who will follow the hard road and who are willing to sacrifice everything except honor to achieve their goal.

Diligence in business results in advancement. Unselfishness creates good will which in turn brings forth an increase in material prosperity. Not that I advocate unselfishness for selfish purposes—I am merely setting forth cause and effect.

In founding the J. C. Penney Co., the Golden Rule was made its foundation stone. Throughout the more than 43 years of its existence this company has endeavored to apply the Golden Rule in its relations both with the public and with its employees. Because of this radical departure from the policies prevailing in the community where the business had its birth, its early failure was predicted.

It is my experience that employees will respond to the stimulus of fairness and liberality. Such an attitude brings about a harmony of mind and purpose between employer and employees that enables workers to turn out more and better work and that causes them to bring to their tasks all the devotion of which they are capable.

Up to the outbreak of the war, business was gradually learning the application of the Golden Rule in its dealings with society at large. The leaven of doing unto others seemed to be gradually leavening the lump. Executives of many industries proclaimed their belief in the practice of this principle. Increasingly, year by year, the Golden Rule was being incorporated into business practices, with a decided improvement in relationships between employer and employees, and in an increased number of satisfied customers.

But the world, including our own Nation, had not progressed far in its application of the Golden Rule in international affairs. In its present reversion to barbarism, much of our advancement toward the universal practice of Christian principles appears to have been lost. Nevertheless the long backward perspective shows progress to be on the upward swing. The important thing is that the movement, whether rapid or slow, be upward toward the goal.

Lest I may have given the impression that I have made a perfect record in the application of Christian principles to all phases of my life, I must make a confession.

As I have said, I was born of Christian parents, to whom I owe all I am or ever hope to be. From my early youth I tried to live uprightly and in accord with the moral principles my parents had taught me. But when I had achieved some success, and commenced to get the feel of money, I allowed the purpose of making money to dominate me. The goal of accumulating a fortune had taken possession of me and was crowding out the most important considerations. I had to learn that although I had kept the Ten Commandments there was one thing more.

A great tragedy came into my life. Something that meant far more to me than material possessions, and that money was powerless to restore, was taken from me. When bitter sorrow forced upon me the truth that money could not buy the more valuable things of life, I saw life differently. I began to think more about my obligations to society, as represented by the churches, the hospitals, and other service organizations.

The glimmerings of conviction that it was not enough for men to be upright and moral were breaking in upon me when another fiery ordeal came my way—one that almost broke me physically and mentally. It brought me to a new sense of humility and dependence upon God; and, as happens when man reaches his extremity, and sincerely and earnestly seeks God's aid, it was forthcoming. A light illumined my soul. I cannot otherwise describe it and never could I be the same man again.

Still there was much ground for me to cover. Although seeming to grow in spiritual stature it was years before I arrived at the point where I felt I could affiliate with the church. After I assumed the responsibility of church membership, thus rendering unto God the things that are God's in that particular respect, I was made to realize that merely being a church member, and attending church regularly, was not enough. There was yet the one more thing.

I came to see that I must take still another step—that I must give myself over to God's purpose. It is difficult to find words which express what happened. I became convinced that in order to take the practice of Christian principles to its ultimate

end, I must find God's will for the use of the talents I possessed and experiences I had had. I awakened to the realization that knowing God's will was not easy; that one must seek it through prayer and that our prayers are often strained through our own selfish desires and colored by our own wills, so that one must keep returning to the source of all life in order to be renewed.

These steps came to me through my contacts with the Laymen's Movement for a Christian World, an association of laymen of all denominations who are trying to find out how Christian principles can be applied in their everyday affairs. If in this work I shall be privileged to bring new hope and encouragement to my fellowman I shall be rendering unto God a service into which He seems to be leading me, and which I trust is to some extent a fulfillment of His will for my life.

I close with one word especially to young businessmen. The practice of Christian principles, as I have stated, was necessary when our business was started 44 years ago. But some men who did not follow them succeeded. It is my firm conviction, however, that the stepped-up business cycle, with mass production, and recently by the use of atomic energy, now makes this practice a practical necessity. In my early life, one could put religion in one compartment of his life and his business relations in another and be successful. But this is not true in the same way today. I therefore urge you younger men who have the greater part of your adult life ahead of you to study with great earnestness the relation between Christ's two commandments, to love God and to love your neighbor as yourself. With a balance of these two great laws worked out in your everyday life you are assured a life of spiritual satisfaction and I sincerely hope, one of material prosperity.

But this satisfaction on the spiritual side, and prosperity in the material sense, depends on a prayerful search of the right way according to God's will. It must be sought by prayer and mediation if it takes the place of one own self-will and ambition which we know is strongly set in all of us.

REA

EXTENSION OF REMARKS
OF

HON. GLEN D. JOHNSON

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. JOHNSON of Oklahoma. Mr. Speaker, under leave to extend my remarks I insert a copy of a letter I wrote in response to one I had received from an REA cooperative manager in my State.

On January 22, 1948, I made a speech on the floor of the House in which I referred this letter and pointed out that this cooperative manager had stated to me in his letter, in part, "It is becoming increasingly difficult to explain to our farmers in Oklahoma why Congress takes the attitude it does in refusing to set up funds for REA."

In my reply to this manager, which I am inserting in the RECORD today, I pointed out that it is most unfair for the inference to be passed on to the farmers in Oklahoma that the Oklahoma Congressmen are unfriendly to the REA program and did not vote for these funds. I further pointed out that I hoped he would exercise great care in explaining to the farmers that the individual Oklahoma Congressmen voted for these increased appropriations.

The letter I have referred to is quoted hereafter in full:

JANUARY 22, 1948.

Mr. HOWARD G. CROCKER,
Manager, Northwestern Electric Cooperative, Inc.,
Woodward, Okla.

DEAR MR. CROCKER: I received your letter of December 31, 1947, stating that "our board of trustees are very much concerned over the House of Representatives' attitude in turning down the request for $200,000,000 for deficiency appropriations recently introduced by Congressman JOHN RANKIN," and explaining in the rest of the letter the need for these additional funds.

It will please you, I am sure, to know that I am entirely in accord with the objectives and needs of the REA, as outlined in your letter. However, I am greatly concerned with that portion of your letter which states, in part, "It is pretty hard to explain to our farmers and ranchers why Congress takes the attitude they do in refusing to set up funds with which to build these lines."

It is my hope that when you and the other 26 cooperative managers in the State of Oklahoma to whom I am sending copies of this letter tell the farmers that Congress has refused to provide additional REA funds, you will exercise great care in explaining that the individual Oklahoma Congressmen voted for these increased appropriations.

I remember one occasion last summer, in July, I believe, when Congressman JOHN RANKIN offered an amendment which would have provided an additional $125,000,000 for REA, his amendment lost by only 10 or 12 votes. All eight Congressmen from Oklahoma, six Democrats and two Republicans, voted for the Rankin amendment on this occasion. Your own Congressman RIZLEY voted with the rest of the Oklahoma delegation for these additional funds. That was a roll-call vote and is a matter of record.

A similar situation happened just recently, on or about December 17, 1947, when Congressman RANKIN offered the deficiency appropriation referred to in your letter, which was in the amount of $150,000,000, and this amendment was also defeated by a small majority.

While the Congress as a whole certainly should be held responsible for their attitude in refusing these additional funds, it is most unfair for the inference to be passed on to our farmers in Oklahoma that the Oklahoma Congressmen are unfriendly to the REA program and did not vote for these funds.

Last summer, Mr. Clyde Ellis, your national representative, made a speech in Stillwater, Okla., and while I do not know exactly what he said, he must have left the impression that the Oklahoma Congressmen were unfriendly to the REA program, because I received several letters from my constituents who heard his speech wanting to know why I voted against these additional funds. Fortunately, I was able to dissipate that misconception in those instances by sending the individuals who had written me a copy of the CONGRESSIONAL RECORD showing the roll-call vote on the amendment, and that I and the other seven Oklahoma Congressmen voted for it. The part I deplore most about that incident, however, is that there must have been hundreds of people who heard Ellis' speech who did not write me or the other Oklahoma Congressmen, and who now have the false impression that all of us voted against it.

I know of no better way to express my interest, sympathies, and attitude toward the REA program than by my own recorded votes on roll calls, which are a matter of recorded fact in the CONGRESSIONAL RECORD.

You enclosed to me a list of approximately 2,000 applicants for electric service in your area. I am taking the liberty of having my letter to you duplicated, and am sending it to that list of persons, and only wish it could be sent to all the REA users in Oklahoma.

Under normal circumstances when Congressmen have voted for and fought for a program, as we 8 Oklahoma Congressmen have done for REA on the occasions I referred to (last July and December), it certainly would not have been amiss to have a letter of appreciation from at least one of the 27 REA cooperatives in the State of Oklahoma commending our position, while maybe deploring the attitude of those in Congress who voted against providing the funds. Personally, not only have I never received a letter of commendation from any REA manager, but I have been led to believe that the inference is being made to farmers by some cooperative managers, and certainly the speech of Clyde Ellis in Stillwater last summer left that inference, that the Oklahoma Congressmen are unfriendly to the program.

The chances are that no one, maybe even including Mr. Ellis, specifically said that Oklahoma Congressmen were against the REA program, but when REA personalities point out that "the Congress" did not provide these funds the persons being addressed either through a speech, individual conversation or written letter could quite easily draw that conclusion. I hope I am in error in this assumption, that I would like to be so advised if I am.

I appreciated hearing from you, and I hope that you will likewise appreciate the frankness of my reply.

Sincerely yours,

GLEN D. JOHNSON.

School-Lunch Program

EXTENSION OF REMARKS
OF

HON. PARKE M. BANTA

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. BANTA. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter addressed to me by Miss Anna Dierssen, of Lowndes, Mo., dated January 18, 1948. Miss Dierssen is superintendent of the Lowndes Consolidated Schools. She is a capable teacher with may years of experience:

LOWNDES, MO., *January 18, 1948.*

Mr. PARKE M. BANTA,
Congress of the United States,
Washington, D. C.

MY DEAR MR. BANTA: It is not often that I feel impelled to write to our Congressman; but this is one of those times, particularly since I did not get a response written to your questionnaire of last November.

The present Congress, I am convinced, should do something definite about economy in government; for it is obvious that we have reached a spending peak beyond which it would not be safe to go. With the exception of national defense, I believe almost everyone would like to see expenses reduced all along the line. In some particular fields definite, immediate reformation can and should be made.

It is to one of these fields that I wish to call your attention.

There is one kind of dole that should be discontinued the moment the present appropriation expires. This is the millions appropriated for the school lunch subsidy.

In the first place, there is no need. Never before were parents so well able to feed their children; and every child that does not have adequate support from parents is amply provided for by ADC. The excuse is sometimes made that parents who can afford to, do not give their children the right food. Neither do they clothe them properly in all cases. Last year I saw high-school girls from comfortable homes going to school in the snow practically barefooted, no stockings, and their toes sticking out of strap sandles. This year and every year, I see little girls going to school in all weather, naked as Igorotes from the waist to the ankles. Shall the Government help buy them some clothes? The need is far greater than for helping to provide their food.

In the second place, one of the chief reasons why parents want their children to eat in a lunchroom is that mothers do not like to fix lunches. They are frank about it usually. If their children live at some distance from school, they do not like to bother fixing package lunches. If they live near at hand, they like to have the whole day to themselves. The strongest proponents of the lunch program live almost in the shadow of the schoolhouses. This is all wrong. If parents are unwilling to prepare food for their children at noon, then they should be willing, or if not willing, compelled to pay full value for lunches at school or in a commercial lunchroom.

In the third place, this subsidy hacks at the very root of personal independence. Let me give you the Cairns family, for example. Four little girls, ranging in ages from the first grade to the tenth. Healthy and happy and at the top of their classes. The father is a renter who makes a good living for his family with very little for frills. Their cellar is typical of the hill community in which they live, full of all manner of canned foods. They have milk. They have meat. They are able to fix wholesome package lunches for their children, but they do not have cash to pay 15 cents a day for the subsidized lunch. That clause that says the child who cannot afford to pay shall eat anyway and his poverty will be kept secret? Well, not for the Cairns and their kind. They feed their own, even if little friends who eat the dole do rather turn up their noses at their children.

In the fourth place, messy cooking is going on in small schools all over the land, to the detriment of good school work and to the distraction of many a teacher, who has to watch a pot while she hears classes. Kitchens have been crowded into laboratories and libraries, and incidental funds needed for the repair of buildings and the replacement of worn out stoves and broken-down seats have been taken to pay the cook. Some schools are literally being fed to children's stomachs rather than to their minds.

In the fifth place, the lunch program is sinfully wasteful. Whole plates of food go back scarcely touched, especially small children's plates. The garbage pail after one of these lunches is something before which to draw a veil. Who dreamed up the idea that children would be better off eating in a public place, exactly the same food that scores of other children of all ages eat? The result is otherwise. A mass of food is rejected. The reason is that each child's eating needs the individual attention which only a parent can give. What better place is there for a child to eat than at the family table under his mother's eye? And if he lives too far to come home for those five meals, what better food than a package lunch that she knows he will eat? The lunchroom food must come out of great common pots. Even in the large schools this is the only practical way. The waste is, therefore, inevitable. Quantities of macaroni, white beans, green beans, hominy, beets, sauerkraut, and, of course, greens go into the garbage, not to mention bread pudding and milk.

In the sixth place, the food is not as good as home food. The lunchroom cooks largely out of tin cans and paper cartons. The farm cellar is full of canned fruits and vegetables. Apples, oranges, lettuce, and cabbage, the fresh foods regularly used in the lunchrooms are obtainable in all small communities for less than a parent pays for his child's subsidized lunch. And the farm child has plenty of fresh milk. He does not need the thin cocoa made from cans of condensed milk that appears rather frequently. Nor does he need fried bologna and wieners, about the only meats he ever sees in the lunchroom. He has meat and poultry at home. As for the city child, his parents have access to year-around markets of fresh vegetables, fruits, and meats, and they can always buy the best of milk.

As for the mythical value of the lunch being hot, with the exception of soup, it is usually stone cold before the child gets to it because of the mass serving.

There is quite a sentimental haze around this school-lunch business, but it looks quite starkly different after one penetrates the haze. It is just one of those things that starts almost by accident under a special condition and goes on long after that condition has been removed; and people follow along, never taking the trouble to ask questions. It started when there were surplus commodities to dump, and mothers went in shifts to cook for their young. But these conditions are long since removed. There are no surplus commodities, and mothers expect the school board to hire a cook. It is time to discontinue the dole aspect of the business entirely.

The lunch subsidy is an entering wedge of socialism, subtle and subversive. Its effect is to pauperize the population from the kindergarten on. And this is an evil. If everybody learns to eat the bread of depepndence, who will be left to work and provide the dole?

To cure this evil the Government needs only to pare this item from the next appropriation bill. As long as those millions are appropriated, people will lose their reason and fight tooth and claw to get their share. As soon as the subsidy is discontinued, the cooking nuisance will disappear almost overnight from the small schools where it serves no good purpose and more often than not does harm; and in the larger schools, if it is retained, it will be put upon a self-sustaining, self-respecting basis.

I am earnestly hoping that this matter will receive your thoughtful, realistic consideration in the present Congress.

Very truly yours,

ANNA DIERSSEN.

Josephus Daniels—A Great American

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. KEFAUVER. Mr. Speaker, it is with profound grief and a distinct sense of loss that I today pay homage to the memory of Josephus Daniels. His story was truly an American story which perhaps could happen only in America. His father died when he was two and his mother opened a millinery store to support her three sons. From this, Josephus Daniels rose to become Navy Secretary in World War I and to hold that post longer than any other man in history.

In his espousal of the Democratic Party and liberalism, Daniels adhered throughout his life to a very definite principle—that of attaching himself to some belittled cause that was right. Such a course, he said, will bring success, and, more important, the satisfaction of doing something worth while. "If a cause is right, it will succeed," he said. "If it isn't, nothing you can do will make it succeed. Most of the things I have advocated in my life have failed at first. Later most of them succeeded, and those that didn't deserved to fail." He was always the fighting liberal, the foe of monopolies, greed, and the privilege for the few.

Daniels was a Tarheel editor at 18. He acquired the News and Observer in 1894 and merged it with his State Chronicle and North Carolinian. It was a period of violent partisanship in the South. Railroads, the Power Trust, and politicians were accustomed to buying editors or papers outright. Neither Daniels nor his paper could be bought. A railroad once poured $250,000 into a newspaper, trying to put him out of business. Daniels survived so well that years later he turned down a $1,000,000 offer from William Randolph Hearst. He would, Daniels said, as soon sell his wife and children as his paper.

When Daniels fought, it was with his entire paper. Even the personals went to war. Once he killed a gubernatorial hope with this apparently harmless item:

J. Elwood Cox was a visitor in town yesterday, traveling by train and using Southern Railway pass No. 6743.

In public life Daniels was attacked as forcefully as he ever attacked. For the order he issued—but never wrote—drying up the Navy during World War I he was lampooned and ridiculed. When he went to Mexico in 1933 as Ambassador irate Mexicans remembered the shelling and occupation of Vera Cruz by his Navy in 1914. They stoned the embassy. An associate wrote that Daniels' amiable patience and beatific smile would turn the stones to roses, and when Daniels left Mexico, though he was still unable to speak the language after 8 years he was showered with gifts.

When Daniels finally resigned as American Ambassador, as he neared the age of 80, most people would have considered him entitled to rest. He had seen his country go through virtually four wars—the Civil War, which was raging when he was born; the Spanish War, the First World War, in which he played a vital part, and the Second World War, which was just beginning.

Instead of retiring, Josephus went back to his first love, newspapering. And every day of the week Josephus got up at 5 or 6 in the morning and beat out his daily column or editorial.

Mr. Daniels kept an active and vigorous interest in politics, and there are many who still chuckle about Daniels when he took issue with former Democratic Chairman James A. Farley's

gloomy report on Democratic prospects in the South.

The gobble-uns'll get you ef you don't watch out—

He wrote—

A split in the Democracy of the South or its secession from the National Democratic Committee is the idle bubble of a dream of those who are in the hopeless minority.

Daniels' twinkling smile, black string tie, and black planter's hat will be remembered affectionately and proudly by many. His faith in the people will long be a monument to his memory.

A Statesmanlike Appraisal

EXTENSION OF REMARKS
OF
HON. WILLIAM J. CROW
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. CROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by William Henry Chamberlin from the Wall Street Journal.

A STATESMANLIKE APPRAISAL—ECONOMIC PITFALLS AND POLITICAL ADVANTAGES OF ERP ARE EXPERTLY ANALYZED BY EX-PRESIDENT HOOVER

(By William Henry Chamberlin)

Herbert Hoover has added to his long list of valuable services to his country by his statesmanlike appraisal of ERP, contained in his letter to Senator VANDENBERG. Our only living ex-President yields to very few men in his mastery of the basic facts of the American and world economy. When he pronounces a judgment on a large domestic or international issue it is based not on some emotional catchword, but on solid and precise knowledge. This is why his judgments should always be treated with respect.

Many advocates of ERP are so obsessed with its urgency that they are inclined to be impatient with criticisms of detail. Many opponents are so impressed by dangers and difficulties that they lose sight of the very great political stake America has in turning back the world-wide offensive of Soviet communism.

Mr. Hoover sees the two sides of the Marshall plan, its political desirability and its economic pitfalls, as well as anyone who has commented on the proposal. He speaks of the "vital importance" of the defeat of communism in western Europe, of the front against communism that lies not alone in Europe, but stretches through Latin America and Asia.

HE SEES THE DANGERS, TOO

At the same time he recognizes the force of the arguments about the dangers to the American economy inherent in the Marshall plan. As Mr. Hoover says:

"The volume of exports and finance proposed may accelerate an already dangerous inflation; it further delays our recuperation from the war; it drains our natural resources and continues excessive taxation; all of which might bring depression and thus destroy the strength of the one remaining source of aid to a world in chaos."

Most of his letter to Senator VANDENBERG is devoted to constructive, concrete, practical suggestions for diminishing the burden on the American economy without sacrificing the purpose of helping the noncommunist part of Europe back to its economic feet. One of the most obvious means of achieving this end is to get the unused industrial resources of Germany and Japan back into production as quickly as possible.

It would be both futile and absurd for America to advance large sums of money to Britain and France and smaller sums to China and Korea while permitting continuance of the artificial conditions of industrial desolation in Germany and Japan that have contributed so much to European and Asiatic depression. Mr. Hoover seems to emphasize this point when he suggests that those of the 16 European nations concerned with these problems should agree to "the trizonal economic union of western Germany, a peace with Japan; a cessation of plant destruction and removal; and abolition or increase in 'levees of industry' in these two countries."

TO SHIP $800,000,000 OF CAPITAL GOODS

Mr. Hoover draws attention to the fact that ERP in its present form calls for the shipment of about $800,000,000 worth of capital goods, including steel and machinery, from the United States during the first 15 months of the plan. At the same time we lack sufficient railway equipment; there is a shortage of agricultural machinery, affecting food production; there is a scarcity of building materials and steel is selling at 100-percent premiums in the black market.

What would be more reasonable than a vigorous revival of steel and machine building industries in Germany, with proper safeguards against diversion of production to military ends? Mr. Hoover comes out for this sensible idea, which should also apply, he says, to fertilizer production and oil refining in Germany. It would certainly represent a peak of sheer economic absurdity for America to impose crippling deprivation on its own economy in order to send to Europe machinery and equipment which could be produced in Germany, or anywhere else, for that matter.

It may be objected that Germany could not simultaneously export coal and raise appreciably its level of steel, machinery, and fertilizer output. Mr. Hoover suggests that increased American exports of coal to European countries which cannot satisfy their own needs might be better than American exports of steel, machinery, and fertilizer.

The ex-President correctly brands as an illusion the idea "that scarcity and thus inflation can be more than temporarily retarded by compulsory fixing of wages, prices, and rationing." Some of western Europe's difficulties may be attributed to these practices.

ASKS FOR OTHER CONDITIONS

Mr. Hoover calls for group determination, on a non-partisan basis, of ERP policies, for a clear distinction between gifts and loans, for refusal to enter into a 4-year commitment, for the making of relief supplies to Japan and Germany a first charge on reparations, and for a refusal of American grants or gifts of money to pay for goods from other countries.

Two other witnesses on ERP, Mr. Bernard Baruch and Mr. John Foster Dulles, have called for closer political association among the recipients of American aid and for a reduction in trade barriers as between these European nations. Some assurances along the lines of closer economic relations were given in the original blueprint, drawn up by the representatives of the 16 nations at Paris. There can be no doubt that Europe's division is communism's opportunity, and that a broad west European federation, sponsored by the United States, would be the most effective curb on Communist aggression.

If it proves possible to combine Mr. Hoover's economic statemanship in framing the details of ERP with some bold imaginative stroke in the direction of closer association among all nations, regardless of which side they fought on in the war, which lie outside the Soviet orbit of control, the prospects of fruitful American-European cooperation will look much brighter.

Sermon of Most Rev. Raymond A. Kearney

EXTENSION OF REMARKS
OF
HON. JOHN J. DELANEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. DELANEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following text of the sermon delivered by the Most Reverend Raymond A. Kearney, auxiliary bishop of Brooklyn, at the red Mass in the National Shrine of the Immaculate Conception, Catholic University of America, Sunday, January 25, 1948:

Just 2 months ago the bishops of the United States had their annual meeting on the campus of this university. As a result of their prayerful deliberations there came forth a statement that in the judgment of the bishops was the most opportune to offer to our people at this particular time. The theme of this statement was the error of secularism.

When one encounters an extraordinary or unusual word he goes at once to the impartial source of the dictionary. And there we find that secularism is "any view of life, education, etc., or any policy or program referring to such, based on the premise that religion and religious considerations, as of God and a future life, should be ignored or excluded." The atheist and the materialist is of course a secularist; he excludes all consideration of God and the hereafter, for in his creed there is neither. And this we readily understand. But there are some who profess a belief in God, and who sometimes solemnly invoke His name, and who on formal occasions wish to be clearly understood as believers in the deity, and yet are infected with a secularist viewpoint. "They fail," the bishops' statement says, "to bring an awareness of their responsibility to God into their thought and action as individuals and members of society." They have a view of life "that limits itself not to the material in exclusion of the spiritual, but to the human here and now in exclusion of man's relation to God here and hereafter." Secularism is the practical exclusion of God from human thinking and living.

We have in mind here the multitudes who give God lip-service, who proclaim their belief in Him, and who would be shocked if one were to suggest that in fact they really were not believers. We have in mind those to whom God and religion is sort of a luxury, an ornament, a thing apart; comfortable, seemly, decorous, on the Sabbath day; not missed at all throughout the rest of the week. God and religion are to them, something quite appropriate to the church, the sacristy and the cloister; but should have no influence in the affairs of the community of nations, nor in the political or economic world, nor in domestic life, and far less in the individual and personal life that each one of us must lead.

The statement of the hierarchy points out the effects of this secularist attitude on the individual, the family, the Nation and international society. We may note that secularism means the concentration of man on the temporal affairs of this life to the denial or disregard of the hereafter. Its fundamental principle is that all human conduct is to be guided by earthly considerations. "It destroys nourishment, kills roots, rots everything from within." As a result the individual is blinded to his responsibility to God. His thoughts, aspirations, and deeds, are his own, without reference to God. The statement goes on to say, "The greatest moral

catastrophe of our age is the growing number of Christians who lack a sense of sin, because personal responsibility to God is not a moving force in their lives. They live in God's world quite unmindful of Him as their Creator and Redeemer. The vague consciousness of God which they may retain is impotent as a motive in daily conduct. The moral regeneration which is recognized as absolutely necessary for the building of a better world must begin by bringing the individual back to God and to an awareness of his responsibility to God. This secularism, of its very nature, cannot do."

If the individual has lost a sense of responsibility to God, then the family, the Nation, and ultimately the community of nations has necessarily followed in the same path, for ultimately it is the individual who makes up these segments, and the whole, of human society. The family has come into decadence with "a 60-fold increase in the divorce rate during the past century." In the field of education secularism has taken a toll as no where else. The philosophy of naturalism, which excludes God, has been accepted, and has been taught, and is being taught, on the very highest planes and in the highest places, of our entire educational system, so that as a result a totally secularist viewpoint is being brought through our teacher-training institutions to every little red schoolhouse in the country. In fact, we are reliably informed that the concepts of the natural law, and all that follows therefrom, are becoming less and less important in the matter of training our youth in the profession of the law. In the field of economics the disregard of God and God's laws has led to a grave disorder and we live ever fearful that a national catastrophe might be the result of friction and misunderstanding between capital and labor. In the international community disregard of God has in fact led to this unparalleled crises in civilization, wherein in the councils of states His name may not be so much as mentioned. This is the secularism that Pope Pius XI called the "plague of our age."

We have said that we quite understand this attitude on the part of atheists. All who adhere to a philosophy of naturalism, positiveism, materialism, have the same note in common; they do not believe in a personal, intelligent God, and they are, logically, secularists. But it is difficult to understand those who do profess a belief in God, who do invoke His name, and yet would exclude Him, or ignore Him in their daily affairs. Some perhaps are insincere in their expressions of belief, conforming externally to tradition, convention, decorum, or some such thing. But nevertheless there are some who are sincere and who nevertheless see things only from the worldly viewpoint, to the exclusion of God in human affairs. They are "Sunday Christians." They pray, sincerely enough. They go to church if not always, at least always sincerely. They do believe in God, or at least they sincerely believe they do. Still, they regard their God as no reality in their daily affairs, private, domestic, political, or anything else.

For the out-and-out atheists we can do nothing but pray. We can pray that divine light might eventually enter their souls and that seeing they may yet believe. But for the others there is a greater hope. They have not yet outlawed God. I believe their trouble is that they have done only shallow thinking about God, or perhaps they have done too little thinking, or even no thinking about God. I believe that if they would think a great deal about God, and ask "Who is God?" and "What is God?" they would turn to God with delightful amazement and exclaim from the depths of their souls: "Too late have I known Thee."

Therefore today I should like to talk to you about God—just plain God. The God that Socrates and Plato and Aristotle learned to know about the kindly light of revelation by the sheer, fine penetration of human reason. The God that great thinkers over ages and ages recognized as the one Supreme Being. The God that philosophers and theologians, no less than peasants and artisans and workers of every sort from the beginning of time have come to know, to love, and to serve. The God who has never seriously been denied, until this fateful modern age. The God of old. The one true God before whom every other god is a false god and a demigod.

I have in mind the God whom the founders of our Republic knew when with a spirit of deep religion they gave to posterity our sacred Declaration of Independence. "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness." Endowed by their Creator. That is the God I know—the Creator. The Creator of the universe—the land, the sky, the sea, and everything contained within it. The Creator who produced everything that is out of abysmal nothingness. Who is therefore greater than the whole of creation, and distinct from it. The first and final cause of everything that is.

The Creator is eternal. A billion years is to Him as a fleeting instant. He always was, and always must be. If there is such a thing as creation, there never could have been a time when there was absolutely nothing, for out of absolutely nothing nothing positive could have followed. So there must have been some Being who never had a beginning, who always was, and who brought into existence whatever has been, or is, or will be, in the universe. So the Creator is the Eternal Being, without beginning. And being without beginning, He is perfect and can never have an end, for a perfect being must be without flaw of any sort, and so He cannot wear out, or age, or annihilate Himself.

The Creator as the perfect Being has all perfections and no imperfections. He is simple, immutable, immense, infinite. He is infinitely all-wise, all-powerful. He is infinitely holy, good, merciful, and just. In fact, He is goodness, mercy, and justice. He is everything that is positive and loveable—infinitely so. He is the one, true Supreme Being.

The Creator is also the Infinite Lawmaker. By a single act of His will He has tossed into space the ball of the universe and set it spinning through time and through the ages according to His divinely conceived plan. In the act of creation He who is the Eternal Law has promulgated the natural law in His creatures by His all-wise and providential determination of the natures and essences of His creatures. He is the Supreme Legislator directing all things with consummate wisdom, each according to its own nature. But this natural law implanted by the Creator in the nature of things demands when we think of mankind specification by positive enactment. Hence, the eternal and natural laws must be supplemented by human law enacted by earthly authority. And all human law must ultimately be in one way or another a derivation from the natural law or a determination of it. Therefore positive law is valid only insofar as it is a development and application of the law of God for the common welfare of mankind. Positive human law is good law only when it is intended, and in fact, does serve to keep man and this universe spinning in accord with the eternal decrees of the Maker of all of us.

Such is the God whom the philosophers over the ages have given us. But the same God of whom St. Paul says, "He is not far from any one of us" (Acts xvii: 22) has also revealed Himself to man, so that we are not left entirely to the resources of natural reason to know Him, but aided by the gift of faith we might come to know Him more perfectly and thus to serve more faithfully. It is the same God who spoke to Moses and said, "I am the God of thy father, the God of Abraham, the God of Isaac and the God of Jacob." The same who said, "I am who am. Thus shalt thou say to the children of Israel: He who is sent me." (Ex. iii: 14). The same God who thundered: "I am the Lord thy God who brought thee out of the land of Egypt, out of the house of bondage. Thou shalt not have strange gods in My sight" (Deut. v: 6–7). It is the same God to whom St. Paul refers as the One "who at sundry times and in divers manners spoke in times past to the fathers by the prophets" (Heb. i: 1), i. e. by Isaias, Jeremias, and all the others, major and minor, calling men to repentance and holding forth always the pledge and promise of a Redeemer. It is the same God whose praises the Psalmist loved to sing in unparalleled, divine song: "Great is the Lord, and greatly to be praised; and of his greatness there is no end" (Ps. 144: 3). And again "I have known that the Lord is great, and our God is above all gods; whatsoever the Lord pleased he hath done, in heaven, in earth, in the sea, and in all the deeps." It is the same God who in the new dispensation so loved the world as to send His only-begotten Son to purchase by His Blood a fallen human race—the God of mercy and of love. He is the God of old—a jealous God, who will have no false gods in His sight. He is a God to be loved and to be feared; to be loved, because He is Love, to be feared, because we have loved Him so little.

These reflections may in a very feeble way convey some slight notion of the God I would know and serve. Anything less is a tin god—a false god. There is only one true God—the God of old—supreme, infinite, eternal God—the way, the truth, the life—thrice holy—infinitely merciful yet infinitely just. He is everything that is good and true and beautiful. He is all. St. Teresa used to say, "Who has God, wants nothing." God is all; the alpha and omega, the beginning and the end; the absolute, the God of old still lives.

There is, however, one thing to be remembered. There is one thing God cannot do. He cannot make Himself anything less than He is. He cannot act contrary to His own infinitely perfect nature. He cannot make Himself less wise, less good, less just, less anything. He cannot abdicate His godliness. He cannot, for instance, ignore something, or not know something, He would be less than perfect, and this He cannot be. Hence, He knows, and by His immutable nature, must know, all things great or trivial. He knows therefore the secret of the atom, the cause of cancer, and He knows too the fall of a sparrow in flight, the tick of a pulse, the innermost passing thought and desire of child or man.

Now, if God cannot ignore anything, however trivial, neither can He be indifferent to anything. It is His world, all things must proceed in an orderly way toward their ultimate destiny. Inanimate nature, plant and animal life, all proceed in accordance with divine plan as expressed in the natural law written into their being. Only man, made a little less than the angels, created in the image and likeness of God, endowed with the light of intelligence and the power of free will can frustrate the divine plan by rebelling against the will of God and by sprinkling as it were a mean handful of grit into the divinely conceived machinery of the universe. But God being all-good—infinite

goodness itself—cannot be indifferent to man's conduct. If man's actions are good and noble, the divine will is being accomplished. Otherwise, man is guilty of the blasphemy of disobeying his Maker. God therefore has a stake in everything we think, desire, or do. He judges the innermost thoughts and desires of each of us, and of each of us in our capacity as private individuals, and of each of us in his social relation to the family, to his neighbor, to his country, and to the community of nations. He cannot be, and will not be, excluded from the affairs of His children. Hence, the secularist viewpoint of ignoring or denying God's part in the affairs of men and nations is essentially wrong if one acknowledges a sincere belief in God the Creator.

God is supremely interested in the temporal welfare of His creatures and it is for this reason that the natural law plainly calls for the existence of the State. The State has the sacred responsibility of promoting the common welfare of men. God is therefore intimately concerned with every bill intended for the common welfare and presented to the Congress, or to any legislative body. He is concerned with the motives that inspire it, the objectives to be attained, the means of attaining them. No court ever hands down a decision that is not already automatically appealed to the Infinite Judge, who from eternity has already confirmed it or set it aside as shocking to infinite justice. There can be no international parley that can hide from His fearful scrutiny decisions that have to bear on the welfare and the pursuit of happiness of all His children the world over, everywhere. We cannot afford to exclude God from anything. He will not allow it.

Many pious people say this prayer: "Go before us, O Lord, we beseech Thee, in all our doings with Thy gracious inspiration and further us with Thy continual help that every prayer and work of ours may begin from Thee and by Thee be happily ended." Yes; every prayer and work of ours should begin with God, for only then can it be happily ended.

We need more God, and no less God in all human affairs. We condemn the merely secular viewpoint as invalid. This is God's world and everything in it must go according to His will. We cannot afford to look at things from the world alone; we must see things through the eye of God and under the thought of eternity. God and religion are not reserved to the church and for Sunday. On the contrary, every single act of ours must be checked against God for accuracy. The master of a ship makes his port when he checks his course by God's fine handwriting in the sky. Man, too, may eventually make his eternal destination by adjusting his course according to the eternal law which is God.

Such is the God that I know—so imperfectly. I commend Him to you; and I commend you to Him. You who have grave responsibilities in public life toward the Nation and your fellowman need this God of old. You need Him, not now and then, but always. You need Him in all things. With Him, like St. Paul, you can do all things; without Him, nothing. He is your wisdom, your strength, your power. He is your all and He demands all. He will have no false gods before Him. To Him do we pray today for light and guidance that those who make our laws and those who interpret them and judge men by them, might with His blessing do all things for the welfare of our Nation and for the good of a stricken world in accord with the will of God.

If by chance you should sometime in the future recall this sacred occasion, I hope you will remember just this: "He who has God, wants nothing."

National Junior Chamber of Commerce Honors the 10 Outstanding Young Men of 1947

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. KEFAUVER. Mr. Speaker, the United States Junior Chamber of Commerce annually selects the 10 foremost young men of the Nation under 35 years of age. The selection for the year 1947 was made by a committee of eminent citizens, headed by Mr. Paul G. Hoffman, president of the Studebaker Corp. The presentation ceremony for the young men selected during 1947 was held at Chattanooga, Tenn., on January 21, 1948. Jaycee President John Ben Shepperd; Clifford D. Cooper, vice president; Raymond E. Roberts, editor of Future, the magazine for young men; Frank Fister, executive vice president; and other national officers of the organization were present. The highlights of the program were the addresses of Shelby R. Brammer, president of the Chattanooga Jaycees; John Ben Shepperd; and Hon. Harold Stassen, of Minnesota. Under leave to extend my remarks, I include the addresses of these three men:

ADDRESS BY SHELBY BRAMMER, PRESIDENT OF THE CHATTANOOGA JUNIOR CHAMBER OF COMMERCE

Chattanooga salutes the more than 2,000 local Junior Chambers of Commerce tonight on the occasion of a nationwide observance of the twenty-seventh anniversary of the founding of the United States Junior Chamber of Commerce in St. Louis, Mo. The climax of this observance is in Chattanooga tonight where we are honoring the Nation's 10 outstanding young men of 1947. The keynote here tonight is service. Outstanding service has been rendered by these men who have been brought from all over the Nation to receive the distinguished service award. New York City and Whittier, Calif., is here. Washington, D. C. and Knoxville; Waukesha, Wis.; Omaha; Berkeley, Calif.; Baltimore, Md.; in fact, all America! Stand by, for the presentation of the distinguished service awards to your illustrious native sons. And now, here is John Ben Shepperd, of Gladewater, Tex., president of the United States Jaycees. His job has taken him to Alaska, through most of the 48 States, to England, France, Belgium, and from here he goes to Washington to testify before the Senate Foreign Relations Committee hearings on the Marshall plan. It is very fitting that this widely traveled leader of young men presents the Nation's 10 outstanding young men.

ADDRESS BY JOHN BEN SHEPPARD, PRESIDENT OF THE UNITED STATES JUNIOR CHAMBER OF COMMERCE

Thank you, Shelby Brammer, and let me express the gratitude of these swell young fellows as well as all the members of the United States Jaycees for the wonderful southern hospitality shown us all here in Chattanooga. In a moment we will meet the 10 young men and hear the Honorable Harold E. Stassen, former Governor of Minnesota, and the principal speaker at the distinguished service award banquet being held here at the Read House.

For a decade the United States Jaycees and our monthly magazine, Future, have sponsored the selection of the Nation's 10 outstanding young men. We hope that by calling attention to their accomplishments that not only all young men but citizens everywhere will strives the harder to follow their example and keep our American system of freedom of opportunity going onward and upward.

From scores of ballots that flooded into our national Jaycee headquarters in Tulsa a panel of nine distinguished American business and professional men picked the 10 men we have tonight. The judges' panel was composed of men over 35 years of age and they made their selections without regard to the affiliations of these men but judged them on the basis of their individual contribution to their business or profession and for their outstanding services in behalf of the general welfare of our whole country.

Now to meet the Nation's 10 outstanding young men of 1947. The first one we want to recognize is Thomas R. Reid, of Baltimore, Md., who, unfortunately, is confined to a hospital. But here representing him is W. Wallace Ashley, president of the Baltimore Junior Association of Commerce, and Ed Ellis, a personal friend and fellow worker of Mr. Reid. Mr. Ellis is president of the North Carolina Jaycees. Tom Reid has distinguished himself as the representative of employers at international labor conferences in Montreal, Canada, and Geneva, Switzerland, in 1946 and 1947. He is one of the few men in the country whose job is to handle human relations and he is in charge of that function for McCormick & Co. of Baltimore. He is the leading exponent of multiple management, a plan in which the young men of a business or industry are given an opportunity to aid management and to prepare for bigger jobs later. He became the paid executive head of the United States Jaycee organization before his thirtieth birthday and he was one of the founders of Future magazine in 1938. I am proud to present this ruby-studded distinguished service award key to you, Ed Ellis, for Thomas R. Reid, and please, Mr. Ashley, convey our sincere hopes that Tom is recovered soon.

Our next young man is from New Orleans and it is with regret that we heard that Chep Morrison, illustrious mayor of that city could not leave his busy desk and is not here with us. He has attracted considerable attention already for his work in spark-plugging many civic construction and improvement projects in his city and he has traveled extensively in Latin America in the interests of improving our trade relations. New Orleans and particularly the Jaycees there are proud of Chep Morrison.

The next young man is also influencing our national thinking on municipal affairs and, like Mr. Morrison, he, too, is a mayor. James Quigg Newton, Jr., was elected mayor of Denver, Colo., last spring and he has since been seeking out experts and specialists—not political friends—to reorganize his city's health and police departments and set up sound personnel policies. He spearheaded an expansion program for the University of Denver, a privately endowed school, and a multimillion dollar improvement program is under way. Last year Denver Jaycees recognized his work as president of the university's board of trustees by naming him the outstanding young man of Denver. Mr. Newton, we join Denver in saluting you. Here is your distinguished service key.

Imagination and youth, combined with infinite courage and hard work, made our next young man truly outstanding. He is LaVon P. Peterson, age 28, of Omaha, Nebr., where

he founded the world's only school for training blind persons to repair radios and electronic equipment. He has been blind since birth but his radio engineering institute has many blind graduates, who, after 1 year's study are in business for themselves. During the war he trained men for our armed services to repair radios in complete darkness. It is indeed a pleasure to bestow this honor upon Mr. Peterson for his service to the handicapped. Here is your key, Mr. Peterson.

From Knoxville, Tenn., comes now Adrian Sanford Fisher, age 33, a man who is general counsel for one of the Government's most vital functions, the Atomic Energy Commission. He has served as an adviser on the group which actually drew the Marshall plan. He wears a Phi Beta Kappa key and is a graduate of the Harvard Law School. He was nominated by the Knoxville Jaycees.

Also, in the field of atomic energy from Berkeley, Calif., we have Dr. Glenn Theodore Seaborg, age, 35, chemist in nuclear reactions at the University of California. He formerly isolated element 94, plutonium, and recently his work has led to discovery of elements 95 and 96, Americum and curium. He isolated and identified U-233 and demonstrated that it undergoes fission with slow neutrons and he understands what radioactive isotopes mean. Chicago Jaycees named him their outstanding young man of the year 2 years ago. San Francisco Jaycees nominated him for this honor and we take great pleasure in presenting you with the DSA key, Dr. Seaborg.

Waukesha and all Wisconsin is aware of the work of Congressman GLENN R. DAVIS, age 33, who was active in framing veterans' legislation and the investigation of Veterans' Administration regional offices. He supports United Nations participation by the United States and has worked for bipartisan, long-range foreign policy. He favors aid to Europe's displaced persons. Glenn fought in the Pacific and we hope this key inspires you, Glenn, to further, greater things in the field of good, progressive government.

Another Congressman who has done an outstanding job is RICHARD M. NIXON, of Whittier, Calif. Aged 34, he was a member of the Herter committee which studied Europe's relief needs on the spot. He has devoted many, many months to making a thorough investigation of the needs for foreign aid. His work for fair labor legislation and on the Un-American Activities Committee of the House has reflected much credit on him. Mr. NIXON you have set an example of hard work in behalf of good government and this service is an inspiration to young men everywhere and we are proud for you to wear the DSA key.

From Memphis, Tenn., we have here with us tonight Dr. Robert A. Hingson, aged 34, the first physician to use hypospray. With Dr. Waldo B. Edwards he developed a successful technique of continuous caudal analgesia which gives complete relief to women during childbirth. He has trained many physicians in this technique, he has written extensively on pain control and is a surgeon in the United States Public Health Service. He is professor of anesthesia in the College of Medicine at the University of Tennessee. It is with pleasure and pride we award you this key for distinguished service in the field of medicine.

Last to be introduced, youngest man of our group of young men and from the Nation's largest city, New York, we call to the microphone Cord Meyer, Jr., aged 27, an ardent advocate of world government. He is president of the United World Federalist. Mr. Meyer has written and lectured extensively on the necessity for a world federation with sufficient power to keep the peace and peace is precious to him as it is to all of us, especially after he fought and was wounded in the Pacific with the marines. He was chosen young man of the year recently by the New York City Young Men's Board of Trade and we would like to hear a brief message from you, Mr. Meyer. In presenting you with this DSA key let me say we are impressed as the judges were by your organization's proposals. We wish you continuing success in your efforts for international law and order.

We are indeed proud to bring to the microphone now one of the truly outstanding young men of the decade. He gained an interest in the affairs of government and citizenship as a charter member of the East St. Paul, Minn., Junior Chamber of Commerce. His broad background and capacity for sound thinking was recognized by the people of Minnesota and they elected him their Governor. Later, President Roosevelt named him one of our delegates to the San Francisco United Nations charter conference. Even before these very important missions the judges of our annual impartial search for the Nation's 10 outstanding young men were impressed by his record, and in 1939 named him for the honor we are here bestowing on these other young men. Here is Harold E. Stassen, who was the principal speaker at our banquet tonight and who will now address you.

ADDRESS BY HAROLD E. STASSEN, OF MINNESOTA

President Shepperd, members and guests of the United States Junior Chamber of Commerce, I join in a salute to the 10 young men who have been selected as the 10 outstanding young men of the year. The record of their achievements, in a brief span of years, in a wide variety of fields of endeavor, is a thrilling testimonial to their individual abilities and equally to the dynamics of our American system.

We are all aware that we meet at a time when the most extensive and crucial world-wide competition of ways of life is under way.

Thus in addition to commending each of these young men for the remarkable achievements I take this opportunity to urge upon each of them, and upon the millions of young men and young women of their generation, an increased participation in the public affairs which have a direct bearing upon this conflict of ways of life around the world. The vigor, the resourcefulness, the enthusiasm of youth is very much needed on the public scene today.

I urge that it be directed in three principal phases.

First, that the ingenuity and expressive nature of youth be directed to the advocacy of the rightness of the fundamental concepts of individual freedom of the American system. America must not take an uncertain or apologetic attitude toward either its political system of representative government or its economic system of capitalism. It is a fact and it needs to be dramatically emphasized throughout the world that our modern people's capitalism in America is as different from the imperialistic monopoly capitalism of a century ago as is the ruthless economy of Russia different from the Utopia painted by Karl Marx.

Our modern people's capitalism has attained by actual statistics a higher production and wider distribution to all the people of the necessities and the luxuries of life than any other system in the history of the world.

Through that high production we are able to extend major assistance to war-torn countries of other parts of the world. This we should do thoroughly, willingly, and on a sound and businesslike basis. But we should not lose sight of the fact that the principles of individual economic freedom are a greater asset to any country than any goods that America can send.

With this affirmative advocacy of modern people's capitalism there must be carried on a constant campaign of interpretation to the people of our own country of the essential requirements of our system, of the importance of large sums of capital held in the hands of citizens rather than controlled by the men in Government, with incentives always present to invest, to buy, to sell, to work, to invent, to earn. The interpretation to the people is a vital safeguard against the recurring effects of the demagog to present unsound and treacherous proposals which would undermine the fundamentals of our individual freedom.

The second phase of the effort of youth is of equal importance. The drive and ingenuity of youth should be focused upon the correction of the weaknesses and shortcomings that do exist in our American system. We must never be smug or complacent about the success of America. Such an attitude leads directly to deterioration. Currently the two major shortcomings of our excellent economic system are in housing and in health. America today, with all of its superb production ability is 2,000,000 houses short of its essential requirements. This housing shortage falls with devastating effect upon the youth of the land, including particularly the veterans of the war, as they are naturally the late comers to the housing market and are caught by the extreme shortage. Major new action is required to break through the housing jam. The youth of the land should think through and come forward with new suggestions and aggressively seek results. It is not desirable that Uncle Sam should become a huge landlord, but it is essential that the power of government be used to break through the retarding effects of outdated building ordinances, of outmoded restrictive union practices, or retarding combinations of contractors and material men, and translate to the house-building field some of the efficiency and economy of our mass production techniques in other branches of industry. This requires that huge projects be initiated by the Government under private contract to open the way and to take the loss necessary to develop the new techniques.

In health we must work out the means by which major burdens of medical and hospital care which fall upon the ordinary family in event of serious illness or major accident are lifted from their backs by an insurance principle. But we should not make the mistake of bringing the whole medical profession and hospital administration under the hand of government.

Likewise, we need the increased use of the modern automobile and airplane in extending mobile health clinic services, fanning out from hospital centers of mercy and from specialized medical groups to the neglected areas of the country. It is a startling fact that nearly 1,200 of the counties of the 3,070 counties of our country are today without hospital care.

The greatest danger to our free economy is boom and bust, and here again young men with a willingness to learn the lessons of the past and to pioneer in new methods of combating hoarding, profiteering, monopoly, and excess speculation can do much to avoid the serious fluctuations of a free economy without making the sad mistake of adopting over-all centralized governmental control.

The third phase of the effort of youth in public affairs which I urge is a realistic counterpart to our meeting of the challenge of totalitarian competition on the economic and ideological front. It is the imperative necessity of remaining strong in a military sense during these critical years. Our generation knows all too well the grim lesson of what it means to be unprepared and weak in the face of an enemy who has turned to force in an attempt at domination.

There are many sincere people who would make major cuts in our budget for defense in order to secure larger tax reductions. But it is of grave importance that we reach agree-

ment in this country on the vital necessity of remaining strong in the years immediately ahead. To do so we must enact some form of required service and training. We dare not drift along, with our active manpower a hundred thousand men short of minimum requirements and our reserves not up to strength. Likewise, we must move ahead in research and keep up front in air power. If we do there is less likelihood of men in other parts of the world making a mad decision to seek domination by force. And if they do make such a tragic move, tragic for themselves and for others, there should be no question of our victory, with a minimum cost of suffering and of men.

These three phases of the affirmative advocacy of the way of freedom, the constant improvement of our weaknesses, and the steady strengthening of our position, are the greatest assurance of an expanding freedom for ourselves and others in the years ahead and of opportunities for millions of the youth of tomorrow, equal or better than the opportunities which the 10 young men we honor tonight have demonstrated exist in America today.

JAYCEES BUILD FOR LEADERSHIP

Mr. Speaker, one of the crying needs of the Nation is more young men who will assume government leadership. Today the United States as the No. 1 Nation has the responsibility of world direction and it needs courageous young men to carry on the job successfully. The junior chamber of commerce is doing the best job of preparing young men for this task. Within 27 years more than a thousand clubs have been formed and membership has grown to 250,000 These young men render great service in sponsoring and energetically putting over projects in their communities. Equally important is the program of the Jaycees in building for leadership. Any young man under 35 years of age who has a desire to serve can join this democratic organization. The members, in my opinion, represent the best hope of responsible leadership in the years to come.

Ed Allen's Fireside Thoughts

EXTENSION OF REMARKS
OF
HON. HAROLD KNUTSON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. KNUTSON. Mr. Speaker, pursuant to permission granted me to extend my remarks in the RECORD, I insert below Ed Allen's Fireside Thoughts, for January 17, 1948, which I commend to the membership because the thoughts expressed therein are sound and timely:

ED ALLEN'S FIRESIDE THOUGHTS

I liked this yarn so much that it seemed too good to keep—it happened in a little place called Nut Town, where a man by the name of Uncle Sam ran a grocery store. It seems that at times business was good with him and then again it wasn't so good. The whole ups and downs of business worried this old boy until one day he had a bright idea. The trouble, he decided, was due to the fact that his customers were suffering from a "dollar shortage."

Well, thought he, I'll fix that—so old Uncle Sam went to the bank and borrowed $100 in brand new $1 bills—these he gave to the people who passed his store with only one provision, they were to spend the money in his store. That night he was delighted to find his cash register full of new $1 bills—he had had a wonderful day, he had found an easy way to get rich. Every day after that he distributed $100 to the good people of Nut Town and his business continued to boom. Of course, he began to owe a lot of money for goods he had failed to pay for, but that didn't matter—he just arranged to pay them off with I O U's.

Uncle Sam's plan worked so well that it came to the attention of some of the big bureaucrats in Washington. Wonderful! They decided, and called a meeting of the big brains to decide how they could expand old Uncle Sam's plan to take in the whole world. Imagine the excitement—here was an idea that would give the people of the world all of the things their hearts desired, but best of all—we here in America would get richer and richer and enjoy prosperity forever and ever. All that the big brains needed to put their come-and-get-it plan into action was around 19,000,000,000 fresh, crisp, new dollars to give people suffering from a dollar shortage. All they were to do in return was to promise to spend this money in our American stores. They promised all right—and what's more they even promised to be nice and friendly. Well, Congress, of course, not being very smart, asked a lot of foolish questions but finally gave the bureaucrats the money which was loaded in ships and taken abroad. When the ships got there they turned around and brought the money back to pay for all the things the foreigners wanted. Boy! Was business good. Never had we known such prosperity. Of course, things got pretty scarce—prices and taxes skyrocketed—and there was talk of controls and rationing. But shucks. That wasn't the fault of the plan—but because of greedy businessmen.

So we see from this simple beginning in a little grocery store in Nut Town how we went on the biggest binge the world has ever known. Speaking of a dollar shortage, when the dawn comes, which it surely will, with some semblance of reason returning to our drugged minds and with trembling hands, we start to count up our real assets, it really will be something—believe me.

Stabilizing the Rubber Industry

EXTENSION OF REMARKS
OF
HON. FRED L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. CRAWFORD. Mr. Speaker, under leave to extend my remarks, I submit a statement by Mr. R. P. Dinsmore, vice president of the Goodyear Tire & Rubber Co., on our rubber problem. It follows:

STABILIZING THE RUBBER INDUSTRY

(By R. P. Dinsmore)

The last war proved that we are dependent on adequate rubber supplies in order to carry on our military activities and our vital domestic economy in such a period. We were saved by the rapid promotion of our synthetic rubber industry in World War II, and it is generally agreed that we cannot rely upon crude rubber imports in a future emergency, but should preserve the synthetic manufacturing capacity and skill, together with knowledge of how to use it, against a future emergency. The minimum production and use advocated to accomplish this is 100,000 long tons per annum—many believe a higher figure is desirable.

In an effort to frame legislation to accomplish this purpose Congress has made investigations and conducted hearings, which disclose a disheartening conflict of opinions as to what should be done. On the one hand certain industry leaders advocate turning over the entire business to private enterprise, free from any control or restriction. On the other hand are those who advise continued Government production of synthetic with continuation of the present mandatory use in transportation items. Various intermediate views have likewise been expressed.

We may assume that all of these opinions are honestly held and frankly voiced. The differences no doubt arise from personal judgments as to the weight which should be assigned to the various factors. There seems to be little, if any, conflict in the view that national security must be protected, or that our system of private enterprise should not be hampered by Government operations beyond the bare necessities clearly required by national security. It is the difficulty in reconciling these two objectives which has created sincere differences of opinion.

If synthetic rubber could compete with natural rubber in cost and quality, there would be no problem. Private enterprise would insure an adequate supply at competitive prices. This, however, is not the case and there is no assurance that it would be brought about by any private operation which is now in prospect. There is merely the belief or faith, in some minds, that the application of private-business genius would inevitably produce this result. It has been rather generally agreed that national security requires the maintenance in active use, or standby, of 600,000 long tons of annual general purpose synthetic-rubber capacity. To make this capacity effective, there is needed plant capacity for raw materials, including 425,000 short tons of butadiene, 132,000 short tons of styrene, and at least an assured supply of the corresponding quantities of antioxidant, modifier, soap, salt, etc.

There will be required a stock pile of natural rubber, which may be as much as 800,000 long tons (see RMA statistical committee report of November 1947), and a stock pile of synthetic rubber at least equivalent to 3 months' output of the idle portion of the 600,000 tons capacity. This latter to enable immediate rubber conversion to an emergency-use basis, while the idle plants are being reactivated.

To permit crude rubber stock piling, 275,000 long tons minimum of GR–S must be produced annually until sometime in 1949.

The need for high priority for these national security moves is evidenced by our experience in the past war, the present unsettled state of the world, and the probability of swift, unheralded attack, if we should once more become the objective of an aggressor nation.

While recognizing the necessity for giving primary consideration to national security, it is inevitable that an industry which is the product of our free-enterprise system, would view with deep concern Government control of the production, use or sale of its major raw material, rubber. This is because such control deprives the industry of its normal right to purchase rubber on a free competitive market; because industry cannot freely select the most economical rubbers for use in all its products; because Government thereby has an unusual influence on competitive relationships at home and abroad; because industry fears the exercise of Government control for purposes harmful to the industry, in order to promote relationships with foreign countries,

some of which have manipulated the price of rubber to our detriment; because the industry feels a proprietary interest in synthetic-rubber production which was built up and maintained by its experience, skill, and managerial ability; and, in general, because industry fears the deadening effect of Government monopoly. It may be added that the rubber industry believes that it has in the product of its own enterprise, an economic weapon which should be utilized to combat excessive prices for natural rubber. It believes that sufficient GR–S should be produced for this purpose.

As previously stated, these problems could all be avoided if GR–S should be produced at a price and quality competitive with natural rubber. As it is, any free-enterprise scheme must have so many qualifications and restrictions in order to provide for national security, that it becomes a hodgepodge with little freedom left except in the name. It remains to inquire whether or not the most serious objections to Government operation and control can be overcome and what remaining advantages any scheme of private enterprise might have.

Wide discussion has failed to evolve any more feasible scheme for insuring the use of the minimum amounts of synthetic rubber than by continuing present specifications for small tire transportation items. However, mandatory use should be limited to these items by law, subject to change only by Congress after recommendations by a joint committee of the rubber industry and the supervising Government agency. Flexibility may be permitted the agency as to the amount of GR–S to be used in each of the permitted items. The importation of such tire items should be subject to the prevailing specifications. Export of such items should be permitted free from such specifications. The Government should produce in its synthetic rubber plants sufficient rubber to supply voluntary industry demands, which will always be stimulated by high natural-rubber prices. An adequate stock pile of GR-S should be carried to permit reasonable demands to be promptly filled.

Cost of the synthetic rubber is a matter which directly affects fair dealing with the public. It should be realized that if the public must buy tires containing certain percentages of synthetic rubber regardless of cost, that rubber should be priced as favorably as possible. If it is unfavorably priced, there is a heavy burden placed upon the tire user. For this reason, the write-off of synthetic plants, which were built for emergency defense and are continued for the same reason, should not be saddled upon the rubber-consuming public. It should be carried by all of the taxpayers. Aside from a small charge for plant renewals and improvements, the rubber should be priced at actual cost.

Since natural rubber is the only important competitor of synthetic, its probable market behavior directly affects the acceptance of GR–S and the consumer burden. It seems clear that while natural rubber is in short supply, any moderate increase in demand may cause a substantial price increase. On the other hand, we have recently seen how a sudden falling off in demand creates a substantial decrease in price. At present, 2 to 4 cents price advantage seems necessary to create a voluntary preference for the synthetic. Thus if GR–S were selling at 16 cents per pound, it would be fairly competitive with natural at 18 to 20 cents. These should be realistic levels under present conditions, and fair to all concerned. They would stimulate voluntary use, which would aid in the accumulation of the needed natural rubber stock piles.

If proper pricing policies were to be adopted, it is doubtful whether either industry or the tire-consuming public would suffer by Government operation in comparison with private enterprise. Mr. Hadlock testified before Mr. SHAFER's committee that rubber could be produced for an out-of-pocket cost of about 14½ cents per pound, but that other necessary charges brought the cost up to or above the 18½ cents selling price. If legislation permitted Rubber Reserve to cut these additional charges to around 1 cent per pound, as the industry recommends, the rubber could be sold at 15½ to 16 cents per pound, thus extending the period of time over which GR–S would be competitive. On the other hand, if private industry produced the GR–S profits on the major raw materials and the rubber would have to be added, there seems to be little hope, by use of present plants and under present conditions, of equaling or bettering a Government cost. The probabilities are that the costs in private plants, for some time forward, would be at least 1 cent per pound higher.

Synthetic rubber would be favored by higher natural rubber prices or lower GR–S costs. Although plantation rubber costs have undoubtedly increased and may, for some time, continue to rise, native rubber and small, one-family, plantation rubber appear on the market in increasing quantities as the market price drops. It is evident, therefore, that only a successful restriction plan or a better balance between supply and demand than is probable in the near future, would hold natural rubber prices at 18- to 20-cent levels. On the other hand, a radical reduction in the cost of synthetic rubber production would require both cheaper processes and cheaper raw materials. This is true for the major intermediates, butadiene and styrene, as well as for the rubber itself. It is believed that these savings possibilities are purely theoretical at the present time. If they should become realities, private capital would then become available to develop them, even if completely new plant designs were required.

In any event, within 18 months or so, when natural rubber becomes plentiful, we may see it selling for anywhere from 12 cents down to 6 cents. Under these circumstances there is little likelihood that GR–S, whoever makes it, can compete. In fact, its only use will be for required security purposes, for a limited special need or to meet any rigged prices by crude producers. If this is a correct prediction, the loss of such a business is not much hardship to industry.

The foregoing has been a discussion of the conflicting needs of national security and industrial economy. It seems obvious that the requirements of national security require, for a time, Government controls which are generally obnoxious to private industry. The position taken here has been that we cannot have a mixed economy, and, for that, I believe the present-day world abounds in practical examples more convincing than any I might adduce. An effort has been made to show reasons why the best compromise, under conditions which will prevail in the next year or two, is continuation of Government operation and control. The question naturally arises as to whether there is a conceivable change of conditions when the situation might be reversed. Granted that reversal will not be possible until adequate stock piles have been accumulated, it seems clear that, thereafter, private ownership can safely be substituted whenever the National Security Resources Board (or its then equivalent) decides that the guaranteed maintenance of the present sythetic-rubber industry is no longer essential to national security. This might come about from the development of a fully competitive rubber or for other reasons not now apparent.

It is clearly evident that we are not yet in a normal peacetime condition. There are alarming manifestations of world unrest which directly threaten our future security. No sensible patriotic viewpoint can ignore these facts or subordinate them to our inherent preferences for private enterprise, particularly in this case where private enterprise has so little to offer and so little room in which to turn. It would be wise to continue Government control subject to simple and specific limitations and adequate congressional review, until such time when a reversal to our normal practices can take place without serious threat to our Nation's welfare. Within the present pattern, encouragement of voluntary use of GR–S brings us most nearly to the desired objective.

Meanwhile we may as well recognize the unpalatable fact that by every indication, both from our own work in this country, and from what we know of the German's work, it is unlikely that the GR–S type of rubber will ever be entirely competitive. It is probable that the competitor for natural rubber must come from new, undeveloped fields of polymer chemistry, while GR–S takes its place as just another obsolete weapon of the late war.

Trend to Monopoly Must Be Stopped—National Federation of Small Business Spearheading Drive To Strengthen Antitrust Laws—Speech of Edward Wimmer, Vice President

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. KEFAUVER. Mr. Speaker, small businesses are greatly concerned with march toward monopoly and big concentration in this country. They realize that monopoly means the death of free enterprise and of our opportunity to survive and expand. The National Federation of Small Business, foremost small-business organization in the country, appreciates this situation and is doing something about it.

Under leave to extend my remarks, I include a thoughtful and stirring address made by Edward Wimmer, vice president of the National Federation of Small Business, over a radio network on January 24, 1948. The address is as follows:

Thank you, and greetings, everyone.

This week, ladies and gentlemen, I am going to devote most of my time to a discussion of one of the most controversial and hard-fought legislative proposals ever to come before the lawmakers of this Nation. I am speaking of a measure commonly referred to as the O'Mahoney-Kefauver bill to outlaw mergers and consolidations between competing corporations. You may be of the opinion that such a bill as this would not affect you directly, but believe me, no matter what your position in life, I can assure you that the future of the O'Mahoney-Kefauver bill will have a direct bearing on your future. I say this because, in my humble opinion, if mergers and consolidations of competing corporations are not halted in this country, the American way of life will be halted, and the O'Mahoney-Kefauver proposal is the only legislation now ready for passage designed to meet this emergency.

There are many other problems closer to your own thinking which I would like to discuss at this moment. The present and growing threat of inflation, for example. The tax situation. The growing threat of the consumer-cooperative movement. The threat of

socialized medicine and compulsory military training. The liquidation of savings. The dangerous overloading of the debt structure and many other things, but discussion of these problems will have to come later, not because they are not as important as today's topic, but because it will not do any good to solve any of those problems if we fail to solve the merger problem. If you have been a regular or periodic listener to these federation programs, you have heard me speak on the O'Mahoney-Kefauver proposal. This past year I testified in favor of it, as did our president, Mr. C. Wilson Harder, and our Washington representative, Mr. George Burger. We also polled our membership, and the vote was overwhelmingly in favor of its immediate passage. Last year the bill was reported out of the Judiciary Committee unanimously, and it is now in the Rules Committee. The job is to obtain early consideration of the measure by the House and Senate.

Permit me to give you some background information on the merger question, which I think is of vital interest to every thinking American who loves this country. First of all, I think we can agree on the thesis that widespread, independent ownership of farm, home, and enterprise, is the foundation of a free economy, which in turn is the foundation of free government. If you believe in the concepts of human dignity and freedom as expressed by the founding fathers in the Declaration of Independence, the Constitution, and the Bill of Rights, you must believe with me that such concepts as they expressed are not only basic to free enterprise and free government but are also in keeping with the concepts of Christianity. Therefore, anything which seriously interferes with the expansion of a free economy, must likewise interfere with the expansion of free government and Christianity, since one is inseparable from the other. When we get this truth securely in mind, we find it a lot easier to effectively approach the many social, economic, and political problems we are now called upon to solve. Will you approach the merger problem with me, with this thought in mind?

The O'Mahoney-Kefauver bill, known as H. R. 515, is not ill-conceived legislation, nor is it a radical measure from any standpoint. It merely amends a law which was passed in 1914 by a Congress fearful of the growing concentration of economic power in a few corporations, which was already taking place at that time. The law was called the Clayton Act, and its purpose was to stop mergers and consolidations of competing corporations, on the grounds that such mergers and consolidations were tending toward monopoly and were contrary to the concepts of democracy. This act, the Clayton Act, specifically stated in section 7, that no corporation could acquire the stocks or share capital of a competing corporation, when such acquisition tended to lessen competition. Section 11 of the act provided that the Federal Trade Commission, created that year, should have jurisdiction over the fulfillment of the Clayton Act and be empowered to order a divesture of any stocks or share capital involved in any merger which tended to create monopoly. Such a law would have not only prevented the combining of enterprises in the private-enterprise field but it would have stopped the combining of consumer-cooperative enterprises. It would have been better, however, if this act had never been passed, for it served no real good, and only tended to defeat following attempts to check the march of monopolistic forces. The Federal Trade Commission had no law with teeth in it, and the amount of money which is granted the Commission is not enough to carry on its essential work, even if the law had been enforceable. Why is all this true? Let me explain.

The Clayton Act stipulated that no corporation could acquire the stocks or share capital of any competing corporation, so the monopolizers merely acquired the physical assets, they bought the property itself, and then the stock. When they had done this over a long period of time with little opposition, they became so bold as to begin acquiring the stocks and share capital of competitors. The O'Mahoney-Kefauver bill would be the thumb in the dike now needed to stop this acquisition and keep the whole structure of our economy from cracking wide open, and I will tell you why.

You know as well as I do, that concentration of economic power was the basic cause of the collapse of every ancient and modern democracy in the history of the world, and both Woodrow Wilson and Howard Taft stated within a few months of each other, that concentration of economic power had reached such proportions prior to 1918, in this country, that it jeopardized the future of free enterprise and free government. Reports published in 1919, revealed that 200 nonfinancial corporations owned 33 percent of all the corporate assets in the United States. In 1919, due to the nullified Clayton Act, there was a total of 379 important mergers. Each year the number increased, until in 1929 there was a record high of 1,079 mergers, and the 200 nonfinancial corporations had jumped their ownership of corporate assets from 33 percent in 1919, to 48 percent in 1929, which leaped to 55 percent in the early thirties. If the Clayton Act, and in fact, if all our antitrust laws had not been full of loopholes, thousands upon thousands of corporations which have now lost their identity would still be competing on the open market, and 20 banks would not now be holding nearly a third of all the loans and investments of all the banks.

During the thirties, merger and consolidation and expansion of giant chains and holding companies continued, and in 1939, Franklin D. Roosevelt sent his sensational monopoly message to Congress, urging immediate strengthening of the antitrust laws, with new provisions for immediate halting of all mergers, plus the breaking up of all giant holding companies. The Temporary National Economic Committee, created by the Seventy-fifth Congress, looked into every phase of economic concentration, and as chairman of that committee, Senator JOSEPH O'MAHONEY performed a service of immeasurable value in determining our future handling of this problem. Congressman ESTES KEFAUVER, of Tennessee, in pushing his bill as far as he has, is measuring up to the highest standards of political statesmanship.

The TNEC study showed for one thing, that the average small- and medium-sized plant could operate at a lower cost than many of its largest competitors, and that during period of stress, the small- and medium-sized plant, when independently operated, was more likely to make a fight for a share of the available business. Dr. Frank Fetter in his testimony before the TNEC said that any outright combination of formerly independent plants, however attained, puts an end to competition among constituent members, giving a degree of control over production and price policies not attainable by the trade-association agreement. "Yet," declared Dr. Fetter, "few combinations have been questioned in the courts, and others have been given a clear bill, except when the abuses where so exaggerated as to shock public opinion and the court." End of quotation. Like ourselves, Dr. Fetter is not opposed to big business. What he is opposed to is big business combines, and some of the topmen in the industrial and financial world support this opposition. Owen D. Young said in 1933, that it was impossible for any man to direct the conglomeration of great numbers of operating companies with holding companies superimposed on the operating companies, and holding companies superimposed on the holding companies, investment companies and affiliates, such as the Insull combine. Arthur H. Anderson, head of one of the largest accounting firms in the United States, says that properties have been added to properties so fast as to cause what he terms industrial indigestion. Charles R. Flint, who recorded himself in Who's Who as the father of trusts, testified that the so-called intellectual giants of the industrial world were inclined to centralize too much, and he expressed his belief that it was a far wiser economic policy to sustain the independence and individuality of the separate concerns.

That is all we are trying to do, ladies and gentlemen, in our support of the O'Mahoney-Kefauver bill, for we believe that sustaining the independence of enterprise is to sustain the independence of this Nation. What chance will the youth of tomorrow have to start an independent business if present trends continue unabated, and think of the loss of opportunity to the average workman where his choice of jobs is limited to fewer and fewer, but bigger and bigger corporations, and the greater the combine, the farther away is the worker from all personal contact with the men who have the final word on all decisions. No one needs to be against big business to oppose this trend, any more than one needs to be opposed to labor unions because they are big, but like the combines in the industrial and financial field, labor has been merging and combining, with Government growing bigger and bigger, to keep from being taken over by one or the other. Attempts are being made to take monopoly powers away from labor, but how can this be done when labor can prove it needs monopolistic bargaining powers to deal with monopolistic business. So you see there is much more at stake in the passage of the antimerger legislation we are supporting, than shows on the surface.

Senator O'MAHONEY described H. R. 515 as a "mirror in which will be reflected the development of the future," and I think this is a good way to look at all major legislative proposals. What do they mirror?

During the holidays I made a broadcast on building bridges for America's children, and my point was, that what our organization is trying to do, is no more nor less than to help create an economy in which the boys and girls of tomorrow will have their opportunity to go into business for themselves; engage in the professions and their other chosen vocations as independent, individual human beings, enjoying every liberty set down in our wonderful Constitution and Bill of Rights.

Such is the basis of American family life, and only in a society where all men can exercise a free will and the inherent good which God gave to man, will you find any high degree of material and spiritual progress. The opportunity to open a little store is therefore something far more important to society than the mere granting of a personal business privilege, and this kind of thinking must dominate and determine our future course in all things. The reason why the Federation puts so much stress upon the importance of the independent farm and independent retail store, is because the independent farm is the fountainhead of independent enterprise, and the business of millions of small manufacturers, banks, wholesalers, jobbers, brokers, insurance companies, auto dealers, and so forth, is dependent upon the individually owned store. and think of the number of salesmen alone who would be knocked out of the economic picture if the small retailer were to disappear. This business of keeping the independent in business, whether he be a grocer, candlestick maker, artist, doctor, farmer, miller, or whatever he is, is therefore the task of all patriotic Americans for upon the destiny of the independent, rests the destiny of the Nation.

Thank you for listening, good luck, and good thinking to you all.

Three Largest South Dakota Newspapers Herald Passage of the Mundt Bill (H. R. 3342) To Establish a Permanent United States Information Service Abroad

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. MUNDT. Mr. Speaker, with the passage last week of H. R. 3342—the so-called Mundt bill to create a permanent United States information and educational exchange service in our State Department—this country has at long last equipped itself to tell people throughout the world the truth about the facts and functions of freedom as they are practiced in this Republic.

As indicative of the general approval which this new legislation is receiving throughout the country, Mr. Speaker, I am including at this point in the RECORD recent editorials clipped from the three largest daily newspapers of South Dakota. Newspaper comment, generally, throughout the country is registering the same enthusiastic approval of our Congressional action as that demonstrated in the three following editorials:

[From the Sioux Falls, S. Dak., Daily Argus Leader]

AMERICA MUST TELL ITS STORY IN EUROPE

The Nation is now generally convinced that the American story must be better told in Europe if we are to counteract effectively the propaganda coming out of Moscow.

In consequence, it is now a strong probability that Congress will approve promptly the bill originally presented by Representative KARL MUNDT, of South Dakota, to promote the Voice of America.

This subject last week commanded the attention of the Washington Post, which said in a lead editorial:

"One of the most hopeful auguries of the new session of Congress is the manner in which action has been expedited to put the foreign information program on a sound basis for the future.

"Last week the Senate Republican Policy Committee gave the green light to the Senate version of the Mundt bill as one of three pieces of 'must' legislation for January.

"In addition to providing the basis for expansion of Voice of America broadcasts, libraries and other facets of the information program, the Mundt bill also goes into another significant aspect of our cultural relations—the exchange of students, teachers, and technical materials and the assignment of specialists to other countries on request.

"Passage of the Mundt bill itself, of course, does not assure the funds necessary to do the job. But it is the first step in what many Members of Congress have rightly come to regard as an inescapable choice. The second equally essential step will be to vote the money for any adequate program, both in a deficiency appropriation and in next year's budget."

The expected passage of this bill is a significant step in the development of an American international program.

So far we have been, as Representative MUNDT put it in a speech in Sioux Falls, "feeding the stomachs of Europe while Russia has been feeding the minds of Europe." As a result, we have received little credit and, in truth, much abuse. The Russians have succeeded in implanting in the minds of many Europeans the impression that we are giving only small aid and that what we are giving is material that we do not consider good enough for ourselves. Furthermore, they have promoted the idea that we are doing this solely to promote our capitalistic economy and that we even are somewhat interested in starting another war just to produce prosperity in the United States.

Such arguments are, of course, childishly inaccurate, but they have been, unfortunately, accepted in some quarters of Europe.

It is obviously sound policy for us to spend some money—at the most, however, only a trifle compared to the relief cost—to make sure that Europe understands our motives and our benefactions.

This is the purpose of the Mundt bill, and there's satisfaction in the realization that its merit is being appreciated in Washington.

The second editorial, Mr. Speaker, is taken from the Aberdeen American News published in Aberdeen, S. Dak.:

"VOICE" TRIBUTE TO MUNDT

Unanimous approval by the House Monday sent to President Truman the legislation authorization strengthening of the State Department's "Voice of America" foreign broadcasts for offsetting Russian propaganda.

The enthusiastic endorsement in both Houses, of the legislation is a tribute to the leadership of Representative KARL MUNDT, of South Dakota. One of the first to see the need for this type of information dissemination, he fought for the measure against great odds last year and won national recognition for his efforts.

Congressional delegations to Europe last summer and fall learned that the South Dakota Representative knew what he was talking about.

They saw for themselves that the great aid America was giving Europe in her fight against communism was not as effective as it should be because America was not doing the necessary job of selling herself. And they saw also the effectiveness of Russia's vicious propaganda campaign.

It is time, these Congressmen have decided, that Europe start learning the truth about America.

The action of Congress on this important measure which assures the world America is going to speak up for the freedom and for the kind of democracy it cherishes is encouraging to persons who are beginning to see the threat once more of the isolationist influence.

Finally, Mr. Speaker, I want to call attention to an editorial appearing in the Rapid City Daily Journal, published in Rapid City, S. Dak., out in South Dakota's famous summer playground—the beautiful Black Hills:

WELL DONE, KARL MUNDT

The Mundt bill has passed both Houses of Congress and is awaiting President Truman's signature, marking the end of a strenuous campaign by South Dakota's KARL MUNDT.

MUNDT has worked vigorously and often with the odds stacked against him to push through his Voice of America legislation. He has insisted it is folly to feed the stomachs of the Europeans while the Communists feed their minds.

The unanimous approval both Houses of Congress gave MUNDT's bill is a stirring tribute to the efforts of the active South Dakotan.

The scores of Congressmen who visited Europe last summer and fall were shocked at the way America is being misrepresented abroad. Day and night the Russians are carrying on a vicious anti-American campaign, telling the people of Europe we are dollar diplomats, that we want to enslave the people of Europe, that we are warmongers, that the United States wants the Marshall plan in order to create a permanent market for American goods.

In France last summer when that country was suffering from its worst drought in 100 years, Communists set fires in the scanty wheat fields of Normandy and Britanny. The Communist newspapers of France charged the fires were started by American agents who wanted to make France spend its last few dollars on American wheat.

Some American shipments to France were a mixture of corn and wheat flour. The Communists told the French that Americans in their country only feed corn to hogs and evidently the Americans do not think any better of the French than they do of their swine.

To most of the people of Europe, America is still a utopian country, a land of plenty and the place where a man of humble beginnings may rise to the highest office in the land. They do not want to believe the Russian propaganda and most of the Europeans do not believe it fully. However, it is like water dripping on a stone. If it drips long enough, it is certain to leave an impression.

Against Russia's clever and expansive propaganda system, America has little defense. We have a United States information service, but it is grossly inadequate. We have three men stationed in France, for example, to tell the truth about America to the French; the Russians have hundreds hired to misrepresent America and to promote the communistic philosophy. It is like sending a teenager to do battle with a giant.

KARL MUNDT's legislation will do much to convey the truth about America to the bewildered Europeans. It provides for the exchange of students—Europeans would be sent to American universities and Americans would go to schools in Europe, resulting in a better knowledge of their respective lands.

It provides for well-equipped libraries where the people of Europe can read about this great land of ours and learn that it isn't a nation of scandalous divorces, lynchings, and gang murders as the Russians make it out to be. It provides for chairs of American culture in foreign universities, the sponsoring of American lecturers and technicians.

Most important, it provides for a virile information service of facts and sets up the machinery which will enable America to make out the Russian propaganda for what it is—lies.

After Truman signs the Mundt bill, Congress must still appropriate the necessary funds for its operation.

But the bill has passed, a vital step on the way toward better world understanding. KARL MUNDT, of South Dakota, is to be commended for the great task he successfully performed to help feed the minds as well as the stomachs of the people in the harassed lands across the Atlantic.

Industry Needs Medicine and Vice Versa

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. McCORMACK. Mr. Speaker, under permission granted me, I include in my extension of remarks a well considered and challenging address made by S. Bruce Black, president of the Liberty Mutual Insurance Co., of Boston, Mass., at the annual dinner held in Cleveland,

Ohio, on January 5, 1948, of the Congress on Industrial Health, American Medical Association:

INDUSTRY NEEDS MEDICINE AND VICE VERSA

It is indeed a privilege to have this opportunity to speak at this meeting of so many leaders of American medicine and I am grateful for this occasion to state industry's needs as seen through the eyes of an organization such as my own. I am not a doctor and I do not presume to tell you what you need to do. But my experience with industry and its relations to medicine leads me to make certain observations as to what industry's medical needs are.

That we may better understand what I believe is needed, I would like to go back 40 years, to the days before workmen's compensation laws were enacted. At that time when a man took a job he assumed the risks that went with the job. If he sustained an injury while at work he could not collect moneys from the employer unless he proved that his employer was negligent; he had to prove this in a court of law, and it was accepted that if a fellow worker's negligence caused the injury, that injury was not the responsibility of the employer.

When the philosophy was adopted that such disablement is part of the cost of production and should be incorporated in the price of the product, workmen's compensation laws were passed. Industry became legally liable for the injuries to its workers, became obligated to provide benefits during the time lost from work, medical and surgical care that injuries required, and death benefits to dependents if the injuries were fatal.

It became evident that if industry were to pay such costs it should have some control over those costs. This brought about the development of three specialized skills—safety engineering, industrial hygiene, and industrial medicine, to reduce the number of work injuries and occupational disease disabilities by removing their causes and industrial medicine to minimize the consequences of injury and disease and to restore the disabled to useful employment.

Even though some groups frown at the mention of profits, it is certainly true that the profit motive underlies our American way of life. Needless to say, survival in a free competitive system requires industry to control its production costs. Only in that way can it stay in business. Workmen's compensation is a part of the production cost. The experience of the individual plant largely determines the cost the plant pays for its insurance for workmen's compensation. Two plants making the same product may pay very different costs for compensation insurance. When a plant's compensation losses are low, the compensation insurance costs are low and that part of their production cost is low. When the compensation losses are high, the reverse is true.

The changing social concept that made the injuries arising out of the production of a commodity a part of the production cost produced a need, a demand for an in-plant medical program. Management found a few pioneering physicians who would enter their industries and develop medical programs. There was a time when many physicians looked upon these pioneers, questioned the propriety of their practices, attempted to restrict them to first aid, and felt that the care of the injured belonged exclusively to the private practitioner. Perhaps some physicians still hold this viewpoint.

Nevertheless, industrial medicine has grown, and it has grown because the changing social trend has created a specific demand and need for it. It has grown to its present status, where it should soon be generally recognized as a specialty within the field of medicine. Industrial medicine encompasses all those aspects of medicine that relate to industry. It includes, in addition to prevention, the diagnosis and treatment of industrial injuries and occupational disease, industrial hygiene and toxicology, mental hygiene, industrial sanitation, legal medicine, administration, employee relations, and health education. In those plants large enough to support a full medical program, both the industry and the employees have generally benefited from modern industrial medicine. The practice has developed steadily out of the obvious need and out of its own effectiveness. Smaller industries need a similar type of medical care to achieve the same ends. Ways and means are now developing to furnish that care, but progress is slow and the problems are many. But where can industry find the doctors for such care? Where can it find physicians who are interested in and have training in industrial medicine? I know of only a few medical schools in the country that are making a serious contribution to this field. And those few doctors that may become qualified—how is industry to find them? And, conversely, how is the qualified physician to approach industry?

The vast majority of industrial cases, rightly, are now being treated by the general practitioner. Industry has found too many times that the general practitioner has too little knowledge of or interest in the man's job or his working environment. How can it be said that he is giving his patient the best possible medical care without such knowledge? Industry has found that he limits his treatment generally to curative practices and has given little attention to the preventive medical aspects of a case. This is so because his practice is curative medicine, not preventive.

Industry has found that because of his lack of knowledge of the plant environment and the work, that his sole contact with the industry is likely to be the patient's statement which he takes at face value. This often leads to unnecessary and costly litigation, ill will, loss of time from work, poor employee relations. We do not feel that industry is unreasonable in asking the American Medical Association to join hands with it to improve the practice of medicine as it applies to the industrial problems.

Industry needs practitioners who are interested in the effect of the working environment on the man, who are aware of the basic elements of industrial medicine, who are willing to see the problems of industry, who are willing to pursue the preventive aspects of a case. Industry needs a preventive medical control plan.

Fundamentally, industrial medicine concerns itself with the health of the worker. This means that the physician must be familiar with and concerned with occupational conditions, proper plant hygiene and sanitation and the health of the workers. It would be wrong to state or imply that he gives no treatment beyond simple first aid, whether the condition or injury is connected with his work or not. I know of no industrial physician who thus restricts his medical activities to first aid.

We have now reached the threshold of a change as vitally significant to the practice of medicine and to the running of an industry as were the new workmen's compensation laws. It is becoming more generally accepted that the catastrophe of sickness and surgery should be provided for beforehand. Opinions differ as to how this provision should be accomplished. Should government tax industry and the worker and provide medical care? Should individual initiative determine whether or not a person will so protect himself beforehand? Or should industry provide for medical care and sickness losses?

Let us first understand that the cost of individual sickness insurance must necessarily be high. It must be high because it must be preceded by a determination of insurability. It must be high because those individuals who would be most likely to take advantage of it are those who would most need it. And it is high because of the need for individual premium selling and collecting.

These impediments can be minimized by the method of writing accident and health insurance on a group plan so that a sizeable segment of population will be insured under one premium and hence experience will be average. Thus there is no need for the expense of individual selection and no need for individual premium collecting. The group most suited to such an approach is an industrial or business group.

At the present time industry is alive to the importance of its workers' health. It costs money to hire a worker. It costs money to train him. And the longer a well and competent man works for the company the more important to production are the skills which he acquires. Ill health in a worker means decreased productiveness, inattentiveness, greater liability to accidents, decreased quality of product, increased scrap, costly absenteeism, and a host of other effects which can be summed up as lowered production and increased production costs. There is a direct relation between worker health and worker productiveness. Thus if industry can invest in a program that will improve employee health, that investment will be worth while.

This country is essentially an industrial country. Whether it survives in world competition will probably depend on the skills and the industrial production that this country can achieve. This means that the industrial population cannot be permitted to lose its effectiveness at an arbitrary age of 55 if it is in any way possible to prolong the health of the worker for another decade. Just how far such prolongation of productiveness can be carried is fundamentally a medical and biological question but it certainly can be carried farther and faster with the cooperation of industry than without it. Other things being equal the civilization or national economy which can be served by the greatest number of productive working years from each individual worker is going to survive and triumph in world competition.

Industry is adopting more and more group accident and health plans for their workers. Many industrialists have accepted the responsibility of paying for worker ill-health and medical care. Unions recognize the value of group insurance and it is being included in many contract negotiations.

This movement is a continuance of the social trend represented by the development of the workmen's-compensation system. Industry's adoption of group accident and health plans stems from an awareness of this trend. Preventive medicine as well as medical care are inherent in these plants. Industry needs organized medicine to work with it, in developing the best possible ways to meet these problems, for I believe, industry would prefer to see their solution remain in the hands of private agencies.

Industry itself has not made the best possible use of the abilities of modern medicine, and this has been for two reasons: First, in many cases industry has not been aware of its specific needs or the answers to those needs. And second, organized medicine has not offered a full and realistic answer to those needs. In our work in industry we find this to be so. Where industry thoroughly understands what medicine can do for it and where medicine is willing to adjust its practices so that it contributes to industry's well-being as well as the individual work's well-being, we are noting increasing industrial medical progress.

As I have already stated, workmen's-compensation costs are a part of the production cost. If, as the trend indicates, nonoccupation accident and health is to become a part

of production cost, then industry must be very much interested in a medical program and the use of medical skills. Of course, industry as a whole is very much interested in the individual; at the same time industry has to be interested in the cost and the industrial return on every investment. In working with industry and interesting industry in making greater use of good medical practice, we have concluded that if the medical profession can answer some of the cost-control problems that industry faces, as well as furnishing good medical care for the individual, then the time is ripe for a joint program between medicine and industry.

When industry assumes the cost, the obvious question is, "How can such costs be controlled?" There is little control if present-day medicine offers only a curative approach to illness. There is litle control if medical service is offered only as an absentee-type of supportive treatment. There is little control when physicians certify as disabling, conditions which would not be considered disabling if the requirements of the job were understood or if the worker were placed in work which he could safely perform. There is little control unless the physician is willing to approach each case from a preventive as well as a curative point of view.

And what does industry need to control costs under group health and accident insurance? It needs many of those elements of a medical program that have grown out of the workmen's compensation system, and in addition to that it needs greater knowledge of and emphasis on preventive medicine. By preventive medicine I mean two things: The prevention of illness and the prevention of losses.

Knowledge of the prevention of illness is growing. Perhaps the American Medical Association can focus greater emphasis on this phase of medical knowledge and research as it applies to illness and to aging processes. Perhaps it is appropriate to suggest that the great preventive accomplishments of the past have been achieved in dealing not with individuals but with masses.

Of great immediate importance is a need for prevention of losses through medical care. This includes prompt and effective treatment of minor illnesses to prevent the development of more serious and disabling conditions. This also includes a recognition of the importance of keeping a man at work, a recognition of the economic significance of the day's wage to the worker and the day's productive effort to industry and the Nation's economy. This will mean more active treatment aimed at maintaining the workers' wages and the workers' productiveness. And when, in spite of this, serious illness occurs, it means prompt effective treatment to restore the man to health and to productive effort as soon as possible.

When a change in social trend creates a need, that need will somehow be filled. Adoption of group health and accident plans by industry is a response to a social trend. It is creating a need for industrial medicine and preventive medicine such as I have indicated. It would appear that this can best be supplied by the physician who because of his knowledge of work capacity and environment is best qualified to decide what work the employee is able to accomplish.

Industrial medicine is maturing. Soon definite patterns will have become fixed and applicable to the practice of medicine in industry. The American Medical Association can offer aid and leadership in the development and fixation of these patterns. If they become fixed without such aid, the patterns may not be entirely pleasing to any of us. Right now there is serious need for strong, active, realistic cooperation and direction of these trends. The American Medical Association should, I believe, stress the ascendant element of preventive over purely curative medicine to facilitate and implement the practice of industrial medicine. It should bring this thinking to the general practitioner who is now treating most of industry's illnesses and injuries. There should be close cooperation between the association and the physician serving industry, looking toward higher standards of industrial medical practice, perhaps by establishing a certifying board as has been done in other specialties. In some such way, industry may know who is a qualified industrial physician.

And, finally, some very challenging questions grow out of group accident and health benefit plans. Shall the industrial physician treat all illness and injury that is ambulatory? In nonoccupational conditions, shall we have only advising and educating function? Will group practice offer the answer to group insurance? How is a preventive medical program to be developed that will be effective?

These questions should be answered by organized medicine. As always happens where the need is great enough, questions such as these are somehow answered by somebody. We believe that industry would prefer to have them answered by the American Medical Association than by forces outside of organized medicine. Industry needs organized medicine to implement its health program. American medicine needs industry, because this is an industrial Nation and because industry is becoming the focal point for the medical care of the majority of American workers.

Time for Common Sense

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. DINGELL. Mr. Speaker, on Monday, January 19, in the Washington Post, there appeared a statement signed by the Schenley Distillers Corp., captioned "Time for common sense," an open letter to the Congress of the United States.

I want to address myself to the statement which, throughout its entire length, impresses me with its forceful and sound reason. I believe that this statement should prompt the membership of the House to consider the points raised by the signers of the advertisement. Unrefuted arguments advanced in the statement should compel at least a cautious advance if not an abrupt halt to the policy of grain restriction, not only to the distillers but it seems to me that the same argument might be applied to the impending restriction on the production of beer, the workingman's favorite beverage.

I want to go along with the program of feeding the hungry but I want to be sure that the restrictions are justified and that they will produce an additional volume of food for the unfortunate people of Europe before I would further impose grain restrictions.

I submit the advertisement as part of my remarks for I feel that it is more readily understandable than any interpretation that I can give as relates to its contents.

TIME FOR COMMON SENSE—AN OPEN LETTER TO THE CONGRESS OF THE UNITED STATES

In the next few days the Congress will be asked to consider legislation to extend the shut-down of American distillers. Since this involves an industry which pays annually more than two and a half billion dollars in taxes and employs directly and indirectly more than 2,000,000 American workers, we think it might be useful for you and for the public to have some of the facts about the recent voluntary 60-day shut-down.

Schenley entered into the voluntary agreement and has lived up to its obligations 100 percent.

Some American distillers did not shut down.

The Canadian distillers did not shut down.

The British distillers did not shut down.

No other country in the world closed its distilleries.

For the announced purpose of providing food for hungry people in Europe, the shut-down has been an absolute, costly, and utter failure.

The purpose of our Government was to save wheat. We believe that not only was there no saving of wheat, but that wheat was actually lost.

The distilling industry uses practically no wheat. The actual figure is less than one-thousandth of 1 percent of the total wheat crop.

This industry uses principally corn, some rye, and some barley malt. Most of this grain, if not so used, would ordinarily be fed to animals.

Normally we use about 2 percent of the total corn crop.

It was estimated by the President's Food Committee that the 60-day shut-down would save approximately 10,000,000 bushels of grain, but actually little or nothing was saved because in the process of distilling we return to the farmer feeds for poultry, hogs, dairy cattle, and beef cattle which in the opinion of experts have an equal or greater feeding value than the grain we used.

We take out only the starch. We save all the protein and oil and add yeast. The resulting products are rich in protein, vitamins, amino acids and other feed values.

We are convinced that the final result is this: If a farmer has 10 bushels of grain and sells us 2 bushels for distilling, and then feeds the 8 bushels which he kept and the residue which we return to him, he will get as much added weight in feeding his animals as he would have achieved if he had fed them the original 10 bushels.

We think he actually gets more.

Suffice it to say that the benefits of a balanced diet have been proved over and over again for both animals and human beings.

Our own Department of Agriculture, in numerous bulletins, has published many formulas for the use of distillers feeds to balance animal diets.

We admit, frankly, that the exact percentage of feeding value which we return to the economy is debatable.

You may think that instead of being more, it is even as much as 50 percent less. Let's assume that you sincerely believe that the Luckman plan saved 5,000,000 bushels of corn, or less than one-tenth of 1 percent of the total grain available.

But it wasn't corn the Government wanted to ship abroad. It was wheat.

We knew that our feeds would add weight to cattle, but the Government apparently was not interested in getting more meat. Now the Secretary of Agriculture tells the country that we are faced with a terrible meat shortage. It does get a little confusing, doesn't it, gentlemen?

In addition, we think they lost more wheat than they thought they saved.

When the farmer doesn't get our feed, do you honestly believe he is going to let his poultry and hogs and cattle starve?

And maybe this particular farmer hasn't any corn. Maybe he has wheat. So he feeds the wheat to the chickens and hogs and cattle—and it was wheat that we wanted in the first place to ship to Europe.

The government of every country in the world, except our own, has adopted the principle that distilling takes nothing away from the food economy. This is proved by the fact that none of these governments have shut down their distilleries. Surely they are not purposely taking food out of the mouths of starving people.

England is running at capacity; Canada is running at capacity; 11 countries which have submitted their needs under the Marshall plan, have asked for grain for distilling and brewing.

Even assuming that the shutdown saved a few million dollars worth of corn, let's see what it cost:

It completely dislocated an industry which pays to the Federal and State governments more than $2,500,000,000 a year in taxes.

It threw thousands of American workers out of work. We know because we alone kept more than 1,000 on full pay.

It increased the price of the neutral grain spirits now in storage in the United States more than 150 percent.

It opened the door wide for foreign distillers and foreign workers to take over the business of American distillers and the jobs of American workers.

We admit that these are strong statements, but we will prove every one of them right up to the hilt.

There is one other fact that ought to be clarified. The public was told that the stocks of whisky in the United States were adequate—that we have over 550,000,000 gallons of whisky. What we have, actually, is about 65,000,000 gallons of whisky in this country which is 4 years old or older. This is about 1 year's supply. The rest is green whisky not yet fit to drink. (Government figures show what is put away—not what is there after evaporation and outage.)

This is less aged whisky per capita than in any distilling country on the whole face of the globe.

Now you may well ask us why we agreed voluntarily to shut down when we knew all of these facts and had communicated them to the Luckman committee.

We assented because we were conscious of an obligation to the American people, who decided in 1933 that they would prefer to have a sound distilling industry with employment and taxes and Government regulation instead of bootleggers, gunmen, and rot-gut. They put that in our Constitution.

So, when the call came to help hungry people we wanted to contribute our share, heaped up and running over. We knew no grain would be saved, but when we were told that a great sacrifice on our part would be a tremendous psychological contribution for the purpose of securing assent from others to make comparable sacrifices, we agreed.

No other American industry was asked to make any comparable sacrifice.

No other country asked its distillers to make any sacrifice.

We think it is time for a little common sense.

We think this whole question of the shutdown of distillers and the allocation of grain for restriction of production should be investigated by the Congress of the United States. Not in an hour, not in a day, but in a full-dress hearing, with opportunity for all to be heard. Not just distillers, but the communities that are being ruined, the workers who are being thrown out of work, and the farmers who have an interest in the feeding of their stock and the disposition of their products.

We believe that the public interest would be best served by full disclosure of all the facts in the full light of day.

SCHENLEY DISTILLERS CORP.

The Next Great Fight for Equality for Agriculture

EXTENSION OF REMARKS
OF
HON. THOMAS G. ABERNETHY
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. ABERNETHY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Clarence Poe, from the Progressive Farmer for December 1947:

THE NEXT GREAT FIGHT FOR EQUALITY FOR AGRICULTURE

(By Clarence Poe, president and editor)

First of all we most heartily congratulate the members of the House Committee on Agriculture upon the patriotism and progressiveness which have caused them to go to the farmers themselves and ask, "What do you think Congress should do?" At the House committee meeting we attended, crops farmers, cattle raisers, dairymen, women farmers, tenant farmers, Negro farmers, 4-H clubsters, all spoke up—and spoke with such vigor and ability as to make everybody proud of our southern farm folks. Of course, leaders in agricultural research, education, and organization will be heard in Washington, but it was an inspiration to see this committee traveling north, south, east, and west to get the views of "grass roots farmers."

I

For our own part we should like first of all to ask the able members of this committee to consider the one question which must be back of all its other questions, namely, "Just what great purpose does Congress intend to serve, just what great national interest does it wish to promote, as a result of whatever long-range agricultural policy it adopts?"

All too many present-day speakers, writers, commentators, and statesmen seem to think that the chief purpose of any agricultural policy, whether short-range or long-range, should be merely to produce (and produce cheaply) the food and raiment for an urban civilization, a civilization of our towns and cities. Our own convictions, on the contrary, is that it is the high duty of government to promote and maintain a rich and satisfying rural civilization for our farm people themselves. So Congress must not merely ask, "How can soils be so conserved and handled as to produce food and fiber at the lowest possible cost to city consumers?" On the contrary, Congress and Government must conserve and promote human values as well as economic values. Farm men and women must not only have satisfying incomes, but must have a satisfying way of life. As we have said over and over—

"Farmers work just as hard as any other class. By feeding and clothing humanity, they make just as important a contribution to human welfare as any other class. Hence they are just as much entitled to all the advantages of modern civilization as any other class. But just because the necessities of their occupation compel them to live in widely separated places, they have not heretofore been regarded as entitled to these advantages. From now on farm folks must demand such Federal, State, and local cooperation as will give farmers—on absolutely equal terms with other classes—the privileges and benefits of twentieth century civilization."

II

There are two great fights for "Equality for Agriculture" that farmers must make and about which Congress should help. The first great fight is for the farmer's economic rights. Here the No. 1 need is for "parity prices"—to see to it that the farmer gets prices for his products that will enable him to get a fair exchange of his goods for manufactured goods—and for sound crop insurance and tenant purchase programs, etc. By adequate, organized effort American farmers may win permanent recognition for this form of "Equality for Agriculture," the farmer's economic rights.

What we now equally need to have recognized is the farmer's right to another form of "Equality for Agriculture." By this we mean the duty of society and government to give the farmer reasonably equal access to all the benefits and advantages of twentieth century civilization.

A recent member of the Government of Australia made a trip through the South and while here made one statement that should be thundered from the housetops: "In our country," he said, "we have come to think of it as a duty of government to provide for the education, health, and general welfare of all classes of our people regardless of how widely scattered the duties of their occupation may take them. They are not to blame for that."

That, it seems to us, must now likewise be recognized as the duty of our American Government. Already we have gone far in this direction but not yet half far enough.

III

For a long time it was thought all right for Uncle Sam to deliver the townsman's mail daily to townsfolks, but rank socialism to do so for farmers. Now quick mail service to farmers has helped American business no less than agriculture.

Electricity is one of the godsends of twentieth century civilization—but only recently has Government begun to recognize its duty to give its benefits to farmers on something like the same terms on which city people have so long enjoyed it.

For a long time it was thought all right to have 9 months' school for town and city folks and 3 months for country folks. Now equality of educational opportunity for rich and poor, town and country, is winning increasing acceptance in all States—and must be accepted by Congress also. The illiteracy of one State hurts every other State. Without Federal aid to our poorer rural States equality of educational opportunity is absolutely hopeless for this generation or the next of rural youth. To give help here is the No. 1 duty of Congress to the farmer.

Hardly less important—and perhaps even more sacred and Godlike—is the supreme duty of Government to provide for our farm people equality of opportunity in the matter of hospital and medical care. A great start has been made in this direction. Congress must now go forward until it reaches the complete ideal we set forth in addressing the Senate Committee on the Hill-Burton hospital-aid bill—

"For every person, rich or poor, high or low, urban or rural, white or black, an equal right to adequate hospital and medical care whenever and wherever he makes the same grim battle against ever-menacing death which sooner or later we must all make for ourselves and see our loved ones make."

IV

A richly satisfying rural civilization and not the mere support of a town-and-city civilization—this must be the aim of our new and broadened fight to win for farmers "Equality for agriculture." Just because the farmer's work compels him to live far from

congested centers is no reason for denying him the equal benefits of education, electricity, roads, recreation, libraries, hospital and medical care, and other agencies of twentieth century civilization. To so equalize the costs of these benefits as to insure equal rights for farmers must be one of the major features of any long-range agricultural program for America.

Veterans' Homestead Act

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. KEFAUVER. Mr. Speaker, today I have filed a bill which I think will be of great assistance in handling veterans' housing and homestead problems. The bill is substantially the same as that sponsored by the American Legion and other veteran organizations which was introduced in the House by Hon. EDITH NOURSE ROGERS, chairman of the Veterans' Affairs Committee (H. R. 4488) and by 22 other Congressmen.

There is one important difference, H. R. 4488, commonly known as the Veterans' Homestead Act authorizes the incorporation of nonprofit veteran associations or cooperatives which are empowered to build low-cost housing units for rent or sale to veterans. The bill which I have filed authorizes the existing veteran departments of the various States to carry out this work in lieu of the associations or cooperatives.

The aims of the Veterans' Homestead Act are excellent. I feel that its only weakness is the provision calling for the formation of veteran cooperatives to act as the agency for the issuance of bonds and for supervising the program. There is already established in each State, departments authorized to assist veterans. They have files showing the condition of the veterans in the various States and they are familiar with the local housing needs. These existing departments are better prepared to be the nucleus around which this organization should be developed.

FOLLOWS USUAL FEDERAL-STATE PATTERN

The bill recommended is a somewhat new approach to the problem of veterans' housing. It follows the practice which Congress years ago formulated with respect to Federal aid for highway and road construction and improvement. In the main, the planning and the details, as well as the actual construction of roads and highways, are left to the department of highways of each State. The Federal Government simply furnishes financial aid and exercises an over-all supervisory function which guarantees that the highway departments of the several States shall have expert assistance in the planning of roads and highways and their construction and maintenance and financial aid.

STATE DIRECTION BETTER

This bill provides a similar dual responsibility for veterans' housing. It recognizes that fundamentally the laws which govern the construction and ownership of real property is that of the State wherein the property is situated. Each State may therefore lend its aid to sponsoring such local housing developments which are best adapted and most suitable to the needs and abilities of the veterans of those communities; and each State is able under existing laws or such laws as it may see fit to enact, to curb and abolish antiquated building codes and practices which tend to create monopoly in the building industry and inflated construction costs.

DUPLICATION OF EFFORT WOULD BE REDUCED

This bill needs no Federal bureau to execute it. To execute this law from the standpoint of the Federal Government would require only a small personnel staff in the Veterans' Administration, whose duties it would be (a) to negotiate Federal securities upon a national offering and upon terms more advantageous than would be available to the individual States; and (b) the adoption of simplified regulations which would permit allocation of such Federal funds for community housing developments in the States upon the hypothecation of reasonable security representing indebtedness of the purchasers of such property, and that the particular housing development was suitable for the purposes intended, and constructed under approved building methods and sold at prices fair and consistent with the prices of similar housing accommodations in the community where such housing development is undertaken.

Finally, this bill gives each State both the privilege and responsibility of assisting its own veterans in acquiring homes and home ownership; and it especially gives the various commissions or departments which all the States have created to deal with veterans' affairs and aid veterans, a real opportunity to be of service to the veterans. In most States a substantial sum is being spent in salaries to State officials whose chief duties are filling out forms for veterans for pensions and compensation, all of which is being done by private pension attorneys, the Red Cross, various veterans' organizations, and even the Veterans' Administration itself through its contact agents, and other employees. In some cases, the States have land which is not needed for other purposes and they could well be transferred to the State department of veterans' affairs for building sites. These State commissions and departments of veterans' affairs could give the veteran expert advice on building costs and practices; assist him in providing municipal and private utility services; clearing disputed titles; combining architects and other fees and costs in a manner to reduce the cost to the individual veteran; these departments could, if such is necessary in any community or particular case, form a cooperative or other corporation and obtain the charter therefor at little or no cost to the veterans. They could act for the veterans in processing and closing loan transactions, and remove other obstacles and perform other services to the veterans of their own State, all of which today make the task confronting the veterans who want to buy, build, and finance a home all but impossible when all of the details in connection therewith are undertaken by the veteran individually.

Watch on the Rhine

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Oregon Daily Journal.

TODAY'S GUEST EDITORIAL

(EDITOR'S NOTE.—This is the third in a series of editorials written by students of Portland high schools. The following editorial was selected as the best by a jury of Lincoln High School students. Other editorials written by high-school students will appear on this page on succeeding Mondays.)

WATCH ON THE RHINE

(By Joann Cohn, student, Lincoln High School)

"The foundation of every state in the education of its youth."—Diogenes.

Can there be any other factor as influential in the development of a country's governmental philosophy as education?

In this period of world history there is a continual underlying conflict of various ideologies, and a country forms its ideologies through the education of its people. In the case of Germany, emphasis has always been put on German education, German culture, and German totalitarianism. When Hitler came into power, he found the German school system perfect for his dream of world governing by Germans. The strict militaristic teachers complied with his instructions to subordinate all general learning to nazism. This Nazi ideology produced youth leaders who thought only subjectively, considering themselves superior in every field of knowledge. This way of thinking has become inherent in the German youth of today.

Obviously young people, thus taught, cannot be a force for peace and world cooperation. What are the Allies doing to change the philosophy of the German youth of today? What must they do?

1. Zones have been set up in the four divisions of Germany to study educational systems, provide textbooks, and appoint teachers of designated areas.

2. The United States Office of Education has sent staff members to the American zone to serve as consultants on educational problems; the three other occupational staffs are serving in the same way.

However, these attempts to reeducate a misled people will be useless if there is no unity in the four systems. For example, according to a recent report in a leading magazine, there are four completely different histories being taught in the zones, each planting the seeds of diverse philosophies of liberation movements, materialistic concepts, socialism, and pure democracy. Can there be any unity of learning, and consequently thinking and acting, among the people if such varied ideas of government and history are being taught?

In the systems' theories there is also disunity. As an illustration, the Russian system is based on an 8-year "rush" to graduation into the trades and industries while the United States theory is emphasis on learning and changing from old ideas.

The four zones have one factor in common, however, the difficulties under which the youth must be taught. These are:

1. Hunger and cold prevent complete concentration on the part of the pupils and teachers.

2. There are not enough "reeducated" teachers having a clear concept of what and why they are teaching.

3. Text books and study materials are very scarce; for example, in one university a senior rarely has more than one of the three required technical books, the price in the school black market being 150 marks, half of a white-collar worker's monthly salary.

In the face of these difficulties and many others, the Allies are attempting to bring about a rebirth of a people who could contribute a great deal to the advancement of civilization. Education is the means by which this rebirth will be achieved. The steps toward the achievement are simple but necessary:

1. A coordinated educational system, based on the same general concepts.

2. Firm administration during occupation.

3. Gradual liberalization by encouraging the forming of a government to act wisely and justly.

4. A continual education of the citizens of tomorrow; teaching for world cooperation and unity.

One can see that reeducating Germany will require patience, hard work, and above all, understanding and a common goal.

For world stability and peace in the future, the youth must be wisely educated in the ways of democracy and justice today.

Justice for Poland

EXTENSION OF REMARKS
OF

HON. CHARLES R. CLASON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. CLASON. Mr. Speaker, throughout each year, Western Massachusetts Branch, Polish American Congress, Inc., an organization maintained by true friends of Poland, actively carries on a militant campaign to secure justice for Poland.

I am sure that the great majority of Americans do not understand fully either the underlying or the direct causes of the loss of their freedom by the people of that country. It is one of the outstanding tragedies of all history. A great nation of 35,000,000 industrious people was wantonly attacked by Hitler and his Nazi cohorts. Its leaders were promised the active military support of England and France if they would resist. They did; and the heroic defense of Poland and of Warsaw, its capital, will never be forgotten. But the brave defenders have seen England and the United States, their allies in winning World War II, withdraw all effective support of their country and permit it to be enslaved by Russia.

The members of Western Massachusetts Branch, Polish American Congress, Inc., are endeavoring to place before the American people information dealing not only with the facts about Poland during and since the war, but with efforts both here and abroad to aid Poland and its citizens. Many of them cannot safely return to their native land as long as it remains behind the iron curtain of Russia. As an American citizen and as a Member of Congress, I believe our country is under obligations to live up to the principles of the Atlantic Charter. I regret that those who wrote it were among the first to treat it as a scrap of paper. Their failure to abide by the principles they wrote down is one of the causes of present day international unrest and has given Russia much of her present apparent strength.

I have sought to aid the Polish soldiers and sailors who fought on our side throughout the entire war. I have introduced bills which would permit them to enter the United States and to become American citizens. I know thousands of people of Polish background in my own congressional district. Whether foreign-born or native-born Americans, they are a credit to themselves and to our country. Their names in countless number—many with gold stars opposite them—are printed on the honor rolls of every city and town. Need one say more?

It was my good fortune to be privileged to deliver the first of the 1948 weekly radio speeches of Western Massachusetts Branch, Polish American Congress, Inc. My remarks on Poland were as follows:

Mr. Chairman and friends, I deem it a privilege to have the opportunity to speak on this program for Justice for Poland. With the passage of many months following the ending of hostilities in the recent war, many persons in the United States are inclined to accept as accomplished facts the occupation by Soviet Russia of Poland, the Baltic States and other countries. They are not giving consideration to the struggle for national freedom of the peoples submerged by the overwhelming power of Russia. Even though they are fully informed of the principles laid down in the Atlantic Charter, by which the territorial integrity of these nations ought to be recognized and preserved, they consider discussion of the subject to be futile at the present time. I, therefore, believe it is most fortunate that groups of American citizens, such as your own, are willing to devote your efforts and your money to the high purpose of keeping before the American public the plight of Poland under present day Russian domination.

Following a military inspection trip to Europe in 1945, I spoke on this program. I had visited concentration camps for displaced persons and refugees in Germany. Some of them like Buchenwald and Nordhausen were horror camps where the Nazis brought death to thousands of innocent civilian victims of World War II. Many of these victims were citizens of Poland. Their country had been the first to offer resistance to Germany's military might. Their country was on the side that won—our side. With the ending of hostilities, it seemed certain that treaties of peace would be made by the allied nations concerning Germany, Austria, and Italy. So, in 1947 Italy is independent once again. Foreign soldiers have left her soil. Austria is recognized by the Big Four as a liberated country today. Germany, our arch enemy in the war, is being built up again with our money into an independent nation. What about Poland? Poland was one of the allied nations and perhaps it has suffered greater devastation and losses than any other single country on the side of the Allies.

In 1945 it already looked as if Russia intended to incorporate Poland as an integral part of the Soviet system. Unfortunately, the agreements which had been entered into by the leaders of Great Britain, France, Russia, and the United States not only failed to maintain the territorial integrity of Poland as a free nation but, in fact, were calculated to reduce Poland to the status of a Russian satellite state. Polish people throughout the world will never forget the secret treaties of Tehran, Yalta, and Potsdam. They will never be able to understand the failure of the representatives of the United States to demand that the rights of Poland be determined in accordance with the principles of the Atlantic Charter. The success of the Russian diplomats in securing these secret agreements is now well known to the world. The failure of our American representatives at those conferences has been an important factor in the successive failures of General Marshall in China and, more recently, at the conferences of the Big Four nations in London.

Although the United States furnished the planes and matériel with which the war was won and although our armies successfully overcame Italy, liberated France, and conquered the larger part of Germany and Austria and all of Japan, today we are hard pressed to maintain our present position in Europe and the Far East. The feeling is general that the main cause of our present difficult situation in our relations with Russia is the failure of our State Department and the responsible officials of our own Government to have a foreign policy and program during the war years. Therefore, we were never in a position to secure any particular objectives, for the administration had evolved no postwar program for a world which our armies would once again restore to peace. Two years after the hostilities have ended conditions have become fixed to a great degree. It seems likely that Russia will insist on keeping under its direct control or domination Poland and several other European nations. To the freedom-loving people in those countries, this decision is unbearable; acquiescence in it for any great period of time is unthinkable. It is most important that the fires of freedom shall be kept alive, both in the subjugated countries like Poland and in the United States and other countries where freedom of the individual still exists. Ultimately, the pressure from within and without Poland must give to its brave people freedom, independence, and a standard of living better than they have ever known.

Meanwhile, friends of the brave Polish patriots who fought with the American soldiers in Italy and elsewhere are seeking means for improving their present position as displaced persons or refugees in different foreign countries, particularly England. The number of these soldiers has been estimated as from 100,000 to 200,000 men. It is believed that somewhat less than half of them would like to come to the United States to begin life anew. Many cannot safely return to their beloved Poland since they have borne arms against Russia as well as against Germany in years gone by. In order to help them, I prepared and sponsored a bill now before the Committee on the Judiciary of the House of Representatives. By its terms, any individual who served in the Polish Army or the armed services of Great Britain or France during the period from September 3, 1939, to September 2, 1945, would be entitled to consideration as a nonquota immigrant into the United States, subject to the usual immigration requirements. The benefits of my measure would also extend to his wife and unmarried minor children. In October 1947 I flew over Italy near Mount Cassino, where more than 4,000 Polish soldiers are buried who were fighting shoulder to shoulder with American soldiers in the common Allied cause. If those Polish boys had not been there and sacrificed their lives, it might well have been that an equal number of American young men would be lying in their graves today.

Thousands of other Polish soldiers are buried on other battlefields of the last war. Those surviving fought valiantly, suffered many hardships, and, in many cases, were wounded. I believe that, at this period when the United States is permitting immigration from Europe, these Polish soldiers are entitled to preferential consideration. Their hatred of communism is best evidenced by their unwillingness and inability to return to Poland, their homeland, because of its subjugation by the Soviets. Many of them have close relatives who are already citizens of the United States. The record which the Polish people have made in recent years, during their steady migration to this country, is the best evidence that these Polish soldiers would make fine, industrious, and intelligent citizens of our country.

I am pleased to note that my original bill has been incorporated into other more general bills which have been referred to the same committee for action. In order to conform to the desires of other Congressmen, I have filed a later bill which would permit, under certain conditions, a person born in Poland, Finland, Estonia, Latvia, Lithuania, Germany, Austria, or Italy and who, during World War II, bore arms against the enemies of the United States, to apply for admission for permanent residence to the United States and to be admitted as a nonquota immigrant, if otherwise qualified under our immigration laws. Both of my bills are under consideration in the House committee along with other legislative proposals for handling immigrants during the present period of international stress. It is likely that, in the regular session of Congress in 1948, such legislation will be voted upon in the committee. It is my hope that such measure as may be reported favorably will contain provisions permitting the admission of the Polish veterans who, through their own brave efforts, have already proven their yearning for the freedoms enjoyed by citizens of the United States.

It would be some recompense to these brave Polish soldiers. Further, it would mean much to the people of Poland who have once again been subjugated by a foreign power. It would mean even more to the friends of Poland and its people as they wage their fight for justice for Poland.

Socialized Medicine

EXTENSION OF REMARKS
OF

HON. FOREST A. HARNESS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. HARNESS of Indiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me before the Association of American Physicians and Surgeons, Inc., Colorado Springs, Colo., on October 24, 1947:

I appreciate your cordial and generous reception. Our committee has uniformly received warm support from the medical profession in all parts of the country, and your professional journals have been most encouraging in their analysis and interpretation of our investigation.

Since you are all familiar with the aims and general scope of the subcommittee's work in ferreting out Government propaganda paid for with the taxpayers' money, I shall explore with you tonight one special segment of that inquiry which has not yet been incorporated in a formal report to the House of Representatives. I refer to the closely knit interbureau propaganda organization which exists in Washington for the obvious purpose of agitating for socialized medicine, or state medicine, in other lands. The Bureau of Research and Statistics in our own Social Security Board in Washington is the world headquarters of socialized medicine. The world movement is all paid for by the American taxpayers—and none of it ever has been authorized or approved, as such, by the Congress in its appropriations measures.

As if it were not enough for our medical bureaucrats to be trying to force socialized medicine upon the 140,000,000 people of the United States, they are also forever busy with conferences, round tables, and special missions to advance socialized medicine in Japan, China, India, Burma, Indochina, or Ceylon. During the last 3 years they have sent special survey missions to South America, Hawaii, England, and New Zealand.

That the American people know nothing of these enterprises is a fact of fundamental significance to our committee. And a fact of almost equal significance is that our medical bureaucrats resent any inquiry from Congress as to what they are up to or how much they are spending in these overseas promotional campaigns.

A third fact of great significance, to my mind, is this: While many of these conferences relate primarily to matters of health service and hospital administration, the arrangements and programs are almost entirely in the hands of lay bureaucrats—social welfare workers, statisticians, actuaries, specialists in playgrounds, unemployment insurance, workmen's compensation, or collective bargaining. Rarely, if ever, does a qualified, recognized, and experienced member of the medical profession find a place on these overseas missions. Yet every mission has some aspect of socialized medicine as a part of its agenda.

I submit that these are matters of fundamental significance to the American people. All these overseas missions and enterprises are supported largely by United States funds. Many of the thinkers and planners who throw these conferences together all around the world are full-time employees of the United States Government. Their salaries range from $4,000 to $10,000 a year. They are supplied with office space, office equipment, secretaries, telephones, stationery—all paid for by the American taxpayers. They get free postage for all their propaganda material, which is distributed literally by the ton from Washington every year. Their reports and findings are printed free of charge by the Government Printing Office.

Yet all this work is carried on under a cover of secrecy and intrigue in the Social Security Board and the United States Public Health Service—to the point that every inquiry for information must be first registered, approved, and cleared by the top level bureaucrats. In the sense that the taxpayer pays all the bills, this is all the public's work. Yet every project is shrouded in almost military secrecy until it is ready in final form for the propaganda literature from the Government Printing Office. Plans and projects still in the formative stages are simply none of the public's business, as our medical bureaucrats view their work.

The next important international meeting to discuss extension of socialized medicine is scheduled to be held in New Delhi, India, October 27 through November 8. This conference is called the Preparatory Asian Regional Conference. The agenda includes proposals looking toward the development of broad social-security programs in the countries of Asia. Nominally, this conference is arranged and directed under the auspices of the International Labor Office, a remnant of the old League of Nations. The significant thing about the conference is that while the headquarters of the ILO are in Montreal, Canada, the announcement of the New Delhi meeting comes to us from Washington, D. C., where a branch of the ILO is maintained at 734 Jackson Place. Through that office, the work of the ILO is closely integrated with the studies and projects of the Social Security Board. A number of persons formerly on the staff of the ILO are now full-time Government workers in the Social Security Board; and a few former employees of the Social Security Board are now on the staff of the ILO. To put it another way, these two offices in Washington are but branches of the same enterprise. ILO is the international or world arm of the Social Security Board; and the Social Security Board, through the Bureau of Research and Statistics, is but the American operating unit of the ILO.

I should make it clear that there is no thought on the part of our investigating committee to inquire into the operations and programs of the International Labor Office. That is a matter far beyond the scope of our authority. Neither may we challenge the funds which are being spent by the United States Government in support of the ILO. That program of international cooperation has been duly approved by Congress.

But what does interest our committee is the extraordinary system of working arrangements which exists between the Social Security Board and the ILO in this matter of socialized medicine. Our investigation has convinced me that the Social Security Board is in fact the supply base, so to speak, from which flow most of the basic studies and research reports which power the ILO campaign for socialized medicine in other lands. And this conclusion is confirmed by the fact that members of the Social Security staff usually are the United States delegates to the ILO meetings overseas.

It will be a difficult and tedious matter to establish, through careful audits, just how much of the funds appropriated by Congress for the domestic work of the Social Security Board are actually diverted to the world programs of the ILO.

But I may say that such an audit is now in process, and that a detailed work analysis and project study within the Bureau of Research and Statistics of the Social Security Board will be available for the consideration of Congress before the next appropriation bills are considered for Social Security operations in the fiscal year beginning June 30, 1948.

You have all read in your newspapers recently the story of the special health mission to Tokyo. I shall discuss this mission briefly here, merely because it seems to me to illustrate the whole scheme of the Social Security Board's operations in the world-wide campaign for socialized medicine. A little more than a year ago a Federal civilian employee in Washington (one Stanchfield) was detached temporarily from his job to go to Tokyo to make a preliminary survey of social security and health needs. Upon his return to Washington early this year, Mr. Stanchfield proposed a general health mission to Tokyo. His proposal was presented directly to Mr. Arthur J. Altmeyer, Commissioner of Social Security.

Next, on March 5, 1947, Mr. Altmeyer proposed the mission in a formal communication to the War Department. In that letter Mr. Altmeyer designated the particular individuals who should make up the mission, and then went further to suggest that William H. Wandel, Chief of the Program Division, Bureau of Unemployment Security, be appointed chief of the social insurance division of the public health and welfare section of the supreme command for the allied powers in Tokyo. It is perfectly apparent from the letters we have taken from the War Department files that the personnel of this mission and the planning of its pro-

gram originated in and was dictated from the Social Security Board in Washington.

Up to this point there had been no hint that the proposed health mission had been requested or urged either by General MacArthur or any responsible Japanese source. The suggestion came first from Mr. Stanchfield, who had been sent to Tokyo from Washington for that particular purpose.

Next we found a letter, under date of June 14, 1947, from Mr. Wandel in Tokyo reporting directly to Mr. Isadore Falk in Washington on the progress of the work in Tokyo. In one revealing passage of this letter, Mr. Wandel said:

"We think that our need is for someone who is primarily not so much an economic analyst as one versed in health insurance. Health insurance is the major field of social security in Japan. * * * Permanent revision requires amalgamating national health insurance with health insurance on a compulsory basis."

When the Tokyo Health Mission finally was named, it comprised two men from the Public Health Service, one from Mr. Falk's bureau, and one from the Federal Housing Authority. This mission departed for Japan on August 28 this year, with the understanding that Mr. Altmeyer and possibly Mr. Falk would follow when the work had been sufficiently organized in Tokyo.

Because this instance offers a shocking demonstration of bureaucratic intrigue in violation of the purposes and intent of Congress, I have brought the matter to the attention of the House Appropriations Committee, with the suggestion that when the next budget comes up from the Social Security Board and the Public Health Service, all those engaged in spreading socialized medicine around the world be stricken from the public pay roll, unless, of course, Congress shall determine to support such world propaganda with funds specifically allocated for that purpose.

In my letter to Chairman TABER of the Appropriations Committee, I made eight specific charges against the Tokyo Health Mission. I wish to summarize them here, because they are the nub of our case against the Social Security Board and the United States Public Health Service in relation to all this propaganda supporting socialized medicine.

My charges against the Tokyo Health Mission are as follows:

1. That the health mission to Japan is composed entirely and exclusively of men long identified in the public record as advocates and proponents of socialized medicine not only in the United States but throughout the world.

2. That the real purpose of this mission is to lay the groundwork for a system of socialized medicine in Japan.

3. That the scheme for such a mission originated in the Division of Research and Statistics in the Social Security Board in Washington, and nowhere else.

4. That the nominal request for the mission was engineered through the General Headquarters of the Supreme Commander in Tokyo by Federal employees sent from Washington for that particular purpose.

5. That Gen. Douglas MacArthur does not favor—and does not approve—any plan to establish compulsory socialized medicine in Japan.

6. That the dispatch of this mission to Tokyo for the purpose indicated in Mr. Wandel's letter to Mr. Falk under date of June 14, 1947, is a gross misuse of public funds.

7. That the real purpose of the mission is not to assist Japan in working out her basic problems in health and welfare, but to force upon that country a compulsory system of socialized medicine.

8. That although the questions here involved are of a health and medical nature, the Surgeon General of the United States Army was not consulted in reference to the problems involved.

I deem it inappropriate for Federal employees, at the expense of the American taxpayer, to travel throughout the world preparing or assisting in the preparation of legislation to be adopted by foreign countries when similar legislation, long pending, has not been approved by the Congress of the United States.

It is interesting also to note how closely the Social Security Board's program to assist the development of socialized medicine in Japan follows the general outline published on October 1 by the International Labor Office for the forthcoming Asia conference at New Delhi, India. Regarding the general objectives of the New Delhi conference, the preliminary handbook, or work guide, summarizes general objectives in this language:

"The report suggests the gradual development of a public medical care service in the Asian countries which would be freely available to those who need it, whether they live in urban or rural areas, and whether they are workers or dependents."

This, of course, is a bald proposal for the nationalization of all medical services, to be paid for out of the general revenues rather than by special pay-roll taxes.

So the socialized-medicine plan for Asia, as now put forward through the ILO goes even further than the Wagner-Murray-Dingell bill for the United States. The plan for Asia follows precisely the master plan for socialized medicine as devleoped in Communist Russia, where all medical services are the direct function of the government, with all costs paid directly from the general funds of the Treasury.

It will be interesting to watch the final report and recommendation of the Tokyo Health Mission to see whether it follows the direct government-payment plan put forward by the ILO in the New Delhi agenda, or the special pay-roll-tax plan incorporated by Altmeyer, Falk, and Cohn in the Wagner-Murray-Dingell bill. In other words, the Health Mission to Tokyo must make a choice on the Japanese plan. Will that choice fall to the Russian side, with direct medical payments from the general treasury, or toward the Social Security Board's version of socialized medicine under compulsory health insurance?

Another fact of fundamental significance, as I see it, is that the government propaganda which urges socialized medicine for the United States presents a shamefully distorted picture of what voluntary insurance, medical-service plans, and hospital prepayment plans have accomplished during the last 10 or 15 years. To read the government literature on our health needs, one would gain the impression that there had been no change in the insurance picture in this country during the last quarter century.

This flagrant distortion of the picture is a crime against the Nation. To have the government agencies urging their programs on the basis of conditions which have not actually prevailed in this country since the 1920's is not only an alarming abuse of governmental powers, but a serious and challenging negation of the entire philosophy of American public service.

The Federal advocates of compulsory health insurance insist that the problem of prepayment medical care plans cannot be administered effectively by the traditional enterprise system of insurance. They ignore the fact, as reported by the Health and Accident Underwriters Conference, that more than 42,000,000 persons already are covered by various forms of health and accident insurance. During the decade, 1934–44, the number of such policies in the United States increased fivefold, from roundly 8,000,000 to 40,000,000. In 1920, there were only 4,000,000 policies of this type.

There are more than 400 companies offering such policies today, and the total premiums in this field of insurance now average about $50,000,000 a month, or $600,000,000 a year.

In addition, another group of 5,000,000 persons are enrolled in various types of prepayment medical care and hospital-service plans.

Combining these two groups of insurance arrangements, we find that approximately 5,000,000 people already are protected by various forms of health and accident insurance, as compared with only 4,000,000 thus protected by their own individual arrangements in 1920.

What then is the basis of the contention by the advocates of socialized medicine that the insurance problem in the health field cannot be handled by the existing insurance system? The fact is that, on the basis of individual coverage, considerably more than one-third of the American population already has solved the problem of emergency medical and hospital expenses through the medium of insurance, individually arranged and paid for directly from month to month as an established item in the family budget.

In various forms, as determined by the State insurance laws, this type of protection is now available in all of the 48 States. As actuarial experience develops, these plans are being improved from year to year. Intense competition between more than 400 different insurance companies tends constantly to offer the insured more comprehensive protection and to eliminate abuses which impair the function of insurance principles in the field of health.

Concealing or ignoring such fundamental developments in the insurance field during the last quarter century, our medical bureaucrats present an utterly distorted and unreal definition of the problem they presume to alleviate.

This systematic distortion is a somewhat universal characteristic of collectivist propaganda methods. Every argument for statism must begin with the assumption that no other solution is available, for only a spirit of hopeless defeatism ever can impel men to give up the rights and privileges of freedom in favor of Government regimentation.

Another fact of basic significance revealed in our committee explorations is that socialized medicine, historically, has always been linked pretty closely with dictator forms in Government.

The brand of dictatorship makes no difference—communism, fascism, nazism, socialism—all are alike, in that they enforce a system of state medicine.

Whatever the name of the dictatorship, or whatever the pattern of the particular brand of collectivism in a given country, the system of socialized medicine is always pretty much the same. It is based on compulsion, and is generally administered by a Nation-wide system of political manipulation. The physicians and surgeons themselves usually are forced to a subordinate position in the determination of policies and programs. Now, if the medical profession and all our hospitals can be taken over by the Federal Government and forged into a new and gigantic health bureaucracy, then it would only be a question of time until Washington likewise moved into the field of education, religion, the press, the radio.

Freedom soon would be in total eclipse.

That must not come to pass in mighty America, the last great citadel of freedom and liberty on the face of the globe today.

Ours is a great responsibility to hold aloft the bright torch of freedom and honest representative government. And it has been most encouraging to know that we have the great body of the American medical profession standing behind us in this effort in Congress.

Evidence of this support comes to us from the State medical journals in all sections

of the country. The North Carolina Medical Journal, for example, in its August issue this year, described our committee report on the Health Work Shops as one of the most important publications ever issued by the Government Printing Office.

Many other State journals have been similarly laudatory in their appraisal of our reports, and several have printed the complete text of our findings. Other State-wide medical groups have asked us for extra copies of the reports, to be mailed to every doctor, dentist, registered nurse, and lawyer in the State. Such a response convinces me that even the vast diversion of Government funds to illegal propaganda will not prove sufficient to force a system of socialized medicine upon the American people.

But the question yet remains why we should permit the expenditure of something between $50,000,000 and $75,000,000 a year in Government propaganda?

Even if this Government literature told the truth, the whole truth, and nothing but the truth, I still think we could get along with a lot less of this Government prefabricated thinking.

I insist that the American people are well able to come to their own conclusions on these matters of public policy. They do not need millions of dollars in Government guidance every year.

Our figures from the Budget Bureau show that Government expenditures for publicity and propaganda increased from $28,000,000 in 1941 to $74,829,467 in 1946.

Now everybody in Washington recognizes that certain information services are an essential part of any institutional operation. But Congress insists that there is a clear line of distinction between legitimate information services and those additional operations which tend to build up public opinion in favor of more projects, broader programs, or Federal invasion of new spheres of public service. It is primarily the latter operations which our subcommittee seeks to itemize as to cost and scope. It is my contention that, at least, the people are entitled to know how much they are spending to educate themselves to more spending.

In the Department of Agriculture, committee investigators found 525 persons engaged in public relations work. Salaries ranged from $10,000 down to $1,888 a year.

Total budget estimates for Agriculture's Office of Information for the current fiscal year, beginning July 1, 1947, were $2,307,000, an increase of $335,350 over the previous year.

In addition there was another authorization of $2,260,784 for Department of Agriculture printing.

Here, then, for one Department, we have a total of $4,500,000 for publicity and propaganda.

And all of this material is distributed postage free. If Agriculture and all the other Federal departments had to pay regular postage rates on their voluminous mailings, the total publicity and propaganda cost likely would be increased by at least another $10,000,000 a year.

Our figures indicate that the Federal Security Agency currently is spending about $2,000,000 a year in its public-relations activities—whether you prefer to call it publicity or propaganda. And we know that a great percentage of these funds are going to generate supporting public opinion for bigger and better programs in health, pensions, and welfare.

Yet we have the testimony of an observer at one of the health workshops that, when left to their own devices—without the aid and promptings of the Federal monitor—the laymen at the Jamestown Health Workshop could not think of any immediate, pressing and urgent health needs in their own State.

That incident is not without significance, as it relates to our investigations. Why should Federal taxes be spent by the millions merely to support teams of bureaucrats running around the country telling the people what terrible health they are enjoying?

It seems to our committee to be a proper function of the Congress to determine whether the diversion of public funds from legitimate purposes to purely propaganda purposes for socialized medicine, does not, in fact, constitute a criminal violation of the law.

And on this point, I may say that the Federal Bureau of Investigation is giving that question some serious study at the moment. As you know, we advised the Attorney General, Mr. Clark, last June what we discovered about the Health Work Shops, and we have since been informed that some of the vouchers are in the hands of the FBI for investigation.

All this federally financed activity for socialized medicine heads up in the Bureau of Research and Statistics in the Social Security Board.

Our committee investigators have found in that Bureau a veritable nerve center of socialized-medicine propaganda for the entire world.

Mr. Isadore S. Falk is the Director of Research and Statistics in the Social Security Board. He has been in the Government service for some 12 years. He has always been noted for his militant and aggressive advocacy of socialized medicine.

Our committee, of course, does not challenge the right of any citizen to hold whatever views he may wish on any subject of political or economic policy.

But we are interested that funds appropriated by Congress for public administration shall not be diverted to a world-wide system of propaganda calculated to advance socialized medicine the world around.

Such operations, until specifically approved by the Congress, are positively illegal. And our committee will not rest until they are uprooted and stamped out of the Federal picture.

Americans must never fall into the attitude that all sound opinions are made in Washington and handed down full-fashioned to the people.

That is the way of dictatorship.

Public opinion must be maintained in its free and virile state—in full harmony with the great American tradition of liberty.

If we do that by stamping out Government propaganda at its roots, then we shall have rendered a great service, not only to medicine, but to the whole cause of liberty and freedom the world around.

We all know that freedom is not free.

We all know that bureaucratic powers feeds upon itself—and upon the rights and privileges and liberties of the people.

If we are to support and defend liberty and constitutional government in America, we must begin by keeping clean and undefiled the wellsprings of public information from Washington.

Government propaganda poisons these wells of public information.

Government propaganda is a method of dictators.

Our purpose will be to uproot and destroy government propaganda wherever we may find it.

Iowa Generosity

EXTENSION OF REMARKS

OF

HON. CHARLES B. HOEVEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. HOEVEN. Mr. Speaker, when the Friendship Train rolled across the continent several weeks ago, Iowa added more cars of food than any other State in the Union. Quite recently, the Iowa Farm Bureau inaugurated a campaign whereby each of the 99 counties of Iowa were asked to contribute at least a car of corn, or its equivalent in money, for direct European relief. To date, Sioux County, in the Eighth Congressional District of Iowa, which also happens to be my own county, is top donor with cash of about $12,500. An editorial which appeared in the Des Moines Register of January 22, 1948, tells the full story, and I include it herewith as a part of my remarks:

A FINE RECORD ON EUROPEAN RELIEF

Iowa Farm Bureau members have completed a remarkable, whirlwind campaign for European relief funds which does credit both to the big hearts of Iowa farm people and to the organizing and promotional ability of Farm Bureau leaders.

The State Farm Bureau office reported Wednesday that it had received $224,211 in cash from county Farm Bureaus. And although the official campaign ended last Friday, the money is still rolling in. Fifteen counties have not yet been heard from, and one county organization sent its donation direct to relief agencies instead of through the State office, so the real figure undoubtedly should be much greater than $224,000.

In addition to cash donations, one county sent a carload of pancake flour, another sent a car of skim milk—and all counties have sent a mountain of clothing. When the campaign began the goal was a carload of corn, or equivalent value, from every county. Farm Bureau members were told to take an old coat or pair of pants to town with them in addition. The clothing donations have far exceeded expectations. "Instead of giving only an old coat," one State Farm Bureau official said, "they must have cleaned out their clothes closets."

To date Sioux County is top donor, with cash of about $12,500; Webster is next with about $11,000; and Hamilton third with $10,000.

In this campaign the Farm Bureau has accomplished more than the collection of a lot of money, food, and clothing for relief of war victims in Europe. It also has made the recovery and relief of Europe a personal thing to thousands of Iowa farm people. This accomplishment may, in the long run, turn out to be the greater of the two.

What Is National Income?

EXTENSION OF REMARKS

OF

HON. CHARLES B. HOEVEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. HOEVEN. Mr. Speaker, under leave to extend my remarks, I include an editorial taken from the Saturday Evening Post of January 24, 1948. We speak so glibly about our national income and so few people really know what constitutes the same. The following editorial, therefore, is most enlightening and instructive:

THE EUROPEANS CAN'T EAT OUR NATIONAL INCOME

There are so many sound arguments for American participation in restoring the depleted capital equipment of Europe that it was disappointing to find Mr. Truman guilty

of belittling the case by attempting to show, that in comparison with our national income, the cost of the Marshall plan will be trivial. The President figured that the plan will cost less than 3 percent of our national income during the life of the program.

To compare the worth of tangible assets, from food to locomotives and power plants, which will have to be sent to Europe, with the national income makes no more sense than to compare Johnny's marbles with the Treasury balance at the close of business on January 17. The amount by which we aid Europe or Asia represents actual commodities available or to be made available in this country, and the proper comparison is between the commodities we send abroad and the total inventory of commodities at home. To compare goods for export with that figment of the statistician's imagination known as "national income" is misleading because it misrepresents downward the actual sacrifice that must be made.

What is national income? As estimated by the Department of Commerce, national income includes scores of items which appear in a dozen classifications, but actually represent more or less the same transaction. Thus a man who earns $5,000 a year adds $5,000 to national income under wages and salaries. If he pays $700 a year in rent, that goes down as part of the national income under rental income. Incidentally, if the citizen owns his own home and it is worth $15,000, he is put down as having paid something like $1,500 in rent and this amount is also totted up as national income. The cost of the service of his bank to him as a depositor is included in his income, although the bank may not have charged him anything. Proceeds of insurance policies are part of national income, as is the time that farmers spend working for themselves and the value of the home-grown food they eat. Food and shelter provided free to soldiers and sailors go into the national-income pot, as do the amounts received by the suppliers of these things, the amounts the suppliers pay out to their help, the profit they retain for themselves, what they pay in rent, what their landlords receive and what the grocers patronized by all these people receive and pay out, and so on ad infinitum.

In short, national income is more than anything else an index of the velocity of money and to some extent of the amount of inflation present in the economy. It is a rubber yardstick unfit for measuring the ability of a country to export wheat and canned orange juice and spare parts for tractors. If a rich insurance policyholder dies and his wife collects a $1,000,000 benefit, the national income goes up by $1,000,000, but the amount of Wisconsin cheese in the country is just the same as it was when the policyholder was alive. Anyway, our advice to the Marshall plan strategy board is to lay off figures that merely sound good. What America does on behalf of world recovery should be done with our eyes open to the real cost, not because the man said that $17,000,000,000 is only 3 percent of the number of angels that can dance on a decimal point.

European Recovery Program

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks, I include a letter I have received from the Committee for the Marshall Plan, signed by former Secretary of War, Hon. Robert P. Patterson, and a copy of a letter I have sent to him. It is my frank opinion that unless public opinion is rapidly and actively aroused that legislation that will effectively enable the Marshall plan to be carried out will not pass the Congress. To pass a halfway measure would be meaningless. It is up to those persons and groups who realize the danger that confronts our country, and who also want a decent world in which to live in, to arouse public opinion in support of effective legislation that will enable our country to perform its mission in this critical stage of the world's history. It is only by effective affirmative action on the part of the United States that this can be done.

COMMITTEE FOR THE MARSHALL
PLAN TO AID EUROPEAN RECOVERY,
New York, N. Y., January 19, 1948.

Hon. JOHN W. McCORMACK,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN McCORMACK: The Committee for the Marshall Plan to Aid European Recovery was formed on November 17, 1947, to provide a focus for wide public support of the European recovery program. The committee for the Marshall Plan To Aid European policies outlined in Henry L. Stimson's article in the October 1947 issue of Foreign Affairs, and I am enclosing a copy of this article for your consideration. Mr. Stimson, himself, is the national chairman of the committee, and the members include over 300 leaders drawn from business, labor, farm, religious and civic organizations throughout the country.

In December, the committee published a four-point program of those principles which the committee believes are essential for an effective recovery program. The four essentials are that United States aid must be prompt to be effective, that it must be adequate to achieve real recovery, and not merely to provide stopgap relief, that it must not be subject to conditions which involve interference in the domestic affairs of the recipients, but instead that any conditions must be limited to ones we could honorably accept ourselves, and, finally, that enough of our aid should be in the form of grants so that Europe will not be saddled with a hopeless load of debt.

We believe that the decisions facing the Congress in this session are of momentous importance and will require understanding by the American people of the reasons that lie behind the European recovery program and of our own vital national interests in the successful accomplishment of its objectives.

If we embark on the plan proposed by Secretary Marshall, we must decide now to undertake a 4-year recovery program although we should appropriate specific funds annually. If we merely continue piecemeal aid we will risk the chance of securing stability and peace in the world which we so intensely seek.

The committee believes that Americans will respond to the challenge, and it earnestly asks you and all other Members of the Congress to give support to an adequate and timely program. The committee has prepared background material which it is furnishing as widely as possible in the hope that it will serve to help create an informed public opinion. We will be glad to make any of our material available in quantity if you should care to have it for your own use.

The time is short; the need is urgent. But as Mr. Stimson has said, "If the issues are clearly presented, the American people will give the right answer."

Very sincerely yours,
ROBERT P. PATTERSON,
Chairman, Executive Committee.

HOUSE OF REPRESENTATIVES,
Washington, D. C., January 26, 1948.

Hon. ROBERT P. PATTERSON,
New York City.

DEAR SECRETARY PATTERSON: I am in receipt of your letter, with enclosures, of January 19, in support of the Marshall plan. I strongly believe that our country should use its powers effectively in our national interest, as a means toward peace, and to stop the progress of international communism and the vicious results that follow wherever the Communists take over a government and a people. I am a strong supporter of the Marshall plan to this end. I want to frankly state, however, that unless public opinion is more thoroughly aroused than it is to the dangers to our country if nothing (or halfway measures) is done, that I am fearful of the results. This observation is based on 20 years of legislative experience in the Congress. The situation in the Congress at present to enact legislation that will effectively have the Marshall plan carried out does not look good to me. It is better to face this situation when time exists to arouse public opinion than to wait until it is too late.

With kind regards, I am,
Sincerely yours.

The Price of Defeat

EXTENSION OF REMARKS
OF
HON. OREN HARRIS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. HARRIS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Arkansas Gazette:

THE PRICE OF DEFEAT

Thurman Sensing, a publicist employed by the Southern States Industrial Council of Nashville, is singing a song of isolation these days, and he presented a few stanzas of it to the Greater Little Rock Chamber of Commerce at its last meeting.

Europe, said Mr. Sensing, should be able to manage its own recovery without aid from the United States. And by way of illustrating his point he chose a theme nicely calculated to arouse the instant sympathy of any southern audience. The South, he pointed out, also suffered military defeat but managed to rebuild her economy without outside assistance.

And this, of course, is true enough as far as it goes. Every southerner takes honest pride in the saga of the Confederates who came home to face the natural consequences of a lost war compounded by the evils of reconstruction government. But it detracts nothing from the glory of their effort to point out that, in spite of all they could do, the South paid an inordinate price for her defeat, and is still paying for it. It is no accident that a region so blessed with natural advantages lags so far behind the national average in industrialization, per capital income, education, and health. And our imperfect political system is a direct heritage from reconstruction.

Moreover, the South through the years of her travail still had the protection of United States sovereignty. If she received little direct aid from outside her borders she did enjoy the indirect benefits of a stable national economy. And, even more important, she enjoyed complete and absolute protection against foreign encroachment. She could, and did, remain weak and impoverished for half a century without inviting invasion or revolution.

The relationship of the Federal Government and the conquered Confederate States would have been quite different, we feel sure, if a powerful and ruthless Mexican Government had been openly plotting domination of the Western Hemisphere back in 1865. In the shrunken world of 1947 the Russian threat to western Europe is exactly comparable. Self-interest, if nothing else, demands something more of us than permission for our ex-enemies and ex-allies to keep their horses and mules for the spring plowing.

Address by Alexander DeMaioribus

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 6, 1948

Mr. BENDER. Mr. Speaker, under permission previously granted me, I should like to insert in the RECORD an address recently given by Mr. Alexander L. DeMaioribus. A few weeks ago Mr. DeMaioribus retired from the city council of Cleveland, Ohio, after having served in that body as a city councilman for more than 20 years, and as president of the city council for many of those years. Mr. DeMaioribus, in announcing his retirement, issued a statement which embodies so clearly the basic principles of our Republic that I hope it will obtain wide circulation throughout our country. The adherence to these views enabled this man, himself of foreign extraction, to win high public office in his home community as well as the post of chairman of the Republican executive committee of Cuyahoga County, the most populous area in the State of Ohio. I believe this statement reflects glory not only upon its author, but upon the system of government under which we live.

Mr. President, Mr. Mayor, and gentlemen of the council, after more than 20 years of public service, I am leaving the city council with a firm conviction that our form of government offers the greatest opportunity for the progress of mankind that has ever been devised. It offers a challenge to the world to follow our pattern and achieve an era of peace.

These are not mere political platitudes. I have been privileged for the past two decades to witness the living processes of our Republic. Men and women from every walk of life, representing every religious, racial, and philosophical background, have discussed their viewpoints with those whom they have elected to office, freely and fearlessly. They have not hesitated to seek their rights, because they know that under our system those rights are respected.

Nothing better than this has ever been offered to any nation. Our Government and our American citizenship are the world's most prized possessions today. Many of our sons whose names are derived from ancient civilizations or from European origins have died heroically and nobly as Americans that we may live and speak and act as free men. There was no prejudice in the opportunity to die for our country. There must be no prejudice in the opportunity to live for it.

As I leave public office, I am more than ever impressed with the greatness of the vision upon which our country was founded. We live in an age when the poison of hate and intolerance planted in the Old World are a source of danger and infection here. We must translate all the brave words and noble ideals of our history into daily practice. Never should any American harbor the prejudices based on group distinctions. We as Americans must judge ourselves as individuals, because the essence of the American tradition is the worth and the sanctity of the individual. And we must recognize that this belief in the right of every individual to advance, to succeed, and to be valued on his own merits must be emphasized at home, no less than in our schools and our public services.

In these United States of America, where we are endowed with the fundamental rights of "life, liberty, and the pursuit of happiness," there can be no hyphenated Americans. We are a new and a proud people, the product of a melting pot, which must drain off impurities and leave the strong, solid metal.

I am proud to have been a small part of this great Nation. I thank the people of this great community who have given me the opportunity to speak for them in our city council as a member and as a former president of the council.

I am determined to devote my efforts as a private citizen to the development of an ever more vigorous civic spirit in our community. This is one of the most intelligent and dynamic cities in America. We must keep it that way. We can do this if we resolve to be true to our faith in democracy and true to our children, the sons and daughters of the native born and of the foreign born alike.

In these times when the world is groping for leadership and the courage to rebuild its broken spirit, we in America can furnish the inspiration by showing how a free people can live in peace and good will toward all mankind.

The time is now, and we are the people upon whom God's providence has placed the responsibility for the future of civilization. I pray that we shall not fail.

International Implications of the Rubber Problem

EXTENSION OF REMARKS
OF
HON. FRED L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. CRAWFORD. Mr. Speaker, Mr. W. T. Phillips, of the State Department, recently participated in a panel discussion of our rubber problem. His address was entitled "International Implications of the Rubber Problem," and I submit it for the RECORD under leave given me to extend my remarks. It follows:

INTERNATIONAL IMPLICATIONS OF THE RUBBER PROBLEM

Admiral Braine has described to you the importance of rubber to national security. There is general agreement that the United States must take all practicable measures to prevent a recurrence of the rubber shortage which confronted us after Pearl Harbor. We must create an adequate stock pile of natural rubber in accordance with Public Law 520 and we must maintain an adequate synthetic-rubber industry in accordance with Public Law 24. We can count on these two measures to give Admiral Braine the wherewithal to fight another war, if another war must be fought; and, I am sure, we can count on the admiral and his associates to put that rubber to good use.

Fighting a war, or preparing to fight one, is but one aspect of national security. The other aspect is to remove the causes of war, so that the war need not be fought. This second aspect is the principal concern of the Department of State.

As one method of preventing war and minimizing international unrest, the United States must do all that it can to prevent economic depression anywhere in the world, including those areas that produce natural rubber. The mandatory usage of synthetic rubber should be held to the absolute minimum required for national security in order not to deprive natural-rubber producers of the right to compete on equal terms for the United States rubber market.

In writing Public Law 520, the Stockpile Act, the Congress was careful to insert a provision that "materials acquired under (the) act shall be released—only—when, in (the) judgment (of the President) such release is required for purposes of the common defense." This wise provision prevents the security stock pile from being used to influence the commodity markets. A similar policy should be followed in regard to the synthetic-rubber industry while the industry remains in Government hands.

The principal countries producing natural rubber understand that it is to their interest as well as ours that the United States retain a synthetic-rubber industry. They realize that the United Nations could not have won the war without synthetic. They may differ with us on how large our synthetic-rubber industry must be, but they do not deny the need for its existence. Their principal fear is that it will be misused as an economic weapon to depress the price of natural rubber. To a certain extent this effect is unavoidable, since the mere existence of an industry able to produce a million tons of synthetic rubber per year prevents unreasonable increases in the price of the competitive natural product. However, the Government must be careful to operate the synthetic plants only for purposes of national defense or for the purpose of supplementing inadequate availabilities of natural rubber and not for the purpose of influencing natural-rubber prices.

The importance of natural rubber to countries participating in the European recovery program constitutes another reason why the Department of State favors limiting mandatory usage of synthetic to the absolute minimum essential to national security. The United Kingdom, for example, is, as you know, making a determined effort to increase British exports of all commodities. Natural rubber is the largest single dollar earner to the British Commonwealth. It is estimated that 550,000 tons of rubber, valued at $339,000,000, were exported to the United States from British territories in 1947.

During the prewar period (1938–40), rubber constituted, on the basis of tonnage, 38 percent of all exports from Malaya, 37 percent of all exports from the Netherlands Indies, and 6 percent of all exports from Ceylon and Indochina. In the words of the Batt report, "The prosperity of all Southeast Asia was based to a very large extent upon rubber."

The war not only created a synthetic rubber industry in the United States, it also expanded the production of natural rubber in Latin America, Ceylon, and Liberia, whose producers went all-out for the war effort, seriously over-tapping cultivated plantations and penetrating disease-ridden jungles in search of wild rubber. The war brought temporary prosperity to the rubber producers of these areas, but it also brought serious problems of postwar retrenchment and readjustment.

The war also brought a marked expansion in the rubber products manufacturing industries of countries on every continent. New or expanded facilities were constructed in Mexico, Cuba, Venezuela, Colombia, and Peru; in Portugal, Italy, and the Nether-

lands; in Australia and the Union of South Africa. Three tire plants were built in New Zealand, and production in India was doubled. As soon as the backlog of consumer demand which was built up during the war has been filled, these new or expanded industries will present problems not only to the countries in which they are located but also to the exporting countries, such as the United States, which formerly supplied these markets. They are an invitation to and an excuse for protectionism.

Countries attempting to protect their domestic industries from foreign competition or commodity surpluses have relied traditionally on certain devices. They have restricted or prohibited imports; they have arranged bilateral contracts between governments; they have raised tariffs, and they have formed cartels to restrict production. All these devices, except the last, are currently being employed by various countries producing or consuming natural rubber. Import restrictions or prohibitions are in effect in Argentina, Brazil, Ceylon, Cuba, and India. Argentina has concluded trade agreements with other American Republics, including Bolivia and Brazil, providing for the purchase of crude rubber by Argentina. Bolivia and Spain are at present negotiating a clearing agreement in accordance with which Spain would agree to purchase, along with other commodities, about 3,000 tons of natural rubber in exchange for Bolivian purchases of Spanish products of the same value. Tariffs have been raised in Mexico and Cuba.

All these devices may be effective in solving for the short run the narrowly limited conditions which they were adopted to correct. Their broader effects, however, are unfortunate. They force consumers to buy relatively high-priced products, thus lowering the standard of living. They decrease the total of world trade and interfere with normal trade channels to the detriment of other countries.

The United States favors what we believe to be a more constructive approach. Instead of having individual countries raise tariffs, thus restricting world trade and raising prices to consumers, we prefer to see tariffs lowered by reciprocal trade agreements, as was done by the 22 countries meeting at Geneva last year. Instead of having trade conducted by means of contracts between governments, we prefer to see trade in the hands of private individuals. The rapid return of the rubber trade to private hands in the chief producing areas, as well as in the United States, was a heartening sign.

We prefer measures expanding consumption to measures restricting production. This opinion is shared by the other countries participating in the international rubber study group, including the major producers of natural rubber. In this connection I quote from the press release describing the accomplishments of the fourth meeting of the group, held at Paris last July. Admiral Braine was on the United States delegation to that meeting. The group considered what action could be taken to expand world consumption of rubber. * * * They hoped that no avoidable obstacles would be placed in the way of international trade in, and the use of, rubber and that maximum assistance should be given to the countries desiring to make an extensive use of rubber but which, on account of the war, cannot afford to pay in foreign currency for the rubber imports they require.

"The group is convinced that the problems of rubber can be permanently solved only by a sustained and continuous expansion in its use."

One method of increasing consumption is to lower prices. One method of bringing about lower prices is to lower unit costs. That is an old story not only to you technicians but also to your competitors, the men who grow natural rubber. At their urging the Malayan Government has removed all restrictions on new planting and replanting, leaving the producers free to expand their plantings of high-yielding trees.

The United States is doing its part to encourage the economic production of natural rubber in tropical America. If successful—and the Department of Agriculture is confident that the program will succeed—this endeavor will help the economies of the producing countries and also will contribute to hemispheric defense by providing a supply of high grade rubber for admixture with the synthetic rubber of the United States.

The Department of Agriculture is furnishing technicians and advice to the 12 American Republics participating in this cooperative undertaking. There is at least one experiment station in each country, with three central experiment stations, one each in Costa Rica, Haiti, and Guatemala. The annual cost of operating the three central stations is approximately $300,000 and is borne by the United States alone.

The greatest achievement to date has been the successful combating of the South American leaf blight. American technicians have learned how to control the disease on infected trees and how to select new strains which are resistant to the disease. Until the disease had been controlled, the successful cultivation of rubber in tropical America was impossible, and the substitution of cultivated rubber for wild rubber is a prerequisite to the economic production of rubber in the Western Hemisphere.

All practicable measures for expanding consumption, improving the quality of natural rubber, and lowering costs of production, however, may well prove too slow to forestall an impending world surplus of rubber. The Inter-Agency Policy Committee on Rubber predicted a postwar world capacity for producing, every year, 3,000,000 long tons of natural and synthetic rubber. World consumption was estimated at half this figure. The postwar rubber boom has lasted longer than was foreseen; however, it still seems probable that a surplus will develop once the Netherlands Indies have resumed full production and consumption has returned to normal.

Faced with a surplus during the twenties, the countries producing natural rubber resorted to two restriction plans. I have no need to describe to a group from the rubber industry the effects, both good and bad, of those plans. From the point of view of the United States, the effects were unfortunate.

The postwar alternative to another producers' cartel is found in the Draft Charter for the International Trade Organization of the United Nations. The Geneva draft at present is being refined and perfected at Habana, and it is because of his deep interest in promoting the views of the United States and protecting its interests at Habana that Mr. Kennedy was compelled to ask me to take his place here tonight.

The intergovernmental commodity agreements provided for in the ITO charter have marked advantages over the prewar restriction schemes. Such agreements must provide consuming and producing countries with equal voting power. They must be designed to moderate pronounced fluctuations in the price of a commodity on a basis of prices fair to consumers and remunerative to efficient (and note the qualification "efficient") producers. They must provide for the expansion of production—where this can be accomplished with advantage to consumers and producers. They must be designed to assure the availability of supplies adequate at all times for world demand at reasonable prices, and provide for measures designed to expand world consumption. Full publicity must be given to any intergovernmental commodity agreement proposed or concluded, to the statements of considerations and objectives advanced by the proposing countries, to the nature and development of measures adapted to correct the underlying situation which gave rise to the agreement, and, periodically, to the operation of the agreement. This is a far cry from the Stevenson plan or the international rubber-regulation agreement and assures full protection for the interests of the United States.

Oil—Here's Where It Goes

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, with the American people suffering a shortage of oil, it is interesting to know just how they are in that position. The Times-Herald, in a recent editorial, shows what is happening to our supply. I include it as part of my remarks:

WHERE'S OUR OIL GOING?

Secretary of Defense James Forrestal day before yesterday, pursuing the Truman administration's policy of trying to scare the boots off the American people to gain administration ends, painted a horrific picture of our oil situation at a session of a House Armed Services subcommittee.

We're already short of petroleum for one reason or another, said Mr. Forrestal—which was scarcely news to the Atlantic seaboard and Midwest home owners hard pressed for fuel oil to heat their houses.

But, according to the Defense Secretary, that is only the half of it. The rest of it, is the man says, that in another major war our own oil production would most likely run short of our needs by 2,000,000 barrels a day; that the uproar in Palestine may result in Arab cutting of various Near East pipe lines; and that we'd better get busy now on building up a synthetic oil industry in this country at an eventual cost of $8,000,000,000.

It so happened that last Saturday evening our Ambassador to France, Jefferson Caffery, told the American Chamber of Commerce in Paris that between December 16 and January 10—the first 24 days of the stopgap aid program—France had received $53,000,000 worth of essential materials from the United States. Among these, Mr. Caffrey added, was 200,000 tons of petroleum; he didn't say in what form, whether crude, gasoline, light or heavy fuel oil, or shipments of all those commodities.

According to reliable sources of information here, the Caffery statement must have been oversimplified—meaning it seems impossible that 200,000 tons of petroleum could have gone to France from the United States in those 24 days. That comes to 1,500,000 barrels of crude, and 14 tankers would have been required to carry it.

November United States petroleum shipments to France totaled 294,000 barrels; October, 251,000; September, 141,000—with December figures as yet unavailable here. It doesn't seem likely that United States shipments would have ballooned to 1,500,000 barrels between December 16 and January 10.

It is entirely probable, though, that Caffery's over-all figure was correct, and that France did receive in the period under discussion 200,000 tons from various sources—the United States, South America, the Near East, etc.

One more statistic, if you don't mind: Under ideal refining conditions, you can get a 17 percent yield of No. 2 fuel oil out of a

mess of crude petroleum. That means the 200,000 tons that went to France would have yielded 34,000 tons of this favorite heating oil. Whatever petroleum is sent out of the United States carries with it a potential 17 percent of fuel oil which Americans don't get.

United States oil companies control, process, and distribute about 80 percent of all the world's petroleum outside Russia.

On the face of these facts and figures, it looks to us as if the Truman outfit is being far too zealous about funneling oil to other countries and far too lackadaisical about the defense, manufacturing and home oil needs of the American people. Maybe we're wrong, but we think a clear and detailed accounting is due the people as to just what the administration is doing with petroleum and its products.

What was it Senator TAFT was saying a while ago, about how, if Americans are to pull most of the world out of the postwar slump, they should insist on rationing of scarce commodities in all the countries aided before such commodities are rationed here?

Marshall Plan

EXTENSION OF REMARKS
OF
HON. GERALD W. LANDIS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. LANDIS. Mr. Speaker, President Truman's request for a 4-year $17,000,000,000 European recovery program is not reasonable. No Congress can bind its successors to future expenditures.

Authorities in Europe say that $20,000,000,000 will not stop communism but may delay it. Many people in Europe believe we are making a mistake because we are creating idleness by these loans and gifts. Foreigners have already developed a tendency to relax their effort to support themselves.

Before we adopt even a 1-year program the American people should have a satisfactory answer to the following questions:

First. Do not you believe that, foreigners holding $3,500,000,000 worth of American securities should be required to dispose of them before we make them any more loans?

Second. Should not foreign countries be required to locate and use several billion dollars worth of hoarded gold and money before we go bankrupt in helping them?

Third. Will the American taxpayers be required to give any more money to Italy in order for Italy to pay Russia $360,000,000 in reparations?

Fourth. Should the American taxpayers be required to furnish money to protect the $15,000,000,000 investment of the American international bankers in foreign countries?

Fifth. Do you think we should finance the royal households of Europe, when Great Britain's royal household, alone costs $2,129,080 per year?

Sixth. Do you not believe any foreign-aid program should be limited to surplus food and materials?

Seventh. Why should not Americans help supervise a foreign-aid program when we furnish the goods and money?

Eighth. Are we to furnish Great Britain with steel and machinery in order for her to trade Russia machinery for grain?

Ninth. Why should not we spend part of this money to purchase more airplanes and set up an air patrol for our national security?

Tenth. Why should not we spend more time and money in halting the encroachment of communism at home before we spend too much abroad in fighting communism?

Artificial Currencies

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mrs. ST. GEORGE. Mr. Speaker, under leave to revise and extend my remarks in the Appendix of the RECORD, I include an editorial from the Wall Street Journal of January 22, 1948:

ARTIFICIAL CURRENCIES

Pegging artificial price tags on money is as futile an operation as any other kind of price fixing. The economic planners are now being reminded of it.

The French Government, according to reports from Paris, is about ready to admit that its attempt to set a fictitious value on the franc has failed. The British, who still persist in overpricing the pound sterling, are finding their monetary OPA increasingly burdensome. The International Monetary Fund, which was supposed to stabilize currency prices and get them freely interchangeable, has spent 2 years figuratively wringing its hands.

The trouble is that if a country wants to charge more for its money than the money is worth in terms of actual goods, a stabilization program won't work. On the other hand, if the price tag on a money is set at a realistic rate—that is, one acceptable in the market place—then there is no need for any stabilization devices.

The very fact that a government adopts currency controls and unlimbers the popular stabilization devices is prima facie evidence that its currency is not worth what it says it is. With sufficiently rigid controls the government may seem to maintain the artificial price, but only at a tremendous, although partially hidden, cost to its own people.

The theory that over-valuing a currency is a smart thing to do comes from looking at only one side of the balance sheet.

Britain's big problem, for example, is to get dollars to buy goods here. Since our prices are in terms of dollars, the more dollars a Briton can get for his pounds the cheaper he can buy here. Therefore it seems sweetly reasonable to value the pound as high as possible, relative to the dollar. If the pound is devalued, it will take more pounds to buy the same amount of United States goods; in other words, our goods become more expensive for British customers. Hence, so the argument goes, Britain (or whatever country is debating the problem) will find it expensive to let its currency sink to its free market value.

But the other side of the balance sheet looks quite different. The European countries want to earn more dollars by increasing their exports to the United States. To sell here they have to compete with American goods for the consumer's money, and in this instance the artificially high price of the pound or the franc, or whatever, is a disadvantage.

Britain, for one example, wants to sell autos here. The smallest one will cost an American $1,300 when his dollars are converted into pounds, not far from the price of a bigger, more powerful American car. However, if the United States customer could get more pounds for his dollars he could buy the British car cheaper. The British auto manufacturer would then have a competitive price advantage and sell more cars.

It is quite true, of course, that a cheaper price for the pound or franc would restrict British or French imports from the United States. But in order to maintain artificial currency prices those governments have had to restrict their imports anyway by an elaborate system of trade and currency controls. Artificial currency values, however, restrict exports as well. By struggling to keep fictitious price tags on their monies the trade-deficit nations abroad are guaranteeing that this unbalance will remain chronic. To balance their trade with the United States under this system will require more and ever more American loans. In short, we will have to keep subsidizing the foreign governments so they can keep a "favorable" price on their money.

Until the French currency action is officially announced we cannot judge it. But if it moves the franc closer to its real trade value it will be a step in the right direction.

Universal Military Training

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. BRADLEY. Mr. Speaker, the national board of directors of the Fleet Reserve Association, an organization composed of thousands of Americans who have served honorably in the United States Navy, recently adopted a resolution urging the enactment of a universal military training program. I take pleasure in presenting this resolution to the Congress:

Resolution urging enactment of universal military training

Whereas by the grace of Almighty God and a united, resolute people our great Nation has, in the past, had ample time to prepare for war; and

Whereas the experience of two world wars, plus the tempo of the times, dictate to thinking minds that future wars will be fought around new concepts, using such destructive material as guided missiles, disease germs, chemical gases, atom bombs, overwhelming air forces, and new mechanized units, with actual attack before declaration of war; and

Whereas it is essential that as a united democratic people we demand that this great Nation make every preparation, as soon as possible, in order that the United States of America will be adequately supplied with men and material to meet any act of aggression which might be committed; and

Whereas if our form of government is to survive, we owe to ourselves and our children a fighting chance of survival of conflict, this to be accomplished by systematic mental and physical training of the youth of our land: Now, therefore, be it

Resolved by the national board of directors, Fleet Reserve Association, That we urge the

enactment of legislation to provide for universal military training; and be it further

Resolved, That this resolution be brought to the attention of the President and the Congress of the United States as being policy of the Fleet Reserve Association.

By FREDERICK E. GRAMMER,
National President, Fleet Reserve Association.

Medical Supplies and Hospitals Major Requirements in Greece

EXTENSION OF REMARKS
OF
HON. FRANCK R. HAVENNER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. HAVENNER. Mr. Speaker, the chief need of Greece today is for medical supplies and hospitals, in the opinion of Peter Boudoures, of San Francisco, head of Greek relief activities on the Pacific coast, who has recently returned to this country from a trip to Greece.

Mr. Boudoures says that mass X-ray surveys—made with American equipment sent overseas by Greek relief—reveal that nearly 60 percent of the youth of Greece, both boys and girls, have or have had tuberculosis.

For the information of the Members of Congress, I append an interview with Mr. Boudoures, recently published in the San Francisco News:

Mr. Boudoures has no respect for the Greek Government, not even the liberal prime minister, aged Themistocles Sophoulis, who admitted his hands were tied by self-seeking rightist politicians.

He believes the quasi-civil war which now paralyzes Grecian rural areas was brought about by (1) Rightist persecutions of liberals and democrats (as well as radicals), (2) British policies of division, which he denounces in the strongest terms, and (3) the familiar tactics of Russia in preventing the recovery and democratization of key areas of Europe.

Thousands were jailed when the Royalist Government moved in on the liberal elements of Greece, he said. Many remained in jail—not charged with any crime—for months. Their wives were beaten or murdered; their homes were burned; their children orphaned.

BRITISH AID THE BRITISH

This was the Government placed in power and supported by Great Britain. The British failed so miserably to help war-torn Greece to recover that they withdrew, in disgrace with every element of Greece but the extreme right. The United States was then asked to take over the botched job.

Instead of being strong in our policy, we have vacillated, Mr. Boudoures said.

"We say we won't interfere in Greek internal affairs," says Mr. Boudoures. "What nonsense! What else are we doing there? Let us get over this hypocrisy and direct the spending of the money as we see fit, to support our democratic beliefs—or get out and refuse to help at all."

RUSSIAN ROLE

"The Russians are doing everything in their power to disrupt and delay Greek recovery. We must fight fire with fire—or abandon Greece and its unhappy people to the struggle between communism and the royalists.

"We must spend more money on the military program. If the villages are guarded, if the northern frontiers are patrolled, the guerrillas will collapse.

"They were offered amnesty—yes. But are they to lay down their arms and return to the mercies of corrupt and callous officials of the extreme right, who occupy every local office throughout the country? That is why Sophoulis is helpless. He can't protect them, and they know it," Mr. Boudoures said.

Chemical Engineer's Club of Washington Considers National Rubber Situation

EXTENSION OF REMARKS
OF
HON. FRED L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 22, 1948

Mr. CRAWFORD. Mr. Speaker, the Chemical Engineer's Club of Washington, devoted its recent meeting to a discussion of our national-rubber situation and presentations were made in the form of a symposium. The moderator was Adm. C. E. Braine, chairman of the Army-Navy Munitions Board Rubber Committee. Other participants were G. B. Hadlock, of RFC's Office of Rubber Reserve; Donald D. Kennedy, Chief, International Resources Division, Department of State; J. P. Coe, vice president of the United States Rubber Co.; and R. P. Dinsmore, vice president of the Goodyear Tire and Rubber Co. I have submitted for the consideration of Congress the views of these men on particular phases of this problem. It was my privilege to join with them in the discussion, viewing the problem from a legislative angle.

The program for the symposium follows:

RUBBER SYMPOSIUM, JANUARY 13, 1948, AT 8 P. M.

MODERATOR ADM. C. E. BRAINE

1. Statement of Problem from Viewpoint of National Defense, Adm. C. E. Braine, chairman, Army-Navy Munitions Board Rubber Committee.
2. Synthetic Rubber Industry and its Relation to our National Economy, Mr. G. B. Hadlock, Office of Rubber Reserve, RFC.
3. International Implications of Rubber Problem, Mr. W. T. Phillips, State Department.
4. Present Technological Status and Future Outlook for Synthetic Rubber, Mr. J. P. Coe, vice president, United States Rubber Co., New York, N. Y.
5. Stabilizing the Domestic Rubber Industry, Mr. R P. Dinsmore, vice president, Goodyear Tire & Rubber Co.
6. American Synthetic Rubber Industry from Viewpoint of the Congress, Hon. FRED CRAWFORD, Member of Congress.

CONGRESSMAN CRAWFORD'S STATEMENT

Looking at the rubber problem as a Member of Congress, I made the following statement:

Mr. Moderator, gentlemen of the symposium, ladies, and gentlemen:

It is an honor to appear here tonight to participate in a program which includes such leaders in the various rubber fields as our moderator, Admiral Braine, Mr. Hadlock, Mr. Phillips, Dr. Coe, and Dr. Dinsmore.

It has been my duty and pleasure to study the rubber problems of this Nation for the past 2½ years. I participated in the work of the Interagency Policy Committee on Rubber and I have recently accompanied subcommittee No. 3 of the House Armed Services Committee on its inspection trip to Texas, Kentucky, and Ohio. I am fully aware, as are many of my colleagues in the House, of the complexities and the magnitude of our American-made rubber producing industry. I know, in addition, that there exists more than one opinion on many phases of the problem. A group of my colleagues is endeavoring to present legislation which in their opinion will provide adequate national security in rubber and at the same time be sound, practical and satisfactory to the consumers of rubber and to the taxpayers.

Let me say right here that this American-made rubber producing industry comes close to being the most outstanding accomplishment of chemists, physicists, engineers, and businessmen turned out in World War II. Without it this Nation and its allies would have been in bad shape when it came to producing the goods and materials for war. Also, I am positive that the movement and supply of our armed forces would have been curtailed. Furthermore, I hate to envision what would be happening to our production efforts right now and what the past 2 years since VJ-day would have been. The prices of tires would be double or triple and it's a cinch we would still have tire rationing.

I want to say something else that is a pleasure to be able to say with conviction, the American-made rubber producing industry as administered by the Office of Rubber Reserve of the RFC is the greatest example of good government administration and operation that I have observed in my 13 years as a Member of Congress.

However, I have been impressed by certain of the remarks made by Dr. Coe on the subject of the selling price of GR–S latex in comparison with the price of baled dry GR–S. It appears to me that this subject should be reviewed by the Office of Rubber Reserve. If this is not done voluntarily, I believe the Congress should request that it be done.

Sale of intermediates in the manufacture of synthetic rubber such as GR–S type II latex at a delivered price that would enable private enterprise to further process the intermediate and still be on a fair competitive basis with government synthetic rubber. In due course we may find that it will be quite necessary for intermediates in the manufacture of synthetic rubber GR–S type 2 latex at a delivered price that would enable private enterprise to further process the intermediate and still be on a fair competitive basis with Government synthetic rubber.

No bills dealing with rubber legislation have as yet been introduced in Congress, but that doesn't mean that a lot of work hasn't been done in preparation. It is quite probable that a bill or bills will be introduced in the House within a week. So anything and everything I say tonight with reference to future legislation is said for myself and on behalf of my colleagues whom I know to be in accord with my views. We have no way of guessing at this time what form the final legislation will take. We do know that something must be done by March 31, 1948.

I believe we must have a going American-made rubber industry.

To do that we must run some of it and keep more in stand-by condition available quickly in any future emergency.

Personally, and I think there is pretty general agreement on this point, I believe there should be 600,000 long tons of rated production capacity for general purpose rubber. We call this GR–S today. And in addition, there should be 75,000 long tons of rated production capacity for special purpose rubbers, such as butyl, neoprene, and the various N-types.

Then, I believe that one-third of each of the above amounts must be the minimum that will be in operation at all times. I know this is a controversial point. Some people think 100,000 is enough, others say 300,000 or more. That 225,000 figure to my mind is a fair compromise and one that will satisfy national defense and not place undue hardship on the consumers and the public.

Though I don't like the basic principle involved, it looks to me as though mandatory use specifications is the best answer to assure that these minimum tonnages will be consumed. If the price of natural rubber goes high enough, more American-made rubber than required by specification will be used. I feel strongly that more than the minimums mentioned above must be used during at least the next 2 years, because this country must buy natural rubber for the strategic stock pile. Unless the Netherlands East Indies' troubles are ironed out, I don't see that there will be enough natural rubber for world consumption and for our stock pile. So I foresee that the minimums outlined here may well not enter the picture for say 2 years, but nevertheless they must be there in any programs.

Now, also we must arrange for the continued improvement in the quality of our American-made rubber so that in an emergency it can be used in large quantities in more products that will give top service. To do that, it may be necessary for the Government to support certain programs of research and development that private industry will not undertake. I believe this research should be paid for by all taxpayers through appropriations and not paid for only by the users of rubber products, such as car owners, farmers, and trucking companies. Every American citizen will benefit from better American-made rubber, so, to my mind, he should pay the cost of research.

Then, too, the producing facilities not in use, but required in case of emergency, must be kept in top shape. Because we don't want all our eggs in one basket and because the day will come, I'm sure, when we will have surplus farm crops, I feel strongly that included in the stand-by facilities there should be at least one plant that can produce butadiene from alcohol flowing from agricultural products. This also should be a cost to every taxpayer and so should be paid for by moneys appropriated by the Congress.

I want to go back again for a moment to research and development. Our American-made-rubber program has a patent-pooling and exchange of technical information agreement hitched to it. I'm sure that was a good thing during the war, as an asset to help get rubber quickly and to get the best rubber anyone knew how to make. But citizens and industry of our country have, since the beginning, had the protection afforded by patents, I want to see that returned to our people and our industries. But this is a very tough and involved ball of yarn to unwind honestly and equitably. My guess is that there will be considerable debate on this topic, it might even have to be in the form of an amendment from the floor to any bill.

Another hot potato is, Who should own our rubber-producing facilities? Basically again, I believe American industry should own and operate this new giant war baby of ours. But you don't find new venture capital for new giant war babies on every street corner. Ordinarily, a new industry would be developed in small units as demand required. That was not so in the case of our American-made rubber producing facilities. We did things in a big way to satisfy the needs of war. I say let's try to dispose of our Government plants, but be sure we have them available if we need them again. This is such a large and important problem that Congress, the elected representatives of our people, must have the final say. Hence, even though we may appear to be wrapping plant disposal up in considerable red tape, we may have to require a concurrent resolution of the Congress before any facilities may be sold or leased.

Just two more items that make good common sense: Make any rubber goods imported into this country conform to the goods we require our rubber manufacturing industry to produce, and exempt from regulations any goods made exclusively for export.

The Government agency or agencies that will continue to administer the provisions of any proposed legislation should be determined by delegation of authority from the President. Personally, I hope he may find a way to wrap most of the rubber program up in one package. It should be more efficient than having several outfits in the picture.

Then finally we have a problem concerning the financial structure of our American-made rubber producing industry. Personally, I would like to see it streamlined and segregated. However, this may or may not appear to the leaders of the Congress as an opportune time to act on this subject.

It is not within my imagination to believe that a law will be approved which will intentionally impede progress on synthetic rubber developments sponsored and fostered by private industry. Therefore, we may in due course find that—

(a) Permission may be granted for an operating company to install equipment and other required facilities within a synthetic rubber plant under its operation in order to carry out research, development, and production projects on synthetic rubber, with any developments and patents therefrom to remain the exclusive property of the operator.

(b) Leasing of plants or portions of plants to an operating company for such periods as those plants or portions of plants are not required for normal Government synthetic rubber production may be advisable.

(c) Sale of raw materials such as butadiene and styrene to an operating company at a fair and equitable price in order that the operating company may carry out the functions described in (a) and (b) will be necessary.

I leave with you one big basic statement—we will have an American-made rubber producing industry in the United States of America.

I thank you.

Meat Shortages

EXTENSION OF REMARKS
OF
HON. EARL R. LEWIS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. LEWIS. Mr. Speaker, our experience with OPA and its bungling is so recent that I am sure its lessons have not been entirely forgotten. We all can recall how announcements were made by the Director of OPA from time to time of impending scarcities in various kinds of food and that the result of such announcements was a run on the stores by people who were anxious to lay in supplies of the item which it had been announced would be scarce. The effect of that was to create an artificial scarcity and thus to seemingly justify the continuance of OPA regulations and rationing. Certainly we do not want a repetition of this unhappy experience; but, in recent weeks, we have seen announcements by the Secretary of Agriculture which are strangely reminiscent of our experiences under OPA. I am in receipt of a telegram from the manager of a hotel in my district which calls attention to this fact and is as follows:

All wartime scarcities were preceded by Washington ballyhoo which caused people to hoard and created unwarranted glutting of markets. It seems from here that Anderson and Department is doing same on meat. Present-day deep-freezing equipment permits storing hundreds of thousands of pounds of meat indefinitely. Meat Institute says no need for alarm in fact Anderson's Department seem only one crying "Wolf." Looks like they are trying to create need for rationing and urge someone expose them or shut them up if possible.

This hotel manager, who must keep in close touch with the markets for all food, states the facts of the present situation, and it would seem that the Secretary of Agriculture would be well advised to stop his alarmist reports on meat because those reports can only make worse the present situation and undoubtedly create artificial shortages in meat where none exist.

Article by Mrs. Eleanor Roosevelt

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. HOLIFIELD. Mr. Speaker, the European recovery plan aid cannot be divorced from the control of inflation here at home.

Mr. Baruch's sage advice has been ignored, on the over-all economic interdependence of foreign aid and domestic inflation control.

The flank attack on adequate rehabilitation aid has now received an impetus by the recent report of former President Herbert Hoover. I ask unanimous consent to extend in the Appendix my remarks and include an article by Mrs. Roosevelt which appeared January 24 in the Washington Daily News:

PEOPLE ARE SMARTER THAN REPUBLICANS THINK
(By Eleanor Roosevelt)

HYDE PARK, Friday.—The Republicans have apparently repudiated the Baruch plan. First, they insist on supporting the Knutson tax-reduction bill. And then, ex-President Herbert Hoover comes out assailing a continuing plan for European aid, and wants to cut the aid requested by Secretary of State Marshall to $4,000,000,000 for 15 months.

He wishes to bar gifts of capital goods and to put into food the majority of what we send abroad. Since neither he nor the Republicans as a whole have made any suggestions as to holding down the prices of food, he is courting an increase in the cost of living and a consequent resentment on the part of the American people.

Naturally, the Republicans hope that the people would blame the Democratic administration for the disasters that would follow these measures—in inflation and high prices at home and in discouragement in Europe. The Congress, in which the Republicans have

a majority, would then escape the blame. It would be wonderful for them if the people of the United States had as little political knowledge as the Republicans suppose, but I doubt if that will prove to be true.

To cut the President's budget figures so as to offset the tax cut which the Republicans propose, will mean, of necessity, nothing done on the welfare measures proposed by the President. I should be very much surpirsed if both the intellectuals and labor and even some of the farm voters, having read Bernard M. Baruch's proposals, do not wonder why the majority in Congress insists on pursuing measures which must bring hardship both to our own people and the people of the world.

Perhaps the Republican high command thinks that Henry Wallace will take so many votes away from the Democrats, and so little from the Republicans, that it does not matter what the Republican Party does. Victory will be theirs, they assure themselves. When any political party gets this feeling, it is time for that party to beware.

This column is a warning to the Republicans that the voters of this country are more intelligent than they evidently think. Why should I, a Democrat, warn the Republicans, when everything they do is a help to the Democrats? I certainly should let them go on riding high if it were not that the results of their policies will bring suffering to the little people of our Nation, and to the people of Europe and Asia, who suffer enough as it is.

Mr. Hoover is evidently on the side of those who wish to build up again an uncontrolled industrial Germany. The Quaker in him does not believe in war, and yet he has been close enough to history to see how two wars have been brought about by a highly industrialized Germany.

Three Heroes of Virginia

EXTENSION OF REMARKS
OF
HON. J. LINDSAY ALMOND, JR.
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. ALMOND. Mr. Speaker, as long as men admire valor and subscribe to the attributes of character manifested in the virtue of individual honor, personal and official integrity, truth and justice, wherever found, the ship of state will sail on triumphant over every storm, hewing opportunity from the shoals of adversity to reach the shores of a glorious destiny.

The Nation should be grateful to the United Daughters of the Confederacy, as that great organization, representing the finest in southern tradition and American womanhood, eschewing every purpose and attempt to fan the flames of sectionalism, keeps aglow on the hearthstones of memory the embers of courage, sacrifice, and devotion to duty so strongly symbolized in the lives and characters of Matthew Fontaine Maury, Robert Edward Lee and Thomas Jonathan Jackson.

The quality and character of its leaders determines a nation's place in history and a people carve their own image in the shrines and monuments they erect to their heroes.

The brilliance and genius of Maury, the Pathfinder of the Sea, his devotion to his native State and his immeasurable contribution to the safety and progress of navigation, wrote an indelible chapter of honor and achievement in the history of his country.

No nobler general ever lived than Robert E. Lee; no braver soldier ever fought than Stonewall Jackson. Both, supreme as gentlemen, the knightliest knights who ever wore the gray, the fruition of the brave heart of embattled Virginia. They exchanged ambition for the sacrifice of service, glory for immortality.

Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a brilliant address, entitled "Three Heroes of Virginia," the author of which is Dr. M. C. Harrison, head, department of English and foreign languages, Virginia Polytechnic Institute, Blacksburg, Va. This adress was read from the VPI Broadcasting Station on January 19, 1948, by Mrs. M. C. Harrison, representing the Dr. Harvey Black Chapter, United Daughters of the Confederacy:

The month of January contains the birthdays of three native sons of Virginia whom this old Commonwealth delights to honor and whom she will continue to honor as long as time endures. The three Virginia heroes whose birthdays we remember today are Matthew Fontaine Maury, who was born on January 14, 1806; Robert Edward Lee, who was born on January 19, 1807; and Thomas Jonathan Jackson, who was born on January 21, 1824.

All three of these men were loyal to their native State in her time of greatest need, putting aside selfish interests and emoluments to serve Virginia when Virginia cast her lot with the Southern Confederacy.

Maury had become internationally famous as the scientist who had charted the ocean winds and tides to the extent of shortening sailing time between various parts of the world, saving millions of dollars' worth of cargoes from loss by storms, and insuring greater safety for thousands of human lives on the great deep. He had received the name of the Pathfinder of the Sea. His studies of the ocean bed between Newfoundland and Ireland had made possible the laying of the first Atlantic cable. Foreign countries bestowed on him medals, honorary degrees, and other awards.

When Virginia seceded from the Union, Maury served first in an advisory capacity in Richmond. Had President Jefferson Davis acted upon his counsel with regard to building an effective Confederate Navy the Federal blockade would have been an impossibility. Lameness prevented Maury from commanding a ship of war, but he invented an electric torpedo that blew the boilers through the deck of a Federal gunboat in the James River below Richmond. Mr. Davis made the mistake of sending Maury as an agent to England instead of using his genius to the fullest advantage at home.

Thomas Jonathan Jackson, usually called by his battle sobriquet of Stonewall, is known the world over wherever men study the history of brilliant military strategy. A stone wall on defense, he was a thunderbolt in attack. Whether operating independently, as in the valley campaign of 1862, or commanding the Second Corps of the Army of Northern Virginia, as at Second Manassas, Fredericksburg, and Chancellorsville, he was the glory of his friends and the terror of his foes. The sun of the Confederacy set when Jackson died, in May 1863, of pneumonia induced by the wounds which he had received at Chancellorsville. The most discerning military critics have believed that if Stonewall Jackson had been living at the time of Gettysburg that battle would have been a stupendous southern victory.

The peerless Lee will live as long as men revere courage, honesty, honor, sincerity, and truth. Though humble as the simplest private in his ranks, he was the greatest captain of his generation; in fact, one of the superb soldiers of all time. Could unselfish devotion to a cause, unsparing effort, and the genius of leadership have sufficed, Robert E. Lee would have led the Southern Confederacy to victory. But even when his army, because of the enemy's overwhelming numbers and resources, had to lay down its arms Lee's greatness of soul shone like a star of unprecedented magnitude.

All three of the heroes whom we honor today were men of spiritual integrity and religious faith. Jackson, "the Blue Light elder," habitually led his men into battle with hand and arm lifted in attitude of prayer. Maury, the scientist, found God in all of nature's works. Lee's last act of duty was attending a vestry meeting in the church of which he was a member, and his last effort before being borne to his death bed was to ask a blessing at his family's table.

All three of our heroes are associated with the college town of Lexington, Va. Maury died there while employed as a professor in the Virginia Military Institute. Jackson's remains were buried there. And all that is mortal of General Lee rests beneath the chapel of the college of which he was president and which now bears his name. Drive through scenic Goshen Pass and stop for a silent moment at the Maury Memorial. Step into the Lexington cemetery and lift your hat before the bronze likeness of old Stonewall. Stand in awe and reverence before a recumbent figure faultlessly carved from symbolically pure Carara marble—a figure that reposes in the chapel of Washington and Lee; a figure that Gen. John J. Pershing was proud to salute. Then give thanks to God that you have been in touch with souls that placed principle above expediency, honor above ease, and righteousness above reward.

Extend Rent Control Now

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. MADDEN. Mr. Speaker, millions over the country today are very much concerned about the extension of the Rent-Control Act. Neither landlords nor tenants should be kept in suspense as to whether this act will be extended and if so, how long the extension will be.

The leadership of the Congress should use all due haste in calling up this legislation and have it acted upon at the earliest possible time.

One of the reasons for a prompt decision is set out in the following letter from Mr. Jacobs, chairman of the Gary-Hammond, Ind., Rent Advisory Board:

The Honorable RAY J. MADDEN,
House of Representatives,
Washington, D. C.

DEAR MR. MADDEN: As the expiration date of the present rent-control law draws closer, and the housing situation failing to show sufficient improvements since the enactment of that law, it is the general opinion of this Board that the Housing and Rent Control Act of 1947 should be extended.

Another reason for this Board's request for an extension on rent controls is the shortage of rental units in this area. There has been during the past year a noticeable gain in

housing construction, although the majority of the units built are for selling and not renting purposes which, in itself, does not alter the renting situation.

Whatever legislation that may be passed upon relative to this act should be passed in sufficient time before February 29 so that all concerned will know just what they may expect on that date. This act should not have an eleventh-hour decision like the OPA had.

Very truly yours,

DAVID G. JACOBS,
Chairman, Gary-Hammond Rent Advisory Board,
By DELIA B. NAIVE,
Secretary.

A Prolabor Law

EXTENSION OF REMARKS
OF

HON. HUBERT S. ELLIS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. ELLIS. Mr. Speaker, President Lincoln said, "Labor is the great source from which nearly all, if not all, human comforts and necessities are drawn." There is practically unanimous agreement with this statement of the great emancipator.

When labor is fully employed at good wages it means prosperity for every segment of our population. Surely, every person with sufficient intelligence to read and write is deeply interested in maintaining a high degree of prosperity, and certainly any member of a legislative body would be derelict in his duty if he did not use his good offices to promote the general welfare.

In 1946 the country suffered almost continuous paralyzing work stoppages; 116,000,000 man-days of production, which was so desperately needed, were lost. Who was responsible for this is not debated here. The fact that our industry was not operating was sufficient evidnce that there was something radically wrong with the then existing labor laws or the administration thereof.

It was the duty of the Congress to endeavor to solve the problem of labor-management relations, and the study resulted in the Taft-Hartley Act. Every union man owes it to himself, his employer, and his neighbor not to idly accept criticisms of the law by some person whose own interest is better served by opposing any change in the old law, but to give thorough study to the new provisions and its operation since enactment. This study no doubt will reveal that the position of all concerned has been improved. The opinion of a vast majority is that the law is working and it protects the interest of the individual worker, the union, management, and the public.

Since the passage of the act there has been a much better understanding on the part of unions and companies alike as to what is involved in collective-bargaining process than there has been at any other time in our history. In 1947, 35,000,000 man-days were lost, and the law operated only the last 5 months, in comparison with 116,000,000 in 1946.

Many of the rank and file of labor are doubting their leadership charges that the Taft-Hartley Act is a slave-labor law, because the workers have not become slaves and their unions have not been destroyed. They are now experiencing greater freedom from the excessive power of officials.

The Labor-Management Relations Act of 1947 has not retarded the growth of the labor movement. On the contrary, union membership has increased under the law. The Teamsters' Union, alone, has acquired approximately 100,000 new members since the passage of the act, according to Daniel J. Tobin, international president.

The new law has not affected the ability to bargain for higher wages and better working conditions. Actually, the best contracts ever negotiated, have been signed.

The section dealing with the separation of the prosecution and judicial powers of the NLRB is being accepted by union leaders with considerable enthusiasm.

The following statement by Henry Hazlitt, as published in Newsweek, gives some most interesting information. I direct your attention particularly to the poll of union members on the 10 major provisions of the law. I think their viewpoint at that time has been fully justified:

A PROLABOR LAW

(By Henry Hazlitt)

The fate of the Taft-Hartley Act is an ominous illustration of the power of propaganda. The Wagner Act left the individual worker at the mercy of the union boss. The new law protects the individual worker's rights and interests. It is precisely because the new law does curb the hitherto unbridled powers of union leaders over the rank and file that these leaders opposed its enactment with every technique of propaganda. They did not shrink from any misrepresentation, however fantastic, including the device of denouncing the measure as a slave-labor law.

This was not enough to shake the determination of an overwhelming majority of Congress to pass it. Yet it had its effect, not only on the astonishing language of the President's veto, but on the rank and file of workers. A recent survey conducted by the Opinion Research Corp. found that 54 percent of the employees questioned, and 64 percent of union members, disapproved the law.

But the survey also uncovered a strange paradox. Notwithstanding their declared disapproval of the new law, a majority of workers favored every individual provision of it on which they were questioned. Even a majority of union members favored every feature of it but one. Here is the result:

[Percent]

Favor law to—	All employees	Union members
Require 60-day cooling-off period	78	70
Allow companies to sue unions	77	70
Allow freedom of speech for employers	69	61
Require union financial reports	86	85
Prohibit Communist union leaders	76	77
Prohibit union political contributions	56	50
Allow check-off only with worker's consent	68	74
Allow union shop only with majority vote	79	77
Outlaw closed shop	60	48
Delay strikes in public-service industries	78	70

The new labor law makes it an unfair labor practice for a union as well as an employer to restrain or coerce individual workers in the exercise of their bargaining rights. It illegalizes excessive or discriminatory initiation fees. It refuses to certify a union or allow it to bring complaints to the Labor Board unless it has published a report of its receipts and disbursements, as well as a statement giving its name, the names, titles, and salaries of its principal officers, the manner of the election, the initiation fees and dues of the union, a detailed statement of its constitution and bylaws showing the procedure followed regarding qualifications for or restrictions on membership, election of officers, calling of regular or special meetings, levying of assessments, imposition of fines, authorization for strikes, authorization for disbursement of union funds, audit of union financial transactions, expulsion of members, and the grounds for it.

Every member of a union will want to know every one of these facts. It is only union bosses who find their arbitrary powers threatened, who want to continue to be high-handed, secretive, and irresponsible to the rank and file of their unions, who have anything to fear from such publicity. It is not surprising when such union bosses announce that they will bypass the new law.

Equally important protections for the rank and file are the provision requiring written consent of individual workers for the check-off of union dues, the provision making it unlawful for an employer to buy off a corrupt or blackmailing union leader, and the provision to assure that so-called welfare funds really are used for the union members' welfare and not merely to make labor leaders financially independent of the rank and file of their unions.

If we are thinking not of retaining unrestricted power for a small union oligarchy but of the rights of the union rank and file and the rights of the individual workers, then the much-abused Taft-Harley Act far more deserves the title of a prolabor law than the misconceived Wagner Act ever did.

Poetry Prizes for American Students

EXTENSION OF REMARKS
OF

HON. RICHARD F. HARLESS

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. HARLESS of Arizona. Mr. Speaker, James Patrick McGovern, special Washington correspondent of the Arizona Daily Sun, a distinguished member of the bar of the District of Columbia, and former captain in the American Expeditionary Forces during the First World War, has established the McGovern Poetry Award in the American University and Catholic University of America, both in the National Capital. Succinctly stated, the prizes, selected by the presidents or other executive officers of the two universities, in their uncontrolled judgment and discretion, are to be awarded annually to students for the best original poems submitted in competitions open to all undergraduates, representative of the various cultural, religious, and racial differences of the Nation, thus reflecting Captain McGovern's desire for the tolerance, understanding, and brotherhood that knows no distinctions of race, creed, or color. His special object is to foster the humanizing and creative qualities to which the encouragement of the writing of poetry lends itself, particularly as he believes

that its cultural and spiritual values, as contrasted with the practical and material aspects of much of our college training and of society generally would be salutary in a world which appears to owe much of its strife—nationally and internationally—to the inordinate importance attached to the possessions of wealth and to the slight attention given to those of the mind and heart, an unwise promotion of the material to the neglect of the spiritual. The Catholic University of America has not yet issued its announcement on the subject, but the American University released a press statement under date of January 6, 1948, reading as follows:

To encourage the writing of poetry, James Patrick McGovern, Washington lawyer and member of the firm of Magee, Beedy & McGovern, Munsey Building, has established the McGovern Poetry Award in the American University. Two awards of $75 and $50 will be made at the commencement on May 31, 1948, to students who have submitted the most meritorious verse when Norman Cousins, editor of the Saturday Review of Literature delivers the commencement address. More than 4,000 students of the university are eligible to make entries for the awards. President Paul F. Douglass has appointed, as the committee in charge of the award, Mr. McGovern, as honorary chairman; Prof. Merritt C. Batchelder, chairman of the division of humanities of the College of Arts and Sciences; Dr. Rudolph von Abele, assistant professor of American literature in the School of Social Sciences and Public Affairs; and Dr. Elgin Groseclose, Washington novelist and alumnus of the American University. All manuscripts must be submitted to Dr. von Abele not later than April 15, 1948.

In furtherance of the endowment Captain McGovern has written a poem for publication in the official organs of both universities, which reads:

THE HEART'S UNDYING QUEST

Poetry has nature's root and flower,
The soul of life from essence of the earth;
Born of truth and beauty, it reaps power
To make the mortal of immortal worth.
The spirit which is nurtured in its seed
Can build such health, such faith, such harmony
That wisdom of the heart and mind then lead
To peace and brotherhood and liberty.
The art of poetry owns a domain
Unique and universal in its sphere,
With words like pageants gleaming in its train,
With strains of music blending for the ear;
It is the diamond light of man's unrest,
The rhythms of the heart's undying quest.

—*James Patrick McGovern.*

Truman Can Check Inflation If He Desires

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, President Truman has the power and authority to reduce speculation and, in addition, he can knock inflation into "kingdom come," if he is so disposed. Airtight secrecy is the answer to speculation and if put into effect prices would drop materially. Congressional action is not needed. For months the administration has had a policy that precipitated speculation resulting in an increase in the inflationary spiral. Mr. Raymond Moley, writing in the Chicago Journal of Commerce, calls the turn on this situation. I include it as part of my remarks:

HOW TO CHECK INFLATION

(By Raymond Moley)

An experienced trader in commodities, who hesitates to speak in his own name publicly, points out that it lies entirely within the power of the administration not only to squeeze and reduce speculation, but to attack inflation on a wide and vital front. He says that if Government grain buying could be as secretly managed as the stabilization fund in the Treasury, there would have been no such rise in commodities as has been seen since September, and that in the next 3 or 4 months prices could be materially reduced.

No congressional action at all would be needed for such managed buying. Just skill and secrecy in planning are necessary.

The commodities trader pointed out that the Government already owns 400,000,000 of the 500,000,000 bushels of wheat needed up to May or June. Why not halt buying for a while and enter the market only intermittently for the next few months? Over the period between now and June, only 20,000,000 bushels a month are needed. This amount could be secured without question and at great savings.

A sudden stoppage of Government buying, even though it be temporary, has a powerful effect on speculators. This was shown in late November, when a sudden rumor ran through the exchanges that the Government would stop buying for the rest of the year. Prices dropped suddenly.

The Government's actions over past months have created exactly what the President deplored in his statement on the Republican anti-inflation bill, namely, "speculation, hoarding, dumping, and other actions." Throughout 1947 the administration lost little opportunity to proclaim the danger of shortages and to point out that the supply would fall short of the need. The Department of Agriculture said that we could safely spare 570,000,000 bushels. Government propaganda did much to draw speculators into the long side of the market.

The Department of Agriculture will deny that its buying policies could have been altered in the past few months to prevent the rise. It says it had to buy and that the magnitude of its buying was so great that prices inevitably had to rise.

The Department will, however, find it hard to deny that the farm bloc would have entered vehment protests against real stabilization. It would also find it hard to deny that a valiant effort now to hammer the price of wheat down would be politically injurious to Mr. Truman's chances of winning more support in farming States. It must be admitted by Republicans, also, that they have shown no zest to hit the cost of living in the vulnerable spot, which is the price of wheat.

Meanwhile, the tom-toms are sounded about speculation. And the Republican Congress gave the administration its desired power to hit the distillers again. That curb, which extends to January 31, will no doubt be up for an extension early in this session of Congress. It saves little grain and is of doubtful constitutionality. But it is a safe way to divert attention for a genuine attack on inflationary grain prices.

Discrimination Against United States Veterans

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. MADDEN. Mr. Speaker, last week, Harold Morris, commander of the Indiana American Legion, the State and national adjutants of the American Legion, and others came to Washington to meet with the Indiana congressional delegation to protest the sale of 140 defense houses located at Knox, Ind., to real-estate speculators.

Negotiations were about to be consummated for the sale of these homes, known as Parkview Heights housing project at Knox, Ind., to a real-estate firm from Lorain, Ohio.

These houses have been almost exclusively occupied by veterans of World War II who have been negotiating for a long period of time with the Public Housing regional director in Chicago for the purchase of these homes.

The intent of Congress in passing legislation for the sale of all surplus war housing, as well as other surplus material, was to give the veteran the No. 1 preference.

The facts relating to the negotiations for purchase of this project, as related by Commander Morris and John K. George, a veteran of Knox, Ind., who rents one of these homes, has convinced me and the other members of the Indiana delegation who met in conference last Saturday, that the veterans' purchase application was ignored and the intent of Congress to give the veterans preference was completely disregarded.

Knox Homes, Inc., who entered negotiations with the Public Housing Administrator in the Chicago regional office proceeded to solicit contracts for the reselling of these homes at almost double the amount of purchase even before the contract was signed by the Government. No doubt incidents of this kind in selling surplus housing installations have and are occuring in other localities throughout the country.

The veterans' group from Knox, Ind., have been trying to purchase this property for a period long previous to when the Knox Homes, Inc., made application, but for some reason have not been extended the aid and cooperation in consummating this purchase which the Congress intended the veterans to have.

Through the efforts of the Indiana congressional delegation, a conference will be held this week at the Legion headquarters in Indianapolis, Ind., with the Chicago Regional Public Housing Administrator, with the hope that Knox Homes, Inc., will be denied the opportunity to purchase this property. The veterans group were at all times ready and willing to pay a price equal or in

excess of that offered by Knox Homes, Inc.

I mention this case of veterans discrimination because it is merely one of numerous incidents which have taken place over the country in the disposal of surplus Government real estate and personal property.

In the purchase of surplus personal property, the veteran's preference has almost been made a mockery because of the Administrators' insistence that veterans should buy in allotments far above their capacity to pay.

Another malicious violation of veteran's preference has been the fact that speculators have used individual veterans as a front to secure Government surplus and then sell the same at high and unreasonable profits.

I propose to submit an amendment to the Surplus Property Act, calling for a severe penalty, both for the speculator purchaser and also the veteran who engages in a conspiracy to defeat the intent of Congress which was to give the veteran a No. 1 preference on all surplus Government war property, both real and personal.

Investigate Oil

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. HESELTON. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the RECORD, I include an editorial recently published in the Boston (Mass.) Herald.

This editorial is particularly pertinent in view of the unanimous action taken by the House Committee on Interstate and Foreign Commerce, which was reported by the chairman of that committee, the gentleman from New Jersey [Mr. WOLVERTON], earlier this afternoon.

The emphasis on the fact that the problem is now producing crises in sections of this country, is not necessarily local but rather looms as of national and possibly of world concern, is of great importance. It is clearly recognized, in the action of the House Committee on Interstate and Foreign Commerce, that we are not only dealing with emergency conditions now but with long-range problems which may affect the very peace of the world, quite apart from its comfort and industrial capacity.

May I underline two sentences:

A nation forewarned is a nation forearmed, even if the American way too often is to ignore warnings of an approaching crisis, and then, when it comes, to hunt a scapegoat. * * * Facts, rather than divergent fancies, appear justified, now that petroleum as a source of heat and power are here to stay.

The editorial is as follows:

INVESTIGATE OIL

Cold and snow and the 68-69 prescription for the household thermostat have brought home to New England that there is a fuel oil shortage and that observance of the 15-percent reduction rules can mean the difference between a healthy home comfort and shivering for the balance of the winter. Climate and geographical position and lack of tankers have combined to build up the impression that the oil scarcity is peculiarly New England's own.

Within a week, three distinct Washington advices from official sources indicate that the problem is more than that of an area. It looms as of national and possibly of world concern, or specifically that portion of the world which clings to democracy. Concern has common foundation not in decrease of supplies, but in tremendous increase in demand. Statistically, Secretary of the Interior Krug points to rise in domestic demand from 367 gallons per capita in 1941 to 608 gallons in 1947.

This is fundamentally the basis for his appeal for development of lignite coal and shale deposits and his warning that known United States petroleum reserves would be exhausted in 10 years. It explains the supplementary statement of the director of the Department's oil and gas situation, Max Ball, that 4 or 5 years would elapse before the supply of oil caught up with demand. Of military concern, expressed by Secretary of Defense Forrestal, is peril to the Near East flow from Moslem or Soviet pipe-line interference.

Since the huge wartime demands upon petroleum, a drain that has not dwindled but increased, there have been two schools of thought on the future of our petroleum. Broadly, industry estimates see no danger of exhaustion on the premise that new deposits can be brought into use faster than consumption increases. The administration agencies' view is that known resources cannot stand the postwar gaff, and that coal and shale, the so-called marginal sources, be readied for liquid fuels conversion about 25 times the country's present proved reserves.

A nation forewarned is a nation forearmed, even if the American way too often is to ignore warnings of an approaching crisis and then, when it comes, to hunt a scapegoat. For the facts on what we can expect in petroleum, a special commission to prepare a national petroleum policy in the manner of the Finletter commission on aviation should be set up at once. Facts, rather than divergent fancies, appear justified, now that petroleum as a source of heat and power is here to stay.

Address of Senator Raymond E. Baldwin

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. KEATING. Mr. Speaker, experienced public servant in State and Nation, liberal statesman and forceful leader, Senator RAYMOND E. BALDWIN, of Connecticut, was the principal speaker at the annual dinner of the New York State Bar Association held last Saturday evening in New York City.

The enthusiastic reception accorded his address was thoroughly merited not alone by his always masterful delivery, but equally by the thoughtful and constructive character of his remarks.

As we grapple with the gigantic problems embraced within the European recovery program, it seems to me helpful to bring to the attention of the membership of both Houses the views of one of our distinguished colleagues, who, in experience and devotion to the best interests of our Nation, represents public service in its finest expression. His address follows:

It is sometimes said that our good Pilgrim fathers barely tolerated lawyers—regarding them as a necessary evil to be carefully watched. One of these founders of our country is said to have observed a tombstone inscribed, "Here lies the body of Jonathan Baker, a lawyer and an honest man," and reflectively observed, "A lawyer and an honest man. I wonder what the two of them are doing in one grave."

Perhaps that is a reason historians disagree as to how many signers of the Declaration of Independence were professionally concerned with the law. Some say 26. Others say 32. At any rate, well over half of those who took this lead in finally declaring our purpose of seeking independence were lawyers or judges. And since that time lawyers have consistently played a crucial role in the direction and development of our Nation's policies.

It is a welcome opportunity to talk with bar association members because you can appreciate, better than those not so intimately associated with the law, the problems and the difficulties we have before us in the Congress.

Rather than talk shop here tonight—which I would like very much to do—I would like to talk over with you what I am sure we all believe is the most vital and threatening question before our Nation now—that is whether or not we should enter into a vast program to rehabilitate Europe in an effort to prolong peace.

Certainly there is no issue to which Franklin's warning "we must all hang together or most assuredly we must all hang separately" can more aptly be applied.

One of your own members, the present distinguished Governor of your State, Thomas E. Dewey, was one of the first to impress on our people the vital necessity for regarding foreign policy as a bipartisan American issue. On several occasions during the 1944 campaign, Governor Dewey called for a unified bipartisan foreign policy. I recall particularly that in Louisville, that September, Governor Dewey said, "It is a nonpartisan matter when we are in war. . So also we must learn to make peace a nonpartisan matter to be achieved through united effort."

There are those who refer to such an attitude as a "me too" attitude. Those who do may be guilty of allowing the other party to rule their thinking. It does not follow that either party must always be wrong or always right. Of course, being a stanch Republican, I have been—and am—convinced that right is considerably more likely to be on our side.

Certainly in the matter of foreign policy we can have no rift in our policies that would allow other nations or other ideologies to divide our thinking to the damage of our own principles. This does not mean that we expect, or require, conformation to any rigid thinking on foreign policy, but it does mean that we should cease to regard foreign policy as a weapon of political campaigns. We are—and should be—Americans before we are Democrats or Republicans, or Wallaces. Surely there are still principles, hopes, and causes that all Americans have in common.

The development of our present foreign policy is the product of a bipartisan exchange of views. And I might say, in passing, that it was primarily the efforts of Senator VANDENBERG that changed the administration's recent policy of appeasement to one of firmness. It is the Vandenbergs, the Wilkies, the Deweys of the opposition party that have succeeded, to some large degree, in making sure that American differences regarding re-

lations with other nations cease "at the water's edge."

It is my sincere hope that we will continue to show the world a united, firm, wise, and generous attitude.

We are facing today, a condition different from any in history. There are no precedents. At no time, since God placed man on earth, has one people, one nation, come to such a dominant position of leadership in the affairs of the whole globe. It is gratifying to know that this has not come about as the result of a ruthless, military march in which we started off as the aggressor. The natural wealth of our land, our own love of peace, our free minds and free souls, have built a mightier nation than all the military conquests of history. As a free people, we do not seem to understand and fully appreciate our own strength. We are reluctant to assume the responsibility of dominance in world affairs, such as has never been the case with any nation heretofore. Such a position of leadership brings with it challenging responsibilities. More than any other nation, we, the people of America, are charged with the keeping of the peace.

Not all of us believe peace lies at the end of the same road.

There are those who argue with conviction that we can withdraw to the shores of our own land and build here a wealthy, safe, and secure island of peaceful plenty. Those who foster that belief, daring the advance of science, ignore the changes of modern years, and give themselves up to the inevitability of war.

It is possible that we could build, here, such a strong defense that no nation, or combination of nations, could take our own land from us. But those who depend on such defense here must acknowledge the horrible fact that war then, whether we would win or lose, would be fought on our own streets. Many of those who advocate such an escape from threatening problems couple their arguments with the claim that any other course is too expensive.

During the next 4 years at the present rate of spending, veterans' affairs will cost us about $25,000,000,000, national defense about 45 billion, and service on the war acquired debt about 16 billion. Those three costs of war and costs of defense will, at the present rate, cost more than four times as much as the proposed European recovery plan. We cannot avoid them now, but we can avoid their larger counterparts for the future. Peace is not a gift. It must be paid for—and worked for.

Let it be entirely understood that such expenditures for the aid of other nations are not the heedless spendings of a wastrel nation. They are investments in peace. They are selfish guaranties of our own security. The reconstruction of Europe will bring us a higher budget and add to our taxes. The failure to build freedom and prosperity in other nations would soon make necessary for higher taxes, for defense against a hungry and envious world. There are also those who choose to follow the path of appeasement. Appeasement was not discovered in 1939.

In our own history, we tried appeasement with the pirates of Tripoli. England had an early experience appeasing the Vikings. Those attempts, like others, only prolonged the inevitable day when stronger methods had to be used. Appeasement cannot work because appeasement ignores a human trait of insatiable greed for power once that power has been tasted. Is there any reason to suppose that left to develop her own ambitions, the Soviet Union would halt her expansion over Europe at the present boundaries? There are those who say that makes little difference—that peoples absorbed in the Soviet ideology will soon recognize the failures of the system and will gladly return to our democratic fold. Those wishful thinkers can be shown that once a free people is bound by the chains of dictatorship, there is no turning back. Greedy, envious leaders of other ideologies could then use the wealth and the manpower of exploited nations to threaten our people. It is of great importance that this Nation develop friendly, mutually trusting relationships with the Soviet Union. But I see no way for us to interminably extend our own understanding so long as Soviet leaders refuse to reciprocate. We have, since the war, seen instance after instance in which the Soviet Union has disregarded our mutual plans and has sought to inflame other people against us by violent, and—I might say—malicious misconstructions of our purposes. We can only sincerely hope that Soviet leaders can come to recognize the rights and hopes of free people and join efforts to build peace.

This year of 1948 will be a year of fateful decisions. The fate of peace may well be decided in these next months. There is before us now, the so-called Marshall plan, a plan which bears out our traditional belief that in prosperity and freedom there is peace. The plan has been criticized. It is unfortunate that in those criticisms there is seldom offered an alternative hope.

No loyal, thinking, American favors the spending uselessly, any part of our hard-earned wealth. Our land is not a land of limitless resources. We are not a people of boundless wealth. We cannot waste our substance in riotous giving. It is vitally important that we guard our own economy if we are to keep ourselves free and the world at peace. Poverty here cannot help relieve poverty abroad.

Most of us are now aware that our efforts of the past 2 years during which we spent nearly $17,000,000,000 on relief for Europe must be declared essentially a failure. The generous, willing assistance of our people has been squandered with little or no effect—squandered because the administration chose to follow that familiar policy of reckless spending on useless doles—with a view to relieving rather than rebuilding Europe. So we find ourselves, today, scarcely further ahead than we were 2 years ago. It is indeed discouraging to realize that the generosity of our people has been so ineffectively used. During that time, we have come to be threatened by a dangerous inflation at home. That loss of our wealth—is in itself serious. Even more serious is the fact that this failure has led many of our people to question whether our Government can apply our aid in such a way that we can look forward to the day when the need for it will cease.

It must be clearly understood that in undertaking any new effort, we divorce our efforts from the past. We are starting anew, conscious of the failure of the past, but undiscouraged in our efforts to build a just and permanent peace.

Until this time we have been somewhat in the position of the embarrassed helper of an impoverished friend who anonymously slips a check under his friend's door and hopes that it will help to tide him over. Now we have finally come to the point of walking frankly and openly up to our friend's door and knocking to tell him "I want to help you out of your trouble but I want to see that you use my help in such a way that you'll soon be back on your own feet and able to earn your own living."

This plan must do more than express a pious hope if it is to justify the expenditure of our own wealth. Reconstruction must be accomplished. You, as close associates of many of the powerful business and labor interests of this Nation, can help impress upon our people the vital necessity for their demanding and insisting that this plan be made realistic, efficient, and productive. You can lead our people in insisting that selfish interests must be submerged if we are to maintain the sceurity and freedom of our own homes.

Let me be specific. It is very well to say that we must have a trained expert staff working, for example, on the problem of the reconstruction of the French railroads. It is all very well to say that we do not want to entrust such technical operations to the hands of profesisonal civil servants, but where are we going to get the trained personnel? Where will we actually get the hard-headed resourceful experts we claim are needed? It will be difficult to convince outstanding men that they should abandon their present work to patriotically accept low-paying positions for uncertain periods of time. We run the risk of collecting comparatively unqualified staffs. We run the risk of including on those staffs some who might have, or develop, selfish financial interests. Therefore, unless we secure the full and patriotic cooperation of leaders in labor, management, and agriculture, it will be necessary to rely primarily on professional civil servants who may, or may not, be fully qualified for the work to which they might be assigned. We, in Congress, cannot—by law alone—make this plan work efficiently and effectively. That is up to all who seek peace.

I might say here—it does not necessarily follow that the employment of such professional Government workers is disastrous. More frequently, it is the policies that have brought failure. For example, our State Department is commonly charged with a major responsibility for the lack of effectiveness of postwar relief. At the risk of defending a sometimes unpopular cause, it is only fair to recall that less than 8 percent of the direct relief given to Europe in the past 18 months came under the authority of the State Department. The balance has been administered by such a variety of agencies as the Treasury, the Export-Import Bank, UNRRA, the Army, and the Maritime Commission—a variety so great as to certainly preclude any probability of effective coordination.

The European recovery plan offers hope but it also presents problems. Let's review what some of these encouraging signs are and also look at some of the problems.

The very fact that 16 nations of Europe have agreed to take cooperative measures to stabilize their money, to reduce trade barriers, to provide for the free movement of people between their countries, and to cooperatively use their individual resources is most encouraging. The selfish nationalism of Europe has been the cause of war for centuries. We, who are here tonight, will probably never see the day when the world becomes fully united in a combined effort to preserve the peace forever, but we may be witnessing, now, a beginning of a United States of Europe that will be a vitally important step in that direction. The significance of these 16 nations joining together, should not be overlooked. It is an encouraging and hopeful sign.

Other nations can be expected to join in helping carry out this program. As a matter of fact, at least three of the participating nations, Portugal, Switzerland, and Turkey, will probably be able to pay for the imports we send them. In addition to that, Portugal and Switzerland have indicated their willingness to extend credit to the other nations involved.

This plan places definite responsibilities on the recipient nations and encourages the full use of their own efforts. Each participating country must conclude an agreement with the United States making guarantees of full and open cooperation.

The task we face is not easy. Because of increased population, the loss of overseas investments, the servicing of foreign debts, the increased prices, and the reduction in supplies available from eastern Europe and southeastern Asia, the nations of Europe need to build greater production than they had in prewar years.

They particularly need to restore grain and livestock production, to increase coal production above the prewar production level, to expand the production of electricity, to greatly expand facilities for refining oil, to increase steel production, to expand and rebuild inland transportation and to restore merchant fleets. What kind of an organization can best deal with those complicated and varied problems? This effort should be directed by hard-headed, effective business administration. There can be no quarrel with that. We can depend no longer on the policies of spend and hope that we have seen in the past. However, there might arise difficult administrative problems as to whether we might run the risk of dividing this authority and so create some threat to the proper integration and continuity of foreign policy.

Two somewhat contrary proposals have been made concerning the organization to be established. One is the suggestion of the President which would establish the Economic Cooperation Administration headed by an administrator responsible to the President. He would be independent of all other agencies except where the actions of the Administrator would affect foreign policy, in which cases he would be subject to the direction and control of the Secretary of State.

Under the Herter plan there would be established an independent Government corporation called the Emergency Foreign Reconstruction Authority, whose powers would be vested in a chairman acting under the direction of a bipartisan board of eight. This chairman would also be the executive director of a foreign aid council composed of his eight directors and six other administration officials, including the Secretary of State and four other Cabinet members.

This difference raises a practical question of administrative procedure. Under both plans it is clear that the chairman or the administrator would be responsible for all phases of the program except possibly those affecting foreign policy. Under the administration plan, foreign policy matters would be subject to the control of the Secretary of State. Under the Herter plan this point is not entirely clear. Foreign policy may, also, in effect, be controlled by the Secretary of State, provided the administrator accedes in case of disagreement or provided any difference of opinion were resolved by the President.

It has been made clear both by the Secretary of State and the Herter committee, that in any event the actual organization should and would be set aside from, and not made a part of, the Department of State.

This apparent difference of opinion also brings up a constitutional question. The Supreme Court has consistently held that the power of conducting foreign affairs resides in the executive alone.

In *Marbury* v. *Madison*, Chief Justice Marshall said, "By the Constitution of the United States, the President is invested with certain important political powers, in the exercise of which he is to use his own discretion. * * * To aid him in the performance of these duties, he is authorized to appoint certain officers, who act by his authority, and in conformity with his orders. In such cases their acts are his acts; and whatever discretion may be used, still there exists, and can exist no power to control that discretion. * * * The application of this remark will be perceived by adverting to the act of Congress for establishing the department of foreign affairs. This officer and his duties were prescribed by that act, is to conform precisely to the will of the President. * * *" The act to which Marshall referred did not direct the President to act through the Secretary of State and left the President free to act through another officer if he chose. Traditionally, the President has placed that responsibility in the Secretary of, and Department of, State. There would seem to be grave question as to whether Congress could direct the President to assign any part of that authority elsewhere—if this should be attempted.

However, that is largely a technicality, since for all practical purposes—the direction of foreign policy could remain in the hands of the Secretary of State under either proposal by possible interpretation.

I feel confident that the Congress, has as its purpose, the establishment of an efficient authority close to the working level of the project and that some arrangement will be worked out whereby the lines of authority will be clearly established and a division of authority in matters of foreign policy will not be created. From a strictly political viewpoint, this technical disagreement furnishes an excellent opportunity for bipartisan cooperation—in which both the Congress and the administration must recognize the responsibilities and concern of the other.

The amount of aid that is to be given presents an issue of vital consequence. We are agreed that there is little use in setting up an inadequate program which would only delay the economic collapse of these nations. The fact must certainly be granted that no human being can, with exact accuracy judge what the minimum amount for success must be. We are required to accept the estimates and the judgment of those who have most carefully studied the case. To arbitrarily and without full consideration take the position that this sum now set at 6.8 billion for the first 15 months can be reduced by two or three billion is patently unwise. Whether that sum can be scaled down, whether that amount of aid can be extended without a dangerous effect on our internal economy are matters requiring careful and objective study. However, the amount we appropriate is of far less importance than how we spend it. Next year, after we have had the experience of 1 year of operation, we will be in a far better position to balance the results against the needs and against our capabilities. It has been argued that because an estimated two billion of the amount requested by the administration may not be spent during the fiscal year covered by this appropriation, we need not appropriate more than about 4.6 billion this year. The legislative budget is, of course, based on expenditures, not on appropriations. However, the additional two billion concerned here would be authorized for contracts requiring future expenditures. If that amount is not appropriated, we would be in no position to sign the contracts involved, since the parties concerned would have no assurance that the approiation called for would be supplied, and we would incur a lot of ill will while we were trying to expound the proposition that one who deals with a public official is bound by the limitations which the law places upon that public official's authority.

No doubt, during the long and careful consideration that will be given to this program, many worth-while changes will be made. As a matter of fact, already one significant change has been effected. The administration at first requested an overall appropriation for the full period of 4 years. Because this plan depends for success on the maintenance of our own prosperity, and the encouragement of signatory nations by incentive, it would be most unwise to commit ourselves for a period longer than 1 year. We have now no assurance that our economic conditions here will be such in another year that this this plan can be carried out for the full period. More than that, we would have destroyed one of the best guaranties of the plan, in that these nations, knowing that the degree of their success will be reflected in the following years' appropriations, should be more anxious to make sure that they can present to us the satisfactory certificate of progress.

It was again Senator VANDENBERG who saved the administration from that possibly tragic error.

There has been much concern and much discussion of the guaranties that are to be provided under this bill and the restrictions that are to be applied to our aid. So far as the restrictions are concerned, Congress will certainly insist that the labor and raw materials and supplies available within these countries be properly and fully utilized; that trade restrictions and tariff barriers and selfish financial interests not interfere with the reconstruction of these nations; that our own needs are taken into account fully, and that there be made available to the United States such materials as may be required to help our deficiencies here and to meet deficiencies in the future; that the countries take immediate and effective action to stabilize their respective currencies; that they move as rapidly as possible toward a condition of independence of our aid; and that our dollars, our goods, and our services carry on them the label "Made in the United States of America." We want to have these people understand that it is the strength and the wealth and generosity of free people living under free institutions of government that come to their aid now.

There have been suggestions that this aid should also have political strings attached to it. I do not believe that a free, democratic America, concerned with the development and maintenance of the principles of freedom and democracy abroad, can properly place itself in the position of making political demands on any nation, even though we may devoutly wish their systems were different. To do so would be to risk a justifiable charge of political interference. As a matter of historical record, our attitude on this point was first clearly defined by President Monroe in his address to Congress which later became known as the Monroe Doctrine. Monroe, at the suggestion of John Quincy Adams, after demanding that European nations not interfere in the Western Hemisphere, said, "Our policy in regard to Europe remains the same, which is not to interfere in the internal concern of any of its powers; to consider the government de facto as the legitimate government for us."

Obviously, at that time the present condition was not foreseen. Even so, it does not illustrate our traditional belief in the political rights and freedoms of all people.

I am personally of the opinion that the types of government now in existence in some European nations are not the most conducive to the encouragement of a rapid reconstruction. However, that is the province of the citizens of those nations.

We can, however, and should properly, demand two qualifications: First, that there shall be free elections in which eligible voters can freely elect the government of their choice. Secondly, these nations must meet certain standards of accomplishment. I do not suggest that we can, in any detail, demand that rigid schedules of production be adhered to. There are too many uncontrollable factors that might prevent meeting such schedules. However, we should establish a system of periodic review whereby the concerned nations could be frankly told our opinion of their progress and frankly warned that adverse reports of the effect of our aid would heavily prejudice their chance for further assistance. It would, therefore, be to the interests of the peoples involved to see that their governments are capable of directing adequate progress.

There is also the question of whether or not we should extend aid to nations now under the domination of the Soviet Union. It goes without saying that these peoples attract our particular sympathy because they have not only suffered the destruction and dislocations of war, but have, in that time of despair, seen their freedom fall under a

wave of political aggression. Our offer should in no way exclude these most unfortunate of people, if we can be assured of our reasonable insistance on observation, review, and free elections within those countries. From our past experience, it would seem particularly appropriate, in those cases, to make extraordinary acute observations as to the use made of our assistance.

There are those who will continue to oppose this effort. Some will oppose it with the emotional and attractive argument that we cannot, in view of our threatening inflation at home, waste our needed resources on thankless peoples who have already been charged with being derelict in the pursuit of their own economic reconstruction. That is negative thinking.

Our problem in keeping the peace is not what can't we do, but what can we do? I have no hesitation in saying that I find the cost of this project a sobering subject. I believe it holds a possible threat to our own economic security. However, until such time as another plan is produced offering a cheaper, more promising way toward peace, I see no other alternative.

If those who oppose this plan could demonstrate practical ways and means of better insuring our prosperity here and better assuring peace in the world, I would not hesitate to drop my interest in this plan and actively support the other. To say this, or any plan, guarantees peace would be foolhardy, but so long as it has in it any better hope for peace and security for us, we cannot afford to sit idly by waiting for that more costly alternative of war. We have made errors in the past—serious and costly errors. Our last 2 years have been substantially wasted insofar as the reconstruction of Europe is concerned. But we cannot allow ourselves to be so influenced by failures of the past as to reach the conclusion that we shall not try in the future.

We can be assured that if we do nothing there is the grave probability of disaster. If we go forward with any plan, there is always the risk that it might fail, but the risk and cost of the former is infinitely greater than the risk and cost of the latter.

This year we start fresh. We cannot expect only a few weeks of argument. We can, and we should, look forward to years of work for peace.

We cannot buy peace. We cannot vote peace. We must, and we shall, build peace.

We have before us, two constructive but fundamentally similar approaches to what now seems the best way toward peace. We now have the opportunity to change and improve them. Let us use that opportunity. Let those who deny the value of these plans bring before us a better one. If they cannot and do not, let them join all Americans in what must be a common effort, a common contribution, and a common sacrifice to answer our prayers for peace.

Discussion of Federal Taxation of Earnings of Colleges and Universities

EXTENSION OF REMARKS
OF
HON. FRANCIS CASE
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. CASE of South Dakota. Mr. Speaker, the question of taxation or tax exemption for the earnings of colleges and universities is one of wide interest and concerns many people. Under leave to extend my remarks, I place in the RECORD the following material which deals with both sides of the question:

WASHINGTON LIAISON SERVICE,
Washington D. C., January 13, 1948.

Mr. LLOYD MOREY,
Comptroller, University of Illinois, Urbana, Ill.

DEAR MR. MOREY: Your report on Federal taxation of earnings of colleges and universities is before me.

The only single point at issue at the present time is the proposed application of Internal Revenue Form 990 to educational institutions that are now tax-exempt. You say that the use of this form is unnecessary because land-grant institutions report to the United States Department of Agriculture and "all public institutions and most private institutions publish their financial reports in much detail and also report to the United States Office of Education." You urge this point of view seeking to have it adopted as a substitute for the application of Form 990. I have just concluded a conference with Mr. Emery M. Foster in charge of research and statistics of the United States Office of Education and he repeatedly told me that this agency does not receive any reports which could be used by the Bureau of Internal Revenue as a basis of tax collection. Mr. Foster says and I agree with him that reports of this kind should be received by the United States Office of Education but they are not now currently so received.

It is true that the land-grant institutions do report to the United States Department of Agriculture but these reports are not in such form as to be suitable for the Bureau of Internal Revenue because as you say, the form of accounting which is used in your institutions is not on a profit-and-loss basis. Therefore any talk about substituting reports now received by either the United States Department of Agriculture or the United States Office of Education for a report which might be used directly by the Bureau of Internal Revenue for information purposes is not convincing.

The true value of your report is the statement you make under the head of "Fair competition." You say:

"The mere fact that some services essential in educational institutions may compete with similar activities carried out under private ownership and management would not in itself justify the taxing of income of such services."

Frequently here in Washington we have difficulty in getting candid statements of this nature. This is the economic philosophy at work in the tax-exempt institutions you represent. It is helpful to have the statement for the record.

In a word, you say that you admit that you are in business and want more of it. This is just the opposite to the point of view expressed by Dr. George Zook, president of the American Council on Education, who admits that the universities are in business and wants them to get out as soon as possible.

Examine this situation for what it is. Here you have tax-exempt, nonprofit educational institutions whose very existence is made possible by the earnings of business organizations and individuals who pay taxes in order that these nonprofit institutions shall endure. The nonprofit institutions then take the funds collected from business organizations and individuals who have to operate on a profit-and-loss basis and use these funds to compete with them in the business world. You say truthfully: "No case is known where any sum is included over and above actual costs (speaking of the costs of research projects worked out in educational institutions). Far more frequently the amount realized is below actual costs if indirect administrative and physical operating costs are included."

Now there you have the whole story in a very few words. The nonprofit educational institutions which take on outside industrial research projects take them at a loss and beat down the market for legitimate business organizations which have to buy their equipment without tax exemptions, pay their directors of research an amount for adequate living and pay their laboratory employees fair wages. And yet you say you have a right to compete with the voting tax-paying worker.

Dr. Zook will soon come before the House Appropriations Committee with a request for a great increase of Federal aid for education. Now if it can be shown that he is asking for a vote of confidence and many millions of increased Federal funds to be allocated to educational institutions which will use these funds for the purpose of beating down the price of research in this country under the guise of nonprofit operations, I seriously doubt if any economy-minded Congress will go along with him.

Your observations closing your report seem true to me. You say, "The principal points at which the committee appeared critical are the following:

"(a) Income of alumni corporations or foundations from patents which proved to be commercially profitable.

"(b) Business activities of a strictly commercial character carried on by or on behalf of institutions, even though the entire net income is turned over to the institution itself.

"As a minimum, committee members expressed the belief that such business activities should pay all taxes that any private corporation would pay as direct expenses, irrespective as to whether or not it makes a profit. Some indicated that they would favor continuing the exemption of net income but this point of view was not unanimous."

Under these circumstances it would seem that the application of Internal Revenue Form 990 will be a necessity.

Sincerely,

H. M. DUDLEY.

REPORT ON FEDERAL TAXATION OF EARNINGS OF COLLEGES AND UNIVERSITIES

I. PROPOSALS

Complaint of American Council of Commercial Laboratories, 225 Broadway, New York 7, N. Y. A. R. Ellis, of Pittsburgh Testing Laboratory, chairman of the tax committee. Washington activities carried on by Washington Liaison Service, 1507 M Street NW., H. M. Dudley, operator.

According to an article appearing in the New York Times and other leading newspapers on July 9, this organization on July 8 filed a complaint with Congress charging that 52 land-grant colleges and universities are engaged in business operations netting millions of dollars annually on which they pay no taxes. The complaint stated that in 1943–44 these institutions received more than $22,000,000 for sales and services on which they not only paid no taxes, but also did not have to disclose how they made the money.

This report also attacked educational institutions and foundations for doing research for private companies which would be required to report information and actual total income. * * * "We in the commercial testing research industry do not object to tax-exempt institutions conducting pure research * * * however, when they operate in the field of industrial research for the benefit of a few industries and keep the results of that research confidential to their industrial sponsors and when they operate in the field of testing materials, we deem that they should pay taxes on their fees in that field as well as the rest of us."

New York Times article: The article published in the New York Times and other papers was prepared by Robert S. Allen and distributed by the North American Newspaper Alliance. In addition to the report of the complaint of ACCL, the article stated that the Government has intensified an investigation of the business activities and profits of two tax-exempt organizations—the Aero-Dynamics Research Corp. of Washington and the Robinson Foundation of New York.

It also referred to business activities of the University of Pennsylvania, New York University, Union College, Duke University, and to the research programs of the University of Wisconsin Alumni Research Foundation and the Mellon Institute for Industrial Research connected with the University of Pittsburgh. The article also referred to a study on tax-exempt organizations by the Russell Sage Foundation. (See par. 3.)

Report of Russell Sage Foundation: The report of the Russell Sage Foundation referred to in the New York Times article is briefed in the attached statement marked "B."

Statement by Ways and Means Committee: Under date of November 16, a release was made by the Committee on Ways and Means of the House of Representatives, reading as follows:

"Upon the conclusion of hearings on cooperatives, the Ways and Means Committee will take up foundations, religious, educational, and other tax-exempt organizations.

"We have had no requests for time in connection with such hearings, which leads us to wonder if those activites which operate businesses in competition with private enterprise feel that the profits of such activities should be taxed."

Filing of Form 990 with the Bureau of Internal Revenue: In its activities, ACCL, through Mr. Dudley, is urging that section 54 (f) of the Internal Revenue Code be amended to require that all educational institutions engaging in business amounting to sums of money in excess of $5,000 annually be required to fill out this form. Filling out this form, he asserts, would make available to the Treasury and the Ways and Means Committee detailed information as to the extent of business activities of colleges as a basis for determining whether changes in the law should be made. Recently he stated that "failure of the colleges to testify" in opposition to this request "should be taken by the committee as positive evidence that they do not oppose this change in the law." (The proposal to have this form returned by colleges and universities is not a new one. Several years ago it was made by the Treasury Department, but educational organizations (and others) were exempted from the provision.) However, private corporations not for profit, except religious, educational, charitable, fraternal, and fully owned public, are required to file this form.

II. STEPS TAKEN

Hearings before Ways and Means Committee: On December 11, as a result of the initial steps taken by President J. L. Morrill, University of Minnesota and of the Association of Land-Grant Colleges and Universities, and Russell I. Thackrey, executive secretary of that association, the following persons testified before the House Ways and Means Committee: Dr. George F. Zook, president of the American Council on Education, leader of the group; Lloyd Morey, comptroller, University of Illinois, also representing the Central Association of College and University Business Officers, and jointly with Messrs. Peterson and Lunden, the Association of Land-Grant Colleges and Universities; R. B. Stewart, vice president and controller of Purdue University; A. W. Peterson, director of finance, University of Wisconsin; L. R. Lunden, comptroller, University of Minnesota.

Edward Blythin, financial vice president of Western University, filed a statement with the committee. H. W. Herzog, comptroller of George Washington University and president of the Eastern Association of College and University Business Officers, was present. The principal points presented to the committee are outlined below.

Significance of tax exemption: Tax exemption is a basic principle to American education and has been written into the laws, and it is believed with the approval of the American people. Its continuance, both on the Federal and the State level, is basic to the maintenance of education. Publicly supported institutions in general are exempted from all kinds of taxation and in particular are exempt from taxation by other governments. Educational institutions and organizations of all kinds are exempt from most kinds of taxation.

The effect of increased taxation: Land-grant colleges were established through direct subsidies of the Federal Government to the States. The Federal Government continues to make annual grants to these institutions. Much service is being rendered by all colleges and universities to the Federal Government. To tax the earnings of such institutions would simply be to reduce the amount available for their operation from this source and thus require an increase in the amounts provided from tax revenues of the States, of the Federal Government, or the charges against students for tuition, or an increase in gifts from private sources, or to reduce the services of these institutions.

Another fundamental issue is that of "control" over the educational program of colleges and universities. Taxation of income of these institutions by the Federal Government inevitably would result in some measure of Federal control. There should not be any such external control where problems of fundamental research are involved.

Fair competition: The mere fact that some services essential in educational institutions may compete with similar activities carried out under private ownership and management would not in itself justify the taxing of income of such services. Federal, State, and local governments carry on services which compete with private interests. The important question is what is the public interest involved and for what is the income used.

Institutional business operations are carried out generally on the basis of "fair competition" with any local business operations of a similar kind privately owned. No institution engages in any business activity merely for the purpose of being in that business. It does so because of educational needs, or of the needs of income for educational purposes.

A broad research program is essential to make the instructional program complete. Adequate support for research is difficult to secure. Research projects are used for training future scientists and teachers.

Policies with respect to research contracts vary in different institutions. The policy followed at the University of Illinois, which was placed in the record, is as follows:

"When the university undertakes a scientific investigation or piece of research, whether of its own initiative or at the request of outside parties, the results of the investigation are the property of the university, to be given to the public for the advancement of knowledge. The university will not in any case make an agreement with an individual or corporation to give it permanently the exclusive benefits of the results of such investigation or research, even though the investigation or research be conducted with money contributed by said individual or corporation."

Institutions do not and never have made "profit" out of research. When all costs, direct and indirect, are included, even if any net income does appear from a given project, it will mean that general costs borne by the institution have not been allocated to the specific activities. Any such net income is used only for educational purposes and hence is not taxable.

Nature and use of income: The item of "Sales and services" referred to as received by land-grant colleges, as per Bulletin 16, 1946, United States Office of Education, includes income from "organized activities relating to instruction." Under this head are included experiment farms, dairies, medical-school hospitals and clinics, and university presses. The amount of land-grant colleges for the year ended June 30, 1944, is $21,790,-232. None of these activities are self-supporting. Their income only partially covers operating costs. It rarely provides anything for cost of facilities or general overhead. There is never any real profit from such operations. The expenditures, as institutional accounts will show, always exceed the income.

Colleges and universities also operate auxiliary enterprises of a business character. Under this heading are included residence halls, dining halls, book stores, union buildings. These are all essential adjuncts to the educational program. Intercollegiate athletics frequently appears under this head. An effort is made to make such activities self-supporting. However, their incomes rarely cover more than operating costs or, at the most, replacement of equipment. Complete charges for depreciation, of general institutional overhead, or for entire replacement of building are practically never recovered. Buildings for such activities usually are supplied by public appropriation or gifts and do not have to be amortized. If any net income does arise it is used only for educational purposes.

Research projects are undertaken by educational institutions with financial aid from private concerns or from the Federal Government. The receipts from such projects vary from (a) a nominal subsidy for a program already established out of institutional funds to (b) complete payment for both direct and indirect costs. No case is known where any sum is included over and above actual costs. Far more frequently the amount realized is below actual costs if indirect, administrative, and physical operating costs are included. The cost determination for Federal research contracts has been proposed through a joint committee of institutional business officers, based on a standard formula. Research programs for defense purposes were carried out during the war on a similar basis. This problem should be handled in this manner rather than through the Bureau of Internal Revenue.

In some instances income relating to research programs is carried out through separately organized foundations. In a typical case, all the proceeds go to the institution to be used for educational purposes.

Many institutions with endowment funds have investments in business properties or business activities, including farms. Some of these have been received by direct gift or bequest. Others have been acquired by purchase. Institutions must seek investments with better return than can now be secured from investments in securities, due to the fact that the average return on investments has gone down materially in the last 20 years. All income derived from such sources is turned over to the institution and even if net profit on a business basis does arise, it is used solely for educational purposes and hence should not be taxed.

Educational institutions are not engaged in business in the ordinary sense of that term. They do not operate activities for the purpose of making a profit for distribution to individuals in the form of profits

or dividends. All net income made is used solely for educational purposes.

Financial reports: The complaint of the ACCL referring to the receipts "for sales and services" of land-grant institutions, stated that these institutions "did not have to disclose how they made the money." The particular item referred to falls under the category of "sales and services of organized activities relating to instruction" which is one of the headings used in the standard reporting classification now followed by nearly all universities and colleges. One needs only to refer to these published reports to secure details of the items included under these headings. Among them are farms, dairies, airports, hospitals and clinics, concerts, athletics, publications. Similar detail can be secured concerning all other items in the summary standard classification upon which the report of the United State Office of Education is based. The charge that educational institutions do not disclose how they make their money is utterly without foundation. Few, if any, areas can be found in which the financial reporting is more complete. All public institutions and most private institutions publish their financial reports in much detail and also report to the United States Office of Education, while land-grant institutions also report to the United States Department of Agriculture.

Accounts and reports of educational institutions, however, are not maintained on a "profit and loss" basis. Costs of "general administration" and "physical plant operation and maintenance" for the entire institution with few exceptions are carried under these headings and not allocated to educational functions and activities. Also specific accounting ordinarily is not taken for depreciation on plant investment since the funds for such investment are usually provided by public appropriation or private gift and do not have to be amortized. These facts emphasize the policy of taking published summary reports of such institutions as a basis for the conclusion that they have business operations "netting millions of dollars annually."

One of the objectives in this agitation is to require all educational institutions "engaging in business amounting to sums of money in excess of $5,000 annually to fill out Internal Revenue Form 990." It is asserted that the filing of such forms would make available to the Treasury and to the committee detailed information as to the extent of business activities of the colleges as a basis for determining whether changes in the law should be made in the future and limitations of tax exemption written into the law.

Certainly educational institutions have no objection to full reporting of their financial operations. Generally speaking they now do so very completely. Form 990 is designed for concerns organized and operated for profit and privately owned. To require them to fill out a form of this kind would put a great amount of added burden upon them and unnecessarily duplicate reports already made to governmental agencies. Furthermore, because such institutions are not engaged in business in the usual concept of that term, because they do not operate activities for the purpose of making a profit, and because their net incomes, if any, from operations of a business character are not distributable to individuals in the form of profits or dividends but are used solely for educational purposes, they should not be subject to tax and should not be required to make a financial reporting to the Federal Bureau of Internal Revenue. If any individual situations do exist in which unfair advantage is taken of Government through tax avoidance when taxes in fact are legitimate, these situations should be dealt with individually. Educational institutions as a whole should not be penalized because of a few instances of this kind. The Government should not jump at conclusions based on assumptions that may be erroneous. All facts should be secured and considered before any general change of rule is adopted.

Letter of Dr. Guy E. Snavely: Under date of December 5, 1947, Dr. Guy E. Snavely transmitted to Chairman KNUTSON of the Ways and Means Committee a letter of protest against proposed changes in tax exemption on behalf of the Association of American Colleges, of which Dr. Snavely is executive director.

Testimony of New York University: On December 12, the hearing was continued at which time Mr. Gerde, counsel for New York University, reviewed in detail the operation of business enterprises being carried on for the benefit of New York University by the corporation set up by alumni of that institution. Questions concerning this situation had been raised the previous day by the committee. Mr. Gerde stressed the point that all the net income from these activities was turned over to New York University for its educational operations, and in his judgment should not be subject to Federal income tax.

Attitude of committee: Based on expressions made by members of the committee during the hearings, it appears unlikely that any effort will be made to tax the incomes from any business activity carried on by an educational institution as a part of its regular operations. The principal points at which the committee appeared critical are the following:

(a) Income of alumni corporations or foundations from patents which proved to be commercially profitable.

(b) Business activities of a strictly commercial character carried on by or on behalf of institutions, even though the entire net income is turned over to the institution itself. As a minimum, committee members expressed the belief that such business activities should pay all taxes that any private corporation would pay as direct expenses, irrespective as to whether or not it makes a profit. Some indicated that they would favor continuing the exemption of net income but this point of view was not unanimous.

(The foregoing report has been prepared by the undersigned on the basis of notes made during the hearings but without having access to the report of the hearings. It is believed to cover the principal points which were made and the principal issues at stake, although some points may have been overlooked.)

LLOYD MOREY.

DECEMBER 15, 1947.

A Coal Miner's Sacrifice

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. PRICE of Illinois. Mr. Speaker, the finest tribute a man can receive is that which comes from a fellow worker. With my remarks I include in the RECORD such a tribute. It is a refreshing thing to pick up a community newspaper and find that a neighbor had the thoughtfulness to put into words his feelings for a man whose work he must have followed admiringly for so many years.

Many must have had the same thoughts of Sidney Sullins, but it is good that one among them thought to express his admiration publicly so that Sidney Sullins, and all the good men who go patiently about their daily tasks, may know that their greatness does not go unnoticed, even in this hard world.

Under leave to do so, I include the tribute to which I refer. It appeared first in the Trenton (Ill.) Sun, and later came to my notice in the Lebanon (Ill.) Advertiser. It follows:

A TRIBUTE TO A GREAT AND MONUMENTAL MAN

When sitting in your warm home during these wintry days, I wonder how many of you appreciate the work and sacrifice some miner had to make so that this would be possible for you and your family.

Sidney Sullins, at the age of 74, still working every day, started to work at the East mine in Trenton 55 years ago. Those who know Sid Sullins will say, "He is the hardest and best workingman I have seen," and so it is today. At his age he has the hardest job in the St. Ellen mine at O'Fallon. Leaving town at 5:45 in the morning and driving to the O'Fallon mine summer and winter is a big job in itself without the work. Not for old Sid. He always has a big smile.

Having worked in the mine 55 years, averaging about 200 days a year and producing 6 tons of coal per day, he has put on top of the ground 66,000 tons of coal. Of that total, he has used about 550 tons himself, leaving the remainder for use by others. When he comes home from the mine, he works in his garden in summer, and when the mine does not operate he goes to work on a farm. Just stop for a minute and think how much he has put into this world and how little he has consumed himself.

When I think of old Sid during the war pushing a wheelbarrow from place to place gathering waste paper after working hard all day in the mine, I think only of a great and monumental man, whose greatness is far above the little puppet who helps produce nothing and lives like a leech off the efforts of workingmen.

Joe Martin Is the Best Friend War Veterans in This Country Have Today

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. SHAFER. Mr. Speaker, under leave to extend my remarks, I include, in part, an article which appeared in the Washington Times-Herald, Sunday, January 25, written by Tyrrell Krum, lieutenant commander, USNR, retired, veterans' editor of that newspaper:

VETERANS' AFFAIRS

(By Tyrrell Krum, lieutenant commander, USNR, retired)

Here's some of the best news I've been able to report to you for many a long day. * * *

I had a lengthy talk with Speaker of the House JOSEPH W. MARTIN, JR., in his chambers at the Capitol one day last week and gained from him the first official information to be given to the public on what the Republican leadership has in mind in the way of major veterans' legislation for the remainder of the Eightieth Congress.

In the first place, the Speaker said that he is strongly in favor of the House concurring at the earliest possible moment in two Senate-passed legislative measures:

1. The now famous Kearney bill (H. R. 246) which would remove the ceilings placed on combined subsistence and earnings by veterans engaged in training on the job under the terms of the GI bill of rights.

2. Veterans' subsistence increase bill (H. R. 4212) which calls for an upping of the amount of Government aid paid to all veterans pursuing full-time institutional training in schools, colleges, and universities under the GI bill of rights.

Speaker MARTIN said that the third point in the three-pronged program of veterans' legislation which he hoped would make the grade before much more water has passed over the dam would be a suitable and workable veterans' housing bill.

The two items dealing with job-training and college subsistence were both passed by the Senate during the last days of the 1947 session just as the Congress was packing its bags to go home for the summer. Although they originated in the House, the Senate enacted them in House form in the hope they would be concurred in by general consent in the last-minute rush of business.

The original Kearney bill was reported unanimously by the House veterans' committee early in the session and it was hoped that action would be taken immediately thereafter to end the confusion and despair that had descended on hundreds of thousands of World War II veterans who had seen most of their earnings guaranteed them by the GI bill of rights snapped away by the Democratic-controlled Seventy-ninth Congress.

However, the Kearney bill, along with the increase-in-subsistence measure, was jammed into a legislative pigeonhole in the House Rules Committee by a bloc of antiveteran Democrats led by Representative HOWARD W. SMITH, of Virginia. There it remains to this moment.

The measure would remove the old $200 ceilings on the combined wages and subsistence which job-trainees may receive monthly and place them at new high levels as follows: $250 monthly for a veteran without a dependent; $325 for a veteran with one dependent, and $350 for a veteran with two or more dependents.

The subsistence increases for veterans going to school and colleges would go up from $65 to $75 for a man without any dependent; from $90 to $105 if he has one dependent, and from $90 to $120 if he has more than one dependent. This, too, is still in the Rules Committee.

The income restrictions placed on the widows of World War I veterans should be substantially relaxed to make up for the inflated cost of living.

Veterans' pensions should also be raised in accord with the increased cost of living. These and other bills probably will have a chance this year.

We want to congratulate our old friend, JOE MARTIN, on the strong position he has taken on veterans' legislation. And we repeat what we've written before: For our money JOE MARTIN is the best friend war veterans in this country have today.

The Postal Service

EXTENSION OF REMARKS
OF
HON. WALTER B. HUBER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. HUBER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of William C. Doherty, president, National Association of Letter Carriers, at joint installation of officers, Branch 148, Akron, and Branch 1629, Cuyahoga Falls, Ohio, Saturday, January 17, 1948, Carovillese Hall, Akron, Ohio, broadcast over radio station WADC:

ANNOUNCER. Ladies and gentlemen, this broadcast on postal service, policy, and wages comes to you from the letter carriers of Akron and Cuyahoga Falls and their auxiliaries where their officers have just been installed. Mr. Howard M. Nicol, of Cuyahoga Falls, president of the board of directors of the Sick Benefit Association of the National Association of Letter Carriers is now introducing the principal speaker of the evening. Mr. Nicol.

Mr. NICOL. I now give you Brother William C. Doherty, of Washington, D. C., president of the National Association of Letter Carriers, a native of Cincinnati, Ohio, a former letter carrier, and a member of the executive council of the American Federation of Labor, Brother Doherty.

Mr. DOHERTY. Mr. Chairman, postmasters, brother letter carriers, other postal workers, and friends of the radio audience, I would like to entitle my address here this evening, "Service Foremost." Since the inception of the National Association of Letter Carriers in 1889, the organization and its membership have established an unblemished record of sustained loyalty to the Government of the United States. Seventy-nine thousand members of this association stand shoulder to shoulder with millions of like-minded American citizens in condemning communism, and all other forms of subversive activities.

We hereby reaffirm our faith in our democratic form of government, and reiterate our pledge of continuing in unswerving loyalty.

It is common practice on the part of many to consider the Post Office Department as a business. In measuring the success or failure of postal operations, observers are prone to gage success by the presence or absence of the so-called deficit. Unfortunately, such thinking completely obscures many vital facts.

The postal system is basically and fundamentally a service. In early colonial days several attempts were made to operate a postal system for the purpose of personal profit. All such attempts failed. The young American Nation determined from those colonial failures that a postal system to be successful must be operated by the Government, with service as the one and paramount objective.

The Post Office Department is operated to give good mail service to the American people. Mail service and facilities are provided in every nook and corner of the United States. Such operations are established regardless of any consideration of profit. In fact, there are approximately 42,000 post offices, 20,000 of which conduct their operations at a loss. Do our competitive business organizations maintain comparable service? Of course not. Express companies, telegraph companies, and other public service companies and services maintain offices and service only where such operations produce a profit.

Third Assistant Postmaster General Joseph J. Lawler recently stated: "It has long been the policy of Congress to extend special below-cost rates to certain classes of mail and to provide facilities and service for the benefit of the general public regardless of the fact that charges for such services and facilities do not cover the cost of their maintenance."

The only universal service in America today is the postal service. Millions of people do not have electricity; millions live without running water; millions live without telegraph and telephone service or facilities; millions do not have ready access to public transportation. But every American citizen is provided with mail service. It is the one and universal service in the United States.

Those in charge of postal operations have the responsibility of requestin, sufficient funds to operate the Post Office Department properly. Congress has the solemn obligation of providing adequate funds to furnish good service. Unfortunately, under our present system, the officials of the Post Office Department are required to estimate how much money will be needed almost 2 years prior to the period when the funds will be available. This estimate then goes to the Director of the Budget, and finally emerges in the President's budget message. Exalted economic prophets have proven dismal failures in anticipating economic trends. Under the circumstances it is rather absurd of us to expect the administration to be omnipotent forecasters.

If the needs of the service are greater than anticipated, the public, in all likelihood, will receive inferior mail service. In the matter of planning expenditures, the Post Office Department is in a somewhat different position than other departments of Government. Other departments can plan their activities and gage their expenditures accordingly. The Post Office Department cannot do this. It has no control over the volume of mail. It must deliver all mail. It has no control over the area of delivery—if people move, the mail must move with them. Poor guessing and inadequate appropriations can result in only one thing, and that is inferior postal service. Congress should recognize these facts and, when necessary, vote adequate supplemental appropriations to maintain a first-class postal service.

There is an erroneous impression in Congress and among the public that the Post Office Department consistently operates at a loss. It can be readily demonstrated by available evidence that the Post Office Department over a period of years has actually operated at a profit. Misinformation to the contrary should be speedily dispelled.

Unfortunately, since 1940 the Post Office Department has not reflected the credits authorized by the Kelley Act of 1930 and has never considered these credits in any cost-ascertainment reports. The items included under the Kelley Act contain the expenditures of Government departments for mail carried free of charge. The Post Office Department should be credited with payment for this mail either by a transfer of cash or credits from the departments involved, and that this expense should be allocated to the various departments of Government who use the postal service as a part of their operation.

It is true that with the credit allowance provided by the Kelley Act, there are individual years, such as 1946, when losses were shown. It is also a fact that when all the years 1930 to 1946, inclusive, are examined, and the Kelley Act credits are included, that the Post Office Department shows a cumulative profit of $304,247,315. During the war period, the expense of handling the mail for the armed forces was also absorbed by the Post Office Department. The Post Office estimate of the revenues they would have received for this service at regular postage rates is $168,000,000 for the fiscal years 1942, 1943, and 1944. No estimates have been made for 1945 and 1946.

We should at this point pause again to point out that every single function of the Post Office Department has been instituted by Congress with the sole motivation of providing service to the American people. Profit has never been a consideration. Perhaps it is because the operations of the Post Office Department have been so successful that the fundamental purposes of the Post Office System tends to be lost in a maze of account-

ing. It is true that in the past there have been years when the Postmaster General's reports have shown deficits and years when they have shown profits, but the figures for the 17 years just quoted do not support the contention that the Post Office operates at a loss, and we believe that in fairness to the Post Office, to its employees and to its patrons, accounting and cost keeping should be handled in a manner that will give a true picture of expense and income. To do this properly, the credits allowable under the Kelley Act would have to be extended to include many additional items.

If we project the trends of the postal revenue and expense from 1930 to 1947 until 1957, we find revenues increasing substantially faster than expenses, this indicating that consistent increases in volume of business are more important as a means of absorbing expense increases than would be the increasing of rates, which would certainly tend to divert volume to other methods of delivery.

One hundred and seventy years of operation have definitely demonstrated two vital factors in successful postal operation: (1) Greater volume promotes lower unit cost and more economical operation; (2) the reduction of the number of times a piece of mail is handled reduces the cost of operation. The best and most inexpensive way to handle mail is to deliver it immediately. Delayed appropriations and curtailed service are more costly in the final analysis. Adequate appropriations and good service promote efficiency in operation.

In this analysis I have made no attempt to estimate the cost to the American people in poor mail service. The cost of delayed mail to businessmen and individuals is enormous. The American people are entitled to and should demand good mail service. I have not attempted in this study to show all of the operations that are conducted by the Post Office Department on a free or less than cost basis. Before concluding, however, I want to briefly point out the major role that the postal service has played and is continuing to play in the development of the American Nation. The Post Office Department developed our system of roads through construction of post roads. Through preferential payments to railroads the postal service has kept many branch lines in operation. The Post Office subsidized the development of the merchant marine and the air industry. Yes, indeed, it was communication in the garb of the Post Office that took transportation by the hand and conducted it to its present advanced state of development. It was the twins of progress, communication and transportation, that sped our country on to great expansion. What is the purpose of this policy, profit or service? Service and service alone must be the paramount purpose.

One reads in Adam Smith's Wealth of Nations that every man is rich or poor according to the degree in which he can afford to enjoy the necessaries, conveniences, and amusements of human life. Perhaps another way of saying it is that man cannot be expected to give the best service when their minds are on the vital problem of how to live decently. No one will say that living decently is synonomous with living extravagantly; it does not mean living a plush or chrome plated existence. Rather the connotation of the phrase "living decently" would imply living in the accepted American way of life. That simply means providing for one's family in matters of health, welfare, and amusement according to the American standard of living.

I recently returned to Washington, D. C., from a trip which took me across the country to the west coast. The trip provided ample first-hand opportunity to get out among the grass roots of the membership of our organization. I can say from personal observation reinforced by numerous conversations everywhere along the route of my travel, that letter carriers perforce are daily concerned with the vital problem of living decently on their present postal wage. The present high cost of living has brought home to letter carriers the economic facts of life more than anything else within recent years. To even the naive those facts of economic life are not encouraging. They have given letter carriers much concern, and will continue to be a vexing problem until relief is obtained in some measure. This concern has manifested itself in various ways. For one thing, it is readily discernible that a marked lack of interest in their jobs exists among recently appointed postal workers. Any fair-minded person even remotely acquainted with the postal service will admit that a lack of interest in their work is something new among postal employees. It is a condition little to be desired by employer and employee alike. For if there is any one thing in their association with the postal service about which postal employees have been most proud, it has been a pride in their work, and devotion to duty. Call it esprit de corps or what you will, nevertheless it has always been prevalent among postal workers at every level. Indeed, well might it be said that a common spirit of loyalty to their work is the very thing that has rightfully made the United States Postal Service the greatest institution of its kind. It is to be earnestly hoped that in the immediate future the same prideful feeling can be recaptured.

While we express our sincere desire for the return of pristine glory of the postal service, nevertheless, the economic equation being what it is, letter carriers must look for concrete evidence of reciprocity in the matter of faithfulness to duty and pride in their work. The simple truth of the matter is that no country can underpay its employees and expect them to remain proud of their jobs. Private industry long ago learned the wisdom of providing their employees with incentives for remaining on the job. On the other hand, Government has always lagged in setting up equitable wage standards, and attractive conditions of work. Neither Government nor private industry should be so foolish as to believe they can attract and hold high type of employees without proper regard for the economic welfare of those employees.

As mentioned earlier, the greatest concern of letter carriers at the moment seems to be the eternal struggle to strike a balance between present postal wages and costs of living, especially the present cost of food. While it is true in some quarters that prices of certain few manufactured items have shown signs of stabilizing, prices of food have continued to soar upward. It is hardly necessary to point out that food constitutes almost half the worker's budget. As food prices go, so goes the family budget. It is estimated that today letter carriers are paying approximately 43.4 percent more for food than in December 1945. While no statistics are readily available to answer the thought we have in mind, it would be interesting to learn if consumers are eating as well as they did 2 years ago. Also, are they eating more or less? On the basis of my conversations, with letter carriers on my recent trip it appears there is a general agreement that the average household has not as yet been forced to eat considerably less or reduce drastically the content of their diet beyond what is accepted as the norm for an adequate diet. With reference to the alarming increase in food prices, nothing we could show by way of statistical data could be half as eloquent as a housewife's attempt to shop on a letter carrier's salary. Any slight change in diet or any attempt to provide variety necessarily alters her budget. Again it should be noted that food prices have advanced an estimated 43.4 percent during the last 2 years.

The over-all rise in the cost of living jumps to 26.9 percent, computed from January 1, 1946—the effective date of the wage increase granted letter carriers under the provisions of Public Law 386.

All these figures add up to one conclusion; letter carriers have reached the saturation point in their attempt to cope with the present day economic problem, particularly when the only instrument granted Government workers—real dollar value—has been reduced by approximately one-half. Workers in the fixed salary bracket have never been able to get too far ahead of the economic parade, and when the purchasing power of those fixed salaries is slashed in half the struggle goes beyond the desperate stage, the outcome is inevitable. Economic chaos stalks in and takes over. Unless the purchasing power of the letter carrier's dollar is restored to some semblance of the wage value, the struggle to enjoy the necessaries, conveniences, and amusements of human life is a great deal like the old bromide about sending a boy out to do a man's job. It simply cannot be done, and the chances are that the boy will be worse off joining the battle than if he stayed at home. Everybody in and out of the Government has their own idea about the cause of the present high cost of food and living in general. Labor blames industry, business places the onus on labor, the two major political parties blame it on each other. Nobody denies its presence. It is big. It is real. It presents a serious menace to our economy. Labor's Monthly Survey, published by the American Federation of Labor for September-October 1947, attributes the upward sweep in cost chiefly to (1) the worldwide food shortage and a 25 percent loss in the United States corn crop (from bad weather); (2) the hike of prices in manufactured products for wholesale distribution, which have been carried over into prices workers pay. There are other possible factors entering into the picture, although they would seem to be incidental to the two main reasons advanced by the A. F. of L. survey.

The position of this association remains unchanged in its desire for a strong, permanent economy. We realize that although we are not actively engaged in outside industry there must be full production and full employment in industry. If it were left up to letter carriers to decide, we believe the majority of them would much prefer the return of a 100-cent purchasable dollar in place of the present 47-cent dollar. They would prefer a reduction in the cost of living to a further inflated dollar increase only. Perhaps it is an oversimplification of a problem that is actually much more complicated, but either Congress and/or big business will have to reduce prices, or Congress will have to increase wages of letter carriers. There must be some equalization in the present wide ratio between salaries and purchasing power. We not only believe letter carriers have a justifiable claim for an upward adjustment of their present salaries, but we expect the Congress to do something about it.

Let me tell you frankly, the letter carriers of this Nation have done something about this vexing economic struggle they are having today, also the more serious situation facing their retired brothers who are compelled to live on a mere pittance of an annuity granted them in 1935. An annuity which they helped buy with their own money, and which has long since proven wholly inadequate for these loyal men who gave the best days of their lives to the service of their Government and who today are expected to hold body and soul together on the meager sum which, in many instances,

runs below the maximum of $23 per week. On this amount, they must yet pay Federal income taxes.

The national conference held in Washington on Monday and Tuesday of this week was highly successful. At the top of many other good bills which have for their aim the improvement of working conditions and the welfare of active and retired letter carriers they placed two bills—liberalization of the Civil Service Retirement Act; and an increase in salary for active letter carriers to offset the rising cost of living. 700 letter carriers from 45 States responded to the call of your national president to meet and counsel with your resident national officers on plans to alleviate the plight of both active and retired letter carriers.

In the matter of the extremely important subject of retirement liberalization, the Stevenson bill, H. R. 4127, frozen in the last session of Congress, has some very desirable features in its present form. It provides an outright increase of 25 percent or $300, whichever is lesser, for all those now on the retirement rolls. Further, it sets up a new formula for determining annuities. Carriers retiring in the future with an average 5-year high of $3,000, and 30 years of service, upon reaching age 60 may retire with an annuity of approximately $1,650 per annum. It provides a mother's prayer of many years in the form of a widow's annuity equal to 50 percent of the deceased husband's earned annuity. There is one other great feature which was cut out of this bill in last-minute desperation to pass it the last session of Congress, and which our senior Senator from Ohio has already committed himself as being in favor of restoring, and that is the minor dependent's provisions. Originally, it provided for 25 percent of the employees' earned annuity to each minor until the minor reached the age of 18. It also provides for increasing the employee's contribution to the retirement fund from 5 percent to 6 percent of his annual salary. We, as well as other interested employee groups, are pressing for immediate enactment. I predict this or comparable legislation will be passed by Congress within the next few weeks.

On the subject of salary increase, my friends, I dare not be so optimistic. There are numerous bills representing a variety of opinions. To be exact, there have been 46 salary-increase bills introduced in Congress in behalf of Federal employees, 27 of which affect the postal workers. Among this lot is a measure granting an increase of $800 per annum for regular and 40 cents per hour for substitute letter carriers. We know, however, from past experience, it is an easy matter to have a bill introduced but an entirely different matter to get it passed.

The conference representatives, coming as they did from all sectors of this great Nation of ours, and representing a truly cross-section of opinion as regards the increased cost of living, and the salary figure necessary to meet it determined upon two important points: (1) To be realistic in gaging cost increases, and (2) to be honest with ourselves and the Government.

The conferees brought with them extended studies on the major items entering into the cost of living; and the Bureau of Labor Statistics shows the cost of living had risen 26.9 percent from January 1, 1946 to September 1, 1947. Using the Bureau's recognized monthly increase of two points and computing it from September 1, 1947 to January 1, 1948 and adding it to the September figure we receive 27 percent as our total. Thus an $800 per year permanent increase in salary and 40 cents per hour for hourly employees is entirely in line with such figures. The Conference voted unanimously to support such a bill; it also voted to inaugurate a Nation-wide campaign for a voluntary contribution of $1 from every member of our great association to implement this legislative campaign. You can rest assured, my friends, that a sustained drive of our membership has on this day been launched.

It is encouraging to learn that experience of past legislative campaigns has left a good mark on our membership. We step out of one campaign right into another. It might be well they are so timed, and that we have the will, the stamina, and spirit to marshal all our forces of energies for the privilege of securing a living wage. I have pointed out the conspicuousness of reciprocity by its absence. I reiterate: Why should postal workers be compelled to spend themselves entreating our employer, the Government, to recognize economic changes as they occur and meet these new situations? After all, Congress should not have to be told that the present unprecedented high cost of living affects letter carriers the same as other American citizens. As in the past we take our case to the American people tonight for relief. Let us put forth our best efforts behind an all-out drive that will bring swift results. As in the past, too, we encourage the fine cooperation our ladies' auxiliary has given us in the past.

I believe the ladies realize what is before us this time and that we will need their assistance more than ever. I am confident of the valuable aid we will receive from our Ohio ladies, also that the letter carriers of Ohio will uphold their high mark of interest and productivity in our forthcoming campaign. In closing let me leave these thoughts with you:

It is a fact postal employees pay all taxes the same as any other citizen. It is a fact letter carriers have to buy their own uniforms. It is a fact we can retire upon reaching age 60 on an annuity that is grossly insufficient today, but bought with our own contributions to the retirement fund. It is a fact that we have security, of a kind, but actually we have less security than the average craftsman because we spend 11 years to learn the post-office job. We learn a job that gives us no valuable training that we can use elsewhere if we decided to change jobs. Therefore, if we fell out with Uncle Sam or just didn't like the work and wanted to change after 11 to 15 years, we would have to start all over again and learn a new trade or craft; whereas any craftsman can change jobs overnight and take his skill with him to advantage. By this process we surrender a certain amount of economic independence. These are the answers you must be prepared to give to those who are misinformed, who misjudge, or who are indifferent to the welfare of others. I know you know the job that is ahead of you, and if we use our best efforts to sell our case to the people that Congress will really love us this year.

Russian Aims Always Same

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following editorial which appeared in the Boston Sunday Post, January 25, 1948, by Lester Allen, entitled "Russian Aims Always Same":

RUSSIAN AIMS ALWAYS SAME—AMBITION OF SOVIETS TO EXPAND BY GRABBING TERRITORY IS SAME AS GREEDY POLICY OF CZARS

(By Lester Allen)

For the citizen sweating out a living, and pondering the somewhat baffling developments of Uncle Sam's quarrel with the Soviet Union, the jargon of diplomacy and high international political blathering is no help at all.

The American mind, rather sharper than most at perceiving a phony, has not digested the somewhat sinuous turns of American-Soviet relationships. One day the Soviet Union is a barbarous land. A few months hence it is courageous. And then it is in the dog house again.

Now, after 30 years of confused thinking, the United States has adopted a firm, clear foreign policy aimed at hemming in the Soviet Union—the experts call it "containing the Soviet Union"—and putting a stop once and for all to the seesawing. Whether this means war with the Soviet Union the individual can decide on a few basic facts.

CONDITIONS EXIST

Bowing out from the job as operating head of the Navy, Fleet Adm. Chester W. Nimitz said: "For any future war to be of sufficient magnitude to affect us seriously it must be compounded of two primary ingredients: Vast manpower and tremendous industrial capacity. These conditions exist today in the great land mass of Central Asia, in East Asia, and in western Europe.

"The two latter areas—east Asia and western Europe—will not be in a position to endanger us for decades to come unless they pass under unified totalitarian control. In the event of war with any of the three we would be relatively deficient in manpower. We should, therefore, direct our thinking toward realistic and highly specialized operations. We should plan to inflict unaccountable damage through maximum use of our technological weapons and our ability to produce them in quantity."

DOUBLE TALK

That's a sample of the kind of guarded double talk the average man is expected to understand at a glance. What Admiral Nimitz means is that only if the Soviet Union grabs western Europe and its industry can we get into a knock-down and drag-out fight with the Soviet Union, and that if they succeed in grabbing western Europe we will have to hit the Reds with atom bombs before they hit us with some.

There are no ifs, ands, or buts about it. The Soviet Union has an avid desire to conquer the world for no other reason than that the greedy dictatorship wants more power. For a long time the earnest liberals who apologized for the seedy look and the sturdy beggar gall of Stalin and his henchmen believed that there was a sincere effort to better the lot of common men and establish a communal way of life for the proletariat. That last is a fancy word that means the wage earners or the laboring classes.

ABSOLUTE MONARCHY

Czarist Russia was an absolute monarchy with an exclusive noble class, and a vast mass of laboring people, farmers, artisans, and laborers. The former exploited the latter for every breath in their bodies and every twitch of their nerves. It was a rotten, pulsating mess and there wasn't the slightest excuse for it.

This Czarist Russia maintained vast armies of forced laborers in Siberia, kept huge standing armies of conscripts massed

on the western and southwestern borders of Russia, and had all of Europe in a stew from the Congress of Vienna which ended the era of Napoleon down to 1917 when a couple of revolutionaries with one clean shirt between them were moved into Russia by Germany as a sort of time bomb to blow up what remained of Russian resistance in the First World War.

Lenin and Trotsky accomplished their mission for the Germans, and, to their amazement, wound up in the seats of the mighty. Pre-World War I Russia had been whittled back by the time Lenin and Trotsky had made themselves secure, losing Poland, Estonia, Latvia, Lithuania, Finland, and Bessarabia in the process.

This was a very fortunate thing for the British, who had made a bargain with Czarist Russia to give the Russian northern Persia, the Straits of the Dardanelles and Constantinople, as well.

SAME OLD SYSTEM

By the time Lenin died and Stalin had eased Trotsky out into the cold, the Soviet Union was back in its same old condition—a few favored men at the top and the rest groaning under the same old Czarist system, only under another name. There were the same Siberian forced-labor camps, the same secret police, the same old objective—power.

Russia of the czars wanted mastery of the Balkans and control of the Dardanelles, also a generous chunk of Manchuria and China. The Soviet Union wants the same thing. And the Soviet Union finally got most of it without fighting a lick. When Stalin made the pact with Hitler he grabbed Estonia, Latvia, Lithuania, and most of pre-World War I Polish Russia. He also invaded Finland and got what he wanted of that. The Germans said help yourself and Stalin did.

At the time there was a lot of guff written in the United States about the Soviet Union being an old meany to make a pact with Hitler and about brave little Finland, but the instant the Germans poured over the Russian frontier that tune soon changed. No one mentioned at that time that Russia was still acting like the old Czarist Russia and that because of his oppressions Stalin was every bit as frightened of being assassinated as was Czar Nicholas because of his oppressions.

REGAIN AREAS

When World War II came to an end Russia moved right back into the very areas which old Czarist Russia had always wanted and for the very same reasons. The reasons were that no one stood guard on those areas with a big stuffed club to whack the bear on the nose.

In short, Russia has never taken on any nation as big as itself on equal terms and emerged victorious. The Japanese kicked the stuffing out of them in the Russo-Japanese war. Even the Turks of the Ottoman Empire larruped them to a frazzle. Russia only moves in under the guise of friendship, or when weakness was so manifest that it was like taking candy away from a baby.

The acquisition of territory by the Soviet Union came from precisely the same reasons and in the same way that Czarist Russia acquired territory. They were not due to Russian courage or Russian martial skill, but merely because there was weakness or sloppy sentimentality. The Germans must be given credit for being very hard-headed about the Russians. Hence German amazement when the rolling power of American arms didn't sweep right on through Germany and hit the bear a swat on the nose. The Germans cannot understand it.

In Washington today the men who make the foreign policy are reading their Russian history, and they know precisely where the Russians intend to go, if they are given the chance. They are going to grab all of China if they can, and they are going to get western Europe's industries to produce arms and war materials to beef up their strength.

WANT TO FIGHT

If we have any illusions about the German viewpoint we may as well discard them. The Germans would dearly love to be armed to the teeth and sent at someone's throat. If the Russians do it, the Germans will turn on France, the Netherlands, Belgium, Spain, and Portugal. If we arm them, the Germans will fling themselves on Russia.

The whole history of Russia has been an endless cycle of territorial acquisition, despotism, and chaos, as if the Russian people were forever fated to let their blood at the whims of ironic and mirthless men whose sole passion was power.

Without the industry of western Europe, Russia can't make war against us now. Ten years hence it is possible. If the Soviet Union is not stopped in its expansion, the living standards of the Western World will be depressed to Russian serf levels.

For the average man in the United States that means that the arduous road to Utopia that Americans have been hewing out of solid granite for almost 350 years will come to a dead end.

Czarist Russia loathed and detested the middle class. By Czarist Russia is meant those at the top who issued the decrees. The Soviet Union has the same loathing for the middle class, and, for precisely the same reason. Space does not warrant tracing that Russian loathing for the middle class, the stabilizing influence of western economies, back to the French revolution, which horrified and dismayed the Russian ruling class.

It has been discovered that the generalization that there is no counter-revolution existent in Russia and no possibility of a counter-revolution because of the activity of the secret police is much too inclusive. The bumbling of Soviet efforts to build mass production industries is not ineptitude, it has been found, but a mournful kind of sabotage, a put-on kind of stupidity, undertaken out of no organized counter-revolutionary effort, but as a sort of dolorous duty the average Russian feels toward his soul.

EBB IN RED TIDE

It is also known in Washington now that the disintegration of Communist influence among writers and thinkers in the United States is viewed by the Soviet Union as a first symptom of an ebb tide of Communist influence in the world. The fellow-travelers who spoke so well of the Soviet Union are recanting publicly and in print. The same men who in the 1920's published passionate novels and tracts urging the rise of the new masses today are throwing brickbats.

Some of the leaders of the Politburo have an obsession that the Communist leaders in western European countries may be drawn into the fold of the socialism practiced in Great Britain, and that the counter revolution will derive its strength from British sources. This may be due to the fact that the British have always understood the soiled Russian motives more perfectly than the Russian themselves.

POLITBURO UNEASY

This probably accounts for the frequent summonses sent out to the Communist Party leaders in France, Italy, and other western European countries to come to Moscow for another shot in the arm of ideology. The defection of hundreds of thousands of French trade unionists from the French Communist front was another symptom that made the Politburo uneasy.

But for the average American citizen, striving to understand what all the cold war is about, there is the assurance that if the Soviet Union is contained the day of the counter revolution in Russia is not too far distant— and the Muscovite is still the same Muscovite that he was under the Czars.

Meat Rationing Again?

EXTENSION OF REMARKS
OF
HON. WAT ARNOLD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. ARNOLD. Mr. Speaker, numerous letters are being received every day in opposition to any proposed meat-rationing plan. An editorial in the St. Louis Daily Livestock Reporter of January 7 sums up the situation, and, under leave to extend my remarks in the RECORD, I wish to quote it for the information of all who read the RECORD and are interested in this all-important subject:

[From St. Louis Daily Livestock Reporter of January 7, 1948]

The stage is being set for meat rationing. The Secretary of Agriculture has joined the ranks of those implanting the idea. Everybody who reads has taken note of talk headed in that direction, and more will be forthcoming, intended to prepare the public mind for acceptance of the idea and forestall objections. The Secretary implies that he doesn't want it, but that it may be forced by public demand—and is putting in his two cents' worth to build up that demand. Half a dozen Members of the Senate are going along, a couple of them actively promoting the idea. The excuse is an expected serious meat shortage before this year is out; in fact, before it is half out.

This is a proposition that ought to be nipped in the bud before it comes into full bloom. That could be accomplished by an outpouring of opposition on the part of stockmen and others who are convinced that rationing would not accomplish anything constructive, but on the contrary would only make a bad situation—if bad situation it proves to be worse. Rationing would neither increase the supply of meat nor promote its equitable distribution. The fact is, of course, that in both respects its effects would be just the opposite. The record shows that wherever it has been undertaken, in this or other lands, its effect has been to reduce production. And as for distribution, it has invariably taken meat away from the workers and given it to the big spenders, in the same process making a few black-market operators.

Why don't intelligent people see that? They do. But meat is a prime necessity in the American diet. Practically all the people want some of it every day. Thus it lends itself to political exploitation as does no other one thing. The politician seeks to get credit for trying to do something about meat; and he finds ready support from the Government marketing experts, who, as bureaucrats, are hungry for the power that meat rationing would put into their hands. That is the explanation, and a very simple one it is; but at the same time it gives rise to a movement that isn't going to be easy to check. For in theory rationing promises much for the harassed housewife who finds it difficult to make the dollar reach these days,

and meat is one thing she just has to provide. So she is disposed to take at face value the claimed advantages for rationing, coupled, perhaps, with price fixing. In other words, she is easily duped, and don't think the politicians overlook that.

Members of Congress should be flooded these days with protests from stockmen. It won't happen. People who go to the effort of anticipating difficulties. They holler only after they are hurt, and then it is usually too late. So the campaign to pave the way for acceptance of meat rationing will go on apace, and the rationers will almost certainly have their way, if the meat shortage comes up to expectations.

Misleading Language Misinforms the Public

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. BOGGS of Delaware. Mr. Speaker, for quite some time I have been concerned about the loose and careless usage of words, phrases, and terminology in such a manner as to convey a meaning other than that which is substantiated by the facts. Whether such usage is accidental or deliberate makes little difference insofar as the results are concerned, namely, the creation among readers and listeners of a false impression and improper understanding of the matter under discussion.

Only a few days ago there was brought to my attention an important example of the use of inaccurate terminology which, Mr. Speaker, I wish to call to your attention and to that of the Members.

Dr. Edwin G. Nourse, Chairman of the President's Council of Economic Advisers, submitted not so long ago a report setting forth this country's capacity to produce sufficient goods to aid Europe and also to satisfy domestic needs. In that report, Dr. Nourse referred to "the tremendous increase in American productive capacity during and since the war."

As the result of an inquiry from Mr. A. W. Rucker, president of the tool owners union, which has its headquarters in Lexington, Mass., Dr. Nourse now has admitted that he made a major mistake in the report of the Council of Economic Advisers.

Replying on November 7, 1947, to a letter from Mr. Rucker, Dr. Nourse stated:

> The phrase which you underscore was a somewhat unfortunate one in the particular context, and it would have been much better if the word "production" had been used instead of "productive capacity."
>
> Referring to your more specific question of whether the council has any measures of percentage increase in American productive capacity, the answer is that we do not have, and we do not think that it would be feasible to construct such an index.

Although this admission by Dr. Nourse was published in a syndicated column by Mr. Ray Tucker which appeared in approximately 200 newspapers having a total circulation of about 10,000,000, I do not believe, Mr. Speaker, that such publication can be considered as correcting or offsetting the false impression gained previously by so many readers of the reported findings of the President's Council of Economic Advisers.

In view of the fact that the President's Economic Advisers, who presumably are well trained in semantics and the importance of accurate terminology, have made at least one serious error of this nature, some of the Chief Executive's own statements in his state of the Union message become more understandable.

One particular example is the President's statement that "Wholesale prices had increased 40 percent, and retail prices had increased 23 percent" between June 1946 and October 1947. These figures he immediately compared with the rise in prices between October 1947 and January 1948. The latter increase, the President said, was "at an annual rate of 18 percent" for wholesale prices and "at an annual rate of 10 percent" for retail prices.

It may be seen at once that the President was using, for the purpose of causing readers and listeners to make quick comparisons, percentage figures which are not comparable. The natural thing for the average thoughtful reader or listener to do was to add the President's second set of percentage figures on price increases to the first set. Doing so would cause him to believe that between June 1946 and January 1948, the price increases had been 58 percent on the wholesale level and 33 percent on the retail level. Such, however, is not the case as a close analysis of the language used by the President will itself show. Based on the administration's own figures, the actual increases were not 58 percent and 33 percent respectively, but 44.5 percent and 25.5 percent—and in these figures there certainly is a vast difference.

Thus, Mr. Speaker, it can be seen that the President, by the simple expedient of placing actual percentages of price increase in juxtaposition with percentages of annual rate of price increase, has evidently intended to create acceptance of false and misleading conclusions. These are merely examples of many instances in which figures are used to create among our people a false assumption, thus increasing the difficulty with which the majority party is faced in having the people accept and understand the true state of affairs with which this Nation is confronted.

Views of a Citizen Veteran

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. MACKINNON. Mr. Speaker, under leave to extend my remarks, I include a letter recently received from a veteran of 17 months in the European theater of operations, with respect to the need for increasing the amount of assistance to veterans. This letter so aptly states the veterans' case that I am sure all Members of Congress will profit by reading it. It follows:

JANUARY 19, 1948.

Hon. GEORGE MACKINNON,
House of Representatives,
Washington, D. C.

DEAR REPRESENTATIVE: I am a student at the University of Minnesota. I am married and have a little girl 11 months old today. I served in the Army of the United States for 3 years; 17 months in the European theater of operations, in the Rhineland and central European campaigns, with the Seventieth Infantry Division. That is merely by way of background and not as staking out a special claim. I would, however, like to call your attention to a story on page 1 of this morning's Minneapolis Tribune, wherein it was reported that married veterans are spending an average of $176 a month, which is $86 over the subsistence allowance. It is clear that $90 is no longer the subsistence allowance it was intended to be, and all any veteran feels he is entitled to. I also feel that the educational program of the Veterans' Administration is not merely a benefit to the individual veteran. It is that, but it is also a sound investment for the entire community. The return will be a sound citizenry trained in the skills and sciences we are today so sorely lacking if we are to be capable of leading a distraught world. I hope among the score of demands on your time you will be able to consider these views, and do what you can to secure passage of a bill raising the subsistence allowance.

Respectfully,

MORTON NEWMAN.

Why I Fought

EXTENSION OF REMARKS
OF
HON. JOHN PHILLIPS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. PHILLIPS of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement from a letter written by Mr. T. W. Small, of Beaumont, Calif. It gives his reasons for fighting in both World War I and World War II. It expresses simply, but eloquently, the feelings of many soldiers, as well as many civilians, toward our Government:

> Many years ago as a young man I came to realize that I was a part of the finest government world history had ever known—a republic—in which the difference of opinion of the citizenry resulted in a type of political action, through legislation enacted by duly elected representatives of the people, giving each citizen a proportional power in determining what our governmental policies should be. What more could any freeman ask. I knew then, as I do now, that so long as my country was governed by legislation, enacted by the men and women elected to Congress by the action of voters with differing opinions, my country was worth fighting for and living for.
>
> To you, and to your worthy associates in the House and Senate, my very best wishes

for I know all of you will be in there doing your level best to avoid the pitfalls of a pseudo democracy, thereby assuring every American government as our founding fathers decreed: government by representation, a republican form of government.

Address of Hon. Thomas J. Lane, of Massachusetts, at Memorial Dinner, Greater Lawrence St. John's Preparatory School Alumni Association

EXTENSION OF REMARKS
OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following address which I delivered at the memorial dinner of Greater Lawrence St. John's Preparatory School Alumni Association, held in St. Mary's Auditorium, Sunday evening, January 25, 1948:

Members of the alumni and friends of St. John's Preparatory School, from our earliest days the name of St. John's Prep has been familiar to most of us. Being a preparatory school, it seemed to our youthful minds to be a cut above the ordinary high school. The fact that it was located out of town added to its glamour. Those who attended St. Johns Prep were distinguished as belonging to an exclusive realm of the educational world. They were going to school not because they had to but because they wanted to.

So it appeared to our youthful fancy.

As we grew older, however, we began to discern other and more fundamental differences. St. John's was a prep school, intended to train its students for a continuance of their education in the colleges and universities of our land. It taught them the necessary disciplines to separate the true from the false in the history of man's experience. It readied them for the specialized and exacting studies of the arts and the professions, giving them the know-how of earning a living in service to others. It prepared the way for the acquirement of facts and techniques.

Above all, it taught them religion.

The individual student came to know his obligation to that which is greater than himself or any other man or group of men. Through its inspiration, its solace, and its strength, he understood the meaning of his journey through life and of its final goal.

He realized that his life must not be spent entirely on the treadmill of doing things. It must be measured by his development of mind and heart in his relations with his fellow man. His life will have meaning only as it becomes an example to others by his conduct in the home, at work, or even at play. Within him and all his fellow men is the divine spark which may or may not come to life.

There are more than 900 degree-granting universities and colleges in the United States. There are millions of students in the high schools and even greater numbers in the grammar schools. We have a production line of education that turns out millions of young people with diplomas every year on schedule. We have developed a technology and a manufacturing plant which can make atom bombs. We have more material goods than any other nation on earth, but we have no peace of mind. We've got things, but we don't know how to use them for the good of all.

To me, this is an indictment of our whole educational system. We are taught to do one job well, without being able to relate it to other jobs or other people. We've got the cars, but the one fault seems to be the simple mechanism of the steering wheel and the person behind it.

When it comes to making machines we're tops. In the field of human relations, however, we're like a ship without a rudder. There are many opinions but no facts. Each one of us is right, and the other fellow is wrong. And all because we have not learned to discriminate between the good and the bad, the true and the false.

Who's to blame for high prices? Just about everyone. And what's the answer to taxes? Write your own ticket and insist that it's the correct answer to this age-old problem.

In a democracy, of course, we realize that both sides, or all sides, must give in a little so that we may come together in a common area of understanding. We've got to try and see that there may be some elements of good in the other fellow's viewpoint as well as some weak spots in our own. This makes for effective compromise without conquest or capitulation.

But what about Russia? There's the puzzle within a puzzle. This largest land area in the world is the most secret. High prices, taxes, and nearly every other domestic issue is being affected by the question of Russia and her motives.

There are a few trigger-happy people in our country who think that we could solve the problem by dropping a plentiful cargo of atom bombs over that strange country. Obviously, as a Christian Nation, believing in the ultimate triumph of moral principles, we will do no such thing. By the application of superior force, we could destroy many Russian cities, kill millions of her people, and lay waste her economy. That would set back the material strength of communism, but it would not eliminate the evil of communism, which would live on in the minds of some men. Bear in mind that, although we have destroyed the armies of fascism, we know that its philosophy has merely gone underground. Witness the results of the poll taken in Germany which reveals that the people show no remorse over Hitler and his methods, but simply blame him because he lost. Denazification is not easy. Decommunization would be just as difficult.

On the other hand, we do not agree with those who would appease Russia, at any risk to ourselves, in the hope that she would reform. Unfortunately, words of sweetness and light will not convince the power-mad regime which now controls much of Asia and Europe of the error of its ways.

We must do it by superior example, by showing that democracy provides a higher standard of living without sacrificing basic human freedoms.

That is what your Congress is trying to do as it debates the needs of the 16 European nations outside the iron curtain of Soviet domination. Under the Marshall plan we do not intend to supply arms and munitions to these countries. Rather, we will provide them with an economic transfusion. For, if we get them back on their feet again as going concerns where people prosper with freedom, this cannot help but make the present rulers of Russia take pause. Free peoples cooperating fairly can build a far better way of living than repressive communism can ever produce. The Soviets know this. They will try to sabotage our efforts both here and abroad. They understand that, if we succeed, they will be discredited.

We've got the right idea. The question is, Can we deliver the goods in time to make it work?

Last year the incoming Congress immediately slashed the appropriations for our informational program abroad. This year the Congress has reversed itself and has provided for a complete selling campaign to go along with the material help we give to the distressed nations of Europe. Last summer many Congressmen went abroad to get a first-hand picture of the situation. They returned, convinced that we would have to counteract the flood of Communist propaganda that is sweeping Europe. By giving the facts of United States help, the conditions under which it is being produced, and why it is being given, we can defeat with visible proof the Soviet policy of spreading despair.

The necessary goods will be produced and delivered by the American people in order to prevent another war. It is an investment for security and peace. Even the United States, with all its strength, would be impoverished by another war. We have lost our isolation. The next time we would be hit, and hit hard. Both victor and vanquished would be weakened, perhaps beyond recovery.

We cannot have another war. And yet, in the present state of world affairs, we must be realistic. While we work for peace, we must be prepared to defend ourselves from a sudden and devastating attack. Until such time as mankind can develop a system to outlaw war we must have an Air Force second to none, both as a warning to and as an effective counterblow to any aggressor.

The recent report of the President's Air Policy Commission says that "the people of the country are not kept fully informed of the dangers of the military situation they are facing and of the preparations they ought to make to defend themselves against these dangers."

Asserting that our Nation's Military Establishment must be built around the air arm, the report goes on to warn us that other nations do not appear to have atomic weapons in quantity. This leads us to believe that some other nation has the A bomb in some lesser amount. The Commission estimates that by the end of 1952 we shall be no longer safe from the possibility of atomic attack.

On the danger from germ warfare, the report says that biological weapons are undoubtedly being studied in all parts of the world. That extremely violent bacteria and viruses exist is common knowledge. In any all-out attack on the United States the possibility that they may be used should not be overlooked. The danger from these weapons is, however, not only in time of war. They can be distributed in our cities and among our crops and herds in advance, say a year or so, of a planned attack. They may also be used as part of a campaign to weaken us, without any intention of following up with a conventional military attack. Our plans to anticipate and prevent such sabotage, insofar as this can be done, must be intensified.

These are grim words which should keep us on the alert. It is our duty to be prepared for any eventuality, even as we strive to work out, in cooperation with other nations, a system for guaranteeing a real and lasting peace.

This will demand effort, sacrifice, and vigilance.

We will help Europe, even as we work to strengthen ourselves. But these twin goals must be won without endangering our way of life and especially our civil liberties.

Prepared by education and by faith, we who have been trained to discriminate between the true and the false are twice armed. We shall equally reject the lies of Soviet propaganda and the lies of those who would use the threat of communism as a pretext for curtailing our freedoms here at home.

With clear sights we shall hold fast to the course we have set for our development and shall not be misled either toward the right or toward the left.

Remembering those who went before us, we shall keep our balance as Americans.

Radio Address to My Constituents

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address made by me over Station WNBF on January 24, 1948:

Dear friends of the Triple Cities and my congressional district, tonight, I want to address myself for a moment to the scores of postal employees from Binghamton, Johnson City, and Endicott who are listening to this program.

To you letter carriers who work steadfastly through the year, let me say I met with your local delegates in Washington and spoke at the dinner given New York Congressmen by your State organization. You can bet I am going down the line with them for a pay raise.

This raise embraces all branches of the postal service. I am for it because the Post Office Department was here when George Washington was President and is the oldest, most time-honored division of the executive branch of the Federal Government.

My stand in favor of a raise for you boys is not just lip service to you. The officers in your local chapter of railway-mail employees will tell you I went to bat for all the postal workers at a hearing last week before Senator LANGER'S committee which was listening to testimony about various bills to raise your pay.

Of course, you postal employees know what corner I've always been in. You know every vote I've ever cast on the subject has been in favor of better pay and more desirable working conditions for all of you.

So I was happy to talk in your behalf at the committee hearing and I will vote for that long-delayed raise for you when the bill comes up in the House.

A few would-be big shots who call themselves Republicans hereabouts are making overtures to the Political Action Committee of the CIO to put a candidate up against your Congressman in the Republican primary this year.

Although these disgraceful tactics are being carried on with the utmost of secrecy, sources friendly to me, yet close enough to this cabalistic clique, reveal to me what's happening.

Thus, John L. Lewis, Phil Murray, and William Green will stick their noses into our primary for the first time in the history of this district. With them will come a curious assortment of soreheads, left-wingers, mugwumps, and generally obnoxious plug-uglies.

But they will be well-heeled with thousands upon thousands of dollars, squeezed from the pockets of unwilling members who are sweating to pay their leaders fat salaries in addition to lining their war chests against the people's representative.

Yes, this gigantic slush fund will be thrown into our patriotic district in a desperate attempt to slap down your Congressman. But the labor barons won't be the only contributors. There will be a few anonymous givers, entirely undercover, who would blush crimson, then purple, if their names were brought to light.

Of course, they've gotten away with these subterranean operations against me for years, but I think now I have found a leak through which I can discover their chicanery. I am reasonably sure I can put my finger on them and if I do, they will squeal to high heaven.

Why? Simply because they occupy positions of pseudo respectability in our midst. In spite of the public's knowledge that they are hypocrites, they still can't afford to be found in the same political bailiwick as the left-wing labor boys. They would frankly be afraid of being placed in a position like that, even though it were for the purpose of going in with Beelzebub himself to erase me.

Naturally, they will tread very stealthily. They know the Republican voters will never tolerate an invasion by John L. Lewis as their candidate in the 1948 primary. They know they can't make the Taft-Hartley opposition an issue among Republicans of this section. They know, also, that they will take plenty of heat from my friends if they get funny.

I realize that little has been done in this valley to tell the people the truth about the Taft-Hartley Act. While great stress has been laid on the good this measure is doing in other localities, we have seen little in reference to it, except in condemnation of my vote for it.

Plenty of space has been given to agitators' speeches vilifying your Congressman. But not one word has been uttered in defense of one who has challenged the racketeers and gangsters for the protection of the general public.

Be that as it may, their deliberate omission of all praise and decent reference in my direction will not change the picture. They can bring in all the big-time, national barons they like. They can engineer all the smear and vicious innundoes against me they want to.

But their tons of propaganda, their limitless campaign funds, raised from outside this district, as well as by the naive and the unwitting from within, will not equal or approach the power of the patriotic Americans who will spring to my assistance.

For their information, more people will hear the truth over this program and you can count on my revelations of their nefarious work each week from now on until they are shown up to the public for what they are.

Thank you.

Old-Fashioned Philosophy

EXTENSION OF REMARKS
OF
HON. ERRETT P. SCRIVNER
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. SCRIVNER. Mr. Speaker, there recently appeared in the Kansas City Kansan, after it had been printed in the El Dorado (Kans.) Times and possibly other Kansas papers, the following editorial containing some sound and sane philosophy:

OLD-FASHIONED COMMANDMENTS

The ten commandments of old-fashioned economy and philosophy, written by Uncle Mac, in the Arkansas Gazette, are being circulated in Topeka, and were published in a paper there recently. We have no hesitation in lifting them for publication here, and suggest that they may be profitably read and preserved, if for no other reason than as a voice out of the dim, dead past:

1. You cannot bring about prosperity by discouraging thrift.
2. You cannot strengthen the weak by weakening the strong.
3. You cannot help small men by tearing down big men.
4. You cannot help the poor by destroying the rich.
5. You cannot lift the wage earner by pulling down the wage payer.
6. You cannot keep out of trouble by spending more than your income.
7. You cannot further the brotherhood of man by inciting class hatred.
8. You cannot establish sound security on borrowed money.
9. You cannot build character and courage by taking away man's initiative and independence.
10. You cannot help men permanently by doing for them what they could and should do for themselves.

Keep American Ships Under the American Flag

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. BRADLEY. Mr. Speaker, Americans from coast to coast are rising in surprise and indignation as they learn the details of the European recovery program insofar as shipping is concerned. They want American ships kept under the Stars and Stripes. They want our own people to have the jobs of carrying cargoes for which we are paying the bills rather than turning these jobs over to foreigners and putting our own seamen on relief or unemployment insurance.

I submit herewith the following resolution adopted by the Philadelphia Industrial Union Council in opposition to the proposed transfer of American ships:

Whereas the policy of the administration of President Truman has been responsible for the sale of great numbers of merchant vessels to foreign ownership as well as to certain United States citizens who immediately changed the flag and registry to some foreign nations in order to evade taxes and employment of American seamen; and

Whereas thousands of American merchant seamen are unemployed as a direct result of the vast amount of cargo being carried to and from this country in foreign vessels; and

Whereas a provision in the Marshall plan would give to foreign nations a further 500 merchant ships and thereby greatly aggravate the unemployment of American seamen; and

Whereas 25 leaders of labor unions affecting 50,000 maritime and other workers in the Philadelphia area, both A. F. of L. and CIO, met in the hall of the National Maritime Union to take action against the growing unemployment of American seamen and other industrial workers, resulting from the giving away of American ships to foreign nations and the transfer of American ships to foreign registry, the following resolution was adopted unanimously:

"Resolved, That we are opposed to and ask an immediate halt to the assigning of American ships to foreign countries and to foreign flag registry and in particular the sending of Marshall-plan aid to Europe in foreign ships with the loss of jobs and wages to American maritime and other industrial workers. The taxes for foreign aid are paid by American citizens, and we are definitely opposed to forcing them into unemployment

because of the generous aid given abroad. That all Senators and Congressmen be advised of our opposition to this phase of S. 1619, and asked to vote against this section. The support of the Marshall plan, with the above situation corrected, is unanimous. Further that we give full cooperation to the American Bureau of Shipping in carrying this program out."

We request the concurrence of the Philadelphia Industrial Union Council in this resolution and that said council forward same to the national CIO headquarters with a request for concurrence.

Adopted unanimously by Philadelphia Industrial Union Council, January 22, 1948.

WARREN C. EVANS,
Delegate for Marine Engineers, Beneficial Association, No. 13.

UNESCO

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. BUCK
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. BUCK. Mr. Speaker, under leave to extend my remarks, I include the following resolution with respect to UNESCO adopted by the board of education of the City of New York on January 8, 1948:

Whereas the Second General Conference of the United Nations Educational, Scientific, and Cultural Organization, held in Mexico City November 1947, unanimously adopted the following resolution prepared by Jacques Maritain and submitted by the French delegation:

"The representatives of education, science, and culture, meeting together at Mexico City at the UNESCO General Conference:

"Aware of the responsibilities imposed upon them by the constitution of the organization to further universal respect for justice, for the rule of law, for human rights, and the fundamental freedoms of the peoples of the world, without distinction of race, sex, language, or religion;

"Concerned at the dangers to peace resulting from currents of thought conducive to the idea that another war is inevitable;

"Troubled by the indifference, resignation, and even calm acceptance which such currents of thought meet in certain sections of public opinion;

"Address a solemn appeal to all who are concerned for the dignity of man and the future of civilization, particularly scientists, educationalists, scholars, artists, writers, and journalists throughout the world;

"Adjure them to denounce the pernicious idea that war is inevitable;

"To act as the mouthpiece of the conscience of the nations, refusing collective suicide;

"To combat, by every means in their power, surrender to fear and every form of thought or action which may threaten a just and lasting peace"; and

Whereas the public schools of the city of New York should be a vehicle to the maintenance of peace in the world and should direct their thinking to the best means of maintaining peace: Now, therefore, be it

Resolved, That the Board of Education approves the resolution adopted by the United Nations Educational, Scientific, and Cultural Organization, and requests the superintendent of schools to circulate this resolution among the schools.

Let's Make Up Our Mind

EXTENSION OF REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. LARCADE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to submit a copy of an article by the eminent columnist, Constantine Brown, of Washington, which appeared in the Sunday Star of Washington, D. C., on January 25, 1948, as follows:

LACK OF CLEAR-CUT POLICY BLOCKS UNITED STATES STRATEGISTS—ANALYST SAYS OUR TOP MILITARY LEADERS ARE HANDICAPPED IN THEIR ATTEMPT TO MAKE ANY PLANS FOR THE FUTURE

(By Constantine Brown)

The quandary in which our top leaders find themselves over the course America should take at this critical hour in world affairs is much greater than most people realize.

The war planners in our armed forces are churning water to make butter. They feel frustrated in their efforts to make plans on what to do in the event of certain emergencies, which some of them feel to be imminent.

These men can reach no conclusive decision because they do not know what our national policy is. Their liaison officers in the State Department return empty-handed when they try to learn the answers to certain pertinent questions. The State Department, on the other hand, has not been able to formulate a real national policy, because in recent years we have had none.

The Truman doctrine, for instance, could be as much a national policy as the Monroe Doctrine, but after having formulated the new policy concerning nations threatened by the U. S. S. R., State Department policy framers fear that its implementation by the military might lead us into trouble rather than establish the lasting peace they expected when they urged President Truman to make his declaration 10 months ago.

MATTER OF APPROPRIATIONS

The State Department, headed by a distinguished soldier, is unwilling to take the offensive. Secretary of State Marshall, who knows better than any one else the state of America's armed unpreparedness, feels that unless Congress is in a mood to provide much larger sums than the armed forces already have asked, in order to meet their present limited needs, it is of no use to expect any strong measures.

Congress, which is anxious to carry out some big economies as election time approaches, knows only superficially the exact state of things between this country and the nations behind the iron curtain and is unwilling to take any initiative to increase appropriations.

Thus, the staffs of Army, Navy, and Air Force must mark time until the State Department tells them what our national policy is. The State Department no longer receives instructions from the White House and is reluctant to undertake any kind of implementation of policy which might necessitate the use of forces which we do not possess, unless Congress appropriates the money and passes some kind of conscription measure to expand our forces. Congress is sitting tight because it is not its business to make policy.

MARSHALL PLAN POLICY

This vicious circle is little understood in this country, but it is well known abroad and particularly in the U. S. S. R. For the time being we are using the Marshall plan as an instrument of national policy, although the Secretary of State himself, as well as other responsible officials in the Government, fully realize that the European recovery program must be described as an implementation of policy rather than as policy itself.

Many members of the Senate Foreign Relations Committee were concerned during the war with the haphazard manner in which the administration was conducting foreign relations. They called, individually, on President Roosevelt, had talks with his chief adviser—the late Harry Hopkins—and occasionally summoned their principal legal informant on foreign affairs, Secretary of State Hull.

They received kind treatment in their talks with Mr. Roosevelt and Mr. Hull. Many pertinent matters, such as the real effect of the Tehran and Yalta agreements, were kept from them under the excuse that we were then tied to a number of Allies and that revelation of other agreements than those publicly announced would cause embarrassment and jeopardize the administration's war effort.

The Senators had to be satisfied with the frequently reiterated statement: "Gentlemen, at this time our foreign policy is to win the war." When some Senators like Robert La Follette, Jr., pointed out in 1944 that war in itself was not a policy but the implementation of policy, the other stereotyped answer concluded the argument: "To say more would be against public interest."

SITUATION WAS INHERITED

The present lamentable state of affairs must not be attributed exclusively to those now in office. They inherited a situation not of their own making.

The improvisations which we called foreign policy during the last two World Wars are the result of inherent defects in our system and in our psychology. It is true that wars are implementation of policy. The Europeans, to whose rescue we went twice in a quarter century, fought their wars not for ideologies, but for certain definite purposes.

The Central Powers started World War I for the purpose of acquiring more territory and greater prosperity by imposing onerous peace conditions on their opponents. The Allies, who were then at the height of their economic and social prosperity, accepted the challenge in self-defense.

They defeated the Central Powers with the assistance of the United States. But their leaders did not think in global terms; they were concerned primarily with repairing the damage suffered at the hands of their enemies.

While President Wilson and his associates agreed magnanimously not to exact reparations of any kind, David Lloyd George, Georges Clemenceau, and the lesser lights among the Allies demanded their pound of flesh. President Wilson was thinking in terms of one world, peaceful and united. He was thinking in terms of helping the world. The representatives of the other powers were thinking about what was best for their own country, regardless of all others.

SELFISH INTERESTS FOREMOST

While the United States was striving to make a better world globally the others were interested only in their own national segments of the world. They talked loudly about a better world, but actually were thinking about what was best individually for Britain, France, Italy, and the other members of the great coalition. This explains the cat-and-dog fight at the 1919 Peace Conference and the hostility of the former Allies toward each other, as shown particularly at the London Naval Conference in 1930.

A similar situation, on a much larger scale, occurred during and especially after

World War II. Once more we entered the war as crusaders.

During World War II we ignored the storm signals which came from some of the greatest European nations. For the sake of harmony among the enemies of the Axis, we actually handed over to Russia those nations to whose defense we rushed with lend-lease.

Because we did not wish to offend the hard-fighting and hard-pressed Russians as far back as 1943, we never placed conditions on our billions of lend-lease to Russia in keeping with the terms of the Atlantic Charter. And, according to those who were at the center of affairs in those days, nothing would have been easier than to talk with friendly but blunt frankness to Prime Minister Stalin about the actual objectives of the American people in World War II.

Mr. Stalin cannot be blamed for the present situation. He intended from the very first to enrich and enlarge Russia with new territories. He was not interested in one world.

Prime Minister Churchill was interested primarily in the British Empire. That was the reason he so carefully avoided mentioning the Pacific areas in the charter which he and Mr. Roosevelt drafted in the fall of 1941. He was interested in control of the Mediterranean to safeguard lines of communication throughout the world.

It was for that reason that he threw overboard the royal government of Yugoslavia and betrayed Gen. Draja Mihailovich by diverting his support to Russia's stooge, Marshal Tito. In the end, he was double-crossed by Mr. Stalin, but when he changed horses in Yugoslavia he was convinced that he was acting in the best interests of the Empire.

ACTED FOR THE EMPIRE

It was the same reason which prompted the British Government to send troops to Greece. No one can blame Mr. Stalin, Mr. Churchill, or any other head of a government for acting first in the interest of his own country and secondarily in the interest of the international community.

Not so in this country. Our leaders did talk after 1939 in terms of the threat to our own security. But they thought in global terms.

Even after Pearl Harbor, when men—far more important than goods or money—had to be shipped to all parts of the world to be killed there, we still thought in terms of one big and kind-hearted world.

There were a few courageous men in Mr. Roosevelt's immediate entourage who pointed out to him the risks of not having a definite national policy. They were either silenced or removed from the scene. To suspect Russia was treasonable because it meant breaking the harmony between the great powers (the little nations had ceased to count).

This country was created by those who escaped political, social, and economic oppression by autocrats who were ruling Europe. Men from all nations of the Old World came here and worked together, paying no attention to their former social status, religion, or race. They fused into one great hard-working, idealistic nation and got the idea that what has happened in America could happen across the Atlantic as well.

IDEA PROVOKES LAUGH

Our people sincerely believed that when it became obvious that wars did not pay, the people of Europe themselves would put an end to them, joining hands to work for their own good. It was for this reason that the idea of one world which provoked such laughter among Europeans and especially the men of the Kremlin, took root so quickly in the United States.

Many men in the Government are still convinced that a peaceful solution of present world problems is possible if we show continued good will and complacency toward the Russians. They all see the hair-raising reports of what the Soviet is preparing, but they are still willing to brush them off as inevitable exaggerations of a new nation which has tasted victory for the first time and is prankish. Because of this frame of mind, we are still today—as we were before we became a world power—without a clear-cut national policy.

Present Technological Status and Future Outlook for Synthetic Rubber

EXTENSION OF REMARKS
OF
HON. FRED L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 22, 1948

Mr. CRAWFORD. Mr. Speaker, under the unanimous-consent permit given me, I desire to submit for consideration of my colleagues a recent statement on the rubber situation by Mr. J. P. Coe, vice president of the United States Rubber Co. His views follow:

PRESENT TECHNOLOGICAL STATUS AND FUTURE OUTLOOK FOR SYNTHETIC RUBBER

(By J. P. Coe)

I like the designation of technological status because it contemplates the practice aspect of the technical situation in synthetic rubber as distinct from the strictly scientific aspect. For the purposes of this symposium, I believe we are concerned with the use of synthetic rubber rather than with the chemistry and the physics involved.

With this in mind, it is my position that synthetic rubber has now proved itself technologically; that it exists and will continue to be manufactured and used on its own merits as material required by industry because of its usefulness; that independently of its importance to the national security and aside from the economic means that will be employed to convert the industry from a wartime to a peacetime basis synthetic rubber is now established in the arts.

First, let me define synthetic rubber. Increasingly since Columbus, rubber—caoutchouc—the exudation of the bark of Hevea Brasiliensis—has been recognized as important because it would do for us things no other material would do. Outstandingly, rubber can be stretched many times its length and still return. It is strong, tough, chemically resistant, heat and cold resistant, possessed of very good electrical properties, easily fabricated into articles, thermoplastic in the raw state and since the discovery of vulcanization is thermosetting.

Until synthetic rubber, no other material would do what rubber would do.

Synthetic rubber, in my definition, is man-made plastic material which also can be stretched greatly and still return and which possesses some of the other properties of natural rubber adequately or to an enhanced degree.

It is important in this definition that synthetic rubber does not need to be a complete duplicate of natural rubber chemically or physically. To be called rubber, it must be rubberlike, and notably that means it must be stretchy, as other plastic materials are not, and it must possess some other rubber-like properties. In addition, it must equal or surpass natural rubber in certain respects or it will not be accepted as useful.

Let us consider the synthetic rubber called neoprene. It is a rubberlike material: stretchy, strong, chemically resistant, easily fabricated into articles. In addition, it is resistant to oils. For example, it is good for the linings and covers of hose exposed to oil, and it enables us to make such articles better than we can make them of natural rubber. Natural rubber is notably allergic to oils. A common expedient before oil-resisting synthetics were developed was a flexible metal lining inside rubber impregnated hose used at gasoline filling stations. Neoprene is entirely adequate in mechanical properties for the manufacture of hose, and it is not important whether its elastic properties or its tensile strength are equivalent to those of natural rubber. In these respects, it is adequate and in addition it is oilproof.

Such uses of raw materials ordinarily do not attract popular attention. Consequently, it is not generally known that neoprene was first sold commercially in 1932 at $1 per pound, when natural rubber was selling for 3 cents. Sales in that year amounted to only 2.3 tons and in 1933 to 24 tons. However, in 1934, the volume tripled; in 1935 it doubled again, and the increase up to wartime—1934–42—was on the average almost exactly 100 percent each year. Probably no one knows the thousands of articles for which neoprene is now considered essential, even though—prewar—its price was three to five times that of natural rubber.

I have gone into the matter of neoprene in some detail to illustrate the following:

1. Synthetic rubber has been with us commercially and on its own merits for 15 years.

2. Not necessarily must it be sold for the price of natural rubber.

3. We are concerned with improvements over the natural product rather than with duplication or substitution.

4. Such advances in industry take place usually without knowledge by the general public except in the improvement of the articles they buy.

Closely allied to neoprene but with different properties is the type of synthetic rubber usually referred to by its German name Buna N or Perbunan. There are also the trade names Chemigum, Ameripol, Hycar, and Butaprene. These are all oil resisting rubbers and hence useful for special purposes. In 1944, national consumption amounted to 14,000 tons chiefly for special war uses. Their manufacture is privately financed and they are sold at the present time for about twice the price of natural rubber. With war uses past the new peacetime uses already consume 5,000 or 6,000 tons per year.

Still another specialty rubber is the product called butyl rubber. In many respects butyl is not as rubberlike as the ones previously mentioned. However, it is sufficiently rubber-like for many articles and it has two outstanding and valuable properties. It is highly resistant chemically, even to strong nitric acid. Glass is also resistant to nitric acid but glass does not stretch. Butyl is highly impermeable to air, and for this reason plus its chemical inertness and other mechanical properties, it is valuable for the manufacture of inner tubes for pneumatic tires.

I believe all inner tubes for passenger tires today are made from butyl rubber—at least half from preference by the experts in the manufacture of inner tubes—in order better to serve the need of the consumer. At present it sells for 18½ cents per pound compared with recent prices of natural rubber between 14 and 25 cents. Consumption is 50,000 tons per year with a free-use consumption of probably 30,000 to 40,000 tons per year.

It happens that in volume the largest consumer of rubber is the pneumatic tire to the extent that between the two World Wars this amounted to about 70 percent of our total rubber consumption. For transportation of merchandise and of people and notably for rapid movement of war matériel, tires were of critical national importance during the war. Large supplies of rubber for this purpose were of utmost importance; so much so that deprivation of our natural rubber supply, in the planning of the Axis Powers, might easily have given them military su-

premacy over us. Accordingly, in 1940 and 1941, we took the synthetic rubber technology we then possessed and decided to produce in large quantity chiefly for tire manufacture a general-purpose synthetic made from butadiene and styrene and known since as GR–S.

GR–S has had a great amount of publicity. Speeches have been made, articles have been written, Government committees have investigated, and Congress has legislated. Most of the automobile-driving public has become interested in the question: Are synthetic rubber tires as good as natural rubber tires?

Admiral Braine has already outlined the importance of synthetic rubber to our national security. Mr. Phillips has explained the effect on international economics of any major change in our prewar practice of purchasing from other countries our quarter to half billion dollars' worth of rubber. Mr. Hadlock has the great problems of administering a manufacturing business which has produced perhaps more volume of synthetic organic chemicals than any other industry in a like period. Mr. Dinsmore is concerned with the economics of our conversation problem and Mr. CRAWFORD will have to take all of this and write some rules for us to go by.

Fortunately for me, this evening I am free of such economic and international and military problems. I am concerned only with the question of how useful is synthetic rubber now and in the future.

GR–S was used 1942–47 to the extent of 2,734,000 long tons. That is about as much as the total rubber used in the United States, 1936 to 1940.

The Allied armies won uncounted battles, the industries of the United States transported millions of tons of merchandise, and the motoring public traveled billions of miles—all with tires made from GR–S. That is the best bit of technical evaluation I know anything about. I might quote abrasion tests of treads and internal hysterisis data, and tensile strength of samples, and processing costs in manufacturing, but such data are nothing compared with the simple fact that GR–S in very wide use over a period of several years has made good serviceable tires.

How good? As good?

The engineers who spend their lives trying to find out the answers to such questions said during the war they could make a tire with natural rubber 15 percent better than an all-synthetic tire. I think no motorist is likely to judge so carefully that he can decide whether his last set of tires ran 15 percent longer than his previous set or not, but the engineers believe that over-all natural rubber has the edge. Some of them tell me that at present-day driving speeds 15 percent is too low.

It is also true that in large, heavy tires for certain definite reasons mostly concerned with hysterisis, at the present time we prefer natural rubber. However, such ratings I consider somewhat academic because no one contemplates or has contemplated for the near future a complete swing from natural to synthetic rubber in tires. We approached that in 1945 and we got along very well. Since that time on a somewhat freer basis we have departed from that position and have reverted to the use of more natural rubber because we think it is somewhat better for tires.

The Rubber Director, Col. Bradley Dewey, in 1944 said he thought that from a quality standpoint for about half our national tonnage requirements we could use either synthetic or natural rubber as we chose, depending chiefly on the economics involved. Whether it is one-half or one-quarter, that emphasizes the fact that a modest price advantage or a modest quality advantage will result in a large use of synthetic on a free basis.

Let us not here attempt to decide of what materials the manufacturer will fabricate our pneumatic tires. Let us trust such decisions to the tire engineers. They have served us well over the past 30 years and have given us improvement in tire life tenfold, coincident with faster driving and lower prices. The product of these improvements is a saving to the driving public of perhaps a billion dollars a year in tire cost.

I have already shown that substantial quantities of synthetic have been used for years and are continuing to be used despite a price disadvantage. Having a continuing advantage in price, unquestionably the tire manufacturer would use a great deal of synthetic. The price competition bids fair to be close. It was estimated a year ago that GR–S types could be produced on a private-operation basis for a price of around 15 cents per pound. With the dollar now a little thinner, that figure may now be a little higher. In Malaya with a less up-to-date dollar and no farm-parity program, good estate operators are not too happy with a 15-cent price for natural rubber. This invades Mr. Dinsmore's territory, but in discussing the future technological outlook, I must list price advantage as a great stimulus to the use of butadiene-styrene rubbers.

Again let me assert that if large quantities are used on a free-economy basis, that material is ipso facto, technologically, a success.

Butadiene-styrene rubbers are possessed of special advantages in resistance to aging and certain of them have specially good processing qualities. For those reasons, plus uniformity, the wire and cable industry a year ago made a concerted and formal request to RFC for a continuing supply of those types specially designed for wire and cable insulation. They stated that at even price they preferred the synthetic to the natural rubber. Certain companies stated they would pay a higher price. May I here encroach on Admiral Braine's territory and express the opinion that such voluntary and preference uses for GR–S types outside the tire industry, even in moderate amounts, should be fostered in the interest of the national security.

For, now, a few years asbestos sheet packing has been considered technically superior if made with a particular GR–S type than if made with natural rubber. Tiling manufacturers prefer GR–S. Battery manufacturers sometimes prefer GR–S.

I have here a tag from a boy's raincoat, recently purchased, and reading, "Buna GR–S rubber guaranteed not to crack, peel, stiffen, or rub off." These are relatively small-volume items but as Mr. Livingston used to remind us we shall make our technical progress in small steps.

I am told some tire manufacturers prefer GR–S latex for solutioning their tire cord. Here is a fundamental economic advantage, also—in case Mr. Dinsmore should overlook it. It costs substantially more to bring into the United States natural rubber in the form of latex than in the dry coagulated form. It costs substantially less to produce synthetic latex than dry synthetic—also in the United States. With apologies to Rubber Reserve's pricing policy.

I have referred above to special GR–S types. Four hundred and thirty commercial variations of butadiene-styrene rubber have been developed as the result of the large and aggressive research program instituted and supported by Rubber Reserve since 1941. Today more than 50 varieties are in regular production and 72 percent of the total production of GR–S is of types developed since 1942 and tailor-made to meet special requirements of industry.

A great deal has been said in the past regarding the difficulty of processing synthetics in the rubber manufacturing plants. It was stated 3 years ago that processing disadvantages in tire manufacturing were costing an amount equivalent to a price increase of 7 cents per pound. Nevertheless, the tire industry in 1943 and 1944 accomplished a change-over from natural to synthetic with such speed and satisfaction that it constituted in my opinion one of the war-production miracles.

At present we hear little said about difficult processing. This is partly because of improvement in the synthetics and partly because of processing skills acquired by the consumer. At present we hear almost as much about processing advantages as about processing disadvantages, although we have still some serious problems in that category.

I do not wish to mislead. Synthetic rubbers have faults and disadvantages. So has natural rubber. So have all the raw materials we use. None of the synthetics yet have fully the elastic properties of the natural product. Generally they are not as strong. In the rubber factory they are not as sticky and therefore do not fabricate as well in a great many instances. Great progress has been made in overcoming or working around these difficulties but there is a great deal of work yet to be done in the improvement of many qualities.

But again I am not speaking of complete substitution. We like rubber footwear to be soft and stretchy, and hence the footwear manufacturer prefers natural rubber. Nevertheless, in certain instances he uses some synthetic with his natural to improve factory processing.

There are certain very important processing advantages which accrue to the manufacturer by compounding the rubber in latex form in the synthetic plant. The largest and most important example is in compounding with carbon black, but there are many other instances involving other compounding materials—some of them difficult to handle by ordinary rubber-factory methods. Carbon black can be added in the synthetic plant with a minimum of dirtiness, whereas in the tire plant its presence is almost a civic nuisance. In addition, this procedure shortens the processing time in the tire plant and enhances the quality of the product.

Of major importance at present is the development of rubbers polymerized at low temperatures—0° to 40° Fahrenheit versus 122° to 128° Fahrenheit past practice. This development is now entering the production stage with two large manufacturing installations nearing completion. Preliminary data has indicated the possibility of tire-tread quality substantially improved over anything we have known heretofore with natural rubber and the more conservative of the tire engineers rate it as "perhaps at least equal to natural rubber according to incomplete data." If this improvement should be established by service performance of tires over this year and next it is to be expected that such rubber will be used almost regardless of price. Since tire-tread rubber amounts to about a third of the national rubber consumption, this use would definitely put butadiene-styrene rubber on an independent footing.

An independent technological basis for synthetic rubber is the sine qua non of its continued existence. Particularly is it needed to support private research conducted in the interest of profit to the investor because as we all know such research in the past has produced great advances in the American scheme of things.

We require further research in the synthesis of rubbers from other raw materials than butadiene and styrene. Already we have had very encouraging results with substitutions for styrene in the copolymer, as with mono and dichlor styrene.

We need continued research on a private basis if we can have it—or on a public-funds basis if we cannot—but we must continue. We in the synthetic-rubber industry are completely confident that steadily we shall improve and frequently we shall add new and valuable items to the synthetic-rubber catalog. We do not expect to achieve full success

overnight. Already natural rubber has been surpassed and supplanted in many places on a strictly merit basis. Already the intensive study of the synthesis of elastomers has increased manyfold our intimate knowledge of the chemistry of rubber, and has disseminated this knowledge among thousands of chemists not previously familiar with it. The chemist will never stop whether he works in a cave or in a marble laboratory. He will succeed more quickly if well supplied with the tools for research.

The future outlook for synthetic rubber from the technological standpoint is very very bright.

Social-Security Law Should Be Amended

EXTENSION OF REMARKS
OF
HON. PAUL CUNNINGHAM
OF IOWA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. CUNNINGHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein a very fine letter from Mr. W. J. Tutt, of Des Moines, Iowa, relative to the need for revision of the present Social Security Act. He points out a glaring injustice that needs to be remedied by immediate passage of corrective legislation.

The letter follows:

DES MOINES, IOWA, *January 15, 1948.*
Hon. PAUL CUNNINGHAM,
House Office Building,
Washington, D. C.

DEAR PAUL: The Social Security Act as it affects persons in the older age brackets is a puzzle to some of us who are now past the age of retirement.

The writer is in that class—past the 72-age mark.

I am advised by the local office of social security that the limit of any possible earnings I might make after social benefits obtain, cannot exceed $14.99 per month. To a certain class of businessmen who tried to weather the NRA of the 1930's, and lost, they now find themselves with a meager social-security benefit, and a restriction on income (possible) above that benefit. In my case, total social benefits is less than $40, with $14.99 total possible earnings above that. Can a man support a home and wife today on that?

I have not made application for benefit for I can still work, but the day may come when I cannot work as I do now.

It seems to me, Paul, that if the present set-up is as has been explained to me, instead of being called social security, it properly should be called social poverty.

Many businessmen who went through the trying period of the 1930's—and I was one of them—were obliged to take a complete loss of their business. They are now past the retirement age and not able to recoup the financial losses.

What does social security hold for them?

Many of these men could employ their time and sales commission to help augment their social benefit, but not above $14.99 per month. That, I think, is very unfair. For 10 years now, 1 percent of all of my earnings has gone to social security. It looks now, at age 72, I don't stand any show of getting that back. Can you offer any suggestion? Best wishes to you.

Yours,

W. J. TUTT.

The Herter Bill

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. KEATING. Mr. Speaker, whatever other objections may be leveled at the Herter bill, H. R. 4579, I am convinced that the taint of unconstitutionality cannot successfully be charged against it.

In this discussion, one concession should be made at the outset. In the broad sphere of international relations—that is, the area of negotiation, agreement, and diplomatic exchange—the President is the sole organ of the Federal Government.

In this vast external realm, with its important, complicated, delicate, and manifold problems, the President alone has the power to speak or listen as a representative of the Nation. * * * Into the field of negotiation the Senate cannot intrude; and Congress itself is powerless to invade it. (*U. S.* v. *Curtiss-Wright Export Corp.* ((1936) 299 U. S. 304).)

In addition, the President is given by the Constitution the responsibility to "take care that the laws be faithfully executed"—article II, section 3—thus of necessity conferring on the President a certain amount of discretionary power in order that he may effectively enforce and execute congressional law and policies both home and abroad. See Sayre, The Constitutionality of the Trade Agreements Act, 1939, volume 39, Columbia Law Review, pages 751, 759.

Yet the problem is not settled when these powers are conceded, for they—like all other governmental powers—"must be exercised in subordination to the applicable provisions of the Constitution"—United States against Curtiss-Wright Export Corp.

The Herter bill, H. R. 4579, in the interest of coordinating the formulation of foreign-aid programs, creates a Foreign Aid Council, consisting of certain members of the President's Cabinet and others, with the Secretary of State as chairman. In this activity the Council shall advise and consult with the President. The bill also establishes an Emergency Foreign Reconstruction Authority, with capital of $500,000,000, which shall assist the Council, meet emergency needs of foreign countries for food, fuel, and fertilizer, make available to such countries limited categories of other consumer goods which will provide incentives to production and distribution, and make available limited quantities of productive machinery.

The board of directors of this Authority shall be bipartisan and shall consist of a full-time chairman, who shall be the executive head of the Authority and executive director of the Council, and seven other members appointed by the President by and with the consent of the Senate. The Authority must make periodic reports to the President, who in turn shall submit them to Congress. Commodities furnished to foreign countries are to be paid for, and the methods of payment, under certain circumstances, are outlined. These features of the bill, therefore, indicate on their face no interference with the President's conduct of foreign affairs. Instead they set forth means whereby money and commodities may be made available, on certain terms, to aid foreign nations in their reconstruction following World War II. In so doing, Congress is exercising certain powers residing in it by constitutional grant.

In article I of the Constitution, Congress is given certain express financial powers. Section 8, clause 1, provides that—

The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States.

It is settled that under this provision Congress may appropriate and spend money for the general welfare, and that the means of so doing rests primarily in the discretion of Congress. (*Helvering* v. *Davis* ((1937) 301 U. S. 619); Turner, the Fifth Horseman of the Apocalypse ((1947) 22 N. Y. U. L. Q. Rev. 19, 21–24).)

In section 9, clause 7, it is prescribed that—

No money shall be drawn from the Treasury, but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time.

Thus the absolute control of the moneys of the United States is in Congress, which is responsible for its exercise of this great power only to the people; and Congress may indicate the class of persons who shall not be paid out of general appropriations but who shall come to Congress for relief. (*Hart's case* (1880), 16 Ct. Cl. 484; affirmed, *Hart* v. *U. S.* (1886), 118 U. S. 62.)

In this respect Congress does not interfere with the executive functions or powers.

Moreover, "Congress in making appropriations has the power and authority not only to designate the purpose of the appropriation, but also the terms and conditions under which the executive department of the Government may expend such appropriations." The matter is one "solely in the hands of Congress." (*Spaulding* v. *Douglas Aircraft Co., Inc.* (S. D. Cal. 1945) 60 F. Supp. 985, affirmed (C. C. A. 9th, 1946) 154 F. (2d) 419.)

It has even been urged that where a treaty calling for expenditures is involved, Congress—the House acting first—has the power, as distinguished from moral obligation, to refuse an appropriation. (Corwin, The President's Control of Foreign Relations ((1917) 92–98); Crandall, Treaties, Their Making and Enforcement ((2d ed. 1916) 177–182); Borchard, Treaties and Executive Agreements—A Reply ((1945) 54 Yale L. J. 616, 654–655 (but conceding the power with respect to executive agreements)).)

In *Turner* v. *American Baptist Missionary Union* ((C. D. D. Mich. 1852)

Fed. Cas. 14, 251), the court said with respect to a treaty—and it would follow with respect to any other law calling for the expenditure of money:

> The representatives of the people and States exercise their own judgments in granting or withholding the money. They act upon their own responsibility.

The Herter bill involves the expenditures of large sums of money for foreign aid and reconstruction. In carrying out such purposes, Congress is not limited to the mere act of appropriating the money. It may set up the machinery for the expenditures and specify the conditions under which they may be made. It may create agencies or representative bodies to supervise and coordinate the expenditures and report thereon. The power to do such things is a natural concomitant of the exclusive power to appropriate and spend, for Congress has also the power to "make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof"—Article I, section 8, clause 18.

Through control of spending, Congress may put into effect and implement a national policy, and in so doing does not necessarily infringe on the powers of the Executive. See Hart's Case, supra; Turner, op. cit. supra.

In 1935 former Attorney General Cummings declared:

> Not only may the Congress protect and aid those specific national activities over which it has been delegated authority by the Constitution, and in so doing enter into fields of the country's life beyond the Federal authority save for their effect upon such specific national activities, but it may also provide adequate protection and aid for agencies created by it to exercise Federal powers. This is so even where such agencies have been given some functions which, considered alone, might be beyond the power of Congress to authorize (38 Op. Att. Gen. 258, 265–266).

As stated in *Farmers' and Mechanics' National Bank* v. *Dearing* ((1875) 91 U. S. 29):

> The power to create carries with it the power to preserve. The latter is the corollary from the former.

In addition to the foregoing, Congress has the constitutional authority "to regulate commerce with foreign nations"—article I, section 8, clause 3.

Concerning this power, the Supreme Court in *Henderson* v. *Mayor of the City of New York* ((1875) 92 U. S. 259, 270) stated:

> As we said in *United States* v. *Holliday* (3 Wall. 417), commerce with foreign nations means commerce between citizens of the United States and citizens or subjects of foreign governments. It means trade, and it means intercourse. It means commercial intercourse between nations, and parts of nations, in all its branches. * * * To regulate this trade and intercourse is to prescribe the rules by which it shall be conducted.

Since the Herter bill contemplates that commodities and machinery will be furnished and will be paid for in cash or other commodities, or in the furnishing of strategic materials, and since the bill also deals with certain export controls and allocations, such transactions and exchanges would seem to be within the broad definition of "commerce with foreign nations" set forth above.

It is true that in carrying out the terms of the Herter bill, the activities of the agencies created by Congress thereunder might sometimes conceivably come close to the line of authority deemed to reside solely in the President. It is equally true that the doctrine of separation of powers is firmly imbedded in American constitutional law. But the doctrine at its strongest does not demand an absolute and complete separation. As a practical matter of government there must be a considerable accommodation of power, and each branch has certain authority which necessarily infringes upon the authority of the other branches. *Ex parte Grossman* ((1925) 267 U. S. 87); Frankfurter and Landis, Power of Congress Over Procedure in Criminal Contempts in "Inferior" Federal Courts—A Study in Separation of Powers ((1924) 37 Harv. L. Rev. 1010).

In the latter article, the authors point out that from the beginning the Supreme Court has refused to draw abstract, analytical lines of separation and has recognized necessary areas of interaction; moreover the Supreme Court has consistently sustained congressional discretion when moving in the general legislative field not bound by specific limitations, even though the particular field may border on territory dominantly in control of another department of the Government—Frankfurter and Landis, (op. cit. supra, pp. 1014, 1016).

In Ex parte Grossman, supra, the Supreme Court declared:

> The Federal Constitution nowhere expressly declares that the three branches of the Government shall be kept separate and independent. * * * Complete independence and separation between the three branches, however, are not attained, or intended, as other provisions of the Constitution and the normal operation of Government under it easily demonstrate.

The Court then enumerated instances demonstrating the proposition that each branch of the Government is subject to certain positive and negative restraints by the other branches. These instances, the Court said, show that the independence of each branch of the Government, legislative, executive, and judicial, is qualified and is so subject to exception as not to constitute a broadly positive injunction or a necessary controlling rule of construction.

The method of handling any program of foreign aid goes to the very heart of the problem now before Congress. As the ardent advocates of this, that, or the other plan advance their arguments, it seems helpful to clarify the issues by eliminating the contentions which seem to lack substantial merit. One of these, it is submitted, is the attack on the Herter proposal on the basis that it violates constitutional limitations. It does not deserve opposition on that ground.

Address of Walter H. Van Hoesen

EXTENSION OF REMARKS

OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by Walter H. Van Hoesen, president of the New York Foreign Freight Forwarders and Brokers Association at the annual dinner held at the Hotel Commodore, New York City, on Tuesday evening, January 13, 1948:

It is worthy of more than passing note that 1,400 executives of steamship lines and other concerns active in foreign trade should be gathered under one roof, and I am pleased to speak on behalf of the New York Foreign Freight Forwarders and Brokers Association, in expressing to you our appreciation for your attendance on this occasion.

It is significant of the role played by foreign-freight forwarders when so many of you take advantage of the opportunity to get together. Most of us are acquainted one with the other, but the demands of daily business prevent us from getting together very often for the purpose of discussing problems of mutual concern. I think it fair to say that we here tonight handle a larger proportion of world commerce than any other group.

During the war the foreign freight forwarders at the port of New York, with the cooperation of all the firms represented by you, were engaged almost entirely in expediting the movement of essential materials and supplies. Our functions consisted of the routing of consignments to and from all parts of the world by way of New York. We obtained steamer space, secured export licenses, prepared documents, and attended to the hundred and one other details which are of daily occurrence in the conduct of our business. Many of us held high positions in the various Government agencies, and I am informed that in no instance was the confidence misplaced.

Since the war our efforts have been turned to assisting in the revival of world trade through regular channels. We have aided in reestablishing contacts between widely separated consignees and shippers; we have sought to overcome obstacles created by currency and other restrictions imposed by practically every country in the world. During the last year we have been able to move billions of dollars in combined value of imports and exports through the port of New York. The months ahead may be even more difficult than the period during and since the war days. Economic conditions in the countries of Europe have become increasingly critical, and we are now shipping large quantities of goods under an interim-aid plan approved by the Congress. A long-range program of foreign relief is certain to follow under the provisions of the Marshall plan as it may be finally adopted. It is likely to involve the expenditure of from sixteen to twenty billion dollars in food and other products which will have to be shipped during the next 3 or 4 years. It will be a stupendous task to see that foreign-relief shipments are handled properly with a minimum of delay and expense to the United States Government.

The New York Foreign Freight Forwarders and Brokers Association, believing that its members are adequately and best qualified to

have a part in this work, has offered the facilities of its members to the Government agencies with which the traffic will originate. Members of the Congress have stated for the record that it is their wish to have foreign-relief shipments handled by commercial forwarders whenever possible, and Government officers have stated that it is their intention to take advantage of our assistance. I am confident that we shall have the cooperation of all those engaged in foreign transportation so that the job may be well done.

The Year of Decision for Italy

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from Human Events for January 7, 1948:

THE YEAR OF DECISION FOR ITALY

(By a correspondent in Rome)

What will happen to Italy in the near future?

There are many reasons for anxiety, in spite of American support; notwithstanding inclusion of the moderate Socialists in the government and the calling off of the general strike in Rome. Attacks against the foundations of the young Italian Republic have become particularly insistent since ratification of the Italian Peace Treaty by Russia last September. Now, with evacuation of the Allied occupation forces, these attacks seem to have reached their peak.

This belief is strongly confirmed by the alarming events which took place throughout Italy during the last 2 months of 1947. In France, the Communist attempt to paralyze the country by a general strike completely failed. In Italy, on the contrary, demonstrations of a similar kind have on the whole succeeded.

We refer to the unexpected and daring assaults which the Communists tried in Milan during the last week of November, when for 3 days they took over all local government, and also to the general strike which was called in Rome during the second week of December. There is an attempt to minimize the importance of these connected "incidents." In fact it is hardly possible to view these events placidly. Their alarming significance is too evident.

The direct action of the Italian Communists in Milan revealed a number of disquieting facts. It showed that: (1) In Italy, at any time, well-disciplined Communists can be mobilized in sufficient strength to assume control of all municipal functions; (2) it is possible to set up a Communist soviet, which can force the national government to negotiate with it; (3) at least a part of the police forces are unreliable; (4) the great majority of the Italian people is politically tired and does not react with vigor and decision against occurrences which threaten the very existence of democratic institutions.

The recent Italian disorders prove incidentally that there is a great difference between the struggle which the French and the Italians are waging against Communist onslaught. The way in which the French stood up to the test is significant. It shows that the French people, having by tradition a strong feeling for the close interdependence between their internal and external politics, are again conscious of the historical greatness of their country.

II

The popular reaction to the Communist offensive in France shows that the French people realize the necessity for a close cultural, economic, and political collaboration between France and the great Anglo-Saxon democracies; that they understand the vital importance of defending their colonial empire and their national prestige. For all those reasons the French resolutely and in ever-increasing numbers turn against those alien elements which are trying to drag France into the abyss of political impotence and collective slavery.

The Italians, on the other hand, give only a feeble indication of understanding the events of our time. Twenty years of Fascist rule, culminating in a lost war, have made this country politically apathetic. The Italian sense for foreign politics, and its importance for national life, is surprisingly undeveloped. The people lack historic appreciation of their own institutions.

In regard to colonial empire and world prestige, the Italians no longer have anything to defend. Through their eastern frontier, difficult to control, undesirable strangers pass by the thousands. All the big Italian cities swarm with Russian spies and foreign agents. Efficient check on their subversive activities is in this country more difficult than in France. The French have already arrived at a point where, in their struggle against communism and Russian penetration, they are to a great extent helping themselves. The Italians still depend on the help, advice, and support of others.

This must be kept in mind if one realizes that in Italy the decisive battle with the Communists is still to come. Communism in Italy is at the present time on the defensive. This does not mean that the party has given up the struggle. Very much to the contrary. As a Moscow-trained tactician, Palmiro Togliatti, the leader of the Italian Communists and one of the shrewdest revolutionaries of our time, knows only too well that the best means of defense is to attack.

Togliatti certainly sees with displeasure that the general trend is against his cause. The Communists in Italy, too, are gradually losing ground. The number of their antagonists is growing, and the present Italian Government, its prestige noticeably increased by the inclusion of the independent Socialists (Saragat) and Republicans (Pacciardy), has a fair chance of winning in March the first free parliamentary elections of the new Italy. But these very facts force Togliatti to redouble his efforts and attacks against the De Gasperi government, against its American friends, and, in general, against everything which blocks the transformation of Italy into a Soviet satellite.

III

"Every day a stroke, every day an attack, every day a revolt of some sort," is therefore Togliatti's present slogan. "Not a moment's peace for the De Gasperi government and its supporters."

This attitude seems strange and incomprehensible to many American observers of Italian events. "The Italian Communists," they argue, "are fighting a hopeless battle. Should they lose, they will be weaker than before. So what sense is there in squandering their forces?"

Those who argue in this way unwittingly put the Communists on the same level with any other ordinary political party. This is a great error, for the Communist Party is not political in the ordinary sense. It is a very extraordinary party. When a political movement is backed by a mighty and unscrupulous world power and, in addition, can count on the support of hundreds of thousands of "fifth column" agents in almost every country, then such a party is not fighting a hopeless battle. It can very well permit itself the occasional luxury of squandering its forces, because they are practically inexhaustible.

Confirmation of this could lately be seen in France. Most likely a nation-wide general strike will before long be called in Italy, too. With the important difference, however, that the Italian Communists are much more easily supported from across the border (Yugoslavia) than their French comrades. Therefore, the situation of Italy—should it come to direct action on a grand scale—would have a more dangerous aspect and be more difficult to solve than was the case in France.

In view of these prospects, the question arises: What can be done by the United States to give the young Italian Republic more efficient support in its struggle against communism?

IV

Until recently the great majority of Americans have laid stress on the economic side of the problem. "It would be quite sufficient," they said in substance, "to give the Italians enough to eat. Then the specter of communism will disappear." Even the Marshall plan seems to a great extent based on this assumption.

Is this thesis incontestable? We in Italy doubt it. Those of us who have seen the Communist agitators succeed in districts where there is hardly any economic distress have necessarily come to the conclusion that there must be some error in this calculation.

Italy cannot be saved by economic aid alone. Something more is needed. And it must be forthcoming soon, if one wishes to save Italy from falling, like so many other European countries before her, a prey to Communist and Russian aggression.

The interest shown by Americans over the fate of Italy is greatly appreciated by all democratic-minded and freedom-loving people. "But what precautions," one hears them asking, "have been taken to assure that the help offered Italy by the Marshall plan will come in time?" Russia, after a long period of hesitation, in September suddenly ratified the Italian Peace Treaty. That is generally interpreted as demonstrating Moscow's wish to synchronize the departure of the Allied forces from Italy with the particularly difficult midwinter season; and with completion of the necessary underground preparations.

What are the plans of the vast Communist underground organization in Italy? Overthrow, by legal or illegal means, of the Christian democratic government of de Gasperi and its replacement by a leftist government of the so-called people's bloc would be the first step. The next move would be a radical fusion of Italy's whole internal and foreign policy with that of the Balkan bloc. The Communists hope that the installation of a new leftist regime in Italy and the turning of its policy in a new direction may be accomplished before March, the date fixed for the first parliamentary elections of the new Italian Republic.

The coup can be expected to take place before adoption of the Marshall plan and before any revision of the Italian Peace Treaty. Representative government is necessarily slow in avoiding and preventing dangers that threaten peace. Moreover, 1948 is the year of the Presidential elections.

The whole public life of the United States of America, the Kremlin calculates, will, to a great extent, be paralyzed during 1948 by the election campaign. This, therefore, will be the right time, first to lull American public opinion by a show of collaboration with the western democracies, then to strike a hard blow at a place—Italy—where success seems most likely to be assured in advance.

The Rights of Labor—Democracy Versus Totalitarianism

EXTENSION OF REMARKS
OF

HON. JOHN J. ROONEY
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. ROONEY. Mr. Speaker, the following article entitled "The Rights of Labor—Democracy versus Totalitarianism" has been published in booklet form by the International Labor Relations Department of the American Federation of Labor, Matthew Woll, chairman. It is a splendid comparison of the rights of the workingman under the Soviet system and his rights under our free American form of Government. Every Member of this House, yes, every member of the laboring class of our Nation, should be familiar with its contents. If every man and woman who has to work for a living knew the facts contained in it there would not be a corporal's guard of Communists holding office or influence in the labor movement in our country.

The American Federation of Labor and its International Labor Relations Department are entitled to our commendation for preparing and distributing such a valuable booklet. The article follows:

THE RIGHTS OF LABOR

Though democracy and totalitarianism vary in particulars in different countries, each system has certain essential distinguishing features.

The sharp contrast between these two systems is clearly illustrated in the following comparison of the rights of labor in the two countries which are the strongest protagonists of democracy (United States) and totalitarianism (Russia).

This comparison holds basically true for all democratic nations and totalitarian countries.

1. RIGHT OF ASSOCIATION

U. S. A.

The American worker enjoys the right of association and organization into (differing) economic, educational, political, and religious bodies of his own choosing as well as the right of combination into trade unions free from domination by employers, by the Government, or by any political party in or out of office.

U. S. S. R.

The Russian worker can join only such organizations as are approved by the Soviet Government for whom the choice is predetermined by the Communist Party—which is the only party in existence. The Communist Party has unquestionable monopoly control and domination over the entire vast government machine, the trade unions, all economic agencies, all cultural organizations, and all religious denominations.

Article 126 of the Soviet Constitution provides for the existence of only one political party—namely, the Communist Party. It declares that this party is the leading core of all organizations of the working people, both public and state. Thus, it is the Soviet Constitution itself which provides that all associations of any kind whatsoever are to be run and directed by Communist Party "cells." On March 14, 1947, Pravda, central organ of the Russian Communist Party, declared:

"The trade-unions enter a new period of their activities and in this important period the party organizations must give them the necessary help, incessantly watch the preparations for the conclusion of collective agreements and strengthen the entire organizing and educational work of the unions. * * * In this respect, the directing and leading role of the party organization is particularly important."

2. RIGHT TO JOIN A UNION

U. S. A.

The American worker enjoys the right to join a union of his own choosing and to elect its officers for a specified period. These elected officers are subject to rules and regulations and to a constitution adopted by the union membership.

The A. F. of L. holds its convention annually.

U. S. S. R.

Since 1932, the all-Russian trade unions have not held a single national convention. In the spring of 1937 the central council of the trade unions decided to hold a convention in October of that year. But somehow this convention was never held. The blood purges were on. Thus, Russia's Central Council of Trade Unions has been headed for years by individuals who were never elected by a convention.

3. COLLECTIVE BARGAINING

U. S. A.

The American worker enjoys the right of genuine collective bargaining. American labor enjoys the right to fight against any attempt by government or employers to restrict or reduce the effectiveness of collective bargaining, such as the Taft-Hartley law. The American worker enjoys the right to fight for the extension of effective collective bargaining.

U. S. S. R.

Every trace of genuine collective bargaining has withered away in Russia. The practice of collective agreements was discontinued in 1934, except for the lumber and water transport workers and commercial employees whose collective agreements expired in 1935.

On July 8, 1933, Trud, central organ of Russia's trade unions, announced: "No other than economic officials can be primarily responsible for the wage scales, fixing of production quotas, piece rates, etc. Today the idea is rooted in the consciousness of some comrades in the factories that the trade union has to have equal say with the economic agency in fixing wages. This is a leftist and opportunistic deviation, an attempt to destroy the one-man leadership and to interfere with the administration. This must be ended."

In Pravda, on December 29, 1935, A. Andreev, in behalf of the Politbureau of the Communist Party, announced: "The wage scale must be left entirely in the hands of the heads of industry." In an attempt to allay the workers' dissatisfaction over being robbed of this right, the Russian authorities maneuvered in the spring of 1937 to bring back "collective agreements." But this was an obvious sham.

The aim of the new type of collective agreements now operating in Russia is not to defend the interests of the workers but "to guarantee that the production plan of the government is fulfilled and surpassed."

4. RIGHT TO STRIKE

U. S. A.

The American worker has the right to strike. American labor has the right to fight back against any attempt by employers or Government agencies to infringe upon the right to strike, such as the Taft-Hartley law.

U. S. S. R.

In Russia, there are neither strikes nor strikers. If coal miners, maritime workers, machinists, or any other workers were even to talk or threaten strike—let alone actually engage in a strike—they would be liable to prosecution for counterrevolutionary activities or sabotage which would result in their deportation to some penal labor camp in Siberia or a similar region.

5. RIGHT TO CHANGE JOB

U. S. A.

The American worker is free to change his place or type of employment. He can change jobs or move from city to city.

U. S. S. R.

The Russian worker has no right to change or leave his job on his own volition. Under a decree issued on June 26, 1940, the management of an enterprise can grant a worker permission to leave his job only if he is unable to continue on his job on account of illness or disability and if the management cannot provide him with another job in the same factory, or if he has become eligible for an old-age pension, or in a few other cases. Any Russian worker leaving his job without such permission is guilty of a crime punishable by 2 to 4 months' imprisonment if he is employed in a nondefense industry and from 5 to 8 years if he is employed in a defense industry.

According to a decree of December 20, 1938, the Russian worker must carry a "labor book," similar to the one Hitler's regime imposed on the German workers. In this "labor book"—deposited with the plant manager for "safekeeping"—are noted all infractions of the extremely rigorous "labor discipline" rules to which Soviet workers must submit.

According to the decree of June 26, 1940, and the ensuing decision of the Supreme Court of the U. S. S. R. on August 15, 1940, any worker who, "without any valid reason," is absent from—or late in coming to—work for more than 20 minutes is considered as having committed a crime punishable by a maximum of 6 months of "corrective labor" at his place of work with "a 25-percent deduction from his salary"—if this absence or lateness occurs three times during a month or four times during two consecutive months.

6. RIGHT TO EMIGRATE

U. S. A.

The American worker has the right to leave temporarily or to emigrate permanently from the United States.

U. S. S. R.

Any Soviet worker who attempts to leave Russia temporarily or to emigrate permanently from the U. S. S. R. is liable to prosecution for treason—a crime punishable by 25 years at penal labor.

7. PUBLIC SCHOOLING

U. S. A.

The American worker is entitled to have his children receive a public-school education free. In many sections and cities of the country, high-school education facilities are also free. Some city- and State-endowed colleges provide the children of the American worker with an opportunity to secure even a university education free.

U. S. S. R.

Since 1940, the Russian worker must pay for his child's education beyond the seventh grade (decree of October 2, 1940). Consequently, the number of Russian workers' children getting anything more than the most elementary education is very small.

8. FREEDOM OF OPINION

U. S. A.

The American worker enjoys the right of freedom of opinion and expression and has the right of access to the opinions of others.

U. S. S. R.

The Russian worker is not entitled to voice any opinion other than the one approved by the monopolistic, monolithic Communist Party which alone determines all the policies of the government and of all cultural,

artistic, scientific, religious, sport, and economic bodies. Non-Communist critics of the party line or dissidents within the party risk deportation, imprisonment, concentration camp, or liquidation upon the slightest evidence of expression of differences or diffusing of such different opinions or communicating them to others.

9. ACCESS TO INFORMATION

U. S. A.

The American worker enjoys the right of free access to the opinions and publications of the workers of other countries. The American worker has the right of exchanging opinions and information with the workers of other nations in regard to trade-unions, economic, political, social, religious, cultural, and scientific matters.

U. S. S. R.

No Russian worker is allowed to subscribe to or receive the publications of labor or other organizations outside of the U. S. S. R.—unless he receives special permission from the government. For the Russian worker to request permission to receive such material is to invite investigation and surveillance and risk severe punishment by the dreaded secret political police (M. V. D.)

To this date, the Moscow government has denied Russian labor the right to receive the A. F. of L. publication "International Free Trade Union News" in the Russian language edition.

Any Russian worker who would attempt to exchange by mail opinions or information with the workers of other countries would run into grave risks, since all mail going out of or into Russia from abroad is subject to the strongest censorship and since any communication with people abroad might be regarded by the Soviet police as espionage or counterrevolutionary activity.

10. RIGHT TO CRITICIZE GOVERNMENT

U. S. A.

The American worker has the right to criticize publicly his Government, the dominant party in office, even the highest Government official, the leadership and program of any political party or any particular Government policy or law. The American worker has the right to organize and work for the repeal of any law he deems to be unjust, unfair, or hostile to the best interests of the public or the working people.

U. S. S. R.

The Russian worker does not enjoy even a shred of such rights. He dare not criticize and cannot change the government of his own country. Generalissimo Stalin and the Communist Party, which he rules with a rod of steel, are supposed to be infallible in every field of activity and avenue of expression. The deification of Stalin knows no bounds.

To attempt criticism or even questioning of this all-inclusive infallibility would be to insure disaster for the Russian citizen guilty of such rash judgment.

11. CIVIL LIBERTIES

U. S. A.

The American worker enjoys freedom from arbitrary arrest, detention, search, and seizure. He is entitled to a fair public trial by jury or competent and unprejudiced court constituted in accordance with normal judicial procedure. The American worker has the right of habeas corpus and enjoys freedom from arbitrary imposition of penalties. In cases where individuals or groups or local or State authorities seek to infringe directly or indirectly upon these rights or succeed in limiting these rights (through interfering with civil rights or discriminating in employment on account of race, color, or creed), the American workers have the right of assembly, organization, and judicial guarantees for defeating such attempts at infringement. Thus, some States have already enacted laws to help overcome these antidemocratic and un-American practices. In Congress, similar corrective legislation (FEPC) is still under consideration. Its enactment, fully supported by the A. F. of L., has so far been blocked by reactionary forces exploiting parliamentary procedure.

The American Constitution, however, is a living document. Our Declaration of Independence is a ringing charter of freedom.

U. S. S. R.

The Russian worker is subject to surveillance, investigation, and arbitrary detention and arrest by the secret police force (the MVD) which may send any individual to a concentration camp without trial by a court.

The rights allegedly guaranteed to the Russian people by the Soviet Constitution are practically nullified by a whole series of utterly antidemocratic laws and decrees and a tyrannical penal code. Thus have the Russian workers been deprived of their rights as human beings and producers.

12. FREEDOM OF LABOR

U. S. A.

In the United States, involuntary servitude in any shape, manner, or form, or under any guise has been outlawed by the Constitution and discontinued. Today, there is no longer any State which resorts to the chain gang as a system of punishment for convicts.

Besides, American labor enjoys the right of fighting against—and the opportunity to defeat, abolish, or repeal—any practice or legislation which even in the least degree smacks of forced labor.

The United States no longer holds any prisoners of war.

U. S. S. R.

In Russia's numerous concentration and penal labor camps, 10,000,000 to 15,000,000 people are doomed to slave labor. These "corrective" (forced) labor camps are operated under the jurisdiction of the dreaded political police (MVD) and are filled with millions of Russian political dissidents and millions of other liberated nationalities and prisoners of war. Slave labor constitutes a very important segment of Russian economy.

13. FREEDOM OF PRESS

U. S. A.

Freedom of the press is guaranteed in the United States. There is no press censorship.

U. S. S. R.

All books or periodicals published in Russia—except Communist Party publications—are subject to censorship. Any publication may be prohibited if "it contains agitation or propaganda against the Soviet Government or the dictatorship of the proletariat" or "if it reveals state secrets"—the latter being interpreted by the Russian authorities in an elastic and rather all-embracing manner.

14. RIGHT TO VOTE

U. S. A.

In the United States the elections are free. The workers enjoy the right of fighting freely and energetically against the limitations and infringements imposed on free elections through such schemes as the poll tax and white primaries. The extent to which the American people adequately exercise the right and opportunity of participating in free elections depends, in large measure, upon the extent to which labor utilizes the rights and potentialities of the free and secret ballot and discharges its responsibilities of good citizenship.

U. S. S. R.

Under the one-party system in Russia, there are not and there cannot be any real elections. Actually, the vast majority of the Russian citizens are disfranchised. They are marshaled to participate in the farce of "electing" candidates who cannot be opposed. Public officials, including judges, are in effect appointed by the Communist Party, since the nomination of an uncontested Communist candidate is equivalent to his definite selection for the office in question. Hence, Russia's so-called elections are nothing but an empty formality. The solemn "election" ceremony is designed to confirm post facto these appointments through a sham popular consultation at which attendance is compulsory and no opportunity is given the voters to choose between contestants.

Prospects for Trade in the Far East

EXTENSION OF REMARKS

OF

HON. CLARENCE CANNON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. CANNON. Mr. Speaker, under leave to extend my remarks in the record, I include the following address by Hon. James A. Farley, delivered before the National Foreign Trade Convention at the Hotel Jefferson in St. Louis, on the very timely topic of prospects for trade in the Far East:

The postwar picture of the world seems disheartening and melancholy. After two victorious world wars against predatory powers bent on conquest, we have not made the world safe for democracy as Americans understand it. Nor have we removed fear from struggling humanity or extended the "four freedoms" to the extent promised. Ancient sovereign nations of central and eastern Europe have fallen under the heel of a new oppressor, our ally of yesterday, Soviet Russia, and the independence of the other nations of Europe is threatened. Manchuria, Korea, North China, and the nations bordering Soviet Russia are being, directly or indirectly, coerced to bow to this insatiable dictatorship.

Are there any bright aspects to this melancholy picture? I believe there are, when we view it as a whole, in perspective, and from the long range point of view. I shall try to point out four such hopeful aspects. There may be and doubtless are others.

First, there is today potentially a larger area for world trade than ever before in the history of the world. That area is coextensive with the countries committed in varying degrees to representative government under free democratic institutions in our sense of the term. This area, roughly, is the entire world outside of Soviet Russia, and her controlled satellites.

The spirit of freedom has awakened the vast masses of the world and stirred them to activity for national independence. In the Far East, China with scarcely more than the brave determination of her people, withstood the cruel might of Japan, shook off foreign domination, and took her place among the independent nations of the world. The Philippine Republic is launched on her independent career. Indochina is hopefully struggling for her national freedom. Indonesia is shedding her colonial status and with the help and guidance of the United Nations is striving to take her destiny in her own hands. India and Pakistan have taken their equal place as dominions in the British Commonwealth. Burma is receiving from Parliament her independence. In the Near East, Egypt and the Arab states are enjoying independent sovereign status.

In the vast area then, from the near to the far east, containing more than one-half of the peoples of the world, colonialism and

semisubject status have yielded to national independence and self-government. It may be said that almost all the peoples of the world outside of Russia and her satellites, are today striving toward government from, by, and for the people, nurtured by free democratic institutions. This potential is a larger trading area than ever before.

Secondly, today national self-sufficiency, so fashionable between the wars, and corrosive isolationism, are discarded. Today as never before the interdependence of nations is taken as an axiomatic principle underlying the relationship among nations.

Thirdly, there is more intelligent, vigorous, and methodical effort to solve the world's problems through cooperative action than ever before in the history of the world.

Fourthly, so long as Soviet Russia will not join us and the Allied Nations to establish peace and then cooperatively through the United Nations to go on with the tasks of reconstruction, I believe the very violence of her attacks is a bright aspect in the depressing world picture. When she uses the veto in the Security Council of the United Nations, for example, solely as a device to wreck and demolish every cooperative plan put forth by the other nations, we, and the other nations are put on guard. When we are told, in a strangely familiar way, that we are decrepit, that our free-enterprise system will collapse, and in the same breath, that though we are at the brink of the abyss, we are out to enslave the free peoples of the world, and further that the true and genuine democracy is the one practiced behind the iron curtain, naturally we are alerted, and I believe, that all other peoples outside the reach of the Soviet Army are similarly alerted.

Now whatever our personal view of the world situation may be, whether optimistic or gloomy, the question remains what are we to do about it? Obviously it is not enough to point the finger of guilt at Soviet Russia for sabotaging constructive efforts and perpetuating chaotic conditions. We must exercise our leadership and play our full part in remedying the situation. We must put our shoulder under the long-range program of our Government and the United Nations to achieve the objective sought in common by all, namely, to increase production, raise the standard of living, increase purchasing power, reduce trade barriers, and increase the flow of goods among nations. If we do our best in promoting these ends, Soviet Russia's disruptive opposition can well be accommodated.

At this point I should like to make some comments touching upon both short- and long-term projects:

1. In our dealings with Europe necessity has brought us to a realization of the wisdom in the words "The Lord helps those who help themselves." We cannot undertake to do the impossible in these matters, but we should give prompt and realistic help to countries which are working to help themselves but have been seriously handicapped by crop shortages resulting from the drought of last summer, wartime destruction of plants, lack of coal and other raw materials, and the like.

2. Apart from prompt credits for food, the granting of credits to foreign countries should be conditioned primarily upon the utilization of the funds for producing and exporting goods so as to acquire the dollars needed to equalize their balance of payments. In making future credits we should learn from and be guided by our experience with previous extension of credits. We should insist that the credits be used for the stated purpose.

3. Naturally, the recovery in Europe is in a large measure dependent on recovery in Latin America and the Far East. The importance of building a strong economy in the Western Hemisphere has been recognized and we are all looking forward to the elaboration of a realistic plan of self-help and mutual aid at the Bogotá Conference next winter. Incidentally, let us hope that the Conference will go deep into some of the obstructions to the bringing into a country of capital and "know how" that are found in laws and practices which are not in harmony with present needs.

4. As for the Philippines, we have a special interest in helping this new state get on its feet after the devastation suffered at the hands of the Japanese. Presupposing a continuing policy of nondiscrimination against Americans, it should be possible to rebuild prosperity with our aid on the foundations laid before that country become independent.

5. The Chinese Government is believed to be earnestly endeavoring to bring order out of chaos. It must be remembered that China has been engaged in warfare since 1931, first with the Japanese and then with the Chinese Communist forces. Inevitably transportation is disrupted, production is reduced, inflation has gotten out of control, the currency has become almost valueless and, putting it mildly, trying to carry on business under such conditions is exceedingly risky. Nevertheless, steps are being taken to establish order and the Government has listened to objections presented by the National Foreign Trade Council and other organizations against discriminatory features in new legislation. A treaty of establishment has been signed and we hope that a fair basis is being laid for an eventual and safe recovery of business relations. May the Chinese authorities facilitate the continuation of American enterprises previously established there under a different regime so that by their example others will follow. Correspondingly, may the American authorities take cognizance of present difficulties in the application of laws intended to facilitate trade with China.

6. Indonesia, the Malay States, and Burma, as well as India, are all countries which should afford splendid fields for development in the future. They are all seeking the aid of American capital and technical guidance.

The new dominions of India and Pakistan, emancipated Burma, and the Malay States all need what we have to offer, and we can use their raw materials. However, there is need for treaties on taxation and establishment to assure American enterprises of the treatment they are accustomed to enjoy in other lands. As soon as hostilities cease in Indonesia obviously whatever we can profitably do in that rich country will benefit in some degree individuals in the Netherlands and Great Britain who have invested in companies operating in Indonesia. This observation, of course, applies to the benefits accruing as the result of reconstruction in Latin America and the Far East to many Europeans who have invested in those territories.

7. In short, the American program for reconstruction must be global because economically the world is indivisible. One part of the world cannot be economically sick without endangering the health of other parts. Mr. Krug has reported that our resources are sufficient to cover our own needs and those that may have to be provided under the Marshall plan. However, we must husband our forces so as to be able to help our friends also in the Western Hemisphere and the Far East. Obviously, we cannot afford to give away all this substance without receiving in return not only goods but also safeguards for Americans who trade or invest in the other countries.

As we cannot foresee changing conditions and needs we cannot expect to make a rigid 4- or 5-year plan.

As generally speaking, aid must be contingent on what the other country produces, the need of our assistance should be evaluated on a year-to-year basis. Longer term needs might be referred to the World Bank.

8. It has been suggested that the aid should be handled by a specially created corporation rather than by the State Department or another department. Such a proposal merits consideration. Obviously, if the corporation were headed by men with business experience and run along lines similar to those followed by the world-trading corporations represented here, the corporation should be in a good position to carry out its program realistically. Moreover, it should regularly consult with the men represented at this gathering in order to have the advantage of their experience in formulating plans and reaching decisions.

Statement by Otis D. Ashworth, Commander, Department of Mississippi, Veterans of Foreign Wars

EXTENSION OF REMARKS
OF
HON. JOHN BELL WILLIAMS
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. WILLIAMS. Mr. Speaker, on Tuesday of last week Hon. Fielding L. Wright, newly elected Governor of the great State of Mississippi, delivered his inaugural address to the Mississippi State Legislature. In his address he warned against continued efforts on the part of both major political parties to cram antisouthern legislation down the throats of the people of the South. Governor Wright's speech was inserted into the RECORD in the other body by Senator JAMES O. EASTLAND, of Mississippi, and can be found on pages 466 and 467 of the RECORD of January 23, 1948. In this connection, I include herewith a statement issued by a distinguished Mississippi Democrat, Rev. Otis D. Ashworth, Department of Mississippi, Veterans of Foreign Wars of the United States:

Along with other God-fearing Mississippians who believe in States' rights and the efforts of our own people to improve the lot of all our citizens irrespective of race, color, or creed, I am wholeheartedly in accord with Governor Wright's recommendation that we warn our national leaders against further trampling of our ideals.

Governor Wright did not suggest that we secede from the party but on the other hand said we should make our voice known and felt within the party councils. We should let our national leaders know that we will demand of them the same loyalty to our ways of life that we have given our party during the past 80 years.

As the Governor so ably said, "This is a new day in State and national politics, and circumstances may make necessary a new, and we hope, a temporary approach to national politics by our State and Southland."

Leaders in all national parties are attempting to force repeal of segregation laws, destroy our dual system and our social institutions, and reconstruct us by using the power of the Federal Government against us.

Southern States have waged a strong fight to regain influence in the party since losing it when they agreed to abolish a rule that required two-thirds majority vote.

Mississippi has for 80 years been democratic, and the efforts by some to force Mississippi to submit to legislation that would destroy every vestige of States' rights and the right to govern her internal affairs has

been most vigorously condemned by Governor Wright in his timely warning.

I only regret that we do not have a President with Governor Wright's ability and courage. It is my impression that the Governor did not threaten to bolt the party, for, as a matter of fact, the party "took a walk" on Jefferson democracy long ago.

In my opinion, the Governor gave an invitation for the national party leaders to return to the party.

Appointments and Citations Made by the Australian Ambassador

EXTENSION OF REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. SADLAK. Mr. Speaker, on yesterday at noon at the Australian Embassy, I was privileged to witness the appointment by the Australian Ambassador of Adm. Thomas C. Kinkaid, United States Navy, to be honorary companion of the Military Division of the Most Honorable Order of the Bath—C. B.—and the appointment of Vice Adm. Daniel E. Barbey, United States Navy, to be honorary commander of the Military Division of the Most Excellent Order of the British Empire—C. B. E.

These citations were made upon Admiral Kinkaid who commanded the Allied naval forces in the Southwest Pacific and Vice Admiral Barbey as commander of the amphibious forces, Seventh Fleet, in recognition of outstanding services in their respective capacities leading to the reconquest of New Guinea and for their spectacular and successful seaborne operations which resulted in the destruction and neutralization of considerable enemy forces in territory administered by the Commonwealth of Australia.

Though I, as a communication watch officer, had been attached to the staff of the Seventh Fleet under Admiral Kinkaid and subsequently in a like capacity under Vice Admiral Barbey when he replaced Admiral Kinkaid as commander of the Seventh Fleet, I was not so attached at the time mentioned in these appointments and citations which commence with November 1943, but I had ample opportunity subsequently to observe both of these fine, courageous men of the sea who have adhered to the highest traditions of our Navy upon which service they reflect great credit as individuals, as outstanding leaders, men of great courage and skill, cooperative with others joined in a common cause, true Americans.

I know I speak for all former Seventh Fleeters, officers and enlisted, who served under the commands of Admirals Kinkaid and Barbey in the Pacific and express their admiration and congratulations to each upon the honors which have been bestowed in grateful appreciation by the people and Government of Australia through his Majesty the King.

I did not have such a personal acquaintance with Vice Adm. Arthur S. Carpender, United States Navy, retired, Col. Sidney Forrester Mashbir, United States Army, or Col. Abraham Sinkov, United States Army, who also received appointments and acknowledgment of their services at the ceremonies mentioned. I am sure that we all join in the sincerest congratulations in recognition of their distinguished services in the Southwest Pacific area and include the citations for each that accompanied their respective appointments.

His Majesty the King has been graciously pleased to appoint Admiral Thomas C. Kinkaid, United States Navy, to be honorary companion of the military division of the most honorable Order of the Bath (CB).

"Admiral Kinkaid assumed duty as commander, Allied Naval Forces, in the southwest Pacific area in November 1943. During the period of his command, successful assaults were made on enemy-held territory from Cape Gloucester to Leyte Island. These spectacular and successful sea-borne operations resulted in the destruction and neutralization of considerable enemy forces in territory administered by the Commonwealth of Australia.

"Admiral Kinkaid commanded the Allied Naval Forces, including His Majesty's Australian ships *Shropshire* and *Arunta* in the notable victory in the battle of the Surigao Straits. The award is bestowed in recognition of outstanding services to the Commonwealth whilst in command of Allied Naval Forces which were engaged in the capture of Japanese positions vital to the reconquest of New Guinea. By his inspiring leadership and wholehearted cooperation, Admiral Kinkaid has rendered invaluable service to the cause of the United Nations."

His Majesty the King has been graciously pleased to appoint Vice Adm. Daniel E. Barbey, United States Navy, to be honorary commander of the military division of the most excellent Order of the British Empire (CBE).

"Vice Adm. Barbey assumed duty as commander, Amphibious Forces, Seventh Fleet, in November 1943. During the period of his command, he rendered distinguished and meritorious services to the Commonwealth of Australia in the successful amphibious assaults on enemy strongholds in New Guinea and elsewhere in the southwest Pacific area. By his skillful and resolute conduct of these hazardous operations, Vice Admiral Barbey has given outstanding service."

His Majesty the King has been graciously pleased to appoint Vice Adm. Arthur S. Carpender, United States Navy (retired), to be honorary commander of the military division of the most excellent Order of the British Empire (CBE).

"Vice Admiral Carpender took over from Admiral Leary the command of Allied naval forces in the southwest Pacific area in September 1942 and held that appointment until November 1943. During that period the organization worked smoothly and efficiently and a number of additional facilities were provided for Naval Forces. Successful landings covered by the Allied squadron took place at Lae and Finschhafen. Vice Admiral Carpender rendered valuable and successful services in the organization and operation of Allied Naval Forces in this area."

His Majesty the King has been graciously pleased to appoint Col. Sidney Forrester Mashbir, United States Army, to be an honorary officer of the military division of the Most Excellent Order of the British Empire, for distinguished service in the Southwest Pacific Area.

"Colonel Mashbir was the coordinator of the Translator and Interpreter Service and the information obtained from documents and prisoners processed by his section was of the greatest value to operations in this and other theaters of war."

Col. Abraham Sinkov, United States Army, officer of the Most Excellent Order of the British Empire (military division).

"The work done by Colonel Sinkov has been altogether outstanding and his enthusiasm and exceptional cooperation, far in excess of the normal course of duty, have provided a constant inspiration to his comrades-in-arms of the Australian military forces. His technical work in the field has been unsurpassed, and his contribution to the Signal Intelligence organization in the Southwest Pacific Area has been outstanding."

Federal Tax Collections in Illinois

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. CHURCH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article from the Chicago Daily Tribune for January 27, 1948:

UNITED STATES RETURNS MILLIONS FOR TAX BILLIONS—ILLINOIS SECOND IN FEDERAL LEVIES

(By Robert Young)

WASHINGTON, January 26.—Illinois received $106,262,992 from the Federal Government in the fiscal year ended last June 30, but during the same year individuals and corporations in the State paid $3,447,148,353 in taxes into the Federal Treasury, comparative figures showed today.

The nearly $3,500,000,000 of Federal tax collections in Illinois in the 1947 fiscal year included $1,644,731,039 in individual income taxes, $610,044,861 in corporation levies, and $1,192,172,453 in other taxes.

The $106,000,000 in Federal funds allotted in Illinois in the same fiscal year included various grants and payments under such Government programs as social security and old-age assistance, agricultural adjustment and extension work, public roads and works, school milk, wildlife conservation, veterans' administration, National Guard, vocational rehabilitation, aid for the blind, child and maternity care, and nurses training.

STATE CONTRIBUTES

Most of the Federal grant total—$78,328,692—went to Illinois under the 18 programs administered by the Federal Security Agency. All but two of these programs are on a Federal-State partnership basis, with the State contributing funds of its own to match the Federal payments.

The five "Chicagoland" States of Illinois, Indiana, Iowa, Michigan, and Wisconsin paid a total of $7,222,047,236 in Federal taxes during the year ended last June 30 while they were receiving $324,478,490 in grants and payments from the Government. The Federal funds allotted to Illinois were more than double those received by Indiana, Iowa, and Wisconsin and exceeded those of Michigan by nearly $25,000,000. Illinois tax collections, however, topped those of Michigan by more than $1,500,000,000 and those of the other 3 States by as much as $3,000,000,000.

TABLE OF COMPARISON

The following table compares Federal tax collections with Federal grants and payments in the 1947 fiscal year for the five "Chicagoland" States:

State	Taxes paid	Federal grants
Illinois	$3,447,148,353	$106,262,992
Indiana	916,678,240	49,131,194
Iowa	348,763,454	41,996,267
Michigan	1,779,425,893	81,476,062
Wisconsin	730,031,296	45,611,975

Federal tax collections in Illinois for the 1947 fiscal year were the second largest among all the 48 States, being exceeded only by New York's $7,723,855,345.

The Nisei Discover America

EXTENSION OF REMARKS
OF
HON. ROBERT J. TWYMAN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. TWYMAN. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to insert an article from the Reader's Digest entitled "The Nisei Discover America." More properly, this should be entitled "The Nisei Discover Chicago and the Middle West." Chicago has afforded these citizens an opportunity to make use of their talents and abilities, and has enabled these people to make their proper contribution to the American way of life. Because of proposed and pending legislation, I believe it is appropriate for Members of Congress to know as much about these people as possible.

The article follows:

THE NISEI DISCOVER AMERICA

(By Bradford Smith, condensed from the American Magazine)

Before the war there were about 300 Japanese in Chicago. Today there are between 15,000 and 20,000—more, probably, than there are in any other city in the country. Most of them are Japanese-Americans (Nisei), with a sprinkling of Japan-born parents (Issei).

Before the war most of our Japanese lived in Little Tokyos on the west coast. Today, 5 years after being evacuated from their homes to desert camps, many have gone back. But the Nisei have discovered America. In midwestern and eastern cities like Chicago, Minneapolis, Cleveland, St. Louis, New York, and Philadelphia they have found that they are not excluded from residential areas and preferred types of employment. Their skills are sought after, their abilities put to use.

The move from the West began with a trickle from the relocation centers in 1943. Victims of wartime prejudice and hysteria, thievery, and vandalism, they were as suspicious of other Americans as most Americans were of them. But as the need for manpower grew desperate and as the record of the fighting Nisei corrected the impression regarding them, Midwest employers began to call for more. Nisei who found that they could lead normal lives began to write to other Nisei in the centers, urging them to come out.

The Nesei and their parents have almost completely altered their prewar employments. On the coast they were farmers, produce merchants, fishermen, gardeners, and domestic help. In Chicago many have turned to factory work and work for more than 2,000 employers. Wage earners report an income from 2 to 10 times what they got on the west coast. Some Nisei are supervising employees of all races, a situation practically unheard of in California. Less than 10 percent are employed in domestic jobs.

A good many have set up shop for themselves. The American-born are lawyers, physicians, dentists, optometrists, photographers, commercial artists. They operate garages, beauty parlors, packing services, groceries. The older men with capital generally put it into real estate. One estimate says they have invested more than $2,500,000 in property and small enterprises.

Al Doi, a young college graduate, came to Chicago to teach Japanese to military government classes at the university. Later he started a business. He now employs more than 150 women making artificial flowers. They earn $35 to $50 a week. Being an Oriental helps in this business, I was told. Customers think Orientals have an artistic touch other folks don't have.

There is the Hiura family, with nine grown children. Five of the sons are in Chicago—three of them optometrists, two dentists. They are all busy, and much of their trade is non-Japanese.

Many women have found well-paying jobs in the clothing industry, earning as much as $20 a day operating sewing machines. Their reputation as good workers soon spread. When Kuppenheimer recently appointed a Nisei as personnel manager it was partly in the hope that he would attract 500 Issei women as garment workers. So far the demand greatly exceeds the supply.

When the wartime need for stenographers was at its peak, Nisei girls were hired, at first reluctantly, then with enthusiasm when their good qualities became known. These girls rarely had a chance at good secretarial jobs back on the coast.

Before evacuation Sam Terao helped his father run a restaurant in Seattle. Two years ago they came to Chicago looking for a similar business in which to invest. One of the prospects was a kosher delicatessen. Sammy didn't know gefüllte fish from matzoth, but it looked like a good business, and he bought it. For a couple of months business was very slow. The neighbors hesitated to get their strudel from an oriental. But when Yom Kippur came, Sammy saw the shops closing up all around him, and decided to close, too. After that business picked up remarkably. Customers found that Sammy could make as good a pastry as if he had been brought up in the synagogue.

Recently I asked Sammy if he intended to stay.

"Sure," he replied. "I'll never go back West. It's better for us here. The evacuation was a blessing in disguise, as far as we're concerned."

Another young Nisei said: "It's been over 2 years since I left Tule Lake with a few dollars in my pocket and half-hearted hope. Today I have a swell job, a sense of responsibility, and self-respect."

In spite of the housing shortage in Chicago, which has forced many Nisei into an undesirable area north of the Loop, no Little Tokyo has developed there. Nor will there ever be anything like the kind of segregated community which, on the coast, was the result of prejudice and discrimination, and which led to all the mistaken notions about the "Japs."

In Chicago the Japanese are part of the great city. Their stores, interspersed with others, cater to the general public; and whereas in Los Angeles the Nisei had to look to their own community for employment, they now work for all kinds of employers. Instead of setting up their own churches, they attend more than 100 of Chicago's established churches, and find themselves welcome. The pastor of the First Baptist Church, by the way, is the Reverend Jitsuo Morikawa. Attendance has doubled since he went there.

The Nisei have stretched out socially. The younger group is finding outlets in characteristic American ways—in basketball tournaments, bowling leagues, dancing, sports, and discussion groups. By doing things together with other Americans, the Nisei are overcoming the bitter hurt and disillusionment caused by the evacuation.

Adjustment has been harder for the alien parents, the Issei. The Little Tokyos of the west coast made it possible for them to make a living without knowing much English or following American ways. Resettlement caused a complete change in their lives.

But their faith is fixed on the American-born generation. Mr. Osato and his wife sent three sons into the Army, though evacuation and the acts of hoodlums had deprived them of their little shop, their personal possessions, and much of their savings. Their daughter left a relocation center to take an office job in Chicago and, when she had saved some money, sent for her parents. The city frightened Mrs. Osato and her first trip alone on the elevated required great courage. She made it in order to get a job at a packaging plant. Meanwhile, Mr. Osato had taken a dishwashing job. It hurt his pride, for he was a merchant, an independent man. But the main thing was to carry on until his boys came back and finished their education.

The Nisei often feel a touch of homesickness for the West. For one thing, Chicago's weather has been hard for them to take. Jimmy Takemura quit a good job as laboratory technician to return to Los Angeles. For weeks he tried to get work, but no one would employ him in his specialty. He is back in Chicago. "Chicago is colder," he explained, "but it is also wider." You can't have everything.

In Chicago, as in other cities, many people have learned for the first time that there is nothing "mysterious" about an oriental. They know that American principles of fair play demand an equal chance for all Americans, regardless of race. And that is the meaning of Sammy Terao, who runs a kosher restaurant in a town settled by the Indians, discovered by the French and ruled by an Irish mayor.

Let's Have an Interoceanic Canals Commission

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. BRADLEY. Mr. Speaker, the American Coalition, composed of a large number of women's patriotic societies, while in annual convention in the city of Washington a few days ago, adopted a resolution urging the creation of an Interoceanic Canals Commission for the purpose of studying the whole interoceanic canal situation and for making recommendations in the premises.

I am pleased to present this resolution for the consideration of the Congress:

INTEROCEANIC CANALS

Whereas there have arisen the questions of increased facilities of the Panama Canal and the Canal's adequate defense, together

with proposals for the construction, maintenance, and operation, by the United States, of another waterway, at a new site, connecting the Atlantic and Pacific Oceans; and

Whereas these matters are of such grave importance to the United States, and to world advantage and security, that it appears wise and necessary that there be created, by congressional action, a commission charged with the duty of investigating these questions in the most thorough manner possible, and making findings and recommendations in the premises: Therefore be it

Resolved, That the American Coalition, in annual convention assembled, approves the principles and purposes embodied in H. R. 4833, recently introduced by Representative WILLIS W. BRADLEY, of California, and respectfully urges the prompt consideration and enactment by Congress of this measure.

Establishment of an Enduring Peace and the Fight Against Inflation

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following remarks in part made by me before the B'nai B'rith, Jewish Community Center, Fitchburg, Mass., January 26, 1948:

Declaring that the two greatest problems facing the country at present are the institution of an enduring peace and an immediate attack upon inflation and high prices, Congressman PHILIP J. PHILBIN, guest speaker at the Jewish Community Center before members of the B'nai B'rith pleaded for toleration and mutual understanding between various groups of our people.

"One of our greatest and strongest and most cherished American traditions is equal opportunity and equality under the law for all. Racism, prejudice, and bigotry directed against an individual or a group is violative of this fundamental American principle. Our nation has weathered many storms and has achieved incomparable progress and prosperity because it has been able to enlist the service, loyalty and devotion of our citizens regardless of race, creed, class, or station in life. I am very proud of the fact—as we all must be—that respect for the rights of others and toleration for the origin and the beliefs of others is an outstanding characteristic and practice of the people of this congressional district and our Commonwealth. Let us endeavor to spread our example of sterling Americanism throughout the Nation so that the evil and detestable spirit of intolerance and bigotry and all its abominable works may be stifled and banished. There is no place for hatred of race or creed or class in America."

PHILBIN discussed current international problems and urged recognition of the principle of self-determination as the surest path to lasting world peace. "Wars are caused sometimes by unbridled militarism and warmongering," said the Clinton Congressman, "but the underlying causes of many wars spring from injustice and oppression—efforts by strong nations to subjugate or dominate the weak and deny to them their God-given right of individual liberty, self-expression, and self-government. No peace treaty or arrangement based upon injustice or oppression can be lasting, and no peace treaty based upon betrayal and repudiation of democratic ideals or solemn agreements can long endure. If we intend to adhere, not only to the expressions of the Atlantic Charter and the Four Freedoms but also to the basic doctrines set forth in our own unmatched Constitution, then we must acknowledge the right of every people to set up and order their own government and that principle includes the Jewish people just as much as it includes any other people in the world.

"We believed that the question of a free, autonomous Jewish homeland had been settled long ago. We believed long ago that the great British Empire had acted in good faith and would carry out its promises and pledges regarding this question. There is no reason why these promises and pledges should be broken, and if we intend to be true to our own principles and our own war aims, if we intend to stand by and live by our own faith in democracy, there is no reason why our Government should not strongly repudiate the betrayal of a great race whose only crime is that it seeks to establish a homeland for its own people, not only as a self-governed political entity possessing all the attributes of our democratic form of government, but also as a haven and refuge for an afflicted and oppressed people who have been beset by misfortune, tragedy, and cruel, heartless, and merciless persecution never exceeded in the annals of history."

Touching upon the problems of the displaced persons in Europe, Congressman PHILBIN pointed to the fact that an overwhelming number of these unfortunate persons are non-Jews. "It matters not what their racial origin is or of what nationality, creed, or group they are composed. They are human beings and fellow creatures. Most of them have suffered terrible persecution, all of them have been driven from their homes and native land to which they may not safely return. They are without means of support in war-shattered countries where the doors of opportunity are closed, and where hunger, starvation, misery, and distress are prevalent. Our Government has held out the hand of succor and relief to this sorely afflicted group and our Congress has appropriated money to assist them until such time as they are able to become resettled and earn their own livelihood. In the name of charity, mercy, and justice we cannot turn our backs on these unfortunates. In common with other democratic nations of the world, in conjunction with the United Nations, we must assume a full, generous, and wholehearted share of the burden of taking care of them and aiding them to find a refuge and a haven under free institutions where they can escape from stark tragedy and make their own way in life. We cannot and must not evade our plain humanitarian duty toward these people."

Congressman PHILBIN also touched in some detail upon current problems of our domestic economy which he stated were extremely grave and critical. "Talking about inflation and high prices is no solution," he said. "Under the leadership of the Government, labor and management must promptly tackle these problems in the free American way as I urged long ago, so that our people and especially our working men and women and their families may be relieved from the onerous burdens of skyrocketing prices of essentials and necessaries of life. Americans do not want a controlled or regimented economy because that is the way of the totalitarian state. We do not want black markets and bureaucratic domination of the lives of our people. But we insist upon an immediate, forthright, affirmative attack upon inflation which, if it continues, will not only further diminish our standards of living but in the end will undermine our fundamental business institutions and drive us toward the abhorrent police state."

Let the Present Board Decide

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. BROOKS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Shreveport (La.) Times for January 25, 1948:

LET THE PRESENT BOARD DECIDE

President Truman once again has called attention to the difficulty in obtaining qualified men for important Government posts because of the low pay in such posts and the fact this Nation does not train youth for Government service as a career, as does Britain.

The particular instance to which Mr. Truman refers this time is vital to Shreveport and a huge mid-South travel area extending north, south, east, and west from this city for it involves three appointments to the five-man Civil Aeronautics Board. The Board has before it the application of Delta Air Lines for a new New Orleans-Washington-New York air route which automatically would give the mid-South Shreveport travel area, with its potential 35,000 passengers a year, a one-carrier, one-plane service to and from those nationally and internationally important cities.

Recently the CAB has lost two members, and will lose a third on May 1 through the resignation, announced a few days ago, of Harllee Branch. Previously Clarence Young had resigned to take a much more lucrative job than the $10,000 a year the CAB post pays, and Mr. Truman did not reappoint Chairman James M. Landis when his term expired the first of this year. Mr. Branch is resigning for the same reason as did Mr. Young—he has devoted many years to public service at low pay, he is not a man of independent wealth, and at the age of 68 he must think about a more lucrative post for his declining years.

Despite this personnel shortage on the CAB and the President's self-stated inability to remedy the situation—he said he had offered the chairmanship to six persons and was turned down by all—there is no need for the CAB to delay its decision in giving the huge Shreveport Mid-South travel area the through air service that is so vital to its present and its future. Nearly 10 months ago a CAB examiner fully approved installation of this service, recommending that Delta be the operator. It has been nearly 6 months since the CAB held its own hearings on the examiner's report.

The Times believes that the entire Mid-South area affected by the pending decision stands united in being willing to rest its case with the three present commissioners—Mr. Oswald Ryan, acting chairman; Mr. Josh Lee, former Senator from Oklahoma, and Mr. Branch, who does not leave the board for another 3 months or more. All are fully qualified by background and knowledge of Mid-South air needs, and by knowledge of the pending applications to provide the needed service, to make the decision. Although Acting Chairman Ryan was not present at the CAB hearings on the air lines' application, he has, of course, the record of those hearings and the examiner's report, and his long and commendable record as a member of the CAB fully qualifies him to act. Mr. Lee is from the State of Oklahoma whose oil interest tie right into our own

area and he is fully qualified to judge our air needs. Mr. Branch was the first chairman of the original CAA when it was formed back in the 1930's. He is a former Atlanta, Ga., newspaperman and probably no one in any Washington air agency is better qualified than he to judge the needs of this southern area as to air transport. The fact that Mr. Branch has resigned effective May 1 does not affect his qualifications or his jurisdiction in the pending case. We have full confidence in their judgment and integrity—in fact, in view of Mr. Truman's difficulty in getting qualified men for the CAB any delay would create undue jeopardy for our own case by running the risk that this highly important decision later would be made by men not having the personal qualifications of the present CAB.

Aside from those factors, there are others which we believe should carry weight with the present CAB members, particularly the rapid industrial and commercial growth in the Shreveport travel area.

Shreveport, for example, now has 254 manufacturing establishments, a considerable number having come here since the war. It has, according to recent statistics from Sales Management magazine, effective annual buying income of $175,225,000 for 1946 against $170,213,000 in 1945; its retail sales in 1946 grossed $126,353,000 against only $95,213,000 the previous year; it has grown from 98,000 to 128,000 since 1940; it is a city that did not swell either in population or economically through a war boom, but which has grown steadily through both the war and postwar years.

This record of growth, and of increasing prosperity, is matched through the whole mid-South travel area now so sadly lacking in through east-coast air transport. The Times sincerely commends study of these facts to the present CAB personnel.

National Guard and Reserve Corps

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. CHURCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Chicago Tribune for January 27, 1948:

NOT GOOD ENOUGH

Representative SMATHERS, of Florida, has introduced a bill to encourage enlistment in the Reserve by pledging to reservists the same death and disability benefits accorded officers and men of the Regular services injured or killed during training. Present law extends these benefits only if the training period is 30 or more days.

Mr. SMATHERS believes that his scheme would give the Nation security without resorting to peacetime conscription because it would act as an inducement to the 12,000,000 veterans of World War II, most of whom show no interest in the Reserve program.

As an attraction, however the proposed legislation is not good enough. The Tribune recently noted some observations made by Maj. Gen. Henry D. Russell, of the Georgia-Florida National Guard Division, on the lack of pension provisions applying to members of the National Guard and Reserve Corps. Regulars receive retirement benefits, and, in qualifying under disability retirement rules, get 75 percent of their salary in any temporary grade they hold. The payments are tax-free.

The guard and Reserve do not ask for any such fancy rewards, but they do feel that men who put in years between wars in these organizations without any compensation at all and are ready to respond in time of national emergency do merit some modest retirement benefit. The amount discussed in legislation which has twice passed the House, only to be defeated in the Senate, is small. It is as nothing compared with costs for conscription, which have been estimated as high as $6,000,000,000 a year, yet this provision against the old age of guardsmen and Reserves would probably suffice to develop a sufficient militia and Reserve to give the country adequate force to deal with any threat.

Future of America

EXTENSION OF REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. SADLAK. Mr. Speaker, under leave to extend my remarks, I include the closing but thought-provoking remarks of my distinguished colleague, the Honorable ELLSWORTH B. FOOTE, from the Third District of Connecticut, which were delivered over the National Broadcasting Co. network on January 24, 1948, on the "Coffee With Congress" program:

I believe that the future of America lies in our ability to arouse in each and every American the responsibilities which rest upon our Nation today. We are the champions of democracy. Yet in order to maintain and further that basic spirit of the American republic we have to realize that gouging our neighbor, that black marketing and gray marketing, that profit without honor, is not the American way. We have to decide what is a just profit? What is a just wage? What is an honest effort? When is a good job well done? The American tradition of free enterprise so well portrayed in the farming communities of New England, the spirit of community cooperation, of community consciousness and community pride, those are the answers we seek. The pride of being a good neighbor and a good friend. We have to prove ourselves not only at home, but abroad. We have to show the world that our system works, and works well. In order to do that, we have to maintain order and a decent way of life in these United States. We have to demonstrate that the poor boy can still become the rich man and that the pasture poet can reach greatness in the mansions of the mighty. We cannot be strong abroad unless we are vigorous and powerful at home. We cannot hold ourselves up as the model of man's freedom unless we have within our National grasp the achievements, which such a philosophy will give. Each of us must answer the question for ourselves. Are we giving an honest day's labor? Are we giving the customer a fair purchase? Are we giving the buyer an honest bargain? Only in basic honesty and integrity can we find the strength and the courage and the conviction of being right. We must give a hand to our neighbors and join hands together, believing that as always the best way is the way of men united, freely, in a common purpose under law. I say, let us build on our own soil that our work may stand forth for all men to see and admire and follow. The hope of America and of the world lies in our hearts and hands. Can we do a good job at home and abroad? Together we can move mountains.

Increased Compensation for Federal Employees

EXTENSION OF REMARKS
OF
HON. EDWARD J. DEVITT
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. DEVITT. Mr. Speaker, I have long advocated increasing the compensation of our Federal employees. They constitute a large part of a forgotten class of our American workers who have suffered most as a result of the increase in the cost of living.

A most cogent argument in support of the salary-increase bills now before the Congress is furnished by two letters that I received in my office yesterday. These letters outline the financial status of two St. Paul, Minn., postal workers, and have attached to them itemized statements reflecting their monthly expenses for the bare necessaries of life. These letters and their attached figures argue much more effectively than words in support of the passage of adequate salary increases for these workers.

Under unanimous consent, I include this material as a part of my remarks:

ST. PAUL, MINN., *January 22, 1948.*

Hon. EDWARD J. DEVITT,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN DEVITT: I am writing to you in regard to a much-needed salary increase. I work in the St. Paul post office as a clerk. My salary is, at the present time, on a $3,100 a year basis. I am the father of four children, three boys and one daughter; one in grade school, one in high school, one in college, and one is married. We also have my wife's sister living with us.

On the attached page I have listed my budget on the bare necessities of living. If you will study my budget you will notice that there is no money left for clothing, household goods, recreation, or sickness, over which we have no control. I send my children to Catholic schools for which I pay tuition which is not listed as this is not a necessity.

If you will honestly study this budget with the present-day prices and no prospect of any drop in prices, you will realize that they are rather accurate. So I beg of you to please work and vote for a salary increase for the postal clerks and carriers.

Yours respectfully,

LOUIS W. GARDNER.

Rent	$40.00
Union dues	1.25
Lights and gas	10.00
Water	1.25
Paper	1.40
Telephone	3.25
Fuel	26.00
Transportation	8.00
Haircuts	2.00
Hospitalization	4.00
Income taxes	14.00
Vegetables	125.00
Total	262.15

ST. PAUL, MINN., *January 22, 1948.*

Hon. EDWARD J. DEVITT,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: I am writing this letter at the request of the legislative representative of the St. Paul Post Office Clerks Union, to bring before you the financial problems confronting me, a typical post-office clerk, the sole support of a wife and three children ranging in age from 1 to 8.

Our present salary is insufficient to take care of the bare necessities of life. To substantiate that statement, I have outlined my budget on the accompanying page, and you can readily see that a pay raise is a "must" if I am to properly maintain my home.

I am a veteran, 34 years of age, and have been forced, because of the serious housing shortage, to live in a Quonset hut, for which I pay $37 per month rent. This does not include any of the utilities. During the past year I have had medical and doctor bills in excess of $1,000, and, having no money saved to take care of these expenses, I have had to borrow money and also seek assistance from one of the welfare agencies in this city. These are just a few of the problems that confront me.

I therefore respectfully request your favorable support of any legislation introduced recommending a pay raise for postal employees.

Very truly yours,
ANGELO M. TODORA,
Post Office Clerk.

Budget

Net income for 1 month	$240.00
Expenses:	
Groceries, meat, and milk	110.00
Rent	37.00
Insurances (life, health, and accident)	18.00
Electricity	6.00
Telephone	3.00
Newspaper	1.80
Credit union (to repay loan made to meet medical expenses)	13.00
Church	2.50
Carfare	5.00
Lunch	8.00
Tuition	2.00
Fuel oil (used 12 months per year for heating and cooking)	20.00
Clothing	20.00
Drugs	5.00
Barber	1.65
Union dues	1.25
Miscellaneous	5.00
Total	259.20

You will note that the above budget makes no allowance for doctor or dentist bills, which is an absolute necessity with growing children; nor is any allowance made for recreation or savings.

Foreign Aid

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. HESELTON. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I want to quote from a portion of an address by our colleague the gentleman from Massachusetts [Mr. HERTER] before the Twenty-third Conference of the New England Council at Boston during November. This deals ably with the unanimous recommendation of the House Select Committee on Foreign Aid that a corporate agency should be established with responsibility for screening the requests from foreign countries, determining what commodities are available with which we can meet those requests without weakening our own economy, allocating them, and then instituting a competent continuing examination over the exercise of export controls now lodged in the executive department by congressional legislation. Certainly the amazing decisions recently made by the Office of International Trade in approving applications for the export of petroleum products in the first 3 months of this year is a glaring example of the probability that, without the creation of such authority, this country will be constantly under the strain of shortages in such vital materials as petroleum products, steel and steel products and products manufactured with steel, as well as an unlimited number of items not only needed here to maintain a sound domestic economy but absolutely essential if we are to maintain a production schedule which would permit the fulfillment of an European recovery program.

I submit that the House of Representatives was most foresighted in the creation of this committee, that the reports which have been made unanimously by the committee have amply justified the action by the House and that we can all have great confidence in the soundness of its ultimate recommendations when the program comes before us for action. Speaking personally, I think it is regrettable in the extreme that opposition has developed toward this phase of the committee's recommendations, but I am encouraged by the apparently increasing growing endorsement of it in the course of the hearings now being conducted in the other body.

The address referred to follows:

The Select Committee on Foreign Aid of the United States House of Representatives agreed that if American dollars were going to be spent, and wher I speak of American dollars I mean commodities, that we ought to have a very clear idea as to what we were doing, how we were going to do it, and how we were going to make it effective for ourselves and the recipient countries.

We came to the conclusion that there were certain categories of aid that could be financed as commercial operations. First, was the capital goods that are required. We felt that the International World Bank was set up for the very purpose of long-range loans for capital goods, and that that first category ought to be financed that way.

We felt that in the financing of raw materials, specialized machinery, such as agricultural machinery, etc., that could be taken care of by the Export-Import Bank, which is today operating, to my mind, in a very hard-boiled and realistic manner.

FOOD, FUEL, AND FERTILIZER

But those would be commercial loans. We felt we had every right to expect repayment on that kind of loan, provided the third category of commodities was taken care of in a different way.

That third category is food, fuel, and fertilizer. They are the things that are absolutely essential if there is to be anything done for these countries. They represent, roughly, 60 to 65 percent of the total requirements over there. We felt that it was right to put a dollar sign on the loans of these already established lending agencies, and that the loans from those lending agencies were perfectly proper loans, with reasonable hope of repayment.

But at once we struck this dilemma. What are you going to do in the financing of these commodities? You can either make a dollar loan for their purchase, and be entirely hypocritical about it, knowing that there is very little chance of repayment, and the other countries, knowing that they have very little chance of repayment. If you do that, you stop these other agencies from functioning as they should function.

The alternative is to give it away. We have had some very unhappy experiences in giving away something for nothing. So we have come to the conclusion that we ought not to give away anything for nothing; that in the first instance in the food, fuel, and fertilizer category we ought to make all the purchases, or direct all the purchases ourselves in this country, so as to stop competitive purchasers in a very tight market, which in many instances have driven prices up very high.

In the second instance, we felt that we could make deliveries on allocations of those commodities to the best of our ability, and then take local currencies in payment, those local currencies in the meantime not to be translated into dollars until such time as the international monetary system feels it is safe to do so, but in the interim to be used for constructive purposes within those currency areas themselves for reconstruction of those countries. All of which requires machinery to operate.

And in the setting up of that machinery, we were convinced that only this category required new machinery. We feel that a new corporate set-up should be established, an emergency one, with a very brief span of life, but set up in such a manner so that it might attract the kind of abilities and technical skills that today you can't attract in many cases of a similar nature requiring action, because frequently your line of procedure is such that an able man is certain to find himself unable to get anything done.

We are convinced that this new corporate machinery must be set up, that it must have the responsibility for screening the requests from foreign countries, finding out what commodities are available to meet those requests, allocating them, and then exercising a really strict watch over export controls.

COMBINED RESPONSIBILITY

We believe that unless we combine responsibility in some such new set-up as that, we are going to have distributed responsibility such as we have had in the past. And we are not going to have the technical skills available to make sure that the requirements that are asked for are proper requirements, that the available supplies are properly available without injuring our own economy, and finally, that the money, when spent on the other side, is properly spent by technical supervision, not by governmental supervision, of a broad character.

Why Create Further Inflation?

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. POULSON. Mr. Speaker, under leave to extend my remarks, I am in-

serting in the RECORD a news release from the National Federation of Small Business, Inc., which I think is quite newsworthy:

The administration was bluntly charged today with definitely creating inflation in our own Nation by C. W. Harder, president of the National Federation of Small Business, Inc., which has the largest individual membership of any business organization in this Nation.

In a statement issued in the form of a letter to George J. Burger, director in charge of the Washington office, Mr. Harder cited four manifests of steamships unloading in the Philippine Islands. One of these manifests from a British ship shows, Mr. Harder pointed out, that the United States Government is paying English concerns to transport American relief supplies. Furthermore, in the face of a critical shortage of gasoline and oils, the administration is shipping huge quantities of oil some 6,000 miles away to the Philippines for relief purposes, despite the fact that such products are available less than half that distance from the islands.

Other manifests show tremendous shipments of wheat to the Philippines Mr. Harder revealed. This in the face of the known fact that the Filipinos do not want wheat, they prefer rice. "How can we expect to have decent prices for grain, either in the United States or Canada, when this kind of condition is brought about," Mr. Harder demanded.

Mr. Harder called upon Members of Congress to recommend a full-scale investigation not only of these items that are going to the Philippines, but also the manifests covering all foreign shipments. Mr. Harder bluntly stated that the ulterior motive of the bureaucrats in Washington is to create reason for an emergency so they can build up controls. Therefore, he insisted, they definitely are creating inflation in our own Nation.

Mr. Harder further disclosed that he had received significant information from a man whom he declined to identify by name beyond saying that he has been on a great many missions throughout the world for the Government and private enterprise during the last 30 years. This man declared that the United States is in no financial condition today to either listen to pressure of foreign politicians or cater to the favor of cartels with an attempt to build up nations for them to promote their selfish interests, which in the end has bad repercussions in our domestic markets in their competition with independent business.

Mr. Harder deplored the disheartening aspect of the Nation being jeopardized by terrific waste being created by spending huge sums of money that he said are actually doing a lot more harm than good. "One," he said, "is siphoning off the incentive of the people in these foreign nations to help themselves.

"There is no problem before any national legislator today," he concluded, "that is more important than this."

The Defense of the New Jewish State

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 21, 1948

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me over radio station WEVD, Saturday, January 24, 1948:

THE DEFENSE OF THE NEW JEWISH STATE

If there were no other reasons—and very many other reasons do exist—for intervention in favor of the Jews of Palestine, the upholding of the authority and prestige of the United Nations would suffice. If member nations continue to conduct their foreign affairs as if there had never been a decision on Palestine, the United Nations is thereby reduced to a nullity. If the United Nations cannot effect an implementation of its legally arrived at recommendations, all its panoply must crack with its futility in open display.

Such is the case with Palestine. Every member nation was well aware of the difficulties that would surround partition. The Arab spokesmen made no secret, to put it mildly, of their intended belligerency. The disorders in Palestine, fomented by the Arabs, are no surprise to anybody. Therefore, it follows logically that both implicit and explicit in the partition decision was the fact that force would be necessary to effectuate partition.

Yet what has happened so far is a do-nothing policy both on the part of the United Nations and on the part of the United States which took the leadership in the UN discussions. The do-nothing policy has actually, ironically enough, resulted in favoring the Arab violation of the United Nations decision.

The United States has placed an embargo on arms to Palestine. The only effect this has had is to deny arms to the Jews who are not only defending their homeland, but defending as well the decision of the United Nations. The Arabs can easily obtain and do obtain arms from the neighboring Arab countries. As sovereign peoples they can negotiate for the purchase of arms from countries willing to sell. The Jews of Palestine, as defenders, are not yet sovereign and are not in the favored position of the Arab states. Thus, the total effect of the embargo has been to permit the arming of the aggressors and the disarming of the defenders. A crueler perversion of purpose I have yet to see.

The United States has imposed the embargo on arms to Palestine in the name of neutrality. How an attitude of neutrality is arrived at by our State Department is more than I can understand. The United States took open and unquestioned leadership in arriving at the Palestine Partition recommendation. As a member nation, as well as the leading influence, it is committed to uphold partition. There is no question of neutrality here. Its vote in the United Nations was not neutral. It was affirmative. How consistent is that with an arms embargo that plays into the hands of the Arab insurgents? If the United States had voted against partition, we might be able to see the logic of such an embargo. I am leaving aside all the other commitments the United States had made, verbally, anyway, to favor the establishment of a Jewish state in Palestine. I demand that the embargo be lifted.

The Arab people because of the embargo assume that the United States doesn't really support the partition plan. In fact, they are being told that the action at Flushing Meadows was only a gesture for political purposes on the eve of a Presidential election. It is passing strange that nothing has been done in Washington to dissipate the views that have been spread over the Arab world about the insincerity of the United States. I demand that definite clear-cut action be taken by the State Department to support, not sabotage, partition.

Six hundred Arabs commanded by Syrian officers crossed the borders of Palestine last week in an attempt to storm Jewish quarters in Upper Galilee. This was a raid under the direction and auspices of the Syrian Government, a member nation of the UN. It was incumbent upon some other member nation to lodge protest with the Security Council for this unprecedented and defiant action on the part of a government which was sworn to uphold the decision of the United Nations. Certainly, the logical member to so protest is the United States. The fact that we did not protest emboldens the Arabs to further maraud and plunder. I demand that our United Nations delegates offer protest and that a persistent follow-up ensue.

The situation in Palestine deteriorates each day. Arab leaders like Faris El Khoury of Syria and Janal Huessini, representative of the Mufti's higher committee for Palestine have openly declared that American public opinion has turned in favor of the Arabs and against the stand taken by the United States at the UN. Arab newspapers published in the United States are assuming this attitude. This is a natural corallery to the absence of any definite and concrete support of the partition decision and in the absence of any protest of the Arab incitements.

It is difficult to understand the mawkishness of our State Department with its arms embargo and its failure to remonstrate against the Arab war againt the Jews. Or perhaps it isn't so difficult to understand. There are those in our State Department who are avowed Arabphilles and they do not hesitate to do all in their power to undermine the leadership we took on the Palestine issue at Lake Success. Their knuckles must be cracked. If they do not cease the tune piped by the Arabs they must go.

Surely, it should be clear to even these obstructionists that neutrality is a mockery and that the final result will only make for more bloodshed. Whether they wish it or not, or the Arabs wish it or not, partition will be. The new state of Judea will be. It is the matter of cost, the degree of murder, rapine, and plunder that must be withstood before peace is reestablished.

It is clear the British are taking no steps to avert a catastrophe. Adequate policing is deliberately withheld, the Haganah is not permitted to operate legally as a defense force. There is no embargo of arms imposed by Great Britain and it is common knowledge that Britain even prior to the military pact she signed with Iraq wherein provision is made for the supply of arms to Iraq, sent 150 armed vehicles, 75 planes, 2,000 nonmilitary vehicles to Palestine's neighbor.

It is noted significantly that our arms embargo is imposed against Egypt, Lebanon, Syria, Saudi Arabia, Trans-Jordan, Iraq, and Palestine. Yemen is not included, nor is Pakistan. These last-named countries can buy unlimited arms from the United States and route same to Palestine Arabs. Thus, our embargo shuts off much needed supplies to the Jews, while the Arabs, with the aid of Britain directly and with American arms indirectly supplied through Turkey, Iran, Yemen, or Pakistan, can continue their gruesome acts of aggression and violence.

Over and beyond that, fullest responsibility rests with the Security Council to take immediate steps to implement its decision on Palestine. There must be developed an international constabulary. The UN Palestine Commission of five members is agreed on this. The only difficulty is as to who is to constitute this force. The obligation of the UN cannot be shirked any longer in this regard. Partition was recommended by the General Assembly as a measure for meeting a situation likely to impair the general welfare of friendly relations among nations. The affirmative and expeditious action of the Security Council is imperative if its authority as an international body is to be permanently and firmly established. There are many historic precedents for an international force to police areas in dispute.

The difficulties in Palestine today could be overcome if—

1. The United States embargo were lifted at once.

2. The United States filed notice of violation by Syria of the terms of its membership with the UN.

3. An international constabulary were established immediately.

4. The port of Tel Aviv were opened immediately to Jewish immigration and for the entrance of food and matériel necessary to sustain the Jewish defenders of their homeland.

What is asked for is neither unreasonable nor impossible. They spell out peace in Palestine. They likewise establish the effectiveness of the United Nations to act as the international agency for peace. What is needed most of all is the will to act.

A United States City at Work: Bridgeport

EXTENSION OF REMARKS
OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from Parade for January 25, 1948:

A UNITED STATES CITY AT WORK: BRIDGEPORT

(By James B. Golden)

(Never before in peacetime have more Americans been employed, never have they made so many things, done so much. To see, in miniature, America at work, Parade went to Bridgeport, Conn., found what follows.—Editor.)

Bridgeport, industrial nerve center of Connecticut, is today the same prosperous, productive giant that it was 4 years ago when it was working around the clock at the peak of war production.

Like industrial areas throughout the country, Bridgeport went through a period of reconversion but in a relatively short time. Now, for more than 2 years the city has been on a firm economic basis.

The brighter side of Bridgeport's economic picture reveals industry going at full tilt, pay rolls and employment at peak peacetime highs, retail sales soaring. Optimism permeates the city.

The other side of the picture is darker. A few, but nevertheless some, forsee a recession during the first 6 months of this year. Labor, faced with a steadily mounting cost of living, says it must get more in its pay envelope if it is to buy as much from local merchants as in the past. Housing continues to be the number one municipal headache.

That, generally, is Bridgeport today—and, with a few variations, almost any other industrial city in the United States.

Unlike other sections, Bridgeport, with an industrial population of 30,000, as early as late 1938, had begun to turn out war material. But good jobs attracted workers from other States to such an extent that in 1943 the population, industrially, was about 115,000. Today the figure stands at 75,000, or two and one-half times the number holding jobs in 1939. Unemployment is negligible—4,314—and the majority of these are between jobs.

That industry was able to absorb this great influx is due to the long-range plans started in 1943. Every activity in the community was invited by the Chamber of Commerce to participated in planning the physical and human reconversion of the area. The blueprints drawn up were so accurate industry went from total war production to peacetime manufacture within 30 to 40 days.

The General Electric Corp., one of the largest plants in Bridgeport, literally went from torpedoes to washing machines in 1 week flat.

GE's vice president, Hardage L. Andrews, foresees unprecedented prosperity for the immediate future, but adds that this prosperity may be accompanied by a slight price and employment recession.

LIKE ALL AMERICANS, BRIDGEPORT LEADERS ARE GLAD TO HAVE PROSPERITY BUT DREAD A POSSIBLE RECESSION

Like most leaders of industry and labor, like housewives and men on the street in every corner of the United States of America, the people of Bridgeport realize that they are living in an era of high production and of accompanying high prices.

They enjoy the feel of cash, but are regretful to find little of it left when they have paid for the goods they want, the services they need.

Like all Americans, they are apprehensive of what may follow a period which, economically, at least, seems unstable. In Bridgeport, they take refuge in the fact that their basic plants are diversified, so that if some of them were affected by an economic set-back others might not be.

One of Bridgeport's industrialists who feels this way is Lewis Lucas, treasurer of J. L. Lucas & Son, machinery rebuilders, employing about 90 men. He is optimistic about his firm's future, considers that the world need for machinery will keep his men at their lathes and benches for a long time to come, even if other industries experience hardship.

Bridgeport's merchants, like those in other cities, are also sanguine. Daniel Van Dyk, president of the D. M. Read Co., one of the large local department stores, reports that the rise in the city's population and the return of merchandise in quantities has pushed retail sales to a peak. Dollar volume has increased 55 percent since VJ-day, he reports, and unit sales have gone up nearly 10 percent. "This year promises to be an even greater one than 1947 for the merchants of Bridgeport," Van Dyk predicts.

This business optimism is shared by Raymond L. French, executive secretary of the local chamber of commerce, who is in daily contact with local business and industrial leaders.

GOOD TIMES FOR NEXT 6 TO 12 MONTHS

"No one in Bridgeport looks for a big economic drop for 2 years," he told Parade. "The majority of people here feel that present prosperous conditions will last for at least 6 months to a year, provided there are no big strikes in such industries as coal and steel. Still, I know a few men who feel that a recession will set in before June."

In justifying his optimism, French points to Bridgeport's diversified industrial pattern, its peak savings bank deposits, cordial relations existing between industry and labor, and the fact that wages there exceed the United States average by about $4.50 a week.

Bridgeport's labor leaders, on the other hand, are somewhat more cautious in assaying the city's prosperity. Both Irving Abb, president of the Bridgeport Industrial Union Council of the CIO, and Joseph Cleary, vice president of the A. F. or L. Central Labor Union, acknowledge that Bridgeport's wages are higher than average, but stress that the cost of living is correspondingly higher.

"Unless wages allow workers to maintain a decent standard of living, unless they can purchase the products they produce," Abb and Cleary agree, "inevitably we will have a short boom, then bust."

On one thing, though, the entire community can reach agreement, and that is on the remarkable work done by the Community Advisory Service Center for Bridgeport's 32,000 veterans of World War II.

In this respect Bridgeport may not be typical of other cities since the service center has been exceptionally successful in helping to solve the thousand and one problems the veteran faced when he returned to his home.

Launched in early 1944 it became a community-wide project comprising 36 committees with about 800 large and small organizations participating. Everyone pitched in to see to it that the returning veteran's reintegration into the workaday life of the city was as painless and speedy as possible for all concerned.

Under the direction of Dr. Randall B. Hamrick, the center has taken care of more than 150,000 requests for help by veterans. These ranged from mother-in-law trouble to requests for GI loans.

The vocational training and educational aspects of the center's activities consumed the most time and had the greatest results. By judicious counseling, Dr. Hamrick said, the labor turnover among veterans was cut by more than 25 percent.

THE CONSCIENCE OF THE CITY

The center is prepared to carry on its work especially with the city's 3,300 disabled veterans. "To that end," Dr. Hamrick said, "one man, Reverend McEnerney, has been appointed as the relentless conscience of the community to look after their needs."

Bridgeport's socialist mayor, Jasper McLevy, who just entered his fifteenth consecutive year as the city's chief executive, said that in Bridgeport, as elsewhere in the country, the greatest single difficulty was housing.

"During the war it was an acute problem," he said in his small office on the third floor of the city hall. "And it continues to be acute."

Since the end of the war, he went on, there has been quite a bit of private building of one- and two-family homes in Bridgeport's environs.

"But, even though this single-enterprise construction has taken some of the pressure off us, much of our housing is still overcrowded. Moreover, this new construction is beyond the financial means of the average worker in Bridgeport."

As for the future, Mayor McLevy declined to make any long-range predictions.

"The city is in good financial shape," he said. "And without making any predictions as to future prosperity or depression, we here in Bridgeport are in a sound position. Because of the great diversification of our industries—we're manufacturing everything from lipstick to cases of washing machines—I believe that even if an economic emergency does arise, we will be able to meet it and cope with it."

WILL THE CITY'S PROSPERITY LAST?

Bridgeport's economic stability is buttressed, as most people will tell you, by the great number of different industries in the Bridgeport industrial area.

The difference of opinion on various subjects, especially economic, is just about as varied as the industrial output of the city. It ranges all the way from predictions of great prosperity to the dim view of a recession shortly.

Parade reporters talked with many businessmen, key figures in industry, labor leaders, working men. Some of their views are presented here:

A. F. of L. Leader Joseph Cleary talks with teamsters' union member, Mike Powers, both agreeing that every wage increase we've gotten has been wiped out by the rising cost of living.

Gilbert Valery, expert machinist, is one of the thousands who went to Bridgeport during the war, decided to remain. Employed by the firm of J. L. Lucas & Son, he is rebuilding a milling machine.

Executive secretary of the chamber of commerce, Raymond L. French, mirroring business and industry thinking, says, "No big economic drop for 2 years * * * good business for the next year."

General Electric Vice President Hardage L. Andrews predicts unprecedented demand for company products because of new residential construction, home remodeling, and rural electrification.

Irving Abb, spokesman for the CIO in Bridgeport, believes that relatively few are aware of what will happen if the cost of living continues to go up. "The others are riding a bubble," he said.

Bridgeport has been home for Alex Hogg since he arrived from Scotland in 1906. Head of the Lucas shipping department, he says "I've got a good job. The Lucases are good people to work for."

While making no predictions, Mayor Jasper McLevy has faith in Bridgeport's ability to ride out an economic storm, should it come, because of the diversification of its industry.

American Aid to China

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith by request a statement issued by the American Chamber of Commerce, Shanghai.

It was the desire of the American businessmen in Shanghai that Members of Congress be informed of local conditions, as they find them.

The statement follows:

MAKE AMERICAN AID TO CHINA EFFECTIVE

(A statement from the American Chamber of Commerce, Shanghai)

American help to China has already been far greater than is generally realized, but its size and importance have been minimized by terrific waste. Further aid to China of any nature should be so planned and controlled that it will truly be aid, and that which is sent henceforth should be safeguarded. The fact must be faced that unless proper channels are employed the Chinese capacity for self-help will be further inhibited and a need will be built up for perpetual future grants.

The American business community of Shanghai has special interest in and knowledge of the economic sphere. We urge most earnestly that in giving economic aid, there be emphasis on points promoting constructive practice or preventing the development of evils now growing. As a prerequisite to any further aid which may be granted, it is our considered opinion that full agreement must be reached on the following points:

1. Conditions should be attached to any economic aid which will curb the present tendency of the Chinese Government to foster its own enterprises or companies in which officials have interest, and to encourage rather than stifle private enterprise both Chinese and foreign. Current policies restrict private trade and force business increasingly into official or quasi-official channels, building the Chinese equivalent of a Japanese Zaibatsu or a Russian Amtorg.

2. There should be elimination of Chinese Government sponsored monopolies in trade, and such official enterprises as the Shanghai fish market which has handicapped UNRRA efforts to increase China's food supply.

3. There should be a reversal of the Chinese Government policy of delegating its functions to monopoly-bent guilds which development is most dangerous and in our view represents a menace to sound individual enterprise whether Chinese or foreign.

4. There should be insistence that China adhere to international practice with reference to shipping in inland waters. Abnormal restrictions on foreign vessels, on behalf of a small group of private Chinese interests now greatly reduce China's communications facilities while increasing shipping costs.

* * * * *

6. There should be encouragement for rather than discouragement of the entry of foreign capital into China. This can be gained only by the elimination of present unsound restrictions and controls.

Relief in some of these cases and assistance in others seem to us essential if fruitful results are to come from fresh aid. Unless the standard processes of private business are given opportunity to function in China with relation to new help, such help must fail as all previous efforts have failed in getting China's economy in gear with the rest of the world. A sound procedure will give the Chinese people an opportunity to get on their own feet.

Resolution of Veterans of Foreign Wars

EXTENSION OF REMARKS
OF
HON. JOHN McDOWELL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. McDOWELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution:

VETERANS OF FOREIGN WARS OF THE UNITED STATES, GREETINGS AND SALUTATIONS

To the UNITED STATES SENATOR OF THE STATE OF PENNSYLVANIA, HON. EDWARD MARTIN:

Whereas in true accordance with the established principles and high ideals exemplified throughout your military and civilian career, you, fearless of condemnation, did express your sincere sentiments in an address to a delegation of Pennsylvania Communists attending that Party's Veterans National Convention, such address appearing in the CONGRESSIONAL RECORD of Friday, May 9, 1947, Eightieth Congress, first session, of which portion is quoted:

"First, let me make clear that I respect the veteran and all that his uniform stands for. But when you come here, representing the Communist Party, you have no right to claim the respect and treatment due to veterans. No one can be faithful to American ideals and accept the teachings of communism.

"I will not now, nor at any future time, discuss the welfare of our veterans with men who uphold your communistic philosophy, even though you have worn the American uniform. Anything I have to say on that subject will be said to the officers and members of recognized veterans' organizations, or to other patriotic unaffiliated veterans. And if I want advice about veterans' needs, I shall go to those same groups. They recognize the great gulf between American freedom and communistic dictatorship. They do not straddle. They stand four-square on the side of individual liberty and rights of free men. You are on the other side.

"The Russian people can have the form of government they want. We are not trying to force our system on them. I will fight with all my power any effort to foist their system on this country whether it comes from you or anybody else.

"I have had over 40 years of service in the armed forces of my country; I love its uniform and its flag. I respect that uniform even when worn by a Communist, but I have no respect for the philosophy you have accepted."

Whereas we fully appreciate the manner in which you exercise the true spirit of democracy by being one of our kind of folks, in witness of which you have said: "Share the same concerns, the same years, and the same high aspirations for our country's future. This devotion has been shaped by our kind of folks having worn our country's uniform in battle;" and

Whereas your outstanding military record throughout the 44 years of service, with which we are conversant, has brought you the distinction of advancement through the miltary ranks from private during the Philippine Insurrection, 1898, to commanding general of the Twenty-eighth Division, World War II in 1942; and

Whereas not being satisfied to rest upon your military laurels but desirous of serving your people, you as a civilian were inaugurated Governor of the State of Pennsylvania on January 19, 1942, and were elected to the United States Senate on November 5, 1946; and

Whereas your membership in the Hawkins Home Post, No. 927, Washington, Pa., of our beloved organization, makes us justly proud to claim you as a comrade, one in harmony with our spirit of comradeship and in full accord with the ideals for which we stand: Therefore be it

Resolved, that in appreciation of outstanding achievements, the expressed determination further to serve God, country and fellow man and in commendation for patriotic service and accomplishments we, the officers and members of the Department of the District of Columbia, Veterans of Foreign Wars of the United States, do herewith present to you this citation.

Given under my hand and seal this 27th day of January 1948.

ALBERT M. ARMSTRONG,
Department Commander.
MARTHA J. REYNOLDS,
Department President of the Ladies' Auxiliary.

Attest:

CLYDE W. KEIRN,
Department Adjutant.

The Importance of Secondary Roads to Our National Transportation System

EXTENSION OF REMARKS
OF
HON. KARL STEFAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. STEFAN. Mr. Speaker, pursuant to permission granted me to extend my remarks in the RECORD, I include the following address that I delivered before a midday meeting of the American Road Builders' Association in Washington on Monday, January 26, 1948:

THE IMPORTANCE OF SECONDARY ROADS TO OUR NATIONAL TRANSPORTATION SYSTEM

While looking over a recent table issued by the Public Roads Administration (table RM-3, 1945, issued March 1947), a startling figure attracted my attention. This table told me that at the end of 1945, there were over 3,000,000 miles of rural roads in the United States. That number can be better

appreciated if you consider that it represents a distance greater by more than 120 times the distance around the earth at the equator.

My first reaction to this discovery was what that of any American would have been—one of intense national pride in the courage, the initiative, the know-how, the tireless energy, and the vision of the hard-working Americans responsible for getting this tremendous job done. That reaction has not changed since. In fact, my admiration for the road builders of my country has been strengthened by the knowledge that, of the more than 3,000,000 miles of rural roads, nearly two and one-half million miles were classified as county and other local rural roads.

The place of the roadbuilder in American economy is definitely established. He, together with the farmer, the trucker, the railroader, the processor, the warehouseman, and the shipper, is a member of a team upon whose success in getting our basic agricultural products to the ultimate consumer depends our security as a people in war and our prosperity as a people in peace.

It is vital to our way of life that each member of this team performs to the full extent of his ability and resources. That is why road builders, especially those engaged in the construction and maintenance of secondary roads, cannot be lax in the constant study of their job and their determination to get it done.

Let's look at the function of secondary roads in the winning of the late war. There is no truer maxim than "an army travels on its stomach." This Nation not only fed its own armed services, but it also fed the fighting men of our allies, the peoples of the liberated countries, the peoples of the conquered countries, and the people whom the armed forces of our own country and those of our allies took prisoner. The American farmer did that under conditions which would have broken the will of lesser men. He did it with only about 40 percent of the normal number of farm workers. He did it with old men, women, and little children pitching in to do the work. He did it with worn-out, broken-down machinery and equipment. No man ever gave so much to so many with so little with which to do it.

You men, charged with the responsibility of building and maintaining secondary roads, know what the American farmer went through during the trying years of war. You know because of your own trials. You know because you were the link between the American farmer and the primary distribution point of his products.

The American farmer was equally alive to the problems of the road builder. He knows that your trucks were at Salerno, your tractors were at Omaha beach, and your bulldozers were at Tarawa, Saipan, and Okinawa. He knows that your skilled workers who might have been building that road up to the lane in front of his place from the concrete highway 3 miles away were busy elsewhere—working in the jungles and the mountains on the Burma Road, repairing the vital lines of supply behind General Patton's fighting Third Army. It broke the heart of many a road builder during those trying times that he couldn't do more. The wartime road builder labored in blood, sweat, and tears and became a silent partner in the victory.

The end of the shooting war by no means meant the end of the battle for secondary roads nor for the urgent need for those roads. That battle, that need, still exists today.

It is a conservative estimate that 60 percent of the goods produced to tide Europe through the winter of 1947–48 originated on American farms. However, not a single European could have been saved from starvation had not that vast production been moved from the farm to the market, from the market to the processor, from the processor to the shipper, and from the shipper to the European distributing center. In this instance, life depended on the moving of goods. So, the miles between the farm itself and the hard-surfaced primary road became the first line of battle.

Farmer Swanson fought through eight miles of gumbo to get his truckload of life-giving food to the concrete. He did this over roads you constructed, Mr. Road Builder. He did this over roads which, through no fault of your own, you had not been able to maintain and repair in the war years.

Yes, the official figures tell a story, but they do not tell the whole story. They say that there were nearly two and one-half (2,397,629) million miles of county and local roads in 1945. But they do not tell the struggle of Farmer Swanson in that single figure. You have to look beyond. You have to find out that of the original two and one-half million miles, nearly one and a half million miles consisted of nonsurfaced roads, three-quarter of a million miles were primitive and unimproved and only a little over one-half million miles were graded and drained. We Nebraskans have learned by experience what heavy rains and floods can do to nonsurfaced roads.

It is up to road builders, State officials, and officials of the Federal Government to get together on building new farm-to-market roads—where such construction is both feasible and possible—and, when it is not expedient to build new roads, to get those secondary roads in repair that do exist, so that food products can roll from the farm to the consumer, wherever that consumer exists, whether at home or abroad.

The operation of roads now in use is no small task. Recently, a check was made on operation costs by the Highway Research Board and the results were issued as a "Progress Report of the Project Committee on Maintenance Costs" in December of 1947. It is my considered opinion that the conclusions of this spot-check should be passed on to the American public, since it is your fellow Americans who gain by the work the road builders do.

The report states:

"1. The total cost of maintaining and operating the 10,000 miles representative of the entire system of State highways in 1947 is 71 percent higher than the 1935 cost and 58 percent higher than the 1940 cost.

"2. The 1947 maintenance labor rates are 98 percent above the 1935 level and 77 percent above the 1940 level.

"3. The 1947 cost of maintenance material is 46 percent above the 1935 level and 45 percent above the 1940 level.

"4. The 1947 equipment rental rates are 53 percent above the 1935 rates and 43 percent above the 1940 rates.

"5. The 1947 overhead costs are 62 percent higher than in 1935 and 47 percent higher than in 1940."

Naturally, the identical percentage rates of maintenance increases do not pertain all over the Nation. In some localities, they are lower than those quoted; in others, they are higher. The same trend is noticeable in construction as in maintenance, in secondary roads as in primary roads—costs are up all along the line.

How does this trend affect the lifeline of America—her secondary roads?

Secondary roads depend for their construction and care upon the public treasury, whether that treasury is that of the Federal Government, the individual States, or communities. These public treasuries, in their turn, rely upon taxation for their funds. To meet taxation demands, money is being taken in the form of taxes from the farmer who supplies the world, from the road builder who connects the farmer with his market, from the processor who changes the original farm product into a more efficient commercial form, from the manufacturer who builds road machinery and equipment, from the steel companies, the coal companies, and the oil companies.

The burden of our existing national debt, plus the burden of supplying and reconstructing the world is a millstone about the neck of American progress. Every place in government—from our Federal Government to our township government—conscientious servants of the people are seeking to cut expenses so that taxes may be lowered and the unbearable burden eased. All too often road building and maintenance have been selected as a target for reduction.

I decry this situation. To me, it is the essence of false economy. It is not my idea of common sense to cut down the corn and let the weeds grow. Neither is it my idea of common sense to curtail essential Government services while continuing or adding to useless governmental frills. Yes, the very increase in the cost of road construction and maintenance has placed the entire national, State, and local program in peril. And the obvious point of greatest danger is the secondary road system.

Hundreds of thousands of people live along the Lincoln Highway. Thousands of communities get their living because of that highway. Local trade and tourist trade help the merchants. Thriving merchants build up towns and cities. If the Lincoln Highway should fall into disrepair an atomic howl could be heard from every hamlet through which it passed. Legislators in State and National Capitals would be bombarded by letters, telegrams, and phone calls. Officials of the Public Roads Administration would never have a quiet moment.

But what about the 11-mile spur of road, once graded and drained, yet neglected all through the war—which ends in Farmer Swanson's barnyard?

There are 30 families on that road. The condition of that road means life to these families. It not only means the difference between failure and prosperity, it actually does mean life. Ask any doctor in any small town and he will tell you it means life should he be able to get 11 miles off of the paved road in a half hour instead of 5 hours.

The Swanson children are entitled to a high-school education. Farmer Swanson pays taxes to keep up a consolidated school a mile west of the place his road meets the concrete. Yet, his children are under a handicap from the start. Either he must make arrangements for them to live in town or they must begin their school day after having had a fierce struggle to get to school at all, placing them on an unequal basis with their fellow students.

As for the economic side, the story is well known but needs retelling. Swanson can grow a bumper crop. Still, it would be the same as if he had grown nothing at all if he isn't able to move that bumper crop.

Can't these 30 families on the Swanson road protest and demand improvement? They can and they generally do. But they are few and not united. Their voices are not loud. They are refused help outright. They are put off by promises. What they have to say may be heard in the county seat, and the echo of what they have to say may be heard as far off as the State capital. It seldom gets farther.

You know the results of these two examples I have cited—the vocal beneficiaries of the highway, the silent users of the Swanson road. The highway gets the priority in repairs. The secondary road is repaired—if and when anybody gets around to doing it. In the Old Testament, we read about the ancient Hebrews making bricks without straw for an Egyptian king. We thought that to be a high point of hardship. Yet, in modern America—in 1948—thousands of American farmers will be helping to feed the world without roads.

On November 26, 1947, Senator HOMER CAPEHART, of Indiana, and I announced the joint introduction in both Houses of Congress of a bill to establish a department of transportation. We said in a joint statement at that time: "Efficiency is and has been sadly lacking in governmental functions with respect to all forms of transportation and it is our aim in the introduction of this measure that coordination of the many scattered agencies and bureaus under a single department with a single head will work toward the efficiency needed to bolster the transportation facilities of the Nation."

It is my firm belief that unless new secondary roads are built and unless the ones already in use are made fit for year-around use, this bill and all others looking toward efficiency in war and security in peace are doomed to certain failure.

Secondary roads demand—and they must get if we are to survive and help others to survive—the most careful planning, the most immediate attention, the hardest work and the most unceasing study of every sincere, forward-looking citizen in this Nation today.

Foot-and-Mouth Disease in Mexico

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 21, 1948

Mr. TEAGUE. Mr. Speaker, it is of utmost importance that the foot-and-mouth disease existing in Mexico be confined to the areas now affected and that every effort be made for the systematic eradication of that disease throughout Mexico. The Agricultural and Mechanical College of Texas, under the leadership of its president, Gibb Gilchrist, has carefully studied the situation in Mexico and has given its endorsement to the program of eradication of foot-and-mouth disease by zones.

Dean C. N. Shepardson, of the school of agriculture at A. & M. College, has recently issued a news release which contains the statements of Dr. J. C. Miller, head of the animal husbandry department; Dr. R. C. Dunn, dean of veterinary medicine; and Dr. H. Schmidt, chief of the division of veterinary research.

Mr. Speaker, under leave to extend by remarks in the RECORD, I wish to include the following news release from the A. & M. College of Texas, College Station, Tex.:

COLLEGE STATION, TEX.—Declaring the prevalence of foot-and-mouth disease in Mexico to be the most serious threat to the livestock industry of the United States in its history, a committee representing Texas A. & M. College today gave full endorsement of the college to the program of eradication by zones. This is the program which the House Committee on Agriculture recommended on December 3, 1947.

Strengthening of the border patrol between the United States and Mexico and increased precautions to prevent the spread of the disease within the United States were also urged. It was pointed out that an aggressive attack designed to completely eradicate the disease through destruction and burial of infected animals was the only practical solution to the problem. Vaccines, the committee said, have not proved effective in stopping hoof-and-mouth disease, and little hope was held out for development of a permanently effective vaccine.

Issuing the statement on behalf of Texas A. & M. College were Dr. J. C. Miller, head of the animal husbandry department; Dr. R. C. Dunn, dean of veterinary medicine, and Dr. H. Schmidt, chief of the division of veterinary research. Their statement follows:

"The livestock industry of the United States received a severe shock when about a year ago the first reports of the presence of foot-and-mouth disease in Mexico reached this country. The Bureau of Animal Industry immediately sent veterinarians into Mexico who soon verified its presence. Following the verification an agreement was promptly negotiated with Mexico for its speedy eradication by the slaughter and burial method. Due to the difficult terrain, lack of communication, and other obstacles, the disease has continued to spread until the infected region now covers about one-third the area of Mexico and involves almost half the livestock population.

"In spite of the slaughter of some 500,000 cattle and many small animals, the disease continued to gain ground until the Mexican Government—whose wholehearted assent is of course a necessary prerequisite to any activity on Mexican soil—notified the United States Department of Agriculture on November 24, 1947, that the economy of that country could not stand the immediate slaughter of the tremendous number of livestock which had by that time become infected or exposed to the disease.

"Accordingly, on November 26, 1947, the Department of Agriculture announced a modification of its program. In plain words this meant abandonment, at least for the present, of efforts to eradicate the disease from Mexico by the slaughter and burial method which has several times conquered it in the United States and acceptance instead of a quarantine and vaccination program designed to control the disease so as to prevent its spread outside the present generally infected area.

"On the same day the House Committee on Agriculture announced a hearing beginning December 3, 1947, in which all interested parties were invited to participate, for the purpose of analyzing the threat to the livestock industry and the economy of this country presented by the failure of the eradication campaign, and to consider the best steps which might now be taken to keep the disease out of the United States.

"Having considered carefully all of the evidence available, the committee made the following recommendations, which are endorsed by the A. & M. College of Texas:

"1. 'That the campaign against foot and mouth disease in Mexico shall be conducted on the following basis: First, an all-out effort by both countries to hold a quarantine line immediately north of the present infected area, including a sterile zone as wide as possible south of such line in which all infected and exposed animals will be subject to immediate slaughter and burial, in order to prevent the spread of the disease into northern Mexico and the United States; Second, extension and enlargement southward of that sterile zone as rapidly as circumstances will permit, with vaccination being employed by the commission only as an adjunct to quarantine.'

"2. 'That it shall be understood definitely by all participants that the program now undertaken is not an abandonment of the effort to eradicate foot-and-mouth disease from this continent but is merely a postponement of that effort until it can be undertaken and accomplished in a manner which is more acceptable to the Mexican people and tolerable to the Mexican economy.'

"3. 'That the best available scientists and economists be assigned immediately to research and study in Mexico and elsewhere on the disease itself, its prevention and control, and the effect of the disease and of proposed eradication methods on the economy of Mexico and the United States.'

"The decision of the Mexican-United States Commission to withdraw its forces to a strategically more favorable line undoubtedly was a wise one under the prevailing conditions provided it was for a new, better-organized, and more aggressive attack envisaging the complete eradication of the disease. Merely trying to hold a quarantine line against foot-and-mouth disease without complete destruction of the hosts of the virus and therewith the virus itself in affected areas has been tried many times and has never been successful. Vaccines against foot-and-mouth disease developed in recent years have not proved effective in stopping the disease elsewhere and to rely upon their use to prevent the further spread of the disease in this instance would be temporizing with a very serious situation.

"For the information of those who hope for a vaccine which will give permanent immunity, it should be pointed out that there is little hope of increasing the effectiveness of vaccines against foot-and-mouth disease by further research because the present effectiveness of vaccines is now practically equal to the immunity established by recovery of the animal from an acute infection.

"An aggressive attack of the disease behind the quarantine line is therefore urged, using the only method that promises success, that of slaughter and burial. Confinement of efforts to merely control the disease is not acceptable to the United States livestock industry.

"Representatives of the livestock industry at the A. & M. College of Texas are acutely aware of this situation and therefore urge that everything possible be done immediately to halt the spread and eventually to stamp out the disease in Mexico.

"It is further urged that:

"1. Every effort be made to strengthen the border patrol between the United States and Mexico to prevent the movement of man or beast across the border from Mexico to the United States other than through legal channels.

"2. The greatest precaution be exercised through sanitary measures, to prevent the spread of the disease to the United States through commercial and tourist travel.

"3. Livestock producers and handlers, extension and vocational agriculture workers throughout the United States familiarize themselves with the visible symptoms of the disease and be on the alert to report immediately any suspicious cases to the nearest licensed veterinarian, State veterinarian, or the Bureau of Animal Industry.

"4. That State and Federal authorities be prepared to have available on short notice the necessary heavy machinery for prompt slaughter and burial of any infected or exposed animals found in this country."

Caesar

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 27, 1948

Mr. CHURCH. Mr. Speaker, under leave to extend my remarks in the

RECORD, I include the following editorial from the Chicago Tribune for January 27, 1948:

CAESAR

It can't be said that James C. Petrillo is totally indifferent to collective bargaining. He deals with the employers of his musicians on a take-it-or-leave-it basis, but he is willing to sit down across the table with parties whom he considers equal to himself in importance and power. The only party that so qualifies, in Mr. Petrillo's mind, is the United States Government. In Washington he has just offered to dicker with Congress.

His lawyer has suggested that Petrillo will lift his ban on recordings if Congress will permit him to resume his shake-down of recording companies for a so-called union benefit fund, of which he has sole control. Contributions to such a fund are prohibited by the Taft-Hartley Act.

As a union czar, Mr. Petrillo has taken the position that he can shut down a whole industry, furnishing employment to thousands of people and products which millions of people want to buy. Having done this, he offers to dicker on the conditions on which his criminal interference with interstate commerce will be stopped. He has even found a Member of Congress, Representative KEARNS, of Pennsylvania, to write Petrillo's provisions into a bill to be introduced in the House.

John L. Lewis never exhibited such megalomania as this. Some day very soon the ceiling is going to fall on Mr. Petrillo, and the rejoicing will be great.

Address of Commodore Robert C. Lee

EXTENSION OF REMARKS

OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by Commodore Robert C. Lee, executive vice president of the Moore-McCormack Lines, at the annual dinner of the New York Foreign Freight Forwarders and Brokers Association held at the Hotel Commodore, New York City, on Tuesday, January 13, 1948.

The First World War, as some of you are old enough to recall, was fought with the slogan that it was the "war to end all wars." A lot of the young officers of the Army and Navy—among them myself—took the slogan seriously and began looking around for other means of support. I resigned from the Navy in the early days of 1920 and decided to go into business in New York. I knew about business just what any naval officer having had my training and experience would know, which was absolutely nothing. It looked to me like being a foreign-freight broker was an easy way to make a living and that was my first attempt. It did not take me long to switch to something else.

It strikes me that some wrong thinking is being done by a sector of the shipping industry, of which you are an important segment, on the subject of its stability. The man who hopes to get his cargo to market under modern competitive conditions cannot depend upon "horse and buggy" methods of transportation. It was said of the late unmourned Mussolini that he at least had the trains of his country moving on time. When you consider that he held that country in domination as long as he did, with little other than regular trains and the conquest of a virtually defenseless neighbor to offer his people, it would seem clear that regularity of transport can be an important factor in modern life.

The recent tie-up of transit due to the snowstorms emphasized our dependence upon transportation. We came to appreciate the meaning of schedules once we found that schedules as such no longer existed. We have adapted our everyday living to schedules, to the knowledge that we can plan our day, distributing our time among our social and business activities the most effectively.

The same is true with our trade. If we had to live with nothing more than hope that our cargoes would eventually be picked up and eventually landed at their destinations, nothing of the efficiency that had made American business the model of the world would be available to us. You can no more imagine your trade routes dependent upon the uncertainties of tramp shipping than you can imagine a home routine of setting your alarm clock at daybreak and getting to your station in the hope that a train would come along sometime before 10 o'clock.

There was a time, of course, when people lived like that. But we have gone far beyond. We think in terms of budgeting, whether it be our time or our finances. That is living, that is business, as we practice it today. We cannot deviate from it and keep our place in the world. Those relatively few people who think we can carry on world trade, of all things, without thought of budgeting, are not realistic. They belong in a dream world; and you men know that foreign trade has no place in dream worlds.

In addition, there is, of course, the broader aspect of this matter of merchant tonnage which concerns the expansion of our merchant fleet, and its maintenance as an instrument effective in keeping the United States in first rank in world trade and also in front rank in national defense. We in shipping have long pounded away at the claim that our merchant marine is a vital arm of national defense. I think the record of our merchant ships during the war should set at rest all questions of the merchant ship as a fighting instrument. Perhaps the picture has changed and we now must switch the emphasis from national defense to trade.

Let me quote a man who is not a ship operator, but who has spoken as clearly as any man can speak in fixing the value of merchant shipping as a factor in the development of this Nation's trade. I quote Vice Adm. E. W. Mills, Chief of the Navy's Bureau of Ships. He said recently:

"The value of a merchant marine to our country, aside from its essential support to the armed services, does not accrue from the income that is derived from operation so much as it does in foreign trade development and the protection of our foreign trade from absorption by other nations. It has been repeatedly demonstrated in the history of the United States that we can build and operate ships to prosper in world trade; that we do so in the future as well as now is essential to our welfare and the peace of the world."

Admiral Mills made that statement knowing that in the recent war our merchant marine was able to deliver its timeliest blows in time—I emphasize in time—only because we had started to build ships before the war came and so were able quickly to expand our tonnage to met the war emergency until it became one of the two or three more vital instruments in the victory.

I could quote another man who speaks, not for a ship line but for our Government, the Honorable Richard Parkhurst, a member of the United States Maritime Commission. He said:

"The whole problem of the merchant marine is now under the most searching scrutiny in many responsible circles, both in and out of Government. I sincerely hope that the outcome of these studies will result in a sound program of long-range development on a scale which will insure not only first-class American-flag service in the domestic and foreign trades, but also a modern and dependable maritime organization shipside and shoreside, which will be able at a moment's notice to place itself again, if needed, in the front line of defense of our country."

Both these men emphasize the need of building and maintaining a merchant marine both as a carrier of our trade and as an arm of national defense. You, as businessmen, know that you do not solve today's business problems today; you solved them yesterday or last month, even last year. Certainly in an activity like shipping which involves a variety of men and a variety of talents and materials, we cannot afford to wait for our need to arise before we start to plan and build our ships.

But how can we plan and build unless we have some degree of certainty in our planning? We cannot operate on a hit-and-miss basis; millions of dollars are involved, and we must provide some sort of insurance for those millions. The operator who comes to you with a bargain, whether its freight rates or a diamond, is likely not to be around when the time comes to test the quality of the diamond or the quality of his shipping service. He cannot afford to back up his bargain. On the other hand, the man who hangs out his sign and takes a long-term lease will back up his wares; so will the ship line that comes to the shipper, places all his cards on the table, and says in effect, "Here is what we need if we are to survive. This is our cost, this is the rate that must be charged if we are to maintain our ships so they can best serve you." The ship lines that function together in our freight conferences are in that position. They are the lines that will back up their claims, they are the lines that will be on hand when the shipper needs service and needs it fast.

I look with profound suspicion upon anyone who cloaks himself with all the virtues, even though he is doing it by means of advertising in the public press. My experience with these "holier than thou" fellows is all to the bad. The conference system has its defects, as what human endeavor does not?

My belief is that ocean transportation needs regulation the same as any other public utility. No better system of regulation has yet been devised than that set up by the Congress of the United States permitting the establishment of conferences and laying down the law for their regulation. It is an American system devised by the American people and probably not understandable to some Europeans. Like most other things American, it will probably prove better than anything they have ever thought of.

The thoughtful American citizen must today be somewhat appalled by the position we occupy in the world, because of the tremendous responsibility that position imposes upon us. It is as near certain as anything could be that the future of civilization as we know it here, and as they knew it in western Europe, depends almost entirely upon our strength. A very vital part of that strength is the American merchant marine.

The Farm Program of the American Farm Bureau Federation

EXTENSION OF REMARKS
OF
HON. ARTHUR CAPPER
OF KANSAS

IN THE SENATE OF THE UNITED STATES

Wednesday, January 28 (legislative day of Monday, January 26), 1948

Mr. CAPPER. Mr. President, I have just heard a statement of the farm program of the American Farm Bureau Federation as presented to the Senate Committee on Agriculture and Forestry today by Mr. Allan W. Kline, president of the Bureau. I ask unanimous consent that his remarks be printed in the Appendix to the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

1. The American Farm Bureau Federation realizes that all segments of our society are interdependent. We, therefore, urge the adoption of sound over-all policies which will lead to a high level of production, employment, income, trade, and a stable general price level. Stabilization at levels considerably higher than during the prewar period is essential if this Nation is going to meet the financial and other obligations resulting from the war.

2. The American Farm Bureau Federation believes that farmers and consumers have received fundamental benefits through the numerous basic agricultural laws which have been enacted. We realize the necessity for revising this legislation to meet changing conditions. We do not believe, however, that an entirely new and revolutionary farm program should be written, but rather that we should confine our efforts to refining and improving the present program. We believe revision of this basic legislation should be deferred for the present in order that postwar conditions in which the legislation will have to operate will be more clearly appraised, and additional consideration can be given to needed changes.

3. Agriculture's reconversion period is still ahead. We in agriculture are still operating under wartime urgency. Therefore, we recommend that the Steagall Act and the Bankhead Commodity Loan Act, which were enacted into law to assure consumers of adequate supplies of food and fiber and to protect farmers during the reconversion period, be extended for an additional year.

4. We urge retention and strengthening of the Soil Conservation and Domestic Allotment Act, the Agricultural Adjustment Act, and related measures, including conservation of soil, water and forest resources, machinery for acreage adjustments, mandatory commodity loans, and marketing quotas when needed for basic agricultural commodities.

5. We believe that when the permanent farm program is written, existing legislation should be amended to provide a program based upon mandatory variable price supports for agricultural commodities. Such variable price supports should be applicable with or without quotas. The level of such supports should vary from 60 to 90 percent of parity, depending upon the importance and peculiarities, as well as the supply and price position of the commodity. Sufficient flexibility should be provided to give producers of a commodity maximum authority to determine the level of the support price of their particular commodity, and to utilize the marketing-quota features of the program. Sufficient flexibility in acreage adjustment programs should be provided to meet changing needs and to permit adjustment of individual production plans so as to encourage efficient land use and avoid freezing acreage allotments in rigid historical patterns. We believe that the protection provided in section 22 of the Agricultural Adjustment Act, as amended, which authorized import fees or quotas in cases where imports prevent the successful operation of certain domestic agricultural programs, should be extended and used when necessary.

6. We favor modification of the parity formula. This should be done by retention of the present parity formula, with adjustments among the various agricultural products according to the price relationship which existed among the products on the basis of a 10-year moving average. In making the transition from the present to a modernized parity formula, the parity price of a commodity should not be lowered by more than 5 percent in any one year. The Secretary of Agriculture should be required to adjust the parity price for any commodity that is out of line with the parity price for other agricultural commodities.

7. The welfare of agriculture and the Nation as a whole requires the restoration and maintenance of our soil fertility and the conservation of our soil, water, and forest resources. We therefore urge the Congress to provide adequate funds to continue and expand the agricultural conservation practices program.

8. The Commodity Credit Corporation, the key agency in the stabilization program for American agriculture, should be made permanent. In granting a new Federal charter for the Commodity Credit Corporation, we urge the Congress to provide adequate lending authority, and to provide sufficient flexibility of operation to assure that unforeseen contingencies which arise in agricultural production and distribution can be met. The corporate funds should not be used for financing programs of foreign or domestic relief except as may be incidental to the disposal of agricultural commodities acquired under its loan or support programs, unless these expenditures are reimbursed by appropriations. No funds of the Corporation should be used for consumer subsidies.

9. As a part of the long-time program, we urge aggressive efforts to stimulate increased consumption of agricultural commodities through research and education; the school-lunch and improved nutrition and health programs; development of new and expanded domestic and foreign markets for agricultural products; diversion of surpluses into byproduct uses; disposal of surpluses in export markets at competitive world prices, using export payments when necessary; development and use of international commodity agreements, and wisely planned programs designed to utilize a maximum of surplus agricultural commodities. We favor the retention of section 32 funds for use in supporting farm prices and in disposing of agricultural surpluses in foreign and domestic markets. All funds appropriated in section 32 should be used for the purposes originally intended and for no other, and these funds should remain available until expended.

10. Marketing agreements have proven their value during the past decade as a method of effectively handling difficult problems, especially in fruits, vegetables, nuts, and milk. The advantages of this program should be extended to other producers who can demonstrate the need for and feasibility of this type of program.

11. We favor Government crop insurance, provided rates on a sound actuarial basis with regional adjustments are maintained. We feel that further study and experiments should be made before it is extended to all areas of the country.

12. Farmers are rightfully concerned over the duplication, overlapping, and conflicts which exist in the administration of various phases of the farm program. In the interest of economy, efficiency, and effective coordination without centralized control, we urge that the administrators of the regulatory features of the programs, including conservation payments to farmers, be made responsible to bona fide farmer committees of the Production and Marketing Administration at State, county, and local levels; that the educational, demonstrational, informational, and technical service features be assigned to the State agricultural extension service; and that all research phases in the States be administered by the State agricultural experiment stations. To attain these objectives, we urge enactment of the Reed-Stewart bill (S. 1621), and the companion house bills, Cooley bill (H. R. 4150) and the Hill bill (H. R. 4151).

13. The cooperative credit system as provided in the farm credit legislation is essential to the welfare of American agriculture. Steps must be taken to make the farm credit system fully cooperative, farmer-owned and farmer-controlled. The farm-credit agencies should be placed under the direction of an independent bipartisan policy board. We favor legislation which will encourage the complete ownership of the banks for cooperatives by the cooperative associations. We favor a land-bank commissioner type of loan, to be made by the Federal land banks, provided that the proportion of the loans above the present 65-percent lending limit be underwritten in some manner designed to insure the banks against loss on the extra risk portion of the loans. The present ceiling on loans by the Federal land banks to any one borrower should be eliminated. The farm-credit system must be kept strong in order that it may serve as a reservoir for agricultural financing in the years ahead.

14. We believe cooperatives are an important part of the private enterprise system. We resent the attacks by certain groups upon farmer cooperatives. We believe that cooperative earnings currently returned to members as patronage refunds should not be subject to tax in the hands of the cooperative, since such refunds are taxed as income of the individual members. We will support such changes as may be necessary to require that there be income-tax exemption or deduction from taxable income on only reasonable reserves and on that portion of cooperative savings which are currently distributed or clearly shown on the books of the cooperative to be the property of the patron and subject to tax in his personal income. The American Farm Bureau Federation will support any needed revision of law or regulation which will define more clearly reasonable and necessary reserves.

15. The American Farm Bureau Federation believes that a national soil-fertility program is essential to the long-time welfare of the Nation. The fertilizer industry should be encouraged to expand its plant capacity for the production and distribution of fertilizers. Farm organizations should acquire adequate natural resources of phosphate and potash and develop programs for the production and distribution of high-concentrated materials. The Tennessee Valley Authority should construct and operate an experimental phosphate plant, for a period of not to exceed 5 years. At the end of that time the plant should be disposed of to private industry. The TVA should acquire reasonable phosphate reserves in the Florida area. The phosphate and potash reserves in the intermountain area should be developed. A limited test demonstration program should be

provided for under the direction of the Secretary of Agriculture in cooperation with the land-grant colleges.

16. The foundation of the American Farm Bureau Federation's program is education and research. We urge the Congress to provide the full amount of funds authorized by law in order to carry out the agricultural education and research programs. Farmers are increasingly concerned over the failure of retail prices to reflect downward movements in the farm price of agricultural products. We believe research should be conducted on methods of making the free market operate more effectively. Expanded research and educational programs are essential for the continued development of American agriculture.

The St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, January 28 (legislative day of Monday, January 26), 1948

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD the text of a statement which I gave to the press yesterday on the subject of the St. Lawrence waterway. In this statement I pointed out that a victory for the seaway would enhearten friends of democracy throughout the world, and that a defeat would be a real blow to democracy and a source of joy to our enemies.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ENEMIES OF DEMOCRACY WILL REJOICE IF SEAWAY IS DEFEATED

I am confident that the St. Lawrence seaway bill can pass the Senate. We have already seen, however, evidences of the tactics of the opposition—suggesting more interminable delays, throwing up smoke screens, presenting a thousand and one picayunish questions to try to cast doubt on the reliability of the estimates of seaway proponents although those estimates have been attested to by the greatest engineers of the land in voluminous study for several decades. If the opposition persists in obstructionism, daily sessions of the Senate will be requested next week.

If we can enact the seaway resolution, as I firmly believe we can, it will serve to enhearten the friends of democracy throughout the world, because America will be able to ship abroad more food, more raw materials, more machinery, speedier and cheaper than ever before in addition to importing those items we need.

If we do not enact the seaway resolution, however, there will be rejoicing in Moscow which will have, as the old saying goes, "A horse's laugh" on the United States for a number of reasons:

RUSSIA WOULD MOCK OUR INCONSISTENCY

Foreign expenses

1. For one thing, the Russians would laugh at the ridiculous inconsistency of the United States which, following the war, has invested billions upon billions of dollars in UNRRA, in the International Bank, in postwar lend-lease, in the British loan, the Greek loan, interim aid, without even the semblance of expectation that it would be returned. Yet, the United States, if it turned down the seaway, would refuse to loan—loan, not give—to its own people a relatively small sum of $428,000,000 for the St. Lawrence seaway itself, including costs during the 6 or so years of construction, which come to the small sum of around $71,000,000 a year. The seaway plus the power project would only cost seven hundred and twenty millions—of which two hundred and thirty millions is in Canadian cost. In the last 14 years Uncle Sam has spent $1,615,000,000 on river and harbor projects alone in our country—not a cent of which in construction costs is reported to be repaid. Yet the seaway and power project would be self-liquidating in full.

Power crisis

2. The Russians would laugh because they would know that in the event of another national emergency, America would find itself desperately short of power. The Russians recognize that even now there is a terrific power deficit in the New England area (even while some men in New England are trying to sabotage this project which would supply more power than any other single American project with the exception of Grand Coulee). Meanwhile, the Russians are increasing their 1945 capacity in electrical energy by 2.1 times by 1950. The United States, however, expects to increase its capacity by only 1.3 times during that 5-year period. Thus, the relative advantage held by the United States in power is fast diminishing.

Rail bottleneck

3. The Russians would ridicule America which is even now finding its railroads a terrific bottleneck of transportation and yet refuses to develop the seaway which could help relieve the staggering load on our overloaded railroads.

Widespread endorsements

4. The Russians would sneer at us for the ineptness, the near-sightedness and the incredible stumbling of a constitutional republic, which, after 14 years of solid study and debate on this issue, after bipartisan endorsement by every American President—Wilson, Harding, Coolidge, Hoover, Roosevelt, Truman—after endorsement by the National Grange, the American Farm Bureau Federation, the National Cooperative Milk Producers' Federation, outstanding leaders of American railroads themselves and countless other leading individuals (Hull, Stimson, Byrnes, Stettinius, Dewey, Stassen, Hughes) and organizations, still questions the value of this mighty project.

Sectional versus national

5. The Russians would rejoice if the United States Senate succumbs to petty provincial sectionalisms, to the narrow greed of certain few selfish interests, seeking to maintain their financial grip in northeastern transportation even if it means sacrificing a national project as vital as this. The Reds would rejoice at the triumph of fear, fancy, folly, and frustration here.

Ignoring leadership

6. The Russians would be pleasantly amazed if the United States, which committed 14,000,000 men to the trust of our military authorities in the Second World War, were to refuse to accept the judgment of these same military authorities—the Joint Chiefs of Staff, General Marshall, General Eisenhower, and others, that this project would be valuable to national defense—as a great, 2,500-mile sea highway for importing Labrador ore and other items as well as exporting items.

BUSINESS SUPPORTS SEAWAY

The grounds of the opposition are a mass of misrepresentation, misrepresenting the views of the rank and file of American railway labor, misrepresenting the views of their own constituents who, for example, in the New England area, in New York State and elsewhere, have time and time again indicated their vigorous support of the seaway, although some of their leaders purporting to represent them, oppose the seaway.

Fifty-four percent of New England business in one poll favored the seaway, 55 percent of Mid-Atlantic business, 75 percent of North Central business, 55 percent South, 73 percent Midwest and 62 percent mountain, with a national average of 63 percent of American business for the seaway.

Conditions in Palestine

EXTENSION OF REMARKS
OF
HON. OWEN BREWSTER
OF MAINE
IN THE SENATE OF THE UNITED STATES
Wednesday, January 28 (legislative day of Monday, January 26), 1948

Mr. BREWSTER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a statement regarding the situation in Palestine and our own policies in relation thereto, together with certain memoranda dealing with the statutory and constitutional situation, as well as clippings from the New York Herald Tribune dealing with this matter.

Mr. President, the situation in Palestine is one which should invite the very earnest attention of every one concerned with the peace of the world. I do not take further time because of the other problems which are pressing, but I do hope this subject will have the considered attention of the Senate and of the country before it is permitted to drift into chaos and one of the worst menaces to world peace.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Maine?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

STATE DEPARTMENT ARMS EMBARGO AND RECALL OF PASSPORTS OF AMERICAN VOLUNTEERS IN PALESTINE

STATEMENT BY SENATOR BREWSTER

On December 1 of last year I stated in this very Chamber that "The United Nations has not only given birth to the new nation of Palestine, but must see to it that this infant shall be properly nourished and developed." Instead of nursing this infant, the State Department has recently placed a double-barreled embargo upon a people whose only objective is to defend themselves against willful and organized massacre. One, embargo on arms and defense ammunition going to the Jews; second, embargo upon those who are desirous to fight voluntarily for law and order in the new state. By these two embargoes our State Department permits the slow starvation and strangulation of the very state to the birth of which it has given its blessing.

It is difficult to understand just what the State Department proposes to accomplish by these two acts, unless it means to disavow its own policy, one made crystal clear by our underwriting of the United Nations decision to partition Palestine.

In the same speech of December 1, I submitted a proposal that through the mecha-

nism of the United Nations a volunteer force be organized to guarantee law and order in the new state. It so happens that a number of young Americans, who find themselves in Palestine today, have expressed their eagerness to help defend the rights of men, women, and children against Arab onslaught. Those young Americans wish to act as volunteers, but they must reckon with an embargo on their enthusiasm, which says, that they must remain idle if they wish to remain American citizens.

The action of the State Department in instructing the Consulate of Jerusalem to withdraw the passports of American citizens in Palestine who volunteered to help in the defense of the Jewish community and of the United Nations' decision, against brutal attacks, is extremely shocking. It is bad enough that neither the United States Government, nor the United Nations Security Council on which America is a leading member and often exercises initiative, has taken any steps to implement the United Nations resolution and to curb the brazen aggression of Arab States against Palestine in defiance of the resolution and of the United Nations Charter. It is bad enough that the American Government went out of its way to prohibit the export of arms to those who are today the only ones to defend the United Nations resolution in Palestine. But, this last action of the State Department, aimed at preventing American citizens from voluntarily defending an international decision, is so blatantly contrary to all tradition of American history, that one can only express one's amazement at the length to which the administration seems willing to go in an attempt to kill, by indirection, a policy which has been officially supported by it and agreed upon by the United Nations.

What exactly, does the Department of State wish to happen? Taking no initiative at the United Nations against the aggression of the Arab States; refusing to exercise its influence vis-à-vis the British Government to fulfill its responsibility in maintaining law and order; raising all kinds of objections to the project of creating an international force; cutting off the supply of arms to the Jewish community of Palestine now under attack; unwilling to have even American volunteers participate in the securing of international law in Palestine—though perfectly willing to send American troops to other areas; and now seeking to prevent the flow of high-minded American youth who, as private individuals, desire to come to the assistance of a righteous cause—the administration seems to be bent on making certain that the decision to establish a Jewish State, to which it gave ostensible support, be now permitted to die.

This enthusiasm of young Americans for a worthy cause is not without precedent. Before the last war many American boys enlisted in the Canadian Air Force, the British Royal Air Force, the Free French, and other Allies, before we declared war. I have my doubts that any of those who volunteered either had their passports recalled or lost their citizenship. Many American boys fought in the cause of Ireland, when that Nation after 800 years of struggle regained its freedom, independence, and standing in the family of nations.

And if we go back to our own Revolutionary War, when the Thirteen Colonies were fighting for their independence, we too, welcomed aid from France, Poland, and other countries without burdening their enthusiasm with conditions to renounce their national citizenship and adopt ours.

Memoranda on Statutory Authority for Arms Embargo

Statutory authority, pursuant to which shipments of arms and ammunition out of the United States may be curtailed by the President, is found in the act of July 2, 1940 (54 Stat. 714), which reads as follows:

"Sec. 6. Whenever the President determines that it is necessary in the interest of national defense to prohibit or curtail the exportation of any military equipment or munitions, or component parts thereof, or machinery, tools, or material, or supplies necessary for the manufacture, servicing, or operation thereof, he may by proclamation prohibit or curtail such exportation, except under such rules and regulations as he shall prescribe. Any such proclamation shall describe the articles or materials included in the prohibition or curtailment contained therein. In case of the violation of any provision of any proclamation, or of any rule or regulation, issued hereunder, such violator or violators, upon conviction, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than 2 years, or by both such fine and imprisonment. The authority granted in this section shall terminate June 30, 1942, unless the Congress shall otherwise provide."

The termination has been variously extended and this section is in operation at the present time. The Secretary of State ordered discontinuance of shipments of arms to Palestine on December 5, 1947, and his reasons for that action are set forth in a press release dated December 5, a copy of which is attached:

"Department of State,
December 5, 1947.

"In view of the current disorders in the Middle East, the United States is discontinuing for the present licensing of all shipments of arms to the troubled areas. The shipments of arms and ammunition licensed to the countries of the Middle East area affected during 1946 and the first 10 months of 1947 are as follows:

Country	Description	1946	1947
Egypt	Arms	$50.00	$709.63
Do	Ammunition	658.10	222.17
Lebanon	Arms		800.00
Do	Ammunition		2,020.00
Syria	Arms		
Do	Ammunition		
Saudi Arabia	Arms		2,060.00
Do	Ammunition		306.44
Transjordan	Arms		
Do	Ammunition		
Iraq	Arms	432.00	
Do	Ammunition		
Palestine	Arms		
Do	Ammunition		

"Similarly this policy extends to this type of article which may be located outside the United States, including transfer and retransfer of lend-lease arms and ammunition and the sale of United States surplus arms and ammunition."

Memorandum

The basic authority pursuant to which the Secretary of State is authorized to license shipment of arms, ammunition, etc., to foreign countries, lies in the joint resolution (H. J. Res. 306) adopted November 4, 1939.

Section 12 sets up a National Munitions Control Board under the administration of the Secretary of State and subsection (d) thereof, reads:

"It shall be unlawful for any person to export, or attempt to export, from the United States to any other state, any arms, ammunition, or implements of war listed in a proclamation referred to in or issued under the authority of subsection (i) of this section, or to import, or attempt to import, to the United States from any other state, any of the arms, ammunition, or implements of war listed in any such proclamation, without first having submitted to the Secretary of State the name of the purchaser and the terms of sale and having obtained a license therefor."

This authority has been implemented by Presidential proclamation at various times and the current proclamation, No. 2717, promulgated February 14, 1947, is attached:

"Enumeration of Arms, Ammunition, and Implements of War [1]

[Released to the press by the White House February 15]

"By the President of the United States of America

"*A proclamation*

"Whereas section 12 (i) of the joint resolution of Congress approved November 4, 1939, provides in part as follows (54 Stat. 1!; 22 U. S. C. 452 (i)):

" 'The President is hereby authorized to proclaim upon recommendation of the National Munitions Control Board from time to time a list of articles which shall be considered arms, ammunition, and implements of war for the purposes of this section.'

"Now, therefore, I, Harry S. Truman, President of the United States of America, acting under and by virtue of the authority conferred upon me by the said joint resolution of Congress, and pursuant to the recommendation of the National Munitions Control Board, and in the interest of the foreign-affairs functions of the United States, hereby declare and proclaim that the articles listed below shall, on and after February 20, 1947, be considered arms, ammunition, and implements of war for the purposes of section 12 of the said joint resolution of Congress:

"Category I

"(1) Rifles and carbines using ammunition in excess of caliber .22, and barrels for those weapons;

"(2) Machine guns, automatic or autoloading rifles, and machine pistols using ammunition in excess of caliber .22, and barrels for those weapons; machine-gun mounts;

"(3) Guns, howitzers, and mortars of all calibers, their mountings and barrels;

"(4) Ammunition in excess of caliber .22 for the arms enumerated under (1), (2), and (3) above, and cartridge cases or bullets for such ammunition; shells and projectiles, filled or unfilled, for the arms enumerated under (3) above;

"(5) Grenades, bombs, torpedoes, mines and depth charges, filled or unfilled, and apparatus for their use or discharge;

"(6) Tanks, military armored vehicles, and armored trains; armor plate and turrets for such vehicles.

"Category II

"Vessels of war of all kinds, including aircraft carriers and submarines, and armor plate and turrets for such vessels.

"Category III

"(1) Aircraft (piloted), both heavier and lighter than air, unassembled, assembled or dismantled: (a) classified from the standpoint of military security; or (b) especially designed for warlike purposes; or (c) having a weight empty greater than 35,000 pounds;

"(2) Nonpiloted aircraft and guided missiles, unassembled, assembled or dismantled;

"(3) Any part, component, accessory, or device, of or pertaining to an aircraft either heavier or lighter than air, whether shipped alone or in an unassembled or assembled aircraft: (a) which is classified from the standpoint of military security; or (b) which (1) is not in general use in commercial aircraft and (2) is either especially designed for warlike purposes or adaptable substantially to increase the efficiency or performance of aircraft used for warlike purposes.

"Category IV

"(1) Revolvers and automatic pistols using ammunition in excess of caliber .22;

[1] 12 Federal Register 1127.

"(2) Ammunition in excess of caliber .22 for the arms enumerated under (1) above, and cartridge cases or bullets for such ammunition.

"Category V

"(1) Livens projectors, flame throwers, and fire-barrage projectors;

"(2) a. Mustard gas (dichlorethyl sulfide);

"b. Lewisite (chlorvinyldichlorarsine and dichlordivinylchlorarsine);

"c. Methyldichlorarsine;

"d. Diphenylchlorarsine;

"e. Diphenylcyanarsine;

"f. Diphenylaminechlorarsine;

"g. Phenyldichlorarsine;

"h. Ethyldichlorarsine;

"i. Phenyldibromarsine;

"j. Ethyldibromarsine;

"k. Phosgene;

"l. Monochlormethylchlorformate;

"m. Trichlormethylchlorformate (diphosgene);

"n. Dichlordimethyl ether;

"o. Dibromdimethyl ether;

"p. Cyanogen chloride;

"q. Ethylbromacetate;

"r. Ethyliodoacetate;

"s. Brombenzylcyanide;

"t. Bromacetone;

"u. Brommethylethyl ketone.

"Category VI

"(1) Propellent powders;

"(2) High explosives as follows:

"a. Nitrocellulose having a nitrogen content of more than 12.20 percent;

"b. Trinitrotoluene;

"c. Trinitroxylene;

"d. Tetryl (trinitrophenol methyl nitramine or tetranitro methylaniline);

"e. Picric acid;

"f. Ammonium picrate;

"g. Trinitroanisol;

"h. Trinitronaphthalene;

"i. Tetranitronaphthalene;

"j. Hexanitrodiphenylamine;

"k. Pentaerythritetetranitrate (penthrite or pentrite);

"l. Trimethylenetrinitramine (hexogen or T_4);

"m. Potassium nitrate powders (black saltpeter powder);

"n. Sodium nitrate powders (black soda powder);;

"o. Amatol (mixture of ammonium nitrate and trinitrotoluene)."

"p. Ammonal (mixture of ammonium nitrate, trinitrotoluene, and powdered aluminum, with or without other ingredients);

"q. Schneiderite (mixture of ammonium nitrate and dinitronaphthalene, with or without other ingredients).

"Effective February 20, 1947, this proclamation shall supersede Proclamation 2549, dated April 9, 1942.

"In witness whereof, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

"Done at the city of Washington this fourteenth day of February in the year of our Lord 1947, and of the Independence of the United States of America the one hundred and seventy-first.

"By the President:

[SEAL] "HARRY S. TRUMAN,

"G. C. MARSHALL,

"Secretary of State."

MEMORANDUM

Subject: Loss of United States nationality.

The controlling legislation on the subject of loss of United States nationality is contained in the Nationality Act of 1940, approved October 14, 1940. The pertinent direct quotes from the law read as follows:

"SEC. 401. A person who is a national of the United States, whether by birth or naturalization, shall lose his nationality by:

"'(b) Taking an oath or making an affirmation or other formal declaration of allegiance to a foreign state; or

"'(c) Entering, or serving in, the armed forces of a foreign state unless expressly authorized by the laws of the United States, if he has or acquires the nationality of such foreign state'."

To accommodate those persons who entered the armed services of other nations prior to our entry into the First or Second World Wars, Congress amended the Nationality Act on April 2, 1942, as follows:

"SEC. 323. A person who, while a citizen of the United States and during the First or Second World War, entered the military or naval service of any country at war with a country with which the United States was or is at war, who has lost citizenship of the United States by reason of any oath or obligation taken for the purpose of entering such service, or by reason of entering or serving in such armed forces, and who intends to reside permanently in the United States, may be naturalized by taking before any naturalization court specified in subsection (a) of section 301, the oaths prescribed by section 335. Any such person who has lost citizenship of the United States during the Second World War may, if he so desires, be naturalized by taking, before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 335. For the purpose of this section, the Second World War shall be deemed to have commenced on September 1, 1939, and shall continue until such time as the United States shall cease to be in a state of war. Certified copies of such oath shall be sent by such diplomatic or consular officer or such court to the Department of State and to the Department of Justice (as amended by the act of April 2, 1942)."

[From the New York Herald Tribune of January 28, 1948]

ACTION ON PALESTINE

While the United Nations Commission prepares the report due February 1, the situation within Palestine steadily deteriorates. What had been plain to many observers from the beginning—that partition could not succeed without being enforced—is now too plain for anyone to deny. Yet the means of enforcement are still far from being put into effect, to say nothing of being generally agreed on. The major constructive move of UN, the best example of cooperation between the western countries and Russia, and a policy to which our own country stands deeply committed, all are in jeopardy because men have not been able to act according to the clear compulsions of necessity and interest.

The timetable of the steps which were to lead by next October to the establishment of a new Jewish state has already been cast into the discard. A port will not be opened to substantial Jewish immigration by the beginning of February. In all likelihood, provisional governments for the Jewish and Arab areas will not be set up by the beginning of April. What will ensue when Britain's withdrawal is completed by August becomes increasingly problematical, in view of fighting which seems to be changing its character from spasmodic riots to settled war.

The United States cannot undertake by itself enforcement of the partition plan, nor should it seek by unilateral action to arm the present Jewish militia for their own defense. But our direct stake in a solution, derived from a humanitarian concern for the Jews, a belief in UN, and a strategic interest in the Middle East, permits no evasion of responsibility. The United States must act, and the obvious form of action is through UN, demanding that the Security Council take immediate steps toward a settlement. The amount of force that will be required to reach the settlement will diminish in proportion as we move swiftly and place the whole force of our prestige behind that of the international organization.

[From the New York Herald Tribune of January 27, 1948]

CHAOS IN PALESTINE

COST OF TIMID PROCRASTINATION

(By Sumner Welles)

Within the past 8 weeks, Palestine has become a shambles. Open warfare, carnage, assassination, and reprisals are the order of the day. The tally of the dead and injured is mounting hourly. To an increasingly callous public, Palestine seems to have already become just one more tragedy in a world that is filled with them.

There is all too little recognition in this country of the danger to American security and of the threat to the survival of the United Nations that are inherent in this drift toward chaos.

Our national effort is now directed toward the preservation of the independence of Italy, Greece, and Turkey as the surest means of preventing Russian domination of the Mediterranean. If large-scale hostilities break out in the eastern Mediterranean, which enable the Kremlin legitimately to claim that Russia must take armed action to safeguard her vital interests by restoring peace in a region adjacent to her frontiers, is it likely that our policy will be successful?

The Arab Higher Committee has informed the Secretary General of the United Nations that it will try to prevent the establishment of an independent Jewish state in Palestine by every means within its power. This is a flagrant violation of the solemn commitments into which the Arab states entered when they subscribed to the United Nations Charter. It is nothing more nor less than a declaration of war upon the United Nations.

The newspapers in Syria and in the Lebanon openly boast of the recent invasion of Palestine by troops equipped and trained in those two countries. One hundred and ten Egyptian officers have been granted 6 months' leave with full pay to command Arab volunteers in Syria. The Egyptian Government has appropriated $2,000,000 to help to arm the Arab forces fighting against partition. The Cairo press reports that arms and ammunition are being sent by friendly governments to Arab League headquarters for the use of these forces.

The Arab League would never have dared pursue this policy of defiance had the Arab states known from the outset that the United Nations was able and prepared to enforce its partition decision.

In the final days of the Assembly debate the United States suggested the establishment of an international volunteer constabulary to serve in Palestine. The proposal was obviously ill-advised. These volunteers could not have been adequately screened. The Soviet and American Governments would each have claimed that such a constabularly was a Trojan horse containing agents of the other. The suggestion was fortunately rejected.

When the partition resolution was finally adopted it included a mere appeal to both Jews and Arabs to create local militias. Such a recommendation, without any provision for United Nations control, was tantamount to an incitement to conflict.

Until now, the United Nations Palestine Commission, set up by the Assembly to supervise partition, has done nothing more effective than discuss how such militias could function or whether the Security Council should be asked to intervene.

The Security Council, notwithstanding the acts of aggression committed in Palestine, and notwithstanding its clear-cut obligations under article 39 of the Charter to take action "to maintain or restore international peace and security," continues to be silent. And in this case, since the Soviet Union officially supports partition, the veto is not the cause of inaction.

If the wave of anarchy in Palestine spreads further, human passions will soon be out of control.

The British Government persists in its stultifying policy of noncooperation. But the blame for what is going on should be laid primarily upon the United Nations for its timorous procrastination. It should also be laid upon the United States for its failure to assume leadership before the adjournment of the Assembly by insisting that adequate measures be taken to prevent this threat to the peace of the world, which could then already be clearly foreseen.

If the United Nations either will not or cannot enforce such decisions as its decision upon the partition of Palestine, it cannot survive.

I long since urged in this column that the measure that could best prevent the outbreak of a major war in the Near East, and at the same time avoid increased antagonism between the United States and the Soviet Union, was the dispatch by the Security Council to Palestine, in accordance with article 43 of the Charter, of a United Nations police force composed of small contingents from the regular military establishments of five or more of the intermediate or lesser powers.

A token force should be sent immediately to Jerusalem as a symbol of United Nations authority. This should be gradually increased to replace the British troops as they evacuate. There is no plan that has yet been suggested that can prevent rivalries between the major powers, keep the peace in Palestine, and restrain the ambitions of the Arab League.

If the whole of the Near East is not soon to be aflame in a devastating conflagration, if our own national policy is not to fail ignominiously, and if the United Nations is to preserve any semblance of authority, instant action by the Security Council is imperative.

United Nations in 1948

EXTENSION OF REMARKS
OF
HON. GLEN H. TAYLOR
OF IDAHO

IN THE SENATE OF THE UNITED STATES

Wednesday, January 28 (legislative day of Monday, January 26), 1948

Mr. TAYLOR. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD an address on the subject United Nations in 1948, broadcast December 31, 1947, by Arthur Gaeth, the well-known commentator.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

President Truman greeted his last news conference of the year today voicing confidence that the world will achieve a workable peace through United Nations in spite of difficult 1947.

When Mr. Panyushkin presented his credentials, the President told the newly appointed Soviet Ambassador that both Russia and the United States must show a mutual spirit of good will and confidence in solving the present world situation.

In Vatican City, the Pope pleaded with the great powers to remember that peace is indivisible. He emphasized that the Holy See does not accept the thesis that the year 1948 may be the most disastrous in history.

The stories of the President's personal physician, Dr. Graham, and his brokers, Bache & Co., do not agree. Graham said he had been an unwitting speculator in grains. The company said, "Tain't so; he'd been a customer since 1946 and all transactions were made with his knowledge."

In a few hours we will enter what may be one of the most perplexing of years. Certainly it will be exciting. First of all it will be a grab-your-man year. Then, we will have national elections. Mr. Wallace added to the perplexities when he threw his hat into the Presidential ring on Monday. Speculation has it that as a result Mr. Truman can't win. Mr. Wallace couldn't win anyway so that the Republicans will be able to turn to the politico's favorite, Mr. TAFT, and he'll be the next President.

But, not so fast. Not so fast. Anything can happen. The Republicans have promised they would open every session of Congress with a prayer and close it with an investigation. They are in an uncovering mood. Their Senator BREWSTER is now in Arabia risking his neck but looking into oil. He thinks there is something unsavory in that oil area. Syria and Lebanon refused to let him into their country. The State Department frowned, but he is there, and he is investigating. The Republicans can uncover and make their political opponents look bad but they cannot cover up a congressional record—that they must make.

Nineteen hundred and forty-eight will not be a year to chart in advance. Top administration economists talk about no depression and prosperity in 1948. But the way things are going, we won't need a depression for many people to get hurt and then take it out on someone in voting.

For example, in 1947 we had a national income which increased 12 percent or $22,000,000,000 over 1946 but that huge buying power couldn't force down prices. Agriculture didn't increase production one bit. While industrial products increased 9 percent, the goods we stocked in warehouses and on shelves went up one-fifth or $8,000,000,000. While you and I spent almost $28,000,000,000 or 22 percent more money in 1947, the purchasing power of our wages and salaries in terms of what they bought before price control was wiped out was actually 6 percent less.

If conditions continue as they are—and Congress has done nothing to change them in spite of all the talk—Mr. Truman told his press conference today they didn't even give him a slice of bread with their legislation instead of what one correspondent called a half a loaf—if conditions continue, some economists think the cost of living can rise another 25 percent in 6 months—that Congress may be forced by May to vote price control and rationing. Republican Senator WILSON of Iowa recently told his colleagues to quit kidding the public. While buying power hasn't increased and people are taking from their savings—while the national income went up 12 percent corporation profits after taxes went up 33 percent—a disproportionately large gain. No wonder the President's economic advisers stated in their report of December 13 that "the accumulations of capital over the years * * * involved deprivations of the rank-and-file worker and that our system cannot go on progressing or even functioning efficiently unless its expanding product goes to all potential consumers."

All this plays a role in the way people vote. In spite of Mr. Wallace, the Republicans have no election security.

It is with their foreign policy the Democrats can have trouble, not only from the Republicans but from the electorate. They have operated on a crisis basis. Now, if the next crisis were to include sending troops abroad—American mothers and fathers might do some deep thinking.

Greece is still in a crisis. Walter Lippmann wrote on Tuesday that it might not be the Yugoslavs or Russians who are making that crisis but the actual conditions inside Greece. Our people who said last March that if we would only let the Greeks have $300,000,000 and 78 advisers, that would pull them out of a hole—are now saying we must let the Greeks have two divisions of our soldiers—then they'll pull through—otherwise our reputation is at stake. We are feeding 100,000 Greek soldiers—have sent them 74,000 tons of military equipment. And the 20,000 guerrillas seem to be gaining in strength. Are the Russians and their supporters responsible? Much closer to the truth may be the fact that the people lack confidence in their government. Now that a revolutionary government exists, more Greeks may actually try to get in touch with it, continuing to undermine the monarchist regime—so that our "Operation Rathole" can continue indefinitely. It could cost us another billion.

A new clamor has begun for China—not only that we send supplies but also hurry up some troops, or Chiang will be beaten. In Nanking, President Chiang Kai-Shek today called for an end to the Communist menace which he said came from within and from without. To keep the record straight—Henry Stimson, Republican in President Roosevelt's Cabinet, stated in his biography—excerpts which have been published in the Ladies Home Journal—that during the war the United States offered to train Chinese divisions but Chiang opposed. Stimson says the whole Chinese regime was riddled with graft and personal power politics—that Chiang's entire preoccupation was with keeping himself in power. Chinese leaders cried for our help but they wouldn't help themselves. Now that the times are catching up with Chiang—advocates of the American century want to pour American wealth into China.

Over in France there is trouble. Certain Americans have begun flirting with De Gaulle. While Stimson was in favor of supporting him during the war, he said about De Gaulle that he had inextricably confused the cause of France with the cause of General de Gaulle. Roosevelt regarded him as a narrow-minded French zealot with too much ambition for his own good and some rather dubious views of democracy.

It is in this field of foreign affairs that Mr. Truman and the State Department may have their biggest troubles with the voters. Our policy backs national leaders who can be accused of not having had the best interests of their own people at heart. Our policy aims to aline the American public with causes which in the long run will not succeed, while they bring us the animosity and antagonism of the Chinese, Greeks, French, and others, for intrenching such leaders—and the American people pay for it.

To keep out of those rat holes will not be easy. There are Russian and American power politics involved. Both countries have sought to weaken UN, an institution they cooperated to create. There is no hope of escaping the inevitable result of power politics in an atomic era. Over 300 years it has only led to war. There is hope in collective security—where no nation can have its own way, where there must be compromises—and where patience and faith must be maintained if the long-range goals of peace and a world in which all people can exist

in spite of environment and belief—are to be maintained.

Tonight, on the eve of a new year—a year in which the most important problem confronting world peace is that of blunting the horns of the Russian Foreign Commissariat and the American State Department and turning them back to graze in the international pasture with the rest of the world—I asked the Secretary General of the United Nations for a special New Year's message. The man who will speak to you by transcription is a 51-year-old Norwegian—son of a carpenter, Oslo University graduate, long-time labor lawyer, and Norway's Foreign Minister during the war. He is a man given to much common sense, not easily discouraged in causes for the interest of humanity. The Honorable Trygve Lie, Secretary General of the United Nations:

"Throughout the world, tonight, men and women and children say farewell to another fateful year and turn their thoughts to a fresh New Year, full of hope that it will bring them a better future.

"The year 1947 was the second full year of peace after the Second World War.

"We could not have expected that this period, in the immediate aftermath of a world catastrophe, would be free of troubles.

"What we did hope for was steady progress back toward a normal world, in which human beings could pursue their lives in freedom from fear and hunger and the many problems which afflict humanity.

"We hoped that this year would help to dissolve the differences which have divided the great powers since the war—that it would restore the feeling of comradeship which brought them victory.

"Some of those hopes have been realized. Many countries which were stricken by the war have begun to recover economically and to restore to their peoples a fair degree of normal living. Other peoples have realized aspirations for independence which they have cherished for many generations.

"In the councils of the United Nations the member nations have found it possible to come to agreement on many matters which affect the well-being of the world.

"Yet we have been disappointed in the greatest hope of all—the hope that the great powers would be able to move, definitely and progressively, toward an understanding on the questions which divided them.

"This lack of understanding has prevented us from achieving all that we should have achieved in relieving the plight of tens of millions of suffering human beings.

"Let us look these facts full in the face as we turn toward the year to come. Let us, above all, not forget for one second that our first duty in these tragic times is our common, collective duty to improve the situation of these miserable millions of our fellow men.

"In this situation we all have one thing in common—the United Nations. In the Charter we have a solemn and binding set of principles and an agreement regarding the methods which we must follow in realizing those principles. Today 57 nations subscribe to those principles. These 57 nations meet regularly to settle their differences in accordance with the rules laid down in the Charter and to devise methods by which they can accomplish the constructive goals of the Charter.

"During 1948 we must continue to hope for a change in the tide of disagreement between the powers, so that we may be allowed to move more swiftly forward in settling our problems. We must never give up hope for an agreement and we must never stop working for it.

"On the other hand, and at the same time, we must make the most of what we have. We must stand behind the United Nations and increase its strength. We must believe in it and we must make sure that other people believe in it. Its prestige must be so great, in the minds of all people, that it will be able to defend, and to practice, the principles for which it stands.

"With the combined support of ordinary people, all over the world, the United Nations stands today as a mighty barrier to war and the hope of all mankind for a better world. Believe in it, work for it, defend it during the years to come."

Thank you, Mr. Lie. It is the hope for the future we dare not lose. We must back it with support for the United Nations, insisting that our leaders must not bypass instruments of cooperation, faulty as they may be, until better ones are achieved—that going our own headstrong way because we have power makes only for war and not for peace.

The St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Wednesday, January 28 (legislative day of Monday, January 26), 1948

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD two statements on the St. Lawrence waterway which I have issued today, as well as an editorial on the same subject from the Detroit News of January 26.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

COMMENTS ON PROPAGANDA CAMPAIGN AGAINST ST. LAWRENCE WATERWAY

The worst propaganda deluge of half truths and untruths has assailed the Members of Congress on the St. Lawrence waterway, surpassing the propaganda barrage, I believe, of any previous issue in the Eightieth Congress. All sorts of letterhead organizations, inspired by a certain few selfish interests, have poured in a mass of unjustified criticisms of the St. Lawrence seaway in a futile hope, I believe, to defeat the project.

Even distinguished organizations like the railroad brotherhoods, from which we might have expected a more forthright approach, have deluged their members with fear propaganda to the effect that railroad jobs would be destroyed by a project which would actually create thousands of new railroad jobs and would have an insignificant, if any, adverse effect on existing railroad jobs.

A whispering and rumor campaign has been set in motion against the St. Lawrence seaway too. Among the false rumors and innuendos is the one to the effect that the St. Lawrence seaway will compete with funds which would otherwise have been made available to other projects throughout the United States. This is a base rumor, which should be nailed as a complete fabrication.

The St. Lawrence seaway actually involves insignificant appropriations, probably around $70,000,000 at the most, for each of the years of its construction. It would be ridiculous to assume that this small sum would detract from the hundreds of millions of dollars which we are spending for other domestic purposes. The seaway is entirely unique, a natural sea artery presented to us almost complete by nature and unlike any other project anywhere else in our land.

The opponents of the St. Lawrence seaway stand accused before the American Nation of unleashing this fear campaign, a campaign designed to arouse the most provincial, sectional feelings, the most selfish interests, rather than to appeal on a national basis to the common sense and wisdom of the American people in looking after the interests of their entire country.

COMMENTS ON ST. LAWRENCE SEAWAY

The headlines in every American newspaper regarding America's current problems belie the ridiculous contentions of the opposition to the St. Lawrence seaway, which are fantastically out of step with our times. The headlines tell us of a fuel-oil shortage because of lack of transportation, which the St. Lawrence seaway might have helped divert, if it had been previously established.

The news of the terrific bottleneck in shipment of foods via rail also serves to render ridiculous the assertions of the seaway's opponents that this new 2,500-mile sea artery is not necessary. Reports of Russian industrial and electrical energy expansion abroad are a further stark commentary on the incredible short-sightedness of opponents of the waterway.

Opposition to the waterway on sectional grounds is obviously wholly unjustified because of its value to national defense and commerce and because no harm would actually be done to any single section of the country by the waterway. On the other hand, opposition to the seaway on national grounds is even more ridiculous because of the testimony of the Joint Chiefs of Staff to the national defense value of the seaway as well as the endorsements of every leading American political figure—every President since Harding, on the national importance of the seaway.

If the opposition to the seaway succeeds in once again delaying this project, it will have on its conscience the guilt of delaying the natural development of our country and of sabotaging, in part, our future progress and military defense.

[From the Detroit News of January 26, 1948]

MIDWEST WANTS ROUTE TO THE SEA

"The perpetually 'dream-walking' St. Lawrence plan seems a reverie beneficial only to a small Great Lakes section—and Canada."

This observation winds up a Boston Herald editorial on the seaway, which in several other respects is careless with the truth about the project.

The small section to be directly benefited by the seaway includes some 40,000,000 Americans, almost the population of Great Britain. It includes 46 percent of American manufacturing capacity, 85 percent of the steel industry. It includes a very large part of the country's food production.

This section, though landlocked, originates a respectable portion of American foreign trade, which with opportunity would be bigger. It wants access to ocean transportation, which Boston has.

It feels that, if it is all right to spend Federal money on deepening Boston harbor, it is equally right to spend on damming and flooding out a few miles of St. Lawrence rapids that alone bar deep-draft navigation from the Great Lakes to tidewater. However, the seaway plan now calls for ship tolls, plus electric power revenues, to repay the cost in full, making it no burden at all on the Treasury.

The seaway is a dream, yes; yet much more than a dream.

It is a project, for which blueprints long ago were ready, the test bores made for the navigation and power works. During its 30 years as a project, it has been studied as to potential traffic and economic benefits, local and national, far more thoroughly than any public project in American history.

And that includes even the Panama Canal, which had to overcome a similar campaign of lying misrepresentation.

Seven Presidents of the United States have urged construction of the seaway, and all

that has stood in its way has been the kind of dog-in-the-manger opposition typified by the Boston Herald's sneer at Midwestern aspirations.

This project may in fact remain perpetually a dream, until the Middle West at long last gets mad over that sort of thing and strikes back.

That "small section," besides people and industry, also has votes. It has plenty, for example, to block the harbor improvements for which Boston, New York, and the rest so cheerfully expect midwesterners to pay.

Ideology or Balance of Power?

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Friday, January 23 (legislative day of Wednesday, January 21), 1948

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an outstanding and excellent article entitled "Ideology or Balance of Power?" by William G. Carleton, reprinted from the Yale Review. Mr. Carleton is professor of political science at the University of Florida. I am informed by the Public Printer that it is estimated the article will make 2⅓ pages of the RECORD at a cost of $165.67.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IDEOLOGY OR BALANCE OF POWER?

(By William G. Carleton)

If you are a teacher of a college class in international relations, as I have been for the past decade, the moment will inevitably come that you half dread and half eagerly welcome: one day some student will rise and ask the $64 question. "Professor," he will say, "are we Americans wary of Russia because we fear communism or because we fear that Russia will upset the balance of power? Which is more important—that thing we call ideology or the balance of power?" That question raises the fundamental philosophic issue of our time—the issue which goes to the very heart of international relations.

What is the chief element in formulating the foreign policy of a nation? Is it ideology or is it balance of power? Is it both? If both, which weighs the more?

Did Sparta and Athens fight the Peloponnesian War because of the conflict of their social and political systems or because each feared the collective power of the other? Was Whig Britain at war with Bourbon France because of the rivalry of different institutions or because of the clash of competitive imperialisms? Did Burke's Britain fight revolutionary France because of Tory fear of the Jacobins or because Britain feared for the balance of power? Did the United States go to war with Germany in 1917 and again in 1941 because of a conflict of cultures or a conflict of power?

What is this thing called "ideology"? There are, of course, ideologies and ideologies, and the term needs clarification.

Nations differ from each other in cultural and institutional patterns. But institutions inside nations are forever undergoing changes. These changes bring on institutional conflict within nations. Some fear these changes while others favor them. Very often the institutional conflict taking place inside one nation is at the same time also taking place inside other nations. In other words, the struggle for institutional change often cuts across national boundaries.

In one age, the emphasis is on one aspect of cultural or institutional change; in another age, the emphasis is on another aspect. In the sixteenth century and the early seventeenth century, the chief institutional conflict inside countries involved religion. In some countries the Protestants won, and in other countries the Catholics won. But inside Protestant countries, there were Catholic minorities, and inside Catholic countries, there were Protestant minorities. Later, the chief institutional conflict was over constitutional and representative government. In some countries constitutional government won, and in other countries absolute monarchy held its own; but in countries where constitutional government won, there were still those who clung to the divinity of kings, and in countries where absolutism won, there were minority groups which favored constitutional and representative government. Still later, the chief institutional conflict was over political democracy. However, in countries where democracy triumphed, there were minority groups which opposed it, and in countries where democracy made little headway, there were minority groups which championed it. Today, in this middle of the twentieth century, the chief institutional conflict centers around the ownership of productive property. The struggle is one of capitalism versus some form of collectivism. Inside almost every country this struggle is taking place in one way or another. In some countries collectivism is farther advanced than in others. Those in one country who favor collectivism find themselves in sympathy with those in other countries who favor it. Those in one country who oppose collectivism find themselves in sympathy with those in other countries who oppose it.

The decisive institutional conflict of any age has come to be known as the ideological conflict. While, in general, that conflict was in the seventeenth century waged over religion, in the eighteenth century over constitutional and representative government, and in the nineteenth century over political democracy, in the present century it is being waged over socialism.

That the institution or ideological conflict is waged inside many nations at the same time, that the new institution struggling to be born is farther advanced in some countries than in others, that this conflict cuts across national lines and leaves people and groups within the various countries with ideological sympathies for similar groups in other countries—all of this enormously complicates international relations. International wars often take on the appearance of deep-seated ideological conflict involving not only national interests but future institutional and cultural development. Men who belong to minority groups are often torn between two loyalties—loyalty to ideology and loyalty to nations. Such men may be damned as Trojan horses and fifth columnists if they follow their ideological impulse; they may be damned as disloyal to their ideology if they follow their national impulse.

What if a situation arises in international policies in which ideology and national interest do not coincide? In that case, which is put first by those who conduct the Nation's foreign policy—ideology or national interest?

As we look back on the past, it seems that, when the hour of decision struck, the national urge was generally stronger than the ideological. During the Thirty Years' War, in an age when the chief ideological conflict was religious, Catholic France went to the aid of Sweden and the German Protestants in their conflict with Catholic Austria. To Cardinal Richelieu and other French leaders of the day it was more important for France to check Austria, for the Bourbons to humble the Hapsburgs, than for Catholics to stand together against Protestants. In the late seventeenth century and in the eighteenth century, it usually seemed more important to the absolute monarchs of Vienna and Berlin to check the French nation than that Hapsburgs, Hohenzollerns, and Bourbons should stand together in ideological alliance to maintain absolutism against the slowly rising tide of constitutionalism. Britain fought Bourbon France, Revolutionary France, and Napoleonic France, for while the ideologies shifted and changed, the national rivalry and imperialist conflict did not. In more recent times, Tsarist Russia has been allied with republican France, democratic Britain with oligarchic Japan, democratic America and democratic Britain with Communist Russia, and Communist Russia with Nazi Germany. National interests make strange bedfellows—in the face of a threat to the balance of power, nations will make alliances with the ideological devil.

Where, in general, the dominant ideology within the Nation and the national interest do coincide, in what direction have the ideological minorities usually gone? In a crisis, what have these minorities done—have they followed their ideologies or their national patriotisms? In the past the tug of national loyalty has generally won out over ideological persuasion. British Catholics rallied to Elizabeth in her fight with Catholic Spain. Charles James Fox's Whigs rallied to Pitt in the national fight against Napoleon. And in the two global wars of this century the Socialists did what they boasted they would never do—in the main, they rallied to the national standards. A Coriolanus and an Alcibiades, a Vallandigham and Petigru, a Quisling and an Einstein, a Laval and a Thomas Mann are relatively rare in history. (This is, I know, an incongruous list of saints and sinners, but they have this one thing in common: in one way or another, all sacrificed homeland for ideology.) And should all our hopes of peace collapse and the future see a third world war involving the Soviet Union against the United States, it is still a safe prediction that Eleanor Roosevelt and Col. Robert McCormick, Max Lerner and Hamilton Fish, Philip Murray and John Bricker, Henry Wallace and Lawrence Dennis would be fighting side by side in the name of national interest and national survival.

However, it would be a mistake to come to the conclusion that because ideology has not played the leading part in historic international relations it has played no part at all. It has played its part, an important part. Where national interests and dominant ideology within the Nation coincide, a national war can be made to appear an ideological one, morale can be strengthened, and enthusiasm intensified. If a nation possesses considerable ideological unity it will be in a stronger position to win a war, if a nation's enemies are ideologically divided those enemies will be more susceptible to fifth-column tactics. When a country is rising to challenge the old balance of power, nations thus threatened will make alliances more easily and earlier if they have similar institutions and cultures; alliances will be more difficult and will come later (perhaps too late) if the nations thus threatened have dissimilar institutions and cultures.

Just as national interests and balance-of-power considerations seem to have been the most important causes of war, so also they seem to have been most affected by war. The results of international wars seem to have been more significant in their national and balance-of-power aspect than in their ideological aspect. The Grand Alliance against Napoleonic France checked France and saved the European balance of power but did not succeed in arresting the spread of revolutionary ideas. The Grand Alliance

won the war nationally but in the end lost it ideologically. However, when nations outside of France became more and more influenced by French revolutionary ideas, those ideas took on the appearance of being their own—they were assimilated into their own national cultures. Again, at the close of the First World War, it appeared that middle-class democracy would triumph in the world, but now we can see that instead, the First World War marked virtually the end of the advance of middle-class democracy in any large areas of the world. However, the First World War did parry the German threat to the balance of power; it did temporarily satisfy the national interests of the victors; the war was won nationally even though it was lost ideologically. Again, the victory of the United Nations in the Second World War saved the world from a second German threat to the balance of power—that much is certain. Perhaps, it will also have hastened socialism, but, in any event, the ideological results are not so clear as the national ones.

It seems, then, that the influence of great wars on the cultural and institutional trends of the time is exaggerated. These trends arise out of conditions and forces operating within the nations. Wars affect them. Wars may accelerate these trends or slow them up. Wars hardly create them.

The Marxists would claim that what appears to be the national interest has in fact been primarily the interest of the dominant class in control of the state and that class interest has governed the foreign policy of national states and involved national states in wars for class ends. The great national wars, according to Marxist doctrine, have been wars in the interests of the dominant economic classes in the warring nations—conflicts of rival imperialisms. Where, in the past, ideology has seemed to split the dominant class, such ideological conflict, according to the Marxists, has been superficial or at least secondary to that class' economic interest. When a threat has appeared to the economic interest of the dominant class, these secondary ideological ranks have been closed in the class interest masquerading in the name of the nation. Of course, say the Marxists, the Catholic landlords and businessmen of Elizabeth's day rallied to the fight against Catholic Spain because their profits were involved. Of course, the Marxists say again, the Charles James Fox Whigs, enamored though they were of many of the principles of the French revolution, rallied to the war against revolutionary France because their dividends from the British East India Co. and from many another chartered company were at stake. (They fail to recall that the peace party in Britain led by Fox did not actually rally to the war until France under Napoleon had threatened to control the Channel and invade Britain.)

To be sure, the great conflict is ideological, say the Marxists—an ideological conflict between the exploiting capitalists and the exploited workers—and when this ideological conflict comes to the fore and cuts across national states, then the conflict between nations will be seen to be a sham and a swindle, the ideological factor will become stronger than the national factor in international relations, national wars will be converted into civil wars, and the erstwhile dominant economic class, now embattled, will find it more and more difficult to cloak its class interests in the garment of nationalism.

It may be that the Marxists are correct as to the future. It may be that the ideological will supersede the national as the No. 1 factor in international relations. It may be that now the great institutional conflict within nations has come to be directly economic (and not indirectly so, as in the case of many of the ideological conflicts of the past) and the fundamental issue easier for all to see, that more and more will men respond to the class and ideological appeal rather than the national appeal. And if men more and more are learning to think as the Marxists do (the postwar elections in Britain and especially in Continental Europe indicate that they are) then it is quite possible that our century will see international relations conducted in fact and in name more along ideological than national lines. Indeed, the Second World War was in many ways a series of civil wars, with Socialists and Communists in Axis countries praying for an Allied victory and fascists in Allied countries supporting collaboration with the Axis. Ideological minorities were cooperating with the national enemy on a scale never equalled in the days when Protestantism or constitutional government or political democracy was the pivot of ideological conflict—though perhaps some of this cooperation should be credited to the increase and improvement in the means of communication. And today, Henry Wallace speaking to Britain in a way hostile to the views of a majority of his own countrymen or Winston Churchill speaking to America in a way hostile to the views of millions of Left-wing Britons is another example of how in our time ideology cuts across national boundaries.

At present, the United States and the Soviet Union face each other as the predominant powers of the earth. Each is viewing world politics in a different light from the other.

Our policy-makers are thinking more in the old terms of nationalism, self-determination, and the balance of power. Soviet influence on leftist parties the world over is looked upon largely as old-fashioned aggression and imperialism. There is widespread fear that Russia as Russia will upset the balance of power in Europe and Asia. Poland and Rumania and Bulgaria and Yugoslavia and China are appealed to by our Government on the basis of national self-determination. (National self-determination, once a liberal rallying cry, has become also a conservative shibboleth.)

The Soviet leaders, on the other hand, are thinking more and more in terms of idealogical conflict, class warfare, social politics. To Soviet policy makers the contest in the world today is not so much one between the United States and Russia as it is between world fascism and world communist. And those in other countries who follow the Soviet lead take much the same view. Communists and extreme leftists the world over are giving their allegiance not so much to nations as to ideology. Russia is merely the instrument to be used in spreading ideology. Moscow influences Communist parties in all countries, and Communist parties everywhere influence Moscow. There is common indoctrination, consultation, cooperation. It is a two-way street, though the preeminence of Russia in the movement makes the outgoing counsel from Moscow weightier than the incoming counsel.

If a third world war should come—a war between the United States and the Soviet Union—for millions of leftists the world over that war would be viewed almost exclusively as an ideological one. In countries where the extreme left is in control, national policy would be made less on the balance-of-power idea and more on ideological considerations. In the United States, where Marxist ideas have scarcely penetrated at all, the war would be viewed in the old nationalistic terms. It would be a war to protect our shores from invasion, to uphold the balance of power, to save the world from Russian domination. As has already been said, in a final show-down nearly all of us would stand together. Our Communist fifth column would be smothered by the avalanche of nationalistic sentiment. American psychological warfare abroad would naturally reflect our own view of the situation, and we should probably err on the side of making too much appeal to nationalistic sentiments, which in large areas of the world would be effective only in rightist circles. Our own failure to take into account the enormous strides the ideological point of view has made among the masses of people in Europe and Asia in recent decades, and particularly since the Second World War, might betray us into making very serious mistakes in the conduct of that war.

Should the Communists eventually win control in important countries outside Russia—in China, in Germany, in France, in Italy—it is quite possible that ideology would triumph over nationalism and a new international state emerge. After all, the nations themselves were built not so much on contract as on class and functional foundations. The feudal states of western Europe were put together into national states by the rising bourgeoisie joining hands across the boundaries of feudal provinces and communes. Just as the national state (which sometimes cut across nationality) was made by the bourgeoisie, so a new international state may be made by the cooperation of leftist parties joining hands across national boundaries. If an international state should come about in this way, then, of course, the old balance of power as played by national states will be relegated to the historical limbo. The Communists still confidently expect that communism will lead to such an international state.

Of course, the Communists may be wrong about this. Nationalistic forces may be stronger than Communist intentions. When the Communists come into actual power in a country they inherit the national paraphernalia—the nation's history, culture, aspirations—and concessions have to be made to them. The Russian Communists have made many concessions to nationalism. The Chinese Communists have often pursued a course independent of Moscow, and if they should gain actual power in all China they might have to follow an even more independent course. Thorez, Communist leader in France, says over and again: "Different countries, different methods." And the moderate Socialists, even more than the extreme Socialists or Communists, have, of course, made many more concessions to nationalism and have proclaimed this as a virtue. Moreover, if the United States should use the moderate left (Socialists) to check the extreme left (Communists), such a policy might help to prevent a third world war and also help to halt a trend toward a Communist world state with the Soviet Union as its nucleus. Then, too, it is even possible, as Edward Hallett Carr has suggested, that in a state where everybody's work and wages and social security are dependent upon government, where the mass of people will seem to have as direct a stake in the national government as at one time only the bourgeoisie enjoyed, the mass of people may feel even more keenly their tie to the national government, and Socialist states might end by being a nationalistic or even more nationalistic than bourgeoisie states. If this should turn out to be the case (although the Marxist analysis that private ownership of the productive processes and private profits are the basis of imperialism and international conflict may prove to be sounder) then socialism, like the Commercial Revolution and the Protestant Reformation and the French Revolution and the early stages of the Industrial Revolution before it, will have ended by intensifying nationalism, in spite of the aims and intentions of many of its disciples. And then, should socialism spread and thus turn out nationalistic, the old historic pattern of the national balance of power would continue the dominant role in international relations, even though Socialist and Communist states remained nominal members of an international organization like the United Nations.

Of one thing, I think, we can be sure; even the creation of an international Communist state would not end the conflict over power. Within the international state would be dif-

ferent social and economic groups with different interests. They would fight for control, just as groups and classes within national states now fight for control. The international state would end the national balance-of-power conflict, but it would not end the ideological conflict inside it. The ideological conflict of the future will be different, but it will continue in some form. Even if the Marxists should achieve one-half of their ideal, the international state, they would not succeed in achieving the other half—the abolition of all its internal group differences. Within the international state would be geographical sections, cultural diversities, a wide gamut of different industries and economic enterprises, and various social classes: commissars, managers, unskilled technicians, skilled workers, unskilled workers, farmers, and so forth. These various factors and groups would generate conflict over government policies and there would arise struggles for power which even Communist purges could not keep down. These struggles would cut across the old national boundaries.

In short, evidence is already strong that the Marxists may be able to make the ideological conflict rather than the national conflict the pivot of midtwentieth-century international politics. As a result of this ideological conflict the more extreme Marxists—the Communists—may even be able to establish an international Communist state, but this is far less certain either because they may not win the ultimate international conflict even after succeeding in making the issue an ideological issue, or because the forces of nationalism may be too strong for the Communists once they inherit the various national governments. But even should the Communists win and establish an international Communist state, it is almost certain that new social and economic groups would arise to continue the struggle for power within the international state, peacefully perhaps, but a struggle nonetheless. If so, then national conflict over the balance of power would disappear, but ideological conflict within the international state would persist.

Should there be a third world war and should the United States, using the old shibboleths of nationalism, win the war, it is doubtful even then if political nationalism and the balance of power would continue as they have done in the past. We are perhaps too close to events of the last 30 years to be able to see just how far the old foundations of nationalism have already been eroded away. In the fifteenth century, participants in the wars of Louis XI and in the Wars of the Roses were too close to those events to realize that feudal power was being overthrown before their very eyes and a strong national power built. So probably with us today. The historians of the twenty-second century, more clear-eyed than we, may look back and see that the great international wars of the twentieth century were in fact dissolving nationalism and building internationalism.

For nationalism today is truly beset from all directions. Among the dissolving agents are: the cumulative impact of technology and science resulting in the continued drastic elimination of distance and space, the atomic bomb, the release of atomic energy, and the overwhelming necessity of having to extend international functionalism to control what in the future will probably be the world's most important source of industrial production; the palpable absurdities of Fascist nationalism and the revulsion from fascist nationalism even in countries which experienced it; the realistic education given millions of men who participated in the great wars of the twentieth century in areas remote from their homelands; the glaring fact that real national power in the international power conflict is today possessed by only two nations, leaving all other nations as mere outsiders with no important power; the growth of international cartels; the Socialist appeal to the brotherhood of man; the Communist insistence on international action and the actual cooperation of Communist parties from country to country; the Socialist outlook of many of the "nationalistic" leaders of the colonial countries in revolt against imperialism; the body of practical experience in international cooperation gained through the League of Nations and the United Nations. The Communists would put the world together through something like a Communist International; a majority of the people of Britain and the United States would prefer to see the world put together by the slow functional growth of an organization which originated in contract—the United Nations. (Inside the United Nations, too, there would, of course, be power politics, but as international functionalism grew it would come to be less and less power politics based on nationalism and more and more power politics based on ideology, that is, group and class conflicts cutting across the old national lines.) And there are those, like James Burnham and the oversimplifiers and distorters of Arnold Toynbee, who are so impatient with the slower and wiser methods of bringing an international state that they would have America attempt to build a universal empire to end "a time of troubles." Whatever method of putting the world together will ultimately prevail is still anybody's guess, but that the world in our time is in painful process of being put together is more than a guess—it is a hypothesis based upon a growing accumulation of evidence.

Thus anyone called upon to answer the crucial question in international relations today would be, I think, on safe ground in saying that, from the rise of national states and up to about now, the chief element in international relations has been nationalism and the national balance of power. But he should warn the questioner not to be misled by this historic fact or by the superficial aspects of the present diplomatic duel between the United States and the Soviet Union, especially as that duel is generally interpreted in the United States. Because this middle of the twentieth century may be witnessing the epoch-making shift in the foundation of international politics from the nationalistic balance of power to ideology, evidence of which we shall ignore at our peril.

Philosophy of Cyrus P. Ching

EXTENSION OF REMARKS
OF
HON. ELBERT D. THOMAS
OF UTAH
IN THE SENATE OF THE UNITED STATES

Wednesday, January 28 (legislative day of Monday, January 26), 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article on Mr. Cyrus P. Ching, Director of the Federal Mediation and Conciliation Service, by Mr. Louis Stark, from the magazine section of the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR NO. 1 LABOR CATALYST

THE PHILOSOPHY OF CYRUS P. CHING, CHIEF MEDIATOR, CAN BE SUMMED UP IN THE PHRASE: "GETTING ALONG WITH PEOPLE"

(By Louis Stark)

WASHINGTON.—All a labor conciliator has to know is: How labor feels; how management feels; what the law of the land is; how human nature operates. If this seems an exacting set of qualifications it may be said at once that they are presented in impressive array in the person of Cyrus P. Ching, who recently became the Nation's No. 1 conciliator. His official title is Director of the Federal Mediation and Conciliation Service, which Congress set up as an autonomous agency after 34 years under the Labor Department. The change signalizes the coming-of-age of conciliation; it also brings to a key post in the Government the man who has been called the dean of industrial relations experts.

It will be Mr. Ching's job to direct the Mediation and Conciliation Service in its efforts to settle—or, better yet, prevent—serious labor disputes. His team will consist of a 12-member labor-management panel, appointed by the President, and a staff of 225 conciliators. These latter will be the field force, to be dispatched to any part of the country in which labor troubles threaten.

The conciliation chief, 6 feet 7 inches tall, Canadian-born and hardy as a northern pine, is a disarming man. As he unwinds his long frame to greet the visitor and his deep-furrowed face breaks into a slow smile, he gives the impression of a country boy grown up. Which he is, except that most of his "growing up"—nearly 50 of his 71 years—has been among the contentious ranks of employers and employees rather than on his father's Prince Edward Island farm.

It was as director of industrial and public relations of the United States Rubber Co. and an industry member of the National Defense Mediation Board and National War Labor Board that Mr. Ching gained the experience and developed the philosophy that led to his present job. The essence of this philosophy may be expressed in his dictum that all relations in life, including those called public and industrial, are human relations and that there is therefore no one program for solving the problems that arise between employers and employees.

"Promoting proper labor relationships is nothing you can do overnight," he says. "It isn't anything you can do by law. You can set up machinery to soften the blows of people not inclined to get along together. You can pad their gloves a little, and it may be necessary to have a referee to do that. But in the last analysis labor relations begin down in the bottom department of the plant between the foreman and the employee."

The practical phase of the Ching labor philosophy can be summed up in the phrase, "getting along with people"—which may or may not be easy, according to the circumstances.

"There is not too much literature on the subject," he observes dryly. "However, one of the modern articles I have read in this field is in chapter V of the Book of Exodus. Pharaoh, the boss, in order to cut down expenses after suitable time studies had been made, said the boys would have to furnish their own straw to make bricks. Most of the straw had apparently been gathered by someone else and when they went out to get it there was nothing left but stubble and the quality of the bricks deteriorated.

"There was discussion also of the speedup system and some reference was made to outside agitators. The sitdown strike had not come into vogue at the time, so there was a walkout and the Israelites walked across the Red Sea and for the time being this incident was closed."

Regarding his new job, to which he was appointed by President Truman in August, Mr. Ching says the office of the conciliation chief "will not be a fire department."

"Stopping a strike is the same as putting out a fire. The more fires—disputes—the conciliators run to, the more fires there are going to be. People get used to having conciliators put out their fires.

"But we cannot measure the efficiency of a conciliation service by the number of fires it extinguishes. We can measure it only by

the machinery we build up to encourage people to settle their own disputes. In other words, the test of conciliation is how few disputes lead to strikes and how many disputes are settled directly by the parties, with whatever help we can supply. My job is to contribute to fire prevention."

Mr. Ching may occasionally contemplate the turns of fortune that led him to devote his life to human relations in industry. It was not for lack of opportunities that he did not enter a half dozen other fields.

When he left his father's windswept Canadian farm, he enrolled in a provincial business college with no clear idea of which way he was headed. Barely 19 when he finished college, he struck out for the great Northwest, where he bought grain for elevator companies. Home on a visit after several years at this work, he received a letter not to return, because poor crops in Alberta had wiped out his job.

In those days young men in the Maritime Provinces who considered leaving Canada made for either Boston or California. Young Ching chose Boston. On October 31, 1900, he stepped off a train in the Hub City carrying a gripsack, a copy of Bryce's The American Commonwealth, which he had read at 14, and $31. He went to work as a streetcar motorman.

For 3 months he was on the extra list and earned $8 a week. Later he was assigned to a regular run at $2.25 a day. One day he saw an employee in the car barn struggling with the accounts of the conductors and other employees. The man was plainly unhappy and the new motorman volunteered help. The offer was gratefully accepted. It was Mr. Ching's first opportunity to use his business-school training.

A year later the new elevated system was inaugurated, and men had to be trained to handle the electromagnetic brake system which controlled the multiple-unit cars. Mr. Ching soon mastered the technique and was eventually placed in charge of equipment and service.

Here he gained his first insight into what he felt was the wrong way of dealing with employees. He learned that the grievances of the men were not concerned primarily with wages and hours but with the manner in which they were treated as human beings. There was a spy system on the road and the men lived in perpetual fear of being fired. They did not trust one another, lest a fellow-employee should turn out to be a company stool pigeon.

In 1912, just before the historic strike on the Boston Elevated, Ching, then 36 and head of the rolling stock and the shops, was called into the company office to discuss "a little trouble." The management had no inkling of the real feeling of their employees.

"Pardon me, this is not a little trouble," the shop chief said. "There will be a strike next Wednesday." There was, and that was how he became an industrial-relations officer.

Ching's first act in his new assignment was to abolish the road's espionage system. He assured the employees that no company spy would attend union meetings and that henceforth he would deal with the union on an aboveboard basis. In a short while peace was restored.

Relations between the men and the management were not always smooth, however. The local union once threatened to strike over a grievance. "You won't strike," Ching told the union's spokesmen. "We'll arbitrate this dispute. I'm going to be arbitrary about it and name the arbitrator."

The impartial arbitrator he chose was William D. Mahon, the president of the A. F. of L. streetcarmen's union. The dispute was over interpretation of the contract and Ching felt the union president would interpret it fairly. But whatever the verdict, he was ready to abide by it.

During this time he became acquainted with Samuel Gompers, then president of the American Federation of Labor. He had such faith in the labor leader that he frequently called on him for help in working out labor problems on the Boston Elevated. One result of such cooperation was that the Boston Elevated had no further tie-ups while Ching remained with the company.

When Ching left Boston for the United States Rubber Co. he did so in characteristic fashion. He looked over the world of business, decided that rubber seemed a promising industry, then arranged to talk things over with Fred Hood, the leading rubber manufacturer. Hood advised him to offer his services to a competitor, the United States Rubber Co. Ching promptly wired C. B. Seger, president of the latter company, that he would call on him in New York the following morning at 10 o'clock.

"I don't want a job," he told the rubber executive the next day. "I want to help you run this company. My references are the motormen, conductors, and directors of the Boston Elevated." A month later he went to work.

One of Ching's first tasks was to handle a threatened strike in a Montreal subsidiary. The company's policy was that employees had no right to strike, that they were expected to do as they were told. The "special representative," as Ching was called, prepared a letter for the local manager's signature, notifying the employees that the company was soliciting their views on mutual problems. A copy of the letter was sent to the press.

Mr. Ching's solution was distinctly novel. He might have been fired for it, but he was not, and gradually the "open discussion" policy bore fruit. In the years that followed and up to the enactment of the Wagner Act in 1935, United States Rubber dealt with employees through joint labor-management committees.

Today the admiration of organized labor for Mr. Ching is unusually high. Most labor leaders feel that he is not bound by the past, but is adaptable and open to conviction. They also know that once having made up his mind he is not likely to change it.

"If Cy Ching gives his word, we can be sure he'll carry it out," one labor leader remarked recently.

Looking back at his earlier Government service and finding therein certain guideposts for the future, Mr. Ching believes that the time he devoted to the National Defense Mediation Board just before the war represented a greater contribution to public service than his duties with the better known War Labor Board. In the former case the emphasis was on mediation and conciliation, on voluntary action by the parties to disputes rather than on compulsion. In the resultant atmosphere of judicious compromise and ironing out of differences, he felt completely at home.

Later when he joined the War Labor Board, which was in the habit of issuing "directives," he was less happy. "The War Labor Board pushed people around," he says today. "That type of labor adjustment is not so satisfactory as the voluntary method."

As a pioneer innovator in industrial relations Mr. Ching has found himself frequently classified as a left-wing industrialist, but this does not disturb his equanimity. At a time when the Wagner Act was distinctly unpopular with business men he addressed a meeting of the United States Chamber of Commerce and advised its members to deal with unions.

"If we have confidence in our employees and they in us and they decide to join a labor organization, then should we not welcome that organization as another means of dealing with employees?" he asked. "The question of what organization our employees wish to join to deal with us is not so important as the nature of the dealings."

That speech, which was greeted with what he says was "the loudest silence I ever heard," was prophetic. In it he observed that industrialists usually deplore the inflexible regulations imposed on them by Government, and added:

"If industry persists in its attempt to put handcuffs and leg irons on organized labor and labor goes along with the politicians to put more shackles on industry, some of these days we'll both find ourselves where neither of us can do anything but spit at each other and then the politicians will stand by and laugh at us both."

Regarding the immediate future of labor relations he is making no predictions, but he is confident of one thing: in the long run the industrial scene will be more peaceful as the principle of collective bargaining is better understood.

Public Opinion Polls

EXTENSION OF REMARKS
OF

HON. THEODORE FRANCIS GREEN

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, January 28 (legislative day of Monday, January 26), 1948

Mr. GREEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article by Mr. Harvey M. Brown, president of the International Association of Machinists, which appeared in the Machinist, the weekly newspaper of that organization.

Mr. Brown's article comments on an article recently published in Look Magazine about so-called opinion polls on the Taft-Hartley Act which were conducted by that magazine. The latter article was printed in the Appendix of the RECORD, and so I think Mr. Brown's article should be printed there also.

I think the light Mr. Brown's article throws on the subject will be of interest to many Members of the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STOP, LOOK, AND LISTEN: THERE ARE JOKERS IN OPINION POLLS

Of all the propaganda now being distributed in defense of the Taft-Hartley Act, that best liked by employers everywhere is an article reprinted from Look magazine.

Look reported the results of one of those supposedly impartial public opinion polls through which it made the discovery that American working men and women really like the major features of the Taft-Hartley Act, even though they dislike the law itself.

This finding by the Opinion Research Corp., Princeton, N. J., so popular with the National Association of Manufacturers that the NAM News reprinted it in full, praising Dr. Claude Robinson, president of Opinion Research, as a research pioneer.

The Look article, NAM said, is based on "conservative, established public opinions sampling techniques."

To help our readers better understand this type of propaganda, we are this week reprinting here a careful analysis of the Look poll. The analysis was prepared by the staff of the Machinist, weekly publication of the International Association of Machinists.

Look itself explained how this poll was taken in the following words:

"We talked with union members and nonunion employees, with skilled, other manual and white-collar workers * * * we interviewed only persons who are employed and who live in cities of 25,000 population or more."

Each worker was asked if he had ever heard of the Taft-Hartley law, and those who said they had were then asked this question:

"Do you think Congress should have passed the bill or not?"

Look's tabulation showed the following results: 54 percent said "No"; 31 percent said "Yes," and 15 percent had no opinion.

Next, Look said, it wanted to find out what features of the law were most unpopular so it asked each worker 10 additional questions, each purporting to be a simple, nontechnical statement of a major provision of the Taft-Hartley law. In each case the person questioned was not told that the questions were related to the Taft-Hartley law.

When Look averaged the replies to these questions, it found that 73 percent of those questioned said they favored all of the 10 proposals and Look and Dr. Robinson, therefore concluded:

"On the basis of our investigation, it seems clear * * * that the American worker favors what is in the Taft-Hartley law, but doesn't know it."

In order to see whether American working men and women are as gullible as Look made them out, the Machinist examined the 10 questions for jokers. Here are its findings:

1. Look's pollsters asked: Do you favor a law to require unions to give 60 days' notice before they can go on strike?

The Taft-Hartley Act does much more than this question implies. It denies unions the right to strike unless they have given notice 60 days in advance to both Federal and State mediation agencies, thus giving the employer 2 months to prepare to defeat the strikers. The effect of this provision is to require all unions, in self-protection, to file strike notices as a matter of course when negotiations begin, whether they intend to strike or not.

Look should have asked: Do you favor a law that will encourage unions to file strike notices before beginning negotiations, whether or not they believe the dispute can be adjusted peacefully?

2. Look's pollsters asked: Do you favor a law to give the company the right to sue the union if the union breaks its contract?

In at least 35 States the company had the right under State law to sue a union, or anyone else, for breach of contract. The Taft-Hartley Act gives the company the right to bring suit against a union in Federal courts regardless of the size of the damages claimed. The result is to encourage the company to sue the union, by permitting it to shop around between State and Federal courts for an antilabor judge.

Look should have asked: Do you favor a law that encourages employers to take court action against the union?

3. Look's pollsters asked: "Do you favor a law to allow employers to talk to the workers or promise rewards for not joining?"

The Taft-Hartley Act permits the employer to call meetings on company time and compel attendance. The employer can defame unions without violating the law. Under the act, the employer can make deliberately false statements about the union.

Look should have asked: "Do you favor a law that gives the company the right to call compulsory meetings and force employees to listen to antiunion speeches?"

4. Look's pollsters asked: "Do you favor a law to require unions to make reports on the money they take in and what they spend it for?"

This section of the Taft-Hartley Act was framed deliberately to force unions to publicize their weakness when their treasuries are low, and their suability when their treasuries are substantial. The weak financial report is invitation to the employer to launch an all-out attack on the union either through expensive and costly court suits or resistance to bargaining demands.

Look should have asked: "Do you favor a law that will advertise the financial weakness of small unions, thus notifying the employer of the correct timing for an attempt to break the union?"

5. Look's pollsters asked: "Do you favor a law to prevent Communists from holding offices in unions?"

The Taft-Hartley Act does not prevent Communists from holding any office in the union. The act does require all union officers to swear that they are not Communists before the union is permitted to use the National Labor Relations Board.

Look should have asked: Do you favor a law which penalizes an entire union's membership when a single union official fails to sign a non-Communist affidavit?

6. Look's pollsters asked: "Do you favor a law to prohibit unions from spending money or making contributions in connection with political campaigns for Federal offices?"

The Taft-Hartley Act prohibits the expenditure of any trade-union funds for political purposes, including the publication in union newspapers of the voting records of Members of Congress.

Look should have asked: "Do you favor a law which prohibits a trade-union spending any of its funds to support or oppose a candidate for public office, including the publication of the voting records of Congressmen?

7. Look's pollsters asked: "Do you favor a law to allow the check-off only if the worker agrees in writing?"

The Taft-Hartley Act requires that each individual union member must sign a check-off authorization before his dues can be deducted automatically—whether or not the local union has approved such a deduction by majority vote of its membership and whether or not the employer has agreed to make the deductions.

Look should have asked: Do you favor a law that makes it more difficult for a union to collect dues from its members?

8. Look's pollsters asked: "Do you favor a law to forbid a company to have a union shop until a majority of all the workers vote in favor of it?"

The Taft-Hartley Act prohibits an all-union shop unless a majority of those covered by the agreement vote for it. Under the law as written anyone who fails to vote in the election because of sickness or negligence is counted as a "no" vote. Nowhere else in the United States are citizens penalized because of the failure of others to vote. Congress, itself, adopts laws by a majority of those present and voting, not by a majority of the entire Congress.

Look should have asked: "Do you favor a law forbidding a company to have a union shop unless a majority of all eligible voters, and not merely a majority of those voting, declare in favor of it?"

9. Look's pollsters asked: "Do you favor a law to outlaw the closed shop?"

The Taft-Hartley Act ignores the traditional right of union members to refuse to work alongside strikebreakers and nonunion free riders who accept the benefits of unionism without accepting any of the responsibility for them.

Look should have asked: "Do you favor a law compelling union members to work with strikebreakers and free riders?"

10. Look's pollsters asked: "Do you favor a law that, in industries considered vital to the country's welfare, allows the Government to get a court order preventing a strike for several months while settlements are being attempted?"

The Taft-Hartley Act empowers the Government to intervene in disputes involving the public welfare only by taking the side of the employer. The law requires the Government to obtain an injunction forcing men to work for the profit of their employer at wages the men have decided are too low.

Look should have asked: "Do you favor a law which would force men to work in disputes involving the public interest without at the same time penalizing the employer?"

11. Look's pollsters stopped at 10 carefully hand-picked questions. Here are a few questions which apply to the Taft-Hartley Act which Look did not ask. Would you favor a law which:

Gives employer charges against labor unions priority over all union charges against employers?

Urges union members to vote on the employer's last offer, but makes no provision for the stockholders voting on the union's last offer?

Substitutes damage suits for grievance procedure?

Permits employers to petition for elections before a union has completed its organizing campaign?

Vests in one person the power to determine when the weight of the Government shall be pitted against a union, with no right of appeal to higher authorities?

Permits the Government to interfere in collective bargaining by preventing labor and management from reaching voluntary agreements that they find mutually desirable?

Gives the company the right to enlist the aid of a Government agency to keep his men at work when there is no question of a national emergency?

Comment: Dr. Robinson's technique—which Look bought—is to ask an innocent question and then leap to the conclusion that the answer fits the not-so-innocent Taft-Hartley Act. That law cannot be justified by asking a few plausible questions which overlook the context of the provision as used in the law. After analyzing Look's findings, the Machinist could only conclude that American working people are much more aware of what's in the Taft-Hartley Act than Look's editors.

Presentation of Gold Medal to Dr. Archer Chester Sudan

EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Wednesday, January 28 (legislative day of Monday, January 26), 1948

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by Hon. Oscar R. Ewing, Federal Security Administrator, before the house of delegates of the American Medical Association, at Cleveland, Ohio, on January 7, 1948, on the occasion of the presentation of a gold medal to Dr. Archer Chester Sudan, of Kremmling, Colo.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, I am very grateful for this opportunity of greeting the members of the American Medical Association. And I am particularly honored in being asked to present this gold medal to Dr. Sudan, whom you have selected as an outstanding general practitioner.

If I were a doctor, it seems to me that I would value this medal as the greatest honor that could possibly be conferred upon me by my profession. The general practitioner

symbolizes something that is very close to the heart of America. The vast majority of contacts between the citizen and the medical profession are those of a suffering individual turning to the general practitioner for relief. The particular illness may be small or great, but to the afflicted individual it is all-important. In the hour of his need he turns to the family doctor, the general practitioner, with yearning hope for relief.

And then the great kindly doctor goes to work. With an understanding heart, he learns his patient's symptoms. The family doctor has probably known the patient for years—perhaps he even brought the patient into the world—and can fit the symptoms into a background and history that could never come from questions and answers between strangers. Out of the reservoir of his professional skills the doctor prescribes his remedy. But at the same time he prescribes, either consciously or perhaps more often unconsciously, to the mind and emotions of the patient. The very presence of the doctor inspires confidence, hope, and faith.

It has always seemed to me that the great doctor possesses something far beyond professional techniques and skills. He has an indefinable quality of heart, a quality of spirit that lifts him from mediocrity to greatness. It is the quality of understanding. It is a great compassion coupled with a high degree of intelligence and professional skill. It is indeed a rare combination. This award goes to the doctor who, in the opinion of your profession, possesses those qualities most honored by your profession.

Those of us who are charged with the administration of health agencies cannot endow the general practitioner with those qualities of spirit which make for greatness, but we can, at least, endeavor to put within his reach as many as possible of the resources of modern medical science. And I pledge to you and to your fellow practitioners that during my tenure as Federal Security Administrator everything within my power shall be done to bring you these aids.

As most of you know, I only became Federal Security Administrator at the end of last August. I came from the legal profession. And what did I find? I found a controversy raging between the proponents and opponents of national health insurance that was absorbing a substantial part of the time and emotions of those who must furnish leadership in the battle for better health. I found that this controversy had diverted attention and energies from other programs that were completely noncontroversial and upon which everyone agreed. For example, there is, by and large, complete agreement as to the necessity for more medical research, for more and better medical education, for more hospitals, for local diagnostic clinics, for local health officers.

I quickly came to a conclusion as to what should be done. It was obvious that we should be moving ahead in the noncontroversial areas while we are fighting over national health insurance.

Having come to this conclusion I sought an opportunity to discuss the situation with the officers of the American Medical Association because I need, in my job as Federal Security Administrator, all the help I can possibly get from organized medicine. I had a most cordial talk with your officers. I told them frankly how I stood on the issue of national health insurance. President Truman had made known that he and his administration favored national health insurance, and, naturally, I had no right to accept an office in his administration unless I was wholeheartedly prepared to go along with the President's policies. Furthermore, I explained that I happened to agree with that policy thoroughly, and that it was one for which I expected to fight. On the other hand, I told your officers that while we were disagreeing over national health insurance, I did hope we could work together in the various noncontroversial areas to which I have referred above.

I could not have asked for more cordial response. Your officers expressed their complete willingness to cooperate with me in these noncontroversial matters and everything that has happened since our first talk has been in harmony with this program.

I believe that with this cooperation between the organized medical profession and the Federal Government we can make enormous strides in bringing you and your fellow general practitioners the aids of modern science.

In the field of medical research, for example, there is so much to be done. Look at cardiovascular diseases—our No. 1 killer. Compare cardiovascular research with our cancer research program. Cardiovascular diseases kill 3½ times as many people as cancer and yet, as nearly as we can figure—and these figures may not be entirely accurate—last year the total expenditures by both Government and private institutions, foundations, and the like for cancer research were around $26,000,000 while the expenditures for research in cardiovascular diseases were about $2,500,000. In other words, cardiovascular diseases, which kill three and a half times as many people as cancer, had only about one-tenth as much money spent in attempts to find their cause and cure as was devoted to cancer research. I do not, for one instant, say that too much money was spent on cancer research, because it was not. But I do say that not nearly enough was spent on cardiovascular research. It is in that field particularly that the Federal Security Agency hopes to give some leadership and perhaps obtain some legislation, and with your cooperation, put over a program of vast significance. There have been within very recent months some rather startling developments in the study of cardiovascular diseases. We may have found something that actually turns back the degenerative processes of arteriosclerosis.

Our best research work is being done in cancer. We have more money for it than for any other type of medical research. That is the result of a great program of publicity. It was a grand job but there are other things that must be done too. Take, for instance, mental hygiene. Two-hundred million dollars a year is being spent in this country for the hospitalization of those who are mentally ill. A fraction of that sum spent in mental research could probably cut that figure in half and could save the expenditure of a hundred million dollars a year. And this is not a wild dream. The Army and Navy during the war did brilliant work with mental cases at many hospitals. The Federal Security Agency saw this particularly in the Navy work at St. Elizabeths. They were able to release 65 percent of the military patients that went into those hospitals within 3 months and another 20 percent within 6 months. Those were highly successful programs and a wonderful job was done and they show what can be accomplished by the use of the latest techniques. As a matter of fact, more research is needed in connection with practically every human illness.

To help the whole field of medical research, the Federal Security Agency is planning a great research hospital at Bethesda, Md., which will be the answer to the dream of the research worker. Congress—and Congress has been very generous about this—has appropriated over $2,500,000 for the purchase of land and the preparation of plans for this research hospital. It will be the first time anything like it has ever been built. We are planning a 500-bed hospital—on one side of the building the hospital and patients, and directly across the hall on each floor will be the research laboratories to study the disease of those patients. There will be 150 beds for research study of cancer patients. There is practically no opportunity today to study chronic cases of cancer in hospitals because the hospitals must necessarily keep their beds in use by patients whose conditions can be improved or have some hope of being cured. Such an institution will complement, rather than compete with private hospitals.

These are merely a few examples of the things that must be done in the way of medical research.

But medical research, however impressive, is just one phase of medical progress. Another vital consideration is the proper distribution of medical facilities and personnel. An honest appraisal of the situation existing at present shows room for great improvement.

A step has been taken in this direction by the hospital construction program. Last year the Federal Government appropriated $3,000,000 to help the States survey their health center and hospital needs and seventy-five million to defray part of the actual construction costs. Each dollar of Federal funds must be matched by $2 of State and local funds. Since the program is to run over a 5-year period, the grand total of Federal and State expenditures for hospital construction under this program comes to a potential $1,125,000,000.

This program seeks to locate hospitals and health centers in the places that need them most. It will remedy somewhat the uneven distribution of facilities and will be a factor in securing better distribution of personnel.

The better distribution of medical personnel is still an unmet challenge, but it is hoped that it, too, will be solved in the not-too-distant future. An attack on the problem has begun already. Your association has set up a bureau of information to aid physicians in determining where they are most needed. Another example of the increasing awareness of the situation was evident when Dr. Steve Pascal Kenyon, president of the Georgia medical society, in a speech at the southern medical society meeting recently suggested that the States guarantee general practitioners in rural districts a minimum yearly income. Such a plan would make for great progress. A number of States, including Maryland, Virginia, Mississippi, North Carolina, Georgia, Alabama, and Indiana, have approached this problem by enacting legislation. As one example of State legislation, the 1945 session of the Mississippi Legislature, after a study of the shortage of physicians, medical school tuition and living costs, set up a medical education scholarship program designed to obtain general practitioners in rural areas quickly. Under the same program deserving students are aided to meet the costs of a medical education. Here is the way the plan works: Any Mississippi boy or girl who has completed a pre-medical course and is acceptable for enrollment in a class A medical school—but who needs funds to complete a medical education—may apply for a loan up to $1,250 a school year for a maximum of $5,000 in 4 years. The student must sign a contract agreeing to return to the State and work for a minimum of 2 years in a rural area approved by the State Medical Education Board. Should the student practice medicine in the approved area for 5 years, his loan is discounted at one-fifth of his total loan for each year.

In other States, the medical associations have attacked the problem directly and established their own funds. In Kentucky, for example, the State medical association joined with the Louisville School of Medicine in a campaign to raise scholarship funds. Within a few months, $150,000 was subscribed. Students are able to secure loans to pay for their tuition from this fund, providing they agree to practice in rural areas after graduation. In Indiana, the State medical society bears the principal cost of six $500 scholarships offered annually to students who agree to practice in areas designated by the asso-

ciation as most urgently in need of medical service.

I have touched merely on a few of the jobs ahead of us—fronts on which we are all agreed. I think it would be fitting indeed if we could signalize this year as an outstanding one in the public health program. For within 12 months we mark two great anniversaries: the centenary of the American Medical Association in 1947, and the one hundred and fiftieth anniversary of the United States Public Health Service in 1948.

Federal participation in national health programs, you know, dates back to 1798, with the establishment of the Marine Hospital Service, from which the Public Health Service has developed. History already has recorded part of the job which the Public Health Service has performed so magnificently, but we are hoping that this is just a beginning.

May I say to you, Dr. Sudan, that for my part I take very seriously my responsibilities as Federal Security Administrator for the future developments in medicine. Those qualities of greatness, of compassion, of understanding which so characterize the general practitioner will ever be an inspiration to me as I endeavor to do my part in the struggle for the better health of America. It is a struggle that deserves the best that is in us. It demands the cooperation of all, particularly the cooperation of organized medicine and Government. I know I need the help of organized medicine. And we must never be satisfied until we have attained the best possible health for the last one hundred and forty-millionth person in this broad land of ours. Only when we have achieved that, can we say "well done."

Dr. Sudan, with pride and humility, I bestow—on behalf of the American Medical Association—this medal honoring an outstanding general practitioner. It is a recognition of the finest qualities of one of the finest of professions. More I cannot say.

Pride in Service

EXTENSION OF REMARKS

OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Wednesday, January 28 (legislative day of Wednesday, January 21), 1948

Mr. COOPER. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD an editorial entitled "Pride in Service," from the National Tribune and Stars and Stripes of November 27, 1947, which I received from Hon. A. M. Causey, adjutant of Col. Thomas J. Smith Camp No. 11, United Spanish War Veterans, Bowling Green, Ky.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE EDITOR'S CORNER

PRIDE IN SERVICE

In recent months our desk has been swamped with protests from veterans of Spanish-American War service who are resentful over slurs cast in their direction by veterans of later wars. From time to time we hope to reproduce some of these letters because we believe that facts speak in greater volume than words, and we are certain that few of the younger veterans are supplied with a knowledge of some things that took place before they blessed us with their presence on this earth.

Two comrades have forwarded to us in as many weeks a list of reasons why they are proud to be veterans of the Spanish-American War. Their pride is based on being:

Veterans in America's first war for humanity.

Veterans of the only 100-percent volunteer army the world has ever known.

Veterans of the only war in history that has paid dividends.

It was a war that was not fought to a draw—we dictated the terms.

It was responsible for the building of the Panama Canal.

It was responsible for the passage of the National Defense Act.

It caused the abolition of yellow fever and kindred diseases.

It united the North and the South so that there now is no North, no South, no East, no West, but one great people united under one great and glorious flag.

It furnished every commander in World War I from the Commander in Chief on down.

It was the first campaign fought on foreign soil.

We did not bring the flag home—we left it where we put it and it is still there.

We fought the war with poor equipment, poor food, antiquated guns, and black powder.

The commands preserved their State entities and were responsible for the honor of their States.

It caused the improvement in maintenance of the Army and Navy and for the formation of a standing Army through training camps.

It marked the industrial reconstruction of the South.

It taught the lesson of unpreparedness that claims more lives than war.

It caused the United States of America to take the head of the table in the concert of nations.

It marked the rebirth of a Nation.

Four hundred and fifty-eight thousand were engaged in this conflict, exceeding in number those engaged in the Revolutionary War, the Mexican War, or the War of 1812.

The losses in deaths from all causes were 4.3 percent as compared with six-tenths of 1 percent for the Civil War and seven-tenths of 1 percent for World War I.

The average length of service was 14 months as compared with 9 months for World War I and 11 months for the Civil War.

The pay was $15.60 a month as compared with $30 for the World War I and $50 for World War II.

We received no bonus, no war-risk insurance, no adjusted compensation, no vocational training, and no hospitalization until 1922, 20 years after war was over.

The cost of the war was $1,800,000,000; the Civil War, $8,100,000,000.

The Marshall Plan and the Price of Gold

EXTENSION OF REMARKS

OF

HON. EDWIN C. JOHNSON

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Wednesday, January 28 (legislative day of Monday, January 26), 1948

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a thought-provoking letter, written to me by an outstanding attorney of Denver, Hon. Joseph F. Little. It deals indirectly with the Marshall plan, but it is broader in its direct application, being world-wide in its scope. It proposes a sensible practical cure for the world's monetary problems.

In this day of planned economy, currency tinkering, printing-press money, unilateral devaluation of currency, threat of communism, and an epidemic of world-wide devastating inflation, it is refreshing to find someone proposing to deal with causes instead of symptoms. Mr. Little's letter is a down-to-earth, grass-roots, bird's-eye analysis of what is wrong with money. I urge Members of Congress to read it and study it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

J. F. LITTLE,
Denver, Colo., January 19, 1948.

Hon. ED C. JOHNSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: Last November I talked with you about the Marshall plan and the price of gold. I would now like permission to extend my remarks.

Both the Bretton Woods agreement and the proposed Marshall plan contain stipulations for currency reform and currency stabilization. These stipulations have just as much permanent value as the well-intentioned promises of a future bankrupt. I don't believe that they provide any rule or standard by which currency shall be stabilized and thereafter maintained. Until we have a world standard of value which complements world-wide standards of measurements, world trade will probably continue in a chaotic condition. The Marshall plan does not go far enough. It treats effects but not causes. It is similar to a doctor treating a typhoid epidemic without purifying the water system. Nations have learned that by devaluing their currencies in terms of other currencies they can get at least a temporary economic advantage over other nations. They have learned how easy it is to manufacture paper money, and unless and until they are required to adhere to an objective standard of value over which they have not absolute control, currency tinkering will continue despite Bretton Woods or similar agreements.

The gold standard provided not only a relatively stable monetary standard, but also a check on currency inflation. Under it the amount of a nation's currency was limited by its gold supply. Unfortunately gold production has not kept pace with the increase in world trade and commerce. It never has. Consequently it has been necessary from time to time in the past to increase the value of gold. I think it must be done again. Despite its huge gold reserve, this country could not maintain the gold standard at $35 an ounce for any length of time.

Most everyone knows that at $35 an ounce gold is very undervalued. Mining costs are more than four times as much as they were when gold was revalued at $20.67 an ounce. These costs are at least twice as high now as they were when gold was revalued at $35 an ounce. And if we now went back on the gold standard and made paper money redeemable in gold at $35 an ounce, our gold reserves would simply disappear. Gold would be exported to get the higher world price. This has happened twice before, once after the act of 1792 and again from 1929 to 1932. Foreign holders of our paper money would reap a sizable profit and much of our gold would go into private hoards as an investment to await an increase in price.

I think managed currency is responsible for much of the present world ills. Its very origin is suspicious. Lenin argued that debauching a nation's currency was one way of procuring a revolution in that country. Managed currency denies one fundamental

qualification for a monetary substance, namely, it must have an intrinsic value of its own. Money must be an investment in itself. Managed currency is only valuable for what it will buy now. Recent reports from Europe indicate French farmers refuse to sell grain; laborers refuse to work. Because of shortages the paper money they would receive wouldn't buy much now and if they hold this paper money until goods are again available, the paper money may be worthless.

The history of managed currency is too brief for any absolute conclusions, but its record so far has been one of continuous depreciation in value and all Europe knows it. On the other hand, gold never depreciates. It either remains stable or gains in value. Gold currency or currency redeemable in gold has an intrinsic value of its own, a value which never depreciates.

Under the Marshall plan we are to give Europe up to $16,000,000,000. As past history indicates, it will be a gift, paid for by the American taxpayer. No doubt some immediate aid is necessary for Europe, but we should also insist that Europe use the means at its disposal to help itself. European governments have several billions in gold. In addition there is an unknown amount, probably quite large, hidden in private hoards. We can never bring this latter gold out of hiding at a price less than its actual worth. If the price of gold were increased to its present actual value, which, judging from present costs of production and black markets, is now around $60 per ounce, I think it would result in these five benefits: (1) the increased value of Europe's gold would correspondingly decrease the amount required under the Marshall plan; (2) the American taxpayer would benefit by not having to provide the amounts now required under the Marshall plan; (3) an increase in the price of gold would increase the value of our own gold stocks, which increase could be applied toward the payment of our national debt; (4) a real tax cut would be justified at this time; and (5) since gold is everywhere recognized, European gold could be used to buy its needs in other parts of the world and thus reduce inflationary pressures in this country.

If the Marshall plan provided immediate aid on condition that the recipients and the United States reform their currencies and return to the gold standard, we would not only save ourselves a lot of money, but we would eliminate one of the causes of Europe's troubles.

At present we are in a cold war with the dictator nations. Yet in money matters we work hand in glove with them. Managed currency is a chief support of dictatorship. Deprive the dictator of the power to regulate the value of his fiat money and require his money to be valued by an objective standard over which he has no absolute control, and every dictator would find it more difficult to participate in world trade. Had the Russian ruble been on a gold standard or had it possessed any intrinsic value, that country would never have succeeded in its recent deflation of the ruble.

Finally, if our huge national debt is ever to be paid, we must continue the high level of prosperity in this country. The Nation is gradually adjusting itself to higher wages and prices. If further inflation could be prevented and our economy stabilized at or near present levels, we could not only pay our national debt, but remain quite prosperous. So long as the price of gold, our basic monetary medium, remains at the level of 1935, there is always the possibility that our economy may be forced back to that level with resultant national bankruptcy. On the other hand, an increase in the price of gold commensurate with our present economy will tend to stabilize that economy at existing levels. Such a plan is no more inflationary than the Marshall plan. It could be far less inflationary, for if we return to the gold standard the amount of currency this or any country could issue would be limited by the amount of its gold.

I apologize for the length of this letter. As you know, I have a personal interest in gold mining, but even if it were otherwise, I would still feel the same way. After the First World War this country loaned several billions to Europe, one of the reasons being that it would help save Europe from Bolshevism. I sometimes wonder whether the Marshall plan is another world-wide share-the-wealth scheme.

I sincerely believe that gold will sometime increase in price. If so, are we going to give Europe the double advantage of the benefits of the Marshall plan and the increase in the price of gold, or would it be better to require that Europe use its gold now at a higher price to help fill its needs?

I know that any increase in the price of gold will benefit the gold miners, but that is one industry which has special reasons for being heard. It is the only industry which was arbitrarily closed down during the last war. It is the only industry which is by law compelled to sell its product to one customer at a price fixed by that customer. I don't know of any other industry which has since 1935 had its costs doubled, while the price of its product has by law remained the same.

Many thanks for your consideration.

With kindest personal regards, I am

Very truly yours,

JOE.

European Recovery Plan Endorsed by Spiritual Groups

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. HOLIFIELD. Mr. Speaker, as an indication of the upsurge of moral and spiritual force which is supporting the European recovery program, commonly known as the Marshall plan, I wish to insert in the Appendix of the RECORD a letter from one of our great Americans, Charles P. Taft.

Mr. Taft is the president of the great Protestant association of religious groups known as the Federal Council of the Churches of Christ in America. I also include the resolution of support passed by the Federal Council:

THE FEDERAL COUNCIL OF THE CHURCHES OF CHRIST IN AMERICA,
New York, N. Y., January 28, 1948.

HON. C. HOLIFIELD,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN HOLIFIELD: The European recovery program is wholeheartedly supported by the executive committee of the Federal Council of the Churches of Christ in America, in the conviction that (this program) can b one of history's most momentous affirmations of faith in the curative power of freedom and in the creative capacity of freemen.

The motives and objectives behind this program should be, in the judgment of the federal council, above political partisanship, and should transcend considerations of narrow self-interest.

The federal council believes that the United States must be zealously on guard against imposing, or appearing to impose, conditions in the granting of foreign aid which would seem to threaten the political independence of the nations of Europe, or their right to choose their own way of life. It is pointed out, however, that the United States has a right to expect that the nations participating in this program carry out their own expressed intention to work cooperatively, to maintain monetary stability, and to reduce trade barriers, in order to make the program effective.

The federal council is also of the opinion that if, in addition to voluntary controls, certain governmental controls should be required to assure a fair allocation of needed goods for foreign aid and domestic consumption, such controls should be adopted.

I am enclosing herewith a copy of the action taken by the executive committee of the Federal Council of the Churches in Atlanta, Ga., January 13, 1948. I have been authorized to appear before the appropriate committee of Congress to present the statement. The federal council is also initiating a program of study among its constituent communions based upon this statement.

Respectfully yours,

CHARLES P. TAFT,
President.

THE CHURCHES AND THE EUROPEAN RECOVERY PROGRAM

(A statement submitted by the Department of International Justice and Goodwill and adopted by the executive committee of the Federal Council of the Churches of Christ in America, January 13, 1948)

As Christians, we support the European recovery program in the conviction that it can be one of history's most momentous affirmations of faith in the curative power of freedom and in the creative capacity of free men.

The ways and means of that program will, of necessity, be largely economic and political. The motives and objectives behind it should be essentially moral and spiritual. They should be above political partisanship. They should transcend considerations of narrow self-interest.

The European recovery program must be a material investment, though not primarily for material reasons. It must also be an investment in the world's moral and spiritual resources and in the means for their speedy release. If it is to contribute thus to the healing of the nations and to the fruitful employment of the creative will and spirit of the peoples, the material investment must be an expression of these Christian convictions:

First, that man, who is endowed by his Creator with inalienable rights, is also endowed by Him with inherent aspirations for a life of freedom and fellowship.

Second, that these God-given aspirations can now, with our help, be given conditions more favorable for fulfillment.

Third, that to provide all men with a better opportunity to fulfill them is the only basis for the hope that the world can make a peace which will be durable because it is just.

The nations of Europe have been struggling courageously with their problems. Some of these nations, however, are fearful of the possibility that the United States may seek to make Europe over in its politcal and economic image, just as they are fearful in the knowledge that Soviet Russia is seeking to make Europe over in its image.

The European recovery program must be the means by which Europe and the world are released from such fears and freed from the shackles they impose. This it can be if, in its framing and administration, it clearly expresses our conviction that Europe possesses abundant assets of mind and spirit. To these we can add our moral and material aid, for the remaking of Europe and the consequent enrichment of our civilization.

This program, therefore, cannot be a prescription of what we expect the nations of Europe to do. It must be an expression of confidence in the peoples of Europe, who have been making earnest efforts at self-help; a vote of confidence in what, with our aid, they will choose to do for themselves.

But our aid is indispensable. In the wake of the devastations of the war, these nations have been visited by unanticipated dislocations and disruptions through two postwar years. We are called upon to help them to overthrow these accumulated obstacles to recovery. But that help will fail of its most important purpose if, in extending it, we attempt to fashion or shape their future. It will succeed if we affirm and undergird the rights, the desires, and the capacities of these peoples to work out, for our common good, their own destiny.

An undertaking so conceived and directed merits our material sacrifices because it is a cause which enlists our Christian conscience and conforms to our Christian commitments.

If it is to fulfill its potential promise, the European recovery program must be guided by a positive and dynamic conception of the reconstruction task. To this end we urge that consideration be given to the following principles.

1. Basic reconstruction is an enterprise for the releasing of the creative energies of men. It is for this that we are providing them with tools. The material obstacles to recovery in Europe lie partly in the shortage of capital equipment, partly in the instability and unexchangeability of currencies and partly in artificial financial and trade restrictions. But deeper obstacles lie in the fear of another war and despair for the future. It is of the utmost importance that the curative and creative possibilities of the European recovery program shall be so emphasized and so kept to the forefront as to appeal to the consciences, arouse the wills, and enlist the best efforts of men of good will on both sides of the Atlantic. There is, we believe, no other way by which the full potentialities of this program can be realized.

2. American aid for such a recovery program cannot be devoid of risk. Vast uncertainties are involved. We should be aware, however, that the risks of failure are much smaller and much less certain than the risks of inaction. American aid must therefore be an act of faith, a faith which has a sure foundation in our Christian conception of what man is and may become.

3. Financially, the prudent and conservative course is for us to plan now and boldly. Less than an adequate initial program will delay the day when Europe can take over for itself the task of restoration. Less than that may reduce the entire program to the level of costly relief.

4. The United States must be zealously on guard against imposing, or appearing to impose, conditions in the granting of foreign aid which would seem to threaten the political independence of the nations of Europe, or their right to choose their own way of life. We must not hamper efforts to establish European cooperation. As the European recovery program is carried forward, our Nation must seriously honor the basic purpose of the program, not to infringe but to protect and strengthen and enlarge European freedoms and the development toward a community of free societies.

5. We have a right to expect that the nations participating in this program carry out their own expressed intention to work cooperatively, to maintain monetary stability, and to reduce trade barriers, in order to make the program effective. Such a procedure is the best insurance that out of this struggle for recovery there will emerge a more healthful European economy and a more united European community. The United States must make sure that its own policy toward Germany not only fits into this cooperative pattern but provides a demonstration of it.

6. The European recovery program should give encouragement to the United Nations Economic Commission for Europe and other United Nations agencies to undertake, as the area of cooperation is extended, an increasingly important role in the recovery effort. We are bound both by our commitments to the United Nations and by the purpose of the European recovery program to see to it that United Nations machinery serve to develop broader trade relations within Europe and eventually as a means for the fuller coordination of the economic relations among the nations.

7. From the start it is essential that the European recovery program encourage the development of trade between the participating states and the countries of eastern Europe. The resources of these countries are required for the recovery and development of western Europe just as they, in turn, need the manufactures of western States. It is encouraging that the present opposition of the Soviet Government to the European recovery program still does not prevent mutually beneficial trade agreements with eastern Europe. It is also important for the United States to persuade and assist nations outside of Europe to provide goods for European recovery, thus broadening the area of cooperation and speeding reconstruction. The recovery program, together with the contributions of other nations, should meet the net import needs of the cooperating European countries that are essential to their recovery.

8. If the United States is to fufill its long-term responsibility in the world economy it must help enable other countries to manufacture and sell their own goods and services in order to buy what they need. Therefore, the European recovery program should be linked with long-range planning to increase American imports so that European economic life as well as our own may be maintained at a high level.

9. The American people will be called upon to accept certain specific limitations on their own economic desires during this critical period in order that the larger good of world recovery may be served. In view of the great human objectives, Christians should accept such limitations willingly. In emergencies such as this our customary waste of food and other scarce commodities is scandalous and un-Christian. If, in addition to voluntary controls, certain Government controls should be required to assure a fair allocation of needed goods for foreign aid and domestic consumption, we believe that such controls should be adopted. From the point of view of morality and even of self-interest the stakes are too high to permit either selfishness or short-sightedness to prevail.

These principles, we believe, can make the European recovery program a cooperative effort to deal with the basic causes of tyranny and war. Such an effort is in keeping with the constructive peace strategy for which our churches stand.

Rose Ellen Speaks for Democracy

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. MANSFIELD. Mr. Speaker, under unanimous consent, I am inserting with my speech today a copy of the prize-winning talk, I Speak for Democracy, by a friend, constituent, and fellow citizen of mine, Miss Rose Ellen Mudd, of Missoula, Mont.

Rose Ellen, a senior in the Sacred Heart Academy, in Missoula, was one of the four winners in a Nation-wide contest in which over 20,000 high-school students participated. The contest was sponsored by the United States Junior Chamber of Commerce, the National Association of Broadcasters, and the Radio Manufacturers Association. They are to be commended for the initiative they have shown in sponsoring this project, and the Missoula Junior Chamber of Commerce and radio station KGVO of Missoula are to be complimented in fostering Rose Ellen's interest and eventual victory.

Rose Ellen's triumph is due to hard work, good teaching, a lively interest in life, and a deep and profound respect for the ideals which have made this country great. She is a distinct credit to the fine school she attends—the Sacred Heart Academy—she is a credit also to Missoula and Montana and I know I speak for all the citizens of our State when I say we are proud of Rose Ellen and the renown and prestige which she has achieved.

Mr. Speaker, I should also like to inform the House that at the awards' luncheon yesterday Rose Ellen had the largest State delegation in attendance to applaud and give her the credit due. In attendance were Senators James E. Murray and Zales N. Ecton and also the Honorable Justin Miller, Montana University law graduate and now president of the National Association of Broadcasters.

The Sacred Heart Academy, the city of Missoula, and the State of Montana were all honored in Rose Ellen's victory, and I know how happy her sister Tex and her whole family were. Montana could not have had a more charming entrant than Rose Ellen nor could we have had a more talented and outstanding speaker. We, of Montana, know how hard she worked to achieve this goal; we know that the road was not easy, but we know also that what she won she earned. Her speech is a challenge to all Americans—to read, to study, and to practice. In no other country in the world are there the opportunities for our young people as there are in the United States. We do Rose Ellen honor here today, but she has done us a greater honor by bringing with her to Washington the charm, the integrity, and the ability which have made her what she is. Good luck, Rose Ellen, we're all proud of you.

I SPEAK FOR DEMOCRACY

(By Rose Ellen Mudd)

I am an American. As an American, I can do many things. Is it a coincidence that the word American ends in "I can"? That "I can" is the basis for democracy? It expresses the free will and determination of a free people—people who govern themselves.

"I can" was the spirit of the pioneering Americans when they faced the hardships of an unknown, uncivilized land, and overcame them. Their spirit remained when they faced overwhelming odds and great dangers to gain their freedom from England.

"I can" was the spirit of the Nation, when, looking at the political systems of the other countries of the world, and their results, the American statesmen formed our Constitution and the Bill of Rights. They vowed to

insure, to themselves, and to us, their posterity, the rights of mankind—freedom of speech, of the press, of religion. Freedom from want, and from fear. Freedom from the tyranny of government—the right to rule ourselves. The voice of America, the Constitution, was born.

"I can" was the spirit of the people when our liberty was threatened in 1918, and again in 1941. We had to win to save an ideal. The voices of democracy spoke, and we did. The cost was great, but the willingness to pay was greater, for we knew the worth of the prize that was threatened.

The men of America who instituted our democratic principles, the great emancipator who enforced them, the American people who have held them so securely—all have the spirit of the Constitution, and a wholesome pride in their superior government which gave them freedom. With this spirit democracy has triumphed many times in many things.

To share this great gift with the rest of the world is our goal. But first we must show the world the worth of democracy, and help others to see its advantages. Our spirit of brotherhood, tolerance, and respect for our fellow men—that is the essence of democracy. We must speak for democracy in a strong voice—telling the world of its greatness, and urging it to enjoy it with us.

I am an American citizen of 1947—in whose hands a portion of the peace of the world lies. I, too, remember the Constitution, its meaning, and its worth. I have a share in the voice of democracy, and I wish to speak in its behalf. I want the people of America to live democracy. I want to share the blessings of freedom with the world, for I know that to keep the world, I must help to keep the peace.

I have the spirit of "I can." I want to share that spirit, and with God's help, I will.

Universal Military Training

EXTENSION OF REMARKS
OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. PHILBIN. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I include therein a recent article from the New York Times captioned "Two hundred and nineteen college heads vote against universal military training." This action was taken by the Association of American Colleges at a recent meeting. The association is comprised of practically all the leading liberal arts colleges in the country. In voting overwhelmingly against any form of compulsory universal military training, these representative American educators overruled the urgent personal appeals of Dr. Harold W. Dodds, president of Princeton University, and a member of the President's Advisory Commission on Universal Military Training.

It is very pertinent to note in connection with this action that the association also voted in favor of an adequate Army, Navy, and Air Force thoroughly trained and equipped, for auxiliary agencies to support our armed forces, and for technical and scientific research and experimentation for war as well as for peace. These educators have performed a distinct public service. They have made a real contribution to current thinking on national defense problems. They have outlined a strong, vibrant, pro-American, democratic program thoroughly in line with the basic doctrines of the Nation. They have also expressed the considered views of predominant American church groups, labor organizations, agricultural and farm associations, and other important and influential organized groups.

The article follows:

TWO HUNDRED AND NINETEEN COLLEGE HEADS VOTE AGAINST UMT—ONLY 69 AT CONFERENCE OF THE AMERICAN ASSOCIATION BACK MILITARY TRAINING

(By Benjamin Fine)

CINCINNATI, January 13.—After a spirited debate the Association of American Colleges today voted overwhelmingly against any form of compulsory universal military training.

In its place the group, representing the 700 liberal arts institutions, and one of the most influential education organizations in the country, adopted a seven-point program for national defense. A strong Army and Navy, a firm foreign policy and broader scientific research program were proposed by the 600 educators attending the conference.

Overriding urgent appeals by Dr. Harold W. Dodds, president of Princeton University, and other key leaders, the association voted 219 to 69 against military training.

Numerous college heads waxed bitter as they threw academic reserve to the winds in a vigorous battle of words. During the discussion they split sharply into two diametrically opposing opinion groups. Many arguments were advanced for, and against, the proposal to adopt a military training bill. Friends of the national measure warned that this move was essential for the defense of our country, while its opponents insisted that a service bill would be a menace to the democratic way of life and would serve no useful purpose.

DODDS PLEADS FOR UMT

In speaking for compulsory military training, Dr. Dodds, who was a member of President Truman's Advisory Commission on Universal Military Training, pleaded with his colleagues to support his position. This program is needed, he declared, to make the United Nations function. Conceding that military service in peacetime is at variance with the American philosophy of education, Dr. Dodds held that it is now justified on the grounds of great necessity.

"There is no question in my mind that America must engage for a time in power politics," Dr. Dodds continued "in my opinion, the real issue turns on how we use our power, not on whether or not we should exert power."

Pointing to the disintegration in world affairs, Princeton's president observed that Russia had demonstrated an unwillingness to make use of the United Nations so long as Moscow can attain its goals through old-fashioned methods. In the meantime, he said, it is Russia's policy to do all possible to pull the United Nations into contempt. The time has come, he added, to consider Russia's record and not on the basis "of what we had hoped for."

"This does not imply that war is imminent or even inevitable," Dr. Dodds held. "It does imply that appeasement unsupported by power and clear evidence that we are willing, if need be, to use that power is hopeless."

FOUR POINTS FOR TRAINING

A compulsory military training program, he declared, would have these four important military benefits.

1. It would initiate our young men into the substantial psychological adjustments of a soldier's life under conditions uncomplicated by the strains of war. It would develop responses to situations that would win battles and save lives, if war should come.

2. It would make a young man familiar with the basic essential techniques of soldiering, and advance him in unit and branch training to a point at which the National Guard and the Organized Reserve could build a more competent soldier than they have ever been able to do in the past.

3. It would facilitate the classification of our young men into the various branches of the armed forces and industry, and the channeling of them into field and branches important to national defense.

4. It would afford the only practicable means for building up the National Guard and Organized Reserve to the size and efficiency which our security requires. One of the difficulties that the National Guard has had to face in the past is that even after repeated enlistments, it could not hope to carry along citizen-soldier so far as 6 months of universal training would accomplish.

DR. GUERRY IN OPPOSITION

Opposing this viewpoint, Dr. Alexander Guerry, president of the University of the South (Sewanee, Tenn.) be ineffective and inadequate for national defense. It would not serve the purpose it is intended to serve, he maintained, adding that an adequate Regular Army, Navy, and Air Force would be more effective in the building up of a strong national defense.

Universal training, he declared, would change the character of the American people and the nature of this country. He warned that the Federal Government and the military would extend their control over the lives of the people and gradually take away all freedom.

"Little by little they will destroy our initiative, our independence, our differences and diversities which are, with unit, the source of our strength and greatness, and lead us into more and more regimentation," Dr. Guerry predicted.

It is folly for this country to adopt military training at this time, he said, as it would amount almost to an open declaration on our part of the inevitability of war. A strong armed force, he urged, would be infinitely better than a program of universal military training.

Military service would not develop discipline and citizenship in our people, he continued. The arguments advanced that military service will make better citizens "are so wrong and misleading that they are proof in part of our impending misfortune if this Nation adopts a program of compulsory military service."

MANY BACK THE UN

In the general debate that followed the statements presented by Dr. Dodds and Dr. Guerry, many of the college presidents urged that greater reliance be placed on the United Nations as a force in shaping world peace.

Dr. Benjamin E. Mays, president of Morehouse College, in Atlanta, warned that military training would set a pattern for a world armament race that could only end in war.

Other speakers insisted that if the association went on record as opposed to military training, the public might believe that they took this position because of selfish interests.

After the motion to support compulsory military training was defeated, the association, by unanimous vote, adopted a resolution favoring this seven-point platform:

1. A firm, clear foreign policy for the United States.

2. A willingness and determination by the United States to take its role in world affairs and to accept the responsibility of world leadership that has come to us.

3. An adequate Army, Navy, and Air Force thoroughly trained and equipped.

4. Development of auxiliary agencies to support our armed forces.

5. Development of technical and scientific research and experimentation for war, as well as for peace.

6. Reduction in armaments of all nations as circumstances permit.

7. A constant declaration of our desire to live at peace with other countries, and an everlasting effort on our part to help build and maintain an effective federation of nations for the purpose of putting an end to war and aggression and preserving peace, liberty, and justice for all peoples on this earth.

Price-Rise Blueprint

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 14, 1948

Mr. REED of New York. Mr. Speaker, under unanimous consent, I am inserting in the CONGRESSIONAL RECORD the following editorial which appeared in the Maryland Gazette January 15, 1948, entitled "Price-Rise Blueprint," as follows:

PRICE-RISE BLUEPRINT

When President Truman made his first political speech of the 1948 campaign—his report on the State of the Union to the Congress—he laid down a perfect blueprint for increasing inflation and prices.

The speech was in effect a sort of political cafeteria, where any individual or group of voters could get whatever they desired. It was a campaign document in every sense of the word and will probably be treated as such by the Congress.

If all the expenditures and controls he recommended were enacted into law, the Nation would see the Federal pay roll increase by leaps and bounds and the costs of government soar to new highs. He recommended subsidies and increased services that would more and more inflict the country with the regimentation of a central government.

It is noteworthy that in the entire speech the President gave no indication of a plan to drastically curtail the expenses of the administration, or cut down on the size, or eliminate any of the agencies or departments that blossomed and grew under the spend-and-spend philosophy of the New Dealers.

His suggested program of allowing a $40 tax credit to every income-tax payer and $40 additional for each dependent, and making up the loss in revenue by increasing taxes on corporations is a sure way of running up the costs of various articles to consumers.

The President points out that his income-tax-credit plan would be a saving of $3,200,000,000 to individual taxpayers, and that this sum should be made up by increasing the taxes on business.

Although it is obvious that the program was suggested with an eye on the ballot box next November 2, it is economically unsound. Businessmen, or corporations, to survive, must charge their taxes into selling prices. Therefore, if the President's plan were adopted and additional taxes were levied upon corporations, these taxes would be passed on down the line to the consumers, with the result that the very persons whom the President suggested be aided would be carrying the burden.

For instance, if a manufacturer is selling an article at present for $40 and makes a $1 profit, a tax increase of $1 would wipe out his profit. He would be forced to boost his selling price to $41 to absorb the tax.

So, in effect, when the President recommended that a single person, for instance, be allowed a $40 credit on his income tax, then, because of the increased taxes on business and higher prices that would necessarily result, the citizen would probably pay out the $40, or more, during the year on his purchases. In other words, he would indirectly be contributing $40 in higher living costs to get a credit of $40. That, in a general way, would be the negating effect of the Presidential suggestion.

This is on a par with using the taxpayers' money to pay a subsidy on a food article in order to save the taxpayer money. We have had plenty of experience with that sort of foolishness in the past.

But the Presidential message was contradictory in itself. He pointed out that the Nation is "far short of the industrial capacity we need for a growing future." Then he continued:

"At least $50,000,000,000 should be invested by industry to improve and expand our productive facilities over the next few years."

That statement is correct, but the President did not explain how the $50,000,000,000 was to be invested in industry when he was proposing to lay a new tax on industry to consume $3,200,000,000 annually of the money that could be invested into expanding "our productive facilities."

He talked about business profits, but spoke, like most of those that do, in general terms. It is true that last year some concerns made money, but there were many who had a higher gross return, but less net return than in 1946, because of higher operating costs and the high tax burden.

The investors who put their money in the stock of the Nation's corporations and who would have to supply the $50,000,000,000 the President declares should be put into productive expansion, take a more pessimistic view of the situation. The stock market, the yardstick of the investor on the worth of the Nation's business, is an indication of this.

The following quotations on the stock of several companies on December 31, 1946, and December 31, 1947, show how the stock investor has discounted all the rosy reports that are made by the President and others on the business profits of the Nation.

Corporation	1946	1947
American Telephone & Telegraph Co	$171.50	$151.375
National Dairy Products Corp	36.875	29.00
General Foods Corp	43.25	35.75
Borden Corp	49.25	41.25
Consolidated Gas, Electric Light & Power Co	79.00	71.00

General Motors Corp. stock was selling for $75.625 per share on December 31, 1945. Because of the strike it dropped to $52.50 on December 31, 1946, and on December 31, 1947, had regained only back to $58.25 per share.

Remember, the people who put their money in the stock of the business corporations are pretty hard-boiled about it. They are investing to make a profit and naturally seek to invest in corporations where they can get the highest return for their money. If they were convinced that business were at such high peak, there would be a great demand for stocks, sending up their selling price. However, the demand is just the opposite—the market has been dropping.

As stocks are looked upon as an inflation hedge, this dropping market in times of inflationary tendencies is indicative.

Most corporations today are in the position in which a home owner would be if in 1941, when the war started, he decided that in 5 years he would have to purchase a new automobile, heating plant, and refrigerator, and decided to lay $1,000 annually for 5 years aside to pay for them in 1947. So he would have saved $1,000 for this purpose in 1942, but the regular and excess-profits tax would have stepped in and taken up all but $200. The same thing would have happened in 1943, 1944, and 1945. In 1946 the tax left him, say, $500 of his $1,000. So, in 1947, instead of finding himself with $5,000, he would have had only $1,300, yet he needed the automobile, heating plant, and refrigerator, as his had worn out during the 5-year period. So he faced the task of trying to buy them for $1,300, only to find that a price increase had run them to a total of $6,000 instead of $5,000.

Naturally, he would have to get along with his old equipment. The same thing has happened to many factories. They were not able to accumulate funds during the war period to purchase new equipment, on a rising market, when the war ended. Therefore, the Nation's productive machinery does need replacement.

Yet we have the suggestion that more and more taxes be placed on business—at the same time the President points out that business should purchase more production facilities.

What this Nation needs is a holiday from political thinking, and a curtailment of domestic governmental costs that would allow a fair tax reduction for both individuals and corporations.

"Let the Eagle Scream"

EXTENSION OF REMARKS

OF

HON. LINDLEY BECKWORTH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. BECKWORTH. Mr. Speaker, last Tuesday Frank Fister, of the Junior Chamber of Commerce of America, gave me an article written by my friend, the president of the United States Junior Chamber of Commerce, John Ben Shepperd. The article, Let the Eagle Scream, appeared in the Christian Science Monitor November 28, 1947. With Mr. Fister I commend the reading of this very timely, worth while, and well-written article:

"LET THE EAGLE SCREAM": UNITED STATES WARNED TO HOLD TORCH OF DEMOCRACY ALOFT—HEAD OF JUNIOR CHAMBER OF COMMERCE HITS APATHY

(By John Ben Shepperd, president of the United States Junior Chamber of Commerce)

It's time to let the eagle scream.

As is often the case when a people are born to advantages, Americans, humanly enough, are apathetic toward their system of government—a system unique in that it grants and protects the sanctity of the individual and freedom of religion, speech, and enterprise.

Even in the face of organized efforts which ultimately would change our Government, our system of democracy, and free enterprise goes pathetically undefended, unsung, unheralded.

IN PALM OF OUR HAND

Yet it is as simple as this—freedom is held in the palm of our hand, in the hand that records our vote. There is too much criticism and too little constructive thought and effort in governmental affairs by the majority of the people. It has become a popular pastime to slur "politicians." There is a stigma connected with running for or holding public office.

Of the various ideologies that form the basis of governments elsewhere, the most formidable one is communism.

This is a system which admittedly would sacrifice the right of the individual to work

and earn for himself according to his ability and diligence—a system which would discard our type of freedom in favor of one which would divide the wealth of a country, at least in theory, equally among all its people. But because of human inequities, because of the love of power on the part of straw bosses and imposing leaders and the lack of checks and balances, we have had illustrated to us too well that such a system cannot work, and that it utterly destroys the initiative, the effectiveness, and the dignity of men so governed.

COMMUNIST THREAT

Yet communism is well organized in this country. Communists are a zealous lot. The best weapon with which to fight their insidious infiltration is with good old-fashioned American salesmanship. Fire must be fought with fire, and for every pro-Communist or fellow-traveler speech in this country, let's come back with three for democracy.

Yes, now is the time to let the eagle scream. Too many of us are unnecessarily selling America short. We go out of our way to be critical. We are too partisan. We put national security on a political basis.

To protect our democratic system and free enterprise, we must take stock of our heritage. To perfect it, the approach to our problems must be positive. To promote it calls for public education. We must educate our people to think, to take stock, to study—a thorough knowledge of American history is the best manner of promoting a love for its advantages.

The necessity of educating the public was brought forcibly to my attention while on a recent tour of Europe, where I observed the spirit of young men sinking into discouragement and chaos due to lack of security and opportunity for advancement. They had lost hope, ambition, the incentive to produce.

Talking to them about their form of government or the ever-present threat of communism, they would reply, "What can we do about it? Today we may be working on our job—tomorrow our Government may move us across the country to an entirely different kind of work. We do not have the opportunity to utilize our training or the experience gained in the war by entering a new business because our Government has closed these fields of endeavor to us."

On the way home, the thought occurred to me that our country would be in a tragic state and would be easy prey to communism if our young men—who have their lives before them and have the most to lose if our free-enterprise system were lost—should lose their hope, their ambition, the incentive to produce.

In 1944, the United States Junior Chamber of Commerce passed a resolution asking that a fifth freedom be added to the then recently announced Four Freedoms, and that this freedom be the freedom of opportunity of enterprise. With this in mind, I launched, during October, the "Fifth Freedom Flight" through 27 States, with stops in 63 major cities, in an effort to mobilize not only our 250,000 members, but all young men toward a keener appreciation of the American way of life.

The enthusiastic response to the message indicates a vast untouched range of potential understanding of young American citizens of their business and governmental heritage.

The Fifth Freedom Flight of the "Jaycees" is a sample of what can be done. A contest we are sponsoring in co-operation with the National Association of Broadcasters, "I Speak for Democracy," enables youngsters to compete for prizes on a national basis and creates an incentive for added interest in the rich traditions of our country.

BROADER KNOWLEDGE

Historical quizzes and other forms of competition are other means of broadening the understanding and knowledge and thereby promoting love of our country and its institutions. No one should miss the Freedom Train as it goes through our communities. We should have larger and more intelligent celebrations of our American historical anniversaries, such as the Fourth of July and Lincoln's and Washington's Birthdays.

The scream of the eagle must be heard around the world. We must adopt a positive program of selling our way of life to the whole world. When we help the less unfortunate in Europe under the Marshall plan, we should accompany it with the old-fashioned gospel of democracy—pointing out that only under our system of free opportunity and enterprise has a people been able to work and produce enough to relieve the chaos of a troubled world.

Don't keep our eagle buried in the glass case of a museum. Let him fly high. Let the eagle scream!

European Recovery Program

EXTENSION OF REMARKS

OF

HON. HORACE SEELY-BROWN, JR.

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. SEELY-BROWN. Mr. Speaker, I believe that we as a country in our own self-interest should give such aid as is possible within the limits of our own financial and economic capacity. I further believe that the administration of our European recovery program is of vital importance because if it is not well-handled our efforts abroad may have been utterly wasted and our own domestic economy severely strained.

In this connection, I am pleased to call the following article by Walter Lippmann to the attention of the membership of the House:

RELIEVING THE DEPARTMENT

(By Walter Lippmann)

Secretary Marshall and his successors will be among those who benefit the most from the refusal of Senator VANDENBERG and his committee to put the European Recovery Program under the Department of State. They will be relieved of a great burden.

The argument in favor of the original proposal was that since ERP is an engine of foreign policy, it must be subordinate to the Secretary of State. If that were a sound view, then every other department and agency of Government which acts outside the 3-mile limit should also be under the the direct control of the Secretary of State. Under this theory of government he would become in effect the prime minister; yet in the American system it is not the Secretary of State but the President who makes foreign policy and conducts foreign relations. The President can be, and has often been, his own Secretary of State. But the Secretary of State cannot be his own President.

Even when the President recognizes his own limitations, and selects, as Mr. Truman has, a man of great prestige and superior ability, it is impossible to delegate to the Secretary of State the conduct of foreign relations. They involve so many departments of Government so continually and so intricately that they cannot be controlled, or even coordinated, by the head of one of these departments.

When the Department of State attempts to do what only the President can do, it does not really take control of all the multifarious activities which enter into foreign relations. It becomes a kind of receptacle of those activities which have not been preempted and nailed down by some other department, as for example, propaganda; or are white elephants, as for example, the military government of occupied areas.

The most serious consequence of taking over so many ill-assorted operations has been that the Department has become an unwieldy bureaucracy. The unwieldiness of the machine causes the responsible men at the top to become so immersed in the details that the great decisions of high policy are really made in bits and pieces by subordinates down deep in the bureaus. Policy is not formed at the top by men who have time to consider the whole situation. They are too busy for that. They make policy in the main by settling disputes which come up to them from below.

The difficulties have been compounded by the practice which Mr. Byrnes adopted, and Mr. Marshall has continued, which is to treat the Secretary of State as a roving ambassador. No one can form and plan and really direct a global foreign policy—particularly one so vastly overextended as our own is today—if he is away from Washington attending international conferences or making speeches so much of the time. A consecutive, systematic, and thoroughly considered judgment cannot be arrived at by long distance telephone, from cables, and through occasional consultation.

It was never more necessary than it is now that this condition be corrected. On the one hand, the country has commitments all around the world which, if they are not to be beyond our resources and our power, require careful and consistent judgment and planning. On the other hand, the situation, as Mr. Churchill said the other day, is evolving rapidly to a point where things are coming to a head. If we are prepared, lucid, resolute, and inventive, it may be that events can be devoloped which can lead to a settlement of the war we have won and of that other war which all must dread.

Only men who are not too busy to think can hope to be prepared. They will be much too busy to think if from day to day, and at any hour, they are called upon to listen to the anguished entreaties of foreign ambassadors, to decide the disputes among the departments of the Government, to iron out the difficulties arising from agreements that prove to be unworkable, which the administration of the European recovery program will unavoidably demand. That would mean only that in assuming too much control of the Marshall plan, the Department of State would lose sight of, and would neglect, all the other things that need to be done if the grand purpose of the Marshall plan is to be achieved.

American Jews in World War II

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Dr. Samuel C. Kohs:

AMERICAN JEWS IN WORLD WAR II—THE RECORD AND HOW IT WAS COMPILED

(By Dr. Samuel C. Kohs)

(The epochal story of American Jewry's participation in World War II is told in full in the two-volume set of books—American

Jews in World War II—just published by Dial Press. This chapter on the record and how it was compiled is taken from the preface to volume II of this historic work, which is based on the material compiled over a period of more than 5 years by the National Jewish Welfare Board's Bureau of War Records, whose director was Dr. Kohs.—THE EDITOR.)

In the summer of 1941 half the world was at war, and war clouds were already gathering over the United States of America. It seemed probable that soon we, too, would be drawn into the conflict. The selective service law was in operation, and American Jews, like other Americans, were being drafted into the United States armed forces or were volunteering for military service.

Among American Jewish leaders it was readily recognized that one important project that must be carried out if war came would be that of compiling a record, as complete as possible, of the Jewish contribution to the war effort.

The National Jewish Welfare Board had officially represented the coordinated interests of American Jews in World War I and in the years of peace, and it was therefore the logical body to which this job in the approaching Second World War might be entrusted. It was the Jewish Welfare Board that by common consent undertook to set up an organization which would gather, assemble, classify, and interpret the facts of Jewish participation in World War II.

That organization, when established, was named the Bureau of War Records of the National Jewish Welfare Board. It was launched on October 9, 1941, barely two months before Pearl Harbor. It was sponsored at the outset by 21 national Jewish organizations and ultimately by 38.

Representatives of the sponsoring organizations made up an advisory committee of the bureau. Then a technical committee of eminent statisticians was named, to guide the bureau in its processes and to review its findings. Chairman of both committees was Dr. Louis I. Dublin, second vice president of the Metropolitan Life Insurance Co. and its chief statistician. A better choice to assure a sound and scientifically correct result could hardly have been made.

The bureau needed, first of all, to analyze the job that lay ahead of it, to assess the problems it would face.

The technical committee immediately entered on a preliminary inquiry into the nature and scope of the program before it. A conference with War and Navy Department officials soon disclosed that Jewish servicemen could not be identified as such by an examination of the official records. This outlined the first and major problem. The bureau would have to work directly through the communities themselves, and would have to develop with them the ways of measuring the extent of Jewish participation.

It would have to start almost from scratch. There were, for one thing, no reliable figures as to the number of Jews in the United States, or even in the larger cities in which the greater part of American Jews live. All that made it clear that the Bureau would have to operate on a decentralized plan, relying on the local communities, with their own leaders and local devices, to gather the much-needed basic information, such as the number of Jews in the service from each community and what proportion they formed of the local Jewish population. Local communities meant the Jewish groups, in the several States, in hundreds of counties and in over a thousand cities and towns.

The national office, located in New York, became the planning, promotional and supervisory organization. It set itself the tasks of:

1. Formulating procedures for organizing local war record committees.

2. Outlining techniques for gathering local information.

3. Establishing standard clerical forms—record cards, reports, letters of inquiry and the like.

4. Instructing local communities in setting up and operating local war records files.

5. Obtaining the authentications of all casualties (killed, wounded, missing, prisoners) and awards.

6. Obtaining regularly from local committees the statistics on the number in service and the local count of casualties and awards.

Though it soon became evident that the JWB Bureau of War Records could not hope to have a complete name-by-name record of Jews in the armed services, it urged every local community to keep a complete record of all such local servicemen—a task which was practicable except in New York and a few other large cities.

It was, all in all, a tremendous effort. More than 1,200 separate communities in the United States were involved. Each had its own war records committee or, in the case of the smallest communities, its JWB correspondent, working to gather the vital facts. They made up perhaps the greatest voluntary Jewish record gathering organization ever assembled.

The Bureau began at once establishing rosters, as complete as possible, of the following: Jews who died in the service, the wounded, those captured by the enemy, and those reported missing in action. These were the four official categories of casualties of the armed forces. As the war continued, the figures in each changed—and they were still changing, with new information continually coming in, up to the day this volume went to press.

The Bureau worked primarily from published Government lists of casualties and of awards, but these carried no indication of religion. Names of servicemen and of their nearest kin gave the first indication of possible Jewishness, but these had to be sent to the local communities for authentication of religious background. Often the family of the serviceman could not be found at the listed address, delaying the process of authentication. In this difficult job of authenticating cases, the Bureau received much help from the local committees which also furnished much information independently.

To fill in the picture of total Jewish participation in the armed services, the Bureau embarked on a series of special studies of two types: 1. Population studies in Jewish communities, to obtain analyses of sizable Jewish populations together with the numbers in the armed forces; 2. Studies of the contributions of special Jewish groups; namely, physicians, dentists, recent immigrants, farm families. It was also necessary to make an analysis of the distribution of Jews in uniform among the several branches of service.

The first of the population studies was made as early as August 1942; most of them, however, were actually made in 1944 and 1945, when the greater part of the Nation's armed forces were already mobilized; in all, 26 community studies were made. In most of these communities, these studies were inclusive of all Jews. In New York, Chicago, and Los Angeles, which have a very large proportion of the country's Jewish population, the Bureau used scientific sampling procedures to arrive at its results. In all cases, what was sought was: The percentage of the community's Jewish population in the service, compared with the percentage of the total local population in the service; and the percentage of the Jewish draft-eligible men in service, men between the ages of 18 and 44, compared with the percentage of all draft eligibles in service. The results of these population studies are summarized in table I. It should be emphasized that intercity comparisons cannot be made on the basis of this table because the studies were made at different times and local conditions also affect the situation for particular cities.

Table I shows that in 25 of the 26 cities, the percentage of Jews in the service was higher than in the general population. In most of these cases, as well as in the single case where the Jewish proportion was lower, the margin of differences was too small to be of any significance but in a few cases, the difference was too large to be simply a matter of chance. What stands out as important is the general tendency shown by these figures.

In like manner when the proportion in service of the total draft reservoir is considered, the studies show that the pereentage for the Jewish population was higher than for the general population in 23 of the 26 cities. Again, most of the differences are too small to warrant much emphasis, but the general tendency is again unmistakable that the Jewish participation in the armed forces was fully up to all expectations.

TABLE I.—*Jews in the armed forces: Statistical summary of 26 Jewish community population studies made by Jewish Welfare Board bureau of war records*

City	Year of survey	Percent of population in service		Percent of draft reservoir in service	
		Total	Jewish	Total	Jewish
Trenton, N. J.	1942	4.2	5.2	20.5	22.7
Lynn, Mass.	1943	8.4	9.3	37.9	38.5
Portland, Maine	1943	8.9	12.0	45.2	48.1
Stamford, Conn.	1943	9.4	10.3	42.6	44.3
Toledo, Ohio	1943	10.0	11.3	42.2	48.1
Allentown, Pa.	1944	8.4	10.5	33.6	42.0
Denver, Colo.	1944	8.5	11.8	40.4	50.7
Fort Wayne, Ind.	1944	8.2	13.1	38.3	54.1
Hammond, Ind.	1944	6.5	11.9	32.3	46.6
Los Angeles, Calif.[1]	1944	11.6	14.6	50.4	55.0
Madison, Wis.	1944	9.7	13.3	40.7	51.6
New York, N. Y., I[1]	1944	11.0	11.4	46.6	46.3
Oakland, Calif.	1944	7.9	10.1	35.7	41.5
Seattle, Wash.	1944	10.1	11.7	45.2	51.9
Spokane, Wash.	1944	10.0	12.2	49.5	53.5
Wilmington, Del.	1944	8.6	11.7	47.8	45.3
Youngstown, Ohio	1944	12.7	15.7	47.1	59.3
Beacon, N. Y.	1945	8.0	10.4	34.7	41.3
Boston, Mass.	1945	9.3	12.1	45.4	47.1
Chicago, Ill.[1]	1945	10.6	11.1	46.6	47.7
Dallas, Tex.	1945	9.3	11.2	39.6	48.0
El Paso, Tex.	1945	7.4	13.9	38.0	59.0
Galveston, Tex.	1945	11.6	10.6	46.7	46.6
Little Rock, Ark.	1945	8.5	12.4	39.1	55.6
New York, N. Y., II[1]	1945	12.0	12.8	47.2	52.0
Oklahoma City, Okla.	1945	9.0	12.5	39.3	51.4
Shreveport, La.	1945	13.0	13.8	54.6	59.3

[1] Sampling surveys.

On the basis of these population studies and other pertinent data, some of the statistical experts affiliated with the bureau's technical committee made estimates from time to time as to the number of Jews who were in the armed forces during World War II. Their final estimate, as of January 1, 1946, placed the probable minimum number who had answered the call to service in the armed forces at 550,000. In the absence of any reliable and definite figure as to the total number of Jews in the country and the age and sex characteristics of the Jewish population, several types of estimates were used which all yielded a figure of this order and which, therefore, the experts judged to be the most reasonable and valid figure.

TABLE II.—*Distribution of Jewish servicemen in armed forces by branches and activities as compiled by JWB bureau of war records*

Armed forces:	*Percent*
Army	80.59
Navy	16.46
Coast Guard	1.14
Marine Corps	1.81
Total	100.00
Army:	
Army Air Force	23.11
Army Ground Force	21.09
Army Service Force	36.39

Army activities:	*Percent*
Army Air Force: Flying personnel	4.67
Army Ground Force:	
Armored Force	2.28
Artillery	5.16
Cavalry	.40
Infantry	12.83
Paratroops	.42
Army Service Force:	
Adjutant General	0.85
Chemical Warfare	.68
Engineers	3.81
Finance	1.18
Medical, Dental	10.92
Military Police	1.51
Ordnance	2.60
Quartermaster	3.44
Signal Corps	4.52
Transportation	1.15
Navy activities:	
Officers:	
Line officers	9.38
Staff officers:	
Medical, etc	3.92
Supply	1.20
Engineers	.28
Other officers	2.67
Enlisted men:	
Aviation	1.45
Artificer, etc	3.64
Seamen	5.19
Specialist	5.20
Seabees	.76

At the time of writing, the JWB Bureau of War Records had a roster of more than 35,000 Jewish casualties of World War II. Included were 10,500 Jewish war dead, 8,000 of whom were killed in action, 18,000 wounded, 3,000 missing in action, 3,600 taken prisoners by the enemy.

TABLE III.—*Number of Jewish casualties and awards authenticated by JWB Bureau of War Records*

(Reflecting the status of the bureau's files up to July 1, 1946, except for deaths, which have been processed up to January 1947)

Number of casualties:	
Deaths in service:	
Combat	8,006
Noncombat	1,753
Unspecified	667
Total	10,426
Wounded in action	18,003
Missing in action	3,041
Captured by the enemy	3,687
Total casualties	35,157
Number of awards:	
Medal of Honor	1
Distinguished Service Cross	74
Navy Cross	37
Distinguished Service Medal	47
Legion of Merit	344
Silver Star	1,627
Distinguished Flying Cross	2,391
Soldier's Medal	222
Navy and Marine Corps Medal	30
Bronze Star	6,090
Air Medal	16,068
Total, without Purple Hearts	26,931
Estimated Purple Hearts (deaths in action and wounded in action)	26,009
Subtotal	52,940
Miscellaneous awards [1]	8,508
Total	61,448

[1] Principally Presidential unit citations, letters of commendation, and awards by foreign governments.

NOTE.—These statistics represent the number of casualties and awards, not the number of men involved. Awards of oak leaf clusters (Army) and gold stars (Navy) are included as additional awards of the same medal. Number of Jewish men receiving awards, 36,352.

The Bureau's files, also, contain records of just under 27,000 awards, exclusive of the Purple Heart, foreign awards and commendations, and unit citations. All men killed in action or wounded in action were automatically granted the Purple Heart, but the Bureau specifically recorded only those Purple Hearts which the servicemen's families reported as having been received. In the accompanying table III the number of Purple Hearts awarded Jewish servicemen was estimated on the basis of casualty statistics.

Some 20,000 of the 27,000 listed awards were granted for valor in combat (for example, the Medal of Honor, the Distinguished Service Cross, the Navy Cross). Six thousand were Bronze Stars, earned either in action or for service, and 643 were awards for meritorious service (i. e., Distinguished Service Medal, Legion of Merit) or for heroism not connected with combat (as the Soldier's Medal).

Impressive as these figures are, they are far from complete. As indicated earlier, the names of the men who suffered casualties or received awards were, for the most part, derived originally from official Government releases which themselves varied in adequacy, being most complete in the case of those killed in action and least complete with respect to awards. In addition, the JWB Bureau of War Records and its local committees were unable to authenticate the names of all the Jews who appeared in these lists. It is probable, therefore, that the count of the number of Jews killed in action, for which the record is fullest, is 15 to 20 percent less than the actual number and that the numbers listed for noncombat deaths and awards is only about half the true number.

This means that there were hundreds of Jewish war dead and thousands of the wounded or decorated heroes whose names do not appear in the lists assembled by the JWB Bureau of War Records.

Rationing of Grain to Distillers

EXTENSION OF REMARKS
OF

HON. ALVIN E. O'KONSKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. O'KONSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newspaper articles:

GOVERNMENT WITHOUT ETHICS—A PRIVATE CITIZEN CHALLENGES THE RISE OF A POTENTIAL DICTATORSHIP IN THE UNITED STATES

The recent arbitrary and discriminatory action of the Federal Government through Secretary of Agriculture Anderson in rationing grain to the distillers smacks strongly of police-state control methods. Worse than that, it shows absolute disregard for the integrity of Government itself.

When the distillers voluntarily agreed to shut down production of alcohol for a 60-day period, they were promised that "no effort will be made to extend the shut-down."

Then Secretary Anderson, using section 4b of the Taft anti-inflation law, disregarded the Government's promise—dictatorially interpreted the law as being retroactive—and arbitrarily forced a discriminatory and unfair ration system on the distillers.

The stated purpose of the Government was to save wheat, but a statistical analysis of the distilling industry's wheat consumption makes this stated purpose ridiculous.

The actual purpose would appear to be a combination of politics and an effort to achieve some form of prohibition through subterfuge.

There is nothing new in the tactics adopted. Dictators have used them for years—first to make a promise and later to break it, at will—and second, to achieve police-state control over the desired objective.

It is rather depressing to see such a spectacle in our own Government.

Of course, most of you who read this probably won't bother to do anything about it. Dictators know this and that is how they achieve their power.

Encroachment on the rights of the people is usually subtle—but gradually expands until the population wakes up and finds out it can happen here and they are powerless to do anything about it.

Today it discriminates against the liquor industry. Tomorrow it may discriminate against the paper industry. And the next day perhaps against your industry.

There is no stopping totalitarian methods once they are permitted to get a foothold. As Thomas Jefferson once pointed out: "Eternal vigilance is the price of liberty." That vigilance requires a revision of section 4b of the Taft anti-inflation law under which Secretary Anderson acquired his arbitrary powers. An extension of that law containing that section will be acted upon by the Congress within the next few days—and it is essential that it be amended to prevent further use of such dictatorial powers by Secretary Anderson.

I hold no brief for the liquor industry and I am not in any way connected with it—but I have a great respect for fair play, justice, and equality in government—and am American enough to believe that our Government "of the people, by the people, and for the people" should retain the high code of ethics, integrity, and honesty which has made us the greatest Nation in the world today.

TIME FOR COMMON SENSE—AN OPEN LETTER TO THE CONGRESS OF THE UNITED STATES

In the next few days the Congress will be asked to consider legislation to extend the shutdown of American distilleries. Since this involves an industry which pays annually more than two and a half billion dollars in taxes, and employs directly and indirectly more than two million American workers, we think it might be useful for you and for the public to have some of the facts about the recent voluntary 60-day shut-down.

Schenley entered into the voluntary agreement and has lived up to its obligations 100 percent.

Some American distillers did not shut down.

The Canadian distillers did not shut down.

The British distillers did not shut down.

No other country in the world closed its distilleries.

For the announced purpose of providing food for hungry people in Europe, the shutdown has been an absolute, costly, and utter failure.

The purpose of our Government was to save wheat. We believe that not only was there no saving of wheat, but that wheat was actually lost.

The distilling industry uses practically no wheat. The actual figure is less than one-thousandths of 1 percent of the total wheat crop.

This industry uses principally corn, some rye, and some barley malt. Most of this grain, if not so used, would ordinarily be fed to animals.

Normally, we use about 2 percent of the total corn crop.

It was estimated by the President's Food Committee that the 60-day shut-down would save approximately 10,000,000 bushels of grain, but actually little or nothing was saved because in the process of distilling we return to the farmer feeds for poultry, hogs, dairy cattle, and beef cattle which in the opinion of experts have an equal or greater feeding value than the grain we used.

the actual withdrawal of the British, order must be maintained in Palestine. It is not being maintained. Merely to place an embargo on the importation of munitions into Palestine, when the Mufti can draw arms from other Arab states, will certainly not tend to produce that order. Haganah is a force in Palestine which must be sharply differentiated from the terrorists. It is a band of Jewish men and women claiming no objective other than the defense of their lives, their hearths, and their homes. The conduct of the Arabs in Palestine is a threat to international peace and we should ask of our Government that it support a policy that, through the United Nations, those who are defending the decision of the United Nations be given the means with which to make their defense effective.

This is not merely a pro-Jewish position. This is a pro-American position and a pro-United Nations position. Nor must we forget our ultimate aim. That is, in the words of Dr. Weizmann, a state where Arabs do not dominate Jews and Jews do not dominate Arabs. There is a great basis of good will between right-thinking Arabs and right-thinking Jews in Palestine upon which the structure of two such states can be built.

This statement, I believe, raises a standard to which every right-thinking American, Jew, or Christian, and every right-thinking supporter of the United Nations can with confidence and high hope adhere.

JOSEPH M. PROSKAUER,
President, American Jewish Committee.
NEW YORK.

The third insertion is Sumner Welles' clear and incisive round-up of the current developments in Palestine as published in the New York Herald Tribune of Tuesday, January 27:

CHAOS IN PALESTINE—COST OF TIMID PROCRASTINATION

(By Sumner Welles)

Within the past 8 weeks, Palestine has become a shambles. Open warfare, carnage, assassination, and reprisals are the order of the day. The tally of the dead and injured is mounting hourly. To an increasingly callous public, Palestine seems to have already become just one more tragedy in a world that is filled with them.

There is all too little recognition in this country of the danger to American security and of the threat to the survival of the United Nations that are inherent in this drift toward chaos.

Our national effort is now directed toward the preservation of the independence of Italy, Greece, and Turkey as the surest means of preventing Russian domination of the Mediterranean. If large-scale hostilities break out in the eastern Mediterranean, which enable the Kremlin legitimately to claim that Russia must take armed action to safeguard her vital interests by restoring peace in a region adjacent to her frontiers, is it likely that our policy will be successful?

The Arab Higher Committee has informed the Secretary General of the United Nations that it will try to prevent the establishment of an independent Jewish state in Palestine by every means within its power. This is a flagrant violation of the solemn commitments into which the Arab States entered when they subscribed to the United Nations Charter. It is nothing more nor less than a declaration of war upon the United Nations.

The newspapers in Syria and in the Lebanon openly boast of the recent invasion of Palestine by troops equipped and trained in those two countries. One hundred and ten Egyptian officers have been granted 6 months' leave with full pay to command Arab volunteers in Syria. The Egyptian Government has appropriated $2,000,000 to help to arm the Arab forces fighting against partition. The Cairo press reports that arms and ammunition are being sent by friendly governments to Arab League headquarters for the use of these forces.

The Arab League would never have dared pursue this policy of defiance had the Arab states known from the outset that the United Nations was able and prepared to enforce its partition decision.

In the final days of the Assembly debate the United States suggested the establishment of an international volunteer constabulary to serve in Palestine. The proposal was obviously ill-advised. These volunteers could not have been adequately screened. The Soviet and American Governments would each have claimed that such a constabulary was a Trojan horse containing agents of the other. The suggestion was fortunately rejected.

When the partition resolution was finally adopted it included a mere appeal to both Jews and Arabs to create local militias. Such a recommendation, without any provision for United Nations control, was tantamount to an incitement to conflict.

Until now, the United Nations Palestine Commission, set up by the Assembly to supervise partition, has done nothing more effective than discuss how such militias could function or whether the Security Council should be asked to intervene.

The Security Council, notwithstanding the acts of aggression committed in Palestine, and notwithstanding its clear-cut obligations under article 39 of the Charter to take action "to maintain or restore international peace and security," continues to be silent. And in this case, since the Soviet Union officially supports partition, the veto is not the cause of inaction.

If the wave of anarchy in Palestine spreads further, human passions will soon be out of control.

The British Government persists in its stultifying policy of noncooperation. But the blame for what is going on should be laid primarily upon the United Nations for its timorous procrastination. It should also be laid upon the United States for its failure to assume leadership before the adjournment of the Assembly by insisting that adequate measures be taken to prevent this threat to the peace of the world, which could then already be clearly foreseen.

If the United Nations either will not or cannot enforce such decisions as its decision upon the partition of Palestine, it cannot survive.

I long since urged in this column that the measure that could best prevent the outbreak of a major war in the Near East, and at the same time avoid increased antagonism between the United States and the Soviet Union, was the dispatch by the Security Council to Palestine, in accordance with article 43 of the Charter, of a United Nations police force composed of small contingents from the regular military establishments of five or more of the intermediate or lesser powers.

A token force should be sent immediately to Jerusalem as a symbol of United Nations authority. This should be gradually increased to replace the British troops as they evacuate. There is no plan that has yet been suggested that can prevent rivalries between the major powers, keep the peace in Palestine, and restrain the ambitions of the Arab League.

If the whole of the Near East is not soon to be aflame in a devastating conflagration, if our own national policy is not to fail ignominiously, and if the United Nations is to preserve any semblance of authority, instant action by the Security Council is imperative.

My fourth insertion is a signed article by Victor H. Bernstein, the well-known foreign correspondent and author, as it appeared in PM of January 26:

WILL UNITED STATES LET BRITAIN THWART UN ON PALESTINE?

There are some simple facts about the Palestine situation which are so obviously unpleasant to contemplate that few people seem willing to contemplate them.

The first is that the United Kingdom, instead of being the "good member" of the UN that she professes to be, is—so far as Palestine is concerned—the organization's avowed enemy.

The second is that unless the Palestine Commission leaves Lake Success with an international force capable of enforcing its mandates, it won't be Palestine that will be partitioned, but the UN—partitioned and readied for history's waste basket.

The third is that the key to effective implementation of partition, and therefore the fate of UN as an effective working organization, lies primarily in the hands of the United States of America as UN's most influential and powerful member.

I'd like to discuss these three points briefly.

That the United Kingdom never wanted any part of the original UNSCOP proposal for partitioning Palestine is indisputable fact.

Nevertheless, the UN delegates approved a partition plan which required, to implementation, a certain minimum of cooperation from the UK. They did it because there seemed, at the moment, no practicable alternative available; they did it on the basis of the repeated promise that the British would do nothing to obstruct partition; they did it because they hoped that the UK, as a good member of UN, would drop her antagonism once partition was no longer a UN issue but a UN decision.

This last hope has now been shattered by the British, covertly in Palestine, overtly at Lake Success. The British say they are following a neutral policy in Palestine. Their statement is open to serious doubt, but even assuming that what they say is true, they obviously cannot be neutral as between anti-UN Arabs and pro-UN Jews and still claim to be acting the role of a good member of UN.

And at Lake Success, last Thursday, British spokesman, Sir Alexander Cadogan openly defied the UN by stating that his Government would not evacuate a Jewish seaport by February 1 as recommended in the partition plan.

Now I know that "defiance" is a harsh word. I know, too, that all actions of the General Assembly, including its Palestine partition plan, are by the very nature of the UN charter merely recommendations. But no amount of rationalization can change the fact that Britain, by refusing to open a seaport by February 1, has defied the expressed wishes of a more than two-thirds majority of the UN.

The importance of this overt defiance is that, while it may have been Britain's first since adoption of partition, the evidence is plain that it will not be her last. The Palestine Commission, UN's executive organ for partition, must henceforth reckon not only with British noncooperation, but with her actual enmity and obstructionism. To reckon otherwise is to court disaster.

Which brings us to the second point: The need for an international police force. Britain's refusal to evacuate a seaport and hinterland by February 1 enhances that need, if enhancing were necessary. For evacuation of some area by the British, very soon, was necessary not only for Jewish immigration, but for the open organization of the Jewish militia called for by the partition plan. The British will never legalize the Haganah on soil still occupied by British troops, and without the Haganah the Jews of Palestine are virtually defenseless.

The five members of the Commission are aware of these facts. They are also aware of the catastrophic effect upon their own

position that could result from the continuation of the United States embargo on arms to Jews. Could the commission seriously be expected to enforce partition against the wishes of Arabs, armed by the British, and supported only by the Jews who, sooner or later, will have no arms?

The Commission members are not fools. One can reasonably assume that they have no desire to become a laughingstock of the Arab world, nor have they any desire to subject the UN to what, in this case, would be the irretrievable shock of failure.

The Commission, indeed, has already made up its mind that an international police force is essential for implementation of partition. Indeed, I think the Commission members have made up their minds that, unless Arab resistance to partition stops, they will not go to Palestine at all unless they are guaranteed a force with which they can operate.

The Security Council will in due course be officially apprised of this feeling of the Commission. And in the Security Council, as the only body authorized to create such a force, the United States of America will have to disclose its position. Washington is committed to partition on paper; the world has the right to expect that it is also committed to partition in Palestine.

Meanwhile, it is essential to record that, until the United States rescinds its embargo on arms to the Jews of Palestine, this country's moral position is no better than that of the United Kingdom. At this stage, both countries are obstructing the recommendation of UN that the Jews shall have a free and independent state in Palestine.

VICTOR H. BERNSTEIN.

The Washington Post published last Saturday a devastating editorial exposing the inconsistencies of Anglo-American policies and the striking injustice of the British selling arms to the Arabs while we cut off supplies to the defenseless Jews:

PALESTINE CONTRASTS

Refusal of Iraq to ratify the new military alliance with Britain leaves a gap in Britain's armed alliances with the Arab world which may lead to further appeasement of the Iraqi. Perhaps they want more arms for use against the Jews in Palestine. Fawzi El Kawji, supreme field commander of both the "volunteer invaders and Arab forces inside Palestine," would then be the beneficiary. This gentleman hails from Iraq, though he is a renegade, and, in addition, is one of the old pro-Nazi gang who has been involved in every plot against Britain since 1936. He is working in cahoots with the Mufti—the scoundrel who, according to Mr. Churchill, was Britain's worst enemy. It is all the more surprising to note the tenderness that the British are displaying toward these firebrands.

We may grant that the job of keeping order in Palestine is difficult, but the difficulty has not been lessened by the arms policy that the British have been pursuing. On the contrary, the job has been made impossible. The Arabs have noted the British decision to keep out the UN mission till the eve of their own departure in May. But what must have been more interesting to them as a spur to Arab recalcitrance is the arms traffic that the British have recently developed with Palestine's neighbors. The troublemaking in Palestine comes from outside, and since the UN decision the British have actually been shipping arms to Egypt, Iraq, and Trans-Jordan, knowing full well that the arms would be used for the purpose of upsetting the UN decision. How, in these circumstances, could the British administration expect to keep order in Palestine?

The United States has been dragging its feet almost in step with the British. There is one way of restoring some semblance of order in Palestine, but on this way the Americans have turned their backs. This is to arm the Haganah, the Jewish defense militia. But as soon as the United Nations had recommended the plan of partition the United States slapped an embargo on all arms shipments to the Middle East. Here is a picture of contrasts: The British are arming the Arab extremists and at the same time trying to keep order in Palestine, while we are shutting off all supplies. To cap all, the State Department has just issued instructions to the American consul in Jerusalem to take away the passports of American citizens found among the Jewish defense forces. This was not done when Americans enlisted in the Allied armies prior to our entry into the war. Why the ban is put on Americans in Palestine who are fighting in defense of a United Nations decision to which this Government is a party is thus glaringly inconsistent with our traditional policy, let alone with our membership of the United Nations. Is it any wonder that the Arab extremists imagine they are getting aid and comfort from the chief props of the United Nations for defying the United Nations?

To be sure, the problem to be resolved depends upon the answer to the riddle of enforcement. It should have been faced squarely during the proceedings at Lake Success. Little Guatemala sought to give a lead by suggesting that an ad hoc force be raised among the noninterested powers in Palestine. That was done after the first war in respect of the Saar. Evidently the suggestion got no aid from either Britain or America. The next best thing is to bring up the matter before the Security Council. In the meantime, fairness alone, let alone any regard for the UN recommendation, demands a raising of the arms embargo by this country. The pusillanimity of the Anglo-American powers is bringing on the tragedy they contemplate, for it is an advertisement to the intransigent Arabs that the scuttling of the UN decision would not be displeasing to either London or Washington.

Federal Council of Churches Issues a Constructive Statement on the European Recovery Program

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. HAYS. Mr. Speaker, under leave to extend my remarks in the Appendix, I include the following excerpts from a letter from Charles P. Taft, president of the Federal Council of Churches of Christ in America:

The European recovery program is wholeheartedly supported by the executive committee of the Federal Council of the Churches of Christ in America, "in the conviction that (this program) can be one of history's most momentous affirmations of faith in the curative power of freedom and in the creative capacity of free men."

The motives and objectives behind this program should be, in the judgment of the Federal Council, "above political partisanship," and "should transcend considerations of narrow self-interest."

The Federal Council believes that "the United States must be zealously on guard against imposing, or appearing to impose, conditions in the granting of foreign aid which would seem to threaten the political independence of the nations of Europe, or their right to choose their own way of life."

It is pointed out, however, that the United States, "has a right to expect that the nations participating in this program carry out their own expressed intention to work cooperatively, to maintain monetary stability, and to reduce trade barriers, in order to make the program effective."

The Federal Council is also of the opinion that if, in addition to voluntary controls, certain governmental controls should be required to assure a fair allocation of needed goods for foreign aid and domestic consumption, such controls should be adopted.

Sermon by Clark G. Kuebler, Ph. D., LL. D.

EXTENSION OF REMARKS
OF
HON. CLARK W. THOMPSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. THOMPSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following sermon delivered in Washington Cathedral on January 11, 1948, at a service for Members of the Eightieth Congress, by Clark G. Kuebler, Ph. D., LL. D., president of Ripon College:

World War II and our subsequent search for lasting peace have forced us to admit what we Americans are prone to forget; that, in the last analysis, ideas and ideals are all important. It is an incontrovertible fact that what a man thinks and believes, he is, and does. How can we fail to recognize that long before our enemies constituted a military threat they had certain ideas and ideals which made their machines of tyranny and aggression inevitable? And now we see more clearly every day that, even though no longer a military threat, those same ideas and ideals are not wholly dead. Indeed, if we would prevent their being revived, we must carry the fight from the battlefield to the arenas of the mind and the spirit.

In these postwar days our American ideas and ideals are being challenged as never before in the history of our Republic. Are we prepared for an adequate defense? Do we know what we think and believe?

The basic struggle, of which the war was only another phase, is one between freedom and tryranny, or between totalitarianism and democracy. This struggle, as old as the memory of man, is fundamentally one of the mind and the spirit, a conflict between two opposing philosophies of life, one of them emancipating and the other enslaving. And they always will be set against one another because tyranny in any guise leaves only the tyrant free, while he himself, as Plato pointed out, is the slave of his own caprices even as other men are his slaves. The unpleasant discovery that this struggle continues on even after our military victory has shocked many of us; and it has made some of us defeatist. How can we carry through to final victory? Is that victory assured?

As has been said, totalitarianism is not new. Regardless of when and where it has appeared and what guise it has worn, it has always been built upon two postulates. The first is the belief that reason is to be found in only a few, or in one man who heads the state. Under all totalitarian governments, the people are given no opportunity for critical thinking; indeed, they must make blind submission to an official, doctrinnaire ideology. Our republic was built on a diametrically opposite belief: That every man is capable of reasoning ultimately to the truth; and that, because he has the ability

We take out only the starch. We save all the protein and oil and add yeast. The resulting products are rich in protein, vitamins, amino acids, and other feed values.

We are convinced that the final result is this—if a farmer has 10 bushels of grain and sells us 2 bushels for distilling, and then feeds the 8 bushels which he kept and the residue which we return to him, he will get as much added weight in feeding his animals as he would have achieved if he had fed them the original 10 bushels.

We think he actually gets more.

Suffice it to say that the benefits of a balanced diet have been proved over and over again for both animals and human beings.

Our own Department of Agriculture, in numerous bulletins, has published many formulas for the use of distillers' feeds to balance animal diets.

We admit, frankly, that the exact percentage of feeding value which we return to the economy is debatable.

You may think that, instead of being more, it is even as much as 50 percent less. Let's assume that you sincerely believe that the Luckman plan saved 5,000,000 bushels of corn, or less than one-tenth of 1 percent of the total grain available.

But it wasn't corn the Government wanted to ship abroad. It was wheat.

We knew that our feeds would add weight to cattle, but the Government apparently was not interested in getting more meat. Now the Secretary of Agriculture tells the country that we are faced with a terrible meat shortage. It does get a little confusing, doesn't it, gentlemen?

In addition, we think they lost more wheat than they thought they saved.

When the farmer doesn't get our feed, do you honestly believe he is going to let his poultry and hogs and cattle starve?

And maybe this particular farmer hasn't any corn. Maybe he has wheat. So he feeds the wheat to the chickens and hogs and cattle—and it was wheat that we wanted in the first place to ship to Europe.

The government of every country in the world, except our own, has adopted the principle that distilling takes nothing away from the food economy. This is proved by the fact that none of these governments have shut down their distilleries. Surely they are not purposely taking food out of the mouths of starving people.

England is running at capacity; Canada is running at capacity; 11 countries which have submitted their needs under the Marshall plan have asked for grain for distilling and brewing.

Even assuming that the shut-down saved a few million dollars' worth of corn, let's see what it cost:

It completely dislocated an industry which pays to the Federal and State Governments more than two and one-half billion dollars a year in taxes.

It threw thousands of American workers out of work. We know because we alone kept more than 1,000 on full pay.

It increased the price of the neutral grain spirits now in storage in the United States more than 150 percent.

It opened the door wide for foreign distillers and foreign workers to take over the business of American distillers and the jobs of American workers.

We admit that these are strong statements, but we will prove every one of them right up to the hilt.

There is one other fact that ought to be clarified. The public was told that the stocks of whisky in the United States were adequate—that we have over 550,000,000 gallons of whisky. What we have, actually, is about 65,000,000 gallons of whisky in this country which is 4 years old or older. This is about 1 year's supply. The rest is green whisky not yet fit to drink. (Government figures show what is put away—not what is there after evaporation and outage.)

This is less aged whisky per capita than in any distilling country on the whole face of the globe.

Now you may well ask us why we agreed voluntarily to shut down when we knew all of these facts and had communicated them to the Luckman committee.

We assented because we were conscious of an obligation to the American people, who decided in 1933 that they would prefer to have a sound distilling industry with employment and taxes and Government regulation instead of bootleggers, gunmen, and rotgut. They put that in our Constitution.

So, when the call came to help hungry people, we wanted to contribute our share, heaped up and running over. We knew no grain would be saved, but when we were told that a great sacrifice on our part would be a tremendous psychological contribution for the purpose of securing assent from others to make comparable sacrifices, we agreed.

No other American industry was asked to make any comparable sacrifice.

No other country asked its distillers to make any sacrifice.

We think it is time for a little common sense.

We think this whole question of the shutdown of distilleries and the allocation of grain for restriction of production should be investigated by the Congress of the United States. Not in an hour, not in a day, but in a full-dress hearing with opportunity for all to be heard. Not just distillers, but the communities that are being ruined, the workers who are being thrown out of work and the farmers who have an interest in the feeding of their stock and the disposition of their products.

We believe that the public interest would be best served by full disclosure of all the facts in the full light of day.

A MESSAGE TO THE SENATE OF THE UNITED STATES

Today you will be asked to vote to give the Secretary of Agriculture another blank check to restrict the use of grain by the United States distilleries in the following 25 States: California, Colorado, Connecticut, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New York, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Virginia, and Wisconsin.

The industry was shut down completely for 60 days October 25 to December 25. It is being restricted throughout January.

You are being asked to rush through an act to restrict it through February.

In November and December, when the United States distilleries were shut down, 1,109,000 bushels of United States corn were shipped into Canada. Since the Canadian tariff has just been reduced, we will probably get most of this back in the form of Canadian whisky.

In 1946 Canada imported practically no United States rye (8,591 bushels).

But in 1947 Canada's imports of United States rye were 1,433,356 bushels.

They imported 710,000 bushels of this, or almost exactly one-half, in the single month of November, when United States distilleries were shut down to save grain.

After the Canadian distillers had imported enough United States grain to run at capacity—and they are still running at capacity—rye was embargoed.

But they can still use all of the United States corn that they care to use while United States distillers are restricted.

Canada has suddenly become an enormous producer of corn pone and rye bread, or could it be corn and rye whisky?

If you want to know where the United States grain went that was alleged to have been saved by restriction on United States industry, read the following:

Exports of United States corn to Canada

	1946	1947
	Bushels	*Bushels*
August	255,338	816,687
September	63,418	542,046
October	23,095	592,476
November	261,745	573,658
December	379,246	730,611
Total year	2,378,858	8,085,768

Exports of United States rye to Canada

	1946	1947
	Bushels	*Bushels*
August	666	1,977
September	0	194,259
October	0	744,096
November	0	436,815
December	0	Embargo
Total year	666	1,433,356

The following are excerpts from the testimony of the Secretary of Agriculture, before the Senate Foreign Relations Committee on Tuesday, January 13, 1948:

"As far as the United States is concerned, our estimates have been made on the assumption that we would export annually to all countries of the world about 100,000,000 bushels of coarse grains, most of which would be corn. This amount would be small in relation to our total production of corn which might be expected to run about 3,000,000,000 bushels a year.

"The mere fact that the price has been high has tended to keep down the consumption of that corn to some degree, and therefore our corn picture is not extremely tight domestically, but the announcement of a large export of corn, or almost any export of corn at the present time to these European countries, would have a bad influence on our grain markets and upon our domestic costs.

"Our figure next year contemplates only the export of 300,000,000 bushels of wheat from all sources as against 450,000,000 or perhaps 500,000,000 this year. So that the probabilities are that if we started to subtract that from our total output, even if our production was only 1,300,000,000, and we took off that 300,000,000 bushels for export, we would have a billion bushels left, and there is not a possibility under heaven that the people of the United States could use 1,000,000,000 bushels of wheat.

"Therefore, as far as wheat, meat, and corn are concerned I see no possibility that any exports under this program would have any relationship to the need or lack of need for price controls or allocations on those commodities."

The following is an extract from letter of Acting Secretary of Agriculture to Senator BARKLEY, of Kentucky, January 21, 1948:

"As you know, grain continues to be in critically short supply, and its conservation is a matter of urgent necessity in order that the most essential domestic requirements be met first and in order that the United States be in a position to fulfill commitments made pursuant to our foreign policy."

Universal Military Training

EXTENSION OF REMARKS

OF

HON. WILLIAM J. MILLER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mr. MILLER of Connecticut. Mr. Speaker, I am referring to the Armed

Forces Committee petitions I have recently received, urging the immediate passage of H. R. 4278, better known as the universal military training bill.

Three of these petitions come from the following posts of the American Legion: Postal Employees Post, No. 139, of Hartford, Conn.; the Gray-Dickinson Post, No. 59, of Windsor, Conn.; the Robert E. Collins Post, No. 131, composed of employees of the Aetna Insurance Co.

I am also submitting a petition submitted by the American Legion Auxiliary of Gray-Dickinson Post, No. 59, of Windsor.

I would like to refer particularly to a similar petition signed by a few thousand of my constituents who are enrolled as citizen soldiers in the National Guard of Connecticut and in the National Guard of the United States. About half of these men are veterans and the rest are soldiering for the first time. All of them believe in universal military training.

I think it is of particular interest that we find practically every veteran organization expressing their approval of compulsory military training. Certainly we owe the youth of this country at least a minimum of military training. They are entitled to the opportunity to learn how best to protect themselves if we should ever be subjected to a military attack.

What Is Happening in Palestine?

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. KLEIN. Mr. Speaker, under consent, I am inserting in the CONGRESSIONAL RECORD editorial comment from several sources on the unhappy situation in Palestine, which I commend to the attention of the membership.

The first insertion is an editorial from the New York Post of January 22:

PEACE—AND PALESTINE

If we will not be honorable, let us at least be savagely merciful.

If we are determined to solve the problem of Palestine by completing Hitler's grisly work, let us do it, at least, with some of our vaunted efficiency.

We are wasting time, gentlemen in the White House, gentlemen of the Cabinet, gentlemen of the Senate, gentlemen of the armed forces.

At this rate, unless the pace is accelerated, it will take another 2 years for Hitler's pal, the Arab Grand Mufti, to murder the 700,000 Jews the Americans and British have rounded up, disarmed, and disowned.

We can solve the problem quickly, and we alone, for do not we alone possess that most efficient of all murder weapons, the atomic bomb?

One little raid, gentlemen, think of it, and all would be peace in Palestine.

One little bomb, and we would have made good our pledge to find a home for the Jews—a permanent home in Palestine—one good for all eternity.

We are making a good beginning.

Already we have brought peace to more than 900 Jews and Arabs in the short time which has elapsed since November 29—the date when the world's most powerful nations solemnly met and by majority agreement voted to give the Jews one-third of the national home promised them with equal solemnity after the First World War—remember?

Once upon a time we were a proud people, a courageous people, placing honor above hypocrisy, jealous of our pledges, zealous for our treaties. Once upon a time we were schocked, and angered into quick action by the contemptuous words of a foreign potentate who dared refer to a solemn treaty as just a scrap of paper.

And yet we have come to such low estate that we have made, thus far, a mere scrap of paper of the solemn undertaking to which we pledged ourselves at Lake Success last November 29.

We were silent when the British made it evident, in the infamous white paper, that the Balfour Declaration was just a scrap of paper.

Our own treaty of 1924, giving Great Britain our consent to carry out the League of Nations mandate over Palestine, imposed as the price of our consent the obligation to give us regular, satisfactory evidence that the terms of the mandate were being put into practice.

What became of that treaty?

It is gathering dust in the archives of the Department of State—where it has become, to us, just another scrap of paper.

Our silence has given consent to Arabian defiance to our United Nations pledge; consent to Great Britain's disarmament of Jews and her open steady sale and gift of arms to the Arabian guerrillas who war upon the Jews in anger at the United Nations; consent to the illegal imprisonment of Jews in British concentration camps; Jews whose only crime was an effort to reach the home awarded them first by the Balfour plan and now by the United Nations.

But we have not been content with silence.

We have taken positive action to make certain that the Arabs are armed and the Jews without weapons; we have embargoed shipment of arms to Palestine; we have denied the citizens' army called Haganah the right to buy weapons to defend their own and their fellows' homes; we have become an accessory to murder; not only the murder of Jews and Arabs, but the murder of honor, justice, decency, and mercy.

The custodians of our national honor are the President of the United States, the Secretary of State, our delegation to the United Nations; national secretaries of Cabinet rank, Members of the Congress, particularly the Senate which has treaty ratifying power.

If we are sufficiently aroused by November 1948 we can hold the guilty responsible, and, if we will, banish them from public life.

The next few weeks—the next few days—will be enough to prove who among them, if any, still believes in action to support our pledged word—and which among them is content with scraps of paper.

Mr. President and gentlemen, at this moment in history, you and only you can act. You can, if you will, lift our embargo so that Jews may at least fight to defend their homes, their country, their very lives. You can, if you will, arm the United Nations so that its decisions can be enforced.

But if you will not, then at least be merciful and efficient.

We repeat: If we are determined to see our pledges violated, and to see the problem of partition solved by murder, let us prove how advanced our science has become—how far we have come since Hitler.

The Arabs are doing well with rifles and bombs. The Nazis did better with starvation and crematoriums.

We can finish the job in a couple of hours with the atomic bomb.

If we will not bring life, then let us at least get on with the job of death. Let us quit torturing Jews—and democracy.

The second insertion is an open letter signed by Joseph M. Proskauer, president of the American Jewish Committee, which is a brilliant exposition of the position maintained by American Jews, whether or not they are members of any of the many Jewish organizations.

I particularly commend to the attention of Members the second and the closing paragraphs of Mr. Proskauer's letter, to which, I believe, every American Jew will fully subscribe, even those who are self-consciously anti-Zionist:

AMERICAN JEWISH COMMITTEE POSITION

Because of the conflicting accounts of the implications for Jewry of the partition of Palestine, I deem it important that there should be a clear statement of what I, as president of the American Jewish Committee, believe to be the philosophy and attitude of American Jewry.

We are told by the anti-Semite, through malice, and by some small sections of American Jewry, through confusion, that this partition has created a problem of possible inconsistency between our obligations as Americans and as Jews. There is no such problem. Five years ago our committee stated: "There can be no political identification of Jews outside of Palestine with whatever government may there be instituted." These words state an axiom and remain true today. The Jews of America suffer from no political schizophrenia. Politically we are not split personalities, and in faith and in conduct we shall continue to demonstrate what the death rolls of our Army on many a battlefield have attested, that we are bone of the bone and flesh of the flesh of America.

What should be the attitude of Jews toward this newly-to-be-created state? We have affirmed our sympathy with and our desire to cooperate with those Jews who wish to settle in Palestine. Now we find this embryo state already beset with the horrors of violence and bloodshed and its shores largely closed to that suffering remnant of downtrodden European Jewry which yearns to go there. In helping them we emphasize that nothing can be done which in any degree constitutes a violation of the laws or the executive action of the United States.

But we have a right to represent to our Government for its action a great fundamental truth. The United Nations Assembly did not merely decide a dispute between two peoples—it prescribed a course of international conduct; it decreed that partition was a measure that made for the peace of the world. The world must support that decree. The responsible Jews in Palestine are engaged in no struggle of aggression or of aggrandizement. If any hot-headed group is acting at variance with this position, that group is disavowed. But responsible Jewish leadership asks for nothing except that the mandate of the Assembly of the United Nations be executed. To enforce it requires policing of Palestine against the violence that has there been incited chiefly under the leadership of Arabs identified with Hitler.

It is vital not only to the Jews of Palestine but to the peace of the world that the dignity and integrity of a resolution of the Assembly of the United Nations be defended against such bloodthirsty attempts to thwart it as have appeared in Palestine during the last few weeks. To that end we urge on our State Department—first, that under the Security Council of the United Nations there must be created a sufficient constabulary to preserve peace and order in Palestine when the British withdraw and to make clear to the world that the decision of the United Nations is not to be treated as a scrap of paper.

Second, during this crucial interim between the decision of the Assembly and

to reason, he has a right to share in the working out of his destiny. If we should surrender our reasoning power to one man or to a small group, at that moment we would exchange freedom for slavery.

The second postulate on which totalitarianism has always rested is this: That an individual has his value only in terms of the state and has no worth himself. Democratic society, on the other hand, is built on the belief that every human being is of infinite value, a value which transcends government or social structure. For precisely that reason our Republic was founded on the strong conviction that it is the function of government to serve the individual and society and not vice versa. It is that idea, particularly, which is being challenged by so many who would make government an end in itself and the state all-powerful. To preserve our belief in the supreme worth of the individual we must keep alive the core of belief out of which it grew, i. e., the Judaeo-Christian tradition: Both Jews and Christians believe that man has a dignity independent of any state because he was made "in the image of God." And the Christianity which built this great cathedral teaches us that God sets such a high value upon man that "He gave His only begotten Son that whosoever believeth in Him should not perish but have everlasting life." If our synagogues, temples, and churches were to be destroyed, our freedom would have lost its final bulwark of defense. That truth the totalitarians of the modern world have made clear by their deliberate attack upon synagogue and church as their most formidable foe.

Unfortunately, we have been all too inclined in the past three decades either to give mere lip service to these ideas and ideals on which our civilization was built, or to consider them not too important, or, in some instances, actually to sneer at them as outmoded and false.

For roughly a hundred years, until World War I, the western world was smug and self-confident, assuming that, because of our great scientific and technological achievements, progress was automatic. In that period man put himself at the center of the universe saying, "Glory to man in the highest, for man is master of things." When the first war ended disappointingly in rumors of wars to come, in the spread of barbarous, totalitarian governments, in the growth of hatreds between nations, races, and classes, the pendulum swung to the opposite extreme, to an equally blind pessimism or cynicism. Typical of the negativism which prevailed between the two wars is the cryptic remark of Theodore Dreiser: "I can make no comment on my work or life that holds either interest or import for me. Nor can I imagine any explanation or interpretation of any life, my own included, that would be either true, or important if true. Life is to me too much of a welter and play of inscrutable forces to permit, in my case at least, any significant comment. I catch no meaning from all I have seen, and pass, quite as I came, confused and dismayed."

But during the last war the pendulum began to swing away from negativism to an honest search for meaning and purpose, toward a positive belief. Indeed, the following words of the prophet Amos are a most apt description of that almost pathetic eagerness for something to cling to: "Behold, the days come, saith the Lord God, that I will send a famine in the land, not a famine of bread, nor a thirst for water, but of hearing the words of the Lord."

Illustrative is the statement of Sir Philip Gibbs: "Already many minds are aghast at the disorder, and see no hope for humanity except in a revival of faith and a return to Judaeo-Christian ethics." Indeed, to read the significant writings of the last 5 years is to see a growing awareness that the one possibility for a just social order and a lasting peace is to be found in terms of the Christian ethic. But mere moralizing, at best, is not enough; it cannot stand up against a burning faith, even when that faith is an evil and a perverted one. In fact, it will be as ineffectual as an umbrella in a tornado? That was demonstrated in Nazi Germany.

To put it succinctly, the Christian ethic will have reality and vitality only as a product of the Christian religion. The ethics of Jesus, when divorced from a gospel of salvation through the cross, may move us for a day, but they soon become meaningless apart from God. The first point of a seven-point declaration signed by Roman Catholic, Anglican, Orthodox, Protestant, and Jewish leaders is a fundamental truth: "The organization of a just peace depends upon practical recognition of the fact that not only individuals but nations, states, and international society are subject to the sovereignty of God and to the moral law which comes from God."

Note the order: First, the Divine Person and then His law; relationship to God is more than legalism. And the process of creating a just social order and a lasting peace involves more than working out proper legislation, important though that is; indeed, it is a matter of redeeming mankind from sin or alienation from God. Apart from God, man has no hope.

The faith itself, then, is the answer to our searching. No longer can we hold to the specious logic of pseudo-liberalism that it does not matter what men believe. What a man thinks and believes, he is and he does.

When we allow ourselves to be natural, we sense a great, transcendental power in the universe, and ineffable mystery, with which we must be in harmony if we would be happy and at peace. In other words, we reach up and out for God. But not only do we reach out for God; God reaches out constantly to reveal Himself to us; in fact, the whole of early history is the record of the self-revelation of God to man, a revelation which culminated in the coming of our Lord Jesus Christ. That all-important event we celebrated recently in the Feast of the Nativity, Christmas.

Sometimes modern religion has concentrated so much on the voluntary self-humiliation of Jesus that we have remembered only the self-humiliation and have forgotten what is most significant: that it was God who humbled Himself. We must not lose sight of the authentic majesty, the awe-striking authority of Jesus who is called the Christ, indeed, the word Christ means in Greek the "anointed" or the "monarch." Although humble, gentle, and forgiving, our Blessed Lord never minimized His claims for Himself, the most extravagant the world has ever heard: "I and the Father are one. * * * Whosoever hath seen me hath seen the Father. * * * Heaven and earth shall pass away, but my words shall never pass away. * * * I am the Way, the Truth, and the Life. * * * Before Abraham was, I am."

If we minimize that teaching, we make our Lord merely a pale Nazarene prophet, a good man whose life ended in frustration and defeat; and our religion becomes sheer sentimentalism, politeness toward possibilities, a formulary on Sunday and a fiction the rest of the week. Such emasculated Christianity would never have called forth the allegiance of great men and women, changed the course of civilization, and converted nations.

Here and there one comes upon an alarming defeatism, a lack of faith in the cause of our great Republic. If we will have faith in God as He is revealed in His Son, if we will obey His law, if we will love and worship Him, we need have no fear, as our forefathers had no fear. Our hearts and our minds will be up, we will stoop to lift others, to help those who are down, to change the conditions of the depressed, to achieve understanding among nations, to deny despair, and to keep blazing the light of hope. If we will build our cause on that foundation, our cause will be just and we will have no fear, for God Himself will be our leader. In the difficult days which lie ahead, let us keep constantly in mind one of the greatest and most appropriate of all the texts in the Bible: "But they that wait upon the Lord shall renew their strength." If you and I will only have faith in Him, we, too, shall renew our strength and we will know no defeatism.

Letter From Commissioner of Department of Public Works in Massachusetts

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein the following letter I received from William H. Buracker, commissioner of the department of public works, Commonwealth of Massachusetts, concerning the unfair distribution of Federal funds to meet the cost of approved projects for the improvement of rivers and harbors and for flood control:

COMMONWEALTH OF MASSACHUSETTS,
DEPARTMENT OF PUBLIC WORKS,
Boston, January 26, 1948.

HON. THOMAS J. LANE,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: I am sending this letter to the Senators and Representatives from Massachusetts to call to your, and their, attention what seems to us here to be an unfair distribution of Federal funds to meet the cost of approved projects for the improvement of rivers and harbors and for flood control.

A recent publication of funds contained in the Federal budget for 1949 indicates that approximately $107,000,000 has been set up for new work on river and harbor improvement projects and approximately $440,000,000 for new work for flood control. Of the appropriations for river and harbor projects, no funds are allotted to Massachusetts although there are many projects which have already been approved by Congress, some of them nearly 10 years ago. It is true that many of these are small projects, but they are of great interest to the locality and of material assistance to the fishing industry. In all such cases the local interests are expected to make a substantial contribution which, on the average, is about one-third of the cost. A comparatively small allotment would thus satisfy a great many of our citizens.

For flood-control projects in Massachusetts, about $1,400,000 has been included for important protective work along the Connecticut River and additional appropriations for reservoir construction in Vermont and New Hampshire which are of considerable benefit to Massachusetts. No allotment has been made, however, for the construction of the flood-control reservoir at Barre Falls on the Ware River, which is of great interest to the manufacturing interests and of grave concern to the people who live in that valley.

The lives of the people who live in the valley, and their homes, are seriously endangered at times of flood conditions and engineering studies have disclosed that the requested reservoir is the only practicable solution to the problem. This reservoir has been approved by Congress, the design is well under way, it has been approved by all local interested parties, Federal, State, and civic, and no opposition to it has developed. We believe that it is particularly important that this reservoir should be built as soon as possible.

This letter is not a plea that more money be appropriated—the total amount available seems to be generous—but it is a plea that the Members of Congress from Massachusetts endeavor insofar as they can to get a more equitable distribution of available funds for projects which already have been approved and which are of great interest to many citizens of the State.

Very truly yours,

WILLIAM H. BURACKER,
Commissioner.

United States Budget (Congressional Record, Jan. 12, 1948)

Rivers and harbors (subtotal $107,350,000):	
Portland Harbor, Maine	$1,600,000
New Haven Harbor, Conn	1,500,000
Bridgeport Harbor, Conn	100,000
Total for New England	3,200,000
Flood control (subtotal $439,710,000):	
Union Village Reservoir, Vt.	1,500,000
Birch Hill Reservoir, Mass.	100,000
Blackwater Reservoir, N. H.	231,000
Franklin Falls Reservoir, N. H.	150,800
West Peterboro Reservoir, N. H.	600,000
Holyoke, Mass. (local protection)	755,000
Springdale, Mass. (local protection)	315,300
Chicopee, Mass. (local protection)	256,000
Norwich, Conn. (local protection)	320,000
Total for New England	4,228,100
Grand total, rivers and harbors and flood control	547,060,000

AUTHORIZED NEW WORK PROJECTS IN THE NEW ENGLAND DIVISION FOR WHICH NO FUNDS HAVE BEEN APPROPRIATED

Northeast Harbor, Maine; Channel between Isle au Haut and Kimball Island, Maine; Hendricks Harbor, Southport, Maine; Portland Harbor, Maine: (a) Anchorage, (b) channel, (c) ledge; Oguinquit-Perkins Cove, Maine; Newburyport Harbor, Mass.; Gloucester Harbor and Annisquam River, Mass.—Lobster Cove; Manchester Harbor, Mass.; Salem Harbor, Mass.; Marblehead Harbor, Mass.; Lynn Harbor, Mass.; Boston Harbor, Mass.: (a) Channel, (b) anchorage; Dorchester Bay and Neponset River, Mass.; Weymouth Fore River, Mass.: (a) River channel, (b) channel in Nantasket Gut; Cohasset Harbor, Mass.; Duxbury Harbor, Mass.; Plymouth Harbor, Mass.; Cape Cod Canal (Onset Bay), Mass.; Wellfleet Harbor, Mass.; Chatham (Stage) Harbor, Mass.; Harbor of Refuge at Nantucket, Mass.; Hyannis Harbor, Mass.; Menemsha Creek, Marthas Vineyard, Mass.; Westport River, Mass.; Fall River Harbor, Mass.; Providence River and Harbor, R. I.; Wickford Harbor, R. I.; Pawcatuck River, Rhode Island and Connecticut; Mystic River, Conn.; Connecticut River below Hartford, Conn.; Clinton Harbor, Conn.; Guilford Harbor, Conn.; Norwalk Harbor, Conn.; Stamford River, Conn.; Mianus River, Conn.; Greenwich Harbor, Conn.

PROJECTS FOR WHICH MAINTENANCE FUNDS ARE NEEDED

Penobscot River, Maine; Kennebec River, Maine; Portland Harbor, Maine; Boston Harbor, Mass.; Weymouth Fore River, Mass.; Cape Cod Canal, Mass.; Pollock Rip Shoals, Mass.; Cross Rip Shoals, Mass.; Point Judith Harbor of Refuge (breakwater) R. I.; New London Harbor, Conn.; Thames River, Conn.; Connecticut River below Hartford; New Haven Harbor, Conn. (breakwater); Housatonic River, Conn.; Mystic River, Mass.; Hingham Harbor, Mass.; Ipswich River, Mass.; Westport Harbor and Saugatuck River, Conn.

The St. Lawrence Seaway

EXTENSION OF REMARKS
OF

HON. JOHN C. BUTLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. BUTLER. Mr. Speaker, I desire to comment briefly on the proposed St. Lawrence seaway, and to call to the attention of the House a few of the reasons why I sincerely believe this proposed project would not be good for the United States of America.

I have the highest regard for those of my colleagues who appear to favor this project. It is not my purpose to question their good faith in the position they have taken. I admit that there are aspects when taken alone sound most favorable to the project. There is no Member of the Congress, for instance, that is more desirous of improving the military security of the Nation than I am. Neither is there one who would be more happy to cooperate with our good neighbor just north of our border, the Dominion of Canada. My remarks today are not to be interpreted as in any way hostile to our good neighbor. Neither are they to be regarded as even a question of the high character or good purpose of those who have taken a position in favor of the project in question.

However, I do feel that we should consider every important aspect of this proposal and assay, insofar as it is possible, the total effect the project will have on the future well-being of all of our citizens. Our own Nation, Mr. Speaker, and its welfare should have first place in the consideration of this and all other proposals. I would add further that the greatest service we can render our neighbors is first to keep the United States a strong and secure Nation. Secure, from a military standpoint, and at the same time an ever-growing stronger Nation from an economic standpoint. Certainly we cannot hope to maintain a secure military position unless the economy of the Nation remains healthy. It is our economic strength that makes possible the Military Establishment that we look to for protection.

There is little need for me here to even call attention to the details of this proposal. These details are, or should be, well known to every Member of Congress. It is rather my purpose to direct attention to some of the effects that I feel will come should the proposal be accepted.

First, let me point out that it would become an inland waterway that would enable oceangoing commerce to come and go direct from our inland cities, as far west as Chicago, Milwaukee, Duluth, and other inland lake ports directly out to sea, thus bypassing not only our cities and towns lying eastward, but our railroads and highway transportation as well. Also, this world commerce would move only a short distance through area under our flag, but it would move for the most part through an area of our good neighbor, Canada. While this is true, our country is called upon to provide the money for the development. Thus, American capital is to be raised for the purpose of developing a route of commerce for the development of another country.

Is it too much to ask, Mr. Speaker, where this money is coming from? The answer to this question is obvious. It will be the American taxpayer that will pay for the development. Among those taxpayers are the American railroads. There are also American warehousemen. There are tens of thousands of American working men. The men who work for the railroads and transportation companies, the men in the ports and those who service this huge and complicated transportation system that has been built up during the years. Yes, they are going to be asked to not only supply their share of the taxes for this project, but they are going to also sacrifice their equities in property, their jobs, and their opportunities for getting ahead in this land of ours. I feel, Mr. Speaker, that it is timely for some one to begin to talk about the interests of those who live and work in this country. In my opinion, this proposed seaway would affect directly or indirectly millions of our people to their very great disadvantage. This is not being said, Mr. Speaker, in the interests of those who earn their living in this large and intricate transportation system that we have now, alone. They number into legions. But business and industry generally all along the routes from Chicago eastward are indirectly affected if the sea-going commerce is to be transferred from the United States to Canada. I believe that this ocean-going commerce being channelled into another route would affect millions of our people. It would depreciate property values and force the entire transportation system, railroads, and trucks, to very materially reduce their capacity if they were not put out of business altogether.

Again, I wish to call attention to the very pertinent fact that for a period each year, and it is a fact right now, that water routes in that latitude are forced to close down almost entirely due to weather conditions. What is going to happen during those months? If our present transportation system should be reduced of necessity because of this seaway, would it be able to take back the load it is now able to carry when the winters come? We cannot scrap a large

part of our capacity for overland transportation during part of the year, which will be the case if this project is developed, and then simply turn it on again when the winter months come around. I fear, Mr. Speaker, that instead of strengthening our transportation system, either in peacetime or in war, if war should come, this project would greatly cripple our Nation.

It is argued that this proposed seaway would greatly reduce the cost of transportation and thus stimulate world trade. It is stated that travel by water is cheaper. There are no costly roads to build, rights-of-way to be bought and maintained, and other costs necessary to maintain overland transportation that the seaway will not have. Mr. Speaker, these are the same arguments that have been advanced time and time again on every inland waterway, or improvement for water commerce that has been advanced. In a sense that is true. But, do we ever stop to think why these differences maintain? Let me summarize just a few of the reasons:

Railroads have to purchase expensive rights-of-way.

They have to grade and maintain the rights-of-way.

They have to construct and maintain the roadbeds and the tracks.

They also pay heavy taxes to both Federal and State Governments.

In fact, I believe that the railroads are the largest taxpayers in most of our States and one of the largest taxpayers to the Federal Government. They are one of the very largest employers of labor in the Nation. In many cases the very Government that they so faithfully support and serve taxes them to develop waterway transportation to compete with them or put them out of business. I believe this seaway will be just that kind of a project. Our Government is being asked to appropriate millions of dollars. Dollars that will be a liability of all citizens including railroads, trucking companies, and millions of workers in the transportation industry, to develop a seaway that will take the commerce on which these very people depend for their livelihood out to sea and leave these same taxpayers without the means of making their living.

They say transportation costs would be reduced. Why would they not be reduced? If this Government will provide the money for the seaway to develop its channel and maintain it, of course, it can operate cheaper. But is it always best to do the thing that is cheapest? I say it is not. I am anxious to see high prices made lower, transportation costs reduced, but I want to see that done, Mr. Speaker, in a way that will not throw our entire economy out of gear, make millions idle, and at the expense of property values and business opportunities of our own citizens.

Let me return again to the effect this proposal will eventually have on our military position. Suppose it goes through. Suppose a few years from now we will see our present transportation reduced to the amount required to take care of only local commerce. Suppose then war should break. Would it not be easy to simply break just one point of this waterway by a well-timed bomb and create a bottleneck that would tie us up and make us all but helpless? I fear that it would.

It is argued that we need to provide such a seaway to stimulate foreign trade. Mr. Speaker, how badly do we need foreign trade? I say we need trade with other countries to the extent, and to the extent only, that we can make an exchange of goods whereby we give commodities that are not in short supply here for others that we need. Any other basis for commerce with other nations is not sound economy. Why should we trade articles that we do not need for other articles that are plentiful here and pay this huge cost of transportation? It helps, they say, but who does it help? I fear that the number of people benefited by that kind of commerce are few in number.

The difference in cost of our overland transportation system and the proposed seaway will not be as great as some may think. The boats have to be loaded, whether they are loaded in Duluth or in Boston, whether in Chicago or in New York, whether in Milwaukee or in Baltimore. The difference, Mr. Speaker, is largely the actual cost of moving it overland or by sea the actual distance from the Lake port to the seaboard. That is not great enough to justify the crippling effect such a program will have on our economy.

Mr. Speaker, the American railroads have had a very large and important part in the development of this country. Without them I question seriously whether we would have ever been able to establish and maintain this union of sovereign States as one Nation. It is to their everlasting credit the great role they have played in our national development. They served, and served well, both in peacetime and in war. Far better, Mr. Speaker, would it be to give them the credit that is due them and the millions of our citizens, living and dead, who make up that great transportation system, rather than to even toy with the idea of promoting a proposition that would mortgage their future to develop a seaway to take their substance, their hope, their opportunity to sea, even through the areas of our good neighbor, Canada.

Mr. Speaker, it is time for the emphasis of the Congress to be placed first for those projects which will promote the general welfare of the United States of America. Only by retaining and improving our position as a strong and virile Nation can we remain able to be a good neighbor to our friends in other lands. Only, also, can we be prepared to protect the interests of our citizens and provide them with opportunity in peace and security in war. Let us first "promote the general welfare, and make secure the blessings of liberty to ourselves and our posterity." Then, and only then, shall we be justified in appropriating our substance for the advancement of the commerce of the world.

Franklin D. Roosevelt—A Tribute by Walter Winchell

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. KLEIN. Mr. Speaker, tomorrow is the birthday of Franklin D. Roosevelt. For a decade we have honored this day by financial support of the national fight against infantile paralysis.

I can see a time in the near future, however, when the American people will observe January 30 as a memorial day for America's great democratic leader, just as we observe Washington's Birthday and Lincoln's Birthday.

Last Sunday night the vast radio audience of Walter Winchell heard, on the American Broadcasting System, this stirring tribute from Winchell to the man who led us to victory in the fight against depression and the war against aggression:

Sixty-six years ago this week a baby boy was born at Hyde Park, N. Y. He was born in a mansion, but his spirit descended straight from the cabin of Lincoln. They attacked Lincoln because he was born poor. They vilified Roosevelt because they said he was born with a gold spoon. But the real reason that both men were attacked was that they both believed in more food on the spoons of the common people, and because they both believed that America is a country where a square deal is even more important than a square meal. A man is not measured by the praise of his friend, nor the vilifications of his enemies. The unhurried centuries pronounce the verdict. And time knows no favorites. The great-grandchildren of the men who attacked Abraham Lincoln are taught the lessons of Lincoln's life in the public schools today. One hundred years from now, the descendants of the men who attacked F. D. R. will journey to Hyde Park, N. Y., to drop roses on his tomb, because the age in which they live is the age for which he fought. He died before his time because he was ahead of it.

Votes at $40 a Head

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 14, 1948

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Bridgeport (Conn.) Telegram:

VOTES AT $40 A HEAD

When is a tax cut not a tax cut? When President Truman stands before the Congress of the United States in his role of High Tax Harry and makes what is actually a sordid appeal for votes at $40 per head. And this is not Republican propaganda, either. It is merely an explanation of what the President of the United States said when

he talked of many things, except the state of the Union.

For a year the President has been violently chastising the Republicans for even thinking of cutting individual income taxes in these days of inflation and enormous Government spending. Now from the President who vetoed two tax bills comes this offer, $40 a head, to be paid for by the addition of even higher taxes on corporations, a proposal outdoing even the most uneconomic of the New Deal "economists."

High Tax Harry has lived up fully to all the predictions made concerning his 1948 program. Last year was "not the time" for tax reduction, but with an election approaching, it is "the time" and on the President's own terms.

He proposes a ridiculous plan to lower individual taxes by the magic figure of $40 (which he arrived at because $25 wasn't enough and $50 was too much) to combat the inflationary spiral. But what he does actually, is to fly in the face of the country, even his own economic advisers. He abandons all economic common sense, to substitute one of the most inflationary contributions he could devise by passing on to the corporations the burden of absorbing the revenue loss of $3,200,000,000.

Again the corporations receive a body blow, because they appear to be making profits beyond all expectations—but are they? Mr. Truman only reads the last figure on a financial report. He seems to have no notion whatever as to where the profits themselves go. If he does, then he is not only ridiculous, but dishonest in telling the people that American business and industry can stand endless wage demands and higher taxes.

And on top of that he asks this same American business and industry to invest $50,000,000,000 in a 10-year plan of expansion. If ever there was a man who thinks money grows on trees it is High Tax Harry Truman.

There are good reasons for tax reduction at this time, but none came from Mr. Truman. His only idea on the $40 proposition is that it will stamp out poverty in our time and foster enduring peace in the world. Apparently his political advisers, who are not economists, did not tell him anything else to say.

This $40-a-vote tax reduction may have some appeal to the average citizen who is so taxed to death that even a little handout like this looks good to him, especially if he has four or five dependents. But let him compare this inflationary procedure with the Knutson proposal in the table prepared by the impartial, nonpolitical Associated Press and he will readily see what value High Tax Harry and all the raw-deal politicians in Washington place on him.

The hopes of everyone who expected the President to show himself at last as a man endowed with leadership have been dashed. He has tried to revive the New Deal, but he puts an appallingly low price on it, at $40 a head. It is no wonder that some Congressmen were unable to control themselves and exhibited their displeasure by ill-mannered laughter during his address.

Roll of Honor

EXTENSION OF REMARKS

OF

HON. EMORY H. PRICE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. PRICE of Florida. Mr. Speaker, under leave to revise and extend my own remarks in the RECORD, I include therein a speech I made in the House on June 20, 1946, which appears in the CONGRESSIONAL RECORD of that date on page 7248.

On April 27, 1946, there appeared in Labor, a weekly newspaper owned by 15 recognized standard railroad labor organizations, an article entitled "The Roll of Honor," and I quote the exact heading of this article which is as follows:

THE ROLL OF HONOR

Below, Labor prints the names of the 218 Members of the House who defied the powerful railroad lobby and signed the discharge petition presented by Congressman Matthew M. Neely, of West Virginia. The list includes 136 Democrats, 80 Republicans, 1 American Labor Party member, and 1 Progressive. Readers of Labor should not forget these lawmakers who came to the assistance of the railroad unions when they were fighting with their backs to the wall. (Republicans are printed in caps, Democrats in lower case, Prog. stands for Progressive, and A. L. for American Labor Party.)

Florida: PRICE.

The list of those signing the petition included the 217 other names from the various States.

This same paper, issue of June 29, 1946, carried another news article entitled "Railmen's Friends Put Over Crosser Bill; Powerful Pleas Are Made in House Debate," and I will quote several statements from this article as follows:

Every vote counted when the critical moment came.

The committee substitute was defeated 136 to 129, a margin of only 7 votes.

Effective blows for the latter measure were struck by many Congressmen.

Quotations were made that were taken from the following Members of Congress who spoke in favor of the Crosser amendments. Those mentioned were BECKWORTH, of Texas; FLOOD, of Pennsylvania; MAHON, of Texas; PRICE, of Florida; WHITE, of Idaho; and BRADLEY, of Pennsylvania.

Two full paragraphs were quoted from the speech I made on the floor at that time, but I wish to insert the full speech in the RECORD.

I wish to call the attention of railroad employees to the fact that they are excluded from the Taft-Hartley Act. In fact if all unions were conducted as the railway brotherhoods are, there would not have been a Taft-Hartley bill.

On page 2, line 6, from the bottom of the page, of the Taft-Hartley law, known as Public Law No. 101, Eightieth Congress, first session, you will find these words: "shall not include any person subject to the Railway Labor Act as amended from time to time."

Those in Congress who voted for the Crosser amendments, and for this provision in the Taft-Hartley bill, have proven their friendship to all railway employees.

The speech referred to follows:

Mr. PRICE of Florida. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the Crosser amendment because of my personal knowledge of the working conditions of railroad employees.

At the time of my birth my father was an employee of a railroad and continued with them for about 20 years. As a small boy, and during the time I attended high school, I was well aware of the inadequacy of the pay as well as other conditions, by no means favorable, under which my father worked. In addition to my father's connection with the railroad, two of my uncles who lived in our home also worked with railroads and at different times two of my brothers were so employed. At present, one of my brothers is working for a railroad and has been so employed for about 30 years.

I also have a personal knowledge of the subject before us, for when I was about 15 years of age, during summer vacation from high school, I was employed by a railroad. I worked in the storeroom of a railroad shop as delivery boy, at the handsome wage of 12½ cents per hour, 10 hours per day, 6 days per week. The work I was called upon to perform would have caused a draft horse to balk.

When I finished high school, I secured what I thought was a real position in a railway yard office. On this job I worked 8 hours a day, 7 days a week, 365 days a year, and in leap year, for good measure, 366 days. I earned $133 per month, and straight time was paid for overtime, but I earned no overtime unless I doubled, which meant a 16-hour day. Of course, any time I took off was deducted from my pay. At that time no retirement benefits were provided for railroad employees, and no provisions were made for employees who became ill.

When I had been employed on this job for about 2 years, the case of a fellow employee caused me to stop and think. He had been with the company for about 25 years and received the same salary I did. He became ill and was forced to take time off. This time was deducted from his pay, and as he had a family to support, he began working when he should have been home in bed. After a few months he died. I decided to look for another job and in a few months left the employment of the railroad.

We all know that the working conditions of railroad employees have improved during the last few years, but there is still room for much improvement. The railroads now have a so-called retirement plan, but those who are really familiar with its provisions will tell you that it is no better than social security. Most railroads now give their employees a week's vacation, and some give even 2 weeks to employees who have been with the company for as long as 5 years. At the age of 65, employees are allowed to retire, provided they have 30 years' service.

I feel sure you will agree with me that a man who has worked for 30 years under the conditions I have just described to you is entitled to retirement regardless of age. I have known many men who have reached 65 years of age and completed 30 years of service and retired, but I can vouch for the fact that only a very few lived for more than 2 or 3 years after retiring. Why compel a man to work until he is practically dead before allowing him to receive the benefits for which he has toiled so long and for which he actually has paid his hard-earned money?

The employees of all the railroads in America deserve a rising vote of thanks from the entire population of the United States for the wonderful contribution they made to the war effort. These men and women actually performed miracles in the vital field of transportation at a time when they could easily have changed employment and increased their compensation, in many instances, twofold. Therefore, I am convinced that Congress owes this group of loyal citizens a fair and decent retirement program. I hope the Members of the House will show their appreciation by voting for the Crosser amendment and thus bestow upon the employees of the railroads of America a "well done, thou good and faithful servant."

Dr. Paul B. Magnuson, Chief Medical Director, Department of Medicine and Surgery, Veterans' Administration

REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, Dr. Paul B. Magnuson was promoted on January 15 from Acting Assistant Medical Director, professional service, to Chief Medical Director, Department of Medicine and Surgery in the Veterans' Administration, by Maj. Gen. Carl R. Gray, Administrator of Veterans' Affairs. In my inspection of the Veterans' Administration hospitals last year, I found everywhere Dr. Magnuson's praises sung. In addition to many other accomplishments, he is given credit for the procurement for the Veterans' Administration of the very best outside medical and surgical consultants that the world knows. At the time of his promotion, Dr. Magnuson made the following statement:

The aims of the Department of Medicine and Surgery of the Veterans' Administration have not been changed since the Department was organized, and will not be changed so long as I am in charge. They are very simple—to bring the sick patient into contact with a good doctor. The patient is easy to find. The good doctor is not so easy to find. So, the primary consideration is to see that the patient is brought to a place where the doctor is available.

It has been found that the greatest available source of good doctors is in centers of population where there are medical schools, because a medical school is a self-perpetuating institution—older men train younger men and there are always younger men coming in. In order to keep good doctors in contact with sick patients, they must be provided with places to work and with the machinery, equipment, and assistants they need to supplement their skills. A hospital can be considered the same as a factory. The material corresponds to a sick individual who needs care and treatment. The goal of the factory is a good product, while the goal of the hospital is a well patient. The hospital building may be the best in the world, but as in the case of a factory, which cannot be staffed by the proper labor and management nothing can be produced which is worthwhile as a result of the building alone. I hope that the Congress will look upon the location of hospitals, not for the convenience of people in the locality, but with the welfare of veterans and the people of this country on their minds, and with an awareness of how their medical and hospital needs can best be cared for. There is no economy in taking over a building if it cannot be properly staffed. We have no authority to order doctors, nurses, dentists, technicians, laboratory people, pathologists, and others from here to there, unless they consent to such a move. The only way we can get them and keep them is to show them the advantages of working in a VA hospital. We do not want to staff our hospitals with people who are just looking for a job. People like this do not give the high type of service we demand. We want skilled workers who love their jobs and who turn out good work and in doing so develop a respect for skill in others. Only by carrying out this plan are we going to keep a high standard of medical treatment and service alive. Good young men with enthusiasm must come in to become good old men who will be in a position to serve the universities as teachers and scientists, as well as serving the veteran, and to maintain the standard of medical service he deserves. If this plan can be kept in effect in all our hospitals, we can get the kind of personnel we want, I believe, and there will be no worry about the care of veterans.

The education program and the research program and the treatment program are all tied up together. They cannot be separated if we want veterans to get good treatment. The one supplements and implements the other, and unless all three factors are present, we cannot keep our medical standards high.

I believe the American people are willing to pay for an honest program. I do not believe they are willing to pay for hospitals located where good medical service to veterans cannot be obtained.

This is my creed, and while I am here, it will be the creed of the Department of Medicine and Surgery, and I will use every means at my disposal to give top medical service to the veterans of this country, if the Congress will see fit to implement this program.

The Washington Star of January 25, 1948, published the following information concerning Dr. Magnuson:

VETERANS' MEDICAL OUTLOOK BRIGHTENS—NEW DIRECTOR OF VA AIMS TO SET THE COUNTRY AN EXAMPLE—WANTS HIS HOSPITALS TO BECOME THE CENTER OF PROGRESS

(By George Beveridge)

A 63-year-old Chicago surgeon is visualizing a daring plan to make a Government hospitalization program the center of medical progress in this country.

He is Dr. Paul B. Magnuson, whose selection 10 days ago as medical director of the Veterans' Administration gives reason for elation among the Nation's sick war veterans as well as its doctors.

A dry-humored, hard-driving medical man of the old school, Dr. Magnuson was one of the top-notch physicians lured away from lucrative private practice 2 years ago by his predecessor, Dr. Paul R. Hawley, to clean up the antiquated and politics-ridden VA medical program.

INSISTS ON HIGH QUALITY

Dr. Hawley's only inducement was a promise that there would be no limit on the quality of the medical program. If outside interference blocked that quality, he said he would quit VA—and it was taken for granted that the doctors he had attracted also would quit.

When the bluff, popular Dr. Hawley resigned this month to head a private hospitalization program, the consternation among VA doctors was no secret. But officials believe continuance of the program by Dr. Magnuson—with Dr. Hawley remaining as a special adviser to Veteran Administrator Gray—solves that problem.

While most veterans' organizations support VA medicine at the national level, the powerful grip veterans' groups in communities hold on hospitals is common knowledge around the agency.

Since the First World War they have pressured Congress for location of the institutions in their communities. Some have gone so far as to dictate hospital policies—even admission and treatment of patients—to old-guard managers.

Last fall Dr. Hawley took steps to loosen their hold. He issued an order—reiterated only a few weeks ago by Dr. Magnuson—directing doctors in no uncertain terms to dismiss from general medical hospitals all patients "except those who are really sick."

As a result, the startling amount of 40 percent of all patients at one institution, Hines Hospital, in Illinois, were dismissed within a few weeks. In addition, about 40 percent of all new applicants at these hospitals, after thorough examination, have been turned away.

The result in general medical hospitals now is that while patient loads have decreased slightly in the last 6 months, the load is composed of "those who are really sick." Last month, VA records show, there were 85,200 patients in all VA hospitals, compared with more than 89,000 last June.

The resident program of training young doctors while they are on duty serves a dual purpose—to increase standards of treatment and at the same time create specialists where frightening shortages exist. The psychiatrist training program in hospitals for the mentally ill probably is the best example of this.

It is this program which Dr. Magnuson feels can be the center of medical training and progress in this country.

The hospitals now are training about 2,000 young residents and "we have more applications than we can fill," Dr. Magnuson said.

VETERANS NOT GUINEA PIGS

Careful supervision of treatment and training—and the quality of young doctors now in training—leave no chance that veterans will serve as guinea pigs, Dr. Magnuson said. The consultants, all established specialists, are paid set fees for each trip to the hospital.

This training program also has been extended through State and county medical societies, so that private doctors as well can take advantage of courses in the latest medical developments.

The program is being hampered now by the location of some hospitals in isolated areas. Two prime examples of the part politics plays in this are the 750-bed hospital to be constructed here and a small 100-bed institution at Thomasville, Ga.

The Washington hospital involves the well-known Nevius tract in Arlington. This 25 acres of land was chosen after VA officials studied more than 100 sites in and near the city.

SITE CAUSES OBJECTION

Plans and drawings virtually were complete last summer when the House Appropriations Committee, at the instigation of Representative SMITH, Democrat, of Virginia, forbade use of the site. The Arlington County Board had objected on grounds that its use for a noncommercial project would rob the county of sizable revenues.

The 100-bed hospital at Thomasville was closed because VA could not get enough doctors to go there. Instead, it planned a 200-bed hospital at Tallahassee, Fla., about 35 miles away. On the objection of Representative Cox, Democrat, of Georgia, however, the appropriations group ordered VA to reopen the small hospital at the same time it barred use of the Nevius tract.

But the medical service faces other problems that are just beginning. Hospital service already has been cut down and huge backlogs have piled up in out-patient care, Dr. Magnuson said, because of inadequate funds.

Dr. Magnuson sums up his position this way:

"Adequate and fast treatment of World War II veterans in hospitals and clinics now will save millions of dollars that otherwise will have to be poured into hospitals later.

"The American people are paying for this program. They should know what it can do. Then, they must make up their minds whether they want to support it."

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. EDWARD J. ELSAESSER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. ELSAESSER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Buffalo (N. Y.) Courier-Express of January 22, 1948:

SEAWAY CHIEF RESIGNS POST; TWO OTHERS QUIT

OGDENSBURG, January 22.—Charles McHenry, of Cape Vincent, resigned today as chairman of the St. Lawrence seaway committee of the Northern Federation of Chambers of Commerce, claiming his action was due to lack of cooperation on the part of federation officers.

McHenry submitted his resignation during a federation meeting here. He also read the resignations of committee members Clarence Hall, Cape Vincent, and William T. Field, Watertown.

The federation, strongly in favor of the proposed St. Lawrence seaway project, embraces various chambers of commerce throughout northern New York.

McHenry reported that he had never received payment for expenses incurred in making trips and sending out promotional mail in connection with the St. Lawrence project.

Hugh Burns of Ogdensburg, president of the federation, told members that cooperation among the federation, the Power Authority of New York State and the National St. Lawrence Association had been achieved. McHenry said part of his duties had been to bring about favorable public opinion on the St. Lawrence project.

Tax Bill

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. LANE. Mr. Speaker, this is the open season on taxes.

The lines are beginning to form outside the internal-revenue offices, shuffling up to pay tribute to the high cost of Government. The Commonwealth of Massachusetts has fixed the dead line at March 1 and the Federal Government at March 15. These are for income taxes alone. Throughout the year, and by various others forms of taxation—some hidden and some direct—the average resident of these United States is separated from one-third of his earnings.

This is the season when father retires to the back room to grapple with the problem of making out his return. Chewing on his pencil and littering the floor with scraps of paper, he struggles manfully with this puzzle of the ages. After many sleepless nights he finally is ready to submit the reports on his personal income, hoping, in all the confusion, that he has come close to the truth. If he has not he will be plagued with a crazy-quilt nightmare of fines and a vision of himself being a tenant of a Federal penitentiary.

Yes, sir; for the next month and a half taxpayers will continue to be fair game for the collectors of internal revenue. And it is advisable for us, the victims, to offer ourselves for the sacrifice. It is less painful to get the job over with now rather than have the Internal Revenue agents gunning for us at some later date when we would have to pay extra.

So much for the gloomy side of the picture.

This being election year, we are considering various ways and means of reducing the tax load, which is pleasant news for all of us. Just who shall get the better break and what the new percentages shall be remains to be decided.

This year there is much sentiment to apply the community-property provisions to married couples in all of the 48 States. At present, some States permit a man and wife to divide their total income for tax purposes. This results in a smaller tax as compared with couples earning the same income in States which have no community-property law. To correct this injustice, the Congress is considering the application of the community-property principle to all husbands and wives in all States, in order to expand and create more and better-paid jobs. On the other hand, the Democrats are of the opinion that the corporations are making a healthy profit for themselves. The wage earners, at the bottom of the scale, need more tax relief in order to meet the higher cost of living. A third group, reflecting the Treasury Department's viewpoint, urges little, if any, tax reduction. This minority thinks that the Government, while the going is good, should apply all surplus revenue toward a reduction of the national debt.

However, most citizens are convinced that this is the year when they should get some relief from the crushing burden of taxes.

We all recognize that a gradual reduction of the national debt is necessary if we are to curb inflation. Since this debt reached its peak in February 1946 of $279,000,000,000, it has been cut down by $23,000,000,000. The point is that we want to keep on reducing the public debt and at the same time cut taxes for those most in need of such relief. I contend that this can and should be done.

The President has submitted a budget calling for an appropriation of nearly $40,000,000,000 to meet the costs of Government for the fiscal year 1949 which begins on July 1, 1948. Under revenues anticipated from present tax schedules, the Government will have a surplus of seven and one-half billions for 1948 and a surplus of four and four-fifths billions for 1949, to apply toward the retirement of the national debt.

The President has recommended a tax credit of $40 per capita. This would drop over 10,000,000 taxpayers with the lowest incomes from the rolls. It would result in a loss of three and one-fifth billion of revenue in a full year. To make up for this cost-of-living adjustment, he suggested an increase on corporate profits. Taxes on corporations have been greatly reduced since the war years. The excess-profits tax was repealed. So was the declared value capital stock tax and the corporation income tax. Many corporations are making higher profits than they ever before made in a stable peacetime economy. The President would like to reenact the excess-profits levy, with a few modifications. To yield the three and one-fifth billion needed to offset the $40 per capita reduction for individuals, he would drain excess-profits from the 22,000 largest ones out of a total of 360,000 taxable corporations. In this manner, he would also improve the competitive position of small business, as against monopolies.

There are many excellent points in the proposals of the President, but I submit that his tax-reduction program does not go far enough. A $40 cut for all is not of much help to any one of us. As one whose duty it is to keep in close contact with the people, I have a greater respect for their commonsense, than for the opinions of so-called experts in Government. A reduction in the national debt is curtailing the supply of money, thereby controlling one inflationary pressure. The mounting volume of production will ease the other inflationary pressure. In the meantime, however, millions of our people are being stretched to the breaking point between low incomes and advancing prices. They need relief and the only way they can get it is through a reduction of their taxes, and I mean a real reduction, not a token one. Otherwise, they as buyers, will be forced out of the market, and our whole economy will suffer through the drying up of purchasing power.

The House bill, percentagewise, provides for graduated reductions, favoring those with lower incomes. The catch is that it results in larger savings for those with higher incomes.

Based on the revenue to be derived from annual personal incomes of 50,000,000 Americans, which were estimated as being slightly under two hundred billion, this would require a slash of more than $3,000,000,000 from the President's budget. In the last quarter of 1947, however, this total income was running at a rate of two hundred and five billion. During 1948 it may reach at least two hundred and nine billion. Increased incomes for the Nation as a whole will mean larger potential tax reductions and larger revenues.

In fact, it is conservative to state that we should be able to cut taxes by $5,000,000,000 and make a sizeable payment on the national debt by a more efficient approach to the problems of national defense and European recovery.

All of us believe in helping Europe to recover from the dislocations of war and become self-supporting once again. We know that a sound Europe will help to promote world peace and the trade among nations upon which progress depends. Through the Marshall plan we are getting to the root of the matter, and there is ample evidence to prove that the Soviets know that we have trumped them in the field of economic diplomacy. American public opinion supports the broad objectives of the European recovery plan. We simply question its details. We are being asked to appropriate over

six and one-half billions to carry out this program until June 30, 1949, with more to be appropriated in the 3 years which follow.

Because this will put additional pressure on our economy, I suggest that our interests be considered as well as Europe's. We will help Europe. That is a foregone conclusion. But the six and one-half billions can be cut by one and one-half billion in order to give relief to American taxpayers by insisting on a businesslike administration of the Marshall plan.

Furthermore, the $11,000,000,000 outlay for national defense can be cut one and one-half billions, also to be applied toward tax relief, without jeopardizing our security. If there is one outstanding lesson we have learned from the recent war, it is the dominant role played by air power. Navies can only operate on the seas, armies on the land, but the expanding range of air power covers all. It will be tragic for us if we listen to those admirals and generals who insist on maintaining yesterday's establishment to fight tomorrow's war. Every American wants to get his dollar's worth in service for the money which is taken from him by his Government. Extravagant expenditures of our Army and Navy must be cut, and part of that cut must go toward making and keeping an Air Force second to none.

In the words of Secretary of the Army Kenneth C. Royall, and I quote:

> We must realize that there is a dollar limit on what this country can spend for national defense. There is an absolute limit beyond which we cannot go without endangering the economic security of the country.

As we exercise some restraint on the billions asked for European recovery and national defense, we shall be able to provide much-needed pay increases for our Federal employees. These worthy public servants have been left behind by advancing prices and by the wage increases granted throughout private industry. It occurs to me that they need help just as much as the European nations. We cannot risk a collapse of purchasing power at home while we try to bolster it abroad.

Under the plan which I propose we can also extend and liberalize our social insurance system. It must be broadened gradually so that it will include all. The obligation to provide a minimum of economic security is now firmly established as a function of Government. We must work to plug those loopholes which have been revealed by experience.

Higher tax exemptions will also be allowed for the blind and for those over 65 years of age.

I have tried to report to you on the tax situation with some recommendations of my own. We must economize on the budget consistent with the reasonable needs of Government. We must cut down the load for 50,000,000 income-tax payers, ranging from 30 percent or more for the little fellows and reducing it as we go up the ladder. At the same time it is advisable for us to apply several billion toward retirement of the public debt.

All this can be done on anticipated revenues and surpluses based on a personal income for the Nation at large running at a rate of two hundred billion per year. Figures for the first quarter of 1948 will, I predict, point toward an income greater than this estimate.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. EDWARD J. ELSAESSER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. ELSAESSER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article which appeared January 10 and is translated from Le Soleil, of Quebec, the largest French language paper in Canada:

THANKS, MR. AIKEN

The project of a canal in the St. Lawrence has been the cause of the use of much ink, the saying and writing of many wise things and also silly ones. It is possible that this project may offer a lot of advantages to navigation; the certainty is that it would also consist—not solely perhaps, but also—in having the taxpayers of Canada and the United States pay for central electric power stations for the Province of Ontario and the State of New York.

Whatever the aim is, Senator AIKEN, of Vermont, who leads the battle in favor of the St. Lawrence seaway, has other projects in mind besides the possible advantages to navigation and power stations. He wishes 20,000,000 British people to establish themselves on the shores of the St. Lawrence. No more, no less.

Recently, over radio station WOR, New York, the Senator explained his project. He first spoke of the immigration and the establishment of 15 to 20 millions of British people "on the shores of the St. Lawrence." Someone, a geographer probably, seemed to believe that these people would reside in the United States while living on the shores of the St. Lawrence, and he asked the Senator if he would favor amendments to the immigration laws. Feeling a trap he answered that these people would establish themselves "on the shores of the St. Lawrence in Canada."

It is very kind of Senator AIKEN to think of populating Canada, and especially the Province of Quebec. On the other hand it would be very interesting to know if the Americans would justify the St. Lawrence seaway otherwise than by inviting 20,000,000 British people to establish themselves on the shores of the river.

Would Mr. AIKEN and his fellow countrymen deign to let us solve, ourselves, our immigration problems?

Is the Administration Shouting Communism Only To Play Dead Dog When Communists Are Uncovered?

EXTENSION OF REMARKS
OF
HON. HOWARD H. BUFFETT
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. BUFFETT. Mr. Speaker, under leave to extend my remarks, I am including the following article by Howard Rushmore appearing in the January 1948 issue of Plain Talk:

WHO ARE THE A-BOMB SPIES?

(By Howard Rushmore)

A professor of a private technical school in Brooklyn gathers his papers together, takes a subway to meet his wife who runs a small dress shop a few blocks away.

In the swanky area of Manhattan's Madison Avenue, a neat-looking blonde puts the diamonds away in her jewelry store and closes up for the evening. Nearby, a vice president of an important electrical manufacturing company is still at work.

Over on plushy West End Avenue, a well-to-do doctor gives a patient advice on stomach ulcers. At Pennsylvania Station, the daughter of a Wall Street millionaire arrives from Washington for a week-end rest from her Federal job.

Under ordinary circumstances, this would be a cross section of life in America—of people at work, at play, average people in our democratic society.

However, these persons, unmolested in the daily pursuit of liberty and happiness are members of the most dangerous spy ring in the history of the United States.

For 3 years they helped Stalin's ace agent attempt to steal the secret of our atom bomb. In some measure, they succeeded.

The professor, working for the Chicago division of the atomic project, was discovered by the FBI giving secret data in 1943 to a Russian undercover agent going under the name of Arthur Adams.

In the FBI files in Washington are complete records of the professor's activity in this line. This professor, whose initials are C. H., was never arrested.

His wife, M. H., used her dress shop as a "mail drop" for her husband and more than 100 other persons for 2 years. She was the recipient of atomic data from Oak Ridge and Los Alamos. Her telephone was tapped, her mail intercepted, her actions photographed by security agencies during the war years.

M. H. relayed the atomic data to the owner of the Madison Avenue jewelry store, a woman who was the only foreign-born contact on Adams' list of confederates. She, in turn, would visit Adams at the Peter Cooper Hotel, Thirty-ninth Street and Lexington Avenue.

This store owner would bring to the Soviet agent the various atomic data sent to the "mail drop" of M. H., which was in Brooklyn.

Adams would then pass the precious data to the Soviet Embassy via two methods. One was through the electric company's vice president, whose last name begins with B. The other was through the daughter of the millionaire whose initials are J. H.

The millionaire's daughter would take some of the documents stolen from Los Alamos, Chicago, and Oak Ridge in her overnight bag on her return trips to Washington.

The material then went by courier direct to the Soviet Embassy.

The business executive, whose firm made radar equipment for the Army and Navy during the war, would take atomic data in his briefcase and give it to a Russian official who used his Amtorg connections to visit the electrical company and pick up the contents of the briefcase.

On West End Avenue, the wealthy doctor would send code messages to Soviet Russia, giving details of Adams' progress.

This isn't cloak-and-dagger mystery stuff. These are facts, obtained by investigators who worked for 2 years trailing, photographing, and tapping telephone calls of Adams and his confederates.

There are many other members of this spy ring, none of whom, at this writing, has been arrested.

It is now common knowledge in inner press circles that J. Edgar Hoover, who used more than 200 of his best agents to track down

the facts, pleaded with the White House and the State Department to allow the arrest of members of the most dangerous spy ring in America's history.

Not even Adams was molested. While he served Stalin's cause here and had accounts in 12 New York banks ranging into six figures, the Soviet spy was employed at a Fifth Avenue Communist record shop at the salary of $75 a week. The initials of this concern, which provided Adams with a cover, are K. R.

No one knows where Adams is now. What is known is that he and his ring did obtain invaluable atomic data. What is known is that dozens of American citizens involved in espionage and guilty of treason, have never been arrested.

In Brooklyn, the professor teaches his science class—in Manhattan, the business executive figures up his income tax.

McKinley Day Address

EXTENSION OF REMARKS
OF

HON. MARION T. BENNETT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. BENNETT of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address made by me at Sedalia, Mo., on January 27, 1948:

Mr. Chairman, my fellow citizens, I feel vastly honored to be invited to address this 23d annual McKinley Day banquet in Pettis County. This is a great historic tradition you have in keeping green the memory of a truly great American and a great Republican. It pleases me to pay homage with you tonight to William McKinley.

It would not be difficult for me tonight to devote my entire remarks to a discussion of McKinley. Much could be said about him. What I shall say, however, will be more by way of background for comparative discussion and understanding of our present problems. I believe that is the practical approach and one of which a practical man like William McKinley would approve.

The average American today thinks of McKinley as a former President of the United States. He was a great President. But, his service to his country was not limited to his activities in the White House. Permit me to remind you tonight of the language on the beautiful memorial at McKinley's home town, Canton, Ohio; a memorial built by pennies voluntarily contributed by America's school children. The manner of the financing of that memorial, after the death of McKinley, was quite different from the manner of establishment and maintenance of a more recent one at Hyde Park at perpetual expense of the taxpayers, by a man honoring himself while alive and avoiding inheritance taxes. McKinley never gave thought or expressed fear that his countrymen might not revere his memory. He touched their hearts from kindergarten to maturity. The words on the memorial at Canton read, as follows:

"In memory of William McKinley. A good citizen, a brave soldier, wise executive, helper and leader of men, exemplar to his people of the virtues that build and conserve the state, society, and the home."

At 17 years of age McKinley became a soldier in the ranks of the Union Army. He participated in some of the bloodiest battles of the Civil War. He was mustered out a major. Following that service he studied and practiced law in Ohio. He was elected to Congress, to the House of Representatives, from his home District, and his constituents kept him there for 7 terms, meaning 14 consecutive years. In that time, through the processes of the rule of seniority in Congress and by virtue of his outstanding ability, he became chairman of the House Committee on Ways and Means, the committee which handles and originates all tax and tariff legislation.

In 1891 William McKinley left the United States House of Representatives to become the fortieth Governor of the State of Ohio and served for two terms. In 1896 he was elected President of the United States and was later reelected.

It is evident from these facts that the longest span of his public service was in Congress. It was there he rendered the service and established the record which made possible his later and wider fields of activity.

On the 29th of each January the Ohio delegation in the House of Representatives honors the memory of William McKinley by speeches commemorating his public service. The delegation gives each Member present on that day a red carnation. This was McKinley's favorite flower. It was his custom to pin one of these flowers on each caller at the White House. History records that it was not uncommon for disgruntled citizens to leave his presence wreathed in smiles by this homely and sincere act. I mention this because it indicates something of the character of this gentle and religious man, devoted to his invalid wife, his country, to the Republican Party, and, especially to God.

The Democratic Members of the House participate with the Republicans in speaking in memory of McKinley each year. He is honored by all Americans as one of the greatest Americans.

A SOUND DOLLAR AND THE GOLD STANDARD

There are many striking similarities and contrasts between these times in which we live and those of McKinley. The administration of McKinley saw America committed to the proposition of becoming a world power. Under McKinley, the Spanish-American War was fought to a successful conclusion. Our interests in the Pacific expanded to the Philippines and Hawaii. Our trade with foreign nations prospered under his protective and reciprocal trade policies. If there was any one thing, however, which sticks out above all others in McKinley's concept of the duty of government to the people, it was the preservation of a sound dollar. He defeated William Jennings Bryan, the Democratic nominee for President, who advocated eloquently the free, unlimited, and inflationary coinage of silver. Time has proved the wisdom of McKinley's political and economic philosophy. In these days when America is not starting but has arrived at the point of being a major world power, when we have fought to victory the greatest war in history, when the overwhelming forces of these events impress themselves with such impact upon our daily lives, our economy, and our Government, it would be well if we would take up the battle cry of McKinley for a sound dollar with a gold standard. I believe it was Vice President Marshall who said, "What the country needs is a good 5-cent cigar." To paraphrase his words, what the country needs now is a good 5-cent nickel.

McKinley, on September 6, 1901, was the victim of the bullet fired by an anarchist assassin at Buffalo, N. Y., where he had been attending a great exposition displaying the marvelous developments ushered in under his governmental policies and which created America's golden age, an age of sound money, full production, full employment, the full dinner pail, and no income taxes. He died September 14.

The anarchist of 1901 was the forerunner of the collectivist, the Socialist, the Communist of today. One is the head, the other the tail, of the same skunk which would destroy by stealth or by force, those men and institutions which have made and would keep America great. Beware and fear this creature. He is on every hand. He is in the minds of men. He is a disease, an omen; he is vermin. Yes, to use the words of the great poet, Edwin Markham:

"I fear the vermin that shall undermine
Senate and school and citadel and shrine.
I fear the worm of fraud, the fatted worm of ease,
And all the crawling progeny of these.
I fear the vermin that shall honeycomb the walls and towers
Of state in unsuspecting hours."

Yes; I fear but do not yield to him. The Republican Party, the party of McKinley, does not retreat in his presence. When Tom Clark, the Attorney General, last month made public a list of subversive Communist-front organizations which are the Trojan Horses of a foreign power, and 23 names of Members of Congress were found on their membership lists, there were no Republicans among them. It was not until a Republican Congress took office one short year ago this month that any genuine effort was made to find this vermin which for 14 years had been permitted to worm its slimy way into the foundations of this Republic. We are trying to get the Reds out of the Government and the Government out of the red. That is the most important job facing America today. It is the key to our future prosperity and security. I want to talk to you tonight, in this first month of the historic year of 1948, on this subject. I hope to point out to you why I believe that the Republican Party of McKinley is the only party which has the desire and the ability to put that key in the lock and open the door to a future for America, which will be a true heritage of the sacrifices of many men of many generations who believed in America and died for her.

THE DEFIANT THREAT OF COMMUNISM

To put it frankly and briefly, we are faced tonight as a Nation with an attack by enemy forces whose symbols are the hammer and sickle, the red flag and defiance of God. Our shores have been infiltrated by his advance shock troops who have established beachheads in our factories, in our Government, in our schools and colleges, in our labor unions, in our press and radio. He has frankly warned us for 100 years in the words of his creators, Karl Marx and Friedrich Engles, in an historic document as significant as the Mein Kampf of Hitler. This document, known as the "Manifesto," was issued in 1848 when communism first shook its rattles. Its concluding paragraph reads as follows:

"Communists scorn to hide their views and aims. They openly declare that their purpose can only be achieved by the forcible overthrow of the whole existing social order."

That original statement of Communist aims was restated not long ago by William Z. Foster, head of the American Communist Party, the tool of a foreign power, who in testifying before a congressional committee, said:

"The Communist Party advocates the overthrow of the capitalist system and the confiscation of the social necessities of life; that is, the basic industries and other industries for producing the means of livelihood for the people."

During the same hearing Foster was asked, "Do the Communists in this country advocate a world revolution?" His reply was, "Yes. We have only one flag. That's the red flag."

I could document this charge further, but anyone who reads the daily paper and listens to the radio is fully aware of the delicate international situation, of the troubles which beset us internally, of the threat to our peace

and security at home and abroad. I do not wish to be an alarmist. I tell you what you already know, but you will pardon me for doing it, in passing, I hope, for as your Representative I feel it my duty to outline it as the premise upon which to discuss the questions which will be debated and settled next November. Those questions are: What can we do about it? What individuals and what party hold the best hope for an intelligent and patriotic solution? Who got us in the fix we are in? Can we upon the basis of the record of the New Deal which has had control of the Presidency in this country since 1933, trust it to solve the problems which beset us now?

THE INDICTMENT

I emphatically reject any belief that the present administration is either willing or competent to save this country from the dangers of inflation, bankruptcy, and totalitarianism. I charge it with aiding and abetting these forces through ignorance, cowardice, crookedness, and lust for political office. If you will bear with me I will prove it. I will establish why it is necessary to elect a Republican President who will cooperate with the Republican Congress which has tried but has been considerably thwarted in its efforts to save America.

FOREIGN POLICY COLLAPSE

In the beginning, let us remember that in spite of all Government propaganda to the contrary, and $75,000,000 in tax money is misappropriated and spent annually by the President and his information specialists for propaganda for his policies, the New Deal headed by High-Tax Harry Truman, still has control of the Presidency and the 2,000,000 or so Presidential employees who must execute the laws of the land. It has been the responsibility of a New Deal administration since 1933, under the explicit provisions of the Constitution, to make the foreign policy of this country. That policy has been a complete failure and a flop from Yalta to London, from Panama to Palestine. It had every opportunity to succeed. It had the money and the power. It had the employees. During and for a good period after the war, up until the Truman administration injected domestic politics into the European relief emergency, it had bipartisan support. One man was elected four consecutive times as President on the basis that he was the only person in America smart enough to conceive and carry out this allegedly wonderful foreign policy. He insisted, together with his successor, Mr. Truman, that if we just didn't change horses in the middle of the stream, that when the war was won we would at the same time win a lasting peace for ourselves and the world.

I expressed the opinion then, in this very room before many of you, that so far as the record was available, I did not see any evidence of outstanding wisdom on the part of the leaders in Washington in dealing with foreign affairs which would cause me to believe them indispensable. Those of us who ventured any such thoughts were called names by the swear bund. We were called narrow-minded isolationists, Fascist sympathizers, unpatriotic bourbons, tories, reactionaries, red baiters, and provincial. They said we imagined a boogey man under the bed. Harry Hopkins said we were "just too damned dumb to understand." We were blown down when the Atlantic Charter was waved over us, promising freedom of speech, religion, freedom from fear and want to everybody everywhere in our time. There has never been less of it than now. We were silenced by loud breast beating accompanied by humanitarian promises to establish milk routes for the Hottentots, to send the United States Army engineers to build dams on the Ganges and the Nile, to make the Sahara Desert bloom like a rose garden, and give security to the Chinese coolie. Some of us ventured to suggest that when Uncle Sam quit sending his sons to die to save the thrones of kings who were in hock to Wall Street and quit furnishing band wagon and stopped paying the band, that we would find these policies would be more likely to lead to a Third World War. We pointed out that the Federal Government was saturated with Communists and New Dealers who spoke in foreign accents for alien ideas. You heard, saw, and believed. You voted accordingly. But, you were in a minority in the Nation.

We have since seen the tragedies of Tehran, Yalta, Cairo, and Potsdam. We have seen the father of the Atlantic Charter deny its paternity. We have seen where secret agreements in secret conferences, in which America sat at the table, turned over 125,000,000 people in the Balkans and elsewhere as slaves to Russia. The iron curtain was rung down around them. The robots of Hitler have a new master in the Kremlin instead of the Reichschancelory. Buchenwald still stands but the Red flag of the Soviet Union flies over it instead of the Swastika. The guards don't wear brown shirts now, but they carry American weapons. May God forgive us for apparently we know not what we do.

Now, I ask you in all seriousness, if these great statesmen of the administration were so smart and indispensable, how did they get taken in by the promise that Russia, denying freedom to its own people, would give it to others? Did Uncle Joe trade them out of their pants or did Uncle Joe have an adequate number of sympathizers doing his bidding in the American State Department from which your Republican Congress, by investigation, has ejected scores of Communist-card-bearing Reds in the past year? Or was it both? You pay your money and take your choice.

THE TRUMAN-MARSHALL PLAN

Although our foreign policy has failed to accomplish any of the objectives so highly advertised for it, the remedy now advanced is in the pattern of what has gone before—more money for hand-outs and more power to the administration to impose economic controls over America. The plan is specifically known as ERP, which is short for European recovery plan, popularly known as the Truman-Marshall plan. It is the forerunner of similar plans for China, South America, and so forth.

The goal of this plan is for this country to furnish $17,000,000,000 in the next 4 years to aid Europe and to fight a cold war with communism. These seventeen billions will be added to twenty-four our taxpayers have already given for similar purposes since VJ-day, plus two billions voluntarily supplied by individuals and charitable organizations in this country. Big names in the State Department and administration assure us that this is the final answer to the problem of how to make the world safe for democracy. The road is strewn with other final answers named World Wars I and II, UNRRA, the United Nations, Bretton Woods, the British loan, the Greek-Turk loan, International Bank, and so forth. While I am not unaware of the distress abroad and am not without humanitarian impulses and am not an isolationist, as my voting record will show, I tell you tonight, my friends, that the American Government is being played for a sucker by this scheme to wet-nurse the world and that the evidence is we will take the bait. If the administration has its way, we will wreck our economy and bleed America white while we rebuild Europe. Then, Uncle Joe is going to take over Europe, where he has an army and we have a corporal's guard, and the wrecked economy in America will enable him to make great progress right here.

I think the unfortunate policy which has been followed by the Administration in handling our foreign affairs has created a situation where we are going to be forced to use the power and prestige of this Government to stop the march of communism throughout Europe and the world. We fed this Frankenstein until he has grown out of control. But, let us put first things first. We must first purge our own Government of all Communists, New Dealers, and fellow travelers. We must stop the nonsense which granted aid to Greece and Turkey to fight communism and within a week of extending aid to Poland, Hungary, Czechoslovakia, Soviet satellites. We must repudiate the President who promulgates the Truman doctrine to fight communism by aiding free peoples to resist it, and at the same time says he sees no reason to stop exports of war materials to Russia, as he has the power to do.

TRUMAN FAVORS SENDING WAR MATERIALS TO RUSSIA

He granted export licenses to Russia for $113,700,000 worth of automobiles, farm machinery, machine tools, freight cars, locomotives, and steel in 1947, along with over 8,000,000 barrels of oil and aviation gasoline since the war. Apparently, the administration has learned nothing from New Deal appeasement of Japanese totalitarianism with scrap iron and oil prior to World War II. Apparently, it is not concerned with this inconsistency with the Truman doctrine. Apparently, its muddled thinking and confusion of purpose thinks it is all right for the taxpayers of this country to shell out in straight Government gifts from this country to Russia since VJ-day $177,347,782.04, with $16,080,000 of it handed out last year to add to $11,058,833,000 we gave Russia outright to help her win the war. All of this aid direct to Russia does not take into account the hundreds of millions of dollars we have given both during and since the war, especially since, to her own 11 satellite countries.

We must stop subsidizing socialistic and communistic experiments and governments abroad. We must stop subsidizing foreign politicians and black markets. We must stop paying blackmail to those who threaten to turn red if we don't give them greenbacks. While we are for relief for starving and freezing people abroad we must get an administration which will be for some relief for the American taxpayer, for the old-age pensioners in the United States of America, for our own needy school teachers, and other citizens who are being forced to the wall by the inflation brought on by extravagant foreign hand-outs to establish an international pump-priming WPA run by former OPA officials, Socialists, world planners, professional do-gooders, and international welfare workers. The Good Book has something to say about he who takes inadequate care of his own being, "worse than an infidel." We can never do the job that needs to be done by keeping in power an administration that was willing to kick God and prayer out of the United Nations in order to let Stalin in. It can never be done by the administration that cannot afford to bite the hand of the radical that puts Democrat votes in the ballot boxes.

TRUMAN-MARSHALL PLAN IN PRESENT FORM UNSOUND

At the risk of being tedious, I want to give a little detail about the so-called Truman-Marshall plan because it will be the big issue this year, and our judgment is no better than our information. On basis of information your Republican Congress has, it is going to whittle this plan down to life size and grant it for 1 year instead of 4, if at all. The plan is significant because it is the tip-off on how the administration plans to keep the boom going, and highlights its insincerity in face of its tongue-in-check proclamation about the need for lower prices. This plan is not only bad foreign policy in its present form, but it plays the Communist game by weakening our own economy. It

ignores the fact that Americans have, voluntarily, as individuals and collectively, through government aid, already done more than their share to help other peoples patch up their national wounds. It minimizes their need to do something for themselves and holds out the hope of a living standard higher than they are used to or are willing to achieve by their own efforts. It epitomizes the whole befuddled approach of the New Deal planners who seek to spread their WPA philosophy around the world. It is the conclusive proof and the vehicle by which they admittedly plan and seek to reestablish permanently over America for economic controls which the people repudiated in the 1946 election. It is the best evidence that the administration does not desire to give free enterprise a fighting chance to bring down the cost of living through natural operation of the law of supply and demand because it would perpetuate short supplies and promote inflation.

The $17,000,000,000 Truman-Marshall plan calls for the United States of America to give Europe annually 1,800,000 metric tons of steel which is in short supply at home, as every manufacturer and builder knows. This will cost us over a billion dollars. They are asking for $400,000,000 worth of steel-making equipment. It calls for export to Europe of $520,000,000 in timber when lumber is high and lumber products, including newsprint, scarce at home. It would give away $208,000,000 in coal-mining equipment. It would give away 26,000 freight cars when we have the biggest boxcar shortage in history. It would export $1,500,000,000 worth of petroleum and equipment at a time when we have a fuel shortage and are depleting our own reserves which some estimate will only last 12 more years at current rate of consumption. It would export vast amounts of electric-power equipment when the farmers of America are mostly still without electricity. It would send 22,000,000 tons of grain to Europe, a factor which would be reflected in the price of bread and meat at home. It calls for us to give to the foreigners 150,000 motortrucks at a cost of $210,000,000 when you can't buy one at home without difficulty. It would give them 256,000,000 tons of tobacco. Ladies, you think cotton dresses are high now, but they will be higher when we give away the 691,000,000 tons of cotton this plan calls for. Do you think butter is high? It will be higher if we give away, under this plan, the 562,000,000 tons of dairy products called for. There is even a little item of $408,000,000 we are supposed to spend for ocean-liner service to deliver all these things and others I could mention if time allowed, to their very doorsteps.

FOREIGN HIDDEN ASSETS IN THE UNITED STATES

Is it rude to ask if our foreign friends who sit on their hands with mouths open seeking this aid have scraped the bottom of their own financial barrels? Our Federal Reserve Board, which is in position to know, says that Europeans outside of Russia have over $18,000,000,000 in negotiable assets squirreled away in gold, United States stocks, bonds, Treasury certificates, and credits in this country. How about using some of it instead of asking our taxpayers always to foot the bill?

WE HAVE BEEN MORE THAN LIBERAL

I repeat, America has not been stingy in the past, but how much farther can she go? We have marked off approximately $22,000,000,000 in defaulted foreign loans and interest growing out of World War I. In 1946 we sent to foreign countries 17,300,000 tons of food supplies. Last year we sent out 19,200,000 tons of food costing $2,300,000,000. Included was a gift of 611,000,000 bushels of grain, much of which was made into Scotch whisky and other liquors and sold back to us at a clear profit. Our own distillers meanwhile were on an enforced holiday. It took 480,000 American boxcars to haul last year's food gifts to seaports for loading onto ships. That amounts to 9,219 trains of 52 cars each, carrying 90,000 pounds per car. If those 480,000 boxcars of food that we furnished last year had been put in one train, it would have been 3,861 miles long, or a distance greater than from Washington, D. C., to Paris. All of that aid is reflected on the price of things you buy at the grocery, just as is the cost of a $300,000,000,000 war which killed 300,000 Americans and wounded over a million.

In December, Congress voted emergency aid of almost half a billion dollars containing orders for supplies that would require 2,120 freight trains of 100 cars each. These supplies will supplement $158,367,229 worth of farm machinery we exported last year, 400,000 tons of fertilizer we exported last year, 400,000 new autos and 143,000,000 barrels of petroleum. It will provide 165,000,000 tons of coal to France, Italy, and Austria this winter while many foreign coal miners are on strike, and others piddle along on a 30- to 40-hour week. The bill actually provided money earmarked to enable these countries to pay their debts to other countries. It authorized our Government to supply foreigners with incentive goods, for coats and pressure cookers and what have you, to encourage them to go to work and produce to save themselves.

I did not vote for this nonsense for which the President called Congress into special session, but it passed. They said we had to pass it for a variety of alluring reasons. They said we must vote billions in foreign aid through human kindness, trembling fear, thankfulness, shame, duty, self-sacrifice, self-interest, necessity, to keep us out of war and stop communism and as an act of war to do our part in what they call a "cold war" to stop the Reds. The New Dealers say that Roosevelt at his secret conferences promised the world that we would have a postwar lend-lease program for them, that we owe it to them, that we have to do it to prevent a depression in America and that it will protect our investment in the war of which it must be considered a part. They say that our exports are such a small part of our production they won't be reflected in domestic prices. The figures I have given you nail that lie for what it is. We are exporting one-third of our wheat. In the past 6 months, the Government has bought 80,000,000 more bushels of wheat and flour for export than were shipped abroad in 10 years from 1933 to 1942. The cost of such a program hits you twice—first in high taxes and then in high prices.

Frankly, I am a bit tired of hearing this business that America owes so much to the world. My soul, do we owe them the shirts off our backs? I do not share the apparent international theory that the United States has sinned against other nations of the world by being more successful, prosperous, and fortunate than they and that our atonement for this sin must be to drag ourselves down to whatever low level up to which we can drag them so that we may all be equally well off. There will aways be a United States of America if we do not give it away.

I have been around most of the world. I have seen the pedestrian peasant of Europe and the downtrodden serfs of Africa and the Near East look up in envy, awe, and sometimes malice, as their native political overlords ride by in limousines furnished foreign potentates by Uncle Sam Santa Claus. They have been down and out for thousands of years, but to hear the administration in Washington you would think it was a recent thing and that you taxpayers are shirking your duty toward these unhappy underprivileged. Ah, they were not discovered by the New Deal brain trusters until they needed a war to cure a depression or until they needed an international WPA to keep the economic pump primed. These fugitives from the XYZ, the FEA, the WPA, the OPA, WPB, and so forth, are looking for new fields to conquer, new justifications for their retention on the public pay rolls. They are not disturbed by the fact that each individual American's share of the public debt is still $1,789; for a family of four it is over $7,000, and you are paying interest on it, in taxes, at 2 percent per year. They repeat the reassuring words of their patron saint from Hyde Park, who said, "We owe it to ourselves." They exalt in the President's message urging Congress to restore price controls and rationing as necessary to prevent further price rises due to the inflationary effects of additional foreign aid. They gloss over lethargy among the hand-out nations which haven't done a solitary thing toward wiping out trade barriers hampering recovery or cooperating to increase production and straighten out their worthless currencies. They are long on promises and short on performance. They say Europe's troubles are the dollar shortage, when actually the main obstacles to her recovery are the socialistic economic policies which thwart her production. If they would go to work and produce things to sell us, they would earn the dollars. Instead, they increase their pension, lower their taxes, subsidize food, family allowances, and nationalized industries running on a deficit, and add more of their people to their Government pay rolls and doles, all at our expense. These hemispheric welfare boys say you can buy peace, happiness, and prosperity like you buy baloney at the meat market. They ignore history, which has shown this very policy did buy our way into two world wars. They proceed on the theory that the more we give other people the better they will like us, but cannot explain why the more we do give them the less they do like us. That is why, fun though it is to play Santa Claus, increasing numbers of thinking citizens regard this whole scheme of the world democracy planners as "operation rat hole." A friend who has to be bought is not to be trusted. If we could have bought them, we would have them paid for by now.

"Neither a borrower nor a lender be,
For loan oft loses both itself and friend,
And borrowing dulls the edge of husbandry."

What we had better do is build our defenses, keep our powder dry, and help our real friends abroad, with due regard to our ability to help. That is the Republican position as distinguished from the position of the Pendergast wing of the Democratic Party, headed by Truman, favoring help to the foreigners with reckless abandon. The Moscow wing of the Democratic Party, headed by Wallace, favors such aid with reckless abandon be paid for by the United States but distributed by the United Nations, so Russia could exercise a veto over its distribution.

Upon this record of confusion, incompetence, and failure, I repeat with confidence the assertion that neither the Pendergast nor Moscow wings of the New Deal, if continued in office, can be expected to handle our foreign affairs in such a way as to preserve our peace and prosperity. But, I said awhile ago that not only were they unable to do so and unwilling, but that they aided and abetted, knowingly or unknowingly, those forces within our borders which add up to inflation, bankruptcy, and radicalism.

THE CAUSES AND CURE FOR INFLATION

It is intensely interesting that the President and his paid propagandists advance the theory that Republicans are responsible for high prices because they do not restore rationing and price controls when we have given him the other powers to fight inflation that he asked for. Our experience conclusively demonstrated in 1945 and 1946 that such controls retard rather than promote production, which is the cure for inflation. Price controls and rationing deal with the effects and not the causes of inflation.

A simple rule of either medicine or economics is that in order to prevent a thing you must control its cause. In medicine you cannot prevent an illness by misreading the thermometer that is recording the patient's temperature, nor by fixing it so that it cannot rise, nor by throwing it in the river.

Likewise, in economics, you cannot prevent inflation that has already taken place by falsifying the evidence recorded in the market places where people do business, nor by attempting to fix prices, nor by closing markets and tampering with the free exchange of goods and services. Prices are the thermometer of the inflation patient, not the causes of the disease. To fool with the thermometer, and to claim that it protects the health of the patient, is the lowest form of economic quackery and the foulest brand of political snake oil. Even if the quack loudly proclaims his love of the patient and concern about his welfare, it does not make his shenanigans any less futile. Curbing inflation requires the treatment of causes, not condemnation of effects. High prices are not the criminal. They are only his tracks and inflation is his name.

The New Deal wrecking crew in Washington has done all it can do to hamstring private enterprise in such a way as to build up a clamor for wartime controls in peacetime and to stimulate a boom and bust economy. It has thwarted Congress in its effort to cure the causes of inflation which are many. About some of these causes, such as the drouth and increased consumption, due to a larger population and national income, government can do little if anything. But, it is pertinent at this point to remember that it was Harry Truman who vetoed in 1946 the OPA extension bill which called for an orderly end to wartime controls. He, and not Congress, abruptly decontrolled commodities following public repudiation of price control and rationing with its shortages and blackmarkets in November 1946. It was Harry Truman who on October 16, 1947, denounced rationing and price controls in a White House press conference as "methods of a police state." But, this is an election year and he is looking for an issue. He thinks your memories are short. He hopes you have forgotten that in June 1946, 79 percent of the communities in America were short of bread. In the same month 58,000 butcher shops closed because they had no meat to sell. In September a majority of city people ate fish and poultry because there was no other meat, and horse meat was replacing beef, even in hospitals. He has reversed himself again. He is back in bed with the CIO-PAC and those other forces which demand economic controls over the businesses, the farms, the housewives of America as the price of election support. He cannot escape the responsibility for 15 years of power for his party by passing the buck to Republicans who have had control only of the national legislature for a year's time. We did not get in this fix overnight.

Do not be deceived by the antics of Henry Wallace, the Communist appeaser. He wants economic controls over you, too, in peacetime. The only place Henry and Harry disagree, aside from wanting the same job, is that Henry wants to unlock our doors from the outside and let the Reds in while Harry proposes to blow up the doors from the inside. Harry has gone far beyond Henry in his inflationary policies. Henry plowed 'em under and knocked them in the head to create scarcities and high prices, but he was a piker. Here is what Harry has done:

1. He has permitted his appointees, one living under the roof of his home, who are in position to know when the Government will take action which will stimulate the commodity market, to enrich themselves with loaded dice, gambling on the market in the miseries of the people.

2. He has gone into the market as he did January 20, 1947, at Kansas City, when the Government's Commodity Credit Corporation bought $40,000,000 worth of wheat in 1 day. That was 19,000,000 bushels, and it drove wheat up over a dollar a bushel. That has been reflected in the price of your groceries and he is still playing that game. The Government itself has by its huge purchases for export, been the chief cause for creating scarcities and high prices. It has consistently bought at above market prices. The administration bought 1,600,000,000 pounds of sugar at $1 per 100 pounds above the market price, the same day controls were taken off, just to make sure prices would rise when controls went off.

3. The President has not used the powers he has always had to stop deficit spending and creation of currency which has increased in volume and amount since the start of the New Deal, thus diluting its value. In 1933 the money in circulation was $43,715,000,000. Today it is approximately $172,165,640,996, by official estimate. It is for the most part, printing press money, issued to meet costs of unproductive Government spending. The administration has uniformly opposed all congressional attempts at economy, although we have succeeded in some cases.

4. The President has refused to permit income tax reduction in 1947. Wartime taxes still add to the cost of living, cut take-home pay, discourage production and business expansion. Since 1948 is an election year, he has come out with a plan of his own as we said he would when he vetoed income tax reduction in 1947, a plan to increase taxes on business, which will result in higher prices, and to distribute the loot among the voters at $40 per head.

5. The President has encouraged low productivity by labor with his administration of the wages and hours law, insisting that wage increases can be granted without increasing production costs and retail prices, keeping hundreds of thousands of people on the dole who should be made to get a job, and by condoning featherbedding union practices, business and labor monopolies.

6. The President has come out for the Truman-Marshall plan and against the high cost of living at the same time, which is like riding the same horse in two opposite directions at once. He has refused to restrict exports, to friend or foe.

7. The President has drawn men, women, and youth from farm and factory to work in the political machine in Washington and branch offices throughout the Nation when they ought to be in jobs producing goods and wealth. The cost of government has become so high that we pay more for it than we pay for food. Food costs have gone up 162 percent since 1939, which is bad, but cost of government has gone up 450 percent in the same time. Food cost the American people $47,520,000,000 in 1947, on the basis of official estimate. Government—Federal, State, and local—cost $54,300,000,000. The food bill was $330 per person in 1947. The bill for government, on a per-capita basis, was $371, or $41 more per individual than the food bill. The ERP will add $121.42 to every citizen's share of the cost of government, not to mention forthcoming aid plans for China and South America. Let us get worried about the high price of government as well as about the grocery bill. The New Deal has increased the national debt $253,000,000,000 in 15 years. The common man is now beginning to find out what that means. The Republican Congress in 1947 was able to reduce that debt, balance the budget, and cut expenses $3,000,000,000, but could have done better with cooperation from the White House. At least we reversed the trend.

8. The President fostered and supported the OPA which reduced production, hamstrung business and farms, created scarcities, and stimulated inflation.

9. The President has encouraged labor policies which result in strikes and crippling of production and has opposed all legislation to cure the causes of industrial unrest.

10. The President has, from the beginning of his public service, adhered to the Henry Wallace-New Deal theory that our Nation has reached the limit of industrial and economic development and nothing remains to be done except to divide the national wealth under an economy of scarcity. In this he has outdone Mr. Wallace by such programs as purchase of millions of potatoes which he has dumped and burned and by appointment of such individuals as "Soft-Soap" Charlie Luckman, head of the Lever Bros. soap combine, with head offices in London. Mr. Luckman, who is a soap salesman at a salary of $300,000 per year, was imported to sell some soft soap to the American people to persuade them voluntarily to do without meat and eggs, which OPA had previously forced them to do without. All of you know what happened to that program and why. What you may not know is that his zany program was financed by several thousand dollars misappropriated from funds set aside by Congress for Greece and Turkey and that during the 3 months' reign of "Soft-Soap" Charlie Luckman, of soap-opera fame, his campaign to save grain, soaps, fats, and oils increased by 150 percent the collective price of these commodities, to the great profit of his company. It cost the hatcherymen of this district thousands of dollars in thwarted production. The only egg saved was the rotten one he laid on the White House doorstep before Congress ran him out of the District of Columbia.

11. The Russian system cured inflation by abolishing their currency and issuing new, worth 10 cents on their old dollar, which they call the ruble. Under our system it is not done by one bold stroke but by easy stages which now has brought us 50-cent dollars, and they are still getting cheaper, cutting the value of every savings account, bond, and insurance policy. The administration has sold the dollar at a discount in international money markets in order to cheapen it in terms of other currencies and devalued the dollar 41 percent at one stroke, despite the fact we have record gold hoardings and are still paying every nation, including Russia, $35 per ounce for what gold they will sell us to bury in the ground—for what purpose no one has ever been able to figure out. The administration has abandoned the gold standard, adopted greenbackism and bimetallism and what they call a managed currency.

The administration has vetoed and blocked and hamstrung with poor administration, every congressional effort to bring order out of chaos. It has spent its time pardoning Kansas City election thieves and letting Mayor Curley, of Boston, out of the Federal pen in time to line up his mob for the next election. It has defended the chief law enforcement officer in western Missouri who, at Springfield, said, "The Constitution be damned." His administration has witnessed unprecedented scandals in the Army of which Truman is Commander in Chief. Undermining confidence in the dollar, in the Constitution, in the laws of the land, in the armed services, every attempt is being made to have us in the middle of the stream again on the eve of the next election. We had better get wise to this crisis or emergency technique which has been used so often to win elections since 1933. We are asked to lift the totalitarian yoke from the peoples of Europe by placing a similar yoke again upon our own necks. We are told that buying resistance to totalitarianism now is cheaper than fighting a war tomorrow. This road is now marked the "Truman trail." But, it is the same old road we have followed into two world wars and depressions. If we follow this road the toll will be high in dollars as well as blood, sweat, and tears. Are you ready to pay the price in dollars, goods, controls, restrictions on freedom, scarcities, high prices, eventually in lives? That question is one you must answer.

FOR A STRONG AND FREE AMERICA

In closing, I wish to keep the record clear. I am not unmindful of the threat to our liberties which is posed by communism. Republicans differ from the administration on how and where to fight it. We feel, for the most part, that the greatest thing we can do to strengthen our own national security is to have an economically strong and prosperous America. Our enemies count on an economic collapse here. Their henchmen recommend policies which will hasten it. They needle us to spend and spend. Some of those who find communism a ready-made excuse to restore New-Deal controls permanently upon your necks and who now denounce communism, were its closest bedfellows when we Republicans years ago were forecasting what is happening now. Moscow knows her friends and enemies. I was complimented by being attacked in the official Soviet newspaper, Izvestia, on November 28. My name is high on the purge list, comes the revolution. I have hit them where they plot. But, a guy with a cellar full of atom bombs doesn't go purple in the face because some Missouri Congressman calls his turn. Their hysteria and hair tearing in their kept press and at the United Nations, their devaluation of the ruble, spell fright, unpreparedness, and economic chaos behind the iron curtain. We yet have time to put our house in order. We yet have time to build our defenses and restore a sound dollar to put this false prosperity on a firm and lasting basis. But, time is wasting. It will continue to waste until we have a President in the White House who will cooperate with the Republican Congress in the national interest, who will not gamble in international power politics with your savings, your wages, and your life.

There is a passage in Ezekiel which reads:

"Then whosoever heareth the sound of the trumpet and taketh not warning, if the sword come and take him away, his blood shall be upon his own head."

My friends, the trumpet is already blowing. In honor of William McKinley and those who built America and the Republican Party, let us hear and heed that clarion call in 1948. Vote Republican and save what's left.

One Hundred Billion Dollars To Combat Russia

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, David Lawrence, writing in the United States News World Report, in a leading editorial for January 23, points out the possible cost of containing communism in Europe. He calls attention to the issues and the possibilities involved in the so-called Marshall plan. Under leave to extend my remarks, I am including the editorial in question:

ONE HUNDRED BILLION DOLLARS TO COMBAT RUSSIA

(By David Lawrence)

DANGERS TO DOMESTIC SECURITY IN UNLIMITED SPENDING FOR INTERNATIONAL AID AND MILITARY PREPARATIONS—PEOPLE HAVE RIGHT TO KNOW ALL THE FACTS IN HANDLING UNITED STATES RELATIONS WITH OTHER NATIONS—PROBLEM REQUIRES CAREFUL AND COURAGEOUS CONSIDERATION

The American people are being asked to spend about $20,000,000,000 a year for the next 5 years to prepare for or prevent World War III.

Few people in official quarters believe another world war will come within 5 years, though it appears to be conceded that Russia and the United States would be the principal adversaries.

President Truman's budget of forty billions for the coming fiscal year contains a provision for eleven billions for national defense and seven billions for international aid. This is to be stepped up on the defense side, so that by 1952 it is estimated that the appropriations for our armed services will be running at the rate of $18,000,000,000 a year.

All in all, we will be lucky to take care of international aid and the defense budget with an average of twenty billions a year.

Thus about $100,000,000,000 may be the cost in the next 5 years of preparing to fight Russia or scaring Russia so that she will not risk a war with the United States.

This means that our diplomacy has not succeeded in reaching an understanding with our principal opponent. Whether such an understanding is feasible with honor and without surrender of our principles is open to debate.

Inside Russia: Unfortunately, too little is known of just what goes on inside Russia and whether our policy of building up armaments to frighten Russia will or will not stimulate the building of a bigger war machine by Moscow. It could be that the Soviet leaders are already using the threat of a war to consolidate their internal position and cause the people to accept hardships they might not otherwise suffer.

Plainly inside the United States we already are following a parallel technique—dramatizing the possibility of Russian domination of the world to persuade Congress to adopt the Marshall plan along with a huge program of national defense.

We mistrust Russia and Russia mistrusts us.

Although we do not say officially, we regard the Russian Government and its oligarchy as similar in totalitarian behavior to Hitler's Nazi party and clique.

Apparently our Department of State, headed by a military man, is wedded to the idea that force alone speaks in this world and that a show of force is the best defense against potential aggression.

Meanwhile, what are the Russians thinking about all this? Maybe, as they view our $40,000,000,000 budgets and our enormous tax program and the recommendations for at least a partial return to wartime controls, they are impressed. But maybe also they are chuckling at this effort of the system of capitalism to survive without imposing the totalitarian disciplines and socialistic programs that represent to the Communist mind the only solution to the problem of organizing effectively a population of 150,000,000 persons.

A conflict of philosophies: Certainly America can prepare for a third world war and maybe frighten Russia, too, provided we can avoid internal collapse. The President in his Economic Report speaks frankly about a severe recession that may come unless he is given certain control powers over allocation of commodities, prices, and wages. This is a confession that all is not so well inside America.

Two conflicting philosophies are being debated. One school of though wants to help Europe by strengthening America so that we will have the sinews to fight the next war. It implies careful spending with respect to all items, including national defense and international aid. It implies prudence and caution in expending America's resources. It implies a building up of the industrial mechanism and encouragement to the managerial class by tax revision which shall provide equity money for the investor class to finance American industry. It argues that private enterprise has built the most powerful nation on earth and that private enterprise can preserve and even expand our industrial strength.

Another school of thought brushes aside the impact of unlimited spending on the domestic economy and, in a kind of hysterical approval of anything and everything asked by the Department of State or the armed services, gives little heed to the cries of danger with respect to the effect of huge drains on our resources.

Unfortunately, an objective view of the hazards we face is beclouded by the jockeying for political advantage. Yet as between a bipartisan effort that shrinks from facing facts and realities and an independent examination of the issues to bring out all the facts and let the people decide, there is no question as to which is better.

To put it another way, a bipartisan approval of our foreign policy and our national defense program is eminently desirable, but this can happen only if there is frankness and candor and a bit of practicality on the part of those who urge so glibly the spending of billions on a program which is itself full of vagaries and unbusinesslike appraisals.

Secretary of State Marshall did not help matters by his blunt, soldierly ultimatum to a congressional committee that it must, in effect, appropriate all the money asked by the administration for international purposes or else it had better vote none. He didn't, of course, mean this literally but it illustrates the rigid military mind in action. It reveals a finality and inflexibility which cannot bring cooperation between the executive and legislative branches of our Government. It actually breeds partisanship.

There is a great need for more facts and certainly for a plan whereby both parties participate in the handling of the funds. To insist that, while a separate governmental agency can be created to administer the European-aid program, what is spent and where must be determined only as a consideration of foreign policy, is to ask for a blank check and a right to spend wherever and whenever the inner councils of an already oversecretive Department of State may dictate.

Domestic security: The problem of spending $7,000,000,000 on international aid is not just a little matter for Messrs. Truman and Marshall to handle. It isn't foreign policy alone that is affected but domestic security as well. Those who are beginning to cry "too little, too late" may unwittingly be thinking too much about Europe and too little about America.

This is a great and rich country but its resources are not inexhaustible. Also its managerial class cannot be expected to survive if the profit-and-loss system is to be undermined by a system of Government control and redistribution of income that begins to approximate the state socialism of Britain.

The countries of Europe can be helped to their feet by money, but they cannot keep standing if they do not provide the incentives to their people to work and produce.

Freedom versus State control: What is going on in the world is a war between two idealogies. One respects individual initiative and stimulates individual production and thrift. The other relies wholly on the State and makes the Government master of the people.

In the end, after a cycle of internal depressions and maladjustments, that school of thought will win out which believes in the dignity of the individual and resents the encroachments on human liberty and freedom which inevitably come with "planned economy" and state socialism. In the interim, however, the casualties are high and some nations, as witness Britain and France and Italy, become impoverished and weak.

What must ensue is a world-wide recognition of the futility of such dangerous philosophies as something-for-nothing and more-pay-for-less-work and let-the-Government-do-it. Adoption of these slogans cannot but

bring chaos to America and the whole world. We must instead place our faith in a system of free competition in which neither public nor private monopolies are the rule, a system of individual freedom and honest negotiation between economic groups with an alert public opinion to check abuses.

But, most of all, we must put our faith in men of courage in Congress. They must reflect the point of view of the American people, which at the moment cautions its representatives not to follow hysteria and emotion but to think things through and insist on facts and safeguards and, above all, upon economy in expenditures with respect to those social luxuries offered us at the very time when even more sacrifices must be made if we are to keep solvent in a bankrupt world.

Palestine

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following editorial on Palestine by Rabbi Harry Halpren, which appeared in a recent issue of the Bulletin of East Midwood Jewish Center, of Brooklyn, N. Y.:

Jews have made the front page again. An accident in the loading of a ship's cargo in Jersey City has revealed the fact that explosives were being shipped to the Jews of Palestine. An FBI investigation is under way to determine the identity of the criminal who is responsible for shipping this deadly material. We need to soberly appraise the situation in order that we may clearly understand what is involved here.

Since the UN decision of November 29 to partition Palestine and to establish a Jewish State in one part, a small but belligerent and noisy fraction of the surrounding Arab countries, instigated by the Mufti and his henchmen, have attacked Jewish settlements and Jewish traffic. Murder and looting have been used to resist the decision of the UN General Assembly.

On December 5, after these unwarranted attacks upon Jews had already begun, the United States placed an embargo upon the shipment of all arms to the Middle East. This was in pursuance of a so-called policy of neutrality. But what does neutrality mean?

Among the definitions of the word "neutral" are these: "Neither positive nor negative," "one who takes no part in a contest between others." In the light of these definitions let us examine the facts.

After the report of the Anglo-American Commission of Inquiry, the British declared that they could not undertake a solution of the Palestine problem alone. The implication was that if our Government cooperated, then Britain would be willing to proceed. This was the first step. Then the case was laid before the UN and after its decision the British declared that they would have no share in its implementation at all. This was the second step. But now we have seen Britain take the final step, viz, an active sabotage of the partition plan.

These are harsh words but the facts will substantiate them. For the mandatory power has refused to withdraw the English-trained Arab Legion of Transjordania from Palestine where, instead of keeping order, it has helped attack Jews. Furthermore, the English have refused to open a port for the landing of refugees and arms, have arrested the defense forces of Haganah while leaving attacking Arabs unmolested, and have permitted Arabs to hold up trains, carrying mail and freight. But the most damnable element in the situation is Britain's determination not to permit the UN representatives to come to Palestine more than 2 weeks before British troops evacuate the country. Thus practically no time will be allowed to establish a stable government in the country.

Our Government knows all these facts. Where, then, is the neutrality in our action. Can a bystander who sees a law-abiding citizen being robbed by a criminal refuse to interfere on the ground that he is a neutral? We Jews are obeying the UN decision while the Arabs are trying to nullify it. Is it neutrality to stand aside? Does this mean taking no part in the contest? Is not doing nothing equivalent to lending active aid to Arab gangsters? We were neutral when German Messerschmidts and Italian Capronis were bombing the defenseless citizens of the Spanish Republic. Haven't we learned our lesson yet?

Neutrality doesn't mean standing aside and complacently contemplating injustice. What we ask from the United States and from other countries is not neutrality but justice, not inactivity, but aid in bringing to fruition the hope and plan of the United Nations.

Mr. Speaker, I wish to make it clear that no one is seeking that an American Army be sent to Palestine to preserve peace.

We do demand, however, that the Jews in Palestine be given the right to arm themselves in self-defense.

We also say that the United Nations must be given a police force large enough and strong enough to enforce its mandates. In anticipation of the inevitable war which Hitler was determined to force upon us, we shipped arms and ammunition to those countries which later became our allies.

Today American arms are going to Greece and China so that those countries can preserve themselves against Communist attacks. We must give the Jews in Palestine the power to defend themselves against the Arab hordes. The first step in that direction should be the lifting of the embargo against arms to the Jews of Palestine. All we are asking is that they have the right to purchase them.

Resolution of the Steuben Society of America

EXTENSION OF REMARKS
OF
HON. ROBERT NODAR, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. NODAR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following text of a resolution adopted by the Steuben Society of America, at New York, N. Y.:

Whereas it is our belief that a better understanding by our citizens of the operations and conduct of business by our Federal elected representatives is essential to the well-being of this Nation; and

Whereas our modern form of communication, namely, radio and television, can make this possible by bringing into the homes of citizens the debates and discussions concerning matters of paramount interest to them; and

Whereas we believe that the present method of publishing the daily record of congressional operations is not such as will promote the interest of the average citizen in the workings of his government: Now, therefore, be it

Resolved, That Congress authorize the erection of a broadcasting station in Washington, D. C., for the purpose of broadcasting the discussions and debates of Congress in congressional session assembled, directly to the people of the United States of America as a method of political education, and that any and all steps necessary to effectuate this purpose be taken to establish exclusively the proper wave length; and be it further

Resolved, That Congress at all times control the use of this station for the broadcasting of congressional debates and sessions only.

Nation's Defense Demands Great Lakes Seaway

EXTENSION OF REMARKS
OF
HON. ALVIN E. O'KONSKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. O'KONSKI. Mr. Speaker, I cannot understand eastern objections to the completion of the Great Lakes-St. Lawrence seaway. I predict that these selfish eastern interests will be the first to regret their actions in the event of war. They shall pay and pay bitterly for their delaying tactics and obstructionist methods.

In modern war as recently shown, seacoasts have been specially chosen for attack overseas where docking facilities have been wrecked or obliterated. Responsible American Army and Navy leaders declare that robot bombs may eventually be perfected to a shooting range that will smash war industries in our own seaboard cities. No matter how rapidly comes the improvement in the atomic bomb in splitting other atoms than those of uranium, and no matter how rapidly comes the advance in other offensive weapons, time and distance are always relative. The midcontinent will be relatively less exposed to raids and actual invasion alike and relatively safer than the seaboard in any future conflict. Because of the comparatively more sheltered position of the Great Lakes area, the Government must be enabled to locate vital industries, arsenals, and shipyards in this region.

There are other military factors to consider. The distance from New York to Liverpool is 3,200 nautical miles, all exposed to submarines. One-third of the 2,647 miles from Quebec to Liverpool is in the protected waters of the St. Lawrence River. Had the seaway been completed before the last World War, one-third of the dangerous and submarine-infested Atlantic course would have been eliminated by assembling convoys in the Lakes or in the protected waters of the St. Lawrence and many of our doomed merchant vessels and their crews could

have been saved from destruction. When the seaway is completed, in any future hostilities, Great Lakes shipyards—protected from enemy submarines, will have easy access to the ocean while being close to the steel plants where girders, hulls, and engines for new vessels are being made. Since shipbuilding is closely related to preparedness, Great Lakes shipbuilders must have a way for their completed vessels to proceed directly to tidewater on the Atlantic.

The United States after entering the war, built more than 50,000,000 tons of shipping. Although the Great Lakes region of the Middle West has the greatest supply of skilled workmen in the world, due to lack of a direct outlet to the sea only 2 percent of this construction was completed in Great Lakes yards. Submarines were successfully built at Manitowoc, escort vessels and sea-going tugs at Milwaukee. Since the St. Lawrence seaway had not been completed, it was necessary to give these vessels their sea trials on the Lakes. On being taken to Chicago, their superstructures and masts were removed. Then they were floated, with the aid of pontoons, down the Illinois waterway to the Mississippi and thence to New Orleans where they were again put together at a cost to the taxpayers of the country for extra work in taking apart and reassembling of $100,000 per vessel. Had the St. Lawrence project been completed before the war, these vessels could have proceeded directly and promptly out to the Atlantic, fully equipped and ready for transport service or fighting as the case might be.

During the last war the country has gone far in the direction of depleting valuable reserves of high-grade iron ore. Vast quantities of iron in the form of hulls of ill-fated vessels, lie irrecoverably lost on the ocean bottom. For the United States too rapidly to diminish its high-grade iron-ore reserves, is to yield its leadership in world affairs to the nation which conserves them. According to the United States Bureau of Mines, Minnesota's Mesabi Range, which produces half of our high-grade iron ore, will last only 17 years longer at the present rate of mining. It is imperative that access be had to high-grade South American ores, for the maintaining of a prosperous Midwest United States as well as for defense. In order to prevent future wars or to survive them, it will be imperative for the Midwest United States to have direct access to the sea for bringing into the Great Lakes region fresh supplies of numerous other high-grade natural resources.

Have you gentlemen of the East forgotten how in 1944 and 1945 our railroad lines were glutted from west to east? Have you gentlemen forgotten how difficult it was to get troops from west to east and from east to west because of heavy freight on the railroad lines? Have you gentlemen forgotten how many millions of servicemen were deprived of seeing their loved ones because rail transportation was glutted from west to east with freight? Much of that freight could have safely and economically been transported on the Great Lakes seaway in ocean freighters. Much room thus could have been available for our service men and women on the rails. Gentlemen of the East, do not let your selfishness blind you to our Nation's defense. Break down your prejudices. Think in national security lines—not selfish and greedy sectional lines. Which is more important? Boston and New York and Baltimore, or the Nation as a whole?

You men of the East are willing to give another $20,000,000,000 to Europe. Are you gentlemen so selfish as to deny $500,000,000 for the defense of America?

The Taxation of Cooperatives

EXTENSION OF REMARKS

OF

HON. NOAH M. MASON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. MASON. Mr. Speaker, as a result of 3 weeks of public hearings before the Ways and Means Committee on the question, "To tax or not to tax co-ops," the committee learned that there are co-ops and co-ops—good and bad co-ops, producer and consumer co-ops. Committee members are convinced that good co-ops have a definite and legitimate place in our American system of economy, but that bad co-ops have no legitimate place because they tend to undermine and destroy our American way of life.

Mr. Speaker, in attempting to classify co-ops one should do it on the basis of co-op objectives. Farmers' marketing co-ops have as their objective the securing of better prices for their patrons' products through cooperative marketing activities—a proper, legitimate function under our American system of economy. This function closely parallels the collective-bargaining functions of organized labor, and is therefore a logical part of our American way of doing business. The bad co-op, on the other hand, has an entirely different objective. It is best expressed by quoting the words of Mr. Charles D. Egley, manager, Farmers Union Livestock Commission, St. Paul, Minn., and State representative of the Minnesota co-ops. Mr. Egley says:

> The profit system concentrates wealth in the hands of the few; it exploits the masses; robs them of their purchasing power; as a result of which they cannot buy back what they produce. * * * To solve this problem it is, therefore, our opinion that we must get rid of the profit system, and replace it with the cooperative system. Then business would be operated at cost for use and service to all the people, not to the few.

Mr. Speaker, production for use not for profit is a socialistic program.

After canvassing members of the Ways and Means Committee, I am convinced that:

First. No legitimate co-op has any reason to fear that punitive or harmful tax legislation will be passed by the Congress.

Second. Excessive surpluses kept by the co-ops and plowed back into the business, or retained for expansion purposes, should be and will be taxed just as surpluses in all forms of proprietary business are taxed.

Third. There is neither a probability nor a possibility that any part of a co-op's earnings paid out in cash as patronage refunds will be made the subject of taxation.

This clarification and assurance, of course, will not satisfy the followers of Mr. Egley.

Mr. Speaker, the following excellent editorial from the Chicago Tribune on the subject The Taxes of Cooperatives presents a clear-cut analysis of the problem and the situation that confronts this Congress in connection with this problem. I recommend it to my colleagues for thoughtful consideration:

THE TAXES OF COOPERATIVES

It is not true that co-ops pay no income taxes. It is true that in almost every instance they pay less taxes than an individual or a corporation for profit would pay on the same earnings. Not only the tax laws, but the regulations of the Treasury Department are rigged in their favor.

There are two forms of co-ops. The exempt co-op is so called because it has complete exemption from taxation on earnings distributed to members in stock dividends or kept in reserves if the reserves are reasonable. Such a co-op is subject to some restrictions, and a great many co-ops prefer to organize without taking advantage of the exemption.

They get virtually the same exemption, however, through the administrative rulings of the Bureau of Internal Revenue that the exempt co-ops get by statute. Their legal theory, and the theory of their political sponsors, is that co-ops do not have profits, but only earnings. They are privileged to distribute these earnings, without paying taxes on them, to members in proportion to the business that the members do with them. The theory is that a patronage dividend is merely a deferred saving on the member's business.

The fallacy here is that the co-ops need not hand the actual cash over to their members. They can give them credit for a patronage dividend on their books and keep the money to expand the business. A general corporation can also keep its profits in the business for expansion, but it must first pay a corporate income tax on the money.

Farmer cooperatives of the country ended their recent session in Congress by denouncing the Republicans and electing a close political ally of Governor Dewey as their national president. Their new president is H. H. Rathbun, who in recent months was caught speculating in the New York butter market with the purpose of rigging the price of milk sold by the members of the co-op that he heads. He lost a good many thousands of dollars of his members' money in his gambling, but Mr. Dewey's attorney general gave him a pass on the criminal aspects of the case.

The co-op bosses are mad at the Republicans because some Republican Members of Congress have recently conducted investigations of the income-tax advantages that co-ops enjoy over the private businesses with which they compete. This question of tax favoritism is a sore one with the co-ops. Anyone who raises it is certain to be met by their propagandists with a deluge of figures.

The fact remains that complete or partial exemption from income taxes is probably the most potent cause of the expansion of cooperatives in the last two decades. Alone among corporations, the co-ops have been able to use their earnings to expand their capital without paying taxes on the new money they put into their business.

Co-op members are supposed to pay income tax on their patronage dividends, even if they get them in the form of book credit, instead

of cash. It is doubtful whether many of them do, however. There is no provision for entering such dividends on the income-tax form for farmers.

Largely by means of this device of allotting members paper credits and keeping the actual cash, co-ops have expanded rapidly. It is with what are really untaxed profits that they have purchased oil refineries, packing houses, creameries, and a host of other enterprises. Any private businessman, given the same privilege of plowing his profits back into his business without paying taxes on them, would outstrip his taxpaying competitors, too.

People who believe in economic freedom cannot reasonably object to the organization of cooperatives, so long as no one is required to join them. The tax exemption and the tax dodging techniques that co-ops have been permitted to use through the connivance of revenue officials, however, are not only unsound but dishonest. Co-ops should pay taxes on the same scale, and under the same rules that bind other corporations.

They Want To Pay More

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. ENGLE of California. Mr. Speaker, it is very seldom indeed that people offer to pay taxes or to pay more for anything. But that is exactly what occurred when the Government employees at the Bureau of Reclamation city near Redding, Calif., offered voluntarily to contribute to the school maintenance funds because they are living on Federal property which does not pay real-estate taxes. The injustice of requiring local government to provide schools, police protection, and other benefits to people living on Federal property has been pointed out many times. I have a bill pending to help correct the situation, which I hope the Public Lands Committee acts on this year. However, it is gratifying when Federal employees step forward voluntarily to assume a fair share of the responsibility of local government. It is one of the finest indications of good citizenship which I have seen. I wish to make a part of the RECORD an editorial commenting on the matter in the Record Searchlight, of Redding, Calif., under date of December 31, 1947:

You could knock us down with a grammar school report card.

Government employees at Toyon, the Bureau of Reclamation's city, feel they aren't paying enough taxes for support of their school, so they are voluntarily contributing to the school's maintenance fund. They are living on Federal property and thus do not pay real-estate taxes, they point out.

About $19 out of every $20 the school spends comes from State funds, and the Bureau employees, through the sales tax, pay their share of the $19 just like anybody else. But the Bureau people want to contribute their full share of the remaining $1, too.

That is a remarkable demonstration of citizenship. Where else, we'd like to know, do people offer to pay taxes when they are not legally required to? Next time you hear someone use the word "bureaucrat" as a derisive term, remember the Reclamation bureaucrats at Toyon.

Real Peace Only Way To Achieve Substantial Cut in United States Budget

EXTENSION OF REMARKS
OF
HON. JOHN E. LYLE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. LYLE. Mr. Speaker, strong, sound and courageous thinking will permit the United States to meet its unprecedented obligations at home and abroad.

The following exceptionally sound editorial from the Corpus Christi Caller, a Texas newspaper, which I am inserting, will be stimulating and helpful to all Members:

Although it has been freely predicted that President Truman's budget for Federal operations during the year beginning July 1, would call for larger expenditures than during the current year, the total—just short of $40,000,000,000—is nevertheless shocking. The sad thing about it is, there is very little a so-called economy-minded Republican Congress can do or will do about reducing the total in an election year. To be sure there will be some cuts, but they likely will be nowhere near what the people would like to see. The pressure groups and fear of another war will work against drastic reductions.

More impressive than the figures in the President's message, is the repeat lesson that war does not pay. Seventy-nine percent of the proposed expenditures during the next fiscal year "directly reflect the costs of war, the effect of war, and efforts to prevent a future war," to use the President's own words. The largest single budget item is $11,000,000,000 for the Army, Navy, and Air Force. The next largest item is for international affairs—$7,000,000,000, including $4,000,000,000 for a start on the Marshall plan. Other expenses stemming from the nations' inability to live together in peace include $6,000,000,000 for veterans' programs, $5,250,000,000 for interest on the war-swollen national debt, and $660,000,000 for atomic energy development.

To put it another way, 28 cents of each tax dollar under the President's proposal will go to support the Army, Air Force, and Navy; 18 cents for international affairs; 15 cents for veterans' benefits and pensions; 13 cents for interest on the national debt.

That does not leave much of the tax dollar for general governmental expenses, social welfare, and the various domestic improvement programs. Yet, with the possible exception of the Marshall plan request, it is likely that the largest comparative cuts will be applied to the domestic section of the budget.

Congress also may ignore the President's plea for no reduction in personal income taxes without upping corporation taxes to compensate for losses in total revenue. This would upset the President's budget, especially the debt retirement phase which is commendable.

Should there be a business slump before the end of this calendar year, tax revenues will fall. With the tax cut promised by the Republicans there would be little or nothing left to apply to retirement of the national debt—our $5,000,000,000 a year national luxury. Congress should do nothing to prevent fulfillment of the President's plan to reduce the debt by $10,000,000,000 to $246,000,000,000 by July 1949. If anything the Republicans should go the President several billion better in this department.

Likely to be lost amid the big figures is the President's proposal that a one-half of 1 percent pay-roll tax be added to present pay-roll taxes to pay for the beginning of a compulsory national health program on which there is yet no agreement in Congress. The additional levy is not likely to bring cheers from wage earners whose weekly deducts already are the subject of considerable grousing.

The President asked for a reduction in the cost of the so-called general Government operations, but the total of these operations only involve 3 cents of each tax dollar. He likely will be accommodated, perhaps at the expense of some vital service such as reducing the number of income-tax agents which in turn results in uncollected taxes. That is what happened last year.

There will be howls over the President's request that the farm parity-price formula be revised downward and that more money be made available for soil-conservation bonuses. But to the housewife who is paying record high prices for foods, curtailment of the farm price-support program will make sense. Many find it hard to understand why the Federal Government should pay for overproduction. The budget proposed the use of 2 cents of each tax dollar to aid farming, while education and research were down for 1 cent and aids to business down for a half cent of each tax dollar.

Shocking as it may be, the President has presented Congress a well-reasoned document. We do not necessarily agree with the final result. It is for Congress to say whether the people agree with the President's reasoning. Certainly these should be substantial cuts in some of the President's figures and all nonessential expenses eliminated.

But the lesson the huge budget carries is clear. Until there is real world peace and world prosperity, the United States is going to continue to have budgets too large for the average individual to afford and all but too large to understand.

Nebraska Has 82 Soil-Conservation Districts, Including 97 Percent of the Farms of the State

EXTENSION OF REMARKS
OF
HON. CARL T. CURTIS
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. CURTIS. Mr. Speaker, I wish to extend my remarks by including a statement adopted by the soil-conservation district supervisors of the State of Nebraska at their annual meeting in Lincoln on January 7 and 8, 1948. The statement is as follows:

To the Members of the Congress of the United States:

We, the supervisors of the soil conservation districts of the State of Nebraska, being subdivisions of the State and the agency charged under the laws of the State of Nebraska with local guidance of the action program of conservation on the land, respectfully submit for your consideration the following recommendations:

We urge that the conservation districts of the various States be delegated by the Federal Government with the same responsibilities they have under State laws so that there will be no misinterpretations of functions.

We wish to call to your attention that the number of soil-conservation districts in the

United States has increased from 826 to 2,000 in the past 5 years and now covers most of the agricultural areas of our states. Of these districts there are 82 in Nebraska, including 97 percent of the farms of the State. The land owners of the Nebraska districts are deeply interested in the program but are not receiving this technical service nearly as fast as they desire, consequently we urge that an adequate appropriation be made to the Soil Conservation Service to staff the various districts with technical help so that a high standard of work may be maintained and carried on more rapidly.

We, the members of the Nebraska State Association of Soil Conservation Districts, wish to go on record as being ready and willing to fully assume all responsibilities properly delegated to us by State and Federal law.

We favor a national land use policy based on sound principles.

Give America a Chance

EXTENSION OF REMARKS

OF

HON. JOSEPH P. O'HARA

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. O'HARA. Mr. Speaker, this Congress is called upon to donate $17,000,000,000 to Europe. I do not argue that matter at this time. However, it does seem to be proper to call attention to the fact that we can do something for America at the same time. There is pending in the Senate and in the House bills which would authorize the construction of the St. Lawrence seaway and power project. This project is of far-reaching importance to the American people. It has been pending in Congress for a long time. On some other occasion I shall discuss the proposal in detail. However, at this time I want to say that in my opinion it will benefit the American people in every State in the Union. The proposal will increase the existing channels in the Great Lakes and St. Lawrence Basin from a depth of 14 feet to a depth of 27 feet, and thus develop a great ocean coastal line in the interior of the North American Continent. Something like 15 States are affected by this project, including the State of Minnesota. My farmers and my industrial plants are all vitally interested in having the pending legislation passed. They want it because it places the Midwest on the Atlantic Ocean and gives to some forty or fifty million people the advantages that come to all ports of the world that enjoy ocean commerce. The project has been demonstrated to be easily developed without too great cost and will contribute to the welfare of every man and woman who benefits from low-freight costs in combating the high cost of living.

My purpose, Mr. Speaker, at this time, is to call attention to the fact that while we are helping Europe, we had better do something for the farmers and the industries and the businessmen of our country. I speak with particular reference to the people of Minnesota and adjoining States. I am prompted at this time to say that one of the outstanding advocates of the St. Lawrence project for many years was the Honorable William A. Pittenger, of Duluth, Minn., whose loyalty to this cause has never been questioned. In Congress and out of Congress he has always insisted that the landlocked empire of the Midwest, containing some 40,000,000 people was entitled to favorable consideration on the St. Lawrence seaway and power project. I am convinced that his position on this matter is correct. It will help not only the Midwest but every man and woman on the North American Continent.

This project will come up for action, we hope, in the present session of Congress. It should be a bipartisan measure because the entire American Continent will be benefited. I have just received an interesting booklet written by Tom Ireland, of Cleveland, Ohio, entitled "The Great Lakes-St. Lawrence Seaway and Power Project." Mr. Ireland gives some interesting facts regarding this project. In pointing out its many vast benefits to our people, he speaks of New England, and says:

> The New England States with their 8,000,000 people, their high cost of living, and their dwindling industries would be benefited by the seaway. New England is primarily an industrial region with 80 percent of its food supply brought to it from beyond its own borders. Not only do the raw materials for its industries come from remote regions but its manufactured products must necessarily find their principal markets at great distances from the point of their origin. Low cost of transportation, therefore, is one of the most vital requirements for the recovery and for the future prosperity of New England.

Mr. Ireland's contributions to the arguments in favor of the seaway are helpful, and they indicate the immense benefit that this seaway would confer upon the United States and Canada as well.

In this connection, Mr. Speaker, I want to pay tribute to another great Duluthian, the Honorable Julius H. Barnes of Duluth and New York City. In civic life he has made a great record as an advocate of the St. Lawrence seaway. Mr. Barnes, who comes from Duluth, Minn., like Mr. Pittenger, has done everything he could do to secure favorable consideration of this important legislation. I commend Mr. Barnes to my colleagues as one of America's outstanding citizens, who supports a project such as the seaway from an unselfish and civic standpoint. I hope that every Member of Congress will take occasion to read his testimony before the Senate and House committees. Mr. Barnes knows his subject, and America would be happier, more prosperous, and its resources would contribute to the welfare of the common man in greater degree if we caught his vision of the great benefits of this pending legislation. Mr. Barnes appeared before a subcommittee of the Senate in June 1947 in connection with Senate Joint Resolution 111, and I quote from his testimony as follows:

SEAWAY WOULD HAVE SAVED LIVES IN WORLD WAR II

> You heard the testimony this morning of two competent witnesses of high standing; that we would have fought this last World War II to better advantage. We lost some 500 ships by submarines, 400 of them along our Atlantic coast, exposed for the long route, mostly with valuable cargoes of oil. The Standard Oil Co. lost 96 tankers off our coast to submarines. Admiral Raeder, of the German Navy, is on record that it was like a picnic to pick off our ships on the long sea route across the Gulf and up the Atlantic before they could even start across the Atlantic.
>
> If we had done that with an open St. Lawrence, we would have shortened the mileage distance 500 miles to their destination from leaving the ocean shore, and we would have saved our loss of a considerable part of 500 ships sunk by submarines and the 6,000 sailors who were lost. But more than that, we would have saved men lost in the Army ashore, waiting for those valuable cargoes and supplies and the ships that could not bring them. We would have fought this war to a different conclusion and at an earlier date.
>
> I think the men who voted in 1934 against that treaty must carry a weight on their souls when they start to think it through, and the men who will vote against it now, against confirming this, in view of the expressed judgment of such Joint Chiefs of Staff as Nimitz and Eisenhower—that is what they said a year ago—will hardly dare vote against the confirmation of this today, when urged by such authorities as that, and by General Marshall, as necessary and desirable for the national security.

I hope, Mr. Speaker, that this Nation will not face the possibilities of World War III, but if that unfortunate catastrophe should occur, then we had better take the advice of Mr. Barnes and develop the St. Lawrence seaway and power project at once.

An Emergency Plan for Relieving the Acute Shortage in Rental Housing

EXTENSION OF REMARKS

OF

HON. EDWARD J. DEVITT

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. DEVITT. Mr. Speaker, housing is one of the most pressing problems facing the country. We are especially in need of rental housing in America. Our veterans cannot afford to pay the exorbitant prices asked for many of the cracker box toy houses now being built, and it is economically unwise for many of them to do so.

A new slant, and a refreshing one, on the rental housing picture is furnished to us by Housing Expediter Tighe E. Woods. He offered a proposal before the Joint Housing Committee on January 21, which, in my judgment, has much merit and is deserving of the study and consideration of the Members of the Congress. I enclose Mr. Woods' statement, as follows:

In the evolution of this agency through 1946 and 1947, the Housing Expediter has had two primary functions:

1. To do everything possible to relieve the present acute housing shortage.

2. To administer the provisions of the Housing and Rent Act of 1947 with the ultimate goal of eliminating the necessity for rent control.

Although the functions were administered concurrently for only a short period in 1947, they are nevertheless closely related, since the production of sufficient dwelling units to satisfy the demand for rental accommodations is a basic step in eliminating the need for rent control.

It is generally agreed that in spite of the volume of new housing accommodations that have come on the market in the last year, the housing problem is still acute. This fact is admitted by the Joint Congressional Committee on Housing and is reported over and over again in the minutes of the some 660 rent advisory boards.

In examining the splendid record of housing production in the past 2 years, one significant fact stands out: the Nation did not produce sufficient rental housing in the entire United States to satisfy the need of even one large city. Although the President stated last January that the emphasis in 1947 would be on rental housing, over 85 percent of the dwelling units built were for sale—not for rent—and veterans are still forced to buy in order to obtain shelter. Our statisticians have estimated that approximately 50,000 new rental units went on the market throughout the country in 1947. The housing bureau of the city of Los Angeles estimated the immediate critical need for that city alone was 123,000 units. In 1925 by contrast of 937,000 dwelling units put under construction, 208,000 were multiple dwelling or rental units. The record in 1927 was still better with 257,000 multiple dwelling units put under construction out of a total of 810,000 starts.

In my opinion, the principal reasons for the present serious lag in new rental construction are:

1. The reluctance of large private investors to construct large multiple unit rental properties at present high construction costs which require rental rates too high to be considered stable over the life of the mortgage.

2. The inability of tenants to pay the high rents made necessary by the present construction costs of apartment buildings.

I am convinced that it is mere wishful thinking to say that the cost of labor and the price of materials in the construction field can be brought down by voluntary agreements. Experts state that the cost of construction will stay at its present high level for the next 5 years. In addition to the current high costs of building materials, it must be remembered that when considering the building industry, you are dealing with thousands of small businessmen whose only industry-wide characteristic is rugged individualism. You are also confronted with hundreds of individual building codes deliberately designed to protect these small entrepreneurs. Any analysis will show that even during the war when patriotism was a compelling reason to cut red tape, only minor changes were made in the building codes of our major cities and these changes, for the most part, were of a temporary nature designed to last merely for the duration of the war.

It is true that education and research, spearheaded by the Federal Government, will eventually bring the present unit cost of housing construction down, but what faces us now is the acute emergency situation.

The building of single family homes, as you know, uses a proportionately larger amount of materials and manpower than would the construction of an equivalent number of multiple-dwelling units. During the next year when the full impact of the Marshall plan begins to be felt, and already acute material supply situation in key products that go into the building of a home will undoubtedly be aggravated. To cite one example, producers of certain iron products, such as soil pipe and furnaces, are already hard pressed for the iron to make their products. Each individual house erected has to have its own heating plant. It is not difficult to see the saving in metal alone effected through the erection of a 500-unit multiple-family structure with one heating plant as against the heating equipment necessary for 500 individual houses.

Another point—one that should not be taken too lightly—is the fact that the success of the present single-family housing boom, while very popular with the home builders and real estate industry, is a false boom built upon the desperation of veterans who, desirous of a place to live, must take whatever shelter is available at any price. The program is popular with builders and the real estate brokers because easy financing permits them to build a house, sell it, and get out with very little personal risk. It is unpopular with veterans because it ties them down to a debt that may run 20 to 25 years, at a time when their future plans are indefinite and in the formative stage. However, too many veterans have no alternative but to buy in order to get shelter.

On a recent inspection trip to Baltimore, where we have had an unusual number of complaints from veterans who purchased homes of inferior construction, I asked this question of 10 veterans: "If you had the choice, would you have preferred to buy or rent?" All 10 answered they would prefer to rent.

These facts add up to the conclusion that the acute housing shortage will not be overcome by more homes for sale at inflated prices, or more liberal Government underwriting of mortgages, or more generous GI loans, but by the creation of thousands of multiple-family accommodations at rentals which the vast majority of the American people can afford to pay.

There is a definite and well-known relationship between reasonable unit rental and normal per-room cost of construction. Large investors in rental housing use this guide to determine safety of investment.

My plan proposes briefly to allow the "water" to be squeezed out of the investment by means known as accelerated depreciation. For example, if the relationship between normal safe rentals and present-day building costs as compared with normal building costs is 30 percent, the 30 percent figure would be approved by the Housing Expediter, certifying to the Treasury Department that this 30 percent is eligible for a certificate of necessity so that the owner can recover the "water" in 5 years.

I have worked out, with a representative of a large insurance company, a detailed statement of how this plan would operate on a project of 164 apartments ranging in size from 4½ to 6 rooms at rentals of $20 per room or less per month, with construction cost of buildings and land not to exceed $2,000 per room. This insurance company stated that if this type of financing were made available by the Government, they have several million dollars of building plans in the blueprint stage which would immediately become realities.

Although local participation is not completely necessary for the success of this plan, it is desirable. Local municipalities which will reap the benefits of this plan will undoubtedly offer incentives of their own. One common community incentive is a 5-year exemption from taxes due to increased assessment on these projects. In other words, for a 5-year period the owner pays taxes only on the assessment levied prior to the erection of the project. The local taxing body would lose no revenue and could possibly gain even during the 5-year moratorium as it is a well-established custom to let unpaid taxes on vacant properties accumulate until such time as the property is improved. Under a plan such as this no owner of a large-scale rental project could afford to let unpaid taxes accumulate.

The advantages of this plan, in my opinion, are as follows:

1. It will bring large private investors into the rental market and will relieve the Government from earmarking any more large sums of money to guarantee real-estate loans.

2. The system is liquid enough so that it can be used in any rental range. For example, one community may need a lot of 4- and 5-room apartments at $12.50 and $15 per room, whereas another has serious demand for apartments at $20 per room. Local determinations would be made in all cases by the Housing Expediter based on his knowledge of local rental conditions.

3. The safety of the investment will draw enough private capital so that the shortage of housing accommodations can be definitely relieved within 2 years, and thus eliminate the need for Federal rent control beyond March 1, 1950.

4. The accelerated depreciation theory was used by the Government during the war for encouraging the construction of war plants and is therefore not a new concept to the Treasury Department.

5. Construction on large multiple-family projects built not by the Government but by private capital saves on material and manpower by the use of mass production methods.

6. The most important consideration of all is that this plan meets the real demand for rental housing as voiced by our 14,000,000 veterans of World War II.

Veterans' Subsistence Payments and Maximum Earning Ceilings Must Be Raised

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. HOLIFIELD. Mr. Speaker, the plight of many of our veterans who are participating in the GI bill and vocational program is very bad.

The inflationary advance in subsistence costs has resulted in a sharply lowered standard of living for these veterans and their families.

Two corrective measures must be taken immediately by Congress:

First. The subsistence payments must be raised to compensate for the increased cost of living.

Second. The maximum earning ceiling for total allowable income must be raised at least 40 percent.

I hope that the Republican leadership will allow these matters priority on the legislative calendar.

GOP Tax Bill Puts Cart Before the Horse

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to revise and extend my remarks on tax-relief legislation, I submit herewith an editorial appearing in the January 26, 1948, issue of the New York Times:

THE ORDER OF BUSINESS

In discussions of the related problems of taxation and the budget there has been too much emphasis on what for want of a better word we would call functionalism. There has been so much learned discourse on the question of whether such and such a tax program is inflationary or anti-inflationary that some have lost sight of the fact that taxes, while they have been reduced modestly from their peak levels of wartime, are still fantastically high by any previous peacetime standard. These persons seem to have forgotten that the burden of proof is not on those who advocate the reduction of taxes from this war-created plateau, but on those who would maintain them at present levels.

Whatever may be said for the importance of the inflation argument in pure theory, moreover, as a practical matter it has lost most of whatever force it possessed a year ago at this time, for the fact has become increasingly clear that the inflation argument, so far as Congress and the administration are concerned, has deteriorated to the point where today it is simply an argument of political convenience. So long as the administration could maintain even the pretense that it was opposing Republican tax-relief programs because it sincerely regarded them as inflationary, there was at least something to be said for the argument. But this pretense can hardly be taken seriously in the case of an administration which has now apparently decided to compete on a catch-as-catch-can basis for the tax-relief vote, regardless of inflationary consequences.

But to say this is by no means to say that the decision of the House Republican Steering Committee to drive ahead for enactment of the full Knutson tax-reduction bill at this time is either enlightened party policy or sound fiscal doctrine. In its unmodified form the Knutson measure calls for tax relief at the rate of $5,600,000,000 annually. Since it is proposed to make it retroactive to January 1 of this year, that would mean a loss in revenues for the 18 months, January 1, 1948–June 30, 1949, of $8,400,000,000. From what sources would this relief be derived? The President, in his budget message of January 12, foresaw a surplus for the fiscal year 1947–48 of $7,500,000,000 and one of $4,800,000,000 for 1948–49. But of the $7,500,000,000, $1,600,000,000 had been realized during the first half of 1947–48, so that to get a surplus figure for the period January 1, 1948–June 30, 1949, this amount would have to be deducted.

That would leave, as the figure to work with, $10,700,000,000. If revenues were reduced by the full amount of the Knutson bill and if the Truman budget figures be accepted at their face value, the substantial reduction in the public debt which the sponsors of this measure tell us would be possible comes down to $2,300,000,0000. That doesn't even equal the figure to which the Senate made a firm commitment when, in advocating the first Knutson bill a year ago, it pledged itself, 82–0, to reduce the debt by $2,600,000,000. On an annual basis it is only $1,700,000,000. If we are able to reduce the debt by only $1,700,000,000 a year in this period of unprecedented peacetime production and income, what, it may be asked, can we hope to do in less extraordinary times?

True, congressional staff experts are quoted as predicting Government revenues considerably higher than the President's estimate. But in view of the difficulty of foretelling events of this kind 18 months in the future, caution plainly dictates going along with the lower estimate. Again, Republican leaders maintain that expenditures can be reduced by $3,000,000,000. This may prove to be the case. But those who recall the events of last year, when similar claims turned out to have been vastly exaggerated, will perhaps be forgiven if they prefer to wait and see what the legislative budget reveals. The Reorganization Act of 1946 contemplates that such a budget shall have been completed by February 15. Last year, it may be remembered, it failed to materialize at all, because the House and Senate were unable to agree on a ceiling figure for expenditures. Moreover, it would be legislating tax reduction in the dark to rush the Knutson measure through before we know what our commitments are going to be under the Marshall plan, and Senator TAFT has gone on record to the effect that the latter probably will not come to a vote before May.

In thus putting the cart before the horse on tax legislation the Republicans are repeating their ill-advised course of 1947. It is a course which not only makes them vulnerable to criticism by the political opposition, but which is calculated to alienate the support of those who are genuinely sympathetic to the idea of tax reduction, assuming it is conservative in concept and brought forward at the proper time.

National Defense

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following remarks made by me at the proceedings of the Twenty-second Women's Patriotic Conference on National Defense, January 15–17, 1948:

Madam President and members of the Women's Patriotic Conference, I have taken as my subject before you this afternoon the subject that I think is uppermost in your minds, at least the subject that I understand you came here to discuss and talk about. That subject is National Defense.

Before I go further with my remarks I would like to say that there are two kinds of national defense, and in my mind they are equally important. There is the physical and the practical side and there is the mental and spiritual side. We must never forget that.

War, it seems to me, when it takes on world aspects, is always primarily a war of ideologies. The last world war—because although we divided between World War I and World War II, it was really fundamentally the same war—was a war of ideologies.

First of all, I would like to talk to you about the physical side of national defense. As a woman (a Congresswoman and, worse yet, a woman politician) I am constantly being asked what is the woman's point of view on this, that, or the other subject.

That always reminds me of the story of the gentleman who was asked to address a large gathering, and the topic assigned to him was the buffalo and the American way of life. He was a little nonplussed by this, so he decided to dismiss the subject very briefly. He got up and said, "There are no buffalo; there is no American way of life."

Well, I would like to say that there is no woman's point of view.

Women are citizens. They are individualists, and they agree together even less than men. That is one reason why they are more interesting and why they are so valuable politically speaking.

I need hardly tell you women who are assembled here today representing so many—in fact, almost all—of our great patriotic organizations that you are certainly just as interested in the affairs of these organizations as any of the men who belong to them could possibly be.

I dare say that, as a matter of fact, women are even more interested when it comes to veterans' affairs, and I think it is a very great tribute to the women of our Nation that the present chairman of the Veterans' Committee in the House of Representatives is a woman, the Honorable EDITH NOURSE ROGERS. I think it is heartily appropriate that she has been given this very high office. She has been well named "The veterans' angel," and she is exactly that. She works all of the time for the veterans, for their best interests, and for their dependents.

As women, we quite naturally have a strong urge to do the same kind of work. The mere fact that we cannot bear arms makes it all the more our duty and our right to see that all veterans shall be given their just dues, and that, above all, they will never be forgotten. It is very easy to forget, and some of us are a little too prone to do it.

After every war we bow our heads and we pray again that those who died in the conflict may not have died in vain and that their sacrifice will be the last sacrifice that will be needed to assure the peace of the World. But, human nature being as it is, we have a very real responsibility to see that our heroes have not laid down their lives in vain. We, the living, must be on the alert to keep our country strong; we must, all of us, be alive and diligent in working for national defense, both physical and spiritual.

I believe that we are now in a very difficult position. For the first time in our country's history we are being asked to do more than our resources warrant our being able to do. For that reason it seems to me that we must stop for a moment and take stock and decide what things come first, what things are the most important in our country's history today.

I submit to you that, as women and Americans, we must put the peace of our country and of the world as our first objective. There is nothing more unattractive to me than women who will, at best, do nothing but knit and roll bandages, urging the world on into bigger and better wars. Let us use our energy to urge the world to the first lasting peace.

To attain that peace we must have adequate, nay, we must have a powerful, program for national defense. The possibilities of another war are too frightful to contemplate. All the scientists have warned us that it means probably the end of civilization as we know it.

National defense today means more than armies and navies; it means air force, atomic weapons, and the knowledge of germ warfare, which probably is the most horrible weapon of all. It also means the planning of complete mobilization of the entire population because, remember, the next war, if it should come, will be a war of popula-

tions against populations. The civilians will not be spared.

I am sure that you have read the warnings of Admiral Nimitz and of General Arnold. General Arnold made it very emphatic that no one could win the next war, and it is a good thing for us to remember that. I question very much if anyone won the last war, but the next one will certainly be far worse.

The greatest thing that we have done in the last year was done during the first session of the Eightieth Congress, and that was the creation of an over-all office of defense and the appointment of a secretary of national defense. This is, by all odds, the most important position in the capital and is only second in importance to the President of the United States himself.

It will now be possible to coordinate all our resources for national defense, civil, military, and scientific, and it would be well at this time to let our friends and our enemies all over the world know what a tremendous step we have taken to strengthen our country and to put her in the position of being invincible so that we may maintain the peace of the world.

We hear a great deal about how much more we must do, and I have no doubt that experts who tell us this know whereof they speak. But I would like to point out to you ladies here today that we are already doing a great deal. The regular appropriations for the Army and Navy today total $9,953,000,000, or close to 10 billion. This means that it now costs us $27,200,000 per day to finance the Army and the Navy.

For that sum it seems to me that we should have the most powerful armed force in the world. You know, there is a great deal in administration; money alone will not do the job; men alone will not do the job. There has to be coordination; there has got to be, above all, loyal and true administration.

You have great influence; you represent many groups of patriotic men and women all over the country. There can be nothing more valuable than for you to explain to those in your immediate circles and in your own communities that our country, though rich and powerful, does not have unlimited resources [applause], that we cannot support the whole world and maintain our own strength. We must not be foolishly sentimental and fall into a trap.

Remember, Lenin said, "The way to destroy the United States is to make her bleed herself white." We are in a fair way to do that very thing. No one can destroy us from without, but our own thoughtless stupidity can destroy us.

If we destroy ourselves, all hope for the survival of freedom and liberty will perish from the earth. If we remain strong and keep our defenses high, we can maintain the peace of the world, and in peace only the war-torn peoples of the world will be able to rebuild their shattered economies, readjust their own civilizations and their own economies. And let us remember that we cannot force our ideology on the world any more than any other nation can force its ideology on us. [Applause.] We must be true to ourselves; we must keep our heritage, and we must allow others to do the same, if we truly believe in freedom and not if we are merely paying it lip service.

Let us, therefore, resolve to put first things first and let the first thing be a free America. She cannot be free unless she is strong; she cannot be strong without adequate national defense.

It is my hope that you will leave your meetings and your deliberations with a definite plan as to how to keep our country free and how to keep our defenses high.

These are only the physical defenses. Now what of the other defense? What of the mental and the spiritual defense, because that is, after all, the most important. If we are fighting a war for ideologies, what kind of an ideology are we going to support? We talk a lot of freedom, but we have already lost some of our freedoms and some of the most basic ones.

We talk a lot about national socialism, and we do not stop to realize that national socialism has made inroads all over the world, that it has already engulfed the whole of Europe, whether they be weak Socialist republics, whether they be dictatorships, or whether they be Communists, satellites behind the iron curtain.

And then we forget that that same ideology is slowly creeping into our country. Oh, it is very easy to tell an out-and-out Communist; anyone can do that. But there are others; there are more insidious movements. There are people who say, "Oh, no, I am not a Communist; I represent democracy in its truest form." Nevertheless, those very same people may be working toward the national Socialist or Communist ideology and taking away the future by backing that very thing.

There is one, for instance, that is not heard of very much, and that is the Fabian Society. I would like to read to you, if you have not already heard it, the telegram that was sent by Bernard Shaw to a meeting in London in 1946, in which he stated that they had succeeded in creating a great Fabian state in Russia and that their next ambition was to bring the United States into line also.

Now, a very few people pay attention to these little groups. They are small, and they are not very noisy; you do not hear as much about them. But there are people all through our country who are working to undermine our fundamental ideology, and they are as much a menace and a danger as the people who are arming against us.

Physical armament is possible to resist; it is easy to resist. But there is an insidiousness about the other kind of undermining that is very hard to detect. Now is the time for us to be on our guard, because the harm is already beginning to be done. They are beginning to wear away those great foundations of free government for which we stand; they are beginning to undermine that Constitution which is the fundamental of our liberty.

Yes, the words are still as true today as when Benjamin Franklin told the woman outside of the hall in Philadelphia, "You will have a republic if you can keep it." We are the ones who have got to keep it. You who represent the patriotic women of America have a great task before you; you have the task also of seeing that this Republic of ours is kept as a Republic and that we will not come to that awful pass that I saw described the other day by an Englishman in a book on the late war in which he said—I will admit that he was more cynical than I am, but I think there is a possibility of this happening—"For St. George has slain the dragon, only to find that it is the dragon's features which confront him when he looks into the glass."

We do not want that to happen here; we do not want to slay the dragon of totalitarianism and of national socialism abroad and find the dragon's features looking at us when we look into our mirrors here.

Therefore, we have come to this great hour of decision. We must take sides, and we must take them wholeheartedly. There must be no pussyfooting; there must be no truck with the opposition at home or with the enemy abroad.

It is true in our personal life and it is true in our national life and it is true in our spiritual life that:

"Once to every man and Nation comes the moment to decide,
In the strife of Truth with Falsehood, for the good or evil side.
Some great cause, God's new Messiah, offering each the bloom or blight,
Parts the goats upon the left hand and the sheep upon the right.
And the choice goes by forever twixt that darkness and that light."

Remember that; the choice goes by forever. The moment to make the choice is here. You are the ones who can do so much to influence that choice. You who are the wives and, above all, the mothers of America can do more to see that this Republic stands in the face of all her enemies at home and abroad.

I say to you, therefore, go forth with courage. This is a fight that is worth fighting; this is a fight that is worth winning.

An Independent Oil Refiner Speaks

EXTENSION OF REMARKS
OF
HON. CARL T. CURTIS
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. CURTIS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

FALLS CITY, NEBR., *January 17, 1948.*

Mr. MAX BALL,
Director, Oil and Gas Division,
Department of the Interior,
Washington, D. C.

DEAR MR. BALL: We note your recent statement to the press in which you are quoted as saying that all production, refining, and transportation facilities in the petroleum industry are now at maximum capacity, and that it will be several years before supply can possibly catch up with demand.

We do not agree with your statement that production, refining, and transportation facilities are being utilized at maximum capacity, and it is our opinion that there is a tendency on the part of Government agencies to consider the statements put out by a few major oil companies as covering the entire industry and a further inclination to ignore the independent segment of the industry as being of no consequence in the over-all picture. From various news dispatches it appears that the independent part of this industry is being mainly overlooked and has few representatives on the various councils and committees which have been appointed to investigate current shortages.

It is our opinion that there is enough idle production, refining, and transportation facilities to supply the current shortage of petroleum products if placed in operation as they should be, and until such time as these idle facilities are operating we see no basis for trying to convince the public that rationing, price fixing, and other interferences will do anything but further aggravate an already critical and serious situation.

To our knowledge there are independent refineries in Nebraska, Kansas, Oklahoma, Illinois, Wisconsin, Michigan, Kentucky, and Tennessee which are either shut down or running at a small fraction of capacity due to major oil companies interfering with the crude supply of these independents. These plants could be running if the current crude-oil supplies were equitably distributed and the excess crude-oil production, which is now going to major company storage over and above major company requirements, released

to these independents. If you are interested, we will be glad to give you the names and capacities of these shut-down and partially shut-down independent refineries, one of which we own and which has a capacity of 3,000 barrels per day and has been shut down for 2 years, mainly due to arbitrary freight-rate fixing by the railroads.

So long as current crude-oil production is considerably above crude-oil runs to refineries, and the excess is going into storage, this excess should be made available to independent refineries. The main reason for this situation is the fact that major pipe-line companies are monopolizing the crude supply over and above their current refining capacity, either putting it in storage or leaving it in the ground rather than sell oil to these independent refineries, and due to their pipe-line systems and monopolistic procedure of posting prices, subsidizing producers, influencing State regulatory bodies, and other similar practices, the major crude-oil purchasing companies have brought about a situation where independent refiners can no longer obtain crude oil in an open market.

According to Bureau of Mines figures, current crude oil production exceeds current refining capacity by a considerable amount. Therefore, crude oil production is not the bottleneck in this shortage. Refining capacity, as above stated, is not being fully utilized and transportation facilities are certainly not at capacity. Idle tank cars are standing in railroad yards, pipe-line terminals, and are being used on cross-hauls which are unnecessary. Pipe-line capacities are not fully utilized due to the policy of pipe-line companies operating as private carriers for themselves and major company friends. Additional tankers could have been made available 2 years ago, and can still be made available by the Government. Railroads are doing nothing to expedite efficient use of tank cars. Three or four tank-car companies, who control most of the tank cars, and who are affiliated with major oil companies, insist on using these cars in their own service or allied service.

The railroad freight-rate structure covering the transportation of petroleum products is a labyrinth of ancient and obsolete freight-rate structures, based on what the traffic will bear, and a railroader's idea of how the oil industry should be run, and the best proof of their inefficiency is the fact that they are still hauling empty tank cars the same distance as loaded tank cars under a policy based on the fact that to avoid contamination each shipper must have his own cars and any other brand will contaminate. Therefore, a tank car shipped from Oklahoma to New England is hauled empty back to Oklahoma rather than loaded out by a New England refiner and fully utilized.

So long as the above conditions exist in the petroleum industry it appears that a realistic effort should be made first to utilize fully existing facilities and allow the independent end of this industry to operate, and before further rationing, and otherwise convincing the public that petroleum products cannot be made available, an honest effort should be made to supply the public with the petroleum products they are entitled to by eliminating some of the above inefficiencies. It is also obvious that some of the refined oil being exported could be used to good advantage in the United States.

Before assuming an attitude that nothing can be done to improve the current petroleum shortage, it is our opinion the Government should use its influence to eliminate some of the inefficiencies which can be attributed partly to present Government regulations and State regulations of crude-oil production, including policies of the Interior Department regarding the lease and sale from Government lands, the poor regulation of the pipe lines and railroads by the ICC, with consequent gross inefficiency, and the failure of the Justice Department to investigate and eliminate the monopolistic practices existing in the industry. If these Government agencies would give more thought to a national policy of supplying the public and spend less time talking about rationing and price fixing, there would be more oil available for everyone, including the Government itself.

So long as our small company and others like us in this industry are being run out of business daily due to a combination of factors beyond our control, we cannot agree with statements which are being made by your department regarding current shortages. We realize that this is a problem with no easy solution, but we suggest that you appoint more independent oil men to your various committees in order to get a true cross-section opinion of this great industry.

Respectfully yours,

MID STATES REFINING CO.,
R. D. SWAN, *President*.

Veterans' Legislation

EXTENSION OF REMARKS
OF
HON. ROBERT J. TWYMAN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. TWYMAN. Mr. Speaker, I submit herewith for insertion in the RECORD some pertinent comments on veterans' legislation contained in veteran Commentator George E. Reedy's daily morning broadcast. I listen daily to George Reedy's analysis of the news, as he has a keen ability to analyze the maze of legislation pending before the Congress, and to comment comprehensively on the issues which are of the greatest import to the American people:

It's taken a long time but action finally seems assured on two of the most important veterans' bills before Congress. They are legislative attempts to carry out one of the basic promises made to the American soldier during the war.

It was the promise that a grateful Government would try to make up for the years he was missing out of civilian life. He was told that a real effort would be made to give him an education and a start on a permanent career.

This was to be done under the famous GI bill of rights. That measure provided a number of things. Included among the provisions were sections to help the veteran through college or through a period of apprentice training.

The veteran going to school was to receive his tuition and educational expenses from the Government. In addition, he was to get a subsistence allowance for his food and clothing, $65 a month if he were single, and $90 a month if married.

The veteran who wanted to learn a trade through an apprenticeship program was given just subsistence allowance. However, it was in addition to the wages he was to receive from his temporary employer.

In the case of the on-the-job trainee, some abuses were possible. It was easy for a man to get a job at a good salary and qualify for the extra allowance by claiming he was an apprentice. So a ceiling was put on the total amount of his income.

A single veteran was held to $175 a month, and a married veteran to $200. At the time that law was passed, such figures were not too bad. The cost of living had not yet begun to soar into the stratosphere.

Since then, however, the devil of inflation has become a reality. Veterans found they could neither go to college nor enter an apprentice program. They simply couldn't live on the amount of money they could get.

Last session the Senate passed bills to partially remedy both situations. They provided for higher allowances to veterans going to school and higher income ceilings for ex GI's who were trying to learn a trade through on-the-job training.

Both bills ran into baffling resistance in the House. They were snarled in a log jam, to which no one seemed to have the key. Now thanks to the efforts of Representative LEO ALLEN, of Illinois, that jam seems to be broken.

ALLEN has led a successful movement to bring the bills up under special rules. They cannot be tampered with one way or the other. A straight out vote will be required, a vote that practically guarantees their passage.

The crying need at the moment is speed—speed before the second semester begins at most colleges. It is probably true that many a veteran will have to drop out of school unless these measures are passed—and passed in a hurry.

These are bills upon which a legislator can vote with good conscience. They do not represent the string of special bonuses, which have so aptly been described in the past as organized raids on the Treasury.

The Government does owe the veteran every possible chance to make up for what he lost while he was fighting for his country. One way is to assure him the education and training that may mean the difference between a lifetime career and just drifting from job to job.

Farm Production and Prices Are the Basis of National Prosperity

EXTENSION OF REMARKS
OF
HON. CHARLES R. ROBERTSON
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. ROBERTSON. Mr. Speaker, our present situation in regard to the production of farm products is entirely the result of misinformation emanating from Washington, both as to the facts in regard to production and our ability to consume.

I think many of the Members of Congress and the American public have been led to believe that we are feeding the world. Let me briefly set out a few facts.

Our total exports of all agricultural products during the year 1947 will approximate $3,100,000,000. Our imports will approximate $2,600,000,000. If we recognize the fact that imports are listed in terms of foreign currencies, we should add on approximately 30 percent to the value of our imports to give them a comparable value to like exports. With this adjustment our imports in 1947 exceed the value of our exports. In other words, on a quantity basis we find ourselves actually importing more than we are exporting.

It is true that we are exporting large quantities of wheat but we are also importing millions of pounds of sugar, fats, and oils, both of which are highly concentrated foods.

I think it might be of interest to Members of Congress to know that in the 5-year period 1922–26 before we ever heard of farm surpluses, our total exports of agricultural products averaged $1,950,000,000 per year. If the exports in 1922–26 are adjusted to present values their export value would be $3,300,000,000 or in terms of physical quantity more than our exports in 1947. At that time no one had ever heard of rationing and price control. Since then we have had an increase of about 20,000,000 people. Our present record of exports and imports indicates to me that we are misleading the rest of the world with the promise that we are going to feed them as the result of WPA loans.

In fact I feel that this Congress should take such steps as will reassure the American farmer that we are going to protect his price. Unless this sort of a program is given to American agriculture, we may find our own Nation confronted with a food shortage. We cannot expect maximum farm production with a shortage of farm labor, farm machinery, fertilizer, and propaganda warning him of the specter of low farm prices.

In my opinion the Nation cannot afford to reduce either its farm production or permit the farm products to sell below parity. In the first instance, 70 percent of all consumer goods consists of food, tobacco, beverage, and clothing. If we are to have a foundation for full employment we must have these farm raw materials flowing through our economy in their present volume.

In terms of income we also need our present production. In this connection I would like to briefly comment upon a very important ratio which has been pointed out to Members of Congress by Carl H. Wilken, economic analyst for the Raw Materials National Council, of Sioux City, Iowa. Mr. Wilken points out that for the past 25 years each $1 of gross farm income has translated into approximately $7 of national income in spite of prosperity, depression, war, or reconversion back to peacetime production.

To carry on our present national budget, to meet the charge of our national debt while at the same time maintaining full employment, the United States must have at least $200,000,000,000 of national income. To have $200,000,000,000 of national income we must first create approximately $29,000,000,000 of gross farm income. To reduce either our production or to permit farm prices to go below parity will force the Nation into national bankruptcy.

In checking the seven times turn of gross farm income, I feel that it reveals the paradox which has prevented the human race from distinguishing between the real cost of living and the price of things. With the seven times turn of gross farm income in existence the real cost of living or food costs on the basis of income generated does not change. For example, the percentage of national income being spent for food today is much the same as the average in the period 1930–39 even though the consumer at the present time is receiving approximately 20 percent more food than prewar.

The age-old fear of food prices is again being heard because the public does not realize that the cost of living cannot be reduced by a change in price levels. A lower farm price will force a reduction in wages and salaries in direct proportion to the drop in gross farm income and national income as the result of the trade turn of farm income.

When this reduction comes, the submarginal group in the lower strata of income will find themselves among the unemployed and we will again have soup lines. If we wish to reduce the cost of living, then we must stop this foolish cry of surplus and high food costs and concentrate on an increase in the per man production of goods, the only way in which the cost of living can be reduced.

Gambling for Peace

EXTENSION OF REMARKS
OF
HON. HERBERT C. BONNER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. BONNER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Daily Advance, of Elizabeth City, N. C., for January 26, 1948:

GAMBLING FOR PEACE

American aid to Europe is a gamble, whether it is given through a Marshall plan, a Herter plan, or somebody else's plan. But that does not mean that the chance must be taken blindly, with no notion of whether we shall win or lose until the results are in.

Three factors ought to be considered by the gambler who isn't willing to depend on sheer luck. There are the mathematical odds against your doing what you set out to do, as in dice. There are past performance and present condition, as in horse racing. There are the strength and intentions and idiosyncracies of your opponent, which, considered with the mathematical odds, is what makes some people better poker players than others.

In the case of European aid, the first consideration can be ruled out. There is no mathematical formula for predicting success or failure.

The second factor is highly important. The present condition of the 16 nations is obviously bad, but the past performance of most of them is excellent. History gives us every reason to believe that, if they are aided and strengthened, there will be more liberty, prosperity, security, and happiness for all the world than if they are left in their present plight.

As for the third consideration, we are playing an opponent who is strong, clever, and tricky. He is out to win. We have played him long enough to know that he does a lot of bluffing. But we are still not quite sure when he is betting from bluff and when from strength.

There is another gamble, of course, that we might take. We could pull out of the European game, let our opponent rake in his winnings, and start a game of our own. That would mean putting our country almost on a wartime footing, resuming selective service to build up our armed forces and strengthening our national defense against possible attack. The chances are it would take more money even to buy chips for this game than it would to win the pot in Europe.

There is a third possibility. We could refuse to sit in on either game. And we could still wind up losing not only our money, but our freedom.

Those are the three choices. Only foolish friends and bitter enemies could advise us to take the third chance by telling us that our opponent is going to cash in his chips and get out of the game. We have known that opponent long enough to know that he won't take his winnings and get out until the cards against him are so strong that he runs the risk of losing everything by staying in.

Of the other choices, most Americans seem to prefer the gamble in Europe. The stakes are lower, and the chances of winning seem better. But right now the American kibitzers are arguing whether we should simply cover our opponent's bet or raise it.

Well, our cards look good, and right now we have more blue chips than our opponent. If he's bluffing, a good strong raise might make him decide to turn his cards face down and bow out. If he isn't, we look to have the strength to go on raising as long as he does.

The Meat Situation

EXTENSION OF REMARKS
OF
HON. CHARLES B. HOEVEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. HOEVEN. Mr. Speaker, there is much idle talk regarding the return of meat rationing, allocation of livestock, and price control. This type of propaganda is only creating unrest among the growers, producers, and feeders of livestock, a condition which certainly is not going to help meat production. This propaganda is also forcing much meat into storage lockers and deep freezers, the ultimate result being an unfair distribution of meat which, of course, will augment the cry for the return of controls.

Under leave to extend my remarks, I include a splendid letter received by me this morning from Mr. D. H. Cunningham, secretary of the Sioux City Live Stock Exchange. Mr. Cunningham knows his subject thoroughly and the information which he sets out in his letter relating to the meat situation is most enlightening and informative. I feel sure that all Members of Congress will be glad to have the information contained in Mr. Cunningham's letter.

SIOUX CITY LIVE STOCK EXCHANGE,
Sioux City, Iowa, January 26, 1948.

HON. CHARLES B. HOEVEN,
Eighth District of Iowa,
House of Representatives,
Washington, D. C.

DEAR CHARLIE: There is a very definite feeling of unrest among the growers, producers, and feeders of livestock in regard to the proposed meat rationing, or any proposed allocation of livestock, or fixation of prices. Any talk of this sort naturally causes considerable apprehension upon the part of producers and growers, and rightly so, for I think if you were in their position and were feeding a high priced commodity like corn,

you would sort of be on the anxious seat yourself all of the time.

It does not take very much of this sort of talk and propaganda to disturb the equilibrium of the livestock industry. I believe that perhaps we here at Sioux City are closer to a great number of livestock producers than any other market in the country, especially in view of the fact that we talk to practically all of the customers over five States via radio. This close contact enables us to gauge very closely the feelings of the producers and farmers and feeders, and briefly, here is the situation in a nutshell.

While these men did not take kindly at all to price fixations and OPA regulations during wartimes, yet they abided by them because they were a genuinely patriotic set of American citizens, and this was an added incentive to them to do their duty as they saw it. On the other hand, this did not blind them to the fact that these regulations were cumbersome, were ill regulated, and did not work to the advantage of either the grower or the consumer. Finally, they saw the machinery of it break down practically entirely, and they witnessed probably the greatest debacle that has ever occurred in the enforcement of a regulation in the history of a country, save the complete collapse of prohibition. A lot of things happened, and they did not leave a good taste on the livestock man's palate.

Right now he is trying to produce and feed not only the citizenry of our own country, but the people of a lot of other countries not so fortunate as our own. Trying to do it with feed crops that are scarce and high, and I want to go on record as saying right here and now that he is not making the margin of profit that a good many of these people think he is making. There is much talk about high-priced cattle, and about all the instances that you hear cited are the ones of cattle selling at $35 to $40 per hundredweight, and these are held up as being the true value of cattle that are being sold. Here are some facts that might interest you a bit. In November 1947 the selling price for all slaughter cattle on the Sioux City market was approximately $22.50 per hundredweight. In December 1947 it was approximately $23.50 per hundredweight. This includes steers and yearlings and heifers, cows, bulls, and in fact everything that went for slaughter, and while some of it was perhaps not good to choice, yet it was all red meat that would sustain and nourish a human being. This is a far cry from the prices that you hear talked about.

To sum up the situation in a few words, one can say this, that while this meat may be a little short right now, look out for what will happen if any rationing or price fixation were put on. To use the old expression, "You aint seen nothin' yet."

Right now there are a few fellows that are on the anxious seat relative to keeping their brood sows, and some of these sows are being moved at the present time. We are getting a lot of cattle that should not come right now. I am inclined to believe that if this proposed power is given to any department or individual in the United States that we will see the worst meat shortage we have ever seen, and what you saw in black markets during the war will be peanuts compared to what you will see happen if these powers are ever invoked in peacetimes. I believe that the whole trouble is that the people who are advocating this do not know what the sentiment is, and most certainly they are entirely in the dark regarding production and feeding costs. What the consumer is paying now for meat would look pretty reasonable compared to what he will pay for it in the dark channels if this thing goes into effect.

Very sincerely yours,

D. H. CUNNINGHAM, *Secretary,*
Sioux City Live Stock Exchange.

The Crucial Year

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including a short article by Millard D. Brown entitled "The Crucial Year." It contains facts of importance, and I believe will be of interest to all Members of the House:

THE CRUCIAL YEAR

(By Millard D. Brown)

The crisis in our country's inflationary spiral will be reached in the year 1948. The actions taken by Congress on the so-called Marshall plan, and the huge expenses of our National Government, will precipitate a financial collapse or a gradual return to a healthy economy.

There is no doubt in the minds of many Americans that the Communists have encouraged the countries of Europe to take full advantage of the so-called Marshall plan. They believe this will be an aid in their campaign to have the United States spend itself into an inflationary spiral which will end in a financial collapse from which we will not recover for many years.

In 1924 Lenin remarked, "We shall force the United States of America to spend itself to destruction."

The Marshall plan called for each European country to present an inventory of their potentials as well as their needs. Have these 16 countries listed their potentials as well as their needs?

If so, is it not possible that each country may be able to swap some of their potentials with other European countries to help supply their own needs? The Ruhr and northern France produce coal; the Scandinavian countries, iron ore; France, Belgium, Italy, textiles; Italy, olive oil. Each country has some products the others do not produce.

We should require first the effective use of the resources of these nations, before we are called upon for assistance.

Our dollar is not impregnable. Its serious involvement would mean a break-down of other currencies, which would be very favorable to communism.

America produces only about 12 percent of the world's food. We, therefore, cannot feed the whole world, nor can we remain prosperous by giving our goods away. By exporting our food, we make further shortages in our markets which will force higher prices for food, higher wages, and higher prices on all other services.

Reports received from friends who have visited France and Italy during the past summer indicate that neither of these countries are short of food. It is true that there has been little food offered in these countries at the official-control prices. Farmers are selling only for hard money, or in the black markets.

The troubles abroad are due principally to the monetary policy of these countries. If their money is properly valued many of their ills will be cured. Two reforms of the International Monetary Fund should be made: first, remove the compulsion to control exchange rates; second, give the fund power to impose conditions on borrowing governments. Why not utilize the agencies set up by the United Nations?

The price that Mr. Truman places on his program for European aid is too great. Such spending may well mean the break-down of our own economy.

We have our own internal complications. We have a heavy and burdensome Government debt, and a tremendous Government budget. We have a tax rate that must be reduced. It is already drying up the sources for our new capital requirements.

If, after due consideration, Congress decides that some aid should be given to these 16 governments, then the Congress should require that these nations correct their fundamentally unsound financial, political, and economic policies, as the first requirement to qualify for such aid. No loans or aid should be given to those countries where the production facilities are owned and controlled by government.

We gain no respect by a failure to be firm and businesslike about the use of the assets of our people by other countries. Purchased good will can never be permanent.

In the interests of all countries which may be concerned, as well as our United States, there should be no commitments for longer than 1 year at a time.

The second most important matter for congressional action is our own governmental expenditures. A yearly budget of thirty to forty billions dollars, in time of peace, is alarming and senseless.

As the President shows no disposition to cooperate with Congress in a reduction of the running expenses of the executive departments, or the elimination of overlapping or useless services, it would seem that Congress must arbitrarily reduce all requests for appropriations at least 30 to 40 percent.

It is evident that in no other way can there be a return to economy in our Government, and a reduction of our colossal debt burden.

The above is a summary of the views of many people, the great majority of whom are citizens of the United States. A few of those consulted are citizens of European countries.

No one of those to whom I talked advocated giving aid unconditionally. Each one emphasized that the United States of America must remain financially and economically strong, if individual freedom and private enterprise are to continue in this world.

Money

EXTENSION OF REMARKS
OF
HON. WILLIAM C. COLE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. COLE of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Frank C. Waldrop from the Washington Times-Herald of January 29, 1948:

MONEY

(By Frank C. Waldrop)

Russia revalues the ruble, France revalues the franc. Truman unhorses Marriner Eccles as Chairman of the Federal Reserve Bank Board.

What do these things mean? Is there any connection? What's next? And does it matter to your take-home pay each week?

Well, a 5-foot shelf of books couldn't answer all the questions those questions raise. In all the world nothing ever invented by man is so unfathomable in its behavior as money. Nothing is so much sought and thought about as money. Yet how little does anybody really know about what to expect from it, next.

Take the case of Russia. The people of that unhappy country are being governed by the

worst gang of liars, fakers, and crooks in the history of modern times.

Not even the Nazis were such frauds.

The Nazis did claim they had a government that would rule for 1,000 years, and they did say that Hitler was infallible. But at least they had the shred of sense to admit that Hitler's alleged infallibility sprang from his personal intuition that was supposed to be superior to knowledge or wisdom. Just sheer old-fashioned hokum.

The Communists, however, claim to know everything about everything. Rule 1 in their book is that communism is a system of governing that is absolutely perfect, never makes a false judgment and operates strictly on the basis of impersonal, scientific reasoning power.

If that were so the Russian money system would have been able to go through the war without a change. If that were so, the Reds would have established the ruble the way Roosevelt once claimed he would establish the dollar, so that it would buy the same amount of wheat, year after year, generation after generation, time without change.

Such a money of unchanging purchase power is the ideal of all civilization, always has been and always should be. An absolutely stable money would bring more blessings to man than all the inventions of all the laboratories of science since time began.

Therefore, if communism were a real science in human relations and government, the stability of money under communism would be the first proof.

Yet we all know how the Red monetary system blew up with a bang just a short time ago and every poor Russian sucker who had a ruble hid in his shoe, if he had a shoe, had to turn it in at the rate of one ruble back for each 10 rubles he had owned before.

There has been hell to pay within the closed shop of the Communist high command ever since, too. Only a day or so ago the boss economist of the party was fired with loud denunciations because he had the idiocy to say that capitalism might be able to adjust itself to world needs.

That is the worst heresy any Communist can utter, because it conflicts with the prime article of faith that communism is the only system which can deal with the world properly and that the very vice of capitalism is its inability to solve its problems.

Over in France we see the contradictions of neither communism nor capitalism when confronted with the mysteries of money. France has long been pausing half in and half out of communism, unable to make up its mind.

Premier Schuman's revaluation of the franc was an effort to revive capitalism in that it was intended to be a sort of shot of benzedrine to France's feeble capacity to compete in the world's export business.

But, at least, Schuman didn't claim his little try is the end product of any absolutely infallible science of government. It's just his shot in the dark to find a money system that will maybe pull France a little bit along the road back.

Over here we claim to be a capitalistic nation, meaning one in which risk and venture are the rule. You put your money behind an idea. If it works, you make a profit. If it loses, you go broke. That's capitalism.

Marriner Eccles is a capitalist. For a long time he believed it important to enlarge the supply of money circulating around the country in order to encourage risk and venture.

But in recent years he has been fighting a relentless war to encourage risk and venture by contracting the money supply, or bring it into balance with the goods and services available.

There is no use here trying to run through all the features of the struggle. The sum of it all is that Mr. Truman has now called in a new man for the job.

The Chairman of the Federal Reserve Bank Board traditionally is supposed to reflect the ambitions of the administration in power, as to banking policy. What will the new man do and what will be the effect on the world? Nobody could possibly guess with any certainty.

In 1929 the gold reserves of banks in Europe and India suddenly began to disappear. For no explainable reason people decided they had rather have those pieces of metal than anybody's goods, services, or paper money.

Stocks were dumped. Business staggered. And within a brief space of time the whole world found itself in an era of monetary wars, followed by shooting wars. Gold was seized by governments and money became nothing but "managed" purchasing tickets of increasingly doubtful real value.

That all began nearly 20 years ago. Could it be that now, at long last, these upheavals of the moment signify the money of the world is about to undergo another revolution and again emerge as something that can be exchanged for gold on a free-will basis?

Customarily, such a change has been a sign of peace and plenty. So let's cross our fingers and hope. If the world turns again to money freely redeemable in gold by anybody, any time, any place, we may be able to forget the atom bomb for awhile and instead just learn all over again the ancient pleasures of trade.

A Program for Agriculture

EXTENSION OF REMARKS

OF

HON. JOSEPH H. BALL

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. BALL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "A Program for American Agriculture," which I delivered at the annual banquet of the Minnesota Farm Bureau Federation, at St. Paul, on January 21.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The United States faces many complicated problems in this confused and changing world. Before this year is over, we Americans must make decisions, in Congress and at the polls, which may affect for many generations our liberties and our very lives. We can make those decisions intelligently only if from our press and radio, and above all, from the parties and candidates seeking our suffrage, we are given an honest and truthful picture of the facts and issues involved and their positions on them. It is only by knowing the truth that we can remain free.

Because that has been and always will be the keystone of my political philosophy, I hope you will forgive a personal note at the beginning of this talk. I have a yardstick which I apply to the best of my ability to all proposals which come before Congress. That yardstick is: Will this proposal in the long run expand or contract the sum total of freedoms and opportunities enjoyed by all Americans as individuals?

In applying that yardstick during my service in the Senate, I have many times had to oppose the demands of particular economic groups because I could not reconcile their desires with the long-time welfare of all the people. One of the greatest satisfactions to me in public service has been the number of such groups and their members who have accepted and agreed with the principle I have sought to apply, even when they disagreed with my reasoning and conclusions on a specific issue.

A PROGRAM FOR AMERICAN AGRICULTURE

I should like tonight to discuss with you my ideas as to the kind of agricultural program Congress should enact to replace the law which expires at the end of this year.

More and more of the major issues coming before Congress are primarily economic in their nature, and political only to the extent that one or the other proposed solution has greater or lesser political appeal to the economic groups most directly involved. Price control, subsidies, tariffs, minimum wage and labor relations are this type of issue. And the farm program is primarily an economic issue.

Unless these economic issues are solved on the basis of the economic principles and forces which have made our own free economy so tremendously productive, rather than on superficial and economically unsound political premises, America is headed for serious difficulties. We have only to look at what is happening across the Atlantic to see the results of attempts to solve economic issues on the basis of political expediency.

FARM PROGRAM AN ECONOMIC ISSUE

I have found it necessary, in my work on labor relations, minimum wage, and other such issues, to formulate with some definiteness, the principles and yardsticks which we must apply to these economic issues if we are to solve them in ways that will preserve the tremendous productivity of a free system and yet curb adequately the weaknesses and injustices to which it is subject. Because these principles have largely guided my thinking on the farm program also, I would like to review them briefly with you.

The maximum of freedom and opportunity for all people must be the constant goal of political liberals. By freedom, I mean freedom for the individual, for all individuals. There is no other kind. Freedom means nothing in relation to groups or organizations. Those who want us to provide one kind of freedom for employers and a different kind for employees, or vice versa, for instance, have not even grasped the meaning of freedom.

By freedom, I also mean both political and economic freedom. The two are inseparable. Economic freedom is the individual's right to choose his own occupation, to spend his own earnings as he pleases, to own property, and use it as he pleases, subject only to the rules protecting the rights of his fellowmen.

Whoever can dictate to an individual how and where he may earn his livelihood, controls his bread and butter, and almost inevitably can dictate also his political beliefs. The assumption that there is some fundamental conflict between human rights and property rights is one of the false premises which the modern enemies of freedom are trying constantly to implant. Property rights are human rights and the two go hand in hand in a free society. Freedom of the press, for instance, would be meaningless if no one could own or use a printing press. And how closely our independence as individuals is tied in with our right to own and control our homes and farms. There are abuses of both kinds of rights, which it is the task of society to curb by redefining rights and obligations in law. But to place one right paramount to the other is to take the first step toward destruction of freedom.

This inseparability of economic and political freedom is not surprising when we recall the historical development of a free political system, which we loosely call democracy. It was the pressure of the individual's

growing economic freedom which forced governments in the Western World to grant more and more political rights and freedoms to people. And a free economic system, in turn, was demanded by the industrial revolution.

Stated simply, the industrial revolution was the discovery and application of the fact that men could multiply their production manyfold if each specialized in the occupation for which he was best fitted. In other words, it was the division of labor. Families or communities were no longer virtually self-sufficient, each producing all it needed and used of the essentials of subsistence. Instead, one man made shoes, another built houses, and a third produced grain and meat. Then all exchanged their various products.

As men specialized, some of them invented machines which again increased their productivity manyfold. It took capital to build the machines and factories and to pay the workers, and capital became a vital tool for production.

FREE AND FAIR MARKET ESSENTIAL

As factories developed and the initiative and inventive genius of millions of people was finally released, the full fruits of the industrial revolution began to be realized. Floods of goods in undreamed of quantities were produced. But to make the division of labor work, men had to be able to exchange freely their wares, whether they consisted of skills and labor, cloth, shoes, wheat, or the capital to invest in plants and machinery. A free and fair market was essential to make the industrial revolution and the free economy it demanded function efficiently.

A free and fair market requires a stable medium of exchange. It requires that legal and binding contracts may be made over large areas. It requires that both skills and products may move freely over large areas, so that supply may balance demand. It requires stable governments, under which the rules of conduct and the law of the market are not subject to constant and arbitrary change at the whim of some absolute monarch or feudal lord.

It was that constant pressure of the free market for a stable government of laws instead of men that led the people of one nation after another from the thirteenth century until the twentieth to constantly demand more rights and freedoms for individuals, to limit more and more the former absolute power of governments.

From the fourteenth through the nineteenth century, in the western world at least, the rights and freedoms, both political and economic, of individual men and women were expanding steadily. There were ups and downs, of course, but the general trend is clear. And at the same time, the individual's security, both political and economic, likewise was steadily increasing throughout our world.

True, neither our political nor our economic security was perfect. We had corrupt governments, and civil rights were abrogated many times. We had depressions. Businessmen went broke, and workers at times had difficulty finding jobs. Some owners of great wealth became arrogant, mistook liberty for license, and society had to curb their abuses of economic power. But compared to any other period in history, people generally enjoyed unprecedented security, and with it more freedom than ever before, during the nineteenth century.

Mankind had tapped the greatest resource on earth, the initiative and enterprise, the creative energy if you please, of millions and millions of individuals, simply by freeing them from petty and arbitrary restraints and providing the incentives which a free economy offers to achievement. Freedom and security grew hand in hand.

But along toward 1900 many men, some of them well-meaning individuals and others simply greedy for power began to lecture us so vehemently about the faults and weaknesses of a free system, that they, and many of us, tended to forget the enormous benefits it had brought to all people.

Sometimes by force, but more often by promises of greater economic security for certain groups in return for power to interfere with the free market, such leaders were granted power to control and regulate the market in one nation after another. The result since 1900 has been not only a steady curtailment of freedom throughout the world, even to its blotting out in many places, but also growing insecurity and starvation for millions and one great war after another.

Where and how did we go awry? Fundamentally, I believe our mistake grew out of a failure to understand the essential of a free society and a free economy, which is a free and fair market; for labor, for products, for capital.

I have used the term "free and fair market" deliberately. A free market obviously is one in which buyer and seller are free of arbitrary and petty restraints to reach their own bargain. I would define a fair market as one in which supply and demand function freely over a reasonable period as the dominant factors in determining price.

A market dominated by one supplier or by a group of suppliers who have combined to arbitrarily limit supply to demand is technically a free market, but certainly not a fair one. That is why free society must be constantly on guard against monopolies. Monopoly always tends to keep production low and costs high, thereby defeating the prime purpose of the industrial revolution and a free economy.

PRICE FIXING DESTROYS A FREE MARKET

Likewise, a market in which the seller is constantly forced by circumstances to make a bad bargain, with the bargaining power lopsided, may be a free market, but is not a fair market. Supply and demand do not operate freely to determine price.

Examples of the latter will immediately occur to you. Farmers short of working capital used to be compelled by circumstances to sell their crops immediately after harvest. Their necessity created a buyers' market, in which supply and demand, measured over the whole crop year, operated hardly at all in fixing the price.

The solution of this problem is not for the Government to step in and fix prices of farm products or guarantee a certain price. Price fixing or guaranties may be necessary in time of war or national crisis on a strictly temporary basis. But over the long pull, price fixing will destroy a free and fair market and result in disaster, as we found with our Federal Farm Board experiment.

Farm producer cooperatives, which multiply manyfold the bargaining power of the individual farmer in the market are one solution. A loan program which is flexible enough to relieve the farmer of financial necessity to sell at harvest time, assure adequate national supplies, and yet avoid unmanageable surpluses, is another possible answer.

A free economy is dynamic, constantly changing as the inventive genius of individuals, freed of arbitrary restraints and spurred by incentives, develops new industries, new techniques, and new products. And as these inevitable changes create dangerous concentrations of economic power or destroy the reasonable balance of bargaining power between buyer and seller, the laws which govern the market place must be changed to keep the market free and fair.

Those extreme conservatives who contended that any change in the rules of the market was a step toward the destruction of free enterprise were just as wrong in their understanding as are some of our modern radicals who believe that government can destroy a free market and yet preserve the great productivity for which it is responsible.

There are two ways in which we can solve the complicated problems which constantly arise in a free economy as this or that group acquires too great economic or political power and can rig the market, or when new techniques or pressures have weakened either the freedom or the fairness of the market.

GOVERNMENT BUREAUCRATS CANNOT SOLVE PRODUCTION PROBLEMS

One way is simply to state the problem in very general terms and delegate to some Government bureau the power to solve it by telling individuals what they must and cannot do. At the moment this always appears to be the easier way, because often these problems are very difficult and it is easier to let some bureaucrat solve them than to think them through ourselves. But this is the road to absolute government. It is a path that leads away from freedom. It is, at best, a modern version of the absolute power vested in medieval government; first cousin to the twentieth-century dictatorships. However far we may travel that path, we move away from freedom with each step and must eventually retrace them.

Whenever government is granted or seizes the power to tell individuals what they may produce, how much they may produce, and at what price they must sell their services or products, it holds the power of life and death over all enterprise. The individual's economic freedom and his incentives to produce are limited or destroyed. The mainsprings which make a free economy so tremendously productive are weakened and the next step by the state is usually a resort to force to compel necessary production.

The other way of solving the problems which arise whenever our economic system gets out of balance is to readjust it by redefining in laws, explicit and applying equally to all, the rights and obligations of individuals and organizations in the market place. This is much the more difficult way of doing the job, but all history demonstrates that it is the only way which in the end will safeguard our freedoms and preserve the enormous benefits which all of us derive from a free economy.

I believe these economic and political principles to be absolutely essential to the preservation of the free society. Yet I realize as I know you do that nowhere in our society are these principles fully realized. Probably the perfect free and fair market does not exist and never will exist as long as men and women are human beings and not angels.

The network of special privileges, immunities, and subsidies that clog the market in our own society, the freest on earth, cannot be wiped out overnight. And the United States is part of a world which is still far from free. To require farmers to sell their products on a free world market while buying on a protected domestic market violates the principle of justice which is also essential to freedom. But I am convinced that it is only by applying these economic and political principles to the greatest possible degree that we can continue the great progress that has marked our history.

In times of grave national crisis, like war, the national safety overrides all other considerations. It becomes necessary, as it was in World War II, for Government to have and at times exercise totalitarian power. But when we take such measures, we must be on guard constantly lest these powers granted to preserve freedom are perpetuated to its destruction.

Against the background of these principles, let me outline my thinking on the main points in an agricultural program.

COOPERATIVES ARE ESSENTIAL TO FARMER

First, about farm cooperatives, both producer and consumer types. I believe cooperatives are essential to give farmers reason-

able equality of bargaining power in the market place. In that respect, they are in much the same position as labor unions and are so considered in the Clayton Act.

Just as a single employee in a plant employing hundreds or thousands cannot bargain on equal terms with the employer buying his services, so the farmer dealing as a single individual with a huge market hundreds of miles from his home is in a poor bargaining position, at the mercy of monopolistic buying practices. Both the worker and the farmer need the additional bargaining power that organization and collective action gives them. In addition, co-ops have strengthened competition and thereby increased the freedom as well as the fairness of the market.

TAXATION OF COOPERATIVES

Like all other Members of Congress, I have lately received many letters and petitions urging that the net savings of cooperatives be taxed on the same basis as corporation profits. I shall state my position to you exactly as I have stated it to the business groups which have made this proposal.

I can see no justification, in law or logic, for taxing the net savings of cooperatives which are paid out in patronage dividends annually. They are not profits of the cooperative, because the co-op neither keeps them nor does it pay them to owners as dividends on their investment. The co-op is merely an agent of its patrons, and such savings distributed as patronage dividends show up in the patron's own tax statement as either increasing his gross earnings or decreasing his costs, depending on the type of transaction. Consequently, I would oppose any proposal to tax such savings.

I have been informed, and believe it is true, that some co-ops do not distribute savings annually to patrons, but keep them in the business year after year, using them as working and expansion capital, and every 5 or 10 years simply issue additional stock certificates to the patrons to discharge their liability to them.

That is an entirely different picture. Not only does it give such co-ops an unfair competitive advantage over corporations which must either pay a 38-percent income tax on profits used as expansion capital or go into the open market for such capital, but such nondistributed savings of co-ops will not show up in the tax liability of the patrons except at long intervals as capital gains, subject only to a 25-percent tax.

Therefore I believe that all co-ops should, as a condition to having their savings exempt from Federal corporation income taxes, be required to distribute such savings annually to their patrons as patronage dividends.

SUPPORT FOR AGRICULTURAL RESEARCH

Second, I believe there should be continuing and increased emphasis on agricultural research, both by your own farm organizations, and by the Federal and State Governments and our land-grant colleges. This should go hand in hand with intensified work and expenditures to control and eradicate pests and plant and animal diseases.

Modern research into plant and animal diseases, to discover new farm crops and products and to discover new uses for old products, is by its nature a fairly expensive job, beyond the financial capacity of any individual farmer. Some of it can be done by your own organizations and co-ops, as it is being done in the dairy and poultry field, for instance. But Government should bear its share of the burden for agriculture, just as it does for industry in its expenditures for basic and applied research at colleges and through many bureaus.

Such expenditures are just as essential to my mind as those for national defense research. The bumper wheat crop this year, for instance, which is playing a major role in our foreign policy, would not have been possible without the research which developed new rust-resistant varieties.

CONTINUATION OF SOIL CONSERVATION SERVICE

Third, we should continue the Federal Soil Conservation Service, perhaps with a closer tie-in to the Extension Service and county agents, but as a Federal service. If anything, the educational and experimental phases of this work should be expanded, because so far our soil, the greatest of all our natural resources, is being depleted faster than we are rebuilding it.

When payments to farmers for soil-conservation practices were inaugurated in the 1930's, they served two purposes. By offering cash incentives to farmers, and farmers needed cash badly then, they intensified tremendously the education of farm people as to the need and value of soil conservation, a job long overdue. And such payments also offered an emergency method of assuring the transfer of acreage from surplus crops to soil-building crops.

Probably in times of such grave emergency, this subsidy approach is justified as a temporary expedient. But in the long run subsidies tend to undermine freedom and they certainly corrupt the economy. I cannot in my own mind justify payments to farmers today for using good soil-conservation practices. There are sounder methods of dealing with surpluses and if there is any farmer today who does not know the need and value of soil conservation, he has a county agent near him who can and will give him the information.

The Commerce Department offers many services to industry which are designed to help them increase production and lower costs. But while the Government might advise a businessman to carry adequate fire insurance on his plant to protect his capital investment, I do not believe it would or should offer to pay the insurance premiums for him. And payments to farmers for following good soil-conservation and farming practices strike me as just as unsound.

MODERNIZE PARITY FORMULA

Fourth, Congress should rewrite the parity formula to make it reflect the realities of current farm production costs, including the cost of labor on the farm. Exactly what changes should be made is not yet settled in my mind, but I am very sure the formula needs revising. It is too high on wheat, for instance, where mechanization has reduced production costs, and too low on dairy products, where labor costs have increased heavily.

Personally, I like the suggestion of J. Seneca Jones, your secretary, that the parity formula not be tied to any specific set of years, but be based on the 10 years immediately preceding the one for which the calculation is made. Our free economy changes price relationships too rapidly for any fixed period to reflect accurately for very long a fair relationship between prices of farm products and other goods.

PROPOSE FLEXIBLE PRICE-SUPPORT PROGRAM

Fifth, I would like to see Congress, in place of the Steagall amendment and the present Commodity Credit Corporation loan program, adopt a loan or price-support program which is flexible enough to relieve the farmer of the financial necessity of selling at harvest time, assure adequate national supplies and at the same time avoid unmanageable surpluses by keeping in effect the price pressure which the law of supply and demand exerts on production when supplies begin to pile up.

Perhaps I can best get across my idea by using wheat as an illustration. With our present and probable future population, a safe carry-over of wheat on July 1 probably should be around 200,000,000 bushels. If our carry-over in a given year were within 25,000,000 bushels of that figure, then the price-support or loan program for that crop year would automatically be 70 percent of parity. If the carry-over was between two hundred and twenty-five and two hundred and seventy-five million bushels, the support would be at 60 percent of parity and if it was 275,000,000 bushels or more, the support would be at only 50 percent of parity.

But if the carry-over dropped to from one hundred and twenty-five to one hundred and seventy-five million bushels, the support price would increase to 80 percent of parity and if it dropped below 125,000,000 bushels, the support price would be 90 percent of parity.

The figures I have used might be too high or too low, but I believe the principle, which is to vary the price-support level in inverse ratio to the carry-over, is a sound method of achieving the proper objectives in any support program; namely, giving the farmer reasonable protection against the vicissitudes of weather and the harvest period market depression, and yet using the price stimulus and pressure of a free market both to assure adequate national supplies and to avoid the kind of unmanageable surpluses which wrecked the Federal Farm Board experiment.

Although it would require considerable work and study, I cannot see any unsurmountable obstacle to writing such a formula directly into law for all of our basic farm crops. That is the way it should be done, rather than delegating discretion to some executive department.

While I am on this subject, I should add that I am opposed to production quotas and limitations, whether imposed directly by the Government or voted by a majority of producers and then enforced by the Government's police and tax powers. That sort of procedure smacks too much of the typical monopoly practice of arbitrarily limiting production and supply to demand at a fixed price in order to keep prices and profits high. I oppose and have opposed such controls, whether for agriculture, industry or labor.

In a free economy, the task of adjusting production and supply to demand belongs to the price mechanism of a free and fair market, and whenever government attempts to take it over, we inevitably move toward a controlled and away from a free economy.

OPPOSE GOVERNMENT CONTROL OF PRICES AND PRODUCTION

Sixth and finally, I am unalterably opposed to any Government control of prices in peacetime. The same goes for Government power to allocate or ration products, whether general or selective.

My major reason for opposition to government controls is clear from this discussion. I oppose such controls because they destroy economic freedom for the individual, and economic freedom is just as vital as political freedom.

There is no way to write directly into the law a fair price for the millions of products of all kinds bought and sold daily in the United States. The power to fix a fair price must therefore be delegated to some bureau, with only the most general kind of standards to guide the fixing. The result is that some Government official, and the actual work usually is done by some minor clerk, decides what is a fair price, and does it arbitrarily. That sort of power is totalitarian, because that clerk's decision may mean economic life or death for any enterprise.

There is a secondary reason for my opposition to Government control over prices and uses of products which, while not based on principle, is almost as persuasive. That reason is that Government controls simply will not work.

The main reason for high prices today is that our supply of goods, even though our production is tremendous, has not caught up to a war-swollen domestic demand plus a huge export demand. Government controls inevitably slow down production, because they not only remove or weaken the

price incentive to produce, but they tend to strangle the producer in a net of regulations and directives that inevitably divert manpower and effort from the job of producing. And as lower production reduces available supply in the face of growing demand, inevitably a greater and greater proportion of what is produced will tend to flow into a free or black market.

Not only do controls promote scarcity by slowing production at the very time it should be stepped up, but controls have never in history actually succeeded in holding prices rigid. No government can repeal the law of supply and demand as long as any freedom exists.

During the war, when our people were cooperating 100 percent in trying to make controls work because we were unanimous in our determination to win the war, the cost of living index increased steadily and prices rose in spite of an OPA that cost us $90,000,000 a year.

Have we so soon forgotten what happened in 1946 after the war ended and that unanimity of support for controls vanished? The President himself finally liquidated what was left of OPA in order to get meat and butter and milk and other products back on the shelves of our stores.

Yet in the face of that experience, the President today is again demanding from Congress the power to fix prices and allocate and ration scarce materials. In that respect, at least, President Truman and the Communist followers of Henry Wallace are in complete accord.

The Communist wing of the CIO-PAC fought the liquidation of OPA in 1946. They have never ceased demanding reinstatement of controls. Even if others refuse to see it, they know well that bureaucratic control of our economy is the first big step toward stagnation, privation, and dictation for America. That step will never be taken with my vote. It is very significant that those now advocating controls, want only "selective" controls. They do not want all prices controlled, including wages. Apparently it is a case of wanting only the other fellow, not themselves, controlled.

While I am on this subject, I should like to ask the fear-mongers who are trying to use this inflation bugaboo to scare us into liquidating our own freedom a question. Why, if the United States is in the grip of a runaway inflation with our money on the way to becoming worthless, is nearly the whole world clamoring to get American dollars?

I think I know the answer. All these nations want American dollars because they will buy more than any other currency in the world. And our dollars will buy more because we produce more. If that set of facts adds up to a runaway inflation, then I don't know the meaning of the word.

Granted that we have high prices, some of them too high. They are not excessive when we consider that average per capita income has more than doubled since prewar, while average prices have increased less than 70 percent. If production had doubled, prices would have remained stable. But production has increased over-all only about 20 percent, so prices had to increase.

The main difficulty is that income increases have been very uneven. Those groups which are squeezed the hardest because their incomes have increased the least are the white-collar workers and those on fixed annuities, and the only solution for them is to increase their incomes. But to strangle the production goose that lays the golden eggs with Government controls certainly won't do that.

Food prices are always the horrible example when the fear mongers talk about the inflation bogey. Dollar butter and 90-cent bacon and 70-cent beef are always mentioned. The farmer is cast for the role of profiteer villain in this inflation drama.

Of course the facts are that while farm income is high and a few grain farmers have made large profits, per capita farm income is still far below per capita urban income. And the farmer works twice as many hours per week to earn that income as does his brother in the city.

FARM PRODUCTION 40 PERCENT ABOVE PREWAR

The farmer is the one producer in our society whose productivity has shot up almost miraculously during and since the war. Total farm production today is about 40 percent above prewar, with 2,000,000 fewer people on farms. No other industry can come anywhere near matching that record of productivity.

Farmers are at last receiving somewhere near the reward they are entitled to for their work and production. Far too many of us, in our comparisons of food prices, use as a yardstick the depression days when farmers toiled 12 and 14 hours a day and were lucky if they realized 10 or 15 cents an hour for their labor. Those conditions spelled economic trouble for the Nation just as surely as did sweatshops in industry. We must never permit them to return again.

Not only eternal vigilance, but eternal effort, is the price of freedom. Each generation must meet the test, sometimes in the fire of battle, sometimes in a rededication to principle and rejection of those leaders who, seeking power, promise all things to all men. Let us resolve that our generation will overcome the great challenge to freedom that divides our world today.

Pennsylvania Goals Conference

EXTENSION OF REMARKS
OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me in introducing Hon. Clinton P. Anderson, Secretary of Agriculture, at a dinner meeting of the Annual Pennsylvania Goals Conference, Production and Marketing Administration, United States Department of Agriculture, at Harrisburg, Pa., on January 12, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Miss Nina Hirshner, the charming young lady who has just introduced me to you in her capacity as Miss Agriculture, of Pennsylvania, and thus as the official hostess of this dinner, has the distinction not only of having been presented at the White House and in turn of having presented to the White House some good nourishing food in the form of Pennsylvania potatoes, but also of having won from Senators and Representatives from such States as Idaho and Maine the acknowledgment—grudging, perhaps, but acknowledgment nevertheless—that Pennsylvania potatoes are mighty good potatoes. In Washington officialdom, where sectional prides burn fiercely, that is quite a remarkable accomplishment.

It was a great pleasure for me last year to take this young lady to the White House in an effort to dramatize Pennsylvania agriculture and particularly Pennsylvania's delicious potatoes—and those she brought with her were truly delicious. We arranged to have them served in both the House and Senate restaurants, drowned in good Pennsylvania butter, and we convinced Congress that day, and the Washington press corps, too, that baked potatoes and Idaho potatoes have been synonymous all these years only because a lot of Americans hadn't heard about or tasted Pennsylvania baked potatoes.

I am pleased that Miss Hershner's presence here tonight as Miss Agriculture, of Pennsylvania provides me the opportunity to hark back to that event in Washington last year because it fits in closely with the few remarks I am going to make before I present our honor guest, Secretary Anderson.

Whenever the subject of agricultural planning, or the price-support program happen to arise in Washington, or in the newspaper columns, or in some political speeches, the subject of potatoes comes up, too. It is unfortunate but nevertheless true, that in the minds of a great many people, including some in influential positions who should certainly know better, the price-support program is regarded only as some dark plot designed to destroy potatoes. Little of the theory or operation of this program is known, except as it occasionally involves the loss of some potatoes in Alabama or elsewhere, in which case the news pictures always bring it to the public attention with accompanying widespread public indignation over the entire price-support program.

Although I understand Secretary Anderson is to speak primarily on the agricultural aspects of the Marshall plan, I hope he will take a little time to discuss the need for a continuing agricultural price-support program beyond its scheduled termination date at the end of this year. I am happy that President Truman cited this need in his state of the Union message just a few days ago.

The facts on the price-support program, on the remarkable success of this program in giving America record food production all through the war years and through these years of world-wide starvation, are readily available but unfortunately seldom publicized. You gentlemen who represent the farmers in your home counties know how the program works; but do the nonfarmers in your counties? Do the newspaper editors?

Much of the criticism of the program, particularly the uninformed or political criticism, seems to be based on the belief that this is some uneconomic and fantastic boondoggle dreamed up by the bureaucrats to benefit the farmer at the expense of everybody else. The Joint Congressional Committee on the Economic Report, which is headed by Senator TAFT, and of which I am a member, recently published a report by our staff of economists which pointed out that, far from being responsible for the great rise in the consumer's food bills, the price-support program has actually acted to keep prices of food to the consumer from going even higher than they have. The staff of our committee which made the report was appointed, of course, by the committee chairman.

The exact words of the report are these:

"The effect of Government support levels has been to reduce market risks of farmers and thereby encourage maximum production. The result has been record levels of food production, which in turn have done much toward keeping consumer prices from going even higher."

It points out something which you well know and which all Americans should know—although many do not—and that is that, other than guaranteeing the farmer against disastrous price collapse, the price support program has been largely inoperative because nearly all the supportable foods have been selling on the open market at prices tremendously higher than support level.

I was greatly disappointed a few months ago that Governor Duff let loose a blast at the price-support program, blaming it for present high food prices to consumers. As I said at that time, I have a high regard for the Governor and I am sure that he must have been misinformed on the facts when

he made that speech, for I cannot believe he would deliberately mislead an audience, even in a political speech to a partisan audience.

The newspapers in Pennsylvania featured the Governor's remarks on the so-called potato fiasco of last year, but insofar as I could learn, none of them took the trouble to find out what happened in Pennsylvania, where we had a 31,000,000-bushel potato harvest, representing a simply tremendous surplus. Yet this crop was saved from disaster, disaster to the farmers of Pennsylvania, that is, by Government support for only a fraction of this huge crop.

One of the most effective and dramatic sales campaigns in the history of agriculture was conducted by you men and the groups and individuals who cooperated with you in merchandising Pennsylvania potatoes. That campaign saved the Treasury of the United States, I am informed, about $1,500,000, and very, very few Pennsylvania potatoes were dumped or wasted.

When I spoke to you in Gettysburg at your goals conference in October of 1946, I compared the price-support program to the carry-back, carry-forward provisions of the excess profits tax and to the generous postwar amortization provisions of the tax laws affecting industrial expansion during the war. So far, I have heard no agitation from groups aroused mistakenly over the price-support program in similarly demanding repeal of these wartime tax guarantees to industry, which have cost the Government billions as against the millions spent in keeping our wartime pledges to the farmer that if he kept up his back-breaking labors to give all-out food production, he would not be allowed to sink in economic disaster from any sudden collapse in demand.

What's fair is fair. You men know these facts. I tell them to you only because I do not think the farmers and their representatives have been sufficiently active in getting these facts across to their nonfarmer neighbors and to their newspapers, and some of their public officials, and have allowed this program to be unfairly attacked without protest.

With continuation of price supports for agriculture, the day will eventually come when farm surpluses might again become a real problem—this time to the Government and to the taxpayers instead of just to the individual farmer, as it used to be when his only recourse often was bankruptcy. This brings up another subject close to my heart, and that is research in the use of agricultural products for industrial and other uses. Two years ago it was my privilege to sponsor legislation setting aside January 5 as George Washington Carver Day in honor of a great American who did perhaps more than any other in dramatizing agricultural research. I want to say tonight that although Dr. Carver lived far from Pennsylvania, we in this State have benefitted much from his efforts. It is a tribute to the decency of Pennsylvanians that Carver Day is always a big event in the State, and I hope it continues to be observed as it has been, in our schools and elsewhere.

And now I am pleased to give way here tonight to my good friend, Clint Anderson, the Secretary of Agriculture. We served together for some years in the House of Representatives, where the future Secretary was considered not only an outstanding Congressman, but a regular fellow. As Secretary of Agriculture during one of the gravest periods of world-wide agricultural crisis in history, he is doing a bang-up job and still remains a regular fellow.

We have had the Secretary before our Joint Economic Committee at various times, where the effort was often made by some members to put him on the spot and preferably to make him yell "Uncle." But the Secretary knows his oats, and his barley, and wheat, and rye, too, and he was one of the best witnesses we have had.

Secretary Anderson believes in facts—in having them and in sticking to them. And here he is to give them to you.

Address by Hon. Edward Martin Before the Union League of Kanawha County, W. Va.

EXTENSION OF REMARKS
OF
HON. JOHN W. BRICKER
OF OHIO

IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. BRICKER. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the distinguished Senator from Pennsylvania [Mr. MARTIN] at a luncheon meeting of the Union League of Kanawha County, W. Va., and the Kanawha County Women's Republican Club, at Charleston, W. Va., on January 26, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

From the earliest days of its history the mountain State of West Virginia has produced loyal American patriots who valued freedom and independence above everything else.

The spirit of liberty has guided the growth and progress of your State to great heights.

In my own Commonwealth of Pennsylvania we are proud of our West Virginia neighbor as a State of sturdy, bedrock, courageous Americanism.

You have so much to be proud of—your diversified industry, your agriculture, your vast timber wealth, your great resources of coal, and your oil and gas production.

You are strong in spiritual and cultural attainments. You have built splendid centers of education and strongholds of religion.

During all my active life I have enjoyed my professional, political, and business connections with your State. The warm welcome I have always received from your people has been most gratifying.

Therefore, when I was invited by your distinguished United States Senator, my good friend CHAPMAN REVERCOMB, to address this meeting, I accepted with sincere pleasure.

West Virginia is indeed fortunate to be represented in the United States Senate by a man of such outstanding ability and such loyal patriotism. CHAPMAN REVERCOMB is not only a great Senator but he is also a real American. I am happy today to express my deep respect and high regard for his service to the people of West Virginia and to the Nation.

I would like to talk this afternoon about our national administration. I want to discuss with you the high cost of government and its relation to high prices. I would like to analyze the zigzag reasoning upon which President Truman based his recent message to Congress—the one that he delivered personally—and with a straight face called it a message on the state of the Union.

He had not gone far into his text when it became clear that it was actually a message on the state of Harry Truman's hope for reelection. Certainly it was a message embracing all the elements of political expediency. Perhaps it was a message on the jittery state of the White House occupant since Henry Wallace announced his proposal to lead the American people into the promised land of unlimited luxury provided by a benevolent government.

The message proved that Harry S. Truman has traveled a long way in the wrong direction since he took the oath of office. He had built up a splendid reputation as chairman of the War Contracts Investigating Committee. Under his direction the committee ripped vigorously into graft, inefficiency, and waste and the reckless New Deal wartime expenditures.

Many Americans—and I was among them—were very much encouraged when Harry Truman became the Chief Executive of our Nation. We believed that out of the sound Jeffersonian principles of the old line Democratic Party some semblance of sanity would return to the Government. We hoped and prayed that the ideals on which our Republic was established would be restored. We had reason to hope that the arrogant army of bureaucrats would be deprived of the power they had abused so long. We thought that the time-honored virtues of hard work, thrift, economy, and sacrifice would be strengthened as foundation stones of American stability.

Well, you know what has happened to Harry Truman. You know now that the New Deal has taken him over—lock, stock, and barrel. The New Deal philosophy became his philosophy. All thought of putting our national house in order went out of the window. And the more you think about the strange transformation of Harry S. Truman the more you realize how important it is to the future of America to put a Republican President in the White House at the next election.

The full flowering of that transformation was disclosed in the state of the Union message. It was given the coldest reception ever accorded a Presidential message. Republicans, as well as many Democrats, were stunned into silence by its fantastic, muddle-minded proposals to spend, spend, and spend.

One of the quietest Members of the Senate made this comment:

"It has a hook with Presidential bait for every fish in the sea."

It was a long message—5,500 words. As the President stepped into the rostrum of the House to deliver it, there was nothing unusual about his appearance. He wore a quiet gray suit and carried the message in a loose-leaf notebook.

Ladies and gentlemen, he would have been more appropriately dressed if he had worn long white whiskers, a red costume trimmed with white fur, and shiny high boots. He should have carried his message in a bulging sack over his back and he should have arrived on a sleigh drawn by eight reindeer.

That day, January 7, 1948, was bigger than any December 25 of any year. Mr. Truman was playing Santa Claus. He had glittering Government gifts for everybody. He had splendid presents to fill your stockings and my stockings and the stockings of most of the world's 2,000,000,000 people.

Of course, those generous gifts would cost money—a great deal of money. No one seems to know just how much the total would be. But one thing we can be sure of—although Mr. Truman did not mention it. We can be sure that the cost—every last dollar of it—will come out of the earnings and the savings of the American people. You know, and I know, and the President of the United States knows that the Government has no other source of income.

Various estimates have been made of the annual cost of the gifts so generously offered by Mr. Truman. Bear in mind that many of these proposed expenditures are not included in the President's $40,000,000,000 budget. One estimate places the additional cost at $35,000,000,000 for a single year. The rock-bottom figure that has been suggested is $17,000,000,000 a year above the budget.

In other words, the President, in this election year, proposes an expenditure of $40,000,000,000 for what he considers essential cost of government; and, in addition, he would spend from seventeen to thirty-five billions for new benefits, new functions, and increased services. Of course, that would mean a vastly expanded army of bureaucrats on the Government pay roll preaching the glories of New Deal generosity.

Mr. Truman did not mention the point that the Government has nothing whatever to give that is not paid for by the toil and sweat of the people. In many years of public life I have warned repeatedly against the politician who seeks your support by promising to spend your own money. That warning is more timely today and more important than ever. President Truman's state of the Union message must be viewed in that light. His words concealed their real meaning. They were designed to give the impression that all would receive and that some other fellow would pay.

Let us now consider that portion of the message dealing with tax reduction.

You will recall that the Republican Party in 1946 promised peacetime relief from the crushing burden of wartime taxes. On that promise the Republican Party scored a landslide victory and won control of both Houses of Congress.

But the Republican tax reduction bills, supported by many Democratic Members of Congress, were twice vetoed by a politically minded President because they were not labeled "Truman" tax reductions.

Now he comes forward with a sleight-of-hand trick of political magic—very slick but very deceptive. He would cut taxes for the lower-income groups by a $40 reduction for each taxpayer and each of his dependents. That would relieve 10,000,000 people from paying any Federal income tax.

But he did not stop there. This tax reduction will not cut into the Government revenues, he told the American people, because every tax dollar you save will be loaded on the backs of the corporations. He forgot to tell the people that the corporations are owned by the people.

Yes, ladies and gentleman, that was the kind of hocus-pocus you were expected to swallow. Mr. and Mrs. Small American Taxpayer, you will get out from under, you were told, in effect, and we will soak the corporations.

That is the formula Mr. Truman offered to help you meet the high prices and to fight inflation. Let us see what actually happens. I am sure the ladies present will be especially interested because they manage the family budget.

Under the Truman plan your taxes are cut $40 or $80 or more depending upon the number of your dependents. That amount is added to the tax load carried by the corporations that produce the things you buy. One is a big meat-packing concern that packages the bacon for your table. Another makes shoes for your family. The third produces the automobile you drive. A fourth makes your clothing and a fifth turns out the sheets and pillow cases for your home.

But there is one important fact that you must not overlook. Mr. Truman forgot to tell you that when those corporations pay their taxes they are merely turning over to the Government the money they collect from you. Corporations do not pay taxes, they merely collect them.

Bear in mind that you—the consumer—pay all the taxes in increased prices for goods. Increased taxes mean higher prices and more inflation.

That is bad enough, but there is another angle that hits you in the pocketbook. Every dollar of taxes added to the cost of goods at the factory spirals upward before it reaches the consumer.

The businessman figures profits in percentages of the total cost, including the taxes, so that higher taxes result in a higher dollar mark-up by the manufacturer, the wholesaler, and the retail storekeeper.

Let us trace that alleged $40 tax benefit that you would receive. It is taken from your tax bill and then spread among the corporations. The corporations add it to their cost-of-production figures. When they sell to the wholesale dealer, let us say they take a 10-percent mark-up, making the price to the wholesaler $44. The wholesaler, in turn, adds his 10 percent which now makes the $40 cost the retailer $48.40. He, in turn, takes a 33⅓ percent mark-up based upon his cost and the original $40 is now $64.50. There is the $64 answer to the $40 question. So, Mr. Consumer, you thought Mr. Truman was giving you $40. Actually you are paying $64.50.

That is why I say the Truman tax-reduction plan is nothing more than a slick vote-getting scheme—a false promise that means raw, unadulterated inflation—combined with political trickery of the worst order.

I wish every man and woman in this land who has been foolishly taken in by the President's phoney tax-reduction scheme could be told what it really means. I regret that some of our labor leaders and so-called liberals have endorsed the Truman proposal to give everybody a $40 tax reduction and then take it back with an added load of higher prices. They are being duped by tactics like those of the old-fashioned snake-oil medicine man.

It is a shameful thing that a President of the United States—who should know better, who must know better—tries to peddle such nostrums to the American people.

Surely the Democratic administration knows that hidden taxes represent about 26 percent of the cost of everything we buy today. Surely they are aware that taxes are added to their prices by the manufacturer, the wholesaler, and the retailer in the process of getting the goods to you—the consumer.

Are butter and eggs high? Does clothing cost too much? Is the price of building a home clear out of sight? Just remember, if it were not for the taxes that are studded all through those things like nuts in a fruit cake, their prices would be at least one-fourth lower than they are today.

Mr. Truman should do something about that situation and he should begin right now.

The first step should be to cooperate with Congress in slashing the cost of government by eliminating waste, reckless extravagance, duplication of services, and excessive pay rolls.

It has been a long time since public officials who believe in economy have occupied high places in Washington. It is time to restore that type of leadership to the highest office in our Government.

One of the great dangers to the American people is too much government. Too few people realize that a $40,000,000,000 budget is more than twice all the profits made by American industry in the year 1947. That is an alarming situation, one in which every real American cannot fail to be deeply concerned. It threatens the solvency of our Nation now struggling under the most crushing burden of national debt the world has ever known.

Never in our history has there been a time when the need for economy in government was more vital. But the Truman administration offers not the slightest suggestion of economy. On the contrary it presents a program of unlimited spending in foreign commitments, in ever increasing and ever expanding domestic functions and bigger and more expensive pay rolls—with no end in sight.

There is an end, however, that is inescapable. Such a course of extravagance must inevitably lead to the bottom of the barrel of our resources. The United States is a rich and powerful Nation—but in recent years we have seen other great and powerful nations go broke.

Let us take warning from the lessons of history. Let us make our demand for government at lower cost so strong and so vigorous that it cannot be ignored or denied.

America must remain solvent if freedom is to survive. America must be solvent if we are to exert leadership in the world for peace, liberty and justice. Each of us, as individuals, and as Republicans, can help. But first we must unselfishly put the "me" in economy. We can all be soldiers in the fight to safeguard the future of America.

Even in the early years of the New Deal administration, the Nation was getting along on budgets of five or six billion dollars. We thought it was pretty high then but today it takes $5,500,000,000 a year to pay the interest on the public debt alone.

Now the Truman administration tells us that we had better become accustomed to thirty-eight and forty and forty-five billion dollar budgets. They are telling us that this is normal peacetime spending. To my mind that kind of philosophy of spending is just as poisonous and just as dangerous as stepping into a nest of rattlesnakes.

They are telling us that our budgets are going to climb higher into the stratosphere. They say we must sacrifice in blood, sweat and tears to pay the bills.

Not the Washington bureaucracy's blood, sweat, tears, and sacrifice—but yours and mine.

I would like to suggest to Mr. Truman, with all the respect due to the President of the United States, that he apply a little of that blood, sweat, tears, and sacrifice to the swollen bureaucracy that finds no difficulty in spending forty to forty-five billion dollars of the people's money in a peacetime year.

I would like to suggest that he carve fatty chunks out of the hide of the overloaded administration which surrounds him. He must not worry if the process should cause him some tears and if he should draw a little blood and sweat from the hide of the bureaucracy in the process. Millions upon millions of his countrymen would rejoice. The burden of taxation, direct and indirect, would be lighter. Prices would come down. Business and labor would be encouraged. Both would move ahead with renewed vigor.

That kind of endeavor I can recommend for any President of the United States.

If Mr. Truman does not feel up to it, and his State of the Union message clearly indicates that he does not, then we must look to November's election for relief. With a Republican President and your Senator CHAPMAN REVERCOMB and other men like him in Congress cooperating, we will take this administration's expensive playthings away from it and reduce the family budget.

The time is ripe and overripe for a change in order that we may save what is left.

I would like to suggest some of the things that I believe should be done to make our Republic greater and stronger:

First. The economy of plenty must be the policy of every American. That means increased production at lower unit cost to make available to the people more of the commodities they wish to buy at prices they can afford to pay.

Second. Drastic reductions in Government spending would remove one of the greatest causes of inflation. All public works not immediately essential should be postponed until such time as they are needed to expand employment.

Third. Taxes should be reduced in a manner that will stimulate expansion of productive enterprise.

Fourth. We should restore the integrity of the dollar by stopping immediately the further issuance of printing press money. The American dollar must be a sound dollar.

Fifth. We must adopt a program of regular payments to reduce the public debt.

Sixth. We should encourage individual savings and the investment of a larger share of commercial profits in plant improvement and equipment for better methods of production.

Seventh. There must be better management-labor cooperation to check the mounting price spiral. This calls for a determined effort by management to hold the price line. It calls for labor to hold the line against another and another round of wage increases. One cannot succeed without the other. It calls, in short, for the finest kind of Americanism on both sides of the industrial street.

Eighth. We should not damage our domestic economy and increase the cost of living by exporting basic materials that are in short supply.

Ninth. Government competition in the food markets should be ended. We should curb those excessive price supports and subsidies which are economically unsound. The people pay for these supports and subsidies with higher taxes at one end and higher prices at the other.

Tenth. We must put the Golden Rule into our business practice. There is plenty of work, business and opportunity for all in America if we play the game on the level.

The suggestions I have outlined have an important bearing on the future welfare and progress of our Republic. They can be achieved only by united, determined and unceasing effort to rebuild and strengthen the spirit of America.

We need more of the spirit of our ancestors—the spirit of patriotism, courage, industry, thrift, sacrifice, and love of God. We need a reawakening in America—great mobilization of right thinking, hard working God-fearing men and women standing together in love of our country and our Flag.

Loyalty and fidelity to the ideals and principles enunciated by the founding fathers will preserve our freedom, our independence and will safeguard our foremost place among the nations of the earth.

Let us not take for granted or hold too lightly the precious gift of being an American. In this world there is no more proud heritage. In every corner of the earth today there are millions of people, decent hard working people, who would crawl halfway around the globe on their hands and knees for the privilege of being American citizens.

I wonder if our young people—and many older ones—fully appreciate the true meaning of the American way of life and the American system of free government. Our schools should teach that lesson and it should be expounded from our pulpits.

That would make a better America—and better Americans of us all.

American Stability and World Peace

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "American Stability and World Peace," which I delivered at the annual meeting of the Pennsylvania Dress Manufacturers' Association, in New York City, on January 3, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The growth of the dress manufacturing industry in eastern Pennsylvania in recent years has been most gratifying to all of us who are interested in the continued preeminence of Pennsylvania as an industrial State. Heavy industry has always had its headquarters in Pennsylvania almost from the beginning of our colonial history. Pennsylvania steel and Pennsylvania coal are the two great pillars supporting our entire economy in the United States. From these two giant industries, hundreds and hundreds of related industries have received their initial impetus and are now titans in their own right. It took a depression to teach us in Pennsylvania a lesson we are not going to forget, and that is that complete reliance on one or on a few primary industries brings with it acute danger at the moment of dislocation or even mild recession in the fortunes of those few industries.

We learned the need of diversification, and throughout Pennsylvania communities large and small have been putting to good use that lesson we learned in our State in the early thirties.

The textile industry has always been an important one to Pennsylvania, particularly in and around my own native city of Philadelphia. In the last 10 years or so, however, we have seen a notable trend on the part of the dress-manufacturing industry elsewhere to come into Pennsylvania, into the smaller communities, to set up new plants which in many cases have been the first and only instances of industrial diversification some of those towns have known.

We in Pennsylvania appreciate this invasion, if I can call it that, of our hard-coal areas and of other regions of Pennsylvania by plants such as yours. You have brought wealth into our State in the form of employment and employment opportunities, and I know it is appreciated all down the line. I trust that you are meeting with the utmost in cooperation from officials on the local, county, and State levels in Pennsylvania in trying to help you make your business problems easier. I know labor appreciates the new opportunities your industry has provided in our State, and I understand that you, in turn, have found labor in Pennsylvania to be cooperative, reasonable, skilled and alert, and enterprising and anxious to see your business prosper so that labor in turn can prosper.

My good friend Jim Costello, who is the impartial referee in your contract adjustment cases with the ILGWU, tells me that labor-management relations in your industry are on a splendid basis of true cooperation and mutual respect, and that is good news indeed. The health and welfare fund set up for your employees with centers already established in Allentown, Harrisburg, and Wilkes-Barre is, I believe, a reflection of truly enlightened free enterprise at work in a free America.

All of which is to say that I want you to know that we in Pennsylvania look forward to your industry becoming an increasingly important part of the community.

We have just completed the greatest boom year in our Nation's history. And as we enter 1948, everyone, I am sure, looks forward with hope that this new year will see a continuation of our high level of economy. On the other hand, however, business has been so good in this past year that, conditioned as we have become to the economic cycle of boom and bust in America, there is now a widespread feeling in the hearts of many that we are on the brink of a possible collapse. We all pray that such a collapse will not occur. The economists and industrial leaders generally reassure us that 1948 in all probability will be an exceptionally good year for business. Industrial expansion is continuing; as a matter of fact, our entire economy is still an expanding one. Nevertheless, there is almost universal recognition of the fact that there are aspects of our booming economy which justify some real misgivings.

Simply stated, we are in an inflation and everybody knows it now. A year ago, even a few months ago, there was great resistance to any acknowledgement of the existence of serious inflationary factors in our economy. At this time a year ago, optimism was transcendent and there were few, if any, expressions of alarm or disquiet.

Optimism is still present and justly so. In the past year the United States has known for the first time the achievement of an employment goal of sixty million jobs. We have vast purchasing power—vast potential purchasing power, that is—in the hands of our people. Wages and income are at records we never before considered possible. We have a vast productive machine and it is turning out goods at an amazing and almost incomprehensible rate. We have a huge backlog of unfilled consumer demand at home and we have an unfilled export market which is staggering in its volume, assuming, that is, that any purchasing power will exist abroad to buy our goods.

All of these factors lend support to our hopes for a high level of prosperity in America, not just for 1948 but for years to come. And yet as we start 1948—still riding the crest of this boom—I think we all have a feeling that our economy needs some shoring-up, some better foundations if collapse is to be averted, and this glorious edifice of American economic well-being not turn into a house of cards.

I do not have to dwell on the disastrous consequences of economic collapse in speaking before a group like this. Your own industry is peculiarly sensitive to the ripples of the economic tide, either for good or for ill. Inflation, I know, is already a serious problem to you; a sudden deflation would be calamitous.

During investigations in which I participated this past summer and fall as a member of the eastern subcommittee of the Joint Congressional Committee on the Economic Report, on an assignment from the Congress to seek out some of the basic factors responsible for the steadily soaring price level on the eastern seaboard, we heard abundant evidence from businessmen of the continued shrinkage of mass purchasing power as a result, primarily, of upward food prices and of the prices of other primary necessities. Department store executives, although conceding increasing sales volumes in dollars—and higher profits—nevertheless acknowledged serious concern over a declining sales volume in units. They discovered significant buyer resistance on many items heretofore considered necessary items, and the explanation for this resistance was almost unanimous—other items considered of more primary necessity to the family were siphoning off a disproportionate share of the consumer purchasing power.

Food was the dominant item in this category. Housing was another. Overspending on these items—overspending based more on compulsion than on extravagance—meant underspending on other consumer needs.

Business has not yet felt the full impact of this unbalance, but business has seen sufficient signs of future danger to be worried about it, and well it might. If allowed to continue unchecked, the trend can be disastrous.

I have no intention or desire to stand before you tonight and deliver a professorial lecture on elementary economics. Although we Members of Congress are always suspected

of attempting to pose as experts on every subject which happens to brush against our coat sleeves in legislation passing across our desk, I do not pretend to be an economic oracle. If I did, all that would be necessary to make me feel foolish would be to recall the violent disagreements taking place among the experts who spend their entire lives in continual study of all the factors involved in our economic situation.

Furthermore, I would not presume to try to convince you gentlemen, who every day must risk your investments on your own individual interpretations of the economic facts of life, that I know more about your business and business generally than you do.

Nevertheless, as a Member of the United States Senate, where almost daily we must face problems which vitally affect you and all business and all of us as citizens of this democracy and of the world, I have the responsibility of informing myself as thoroughly as possible on the great issues of the day so that my actions and my votes in the Senate will be based insofar as possible on reason and knowledge rather than on prejudice and hunch.

When you extend me the courtesy of listening to me expound some of my views, I think the least I owe in return is honesty in the presentation of my opinions on those things on which my views and my votes are important to you as constituents and as Americans.

That is why I feel I must intrude a degree of pessimism into this otherwise pleasant occasion.

In the past year I have noted a rather alarming retreat on the part of many Americans, including some in influential positions, into a lost past which I firmly believe can never be recaptured. We hear again the nostalgic talk of the good old days of isolationism and of economic anarchy of the 1920's.

The basis for this nostalgia is understandable, even if we cannot approve it. After all, the upheavals which have occurred in America and in the world in the last 20 years have constituted a series of shocks, one after another, which could not have left us in anything but a somewhat nervous condition. Our entire economic outlook in the United States was completely revolutionized in those 20 years and many who can remember their comparative freedom from any variety of interference from Government in their business affairs still look back with uncompromising longing for those old days. Internationally, those 20 years saw the complete destruction of a peace which we had thought was permanently won and the resurgence across civilization of forces which we could hardly imagine could exist in this twentieth century—bestial, depraved, savage forces which, for a time, threatened to engulf all humanity. Then came the most terrible war mankind has known, climaxing, in the discovery of atomic energy, the age-long search of man for the power with which to destroy his fellow men, himself, and his world.

Again we had peace—and high hopes. And now those hopes have been cruelly bruised by national hatreds and nationalistic ambitions once again on the march.

When a man is hit often enough on the head with a baseball bat, he may develop immunity to the blows—and become senseless and spiritless—or he may try to escape the blows by ducking. If he is always frustrated in his attempts to duck—if he still gets bashed in the head with that ball bat despite every effort to dodge—he must eventually go insane. We in America, and peoples everywhere, for that matter, have been experiencing such a constant series of blows for those 20 years just past—and some among us have become so used to them they no longer pay any attention to them—they are insensible to the shocks—while others are engaging in violent evasive action which fails to succeed. The great majority, however, not only here but throughout the world, I believe, are still seeking a way to curb those blows rather than helplessly sustain them or continue unsuccessfully to try to dodge them.

As a Nation of people who have invented the most amazing machines, in a world of people who have harnessed science to mankind's needs, we as a people and civilization generally have still failed to solve the primary human problem of living together in peace and in mutual assistance and friendship. All the terrible blows and shocks which fall upon us result from this failure to make good on the first and primary teachings of every religion mankind has known.

Our economic dangers here in our own America arise from that same failure, too.

This inflation in which we are now adrift did not suddenly develop from the whim of any one man or the manipulations of any small group of men in industry or in Government. It has been a mushrooming thing, arising primarily out of the selfishness and the greed of each and every American who attempted to profit at the expense of his fellows—to get whatever the traffic would bear.

Of course a lot of Americans got hurt by this, and for them there has been widespread sympathy, I might say universal sympathy, but when it comes to taking concrete steps to get at the core of this problem, each wants the other fellow to make the first sacrifice. Obviously, in that type of psychology—waiting for the other fellow to be the first repentant sinner—none will repent and none will make peace with his soul and his conscience.

Are we, then, to let this inflation run its course to the bitter end? We all in America say that such delay would be disastrous. Most of us in America realize our obligations in this respect are not confined to our own people and our own prosperity but to the entire world—for we know that the United States—a strong and solidly prosperous United States—is the sole and only hope at this moment in world affairs for the achievement of a decent peace and an enduring peace in a world where freedom might still continue to exist. Our help abroad is sorely needed, desperately needed. Yet it must be recognized if our own people at home are to suffer hardship and great denial through inflation and bust, the rush back to isolationism will be dramatic and swift and heartbreaking.

Already in my mail in the Senate I am receiving hundreds of communications from Pennsylvanians pinched by the high prices they must pay for food and other necessities who insist I vote against the Marshall plan or any form of aid to foreigners abroad because they have been led mistakenly to believe that the inflation at home is solely the result of our foreign-aid program. As we get into the Marshall plan debates in the Congress soon, this opposition will increase—unless we find means of curbing inflation.

I am finding also in my mail widespread opposition to the admission into the United States of even a pitifully few of the victims of Hitler brutality and of Communist regimentation and much of this opposition stems also from economic insecurity among large elements of the population at home. They are so convinced of the inevitability of depression in America that they fear—now, today, in the midst of this great boom and of continued labor shortages in America—they fear that any displaced persons admitted to this country threaten their own job security.

Yet we know we must help Europe regain her economic health; we know that in decency and in fairness and in justice and also because we want and need many of the brave souls in displaced-persons camps, that we must do our share in the world-wide problem of resettlement of the victims of totalitarian brutality. We know we must do these things not only because they are right and proper and just and decent things to do but also because we know that America's own future safety in a world of atomic bombs, and the safety of America's own brand of political freedom and decency, demand the existence of a world in which freedom and decency can survive unchallenged. Such a world cannot exist if we in rich and prosperous and well-fed America sit idly by while starvation and misery and desperation seize whole populations abroad.

So what do we do about it? To go back to that illustration of the hapless fellow being smashed on the head with a ball bat, I maintain that we must look into the facts objectively, study the curve of that swinging bat, analyze the force and the direction and the strategy behind it, and then boldly seize the club itself and wrest it away from our tormentor—in this case an unbridled economic force which now has us at its mercy.

We know what we must do abroad if we are to win a decent and peaceful world. It means sacrifices by us here, yes; it means resolute action and courageous action. It means the calling back into the fabric of our national thinking and values some of the spirit of brotherhood and sacrifice and religion which carried this country and all of our people triumphantly through the horrors of World War II.

It means guaranteeing American strength by guaranteeing the strength of our American economy—the economy which must bear the initial burden for world recovery. At present levels of production and income, we can bear that load now a thousand times easier than we could bear the financial burden of World War II or of any future war. In a depressed America, the load represented by the Marshall plan might well be impossible to sustain.

Without the Marshall plan, I am convinced we would be thrown at some future date into circumstances which might well lead to war—a war neither we nor civilization could afford. With the Marshall plan, we still face dangers; but no course, no bold instance of national and international initiative such as this plan reflects, was ever free of some dangers. The greater danger lies in inaction and in despair.

If we are to have a strong America as the best guaranty of a stable world, we must seize upon the inequities in our own economic situation; we must see to it that America's mass of good citizens enjoy decent standards of living, at decent wages enabling them to buy their needs at decent prices. Next spring we face a certain meat shortage in America. Are we to allow it to be rationed entirely by price—with the average worker priced out of the market? Would that make for labor peace in America? Would coal be mined if the miners were unable to afford meat?

Further wage raises by themselves would not solve the problem, and I sincerely believe the responsible leaders of labor all realize this. But wage raises—or at least, wage demands and strikes—are bound to occur if prices are not brought more in line with economic necessity.

What we must achieve in America now, in the midst of this inflation, as the only successful means of curbing this inflation and of assuring continuation of our prosperity, is sufficient purchasing power—actual purchasing power, that is—in the hands of our people to enable them to maintain decent standards. If our working people have money to spend on the things they help to produce, we all benefit and prosperity is assured.

This can come only through lower prices for necessities and through raising of the incomes of those in our lowest economic levels. With this spreading of purchasing power, in the presence of continued shortages of many strategic and necessary items, we must have

machinery to assure equitable distribution of those supplies which do exist. This does not mean a return to OPA.

It means, however, a return to economic sanity, to a measure of economic restraint, to some of that great and noble spirit which enveloped every real American during those terrible days of war—days when a fellow American was a friend, a brother, a comrade, a neighbor—and not just a sucker to be taken for all the traffic would bear.

Citation of Hon. Edward Martin, of Pennsylvania, by Veterans of Foreign Wars, and Statement by Senator Martin to Communist War Veterans

EXTENSION OF REMARKS
OF
HON. JOHN SHERMAN COOPER
OF KENTUCKY
IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. COOPER. Mr. President, on January 27, 1948, in Statuary Hall of the United States Capitol, at a ceremony presided over by Hon. J. H. McVey, attended by Hon. JAMES E. VAN ZANDT, past national commander, and in the presence of a full color guard, the Department of the District of Columbia, Veterans of Foreign Wars of the United States, presented to the distinguished junior Senator from Pennsylvania [Mr. MARTIN] a citation for outstanding achievement and patriotic service to his country.

On the same occasion, Hon. Charles M. Sullivan, chairman of Un-American Activities Committee of the Veterans of Foreign Wars, praised the members of the Committee on Un-American Activities of the House of Representatives, honor guests at the ceremony, and pledged to them the full and continued support of the Veterans of Foreign Wars.

In presenting the citation, Hon. Albert M. Armstrong, department commander, reviewed the distinguished military and civil career of our colleague, the Senator from Pennsylvania [Mr. MARTIN], and emphasized particularly his loyalty to the institutions and governmental system of the United States. He recalled the speech made by the Senator from Pennsylvania on May 9, 1947, to a group of Communists, attending an alleged veterans' national convention of the Communist Party, in which he strongly rebuked them for their disloyalty to this country, and declared his own opposition and the opposition of the patriotic veterans organizations of the United States, and of all patriotic veterans, to communism.

I am happy to call to the attention of this body that a great veterans' organization, the Veterans of Foreign Wars of the United States, has again recognized the achievements and patriotism of our colleague, the Senator from Pennsylvania, outstanding military and civil leader, and that the organization, with other patriotic veterans, is engaged in an unrelenting fight against communism, and in the fight to preserve the institutions and governmental system of our Nation.

I ask unanimous consent to have printed in the Appendix of the RECORD the citation given the Senator from Pennsylvania by the Veterans of Foreign Wars, and the statement made by the Senator from Pennsylvania to Communist war veterans on May 9, 1947.

There being no objection, the citation and statement were ordered to be printed in the RECORD, as follows:

GREETINGS AND SALUTATIONS

To the UNITED STATES SENATOR OF THE STATE OF PENNSYLVANIA, HON. EDWARD MARTIN:

Whereas, in true accordance with the established principles and high ideals exemplified throughout your military and civilian career, you, fearless of condemnation, did express your sincere sentiments in an address to a delegation of Pennsylvania Communists attending that party's veterans' national convention, such address appearing in the CONGRESSIONAL RECORD of Friday, May 9, 1947, Eightieth Congress, first session, of which portion is quoted:

"First let me make clear that I respect the veteran and all that his uniform stands for. But when you come here, representing the Communist Party, you have no right to claim the respect and treatment due to veterans. No one can be faithful to American ideals and accept the teachings of communism.

"I will not now, nor at any future time, discuss the welfare of our veterans with men who uphold your communistic philosophy, even though you have worn the American uniform. Anything I have to say on that subject will be said to the officers and members of recognized veterans' organizations, or to other patriotic unaffiliated veterans. And if I want advice about veterans' needs, I shall go to those same groups. They recognize the great gulf between American freedom and communistic dictatorship. They do not straddle. They stand foursquare on the side of individual liberty and rights of freemen. You are on the other side.

"The Russian people can have the form of government they want. We are not trying to force our system on them. I will fight with all my power any effort to foist their system on this country whether it comes from you or anybody else.

"I have had over 40 years of service in the armed forces of my country, I love its uniform and its flag. I respect that uniform even when worn by a Communist, but I have no respect for the philosophy you have accepted."

Whereas we fully appreciate the manner in which you exercise the true spirit of democracy by being one of our kind of folks, in witness of which you have said: "share the same concerns, the same fears, and the same high aspirations for our country's future. This devotion has been shaped by our kind of folks having worn our country's uniform in battle"; and

Whereas your outstanding military record throughout the 44 years of service, with which we are conversant, has brought you the distinction of advancement through the military ranks from private during the Philippine Insurrection, 1898, to commanding general of the Twenty-eighth Division, World War II in 1942; and

Whereas not being satisfied to rest upon your military laurels but desirous of serving your people, you as a civilian were inaugurated Governor of the State of Pennsylvania on January 19, 1942, and were elected to the United States Senate on November 5, 1946, and

Whereas your membership in the Hawkins Home Post, No. 927, Washington, Pennsylvania, of our beloved organization, makes us justly proud to claim you as a comrade, one in harmony with our spirit of comradeship and in full accord with the ideals for which we stand: Therefore be it

Resolved, That in appreciation of outstanding achievements, the expressed determination further to serve God, country, and fellow man—and in commendation for patriotic service and accomplishments we, the officers and members of the Department of the District of Columbia, Veterans of Foreign Wars of the United States, do herewith present to you this citation.

Given under my hand and seal this 27th day of January 1948.

ALBERT M. ARMSTRONG,
Department Commander.
MARTHA J. REYNOLDS,
Department President of the Ladies Auxiliary.

Attest:

CLYDE W. KEIRN,
Department Adjutant.

STATEMENT OF SENATOR MARTIN, OF PENNSYLVANIA, TO COMMUNIST WAR VETERANS

I have left a busy Senate floor to see you, because you are Pennsylvanians. I have listened to you. Now I want to tell you what I have got to say.

First let me make clear that I respect the veteran and all that his uniform stands for. But when you come here, representing the Communist Party, you have no right to claim the respect and treatment due to veterans. No one can be faithful to American ideals and accept the teachings of communism.

I will not now, nor at any future time, discuss the welfare of our veterans with men who uphold your communistic philosophy, even though you have worn the American uniform. Anything I have to say on that subject will be said to the officers and members of recognized veterans organizations, or to other patriotic unaffiliated veterans. And if I want advice about veterans' needs, I shall go to those same groups. They recognize the great gulf between American freedom and communistic dictatorship. They do not straddle. They stand foursquare on the side of individual liberty and the rights of freemen. You are on the other side.

The Russian people can have the form of government they want. We are not trying to force our system on them. I will fight with all my power any effort to foist their system on this country whether it comes from you or anybody else.

I have had over 40 years of service in the armed forces of my country. I love its uniform and its flag. I respect that uniform even when worn by a Communist, but I have no respect for the philosophy you have accepted.

Some of you, I believe, were willing to fight under my country's flag solely because Russia was fighting the same enemy.

As late as June 21, 1941, your party and its members in this country were denouncing Americans who opposed the Nazis as imperialistic and war mongers. At that late date you Communists could find nothing wrong with Adolf Hitler or the things he stood for. I remember well your slogan, "The Yanks are not coming."

The next day, June 22, 1941, the Nazis invaded Soviet Russia. On that day, and not until that day, was your party's hate for the unspeakable Nazi regime born. On that day, and not until that day, did you suddenly decide that fighting the Nazis was a holy cause and the highest form of democracy. Your slogan of the day before was dead.

That is one reason why I don't respect you.

I have some sympathy for those of you who have been misled while in the service or since. It is not too late for you to wake up.

It is inconceivable to me how you can follow the teachings of a nation whose basic

principles are violently opposed to everything America's uniform symbolizes.

You men stand here, veterans of the American armed services, but preaching alien communism. You are secure in your right to preach it and to criticize our country only because of this Nation's Constitution.

That is Americanism in action.

Is there any doubt what would happen if men like you convened in Moscow, in Russian uniform, to criticize the Soviet Government? Suppose for an instant you were able to get inside the walls of the Kremlin and to stand before the men who make Russia's laws. Suppose you were to tell them that you don't like the Soviet Union—to attack its leaders—and to say that America's form of government was better than Russia's.

You know what would happen.

The lucky ones among you would be those who faced a firing squad and died quickly. The others of you would go in chains to the slave camps, to toil and starve till you died the slow, hard way.

That is Soviet communism in action.

Yet, you have the colossal effrontery to tell the American Congress how you want things run.

There is a place for those of you who prefer to live under communism. I suggest that you go there and stay there.

If I can help to speed your departure, call on me.

I understand you are returning to your convention this afternoon to carry back my views. To assist you, I have made copies of my stand which you can present to your convention.

The Chicago Subway

EXTENSION OF REMARKS
OF

HON. SCOTT W. LUCAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. LUCAS. Mr. President, a few days ago Maj. Gen. Philip B. Fleming, Administrator of the Federal Works Agency, delivered an address before the Chicago Association of Commerce and Industry, during the course of which he directed certain remarks to Mayor Kennelly, of Chicago, concerning a transaction in connection with FWA assistance in the construction of the Chicago subway. The address was delivered at the annual meeting of the association, held on January 21. I ask unanimous consent to incorporate General Fleming's thought-provoking address in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mayor Kennelly, members, and guests of the Chicago Association of Commerce and Industry:

I have some business to transact here today, very pleasant and important business, with Mayor Kennelly, and it seems to me very fitting indeed that our transaction should take place on this occasion before this audience.

Annual meetings are always a good time to take stock, to look back and see what the years have brought, to look forward and try to see some of the things that lie ahead.

This association brings to bear on today's problems a long perspective—44 years, I believe. That is about the length of time that Chicago and its citizens have been subway conscious. The subway has been a familiar concept for four decades, but during much of that time it appeared unattainable.

Forty years take us back to the time of Daniel H. Burnham, the Chicago plan, and Burnham's oft-repeated injunction to those who help to mold a city's destiny:

"Make no little plans," Burnham said, "they have no magic to stir men's blood and probably will not be realized. Make big plans; aim high in hope and work. * * * Remember that our sons and grandsons are going to do things that would stagger us. * * *"

He was right on both counts, and I think the city of Chicago has provided a dynamic demonstration. Didn't Burnham call it "the unchanging genius of this place"?

That spirit was strong 11 years ago when Mayor Edward J. Kelly came forward with the fundamentals for a practical solution of Chicago's transportation problems. I am not going to detail the various steps between that proposal and October 25, 1938, which is the date of the subway grant agreement with the Public Works Administration for construction of Chicago's initial system of subways.

The major terms of that agreement are worth reviewing here today for several reasons, not all of them financial by any means. As you will recall, the Grant agreement dealt with many aspects of transportation, it was scrutinized closely by many civic groups as well as officials. And the very fact of its acceptance proved again that Chicago had lost none of her vision or determination. On the contrary.

Consider these major requirements and the responsibilities which they imposed:

1. The subway was to be built in accordance with engineering plans agreed upon by the Federal Government and the city.

2. The city agreed to do its utmost to bring about unification of its transit system and in so doing to create a new corporation which would forward this development satisfactorily.

3. The city agreed that the work was to be carried out under the supervision of both the city's and the Government's engineers.

4. The city agreed to prepare a comprehensive plan for the extension of the initial system of subways and further agreed that as soon as means were available it would first provide for the extension of both terminals of the Dearborn Street subway westward to Halstead Street and the removal or demolition of the elevated railway structure in Lake Street and Wabash Avenue in the Loop.

5. The construction of the Congress Street superhighway.

I do not propose to enlarge on the intricate and difficult problems which were implicit in such a far-reaching agreement. But I would like to discuss just one of the important matters covered by the agreement. On October 1, 1947, the Chicago Transit Authority, created through the cooperation of State and city representatives, acquired title to the properties of the surface and elevated lines. Thus, after many years of endeavor, the city finally achieved the unification of its local transportation facilities and, incidentally, fulfilled one of the major requirements of the Grant agreement. The State, the city, the Federal court, and the many others who have worked for unification deserve commendation for this accomplishment. We in the Federal Works Agency appreciate the privilege of having played a role in this worthy undertaking. With unification, other objectives of the Grant agreement will be fulfilled. The termination of the long-continued receivership and bankruptcy proceedings of the local transportation companies, the extension of universal transfer privileges to the users of the local transportation facilities, and the coordination, improvement, and modernization of the local transportation facilities can reasonably be expected through unification.

The State Street subway has been in operation since 1943, and I understand that the Dearborn Street subway should be completed in 1949. The comprehensive plan for the extension of the subways has been prepared and approved.

The fact that you have met those problems and the way in which you met them offers further proof of this great city's civic resourcefulness and determination. For I think we all know how much skill, patience, and cooperation were needed.

In other words, Chicago has carried out both the letter and the spirit of its agreement. That is, of course, the formal basis of my transaction with Mayor Kennelly. But I am going to tax his patience and yours a little further, for I do not believe that the money involved is the most important part of our transaction—not even when the sum is nearly $5,300,000 and the estimated total cost of this initial subway project comes to more than $64,000,000.

Behind the financial assistance which the PWA and the FWA have extended lies a long record of cooperation that has never been excelled to my knowledge, and I have seen many fine examples of teamwork between Federal, State, and local officials.

It is no exaggeration to say that such teamwork made possible and practical the subway program which is now going forward. Just what do I mean by that fulsome statement? Let me be quite specific.

Not so many years ago most engineers felt that subways were not practical for Chicago because of the character of the subsoil. But about the same time—back in the early thirties—Chicago had launched a great sanitation project. This undertaking called for construction of the two largest sewage treatment plants in the world, in addition to miles of sewers much the same in size and character as the tunnels which would house a subway.

The sanitary district requested and received a loan and a grant from PWA for the construction of such facilities. It is interesting to note that this occurred in 1933 at a time when the sanitary district was unable to obtain funds through private sources. Its bonds were selling on the open market much below par. The Goverment purchased the district's bonds at par upon a 4 percent interest basis and later was able to dispose of such bonds at a profit. Here then is an excellent example of appropriate relationship between the Federal Government and local and State governments.

In carrying out this project the sanitary district's engineering organizations worked closely with Government engineers under the able direction of PWA's project engineer, Joshua D'Esposito. The knowledge and know-how which they gained and shared were indispensable to the construction of a subway system. Without this know-how and the friendly, cooperative working relationships that were then established, the completion of the subway system undoubtedly would have been more difficult.

Yes, that earlier experience in teamwork made a great contribution to our engineering knowledge.

I would like to take another leaf from Daniel H. Burnham's book and discuss the human side of these plans and projects. Burnham saw in his dreams the finest commercial city in the world standing here on the shores of Lake Michigan—and that meant the finest city in which to work and live.

Today the lives and welfare of your citizens, no less than the growth and progress of your commerce and industry, are dependent on the adequacy of the transportation that is available. To a very large degree that means motor transport.

Let me digress a moment here. Some of you may well ask, "How does the Federal Works Agency fit in this picture?" Well, in the first place, when the Federal Works Agency was established it was assigned the task of gradually terminating PWA. Secondly, the function of the Federal Works Agency is to act as the main civilian construction arm of the Federal Government and to work with States and cities in the solution of common problems. That is, our operations are in the field, not in Washington. Our activities are concerned with highways, with public buildings, and with community facilities of all descriptions. We are not exclusively concerned with any one type of construction; rather we are concerned with the integrated growth of local communities, including many phases of urban development, if I may use that term. We act as a part of a team, and I say it with pride, as part of a team of top construction people representing the Federal Government, States, and localities interested in a cooperative solution of local problems. I think I can repeat that this very occasion testifies to an excellent example, not of bureaucracy from Washington, but of a cooperative effort on the part of many governmental jurisdictions. As I am sure you know, the Government contributes to both the Congress Street Superhighway and the Northwest Superhighway. The city is now buying rights-of-way on Congress Street. I believe the Federal Government's help on these two highways will come to about $20,000,000, as currently appropriated.

You know, too, that this money is channelled through the Public Roads Administration of the FWA. But once more I want to say that these financial transactions do not begin to measure the real contribution which we are making. Nor do they indicate the fine cooperation that is taking place between the Federal Works Agency and highway officials of Chicago, Cook County, and the State of Illinois.

At this point I want to mention another component of the Federal Works Agency—the Bureau of Community Facilities. BCF should be well known to some of you, at least, as a result of its advance planning program and because it administered war community facilities and services under the Lanham Act. BCF has advanced interest-free funds to cities, counties, and States to prepare plans and specifications for needed and useful public works—water supply and sewers, schools, highways, and the like. Some 400 of these advance planning projects were approved for counties and municipalities in the State of Illinois, for which nearly $3,350,000 of Federal funds was made available—to plan projects with a total estimated cost of about $236,000,000.

No more funds are currently available for additional planning, but bills which would restore this opportunity are pending in Congress.

The Public Buildings Administration is the third member of the Federal Works team and the largest manager of Federal property in urban areas. Federal offices and court buildings as well as the post offices are constructed and maintained by PBA in the localities and much else in addition. PBA is associated with many cities on their civic center plans. They are now actively engaged in cooperating with the Chicago Planning Commission in connection with the planning and location of future Federal buildings.

From this thumb-nail sketch of the Federal Works Agency, it should be clear that we have more than mere money to offer urban communities. As we are a construction agency, we like to look on ourselves as giving out construction services.

In this connection I want to underline one very important role which I think we are especially well fitted for—that is in working with cities to formulate plans and programs for urban redevelpoment. In the past, the Public Roads Administration has worked closely with the highway commissions of State governments and their staffs. PRA helped the States build their modern highway systems. Recently Congress has authorized an extension of this function to include urban highways and at present, again in partnership with the State governments, a new chapter is being written. It could well be called City-State-Federal teamwork on highway building.

It goes without saying that express highways, like the West Side and Northwest superhighway, are of the utmost importance in urban redevelopment. They will act as boundary insulators and traffic expediters serving many urban redevelopment areas of the future. Meanwhile they will provide probably substantial relief from the traffic problems which exist in this and every other city. More than any other single element, highways are the backbone of an urban community and the underlying basic consideration in the over-all city or metropolitan plan.

That is why not only highway planners but housing planners, urban redevelopers, and city planners must more and more join hands. Their technical and administrative resources combined offer more than the sum of their separate parts. Surely, since urban redevelopment is a team proposition, local, State, and Federal officials and private groups are going to be associated as never before.

As these programs are advanced, the Federal Works Agency stands ready to help. We have a considerable reservoir of knowledge and experience for you to draw upon. The importance of this cooperation has been well stated in the Second Annual Report of the Council of Economic Advisors to the President last month. I quote:

"The application of some Government resources at all levels to the preparatory stages of urban redevelopment would have an extraordinary leverage effect upon opportunities for the private employment of men, money, and materials. Just as the hard surface road accelerated the automobile industry, and the automobile industry in turn touched so many points in our growth after the First World War, so an appropriate exercise of public initiative in urban redevelopment could serve to touch off varied economic developments of almost incalculable proportions."

Mayor Kennelly, I might say that I don't often have this pleasant a task to perform, and I do want to assure you that there is enough more where this came from to cover the balance of our commitment to the city.

In the meantime, let this advance payment carry with it my heartiest congratulations on a great undertaking, well conceived and ably executed.

Editorial Tribute to the Late Josephus Daniels From the New York Times

EXTENSION OF REMARKS

OF

HON. GLEN H. TAYLOR

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. TAYLOR. Mr. President, I ask unanimous consent to insert in the RECORD a tribute to the late Josephus Daniels, which appeared in the New York Times on January 16, 1948. Mr. Daniels was always opposed to imperialism in any form. He preached against it in the columns of his paper, and as Ambassador to Mexico he tried to undo, in his short tenure, the damage which had been done in the hundred years preceding. He was a truly great American.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

JOSEPHUS DANIELS

Americans whose adult memories go back to the First World War will find it hard to believe that Josephus Daniels was in his eighty-sixth year when death came to him yesterday. Their picture of him was formed when he was President Wilson's Secretary of the Navy, and this picture stuck—a shrewd, kindly man with smiling wrinkles about the eyes, wearing a wrinkled suit, a flowing bow tie, and a slouch hat; a man out of an older and more rural America who was entirely at home in this new America. His critics poked fun at him and some denounced him because he took beer and wine out of the fighting ships, because he changed "port" and "starboard" to "left" and "right," and because he was concerned about the common sailor. But when war came, in 1917, the Daniels Navy was found to be in grand fighting trim. He was similarly assailed in 1933, when President Roosevelt sent him as Ambassador to Mexico, but he made warm friends down there and was a principal architect of the existing firm structure of good over-the-border relations.

He called himself a sort of "managing editor of the Navy," and was at heart a newspaper man all his working life. He first smelled ink when he was twelve, and by getting up early, working late, and publishing the truth as he saw it, he made the Raleigh News and Observer not only a power but a property. Like his friend the late William Jennings Bryan, he was a prohibitionist. His deep religious faith gave him serenity.

His life spanned part of a civil war and two great world conflicts. It linked the present with the best qualities of the past. He was a distinguished statesman and a notable editor, but above all he was a homespun, lovable, profoundly sincere American, of a type we greatly need today and can't always seem to find.

The St. Lawrence Seaway

EXTENSION OF REMARKS

OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial on the St. Lawrence seaway, appearing in today's New York Times. I ask that it be printed in the RECORD for the reason that, in my opinion, it is a very fair editorial and expresses extremely well some of the feelings I have on this difficult subject.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ST. LAWRENCE SEAWAY

The Senate has now embarked upon debate of a subject which has engendered more controversial heat, display of sectional self-interest, and contradictory supporting evidence than almost any other congressional issue that can be recalled. President Truman, as did his predecessor, has appealed for support of the St. Lawrence seaway and power project on the grounds that it will "strengthen and expand our industry, our agriculture, our domestic commerce, and our

foreign trade." He also argues for it on the basis that it will develop the largest potential hydroelectric power site in the Nation. He contends that the project is vitally essential to national defense.

A vigorous attempt was made in 1941 to undertake the seaway and hydroelectric program as a war measure. We opposed it editorially at that time, when it was advocated by the late President Roosevelt as an urgent defense measure, on the ground that it could not be finished in time to be useful in the war, and that it would mean diversion of sorely needed manpower and materials. We believe time has proved the correctness of this position.

Today, we believe, this important matter should be decided on the basis of the broadest national considerations. It should not be decided, for instance, on the grounds of what is good or bad for New York City. Nor can the argument be properly grounded on the interests alone of certain of the Great Lakes ports. Mayor O'Dwyer, whose office naturally requires that he devote his concentrated attention to advocating what will preserve and enhance the welfare of his own city, is making an active fight against the seaway. He fears that it will wreck New York's position as a port, and would endanger the prospects of financing the great harbor improvements we hope to begin here soon. The mayor will be pardoned for seeing the seaway with one eye only. But Congress cannot and should not be swayed by sectional considerations. It must look to the larger future and the greatest good of the greatest number.

It is necessary to distinguish, within the maze of controversy, the important fact that these are really two projects, and not one. The seaway, which would provide passage through locks to Great Lakes ports of ocean-going vessels for about 7 months of the year, is one of these. The power project is the other, and it should be divorced completely from the seaway in deciding the issue whether either is to be built. Whatever view is accepted as to advisability of the power development, it can proceed on the St. Lawrence without the seaway, and should be decided on its merits alone.

While the seaway is an idea that has long gripped the imagination, it must be noted that there are reputable people of proved good judgment who are opposed to it, and that they back their opinion with plausible arguments. The Port of New York Authority has pointed to the questionable figures on construction cost, toll revenues, traffic, economies to shipping, and the absence of consideration given to the costly necessity for deepening and improving Lakes ports and channels for deep-draft vessels. Some high Army and Navy officers have noted the weaknesses of arguments that the seaway is "vital" to our defense. It can, indeed, be logically argued with some force that the seaway would be a net addition to our defense problems. The Senate committee minority report makes some very impressive points in this respect.

There is, finally, the question—in the face of large and necessary outlays to assist recovery abroad, our huge war-inherited national debt, and the urgent desirability of certain other costly improvements—whether the seaway and power projects warrant priority. As the Senate minority report said, "The basic problem resolves itself down to this: It is not simply a question of whether a project is useful. It is, in the last analysis, a question whether it is more useful than some other project." One of these other projects is the building of a sea-level Panama Canal, or contriving some other means of making that essential sea passage less vulnerable. President Truman himself has stated this need, and it means an expenditure of perhaps two and a half billion dollars. Can we undertake a St. Lawrence and a Panama program simultaneously? Which comes first? There is also the demand of Missouri Basin States that the Federal Government spend nearly two and a half billion dollars in flood control, soil conservation, a navigation and electric power development in their area.

To state the arguments against and the questions involved in the St. Lawrence developments, and the alternative demands of our Federal resources, is not necessarily to endorse those arguments. But certainly they are substantial enough to compel both friends and foes of the St. Lawrence improvement to put the highest national interests in control of their vote, forgetting political and selfish sectional advantages.

The Old Master

EXTENSION OF REMARKS
OF
HON. HARRY FLOOD BYRD
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. BYRD. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD an editorial from the Daily Advance, Lynchburg, Va., of January 16, 1948, making reference to the speech in Lynchburg, Va., made by former Postmaster General James A. Farley.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE OLD MASTER

In addressing the annual meeting of the Lynchburg Chamber of Commerce James A. Farley, former Postmaster General and chairman of the Democratic National Committee, exhibited succinctly and suavely, with keen intelligence and wit, the qualities that brought him to his former prestige in the Democratic Party, in political circles generally, in the Government, and to the continuing high place he holds with all who know him and know very much about him.

Because of his friendship with the late Senator Carter Glass, and what he said of him in his address, Mr. Farley spoke to a Lynchburg audience, and by radio to a State audience, as if he were a citizen of Lynchburg and many of his listeners must have felt this and warmly accepted him.

In his support of the Marshall plan, fully recognizing the place and responsibility of the United States in the world, and in his remarks in general upon the vital matters affecting the present and future of this country, Mr. Farley spoke with a statesman's grasp of affairs and point of view. Especially in his plea for nonpartisanship in foreign policy did he exhibit those qualities that made one of the most astute politicians of his time rise at need above politics to hold the respect of the opposition and proclaim himself first an American of exceptional loyalty and devotion to the national welfare.

In his references to Mr. Wallace and his third party, Mr. Farley showed how, without malice, the most penetrating and devastating comment can be made.

The Farley address established a high level for the annual chamber of commerce programs, and obtaining him for this meeting is something meriting the thanks of this community. "Big Jim," the old master of Democratic politics, distinguished American, has further established himself as an honorary citizen of this community.

More Post Offices, More Money for Postmen

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial appearing in the Home News, Bronx and Manhattan, New York City, entitled "We Want More Post Offices; Postmen Need More Money," appearing under date of January 27.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOR A BETTER BRONX—WE WANT MORE POST OFFICES; POSTMEN NEED MORE MONEY

For a better Bronx would belie its own name were it to minimize the borough's need for the 15 post-office projects Postmaster Goldman hopes to wring from a slash-the-budget GOP Congress.

These would be a boon to populous neighborhoods now underserved. The Parkchester and Jerome Avenue-Fordham Road areas, slated for new branches, are prime examples.

For thousands of Bronxites, the Goldman scheme holds promise of stations nearer their homes, shorter waits, and expedited mail pick-ups and deliveries.

But greater is the need and more urgent the want of underpaid clerks and carriers on whose loyal labors the efficiency of present or augmented facilities must mainly depend.

For them, a substantial salary rise is not a mere matter of convenience. It is a matter of feeding the children, as postal spokesmen declared at Senate hearings on the Chavez-Langer bill for a $1,000 yearly boost.

President Truman is keeping in abeyance the question of pay increases for Federal personnel. He would rather have effective anti-inflation laws.

But the plight of post-office workers is exceptional. Their basic scale, starting at $2,100, reaches a puny $3,100 top after 10 years. From 1925 to 1945, they had no raise. Since then, there have been two belated $400 boosts, but 2 years of worst inflation have elapsed since the second.

All uptown Congressmen back the Chavez-Langer measure. We commend them. We are glad to see conservative Bronx Republican Representative POTTS standing with Democratic colleagues for the $1,000 raise, instead of for an $800 proposal.

GOP axmen who aim to chop billions off the Truman budget, will be extra allergic to a pay-lift outlay not even in the budget listing. They may frown upon both the $1,000 and $800 plans.

We'll expect Potts and Washington Heights liberal Republican Representative JAVITS to help set them right. The postal army marches on its stomach. Its stomach mustn't be empty. Its faithful "couriers" are deterred by "neither snow nor rain," but this doesn't mean it can be left out in the cold.

The Bronx could sooner forgive Congress for withholding new post offices than for neglecting post office workers.

SQUEEZE ON SURFACE

The Home News supports Bronx Councilmen's demands for investigation of Surface Transportation Corp. inadequacies both under normal conditions and in snow. Perhaps no bus service in New York draws as much complaint.

Talk of canceling the 50-year borough-wide franchise granted in 1940 to the parent

Third Avenue Transit System is premature, we admit. It may also be reckless, unless Third Avenue Transit's Bronx operations are ascertainably a financial good thing which the company would hate to lose, and unless some other big outfit could and would undertake to replace Surface at the same 5-cent fare. In Queens and Staten Island, the city of New York itself had to take over from franchised firms.

Orchard Beach service was terrible in the summer of 1946. The Bronx protested, the Public Service Commission intervened, and the summer of 1947 saw a healthy change. For years, Surface refused free transfer to the Fordham-City Island route from the Castle Hill Avenue and Boston Road lines. But it gave in when the city threatened to oust it from the lucrative Highbridge route.

Our Pacific Possessions

EXTENSION OF REMARKS
OF
HON. GUY CORDON
OF OREGON
IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. CORDON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Our Pacific Possessions" from the New York Times of Sunday, January 4, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OUR PACIFIC POSSESSIONS

Among the measures Congress will have to deal with in its new session is a concurrent resolution for establishment of a Joint Committee of Senate and House to undertake a thorough study of the trusteed islands of the Pacific and make recommendations for their governance. We believe that this resolution should be acted upon favorably and promptly. The sooner the committee is appointed and sets to work the better. The question of the former mandates and of our other Pacific islands is one that calls for quick and intelligent solution.

The three former groups of islands that Japan held under mandate from the League of Nations—the Carolines, Marianas, and Marshalls—and which the United Nations turned over to the United States, are now governed by the Navy Department, as are Guam and Samoa. The latter have been governed by the Navy, as was to be expected and as was inevitable, and the trusteed islands also are being governed first from the viewpoint of national security, with the welfare of the island peoples secondary. That is an unnecessary and unsatisfactory arrangement.

The time is propitious for a revaluation of our attitude toward our "colonials" and for the formulation of policies that will make the United States a leader in wise and humane treatment of dependent peoples, instead of one of the laggards in this field, as we now are. With the Pacific islands no longer holding the strategic position that they did when Japan was a big and aggressive power, our military leaders are understood to be willing to relinquish the responsibility to some civilian authority. Organic acts have been drawn, with Navy Department collaboration, for the transfer of Guam and Samoa to such an agency, and a similar act for administration of the trusteed islands has been drawn by the State Department. This is piecemeal solution, however, of a problem that is integrated and should be considered as a whole. The joint committee proposed by Senator CORDON, of Oregon, would be authorized to take this broader view.

As Senator CORDON said, in proposing his resolution for establishment of the joint committee, Congress has done little thinking in the past about the offshore possessions of the United States. There has been a awakened interest, especially in the Pacific, the last 2 years. Such House leaders as Representatives CRAWFORD, POULSON, and GRANT have set their colleagues to studying maps and histories of that great ocean. Several Representatives saw Army or Navy service in that theater. The drives for statehood for Hawaii and Alaska have stimulated further interest. Senator VANDENBERG has put United States adherence to the South Pacific Commission on the "must" list of legislation for the coming session. A study by a joint committee next year should encourage Congress to do some intelligent planning of its own.

The President's Budget

EXTENSION OF REMARKS
OF
HON. SCOTT W. LUCAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. LUCAS. Mr. President, in yesterday's Star there is a very important editorial under the caption of "Not 'phony'." It deals with a statement recently made by the distinguished Senator from New Hampshire [Mr. BRIDGES] with respect to the President's "phony" budget. I hope that all Senators will read this editorial, especially the Senator from New Hampshire. I ask unanimous consent that the editorial be printed in the Appendix of the RECORD.

I also ask unanimous consent to incorporate in the RECORD another editorial upon the same subject, found in the Washington Post of this date. It should be enlightening to my good friend the Senator from New Hampshire.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star]

NOT PHONY

Senator BRIDGES is on highly vulnerable ground in accusing the President of having submitted phony budgetary figures on the European recovery program.

The accusation is based on the fact that the President, in his budget message to Congress, has asked for an appropriation of $6,800,000,000 for the first 15 months of the ERP, but has estimated that the program's actual expenditures will amount to only $4,500,000,000 through June 30, 1949. Mr. BRIDGES is making a great to-do over this. He sees something slick and underhanded in it, and he suggests that he is going to do his best to cut the appropriation down to the estimated expenditures.

In taking this position, however, Mr. BRIDGES is either playing politics or betraying a degree of budgetary confusion that does not become him as chairman of the Senate Appropriations Committee. To begin with, far from resorting to anything underhanded, the President has made a special point of explaining in his budget message why the requested appropriation is larger than the expenditures estimate. The explanation is simply this: (1) Under the ERP, the Government will have to place orders for goods far in advance of delivery; (2) payments for the goods will lag months behind the deliveries; (3) but though the actual expenditures in the fiscal year thus will be less than the appropriation, the appropriation must be had before the Government can place the orders.

In other words, although ERP expenditures in fiscal 1949 may be $2,300,000,000 less than the $6,800,000,000 appropriation sought by the President, that does not mean that the appropriation should be cut. If $6,800,000,000 is really needed for the first 15 months of European recovery, then that sum should be appropriated, though spokesmen for the Harriman committee apparently believe that this total forward obligating authority could be perhaps $1,000,000,000 less. In any case, with an adequate extra margin, the Government would be legally incapable of incurring the obligations it will assume in placing orders for the project—orders for things like machinery which may take several months to build and deliver and for which payment may not be made until late in fiscal 1950. To do as Mr. BRIDGES suggests, to appropriate no more than the estimate of actual expenditures through June 30, 1949, would be to undermine the ERP by placing it on a too-little-too-late basis. More than that, such a course would run counter to a sound, time-tried budgetary practice applied repeatedly in the past to large-scale procurement programs involving foreign shipments, such as Army operations, lend-lease, and UNRRA.

The President's budgetary set-up for European recovery thus is not only not phony; it is not even novel. Mr. BRIDGES may be able to make a loud political noise by arguing otherwise, but, like a drum, the issue he has raised seems altogether empty.

[From the Washington Post of January 30, 1948]

PHONY ECONOMY

Senator BRIDGES' charge that the President had sent a phony budget on the European recovery program to Congress is utterly unfounded. It may indicate nothing worse than that the Senator had failed to read the President's explanation of the discrepancy between the $6,800,000,000 appropriation requested for the first 15 months of ERP and the $4,500,000,000 budget cost of the program for the same period. The explanation is simple: the gap between requested appropriations and estimated expenditures would permit the recovery administration to ship and to place an additional $2,300,000,000 of orders during the fiscal year 1948–49 for which payment would not be made until the following fiscal year. That would enable officials in charge of the program to arrange, as the President explains, for more economical and systematic placement of orders.

The actual cost of the ERP would not be affected in any way by cutting down the amount of the initial appropriation, unless one assumes that the larger appropriation would be an encouragement to wasteful commitments. As a matter of fact, the danger that Marshall plan funds might be wasted would be decidedly increased if the ERP were hampered in carrying out its program by congressional restrictions on spending. Such a policy would impair the chances of success of the Marshall plan and be phony economy.

Nevertheless, it might be shrewd politics to reduce the size of the initial $6,800,000,000 appropriation (provided, of course, the sum voted was adequate to cover actual outlays during the 15-month period) as a concession to congressional reluctance to vote at this time for the spending of so large a sum. But the ERP not only has to have sufficient funds to pay its bills when they fall due, it must also be in a position to make deliveries of goods for which payment will not be required during the 15-month period.

Most of the $2,300,000,000 difference between estimated actual outlays and the $6,800,000,000 requested by the President will, in fact, be needed to meet payments on goods shipped during the 15-month period, but not paid for until the following fiscal year. Consequently, although it is not necessary for Congress to appropriate immediately the full sum requested for ERP, it is necessary for Congress to authorize the spending of most, if not all, the additional $2,300,000,000 requested. Otherwise the ERP would be severely hampered in carrying out its program because of inability to enter into contracts calling for future payment.

Under the circumstances, the $6,800,000,000 figure that Secretary Marshall regards as an irreducible minimum with which to start the program cannot be substantially reduced without jeopardy to the entire program. The most that can be done is to cut the initial appropriation to the amount required to cover actual outlays for the first 15 months. That would leave it up to Congress to review the program later on and vote the additional appropriations required to cover authorized obligations incurred in excess of the initial appropriation, as well as funds for the continuance of the program.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "St. Lawrence Ascension," published in the Boston Herald of January 28, 1948. The editorial deals with the St. Lawrence seaway.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ST. LAWRENCE ASCENSION

The St. Lawrence seaway and power perennial sticks its head out again, this time from Senate soil with the sunshine of a Truman instead of a Roosevelt political blessing. Its appearance has the customary and timeworn generalities of great engineering enterprise and rich natural resources and benefit to the whole United States that have met their match in specific objections from shipping and railroads and labor unions and commerce groups over the Nation as well as in directly affected New England.

Our own area remembers too acutely the vision and eventual nightmare that was Quoddy to take much stock in another walking dream aimed to harness not merely the tides but to bring a Middle West doorstep to the Atlantic Ocean. The waterway would be no year-round "sunny pleasure dome," but have the 5 months' obstacle of "caves of ice." This St. Lawrence balloon has been up again and again. The current Truman enthusiasm is nothing but a New Deal Sir Echo in backing the political instead of the practical.

Over its battered years, the St. Lawrence project has been successively a navigation imperative, a power blessing, a defense thanwhich, an unemployment (that didn't take place) panacea. Now, apparently, it is a chance to spend maybe a billion dollars for a part-time service on a theoretical self-liquidating basis, without benefit of precedent in tolls of engineering traffic survey. Somehow the raw mixture does not mellow with age.

Specifically, the waterway's proposed 24-foot draft does not accommodate ocean-going vessels. Ocean ships, too, are not designed in hull, engine, or steering gear for operation in swift current, narrow channels at low speeds. Picture, as an extreme, of course, the *Queen Mary* trying to negotiate the Cape Cod Canal. The railroads, with lines to established coast ports, would lose some of their pay load freight, and then have the physical burden tossed back in the tough going of winter months.

Canals now exist along the proposed system. Their improvement for practical purpose would be a matter of millions, not billions. And from the defense angle, the Great Lakes area—probably the sole beneficiary from the project—once proposed as a haven for wartime shipping, is now more susceptible to attack by air than the seaboard areas, west or east. One bomb on the dams of the project and the Great Lakes-ocean link would fall apart.

The St. Lawrence proposal, in its persistence, assumes the guise of a policy of attrition. In the endurance test, only flood control and soil erosion pleas have been missing in the cycle of arguments that the public power proponents customarily run. Rather than the interests blocking forward progress of a Nation's welfare, a small segment of the Nation seems determined that subsidized navigation and power shall be foisted on the taxpayers for the benefit of a few. We should do more than take air out of the balloon. It should be punctured for keeps.

Program of Baltimore Youth Advisory Board

EXTENSION OF REMARKS
OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. O'CONOR. Mr. President, there has been wide general interest displayed, and, I am confident, much helpful awareness of youthful problems aroused among the younger people of our State, by the program initiated by the Baltimore Youth Advisory Board in paying public tribute to an outstanding boy and girl each month.

Announcement has just been made that the awards currently are being presented to William J. Riggin, 15, son of Harry R. Riggin, and Alverta Jones, 18, daughter of John E. Jones, a post-office employee, both of whom have been cited for outstanding excellence in accomplishments and deportment.

An account of the awards was published in the Baltimore Sun of Sunday, and I ask unanimous consent to have it inserted in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AWARD HONORS HELPFULNESS—BOY AND GIRL OF MONTH HAVE AIDED YOUNGER CHILDREN

Selected for their services to others, a south Baltimore boy who hopes his home workshop will lead to a career in cabinet making and a northwest Baltimore Negro girl who plans to be a social-service worker are the boy and girl of the month for December.

The selection of William J. Riggin, 15, of 125 East Cross Street, and Alverta Jones, 18, of 1116 Whitelock Street, was announced yesterday by N. Ellsworth Bunce, adviser to the Baltimore Youth Advisory Board, sponsor of the monthly awards.

Will, as the boy is known at the Southern Police Boys' Club, where he is a self-appointed assistant to patrolman William Mitchell, shop instructor, is a serious youth, shy and quiet.

HELPS SMALLER BOYS IN SHOP

He spends most of his spare time helping the smaller boys in the club's shop, or making tables, chairs, and wooden toys in his own shop at home.

He was nominated as a superior representative of nearly 3,000 members of the city's four police boys' clubs, whose toy-making during the fall months brought a happy Christmas to several hundred worthy but poor children, who would otherwise have been without toys at Christmas.

He was recommended to the three judges—Thomas J. S. Waxter, director of the department of public welfare; Wallace Reidt, of the Criminal justice commission; and Mr. Bruce—by Patrolman William Armstrong, director of the Southern Boys' Club, and his principal, John N. Schwatka, of Southern Junior-Senior High School.

TO ENTER MORGAN COLLEGE

The girl of the month, who has been active in her Y. W. C. A. Teen Club, which recommended her, begins her studies for a social-service career early next month at Morgan College. By special arrangement, Alverta will enter Morgan a few days before her graduation from Douglass High School.

At Douglass, where she is a better-than-average student, Alverta has played the 'cello in the Dunbar-Douglass interschool orchestra for the last 3 years.

For her age, she has already had a broad social-service experience.

HELPER IN KINDERGARTEN

Besides her Y-Teen Club work, she has served as a helper in a kindergarten conducted by the Society of Friends, and as instructor in the Bible school of the Union Baptist Church, Druid Hill Avenue and Dolphin Street.

She was a delegate to the Y. W. and Y. M. C. A. high-school conference at Morristown, N. J., in 1946, and won a scholarship offered by the Society of Friends to attend the Institute of International Relations high-school conference at Northeast, Md., last August.

"I like working with others, especially with the younger children," Alverta says. She hopes to get her master's degree in sociology when she finishes at Morgan College, and to qualify as a Y secretary.

FATHER IS POST OFFICE CLERK

Her father, John E. Jones, is a clerk in the parcel-post department of the post office here.

The toys Will took a lead in making for the needy and crippled children included wooden "Black Marias"—police patrol wagons—pull toys, fire engines and trucks for boys, and small jewel boxes of highly polished cherry wood for girls.

During the summer, Will plays second base for the Baltimore Tigers' sand lot baseball team, and helps his father, Harry R. Riggin, with general painting and repair work. He attends Lee Street Baptist Church.

WELL EQUIPPED HOME WORKSHOP

He has equipped his home workshop with a table saw, a jigsaw, a sander, and hand tools.

Will's grades at Southern Junior High School are all above average, but his best record is in his specialty, the manual-training course.

Begun last spring, the Youth Advisory Board awards are made to draw public attention to "youth excellency" as opposed to juvenile delinquency.

Winners of the monthly awards become candidates for the titles Boy and Girl of the Year and for trophies donated by the Sunpapers. Selection of the annual awards will be announced at the Youth Advisory Board's annual city-wide student convention in April.

Continuation of Rent Control

EXTENSION OF REMARKS
OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement which I made today before a subcommittee of the Senate Committee on Banking and Currency, considering Senate bill 1741, to continue rent control.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

First of all, I want to express to the chairman of this subcommittee, Senator CAIN, of Washington, my appreciation for the pledge he has made to be disinterested and objective in his approach to the subject of continuing rent control despite his expressed general opposition to the theory and practice of rent control.

I am sure previous witnesses have already convinced the entire subcommittee that the housing situation in the United States is still desperate and that rent control must be continued. Nearly all of the members of the subcommittee, as I recall, have already gone on record in appreciation of the need for an extension, and so I know it is unnecessary for me to duplicate this ground by calling up a battery of statistics to prove what we all see every day in our contacts with our citizens.

Of course there is the opposition of some of the organized segments of the real estate industry to any further continuation of rent control—sentiment for the murder and burial next month of rent control—but I think this opposition can be considered largely pro forma and irresponsible. From the very start of rent control in 1942, this element contended without any let-up that rent control was unnecessary, even in war.

I am appearing before you today primarily in behalf of my own bill, S. 1741, which up to a few weeks ago was the only rent control extension bill pending before the Senate. Beginning this month, several new bills were introduced, all of which vary either in basic philosophy or in detail, or both, from my bill. I want to make clear to the subcommittee that although I would of course be pleased to see my bill made the vehicle for extending rent control, nevertheless, my main interest is, first, to see that rent control is extended, and second, to have rent control materially strengthened in line with the anti-inflation recommendation of President Truman, made in his message to the Special Session of Congress in November and reiterated by him in his State of the Union message earlier this month.

When I introduced my bill last July, shortly after the enactment of the Housing and Rent Act of 1947, which took effect July 1, and under which rent control is now administered, I did not have the benefit of experience under the Housing and Rent Act of 1947 because the act was so new. Thus, in attempting to amend and strengthen that act, as well as to provide for its extension beyond the coming February 29, I had to depend to a large extent, in drafting my bill, on my own estimate and on the estimates of various individuals whom I consulted as to how the Housing and Rent Act of 1947, which was then so new, would actually work in practice.

It has been a source of some surprise and of great satisfaction on my part that the bill I submitted at that time has stood up so well in relation to developments which have occurred since I introduced it.

There have been, however, some developments which could not very readily have been foreseen in July of 1947, but which today obviously cry for remedial action and, as a result, I will, as I go along, recommend some changes in my bill to bring it up to date and to meet new situations unforeseen as we began our experience under the so-called Wolcott Act.

These changes will, I believe, improve the bill, but will not materially change any of the fundamentally important aspects of it. As I said, experience under the Wolcott Act since July 1 has more than justified the basic approaches which my bill contained from the start.

The members of the subcommittee, I presume, are already familiar with the main points of my bill, and I will merely cite them now for the purpose of refreshing your memories.

First, and most important, I think, it would halt the present chaos in regard to evictions. This is the No. 1 necessity for adequate rent control. I will develop this matter later in my presentation, but right now I want to say that we cannot consider rent control effective in preventing widespread hardship and dislocation as long as tenants throughout the country can be thrown out of their accommodations almost over night.

The second important feature of my bill, in order of importance, is recontrol of new rental construction and of new conversions and of the so-called voluntary-lease accommodations and of nearly all other types of accommodations which were decontrolled under the Wolcott Act.

The third important change from the present act made under my bill is the restoration to the Housing Expediter of all of the enforcement powers including criminal sanctions and triple-damage civil actions, which that office held and used up until the time the Wolcott Act took effect last July 1.

A fourth important provision of the bill is the reestablishment of jurisdiction within the emergency court of appeals on all litigation involving rent control. As you know, the present act and, I think, most of the other bills to extend the act, leave jurisdiction in any State or Federal court, so that practically every State court in the Nation is suddenly put in charge of a complex type of litigation with which it has had no previous experience, whereas the emergency court of appeals, all through the war and up until last July 1, accumulated a massive historical experience on such matters.

THE VOLUNTARY LEASES

The matter which seems most to be bothering the members of the subcommittee according to press reports of interviews with you gentlemen, and of statements some of you have made so far in the hearings, is what to do with landlords and tenants involved in these voluntary leases in order to be fair to them now that rent control is about to be extended, in complete contradiction of the express statement on the part of Congress last year that rent control definitely would end on February 29, 1948.

As the Housing Expediter testified here the other day, there are only about three choices in solving this dilemma. One would be to raise everybody's rent 15 percent. That method would be designed to make up to the one million or more tenants who signed rent increase leases under the Wolcott Act the fact that, had they not signed such leases, they would not have been better off. They signed, in many cases, because they faced the threat that otherwise they would have no protection against rent increases come next March 1. I sympathized with the dilemma many of these one million or more tenants faced in deciding to sign such leases.

However, the great bulk of the tenants of America either refused to sign such leases or were not even extended the opportunity to do so because their landlords perhaps figured it was better to wait until rent control ended and there were no ceilings on rent rather than to tie themselves up all through 1948 on a set rental schedule. Those tenants who refused to sign such leases when they were proffered to them ran the risk of having their rents raised substantially more than 15 percent after March 1. The suggestion that these tenants now have their rents raised 15 percent or so would thus force them to do what they had declined voluntarily to do. Any formula to increase all rents by a flat percentage would be a discrimination against those landlords who had voluntarily agreed to give their tenants long leases at an increase less than 15 percent. They may have thought they were being very decent in asking the tenant to agree to less than 15 percent in such a lease, but if the suggestion now being made is written into the act raising all rents by 15 percent, these particular landlords would be justified in feeling that their decency had boomeranged against them.

There are better arguments than that, however, against raising all rents 15 percent. The most important single argument against it is that such a step would be a terrific blow to our hopes for curbing this galloping inflation and restoring a semblance of economic sanity in this country before we let inflation push us off the cliff onto the rocks of depression.

The second choice in meeting the problems arising out of these voluntary leases is to leave them in effect unchanged. This is the choice taken in my bill. This provision in my bill is based on the assumption that the tenants who signed these leases actually did receive something for their money—they received primarily a guarantee of security in their tenancy throughout 1948 which other tenants do not have and will not have even if rent control is continued and eviction controls restored. That is because these leases are iron-bound. The tenant cannot be evicted for any reason other than violation of the terms of the lease. Sale of the dwelling he occupies cannot lead to his eviction at any time during 1948 or however long the lease extends beyond next January 1. These tenants, I repeat, are therefore, safe in their tenancy and no tenant who has not signed such a voluntary lease has that same guaranteed security. Even if full eviction controls, such as proposed in my bill, are written into the law, it will still be possible for many tenants during 1948 to lose possession of their homes. Thus the tenants who did sign leases actually did get something for their money. For that reason, I do not think we must punish all of the other renters of America by raising their rents 15 percent in order to be fair to those who, for one reason or another, voluntarily entered into rent-increase leases during 1947. I was against the provision of the Wolcott Act which authorized the 15-percent increase leases, and I was against the flat statement written into the bill that rent control would end February 29, 1948, because I was sure rent control would not end and could not end so quickly, and that by writing into the law the provision it now contains, the Congress was merely scaring a lot of Americans into raising their own rent voluntarily.

The third choice in dealing with these leases would be to invalidate them—roll all rents back to what they were before those leases took effect. This step, I believe, would be unconstitutional, and I don't want an unconstitutional bill enacted. Equally important, it would be unfair to those landlords who negotiated leases in order to improve the property and obtained tenant consent to the leases on that basis. This is not to say that I do not have full sympathy for those who signed the leases I am referring to under various types of coercion and intimidation. I tried to help them last year when this whole difficulty could have been avoided. I repeat that although they may have been forced to sign such leases in order to achieve a sense of security in their accommodations, they do have that security, and so the money they are paying is not a total loss.

Those were the three choices which occurred to the Housing Expediter when he testified here recently on how the voluntary lease dilemma could be resolved in a rent extension bill. His suggested method, incidentally, was the same one which is contained in my bill—that is, allowing all such leases to continue until their termination date without raising everyone else's rent.

Now, gentlemen, the fact remains that Congress made a blunder—a bad blunder—in promising flatly last June that all rent control would end next March 1. The Senator from Delaware [Mr. BUCK], who was chairman of this subcommittee last year, told me in an exchange on the floor of the Senate last June that rent control would be extended if the need for it were proved this year, but he insisted the need would not exist and that insofar as he was concerned, the bill we passed last June would be the last rent control bill. A majority of other Members of the House and Senate took the same view.

They were wrong. They underestimated the need. They miscalculated. On the basis of a judgment which turned out to be faulty, of a calculation on their part which turned out to be over-optimistic and unrealistic, over a million tenants and their landlords proceeded on the theory that rent control would definitely end a few weeks from now, and those tenants and their landlords proceeded to negotiate iron-bound leases protecting the tenants against that eventuality, and, at the same time, granting the landlord an immediate rent increase. And now there is this feeling among some Members of Congress that extension of rent control now would, in some way, be unfair to this group of tenants and landlords.

Gentlemen, it might be unfair to most of the tenants so affected and to some of the landlords—landlords now collecting a higher rent than they might otherwise be getting—but the unfairness arising in this situation is due entirely to the miscalculations—the mistakes—of the Congress which voted last June for the individual provisions of the Wolcott Act, which caused this present difficulty. We should not force all the millions of tenants in America to suffer for that mistake.

We should, I believe, recognize the extreme and far-reaching effects of our actions in this body and should be conscious at all times of the responsibilities we have to the Nation and to the people of the Nation. That responsibility was forgotten, I am afraid, in the drafting and enactment of this phase of the Wolcott Act. If any Government agency or minor bureaucrat were to be guilty of an error in judgment of the magnitude of this one when it was made by the Congress last June, the screams emanating out of the Congress in the direction of that hapless soul would be piercing enough to hound the poor fellow to Timbuctoo, where he would be forced forevermore to hide in shame for his sins.

In all fairness, then, the Congress should admit its mistake and proceed expeditiously to remedy it. Because the whole philosophy of the Wolcott Act now in operation was that rent control was sure to expire this coming month, the act was in outline and in specific detail a rent-decontrol act.

The fallacy of decontrol so soon is now obvious. Rather than patch up a bad law as you might retread an old tire for a few more miles of duty when you are still on a long trip, we should go back and correct the fundamental weaknesses of this act and restore rent control, insofar as possible, to what it was prior to last July 1.

It is not possible to restore it completely to its old form in view of the irreparable damage already done through such provisions as widespread decontrol and the 15-percent leases. But we must get back as closely as possible to the previous act, which was designed to run as long as the need for it existed, whereas the Wolcott Act was expressly designed as nothing more than an 8-month stopgap.

Now, to be specific, in connection with the changes provided in my bill:

1. Eviction controls: The present act, for the first time, sets up definite standards governing evictions by law. Previously, the authority to regulate eviction rested with rent-control officials who, in turn, set standards which, on the whole, operated fairly. The OPA, and later the Housing Expediter, set uniform policies and provided, among other things, for stipulated waiting periods before a tenant could be evicted. These waiting periods were designed to prevent those who could afford to buy homes from evicting the occupants overnight when, in hundreds and hundreds of instances, there was just no place for the occupant to move.

These waiting periods undoubtedly caused a certain amount of inconvenience and perhaps even hardships to families who had purchased homes because they could find no other way in which to obtain shelter, and then had to wait to get into them, but the inconvenience was at least overcome by the fact that these same purchasers were often protected in their old quarters until they could move into their new ones. Even though there was a high turn-over in real estate during the period in which these waiting periods on evictions were in effect, it was mild compared to the experience since last July when tenants became subject to eviction on almost no notice at all. A prospective purchaser, who might otherwise have kept up the search for a vacant dwelling, knowing he would have to wait as long as 6 months to get the occupant out of a property he bought, now has to wait at most only about 30 days to get into his new house, and the inclination then is to go ahead and buy.

I am certainly no opponent of real estate sale of tenant-occupied properties, but I do think that in view of the continuing shortage of available rental housing—and the tremendously inflated costs of new homes—it is cruel and un-American to allow Americans to be pushed around and deprived of any security whatever in their occupancy of a home. Many cities have attempted to meet this problem by setting up local eviction controls but, as has already been testified here by representatives of some of the cities, it appears likely that many of these local ordinances will be found to conflict with State constitutions or State laws.

Some of the proposed rent-control bills before you would specify definite waiting periods prior to eviction. My bill refrains from writing into law inflexible standards which may become onerous or impractical in particular areas or situations, and instead, it restores the power to the Housing Expediter to establish what standards the day-to-day conditions warrant. As housing supply becomes more nearly in line with demand, these rules can be relaxed. If written into law, however, they could not be relaxed or strengthened, either way, except by law. A few months after the Congress enacts this new rent legislation, the Eightieth Congress will be drawing to a close and it will be next January before any changes could take place in rent laws. On the other hand, if he had the necessary authority, the Housing Expediter could, and should, revise regulations according to developing conditions.

The present eviction control standards, besides their general inadequacy, work hardships on landlords as well as on tenants. Under a law setting up a narrow range of fixed reasons for evictions, the landlord finds himself bound in without any recourse. To give a simple illustration: under OPA, and until last July 1, a property owner could obtain possession of his property for members of his immediate family—a veteran son, for instance, just back from the service; a daughter who might marry. Under the present act, however, with its definitely stated eviction causes, the landlord can evict a tenant on possession grounds only if the landlord himself is to occupy the premises. This is much too strict a standard and allows no leeway for circumstances or cases. Now, rather than patch up this inadequacy by amending the law to set down additional standards for eviction, the sensible thing to do is to restore to the proper officials, the Housing Expediter's Office, the authority to set standards according to conditions, rather than according to the theories of this Member of Congress or that.

The worst feature of present eviction controls, or lack of them, is that no one today knows what is occurring in this country in regard to evictions under the present act. The Joint Committee on Housing has no reliable information on it. The Housing Expediter has no way of finding out, for no one has to inform him of any eviction actions. This committee of Congress perhaps could have found it out if it had put its staff to work on the assignment, as I had requested it to do last November in urging that hearings be held during the special session of Congress on rent control extension.

I pointed out, in a letter to Chairman TOBEY November 16, that since the decontrol features of the Wolcott Act were based on the thoroughly mistaken expectation that rent control could end by March 1, 1948, that the hearings should develop whether there was any justification for the relaxations in controls which were legislated in the Wolcott Act. Those relaxations which could not be justified in terms of results, should, I said then, be corrected in a new bill.

As for eviction controls, I asked that the committee determine through its hearings and the efforts of its staff whether elimination of Federal controls has, in any way whatsoever, contributed anything to the alleviation of the housing shortage—which is, of course, our fundamental concern. I asked, also, that a complete picture be obtained by this committee of the extent of hardship which has been visited upon tenants as a result of the elimination of eviction controls and the fact that masses of our people can be and have been thrown out on the street on 30 days' notice or less.

I do not know whether the committee is in possession of any factual information on this matter. I sincerely think that unless proof is available that these hardships on the part of many Americans are making it possible in some way for more housing to be built, that we must end those hardships by restoring controls.

We know the hardships are occurring. We don't know whether they have been worth it in terms of additional housing. There is no evidence that it has been worth it. Therefore, I say, in the absence of any evidence, that it is in the public interest for tenants to be subject to 30-day dispossession of their homes in this period of acute housing shortages, let's protect the tenants.

The original real-estate industry has a novel argument against this; one which perhaps has not been brought to the attention

of the committee, but which certainly has been brought to the attention of real-estate brokers. It is this:

"The larger part of the housing market for years has been persons who bought existing homes for their own occupancy. If this is shut off by legislation, wouldn't the business of realtors be most seriously affected?"

Now, of course, no responsible person proposes that all tenants be frozen indefinitely in occupancy. It is a very brazen distortion of fact to say that the reestablishment of waiting periods in evictions would seriously affect the real-estate broker. All during the war, and up to last July, brokers made sales and commissions on sales involving tenant-occupied properties. The brokers will continue to sell tenant-occupied homes under my bill and will continue to make their fees. The difference is, however, that the tenant would have a breathing spell in which to find new quarters. Is that too much for him to ask for?

By restoring the old Federal controls over evictions, as my bill provides, he would end this travesty in which no one knows what is going on in such a fundamental field as housing. There are no over-all statistics. There is no central information. To evict a tenant under the present act, the landlord goes to the justice of the peace or to his local courts and gets a writ, and that's about all there is to it. The newspapers may mention the fact. No one keeps count. Numerous cases have been called to my attention of landlords suddenly deciding to occupy quarters they had rented out and often this decision came soon after the tenant had refused to sign a 15-percent rent-increase lease or had perhaps complained to health officials or rent officials over the maintenance of the property.

2. Recontrol of dwellings decontrolled under the Wolcott Act: The major argument for decontrol of various types of housing last June, including new construction and new conversions, along with units which had not been rented during the prior two years, was that this would give a tremendous impetus to new construction and to conversions and would coax out of hiding a lot of housing kept off the market because of owner indignation over rent control. Now undoubtedly this has taken place to a degree. The big question mark is how effective it has been, and what kind of housing and at what prices has it brought onto the rental market. There is, unfortunately, no way of really knowing. The Bureau of Labor Statistics would probably be best able to report on this, but BLS took a heavy budget cut last year in the name of government economy, and one of the phases of its work to suffer was the collection of housing and rent statistics in many cities.

We do know that the construction industry has boomed steadily upward, as it has ever since the war ended and as it was doing under rent control up to last July 1, but do we know how much of this property is for rent and at what prices? I have seen new homes advertised for veteran tenancy—new homes and thus not subject to rent control—on such terms as $150 a month on a 5-year lease. This, mind you, for conventional six-room houses.

On the other hand—and this is very significant, gentlemen—much if not most of the large-scale multiple family rental housing now being built is being built under a form of rent control imposed by FHA. You have probably heard testimony on this from FHA officials. On all loans of $200,000 or more, FHA retains the controlling voice in the corporation involved and sets a rent based on a fair return of about 6½ percent on investment. The average rentals set under this formula are somewhere around $82 a month, including all utilities. This is certainly not low and takes into account present-day construction costs, but at the same time it is far below rents I understand are charged in new developments not subject to any controls. My bill, incidentally, provides that rents set on new construction and conversions take into account present construction costs.

It was freely predicted during the hearings here a year ago that decontrol of conversions would bring forth a flood of new units on the market, provided by home owners who would convert their upstairs space into investment property. Does anyone know that this occurred? Are there any figures available?

All I have heard in this connection is complaints from tenants that newly converted quarters they now occupy are being rented to them for as much as $115 a month for the upstairs of a house which was formerly a single-family home renting for say $55 a month. I don't know how widespread this sort of thing has been and, I'm afraid, neither does the committee nor does the Housing Expediter who, prior to last July, could have given us day-by-day statistics on what was happening.

The real inequity in this matter of turning loose new construction and conversions is one directed at the owners of older property, who are still under somewhat rigid controls. They write me with understandable indignation over the fact that while their rents have been held down, a new property next door, one which might perhaps be described as junk or of cracker-box construction, was renting at astronomical figures with no hindrance from the rent-control authorities. They ask if that is fair.

I don't think it is fair. I say the way to correct this inequity is not to turn all rents loose, as some propose, but rather to control all residential rents in the same area in substantially the same fashion. Of course, rents on new construction must of necessity be somewhat higher than the rent for a similar home built before OPA's demise let loose the terrific inflation in construction costs.

3. Enforcement powers: The Housing Expediter has already, I am sure, outlined in sufficient and convincing detail the ridiculous inadequacy of the enforcement powers the Congress left with him in writing the Wolcott Act. I think there can be no disagreement over the fact that Federal laws should either be enforced or repealed.

For example, here we have an act which says tenants can be evicted for certain reasons, but there is no machinery whatsoever to follow up eviction cases in the local courts to see that they are legal under the act. If the majority of Congress insists on allowing the present unjust and cruel eviction provisions to stand, it should, at the very least, provide the Federal Expediter with the power to enforce this law, inadequate as the law is.

But if we are going to write a good law this time, then we should restore the old enforcement powers, not only as they affect evictions but also rent overcharges, bonuses, and other illegal practices. At present the tenant can sue his landlord for a rent overcharge, but if you gentlemen are receiving the kind of mail I am from constituents, you will know that many tenants are actually living in a state of terror over prospective eviction, since, for an unscrupulous landlord, eviction is now comparatively so easy to engineer. The decent landlords are not overcharging and charging a bonus and trying to get away with illegal practices, and the decent landlord is the one who would not stoop to trickery to get a tenant out. I emphasize this because the chairman of the subcommittee, I understand, has questioned the accuracy of any statement that many tenants are living in terror of their landlords under this act.

Such tenants do not sue their landlords for overcharges unless and until they have given up all hope of staying in the dwelling. That kind of protection against violations of the law is farcical.

You have already heard testimony on how overcharge damage suits plummeted down to an extremely low volume per month after this present act went into effect last July. Now that could mean that those landlords who tried to flaunt OPA in the days when there was effective enforcement have suddenly turned into law-abiding citizens, now that all enforcement has virtually been repealed. But I don't think it indicates that at all.

4. Reestablishment of exclusive jurisdiction of the Emergency Court of Appeals: This is an attempt to restore some of the continuity to the judicial aspects of rent control. The Wolcott Act, as you know, lodged jurisdiction on appeals from administrative rulings with those courts "which historically have had such jurisdiction." It leaves matters up in the air. Previously the Emergency Court of Appeals had gained extensive experience in reviewing the reasonableness and legality of agency rulings on rent matters, and from all I can gather, was regarded as fair in its conduct. Now sundry courts throughout the land, with little or no experience in these matters, are suddenly made experts on this very complex subject of rent regulations, and the lack of uniformity in decisions which develop from such a situation is obvious.

There is room in rent-control administration for area differences, but there is no room in effective Federal control for vast differences of opinion among courts all over the Nation as to the legal aspects of rent control. I think the landlord, particularly, would benefit from having a court experienced in this matter enjoy the jurisdiction over it.

These are the major changes in my bill from the present act. Much of the machinery for carrying out these changes comes under grants of administrative discretion. I think such discretion is necessary to a fair and equitable operation of rent control. I think some of the bills to strengthen some of the features of rent control provide too little discretion and set up too rigid requirements in regard to recontrol and rollbacks.

APPROPRIATIONS

My bill provides for continuation of present machinery for the granting of so-called hardship rent increases in individual adjustment cases. These powers, by themselves, are meaningless unless the Housing Expediter has the funds to administer them promptly and fairly. When Congress cut the appropriation for the Housing Expediter last year, it did a disservice, I feel, to all landlords who are entitled to rent increases and have to wait unduly long for processing of their applications. This is the wrong kind of economy. I know that this matter is not properly before this committee, but I think the committee in its report should stress the importance of providing sufficient funds so that all individual cases can be handled expeditiously.

I have found an alarming lack of knowledge on the part of many small property owners of their perfectly legal right to seek—and in most cases—obtain rent increases commensurate generally with the increases in their net operating costs. I think the real-estate industry, as an industry, has failed this segment of the industry, by not making them aware of their rights. The bigger operators, I am sure, are perfectly aware of their opportunities to seek adjustments and seem to be making good use of them.

If all the landlords entitled to individual adjustments were to apply for them, as they should, the work load on the Housing Expediter's staff will be great and additional funds no doubt will be needed. They should be granted.

FURTHER PROPOSALS

My bill provides only a 1-year extension for rent control. At the time I submitted

my bill last July, it was right after the Congress had flatly stated rent control was to have only an 8-month life until March 1, and would end abruptly then. When I introduced my bill, it seemed optimistic on my part to ask even for as much as a year's extension beyond March 1. Now, however, nearly all of the bills before you, including those from members of the majority party, specify an extension of at least until June 30 of 1949, and in some instances for as much as 2½ years. I think everyone is convinced by now that not only can rent control not end next month, but it probably cannot end next year. I would suggest, then, that my bill be amended to provide for the termination date no sooner than June 1949, and later, if the committee will consider it.

I think it would be highly proper to put into the bill, too, standards on the composition and activities of local rent advisory boards. My bill makes clear that the recommendations of these boards must be substantiated in the judgment of the Expediter if they are to be approved. I have the feeling the committee may try to tie down the Expediter quite narrowly on this, and I urge caution in the setting up of any straight and narrow requirements which may be found to be impractical at a time when the Congress will not be in session to correct the situation.

CONCLUSION

We are again experiencing a last-minute rush to save rent control from a premature demise. We had the same experience last June. So far, the House has not even scheduled hearings on the matter, although rent control is to end in less than 30 days. In the last-minute rush last year, we passed a bad bill, a bill based on a grievous error of judgment that it would be possible to end rent control this soon.

The committee has a mighty difficult job and wants, I am sure, to be fair. The simplest method of eliminating many of the present complaints against rent control would be merely to authorize blanket across-the-board increases. But it would, however, be one of the greatest contributions we could make to further inflation.

Rents cannot be considered an isolated part of the economy. General rent raises will cause further inflation and the landlord will again suffer a squeeze. The only way to be really fair to all landlords as well as to tenants is to go after this inflation and halt it. The committee must consider rent control as one part of an over-all attack on the cost of living, on an inflation which is hurting the landlord, particularly, because his income is generally static while living costs rise.

It has come to my attention that there is now pending in the House District Committee a bill by Representative O'HARA, a high-ranking majority member of that committee, providing for an extension of rent control in the District of Columbia—as is—for another year beyond March 31. I suspect that Mr. O'HARA's bill reflects the attitude of the majority party leadership, since the leadership and the Congress last year extended rent control in the District of Columbia without change while completely changing the entire concept of rent control for the remainder of this country.

Hence, Members of Congress living in the District of Columbia were not subject to the 15 percent "voluntary" increases arranged for the tenants in other parts of the country. Hence, too, eviction controls have remained strong in the District while being abandoned elsewhere. Hence, too, enforcement of rent control is strong here while practically nonexistent elsewhere. Hence, Members of Congress are well protected and will probably continue to be well protected as tenants for another year.

If we do not provide substantially similar protection for America's tenants elsewhere, then the Congress will be justifiably subject to the most vigorous criticism.

The St. Lawrence Seaway

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD a statement regarding the St. Lawrence seaway prepared by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WHAT A VOTE AGAINST THE ST. LAWRENCE SEAWAY MEANS

I have spoken in the Senate on the many advantages of the St. Lawrence waterway and power project to America—its great importance for our present generation and for all the generations that are to come. I should like now to present some thoughts as to what a vote against the St. Lawrence seaway means.

I respect, of course, the judgment of every Member of the Senate who casts his vote in accordance with his conscience, whether it be for or against the seaway. However, I do feel that those Members who are opposed to the seaway should be fully informed of the grave implications of their action, if they are not yet so advised.

ANTISEAWAY VOTE HURTS NATIONAL DEFENSE

On the basis of national defense, a vote against the seaway is a blow struck against the national defense, according to the statement of the Joint Chiefs of Staff and according to the testimony presented to the committee by Secretary of State George C. Marshall, as well as the views submitted by every leading miltary authority consulted by the committee and of men who wrote to the committee—General Eisenhower, Admiral Leahy, General Eaker, and others. (This is with the lone exception of two military men who testified against the seaway but who, according to their own open admission, had not read fully the voluminous background of the seaway.)

From the standpoint of an American interested in the development of the natural resources of his own land, a vote against the seaway (for which the appropriations in any one year would be around $70,000,000) is ridiculously inconsistent with American expenditure of over $15,000,000,000 since the end of the war for foreign purposes, exclusive of military aid and occupation costs.

From the standpoint of any American, a vote against the seaway is a capitulation to fear, to fancy, to folly, to frustration, to the most narrow and provincial selfish interests of a few.

From the standpoint of any of the other sections of the country requiring appropriations for their own internal improvements, a vote against the seaway is a dangerous precedent against future action calculated to sustain whole regions of our economy to develop wealth and economic health.

ANTISEAWAY VOTE VIOLATES BUSINESS OPINION

From the standpoint of American business, a vote against the seaway is a vote against expansion of the American free enterprise system, and it is a vote against the overwhelming support of the seaway by American business, expressed in every poll of business opinion (as well as of public opinion).

ANTISEAWAY VOTE IGNORES POLITICAL LEADERS

From the standpoint of a member of the Republican Party, if a Republican votes against the seaway, he ignores the judgment of the outstanding leaders of the Republican Party of today and yesterday—former President Herbert Hoover, Presidents Harding and Coolidge, Presidential candidates Harold Stassen and Thomas Dewey, Charles Evans Hughes, Henry L. Stimson.

From the standpoint of the Democratic Party, if a Democrat votes against the seaway, he recklessly sets aside the judgment of President Truman (who recently again endorsed the seaway in a special letter to the Senate) as well as the judgment of the late President Franklin D. Roosevelt and of former Secretaries of State James Byrnes, Cordell Hull, Dean Acheson, and countless others.

ANTISEAWAY VOTE HURTS AGRICULTURE

From the standpoint of American agriculture, a vote against the seaway is a vote which spurns the judgment of the National Grange, the American Farm Bureau Federation, the National Cooperative Milk Producers Federation, and countless other agricultural organizations which have endorsed the seaway as vital to agriculture for relatively inexpensive transportation of foods.

From the standpoint of American labor, including railway labor, a vote against the seaway is a vote against future jobs which will be created not only during the construction of the seaway but far more important, which will develop from the building of this great highway of commerce to fill the needs of a growing nation.

ANTISEAWAY VOTE HURTS NEW ENGLAND, MIDWEST

From the standpoint of New England, a vote against the seaway and power project is a vote against the needs of the people of New England which is already desperately short of power and is already suffering from a loss of production and employment as a result of this power deficit. (The seaway and power project are, of course, an interrelated unit which must be developed together.)

From the standpoint of the Middle West, a vote against the seaway is a vote which denies the Middle West access to deep draft oceanic shipping and which denies the Middle West the opportunity for the use of Labrador ores which will be absolutely indispensable if the Middle West industry is to be maintained after the expected early depletion of the Mesabi Range.

From the standpoint of engineering, a vote against the seaway is a vote against a project which has been described as an engineer's dream because with the small amount of improvements required for the short distance of 119 miles, a great artery over 2,300 miles long will be opened up and one of the great power projects in the world will be developed.

From the standpoint of an economy-minded citizen, a vote against the seaway will inevitably mean a terrific drain on the Federal Treasury because billions of dollars will be required in Federal funds for the development of plants which could use low-grade ores once the Mesabi range is depleted.

CONCLUSION

The Great Lakes-St. Lawrence waterway will sooner or later definitely be enacted. Future generations will hold us to account if it is not enacted in the Eightieth Congress.

Opponents will stand accused before history of lack of wisdom, lack of foresight. The Senators and Congressmen who supported the Panama Canal have obviously been vindicated. The Senators and Congressmen who support the Great Lakes seaway need no vindication whatsoever now, because of the tremendous wealth of evidence which supports their patriotic stand, but history will doubly confirm the justice of their action.

I pray that we of the Eightieth Congress be adequate to our responsibility.

American Aid to the Peoples of the World

EXTENSION OF REMARKS
OF
HON. ARTHUR CAPPER
OF KANSAS
IN THE SENATE OF THE UNITED STATES

Friday, January 30 (legislative day of Monday, January 26), 1948

Mr. CAPPER. Mr. President, I send to the desk and ask unanimous consent that there be printed in the Appendix to the RECORD the testimony of Mr. Walter White, secretary of the National Association for the Advancement of Colored People, on the European recovery plan before the Senate Committee on Foreign Relations, January 27, 1948.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I appear today to voice support of the basic principles of American aid to the war-ravaged peoples of the world. Such aid should be given in human kindness to the fullest extent of our capacity to do so. I make this statement at the instruction of the board of directors of the National Association for the Advancement of Colored People, speaking on behalf of the 1,627 branches, youth councils, and college chapters of the association and its biracial membership of more than one-half million Americans.

Whatever aid is voted by the Congress should be given without political or other strings. We should neither ourselves use nor permit to be used for political purposes the aid we give.

The European recovery or Marshall plan admittedly is a stopgap and temporary program. It is unfortunate that it has become embroiled in both national and international politics. Already its original motivation, rooted in the traditional generosity of the American people to aid others in times of distress, has been largely obscured by the real or alleged purposes attributed to the plan. But it is the hope of the NAACP membership and, I am certain, of countless other Americans that as far as is humanly possible unworthy motives and political implications will be speedily and permanently eliminated. We believe that this can be done, and I shall quite briefly lay before the committee certain suggestions for its consideration. I should like to preface these suggestions with the observation that unless the United States and all other nations which are able to do so cooperate in feeding and helping to rehabilitate war-devastated areas of the earth the physical suffering and the obliteration of hope all over the earth will almost inevitably lead us into another war whose consequences, in the light of the splitting of the atom and of a germ warfare, are too frightening to contemplate.

During the war I traveled as a war correspondent in both the European and Pacific theaters of operation. I was, thereby, enabled to see not only the physical destruction of bombing and shelling but the even more tragic harm done to the bodies and aspirations of human beings of every race, creed, color, or political orientation. I was convinced as never before that mankind's concentration on devising ever more devastating weapons of war was leading us to a situation which imperiled the entire world. Unless we can find speedily some means of eliminating war and of providing security to human beings everywhere there is little hope for civilization.

Let me repeat that we urge that the Congress vote the full sum requested for the program. It will be a strain upon our resources but, with proper safeguards, our economy can stand that strain. We urge extension of aid not only to the countries of Europe, but to the needy in Asia, Africa, and the Caribbean. In this connection, there is almost as much physical suffering as a result of the abysmal failure of a rubber-raising experiment by the United States Government in Haiti as in some of the worse spots in Europe. I want to remind the United States Senate that hunger is as painful to brown, yellow, and black stomachs as it is to white ones.

In this connection I would like to ask consideration of expansion of the recovery program to ask every other nation to give whatever surplus of food, machinery, or technical skill it possesses to aid those less fortunate than themselves. No other nation is as fortunate in being able to give aid as is the United States. But Russia, some of the countries of South America, and even some of the countries of Europe, can give assistance to others or will be able to do so in the future when American aid enables them to reestablish production and a more stable economy.

The facilities, both present and future, of the United Nations as a world organization should be enlisted in the distribution of aid and the implementation of the recovery plan.

We do not know what controls should be established in the distribution of aid, but certainly safeguards are necessary to insure first, the equitable distribution based upon need; second, the prevention of use of assistance for political purposes by ourselves or any other nation; and, third, to prevent the kind of misuse of American materials which has occasionally been true. A distinguished and reliable diplomat told me recently that American cigars and cigarettes were sold at the current black-market prices at a dinner party given by the high officials of a certain European country. I, myself, saw another nation enjoy the gratitude of the starving people of a European country during the war when American food was distributed without mention of the fact that the food was given by America.

Several of the European nations which are to benefit from this relief plan, if it is voted by the Congress, receive much of their economic strength from colonies in Africa, the Caribbean, the Pacific, and Asia. Some of these European countries have made it clear, now that the war is over, that they contemplate no fundamental change of the status of their colonials. In aiding these white nations of Europe to rehabilitate themselves, we of the United States have a moral obligation to require that these countries adopt programs under which people currently subject to their rule shall speedily be given the right of self-determination and the chance for freedom which these nations ask for themselves. It would be utter folly for the United States to help white Europe to rehabilitate that part of the world and permit it to continue to deny freedom and opportunity to colonial peoples. It would be folly because we have already seen in Indonesia, Asia, and Africa that the myth of white superiority has been destroyed forever. Nothing will speed World War III more than attempts to reestablish white supremacy. Any effort to do this will speed revolt among the hundreds of millions of brown, yellow, and black people who are determined to have freedom also.

Closely tied in with this is the necessity of assuring equitable treatment of Americans, particularly of minorities, here at home. A dozen European recovery programs cannot overcome the danger to the good name of the United States which is daily being done by the continuation of discrimination based on race, creed, color or national origin. Within the last month the United States Army has found it necessary to send a directive to all of its personnel reminding them that race and religious prejudice in the United States is doing more than any other thing to lower the prestige of the United States abroad and to cast doubt upon the integrity of our intentions.

Finally, the foreign aid we give is going to keep in short supply most commodities in domestic consumption. Already the current prices for many foodstuffs and other commodities are in excess of the black market prices of the days of price controls and rationing. The steadily rising spiral of inflation which is already taxing to the bursting point the budgets of small-wage earners and others will inevitably be accentuated by the European recovery plan. It is absolutely imperative, therefore, that a comprehensive system of controls be formulated and enacted now by the Congress. This should be a comprehensive one which takes into consideration the viewpoints and needs of every element of the American people—management, labor, the white-collar class and especially minorities who are limited by bigotry in earning a decent living.

We endorse the recovery program and pledge our aid to its fulfillment. But we believe its chances of success in helping less fortunate peoples of the earth to reachieve a normal way of life can be fulfilled only if we throw about the aid we give the broad understanding, the unselfishness, and the determination to help all those in need irrespective of race, creed, place of residence and political belief. By so doing we shall demonstrate that the free society of which we boast can be made a reality and thus demonstrate its superiority above all others.

Mahatma Gandhi's Kind of Power

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. HAYS. Mr. Speaker, I listened with appreciation to the appropriate comment by the gentleman from New York [Mr. KEATING] on the tragic death of Mahatma Gandhi. Whatever differences we of the west might have had with the distinguished leader of millions of people in the Orient we all admired his steadfast devotion to the ideals of peace and his advocacy of the settlement through nonviolent methods of the controversies of his country. The following comment by the Christian Science Monitor appeared prior to Gandhi's death and is, therefore, all the more significant. The Monitor editorial was entitled "Two Sorts of Power," and under leave previously granted I include this interesting tribute to the methods adopted by the fallen leader:

TWO SORTS OF POWER

Looking back on Mahatma Gandhi's fast, one is struck with its significance in a world bristling with arms. Here is the challenging evidence of a power totally different in kind from the brute material force which is still the court of last appeal for sovereign states unrestrained by world law.

There is no guaranteeing the permanence of the concessions and pledges he has won from all parties. Yet the fact remains that a nation has moved in the direction of peace because one man appeared ready to stake his life on men's innate response to an unselfish ideal.

The International Racket

EXTENSION OF REMARKS
OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. REED of New York. Mr. Speaker, I realize that for me to attempt to defend our Republic against its ruthless destroyers, the internationalists, interventionists and Communists, is like a lone voice crying in the wilderness.

Through the communistic-ridden State Department, aided and abetted by the group I have just mentioned, equipped as they are with the most powerful tax-supported propaganda agency in the world, the truth relating to the activities of the Truman administration here and abroad is submerged and obscured by a flood of false propaganda relating to our domestic and foreign affairs.

Once the sovereign citizens of our Nation know the truth, the whole truth, and nothing but the truth, there will be a house-cleaning in this Government which in thoroughness will far exceed that of the purification of the Augean stables by Hercules, and it will not be a mythical cleansing of our bureaucratic government either.

It has already been demonstrated that the corrosive influence operating day and night to weaken the foundations of our free Government cannot be removed in a day as was alleged to have been done by Hercules when he directed a river through the Augean stables.

Yet much can be done on November next, this year, 1948.

Now, then, I may not be able to get the truth to the country at large through the medium of this and other speeches, but the citizens I have the honor to represent will be given the facts so far as I am able to ascertain them. I can say this, however, that once they have the facts in their possession with reference to any issue upon which their mature judgment may be brought to bear, either on foreign or domestic issues, their conclusion as to what should be done with reference to the issues will be sound.

I know that one of the burning issues right now is shortages and inflation, which means of course a steady advance in price of food, shelter, clothing, and practically everything grown or manufactured in this country.

What has been the cause of the ever increasing inflation and shortages?

Increase in currency.

Devaluation of the dollar.

Deficit financing from the very first of the Roosevelt administration.

Exports of goods to foreign countries paid for by our taxpayers.

How have the internationalists and interventionists contributed to our shortages?

This group has insisted on one world and the sharing of our taxpayers' money and their savings among nations. The result of this has been that billions and billions of dollars of our taxpayers' money have been poured into foreign countries with no other purpose than to share the wealth with the people of the world. Neither accounting nor control has been required of those nations which have been the recipients of the New Deal largess.

The program of the internationalists in our own Government has been to send billions of dollars abroad as loans, gifts, and credits, which will never be repaid except as a few of our industries will profit from the sale of their products abroad at premium prices paid for with our taxpayers' money. Articles sorely needed here, which cannot be obtained by our taxpayers except in some instances at a premium price in a gray market, are shipped in vast volume abroad whether needed there or not.

The latest scheme of the internationalists is to put the entire world, except our own taxpayers, on a permanent annual allowance of our dollars to the extent of from two to six billion dollars a year. Another proposal published in Lloyd's Bank Review, London, October 1946, from the pen of a Princeton professor, is that an international employment stabilization fund be created to prevent mass unemployment. This fund of from thirty to forty billion dollars to lend at critical times to the most suitable applicants, however poor credit risks they might be, to the extent necessary to get its funds into operation.

Do I need to tell our taxpayers that this capital of thirty to forty billion dollars to carry out this international scheme would be largely furnished by them? Then along with this proposal comes one from another source that would have 10 percent of the total output of this country be set aside as a contribution to world rehabilitation for a period of 10 years. This, too, at our taxpayers' expense.

There are many other grandiose plans to make taxpaying slaves of our people by these inflationary schemes, one of them being the Marshall plan. A very ingenious scheme has been hatched to create the expenditure of $17,000,000,000 abroad. It is a program to dismantle productive industrial facilities in Germany in the American, English, and French zones of occupation to create shortages of food and other necessities until the industries now being dismantled can be rebuilt outside of these zones with our taxpayers' money. In the meantime our taxpayers will be kept short of oil, building material, food, and other necessities which could be supplied from the industries now being torn down by the short-sighted program of the English, the French, and our own internationalists. I am not referring to the dismantling of war industries.

On December 27, 1947, Herbert Hoover warned:

> At a time when the world is crying and even dying from lack of industrial production, we apparently pursue the policy of destruction of the gigantic production equipment in the western zone of Germany. It means less essential goods to all Europe, greater delay in recovery of the world, and larger drains on the American taxpayer.
>
> I can only repeat a statement—

Continued Mr. Hoover—

> in my report of 10 months ago: "The removal and destruction of plants, except arms plants, should stop. * * * We can keep Germany in economic chains but it will also keep Europe in rags."

What are some of the German plants now being dismantled?

They are plants necessary for the production of the very articles of food and necessities, including nitrates, pipes for conveying fuel oil, and other factories, numbering almost 918.

This whole plan of destruction of plants in the British, American, and French zones is contrary to the advice of our leading American economists.

Furthermore, the plan is neither approved by the Hoover mission nor by most of the Senators and Representatives who have visited Europe with an open mind to study the subject of aid for reconstruction.

The following table taken from a publication by Common Cause, Inc., gives a list of war plants and surplus industrial plants in the three zones, as follows:

	United States zone	British zone	French zone
Total number	186	496	236
War plants	104	198	36
Surplus plants	82	298	200

Among other things the Herter committee report shows that the urgent needs of the 16 nations participating in the Paris Conference would mean raising the minimum steel deficit in the United States from 1,600,000 net tons to 5,000,000 net tons, a staggering deficit to impose on the consumers of steel in the United States, so runs the report.

These industries in the three zones in Germany which are being rapidly dismantled will place the burden of furnishing the products upon our taxpayers, which would ordinarily be produced by the plants now being dismantled. This means that our people must suffer a further shortage of steel cars to haul our grain, less fuel oil to heat our homes, lack of industrial equipment, fewer farm implements and parts, and practically no nitrates for our own farmers.

I mention the latter because the foreign plant destruction program calls for the dismantling of Europe's biggest nitrogen fertilizer plant, at Oppau. The nitrogen deficit in Europe will be supplied from this country. The cost of all this destruction and dismantling of nonwar plants in Germany will be paid for by our taxpayers. The shortages of the articles of prime necessity here which might have been produced abroad will be drawn upon for export to Germany. Here again our taxpayers will pay the bill as well as suffer further shortages not for 1 year but for years to come.

I have caused a factual survey to be made touching the present shortage of steel in the United States. Here it is in question and answer form:

1. Question. What was the prewar production of steel?

Answer. In 1939, a prewar year, the United States produced 52,800,000 tons of steel.

2. Question. What is the present production of steel?

Answer. The present rate of steel production in the United States is estimated at 88,000,000 tons.

3. Question. What are the prospects for increased production of steel?

Answer. The reported production objective for steel in the United States is 92,000,000 tons for 1952.

4. Question. Is steel allocated?

Answer. No. Pursuant to Public Law 395 (80th Congress), however, the Steel Industry Committee met on January 8, 1948, and decided on a policy of steel allocation. A program of allocation, therefore, is now in the making.

5. Question. How much steel was exported?

Answer. Three and eight-tenths percent of all steel produced in the United States was exported in 1936. Seven and seven-tenths percent in 1937. Nine and nine-tenths percent in 1946. Ten and si :-tenths percent was exported during the first 5 months of 1947.

6. Question. To what countries have steel exports been sent?

Answer. For the first 5 months of 1947, 6 percent of available steel exports was sent to Africa; 3.5 percent to Russia and eastern Europe; 10.5 percent to Asia; 13.5 percent to Canada and Mexico; 23.5 percent to western Europe; and 43 percent to Latin America.

7. Question. Is there a black market in steel?

Answer. (a) On September 2, 1947, "World Report" made the following comment on the United States domestic steel shortage:

"Europeans have a hard time trying to reconcile American Steel exports with American Government policy. Allies of the United States in World War II note that one out of four shiploads of steel for Europe in 1946 went to former neutrals, Eire, Switzerland, Spain, Portugal, the Azores and Sweden. None of these suffered any appreciable damage in the war.

"The countries of western Europe, now at work on the Marshall plan, are wondering if the United States will continue to allow 13.5 percent of its steel shipments to Europe to go to the countries behind the iron curtain, where Russia is trying to organize a rival plan.

"Nearly all of the European countries in Russia's sphere of influence have imported steel from the United States in recent months. Although the amounts usually have been small, they have been showing a tendency in some cases to increase rapidly.

"Largest buyer in the Soviet group, except for Russia herself, is Finland, whose steel imports from the United States jumped from $104,716 in April, to $757,000 in May, to $818,270 in June. It is probable that a large proportion of such imports eventually find their way into Russia as reparations in the form of manufactured goods.

"Albania, whose government outdoes all others in vilifying the United States received an average of only $2,500 worth of steel from the United States during the first quarter of 1947. In April Albania stepped that up to $33,000; in May to $70,000.

"Tiny Albania actually bought more steel from the United States in May than Greece did, although the United States is supporting Greece in the dispute between the two countries.

"Yugoslavia, principal opponent of United States policy in the Balkans, also has regularly been buying American steel."

(b) On September 12, 1947, Senator EDWARD MARTIN, chairman of Senate Steel Subcommittee To Study Problems of Small Business, said the following:

"This committee has uncovered a definite gray market in steel. Some industry witnesses who appeared before us early in our hearings twisted and squirmed in an effort to avoid admitting the existence of this gray market. It did them no good. Why they tried the head-in-sand technique of the ostrich I do not know. I do know, however, that we have sound estimates of well above 2,000,000 tons of steel which have been diverted into the gray market this year. I do know that many small fabricators of steel products have been pushed through the wringer by the pressure of the gray-market operators.

"We have had men before the committee who testified under oath they were paying an average of $280 to $300 per ton for steel. We had testimony of some cases on the Pacific coast where the price paid was as high as $600 a ton. These prices are outrageous as compared to a legitimate mill price of $75 to $90 at that time. Our staff has examined the books of companies substantiating these facts. It is a vicious condition.

* * * * *

"In exploring the dislocation of steel distribution, we have found these things:

"1. The gray market in which many legitimate manufacturers have been subjected to exorbitant prices and commissions or victimized by swindlers posing as steel brokers.

"2. Diversion of steel into other than normal channels by firms which obtained steel on the historical quota basis; steel sales under priorities where the steel was not used for priority purposes; barter deals in which mills accepted scrap in trade for finished steel which was sold on the gray market.

"3. Established users of steel, even those with priorities, unable to obtain their basic quotas from their normal suppliers. The crack down on newcomers into the manufacturing field who had no historical quota of steel and who have been forced either to go out of the market or to pay gray-market prices. At the same time some others, without historical quotas, were supplied.

"4. Expansion of integrated operations by some of the large steel companies which has contributed to loss of supply for small manufacturers and erecting concerns. Steel mills have withdrawn distribution from certain areas, ruthlessly leaving former customers high and dry. In many cases, historical quotas have been totally ignored."

(c) On the same day, before the same subcommittee, Benjamin F. Fairless, president, United States Steel Corp., said:

"The question of gray markets has been raised. In the light of the facts submitted to this committee, it is obvious that some tonnage of steel products has been sold in the gray market.

"While we do not know the amount of steel moving in these channels, we deplore the fact that any steel should be sold at exorbitant prices or used for other than regular fabricating purposes.

"From my knowledge of the industry, there appear to be two ways in which steel in this category can originate. First, from warehouses which have sold steel in bulk instead of performing their normal function of selling in small quantities to numerous customers. Second, certain fabricators receiving steel from regular sources for normal fabricating purposes may have found it more profitable to resell that steel in the form they received it rather than actually to fabricate it into their own finished products."

How steel production has shifted

[In thousands of tons of ingots and castings]

	1939 production	Present rate	1952 objective
NORTH AMERICA			
United States	52,800	85,000	92,000
Canada	1,509	3,000	3,500
Total	54,309	88,000	95,500

How steel production has shifted—Continued

	1939 production	Present rate	1952 objective
WESTERN EUROPE			
Germany (United States and United Kingdom zones)	18,900	3,140	12,600
Great Britain	15,119	15,950	17,900
France	9,407	6,700	12,100
Belgium	3,429	3,100	4,500
Italy	3,005	1,600	3,200
Germany, Saar	2,500	500	2,000
Luxemburg	2,016	1,600	2,900
Sweden	1,231	1,370	1,800
Austria (United States and United Kingdom zones)	750	410	750
Spain	560	660	700
Netherlands	0	130	180
Total	56,917	35,160	58,630
SOVIET AREA			
U. S. S. R.	20,719	18,000	27,900
Czechoslovakia	2,555	2,500	2,600
Poland, postwar territory	2,400	1,600	2,200
Germany, Soviet zone	1,400	190	350
Hungary	806	600	800
Rumania	304	70	350
Yugoslavia	240	100	840
Total	28,424	23,060	35,040
ASIA-AFRICA			
Japan, prewar territory	7,055	900	3,850
India	1,138	1,400	2,750
Australia	1,346	1,300	2,000
Union of South Africa	345	620	1,500
Total	9,884	4,220	10,100
LATIN AMERICA			
Brazil	125	515	825
Mexico	77	275	350
Chile	3	50	100
Argentina	0	130	350
Total	205	970	1,625

Source: World Report, Aug. 12, 1947.

SCARCE STEEL—A BIGGER SHARE OF UNITED STATES PRODUCTION GOES ABROAD

Percentage of United States steel production sent abroad

1936	3.8
1937	7.7
1946	9.9
1947 (first 5 months)	10.6

The customers

Country:	Percentage sent
Latin America	43.0
Western Europe	23.5
North America	13.5
Asia	10.5
Africa and Oceania	6.0
Russia and eastern Europe	3.5

Source: World Report, Sept. 2, 1947.

This disclosure is only more evidence of the stupidity of the Truman policy, domestic and foreign.

We are short 12,000,000 homes in which to house our veterans and our workers.

The great hue and cry of the international propagandists is "more dollars for the nations of the earth." It is not a case of "hands across the sea." Now it is "hand-outs overseas or else."

There is another international racket in which certain of our American exporting industrialists are participating at the cost of our taxpayers. A leading industrialist, however, who is more interested in our flag and our Government than he is in any foreign socialistic-controlled government or any communistic regimes abroad, now steps forward

and exposes the foreign export rackets. I here insert The Export Trade Fallacy, by C. M. Burgess, president, Burgess-Norton Manufacturing Co.:

THE EXPORT TRADE FALLACY

Most everyone of importance states that the United States must have a large export business if a depression is to be avoided. This statement comes from sources, who on many other subjects have widely divergent opinions but on the subject of the necessity of export business seem to have conspired to mislead the public. The public—the man on the street, the farmer, and the laborer—believe these statements because they hear or read of nothing in dispute of the cry for more export business. The subject should be viewed in the light of reality and in consideration of present and probable future world conditions.

Export business at the expense of the taxpayers, whether industrial, farm, or natural products, is not essential to this country. In fact, in view of past experience, present, and probable future domestic and world conditions, export business in any large volume on a credit basis, as advocated by its proponents, would be very detrimental to the United States at any time.

We are advised by the Department of Commerce that for the past 12 months our exports have been about 17 percent of our production, largely on a credit basis, and proponents of export business urge an increase in that figure. In 1939–1940, goods exported amounted to 9 percent, all on a cash basis. These were good normal years of business, profits, taxes, wages, and employment. A dollar was worth $1.10. Now we have 17 percent export business, doubled and tripled taxes, necessarily inflated wages, and a 50-cent dollar, with no prospect of any improvement. In 1939–1940, we were paid by the other countries for everything we exported and we in turn paid these countries for our imports. In 1946 and 1947, the taxpayers of the United States furnished the money with which the foreign countries paid for our exports, and we continue to pay those same nations for our imports. We furnish the money for the "round trip." This would not be too bad if those countries would pay back the loans and gifts made them. This, as you know, they have not done and do not intend to do—even if they were able to do so. This will in a very few years bankrupt the United States and it will financially ruin us much sooner than will any reduction in our export business. In order for any foreign country to repay our loan to them, that country must send to us more goods than we send to them. The profit made on the sale of such goods to us could then be used to pay off the loan we made to that country. To be able to sell any considerable amount of goods to us, the foreign country must undersell the cost of similar goods as made in the United States. This the foreign country could do—if it would go to work. However, in that case, our own producers of similar goods would soon find themselves restricted as to domestic sales on account of imported low-cost goods, and our wages and standard of living would be greatly reduced, unless we again put high tariffs on all competitive imported goods. We have only two alternatives:

1. Furnish the money with which our exports are purchased and go broke, or

2. Stop the foreign loans and gifts, invoke protective tariffs, and get out of the export and import business.

If we follow the latter course, we will have prosperity, our own debt reduction instead of increase, and continued high standards of living for an indefinite time.

Crack-brained economists, certain isolated industries who would selfishly benefit from huge export business, and foreign government agents will not agree to this. Their propaganda working 24 hours per day in newspapers, magazines, and radio has sold the American public a fear complex—a fear that a reduction in exports will mean unemployment and depression. This propagandizing of "fear" into the minds of the American people reached its present climax when on September 3, British Foreign Minister Bevin in England called upon the United States to divide its twenty-two billions in gold, for which we paid money. Failure to do this, he said, would curtail our export trade and cause us to experience an economic depression. It was nothing more or less than the beginnings of a recipient of charity from us for over 30 years. England, the ruined, bankrupt country, begs haughtily but in panic for alms. If it would do the world and the United States any good, I would say give it to them. But it will only go the way of all former gifts and the records show that only a small percentage of those previous loans and gifts ever came back to us. England exists today only by reason of the United States military and financial assistance. Do you go on helping a person when that person makes no effort to help himself? I don't. Better divide the gold among the American taxpayers, or use it to build roads and schools and public housing.

Our own Government, still controlled by the New Deal element, attempts to influence the farmers to be in favor of foreign gift loans—by stating that a decrease in the export of grain and meat will cause farm prices to go down. The farmers want prices to go down, just so long as they can sell all of their farm products. Loss of export business will not curtail farm sales as seriously as will a consumers' strike. We already have evidence of consumers' strikes against high food prices. If lower prices for farm products result from decreased exports, then consumer costs will be less and the economic condition of the country will improve, resulting in less cost of operation of a farm. The farmer will suffer temporarily—but the general public will gain permanently. Ask any farmer if he would not rather feed cattle with lower priced grain and obtain a correspondingly lower price for his beef cattle or milk, and he will say, "Yes."

President Truman was quoted in his press conference August 22 as discouraging any tax reductions in 1948 or 1949. He said we will need any surplus to finance the Marshall plan for the economic recovery of Europe. The operation of this plan, at a cost to the United States of fifty to seventy-five billion dollars over 5 years, will ruin this country—or will at least reduce us to the standards of England and France, and make of us a second or third rate power while Russia advances to the top position. This money will be dissipated in foreign countries with no beneficial results to the United States. This same amount of money, kept in the pockets of the American taxpayers, by reason of tax reductions, will buy goods made in America, build badly needed roads, schools, houses, and provide for an adequate defense—at the same time maintaining a high rate of employment and our accustomed standard of living, and continued prosperity for many years in the future.

Ordinary common sense, not embellished with the theoretical mathematics of those who care not for the continued system of the American way of life, clearly indicates that we can well afford to give up our export business and keep our money at home. This should be our plan until we can be paid for our exports—with the other country's money, not with our own money.

Such raw materials as we must import (and they are few), and such goods as foreign countries must have from us, will continue to be purchased and sold—for cash—on a protective tariff basis. This would give us all the export business we need. Nothing other than a war will prevent or stop such necessary trading. All nations will be glad to get our dollars, and if they have to have something from us which they cannot do without, they will pay us cash for it.

Who are the proponents of this so-called free world trade? It should be called for free—from the viewpoint of the foreign buyers, as we are giving the money from our taxpayers' pockets with which to pay. * * * They are * * * New Dealers, left-wingers, poor Democrats, misguided teachers and professors, culturalists, One Worlders, and all the un-American element who want to divide our wealth with the world, because "it is the thing to do." Assisting them are the foreign propaganda agencies whose countries are jealous of our position and desire to bring us to their level. Ask any one of these people if they would like to live as the average peasant or working slave of Europe or Asia lives—give up his car, his home, exist on black bread and potatoes, and he'll say—"no, of course not!" Yet that is what will happen in this country if the theories expounded by these people and supported by such statesmen as Senator SCOTT LUCAS, of Illinois, were to go into effect. Senator LUCAS in an address to the American Legion, Department of Illinois Convention in Chicago, August 18, said that he advocates a pooling of all the food of the world's production and an even distribution to all the peoples of the world. Think a minute what that would mean. It would mean that we in this country would have about one-fourth as much food as we now have. Should we starve in order to feed others who may in 10 years or less wage war against us? Europe and Asia created the conditions that exist there today. Why should we lie in the same gutters with them?

Herbert Hoover in an address in New York on September 22, stated that the principal reason for the high cost of living in this country was because of the large volume of food which we are exporting to Europe. Just another reason why the reduction of food exports would be beneficial to this country.

Then we have certain big business interests tied in with big international banking interests who are so short-sightedly selfish that they want to have a flow of money credits going around and around, so that a few dollars will stick to their fingers as this money and these credits pass through their particular businesses.

Next we have the Communist type, the true radical, who hopes to wreck this country to where a dictatorship is necessary and believes that he will then be one of the small-fry dictators. Or the true Communist, agent of Russia, who will do anything to make it easy for Russia to take us over when we are no longer a strong Nation.

Who will suffer first and most because of the activities of the above elements? The American farmer, laboring man, small business owner, home owner. That means you.

We want tax reductions and debt reductions—not increases in either. We want prosperity and continued high standards of living. We want peace in and for this Nation, but want this country to win the next war, if and when there is one. We can't have all this if we continue to concern ourselves more with Europe than we do with the United States. It is about time the citizens of the United States began to look after their own country. Our ancestors fought for it. We should keep it for our children—not give it away to others.

It will be recalled that for several years prior to Pearl Harbor our internationalists and interventionists and war profiteers furnished more than 10,000,000 tons of scrap iron to assist Japan in her preparation to assault and demoralize our Navy. Now the same group are conducting the same warlike program to build up war machines in Europe. Tito, the dictator, has received his portion of steel

and now brags of his well-equipped war machine. All of the satellite countries of Russia have each been allotted their quota of steel. Our oil, as was the case of Japan, is being shipped abroad.

The irony of all this is that our taxpayers pay for these exports, then if war comes our boys will be killed by the steel tanks and other deadly equipment our taxpayers have furnished and paid for by the "sweat of their brow."

Veterans' Allowances

EXTENSION OF REMARKS
OF

HON. DEAN P. TAYLOR

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. TAYLOR. Mr. Speaker, on Tuesday next it is the intention of the Republican leadership to bring to the House floor, under suspension of the rules, legislation designed to increase GI students' allowances, and legislation to raise limits on total income of GI's now taking advantage of on-the-job training.

There is a desperate need for passage of this legislation. In my congressional district are two universities and one vocational school. Thousands of veterans are enrolled in these schools, and thousands more are enrolled in on-the-job training projects. I have learned at firsthand the financial difficulties that these veterans are encountering, and I am convinced that unless this Congress does something to relieve the situation immediately, the purpose of the GI bill will in part be thwarted.

At Champlain University, Plattsburg, N. Y., and Rensselaer Polytechnic Institute, Troy, the records indicate that the veteran is not wasting his time. He takes seriously the advantage given him to secure an education.

In surprising numbers the GI has reached and maintained the high scholastic standing required by these universities, but to meet the financial requirements to complete his education, is for him an insolvable problem.

When Congress passed the GI bill, butter was not $1.08 per pound; clothing costs were at least visible; and the price of family necessities in general were within striking distance. The increased cost of living just as quickly affects the student and trainee as it does people in other walks of life, and Congress must be cognizant of that fact.

I fear that sometimes we overlook the fact that students and trainees do not enjoy increased wages to combat increased prices. Unfortunately these GI's find themselves always "in the middle" of wage and price conflicts.

In addition, we Members must keep in mind the fact that many, many veterans attending college and taking training today are at the same time raising families. Existing allowances under the GI bill necessitates short cuts in living by these families in order to get by. They are compelled to forego the essentials and the necessities in order both to live and to get an education. Who will deny the fact that above all, veteran family life should be protected as well as encouraged. As officials and as individuals we should do everything possible to help these veterans and their families enjoy the heritages of happiness and good health now. Drudgery and additional sacrifices, if they must someday be encountered, should at least for them be assignments for life's later years.

Tuesday each Member of the House can meet the obligation Congress assumed when it guaranteed our veterans an opportunity for training and education. If, as I believe it will appear, the situation necessitates our increasing the benefits under the GI bill, let us on Tuesday meet that situation, and let us meet it to an extent that will adequately meet the demands.

Musicians Used $1,500,000 Welfare Fund for Free Concerts

EXTENSION OF REMARKS
OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the communication that I have received from Mr. James C. Petrillo, president, American Federation of Musicians, enclosing a reprint of an unsolicited newspaper article describing how the American Federation of Musicians invested more than $1,500,000 of their employment fund in the public interest during 1947:

AMERICAN FEDERATION OF MUSICIANS,
New York, N. Y., January 29, 1948.

Hon. THOMAS J. LANE,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN LANE: We musicians do so little tooting of our own horns that we are unjustly accused of blowing them.

Therefore, in the interest of informed opinion and fair play, I invite your attention to the enclosure. It is a reprint of an unsolicited newspaper article describing how the American Federation of Musicians invested more than $1,500,000 of our employment fund in the public interest during 1947.

Sincerely yours,

JAMES C. PETRILLO, *President.*

MUSICIANS USED $1,500,000 WELFARE FUND FOR FREE CONCERTS—RECORD AND RADIO ROYALTIES PROVIDED 11,000 RECITALS IN 514 TOWNS AND CITIES

The American Federation of Musicians yesterday opened the books of its 1947 welfare fund—now banned by a clause in the Taft-Hartley law which forbids such funds—in an effort to prove its sincerity in its current battle with the recording and broadcasting companies. It was this fund, made up of millions of dollars received from recording and transcription, which James C. Petrillo, the union's president, said last week must be restored before any arrangement could be made for resumption of recording by the musicians.

During 1947, the union disclosed, it used $1,500,000—nearly all of the money received from recording and transcription in the previous year—to provide more than 11,000 free concerts, dances, and other musical services in 514 communities in the United States and Canada, more than half of them for veterans. The musicians who participated were union members and were paid union scales, the money coming from the union's welfare fund, and in some cases from cosponsors, such as civic organizations, service clubs, newspapers, and universities.

Regardless of whether the union is right or wrong in its refusal to continue recording music, the program of musical events provides an interesting insight into its policy to provide more employment for musicians and to advance American musical culture. Considering the number of teen-age dances (2,437) and similar events which it gave, the union appears to have interpreted culture in a liberal sense.

From royalties paid by recording and transcription—from a quarter of a cent on 35-cent records, 1 cent on $1 records, up to 5 cents on $2 records—the federation sponsored a wide variety of free musical services.

THIRTY THOUSAND MUSICIANS HELPED

National records of the union, audited by the Boston accounting firm of Lybrand, Ross Brothers, and Montgomery, show that the federation footed the bill for the services of more than 30,000 of its members. Local cosponsors, among them the Red Cross, the YWCA, the National Guard, the American Legion, city and State departments, port authorities, junior leagues, schools, universities, churches, and newspapers, provided additional necessary outlays.

Locals of the union promoted and furnished music for teen-age dances in most of the major cities, with the blessing of mayors, police chiefs, and juvenile court judges; 42 were given in Newark, N. J.; 40, in Cincinnati; 33, in Minneapolis; and so on for a total of 2,437 in the country.

This jazz diet was supplemented by symphonic concerts of semiclassical music, while in many of the hospitals and welfare institutions of children chamber music proved highly popular.

Fan mail—and the Federation needed hay-baling equipment to handle the volume—was particularly full of gusto when it came in from the youthful audiences. From the Toledo, Ohio, Child Study Institute one girl wrote the conductor of a string orchestra: "It was one concert that I enjoyed without getting bored." A boy, festooning his letter with crayon drawings of horns, said, "It was the first string orchestra I ever heard, and I liked it very much."

High on the priority list of the union came music for veterans' hospitals. The 2,317 performances by symphony, band, and chamber music groups were primarily for enjoyment. But the medical directors' letters indicated that the music often had real therapeutic value. In one instance, a young soldier who had been a concert pianist was pulled out of his apathy when the visiting symphony conductor persuaded him to come forward and play the Warsaw Concerto with the orchestra. His cure began at that point, the medical director wrote.

In the Los Angeles area, a Music for the Wounded program was set up, with broad community backing, and the $63,000 allocated to that local by the federation was augmented by benefit concerts, so that still more musical service could be made available for the veterans. On this phase of the program Gen. Dwight D. Eisenhower wrote to the vice president of the Los Angeles local, expressing thanks to the artists who had participated, adding, "Music is of great recreational value to the sick and wounded in our hospitals, and it is my earnest hope that the success of this year's concert in the Hollywood Bowl will assure a continuation of your splendid program."

PROGRAM FILLS A GAP

A yard-long work sheet detailing the activities of the musicians' union in Detroit showed that in general they provided music where otherwise there would have been none: Seventy-one piece symphony orchestra concerts in the State fair grounds; nightly band concerts during August in Belle Isle Park; 17-piece gypsy string music for veterans' hospitals; Christmas party music for underprivileged children; a concert by a 40-piece symphonic band, and 4 performances by 10-piece dance orchestras.

A break-down of the figures indicates that half the funds went for popular music, and half for music commonly called serious or highbrow.

The largest musicians' local in the country, in New York City, featured groups of strolling players, who visited veterans' hospitals in the metropolitan area, playing and singing request numbers at the patients' bedsides. Nearly 60 percent of the local's allocation of $91,000 (to which the local added $10,000 for overhead expenses) was spent in this and other types of musical entertainment for veterans.

NEW YORK PROGRAM

The New York program furnished employment, at one time or another for some 5,000 of local 802's 25,000 members. One hundred symphony players performed at a memorial concert in honor of the late Mayor F. H. La Guardia, playing under the baton of Alexander Smallens, the mayor's favorites: Wagner's Siegfried Funeral March; Bach's choral prelude, Come Sweet Death, and the adagio movement of his Toccata in C major; and Beethoven's Fifth Symphony.

In Philadelphia the union revived the 20-year dormant tradition of outdoor concerts in the Labor Plaza, which is equipped with an admirable shell for band and symphony performances. A symphonic band was used to bridge the gap between lowbrow and highbrow music; how successfully, is indicated by the fact that summer audiences exceeded 175,000.

In many other communities the federation's funds had a pump-priming effect on the musical life of the community. One major and several minor symphony orchestras were revived. In one instance the union's allocation of $10,000 for free symphony performances resulted in the raising of an additional $120,000 budget for the orchestra by other musically interested groups in the city.

The federation has paid particular attention to smaller communities and rural areas. In general the allocation of funds was $10.43 a member. For the large locals in New York, Chicago, and Los Angeles this figure held only for the first 5,000 on the roster; beyond that number only $2 a head was granted. Account was taken of the fact that the larger centers already have much free music.

A Balcony for the White House

EXTENSION OF REMARKS
OF
HON. ROBERT A. GRANT
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. GRANT of Indiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Harold L. Ickes:

MAN TO MAN

(By Harold L. Ickes)

During the approximately two years and nine months of his accidental occupancy of the White House, President Truman has spent more than $650,000 of taxpayers' money on the Presidential mansion and grounds—since he became President on April 12, 1945, up to January 8, 1948. Moreover, he still has a balance of $477,120.24 under Public Law 334, which he can spend at his pleasure and which seems to be burning his pocket.

These figures do not include Mr. Truman's salary or his allowances for travel and entertainment. Mr. Truman does not have to tell how he spends this money unless he wants to. He does not even have to spend it wisely. He is like the spendthrift son who has been given a too-generous allowance by an indulgent father.

The American taxpayer is not of a kidney to be troubled by the small matter of supporting a President in a manner in which he is trying to become accustomed. However, in these days, when the business of keeping a roof over his own head calls for the Houdini touch, surely it can be taken as no reflection on his generosity if, confronted with the figures which I have mentioned, he raises his voice, as this taxpayer hereby does, to ask Mr. Truman "how come?" and "what for?" Do they do things that way in Independence, Mo.?

The White House is a roomy mansion, mellowed by time and hallowed by the great, with intervals in between. Mr. Truman, his endowments, genius, sagacity (or their opposites) notwithstanding, is a Federal worker. He, unlike other civil employees of the Government, is supplied with living quarters—the secluded and beautiful old house fronting on Pennsylvania Avenue. At least twice since he moved in he has given the impression of thinking that he owns it. He appears to be looking forward to living there for a long time to come.

Of course, the people happen to own the White House, and they may decide in November upon a new tenant who might question the good taste of Mr. Truman's proposed bubble-gum balcony. If Mr. Truman wants to be certain that his brief occupancy of the White House may become a living memory, he might carve his initials on one or more of the big trees on the lawn. I do not approve of carving one's initials on trees any more than I do of defacing public monuments, but this would be a lesser evil.

The White House, of course, like any other old house, sometimes needs repairs and replacements. The Truman couple, for the most part, live there alone, now that George E. Allen is no longer about. When two nice people, both on the other side of middle life, had to spend considerably more than half a million dollars in 2 years and 9 months—approximately $20,000 a month—to keep the house in repair and themselves comfortable, a hard-pressed taxpayer might be excused for wondering whether the house has been the scene of some American Legion parties or if the Trumans use Chanel No. 5 in the swimming pool. Certainly no act of God can be held responsible, since neither fire, tempest, flood, nor quake has befallen it.

Where has it all gone, Mr. President? Could it be that the piano in the East Room has needed a layer of solid gold? We taxpayers do not want to be petty about such things; and reading your budget message, we can see that $650,000 is just peanuts to you. But consider that little item of an iron balcony for your study that the Commission on Fine Arts has unanimously found would disfigure the White House. You say that you want it for privacy, and we want to protect you against Peeping Toms. But it was on the south portico, it is recorded, that President Woodrow Wilson proposed marriage. He did not seem to think that there was a lack of privacy. And he lived there for eight long years, Mr. Truman. Have you the right to disfigure the beautiful south facade when your tenancy may end in a few months?

This taxpayer has a suggestion to make. It occurs to me that there must be an oversupply of rather fine second-hand palaces in Europe, what with all of the kings who have been going out of business. Why not bring one over, say from the Balkans? Set it up in Lafayette Park, complete with moats, terraces, promenades—and especially balconies.

Mr. Truman could still use the old White House with which he seems to be so dissatisfied, for servants' quarters. A defunct royal house might be glad to throw in a supply of discarded liveries and gilded military trappings. Then, when a President of Brazil or some other of our sister republics, comes avisiting, Mr. Truman and his refurbished entourage could just plain knock his eye out.

It must be the Scot in me, but it is the economy that appeals. With planetary reconstruction ahead, someone has to think of these things.

Housing in Massachusetts

EXTENSION OF REMARKS
OF
HON. CHARLES R. CLASON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. CLASON. Mr. Speaker, in Massachusetts, there are approximately 600,000 veterans; 50,000 of these veterans are in desperate need of housing. It is estimated that 350,000 new residential units will be needed in my State alone in the next 10 years. The demand centers particularly on housing for "low income" groups of veterans and nonveterans. Next to the high cost-of-living prices the No. 1 domestic problem today is "housing."

While I sympathize particularly with the veterans population, I believe that the National Government should attack this problem now for the benefit of our entire population. It is for that reason that I have given my support in public utterances to the Taft-Ellender-Wagner bill.

It is the result of several years of study by Congressional committees and was reported out favorably by the Senate Banking and Currency Committee last year. It will take care—or, at least, attempt to take care—of the housing needs of all income levels and represents the best thinking on the subject today.

I am glad to inform Congress that our people are doing something about the matter. The Massachusetts Legislature has given thought to the need for State action on housing, and for the lower income group in particular, since 1911. In more recent years it has enacted laws authorizing the establishment of local housing authorities empowered to undertake low-rent housing, war housing, and veterans' housing projects, permitting savings banks and domestic life-insurance companies to build and operate rental-housing projects, providing for limited dividend and nonprofit veterans' housing projects, allowing the creation of both public and private urban redevelopment corporations, and authorizing cities and towns to build housing for rent and sale to veterans. Presently, the Massachusetts Legislature is considering legislation providing for annual contributions by the State, pat-

terned after the public housing provisions of the Taft-Ellender-Wagner bill.

Nevertheless, except where the Federal Government has entered the picture with its broader tax base and greater ability to carry the load, these State laws have resulted in very little housing. Private enterprise just isn't willing—and possibly it cannot be blamed—to build for the average person, veteran or nonveteran, even with the tax and other incentives offered by the State. The cities and towns are extremely reluctant, except in a few scattered cases, to increase their already burdensome tax rates. With Federal annual contributions made available by the TEW bill, however, and the private financing incentives provided by the other provisions of the TEW bill, Massachusetts could lick the housing shortage. What is needed is something that will not just waste money on a temporary expedient but will prevent recurring shortages and emergencies. What is needed are the long-range provisions of the TEW bill. A recent report by a special recess commission of the Massachusetts Legislature shows that Massachusetts needs over 350,000 new dwellings in the next 10 years.

While discussing this subject, I would like to call to your attention an article entitled "New Housing Program in New England." The authors are Harold Robinson and John I. Robinson, two well-known attorneys who probably know more about the housing problems of New England than any other persons. For 7 years Harold Robinson was regional counsel for New England for the United States Housing Authority and other Government agencies. John I. Robinson is chairman of the Springfield Housing Authority.

Today there is activity in the New England States on housing laws. These lawyers have set forth some interesting facts on existing laws and activities in Connecticut, Massachusetts, and New Hampshire. After reading their article, I am sure you will be convinced that the several States are working hard on this problem, but they alone cannot do the job. Congress must aid them through the Taft-Ellender-Wagner bill or some other advantageous measure.

The Robinson article appeared in the Daily Bond Buyer, of December 1, 1947, and is as follows:

NEW HOUSING PROGRAM IN NEW ENGLAND

(By Harold Robinson and John I. Robinson)

Three New England States, Connecticut, Massachusetts, and New Hampshire, recently enacted legislation which will involve the borrowing and expenditure by public bodies of large sums of money for the construction of permanent homes for veterans.[1] These differ from the laws concerned with veterans' housing adopted in many States outside of New England in 1946 and 1947 in two respects: they entail permanent, as distinguished from temporary, housing and will mean the issuance of short-term notes and long-term definitive bonds backed by State guarantees or a pledge of State annual contributions. In the latter respect, they should be of considerable interest to investment houses and purchasers of housing authority issues.

[1] See New England Spends for Housing, the New England Townsman, September 1947, by the authors.

In Connecticut, the amount of bonds that may be issued is $15,000,000; in Massachusetts, a theoretically possible but inconceivable $120,000,000; and in New Hampshire, $7,000,000. In anticipation of the issuance of definitive bonds, New Hampshire housing authorities may sell short-term temporary notes.

The basic philosophy behind each program is the same: the recognition of the need for some form of subsidy if housing is to be provided the veteran of World War II. Each program is in turn attributable to the same four factors: an initial shortage of housing even for those able to afford inflated prices; a shortage of housing at rents and prices within the financial reach of the average veteran; a realization of the potential political threat of the house-hunting veteran; and the failure of the Congress to enact a national housing program. Nevertheless, as might be expected, each program is predicated upon a different form of subsidy and will involve different modes of administration and financing.

CONNECTICUT

The Connecticut legislation, Public Act No. 405, 1947, entitled "An Act Providing for State Assistance for Moderate Rental Housing Projects," provides for a State guaranty of the notes and bonds of local housing authorities. It is aimed at the "moderate," rather than "low" income group of the earlier housing authority law, although the definition of "moderate" is so broad and general as to permit of considerable administrative latitude. Once rents are established, eligibility for admission is restricted to persons whose gross annual income is no more than seven (or in the case of three or more minor dependents eight) times the rental. While the act is particularly directed toward taking care of the moderate-income veteran of World War II, it is written in terms of veterans' preference so as to eliminate the possibility of units remaining idle.

The act is a compromise between long-term public ownership and emergency legislation. On the one hand, it provides for amortization periods of 35 years and the possibility of conversion during that period to a low-rent housing project providing Federal financial assistance is obtained. On the other hand, it permits the sale of a project at any time after five years if the State housing authority has determined that the acute shortage of moderate-rental housing in the locality has terminated. Such a sale may be for an amount not less than 80 percent of the principal amount of the obligations and interest then outstanding. In either the case of sale or conversion to low-rent housing, the State's guaranty will cease. Presumably, any contractural arrangement with bondholders could not be abrogated by sale or conversion without the consent of bondholders. This is a problem that must be worked out in the form of contract of guaranty and in the bond itself.

The act is predicated upon the hope that the saving in interest rates, possible because of the State guaranty, and the absence of profit will be sufficient subsidy in themselves to permit achieving a moderate rental. No cash subsidy is contemplated. Indeed, the words of the act are: "Such guaranty and pledge shall be given only when the committee has determined that the housing notes or bonds of the local authority will be sufficiently amortized."

Certain supervisory powers are vested in the State housing authority which was established by earlier legislation. However, the power to contract with local housing authorities for the State guaranty is vested in a new committee composed of the Governor, attorney general, comptroller, and commissioner of finance and control. The committee must approve the amount, the term, the time of sale and any other conditions it deems relevant prior to notes or bonds being advertised for sale. As yet no announcement has been made of the form of notes or bonds to be issued, the form of contract to be entered into between the State and the local housing authority, the conditions to be attached to the guaranty and the type of local authority activity that might lead to a forfeiture of the guaranty. The background of negotiations between the United States Housing Authority and investment houses and bond counsel, in the early days of the low-rent housing and slum-clearance program under the United States Housing Act of 1937, should prove of inestimable value.

One defect in the act, which should be corrected at the special session of the General Assembly that may be called to reduce the sales tax, is the inclusion of temporary notes within the aggregate amount of notes and bonds that may be issued. Section 10, in limiting the aggregate issue, makes no exception for temporary loan notes. Presumably, therefore, any temporary issue is included in the $15,000,000 aggregate.

In view of the opinion of the Court of Errors and Appeals in the case of *Michael Franco* v. *City of New Haven* last summer, there is little if any question of the constitutionality of the act. That case, it is true, involved the sale of city bonds and the expenditure of State funds for temporary housing instead of local authority bonds and State guaranties for permanent housing. Nevertheless, no distinction was drawn by the court between temporary and permanent housing and the language of the opinion clearly indicates that the present program would be upheld without question.

As of October 24, 1947, the following earmarkings had been made:

	Maximum guaranty	Units
Darien	$160,000	18
Greenwich	638,000	73
Hartford	2,958,000	336
Manchester	421,000	48
Meriden	711,000	81
Middletown	479,000	54
New Britain	1,218,000	138
New Canaan	116,000	13
New Haven	2,857,000	324
Shelton	189,000	21
Stamford:		
City	856,000	97
Town	232,000	26
Wallingford (borough)	203,000	23
Waterbury	1,769,000	201
Wethersfield	174,000	20
Willimantic	218,000	25

Tentative earmarkings were also made for Derby, Norwich, Stonington, and Watertown.

MASSACHUSETTS

The Massachusetts program is of an entirely different nature and financing, although the philosophy of need for assistance is the same. The Massachusetts legislation, chapter 479, Laws of 1947 amending chapter 372, Laws of 1946, does not provide for any initial State assistance. It merely authorizes the cities and towns of the commonwealth to borrow up to an additional 2 percent of their average assessed valuation for the purpose of constructing single family, two family and multiple dwelling units for rent and eventual sale to veterans of World War II. Originally, the act prohibited sale before the end of the 5-year emergency period. It was amended in 1947, however, to permit sale before the end of 5 years and to authorize the granting of an option to purchase, both with the approval of the State board of housing. Inasmuch as the primary purpose of the act, making available housing at rentals of $40-$45, would be nullified by sale, it may be expected that most communities will keep title to the dwellings during the 5-year period.

Since the localities are permitted to rent at less than the economic rent, it is expected

that some loss will result annually. Moreover, since the sale market may drop in 5 years, sale prices will not necessarily equal cost. The Commonwealth, therefore, has pledged itself to reimburse any city or town for one-half the loss suffered when all the housing constructed by the city or town has been disposed of, but in no event more than one-half the cost of the undertaking to the city or town.

Not many cities have undertaken projects under the revised legislation. Boston is proceeding with a program of some $20,000,000. West Springfield has sold 10-year bonds (20-year maturities are permitted) in the amount of $350,000 at .0118 and has 43 single-family houses under construction with six scheduled for occupancy in early November. Springfield is undertaking a multiple units project costing about $1,600,000; Worcester is considering the expenditure of some $2,000,000; Amherst already has 21 houses under construction; Everett, Lynn, Cambridge, Watertown, Framingham, and Somerville are among others having projects in the planning stages or under way. Nevertheless, the response has been disappointingly light and slow in comparison to the total need. According to the special message of Governor Bradford to the legislature on April 24, 1947, fully utilized, the act makes possible the construction of 16,000 units and permits municipal borrowings of $120,000,000. Of course, these figures are theoretical maxima only and should not be taken too seriously.

The constitutionality of the expenditure of public funds for the program contemplated by the Massachusetts legislation was upheld in an opinion of the justices of the supreme judicial court while the legislation was still pending in the legislature. No question of validity, therefore, can now arise as it did in connection with earlier legislation (see Robinson, Public Housing in Massachusetts, and the later opinion of the justices dealing with temporary housing) to plague the municipality or the purchaser of municipal bonds. Borrowings are on city or town bonds which are payable from general tax revenues so that their value should have no relation to the project income.

NEW HAMPSHIRE

New Hampshire has adopted the annual contributions technique of the United States Housing Act of 1937 in its housing program. In July of 1947, the general court (as the New Hampshire legislature is called) enacted legislation, chapter 286, laws of 1947, authorizing the payment of subsidies by the State annually to local public-housing authorities for low-rent housing projects. The total amount of annual contributions that may be contracted for is $245,000 a year for 45 years. Again taking a leaf from the Federal legislation, the act authorizes the State to guarantee temporary loan notes of local housing authorities sold in anticipation of the issuance of definitive bonds. The total notes outstanding at any one time may not exceed $7,000,000—the amount of authorized construction—but, since it is the amount outstanding that governs, refunding its permissible and the error, if it was an error, of the Connecticut legislation, is avoided.

The agency of the State that will administer the program is the newly created State housing board. While the notes and bonds issued will be those of the local authority, the State housing board will necessarily approve the contents and form. Here again, it is assumed that the experience of the United States Housing Authority (the present Public Housing Administration) will not be overlooked, but that the board will utilize the experience of the Federal Government.

To date, only Manchester and Nashua have made application for aid. Others will undoubtedly follow. The State housing board has taken the position that its primary function is to disseminate information about the program, not urge its use. It has rightfully placed the burden of seeking assistance upon the community.

The constitutionality of the legislation in New Hampshire, too, is free from doubt, for the sponsors took the wise precaution of securing an opinion of the justices during the pendency of the bill.

CONCLUSION

The Massachusetts' program is a 5-year program. In New Hampshire the authority to contract for subsidies and guaranties lasts until June 30, 1951. The deadline in Connecticut is July 1, 1949. During that period—really a stop-gap period pending passage of Federal legislation—there should be substantial issues of interest to purchasers of municipal bonds. If Federal legislation is not soon forthcoming, moreover, it is quite likely that there will be increased programs in these States. Investment houses and bond houses would do well, therefore, to inform themselves of the three new housing programs in New England and keep current on the municipalities taking advantage of the State aid.

Some Sobering Realities Regarding Our Present Tax Burden

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, while we are considering the pending tax-reduction measure, it seems to me that we should ponder some of the factual information that is available to those who would read. The following is a compilation of facts on the subject by one of the greatest economists of this country.

SOME SOBERING REALITIES REGARDING OUR PRESENT TAX BURDEN, AS COMPARED WITH 1929-30

Many small incomes and estates are even now free from all taxation. Several of our States have not yet imposed personal income taxes. Yet in this third year of peace, our Federal Government alone is collecting taxes at the following rates on the higher brackets.

Individual incomes, around 86½ percent beginning at $200,000 (and 50.35 percent at only $18,000); the top Federal tax bracket on net estates before credits is 77 percent; corporate net incomes over $50,000 are taxed at 38 percent. To all of the foregoing top rates there is in many cases an addition of several percentage points resulting from State taxes on the same incomes or estates.

As of the present time, our Federal, State, and local governments are collecting around $56,000,000,000 anually in taxes of all kinds, or roughly close to 30 percent of the estimated national income which will be produced this year ($180,000,000,000 to $195,000,000,000, depending somewhat on the method of calculation).

In normal periods before the Second World War, our State and local governments collected in taxes around twice as much as did our Federal Government. Now, in the third year of peace, our Federal Government is collecting taxes in an amount about four times as high as the taxes collected by all of our State and local governments, i. e., for fiscal 1947 close to $45,000,000,000, as compared with around $11,000,000,000.

Federal tax rates and collections are holding up stubbornly, while State and local government taxes are bound to increase rapidly for the next few years, because of the extraordinary population growth during the present decade, and the resultant need for many new improvements and facilities, such as roads, schools, sewers, water supply, etc. Also, wages and salaries of Civil Service employees have almost doubled over the past 10 years.

Looking back a few short years, we find that in the prosperous period 1929-1930, the weighted average taxes collected by all governmental bodies in some 50 leading countries of the world, amounted to little more than 15 percent of the estimated national income produced by those same countries. At the same time, in the United States the ratio was scarcely 11 percent, or little more than one-third our present ratio.

A few of the more backward countries levied taxes up to 25 percent or more on their national income. The Communist and totalitarian state of Russia headed the list at about 29 percent, or slightly under the present United States rate. Greece was next, at 27.5 percent. Other very important high-tax countries some 15 or 16 years ago were Germany, at 22 percent of the national income; France, a little more than 21 percent; and Great Britain, just under 21 percent. Where are all these countries now? Bankrupt or totalitarian.

For long years experts and writers on public finance, based on the historical records, have assumed that no nation could long endure and be prosperous and free, with taxes as high as 25 percent of the national income. Further, any ratio exceeding 15 percent was formerly considered too high to be reasonable, and any country with a ratio exceeding 20 percent seemed definitely headed for trouble.

What will, in due course, happen to the United States of America, unless we soon cut our taxes and our public expenditures to a point where the over-all "take" will be not more than 15–20 percent of the national income produced in years of normally good, but not "inflated," business activity?

It is not commonly understood that a very mild and to-be-expected decline of 15 percent in industrial production, and of 15 percent in our price level which has more than doubled since 1940, would probably lead to a 25- to 30-percent drop in our national income produced. We should, in fact, in the light of all past experience, be prepared for a much sharper drop within the next few years, on our present monetary standard. At any rate, it would not be surprising to see our present national income (according to recent "adjusted" computations) drop from a current level approaching $200,000,000,000 per annum to a level some place between $125,000,000,000 and $150,000,000,000. Even the extreme low of such a decline would leave our national income at a point fully 25 percent higher than any prewar year in our history.

It should further be noted that in times of depression or adversity, public expenditures, under our present philosophy of government, tend to increase and not to decrease. Hence, our total public budgets and tax collections, under the assumptions above indicated, could easily turn out to be as much as 40 to 50 percent of our entire national income. Does anyone believe that we would be other than a nation of slaves under such conditions?

Hence, as stated above, as there is little probability or possibility of any decline in the State and local government expenditures and taxes, we must look to the Federal Government for any substantial reductions. Even though the present budget of $40,-

000,000,000 or more should be cut in two, as should and could be done if the voters were sufficiently aroused, we would still be confronted with a total tax burden which by 1950 might be close to $35,000,000,000, or still fully 25 percent of a reasonably shaken-down national income. Even such a burden as this would be, year in and year out, almost unsupportable—and it is the kind of burden which has completely ruined the finances of the once-powerful Great Britain.

In order to effect the necessary reductions in our tax burden, top-bracket rates will have to go far below the theoretical 50 percent level, if we are to encourage the creation of venture capital, and the maximum production of goods, and are to maintain our free enterprise system. We will have to get back once more to top brackets nearer 25 percent, and virtually all citizens will have to pay something directly toward the support of their Government.

In considering the question of top-bracket rates, long experience indicates that any newly launched business has far less than a 50 percent chance to succeed. Also, even among established businesses, year in and year out, not more than 50 percent make profits. Hence, it is evident that the cards are definitely stacked against either the individual enterpriser, or the corporation, if the public powers levy taxes exceeding 25 percent of the total taxable net income; and probably any top-bracket rate over 25 percent tends to check individual initiative.

The American voter must be definitely informed as to the inevitable disasters which lie ahead, provided our Government continues to spend our money in peacetime at anything like the present rate. It is the road to fiscal ruin and to individual enslavement by the state.

The larger incomes and estates have already been substantially redistributed. Within a few short years it will be impossible further to mislead the mass of the voters by telling them that the rich, or those of moderate incomes, can bear the tax burden, while the masses will largely escape taxation. There will soon be no rich. All incentives to risk taking and the production of more wealth and income will be removed. The spirit of enterprise will be broken. Our standard of living will be reduced to that of the moribund countries of the Old World which we are now, no doubt mistakenly, trying to support and revivify at our further expense.

Unless our course is speedily reversed, like the Gadarene swine, we shall rush madly down the steep place into the sea; and we ourselves, through our public extravagances and lack of willingness to fight each day for freedom from over-centralized government, will have become the unconscious agents of our own suicide.

Estimated wealth, income, public debt, and taxation per capita of leading countries

[Arranged in order of net income—most data as of 1929]

Country	Wealth per capita (1)	Public debt per capita (including local debt) (2)	Percent of debt to wealth (2÷1) (3)	External public debt per capita (4)	Net wealth per capita (1−4) (5)	Income per capita (6)	Total taxes per capita (7)	Percent of taxes to wealth (7÷1) (8)	Percent of taxes to income (7÷6) (9)	Net income per capita (6−7) (10)
United States	$3,259	$243.0	7.5	$0.0	$3,259	$734	$77	2.38	10.6	$657
Canada	2,827	474.0	16.8	148.0	2,679	571	66	2.33	11.6	505
New Zealand	3,089	1,080.0	35.0	594.0	2,495	446	80	2.6	17.8	366
United Kingdom	2,514	938.0	37.3	115.0	2,399	415	86	3.42	20.7	329
Australia	2,034	878.0	43.2	455.0	1,579	391	86	4.21	21.9	305
Switzerland	2,612	337.0	12.9	12.0	2,600	348	44	1.7	12.7	304
Denmark	1,714	145.0	8.5	78.0	1,636	328	44	2.55	13.3	284
Netherlands	1,293	212.0	16.4	2.3	1,291	323	55	4.23	16.8	268
Sweden	1,065	111.0	10.4	19.0	1,046	262	43	4.0	16.4	219
Norway	1,067	200.0	18.7	89.0	978	267	50	4.7	18.8	217
Argentina	1,608	157.0	9.8	74.0	1,534	250	34	2.08	13.4	216
Germany	1,249	208.0	16.7	147.0	1,102	242	53	4.25	22.0	189
France	1,653	450.0	27.2	180.0	1,474	219	46	2.81	21.2	173
Uruguay	1,622	151.0	9.3	92.0	1,530	189	30	1.86	16.0	159
Belgium	1,376	194.0	14.1	98.0	1,278	175	32	2.3	18.0	143
Spain	1,272	132.0	10.4	7.7	1,264	158	23	1.8	14.5	135
Irish Free State	933	53.0	5.7	11.0	922	170	42	4.54	25.0	128
Austria	742	72.0	9.7	58.0	684	156	30	4.1	19.5	126
Chile	848	86.0	10.1	74.0	774	155	31	3.65	20.0	124
Czechoslovakia	710	79.0	11.1	15.0	695	131	19	2.61	14.1	112
Finland	761	32.0	4.2	26.0	735	125	23	2.98	18.2	102
Italy	723	233.0	32.2	119.0	604	120	19	2.67	16.0	101
Cuba	834	41.0	4.9	38.0	796	118	30	3.63	25.6	88
Puerto Rico	421	32.0	7.6	----------	421	91	10	2.46	11.4	81
Hungary	638	75.0	11.8	66.0	572	93	16	2.47	17.0	77
Union of South Africa	900	182.0	20.2	112.0	788	96	21	2.37	22.1	75
Rumania	587	50.0	8.5	41.0	546	84	11	1.82	12.7	73
Yugoslavia	560	42.0	7.5	29.0	530	78	10	1.77	12.7	68
Japan (proper)	636	59.0	9.3	13.0	622	79	13	2.1	16.7	66
Costa Rica	406	42.0	10.3	35.0	371	77	17	4.25	22.4	60
Greece	483	85.0	17.6	61.0	421	73	20	4.1	27.5	53
Poland	543	18.0	3.3	15.0	528	63	10	1.89	16.4	53
Venezuela	481	3.3	0.7	1.5	480	64	13	2.73	20.5	51
Algeria	302	5.8	1.9	5.8	296	56	9	2.9	15.7	47
Colombia	565	28.0	4.9	21.0	544	57	10	1.78	17.8	47
Russia (U. S. S. R.)	423	69.0	16.3	55.0	368	65	19	4.42	28.8	46
Egypt	414	31.0	7.5	11.0	403	55	10	2.3	17.5	45
Peru	407	24.0	5.9	19.0	388	54	9	2.08	15.8	45
Portugal	479	81.0	16.9	26.0	453	57	13	2.76	23.7	44
Bulgaria	398	54.0	13.6	47.0	352	52	8	1.91	14.7	44
Salvador	290	13.0	4.5	12.0	278	49	8	2.8	16.4	41
Brazil	397	44.0	11.1	33.0	364	47	8	2.12	17.9	39
Philippine Islands	238	5.3	2.2	----------	238	40	3	1.33	8.0	37
Mexico	427	53.0	12.4	30.0	397	49	13	3.03	26.5	36
Guatemala	213	7.2	3.4	5.9	207	38	6	2.8	15.3	32
Bolivia	258	22.0	8.5	20.0	238	32	6	2.37	19.0	26
Ecuador	225	13.0	5.8	11.0	214	30	6	2.7	20.0	24
British India	150	17.0	11.6	8.0	142	24	4	2.75	17.0	20
Average of 48 countries	991	150.0	15.1	48.0	943	181	28	2.81	15.4	153

Issued Nov. 7, 1930.

We Live on Next to Nothing

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include an article which appeared in Tom Breneman's magazine, February 1948 issue, entitled "We Live on Next to Nothing":

WE LIVE ON NEXT TO NOTHING

(Anonymous)

Twelve thousand dollars used to be a lot of money. That is the amount we saved for the years when my husband, Lewis, could no longer work, and that is the amount which took wings and simply flew away.

Meanwhile old age just snuck up on us. Like many a person whose silver hairs have begun to outnumber the gold, we woke up to find ourselves on the shady side of the years during which one can make a living, and yet needing the means of subsistence more than ever.

Lewis was successful in business back in Virginia where we built a fine home with a fireplace in every room, and we lived well, attended by servants. I was an active worker in the church, and our social life was very satisfying. Little did we dream of the bleak years which were to lie ahead.

Lewis' business took him all over this country, Canada and Mexico, and I began to travel with him. Hotels were our home, and we leased our Virginia place. However, the tenants kept demanding improvements, which finally annoyed us so that we sold the house. That was a serious mistake.

In 1926 we found ourselves in Oregon where Lewis made his headquarters in a city near the Pacific Ocean, traveling up and down the coast. We leased a furnished apartment at the Clevedon Court and, since we had no children and I had a great deal of time on my hands, I took a job in the millinery department of a large store. Sometimes I received as much as $200 or more a month while Lewis was making $300, and thus we cleared $500 a month for several years. During this time we added to our savings until we had accumulated the $12,000 I previously mentioned. We had two cars, fine clothes, ate at the best hotels and restaurants, attended the symphony concerts and many social affairs. Fortune had indeed smiled on us. But her smile was soon to turn into one of mockery.

Disaster struck suddenly. I became ill and Lewis sent me to a hospital. The doctors could not diagnose my case, and I remained in a private room, with a nurse, at $7 per day. Our savings began to melt. Lewis, who has always been a devoted husband, became greatly distressed because of my illness, for several times I almost died; and, probably as a result of my unfortunate condition, he neglected his business.

I had been in the hospital for 3 years, and my weight had dropped from 140 to 95 pounds when the next blow fell. This was the loss of his share of the business due to the dishonesty of his partner. He gave up his office in the Exchange Building and sold one of the cars.

Then the next stroke of fate descended upon us. Lewis was planning to sell the other automobile, although it nearly broke his heart to have to part with it. One day, while driving on a country road, he was forced into a ditch by a truck, and the car

was demolished. He crawled out, lucky to escape with his life. He was taken to the hospital where I was a patient, and it was discovered that he had a hip injury. Our money was so nearly gone, however, that he could not remain for a thorough examination and treatment.

Doctor and hospital bills had pyramided until our $12,000 had shrunk to almost nothing. Finally our funds were so depleted that it was necessary for me to be sent to the county hospital. Strangely enough, I began to improve after this change and, in a few months, I was discharged, weak and thin, to take up life again, but not where I had left off.

While I was in the hospital Lewis had allowed moths to get into our clothes. They destroyed, among other things, six of his tailor-made suits and my silver fox furs. I cried when I saw the latter, completely demolished except for the tails. My fur coat, miraculously, escaped.

We were confronted with the necessity of adjusting our standard of living to what could hardly be called a wheelbarrow income. Some southern friends of ours found a plain bungalow which we were able to rent for $10 a month, since the depression was then in full swing, and we purchased some cheap second-hand furniture.

We would have starved had not our old acquaintances from Virginia assisted us. Then the stark fact that we would have to go on relief stared us in the face. My husband's spirit quailed at the thought, for it seemed impossible that we, who had lived so well, should have to take that step. However, we could not continue to accept charity from our friends, who were in very modest circumstances. Although he would rather have faced a firing squad, Lewis applied for WPA employment and, with a gang of men, he was sent to work in a park near our home.

Doctor bills continued to come in, including one for $500 from the attorney for the estate of one of my physicians who had died. Of course, we could not pay them. Anyhow, it seemed $12,000 had been enough compensation for the doctors and hospitals.

The next blow of fate was the unexpected development of a sharp ache in Lewis's hip which had been injured in the automobile crash. Soon he could not bear his weight upon it. An examination at the county hospital disclosed that cartilage had formed about the socket bone of the hip, and absolutely nothing could be done to alleviate this condition which resulted from improper treatment at the time of the accident.

Soon Lewis was unable to walk, except with crutches, and, as his condition became worse, he found it necessary to lie down most of the day. So we lost the small income derived from the relief employment.

I joined a WPA sewing project and worked for 2 weeks every month at a school in the neighborhood. In my spare time I took care of children and did housework by the hour for families who lived in the fashionable district up the hill. Also, I began to sell household products from door to door. At first I could hardly carry the case of groceries and drugs, but my health improved, likely as a result of walking in the fresh air.

Finally, Lewis reached the age of 65, applied for a State old-age pension, and was granted the munificent sum of $24.75 per month. But it looked big to us then.

Ten full years of hardship ensued until I attained the age of 65 and could also secure old-age assistance. Because I lived with my husband I could not obtain as much as a person living alone, and my pension amounted to $19.45.

Then the next blow fell. The house which we had rented for so many years for $10 per month was to be sold. Our landlord had been good to us, often allowing us to wait several months about paying when $10 was too much to raise. However, his own circumstances were such that he could no longer be lenient.

In desperation, I managed to find an upper flat in an ancient, sagging building in our neighborhood which was occupied by pensioners. There were two lower flats which rented for $15 a month each and two upper flats which were $10 apiece. One of the latter, with living room, bedroom, kitchen, and bath, was available, and, as beggars cannot be choosers, we took it gladly. My husband dragged himself up the long, dark flight of stairs, and we were "at home" again.

We have been there ever since, oppressed by a tyrannical landlord who, we know, plans to evict us at the earliest possible moment. Last year our water tank began to leak, and when the rooms began to be flooded he turned it off instead of fixing it. Now when we want hot water we must heat it in a teakettle. We're not having such a hot time, I can assure you, especially when we take a bath. Like a vulture, the landlord is watchfully waiting until rent controls are removed, and where we will go then and what we will do I cannot say.

I am now 72 and Lewis is 83. Crippled as he is, it seems pitiful that he will have to move. A few months ago he had a stroke from which he has scarcely recovered, and I have high blood pressure so that I am threatened with a stroke at any time. When his stroke occurred, I rushed to assist him and fell, breaking my foot. Both of us were ill at once, and the old lady across the hall came in and helped us. I had to wear a cast on my leg, and when I was able to get out to shop I had to go up the steps at our flat one at a time, sitting down and working my way up backwards. We didn't dare to ask for medical aid from the old-age assistance office because we feared that this would lead to a reduction of our pensions. A private physician presented a bill for $75, although he knew we were on relief.

Our combined pensions now amount to $66. Our rent, which is extremely low for these times, cuts this to $55. Water is furnished, but the gas and electric bills average $5, which leaves $50 for everything else. Because we are not able to carry fuel up to our rooms we use a gas range and an oil circulating heater. The relief office allows $3 per month for fuel, which is included in our $66 pension; but a barrel of oil costs $5.50 and lasts for only two weeks in cold weather, while the price is rising all the time.

Our food costs about $40 a month, sometimes a little less, although I carry in everything from the chain stores, up the long flight of stairs. We do not take fresh milk, for it is now 20 cents a quart. Butter is something which belongs to the dear, dead days of long ago. Every other Sunday we have fresh meat, usually hamburger mixed with bread crumbs to make it go farther. We almost never use eggs. Fresh bread is also something which belongs to the past, for we purchase day-old bread and doughnuts, and sometimes, as a special treat, a day-old pie or, in very rare instances, cake.

We do not subscribe to a newspaper, which is $1 per month for the daily issue, since a dollar is such a large amount in our domestic economy. Of course a telephone is out of our world, and no amusements are possible. The radio, a small table model, is our only luxury. My husband, suffering constantly, lies on his couch, listening to it day after day.

Like condemned criminals, awaiting the day of execution, we tremble as the time for the lifting of rent controls approaches. We know that we cannot find another place to live for less than $25 or $30 a month, and pensions will not be raised to provide for this additional expense. The first day of March 1948, when it comes, will be, for us, the end.

Rent Control

EXTENSION OF REMARKS
OF
HON. WAT ARNOLD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. ARNOLD. Mr. Speaker, since rent control and the housing shortage are two questions uppermost in the minds of so many people, and because they are definitely related, one to the other, under leave to extend my remarks in the RECORD I wish to include an article in the January 27 issue of the Wall Street Journal. This explains in some detail the inequalities resulting from an attempt to control rents, and the inability of Government regulations to cope with existing conditions. The article follows:

RENT AND SUPER-RENT—A ROOF NOW BRINGS A PITTANCE OR A FORTUNE; DOUBLE STANDARD GROWS—FLAT COSTS $45 MONTHLY, ITS DECONTROLLED TWIN, $135; ONE APARTMENT JUMPS 200 PERCENT—MAZE OF CONTROL, DECONTROL

Postwar America has developed a two-level rent system.

Take the case of a two-family house in a Boston suburb—typical of many. The upstairs family pays $45 a month for their rent-controlled flat; the downstairs neighbors hand over $130 a month for its uncontrolled twin.

Almost 3,000 miles away on the west coast, a decontrolled Los Angeles apartment is renting for $125 a month. Not long ago it went for only $42.50.

In Chicago, a five-room unfurnished flat in a new suburban building rents for $97 a month. Next door a bigger (six-room) unfurnished flat is frozen at $75.

Why the double standard? It harks back to the bumbling maze of rent controls, decontrols and uncontrols hacked out in Washington since the war.

Most urban rents throughout the Nation are still frozen by Federal law at rock-bottom levels compared with other rocketing cost-of-living prices like butter and beef. (While food costs in the Government's consumer price index have climbed 116 percent from prewar, rents are up only 10 percent). But some rents have managed to shake loose, and they are headed skyward, all the higher because the bulk of rents are so strictly controlled.

SOME FROZEN, SOME NOT

The causes are various, new dwellings, those put up or converted since February 1947, are exempt from Federal rent control. Witness the Californian who's turning his two-flat house, which rented at a ceiling of $40 each, into four apartments that will bring $70 apiece. Or the brand new Pittsburgh apartments going at $150 to $160 a month while similar five-room units within hollering distance are frozen at $60 to $75.

Uncontrolled, too, are old quarters which hadn't been rented for 2 years before February 1947. That brings on many a strange case of two-level rent. Like the San Francisco landlord who lived downstairs in a two-flat dwelling and charged his upstairs tenant the $55-a-month ceiling. The tenant moved out—but then bought the place. He moved back into his $55 upstairs quarters and now rents out the downstairs, identical with his own flat, for $150. It's all legal: The lower flat has no ceiling since it was never before rented.

One Cleveland concern hunting homes for its personnel was offered one at the edge of fashionable Shaker Heights for $125 a month. Across the street a similar place is renting at a ceiling of $45 a month. The owner of the first house had been living there himself. Now that he's moved out, he can charge whatever the traffic will bear.

In San Francisco's Sunset District a man rented his five-room unfurnished house last year for $90 a month. OPA made him cut back to $45 a month. When the new rent-control law went into effect June 30, his house was decontrolled because he hadn't rented it before the February 1 deadline. So he hiked the rent to $125. Houses right around it are still frozen under ceilings from $35 to $45.

Biggest headache, says a west coast rent director, are the 15-percent-hike leases that tenants and landlords are allowed to negotiate. If a lease is broken and the tenant moves out, the place is automatically—and conveniently—decontrolled. The landlord can legitimately charge the next tenant as much as he'll pay. "We've heard of cases where landlords paid tenants to move out to decontrol the units," he reports.

Adding a few extra pieces to a furnished apartment can be a dodge for lifting rents. The law lets landlords hike rents if they provide increased services of major improvements.

In Watertown, Mass., an apartment that used to rent for $50 a month has been boosted to $125 since the owner remodeled it at a cost of $400.

One Pittsburgh landlord has a six-room house which he rented for $45 a month. When the family moved out, he remodeled it into two units by installing a sink in a second-floor room and rented the flats at a neat $55 each. The local rent-control office has slashed the fee to $27 each, but the landlord is appealing to the regional office.

Where rents have mounted when controls came off, landlords blame drastically higher costs. They tab them off on their fingers: High taxes, higher costs of repairs, fuel boosts, bigger checks to janitors. Boston landlords say repairs cost two and a half times what they used to.

To make ends meet, one Portland, Oreg., landlord, whose apartments are frozen at $40 a month, has fired his janitor and now handles his own eight-unit building. His job includes sweeping out and collecting garbage. Despite this, he claims, his profits last year were a niggardly $400.

One Chicago real-estate dealer who remodeled six rooms into two modern apartments claims he won't get his money out of the $6,880 remodeling job for over 8 years—even though he has lawfully hiked the rent from $18 a month to $60 for one apartment and $75 for the other.

BEATING THE CEILING

Meantime, doughty landlords and desperate tenants have dreamed up a host of gimmicks of most dubious legality for beating the rent ceilings still stamped on most dwellings. A Wall Street Journal survey of 11 big cities across the Nation has turned up dozens of trite gags, a few ingenious ones.

One San Franciscan sold a tenant the kitchen sink for $150, stipulating in writing that it was to stay behind when he moved. Another landlord sold a key to his place for $400 over and above the rent.

A New Yorker who has a wife and 3-month-old baby pays $15.50 a week for a $15 room (bath down the hall). The extra 50 cents is for legal fees. When the landlord's appeal for higher rent was turned down, he hired a lawyer to push the case. The tenants are paying the fees.

One west coast couple insist they're running a child-care home. They take only tenants with children and charge them $55 a month extra for minding the youngsters. But the landlord's wife stays safely away and the tenants are left to tend their own offspring.

The Boston rent control office has hauled one landlord into court for allegedly making his tenants buy linoleum for their apartments, as well as refrigerators and other accessories he promised to provide. To top it off, if the tenants asked permission to do any wall papering themselves, the landlord insisted his contractor do the job. He got a kick-back from the contractor.

MORE RENT JUGGLING

An ex-GI autoworker in Detroit rented a 5-room flat over a beer garden with a ceiling of $30 a month. To get the place he paid a year's rent in advance—at $52 a month—paid $500 for some furniture in the place and promised to pay $200 of fixing up. His first year's rent: $1,324, almost four times the ceiling.

Judge Harry S. McDevitt, presiding judge of the common pleas court and chairman of Philadelphia's housing rent commission, reports a new rent racket in the city of brotherly love.

It works this way: A landlord, after refusing for several months to accept rent money sent by registered mail, employs a conniving constable to serve an eviction notice. When the case comes before a magistrate, the landlord accepts the "overdue" rent but insists the tenant pay the constable fees—anywhere from $40 to $50. The constable splits the fee with the landlord.

Other cities report rent deals ranging from having the tenant redecorate the apartment to cooking the landlord's meals or tending his furnace or baby. Veterans in New York City claim some landlords are asking a new car at ceiling price in trade for an apartment.

Often the tenant makes the advances. Apartment hunters advertising in Chicago papers make no secret of the fact they're willing to break the law to get a place. Most common come-on is: "Will meet your terms," but would-be tenants also plead in print: "Will buy furniture," "Will decorate," "Rent no object," and "Help me, I can help you" (from a carpet executive).

FEW TENANTS KICK

Most tenants don't kick—whether they suggested the arrangement or not. Take the most familiar rent-beating gadget, the bonus payment. As a spokesman for one veterans' group in New York City says, "There are hundreds of examples. All I have to do is ask somebody." But few ever get reported. The rent-control office covering the entire Pittsburgh area, for instance, reports one bonus case in the courts.

One Philadelphia real-estate operator says one of every three landlords in that city is a "Simon Legree." He's backed up by Judge McDevitt's estimate that a third of the city's dwelling owners are "chiseling on rents." Rent-control men in Boston estimate that 23 percent of the rents in greater Boston are illegal.

Black-market rates vary. Pittsburghers report that "it's usually some negotiated figure." A United Auto Workers spokesman says the going under-the-counter rate for three- to four-room apartments in Detroit is an average $65 to $70, compared with a $45 ceiling. Philadelphia reports an average apartment rental rate of about $70 but, as one broker put it: "You might get on the waiting list if you hint you'll pay $100; at $125 you would be placed." Rent controllers in Cleveland say rooming-house overcharges usually run $2 to $3 a week over the ceiling, but some have been known to go as high as $60 a month over the limit.

Nation Must Look to Northwest's Hydro Plants To Supply Power and Heat

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Ivan Bloch:

NATION MUST LOOK TO NORTHWEST'S HYDRO PLANTS TO SUPPLY POWER AND HEAT

(By Ivan Bloch, industrial consultant, formerly chief, Industrial and Resources Development Division, Bonneville Power Administration.)

To the average Pacific Northwest citizen, the talk of power and fuel shortages seems unreal. "Why," says John Jones, "I flip the switch and get all the lights I want, and Mary doesn't worry about using the electric range. What's this all about?" And although most home owners don't have too much trouble getting fuel oil for the furnace, actually there are a large number who have reason for concern.

Sawdust is pretty hard to get in some communities. Slabwood no longer walls Portland sidewalks. And prices of all kinds of fuel, like everything else, are getting higher.

Energy shortages are pinching industry hard. Many industrial plant operators are scouring sawmills for waste and hogged wood fuel, bombarding the oil companies with requests for more oil. Many of them cannot operate their plants at full capacity because of lack of electric power.

In Portland the Oregon Steel Rolling Mills is reported to be running its two steel-melting furnaces only part of the time. The Puget Sound Power and Light Co. has requested its industrial customers to curtail their use of electricity during evening peak hours. There is serious doubt that the fifth and sixth potlines at the Alcoa Vancouver and the Permanente Metals Spokane aluminum reduction plants, respectively, can be serviced with the 35,000 kilowatts each will require.

The Reynolds Metals Co., Longview aluminum plant, closed down temporarily for rehabilitation in May 1947, must remain idle until next spring because power cannot be supplied to it.

Plans for aluminum wire, rod, and foil production announced by both Alcoa and Kaiser are clouded with uncertainty because of short power supplies. Several industrial concerns considering the establishment of phosphorus and fertilizer plants in southern Idaho and Montana are stymied for lack of assured low-cost power supplies. About 200,000 kilowatts of new industrial capacity for the Northwest, which would mean the employment of as many as 10,000 workers, are similarly held back until word is given that adequate electric power will be available in the near future. Sawmills that had hoped to electrify cannot do so; pulp and paper plants must continue to burn fuel oil; home builders are being specifically discouraged by electric utilities from installing electric house heating.

The power situation is so tight that every fuel-burning generating plant in the region is "on the line," consuming thousands of barrels of oil. Voltages frequently have dropped because of the great burdens upon power systems. The engineers of the great Northwest power pool spend uneasy evening

hours, watching the needles of their demand meters quiver ever higher to the limits of the power capabilities of the system. Only by the most careful use of power and the close scheduling of the region's existing power generating plants can disruption of the power system be prevented.

The power shortage is here, and is likely to get worse before it gets better. On oil, President Collier, of Standard Oil of California, on his December 3 visit to Portland, was quoted as saying: "As far as 1948 is concerned, we have sufficient fuel supplies—we feel we have—for the year." He did not seem to say much about succeeding years. Wood is not as easy to get as it once was and is much more expensive. Coal? Sure, if you can pay the price for Rocky Mountain coal, and provided your furnace can take it.

No one is really worried about keeping the region's homes reasonably warm and well lighted. But unless energetic steps are taken, there is reason to be pessimistic about the long-run situation.

Everywhere in the United States power plants are strained to get their generating limits, with little or no reserve capacity for emergencies. There is much talk about voluntary rationing of oil and gas. Coal production for domestic uses and for foreign aid is outstripping war levels with not too comfortable margin between production and consumption; stocks on hand are low.

Nationally, and to a large measure, regionally, this shortage of energy is due to the enormous expansion of energy consumption far beyond war peaks in the homes and factories of the United States, and shortages of production equipment such as turbogenerators, waterwheels and generators, refineries, tank cars, transformers, and the like. The sudden release of pent-up consumer demands for modern electrical equipment and modern heating devices, as well as industry's increased energy consumption for more production, have catapulted total energy requirements upward far ahead of the capabilities of the energy equipment manufacturing plants of the Nation.

The Pacific Northwest situation, although it finds close national counterpart, has unique aspects. In many respects, it could become the most critical shortage spot of the Nation. With the exception of its hydroelectric potential—well over 40 percent of the national total—it is an energy-poor region. Its coal reserves, although large and potentially important, have made slight contributions to the Northwest's total energy consumption. The region imports all of its petroleum and has never developed important and sustained sources of natural gas. On the other hand, it has been a very heavy consumer of wood for the heating of its homes and the operations of many of its industries.

Somewhat traditional patterns of use are exemplified in the following table. This table, prepared by Roscoe A. Day, of the Bonneville Power Administration, shows the percentage distribution of various forms of energy in the region, as compared with the United States.

Sources of energy consumed in the United States and the Pacific Northwest for 1944

Energy source	United States	Pacific Northwest
	Percent	*Percent*
Oil and gas	42	44
Coal	54	10
Wood	(1)	16
Water power	4	30
Total	100	100

[1] Negligible.

It is evident from these percentages that the Pacific Northwest differs from the rest of the Nation in that it is a much greater consumer of hydro and wood, and a much smaller consumer of coal. However, this picture is changing. Wood, as a primary source of energy, is beginning to slip in importance. The deficiency caused by its tight supply and rising prices is being taken up by oil and hydro. Coal is stationary in its contribution. What is happening to these various sources of energy in the Northwest? We must remember that as the region continues its population growth its consumption of energy will increase in proportion.

Wood as a source of energy supply for Pacific Northwest homes and industry cannot be expected to bear its past share. The lumber industry is increasing its full use of each tree. Less waste is sold as fuel—more of the tree is manufactured into lumber and pulp. The depletion of easily accessible stands of timber is forcing loggers and sawmill operators further and further away from our large cities, making it more expensive to transport waste wood to markets in Portland and Seattle and other communities. Moreover, waste wood is becoming far too valuable for new uses, such as for plastics and chemicals.

The petroleum situation in the region reflects the national problem. The petroleum needs of the Northwest must be met by imports. However, inasmuch as California oil fields are no longer bountiful, foreign oil will be required. The rumors of pipe lines from Rocky Mountain fields are discounted by oil industry officials. Although effort must continue for local exploration of oil and natural gas, there are no prospects of major discoveries and sustained major production in the region.

In the meantime, the price structure of oil is rising and there are no facts to anticipate a reversal of trends. The future role of petroleum as a principal source of energy in the Northwest is cloaked with some uncertainty as to expanding supply. It is definitely under the restraining shadow of increasing prices per unit.

If the sources of about 60 percent of the region's past energy consumption have a downward trend, what can local coal and local hydroelectric power do toward meeting the rising energy demands? What about natural gas from the Alberta, Canada, fields?

The history of coal utilization—coal found in the Puget Sound area, in western central Washington and in some coastal areas of Oregon—is a history of the impact of competition from petroleum products. The discovery of petroleum in California was a blow to a reasonably flourishing coal industry of the Northwest. Recurrent attempts to build up this industry have been made by businessmen, but even those have been faced with a "lost art," a somewhat disdainful market, and heavy competition from higher grade coal mined in Utah. The pressures which are now at work offer opportunity for a revival of coal production in the Pacific Northwest, but not without effort.

The reserves of coal of the Northwest are great. Washington, with the greatest percentage of the total, probably has 63,000,000 tons. Oregon's deposits, although considerably smaller, are not unimportant in terms of local consumption. However, major technical and economic problems in the large-scale utilization of this coal dim the immediate possibility of their taking up much of the lost ground.

However, by the development of suitable processes, a more aggressive attitude on the part of producers and merchandisers, and a rising consumer acceptance, the potentials of Northwest coal reserves should not be ruled out. There are undoubted opportunities in the application of advanced techniques which provide acceptable types of smokeless or almost smokeless fuel. This would require the investment of several million dollars for treatment plants and the expenditure of large sums for market development. Similarly, there are as yet unrevealed potentials in the underground gasification of certain local deposits. This involves the controlled burning of underground coal seams, with recovery of gas and tarry substances.

These potentials have barely been explored.

The conclusion on coal is that it will not provide the major assistance required to meet the energy requirements of the region.

Recent news accounts of a proposed pipe line from the gas fields in Alberta, Canada, raise some hopes. If it becomes possible to bring in 200,000,000 cubic feet of natural gas to the Pacific Northwest, and if the price of the gas is low, the results will be most stimulating. Any region which can offer cheap hydroelectric power, pure water in large quantities, and cheap natural gas has an unbeatable combination for industrial development.

Although hydroelectric power doesn't provide all the answers, assuredly it is the brightest potential spot in the energy picture. Only 1,500,000 kilowatts have been developed so far on the Columbia River, with its potential fifteen to twenty million kilowatts. There is room for expansion. But will it come into production fast enough? Can this potential be brought over the regional power network soon enough to service all the new population and the new industries? What are the prospects for new power plants to nip the current power shortages?

That the region needs more and more hydroelectric capacity was recognized early in 1947 by both private and public utilities at a meeting in Tacoma. It was the judgment of these utilities that an additional 2,628,000 kilowatts of Federal generating facilities be added by 1953 to the region's present production capacity of about 3,500,000 kilowatts. This amount of additional power capacity is almost twice the present installations at Bonneville and Grand Coulee dams. Furthermore, recent studies made by the Department of the Interior indicate a need for at least 8,000,000 kilowatts of Federal capacity by 1960.

These astronomical figures cannot be discounted as mere phantasy or the wishes of an ambitious region. To be sure, the 600,000 or more new people estimated to swell the Northwest's population by 1960 will add to the regional consumption. Actually, these tremendous reserves of hydro are needed nationally to supply electro-process industries.

The location of an entirely new segment of industry in the Pacific Northwest has not been without reason. Industries for the production of aluminum, ferro-alloys, and numerous chemicals require electricity in huge quantities as a raw material. These industries have been growing rapidly, and their power requirements correspondingly so. From 1939 through 1943, the total yearly power requirements of national manufactures doubled. For the same period of time, major electro-process industries quadrupled their annual power consumption. The trend is continuing upward at an accelerated rate because our industrial economy demands increasing amounts of the high-purity products of the electric furnace and the electrolytic cell.

In addition, shortages of iron and steel, partially reflecting growing depletion of high-purity iron ores, are creating heavy demands for light metals—only capable of production by electrical methods. Small wonder that the engineers of prominent industrial firms are combing the United States for large quantities of steady power at low costs. And they must eventually look to the Pacific Northwest, because there is no other section which can ultimately supply their specialized needs. Because of this, advance estimates indicate a possible ninefold expansion of potential electro-process industry power requirements in the Pacific Northwest by 1956.

Although the future for Northwest hydro is replete with potential kilowatts, the immediate outlook is one of continued tightness in supply. Not much before all Grand Coulee generators have been installed and McNary Dam comes into substantial production will the region's capacity to produce begin to match its capacity to consume. Last year it was hoped that 1952 would mark the time when a shift from deficit to sufficiency might occur. However, delays in construction due to insufficient congressional appropriations have pushed the date of plentiful power into the future.

The same applies to Hungry Horse, Hells Canyon, Albeni Falls, and many other dams.

Fuel Oil Conservation by Federal Government

REMARKS

OF

HON. JOHN W. HESELTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. HESELTON. Mr. Speaker, yesterday I obtained unanimous consent to extend my remarks in the Appendix of the RECORD to include therein a letter from Hon. John R. Steelman to myself and a copy of the letter from Maj. Gen. Philip D. Fleming to Mr. Steelman. Unfortunately, I mislaid that correspondence, but have obtained copies today and am including them for the particular use of the entire New England delegation in the House, although the steps being taken will undoubtedly be of interest to other Members of Congress representing areas now seriously affected by the fuel oil shortage.

JANUARY 29, 1948.

Hon. JOHN W. HESELTON,
House of Representatives,
Washington, D. C.

MY DEAR MR. HESELTON: This is in further reference to our past correspondence regarding the possible conversion from oil to coal in Government buildings.

Enclosed herewith is a copy of the report of January 27, 1948, on this subject from General Fleming, Federal Works Administrator.

It would appear from this report that there are some Government buildings in which conversion from oil to coal could be made at an early date and with relatively small expense; and General Fleming has been asked to arrange with the several departments and agencies concerned for corrective action in this respect where such action is feasible and will produce results during the present heating season.

As you doubtless know, the President's order of January 17, 1948, for conservation of fuel oil, gasoline, and gas (copy attached) contains the following paragraph with respect to future installations of fuel oil or gas-burning equipment:

"4. No equipment shall be installed for burning fuel oil or gas or liquefied petroleum gas, and no permanent building or establishment shall be converted to these fuels, without the prior approval of the Bureau of Mines, except where firm commitments for such installations or conversions have already been made."

Sincerely,

JOHN R. STEELMAN.

FEDERAL WORKS AGENCY,
Washington, January 27, 1948.

Hon. JOHN R. STEELMAN,
Assistant to the President,
The White House.

MY DEAR MR. STEELMAN: Further references is made to your letter of December 19 requesting that an investigation be made as to the practicability of converting Government buildings from the use of oil to the use of coal. As you were advised, a meeting was held in this office on December 30 and those present were requested to have final data in our hands by January 2 on which to base a complete report to you.

We have now received a mass of information from the majority of those who were present at the meeting, included in which are figures to show the buildings which cannot be changed over for various reasons, as well as those which are susceptible of being changed and under what conditions. Briefly the information developed consists of the following:

1. Before the date of our meeting, some of the agencies had already issued to their field offices instructions to suspend any further conversions from coal to oil.

2. The Justice Department reported the partial conversion of one plant using 400,000 gallons of fuel oil per year to the use of coal; Public Health Service reported the recent conversion of one small plant burning 15,000 gallons of oil per year to the use of other fuel; and Public Buildings Administration reported the partial cancellation of a contract which had been entered into for converting a building to the use of oil. The contract had been partially completed and would have produced a plant which would burn 370,000 gallons per year.

3. The agencies reporting that conversion from oil to coal is practicable stated that to accomplish this would require the expenditure of a substantial sum, which funds had not been included in the budget estimates and that it would therefore be necessary for them to obtain the additional funds before proceeding with the work. They also reported that the oil-burning plants that are now in operation are in many cases automatically controlled. If converted to the use of coal, it would be necessary to employ firemen to operate them, requiring the necessity of additional funds. I am enclosing two of the reports that were received as samples so that you may see the care that was exercised by the agencies in gathering the desired information. It will be noted that the Department of Agriculture report shows a possible saving of 888,690 gallons of oil per year but that the cost of making the necessary changes would amount to $129,539 and that there would be an increase in operating costs of $70,065 per year. An analysis of the report of the Public Buildings Administration shows that it is considered practicable to convert 35 of the buildings but that this work would cost $414,220. This figure does not include the cost of any additional employees who might be required as firemen.

4. Apparently the situation existing in the Navy Department, which was reported in our letter of January 16, is the only one reflecting a major saving at this time. They can immediately begin the use of coal in certain of their plants previously operated by oil and thereby save at the rate of 1,420,000 barrels of oil per year.

Since the Executive order calling for conservation of fuel oil was issued January 17, 1948, which covers all phases of conservation and also regulates the installation of additional oil-burning equipment, it is doubtful if much more can be done in the interest of saving oil at the present time. It would seem that since the agencies are now acquainted with the existing situation and know that the prospects for the next few years are but little brighter, they will cooperate in every way possible, including the conversion of equipment where practicable, in order to ease the effects of the present fuel-oil shortage.

Sincerely yours,

PHILIP B. FLEMING,
Major General, United States Army,
Administrator.

The American Marine Engineer Says: "Oleomargarine Taxes Should Be Repealed"

EXTENSION OF REMARKS

OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. HAYS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following editorial from the American Marine Engineer magazine for January 1948:

American families for many years have been paying a scandalous tribute to the dairy lobby through the tax on oleomargarine.

Regardless of efforts made in the States and the Federal legislature, the dairy lobby is still in control of the situation. Here's how it shapes up:

You have to pay a hidden tax on every pound of uncolored margarine of one-fourth of a cent.

You have to pay a tax of 10 cents per pound to get margarine already colored.

Your grocer has to pay $6 a year to sell uncolored margarine and $48 a year to sell colored margarine.

The wholesaler pays $200 a year to sell uncolored margarine but $480 a year to sell colored margarine and the manufacturer must pay a stiff tax of some $600 on the manufacture of margarine.

There are variations, but these general impositions indicate the situation with regard to the discrimination against margarine. In addition to the financial restrictions in the form of taxes, many State have laws which prevent public institutions such as schools or hospitals from using butter substitutes. With butter around the dollar a pound mark, some institutions are hard pressed to include any butter at all on the menu.

If there were ever any health reasons for condemning oleo, they have disappeared and the only remaining argument against margarine has disappeared. Noting the rise in prices on foods, the American Public Health Association, in a resolution said: "The American Public Health Association condemns specific taxes on oleomargarine and respectfully petitions the Congress and the various State legislatures to repeal these taxes."

Rent Control and Housing

EXTENSION OF REMARKS

OF

HON. HAROLD F. YOUNGBLOOD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. YOUNGBLOOD. Mr. Speaker, under leave to extend my remarks in

the RECORD, I include the following statement:

RENT ADVISORY BOARD HEARING ON DECONTROL
DECEMBER 29, 1947

The purpose of the hearing is to get some facts and suggestions concerning the problem of rent control and housing.

It is apparent to all that the rental housing situation is continually getting worse. Rent control and present practices are not providing any relief for those who seek rental accommodations. Those who are frozen into rental housing have a special preference, so long as they are subsidized by their landlords, but those who are forced to vacate and join the other rental demands find no relief under the present system.

The situation may be put this way: Rent control issued special ration cards to tenants in possession, in complete disregard of value, freedom of contract, and mutual harmony. As to mass housing, such as apartment houses, large volume of rentals, the situation is one merely dealing with tradespeople, but in many cases of small rentals, two flats and houses, we have a relation of constant personal dealing and where each feels the restraints and regulations we have a situation that brings about hostile and conflicting relations detrimental to the welfare of all concerned.

Those with ration cards for the preferred rentals are given a benefit that others cannot secure. They have from the rent director a special privilege contrary to all our plan of equal and fair treatment. And let it be recognized that those holding these ration cards or privileged positions are in many instances not the workingman, the widow and children that proponents of rent control drag out to play upon our sentiments, but in the majority of instances are tenants who have very substantial incomes, generally in excess of the income of their landlord. State Representative Paul Arnold, cited the example of a business executive, with a substantial income, holding a ration card on a 6-room brick dwelling, built in 1943, at monthly rental of $50 while a returning veteran, rent fixed by OPA and FHA regulations, for a lesser dwelling had to pay $70 a month. Currently, with rental control applying to old tenants and new buildings decontrolled, there are many instances of high-income individuals holding these privileges because of rent freeze, while the widows and children, and almost all veterans must bid for the new homes and pay the high rent that can be secured because there are so few of such places on the rental market and the demand for them is so great. The proofs present a situation where rent control is making the situation bad for the widows and orphans and the veterans, and so long as rent control continues the situation will be made even worse; and if we are going to sob for these people we must sob because rent control mistreats them.

Senator Arthur E. Wood presented the proof that many eviction cases are brought by those who have had to buy housing accommodations, because they hold no ration card for accommodations at the frozen level or at any level. They have been compelled to buy, at current prices—I do not think that the charge, generally made as to excessive price is justified. The prices paid for new and old houses is very little if any out of line with the general economy. Cost of living is said to be about 66 percent to 70 percent up from 1940. This cost of living has the unreasonably low item of rent, which is said to be up only about 10 percent. As rent is generally 25 percent of the cost of living, we could see that the cost of living, if rent had been allowed to follow the general trend, would be up some 90 percent and upward. General cost of housing accommodations is not very generally up 90 percent from the 1940 prices. In addition these factors should be considered—that it has cost much more to build new homes because of excessive delays, material shortages, black-market prices, labor troubles, and increase in costs of material and labor. Recent estimates published in the CONGRESSIONAL RECORD give lumber costs as nearly three times that of 1940. I do not think we gain anything by damning the sellers of housing accommodations. They are only part of the general economy and when they sell in turn must buy or rent on the high market. The real issue is in the short rental market that is created by the buying of homes.

As Mr. Wood indicated, the buyers want the accommodations for their own use because they cannot rent—they have no ration card, or as they are doing, someone took their ration card by purchasing their accommodations. If we consider that prior to rent control, some 75 percent of our population were tenants, we will see the squeeze rent control is putting on tenants. Now, less than 50 percent of housing accommodations are available for renting, 75 percent trying to use 50 percent of the accommodations. Every time a tenant must purchase, generally at considerable difficulty to himself and contrary to his wish, if it is an old accommodation, a tenant must be removed, his ration card taken from him and he cannot get another. As the accommodations become less and less for rental because more become owners, the 75 percent wishing to rent find their lot worse and worse. The answer is not in the fact that it is desirable to have a greater percentage of home owners for we are dealing with problems of providing accommodations not for those who wish to buy but for those who either cannot buy or do not wish to buy, it is the rental housing that is in short supply—there is no shortage of housing for sale. The tenants demanding rent control are not the ones out of possession, but the ones who hold the privileged ration cards—they have secured in illigimate advantage and they want to hold it—tenants out of possession, no matter how deserving or how much in distress, cannot get housing on the same terms. There is no housing available and the proofs are convincing that none was added under rent control and practically none is being added now, though new housing is exempted from control, with the continued agitation, emphasized by Walter Reuther for more stringent control that will include new and decontrolled accommodations, builders are not encouraged to provide rental accommodations.

It should be noted that all advocates of rent control carefully avoided meeting the issue as to whether any substantial new rental units were being provided. They are not concerned about out-of-home or needy people or with justice and welfare in the community, but with their own selfish advantage which has been secured at the expense of others, including many suffering tenants and would-be tenants. All studies cover lean and prosperous periods and consider both the tenant and the landlord and what each should have in return under the existing economy. Now we have thrown out the window all the lessons of past experience and have fixed rentals at an isolated, arbitrary, and oppressive standard, no matter what the tenant income, no matter what the cost of operation, no matter what the other economy does, rents must have no relation to anything else. Then those who have the privileges, the unconscionable advantage, cry to high heaven that there is not enough of rental accommodations, but offer no cure for the problem except the medicine that has made and is making the patient sicker. When asked whether any substantial new housing is provided to meet the rental demand, they shrug it off and say it is not what concerns them, they want rent control that is protecting their privileges, not a remedy for others. They care not what relation rents bear to income, cost of operation, taxes, or rising prices.

The fact is conclusively established that housing for rental was not produced under rent control to keep pace with the demand, practically none. The fact is further established that with rent conrol off new construction, there has been no sufficient housing added to relieve the rental demand, in fact a worse situation continues to develop because rental housing is being taken off the market, both by withholding accommodations from the rental market and offering same for sale and by purchasers taking homes off the rental market. Congressman RALPH A. GAMBLE, chairman of Joint Congressional Committee on Housing, in a statement to New York real estate audience disclosed that more new homes were started this year than in any prior year of our history. Taking off rent control has been instrumental in some degree, but the threat of new controls and the control of old housing has restrained construction for rental. While some 900,000 units are being constructed for 1947, only about 10 percent are for rental, and these are practically all in apartment units. It should be noted that only after rent control was removed from new units that there was any appreciable construction of units for rental, only about 3 percent of construction was for rental prior to July 1947, including construction in areas not under control.

We could not get anyone to give us the ratio of construction for rental as against for sale in Detroit. I think all those advocating control were careful to avoid this issue, for it would show that the result in Detroit is worse than Congressman GAMBLE presents for the whole country. Everywhere we see hundreds of vacant homes for sale, but none for rent. My experience shows that houses are permitted to stand vacant for months so that immediate possession can be given to the buyer. Mr. John Scoville stated that there are currently 30 inches of newspaper ads of houses for sale as against 1 inch for rent. Normally the ratio is in favor of for rent. It should be noted that many for sale ads offer immediate possession.

The situation in Detroit can be appraised somewhat by reference to statistics on housing and population increases in Detroit. Bureau of Government Statistics in September 1947 stated that the basic fact is that 1940 to 1947 more housing was added than population. Population increased 18 percent and housing increased 24 percent. The importance of such decimal change can be shown by the fact that with the same occupancy ratio as in 1940, we would today have a surplus of 50,000 dwelling units. The fact that there is no actual housing shortage poses the question why there is the shortage for rental or why any rent control should be continued. It is obvious that scarcity of housing is not the problem, but that hoarding of housing or withholding from the rental market, is the cause of the housing distress. As Mr. Scoville aptly stated, if some law controlling prices of ham, fixed the price at 10 cents a pound there would be an excessive demand for ham at 10 cents and if ham could not be produced at 10 cents there would be a scarcity, and because of the low price everyone would be trying to get it, and if any was produced many would pay black-market prices and keep it off the legitimate market.

So it is with rent. What supply of rental units is available is hoarded or held by those who have been able to get the ration cards—new units for rental cannot be produced at the low ceiling and are not produced. In normal economy, with 18 percent population increase—more than 70 percent of the increase would be in the tenant class—in a normal economy 70 percent of the added housing would have been for rental. Rent control has disupted normal economy, so that instead of 70 percent of the 24 percent increase in dwelling units, probably less than 1 percent was available for rental, so that practically no new rental housing was added

to take care of the 70 percent of the 18 percent increase in population. Rent control therefore does not, has not, and never will relieve the housing distress, until we have a depression, when it will not be needed to keep down rents. There is no housing shortage, but a housing distress for those who prefer to rent or who cannot afford to buy.

The evidence is conclusive that rent control will not bring relief and that is making the distress of tenants greater. The fact we may have a healthier society by reason of a greater number becoming owners of their homes, or the fact that buyers of homes are taken off the rental demand, does not offer any relief for the problem advocates of rent control say they want to relieve. One must be either blind or allow his prejudices to warp his judgment (we do not believe they are stupid) to contend that continuing rent control will produce any relief to the tenants and would-be tenants who cannot find accommodations. Those who say control must be continued until the distress—and it must not be called housing shortage for the figures are conclusive proof there is not a housing shortage in terms of normal use—is relieved must know that such control would have to be continued forever unless there is a serious depression.

And this must be added. Every industry must be able to build up a reserve. Dun's Review for December, gives us the fact that substantially 20 percent is required to provide for the needed for what is called capital formation, 20 percent of each dollar of goods and service produced. Rent income can be rated as service produced, and of that the normal 20 percent is required to maintain a normal relation in producing new units and providing for expanding demands. Under rent ceilings, where rental income is frozen at a low level of economy—normal growth cannot be had, for all other items of economy have taken a higher level, at least in dollar and cents figuring. We can see that rent control must of necessity operate to increase the distress and can never operate to bring about the relief that advocates of rental-control demand before ending it. The goal they say we must reach is forever getting more and more distant, for there is a constant increase in the ratio of units demanded to the units made available. Today there are less units available for rent than there were in 1940 or any time since. In addition, those providing rental units have not been able to build up a reserve to carry them over the inevitable lean period. Our industry would soon collapse if it did not have provision for reserve.

Much has been said about rent income and that because of full occupancy. Generally, a false assumption is taken. The costs of supervision, expenses of conflicts, ultimate excessive repairs, and often litigation are not included in computing net. The terrible conditions of battle-array relations cannot be compensated by any fuller occupancy, and many owners would gladly have more vacancy than put up with the abuse from tenants. But taking the figures at the best for the claim of great occupancy, without allowing any deductions, there is still only a showing of a possible 10 to 15 percent increase in dollars income, with those who have secured a 15-percent increase in rates, at best there is about 30 percent increase in dollars. But in purchasing power there is a shrinkage of approximately 70 percent, so that the income, giving it the best face advocates of rent control present, the income is still approximately 40 percent under the correct economy and 40 percent less than the average income in comparison. The proof is conclusive that those who insist that rent income has not suffered deliberately close their eyes to the fact they see in relation to their own costs and, while they loudly cry their dollars have lost purchasing power, try to rate the rent dollar at the old level. Certain advocates of rent control are at least intellectually dishonest, if not intentionally trying to deceive and present false comparisons.

There is this other phase. Do we believe in our Constitution and in the Declaration of Independence? We are hypocrites if we say we do and accept rent control in peacetime. There is nothing in the Constitution that authorizes such controls. None of us have the right to speak weasel words in paying respect to the Declaration of Independence and the Constitution, and we are using them if we advocate rent control in peacetime.

The proofs are as conclusive as proofs can be made, that rent control is definitely wrong in principle and contrary to all our ideals: That rent control is not, never will with ceilings, produce rental housing to relieve the housing distress of the tenant segment of our population; that rent control is oppressive and unfair to both landlord and such part of the tenant segment as is not given special privileges or ration cards that are not available to others; that unfriendly and unhealthy social relations are created by the operation of the rent control and unnecessary conflicts and welfare is maintained between people who might otherwise be friendly and cooperative; that so long as rent control continues the distress of those seeking rental accommodations will continue to increase and that the greatest sufferers will be the widows and orphans and the low-income segment of tenant population; that under rent control those seeking housing must purchase and in purchasing must evict tenants in possession and these in turn are compelled to purchase in turn evict others, and that this creates conflicts and is detrimental to the peaceful and harmonious relations we should have.

GREATER DETROIT PROPERTY OWNERS, INC.,
EDWARD B. BENSCOE, *President*.
DETROIT, MICH.

The Viewpoint of a Thoughtful Citizen

EXTENSION OF REMARKS
OF
HON. WILLIAM J. MILLER
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. MILLER of Connecticut. Mr. Speaker, every once in a while there comes to my desk a letter which is so thoughtful and so indicative of the thinking of the people that I feel it should be in the RECORD. The letter which I am putting in the RECORD at this time outlines 11 points, with most of which it is hard to disagree. I hope many of my colleagues will take the time to read it.

JANUARY 25, 1948.

Congressman WILLIAM MILLER,
Connecticut District, Washington, D. C.

DEAR MR. MILLER: For quite some time I have been intending to write to you to say that we back home are well pleased with the way you are progressing in your work. No doubt, your task is tremendous, the hours long, and your work very hard. I guess many people do not realize what a Member of Congress goes through in these trying times. I for one wish you the best and somehow in the final analysis things will brighten up.

Here it is Sunday afternoon at home and I have just finished reading the newspapers which are all featuring our worldly troubles such as compulsory military training, taxes, the Marshall plan, Russian aggression, and so forth. Over the radio we hear the same sort of goings on. This commentator is in favor of one thing, another analyst has the opposite view.

After we hear and read all about our various troubles for 7 days a week, month in and month out and we see no faint ray of this chaos becoming unraveled only getting worse and worse, the multitude of the people are now so confused, so bewildered and uncertain that their confidence in good government has been greatly shaken.

No doubt, Mr. MILLER, you and other Members of Congress are better aware of these uncertainties than we back home. We hear of congressional investigations on this and that. Our State Department suddenly releases a secret Russian-German treaty pact. Only this afternoon Bill Cunningham, news commentator from Boston, said that early in April 1945, Stalin sent a note to former President Roosevelt saying that he, Stalin, would not adhere to Yalta and Potsdam agreements. It is definitely not fair to we the people to have to wait nearly 3 years for this secret stuff to come out. So long as it concerns the people, we demand that this secret stuff be made known Nation-wide immediately.

Multiply these few above-mentioned troubles by any additional number and we have a rough idea of what a mess we are in. So far nothing concrete and emphatic in the way of even a partial cure has been offered. The people are getting awfully tired, confused, and disgusted with all this talk, meetings, United Nations this and that, so many billions for this and so many billions for that. How long can people stand up under this sort of bombardment? I'm afraid not too long.

All this has no reflection on you personally, Mr. MILLER. It is simply brought out to convey the feeling of the people. They feel lost, sort of empty, with no real leader to look up to. Too much confusion and the future looks awfully dark.

Applying ordinary horse sense to this huge problem, it should go something like this. Let's take all the fancy double talk out of this thing and get down to a plan which is constructive or a plan of action. Make it a must with no alternatives, make it either or else and be emphatic. The first one to come out with a real plan to lick this thing in these uncertain times will do a great service to the people.

1. Elect a real leader for President who will work with the Congress.

2. Call the cards which Russia holds. Don't waste time trying to talk, reason, or appease Russia. Her mind is made up. Let here know emphatically where we stand and stick to it. If it means that we must push her back by force, let's do it before we spend billions over there possibly in vain. The people are not sold on the idea of parting with their hard-earned money on anything so uncertain as hoping it will make Russia behave and go home. There is a good chance that it will not work and a miracle if it does.

3. If Russia should back down after getting hit on the head, then, and only then, send money over to help out, but only for a short trial period subject to a check-up to see if the unfortunates are really helping themselves or still playing possum.

4. Invoke military training. Chances are we will need it all of a sudden with little or no warning of trouble. Make this a must by conscription if necessary.

5. Reduce taxes for the people here. A real reduction is in order, not one of the $40 a head things. Some of this loss in revenue can be easily made up by cleaning house in Washington, meaning Government pay rolls, duplications, and overlapping.

Really clean up the place down there and get rid of these hangers-on. This move alone will save millions.

6. We must have a big modern Air Force and Navy. Spend some money on this. It is the best protection for peace known to man regardless of any opposition or who it

comes from. Carry a big stick is still the best idea. This is a must.

7. Have us keep on making A bombs by the thousands. Keep those factories going day and night. One day we might need them but quickly. Spread them out after their made. Cuts time down getting there. Sounds like a warmonger? Not at all. Just mighty handy, just in case.

8. Send no more foodstuff over to the other side than we can stand without endangering our own needs at home. This goes for coal, fuel oil, kerosene also. Enforce this. People are not too happy about doing without at home with no guaranty that their sacrifice is doing much good. Whole thing is too uncertain.

9. Let them all know over in Europe that we are taking over as a sort of helping out period until they can stand on their own feet. If any other outfit gets in our way, show them our big stick and use it if necessary.

10. Allow no more of these secret meetings between our Government officials and other countries without letting the whole world know immediately what was said. This fallacy is now coming to light as a result from the last war. It shakes confidence on the part of the people in their government to have these things backfire.

11. One way or another get some more houses built here at home to ease the housing shortage. Consult private lending institutions and banks. They will be glad to help. No subsidizing. In fact take all subsidies off on everything. Robbing Peter to pay Paul is not good economics.

Mr. MILLER, I again want to thank you for reading my letter and hope you can get something constructive from it. At least it lets you know how the people feel about the whole affair and should convey the importance of getting a definite plan into action quickly.

Very truly yours.

Increase of Pay of Postal Workers

EXTENSION OF REMARKS
OF
HON. WALTER B. HUBER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. HUBER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following editorial appearing in the Akron (Ohio) Beacon Journal of January 20, 1948:

RAISE POSTAL PAY

The cost of living has gone up 26.9 percent and food prices have risen 43.4 percent in the 2 years since postal workers received their last pay raise.

Pending before Congress are bills to increase post-office salaries and to liberalize the pension plan which was barely adequate 20 years ago, when a dollar went twice as far as it goes today.

Both of these things should be done, if not because justice requires them, because it is essential that the postal service remain attractive to able young men.

The most zealous budget cutter in Congress cannot accuse the Post Office Department of extravagance. It uses trucks that belong in a museum and pays salaries that a private employer would be ashamed to offer. Even if the tax cut planned by Congress must be modified a little, postal workers and their retired brothers should be given more money.

Increase in Subsistence Payments of Veterans

EXTENSION OF REMARKS
OF
HON. GEORGIA L. LUSK
OF NEW MEXICO
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mrs. LUSK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

[From American Council on Education through University of Minnesota News Service, January 15, 1948]

(This is the first of a series of articles describing the results of a survey of college veterans based on the responses received from interviews with a scientifically selected sample of veterans attending all types of colleges located throughout the country. The study was planned by a national committee appointed by the American Council on Education and was made possible by a grant of funds from the Disabled American Veterans. Dean E. G. Williamson of the University of Minnesota acted as chairman of the committee. Ralph J. Strom, formerly of the Veterans' Administration, was director of the project and conducted the survey.)

MINNEAPOLIS.—One of the important problems facing the present Congress is the matter of proposed increases in subsistence payments to veterans attending educational institutions under the GI bill of rights and the Rehabilitation Act.

Veterans all over the country have been requesting increases in the $65 monthly allotment for single students and the $90 per month for married veterans so that they may remain in school despite skyrocketing living costs.

A portion of a survey on veterans' education recently completed by the American Council on Education and financed by the Disabled American Veterans, was devoted to an investigation of the cost of living of a scientifically selected and representative cross-section of veterans attending colleges and universities throughout continental United States.

To determine how much of a differential exists between the $65 and $90 monthly subsistence payments, and their actual living expenses, each veteran contacted in the Nation-wide poll was asked to make a careful estimate of his average total monthly expenses while attending school.

Results of the poll indicate that the average total monthly expenses of single veterans in college is $106.13, while the average for married veteran college students is $175.38. This means that single students spent $106.13 monthly but received only $65, a difference of $41.13. Married students spent $175.38 but received only $90 from the Veterans' Administration, a difference of $85.38.

Board and room costs of the large number of single veteran students who reported paying for their room and board in one lump sum were found to have an average of $55.19 monthly. However, in the case of single veterans who said they found it necessary to eat at places other than where they roomed the average cost of their meals alone was found to be $51.08 monthly. This amount, in addition to the average sum of $21.48 which veterans in this group pay for room rent brings the monthly cost of room and board to $72.56.

Married veteran students, according to the poll, spend an average amount of $38.96 for rent monthly, while their average outlay for food was found to be $67.71, adding up to a total of $106.67 for rent and food, ($16.67 more than the total subsistence allowance).

In order to make ends meet, many veterans work during school terms, and the wives of a great number of married veterans hold jobs on either a full-time or part-time basis. Summer vacation jobs are helpful to a large percentage seeking to augment their income.

Results of the Nation-wide study indicated that 36 percent of college student veterans work for additional income, 12 percent up to 10 hours during the week; 14 percent from 11 to 20 hours; and the remaining 10 percent more than 20 hours a week.

Despite physical disabilities, one out of four unmarried disabled student veterans was found to be working to supplement his income from the Government; one out of three married disabled veterans is working, while almost one-half of the married non-disabled veterans are employed.

Of the more than one-third of the college veterans employed, the survey showed that 46 percent earn $10 or less, 33 percent earn from $11 to $20 and 13 percent earn from $21 to $30. Earnings of the remaining 8 percent range from $31 to $105.

Wives of 56 percent of the married student veterans are working to supplement their husbands' incomes, the survey disclosed, 43 percent on a full-time basis, 9 percent part time, and 4 percent intermittently.

To help pay their living expenses and in an effort to set aside additional funds for supplemental financing of their educational costs during the current school year, 6 out of 10 veterans worked to some extent during the last summer months, according to the poll.

Despite the fact that many veterans did outside work last summer, many were unable to set aside any funds for their scholastic expenses. This was found to be particularly true of the married veterans, many of whom were unable to retain any of their summer earnings for school costs after paying their summer living expenses.

Of the 6 out of 10 married veterans who worked last summer, 62 percent said they were unable to accumulate any savings, 21 percent reported they were able to lay aside up to $250, and 17 percent more than $250.

Many single veterans who worked last summer were in a better position financially when school opened since 40 percent were able to save up to $250, while another fourth set aside more than $250. Only one-third of the single veterans who worked during the summer said they were unable to save any of their earnings.

In an effort to determine the financial cushion which student veterans are able to maintain, they were queried in the poll as to their total personal savings now available for financing their educations.

More than one-third reported in the survey that they have no reserve savings whatever upon which they can draw to help pay their way through school.

The savings of married student veterans are decidedly less than those of all student veterans, according to the poll, 40 percent of this group having no savings whatsoever. In the case of married disabled veterans attending college, one-half have no financial reserves to supplement their income.

America Must Not Give Away Her Merchant Marine

EXTENSION OF REMARKS
OF
HON. SCHUYLER OTIS BLAND
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. BLAND. Mr. Speaker, there appeared in the issue of Newsweek, dated

December 29, 1947, a highly interesting and informative article entitled "Merchant Marine: How America Seeks To Stay in the Oceans While Its Rivals in Trade Are Building Ships Pell-mell." The article shows that ships of 100 gross tons, and over, under construction as of September 30, 1947, were as follows:

Great Britain 483, of 2,112,669 gross tons; Sweden 72, of 294,345 gross tons; Holland 112, of 260,781 gross tons; France 92, of 257,046 gross tons; Italy, 76, of 222,037 gross tons; British Dominions 86, of 189,905 gross tons; United States 55, of 177,669 gross tons.

This article is worth reading at this time particularly in view of the suggestion coming from the State Department that the United States shall sell to European nations some 200 oceangoing steamships and in addition transfer to them on a temporary basis up to 300 more bulk-cargo ships under bare-boat charter.

I fully agree with the statement of Representative BRADLEY, of California, a very able and distinguished member of the Committee on Merchant Marine and Fisheries, in his comprehensive, accurate, and unanswerable speech delivered on the floor on January 13, 1948. Mr. BRADLEY said:

Mr. Speaker, the funeral of an adequate American merchant marine has been arranged by the State Department. The pallbearers may well be some 16 foreigners. The mourners will all be Americans. The Outline of a European Recovery Program, prepared under the direction of the State Department, aims a near mortal blow at our present merchant marine. It may be that this Congress can save the patient's life and disappoint those who hopefully anticipate the reading of the last will and testament.

If we follow the course recommended by the State Department we shall disregard completely the recommendation of the Harriman committee when it said:

The United States needs an active merchant marine for national defense and we must not create conditions in which that merchant marine cannot survive.

It is interesting to note that reliable information exists to the effect that a proposal to defer foreign shipbuilding has been advanced by the United States and definitely rejected. In the meantime, while others build, we are asked to give away our ships. I am definitely opposed to that.

I have been a member of the Committee on Merchant Marine and Fisheries since April 18, 1921. I know Representative BRADLEY and the Harriman committee state the truth, the whole truth, and nothing but the truth. The article in Newsweek is as follows:

MERCHANT MARINE: HOW AMERICA SEEKS TO STAY IN THE OCEANS WHILE ITS RIVALS IN TRADE ARE BUILDING SHIPS PELL-MELL

(How big a merchant marine can the United States maintain in this postwar world? What is happening to the huge wartime fleet? How many new ships should be built and of what type? How much subsidy should be paid to keep the flag at sea? These questions are once again on the Government's agenda and the whole problem will be laid before the next regular session of Congress. Newsweek's special projects editor, Harold Isaacs, here summarizes the American maritime problem.)

This week the steamship *President Cleveland* sails on its maiden voyage from San Francisco to the Orient. It is an event calling for fanfare, large advertisements in the press, and official congratulatory messages. Yet the *Cleveland* is only a modest ship of 16,600 gross tons. What makes its debut a major event is that the *Cleveland* and its upcoming sister ship, the *President Wilson*, are the two largest American passenger ships built since 1939. No other passenger ships of any size are being built and all new shipbuilding plans are being held up until there is assurance that adequate Government subsidies will be forthcoming.

To merchant mariners this seems to be the place where the American merchant marine came in. Once again shipbuilders and operators and the Government are vexed by the same dilemma that has followed the flag to sea since the Civil War. High American costs, standards, and wages have made a large merchant marine an economic liability. But as two wartime experiences have shown, it has to be regarded as a national necessity. The problem is now repeated on a new level, with the United States the possessor of far and away the world's largest merchant fleet. But in essence it is the same: How large a fleet should the United States maintain, and how much money is the Government willing to spend to maintain it?

BUILDING PROGRAM

Only last month a Presidential committee of businessmen headed by K. T. Keller, president of the Chrysler Corp., recommended that subsidies of a full 50 percent of construction costs be paid for the building of 46 passenger ships, including two 50,000-ton express liners, at a total cost of $600,000,000, plus an unspecified number of dry-cargo freighters and tankers as first replacements for wartime ships already obsolescent.

The Merchant Marine Act of 1936 authorized shipbuilding subsidies of up to 50 percent depending on the cost of shipbuilding in competitive foreign yards. Maritime Commission sources indicated last week that spot investigations in Europe revealed the present differential between European and American costs to be closer to 40 percent. Authorization for any larger subsidy to American builders would have to be voted by Congress.

If, in any case, no adequately supported shipbuilding program is undertaken, the American shipbuilding industry will find itself almost out of business 6 months from now. At its wartime peak only 4 years ago, the industry had 1,722,000 workers hammering out five ships a day in 72 yards. It has dropped now to 105,700 workers, the bulk of them in 10 yards. Only 33,000 of these are building ships. The rest are engaged in repair and reconversion. In 1946 and 1947, the yards received only 41 new contracts, of which 22 were for foreign buyers willing to pay higher American costs in return for speedy delivery. Shipyards are currently working on 37 commercial vessels of more than 1,000 gross tons and nine ships of various sizes for the Navy. With the exception of one Army dredge and one cruiser, all this construction will be completed by August 1948. Only one new naval contract, for a submarine, has been let.

Reconversion, repair, and maintenance work in the repair yards will keep only a part of the present working staff at their jobs. As in the aircraft industry, the problem is not merely the fate of a major business but the dispersal of engineering and working skills that cannot easily be reassembled. The Keller 46-ship program, it is argued, will, if acted upon, keep at least the nucleus of the industry in being.

OPERATORS' SUBSIDIES

From the standpoint of the ship operators, equally crucial decisions are also pending. An example was the statement by George Killion, president of the American President Lines, on December 10, calling for guarantees of long-term Government aid before his line could go ahead with the purchase of five new ships for which bids have already been made. Such aid, he stressed, would have to include the 50-percent construction subsidy and assured long-term operating subsidies. The latter, also provided for in the Merchant Marine Act of 1936, were suspended during the war. The Maritime Commission's power to resume them on more than an annual basis is now the subject of a dispute with the Bureau of the Budget. This, too, is an issue that will have to be resolved before the immediate future of the American merchant marine can be shaped.

This is a twice-told chapter in the story of America's merchant fleet, already filled with ironies and international cross-purposes. It makes a strange and convulsive pattern marked by long declines, spurts of wartime building, the creation of huge fleets, and the passage of these fleets into limbo. The fabulous shipbuilding of the war years gave the United States a fleet of 6,200 ships, totaling about 57,000,000 tons. Echoes of the financial aspect of that program will probably be heard for a long time to come in congressional committee chambers, but the result was in any case a complete reshuffling of the international maritime line-up.

UPS AND DOWNS

The American merchant fleet entered the war half the size of Britain's. It ended the war three times larger. Before the war American ships accounted for about one-sixth of the world's total tonnage. After the war the proportion was four-sixths. But most of this tonnage, especially the 2,700 lumbering Liberty ships, was expendable, like crates built for aircraft engines. No one ever dreamed that such a fleet could be maintained in peacetime. The question was how much to pare down and how to convert the remainder into an effective and balanced fleet.

According to latest available figures, the paring down that has already occurred can be summarized as follows: 743 ships lost in the war, 1,090 sold to foreign buyers, 554 sold to American buyers, 1,316 moored in reserve, and 171 scrapped. Still active—privately owned, under Government charter, or general agency agreements, or for the armed services—are about 2,500 ships, totaling some 25,000,000 tons. This still leaves the United States with 45 percent of the world's active tonnage and more than twice the fleet that anybody seriously believes can be maintained in peacetime. The continuing activity of such a large fleet is due only to the current extraordinary need for shipping that is part of postwar reconstruction. This need will gradually taper off and within 2 or 3 years will return to more normal proportions.

Sheer size, however, is not the only criterion. Much of the war-built tonnage was designed for wartime and does not serve peacetime needs. One example is the present serious lack of ships suitable for intercoastal and coastal routes in the domestic trade. Another example, cited by the Keller report as the most important, is the lack of passenger ships. Before the war the United States had 127 passenger or passenger-cargo ships, with a capacity of 38,357 persons. Today it has 36 in service or in prospect, with a total capacity of 8,333. In passenger-carrying capacity, the United States has already yielded leadership to Great Britain and is lagging behind other countries which are feverishly rebuilding to regain their prewar positions.

In addition to being ill-balanced, the American fleet suffers from having been built virtually all at the same time. These ships, with an average effective life of 20 years, will deteriorate or grow obsolete at the same rate. New construction would be indicated over the coming years in all types of needed vessels in order to maintain economy of operation and to take advantage of new developments in ship design. Ideally, construction over the coming years would gradually bring the fleet into a balance not only of types but of relative ages, with replacements coming out of the Nation's shipyards in an orderly manner.

FUTURE FLEET

The average of many recent estimates of the size of a feasible American merchant fleet comes down to a few more than 1,000 ships totaling 11,500,000 tons. This is only slightly larger in tonnage than America's prewar fleet, but the old ships have been almost wholly replaced by new and faster ships. The projected fleet would be at least 30 percent more efficient than the old one. In addition, there would be a reserve of anywhere up to 3,000 ships kept in good repair. One postwar study made for the Maritime Commission concluded that such a fleet could be maintained at a subsidy cost of only $50,000,000 a year. The Keller report recommendations for a building program between now and 1951 would in construction subsidies alone, however, amount to a total of $300,000,000. By comparison, between 1929 and 1939 mail subsidies ran to about $17,000,000 a year, and between 1937 and 1945 construction and operating subsidies cost about $25,000,000 a year. Of the operating subsidy payments, the Government has subsequently recaptured the larger share.

In the final analysis, the size and position of an American merchant marine depends on the state of world trade, which in turn depends on general world prosperity. All estimates for a large American fleet have to be based upon the assumption of a large enough increase in the total volume of world trade and American trade and travel to enable American ships to carry a larger proportion of American cargoes without damage to the vital shipping interests of other trading nations. They also have to be based on the assumption that all maritime nations would get together and work out their problems amicably and equitably.

These have already proved to be rather dangerous assumptions to make. In tabulating their contributions to the Marshall plan, the 16 participating European nations last summer included provisions for their own shipping to an extent which brought hot challenges from American shipping interests. This issue will figure in the ultimate decisions of Congress on the long-range European Recovery Program.

FOREIGN BUILDING

Meanwhile, since the end of the war all foreign maritime nations have gone all out in shipbuilding. As the accompanying chart shows, the United Kingdom's is the largest program. As of last September, it included 483 vessels totaling 2,112,669 tons, including the recently launched passenger liner, the 84,000-ton *Caronia*. Holland was building 112 ships totaling 260,781 tons. France was building 92, the British Dominions 86, Italy 76, and Sweden 72. In this tabulation of ships of more than 100 gross tons, the United States had dropped to seventh place.

There are no reports available on Russian ship construction. The Russian merchant fleet, however, has been augmented by 936,000 tons of American lend-lease shipping which is still technically American-owned, but which no one ever expects to see back in American hands. With this tonnage included, Russia has advanced from eleventh to fourth place in the list of world fleets.

The postwar maritime picture shows other notable changes. Japan, which so strongly challenged the maritime leadership of the western nations, has dropped from third to eighth place and Germany from fifth to eleventh place. Neither Germany nor Japan will, of course, for a long time to come regain their previous high rank in maritime trade. Canada, Brazil, and Argentina have all increased their fleets, and in Latin America as a whole prewar tonnage has been upped 30 percent.

OUTLOOK

The problem of effective interntional cooperation in shipping is at the moment a largely untouched item on the crowded agenda of world affairs. The wartime United Nations shipping pool disappeared and so did the short-lived United Maritime Authority that succeeded it. Today an obscure UN subcommittee handles world shipping problems. If the pell-mell building drive of other nations means anything at all, it presages another era of sharp competition. American wages and standards being what they are, foreign operators can invariably undercut American costs and rates. This is not serious when, as now, there are more goods to move than there are ships available. But come a tomorrow when the pinch of depression may again be felt, the absence of any international meeting of minds on shipping will result in unbridled maritime competition with ruinous results for all. If a cooperative pattern could still be established in world trade, the various maritime nations would each receive proper and adequate shares of the world's cargoes. This would depend, however, on the resolution of issues much larger than shipping.

Detroit Natural Gas Shortage

EXTENSION OF REMARKS

OF

HON. JOHN LESINSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. LESINSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a copy of a letter written jointly by August Scholle, president, and Barney Hopkins, secretary-treasurer of the Michigan Congress of Industrial Organizations. This letter was addressed to the Honorable Eugene Van Antwerp, mayor of the city of Detroit, on January 26, 1948, and contains much valuable information in regard to the natural gas situation in the Detroit area.

The letter is as follows:

JANUARY 26, 1948.

Hon. EUGENE VAN ANTWERP,
Mayor of the City of Detroit,
Detroit City Hall,
Detroit, Mich.

HON. MAYOR VAN ANTWERP: This letter is written in commendation of the position taken by the common council of the city of Detroit with respect to the natural-gas situation, and the demand by your honorable body that the consuming public shall continue to receive all such natural gas as is now being delivered to the Detroit area by the Panhandle Eastern Pipe Line Co., and to receive all such additional gas as that company may be able to pipe to Detroit at a competitive price, at future times.

However, these additional measures to protect the public interest are urged for your consideration:

First, that the common council obtain the assistance of Members of Congress from Detroit and Wayne County to the end that an investigation into the Detroit natural-gas shortage may be undertaken by some duly constituted committee of the House or Senate; this may be advisable in view of a possible need for additional legislation.

Second, that the common council inaugurate inquiries into the exact causes of industrial plant shut-down in the Detroit area which are allegedly occasioned by curtailments of natural-gas supplies. It is our opinion that the city of Detroit and the public generally are being deceived as to these circumstances. Further, we believe that the Michigan Consolidated Gas Co. management may be penalizing industrial workers through such shut-downs, whereas the cause of curtailments may, in fact, be due to the gas utility's repeated failures to negotiate for additional gas supplies in prior periods, and to construct facilities for storing surplus gas during recent years.

In connection with this latter request, we submit the following information, based on newspaper reports and our own investigation:

Only 1 week ago, on Monday, January 19, 1948, the Detroit Free Press quoted Mr. Lawrence K. Ritchey, operations manager for Michigan Consolidated Gas Co., as stating: "There is no immediate danger that Michigan Consolidated will have to curtail deliveries to our customers." Today, approximately 200,000 workers are laid off due to such curtailment as Mr. Ritchey pledged would not occur. The Free Press article further credited Mr. Ritchey as stating that "oil shipments by rail were providing Michigan Consolidated with a supplemental supply of gas," which, ostensibly, would prevent recurrence of the experience when "During a cold spell last winter, gas supplies were shut off from February 7 to February 11 to 60 major industrial concerns." Was Mr. Ritchey speaking correctly on January 19, and has his own management, for its own reasons, imposed the present gas curtailment, causing the industrial shut-downs? The people of Detroit have a right to ask your honorable body to learn the facts.

The Detroit Times of Friday, January 23, 1948, carried this headline: "Factory Gas Off—500,000 Idle Here," and said in part:

"Henry Fink, president of the Michigan Consolidated Gas Co., said that supplies had been sharply curtailed by the Panhandle Eastern Pipe Line Co., which pumps the gas to Detroit from Texas fields.

" 'The industrial shut-down is necessary to protect the gas supply to domestic customers,' Fink said. 'No home need suffer from this temporary shortage.'

"Although Fink said that gas for industrial use might be available Tuesday, he added:

" 'How much longer the industrial shut-down continuous depends entirely on Panhandle's ability to give us the natural gas to which we are entitled under our contract'."

In connection with Mr. Fink's claims, set forth above, we beg to inform your honorable body that we have checked into the curtailment of deliveries to Michigan Consolidated by the Panhandle Eastern during the current cold spell and we learn the following:

The maximum obligation on Panhandle under its existing contract is 125,000,000 cubic feet per day. Its recent deliveries were—

For 24 hours ending 8 a. m., Thursday, January 22, 1948, 125,037,000 cubic feet.

For 24 hours ending 8 a. m., Friday, January 23, 1948, 123,485,000 cubic feet.

For 24 hours ending 8 a. m., Saturday, January 24, 1948, 121,656,000 cubic feet.

For 24 hours ending 8 a. m., Sunday, January 25, 1948, 121,586,000 cubic feet.

For 24 hours ending 8 a. m., Monday, January 26, 1948, 121,713,000 cubic feet.

This tabulation reveals a deficiency, due to curtailment by Panhandle Eastern as ordered by the Federal Power Commission, totaling less than 12,000,000 cubic feet. Are we now to believe Mr. Fink's statement that

"sharp curtailments" by Panhandle are responsible for laying off 200,000 workers? Or is the lay-off due to the inexcusable failure of Michigan Consolidated to negotiate, in advance, for an adequate gas delivery, and to store underground the summer surplus of gas available to it, for winter use?

We request early consideration by your honorable body of the above request.

Sincerely yours,

AUGUST SCHOLLE,
President.
BARNEY HOPKINS,
Secretary-Treasurer.

Oil Exports

EXTENSION OF REMARKS
OF
HON. T. MILLET HAND
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. HAND. Mr. Speaker, under leave to extend my remarks, I am including the following radio broadcast made by me from Stations WBAB, Atlantic City, and WSNJ, of Bridgeton, N. J. The broadcast follows:

In the midst of the debate on the tax bill, the result of which is a foregone conclusion, the undercurrent in the House this week is a belated anxiety concerning the continued exports of oil.

Senator BRIDGES, of New Hampshire, introduced a bill for a 1-year embargo on all shipments overseas, except to American military forces, and the House Committee on Commerce under the leadership of our friend and neighbor, Congressman CHARLES WOLVERTON of Camden, recommended an immediate end to the export of petroleum products.

The New York Times headlined all of these activities as "strong move started in Congress to embargo foreign oil shipments"—so it may be that we are finally going to get somewhere.

To those of us who were working on this problem in June 1947, when the weather was warm and very few were thinking of their winter heaters, it is a little ironic that the strong move of others had to await a bitter winter and a very real shortage of fuel before making this move. Our best efforts to forestall the emergency failed to warn Congress in time.

I welcome the support now being offered, and I suppose it is a case of better late than never; but if anything is done now, the present heating season will be over by the time good effects can be felt.

In June 1947 the Merchant Marine Committee initiated hearings on oil supplies in this country. Our original concern was the use of American-owned tankers to transport gasoline and oil to Russia, but the hearings immediately developed a fear in our minds that there would be a general petroleum shortage in the United States during the winter of 1947–48. Hearings continued throughout June and July. Many witnesses were notoriously evasive, and I recall particularly questioning them closely on the effect of exporting millions of barrels of oil. The administration was, and is, so wrapped up in its European programs that any suggestion that exports be curtailed has met with howls of "isolationist." Nevertheless, the committee finally concluded that the continued high rate of exporting petroleum would have a serious effect on the oil supply this winter, not only on the civilian population, but on military supplies. On July 21, our committee reported H. R. 4042, which prohibited the export of gasoline and fuel oil to any foreign country, unless the Secretary of Commerce could certify in writing that such export would not impair the national defense or security, and the civilian use of gasoline and fuel oil. The bill also required monthly reports so that the Congress could keep close watch on the situation.

Our bill passed the House, but was not passed by the Senate prior to summer recess.

Our committee and many other Members of Congress continued to be concerned about this situation, but all attempts to modify exports were strongly opposed by the administration, and President Truman himself warned Congress to be very careful before taking any action on prohibiting shipments of oil abroad.

I know, of course, that exporting is not the only reason for the present oil shortage, but I also know that every million barrels of oil exported is a million barrels less in our national supply, and that the use of tankers and tank cars in the export program is a substantial factor in contributing to our transportation tie-up.

On December 8 and 9, while Congress was considering the $600,000,000 so-called stopgap aid to France and other European countries, I fought to amend that bill by including the same provision against exports of petroleum that I have just referred to. My amendment lost by only seven votes, after strong administration opposition, and opposition by those who, I am afraid, put foreign relief above the safety and health of the American people.

You see, this situation was foreseen and every attempt was made to provide for it, but it has taken a very real shortage, a succession of snowstorms, and weeks of bitter weather before its real gravity is finally appreciated.

Last July was the time to act. It is now too late to help this winter, but perhaps we will have the wisdom to guard against a repetition of present hardships in another season.

Foreign rehabilitation, no matter what its merit, goes too far when it exports the fuel oil needed for the health and safety of America, to France which still has, after all, the unrationed use of automobiles. In the same way, we are talking about rationing meats in this country while exporting meat to Greece, where it is unrationed.

If this makes sense, I fail to see it.

Good night.

Postage on Parcels Sent to Europe

EXTENSION OF REMARKS
OF
HON. EDWARD J. ELSAESSER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. ELSAESSER. Mr. Speaker, the Eightieth Congress should not delay action on one of the many resolutions pending before it which would reduce or even eliminate postage on all parcels sent to Europe.

The reasons for the need therefor are many. First, we are engaged in an effort to relieve want and distress among the destitute peoples of Europe. We have appropriated billions of dollars for this purpose, and many billions more will be needed. These dollars are used to purchase goods in the American markets and to ship these commodities overseas.

Many American families have relatives or dear friends abroad. Despite the high postal rates prevailing at this time, they are shipping packages of food and clothing, and so forth, to these relatives and friends. If the postage were eliminated, or reduced substantially, many more such parcels would be sent overseas. Such voluntary gifts of essential items would alleviate some of the need which our tax dollar has been trying to accomplish.

Voluntary gifts of this nature reach the needy exclusively. There is no handling charge, no opportunity for favoritism, no blundering. Therefore we could dispense with some of the manpower now employed to administer relief programs.

Direct contact between the donors in America and the recipients throughout Europe and Asia must, and will, lead to the creation of international good will. The recipients generally acknowledge these gifts of food and clothing with considerable gratitude. It removes the possibility of political manipulation by foreign nations, such as removing shipping tags on crates, boxes, and so forth, and replacing them with labels of other nations as occurred during the UNRRA administration. This will result in giving credit where credit is due—to the generosity of our people and the wisdom of their Government which made it possible by absorbing the cost of shipping via parcel post.

The gifts, voluntarily contributed by our citizens, will demonstrate to the world the true spirit of America. No ulterior motive can be cited when millions of our people are ready and willing to share what they possess with others less fortunate. Such cooperation and combined effort cannot fail to restore faith and combat suffering abroad.

The shipment of canned foods today is almost prohibitive. In addition to the high cost of canned products, the excessive postage rates deter all but the wealthy from making such purchases and shipping them overseas. Elimination of the excessive postage would allow greater shipments of canned and processed foods.

The cost of this proposal could not exceed the cost of the present method. If anything, it would be less costly. Our taxpayers foot the bills for merchandise bought by our Government for shipment abroad, and for the costs of crating, handling, and distributing it, which include salaries of purchasing agents, technical experts, clerks, supervisors, and so forth. We hope that part of our money will eventually arrive at the homes of the needy in the form of food and clothing. Direct shipments of voluntary gift packages will guarantee the arrival of merchandise where the need is known to the American shipper.

Furthermore, in addition to aiding the needy, we will create a greater degree of good will that is so desperately needed.

I am, therefore, convinced that our Government should lower overseas postal rates substantially or completely eliminate postage, to increase shipments by individuals. This would be a great boon in reviving hope among our fellow men in Europe and Asia, and aid in broadcasting the spirit of America in a way that defies contradiction.

Preservation of World Peace

EXTENSION OF REMARKS
OF
HON. GEORGE W. GILLIE
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. GILLIE. Mr. Speaker, a few days ago a group of more than 50 members of the junior and senior classes of North Side High School, Fort Wayne, Ind., visited Washington and were my guests at a session of the House of Representatives.

Before returning to Indiana, these young people left with me a petition urging that certain actions be taken to strengthen the United Nations and insure world peace. The interest of these young citizens in world problems is to be commended, and I herewith present their resolution for the consideration of the entire Congress:

Since we, juniors and seniors of North Side High School, will have to bear our share of the burden of any policy undertaken by our Government, we wish to voice our opinion in the only way open to us.

Whereas we are the people who will be the future soldiers, sailors, and taxpayers who must pay for all the policies and possible conflicts with our services, money, and even our lives; whereas the United Nations has proven ineffective to enforce a world peace, since this United Nations has no means of enforcing its policies.

Whereas the entire world is endangered through the use of atomic weapons; and whereas the present use of the veto is such that it hinders progress toward future peace.

We thereby have resolved to advocate the adoption of the quota-force plan for the reform of the United Nations; we advocate that an effective tyranny proof world police force should be established; we advocate that as rapidly as possible a control over atomic energy and limitations on all other important weapons should be established; we advocate that the present veto should be abolished in the matters of aggression.

We, the undersigned, do endorse in full the above policy.

(Signatures omitted.)

Foreign Aid

EXTENSION OF REMARKS
OF
HON. OTTO E. PASSMAN
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. PASSMAN. Mr. Speaker, there is a tremendous lot of articulation these days about friendship trains, CARE, ERP, and what have you, to feed and rehabilitate striking Germans, rebellious Italians, egotistical British, arrogant Yugoslavs, treacherous Albanians, and the Red army.

All this talk and hullabaloo is made with a grandiose play on our sentiments; and we, the poor, gullible Americans are right now in the act of selling our birthright and our offspring's solvency to feed, clothe and provide industry for this motley mob, too busy at fomenting strife and organizing revolutions to get down to work, other than reproduction—11,000,000 more population in Europe than on VE-day.

We have already spent about sixteen billions, and are about to obligate ourselves to the expenditure of sixteen more billions in the vain, oft-disproven theory that the recipients of this largesse will love us and fight for us. But why kid ourselves, we will only be called shylocks when we begin to talk about closing the spigots.

You just cannot disprove history nor the old adage, "You can't keep a friend by loaning him money." We tried it after World War I, and had to spend $300,000,000 and a million sons to kill those we had coddled with milk and diapers after we got through making the world safe for democracy. Oh, yes, we accepted token payments from Finland, who got about 3 percent of our European gifts in the early twenties.

Now let us call a spade a spade and see what this present gift to a bunch of decadent tribes—perhaps our future enemies—would do for us if we used just a little cold, calculating, common horse sense. It would build 50,000 brand new modern school buildings and pay teachers and operators for each school twice their present salary for 2 years, plus building maintenance costs. It would build 40 four-lane divided highways across the United States with no cross-traffic intersections or grade crossings. It would build a fleet of 80,000 of the most modern bombers obtainable, and train one pilot for each bomber. It would build 2,000 of the most modern airports possible, or 1,500 fully equipped military airfields. It would put a Buick sedan in 8,000,000 private garages, or feed the entire population of this country for 2½ years.

Just look around a bit, friend and neighbor, and see what else it would do for this country. Go visit the school where your kids attend—I did. See the plaster falling off the walls; see the kids drinking warm water out of the spigot; see the antiquated heating and lighting systems; the fire traps; see the kids put on their overcoats, mufflers, and rubbers to go from their classrooms, or to the lunchroom, because of hallways open to the weather. See the worn out jalopies they ride in—40 kids on a bus with seats for 24. Ask the teacher what her salary is for the year, and how much she has left after paying approximately 50 percent of it back in taxes—income, sales, and hidden taxes.

Check the condition of your 8-year-old automobile, then check your budget to see when you can afford to buy a new one. Think of the death trap our highway system has turned into, and calculate the chance you take every time you drive 100 miles—about 200,000 deaths and 800,000 injuries each year.

Think of the superb air force that could be created and maintained—a force that could smile with confidence at the least sign of a threat from these mobs we are about to set up on a war-making basis again. Think of these diapered European darlings that our school kids are going to have to kill off when they are in the flower of their manhood and get killed in the killing.

Let us keep our strength at home instead of squandering our children's and grandchildren's lives, happiness, and belongings to no good end. Let us tell our Congressmen we are opposed—bitterly opposed—to a repetition of such an enormous sapping of national energy. Some one of these days we are going to wake up in a cold sweat, realizing that the harmless little fuzzy kitten that we fed and nurtured at the expense of our own strength, has grown into a lion—tasted blood—and is licking its chops with an attack squint in its eye—reach for the lunge that will mean—what?

Let us just stop for a minute or two and think soberly—history repeats itself in spite of our idealisms.

Veterans' Temporary Housing

EXTENSION OF REMARKS
OF
HON. ROBERT TRIPP ROSS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. ROSS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter which I have sent to the Honorable William O'Dwyer, mayor of New York City, and to Mr. Thomas F. Farrell, chairman of the New York City Housing Authority:

VETERANS' TEMPORARY HOUSING

A special veterans' committee, whose chairman is Mr. Francis L. Fortune, 25-31 Seventy-fifth Street, Jackson Heights, has protested to me about the extreme conditions of hardship under which veterans are living in the temporary veterans' housing projects. They are unable to obtain adequate fuel oil for heating and are experiencing financial hardship because rents are excessive when the cost of heating is added. They are asking a modification of rent schedules, to include the supplying of fuel by the New York City Housing Authority. I understand this matter has been brought to your attention.

Upon investigation I found that rentals charged were approximately $8.50 a room, or $34 per month for a four-room unit. Each family is required to purchase its own fuel for heating which, at today's prices, costs from $20 to $25 per month. The total rental cost for four tiny rooms, including cost of all utilities, averages from $54 to $59 per month.

I believe the contract of agreement which the New York City Housing Authority has with the Public Housing Administration stipulates that in the event the rental charged, including heat and all other utilities, is more than one-fourth of the income of the tenant, then an adjustment may be made whereby the rental is one-fifth of the income of the tenant in some cases and less in others. I am certain a survey will prove that nearly all of the veterans living in these projects earn less than $250 per month and that the great majority earn less than $200 per month. In view of this, the necessity of an adjustment of rent schedules is obvious. This $54–$59 cost is also in excess of the average rental charged for comparable housing units in similar veterans' temporary housing projects in other metropolitan cities.

I believe that the regulations of the Public Housing Administration further stipulate that the basis for establishing rent schedules for these projects shall be rentals charged

for comparable housing accommodations in the same area. The type of dwelling unit these temporary houses provide is not at all comparable to any other type of housing in the New York City area, either private or public housing. The houses are just what they are called—they are temporary structures, loosely constructed. They are not fully weather stripped, nor are they completely screened. Electric-power lines are inadequate. There are times when houses are without electric power for hours. There are no recreational or playground facilities in most projects. Transportation is poor. Schools and shopping areas are inadequate and inconvenient to reach. On the basis of rentals charged for comparable housing units, it is evident an adjustment of rent schedules is in order.

In view of these facts I urge you in fairness to these veterans to see that immediate steps be taken to have the New York City Housing Authority supply within adjusted, but fair and reasonable, rent schedules the fuel necessary to heat the houses in these projects. I feel confident the Public Housing Administration will approve, and agree to, your recommendations. I am sure it was not the intent of Congress when making these temporary houses available to municipalities that veterans should be charged excessive and burdensome rents. These veterans are entitled to have heat furnished at a fair rental commensurate with the type of house in which they find it necessary to live. They are not living in this kind of housing from choice. They certainly should not be charged excessive rents. The New York City Housing Authority has the responsibility of renting and maintaining these projects, and it would seem to me that it is incumbent upon the Authority to see that fuel for heating is provided.

ROBERT TRIPP ROSS.

JANUARY 29, 1948.

Marshall Plan Implements Military Alliance in Europe

EXTENSION OF REMARKS
OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, the cat is out of the bag. All doubts as to the motives behind the European recovery plan are now revealed. Prime Minister Bevin, 1 week ago, announced the formation of a military alliance against Russia. Yesterday, President Truman at his press conference delivered an ultimatum to Congress that it was all of the Marshall plan or nothing. This morning we read that some kind of secret deal has been made between our Government and the British—in effect a military alliance. Obviously we are again caught in the middle of international power politics and the administration must have the Marshall plan to support this nefarious business. As we financed and fought the last war we are again asked to finance and fight the next one.

Mr. Speaker, as one Republican I do not propose to follow this kind of leadership. If this is bipartisan policy let the Republicans beware; I want no part of it. No more blank checks for war-making purposes. I have had enough, have not you?

As part of my remarks, Mr. Speaker, I offer the January 28 issue of Human Events, a challenging and timely article by Mr. Felix Morley:

A SAMPLE OF SECRET DIPLOMACY

(By Felix Morley)

The Department of State's compilation on Nazi-Soviet Relations reveals a sordid record of deceit and double-dealing on both sides of the thin border between national socialist and Communist ethics.

This story of pot and kettle indicts Stalin and Molotov of war criminality as black as that of any of their former Nazi buddies executed (with Soviet cooperation) at Nuremberg. To give that impression was presumably not the idea in making these captured German documents public at this particular time. But there is a good deal in this record which will eventually boomerang. There are likely to be consequences which the administration has not foreseen.

These consequences are indicated, ironically enough, in one of the messages selected for this collection. It is a telegram, dated September 6, 1939, from Count von der Schulenburg, German Ambassador in Moscow, to his foreign office. The Nazi diplomat describes the somersaults forced upon Russian public opinion when Hitler and Stalin made their alliance. "The sudden alteration in the policy of the Soviet Government," says the Ambassador, "is still not very well understood by the population." However:

"The Soviet Government has always previously been able in a masterly fashion to influence the attitude of the population in the direction which it has desired, and it is not being sparing this time either of the necessary propaganda."

For the past 10 years, at least, the American Government has also been extremely adroit in manipulating public opinion in this country. And it is certainly not "sparing the necessary propaganda" with respect to Russia, defined in the Charter of the United Nations as a "peace-loving state." Nevertheless, there is some reason to think that the American people are not fooled quite as completely as were the miserable Russians. At least there is still a little time for them to examine the road down which they are being led.

The latest, and one of the longest, downward steps on that road is being taken in the follow-up to the British Foreign Minister's speech in the House of Commons on January 22.

Mr. Bevin then announced the decision of the British Socialist Government to form a military alliance of the western European nations against Soviet Russia. Mr. Bevin made clear that "we are not now proposing a form of political union," which many Americans would welcome as the only rational solution for western Europe. What is in prospect and what Winston Churchill warmly approves, is a good old-fashioned fighting bloc. The nucleus is to be Great Britain, France, and the Benelux countries—Belgium, Netherlands, Luxemburg. But around this core it is hoped to group all of the 16 "Marshall plan" nations, and as much of Germany as can be salvaged.

II

With almost indecent haste, the Truman administration rushed in to acclaim the project of an anti-Soviet alliance. Less than 24 hours after Mr. Bevin spoke, the Department of State, issued a proclamation saying that "the United States 'heartily welcomes' the portentous step taken by the British labor government." The Department was, as often, speaking out of turn. It is extremely doubtful that the United States as a whole really does "welcome" a development all too likely to lead to war with our recent ally. But, since Roosevelt, it has become customary for the administration to regard itself as "the United States."

The celerity with which the Department of State "heartily welcomed" the British demarche was informative in another respect. It strongly indicated that the Truman administration had been consulted in advance about this alliance, and had approved it before Mr. Bevin spoke. Indeed, one must doubt whether this ambitious program would have been attempted by the British Government without assurances of American backing as to which the American people are uninformed.

The Department of State endorsed the Bevin announcement the day after it was made. The day before, this announcement was chosen by the Department for publication of German documents relating to the Nazi-Soviet alliance. Those published to date are limited to the period from April 17, 1939, to June 22, 1941. The documents relating to the effort for a negotiated German-Russian peace are being held in reserve.

But the sample of secret diplomacy already disclosed is sufficient for the present purpose. That purpose is to support, at first with money and supplies alone, the formation of an anti-Russian bastion in western Europe. For that purpose the Nazi documents so far made public are undeniably useful. They show beyond a shadow of doubt that Soviet Russia has objectives which are not yet satisfied, and they show further that the present rulers of Russia are absolutely without conscience or scruple about attaining their objectives.

Honest American thinking, however, cannot stop at that convenient point. It is too painfully apparent that the United States is now about to turn on Russia in fashion which in Moscow may seem reminiscent of that followed by Hitler. In his announcement of the new anti-Comintern pact, Mr. Bevin regretted that the compromise reached at Yalta has not worked. It is something of a shock to notice that identical words were used by the Nazi Foreign Minister as the German armies invaded Russia. Von Ribbentrop, too, regreted that "the policy of compromise between the two countries has been unsuccessful."

III

A rude awakening as to the character and conduct of our own foreign policy is now inevitable. The American people will have to realize not merely that we are deeply embroiled in the type of power politics which inevitably leads to war, but also that we are playing power politics ineptly. Illustrations of this ineptitude abound. Here we shall only mention the single case of Spain.

The nation to which General Franco dictates will obviously have to be included in inevitable. The American people will have the anti-Russian alliance which Great Britain has begun to build, with State Department blessing and support. Spain is essential to this alliance, for its resources, its manpower, and as a strategically important base. For some months our Government propaganda agencies have been careful to say nothing offensive about Franco. But we had previously denounced him so roundly as a Fascist beast that it's going to be awkward to get in the same bed with the Caudillo now.

It is worth while to recall that on March 4, 1946, the Department of State released to the press a first, carefully selected, installment of those same German documents now made more completely available. The purpose of the selection made 2 years ago was not to excite the American people against Russia, but against Spain.

Therefore, the only documents published then were those which put Franco in the worst possible light. They included letters from Hitler and Mussolini to the Caudillo, urging him to get on the Nazi bandwagon. Naturally this careful selection gave the reader the impression that Spain was virtually an ally of the Axis.

But in the larger assortment of documents now made public there are several which show that the Nazis never really expected

any important assistance from Franco. There is, for instance, a letter from Hitler to Mussolini, dated June 21, 1941, in which the Fuehrer says: "Spain is irresolute and—I am afraid—will take sides only when the outcome of the war is decided."

In common decency that letter should also have been published 2 years ago, along with the material then selected for the sole purpose of smearing Franco. But that would not have suited our weathercock foreign policy, as it was then veering.

IV

Some of the mess which our Government has made of its international relations results from the plain stupidity of ungifted amateurs. But some of it is the result of demonstrable deception, and should be exposed as such. In particular, the new aspect of the so-called European recovery program must be appreciated, while the issue is still pending before the representatives of the people, in Congress.

With the decision to build a western European military alliance against Russia, ERP ceases to be primarily a program for economic recovery. At least in part, it becomes a method of financing this alliance, but without honorable admission of this purpose.

It is not difficult to substantiate this assertion. ERP is based on the report of the sixteen-nation Committee of European Economic cooperation; made public on September 23, 1947. Even to the amount of the initial appropriation asked, ERP closely follows that report.

But the report freely admits (section 119) that: "A substantial and steady resumption of eastern European food, feeding stuffs, and timber supplies is assumed in this report." And it says further:

"Even on favorable assumptions about the availability of supplies in the East, progress is bound to be slow and the abnormal dependence upon the American Continent will remain."

In other words, without Russian cooperation ERP holds little promise of being more than stop-gap aid. And even before the program is approved, the Administration heartily welcomes a political move which can only intensify the Russian opposition.

Seemingly it is the military significance of ERP which makes the Administration press for unsupervised control over its operation.

As the diplomatic picture is developing, it is absolutely vital that this blank check should not be turned over to the Department of State. But more is needed than the essential precaution of removing the oversight of ERP from the hands of those who are in position to plunge the country into war. If the Administration's foreign policy is not made the biggest issue of the coming Presidential campaign, then the American people will show themselves unable to recognize an issue which affects their lives, their fortunes, and their sacred honor.

American Liberty

EXTENSION OF REMARKS

OF

HON. ROBERT J. TWYMAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. TWYMAN. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to include a speech which was made recently at the Men's Club of Temple Sholom in Chicago by Gov. Dwight H. Green, of the State of Illinois. This speech was forwarded to me by Col. Julius Klein, commander of the Jewish War Veterans:

It is indeed a privilege to come here tonight as a guest of the Men's Club of the Temple Sholom. Certainly there could not be a more fitting place for a discussion of our precious liberties as American citizens and their preservation in these troubled days. For 80 years this congregation has provided, not only a temple of worship for its members, but an active center for the advancement of every worthy, cultural, and civic interest of this community. The full protection of the civil liberties of all citizens always has been a major concern of the congregation and of this club.

In coming here tonight I also feel that I am visiting old neighbors. As most of you know, I lived for many years within a block of this temple. Moreover, throughout my life the Jewish synagogue has been a familiar and friendly landmark, for it was my good fortune to be born and reared in Ligonier, Ind., a small city which became, in pioneer days, a center of Jewish settlement in the Middle West. Residents of Ligonier of all faiths have been proudly asserting for more than half a century that their city had the largest percentage of Jewish population of any city in America. Long before any national organization was formed to promote the cooperation of Christians and Jews, the people of Ligonier had achieved that cooperation, so completely, that we had to get away from home to discover there was anything unusual about it.

It seems to me, however, that there is something particularly significant in the period of 80 years covered by the history of this congregation. That 80 years covers a little more than half of the period in which the Bill of Rights has been a part of the Constitution of the United States and the fundamental law of our land. It goes back beyond the date of the adoption of the Constitution of the State of Illinois, May 13, 1870. That Constitution also contains a bill of rights, which guarantees to every citizen of Illinois the fullest measure of liberty to be found anywhere in the world. Most of us are familiar with the language of the Federal Bill of Rights. All of us should be equally familiar with the splendid phraseology of the guaranties of our liberty contained in our State constitution. Let me quote paragraph 3 of article 2, which guarantees religious freedom in Illinois:

"The free exercise and enjoyment of religious profession and worship, without discrimination, shall forever be guaranteed; and no person shall be denied any civil or political right, privilege, or capacity on account of his religious opinions; but the liberty of conscience hereby secured shall not be construed to dispense with oaths or affirmations, excuse acts of licentiousness, or justify practices inconsistent with the peace or safety of the State. No person shall be required to attend or support any ministry or place of worship against his consent, nor shall any preference be given by law to any religious denomination or mode of worship."

The guaranties of freedom of speech, of the press, and of assembly, and the essential rights of trial by jury, due process, and protection against unreasonable searches and seizures, are set forth in language equally forthright and inclusive. (They are all worth reading and rereading.) But it seems to me that every citizen of Illinois should be particularly familiar with the last paragraph of the bill of rights in their State constitution. Let me quote paragraph 20 of the same article:

"A frequent recurrence to the fundamental principles of civil government is absolutely necessary to preserve the blessings of liberty."

I do not know that consideration prompted the signers of our State constitution to write this admonition to future generations in Illinois, into their statement of the basic rights of men. I do know that that admonition is particularly timely today, when freedom seems in full retreat in many sections of the world, and is subject to insidious attack even in this land of liberty. With half the world ruled by Godless philosophies which exalt the State above the individual; and with some timid souls among us willing to trade the sacred rights of the individual for the false security of paternalism, it behooves us all to make "frequent recurrence to the fundamental principles of civil government," as we have always understood them in America.

If there is one lesson which the events of the last decade should have taught all Americans, it is that the battle for liberty is never ended. We had to be taught that lesson. Some Americans have not yet learned it. The men and women of my generation felt in our youth that the liberties of the Bill of Rights were something that had been established for all time for all Americans. We honored the founders of the Republic with a feeling that their blood had insured the blessings of liberty to us forever. Even the First World War did not jar us out of our complacency. While we talked about saving the world for democracy we did not consider our own liberties in danger. Today we know that each generation must win its own salvation.

In today's world of concentration camps, purges, economic and political absorption of small nations, and of scentific development of terrible weapons of destruction, liberty becomes a more precious—and less certain—thing. The Bill of Rights becomes a concern of all Americans, and not just of those minority groups who frequently must turn to it for protection against abuses founded upon prejudice. For today the people who are free, are but a small minority in a world of hate and fear and slavery.

We are constantly reminded that America emerged from World War II the richest and most powerful Nation on earth. No one will wish to dispute that record. Yet 140,000,000 Americans are indeed a minority in a world whose population is over 2,000,000,000. Our very riches and strength breed, first, envy, and then hate, among less fortunate peoples. Although the men and women of America who achieved our victory in the recent war, fought in the spirit of a glorious crusade for the rights of all mankind, they are not so regarded today by either their recent enemies or their recent allies. Certainly today most of the peoples of the world look upon us with jealousy and suspicion, and even with groundless fear or bitter hate. Surely every Jew must understand that that is the almost inevitable lot of any prosperous minority group. He is familiar with the pattern by which those who covet our possessions seek to inflame other peoples against us to destroy our liberties. Every true American knows that we must meet these attacks with eternal vigilance and courage, which puts the supreme trust in ourselves.

America, as a minority in today's world, wants to live in peace and harmony with all nations. We have joined a world organization dedicated to the highest principles of justice and liberty. We have sat down at the conference table in a spirit of give and take; but we have found ourselves faced by men who believed that we should give and they should take. We have come home disillusioned from one conference after another. We have not given up in our quest for peace, but most of us have come reluctantly to the conclusion that whatever security we have in the world today, springs from the fact that we are currently the strongest nation on earth.

For our own preservation, and for the advancement of the ideals which we hold for the world, we must preserve the full strength of America—our national resources, our military power, and, above all, the unity of our

people. In the cold war of ideologies which is being forced upon us, we shall need the strength of every man and woman of every race and creed, just as sorely as we need them in the heat of battle. We shall need the best that is in every American, and we shall need the inspiration that comes from our country's steadfast devotion to liberty and equality.

We are not the first Nation in history to be called the greatest on earth. There have been many in the pages of history which have flourished for a time and slowly crumbled into insignificance or oblivion. The record will show us that no nation has ever yielded to the forces of bigotry and intolerance, and survived as a major power. The Roman Empire flourished when it respected the temples of all religions, so long as its subjects rendered to Caesar the things which were Caesar's, but it collapsed in the era of the persecutions of Christian martyrs. The Spain which prospered by giving opportunity to all, crumbled after the persecutions of the Inquisition. The Germany which achieved a golden age of culture and scientific progress in a period of tolerance, disintegrated under Hitler. The British Empire, whose tragic decline we are witnessing today, was built up, not only by sea power, but by the personal force of Englishmen, Scotsmen, Welshmen, and Irishmen, who were inspired by a greater degree of freedom and opportunity than was known elsewhere in the Old World. Its decline began when it failed to extend the same freedom and opportunity to its subjects beyond the seas.

America stands today at the threshold of a new era of world leadership. That leadership does not result from any imperialist ambitions of the American people; it has been thrust upon us by circumstances, mainly the collapse of other leaderships which failed. This leadership brings to our Republic new opportunities to serve others. It also brings new dangers to ourselves. The greatest danger is that in our hour of destiny we may neglect the ideals of justice and liberty which have guided our glorious history for two centuries.

The enemies of America and our American system know this. The disciples of totalitarianism are doing their utmost—and will continue to do their utmost—to divide us. The hatred and bigotry and bestial cruelty which has flourished in Europe for a generation, spreads like a pestilence. The enemies of the American system are trying to plant its germs in our American life. We must combat the perils of those germs by actions and policies which will serve as a tonic to the lifeblood of our freedom.

Those who are conducting the cold war against America would strike at all our liberties, particularly our economic opportunities. The first object of their attack is our freedom of religion. They know that it is the force of religion, the free conscience of God-fearing men, which has inspired each succeeding generation of Americans to build a greater culture and opportunity for the next generation, and to cherish and defend the free institutions which have been dictated by the fundamental moral concepts to which good Christians and good Jews both are dedicated. They know that our devotion to the flag is inspired by our devotion to God. As the Americans of 48 States are loyal to one flag, which stands for justice and liberty, so the Americans of many creeds and faiths are loyal to one God—a God of justice, mercy, and human dignity.

We must preserve the religious fervor and the religious unity of the American people. The great strides which have been made in promoting amity and understanding between Christians and Jews, and among all factions and sects of each, represent a tremendous contribution to the forces of America. That noble work must be accelerated and expanded. But that is not enough. America needs not only less religious differences in our lives; it needs more religion in our hearts. Amity and understanding and effective cooperation between Christians and Jews will be best established when there are more good Christians and more good Jews—Jews and Christians who will live by the laws of the faith they profess.

We shall never correct the evils which result from religious differences by fostering indifference to religion. Equality, regardless of race, creed, or color, is our American goal. Every man or woman has a race and a color; it is equally desirable that each man and woman have a creed, and live by it. As an American citizen, I do not care what is the religion of any man, but I hope he is a religious man. Indeed, our American society is founded, and I think any world society must be founded on one man's confidence that his neighbor will respect his rights so long as he respects his neighbor's. That golden rule is the law of the prophets as well as the law of Jesus; it is the law of many other faiths. It springs from our common belief in God. With godless men we cannot with confidence cooperate or negotiate. That is why the world's efforts to negotiate with Hitler failed. That is, I believe, the basic reason for the impasse we have reached in our dealing with the Communists of eastern Europe.

The preservation of our American liberties and our hope of extending them to other peoples of the world rests, more than anything else, on a renaissance of the religious zeal, and the godliness, of the men and women who founded and built America.

Ours is indeed a society of Pilgrims—not only the Pilgrims who landed on a stern and rock-bound coast in Massachusetts—but all the pilgrims, the Catholic pilgrims, the Protestant pilgrims, and the Jewish pilgrims, who, for four centuries, from every land have turned their eyes and their feet to the west, and have sought to find in America, freedom to worship God and to live according to His commandments.

We Americans must preserve that freedom. We must continue to worship Him and to live by His commandments. We must guard well every American institution, every precious liberty which has been established here. We must protect ourselves from every attack from without, and from every temptation from within, which would sacrifice the least iota of our American birthright.

Therefore, it is indeed fitting that here tonight, we rededicate ourselves to the preservation of our sacred freedoms as Americans—our religious, political, and economic liberties. As our state constitution so wisely points out, a frequent recurrence to those fundamental principles is absolutely necessary to preserve the blessings of liberty.

As we do so, it is well that we remember the sage wisdom of Benjamin Franklin when he said, "They that can give up essential liberty, to obtain a little temporary safety, deserve neither liberty or safety."

Office of International Trade

EXTENSION OF REMARKS

OF

HON. JACK Z. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. ANDERSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to enclose herewith a significant communication with reference to the Office of International Trade. I commend it to the attention of my colleagues:

JANUARY 14, 1948.

Mr. THOMAS C. BLAISDELL, Jr.,
Director, Office of International Trade, United States Department of Commerce, Washington, D. C.

DEAR MR. BLAISDELL: The World Trade Association of the San Francisco Chamber of Commerce, in regular meeting held at the Fairmont Hotel Monday noon, January 12, 1948, considered the probable effect upon all export merchants of the United States of the new licensing procedure outlined in Current Export Bulletins 431 and 432. More than 150 persons were in attendance.

It was the consensus of opinion expressed by the membership that the objectives outlined in paragraph A of Bulletin 431 are in line with the current export situation and domestic conditions.

With respect to paragraph B, however, there was general disagreement with the methods outlined in paragraphs B–1 (c), (d), and (e). Referring to paragraph B–1–c, which also considers paragraphs B–1–a (1), (2), and B–1–b, foreign governments exercise rigid import controls and checks on use of dollar exchange, the end use of materials and conditions of delivery, before import licenses are issued. Little justification is seen for the OIT to consider consumption of dollar exchange in the foreign country or to judge between various brands or manufacturers of goods or conditions of delivery, this being a matter of competition inherent in private trade, which we approve and which is outlined under the broad policies of paragraph A of the subject bulletin.

The further requirement that total price be shown is ambiguous. It ignores the fact that the price may change between time of application and issuance of license and that many commodities are not quoted on commodity markets as mentioned in the bulletin. Prices are also subject to increase as quantities decrease from car load to less car load quantities when licenses are cut down.

The added requirement of a firm commitment of supply, mentioned in 432, also implies the acceptance of a document which must be given with reservations expressed or implied. A manufacturer may expect to have the merchandise available for a specific shipment at the time of application, but can scarcely be expected to earmark merchandise unless the export merchant has likewise made a firm commitment at that time. Unless the exporter has some reasonable assurance of an alternative use for such merchandise, he can scarcely make such commitment. Most exporters are not speculators.

With reference to paragraph B–1–d, it was pointed out that the requirement of showing the possession of an accepted firm order is completely unrealistic. While an order in hand has been a requirement at all times for filing an application, this has been until recently interpreted to accord with actual conditions, we believe. A careful buyer will scarcely give an irrevocable commitment for merchandise at a date of shipment which can only be determined if and when the license has been issued, of a quantity which also depends upon the license granted. A careful seller will not accept the firm order because of the same uncertainties and in addition will not commit himself to a price which at a later date may be less than his then cost. It can scarcely be unknown to OIT that the majority of export merchants operate to a considerable extent upon simultaneous purchase and sale. He does not own or buy the merchandise covered by the accepted firm order until he knows that he has a license for export.

Although paragraph A of Bulletin 431 and A–1 of Bulletin 432 state that the historical pattern has been abandoned, in the press conference of December 30, the following question was raised: "Assuming that two

identical applications were submitted and assuming that the prices were equal, would the applicant with the historical background be given preference over the nontraditional exporter?" Mr. Blaisdell stated, "It means the historical position will also be taken into account."

Referring to paragraph B-1-e of Bulletin 431, many buyers of commodities order at one time a quantity of a given product for a substantial number of essential end uses, and applications are accordingly apt to be vague. Enforcement of end use requirements has in the past apparently given an advantage to the applicant who could present his case personally.

Strong objection was voiced to the new procedures outlined in 431 and 432, for the reason that they seem to discriminate against the merchant exporters, in favor of the manufacturing exporters, and, in addition, seem to open the door for practices which would require an impracticable amount of enforced compliance.

RECOMMENDATIONS

It is recommended that the price criteria be abandoned as unworkable in accomplishing the competitive situation outlined in Bulletin 431.

Competition in the foreign markets takes care of price limitation as no other method can. It is recognized that a license for a scarce commodity does, in effect, give the exporter a semimonopoly position, but it is believed that limiting the volume of export business which an export house can expect to do under an expanding positive list, should not also bring the prospect of bankruptcy by reducing the margin of profit to such a point as seems to be contemplated, and it is felt that more concern is being shown for the foreign buyer than for the exporters, whose place in the American economy has had, and can continue to have, a beneficial place.

If the price criterion cannot be completely abandoned under the new authorization for extension of export control, our membership urges that consideration be given to allowing the export houses a fair percentage of the quotas and that OIT indicate in its quota announcements the percentages of each licenseable item which will be set aside for each category of exporter, namely: (1) Government-to-government sales, (2) producer-exporter, (3) merchant-exporter; and that the OIT should further indicate what formula it follows in setting up these allotments.

If prices are to be compared in a group of applications, a definite basis of price should be specified, f. o. b. factory, f. a. s., or c. i. f., and rigidly adhered to for all applicants.

The members of this association are anxious to cooperate with a workable system of export controls recognizing the necessity of continuing these and probably of an expanding list of commodities. It is urgently recommended, however, that when changes of this important nature are contemplated, that because of the time element, due consideration be given to regional representation and ample notice of such contemplated meetings be provided.

Very truly yours,

W. J. GILSTRAP,
President.

More Whisky—Less Food

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. REED of New York. Mr. Speaker, in 1936 negotiators for our State Department, operating under the Trade Agreements Act, cut the duty on whisky from $5 to $2.50 a gallon. Imports more than doubled in the next year. On January 1, 1948, the duty was again reduced from $2.50 a gallon to $1.50 a gallon. The trend of imports at the present time is in the same direction as when the cuts were made in 1936. Last year imports of liquors amounted to about 10,000,000 gallons. If we are to judge by what happened in the past, liquor imports in 1948 will be limited only by the amount of precious grain the foreign distillers can take out of the very insufficient stocks. The American duty will be no limiting factor in any degree. Our President has, by proclamation, invited foreign makers to send us every drop they can spare.

Whisky is made from grain, and it takes a bushel of grain to make 4½ gallons of whisky. Wheat is the staff of life; rye makes good bread; barley makes good cereal; corn is scarce and precious. Every trumped-up argument to the contrary, the unchallenged fact remains that in 1943 foreign countries will use at least 3,000,000 bushels of grain to make liquors for export to the United States and millions of bushels more will be used in the foreign production of liquors for home consumption.

One of the very State Department officials that was influential in making the drastic reduction in liquor duties and encouraged its importation made the following statement:

> Europe today is a land of very low standards of living. Millions of families are having a hard time scraping enough together simply to exist, to find shelter, to cover their bodies, and to prevent disease and starvation. So much effort is spent in obtaining the bare necessities that they are unable to do a good days work, thus impairing production and retarding recovery.

Now, I want to make it clear that I understand the need for food in Europe. I agree wholeheartedly with the statement that the situation in some areas is acute. I have no objection to the sending of food to these starving people. I am as charitable as the next person, but I cannot countenance the effort of our President to feed them liquor or to increase the consumption of liquor in this country and abroad, and I make the statement after considerable investigation and serious thought. Our negotiators in the trade agreements made at Geneva, in their blinded efforts to keep pumping exports abroad and imports into the United States, deliberately planned a campaign to increase the consumption of liquor in this country. They did so knowing that thousands of people in Europe would go without bread and cereals so that we might have more and cheaper liquor.

President Roosevelt, and his successor in the White House, as well as numerous State Department representatives have said repeatedly that the great increase in imports resulting from drastic tariff cuts was not intended to replace domestic production. Increased consumption was the goal. By exporting more and doing away with our tariffs we would be able to import and consume more butter and cheese, walnuts and fruits, jewelry, and perfume. The fact that they have cut the rates of duty on whisky a full 70 percent is proof in itself that it was their intention to increase the consumption of liquor.

The foolish argument that rye and barley are used more for cattle feed than for human consumption is entirely without point. It takes as much acreage and labor and machinery to produce rye as it does to produce wheat. The argument that grains exported from the United States are to be used only in the production of food is just as foolish. The unchallenged fact remains that foreign countries who are literally begging for food are producing millions of gallons of liquors every month, and they are making it out of millions of bushels of grain. We have ordered our distilleries to greatly reduce their production so that we might export grain abroad and, at the same time, we reduce the duties on imports of liquor to an insignificant point. President Truman carefully gropes for votes with one hand and hides what he is doing with the other. He wants our whisky producers limited to a few millions of bushels of precious grains per month—but he beams benignly on foreign manufacturers and says, "Welcome to our market. We will take all the whisky you can produce."

And millions of people in the war-torn countries beg for bread. They do not even get a stone—they get liquor. A pound of wheat will make more than a pound of bread, but it puts more money in somebody's pocket if it can be used in the making of whisky, and, to too many people, dollars are more important than starving men and women and children.

Little wonder that labor and capital and the farmers themselves have lost faith in the administration. One of the basic weaknesses of the whole European recovery program is the loud talk of its proponents about "all or none," while at the same time they promote the sale of liquor which they know down in their hearts cuts the delivery of food. They question your patriotism if you do not save your slice of bread per day—but they ask you to consume more of the whisky made abroad from the grain you so patriotically did not eat.

We may drink our society into complete ruin—a very, very high price to pay for an increase in the dollar volume of our imports. Not many Americans will be fooled by the propaganda that we can drink the world into prosperity—or the Europeans into a condition of bounteous plenty. The trade agreements program so ardently pushed by Mr. Truman not only embodies foolish economics, it contains some vicious features which must and will be called to the attention of the people of this country.

Backs, Bellies, and Shelter Are Nonpartisan

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. SABATH. Mr. Speaker, yesterday in opposing the gag rule to provide

for consideration of the Knutson-National Manufacturers Association tax bill—a type of rule which heretofore has only been granted in the consideration of highly complicated and technical revenue and tariff bills—I endeavored to point out the iniquities of that bill, and went on record as favoring the President's recommendations to give a flat income-tax reduction of $160 a year to those taxpayers in the lower-income brackets who are married and have two dependents and the same reduction be given those in the higher-income brackets or the wealthy class. I also urged the readoption of an excess-profits-tax law.

Today I received a letter from the People's Lobby, which reassures me on the stand which I have taken. I feel that their contention is worthy of real consideration and in the hope that it will be given serious study by the membership, under the leave given me, I insert it in the RECORD. It is as follows:

THE PEOPLE'S LOBBY,
Washington, D. C., January 28, 1948.

SUFFERING CANNOT BE HELPED BY EVASIONS

To Members of the Congress:

Every Member of the Congress knows that the reduction in prices that is practical, if profits of big landed farmers, and major manufacturers, developers of natural resources, wholesalers and retailers, and transporters were reasonable, would mean much more, to at least two-thirds of American consumers, than the reduction of taxes proposed by any tax reduction bill pending.

Every Member of Congress knows that a 10 percent reduction of the $118,000,000,000 paid retailers last year could mean about three times more to all people in the lower-income brackets than any tax reduction they will get, and five times as much to many.

The President's recent Economic Report to Congress lists 11,000,000 persons living on relatively fixed incomes as follows:

Veterans living on pensions, 3,000,000.

Survivors and social security beneficiaries, 2,000,000.

Veterans living on educational allowances without other jobs, 2,000,000.

It did not mention the more than 1,000,000 preachers and teachers similarly handicapped.

The A. F. of L. admitted last December: "The 11 percent gain in average hourly rates and average weekly wages scored since October 1946 has meant nothing to the 13,000,000 production workers."

Unless Congress at once:

1. Restores at least half of the repealed excess-profits taxes.

2. Restores rent control and major price fixing and rationing as Canada plans to do.

3. Retains present personal income-tax rates above $5,000 or $6,000.

4. Taxes land values and repeals excise taxes.

5. Adopts most of the anti-inflationary measures urged by Chairman Eccles of the Federal Reserve Board.

Congress will stand convicted of the stupidity of trying to help suffering, without ending the causes of suffering.

Backs, bellies, and shelter are nonpartisan.

Yours sincerely,

BENJAMIN C. MARSH,
Executive Secretary.

The world judges our foreign policies by our domestic.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. JOHN C. BUTLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. BUTLER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following editorial which appeared in the January 29 issue of the New York Herald Tribune in regard to the proposed St. Lawrence seaway:

UNTIMELY AND UNPROVED

President Truman remarks that for 25 years Presidents have supported, as he is now doing, the St. Lawrence seaway project. The fact is that in the 25 years technological developments have increased the magnitude of the undertaking and lessened the justifications for it. The original proposal has been revised from a 25-foot to a 27-foot channel depth to accommodate vessels plying between the Atlantic and the Great Lakes. But the modern shipping trend is still toward greater depth. And there is no port on the Great Lakes, no approach channel to accommodate a 27-foot draft, let alone the 35 feet many authorities now deem essential.

Similarly, technological developments in warfare have outdistanced earlier arguments for the seaway as a defense resource. The locks would be particularly vulnerable to air attack, their own defense would be costly. The final justification, power development, does not depend upon completion of the navigation project.

Present plans call for tolls on shipping in an effort to make the project self-liquidating. The agreement between Canada and the United States, which Congress is now asked to approve, limits the charges that can be levied. Moreover, the St. Lawrence is open only 7 or 8 months of the year, so that the seaway could never operate to more than, say, 60 percent of capacity. Consequently, there is little likelihood that the seaway can ever be anywhere near self-liquidating.

Estimated costs, based on the inadequate 27-foot channel, range from $300,000,000 to $1,000,000,000. If Congressional legislators can forget the election, they will recognize that an inflationary period is the worst possible time for any major public work which draws heavily upon scarce materials and sends prices still higher. They will recognize that the necessity for financing the European recovery program and for channeling materials and productive efforts into essential restoration of economic stability at home and abroad rules out unnecessary Government expenditures and commitments. This is definitely not the time for Congress to embark upon a vast project, the cost of which cannot be accurately calculated, the national benefits of which are yet to be proved.

Juvenile Delinquency and Education

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks, I wish to include a thoughtful address by J. Pope Dyer, prominent educator of Central High School, Chattanooga, Tenn. Mr. Dyer has made a lifetime study of juvenile delinquents, and I invite your attention to his address which was delivered over radio station WAPO on November 17, 1947:

Juvenile delinquency is not a new term to the people of our Nation. Any student of criminology will recall that practically all the exceedingly notorious criminals in the early history of our Nation, as well as the noted criminals of the past decade or two, were first dangerous and desperate juvenile delinquents. This was the case with the Barker brothers, Karpis, Floyd, and a list too long to be recounted here.

I repeat, juvenile delinquency is not a new problem suddenly arising for solution. The causes broadly are the same from generation to generation. Poor home training, naturally by incompetent parents. Excessive alcoholism, feeble-mindedness, insufficient recreational facilities, bad housing, poverty, truancy, and a multitude of other causes could be listed. Basically, the incompetent parent, who is weak, cannot be expected by society to rear a strong, obedient, responsible, God-fearing child—that is expecting too much of either. As Helen Bailey said a few days ago, "There is no magic formula by which we can solve this problem." I have often said the time to reduce crime and juvenile delinquency is in the high chair and not the electric chair. Judge Tatum, of Nashville, has said many times that in the past few years, as juvenile judge, he has tried approximately 7,000 cases of juvenile delinquents and the number of children who are regular in attendance at Sunday school and church is less than a dozen and the same condition prevails at their homes. Fundamentally, we must recognize that juvenile delinquency exists when the home breaks down in any of its moral or spiritual obligations. We may expect more juvenile delinquency unless parents are willing to take more time for rearing children than any other thing in the world. This problem is serious and great men like Hon. J. Edgar Hoover are alarmed. I quote him, "Parents must awaken to the realization that the family is the first great training school in behavior or misbehavior. Children develop a sense of right and wrong—they are not born with it. Our Nation is sadly in need of a rebirth of the simple life—a return to the days when God was a part of each household, when families arose in the morning with a prayer on their lips and ended the day by placing themselves in His care."

Some of my students have recently received some tremendously enlightening letters relative to juvenile delinquency. Vernon Willingham, of my class, received one from Mr. James F. Wilson, of the Maryland Reformatory for Boys. Mr. Wilson said, in part, I quote, "Why are the boys here? First of all they were selfish. They were disobedient toward God, parents, lawful authority." I quote from another letter from the splendid Superintendent Fain C. Potter, of our own Tennessee State Industrial School. He said, "Most juveniles that are delinquents overestimate their own abilities and feel that they are a little superior to the average boy. Juvenile delinquents are not problem boys—they are boys with problems out of harmony with society. A large percent of them are boys who have not learned to say 'No.' They, as a rule, are a group of overstimulated youth that have very little of that virtue of patience to wait and work for accomplishments."

The schools certainly have a responsibility to cooperate with all agencies to reduce juvenile delinquency. The greatest studies of the careers of delinquents and crime reveal three things:

1. Criminal careers have their roots largely in childhood.

2. The marks of delinquency are in great measure evident during school years, and

3. The families of delinquents are as a rule unable to participate constructively in the training, supervision, and treatment of young offenders without expert guidance.

It is not guesswork to say failure of the home is the chief cause of delinquency. The experts, Father Flanagan, J. Edgar Hoover, Dr. Sheldon Glueck, and others are in absolute agreement at this point.

The school program must recognize the symptoms of delinquency and a program of discipline, instruction, recreation, and understanding must be constructed to meet the needs of these potential offenders. A course of study, specially designed for their needs must supplant the typical curriculum. The best teachers must be used so that these problem children may be saved. A sympathetic, firm, understanding teacher can do much to inspire a potential delinquent to do a great service. The excessive energy of the mischievous boy must be channeled so that it will not mature into downright meanness and destructiveness. It is much cheaper to spend more money now to prevent delinquency than to pay several times as much to incarcerate the youth at a later date. I feel that the school attendance law should be rigidly enforced.

It is time we got serious about this problem—parents, teachers, officials, and all citizens. We can't eliminate juvenile delinquency. We can reduce it. Miss Betty Dawson summarized the problem of juvenile delinquency this morning as follows: "One of the major causes of juvenile delinquency is the lack of religious training in the home. If a child is properly taught, when he is old he will not depart from it. Juvenile delinquency could be cured if parents would take their children to church."

I would add, the school must augment the work of the home and church. They must all be united in this common cause. No one force can neglect to do its share.

Oil and Steel Shortages

EXTENSION OF REMARKS

OF

HON. KEN REGAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. REGAN. Mr. Speaker, much is being published in the press and considerable discussion is being heard daily with respect to the great shortages of oil and steel.

Many independent oil operators of west Texas, and I feel confident that the condition is not limited to west Texas but is a general condition throughout the United States, have felt for the past several years that a shortage of oil was bound to follow the shortage of pipe or well casing that has been an acute condition in the oil industry for the past several years.

This shortage of steel continues to hamper, prevent, and delay the drilling of wells that would, in all probability, relieve, if not entirely prevent the shortage in oil and its products if an adequate supply of well casings could be made available.

Yet, Mr. Speaker, we are told that there are tremendous quantities of scrap steel in Europe and Africa.

Mr. Speaker, we are shipping boatload after boatload of various supplies and commodities to Europe; the boats are returning empty.

Is it not high time, Mr. Speaker, that these United States start practicing some economies at home and do something that will be a direct benefit to all our people?

I have here an editorial by Mr. Ray L. Dudley, of Houston, Tex., as published in this month's issue of the magazine World Oil, that was forwarded to me by my good friend, H. E. Williams, a prominent independent oil producer of Houston, that I feel would be of great interest to every Member of this Congress and, under unanimous consent, I include it in the RECORD:

HOW TO GET MORE PIPE

Last month we discussed the steel situation and said (after talking with steel men in the East) that one sure way to get more steel to make more pipe to drill more wells is to get more scrap steel to the steel mills of the United States. We suggested that great quantities of scrap steel are available in Europe and north Africa and that the practical is to bring this steel back to the United States.

It is possible to increase steel capacity in the United States without the tremendous expense necessary to build new mills, the product of which necessarily would have to sell at a price considerably above present steel prices. But in any consideration of the problem of increasing steel production, the scrap question is well at the top of the list. You recall the efforts to get in the scrap during the war, of how the oil industry organized its efforts to bring in scrap and the large amounts of scrap thus recovered and delivered to the mills. That effort, of course, did not bring in all of the scrap—but it cleaned out the junk pile on many a lease.

There is, however, this big source of scrap abroad, everyone who has visited Europe has noticed it. So far as is publicly known, no effort is being made to bring this scrap to the United States but, on the contrary European nations have requested, under the Marshall plan, large quantities of scrap to be sent from the United States.

We shall shortly be sending these countries aid in the form not only of food but of manufactured articles. They want dollar credits through exports. Why in the name of common sense can't we get this scrap back? Our ships will be going over loaded and coming back in ballast. Why not bring the scrap back instead of ballast?

It will take congresisonal action to bring this about.

Speaking of the desirability of congressional activity along these lines, Alex Walker, president of National Supply Co., in a letter to Secretary of Commerce Harriman, recently wrote:

"This is a far more intelligent way to secure the additional five- or ten-million tons of ingots so badly needed, than to build new steel-producing capacity costing $2,000,000,000 to produce 10,000,000 tons of ingots per year, requiring 2 or maybe 3 years to build, and withdrawing 1,500,000 tons of steel from consumption in other channels.

"I am sure you understand that such action will gradually reduce the price of scrap in America; also the cost of steel; and eliminate the gray market.

"It is my understanding that only the Federal Government can bring foreign scrap back to this country in large quantities, because the amount owned by private industry, who has the right to sell it, is limited; most of the scrap scattered over this world is owned either by the Army, the Navy, or the nation in which it is now located.

"I know of nothing more that you can do to hasten business stability in America, than to build up the scrap supply and break the gray market which is made possible by the present shortage of scrap and finished steel."

Here, in our opinion, is how you * * * and by you we mean every person who reads this, whether owner, executive, or employee of an oil company * * * can help to increase the steel supply in the United States and thereby increase the amount of pipe needed by our industry:

Write your Congressman and Senators and say:

"Why don't you do something about bringing scrap steel back from Europe to the United States? This country needs the steel it will make. Only our Federal Government can do something about it and you are my representative in this matter."

Write the letters today.

RAY L. DUDLEY,
News Analysis Section.

St. Lawrence Seaway

EXTENSION OF REMARKS

OF

HON. JOHN C. BUTLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. BUTLER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following resolution adopted by the board of supervisors of Erie County regarding the St. Lawrence seaway:

Whereas on various occasions and over a period of years this Board has gone on record, in opposition to the St. Lawrence seaway; and

Whereas said proposed seaway presents a present threat to the economy of New York State and especially to the Niagara frontier as great as at any time since its inception; and

Whereas the people of the State of New York have contributed millions of dollars to provide water transportation from Lake Erie to the port of New York; and

Whereas New York State, because of its great percentage of national wealth, would be required to contribute a great part of the total cost of the proposed seaway and at the same time create a transportation system in direct competition with its own system; and

Whereas the diversion of transportation to cheap foreign shipping and the opening of our inland markets to alien tramp steamers would be detrimental to American labor, the American farmer, and American industry and so lower the whole standard of American living; and

Whereas the entire navigation and seaway project would be built largely at the expense of American taxpayers while a net loss of some $42,000,000 would be sustained by industry and commerce, along with individual taxpayers; and

Whereas such a seaway is unwarranted and unnecessary: Now, therefore, be it

Resolved, That this Board renew its opposition to the St. Lawrence seaway, that it petition our Representatives in the Congress of the United States to oppose any and all legislation proposing such a project; and be it further

Resolved, That this Board join with and urge all organizations, public, semipublic, and private, in the Niagara frontier to create a united force to the end that all opposition possible may be brought against this unsound and undesirable project.

1948 Schedule for State Primary Elections

EXTENSION OF REMARKS
OF
HON. FRED L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. CRAWFORD. Mr. Speaker, in view of the widespread interest in the approaching national election and since we do not have a uniform date for selection of candidates for Representatives in Congress, United States Senate, and governors, I am submitting a schedule of State primaries for 1948. Instances of presidential primaries are also noted. The schedule follows:

Alabama, May 4.[1]
Arizona, September 7.
Arkansas, August 10.[8]
California, June 1.[2]
Colorado, September 14.
Florida, May 4.[1 2]
Georgia, September 8.
Idaho, August 10.
Illinois, April 13.[2]
Indiana, May 4.[3]
Iowa, June 7.
Kansas, August 3.
Kentucky, August 7.
Louisiana (State officials only January 20).
Louisiana, September 14.
Maine, June 21.
Maryland, May 3.[2]
Massachusetts, September 14.[4]
Michigan, September 14.
Minnesota, September 14.
Mississippi, August 24.[1]
Missouri, August 3.
Montana, July 20.
Nebraska, April 13.[2]
Nevada, September 7.
New Hampshire, September 14.[5]
New Jersey, June 1.[2 9]
New Mexico, June 8.
New York, September 14.[3 6]
North Carolina, May 29.
North Dakota, June 29.
Ohio, May 4.[2]
Oklahoma, July 6.
Oregon, May 21.[2]
Pennsylvania, April 27.[2]
Rhode Island, September 14 or 24.[7]
South Carolina, August 10.
South Dakota, June 1.[2]
Tennessee, August 5.
Texas, July 24.
Utah, September 7.
Vermont, September 14.
Virginia, August 3.
Washington, September 14.
West Virginia, May 11.[2]
Wisconsin, September 21.[6]
Wyoming, August 17.

[1] First primary; if run-off necessary, second primary held about 3 weeks later.
[2] Presidential primary also held on this date.
[3] For Representatives in Congress only; Senators and State officials nominated in convention.
[4] Presidential primary held April 27.
[5] Presidential primary held March 9.
[6] Presidential preference primary is held on April 6.
[7] Under new law, party which first files request with Secretary of State has choice of dates; the primary of the other party is held on the alternate date.
[8] For State officials; July 27 for United States Senators and Representatives in Congress.
[9] New Jersey will probably change date to April 20 or May 4.

NOTE.—Connecticut and Delaware do not hold primaries for national or State officials.

The Plain Issue: Taxes

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, I am delighted to submit for the benefit of those who read the CONGRESSIONAL RECORD the following editorial from the Tulsa (Okla.) Daily World, in the issue of January 22, 1948, entitled "The Plain Issue: Taxes":

THE PLAIN ISSUE: TAXES

Proponents of a $5,600,000,000 cut in the budget submitted by the President have practically defined the principal feature of the 1948 campaign. The bold move of the Republican majority leadership puts the President on the defensive. He will be in the position of defending high taxes and unremitting expenditures.

The cut proposed is explicit. It relates to income taxes. It carries the requirement that Federal expenditures be cut to fit the reduction in income. President Truman is commonly understood to stand for the present tax rate, and, inferentially, against any reduction of outgo. This situation makes the whole matter fairly plain.

The size of the cut would, if carried through, make it imperative that one or both of these things must be done. The aid to Europe must be reduced; the vast Federal establishment must be tamed.

There are two major probabilities: The budget will be trimmed and President Truman will veto the tax reduction bill. Apparently, the Republican leaders would not yield to the suggestion that they could gain Democratic support for a possible overriding of a third tax bill veto by cutting the cut somewhat. It was decided, probably wisely, to stand on the big reduction as a starter.

Mr. Truman's budget message was so palpably political that it created a challenge and largely disgusted the country. He submitted a budget of nearly $40,000,000,000. He has acquired some sort of support of his position that the expenditures cannot be cut now and that not even the desirable reduction of taxes upon small incomes can be voted.

Indications now are that the third veto will be fatal—to Mr. Truman. It is regrettable that the whole matter has become political—but here it is, a political issue.

It is apparent the President's plan is not for reduction of spending here or in Europe. The Republicans have not yet met the issue head-on; that is, they have not gone into cutting off bureaus and sections; they apparently rely upon the theory that if revenues are cut expenses will be cut. There is no action precedent, no deliberate marking of bureaus and sections for extinction. The cutting should begin at the source, not at the ultimate. But the action of the House majority is valuable; it puts the President purely upon the defensive. He is for continued spending and unlimited cost in Europe.

It should be made plain in Washington and over the country that there is basically no conflict between requisite aid for Europe and tax reduction. If we must pour out money for Europe, we must quit pouring out unlimited money at home. The looseness of European aid may mean shortening of rations for political bureaus at home. The whole business is interlocked, and the appearances are that President Truman is firmly tied to the idea of grotesquely large expenditures and the theory of the impossibility of betterment of the home Government.

The Meat Situation

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. HILL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following memorial of the American National Livestock Association and resolutions of the Colorado Stock Growers and Feeders Association:

A MEMORIAL TO THE CONGRESS ADOPTED BY THE AMERICAN NATIONAL LIVESTOCK ASSOCIATION AT ITS FIFTY-FIRST ANNUAL CONVENTION IN BOISE, IDAHO, JANUARY 14, 1948

Because of widespread misunderstanding of facts underlying the present meat situation, with respect both to supplies and prices, we present the following facts:

1. CAUSE OF INFLATION

All prices are high. We are in a period of inflation which is the direct result of the currency expansion of the war period. This currency expansion was inevitable once our Government had established a policy of financing the war primarily by borrowing from banks instead of by direct taxation and by sale of bonds to the investing public. This increased the supply of money out of all proportion to the available supply of goods and services. High prices are clearly the result of governmental policy adopted during the war and cannot be charged to any group or class of our citizens.

2. HIGH AGRICULTURAL PRODUCTION COSTS

Farm production costs, which may be taken as representative also of ranching costs, are explained by the Department of Agriculture as follows: "Farm costs are at an unprecedented high level. Since 1939 farmers' out-of-pocket operating expenses have risen from 9 to 25 percent a year. Some further increase is expected in 1948."

Government figures also show that costs in farm production in 1946 exceeded gross farm income in 1941.

3. INCOME-MEAT PRICE RELATIONSHIP STABLE

The Bureau of Agricultural Economics reports that from 1920 to the present time, save only the war years of controlled economy, consumers have spent practically the same portion of their income each year for meat. In other words, meat prices are a true reflection of national income.

4. CONSUMER DOLLAR HIGH COMPARATIVELY

How does the consumer dollar spent for cost of living compare with other dollars spent? The National Industrial Conference Board shows, with Government figures, what has happened since 1935–39. By August 1947 the value of the 1935–39 dollar spent for living costs had been reduced to about 66 cents; that spent for construction of all types had shrunk to 53 cents; that spent for raw materials at wholesale to 45 cents. The value of the same dollar paid to labor in manufacturing industries had dropped to 49 cents.

5. CATTLE PRICES

What about beef cattle at 40 cents per pound? Such prices appear in the press occasionally for a single load or a part load of long-fed prime cattle; but the market page will also show that on the same day all other cattle sold for substantially lower prices. Top cattle have no significance for the average consumer. The meat from such animals does not go to the butcher shop but is a specialty item for hotels and night clubs.

6. THE CONSUMER FIXES THE PRICE

Consumer demand and available supply fix the price of food. Today it is a universal

high demand, created by high income, that has made prices rise. This broad demand, in a period of peak production, is distributing food more widely than at any time in our history.

7. PRESIDENT TRUMAN OPPOSED PRICE CONTROL

What President Truman said about price controls in 1946: "The general control over prices and wages is justified only so long as it is an effective instrument against inflation. I am convinced that the time has come when these controls can serve no useful purpose. I am indeed convinced that their further continuance would do our Nation's economy more harm than good. * * * The Price Administrator has advised me that with so much of the economy freed from price controls, clinging to the rest would, in his judgment, lead to distortions in production and diversion of goods to an extent far outweighing any benefit that could be achieved."

This is in direct conflict with his request now for selective controls.

8. MEAT PRODUCTION LARGE

Production of meat remains close to the record wartime level, but, relieved of war demands, the amount available for civilian use is substantially above even the peak year 1944.

Total meat production in 1944 was approximately 25,200,000,000 pounds. The amount of this available for civilian use in 1944 was approximately 19,200,000,000 pounds. Total meat production in 1947 is estimated to be well in excess of 23,000,000,000 pounds, practically all of it available for civilian use.

9. PER CAPITA CONSUMPTION HIGH

In 1947 each person ate on an average 156 pounds of meat. That is the largest per capita consumption in 38 years. In 1948 the supply will approximate 145 pounds per capita, but this will still be about 15 percent above the amount of meat consumed per capita in 1935–39.

10. BETTER LIVING

Under inflation, food prices have risen, even though the supply of food has been at record levels. More people in this country are living better today, eating more than at any time in our history. It is their demand, their ability to pay, that sets the price of food, whether that price be high or low.

11. RATIONING AND BLACK MARKETS

What would happen if we rationed meat? The present demand would inevitably create black markets and the black marketeer would be the beneficiary. The consumer with an average income would be the loser. That is what happened under OPA.

12. REMEDY FOR INFLATION

Maximum production coupled with a sound fiscal and monetary policy on the part of the Government will provide the most effective remedy for inflation. This would insure the consumer a maximum supply of meat at equitable prices. It can be accomplished only under an economy free from rationing, price controls, or other arbitrary restrictions. Maximum production cannot be realized, however, and reflected in lower prices so long as costs of producing and fattening livestock are dominated by the export to Europe of close to half a billion bushels of grain yearly, and of tremendous amounts of equipment and supplies that are important factors in production costs.

In view of all the above, we respectfully urge the Congress not to reimpose price controls or rationing or the authority therefor.

Resolution 4

Price Controls and Rationing

(NOTE.—On June 21, 1946, at our seventy-ninth annual convention in Canon City, the Colorado Stockgrowers and Feeders Association unanimously adopted resolution A urging Congress to remove OPA price controls, because OPA controls and regulations of livestock and meat products have proved unenforceable and impractical and black market operations fostered by such unenforceable regulations are causing irreparable damage to the economic structure of the industry.)

Whereas President Truman has requested that Congress grant him authority to reinstitute price and rationing controls on food and other products as he deems necessary to regulate prices and consumption; and

Whereas the American public accepted such controls and rationing only as a war measure justified by the danger to our Nation; and

Whereas no such emergency can now be claimed to exist to justify such regimentation and the sacrifice of individual rights and responsibilities, particularly when experience proves that the controls are foredoomed to failure: Therefore, be it

Resolved, That we again point out that production and efficient utilization provide the most effective controls upon prices and distribution and we express our opposition to price and rationing controls as proposed.

Resolution 15

(Resolution supporting a memorial to the Congress adopted by the American National Livestock Association at its fifty-first annual convention in Boise, Idaho, January 13–14–15, 1948)

Whereas the American National Livestock Association, in annual convention at Boise, Idaho, January 13, 14, and 15, wrote a memorial to the Congress setting forth 12 facts regarding the present meat situation, both with respect to supplies and prices, and urged the Congress not to reimpose price controls or rationing or the authority therefor: Therefore, be it

Resolved, That we heartily endorse their action and offer the support of the Colorado Stockgrowers and Feeders Association in opposing price and rationing controls.

NOTE: We believe that if meat were again controlled by rationing as suggested by President Truman and Secretary of Agriculture Anderson, such a Federal order would immediately create black markets for meat, forcing prices to go higher. We know from experience the results would be bad for all concerned and the consumer with an average income would be the loser—and that is exactly what happened under OPA restrictions.

European Recovery Plan

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. REED of New York. Mr. Speaker, it is about time, before it is too late, for the taxpayers of our country to realize and to resist the raid on their pockets by foreign countries made possible by the American internationalists cooperating in the foreign raid. There can be reduction in expenditures to warrant much greater tax reduction than is provided for in H. R. 4790 if the people instruct their Representatives in Congress to oppose this foreign boondoggling program, which will eventually, if not stopped, make taxpaying slaves of our American citizens.

Under leave to extend my remarks in the RECORD, I include the following radio address by Henry J. Taylor delivered over Station WOR, New York, January 12, 1948:

Exactly who gets the money in the latest European recovery plan? Seventeen billion dollars. I've just found out for sure. I think you'll be very surprised to know.

Our money doesn't grow on trees. It's hard for most any of us to get along at best. Before we're challenged further by the idea that the $17,000,000,000 new European plan must be all or nothing and start paying the bill in our homes and work places and the high cost of living, we need some facts that are contrary to public impression and which were withheld in the original presentation of the plan itself.

Fact number one is who gets the money. It's hard to imagine that fact was left out but it was, and I think we have a right to know. We've already spent $22,000,000,000 abroad since the end of the war. And now we're expected to spend $17,000,000,000 more. Yet, in the mountains of words and figures, this fact was of itself an amazing omission. Actually, the plan, to be truly revealing, should never have been given to Congress and to the public without this fundamental information—who gets the money.

After all, who is more entitled to know where his money goes than the man who pays the bill, which means us all? But the State Department in Washington could not reveal and still feature the anti-Communist angle, my friends, on an over-all $17,000,000,000 basis, on an all or nothing basis. So in order to be factual and exact in discussing on the air this latest project, so important in your land and mine, so heavily involved in our inflation, high prices, taxes, the cost of living that is bearing down on us all and on our future, I've been making for weeks in Washington every possible attempt I could make to get official information regarding what countries in terms of percentages were to get our new $17,000,000,000.

So at long last here are the facts to plug that loophole, the official figures obtainable only yesterday. They indicate much we've not been permitted to know.

First you will find that in percentage of dollars, a full third of our seventeen-billion-dollar plan is primarily another aid to England project. The lion's share of the funds goes to the British Isles, one-third of the entire amount, $5,348,000,000 of the seventeen million—billion to be exact. Now, certainly, that part hasn't anything to do with buying off Communist popularity there, and to this large extent the Marshall plan should not have been presented to us as an anti-Communist measure, any more than the last $3,750,000,000 we gave England in 1945.

Maybe they need it, I don't know. But they certainly don't need it to stop communism in England. No one has even had the nerve to suggest that the British are on the verge of voting Communist. Had the fact that a third of the money we sent—or are to send—was to go there been made public, and early, it would have been impossible to present the powerful appeal for the over-all seventeen-billion fund on an anti-Communist basis, all or nothing basis, in the official support for the outlay, at least to the extent of one-third of the entire proposition.

Now, next with England, seven additional countries are ruled out in the same way, where there is, by common consent, no more idea of the population voting Communist than there is in England—this plan or no plan. I refer to Holland, Belgium, Luxemburg, Denmark, Ireland, Norway, Portugal, and little Iceland. So let's see what they'll get. Some of the figures are unbelievable, my friends, but they are correct and official and at last come from our State Department itself.

Do you know how much all of us are to be taxed for the Dutch? Holland is to get 2,436,000,000 American dollars. Fantastic as it may seem, the plan gives Holland, a little

country with fewer people than live in New York city $2,436,000,000. And if that's a calculated risk against communism in Holland it's quite a calculation, yet imaginable. The plan is nevertheless presented as "take the whole plan or nothing, all or nothing." Why, the figure for Holland alone means a charge on us for $308 for every man, woman, and child who lives on the shores of the Zuyder Zee.

Denmark is supposed to get over a half billion dollars, $582,000,000 to be exact. For this one little country alone, with a population less than Chicago, that's as much as all the stop-gap aid for which the special session of Congress so dramatically called last November. Denmark, a half billion dollars.

Now Ireland: Ireland was not in the war. Ireland is an island. The Communists would have to swim to get there and if there's a Communist there now not an Irishman knows it. But Ireland is to get a half billion dollars, $497,000,000 to Ireland to be exact. So, my friends, three and a half billion dollars out of the 17 billions go to Holland, Denmark, and Ireland.

For good measure, even Iceland. Apparently there must be quite a Communist threat in Iceland and a lot of western civilization tottering on the brink there besides, for Iceland comes into the Marshall plan, and for $38,000,000. Fewer people live on that island than live in Trenton, N. J. And Iceland is just about as much in the throes of chaos, just about as much tottering on the brink of giving up western civilization as Trenton, N. J., except that there isn't much western civilization in Iceland anyway. But they're to get $38,000,000 from us, all or nothing, just the same.

Then there's Norway, where the Communist vote is about 7 percent. But Norway is in for $234,000,000 from us. The plan gives $234,000,000 to Norway.

Next comes Portugal in deciding whether or not the propaganda for the plan is padded in its over-all anti-Communist appeal to our public. Now, in Portugal, the Communist vote happens to be nonexistent. For 20 years the country has been and remains in the hands of a Fascist dictator, Dr. Salazar. Portugal did not fight in the war. Portugal profited immensely in the war by Portuguese standards. Yet, Portugal gets our money just the same. Portugal gets 100,000,000 American dollars in the Marshall plan. All or nothing. Can the seventeen billion be cut? Can the first installment now asked for, $6,800,000,000, be cut? Well, I should say so, and now.

The anti-Communist angle is valid to a degree in some places where the money is to go, like Italy. But, my friends, the simple truth is, now that we get the figures, so belatedly published and in a most confusing way, only yesterday, the truth is that over ten billion of the seventeen billion is going to countries—I visited every one of them myself—that are by common consent no more on the verge of voting Communist than the State of Indiana, which I visited last week, and which hardly looks on the verge of voting Communist to me.

Or take another angle. The appeal is made to us that we are aiding the victims of war-torn countries in gratitude for their losses in the war. Now, there are other appeals that are sound and very much better. That isn't a very good one. How many billions are ruled out on that one? Of the 16 countries in the Marshall plan over $6,000,000,000 out of the seventeen billions are to go to enemy countries, Germany, Italy, and Austria, for which there are other reasons to help, not gratitude. Seven hundred million goes to countries that stayed neutral, did not fight in the war, and, in fact, got richer than they've ever been in their lives during the war, largely at American expense. They might well be giving something back to us—as if anything like that could ever happen. Sweden and Switzerland, however, have asked us for nothing, praises be.

Now, my friends, all summer long in one European country after another, in England, France, Italy, Greece, Switzerland, Belgium, Luxemburg, Holland, Germany, and in broadcasting in Paris, where the 16 nations were meeting to put in their requests for additional American funds in substance now being decided I tried to say on the air as factually as I could, right there on the scene and repeatedly, from London, Rome, Athens, Zurich, Berlin, Brussels, Paris, and a dozen other places and since I've been home, that the objectives of the Marshall plan are good—heaven knows, there's no question about that—but that the gigantic amounts asked for were overstated, inflated, padded, padded, and padded, and shockingly weak in respect to how the money should be administered to get the results on which we pin our American hopes.

In short, I think we should be for the objectives of the Marshall plan. But the plan is no longer just an idea, you know. It's now a tangible piece of proposed legislation, ready to be enacted into law and to absorb billions in our American people's money and goods. It shouldn't be approved as written. I'm convinced it will not be. Once we get the air pumped out of the claims and make the necessary changes suitable to the real problem over there, which is a production problem and needs realistic, production-minded American handlers to whip it, we can stop sailing in the pattern of the 22,000,000,000 that has already gone with the wind since the end of the war and really get some place, really serve ourselves and Europe and the cause of lasting peace by the changes that must be made in the plan and save ourselves billions and billions besides, that would have been wasted had we allowed our judgment to be blitzed.

Freedom Point Raised on United States Education Plan

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, in these days when so much is being said about education being directed from Washington, in one form or another, I am delighted to give my colleagues the benefit of one of the most rational presentations on this that I have ever read. It is an article which appeared in the Washington Star of January 25, 1948, by our esteemed colleague, Representative RALPH W. GWINN of the Twenty-seventh District of New York. Representative GWINN is in a position to know whereof he speaks. He is a member of the House Committee on Education and Labor, and chairman of one of its most important subcommittees. He has conducted many hearings and is qualified to present a rational view on this subject. He addresses himself to the topic Freedom Point Raised on United States Education Plan, which it will be well for all to read. Representative GWINN's article follows:

FREEDOM POINT RAISED ON UNITED STATES EDUCATION PLAN—HOUSE COMMITTEE MEMBER FROM NEW YORK QUESTIONS ADVISABILITY OF GOVERNMENT INTERFERING IN SCHOOLS

[EDITOR'S NOTE.—Representative GWINN, of New York, is a member of the House Education Committee and chairman of one of its subcommittees. He is vice president of the International Council of Religious Education, a trustee of De Pauw University and former president of the board of education in his home town of Bronxville, N. Y. In the following he takes issue with the subject matter of a recent article carried by the Sunday Star and serviced through the Associated Press, written by Dr. John W. Studebaker, United States Commissioner of Education.]

(By Representative RALPH W. GWINN, Twenty-seventh District of New York)

The United States Office of Education is embarking upon a propaganda campaign for the promotion of zeal for American democracy in schools and colleges. What is the purpose of this campaign? Is it necessary? Why should the Federal Government interfere and propagandize? What are the implications and dangers of this enterprise?

John W. Studebaker, United States Commissioner of Education, has been conducting a vigorous campaign to stimulate better education for democracy in our public schools. Until recently, the United States Office of Education has refrained, however, from any concerted plan or propaganda action in this respect. Taking advantage of the intense interest in the problems of democracy and its survival, now manifesting itself in our schools and colleges, Dr. Studebaker boldly announces that his office will enter into the propaganda picture.

We are now about to witness that a Federal office will issue an official statement to all our schools of the essential principles of democracy. We thought that was well taken care of in our magnificent Bill of Rights. Is there any reason to hope that a Federal office in present-day confused Washington can tell our American youth better than the Bill of Rights what true democracy really is?

DR. STUDEBAKER OVERZEALOUS

Dr. Studebaker goes on to announce that the United States Office of Education is ready to suggest certain criteria by which our educators may judge the effectiveness of our schools in the teaching and practice of democracy. In his zeal for democracy Dr. Studebaker becomes overzealous to such a degree that he wants the Federal office to lay down the rules for judging how democratic our schools are.

That Dr. Studebaker's program suffers from a basic self-contradiction becomes obvious, however, when he announces that the office will proceed to provide suggestions of resource material to help the schools fight what is called antitheistical beliefs and practices. Now, if the strange word "antitheistical" in plain English means "Godless," it follows that the Office of Education now will embark on a campaign against Godless beliefs and practices.

The triple purpose of this Federal propaganda campaign in our schools, then, is to have Federal authorities define the basic principles of democracy (over and above the United States Constitution), to furnish official criteria for the effectiveness of democracy in our schools, and to help the schools fight Godless theories and practices.

No citizen will deny that, in themselves, these are lofty and necessary purposes, even though groups of antitheistical citizens may object that the Government has no constitutional right to use money for propagandizing for religion and against citizens who do not believe in God and His commandments.

This whole new Federal program as suggested by the Office of Education is harmful and has most dangerous implications for our freedom of education. It is an unwarranted and unwanted interference in a domain which must remain free of Federal advice, Federal propaganda and Federal missionary effort.

FEARS PARTY INFLUENCE

Political prudence leads us to fear that any teaching of political ideas, directed and

financed by the central Government, will be determined in the end by the philosophy of the party or faction, or even person in power, rather than by precepts of the Declaration of Independence or the Constitution with its Bill of Rights. The practice and teaching of these ideas is strictly the business of the local community.

The idea of liberty happens to be in fashion at the moment, so for the time being there would appear to be no visible conflict. But if the doctrine of the all-powerful, all-fostering Government dominates the executive branch again, as it has been known to do, how long will a bureau in such an administration continue to teach that that Nation is best governed which is governed least? Or that economy in government is a moral virtue? Or that the only way to preserve liberty is to accept no favors from the State? How long will it take before propaganda seeps in saying that the American system "was" a good system, but now we have "new" problems? How long before such a bureau would redefine "representative government" to mean that the Executive should have control of our economic life, leaving Congress with a veto power or even making Congress over into a rubber-stamp institution?

BREEDS FACTIONALISM

Suppose the Office of Education, even in the future, should be led by men of higher intelligence and real integrity. What would happen, however, to such Federal officials, if the President and his chief advisers believed in concentrating powers in the hands of the executive of the planned state? Suppose the head of the United States Office of Education refused to conform to these new ideas of a so-called social democracy, this New Deal for America?

How long would it be before one of his ambitious subordinates would reach the President with a plan for "better" political education? Or some disgruntled State official or "expert" whom he had once opposed, would suggest a new bureau with a new title, to do the political "education" which the administration needed?

Once the central government undertook to spread its own kind of political philosophy, opponents of that philosophy would have no choice but to take over the Government itself, instead of reasoning together in a local community with neighbors on how to teach their notions of liberty. We should soon be deep in factional fights at election time, just as continental European countries now are, because whoever controlled the government controlled the means of indoctrinating the people. Since the party in power is always desperately maneuvering to keep in power, the control of the people's ideas is its first concern, through propaganda and education.

The modern state is everywhere narrowing the sphere of citizens' freedom and civil and economic liberties. When the devil-state has done its job, complete and cruel tyranny comes, as it did to Germany, Italy, and Soviet Russia.

In the twilight of freedom around us, the United States and its great people must lift the torch of liberty. We need a crusade against statism and for liberty in the very grassroots of our democracy.

We must urge more and more free education, spontaneously supported by the thousands of local communities, as the only possible source from which we can teach God and freedom and combat paganism and statism. The turn toward paganism and statism has come about because educators cannot or do not teach about God and self-government under religious disciplines.

Does it not follow that we must reverse our present trend, instead of accelerating it?

Address of Morgan L. Fitch Before National Association of Real Estate Boards

EXTENSION OF REMARKS
OF
HON. FRED E. BUSBEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 29, 1948

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent to include in the Appendix to the CONGRESSIONAL RECORD the address which was made by Mr. Morgan L. Fitch on January 21, 1948, upon his retirement from the presidency of the National Association of Real Estate Boards. Mr. Fitch has been a neighbor and friend of mine for many years. His record as president of the National Association of Real Estate Boards has been an enviable one and has brought forth many constructive ideas for the development of the real-estate business and suggestions to alleviate the housing shortage.

The address follows:

My fellow officers of the National Association of Real Estate Boards, distinguished Members of Congress, ladies and gentlemen, it seems to me that the only thing about this little party which would classify it as a banquet is the distinction of our guests gathered here from every corner of the United States, and the price of the ticket.

Some of us from the areas where inflation has not yet come to such full flower, who are accustomed to eating blue-plate specials at 45 cents and who have traveled the return trip on the overland trail to view and to marvel at the majestic processes of Government, have found that travel to Washington not only broadens the viewpoint but likewise flattens the purse.

We start out with no menu, no toastmaster, no speaker of the evening, no juggler, no singer from the civic opera company. We are simply a group of friends gathered together for the purpose of getting better acquainted in a better understanding that we may serve better the wholesome housing needs of the Nation.

I recall that just a year ago I stood in this room with many of you who are here tonight. I told you on that occasion that it was not for me to promise or predict that which might occur as the year unfolded. I said then that we would let the record speak for itself.

Now that record has been made. No word of mine can alter it by jot nor tittle. Certainly if I did not look upon it with pride I could not speak of it. Certainly if I did view the record with pride I would dare not boast, for indeed, as recorded in Proverbs of the Good Book, "When pride cometh then comes shame."

Yet, it is a simple fact that the membership of this national association has grown to 41,000—a gain of 15 percent in the past year. The organization has lived well within its income and is today in full stride of vigorous activity. But more significant is the fact that our members hold high their heads as standard bearers in the cause of freedom for the common man, in the cause of better housing for all men, in the cause of social and national welfare. We have made progress in the spirit as well as in the flesh.

A year ago the housing business was in a sorry mess. It remained then as a prisoner of war fenced in by a stockade of rules, restrictions, limitations, ceilings, and abuses. All the while little people danced around the enclosure shouting in sadistic delight as they tossed in crumbs of subsidy, grant, and loan, to a great industrial giant that was famished only for freedom.

Now, a year later, with only one great barrier remaining, we find supply of housing creeping into balance with demand. Since July 1 we have been creating houses at a rate of almost a million a year. All over the country vacant houses are offered for sale. In some places vacant rental units are offered for rent. The Government tells us that 93 percent of the homes in our cities are in good condition. Fifty-five percent of them are owner-occupied; half of all the rented dwellings rent for $29.33 per month or less.

What an answer to those men of little vision and meager understanding who proclaim in wishful glee that 50 percent of our children are born in slums!

If forces of Government would lift the heavy hand of bureaucracy and devote themselves to freeing the production of goods and labor in a competitive market the housing shortage would be only a memory in 6 months' time.

Indeed our business has had far more than its share of the burden of public interference. We have zoning laws to restrain the use of land, building codes to limit construction, restrictions on the productivity of the man on the job, monopoly in the marketing of building materials, competition from Government at all levels, strangulation by arbitrary and unreasoning enforcement of rent control.

Yet we carry on planning, building, creating, in the firm belief that our system of competitive enterprise has never been rivaled in Russia, France, Italy, or England, and that some day that system will be reestablished in full vigor in America.

I am pleased to recognize in this audience more than 100 Members of the Congress of the United States. I welcome them, not in their official capacities, but as fellow citizens. I have met the gentlemen of Congress all over the Nation and found them to be interested, not just in election—why should not a Congressman be interested in elections? After all a Congressman who is not elected is no longer a Congressman. I have found Congressmen interested, too, in the sound welfare of the Nation; interested in preserving those freedoms guaranteed in the American tradition; interested in building out of today a better tomorrow.

We would have these Congressmen know that people of real estate are likewise average citizens of America who, by their training and talent have a specialized knowledge of real estate. Look at that man who sits opposite you. Look intently. Does he look to you to be anything other than a plain ordinary American who works with his hands and his wits to make a living selling housing? Yet he has been called subversive, vicious, selfish, un-American, greedy, at times by persons in very high places, for he is one of the small parts of the real-estate lobby. He is one of the people who has made so bold as to ask that his business, too, be no longer a prisoner of war.

And come what will, he expects to carry on in spite of abuse, attack, political intrigue, or court prosecution, firm in the maintenance of his honest conviction as one of a hundred million little people in America. That attitude on the part of Realtors of America is the brightest jewel in the legacy I leave as I retire as president of this great association.

Cost of Experimental Unit of Universal Military Training at Fort Knox, Ky.

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, I think all are aware that an experimental program of universal military training is being conducted at Fort Knox, Ky. Various opinions have been voiced as to the cost of the training which has been envisioned and advocated by President Truman. The Department of the Army has set up a model universal military unit at Fort Knox, Ky., and I have had several inquiries as to the cost of this experimental unit. On December 8, 1947, I asked for the figures, and I am happy to give my colleagues the benefit of the information which I received.

The following is a copy of a letter addressed to me under date of January 21, 1948, by Maj. Gen. George J. Richards, the Army Comptroller, Department of the Army, which I think needs no explanation, but speaks for itself and gives us the information on the cost of the experimental unit of universal military training at Fort Knox, Ky.:

DEPARTMENT OF THE ARMY,
OFFICE OF THE ARMY COMPTROLLER,
Washington, D. C., January 21, 1948.

Hon. GEORGE B. SCHWABE,
House of Representatives.

DEAR MR. SCHWABE: Reference your letter of December 4, 1947, relative to the operating cost of the universal military training unit at Fort Knox, Ky., and my interim reply of December 8, 1947, I now have additional information in this regard to transmit to you.

On January 16, 1948, Hon. Kenneth C. Royall, Secretary of the Army, sent a letter to the chairmen of the Armed Forces Committees concerning the cost of the Fort Knox Universal Military Training Unit. Mr. Royall's letter covers the question you asked in such a comprehensive manner I feel you would be interested in its entire contents. I am therefore quoting to you the Secretary's letter in its entirety:

"I have been asked for certain specific information regarding the universal military training experimental unit at Fort Knox. As similar inquiries have reached me from other sources, or have been addressed severally to various Army addresses, I am including in this letter all of the information presently available with respect to the size and cost of the project.

"The UMT experimental unit was organized for two purposes:

"1. To obtain experience of value in a universal military training system covering a special age group, on a national scale, if authorized by Congress as recommended by the President, the President's Advisory Commission on Universal Training, and the armed services.

2. To obtain experience of value to the armed services in revising and modernizing their own training programs in the light of the Doolittle committee's recommendations.

In pursuance of these purposes, a new training formula has been introduced at the Experimental Unit, with greater emphasis on education, moral controls, broader concepts of discipline, and close supervision of off-duty as well as on-duty activities of trainees.

In computing the cost of the UMT Experimental Unit, no attempt has been made to separate the cost of training the 646 enlisted men in the experimental training battalion from the total cost of the unit, nor is such a separation possible. The figures which follow therefore represent a break-down of the over-all cost of an experiment undertaken for the purposes indicated. The figure given as the cost per trainee is likewise the pro rata cost of the unit as a whole, as applied to the men in the UMT training battalion, and not the cost of training these men alone.

SIZE OF UMT EXPERIMENTAL UNIT

Two cycles of training were completed by the Army Ground Force Experimental Unit on December 20, 1947. The first cycle extended from January 1947 to July 1947, the second from July 1947 to December 1947, inclusive. During this time the following personnel were involved:

(a) Average number of trainees (privates, Regular Army battalion strength), per cycle, 646. For two cycles, approximately 1,292.

(b) Average constant training cadre (military personnel):

Number of officer-instructors	77
Number of enlisted personnel	495
Total	572

(c) Approximately 21 civilians were employed during the two cycles as members of the training staff, all but four on a part-time basis. For the second cycle an estimated 17 part-time instructors were required in teaching auto mechanics, radio, typewriting, Spanish, and bookkeeping. Of the 4 full-time civilian employees, 1 was an educational counselor, 1 an assistant educational counselor, and 2 were stenographers for the Educational Center.

Cost of universal military training experimental unit, second cycle, July–December 1947, inclusive

1. DIRECT COSTS

Pay and allowances of trainees (Army pay rate)	$383,167
Pay and allowances of trainers (officers and enlisted men)	472,098
Costs of subsistence (enlisted men)	196,975
Costs of clothing (enlisted men)	73,311
Costs of transportation	52,320
Equipment replacement	171,182
Total	1,349,053

2. INDIRECT COSTS

Transportation	$73,080
Repairs and utilities	24,705
Medical care	70,340
Supplies	230,532
Equipment maintenance	43,866
Administrative overhead and supervisory personnel	60,733
Total	503,256

3. ADDITIONAL INDIRECT COSTS NOT PROPERLY CHARGEABLE TO UNIVERSAL MILITARY EXPERIMENTAL UNIT

Appropriated funds for rehabilitation of post facilities for universal military training experimental unit, but not included in universal military training costs because available for other purposes later	200,000
Grand total, universal military training costs, second cycle (1 and 2 above)	1,852,309

Average over-all cost per 6 months enlisted trainee (at Army pay rate and including all other unit costs), $1,852,309 divided by 646 equals $2,867.

COST FACTORS IN UMT EXPERIMENTAL UNIT

Because of the nature of the experiment, and the fact that cadre training and orientation courses for officers and enlisted men of the several branches of the Regular Army, not connected with the experimental UMT unit, have been conducted contemporaneously with the training of the experimental battalion of 18-year-old recruits, the administrative and instructor personnel of the unit were larger than would be required for training either an ordinary tactical unit or a prospective UMT unit.

The ratio of trainees to trainers in the larger system, for example, would be more than double that indicated in the figures for the experimental unit. At Fort Knox the military personnel necessarily included all elements of a division staff, although only a single battalion of men were being trained for 6 months by the experimental UMT formula. In the first training cycle all arms and technical services were represented. Each training company had to be organized differently. The Information and Education and Special Services staffs were organized on approximately a regimental level. There were two chaplains. The personnel of the unit, in short, was organized to perform a multiple function, and not simply to train 646 enlisted men assigned to it for this purpose. As with any experiment, whether conducted by the military services or in industry, the cost of the pilot model is always higher than the cost of the subsequent product.

Since the trainees were all enlisted men of the Regular Army, and receiving an average of approximately $100 a month in pay and allowances, the cost also reflects this pay rate rather than the $25 a month recommended by the Compton Commission or the $30 a month provided for in H. R. 4278 for the pay of UMT trainees in the proposed national system. The pay differential alone represents an added cost per trainee of at least $70 a month, or $420 for the 6-month training period, while the other factors add substantially to the total cost of the unit.

For these reasons the cost figures given cannot be considered as in any sense a criterion of the per capita cost of training large numbers of men at a very much lower pay rate under a national plan. The Army estimates the cost of training 618,000 men by the UMT formula on a national basis, once the program is standardized to eliminate the added expense of current experimentation, at approximately $1,000,000,000 annually.

AUTHORITY AND COST OF BRINGING VISITORS TO FORT KNOX

It has been asked by what authority visitors were flown to Fort Knox, and the amount and source of funds used for this purpose.

The few groups representing the press and national organizations, invited by the former Secretary of War as a matter of broad public interest to visit the UMT experimental unit at Fort Knox, were transported by Army aircraft pursuant to authority contained in paragraph 1C (1), Army Regulations 95–90, published on April 28, 1947, which provides: "Upon approval by the Commanding General, Army Air Forces * * * personnel of the following categories may be permitted to ride as passengers in aircraft * * *

"(1) Any individual, without reimbursement, when the flight is on matters of concern to the armed forces."

Acting under authority of section 5 of the National Defense Act (10 U. S. C. 34), making it the specific responsibility of the War Department to plan for the national defense, and appropriate Army regulations with reference to the maintenance of public relations, the Department of the Army as a matter of broad public interest continuously attempts to inform the Nation of planning

developments relating to universal military training as well as all other Army operations.

In inviting individuals and groups to visit the UMT experimental unit we hoped to obtain and did obtain helpful suggestions from outside sources. We cannot obtain public reaction to our programs unless we take the people into our confidence.

TRAINING PROGRAM OF UMT EXPERIMENTAL UNIT

All trainees in the UMT experimental unit are enlisted men in the Regular Army. Every Regular Army enlistee is given 13 weeks of basic training. The additional training given in the experimental unit, and which is contemplated in the national plan, if authorized by Congress, is intended to qualify the trainee as a specialist in some arm of the service. It will be obvious that no matter whether the soldier receives the training in the experimental unit or in a tactical unit, it must be accomplished in any case. While not a characteristic training unit of the Army as now constituted, the UMT experimental unit by no means involves expenditures incurred for other than normal service requirements.

In addition to training the experimental battalion of 646 men (average constant enrollment), the UMT training cadre is currently required to instruct 480 potentional UMT training cadre personnel each month. This instruction covers all the positions from platoon sergeant to division commander, and results in a peak load of 200. For the period August 11, 1947, to December 20, 1947, approximately 2,565 students were given such cadre instruction.

It is estimated for planning purposes that of the 1,200,000 men annually reaching the age of 18 years, a total of 850,000, or approximately 70 percent of this figure would be found physically fit and inducted for training under a universal military training system. Of the latter number, an estimated 618,000 would be trained by the Army and Air Force and the remainder by the Navy, under the plan currently recommended by the three services. By carrying on this cadre training now, we shall have made a substantial start in building the organization that would be necessary to train the larger load of trainees later should the universal training program be authorized by Congress.

ARMY PROFITEERING FROM UMT EXPERIMENT

Regardless of the final action on the proposed national universal military training program, all of this instruction and indoctrination at Fort Knox is of great benefit to the Army and already is being translated into training doctrine for the Regular Establishment. It is finding its way into replacement training centers, and has been adopted as the training formula for the Third Armored Division at Fort Knox on a division level.

The modification of disciplinary training through the adoption of a special code of conduct for this special age group, built around a demerit and trainee-court system, is only one of the new methods whose usefulness has been demonstrated in the experimental program. Sound discipline is the first principle of military effectiveness, since without it any military organization would be little more than a mob. It is believed that under the UMT formula, subject to further testing, discipline can be improved, rather than weakened, by giving the trainee and in fact, all elements of the Army, a better understanding of its meaning and importance.

Thus the UMT experimental unit has served and is serving as a laboratory test of training methods and doctrines which will prove of increasing value to the military service as time goes on. It has permitted close study of the problems inherent in training men of the 18-year or minimum-age group not previously explored in any prior training. In fact, I know of no other single experiment in this field which has been so richly productive of constructive results.

I feel sure Secretary Royall's letter will give you the information you desire. However, if you need additional information, I will be glad to obtain it for you.

Sincerely yours,

GEORGE J. RICHARDS,
Major General, the Army Comptroller.

We Must Take Our Stand

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks, I wish to include a logical, well-written, and forceful editorial in support of the European recovery program which appeared in the Buffalo Evening News of December 23. I commend it to your attention. The editorial reads as follows:

WE MUST TAKE OUR STAND

The European recovery program, the issue of issues, is now before the people. Secretary Marshall made it plain Friday night that the Russian masters won't make peace now, but will keep on waging chaos in Europe, expecting us soon to pull out of that continent. The President's message to Congress has formally launched the Marshall plan, with the administration's full weight officially behind it. Senator TAFT immediately proclaimed his opposition, contending that the 52-month, $17,000,000,000 project would break our economy wide open. Senator VANDENBERG is wise in calling for immediate full-dress debate on American recovery for Europe. Time presses, and we must take our stand on ERP before it is too late.

It may seem strange that the upside-down situation of the world today forces us to reverse the usual order of things after a great war—first, peace and then, recovery—and to launch an all-out program for the economic recovery of Western Europe, to enable the continent to grow strong enough to permit the right sort of a peace to be made and consolidated there. Nonetheless, such is the situation that stares us in the face and commands our decision.

The European recovery program offers the key not only to the rehabilitation of that continent's economy, but also the key to peace itself. The News accepts the point of view Henry L. Stimson expressed recently in Foreign Affairs: "We Americans today face a challenging opportunity, perhaps the greatest ever offered to a single nation. It is nothing less than a chance to use our full strength for the peace and freedom of the world."

The pity of it is that this challenge, this opportunity comes to us when many of us are confused and unready. It is as though we were in a smoke-filled room, knew we must make our way to the door, but were so fearful of obstacles in the path that we feared to make any move. It is to be hoped that the Marshall plan debate will blow enough smoke from the room for the masses of the people to see the situation that today confronts the most powerful nation the world has ever known. Only by knowing the truth, and heeding it, can the American people give our Government the understanding support without which our hopes will fall to earth.

Whether we like it or not, the United States can never again become an isolated island in the world community, nor even a limited partner. We are a wholly committed member of the world community. We are forced to act in the world as it is.

The ERP decision requires the consent of the people as well as the action of Congress. Foreign policy is no longer simply a function of government, but is becoming a function of people. If the Marshall plan is to succeed, the American people must understand the purposes it seeks, the means by which its architects expect to attain these ends, the productions required on the home front, the austerities we must undertake to strengthen the non-Communist world.

The plan that emerges from the congressional crucible must be strong enough to convince the 16 cooperating European countries that we mean business, and aren't trying to fob them off with a lick and a promise. We can't afford to say that we'll give you enough for today, but don't know whether tomorrow we'll carry on any longer.

Secretary Marshall urged, the President presented an over-all recovery program. The European countries are at the least entitled to feel that if they meet the tests we put them to, we won't turn back in the middle of the stream. It is our right and duty to see that they toe the line in respect of the promises they make to us. In return, we would be under clear moral obligation to finish the job. This is the decision Congress has to make next session. America, Europe, and the world will anxiously await the sort of decision it makes.

Defense of Private Enterprise in Transportation

EXTENSION OF REMARKS
OF
HON. HAROLD KNUTSON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. KNUTSON. Mr. Speaker, under permission granted to extend my remarks in the RECORD, I desire to insert a paper delivered by Dr. C. S. Duncan, economist, Association of American Railroads, before the annual meeting of the Railway Treasury Officers at Swampscott, Mass., on October 8–10, 1947. I hope every Member of the Congress will read Dr. Duncan's informative and timely address:

DEFENSE OF PRIVATE ENTERPRISE IN TRANSPORTATION

You have just seen a brief glimpse of the main line of transportation in this country, which with its bands of steel binds the Nation together into an economic unit. It has developed our resources. It has built up our markets, local, national, and international, for the mining industry, the great agricultural industry, the manufacturing industry and the trade organizations that have made this country powerful, a leader in the world, the support for desolated lands and impoverished people—the very bulwark of civilization as we know it today.

We have had in this country a supply of private capital willing to support the development of these private undertakings so that it has been possible to increase production and decrease working hours. Task after task has been mechanized and the back-breaking jobs have been transferred to machines. Our people have had more leisure time and more opportunity for travel and recreation. The main line plays a vital role

here also. It carries our people not only to summer and winter resorts but also has specials for the "big game" of the year and has especially equipped trains for the ski fans.

Of very great interest it is to note that over the main line of transport the history-making Freedom Train has already started on its 30,000 mile journey throughout the land.

This main line was built in a democracy as a private enterprise, by free men, with free play of individual initiative, who were willing to face all the risks and willing to bear the full responsibility to investors, to employees, to the public and to the Government. The achivement has been a marvelous thing. All those connected with its development and its operation may well be proud of its record.

The service performed by the main line is a basic function in our society. If it is not provided by private enterprise, then it will be provided by Government. If it is not provided out of private funds, then it will be provided out of tax funds.

Transportation service is not performed solely, of course, by railroads. There are other agencies that do essentially useful work. Among them the pipe lines alone, with their highly specialized services, stand economically upon their own feet. But of them all the railroads are the basic agency for the great bulk of mass transportation required for the support and advancement of our economy, as the record demonstrates. They are likewise the bulwark of private enterprise in transportation. If they fail, all will fail.

Despite their record of achievement, the railroads are actually on the defensive as a private enterprise. We only hide our heads in the sand if we deny this fact. In the recent great debate in Parliament it was possible for the proponents of the British nationalization of transport to point out that they were following a world-wide trend. In Europe and in Asia there is government ownership of railroads. Even in the British Empire, where private enterprise had been a shibboleth for a hundred years, it was cited that 95 percent of the railroads in Australia and New Zealand was government owned, 81 percent in South Africa, 55 percent in Canada. Throughout the world government ownership represented 45 percent of the total mileage.

Now that Great Britain has gone over to nationalization, the United States, with its great mileage, stands out steadfast as private enterprise. It stood steadfast throughout the war and performed marvelously. The heavy pressure brought to bear for the Government to take over the railroads in those parlous days, even though every advantage was taken of the doubts and fears generated by a world conflict, could not prevail. The achievements of the railroads under private management during that conflict were acclaimed by all responsible men.

If the railroads of the United States were able to withstand the pressure for Government control in the dangerous days of war, it would seem that the forces at work to bring about Government ownership in time of peace would be less. They are, but they are nevertheless consistently at work. We must be on our guard against them at all times. The price of private enterprise is eternal vigilance against those influences that tend to undermine it.

In presenting my ideas on this important subject I propose to ask the following questions and to give my answers to them. Why did the British people, who for so long have been stanch individualists, holding their personal liberties and freedom of action as a precious heritage, yield to the idea of government extending its power over their great industry of transportation? Are the same influences at work here in the United States? If so, what can we do about it?

When the great debate on bill No. 12, the nationalization bill, opened in the British Parliament, Prime Minister Attlee said that he did not expect any disagreement in principle on the nationalization program because it was only carrying forward the trend that had long been evident. He added, significantly, that in his opinion, it was not possible to deal with railways alone, for the various forms must be complementary and not competitive. That, I think, will always be true.

What the Prime Minister meant, it seems to me, by reference to the trend that had long been evident was the groundwork that had been laid in previous years. Its beginnings may no doubt be found in the influences let loose in the early days of Lloyd George when he first came to power and began impressing his ideas upon the people that the Government should be doing more for its citizens, that the Government should take on greater and greater responsibility, that Government activity should be widely extended. As these ideas received acceptance, the inevitable consequence was greater and greater need for Government revenues, and the source of Government revenues obviously was private enterprise. Thus, capital that might have been used for the improvement of the machines and tools of private industry, the advancement and progress of science as applied to industry, and the expansion and modernization of plants was drained off into the Public Treasury. There was less risk capital available for private enterprise, and without risk capital it languishes.

As you will recall, when the British railways were returned to private management following the First World War and they were forcibly consolidated into four great systems, legislation was passed providing for a standard revenue to the railroads based upon the earnings of 1913. The entire rate system was to be revised and rates were to be established by 1928 so that the four large systems might be able to earn the standard revenue which was considered by the British Government as a fair return.

Meanwhile, however, the Government expended large sums of money out of its treasury for the building of a highway system duplicating and paralleling the railroad system, thus providing a roadway for busses and trucks so that they could enter the field of transportation wholly unregulated, free to select the tonnage they desired to handle, while leaving the rest for the railroads to carry, and with full knowledge of the published rates by railroads, placed in a position to cut under them and draw away the cream of the traffic. No fair-return rate system was ever put into effect. Consequently, the railroads were never able to realize the standard revenue or fair return which was to be provided for them.

There was thus set up a vicious cycle. The railroads failed to earn a fair return. Without adequate revenues their credit was limited. Without adequate credit, funds available for improvements and betterments, for providing new machinery and better ways of operation, were restricted. Here was the basis for complaint by the public that the railroads were not progressive. Nor did the shippers or the industrialists of the country understand or appreciate the trend or, if they did, their policy was of a short-time and not a long-time view, seeking immediate advantage without regard to consequences.

Came the Second World War and Government again took over the transport facilities in Great Britain. When the time arrived to consider their return to private management, the long-time trend noted by the Prime Minister was manifest.

It may be seen, I think, that underlying all this movement and possibly the basis of the preparation for it was a persistent undermining of confidence in the public mind of private management.

In the propaganda for nationalization of the railroads in Great Britain, the proponents brought a number of charges against the private management of railroads. Private industry had failed, it was claimed, as shown by the substandard of facilities, rolling stock, both cars and locomotives, dingy, outmoded, old-fashioned stations, unrepaired roadways.

They said that the railways were overcapitalized; that dividends were paid instead of plowing back capital; that shares were held by a few rich men; that railways had never been able to attract new capital; that Government was subsidizing them; that the railway physical plant was "a poor bag of assets"; that the railways were operated inefficiently and their directors were selected more for their social standing than for their ability; that there was no progress either in speed, electrification of the lines, or in the exploitation of the advantages of automatic train control; that trans were underloaded, resulting in car shortages; that service generally was inadequate; that technical improvements had been neglected; that employees were required to work long hours at low pay in order that dividends might be paid; that railroads were a monopoly; and that coordination of railroad with railroad and railroad with other agencies had been made impossible.

These items have not been stated clearly if they do not have a familiar ring.

Every one of them management answered item by item, and attached to many of them the words "wantonly untrue." This, however, did not prevent their repetition. It appears to be a general human trait to believe and remember criticisms rather than praise. The railroads were placed on the defensive in a critical period of time when money and men and materials were not to be had for rehabilitation.

Nor was the criticism limited to private management in transportation. It was extended to bankers and industrialists. I think it will always be true that the discrediting of private management in an essential industry like transportation will be extended to other business management.

The process of the long-time trend is simple—discredit, penalize, destroy.

It was not the businessmen, the shippers, the users of transportation who favored nationalization, but the Trade Union Congress of Great Britain. It does seem clear, however, that private management in other industries held aloof, assuming the attitude that it was not their direct responsibility, and never exerted themselves as actively or as persistently as the proponents of nationalization. To one party it was a bad time for a fellow executive; to the other it was an idea with a rallying slogan. Only when the crisis was upon them did other private managements realize their vital interests were involved. It was then too late.

The downfall of private enterprise in transportation, therefore, only awaited the strategic moment. That time came following the war when improvements and betterments were not immediately to be had, when money and materials and men were unavailable, when the finger of scorn could be pointed at the roofless stations, the inadequate maintenance, the lack of new cars and locomotives.

The fact is that private enterprise in transportation, or elsewhere in fact, cannot long survive when its opponents are continuously active in undermining it but its fellow private enterprisers are indifferent or mildly sympathetic. It takes an idea to master an idea. Those who support private enterprise must work as energetically and persistently as those who support nationalization.

I cannot forecast the future of nationalization in Great Britain. That it is a disturbing factor is already evident. That the individual loses his personal liberties as government expands is inevitable. The government, as Mr. Churchill said, has "thrust the

clumsy butter-fingers of the state into all this intricate apparatus," for good or ill. Of the five-man commission empowered to determine, under the Minister of Transport, what the government policy shall be in the planning and operation of the transport facilities of Great Britain, two are gentlemen of experience and judgment and three are apparently political appointees, rewarded for their persistent and successful efforts. Some 750,000 employees will be added to the government pay roll. Fifty-six thousand miles of line belonging to the four principal systems and 56 local companies constitute the railroads involved. In addition, there will be some 40,000 trucks and the canals with their barges, docks with their equipment and hotels to accommodate rail travelers. Government already is in charge of airways.

The opponents have said that it is "a monopoly which will be cumbrous and top-heavy, whose structural defects are as manifest as its powers are unlimited." They say "this bill gives an unexampled opportunity for political patronage and jobbery." They say that it will do a great injustice and injury to the British people at the very time when all should work shoulder to shoulder for increased production. We can already see that there has been no increased production in coal. Nevertheless, for good or ill, for better or worse, British railways and all other transport facilities, except for private truck operations circumscribed by a 25-mile radius, will follow banking, power, and coal into the hands of the government. The iron and steel industry is next on the list.

You doubtless will already have identified those matters which have an analog in this country. The pattern is taking shape—discredit, penalize, destroy; step by step—discredit, penalize, destroy.

Is it not true that the discrediting of private management is already in evidence, reaching even into Government circles? Is it not true that heavier and punishing burdens are piled up like Ossa on Pelion as, for example, pay-roll taxes, increased wages, and material prices without corresponding increases in rates? Has not the Government built up competing agencies by highway, waterway, and in the air? We have not mentioned private ownership and operation as one of our goals even in our national transporation policy.

I do not know of a widespread, organized movement to nationalize our transport. There are groups, like the Socialist and allied groups, who talk it up from time to time. But my desire is to point out to you the signs of the trend, the discredit of private management and the penalty burdens. Thus went England. The strategic day came. The vote favoring nationalization in Parliament was 362 ayes and 205 nays.

You cannot have failed to hear much to the discredit of railroad management and certainly you in the railroad field have resented the unfairness, bitterly and rightfully. You know the punishment of increased wages, taxes, and material prices without adequate increases in revenues. You are all too familiar with the profit-and-loss account and its effect upon credit standing.

Railroad credit is affected. I need not tell you about the vital significance that profit-and-loss item in a private-enterprise industry. An imaginative writer could make a thrilling story of that account upon which industry pivots, its very guidance and control for expansion or retraction by management, its importance in the money market, its unerring indication of trends toward success or failure. As to this account it may well be said: "The moving finger writes, and having writ, moves on; nor all your piety nor wit can lure it back to cancel half a line, nor all your tears wash out a word of it."

Well, what to do? Railroads must be saved to private enterprise in order to preserve our American way of life. To be saved, they must be supported. They must be supported by all those who believe in our free private enterprise system. It is not a matter of mild interest, as a hard-luck story of a fellow executive. I tell you that to drift is dangerous. If an idea is required to master an idea, then realize this, that free enterprise is as much an idea as nationalization. We must, therefore, first believe in the cause.

To divide and conquer has always been a clever device. When thieves fall out they get caught. When honest men fall out, the thief has his day. We in the railroad field must stand together shoulder to shoulder, steadfastly and courageously. Furthermore, we must have the support of others, our competitors, the users of transportation, the bankers, and all good men and true who believe in the cause of free private enterprise.

You know what private management has achieved in the field of transportation. You know what it could do with adequate funds in transforming the vicious cycle of less income, higher costs, falling credit, and restricted improvement into a rising cycle of new facilities, lower unit costs, better credit, and improved service. It is amazing what can be done, what management stands ready to do with adequate funds in the way of improvements, better service, greater volume, lower unit costs, an increased satisfaction to users and the public.

Private management everywhere, not only in transportation, must be awakened to the danger of our policy of drift today. How can they know, really know, unless they are told? In Great Britain there was no association or organization of traders or businessmen, of users of transportation that came forward to support bill No. 12. While this is true, it is also true that those users of transportation were so negligent in the support of private enterprise that they let the pattern develop which ended in nationalization. Why? Because they thought that they might realize some immediate or temporary advantage.

It can happen here. The same trend is already in evidence and there is the same indifference for the same reasons from the users of transportation. Rates, like taxes, are sought to be escaped or transferred to someone else. Everyone has his own troubles and the Devil take the hindmost. It is then that socialism comes like a thief in the night and often under a pleasant guise. It offers blandishments and roseate pictures of a smooth road ahead, a better way. I ask you to beware when expenditures are made out of the Government Treasury on the basis of benefits rather than charges on the basis of use. The true test of usefulness of transport facilities should be the willingness on the part of the shipper to pay their full costs. The main line in transportation is a product of private enterprise.

Benefits are the Socialists' dividends. Expansion of government, no matter how benevolent, is a fencing in more and more of personal freedom, political liberty, and individual opportunity.

We are not free from socialism even in our American business, and certainly not in transportation. All the costs of our waterways and their improvement and maintenance for transport purposes are provided out of the Federal Treasury on the basis of benefits. There is no identity of interest between the one who pays the cost and the one who receives the benefit. Benefits accrue to the few who are able to use the facilities and the costs are spread out to the general taxpayer. Highway expenditures are distributed on the benefit theory. This is true of airways. All of this is socialistic. Unfortunately, it receives much popular support even from private management of industry.

It may readily be admitted that there are some facilities which can only be provided by the Government. This is socialistic. It can get along with private enterprise in the same economic and competitive field only by obeying the rules of private enterprise wherein costs are matched against revenues instead of benefits, wherein users pay on the basis of use, and wherein the user payments are sufficient to meet construction and operating costs, interest on investment, and a proper sum toward the support of government. In this way alone socialism can be made to harmonize with our American way.

What is it that nationalization has to offer in transportation that cannot be provided by private enterprise? Not better service, not lower cost, not a greater incentive to economic effort. While in theory it is substituting its service to the public for private profit motive as an incentive to economic endeavor, there has been no evidence anywhere or by anyone that the nature of business is changed or that money, power, and prestige by those who love them are not still the impelling force, or that the incentive to economic effort, which those who desire nationalization call public service, has in any way displaced the same old, even if baser, motives, either in those who control and expend tax funds or in those who benefit from them. There is perhaps even greater opportunity in a national enterprise for well-organized pressure groups to gain special advantages for themselves.

We must recognize that business under private enterprise fails or is successful on the basis of earning sufficient revenues from its charges for commodities or services to cover the cost of capital, operation, maintenance, and taxes for the support of government. A nationalized enterprise depends upon the expenditure of tax funds and the expenditure of these funds is directed not on a basis of economic factors so much as by political considerations and government planning. So under private enterprise business problems are determined on a basis of factors of economics, while in a nationalized business problems are determined on a basis of political persuasion and government planning. We do not want that.

We have in this country an organization that is dedicated to private ownership of all forms of transportation. For a number of years it has worked steadily and consistently toward an awakening of all those who believe in free private enterprise, to the risks and dangers of a slow and steady drift toward nationalization. I refer to the Transportation Association of America.

This organization has been asked by the Interstate and Foreign Commerce Committee of the House to analyze the transportation problem and to submit to the committee the methods and means by which there may be realized an equal opportunity among all forms of transportation so that the Nation as a whole may be well served by an efficiently operated and thoroughly coordinated system of transport under private management and operation. I hope that if you are not already acquainted with this organization, you will become so. I hope also that you will have the desire and find the opportunity to support and take some part in this organized movement to retain for ourselves, against the world trend, free private enterprise in the transportation industry.

Cooperation, the Key to Reclamation

EXTENSION OF REMARKS

OF

HON. CARL T. CURTIS

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. CURTIS. Mr. Speaker, under leave to extend my remarks, I include a brief address made at the annual convention of the Nebraska Reclamation

Association at Kearney, Nebr., January 15, by Goodrich W. Lineweaver, director of the Branch of Operation and Maintenance of the Bureau of Reclamation. Reports of this convention show that Nebraska is water conscious and is taking its proper place among the 17 western reclamation States. The attendance at the Kearney convention demonstrated the widespread interest throughout Nebraska in the reclamation program.

Mr. Lineweaver's address was on Cooperation, the Key to Reclamation. He mentioned how the cooperative efforts of the people of the Republican River Valley in Colorado, Nebraska, and Kansas had laid the ground work for the program which is bringing that important stream under control. This cooperation by the people, as well as between the Corps of Engineers of the Department of the Army and the Bureau of Reclamation of the Department of the Interior, deserves the highest commendation. It must be perpetuated. Mr. Lineweaver's address is as follows:

Today we hear a lot of talk about cooperation. Much of this talk is lip service, or sometimes it is like the complaints about the weather: Everybody talks about it but nobody does anything about it.

But in the reclamation book we not only talk cooperation but we seek it and practice it for it is the key to western development and is the only way by which the reclamation program can move forward as you want it to move and as we have it programed.

And that means cooperation on both sides of the street, beginning with the present and prospective water users on a reclamation project. Let me cite an example right here in Nebraska that stimulated the Missouri Basin plan that was of itself developed by the coordinated efforts of the Bureau of Reclamation and the Corps of Engineers, and was written into the Flood Control Act of 1944 by the concerted leadership and support of western Senators and Representatives—Democrats and Republicans alike.

You know how the Republican Valley Conservation Association, under the leadership of Harry D. Strunk, of McCook, had cemented the support of farm and town interests from eastern Colorado through the tip of Kansas into southern Nebraska and again into Kansas. Nowhere in the West or elsewhere has there ever been a more effective pooling of mutual interest and endeavor. The association knew what it wanted and presented a united front. It got results, as you can see from the fact that the Congress has made appropriations for five irrigation and flood-control dams that are now or will soon be under construction—one by the Corps of Engineers and four by the Bureau of Reclamation.

All this was not mere happenstance. It came about through wise and far-seeing leadership in the Republican Valley, in your State reclamation association, among your able Senators and Representatives in Congress.

And here is a good place to record again a high degree of cooperation at the grass roots, which made possible the start of construction on Enders Dam in the Republican Valley, the first of the reclamation structures to get under way as a part of the Frenchman-Cambridge unit. The repayment obligation of the water users had been estimated based on the cost of the unit at 1940 construction prices. You are aware of the rising costs due to the war and the warnings of the Congress that increased costs must be reflected in the repayment obligations of the water users if favorable consideration was to be given to reclamation appropriations.

When advised of this situation—it wasn't exactly an ultimatum—the board of the Frenchman-Cambridge district voted to increase their repayable obligation by 50 percent. The Bureau of Reclamation cooperated by recommending that the repayment period be extended nearly 20 years. This recommendation was accepted by the Secretary of the Interior, and the Frenchman-Cambridge example has been heralded as evidence of the good faith of the water users of Nebraska.

Last September it was my good fortune to travel over a substantial part of the Republican River Valley with your Senator WHERRY, who occupies a strategic position in Washington as chairman of the Interior Department Appropriations Committee. At McCook were gathered representatives of some 20 counties and towns that make up the Republican Valley Conservation Association to give the Senator demonstrable evidence of the teamwork that seems characteristic of Nebraskans for in Washington your State delegation meets for breakfast one day each week under the leadership of your senior Senator HUGH BUTLER, who originally hailed from down Cambridge way in the Republican Valley. Occasions of that kind are perhaps one reason that Nebraska, by giving tangible evidence of cooperation, is in the forefront of reclamation today, with the Nebraska Members of the House of Representatives equally concerned with your Senators in advancing the reclamation program. CARL CURTIS, whose district includes the Republican River Valley, was in the forefront in advancing the cooperation to support the Republican River program. Dr. Miller, as a member of the Irrigation and Reclamation Subcommittee of the House Public Lands Committee, represents the important area where our North Platte project is now operating and is also concerned with further Platte River developments. KARL STEFAN, as a member of the Deficiency Appropriations Committee, had an important place in securing the supplemental flood-control project appropriations for Nebraska and is also an important factor in the Loup River development. HOWARD BUFFETT represents the Omaha district which has shown increasing recognition of the importance of water development in Nebraska for that great gateway city of the State.

The Bureau of Reclamation seeks and needs cooperation on all sides. We are seeking to bring to bear on reclamation the full resources of every State and Federal agency that can make a contribution to the planning, construction, and settlement and operation of reclamation projects.

To that end, in November we joined with the State experiment station directors of the Missouri Valley States in a statement of principles relating to cooperative irrigated agricultural research on the Missouri Basin program. This statement, which has been approved by the Secretary of the Interior, was formulated by representatives of four Department of Agriculture research agencies and the Bureau of Reclamation.

The major point in the statement is that the State experiment stations, as the focal points for agricultural research, should be the coordinating agency within the State for research programs relating to Reclamation projects. Through this approach we hope to enlist the full support of the State agricultural colleges in the West and all agencies of the Department of Agriculture for the Reclamation program through their advice, counsel, and actual participation in our activities. The goal goes much farther than the research work of the experiment stations and the cooperating Department of Agriculture agencies, such as the Bureau of Plant Industry, Soil Conservation Service, and Bureau of Agricultural Economics. That goal will also bring into the program the Extension Services of the State colleges and Department of Agriculture through their county agents, the water facilities activities of the Soil Conservation Service, Soil Conservation districts, the Rural Electrification Administration, and the Farmers Home Administration. We need their assistance and cooperation, and we seek both.

At the Phoenix convention of the National Reclamation Association in October, one of the resolutions adopted carried the following clause:

"Be it resolved, That the Bureau of Reclamation seek the cooperation of the United States Department of Agriculture, the State agricultural colleges, and associated State agencies in the study, planning, construction, and settlement of irrigation projects."

The Bureau of Reclamation, with the approval of the Secretary of the Interior, is placing responsibility on its regional directors in the field to develop and cement this cooperation. Regional Director Avery Batson, who is well acquainted with your State agencies, will be found ready to take the lead in cooperation in Nebraska. We believe that this cooperation of Federal and State agencies can best be achieved at the grass roots just as has been shown in Reclamation activities in the Republican Valley, and in this endeavor the Nebraska Reclamation Association can give us a hand.

Canyon Dam Project

EXTENSION OF REMARKS
OF
HON. LYNDON B. JOHNSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. JOHNSON of Texas. Mr. Speaker, last Friday three members of the Texas delegation appeared before the Appropriations Subcommittee on the War Department civil functions appropriations bill in behalf of planning funds to permit work to continue on the plans and specifications for the Canyon Dam project on the Guadalupe project in Texas.

The benefits which will result from the construction of this dam are tremendous. Tragic floods will be prevented. The power shortage will be lessened. Navigation improvements will lead to lower freight rates. Additional badly needed fresh water will be made available to the entire southeast Texas area. Pleasure will come to hundreds of thousands through the recreational facilities which will be developed.

I hope the funds requested by the Army engineers will be approved so construction of Canyon Dam can commence during fiscal year 1950. The following are the statements made by Congressmen JOHN E. LYLE, CLARK THOMPSON, and myself, as well as a communication to the committee from Hon. Edward M. Cape, general counsel of the Guadalupe-Blanco River Authority:

STATEMENT OF CONGRESSMAN LYNDON B. JOHNSON

I am interested in this bill because of the item of $100,000 earmarked in the budget for advance planning in respect to the Canyon Dam on the Guadalupe River in Texas. While this project is not located in my district, nevertheless, it is the key structure in the development of the watershed of that river, a large part of which is in my district.

The amount asked for is not large. It is necessary that it be made available in this bill, however, in order that the planning

may proceed. A State authority, known as the Guadalupe-Blanco River Authority has been created by the Legislature of Texas to function under the constitution of Texas for the purpose of conserving the water and soil of that watershed. The authority proposes to fit its program in with the Canyon Dam project in such manner that the one will benefit from the other—the program of the authority will be beneficial to and reduce the costs of the Federal project, provided the plans of both are coordinated. If this be done the benefits resulting from the Canyon project will be manyfold greater than if the plans are otherwise developed. Such matters as the necessity of the construction of this dam and the benefits which will result in the way of flood control and aid to navigation have been described in the preliminary reports of the Corps of Engineers and no doubt will be discussed by other witnesses appearing before your committee. In the interest of time, therefore, I simply want to again stress the one point that time is of the essence if we are to take advantage of the opportunity of joint planning to avoid possible waste and confusion in the event that our planning is delayed.

STATEMENT OF CONGRESSMAN JOHN E. LYLE

The budget submitted in connection with this bill contains an item of $100,000 for advance planning of the Canyon Dam project on the Guadalupe River in Texas, which project is located in my district. The mere location of the project in my district and the true benefits to the district from its construction are comparatively minor when the picture is viewed as a whole.

The Guadalupe River is one of the principal streams of Texas. Like other streams in that area, it is subject to periods of drought and low flow, followed by excessive and devastating floods. The flood damage below the site of this project has been as high as one million and a half dollars from one flood and many lives have been lost. By controlling the flood waters, we will not only prevent this loss of property and lives, but will conserve the water for irrigation and render much more secure the navigation project on the lower river upon which the Government has expended and is expending many hundreds of thousands of dollars. Further, it will provide water for the irrigation of lands needing irrigation and for which water is not now available.

In order that you may have a more definite description of the project, I might say that Canyon Reservoir, Guadalupe River, Tex., was authorized by the Rivers and Harbors Act approved March 2, 1945, in accordance with recommendations of the Chief of Engineers contained in House Document No. 247, Seventy-sixth Congress, first session. The project consists of a gravity type dam, located on the Guadalupe River, about 7 miles upstream from New Braunfels, Tex.

This is a multiple-purpose dam and reservoir project for flood control, navigation, and power. The latest approved estimate of cost of this project is $25,952,600 as of September 1947; $260,600 has been made available to date for planning in connection with the preparation of the definite project report for this reservoir. The definite project report is approximately 70 percent complete. With the addition of the $100,000 included in the 1949 budget for preparation of plans and specifications the detailed construction plans should be approximately 40 percent complete by the end of fiscal year 1949. With this progress on construction planning in fiscal 1949, it will be possible to start construction of dam in fiscal year 1950.

STATEMENT OF HON. CLARK THOMPSON

I desire to be heard in support of the bill because of the item of the Canyon Reservoir which is included in the budget submitted in connection therewith. While the project is located a considerable distance out of my district, yet the people of my district and a great area in Texas will benefit directly and indirectly from the project.

A portion of my district suffers from the ravaging and destructive floods which at present go uncontrolled down the main stream of the Guadalupe. This will be prevented by the construction of the Canyon Dam. In other portions of the district, landowners are pleading for water to irrigate their lands. This water is not now available in dependable quantities because the floodwaters which should be stored in the hills are allowed to waste themselves into the bay. The stretch of the Texas coast from Galveston to Corpus Christi is a fast developing industrial section. Chemical and plastic industries are attracted to that section because of the availability of raw materials, including natural gas, as well as the accessibility to deep water. Such industries require enormous quantities of fresh and wholesome water. Even now some of those industries are seeking a supply of fresh water from surface streams, and this water can be made available in dependable quantities only by impounding and conserving the floodwater of our rivers and streams.

Without taking further time, I can say that the reports of the Corps of Engineers revealed in graphic fashion the fact that the Canyon project on the Guadalupe River is feasible from every standpoint and is necessary to accomplish those results so necessary to the safety, well-being, and progress of the region.

GUADALUPE-BLANCO RIVER AUTHORITY,
New Braunfels, Tex., January 28, 1948.
To the Honorable Chairman and Members of the Appropriations Committee, War Department Civil Functions Bill, House of Representatives of the United States.

GENTLEMEN: The Guadalupe-Blanco River Authority is a conservation and reclamation district and a governmental agency and body politic and corporate (art. XVI, sec. 59, Constitution of Texas; ch. 410, Acts of 1st called sess., 44th legislature). The act declares the creation of the authority essential to the control, storing, preservation, and distribution of the waters of the Guadalupe River and its tributaries.

An active phase of the program of the authority includes facilities for the control of flood waters of the river (it has, at this time, no such facilities); a broad program of conservation and reclamation practices; and the development of hydroelectric power. Flood control is now of paramount importance, by virtue of recent large increases in population of the area and large capital investment in the sections subject to overflow.

Navigation to river mile 52 and construction of the Canyon Dam and Reservoir in the interest of river regulation and flood control have been authorized by the Congress (79th Cong., 1st sess., S. 35, Rept. No. 63).

The President's budget message includes $100,000 for use by the Chief of Engineers toward completion of plans for construction of the Canyon Dam, which will eliminate floods in an area heretofore suffering 90 percent of the total losses from that source. Losses from floods on the river average $1,000,000 annually. Existing circumstances create an emergency, and we respectfully request that the suggestion of the President for the appropriation of such funds be adopted.

The authority has cooperated with the Corps of Engineers in a study of the problems since July 7, 1948. It desires to assist in sponsoring the Canyon Reservoir project.

If desired by you, representatives of the authority will be glad to appear before your committee with all information and data available to the authority.

Respectfully submitted.

E. M. CAPE,
General Manager and General Counsel.

District Home Rule

EXTENSION OF REMARKS
OF

HON. JAMES C. AUCHINCLOSS

OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. AUCHINCLOSS. Mr. Speaker, under the authority granted me to extend my remarks and include the report of the poll on the home-rule and reorganization plan for the District of Columbia taken by the Washington Post, I wish to express the gratitude of the Subcommittee of the House District Committee for this informative and useful piece of work. The questions asked in the poll were penetrating and to the point, and the article by Edward F. Ryan, in collaboration with Jane A. Shepherd, is excellent and well written.

The results of this poll are most heartening to the subcommittee, which has worked hard on this matter, and it is most gratifying to know that 70 percent of the residents in the District are in favor of home rule. However, it is not surprising that the people of Washington want to be like other Americans and have a voice in the management of their city. The expressions of opinion about various details of the plan will be very helpful to the subcommittees of the House and Senate which are now holding hearings on H. R. 4902 and S. 1968, and again may I pay tribute to the Washington Post for a job well done.

SEVEN IN TEN HERE WANT DISTRICT HOME RULE

(By Edward F. Ryan, Post reporter, in collaboration with Jane A. Shepherd, director of the Washington Post poll)

Seven out of ten Washingtonians want home rule.

This is shown by new findings of the Washington Post poll that 70 percent of Washington residents favor home rule, 23 percent oppose it, and 7 percent are undecided.

Congressional hearings on a home-rule plan for Washington will begin at 10 a. m. tomorrow in the caucus room of the Old House Office Building. The plan calls for an elected city council and appointed manager to run the District, subject to veto by either House of Congress and the President on major local legislation.

The new poll results show the same percentage of District citizens favoring home rule as was disclosed by the 1946 plebiscite. The big development since 1946 is that District leaders at the Capitol have taken over leadership in the drive for home rule.

NATIVES ARE ENTHUSIASTS

Washington's general sentiments on home rule showed up in answers to two poll questions.

The first question was:

"As you know, people who live in the District do not have the right to vote for city officials. How do you feel about this situation?"

The percentage results:

	Total	White	Negro
For home rule	70	65	83
Against home rule	23	30	4
Undecided	7	5	13

There is little difference between home owners and renters in attitudes toward home

rule. Sixty-seven percent of home owners favor it, as compared with 72 percent of renters.

Native Washingtonians are as enthusiastic as those who have moved here from other States. Seventy-two percent of native Washingtonians favor home rule.

Strongest opposition comes from those who are not natives but have lived in the District more than 10 years. Of this group, 28 percent is opposed to home rule.

The second question:

"If the District had home rule, do you think the city would be better run, or worse run? In what ways?

	Length of residence				
	All groups	Under 5 years	5 to 9.9 years	10 years and over	Native
	Percent	Percent	Percent	Percent	Percent
Would be run better	54	65	53	48	60
Would be run worse	14	7	16	16	15
Depends on type of government, elected officials, etc	7	8	6		
Would be the same	3	2	5	2	2
Undecided	22	18	20	26	20

People who have moved into Washington since the beginning of World War II are most convinced the city government would be improved by home rule. Native Washingtonians are also somewhat more convinced of this. Most skeptical are those who are not natives but have lived here many years.

DEMOCRACY AND TAXATION

The poll went into the specific reasons why citizens like and do not like home rule.

The poll showed 46 percent of all residents believed home rule would be more democratic. Individuals in this group said things like, "Every citizen should have the right to vote; people in other places have the right to vote and it should be the same here; it's undemocratic now."

Others said they want home rule because they pay taxes but receive none of the benefits of democratic representation in their own city government. This group represented 10 percent of the total.

Another 9 percent felt that home rule would promote citizen interest in civic affairs and make officials more responsive to public opinion.

In the line-up against home rule, 13 percent of all those questioned and 19 percent of the white persons questioned said they were fearful of Negro domination under a home-rule system. (Latest estimates show about 30 percent of Washington residents are Negroes.) Two percent opposed home rule because they felt there were too many transients, too many outsiders, too many Government employees, or too many undesirables here.

Five percent oppose home rule because they prefer the present District government. They said things like, "The city has been doing all right. I'm satisfied with the way it's running now. Washington has the finest form of municipal government in the United States. We have fine public service, the lowest per capita cost and no undue scandal. We're better off because most cities are corruptly run in the United States."

ADMINISTRATIVE EFFECTS

Some who are opposed to home rule think the city would be better run if it had the vote, while others of this group are uncertain. Of those opposed, 8 percent think the city would be better run; 54 percent think it would be worse run; 10 percent say it would depend on the form of government, or on the elected officials; 7 percent say it would be the same as now; 21 percent are undecided.

Home owners do not differ significantly from renters on this question. Fifty-three percent of owners say the District would be run better under home rule, as compared with 55 percent of renters.

Of those who feel the District would be run better under home rule: 24 percent express a faith in the effectiveness of democratic process; 21 percent say elected officials would be more responsive to the needs and desires of the people they represent; 20 percent believe that city services and administration would be improved; 18 percent say District residents would take more interest in and responsibility for their city government; 2 percent say any change would be for the better—things are so bad now; 12 percent mention other ways in which District government would be improved; 12 percent give no way in which it would be improved.

(Adds to more than 100 percent because more than one answer was possible.)

Of those who feel the District would be run worse under home rule: 44 percent say it would give Negroes too much voice in District government: 18 percent say politics would enter in if the District had the vote; 18 percent say they like it the way it is now and feel the present form of government is satisfactory; 14 percent mention other reasons; 9 percent give no reason.

(Adds to more than 100 percent because more than one answer was possible.)

ONLY THIRD CAN VOTE

Besides gauging the over-all sentiment on home rule, the poll checked into the home rule views of local citizens who have had the experience of voting elsewhere. The poll found that 60 percent of Washington residents have never voted—22 percent because they were native Washingtonians—and 40 percent have voted at least once in their lives. The poll also showed that only 34 percent of District residents have a legal right to vote elsewhere—hitting hard at the theory that Washingtonians do not need a vote because they vote elsewhere.

Then this question was asked:

"On the whole, would you favor or oppose home rule for the District?"

Here are the percentage results:

	Have voted before	Have never voted before	Native of Washington
For home rule	64	73	72
Against home rule	29	15	21
Qualified opinion	1	1	
Don't know	6	11	7

Representative JAMES C. AUCHINCLOSS (Republican, New Jersey), first sponsor of the home-rule bill, was told about the poll results. He declared the showing of 70 percent of Washington residents in favor of home rule "is most encouraging to us."

"I'd like to say," he added, "that the Washington Post has done an extraordinarily helpful thing in conducting this poll and preparing the detailed information obtained. It clearly shows that the people who live in the District approve the efforts made by those of us who have studied the organization of the District government and have drafted the home-rule bill.

"We recognize the bill isn't perfect. Our minds are open to constructive criticism and amendments. We feel that once the home-rule plan is in operation, constructive changes can be made."

"DISPLACED" WILL OBJECT

As the poll makes clear, the hearings can be expected to produce sharp conflicts on the merits of the bill.

Strongest opposition is slated to come from District and Federal agency officials whose operations would be widely affected by the bill. For example, the District Commissioners will probably endorse some of the reorganization features in the bill while questioning the home-rule feature. Maj. Gen. U. S. Grant 3d, chairman of the National Capital Park and Planning Commission, wants the District run by an appointed governor, with power to veto acts of the city council. Powers of his agency to buy public lands in the District would be shifted to the city government.

Washington's appointed, unpaid school board opposes the idea of having an elected board of education, whose members would be paid, which would take over control of public libraries. Washington's library and recreation boards are expected to oppose the provisions of home rule that would put them out of business.

Strongest pressure for the bill will result from the allied interests of Washington groups which want home rule and congressional groups which want to get out of the business of handling the District's petty legislative chores.

Wilbur S. Finch, head of the Central Suffrage Conference and chairman of the suffrage committee of the Federation of Citizens Associations, has called on all supporters of home rule to turn out for the hearings.

The hearings will be held by a joint committee headed by AUCHINCLOSS and Senator JOSEPH H. BALL (Republican, Minnesota). They are chairmen of the House and Senate subcommittees on District reorganization and home rule.

VETO IS NECESSARY

On one point the residents of Washington show a desire for more self-determination than the Auchincloss-Ball bill can constitutionally express. The bill gives each House of Congress and the President veto power over legislation proposed by the city council. The reason for this requirement goes back to the Constitution, which gives Congress exclusive legislative jurisdiction over the District. Framers of the home-rule bill wanted to give District residents the initiative in writing the laws under which they live, but the Constitution keeps Congress from giving District residents final power to write their laws.

The veto provision was placed in the bill to make it constitutional. As things are now, a District law comes into being when each House of Congress has passed it and the President has signed it. The home-rule program would put the present machinery into reverse, by saying that legislation proposed by the city council could become law only if neither House of Congress nor the President disapproved it.

Another strong reason for the veto feature is the belief of sponsors that without it home rule would never pass Congress.

Whatever the reason for the veto, 50 percent of Washington residents are shown to be against it in the poll. The veto feature was approved by 30 percent, and 20 percent had no opinion.

Here is how individuals voiced their dislike of the veto: "If we're going to have home rule we should have the final say; the council should be capable of making its own decisions." Those who favored the veto did so in these terms: "The Nation's Capital is Congress' responsibility."

COMPENSATORY FEATURES

Because a limit must be placed on the number of questions in a poll, the survey did not bring out two features of the home-rule plan which offset the veto.

One is that the city council would be given all the ordinance-making powers now held by the District government. Such ordinances would become law without having to clear through Congress. The second is that the council would have final power to write the annual city budget. While the budget

would be sent to the proposed Joint Congressional District Committee for review, that group could only recommend, not make, changes.

The types of legislation that would have to clear through Congress under home rule include major changes in laws, revenue and taxation measures, changes in the charter, and proposed bond issues for public works.

Responses of Washington residents varied on other features of the Auchincloss-Ball bill:

The voting requirements were approved generally, but by a slimmer margin than the general home rule proposition. The bill would let District residents who have lived here a year or more vote in the local elections. The bill also says they can vote here without losing their right to vote on national affairs in a State.

This question was asked first on the election plan:

"I'd like to ask your opinion of some of the points in the plan. First, all people who have lived in the District a year would be eligible to vote for District officials. Do you approve or disapprove of this?"

The results:

	Have lived in District less than—			
	All groups	5 years	5 to 9 years	10 years or more
	Percent	*Percent*	*Percent*	*Percent*
Approved	59	65	70	55
Would approve if they were going to stay, etc	4	2	4	4
Disapprove	32	30	20	35
Don't know	5	3	6	6

This question followed:

"District residents who have kept their right to vote in other places could still vote there in national and State elections. Do you think they should be allowed to vote here also for District officials?"

The results:

	All groups	Those who have voting residence elsewhere	Those who have no voting residence elsewhere
	Percent	*Percent*	*Percent*
Yes, should be allowed to vote here	39	49	35
Yes, if they plan to live here, etc	6	7	5
No, should not be allowed to vote here	43	35	46
Don't know	12	9	14

Chief reason for opposing the double voting privilege is a misunderstanding about what it would mean in any one election. Twenty-nine percent say a person should have only one vote, shouldn't vote twice in the same election. A few say that people who have maintained voting residence are not so interested in District affairs (4 percent); that these people should vote for local officials where they come from (3 percent); that they are out-and-out opposed to home rule (2 percent).

ELECTED BOARD CARRIES

The proposal for an elected school board was backed by 62 percent of those polled. AUCHINCLOSS said "that is most encouraging, because we have been getting a large number of letters on the school-board plan." Opposition to electing school-board members was voiced by 22 percent, and 16 percent had no opinion.

The vote was closer on the question whether Washington's chief executive under home rule should be a manager appointed by the city council, or a mayor elected by the people. (In the home-rule bill the top administrator would be a council-appointed manager. There would also be a mayor, but he would be a member of the council, elected by it to serve as presiding officer and to represent the city in ceremonies.)

This was the question on manager versus mayor:

According to the plan, people would vote for members of a city council. The city council would then hire someone trained in city government to carry out the District laws. Do you think it is a good idea to hire someone trained in city government for this job, or would you rather have an elected mayor?

The results:

	Percent
Good idea	43
Rather have a mayor	39
Qualified	1
Don't know	17

In a final question, the poll showed strong support for the plan in the home-rule bill to make District elections strictly nonpartisan. Here is the question:

People running for office in the District would not run as members of any political party, like Republicans or Democrats, but as individuals. Do you think this would be a good idea?

The results:

	Percent
Yes	59
No	22
Don't know	19

The Washington Post poll made its home-rule survey late in December. All interviews were held in the home. The residents questioned were selected to give proportionate representation to all groups living in the District. Interviews were held in all parts of the city, and the calls were made in both daytime and evening to insure representation of working people.

Tax Reduction

EXTENSION OF REMARKS
OF
HON. HAROLD KNUTSON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. KNUTSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Maryland Gazette of January 29, 1948:

KNUTSON TAX PLAN

The Congress should pass the so-called Knutson Federal tax-reduction measure, now before it, and not be deterred in any way by rumors that President Truman will exercise the right of veto if it is enacted.

President Truman has already vetoed two tax-reduction bills and has shown his opposition to any plan that tends to reduce the scope of Federal spending. The Congress should pass the Knutson bill and put the matter of saving some of the taxpayers' funds squarely before him. Let him, for the third time, exercise his right of veto if he sees fit, and then if the measure dies, let him face the people in the coming election as the President who three times in succession acted to prevent them from getting relief from the high burden of taxation.

The Presidential proposal of giving every taxpayer and his or her dependents a $40 income-tax credit and making up for this by additional taxes on corporations should be consigned to the wastebasket. On its face it is a mere political gesture, the only result of which, if enacted into law, would be to bring about price increases. It would not reduce the cost of government in any way, but would simply curtail corporations from expanding their productive facilities.

The Knutson bill, the product of the thorough consideration of the House Ways and Means Committee which has held hearings and sounded out popular sentiment in drafting two previous tax-reduction bills, is a real reduction measure.

As a matter of fact, it is more advantageous to the majority of workers and income-tax payers than the Truman suggestion. Both start equally by exempting all net incomes of $600. At the $800 income level Truman's flat credit of $40 would leave a taxpayer owing $17, while KNUTSON'S would cost him $27. After that the Knutson bill has the edge. At the $1,200 income stage the Knutson bill would levy a tax of $80 and the Truman measure $93. The Knutson plan holds this advantage throughout.

The tax reduction can be brought about by paring the $39,700,000,000 budget which President Truman has submitted to the Congress. This is the second largest peacetime outlay in the Nation's history and the sixth, including the war years. It calls for the third largest tax levy, $44,400,000,000, in the Nation's history, including the war years. So, it is obvious that President Truman, unless forced by Congressional action, will not, of himself, curtail Federal spending.

During the last Congress the President's 1948 budget and other sought appropriations were trimmed by $7,181,005,249. These reductions included a cut of $2,361,889,749 from the 12 major budget estimates, a cut of $402,041,986 in four supplemental estimates, a cut of $268,935,548 in six deficiency estimates and joint resolutions; a cut of $40,000,000 in permanent appropriations; a cut of $90,805,020 in supplemental and deficiency estimates, submitted but not considered, and a cut of $4,017,332,946 as a result of rescissions during the present Congress. Total reductions for all items, exclusive of rescissions amounted to $3,163,672,303. The total reduction for all items, including rescissions, was $7,181,005,249 and this did not include a total of $830,380,811 impairment of capital in the Commodity Credit Corporation which was not replaced by appropriations.

As a result of Congressional economy measures, and in the interest of efficiency in government, 15 boards, agencies or units of the Federal Government have been abolished since January 1, 1947, and remaining functions have been absorbed elsewhere.

Federal employees have decreased by $1,724,489 since the war peak, but substantially all of this has been in the War and Navy Departments, and the Government is still more than twice as large as it was in 1939. This indicates that further reductions can be made without curtailment of needed activities. Since the war peak up to October 1947, a total of 1,792,775 employees were dropped by the War and Navy Departments, but in all other agencies, there was an increase of 68,286 employees making the net decrease of 1,724,489.

Since 1933 the Federal administration has pursued a policy of an increasingly paternalistic government which, in itself, necessitated larger expenditures as its functions increased in number and scope. During this time Federal personnel multiplied from 563,000 to 2,013,407 and annual Federal expenditures rose from less than $5,000,000,000 to $42,500,000,000, while the national debt increased from $22,000,000,000 to $258,000,000,000. The number of Government bureaus rose to 1,039 while the number of offices increased to 46,865. Many functions previously administered by the States or local units, or by private enterprise, were taken over by the National Government.

Much of this was caused, at least in part, by depression and war, but much was brought about by the administration's philosophy that the lives of its citizens could be better administered by the National Government than by State, local, or private organizations. Between 1934 and 1946 Federal grants-in-aid to States cost the taxpayers $29,000,000,000, Federal subsidies totaled over $13,000,000,000 and Federal lending ran over $40,000,000,000.

There is plenty of room in this vast Federal financing and bureaucracy to save enough to finance a tax-reduction measure, and reserve adequate surplus for debt reduction. But funds cut from budget estimates would not have been used for debt reduction—they would have been spent. The taxpayers of the Nation might just as well spend the total saved, and passed on to them by tax reduction, as have the Federal bureaus spend it.

Tax reduction at this time, by curtailing the money taken from pay checks and envelopes in the form of withholding taxes, would act as a pay raise to thousands of workers, and thus tend to stave off demands for third-round increases, with the threatening inflation spiral. It also would provide risk capital for investment in the Nation's industry, now strained to its productive capacity, and in need of expansion. President Truman himself has pointed out how necessary it is for business to expand its productive facilities.

Veterans' Subsistence Bill

EXTENSION OF REMARKS
OF
HON. GLEN D. JOHNSON
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. JOHNSON of Oklahoma. Mr. Speaker, I was pleased and gratified when Mr. ALLEN, of the Rules Committee, announced last week that at long last the veterans' subsistence bills, H. R. 4212 and S. 1394, would be brought up for consideration tomorrow.

As a member of the Veterans' Affairs Committee I voted to report this bill out of our committee in June of last year. While I think we should have voted on it last session, maybe the phrase, "Better late than never," will apply in this instance.

To show the need for this legislation and the widespread demand for it I quote from a telegram I received last Saturday from Preston Moore, commander of the Thomas C. Reynold American Legion Post at the University of Oklahoma in Norman. Mr. Moore's telegram in part read:

I am sending air mail, petition signed by 1,000 veterans thanking you for your sincere cooperation on veteran subsistence bill.

I will not burden the RECORD by inserting the list of names on the petition which I received in my office this morning, but they were the signatures of over 1,000 of the veteran students attending Oklahoma University. I call the fact to your attention to show the keen interest the veterans attending school under the GI bill attach to this pending legislation.

As further evidence of the interest of student veterans in the subsistence bill I quote in part from a telegram I received this morning from the veterans' committee of the East Central State Teachers College at Edmond, Okla., which stated:

We appreciate your support of H. R. 4212. It will be a great help to veterans on this campus.

I sincerely trust that on the morrow this House will keep faith with our veterans by speedily passing the veterans' subsistence bill.

Labor-Management Relations

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. BRADLEY. Mr. Speaker, labor, management, and the public are endeavoring to cooperate in the Eighteenth Congressional District of California in the way that Americans should conduct their mutual relationships in business and civic affairs.

This cooperation is so excellent in the over-all picture that it does not make even the inside pages of the press. It is, however, one of the reasons why this particular southern California area has advanced so rapidly in its industrial capacity and output during recent years.

I am pleased to insert herewith a statement by Mr. George E. Roberts, district representative, United Rubber Workers of America, as published in the South Gate Press-Hollydale Press, of South Gate, Calif., of January 22, 1948:

LABOR LEADER PRAISES FRIENDLY RELATIONS EXISTING BETWEEN WORKERS AND MANAGEMENT IN MANY PLANTS

(By George B. Roberts, district representative, United Rubber Workers of America)

As a representative of organized labor and a resident here, I would like to extend greetings to the citizens of South Gate on the twenty-fifth anniversary of our city.

We are happy to take part in the festivities and celebration during the silver jubilee week.

Many might think that organized labor is interested only in hours, wages, and working conditions. Basically that is true, because with standard hours, fair wages, and working conditions it makes for better conditions in the home and, in turn, in the community in which we live.

In the past 10 years we in the CIO have established fine relationships with many employers in southern California. Year after year improvements have been made upon the working agreements and labor relations in these plants.

Unfortunately the public seldom hears or reads about plants or factories in which management and labor are working together in a harmonious manner—that just doesn't make news.

We, of the CIO, have come to realize we have other responsibilities besides taking up day-to-day grievances in our respective plants. We recognize that we have an obligation to our community.

We want to work with the many progressive-minded citizens and organizations, in helping to make our city one in which we can be proud to reside and rear our children.

We are interested and want to take part in our civic affairs. We feel that to be a really true American we must register and vote and take part in city, State, and National affairs. Only we, as citizens, can enslave ourselves by our failure to exercise our right at the pools on election day.

We, in the labor movement, are deeply interested in broader educational and recreational facilities for children and adults.

We are proud of our city park and we are anxious to see it expand, to include such as a swimming pool and public auditorium where many interesting events can and will be held. We have many sports committees in our local unions which are ready to cooperate with other groups in our city to furnish clean fun to young and old alike. I dare say we have members in South Gate who attend practically every denomination of church represented in this city.

We are interested in every phase of our community life and pledge that in the coming years we shall take even more interest in civic affairs and will try to conduct ourselves in such a manner that we will be worthy of the respect and cooperation of the many citizens, business and professional people of South Gate.

Jack Beall's Radio Report on Communism

EXTENSION OF REMARKS
OF
HON. FRED E. BUSBEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. BUSBEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the text of a radio address made over the American Broadcasting Co. network at 6:45 on December 27, 1947, by Jack Beall. It is interesting to note that Mr. Beall touched on the situation in the Panama Canal Zone and the UPWA's communistic influence, as pointed out by me in my remarks before the House on January 12 and again on January 19 of this year.

The address follows:

Good evening. The United States has sustained one of its sharpest diplomatic defeats. And partly, at least, it can be attributed to Communist influence. I refer to the action of the Panama Assembly, which voted down the proposed treaty with the United States for the maintenance of 14 bases in the Republic of Panama—chiefly radar stations—for the defense of the Canal. We are now pulling out of those bases. It may be a permanent set-back. Without these bases, in fact, our defense against air attack on a vulnerable set of locks, is almost impossible. The Canal, itself, may become untenable in time of war. The free passage of our fleet from one ocean to another, the transport of our goods from coast-to-coast through a Canal that cuts off 8,000 miles of distance around the Horn, may be stopped. The safety of the Nation is involved, no less.

Let's look at this thing from historic perspective. For sheer ingratitude, the action of the Panama Government is pretty shameful. We practically set the Panama Government up, when we first decided to have a go at building the Canal. We gave recognition 5 days after it declared its independence of Colombia. We protected it from the counterattack of Colombia. We stabilized its currency by making a payment of $10,000,000 in cash and agreed to pay a quarter of a million dollars every year in rent

for the Canal Zone. We dug the Canal, bringing great prosperity to the people of Panama. The point I make is that the Republic of Panama had greatly benefited from all its relations with the United States. We had not acted in a high-handed, and certainly not in an imperialistic way with her. Colombia might complain of us, but certainly not Panama.

And yet, there were administrative details, which caused friction. There was a distinct Jim Crow problem down there which was seized upon by the Communist Party in trying to get a foothold. The Communist Party of Panama supported an underground press in 1931; headway was made among the intellectuals, the professors and the students of the universities, by propaganda which depicted the United States as the avaricious "Colossus of the North" bent on "Yanqui imperialismo." The equally familiar Jim Crow argument was used on the general public. Congress scented some growing trouble a few years ago and passed a law saying that only Americans or citizens of Panama could work on the Canal, or hold jobs in the one great industry down there. But it became scandalous how easily almost anybody, at a cost of about $2, could get Panama citizenship.

In later years a great influx of Cubans in the Canal Zone took place where they became citizens overnight and got jobs. Habana is now the central clearing house of the Soviet Union in its work on South and Central American countries. A powerful radio broadcasting station beams Communist propaganda and slanted news to all countries to the south of us.

Many Cuban Communists were sent into Panama deliberately for purposes of infiltration. A handsome, two-color magazine, 76 pages at times, began to appear with pictures of Stalin, Lenin, and Molotov, praising the Soviet Union as the defenders of the people against Yankee imperialism. The Soviet Union, it maintained, is not imperialistic because it is a "socialistic state and therefore has no need to exploit weak countries." I suggest Belgrade, Bucharest, and Prague papers please copy.

For weeks, a tremendous propaganda drive has been going on in Panama, against the ratifying of the treaty on bases. It had been signed by the two countries and was thought sure to pass the assembly; but street demonstrations, with picket signs and cloth banners, following the familiar Soviet model, took place. There had been clashes with police. A foreign minister resigned. The uproar became louder and louder. Finally, on the night of the vote, a mob of 10,000 people whirled about the assembly hall. They were screaming the old, old slogans against Yanqui imperialism. All reports from there said that Communists had a leading part in all the demonstrations. A State Department spokesman here confirmed it. According to Time magazine, only President Jiminez dared to defend the treaty. When votes were cast, instead of having a few votes margin for the treaty, as had been originally expected, every single, solitary deputy voted against it. What was the explanation? Assembly President Arosemena supplied it: "Nobody," he said "will vote for the bases when they can look out the window and see 10,000 boys sharpening their knives." When he said "boys" he was referring to the radical student element, which traditionally makes Latin-American revolutions.

So we sustained a first-class defeat in our own back yard. One can mark up a major success for the Soviets against us, the strong country of the west—at almost the same time when France and Italy, those weak countries, were chalking up successes against the Soviets. France and Italy turned back the tide last week. We didn't even know we had been hit until we were down and the State Department told the War Department to begin getting its troops out of those bases.

And here let me bring in a thing which comparatively few people in this country know about, but which may be the most serious thing of all in the Panama situation. It is the penetration of an extreme left-wing union, called the United Public Workers of America, into all the activities of the Canal Zone, from engineers opening and closing the locks to waiters in mess halls. It controls the labor of 17,000 people down there. There is a peculiarity about its stand on getting American troops out of military bases that ought to be aired, right in this connection.

The United Public Workers of America was formed from two other left-wing organizations—the United Federal Workers and the State, County, and Municipal Workers. Abram Flaxer is the president of the new international. As president of the State, County, and Municipal Workers he had seen his organization follow a faithful Communist Party line before and after the Stalin-Hitler pact, and before and after the Hitler attack on the Soviet Union. "Flaxer," according to a report of the House Committee on Un-American Activities, "has been active in the affairs of the Communist Party as far back as 1936.

"Although he has never publicly avowed membership in the Communist Party, his allegiance is indisputably established by his presence at closed meetings of the party, by the statements of those who have been closely associated with him in the labor movement, by his complete loyalty to the party line, throughout its various changes, by his defense of Communists and Communist fronts and by the standing established by his union as a Communist-controlled organization."

The secretary-treasurer of the UPWA is Eleanor Nelson, who had been head of the United Federal Workers before the merger. The House Committee on Un-American Activities has this to say about Eleanor Nelson: "She has been eulogized by the Daily Worker, official Communist organ—a mark of distinction reserved for those who possess the confidence of the Communist Party. The union headed by Miss Nelson followed the Communist Party line cautiously, but faithfully."

When these two organizations, with such a record and with such leaders, merged at a convention, held in Atlantic City the latter part of April 1946, the convention records show that it passed resolutions in a most peculiar way for a union of Federal Government workers. Its resolutions attacked the foreign policies of the United States. They praised the actions of the Soviet Union. UPWA charged that demobilization of American troops throughout the world was being deliberately delayed to further the imperialistic ambitions of the United States and Great Britain and to isolate Russia. And here is the nub of the thing—as it affects bases—it called for the immediate withdrawal of American and British troops from all friendly countries. Not a word was said about calling for the immediate withdrawal of Russian troops from the half dozen friendly countries which its armies had overrun. When this was called to the attention of the convention by one Peter Demas, he was shouted down and the convention went on record as favoring only British and American withdrawal from bases. Now I think this has some pertinence about Panama when you think of what happened next. About a week after the Atlantic City convention there was a May day parade in Panama City. Three thousand people marched with signs demanding the establishment of diplomatic relations between Panama and the Soviet Government. They carried banners calling upon the masses to break the chains of capitalism and denouncing Anglo-American imperialism.

On the very next day, May 2, Operation Panama, as it was called in the Communist press, was launched. The newly launched United Public Workers of America—just 8 days old—began organizing the Government workers of the Panama Canal Zone. By September they claimed to have 17,000 on their rolls. Such an organization, headed by such people, is now in control of the one big union in Panama, recognized as the bargaining agent for upward of 17,000 employees in all conditions of labor and positions of trust down there. I would like to see it officially and authoritatively denied that any of these seventeen thousands were among the demonstrators agitating against bases for the United States, or surrounding and cowing the assembly on the night when the United States-Panama treaty got no votes. In a way it is unthinkable that United States employees would be among those who agitated against the United States; demanding that its armed forces withdraw from airfields and radar installations, designed to protect the Panama Canal. And yet, when you think back to the main foreign-policy resolution of the very union that organized these people, you find that it favored getting the United States out of bases all over the world, while saying nothing about Russia withdrawing its soldiers.

I ought to tell you the sequel to the Atlantic City Convention. A storm broke over the heads of the UPWA, not only on account of the foreign policy resolution, but also on account of the attitude which had been taken about strikes against the Government. Flaxer, before the merger, had stoutly maintained the right of Government employees to strike. It was in the constitution of the UPWA that it was against UPWA's policy to strike, but, at another place in the constitution, it set up the procedures for strikes to be called.

This was a bit too thick for the administration. President Truman denounced it as intolerable. The Government couldn't exist under such circumstances, he said. Bills and riders were passed by Congress to make every employee swear that he would not strike against the Government and would join no organization that asserts such a right to strike.

This would just about have blown the UPWA out of the water, if some action had not been taken. The international board was hastily called together and it passed a resolution that it did not and never had asserted the right to strike against the Government. It adopted what it called a law that there should not be a strike against the Government of the United States. Of course, there was a loophole here. The original strike procedures were imbedded in the union constitution. They were not cut out or changed, they were negatived later by a mere resolution of the board. And, plainly, the union could still strike against local and State governments.

Also, there was much pressure from within the union against its pro-Russian policy and finally the UPWA substituted the standard CIO foreign policy declaration for its own.

It was partly because of the concern in Government circles over the United Public Workers of America and whether such a union, under such sponsorship, could be allowed to go along unmolested, which caused the President to set up a loyalty board, to purge the Federal payrolls of subversive or disloyal elements.

When you think of what has just happened in Panama, you ought to think of the far larger question: "Is the hand of Josef Stalin reaching into the Canal Zone to paralyze the possibility of defense in time of war of the most vital link of our naval operations and our Marine commerce?" It is something to ponder about before it is too late.

This is Jack Beall saying good night from Washington.

Address of Speaker Joseph W. Martin, Jr.

EXTENSION OF REMARKS

OF

HON. WAT ARNOLD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. ARNOLD. Mr. Speaker, at the annual banquet of the American Road Builders' Association at the Hotel Statler, Washington, D. C., Tuesday evening, January 27, 1948, the Honorable PAUL CUNNINGHAM, Republican Representative from Iowa, in introducing the speaker of the evening, paid merited tribute to the distinguished Speaker of the House, JOSEPH W. MARTIN, JR., who then delivered an interesting and informative address on the importance of roads in keeping pace with the tremendous strides of the automotive industry.

Under leave to extend my remarks, I include the introduction and the speech in the RECORD:

INTRODUCTION BY HON. PAUL CUNNINGHAM

Mr. Chairman, distinguished guests, ladies, and members of the American Roadbuilders Association, it is generally believed that all positions of authority and prominence in the Congress of the United States are the result of seniority and length of service. This is not true in all cases. The Speakership of the House of Representatives is the most outstanding example. A Member is, and always has been, elevated to the Speakership by merit and merit alone. The selection is made by his colleagues of the party in power and is based upon ability for the office and not length of service alone.

In January of 1947, the present incumbent, Mr. JOSEPH W. MARTIN, JR., was the unanimous choice of his colleagues of his own party. In fact, this choice was so unanimous that no one even thought of running against JOE and no one considered urging anyone else to run against him. The retiring Speaker, Mr. SAM RAYURN, whom we all love, at the installation of JOE MARTIN, said that "If we have to have a Republican Speaker, I would rather it would be JOE MARTIN than anyone else," and I am satisfied he was speaking the convictions of his colleagues of the minority party.

However, JOE MARTIN was not elected a year ago this month, but only the votes were counted on that date. He was elected during his years of service for his honesty, industry, and fairness. To us he is more than just the Speaker. He is our dearly beloved and much-respected JOE MARTIN. He is second in command of the Government of the United States today. In fact, he is the Vice President and for aught we know, come next November, he may be President in his own right.

Ladies and gentlemen of the conference, it is my great privilege and signal honor to give you the Speaker of the House of Representatives of the United States of America.

ADDRESS BY SPEAKER JOSEPH W. MARTIN, JR.

Road builders are among those who substantially contribute to the progress of our Nation. Our economic and cultural progress has been made possible largely through the improvement of the highway and "its other half" the motor vehicle, of which there are now 37,000,000 engaged in the transportation of goods and people. We can realize the tremendous contribution good roads have made to this Nation when we consider the expansion of road use by our population from 55,000,000 vehicle miles in 1921 to 361,000,000,000 vehicle miles in 1947.

Our highways are not mere ribbons of paved surfaces radiating out across the Nation; they are a part of the production lines of our factories. They stretch out to our farms and to the sources of raw materials. Every ton of agricultural products starts to the market over the highways. More than 25,000 communities in the United States depend entirely on highways for land transportation of goods. In my home community of North Attleboro, Mass., we are touched by a railroad. But our principal transportation is over the highways. We enjoy all the comforts of modern civilization.

Roads and ease of communication enable the farmer to reach his markets. They provide an indispensable service to industry. They develop community welfare. They provide access to places of religious worship. They bring modern district schools closer to rural homes. More than 80,000 school busses extend educational opportunities to 4,700,000 American youth in rural areas. And, not the least important, good highways are essential to our national defense system.

The benefits of government are brought closer to the home by good roads. Police and fire protection are made more quickly available. Rural mail service is extended daily to more than 29,000,000 persons. In the cities, motor trucks transport the bulk of the mail between post offices, collect it at corner boxes and deliver it to homes and offices.

I am informed that motor transport employs over 8,000,000 people, or about 1 in every 7 jobholders in the Nation. Commercial truck driving is today one of our largest single occupational classes outside of agriculture. Truck drivers outnumber all other transportation workers three to one. Farmers continue as the largest class of truck users. They now own 2,000,000, or double the number they had in 1940.

The construction of arterial routes for the free movement of through traffic around cities help that traffic, and keep city streets free for business.

One of the most important functions of our whole highway system is to relieve the centers of congestion in the cities of America. We realize the beneficial effects of urban life. People who can have a chance to own their own modest homes in uncrowded sections have a chance to be out of doors. They and their children can live closer to nature. They not only have pure air but they can have a few chickens, and the children can have pets.

In other words, our highways make possible a more wholesome life for those who want to get away from the congestion and the distractions of crowded places. No one questions what a tremendous advantage this is, made possible, as it is through better highways.

Adjusted to current values, I am informed the Nation's highways represent more than a $30,000,000,000 asset. At the end of 1945, there were 1,430,000 miles of surfaced rural highways and 220,000 miles of surfaced urban streets, providing a practically continuous network for the movement of traffic. These highways are of the greatest importance in our national life. They are essential to almost every form of business and social life. We cannot be content to let them remain in their present inadequate condition while traffic and congestion continue to grow.

This fact was recognized by Congress when it encated the Federal-Aid Highway Act of 1944, which authorized an appropriation of $500,000,000 in each of the first three postwar years to assist the States in developing a long-term program of highway improvement. It is interesting to note the Federal Government collected, in the calendar year 1946, motor-vehicle excise taxes amounting to $882,000,000.

In addition to an annual appropriation of $225,000,000 over a 3-year period for improvements on the regular Federal-aid system, the 1944 act also made available an annual appropriation of $150,000,000 for secondary roads and $125,000,000 in each of three fiscal years for work on sections of the Federal-aid system in urban areas. The program differs from many types of Federal-aid public works programs in that it is a cooperative enterprise. It requires implementing legislation on the part of the Federal Government and many of the States, and also calls for coordinated activity on the part of the Public Roads Administration and State highway departments in planning and developing the program.

The Federal-aid program administered by the Public Roads Administration is a necessary and very useful instrument of government to promote proper integration of our highway developments with the public needs. There are 48 State highway departments, over 3,000 counties, 3,000 cities of population over 5,000, and special highway authorities of one sort or another. There must be some mechanism for the integration of their activities in the public interest.

Another phase of the road-improvement program in which the Congress has provided assistance is in the extension of rural road improvements to reach more farm gates. The Federal-Aid Highway Act of 1944 includes provision for a more comprehensive rural road program through cooperation between the State Highway Department, the county, or other appropriate local road officials, and the Public Roads Administration, in the selection and improvement of a system of principal secondary or feeder roads. I understand this program is proceeding successfully. Specific improvement projects have now been included in the program to absorb 73 percent of the funds made available for the fiscal years 1946, 1947, and 1948.

This Federal-aid secondary program was authorized to meet growing demands of farmers who needed improved roads to and from market centers. It was conceived as the beginning of a long-range continuing program based upon the sound principles and experience of more than a quarter of a century of substantial Federal assistance in road-improvement work.

Early in the history of Federal-State cooperation in the development of our primary road system it became clear a system of roads must be established as a long-range goal if highway funds over a period were to be spent in the most effective way to serve transportation requirements and to assist in raising the economic level of our country. Routes were included in this system which were of topmost importance in the transportation pattern. Without the prior establishment of this system, annual programs would have been developed with a scattering of projects. We would have had haphazard, scattered improvements. There would have been no careful coordination and integration of the various projects all aimed toward a goal of completing a system of supreme importance to each State and to the Nation. In the extension of Federal-aid to secondary and feeder routes as provided for in the 1944 legislation, the benefits of this experience were all recognized by the Congress. The Federal-Aid Highway Act of 1944 provided for a similar approach through the requirement that Federal-aid secondary systems be established. The experience of the last couple of years shows determination on the part of the counties, the States, and the Public Roads Administration to make this program a success. Systems which have been established are based upon sound transportation concepts. These systems in the United States as a whole include approximately 370,000 miles of roads of greatest importance in rural areas. In combination with the 230,000-mile Federal-aid primary system, they include mileage equal to one-fifth of the total rural road mileage in the United States. My information is that 20

percent of the total rural mileage passes or comes within two-tenths of a mile of approximately 40 percent of all rural dwellings. People living on the other four-fifths of rural roads more remote from market areas travel the routes of the Federal-aid primary and Federal-aid secondary system in traveling from farm to market and return.

The current program providing for $900,000,000 of Federal, State, or county matching funds during a 3-year period is providing for improvement of some 50,000 miles of roads. This accomplishment is visible evidence of cooperative county, State, and Federal efforts to provide a basis for a permanent solution to the secondary road problem. These efforts warrant continuation of the program.

A wonderful future lies ahead for both motor cars and our national highways system. Unquestionably the product of the automotive industry has been and will continue to be a marvel of design and engineering. Admittedly, highway construction in the past has not kept up with the tremendous strides in the development of the motor car. But in the future as the highway builders overtake and keep up with strides of the automobile industry—after we have unravelled the national traffic tangle, provided for a free flow of traffic on modern highways, solved our parking problems, and other major details, the Nation will realize the full potential of that great team—the automobile and the highway of tomorrow.

Fertilizer Shortages

EXTENSION OF REMARKS
OF
HON. OTTO E. PASSMAN
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. PASSMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

JANUARY 27, 1948.

Hon. OTTO PASSMAN,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: Being weather-bound I have been reading the papers a little more closely than usual, and ran across the attached article in the Shreveport Journal, and I feel it my duty to send it to you, and tell you that a great many of your people are beginning to feel this way about things, perhaps not as forceful in some ways as this man, but they are sick of everything being sent out of this country at our expense. Now, take my situation: I have a nice oat acreage, raised at great expense (paid $3.50 a bushel for seed, plus cost of cultivation, to say nothing of the use of the land), and I have the stock to feed most of a normal crop to, both milk cows and beef. I believe you to be a common-sense businessman, as well as a Congressman, or I voted wrong, and I think you will say that both are necessary to our present economy. Now I am told by my fertilizer manufacturer that has supplied me for years that he has been trying to get some ammonium nitrate for months for these oats, and he cannot get a sack, because the Department of Commerce is sending the whole output out of this country, have been doing it for months, and have ordered it continued through the next few months; and, if I don't get this ammonium nitrate, I probably will not get any oat crop, not even the seed back. It is necessary to the growing of the crop—absolutely necessary. Then what will be the situation when cotton-planting time comes around? How can the fertilizer folks make their fertilizer without nitrogen, I ask you?

I think you and the other north Louisiana Representatives and our Senators should look into this situation, and bear in mind what this man says over here in Shreveport; it reflects what they are also saying at home. I can tell you if you ignore it now at election time many you are counting on will secede again. That is when they talk.

A FRIEND, VOTER, GROWER, AND DISSATISFIED CONSTITUENT.

European Recovery Program

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by James Reston, from the New York Times:

WASHINGTON SEES BIG NEED FOR A POLITICAL ERP—BELIEF GROWS THAT IT IS NECESSARY IF WE ARE TO SUCCEED IN EUROPE

(By James Reston)

WASHINGTON, January 31.—There are two sets of Marshall-plan worriers in the State Department—the short-range worriers, who are concerned mainly about getting the plan through Congress, and the long-range worriers, who are concerned about what will happen when the bill does get through.

Both are in a state of melancholy decline this week end. The short-range worriers are alarmed by the Senate Foreign Relations Committee's clear indication that it intends to lop at least a billion dollars off the administration's request for $6,800,000,000 for the first 15 months of the program.

The long-range worriers, a more philosophic lot, are nevertheless uneasy about the growing suspicion that an economic-recovery program for Europe without an effective political-recovery program for Europe may not succeed.

Although the great hullabaloo in the Capital is over the size of the appropriation and the administration of the aid, the long-range political problem is in many ways more fundamental, and may be defined as follows:

Europe cannot really become a modern, self-sufficient economic unit, unless it really does get together in something very much like the union of states proposed by Foreign Secretary Ernest Bevin.

Coordination of western Europe's economy is absolutely fundamental to the political stability of Europe. The coordination of Europe's industry and agriculture is so tied up with Europe's security, however, that the European states will never combine together or coordinate their security industries without a political and military commitment from the United States to defend them if they are attacked.

ECONOMIC STABILITY FIRST

The two basic ideas behind the Marshall plan—as defined by Secretary of State Marshall—were that economic stability in Europe must precede political stability, and that economic recovery depended, not only on aid from the United States, but on a change of the old atomized European economy into a coordinated, efficient, self-sustaining production and trading economy.

From these two ideas, the outlines of an experiment in intercontinental partnership emerged: the United States was to supply the available raw materials of recovery; these raw materials were to strengthen the economies of the Marshall-plan countries, and these countries, in turn, were to coordinate their national recovery programs and their economies so that the 16 countries and western Germany would gradually develop into a large, productive, unified international trading area.

The order of business, as the administration saw it, therefore, was, first, economic aid from the United States and economic reorganization and coordination in western Europe; and second, through these economic measures, political stability leading to security.

What the long-range planners are beginning to see more clearly now is that it is not so easy to separate the political and strategic problems of Europe from the economic problems.

In terms of economic reconstruction in Europe, bold and emphatic measures should be taken to revive the industry of Germany, unify the electric-power system and the rail and road systems of the Marshall-plan countries, standardize certain industrial machinery, eliminate uneconomic competitive industries and build up interdependent industrial and agricultural systems in which each country concentrated on the products it could produce the best.

In terms of politics and strategy, however, intelligent economic recovery programs of this sort are not always possible. The revival of the industrial Ruhr and Rhineland makes sense economically, but the French, who have been invaded by the Germans three times in 75 years, oppose for security reasons its being effected, without assurance against a revived arsenal for Germany.

ROADS AND POWER

The European road system should be improved, for economic and commercial reasons, and the Europeans admit it. Right now, however, good roads in western Europe often stop 20 or 30 miles from the frontier for a very simple reason—a road that can take a truck from one capital to another can also carry a tank or an invading army, so in the present state of political tension, governments still hesitate about promoting international highways.

The same goes for unification of power systems. The amount of power in Europe could be greatly increased by building hydroelectric systems capable of serving parts of various countries; but what are they to do, the Europeans ask, if there is war? Then, what is good economically may be disastrous strategically.

In terms of finance and commerce similar problems arise.

Europe very much needs large capital expenditure to be self-sufficient in a modern world, and Europe still has, hidden away by private individuals, considerable capital; so long as there is political instability and uncertainty about peace, the capital will not come out of hiding to assist in economic reconstruction.

In that small and select company of Washington officials who have time to think, the theme that is being developed, therefore, is this:

The Marshall plan needs a political and strategic counterpart. We have our troops in Germany and Trieste; we have our warships in the Mediterranean, we have reopened a large air base in Libya, we are trying to meet our responsibilities in the United Nations, and we are planning the economic reconstruction of western Europe.

Our policy in Europe, however, is almost as uncoordinated and uncertain as the economy of Europe itself. We are moving boldly on a number of fronts, but by uncoordinated fits and starts.

While we are taking great chances, we have not defined our political and strategic moves

clearly; and neither our own people nor the Europeans have the requisite confidence in the objectives or continuity of our political policy.

FEAR AND INSECURITY

Above all, this thesis continues, we have not dealt with the problem of fear and insecurity in Europe that threatens the attainment of our Marshall-plan objectives. Now, as in the days before the First and Second World Wars, neither our friends nor our potential enemies know whether we intend to use our power against any aggressor in the future or whether we still hope to stabilize and withdraw.

The specific suggestion that is beginning to be heard, therefore, is that our policy should have been reversed, that the 40-year treaty of alliance offered to Britain, Russia, and France against the Germans should have been a simple treaty of alliance with the British, open to other states as they chose, to stand together against any aggressor in Europe.

Once that had been pledged, Europe would have known where we stood, national economic programs could really have been planned in a way to produce an effective self-sufficient continental system, and the Combined Chiefs of Staff could have planned in a rational way.

As it is now, responsible observers here feel, we are getting the worst of every compromise we make. Money is voted for a recovery program, but the measures necessary to recovery on the other side are not taken. An air base is opened in Libya. Marines are sent to the Mediterranean, but again they are enough to disturb Moscow without reassuring Rome, Paris, or London.

All this will provide some idea why the long-range worriers at the State Department think they have more to worry about over the recovery of Europe than the short-range worriers. Both are concerned about a cut in the Marshall-plan appropriation, but for different reasons.

To those who are just trying to get the bill through, the figure of $6,800,000,000 has taken on a magic significance. To the long-range planners, who have never thought the figure was high enough to deal with the problem, the figure is important mainly as a test of whether the executive and legislative branches can really get together on a steady foreign policy.

The conversation of well-informed people in Washington is on the side of the long-range worriers. There is little that can be done now about the precise figure that comes out of the Foreign Relations Committee; Senator VANDENBERG has evidently made up his mind that a cut can be made without hurting the objectives of the program. And such is the dependence of the administration on his support that once he goes against them there is very little they can do.

STEADY POLICY WANTED

In the embassies of Washington however, the problem of getting the Europeans to combine their economies, and if possible, their strategy, is seen as probably the decisive long-range issue. As one very high official of the State Department has admitted, even $5,000,000,000 with effective political and economic cooperation in western Europe would be far better than $6,800,000,000 without that cooperation.

What the long-range worriers are aiming at is something more than the matter of a billion dollars. They want a policy that is steady and comprehensive.

They want a Europe that is really an entity in something more than name.

They want a Defense Department and State Department team that really works together effectively on strategy, defense serving the policies of state. They want dependable allies in key positions. They want a political recovery program and an economic recovery program, together.

They are not afraid that we are going to pull out of Europe. In fact they think we are going to stay there and defend the purposes and principles of the United Nations, regardless of what happens.

The point they are making is that it would be better for everybody if Moscow and London, Paris and Rome, Prague and Warsaw, all thought so too.

A Program of Action

EXTENSION OF REMARKS

OF

HON. WILLIAM H. STEVENSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. STEVENSON. Mr. Speaker, under leave to extend my remarks in the RECORD I include the resolutions adopted by the forty-fifth annual meeting of the American Automobile Association relating to subjects of national importance. These statements of policy represent the views of the large portion of the motoring public, for they were voted on by over 500 delegates from all parts of the United States, representing 2,250,000 association members.

PROGRAM OF ACTION FOR 1948

HIGHWAYS AND HIGHWAY TAXATION

Federal aid should be confined to general-purpose roads of national significance and based on transportation needs for those roads. All such roads should constitute an integrated Federal-aid system, clearly defined and very strictly limited as to mileage. The newly designated interstate highway network should be the backbone of such a Federal-aid highway system and should be expeditiously completed.

In order to assure priority of attention to this network, Congress should direct the Public Roads Administration to make a study of methods of financing it and to submit a proposed plan including recommendations as to Federal, State, and local responsibilities. Because of the national importance of the interstate highway network, Congress should earmark a very substantial proportion of Federal-aid highway funds for use exclusively on the interstate network, requiring that an appropriate proportion of these earmarked funds be expended in urban areas.

AMOUNT OF FEDERAL AID

The amount of Federal aid for highways should be determined by the Congress on the basis of the vital interests of the Federal Government in the Federal-aid highway system.

FEDERAL EXCISE TAXES

Federal aid for highways is a charge against general taxes. The Federal-excise taxes on motor vehicles, parts and accessories, tires and tubes, motor fuel and lubricating oils should be repealed.

ADMINISTRATION OF FEDERAL AID

Federal aid should be administered by one agency—the Public Roads Administration—at the national level, and one agency—the State highway department—at the State level.

FEDERAL SHARE OF COST

Federal-aid highway funds should be made available for projects within the States on a basis of not to exceed 50 percent of the construction cost, said cost to include the cost of acquisition of rights-of-way, but not to include any maintenance costs.

An exception to this general rule which the American Automobile Association urges for the consideration of Congress relates to the interstate-highway network on which, because of its national importance, the Federal Government would be justified in assuming a larger percentage of such construction costs.

NATIONAL PARK AND FOREST ROADS

In the apportionment of Federal aid among the States, special financial provisions should be made, as heretofore, for the public-land States and for the construction and maintenance of highways in national parks and within national forests, including roads whose major function is that of providing access to national parks or forests.

NATIONAL PARKS

The American Automobile Association urges that the Congress hold a hearing on the entire subject of revenues and facilities of the National Park Service. Congress should determine the extent of services to be rendered, the fees to be charged, developments to be made in the parks, policies governing concessions, and related subjects. Among the conditions necessitating such a hearing by Congress are:

1. Accommodations in the national parks are wholly inadequate, in a bad state of disrepair, and urgently in need of replacement and modernization.

2. Roads in the national parks have deteriorated badly and are in need of immediate and extensive repair.

3. There is need for revision of present policies governing entrance fees to the parks. The present system of singling out motorists for paying entrance fees is discriminatory and unjustifiable and has never been specifically authorized by Congress. Congress should establish major entrance fee policies, including limitation of amounts to be charged. Entrance fees should apply to individuals rather than to vehicles, so all users of the parks would contribute a fair share regardless of the method of transportation used in entering the parks. Provision for a season ticket should be made for the benefit of people living in the neighborhood of a park area.

RUBBER

The temporary legislation under which the use of natural and synthetic rubbers is controlled expires on March 31, 1948. The American Automobile Association strongly recommends that Congress proceed speedily with the development of a long-range rubber policy for the United States. The association reiterates its belief that it is of the most vital importance to national security that a synthetic rubber industry be maintained in continuous operation. It recommends that a minimum amount of synthetic rubber be produced and used from year to year; and that in addition to the plants in active operation, sufficient stand-by facilities be retained to permit large-scale expansion of synthetic rubber in the event of an emergency. It further recommends that government and industry sponsor programs for continuing improvements of man-made rubber.

In the allocation of synthetic rubber for end uses under a long-range policy, the American Automobile Association herewith declares that the motorists must be placed on an equal footing with other users as to the price and quality of tires and tubes and other rubber products incident to the use of the automobile.

GASOLINE

The demand for petroleum products of all kinds is at an all-time high. The balance between supply and demand is now so close that it could be easily upset. Serious product shortages could develop, including a

shortage of gasoline. The American Automobile Association views this situation with real concern. It strongly urges that steel and other materials be made available in sufficient quantities to speed up the programs now under way for oil-well drilling, new refineries, and petroleum pipe lines. It is urged that the United States Maritime Commission speed up withdrawal of additional tank ships from Government laid-up fleets to take care of domestic needs; and that tank-car building programs be accelerated.

It should be the policy of Government and industry to meet oil commitments for aid to Europe from oil areas outside the United States, and it should be the policy to balance product or crude exports with imports. Our domestic needs must at all times have first call on America's petroleum resources.

TRAVEL

International

A. The United States is urged to take leadership in bringing before the United Nations the problems of international travel regarding both individuals and automobiles. To that end, steps should be taken for the adoption of a standard, world-wide system for the issuance and recognition of passports, registration and driving licenses, and customs documents, assuring freedom of travel for all bona fide tourists.

B. The United States Congress is urged to extend the life of a passport from 4 to 6 years, through establishment of a second 2-year renewal period.

C. Since 1897, United States law has permitted travelers a duty-free exemption of only $100 on personal property purchased abroad. Despite the rise in prices and standards during the past 50 years, this country still retains the same low ceiling. This discourages American travelers from spending and from making their full contribution to world trade. The AAA urges Congress to raise the exemption limit to $500 on personal property brought in by returning tourists.

D. The American Automobile Association urges the immediate elimination of the 15-percent Federal tax on foreign and domestic transportation. This step would benefit millions of American travelers, as well as the important transportation industry.

E. No one agency of the United States Government has complete responsibility in the field of international travel. The Commerce Department is responsible for promoting travel and maintaining statistics; on leaving our shores our nationals deal with the State Department and, if they are naturalized citizens, with the Immigration Service; on returning they must contact the United States Public Health Service, customs officials of the Treasury Department, and the Immigration Service. A foreign visitor would have contact with all these agencies. Integration and correlation of the work of these agencies is urgent and imperative if we are to make full use of the potential of foreign travel. The AAA proposes, therefore, the establishment by congressional authority of a Federal interdepartmental committee on foreign travel.

F. An increasing proportion of people going abroad are anxious to enjoy the comfort and mobility afforded by using their own automobiles on overseas vacations. The international travel department of the AAA will process some 2,500 American cars for European travel during 1947. The association urges United States ratification of the international driving convention of 1926, which provides facilities for the movement of automobiles across national boundaries without the necessity of obtaining a driver's license and registration document in each and every country visited.

Inter-American

A. It is strongly recommended that all nations of the Western Hemisphere, including the United States, adopt a standard inter-American travel card permitting citizens of other nations of the hemisphere to enter as a tourist or business visitor for a 3-month period without being forced to obtain passports, visas, and other documents that now hamper travel in the New World.

B. All nations of the Americas are urged to adopt and ratify, at the earliest possible moment, the convention on the regulation of inter-American automotive traffic, to the end that private passenger cars may circulate with maximum freedom throughout the nations of the Western Hemisphere.

C. The American Automobile Association reiterates its strong support for the earliest possible completion of the all-American highway system linking the nations of the Western Hemisphere. To this end it urges that as promptly as possible restrictions on travel over the Alaskan Highway be removed, and that the Governments of the United States and Canada work out arrangements for the continued maintenance of the highway. It also urges that the United States cooperate with other American nations in bringing about construction that will link together completed segments of the Pan-American Highway.

The Tax Bill

EXTENSION OF REMARKS
OF
HON. LOUIS LUDLOW
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. LUDLOW. Mr. Speaker, about all that can be said about the tax bill that the House passed today is that it is a political bill, drafted with an eye on the 1948 election. When we consider the colossal cost of our Government and the finances we are pouring into the European recovery program the fact stares us in the face that this is no time to reduce revenues. Many of our friends on the other side who voted in November to appropriate over half a billion dollars for foreign relief cast their votes today to reduce revenues below the danger line. Somehow I am reminded of the philosophy of the old-time stateman who made it a practice to vote for every appropriation and against every tax bill. From the standpoint of Government finances the bill the House passed today is thoroughly unsound. The bill offered by the minority as a substitute was not an ideal measure but it had the merit of offering relief to small wage earners and white collar workers without diminishing revenues.

A good way to justify a reduction of taxes would be to eliminate thousands of excess employees from the Government service. Years ago when I was a freshman Congressman, full of zeal, I sent out a letter to constituents inviting them to tell me their troubles, in order that I might try to help them. One man replied in a melancholy vein that he was bothered with an uncontrollable right foot and he posed the question, "What can you do with an uncontrollable right foot?"

At long last I think I have found the answer to his question. The thing to do is to use it in removing from office bureaucrats whose main purpose is to strengthen their hold on the pay roll and to glorify the particular branch of the service with which they happen to be connected.

Tensas Basin Project

EXTENSION OF REMARKS
OF
HON. OTTO E. PASSMAN
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. PASSMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement I made before the Civil Functions Subcommittee of the House Committee on Appropriations:

Mr. Chairman and gentlemen of the committee, first, I would like to thank the committee for hearing me at this time. I have the honor of representing in Congress the Fifth Louisiana District. My constituents requested that I express to the chairman and members of the committee their sincere appreciation for the consideration given to the several projects in my district last year.

Mr. Chairman, I am vitally interested in the Tensas Basin project. The several projects in the Tensas Basin area by name are the Boeuf and Tensas River projects, the Bayou Macon and Bayou Lafourche projects. Certainly, I am interested in all of these projects, but more especially the Tensas-Cocodrie sector of the Red River backwater area.

At this time I should like to direct your attention to what is known as the Tensas-Cocodrie sector of the Red River backwater area. This project is a worthy one. In fact it is an essential project if the people who live in that area are going to continue to live there and exist and produce the necessities of life. I pointed out last year that these people are very tolerant and broad-minded. But I repeat, if they are to continue to exist, whether they be farmers or small town residents, the subject project must have preferred consideration. The preferred consideration should be given because the area that will be protected from backwater after the completion of the Tensas-Cocodrie backwater project, has been inundated almost every year for the past 8 or 9 years. Such is not an act of nature, but has been brought about by an unavoidable result of what has been done in the general over-all flood-control improvements elsewhere. The Tensas-Cocodrie backwater project, when completed, will conserve approximately 287,000 acres of as rich land as can be found in the world. I would like to point out that on account of the rich farm land in this area the Government would soon be repaid directly and indirectly from the increase in farm production and in taxes.

I should like to request that the committee consider revising upward the amount recommended in the budget so that the amount this year would equal the amount appropriated by the Congress last year.

Mr. Chairman, I would like to point out that 12 of the 14 parishes that I have the honor of representing have voted bond issues making available large sums of money to be expended on the Boeuf and Tensas River projects, the Bayou Macon and Bayou Lafourche projects, and if in the wisdom of the committee the amount recommended in the budget could be revised upward, then it would justify the several parishes in starting their drainage projects which will tie in with the Federal and State plans. All of the projects in the Tensas Basin can be com-

pleted at a very substantial saving if the Federal Government makes an adequate appropriation to justify the parishes in getting their part of the program underway. I repeat, that on account of the many hundreds of thousands of acres of rich farm land in the Tensas Basin, after completion of the several projects in question, the Government will be repaid in the way of increased production and direct and indirect taxes.

I wish to thank you, Mr. Chairman and gentlemen of the committee, for hearing me and I sincerely hope that the committee will see fit to provide adequate funds for the continuation of the several projects in my district now underway.

Bipartisan European Aid

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Bristol (Pa.) Courier of January 31, 1948:

BIPARTISAN EUROPEAN AID

One of the major disputes about the Marshall plan continues to be over the question of who shall have charge of it.

This is an issue which the public finds hard to understand. From the citizens' point of view, it would appear that, if the program is a proper one, and if its general scope were defined by Congress, then it doesn't make too much difference which manager is assigned to supervise it.

The issue goes much deeper than that.

As a matter of fact, the issue may be said to have been raised by General Marshall himself. He has virtually refused to have anything to do with the program that bears his name unless he is put personally in charge of it. He is willing to accept any sort of front, in the way of an advisory board—so long as he doesn't have to take their advice, and can do as he pleases; but he has refused to consider any arrangement which places part of the final authority elsewhere.

This is a stubborn attitude, and his mere mulish refusal to argue the matter has caused a good deal of trouble in Congress. Moreover, Congress has not been satisfied with this explanation for his attitude, which is that since a part of the program bears on our diplomatic problems, he as head of the diplomats should administer all of it.

Many have challenged this position; Senator TAFT is among them. He has urged that some way be found to give Congress a voice in the administration—at least, that some of the power be lodged beyond the control of the State Department. There is a scheme called the Herter plan, after the Congressman (Massachusetts) who proposed it, which would set up a board of Government officials and citizens to run the plan through a director. Ex-President Hoover has vigorously condemned any effort to operate the plan through the State Department.

On the other hand, Senator VANDENBERG, who until recently was the undisputed leader of the Republican Senators in foreign policy matters and is the one who dragged them a year ago into the so-called bipartisan approach on these matters, has appeared to feel that it ought to be possible to work out a bipartisan solution to this problem.

Recently supporters of Secretary Marshall, including such persons as Governor Driscoll, of New Jersey, and William L. Clayton, advisor to the Secretary of State, have taken up this tag phrase, and are urging that Marshall be given (in effect) a bipartisan vote to run the program any way he wants to.

A deadlock has thus arisen in which it seems perfectly obvious that someone is going to have to back down.

Either Secretary Marshall is going to be told, as Hoover recommends, that he is to have no control over the program; or the various critics of Marshall's one-man control are going to have to contend with some sham of bipartnership in which a handful of other persons will have high-sounding titles, but Secretary Marshall will have the power.

If face saving is to be the question, a solution should be easy. But the real test is going to be a very simple question—when all the laws are passed and signed, is or is not Marshall going to have final authority over the program?

There are two reasons why any program which includes Marshall as one of the apparent partners in a cooperative nonpartisan system of operating the Marshall plan will never be truly bipartisan.

One has to do with the personality of Secretary Marshall. He is a very stubborn man. He is determined to have his own way in this matter. He makes no bones about it—no one could have made more clear to Congress that he proposes to run the Marshall plan the way he wants it run, regardless of whomever else Congress puts in the picture.

The other is that Secretary Marshall is neither bipartisan, nonpartisan, nor impartial.

On the contrary, he is very much in the coming race for President—not, of course, for himself but as a sort of unofficial campaign manager for President Truman.

As a matter of fact, General Marshall has been running interference for New Deal Presidents for several years.

He personally, by helping suppress the Army report on Pearl Harbor until long after the 1944 election, and by compelling Roosevelt's opponent, Governor Dewey, to keep quiet about that report in his campaign speeches, probably did more than any other one man in the Nation to reelect President Roosevelt for his fourth term.

Secretary Marshall moved in as political adviser and strong man for President Truman about a year ago, and has carefully built him up to the point where many believe the President has a better than even chance of being reelected.

It would be unfair to say that the Marshall plan was invented only because of its political value to President Truman while running for reelection. On the other hand, it would be childish to assume that the inventors of the plan were blind to the tremendous assistance which the program, with its vast expenditures and vaster economic powers, would be for the Truman candidacy.

Why should we kid ourselves?

In Secretary Marshall's hands, the Marshall plan will be neither bipartisan nor nonpolitical.

Like a coin, the plan has two faces. One is aid to Europe. The other is aid to President Truman in a desperate, all-out struggle to stay in the White House.

Radio Address to the People of My District

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address made by me over Station WNBF on January 31, 1948:

Dear friends of the Triple Cities and my congressional district, to yo: scores of real patriotic Americans who are writing to assure me of your continued faith and confidence in your Congressman, I give thanks.

I am grateful to you for the support you offer. These are difficult times, and I need your friendship and counsel to help solve the tough problems this Congress is face to face with.

I need your help also in making swift answers to falsehoods spread by irresponsible out-of-towners, who push their way into your circles and by aggressive action, proceed to lambast men you elect to office.

The next time you hear one of these wiseacres spinning a yarn, walk right up to him, and find out where he hails from. Chances are he's from some place south of here.

He will probably be standing in the center of a group of honest working people. He may perch on a soap box and utter vicious un-American insinuations from his flannelred mouth.

Of course, he will concentrate his vitriol on the Congress. He will be specific in naming and blaming me for all the ills the country now labors under.

Eye this man closely. Your conclusion will be that he is subversive, that he is not American. You feel a sense of nausea coming over you as you hear him belittle the Stars and Stripes, the Constitution, and the United States Congress.

After a while, this gets annoying. The sick feeling leaves you and anger takes its place. You ask what right this individual has to smear the institutions you hold dear, and take vulgar potshots at the one you elected to represent you?

Outside of his few evil followers, this agitator carries very little weight. But he bears watching because his hysterical rantings sometimes fall on unsuspecting ears.

Segregation is my remedy for such a fellow. He is obviously not sold on America. He doesn't like anything American. He is vociferously and violently against the Congressman you want to vote for.

Fortunately, the FBI usually catches up with this type. They know he's a bad actor and you know you don't like him.

However, there are too many of these political perverts still at large. There are too many like him well on the wrong road. The problem is to keep these monkeys from multiplying.

But I repeat, segregation is the real answer. Why allow any flannel mouth to roam the streets at large under the guise of free speech to sing hymns of hate and preach the gospel of intolerance to your friends and mine? Why irritate them with such viciousness, especially when the difficulties of making a living weigh so heavily upon all of us?

I say, let's round up these Red agents and throw them out. Let's treat them all alike, whether they're Commies or Nazis or Fascists.

I say they have no right smelling the free air of this grand country if they don't want to keep it free. They should be shown up for what they are and treated accordingly.

These agents advocate the violent overthrow of our Government. They make no bones about that. They are dedicated to such an objective.

Are we going to let them get away with it? I'm not. I'm sure the American Legion, the VFW, the DAV, and all the other veterans' groups won't either.

Next week, the House is going to vote to reduce your income taxes. And I believe you'll get a reduction, too, if the Senate will go along. Even a veto from the President will be overriden, so they say.

Well, you can count on my going right down the line for a tax cut. I'm sick of hearing a few say we've got to keep these high taxes. I'm tired of seeing the American people soaked to pay other people's taxes.

Aren't they doing just that? Haven't we poured billions into the British Empire and other points west?

What have American tax dollars done for them? You and I know that England, Australia, and several other nations of the Old World have just cut income taxes.

Are you willing to keep our tax rate high so the rest can get a reduction? I know you're good-hearted and generous, but I don't think you're that soft.

So you can realize why I'm so anxious to see the tax cut go through. I'm not arguing about the amount of exemptions. The lower-income groups never get enough to suit me. I'd raise those exemptions a little if I had my way.

But I'm generally satisfied. If we can't get a whole loaf, the best way out is to accept a half or three-quarters.

Give the American people the relief they need and you will release billions of dollars in this country to purchase the necessities we all must have. The United States will be nearer prosperity than she has been since the war ended.

Thank you.

Tax Relief

EXTENSION OF REMARKS
OF
HON. E. C. GATHINGS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. GATHINGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Atlanta Constitution:

TAX RELIEF INDICATED

The amazing lethargy of lawmakers toward the fundamental problems of inflation is almost perfectly illustrated by the treatment of oleomargarine.

Margarine is an effective substitute for butter. It is fully as good and in some respects better than butter itself. Long since has it ceased its role as the poor man's butter. Today it is the only butter known by the millions who cannot afford to pay a dollar a pound and up for the dairy product.

And while the price of butter spirals higher and higher, the people of Georgia are taking to margarine as never before. This is aptly illustrated in figures released by Marion Allen, collector of internal revenue, which show that more than half again as much taxes have been collected on margarine since last July 1 than were collected during the entire 1947 fiscal year.

Up through January 22 Mr. Allen's figures showed Georgians paid taxes of $197,658.46 on margarine. Total taxes collected during the 1947 fiscal year were $125,801.91. These figures indicate that margarine will more than double in popularity this year.

But the figures reveal more. They show the extent to which Georgia housewives, attempting to beat inflation, are being penalized by a vicious tax imposed upon oleomargarine at the instance of the dairy lobby in order to attempt to eliminate competition.

Margarine is the most heavily taxed of all food commodities. It is the only food product under control of the Bureau of Internal Revenue. On every pound of margarine the housewife buys she must pay a Federal tax of 10 cents. So prohibitive is the Federal license for selling colored margarine that only 364 retail dealers in Georgia are able to afford it while nearly 7,000 sell the uncolored product, and there are only 14 wholesalers in the State who handle colored margarine.

The dairy lobby has gone to such lengths to fight margarine's popularity, and with such success, that sale of the butter substitute is circumscribed by all sorts of phony regulations, the breach of which makes the violator liable to fine and imprisonment.

For instance, if a private family has a paying guest, it is liable for the manufacturer's tax if margarine is colored in the home. Hospitals and charitable institutions which use margarine also must pay the manufacturers' tax.

Congressmen spend much time composing grandiose schemes to defeat inflation. They much better could serve the public by spending a little time repealing the taxes on margarine, reducing its selling price to the consumer and, because of the added competition thus created, eventually resulting in lower butter prices, too.

Mikolajczyk Describes How Roosevelt Appeased Stalin at Tehran

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. KERSTEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include two additional installments of articles published in the Milwaukee Sentinel which describe that while words of high-sounding statesmanship were proclaimed at the Tehran Conference, nevertheless the men of Tehran carved up Poland, not represented at the conference, without any regard for the rights of the Polish people. Until statesmen begin to act like they talk there cannot be permanent peace.

Following are Mikolajczyk's two additional installments:

MIKOLAJCZYK REVEALS CHURCHILL, F. D. R. SCUTTLED POLAND AT TEHRAN PARLEY

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment XII)

The death of Prime Minister Sikorski was mourned throughout the Allied world, with the exception of Russia. While Roosevelt and Churchill joined in world-wide expressions of regret at the passing of a great democratic leader, their colleague, Stalin, remained ominously silent.

In that atmosphere of broken Soviet-Polish relation I was named Prime Minister of our Government in Exile on July 14, 1943, after we had sought and obtained the consent of our Polish underground Parliament by means of our radio contacts from London.

My immediate task was to reassure Polish patriots everywhere that the will of General Sikorski would be carried out. As fast as the German invaders of Poland tore down our underground's posters pertaining to Sikorski and the continuing fight, we pasted up new ones. Polish fliers, who formed so great a part of the RAF, were included in our assurances.

But conditions in our undeground were of great concern, too. The Reds were dropping parachutists into Poland, not to render us the military aid we so sorely needed but to prepare the way for the coming political domination of our country by the Kremlin.

That propaganda usually took the form of violent blasts against German rule, or an occasional grenade thrown into a house or meeting at which both Germans and Poles were present.

It was never coordinated with our underground's well-reasoned attacks, and it produced only additional woe for the Poles. When one Communist grenade would be thrown—perhaps killing a couple of Germans who were of no great concern to the Poles—the Germans would line up 100 Poles as hostages and shoot them.

On the other hand, our organized underground forces were systematically blowing key bridges, wrecking German troop trains, and making other well-planned attacks.

Before his death, Sikorski had sent Stalin a plan for collaborating these Communists assaults with the larger operations of a Polish underground, which was composed of members of all Polish political parties except the Communists. Stalin ignored the plea.

Nevertheless, we attempted to aid the Russian parachutists. When we hid them the Germans killed all those instrumental in the protection of the chutists and many others who were completely innocent. When we were successful in spiriting them out of Poland, the Germans burned down entire villages in reprisal.

I pledged my word to Poles everywhere that as Prime Minister I would do my utmost to reestablish friendly relations with the U. S. S. R. As a first step, I appointed Tadeusz Romer Foreign Minister. He had served our government in Moscow and was known for his direct approach when speaking of Stalin, Molotov, Vishinsky, and other Russians.

BLAST AT DICTATORSHIPS

On July 27, 1943, I made my first public statement as Prime Minister. I recalled the spirited declaration of Sikorski for a free Poland and added, "There is not and will not be in the future Poland any room for any totalitarian government, whatever its shade or kind."

On the Russian question, I pledged a "maximum of good will and faith," and asserted, with all the strength at my command, that Poland wanted only friendly relations with the U. S. S. R.

There was no reply from Moscow, and the growing chilliness of Britain toward the Polish-Russian split was becoming noticeable. Before his departure for the Moscow conference, Anthony Eden privately told me there was little possibility that Russia would renew relations with the Polish Government unless we agreed to give the Reds that huge portion of Poland which the Red Army invaded in 1939 as an ally of Hitler.

RECALLS 1941 NOTE

I reminded him that he himself, in a formal note of July 30, 1941, had stated that Great Britain would not recognize any territorial gains taken by force, and that Churchill had said the same thing in the House of Commons in a memorable speech on August 5, 1940.

"If we give up this territory—which, actually, we are not empowered to yield—it will be only the beginning of Russian demands," I told Eden. But it was useless.

To freshen his memory, I gave Eden a number of solemly agreed to Polish-Soviet pacts before he started for the Moscow conference with Molotov and Secretary of State Cordell Hull.

I learned at the time of the Moscow conference that it was simply a prelude to the long-awaited first meeting of Stalin, Roosevelt, and Churchill—to take place in Tehran a few weeks later. We had heard from Washington that Roosevelt was content that as soon as he sat down with Stalin he could straighten out the Polish-Russian problem.

SNUBBED BY F. D. R.

But I wanted to see him, to warn him of Stalin's tactics. I asked for an appointment in Washington or anywhere else along the way to Tehran, but the White House said the best that Roosevelt could do was to see me the following January.

I was also unable to see Churchill, who likewise believed he could do business with Stalin, though I did learn from the British that the reason for not seeing me at just this time was a fear that it might antagonize Stalin and prompt him to snub the meeting—as he had snubbed the Quebec conference.

The world never has been told what occurred at Tehran. There was, of course, the short, lofty statement of December 6, 1943, containing such phrases as "Our nations shall work together in war and in the peace that will follow" * * * "we look with confidence to the day when all peoples of the world may live free lives untouched by tyranny and according to their varying desires and their own consciences."

COLD-BLOODED BUTCHERY

But behind these classic words lay one of the most infamous injustices of history. Poland, first to fight Hitler, indomitably opposed to establishment of even the slightest kind of Quisling cooperation with the Nazi invader, had been cold-bloodedly divided by Stalin. Stalin easily forced Roosevelt and Churchill into appeasement.

I used the splendid wording of their Tehran announcement as a basis for my own statement of the same day, lauded them for upholding the quest of peoples for freedom, promised that liberated Poland would follow the precepts of democracy and warned that territorial grabs would rupture the agreement.

TALKS WITH CHURCHILL

I saw Churchill February 6, 1944, and he came right to the point.

"You know, there will be no restoration of Polish-Soviet relations unless you agree to territorial changes," he said. "As a matter of fact, the Russians are demanding political changes in your government, but we can overcome those objections, we believe, if you consent to the territorial changes. They're more important."

"But I'm not empowered to give away half of my country," I protested.

Churchill turned away, rather unhappily. "I'll have a public statement about this matter in the near future," he said.

The statement came February 22, 1944, 5 days after we had offered to permit eastern Poland to be ruled—until the peace treaties—by an Allied commission, if Poland remained a complete sovereignty throughout its western section. We called it the demarcation line.

Churchill submitted this concession to Stalin and received what he later called a "very crude answer," and so on February 22 he spoke in Commons on the Polish question and revealed officially some of the unspoken aspects of Tehran.

AGREES TO CURZON LINE

Churchill, all of a sudden, had embraced the old Curzon line as a fitting boundary between Russia and Poland, though the British had discarded that line and ratified the Riga Treaty line, which was the U. S. S. R.-Polish boundary from 1921 until the Red Army invaded it as Hitler's ally in 1939.

He said Germany had used Poland twice in his lifetime as a road of attack on Russia, but neglected to state that in the first instance—in 1914—Poland was then divided among Germany, Russia, and Austria. He neglected also to add that Russia invaded us in 1939 before the break in Fascist-Communist relations.

I had no positive confirmation of what crimes had been committed against Poland by our big-power allies, however, until a meeting I attended in Moscow on October 13, 1944, with Churchill, Eden, Averell Harriman, and Molotov.

TEHRAN TREATY TOLD

At that meeting I brought up the question of Polish boundaries by protesting against the illegality of the Curzon line as a frontier. Molotov stopped me, and, turning from Churchill to Harriman with a surprised expression, he said:

"But all this was settled at Tehran! We were all there. I want to remind you, if you have forgotten. Mr. Roosevelt said he entirely agreed about the Curzon line—that it was a just frontier—but he added that that was not a good time to announce the matter publicly.

"The Soviet Government is therefore entitled to conclude that the Curzon line was, and continues to be, acceptable to all three big powers. There is no need now for Mikolajcyk's objections."

I looked at Churchill and Harriman, praying that they would object.

They looked down and remained silent.

The British and the American leaders had made a complete about-face under Stalin's pressure. They had gone into the war filled with a determination that there must be no territorial changes brought about by force. Now they condoned just that.

ROOSEVELT PLEDGED POLAND WOULD COME OUT OF WAR WHOLE

(Installment XIII)

When it became increasingly apparent that half of Allied Poland had been appropriated by Stalin at the Tehran Conference, with the consent of Churchill and Roosevelt, the Polish Government in London attempted to resign in protest.

It was only on the advice of the underground that we agreed to carry on. With that in mind, I decided to go through with my meeting with Roosevelt and I left for Washington with a heart made heavy by the fact that I could expect little except expressions of sympathy.

D-day was approaching, so before leaving London I recorded a speech to be broadcast to the Polish underground in France and Poles impounded into military or other service by the Germans, and urged them to facilitate the entry of United States and British forces into the continent.

I arrived in Washington June 5, 1944, and saw Under Secretary Stettinius on the first day. One of our first points of discussion centered around the tone of OWI broadcasts to Poland. They were consistently following the Communist line, which made our own job more onerous, so I said to Stettinius:

"It is unwise to adopt this approach to the Polish people. If you continue to call Russia a democracy you may eventually regret that statement, and your people will condemn you.

"Your Government once called Poland the inspiration of nations, but now the OWI calls the Communist forces just that. Please don't think we have not tried to make friends with Russia, for we have. Poland just does not want to become another Red satellite."

Stettinius took a lot of notes to be sent to President Roosevelt, and when I saw the President on June 7 I found him well prepared, though strikingly older and more exhausted than when I had met him with General Sikorski in 1941.

He had only a few months before agreed, we later learned for certain, to turn over to Stalin the huge section of Poland which the Red Army had invaded while an Axis partner, but his manner was one of great courtesy.

"Poland must be free and independent," he said.

"What about Stalin?" I asked him.

"Stalin is a realist," Mr. Roosevelt replied, lighting a cigaret. "And we mustn't forget—when we judge Russian actions—that the Soviet regime has had only 2 years of experience in international relations.

"Of one thing I am certain," he added. "Stalin is not an imperialist."

I thought to myself, "Here is the perfect idealist, but his faith in what Stalin is saying, and what Stalin is doing, is sadly misplaced."

PLEDGES SETTLEMENT

Roosevelt continued cheerfully. He said that personally he and Stalin had gotten along famously at their Tehran meeting; gotten along better, he added with a laugh, than did Roosevelt and Churchill.

He had personally brought up the matter of the Curzon line at Tehran, Roosevelt told me.

"Stalin wasn't eager to talk about it," he added. "I want you to know that I am still opposed to dividing Poland with this line, and that eventually I will act as a moderator in this problem and effect a settlement."

Roosevelt then explained to me what a "moderator" was and used, as an example, the role of a moderator in certain United States labor disputes.

"I understand, Mr. President," I said. "But in the case of domestic problems you are dealing with your citizens. You can settle matters by a bill or decree. But this would hardly apply to the current Polish problem."

POLAND'S WORRY, TOO

Roosevelt paused before he went on.

"I haven't acted in this matter because this is an election year. You, as a Democrat, understand such things." He laughed suddenly. "You know, I mentioned the matter of the forthcoming American elections to Stalin and he just could not comprehend what I was talking about. I guess he'll never become accustomed to understanding that there is a device known as free elections—by which political matters within one's country may be changed."

That was my worry, too, and I told the President just that. He was more thoughtful when he answered.

"In all our dealings with Stalin we must keep our fingers crossed," he said.

Then his mood changed again.

"You Poles must find an understanding with Russia," he said. "On your own you'd have no chance to beat Russia, and the British and Americans have no intention of fighting Russia.

"But don't worry," he added. "Stalin doesn't intend to take freedom from Poland. He wouldn't dare do that because he knows that the United States Government stands solidly behind you."

OFFERS GERMAN AREAS

The President looked at me seriously.

"I will see to it that Poland does not come out of this war injured.

"I'm sure I will be able to manage an agreement in which Poland will get Silesia, East Prussia, Koenigsberg, Lwow, the oil region of Tarnopol, and the oil and potash area of Drohobycz. * * * But I don't believe I can secure the city of Vilna for you."

I was tempted to repeat that what he was offering was land in exchange for sovereign Polish areas; that Russia had no more right to half our country than it had to that portion of the United States from the Atlantic to the Mississippi, and that more than 4,000,000 Poles had by that time died in the actual or spiritual defense of the land.

But the talk was turned to other things geographical, including his memories of bicycle trips through Europe as a young man.

MORE HELP OFFERED

In the end, Roosevelt asked me to see Stalin. I agreed instantly because I still hoped to achieve better relations. Roosevelt then messaged Stalin, asking him to

receive me. He gave me a nice send-off and urged Stalin's cooperation with Poland.

Before I left Washington Roosevelt generously offered to increase the scope of American aid to the Polish underground, a notable act, and I had made a short speech—in my halting English—at a White House dinner.

In the speech I said that my dream for the future Poland was to see it become a country whose people possessed that most priceless gift showered on the American people by their own hard work and honesty—freedom.

"As human beings we are essentially the same as Americans," I said. "We could be happy with only a tiny portion of your physican possessions. We could endure a much lower standard of living * * * if we could secure the freedom for which we fight.

"I should not limit this wish to Poland," I finished. "It is my hope that the United States precept of freedom will some day rule all European peoples."

Roosevelt might possibly have been surprised at Stalin's reply to his telegram concerning Poland, in view of the fact that he was sure of his role as moderator, Stalin wired:

"Thank you very much for informing me about your meeting with Mr. Mikolajczyk.

"It is to bear in mind that the establishment of cooperation between the Red Army and the Polish underground is undoubtedly now an essential matter. The solution of the problem of Polish-Soviet relations has a great bearing in this matter.

"You are familiar with the point of view of the Soviet Government and its endeavor to see Poland strong, independent, and democratic and the Polish-Soviet relations good neighborly and based upon durable friendship.

"The Soviet Government sees the most important promises of this in the reorganization of the emigre Polish Government which would provide the participation in it of Polish statesmen in England, as well as Polish statesmen in the United States of America and the Union of Soviet Socialist Republics, and especially Polish democratic statesmen in Poland itself, and also in the recognition by the Polish Government of the Curzon line as the new border between the Union of Soviet Socialist Republics and Poland.

"It is necessary to say, however, that from the statement of Mr. Mikolajczyk in Washington it is not seen that he makes in this matter any step forward. That is why it is difficult for me, at the present moment, to offer any opinion about Mr. Mikolajczyk's trip to Moscow.

"STALIN."

Flow of Venture Capital

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Monday, February 2, 1948

Mr. MARTIN. Mr. President, on January 29 the junior Senator from Colorado [Mr. MILLIKIN] spoke in Philadelphia, at the forum of the Investors' League, Inc., and upon the request of several Philadelphians I ask unanimous consent that the address be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The assigned question is, How can we resume the flow of venture capital?

I suggest that the over-all answer is to be found in a completed decision of the American people for the restoration of the free-enterprise system.

Politically speaking, at the present time we stand half in and half out of the system.

The Congress, elected by the people in 1946, is working for the system while the President, succeeding a President also elected by the people in the preceding election of 1944, sends messages to the Congress which are valentines to the Wallacites and commemorative bouquets to the centennial celebration of the manifesto of Karl Marx.

This is the year for clarification and for redemption.

By his State of the Union message to Congress, the President spread out for public consumption, most all of the moldy and rejected political dishes of the last 15 years.

To the credit of Congress, on both sides of the aisle, it should be said that never in our history has a Presidential message been received with such noisy silence.

The President's notion of postwar income-tax relief is to give each income-tax payer and each of his dependents a $40 a year tax bonus credit.

Even though the President's specific plan is inadequate and badly conceived, we may take some pleasure in his belated and reluctant conversion to the policy of Congress in this session and twice affirmed last year and twice vetoed, to give especially favorable consideration to our citizens in the lower income brackets.

To determine whether this proposal soundly and fairly protects the interests of all of our citizens who support the Government by payment of income taxes, let us take a look at the present burdens on those in the middle and upper brackets, take a look at the increase in those burdens since 1939, and the extent to which they would be lightened if the proposal were adopted—which it will not be.

When I refer to income, it is net income before exemption and credit for dependents. It is assured that the taxpayer is married and has two dependents. For the purpose of my point, this puts the figures in the worst possible light.

In 1939, the taxpayer with income of $10,000 paid $343 for Federal income taxes and under present rates he pays $1,862. The President would relieve his burden $160.

The taxpayer with income of $15,000 paid $831 in 1939 and under present rates pays $3,638.50. The President would relieve his burden $160.

The taxpayer with income of $20,000 paid $1,469 in 1939 and under present rates pays $5,890. The President would relieve his burden $160.

The taxpayer with income of $50,000 paid $8,621 in 1939 and under present rates pays $24,111. The President would relieve his burden $160.

The taxpayer with income of $100,000 paid $31,997 in 1939 and under present rates pays $62,301. The President would relieve his burden by $160.

The taxpayer with income of $100,000 paid $303,568 in 1939 and under present rates pays $406,600. The President would relieve his burden $160.

The taxpayer with income of $1,000,000 paid $678,436 in 1939 and under present rates he pays $838,850. The President would relieve his burden $160.

It is now apparent, I believe, that the income taxes in the middle and upper brackets in 1939 were already heavily punitive, and that sharp increases have been added since that time.

And now it can be readily seen that under the President's tax reduction philosophy whereby increases in taxes are to be shared under sharply progressive rates and decreases are to be shared by the grant of a flat, across the board, equal per capita credit, all income taxpayers, other than those in the lowest brackets, might as well resign themselves to their oars in the galley. For those taxpayers it is "Heads, I win, tails, you lose."

And this is precisely what the left-wing politicians, drooling for the opportunity to destroy the free enterprise system and to bring everyone to equalized poverty, have been working and praying for.

It is indeed lamentable that a President of the United States, supposed to represent all of the people and to protect their welfare, would turn his back on his sounder advisers and go for that kind of destructive error.

There are fair ways to eliminate and lighten the income-tax burdens of those in the lower brackets.

For example, out of $4,100,000,000 of income-tax reduction provided in H. R. 3950, which was the second tax-reduction bill passed by the Congress last year and vetoed by the President, $2,572,000,000, or 63 percent, would have gone to taxpayers with incomes of less than $5,000 per year.

Last year those facts so crippling to demagogic argument, were studiously obscured or brazenly denied by those who were opposing our efforts to reduce income taxes.

In my opinion, our next income-tax-reduction bill which will be passed during the present session of Congress, will remove entirely from the rolls several million taxpayers in the lower income brackets, will provide for relief to all income taxpayers all the way along the line including the right to married persons to split their incomes and again will assure that the greatest percentage reduction and the greatest amount of money reduction shall go to those in the lower brackets.

But the President made two low bows to the extreme leftists. He proposed to recoup the loss of revenue which would result from his flat, all the way across-the-board $40 tax credit out of the profits of our corporate employers.

Thus was touched off the official 1948 election-year rebirth of the "hate profits" and "hate your employer" themes which brought this country to economic dead center in the thirties and which, if sanctioned by the people, will ultimately destroy the free-enterprise system and the Government itself.

Also, there is a second barrel to this proposal. By reducing the revenues by one method and equalizing the loss by another, it is intended to be sure that there will be no net tax reduction at all and that the high spending by the President's agencies shall continue without the slightest restraint.

The people observed, and I believe they will remember, the frightful results of the hate campaigns of the thirties.

Their effect was to discourage the pay-roll makers, to dry up investment, to prolong massive unemployment, to force mendicancy on decent citizens, to make the Government the grand almoner, to pile up debt, to introduce class hatred, and to afflict our economic system with a wasting anemia which for the first time since the 1860's halted the previous and fabulous rise in the American standard of living.

The war compelled a halt to those divisive and destructive hate campaigns. The results afforded a startling contrast to, and condemnation of, what had been going on in the thirties.

The executive department of the Federal Government, after fumbling around and getting nowhere with its own pet "long hairs," was forced to call in the Nation's industrial and business leaders who had been trained in the free-enterprise system.

They found Uncle Sam flat on his back, bound hand and foot with the red tape which had been wound around him by a crawling horde of Lilliputian bureaucrats.

With the cooperation of patriotic workers they cut him loose, got him on his feet, and got him going. Unshackled Uncle Sam, again lean, sinewy, clear-eyed, and star-spangled, came through with the mightiest production effort of all history.

From a standing start, he armored his fighting sons with food, clothing, medical care, and fighting tools far superior to anything ever known in wartime.

We sent armadas of goods to our allies, which in a happier day were acknowledged by them as having turned the tide. While bearing the burden of war production, we maintained a higher standard of living here at home than ever before.

Then the free enterprise system received another test. The transition period was approaching. The leftist planners simply could not tolerate the thought that the productive exuberance of private enterprise would be equal to the task. We were to go back to the stagnating economy of the thirties and the depressed standards of living then prevailing and we were to like it.

To chill the marrow of our bones and to condition us into acceptance of their "crutch, cushion, and planned interference" nostrums, the planners conjured out of thin air the grim picture of 8,000,000 unemployed promptly following VJ-day, the same as in the thirties.

In Congress we were confronted with legislative proposals which in operation would certainly have assured that result. But, thank goodness, the Congress did not give them their laws.

Once more, the free enterprise system went to work, and for this dreaded transition period came up with production levels surpassing what had been thought to be the unsurpassable levels of the war years.

Once more we have not only taken care of our own with the highest living standards in all history but at the same time have fed the world's starving, have sent billions of dollars' worth of goods and credit all over the world to aid the economic rehabilitation of stricken and devastated countries. And I believe that we shall continue to do more of the same thing but on a more efficient basis.

And where do the enemies of this system go for their inspiration? To the Old World countries which are operating under the very philosophies which they would fasten upon us and which must now come to the free enterprise system of the United States for their salvation from complete collapse.

One of these days we are going to have a President in the White House who will recognize and give due weight to the fact of enormous significance that about 40,000,000 of our 60,000,000 workers have many thousands of corporate employers.

With a full and fair recognition of this fact, that President will align his influence against "hate your employer" and "destroy profits" campaigns. He will make it clear to those who are misled that if profits are hobbled, pay rolls are hobbled; that ceilings on wages must follow ceilings on profits.

He will make clear the need for incentive investment, necessarily resting on the expectation of profits commensurate with risk, in providing ever more and better tools to ease the labors and increase the output of the worker.

He will explain this self-evident fact—and if a sincere man he will be believed—that the interests of the worker, the investor, and the corporate or individual employer are all tied together.

He will bring home the fact that if any of these inter-reacting interests are hurt, all of them are hurt; that if any of them are to be protected, all of them must be protected.

He will explain that competition, unpunitive taxation, and the jailhouse will take care of the hogs and the crooks and that labor itself has the federally protected power to take care of the oppressor.

When this occurs, and it becomes clear that the enormous prestige of the Presidency is not available to the divisionists we will again have a united people in these United States.

When this is done, there will be no question about how to stimulate the formation of investment capital. Such stimulation will follow automatically and there will be a new release of hope, energy, good will, and new advances in our standards of living greater than anything that has ever happened or has been contemplated in the past.

The economics of this Presidential proposal for limits on profits in peacetime standing by themselves, are plenty bad enough. But this proposal, in combination with the President's notion for the granting of an across-the-board $40 tax bonus, presents us with an incredibly fantastic nonsequitur. With one hand the President would distribute his $40 across-the-board tax bonus with the idea of increasing purchasing power, and with the other hand he would grab a source of funds needed for expansion of production to supply the increased demand which he wants to create.

True, such a tax will catch some monopoly profits, and some profits which are the result of gouging the consumer in a market characterized by unusual and temporary scarcities.

But it is certain to be discriminatory in its impact, penalizing the new and developing business upon which economic progress so largely depends.

We should always remember, I suggest, that high profits are not necessarily excess profits. High profits may be the reward of unusual enterprise or a payment for the assumption of a great risk. In these cases, high profits are a necessary payment from the social and economic point of view. They must be paid in order to get the job done.

Because even a well-drafted excess-profits tax law cannot distinguish adequately between high profits which are necessary in this sense, and those which are not, the excess-profits tax has long been regarded as inappropriate for peacetime.

Republican and Democratic Secretaries of the Treasury alike have condemned excess-profits taxes in peacetime. No more vigorous expression of it can be found than in the statements of the present Chief Justice of the Supreme Court when, as Secretary of the Treasury in the Cabinet of President Truman, he appeared before the Senate Committee on Finance in 1945, to recommend the repeal of the wartime excess-profits tax.

Among other statements, Mr. Vinson made the following:

"Repealing the excess-profits tax means getting out of the tax system a tax which certainly in its present form has no place in the peacetime system. The case against the excess-profits tax for 1946 goes beyond the facts that it is primarily a wartime control and that it is erratic and inequitable. It is also an obstacle to that reconversion and expansion of business which is so necessary for a high level of employment and income."

And again Mr. Vinson said:

"The over-all impact which this tax is likely to have on business planning as well as business profits constitutes a serious threat to our postwar employment objectives. The testimony of businessmen is that they are unable to take the risk of full peacetime business expansion until this tax has been removed. That testimony comes not only from corporations subject to the excess-profits tax; indeed, it comes primarily from businessmen contemplating organization and expansion in competition with established corporations."

The accuracy of Mr. Vinson's judgment that the removal of the excess-profits tax would be a stimulus to business expansion is borne out by the statistical record.

Between January 1946 and November 1947 the personal income of the individuals in this country climbed from $169,000,000,000 to $205,000,000,000. In the same period the Federal Reserve industrial production index climbed from 160 to 192. Construction contracts awarded, as reported by the F. W. Dodge Corp., have increased from $358,000,000 in the month of January 1946 to $715,000,000 in the month of November 1947. The removal of the wartime excess-profits tax made funds available without which such business expansion could not have occurred.

The excess-profits tax proposed by the President would set a precedent for the peacetime use of a form of taxation which has a strong repressive effect upon the incentives motivating the American economic system.

True, we are told that it is a temporary measure, to be repealed when the inflation subsides or when budgetary requirements permit.

However, as has been pointed out, the tax frustrates the temporary merit claimed for it in connection with inflation, and I am suspicious of the claim that we can get rid of it when inflation subsides.

It is now routine for one executive emergency to pant on the shoulder of the next one to come. We might as well be practical and adjust ourselves to the fact that under our present executive department "emergency" and "normality" are synonymous terms.

A tax which has become entrenched is extremely difficult to dislodge. Proposals for its repeal or reform are invariably met by the objection that the revenues cannot be spared. We should avoid establishing this peacetime precedent for a tax which on an emergency or long-term basis fails to meet the tests of equity and sound economics.

As is well known, the major normal source of venture capital in the free-enterprise system is in the savings of those in the middle and upper income brackets. The income of the managers of our economy is in those brackets and they must find their rewards and incentives in what is left after the tax collector gets through with them. The President's tax program is either oblivious or indifferent to this fact and to its enormous importance.

Today we face a situation in which the flow of goods and services is inadequate to meet demands, a situation characterized by rising prices, sharp increases in the cost of living, and all the inequities and hardships which these changes produce.

We should attack the problem on a wide front. But among the remedies that of rapidly increasing production is the one best fitted to the free-enterprise system for the simple reason that it does not arbitrarily reduce demand to fit the output of a reduced and less-efficient economy.

Today and tomorrow the continued advance of the standard of life of this country will depend primarily upon increased production. This calls for the continuing investment of very large sums in new plants and equipment.

It is not just a problem of replacing the equipment which is wearing out, with something that is just as good. New and better equipment must be built and financed.

It is not just a matter of going on expanding the production of the same articles and services which we now consume. New and better products and services must be developed, and this process involves the assumption of very substantial business risks.

We cannot progress if we merely continue the existing patterns of management. New techniques must be developed and applied. Such changes in technique require not only the assumption of unusual business risks,

but also unusually hard work on the part of those who plan the new techniques and put them into operation.

This is why the incentives which we offer to the men who can perform the work and assume the risks of new and developing business are of critical importance to the future of this country.

This is why I suggest that the effect of our taxes upon incentives is among the most important of the tests which our tax system must face. Unfortunately the application of this test to our present Federal tax system yields rather discouraging results.

Observe, please, the repressive effect on incentive of the levy on individual net incomes. This tax alone produced nearly 54 percent of the total Federal tax revenues in the fiscal year 1947. The Treasury estimates that this tax alone will produce about 55 percent of the total in 1948 and 1949.

It is a tax which falls heavily upon the great bulk of managerial rewards and of distributed business earnings.

As has already been noted, one of the most obvious characteristics of the individual income tax is the extreme progression of its rate schedule. We all have a general idea that this is so, but most of us are not really sharply aware of its extent or significance.

I believe the best way to present the situation to you is to invite your attention to the so-called marginal rates, that is, the amount of tax collected on additional dollars of income received by persons in different income brackets.

These marginal rates are the ones that are critical from the point of view of incentives because they show how much of the extra reward for extra effort the individual taxpayer will be allowed to keep.

Most of us are aware that the rates range from 19 percent at the bottom of the scale to a maximum of 86.5 percent. But do we appreciate the fact that an individual receiving a surtax net income of $10,000, who obtains additional net income of $1,000, must pay 36 percent of it to the Federal Government alone?

Are we aware that a person whose surtax net income is $25,000, and who earns an additional $1,000, must turn over 56 percent of the increase to the Federal Government? Do we realize that a person whose surtax net income is $50,000, and who earns an extra $1,000 must pay 71.3 percent of this $1,000 to the collector?

The effect of rates like these upon the willingness of individuals to work, to save, and to assume business risks is all too obvious.

I believe that the current stock market, among other things, reflects the unfavorable effects of these rates upon the willingness of investors to assume business risks. The market is sluggish and shows a marked preference for securities with a low degree of risk. State and municipal issues sold in 1947 were $2,200,000,000 as compared with $1,000,000,000 in 1946. Corporate bonds and notes sold during 1947 totaled $3,300,000,000 as compared with $2,000,000,000 the previous year. On these two items, which represent securities with a comparatively low degree of risk, the 1947 financing was over two and one-half times that carried out in the previous year. On the other hand, the sale of equities dropped from $1,500,000,000 in 1946 to $1,200,000,000 in 1947.

The average yield on new securities has been increasing for some time, and the spread between the rates paid on issues involving a greater degree of risk and those of the gilt-edged variety is now substantially larger than it was a year or so ago.

All this is evidence that the business community is having difficulty obtaining risk capital, and in my opinion this situation is attributable in no small degree to the severe marginal rates now imposed under the tax on individual net incomes.

If as a result of tax penalties of this size, the managers and owners of our business enterprises relax and fail to put forth their best efforts, our attack upon the current problem of scarcities will fail.

If because of these tax penalties the investors of our society are unwilling to assume the risks of starting new enterprises and bringing new products into the market, the tempo of business is certain to decline, and the rate of progress of our economy will slow down to the detriment of all the persons who make up our society.

Appreciating these facts and their impelling urgency for action, I believe the Congress will give priority to income-tax reduction.

I would not have you think, however, that the Congress is insensitive to other defects in our tax structure.

In our search for tax influences which impede the flow of capital and incentive for new plants, new tools, new techniques and new venturesome approaches without which we cannot go forward, we do not look exclusively to the field of income taxes.

Our excise-tax system, for example, is loaded with a hodge-podge of regressive levies and inequities.

Included among the suspects are double taxation of dividends, loss carry-over periods which may be illiberal, discriminating notch provisions, insufficient tax incentive to small business, too much inflexibility in allowance of depreciation charges, uncertainty over the application of tax on excessive accumulation of surplus.

These and many other matters are under study in the House Ways and Means Committee, aided by an expert advisory group.

We look forward to surpluses which will warrant reductions and corrections in addition to those involved in the first step of income-tax reduction.

Taxes are now so high and the evils of this are so manifest that the situation calls for truly massive reductions. But we will be unable to enter all of the gardens of this heaven in one jump.

First, reasonable debt reduction accompanied by income-tax reduction, and then as soon as possible relief in other fields, as surplus after reasonable debt reduction again becomes available through elimination of waste and useless functions.

The expenditure side of the budget obviously is of equal importance with the revenue side. Thus zeal for tax reduction must be matched by zeal for a less expensive Federal Government.

Finally, when this world gets itself durably postured for peace and our budget is thus freed of the terrific costs of interim watchfulness and foreign-help programs, we should be able to complete the job of reducing taxes to a point where they no longer menace the free-enterprise system.

This, of course, assumes that the people later this year will provide their completed decision referred to at the outset of my talk for the continuance of this system.

Challenges to Democracy

EXTENSION OF REMARKS

OF

HON. A. WILLIS ROBERTSON

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, February 2, 1948

Mr. ROBERTSON of Virginia. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject Challenges to Democracy, delivered by me on Friday, January 30, 1948, at the annual meeting of the Danville, Va., Chamber of Commerce. In these remarks I undertook to discuss the Marshall plan and inflation.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is a great privilege and a high honor to address the leading business and professional men of an old and historic Virginia city, whose origin was a small village on the banks of the Dan in pre-Revolutionary days when tobacco was not only the cash crop of the section, but was used for currency, and when the only market for that tobacco was the mother country.

In order that the local tobacco might be inspected and graded for market at a point closer than Richmond or Petersburg, the Virginia Legislature in 1793 authorized an inspection station to be located at Wynne's Falls on the Dan River, the site of the present city of Danville.

My earliest participation in politics was in support of that brilliant son of Pittsylvania County, Claude Augustus Swanson, when his seat in the United States Senate was being contested by my equally illustrious predecessor, Carter Glass. When Claude Swanson, who with great distinction had served his State and Nation as a Member of the House of Representatives, as Governor, and as United States Senator, died, as Secretary of the Navy, the flag of the United States went to half-mast all over the world. His spectacular rise from obscurity to national and international fame can appropriately be explained by only one word "genius."

Because of the leadership furnished in State, national, and foreign affairs by men like Swanson, Rorer James, and other distinguished sons of Danville and Pittsylvania, I have been privileged to know for the past 40 years, I have decided to discuss with you tonight the two major problems now confronting our Nation—international cooperation, to preserve the future peace of the World, and inflation control, to preserve the soundness of our economic system.

THE MARSHALL PLAN

At a high price in blood and treasure we won World War II but we have not won the peace for which those sacrifices were made. At the San Francisco Conference in 1945 we helped to frame a blueprint for international cooperation which was intended to be our major reliance for winning the peace. It has disappointed us. The veto power of the permanent members of the Security Council of United Nations to which we not only agreed but upon which we insisted was intended by us and Great Britain to be power in our hands to veto future war. It has been utilized by Russia to veto peace. We are now convinced that as long as Russia continues to hold that type of veto power there is no hope for the successful functioning of United Nations, a situation which could have been anticipated in the fall of 1945 because between August 17 and October 3 Russia indicated on six different occasions that she had no cooperative spirit.

Nations can drift into war but they cannot drift into peace. The relations between Russia and the democracies of the world are becoming more and more strained. In spite of the one world contemplated by the Charter of United Nations, the world is now very definitely divided into two parts with a major portion controlled by the democracies which prefer peace and the remainder by the Communists, who are bent upon expanding their sphere of influence. Two costly world wars could have been prevented if the democracies of the world had united in taking a firm stand at the proper time and proper place, against German and Japanese aggression.

When our friendly overtures to Russia to cooperate for the establishment of one world dedicated to peace were rejected, when Russia on 22 different occasions used her veto power in violation of the spirit of United Nations for peaceful cooperation, and when Russia deliberately violated the provisions of the Atlantic Charter, to which she was a party, with respect to the recognition of the integrity of smaller nations and violated her agreements at Yalta and Potsdam with respect to boundaries and free elections, we became convinced that the only practical means of checking trends that would ultimately lead to another conflict would be the economic rehabilitation of the countries of Europe who preferred peace to war and individual freedom to state tyranny. As a basis for cooperation Secretary Marshall proposed in his now famous speech at Harvard on June 5, 1947, that all nations of Europe who shared our ideals for peace and were willing to cooperate to that end should unite in formulating a program for their own postwar recovery and then indicate to us what aid they would need from us and the nations of the Western Hemisphere in implementing such a program.

In spite of determined efforts by Russia and her satellite nations to sabotage that program, 16 nations met in Paris and formulated a program along the lines indicated by our Secretary of State. When that program was received by our State Department, committees of the ablest business and industrial leaders of the Nation were formed to analyze the request for aid from the standpoint of need, from the standpoint of self-help which we were entitled to seek, and from the standpoint of our ability in terms of goods as well as of dollars to finance a European recovery program. As a result of the work of those committees the request submitted to us by the 16 nations in question was materially scaled down and our ability to finance a reduced program of that character was carefully appraised.

A conclusion was then reached that we could finance over a period of years an adequate aid program the cost of which for the first 15 months of a contemplated 4-year period would not be in excess of $6,800,000,000.

No one, of course, in estimating needs which run into billions—a sum beyond the actual comprehension of the human mind—can say with any degree of certainty whether the figure agreed upon is so many million dollars too much or so many million dollars too little. We merely know that those responsible for analyzing this program have given it as their deliberate and best opinion that the sum of $6,800,000,000 is the minimum. It may well be that some millions and perhaps some hundreds of millions could be trimmed from that program, but the burden of proof is upon those who claim that it could be reduced by one billion, by two billion, or by $2,800,000,000, to substantiate their position. An aid program which is inadequate will be money wasted.

Personally, I favor aid that will be both adequate and timely because in this emergency time is of the essence. The reason I favor such aid is that I think now is the time for us to take a firm stand on the subject of Russian expansion in western Europe. Russia within a period of 5 years will have not only the secret of the atomic bomb but a supply of those bombs, and in the hands of an aggressor that will be a weapon more terrifying than anything Hitler had. Our possession of the bomb does not disturb Russia. She knows we will never use it for purposes of aggression. What she does not know and what she now needs to be told in no uncertain terms is where we stand with respect to future aggression in western Europe. That is a message that mere words will not convey to the Russian mind and the Russian understanding.

However unpleasant the choice may be the alternative rests between rehabilitation of the 16 nations in Europe on the one hand and the development of a military establishment with which Russia would hesitate to contest on the other. Either plan involves a calculated risk; both plans cost money and involve sacrifices. Of the two plans I feel that aid to European recovery will be less expensive than a military establishment, the maintenance alone of which by 1952 is now estimated to cost in that year and each succeeding year the total of the proposed Marshall plan. And regardless of what military establishment we may succeed in building, I am convinced that it would merely postpone and not prevent World War III, and that should World War III come there will be no victor.

But in giving my support to the Marshall plan I associate myself with those who believe that we should control exports and not ship abroad food or other scarce items in a manner that would unduly contribute to an inflation that would be calculated to end in a disastrous depression. A maximum of our supplies should be tools with which Europeans can help themselves and a minimum should be consumer goods—a destroyer of production incentive. For instance, the 32.4 percent of the total proposed aid for the 4-year period to be spent for food needs to be reexamined. Of the 16 nations Great Britain is the only one which over a period of years has been dependent upon food imports. The nations of western Europe did not stop eating in 1932 when we exported to them only 20,000,000 bushels of wheat. Last winter the weather in Europe was the worst in 50 years. Last winter the black market in Europe was the worst in 100 years. Last winter currency inflation in Europe was the worst in all history—but this year crop prospects in Europe are excellent and in asking our aid the 16 nations promised currency reform and the elimination of black markets.

I also think that organizations should be set up both here and abroad to so administer and supervise the aid program as to give it the best possible chance of accomplishing the desired result. In Europe such an organization would be comparable to the organization which formulated the aid request at Paris with emphasis upon the inclusion of the leading business and industrial experts of the countries in question. And in the event of the creation of such a foreign administrative body, it would be the part of wisdom for us to create a similar administrative body in this country to the end that priority be given to sound business principles and likewise for the purpose of counteracting the Russian propaganda that the program in question is a purely political program on our part inspired by a spirit of imperialism and administered for the purpose of making dependents and satellites instead of coequal partners of the respective nations.

I am likewise of the opinion that if we go into this undertaking at all we should do so for the same purpose and with the same spirit in which we fought World War II in which most of these nations were our friends and allies. It was our war as well as theirs. They were fighting for survival and we were doing the same thing. Russia now threatens their future freedom in the same way that Hitler did, and by the same token threatens ours. I have yet to see a well-informed man who did not believe that if Russia dominated the skills and productive capacity of the 270,000,000 people of western Europe that she would then be a greater threat to our future security than the Axis powers ever were. If the proposed aid to Europe is not in keeping with our enlightened self-interest it has no validity other than food donations from a humanitarian standpoint. But if the program is to promote the cause of peace and thereby our security as well as that of western Europe, and clearly it is, we should treat the nations of western Europe as partners in a joint enterprise and not ask them to accept humiliating restrictions upon our aid or attempt to make them crawl to us in a spirit of humble supplication.

The essential characteristic of democracy is self-government. The democracy of the nations asking our aid is changed in degree but not in kind from that of ours. In supporting their form of democracy we are likewise supporting our own. Possibly less than 10 percent of the people of any of the countries in question would prefer to exchange their democracy for communism. Nothing short of economic disaster in the midst of which men are willing to trade ballots for bread would cause the majority of the countries in question to vote to give up self-government for totalitarian government. And the people of western Europe recognize even more clearly than we that they can vote on that issue only once, because once a totalitarian government is established it maintains itself in office by force. Of course, if any recipient of our aid abandons the right of its people to self-government, it would be a proper justification for the withdrawal of our aid.

I am likewise of the opinion that a union of the countries of Europe, as proposed last week by Mr. Bevin and Mr. Churchill, will be essential to the success of the Marshall plan. I seriously doubt if there can be any sustained prosperity in western Europe without currency reforms and a break-down of trade barriers, racial prejudices, and extreme nationalism among a group of European countries that are too small to be a successful economic unit.

In fact, conditions have so changed in world affairs that I do not believe any nation in the postwar world will be large enough, strong enough, and with sufficient natural resources to be a self-contained unit, and that applies to Russia as well as the United States.

Free trade between 48 States in this country has made us the best market in the world for our own products as well as those of other nations. The 16 nations of the Marshall plan group in prewar days controlled about 50 percent of the world's trade and were the major market for our exports. Trade among these nations which will stabilize their economy and promote their prosperity will likewise make of those nations better customers for our goods and not harmful competitors.

I do not have to sell that idea to our tobacco farmers, but it does have to be sold to some of our manufacturers.

INFLATION

Second only in importance to our foreign policy to win the peace is the domestic problem of controlling inflation. In fact, the two are closely related because the higher prices go, the higher the cost of aid to Europe and the higher prices go, the greater the danger of a period of deflation in which we could render no aid to anyone and perhaps would face a major struggle to preserve our own democracy.

I am convinced that Russian leaders are acting under two misapprehensions in a refusal to cooperate in postwar rehabilitation which is hurting the standard of living in Russia as well as in all parts of the world.

The first misapprehension relates to the loyalty to this country of organized labor. The Russians think that Communists can control the labor unions of our country. That is a false and malicious slander upon the American workingman who in World War II surpassed all production records the world has ever known and who would be equally loyal and patriotic should our liberty again be challenged.

The second misapprehension is that we are headed for an inevitable depression which will wreck our economy. My personal opinion is that certain price readjustments are

now overdue and inevitable. Some think that they will occur before the end of 1948. Many think that they will come some time during 1949.

A good harbinger of what is in store for the general economy is the trend of farm prices, which are the last to feel the effects of inflation and the first to feel the effects of deflation. For many years the total national income has ranged from six to seven times that of the farm income, although those in the farm group comprise approximately one-fifth of our population. In 1947, when the cash farm income of $30,300,000,000 was the highest in history, the total national income was approximately six and one-half times as great. In 1947 the unparalleled increase in the price of grain, beef, and hogs accounted for the increase of total farm income. In 1948 there will be fewer cattle marketed and normal crops of wheat and corn will send the price of those food grains much below current levels.

Recent studies disclose that in 1947 the indebtedness of Virginia farmers, including mortgage debt, short-term unsecured debt, and consumer credit, increased, meaning, of course, that Virginia farmers spent all they earned and then some more. And that is generally true throughout the years of the American farm group and is the reason loss of purchasing power of the farm group is so quickly reflected in the prosperity picture. If the cash income of farmers in '48 should fall by as much as $2,000,000,000, we may look for a drop in the total national income of approximately $14,000,000,000, and that will signal the end of the boom. From then on our major undertaking will be to stabilize prices at a level which will permit us to carry our war debt and to finance a Federal budget approximately 80 percent of which will be for past wars and future defense. If we lose that stabilization fight we will slide into a depression and sliding down hill is sometimes a faster process than pulling up hill in good times.

The readjustments I have just mentioned have already occurred with respect to such farm products as fresh fruits and vegetables, dried fruits, canned goods, tobacco, and other items in lesser degree.

An acute shortage in the 1947 corn crop, plus unusual exports of wheat limiting that grain as a feeding substitute has caused a temporary rise in food products produced from grain such as milk and its products, eggs and meat. We still have more food of every kind than we had before the war and if the alleged acute shortage of beef should occur in the coming spring months we will still have a per-capita supply of beef of 20 pounds greater than in 1939.

For the past 3 weeks I have closely followed the hearings of the Banking and Currency Committee, listening to the testimony of witnesses pro and con on the subject of preventing a further rise in prices and perhaps of reducing them. I am firmly convinced that the occasion for the price rise in certain farm products when the prices of other farm products are so rapidly falling is so fundamental that the situation cannot be reached and cured except in a fundamental way, namely, through increased production or a voluntary curtailment of effective demand. I recognize how burdensome the high cost of living has become to a large segment of our people. I am keenly and acutely conscious of that problem. If I knew any legislative fiat by which a fair and stable economy could be substituted for inflation, I would not hesitate to support it. But I believe in intellectual honesty and, with all due deference to those who view the problem differently, when my study of proposed solutions leads me to believe that what is to be offered to the people is a stone, I cannot call it bread.

The testimony presented to our committee convinces me that rationing by itself would be utterly futile and that complete rationing coupled with complete price control all the way from the producer to the consumer level would be futile without a larger army of regulators and enforcement agents than we had in the postwar days of the OPA. In spite of the best efforts of OPA to hold the line in September and October of 1946, it is now admitted that during that period 60 percent of the meat sold in this country moved through black-market channels. Edmund Burke said that nations do not learn by experience, but that experience is so recent and so vivid in the minds of all of us that I can't believe that the American people would care to risk a repetition of it. We now have in currency and bank-check money three times as much money as we had before the war. After eliminating what goes into savings and the fact that the white-collar group has less purchasing power now than it had before the war, it is generally agreed that as a whole there are approximately $2 of purchasing power in the market places for each dollar of goods and services, and as a result the present dollar ranges in value from less than 50 cents to approximately 66 cents of the prewar dollar. In many realms of service the present dollar, as compared with the prewar dollar, buys less than 50 cents worth of services. In the construction field the present dollar buys approximately 55 cents of construction. But when spent for food and clothing and the other items that enter into the cost of living, the present dollar buys 66 cents' worth as compared with the prewar dollar. It necessarily follows that the problem of price inflation cannot be solved merely by an attack on food.

Those not familiar with the extent to which farm costs have increased may be surprised to learn that while the cash income of our farmers in 1946 was then at a peak never previously reached their cost of production in that year exceeded their total cash income in the last prewar years. It now takes 55 cents worth of corn to add 1 pound of meat to the corn-fed steer. Yet most cattlemen in Virginia received last fall about 22 cents per pound for finished steers from grass, and are now getting from 25 cents to 26 cents a pound for corn-fed steers. In 1920 Virginia farmers paid 18 cents a pound for feeder steers and carried them for a year on high-priced feed and sold them in the fall of 1921 for 9 cents a pound. When Ezekiel was called to leadership over Israel he said: "For seven days I sat where they sat." Those in our cities who would like to take those hazards are welcome to try their hand at producing cheaper meat.

We want our farmers to increase the food supply for the Nation. But how can we control farm prices without stifling production unless at the same time we control all the costs of production—labor, machinery, fertilizer and transportation? But you couldn't end your controls there because the farmer gets only about one-half of the consumer's food dollar.

We have built the strongest Nation in the world under a system of free enterprise and under that system we have out-produced the world. But that is a system under which the fundamental laws of supply and demand are not unduly interfered with. It follows that to select a few items now in short supply for rationing or price-fixing or both ignores the intimate relationship between cost of production on the one hand and effective demand on the other in an economic system which is highly integrated. Not even the totalitarian power of Russia could make rationing and price-fixing work in the presence of an excess amount of purchasing power, so Russia, exercising the powers of a dictatorship, tackled one of the fundamental causes (too much money) by means of a capital levy—a process which would be unthinkable in a democracy.

The answer to inflation is clearly increased production and pending that production a spirit of patience, of unselfishness and, if need be, a patriotic self-denial. That is an undertaking in which all must share. What communism has done to Russia and what it is now attempting to do to Europe should be a warning to us. We must preserve our system of private enterprise. It is the love of God that sharpens the tools of justice; it is the love of freedom of action that sharpens our incentive to produce.

Prayer by Ministers Representing the National Fraternal Council of Negro Churches

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Monday, February 2, 1948

Mr. LANGER. Mr. President, I ask unanimous consent to have placed in the RECORD, at the request of Rev. W. H. Jernagin, the national prayer, prayed by the ministers representing the National Fraternal Council of Negro Churches, on the steps of the Capitol of the United States on January 7, 1948.

There being no objection, the prayer was ordered to be printed in the RECORD, as follows:

Our Father, the Father of all mankind: We come to this place today in Thy Holy Name. We come in sacred memory and deep gratitude for Thy goodness and mercy to us as a Nation. Thou has protected, and exalted this Nation, and permitted it to grow and prosper and sit in high places among all the nations of the world. We pray for all the peoples of Thine earth; for those who are consumed in mutual hatred and bitterness; for those who oppress; for those who groan under cruelty and subjection; for those who are hungry, cold, and shelterless the world over. We beseech Thy blessings for the outcast tribes, the ignorant, the wretched and the enslaved of all races and nations.

Thou God who has made of one, all nations to dwell upon the earth; and who, by Thy Son Jesus Christ, has broken down the walls of partition between Jew and gentile, slave and free, Greek and barbarian; break down, we pray Thee, all that divides Thy peoples one from another; shame our jealousies, lay low our pride; cast out all race prejudice, that the peoples of the world may be united in the bond of fellowship and mutual service, so that black and white, Jew and gentile, may live in peace together, in honor preferring one another to the glory of thy great name.

Help this Christian Nation to glorify the things of Thy spirit. Help us not to depend on material things for power. We need Thy protection and Thy guidance. We pray for the leadership of faith; for prophetic vision and the light of the moral mind, lest we lose our way and wander in darkness and despair, war and bloodshed. Send us men endowed with the grace of insight, the gift of interpretation and the accent of command, to guide the affairs of state.

Bless we pray Thee those who bear the rule and responsibility of our Government; the Executive head, his Cabinet, the Senators and Members of the House of Representatives, the governors and legislators of the several States that make up our Nation. May they feel keenly their obligations in making and enforcing laws for the protection of the life

and rights of all the peoples that make up this great Nation. Deliver them from narrow-mindedness, give them clear vision and understanding of their duties and the courage to perform them.

Help our Congress, now assembling, to consider grave and far-reaching questions, not to become a house divided against itself on questions that make for justice, progress, and peace. Help them to find a way to outlaw mob murder. Help them to enact laws that shall give to every man, woman, and child in this nation equal opportunity for education, work, and protection under the law.

Teach us all, Kind Father, how to live together in peace, no man exploiting the weak, no man hating the strong, each race working out its own destiny unfettered, self-respecting, and fearless before Thee as Father of all, unto the coming of Thy kingdom in righteousness and peace upon this earth.

In Jesus' name, we ask these blessings, and the forgiveness of our sins of commission and omission.

Amen.

Flood Control

EXTENSION OF REMARKS
OF
HON. JOHN H. OVERTON
OF LOUISIANA
IN THE SENATE OF THE UNITED STATES
Monday, February 2, 1948

Mr. OVERTON. Mr. President, I ask unanimous consent to place in the Appendix of the RECORD a portion of an address recently delivered before the annual meeting of the Mississippi Valley Association, in St. Louis, Mo., by Lt. Gen. R. A. Wheeler, Chief of Engineers.

Section 2 of the Flood Control Act of 1944 for the first time gave a Federal agency jurisdiction over drainage, which is of vital importance to a great section of the Nation, particularly in the eastern portion of the country, where millions of acres of land otherwise tillable and rich in fertility are in disuse because of the lack of drainage facilities. General Wheeler's address contains a discussion of this relatively new phase of our national resources development program, and it is that portion of his remarks to which I particularly desire to bring attention.

There being no objection, the matter was ordered to be printed in the RECORD as follows:

In the course of public service it is incumbent upon a Government agency, or an association such as this, to keep the people informed. In carrying out this responsibility, particularly in the light of the President's recent message on the state of the Union and his Budget message to this Congress, both advocating the continued conservation and development of our natural resources, I should like to discuss in some detail an important phase of our flood-control work which pertains directly to land resources, namely, drainage. Improved drainage is the natural complement of flood-control improvement—so much so, in fact, that flood control is not complete unless improved drainage of fertile lowlands is provided.

The war put a tremendous strain on our agricultural production and inevitably caused depletion of our land and soil resources. It was generally assumed that with the end of hostilities, agriculture, along with many other activities, would revert to normalcy and there would be a chance for land to rest and recover itself. Such has not been the case. Moreover, we now know that expanded agricultural production and intensive use of all cultivable land will continue for a long time, if not indefinitely. Not only must we supply food for export, but our own industries are becoming dependent more and more upon agriculture for basic raw materials. This situation contributes to prosperity in this country, but it also is a sober warning that we must make better use of available land and also bring into production marginal land that can be made usable through drainage. We cannot always wring ever greater crops from the same farm lands, no matter how well they are managed. But in the same agricultural areas of the United States where farming has been the long-established occupation and the facilities for handling farm production are available, there are hundreds of thousands of acres of fertile soil that can be brought into production by economically sound major drainage improvements.

This phase of flood control is not new. The Congress has long recognized this situation and in section 2 of the Flood Control Act of December 2, 1944, it specifically placed major drainage under the jurisdiction of the Corps of Engineers by providing "That the words 'flood control' as used in section 1 of the act of June 22, 1936, should be construed to include channel and major drainage improvements." Accordingly, major drainage improvements are eligible for authorization as Federal undertakings, "if the benefits to whomsoever they may accrue are in excess of the estimated cost." Our district and division engineers are fully cognizant of the importance of major drainage and are giving this subject careful consideration in their examinations and surveys.

This work, just like all of our flood-control work, is fully coordinated with the functions of the Department of Agriculture in the field of drainage and land conservation. Whereas our jurisdiction covers major drainage and channel improvements with large direct Federal interest, the Department of Agriculture has jurisdiction of Federal aid for extending drains directly to individual tracts of land. The two departments have established procedures to insure that the work of each complements the other without conflict or duplication.

In addition to the numerous authorized flood-control projects that involve incidental drainage improvements, the Corps of Engineers now has under way a number of projects designed primarily for major drainage improvements. Examples of these include projects located in Minnesota, Missouri, Arkansas, Kentucky, Tennessee, Mississippi, and Louisiana having a total estimated cost of many millions of dollars. Our program of investigations and examinations authorized by the Congress embraces many reports on major drainage improvements in other areas, as well as review studies with a view to supplementing the flood-control and drainage projects that have been completed or are now under way. Favorable reports for additional work of this character in western Tennessee and southeastern Arkansas are now before Congress. An investigation of this problem in eastern Texas is being prosecuted vigorously. The flood- and water-control problems of the flat regions of southeastern Florida are the subject of a report recently completed by our Jacksonville district. The Board of Engineers for Rivers and Harbors considered this Florida report at its January meeting and at the request of the Florida people will hold hearings in Florida early in February. Still other investigations are under way in the States of Washington and Oregon.

I have no doubt that time will show that practically every State in the Union has potential improvements of the character authorized by the wisdom of Congress in formulating the Flood Control Act of 1944. And before leaving this subject I want to point out that the examinations, surveys, reports, and final recommendations to the Congress for major drainage improvements will be prosecuted by the Corps of Engineers in the same democratic procedure followed in the authorization of flood control and river and harbor improvements—a procedure well known to you and thoroughly proven to be advantageous both to the people and to the Federal Government.

Disloyalty to American Consumers

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Monday, February 2, 1948

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter received by me from Benjamin C. Marsh, executive secretary of the People's Lobby, Inc., together with the enclosure.

There being no objection, the letter, with its enclosure, was ordered to be printed in the RECORD, as follows:

THE PEOPLE'S LOBBY,
Washington, D. C., January 6, 1948.

THIS CONGRESS MUST END DISLOYALTY TO AMERICAN CONSUMERS

To Members of Congress:

The cost of living will be the universal issue in 1948.

The release of atomic energy has determined the speed with which we must make necessary economic changes.

America must choose between a democratically controlled planned economy, and uncontrolled chaos.

The United Mine Workers Journal, July 15, 1946, stated:

"The only way to take the poison out of inflation caused by increased Government debt, is to levy capital taxes that will wipe out all or part of the debt. Otherwise it will really be boom and bust—OPA or no OPA."

John L. Lewis is correct that some form of capital levy, including much heavier taxation of land values, is inescapable, unless the national debt is to be repudiated, but that is not enough.

Establishing "parity" between farm and industrial prices, and providing unemployment insurance for a large part of workers, makes Government planning of the national economy, with public, cooperative, and private ownership, inevitable, if we are to escape chaos here, while we seek to end it abroad.

Democratic processes cannot survive chaos now, any more than they did in March 1933, when snap bills and substituting bond issues for ending economic bondage, started a course which made war and present postwar problems inevitable.

In the enclosed brief we point out:

1. Farm policies have failed.
2. Labor policies have failed.
3. So-called "private enterprise" has failed.
4. Fiscal policies have failed.

The bleakest reactionary knows we are headed for a bust—which can be averted by intelligent policies, including drastic taxation of swollen profits, personal incomes, and land values.

It is incumbent upon this Congress to enact legislation insuring production, but not through consumer's credit.

Basic reconstruction in America is a prerequisite to the European reconstruction to

which we are committed, because it is the only way to make peace possible.

Yours sincerely,

BENJAMIN C. MARSH,
Executive Secretary.

THIS CONGRESS MUST END DISLOYALTY TO AMERICAN CONSUMERS

On domestic policies, Congress has followed much of the pattern which brought Fascist controls in several European countries.

There is no reason to think America can prevent such controls here, if these practices are continued much longer.

America has two alternatives—a controlled economy, or uncontrolled chaos.

Government must adopt, and operate efficiently, policies which will insure reasonably full employment and production and a fair living standard for all, out of current income, without subsidies, regardless of pressure-group clamor.

1. FARM PROGRAM HAS FAILED

Secretary Clinton P. Anderson recently told the House Committee on Agriculture, studying a long-range policy for agriculture:

"We never used, nor are we using now, systems of soil and forest management that will sustain permanent, high-level productivity in the Nation."

The preliminary report of this committee states: "Since about 1920 the United States has had no clearly defined agricultural policy. Because of this, agricultural programs and activities have lacked an over-all guiding purpose and have been undertaken in haphazard fashion, one at a time, to meet each specific agricultural problem as it arose."

Albert S. Goss, master of the National Grange, discussing the three lines of defense of farming, told the Senate Committee on Agriculture:

"The first line would be to develop our marketing efficiency. We believe that this can be done so effectively that 80 or 90 percent of our trouble can be cured without calling on the Government for supports or other governmental aids."

On conservation, Mr. Goss told the Grange annual meeting in November:

"We must recognize that a system which pays cash bonuses to farmers for doing what good farmers ought to do anyway, and which does not reach the landowners who persist in allowing their soils to wash away, can hardly be considered the basis for a sound, permanent program."

The Department of Agriculture's Post War Policies Committee, recommended in January 1944:

"The agricultural production of the United States should be adjusted to national requirements with due regard for export demand and desirable imports.

"We believe that private property is a public trust, and that wherever public and private interests in land use conflict, the public interest should prevail."

In 1947, Government conservation payments to farmers were about $240,000,000; Government paid about $370,000,000 for wool, eggs, potatoes, and other farm products to keep up prices, and Government is loaning over $500,000,000 on wheat and cotton, to maintain prices, and paying high prices for farm products for foreign relief. About half of all farmers get 80 to 85 percent of total farm income, and of the increase in the selling price of farm lands, while agriculture's net income in 1946 was $18,089,000,000 and about as much in 1947. During 7 war years:

1. The selling price of farm lands increased nearly $25,000,000,000.

2. Farmers' financial assets increased over fourfold, to $22,077,000,000.

3. Cash receipts from farm marketings increased nearly threefold (193 percent) and were in 1946, $24,519,000,000.

2. LABOR POLICIES HAVE FAILED

The American Federation of Labor in its Weekly News Service (December 2, 1947) says average weekly earnings of factory workers during October was $50.97, but, "the 11-percent gain in average hourly rates and average weekly wages scored since October 1946, has meant nothing to the Nation's 13,000,000 production workers."

The United States Department of Commerce in its Supplement to Survey of Current Business (July 1947) reports that in 1946 personal income was 7.4 percent more than in 1944, but wage and salary receipts were 4.9 percent less, while proprietors' and rental income was 21.7 percent more in 1946 than in 1944.

In 1946 and before the war, wages and salaries were about 65.5 percent of total personal income, but they are now only about 63 percent.

Dividend payments conceal the relative income from ownership or control of property since, despite the requirement on distribution of profits, so much profits have been retained that surplus and undivided profits of corporations alone, are now close to $50,000,000,000, of which part is postponed income, payable at the discretion of directors or the insistence of stockholders.

Wage and salary earners, as such, do not have this cushion.

Wage and salary earners, in Government and non-Government employment, know that merely increasing rates of pay to increase the take-home pay is futile, as a method of increasing their purchasing power, without fiscal policies and economic controls to make increases last.

3. SO-CALLED PRIVATE ENTERPRISE HAS FAILED

It is not accurate to speak of "private enterprise" as long as we have private monopoly of land and other natural resources and of credit, our present patent and tariff laws, privilege fomented and maintained private monopolies, and trade associations designed to obtain for small and allegedly competitive enterprises the benefits of monopoly with immunity from antitrust and price-fixing laws.

There is now an illusion of prosperity based upon temporary conditions:

1. Depletion or near exhaustion of irreplaceable natural resources.

2. Mining the soil. The Secretary of the Interior states that every year about 600,000,000 tons of top soil are washed into the Gulf of Mexico.

3. Business inventories at the end of October were about $41,000,000,000.

4. People on small incomes have within the past 15 months used about $10,000,000,000 of their savings, chiefly to meet high living costs.

4. Consumer credit has increased to about $11,500,000,000.

6. Our exports have been running at the rate of $11,000,000,000 to $13,000,000,000 a year above imports, which cannot be kept up indefinitely.

7. Bank loans and investments were on November 1, $135,200,000,000.

The costly advertising campaign financed by industry on the "American way" shows industry knows the insecurity of that way, also markets will soon be falling off.

4. FISCAL POLICIES HAVE FAILED

Corporate profits after taxes, for the first half of 1947 were at an annual rate of about $17,000,000,000 or two-thirds more than the peak war year 1943, while surpluses and undivided profits of corporations are close to $50,000,000,000.

The United Mine Workers Journal, July 15, 1946, states editorially:

"Sooner or later thinking leaders of labor are going to awaken to the fact that, regardless of what has happened in America before, a capital levy tax is the only way out of the financial mess in which the country finds itself."

The "financial mess" is much worse now than when John L. Lewis made this statement:

Interest on the national debt is now over $5,000,000,000 a year, or about twice as much as spent on public education in the Nation.

Congress should recognize that the repeal of the excess-profits tax was in the same category as scuttling OPA. In the year after that betrayal, consumers paid $10,000,000,000 more for food and other goods than under OPA price ceilings.

The Mine Workers' Journal editorial also states:

"The only way to take the poison out of inflation caused by increased Government debt is to levy capital taxes that will wipe out all or part of the debt. Otherwise it will really be boom or bust—OPA or no OPA."

In times of genuine prosperity, or "fool's gold" inflationary prosperity, the national debt should be reduced every year at least two or three times as much as the interest on that debt; by $10,000,000,000 to $15,000,000,000 a year.

That would save $225,000,000 to $337,500,000 in interest every year.

A SEVERE DEPRESSION MAY BRING POLICE STATE OR SOCIALIZED ECONOMY

United States News, December 26, states: "Today, Government activity is the most powerful single force in the Nation's economy. Washington decisions affect the daily life of nearly everybody in the country."

It lists the number of aids and controls as follows: Business—aids, 11; controls, 16. Agriculture—aids, 10; controls, 3. Finance—aids, 6; controls, 6. Individuals—aids, 5; controls, 3.

Instead of free enterprise we have a policing state with a modified balance between aids and controls—Government subsidies to profit-making agencies and land speculators, and subsidies to the victims of exploitation.

A serious depression would make maintaining the present policing state precarious.

The alternatives then, as now, would be:

1. A police state with the police superseding both legislative bodies and courts.

2. A socialized economy with an over-all plan for all production, with due regard for desirable imports and necessary exports.

Unless plans are made now for such a socialized economy, a police state may result by default.

A planned socialized economy would include:

(a) Public ownership of natural resources; natural monopolies, such as the banking and credit system and transportation; and basic industries, such as steel, motors, much food processing and distributing, textiles, and manufacturing of building materials.

(b) Cooperative ownership of much distributive and some extractive and manufacturing agencies.

(c) A large segment of private ownership, including most farms.

(d) Allocation of materials and credit to essential uses.

(e) Taxing land values, big incomes and profits, instead of consumption.

The ERP Tobacco Program

EXTENSION OF REMARKS

OF

HON. A. WILLIS ROBERTSON

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, February 2, 1948

Mr. ROBERTSON of Virginia. Mr. President, in an address to a meeting of

tobacco growers at Danville, Va., last week, I reminded them of the fact that in the past approximately 40 percent of our tobacco crop has been exported, and emphasized the importance to them of the European recovery program, under which it is proposed to export nearly 2,000,000,000 pounds of tobacco over the 4-year period.

To further emphasize the part which tobacco is scheduled to play in the recovery program, both in preventing surpluses disastrous to our farmers and in providing the type of incentive needed to spur production in western Europe, I ask unanimous consent to have inserted in the Appendix of the RECORD an article from the Christian Science Monitor entitled "ERP Tobacco Program Linked to World Trade."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ERP TOBACCO PROGRAM LINKED TO WORLD TRADE

WASHINGTON.—The administration's European program calls for the shipment of American tobacco to Europe in considerable volume.

There have been reports that Europe would prefer to have more food and other goods, than to receive quantities of tobacco. There also have been rumors that American tobacco interests were pressing their product on the European recovery program to establish themselves on the European market.

The following information drawn from official sources may shed some light on the situation.

According to the State Department's commodity study, the amounts of tobacco scheduled to be sent to Europe under ERP are as follows: 50,000 metric tons during April-July 1948; 199,000 metric tons during fiscal year, 1948-49; 212,000 metric tons during fiscal year 1949-50; 202,000 metric tons during fiscal year 1951-52; 663,000 metric tons during 3¼ years of ERP.

MARSHALL STATEMENT

Secretary of State George C. Marshall, speaking at Atlanta, Ga., on January 22, said: "Tobacco is another staple that will be shipped to Europe in considerable volume. It is not as essential as food and clothing, of course, but even under austere living conditions and rationing it is found advisable to make some concessions to human nature. * * * Incidentally, I don't smoke. I did, but now I don't."

The 16 European nations in drawing up their original report on recovery needs listed tobacco as a necessary import. "Though not a food," it said, "it plays an important part in the international trade and in the balance of payments of a number of countries * * * the participating countries as a whole are big importers of tobacco from overseas sources, mainly the United States. Over the next 4 years an increase in European production of 30 percent as compared with prewar production is envisaged * * * total consumption is expected to grow and is reflected in estimated larger imports both from certain participating countries and from overseas."

The 16 countries that met at Paris estimated that their average prewar imports of tobacco reached 215,000 metric tons a year. According to Washington estimates the United States supplied 133,000 metric tons of this, on the average. This fiscal year, though, the United States is supplying these European powers with 182,000 metric tons of tobacco.

FOUR-YEAR PERIOD

While the 16 European countries did not outline where their tobacco needs should come from, they did estimate their individual and collective needs over the 4-year period as follows: 237,000 metric tons during 1947-48; 247,000 metric tons during 1948-49; 258,000 metric tons during 1949-50; 257,000 metric tons during 1950-51; 999,000 metric tons during 4 years.

The United States in its ERP report, however, has estimated their total import requirements (not only from the United States but globally) as follows: 278,000 metric tons during 1947-48; 328,000 metric tons during 1948; 328,000 metric tons during 1948-49; 343,000 metric tons during 1949-50; 344,000 metric tons during 1950-51; 1,621,000 metric tons during the same 4-year period.

The commodity report on tobacco that was submitted to Congress (along with the rest of the Administration's proposed program) has this to say about tobacco's place in Europe's recovery:

"Western European countries customarily import large quantities of tobacco, and the per capita consumption is relatively high, with a pronounced upward trend when sufficient tobacco is available. * * * All countries participating in the ERP program, with the exception of Greece, Italy, and Turkey must import either all or a large percentage of their tobacco requirements."

INTERNATIONAL TRADE

"CEEC recognized the importance of tobacco in the European recovery program, for its part in international trade, and in the balance of payments of a number of countries.

"The import requirements set out in the CEEC report appear reasonable with the exception of the zero requirement listed for western Germany, and no report for France and Switzerland. Included in the suggested revision of total import requirements is an allotment of 17,000 metric tons for western Germany for 1947-48 and increasing to 45,000 metric tons for 1950-51.

"The remaining amount of the increase in the CEEC import figures is accounted for almost entirely by an estimate of about 30,000 tons of imports for France and 10,000 tons for Switzerland, inasmuch as no figure was included in the CEEC total for these countries."

ADJUSTED PROGRAM

"The adjusted program based largely on CEEC information, where it was available, represents a consistent and conservative set of estimates. There is also every evidence that tobacco will be available to the full extent of requirements. The program from the standpoint of the United States is of vital importance in order that customary market outlets may be maintained.

"World trade in tobacco will also make a contribution toward general economic stability, and a reasonable supply of tobacco in European countries presumably will stamp out illegal traffic with tobacco as a medium of exchange."

According to this explanation and the comments of the Secretary:

The difference between Paris and Washington estimates are largely accounted for by the latter including estimates for France and Switzerland that were omitted in the former.

The United States anticipates a greater postwar preference for American blended cigarettes than has been Europe's custom.

From the United States standpoint ERP imports of American tobacco are "of vital importance" if the United States is to "maintain" its customary outlets.

By making tobacco or cirgarettes more available in Europe, the cigarette standard which covers much of Europe's black market may be eliminated.

Keeping Guard on Our Fisheries

EXTENSION OF REMARKS

OF

HON. HARRY P. CAIN

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Monday, February 2, 1948

Mr. CAIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Keeping Guard on Our Fisheries," from the Seattle Post Intelligencer of January 16. This subject is of real importance and interest to every Member of the Congress.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

KEEPING GUARD ON OUR FISHERIES

Encouraging progress is reported by Congressman HOMER R. JONES in his efforts to bring about the appointment of an Assistant Secretary of State charged with representing the interests of the American people in ocean fishery matters of international character.

This is of vital importance—not only because of the benefits which would be derived by the fishing industry from such a step, but because of its effect on the welfare and security of the whole Nation.

The Pacific Fisheries Conference, held in San Francisco last September, did not overstate the case in its "Policy for Fisheries—a Policy for Peace" when it declared:

"War or peace may hang upon the fishery clauses written into the peace treaty granted to Japan. Controversies over fisheries have led to war in the past. This danger is doubled today when nations compete for food in order to survive.

"Alone among industries, ocean fisheries are international affairs. In the fisheries alone, Americans compete in physical contact with men of other nations in areas where only international law applies—and few holds are barred * * *.

"Other nations recognize the international importance of fisheries, and the need for a firm voice in their behalf. They have ministers; we have subordinates. In our State Department there is no official of rank who can meet with the fishery ministers of other maritime nations on a basis of equality. Now, when we are granting a treaty of peace to Japan—the foremost fishery nation of the world—there is among our diplomats no authority competent to represent American fisheries."

The Seattle Chamber of Commerce has gone on record in support of the Pacific Fisheries Conference demand, and only this week laid the matter before the Western States Council as part of its program for the development of Alaska. Council approval would bring the concerted backing of all the chambers of commerce in the 11 Western States.

Meanwhile Congressman JONES has been enlisting the support of Senator ARTHUR VANDENBERG, chairman of the Senate Committee on Foreign Relations, and Senator ROBERT A. TAFT, chairman of the Republican policy committee.

Senator VANDENBERG has promised to urge the State Department to give urgent consideration to the matter, and Senator TAFT expressed deep interest in the subject when he visited Seattle last autumn.

Thus we have reason to be optimistic, but we must not be complacent. We must keep up the fight until it is won.

The urgency of the situation was well expressed by Miller Freeman, chairman of the Pacific Fisheries Conference, in his keynote address.

"Almost alone," he said, "America liberated the Pacific, but we do not ask that it be made an American lake. We seek only equal opportunity for our fishermen on this greatest of oceans, but an equality measured in realism which recognizes:

"1. Difference in standards of living.

"2. The iniquity of employing debased currency and debased labor as weapons of international competition.

"3. The rights of Americans in the markets of America.

"4. The preferential position which a record of conservation and protection confers in fisheries.

"Finally, that the young men of the Pacific, who redeemed the Pacific, will not be driven from the sea."

As Mr. Freeman observed so eloquently, we must see that "the things America bought with blood are not given away by visionaries," and an adequate fisheries secretariat is essential for that purpose.

Whisky or Bread

EXTENSION OF REMARKS

OF

HON. A. WILLIS ROBERTSON

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, February 2, 1948

Mr. ROBERTSON of Virginia. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Whisky or Bread?" from the Christian Science Monitor of January 31 last.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHISKY OR BREAD?

The House Banking and Currency Committee has thrown out a Senate bill to extend another month the President's authority to restrict distillers in the use of grain. Mr. Truman has countered with a vigorous message urging a further grant of powers.

Distillers have already tried to make their case in advance. They assert they use less than one-thousandth of 1 percent of the total wheat, and that their use of corn "does not deprive America or the world of a single slice of bread." This is deceptive part-truth.

The great bulk of grain is used on the farm. Percentages mean something only if they refer to grain which reaches the market. This is the grain that sets the price. This is what is available for European relief. Of the domestic commercial consumption, distillers have been using 17 percent of the corn, barley, rye, and sorghum.

The feed supply is so tight that whatever grains the distillers may bid up and buy risks that much wheat being fed to livestock instead of to people. In this situation any grain saved equals wheat saved.

The distillers say they should not be curtailed to save grain while European distilleries go right on using grain. Here they are half-justified, but only half.

When grain is desperately needed for starving people there is no logic or humanity in arguing that all distilleries should run full blast because some are not limited. We would urge that all the liquor makers in all the countries involved in the relief program should be curtailed alike, and that this proviso be made one of the conditions of American aid.

When the distillers cry that all this grain-saving talk is nothing more than a foot-in-the-door for prohibition they drag in a pretty stale red herring. There is no imminent likelihood of reviving prohibition—yet. But if the distillers want to give dry sentiment a real boost, they have only to brazenly mock the aroused humanitarianism of a people. For taking account of all shades of American attitudes, the most that can be conceded the liquor industry is that it is a tolerated business.

The Drift to World War III

EXTENSION OF REMARKS

OF

HON. CLYDE R. HOEY

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, February 2, 1948

Mr. HOEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "How Can We Stop the Dangerous Drift to World War III?" by Dr. Clarence Poe, a reprint from the Progressive Farmer of January 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOW CAN WE STOP THE DANGEROUS DRIFT TO WORLD WAR III?

(By Clarence Poe, president and editor)

Someone has recently written a book calling our present period The Age of Anxiety, and that seems to be correct. Our scientists and inventors and captains of industry have made inventions and discoveries that should make this the greatest era of both peace and prosperity humanity has ever known. We have the marvelous machines, the giant factories, the scientific knowledge, the quick transportation, the highly trained workers. And yet we do not have peace * * * only a small part of the world (our part) has reasonable prosperity * * * and a great part of the human race lives under the dread that our military and political leaders, while professing (and probably sincerely wanting) to promote peace are nevertheless pursuing policies that somehow seem to bring us ever nearer to war.

I

And what causes war? Two things—hate and fear. Perhaps we might say three things: 1, Hate; 2, fear; 3, military preparations to wage war. If another man and I increasingly hate each other, and increasingly fear each other, and increasingly arm ourselves with deadly weapons, there is danger of death between us. And so it is between nations. Christianity teaches love instead of hate, calmness instead of fear, and says of warlike preparations, "They that take the sword shall perish by the sword." The reckless radio commentators, daily columnists, militarists, and newspaper publishers who seem to thrive and prosper by promoting hate and fear—they, in my opinion, are more likely to bring on war than anything else. The same sort of cantankerous hotheads in the North and in the South drove our two sections into the war of the sixties—to the everlasting hurt of both sections. We must not let hotheads now drive us into war again. The last words ever written by the late Franklin D. Roosevelt should be read—re-read and memorized by every young person old enough to understand English:

"Today we are faced with the preeminent fact that, if civilization is to survive, we must cultivate the science of human relationships—the ability of all peoples, of all kinds, to live together and work together in the same world, at peace."

Let's readily admit that the Russians have been bad-tempered, unfair, threatening. Instead of answering with more bad temper, threats, and fist-shaking, what would Christianity suggest? Would not real Christianity suggest that more of our leaders say to the Russian people, "The mothers and fathers of America do not wish to have our sons kill your sons. We can never forget that in World War II your heroic 21,000,000 who were killed and wounded in stopping Hitler's legions at Stalingrad and on a hundred other battlefields kept America from having only 1,000,000 casualties. We want no war with a people who sacrified as much as you did for our safety and world safety. The warmongers among us do not represent the real spirit of America."

II

At this point I should like to present not merely my own opinion, but the opinion of some of America's foremost thinkers and writers as to the need for a less combative and more Christian attitude on the part of American leadership. Walter Lippmann has just written after his return from Europe: "Our own greatest danger is that we shall accept a false estimate of the European situation, and of the real alinement of forces, and that as a result we shall be frightened and violent when in fact we should be confident, constructive, and magnanimous. For our real problem is * * * to push toward a settlement which permits the recovery of Europe and of the world, and to relax the tension, to subdue the anxiety, and to end the panic."

Brooks Atkinson who lived for years in Moscow as the able representative of the New York Times sums up the present situation by saying: "We are afraid of Soviet Russia which is afraid of us * * * two powerful nations shaking in their boots at each other and competing with each other in a tempest of rancor * * * Russia is a large country populated by admirable people with infinite potentialities, but led by a handful of fanatical doctrinaires who are scared * * * Russia cannot fight an aggressive war now, nor can she risk provoking war, for she has hardly begun to recover from the appalling losses of the last."

As Pearl Buck, who has lived long in Asia and understands the orientals better than almost any other writer, wrote recently in Look magazine:

"Nothing else but the fear of a new aggression, accompanied this time by a frightful weapon, can stir Russia's people to fresh efforts. What shall we do? Common sense answers very simply, 'Anything except to threaten war.' We should do all we can to work against Communists, first of all by not talking about fighting Russia. Every time an American talks about fighting Russia, he hands a gun to the Communists. They run shouting with it to their people, 'See? I told you the Americans want to fight us!' I do not believe in appeasement. But certainly I do not believe in helping the Communists by doing what they want us to do, and by saying what they hope we will say."

As David Lawrence, one of the ablest and most patriotic American writers, wrote recently in his extremely informing and level-headed publication, the United States News:

"We must be ready to 'debunk' our own course whenever it is palpably wrong. Thus, for example, we deplore Russia's intervention in the Balkans, but we do not consider our own intervention in Greece as violative of the basic principle of nonintervention. We accuse Russia of trying to control the composition of Balkan governments and influence elections, yet we ourselves endeavored to influence the course of the Argentine people when Peron was a candidate. We blame Russia for helping the Communists in China

but we help the National Government there—the side which the Russians call 'Fascist.'"

As Mr. Lawrence continued: "Our Secretary of State went all the way to Moscow last spring and was there 6 weeks and never called on Stalin, the head of the Russian Government, until after the conference had failed and was in process of adjournment. Why?" And Drew Pearson recently quoted ex-Secretary James F. Byrnes as laying down this formula for peace:

"Get people who believe deeply that we can find a basis for working with the Russians. Then support these people to the limit. When they start getting discouraged and cynical, replace them with others who are confident that a solution can be found."

III

We believe Christianity is the only way to save humanity from World War III. In our opinion, Christianity has not been tried by Congress or our President or our State Department. We believe it ought to be tried. Jesus Christ said, "Blessed are the peacemakers"—but all too many Americans now denounce every would-be peacemaker as an appeaser. Jesus Christ said, "They that take the sword shall perish by the sword"—but our militarists want us to shoot first and risk the consequences. Jesus Christ said we should try to conquer our enemies by showing a nobler, friendlier, more patient, and more forgiving spirit than they show—but too many Americans, as Pearl Buck says, play squarely into the hands of the most violent element in Russia by trying to outdo Vishinsky in violence and fist-shaking, proclaiming that we hate Russia and are ready to make war.

Participation of Garfield's Mother in His Inauguration as President

EXTENSION OF REMARKS

OF

HON. KENNETH McKELLAR

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Monday, February 2, 1948

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD an article by a very distinguished writer of my State, Mr. E. E. Patton, commenting on Mrs. Garfield being the first woman to see her son sworn in as President of the United States. I believe it will be extremely interesting to those of us who are fond of United States history.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ELIZA GARFIELD FIRST WOMAN TO SEE SON SWORN IN AS PRESIDENT OF UNITED STATES

(By E. E. Patton)

Mary Ball Washington, born in 1707 in Fredericksburg, Va., became the second wife of Augustine Washington who had been a widower 2 years. It is said that he was literally thrown at her feet because of a carriage wreck in London. They were married March 6, 1731, but there is no record to show whether they were married in London or in America. Her son, George, was born February 22, 1732. He always addressed her very formally as "honored madam" and signed himself "Your humble servant." Her farm overseer said: "When I meet the blue lightning of Madame Washington's eyes I feel exactly as if I had been knocked down." Lafayette visited her before going back to France at the close of the Revolution and she was very simply dressed in a house frock.

She attended a big ball in honor of George after Yorktown. On April 16, 1789, George stopped in Fredericksburg to see her while on his way to New York to be sworn in as first President; he seemed to sense that he would never see her again and he did not, as she died in September of that year. Just to show the difference between then and now, it might be mentioned that Washington did not get the news of his mother's death until 2 weeks after she died.

There is a small monument in Fredericksburg on the side of which are carved these words: "Mary, mother of Washington." When the people of this country fail to understand fully these words, there will be no necessity to take thought about the safety of the country, for it will be gone.

Nellie Conway Madison was born at Port Conway, Va., September 29, 1749; married James Madison in 1766, at the age of 17. She belonged to the Episcopal Church, but attended the Presbyterian; she did not formally join the Episcopal Church until she was past 80. We find this in the minutes of the church: "Among the goodly number confirmed by the bishop was the aged mother of the President. She became a communicant at 20 and now at the age of fourscore and four, she came forward to ratify her early baptismal vows." James Madison was the eldest of 12 children. His mother died in 1847, at the age of 98.

Jane Knox, the daughter of a Revolutionary soldier, who was one of the first members of the Order of the Cincinnati, was born in Sugar Creek, N. C. She married Samuel Polk, a man of considerable property for that time. James Knox Polk was her first child, and it is said that one of her neighbors came to see her; looked at the child and said: "Your child is all right, and some day he will be President of the United States." Perhaps we might take that with a grain of salt—perhaps, two grains.

When James Knox Polk was 11, his father moved to Columbia, Tenn., and it was there that young Polk opened a law office and entered political life. Samuel Polk died in 1827 and 2 years later his widow married a man by the name of Edens. She died in 1852, at the age of 76.

Hannah Simpson was born November 3, 1798, in Pennsylvania; moved to Ohio in 1818; married Jesse Root Grant in 1821. They lived in Point Pleasant, Georgetown, and Bethel, Ohio, but in 1854 they moved to Covington, Ky., and remained there until the death of Jesse Grant in 1874.

While her son was in the White House she did her own housework and was never in Washington during his 8 years in the Presidency. Her husband and her daughter went to Washington for the first inauguration in 1869 and Jesse Grant saw his son inaugurated the second time in 1873, the only man in our history to witness two inaugurations of his son. One history says that when Jesse Grant visited his son while he was President that he stayed in a modest hotel; but I have seen it stated that he was a guest in the White House, and I think the latter is correct.

Jesse Grant died in 1874, and his widow went to New Jersey to live with one of her daughters, but she did not go to the White House while on her journey to her last home. She died in 1883, at the age of 85. The New York Herald mentioned her death in a 3-inch obituary column. It might be of interest to the people of Knoxville to know that Judge Hugh Simpson is related to U. S. Grant's mother.

Eliza Ballou Garfield was born in New Hampshire in 1801; moved to Ohio in 1819. It is said that her husband's wedding gift to her was a three-legged iron kettle. Her husband's name was Abram and her youngest child was named James Abram Garfield.

When young Garfield was about 3 years old his father died after an illness of 2 or 3 days. The neighbors came in, made a coffin, and prepared him for burial. While they were waiting for the funeral hour this innocent youngster was calling for his father. The neighbors shook their heads and said they didn't believe that "Mrs. Garfield will ever raise her three children. She'll just have to bind 'em out."

But she lived to see her son sworn in as President of the United States, the first woman ever to have that experience. Other women were living when their sons became President, but they did not see the ceremony. When he had taken the oath he stooped down and kissed his mother.

Nancy Allison McKinley was born in Ohio in 1811. She was less than 5 feet tall, but what she lacked in physical stature she made up in energy and determination. She was a loyal Methodist and it is said that she did everything about her church except the preaching; that the janitor work was often done by her. She wanted one of her sons to be a bishop, but this never happened.

Once when she was on her way to Columbus, Ohio, to see her son when he was Governor a stranger asked her if she knew anyone in Columbus. She said, "Yes; I have a son who lives there," but she did not disclose her identity. When she was a guest of her son when he first went to the White House she is reported to have asked the President if he kept a cow. He replied, "Mother, I have not been here long enough to find out."

I Belong Here

EXTENSION OF REMARKS

OF

HON. HENRY CABOT LODGE, JR.

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Monday, February 2, 1948

Mr. LODGE. Mr. President, in the January 17 issue of Information Service, which is published by the Federal Council of the Churches of Christ in America, there appeared the account of an address recently delivered by Archbishop Richard J. Cushing, of Boston, delivered before the ninth constitutional convention of the CIO. It is such a remarkable address, and so full of newness of thought and real inspiration on the relations between man and man and between man and God, that I ask that it be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The CIO has published in pamphlet form under the caption, "I belong here" the address of the Catholic archbishop of Boston, Richard J. Cushing, delivered in that city on October 13, 1947, before the ninth constitutional convention of the CIO. A letter signed by James B. Carey, secretary-treasurer of the organization, commends the address to the attention of ministers as one of the most remarkable expressions of sound social views ever uttered by a churchman. Excerpts from the address follow:

"I am glad to come this morning because Mr. Murray invited me. But I am also glad to come because I belong here. I am a priest, an archbishop. As such, I am by office and should be by my every personal action the representative of One whom 20 centuries have hailed as their High Priest. To the eyes of other men, the Saviour appeared as a tradesman—a worker—and all those who share His priestly office should be found

present wherever men are gathered who share in the labor which was the earthly vocation of Jesus Christ.

"For this reason, priests have always belonged close to the ranks of labor, whether organized or not. In the Old World, as the late pope once remarked, the tragedy of both religion and of labor for several generations has been that too many factors and forces came between some of the priests and many of the working people. * * *

"Here in this country, in the New World, there has never been the cleavage between the working classes and the clergy against which Cardinal Manning raised his voice. Not long ago the present pope, speaking to a large gathering of Italian workers, said: 'Visit countries where the church can live and act freely, even if its members are only a minority, as for instance in the United States of America. Penetrate there in the huge organizations of industrial life. You will not find any trace of conflict between the church and working world.'

"How could there be? In this country it has been working people who have built the seminaries in which our priests are trained. Our institutions have no princely patrons; they are monuments to human labor and to the generosity of hard-working men and women. Workingmen not merely built and paid for our seminaries, they sent to them some of their best sons. I have said this before, but it is important to repeat it here: In all the American hierarchy, resident in the United States, there is not known to me one bishop, archbishop, or cardinal whose father or mother was a college graduate. Every one of our bishops and archbishops is the son of a workingman and a workingman's wife. That is one further reason why I belong here this morning. * * *

"The aims of the CIO are those of the trade-union movement and of organized labor generally. These are chiefly three: (1) the organization of the working men and women of America, without reference to race, creed, color, or nationality, for mutual aid and protection; (2) the establishment of sound collective bargaining and wage agreements; (3) the promotion of legislation to safeguard economic security and social welfare, and to extend democratic institutions, civil rights, and liberties.

"For my own part, I cannot see how any man in his right mind, certainly how any American with the slightest comprehension of Christianity, can complain about those objectives. * * * The trade-union movement has long since established its reputation for Americanism and its right to be heard. Whatever mistakes it may have made—and they are no more than those of other groups—to whatever excesses it may have gone—and these are easily balanced by those of its critics—the trade-union movement is now a permanent part of the American picture. Labor is organized and it is organized to stay * * *

"I know the criticisms which are made of organized labor and I know, as do most people, the lines currently used in the campaign against unionism. You know them even better than I do. Some of the current criticisms may have some foundation in fact. If they do, you are in a far better position than your critics to know what these facts are and how to remedy them yourselves. Many of the criticisms of organized labor, its power, its proposals, its principles, come from men who would stop at nothing to bring back days to them dear but to the rest of mankind happily dead.

"In any case, there are no problems arising out of American organized labor, no problems internal to the labor movement or external to it in its relations with the rest of the community, which American labor cannot solve in an American way within the framework of American law and in the best interest of the American people. * * *

"When I hear the excited talk about this, that, or the other problem allegedly created by organized labor, I remember a famous report Cardinal Gibbons filed with regard to one of the earliest efforts at labor organization in the United States. You know, in his day an effort was made to discredit labor organizations and even to bring about religious condemnation of certain aspects of the labor movement. Men, professing to be the friends of law and order, when really they were the foes of both so far as working people were concerned, attempted to aline the church against the new labor organizations and the labor movement identified with them. The enemies of labor were powerful; they brought their case all the way to Rome. They knew then, as they would know now, that the great masses of American labor are loyal to their religious leaders and are inclined to hear with respect the voice of religion.

"The Roman authorities asked Cardinal Gibbons what he thought of the dangers said to be present in the labor movement as of that time; the alleged danger that the wrong people might take over, the possibility of top-heavy power, the menace of political abuse, and all the rest of it. The cardinal was a calm man. He knew America and he knew Americans. He took a long-range view of all questions involving the conflicts or competitions of the various groups which make up America and when that conflict was at its hottest he would point out that the lasting concord in a Nation like ours can only come out of conflict fairly faced and honorably settled. So when they asked him whether the labor movement should be condemned because a lot of people had become upset about certain aspects of it, the cardinal replied: 'The American people behold with perfect composure and confidence the progress of our social contest, and have not the least fear of not being able to protect themselves against any excesses or dangers that may occasionally arise.' * * *

"I have read with interest some of the deliberations of both management and labor concerning the so-called guaranteed annual wage. I know labor's position on this proposal. The worry of the workingman has traditionally been this: Jobs today—but what will happen tomorrow? Up to now many millions of Americans have been unable to answer that question for themselves. As a consequence they live in a fear which God never intended should be theirs. A wage earner must have steady work and pay this week, next week, and all the year round if he is to have security. Only an annual wage is an adequate wage. So runs the labor argument and it is a hard argument to answer. * * *

"The other positive point toward which I would direct your attention is concerned with certain questions of foreign policy on which organized labor has already shown a willingness to declare itself. Unfortunately at the moment, attitudes toward foreign policy are complicated by what are called 'conflicting ideologies.' Now I do not know what an 'ideology' is. I suspect the word of being a catch phrase, a 'phoney' word which can't be defined and which is therefore used to describe something not worth defining. Nowadays we hear a lot about fighting 'ideologies,' and, here too, I am not sure how you go about fighting an 'ideology.' But I know what hunger is—and I know how to fight that. You fight it with food. I know what poverty is. You fight that with money. I know what winter is. You fight that with coal and clothing. I know what discouragement is. You fight that with friendship and friendly deeds. I know what fear is and defeatism. You fight them with faith."

Our Monetary and Credit Problems Today

EXTENSION OF REMARKS
OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Monday, February 2, 1948

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "Our Monetary and Credit Problems Today," by M. S. Szymczak, member of the Board of Governors of the Federal Reserve System, on January 22 last, at the annual stockholders' meeting of the Federal Home Loan Bank of New York.

I am informed by the Public Printer that the address is estimated to make 3½ pages of the RECORD, at a cost of $248.50.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CHANGED SITUATION IN OUR MONETARY AND CREDIT PROBLEMS TODAY

Since the days when I was active in the operations of building and loan associations, many changes have taken place—changes in the number and size and activities of building and loan associations, and changes in the operation of our economy and the organization of our society. The problems which confront the central banking authorities with which I have been associated are also reflected in the problems with which you have to cope.

In 1914 the United States was a debtor Nation; a substantial part of national development had been and was being financed abroad. We were in the process of shifting from a predominantly agricultural Nation to a predominantly industrial and urban Nation. Our conventional patterns of finance drew no distinction between the fiscal position of Government and that of individuals and businesses.

There were about 6,600 organizations of the type we think of as building and loan or savings and loan associations, as compared with about 6,000 today. These associations, through the thrift and saving of their members, had accumulated total assets of $1,360,000, as compared with about $11,000,000,000 today. At the same time, there were about 26,000 commercial banks with total deposits of about $17,000,000,000, compared with about 14,000 banks today with deposits of $140,000,000,000. The Federal debt was only $1,000,000,000. Today it is two hundred and fifty-four billion.

Our pre-World War I economy was a composite of regional economies. Perhaps the heart of our central banking problem at that stage of the country's development was to reconcile the monetary and credit needs of major regions and to maintain a balance between these needs. It was largely with this end in view that the Federal Reserve System was established. At that time there did not seem to be any necessity for separate provision to balance special needs of the various regions for mortgage credit.

When the Federal Reserve Act was revised substantially two decades later, between 1933 and 1935, the Nation had become a great creditor country internationally and a great industrial economy domestically. Our monetary and credit problem had changed from the problem of distributing funds among regions—which had been solved fairly well—to the problem of controlling the total sup-

ply of money and equating this supply to various national uses. In addition, the economy had gone through a great war, two great "booms", and two great "busts." The war, the booms, and the busts were national in ramification. While regional differences in economic organization still existed, the reality of regional interdependence was a more fully demonstrated fact than ever before in our history. During these two decades there were indications that traditional methods of mortgage financing were not completely adequate. We had the notable experiment with various kinds of mortgage bonds, mortgage participations, and "guaranteed" mortgages, and we had the notable failure of traditional mortgage financing methods in the Florida "boom" and crash.

Our great "bust" in 1929 had been particularly severe and its aftermath was widespread bankruptcy, unemployment, and poverty. The economy's critical problem of that period was idle men, idle machines, idle money. It was determined to solve the problem on a national basis. Fiscal policy and central banking policy became, more directly than formerly, the instruments of national economic policy. Many new agencies, among them the Federal Home Loan Bank System, were created to complement these two major instruments of national policy.

Once more we find ourselves in a new period. We have again gone through a great and devastating war. The war has changed our position in international affairs, and we find ourselves overwhelmingly a creditor.

The balance of power between capital and labor is different from what it was in 1914 and 1935, and is still changing. The relationship between creditor and debtor has also changed, in important part because better financial arrangements and techniques have been worked out. Banks make one kind of arrangement with farmers for the repayment of loans and a different kind of arrangement with manufacturing concerns, each arrangement calculated to fit the operations of the borrowers. Relatively little mortgage credit is extended today for the short periods of 1, 3, or 5 years which used to be conventional. Most mortgage lenders have adopted the practice of writing long-term amortized loans which building and loan associations were pioneering in 1914.

The Government is no longer merely another borrower in the market. It is by far the largest borrower. The Federal debt accounts for nearly three-fifths of the entire indebtedness of the country, and interest on the debt is a major item in the Federal budget, amounting to more than $5,000,000,000 a year. In this situation, special arrangements have had to be made for selling and managing the public debt. The Treasury and the Federal Reserve work closely together in issuing, retiring, and refunding the debt. This greatly increased importance of the public debt is one of the major factors in the present inflation.

Why has this increase in the public debt contributed so strongly to inflation? If we understand this point, we shall understand why some of the problems of the Federal Reserve System are so difficult to handle.

During the war, the Government spent more than twice as much as it collected in taxes, making up the difference by borrowing. Producers—workers, farmers, and business organizations—were paid for all the production of the economy, but the taxes they paid were less than half the money spent by the Government for the goods and services needed to win the war. Producers, as consumers, therefore, were left with more money to spend or save than the value of the goods and services they could buy. To some extent, they used these excess funds to bid up prices, but because we were at war, and because some goods, such as automobiles and many others, ware not available, controls were effective in spreading the supply of goods and services and restraining price increases. People, therefore, saved. Some of the savings were in currency, some in bank deposits, and some in other liquid assets, particularly Government securities.

The country's aggregate money supply, as measured by currency in circulation and privately held demand, time, and savings deposits, is two and a half times as large as at the beginning of the defense program, about $168,000,000,000, compared with sixty-six billion in June 1940. In addition, the general public, outside of banks, insurance companies, and Government agencies, increased its holdings of Government securities to $105,000,000,000, or nearly seven times as much as in June of 1940. These Government securities in the hands of the public are practically the equivalent of money because they are readily convertible into cash. In sum total, this stock of purchasing power available to buy the current output of goods and services amounts to almost $273,000,000,000, compared with a stock of about eighty-two billion in 1940.

Most of this expansion in the money supply and liquid assets in the hands of the public occurred during the World War II period. However, further expansion has taken place over the postwar period, and in recent months the expansion has shown marked signs of acceleration. This recent acceleration of expansion largely resulted from very active bank lending to businesses and individuals.

Since the war the economy has been operating very close to capacity, and the general public has shown a pronounced disposition to enjoy all the things that were in short supply during the war, from shirts and socks to automobiles and houses. People have been willing to spend their current incomes and dip into some of their accumulated savings. They have also supplemented these funds by borrowing from banks and other lenders, and by buying on installment credit. As a result of these strong demands for goods and services—demands in excess of supplies—prices have risen, and we have had inflation. As long as the volume of goods and services available, valued at current prices, remains less than the amount of money being spent inflation will persist. This condition, in fact, is the essence of inflation.

Two other factors are adding to inflationary forces. First, the addition of productive facilities to the economy is going on at a rapid pace. Second, our large export surplus. On the first, producers are paid now for turning out machinery and building warehouses, factories, and houses, and, on the second, producers are paid now for making the goods which are being shipped abroad. But goods and services to match these incomes will be turned out by the machinery and buildings only over a period of years, and it will also take some years for us to receive goods and services from abroad in payment for our exports financed through loans.

Both expansion of productive capacity and the export surplus have resulted in additions to the money supply through the creation of credit, and by the use of funds previously held idle. An additional source of increased money supply has been payment in gold for some of our exports of goods.

This brings me to the problem which confronts the banking authorities and about which the Federal Reserve Board is deeply concerned, for it shows clearly the changes which have taken place in the tasks of the Federal Reserve System.

Here it is.

Taken as a whole, the commercial banking system is fundamentally a mechanism for creating money—for allowing borrowers to spend money which no one has saved. This is in contrast to other types of lending—lending such as your institutions, or savings banks, or insurance companies, or individuals do—which is a matter of transferring savings from those who have them but do not wish to spend them to those who do wish to spend them.

It is true that limits are set to the amount of credit banks can create by the legal requirement that they must hold cash reserves to the extent of some proportion of their deposits—which deposits are themselves largely the result of loans and investments. Banks which are members of the Federal Reserve System, which hold 85 percent of all commercial-bank deposits in this country, must hold their reserves as deposits with the Federal Reserve banks, and no income is derived from these reserves. On the average, required reserves amount to about one-sixth of commercial-bank deposits. For every dollar of reserves, credit can expand six times.

Reserves are the heart of commercial banking, and control over commercial bank credit has traditionally been exercised by control of these reserves. Three techniques have been used to exercise this control: (1) Varying the rediscount rate, or the rate of interest at which member commercial banks may borrow from the Reserve banks; (2) open-market operations, or the buying and selling of Government securities by the Reserve System; and (3) varying the level of reserve requirements, that is, the amounts which member banks deposit with Federal Reserve banks as legally required reserves.

Two of these techniques for controlling bank reserves—discount rates and open-market operations—are not so effective as they once were, while the third—varying the level of reserve requirements—was exhausted under present law as a restraining weapon early in the recent war, except for a relatively small percentage in central-reserve cities—New York and Chicago. The present limited effectiveness of available credit-control technique is due almost entirely to the size and wide distribution of the public debt largely inherited from the war. Commercial banks now hold $70,000,000,000 of Government securities, an amount equal to about 50 percent of their total demand and time deposits, which they can sell in order to obtain additional reserves without borrowing from the Reserve banks.

The traditional open-market operation to reduce excess bank reserves is for the Federal Reserve System to sell Government securities, thus drawing down private deposits at commercial banks. In turn, this draws down the reserves of commercial banks by reducing their deposits with the Federal Reserve banks.

Here, however, we come up against the problem of management of our huge public debt of $254,000,000,000. If the Reserve System were to sell enough Government securities to reduce bank reserves and curb credit expansion, it would involve great dangers for the entire economy. To make possible this volume of sales, the prices of Government securities would have to be permitted to decline. With a marketable public debt held by investors other than the Federal Reserve banks amounting to $143,000,000,000, no one can say how great this decline in prices would have to be. As prices declined because of Federal Reserve sales, investors would suffer capital losses and in turn would be encouraged to sell their holdings while their losses were still small, and these sales would further drive prices downward. In brief, Federal Reserve open-market operation to reduce bank reserves might lead to a disruptive decline in Government-security prices, which might spread to the prices of other securities. This is a risk too serious to contemplate.

Traditional open-market policy would also have serious consequences for the Treasury. As prices of bonds decline, their yield, or effective interest rate, rises, and, if Government securities were to fall seriously, all future Treasury financing would have to be done at higher interest rates, thus raising the

cost of servicing the Government debt. Also, in such a market, the price at which the Treasury and other borrowers could sell securities would be altogether uncertain, and this uncertainty would interfere with the orderly management of the public debt as well as the orderly financing of private corporate investment programs.

On the other hand, the Federal Reserve System through its open market and discount policy in close cooperation with the Treasury, has already recognized that interest rates have undergone an upward readjustment, probably in response to temporary forces. It has recognized this, first, by lowering the support price (increasing the yield) on short-term Government securities, and second, by lowering the support price on long-term obligations (with assurance, however, that support of the lowered levels would be aggressive and continued for the foreseeable future), and third, by the increase in discount rates from 1 to 1¼ percent. It seems much better to us to permit interest-rate changes in this manner than to leave the economy's marketable debt to find its own interest level in a free market, dominated by Government securities.

It should be apparent from what I have said that the most important change in the problem facing the central banking authorities is the greatly increased influence of the public debt in our monetary and fiscal affairs. After the First World War the public debt ($26,000,000,000) could be looked on as merely another set of obligations—to be allowed to find their own price level in a completely free market. This policy, which was in line with traditional attitudes, resulted in large losses to many individuals and businesses, but these consequences were not nearly as serious as those which would result from a similar policy now. The public debt today is a factor to be reckoned with in all public and private decisions. Both its size and its wide distribution have given it great leverage in monetary policy and economic conditions. Moreover, the fact that the Treasury, unlike other borrowers, must constantly refinance its debt makes stability of the market for the public debt particularly crucial.

The increased importance of the public debt is also a factor in another situation which has received relatively less attention in public discussion. This is the shift which has taken place from the hands of the banking and fiscal authorities of a significant part of the control over the supply of money. I have already mentioned the primary difference between bank credit and credit extended by other lenders—namely, that nonbank lenders lend only savings which have been accumulated by savers, while banks also make available to borrowers funds created by the 6 to 1 expansion of deposits to which I have referred above.

It has been customary and, in the main, correct, to say that loans made by nonbank lenders add nothing to the money supply. Today this is no longer true. Before we can say whether a loan by, for example, an insurance company or a savings bank or a savings and loan association adds to the money supply or not we must know where these funds were obtained.

Take an insurance company for example. In the first place, of course, the insurance company obtained the funds from its policyholders in the form of insurance reserves on policies; that is, policyholders' savings. In this sense the funds were saved by the policyholders. But this is not the full answer. For if the insurance company had these funds invested in Government securities, and, in order to make a loan, it sold these securities indirectly to the Federal Reserve banks, it added to the money supply, or at least to the potential money supply. Such an addition to the money supply results because when a nonbank investor sells Government securities, their prices tend to fall, and if prices threaten to fall too far, the Reserve System buys in order to preserve a relatively stable and orderly market for these issues. This increases private deposits at commercial banks, and the deposits of commercial banks at the Federal Reserve banks, thus increasing bank reserves, and the capacity of the banks to lend. The effect, in other words, may be just as inflationary as if commercial banks had sold the securities. The insurance companies, the savings banks, and the savings and loan associations are apostles of thrift and foes of inflation and yet by selling Government securities to add to their currently available funds for investment they are contributing to inflationary pressures.

In the light of all these considerations, the Federal Reserve Board has recommended to Congress the adoption of a plan which we feel would restore some of the powers over the money supply which have been lost because of the great increase in the public debt. Very simply, this plan involves a temporary increase in reserves which all banks would be required to hold, except that instead of being legally required to add to their cash reserves, banks would be permitted to hold certain income-producing assets, namely short-term Government obligations.

We could, of course, ask Congress to raise the limits to which required cash reserves may be increased, but it now appears to the Board that to increase required cash reserves by this means far enough to be relatively certain of restricting bank credit by an amount that may be required, would mean reducing the earnings of banks below expenses and a reasonable return on capital. This, however, in my opinion, may become an alternative to the special reserve plan proposed by the Board.

We recognize that the Board's proposal is no cure-all and that it would only deal with a part of the inflationary problem. But the proposed measure would constitute an important, available restraint, which is now lacking, on bank-credit expansion in the present inflationary situation.

There is likely to be little need for the suggested special reserve during the next 3 months because of the large amount of Treasury surplus funds, taken from the market through taxes, which will be available to retire bank-held public debt. This will temporarily exert pressure against bank-credit expansion. If inflationary bank-credit expansion continues after this period, however, and if further Treasury surpluses are foregone in favor of tax reduction, the need for restraining pressure will be urgent. It is better to have power to deal with the situation when it develops rather than to have it provided, if at all, too late to be used.

The urgency for the Federal Reserve Board's proposal, or some other proposal to curb credit expansion, will be especially great if we relax our current fiscal policy while inflationary dangers exist. Fiscal policy is by far the most effective way to deal with the demand side of inflation just as production and particularly more production per man-hour is the most effective way to deal with it on the supply side. This means rigid Government economy and deferment of all deferable expenditures. It also means as large a surplue of tax receipts as possible so that dollars are removed from the spending stream and used to retire public debt held by the Federal Reserve System. This takes dollars out of the money supply by an equivalent amount and is a reversal of the wartime process by which the money supply was expanded. The classical precept of sound finance that debt should be paid off in boom times has peculiar virture in the case of a public debt the size of ours, so much of which is held by the banking system.

There is still another side to the credit picture.

As you know, curbing of inflationary pressures cannot be accomplished by monetary and fiscal policy alone. Among other necessary measures are appropriate private decisions. You, for example, must ask yourselves whether, as a group, you are extending mortgage credit on a sound basis—credit which will stand up in whatever storms are ahead of us. In this connection, I commend to your attention, as well as to the attention of all bankers, the program formulated several weeks ago by the American Bankers Association and the joint statement on "Bank Credit Policy During the Inflation," issued November 24, 1947, by the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Executive Committee of the National Association of Supervisors of State Banks.

As you can see, I have so far spoken almost entirely about a fairly technical side of the inflation problem which confronts the monetary and fiscal authorities, that is, about how the supply of money is being increased. Another, and just as important, problem is how this large and increasing supply of money is being used. Here, again, developments have removed a substantial measure of control over bank lending from the hands of the banking authorities.

Banking authorities have always exercised some measure of influence over the kind of loans and investments made by banks as well as over the total volume of their credit. Such influence has been exercised by way of statutory prohibitions of limitations, by way of varied privileges of access to Federal Reserve credit, and by way of bank supervision. Statutory prohibitions and limitations have generally been quite inflexible. Federal Reserve influence on the kind of lending done by member banks has usually been accomplished, therefore, by keeping informed as to the credit policies followed by member banks and limiting the access to Reserve bank credit of those member banks found to be following unsound policies. Bank examination policy is also adapted, in cooperation with other supervisory authorities, to changing conditions.

Developments over the past 15 years, particularly in Government programs, have modified the effectiveness of the powers of the central banking authorities. This modification is particularly marked in the case of real-estate loans. It would be rather difficult, for example, for the Federal Reserve Board to say that banks with large mortgage loan portfolios shall be denied the right to borrow at the Reserve banks—even if rediscounting had any significance today—when a large part of bank real-estate loans are guaranteed by the Federal Government, either in whole or in part. Similarly, in these conditions, a bank examiner might have some difficulty in persuading bankers to reduce the volume of their guaranteed real-estate loans or to establish additional reserves against them.

It is probably not correct to say that restraint or encouragement of credit expansion through central bank credit and supervisory policies ever exercised a decisive influence on the lending activities of nonbank lenders. It would be equally incorrect, however, so say that such policies in the past exercised no influence. Central banking policy gradually came to exert a broad influence over national credit conditions and the prudent nonbank lender took these conditions carefully into account in shaping his own lending program. But since the middle thirties, financial developments, particularly those of wartime, have tended to reduce the influence of central banking policy. In addition, the link between important sectors of the credit market has been weakened at several points.

In the case of mortgage credit, for example, where this change is most pronounced, programs and practices instituted since 1932 have resulted in almost complete separation of this field of lending from general credit policy. Even mortgage lending by commercial banks has been largely sheltered from the influence of general credit conditions. Loans underwritten by the Federal Housing Administration and the Veterans' Administration are obviously difficult to discourage by ordinary techniques of bank credit control when they are being encouraged on social grounds by other agencies.

Your own organizations, the savings and loan associations, are adding to the problems of restraining inflationary credit developments, again largely because of Federal programs developed since the passage of the original Federal Home Loan Bank Act in 1932. Let me say here that I would not argue for one moment in favor of returning the savings and loan business to the conditions that existed before that date. Then, there were no effective restraints on savings and loan lending except the volume of capital available to associations, and you suffered severely as a consequence. There was no effective means for transferring funds from areas of oversupply to areas of scarcity, and developments in real estate were uneven as a result. There was not sufficient protection for shareholders against either mismanagement or unfavorable economic conditions—and many investors lost heavily through no fault of their own.

The savings and loan system has been strengthened to perform its functions, and that is a good thing. We must face the fact, however, that this very strengthening of the system has made it independent of national credit policy, in a way it never was before. Funds are attracted to a savings and loan association as much by the insurance of share accounts as by an association's reputation for being a sound, well-managed institution. The right of borrowing from the home-loan banks makes it possible for associations to make more real estate loans in a community than there are savings in the community available for real estate lending. The capacity of the home-loan bank system to borrow in the general money market makes it possible to channel the funds available for investment in institutions sponsored by the Federal Government into the particular field of real estate. All of these conditions, among others, have given savings and loan lending a degree of independence it never had in the days when the only resources of an association were the investments of its shareholders and depositors and loans from commercial banks.

Let me emphasize that the present condition is much sounder than the earlier condition. Home-mortgage credit, accounting as it does for almost a fifth of all private debt, is important enough in the economy to warrant special facilities operating under special legislation. Just because it is so important, however, its general policies need to be related to and integrated with broad national policy in the credit and fiscal areas. Mortgage credit can and does add to inflationary pressures at a time like the present. I know you realize that credit is needed to finance the construction of houses and you are making more and more of your loans for this purpose. You are also aware that credit extended for the construction of more houses than can be built with the materials and labor available drives prices upward and I am sure you are limiting your lending in such a way as to minimize these price pressures. As experienced businessmen you know not to lend money to Tom Jones just so that he can pay more for a house than Harry Smith can afford, because that is the way bad loans are made and bad loans seem to have a way of staying on the books longer than good loans.

And now let me summarize and conclude my remarks on this occasion.

Important changes have taken place in the structure of our economy and in the organization of our society. As a result central banking and fiscal policies have lost a large part of the influence they once exerted over the supply of money. The credit and monetary control thus lost has not been placed in other hands but has been diffused throughout all financial sectors. At the same time, national influence over the use to which the money supply is put—never as strong as control of the supply itself—has been weakened, partly by these same forces, partly also by the independence which particular credit programs have had because they are specially sanctioned and encouraged by the Government for social reasons.

The Reserve Board has recommended adoption of a special reserve plan which it believes would restore a desirable degree of control over the money supply. I suggest that the reconstruction and strengthening of policy controls over the use to which the credit supply is put also requires careful and conscientious study. I do not suggest that we keep reaching out for more power and more controls, but I am aware of the fact that in honestly and sincerely seeking to promote economic stability at a high level, new effective techniques may have to be devised to meet the changing situation. For many years the Board has been able to control the flow of bank credit into the securities market, and during the war it was given the task of regulating consumer credit. The Board has recently asked Congress to renew this power, at least so far as installment credit is concerned.

It is possible that central banking policy will find the instruments necessary to perform its tasks under the new conditions which we face in a combination of traditional controls over the supply of money and selective controls over the use to which credit is put. If this be so, cooperation will be necessary between the central banking authorities and other agencies. For example, the mortgage credit field may be one in which such coopertation will be fruitful. At any rate, this is a question that you and we should be studying at this time, both separately and jointly.

The problems which monetary and credit policy must face today are different from those of a few years ago. On our success in finding ways to deal with these problems will depend in no small measure our success in reaching the goal of sustained prosperity.

Coal Production in the Ruhr

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. KELLEY. Mr. Speaker, the current issue of Time magazine carries a statement by Gen. Lucius Clay that the tonnage of coal in the Ruhr district is about 254,000 tons daily. I do not know why the General is boasting, for he has no reason to do so. In fact, it should be embarrassing to him, or to anyone else with authority over there, to mention it at all. To realize this, all one needs to know is that this tonnage is only one-third of the normal, prewar production of that area. Even after the peace was signed and our troops were in control of the area under General Eisenhower, the production of coal stood at about 400,000 tons a day.

The new bizonal arrangement, whereby we share responsibility with the British for production of coal in the Ruhr, does not seem to be working out so well, as many of us suspected. Last summer, just before the transition from British to dual control, the production was about 230,000 tons a day. Some spokesmen for the War Department here in Washington said then it would be up to 300,000 tons by the end of 1947, which was a laughing matter to those who knew something about the situation.

This condition would not be so serious or be the subject of comment if it were not that coal production is so important to the recovery of western Europe. There can be no recovery or success of the Marshall plan without full production of coal in the Ruhr district. That is indisputable, for coal is basic and this is the area from which it must come.

I do not know where lies the responsibility for failure to bring about greater coal production in the Ruhr and failure to repair the chemical plants, especially for the production of nitrogen or fertilizer. Fertilizer plants have been lying idle or have been dismantled. The production of nitrogen was in the neighborhood of 700,000 tons a year before the war, and now it is about 150,000. In the meantime the shortage must be made up by shipments from the United States, where it is also badly needed. This would be unnecessary if there were ample coal production in the Ruhr and by rehabilitation of the byproduct coke plants.

Let us do away with this short-sighted policy and get rid of people who cannot see beyond their noses in this. Last summer, on returning from Europe, I said, and also told the President, that the quickest way to get production in the Ruhr district was for us to assume responsibility for the operation of those mines and coke plants and put our own technicians, engineers, and managers in charge. I am satisfied that we could do the job as it should be done, instead of having people over there sitting around playing tiddlywinks with coal production while the taxpayers of this country pay for their indifference.

Until recently, and perhaps now, we had no one on our staff in Germany who knew anything about coal production, no competent engineers, no experienced managers.

Building Citizenship

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. MILLER of Nebraska. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD a

report on the book, Building Citizenship. This report was rendered by a Subcommittee on Health, Education, and Recreation of the District of Columbia. I commend the reading of the report to my colleagues.

REPORT ON THE INVESTIGATION OF THE TEXTBOOK ENTITLED "BUILDING CITIZENSHIP"

The Subcommittee on Health, Education, and Recreation of the District of Columbia Committee held executive hearings on December 4 and 6, 1947, and January 15, 1948, on the book, Building Citizenship. At these meetings the Veterans of Foreign Wars, represented by Charles F. Sullivan, Jr., the American Veterans Committee, represented by Maynard B. DeWitt; the author of the book, Dr. Ray O. Hughes; and Dr. Hobart M. Corning, Superintendent of the District Schools, were heard.

The subcommittee finds that the book Building Citizenship is now used in several States and a number of jurisdictions. The subcommittee realizes that dealing with school textbooks and suggesting how and what to teach the growing child is a delicate and complex problem. The results obtained from any instruction depend a great deal upon how the teacher presents the subject. The teacher surely directs and molds the thinking of the students.

Our free public schools are distinctly an American institution. Under this system every child is entitled to an equal opportunity for a sound education. The American taxpayers support our educational system, and they have the right to demand that our schools be really American in viewpoint and influence. Our educational system is the bulwark of our freedom and generally enjoys the confidence of our people. It can only enjoy this confidence if it is kept free from politics and propaganda.

The Board of Education, Superintendent of Schools, and the teachers of the District of Columbia are legally and morally charged with the responsibility of education in the District of Columbia. In that respect they are more than individuals. Textbook writers guide the thinking of classes using textbooks. They are in a powerful position to mold the plastic minds and the attitudes about our American way of life. The subcommittee feels that all educators should aim to educate the children and influence their faith and belief in the basic principles upon which our liberties are founded. They should allow no subversive ideologies to be taught to our children.

The subcommittee feels that the book Building Citizenship needs revisions because there has been an overemphasis on the unfavorable aspects of our American way of life and history, with an underemphasis on the favorable aspects or an omission of their mention entirely. There has been too much said about poverty, depression, unemployment, and other ills, but not enough mention of the tremendous economic and social progress made by our people.

The subcommittee likewise is of the opinion and recommends that now and in the future those responsible for the selection of textbooks and the textbook committee of the Board of Education carefully review year by year all social studies and teaching materials that are used in the District of Columbia, taking into consideration the rapidly changing events of the world.

The book in question, Building Citizenship, consists of some 700 pages and is used in the District schools as a basic book of instruction, starting with the ninth grade. It attempts to cover the entire field of history, civics, government, and related subjects.

The Veterans of Foreign Wars appeared before the subcommittee condemning certain sections of the book as not teaching good Americanism. They make a particular reference to the quotation from the immigrant who said, "America—a place like heaven for the rich and like hell for foreign worker." The subcommittee feels that this statement is not properly counterbalanced by statements from immigrants, and there are millions of them, who praise our country. The quotation serves no useful purpose if, as the author stated, it was included to teach consideration for immigrants. The statement or similar reference should be more comprehensive or omitted.

The subcommittee feels that the reference to the teaching concerning the respective religions and the life hereafter, criticized by the Veterans of Foreign Wars which appears at the bottom of page 181, are objectionable and should be deleted in any future editions of the book. The author has agreed to make the necessary changes.

The subcommittee feels that in many instances the conditions in Russia and its type of government have been inaccurately reported. It should be remembered that this book is being used by youngsters in the ninth grade who are approximately 14 years of age. Their minds are receptive and pliable and great emphasis should be placed upon the glorious position our Nation holds in the hearts of our citizens.

In many instances the book seems to select the minute imperfections in our system of government and to magnify them without giving credit to the thousands of good things under our system of government. In the light of information available the book does not paint a true picture of the real life in Russia under communism. The students should be taught the truth about communism and the book should state clearly that communism, as we understand it, seeks to destroy free enterprise, religious institutions, and to completely regiment the individual under the control of a dictator.

Students must know the truth and they cannot know the truth unless taught the evils of communism. The subcommittee feels there is no necessity for the book to carry a picture of Stalin and hold him up as a hero. If the book places favorable emphasis on Russia and her system of government and then places our own American institutions in an unfavorable position, it is not in proper balance. In some instances it seems to do so.

Our present form of government is based upon the existence of two strong political parties. The book states:

"Sometimes we wish we could get along without political parties, but we have not learned how to do so. If we must have them how can they be used for good rather than harm."

In this quotation the student is impressed with the thought that political parties do harm rather than good. Such teaching is contrary to the concept of good Americanism and the achievements attained and the opportunities available to each individual under our two-party system.

The author of the book, R. O. Hughes, when he appeared before the subcommittee on January 16, 1948, pointed out certain revisions which he is making in the book. The subcommittee feels that these revisions will help remove some of the objections to the text which appeared in previous editions.

The subcommittee feels that the books written by Louis Adamic, Harold Rugg, and Louise Krueger, and others cited by the Committee on Un-American Activities have no place in the school system of the District of Columbia. They should promptly be removed, both from the schools and the library and be given no further recognition. This is the more important because the Walt Whitman School, of which Louise Krueger is a director, has been cited by the Department of Justice as subversive and disloyal to the United States Government.

The subcommittee recommends:

(1) A revision of the book to delete all of the unfounded favorable comments on Russia.

(2) The school authorities and the teachers should continue with renewed vigor to teach the evils of communism and its destruction of individual liberty and freedom because:

(a) It seeks to overthrow our form of government.

(b) It is opposed to private enterprise.

(c) It is opposed to morality and freedom of religion.

(d) It is opposed to freedom of speech.

(e) It is opposed to freedom of the ballot.

(f) It fosters slave labor and concentration camps.

(g) It permits no freedom of collective bargaining.

The subcommittee cannot emphasize too strongly the fact that the schools, citizens' groups, and all of us must be eternally vigilant and insist that only the highest quality of Americanism, integrity, morality, and good citizenship be taught in our schools.

The subcommittee was impressed with the fact that the school authorities appearing before the subcommittee had a common objective, that of teaching good citizenship and keeping America strong. We commend the VFW and the citizens of Washington who have written and shown a keen interest in the District schools. We hope they will have a continuing constructive interest in our schools and in our Government. The subcommittee believes that the salvation of our Nation is in the watchfulness of its citizens.

Tax Reduction

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. REED of New York. Mr. Speaker, I am inserting as a part of my remarks on taxation a radio address delivered by a very distinguished tax expert in my district, Mr. Samuel J. Lasser, of Jamestown, N. Y. Mr. Lasser delivered the following address on the Town Hall program in New York City on January 27, 1948. I am sure that those interested in taxation will be very glad of this contribution to the subject.

SHOULD THE PRESIDENT'S TAX PLAN BE ADOPTED?

By implication Mr. Denny has made an expert of me, and I want to put a quick disclaimer. When I was 20 I thought I knew all the answers, but I am over 40 now and I'm not quite so sure. This evening my colleagues are all in official positions in public life, while I come from the "grass roots," a small but energetic industrial city in western New York—Jamestown.

Back in reconstruction days northern carpetbaggers offered each of our colored brethren the bait of 40 acres and a mule. This time the offer to all of us is $40, and no mule. A good many people, who have no ax to grind, feel that Mr. Truman's proposal is merely political hocus pocus. I wouldn't know about that. I'll just treat it as a tax proposal, not politics, and in the time allotted to me try to make a few points clear as my reasons for not favoring it.

The President's own circle is not sold on the plan. Secretary of the Treasury Snyder has admitted that he wasn't even consulted about it. And in Congress the high-ranking member of the President's party wouldn't introduce the bill for it. The President's plan is not a tax-reducing plan. It proposes to collect in taxes just as much as before. Don't forget that the tax rates now on individuals

are near the dizziest heights that ever existed in the country's history. Those rates were justified when we were at war and our annual expenditures were $100,000,000,000. They cannot be justified when we are at peace and our annual expenditures are, at most $40,000,000,000. Any plan that does not involve a substantial reduction in our taxes is indefensible. No amount of talk or fancy economics or bugaboos can overcome that simple fact.

The proposal is based on an estimate of this year's surplus. Judging by the past, Mr. Truman doesn't know what that surplus will be. For example, a year ago in his budget message he estimated a surplus of less than two billions. Actually, it was almost five billions. Now he is guessing that it will be seven and a half billions this year, and almost five billions for 1949. It might well be more for both those years; after all this is quite a country.

The tax collectors will take about twenty-three billions from individual income-tax payers as well as about seven billions in excise taxes this year, a bigger amount than in any previous year of peace or war. And admittedly there will probably be a bigger surplus than ever before. Well, how much of a surplus must we have to justify a tax cut? And if a tax cut, on what basis? Why $40 across the board? It's just a figure; maybe it should be $29.98 or $49.50. We are each to get a $40 credit, for ourselves and our dependents, but some wool-pulling goes with this. It is proposed to take this credit back quickly through an increased tax on corporations. As for the raised corporation tax, this is the old excess-profits tax again, and if Secretary Vinson backed its repeal in 1945 because it was a roadblock to reconversion and the expansion of business, why on earth would it be a good thing now? The answer is that it wouldn't.

Who are the corporations, anyway? You and I. When a corporation pays anything, it comes out of the pockets of the people who own the corporation. The corporations are owned by the mass of people. American Telephone and Telegraph, for example, has several hundred thousand stockholders. We little fellows are interested in the corporation, not only through direct purchase of stock, but also through our bank deposits or insurance policies, since the banks and insurance companies lend our money to the corporations or invest in the corporations. If corporate taxes are raised, it will reduce net earnings and therefore dividends. The Government will lose, because there will be less dividend income to tax. So the people get a second bite taken out of them, one, the higher corporate tax which will cut their income, and, two, their own personal income tax. To lop off individual taxes and take it right back from corporate taxes is like the story of the fellow who says that in order to save express charges he cut all the buttons off the suit, and then he says, "P. S.—You will find the buttons in one of the pockets of the suit."

And individuals had better realize this. Increased taxes on corporations almost always lead to higher prices. That is especially true in a sellers' market which we have at present. And so again we consumers pay through the nose.

The economists agree that the way to get prices down is through increased production. More production can be stimulated by lower taxes—never by higher taxes.

The President's plan is for 1948 only, and leaves real tax revision for some future Congress to take up. It is a mere temporary and arbitrary makeshift. It proposes to apply the entire surplus to reduction of the public debt. That is not sound. The debt should be taken care of by a scientific plan, not by hit and miss. We should agree now to a plan to systematically pay off the debt over a period of 50 or 75 years. This would not only create immediate and sustained confidence in Government bonds, but also release billions right now for tax reduction. Such a plan combining tax reduction and debt reduction would pep up our whole economy, stimulate production, and lend confidence to the future.

Our present tax structure is called a structure only by courtesy. It is put together with hay wire, old nails, and string. The President proposes to rearrange a few of the planks. It doesn't even deal with the proposal to permit husbands and wives to split their income in computing their taxes. Though endorsed by the Treasury, the President simply passed it up, leaving people in 36 states to carry a load put upon them because those in 12 other States and Hawaii get a special advantage.

The give-it-to-the-people with one hand, and take-it-away-with-the-other proposal now before us is inequitable, unfair, and improves nothing. It merely sounds good to the people who don't understand taxes. I might add "Who wants to understand taxes anyway? We just want them reduced"; and Mr. Denny, that the President's proposal does not do.

Aspects of the Marshall Plan

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. WOODRUFF. Mr. Speaker, under permission to extend my remarks and include therein a series of five articles on "Aspects of the Marshall Plan" by E. F. Tompkins, editor of the New York Journal-American, I hereby present the first such article entitled "A Fundamental Error." The article follows:

ASPECTS OF THE MARSHALL PLAN

(By E. F. Tompkins)

I. A FUNDAMENTAL ERROR

If our $3,750,000,000 postwar loan to Socialist Britain has taught us anything, it should be that the $17,000,000,000 long-range Marshall plan for the rehabilitation of Europe has been so devised as to be a failure.

This is true, not because of niggardliness in the dollar values involved, but because of the political character of the two unprecedented transactions.

In both instances, the amounts of our disbursements were determined in advance computations of the supposed foreign needs, supported by ample statistics.

In mere arithmetic, the estimates considered the borrower more than the donor and were substantially presented, in the case of the Marshall plan, in the form of a joint capital levy by 16 associated nations upon our national means.

Quantitatively, therefore, the first doubt with respect to the Marshall plan is not whether Europe has demanded enough, but whether America can meet the requisition on its production without incurring disruptive inflation, a consequent economic crisis, and thereafter a debilitating impairment of our industrial efficiency—inflicting chronic unemployment—due to severe depletions of our resources.

These adversities could radically alter for the worse our social, economic, and political institutions.

In similar though less severe circumstances—less severe because we did not then have the burdens of World War II to sustain—New Deal socialism intruded itself into many segments of our national life.

But even if we can afford the Marshall plan, as its official advocates assert that we can, the plan itself requires the most careful diagnosis.

The proclaimed strategic function of the Marshall plan is to hinder or to avert Communist encroachments.

It is fails to work as projected, exactly the opposite effect is likely to ensue; and meanwhile we may have sacrificed our own capacity to resist communism effectively at home as well as abroad.

For the express purpose of compelling such an outcome, Soviet Russia has openly declared war upon the Marshall plan, and Soviet Russia may be calculating better than we.

Here is a risk affecting our security—and the welfare of mankind—to such a degree that the risk ought not to be taken unless the Marshall plan contains within itself the assurances of success.

And these assurances are not to be found anywhere in its valuminous documentation.

On the contrary, the very conditions of failure have been written into the arrangements.

For as it stands, the Marshall plan is—like the British loan—a scheme for financing European socialism at the expense of American free enterprise.

But this central fact has been deceptively glossed over, although it is both explicit and implicit in the Paris report of the Committee of European Cooperation, outlining Europe's requisition, and in the complementary report of President Truman's Committee on Foreign Aid, headed by Secretary of Commerce Harriman.

And thus—as has become usual in our devious diplomatic relations—the citizens of the United States are being allured into an ill-conceived foreign venture by humanitarian appeals.

It is axiomatic, in all presentations of the Marshall plan, that Europe's primary necessity is to get its people back to work in order to revive its agriculture, its industries, and its trade.

This country has accordingly been called upon by its Government to provide, in addition to $5,000,000,000 in emergency winter relief supplies, capital investment aggregating four or five times that sum during the next 4 or 5 years.

The people of this country have, and should have, no motive for doing so unless the people of Europe are to be the beneficiaries in improving standards of living, in stable political liberties, and in useful opportunities to own and operate business enterprises.

We know—from our own development in a century and a half, from Europe's history in its greatest era of social progress, and from the current slavish examples of the Marxist states, that the desired objectives cannot be even approached under regimes or systems of confiscation, repression and regimentation.

It is not the aspiration of the American people—and it is certainly not the mission of the American Government—to finance Socialism—or any other type of collectivism—anywhere at any time.

We can indeed, by pursuing a purblind course in Europe, inter the still surviving elements of free enterprise which are the seeds of reconstruction in the war-ravaged continent.

In doing that, we will destroy all individual incentive and deprive Europe of the creative services of its entrepreneur class.

And here, at the very core of it, the Marshall plan in its present guise is fatally defective.

Congress will be wasting our money, and promoting Soviet Russia's aims, unless it judges and amends the Marshall plan accordingly.

We Don't Understand

EXTENSION OF REMARKS

OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. GWINN of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered at a banquet in the Wardman Park Hotel constituting the National Small Business Men's Association's observance of Small Business Day in Washington, January 14, 1948:

WE DON'T UNDERSTAND

(By DeWitt Emery, president, National Small Business Men's Association)

It's an honor, a privilege and a pleasure for me to speak at this meeting. I say that particularly because the more than 350 of our members who are present, coming from 34 States, have as their guests more than 150 Members of Congress.

This meeting marks an important milestone in the progress of the National Small Business Men's Association and is certainly a far cry from our early days in 1937 when we had nothing except an idea and a lot of determination.

The original stated purpose of our association was to give small businessmen a voice in national affairs and to preserve freedom of competitive enterprise. That is still our basic purpose.

I am not going to bore you with a long detailed list of claims concerning what we have accomplished. I do, however, want to stress one fact, which is that, directly or indirectly, the National Small Business Men's Association is responsible for the vast amount of consideration small business is now receiving and has received during the past 10 years. I say this because prior to the founding of our association in 1937, no one in or out of public life ever gave small businessmen as a group any consideration whatsoever. We started the small business movement and have been, and are, the principal factor in keeping it going at an ever-increasing rate of effectiveness.

I think one of the principal reasons we have been able to do what we have done is that we have never advocated nor supported class legislation of any kind and have vigorously opposed this type of legislation when it was proposed by others.

Also, we have been fortunate in that our membership has grown steadily year after year, and for the past 5 years our renewal rate each year has been above 94 percent.

Speaking at the New York Herald Tribune forum in New York on October 26, 1938, among other things, I said:

"We seek no special consideration or privileges of any kind. We do not want any one, the Government least of all, to hold an umbrella over us. All we want is a 50–50 break. Given this, we'll take care of ourselves and at the same time make a major contribution to the happiness and prosperity of every American citizen."

That is just as true today as it was then. Small business does not need or want any special privileges or consideration.

Our visit to Washington today is undoubtedly unique in the history of such visits. When the farmers go to Washington, they want something special for farmers; when labor goes to Washington, the idea is to get something exclusively for labor and frequently whatever it is labor wants is presented on an or else basis; when the veteran group goes to Washington, it wants something for veterans; and so on and on throughout an almost endless list. We, on the other hand, are not here to demand special privileges for small business. We have no desire to threaten or coerce anyone. We are here primarily to get better acquainted with our representatives in Congress and to give them an opportunity to get better acquainted with us. We are here also to say to these representatives of ours, "Forget groups, blocs, classes and cliques and do the best job you can for the country as a whole. We'll back you to the hilt on such a program."

Yes, as part of our visit, we are making some recommendations on legislation and if these recommendations are followed, the benefits therefrom will flow to all business, to farmers, labor and to every American citizen.

I'd like to go over these recommendations one by one, but that would take more time than is available this evening. Also, we will undoubtedly, in the near future, discuss these recommendations in detail at one or more Congressional hearings. So, let's go on from this phase of our discussion to a consideration of certain aspects of the national picture.

Personally, I'd like to jump right into the middle of a discussion of international affairs and the United States foreign policy. But that's out as our association has always confined its activities to domestic affairs and we have never had an expression from our membership on any phase of the international situation.

However, passing up foreign affairs is not going to handicap us in any way as there is plenty to talk about right here at home. There are an awful lot of things concerning our domestic picture which we do not understand.

We don't understand, for example, why the budget for fiscal '48 was not reduced far more than it was, and we are hoping that the drastic curtailment in appropriations for the executive department, which we feel should have been made in '48, will be made for fiscal '49.

As we understand it, the Constitution says Congress shall have control of the purse strings. If this is true, then it seems to us that if any department, branch, bureau, or agency of the Government is spending more than it should, the remedy is for Congress to decrease its appropriations. Certainly if the money isn't appropriated, it cannot be spent.

We know something about the tremendous pressure that was brought to bear on Congress not to cut this, that, or the other appropriation when the '48 budget was being considered. We know further that most, if not all, of this pressure was inspired and actively promoted by the bureaucrats. This brings up what we think is a mighty important question; namely, is Congress going to control the bureaucrats or are the bureaucrats going to control Congress?

There was a time, not long ago, when the "brass hats" of organized labor thought—at least that's what their actions implied—that they were big enough and strong enough to dictate to Congress. This situation was handled by Congress in passing the Taft-Hartley Act over the President's veto. This act does not take anything away from organized labor which rightly belonged to it. It does very effectively, however, clip much of the dictatorial power over union members that a handful of labor leaders had built up under the Wagner Act.

In our judgment, the growth in number, influence, and power of the bureaucrats, which has been going on steadily for many years, has now reached a point where it seriously threatens our republican form of government.

We can't stand for that. Therefore, the bureaucrats must be cut down to size, pronto. We believe that the best way to do this is to decrease appropriations to the point where at least a million of them will have to go back home and get jobs in industry and commerce where they will become tax producers instead of tax eaters.

In this connection, I believe you will be interested in a pamphlet which was recently called to my attention. The title of this pamphlet is "Common Human Needs," by Charlotte Towle. It was published by the Federal Security Agency as an interpretation for staff in public assistance agencies. Miss Towle states that "social security and public assistance programs are a basic essential for attainment of the socialized state envisaged in democratic ideology, a way of life which so far has been realized only in slight measure."

How do you like that? I've known for several years that the ultimate aim of the public assistance and social security boys was national socialism—the Government owning and controlling everything and everybody—but this is the first instance which has come to my attention where one of the insiders admitted this objective in so many words. Yes; the bureacrats must be cut down to size pronto. Personally, I have every confidence that the Eightieth Congress will handle the bureaucratic challenge in a most satisfactory manner.

We further do not understand why the 40-hour week, which was adopted to spread work at a time when jobs were scarce and there was much unemployment, should be kept in force now that everyone who wants to work has a job and there are still many thousands of jobs to be filled, also an unprecedented shortage of goods.

There is much talk about combating inflation, but most of it concerns doctoring symptoms rather than treating the basic disease, which is an oversupply of money and an undersupply of goods. Abolishing the 40-hour week, so our productive facilities could be operated at straight time on a 44- or 48-hour workweek, would help tremendously in increasing the supply of goods which would most effectively combat inflation.

Still further, we don't understand, if the press reports are true, that we have practically no army, a third-rate air force, and a navy that is operating on a skeleton basis, what is being done with all of the many billions of dollars appropriated for national defense. Where is all this money going? How is it being spent and why are we getting so little in return for vastly increased expenditures over any other peacetime year? It doesn't add up.

I might continue the "we don't understands" almost indefinitely, but since I do not have all night, I'm going to move on to a couple of other things which I think are important.

One thing that bothers a lot of people, including a great many businessmen and some of the Members of Congress I have talked with, is why the United States is as far down the road to the left as it is?

The answer most frequently given is that the New Deal, with its strange, unorthodox fiscal and economic policies and its philosophy of scarcity-something-for-nothing, is to blame. Maybe that's the answer, but I don't think it is and I certainly cannot be accused of carrying a torch for the New Deal.

In fact, if the New Deal, something-for-nothing idea, were carried to its ultimate conclusion, it could only mean that, after awhile, everyone would have everything for producing nothing, and that, of course, is about as cockeyed as it's possible for anything to be. In my book, the New Deal is, or was, if you prefer, an effect rather than a cause.

I can give you what I am sure is the answer to this country being where it is on the road to the left in one word. That word is "ignorance." Not nearly enough of the American people know and understand the basic facts of life concerning our free enterprise economy.

Whose fault is this? Is Congress to blame? No; Congress is not to blame. The blame, in my judgment, rests right squarely on the shoulders of the businessmen of the country, large, medium-sized, and small.

Every businessman knows what freedom of enterprise means to him, but how many have seen to it that those on their pay rolls know what freedom of enterprise means to them? Not very many, notwithstanding the fact that it's just as important, if not more important, to sell the system which makes possible the production and distribution of goods and services than it is to sell the goods and services themselves. We've thrown the baby out with the bath water and, quite naturally, most of us place the blame on everything and everybody except ourselves—the real culprits.

Every Member of Congress knows that his judgment on a given piece of legislation is no better than his information concerning that legislation. Also, every businessman knows that his judgment is no better than his information. But altogether too many of us have entirely overlooked the fact that exactly the same thing is true of a factory worker, a truck driver, or a machinist. If his information is wrong, his judgment cannot possibly be right. As someone said, "Give the folks the facts and our country will be saved."

Fortunately, this condition can, and to some extent is, being remedied. More and more companies are publishing and distributing simplified financial statements to their employees. More and more companies are devoting part of their magazine and newspaper advertising to an explanation of what makes our economy tick. This is all helpful, but the effort will have to be expanded at least one hundredfold in order to do a comprehensive job.

Our own effort on this is being carried out by a special organization—the Small Business Economic Foundation—set up for that purpose. The foundation is entirely educational—its one and only purpose is to make the largest possible contribution toward getting the man in the street to understand what freedom of enterprise means to him.

I mention the need for getting accurate information on fundamental, basic economics to the American people, because if you feel that this is important—we think it's as important as it's possible for anything to be—you Members of Congress, through your contacts with constituents and others, can help tremendously on getting the job done.

I mentioned the Small Business Economic Foundation because the foundation has a great quantity of educational material, most of it in pamphlet form and all of it written in simple, down-to-earth, easy-to-understand language, all or any part of which is available to you any time you want it.

And now, as Lady Godiva said as she neared the end of her ride, "I am drawing close to my clothes." I want to close by giving you my definition of our American way of life.

I searched diligently to find what I considered an adequate and satisfactory definition of our American way of life and when I had no luck in finding it, I asked some of my writer friends, Channing Pollock, Samuel Crowther, John T. Flynn, Lawrence Sullivan, to write one for me. They all promised to do so, but none of them did. So, since I've always been the sort of person who had more sand than sense, I rushed in and wrote my own. Here it is:

"Our American way of life is made up of many things, bathtubs, and automobiles; big cities and small towns; farms and victory gardens; mammoth steel mills and village machine shops; colossal educational institutions and the little red school beside the road; churches and hospitals; railroads and air lines; chewing gum and ice cream; department stores and crossroad general stores; specialty shops and beauty parlors; pool rooms and race tracks; Hollywood, Broadway, and the high-school play; laughter and sorrow; eagerness and despair and people—millions of all kinds of people—gathered together from all over the world, drawn by the magnet of freedom, opportunity, and justice.

"Our American way of life provides each individual an opportunity to go as far and climb as high as his willingness to work, his skill, ingenuity and integrity will carry him.

"Our American way of life recognizes that the individual has the right to work when and where he wishes, the right to worship as he pleases, to speak his mind on any subject, to meet with his fellow men for any peaceful purpose, to be secure in his possessions, and to have his day in a free court. It also recognizes that the individual is superior to the State, that our public officials are servants of the people and that they derive their just powers from the consent of the people.

"These things taken together created an atmosphere of freedom and an economic climate which made possible in the United States the greatest production and diffusion of wealth in the history of the world, and the establishment, for even the lowest paid worker, of the highest standard of living the world has ever known.

"Why? Because for more than 150 years, free men in a free country have been working together to provide this better way of life. Let us hold what they have given us and go forward in the sure faith that the American way of life is the greatest blessing known to mankind any place on the face of God's earth."

Palestine

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. PHILBIN. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I include therein two communications regarding the Palestine question from leading constituents of mine.

The first one of these petitions comes from Morris Long, vice president of the Worcester Zionist district, who resides in my home town of Clinton, Mass., and who is an old and valued friend and long a zealous worker in behalf of a homeland and free commonwealth for the Jews in Palestine and charitable and fraternal activities of his people.

The second petition is from the ladies auxiliary of the Milford, Mass., Hebrew Association of B'nai B'rith, an organization composed of leading and representative Jewish women of that community.

My interest in the Palestine question is so well known that I scarcely need reemphasize my views. I have recently spoken at considerable length about this matter before an outstanding chapter of the B'nai B'rith of Fitchburg, Mass., in my district. At that time, I stressed the importance to our Nation of recognizing the principle of self-determination and the independence and autonomy of all nations. I declared that the age-old aspirations of the Jewish people for a homeland of their own, long recognized by democratic-minded nations the world over, should be fulfilled. It is not only a question of according freedom and self-determination to a people but also of providing at the same time a haven and refuge for victims of oppression and persecution within the boundaries of a free nation of their own.

In an effort to settle this great humanitarian question once for all, the United Nations has voted to recognize the Jewish homeland and the members thereof should be prepared to implement this decision. It is not enough that we should render lip service to this cause. Within the framework of the United Nations and in the exercise of our sovereignty, mindful of the early struggles of our own country, mindful of the sacrifices made by our own and other peoples for liberty and justice, let us implement this far-reaching epochal decision of the United Nations. It is to be hoped that peaceful means may be found of resolving the conflicting claims and ameliorating the bitterness and contention that exists between the parties to the dispute in Palestine. But in any event, we must make our position clear that we stand squarely behind the decision of the United Nations. Neither the Executive nor the Congress can afford to evade this burning issue. Let us render encouragement and support to deliverance from persecution and the establishment of free government for the Jewish people.

LONG'S CLOTHIERS,
Clinton, Mass., January 29, 1948.

Congressman PHILIP J. PHILBIN.

DEAR CONGRESSMAN: We respectfully urge that the United States, which played the leading role in securing passage of the partition plan for Palestine in the UN General Assembly, act in a manner which would indicate that our Government sincerely desires the effectuation of that UN decision. American Jews are disappointed that the United States has taken no step forward in the direction of implementing this UN decision.

On the other hand, by placing an immediate embargo on the shipment of arms to the Jews of Palestine who are desperately fighting to defend their lives and the perpetuation of the UN decision, our Government has retreated from the position of high-principled trust which motivated it during the recent session of the United Nations on Palestine.

The inclusive and vacillating policy maintained by our Government since November 29 has given the enemies of the UN decision obvious encouragement for their nefarious insurrection against the verdict of the world's highest tribunal.

We demand that in this moment of crisis our Government give access of its surplus arms and munitions to the only force now materially backing up the United Nations in Palestine—the Haganah.

The United Nations' resolution on Palestine envisaged the creation of a Jewish militia. Haganah is now carrying on the duties of that militia. It must be armed as the first step toward implementing the policy which our Government championed so ardently and which the United Nations adopted.

Respectfully yours,

MORRIS LONG,
Vice President, Worcester Zionist District.

MILFORD, MASS.,
January 30, 1948.

Representative PHILIP PHILBIN,
House Office Building:

We respectfully urge that the United States, which played the leading role in securing passage of the partition plan for Palestine in the UN General Assembly, act in a manner which would indicate that our Government sincerely desires effectuation of that UN decision. American Jews are disappointed that the United States has taken no step forward in the direction of implementing this UN decision. On the other hand, by placing an immediate embargo on the shipment of arms to the Jews of Palestine who are desperately fighting to defend their lives and the perpetuation of the UN decision, our Government has retreated from the position of high-principled trust which motivated it during the recent session of the United Nations on Palestine. The inconclusive and vacillating policy maintained by our Government since November 29 has given the enemies of the UN decision obvious encouragement for their nefarious insurrections against the verdict of the world's highest tribunal. We sincerely hope that in this moment of crisis our Government give access of its surplus arms and munitions to the only force now materially backing up the United Nations in Palestine—the Haganah. The United Nations resolutions on Palestine envisaged the creation of a Jewish militia. Haganah is now carrying on the duties of that militia. It must be armed as the first step toward implementing the policy which our Government championed so ardently and which the United Nations adopted.

MILFORD HEBREW ASSOCIATION,
B'NAI B'RITH, LADIES AUXILIARY.

The Red Mogen Dovid

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. CELLER. Mr. Speaker, I have so many years participated in and listened to seemingly endless discussions on controversial matters that, do believe me, it is like taking off a tight collar to be permitted the luxury to talk for a few moments about the Red Mogen Dovid. There are no issues of merit or demerit involved, no pro and con. There is no "on the other hand." The Red Mogen Dovid, the Red Shield of David, in its humanitarianism, dedicated to the task of healing and sustaining human life, has its reason for being in mercy only. The quality of mercy bestowed upon mankind is a precious gift. It draws us out of ourselves, making room for compassion and understanding and tolerance to enter our hearts. Mercy is the expression of the dignity and beauty and value of each human life. It has the same selfless passion of pure science; it neither condones nor judges. Mercy follows the need. It remembers only that there is a human being in pain.

When we recall the years of our lives and how many deeds of strife, hatred, confusion, vengence, and greed these years have witnessed, then is it not a thought to seize upon and cherish that man has grouped and continues to group together for acts of construction, for life-giving, not death-dealing, objectives? In the confusions and fears each day poured upon us by the press and the radio, in the uneasy knowledge of the horror of the past decade, in the gnawing anxiety of where man is heading toward, there is a very special urgency, almost a hunger within ourselves, to ally ourselves with deeds of conscience and humanity. For if there are no deeds of conscience and humanity, what difference does it make where the world is going? I say that every little triumph of mercy and justice, whether it be the act of your next door neighbor or the organized act of the Red Mogen Dovid, meets with another little triumph of mercy and justice until the accumulated weight changes the course of human destiny. It is a postulate that history has proven and reproven throughout time. This is not naïveté or wishful thinking; it is the realest of realistic thinking. I believe this passionately. That is why I am speaking today, joining in tribute to the work done in the past by the Red Mogen Dovid and grateful for the opportunity to share in the work before it.

From the year of its origin in 1930, the Red Mogen Dovid has served the humanitarian needs of the people of Palestine. Because Palestine was not a sovereign nation, it could not affiliate with the International Red Cross. The tasks that faced Palestine, colonization, industrialization, the development of the soil, the building of settlements and towns, the achieving of a workable economic and social pattern, the unfreezing of a culture, the political struggle for independence, the problem of immigration and so forth. It is truly full of wonder in face of these multifarious goals, Palestine with its amazing sensitivity to human needs, made room for, nurtured, and developed the Red Mogen Dovid. Today in Palestine, the Red Mogen Dovid has 28 first aid stations; approximately 200 secondary stations, blood transfusion centers, 46 ambulances, 20 of which were contributed by the American Red Mogen Dovid. It is nonsectarian, coming to the aid of the neglected Arab as well. It has a total of 600 volunteer doctors and nurses. It has educated 7,000 inhabitants in the principles of first aid. It cooperates closely with the International Red Cross.

Today the struggle in Palestine has been intensified by the defiance of the UN decision by a handful of Arab chieftains. There are episodes of violence and bloodshed. The day-to-day pursuits of the Red Mogen Dovid continue, but we, eating and talking in comfort here today, in making our calculations dare not forget the intensified struggle for national existence. Medical supplies, surgical instruments, ambulances, blood plasma are urgently needed in abundance. The new Jewish state needs us in every conceivable aspect to assist at its birth. If we are callous or indifferent to those needs, then I say unexpiable is our guilt. The refugees whose one hope lies in Palestine, the Jews in detention camps placed there by British colonial machinery, the citizens of Palestine who by sweat, blood, and tears rebuilt and reclaimed the Holy Land must not be allowed to think they are alone. Two thousand years is a long, long time to wait and the fulfillment of a vision alive for as many years must be shared by all of us who, only by the geographical accident, escaped being the needy and not the needed.

Permit me to leave just one more thought with you. During the period of the massacres of the Jews in the hundreds and hundreds of thousands, no Red Cross, no Red Mogen Dovid could reach them. The ministering organizations like the Red Cross could reach all prisoners of war except the Jews. Now that the doors are open, shall we not in whatever measure we can, both in memory of the dead and in hope for the living, translate our conscience into deeds?

Enemy Prisoners of War

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. KEATING. Mr. Speaker, last November I urged that steps be taken by this Government to expedite the repatriation of our late Allies of enemy prisoners of war still held in lands foreign to their birth.

When the interim-aid bill was considered I introduced an amendment seeking to accomplish this result, which, unfortunately, was ruled out on a point of order.

The recent heroic rescue of Sgt. Angelo A. LaSalle, of Des Moines, Iowa, the sole survivor of a Flying Fortress which crashed in France Saturday, has thrilled the world. Sergeant LaSalle owes his life to Horst Kupski, a former German Air Force pilot, who is one of the enemy prisoners of war still held by French authorities.

I have today introduced a concurrent resolution, asking that the Secretary of State request the Government of France for the immediate repatriation to Germany of Horst Kupski as a gesture of good will, both toward the United States and toward our foreign enemies. Such acts of brotherhood transcend national lines and must be multiplied manyfold if we are to build a world which will know war no more.

Horst Kupski, who deserves special treatment for his good Samaritan deed, is, after all, primarily a symbol. He is one of millions now languishing in the dungarees of a prisoner of war, far from their homes and families. We cannot ever hope to build an enduring peace until this situation is corrected.

The resolution introduced today, therefore, goes further than to deal only with the case of Horst Kupski. It provides that this Congress request the Secretary of State again to draw the attention of our erstwhile allies to the fact that the repatriation of all war prisoners is long overdue and that the United States, as a signatory of the Geneva Convention and of the instruments of surrender of our former enemies, has a direct interest

in the fate of all war prisoners, not alone those already returned to their homelands by us, but also those still held by the nations, at whose sides we were engaged in conflict.

The resolution recites that the European recovery program will be hindered rather than furthered by the continued employment of forced labor; and that the United States of America has a right to expect that its allies will abide by the very principles and ideals in whose defense American soldiers and sailors fought and died.

Proposed Amendments to the Fair Labor Standards Act

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. MacKINNON. Mr. Speaker, under leave to extend my remarks I include a copy of the speech I delivered in Minneapolis, Minn., on January 30, 1948, to the annual convention of the Minnesota Employers' Association:

Mr. Chairman and gentlemen, your committee has informed me that your association has never heard a talk on the Fair Labor Standards Act. I can well understand this because from my own personal experience and from our recent hearings on this law I have observed that the scope of this law and its importance has never been fully realized or understood by many. In other words, the provisions of the law did not receive sufficient attention by a great many employers and employees. They never really came to understand the effect of this law upon their business and work. This group who were uninformed on the law was composed practically entirely of small businessmen—the small machine shop—the small lumber yard operator—the small coal dealer—to name only a few. Of course, the United States Steel Corp.. and the large manufacturers made extensive studies of the legislation and brought their practices into conformance at an early date, but the small businessman whose business is largely under his own personal direction and who had all he could do to run his own business and eke out an existence largely by constant effort of his own, was the man who generally failed to appreciate the impact of this legislation upon him and upon his business.

POLICY OF THE LAW

The Fair Labor Standards Act—better known as the wages and hours law—was enacted by Congress in June 1938 to:

1. Help spread the work so as to help alleviate the very substantial unemployment that was then existing and which had plagued the New Deal from its inception.

2. Classify substandard wages and excessive working hours as a form of unfair competition and make such practices illegal. The attempted proselyting of industry by our Southern States, using the bait of low wage standards and long hours, was the immediate evil which Congress sought to remedy by declaring this policy.

3. Restrict oppressive child labor practices.

THE SCHEME OF THE ACT

Generally the structure of the act may be divided into two main headings, i. e., those dealing with minimum wages and those dealing with maximum hours.

1. The minimum wage edict of the law makes it illegal to pay a minimum wage of less than 40 cents in covered employment.

2. The maximum hour edict requires 1½ times the regular rate of compensation be paid for all hours worked beyond 40 hours in any week.

PENALTIES

For unwilliful violations of the minimum wage and overtime pay provisions the employer may be required to (a) pay the unpaid minimum wages and the unpaid overtime compensation, and (b) pay an additional amount of liqudated damages equal to the amount of unpaid wages or unpaid overtime compensation. Reasonable attorneys' fees and the cost of the action shall also be paid by the employer. This provision for attorneys' fees and costs is mandatory. Employees can sue to get this money themselves or they may appoint an agent to sue in their behalf.

For willful violations a fine of $10,000 or imprisonment up to 6 months may be imposed.

These are very substantial penalties both of a criminal and of a financial nature.

The money penalties have created very serious problems in instances where lawsuits have attempted to recover for retrospective liabilities that were not foreseen by the contracting parties when they entered into their wage contracts. You recall the portal-to-portal cases which are one example of a situation such as I describe. While the final court decision in these cases held that little or no money liability existed, it pointed up to Congress the very substantial amounts of money that might be involved where determination of the rights of the parties were delayed an unreasonable length of time. Congress replied to this situation by enacting the Portal to Portal Act of 1947 which was approved on May 14, and which is now the controlling law on the length of time that parties may go back into the past and seek to impose retrospective wage demands.

WHAT EMPLOYERS ARE COVERED

What employers are covered? I know this is a question that interests you all, but at the outset I should point out that the act does not apply to employers as such but rather to employees. This is an important distinction to note. The application of the act does not depend solely upon the character of the employers' business but rather upon the character, effect and results of the service rendered by the employee and in many cases where the products he produces are marketed. In the language of the act the minimum-wage and maximum-hours provisions are applicable to employees who are engaged in commerce or in the production of goods for commerce. However, the scope of the act is not limited to the normal and ordinary meaning of those words but is extended to further situations by the process of defining certain words to have an abnormal meaning. I refer to the statutory definition accorded to the words "goods," "produced," and "engaged in the production of goods."

As defined by the statute:

"'Goods' means goods (including ships and marine equipment), wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof, but does not include goods after their delivery into the actual physical possession of the ultimate consumer thereof other than a producer, manufacturer, or processor thereof.

"'Produced' means produced, manufactured, mined, or handled or in any other manner worked on in any State; and for the purposes of this act an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any process or occupation necessary to the production thereof, in any State.

No person can read those definitions without observing the wide application of the law. He would also immediately visualize the tremendous number of difficult and borderline decisions that would be required to determine the extent of the application of the law to the millions of situations which arise out of the employment of millions of individual American workingmen.

EXEMPTIONS

A word is in order at this point concerning the specific exemptions provided by the act. Most of these are contained in section 13 which provides that the wage-and-hour provisions of the act shall not apply to: (1) "Executive, administrative, and professional" employees or those in a "local retail capacity" or acting as "outside salesmen." An important power with respect to this provision is the fact that the Administrator may define the terms by regulation; (2) to employees engaged in "retail" or "service establishments," the greater part of whose selling or service is within one State; (3) seamen; (4) airplane carriers; (5) employees in the sea-food industry; (6) agricultural employees; (7) learners, apprentices, and handicapped workers exempted by regulation of the Administrator; (8) employees of certain weekly or semiweekly newspapers; (9) employees of local carriers such as streetcars, busses, etc.; (10) employees engaged in preparing agricultural or horticultural commodities for market "when employed within the area of production"; (11) switchboard operators in certain small public telephone exchanges; (12) employees of interstate carriers.

ADMINISTRATION

One of the most important things in any law is the nature of the administration that is provided. With respect to this law, Congress chose to establish an administrator with certain somewhat restricted powers to supervise the functioning of the act. His powers are not absolute. A great many of the provisions of the law require court adjudications for their enforcement. There is, thus, a double-barreled administration under the present framework.

There you have the basic outline of the law. With the exception of three minor amendments the law was unchanged by legislative enactment from the date of its adoption in June 1938 until the passage of the portal-to-portal law in 1947.

You may have noted that I stated the act continued "unchanged by legislation action." These words were carefully chosen because I did not wish to indicate that the law had remained constant throughout that period. Far from it. In fact, the law was changed many times during that period, not by legislative action, but by administrative interpretation and judicial decision. This is no idle statement, for Congress, in the portal-to-portal law specifically declared in its findings that the Fair Labor Standards Act "had been interpreted judicially in disregard of long-established customs, practices, and contracts between employers and employees," and this brings us to the next point.

THE WORKING OF THE ACT

How has the act worked? To determine this the Wages and Hours Subcommittee of the House Education and Labor Committee, of which I am a member, began a full-scale investigation. This was the first investigation ever undertaken by a congressional committee of the workings of this law. Our hearing was most complete. Every phase of the effect of the law was fully explored both from the standpoint of labor, government,

and business. As our investigation proceeded, we began to see that such investigation had been long overdue.

What did we find? While our subcommittee has not finished its findings in this respect, certain preliminary conclusions can be reached. First, as to administration; we found that while there had been many instances of arbitrary and officious action by a few field employees of the Wages and Hours Division, that the majority of field agents were extremely conscientious, reasonably well informed as to the workings of the law and in general closely followed the administrative orders and directions which emanated from higher authority. We found that many of the complaints that the businessman had against individual field investigators were in reality complaints against administrative interpretations, orders, and directions from Washington.

That brings us to the second phase of our investigation, the administration given the law by those top officials who were charged with this administration. In order to arrive at an unchallengeable decision on this point, we investigated specifically a great many individual acts and decisions of the top officials. In general, I would say it was our finding that in a great many instances the law had been interpreted administratively and judicially in disregard of long-established customs, practices, and contracts between employers and employees. This is practically verbatim, the same conclusion that Congress itself reached and embodied in a legislative finding in the preamble to the Portal to Portal Act. In other words, we found the same condition existing with respect to the law in general, insofar as administration and interpretation was concerned, as Congress found to have existed with respect to those portions of the law that were before Congress in the portal-to-portal matter. This is also the phase of the application of the law that comes in for most of the complaint from businessmen, particularly small businessmen. They complain primarily of those instances where the Administrator has given the act an unreasonable interpretation or a specious construction. Most of these interpretations are in one direction, that is, toward extending the coverage of the law. That hits the small businessman. Many of these constructions ignore the plain language of the statute. It is true that the Administrator has not been successful in all these attempts. Only recently he was quite sharply cut down by the United States Supreme Court in a case involving the construction to be given the motor carriers' exemption.

However, we are hoping that the present Administrator will do a better job of interpreting the act. He is a man with previous business experience and now that he is familiar with some of the objections to the acts of previous Administrators, I believe he will profit by their mistakes.

PENDING AMENDMENTS

As a result of our hearings a great many changes in the act have been proposed. In fact we have not had one single witness who appeared before the committee who expressed himself as satisfied with the act in its present form—that includes labor, management, and Government. They all propose substantial changes—some extreme in both directions. There are those who proposed the complete repeal of the act and there are those who proposed extending its provisions to every employed individual in the Nation. I do not consider that either of these extremes is a practical solution to our problem at this time, but the fact that no one is satisfied with the law in its present form indicates that some legislative changes are desirable.

I now propose to discuss with you the principal changes that have been suggested and which are presently under consideration by the committee. First and foremost is a change in the basic rate which is presently fixed at 40 cents an hour. This means an overtime rate of 60 cents an hour. Most proposals for a change in this provision suggest a new rate of from 55 to 75 cents an hour. Those in the South generally favor a lower rate, those in the North a more moderate rate, and the labor groups generally suggest a rate from 65 to 75 cents an hour for the straight-time rate which would be a $1.02½ to $1.12½ an hour on overtime work. The South is the big objector to fixing this rate at what you and I might think was reasonable, but I believe that it will be possible in this congressional session to bring this rate somewhere within the 60 to 75 cents range.

The second major change that has been suggested deals with the definition of the words "regular rate of pay" which form the basis for computing overtime compensation. In the act as presently worded "regular rate of pay" is not defined and a great many very difficult decisions have arisen. For example, whether bonus payments, profit-sharing plans, and other forms of extra compensation should be considered as being within the individual's regular rate of pay is most troublesome.

OVERTIME ON OVERTIME

It is also under this phrase that the famous overtime-on-overtime cases have arisen. At present these cases concern principally the longshore industry, which fixes a regular rate of pay and an overtime rate of pay by a collective-bargaining agreement. In some instances the overtime rate of pay is available to individuals who have not worked a full day. Because of this the longshore industry throughout the Nation is now being plagued with numerous suits, involving millions of dollars. These lawsuits are based on the contention that since a small number of workers might get this overtime pay without working the regular 8 hours, that it was thus not overtime pay, and hence to the extent that individuals performed work in the excess of 40 hours in any week that they were entitled to receive for their overtime work not the overtime rate fixed in their contract, but one and one-half times the money that they actually received. So here we see the situation where an industry has drawn up a collective-bargaining agreement that is more favorable to its employees than the Fair Labor Standards Act, and we now see a group attempting to use the mechanism of law to impose upon the employer a liability in excess of that contracted for. It should be said to the credit of the labor organization involved, which is the International Longshoremen's Association, affiliated with the American Federation of Labor, that they have recognized the threat to free collective bargaining that is inherent in such claims, and they have appeared voluntarily before the United States Supreme Court in opposition to these wage claims of many of their members. In the brief they filed before the United States Supreme Court they stated:

"The danger to the longshoremen is real and immediate. The very foundations of free collective bargaining are threatened—and we cannot believe it was the purpose of Congress that the Fair Labor Standards Act should be construed so as to make it such a threat."

This case has been argued before the United States Supreme Court. Its decision will determine whether we face the possibility of another wave of litigation such as was involved in the portal-to-portal cases. Of additional interest in these cases is the fact that it is the United States Government that stands to eventually foot the bill for the millions involved because the work was performed during the war on Government contracts calling for Federal reimbursement of the costs involved.

THE EXECUTIVE, ADMINISTRATIVE, AND PROFESSIONAL EXEMPTION

One phase of the act that is sure to come up for consideration is some clarification of the definition of the exemption to "executive, administrative, and professional" employees. This has proved to be quite troublesome. The Administrator has present authority to define these words and his definition has not proved satisfactory. It would seem much better for Congress to specifically set forth its intent with respect to these words. The same can be said for clarification of the "local retailing" exemption. And akin to this exemption is a similar exemption to employees engaged in "retail" or "service" establishments, the greater part of whose selling or servicing is in intrastate commerce.

AREA OF PRODUCTION

Also up for consideration is a redefinition of the "area of production." This language furnishes the test for determining the coverage or noncoverage of individuals handling agricultural commodities for market. The Administrator is authorized by the act to define the "area of production." One of his definitions was annulled by the United States Supreme Court because it was predicated on factors not germane to the words defined. Even the present definition is somewhat open to the same objection. Clearly, this is another phase of the act where Congress should clearly express its intent rather than leave it to an administrator to legislate.

In summary of the changes that are proposed, you will note it to be my interpretation of the situation that we can look forward to Congress adopting some increase in the rate and providing greater clarity of some of the terms. I would be less than honest in my statements to you if I expressed myself as believing that further changes would be adopted. I also wish to point out that Congress will, I believe, be very leery of adopting new language which would only substitute a new problem for an old one. I am sure that a vigorous attempt will be made to clarify the details of the act but I have not observed any substantial support for those who propose to repeal or emasculate the Fair Labor Standards Act. I do not believe that Congress will gut the law. We are going to attempt to be fair and reasonable to both labor and management and to clarify the law so that a reasonable minimum rate will be fixed and so that a person of reasonable intelligence will be fairly apprised of the obligations he must meet.

In closing, I want you all to know that the knowledge that I have acquired on this legislation is available to you all regardless of where you come from in the State of Minnesota. That is true not only to you men who are employers but also to your employees.

If you or your employees have any problems arising out of the interpretation of this act, I will be most pleased to act for you or for them either directly or through the proper Congressman, regardless of where they come from in the State of Minnesota. I consider that I serve on this committee as a representative of the State, and I have conscientiously replied to all inquiries which affect the jurisdiction of this committee regardless of whether they come from my own district, the State of Minnesota, or from the Nation as a whole. Please remember this if you or your employees have any problems or suggestions. Thank you.

In Support of Increased Allowances for the Education and On-the-Job Training of Veterans

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. SADOWSKI. Mr. Speaker, there is no question that one of the outstanding facts in the Nation's life at the present time is the drastic advance in the cost of living. This has appeared after every war. Opinions may differ about its immediate causes; opinions may differ as to whether the advance would have been less drastic if other policies had been pursued by the Congress or the Executive; opinions even differ as to the precise degree of this advance. As usual in these cases, statistics vary with the statisticians. But there is one general fact which no one can deny. It is that each item of necessity costs more, usually much more, than it did 5 years ago, or 3 years ago, or 1 year ago. Food to eat, clothes to wear, a roof over one's head and four walls within which to sleep, require more and more dollars and cents.

For many groups in our population, this increased cost of living has been compensated for in whole or in part. Wages are uniformly higher than they were; profits are higher than they were; the income-tax returns show that for the Nation as a whole the force of this increase in basic living costs has been cushioned by larger incomes.

There is at least one highly important group, however, a group for whom the Nation itself has accepted responsibility, a group to which the Nation owes a vast debt, for whose members the increase in living costs has not been cushioned. I call your attention to the way in which the advanced cost of living has affected our veterans who are studying in colleges and schools under the GI bill of rights.

In 1944, the Congress recognized that among our 15,000,000 service men and women there were many who had their education interrupted by the years they so willingly gave to serve the Nation in the war. They lost 1 year, 2, 3, 4, in some cases 5 years. Withdrawal from education meant for them delay or actual blighting of hopes for useful careers in line with their capacities. The Nation itself had much at stake, too. If the best possibilities of a whole college generation of the finest young men and women, with the best minds and highest ambitions, were to be lost to us, the harm to our democracy in the future, to our culture, to our science, to our spiritual life, even to our national properity, would be beyond all estimating.

Accordingly, Congress in 1944 opened up as part of a vast program of veteran benefits, the possibility of further school and college for these young men and women—all who could qualify and profit by it. Tuition and books to be paid for, and a subsistence allowance, which, although it would not cover all the student's expense, and was not expected to do so, would give such a boost that he could get along by working a few odd hours in time spared from his studies or by utilizing such other resources as might be available. The amount of subsistence was fixed in 1944 at $50 a month for single veterans, and $75 for those with dependents. In 1945 these allowances were increased to $65 and $90.

This response to this proffer of assistance in obtaining education has been amazing. Although many believed that a period of military life at the crucial age of 18 to 20 would blunt the desire for education and that comparatively few would want to go on, just the reverse of this happened. Men who had not merely been in a training camp, but actually engaged in the brutalities of war for years, turned to academic pursuits in such numbers, once the opportunity opened, that they could hardly be provided for. The colleges have been bulging at every seam. In the fall of 1946 there were 1,080,000 veterans in college, which was more than half of the total college enrollment of the country, including the women's colleges. In the fall of 1947 there were 1,150,000 enrolled in colleges and universities, and 651,500 in schools below the collegiate level. Over 6,000 veterans are studying in 442 schools and colleges in 44 foreign countries as well.

Another surprise appeared when reports began to come in about the kind of academic work these veterans were doing when they went back to school. The same educators, and many others, too, had predicted that military life would not only dull the desire for education, but would dull the wits as well. This apprehension was groundless. Uniformly, all over the country, in colleges and schools of all sorts, the veterans began setting records as earnest and successful students. A characteristic comment, similar to expressions used by college educators everywhere, was that made last March by the acting president of Columbia University.

Academically—

He said—

> the records of the veterans to date have been outstanding, almost invariably surpassing those of nonveterans. Their seriousness and fixity of purpose have won universal acclaim. The ease and completeness with which the ex-servicemen have fitted into the academic background has been remarkable.

He described them as "more mature not only in years and bearing, but also in judgment," and added:

> They are vitally concerned with public affairs, with world problems, and with equipping themselves for citizenship.

These young men and the young women who are among them are one of the richest possessions of the United States—far more important than any material resources. They are our future statesmen, business leaders, clergymen, newspapermen, artists, and authors. In the years to come the affairs of the Nation will be turned over to them.

But the increased cost of living, with which I began, has hit them too. At a time when well-paying jobs in business and industry have not been hard to get, these veterans have been clinging with all their might to their educational aspirations while they lived on an ever-dwindling pittance. Many—no one knows how many—have had to give up the struggle and quit. More will have to do so, unless the subsistence allowance is put once more on the basis intended in the GI bill of rights in 1944. This can be done only by increasing the allowance to take account of the shrinking of the dollar.

Let us see how this $65 and $90 allowance has shrunk. The average for all cost-of-living items is put by the United States Department of Labor, in 1944, at the index number of 125.5. In 1945 it rose a little to 128.4. In 1946 it jumped to an average of 139.3 for the year, but at the end of the year, in December 1946, it was 153.3. In November 1947 it was 164.9. It is still going up. This means that roughly the cost of living has gone up 40 percent or more since 1944. The biggest advances of all are in food and clothing, and all students require food and clothes, even if their rent is low. The single veteran finds it increasingly difficult to manage on $65 a month and the veteran with one or more dependents finds it almost impossible to manage on $90 a month. Increasingly, time and effort and anxiety must be put in on outside work to the detriment of studies for those who have no independent income. Many are forced to give up the struggle.

A survey made by the regional office of the Veterans' Administration for the District of Columbia region, revealed that in one term, the following numbers of veterans stated financial difficulties as their reason for giving up their educational career:

George Washington University	22
Georgetown University	17
University of Maryland	53
Catholic University	64

Other frequently named causes for dropping out were job conflicts, entering employment, or the like, which in most cases probably means that these veterans found the financial struggle too much for them. The heading "Personal and other reasons" which also bulks largely in the reasons given for withdrawal in these colleges also probably includes many whose primary motive was weariness with the financial struggle.

The cost of veterans' education has indeed been very great—over a billion and a half out of the nearly $8,000,000,000 we spent in 1947 on veterans' benefits. Yet there is no part of our veterans' program which will bring back so much in returns to the country in future years. We must take care of the widow and the orphan and the disabled. We are right in doing all we can to readjust all veterans to civilian life. These are obligations. But this educational money is an investment. It will return to us in the future citizenship and leadership of America.

Such measures as have been proposed for increasing the subsistence allowance for veterans in schools and colleges are restricted to bringing that allowance nearer to the levels anticipated in the GI bill of rights. The bill that was passed by the Senate, S. 1394, on July 19, 1947, proposes $75 subsistence a month for veterans without dependents, $105 for veterans with one dependent, and $120 for veterans with more than one dependent. The Committee on Veterans' Affairs of the House reported out on July 23, 1947, H. R. 4212, which is an identical bill to S. 1394. H. R. 4212 will come before the House on Tuesday, February 3, 1948, for 40 minutes of debate under suspension of the rules.

Of equal urgency is the passage of legislation which has been reported out favorably by the Veterans' Affairs Committee of the House that would raise the ceilings on wages and allowances payable to veterans undergoing training on the job. When Public Law No. 679 was passed on August 8, 1946, providing that "in no event shall the rate of such—veterans'—allowance plus the compensation received exceed $175 per month for a veteran without a dependent, or $200 per month if he has a dependent or dependents." I protested vigorously against this limitation because it did not carry out the intent of the majority of Congress to make it possible for the veterans to take full advantage of the educational and training programs that were provided under the GI bill of rights. The Kearney bill, H. R. 246, which was reported by the House Veterans' Affairs Committee in February 1947, provided for the raising of this ceiling so that a veteran attending a course on a part-time basis, and a veteran receiving compensation for productive labor, whether performed as part of his apprentice or other training on the job at institutions, business, or other establishments, or otherwise, shall be entitled to receive subsistence, provided that the rate of such allowance, plus the compensation received, does not exceed $250 per month for a veteran without a dependent, or $325 for a veteran with one dependent, or $350 for a veteran with two or more dependents.

This bill, H. R. 246, providing for the raising of the ceiling of on-the-job-training allowances, will also come before the House on Tuesday, February 3, 1948, for 40 minutes of debate under suspension of the rules.

With the increased cost of living since the original legislation was passed providing for what was then considered by many to be adequate assistance to our veterans, it is urgent that favorable action be taken at once on the Meade bill, H. R. 4212, and the Kearney bill, H. R. 246, to make it possible for our veterans to pursue their educational studies. Many of these men are being forced to give up the struggle because they are finding it impossible to exist on the meager allowances they are presently receiving. It is up to us to provide them an opportunity to complete their education and help to make up for part of the time that they lost through their war service.

The high cost of living has affected burials, too. We have increased the burial allowance by 50 percent. Should we not increase the allowance for those who by living will serve and guide the country in the years of the future?

Congressman Celler Opposes Fabric-Design Bill—Cure Worse Than Disease

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. CELLER. Mr. Speaker, H. R. 2860 merits opposition because it seeks to protect that which in the practicable and economic sense is unprotectable, designs on textile fabric. Designs or patterns or markings have been devised from time out of mind since man first chiseled curves and lines on a stray stone. Through the ages these designs have come down, modified and remodified. Most designs are the result of variations here and there. The line between originality and modification in most instances, if not in all, would be so thin as to be indiscernible.

This bill is an attempt on the part of the large manufacturers of fabrics to obtain for themselves undue protection for their designs. While it is true that designs have been pirated and copied, it is also true that they will continue to be pirated despite this bill. Whatever may be accomplished by this bill will be far outweighed by the evil that will follow in its wake.

In my opinion this is an attempt on the part of the large manufacturers to develop monopolies and to impede the flow of commerce by the intimidation and coercion of retailers, the manufacturers of cloaks and units. These big manufacturers will copyright the design and because of the copyright demand a higher price for the product, though the design may be a modification of one already old as the hills. Protection, undue protection is being handed to these big manufacturers on a silver platter.

There are millions of designs. Many would be copyrighted under the bill. How could the users of the cloth determine the infringement. The retailers have not the means or the time to separate the chalk from the cheese. Manufacturers of suits and blouses, ribbons, brassieres, in fact, any item involving the use of textiles would be placed at a decided disadvantage. They could never feel safe or free of fear that they may be guilty of liability for infringement. This bill would place such manufacturers in tightening straps that must ultimately impede production. One thing is certain: the manufacturers of fabrics would have a field day in price upsurge. This would be most reprehensible in view of the rising cost of living. With the exception of the copyright owner, no one would dare buy any fabrics without risking a lawsuit.

Moreover, this bill is discriminatory. It applies only to fabrics. It does not apply to, say, glassware, metalware, furniture, plastics, felt, leather, and so forth. What about the manufacturers of pocketbooks, women's hats, travel bags, breakfronts, jewelry, kitchen equipment and utensils, paper doilies and the like? Practically everything of utility value can be treated with design. With this bill we are forced to admit that the textile manufacturers are powerfully well organized and have been able to propagandize us in the direction they wish to move. There is no question that the manufacturers of items mentioned above will soon beseige us with their own definitions of originality. We will have a pretty kettle of protected designs then.

It is passing strange as one reads through the hearings on this bill that no retailer appeared. Were retailers invited to testify? Were any organizations representing the general public invited to testify? Certainly the consumer should have something to say about this subject. He has to pay.

If there is anything that requires protection, our present patent laws give ample coverage.

The bill provides:

> Upon receipt of an application for the registration of a textile design, the Register of Copyrights shall cause the application to be examined and a search to be made and, if he finds the application to be in proper form and the textile design to be original and novel and not substantially to resemble in appearance a prior textile design, shall, within 7 days from the date of application, issue a certificate of registration under seal to the applicant.

What is novel or original? What satisfactory definition or measurement can be applied with reference to textiles?

As I stated before, not only did none of the retailers appear, and they are the greatest number involved, but there was nobody from the cloak and suit industry, none of the jobbers or wholesalers, none of the manufacturers of suits, brassieres, blouses, scarves, and so forth. And they are legion.

This hearing, to say the least, was lopsided. Only those who agreed in whole or in part with the bill testified.

Consider for a moment the long line of users of textile fabrics. First, we have the manufacturer of the yarn as in the case of rayon or nylon. Then we have the weaver of the fabrics, the weaver sells to the wholesalers or jobbers who in turn sell to the manufacturer of men's and women's cloaks and suits, shawls, scarves, and so forth. Then in turn there are the wholesalers and jobbers of these manufacturers. Finally there come the retailers, not to speak of the general public who is caught between the links of this chain. Within this long line are the factors, warehousemen and distributors. Anyone in this long chain of handlers could be made guilty of a violation of this act. There are no genuine safeguards for them. The implied warranty of copyright protection follows, like a nondetachable ghost, everyone concerned in the selling and handling of the product. Is each design to be checked by each of these, search to be made by each of these? It all adds up to an absurdity.

The committee is involving itself in recommendation of a bill that can kill in its attempt to cure. The industries involved therein are left to flounder in a sea of trouble, and the big manufacturers of textiles may find themselves all twisted up in their own cloth.

Imagine the plight of a retailer in a small town who has purchased a lot of gingham aprons. A representative of a competitor of the retailer's vendor or distributor arrives and tells him that if he sells the gingham aprons he is in violation of the law. The retailer, however, sells. Under section 9 of the act, he is subject to suit for infringement of copyright in the United States courts having jurisdiction of suits under the copyright laws. In many instances the United States district courts are 300 and 400 miles away. Despite the alleged safeguards in the act, this will be the effect of the operation of the act.

There will be coercion and intimidation by competitors. There will be plenty of litigation. There will be a field day for lawyers.

That Oil Shortage Again

EXTENSION OF REMARKS
OF
HON. OREN HARRIS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. HARRIS. Mr. Speaker, the shortage of fuel oil in certain areas in the East and Midwest has caused grave concern with the people in those areas. The increasing demand for fuel oil and other petroleum products far beyond any expectations has caused the question as to the availability of crude-oil reserves. Various committees and many Members of Congress, personally, as well as editorials, news articles, and magazines have been giving attention to this question. Our Committee on Interstate and Foreign Commerce, which has jurisdiction generally over petroleum, has been going into this problem and making every effort to help alleviate the immediate and critical shortages.

A preliminary report was issued which I commend to the attention of all Members. This report was dated January 26. In addition to presenting the problem recommendations were made, some of which have been carried out. Much has been said through the press and otherwise about the committee recommending an outright embargo on exports of petroleum products. This is a misrepresentation. The committee recommended the immediate cessation of the exploration and the deferment of making any foreign commitments involving the supply of petroleum and petroleum products until a complete review is made regarding imports and foreign reserves and the effect of our exports on our national economy and welfare. We said:

It appears that the situation is now so grave that exports should be stopped completely until it can be determined whether further exports are damaging to the economy of this country, and until such review is made, it appears most unwise for the country to make any foreign commitments involving supply of petroleum and petroleum products.

Such a review, Mr. Speaker, has been under way continuously and will continue. It is a problem we can meet. We must be diligent at all times toward maintaining a healthy industry. Our national welfare demands it. We must not, however, lose our sense of proportion by coming to a hasty conclusion that our domestic reserves are not adequate to meet our own needs. We must encourage and, above all, pursue, such policy that will permit the continued development of our domestic reserves. In that way, we will continue to increase as we have in the past our own reserves. In this connection, I include with my remarks an editorial on the subject entitled "That Oil Shortage Again," from the Arkansas Gazette in a recent issue:

THAT OIL SHORTAGE AGAIN

The old scarecrow of a national oil shortage, decked out in a somewhat new dress, flaps in the national economic winds. Congress has been asked by Secretary of the Interior Krug to appropriate $9,000,000 for research on extracting oil from coal and shale. Secretary of Agriculture Anderson, not to be outdone, wants funds to make synthetic oil from Iowa corncobs. The House Interstate Commerce Committee is in favor of prohibiting exports of petroleum and gasoline, and Senator BRIDGES, of New Hampshire, has introduced a bill to that effect.

New England and some other areas are suffering. But the shortage is local, as Secretary Krug recognized several months back when he asked the National Petroleum Council to suggest ways to increase availability of oil. He said, according to The Lamp, a Standard Oil Co. of New Jersey publication, that such localized shortages as may occur "will result not from deficiency of domestic and foreign resources, nor from exports, but principally from shortages of oil-country tubular steel goods and inadequate transportation capacity."

Nothing has happened since to alter that picture. There is a great national steel shortage, and the oil industry suffers from it just as the automobile industry does. A large percentage of the refineries are located in the market areas, and the fact that their production has declined does not reflect a lack of oil resources, but a lack of the rigging, pipe, and tank cars used to obtain and transport crude.

Certainly we need to continue the investigation of extraction and distillation methods for the production of synthetic oil. But we should weigh them against the facilities already at hand. The petroleum industry has impressive new exploration techniques, and there is an excellent chance that important new fields may be brought in at any time. Moreover, new methods applied to existing fields may enormously increase production. Some experts believe, for instance, that just one of the old or "settled" fields in Arkansas, under proper repressuring, might yield more additional oil in a single month than all the corncobs in Iowa over a period of years.

This localized oil shortage is bad, and the excitement of the New Englanders who are primarily affected is understandable. But it does not provide a logical basis for the sort of panic that seems to be leading some Congressmen to turn against the Marshall plan on the ground that our oil situation is so desperate we can't afford exports. An industry that met the demands of a mechanized global war isn't like to founder in the face of a rehabilitation program for western Europe.

To Bring Hope to Children Without Hope—A Report on Europe's Children as the United Nations Appeal Opens Its World-Wide Drive

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. SADOWSKI. Mr. Speaker, while many are talking about the Marshall plan, and are interested only in European recovery and relief on the basis of politics—and they know full well that not one dollar of this money will go to the people and the nations that suffered the most from the devastations of war—it is like a breath of fresh air to read this article written by Chester Bowles that appeared in the magazine section of the New York Times last Sunday, February 1, where a plea is made on a humane and Christian basis to help all of those children of Europe who are the innocent victims of this terrible war and have no conception of international politics, and sincerely look to the United States for food, clothing, and sustenance. It would take only a small portion of the Marshall plan funds to do a job that would meet with the approval of every American, and would win for us the everlasting gratitude and friendship of the future citizens of Europe, who are today these same little hungry, undernourished, frightened, and hopeless children that Mr. Bowles refers to.

Billions of dollars are being wasted upon armaments and preparation for war. Billions of dollars are being given to countries who were our enemies and to other countries who were not our allies and did not participate in the war. For Germany, it is proposed to give $2,000,000,000 in 1948, $1,000,000,000 from the War Department appropriations and $1,000,000,000 under the Marshall plan, but to the orphans and the destitute children in the war-ravaged countries not even a kind thought or word any more. The big Christian American hearts have not become chilled and calloused to the cries of orphaned, hungry, and destitute children of Europe. Of that I am sure. It is the political and big international business interests of America who have corrupted and messed up our foreign-relief program, so that the average American does not know what our policy is or where it will lead us. There are many established charitable and religious organizations who were willing, and could have undertaken a program of relief and assistance for Europe's children. Why do we not appropriate the money for this job? Why do we not pass the bill that I introduced, which would allow gift packages to be sent postage free to all European countries devastated by war? Here are two programs which would cost so little, and would be the best insurance for peace and friendship, but I suppose that the big boys could not make any money out of these two programs, and that is why

they will not give these two humane programs their support.

Chester Bowles, as Chairman of the International Advisory Committee for the United Nations Appeal for Children, has just completed a survey trip to Europe where he assisted in the formation of committees in various countries, to conduct drives for the relief of children. Before his departure for Europe he helped to establish the United States committee for the appeal, and this committee—the American Overseas Aid-United Nations Appeal for Children—is making a drive for funds this month. The article follows:

LONDON.—Like all Americans I have had some impression of the vast difficulties of postwar reconstruction in Europe; of what Europeans are doing to help themselves, and of what help they are getting from beyond their borders. Since my last trip to Europe a year ago, I have had to depend on newspaper stories, statistical reports, and the accounts given by returning travelers.

All these left me totally unprepared for many of the things I found. Words and figures cannot convey adequately the devastation in Warsaw; the sorrow of the Czech people for the murdered men of Lidice; the tragic spread of tuberculosis among the children of France and Hungary; the tight-lipped patience of the English.

Above everything else, however, I was impressed with the courage and intensity with which all these people are attacking their problems and the hard work being put forth by men, women, and children, many of them weakened by malnutrition.

All the countries which I visited suffered appalling human losses and physical destruction in the war. This differed in degree and kind between the countries, but no American has seen such things in his own country. Let us hope he never will. All of them were slowly fighting their way back to economic recovery, primarily by their own hard work, but with major assistance from their neighbors from overseas and most of all from UNRRA.

The crops were comparatively good, wherever there were men and machinery enough to plant, cultivate, and harvest them. Livestock destroyed by the Germans was slowly being replaced. Prisoners of war had come home and were making up for lost time in the restoration of industry and commerce.

In 1947 these countries were all hit together by a new disaster—what was, perhaps, the greatest drought Europe has ever suffered. The oldest records are those of France, going back to 1818. Since that time there has been no dry spell so destructive as that of 1947.

The drought brought new tragedies expressed in reduced nutrition and reduced energy for the workers; sharply increased infant mortality, and greater incidence of tuberculosis and other diseases among children.

The force of the blow differed from country to country but the pattern was the same. Everywhere the drop in grain production brought sharp cuts in the ration of bread—the fundamental food—and milk, the absolutely essential food for infants and growing children.

There was a tragic competition between bread and milk. To feed dairy cattle meant that the people as a whole would be further weakened and their recovery imperiled or delayed. Not to feed the dairy cattle meant that there would be even less milk—and there was already far too little.

It is not possible here to give statistical details for all countries, but France provides an example which is typical in most respects. The crop failure struck the French people with stunning force. Before the war France had raised an average of 300,000,000 bushels of grain per year. She had been accustomed to virtual self-sufficiency in food, as had Poland and Hungary, which produced for export. Last year the drought cut French production by nearly two-thirds—to only 130,000,000 bushels.

In 1946 average consumption of food in France had risen from wartime levels to 2,600 calaries daily—about two-thirds of the American diet but enough to give strength to the workers and hope to the country. One year later hope turned to desperation.

The grain shortage sharply reduced the supply of bread—an essential staple in every Frenchman's diet.

Barren pastures and lack of fodder led to a further slaughtering of a dairy herd already reduced by nearly one-third during the war. The remaining milch cows gave less milk, about 2 to 4 quarts daily compared with an average of 10 for cows in the United States. The milk was of lower quality with only 2 percent of butterfat, compared with 3.8 percent for American milk.

It is a particularly cruel irony that France which gave Louis Pasteur to the world is also critically short of equipment for pasteurizing and refrigerating to protect the purity of her milk. The effect on adults has been severe. The basic ration already had been cut to 2,300 calories, and it must be cut to 2,000 in the near future. On children the effect was worse and more painful to think about. At present in France 69 infants in every 1,000 die within a year of birth. This represents a reduction from 120 during the Nazi occupation, but it is double the rate in the United States. It is now increasing.

The French people have reacted with an almost universal will to work and sacrifice to save their children. In the last 2 months milk has not been available even to invalids in hospitals. All but a tiny trickle is going to children under the age of 4.

The tiny trickle is divided between children over the age of 4 and, through the dwindling black market, to wealthy foreign visitors who live in the finest hotels and go home to report that there is "plenty of food" in France.

Malnutrition came as a shock to France, for it has been a new and terrifying thing.

In Italy the murderous combination of war and drought struck hard at the people who already were very poor. The average Italian ration is an enfeebling 1,800 calories per day, but even this average is misleadingly high—for I have talked with Italian families who had eaten nothing during the previous 24 hours. The average also includes gluttony for the wealthy minority. For Italy has made less progress than France in suppressing black markets.

The great new thing that is in evidence in Italy is the determination of so many people—against the heartbreaking odds of poor soil, war-damaged industry and years of oppression—not only to recover but to break new ground for social advances. Except for details the story of need is the same in all countries. In Czechoslovakia industry is relatively booming, but her people are still forced to subsist on an average diet of less than 2,000 calories—the average American diet is 3,300. Fortunately, the Czechoslovak people, like the British, have an efficient rationing system through which meager supplies are efficiently and fairly distributed.

In Hungary—normally a food-exporting country—there is more grain. But there are critical shortages of fats, proteins, and vitamins—contributing to an infant mortality of 120 in every thousand births. Hungary, with some of the greatest physicians in the world, is powerless to cope with the high incidence of malaria and tuberculosis because of a tragic lack of medical supplies and hospital space.

It has been a mercifully mild winter in Europe. Four children in a single family have only clothing enough for one to wear at a time. It is common for fathers to make shoes for their children out of old fur, leather, or felt hats.

Poland, which suffered severely from drought, had lost 65 percent of her dairy herd and 70 percent of her farm horses during the war. It is estimated that she cannot become self-sufficient in milk for at least 8 years.

In 1944 Warsaw was the scene of one of the greatest mass tragedies in recorded history during and after an uprising of her people against the Nazis. More than 200,000 people in the city were killed, after which the Nazis went to work with dynamite to punish those who still survived. Block after block for miles were blasted until Warsaw was a prairie of rubble. The city was 92 percent destroyed.

Despite her tragedies and her weakness, for there are no bulldozers or steam shovels, and despite an average diet of from 1,700 to 2,000 calories, the people of Poland are rebuilding their nation almost with their bare hands. The 600,000 who still live in Warsaw of her prewar population of 1,400,000 are huddled in cavelike rooms amid the wreckage, but they are working with passionate intensity to make a new and better life for themselves and their children.

This yearning for a better life and determination to have it are universal. I have seen this in each country I have visited.

Yearning and even determination are not enough, however, for every one of these countries desperately needs help. They need to help each other and they are helping each other with a steadily growing trade. With even an average crop next year Hungarian wheat may add again to the bread supply of Czechoslovakia and to the spaghetti supply of Italy; Italian olive oil may alleviate some of the desperate fat shortage in Hungary and France.

But most of all they need help from richer and more powerful countries.

After the United Nations won the war the United Nations Relief and Rehabilitation Administration was established to repair some of the damage and heal some of the wounds. Every nation gave 1 percent of its national income to UNRRA, and $5,000,000,000 was raised—spent, most of it, I am convinced, with great care, economy, and wisdom. UNRRA was terminated, but the special needs of children and adolescents, of nursing and pregnant mothers, were still recognized by the United Nations, which established the International Children's Emergency Fund and the United Nations Appeal for Children.

A plan was projected whereby the Children's Fund would give aid to 20,000,000 children for a full year, with food, clothing, and medical care. To finance this program the governments of the United Nations were expected to contribute $400,000,000. In 2 or 3 years it was thought that the gravest phase of the emergency would be over, and that the war-ravaged countries would be well on their way toward self-sufficiency again.

But the governments provided only a bare dribble of funds. Something vital in human awareness had disappeared with UNRRA and less than one-tenth of the needed sum was collected after months of effort. A series of tragic choices had to be made. Only 4,000,000 children could be cared for out of the tens of millions who badly needed help. The 1-year program had to be cut to 6 months. Clothing and medicine had to be virtually eliminated from the program.

The 6-month lease on life for a relatively small number of needy children in 12 countries has already started. A small, hard-working staff of the Children's Fund is seeing to it that every pound of lard, horse meat, cod-liver oil, and every ounce of powdered milk—the major supply item—goes directly to children and infants. Supervised group

feedings guarantee that none of the supply can enter black market channels. The United Nations appeal for children seeks to extend that 6-month lease on life and to reach more children by asking individual men and women all over the world to fill in the gap left by their governments—to give 1 day in earnings or effort.

The way the people of Europe are working for reconstruction has been inspiring. Equally inspiring has been their reception of the United Nations appeal for children—even in countries which have themselves suffered terribly. For the people of Europe the appeal means more than food alone. It means peace and a chance for the peoples to cooperate directly in an international undertaking. In this I think they are in advance of their governments.

At present it appears that national committees of the United Nations appeal for children in at least 14 European countries will participate in the campaign for funds. I have met with several of these committees, and I have been enormously impressed both with their enthusiasm and their ingenuity. The Danes already have given great quantities of antitubercular serum to other countries, and more will probably be given through the appeal. This serves to highlight how much can be done with only a little help—for all the children in Europe can be protected for less than the cost of a few heavy bombers, for instance.

From the people of Norway have come cod-liver oil and offers of more. The Czechs, Hungarians, and Poles, with little to offer but their tireless labor, talk in terms of labor.

Words and figures are truly not adequate to convey some of the impressions which have been burned into my mind on this brief trip. All I can do is to pass on the facts about some of the things I can never forget.

In an industrial town near Paris, in a windowless 1-room shack, an 11-year-old girl was caring for three smaller children—and for her father, whose legs have been amputated, and who will have to wait for several more weeks for artificial legs. Her mother was at work at a $10-a-week job, trying to earn enough to keep the family alive—and together. The little shack was neat. The children were clean. Most surprising of all, the 11-year-old was singing.

There were many more 1-room shacks on the outskirts of Rome. In one of them a war widow lived with five children. Whenever there is hard rain the family and their neighbors have to leave their homes and go out on the hillside.

A few hundred yards away a big housing development being erected for the people at the bottom of the hill. I was told that the Costello family will not be able to move in because the mother's $3 monthly widow's pension will not give her enough to swing it. The cost is $1 per month. That is the current black-market price in Rome for a package of American cigarettes.

Near Budapest there are other shacks that I shall not soon forget. In one the father has five children, and tuberculosis. There is no hospital bed available for him, and there is not enough antitubercular serum for his children. His wife is striving to keep the family alive by growing a few vegetables and selling them.

In Warsaw there was a 10-by-14-foot corner of the cellar of a blasted house. In it lived what was left of the Marshy family, a boy of 7, his sister aged 10, and their grandmother. The father, mother, and a baby boy and a girl, who should be 15 now, were killed in the Warsaw uprising of 1944.

The grandmother found the children wandering in the streets and moved them into the cellar. To support them she earns a few cents an hour, removing rubble by hand. In addition, she receives $2 monthly from the Welfare Department. The children take turns going to school because there are not enough clothes for both.

They are among the fortunate few who get a little bread given by the government, spread with lard and washed down with milk contributed by the United Nations Children's Fund.

There are millions of children living like this in the countries which I have visited. But I shall remember not only the misery, hunger, and squalor. I shall remember the neatly tied ribbons in the little girls' hair in the Warsaw and Budapest orphanges, the pathetic decorations in the peasant huts in Italy and Czechoslovakia, the cheerful nursery group in the devastated Polish schools; the grateful appreciation of Hungarian and French doctors for new hospital equipment just received from the Swiss; and the calm, quiet, cheerful determination of teachers and social workers, nurses and physicians in every country as with meager resources they attack the problems of a new generation born in war.

The children of Europe and Asia are living in a world of misery created by our generation. It is our responsibility that they shall have an opportunity to build a new world infinitely better than the one they know today. The United Nations appeal for children is a challenge to every parent, every worker, farmer, and businessman who seeks to build a world of peace and understanding.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Hon. Samuel B. Pettengill, former Representative from Indiana:

FACTS TO CONSIDER

Did the war reduce Europe's population? No, it has more people. In the past 10 years, according to the Population Reference Bureau, Europe has increased in population by 14,000,000.

What has this to do with the Marshall plan? A lot. A number of the 16 nations in the Marshall plan are giving bonuses for babies. We are called upon to feed them. Can we, and for how long?

In 1946, these 16 countries had 4,398,000 babies who survived to age one. Using wheat as a yardstick of food, it would take 920,000 acres of land to grow the minimum food for 1 year's lot of new Europeans. That equals the total crop land in New Jersey.

If in the next 4 years, the European crop of cannon fodder continues to increase at the same rate, it would take 18,200,000 acres to adequately feed these children from 1 to 4 years old. That is as much cropland as there is in California, our second largest State. This is for children alone. It does not count Europe's grown-ups and old people.

Meantime, our population has been increasing at about the same rate. Add the expected European children to our own children and you see trouble ahead. Wheat is, in fact, a minimum yardstick to measure calories. Small children can't eat wheat gruel all the time. They need milk, and cows make greater demands on acreage than wheat—both summer pasture and hay and grain in winter.

Dr. Hugh Bennett, chief of the United States Soil Conservation Service, told Congress we did not have enough good land left in the country for ourselves. That was 8 years ago. That was before the war, and before Marshall. Recently, Secretary of Agriculture Anderson has warned: "We continue to drain our soil fertility. * * * We are plowing land in the plains that is sure to be blown away in dust storms."

The Marshall plan will not send dollars abroad. It will send top-soil and our resources of phosphate, potash, iron, coal, petroleum, timber, etc. What about them? With reference to minerals, the Secretary of the Interior reported in 1945: "We have a meager supply * * * We are relatively weak now." Dr. Elmer Peterson of the Bureau of Mines says: "It follows that the faster we grow in industrial strength and military power * * * the faster we liquidate the basis of our power."

We are already living on our "capital" of natural resources. In 1943, our timber cut was 50 percent more than new growth. Lumber is short now. So is paper. We are in sight of the end of our good iron ore and other metals. Fuel oil rationing is also in sight.

In the light of these facts, President Truman's assertion that the Marshall plan will take only 5 percent of our total production is misleading. India, with her 388,000,000 hungry people—hungrier than Europeans—is already asking to come in under the Marshall plan. Why not? Then China, with her 470,000,000 hungry people, is next. Congress in fact, wants China to start sharing now.

If these countries threaten to go Communist unless we feed them, what do we do? Save Europe (if it can be saved) and let Stalin take over Asia?

We have 6,000,000 farms, and a farm population of 30,000,000. Are these 30,000,000 people to feed themselves and our 110,000,000 nonfarm Americans, and furnish a large part of the groceries to the 219,000,000 in the 16 Marshall plan European countries, plus 858,000,000 in India and China?

These are hard facts. They must be faced. If we let all these nations on our bandwagon, when do they get off? And where do we come out?

SAMUEL B. PETTENGILL.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by George Weller, Boston, Mass., foreign correspondent for the Chicago Daily News and Pulitzer Prize winner, before the Economic Club of Detroit, Detroit, Mich., January 5, 1948:

Mr. JOHN S. COLEMAN. * * * I have heard a top newspaper executive call our speaker of the evening, Mr. Weller, "One of the best, if not the best, foreign correspondent of our day." I am told that Mr. Weller has an objective viewpoint concerning the Marshall plan. I am hopeful that his talk will further clarify my thinking as to the possible success of what is called the Marshall plan in Europe, and the impact it will have on our living here.

Gentlemen, I am happy to introduce to you Mr. George Weller, foreign correspondent for the Chicago Daily News. Mr. Weller.

Mr. GEORGE WELLER. Thank you very much, Mr. Coleman.

It is customary for the visiting preacher to a new congregation to announce his text. My text, which may seem to you at first a little dry, is taken from the book of numbers. Let me read:

Albania, $40,000,000; Austria, $63,000,000; Australia, $54,000,000; Belgium, $494,000,000; Brazil, $70,000,000; Burma, $11,000,000; Canada, $138,000,000; Chile, $42,000,000; China, $1,482,000,000; Costa Rica, $1,500,000; Czechoslovakia, $31,000,000, plus about $400,000,000 UNRRA; $40,000,000 to Denmark; $1,000,000 to Ecuador; Egypt, $11,000,000; Ethiopia; $4,000,000; Finland, $92,000,000; France, $1,950,000,000; Great Britain, $4,400,000,000; Greece, 790,000,000; Hungary, $15,000,000; Ireland, $65,000; India $50,000,000; Italy, $538,000,000; Iran, $30,000,000; Korea, $62,000,000; Liberia, $20,000,000; Mexico, $87,000,000; Netherlands, $377,000,000; New Zealand, $5,000,000; Nicaragua, $2,000,000; Norway, $56,000,000; Peru, $3,000,000; the Philippines, $695,000,000; Poland, $90,000,000, plus another approximate $400,000,000 in UNRRA; the Soviet Union, $250,000,000; Turkey, $270,000,000; Yemen, $1,000,000; Yugoslavia, another approximate $400,000,000 in UNRRA.

I have been reading to you the postwar—not midwar, but postwar—aid that the United States has given to the world.

Today, stepping off from this background, we look at a new American plan to help the world. We want to know: what does the Marshall plan mean to Europe? and what does it mean to us? The motives, the aims, of the Marshall plan were stated after Mr. Marshall's overture at Harvard June 5, ably described to you by Mr. Coleman. Marshall's bid was taken up by the conference of ministers in Paris, where I was at that time, this summer. The objectives as taken up by those ministers with the exception of Mr. Molotoff were four:

Rerevive production in Europe.

To restore its financial stability.

To work for greater economic cooperation between the nations.

To correct the dollar deficit of these nations with regard to their imports from the United States.

Who can quarrel with these purposes? Certainly none. Who should examine them? Certainly whoever is asked to finance them or who offers to finance them.

Now, it is important before we examine a plan like this in detail that we try to find out what in general it means. The Marshall plan as a whole is, I am convinced, beyond the comprehension of even those people who try to work closest to it. But we have to content ourselves with its impression on the people whom it helps, and the people who pay for it. First, then, the people who pay for it—ourselves.

We are told that the Marshall plan has as its purpose to save Europe from hunger, from communism, and from chaos. These are all fright words.

The backers of the Marshall plan argue that hunger is a living and real danger in Europe today, along with communism, and that chaos actually threatens. No other solution is proposed than money. Money and goods.

There is no problem of power to those who propose the Marshall plan. There is no give-and-take of power politics. No. This experiment has to be carried out in a pure vacuum where economic laws alone prevail. So it appears to us, and so it is offered to us.

Now, to Europe, this plan seems a little less impeccable than it does to us. It is welcomed, of course, by the minority of governments who find themselves facing terrible dilemmas, who find themselves faced with the obligation of making reforms and adjustments, and who see here in this plan a sort of remittance, a sort of postponement of their necessity to wrestle directly with these problems.

There are others who cannot yet speak out their favor for the Marshall plan. I mean the government officials in the Communist satellite countries. It offers another out for them. If the United States can be induced to pour without security millions upon millions more of dollars into western Europe a profitable trade can be awakened, profitable for the eastern countries under the iron yoke and behind the iron curtain. Naturally these two minorities of officials, the Communist governments and the unreformed, semi-Socialist governments of the West, principally the governments of the East, silently welcome the Marshall plan.

But the majority of the European peoples are puzzled by the Marshall plan. They cannot understand why a country which has already given so generously to Europe should continue to wish to do so. The Europeans are in general critical and skeptical of mind. They want to know where the joker is in this generosity. They cannot believe that Americans can actually dispose of these sums seriously without asking recompense. And when they look at the list of the countries they are even more puzzled.

I am sure anyone who has been in Ireland, where I started out my tour this summer of Europe, would be puzzled indeed to know why Ireland was among the countries interested in a commercial gain through the Marshall plan; Ireland which remained neutral through the war; Ireland which provided me, as I took a bus across from Shannon to Dublin, with the biggest helping of roast beef and potatoes that I had anywhere, including the United States, for a very modest sum. Why does Ireland need any commercial boost? anyone would ask who has been in Ireland.

Why Scandinavia, whose industry is booming, and whose markets lack for nothing? Why Belgium, which has many items on its markets that we cannot, except at greater price, obtain here? Why is Switzerland to gain a trading lift, Switzerland where there is no housing problem such as we have, and where there is normal employment and a stable economy running along very smoothly, after a history, as far as the war is concerned, of being completely without injury?

Why, even somebody may ask, France, which as long ago as last May, 8 months ago, had already elevated itself to 93 percent of her former industrial capacity?

This is a genuine puzzle a d amazing, and the people have no answer for it, other than our open foreign explanation of rebuilding Europe at our expense. But there are those who are ready to give them more sinister explanations of self-interest.

The Communist Party in all these countries is ready to say that the purpose of America is imperialism. Well, now, "imperialism." What do we mean by that? Imperialism is perhaps the most abused word in all our confusion of semantics. Communists don't say what they mean by American imperialism. They don't say what the Americans want to get in return, because the Americans themselves don't say it. But it is easy for them to say that the Americans will eventually claim a price, because it is so irrational to any European to think that they will not.

Any European observer, looking today at the shift of weight of power in Europe so powerfully on the side of the Soviets and so much against us in the postwar changes, must believe that this is only the first step, the first overture, toward an eventual recovery of our loss in the balance of power which existed at the end of the war.

Can we expect gratitude? I dislike, because Americans are emotionally so susceptible on these points, to try to discuss and weigh so intangible a substance as gratitude. Gratitude can be found in some quarters in Europe. But I cannot say honestly that it is loudly, warmly, regularly, or spontaneously expressed.

We have had a thank-you note or two from some British town to a like-named town in the United States, where there was direct aid given from the foster town to the parent. We have some of that sort of personal gratitude. But altogether the Marshall plan is too far above the heads of all to feel any direct responsibility or any direct gratitude.

There is a rationalization of this indifference at hand. Europe has an idea that America is inexhaustible. America's difficulties, our declining land resources, are never discussed in the European press. They treat our aid as something natural, something due them, and something that comes from the less-harmed country to them, more by right than by generosity.

Now, if there were a Marshall plan for European recovery common to all the nations of the western world, this image would quite drastically change; if there were a broad front, a general front similar to the United Nations of accepted responsibility. But that is not the case.

A challenge of Mr. Marshall's remarks at Harvard has been picked up in its entirety and completely, and without any reference on the part of the European nations to a general sharing, when needed, by Mr. Marshall himself. That is why when Italy is portrayed to us in the darkest terms as needing immediate assistance of very large nature, nobody pays much attention to Italy's dealings with other countries.

If they did they would know that about 6 weeks ago Italy concluded an agreement to acquire beef and wheat from the Argentine to the tune of $175,000,000. Is this a gift, like America's of wheat and coal? No, it is not. Is is largess from the rich to the poor? No, it is not. The Argentine Government also dislikes communism. But are they giving away their hard-raised cattle and their wheat for it? No, they are not. Are they making this credit without interest to Italy? No, they are not. The credit charge or interest rate is 2½ to 3½ percent.

Europeans just don't understand these contradictions.

So we see that the Marshall plan is two different things to the giver and the receiver. It isn't what it appears to be to us to the Europeans who are to receive it.

Now let's pick the Marshall plan up by one tendril. Let's pick it up by the question of imperialism. What is America going to get out of this?

The Marxists are usually pretty realistic about these things. They are trained in the school where you don't give anything away for nothing. Let's say that it is actually true that we are doing this in order to stop communism. Well, this is indeed the basis upon which the Marshall plan is increasingly being sold to the American people.

Why stop communism? Because communism, as we perceive, as it breaks surface now in the postwar period, we see a gigantic network of power concentrated in the Kremlin. We see it pushing forth outward and upward from the ground in all directions. We see its acts, and they threaten us.

Now, how did we get to this position? Two great nations emerged from this war; one nation, the European one, had lost most of its industry and many of its people. It conserved, however, a birth rate, a breeding rate, far higher than its competitor on the other side of the ocean. Its vitality was intact. Its national pride, quite rightfully so, high. Its resources, most important, were intact.

The other nation on the other side of the water came out of the war with much less losses in manpower, but still with a far lower birth rate. It emerged with its surface industry unharmed in any way, but with its resources greatly sapped by an attempt to supply all the lacks of its allies.

Here are two powers more equal than we sometimes think of them. Which will win? We are not here interested in which these

nations God smiles upon, but which is likely to endure. We are asking ourselves which will win, not which one morally deserves to.

One of these nations fought on a single front; took heavy losses; traded space for time. Space and lives. The other jumped space across two great oceans and fought on two fronts.

The first nation was prodigal in valor and prodigal in casualties. The second nation was equally prodigal in valor and prodigal with its resources and securities.

Then victory came. And here again, by an odd reversal of techniques, the nation which in the beginning had traded space for time, which had retreated, when the victory came, and great part by itself, now raced on not only back to the lines where it had been before, but far beyond them. It discovered a new political weapon in the partisan forces. It used the partisans to establish new governments satellite to itself. It concentrated all its attention on building up it own strength at home.

And the other nation that had been so bold in action when it jumped the ocean with its armies, and had promised to put back democracy everywhere in the world? What did it do? This nation retreated. It drew back its forces across the oceans. It considered the war over, because the shooting war was over, and it said, "Let's play at peace."

One army remained tommy-gun at the ready, at its positions. Even today, 2 years later, this army occupies several more countries than the army that crossed the oceans. It occupies not only Austria and Germany. It maintains by right of treaty signed by all the other parties in the war, troops of communication—so-called in Hungary and Rumania. Its own advantage is very great, even through its own army, even exclusive of the powerful allies that it has created, and the satellite armies it controls and arms.

What of the other nation? The other nation, with a politically illiterate army, clamored to bring the boys home. It has left behind a mere weak, token force incapable—except at the single point of Trieste—of putting up any kind of military show or resistance.

The first nation had a social program, oh, yes. Its program was to seize and hold all enterprise, and hold it for itself, and to lodge all that could not be seized for itself in the hands of a friendly government, a puppet government, and to ask for as much more as possible afterward.

And what was the policy of the other nation, the nation from across the seas? To send of its own substance to support not only its own forces, not only the civilian populations, but even the armies of its allies, to prop up their political bargaining power. Did it increase its number of troops? It did not. What about the postwar policies? No more than had peace begun, immediately the nation from across the seas began immediately to read from the book of numbers.

But the other nation began to bargain. It did not bargain only with those whom it feared in western Europe. It bargained heartily with its own allies, and profited from them.

I have just read of the recent agreement between the Soviet Union and Czechoslovakia—Czechoslovakia, to whom we have given about $400,000,000 through UNRRA. Czechoslovakia has just received $23,000,000 of credit from Russia. A credit; not a gift. The credit will be paid for by barter in 1949 and 1950.

Notice the significant characteristics of this relationship. It is for a small sum. It is for a short term. And it is for real goods to come back in return for the credit. Contrast these terms with the loose American way of dealing: big amounts, long terms, small return.

Of these two rival nations one has a philosophy that calls upon all nations to join it. It invites them all, adaptable to their policies wherever they are. It has sown its seed in small, well integrated units, as I have seen in Indochina and Indonesia, and the Philippines.

The other nation says the thing to do is to turn the native peoples completely free, as was done in the case of the Philippines; to pay for their new freedom and to pay for their friendships; to disregard all strategy; to disregard all security.

As for those places in Asia where there is colonial war going on, the great power of Europe says the thing to do is support the masses, to encourage the struggling peoples. The other, the American Nation, supports by loans, and indirect or direct help, these colonial wars of France and Holland. While mentioning nothing of supporting these wars in its Marshall plan, it continues loaning more money to make them possible.

I think if you compare these two techniques you will have very little doubt, quite dispassionately speaking, as to which one of the two rivals is likely to be in the lead.

One of them—let's go just a bit further in this examination—boasts a conspiratorial party of internationally organized, devoted, idealistic fanatics. It has two wings in every country, aboveground and underground, prepared to go underground or to emerge, prepared to exploit the weaknesses of every situation.

We understand how this works when we see the first clamor on the part of the American troops to get home, which came in many cases from Communists in our own forces. Some later identified themselves, such as the Daily Worker correspondent who was on Stars and Stripes, who was the author of the Let's Go Home editorials in the Stars and Stripes in Japan.

But the nation which crossed the seas has no mass or conspirational organization whatever. It depends on an endless coal chute of money. When anything is needed anywhere it lifts the chute and lets down some more dollars.

The first nation has a systematic pattern of conquest. Its make-up is a partisan army, the rigging of elections, the essential partisans of the Soviet Army during the critical period seize all key posts in the cabinet, and finally the eradication of the opposition of all other parties systematically through trials. All this technique is clearly laid down in their own writer in Lenin, who says precisely how to do this. His instructions they follow faithfully and successfully.

And the other nation, to answer this, either withdraws their funds or ships in another great big bale of American dollars to answer it. Dollars, dollars. Anything can be cured with dollars.

How did we get to this vulnerable, humiliating position: We got to it through Teheran and Yalta. We got to it through conceding eastern Europe at Teheran to the division of two powers, only one of which was capable of exercising its strength there.

And the other great defeat was in the Far East. There we made critical concessions at Yalta. We gave the Chinese Communists a great base in Manchuria.

I don't like to sound tragic about this. But I think it is safe to say American blood will sometime flow for these terrible defeats.

Now we are in the process of waking up. We have slowly found out, a few of us actually realize that we lost the war. We did not win the war. We won it strategically, but we lost it politically. We lost it to that rival nation, first politically, and now strategically.

When today our Chief Executive compares, as he did in the case of Greece, the cost of a $400,000,000 loan to Greece and Turkey, to the cost of the entire war, he is comparing a tiny little front, only one of the fronts upon which we face defeat. The cost of the war will be not $400,000,000,000, but it will be nearer—when we have paid if off—$700,000,000,000.

Now, what do we want to do? We seem to want to buy back a buffer state in Europe. We want to buy back with dollars a western European buffer state. Now, this may sound rather crass to you, a rather crass analysis. There are humanitarian motives that we all feel. These exist. But they are so mixed up with this terrible military dilemma that they cannot be extracted, one element from another. So we have proponents of the Marshall plan jumping back and forth; from compassion to fear of communism and back to compassion again. It is confusing. Perhaps it is meant to be confusing.

If I might look backward I dare to say that these things, these humanitarian acts abroad, were better done when we handed them over to genuinely dedicated people like the Quakers who were selflessly devoted to humanity and were capable and efficient administrators of the humanitarian method of aid. Today it is especially desirable that we achieve this separation, first of all, between humanitarian sympathy and military reality.

Now, how did communism come into the countries with which we are mostly concerned?

We are worried about communism arising in western Europe, and we are worried because the wave of seizure has moved westward. Let's look very rapidly and briefly at this advance.

About 3 months ago I was in Bulgaria covering the Petkov trial, where a man who had been for all of his life a struggler for the rights of the peasants, a struggler for the small farmer, faced a rigged trial, and was eventually hanged. It was the last act of a straight Leninist drama.

But how was Bulgaria taken by the Communist Party? Bulgaria, which had played with the Nazis throughout the war; Bulgaria, on whom the Soviet Union declared war only after she was beaten and had made peace overtures to the rest of the Allies. It was done by the tardy creation of a Bulgarian partisan force of occupation by the Soviet Army. Then followed the placing of the partisan leaders in key Government positions, the gradual eradication of the other parties through terrorist measures, and suppression of the press, and so to the final drama of Petkov's death.

Look at Yugoslavia; the same thing obtains. Here is a more stellar record of resistance to the Germans, it is true, but nevertheless with the same pattern by a partisan corps; a leader trained in the Spanish Civil War becoming a leader of the country, with the Soviet Army to insure his predominance. In Albania, the same thing. Again a leader trained in Communist technique taking over the country.

Albania is an interesting example, because in reading to you from the book of numbers you remember I led off with $40,000,000 from us for Albania. Albania is one of the countries where America is today, in spite of the $40,000,000, unable even to maintain a diplomatic mission.

Go northward a little in Hungary. Again we have this phenomenon of the axis country taking over—the Soviet army on the scene; the adroit gradual pressure. Don't think that the Soviet commander goes around with a tommy gun and walks into the headquarters of the opposition parties and personally cleans it out. He does nothing of the kind. He simply terrorizes indirectly, by carefully managed methods, all opposition.

Northward to Czechoslovakia, where we see one of the last stages of transition of power to the Communists. We see a cabinet so completely dominated by the Communists that even the Catholic priest, who is the minister of communications, flipflops against the Marshall plan at Soviet command like all the

other members. Twenty-four hours ago they are unanimously pro the Marshall plan, and 24 hours later they are against it.

Poland. Again we have the pattern of the pressure government of Lublin; the delegates going to Moscow being arrested, and the gradual taking over, all the same steps.

Today you are told that communism arises itself out of hunger. You are told that it is a manifestation of the unrest of hungry people. Was there any hunger in those countries I named? No. The American people paid to assuage their hunger. Were there any riots? Were there mass organizations? No. Not in any of them. That idea is the sheerest rubbish and the sheerest play upon American fear.

Under the Marshall plan we are being blackmailed, blackmailed by the fear of communism.

Yes, we have lost the war in eastern Europe, as we lost it in Manchuria. But it was lost from the top, not by any mass movement, not by any idealistic economist's test under the bell glass. It was lost from the top by well-planned capably carried out resolutions. And we even paid for some of them.

Today we have a sort of a fear, an odd sort of fear, arising among us Americans. Some timid souls are fearful of opposing the Marshall plan because of being called pro-Communist.

Why do the Communists oppose the Marshall plan anyway? Well, they do it for tactical reasons, not for reasons of grand strategy, but for tactical reasons.

You see, the Marshall plan which is now proposed to us as an answer to communism, wasn't anti-Communist when Mr. Marshall proposed it at Harvard. Far from it. He proposed, if you remember, a general plan of aid to all European nations, specifically including—he was interrogated on it afterward—Russia. So that which is being sold to you now as anti-Communist plan was not such in the beginning. It became anti-Communist only after the Soviet Union, Mr. Molotov, in Paris refused to participate in it. Then it acquired its first anti-Communist line, and then the Communist International drove the southern Balkan states into line. It was after the Soviet Union compelled Poland and Czechoslovakia to do a flipflop that the Marshall plan became in our imagination anti-Communist.

But is it any weapon against communism? Is this afterthought worth so many billion dollars? Naturally, the Soviet Union has its own plan for a closed economy in eastern Europe and does not want the Marshall plan. But the Marshall plan is not a real threat in any sense to the Communists, and they are not worried about it. They are unable to find any arguments against it because actually it helps eastern Europe.

The only thing that they fear is the possibility that America might wake up and find out that she has been licked strategically in both Balkans and Far East and might do something about it.

The Marshall plan was probably invented to take the sting out of the Truman plan. The Truman doctrine looked too realistic. We tossed out the Marshall plan and turned it into a general over-all help, which was enlarged upon at Paris. Later, as you know, it was vastly expanded into this colossal amount: originally twenty-eight or twenty-nine million dollar plan, now seventeen-billion plan.

The real prize then has nothing to do with the economies of western Europe. The real prize that we are trying for is the economies of this solid block of satellite states that have been taken over by the Soviet Union. But promoting their trade with our gift-dollars, is not going to shake their governments very much, is it?

Now, it is an interesting experience for commercially minded men to go to countries like Poland, Yugoslavia, or Czechoslovakia and see there an economy functioning where the people know nothing about what is going on. Here is the way this trade-pact business works in those countries. A trade-pact is announced with, let us say, Bulgaria or Hungary. Well, two-thirds of the essential statistics are there, but not the other third that gives the meaning. We are going to sell $34,000,000 worth of hides and paper for $34,000,000 worth of clocks and hatchets, but nobody says how many we are going to get; nobody says what they cost; nobody says what or how it is going to be handled. The whole thing is a complete mystery. It is a mystery to those of us who are observers. We are supposed to tell what it means. But we cannot. Why? Because the essential figures are always omitted. You always either get the quantity and you don't get the value; or you get both; you don't get the price per item; or you don't get the time of the credit or you don't get the interest rate. Something is always left out. Talk about the corporations dropping a curtain in front of their economies. They've got nothing on the collectivist economists as I have seen them.

Russia is jumping this year her share in the Czech economy, from 4½ to 18 percent. And the Czechs, who are trying to play the game both ways, have pleaded for more American aid, if you please, in the face of having turned down the Marshall plan. Yet they are trying to get control of about 40 percent of their trade and hold it inside the economies of eastern Europe.

East and western Europe have made some 70 treaties of trade. They are not significant. So the question of autarchy remains.

Now, what are we going to do? Are we going to create a new autarchical system in western Europe? Is this the Marshall plan? The Russians say it is.

But, according to Mr. Harriman's interpretation, the Marshall plan is to help the countries of eastern Europe as well as the west. In other words, we are to help further with dollars the people whom the Russians already control.

Now, the Marshall plan has been likened to lend-lease. In lend-lease, you remember, we gave aid short of war to countries whose defeat we excluded, in the sense that we intended to continue to give it to them until they won, or we came in and they won through our coming in. But it is a false analogy to compare the Marshall plan with lend-lease, because under the Marshall plan we are helping both sides.

Now, there are lots of other places in the world where we are paying for both sides. Let's take, for example, at random, Palestine. The Zionists hope to collect here this year $258,000,000 to help the armed Jewish forces in Palestine, discountable from income tax as charity. The Arabs count for their particular aid on the steady flow of dollars through the sale of oil to the United States. So it is nothing new for the Americans to be paying both ways. In the case of the Arabs we are getting something back for it: oil. In the case of the Zionists, the Zionists of America are getting back in satisfaction helping people whom they sympathize with.

But have we reached a point where we want to promote the trade of Russia's satellites even more than we have already done?

The danger in plunging in this way, one of the dangers, is that which is so well illustrated by Greece today. We think of Greece as more under our control than any country in east or western Europe. Yet in Greece you will find a good example of the decadence of this dollar approach, this woefully unstrategic dollar approach.

We have today a Greek army of 150,000 men. They have been struggling for about a year with an army one-tenth their size—15,000 men. The rebels have possession of no city. Yet indirect support to the nationalists already has cost us through the nose. We are spending $300,000,000—about half of it, it is true, to aid the Greek economy—and already the Greeks want more.

Let's consider what is going to happen when we have once defeated this paltry little guerrilla army of less than a division.

I do not wish to present this case in an unsympathetic way to the Greek cause. I was with the Greek Army in northern Thrace only 3 months ago, and saw the difficulties they are there confronted with. Incidentally you may be interested to know that I had some partisan guerrilla pamphlets in my hand, which were explaining that the Americans were planning to give Thrace. Thrace is that northeast corner of Greece, which is one of the most fertile sections of Greece. The Americans were supposed to be planning to give Thrace to Turkey as a prize, and so the Thracians were called to fight on the side of the guerrillas.

Now, what is going to happen when you have to find places in the Greek economy for these 150,000 soldiers we have built up? Would it not have been better to have gone into Greece immediately, to have established strong American bases there, to have met this tremendous challenge of 90,000,000 Slav peoples outside Russia and under Slav, under Russian domination, to have met it directly ourselves, instead of to have to do as we have done? The Greeks can never counterbalance alone this great monolith hanging over them. Now, all these Greeks must spend their energies and our money chasing down 15,000 guerrillas. We distort the economy in a military sense while trying to build it up economically.

It seems to me that the long-range strategic responsibilities have been left too far aside in our plans. And the Marshall plan is part of this dreamy, merely economic approach.

Now, I have some diffidence about criticizing the public presentation of the Marshall plan. Why? Because I have uncovered in my study of how the European difficulty is being treated publicly some rather embarrassing information.

There is a well-known magazine of American medical science. About a year and a half ago a very important expert on nutrition, one of the leading dieticians of the country, was returning from Army service in Europe. Learning that he had prepared a report on hunger in Europe, the magazine asked for it for publication. The article came in. The magazine accepted it, and set the article up in type. The article said that there was no starvation in Europe anywhere, except briefly in Holland. It said that there was some undernourishment, but that there was no danger of epidemic disease or political unrest due to hunger.

This article if published at that time would have been picked up by the newspapers in general and would have caused a strong counter-reaction in the United States. It was not published. Why? Because upon learning of the article an important Government department wrote to the magazine and asked that it be suppressed. The article was suppressed, and is still suppressed.

Important figures get subordinated because they do not fit the general alarmist picture of hunger, chaos, and communism in western Europe.

I take these liberties because I am a newspaper man myself, and one of our greatest sports is self-criticism. The other day I saw, in Raymond Daniell's New York Times report from Berlin, that 62 percent of the German farmers have falsified their food accounts 62 percent. They have to turn in their quotas, and 62 percent were crooked. Might that be why we have to feed Germany?

Another story that I see much subordinated is the fact that the countries whom we propose to aid under the Marshall plan—these countries alone—have $13,000,000,000 in holdings in the United States.

In all the treatment of the Marshall plan I very rarely see it pointed out that there will be charges beginning July 1 of a billion dollars in aid to Europe outside the Marshall plan.

Why does the Government want to take this gamble? Well, I don't know. How can they call so coolly for such a gigantic experiment? It happens that I just came from New York. I spent 2 days in a hotel without any heat. The hotel had no oil. I have been living at Harvard University, studying and resting. I find around me there many young men who want to get married, want to raise future Americans, and are at the age when they should be establishing families, and cannot get a place to live. Suppose they marry. They can get one room or two rooms. They cannot raise a family. Don't they need a Marshall plan?

I look at our soil situation. I learn from the agronomists that our top soil is rapidly decreasing and it will pass the depletion point to feed this entire Nation.

I look at the words of a friend—Wallace Deuel—a news correspondent in Washington. He says that the Bureau of Mines says the United States has almost used up 21 out of 33 essential minerals. We have already used up 97 percent of our mercury; 68 percent of our lead and silver; 80 percent of chromium; 70 percent of tungsten, manganese, and bauxite; 65 percent of zinc. We will be all out of gold, the thing we are shoveling to Europe, in 14 years, but we will be all out of lead in 12; silver in 11; bauxite in 9; vanadium in 7; tungsten, antimony, and platinum in 4; asbestos and mercury in 3. We have 2 years' supply left of manganese.

It seems to me that under this situation the best thing for us to do is to do what should have been done long ago; that is, to drop this Marshall plan—which is European made anyhow—and begin all over again.

What does beginning all over again mean? Well, it means that on the aid side we will accept the principle already introduced by the leader of one of the Government missions that went to Europe, CHRISTIAN HERTER, who says that a 4-year plan is unnecessary, and that a 15-month plan is the maximum that should be undertaken.

I think that an early thing that we must take care of is the minimum hunger needs in Europe. But first there must be as well an American military plan.

And this revision must not be carried out as though it were an interesting economic experiment at the cost of the American people, even though Mr. Marshall calls it himself at best a calculated risk.

Our whole method has been upside down. Europe is being taken by military force and an applied political onslaught, not by hunger. If there is uncertainty or fear, it is our weakness that has created it, nor has our generosity checked it.

What are we gambling with in the Marshall plan? We are gambling with something more serious than the seventeen or the six billion dollars. What we are gambling with is the idealism of the American people. We know that they are being hard pressed at this moment even to feed themselves adequately. We know that prices are going up. We know that nobody is telling our people, or almost nobody, that the real struggle in Europe today is the struggling power of armies, of weapons, not of economies or moneys.

And if it should be that there be a depression, or a recession, as there is almost sure to be, when we reach the end of our present market, if this should happen and should coincide as it well may be with a new American wave of isolationism, you will find the last barriers going down in Europe, with no military means over there to halt them.

The thing we must do is to begin to plan a new plan, not the Marshall plan, a new plan, calling for permanent American bases overseas, with enough counterweight in power to match the counterweight of the eastern nations, where we have lost the political war to the Soviet Union. Using military reality as a background we can then begin to aid on a self-liquidating basis those countries who are ready to accept our aid. Then having pushed their great military fear out of the equation we can begin to see clearly.

Today we have this dilemma of giving our money, unconditionally and thus throwing it away, or giving our money with strings and not losing it earning the resentment of the Europeans. We can resolve it if we grapple first with the military crisis, maintain aid and strengthen our force in Europe, and stop this barren policy of retreat and pay.

We have two armies out against us: the army of the Soviet Union spread half across Europe, and the army of the Communist Party spread most of the rest of the way. You cannot halt either with dollars any more than you can hold a donkey with a fence made of hay.

As it stands now the Marshall plan is not only taking money on false pretenses. It is giving it away under false pretenses.

Let's get something better.

Observance of Boy Scout Week

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following article that appeared in the Lawrence Sunday Sun, Lawrence, Mass., February 1, 1948, entitled "Observance of Boy Scout Week Time for United States To Consider Great Importance of Scouthood," by Bill Collins, Jr.:

OBSERVANCE OF BOY SCOUT WEEK TIME FOR UNITED STATES TO CONSIDER GREAT IMPORTANCE OF SCOUTHOOD—MANY WORTHY PROGRAMS ON BOY SCOUT CALENDAR

(By Bill Collins, Jr.)

(Boy Scout week opens next Friday and runs through February 12; time for people to recognize vital good being done by scouting in giving boys with growing bodies and growing minds fine ideals to live by.)

Not so long ago, a man known to almost everyone in Greater Lawrence called this writer's attention to an article then appearing in a national magazine. The prominent citizen was rightly angered at the ridicule and half-hearted humor contained in the magazine story. It had to do with Boy Scouts and was inanely titled "Rub Two Boy Scouts Together."

MAN PERTURBED

I read the piece, as requested, and found it be nothing more, apparently, than the remarks of a man who was perturbed because some Boy Scouts threw stones in a lake when he was fishing. The fact that almost every youngster, when walking through woodlands, finds the urge to skim rocks on water irresistible was not considered. The article, which pointed in somewhat sniggering manner to various aspects of Scouting, did not offer any solutions to the faults supposedly discovered. It was much like a man grumbling about a leak in a roof but doing nothing about fixing the roof.

BOY SCOUT WEEK

Today, with Boy Scout Week about to begin next Friday and run through February 12, we would all do well to give pause and consider how important Scouting is to our youngsters. And such consideration, in a time when juvenile delinquency is a threat and the way of life of a people trying to return from a wartime basis to a peacetime security is still somewhat muddled, should be done in seriousness, without any jibe tossing.

IMPORTANT TO UNITED STATES

There are more than 2,120,000 United States members of the Boy Scout organization which was founded 38 years ago. When that many American boys band together in one outfit and enjoy it and what it has to offer, it certainly must be doing some good. When over 2,000,000 youngsters find pleasure in gathering together in troop meetings, Cub Pack meetings, and other activities, the threat of juvenile delinquency is dealt a powerful blow. Such a contribution—by the boys themselves—toward victory in the Nation's fight to keep its youngsters from wrong influences and in a state of mind where they find enjoyment in clean, healthy recreational functions, should not be underestimated. It means a great deal to our country.

TRUTH

Perhaps it is being trite to say that the youth of today are the America of tomorrow—but it is the truth. And it is truth, as well, to say that the Boy Scouts of America is an organization for which we, as Americans, should be thankful.

OVER 2,000,000 BOYS

Over 2,000,000 boys—growing minds—are united. This year the theme of their anniversary is: The Scout citizen at work in his home, in his community, in his Nation, in his world. They are engaged in programs which may mean much to the world, but which already mean much to themselves and the country to which they belong. A Boy Scout is not "just a kid looking for a good deed to do"—he is America's future and the promise of a proud nation.

BIG PROGRAM

Today, the Boy Scouts are engaged in a program of saving and producing food to alleviate the world's food shortages. Each Boy Scout this year is expected to save a bushel, grow a bushel, share a bushel of food. The report of their progress will be made to the President of the United States, to Congress and to the United Nations.

Could you live up to that program or make such a report?

OTHER POINTS

In addition to conserving food and natural resources, the Boy Scouts will emphasize safety and fire prevention, home repairs and personal health. Through their world friendship fund of voluntary gifts they have sent more than 3,000 tons of supplies to help Scout organizations overseas to rebuild. This aid will be continued, for Scouting is having a rebirth in many war-ravaged countries. The Boy Scouts International Bureau in London reports a world membership of 4,409,780 boys and leaders in 42 nations.

WORLD PEACE

Another objective of Scouting is world peace and mutual understanding. Through world Scout Jamborees and the resultant expanding interest in friendships, understanding and personal relationship through correspondence these aims are increasingly being met. Last summer, the sixth world jamboree brought 30,000 Boy Scouts and leaders together in France from 38 nations.

DEMOCRACY AT WORK

At special Boy Scout week meetings, fathers, mothers, and friends will see that the Scout unit is an example of democracy at work. Scouts and parents alike will enjoy an evening given to Scout games, stunts,

campfire songs, and skits. At these meetings each unit will make public part of the report to the Nation, listing the community services it rendered in 1947 and its plans for this year. Scout delegations will also call upon the local government to report on what Scout citizens have done in community service and the scope of the work to be undertaken for the community in the months ahead.

BOY SCOUT SUNDAY

February 8 the actual anniversary date of the original incorporation of the movement in Washington, D. C., will be marked in countless churches of all denominations as Boy Scout Sunday. Scouts and leaders will attend church services in uniform. Those of Jewish faith will hold their observances in synagogues and temples on Friday and Saturday evenings of this week.

IMPORTANT OUTFIT

Since 1910 more than 14,000,000 American boys and men have been identified with the Boy Scouts of America. These are statistics. They are not to be passed over and forgotten—for they are evidence of what an important, vital organization the Boy Scouts of America is.

A BOY SCOUT

A Boy Scout is not just a kid looking for a good deed to do—he is the hope of America's future—the promise of a proud nation.

Thoughts at 70

EXTENSION OF REMARKS

OF

HON. DAVID M. POTTS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. POTTS. Mr. Speaker, Dr. Frank S. Hackett is the founder and headmaster of Riverdale Country School, an American world school situated in the Riverdale section at the northwest part of New York City. In accordance with unanimous consent given to me for the purpose, I submit herewith for inclusion in the Appendix of the RECORD his Thoughts at 70, which I am sure will make very interesting reading not only to the Members of Congress but to all people interested in education as a means of settling conditions in a troubled world:

THOUGHTS AT 70

(By the founder-headmaster of Riverdale, Frank S. Hackett, Litt. D.)

The prayer of dominant desire in this atomic age is universal—to help further conditions essential to a just and lasting peace.

There has been found no one way. The accumulative effect of many diverse efforts, however, makes each single worthy enterprise a matter of importance.

"Since wars begin in the minds of men, it is in the minds of men that the defense of peace must be constructed" (UNESCO).

Though minds of men must be enlightened in groups, at all ages, by all means, the hope of the world lies in the development of better individuals.

When in the heart of one, there rises determination to attack a given problem, a start is made. If he has sufficient equipment of character and intelligence to enlist cooperation, he adds to progress.

Movements such as UNESCO, designed to affect masses of people in every conceivable way, are fundamental.

Ultimately, however, they must depend upon the small unit which reaches the individual—the village church, the "freshwater" college, the little school, and other centers of sustained personal influence.

Forty years for Riverdale, relatively a little school (though grown from 12 students to almost 600, and from one unit to four), confirm the conviction that in this one small educational enterprise, there are possibilities of world-wide influence.

A completely new and unexpected circumstance, New York, the political capital of the world, the home of UN, focuses upon our city, attention of people everywhere. There is now no more influential center of culture, commerce, industry, or communication. Whatever forward steps are taken here, are likely to spread more favorably than those elsewhere.

Through higher education, Columbia and our other great universities affect the world. A school here which exemplifies a vital emphasis in education, transcends the local and the provincial, and as a beacon extends its light to the ends of the earth.

Who can prove that one stage of education is more important than another; that a favorable start affects life more or less than an advanced degree?

The "set" usually comes before college. What a student accomplishes there, depends chiefly upon the ideals and the equipment with which he enters.

A school at the capital of the world, committed to training American youths and their fellows from ther lands for world citizenship, surely is of relative importance to an institution of higher learning.

Necessarily small, that the influence may be personal, such a school may nourish notable lives.

What a difference if several members of UN committees, or even of the Security Council, were schoolmates. Or if representatives of business, the professions, or government in various parts of the world had in youth formed life-long friendships. Or if any, or all, had carried into their relationships the commitments of their school to further the brotherhood of man.

During 40 years, Riverdale has thriven through scholarly, friendly teaching of individuals—classes limited to 15 each.

In the First World War, refugees were welcomed, and ever since, youths from abroad have formed warm friendships with our American students. During World War II, refugees came from all except six European countries, and from Asia Minor and Australia. Today, 21 nations on every continent except Australia, are represented by 50 students—one in six.

For our preponderance of American youth, this is broadening.

They learn that the hearts of their fellows from other lands, beat just as high as their own for progress toward the conditions of peace. They see that they are just as good students, sportsmen, and citizens.

They gain understanding and respect for difference in background.

They develop friends from everywhere. When they visit abroad, they enjoy the homes of those fellows who have been their guests.

Youths from abroad preparing for college here catch the spirit both of our country and of UN.

They take home not just book learning, but understanding.

They realize our best, our less than best, and our worst, and they return determined to emulate the one, and avoid the other.

Perhaps in no other American college preparatory school is there a student body of greater potential world influence. For this high purpose, certainly no other is now better located.

These facts present a responsibility and an opportunity which, at seventy, are challenging. All that has gone before seems preparatory to the improvement and the extension of Riverdale as an American world school.

A year prior to the statesmanship and generosity of the Rockefeller family, through which our city became the capital of the world, we had by many small gifts acquired for the development of Riverdale as an American world school, an additional site of 28 acres in Riverdale. This plateau of virgin land, a quarter mile in length and in breadth, is 255 feet above the river, 10 feet higher than Fort Tryon Park at the north end of Manhattan Island, where stands the Cloisters. Views are even more magnificent.

The story is interesting:

Toward the close of the war, old Riverdale boys in service had used long vigils on Pacific islands or in Europe to consider why the tragic folly of war persists, and to grope for a better future. Their conclusion was unanimous—that we must cause education to do a better job; to produce better men; men who will transcend their national interests with a sense of humanity.

This thought predominates with serious men and women who have experienced wars. It has now spread everywhere. It is in the air. People constantly discuss it, and educators seek for ways to make it effective.

"What is our Riverdale doing about this?" was the challenging cry of our graduates.

We looked at ourselves, and we recognized that our little school is, indeed, a little world.

"Let us develop the American world school we already have," was our answer. "Let us make it better, and enlarge it, so that, continuing our friendly, scholarly teaching in small groups, we may train together for world citizenship more Americans and more fellows from other lands."

Men are made on playing fields as well as in classrooms. Our present site of 12 acres has for years been fully used. There is no room to expand.

Training for world citizenship is, moreover, a continuous process from the beginning of school. Since at Riverdale a boy or a girl can be under the same educational influence until college, it was clear that the development of the whole school in the direction of world understanding must be our effort. For the improvement of every unit of Riverdale, the need for an additional site was apparent.

From the bloody conquest of Okinawa, a Riverdale graduate had just returned safe and sound. A timely visit with his father unfolded the plan to develop Riverdale as an American world school. At once, he welcomed the idea as an expression of thanksgiving and as a means of bettering his own world-wide profession. He volunteered to give 7 acres of this wonderful property, provided the other 21 acres could be secured.

It is a pity that this far-seeing father insists upon anonymity. His generous gift started an unbounded influence.

A number of small owners of the remaining acres were glad to sell their holdings. Through gifts of over a hundred other parents, the school secured title to this whole superb site, from which views over the Hudson to the Palisades and hills of New Jersey and over Van Cortland Park to hills of Westchester, give a sense of remoteness. It seems unbelievable that the home of UN in the center of New York is but a half-hour distant.

In the brief period since the initial gift, careful faculty studies as to the best conditions for the teaching of the future have furnished a basis for preliminary plans by architects—Skidmore, Owings, and Merrill. They have prepared a model of a school community specifically designed to foster world friendship among 600 youths of high-school age, and their teachers. In addition to spacious playing fields, schoolhouse, chapel, gymnasium, auditorium, school of music and of art, there will be 10 residences, each for 30 boys, chosen about equally from other parts of this country and of the world, and from the metropolitan area. Apartment houses for families of teachers and of the maintenance staff of the whole school will constitute perhaps the first school community of this kind.

Thoughts at Seventy concentrate upon this means of broadening school training. Improve and extend here at the capital of the world what Riverdale has long been doing as an American World School, and you will influence schools everywhere to welcome students of other lands, and to train them together for world citizenship, for furtherance of the brotherhood of man.

We Americans, moreover, by sharing with youth of other countries the best we can learn, will make our land "a praise in the earth."

At 70, what is needed is not alone conviction, but the power to convince.

What has thus far been done is heartening.

In but a little more than 2 years, the idea has taken form, become clarified, and appreciably spread.

The great site, which must otherwise have been snapped up for apartment development, has been saved for education. (This site, by the way, is just a little larger than that of Columbia University on Morningside Heights.) Faculty studies in the direction of specific training for world citizenship have already caused the introduction of two new courses, self-examination as to all our procedures, and definite plans for the immediate future, and for the new site.

What remains to be done, however, necessitates the attainment of fresh powers.

First, the school of today, children, boys, girls, parents, teachers, helpers, must catch the vision—feel themselves partners in extending the brotherhood of man through the development of their own Riverdale as an American world school.

Next, this same spirit must be caught by the 3,500 other families whom Riverdale has served in 40 years—the Riverdale family. Knowing what Riverdale has contributed to themselves and to the cause of broadening education, they have reason to become crusaders for the further development of Riverdale as an American world school.

Through the Riverdale family, and those to whom they explain and interpret this concrete effort toward better understanding between peoples, there must be reached that extensive company of men and women to whose vision and support the progress of American education is largely due. They know that education is the key to permanent peace.

They must be made to realize that school is just as important an instrument as college or university.

They will readily see that the scholarly friendly teaching of the individual in small units, is the surest means of personal influence.

They will appreciate that a school committed to training for citizenship of country and of world, located at the seat of UN may well nourish leaders for progress toward peace.

They can be made to see that a great school at the capital of the world may become relatively just as important an influence as a great university.

This is the job that must be done. At 70, to be entrusted with it, begets humility—you measure what you are by what you must be; and you know you need the strength of ten!

Such a responsibility leads into fresh fields and pastures new.

It emphasizes that Riverdale is far more an opportunity than an achievement.

It means growth and development—mountains of "doubt, hesitation, and pain" for faith to remove.

It commands full use of the best you have ever learned, and can learn.

It makes "Thoughts at 70" a misnomer. There is but one thought, one "prayer or dominant desire"—that through the development of the American World School which Riverdale has long been, there may be furthered the supreme essential of peace—the Brotherhood of Man.

It makes vivid the truth that "every morning, life begins."

"It is not the things done which challenge enthusiasm, but the things to be done—the long vista, and the yet unfolded close."

The Port of Boston

EXTENSION OF REMARKS
OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include an interesting article on the port of Boston, written by Frank S. Davis, manager of the Maritime Association of the Boston Chamber of Commerce, showing the advantages of Boston as a port, and also the improvements being made in the port of Boston:

BOSTON'S WATER FRONT DUE FOR A REAL "FACE LIFTING"

(By Frank S. Davis, manager, Maritime Association of the Boston Chamber of Commerce)

Nineteen forty-eight promises to be a big year for the port of Boston, at least with respect to the physical improvement of the water front and the port's facilities for the handling of water-borne commerce.

Already since the end of the war 16 additional deep-water berths have been made available for ocean-going vessels by the turning over to the Port of Boston Authority for commercial operation of the Government's Castle Island Terminal and the leasing of the Army Base Wharf and pier sheds to private operators for commercial operation. Castle Island has seven berths and the Army Base nine berths, capable of handling the largest type freighters.

If and when the comprehensive port program of the port of authority is carried out, and it should be given unqualified public and official support, the port's waterfront is due for a real "face lifting" operation during the next year or two.

Already the authority has started work on a $3,000,000 Hoosac Pier equipped with modern facilities including improvement of the present obsolete million-bushel capacity Hoosac grain elevator. Thus the present pile of rubbish, which has been useless for more than 2 years, will be replaced by a port facility that will match anything along the seaboard for the expeditious turn-around of steamers loading or discharging cargo, especially bulk grain, for the economical handling of which the port has long lagged behind other Atlantic ports.

The port authority's $7,000,000 program for reconstructing Mystic Piers at the mouth of the Mystic River, in Charlestown, has likewise progressed to the point where actual construction work will undoubtedly be well under way during the coming year.

Congress has already authorized extension to the new Mystic Piers of the 40-foot inner harbor channel from a point abreast Commonwealth Pier No. 1, in East Boston, where it now ends. This dredging project will be started soon as funds are made available and work on the new Mystic Piers begins.

Completion of these Hoosac and Mystic Piers is important because an analysis shows that more than 50 percent of the port's water-borne commerce originates at or is destined to the busy industrial communities north of Boston.

MODERNIZED PIER

At East Boston the port authority's comprehensive plan includes reconstruction of Commonwealth Pier No. 1 and the acquisition and replacement of the adjoining pier of the Boston & Albany Railroad by a thoroughly up-to-date pier structure.

An outstanding recent addition to the port's facilities is the enlarged and modernized pier of the Boston & Albany Railroad at Jeffries Point in East Boston.

This pier is now equipped with twin giant Gantry cranes capable of handling heaviest lifts—something the port has lacked in the past. Other important developments along the East Boston waterfront include the Hazelton plant at Central Square, and the shipbuilding yard of the General Ship and Engine Works, where modern oceangoing vessels are now being constructed on the site of the old Donald McKay Clipper Shipyard.

Of course, the fifty-million International Logan Airport is rapidly approaching completion and this great project has already proven its national as well as local value, and has provided the port of Boston with a facility that cannot be matched by any seaport in the country.

What Atlantic port has an airport that can be reached in 15 minutes from the business and financial center of the city? The Commonwealth and indeed all New England, may well be proud of this great New England enterprise.

Perhaps the project that will prove to be one of the port's most useful and widely publicized port improvements the coming year will be the $20,000,000 high-level Mystic River Bridge between Charlestown and Chelsea.

The efficient and vigorous Mystic River Bridge Authority has already issued its bonds, completed engineering plans, and awarded some construction contracts.

PLANS FOR NEW BRIDGE

This bridge, when completed, will eliminate the harbor's worst bottleneck and most serious obstruction to navigation.

Likewise, the city of Boston has completed plans and will shortly advertise specifications for a new Meridian Street Bridge over Chelsea River, between East Boston and Chelsea.

So much for the improvement of the water front. But what about increased commerce? Well, here the prospects are good in some respects and not so good with respect to other phases.

Foreign imports and foreign exports show a healthy growth since the war ended, and are rapidly reaching prewar volume. In fact, exports have substantially increased, now running about double the prewar volume. This is due largely to active solicitation of field agencies of the Port of Boston Authority, and also the congested conditions of New York which has caused heavy financial loss to New England industries in the form of delays and extra charges assessed against their exports and imports routed through New York during the past year.

It is difficult to understand why many of our New England industries persist in routing their water-borne traffic through New York when the costly delays could be avoided by utilizing the facilities of their own port of Boston.

Steamship operators may well be subject to the same criticism. A steamer, for instance, from a foreign port, will call at Boston, discharge a few hundred tons of cargo here, and then proceed to New York to discharge thousands of tons, much of it destined to Midwest communities; whereas if discharged at Boston, for forwarding to the interior destinations, much extra expense and delay would be avoided, the goods delivered

much more promptly, and the vessels' turnaround expedited.

NAVIGATION PROJECTS

Prospects with respect to domestic waterborne commerce the coming year are not so promising.

A fine dependable weekly or more frequent service is being maintained by the Intercoastal Lines operating between Boston and Pacific coast points via the Panama Canal. Indications are that this excellent service will be expanded as the volume of cargo warrants.

The UN on Trial

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following editorial taken from the Boston Herald, Boston, Mass., of January 27, 1948, entitled, "The United Nations on Trial":

THE UN ON TRIAL

The United Nations is at a critical point in its development today, and the United States and Britain seem to have turned their backs on it. This is the situation resulting from the failure of the UN thus far to enforce its decision on the partition of Palestine. If the Arabs, in their open defiance of the two-thirds majority vote, succeed in preventing the establishment of a Jewish state, then there seems no alternative but to say a requiem over another world-peace organization. The UN will be done. It cannot surrender in its first clear decree and endure as anything more than an international discussion group.

But in this crucial test the two powers that should be most concerned in maintaining the UN's prestige and authority have averted their gaze. By a flagrant "neutrality" they are implicitly encouraging the Arabs to nullify the partition decision.

The United States is doing this first by invoking the embargo provisions of the Neutrality Act to deprive the Jews of arms, and by failing to take the leadership in setting up some sort of UN police force to enable the Palestine Commission to do its job. Palestine is surrounded by land with Arab states, from which arms can readily be obtained by the former Grand Mufti's guerrilla bands. The Jews must look farther for arms, and especially to us. When we refuse arms to both Jews and Arabs, we are really unneutral, for it is the Jews who feel the effect of the embargo. We are refusing support to the UN decision for which we worked.

We are spending millions to defend Greece against guerrilla bands from adjoining countries, and there the UN issue is less clear than in Palestine. Yet in the Holy Land we facilitate the incursions of guerrillas from Transjordan, Syria, and Egypt.

Within the UN, we have sat back since the adoption of the partition plan, as if we expected it to become a reality without further effort. We are calmly watching the deliberate sabotage of a UN verdict, as if the fate of the thing were no concern of ours.

As for the British, they have dismally failed to keep order in Palestine. They have refused to evacuate a port for Jewish immigration by February 1, as recommended in the partition plan. They have supplied arms to Arab states, where attacks on Palestine are being organized, while denying arms to the Jews. All this Britain has done with a pretext of exercising neutrality. As if this were a time for neutrality when international outlaws were defying the single body of law and order recognized by the greater part of the world!

It is true that the one group able, with arms, to defend immediately the UN's decision is the Jewish Haganah, which has gone beyond defensive policing to engage in reprisals, such as the attack on the Semiramis Hotel. It would be better if it had not, or if the UN had its own constabulary, or if the British could or would keep order.

But the Arabs were indisputably the aggressors, indisputably the ones to institute bloody warfare on civilians. When we deny arms to the Haganah we are offering up scores of little Jewish settlements to the cruel vindictiveness of the ex-Mufti's barbarians.

It takes more than pious words to maintain the United Nations. Now is the time for that something more.

The Climate of Freedom

EXTENSION OF REMARKS

OF

HON. HAROLD C. HAGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. HAGEN. Mr. Speaker, most of us read the newspapers every day. Many of us read books and articles on matters of domestic and world importance. The more we read, the more confused the situation becomes, it seems.

That is why, Mr. Speaker, I would like to call attention to a series of very simply phrased articles in the form of advertisements which appeared during the month of January in several of the outstanding publications of the country such as Newsweek, Time, Nation's Business, and several New York newspapers.

The author put his finger directly on the factors that make America different than any other country in the world. Because these articles have made such a fundamental point, I feel that they would be interesting and beneficial to the Members of Congress and to the readers of the CONGRESSIONAL RECORD.

The articles follow:

THE CLIMATE OF FREEDOM

America has more passenger cars than the rest of the world put together—far more bathtubs and many more radios. It's that way with clothes or food or almost any comfort, convenience, or necessity you can mention.

Other countries have as much metal and enough manpower. There are no atom secrets in a four-door sedan. Modern bathtubs are hardly confidential. And the mysteries of the light bulb are "old hat."

What other countries don't have is "the climate of freedom," the economic and political freedom of enterprise that lets a man or a company pick its own destiny and labor toward it.

Burlington Mills has 75 plants, operating in this climate of freedom where the greatest good for the greatest number is the ultimate yardstick.

This climate of freedom is a precious thing to Burlington Mills, whose plants have prospered under its influence.

From these mills in constantly greater volume come Bur-Mil women's suitings, men's suitings, women's dress fabrics, ribbons, shirtings, and fabrics that go into umbrellas, millinery, comforters, blanket bindings, and an endless list of other items.

The climate of freedom is not exclusively ours, but favors all who produce for a better way of life for America. In our own case the better way means better rayon fabrics at prices low enough to please the millions.

ARE AMERICANS WISER THAN CHINESE?

Are Americans wiser than the Chinese? Of course not. The Chinese have more thousands of years of wisdom behind them than we have.

Then why do Americans have more food than the Chinese?

Is the average American a better man than the average Pole? Of course not. There are countless American citizens whose ancestry is Polish.

Nevertheless take any civilization in recorded history and see if you can find a land or a people so blessed with the things that make life good and worth the living.

Why is this? After all, Americans are just like the peoples they sprang from in other lands.

No supermen built this country. It was the climate of freedom that made the American businessman prosper where, in other lands, his work was partially nullified by unfavorable political systems of one kind or another.

We at Burlington Mills consider ourselves fortunate that we were able to work in this climate of freedom and build perhaps the greatest textile organization of its kind in the world—prodded on by the competition of other mills also free to seek the favor and patronage of the American people.

Thus, unwittingly, because Bur-Mil fabrics are worn by millions and used to adorn millions of homes, Burlington is "woven into the life of America."

CLOTHES MAKE THE COUNTRY

During the war, our soldiers were the best fed and best clothed in the world. In peace, too, Americans eat better and dress better than do other people. Some call it the American way—as if it happened just because Americans want it.

Italians want it, too. So do Germans, Russians, and Portuguese. But they don't have it—even though they have land, resources, manpower.

They have a scarcity of one commodity, however, that is plentiful in America—freedom—freedom of enterprise.

It has made America great. It has made its people better clothed, better housed, and better fed than any other people in recorded history. Because men were free to make things—and because people were free to accept or reject those things—men vied for public acceptance by making their products better and lower priced.

That's how we got a higher standard of living—how business grew great—how the American way came about.

And that's how Burlington Mills became one of the world's greatest producers of textiles. Today, millions are clothed in suits, dresses, shirts, slacks, and hosiery which are Bur-Mil products.

Millions of homes are decorated with drapes, spreads, furniture upholstery made of Burlington fabrics.

Only by making better rayons at lower prices could Burlington have won this preference from these millions.

Only in America could Burlington have been free to seek this preference—a preference that will continue as long as Burlington quality can merit it.

The Battleship "Oregon"

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Oregonian for January 25, 1948:

BARNACLED HULK OF BATTLESHIP "OREGON" LIES FORGOTTEN, NEGLECTED OFF GUAM

The barnacle-crusted hulk of the battleship *Oregon* lies neglected and forgotten at anchor off the south coast of Guam, an indignant ex-Portlander reported last week in a letter to his father.

Lawrence M. DeLong, civilian engineer with the island public works on Guam and son of Merton DeLong, 3291 Southwest Fairmount Boulevard, recently visited the historic warship and made photographs of it. Writing to his father about what he saw and inclosing the pictures, he urged the elder DeLong to head a movement to return the *Oregon* as a monument, museum, and activity center at her old berth by the seawall.

Brought to Portland after being decommissioned by the Navy after World War I, the *Oregon* was a familiar sight in the harbor for many years. Among the organizations which met regularly aboard the vessel was the sea scout ship *Dana*, to which Lawrence DeLong belonged as a youth.

The Navy reclaimed the ship during World War II, removed her engines and superstructure and towed the hulk to the South Pacific with a load of explosives.

DeLong said the *Oregon* now is moored fore and aft in 40 feet of water between Merizo beach and the island of Cocos.

Anxious to get aboard the vessel on which he spent many happy hours as a sea scout, DeLong applied for permission to Rear Adm. C. A. Pownall, commander of the Marianas and Governor of Guam. The Portlander was taken to the *Oregon* on a small patrol boat and allowed to go aboard for an inspection and picture-making tour.

The old ship is empty except for a heavy load of gravel ballast aft which causes her to lie about 6 feet down by the stern and with a slight list to port, DeLong said. Before abandoning the ship the Navy built a cover over a hole cut in the deck for removal of machinery. There is little water in the bilges and the hull and decks are in good condition except for rotten wood planking on the main deck, he reported.

A graduate of Oregon State College in 1938, DeLong worked in the Albina Engine and Machine Works engineering department here during the war, and moved to Tucson, Ariz., later before going to Guam 3 months ago.

Minnesota Potatoes Take on Glamour

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. HAGEN. Mr. Speaker, a well-known columnist and radio commentator, Cedric Adams, of Minneapolis, Minn., writing about a product of the famed Red River Valley area, which partly comprises the Ninth District of Minnesota, which I have the honor to represent, had the following to say:

The lowly spud, of all things, has slid over into the glamour department. Most of us think of a potato as a grubby little product that comes out of the ground, sprouts in the spring if you don't watch it, and goes very well with pan gravy. Members of the Red River Valley Potato Growers Association want to change all that and are well on their way. This year the association members sent out boxes of spuds—gift wrapped, if you please. The message that went with the potatoes read: "You have just opened a gift box of fine potatoes raised in this most fertile region in the Nation. Our potatoes are famous for their wonderful flavor and fine cooking quality. They are stored from digging time to market time in nature's own cold storage plants and are, therefore, available from September to May."

The association also wants you to know that its spuds were grown within sight of the Northern Lights. There's no explanation of what effect that condition has on the spuds, but the statement is on the letterhead anyway. The Red River Valley produces 31,878,000 bushels of potatoes annually. Each spud was individually wrapped, too, like an orange or an apple. Progress, that's what it is. Progress.

This Red River Valley is truly a great inland agricultural empire. It is about 100 miles wide and extends more than 200 miles through eastern North Dakota and South Dakota and western Minnesota into Canada. Through its length runs the famed Red River of the North.

It is an immense area of rich, black loam and rightfully has been named the "Bread basket of the world." The United States Department of Agriculture recognizes the valley as an expansive tract of the Nation's most fertile soil. For several months each year winter locks up that fertility and saves it, hence, with proper farming methods, the valley will retain its high productivity indefinitely.

The total annual agricultural income in the valley exceeds $500,000,000. Major crops produced in 1945 were: wheat, 45,213,940 bushels; oats, 44,766,800 bushels; barley, 28,400,500 bushels; flax 5,201,400 bushels; sugar beets, 305,000 tons; livestock, $70,108,350; potatoes, 31,878,000 bushels.

The above statistics were included in the letter quoted by Cedric Adams. The Red River Valley Potato Growers Association concluded the communication with the following boast:

We want you to try our potatoes and compare them with those from any other region. Baked, boiled, mashed, or fried, you'll find them above par. Residents of the valley take pride in sending you this gift box, and strongly urge you to visit our great Red River Valley empire and inspect its many products.

What has been accomplished in the Red River Valley during the past few years demonstrates vividly the effectiveness of free enterprise in a free republic.

Some Views of a Thoughtful Citizen

EXTENSION OF REMARKS
OF
HON. PAUL CUNNINGHAM
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. CUNNINGHAM. Mr. Speaker, every once in a while there comes to my desk a letter which is thoughtful and indicative of the thinking of some of the people. The following is such a letter, and I hope many of my colleagues will take the time to read it. Mr. James, the writer, is an outstanding attorney of Des Moines, Iowa:

DES MOINES, IOWA, *January 26, 1948.*
Hon. PAUL CUNNINGHAM,
House Office Building,
Washington, D. C.

MY DEAR PAUL: Washington must, indeed, be an interesting place to be in these days; the most important city in the world; for decisions made there, right or wrong, affect the entire world; and the results are inescapable. Never has it been more important to be right; never so tragic to be wrong.

It seems to me to be our inescapable responsibility to go through with the Marshall plan. We cannot, for our own safety, allow western Europe to become vassal to Communist Russia. There is no happy choice, between peace and war. We are going to have to take "the least bad" course, in many instances. And while it is hard to have to throw billions more into Europe, it is certain that unless we do, we shall have to eventually pay far more, in both blood and money to save ourselves.

I had hoped that the United Nations might be created with the essential power to preserve peace, and bring the world together as a unit to preserve law and order. But it is evident that Stalin is no better than, and no different from Hitler. They, too, want "one world," by conquest, or intimidation, over which they propose to rule as the masters. Opposed thereto, however, we have created, and we insisted upon it, an international debating society, powerless to use any force to preserve order, powerless to make any laws or any rules, and hamstrung at every turn by a Russian veto.

It is clear if the United Nations is to be saved, and civilization saved from an atomic war, that a convention must be called to amend the charter, to give us a United Nations with the power to meet these problems; and, if Russia refuses to go along, let her go, keeping the door open for a voluntary return, but bring the peace-loving nations into accord, and cooperation in an effective and powerful international organization. Otherwise, we will continue to find ourselves operating unilaterally, and losing the friendship and support of those whom we are protecting.

I am also concerned about the tax problem. The present rates are such that no ordinary mortal, like me, can hope to become self-sustaining at or upon retirement. How many can ever hope to accumulate as much as $100,000, with present rates of income tax? And, if they did so, with interest at 2½ percent they could hope for an income of $2,500 per year, and be safe. A professional man in these times cannot see his way clear to independence, ever. He finds that he has been and is paying income taxes beyond anything he can save for his old age.

Have been thinking that it would be good policy, and help on the inflation problem, if

every taxpayer was granted an exemption up to a certain percentage of his income, for all sums invested by him annually in Government bonds. This would encourage people to save for their own old age; it would soak up excess funds, and retard inflation; it would bolster and sustain the bond market; it would provide extra billions for Government purposes; and it would reward men and women to some small extent for prudence and concern for their own old age.

Most of us, I am sure, would prefer to care for ourselves in old age, and the thought of dependence upon anyone else, including Government hand-outs is anathema. Having educated three children to university degrees, and having a son with six more years of college and university ahead of him, and with Uncle Sam my principal "dependent," to whom I have been contributing more than I have to any member of my family, myself, or possible saving for old age, I am concerned. This sort of a situation is general, I am sure. And it isn't good for morale. All of us need, and must have, reasonable hope for the future, reasonable assurance that we can make it to a reasonable degree of modest independence. That is denied us under the present rate of taxation; and the present, and probable future return (interest) on what little we can save.

None of us want to shirk. We all want to do our fair share, even sacrifice for the common good. This whole problem is very personal for every taxpayer.

It does seem to me that the suggestion I have made has merit; and that later, we would build up an abundance of private capital (savings) with which our free enterprise system can be given the necessary support to keep on building. Capital comes only from savings. If we continue to make saving impossible, or hopeless in achievement of any worth-while ultimate reward, we shall have no private capital, and we shall find ourselves confronted, as was Britain, in going socialist, and turning to state ownership, and state financing, because the citizens do not have the capital to support essential development of necessary industry.

The Government is either going to have to recognize the importance and necessity of sustaining individual accumulation of capital savings, and incentive to individual independence in old age; or the Government is going to have to provide the ways and means of supporting substantially all of its people at retirement age, and likewise providing the essential industrial capital to support and sustain production.

A reasonable exemption for personal savings would, in my opinion be a most salutary provision in the new law; and, in my judgment, bring the Treasury billions of dollars at a low rate of interest, and build up a fund of private capital for later investment, that will undoubtedly be badly needed, and will save the free enterprise system from grave danger, if not collapse.

Kindest regards.

Yours,

PAUL G. JAMES.

American Air Power

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. WILLIAMS. Mr. Speaker, according to an Associated Press story of January 29, Air Force Secretary Stuart Symington ranks the United States third among the major powers in air strength. He cited previously printed reports that Russia is building planes at a rate of 75,000 to 100,000 per year, most of them being front-line ships.

According to the story, Secretary Symington stated that even with the proposed 70-group Air Force in the United States, we would still have only a one-shot proposition in the event of attack.

Mr. Speaker, these figures and assertions on the part of Secretary Symington are alarming and should tend to awaken the American people to the realization of the complete inadequacy of our present military machine, and more particularly our Air Force.

While Congress ponders whether or not to gamble $19,000,000,000 in an attempt to purchase the good will and political ideologies of Europe, Russia is building and equipping the mightiest peacetime air armada in history.

To me, Mr. Speaker, it would appear to be pure folly for us to appropriate $19,000,000,000 during the next 4 years with which to carry on our cold war against Soviet Russia, and at the same time fail or refuse to back up that effort with a first-class fighting potential. Whether we pass the Marshall plan or not, we must strengthen our air defenses to the point where this country would be able to defend itself with action as well as words.

It has been shown in the past that totalitarian dictators speak only the language of force in their dealings with their neighbors. Stalin is no exception to this rule, and we must, if we are to survive as a nation, arm ourselves to such a degree that we would, if necessary, be able to implement our words with military action.

Mr. Speaker, I consider the information contained in the previously mentioned news item of such major importance that I wish to include it herewith as part of my remarks. It follows:

AIR CHIEF RANKS WORLD AIR POWER: RUSSIA, FIRST; GREAT BRITAIN, SECOND; UNITED STATES, THIRD

WASHINGTON, January 29.—Air Force Secretary Symington believes that the United States ranks behind Russia and England in air power.

He fears that a force of the presently planned size would be wiped out early in any new air war, unless it got huge reinforcements fast.

He figures it would get a large part of that beating in trying to help evacuate American forces from Europe and avoid a new and magnified Bataan.

Symington expressed his views in an article written for American magazine, in which he gave this formula for the Nation's security:

"An impregnable air curtain—a curtain sufficiently strong so that no fleet of hostile planes or waves of guided missiles can reach the mainland of this country."

"No longer are we the leading air power of the world," Symington said. "In quantity we have slipped behind the Soviet Union, and qualitatively, both Russia and England have numerous developments that exceed our own efforts. England, despite her severe economic strain as a result of the war, is devoting a greater portion of her defense budget to an air force than we are."

He repeated previously printed reports that Russia is building planes at a rate of 75,000 to 100,000 a year, and is turning out copies of the B-29 superfortress in fairly sizable numbers.

Symington said the 70-group Air Force now planned would be "strictly a one-shot proposition." Without tremendous, quick replacement, he figured it too little for these jobs:

"1. To support our own industries.

"2. To support the evacuation, if possible, of our pitifully out-numbered occupation troops in Europe, where there is the ever-present danger of Bataan being repeated on a large scale, plus protection of the advanced bases from which our own air offensive must strike.

"3. To launch and sustain a full-scale air offensive and destroy the enemy's industry and economy with atomic bombs and the latest weapons."

JET PLANE LAG

Symington asserted that this country is still behind the British and Russians in jet planes, although we are catching up in this field.

He said that the British have a jet fighter more advanced than ours and that the Russians had 100 new jet planes in one show last August, and exhibited at least eight different types of jet planes including a four-engine jet bomber.

"One of their fighters is a swept-back wing type," the Secretary said.

"At time of this writing the United States has produced only one experimental model of this type. It indicates that the Soviet air force is preparing to hurdle the trans-sonic speed barrier. We haven't done that yet."

(An Air Force research plane with straight wings has exceeded the speed of sound, although the Air Force declines to say so publicly, and much more advanced research planes are being built. The Air Force has a swept-back wing fighter, the XP-86, in production, and swept-back wing six-engine jet bomber flying. It has an eight-engine jet bomber, two four-engine jet bombers, a four-engine jet all-weather fighter, and numerous jet fighter types flying or ready to fly. This country has built nearly 2,000 jet planes.)

HUGE RED OUTPUT

Symington said that the Russian massing of 100 jet planes indicated the Soviet must have at least 300 to 500 such planes in existence and an indicated monthly output of at least 2,000.

Symington said this country must have a 70-group Air Force, backed by an industry able to expand that force with "extraordinary rapidity to at least 180 groups and perhaps as high as 350 groups if the war should last 3 years."

He said the Air Force would have to spend $8,100,000,000 annually for a 70-group force.

The President's Air Policy Commission has accepted the Air Force's long-standing recommendation putting the cost at $4,229,000,000 for this calendar year and $4,539,000,000 for 1949.

Asserting that from its position as the world's mightiest air power, the United States has "demoralized as well as demobilized," Symington said, "if we had kept strong, there might not even have been a threat of World War III today."

"If we hurry and catch up, the threat may recede. But the very nature of air preparedness demands that we waste not another single day."

Mr. Speaker, Secretary Symington has sounded a warning that must not be ignored.

Admiral Richard E. Byrd

EXTENSION OF REMARKS
OF
HON. BURR P. HARRISON
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. HARRISON. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I append the following copy of the speech made by the junior Senator of Virginia, the Honorable A. WILLIS ROBERTSON, at the Statler Hotel, on January 29, 1948, on the occasion of the presentation of a gold medal of achievement to Rear Adm. Richard Evelyn Byrd:

It gives me pleasure to present on behalf of the Society of Virginia its gold medal of achievement to one of Virginia's most distinguished sons. He was born in the historic city of Winchester, just 1 year after I was born in the neighboring city of Martinsburg and spent a boyhood in the company of heroes of the Confederate Army who were followers of Lee and Jackson and some of whom participated in the 49 battles in which Winchester was either won or lost during the War Between the States.

It is not surprising that one reared in that atmosphere should have selected Jackson's school in Lexington—the Virginia Military Institute—as his first college after leaving a preparatory school that gave military training, the Shenandoah Valley Military Academy. After taking literary courses at the University of Virginia he entered the United States Naval Academy, where he was graduated in 1912.

It has been truthfully said that the three major factors influencing a man's destiny are his heredity, his environment, and his will power. Admiral Byrd inherited the spirit as well as the blood of the Englishmen who started with four little islands that could have been placed in the State of Texas where his father was born with an area the size of Virginia left over and developed them into an empire on which the sun never set. His environment was that which produced Daniel Morgan of the Long Rifles, in the Revolutionary period, leaders in the War Between the States, and leaders in the subsequent business, political, and religious life of the Old Dominion, which frankly makes all of us proud to say that we are Virginians.

But over and above all else, the destiny of Dick Byrd was shaped by his will power, which overcame the physical handicap which he incurred from a naval injury and which caused him in many an emergency to meet danger unafraid because he had faith in God and faith in himself.

When he had been out of the Naval Academy for less than 7 years, he had received 17 governmental citations, 4 of which were for bravery in World War I.

Ten years later he was promoted to the rank of rear admiral, being the youngest officer up to that time to hold that rank in the Navy.

In two world wars he served in an outstanding way. The lack of publicity concerning his service in World War II is thus explained by the Chief of Naval Operations, Admiral Nimitz, who recently said:

"From the many questions asked about Admiral Byrd, I know that there is a very widespread interest in this country as to what has become of him after he vanished from the news columns 6 years ago after his last expedition ended in 1940. Now it can be told.

"He disappeared from view in 1941, first, because his work has been largely of a very secret nature, and, secondly, because he chose and insisted upon completely subordinating himself in teamwork as good naval officers believe in doing.

"I am happy to tell you that Dick Byrd did the splendid job in the war that his fellow citizens would expect of him. This is his fourth citation for war work. He was overseas four times, having been at both fronts in connection with aviation and other matters. He has not been frozen in at the South Pole during all these years, but has been serving his country."

In between those two wars Admiral Byrd was a member of the crew of the ZR-2, which blew up in England over the Humber River and killed 42 out of the 46 men aboard, he commanded the aviation unit of the Navy-MacMillan Polar Expedition in 1925, he flew over the North Pole in 1926, he made a nonstop flight to France in 1927. He led a 2-year expedition to the South Pole in 1928 and a second expedition to the South Pole in 1933, and the Government expedition to the South Pole in 1939. For his war services and for his contribution to science Admiral Byrd has received 70 medals. Of the 25 citations that he has received from the United States Government 10 mention courage, including 2 mentions of extraordinary heroism.

The greatest, noblest, and most important to human society of all of his explorations is the one in which he is now engaged, namely, to plumb the depths of the human heart to find the way by which men can live together in peace and unity, and civilization as we know it can be protected from an atomic war which undoubtedly would fulfill the prediction of H. G. Wells, who said:

"Civilization, which commenced in a cave and behind a windbreak, will end in the disease-soaked ruins of a slum."

With all the accumulated evidence in the 2,000 years of recorded history which recounts the futiltiy of mankind to permanently settle international differences by means of armed conflict, Dick Byrd will need, more than he ever needed when he faced the killing power of enemy batteries, his faith in God. But Dick Byrd believes that peace begins in a man's heart when he demonstrates his faith. In his own life he has found that peace. His present supreme mission in life is to take that message to others. He realizes that the conflict that is shaping up in the world is between those who profess faith in God and those who deny that faith. He realizes that those who profess faith in God far outnumber those who deny it, but that they lack the zeal and willingness to sacrifice of the smaller group. He realizes that no material measure—no political change, no economic reform, no international organization—will of itself establish peace, and that peace has escaped the chancelleries mainly because it has found no home in the hearts of men. While he wants us to continue to work through international cooperation for the economic welfare of the masses and a system of law throughout the world based upon equality and justice, he also wants us to recognize the fundamental fact that progress is first mental and spiritual. Therefore, he is working to help us find peace at home by overcoming hate, greed, and fear, and by our works to prove our faith in the Golden Rule.

I am happy to associate myself with him in the belief that if we do so we will find that there is a power stronger than the atomic bomb to rend the iron curtain behind which 180,000,000 misinformed people regard us as enemies bent upon their destruction.

In voting to award Admiral Byrd its first Gold Medal of Achievement the Society of Virginia likewise desired for that award to be accompanied with the following citation:

"The citation for the Gold Medal of Achievement of the Society of Virginia, awarded Rear Adm. Richard Evelyn Byrd, January 29, 1948.

"Taking counsel of his own courage, spurred on by an irresistible desire and an indomitable will to explore the flaming walls of the world, steeled by a quiet determination to obtain for his country and for science first-hand knowledge of the unknown lands in the icy embrace of the two poles, Richard Evelyn Byrd, in a series of precarious and daring adventures by land, sea, and air, extending over a period of 20 years, in constant and unceasing jeopardy of his own life and carrying the fearful responsibility of the lives of others, explored, chartered, and added to the geography of the world for all time the seas, lands, and mountain ranges of the vast regions of the Poles.

"He is the first man to fly over the North Pole, the first man to fly over the South Pole, and the only man to fly over both. He has looked down upon more square miles of unknown area than any human being in all history. He has added to the knowledge of mankind scientific data of incalculable value, geographical, geological, meteorological, and geodetic. He has carried the American flag over both poles and planted it at the farthest points north and south that have ever beheld its shining folds.

"He is the only living American who has added one square mile of territory to his country's empire and the only American since Lewis and Clark who has extended the American domain by exploration and discovery. With the antique courage of an Achilles, the dogged perseverance of a Ulysses and the skill and daring worthy of his long line of Virginian forebears, he has made himself a scientist notable in an age of science, a patriot outstanding in an age of patriotism, and an explorer high in the rank of all time and second to none in the world today. Sic Igitur ad Astra."

Admiral Byrd, warrior, scientist, and Christian leader, I salute you; the sons and daughters of your native State salute you; the whole world will applaud my action in now presenting to you this Gold Medal of Achievement.

Bill To Call in and Exchange All United States Currency, To Strengthen the National Defense, and To Make European Aid More Effective, Introduced in Congress Today

EXTENSION OF REMARKS
OF
HON. FRANK L. SUNDSTROM
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. SUNDSTROM. Mr. Speaker, I have today introduced a bill directing the Secretary of the Treasury to call in all United States currency and give new currency equal in exchange therefor.

If enacted into law, the effect of my bill would be to—

First. Greatly strengthen financially the governments of those nations to which we are sending dollars in aid.

Second. Increase confidence in these strengthened governments, thereby enabling them more effectively to resist

communism and help to avert a third world war.

Third. Determine with greater accuracy the ability of these governments to help themselves.

Fourth. Save the United States Government a huge sum which would otherwise be required for European relief.

Fifth. Lighten the financial burden necessary for us to maintain our isolated national defense by utilizing the military strength of rehabilitated governments in Europe and Asia.

Sixth. Improve gold cover for our currencies through relating gold cover to the amount of our currencies actually in existence and outstanding.

As of September 1947, $28,567,000,000 in United States currency was in circulation. No one knows how much of this amount is hoarded abroad by persons and private foreign-business interests. Estimates are based partly on prewar American properties; military expenditures by our Government and by our overseas military personnel in World War II; current tourist expenditures, and international-exchange manipulations. Competent authorities believe that this amount will run into billions of dollars.

Europeans and Asiatics always have hoarded American dollars, both while in their native land and after arrival here, should they enter the United States. There is not a European or Asiatic government today which commands the unreserved confidence of its own nationals. My plan would rob no hoarder, but it would require that, within a certain time limit, these hoardings be turned into the central government, which would turn them over to our Government and receive new currency, dollar for dollar, in exchange therefor.

There are many other advantages for my plan, including destruction of black markets, and closer control of tax evaders and counterfeiters.

A Cost-of-Living Pay Increase for Postal Employees

EXTENSION OF REMARKS

OF

HON. NOAH M. MASON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. MASON. Mr. Speaker, when this Congress passed H. R. 3035, the postal salary reclassification bill of 1945, most of the inequalities and injustices that had existed in the postal service for many years were corrected. That bill provided a permanent annual basic pay increase of $400 for all postal employees; it increased the opportunities for promotion and advancement in the postal service; and it introduced the principle of longevity pay into many branches of the postal service. H. R. 3035 also provided for time and one-half for overtime work, 10 percent extra on the hourly day rates for night work; and it gave all postal employees 15 days leave of absence and 10 days sick leave with pay each year. That bill was a comprehensive postal-salary-increase bill, carefully worked out, a bill that provided the long-overdue revamping of the postal service pay schedule, and a long-overdue reward for the loyal efficient service of the postal employees.

Mr. Speaker, Congressman Thomas Burch, of Virginia, chairman of the Post Office and Post Roads Committee, was the author of H. R. 3035, and he is entitled to most of the credit for its preparation and passage. H. R. 3035 was passed 3 years ago. That bill could be classified as a good job well done. Almost everyone connected with the postal service felt that the long-deferred justice for the forgotten postal employee had finally been brought about, and the postal employees had finally been given proper recognition for their loyal, faithful service.

However, Mr. Speaker, that was 3 years ago. What has happened since then? We all know that the cost of living has skyrocketed during the last 3 years. A postal pay increase that was adequate and fair in 1945 does not mean that the postal employee's pay today is adequate when we consider the present inflated cost of living. And so the Post Office and Civil Service Committee has before it for consideration today Congressman BUTLER'S bill, H. R. 4640, and various other bills, all providing for a cost-of-living pay increase for postal employees to tide them over this period of price inflation.

Mr. Speaker, under present living conditions is a cost-of-living pay increase for postal employees a fair request? I believe it is, and I believe it should be granted. As a Member of this Congress, who served 10 years on the Post Office and Post Roads Committee, and as a result of that service learned something about the postal service and its needs, I stand ready to vote for a fair, equitable, cost-of-living pay raise for the employees of the postal service; and I urge that favorable action be taken by the Post Office and Civil Service Committee upon such a pay raise bill.

Mr. Speaker, as a part of my remarks, I insert the following excellent statement entitled "Dollars or Sense" which gives a clear-cut analysis of the situation confronting the postal service today. It was prepared by Leo E. George, president of the National Foundation of Post Office Clerks, and was carried in the January 1948 issue of the Union Postal Clerk, the official organ of that organization:

DOLLARS OR SENSE

Again is heard the cry that the postal service is in the red. The Committee on Appropriations is considering the items to be included in various bills to be presented to the second session of the Eightieth Congress for the expense of operating the United States Government during the fiscal year ending June 30, 1949.

There will be millions, lots of millions of dollars for the executive departments, the judiciary, and the Congress, and numerous independent offices and agencies.

SERVICES ESSENTIAL TO NATION

They are all agencies of the United States Government that have been established by the Congress to perform specific functions that are essential to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity. They are all essential services and in the interest of the welfare of the people and of the Nation.

The post office, the function of which is to collect, transport, and deliver more than 35 billions of pieces of mail annually and to render millions of special-service transactions, serving every one of the country's 140 million people, individually as well as collectively, is the only Government agency that incurs a deficit.

Although postal service is an essential to nearly every individual and to every business, as well as to the social and cultural life of the community, it is singled out, among all public services, to be the whipping boy when appropriations are considered.

CLOSEST TO THE PEOPLE

The anomaly of the position of the Post Office Department is that it is charged with performing a universal service that comes closest to most of the people and that is, to most people, the most essential service rendered by the Government. However, its appropriations, as well as its charges for service, and most of its rates of expenditures, are determined by the Congress or by some other Government agency.

Postage rates are fixed by Congress. In the determination of postal rates, due consideration is given to the public welfare and in many cases are deliberately set far below the cost of performance in the interest of unrestricted dissemination of news and knowledge or to encourage the exchange of commodities.

Rates of compensation to the railroads and to the air service companies for carrying the mail are set by the Interstate Commerce Commission and the Civil Aeronautics Board, respectively, and in their determination first consideration is given to the welfare of the carrying companies.

Yet, when expenditures exceed revenues, the Post Office Department is tabbed the Government's "venture in big business" and the meager salaries paid to postal employees cited as the cause for a so-called deficit. A comparison of salaries paid in the Postal Service with those in any Government department or comparable private business or industry will yield some startling and enlightening facts. From the Postmaster General down to the lowest paid custodial laborer, no business worthy of the name would expect efficient service at wages or salaries paid in the Postal Service for comparable service and required qualifications.

MUST HAVE MODERN EQUIPMENT

Also, if the postal service is considered primarily as a business instead of a public service, good business practice would prompt immediate expenditures for modern buildings and equipment that would be investments in efficiency and economy rather than merely expenditures.

The making of bricks without straw was simple compared to rendering efficient and economical service in buildings, that are inadequate, dirty, dingy, and without ordinary sanitation and safety standards that would be required in other business structures, or with equipment that is obsolete or obsolescent, or without modern equipment of any kind. These are conditions that exist, not figures of speech.

RIGHT TO ADEQUATE SALARIES

Postal employees are rendering efficient service. It can be made better. They want to make it better. They have pride in their service and want it to be without flaw. Postal

employees are also human beings and, as American citizens, have responsibilites and problems and duties to family, church, and State in the same measure as other citizens.

They do not expect nor do they ask for the unreasonable. They do ask, and have a right to expect, adequate salaries and conditions of work commensurate with American standards.

Sabotaging the Northwest

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Oregonian for January 29, 1948:

SABOTAGING THE NORTHWEST

The Rockwell reclamation bill, as amended and passed by the House of Representatives, 232 to 120, last week, is the most dangerous threat yet made against the industrial and agricultural development of the Pacific Northwest. It is also a loaded gun aimed at the head of the Republican Presidential nominee and Republican Members of Congress, because if the Senate approves it in its present form President Truman doubtless will veto it. The President will make votes and the Republican Party will lose them in the Northwest.

Powerful interests of the East, the South, and California have at last a vehicle to realize their long-time hope of stifling industrial growth in the Northwest by forcing upward the basic rates for electricity from the Columbia River system.

Senator CORDON'S office reports that Interior Department experts have found no alternative to a drastic increase in the $17.50 per kilowatt year wholesale rate for Columbia River power from the Bonneville-Grand Coulee system if the bill survives. One group tentatively estimates that a rate of $19.50 would be necessary; another group thinks the increase may have to be to $22 or more. Studies have not been completed.

The Rockwell bill, H. R. 2873, was sponsored by the national reclamation association last session as an answer to criticism that the repayment of power features of western reclamation projects was not required by law to include interest, and that interest when paid voluntarily or by interagency agreement (as for Grand Coulee, at 3 percent) might be applied by the Reclamation Bureau on new projects rather than being turned into the Treasury.

The House Committee on Public Lands reported a compromise bill requiring 2½-percent interest on power repayments and limiting the repayment period on power facilities to 78 years. That portion of power revenues assigned to the repayment of irrigation costs would have been paid, without interest, within a "reasonable period of years" not exceeding the useful life of the irrigation features.

The amendments proposed from the floor by Representative ALFRED J. ELLIOTT, of California, and adopted by the House with an overwhelming vote of eastern and southern Members limited the repayment period on both features to 50 years.

Present law does not fix a definite amortization period. By agreement, the Bonneville Power Administration and the Bureau of Reclamation provided a power-repayment schedule based on fixed supply and revenues for the Columbia Basin project. When the agreement was made rising costs already had added $74,561,820 to the projected total. The continued advance in costs now has raised that figure to nearly $100,000,000. These were to be amortized by extension of the amortization period. The schedule, based on 1940 costs, would have been completed, with applied power revenues totaling $665,044,190, in the year 2017. Fourteen or fifteen years would have been added to take care of the cost increase due to higher prices for materials, wages, etc.

The amended Rockwell bill demands that commercial power revenues applicable to the Columbia Basin project be paid by the year 2002, cutting 29 or 30 years off the amortization period. The minimum estimate is that this would add $3,000,000 annually to BPA's payments, or $2,000,000 more than can be obtained under the present $17.50 rate from scheduled availability of Grand Coulee power. BPA cannot incur a deficit. Hence, higher power rates.

But that may be only the beginning. New Reclamation Bureau projects will not have the favorable earning capacity from power installation that Grand Coulee has. Still higher rates would have to be figured for them, if the 50-year amortization is upheld.

No one yet has devised a method of identifying kilowatts from Grand Coulee from those of Bonneville or elsewhere when turned into the same system. The obvious result would be a system-wide increase in rates, readjustment of long-term power contracts, and deadly discouragement of new industries which are expected to pay the bill.

The amended Rockwell bill is political dynamite for the Republican Party. But it is also sabotage of the Northwest's future, which intimately is linked with low-cost power. The Senate should bury it beyond hope of revival.

Farmers Home Administration

EXTENSION OF REMARKS
OF
HON. O. C. FISHER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. FISHER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a letter which I have received from Hon. Dillard B. Lassiter, Administrator of the Farmers Home Administration, together with an excerpt from the Budget of the United States, 1949:

DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Washington, D. C., January 30, 1948.

Hon. O. C. FISHER,
House of Representatives.

DEAR MR. FISHER: We appreciate your interest in the program of the Farmers Home Administration as evidenced by your letter of January 19, and we are glad to furnish you the information requested.

I believe the enclosed excerpt from the Budget of the United States—1949—will provide a good general picture of the background and operations of this agency and its predecessors, and the enclosed publications which describe our farm purchases and our operating loans will probably furnish the general information you desire regarding the way the program operates at the county level and the types of farm families who are eligible.

The proposed budget for the fiscal year 1949 calls for an increase of $15,000,000 in the funds for production and subsistence loans, while the proposed amounts for land purchase and water-facilities loans remain the same as the amounts provided this year. This increased budget recommendation was believed necessary despite the substantial increase in farm production and income because the most recent census reports show that more than half of our farmers received gross incomes of less than $1,500 per year and one-fourth had gross incomes under $600.

The need is also indicated clearly by the number of applications received in our county offices. In Texas, for example, applications for production and subsistence loans on hand at the end of 1947 totaled 3,174, of which 1,597 are veterans; 112 applications wanted credit for installing water facilities; and there were 6,615 applications, 3,981 of them from veterans, for farm-purchase loans. In addition, there were 6,379 persons, 3,473 of them veterans, who did not file for loans because they learned when calling at the county office that funds were already exhausted.

Actual distribution of the 1948 fiscal-year appropriation to the various States allowed Texas $2,222,600 for new applicants who desired annual or adjustment-type operating loans, and by the end of 1947, $1,238,395 of this had already been obligated. Most of the less-than-a-million dollars remaining would be required for processing loans already approved by county committees, and few of the 3,174 applications now on hand can be considered before new appropriations are provided.

Apparently a similar story must be told of the 6,379 persons who have applications on file for farm-ownership loans. Of the $15,000,000 appropriated nationally, Texas has already used $613,408 in processing the 58 farm-purchase loans made in that State. There are more applications on file in the State of Texas alone than could actually have been made with the entire appropriation received for the Nation for this fiscal year.

The records being made by the borrowers who were able to obtain loan funds is so outstanding in Texas that they deserve special mention. In the farm-ownership program to date, 5,008 families have been helped to buy farms of their own, and of these 1,263 have already repaid in full, 30 or more years ahead of schedule. Of those remaining, not a single borrower has been dropped from the program for failure to repay, and only two have been changed over to collection-only status because they have left the farm owing the Government a balance on their indebtedness.

Collections throughout the program have been excellent. A total of $114,470,470 has been repaid on real-estate and rehabilitation loans in Texas, while the remaining outstanding indebtedness as of the end of 1947 was only $49,473,991. Most of this money is owed by the 15,886 active operating loan borrowers or the 3,743 active real estate loan borrowers whose indebtedness has not yet matured, and who may have, in the case of the farm-ownership families, up to 40 years remaining of their scheduled amortization period. Of the additional $54,000,000 loaned under the emergency crop and feed loan program, over $46,000,000 has been collected to date.

These unusual collection records have been made possible because the Farmers' Home borrowers receive more than credit when they participate in the agency program. Before a loan is actually processed, the applicant and the county supervisor sit down together and draw up a realistic farm and home plan which will fit the applicant's ability, can be performed by the family without outside labor, and will work on the farm which the applicant will operate. Then

they figure out the funds necessary to make the plan work, and the application is for this amount. Following this planning session a committee of three local farmers studies the plan, discusses it with the supervisor, and frequently calls in the applicant for questioning. If the loan is to purchase a farm, this committee also appraises the farm to be purchased.

If the committee approves the loan, we provide the needed credit, but do not end our services with the delivery of a check. We follow up the loan making by on-the-farm guidance in sound farm and home management methods, farm record keeping, and technical information. And the committee, too, follows up each case through annual analyses of the records made by the borrower. This committee may recommend that the family be graduated to private credit sources because they are considered as qualified for it, or that we make a further loan to give the borrower an opportunity to expand or to operate more efficiently, or may recommend that the borrower be dropped from the program for failure to repay on schedule or to follow his plan of sound operations.

I hope that we have given you the information you desire, but if you need more specific information or other types of information, we will be more than glad to hear from you and to be of any further help that we can.

Sincerely yours,

DILLARD B. LASSETER, *Administrator.*

[Excerpt from the Budget of the United States—1949, p. 264]

FARMERS HOME ADMINISTRATION

The Farmers Home Administration is authorized to (1) make farm-ownership loans up to the normal value of a farm and necessary improvements at 3.5 percent interest, loans to be amortized over 40-year periods; (2) to insure 40-year farm-ownership loans by private lenders up to 90 percent of the normal value of the farm; (3) make production and subsistence loans up to $3,500 for 1 to 5 years at 5 percent for buying livestock, seed, farm equipment, and other farm needs. Water facility loans also are made by the Administration in the 17 Western States under authority of the Water Facilities Act of 1937. From the beginning of the farm-ownership program in fiscal year 1938 through fiscal year 1947, a total of 47,104 families had received loans amounting to $234,000,000 for the purchase and development of family-type farms. Since inception of the program, over $104,000,000 of principal and over $28,000,000 of interest have been repaid, and 11,233 borrowers have paid their loans in full. About 25,000 active borrowers are ahead of schedule on their payments, aggregating nearly $22,000,000. Liquidations since inception of the program have resulted in a net loss to the Government of $50,830, or one-fiftieth of 1 percent of the total loans made. The insured mortgage program is just being initiated during the current fiscal year.

From 1935 through October 31, 1946, loans aggregating $1,000,000,000 of the rural rehabilitation type were made by the predecessors of FHA to over 1,000,000 families for livestock, equipment, and other farm needs. Farm supervisors helped these families plan their farming and put the plans into practice. Principal repayments on these loans have amounted to approximately 90 percent of maturities. Annual emergency crop and feed loans made by the Farm Credit Administration and predecessor agencies from 1918 through October 31, 1946, amounted to $576,000,000, of which approximately 80 percent has been repaid. These annual and rural rehabilitation loans were replaced by the production and subsistence loans under the new FHA act which became effective November 1, 1946.

While farm production and farm income have increased substantially in recent years, the 1945 census shows that half the Nation's farmers received gross farm incomes under $1,500 in 1944, and one-fourth of the farms produced agricultural products valued at less than $600. It is estimated that nearly 1.5 million farms are failing to provide an adequate family living because of inadequate working capital. To help alleviate this situation, an increase in loan funds from $60,000,000 to $75,000,000 is proposed for 1949. Also recommended is an increase of $2,000,000 for administering the program.

Democracy

EXTENSION OF REMARKS

OF

HON. WALTER B. HUBER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. HUBER. Mr. Speaker, it is with a great deal of pleasure and pride that I insert in the RECORD one of the winning 5-minute talks of the recent I Speak for Democracy contest sponsored by the National Association of Broadcasters, the Radio Manufacturers Association, and the United States Junior Chamber of Commerce.

A resident of my district, Miss Janet Geister, 16, of the Cuyahoga Falls High School, Cuyahoga Falls, Ohio, was one of the four national winners. With the other three national winners, she took a $500 cash prize, a wrist watch, and a certificate of recognition signed by Commissioner of Education John W. Studebaker, from more than 20,000 contestants in more than 500 communities in 39 States and Alaska.

The contest was planned to encourage young people to think about the democratic form of government and to express its philosophy in spoken words, no limit except that of time being placed on their work.

It was inspiring to me to witness the presentation of the awards by Attorney General Tom Clark. I am also glad to learn that the United States Office of Education is making transcriptions of Miss Geister's talk and the other winning talks in this year's contest available to schools throughout the country, and that the contest is scheduled to be continued next year.

Miss Geister's talk follows:

TALK BY JANET GEISTER, OF CUYAHOGA FALLS, OHIO

When I was given the opportunity to enter this contest, "I Speak for Democracy," the first thing I did was to look up the word "democracy" in the dictionary.

Mr. Webster defined it as "government by the people, government in which the supreme power is retained by the people and exercised by representation."

There is a vast meaning in those words—a meaning bigger than Mr. Noah Webster's conception or George Washington's, or Abraham Lincoln's, or yours or mine.

But perhaps you'll listen a few moments to one person's idea of democracy.

I am 16 years of age and attend a public high school in a comparatively small town in Ohio. Of course, like most people, I have ideas on certain subjects. Some of these are good, some bad, some right, and some wrong. Perhaps as I grow older my ideas will change, but I know my idea of democracy will not. Because it is more than an idea, it is an ideal.

To me, democracy means a way of life. As I grow older, it means I will be able to help choose the representatives in the Senate, the House of Representatives, and the President himself. This means that I will have a real voice in my Government. And it also means that I will undertake a great responsibility. And I will accept this responsibility gratefully, even eagerly, knowing that only in a democracy could a citizen have such an opportunity.

As I grow older, I will also realize more fully what is meant by "freedom": Freedom of worship, freedom of speech, freedom of the press, and freedom to rise as far in any field as a person's hard work and ability can take him, regardless of his race or creed.

I wonder how many children in other parts of the world can look forward to such a future of freedom.

But right now democracy means to me the everyday things in life, the things which we accept and enjoy without full appreciation of their meaning and often take so much for granted; the things that give us pleasure, the things that give us happiness: Drinking a soda at the corner drugstore, attending high school, outside activities such as the concert course we attend every month, which gives such a grown-up feeling, clubs at school, the fun we have participating in the community plays, football games on Friday night, the idea that an opportunity is given to persons my age to enter a contest like this and give an opinion on an important subject such as democracy.

For democracy is important. To the people in other countries of the world where other forms of government exist, the United States and democracy are the one shining light and hope in an otherwise dark world. If democracy fails, what next?

Oh, not that democracy is perfect, not that it doesn't have its faults. But when 130,000,000 people believe in the same principle and are working toward that principle—well, it just has to be a success. That's the only way.

Democracy is on trial. The United States and other members of the United Nations are the deciding factors in the difference between the success and the failure, not of the peace, but of the world. As our forefathers fought and died to leave us this proud heritage of freedom, so must we strive to preserve that freedom for future generations—strive to eliminate racial discrimination, and strive to preserve the principles of free enterprise that have made our country the leading power that it is today.

Our responsibility to the world is great. We must not fail to live up to this responsibility. Yes, I do speak for democracy. I speak wholeheartedly, knowing that here in America people enjoy a way of life which is only hoped for by people of other countries.

Civil Aeronautics Board Appointment

EXTENSION OF REMARKS

OF

HON. NORRIS POULSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. POULSON. Mr. Speaker, it is becoming every day increasingly evident that the present administration has become more and more under the influence of military men. With the peace machinery of this country in the hands

of military trained men in such posts as our principal ambassadorships and the Secretary of State office, the President has now started to extend this military influence into our domestic life. The statement which I am inserting was written by one of the most independent and fearless men in American today, Harold L. Ickes:

MAN TO MAN

(By Harold L. Ickes)

I think it was Benjamin Franklin who observed that little boats should stay close to the shore. It is doubtful whether President Truman considered, if it occurred to him at all, that he was sailing out into deep and dangerous waters when he rudely dismissed, without benefit of clergy, one of the ablest of his keymen, James M. Landis, former dean of the Harvard Law School and chairman of the Civil Aeronautics Board, and reached into the military, a continuing bad habit, for Maj. Gen. Laurence S. Kuter to replace him.

General Kuter is 42. He is said to be one of the ablest of the younger air officers. Something of an infant prodigy when he entered West Point at the age of 15, he served in Europe, in the Pacific and in Air Force planning in Washington. On the basis of his record, I do not question either his qualifications as a soldier or his ability as a pilot. I am even willing to assume that he has the particular executive and other abilities that the chairman of the Civil Aeronautics Board must have to give a successful administration and to solve wisely questions that pertain not only to domestic, but to international aviation.

But even admitting that General Kuter has all of the necessary qualifications, it was a bad appointment. Mr. Truman has sent to Congress a hurry-up request for special legislation that will permit the general to take the post while still holding his rank and position in the Army. The bill would exempt him from military supervision, but would continue his military pay and perquisites, with the Civil Aeronautics Board reimbursing the Air Force. This would make it a rather nice deal for the Air Force, too, because it could advance someone else to the Kuter job. But if the bill should become law, General Kuter's fellow members of the CAB would be discriminated against because their salaries are fixed by statute at $10,000, while General Kuter's Air Force pay is reported to be $15,200.

He has, besides, the privilege of free medical care for himself and his immediate family, he can eat at the low-cost officers' mess, and buy as he likes from the service stores. Altogether, pay, allowances, and privileges would probably amount to the equivalent of something close to $20,000 a year.

What the President proposes to do is not only unfair to the other members of the board, it would throw out of joint the whole Federal pay structure. Moreover, by this neat little trick Mr. Truman would be raising indirectly a salary that the Congress has declined to raise, and if he does it in this instance, why not in others? Why not an entire CAB composed of generals and admirals with Army and Navy pay and emoluments? And what would prevent extending the same principle to the Supreme Court? If the President should again yield to his propensity to fire a good man, as Landis undoubtedly was, why not fill the resulting vacancy by borrowing a Supreme Court Justice, with salary attached?

Moreover, this typical Truman blunder is flying in the face of a deep-rooted American tradition. Mr. Truman does not seem to know it, but there is an American predisposition against turning civilian affairs over to the military. It is also a sad commentary on Mr. Truman's lack of qualities of leadership that he could find no civilian willing to fill the brutally created Landis vacancy. Mr. Truman has made it clear again to all of the world that a job in his administration, especially if the holder thereof is competent and regards the public interest as paramount, is extra hazardous.

If General Kuter drove a good bargain, Mr. Truman drove a bad one. For one thing, he has shaken the morale of faithful Democrats in Congress. It will be recalled that it was through House Democratic Leader SAM RAYBURN that Mr. Truman sent to Landis assurance of reappointment. It was when Mr. RAYBURN was far away in Texas that Dr. Landis was called to the White House, 48 hours before his term expired, to be told roughly that he was through.

It is also reported that Senator BARKLEY, Democratic leader of the Senate, heard of the Truman intention when he was in Paris. He cabled Mr. Truman asking for a chance to talk with him before taking final action. How Mr. Truman reacted to that request is history. How Senator BARKLEY treated the palpable snub is not yet history, but it can quite readily be imagined. It is said that Mr. Truman got more than a whiff of a rising storm when the Senator shortly thereafter reached the White House.

Another and heavier penalty that Mr. Truman will pay for his too-ready compliance with Secretary of Commerce Harriman's demand for Dr. Landis' head lies in the fact that by his own willful and deliberate act he has given occasion for a spreading public alarm over the increasing influence of the military in American civil life. Henry A. Wallace will make the most of it. So, in all likelihood, will Senator TAFT, and others. It is not often in a Presidential year that the man in the White House forgets to wear his suspenders.

Rehabilitation of Japan

EXTENSION OF REMARKS

OF

HON. NORRIS POULSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. POULSON. Mr. Speaker, being from the Pacific coast I am much interested in the progress of rehabilitation in Japan. I have found this address by the Honorable Kenneth C. Royall, Secretary of the Army, before the Commonwealth Club of San Francisco on January 8, 1948, to be very informative on this subject and under leave to extend my remarks, I insert it in the Appendix of the RECORD:

To many American citizens—including myself—the most surprising development—and one of the most disappointing aspects of our victory over Germany and Japan has been the responsibility and cost which have been placed upon us in the matter of occupation. There were few who originally recognized the extent of this burden. And today every citizen of our country is justified in asking the "what" and the "why" of our occupation policies.

On this occasion I will speak specifically of Japan. Immediately after the surrender, the objectives of our policy were stated to be, first, "To insure that Japan will not again become a menace to the peace and security of the world," and, second, "to bring about the earliest possible establishment of a democratic and peaceful government which will carry out its international responsibilities, respect the rights of other states, and support the objectives of the United Nations."

The underlying idea was the prevention of future Japanese aggression—direct prevention by disarmament, and indirct prevention by creating a type of government unlikely to develop again the spirit of aggressive war. The real well-being of Japan—or her strength as a nation—was decidedly a secondary consideration—secondary to protection of ourselves against Japan, and secondary to payment of reparations to the victorious Allies for the damages inflicted upon them.

This attitude is clearly shown by the emphasis in the original directive, which stated in part: "Japan shall be permitted" (not encouraged but permitted) "to maintain such industries as will sustain her economy and permit the exaction of reparations * * * but not * * * enable her to rearm. * * * Access to, as distinguished from control of, raw materials should be permittted. Eventual Japanese participation in world trade * * * will be permitted."

It is clearly understandable—and it was fully in accord with the then feelings and opinions of our people—that in 1945 the main purpose of occupation should be protection against an enemy which had viciously attacked us and which had committed brutal atrocities against our troops and our private citizens.

Since then new conditions have arisen—in world politics and economics, in problems of national defense, and in humanitarian considerations. These changes must now be fully taken into account in determining our future course, but it should be remembered that these developments arose in large part after the original policies were set.

These original policies were promptly carried out. Within a few months after the end of hostilities, all Japanese tactical units had been dissolved and all implements of war destroyed or insulated. The top Japanese military organizations, as well as the infamous secret and terroristic societies, were abolished. Those who formulated the Japanese policies of conquest and aggression were removed from important political and economic positions.

War-making industries were marked for removal and reparation. This included arsenals, private munitions plants, aircraft factories, military research laboratories, synthetic-rubber and oil plants, shipbuilding installations, and certain chemical, machine-tool, precision-bearing, thermo-electric, and metal factories, nonferrous and others. Commitments were made to other nations for payment of reparations with those plants.

Other steps followed, including those leading to the dissolution of concentrations of property ownership and economic power. At the end of the war—and for a long period before the war—land ownership had been in the hands of a comparatively small part of the population. The system was analogous to the feudal system of past centuries, and in Japan the land barons used their power to encourage war.

In the business field, the Zaibatsu, or money cliques, dominated completely and ruthlessly the Japanese economy—through holding companies and monopolies. A dozen families controlled over 75 percent of the country's commerce, industry, and finance.

The influence over the Japanese Government of these and other monopolies was almost unbounded, and they were linked inseparably with the militarists. This joint group over a course of years—and particularly in the year and a half before Pearl Harbor—encouraged Japan toward war and destruction.

Steps were taken to break both types of concentrations. Under a directive issued by the Supreme Allied Commander, the Japanese Diet enacted in the fall of 1946 a land reform law under which, through local land commissions, the 5,500,000 Japanese farm families could acquire land from the present owners

at a reasonable price and pay for its over a period of years. This program will be completed by the end of 1948. Just as in America the small landowner is symbolically and factually democracy in practice, so we expect that in time the strength of Japanese democracy will find roots in similar soil.

Action against the Zaibatsu has proceeded vigorously, and its control has now been virtually abolished. Sixty-seven holding companies, with 4,000 subsidiaries and affiliates, have been marked for liquidation. The two largest holding companies—Mitsubishi and Mitsui—have been closed. Others of the larger ones have been almost wholly liquidated.

The Japanese Government has been directed to prepare legislation prohibiting international cartels. Stringent antitrust and deconcentration legislaiton has been prepared and passed in part. A Holding Company Liquidation Commission has been established and is functioning in the supervision of the entire program.

While these various steps were being taken, new developments were arising, and old factors were changing in importance. Japan had never been able to provide all of its own food—nor to produce enough of many other necessities of life. Seventy-eight million Japanese occupy an area smaller than California and of that area only 16 percent is capable of cultivation.

The population is still growing at an enormous rate. It is expected to reach 84,000,000 by 1951. The current troubled condition in Asia leaves practically no food available for import into Japan, even if the currency and Japanese export situation would make food purchases possible—which they would not.

And yet without food and other necessities, Japan would be faced with widespread starvation and disease—would seethe with unrest and disorder and hopelessness. Even aside from the simple principles of humanity, we could not, under such conditions, accomplish our original objective of a peaceful Japanese Government. Nor could we hope that Japan would be other than susceptible to totalitarian demagogues from within and without. Without help the country would become a prey to nondemocratic ideologies of aggression.

To meet this situation America has supplied Japan with food and other necessities. This assistance has given the country a base upon which to build, and it has been possible to supplant totalitarianism and Shintoism with democracy, to begin to replace educational regimentation with academic freedom, and to build the foundations for a peace-loving government of the people.

For this and other achievements in Japan, great credit must be given to General MacArthur and his staff. America was indeed fortunate that for this vital task, it had an outstanding leader who could bring the Japanese to a complete realization of their defeat and at the same time obtain their full cooperation in forming a free and stable government.

But the Department of the Army and the Department of State—which shares the policy responsibility of occupation—both Departments realize that for political stability to continue and for free government to succeed in the future, there must be a sound and self-supporting economy, and General MacArthur in command of the occupation can be depended upon to implement these policies.

We also realize that the United States cannot forever continue to pour hundreds of millions of dollars annually into relief funds for occupied areas, and that such contributions can end without disaster only when the occupied countries can pay for their own necessities with their own production and exports.

These factors have resulted in efforts to improve in many fields the economic situation in Japan. And with this increasing economic approach there has arisen an inevitable area of conflict between the original concept of broad demilitarization and the new purpose of building a self-supporting nation.

In the case of agriculture the two purposes do happen to run practically parallel. The breaking down of feudal holdings has ended a war-making influence. At the same time the wider division of lands tends to produce incentive on the part of the larger number of landowners and thereby to increase over-all production.

But it is a different situation with manufacturing. The destruction of synthetic rubber or shipbuilding or chemical or nonferrous metal plants will certainly destroy the war potential of Japan, but such destruction may also adversely affect the peace potential.

The dissolution of the Zaibatsu may present in itself no serious economic problem, but at some stage extreme deconcentration of industry, while further impairing the ability to make war, may at the same time impair manufacturing efficiency and reduce the over-all production and the exportable surplus of Japanese industry—may, therefore, postpone the day when Japan can become self-supporting.

Such is our dilemma. It is clear that Japan cannot support itself as a nation of shopkeepers and craftsmen and small artisans any more than it can exist as a purely agricultural nation. We can expect a continuing economic deficit in Japan unless there is at least some degree of mass industrial production.

Another borderline situation between demilitarization and economic recovery is presented in the case of personnel. The men who were the most active in building up and running Japan's war machine—militarily and industrially—were often the ablest and most successful business leaders of that country, and their services would in many instances contribute to the economic recovery of Japan.

What should we do about them now? We cannot afford to leave the Japanese war system intact nor forget that there is danger in retaining in power leaders whose philosophy helped bring on World War II. On the other hand we cannot afford to sterilize the business ability of Japan.

Nor can we believe without qualification individual Japanese protestations of war innocence or of peacetime reformation. One Senator said to me in Germany shortly after VE-day, "I have inquired everywhere, and I have not yet found a single Nazi in Germany," to which could perhaps now be added, "nor a war lord in Japan."

All these matters present questions of degree, and the decisions are matters of judgment. These decisions are not difficult at a cocktail party or from an easy chair or on a rostrum, if made by those who have no responsibility for the decisions or their results. It is somewhat different when you must live and suffer with any errors that you might make.

The Departments of State and Army are trying to draw the lines in the right place. And in doing so they are giving—and will give—full weight to the changes in political and military and economic considerations which have occurred since the initial days of occupation.

We realize that deconcentration must stop short of the point where it unduly interferes with the efficiency of Japanese industry. Earlier programs are being reexamined—as, for example, the details of the program stated in the paper submitted some months ago to the Far Eastern Commission, and recently given wide publicity as FEC-230.

We are not averse to modifying programs in the interests of our broad objectives. A bill recently submitted to the Japanese Diet setting up procedures for deconcentration of excessive economic power was changed before its final enactment—changed with a view of giving added weight to the economic needs of Japan.

In the case of plant dismantling and reparations—in addition to the matter of disarmament—we are bound by certain agreements with other nations—agreements which must be carried out unless breached by those others or altered by consent. However, since last summer we have had a competent group of industrial engineers in the Pacific selecting the specific plants which, consistent with our obligations, can be dismantled with the minimum of detriment to Japanese economic recovery. The report and recommendations of this committee should reach the Department of the Army during this month.

I would not leave the impression that questions of demilitarization or reparation or deconcentration or disqualification of personnel are the most immediate obstacles to Japanese recovery. The principal difficulties arise from the destruction which war brought to Japan and to the chaotic condition which has existed in the Far East since VJ-day.

The flimsy nature of Japanese construction and the concentrated population centers made these islands most vulnerable targets for our incendiary and other missiles. Even aside from the effects on Hiroshima and Nagasaki of the atomic bombs, many Japanese cities were largely destroyed. I believe that on a percentage basis greater Tokyo—with about 7,000,000 people as of 1940—was as badly damaged as any enemy city in the entire world.

Japan has long been dependent on the rest of Asia not only for foodstuffs but for raw materials needed in their manufacturing and business life, and it has relied largely on general commerce with China and other neighbors. With the war and its aftermath these sources of import and export are largely nonexistent.

Many affirmative steps have been and are being taken to meet these and other difficulties—and to promote recovery and thereby hasten the day when Japan will cease to be a financial burden to the United States. I wish that time permitted me to discuss in detail our activities in many fields, including those of finance and credit and foreign trade.

Some results of our efforts are apparent. Over-all Japanese industrial production has risen from 18 percent of the 1930–34 level in January 1946, to 40 percent in August 1947. In the case of coal—basically needed for business recovery—the present production is 86 percent of the 1930–34 level. Fertilizer has increased fourfold during occupation. One-fourth of the war-destroyed houses in Tokyo and vicinity have been replaced. Six hundred thousand acres of land have been reclaimed for cultivation, and a million more should be added by 1950.

In this whole picture of Japan do not forget that we are supervising an entire Government—and one disorganized by an unsuccessful war. We have all the many normal policy and operating problems of a stable and successful government plus the added ones produced by the unusual and distressing conditions peculiar to present-day Japan.

The differences from our own country are such that we cannot expect to impose on the Japanese people an exact reproduction of American democracy. It follows that often there is no precise precedent for our problems, and the departments must do as our forefathers did in the early days of our own Government, reach the best results we can by trial and error.

The lines to be drawn are, of course, not always easy to draw, and as in the case of all decisions of importance one cannot be too dogmatic. There can be—and are likely to be—differences of opinion among sincere and informed people. Nor do I have any illusion that everything we do will be perfect.

But I can assure you that our decisions will be made with realism and with a firm deter-

mination of doing all possible to prevent Japan from again waging unprovoked and aggressive and cruel war against any other nation. We hold to an equally definite purpose of building in Japan a self-sufficient democracy, strong enough and stable enough to support itself and at the same time to serve as a deterrent against any other totalitarian war threats which might hereafter arise in the Far East.

Republicans Kill 4-Percent GI Real Estate Mortgage Loans

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, January 30, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a letter that I have written to one of my constituents, Mr. Charles M. Taylor, a veteran and post commander of AMVETS Post, No. 8, Detroit, Mich. I believe that it is the duty and responsibility of the Government to extend long-term loans at low interest rates and small down payments to our veterans. Every veteran should have an opportunity to own his own home. This opportunity should not be stifled by demanding $3,000 and $4,000 as a down payment, and making him meet monthly payments and interest rates so high that he cannot meet them on the wages or salary that he receives.

A home ownership plan for the veterans is desirable and meets with the approval of all of our citizens, I am sure. It is up to the veterans' organizations to inform this Republican Congress that they want this program carried out.

Mr. CHARLES M. TAYLOR,
Post Commander, AMVETS Post, No. 8, Detroit, Mich.

DEAR MR. TAYLOR: With further reference to your letter requesting my support of legislation in Congress authorizing the RFC to purchase GI loans without recourse, I wish to submit the following information:

Senate Joint Resolution 135 was a resolution for the extension of succession and powers of the RFC. This resolution was passed without amendment by the Senate on June 23, 1947 (CONGRESSIONAL RECORD, p. 7551). The House Banking and Currency Committee, under the chairmanship of JESSE P. WOLCOTT, refused to consider Senate Joint Resolution 135, and instead, took up their own bill, H. R. 3916.

This House bill did not continue the authority of the RFC to purchase veterans' loans. On the House floor an amendment was offered to reestablish and extend the powers of the RFC as a secondary market for these veterans' loans. I voted for this amendment, but it was rejected (CONGRESSIONAL RECORD, June 24, 1947, pp. 7631–7634). Later a motion was made to recommit the House bill, with the recommendation that it be reported back with the provision extending the RFC authority included. I voted for this motion to recommit, but by a vote of 154 to 192, the motion to recommit was rejected (CONGRESSIONAL RECORD, June 24, 1947, p. 7634). The conferees agreed substantially with the House language of the bill and it became Public Law 132, thus terminating the authority of the RFC to purchase veterans' loans.

Subsequently, the Senate passed S. 1543, the Sparkman bill, the purpose of which was to give the RFC this continuing power to purchase GI housing loans. The bill was referred to the House Committee on Banking and Currency on July 25, 1947. No further action has been taken by the House committee.

At the time that the RFC was put out of business as a secondary market for these GI mortgage loans I strongly opposed this action, and I stated at that time that the bankers would boycott the purchase of these 4-percent loans to the GI's, and that there would be no outlet for these loans whatsoever, once the bankers succeeded in putting the RFC out of business. This is exactly what has happened.

In the Detroit area a GI must now comply under the FHA in order to obtain a mortgage loan. He has to pay 5 percent interest instead of 4 percent. He will not get a 100-percent commitment on a long-term basis. He must have three or four thousand dollars as a down payment, and his monthly payments on the mortgage loan are nearly doubled.

At the time that the legislation was up for consideration for extending the authority of the RFC, and all of the might and power of the banking interests were mobilized to kill this authority, I must state with regret that the newspapers and radio commentators were all hush-hush when this great slaughter of the GI veterans' loans was being committed in Congress. It is not surprising that it wasn't until months later than the veterans woke up to find out what the Republicans had done to them in Congress. Now, that is not all. Just recently I have been informed by a reputable mortgage man that in the Detroit area it is difficult to even sell 5-percent FHA mortgages. It would appear that the big bankers' plans have materialized. They have put the RFC out of the real-estate mortgage business, and now they have the field all to themselves. It will not be long before they will drive up the interest rates on real-estate mortgages to 6 or 7 percent again, as it used to be in the "good old Republican days" before President Roosevelt was elected and messed up their most lucrative and profitable racket.

I wish that you would bring this letter to the attention of your veterans' organizations.

Sincerely yours,
GEORGE G. SADOWSKI,
Member of Congress.

Politicians

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therein an editorial from the Daily Tribune, a newspaper published in my home city, Royal Oak, Mich. This editorial on politicians ought to be of interest to every Member of Congress. It presents a common-sense approach and is a complete answer to the criticism which all Members receive. The editor is to be commended for his intelligent analysis of this subject.

PERSONALLY SPEAKING
(By Floyd J. Miller)
THOSE LOUSY POLITICIANS

Everybody is all the time making cracks about politicians, and it isn't right.

When I say everybody, I mean just that. Why, I have even known myself to make disparaging remarks concerning these gents. Only when I did so I actually had in mind only a small fraction of the men engaged in public service—or politics.

But politics is just like any other occupation. It gets sneered at and jeered at and lambasted because of the unsatisfactory performance of only part of those engaged in it.

In the same way we refer critically to "damned capitalists" or "lousy labor leaders"; or even to "dump teachers" and "cheating ministers." It is not that we would condemn any one of these groups, or even a large proportion of it. No; we just get fed up with the stupidity or greed or incompetence of a few and proceed to cuss out the whole class.

Perhaps politicians are assailed more frequently and more violently than any other group because so much of their activity is out where we can see it. A man has to express his opinions where all the world can hear them, as repeated by the press. He is obliged to vote "yes" or "no" on questions that affect closely the welfare and well-being of his fellow citizens.

He has to stick his neck out. And, brother, do the rest of us like to take a whack at it.

When we get down to cases, though, we realize that only through politicians can our democratic form of government be carried on.

Politicians are the men engaged in politics. And politics is carrying on the business and promoting the welfare of the state. The state, that's us—we, the people.

If politics often stinks—and it does—we the citizens are responsible. We can clean it up any time we make up our minds to do so.

Unfortunately, in spite of the critical necessity for the best possible men in public office, the average American is still too busy or too lazy to pay great attention to the matter.

He will kick about what the politician does or fails to do, but forget that he himself failed to vote at the last election. Or if he did vote, it was after a whole 5 minutes discussion of the candidates and issues with some pal who really didn't know much about them himself.

So we get some pretty Sad Sacks in public office. Their ability or lack of it is generally a pretty good reflection of our own individual unwillingness to do anything about it.

The vast majority of men in public office though, are trying to do a good job and are reasonably well equipped to do so. Very few get anywhere near the pay we want them to be worth. Other reasons impel them to vie for whatever honors, prominence, and criticism they receive.

Quite a number like the prominence and publicity. Definitely, too, many seek the jobs so they may promote the interests of particular groups, business, industry, labor, agriculture.

But over and above all such selfish motives there is, I am convinced after many years of close observation, a genuine desire to serve. There is an appreciation of the fact that the American Republic can continue to exist only as long as individuals will contribute something to the good of all.

Or perhaps you prefer to consider the problem from the hard-boiled or realistic angle. Then it becomes just a matter of intelligent protection of your own interests, considered from a long-range view.

In either case, you perceive that the "pressure groups" which exert too great an influence, can make or break our Nation. But perhaps that is getting into too controversial a topic in the space available here. Most of us are members of organizations that can properly be labeled "pressure groups." It depends whose toes are stepped on.

These self-interests, no matter how justifiable they appear to each of us, must be watched carefully. We must avoid getting

tied in with any group whose leaders contend it is always right and never wrong.

The way in which we individually answer all these complicated conundrums will determine what kind of politics we have.

Meanwhile our politicians will be just as good as our politics—and no better.

The Worker and the Marshall Plan

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 3 (legislative day of Monday, February 2), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address entitled "The Worker and the Marshall Plan," by the Assistant Secretary of Labor, Mr. John T. Kmetz, at a dinner meeting by the Wanamaker Post of the American Legion, at Philadelphia, Pa., on Tuesday, December 2, 1947. His analysis of the Marshall plan from the standpoint of the American worker is, I believe, well worth the attention of Members of Congress.

Mr. Kmetz makes a very interesting analogy in describing the wartime devastation of those nations of Europe which we plan to assist back to economic recovery through the Marshall plan. After outlining the destruction of industrial capacity in France, Italy, Greece, England, the loss of manpower through wartime deaths and injuries, the neglect of agriculture, the long history of undernourishment and overwork during the war, and the climax to all of this suffering in the form of floods, Mr. Kmetz says:

> Is it any wonder that men despaired as in their own misery they witnessed the suffering of their wives, their children, their parents? Picture, if you can, similar conditions in our country. Suppose that it was in Pennsylvania, Delaware, New Jersey, and New York that factories with their production lines had been transformed into twisted girders of steel and a mass of concrete rubble. And suppose that as we started to remove the debris the rains came down in torrents and the Lehigh, the Ohio, the Schuylkill, the Delaware, the Susquehanna, and the Mohawk Rivers rose over their banks, drowning the growing crops and the last hopes of men for relief by their own efforts.
>
> Well, gentlemen, that is what happened to Europe during the cruelest war in the history of mankind, and in the years that have intervened since American boys crossed the Rhine.

Those are Mr. Kmetz's words, and I should like to have the entire article inserted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am glad to be with you tonight, and I wish I could address you as fellow Legionnaires. I envy you that great privilege of telling your grandchildren about your deeds at Chateau Thierry, at Soissons, at Belleau Wood, and I know that among your members there are enough veterans of World War II to keep your stories close to the truth.

It was not so with the grandfather of a friend of mine out in the mountains of western Pennsylvania. His grandfather was a private in the siege and capture of Petersburg, Va., during the Civil War. For several years he told of his part in that battle with becoming modesty. But as the years wore on, his imagination painted the lily. Later he remembered that he had been a sergeant and had assumed command of his company when his captain was killed in action. As time went on he remembered that he was the captain, and that it was his colonel who had been killed, and his battle command had been that of a regiment. The last time he told his grandson the story it was about General Grant and I.

The trade to which I was apprenticed 40 years ago made it impossible for me to wear this country's uniform in World War I. As many of you know, I am a coal miner.

I don't want to compare the war service of you men who faced sudden death or permanent injury and those of us who helped produce the munitions that made victory possible. Rather, I want to talk to you about that great thing American warriors and workers have in common. That is the love we bear our country, the pride we take in our way of life, and our determination that these things shall not disappear from the earth.

When, almost 30 years ago, you took off your uniforms, you had every right to feel proud. You had fought the good fight for democracy. To me your victory was a particular source of pride and thankfulness, because one of the new democracies which your victory made possible was started in Czechoslovakia.

It was the home of my ancestors and the place of my birth.

Maybe because of this fact I have thought more about how wonderful it is to be an American than those of you who always have enjoyed freedom. America, to me, has been more than a land of opportunity. Here I have been allowed to think as I like. I belong to, and work for, my union. I go wherever I please. I read whatever appeals to me, and I speak my thoughts. My children go to school and play without fear. I vote for the person who I think is best for the job. I pick the work I want to do, and I go to it every morning free in mind and spirit, knowing that a miner's pay for his work enables him to enjoy a higher standard of living in America than any coal miner in any other country of the world.

Such things were not possible in many parts of Europe when my father brought me as a child to America. My own people—the Slovaks—were under the rule of the Austro-Hungarian Emperor. They lived under the ever-present fear of the tyrant emperor and later under the dictator tyrant, who imposed their harsh will and inflicted their cruelties in spite of the heroic bravery and sacrifices of the people of Czechoslovakia.

In some respects the people of Czechoslovakia were more fortunate in the condition of their country than other European nations. I do not speak of Lidice, nor of the suffering they underwent in every part of the nation. I refer to the physical condition of their industrial plants. The workers, when they came home from the war, possessed skills; and they knew how to use them in these plants spared much of the destruction visited on the munition plants in other parts of Europe. They went to work. They were not as active in defeating Communist propaganda and infiltration into their unions as we, for instance, have been. That I regret. I do not fear, however, that they will fall victim to the false ideology of Moscow. Despite their predicament I am convinced that the overwhelming sentiment of the people for democracy will prevail.

But the destruction which was spared many industrial plants in Czechoslovakia does not apply to other parts of Europe. In France, in Italy, in Greece, and in England, to mention only a few, many of the factories had been destroyed. Millions of their young men had been killed or maimed. Much of the land which in years past had produced ample foodstuffs had gone to waste through neglect, lack of manpower, and machinery, fertilizer, and transportation. The people had been underfed and overworked through the years of the war. And so it was that from poverty they descended to despair. And then another catastrophe was added to their burden. Last winter was the coldest in western Europe in the memory of many now living. The mines did not produce enough coal to keep the people from the danger line of freezing. Transportation was disrupted. Mills and factories lay idle because there was no fuel. And as they recovered from this blow, floods came which destroyed young crops and delayed the planting of others.

Is it any wonder that men despair as in their own misery they witnessed the suffering of their wives, their children, their parents? Picture, if you can, similar conditions in our country. Suppose that it was in Pennsylvania, Delaware, New Jersey, and New York that factories with their production lines had been transformed into twisted girders of steel and a mass of concrete rubble. And suppose that as we started to remove the debris the rains came down in torrents and the Lehigh, the Ohio, the Schuylkill, the Delaware, the Susquehanna and the Mohawk Rivers rose over their banks, drowning the growing crops and the last hopes of men for relief by their own efforts.

Well, gentlemen, that is what happened to Europe during the cruelest war in the history of mankind, and in the years that have intervened since American boys crossed the Rhine.

What are we going to do about it?

Shall we allow millions of people in Europe to starve? Shall we withhold the food, the fuel, the machinery which will sustain life until they can again take their places among the nations of the world? Shall we, by indifference to their suffering, permit the destruction of those ideals of liberty and freedom upon which our own America was founded and on which it grew to greatness? Shall we ignore reality and permit this to happen, with the inevitable loss of our European markets along with the destruction of our own ideals?

President Truman has answered that question. And leaders of the Republican Party such as Senator VANDENBERG have affirmed his answer. It has been called the Marshall plan. It is part and parcel of the American tradition of generosity to those less fortunate than ourselves. It also might be called enlightened self-interest. For make no mistake about it, if we do not help the nations of Europe to save themselves, then all the things we have, all the things we are or hope to be, are perilously endangered. Today's newspapers verify that fact.

I am not an economist nor a diplomat, so what I have to say about the Marshall plan concerns the way it affects you and me, as men who have lived and worked, and who hope that our sons shall continue to have that privilege under the American way of life. As a coal miner I know that my family would starve if there were no railroads to haul and no factories to consume the products of my pick and shovel. There would be no locomotives to transport our food and clothing and knickknacks, or hairpins and safety razors for all of us if the coal I dig failed to reach the steel mill. Nor would there be refrigerators, radios, textiles, kitchen utensils, or any of the thousands of other things we find in department stores if our basic industries were idle for lack of coal, or transportation, or for any other reason.

There are none of these things in the homes of European workers. Of course, they want them, as do you and I. But they are more concerned with where and with what they will obtain the meager rations which nowhere are sufficient to sustain healthy life.

On next Tuesday a group of State labor officials and representatives of labor and employers meet in Washington for the Secretary of Labor's annual conference on legislation. The committee drawing plans for the conference discussed what kind of banquet should be held during the course of the conference. Someone suggested, in the light of the President's program for the conservation of food, that they be served a meal typical of that now served at similar functions in England. So they called the British Embassy and asked for a typical menu. When they learned that the simplest meal that could be served in Washington would equal in calories an English ration for a week, the idea was abandoned.

It is because of insufficient food, a hopeless outlook, and the sight of their families ill and weakened from malnutrition that the workers of Italy and France and Greece have listened, in their despair, to the siren call of communism. The danger of this false ideology will fade and disappear when the workers know that the proceeds of their labor will provide food, clothing, and shelter for themselves and their families.

The Marshall plan started when our distinguished Secretary of State spoke at Harvard College last June 5. It wasn't really a plan. All he said was that the United States was willing to assist in a workable program for European recovery. Europe, he added, would have to start the ball rolling by drawing up a program. The program, he continued, would receive assistance from the United States only if the European nations affected would cooperate individually and collectively to make it work.

Well, 16 nations grabbed the life-saving rope flung out by Secretary Marshall in that speech. There were some others who wanted to meet with them in Paris when they sat down in July to talk cases. But they recalled their acceptances of the invitation after their government leaders were called suddenly to Moscow.

But the Paris Conference went on without them, even while they looked hungrily in from the outside. A preliminary draft of what is needed was prepared and submitted to the United States Government. The final decision on that, as is entirely proper, will be made by the Congress of the United States. Estimates of the cost to America range from less than twenty to twenty-five billion dollars, to be provided over a period of 4 years.

Now, what are the major elements in a European recovery program?

First, each of the countries that sits in on the deal will have to demonstrate its sincerity. They will have to do that by making a genuine, strong, and determined effort to start production of goods that can be exported; that is, exchanged with other countries for the things they need most.

Each country will have to stop the printing presses which have been turning out paper money by the ton. Each must inaugurate sound money and fiscal policies.

Every nation involved will have to demonstrate a maximum willingness to cooperate with all other nations in the pool.

Each of the countries that is involved in the plan will have to schedule some of its production toward exportable products that will cut down the deficit in the exchange of goods with America. In other words, as in the past, they'll make some of the things Americans want and need. These will be things which they can produce better than we can, because of raw materials, supplies, special skills in workmanship, or because some things grow in their climates that don't grow in ours. Like lead, copper, and zinc, Italian and French wines, or Swiss watches, or Norwegian sardines.

Finally, each nation to which we extend our help must lay down its programs so that they will be making their own way by 1951, on a reasonable standard of living.

The next question is, will it work?

Frankly, success of the program cannot be guaranteed. There are real risks that in at least some of the countries it won't work. But Professor Einstein wasted a lot of paper, and Mr. Edison a lot of sleepless nights, before their ideas began to pay off.

So, in proposing the plan, Secretary Marshall saw that some of the American goods that will go to Europe under the plan, will be gifts. These things are mainly such items as foods, fertilizer, and fuel, and some machinery essential to get the means of production going. In most cases machinery and raw materials will be paid for, however.

The idea behind the plan is to provide the minimum help that will put each of these countries on a self-supporting basis. If that means grants, or gifts, of some goods, why, "we'll cast our bread upon the waters," confident that "it will return after many days."

Secretary Marshall's plan calls for an agreement between the United States and each of the countries which is given assistance. Those agreements will, of course, vary in form, because the problems are not exactly alike in many of them. But there is one provision that is basic to all of them. That is that each country will adopt monetary and fiscal policies which will maintain stability in price and cost structures. The agreements will obligate them to set, and do their dead level best to attain targets of production, particularly, of coal and basic foods. Also each agreement will provide that the country to which it applies will cooperate in reducing barriers to international trade and promote an increasing interchange of goods and services with other countries.

While the first assistance that goes to these European countries will be from the United States Government, private business and finance is not going to be barred from participation. Secretary Marshall told two congressional committee on last November 10: "Every encouragement should be given to early initiation of private financing, so as to eliminate as far as possible the necessity of direct assistance from the United States Government." What this means is that when any of the countries begin to display signs of recovery that will attract private capital, then Uncle Sam will step aside.

A lot of people have asked if the Marshall plan will weaken our own industry, business, and commerce. Well, the so-called committee of 19, headed by Secretary of Commerce W. Averell Harriman, and including leaders of industry, commerce, and labor say it won't. At the present time, for instance, we send about 10 percent of our production out of the country. If Europe were to collapse—that is, if there was no Marshall plan—the biggest part of this market would be lost. But if, on the other hand, Europe gets a good start up again, they'll want more of the goods we produce. It would have a direct effect, for instance, in taking for cash—not as grants, as gifts—the American farm surplus of cotton, tobacco, wheat, flour, corn, hogs, fruit, canned milk, and other farm products. The people of Europe also want more of our automobiles, refrigerators, radios, electrical equipment, and a thousand other things. In return, the United States would benefit by being able, through imports, to obtain the things we need, particularly such things as copper, lead, and zinc, as well as manufactured products.

From what I've said you may have gathered the idea that up to now the people over there have done nothing to spark plug their own recovery. The fact is Europe already has worked hard for its recovery. It is remarkable that so much has been accomplished. Let's look at the record. We'll take production in the year 1937 as equal to 100. Well, Belgium is now approximately at 81 percent of that level. Denmark is at 102, France at 94, Italy approximately 70, The Netherlands 95, Norway 120, and Sweden 109.

Great Britain also has made substantial strides toward recovery. Over-all production is 110 percent of 1938 levels. Using that year as equal to 100, Britain's agricultural production figures show cereals to be 150 percent, potatoes 222, sugar beets 128, vegetables 130, and milk 120. In industrial production in Britain, coal is at 82 percent of 1938, electricity 167, gas 145, steel (ingots and castings) 126, merchant shipbuilding 180, trucks, 175, cotton yarn 55, rayon yarn 55, and merchandise freight traffic 130.

That brings up the question of whether or not the United States program for European recovery means that we will finance socialist governments. Assistant Secretary of State Saltzman answered that when he said:

"We are satisfied that our form of government, for us at least, is best. Whether or not this form of government is best for other nations is not for us to say. Because we have prospered, we hope that a large majority of other peoples of the world will profit by our experience in choosing a democratic form of government. However, it is not our intention to impose our way of life on other nations. That in itself would be undemocratic. Our only purpose is, insofar as possible, to give other nations an opportunity to decide these matters for themselves, free from coercion."

The attitude of President Truman, Secretary Marshall, and just about all of the people in the country is different when we speak of any form of government—Communist or otherwise—which tries to prolong or profit from hunger, disease, and insecurity. The American Government has stated that it will give sympathetic consideration to the needs of any European government which wishes to participate wholeheartedly in a program for the good of all. We shall not help any country which fails to do its part or maneuvers to block the recovery of other countries. Furthermore, should we encounter governments, political parties, or groups which attempt to prolong human misery for political profit they will receive our unqualified opposition.

What I have said concerns the long-range program for the economic rehabilitation of Europe. The $597,000,000 emergency relief program, which President Truman requested, and which now is before Congress, is preliminary in nature, and a gift to France, Italy, and Austria. It will prevent acute suffering from cold and hunger through the winter months and thereby hold off the radicals who would surrender the governments of those countries to communism. The European recovery program, however, includes permanent, long-range help to those countries to permanently remove that danger.

These programs—that for temporary relief and that for long-range economic assistance—are American programs and stem from our traditional willingness to help others in distress, particularly when they are anxious to help themselves. In each of them the aspirations of every individual American are expressed.

What is immediate, important, and urgent is the manner in which each of us carries out our part of the program, by saving food, by supporting our Government, by demonstrating that we accept our responsibilities as citizens of the greatest nation in the history of mankind. Thus will American ideals remain the beacon of human liberty and freedom to all men everywhere.

What the American People Expect of Business and Industry

EXTENSION OF REMARKS
OF

HON. ALBERT W. HAWKES
OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Tuesday, February 3 (legislative day of Monday, February 2), 1948

Mr. HAWKES. Mr. President, on January 24, 1948, Mr. Frank W. Abrams, chairman of the board of directors of the Standard Oil Co. of New Jersey, addressed the graduating class of Rensselaer Polytechnic Institute, at Troy, N. Y., and received an honorary degree in engineering from that institution.

Mr. Abrams' career in the Standard Oil Co. is one of the finest examples of our American system at work that has ever come to my attention. Over 40 years ago, upon graduating from Syracuse University, Mr. Abrams started his business career with the New Jersey company at less than $30 a month. By hard work and intelligent application of his talents, he has risen to the position of chairman of the board of directors of the company in which he made an humble beginning.

Mr. President, a career like this is only possible in America. In these days, when the American free competitive enterprise system is being subjected to so many pressures, and so many substitutes in the form of an easier way of life are being offered, it would be well for all of us to pause and consider whether or not this great Nation of ours can remain the leader of the world if we stifle the rewards for accomplishment which are inherent in our system.

Mr. President, Mr. Abrams' address at Troy, N. Y., entitled "What the American People Expect of Business and Industry," while directed to a group of young people on the threshold of their business and professional careers, is worthy of the attention of the Senate, and I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Forty-one years ago I was looking forward to a 4-year visit to RPI and an engineering degree from this institution.

It is strange how the courses of our lives are changed by small incidents. At that time, while I was deep in a fascinating study of the RPI catalog of 1907, I received an invitation to spend a week end at a fraternity house at Syracuse. Partly to please one of my high-school teachers, who had helped me to prepare for my entrance requirements at RPI, I accepted the invitation for a pleasant week end on a neighboring campus.

When I arrived at the Syracuse depot I was met—much to my surprise—by the captain of the football team. My high school football record at Rockville Center, Long Island, did not warrant this attention—nor did my 135 pounds of bone and gristle. Vanity, however, has a great capacity for explaining situations of this kind. I came to the conclusion that I had more social charm than I supposed. Anyway, I went to Syracuse.

I hope this will explain to you why it has taken me 41 years to get a degree from RPI.

An invitation to address a graduating class develops mixed feelings. Honesty asks: "What can you tell these young men that they don't know already?" It is a fair question.

It so happens, however, that there are one or two things which I would like to discuss with you.

It is no idle compliment to say that you will be the leaders of tomorrow. It is just a simple statement of fact.

More specifically, many of you will be part of the leadership of American business and industry—especially of industries like my own which must draw heavily on the supply of technically trained men like the alumni of RPI.

It is very much in the interests of our country and of business and industry that your leadership be sound and good.

I know that you have had technical training of the finest kind. And that is very important in our modern, complex civilization. However, it is only a base on which you will build. Perhaps it would help you if I told you what I think you will need to build on that technical base.

It is quite evident today that the magnificent progress which we in this country have made in developing machinery and mass production techniques has sometimes left out of consideration the effect of what we were doing on the people who were going to run the machines. Today we are bumping our noses hard against the fact that the machine and machine techniques are only part of the equation. They are methods of increasing man's capacity to produce for his own comfort, happiness, and progress—but the most important element in the industrial equation is man himself.

In the past decade or two we have been scrambling to make up for lost time. During the past 35 years—while I have been working in industry—the time which managements have been devoting to problems that have to do with human relations has vastly increased until today the manager is apt to spend more hours on such problems than on any others.

Furthermore, I think that today we are far more conscious in this country of the force of public opinion. Mass production was only one of the great developments of the past 50 or more years which have made our country the strongest nation in the world. We have also had mass education and mass communication—which have made us the most thoroughly informed nation in the world.

There is no doubt that in a democracy like ours the people rule. That doesn't mean that legislation is immediately responsive to changing public attitudes, but there is no question that sooner or later the American people get what they want.

It is for this reason that I think the first thing you ought to examine is what might be called the Climate of Public Opinion in which you will grow to positions of leadership.

I think you cannot begin better than by asking what the American people expect of business and industry.

Let me try to answer that question partly for you—but I would like to urge you to explore it further in your own minds.

My first suggestion would be this: The American people want modern corporations to be good citizens.

Understand that I am not referring here to the private lives of people in corporations, but to our business and industrial companies themselves. They want our corporations to be efficient, productive enterprises—but they want them to be more than that. They want them to be aware of the social problems of our country and of the world, and to take the time and trouble a good citizen should take to help deal with them.

This is an interesting and I think a very sound development of public opinion. The modern corporation "enables men to engage in undertakings too weighty for an individual." It came into being because our expanding society needed some means for organizing the complex operations that were increasing our productivity and raising our standard of living. However, great arguments took place early in the century over the nature of corporations. Was the corporation a kind of legal person or not?

It is my opinion that the American people have now fully accepted the idea that the corporation is in a sense a person. But, with infinite wisdom, they have added the notion that a person—corporate or otherwise—should have not only rights but responsibilities, not only privileges but duties, not only a head but a heart. They have said, in effect: "Go ahead and be a person and enjoy the rights given to free men, but remember, that this means you must also accept the duties of a citizen."

In my opinion, this is a conclusion worthy of Solomon and typical of the long-range decisions made by free people.

And now a related observation: The American people look to the large enterprises of our country especially for examples of good citizenship.

There is a feeling among many men in business and industry that the American people look upon bigness as a bad thing. I dont believe that at all. The American people admire bigness in many forms. They see bigness in business and industry leading to large-scale production and low costs—and they are aware that low costs are the greatest share-the-wealth scheme man has yet devised.

Bigness is often the most efficient way of creating national wealth and providing jobs. But the American people are also aware that bigness has strength and they say: "Strength must have a special sense of responsibility."

They want strength for useful purposes, but they will destroy it if they feel it menaces something more precious than wealth and earnings—namely, individual liberty. They will police bigness if they must—but they would rather see the problem solved by the big enterprises themselves.

Oddly enough, and in spite of all the clamor by free-wheeling critics, the large enterprises of today may seem to the historians of the future to have made a highly important contribution to the morality and ethics of our times. The very fact that they are very much in the public eye makes them especially conscious of public opinion and of their responsibilities.

You may ask: "What exactly do you mean by good citizenship? What problems of our times should American industry and business try to help solve?"

Every business and industry has its own special areas of interest where it can make a special contribution as a citizen. But there is one field of great importance—it seems to me—to all of us: American industry could not exist today in the form which we know if it were not for our educational system.

The wealth and productive capacity of America today do not reside only in its natural resources but in our people. There are many countries which have larger stores of many basic resources than we have. But we have a free, ambitious, educated people. Our wealth and high standard of living have come from the use they have made of their opportunities.

Industry today is a major beneficiary of our educational system. We draw on our educated population for personnel and leadership. Furthermore, a highly educated population such as ours is a better market than any other.

And there are other beneficiaries of education. By increasing his earning power the

individual makes himself more valuable to his fellow citizens. The better trained man is more productive—worth more not only to himself and to industry, but to society.

Industry has a tremendous stake in American education, and I believe that this will be increasingly recognized in the years ahead. I believe you will find business more and more extending its contribution to the support and advancement of education.

Certainly we have not reached the ceiling of capacity of the American people—and certainly education must play a major role in the advance still to be made.

We cannot overlook another factor. Educated men are less extreme in their views, more tolerant. There is a close correlation between education—information—and moderate views. In the world of the future—which must increasingly find roads in human understanding and peace—this is a factor of the greatest importance.

Enlightened industry has long played an important role in supplementing the education of our people by on-the-job training and executive schools. Many modern labor unions have expanded the educational work within industry. Both of these developments are important. But we must keep in mind that a foundation of our success as a Nation is our universal educational system. We have an obligation as citizens to help it to grow in usefulness.

I think my next observation would be this: The American people expect business to solve its own human problems.

It is quite clear, I think, that the American people do not like industrial strife. The average American is not favorably impressed by either management or labor when strikes occur. He gives both sides demerits. He considers strikes an example of bad management on both sides.

This, I think, may be an era in which you fellows can be most constructive and helpful.

I think we are not approaching our human problems often enough in the spirit of the engineer. Agreements and understandings are not engineered often enough—they are often jerry-built structures of compromise that an engineer in any other field would be ashamed to acknowledge.

Perhaps the time which our engineering schools give to studying the stresses and strains of human relations should be greatly increased. Certainly the perfect engineering solution to a construction or a production problem is meaningless unless the human factor was represented in the original equation.

While it is true that we as human beings are extremely complex machines and often give the appearance of being highly unpredictable, we are far more predictable than some of us like to admit. The psychologists are successfully plotting many of our curves.

This field of human relations is one in which you can find great opportunities—especially if you get to know men and what makes them tick. The best way to do this is to work with them on the job. Young engineers who have spent their summers working with men should be especially well equipped.

I believe there is another problem which the American people want American industry and business to tackle. And here again, it seems to me, the hard training of the engineer can be useful: The American people want us to make progress toward steady employment.

You are familiar with this search for security: However, I think the politically minded have twisted the wish of the American people in this regard. I don't, for example, believe that it is well expressed in the phrase, "Guaranteed annual wage." I don't believe that the American people think that a guaranty is any better than the ability of a company to pay while meeting all of its many other obligations.

But I believe the people of this country do think that progress can be made toward security, especially in certain industries and under certain conditions. The company I work for has actually reached the stage where 90 percent of its domestic employees have been continuously employed since they came to work with us. This achievement is partly due to the relative stability of our industry and our company—but it is not due only to relative stability. A great part of our success in this direction is due to an intention to achieve such security for our employees.

So, study this challenge as you move into industry and business and begin to advance up the ladder. Keep your eyes open, and one of these days you may make a major contribution to the development of an answer to this problem.

My last observation is a very simple one: The American people want American business and industry to make a profit.

Perhaps there is no doubt in your own mind about this question, and you may wonder why I speak of it at all. The reason is that a great many businessmen have become browbeaten into thinking that profit is something like original sin, and that a profitable enterprise should be slightly ashamed of itself. Some of the businessmen I know have reached the point where they are trying to think of some new name for profit.

In my opinion, such timidity is based upon a mistaken notion that the American people do not understand capitalism, democracy, freedom of enterprise and opportunity. It is akin to the notion that the American people need to be sold—or resold—the American system.

I don't believe that at all. The American people have a profound faith in freedom, individual initiative, and the kind of people's capitalism that we have in this country.

The simple fact is that a company which does not make a profit is not living within its income. It is eating itself out of house and home. It isn't accumulating savings. It can't provide security for the people who work for it. It can't grow. If it borrows money to expand, it can't pay off its debts.

A man who spends less than he earns and puts something by for a rainy day is considered an admirable character. He is a good and valuable citizen. The same thing is true of an organization of people such as a corporation. My point is that the American people know that.

As a matter of fact, public opinion surveys show that they believe the average corporation should make 10 percent profit. This is generous because all corporations in this country combined never earned as much as 6 percent in the 15 years 1926 to 1940. Latest estimates indicate they earned about 5.8 percent on gross income in the first half of 1947. In the recent past they haven't been able to retain and reinvest the funds necessary to keep their productive plant in step with the growing needs of the Nation.

So American corporations do not make as much as the American people believe they are entitled to make. It is a little like the story of the farmer who saw a sign on a bridge, "Speed limit 15 miles an hour." Whipping his horse to a gallop, he muttered: "I don't know whether we can go that fast or not."

Perhaps, as you think about these questions, you will make important additions to my basic list. I hope you do. The most important thing is that you study the problems of leadership.

Now, let me summarize very briefly what I have wanted to say to you today:

1. Have great faith in the American people. They are sound. They are wise. Especially give the horse laugh to anyone who talks of the American people in terms of "the masses." We are a Nation of 140,000,000 individuals.

2. Look upon the field of human relations as an area of great importance. Bring your scientific training to the problems in this area. A great deal can be done to measure the stresses and strains of human relations and to plot the curves of human reactions.

3. As you grow in capacity and responsibility, bring to your job a realization that the American people are not soft-headed theorists. They expect you to operate in the black. But they are counting on you to do better than that. They want the enterprises you run to be good citizens—contributing to the social progress of our times.

The world is full of problems and the future is always uncertain, but there is great work to be done and with your help we will keep on moving toward a finer, sounder, better America as the keystone of a better world.

Special Session of Congress

EXTENSION OF REMARKS
OF
HON. W. LEE O'DANIEL
OF TEXAS

IN THE SENATE OF THE UNITED STATES

Tuesday, February 3 (legislative day of Monday, February 2), 1948

Mr. O'DANIEL. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a statement I made in Fort Worth, Tex., on November 10, 1947, relating to the special session of Congress.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

At last the political advisers in Washington, who sit back behind the scenes and run the executive department of Government, have decided that the psychological time has arrived for them to get Congress back in Washington in order that they may regain some of the power which they lost when the people went to the polls in November 1946 and turned out a bunch of New Deal Democrats and substituted for them Republicans.

Now, of course, there is one thing the people ought to understand and that is, the Congress of the United States, in the House and in the Senate, is no longer divided between Democrats and Republicans; in fact, the division is between Democratic and Republican New Dealers, and the very few anti-New Dealers who are still living; it is between left-wingers and right-wingers. But these communistically inclined New Deal Democrats who for the past 10 or 15 years have hovered around the Capitol in Washington together with their more recently recruited New Deal Republican fellow travelers believe they see an opening that will allow them to get the American people by the throat again with price control and rationing and allocation of materials.

The President has called Congress to come back to Washington on the 17th of November. I don't think anyone who heard the President thought that he was actually expressing his own sentiment when he was on the radio. I think most folks realized he was simply delivering the speech he was told to deliver, and in this speech he spent much time trying to put all the blame on the businessmen of this Nation for the fact that prices have gone up. He spent a great deal

of time quoting a lot of percentages to show how much prices had gone up since OPA control went off.

Well, of course, the truth of the business is that the figures he quoted did not mean anything whatever because the OPA price ceilings long before they were taken off did not mean a thing in the world because there was only one place you could buy many of the scarce articles and that was in the black market and in comparison with black-market prices, prices have actually gone down and not up since OPA controls were lifted.

Now, of course, these political wizards in Washington are not going to be dumb enough to ask Congress to reestablish the OPA; they will give it a new name. It will be some kind of a fancy name designed to mislead the people, because there is one thing you can be certain of—we have in Washington now a government that specializes in misleading the people rather than in telling the people the truth.

You, of course, noticed that in the call for this special session it was announced that one of the purposes was to get Congress to authorize the sending of some money to Europe. Now the joke about this situation is that two weeks before this call was made the President had announced very definitely that a means had been found whereby they could get the money without having a session of Congress. The truth of the whole business is that the political ringmasters decided they had a good chance to play up to this left-wing gang of Communists and radicals by calling a special session of Congress and making it appear the Democratic Party was a great representative of the mass of the people and that the Democratic Party was fighting the battle of the common man to hold prices down—and that, my friends, is the reason why this special session of Congress was called.

Now, of course, the truth of the business is that either by purpose and design or through sheer dumbness the leadership of the Democratic Party has been responsible for starting the spiral of high prices right after the war was over. This came about when they got all their big guns together and laid down a barrage against business which virtually ordered business to increase everybody's wages 30 percent and not increase prices.

Now it did not take this long to wear itself out and the wave of price increases started, and my opinion is that it won't be long until there will be another wave of wage increases and then another wave of price increases. The thing that is doing more than anything else to inflate prices in this country is something that this bunch of New Deal politicians in Washington completely ignore. Prices are high because of the fact that the demand for goods is very great and the production is low. We have high wages and low production, which means we have high purchasing power with a shortage of the things we want to purchase. This, of course, always results in increased prices and that is what it has resulted in at this time.

There is another thing they completely ignore, and that is the fact that whenever you undertake to finance a world-wide WPA in Europe and whenever you undertake to satisfy everybody on the other side of the Atlantic, of course you are going to run the prices of those commodities up here at home—that is just common ordinary horse sense.

Here is another matter that is a big factor in promoting inflation in this country and that is the policy which is being followed by the Government to continue spending on almost a wartime basis. There has been no serious attempt on the part of the administration in Washington to cut down Government expense. They want to keep all the bureaucrats and all the stooges on the pay roll because they are going to need their votes in 1948. And in doing this, they certainly are doing something that leads to inflation. This vast horde of civil Federal employees are consumers, and are not producers, consequently the millions of dollars they receive as wages goes into purchasing scarce goods and services, and thus runs prices up.

The whole trouble with the situation of our Government in Washington is that we are long on politics, but short on integrity. We have a government in Washington that is run and controlled by organized minorities and the most influential organized minority in Washington is, of course, that of the fellow travelers, because they have been there longest and they are on the inside. Now we have another organized minority in Washington and in that minority we have a fair sprinkling of big businessmen, men who are perfectly willing to run with the Reds, accept their philosophy, and play their game if in their opinion they themselves can declare a dividend on what they are doing.

You know all throughout the days of the New Deal, and I see it is continuing, the strategy of the New Dealers was always if they had a piece of dirty work they wanted done, to appoint on the committee to do the job two or three men who would work full time and see that the proper left-wing conclusion was reached and then they would put on these committees for decoration only, some big businessmen and usually they got some big businessmen on these committees who had some favors they wanted out of the Government so the New Dealers always figured they could in the final analysis make a trade with them—and I see that policy is still being continued under the Truman administration.

I guess everybody who is listening to me read the newspaper account of the President's Committee on Civil Rights. This report was a great document. The only thing is that the title of the report should have been "A report designed to stir up strife and hatred and trouble throughout the South." That would have been an accurate title for it because the whole report was directed toward the South.

To begin with the suggestions which they try to cover in what they call a fair employment bill are all subjects that Congress has no business whatever legislating on. Now there is another thing about it, this committee said that we ought to have a permanent fair employment law and this law ought to prevent any employer from using his judgment in selecting his employees.

I don't think anybody who knows me believes that I have now or have ever had in my mind any prejudice whatever against the Negroes here in Texas or anywhere else. I have always believed that they should be treated fair and right. I think most people believe that. But if a man wants to employ a stenographer, I say to you that if he has one white stenographer and he doesn't want to employ a Negro stenographer to work with her, that it becomes his business and it is not the proper task of government nor of any of the New Deal left-wingers to attempt to tell him how to select the people that will work for him.

Now, if Mr. Truman and his left-wing committee want to spend their efforts along the line indicated, directed solely toward employment by the Federal Government, that is another matter. But I say to you that it is none of their business how the employers down here in Texas select their employees, and if we down in this section of the country believe that the whites and the Negroes will both get along better if there is segregation in their employment, it certainly is a matter that employers in this section should determine for themselves and they don't need this left-wing committee of Brother Truman and they don't need any big businessmen who might have been on that committee who are trying to curry special governmental favors, to advise them. You know it is strange to me how every now and then some big businessman who heads some organization that is noted for doing everything it can to operate as a trust and put all competitors out of business, it is always interesting to me to watch them sometimes as they snuggle up to these left-wingers who hold Government jobs and begin to agree with them 100 percent. The next question that comes to me always when I see that is, I wonder what he is after?

Now, there is another thing they had in this famous report which the President's committee turned out and that is they want to get a Federal law passed that will authorize the Federal Government to step in and stop brutality when exercised by city police. My friends, that is really a good one. Think about that gang of Communists and fellow travelers up in Washington, picking out a nice board of investigators to send down here to some town in Texas to start investigating the police force to see whether or not perchance some policeman who arrested a drunk handled him just as he should have been handled.

Of course, the "colored chile in the wood pile" in this recommendation is that they want to be certain they get Federal control over the police so that when these reds come down to Texas and start labor trouble and the police obey the law and undertake to stop them, the Federal Government can come in and investigate the police force to see if they cannot reach agreement with them that they won't hit any of these reds with anything except powder puffs.

Now, folks, as I discuss this these things may sound unreasonable to you, but they are in the report. You read it in the newspapers. Now the only reason that self-respecting folks turn out a report like that is they are just campaigning for some more Red votes with the hope of maintaining the New Deal in power in Washington.

But I have yet to tell you all about this report. You know they recommended that this was going to be the method by which they were going to enforce their social standards on the South. They proposed in their report that the law provide that if any city or town adopted any segregation whatever of the races that this city or town would not be eligible for any Federal aid on any project. Of course, they would continue to tax us to raise the money, but if we had any segregation then we would not be eligible to receive any of the money in return.

But that is not all. They wanted it applied to the schools, as the Federal Government has been granting aid to the public schools to furnish lunches. Now, if you let this gang of Reds have their way, the only way the schools down here in Texas could get any part of that money would be, when lunch time came around, have all the Negro children and all the white children eat from the same table because if they had any segregation, then the school would not get any aid.

Well, of course, you know that under the Smith-Lever Act, A. and M. College, and under the Smith-Hughes Act, other colleges in Texas receive Federal aid. If the report of this committee were carried out, it would mean that you would have to open the door of A. and M. College to the Negroes or give up Federal aid for the operation of this and all other land-grant colleges.

Now I want to make this very positive statement. I have never thought much of the New Deal gang in Washington. I have never thought much of the political stooges that hang around the throne in Washington. I have never thought much of some of these big businessmen who will crawl around with these Reds in order to curry some Government favor they want further down the line. But I brand this present set-up in Washing-

ton as the low low when viewed from every standpoint by which you can judge any public institution. If the people of Texas are not disgusted with that bunch now, I wonder what it will take to get them to wake up.

There is another matter I want to call to your attention and it is this—the only hope in the world for the Democratic Party to get back in power in 1948 is for them to carry this Red vote in the big cities and they know it, and the whole gang in Washington right now are joining together in an effort to try to ration and control the prices of agricultural commodities throughout the country in order that they can bring the price of food down low enough to satisfy these Reds whose votes they must have in these big cities. The rest of this Nation is being literally filled with stories telling what a vast sum of money the farmers and ranchmen have made and are making. They are filling the country with a regular barrage of literature designed to portray the farmer as a great profiteer. They are ready to reestablish rationing, price control, subsidies, allocation of material, and everything else if they can just choke the farmer to death and satisfy the Red votes in the big cities that they must have to win the next election.

Under present prices, according to the Department of Agriculture, the income of the average man working on the farm in the United States has increased until he is now making on the average only about half as much as those employed in manufacturing plants in our cities. Well, these New Deal politicians say that is too much. They want to take part of that away from them and give it to their good Red brethren and put him back in his place where the average farmer will have an income of about one-fourth of the income of the man who is employed in our manufacturing industries in our cities.

I am wondering if you people noticed in the press the account of the meeting of the National Executive Committee of the Democratic Party. If you did, I am sure you were impressed with the fact, just as I was, that the South not only did not get anything out of that meeting, but the committee was so thoroughly under the control of the Reds and the left-wingers that our representatives down here in the South were even afraid to ask for anything. The time was, of course, before the days of the New Deal, when it took a two-third majority to nominate a man for President of the United States on the Democratic ticket. Under that rule the South had the veto power, the South had some standing in the convention, but under the regime of the New Deal they got rid of that rule and now the nomination is made by a mere majority. So they don't need the votes of the South any more. They know the people down here in the South are going to vote the Democratic ticket regardless of who is on the ticket, so they feel free to give the boys down here in the South a kick in the pants whenever they get ready.

Discrimination Against Egg Producers

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. DAVIS of Wisconsin. Mr. Speaker, the willful discrimination against the poultry and egg producers of this country by the Department of Agriculture and this administration is indeed cause for righteous indignation.

Our colleague, Mr. MURRAY, of my State, has repeatedly called this situation to the attention of the Department of Agriculture, and still this deliberate neglect continues. Mr. Speaker, why does one of the departments of this Government deliberately refuse to implement the law?

Under permission to extend my remarks, I include the following copy of a letter from one of my constituents:

RIO, WIS., *January 22, 1948.*

Hon. GLENN R. DAVIS,
House of Representatives,
Washington, D. C.

DEAR SIR: In behalf of my neighbors, friends, enemies, and myself, I am writing you in regard to the marketing situation here at home. As you know, we in the Second Congressional District of Wisconsin represent one of the best egg- and poultry-producing areas in the United States. Our problems are many and varied—you are our mouthpiece and we expect you to help us, if possible.

To state our difficulties would require pages and pages of correspondence we know you can't take time out to read. Therefore, briefly I will try to outline our problems:

Today egg prices are steadily declining; feed prices are steadily advancing. We ask: How come?

The consumer in Madison, Milwaukee, and neighboring towns is paying from 30 to 45 cents per dozen above the price paid to the producer. Feed prices are at a standard level throughout this district. Therefore, we, as producers feel that you, our Representative in Congress, could bring some pressure to bear on the proper committees to give us some help in this problem. We don't need help in producing any more—we need help in selling our products at a profit. You know as well as I do: Take away the farmer's profit and you take away 55 percent of the Nation's spending power.

Today, our Government is stressing more production; we know the world needs it, but must we produce at a loss?

Producers here are on the verge of selling producing livestock, due to low price of eggs and high cost of feed. We have no quarrel with anyone; we want cost of production plus a fair profit, namely, 10 percent on our investment. Can the United States of America deny us that and cast a wayward eye at the people dealing in the products we produce?

Will you, as our Representative, give this your immediate attention? Our need is imperative; our request, just. Help us if possible.

Respectfully,

CHAUNCEY M. DEPUY.

Salary Increase for Postal Employees

EXTENSION OF REMARKS
OF
HON. LYNDON B. JOHNSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. JOHNSON of Texas. Mr. Speaker, I am convinced that the postal employees are entitled to a substantial salary increase. I know from the increase in my own living expenses that the dollar today will not buy anything like as much as it did 12 months ago.

It is my considered judgment that we should pass legislation at once granting cost-of-living increases to not only postal employees but to all Federal employees.

I have received a number of excellent letters attesting to the serious need for such legislation and I have selected some of the best of these for inclusion in the CONGRESSIONAL RECORD. They are as follows:

AUSTIN, TEX., *January 28, 1948.*

Hon. LYNDON B. JOHNSON,
House Office Building,
Washington, D. C.

DEAR MR. JOHNSON: Enclosed is a comparative cost of living between June 1946 and the present time. Almost all of the prices shown for June 1946 are taken from the advertisements of the leading merchants of Austin as they appeared in the Austin American.

We hope that this will aid you in giving your support to a salary increase for postal employees.

Sincerely yours,

H. J. DAHLSTROM, Jr.

	June 1946	January 1948
Cereal (box)	$0.12	$0.17
Crackers (7½-ounce box)	.10	.17
Coffee (1 pound)	.31	.48
Sugar (5 pounds)	.33	.45
Flour (5 pounds)	.29	.53
Bacon (pound)	.47	.75
Canned meat (Spam or Prem)	.32	.52
Weiners (pound)	.35	.49
Ground meat (pound)	.29	.39
Lunch meats (pound)	.35	.59
Shoulder roast (pound)	.28	.59
Toilet soap (Lux or Camay)	(3) .20	(2) .19
Washing powder soap (Rinso, Lux, Ivory) (box)	.23	.35
Bread (1½-pound loaf)	.13	.20
Shortening (Crisco) (pound)	.24	.48
Tomato puree (can)	(3) .10	(ea.) .06
Austex tamales (can)	.13	.21
Milk (quart)	.15	.22
Newspaper (per month)	1.00	1.25
Haircuts	.50	.75
Gasoline (gallon)	.18	.23½
Bus fare	.06	.08
Union dues (per month)	.55	.75

AUSTIN, TEX., *January 23, 1948.*

Hon. LYNDON B. JOHNSON,
House Office Building,
Washington, D. C.

DEAR SIR: As a clerk in the post office at Austin, I am writing to ask your support of legislation granting postal employees a salary increase.

The rapidly rising cost of living is putting an ever-increasing strain upon our salary check. Speaking from the standpoint of my own family, we are feeling the pinch much worse now than at any time since prewar days.

I wish to assure you that any effort on your part toward securing passage of this legislation will be sincerely appreciated by me and my family.

Respectfully yours,

O. W. PROFFITT.

UNITED NATIONAL ASSOCIATION OF
POST OFFICE CLERKS,
Austin, Tex., January 23, 1948.

Hon. LYNDON B. JOHNSON,
House Office Building,
Washington, D. C.

DEAR SIR: During our last labor-management meeting of the Austin post office, Mr. R. L. Phinney passed on to us your request for some data concerning the comparative cost of living between 1945 and the present time.

At our organizational monthly meeting, January 15, it was suggested that two or three

of our number should compile a list of items showing the cost of the commodity in January or July of 1946, and alongside with it, the cost today.

Enclosed is the compiliation of Mr. and Mrs. L. B. Council. You will receive a comparative list also, from Mr. and Mrs. H. L. McClintock, and Mr. and Mrs. H. J. Dahlstrom.

We trust that this will be of some benefit to you in giving your support to a wage adjustment or salary increase. There is a difference in a statistical report from the Department of Agriculture relative to the country as a whole, and an itemized actual cost per item as reflected in the Austin, Tex., stores.

Sincerely yours,

RODNEY MONTAGUE,
President.

Comparison of living costs for 1946 and 1947, submitted by Mr. and Mrs. L. B. Council

	July 1946	December 1947
Cheese	$0.35	$0.60
Lunch meat	.45	.85
Sugar (10 pounds)	.69	.95
Cereals	.11	.15
Apples (pound)	.10	.15
Oleo	.30	.45
Butter	.65	.90
Flour (5 pounds)	.39	.53
Shortening (3 pounds)	.90	1.27
Coffee	.45	.53
Lima beans	.25	.35
Bacon	.65	.85
Bread	.15	.20
Milk	.15	.22
Eggs	.40	.75
Car insurance	26.00	37.00
Bus transportation	.06	.08½
Newspaper	1.00	1.25
Haircut	.50	.75
Union dues	.55	.75

UNIVERSITY STATION,
Austin, Tex., January 26, 1948.

Hon. LYNDON JOHNSON,
Representative, Washington, D. C.

DEAR SIR: We of the University Station post office of Austin, Tex., urge you to give faithful consideration to a salary increase bill for the postal personnel.

Some instances of increased cost of living during the past 18 months are: gasoline increased 4 cents per gallon, motor oils increased 5 cents per quart, coffee increased 20 cents per pound, potatoes increased 2 cents per pound, dry beans increased 8 cents per pound, flour increased $1 per 25-pound sack, steaks increased 25 cents per pound, corn meal increased 9 cents per pound, butter increased 35 cents per pound, eggs increased 40 cents per dozen, fresh milk increased 7 cents per quart, sugar increased 3 cents per pound, haircuts increased 40 cents, men's dress shirts increased 100 percent, men's suits increased 50 percent, daily newspaper rates increased 25 percent, rents increased 15 percent, as well as higher taxes and many other everyday necessities.

Your favorable consideration will be appreciated.

Respectfully,

A. H. BENNEY, H. E. GRUMBLES, T. W. NABORS, E. L. DAVIS, Jr., GEORGE D. TAYLOR, H. L. MCCLINTOCK, ALFRED CRIDER, E. H. PESCHKA.

AUSTIN, TEX., *January 20, 1948.*

Congressman LYNDON B. JOHNSON,
House Office Building,
Washington, D. C.

DEAR FRIEND: I have been asked to submit a list of the items which have increased our cost of living since our last pay raise which you requested from our local branch United National Association of Post Office Clerks. In response to that request I respectively submit the following which I have compiled mostly from the Austin American from January 1946 and January 1948.

	1946	1948
Food:		
Canned corn	$0.13	$0.19
Coffee	.31	.51
Flour (25 pounds)	1.29	2.15
Potatoes (5 pounds)	.21	[1].61
Round steak	.40	.67
Pinto beans (2 pounds)	.20	.36
Soap flakes	.23	.29
Canned milk	.09	.12
Clorox (quart)	.14	.21
Corn meal	.09	.18
Bread	.10	.20
Toilet soap (3 bars)	.20	[2].29
Onions (2 pounds)	.15	.29
Butter	.68	.85
Eggs	.45	.70
Fresh milk	.16	.22
Dry cereals	.13	.16
Sugar (5 pounds)	.31	.44
Miscellaneous items:		
Regular gasoline	.19	.23½
Haircut	.50	1.00
Hydro gas	.10	.16
City taxes (revalued)	----	[3]
Newspaper	1.00	1.25
Cigarettes (carton)	1.39	1.69
Ladies' shoes	4.95	[4]7.95
Men's dress shirts	2.50	4.95
Ice (50 pounds)	.20	.30
Man's business suit	40.00	[5]60.00
Rent (in some cases)	----	[6]

[1] 10 pounds. [2] 2 bars. [3] 25 percent. [4] Same shoe. [5] Same suit. [6] 15 percent.

Of course this is only a small list and almost all living expenses have raised accordingly. Incidentally, my wife spent $23.30 for groceries last Saturday, January 17, for a family of four for 1 week, and she is a very conservative buyer. I would like to urge that you support the pay raise that we so badly need at this time.

Yours for a better postal service.

Sincerely,

HERBERT L. MCCLINTOCK.

AUSTIN, TEX., *December 27, 1947.*

Hon. LYNDON B. JOHNSON,
United States Congressman From Texas,
Washington, D. C.

MY DEAR CONGRESSMAN: Senators CHAVEZ and WILLIAM LANGER have introduced a bill (S. 1849) in the Senate which would provide a thousand dollar per annum salary increase for all employees in the post office field service.

I solicit your support of this bill as introduced to be effective January 1, 1948.

As you probably already know, Government statistics show that our buying power has decreased one-half since 1939 due to the high cost of living. Our salaries have increased from $2,100 per annum to $3,100 per annum (for top grade clerks); this is not twice the salary in 1939. Following this line of reasoning, a top grade clerk should be paid $4,200 per annum to maintain the same standard of living he was afforded in 1939.

Now let's look at the new clerk just entering the service. He gets only $2,100 a year as entrance salary on which he can scarcely exist and support a family.

The situation is acute. Clerks are getting deeper and deeper in debt, striving to provide for their families. Several have been forced to leave for they have been unable to get along on the salary they are receiving at the post office.

I do not feel that a $1,000 increase would be out of line at all. I, as well as thousands of others, will appreciate your support when the opportunity comes.

I certainly have felt the departure of Mr. Ray E. Lee here, and feel happy for him in getting something bigger and better. His friendship meant a great deal to me, and we here at the Austin post office have been very fortunate in having him here as long as we did. We really miss him. In your selection for replacement of Mr. Lee, in Mr. Bob Phinney, in my opinion could not have been better. I have known Mr. Phinney a number of years and already we have begun to love him as our postmaster. But as I have always said, leave it to Mr. JOHNSON, he always does it right and at the right time.

Yours truly,

GLYNN W. HOPKINS.

Control of Atomic Energy

EXTENSION OF REMARKS
OF
HON. WILLIAM C. COLE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. COLE of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Frank C. Waldrop:

LET'S FACE IT

(By Frank C. Waldrop)

One of the most expensive and cruel frauds ever put over on the American people has at last been admitted officially in Congress.

That fraud was the pretense of the one worlders, the scientists and the New Dealers that in a short time the atom bomb would be converted to peacetime uses—operating power plants, enriching agriculture, and enlarging medical knowledge.

It was all a fake, all the time. There never was any basis for making any such claims. No evidence supported it. No scientists dared offer any specific proofs.

But many millions of good United States taxpayers' dollars were milked out of the Treasury from 1945 through 1947 to support scientific boondoggles that were supposed to convert atomic energy to peacetime uses.

Now comes the official announcement of the Joint Congressional Committee on Atomic Energy declaring that the production of bombs rather than work on peacetime applications are the first order of business for the Atomic Energy Commission.

It has taken two expensive and important years to get that through the heads of the men who snatched the bomb away from the United States Army and put it in the hands of David Lilienthal and his claque of promisers on the Atomic Energy Commission.

Two years that rightfully belonged to the security and national defense of the American people have been wasted on the vanities and delusions of grandeur that afflict scientists and politicians at least as much as any other class of people.

Two years that some day may turn out to have been the two crucial lost years of United States history.

Who are some of the men who helped waste those years? First and foremost, Senator BRIEN MCMAHON, Democrat, of Connecticut. He was chairman of the congressional committee of the Seventy-ninth Congress that wrote the first Atomic Energy Act.

Senator MCMAHON'S oratory promising that civilian hands would guide the atom from war to international control and peaceful plenty is all embalmed in the CONGRESSIONAL RECORD now where it can't be denied.

Have a look at it and see what he promised. See how he roared against the brass hats and the military minds. Yet now, after two of his kind of years, here we find that his judgment is reversed by events.

The next of the misguided to recall is Senator EOURKE B. HICKENLOOPER, Republican, of Iowa, the present chairman of the Joint Committee on Atomic Energy. Where Senator MCMAHON left off he began with more of the same.

Then there is David Lilienthal, Chairman of the AEC. And, just for comedy, let's remember Harold Stassen, the mighty thinker from Minnesota.

Stassen's great contribution, announced in a full page of text in the New York Herald Tribune, was a plan for international ownership of the bomb. Remember it? He was for an international air force made up of fliers from five nations, commanded by an international headquarters located somewhere.

Flyers from each of the five nations would be spotted strategically around the globe so that if one bombed another's country, the retaliations could set in at once.

Goofy? Yes, of course. Hard to believe now in the hard light of full day that anybody could be so silly in that so-called dawn of the atomic era. Yet, there it was. Stassen wanted to give the bomb not only to Russia but to all the others hungry for our national wealth.

In those days the main idea was that at any cost the United States Army must be forced to wait outside like everybody else for word from the Atomic Energy Commission as to what the great minds of science were learning about the atom.

The very crucial heart and center of the Atomic Energy Act master-minded by McMAHON was its clause which forbid the Army to have even a single seat on the inside where decisions were to be made.

It was not to know anything until voluntarily told by the Commission which Lilienthal heads. It could not originate any research. It could not check up. It could only accept whatever was given it. And all the emphasis was turned to peacetime applications.

How many millions went into those? What came of them?

It's time some truth were told the taxpayers about those things, especially considering all the implications behind the joint committee's declaration of Friday that:

"Until such time as an effective, enforceable and reliable program for the international control of atomic energy is in successful operation, the most vital business of the Atomic Energy Commission must be the meeting of the atomic requirements of national defense."

Well, of course, that's the hard and obvious truth. But why all of a sudden, after all this time? What has happened to knock that much sense into the heads of the men who had been aiming the opposite direction?

In a few days you will see. Already the Senate Committee on Military Affairs has been given some facts in confidence to explain why the fighting arms want a $20,000,000,000 budget.

Tomorrow and for several days thereafter news about that will come out. The sum of it all is that the nitwit ideas of "international control" are at last admitted to be as dead in theory as they always were in fact.

We have got to get ready for atomic war. Two years late. Congress owes the country a fuller explanation than just a mere announcement by the joint committee. Let's see if it can be extracted.

Is the Army Budget Irreducible?

EXTENSION OF REMARKS

OF

HON. ALBERT J. ENGEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. ENGEL of Michigan. Mr. Speaker, is the Army budget irreducible? The following was taken from the monthly information letter issued for January 1948 entitled "Know Your Navy":

ARE NAVAL OFFICERS HEALTHIER?

Congressional committees investigating disability pensions being paid to retired military officers have found that a much higher proportion of retired Army officers have applied for and are receiving disability pensions than have Navy officers of comparable rank. Data collected for the Secretary of Defense reveals that 87.4 percent of Army officers holding rank of major and above who were discharged since 1940 are receiving disability pensions whereas only 63.4 percent of naval officers of comparable rank who were retired during about the same period claimed disability. The difference was much more marked in the lower grades. Only 75 percent of Navy commanders are receiving disability pensions whereas 99 percent of Army majors are so listed. Are Navy officers just healthier?

Reception to Senator Baldwin, of Connecticut, and to Mayor Rokach, of Tel Aviv

EXTENSION OF REMARKS

OF

HON. ALBERT W. HAWKES

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Tuesday, February 3 (legislative day of Monday, February 2), 1948

Mr. HAWKES. Mr. President, on January 15, 1948, it was my pleasure to give a luncheon in the family dining room of the Senate restaurant to Col. Julius Klein, of Chicago, national commander of the Jewish War Veterans of the United States of America, who had as his guests of honor the Senator from Connecticut [Mr. BALDWIN], and Mayor and Mrs. Israel Rokach, of Tel Aviv, Palestine.

This luncheon was attended by several Members of the Senate and House of Representatives, officials of the executive branch of the Government, high-ranking officers of our armed services, and other distinguished guests—in all, a group of about 80 people.

The purpose of the luncheon was the presentation to the Senator from Connecticut, by members of the Jewish War Veterans of the United States of America, of that organization's Award of Merit.

The Jewish War Veterans of the United States of America was founded in 1896 by Civil War veterans of the Jewish faith. With the exception of the Grand Army of the Republic, it is the oldest active veterans' organization in the country. Its present membership is in excess of 100,000. Its organization consists of 610 posts in 40 States, and it has a ladies auxiliary, the membership of which exceeds 40,000.

I am advised that the Jewish War Veterans of the United States of America maintains a veterans' service program, staffed by professional counselors and guidance specialists, and that the organization is accredited by the Veterans' Administration to represent veterans and veterans' dependents of all faiths and races in dealings with Federal agencies.

The luncheon was a most pleasurable and interesting experience for me. In addition to Mayor Rokach, the group was addressed by the President pro tempore, the Senator from Michigan [Mr. VANDENBERG], the Senator from Illinois [Mr. BROOKS], the Senator from Connecticut [Mr. BALDWIN], and Colonel Klein, and the presentation of the Award of Merit resolution to the Senator from Connecticut was made by Mr. Albert Reich, of Hartford, Conn., past national vice commander of the Jewish War Veterans.

Since the General Assembly of the United Nations cast its historic vote on November 29, 1947, establishing Jewish Palestine, the eyes of the world have been directed to this tiny spot on our globe, for it exists as a symbol of hope for all, regardless of race, creed, or color, who seek greater understanding for humanity's sake.

Mr. President, I believe that Members of the Senate will be interested in the remarks of the several speakers at this luncheon, and I ask unanimous consent that a stenographic transcript of the luncheon proceedings be inserted in the Appendix of the RECORD.

I have consulted the Government Printing Office, and it is estimated the matter will make four and one-half pages of the RECORD, at a cost of $319.50.

Mr. President, I ask unanimous consent to have the transcripts printed in the Appendix of the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

LUNCHEON PROCEEDINGS

Senator HAWKES (introducing Senator VANDENBERG). I am going to interrupt this luncheon at this moment, even though some of our guests have not finished dessert. Senator VANDENBERG must leave us very shortly; he has official duties to which he must attend. This meeting would not be complete without my presenting to you the man in the Senate who serves as President pro tempore and who is chairman of the Senate's Foreign Relations Committee. He has done, in my opinion, as much, if not more, than any one man in the world for the United Nations and for the peoples of the world. I introduce to you Senator VANDENBERG, President of the Senate, and ask if he would say a few words to you before he goes.

Senator VANDENBERG. Senator HAWKES, ladies and gentlemen, I always dislike being introduced as President pro "temporary" of the Senate. I am the only officer, out of several million, who has pro "temporary" attached to his title. All the others have jobs as pro "temporary" as mine, only they aren't constantly reminded of it. Perhaps it would be better for the country if they were. I am very happy to be here, and delighted to pay my respects to the Mayor and Mrs. Rokach, to the Jewish War Veterans' organization, and to their national commander, Col. Julius Klein. Organized some 50 years ago by Civil War veterans of the Jewish faith, they have added more than 100,000 members from the ranks of their 900,000 compatriots who fought with valor in each of our wars since—alongside of Americans of all faiths and races. They typify, perhaps, as no other single organization of the land, the cosmopolitan character of our population and the patriotism in America. Not only on the basis of their contribution but on the basis of the fundamental freedoms to which the United Nations is dedicating its efforts, we are now going forward, at long last with the substantial hope for the establishment of the long-promised Jewish state in Palestine, so richly deserved by these citizens

who have given their time, money, and services to this cause.

I am particularly glad to be here to honor my dear friend from Connecticut. No man of finer character, finer public spirit, and of finer potentiality for future public service has come before my view than my friend Senator BALDWIN of Connecticut. I regret the necessity of my leaving at this time.

Senator HAWKES. Ladies and gentlemen, time is always of the essence in the Capitol, and I know it is with you. I am honored to express my very deep satisfaction in having the mayor of Tel Aviv and his fine wife here on this occasion of honoring Senator BALDWIN, of Connecticut. I want to introduce to you now a man who does not need introduction in the Senate, who has represented for 7 years the State in which I was born. When I first came to the Senate, I asked this distinguished gentleman for a photograph—he gave it to me and wrote thereon that he was proud to represent the State where I was born and worked for a number of years. Senator BROOKS is a rugged American, who believes much as I believe. I would like to say that the greatest impression I get from the United States Senate, even though living a long life before I came here, is that we do not all agree nor do we all have the same opinions. If we did not have a difference of opinion in this world we would not need government at all, nor law-enforcement agencies. The important thing in our Nation is to have faith in our representatives, to guard those things in which we believe and to encourage in the other fellow ideals—and not expect everyone to be perfect or to agree on all subjects. I always think of a Senator and a Congressman much as I regarded my children when I sent them to school. I did not expect them to get 100 percent, nor 90 percent, I felt that if they frequently got an average of 80 percent they were doing a good job. If you condemn me, or anyone else for irregularity—if you do not rally and support your representatives—then we will not have the fine functioning Nation we all want to have.

I have the honor to introduce Senator BROOKS of Illinois and to ask if he will be kind enough to introduce to you the commander of the Jewish War Veterans, Mr. Julius Klein. Colonel Klein has proved himself a fighting American and a fighting Jew in the two World Wars. In the one recently concluded, he saw active service in the South Pacific and in the Philippines where he won many decorations. At war's end, he was called to Washington to do special work under Secretary of War Patterson. A further tribute has come to him in his election as national commander of the Jewish War Veterans, an organization made up of American patriots of the Jewish faith.

Senator BROOKS. Senator HAWKES, our distinguished guests, Senator BALDWIN, His Honor the Mayor of Tel Aviv, his gracious lady, my colleagues and friends:

It is indeed a rare privilege and honor to be a participant in this unusual and most significant meeting. It is a high honor for any man to be privileged to represent his State in the Senate of the United States. This in turn affords me additional pleasant experiences, especially when one is privileged to participate in a meeting as significant as this one is today.

First, it is a great honor to welcome the mayor from Tel Aviv and his gracious lady. It is equally a great honor to participate when the Jewish War Veterans of the United States of America officially award the plaque for unusual and outstanding humanitarian achievements to our colleague, Senator RAYMOND BALDWIN, of Connecticut. There is still another honor that I proudly enjoy today.

It is the fact that this splendid organization of veterans has chosen from the State I have the honor to represent Col. Julius Klein as its national commander. I have known Colonel Klein for many years. He has a distinguished record in two world wars. He has in his personal possession testimonials unusual in character from the Secretary of War and General MacArthur, as well as many other awards and expressions of high esteem for his service. Colonel Klein has never lost his interest in civic affairs, but in addition he has always been a devoted member of the National Guard, in which he commands today a regiment of Illinois citizens.

It is a rare privilege to extend our greetings to our visiting guests from Tel Aviv and a great honor to present to you my personal friend, Col. Julius Klein, of Chicago.

Col. JULIUS KLEIN. My good friend, Senator HAWKES, distinguished Members of our Senate and Congress, our guests, Mayor and Mrs. Rokach, I am delighted and honored to be here today representing the Jewish War Veterans of the United States. I appreciate the gracious kindness of Senator HAWKES, acting as host to our organization and to me personally and enabling us to pay tribute to a great Senator, Mr. BALDWIN, of Connecticut, and to the mayor of Tel Aviv and his gracious lady.

I am deeply moved that my old friend, the Senator from Illinois, Mr. BROOKS, has been selected by the chairman of this splendid gathering to introduce me to you. I did not dream 25 years ago when I was a cub reporter in Chicago, covering the news of a courageous young prosecutor in the old Chicago Criminal Court Building, that one day we would meet in the United States Senate—he as the Senator from my State and I as the national commander of the Jewish War Veterans of the United States. Many things have happened since those days in Illinois. My thoughts of Senator BROOKS are always very pleasant—"Curly" as we call him will always be one of the old gang. He is not only a strong supporter of and champion for all veterans, but has always fought in the old American tradition for the rights of so-called minority groups. At all times he has given a true demonstration of real Americanism. Illinois, and especially we veterans, are very proud of our buddy—the fighting marine—"Curly" BROOKS.

Today we are going to honor Senator BALDWIN, but before we continue with our brief program I would like to take this opportunity to express to you my appreciation for your presence here today. I am especially delighted to see General Vaughn, aide to the President, here. Our people feel a deep gratitude to President Truman for the part he played in the important decision in the United Nations on the question of the partition of Palestine. The names of many Senators and other friends will never be forgotten by our people.

We all realize that the struggle has just started—and we are a long way off from the final goal of a free republic of Palestine—but the present stage would never have been reached if we did not have loyal, true, and courageous men in the Senate. During those historical days, it was my privilege to serve as a sentry here in Washington. I therefore feel that I speak from personal knowledge and experience when I state we will never forget the debt we owe these Members of Congress who stood loyally by us for a just cause. The distinguished chairman of the Foreign Relations Committee, Senator VANDENBERG, who sits on my left, deserves all the praise and gratitude of our people. We will always remember the champions of our cause in the Halls of Congress headed by Senators like our friend in need, ROBERT A. TAFT, of Ohio; the ever-watchful Senator from Maine, Mr. OWEN D. BREWSTER; the distinguished Senator from Rhode Island, Mr. J. HOWARD MCGRATH; his colleagues, Senator BRIEN MCMAHON, from Connecticut, who hails from the State of our guest of honor; our distinguished host, Senator HAWKES; Senator O'MAHONEY, of Wyoming; Senator THOMAS of Utah; Senator BARKLEY, of Kentucky; and so many others too numerous to mention here.

I do want to express at this time the views of the Jewish War Veterans of the United States on the Palestine issue, prompted by the stirring brief words of Senator VANDENBERG a few minutes ago.

We are not a Zionist organization. In our ranks are Zionists, non-Zionists, and even anti-Zionists. But since we are, before anything else, an organization of American veterans of the Jewish faith, we unite all these elements on the basic principle of obtaining just treatment for the legitimate aspirations of those of the Jewish faith who desire to establish a home in Palestine. To this cause—because our basic purposes are those of an American veterans' organization—we have been able to give great help because our fundamental motives are crystal clear in the area in which we function; the area populated by our 18,000,000 fellow veterans of all faiths and racial and ethnic origins. It is, therefore, of the first significance that the initial response to our open letter to the Secretary of State came from non-Jewish veterans. The first two, of Catholic faith, wrote that they were appalled by the British treatment of Jews in Palestine. They thought our proposal temperate and practical and they said that if our country and the United Nations should see fit to adopt it, they would volunteer for the international police force we suggested. The third was from a former department commander of the Veterans of Foreign Wars. His letter contained a copy of a note he had sent to his successor in office, commending our proposal and suggesting that the department introduce it as a resolution at a forthcoming regional meeting of the VFW. These instances emphasize the unique role JWV plays in the total effort to attain a just settlement for Jewry in Palestine, just as we have been and must be unique in our approach to every other problem of concern to Jewry as a whole.

The JWV at its fifty-second annual encampment, last October, fully endorsed the recommendation for an international constabulary and urged that, pending the establishment of peace machinery, the Jewish Agency for Palestine be recognized as an interim governing body for the Jewish state during the period of formation of partitioned areas.

On December 1, 1947, the distinguished Senator from Maine [Mr. BREWSTER], one of the original champions of our cause, in dealing with the problem of Palestine, said, and I quote: "The United Nations has not only given birth to a new nation, but must see to it that this infant shall be properly nursed and developed." He added, "We also remind ourselves that the United States Government, as one of the chief sponsoring powers, has assumed a considerable measure of responsibility."

Senator BREWSTER'S reminder was almost prophetic. This new nation in Palestine is being threatened today with an outburst of passion which may destroy it by means of organized massacre. It is obvious to any student of the situation that the Arabs have an abundance of arms with which to attack this young nation. At the same time all access to weapons with which the Hebrews have a right to defend themselves has been cut off.

A little more than a century and a half ago another nation came into being, one which grew into the torchbearer of freedom—the United States. As we in 1776 required tender nursing, so will this nation, which has just been born on the shores of Galilee, require tender care until it, too, shall develop into a self-reliant and responsible member of the family of nations.

The new state in Palestine asks only for that consideration to which it has a justi-

fiable claim and expects no unusual privileges. It does, however, consider it mankind's duty to give it a fair chance of survival, to achieve a historical place, and to assume those duties under the protection of its sister nations until that day when security shall be guaranteed by reason. This is one responsibility which must be assumed by the most enlightened and most powerful Nation on earth, the United States.

In the words of Winston Churchill, when Great Britain, too, felt the impact of insecurity, Palestine asks only of its neighbors in the family of nations: "Give us the tools and we will do the job." When they say, "Give us the tools and we will do the job alone, we are ready to do the job alone," the people of Palestine, the descendants of Maccabi, mean just that.

I do not speak for any organization in America when I voice this plea, but I do feel if the Jewish people of the Holy Land could speak right here and now, they would make this plea.

We would not like to see—and now I speak for our organization—American troops called and sent to Palestine—we do not want to see this country involved in an armed struggle for Palestine—there is no need for that. All we seek from the United Nations and Great Britain is that they keep their promises to the people of Palestine and to the nations of the world—a promise that has not been kept thus far.

The JWV in the United States is an organization which for five decades has played an important part in the American scene. As American veterans we have contributed and will continue to do our share to help make this country great. We are honored to be an inseparable part of this great American country. And now a few personal remarks.

I am pleased to see my old wartime Gen. Nick Ruffner in the audience. I could not let this moment pass without saluting General Ruffner. We both had the honor to serve in the Pacific under the great General MacArthur and General Richardson.

I am pleased and honored to greet the mayor and his lady from Tel Aviv.

We, JWV, of the United States stand ready to do our share for good government. That is one of the reasons why the Senator from Connecticut has been selected—he ranks along with Bernard Baruch—among America's great—who were so honored by us.

(Colonel Klein turned to Senator HAWKES.)

Senator HAWKES. Will General Vaughn, aide to the President, please stand up and take a bow.

My distinguished guests, time is short, but I am going to take a moment to say a few words to the mayor of Tel Aviv. I have told him that the day after VE-day I flew across the ocean and that when we had gone through England, France, Germany, and Austria, we headed for Palestine and landed in Tel Aviv, so I have a picture in my mind, as good a one as one of these Americans seeing the world in 24 hours ever can get in his mind, of a great city. What has been done there, the development of the land, the progress, is amazing. It is an amazing city reported to have 250,000 people. Is that correct, mayor? (The mayor named the figure 300,000.) That means that since I was there you have had 50,000 more people added. It shows very clearly what the Jewish people can do when they are given an opportunity and freedom from restriction.

I would like to say that my attitude toward the Jewish people has always been the same as I have tried to have toward each and every group making up the United States of America and the world. None of us comes into this world by consent or request, nor have we to say where we come into it. The only test amounting to anything in this world is: What has a man, or woman, done with what God gave him and has he played his part in society right and fairly. I have always taken the position that equity is not a one-way street, but a two-way street. Equity and justice cannot exist if they flow one way; they must flow out as well as in.

Guests and friends, it is my pleasure to present to you the Honorable Israel Rokach, the mayor of the all-Jewish city of Tel Aviv, one of the most outstanding personalities of Jewish Palestine today.

A lot of people today are asking, "Will it work"—the new Jewish state? The fact that the United Nations has established this state seems to me that it must be made to work. Unless we mean to keep our agreements there is no hope of establishing harmony and peace in this world. Those who only keep agreements when they work favorably, and violate them when they do not, are not making any contribution to humanity. This state must be made to work. It is one of the first great tests of the United Nations.

I think we are most fortunate to have the mayor and his wife here. I am going to ask Mrs. Rokach to stand up for a bow. [Greetings and applause.] We are particularly fortunate that they happen to be here today when we are honoring the Senator from Connecticut, Mr. BALDWIN, for whom I have a great respect.

I understand the mayor has recently had his fiftieth birthday. I congratulate him. You will be interested to know that his arrest by the British administration in the beginning of August 1947 and his retention in the Latrun concentration camp for several months evoked world-wide interest and protest. His retention at Latrun, where he refused to be interrogated by British officials until formal charges were brought against him, ended abruptly.

When he and the mayor of Ramath Gan were released on September 14, 1947—coinciding with the eve of Rosh Hashana, the Jewish New Year—the event was widely acclaimed in Palestine and throughout the world.

Israel Rokach is the scion of a pioneer family which settled in Palestine more than 100 years ago. He was born December 31, 1896, at Nveh Zedek, then a suburb of Jaffa, now a part of Greater Tel Aviv, over which he presides as mayor. Mayor Rokach is an electrical engineer by education.

During the 25 years of Mayor Rokach's service to and leadership of the Municipal Government of Tel Aviv, the all-Jewish city became the most outstanding urban center in the Middle East—a center of industry, commerce, communication, education, culture, order, and security.

Its population now comprises more than 300,000 and its annual budget amounts to over £3,000,000. In a true sense, Mayor Rokach's administration of Tel Aviv has served as a concrete example of Jewish self-government and has created a pattern for the Jewish state, for the establishment of which the General Assembly of the United Nations cast its historic vote on November 29, 1947.

His great achievements in the field of developing Jewish municipal government in Palestine were acknowledged and widely acclaimed on the recent celebration of his fiftieth birthday.

Mayor Rokach, who came to the United States at the invitation of the Jewish National Fund of America, is entrusted with the task of presenting to American Jewry the land acquisition program for the implementation of the United Nations' decision to establish the Jewish state in 1948.

I am proud to present to you this man who has made such a distinguished record in the interest of his people and humanity throughout the world.

Mayor ISRAEL ROKACH. Senator HAWKES, ladies, and gentlemen, I regret that I cannot address you in the old Hebrew language because, while you would not understand me very well, I would be able in that language, which is my mother tongue, to express better my feelings and how grateful I am for this gathering and just what I feel toward the United States as a Nation. Unfortunately, I understand it will be of no use; that time is short, too short to talk to you in Hebrew and have it translated. We are all busy. I shall try to be short.

When I came to the United States by plane, a few days ago, LaGuardia Field was banned to me by snow. I understand you fear snow here. I was told I would be flown to either Philadelphia or Washington where the runways were clear. We were all very interested to have a chance to see Washington, but finally word came that we would land in Philadelphia. My first impression when we flew over New York and came down close to the Statue of Liberty which everyone who thinks of liberty—all civilization has heard of it—the Palestinians have heard of this famous Statue of Liberty in the harbor of New York, it was a very fine day and clear in the air (even though Mayor O'Dwyer was having troubles down below in the streets) the far view of the city, its beautiful buildings, recalled to my mind the dream of Pharaoh—I am looking for a Joseph to interpret my own dream which I have day and night since I came here.

There is just one thing that has me worried, and perhaps a bit jealous—everywhere, everyone we meet speaks of my wife, is so gracious to her, tells me what a fine lady she is—they never say "this fine man."

Senator HAWKES. But, my friend, we called you the distinguished gentleman.

Mayor ROKACH. We want to thank the Jewish War Veterans' Association, Col. Klein, and the American Army. The Army came to Palestine, established headquarters almost overnight—the American way, very quickly—the boys used to come to Tel Aviv, to the Hotel Palatine, and everyone did their best to make them feel at home. We could not do much, but we did our best. A few days ago I had a thrilling experience. I was talking to a gentleman in New York, an American in civilian clothes greeted me and asked how I was and recalled to me that he had been a colonel in the Army and had been in Palestine. He was visiting from the West and had not forgotten my name, although it was 5 years since he had seen me. Mine is not a simple name and I was amazed. The brother of the "fine lady," my wife, was a student here in New York and volunteered and was in the American Army. He is now honorably discharged, but we did see him in his American uniform. That is one of the reasons why so many are in love with her.

We know that the Americans have been donors of blood to save the world. In the First World War you gave freely of the blood of your youth to help the cause of freedom. In World War II you gave so much. We all hope these wars will bring liberty to all peoples of the world. I am not complimenting—in Tel Aviv I am not the complimenting type; I have the reputation of being a hard worker—but you have found it to be your duty to be the donor of blood for the liberty of the world.

What I am dreaming of is that once we are established we shall send our people here to learn from you. I have sent many here, boys, girls, nurses, doctors, educational and engineering methods, not to have our men and women learn the sciences, they are universal and are everywhere, but it is the spirit of the Americans that cannot be found anywhere in the world. We want to send our people here to be injected with that spirit and to learn about freedom as it can only be learned in America.

I am not going to go into politics, that would be unfair since I am your guest—but I want to refer only to the United States.

It is as your host, Senator HAWKES, said—Tel Aviv is a foundation stone, it was founded only about 38 years ago, built up with our own skilled labor, hard labor.

You will see this new State, Palestine, a little place smaller than most of your own States—but I hope you will not regret the help you will extend to us—for we will create a focus in the Near East where we will be teaching and living in liberty as you know it here in the United States. All eyes are turned (not only Jewish but others) to Palestine (not to be compared in size with Great Britain or the United States) which gave birth to the morality of humanity—against the immorality of paganism and bad tradition

I think we can build up in this new Jewish state the spirit of the prophets, equality, freedom of thought and speech. If we do this I think we will have done a good thing. We crave only the small support of your great Nation, as you have given it in the past—not only the Senate in proposing to accept the partition, establishing this Jewish state—but all along in history—we had protectors in the United States of America, President Taft's action when Russia was not ready to accept them—I do not know whether you know that—from then on between the Congress and Senate we have had the protection of your Nation. We hope to be able to start a new life of peace, equality, and justice.

It is a great day for me to be received in this hall of the famous Senate of the United States of which we hear so much. We know many names and there are many men of the Congress who are popular, regardless of which party they belong to, also your fine Presidents. You do not say "Left" or "Right" here, but sit together, Republicans and Democrats. When it comes to freedom, justice, and equality we can all unite.

Accept the prayers of my town and nation for the welfare and happiness of this great Nation—the United States of America.

Colonel KLEIN. I want to express my appreciation of the inspiring remarks of Mayor Rokach. I am grateful to Senator HAWKES for his invitation to the Mayor and Mrs. Mayor. I am grateful you are so patient and I know we are all enriched by this inspiring message.

I want to introduce Mr. Albert Reich, of Hartford, past national vice commander of the Jewish War Veterans, and an old friend of Senator BALDWIN. He will read the Award of Merit voted by the Jewish War Veterans.

Mr. ALBERT A. REICH. It is a privilege to be here today, representing the forty-sixth—in size—State. We of Connecticut are proud of RAYMOND BALDWIN, our Senator—we love and honor him and I feel honored to be here paying my respect and the respect of our State to him.

I am privileged to read to you on behalf of the national organization of the Jewish War Veterans the citation of the Award of Merit of the Jewish War Veterans of the United States of America:

"Whereas the public service of the Honorable RAYMOND E. BALDWIN, Senator of the State of Connecticut, has been consistently marked by human endeavors in furtherance of the civil and economic rights of all elements of the American population; and

"Whereas in the employment of his public office as an instrumentality for the advancement of understanding and cooperation among citizens of all racial, religious, social, and economic strata of American life, he has contributed materially to the structure of our Nation's security: Now, therefore, be it

"Resolved by the Jewish War Veterans of the United States of America, through the unanimous recommendation of its national executive committee, as approved wholeheartedly by its total membership, That the Award of Merit of the Jewish War Veterans of the United States of America be conferred on the Honorable RAYMOND E. BALDWIN, Senator of the State of Connecticut."

I present to Col. Julius Klein, the national commander of the Jewish War Veterans of the United States of America, the plaque which is the Award of Merit—he will make the presentation on behalf of our organization. Colonel Klein.

Colonel KLEIN. I am confident that the Members of the Senate present will appreciate that this veterans' organization is not dedicated solely to Jewish problems. On the contrary, Jewish problems, while important and dear to us, are only among the many with which we concern ourselves. Our chief aim is and has been to represent and build true Americanism. We are marching side by side with the other veteran organizations to assure enactment of sound local, national, and foreign policy legislation to insure a free and strong America for the coming generation so that the sacrifices of those who served, fought, bled, and died shall not have been in vain.

We urge support of universal military training, and a program which will assure a strong Army, Navy, and Air Corps. We need the strongest kind of defense organization. It goes without saying that we demand fair treatment for veterans. Senator BALDWIN is only one of the strong champions for these programs in the Senate and in the Government. Many messages have reached us congratulating our organization on having selected Senator BALDWIN for this honor. Governor Green, of Illinois, telegraphed Senator HAWKES saying how happy he is to hear the Senator is receiving the award.

We are grateful to Senator HAWKES for the meeting today enabling us to present this award in the name of the Jewish War Veterans of the United States. As spokesman for 850,000 Jewish War Veterans of the United States, I am honored to present this plaque to you, Senator BALDWIN. You have well deserved it. Congratulations to you from all of us and may our Nation continue to have the benefit of your great service.

(Colonel Klein hands award-memorial to Senator BALDWIN.)

Senator BALDWIN. Colonel Klein, Senator Hawkes, His Honor the Mayor of Tel Aviv and his gracious lady, colleagues, and friends, to you, Colonel Klein, and the members of your great veterans' organization I extend my heartfelt thanks for this award. This award is one of the finest things that has ever come to me in my lifetime, and I am grateful beyond the power of words to adequately express that gratitude.

One may wonder why he should be rewarded for doing the things which his own heart and conscience dictate as the right and true things to do. The fact that you recognize them in this manner is most generous, kind, and thoughtful, and fills me with the most sincere feeling of thankfulness.

I have long known of the Jewish War Veterans. We have in our own State of Connecticut an excellent department of your great national organization. Many of the men who have led it through the years have been my warm personal friends. Your great veterans' organization, organized primarily in the interest of those in the Jewish faith who are bound together by a common faith and by a common experience in the war years, has been a great protagonist for all veterans whether of Jewish faith or not. Your organization has made a great contribution to the public welfare. It is known for its high spirit of patriotism and public service in advancing the cause of our country.

I am particularly happy and proud, Colonel Klein, that you have acted in behalf of the Jewish War Veterans in presenting this award to me. I have known you for many years now as a courageous, forthright American—a great soldier and great citizen, and I am proud indeed to have your friendship for you are widely known as a leader among Americans.

We are a Nation of minority groups. Some of our enemies think of this as a weakness. As a matter of fact, it is one of the sources of our great strength for everyone in this country belongs to one minority group or another. No single one has predominance. This fact is everlastingly true. All of these groups are bound together with the common love of freedom and an earnest and heartfelt desire to advance that cause of human freedom and justice in our own country and throughout the world. That common love and respect makes us one people. That common love and respect will continue to crown our efforts with outstanding success.

I am thankful to you, Senator HAWKES, as our host at this luncheon. This is a generous and kindly thing for you to do for a colleague. You have long known of my high regard and deep admiration for you as a friend and a citizen.

It is a happy thing for me to have the honor of the presence of the mayor of Tel Aviv and his gracious lady at this gathering. This day would have been memorable for me in any event. Their presence makes it even more so. The mayor said one thing which I would like to comment upon for a moment because I think it is of great importance. It is something that we do not often think about, all of us as Americans. He said that his country—Palestine—had been a great contributor to the morality of mankind. That is strikingly true. No other nation down through the centuries has made the contributions to the thinking of man on his own welfare, his moral worth, the quality of his soul, that have been made by the prophets and teachers of your little country. Jews and Christians alike read a Bible which records the thoughts and teachings of great leaders of the Jewish faith. And Christians accept as their Prophet and Savior a man of Palestine. We can say, very sincerely and truthfully, that out of your land in the Middle East, so well and ably represented here today by these two fine citizens of the world, have come the greatest contributions to human welfare that the world has ever known.

I think, sir [turning to the mayor of Tel Aviv], that it is a remarkable thing, and surely an extremely happy omen, that, when your plane could not land in New York, it came to Philadelphia. In the then little city of Philadelphia, more than 150 years ago, was born the United States of America. And here you are today representing a newly born state, on your first journey to this land of America, and fate lands you in the city which was the birthplace of the United States. I believe that the world will say, and, of course, we Americans believe sincerely, that we have made a fair degree of success as a nation and have endeavored to make generous contributions to all mankind, not only of our material wealth, but of our spirit of enterprise and our love of freedom and justice. May your forced landing in Philadelphia be an omen that your plans for your country will succeed and that your new nation born in the Middle East may likewise continue to make great contributions to man's happiness and welfare the world around.

We, as Americans, cherish the traditions of liberty, freedom, and justice. We remember also that in our own history success did not come by our single efforts alone. And so this new nation of yours must have friends. Your leaders speak with remarkable courage and conviction when they say that they can win and will win "on their own." That is a splendid spirit. But they will need help—our help, not only with encouragement and example, but in material things as well. We Americans, who cherish liberty and freedom, know well the feelings and great hopes of mankind that this spirit of liberty and free-

dom and justice be spread around the world in order that every man may have a fair opportunity in life, may live in health and security and reasonable comfort—may have an opportunity to advance his own ideas and his own cause.

We Americans have been richly blessed. Because of our favored position we must take a leadership in seeing to it that good, and not evil, possesses the world. It is of great significance that the United Nations has by its own action and with our support created this new state. But it is not the work of the United Nations alone nor our support that has brought it about. It is the toil and sacrifice of many men and women down through the years, men and women of the Jewish faith who have labored and died for this great cause. Your people will continue to need help. I am sure, believing as we do, and living as we strive to live, we will give that help in the manner and form best calculated to support this new nation and to advance the welfare of the people who live there now and who may come to live there in the future.

Again, Colonel Klein—Commander Klein, I thank you from the bottom of my heart for this generous recognition of your organization. I shall treasure it so long as life lasts.

Senator HAWKES [turning to Senator BALDWIN]. I have here a telegram from the Governor of Illinois which congratulates you and says that you are deserving of this honor. Governor Green's telegram says:

SPRINGFIELD, ILL., *January 14, 1948.*

Hon. RAYMOND E. BALDWIN,
Senate Office Building,
Washington, D. C.

Have just been advised by our mutual friend, Col. Julius Klein, that you are to be the recipient tomorrow of an award of merit from the Jewish War Veterans of the United States. Permit me to extend my hearty congratulations upon this well-deserved honor. Kindest personal regards.

DWIGHT H. GREEN, *Governor.*

In closing I would like the mayor and this gathering to hear this.

It does not make any difference, or much difference, what your faith is. Your faith is a thing that, to a certain extent, comes to you—comes to you in early infancy—from your parents, family, or perhaps from the place in which you were born—but it does made a tremendous difference whether you keep faith with your faith, if you have a belief in your heart and mind and soul. All may not agree with it, or like it, but if each of you keep faith with his own faith you will respect yourself and no one in the world will be justified in criticizing you for it—if you keep faith with what you believe—and in your God.

I would like to recite a piece I love:

"When you get what you want in your struggle for self
And the world makes you king for a day,
Just go to a mirror and look at yourself,
And see what that man has to say.

"For it isn't your father or mother or wife,
Whose judgment upon you must pass,
The fellow whose verdict counts most in your life
Is the one staring back from the glass.

"You may be like Jack Horner and chisel a plum
And think you're a wonderful guy,
But the man in the glass says you're only a bum
If you can't look him straight in the eye.

"He's the fellow to please—never mind all the rest,
For he's with you clear to the end,
And you've passed your most dangerous, difficult test
If the man in the glass is your friend.

"You may fool the whole world down the pathway of years
And get pats on the back as you pass,
But your final reward will be heartache and tears
If you've cheated the man in the glass."

Guests at the luncheon were the following:

Senator BRIEN MCMAHON, Democrat, of Connecticut.

Senator OWEN BREWSTER, Republican, of Maine.

Senator HARLAN J. BUSHFIELD, Republican, of South Dakota.

Senator EDWIN C. JOHNSON, Democrat, of Colorado.

Senator CHAN GURNEY, Republican, of South Dakota.

Senator STYLES BRIDGES, Republican, of New Hampshire.

Senator CARL A. HATCH, Democrat, of New Mexico.

Senator LISTER HILL, Democrat, of Alabama.

Senator ELBERT D. THOMAS, Republican, of Utah.

Senator ALEXANDER WILEY, Republican, of Wisconsin.

Senator ARTHUR H. VANDENBERG, Republican, of Michigan.

Senator J. HOWARD MCGRATH, Democrat, of Rhode Island.

Senator C. WAYLAND BROOKS, Democrat, of Illinois.

Senator JOSEPH C. O'MAHONEY, Democrat, of Wyoming.

Senator WILLIAM F. KNOWLAND, Republican, of California.

Senator DENNIS CHAVEZ, Democrat, of New Mexico.

Representative HORACE SEELY-BROWN, JR., Republican, of Connecticut.

Representative JOHN DAVIS LODGE, Republican, of Connecticut.

Representative THOMAS L. OWENS, Republican, of Illinois.

Representative WILLIAM G. STRATTON, Republican, of Illinois.

Representative JACOB K. JAVITS, Republican, of New York.

Representative EMANUEL CELLER, Democrat, of New York.

Representative ROBERT J. TWYMAN, Republican, of Illinois.

Other guests were:

Mr. Gerard A. Robichaud, Chicago Sun.
Mr. Paul Leach, Chicago News.
Mr. Bob Burns, Hartford Courant.
Mr. Ben Connor, Associated Press.
Mr. Jack Steele, New York Herald Tribune.
Mr. David Block, chief of staff to Colonel Klein.
Capt. Sanford H. Winston, Infantry Journal.
Col. Charles I. Schottland, national executive director of Jewish War Veterans, New York.
Mr. Omar Ketchum, Veterans of Foreign Wars.
Mr. Charles E. Foster, assistant national director of the Disabled American Veterans.
Mr. Jack Morris, New York Times.
Mr. Ray Sawyer, Director of AMVETS.
Capt. Lyle O. Armel, Navy Department.
Capt. Winston Falk, Navy Department.
Mr. Newman Wright, Passaic Herald News.
Mr. Burt Kemmerer, Camden Courier.
Mr. George Donaldson, Newark Star.
A representative of Life magazine.
A representative of Time magazine.
Mr. Bernard Weitzer, Jewish War Veterans.
Mr. Philip Davis.
Mr. Bernard S. Bercovici.
Mr. Joseph Cherner.
Mr. Hyman Goldman, Standard Cigar & Tobacco Co.
Mr. Carl Loeffler, Secretary of the Senate.
Mr. Leslie L. Biffle, secretary to the minority.
Mr. Sam Rose, Veterans' Administration.
Lt. Col. Elliott Niles, War Department.
Mr. Joseph Deare, Jersey Journal.
Mr. Joseph Barr, Veterans' Administration.
Gen. Bonner Fellers, former military secretary to General MacArthur.
Gen. Clark L. Ruffner, War Department.
Mr. Tyrell Krum, Times-Herald.
Mr. Roger Doolan, representing Mr. Sam Pryor, of Connecticut.
General Kramer, National Guard.
Gen. Wilton B. Persons, War Department.
Mr. Paul Richman, director, Antidefamation League of the B'nai B'rith.
Mr. Abraham Kaplan, B'nai B'rith.
Gen. Harry Vaughan, aide to President Truman.
Mr. Oscar Brown, judge of the probate court of Philadelphia.

Congress Should Adopt the VFW Uniform Pension Plan for Veterans of World War I and World War II

REMARKS
OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. VAN ZANDT. Mr. Speaker, on January 30, 1948, I introduced H. R. 5213 to establish, as a matter of national policy, a system of uniform service pensions.

The immediate objective of this bill is to extend to veterans of World War I the traditional service pension which this Nation, in the past, has accorded its aging and disabled veterans. The operation of this traditional service pension has provided benefits in their declining years to veterans of the Revolutionary War, War of 1812, Mexican War, Civil War, Indian wars, Spanish-American War, and lesser campaigns and expeditions. These pensions have covered the period from 1818 to the present time and range in payment from $6 monthly to $120, now being paid to a Spanish-American veteran in need of an attendant.

It is an historical fact that George Washington, as President of the United States and speaking for a grateful Nation, launched the traditional policy of recognizing one's service to his country in time of war as a duty above and beyond that of ordinary citizenship. Our first President laid the foundation for the traditional pension policy for this Nation when he provided bounties in the form of parcels of land for his victorious soldiers. Subsequently, the Congress of the United States, in the furtherance of this principle, and as an expression of gratitude of the Republic they served so well, provided monetary pensions in the declining years of these soldiers of the Revolution.

The Congress then decreed, as it subsequently did after wars that followed, that as a matter of national policy, men, who in their youth fought to defend the United States from its enemies on world battlefields, ought never to live out their remaining years in want and privation. In my opinion, it is one of the glorious

chapters in our history that today every living veteran of the Indian wars, Civil War, and Spanish-American War is facing the twilight of life with the knowledge that the Nation he served so faithfully has provided for his security in the form of a service pension.

It is highly significant, and a significance which this Congress must recognize, that all the service pensions previously granted to veterans of past wars have occurred approximately 25 years after the termination of each of these wars.

For example, the first service-pension law for veterans of the Revolutionary War was enacted in 1818; the Civil War in 1890; the Indian wars of 1892; and the Spanish-American War in 1920. Now, almost 30 years after the termination of World War I, the veterans of that war stand out as the only living group of veterans who have been denied participation in this traditional policy of service pensions based on age and non-service-connected disabilities.

Here are some pertinent facts concerning World War I veterans. According to the Veterans' Administration, of the 4,750,000 men who served in World War I, 3,700,000 are alive today. Their average age is 54 years and they are dying at the rate of 60,000 annually. While the average age of the World War I veteran is 54 years, it is interesting to learn that in 1948, 76,324 of them will reach the age of 65.

The Congress, in past years, has attempted a half-way approach in applying the service pension policy to World War I veterans. The approach limits pensions only to those who are permanently and totally disabled. As a result, thousands of World War I veterans who are unemployable due to permanent disabilities less than total, are languishing on the human scrap pile without even the means of acquiring minimum security in their late years.

Under the provisions of H. R. 5213, a World War I veteran who reaches the age of 62 will be given a pension of $43.20, and, upon reaching the age of 65, he will be presumed to be permanently and totally disabled and will receive a pension of $90 monthly, which, incidentally, is the pension payable to Spanish-American War veterans who have attained the age of 65.

For those partially disabled veterans of World War I who have not reached the age of 62 and who are not permanently and totally disabled, the following pension plan is provided for varying degrees of disability regardless of age:

25 percent disability	$32
50 percent disability	50
75 percent disability	72
100 percent disability	90

Veterans who are totally disabled and who require regular aid and attendance shall be paid a pension of $120 monthly.

In setting forth the schedule of benefits under H. R. 5213, I want to point out that any pension benefits now received by a veteran of World War I will not be jeopardized in any way. Should the veteran be eligible for benefits under H. R. 5213, and at the same time eligible for benefits under any other law, he may elect to accept the larger of the two amounts.

One of the real purposes of this legislation is that for the first time in the history of veterans benefits it establishes a uniform system of service pensions. The hodgepodge and piece-meal efforts that Congress has followed in the past will be eliminated. New demands for better veteran benefits will be unnecessary since the provisions of H. R. 5213 will be applicable to World War II veterans when they establish eligibility through age or disability. Should our country become involved in another war, Congress will not be called upon to experience the difficulty that has followed past wars in meeting the needs of the veteran population for pension benefits. This legislation will simplify the problem of administering the affairs of the veteran and reduce the cost of processing veterans' claims.

Today, there are alive about 3,700,000 veterans of World War I. It cannot be said that every one of these veterans will receive benefits under this bill. I mentioned that the average age of the World War I veteran is 54 years and that they are dying at the rate of 60,000 annually. By comparison, it is interesting to observe that, according to the Veterans' Administration, there were 2,213,000 persons who served in the Civil War; yet the greatest number ever to receive pensions was in 1908 when 478,941 were on the pension rolls. In the case of the Spanish-American War veteran, of the 392,000 who served, the greatest number to receive benefits was 196,382 in 1932.

In 1959 the Veterans' Administration estimates that 2,900,000 veterans of World War I will be alive with an average age of 65 years. Considering the experience of the Veterans' Administration with the Spanish-American War veterans, of whom approximately only half are receiving pension benefits, a similar experience in regard to World War I veterans is possible. This would mean that it is possible that only half of those eligible will be on the pension rolls at that time.

While we are considering the possible cost of this bill, let us remember that we have sent billions of dollars to foreign countries and are still being asked to continue these international hand-outs, conscious of the fact that not a single dime will ever be repaid. Our foreign-aid program has been sold to us on the basis that we should rehabilitate foreign nations and bring peace and contentment to the citizens of these foreign countries.

In our frenzy to aid every foreign nation, we should pause a moment to consider that American lives, blood, and dollars have made possible the continued existence of these countries after the most devastating war in history.

Let us remember that the benefactors of H. R. 5213 will be the American men and women who in their youth fought wars on the soil of the very countries we are now aiding with money, material, and foodstuffs. While it is true that these wars were fought to protect this Nation from its enemies, we entered World War I and World War II, playing the role as world savior. We all recall the wartime slogans, "save the world for democracy," "to fight a war to end all wars." What greater expression of gratitude can this Nation offer to its defenders than that of providing an adequate and uniform service pension for its aging and disabled veterans.

Mr. Speaker, I am proud to have introduced this legislation at the request of the Veterans of Foreign Wars of the United States, and at this point, I want to quote from a letter received from Mr. Omar B. Ketchum, director, National Legislative Service of that organization:

> I want you to know that the Veterans of Foreign Wars of the United States strongly favors a uniform pension system and we will be pleased to endorse and support such a bill if you decide to introduce it. Such a proposal is completely in accord with the program of the Veterans of Foreign Wars approved by the national encampment and the national legislative committee.

Mr. Speaker, it is my sincere hope that H. R. 5213 will receive immediate consideration by the House Committee on Veterans Affairs, and that it will be reported favorably to Congress at the earliest possible date.

An Appropriate GOP Slogan

EXTENSION OF REMARKS
OF
HON. JOHN J. SPARKMAN
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Tuesday, February 3 (legislative day of Monday, February 2), 1948

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "An Appropriate GOP Slogan," from the Anniston (Ala.) Star of January 11, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN APPROPRIATE GOP SLOGAN

According to a dispatch from Washington, the high command of the Republican Party, which had as its slogan in 1946 the two words, "Had Enough," has decided to wage the 1948 campaign under the rallying cry, "Save What's Left," and according to our humble opinion nothing could be more appropriately applied to the Grand Old Party.

The first objective of the Democrats in the campaign now under way should be to save what is left of the Bill of Rights. Because if we give the GOP undisputed control of the Government again, the Thomas committee may abolish freedom of speech, the right of assembly, and the American jury system. And some people fear we will even be told from Washington just how we will be able to worship our God.

Let's also try to save what's left of the Clayton Antitrust Act. For if we have a return to McKinleyism, as is indicated now under the rule of Taft, the railroads will be exempt from public control and the sky will be the limit as to what we can be charged to ride the trains and ship our goods to market.

We also shall need to save what's left of the Federal Trade Commission, because the

Thomases have become so absorbed with the idea of investigating our personal lives that free enterprise is about to pass from the American scene under the resurgence of monopoly, which increases the cost of living of every American citizen.

The private utility lobbies also are on the march again and we are having to struggle to save what's left of the TVA and other public power projects, with floods wreaking damage that runs into millions of dollars every year while a do-nothing Republican Congress sits idly by in blissful unconcern.

Roosevelt's soil conservation projects also have been pauperized, with dust bowls hovering ominously in the background once more; and in spite of the recurrent pleas of Mr. Truman for continued aid to agriculture, we had the fight of our lives in the last Congress to save what was left of the farmers' gains.

We also remember how we all told the soldier boys when they went off to war that nothing would be too good for them when they returned. But now those soldiers, turned veterans, are having the fight of their lives to save what is left of the leaky roofs over their heads, and a GOP Congress turns deaf ears to their cries.

The GOP back in McKinley and Mark Hanna days used to hold out the promise of a full dinner pail to the men and women who toiled in our mines and factories; but labor now is wearing a GOP strait-jacket, and with economic controls removed under the leadership of TAFT the workman's pail gets emptier and emptier every day as food prices rise higher and higher.

Moreover, with the greatest peril we have ever faced being posed against us by a relentless foreign power, our Army has been converted into a mere caricature of its former self, due to penurious appropriations, our Navy is disintegrating and little is left of what was yesterday's greatest air force any nation ever assembled. And we shall have to struggle to save what is left of that also.

Americans everywhere are struggling to save what is left of a once proud public-school system, with our teachers being lured away from the schools by higher pay in industry and commerce; but while the GOP has millions to hand out in tax relief and other special favors to the coupon clippers that pay the campaign expenses, they have nothing for the one institution upon which the future of democracy itself depends.

Hence, we now are willing to adopt the 1946 GOP slogan. We have had enough of special privilege—a system that makes the rich richer and the poor poorer, and are everlastingly tired of the attempt to save what's left of the great America that Wilson and Roosevelt handed down to us from the wrecking crews of Republican ineptitude. We hope to return, therefore, to the party of our fathers come next November—and our name is legion.

The St. Lawrence Waterway

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 3 (legislative day of Monday, February 2), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Waterway Fight On," from the Plain Speaker, of Hazleton, Pa., an editorial in opposition to the St. Lawrence seaway. I also ask unanimous consent to have printed in the RECORD an editorial entitled "The St. Lawrence Seaway," from the Pittsburgh Post-Gazette, in which this paper, although advocating the seaway, states that its construction should be postponed and the whole subject postponed at this time.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Hazleton (Pa.) Plain Speaker of January 27, 1948]

WATERWAY FIGHT ON

The fight for the St. Lawrence waterway is on in the United States Senate.

President Truman, who has been an advocate of it, yesterday sent a letter to Senator VANDENBERG, presiding officer of the Senate, and Speaker MARTIN, of the House, urging passage of the pending bill that would authorize the project.

The President comes from the West and it is there where sentiment seems to be the strongest for the plan, which would involve the expenditure of a vast sum of money that the country can ill afford just now.

When the proposal first came to public attention during the early days of the Roosevelt administration it didn't get very far because of the pressure of many other matters. It had the full support of the late President Roosevelt. The same reasons he advanced in favor of it are among those cited by Mr. Truman.

The President, no doubt, is sincere in his attitude but we believe he is mistaken. The waterway is intended to help shipping from the Great Lakes area to the Atlantic but it must be remembered that the Lakes and the St. Lawrence are not navigable for about 4 months or more during the year.

Opening of this waterway to deep-sea shipping would not be of great help to the section it is supposed to benefit. It is claimed it would be useful for defense in case of war. Exactly the opposite is true. Instead of an asset it would be a great liability. Several heavy bombings could put it out of business and bottle up whatever ships were in the channel.

The waterway would be a practical death blow to the harbors of New York, Philadelphia, Boston, and Baltimore. Why destroy the commerce of these ports for the sake of so-called aid for the Great Lakes States?

They are the center of a vast industrial empire which needs no outside support.

Establishment of a giant power plant in the State of New York is contemplated under the plan. Why should the United States Government spend millions for this when New York itself can handle it if need is established for its construction?

The railroads and the unions which operate them are against the scheme. The mine workers of the hard and soft coal fields are opposed to it. The railroads would be bankrupted through its creation and thousands of workers would be thrown out of jobs.

Why not let good enough alone, especially at a time like the present when billions are to be appropriated for the recovery of Europe?

It is hoped that members of Congress from the Pennsylvania coal fields and our two United States Senators will not go along with the proposition.

[From the Pittsburgh Post-Gazette]

THE ST. LAWRENCE SEAWAY

The Senate has turned its attention to that hardy perennial topic, the St. Lawrence seaway. For more than 40 years the Governments of this country and Canada have been talking about it, and in recent times two Presidents, Mr. Roosevelt and Mr. Truman, have strongly urged its construction.

The project would be of immense value to this Nation, both in the increased trade and commerce it would foster and in the huge supply of electrical power it would add to our natural resources. Through the St. Lawrence seaway, the industrial and agricultural products of some 60,000,000 Americans would find cheap outlet to the world. Likewise, through the seaway could come the raw materials and goods which America needs. Pittsburgh especially, which depends so on a fast-dwindling supply of ore in Minnesota, would benefit by this ready access to the untapped mineral wealth of Labrador.

Of course, many narrow interests in the country are against the proposal and can be counted on to do their utmost to kill it now or at any time in the future.

Knowing the partisan motives of most of those who oppose the seaway and having no sympathy with men who would sell out the national good for their own immediate gain, it is difficult for the Post-Gazette not to call for congressional approval of the project at once. And yet, questions arise as to whether the Nation should not delay the undertaking.

In the first place, is the expenditure justified at this time? When measure is taken of all the vital commitments this Congress should meet—and especially of an effective European recovery program—this answer, we think, is no. When current inflated building costs and the effect which a public work of well over half a billion dollars would have on our present economy are reckoned, the answer is even more emphatically "no."

Further, a question of priority comes up—not only as regards foreign aid but other public construction programs. For example, is the seaway of more pressing importance now—or even in the future—than a sea-level canal at Panama or Nicaragua? Or than a Missouri Valley Authority? Certainly we cannot do all of these things at the same time, and it's the administration's duty to list some order of importance for considering them.

As matters stand, however, prudence counsels delay. Much as Pittsburgh and the rest of the country need it, Congress should now postpone the St. Lawrence seaway, but with a firm intent to take it up when Europe's recovery is a certainty.

The St. Lawrence Project

EXTENSION OF REMARKS
OF
HON. GEORGE D. AIKEN
OF VERMONT

IN THE SENATE OF THE UNITED STATES

Tuesday, February 3 (legislative day of Monday, February 2), 1948

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "The St. Lawrence Project," appearing in the Rutland Herald of February 2.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ST. LAWRENCE PROJECT

The St. Lawrence seaway, long a controversial project, is now one of the hottest issues before Congress and the American people. Senator AIKEN told the Senate that the action taken on this proposal by the Senate might conceivably determine the outcome of the Presidential election.

The foes of the seaway, like its supporters, are marshalling all their arguments in an effort to sway public opinion and influence Congress. The seaway has been debated and discussed at Vermont forums; it is a lively subject in many cities throughout the Nation. Boston seethed with opposition and

New York City's Mayor O'Dwyer declared the project would be a defense "burden" and would damage east-coast industries.

Some interesting comments on the program were made in a letter from Herbert S. Myers, Ogdensburg, N. Y., to the Wall Street Journal. That paper had printed an editorial on the seaway and Myers took issue with the views expressed and some of the arguments advanced.

"Russia considered one of her first moves would be to rebuild the Dneiper Dam," Myers wrote. "Just think, during our last war, what a saving there would have been on coal, railroad box cars, fuel oil, etc., if we had only had this 2,150,000 horsepower from water without making it with coal or fuel oil.

"Now, about the river being blacked out 6 months in the year on account of ice and fog. I also disagree with that statement. I was born along the banks of the St. Lawrence and have lived here all my life. Canals open officially each year about April 15, and stay open until December 8. Quite a few ferryboats run longer. Our local St. Lawrence ferryboat runs every hour on the hour every day in the year, even through this ice and so-called fog. If you are acquainted with this vicinity, you know, of course, that we have very little fog."

Myers said he had stood and watched large freight boats enter and leave the present canal system many times and that he had been informed that they average one an hour for the full navigation season. He added: "Check on the barge canal, the Mississippi River, and the Panama Canal on freight and you will have a surprise when you compare these to the present poor system we have on the St. Lawrence which we are trying to improve."

One of the weakest arguments offered by seaway opponents is that the waterway would be closed several months of the year, because of snow, ice, and fog. The Great Lakes system is also closed for several winter months, but during navigation season it is one of the Nation's busiest waterways, making possible shipment of millions of tons of goods and raw materials.

The importance of letters like the one written by Myers was brought out recently by Senator AIKEN. He told of organized opposition to the project on the part of one city, although a poll of business firms in that municipality indicated that 72 percent of them favored the seaway.

"The only way you can get around such misrepresentation," said AIKEN, "is for the people themselves to write and wire and speak to their Congressmen and Senators. Otherwise, minority interests will try to give a wrong impression of public opinion."

A good many people, whether for or against the seaway, agree with AIKEN and are speaking their minds.

Effect of India and Palestine Problems on the United Nations

EXTENSION OF REMARKS

OF

HON. OWEN BREWSTER

OF MAINE

IN THE SENATE OF THE UNITED STATES

Tuesday, February 3 (legislative day of Monday, February 2), 1948

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "India and Palestine Have Put Our Faith in the United Nations to Test," written by Lowell Mellett, and published in the Washington Evening Star of February 3, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ON THE OTHER HAND—INDIA AND PALESTINE HAVE PUT OUR FAITH IN UNITED NATIONS TO TEST

(By Lowell Mellett)

The western world, stunned by the murder of great-souled Gandhi, appears to stand helpless in the face of the carnage and chaos it expects to follow. It knows of no way in which it can intervene effectively between the rival hatreds of the Hindus and the Moslems. In all the new machinery of civilization there has been developed no force for peace equal to the spiritual power of this one man. Or, so it seems.

Need this be so? Not if we truly understand the basis of the Mahatma's power. On what did it rest? It rested on the utter completeness of his belief. So complete was his belief that he was willing always to put it to the test, as he did again, again, and again, offering his life in forfeit each time. Had he ever wavered India would not now be free.

The power of belief served the western world when it set itself against a return to the law of the jungle, as represented by German, Italian, and Japanese fascism. It has begun to serve again through the creation of a new world organization, dedicated to the democratic rights of all people. How well it will serve depends on how deeply the men undertaking this great advance in human relations believe in their own mission. These are the men who have set up the structure of the United Nations and have accepted the responsibility for its functioning—or failing.

MUST BE MADE TO WORK

The United Nations Organization must be made to work. The power given into its hands by the people of the world must be used to enforce peace in India. If this is not done faith in the United Nations will die and all hope of avoiding the great and final war, the war between the east and west, will likewise die and that final war will come.

As a quick warning to India of its purpose and ability to act, the United Nations Organization should enforce its decision concerning Palestine. Abetted by the British, the Arab countries are making clear their intention to flout the will of the rest of the world, as represented by the United Nations.

There is one member of the United Nations that can bring the British and the Arabs into line and that Nation is the United States.

But the United States, as represented by our Government, shows no determination to act. Instead, every excuse for not acting is given. As the Arab troops, bearing arms sold them by the British, move implacably in on the beleaguered Jewish community from all sides, our Government wrings its hands and closes its eyes to the horrors soon to be enacted. Americans, caught within the fighting zone, are forbidden to aid the Jews. American firms may not sell the new nation the arms and material with which to defend itself.

UN-AMERICAN POLICY

There should be a quick reversal of this un-American policy. Our Government should insist on the dispatch by the Security Council of an international fighting force to Palestine. This could be done. The one nation that has been charged—and in most instances fairly charged—with preventing effective action by the Security Council in the past, has given every indication of a readiness to cooperate. The nation, of course, is Russia.

But our Government has more fear, apparently, of the consequences of allowing Russia to help prevent the massacre of the Jewish nation, than it has of the consequences of the massacre itself. The military minds in Washington whisper that if Russian troops go in along with ours and others representing the United Nations, they will not come out again. These policy makers seem to feel that by forestalling Russian participation in the enforcement of peace, they somehow outmaneuver the Russians.

The answer to this thinking was given by former Under Secretary of State Sumner Welles a few days ago when he said, "If large-scale hostilities break out in the eastern Mediterranean, which enable the Kremlin legitimately to claim that Russia must take armed action to safeguard her vital interests by restoring peace in a region adjacent to her frontiers, is it likely that our policy will be successful?"

The Arab nations, although taken into membership, frankly do not believe in the United Nations. We either do believe in it or we do not. If we do, the time has come to put our belief to the test.

Can We Afford a Decent World?

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 3 (legislative day of Monday, February 2), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have inserted in the RECORD an article which I have written entitled "Can We Afford a Decent World?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAN WE AFFORD A DECENT WORLD?

(By Senator FRANCIS J. MYERS, of Pennsylvania, written for the 1947 Labor Day edition of the Trade Union Courier)

More and more often in the months ahead we are going to be asking ourselves whether we can "afford" some of the programs we recognize to be important to, perhaps necessary to, the establishment of a decent world, a world in which a free America can survive.

There will be many voices to tell us we cannot afford to do our part. Their arguments are rather compelling: that we have a huge national debt; that our own citizens are still deprived of many of the comforts of life; that taxes are onerous; that we may have a recession or even a depression and will need all of our resources for ourselves and will have nothing to share with others; that we have already done much for other peoples and for the cause of world peace and that we can't go on forever "carrying the rest of the world on our shoulders."

There is a certain amount of truth in all these arguments. They are not new arguments, nor is the truth in them some sudden revelation brought about by recent events. By and large, to the extent they are still true, they were also true in 1939 and 1940, in 1944 and 1945 and last year, and they will be true to the same extent next year and for some years thereafter.

But insistent as these voices are, compelling as they are with their arguments that we cannot "afford" the commitments we have made or are making in world affairs, the fact remains that we do not have much choice in the matter.

A mother with a sick infant does not reckon, before taking her child to the doctor, whether she could buy herself a fur neckpiece or a new dress with the money the

doctor will cost. Similarly, the efforts to set a budget, put a ceiling price, on the cost of our foreign policy, ignores the realities of crisis diplomacy in an atomic era.

The big question, the one question, which America and all Americans must answer is not how much it will cost or whether we can "afford" the cost of achieving a real peace, but rather: What must we do to achieve it?

I don't think there is much argument over the need for making peace an enduring reality. Even though our country physically was unscathed in the past war, every American knows now, either through personal experience and observation or through the medium of the newspapers, magazines, and motion pictures, what hell modern war has been even before the birth of atomic destruction.

Though some may doubt we can "afford" the cost of achieving an enduring peace, no one can dispute that we cannot "afford" another war. Our country, the richest and most powerful in the world, cannot "afford" a war like the last one, and if we cannot "afford" it, then no country, not even the whole world, can "afford" it.

So all our thinking must come back to the one essential point: What must we do to prevent war and achieve a firm and lasting peace?

The problem, as I see it, resolves itself into two parts, the immediate and the long range. There is some overlapping and a great deal of interrelationship of our obligation in both phases, and, as a result, there has been a certain amount of confusion and perhaps even of contradiction in our approaches to them.

The immediate needs, being visible and somewhat dramatic, are fairly easy to assay, and reviving isolationism among some elements in this country has made little headway in blocking our course in meeting some of these needs, although, in the last session of Congress, we received several temporary set-backs and a number of uncomfortable scares. By and large, however, America stood united on these issues and isolationist-minded Congressmen who teamed up with the "ultra economizers" in Congress in a joint attempt to undermine America's foreign policy failed in their effort.

The immediate needs, the ones which we are not only convinced of the necessity of our Nation to meet but on which we have made some good progress, are, as I said, somewhat dramatic and easily visible.

They include problems of feeding the hungry and the starving, of clothing the destitute, of finding haven and shelter for the homeless and the stateless victims of Nazi and Fascist aggression. They include the problems of stabilizing economies in friendly nations which are on the brink of disaster—stabilizing them at least sufficiently so that chaos on a mass scale can be averted. They include the problems of restoring enemy and occupied nations to the point where they can be least begin to meet some of their own requirements. They include political problems, such as stamping out the vestiges of nazism and fascism in those lands. They include the problems of protecting smaller nations from lusts and greeds still widespread in the world and in giving the peoples of those nations, insofar as we are able to, a measure of security in working out their own destinies.

The Truman doctrine for the aid of Greece and Turkey comes under several of these categories. So does the post-UNRRA relief phase of our foreign policy. So, too, do our programs for occupation of enemy nations and for care of displaced persons. These are the programs on which we are spending a major share of our foreign-policy budget. These programs successfully got through Congress this year without substantial hindrance because, despite a variety of opposition, there was no alternative to them. These are the immediate problems, problems which we can see and evaluate easily.

Much more difficult to translate into easily visible terms are our long-range problems of making the peace endure. Being long range and not susceptible to immediate alleviation, they are not as dramatic as a picture of a starving child whose misery can be relieved with food. Once having fed the child and restored his health, however, we will find the vacant stare, or the apparent misery, still showing in that child's face, unless we can breathe into him some hope in his future, some sense of security against a repetition of the disaster which struck him and millions like him into conditions scarcely above animal level.

Since we all know, in an atomic era, that no nation—not even rich and powerful and heavily armed America—can be safe from atomic destruction unless all nations are safe, our primary long-range job is to make the United Nations equal to the task of confronting the atomic menace.

We all know, too, that in this era of rapid communication and of the resultant acute proximity of nations and of clashing political and economic theories, we cannot have any one nation—even rich and powerful America—living for long in its own self-sufficient luxury while all other nations exist precariously on the brink of misery and bankruptcy. That does not mean that America must sink to the economic level of these less-fortunate nations in order to dispel the jealousies and the hatreds arising from glaring contrasts in well-being, but rather that America, as the richest and most fortunate Nation, must take the lead in helping to raise the economic levels in other countries to bring them more in line with our own. This is the substance of the Marshall plan, and it is also the keystone of the United Nations social and economic program. Here, again, the cooperation of that one other nation necessary to make these programs effective—the Soviet Union—has not been forthcoming.

The apparent unwillingness of the Soviet Union to join with us and with other nations in the United Nations in finding common ground on which to meet and solve these vital long-range issues involved in the restoration of a decent world of free peoples has been one of the greatest aids to the isolationist cause in America. We are being told by these strident voices which seek to lure America back to isolationism that since our noble dreams of 2 years ago of a world of nations cooperating through the United Nations for enduring world peace have, in many cases, been dissipated by the practical realities of power politics and nationalist incentives, we should give up our efforts and retreat, that we should rush back to the mental comforts of isolationism and let the world find its own salvation.

What the world would find under those circumstances, far from salvation, would be chaos on a scale so vast as to suck us, in a few short years, into the very same abyss from which we have just emerged at a cost of hundreds of thousands of lives, more than a million casualties, more than two hundred billions of dollars, and untold suffering, dislocation and anguish for millions of our people.

When we total up these costs, can we ever again say we cannot afford the efforts and the expense of making this present, nervous, indecisive peace secure?

America's obligations in that direction involve much more than merely money sent abroad. They include the urgent necessity for America herself to prove to the world that this economy of ours, which other nations consider the bedrock of world stability, remains, in fact, stable. That means that just as we cannot afford wars, we can no less afford depressions. Their domestic effects, as we have known them, are, in themselves, tragic, but at this stage in world affairs, an American depression would be an international disaster from which free enterprise anywhere in the world would be hard put to emerge.

The past to which reaction would beckon us is a lost past which America can never recover. It is a past we should have no desire to regain. We have our chance now, despite many significant obstacles, to achieve a better world, a decent world.

Do we dare fail?

The United Nations Edict on Partition of Palestine Must Be Implemented

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. HOLIFIELD. Mr. Speaker, it is now more than 2 months since the UN in a historic decision climaxing 2,000 years of injustice, on November 29 voted for the partition of Palestine into separate Jewish and Arab states. For the record, it should be said clearly that rarely has any international decision had more heart searching, more exhaustive study of the problem, and more sustained analysis of possible repercussions. Partition was voted upon the majority recommendation of an 11-man international committee which studied the problem in Palestine, in the Arab states, and the DP camps of Europe. This committee was the twentieth to examine this question over the course of the last 25 years. It had before it everything that had been written on the subject, and the voluminous data, the charges and countercharges that had been produced in the course of a quarter of a century.

The decision was made, and no one would dare say that the decision was not made with a sense of responsibility and a very lively understanding of the situation. In this decision the United States took a major role, as befitted the most powerful nation in the UN. For this I am proud. By the part it played the United States not only strengthened the position of the UN, but placed our country clearly again in the main stream of traditional American foreign policy in support of independence for small peoples.

But what has taken place since November 29? The situation in Palestine has shamefully deteriorated. Arabs, apparently with the tacit approval of many British officials—or at least without their active disapproval—attack and kill Jews. Jewish forces seek to retaliate. Their arms are seized by the British, and they are rendered helpless. This extraordinary policy the Britsh try to pass under the name of neutrality. What is even more shameful is the fact that no voice has been raised against this outrageous state of affairs. I turn to my own Government: What role is the United States playing in this miserable conspiracy of silence? What has happened? Why

has not the United States, who was active and eloquent in championing partition because it was after all the majority recommendation of a neutral UN Commission, why has not the United States used her tremendous moral authority to cry "Stop!" Why has she not conveyed to Great Britain the tremendous indignation the people of the United States feel toward this flouting of a UN decision? Why has she not lifted her voice to warn the Arab States, who are themselves members of the UN, that the world will not stand aside while a small group of willful men deliberately sabotage the first great decision of the UN?

The UN is only as strong as its members are strong. It carries with it only as much authority as its members carry.

If the UN decision on Palestine can be voided by violence, then the UN is doomed by default.

I, for one, cannot remain silent. We face a situation which far eclipses either the Jews or the Arabs. The UN itself is at stake. Our Government is committed to the implementation of partition. That is part of American foreign policy. It is part of UN policy.

I warn this administration that if it does not whole-heartedly uphold the UN in this decision, it will be too late to back up the UN in other decisions to come.

The UN is the last hope of the world for peace. If the UN in these next weeks and months expires, then the only other methods remaining to solve international problems are the methods which the Arab States now invoke before our very eyes: murder, massacre, war.

I include an article by Lowell Mellett:

ON THE OTHER HAND—INDIA AND PALESTINE HAVE PUT OUR FAITH IN UNITED NATIONS TO TEST

(By Lowell Mellett)

The western world, stunned by the murder of great-souled Gandhi, appears to stand helpless in the face of the carnage and chaos it expects to follow. It knows of no way in which it can intervene effectively between the rival hatreds of the Hindus and the Moslems. In all the new machinery of civilization there has been developed no force for peace equal to the spiritual power of this one man. Or, so it seems.

Need this be so? Not if we truly understand the basis of the Mahatma's power. On what did it rest? It rested on the utter completeness of his belief. So complete was his belief that he was willing always to put it to the test, as he did again, again, and again, offering his life in forfeit each time. Had he ever wavered, India would not now be free.

The power of belief served the western world when it set itself against a return to the law of the jungle, as represented by German, Italian, and Japanese fascism. It has begun to serve again through the creation of a new world organization, dedicated to the democratic rights of all people. How well it will serve depends on how deeply the men undertaking this great advance in human relations believe in their own mission. These are the men who have set up the structure of the United Nations and have accepted the responsibility for its functioning—or failing.

MUST BE MADE TO WORK

The United Nations Organization must be made to work. The power given into its hands by the people of the world must be used to enforce peace in India. If this is not done, faith in the United Nations will die and all hope of avoiding the great and final war, the war between the east and the west, will likewise die and that final war will come.

As a quick warning to India of its purpose and ability to act, the United Nations Organization should enforce its decision concerning Palestine. Abetted by the British, the Arab countries are making clear their intention to flout the will of the rest of the world, as represented by the United Nations.

There is one member of the United Nations that can bring the British and the Arabs into line, and that nation is the United States.

But the United States, as represented by our Government, shows no determination to act. Instead, every excuse for not acting is given. As the Arab troops, bearing arms sold them by the British, move implacably in on the beleaguered Jewish community from all sides, our Government wrings its hands and closes its eyes to the horrors soon to be enacted. Americans, caught within the fighting zone, are forbidden to aid the Jews. American firms may not sell the new nation the arms and matériel with which to defend itself.

UN-AMERICAN POLICY

There should be a quick reversal of this un-American policy. Our Government should insist on the dispatch by the Security Council of an international fighting force to Palestine. This could be done. The one nation that has been charged—and in most instances fairly charged—with preventing effective action by the Security Council in the past has given every indication of a readiness to cooperate. The nation, of course, is Russia.

But our Government has more fear, apparently, of the consequences of allowing Russia to help prevent the massacre of the Jewish nation than it has of the consequences of the massacre itself. The military minds in Washington whisper that if Russian troops go in along with ours and others representing the United Nations, they will not come out again. These policy-makers seem to feel that by forestalling Russian participation in the enforcement of peace, they somehow outmaneuver the Russians.

The answer to this thinking was given by former Under Secretary of State Sumner Welles a few days ago, when he said: "If large-scale hostilities break out in the eastern Mediterranean, which enable the Kremlin legitimately to claim that Russia must take armed action to safeguard her vital interests by restoring peace in a region adjacent to her frontiers, is it likely that our policy will be successful?"

The Arab nations, although taken into membership, frankly do not believe in the United Nations. We either do believe in it or we do not. If we do, the time has come to put our belief to the test.

Repeal the Margarine Tax

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following article which appeared in the Christian Science Monitor, Boston, Mass., on Monday, February 2, 1948.

REPEAL THE MARGARINE TAX

It is seldom that the effect of a tax is felt primarily in the kitchen and on the dinner table. Most governments are reluctant to tax food. The United States Government tax on colored margarine is an exception, and one that weighs heavily on family budgets in these days of high food costs.

The collections from the margarine excise for 1946 were just under $5,000,000—not a major item in a $39,000,000,000 budget but a consequential one in many household allowances.

Several bills are pending in Congress to repeal this discriminatory tax. Some are sure to be pressed strongly.

Even favorable action by Congress would not assure housewives of free access to colored margarine in their stores in all States of the Union. In fact, the laws of 23 States still require margarine to be bleached white.

Legislatures of four of the States which bar colored margarine now are in session. In Massachusetts proposals are pending to repeal this prohibition. It is likely that similar bills will be considered in the other three—New York, New Jersey, and California.

There is another Federal margarine tax which could well be overhauled. This is the annual license fee for manufacturers (so-called) of margarine, which has been so construed that any hotel, restaurant, boarding house, private hospital, orphanage, or old folks' home that mixes color into margarine for its tables must pay $600 a year.

Even Federal legislation cannot remove all the discriminations which deny consumers an unhampered choice between margarine and butter. But repeal of the Federal tax on colored margarine would be a long step in the right direction and an encouraging example to the States.

GI Subsistence

EXTENSION OF REMARKS

OF

HON. MARGARET CHASE SMITH

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mrs. SMITH of Maine. Mr. Speaker, as an ardent advocate of increasing GI subsistence allowance, I believe that the Lewiston Evening Journal editorial of January 22 makes good common sense as it urges concentration of such help for those who are seriously studying practical pursuits and the avoidance of indiscriminating assistance for merely hobby education.

GI SUBSISTENCE

The GI bill of rights was passed by Congress in the heat of gratitude for the men and women in the armed forces who won the fighting war. Among the educational provision was monthly subsistence allowances for GI's taking training or going to college—$65 for single veterans and $90 for married. This figure was arrived at in terms of the cost of living 3 years ago. Since the bill became a law, prices have risen to the point that the original allowances are inadequate.

The educational opportunities offered in the bill were all to the good and for the good of the count y. It was little enough to offer to a veteran whose youth was interrupted, education delayed, and whose normal development was shut off. If it was a good thing then it is now—but allowances should be increased to meet the higher costs. The married veteran, many of whom are fathers, is hard put to stay in college or continue training, especially if there are children. Many veterans' wives are working to eke out the living costs.

Bills of veteran benefits should be trimmed in favor of assisting those who are fitting themselves for life work. The scholastic record of the veteran is in the high upper levels. Such projects as flight-training, dancing, and others in the hobby category should be eliminated and the funds diverted to increase allowances of those preparing for life careers.

This can only be done by an act of Congress. Congress should act quickly.

Tax Relief for the Wealthy

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. BLATNIK. Mr. Speaker, I rise to speak against H. R. 4790—this tax-reduction bill which is designed to shift a greater percentage of the tax burden from the wealthy income groups to the small taxpayer. Its effect is to break down the progressive nature of our existing tax structure, which is based on the ability to pay, in order to grant huge tax hand-outs to those who have been making enormous incomes during this period of inflation.

This bill makes four important changes in the present tax laws. The first major change in the increase in personal and dependency exemptions from $500 to $600 per person. The second is the provision which permits married couples to split their incomes in making tax returns. A third change is the reduction in the rate of taxation by 30 percent on the very smallest incomes, by 20 percent for the incomes below $4,000, and by 10 percent on the larger incomes. The fourth major change is the reduction in estate and gift taxes by 50 percent.

FOR THE GREEDY, NOT THE NEEDY

This measure has been cleverly drafted by the majority party tax planners to deceive the people, and to mislead them into believing that real tax relief is being given. But its effect is just the opposite. The people who need tax relief—the low-income groups—will get only a token reduction. The wealthy person will, on the other hand, be given a bonanza. Those provisions which provide for a $100 increase in per capita exemptions, and the 30 percent cut in the smallest incomes, will not give the substantial tax relief that the small taxpayer needs for protection of his living standard. These features are only the sugar-coating which have been added to make this "rich man's" tax bill more savory to the public, and to detract attention from the gross inequities of the bill.

A careful examination of this measure will reveal its inequities, and prove it to be a masterful piece of Republican duplicity. The 30–20–10 percent tax reduction provision is most unfair to the average citizen. For example, a married man with two children receiving an annual income of $3,000 would get only $110 in tax reduction. On the other hand, a family of four with $100,000 per year income would obtain an $18,000 tax cut. The tax cut on a $500,000 income would be $63,000, and would amount to $106,000 on a $1,000,000 income.

The provisions which allow for income-splitting are also deceptive and unfair, as the bill is written this feature will benefit only the wealthy. It has been estimated that 97 percent of the benefits under the income-splitting provision will go to those with incomes above $5,000. The 50-percent reduction in the gift and estate taxes will also benefit only the families of great wealth.

The facts which I have mentioned relating to the effects of this bill permit only one conclusion. This measure will reduce Federal revenues by $7,100,000,000, and most of that amount will go into the bank accounts of the upper income groups.

It is difficult to understand why the upper income groups are in need of such generous tax reductions. Statistics from the Federal Reserve Board show that accumulated savings in this country at the end of 1948 amounted to $140,000,000,000. These savings include bank deposits, Government bonds, and cash. But to whom do these enormous reserves belong?

WHOSE SAVINGS?

An examination of the savings picture will reveal that most of the reserves are in the hands of the wealthy—the people to whom my Republican colleagues now want to give tax relief. According to the TNEC report, the wealthiest 10 percent of our population is responsible for 86 percent of total savings; the next wealthiest 10 percent accounts for another 12 percent of all savings; and the remaining 80 percent of our people acquire only 2 percent of total savings. In other words, most of the $140,000,000,000 in savings are concentrated in the hands of 10 percent of the people who have the highest incomes.

Now, we are discussing a tax measure which will make these same people the chief beneficiaries. The Knutson tax-reduction bill would give over one-third of the total tax reduction of $7,100,000,000 to 7 percent of the taxpayers in the upper-income group. The remaining 60 percent of the tax relief would go to the other 93 percent of the taxpayers, with a bulk of it going to the higher brackets of this group. Little real relief will be given to the majority of the people—the people who make less than $2,300 per year, and who need tax reduction most.

Such an arrangement may appear fair and equitable to my Republican colleagues, but to any reasonable person it seems to be a sell-out of the millions of wage earners and salaried people in favor of the wealthy taxpayer. It represents a repudiation of the universally accepted principle that simple tax justice requires that the tax burden should be so distributed as to bear most heavily on those who are best able to pay.

CONTRIBUTES TO DEPRESSION

I object to this measure not only because it violates the principle of ability to pay but also because it is by its very nature a depression-breeding policy. Business prosperity and full employment depend upon the maintenance of adequate purchasing power in the hands of the great majority of consumers. Yet, as the President's Economic Report shows, the inflationary rise in the cost of living is steadily depleting mass-purchasing power, and is forcing consumers to resort to credit buying and the use of savings to purchase the necessities of life. This economic situation is serious, and contains the seeds of depression.

An intelligent tax policy would contribute toward the reversal of this trend by granting substantial tax relief to low-income groups, and thus increasing their spendable income for consumer purchases. But this tax bill does just the opposite. It ignores the need for maintaining the purchasing power of the low-income brackets as a bulwark against depression—only the wealthy will benefit from its provisions. Such a short-sighted policy will increase the chances of economic collapse in the near future.

REAL TAX RELIEF NECESSARY

Mr. Speaker, there is a real need for tax relief, but this relief should be given to those who can least afford to pay taxes. This could be accomplished by retaining the present income-tax rate, while raising the per capital exemptions. Another approach would be to adopt the Dingell bill which would grant a $40 cost-of-living tax credit to each taxpayer. I regret that the House Ways and Means Committee has not seen fit to report out such a measure for debate. I have always favored real tax relief for the people, and have stood ready to give my support to any measure which would grant such relief.

However, I must go on record as being opposed to the unsound and inequitable Knutson tax bill. It is a rich man's tax measure which will favor the wealthy at the expense of the average taxpayer. It fails to recognize the need to conserve the people's purchasing power, and is therefore a depression-causing proposal. I have no choice but to vote against it.

Warning to Women

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mrs. ST. GEORGE. Under unanimous consent to revise and extend my remarks in the RECORD, I include a news letter of Samuel Pettengill:

WARNING TO WOMEN

Ladies, take notice! If you go to Florida this winter, don't give your mother, sister, or daughter a hair-do, shampoo, or manicure. You have got to have such work done in a registered beauty shop. It makes no difference if you shampoo mama for free. There is a law "agin" making people pretty at home. The fine is $500 and/or 6 months in the hoosegow. This is on the authority

of a newspaper dispatch in the Tallahassee News-Democrat of December 7.

The professional beauticians of Florida are alarmed at the damage you might do to a dear one through love and ignorance. So, with no thought for self, these noble souls have lobbied a bill through the legislature to protect your mother from you, and you from her.

When I think of the sacrifice of time and effort these splendid uplifters made in your behalf, I am lost in admiration. It's hard work buttonholing legislators in the vast corridors of some State capitol.

It is apparently still legal in Florida to clip your own hangnails, or wash your own hair. But think of the greater danger when you do these chores on yourself. The law will no doubt be strengthened to prohibit self-beautification and send you to Ye Beauty Shoppe at so much per.

Why, this opens a whole new field for public service. Think of taking a bath alone. And stepping on the soap without a beautiful beautician and public cleaner to grab you and save you from yourself. More people fall in bathtubs than in battle. I know. I cracked three ribs once in a Texas bathtub. No one should be allowed to take a bath in his own home. It's too risky. The only place to take a bath is in a licensed, registered, and inspected Cleanie Bathee operated by licensed, registered, and inspected professional public cleaners. We should go to the cleaners.

And shaving! When I count the times I have cut myself with safety razors, I marvel I'm alive. Think of my hair-breadth escapes from barbers' itch and sudden death. I should never have trusted me to I. I demand protection. I shall write my Congressman. We've got to have a Bureau of Bristles in the Department of the Exterior.

And then think of the terrible risks young husbands take with Honey Bun's biscuits. The broken teeth, the ruined stomachs, the awful language! No; we must save husbands from their wives. Too long have we neglected our plain duty to these helpless ones. We need a secretary of biscuits and salaratus with a salaried staff of inspectors of young wives—one for every kitchen.

And when I see the figures on divorce, it is plain that love-making is extremely dangerous. No job for amateurs. As Harry Lauder said, "Love is a disease." It's very contagious, too. The public needs protection. No one should be allowed to make love until he has passed a civil-service examination on Ye Art of Love, the Right Phase of Ye Moon, and How to Choose a Wife. Why, we have had bureaus of animal inspection for years. Will you be so bold as to tell me that prospective brides need less inspection than animals? We must have registered, licensed, and inspected inspectors of love's young dreamers. We've got to pass a law. Florida, lead the way.

SAMUEL B. PETTENGILL.

The Jewish State Is in Danger

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. BLATNIK. Mr. Speaker, the General Assembly of the United Nations voted on November 29, 1947, to create an independent Jewish state in Palestine. Today, that decision is being nullified by armed Arab bands who are carrying on open warfare against the unarmed Jewish population. Under leave to extend my remarks in the RECORD, I include an article entitled "Conspiracy Against Partition" by Lillie Shultz which appeared in the January 31 issue of the Nation, and one which will throw considerable light upon the issues in Palestine:

CONSPIRACY AGAINST PARTITION

(By Lillie Shultz)

No more cynical veto was ever applied by a major power to a United Nations decision than Great Britain's refusal to comply with the recommendation of the General Assembly on November 20 that "an area situated in the territory of the Jewish state, including a seaport and hinterland adequate to provide facilities for substantial immigration, shall be evacuated at the earliest possible date and in any event not later than February 1, 1948."

The reason given by Sir Alexander Cadogan for this refusal was that his government was unwilling to jeopardize an already delicate situation and create new troubles for its security forces in the Holy Land. Sir Alexander repeated on January 21 what had become the standard British response to all inquiries about cooperation during the UN deliberations—namely, that so long as the mandatory regime is maintained it must retain undivided control over the whole of Palestine. He added: "For this reason it is not possible for my government to comply with the recommendations concerning evacuation of a Jewish port and hinterland so long as the mandate continues." Sir Alexander had apparently forgotten that Britain had also undertaken to maintain peace and security in the Holy Land until its withdrawal.

With British troops numbering 80,000 to 100,000 in Palestine, a modern army with modern equipment, it is nonetheless a fact that since November 30, 1947, there has been raging in that small country fierce warfare, initiated by the Mufti and the Arab Higher Committee, carried out in the first instance by Arabs of Palestine, and supported by the surrounding Arab states and bands infiltrating from these states. Is this a war of such proportions that it could not have been nipped in the bud by the mandatory power? And if it is, why has it not been brought to the Security Council?

When partition was voted, several facts encouraged the belief there would be a minimum of violence, at least until the independence of the two states was established: (1) The presence of large British forces and the declared intention of the mandatory power to maintain security; (2) the existence of the Haganah, and its ability to keep order provided it were recognized—as the UN clearly intended it should be—as the armed militia of the Jewish state and promptly supplied with arms; (3) the absence of any important Arab military force inside Palestine and the inability of the Arabs to wage an armed struggle unless supplied and directed from the outside; (4) the assumption that open flouting of a UN decision would evoke prompt action.

But neither the presence of the British military forces, nor a police department responsible to them, nor 165 emergency-defense regulations—which before partition were applied almost exclusively to the Jews—prevented Arab excesses. In many instances British troops have been passive spectators of attacks on the Jews, and in some, accessories. The British authorities have permitted a band of the Mufti's henchmen, calling itself the Arab National Guard, to besiege the old city of Jerusalem while holding 1,700 Jews as hostages, and have even concluded an agreement with this band permitting British troops to enter the old city to distribute food and other necessary supplies. Though the Mufti's organization, the Arab Higher Committee, is directing the whole operation, not one of its leaders has been arrested. In fact, the Palestine Government itself is distributing rifles to Arabs in the villages, ostensibly to enable them to defend themselves. Members of the Haganah, on the other hand, are being systematically disarmed. Recently the British withdrew from Jaffa and Tel Aviv, leaving their protection to Jews and Arabs under British command. The Arabs were armed by the British; the Jews were not, on the excuse that they had stores of arms.

Regular incursions into Palestine of Arabs from Syria and Lebanon and other Arab states for the purpose of attacking Jews are openly tolerated.

Far from permitting the Haganah to act as a militia to help maintain order and carry out the UN directive, British authorities are treating it as a terrorist agency. Meanwhile the Arab Legion operates in the key Jewish sections of Palestine, and Palestine Arabs are equipped with arms sent in by the Arab states or turned over to them by Arab members of the British police.

Without doubt this reign of terror could be ended without great loss of life and without additional military force. Its continuance is to be attributed directly to British policy, which has countenanced the war in Palestine as a form of political blackmail whose immediate objective is to defeat the partition plan and consolidate the British position in the Middle East. The long-range objective of this policy is to pave the way for the extension of the Truman doctrine to the whole Middle East. To that extent at least, our State Department is implicated.

Why are the British conspiring with the Arabs to carry out their armed revolt against the Jews? The reasons are simple:

1. Bevin and some of his Foreign Office colleagues are not averse to a little bloodletting—particularly of Jewish blood.

2. Britain intends to remain in Palestine. It is therefore ready to help along a situation which will prove the partition plan to be unworkable and open the way for some form of the Bevin federation plan as a substitute. As the mandatory power with large forces on the spot, Britain could then be persuaded to handle the carrying out the scheme as agent of the United Nations.

3. Should this fail, the British have another plan. At the appropriate moment, if nothing disturbs the stage as it is now being set, they will permit Emir Abdullah, of Transjordan, to overrun the whole of Palestine with troops of the Arab Legion—British trained, officered, and equipped. As a result (a) Abdullah will give up his ambition to annex Syria and Lebanon; (b) the British will be assured of the Negev, bordering on Egypt, of Haifa with its pipe-line terminus and port facilities, and of the port of Aqaba, giving access to the Red Sea; (c) the states of the Arab League will be rid of the Mufti and his rabble-rousing potential which the governing hierarchy in each state fears; (d) the Jews will be herded into a kind of ghetto in a restricted area with limited autonomy, and Britain, in the role of protector, will endeavor to reconcile them to this fate. Thus the primary aim of the Arab revolt—an Arab Palestine—will have been achieved. And Britain will have won.

This is no pipe dream. It is the reserve plan, approved in London and worked out by Brigadier Clayton, British military expert in Egypt, with leaders of the Arab League. And the Arab League is still the creature of the British, with Brigadier Clayton the only non-Moslem regularly permitted to attend its meetings. Key officials in the United States Defense and State Departments are familiar with the plan.

The prime object of Bevin's foreign policy is to assure the continuance of old conces-

sions or their extension—military, political, and economic—in order, on the one hand, to protect Britain's oil empire and, on the other, to advance the plans of the Anglo-American alliance for containing the Soviet Union. For this purpose bases are needed on both sides of the Mediterranean. These the Arabs could well afford to give in return for being allowed to carry through their revolt.

The first results of this British strategy became evident on January 15 with the signing of the new Anglo-Iraqi military treaty. This was a renewal of the 1932 treaty whereby Britain obtained air bases, facilities for moving troops and equipment, the right to supply military and civilian advisers and technicians, joint control of the British-built railways and the port of Basra, and the right to move in troops if war threatened.

To be sure, under the new treaty Iraq is granted complete territorial independence and with it the air bases of Habbaniya and Shaibah. But Britain retains the right to use these bases until peace treaties have entered into force with all former enemy countries. Britain also continues to sell arms to Iraq. And an annex to the treaty states: "In the event of either high contracting party becoming involved in war or a menace of hostilities, His Majesty the King of Iraq will invite His Britannic Majesty to bring immediately to Iraq the necessary forces of all arms and will furnish to His Britannic Majesty on Iraqi territory all the facilities and assistance in his power." This prize may yet escape the British. Iraqi nationalists are protesting against the terms of the treaty, but this may turn out to be only a maneuver to gain further concessions.

Another treaty which has just come up for renewal is that with Transjordan. Under the present treaty Transjordan is nothing but a British base. The British are not only authorized to station, maintain, and transfer troops and ammunition to Transjordan, but also to train such armed forces as the Emir is assumed to require, with the British undertaking to defray all costs.

Other negotiations are under way with Egypt, Saudi Arabia, and both Syria and Lebanon.

The stakes for which the British are playing in Iran, Iraq, and Kuwait include an oil reserve of something over 15,000,000,000 barrels. The exclusive rights to the oil deposits of Iran and Kuwait are held by the Anglo-Iranian Oil Co. The British Government owns 50 percent of the shares of that company.

British and American oil interests mesh throughout the Middle East, and with them military interests as well. The Gulf Oil Co. of the United States owns 50 percent of the Kuwait concession. Socony-Vacuum and Standard Oil of New Jersey own approximately 25 percent of the Iraq Petroleum Co. and all its interests. The largest oil concession—that in Saudi Arabi—is owned exclusively by American interests. It has a reserve of 5,000,000,000 barrels, will run until the year 2005, and last year paid $17,000,000 in royalties to King Ibn Saud.

If Britain has bases in Iraq and Transjordan, the United States now has a base in Dhahran, where our Air Force operates a field built during the war. A deep-water port is being constructed near Damman, 11 miles from Dhahran. A pipe line being laid through Transjordan and Syria to Port Sidon in the Lebanon is expected to be completed in 1950. It will be capable of delivering 300,000 barrels of oil daily at the Mediterranean port. Last week the United States announced the reopening of a wartime airport at Mellaha near Tripoli in Libya, where the British still maintain control. This, coupled with Britain's announcement that it plans to use Cyprus as a military base and with the Greek vote against partition at the UN, gives a clear indication of Anglo-American plans and illuminates some of the reasons why the State Department seems to be conniving at the defeat of the United Nations plan for Palestine.

Since the disorders began, the United States has given no indication that it intends to take action to implement partition, either by helping to bring about British compliance with the UN decision or by securing the protection of the UN commission and the Jews of Palestine through an international police force. All signs point in the opposite direction.

According to the decision of the General Assembly, the commission is responsible to the Security Council. When the report of the Assembly's action was brought to the Security Council, the Arab attacks had already started. But the United States took the position that there should be no discussion of the question then.

The representatives of the United States, it should be underscored, take their instructions directly from the State Department and not from the President. When some weeks ago Secretary-General Trygve Lie sent out a questionnaire to the Big Five and other important states, asking about their attitude toward an international police force in view of the occurrences in Palestine, the United States failed to make any reply. Earlier the United States had favored a volunteer force.

But the positive acts of the United States are even more disturbing. At the General Assembly, when the protection of the Jewish community was discussed, the American representatives in closed meetings and press conferences and in personal conversations among members of the delegation and the press, took the position that the Haganah would be recognized, without question, as the Jewish militia and would speedily be provided with sufficient arms to carry out its functions.

On December 6, just a week after partition was voted by the Assembly, the State Department announced an embargo on arms to the Middle Eastern countries.

What is the effect of this unilateral act? First, obviously, it prevents the arming of the Haganah. Second, the seven Arab states are in a position to buy arms from all other member states and turn them over to the Mufti and his cohorts. That is precisely what is happening. Britain has announced that it will not impose an embargo and will honor its commitments to send military supplies to the Arab state. This means that the United States is accessory to a maneuver by which the Jews of Palestine are being exposed to annihilation, for it is impossible for the Jewish Agency to purchase arms in the legal market as long as the Jewish state is not recognized. It means further that American lend-lease and surplus military supplies in many countries are being used to defeat partition and wipe out the Jews of Palestine.

Before the crucial vote in the UN was taken, Loy Henderson and his colleagues in the division of near eastern and African affairs told President Truman that any further pressure on the Arabs would jeopardize the defense program. After the vote Herschel Johnson, United States representative on the Palestine committee, was reprimanded by Loy Henderson for carrying out too energetically the President's order to support the resolution. More recently the State Department has told the President we have done more than was necessary, and that our role now should be to wait and listen.

Apparently the Arab states are not afraid of UN reprisals, for the Governments of Syria and Lebanon are openly flouting the partition plan while Syria sits as a member of the Security Council. The Premiers and the Defense Ministers of both countries are responsible for the collection of funds, the registration and training of volunteers, and the assembling of arms to be sent into Palestine. This was reported to the Lebanese Parliament on January 15 by the Minister of Defense.

On January 14 the Arab paper Al Masri quoted the Syrian Defense Minister as saying that the training and arming of volunteers in Syria was progressing satisfactorily and an all-out attack against the Jewish community of Palestine could be expected within a month.

At Secretary Marshall's press conference on January 21 a representative of the Nation asked whether in his belief the invasion of Palestine by Syrian troops constituted a threat to peace and security which the United States might take up with the Security Council. Secretary Marshal brushed the question aside with the comment, "I don't want to talk about it at this time."

From another source the Nation has learned that the United States has no intention of sending American troops to Palestine or of initiating any action leading to an international police force in which Americans would participate. Secretary of Defense Forrestal has privately threatened to resign and denounce the administration should it contribute American troops to an international force or give impetus to the formation of such a force. Nor do we intend to lift the arms embargo.

The United Nations Commission on Palestine will by February 1 make its first report to the Security Council. The report must, of course, cover (1) the refusal of the British to comply with the terms of the resolution; (2) a description of the disorder in Palestine and its sources. A special report will deal with the desire of the Commission itself to be protected in Palestine by armed force as well as the United Nations flag.

Which country will take the initiative in suggesting action to restore order becomes the crucial question. Were the Russians to do so, they would play directly into the hands of the British, who would like nothing better than proof of the Soviet desire to gain a foothold in the Middle East. France, beset by its internal difficulties and the special problems of its Moroccan empire, can be counted out. So can China, now in the midst of the most delicate negotiations with the State Department. The two countries which remain are Great Britain and the United States. What will the United States do? Will President Truman be bullied by the State and Defense Departments into believing that further action by the United States would jeopardize the defense program? Or will he refuse to be swayed by the spurious arguments of Loy Henderson, Secretary Forrestal, and Admiral Leahy?

The United States could do a number of things which in no way involve American troop movements or our so-called defense program. We can face the issue of British recalcitrance and insist that it be ended. We can tell the Arab states that we recognize their complicity and will not tolerate it, and we can back that statement by the following specific acts:

1. Expose the Mufti as a war criminal through the publication of the secret files which were seized by the American occupation forces in Germany.

2. Insist upon the arrest, indictment, and trial of the Mufti as a war criminal.

3. Demand the extradition and trial of Kauwkji, now in Syria, the actual field commander of the Arab forces being siphoned into Palestine.

4. Take the initiative in demanding that all members of the United Nations place an embargo on arms shipments to the Arab League states.

5. Demand the immediate recognition of the Haganah as the defense force of the Jewish people of Palestine and its proper equipment for defense purposes by member nations of the UN.

6. Urge the establishment of an international police force with all possible speed—this force to comprise contingents of small powers to maintain internal order, but to be assured of big-power support in the event of external aggression.

The Arab world is incapable of a sustained revolt without the active support of the western nations, including moral encouragement, military supplies, and the training of troops.

As I have shown, the present disturbances can be laid to British connivance. As long as the United States fails to take appropriate action, the inference must be that the State Department, in agreement with the British, is deliberately undermining the pledges of the President of the United States. For this reason, if for no other, Mr. Truman himself should investigate the efforts to defeat his directive on Palestine. What is involved here is not simply the honor of the United States. Peace and security are at stake. Only the naive will believe that alliance with Arab feudal overlords, most of whom were yesterday in the camp of the enemy, constitutes a first line of defense in any war, cold or hot.

Will United States Government Uphold Monopoly?

EXTENSION OF REMARKS
OF
HON. E. L. BARTLETT
DELEGATE FROM ALASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. BARTLETT. Mr. Speaker, I am glad to note that Alaska has a good friend in the St. Louis Post-Dispatch. We need friends in these days, when the imminence of statehood has made almost frantic those absentee interests who have so long controlled the Territory and who now seek to make their position forever secure before the people of Alaska create a State government. The St. Louis Post-Dispatch hit the nail on the head in an editorial which appeared January 7:

What is the mission of the examiners for the Maritime Commission in the investigation of Alaskan freight rates? Are they disinterested searchers for the facts or are they apologists for the shipping monopolies?

Two months ago the case against the monopolies of Gilbert W. Skinner of Seattle was fully documented at a Federal hearing. It was shown that his shipping companies are authorized to charge rates twice those to Honolulu although the distance from Seattle to Honolulu and from Seattle to Nome are the same.

Governor Gruening, of Alaska, put it this way:

Alaska is handicapped by excessive maritime transportation rates—the highest in the world in fact, imposed by what has become virtually a one-man-owned absentee shipping monopoly, a monopoly fostered by unseen men in distant Federal agencies.

In the face of facts and statements such as these, the Federal examiners have again called on the Maritime Commission to uphold the rates of the Skinner monopolies. No wonder Philip Eden, CIO economist, says that Skinner has more influence than 90,000 residents of Alaska.

The Maritime Commission should reject the recommendation of its examiners. If necessary, it should conduct its own investigation. When other applicants are asking the opportunity to engage in shipping at lower rates, the Commission cannot justify the preservation of the Skinner monopolies at excessive rates.

Here is another argument for statehood for Alaska. So long as Alaska is a Territory, without Senators and Representatives to look out for its interests, greedy men will seek to victimize the helpless residents.

Our Final Choice

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include an article entitled "Our Final Choice," by W. T. Holliday, president, Standard Oil Co. (Ohio), which appeared in the Reader's Digest, January 1948 issue:

OUR FINAL CHOICE

(By W. T. Holliday, president, Standard Oil Co. (Ohio))

I am one of those terrible people, a munitions-maker. As chief executive of an oil company, my business is just as essential to war as tanks or planes. So I am supposed to welcome war as a fine thing for my business.

But the next war will not be a fine thing for my business—nor for any business. It will simply be the dead end of all our business—and of a good many other things as well. Man, at long last, has developed the instruments with which he can destroy his world—and will destroy it, unless the power to do so is taken from h' n.

So I put this to your common sense: If you know that down cellar in your house there is a hundred pounds of dynamite, with a fuse of a certain length attached and lit, is it your main job to see that the beds are made and the cupboard is filled?

Let us wake up. The first job of all of us today is to secure world peace. Our only alternative is World War III. The horror behind those cool words is beyond imagination. Already the scientists, in the merest babyhood of atomic power, are talking about bombs a hundred times more powerful than the Hiroshima type, which could blast New York off the earth and kill 6,000,000 people. Just as appalling, the scientists tell us, are developments in warfare by deadly bacteria.

Whenever a civilization is faced with a new and fundamental challenge, there is only one thing that can save it from decline and fall: Its men and women must change their habits of thought to meet the challenge. Either they meet their new world with new thinking, or they go under.

Do all of us realize that our present and normal state of world affairs is nothing but raw anarchy? We are living under a world condition of lawless chaos that we could not tolerate for an instant in our immediate lives.

Scholars talk about international law, but the plain truth is that there is no such thing. Law means enforced law. To enforce law, it takes a government. And where is their international government?

Well, you say, Don't we have the United Nations?

We do—for what it is. But at present the United Nations is not constructed to do the job that needs doing; let us recognize its shortcomings and try to correct them while there is still time.

The United Nations cannot maintain world peace for the simple reason that the United Nations is not a government. It has no world laws and no power to enforce them if they existed. The United Nations is nothing but a league, a many-sided treaty signed by 57 separate nations—each of which keeps all its independent power of deciding at any moment whether it will make war.

History is full of such agreements, from the leagues of ancient Greece down to the League of Nations. Every one has proposed to abolish war and every one has ended in war. If the league theory were all that history had to tell us about maintaining peace, the human race might as well shut up shop.

Under our noses, however, is a different fact of history that is equally well proved; it constitutes the only hope by which imperfect men in an imperfect world can live in peace together.

THE PROMISE OF FEDERATION

What is the real meaning behind the symbol of the policeman? If you look closely at the public peace in your city, you will be reminded that you and your fellow townsmen would be completely incapable of maintaining the peace by yourselves as individuals. The policeman represents public force, wished-for order and agreed-upon laws. Most important, he represents the unseen fact that you and your fellow citizens have given up your primitive, independent right to settle your own dispute with your own force, and have assigned him the power to handle something which you are individually powerless to handle. In a word, you and your fellow citizens have federated.

The essentials of federalism are all within the policeman. He does not tell you when to get up in the morning or what to eat for supper—his powers are his assigned powers, and no more. But when you have trouble within the scope of his duties and powers, he takes charge. And it works.

It is one thing to say that a federal world government would have supreme jurisdiction in maintaining the peace. But how would it enforce this peace? Right here is where you and I must change our habits of thought. It is hard for us to think of armies and navies not belonging to separate nations but to the world as a whole. Yet it is a condition of world government that all the great weapons of mass destruction must be given up by the nations and handed over to the world government. Theoretically, the world government would have the power to make overwhelming war upon any nation that threatened world peace.

I say theoretically because the real nub of enforcing world peace would be something quite different. Otherwise we are back at the impossible paradox of making war upon a nation for the sake of preventing war. How do we get around that contradiction?

The writers of our Constitution were puzzled by exactly the same point. They wanted the Federal laws to be obeyed in the States. But they knew the Union could not merely ask the States to enforce Federal laws. And they knew that for the Union to proceed by force against a State as a whole, for the sake of punishing a few lawbreakers, would be like burning down the barn to get rid of the rats.

They solved the problem by giving the Federal Government the power to go straight to the individual citizen, within any State, and punish him for his violation of Federal law.

And that is how Federal world government would enforce world peace. Just as you and I, whether we live in Oregon or Ohio, are punished if we break the Federal laws against counterfeiting, any national citizen under world government would be punished if he broke world laws against fomenting international war. If this seems an extreme break with our old habits of nationalistic thought, the fact is that the world is already moving in this direction. The principle of individual guilt for fomenting war is simply setting up Nuremberg trials before the event.

The shape of this world government is clear in outline. At the top is a world constitution. Under this, world government is embodied in a world legislature for enacting the laws to maintain peace, world courts to interpret those laws and decide disputes, a world executive body to execute the laws, and a world police to enforce them.

ARGUMENTS AGAINST WORLD GOVERNMENT

The objections to world government are numerous, but I have never once seen the statement disputed that it is the only final answer to world war. In sum the critics more or less tacitly concede world government to be necessary—and loudly declare it to be impossible. They list a variety of obstacles.

I was invited not long ago to take the side of world federation in a debate against a well-known commentator. I replied that I would be happy to debate with him, provided he would really take the other side. He must do more than point out the problems and difficulties on my side—he must argue against world federation itself as a solution for war. The gentleman declined. He said there wasn't any debate.

Some declare, for example, that national sovereignty prevents world federation, because no nation would diminish its sovereignty enough to join. Let us see what this can mean.

Outside a nation's own borders, there is no such thing as national sovereignty—meaning inherent supremacy. Within its borders, the Nation is of course supreme among its subdivisions and citizens. The only touching of this aspect of sovereignty by limited world government is its power to punish national citizens for fomenting international war. In this matter, world government has the supremacy. Yet I hardly see how this takes any supremacy away from the Nation, because so far as I know, in the matter of fomenting international war, no nation now exercises any rule at all over its citizens. If the nations really want war prevented under world federation, the sole sovereignty they would have to renounce would be the power of the nation itself to decide to wage war.

Others argue against a world government to prevent war on the grounds that it would be a negative and repressive government, a mere police state. To go a little deeper is to see that the only repression is of disorder, and that the law and order upheld by government is the necessary foundation for everything positive in social living.

Again, it is widely asserted that the world is not yet ready for world government, even of a limited sort. The critics on this score tell us we must first have long practice in international cooperation through such agencies as a world bank, a world food authority, and so forth. We need such agencies. But they would be no more capable of upholding the peace than the Universal Postal Union, a thoroughly successful example of world-wide cooperation, has been able to uphold the peace since it was founded in 1878. You cannot maintain the peace with a postman, banker, or grocer. It takes a policeman.

Last are the critics who declare that human nature itself is not spiritually ready, has not yet reached the state of perfection necessary for world federation. I am inclined to agree. Yet was human nature any nearer perfection in 1787, when our Constitution was written; will it be any nearer in 1987? The atomic bomb is not waiting for us to perfect human nature!

PROGRAM FOR ORGANIZATION

With all its shortcomings, the United Nations provides the framework for the working world federation we need. Let us see how the job could be done.

The first step is for some nation to introduce in the General Assembly a motion that the United Nations shall call a world convention to draft a world constitution. Article 109 of the charter provides that "a general conference of the members for reviewing the present Charter" can be called by two-thirds of the General Assembly and 7 out of 11 of the Security Council. That "conference" would be the constitutional convention—and no single nation can veto it.

At that conference "any alteration of the present Charter" can be recommended by two-thirds of the nations represented. That alteration would be a federal constitution for the world—and no single nation can veto a line of it.

Now comes the rub. The next step is to submit that constitution to the nations themselves for ratification. Again under article 109, the alteration shall take effect when it has been ratified by two-thirds of the nations, including all the permanent members of the Security Council. In other words, one nation can stop the rest from having constitutional government.

Now that is neither reasonable nor tolerable. It is a curious fact of history that our Thirteen Original States, as they approached federation, were restrained by exactly the same rule of all or none. The Articles of Confederation, under which the Constitutional Convention of 1787 was called, said that any amendment adopted must be ratified by all 13 States. How did our infant Constitution manage to come into effect under conditions so stringent?

It didn't. By a bold and wise stroke the drafters of our Constitution ignored the Articles of Confederation and wrote the provision into the new instrument that it should be established among the ratifying States when 9 out of 13 had ratified.

The delegates to a world constitutional convention would be just as bold, and just as wise, if they ignored the Charter of the United Nations and provided in the new instrument for its own ratification on more moderate terms. If two-thirds of the nations can write a constitution, it would seem reasonable that two-thirds of the nations could establish it among themselves.

Once this federation is established among a reasonable proportion of the world's nations, it forms an open and easily expansible system. For any nation that did not want to come in at first, there would always be a vacant chair.

FACING THE FACTS

Which brings us to today's constant question: What about Russia?

But that isn't the real question. The first question we must answer is this: What about the people of the United States?

We ourselves are the crux of the problem. Do we want world federation? Will we work for it? Will we lead the way? We had better know for sure what we will do, before we try guessing what somebody else will do.

The Russians are realists. And the only way to deal with realists is to give them something real to chew on. This world has no chance of abiding peace until we Americans see to it that our Government takes the lead in establishing a world order of greater and deeper realism than anything the Russians have to offer.

The Russians too are seeking an enlarging order, perhaps a world order. They call it liberation, but the order they apparently want is an order of sheer Russian rule. In one word: empire. But an empire of force is no longer genuinely workable, as the Russians themselves prove by the suppressive measures they find necessary to take among every people they have "liberated."

Federalism is not empire. Under a world federation the rule would be world rule, the law world law, arrived at by the voluntary cooperation of all the member nations. Which is exactly the reason for the much greater and more lasting workability—and hence superior realism—of federalism over empire.

We Americans must lead the way to federalism. If our Government spoke up firmly and clearly for an immediate world federation limited to the prevention of war, I am convinced that a huge majority of the world's nations would join us at once, and gladly.

I myself believe Russia would join. You may believe differently. Should Russia delay in joining, it is entirely possible to create a working and all-but-world-wide federation out of the United Nations without her help.

No one pretends that this would be an adequate solution. It would, for one thing, mean two worlds. Yet I wonder if two plainly defined worlds might not be preferable to the multiple, chaotic world we have today. At least the issue would be out in the open. And it would be a clear issue, instead of the myriad of small, sordid issues the world now finds insoluble without that clarity. And the issue would no longer lie between Russia and America, on a plane of dog-eat-dog rivalry, but between Russia with only nine percent of the world's people on one side and a federation of most, or very possibly all, the rest.

If we Americans really want an enduring peace for the world, we must make this effort toward the only true source of public peace that has ever existed: justice under law and government. We must speak up for it so that our representatives will hear and will act. One by one, whoever and wherever we are, we must stand up and be counted.

The alternative is the catastrophic destruction of our civilization.

It is better to stand up and be counted than be counted while laid out in rows.

New York State Liberal Party Supports European Recovery Program

EXTENSION OF REMARKS
OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. JAVITS. Mr. Speaker, support for the European recovery program is widespread, from political, economic, professional, and religious groups. These join in the conviction that it offers "the only reasonable hope of avoiding war and of saving millions of lives from misery and despair." Typical of this position is the following statement in support of the European recovery program, of the Liberal Party of the State of New York, which joined in nominating me in the last congressional election:

STATEMENT OF THE LIBERAL PARTY OF NEW YORK ON THE ENACTMENT OF LEGISLATION TO MAKE EFFECTIVE THE EUROPEAN RECOVERY PROGRAM

The State committee of the Liberal Party believes it is the duty of every patriotic American to demand that the Congress promptly pass the bill proposed by Secretary Marshall which will make effective the ERP. We are convinced that such action offers the only reasonable hope of avoiding war and of saving millions of lives from misery and despair.

In these circumstances, it is irresponsible folly to try to cripple the ERP legislation with amendments, or to cut down the size of the indicated appropriation. The job of European reconstruction cannot be half done. It is all or none. We recognize the inevitable element of risk and we are quite aware of the sacrifices involved in the full measure of the ERP. But we believe that the risks and sacrifices are less if the plan is fully adopted

and vigorously carried out than if we drift further towards chaos. Even were this not so, adoption of the ERP is a moral imperative. It is accordingly

Resolved, That the Liberal Party communicate with all Congressmen and Senators insisting that they support the full measure of the ERP legislation, opposing all crippling amendments, and voting against any attempts to cut down the measure of the program proposed by President Truman and Secretary Marshall.

Reserve Components of Our Armed Services

EXTENSION OF REMARKS
OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. TEAGUE. Mr. Speaker, there has been much interest expressed in behalf of our Reserve components of the armed services by Members of Congress in an effort to obtain a better Reserve training program. I believe it will be of interest to our Reserve components to know of the action being taken to provide legislation which will encourage more active participation in the program.

Two bills are now pending in Congress which deserve favorable consideration. H. R. 2744 provides for nondisability retirement pay for our Reserve components and H. R. 3227 provides for inactive-duty pay for the Reserves. The benefits of this legislation, together with a better training program provided by the armed services, will result in a large, well-trained Reserve force.

Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a letter written to the Secretary of National Defense, Mr. James Forrestal, and the replies received by me from Mr. Forrestal and General Spaatz, Chief of Staff, United States Air Force:

DECEMBER 17, 1947.

Hon. JAMES FORRESTAL,
Secretary of National Defense,
Washington, D. C.

DEAR SECRETARY FORRESTAL: I have been a Reserve officer since 1932 and have been interested in Reserve work. During the war I was an infantry battalion commander in the Seventy-ninth Division, and it is my belief that one of the primary missions of the Departments of the Army and the Air Force in peacetime is the training of the Reserves.

During trips into my district in Texas last summer, I heard severe criticism of the Army and Air Force Reserve program. This caused me to wonder if this were true generally throughout the United States, or if this situation existed only in Texas. In order to obtain this information, I wrote to the department presidents of the Reserve Officers Association in each of the States of the United States and found that the situation was general. Letters received from these State departments of ROA are on file in this office, if you care to use them.

Those parts of the Reserve program that require corrective action, as revealed by these replies, are as follows:

1. Seventy-one percent of the departments emphasized the need for the passage of legislation allowing the Army and Air Force Reserves to receive inactive duty training pay. A bill covering this subject was introduced in both the House and the Senate during the first session of the Eightieth Congress. The Senate bill (S. 1174) was passed. The House bill (H. R. 3227) was reported out favorably by the House Armed Services Committee but did not reach a vote in the first session.

2. Forty-one percent of the departments stressed the fact that universal military training was a necessity. Hearings on the UMT bill in the House (H. R. 4278) were held during the first session of the Eightieth Congress and the bill was favorably reported out by the Armed Services Committee. Hearings have not been held in the Senate on UMT.

3. Thirty-eight percent of the departments gave priority to legislation covering the retirement for civilian component officers and men. Bills were introduced in the first session of the Eightieth Congress covering this subject. In the House (H. R. 2744), the bill was reported out favorably by the House Armed Services Committee but went over without prejudice on the Consent Calendar. The companion bill in the Senate (S. 1958) has not yet been heard.

4. Twenty-six percent of the departments claimed that the principal need was adequate appropriations for Reserve training.

5. Ninety-one percent of the departments claimed that the difficulty with the Organized Reserve Corps of the Army and Air services involved either a poorly conceived and executed Reserve program; insufficient Reserve units, both as to number and as to type; lack of proper facilities; or inadequate training equipment.

Of the 91 percent of the departments claiming that the failure of the Reserve program was due to these causes, their comments were further broken down as follows: 65 percent stated that the difficulty was due to a poorly conceived and executed program; 38 percent stated that there had not been authorized a sufficient number of table of organization units and that therefore there were not enough vacancies to which officers might be assigned, or that composite-type units had been created and officers have been assigned to these unsatisfactory organizations without regard to branch of service; 29 percent stated that the trouble consisted of lack of proper training, meeting, and storage facilities; 29 percent claimed that there was inadequate training equipment.

6. Thirty-five percent of the departments indicated that one of the troubles was the continued failure of the Department of the Army and Department of the Air Force for a period of 2½ years following VJ-day to indicate the requirements for Reserve officers to maintain their commissions and also what was necessary for them to do to qualify for promotion.

7. Eighteen percent of the departments indicated that there was a failure on the part of the Army and Air Force to include the Reserve enlisted men in the program.

Mr. Secretary, it is my opinion that the Congress of the United States, the Department of the Army, and the Department of Air have failed in our responsibility to our Reserve officers. It is apparent from the above summary that the Reserve officers of this Nation believe that there has been a complete failure of the Army and Air Reserve program. Likewise it appears that there is the need for definite remedial legislation.

In these times of international unrest the national security should be one of paramount consideration by the Congress of the United States. The civilian components composed 98 percent of our armed forces in time of war and the maintenance and training of these forces is imperative in time of peace if we are to have them ready for another emergency.

If there is any way that I can be of service to you in strengthening the national defense of this great country of ours, please call upon me.

Sincerely,

OLIN E. TEAGUE,
Congressman, Sixth Texas District.

THE SECRETARY OF DEFENSE,
Washington, December 18, 1947.

Hon. OLIN E. TEAGUE,
House of Representatives,
Washington, D. C.

DEAR MR. TEAGUE: You letter of December 17, relative to the problems of the civilian components of the armed services, has been received.

As you undoubtedly are aware, I have recently appointed a committee consisting of the Honorable Gordon Gray, Assistant Secretary of the Army, as senior member, and representatives from the Navy and the Air Force as additional members, to go into the whole problem of civilian components of the armed services.

This committee will make a detailed study of all the problems pertaining to the civilian reserve components and will include in their recommendations to me their opinions and recommendations as to the pay, training, facilities, promotions, equipment, etc., which they consider necessary to support vigorous civilian Reserve components for the Army, Navy, and Air Force, and their recommendations as to the legislation necessary to put these recommendations into effect.

I note that you have given a great deal of time and effort in compiling the information contained in your letter, and in order that Mr. Gray's committee may have the benefit of the work that you have done, I am forwarding your letter to him for his information and with the suggestion that he contact you for such additional thoughts that you may have on these important problems.

Your courtesy in writing to me about this matter and your continuing interest in the civilian Reserve components of the armed services is appreciated.

Sincerely yours,

JAMES FORRESTAL.

DEPARTMENT OF THE AIR FORCE,
Washington, D. C., January 15, 1948.

Hon. OLIN E. TEAGUE,
House of Representatives.

DEAR MR. TEAGUE: Thank you for your letter of December 20, 1947, attaching a copy of your letter of December 17, 1947, to Mr. Forrestal. We fully concur with your statement that some phases of the Air Reserve program require changes, and my staff is constantly reviewing and studying the present Air Force Reserve program with a view to continuous improvement within United States Air Force capabilities.

The extent to which Air Reserve training can be conducted is determined first by the requirement for augmentation of the Regular establishment and secondly by the fiscal support made available to the program. Since initiation of the Air Force Reserve program we have been limited by both appropriations and personnel allocations in the accomplishment of the mission. In addition, considerable difficulty has been encountered in inducing nonrated officer personnel and enlisted Air Reservists to participate in inactive-duty training. In this connection, Mr. Symington has written to Mr. W. G. Andrews, chairman of the House Armed Services Committee, to the effect that bills to provide for inactive-duty pay (S. 1174 and H. R. 3227), retirement pay for civilian components (H. R. 2744) and for universal military training (H. R. 4278) are considered by the United States Air Force as urgent pending legislation. It is believed

that through the enactment of this legislation sufficient inducement will result to assure active participation in training by adequate numbers of Air Reservists.

The Air Staff now has under consideration an Air Reserve promotion policy which will establish requirements for retention of commissions and a credit system upon which promotion will be based. It is believed that this policy will be published in the near future.

Your most thorough coverage of the Reserve training program and your kindness in submitting this study to us is greatly appreciated. A copy of your letter together with this reply will be forwarded to Mr. Stuart Symington, Secretary of the Air Force.

Sincerely yours,

CARL SPAATZ,
Chief of Staff, United States Air Force.

Impasse in Palestine

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following editorial from the New York Herald Tribune of February 1, 1948, entitled "Impasse in Palestine":

IMPASSE IN PALESTINE

The British program for withdrawal from Palestine, as explicitly stated by Sir Alexander Cadogan, is calculated to permit Britain to abandon her costly and troublesome mandate with a minimum of risk. But in the process it will turn the United Nations plan for partition of the Holy Land into a tragic farce, unless the UN is able and willing to send adequate forces into Palestine on a split-second schedule, timed to the British abandonment of sovereignty.

The moral weakness in the UN's position is that it has never faced up to the problem of implementing its decrees, but has counted on the active or passive assistance of Great Britain, despite that country's plain warning that it would not enforce a settlement which had not been agreed upon by Jews and Arabs. That the British position was unrealistic, except in the narrowest sense, does not obscure the fact that the UN supporters of partition have thus far been equally unwilling to face the responsibilities which the hard facts of the situation impose upon them.

As matters now stand, the British refuse to guarantee protection to the United Nations Palestine Commission in the Holy Land for more than 2 weeks before the surrender of the mandate—which means, of course, that whatever moral authority the Commission might be able to invoke to limit the present clashes is largely wasted. It also means that the complicated business of drawing boundaries, organizing governments, and so on will be carried on under a tremendous handicap.

What is even more important, the British refuse to permit the open organization of armed militias in Palestine, although in practice they appear to have been making use of illegal organizations along these lines in the maintenance of such order as prevails in their mandate. The worst sufferers from this policy are the Jews, since the Arab strength will be largely supplied by formations from the countries bordering on Palestine. Here bands can be freely trained and equipped for the task of preventing partition, while the Jews have to depend on their own strength and the underground organizations they have developed. Unless this barrier to the creation of a trained and well-equipped Jewish defense force is raised, the UN will have to be prepared to send immediate armed relief to the Jewish state on the withdrawal of British troops or find its solemn decisions go up in the flames of a general conflagration.

It is still possible for the Security Council to propose some plan for United Nations action in Palestine which will fill the vacuum caused by the British departure. To be sure, the British will have the power to veto such a plan, but if it is fair and if it does not require them to assume, single-handedly, the onus of enforcing decisions repugnant to the Arab world, the British would not be likely to defy majority opinion. In any case, the Security Council could lay an international foundation for action in defense of the Assembly's decision at the earliest possible moment. And such action must be taken or there will be a tragedy in Palestine that will form an irreparable blow to UN's prestige and a scandal to humanity.

Mr. Speaker, my colleagues would be horrified if someone had the audacity to introduce a bill disbanding the police force of the District of Columbia. Anyone so rash would at once become a fit subject for psychiatric examination.

There is no place in this world that attempts to enforce law and order without a well-trained and fully armed police force.

Yet we now behold the spectacle of the creation of a new state, accompanied by a warning that the present police force thereof will be withdrawn very shortly and, instead of those who claim to be desirous of setting up this new state, giving it the wherewithal to enforce law and order, we find the greatest country in the world, on the one hand, preventing the establishment of such a police force by an embargo against arms, while, on the other hand, sitting complacently by and watching another great power supply arms and encouragement to the brigands who would pillage and ravage the new state even before it is created.

Universal Military Training

EXTENSION OF REMARKS
OF
HON. WIRT COURTNEY
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. COURTNEY. Mr. Speaker, under leave to extend my remarks, I include certain resolutions recently passed by a very active post of the American Legion at Dickson, Tenn., Post, No. 115, on the subject of universal military training:

RESOLUTIONS

Whereas it is prevalent that there is unrest among many of the nations of the world and that war among some of the far eastern group now looms as inevitable and necessarily could threaten our own Nation; and

Whereas the United States of America has a past history in wars gone before of its undue lack of preparedness in meeting the challenge flung at it by aggressor nations; and

Whereas there has been devised a suggested plan of universal military training as an instrument, if put into force, to assure the United States a stronger foundation for preparedness in case of attack and to establish a firmer bulwark toward the world peace which we are striving for, realizing that preparedness is our strongest weapon for permanent peace: Therefore be it

Resolved by American Legion Post 115, Dickson, Tenn., in regular stated meeting assembled on this the 22d day of January 1948, That it go on record as wholeheartedly favoring the measure now before Congress that, if enacted into law, would establish a program of universal military training in the United States, and that the Post's more than 600 members urge the enactment of this legislation into law at this session of Congress and hereby petition our United States Senators and Congressmen to lend their wholehearted support to the measure from its formal introduction until the bill's final disposition; be it further

Resolved, That a copy of this resolution be entered in the Post's minutes and a copy forwarded to each of our United States Senators and Congressmen from Tennessee.

GEORGE O. HOOPER,
Chairman.
DORRIS HARRIS,
W. A. MCINTIRE,
Resolution Committee.

Approved this, the 22d day of January 1948.
ROBERT L. NICKS, *Commander.*

The Fight Against Inflation

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following account of the remarks I made before the Fraternal Order of Eagles at Gardner, Mass., January 25, 1948:

Addressing the Eagles at an initiation class at Gardner yesterday, Congressman PHILIP J. PHILBIN lauded the part played by that organization in developing a wholesome spirit of patriotism and civic loyalty which he said was a significant force in counteracting radical movements and stabilizing social and economic conditions. The Congressman called upon Government, labor, and management to make a real determined effort to solve inflation and high prices which he declared was our most critical domestic problem.

His remarks follow in part: "Citizens of Gardner best know the splendid contributions of this organization to the well-being and civic integrity of the community. It is obvious that great fraternal organizations like the Eagles, which are based on sound fundamental American doctrines and which teach patriotic ideals and religious precepts, are an effective deterrent to radical movements of the present day. There is no communism in this organization because its members are true to the principles of the American Constitution and their respective religious faiths which they know communism aims to destroy.

"Unquestionably Communist agitations intensified during the war and postwar period have been responsible for a great deal of the social unrest that exists throughout the

world. The international situation presents the gravest of problems. Our domestic economy is also beset by trying difficulties. The inflationary spiral in our own country has raised prices in the case of many commodities to an unprecedented level and the ordinary family is extremely pressed to purchase food, clothing, and other necessities of life. With such prices it is difficult indeed for the ordinary workingman and his family to make both ends meet. This is a very serious condition and cannot further be tolerated. No action to check inflation can be effective in the long run that does not deal with and recognize basic economic law. It is clear that one of the strongest weapons available to us in the fight against inflation is the productive energy and capacity of the unexcelled American economic system—our workers and managers. To be sure, the Government must take the leadership in the fight to check inflation, but if private enterprise and freedom of the individual are to be upheld, labor and management also must move to the solution of this most serious problem. If agreements could be reached between our faithful workers and our progressive managers on a voluntary basis which would permit of greater production and output of all kinds of goods and commodities a decisive blow would be struck at the enemy of inflation, and the Nation would be in a stronger position to meet its obligations at home and abroad.

"But the situation admittedly does not lend itself to easy solution. America must not only produce for its own people but in view of the conditions confronting us abroad must produce to some extent at least, for other democratic nations not only to alleviate hunger and distress, but to strengthen the democracies in the conflict against communism.

"To what extent we can continue to produce for other nations without wrecking our own industrial and productive system is a question which the Congress will have to determine. It is clear, above all, that we must not permit anything to impair the fundamental integrity of our own social, economic, and political institutions which have been and will be the greatest guarantee of future stability and happiness for all our people, and perhaps for the whole democratic world."

St. Lawrence Seaway

EXTENSION OF REMARKS

OF

HON. ROBERT N. McGARVEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. McGARVEY. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the Wilkes-Barre Times-Leader of January 27, 1948:

SEAWAY THROAT CUTTING

Senator WILEY, at the opening of debate on the St. Lawrence seaway, accused opponents of the measure of seeking to cut the economic throat of the Midwest. It apparently is all right in Senator WILEY'S book for him and other proponents of the seaway to cut the economic throat of the East, including the Atlantic ports, the anthracite industry, and the railroads. The Senator is inconsistent.

The gentleman from Wisconsin attacked, among others, John L. Lewis, president of the United Mine Workers of America. Mr. Lewis naturally wants no part of the seaway because it would injure the coal industry and jeopardize the jobs of members of his union. Apparently, Mr. Lewis should not look after the interests of the men whose spokesman he is, but it is perfectly proper for Senator WILEY to look after the interests of his constituents. Consistency is no jewel obviously in the State of Wisconsin.

As for designs on the Midwest throat, it seems to us that section of the country has been doing unusually well for itself under the present set-up. We wish all parts of the United States were as prosperous as this area which Senator WILEY indicates is so downtrodden because of the wicked easterners.

On the other hand, if the St. Lawrence seaway should be authorized by Congress, there is no question about what the effect will be on New York and other seaports, on the coal industry, and on the railroads. They not only will suffer, but they face ruin with attendant loss of jobs by workers, capital by investors and income by the Government. Why should this be when the present arrangement works no hardship and is so well balanced?

This, of course, is only one of many arguments against the seaway. The whole project is a fraud on the American people. It not only is unsound, but it has been misrepresented.

Only yesterday President Truman advocated the seaway on the ground it is necessary to the Nation's peacetime economy and to its security in time of war. Nothing could be further from the truth. Actually, it will injure America's peacetime economy, and it will not be of any help in the event of emergency. Mr. Truman's predecessor tried the same strategy during the recent conflict, but he failed to convince his countrymen. And we did a pretty fair job of licking the Germans and the Japs without the seaway, although to date we have not won the peace.

The St. Lawrence seaway will do more harm than good. It will add to the burden of United States taxpayers at a time when they are staggering under the weight of other obligations. The bill should be defeated, interred, and forgotten.

Oil Shortage To Worsen

EXTENSION OF REMARKS

OF

HON. EDWARD J. DEVITT

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. DEVITT. Mr. Speaker, we in the Midwest are very much concerned about the oil shortage. This problem will be with us for some time to come. It is a basic problem, and must be solved on a national basis. Involved in that solution is the adoption of the proper national policy toward oil.

A sane and sound analysis of the oil problem nationally is presented in an article recently written by Gustaf A. Nordin, the Washington representative for the St. Paul Pioneer Press. This article appeared in that newspaper on Sunday, February 1. I include it as part of my remarks:

OIL SHORTAGE TO WORSEN; STEEL BLAMED

(By Gustaf A. Nordin)

WASHINGTON.—The oil crisis which is very real in the Midwest and along the New England coast at this moment is nothing in comparison to the trouble just ahead.

The full impact of the serious fuel-oil shortage has not struck home, except in communities where the supply has dwindled to a dangerously low level, threatening to leave many American homes without the vital fuel.

A thousand rumors have sprung up as a result, stretching from Washington to the oil fields of Texas to the consumers in the North country and in the East. Some blame the oil companies. Some cuss the Government for shortsightedness. Some accuse the industry of creating artificial shortages to raise prices and profiteer. Some say it is because this country is exporting too much fuel oil.

But the answer cannot be found in any of the rumors.

Experts in the business who know, say that the trouble begins with steel and ends with steel. If steel could be made available in sufficient quantity it would mean more well-drilling equipment, it would help provide new refineries, tank cars and tankers, and it would make it possible to lay new pipe lines into the Middle West.

The industry is not at fault unless it is lack of foresight and oversalesmanship. The Government is not at fault unless it again can be attributed to the inability of Government experts to peer into the future to see danger signs ahead. What then is the matter? Why are we in this serious situation?

It must first be realized that the shortage of oil is world-wide. It is not a United States headache alone. This country actually imports a good deal more crude oil than we export in oil products. So exports cannot be blamed and it would be dangerous to cut off exports as has been proposed. The result would simply be a greater demand for oil outside the United States—in places where this country now buys a large amount of crude oil.

The refineries in the United States are running beyond their original capacity. So the industry cannot be charged with creating artificial shortages. Oilmen are so desperate to cling to their trade and weather the crisis that they have resorted to the transportation of oil by rail from west Texas. That is expensive and is one reason why the price of oil has increased.

If the United States oil industry had been able to function on a normal basis since 1941—barring a war and the postwar restrictions—it would have sunk 70,000 new wells in this country. The lack of those wells today, coupled with too great a demand for fuel oil which once was just a byproduct of the gasoline industry, reduces the amount of oil which can flow into the homes and factories of the Nation.

Economists and accountants for both the Federal Government and the oil industry last spring miscalculated demand badly. Because the demand this winter had been misjudged, the industry held off buying tankers from the Maritime Commission and the Government didn't slap on export controls until June 30. At that time exports were a factor.

It is debatable whether the shipment of oil well drilling equipment to Russia and other countries would have changed the picture if it had been kept in this country. It would have developed more wells here and consequently more oil, but it would have reduced production in other countries—and oil today flows on a world pool basis.

The trouble ahead, however, is more to be worried about unless means can be found to voluntarily curb the use of oil, gasoline, and all other fuels. Men in the know believe these things will happen:

1. Crude and lubricating oils soon will go under strict controls.

2. When 1,000,000 farm tractors swing into action, they will receive a priority for gasoline and oil. The same priority will go to the fishing industry, chiefly because this country will need fish to substitute for meat.

3. Because so much emphasis has been placed on manufacturing fuel oil, the gasoline supplies will be less during the coming months. Some type of gasoline rationing this summer is seen. (Much more gasoline would be extracted from the crude oil if the remainder was not to be used as a fuel.)

4. The squeeze on fuel oil will continue next winter, even if transportation facilities improve, because it takes 18 months to build a new refinery and because of shortages of such materials as steel.

5. It looks like the rationing of fuel oil next winter is a good possibility.

6. Reconversion from coal to oil will slow down until the industry can catch up with demand.

Cost of the Marshall Plan to Each Resident of a Typical County in Missouri

EXTENSION OF REMARKS

OF

HON. MAX SCHWABE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, under leave to extend my remarks, I take pleasure in including an editorial from the Bowling Green Times, Bowling Green, Mo., an independent Democratic newspaper published in the home town of our former Speaker of the House, Champ Clark:

Senator JAMES P. KEM, the junior Senator from Missouri in an address upon the floor of the United States Senate has released figures which may be startling to a number of our citizens who are prone to let George do their thinking for them.

The figures are concerned with the cost of foreign aid since VJ-day or since the shooting war actually stopped.

Senator KEM, stating his figures were gathered from authentic sources, asserted that from July 1, 1940, through June 30, 1947, the United States Government had disbursed in loans, credits, relief grants, etc., to foreign countries, the sum of $73,092,058,013.

He also stated funds appropriated prior to July 1, 1945, were considered to be war expenditures, but since VJ-day more than $24,000,000,000 have been provided for foreign aid.

These figures are almost beyond human comprehension because we have gotten so used to speaking in billions of dollars that we rarely stop to realize their significance any more but $24,000,000,000 is a lot of money. So large, in fact, that a statistician, not one of Senator KEM'S, has figured out if 24 men started counting this many silver dollars at the birth of Christ, they would still be counting, if alive, and their job would not be completed.

But Senator KEM has brought the idea a little closer home by giving figures which pertain to residents of Pike County alone with these statistics:

"The residents of Pike County, since VJ-day, have paid a total of $3,353,841 for foreign aid; the Marshall plan will cost them $2,675,742 more. The total county tax bill for 1 year amounts to $231,052.68.

"In other words, since the end of the war, foreign aid has cost each resident of Pike County more money than they have paid in county taxes for the last 14 years. The Marshall plan will cost them as much as their county taxes for the next 11 years."

Of course, these are Republican figures and in a Democratic community, no doubt many will desire to ignore them, but we publish them in this column because we believe our readers have a right to consider both sides of questions which are of vital concern to us all.

One thing of which we are all sure is that the cost of government is, and has been, out of all proportion to the benefits which we have received and that pay day is just about to befall us in the months ahead.

As we have stated in this column upon numerous occasions, we need more statesmen in our Government and fewer politicians, but so long as we refuse to think for ourselves, we will be misled by those political officeholders who are influenced more by votes than by concern for the best interests of this Nation and we, ourselves, are to blame because we refuse to support those who speak plainly and truthfully, and these are few.

Thus Senator KEM'S figures may be assailed by his political opponents as inaccurate, yet if they are in error by as much as 50 percent, the reveal an excessively large levy by a Government upon a county of 18,327 people by any terms in which they are figured.

China

EXTENSION OF REMARKS

OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. LARCADE. Mr. Speaker, under previous leave to extend my remarks in the RECORD and include a newspaper article, I beg to submit an article obtained by the Scripps-Howard newspapers from former Maj. Gen. C. L. Chennault, of Louisiana, and published in the Washington Daily News, Washington, D. C., on February 2, 1948, as follows:

UNITED STATES CAN STAMP OUT THE THREAT OF WAR

(When the first of Staff Writer Clyde Farnsworth's Mukden dispatches on the Battle of Manchuria was received last week, the Scripps-Howard newspapers, by cable to Shanghai, invited Gen. Claire L. Chennault to give his size-up of that conflict and of the American diplomatic and strategic interests involved. General Chennault, now head of the Chinese Relief Administration Air Transport Service, made his great reputation in China in his spectacular leadership of the famous Flying Tigers, a group of volunteer American airmen who were fighting the Japanese over China long before Pearl Harbor.)

(By Maj. Gen. C. L. Chennault (retired))

SHANGHAI, February 2.—The time fuse of world war III is burning now in Manchuria.

The United States owes it to China and to herself to stamp out this evil threat if possible. I believe it is possible.

If the United States does not help China and herself in this way we shall have facilitated—nay, assured—triumph in Manchuria of Russian-inspired, Russian-armed, Russian-manipulated rebellion within and against a nation friendly to us. We shall have abandoned the initiative we now possess for keeping what remains of world peace.

Something must be done because the only conceivable strategic motivation for this cat's-paw game, which Russia is playing in Manchuria, is to insure her eastern flank for freedom of action in the west—that is, Europe.

Russia will not take the big plunge in the west until she is secure in the east. That security is what she is seeking now—at China's expense.

Much of the dreaded pattern of Japan's first move for conquest of Asia is being repeated now in Manchuria. World War II dated from, and in great measure stemmed from, Japan's unchecked aggression there beginning in 1931.

While Russia's present maneuvers are perforce not as open as were Japan's, they are nonetheless clear in their implications. The aggressive motivation is essentially the same, and if unchecked will bring the same result.

Through creation of a Soviet sphere of influence, for which the United States was the careless or unwitting sponsor at Yalta, the Soviet Union intends not only to supplant Japan in Manchuria and Korea. It also seeks to enlarge that sphere into domination of Chinese borderlands from the Yellow Sea to the innermost recesses of Asia—a sweep of more than 2,000 miles.

Manchuria, with Korea, is the eastern anchor of that vast belt of strategic territory which Russia must control in Asia before she can act with a free hand in Europe, with her eastern flank secure from retaliatory assault.

To prevent consolidation of that eastern bulwark of communism is the cheapest and easiest insurance we can have against World War III.

Russia will not dare attack in the west until she is reasonably assured that her industrial regions and vital communications east of the Urals are secure from assault by air from bases within effective range—bases within northern and northwestern borderlands of China.

That is the broad strategic frame within which the present conflict in China, especially in Manchuria, bulks so large. But this strategic position is only the primary Russian objective. Manchuria is a rich prize in natural resources. It is so rich that China cannot achieve full stature as a nation without Manchuria, which even Russia recognizes—on paper—as under Chinese sovereignty.

A communized Manchuria probably would entail eventual disappearance of China, as well as other Asiatic countries, from the community of free nations. Communism cannot stand still for long and survive. It will not stop at international frontiers unless it is opposed.

We cannot afford, therefore, to let Manchuria go under unless we are prepared to surrender the world, ourselves included, to totalitarian authority.

If Manchuria is to be saved and the present deadly train of events averted, the United States must act decisively. That means soon. We can still act within the latitude of unwarlike cooperation with our former ally, whose sovereignty is recognized not only by the United States but also, ostensibly, by Russia.

If our cooperation with China is to be construed by Russia as war provocation we may be sadly assured thereby that Russia's inclination toward war was inexorable in any event. Actually, however, there is every reason to believe that firm aid to the Chinese Government would serve as a warning that the United States is fully committed to the support of China against communism, and that communism will not be permitted to encircle China with its iron curtain.

As urgently required as it is, American intervention on China's invitation in Manchuria need not be of a combatant nature. China does not need American soldiers or airmen directly in combat against Communist rebellion. China already has resources of manpower needed for victory.

Her only shortcoming—and this is a very great one—lies in her inability to train, arm, and supply that manpower, and bring it to bear to best advantage upon the inferior numbers of armed rebels. She has failed in this in the past for a variety of causes, for which the United States is not entirely blameless.

The most important of these causes was American capitulation to Russia at the Yalta conference. There, in the mistaken belief that Soviet intervention was necessary for the defeat of Japan, the United States virtually invited the Soviet Union to move into the Japanese sphere on the Asiatic continent. Russia was invited to invade Manchuria.

This invitation was extended on advice of our military experts who could not foresee the inevitable collapse of Japan 90 days before it actually happened. Some of these experts are still directing our China policy today, and are just as blind to the actual situation and its dangerous implications as they were to Japan's true situation in May 1945.

Russia used her invasion of Manchuria to lay the foundations of a Communist regime where no Communists had been before. During the period when the United States, still misguided, futilely sought to enforce a coalition between the Chinese Government and Chinese Communists, the Reds massed in Manchuria and were armed by Russia with weapons surrendered by the Japanese Kwantung army.

Russia's manipulation of the Chinese Communists and her strategic motivation, requires no further proof than this. Without loss of a single soldier she would thus attain the vital objective of securing her continental eastern flank.

By her action in Manchuria, Russia tipped the scales against China in such a way as to prevent reassertion of Chinese sovereignty there. Russia put that sovereignty to the test of bitter civil war—Chinese against Chinese.

Already disorganized and weakened by 8 years of war and 6 years of almost untested Japanese aggression prior to that, China needed and deserved American assistance from the very outset for recovery of Manchuria after Japan's defeat.

This was forthcoming. On the contrary China was obstructed by the United States through one-sided enforcement of a 1-year truce, sadly calculated to bring about coalition between a constituted government and rebels against it.

The Communist used this heaven-sent or was it made in America—respite to organize and train tens of thousands of new troops in Manchuria. During that period, when conceivably China might have overpowered communism there, the United States was withholding arms from China lest our "peace negotiations" be embarrassed.

Thus, it seems to me, our obligation to help China now is clear. Morally, it is something we ought to do. It is something which we, in realistic appreciation of the danger to our world, must do. There should be no difficulty in making these decisions. There remains only the question of what we can do.

Time is short and the need is great. But it is neither too late nor too great a task for American ingenuity to perform.

China's most crying need in Manchuria, the principal zone of decision, is for American military advice and such direction as she can accept without sacrifice of national sovereignty. Concurrently with this advice and direction, which must be rendered on an emergency basis, the United States must set in motion vast replenishment of Chinese arms and military supplies.

We must strike a proportion between land power and air power in China so that the latter, the only weapon missing from the Communist arsenal now, may be exploited properly and to full measure for swift victory.

No emergency measure within our power could serve China more than assignment, at China's invitation, of such a man as General Wedemeyer to a position such as he held in 1945 under Generalissimo Chiang Kai-shek. For prosecution of aerial warfare the United States should furnish, again at China's invitation, the best available American tactician.

Both of these men should be supported with increments of hand-picked specialists and technicians sufficient in number so that this partnership of advice and direction would be carried down as far as company organizations in the Chinese Army and flight organizations of the Chinese Air Force.

If this can be done quickly I believe it will assure victory in Manchuria. Victory in Manchuria will assure victory in China, and consolidation and recovery of a great nation which could be the eastern bastion of the only kind of world we want to live in.

Decentralization of Government

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, February 3 (legislative day of Monday, February 2), 1948

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD an article which I have prepared on the subject of decentralization. The article appears in the February 1948 issue of the magazine, the Reserve Officer, and discusses a matter which I regard as of crucial importance to the Nation, and on which I have submitted suggestions since my coming to the Senate 9 years ago.

I respectfully submit that this article is particularly appropriate in view of National Security Week, February 12 through 22. I ask unanimous consent that the text of my article be reprinted in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WE MUST DECENTRALIZE

(By Hon. ALEXANDER WILEY, United States Senator from Wisconsin, chairman of the Senate Judiciary Committee and member of the Foreign Relations Committee)

"Comrade Americans, attention! This is the first broadcast by the liberating air armies which have freed you from the yoke of capitalist bondage. One hour ago, the treaty of unconditional surrender of the United States was signed by a brigadier general, your ranking military commander, who had directed the only few divisions and squadrons that were able to offer even the feeblest resistance to our victorious legions. The lightning war which commenced yesterday afternoon and which had been precipitated by years and years of capitalist provocation and plans of aggression, thus came to a decisive end.

"Guerrilla tactics are futile and will be speedily suppressed by mass executions and/or by atomic leveling of towns. Political commissars have now taken charge of each of the 48 States and of your National Government, which has been temporarily relocated in Kansas. This relocation is necessary because of the atomic radiation which still prevails in your former Capital, which now lies in dust, its inhabitants exterminated.

"We regret the necessity of destruction of your National Capital, of most of your State capitals, and your principal cities. It has been estimated that your dead may number, unfortunately, as high as 30,000,000. We are endeavoring to insure adequate medical care for your wounded, poisoned, and diseased populace. Our own liberating country is fortunately unscathed. All of your principal rocket-launching sites had been demolished and/or sabotaged by our friends within minutes after our initial atomic attack on your 50 principal centers of population.

"You will await further orders from us. Your Department of National Defense, Reserve Corps, ROTC, and all other branches of service have been dissolved. Your capitalist Constitution has been abrogated—your courts, your legislatures, etc. Your police forces and Federal Bureau of Investigation are now under direct control of our own secret police. The next broadcast will come to you 30 minutes from now."

Does the fictitious broadcast of a foreign military commissar sound too fantastic, too Buck Rogerish? Does it sound like an article in one of the Amazing Science pulp magazines or like the sort of fantastic things that you have read now and then in the press or heard in weird programs over the radio?

Probably it does not to the Reserve officers who read these lines. To them, it may seem, and I believe it will seem, like a grim possibility. To our general public, it may, however, seem like the most idle fantasy.

PREDICTIONS OF FUTURE WAR

Recently, nevertheless, the leading military and scientific authorities of the United States have spoken again and again along these lines. The points on which they agree with virtually absolute unanimity are these:

1. The next war could last a matter of minutes or hours.

2. It could feature all of the atomic and bacteriological weapons that the twisted scientific genius of man can produce.

3. The principal targets of attack would be Washington, D. C., and our other leading centers of population and industry.

4. America is almost completely unprepared against such an attack.

The purpose of this article is to alert the American people to the awful danger of such attack, and particularly to the danger of an attack on the Nation's Capital. One atomic bomb on Washington, D. C., could, in effect, end the war because it would wipe out the coordinating center of American offense and defense. All the principal military and civilian officers of the United States, the most important military and industrial records could be blasted into rubble. One atomic bomb could wipe out the one-quarter million of Government workers in the Nation's Capital. In one building alone, the Pentagon in Arlington, Va., there could be destroyed the very nerve center of American military leadership. The jam-packed center of Washington, D. C., would be a death trap not only to approximately a million people but a death trap for American liberty—for our constitutional republic of checks and balances, for every freedom for which Americans have fought since Valley Forge.

We must take steps against that possibility. We must decentralize or risk a destiny of national extinction.

TODAY'S FOOL'S PARADISE

We are now living in a fool's paradise of apathy and inertia, as well as in a crazily suicidal over-centralized condition.

If we see a picture in the paper of a single new jet-propelled plane or a new rocket missile or a report of a new scientific discovery

of use for war, we sometimes automatically think that we have sufficient supplies of each of these items when, as a matter of fact, we may only have one experimental model. In addition, our military leadership gives disturbing evidence of the fact that it may be preparing for the last war—not the next war—that it may be building Maginot lines for the future—mass armies trained in "squads right" tactics.

I do not mean to imply that we have not made any progress whatsoever along the line of adequate security plans for our country. We know, for example, of the formation of the powerful National Security Resources Board under the Armed Services Unification Act. We know of studies for decentralization and for underground factory operations; we have evidences of intensified atomic and bacteriological research; we have evidences of advanced thinking by certain officials for intercontinental air striking forces. But what evidences do we have of the plans for decentralization without which we will be ripe for a solar plexus blow by an aggressor?

We realize, of course, that our military officials cannot tip their hands by revealing all of their plans, and we would not for one moment want to breach security regulations. But decentralization cannot be achieved under wraps. It is a long, arduous process. And what have you personally read or heard about actual plans for it? The answer is: Very little, if anything. On the contrary, pick up any Washington newspaper any day, and you will read reports of more and more formerly decentralized agencies streaming back into town.

WASHINGTON VULNERABILITY

According to the 1940 census, Washington ranked eleventh in city population. The population density of the Washington metropolitan district on April 1, 1940 was 1,745.8 persons per square mile. The corresponding figure for the entire group of 124 metropolitan areas in the United States was 1,411 persons per square mile. In 1940, there were 10 metropolitan areas in the United States of 1,000,000 population or more, containing a total of 32,644,000 people. Washington has been growing faster than the average of these areas. It has become an ever bigger possible death trap.

NEED FOR REALISM

This is a time for straight talk rather than double talk, for hard and fast steps rather than pussyfooting. There is one and only one important potential menace to the United States in the world today, and that obviously is the Soviet Union. They know it and we know it. There is one relatively short channel of attack from Russia to the United States and vice versa, and that is via the Polar Cap. There is one principal type of warfare calculated to insure speedy success, if war came (and God forbid that it does) rather than a long stalemate, and that is through a lightninglike attack on the enemy's principal centers. Yet the Russians are decentralized to a far greater degree than is the United States. The Soviet Union is sprawled over one-sixth of the earth's surface, although, of a necessity, because she is a dictatorship, she is somewhat centralized. Still, it is evident that her military arm is being decentralized just as her industry has been throughout Siberia.

Let me, however, make it clear at the start that I do not believe that conflict with Russia is inevitable or that it is imminent, and I certainly don't believe that it is desirable. The possibility of a Third World War is almost too horrible to contemplate, the prospective loss in human life too staggering, the possible net constructive results so few, that it seems sheer folly to even turn our minds to this subject. Yet we have learned that "eternal vigilance is the price of liberty." We dare not, therefore, forget this possibility and turn our backs to it simply because it is so gruesome.

COOPERATION WITH RUSSIA

I believe that we must and should and will cooperate with the Russians to the maximum possible extent through the United Nations. I believe that we have made substantial progress in working out reasonable cooperation with the Russians. I believe that we can make still more progress, particularly if we show the Russians that we are aware of the very danger that they present. A Government based on violence and force such as theirs respects only the threat of violence or force. Weakness invites contempt and aggression. I do not believe in swaggering around with a chip on our shoulders, but I do believe in keeping our powder dry and letting the Russians know that our powder is dry.

America wants peace; she has always wanted peace; she has always hated war. The Russian leaders know this, even though they may have blinded the Russian peoples about these facts.

America does not like alarmists or so-called war mongers, but she hates Pollyannas even more—people who look through rose-colored glasses. Our veterans' hospitals are jammed full of the victims of pollyannaism and of our rose-colored-glass leadership. The cemeteries abroad and at home have hundreds of thousands of white crosses because we committed the errors of weakness and lack of realism and preparation. George Washington's words "To be prepared for war is the best means of safe-guarding the peace," are truer today than ever before.

POINTS TO CONSIDER

Please don't misunderstand me on any of the following points:

1. The fact that I am recommending decentralization does not indicate any lack of appreciation of the Capital of the United States. On the contrary, I will never cease being inspired by the beauties and traditions of this great city on the Potomac. Recently I have been in correspondence with the Washington Board of Trade on the matter of stimulating visits to the Capital by school youngsters from all over the country. I want them to be able to see the White House, the Capitol, the Supreme Court, Lincoln's and Jefferson's Memorials, the Washington Monument, and so on. We are not, however, going to move these great edifices from here but simply make provision so that in the event that all of these magnificent institutions are one day unfortunately blasted into rubble, the Nation can go on in its vital work. There is no reason why the Capital of the Nation has to be a swarming metropolis with its arteries of communication choked with traffic and vulnerable on a dozen other counts because too many vital functions are centralized here.

2. Decentralization will not of itself assure completely adequate American offense and defense. Obviously, it will not be an active element in offense but it will be a vital element in defense. It would be folly to decentralize and at the same time lack sufficient air power, ground power and sea power of the most modern sort with which to carry on the possible warfare of the future.

3. This proposal for decentralization should be considered on a nonpartisan basis. Party politics mean absolutely nothing when the security and the very life of our Nation are in danger.

Although my main objective in encouraging decentralization is national security, there are other important, albeit, lesser objectives which may be simultaneously served, such as (a) social values by ending over-concentration and congestion in swarming cities (like Washington) with all the attendant evils; (b) bringing the Government closer to the people by having Government offices located in the grass roots rather than in Washington, D. C.; and (c) enriching the economic bloodstream of countless smaller communities by new industrial and Federal pay rolls, if only to a small extent. But security ranks first.

4. Decentralization can't be done overnight. It takes intelligent administration, close cooperation by Federal agencies and with State government and localities. Yes; it takes money, too, but that is no reason why we shouldn't do it, and, in fact, why we shouldn't have started years ago. Decentralization requires retraining of personnel, with vastly new procedures and delegations of authority. But it can and it must be done.

Decentralization is a relative thing, of course. It has been variously defined as the dispersion of a given function to the smallest possible level at which that function can adequately be done. Decentralizing a blast furnace may mean a far different thing than decentralizing activities within the Pentagon Building, in Arlington, Va.

5. I do not presume to pose as a military expert. The Reserve officers who are kind enough to read this article possess far more insight into the military aspects of the problem than I do, I am sure. As a civilian, however, I do believe that the proposition of decentralization is sound and imperative, and that is why I presume to respectfully urge military authorities to take the necessary action.

If I may be permitted a further personal reference, in February 1941, I asked publicly in the Senate if our naval and air arms at Pearl Harbor were in the same position as the Russian Fleet was at Port Arthur in 1905, that is, if they were laying themselves up open to a blitz attack. My question went unanswered. I asked the Secretary of State to report to the full Senate in executive session on the conditions of far-eastern defense. My bill was pigeonholed, and my request went unfulfilled.

The months from February to December slipped by and on the 7th day of the 12th month of that year, we suffered the horrible losses at Pearl Harbor that might have been prevented so easily. I recommended stock piling of zinc and hemp, mass building of corvette boats to safeguard against the submarine menace, but these suggestions too went unheeded. I am not trying to prove any particular personal prescience. Actually, many other authorities, if not in the Senate, had indicated the possibility of a catastrophe similar to Pearl Harbor and had urged defense measures. It matters not one bit who made the predictions then or who is making the predictions now, so long as the individual has or had fair qualities of competence. What does matter and what did matter is that these predictions which are and were soundly based, are being and have been given a brush-off, with the result that our dear land is endangered.

6. I don't believe that our military leaders should be condemned or abused simply because they are high brass. I have the deepest respect for our present military leaders as I did for those who commanded our forces during the war. I do, however, believe that even military geniuses can and do make mistakes, and the record confirms this again and again. As a United States Senator and as an individual citizen, I believe that I have the right, as does every one of my readers, to submit suggestions and to ask that those suggestions be given the most careful consideration, and then be enacted, if found sound.

FOES OF DECENTRALIZATION

What are the arguments against decentralization? Some say it will "cost too much money." But I ask who can evaluate the cost to the Nation if we lose the next war, which we certainly might if Washington were smashed by an atom bomb.

Some say it can't be done because it is too "complex" a job. That is not an argument but an admission of incompetence. We

might remember the words of Napoleon: The word "impossible," he said, is not in the French dictionary. Nor for that matter, is it in the United States dictionary, as you men of Iwo Jima, of Normandy, of Anzio, of the Argonne Forest, of Chateau Thierry, know so well. The word American still ends in "I can."

There are those who say that the trend toward centralization will automatically check itself and has already done so because of transportation difficulties in the big cities, parking problems, high rental rates, taxes, and so forth. But were we to simply allow the natural process to take effect, is there any telling how long we would have to wait before there was any substantial improvement over present over-centralized conditions? And whoever heard of preparing against the possibility of war by hoping and waiting for long term trends to take effect?

Some say why decentralize in view of the fact that the next war will be a bacteriological war as well as an atomic war, meaning that entire regions of our country will be simply obliterated with all life erased by toxic agents in the air, in water, in crops, in livestock. If you carry that argument to its logical conclusion, you might just as well say "why build any war plants, any tanks, or any war implements because after all, everyone is going to be killed by germ warfare or atomic radiation?"

Then there is the related argument that since there is no defense against the atomic bomb or germ warfare, only some such stratagem as world government and the complete outlawry of war will work. There are any number of answers to that argument, but perhaps the best one is: "Tell it to the Russians." Obviously, neither the Russians nor a good many other peoples have indicated the slightest willingness to get even within yelling distance of world government. As a matter of fact, even if they were, would the simple declaration of a world government erase from the Russian mind the centuries of fear and hatred of the outside world? Would a simple declaration change the Marxist philosophy of conflict between capitalism and communism? Would it change Communist plotting substantially and do anything but make it easier? Would it, for that matter, change anything in the world and result in anything but a mere mechanical shell, a bare international skeleton of interest only to ivy-towered professors and hopeless idealists, but absolutely meaningless in terms of international political dynamics? If we can't, at this stage, make the United Nations entirely succeed, how could we make world government a success?

The world is still groping its way from a dreadful war. The peoples of the world still live at different levels—economically, politically, socially, religiously—some literally in the Dark Ages, others more enlightened, some respecting spoken or written pledges or contracts, others considering a pact (Kellogg-Briand, League of Nations, United Nations, or what have you) merely as a temporary expedient to be broken at one nation's convenience. These are not accusations; these are merely harsh, blunt facts.

MUCH TALK—LITTLE ACTION

The big trouble about this issue as with so many other issues is that we have had a superabundance of talk on it with little, if any, action. I personally have sought to secure the necessary action although I can't claim any notable success, nor am I satisfied with my own efforts along this line. Let me, however, cite these items:

1. I have written to Secretary of Defense Forrestal, urging him to influence his colleagues in the Cabinet to make the necessary plans for decentralization for purposes of national security. Secretary Forrestal responded by stating: "I heartily agree with you that decentralization of Federal activities is advantageous from the viewpoint of national defense." He added that he has given considerable thought to this question and has discussed it on numerous occasions with various advisers. He then went on to say that: "For the past 15 months the Joint Chiefs of Staff have been studying the dispersion and protection of military facilities and other national agencies, contributing to our national defense in the light of new developments in weapons and operational techniques." Secretary Forrestal stated further that he has appointed Secretary of the Air Force Symington as chairman of a small committee to work with the Joint Chiefs of Staff and with the National Security Resources Board on the broader aspects of the problem. The Secretary went on to add that he was forwarding copies of my letter to various interested officials, particularly to the National Resources Board, which he indicated had final responsibility for the broader phases of this subject.

I might note in this connection that I had previously written to Director Webb, of the Bureau of the Budget, along this line. His reply was, however, confined particularly to the administrative difficulties involved in the process of decentralizing.

2. In 1947, the Presidential succession bill, making the Speaker of the House next in line to the Presidency after the Vice President, was up for consideration. At that time I introduced an amendment to the effect that if the entire specified line of succession was exhausted because an atomic bomb might erase all of the principal civilian officers mentioned in the bill, the highest ranking military officer in the United States would assume the duties of the Presidency until such time as a civilian officer for this post could be elected by the Congress. My amendment was defeated on a voice vote.

3. Obviously, if there were an atomic attack on the United States, the people of Wisconsin and the people of any other State in the Union could not possibly assemble to hold an election lest they invite their mass extermination. Suppose, then, there were vacancies in Congress to fill because a bomb had obliterated Washington and most Members of Congress? The State Law Section of the Library of Congress has reported to me that Wisconsin is the only State in the Union which does not have at present provision in its laws for filling a vacancy in the Senate by interim appointment by the Governor pending the holding of a general election. I have, accordingly, written to Governor Rennebohm, respectfully asking his consideration of initiating a change in our Wisconsin statutes.

4. I have introduced an amendment to the Constitution providing that the executive authority of each State shall issue writs of election to fill vacancies in the House of Representatives providing (and this is the new proposal) that the legislature of any State "may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct." At present, article 1, section (2), of the Constitution provides only for an election in the event of vacancies in the House of Representatives, and grants no power to the legislatures to delegate the power of temporary appointments or even mentions such a power.

5. I have contacted business leaders throughout the Nation for the purpose of encouraging them to decentralize their industrial operations to the maximum extent possible.

Government decentralization without industrial decentralization would be meaningless.

Enlightened business leaders have found that industrial decentralization pays off in countless ways—in better employee relations, for instance. At the same time, the question of whether or not it may be economical to decentralize a given function must be examined not only against the economic interests of a given industry, but against the over-all public interest. The public welfare is at stake—the welfare of 144,000,000 American people and of future generations.

6. I have written to the Director of the Federal Works Agency, General Fleming, asking for a thorough review of the entire transportation network from and to Washington. I mentioned specifically that I believed we should have a link with the Pennsylvania Turnpike directly to the Capital both for peacetime and wartime use. I have not, as yet, heard from General Fleming.

I will continue my efforts along these lines.

WHAT ARE WE GOING TO DO ABOUT IT?

The big question, the only question right now is, What are we going to do about all this? Are we going to "beat the winds" with a lot more talk and no action? Are we going to confer at round tables for the next 10 years, so that perhaps in 1960 we may have achieved a fair degree of decentralization? Or are we going to set the wheels rolling right now on a prompt military-type schedule? Are we going to act as if we were in a military crisis (as we are), as if we were faced with the possibility of invasion (as we are), as if we did not have time for a lot of foolish jawing (as we do not have time)?

I believe that every one of my readers in their own spheres can think decentralization, talk decentralization, and urge decentralization among their friends, their associates, their elected representatives, and the executive branch of the Government.

I believe that:

1. There should be immediately constituted a Government council on decentralization to consist of representatives of the principal departments and agencies of Government and whose primary unit would be a military committee on decentralization. This committee should formulate the basic plans and schedule and then should consult with the over-all council on speedy decentralization so that within a relatively short time, Washington, for example, would have no more than, let us say, one-third the present number of her Government workers.

When I say that the Federal Government must decentralize, I do not only mean that it must disperse its offices to smaller communities. I mean that it should get rid of some functions altogether. This, however, does not mean that it must give to the States or the localities vital defense functions or other functions which it alone can handle. At the same time, Uncle Sam must seek the active cooperation of the States and localities to take over a lot of the workload that should not be a Federal responsibility and that can best be handled at the State and local levels anyway.

2. I believe that the President's Commission on Reorganization of the Executive Branch, headed by our distinguished former President, the Honorable Herbert Hoover, should in the course of its work, consider this problem and coordinate its work with the Council on Decentralization.

3. I believe that every committee of the Congress should work with the representatives of the Government department and agency within its jurisdiction, e. g. the Interstate and Foreign Commerce with the Commerce Department, to help lay plans, i. e. budgetary allocations, etc. to speed decentralization.

4. I believe that the Congress should take the lead in planning for decentralization of the legislative branch of the Government. A joint committee of the Senate and House should plan to decentralize the legis-

lative process, that is, to make plans, for example, for legislation by television so that, for instance, Senators and Congressmen from 30 or 40 points in the country might be able through the medium of television, to pass the necessary laws in the event of attack. This example of the Congress should be duplicated, I believe, by the Supreme Court.

We must have checks and balances available in this country against the possibility of dictatorship and ready to operate instantaneously in the event of attack. That is why, for example, I suggest that the Congress get busy pronto to decentralize itself so that it will continue as a vital force rather than as a pile of rubble.

5. I believe that such organizations as the Council of State Governments, the Association of County Officials, and so on, should be invited to submit their plans and to provide their cooperation in decentralization of the Government.

6. Simultaneously, the United States should consider all of the other necessary military items, e. g. appropriations, etc., for a United States offensive establishment second to none.

7. I believe that every citizen should be spiritually vigilant for the preservation of our Republic from attack from without and/or from attack from within.

CONCLUSION

Once there was a Wisconsin man named Billy Mitchell, who broke his heart and gave his life trying to awaken his countrymen to the danger they faced from the Pacific; the danger in the air; the danger to Alaska. May the warnings of our present danger meet with speedier response than did his warnings of the danger of the past.

America prays for peace, hopes for peace, strives for peace. She hates militarism; she wants to produce for peace; for an ever higher standard of living for her own people and all the peoples of the world. But she has no alternative but to prepare adequately against whatever the future may bring.

We have not since the War of 1812 fought a war with a foreign enemy on our own soil. The next war, if it comes, may be fought and will be fought in your city and mine; in Milwaukee, Madison, New York, Chicago, Philadelphia, San Francisco, St. Louis, Baltimore, Cleveland, and yes, principally in Washington, D. C.

What are we going to do about it?

Share Croppers

EXTENSION OF REMARKS
OF
HON. WILLIAM M. WHITTINGTON
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. WHITTINGTON. Mr. Speaker, one of the most successful cotton growers in the South is my neighbor, Mr. Oscar F. Bledsoe, III, of Greenwood, Miss., who operates a plantation that has been in cultivation for 98 years. He has just completed his fiftieth crop. The following statement by Mr. Bledsoe was carried in the January 1948 Staple Cotton Cooperative Review, published by the Staple Cotton Cooperative Association at Greenwood, Miss. The accuracy of his statements will do much to dispel the prejudice, ignorance and misunderstanding growing out of the share cropper system in the Cotton Belt.

Under leave to extend my remarks, I include the said statement as follows:

STRICTLY PERSONAL

(By Oscar F. Bledsoe III)

There is so much misinformation about the share cropper that I had my auditor give me a simple financial statement of my tenants' income and expenses.

My plantation is 98 years old, and this is my fiftieth crop. There are some grandchildren and great-grandchildren of my father's slaves included in this statement.

The cotton crop this year is below the average yield, but the prices are above parity which will make a fair offset.

The tenant's income per acre was $101.70. His account (living expenses and doctor's bill) was $57.45 per acre, which left a savings of $44.25 per acre, or 43 percent of his earnings. Does the city white-collar worker save this much out of his earnings? Outside of his own crop, the tenant worked in plantation crops and earned approximately $10 per tenant cotton acre.

In 1849 my grandfather paid 25 cents per acre for this woodland. After the Civil War, my father paid from $5 to $10 per acre for partly cleared land, and, at the beginning of World War I, I paid $40 per acre for nearly all cleared land. All land purchases were made during low-priced cotton, and bought for cash.

This year the tenants cleared above all living expenses considerably more than the highest price I paid for the land. There are very few Negro landowners in the Delta, yet if their race were thrifty they would easily own the Delta. Based on the amount of money I have paid them above their living expenses during the last 50 years, they could have bought the plantation nearly five times, based on the value of land at the time of the earnings. This period covers cotton prices from 5 cents to 86 cents per pound. Nevertheless, the Negro is the happiest, most carefree, and has the best disposition of any race in the world.

For the younger folks, this is a historical record that I hope will be of some benefit to them, especially during this period of inflation.

Foreign Aid

EXTENSION OF REMARKS
OF
HON. T. MILLET HAND
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. HAND. Mr. Speaker, under leave to extend my remarks, I am including an editorial which appeared in the Millville Daily Republican. This is an intelligent examination of the European program, which I submit for the information of the House:

If the United States is to do all of the things for others it is expected to do, it will be necessary to send out an emergency call for several miracle men. Walter Winchell contends that the reason vaudeville has been discontinued in the theaters of the Nation is because theater managers realize that they cannot compete with the comedy in Washington. Daily it becomes more evident that Mr. Winchell is not kidding.

America, it would seem, is expected to feed the entire world. Yet this Nation produces only 12 percent of the world's food supply. There are 140,000,000 mouths to feed in the United States. There are three hundred and fifty million in Europe and four hundred and fifty million in China. The answer is obvious. Efforts on the part of this Nation to feed Europe and China mean shortages here, and shortages here mean only one thing—increased prices.

The average American is a generous soul. He will share his last loaf of bread with a needy neighbor, providing the neighbor is making an effort to help himself. The average American is, at the same time, an industrious and energetic individual. He is a go-getter and anything less than an honest effort by the fellow next door is usually viewed with disapproval.

We know Europe is hungry and most of us are willing to extend the hand of fellowship. But we expect our hand to be grasped by one that is calloused and streaked with the honest grime of labor.

Restoration of production in Europe is being hamstrung on every side. The Russians are looting, farms are being broken up, and excessive controls are being imposed by governments. Money, no matter in what quantity, will not correct this. Food is an excellent idea providing it reaches those who need it most. Aid sent to Greece is still standing idle in storage, according to reliable reports from that country.

Using Yugoslavia as an example, there are those who insist that unless food is sent to the Yugoslav Government its people will starve. Yet Yugoslavia conscripts an enormous standing army from men who would otherwise work on farms. The result is that Yugoslavia's food problem is solved by outside gifts while its manpower and financial resources are used to maintain a strong military.

The following statement was made nearly 30 years ago, in 1919 to be exact, but it is just as opportune today:

"The United States is disinclined to entangle herself further (after recent experiences) in the affairs of Europe. There is no guarantee that Europe will put financial assistance to proper use, or that she will not squander it and be in just as bad a case 2 or 3 years hence as she is now. In short, America would have postponed her own capital development and raised her own cost of living in order that Europe might continue for another year or two the practices, the policy, and the men of the past 9 months.

"If I had influence at the United States Treasury, I would not lend a penny to a single one of the present governments of Europe."

The above is not the statement of an American isolationist. It is that of the most influential British economist of the last generation—John Maynard Keynes.

Should We Outlaw the Communist Party?

EXTENSION OF REMARKS
OF
HON. RICHARD M. NIXON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. NIXON. Mr. Speaker, on Thursday of this week the Subcommittee on Legislation of the House Un-American Activities Committee will begin public hearings on various bills which have been introduced in the House and are designed to curb or outlaw the Communist Party in the United States. The subcommittee consists of the gentleman from Illinois [Mr. VAIL], the gentleman from Florida [Mr. PETERSON], the gentleman from Louisiana [Mr. HÉBERT], and myself as chairman. I should like to discuss some of the problems which

the subcommittee faces in considering this proposed legislation.

It is the function of our subcommittee to conduct hearings on this subject, to make a thorough study of all the issues involved, and then to determine what, if any, legislative proposals should be reported to the full membership of the House for consideration. In making a decision we believe it is necessary to seek the answers to three basic questions: First, do American Communists constitute a real and present danger to our constitutional Government? Second, are our present laws adequate to cope with that danger, and if not, what new laws are needed which would meet the danger? And third, in enacting laws to curb communism, do we run too great a risk of weakening our own constitutional guarantees of freedom?

Our committee believes that the first question has already been conclusively answered. Last year the Committee on Un-American Activities, after a thorough investigation of the extent and character of Communist Party activities in the United States, filed a unanimous report in which we declared that, based upon the evidence, the Communist Party in the United States is the agent of a foreign government. The Communists of the United States owe their first and last loyalty to the Soviet Union. Their every act and every line is dictated by Moscow.

Today practically the whole world is engaged in a great epochal struggle between two systems of life, government, and economics—a struggle between our free democratic system and the system of totalitarian communism. As a member of the Select Committee on Foreign Aid, last year I traveled through France, Italy, Greece, Germany, and other countries. There I observed first-hand the action of the Communist Party in those countries. I talked with the Communist leaders and their spoken words and actions, just like those of the Communists in the United States, reflect a puppetlike obedience to the string-pulling from Moscow. They have gained power in eastern European countries and seek to gain it in other countries by any means. If the expedient calls for violence, sabotage, guerrilla warfare, or whatever is necessary, they will resort to it if it will aid their cause. Democratic methods are employed by the Communists only when it serves them best.

To coconspirator of world-wide communism in America operates under the alias of the Communist Party of the United States. Unfortunately, a lot of confusion comes from the fact that we call it a party. Many people think that the Communist Party is a political party like the Republican or Democratic Party, but in fact it is not a party at all and has no resemblance to a political party. It is, indeed, a revolutionary conspiracy, Moscow-inspired and Miscow-directed. It is conspiring with the Communist parties of every country in the world to overthrow the Government of the United States, the Government of France, the Government of Italy or, indeed, any government which is not already communistic.

We must keep in mind that the Communist Party of the United States is no different from the Communist Party of Greece or France, and if the time ever arrives when they feel reasonably certain of success, they will resort to the same tactics here that they are now resorting to in those countries. Of course, it would be ridiculous for the Communists to attempt at this time to start a guerrilla war in the United States or to engage in open sabotage, but they have maintained and kept intact for 26 years in this country what J. Edgar Hoover has described as the most highly organized and disciplined fifth column in America, a fifth column which would be ready to go to work against us in the event of conflict with the Soviet Union. During these 26 years they have not stood as an isolated group to be pointed up for what they are—foreign agents and conspirators—but they have very cleverly integrated themselves into the political and industrial scene and today exert influence far beyond their mere numerical strength. They operate secretly and deviously. They camouflage their activites. They exploit our traditional American freedoms—freedoms which were intended to protect the citizens of this country, but not to shield the subverter. Recently, you have heard them speak a lot about freedom of speech. Freedom of speech is one thing and freedom of revolution is another. Freedom of speech to the Communists means freedom to destroy the freedom of others.

I think that we can say then that the Communists do constitute a real and present danger to our constitutional government. While no one would contend that they have the power to overthrow our Government at this time, we must remember that in the event of conflict with Communist Russia, American Communists will be enemies in our midst. They are right now doing everything possible to disrupt our economy, to create hatred and ill-will among our people, and to sabotage our foreign policy whenever it conflicts with that of Soviet Russia. At a time when Americans are making sacrifices to feed the hungry people of Europe the Communists in our midst are calling our aid program a Wall Street plot to dominate the world. They are doing this because they know that communism thrives and feeds on the misery, hunger, and desperation of the people, and that their only chance for success in enslaving the still free countries of Europe is to create and maintain confusion and chaos.

Going now to the second question: Are our present laws adequate to cope with the Communist danger, and if not, what new laws should be adopted?

There are a substantial number of people of unquestioned patriotism who believe that our present laws are adequate and that no laws directed against Communists, as such, should be adopted because of the possible threat to constitutional liberties involved in any legislation of this type. The committee will hear from witnesses who support that point of view, including, for example, Mr. Arthur Garfield Hayes, chief counsel for the American Civil Liberties Union.

There are, on the other hand, others who believe our present laws are not adequate. The American Legion, the Veterans of Foreign Wars, and other organizations have long advocated outlawing the Communist Party. A recent Gallup poll reports that over 70 percent of the American people are in favor of such action. Yet we have had the testimony of experts, including that of Mr. J. Edgar Hoover, who feel that this would be legislation which would do more harm than good, in that it would drive the Communist Party underground. Others say that the Communists are already underground and have been for years.

In considering the effectiveness of legislation which would outlaw the Communist Party, it is significant to note that when the Communist Party with only 300,000 members seized control of the Russian Government in 1917, it was a completely illegal party in Russia. In fact, those countries like Russia and Yugoslavia in which communism was once most ruthlessly suppressed are now the very countries in which the Communists have set up their strongest totalitarian governments. This would seem to indicate that outlawing the party is not the complete answer to the Communist question. The actual mechanics of outlawing a party is a very difficult one and the effectiveness of such legislation is considered very doubtful by many competent authorities on this question.

Another objection which has been raised to this approach to the problem is that we enhance their power by making martyrs of them if we outlaw the party. Still another objection is that if we follow this course we will be guilty of the same fault for which we criticize the Communist government of Russia. In other words, it is contended we cannot criticize Russia for not allowing democratic opposition parties to exist in their country if we will not allow the Communist Party to exist in our own.

I mention these arguments against outlawing the party, not because the subcommittee is committed in advance against such a program, but because I believe it is essential for the American people to realize that the problem is not as simple as it would appear on the surface, and that just passing a law against Communists may not be the complete answer to the question.

A second approach to the problem is contained in a bill which has been introduced in the House by our colleague the gentleman from Minnesota, KARL MUNDT, a member of the Un-American Activities Committee. This bill would require Communists to register as agents of a foreign principal.

Before and during the war, American Nazis were prosecuted under the McCormick Registration Act of 1938 which required registration of all agents of foreign governments. For some reason Communists have enjoyed immunity from the provisions of this act. Certainly if an American Nazi was an agent of a foreign government, an American Communist should be so classified. Congress-

man MUNDT's bill specifically designates Communists as agents of a foreign government, and requires all of them to register with the Department of Justice. If they do not, they are subject to a penalty of fine and imprisonment. The purpose behind this approach to the problem is to expose the Communists for what they are—to get them and their front organizations out in the open, label them as Communists, and let the good sense of our people take care of them. The fact that Communists act under aliases and object to disclosing that they are members of the party when questioned, for example, by congressional committees, indicates that secrecy and conspiracy is essential to their success. By denying them this cloak of protection we might be able to combat them more effectively than by outlawing the party.

In this connection, it is well to note that the Communists have gained their greatest power through their so-called front organizations. A front organization is one which to outward appearances is not Communist-controlled and which pretends to serve some worthy humanitarian purpose. Actually, the organization is controlled by the Communist Party, was originally financed by it, consistently follows the Communist Party line and does the party's work. Through such front organizations the Communists have been able to enlist the support of thousands of Americans who would not think of supporting an organization if they knew that it was controlled by the Communits Party. By exposing these front organizations for what they are through requiring their Communist leaders to register as agents of a foreign government, we might be able to cut away from the party the support of thousands of people who are now doing the party's work unknowingly. It can be seen, therefore, that exposure by the procedure set forth in the Mundt bill or in some other manner might prove to be an effective curb on Communists in the United States.

The final question we must consider is as important as the other two. Do we run the risk in adopting legislation against the Communists of impairing our constitutional guaranties of freedom? By removing the diseased fungus, communism, from the tree of democracy we must not permanently injure the tree itself. We cannot run the risk of destroying the rights and liberties we hold fundamental in America. By the same token, however, we must realize that the democratic governments of the world must act and act now if they are to avoid the tragedy of Communist domination which has engulfed so many European countries. Certainly it is a recognized fact in political philosophy that a government has the right to defend itself against revolution and it does not have to wait until the last minute to do so. It is wise to take precautionary measures, and therefore, I think that we here in the United States with the fresh memory of what has occurred in Europe the past 2 years, are justified in giving serious consideration to ways and means of fortifying ourselves against the world-wide conspiracy of communism. Whatever we do we want to strike at the very heart of this menace, but we want it to be in the democratic tradition, we want it to be clear-cut, and we want it to be effective.

In order that the subcommitee may consider these questions carefully and judiciously, we have invited some of the outstanding legal authorities in the country to advise us and to make recommendations as to what action should be taken. For example, Tom Clark, the Attorney General of the Un'ted States, will be the first witness and will testify particularly concerning the adequacy of our present laws to combat communism.

Among the other prominent lawyers who will appear are Robert R. Milan, the chairman of the Committee on the Bill of Rights of the American Bar Association; Donald Richberg; Louis Waldman; Morris Ernst; and Dr. Charles Collier, professor of constitutional law at George Washington University. These and other witnesses will appear before the committee to give us the benefit of their considered judgment as to the constitutional aspects of the specific legislation before us, as well as their opinion on the effectiveness of such legislative proposals in the event that they become law.

In order to explore every aspect of this question, we have also invited such prominent diplomats and political observers as Admiral William H. Standley, our former Ambassador to Russia; Adolph Berle, former Assistant Secretary of State; Raymond Moley; Dorothy Thompson; James Burnham; and Dr. William Elliott, professor at Harvard University and special consultant to the Select Committee on Foreign Aid. Representatives of the American Legion, the Veterans of Foreign Wars, and the American Federation of Labor will also appear and present their views. Ferenc Nagy, the former Premier of Hungary, will give the committee a first-hand picture of how communism engulfed his own country and will indicate what steps he thinks might have been taken to avoid that catastrophe.

From the foregoing discussion I think that it is clear that our committee intends to go to the root of the Communist problem in the United States from a legislative standpoint. We are going to hear witnesses who are for legislation of various types and those who are opposed to any legislation. We intend to make a calm, judicial determination of the issues involved because we realize that we are confronted by an unscrupulous, insidious enemy against whom ordinary measures will prove ineffective. While realizing that the danger is serious, we also recognize that it is a danger which must be met within the framework of our free democratic system of government. We know that the Communists would like nothing better than to be able to claim that legislation directed against them impaired the rights of innocent non-Communists.

I should like to emphasize that the committee will welcome an expression from any of the Members as to your views on this issue. This is a problem which affects our very security as a Nation and its solution must represent the best thinking of all our people.

The Late Archibald Johnston

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial:

ARCHIBALD JOHNSTON: SYMBOL OF A GROWING CITY

In the death of Archibald Johnston, Bethlehem loses a man whose life was woven deep into the industrial and civic fabric of the community. For Archibald Johnston helped build the city's greatest industry, helped build the corporate city itself, and helped give the community a blueprint for the expanding future.

Archibald Johnston, in many ways, was a symbol of growing Bethlehem, just as he was a symbol of the best in the American free-enterprise system.

He worked his way to the top in a tough, demanding industry, in a day when hours were long and mechanical and electrical aids few. Muscle and sweat were the main ingredients in refining steel from ores and other materials when Archibald Johnston made iron and steel his life's work. He saw the old Bethlehem Iron Co. become the giant Bethlehem Steel Co. and help win two modern wars.

With it all, he was a warm, interested friend, a friend of rich and poor, high and low, throughout the wide sweep of his acquaintanceship. In his latter years, he liked few things more than a visit from old friends. He was partial to those men of an earlier generation who worked with him and for him in building an industry.

An impression of him will linger long. It was the warm gleam which lighted his eyes as a gnarled, bent workman of an earlier day passed him on main street several years ago. "Hi, Tom," said Mr. Johnston. "Hi, Arch," came the response. Then a hearty handclasp and 5 minutes of eager conversation.

It was on the same occasion that Mr. Johnston had a short obituary item from the newspaper pinned to one of his vest pockets. Pinned there, we are sure, so that he wouldn't forget to send flowers or other expression of his loss at the passing of an acquaintance or friend.

As the first mayor of the newly incorporated city just 30 years ago, Archibald Johnston made a great contribution. Until that time, he had been primarily concerned with production and jobs for the people who lived here. Now he became concerned with living conditions and services for the people, through their infant municipality.

He envisioned a beautiful, safe, healthful, and happy community. He wanted Bethlehem to be a better city in which to live and work.

In his inaugural address in January 1918, after his election had been prompted by petition of the people, he set forth his dreams: a system of parks, a good water supply, a sewage disposal plant, improved streets, health measures, and others. He wanted efficiency in government, too, and good men in office. And he served 4 years as mayor, without salary.

Mr. Johnston was energetic, hard-working, a man of action. He lived to see some of his dreams for Bethlehem come true. He lived to see the old Bethlehem Iron Co. become the hub of America's second largest steel producer. He lived to see the city become a better place in which to live and work. He

was a warm friend; a generous benefactor in a quiet, unostentatious way; a keenly interested citizen of the city and the world; and a symbol of his times.

Bethlehem will miss Arch Johnston.

Congressional Action on Displaced Persons Must Not Be Delayed

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. JAVITS. Mr. Speaker, since the report of the Special Committee on the International Refugee Organization and Displaced Persons of the House Foreign Affairs Committee there has been a crystallization of sentiment in the country in favor of emergency legislation to admit a fair share of the DP's outside the nationality quotas. Much tragedy is being caused by our delay in enacting a measure of elementary justice. Endorsement by the A. F. of L., CIO and American Legion has now invalidated the arguments about jobs and housing made against legislation to admit DP's. The Stratton bill, although extensive hearings have been held on it, has not been reported out. A piece of evidence showing the urgency of action is the following story from the Washington Post, of February 1, 1948:

THE RED TAPE MURDER OF A DP'S SOUL

(By Fred Hechinger)

PLAINVIEW, TEX., January 31.—This is a report of one single European tragedy, but the reader may multiply it many thousand times.

What makes this case so poignant and close to the home of American consciences is that it happened way out here in Texas—and in Munich, Germany. It involves the murder of a hopeful boy, and the killer is red tape.

It is a particularly horrid murder because the victim is still alive and may remain alive for a long time (or perhaps just a few days), but his soul and his hope are dead.

Here are the records of the case.

The first witness is William Marshall, president of Wayland College at Plainview. Last year he authorized the selection of a talented displaced person of college age to be brought to Wayland for free education at the Baptist school.

The second witness reported a few weeks ago. He is Capt. Jack Moses, Baptist chaplain of the American air base at Munich. He picked young Visvaldis Paukulis, parentless and displaced native of Latvia, for the scholarship. The consulate promised to proceed without delay.

Visvaldis went to the Munich immigration center, stayed for several weeks, completed his processing for travel. The American boys at the air base responded with typical generosity, collected the money for his passage. Everything was set.

VANISHED HOMELAND

Then young Visvaldis was called to the United States consulate. He was informed that he would not be able to go, "because all who went to the States as students must have a country to return to." This boy has lost his country. It is now part of Russia. One of the witnesses asked whether Visvaldis' (and all the others') passport some 30 years from now would list "displaced" as his nationality.

The Air Force boys "appealed." They took the case to the Military Government, but received the same answer. The best they could get was the promise that the case would be reopened in 6 months. It was hoped that the policy regarding DP's might have changed by that time. "Policy" is a cruel word.

This correspondent regrets to add to the testimony that the same office which first assured Visvaldis that he could go to the United States finally turned down his application. There is no malice in this report, for it is obvious that a kind and reasonable official heart has reluctantly been conquered by the rule book.

A RARE OBITUARY

This case is peculiar in that the victim issued a statement after his soul was killed. It is in a letter of December 3, 1947, from Paukulis in Munich to President Marshall. It is a rare document and should be read into the CONGRESSIONAL RECORD.

"My joy and happiness was undescribable," the boy wrote. "The letters were to open the door to my future; satisfy my longings for knowledge and education; bring me out of this war-torn Europe, where famine, disease, and death have made themselves the rulers; give me home and chance to live.

"But look what happened! Very seldom was I so near the fulfilment of my dreams. I didn't know and couldn't even imagine that someone is already waiting there to say just a plain 'No.'

"At the first moment I didn't believe my own ears, but when the explanation followed I felt like a man being pushed down from the cliff into the sea. Fifteen minutes later I was in the street again, disappointed, confused, and hardly able to stop the tears into my eyes. * * * Why? Just because there was a law. A law just as cold as it could be killing. * * * Because I happened to be a displaced person without a home or place to live. Because I am unfortunately a Latvian nationality. * * * This law doesn't know grace. It ties the hands of those people who would sincerely like to help me. It doesn't feel."

COMFORTING BARRICADE

"Man made this law with purpose to feel comfortable and undisturbed behind its walls and I feel sorry for myself that it took me such a long time to realize the existence and thickness of these unbreakable strongholds. * * *

"There would be a reason and a goal. Now I am sitting alone at the seashore giving the last farewells to those who were luckier than I. Two years I waited. Two of my best years for education have gone into salvage. Time which will never return * * *

"My heart has to be brought into the country of freedom and liberty. As long as I physically shall exist, the fight will never cease, for I know the sun is there! It may take me years and years to break the clouds. * * *

"I owe you much gratitude for your kind letter and interest you showed in my case. I am very thankful, too, to our chaplain, Jack Moses, who is doing his best to help me to get to the States and preparing me for the studies in your college. Let us hope that Congress will improve the immigration law in this session and fulfil the dreeams of many young ambitious men, who'd like to become valuable citizens of the United States of America."

EIGHTY THOUSAND SIGNATURES

The letter is signed "V. Paukulis"; but there are some 80,000 invisible signatures below. They belong to "unaccompanied, displaced children." They implore; they hope; they wait; and they die—spiritually and morally. In time many will really be dead.

The case of Paukulis versus The Rule is neither new nor unique. But it shows one single victim, and the specific instance has more meaning than the plight of anonymous masses.

Visvaldis Paukulis is a distinct person, although "displaced" and of no country. He is not a statistic. Perhaps I know him. He may be one of thousands whom I recently visited in their hopeless asylums in Germany. He may be one of those who have been haunting me.

I release his letter, his case, his file, his legal murder—to haunt Congress.

Must We Have Fuel Oil and Gasoline Shortages?

EXTENSION OF REMARKS
OF
HON. CHARLES R. CLASON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. CLASON. Mr. Speaker, last summer the Oil and Gas Division of the Department of the Interior had knowledge of the impending shortage of fuel oil this winter. Director Max W. Ball has recently testified that the American people may expect like fuel oil shortages during the next four or five winters. What did Secretary Krug or Director Ball do to prevent the present shortage? What are they going to do about those they prophecy for the next 4 years? We know what they did not do. They did not prevent the sale of 80 or more government-owned tankers to foreign interests last summer. If 10 of them had been available for use on the Atlantic Seaboard since early December, much of the present trouble caused by lack of transportation would have been overcome. Congress authorized by law the sale of these tankers but had every right to expect that any sales would be made subject to the needs of our people. The Maritime Commission was ordered by the administration to sell them against their better judgment. I would suggest that the Secretary of the Interior and the Director of the Oil and Gas Division check periodically on the availability of fuel oil transportation in order that this phase of the present oil shortage will not plague us next winter.

We are told that control of the oil industry in the United States is concentrated in 17 major oil companies, and that these companies have entered into a voluntary agreement to act jointly in providing fuel oil and kerosene for individual hardship cases and for independent dealers whose sources of supply have dried up. This agreement was unlawful until at the recent special session of the Eightieth Congress we passed a law which permits such voluntary agreements with the approval of the President. Until Congress provided this means of granting relief in the oil shortage, the companies were barred from concerted action because of the Sherman Antitrust Act and kindred laws. If Secretary Krug believes such an agreement would be helpful next winter, he might bring the matter to the attention of the oil companies now.

A committee of Congress has also suggested that exports of petroleum prod-

ucts from the United States be restricted to such an extent that our own people shall not face a scarcity for domestic consumption. A law has been on the statute books for some time giving such control through issue of export permits. Perhaps the proper and judicious exercise of its lawful control over permits for oil exports by the Department of Commerce would have prevented our shortage of fuel oil this winter and the threatened shortage of gasoline next summer. If the Secretary of Commerce fails to protect the American people after all the hardship he has helped to cause this winter, the present administration cannot avoid responsibility for such a shortage. Canada recently has cut its oil requirements from the United States voluntarily—some evidence that such large exports should not have been permitted. The American people now know too well about the causes contributing to shortages.

Today we find the major oil companies rearranging the percentage of oil products from the crude oil which they refine in order to obtain more fuel oil and less gasoline. If this step had been taken by all of them when the shortage became apparent, perhaps we would have had no fuel-oil shortage at all. They are rushing ahead with such a program today and doing a good job of it—for which President Rathbone of Standard Oil of New Jersey deserves full credit. But the major oil companies knew, not only what commitments each of them must meet to supply their fuel-oil customers this winter, but that they were the real source of supply for all fuel-oil users in the United States, including those who receive their household supplies from independent retailers. Unless independent dealers are to be forced out of business, the major oil companies must provide for their needs the next four winters. If the companies need help in determining how much oil will be needed, Director Ball or some other Government official should furnish the statistics and other information. Each company plans to make money for its operations, but when a great segment of the national economy is controlled by only 17 companies—not only the oil industry, but the automobile industry and the house-heating industry, to cite two examples—it is up to those 17 companies to provide properly for the needs of all consumers of oil products. The 17 companies must not concentrate on the best paying products. Each company must carry its share of the less profitable oil products. If the companies cannot figure out a system which will prevent shortages, the American people may ask for some further supervision from Congress.

The oil companies need steel to expand. I think the steel companies should provide the amount to which they are entitled after considering the demands of others. We hope to have atomic power and heat in 20 years, not during the next four winters. Secretary Krug has suggested the investment of $9,000,000,000 for making oil products from shales and coal. That suggestion may be sound, but it is not going to furnish an alibi either for this year's shortage or those of the next 4 years. Let us have a proper, fair, and efficient management of our present oil industry and see if these present and future oil product shortages cannot be eliminated.

And while we are about it let us check on the prices of oil products. With capacity business, no sales resistance to overcome, even in a period of inflation, are the recent price increases for fuel oil and gasoline justified? Why are the prices of so many companies always the same? Is there need for a price-fixing body?

I think the American people who support this great industry are entitled to answers to the above questions from the Government and oil company officials who have permitted the present fuel-oil shortage to occur. Let us have an accounting now and not after the next and the next and the next shortage.

May I add that Americans are thoroughly aroused over the present crisis and are raising some interesting questions. The following editorial is from the Springfield (Mass.) Daily News of January 28, 1948:

PLENTY OF GAS, LITTLE OIL

Just so long as officials of the major oil companies remain silent and conceal the real reasons why a fuel-oil shortage has been foisted upon New England and many other sections of the country this winter there is nothing left for the public to do but conjecture—and that is just what they are doing.

If the oil men should start talking, they will have a difficult time trying to reconcile the plentiful supplies of gasoline with diminishing supplies of fuel and range oil, as retail dealers struggle to keep their customers satisfied—and warm.

A householder who has gone modern by installing an oil-heating unit in his basement or a burner in his kitchen range is finding it next to impossible to obtain the quantity of oil he needs in order to keep his home comfortably warm. He has been told that he must curtail his usual consumption by at least 15 percent because the supplies are 15 percent below normal.

It is reasonable to assume that virtually every householder who has oil heat also owns an automobile. Does he have trouble getting his gasoline tank refilled when he is in need of fuel to keep his car in operation? Of course not! He can drive up to any filling station in the city, or in the area, whether he is a regular customer or not, and get as much gasoline pumped into his fuel tank as he wants and is able to pay for. He isn't asked to cut down his consumption of motor fuel. In other words, he finds that in petroleum circles there isn't even the remotest suggestion of a gasoline shortage. Why, then, must he shiver at home, he wants to know, when he can drive his car as much as he pleases and whenever he desires for pleasure purposes. It doesn't make sense.

He also knows that most of the gasoline filling stations are owned or controlled, or operated indirectly, by the major oil companies. He wonders, too, why they keep their filling stations brightly illuminated, many of them until midnight, when brown-out conditions should prevail, if the fuel conservation program is to be effective.

It apparently simmers down to a question of plenty of gasoline for pleasure driving, but a lack of fuel oil for heating purposes. Why? The obvious answer is that the margin of profit from manufacture and sale of gasoline is greater than from fuel oil, and the oilmen apparently are more interested in profits than they are in the welfare and comfort of their customers.

It is highly encouraging to note, in dispatches from Washington, that an immediate ban on all exports of petroleum products has been recommended to the House Interstate Commerce Committee, and that Secretary of the Interior Krug has asked Congress to set machinery in operation to build an American synthetic-oil industry so that ultimately it will not be necessary for the country to be placed at the mercy of the monopolistic oil interests.

The trouble is, however, that the Federal Government is a little tardy in initiating these moves. As a result, little, if any, relief can be expected this winter when fuel oil is badly needed to keep homes properly heated. Foresight on the part of our leaders could have prevented the present mess.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith remarks made on the Marshall plan in a radio broadcast over Mutual Station WOL, Washington, D. C., on Friday morning, January 30, 1948, by George E. Reedy, a distinguished news commentator.

Mr. Reedy's remarks follow:

President Truman has laid it on the line in no unmistakable terms. He has made it clear that he will accept no compromise on the Marshall plan. He wants all or nothing, and is not interested in splitting the difference.

In a sense it is well that the President has stuck his chin out in this manner. For whatever may be said about his attitude, it will at least clarify the issues. They are issues that badly need clarification.

The Marshall plan involves drastic changes in American policy—changes even more basic than those proposed by the late President Roosevelt with his Lend-Lease Act. The measure, if approved, will set America firmly in a path it has never trod before.

We have lost sight of that fact in the type of debate that is now waging around the proposal. Instead of fighting over the basic issues of the plan, we have talked only about the amount of money that will be appropriated.

The President has asked for $6,800,000,000 for a 15-month period. The opponents seem to have agreed to a figure of around $4,000,000,000 for a shorter period. Most of the arguments revolve around the nearly $3,000,000,000 difference.

Ordinarily, that is a sensible approach to legislation. The usual pattern is for the administration to ask for more than it actually wants. Congress usually counters by proposing less than it is prepared to give.

After a prolonged period of public debate a compromise is reached. As a rule it is not a bad compromise. It maintains legislative integrity and, by and large, reflects the real wishes of the people.

In the case of the Marshall plan, however, the administration is talking about one kind of a bill and Congress another. The figures, instead of reflecting different ideas of how much is necessary, reflect opposing ideas toward the legislation.

The administration wants the authority to intervene in Europe to try and buttress its governments against communism. In other

words, it is asking for final and complete abandonment of traditional American isolationism.

That is a project that will take money, and plenty of it. If it is worth doing at all, it is worth doing thoroughly. There is no conceivable way of cutting down the expense. It will require the mobilization of all American resources.

Those who are proposing a $4,000,000,000 measure are talking about something else altogether. Their project is designed to prevent starvation in Europe. Therefore, a searching scrutiny to hold expenses to the bone is possible.

The two groups involved in this debate have no common meeting ground, and should say so, once and for all. Anything less than that would be a fraud upon the public. It cannot help but have unhappy consequences.

There are two possible dangers inherent in the situation. One is that the administration would pass the Marshall plan under the label of a relief bill. The other is that the opponents would pass a relief bill under the label of the Marshall plan.

President Truman has rejected the first course. It is now up to the opponents to reject the second. On an issue so basic there should be no false labels. The Nation is entitled to a clear-cut "Yes" or "No" stand on the Marshall plan.

Price Control and Rationing

EXTENSION OF REMARKS
OF
HON. MAX SCHWABE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, recently much publicity was given the testimony of a soup factory worker and his wife, Mr. and Mrs. Cyrus J. Waud of Camden, N. J., who appeared before the Banking Committee of the Senate at a hearing on the return of price control and rationing, representing the CIO in its plea for the return of these controls. Mr. and Mrs. Cyrus Waud told of the hardship of the average factory worker in attempting to get along on $2,500 a year. In this morning's mail I received a letter from a typical above-average farm family, Mr. and Mrs. Forest L. Clough, Rural Route No. 1, Marshall, Mo., in opposition to price control and rationing, telling their story of the limitations and deprivations of the farmer and their fear of the return of controls with its uncertainty and impossibility of planning for the future. I quote:

MARSHALL, MO., *January 28, 1948.*

DEAR SIR: I noticed that a Cyrus J. Waud and family testified before the Senate Banking Committee on the high cost of living. Naturally, they will be high as long as the unions continue to demand and receive increased prices.

Poor Mr. Waud stated that he hadn't had a new suit in 4 years. Oh, dear. My husband has had only two new suits in the 20 years we have been married, a summer suit in 1932 and a winter suit in 1941, and one new overcoat—all that he has bought since 1928. Our son is 15 years old and he has never had a suit. Our two daughters wear made-overs, hand-me-downs, and sometimes we strike a sale and can buy them something. And I sometimes manage a new dress during the year. Cost—about $5. I wear my dresses for years, and love them. Right now I am wearing one that is over 15 years old.

But we do not want rationing. At least, we can save and buy an article of food, and during rationing the counters were bare.

We are farmers doing about as well as most of them, which is not so well financially, for our expenses are terrific. Everything we need is out of price because of the unions and strikes and wages. For instance:

1. Our machinery is old. We and most of our neighbors need new machinery, but it is out of price, if available and hasn't been sent overseas.

2. We are trying to save our land by soil-conservation methods, which are terribly expensive. Fertilizer, lime, etc, are expensive.

3. Our house is old and needs many repairs, but the price of lumber and everything needed, including labor, is out of price. Unions have put the price up.

4. Our youngest daughter has to fight off TB. We need a better heating system than two coal stoves, which halfway heat our house for over $150 a year. Price of coal? Unions demand and get more money.

5. We have three children to put through college—and education is going out of sight, but America needs educated people. How can they afford it?

6. We are still paying on the home we bought in 1924.

7. We have insurance policies to keep up, our car is 7 years old, our truck of 1929 vintage, our tractor 1936, etc. Expenses face us every way we turn.

Personal note: We won the balanced farming award in the county given by the Kansas City Chamber of Commerce in 1946. My husband was president of the county farm bureau of 1944–45. I have been president of the county council PTA units for the past 2 years. My husband and I have college degrees.

Oh, yes; like the Waud family, we don't drink, smoke, and rarely get to the movies. Our milk, too, is terribly high, for our cows cost money to buy and to feed and care for. We do usually have meat once a day—meat that could be sold. Right now oranges are 2 dozen for 39 cents, nice ones, but why not feed Lois Waud home-canned tomato juice, it has the same vitamins. Canned orange juice isn't so expensive; the 46-ounce cans (23 cents quoted this week).

No; we don't want rationing. Just let wages come down and everything else will automatically adjust themselves. Farm prices are always the first to come down or be hit, and the last to go up.

Sincerely,

VIRGINIA N. CLOUGH.
(Mrs. Forest L. Clough.)

Mutual Understanding Essential to Success of UN

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. CANFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Christian Science Monitor of January 20, 1948:

HOW THEY GET THAT WAY

In a recent letter to this paper, Representative MARGARET CHASE SMITH, of Maine, stated that the important thing among people and nations is not to agree but to understand. For whereas it is utopian to hope for complete agreement, there is no reason why we cannot and should not learn more about what our world neighbors are thinking and why they are thinking that way, thus providing the climate for peace.

This is so elementary a truth that it is almost platitudinous, yet so infrequent a practice that it is almost revolutionary.

There are 57 members of the United Nations today, and that too often means 57 varieties of thinking based on the supposed primary interests of 57 nation-states. Yet the real primary interest of all of them is peace. Secretary General Trygve Lie has declared forcefully that the individual can help to attain this goal through his understanding not only of the world organization but of the other member nations.

With this simple fact in mind, and without waiting for one's neighbor to do the same, the individual can make a conscious, determined, unremitting effort to learn how his world neighbors get that way—and how, for that matter, he gets that way himself.

Wanted: A Leader

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following article by Robert M. Grannis, which appeared in the Brooklyn (N. Y.) Eagle of February 1, 1948, entitled "We Need a Leader With Gandhi's Courage":

WE NEED A LEADER WITH GANDHI'S COURAGE—HE HAS TO BE BIGGER THAN HIS PARTY AND RISK BEING A MAGNIFICENT FAILURE

(By Robert M. Grannis)

Gandhi was unconventional, unafraid. He had the courage of his convictions to such an extent that he refused to be moved from his selected path in life by the great possibility that one day he might be listed as one of the world's colossal failures.

We could use a few men like Gandhi in the United States. But, unfortunately, by our so-called civilized and ultramodern standards here anyone in public life who conducted himself like Gandhi would be considered a fool and a crackpot.

Our system—our lack of the spiritual approach to issues that confront us—does not encourage the development of leaders who hew to a line come what may. As a result, the era of great men in America is on the decline and our Nation is less strong in a moral sense than it should be.

The modern leader in political life in the United States believes that in order to survive he must travel in many directions at the same time. Sometimes his dashes down side roads become so frantic he makes himself ridiculous. Gandhi was never frantic or ridiculous. He cloaked himself in the dignity of his beliefs and looked all men in the face.

We haven't had a man like that since Lincoln. If there is another on the horizon, he is as yet invisible. I think that if Gandhi had lived and worked in the United States, we would have seen only that he was an eccentric, that he wore a strange garb, and that perhaps there was something wrong with him mentally. Quite probably he would have been investigated by Congress, because he

was against so many things that make for chaos in a man's life.

Today the world's top help-wanted advertisement calls for a man who will dare to be a magnificent failure. The job appropriately should fall to an American, because Europe and Asia are much more tired and bewildered than we are. The man to fill the bill has got to be bigger than the party behind him and he's got to be strong enough to act today for the benefit of the people of the future.

The job is a killing one. He won't get much help at first because he, too, will be considered a fanatic, perhaps a dreamer. Facing him is a United Nations just born and almost ready for the grave because there is no one with enough courage to say that it can and must be made to live and work.

It is so much easier and so much more in keeping with the times to fall back on the obvious—unilateral force, which in world history is the nearest thing to perpetual motion man has ever discovered.

The United States was instrumental in setting up the United Nations. It came into being at a time when people were so war weary that it was easy to sell despite the dismal failure of the last attempt which was called the League of Nations.

But somewhere along the way leaders became appalled by their own idealism and reached the conclusion that the world wasn't ready for anything so moral as permanent peace plans participated in and upheld by all nations. They let the veto power stand and stood idly by while UN degenerated into a brawl more fitting to the back room of an old-time saloon.

UN is just a name now for lack of a fighter who won't give ground. This man we need doesn't have to forego the common-sense necessity of keeping America strong for the battle against communism. He doesn't have to give away anything we should keep for ourselves.

But he has got to risk being a colossal failure in the belief that nations can line up for peace as well as for war. Is there such a man in America?

Mr. Speaker, this is but one more well-reasoned warning that the Charter of the United Nations must be strengthened and implemented if it is to become a world-wide force for peace.

Surely, somewhere in this great land of ours there must be someone who can rally popular opinion to this cause.

The Wright Brothers

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. HARVEY. Mr. Speaker, under permission of the House, I insert in the RECORD a brief reference to the late Orville Wright. He, with his brother, Wilbur, spent boyhood days on a farm in Henry County, Ind.

The recent death of Orville Wright, co-inventor of the airplane, stirs poignant memories for many an older resident of Henry County, Ind. It was there, on a farm near New Castle, that Wilbur Wright was born, and with his late brother spent several years of childhood. It was there, too, that as youngsters they conceived the dream of building a flying machine for men—a dream kindled by the gift of a propelled toy from their father. Not until a later day, when the Wright family had moved to Dayton, Ohio, were the brothers in position to demonstrate their inventive daring in a practical way, but to the lasting credit of Henry County, it was there that their idea was born, and it is there today that a modest monument stands in loving memory of their great contribution to the progress of civilization.

Problems of the Veteran

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement pertaining to an address made by me to the American Legion, Clinton, Mass., January 24, 1948:

Speaking at the past commanders dinner of the American Legion in Clinton last night Congressman PHILIP J. PHILBIN deplored conditions in the Veterans' Administration which are hampering efficient attention to the problems of the veteran. PHILBIN also touched upon and praised the Legion's aggressive campaign against communism and subversive activities. Demanding a strong impregnable national defense the Clinton Congressman declared that we should not adopt a defeatist attitude toward the achievement of an enduring peace which he stated the Nation should be prepared to work for unceasingly in spite of current discouragements.

PHILBIN said in part:

"It is fitting that we should pay our tribute to all the past commanders of Clinton Post, American Legion for the faithful, effective service which they rendered to the great American causes for which the Legion has stood throughout the years and at present. It is gratifying to note that their good work is being ably and forcefully continued by the present commander. I am proud to extend my congratulations, felicitations and best wishes for the future.

"Traditionally the Legion has been the staunch friend of all the veterans and the protector of their rights. That is why we must view with hearty approval the most recent efforts of the State Department in conjunction with other service groups to adjust the affairs of the Boston offices of the Veterans' Administration. We all readily agree that there is no more sacred trust that any of us have than the proper and adequate care of our disabled and wounded heroes. Hospitalization and skillful medical and nursing care must be provided to these veterans with a minimum of delay and without governmental red tape. There is no valid reason why all matters affecting the rights, benefits, and privileges of our veterans should not be handled with efficiency, because the Federal Government provides billions of dollars annually for these purposes. Petty differences and contention between Government officials should not and must not be permitted to interfere with the prompt handling of veterans' claims on a humane and generous basis. I pledge my continued cooperation and efforts to the adjustment of the present difficulties which have impeded prompt consideration, adjudication, settlement, and payment of veterans' claims. We must have effective administration of all these matters.

"Let me allude briefly to the Legion's campaign against communism. Nothing is more important to the country at present than that all Americans interested in the preservation of our institutions should join with the Legion, other service organizations, and groups to break the influence of Communists in our governmental and civilian life, and banish this cancerous plague from our land.

"If we keep our Nation strong and impregnable, if we are prepared to meet any contingencies that arise abroad which may threaten our own security, we will command the respect of all nations in world councils, and we can move to check communism at home and abroad with greater confidence.

"While the world situation is steadily growing less favorable, because of the activities of organized communism, we cannot afford to be defeatists about the prospects for ultimate peace. Despite difficulties, obstacles, and set-backs, let us move with determination and persistence toward the goal of the enduring peace. Neither world communism nor any other force can be allowed to destroy the aspirations and ideals of peace, democracy, and freedom hallowed by the great sacrifices of your comrades."

Tax Revision

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following account of the remarks I made at the National Association of Letter Carriers banquet at Fitchburg, Mass., on January 31, 1948:

Speaking before the National Association of Letter Carriers, Branch No. 16, in Fitchburg last night, Congressman PHILIP J. PHILBIN praised the employees of the Federal postal service and stated that they are an outstanding group of Government workers devoted to serving the public in an important role which touches directly practically every person in the country.

Congressman PHILBIN, who returned from Washington over the week end especially for the carriers banquet, referred to the current debate on the tax bill which is taking place in the House of Representatives. He expressed the hope, for the sake of the people, that a satisfactory tax bill would be passed and signed by the President.

"I think it was former Chief Justice Holmes of the United States Supreme Court who said that 'taxes were the price of civilization.' That is undoubtedly true in a sense, but we must not forget that the power to tax is the power to destroy. Taxes alone do not make a civilization. The spirit and genius of the people and sound progressive leadership are necessary factors. It is utterly impossible to justify high wartime taxation of American working men and women and businessmen in time of peace. Our tax structure is based on the principle of ability to pay but in these days of high prices, I need not remind you that there are a great many of our humble citizens who do not possess the ability to pay such substantial sums out of their weekly pay envelope to the Federal Government without feeling a real pinch. These people, most of whom have families to support, are entitled to prompt relief.

"Our business groups are also entitled to consideration. Present tax rates are so high that many businesses after taxes do not have adequate funds for reconstruction, repair, renovation, or expansion. These burdens fall especially heavily on small growing business. Because of the vitality of American business in general and because of the fact that the Government financed so much industrial construction during the war, this burden and handicap has not as yet been too manifest. But unless we unshackle private enterprise, which in the last analysis is responsible for most of the high-paid, high-standard employment in this country, from oppressive wartime taxation and other unreasonable un-American restrictions and permit it to grow and develop along sound American lines the time will come when incentive will be discouraged, business activity will be stifled, and employment will be greatly curtailed.

"Our economy must expand and develop as a dynamic progressive organism. If we stand still we are in fact slipping back and that we cannot tolerate because the path of America is forward. If we but observe what is transpiring in many foreign nations where initiative has been destroyed, we will recognize the vital importance of keeping open the doors of opportunity to all who aspire to seek advancement in any sphere of American life. I hope that the House will be able after careful deliberation to produce a tax bill which will be satisfactory to the general public and which will be signed by the Executive. Millions of humble Americans are crying out for tax relief and they are entitled to have it."

Congressman PHILBIN assured the postal workers that he would continue to give his most sympathetic attention and support to legislation in which they are interested looking toward equitable adjustment of their pay scales, betterment of the conditions of work and improvement of their retirement system, which, he declared, was a vital part of the national social-security program.

PHILBIN urged his listeners to apply calm, considered judgments to current domestic and international situations. "Let us not lose our sense of balance," he said. "We have worked out great problems before and if we cling to fundamental principles of our Government and way of life, remain vigilant against subversive groups and intent upon keeping the Nation strong against enemies within our gates as well as those which may threaten us from abroad, we will be able to solve the problems of the present and future in a way that will assure to our Nation and all our people the continuance of full employment, high living standards, sound prosperity, and the preservation of cherished civil liberties and freedoms which mean so much to the average American."

Who Is Un-American Now?

EXTENSION OF REMARKS
OF

HON. WILLIAM T. BYRNE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. BYRNE of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the American Journal of Public Health for December 1947:

WHO IS UN-AMERICAN NOW?

On July 2 last "The Subcommittee of the Committee on Expenditures in the Executive Departments Authorized To Investigate Publicity and Propaganda of Federal Officials in Formation and Operation of Health Workshops" made a report to the Committee of the Whole House.[1] This report has somewhat serious implications—although these implications may be somewhat different from those which the subcommittee itself had in mind. The fact that the Journal of the American Medical Association has editorially summarized the report in question [2] warrants a study of its content.

There are essentially two sets of facts brought out in this report and used by its framers as the basis for an attack on:

1. The United States Public Health Service.
2. The Children's Bureau.
3. The Office of Education.
4. The United States Employment Service.
5. The Department of Agriculture.
6. The Bureau of Research and Statistics of the Social Security Board.

The first of these facts was that Surgeon General Parran on December 10, 1945, transmitted to all officers of the Public Health Service a copy of House Document No. 380 which was President Truman's message to Congress on a national health program. He said in comment, "Every officer of the Public Health Service will wish to familiarize himself with the President's message and will be guided by its provisions when making any public statement likely to be interpreted as representing the official views of the Public Health Service." Since June of that year (1945) all officers of the Service had been by Executive Order 9575, covered into the armed forces with full military rights and obligations. Even under civilian conditions, however, such a warning as that issued in December 1945 would have been entirely proper. The United States Public Health Service is a branch of the Federal Government, and it would be most unfortunate for any subordinate officer of that Service to make statements likely to be interpreted as representing the official views of the Public Health Service if those views were in opposition to those of the head of the Government, whether acting as Commander in Chief of the Army or in his normal civil capacity.

The official views of the Service on any technical matter must be formulated by the Surgeon General himself. If his views differ from those of his official political superiors, he can only resign. We infer from certain earlier writings of Dr. Parran that he did not feel the President's speech called for any such action. He might have taken much more vigorous steps. It would have been quite within his rights to point out that the need for some form of compulsory prepayment of medical costs is as important for the health of the American people as is the need for vaccination against smallpox. He did not follow any such course; he merely acted to protect the Service against the danger of possible criticism, by members of the Federal family, of the policies advocated by the Chief of State.

The second mare's nest uncovered by the subcommittee is the fact that between November 1945 and November 1946 a series of 26 workshops were held in various parts of the country, under the auspices of the Service, for the discussion of problems relating to medical care. We deplore the word "workshop"; but it has become a routine part of educational lingo. In any case, groups of citizens and experts in various areas of the field were convened and Federal employees participated in the discussion of methods by which the important issues concerned could be brought before interested groups, so as to stimulate thought. The subcommittee concludes that these discussions were planned subtly to generate public sentiment in behalf of what certain witnesses and authors of propaganda refer to as socialized medicine. By and by, the subcommittee is very fond of this phrase that certain witnesses and authors of propaganda refer to as socialized medicine, repeating it half a dozen times. It puzzles us a bit. In the language of bodies like this subcommittee, propaganda usually means the other fellow's argument; and no person well informed enough to discuss health insurance intelligently ever uses this phrase "socialized medicine" which has no intellectual content and is used only to stimulate the endocrines. There seems no valid reason why technical experts in the Government service should not meet with groups of interested persons to discuss pressing public-health problems. It is an important part of their duty to do so. No convincing evidence is adduced of the subtle generation of public sentiment; and whether we like the word or not, the workshop is about as good a medium for democratic discussion as has yet been devised.

All this is pretty small potatoes for the activity of a group of representatives of the American people, convened in a Congress which faces the gravest world problems which have ever confronted the Nation.

Even more serious, however, is the last paragraph of the subcommittee report. "Suffice it at this time for your committee to report its firm conclusion, on the basic evidence at hand, that American communism holds this program as a cardinal point in its objectives; and that, in some instances, known Communists and fellow-travelers within the Federal agencies are at work diligently with Federal funds in furtherance of the Moscow party line in this regard."

As to the Moscow party line, the members of the subcommittee will perhaps be interested to learn that the United States of America and the U. S. S. R. are the only two leading countries of the world which do not have some system of compulsory health insurance. They do not have it in the Soviet Union because they have a system of state medicine (which is radically different). For the United States to adopt such a plan would be to follow London, Paris, and the capitals of Holland and Sweden and Norway and Denmark—in direct opposition to Moscow.

As to the business of fellow-travelers, the actual evidence which the subcommittee has been able to collect is as follows. If it had any better evidence it would, no doubt have welcomed it. The facts submitted were as follows:

(a) An obscure member of the staff of the Social Security Board has been documented by the House Committee on Un-American Activities for almost uninterrupted association, since 1939, with various Communist and fellow-traveler organizations in the United States according to the subcommittee. How far such documentation may be justified we have no means of knowing. There is no evidence that he was ever condemned by any court; and it is easy to accuse.

(b) It was once suggested in an office memorandum of the Security Board that this individual might be sent to New Zealand to study its health-insurance program.

(c) The Social Security Board maintains close contact with movements for compulsory health insurance in other countries.

(d) Another employee of the Social Security Board once assisted Senator WAGNER in drawing up a health-insurance bill.

(e) Therefore, the Social Security Board is a Communist-front organization.

(f) Much of the literature used in the workshops was prepared by the Social Security Board. (This could scarcely help being the case since the studies made by this Board furnish the most authoritative statistical data we have, with respect to medical economics.) Unfortunately for the clarity of the subcommittee's conclusions, neither the suspected Communist nor the head of research and statistics participated in the workshops.

[1] H. Rept. No. 786, 80th Cong., 1st sess., July 2, 1947.

[2] Journal of the American Medical Association 134, 15:1240 (Aug. 9), 1947.

But (g) since the workshops used literature prepared by the Social Security Board (which had a humble employee accused of being a fellow-traveller) the United States Public Health Service which sponsors the workshops must be tainted.

And, finally, (h) since employees of the Children's Bureau, the Office of Education, the United States Employment Service, and the Department of Agriculture sent representatives to the workshops they are probably fellow-travelers, too.

On this house that Jack built (or shall we say that Jerry built?) the subcommittee bases its conclusion that "Known Communists and fellow-travelers with the Federal agencies are at work diligently with Federal funds in furtherance of the Moscow party line." Six bureaus of the Federal Government are pilloried because one employee of one of them has been charged with being a fellow-traveler, and the Attorney General has been officially asked to prosecute offending employees for taking part in workshops mentioned. The true motivation of the subcommittee is, probably, a quite different one. It appears to assume throughout that advocacy of health insurance is ipso facto an evidence of communism. If this be the case, President Truman should be impeached for his message of 1945; and, since the Seventy-ninth Congress did not condemn his address as emanating from Moscow, all its Members must be considered as fellow-travelers. Indeed, the Eightieth Congress might deserve the same designation, since its Members sit in the same Chambers with many who supported the Wagner-Murray-Dingell bill and who must be ipso facto Communists.

The final paragraph of the report of the subcommittee is the text for a shocking circular sent out to all physicians and dentists by the National Physicians Committee. It makes those who respect and love the medical profession somewhat heartsick to see the names of 13 physicians (most of them of outstanding position in the American Medical Association) at the head of this broadside.

We have no sympathy with communism as a political movement. We believe that it is necessary to protect the United States against the influence of such citizens of our country as may hold secret allegiance to any foreign power. The spirit of totalitarianism is, however, even more dangerous than its puny human emissaries. If we adopt the methods of totalitarian ideology we are surrendering to the very worst element which is common to both communism and fascism. That is what is happening when we demand absolute conformity with the social program of one group which happens for the moment to be in power; stifle discussion, call everyone who differs a Communist and everyone who has ever been associated with any organization in which there was ever a Communist member, a fellow-traveler. Such an attitude abandons reason for ideology, and philosophy for perverted semantics. It overwhelms empirical evidence in a flood of catch-words. It enthrones emotion above reason, by discovering un-American art and un-American music and un-American science.

The writer of this editorial has behind him ten generations of New England stock. He learned that the American tradition meant freedom of thought and of speech (up to the limit of legally prosecuted action); that it meant open-mindedness and readiness to try experiments; that it meant initiative in the working out of the problems of society; that it meant experimentation and progress.

The other road—that of rigid conformity with the theory of a temporarily powerful group—of defining not only what a man must do but what he must think and feel—and with whom he may be acquainted—is the road to what is truly un-American. This was the technique of the Hitler regime in Germany and is the technique of the Communist leaders in Russia. Pray God, it may never become the prevailing mood of America.

The Pomona Plan

EXTENSION OF REMARKS
OF
HON. WILLIAM A. DAWSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. DAWSON of Utah. Mr. Speaker, many plans have been suggested to alleviate world-wide starvation. One of the most unique and constructive plans yet offered is the Pomona plan. This plan has been promulgated by the citizens of Pomona, Calif., and offers a new approach to this great problem.

Under leave to extend my remarks, I include herewith a summary of the Pomona plan:

THE POMONA PLAN

This is a plan that will solve the world food shortage and avoid starvation in European countries, both this summer and also next winter.

Because the world food problem is one of the gravest problems facing the world today, and because the whole world is looking to the United States to help, and because the United States has had plans for the people of the United States to eat less and to observe such days as meatless Tuesday and eggless and poultryless Thursday, which are all of a negative nature and therefore of very questionable success, we have this plan to offer to completely alleviate the critical situation:

The people must eat more—more fruits and vegetables.

The people must raise more fruits and vegetables by planting freedom gardens here in America.

The people must have freedom gardens in Europe, also; and they can have them very easily if we will just send them the seed, fertilizer, and a hand cultivator.

Help them to help themselves—that is different than just doling it out to them. What we save in cereals and meats here by eating and growing our own fruits and vegetables in our own gardens we can send to Europe and supplement their fruits and vegetables that they can grow with the cultivators, seeds, and fertilizers we will send them. Then everyone can have enough to eat and still Americans will not have to do without things on Tuesdays or Thursdays.

So the Pomona plan advocates—

1. Eat more fruits and vegetables.
2. Plant freedom gardens in America.
3. See that the people in Europe have the cultivators, seeds, and fertilizer to plant freedom gardens in Europe.

Resolution on the Pomona Plan

Whereas sufficient food to prevent starvation of millions of people and substandard diets for nearly everyone is one of the gravest problems facing the world today; and

Whereas all eyes are turned to the United States of America to supply food and to prevent starvation and to lead the way back to plenty; and

Whereas plans and ideas have been suggested and put into effect such as the plan for the people of the United States to eat less and to observe such days as meatless Tuesday and eggless and poultryless Thursday; and

Whereas all such plans are of a negative nature and of questionable success; and

Whereas the function and purpose of all such plans are to reduce the consumption of cereals in the United States in order that they may be exported to feed the starving people of the various countries of the world; and

Whereas the members of the Pomona Junior Chamber of Commerce and the people of the City of Pomona, Calif., know that people are best served by helping them to help themselves to help and rehabilitate themselves; and

Whereas it is the desire of the members of the Pomona Junior Chamber of Commerce and of the citizens of the city of Pomona, Calif, to help alleviate world-wide starvation; and

Whereas the Pomona Junior Chamber of Commerce and the city of Pomona, Calif., have developed and organized the Pomona plan, which is a three-point program to induce the citizens of the United States to eat more fruits and vegetables, to plant and grow freedom gardens, and to aid the people in all of the needy countries of the world to plant and grow freedom gardens:

Now, therefore be it

Resolved, That in order to help alleviate world-wide starvation and in order to decrease the consumption of cereals in the United States and increase the exportation of cereals from the United States to the starving countries of the world, and in order to increase the available food supply both within the United States and within all of the needy countries of the world, that a national campaign, known as the Pomona plan, be started and conducted throughout the United States to increase the consumption of fruits and vegetables; that, in order to successfully carry out said campaign, the people of the United States be encouraged to plant and grow freedom gardens; and that in order to aid and encourage the needy peoples of the various countries of the world to plant and grow freedom gardens, the people of the United States prepare and ship to the people of the needy countries unit packages containing desirable vegetable garden seeds and garden cultivators and tools; and be it further

Resolved, That Armistice Day, November 11, 1947, be declared Pomona-plan day and that on said day 25 unit packages containing garden seeds and garden cultivators and tools be shipped to 25 needy cities of Europe; be it further

Resolved, That the citizens of Pomona urge the President of the United States and Congress to seriously consider the Pomona plan for a solution to the food shortage both in the United States and in Europe.

The Place of the United States in World Affairs

EXTENSION OF REMARKS
OF
HON. W. LEE O'DANIEL
OF TEXAS
IN THE SENATE OF THE UNITED STATES
Wednesday, February 4 (legislative day of Monday, February 2), 1948

Mr. O'DANIEL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on The Place of the United States in World Affairs, by H. R. Cullen, one of the most distinguished citizens of Texas, the address being delivered at a dinner given Mr. and Mrs. Cullen on January 22, 1948, by the Methodists of the city of Houston, Tex.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

When Bill Blanton, Walter Coldston, and Hines Baker told me that the Methodists of the city of Houston would like to honor the

Cullens with a dinner on January 22, they told me that I was expected to respond, after being introduced by Bishop Smith.

The first thought that came to my mind was that I wouldn't have to plead with our citizens to help save our present form of government and system of free enterprise, which I have been doing for the past 15 years. I came to this conclusion because not only the voters of the United States have shown that they were turning strongly to the right, but those of England, France, and Italy also have shown they were turning away from radicalism. I decided, therefore, that I would confine my remarks to the early life of Mrs. Cullen and me, which might be of interest.

But something of compelling force has caused me to change my plans and, for the time being, I must forget my memory lane.

Sunday morning, January 4, found us at our ranch. As is the custom, our caretaker on the ranch brought us the Sunday issue of the Houston Post, and I was not only surprised, but startled, to read an article by Marguerite Johnston, entitled "Texas' World Federalists Convene." I say I was startled, for the article gave the names of some of our leading citizens, whom I honor. I could not understand how they could be in sympathy with a movement, which would, beyond doubt, move the control of our country to some place in Europe or Asia.

Naturally, I was very much interested to learn who started the World Federalists, and as luck would have it, I found the answer in the Houston Post of January 21. It stated that Cord Meyer, Jr., of New York City, was president of United World Federalists, and that he was the author of a book entitled "Peace or Anarchy." I learned from his book that he served as aide to Commander Stassen at the convention that formed the United Nations Charter in San Francisco. He being formerly associated with Stassen brought to mind a letter that I wrote to President Truman in 1945, protesting the appointment of Harold E. Stassen as a member of the United Nations Conference, due to his philosophy. Let me read parts of this letter to you, which should convince you that Stassen and this young Cord Meyer have the same philosophy, and are political bedfellows:

"DEAR PRESIDENT TRUMAN: Harold E. Stassen, an appointee of the late President Roosevelt to the San Francisco United Nations Conference, has certainly destroyed his usefulness there by an article he wrote entitled, "The Cost of Lasting Peace", in Collier's Weekly of April 21, 1945.

"The following are excerpts from the abovementioned article:

" 'As I stated in my March 7, 1945, address at the University of Minnesota, I believe one of the seven cardinal points of America's world policy should be: "That we do not subscribe to the extreme view of nationalistic sovereignty; that we realize that neither this Nation nor any other nation can be a law unto itself in the modern world; that we are willing to delegate a limited portion of our national sovereignty to our United Nations Organization, so that it may be effective in the tasks we expect it to accomplish. That we hold that true sovereignty rests in the people, and that there is and must be a law of humanity above and beyond the narrow rule of nationalistic absolute sovereignty. That man is in truth and in fact endowed, not by his nation, but by his Creator with certain inalienable rights.' "

"In the above quotation, Stassen says we should be willing to delegate a limited portion of our sovereignty to some world organization, and he contradicts this statement later by saying that we should all be ruled as subjects of the Creator.

" 'So each nation must so limit its action that it does not injure its neighbors, and must respect and assist in developing laws and courts that are above the nation and draw their power from the people.'

"Even stumbling Henry Wallace, with his fantastic dreams, would not place our welfare in the hands of a foreign court, for it would be a foreign court, because of the fact that we would have less than 5 percent of the vote in such a court, if such vote were based upon the population of the world.

" 'Let me also make it clear that I propose that the agency set up in this particular field will have world-wide jurisdiction, and that no nation shall be permitted to fly a commercial plane in international flight except under the jurisdiction of this agency.'

"If this would be effected, then we would not be permitted to fly a plane to Canada or Mexico without permission of the foreign court.

" 'This approach will also require that we discontinue the notion that our country or any other country can, in a futile attempt to give false prosperity to a particular group within a country, suddenly jump up its tariffs, or devaluate its currency, or install embargoes upon any certain group of products, and thus bring suffering and depressions to other parts of the world.'

"Stassen, in this statement, offers to give the foreign court not only the right to levy all tariffs, but the right to control the monetary system of this country.

" 'We must also recognize our responsibility to furnish a part of the police power of the world and to back up the United Nations organization in a system of justice and law that will be gradually developed.

" 'I believe it would be very desirable if a small portion of our forces were actually assigned to the direct control of the military staff committee of the United Nations. Joining with similar small forces from other major nations, they would constitute a very effective deterrent to the small disorders that break out in the world. These small breaches of world peace are often the forerunners of major wars and do so much to break down the whole moral tone and code of world behavior.

" 'We all recognize that the speed with which one or two squad cars can arrive at the scene of trouble is a greater deterrent to crime than the fact that a large citizens' posse can be organized after considerable delay. So, I believe we should definitely contemplate consigning small, fast, hard-hitting peace forces to the control of the United Nations organization, so that they can be used quickly and decisively for policing action in accordance with general policies which our Congress and our President establish in advance.'

"In this statement, Stassen is willing to create a world police force, resulting, naturally, in a horrible gestapo, subject to the dictation of the foreign court, but this he contradicts later by stating that our participation in such a police force would be in accordance with the general policies which our Congress and our President established in advance. This world police force would have the power to enter the United States at any time and put a stop to strikes, race troubles, or other disturbances subject to police action.

"I have emphasized the words 'foreign court,' for the reason that the foreign court will be created by a majority of the vote of the peoples of this earth, or by a majority of all the nations on the face of this earth, and in either event, the United States is a very small minority, not exceeding 5 percent, so if the 'crackpots', of whom we have so many in public life now, should have their way and create such a foreign court, it is natural to suppose they would demand and receive the greater part of the wealth of this country and if we should refuse their demands, we would naturally have to fight the balance of the world."

Since Stassen is running for nomination for President of the Republican Party, it looks to me like a concerted action on the part of these two men to further Stassen's interests in his political venture.

I will now quote one paragraph from the article about the Texas World Federalists, as appeared in the Post of January 4, spoken of before:

"Their common purpose is to achieve a sound, functioning peace by uniting the nations of the world under a single president and a single republican form of government."

Now since Stassen and Meyer and his United World Federalists are in favor of a world republic form of government, it naturally follows that the people of this earth should have a vote in electing officers to run the world government.

Let us digest this most important matter and try to ascertain what kind of president we would have:

Figures show the total population of the earth to be about 2,300,000,000. Figures also show that this country has a population of about 137,000,000, or only about 5 percent of the total population of the world, so that, naturally, on the first vote we would lose control of our Nation. There is no question but what the Asiatics would govern us, for they have a large majority of the population of the world, and the kind of Asiatics that Wendell Willkie spoke of in his book, One World. He said:

"Finally, everywhere I went in the Middle East, I found a kind of technological backwardness along with poverty and squalor.

"The reason was that they were in truth returning to Biblical times, where little has changed in 2,000 years."

What are these people in the Middle East, who have not changed any in 2,000 years, doing now? In China, atheism—in the name of communism—is fighting a death battle with the ancient religions. In India, the Moslems and Hindus are fighting a religious war. In Palestine, the Jews and the Arabs are also fighting a religious war. In other words, half the people of this world today are fighting each other due to religious superstition.

Now, I ask in all frankness, would you want these Asiatics, that I have just spoken of, as fellow citizens with an equal voice in your Government?

If the time ever arrives when the people of this earth decide to elect a world president, you can rest assured that Joe Stalin, or one of his kind, would be elected, for even if every voter in Italy, France, England, Holland, Denmark, Sweden, Finland, Canada, and all the South and Central American republics would vote with the voters of this country, then we would have only 18 percent of the world vote.

Joe Stalin has so outmaneuvered our New Deal representatives in foreign countries, that I am sure the great majority of the Asiatics are sold on the idea that Joe Stalin is a friend of the poor man. In my opinion, if he is still alive, he would be the first president elected by the World Federalists.

Now I again quote from the article by Miss Johnston, who said:

"By these resolutions, the United Nations would be empowered to enact, to interpret, and to enforce world law."

Now what does this mean? It calls for an army strong enough to defeat any nation, or group of nations, and you may rest assured there would never be any American boys permitted to join this army.

If the time ever arises when we have a world president and a world court, and a world army, the first important business before this court would be the question, "Who owns the wealth of the world?" Well, you may rest assured that the court would order the division of all wealth, including the gold now buried in the mountains of Kentucky. It would assess us millions of bushels of grain, and millions of bales of cotton, in fact, it would finally reduce us to the level of those people in Asia of whom we spoke before.

For the past 16 years the philosophy of the New Dealers has taught and convinced

our good people that it is their duty to attend to everybody else's business, whether they like it or not; that our Nation should meddle and attend to the business of other nations, whether they like it or not, so now, if anyone believes in America and the Monroe Doctrine, as we have always done in the past, we are condemned as isolationists.

It has come to pass that the politicians of many nations of Europe and Asia, regardless of the wishes of the people, have decided to return their countries to the Dark Ages, and no nation or group of nations can stop this tragedy.

I hope no one will accuse me of being selfish, but it is my sincere opinion that sending billions of dollars to Europe or Asia is a great mistake and will do no good—it will only make weaklings of them. The $3,750,000,000 we sent England is now dissipated and apparently drove that Nation deeper into socialism. To substantiate this statement I will read from a letter from Sir Sydney Parkes, a most brilliant Englishman, ex-president of Lloyds Bank of London, now chairman of the board of the Bank of New Zealand, and chairman of the board of Crosse & Blackwell, Ltd., with a factory in Baltimore, Md., who writes me as follows:

"As you know, we are fast getting through our dollar loan and it looks as if we shall have to tighten our belts still further, because this country does not want gifts, nor further loans, which would increase our indebtedness and increase the amount of exports for which we get no imports in return."

Every banker and businessman of this Nation, who has taken time to investigate, will tell you that as long as this country has an indebtedness of some $258,000,000,000, it is not in a secure position, and that the $6,000,000,000 that are now contemplated sending to Europe this year should either go to retiring the Government bonds of this country, or else be put into atomic bombs and long-range airplanes to protect this country.

The course which we are following today is very pleasing to Stalin, for we are proposing to build up the countries in Europe—which Stalin expects to take over—by depleting our own national wealth and resources, which will place us inevitably in the situation of England of today. The time is overripe when the people of the United States should look to and protect in every way the interests of their own country.

I am very sincere in saying that the only hope for this world is for each nation to work out its own salvation, and for this country to withdraw our boys from overseas, develop the atomic weapons, and build airplanes that can carry them to any part of this earth; to return to the principles of Washington, Jefferson, and Lincoln, and, then, with the help of God, with bravery, honesty, and loyalty, we shall be a shining beacon for all the world.

Embargo on Shipment of Arms to Palestine

EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Wednesday, February 4 (legislative day of Monday, February 2), 1948

Mr. MAGNUSON. Mr. President, several days ago I wrote the State Department a letter pertaining to the very important question of the embargo on arms to Palestine, and I have today received an answer from the counselor of the State Department. I ask unanimous consent that my letter to the State Department and the letter from the State Department to me may be printed in the Appendix of the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., January 16, 1948.

Hon. GEORGE C. MARSHALL,
Secretary of State, Washington, D. C.

DEAR MR. SECRETARY: This is written on a matter of the greatest urgency regarding which the State Department has, I believe, the power to effect swift remedial action.

At the present time approximately one hundred casualties are occurring daily in Palestine, and the death toll—Hebrew, Arab and English—has been averaging about 20 lives daily since the United Nations decision on Palestine. The situation evidently is rapidly deteriorating and may continue until chaos consumes the Holy Land.

Evidence also that this fighting was premeditated to prevent the realization of a Hebrew Palestine—even in its minimum form—is a matter of public record. I am referring to the threats of invasion and bloodshed by official representatives of the Arab League States uttered at Lake Success last fall, and the sanction accorded to this attitude by some British officials.

In view of "the current disorders in the Middle East," the State Department on December 5, 1947, placed an embargo on shipments of arms and ammunition "to the troubled areas" and discontinued the transfer of surplus military equipment outside the United States to designated states. This action applied to seven countries in the Middle East, including Palestine.

Inclusion of Palestine in this embargo was most unfortunate in the light of the actual situation. Regrettably, it appears that since VE-day the United States has transferred over $37,000,000 worth of surplus United States war property to Arab League States, prior to the December 5 embargo. Since that date the British Foreign Secretary has announced that British arms will continue to go to the Arab League States, and on January 12, British diplomatic sources in London confirmed that large military stores, reliably estimated as worth $25,000,000, are being supplied to three states capable of aggression against Palestine—Egypt, Iraq, and the unrecognized state of Trans-Jordan.

Hence it would appear self-evident that the present embargo is unilateral in effect, since it leaves potential victims unarmed and helpless against any carefully prepared and fully armed attack. Additionally, it implies that we will remain inert in the face of intensified attacks against the defenseless men, women, and children of Palestine. Such a stand will only serve to spur the aggressors in their incendiary course.

American public sentiment overwhelmingly favors the Hebrew cause in Palestine, not only for reasons of sympathy and humanity, but also because of the importance to the world of this initial test of a United Nations decision. Certain well intentioned Americans have sought to assist the embattled Hebrews by supplying munitions covertly. Similar sub rosa efforts undoubtedly will continue, unless the Government remedies the situation officially, because American citizens are drawn by tradition to every struggle for freedom and justice.

The Hebrews of Palestine have emphasized that they do not want United States troops or foreign volunteers; that they are quite capable of defending themselves if they are permitted the most elementary rights of self defense and are not cut off from all sources of supply in the face of full-scale military encirclement.

As one who has always advocated the strongest United States support of the United Nations as the proper instrument for settling international disputes, it would seem to me that our country's policy toward the Hebrews of Palestine marks a serious departure from this policy in the first instance where a United Nations decision requires support and cooperation. And for that very reason it appears to be improper for us to continue to enforce a cruel and arbitrary embargo on those who are in grave peril as a direct consequence of a United Nations decision which our Government approved.

I urge that the State Department raise the embargo as applied to the licensing of shipments of arms and the transfer and sale of United States surplus arms and ammunition to the Hebrews of Palestine; through the licensing authority the State Department could insure that only types and quantity commensurate with defense purposes were made available. Delay in taking such action may be measured in human life.

May I again express my deepest esteem for your magnificent statemanship and urge that you give this matter your attention.

Sincerely,

WARREN G. MAGNUSON.

DEPARTMENT OF STATE,
Washington, January 26, 1948.

Hon. WARREN G. MAGNUSON,
United States Senate.

MY DEAR SENATOR MAGNUSON: Acknowledgment is made of the receipt of your letter of January 16, 1948, regarding current developments in Palestine.

Under authority contained in the Neutrality Act of 1939 and the Export Control Act of 1940, the Department decided early last November to refrain from licensing arms shipment to Palestine and neighboring countries. This step was taken because the United States Government believed it judicious to prevent any action likely to increase bloodshed or to make a peaceful settlement more difficult. No change is now contemplated in that policy.

It may be recalled that the General Assembly of the United Nations made detailed recommendations on November 29, 1947, with respect to the future government of Palestine. The United Nations Commission has already commenced its deliberations and it is understood that the general problem of the maintenance of internal law and order in the various areas of Palestine will be one of the first subjects under consideration.

As one of the members of the United Nations the United States Government is following these deliberations as well as current developments in Palestine with close attention and with the hope that the peoples of Palestine will cooperate in the peaceful implementation of the General Assembly's resolution.

For your information there is attached a copy of a statement relating to the general policy of the United States Government regarding Palestine, as well as two official releases on the shipment and transfer of arms to the troubled areas of the Near East.

Sincerely yours,

CHARLES E. BOHLEN,
Counselor
(For the Secretary of State).

America's Obligations in the Partition of Palestine

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Wednesday, February 4 (legislative day of Monday, February 2), 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted

in the Appendix of the RECORD an article on the subject America's Obligations to the United Nations as a Result of the Action Taken in Regard to the Partition of Palestine, written by me and appearing in the New York Post on January 31, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

America once more finds herself against herself. This land which has built its talking foreign policy upon the sanctity of treaties and the sacredness of the pledged word now finds her acting policy again turned to thoughtless expediency.

When it was pointed out in the mid-1930's that our Neutrality Act, with its arms embargo provisions, would aid the aggressor and hurt the victim of aggression, we decided to stay with the logic of impartial neutrality instead of with the real facts behind the act.

I introduced amendments making it possible for the United States Government to remove the arms embargo when it acted to the disadvantage of a victim of aggression. The amendment was rejected and Mussolini was not stopped because he could get what arms he wished from the rest of the world but his victim could get none from us.

The American people know that if we are to sustain international law, deliberation before action and respect for promises made and covenants entered into, they must sustain the action of any institution set up to operate in accordance with the theories of a peaceful process.

The final analysis of a peaceful process always results in a compromise on the theory that compromise is better than the alternative. This still leaves room for future struggle for right and change. But to let opportunity after opportunity go by, to make strong the deliberative action, is a mistake.

The United Nations has acted in regard to the Palestinian question. Their action was, of course, a compromise. Neither side had its absolute way. But it did afford a new start for peaceful institutional building and the age-old striving for a national home for the Jews again saw the light. All of the forces the United States has should now be used to unite with all of the nations that supported it in the United Nations' decision to maintain that decision for the sake of a future world organization.

It is not a question any longer of a national home for the Jews. It is a question of respect for the pledged word of the majority of the nationals represented in the United Nations.

A Jewish national state is an insignificant thing, indeed, compared to the proper functioning of a world organization. To go back on the Jewish national state merely retards for the time being the inevitable. But to turn our backs on world-wide action and the pledged word of the nations of the earth in formal deliberation may destroy all the progress we have made toward world organization and the peaceful settlement of disputes for generations. If man loses faith, now, in nations' ability to cooperate with each other to make decisions and to stand by those decisions, when will we have a chance again to move forward toward what has been the desire not only of nations but the prayer of the people of the world since the concept of progress dawned on man?

America must marshal those nations which voted to support the United Nations decisions. There is no retreating from that stand. We cannot afford in this generation a Corfu affair which destroyed the hopes of the last generation.

We hear echoed on all sides that if we do not give aid to Europe democracy is at stake. I say, if America and the nations of the world do not stand by their pledged word, world organization is at stake. And without world organization democracy ultimately may fail because democracy rests upon the peaceful process and so does world organization.

Spiritual Surgery

EXTENSION OF REMARKS
OF
HON. A. WILLIS ROBERTSON
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES
Wednesday, February 4 (legislative day of Monday, February 2), 1948

Mr. ROBERTSON of Virginia. Mr. President, Monday the Chaplain of the Senate, Dr. Peter Marshall, addressed an audience of more than 3,500 people in the Mosque at Richmond, Va. In the gathering were many of the leading business and professional men of Richmond, who went to hear the message of one of the great spiritual leaders and teachers of our day and time. A summary of what Dr. Marshall said to that group was published yesterday afternoon in the Richmond News-Leader. The address contains some truths which are so fundamental and so vital to us in the present crisis that I ask unanimous consent to have the article from the Richmond News-Leader printed in the Appendix of the RECORD, in the hope that every Member of the Congress will find time to read it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"ALTERED IDEAS NEEDED," SAYS DR. MARSHALL—"SPIRITUAL SURGERY" ASKED AT MISSION

"Spiritual surgery" to cut out stubborn pride and give a new life under God's management was recommended by Dr. Peter Marshall, of the New York Avenue Presbyterian Church, Washington, last night at the preaching mission in the mosque.

"Goodness lies not in keeping laws but in character and disposition," Dr. Marshall declared. "It is the fruit of a new spirit, a new birth, a complete change in life under new management.

"Christ can do little for us save as we let him change us inside."

Speaking to a crowd estimated at approximately 3,500 persons, Dr. Marshall added:

GOD A THEORY

"Many of us need to have our ideas of God changed. God for most of us is just a theory—a colossal ideal—not a friend, not a reality.

"Take alcohol, as so many of you do," he added. "It's not much to ask Christ to help you when the craving remains. Only Christ can remove the craving and set you free. To do that you must surrender to Him.

"Secretly we all want to be dictators and bullies. There are many embryo dictators in Washington, and I doubt not you have yours here. Christ can remove that spirit.

"We get worked up over the world situation and forget that slums exist because slums are in us.

"Many slums are owned by 'big shots' in the church. The world outside is merely a reflection of the world inside you and me."

HAS TO CHANGE HEARTS

"Perhaps we want power," he added. Think of spiritual power, like electricity. God does not grant such power indiscriminately.

"God has to change our hearts, and when we get them changed we won't want to use the power for our own ends.

"We've got to get a new concept, a new spirit, and a new attitude," he told the audience. "Only God can do that. He changes our spiritual gears. Not until that happens can you even see the kingdom of God."

Clinton's Famous Composers

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an excellent article recently appearing in the celebrated publication, the Clinton (Mass.) Daily Item, containing a very interesting account of the records and achievements of two famous popular musical composers who come from my home town of Clinton.

The article relates to Bill Heagney and John Redmond, both well-known and highly regarded popular composers. Both these famous men were born and raised in Clinton and spent their early years in that community. Both have attained very high rank in their chosen profession. Both are magnetic figures who are beloved by innumerable friends and followers throughout the country.

I have not had the pleasure of personally meeting Bill Heagney for some time past but hope to have the opportunity before long. He is greatly esteemed and particularly well regarded by the people of his home town who, like myself, would like to see him in Clinton more often.

John Redmond, whose real name is John Redmond Lynsky, and whose father was the great and dynamic Irish patriot, Peter Lynsky, is a very close personal friend of mine. I see him frequently. He is one of the ablest, most engaging and talented young men I know. He is held in highest esteem and regard by all his friends. His reputation as one of the most promising young song writers in the country today is rapidly advancing him to a distinguished and prominent place as one of America's best-liked composers. He is growing in stature every day and we may expect still greater things of him.

Clinton proudly hails these famous talented sons and I am happy to greet them and extend my heartiest wishes for their future health, well-being, and success.

CLINTON COMPOSERS RATE HIGH IN NEW BOOK—NOTABLE PROWESS IN THE MUSICAL WORLD OF WILLIAM H. HEAGNEY AND JOHN REDMOND CITED IN VOLUME PUBLISHED BY THE COLONIAL PRESS, INC.

Clintonians will note, with genuine pleasure, that the Colonial Press, Inc., has just issued an attractive volume of 483 pages entitled "The ASCAP Biographical Dictionary of Composers, Authors, and Publishers," car-

rying 2,173 sketches dealing with contributions to the musical life of the Nation and the world that have been made by virtually every important American composer, lyric writer, and music publisher of the current generation.

The volume is of great interest to residents of this town as it includes the biographies of two native sons whose offerings to the musical world have been many and notable and whose future works will serve to add to their Nation-wide fame.

It is most appropriate that the book should be printed and bound in a publishing plant in their home town, to which they have brought great renown.

BILL HEAGNEY

July 11, 1882, William H. Heagney was born in Clinton, and today there are hundreds of men and women still residing here who recall, with a thrill, dancing to the lilting music of Heagney's orchestra when it was recognized as an instrumental organization so talented that it soon became a leading dance-hall attraction throughout New England, filling engagements in all the larger cities and towns at events sponsored by prominent organizations which, at that period, conducted annual balls, always the social events of the winter seasons and at summer resorts where large dance halls catered to the lovers of terpsichore.

Mr. Heagney attended the local public schools and in his early years devoted much of his time to music, in which he self-educated himself.

While still a schoolboy he organized a local fife and drum corps whose services were constantly in demand at local parades and public entertainments.

He early realized that his talents were such that he would meet with success if he extended them beyond the limited range afforded in Clinton and he removed to New York City where he speedily gained renown as a staff composer in several music publishing houses of the metropolis and where he became the musical director, for several seasons, of light opera companies.

His exceptional prowess, as a pianist, later resulted in his becoming the accompanist of several two-men vaudeville acts and he toured the United States with these groups appearing in all the leading theaters.

When the movies invaded the entertainment field and vaudeville declined, Mr. Heagney accepted important professional posts in New York City music publishing houses and later authored two successful musical revenues, produced on the legitimate stage under the titles of "Dilly Daily" and "There You Are."

Every few months he turned out songs that met with wide sales including such lasting favorites as Roll Along, Kentucky Moon; Ev'ry Little While; Belle of Hawaii; Close to Your Heart; Tipperary Rose; The Belle of the Blue Ridge; Shadows in the Cane Brake; Moon Over London; I Envy the Rose; Just an Old Birthday Present, and many others.

In 1926, Mr. Heagney was elected to membership in the American Society of Composers, Authors and Publishers, the Who's Who of the musical world and an organization that has contributed much to the leading place now held by the United States in the musical life of the world.

He resides at Bellaire, Long Island, New York State.

JOHN REDMOND

Twenty-four years after the birth of Bill Heagney there arrived in Clinton, February 25, 1906, an infant christened Patrick Henry Lynsky, destined to carry on, with his local contemporary, a career which has placed him in the front rank of composers, authors, publishers and soloists and whose talents were recognized by the American Society of Composers, Authors and Publishers, just 30 years later when the organization elected him to membership under his pen name of John Redmond.

Following his graduation from Clinton High School he studied voice under famous teachers in Worcester, Boston, and New York City, and frequently contributed his talents to local and vicinity musical programs and became a singer on many radio programs and during World War II at many entertainments staged in Army and Navy centers and later entered the music publishing business, in New York City in which he has gained a prominent place and which he still carries on.

Of his many compositions which have gained world fame are: Sweetheart of Mine, I Let a Song Go Out of My Heart, The Man With the Mandolin, When Paddy McGinty Plays the Harp, Crosstown, Caucho Serenade, Big Apple, You're a Sap Mister Jap, You're Breaking My Heart All Over Again, American Booties on a Musical Cruise, an album of songs; You'll Never Be Blue in a Blue Uniform; The Tune of Luna Park; Dream, Dream, Dream; and Give, Give, Give, which became the official song of the 1947 March of Dimes drive.

Frequently Mr. Redmond visits the scenes of his early years, in Clinton, where members of his family reside and is always welcomed by an army of friends who invariably insist upon his singing many of his favorite compositions.

Hundreds of his disks fill Clinton homes and are daily enjoyed by his admirers.

In his early forties, Mr. Redmond still has before him many years of continued fame in the musical world and is destined to become one of the Nation's leading composers.

He makes his home at 911 Wilson Street, Hackensack, N. J.

To be linked in a volume which includes the names of such prominent living persons as Deems Taylor, Leopold Stokowski, Oscar Levant, Ray Harris, Irving Berlin, Fritz Kreisler, and Duke Ellington, and with the estates of authors and composers whose works are still, in copyright, including Victor Herbert, Edward MacDowell, Gustav Mahler, Henry Hadley, James Whitcomb Riley, George Gershwin, Fats Waller, and scores of others, is, indeed, pleasing to hosts of Clinton friends of Messrs. Heagney and Redmond and a tribute to the town of Clinton where both first saw the light of day.

Wages and Allowances of Veterans Undergoing On-the-Job Training

EXTENSION OF REMARKS

OF

HON. WILLIAM J. MILLER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. MILLER of Connecticut. Mr. Speaker, I regret that the bill now under consideration, H. R. 246, a bill to "raise the ceilings on wages and allowances payable to veterans undergoing training on the job, and for other purposes," is being considered by the House under suspension of the rules. This procedure which limits debate to 20 minutes on each side and prevents the offering of any amendments seems to me unfortunate.

This bill increases the ceiling on wages and allowances payable to veterans from the present allowance of $200 a month to as high as $350 for a veteran with two dependents. If this bill were considered under a usual rule with ample debate and the opportunity to suggest amendments, I believe that we could amend the GI act in such a way that some of the abuses that have developed under this program could be eliminated.

We could prevent tuition being paid to fly-by-night schools that have been established for no other purpose than to train veterans under the GI program. The other day, for example, I received an advertisement from a flying school in Florida. This school offered prospective GI trainees round-trip transportation, wonderful housing facilities in Florida, including a swimming pool, golf, and so forth. It sounded more like the advertisement of a country club than an aviation school.

If activities of that kind could be eliminated, the funds saved would go a long way toward paying the increased cost of this bill. It was with considerable reluctance that I finally decided to oppose this legislation.

I have frequently assured my constituents that I would do everything possible to reduce the cost of government. I intend to vote against any unnecessary appropriation. If the present GI Training Act was causing undue hardship on any veterans I would be in favor of amending it, even though it meant additional appropriations. I am not, however, aware of any such undue hardships.

Yesterday more than two-thirds of the Members of the House voted to reduce Federal taxes by approximately $7,000,000,000. We were told that if we passed this tax-reduction bill and everything worked out as anticipated, we would have a balance of $500,000,000 at the end of the next fiscal year. Today we are asked to pass this bill and another one which will follow that involve an expenditure of slightly over $500,000,000. Thus, in the passage of these two bills with such limited debate, we wipe out the anticipated surplus referred to in the tax debate.

It is well to bear in mind that the President's $40,000,000,000 budget does not include funds for either of these measures. Instead of reducing the President's budget, as I am pledged to do, this legislation will make a substantial increase in the budget. It is my understanding that immediately after the passage of these two measures we will take up the independent offices appropriation bill. A subcommittee of our Committee on Appropriations has spent weeks and weeks trying to reduce wherever possible the independent offices appropriation. They will recommend a reduction of $59,000,000 below the sum requested by the Budget Bureau. After their weeks of effort it must be discouraging to members of the Appropriations Committee to see their whole saving wiped out several times over.

I cannot agree with the gentleman from Mississippi [Mr. RANKIN], former

chairman of the Committee on World War II Veterans' Affairs, that veterans' bills should be considered under suspension of the rules. He apparently feels that if legislation of this kind was considered under the usual rule, our sympathies would so run away with us that unreasonable amendments would be adopted. I have more confidence in the good judgment of my colleagues than to believe that.

The greatest contribution this Congress can make to the veterans of World Wars I and II is to maintain a sound dollar and a solvent Nation. No group in this country will suffer more from uncontrolled inflation than will the veterans. Most of them are very young. They are just getting started in life. I, for one, do not want to do anything that will make the future any more difficult for them than we know it is bound to be.

The second bill that we will consider this afternoon, H. R. 4212, is a bill "to provide increased subsistence allowances to veterans pursuing certain courses under the Servicemen's Readjustment Act of 1944, and for other purposes." This bill proposes to increase the subsistence allowances paid to veterans who are attending school under the Servicemen's Readjustment Act, or the GI bill as it is better known, from $65 per month if without dependents to $75 per month, and for a veteran with one dependent the subsistence allowance will be increased from $90 to $105 per month. If the veteran has more than one dependent, the subsistence is increased from $90 to $120 per month.

The same reasoning that compels me to vote against the passage of H. R. 246 is equally persuasive when we consider H. R. 4212. The beneficiaries of this second bill in most cases are in college. I am sure that the education they have thus far acquired will lead them to agree with me that the cost of Government must be reduced.

In my opinion it was never the intention of Congress to provide every veteran who desired to go to college a complete college education, including the social life that goes with it, without any effort on their part at all. It was my thought that this bill was passed to give those whose education had been interrupted or delayed by the war an opportunity to complete their education. Very few veterans who receive full tuition, supplies, and a subsistence allowance of $65 a month and who really desire a college education, will leave school if this subsistence is not increased.

I cannot think of anything that could be done by this Congress that would convince the American people that we mean what we say when we tell them we are going to reduce the cost of Government than our refusal to pass these two bills. The defeat of this legislation would be but another step along the painful road to economy and we must travel that road unless we intend to drift into uncontrolled inflation which means ruin and suffering for every citizen.

Clarification of Public Law 270

REMARKS
OF
HON. WALTER E. BREHM
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. BREHM. Mr. Speaker, I have today called upon the assistant clerk of the Veterans' Affairs Committee of the House to take up with the chairman, Mrs. ROGERS, one phase of Public Law 270 which passed the first session of the Eightieth Congress as H. R. 3961 and for which I was pleased to vote.

In my opinion clarification of this law is indicated. For instance, the laws referred to in section 1 of the act pertaining to the Spanish-American War are public laws so that there can be no question as to the intent of the committee. However, section 2 reads as follows:

> That all monthly rates of pension payable to veterans of the Civil War and dependents of such veterans which are payable under any laws administered by the Veterans' Administration are hereby increased by 20 percent.

Now, Mr. Speaker, any laws certainly means "any laws" and not necessarily public laws. Under this provision it is quite evident that any veteran of the Civil War or dependents thereof are entitled to this 20-percent increase even though they are receiving their pension under private law.

It is true, Mr. Speaker, that the language "any laws administered by the Veterans' Administration" has been used in the appropriation and other acts as meaning all laws, both public and private. Now, Mr. Speaker, the Committee on Veterans' Affairs, in favorably reporting H. R. 3961, stated in their report:

> The bill proposes * * * to increase by 20 percent service pensions to veterans of the Civil War and the widows and children of such veterans, which are payable under any public laws administered by the Veterans' Administration.

You will note, Mr. Speaker, the discrepancy between this report and the law as actually written. The law as written says "any laws administered, and so forth," while their report adds the word "public."

Now I maintain that a report should in no way supersede the law as it actually appears on the statute books and I also maintain that if and until this law is amended that Civil War veterans and their dependents who are presently receiving a pension under any law, private or public, are definitely entitled to and should receive the 20-percent increase. It is my contention, Mr. Speaker, that the Veterans' Affairs Committee should bring in legislation having as its purpose the amending of the present law to insert the word "public" if that is their intention, so that it can be debated on the floor of Congress in an effort to determine whether or not the full membership will accept that interpretation.

I cannot for the life of me understand why a handicapped recipient of aid as a dependent of a Civil War veteran is not entitled to this 20-percent increase in order to help them meet increased living costs, simply because he or she is receiving their aid under a private bill and not under public law.

I realize that it is customary under generally accepted rules of statutory construction, if the language is not entirely clear to seek recourse in the legislative history. I am in agreement with that procedure, Mr. Speaker, wherein clarification as to the intent of Congress is sought, but in this specific case or in any other similar case I do not believe that this interpretation should be broad enough as for the administrator of a particular law to assume that words may be added to the statute.

I sincerely trust that the Veterans' Affairs Committee will take some action at the earliest possible moment looking toward a clarification of this section, and that the entire membership of the House will be given an opportunity to vote on this subject.

Subsistence Allowance to Veterans Pursuing Certain Courses

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. JUDD. Mr. Speaker, as one who labored long and hard for the educational provisions in the GI bill of rights I have followed with deep gratification the successful development of this largest educational program in history. From the beginning I contended that vocational or college or professional education ought to be made available to all veterans who qualified and desired it, not so much as a reward, but as an investment in the Nation's future—an investment that will pay higher dividends each year for decades to come.

It is clear that the subsistence allowances ought to be increased so as to provide the veterans with substantially the same purchasing power now as the existing allowances represented when originally established. I therefore favor this bill.

Under leave to extend my remarks, I enclose a careful study on the living expenses of veterans now in training in colleges and universities. The study was prepared by Mr. Ralph J. Strom, of the American Council on Education, with funds made available to the council by the Disabled American Veterans.

A REPORT ON THE LIVING EXPENSES OF VETERANS NOW IN TRAINING IN COLLEGES AND UNIVERSITIES

(Prepared by Ralph J. Strom, American Council on Education)

INTRODUCTION

This report is but one section of a much larger report of the results of a Nation-wide

survey of veterans now in training in colleges and universities.

It is based on the responses received from interviews with a scientifically selected sample of veterans attending all types of colleges located in all sections of the country.

This report presents only those phases of the total survey which are concerned with the extent and manner in which veterans in colleges and universities are able to finance their education.

This study, as was the major study from which these data were drawn, was planned by a national advisory committee appointed by the American Council on Education. The membership of this advisory committee is as follows:

Dean E. G. Williamson, chairman, University of Minnesota.

Mr. Curtis Avery, University of Oregon.

President William S. Carlson, University of Delaware.

Dr. John G. Darley, University of Minnesota.

Dean Mitchell Dreese, George Washington University.

Dean D. D. Feder, University of Denver.

Dr. Clements C. Fry, Yale University.

Dean D. H. Gardner, University of Akron.

Dr. Walter C. Hess, Georgetown University.

Dr. Fred McKinney, University of Missouri.

Dr. Carroll L. Shartle, Ohio State University.

Dean Katherine E. Towle, University of California.

Dean Fred H. Turner, University of Illinois.

Mr. John Golob, ex officio, national commander, Disabled American Veterans.

Dean A. J. Brumbaugh, ex officio, American Council on Education.

Consultants: Mr. K. Vernon Banta, United States Employment Service; Mr. Donald Dabelstein, Office of Vocational Rehabilitation; Dr. Ira D. Scott, Veterans' Administration.

Director of study: Mr. Ralph J. Strom, 800 Washington Avenue SE., Minneapolis, Minn.

These studies were made possible by a grant of funds from the Disabled American Veterans to the American Council on Education.

PROCEDURE

Method of selection of veterans to be interviewed: In order to insure the representativeness of the results presented in this report, the following criteria were taken into consideration in the selection of the sample of the veterans to be interviewed:

1. Geographical: The schools at which the veterans were to be interviewed were selected so as to permit representation of the following geographical areas: (a) New England States; (b) Middle Atlantic States; (c) North Central States; (d) Southern States; (e) Northwest States.

2. Type of institution: In each geographical area, an attempt was made to have each of the following types of schools represented: (a) State universities; (b) private men's schools; (c) municipal universities; (d) liberal-arts colleges; (e) junior colleges; (f) teachers' colleges.

3. Type of veterans to be interviewed: Within each institution at which the interviewing was to be done, careful instructions were issued to the interviewer in order that the following types of veterans would be included among those to be interviewed:

(a) Both single and married veterans.

(b) Both disabled and nondisabled veterans.

(c) All levels of scholastic rank (i. e., fresh, soph, junior, senior, etc.).

(d) Within the universities, veterans in the different colleges (Institute of Technology, Business, Agriculture, etc.).

FINDINGS

On the basis of the interviewing of this group of veterans, carried out in the manner outlined on the previous page, the following results were obtained:

TABLE I.—*Monthly expenses of single college veterans*

[This table is based on the responses to a question in which the unmarried veteran was asked to make a careful estimate of his monthly expenses]

Expenses:	Percent
Under $50	2
$50–$59	2
$60–$69	7
$70–$79	7
$80–$89	10
$90–$99	11
$100–$109	18
$110–$119	9
$120–$129	14
$130–$139	4
$140–$149	2
$150–$159	6
$160–$179	4
$180–$199	1
$200 and over	3
Total	100

Median expenses of single veterans interviewed, $106.13

TABLE II.—*Monthly expenses of married college veterans*

[This table is based on the response to a question in which the married veteran was asked to make a careful estimate of his monthly expenses.]

MARRIED—NO CHILDREN

Expenses:	Percent
Under $100	4
$100–$119	5
$120–$139	13
$140–$159	20
$160–$179	11
$180–$199	8
$200–$219	19
$220–$239	8
$240–$259	8
$260–$279	1
$280 and over	3

Median expense, $176.43.

MARRIED—1 CHILD

Expenses:	Percent
Under $100	1
$100–$119	4
$120–$139	15
$140–$159	25
$160–$179	14
$180–$199	8
$200–$219	18
$220–$239	6
$240–259	7
$260–$279	1
$280 and over	1

Median expense, $169.50.

NOTE.—See table III for explanation of reason for lesser expenses of married veteran with one child as compared to living expenses of married veteran without children.

TABLE III.—*Extent of employment of wives of married veterans*

Marital status	Extent of employment			
	Full time	Regular part time	Intermittent	Not employed
	Percent	*Percent*	*Percent*	*Percent*
Married, no children	61.8	11.6	3.8	22.8
Married, 1 child	9.8	7.7	5.5	77.0

TABLE IV.—*Extent to which veterans work to supplement income*

[These tables are based on the responses to a question in which the veteran was asked to give the number of hours which he worked the preceding week in order to supplement his income and the amount of money he earned in such employment]

Hour worked	Married veterans	Single veterans
	Percent	*Percent*
Under 6	4	
6 to 10	7	8
11 to 15	6	6
16 to 20	11	6
21 to 25	6	
26 to 30	5	1
31 to 35	1	
36 to 40	2	1
Over 40	1	1
None	57	70

TABLE IVA.—*Amount of weekly earnings of veterans (see preceding table)*

Amount earned	Married veterans	Single veterans
	Percent	*Percent*
$5 or less	14	25
$10	20	30
$15	12	14
$20	26	15
$25	9	7
$30	6	4
$35	2	2
$40	5	1
$45	1	
$50 and over	5	2

TABLE V.—*Extent of summer employment of veterans in college*

These tables are based on the responses to a question in which the veteran was asked to state whether or not he had worked last summer and, if so, the extent to which he was able to save any of his earnings]

"Did you work last summer?"	Married	Single
	Percent	*Percent*
Yes	62	59
No	38	41

TABLE VA.—*Amount of savings of college veterans who worked last summer*

Amount of savings	Married	Single
	Percent	*Percent*
Nothing	62	37
Under $100	5	6
$100 to $199	9	19
$200 to $299	10	17
$300 to $399	5	11
$400 to $499	3	5
$500 and over	6	5

TABLE VI.—*Total savings available for education*

[This table is based on the responses to a question in which the veteran was asked to state the amount of savings he had available at that time, November 1947 to help pay his way through college]

Total savings available	Married students	Single students
	Percent	*Percent*
Nothing	42	33
Under $250	9	13
$250 to $499	8	10
$500 to $999	15	16
$1,000 to $1,499	9	11
$1,500 to $1,999	5	6
$2,000 to $2,499	6	5
$2,500 to $2,999	1	2
$3,000 to $3,499	2	1
$3,500 to $3,599	3	3
Total	100	100

To Raise the Ceilings and Allowances Payable to Veterans Undergoing Training on the Job

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. BROOKS. Mr. Speaker, I sincerely trust that H. R. 246 and S. 1374 will soon become the law of the land. These bills amend, in effect, the original GI bill of rights by making it easier for the veteran to obtain desired education. To my mind, this is one of the most important features of the GI bill of rights, and the beneficent effects of this provision of the bill of rights is now being felt in every section of this country. It is most timely that we seek by these two bills to add to the aid which we are giving our veterans.

I have had occasion to visit many schools in which veteran student training is being carried on. I have seen how earnestly and conscientiously these people are trying to obtain the training and education which they feel is necessary for the future. They are to be commended for their ambition in desiring education and training. Especially should our commendations be loud and long for these whose educations, because of the war service, has been disrupted and delayed until they are past the customary school age. It seems that the age and the experience which they acquired during the trying days of war have whetted their appetite for learning and has increased their industry in obtaining it.

But, Mr. Speaker, these veterans have been working under most unfortunate circumstances. The subsistence pay which a grateful Government said it would provide has been entirely inadequate. The sum of $65 per month for a single man and $90 per month for a married man is miserable pay to give these people who work, both in the schools and in training, long hours each day. Senate bill 1394 will go far to relieve this injustice. It will cost for the year 1948 the sum of $207,000,000; but it will raise the allowance to the single veteran from $65 to $75; and it will raise the married veteran from $90 to $105 per month. Then, too, this new bill will provide an extra $15 per month for those having children.

H. R. 246 will raise the amount of money which a veteran in occupational training may earn without being denied the subsistence allowance. Since the original bill was written, the cost of living has mounted until I have felt for some time that the present action is most appropriate. I am glad that these two measures will pass the House of Representatives and I hope they both soon become the law of the land.

In fact, Mr. Speaker, I have felt that this Congress should have taken action on these two bills months ago. The delay of this body in taking action has caused many veterans and their families to suffer. The delay has caused some of them to become despondent and drop out of their schools and out of their occupational training. It has been a delay that we cannot well justify. Even now, when action is about to be taken, the increased amounts are small. Neither a single veterans nor a married one can hope to pay their expenses through school or through training, relying entirely upon the subsistence allowances. They must obtain funds from other sources. During my own early school days, I felt the pinch of poverty. I know what it means to be compelled to work to provide funds from outside sources to obtain "this day our daily bread." I do not think we should work out our laws in such a way that men and women who have fought for this Nation, undergoing the trial and hardships of battle and of war, should need another lesson in courage or in deprivation. Let us pay these veterans a proper amount to help them finish their schooling.

B'nai B'rith Commemoration of the One Hundred and Sixtieth Anniversary of the Formation of the Constitution of the United States

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. MILLER of California. Mr. Speaker, on the evening of September 4, 1947, the B'nai B'rith lodges of Alameda County, Calif., commemorated the one hundred and sixtieth anniversary of the formation of the Constitution of the United States, at a dinner in Oakland. The three lodges sponsoring this dinner were those of Berkeley, Eden, and Oakland.

At this dinner citations of merit were awarded to three distinguished Americans for outstanding work in the field of group cooperation. They were Gen. Mark Wayne Clark, United States Army; Dr. Robert Gordon Sproul, president of the University of California; and Chief Justice Phil Sheridan Gibson, of the Supreme Court of the State of California.

Civic leaders, officials of government, educators, and men active in the field of human relations throughout the east bay region were honored to attend this dinner dedicated to the Constitution of our country. They came, too, to pay tribute to the great leaders who B'nai B'rith saw fit to honor.

That the interesting program arranged for this occasion may be preserved that future students of history may have a record of it, I insert in the RECORD extracts from the proceedings on that occasion:

B'NAI B'RITH SUPREME LODGE, FOUNDED 1843

Supreme lodge officers: Frank Goldman, president, Lowell, Mass.; Alfred M. Cohen, honorary president, Cincinnati, Ohio; Benjamin Samuels, vice president, Chicago, Ill.; William Gerber, vice president, Philadelphia, Pa.; Sol Fass, vice president, Portsmouth, Va.; Sidney G. Kusworm, treasurer, Dayton, Ohio; Maurice Bisgyer, secretary, Washington, D. C.

EXECUTIVE COMMITTEE

(Officers as above)

Horace R. Cohen, Montreal, Canada; Benjamin D. Reisman, Buffalo, N. Y.; I. W. Garek, Columbus, Ohio; Judge Samuel A. Weiss, Pittsburgh, Pa.; Harry K. Wolff, San Francisco, Calif.; David Blumberg, Los Angeles, Calif.; Edward Rosenblum, Washington, D. C.; Philip M. Klutznick, Chicago, Ill.; A. B. Freyer, Shreveport, La.; Leo Bearman, Memphis, Tenn.; the presidents of all American districts.

B'NAI B'RITH DISTRICT GRAND LODGE, NO. 4

(Comprising the States of Arizona, California, Idaho, Montana, Nevada, Oregon, Utah, Washington, and the Province of British Columbia)

Officers: Dr. H. M. Ginsburg, president, Fresno, Calif.; Dr. N. M. Zipperman, first vice president, Los Angeles, Calif.; Hy Samuels, second vice president, Portland, Oreg.; Jefferson E. Peyser, past grand president, treasurer, San Francisco, Calif.; Edward A. Zeisler, past grand president, secretary, San Francisco, Calif.

Executive board: I. B. Benjamin, Los Angeles, Calif.; E. A. Brashem, Seattle, Wash.; Louis L. Brounstein, San Francisco, Calif.; D. A. Chertkow, Vancouver, British Columbia; David Goldman, Pasadena, Calif.; Samuel H. Faverman, San Mateo, Calif.; Aaron Gordon, Huntington Park, Calif.; Michael Gordon, Berkeley, Calif.; Herbert A. Leland, San Francisco, Calif.; Eli Levinson, San Diego, Calif.; Sigmund O. Meyer, Butte, Mont.; Elliott Nankin, Oakland, Calif.; J. A. Robinson, San Pedro, Calif.; Edward Schwartz, Los Angeles, Calif.; Dal Siegel, Salt Lake City, Utah; Bernard Silverstein, Oakland, Calif.; Saul Tannenbaum, Los Angeles, Calif.; Arthur Wolpe, Los Angeles, Calif.

Past grand presidents: David Blumberg, Los Angeles, Calif.; David Coleman, Los Angeles, Calif.; Howard H. Desky, Oakland, Calif.; Albert Elkus, Sacramento, Calif.; M. J. Finkenstein, Los Angeles, Calif.; Monroe Friedman, Oakland, Calif.; David Goldman, Oakland, Calif.; Edgar C. Levey, San Francisco, Calif.; Herman Lewkowitz, Phoenix, Ariz.; Jacob J. Lieberman, Los Angeles, Calif.; Rabbi Edgar F. Magnin, Los Angeles, Calif.; Oscar A. Mathews, Sacramento, Calif.; Milton Meyer, San Francisco, Calif.; Maurice L. Rapheld, San Francisco, Calif.; William Meyer, Butte, Mont.; P. Allen Rickles, Seattle, Wash.; David Robinson, Portland, Oreg.; Z. Swett, Portland, Oreg.; Henry Weinberger, San Diego, Calif.; James L. White, Salt Lake City, Utah; Harry K. Wolff, San Francisco, Calif.

B'NAI B'RITH LODGES OF ALAMEDA COUNTY—BERKELEY-EDEN-OAKLAND

General committee: Monroe Friedman, past grand president, chairman; Morris Henerson, secretary.

Edward Brosler, president; Howard H. Desky, past grand president; Arnold Fassler, president; Herman W. Mintz, president; Isidore Schonwald, past president; Rafael Silver, past president.

Reception committee: Abraham Kofman, past president, chairman; Robert G. Gaines, Henry R. Gall, Leonard Lamdan, Dr. Julius Levine, Rubin Lewon, Isaac Schechmeister, Harold L. Strom, Alexander Teplow.

Hosts: Irving Aikus, past president; Lionel B. Benas, past president; Phillip R. Berger, past president; Jack J. Block, past president; Dr. Nat Brodke; Morris K. Cohen; Ike Dresner; Harold Edelstein; R. Robert Fischer; Mendel H. Friedman, past president; Rabbi Joseph Gitin, past president; A. W. Glickman, past president; Kalman Gluck; David

Goldman, past grand president; Michael Gordon, past president; Phillip Grant; Richard Grodin; Max Jaffe, past president; Fred Kahn, Jr.; Irving Kahn; Joseph Kay; Nathan Kessler, past president; Charles Kushins; Jacob Lesser; Prof. Alex Levens; Nat Levy, past president, Leonard Lustig; Irving Malnick; Dr. Henry Mankin, past president; Leonard J. Meltzer, past president; Louis Milenbach; Elliott Nankin, past president; Harry Polse; Jack Posner; Carl R. Riegelman, past president; Col. David Rosen, past president; Dr. Herbert Samuels, past president; Harry Sapper, past president; Louis Scheeline; Max Silver; Bernard Silverstein, past president; Sydney Silverstein, past president; Jesse Smith; Louis Spencer; Dr. Alfred Stern, past president; Rabbi William M. Stern, past president; Lionel Wachs, past president; Matt Wahrhaftig, past president; George J. Weiser, past president; Rabbi John Zucker.

PROGRAM

The Star-Spangled Banner.

Invocation.

Musical selections.

Introduction of distinguished guests by Monroe Friedman, past grand president, toastmaster.

Presentation of citation to Gen. Mark Wayne Clark, United States Army, by Col. David V. Rosen, past president.

Response by General Clark.

Messages from the President of the United States and from the Governor of California.

Presentation of citation to Dr. Robert Gordon Sproul, president of the University of California, by Edgar C. Levey, past grand president.

Response by Dr. Sproul.

Presentation of citation to Chief Justice Phil Sheridan Gibson, Supreme Court of California, by Howard H. Desky, past grand president.

Response by Chief Justice Gibson.

Address by Dr. Monroe E. Deutsch, former vice president and provost, University of California.

God Bless America.

Benediction.

Mr. MONROE FRIEDMAN (the toastmaster). Gentlemen, the Star-Spangled Banner. [All present arose and sang the national anthem.] Please remain standing for the invocation, which will be given by Rabbi William Stern of Temple Sinai.

Rabbi WILLIAM STERN. God of the Universe: With deep gratitude do we offer to Thee words of thanksgiving and praise. We are gathered here this evening in an exalted mood. One hundred and sixty years ago, men of vision and courage affixed their signatures to an immortal document—the Constitution of the United States. We have come here tonight to commemorate this event, to recall the great principles proclaimed therein, and to dedicate ourselves anew to the furtherance of its purposes and ideals. For this consecration, O God, we ask Thy blessing and Thy guidance. We pray that Thou will give us the same insight, wisdom, and understanding that filled the minds and hearts of our founding fathers. Remove from us all selfishness and all meanness that would destroy that which has been builded. Give us that love of country that makes for good citizenship, devotion to democratic ideals, loyalty to our institutions, and trust in our leadership. Bless those we honor tonight, who symbolize for us those virtues that have made our country great. And may this land, that has given freedom and security to all who live within its boundaries, continue to be in the forefront of that great crusade that seeks to bring a peace of justice and righteousness to all mankind. Amen.

(Dinner was served.)

Mr. FRIEDMAN. Now that we have finished our dinner, we will have the pleasure of listening to a group of songs by Mr. Oliver Jones, of the San Francisco Opera Company, accompanied by Mr. Henry Gideon. Mr. Jones will announce his selections. [Mr. Jones sang several songs, which were favorably received.]

B'nai B'rith is very glad to welcome all our guests this evening. I will now present our distinguished guests, but those who will participate in the program will be introduced later. I shall take one table at a time. As your name is called, would you please rise and remain standing until all the guests at your table have been introduced. Please do no applaud until after all the guests at any one table are introduced.

Head table: Mr. Edward Brosler, president, Berkeley Lodge, B'nai B'rith; Mr. Max Jaffe, grand lodge officer, B'nai B'rith; Mr. Elliott Nankin, grand lodge officer, B'nai B'rith; Mr. Arnold Fassler, president, Eden Lodge, B'nai B'rith; Mr. Michael Gordon, grand lodge officer, B'nai B'rith; Mr. Herman Mintz, president, Oakland Lodge, B'nai B'rith; Dr. J. Raymond Cope, minister, First Unitarian Church; Rabbi William Stern, of Temple Sinai; Rt. Rev. Richard H. Hammond, of St. Anthony's Church; Mr. Ingraham Read, publisher of the Post-Enquirer; Mr. Ralph T. Fisher, of the American Trust Co.; Mr. Bruno Forsterer, general manager of the Oakland Tribune and holder of the Congressional Medal of Honor; Hon. Homer R. Spence, associate justice of the Supreme Court of California.

Table No. 1: Dr. Alfred E. Baker, principal of the Castlemont High School; Rev. Calvin Barkow, rector of St. Paul's Episcopal Church; Mr. Thomas Caldecott, of the board of supervisors of the county of Alemeda; Mr. William S. Briscoe, commander, Oakland Post, American Legion; Mr. Fed Cox, president, Hayward Area Chamber of Commerce.

Table No. 2: Mr. George C. Bliss, principal of the San Leandro High School; Rev. Howard C. Busching; Hon. Arthur W. Carlson, chairman of the Republican State Central Committee of the State of California; Hon. Laurence L. Cross, mayor of the city of Berkeley; Hon. Ezra W. Decoto, judge of the superior court.

Table No. 3: Mr. Paul C. Bryan, superintendent of schools of the city of Albany; Mr. Charles Crouch, president of Lucky Stores; Mr. Herbert W. Erskine, who is said to be the only living Democrat in Piedmont; Mr. Erskine, shake hands with Mr. Carlson at table 2. (The two gentlemen shook hands.) Dr. W. F. Fraser, wise master, Rose Croix, Scottish Rite; Mr. Robert H. Fouke, potentate, Aahmes Temple, Ancient Arabic Order Nobles of the Mystic Shrine; Mr. Charles Wade Snook, chairman of the Republican Party of Alameda County; Hon. James G. Quinn, judge of the superior court.

Table No. 4: Hon. O. D. Hamlin, Jr, judge of the superior court; Mr. Harry L. Kingman; Hon. Thomas O. Knick, mayor of the city of San Leandro; Mr. J. Longwell, general manager, East Bay Utilities; Mr. O. B. Paulsen, superintendent of the Hayward Union High School; Mr. Floyd Sparks, publisher of the Hayward Review.

Table No. 9: Mr. Will W. Green, principal of the Technical High School; Mr. J. D. Holstrom, chief of police of the city of Berkeley; Mr. James B. Kaney, of the California State Council of the Knights of Columbus; Hon. Harold Jacoby, judge of the superior court of the county of Contra Costa.

Table No. 10: Hon. Ralph Hoyt, district attorney of the county of Alameda; Mr. Elwin LeTendre, principal of the Berkeley High School; Joseph A. Moore, Jr., president of the Moore Drydock Co.; Mr. G. C. Pettygrove, director of the Berkeley Community Chest; Mr. Clay Meinheit, fire chief of the city of Berkeley.

Table No. 11: Hon. Benjamin C. Jones, judge of the Superior Court of Lake County, now sitting in the county of Alameda; Mr. E. D. Moody, superintendent of the Southern Pacific Co.; Mr. Thomas L. Nelson, superintendent of schools of the city of Berkeley; Mr. Robert R. Porter, of the Berkeley Community Chest; Mr. Sidney Snow, director of the Alameda County Zoological Gardens; Mr. Harold Johnson, principal of the Emeryville High School; Mr. Jim Ritch, publisher of the Hayward Journal.

Table No. 12: Col. A. Hubbard Moffitt, Jr.; Mr. Theo J. Negby, superintendent of schools of the city of San Leandro; Mr. W. H. Park, division manager of the Pacific Gas & Electric Co.; Mr. Herman A. Spindt, director of admissions, University of California; Mr. F. L. Van Fleet, venerable master of the Oakland Scottish Rite; Judge Harry W. Pulcifer.

Table No. 13: Mr. William R. Odell, superintendent of schools of the city of Oakland; Mr. J. Munroe Warner, director of the East Bay Fellowship; Hon. S. Victor Wagler, judge of the Superior Court; Capt. S. J. Michael, United States Navy, Commanding Officer of the Naval Air Station, Alameda; Col. J. Clayton Orr; Hon. Francis Dunn, Jr., a member of the California Legislature.

Table No. 14: Mr. John Soelberg, principal of the McClymonds High School; Mr. C. W. Mangum, of the Western Pacific Railroad Co.; Hon. George P. Miller, Congressman from the Sixth California Congressional District; Mr. Bernard Witkin, reporter of decisions for the California Supreme Court; Mr. William J. McGuinness, president of the Catholic Social Service; Mr. Walter Gordon, of the State Adult Authority; Mr. Lewis Drucker, of the State Adult Authority and past president of Glendale Lodge, B'nai B'rith.

Table No. 16: Col. Raymond R. Ribal, president, East Bay Chapter, Reserve Officers Association of the United States; Mr. H. E. Stone, dean of students, University of California; Mr. Ralph T. Wattenburger, superintendent of the Livermore Union High School District; Col. Stanley Grogan, United States Army, Deputy Chief of Staff, Sixth Army; Col. W. C. McMahon, United States Army, Deputy Chief of Staff, Sixth Army.

Table No. 17: Mr. Paul W. Pinckney, principal of the Oakland High School; Mr. Vernon L. Goodwin; Mr. J. M. Bryan, principal of the Alameda High School; Mr. Clarence Bulwinkle.

Table No. 18: Mr. Emmett Copeland, superintendent, Industrial Activities of the Blind for Northern California.

Mr. FRIEDMAN. Tonight B'nai B'rith is commemorating the one hundred and sixtieth anniversary of the formation of the Constitution of the United States. B'nai B'rith has been called the oldest and largest Jewish service organization in the United States. It is true that B'nai B'rith is 104 years old, but we are not really old, for what is 104 years to a people who have a recorded history of over 3,500 years? With a membership of over 325,000, B'nai B'rith has lodges and chapters in practically every city in the United States. But age and size are not the determining factors in the value of an organization.

B'nai B'rith has long recognized that the destiny of its people is one with those who seek to maintain human freedom. Jewish opposition to dictatorship long antedated Hitler and Mussolini. Centuries before language knew the terms "communism," "fascism," and "nazism," the Jewish people were historically the champions of human liberty. The Maccabees of old were the predecessors of Washington and Bolivar and of many of those great personalities who have produced the American tradition.

We Jews have been in this country a long time, nearly 300 years. You remember that the first organized group of Protestants came over in 1620 under William Bradford, and 14 years later George Calvert, Lord Baltimore, established the first Catholic colony in what is now the State of Maryland. Just a few years later, 1653, the first group of Jews landed on these shores, so that within the short space of one generation all of these various groups became part of our country.

During the next 300 years, wave after wave of Protestants, Catholics, and Jews from all parts of Europe came here and all of them assisted in the building up of our country and the maintaining of our American ideals. It is hardly necessary for me to mention that men of our faith have performed their share of the work. From Asser Levi, the sturdy leader of that first band of Jews in 1653, to Benjamin Cardozo, of the United States Supreme Court; from Haym Salomon, who gave his entire fortune that the cause of the American Revolution should succeed, to Oscar Straus, who was a member of Theodore Roosevelt's Cabinet; from Col. David Salsbury Franks, aide to General Washington, to Commodore Uriah P. Levy, who was instrumental in the abolition of flogging in the United States Navy, to Gen. Maurice Rose, the son of a Denver rabbi, who died in action in the recent World War, men of our faith have participated to the full measure in the life of our country. And what is just as significant is the fact that in every war of the United States, as privates in the ranks of the Army and as seamen on the decks of the Navy and in all branches of civil life as ordinary humble workers, there was always found their proportionate share, bearing their proportionate burden.

Our country means something to all of us. It means, among other things, that our Constitution is big enough and broad enough to protect every man in the right to his faith. If our country is to live—and it will live—then the fountain springs bearing the pure waters of liberty must not be defiled with the poison of hate, must not be covered with the slime of proscription, must not be polluted by any spirit of intolerance. [Applause.]

President's Message of February 2, 1948

EXTENSION OF REMARKS
OF
HON. OTTO E. PASSMAN
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. PASSMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following telegram:

FEBRUARY 4, 1948.

Hon. J. H. DAVIS,
Governor, State of Louisiana,
Baton Rouge, La.:

The President's message to Congress on February 2 was a shock to every true southerner. It is now time for every true southerner to stand up and be counted and to take whatever steps necessary to defend and protect our southern heritage. The legislation that the President advocates is fast materializing in the South. It is beyond the conversation stage. It is becoming a reality. The southern leaders have been asleep too long. It is now time to wake up and let the President and the Democratic Party know that we southerners have principles that we will not sacrifice nor will we tolerate any further encroachment upon our sacred southern heritage and rights. The point in his message asking for an FEPC law is equally as vicious as the several other points. It would be more honorable for me to resign and forfeit my seat in Congress than to remain dormant on this vital issue and all of us who have been trusted and elected to public office by the people of our respective districts and States should be willing to make any sacrifice necessary to head off what will be a catastrophe never before equaled or surpassed in the South should the President succeed in getting his proposed legislation enacted into law. Won't you get busy, Governor Davis, and lend your best efforts in this great struggle to protect our sacred southern rights and heritage.

OTTO E. PASSMAN,
Member of Congress.

Admission of Displaced Persons to the United States

EXTENSION OF REMARKS
OF
HON. FRANK L. CHELF
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. CHELF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

BOSTON, *January 24, 1948.*

DEAR MR. CHELF: I wonder if you still remember me. I was the physician of the Latvian Displaced Persons Camp "Insula," Berchtesgaden, Germany, which you inspected last fall. As you so kindly suggested that I should write to you in case I came to U. S. A., I am taking the liberty to write you now.

I had some hopes then to enter U. S. A. because my parents-in-law were already there, but I had no idea that I would come so soon. I came over last December together with my daughter and my wife who is a physician too. Knowing that Boston is a great university center we decided to come here. We understand that we have to pass the State board examination before we will become physicians here. That is our aim. But meanwhile we are working in a line which needs great help—we are domestic helpers in a family in Boston. We are saving money for the future and working hard on our English.

We are so grateful to America who gave us new hopes, future and hopes. Now we understand why everybody in America is so happy, proud of his country, and contented. After these years of persecution, desperate and hunger, we realize how nice it is to live in a free and rich country.

My sister-in-law, Mrs. Austra Kondrats, who came over 7 months before, is in Boston also. She is a dental surgeon, but to become a dental surgeon here she has to go to dental college for 2 more years, as it is requested by law for all foreign dentists. She is working in a family near Boston, saving money and hoping to enter Tuft's College Dental School next fall. Her husband, Ganis Kondrats, is still waiting for his quota number in the same camp we were in Berchtesgaden and is employed by IRO as a medical assistant. As Austra got her quota number first she had to come over alone for she did not want to lose the opportunity to enter America as soon as possible. Austra is very anxious to have her husband soon with her, but it seems that she will have to wait a long while if the Latvian quota number will not be enlarged.

As Ganis Kondrats is waiting for the possibility to enter U. S. A., so are waiting many thousands of people who are looking toward U. S. A. with big hopes and prayers. They are live people in darkness who are waiting for the sunshine. They have only one prayer, God, do not let the big nations forget that we are people who have only one desire—to live, to work, to fulfill our mission as human beings.

Without any hope, without seeing any future for them, these intelligent people will be lost to mankind. They are waiting with trembling hearts for the Congress session about them. Pray help them.

Yours truly,

BORIS KLASONS.

Segregation of Races in Washington, D. C.

EXTENSION OF REMARKS
OF
HON. JOHN BELL WILLIAMS
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. WILLIAMS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I herewith include a copy of a resolution passed by a distinguished ladies' organization of the District of Columbia, the District of Columbia Federation of Women's Clubs, which takes issue with the outrageous recommendations of the President's obviously prejudiced Civil Rights Committee:

RESOLUTION OPPOSING THE IMMEDIATE ABROGATION OF SEGREGATION OF WHITES AND NEGROES IN WASHINGTON, D. C.

INTRODUCTION

A careful study of that portion of the report of the President's Committee on Civil Rights, pertaining to the District of Columbia, made by the Department of Legislation of the DCFWC revealed a number of misleading and inaccurate statements, which on the whole give a distorted picture of racial conditions in the District of Columbia.

Samples of these are as follows:

1. In the second paragraph of the Chapter on the District of Columbia, the report states that Washington, D. C., "is the point at which all public transportation into the South becomes 'Jim Crow'." The inference is, by use of the word "becomes" that the city of Washington practices Jim Crowism, whereas the report should state that Washington City is the last station, going from North to South, which does not practice segregation in transportation. (P. 89.)

2. The report states that the Capital Transit Co., during the war would not employ qualified Negroes as operators. Whereas, the truth is that it was the union member employees who refused to train Negro applicants for jobs in the streetcars. (P. 93.)

3. The report states that "Negro schools are inferior to white schools in almost every respect." This is not true. Qualifications and salary scales for teachers are identical; all new construction and equipment are identical in quality; such inadequacies as exist from time to time in plant facilities are common to both white and Negro areas. (P. 90.)

Negro children have increased to 47 percent of the school population since 1940, hence Negro schools are more crowded because the city has been unable to secure the necessary materials for school construction. But recently five white schools have been transferred for the use of Negro children temporarily until new schools can be erected.

4. The report states that "Negroes are increasingly being forced into a few overcrowded slums." This is not true. In fact there is today a larger area of the District of Columbia available to Negroes for housing than ever before. Since 1940 more new housing has been built for Negroes than for

whites, in proportion to their respective population. (P. 91.)

In the last 20 years, moreover, the Negro population has been moving into white areas and have taken over a large portion of the central residential area of the city, such as Logan Circle, Lincoln Park, Bloomingdale, Columbia Heights and the Kalorama area. None of these areas could be classified as slums, when taken over. But the neighborhoods have deteriorated already, since occupied by Negroes, because a low economic level means low maintenance, and overcrowding by large families leads to destruction.

5. The report states that the Negro "is refused service in downtown restaurants, he may not attend a downtown movie or play and he had to go into the poorer section of the city to find a night's lodging." Negroes can find restaurants and movie theaters all along U Street NW., from Eighteenth to Seventh, and down Seventh from U to K Streets. The "downtown" part of the city referred to by the report is made up of white merchants who naturally cater to white customers and who do so because they must secure a return on their investments. There are moreover several Negro hotels operated by Negroes for Negroes. There is neither law nor private covenant to prevent the establishment of any legal business enterprise on a nonsegregated basis anywhere in the commercial areas of the city. The only thing which prevents such establishments is lack of initiative and lack of the possibility of success. (P. 95.)

6. Under health services the report states among other things that "4 of the 12 private hospitals in the city do not admit Negro in-patients," which of course implies that 8 of the 12 hospitals operated by and for whites, at private expense, do maintain accommodation for Negroes. Thus Negroes practically monopolize all public-hospital facilities and also share private facilities maintained at white expense. (P. 93.)

The following resolution was therefore submitted by the Department of Legislation of the DCFWC, for the consideration of its Executive Board, pointing out the discrepancies, and opposing the immediate abolition of segregation of the whites and Negroes in the District of Columbia.

The resolution was duly seconded and carried as amended to provide that a copy be sent to every Member of Congress.

"Whereas most of the criticism, ascribed to the District of Columbia, by the report of the President's Committee on Civil Rights, is laid at the door of segregation;

"Whereas we feel that the report gives an unfair and misleading picture of conditions in the District of Columbia;

"Whereas we oppose the immediate abrogation of segregation of the races in the District of Columbia, as proposed in the report, as unwise. Radical social changes cannot be forced in this way. Such changes come either by revolution or by evolution. The latter is the American way. In the last 80 years since the Negro race was freed from slavery in this country it has made marvelous progress, under the principle of segregation;

"Whereas we feel that such a radical change in the District of Columbia should not be forced upon the citizens here unless national representation, as recommended in the report, and as endorsed by the District of Columbia Federation of Women's Clubs for 20 years, is granted, and the people of the Nation's Capital has elected representatives in the House and Senate to speak for them when legislation affecting their most vital interests is being discussed: Therefore be it

"Resolved, That the District of Columbia Federation of Women's Clubs deeply resents the many misleading and inaccurate statements made in the report and opposes the upsetting of established customs and practices of the District of Columbia, which would be brought about by the immediate abrogation of segregation; and be it further

"Resolved, That a copy of this resolution be sent to the President of the General Federation of Women's Clubs and to the President of the United States and that a copy be sent to every Member of Congress."

Respectfully submitted by Anna Kelton Wiley (Mrs. Harvey Wiley), chairman, department of legislation, District of Columbia Federation of Women's Clubs.

Work Stoppages Under Taft-Hartley Act

EXTENSION OF REMARKS

OF

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. MADDEN. Mr. Speaker, the National Association of Manufacturers, the godfather of the Taft-Hartley Act, is continuing its sponsorship of misleading propaganda regarding the effectiveness of the Taft-Hartley Act. Numerous pamphlets and endless newspaper and radio propaganda is being sent out in an effort to resell this anti-wage-earner law to the American people.

I have read and listened to a great deal of this misinformation recently and at no time has the NAM informed the public that 85 percent of the major employers in the Nation stampeded to sign new contracts immediately before the Taft-Hartley law went into effect August 22, 1947. When they are reviewing the effectiveness of the Taft-Hartley Act, they must exclude these millions of employees whose unions are already under contract and will not come in contact with this law until their contracts terminate 6 months hence. The Public Affairs Institute—founded by the Brotherhood of Railroad Trainmen—published some interesting information on work stoppages involving noncontract unions during the months since the Taft-Hartley law went into effect. I am hereby submitting this report for the information of the Members of Congress.

WORK STOPPAGES UNDER TAFT-HARTLEY ACT

Between August 22, 1947, the date on which the Taft-Hartley Act became effective, and December 31, there were 645 work stoppages reported to the Department of Labor. In the 8 months preceding August 22, the number of work stoppages totaled 2,955.

Since Taft-Hartley there have thus been 161 work stoppages per month as compared with 369 work stoppages per month in 1947 before Taft-Hartley.

Presto, the arguments of Senators TAFT and BALL in pressing passage of the labor bill were right. Apparently, the Taft-Hartley law reduces the number of work stoppages, thereby proving a great benefit to workers themselves who lose less pay; to consumers who get their output without interruption; to management who have smoother production operations, and to owners who reap bigger profits.

Everybody gains from having the Taft-Hartley Act on the books. But do they? Let's take a good look at the facts and their meaning.

The last 4 months of the year are traditionally a period of fewer work stoppages. With the exception of 1940, this has been true of every year since 1927. That this trend was even more apparent in the year 1947, is due to factors other than Taft-Hartley.

Many unions and employers, fearful that the Taft-Hartley Act would upset satisfactory arrangements which were the results of years of building up mutually good contract conditions, hastened to get contracts signed before the act became effective. The Amalgamated Clothing Workers, for example, entered into a long-term 5-year contract just prior to the passage of the act.

SOME TREAD WATER WARILY

Many other unions and employers are treading water warily watching developments in the early administration of the Taft-Hartley law. This cautiousness is not to be interpreted as a newly achieved high level of labor-management harmony. Rather, it is a feeling-out stage when each side is becoming familiar with the meaning of the act while its administrators lay down the rules under which it will be enforced. During such a period risks are not taken; hence the work-stoppage figures are low.

What the number of stoppages will be after Taft-Hartley has been in operation a longer time no one knows now.

The present period may well be the calm before the storm. For the continued high cost of living has reduced the purchasing power of workers to the point that a new round of wage-increases demands is generally expected when contracts come up for consideration this spring. Then may come the test for Taft-Hartley and its effect on work stoppages.

On the other hand, if industry continues to make tremendous profits, this will probably tend to discourage it from precipitating any conflict. Nor must the effect of this year's Presidential election on the strike picture be overlooked.

It is apparent to any competent observer of labor-management relations that the passage of the Taft-Hartley Act represents an important stage in the continued fight by antiunion employers to liquidate labor's gain of the past quarter century.

A PARALLEL, THE AMERICAN PLAN

A noticeable parallel in the post-World War I period is worth recalling in this connection. In 1920, employers throughout the Nation were actively sponsoring the so-called American plan. This plan under the cloak of abolishing the closed shop had as its real purpose, as did previous open-shop crusades, the destruction of unionism. The American Bankers' Association piously proclaimed the right of every man "to work out his salvation and not be bound by the shackles of organization to his own detriment."

A similar strategy was used by the NAM and other antiunion groups in pressing the passage of the Taft-Hartley Act after World War II. In place of the American plan, wage earners now are provided with a bill of rights specially designed for them as set forth in section 7 of the Taft-Hartley Act guaranteeing their right to refrain from any or all union activities.

The drive to disorganize labor continues unabated. As in the past it operates under the guise of benefiting the worker. And the proof offered is such figures as those showing the reduction in work stoppages cited above. It is important, therefore, to be alert to read between the lines when presented with so-called evidence of benefits under Taft-Hartley.

Low strike figures by themselves are no indication of successful labor-mangement relations. There were extremely low strike figures in Hitler Germany; there are equally low strike figures in Stalin Russia.

Even in free America, it is hoped by its supporters that such measures as the Taft-Hartley Act may so weaken unions by their restrictive conditions and the numerous

costly lawsuits which they involve that they may not be able to resort to work stoppages when that last weapon of a free labor movement should be used to obtain rightful demands.

A decline in the number of strikes is a good sign only when it reflects a situation where conditions permit labor and management to sit down as equals at the bargaining table, there to resolve their differences on terms acceptable to both.

Transfer of Ships

EXTENSION OF REMARKS
OF
HON. VITO MARCANTONIO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. MARCANTONIO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by joint maritime committee against ship transfers and Marshall plan, presented to Members of the Senate and the House on Tuesday, February 3, by members of the National Maritime Union, CIO, National Union of Marine Cooks and Stewards, CIO, and the Marine Firemen's Union—MFOWW—unaffiliated:

American seamen, backed by the entire labor movement, are unalterably opposed to the transfer of 500 ships to foreign countries under the Marshall plan. Not only will the Marshall plan wipe out 25,000 jobs for unlicensed personnel through these ship transfers but it would create widespread dissension throughout the world by direct interference in the affairs of other countries and thus open wide the road to world war III.

American seamen, together with their brothers in the armed forces, did not fight in the last war to prepare for the destruction of jobs and security and to set the stage for an even more catastrophic war.

The national council of the National Maritime Union adopted a resolution at its last meeting which correctly asserted that "the Truman and Marshall plans are to the unsettled and war-weary peoples of Europe what the Taft-Hartly Act is to the American people." M. C. & S. and M. F. O. W. W. took similar action.

We know that the Taft-Hartley Act is designed to cripple and ultimately destroy organized labor in America.

The bipartisan Marshall plan is designed to Taft-Hartleyize the world.

In the words of the NMU national council, "Food has become a weapon for forcing the hungry people of the world into line with the aims of Wall Street—a la Herbert Hoover."

We agree with Henry Wallace that "Those whom we buy politically with our food will soon desert us; they will pay us in the base coin of gratitude and then turn to hate us because our policies are destroying their freedom."

We are witnessing today in Greece, where the reactionary government has decreed the death sentence for workers who strike for better conditions, the full and shocking meaning of the Marshall plan. This plan ties a lot of political strings around the urgent food and relief needs of our former allies. And in so doing it is bypassing the United Nations and setting up a bloc of western powers that will do the reactionary bidding of American big business.

American seamen will be the first to be hit by the Marshall plan through the transfer of 500 ships. Representative WILLIS R. BRADLEY last month condemned the plan as being "the funeral of an adequate merchant marine." If Congress approves the transfer of these 500 vessels, it will mean the destruction of the American merchant marine. It will mean that the democratic people of Europe will be enslaved in an imperialist yoke in which their democratic rights and aspirations will be ruthlessly crushed.

To date, more than 1,000 ships involving 50,000 jobs have been transferred to foreign flags. The 16 European nations which will participate under the Marshall plan have a greater tonnage of cargo vessels today than before the war. The transfer of an additional 500 vessels would further increase their present tonnage over prewar levels. In effect, the Marshall plan will reduce America to a fifth rate maritime power.

We oppose the sacrifice of our merchant marine on the altar of American imperialism. We favor full relief to the hungry people of Europe without political strings and with relief cargoes carried in American bottoms.

We favor the Wallace plan of a world relief program administered by the United Nations on the basis of human need and not on political considerations.

We demand the elimination of all policies that will lead to war, including the Marshall plan, and the building of greater unity among the United Nations to assure world peace.

Rationing and Price Control

EXTENSION OF REMARKS
OF
HON. KARL M. LeCOMPTE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. LECOMPTE. Mr. Speaker, the Iowa Farm Bureau Federation last week reaffirmed its position on rationing and price control and adopted a resolution which I desire to bring to the attention of the Congress. Under leave to extend my remarks in the RECORD, I include therein the resolution which sets forth the position of the board of directors of the Iowa Farm Bureau Federation:

We, the members of the board of directors of the Iowa Farm Bureau Federation, reaffirm our position and that of the voting delegate body of the Iowa Farm Bureau Federation in regard to rationing and price control.

There has been agitation by certain segments of our society, some Members of Congress, and the administration for price control and rationing of meats and other foods.

The American people partially accepted price control and rationing during wartime as an emergency but rejected it as a peacetime measure as evidenced in the period following the close of the war. Therefore, with the present consumer demand and buying power, the general public will not comply with a peacetime rationing program.

Rationing and price control will disrupt the livestock and food economy, making less meat available over a period of time. It destroys the incentive to produce and causes meat to be channeled through black markets, making it less available through legitimate trade.

It is generally agreed that rationing of any or all essential commodities will not effectively control inflation without adequate controls of credit, wages, and prices in general. Therefore, the attempt to solve our economic problem by the rationing of one commodity, such as meat, is preposterous.

We object to the livestock industry being used as a political football in this election year. The uninterrupted production of food is of prime importance.

A Talk to American Citizens—New and Old

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include a splendid talk given recently by the Honorable Charles E. Wyzanski, Jr., of the United States district court in Boston, Mass., to 80 newly naturalized citizens that he recently admitted into citizenship:

A TALK TO AMERICAN CITIZENS (NEW AND OLD)

The COURT. Fellow Americans, by virtue of the authority vested in me under Article III of the United States Constitution and under the Nationality Act of 1940, I hereby declare that each of you who has taken the oath of allegiance has become a citizen of the United States of America.

There is no prouder title in the world than to be a full partner in this great democracy, and I congratulate each one of you on what is one of the most important days in your lives, and an important day for this country.

This country has always known that it owed a great debt to persons born abroad who voluntarily came to the United States and became citizens. Many years ago, in 1789, this country adopted as its motto three Latin words which, when you leave the courtroom, you will find on every coin in your pocket, whether it be a penny, a nickel, a dime, it does not matter. Those three Latin words are E pluribus unum, which translated into English mean "From many one." Originally, the motto stood for the idea that from many separate colonies one American Union was made. But the motto has a deeper meaning today. From many different lands, from people of many different religious faiths and people of many different colors, one American people has been made. And you are now a part of that people.

Did you come from France? Then you may think with pride of Lafayette and Rochambeau, and the host of Frenchmen who helped to make this country free.

Did you come from England? Then you may think with pride that the ancestors of Washington and of Jefferson and of Lincoln came from England.

Did you come from one of the British Dominions or Colonies? Then you may think with pride that the first great Secretary of the Treasury of the United States, Alexander Hamilton, was born in a British colony and came to this land.

Did you come from Switzerland? Then you may think with pride that another great Secretary of the Treasury, Albert Gallatin, was born in Switzerland and came to the United States.

Do you come from Scandinavia? Then you may think with pride that the inventor of the ironclad battleship, John Ericsson, came from Scandinavia, and here invented the instrument which made it possible for the North to prevail and preserve the Union in the great War Between the States from 1861 to 1865.

Do you come from Ireland? Then you may think with pride of John Barry, who came

from Ireland in the eighteenth century and who is called the Father of the American Navy.

Did you come from Italy? Then you may think with pride that the man who was for three terms mayor of the largest city in this country, and head of the United Nations Relief and Rehabilitation Administration, Mayor LaGuardia, came of a father whose home was Italy and a mother whose home had been the Balkans.

Do you come from Poland? Then you may think with pride of General Pulaski, the great hero in whose honor the bridge between New York and New Jersey has been named.

Do you come from Germany? Then you may think with pride of the senior Senator of the State of New York, Senator Wagner, born in Germany and author of some of the most progressive legislation in this country.

Are you a person of the black race? Then you may think with pride of Booker T. Washington, and Frederick Douglass, and George Washington Carver, three men of the black race who stand high on the roll of American educators.

Are you a Jewish refugee from oppression? Then you may think with pride of Albert Einstein, who, like yourself, was naturalized in a United States district court after coming here as refugee from oppression.

It makes no difference from what land you came, nor what church you go to, nor what is the color of your skin; people of your background have helped to make America what it is today. Your neighbor may have come from a different land, and may go to a different church, and may have a different color skin. But remember, people of his background have also helped to make America what it is today. And your first duty as American citizens is to be understanding, and neighborly, and tolerant.

But you have other duties, now that you are American citizens. You will soon have the opportunity to vote in local and State and in national elections. As a judge, it is none of my business for whom you vote, and I am not trying to advise you directly or indirectly for whom you should vote. But I am deeply concerned that when you do go to the polls to vote, you shall know who the candidates are and on what platforms they stand. It is your business to cast an intelligent vote. For remember, you are citizens; your vote is just as important as anyone else's. You are truly a part of a society in which the Government is not only of the people, but by the people and for the people, and you are part of the people by whom this country is now to be governed. You will have a chance not only to vote, but perhaps even to hold office. And even if you do not, perhaps your children and other members of your family will hold office.

Whenever I speak in this particular courtroom at a naturalization session, I am mindful of the board behind me, and the list of names which are on that board. They probably are unfamiliar names to you, but they are a list of the persons who have served on the Supreme Court of the United States and who at the time of their appointment were living in the first circuit, in New England.

The names start with Cushing and Story, on my right, your left, and go all the way down to Holmes and Moody and Brandeis. And yet, the list is not quite complete, for since the time that list was erected, another man living in New England at the time of his appointment was put upon the Supreme Court of the United States. And that appointee is a man who came from Austria when he was a little boy, and when he was 12 years of age his parents were naturalized, just as you have been naturalized, in a United States courtroom. He stands as the symbol of opportunity which opens up before you and your children.

Of course, a democracy is not only a place where one has an opportunity to vote and an opportunity for office. In a democracy the people in their day-to-day efforts contribute to the morale of the country. Upon you rests a great responsibility. Never has it been better phrased than by an ancient Greek, Pericles, speaking more than 2,000 years ago, who said at the conclusion of the first year of the war between ancient Athens and ancient Sparta:

"The secret of happiness is liberty.
And the secret of liberty is courage."

May you have in the day to day affairs of this country the courage which will preserve the liberties which we regard as the secret of our happiness.

Message to Residents of Kassel, Germany

EXTENSION OF REMARKS
OF
HON. JOSEPH P. O'HARA
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. O'HARA. Mr. Speaker, Judge Joseph J. Moriarty recently made an extensive trip into Germany and during the course of his visit made a speech at Kassel, Germany, which has received consideration both in the German and American press. His explanation of our American principles of government was undoubtedly an inspiration to those in the troubled country of Germany, who I am sure are also grateful for the message of hope which Judge Moriarty has so capably expressed.

Under the leave to extend my remarks in the RECORD, I include Judge Moriarty's speech and newspaper comment in the Shakopee Valley News, Shakopee, Minn.:

HAIL JUDGE'S KASSEL TALK JANUARY 10—MORIARTY'S SPEECH WIDELY REPRINTED IN GERMAN NEWSPAPERS

A speech given to the citizens of Kassel, Germany, by Judge Joseph J. Moriarty was widely reprinted in the German press, it was learned this week.

Judge Moriarty, traveling in Germany at the present time, addressed a representative group in Kassel on January 10, shortly after his arrival in that country. The complete text of the speech is reprinted on another page of the Valley News.

His words were hailed as giving new courage to the German people as they are faced with the huge rebuilding task in that country.

During his stay in Germany the Shakopee judge has been visiting children's hospitals, boys' clubs, displaced persons camps, and has also addressed many civic and industrial groups.

He was scheduled this week to confer with the head of a German university, which in prewar days was considered one of the largest and most distinguished in Germany.

While in Europe he is visiting his son, Sgt. Pat Moriarty, presently on duty with the military government headquarters there. Judge Moriarty, while traveling as a private citizen with the full sanction of the American Government, is the guest of Gen. Lucius Clay, military governor of Germany.

SPEECH DELIVERED BY JUDGE JOSEPH J. MORIARTY TO THE CITIZENS OF GERMANY AT KASSEL, JANUARY 10, 1948

Acting as one free to act in a free country, I concluded to travel thousands of miles to visit my fellow men in this part of the world, and I assure you that I am pleased to be here so that I may be able to appreciate first-hand your problems. I came from the United States of America with full sanction of my Government for no other purpose than to convey to all the people of Germany, both young and old, the good will of the people at home and to visit my son, Sergeant Pat, on military duty here, and bring to him and all associated with him in the German youth movement the thanks and gratitude of the American people for their most commendable and worthy efforts in behalf of the well-being of the boys and girls of Germany.

I came in the name of liberty and justice, and I bring you nothing more than the earnest prayer of the people of my homeland for your future happiness and prosperity and for strength and courage and divine guidance to enable you and direct you, as a people, to lay wisely the foundations of a new and greater Germany, dedicated to liberty, justice, and the equality of men before law.

Men are born free, and men in every part of the world have an inherent and natural right to be free. Liberty comes from no man and no government. It is God-given. Freemen have a right to form a free nation, and nations have a right to be free. Take from the individual his liberty and rob him of his human dignity, and you reduce him to the station of a slave. Take from a nation its right of independence and freedom, and you reduce it to a vassal state, and you bind its people as the tyrant would bind his slaves.

From the beginning, the liberty for which men fought and died was liberty of thought—liberty of speech—liberty of conscience—liberty of action—liberty of all the human faculties, and from the beginning all reasonable men regarded the security of human freedom and the protection of the rights of men against the wrongs of others as the first concern of organized government.

Human liberty is the precious property of the individual. It is a property which is inalienable. It is a right which no man has the privilege to surrender to any power on earth. Without it, man is reduced to the state of a slave. His talents are useless. His urge to advance into a better and fuller life without hope. He lives, labors, and dies and his life work is simply the gain of his oppressor.

To protect man in the enjoyment of his liberty and to secure to him a proper station in the order of things and to enable him to fulfill the purpose for which he was created, society forms organized government which derives its just powers from the consent of the governed, ever controlled by the will and the dictates of the conscience of the people directly involved. The sole purpose of such a government is the general welfare of all the people and the full security of each. The society acting in such a process is not a select few or an ambitious and cruel leader but the whole collection of men. In such a government, the individual is safe in the full enjoyment of his liberty and the full enjoyment of life and has an equal chance with all other persons to advance to that state of prosperity, happiness, and peace of mind, which is the common birthright of men.

Man was not created to be ruled by the whims and fancies of another man, nor to serve the selfish interests of another individual, nor to be bound by the spoken words of a dictator. Man was created with a free will and a conscience to guide and direct that will, and man has a natural right to have his conscience and will play its proper part in shaping the course of the government which prescribes the standards of his civil conduct. Therefore, one of the functions of government is to carry into practice the dictates of the conscience and will of all the people who compose it, and such form of government is known to the world as a democracy. This is the form of government which I am a part of in America, and this is the form of government which I am ready to defend and protect to the end of my life. This is the form

of government which has the sanction of the conscience of the people of the world, and this form of government is in keeping with the planning of God for the regulation of the lives of men.

I will be among you for some short period of time during which I will visit life in this country as it battles with all the roughness of every environment in every section. I assure you I am an old and tired warrior in this sphere of human experience, for my trail so far in life led over the rocky road of adversity and hard knocks. I chose to travel this course because I found in it the true stimulus to the highest ideals of civilization.

I come from my own country as a messenger of good will and this I now impart to each and all of you with the fervent hope that in the light of this good will the Old and the New Worlds shall find a common ground for an ever-enduring peace.

Peacetime Military Conscription

EXTENSION OF REMARKS
OF
HON. ROBERT A. GRANT
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. GRANT of Indiana. Mr. Speaker, under leave to extend my remarks, I submit herewith an editorial from the January 30, 1948, issue of the Pilot, published in Boston, Mass., in the interest of the Catholic Church in the archdiocese.

The editorial follows:

PEACETIME MILITARY CONSCRIPTION

The sponsors of the bill to draft 18-year-old boys for compulsory military service are greatly assisted by American suspicion of Soviet Russia's plans. Soviet Russia, palpably, has already inaugurated a cold war against the United States.

To some minds the conclusion from this is obvious—let us prepare! Remember Pearl Harbor? Well, let's not let that happen again! Let's conscript our youngsters; give them 6 months in an Army camp; then 6 months more in the National Guard, the Organized Reserve, or the Regular Army. Then see if the Russians won't behave more politely.

However, it is a point of those who oppose compulsory military service that the Russians will not be impressed. No one disputes that the value of mass concentration has lessened or disappeared. The emphasis, in the minds of the scientists who know most about the atomic bomb, should be on deconcentration. Better even than that, we should strive earnestly and prayerfully to prevent the possibility of turning either New York or Moscow into another Hiroshima. But, following through with the initial point, would 6 months of squads-right in an Army camp really entitle us to call the country prepared?

The opponents of compulsory military service want to play fair with the argument of those who favor the proposal. A man who knows even a little about the mechanism of the automobile he is driving has an advantage over the driver who knows nothing. It could be granted that compulsory military service would be worth something from the viewpoint of preparedness. But, how much? Enough to justify a revolution in our way of living? Enough to balance the other enormous debits?

Our philosophy as a people is dead against the "theirs-not-to-reason-why" mentality of the soldier. Demanding unity, but not uniformity, we have preserved and enhanced a genius of initiative. In this country, we believe in, to quote from General Eisenhower's magnificent statement, "the subordination of the military to civil power." Having viewed police states ancient and modern, our people feel no urge to copy their systems. And when military mores dominate a country's thinking and practices, emergency becomes permanent, marshal law becomes the routine code and in the name of "efficiency" democracy, even though its trappings and nomenclature have been preserved, becomes a body struck to the heart.

Many of our citizens retain vivid memories of their experience in the late war. They will not be impressed by the preachment that the camp will make a man of your boy. That's not the purpose of the training. The purpose is to produce an efficient killing machine. Traditionally the general really doesn't give a snap of his finger for other values. His job is to win wars, not to build character. Ask the ex-chaplains what they think of the argument that military service will make a man of your boy.

We who oppose peacetime military conscription find ourselves supported by distasteful allies. Our Communist friends are very ardently anticonscription.

But the paradox is simply explained. They see peacetime military conscription as a fist brandished against their first loyalty, Soviet Russia.

But there are enlightened, thoroughly American reasons for refusing Communists a chance to preempt a right position—which they espouse for the wrong reasons. Peacetime military conscription is an expensive, cumbersome method of achieving a purpose which could be better implemented by other methods. It represents an encroachment on our civilian liberties more radical than any attempted since the founding of the Republic—and, as such, is fraught with the menace of other encroachments. Lastly, peacetime military conscription exposes the adolescence of this country to moral hazards which are peculiar to the atmosphere of the camp.

Veterans' Training

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. HILL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Brighton Blade of January 26, 1948:

MANY VETERANS TAKE TRAINING—ONE VETERAN IN FOUR NOW ENROLLED IN PROGRAM

The number of veterans in institutional and on-the-job training in the VA branch 13 area reached an all-time high at the end of last December, VA reports.

Figures released this week show a total of 61,976 ex-GI's in New Mexico, Colorado, Wyoming, and Utah receiving instructions or training under the provisions of the Servicemen's Readjustment Act (GI bill) and Public Law 16. This number represents 23.7 percent of the estimated War II veteran population of 261,000 in the four-State area, or nearly one veteran in every four.

MOST IN COLLEGE

Most of these veterans are enrolled in colleges and universities, while others are attending business, trade, and commercial schools. In addition, nearly 14,000 are learning a trade or profession in State-approved establishments or receiving practical training on the farm.

For the entire Nation, 19.1 percent of the War II veteran population of 14,625,000, VA said, are receiving educational or training benefits administered by the VA.

TWENTY-SIX AND FOUR-TENTHS PERCENT IN COLORADO

The number of veterans in training on December 31, 1947, by States and the percentage of the estimated War II veteran population for that State follow: Colorado, 31,195 or 26.4 percent; Utah, 17,263 or 25.8 percent; New Mexico, 9,746 to 19.5 percent, and Wyoming, 3,772 or 14.5 percent.

Statement of L. Douglas Meredith

EXTENSION OF REMARKS
OF
HON. CHARLES A. PLUMLEY
OF VERMONT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. PLUMLEY. Mr. Speaker, under permission heretofore granted me, I am including in the RECORD the testimony of L. Douglas Meredith, executive vice president of the National Life Insurance Co., Montpelier, Vt., before the Joint Committee on Housing on January 15:

STATEMENT OF L. DOUGLAS MEREDITH, EXECUTIVE VICE PRESIDENT, AND CHAIRMAN, COMMITTEE ON FINANCE, NATIONAL LIFE INSURANCE CO., MONTPELIER, VT.

The CHAIRMAN. Mr. Meredith, it is nice of you to make this trip down here. We are very grateful to you, and I know we are going to absorb a lot from your statement, because we have found in going about that you are quite an authority on this subject.

Mr. MEREDITH. My name is L. Douglas Meredith.

I hold the office, Mr. Chairman and gentlemen, of executive vice president, and chairman of the committee on finance, of the National Life Insurance Co., Montpelier, Vt., and I am most appreciative of the invitation to appear here to discuss this matter with you.

While the National Life Insurance Co. is not a large company, we have made over a quarter of a billion of FHA loans and also about 10,600 GI loans of all kinds.

I am also chairman of the subcommittee on postwar housing of the investment research committee, which is a joint committee of the Life Insurance Association of America, and the America Life Convention.

I believe I have close enough contact with the other companies to have a fair consensus of their views on some of these points.

These organizations have a combined United States membership of over 209 companies, with resources approximately $49,000,000,000, held in the interest of 75,000,000 policyholders and their beneficiaries. A recent survey made by the Federal Reserve Board shows that 74 percent of all families with incomes between $2,000 and $3,000 own life insurance. The life-insurance companies, consequently, have a primary interest in the same broad mass of people in which your committee is interested.

The subject your committee is considering has many phases, ranging from the financial to the technical, and because of the limitations of time, much of the emphasis of this presentation will be on the financial aspects.

The legal reserve life insurance companies at the end of 1947 had $8,500,000,000 invested in mortgage loans. In 1947 alone, mortgage loans owned by these companies increased $1,300,000,000, the major portion of which

was for residential purposes, largely for veterans. The life-insurance companies hold $800,000,000 of GI loans and $1,400,000,000 of FHA loans. Some companies have constructed or are constructing large-scale rental housing projects, investment in which on December 31, together with outstanding commitments, was over $300,000,000, providing approximately 40,000 family units. That would house a city about the size of Albany.

These figures should leave no doubt in anyone's mind as to the extent of the interest of the life-insurance companies in housing.

Solution of today's housing problem must begin with analysis of the fundamentals of high prices and the factors which have caused them. The problem of inordinately high prices is one of a scarce supply of goods and services in relation to a strong demand on the part of the general public. This demand is backed by a tremendous volume of purchasing power which, if put into effect, could further increase prices.

The Federal Government has been pursuing a "soft," or "easy," money policy, and this has resulted in a tremendous increase in the country's money supply. Demand deposits and currency in circulation increased more than two and one-half times during the period of war financing.

With your permission, I would like to point to this graph. That is taking into account solely demand deposits and currency in circulation which increased almost three times from 1940 to 1947.

We have plotted on here the Federal Reserve Board industrial production curve, and the spread between those is the inflationary gap which is causing basically high prices.

This money supply increased from less than $40,000,000,000—you will notice that that is a percentage chart and this shows a percentage charge but dollar-wise the increase was from less than $40,000,000,000 in June 1940 to $106,000,000,000 at the end of June 1946.

Savings deposits which in June 1940 were $27,000,000,000 almost doubled in the same period. In addition, the general public, exclusive of financial institutions and Government agencies, accumulated holdings of Government securities in the amount of $100,000,000,000, or nearly seven times as much as the holdings in June 1940. These Government securities in the hands of the public, and particularly the E, F, and G bonds, are about the equivalent of money because they are so readily convertible into cash.

The Board of Governors of the Federal Reserve System estimated that at the end of 1946, individuals and business concerns held about $223,000,000,000 in the form of currency, demand and savings bank deposits, and Government securities, or more than three times the prewar total.

This chart is made the same as the other. This is the percentage scale, and this shows the years 1940 through 1946. This green line shows the liquid assets of individuals and businesses.

That includes only currency, demand, and savings deposits and Government securities.

Mr. SUNDSTROM. All Government securities?

Mr. MEREDITH. All Government securities, all types which individuals might hold.

That does not take into account individual holdings of shares in savings and loan associations, listed securities, stocks, or bonds, and a great many things of that kind.

If you will take this curve you will see the percentage figures there—they were three times the prewar total, a total of $223,000,000,000.

If we take the Federal Reserve Board curve of industrial production again, here is the spread between this large sum of liquid assets held by the public and the goods being produced.

Mr. SUNDSTROM. You were talking about the E, F, and G bonds which are practically the same as cash.

Mr. MEREDITH. Yes.

Mr. SUNDSTROM. Isn't it almost a reality that the Government is allowing these people to invest their funds in call money at better than call-money rates?

Mr. MEREDITH. I think that is a fair statement.

Mr. SUNDSTROM. And it is an inflationary pressure that could be exerted at almost anytime?

Mr. MEREDITH. That is what we are trying to demonstrate with these two charts.

Mr. SUNDSTROM. When the Government is saying it is going to start a further campaign to sell those bonds through pay-roll deductions, isn't it doing something which will increase the inflationary pressure sometime in the future?

Mr. MEREDITH. That is the point.

Mr. SUNDSTROM. If they were sold as bonds to be held until maturity, I can see where they would be deflationary, but when they are allowing them to be turned in at anytime, it seems to me like they are inflationary.

Mr. MEREDITH. They are tantamount to cash in the hands of any of us.

The figure probably rose slightly in 1947. In addition, current national income is at a record level, running at a rate of $200,000,000,000 per year, or 2½ times the 1940 figure.

In the face of the demand growing out of this enormous supply of money, production is at a point beyond which further growth will necessarily be slow. Commissioner Ewan Clague, of the Bureau of Labor Statistics, stated recently that American industry as a whole is producing at about the maximum level and a longer workweek. According to the Board of Governors of the Federal Reserve, the physical volume of construction of all kinds, including residential building, is close to any previous peak, and further expansion is now being retarded by shortages of essential labor and materials.

The facts just stated are the basic causes of the price rise which this country has experienced.

You understand that I might spend much time on that.

Mr. SUNDSTROM. And I might say it is the primary cause for our whole inflation, not only housing.

Mr. MEREDITH. Oh, yes, sir. I repeat that the facts just stated are the basic causes of the price rise which this country has just experienced.

One of the most important facts which emerges is that excessively easy mortgage credit now serves only to accelerate the rise of prices and has been a significant factor in the rise of 25 to 35 percent in the prices of houses during the past 2 years. It is widely agreed that easy mortgage credit, with the resultant rise in housing costs, has aggravated the general spiral of inflation.

Mr. SUNDSTROM. Even though the FHA may have increased production in some cases yet has also added to the inflationary cost?

Mr. MEREDITH. Oh, yes, sir; whether FHA or any type, an uninsured loan, easy credit, has aggravated inflation.

The amount of home-mortgage debt has increased during the past 2 years by more than $9,000,000,000 and the rate of current mortgage lending has risen from about $550,000,000 per month to about $1,000,000,000 per month. Terms of lending have been substantially easier, as compared with the prewar. A large proportion of recent loans has been made on an installment basis at 4-percent interest for periods from 20 to 25 years. The bulk of these loans has been made for a very high percentage of current sale price. As Mr. Marriner Eccles, Chairman of the Board of Governors of the Federal Reserve System, pointed out in a statement on November 25 before the Joint Committee on the Economic Report—

"Since more than half of the current unprecedented volume of mortgage lending is sponsored by the Federal Government under legislation enacted by Congress, the Government must assume much of the responsibility for any harmful effects of this type of lending."

Mr. SUNDTROM. Is it your belief then that the FHA, although it serves a good purpose, should be given very careful consideration as to perhaps making their requirements a little more stringent, for instance, as to the length of the loan, the interest rate, or from the point of view of the down payment?

Mr. MEREDITH. I would say, sir, that at this time all types of mortgage lending might well give thought to the length of the term of the loan, the interest rate, and to the down payment.

And may I say that I think no one is more enthusiastic about FHA as I am. Insofar as some of the loans now being insured by FHA, and we have a lot of them in our portfolio, they have been made on a current cost basis, and I believe, if we could get back near to the basis on which they were insured under title II without doing any harm, it would do a lot of good to the general situation.

Mr. Eccles also stated:

"Easy credit has greatly increased the effective demand for both old and new housing far beyond the supply, and this has greatly inflated prices."

To continue quoting:

"If the easy-credit situation were producing a substantial additional volume of housing at supportable values in the long run, it would be justified, but because of the limitations of labor and materials, it produces, instead, a dangerously inflated market which cannot be sustained for both new and old houses. I believe that by curtailment of credit for housing in closer relationship to the supply of labor and materials the price trend would be reversed and a market for houses assured over a long period of years."

This argument by Mr. Eccles, and his recommendation for tighter housing credit, has been supported by Senator TAFT, the Federal Reserve Advisory Council, the Chairman of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and others. It has been one of the most generally accepted arguments made in the current congressional discussion of anti-inflationary measures. I believe it merits very serious consideration by your committee.

Mr. SUNDSTROM. Is it your opinion that if credit restrictions are made a little more severe that will stop, perhaps, the acute demand for new houses, and therefore might be instrumental in bringing the price down?

Mr. MEREDITH. I think it can help; yes, sir. At the same time, we must keep in mind the tremendous inflationary potential.

Mr. SUNDSTROM. Which is the primary cause of our inflation?

Mr. MEREDITH. Yes, sir.

With your permission, I would like to say just a few words about interest rates and their relation to this whole problem.

The operation of natural forces or the action of Federal fiscal and monetary authorities, or a combination of both, have resulted in the past 6 months in a sharp up-turn in interest rates. At first glance, coming in the wake of the lowest interest rates in history, this circumstance may seem somewhat alarming. But in reality it means that a brake upon inflation is taking effect. If the monetary authorities continue their recent steps in the direction of contracting the supply of money, or at least preventing further expansion, there is strong reason to believe that the policy will operate to curtail inflation. Similar policies have proved effective in the past. As a matter of fact, a rise in interest rates at the present time has a salutary effect—the point just mentioned—in that it tends to make prospective borrowers more thoughtful about assuming an obligation, particularly one that extends over a long period of years.

Mr. SUNDSTROM. Is it true the rise in interest rates has been practically negligible to date? It has been more a psychological

effect that shows we have turned the corner rather than an actual rise in rates to date?

Mr. MEREDITH. I would say we have had a significant rise in interest rates to date.

Government bonds which sold on a 209 basis are now selling at 248 or 249. And other bonds have come about in proportion into balance.

In the second place, a higher interest rate will tend to bring forth a larger amount of savings which is very desirable under present inflationary conditions.

The rate of interest is significant only when it is applied to the amount of money borrowed. The fiscal policies of the past decade which produced the lowest money rates in history, also have produced higher real-estate prices. It frequently is necessary for a home purchaser to borrow much more money than he would have been obliged to borrow 5 or 6 years ago to buy the same house. Under circumstances of this kind, the borrower would be far better off to pay 5 percent or higher interest on the sum of money required 5 years ago to buy the same house. Under circumstances of this kind, the borrower would be far better off to pay 5 percent or higher interest on the sum of money required 5 years ago, than to be obliged to pay 4 percent or 4½ percent on the money he now will be obliged to borrow. As pointed out in Housing Costs, a study made by the National Housing Agency, a 20-percent reduction in the cost of a house and lot is more than three times as effective in reducing monthly costs than a 20-percent reduction in the rate of interest charged for a loan.

Mr. SUNDSTROM. Depending, of course, on how the features of the loan are.

Mr. MEREDITH. Oh, yes, the same type of loan.

Mortgage-interest rates may seem high to the uninitiated, but we must bear in mind that the net rate of return to a lender is not the contract rate as stipulated.

Out of this return, the investor must deduct his own expenses of buying and handling the loans, must write off any premium paid, pay the expenses of servicing, and must make some allowance for losses which are likely to result no matter how carefully loans may be selected.

At the 1945 meeting of the American Life Convention, representatives of four life-insurance companies presented figures to show the estimated net return on mortgage loans their companies owned.

These estimates showed that, assuming a 4½-percent interest rate on FHA loans, the net return averaged 3.04 percent after deducting the expenses just cited.

We must never forget that interest, while an expense to borrowers, is income to savers.

Our Nation was spending money so rapidly during the war, and it was necessary, of course, so much of this money was borrowed, that emphasis was soley on the cost side, with little thought for the people to whom interest is income.

The life-insurance companies of the country, with approximately 75,000,000 policy holders, afford an excellent illustration of savers who have been severely penalized by the low-interest-rate policy of the Federal Government.

Mr. SUNDSTROM. Mr. Meredith, on that point, I believe I asked a previous witness if he does not feel that interest rates were about as low as they could be for financing loans. How do you feel about it?

Mr. MEREDITH. Very definitely so, sir.

Mr. SUNDSTROM. How do we answer many of the people of this country who have not had much experience with loans and mortgages who seem to think that when they get a mortgage on a 20- or 25- or 30-year period, and when they pay interest that, therefore, they are paying three times as much for interest as they are for the house.

Mr. MEREDITH. Well, unfortunately, of course, that condition does prevail, and I think the lending institutions are aware of it, and we try to explain to them, as I wish to emphasize, if I may, in a moment here, that interest has two sides, one is the cost to the borrower, and the other is income to the saver.

Mr. SUNDSTROM. I am in agreement with you, and I am glad you are going to bring that point out.

Mr. MEREDITH. Mr. Lewis W. Douglas, then president of the Mutual Life Insurance Co. of New York and now Ambassador to the Court of St. James's, appeared before the Senate Committee on Banking and Currency in December 1945 in opposition to the Wagner-Ellender-Taft bill.

Mr. Douglas vigorously emphasized this point, and called attention to the sharp decline in the net earning rate of life-insurance companies from 1930 to 1945, a rate which has declined from 5 percent in 1930 to just over 3 percent in 1945, largely because of the decline in interest rates during this period, and in 1945 the net rate of earnings declined to 2.9 percent.

In 1921, 11 insurance companies, with approximately $10,000,000,000 of insurance and $2,200,000,000 in assets, earned $40,000,000 over and above the minimum amount required to maintain reserves.

This amount is known as excess interest, and with gains from other sources constitutes the sum which may be paid to policyholders in the form of dividends.

In 1944, with about double the volume of insurance in force, and assets over three and a half times as large, the companies had only about $21,000,000 above their requirement, compared with $40,000,000 in 1930.

Low interest rates, when created and maintained by artificial devices employed by the Federal Government, impose a severe hidden tax upon the savers of the Nation, including not only life-insurance policyholders but depositors in savings banks, savings and loan associations, pensioners and annuitants, endowed institutions, and others.

The inflationary situation has obscured the great progress being made in the direction of solution of the housing problem, with several aspects which deserve special mention.

The Bureau of the Census estimates that the number of families in the United States, including those doubled up as well as those living in separate quarters, increased 4,900,000 from the beginning of 1940 to the early part of 1947.

In the same period there was a net increase in the number of dwelling units of 4,400,000 in farm and nonfarm areas, with about 3,500,000 units newly constructed and approximately 1,000,000 added by conversions of existing nonfarm houses or on farms.

In other words, in spite of the war the increase in supply of housing units has very nearly kept pace with the increase in families.

Furthermore, as the census figures indicate, existing houses have, during these years, been brought into more efficient use by major repairs and installation of plumbing equipment.

We have through these means and in the face of very trying conditions, not only been able to augment the supply of housing roughly to correspond with the increase in the number of families, but we have also made substantial betterments in previously existing housing.

Along with this accomplishment and contrary to the general impression, there has occurred a slight reduction in the crowding of houses as is indicated by a decrease in the census estimate of persons per nonfarm dwelling unit from almost 3.2 in 1940 to 3.1 in 1947. That is a slight reduction, but it does indicate a downward trend contrary to the general belief.

The strides thus made both during and after the war are much greater than is frequently recognized. This is even more apparent when the recovery of house building after World War II is compared with World War I.

New housing construction in 1947, the second postwar year, was 120 percent of the volume in 1941, while that of 1920 was only 62 percent of 1916 and 57 percent of 1914.

The postwar housing record also compares favorably with passenger-car production, for example, which in 1947 was only 94 percent of 1941, compared with the housing figure of 120 percent.

It should be plain that a creditable job thus far has been done, in spite of all the difficulties of converting from wartime to peacetime production.

There remains, of course, a great deal yet to be done, and it is, perhaps, fortunate for our general economic welfare that this is so.

If it were possible to produce new houses for everybody who wanted one, and if we were to accomplish this miracle in 1948, we would probably have occasion to regret it later, even though improved housing may be desirable.

Directly and indirectly, residential construction provides a large amount of employment, and it is highly desirable that we should spread this construction over several years.

An excessively large concentration of building in the next year or two will mean a slump later on, in all likelihood, with unemployment for the building trades and suppliers and with a serious danger of dispossessing veterans and other homeowners.

Furthermore, such excessive stimulation of building would add greatly to the inflationary pressures, which we have been talking about earlier, and specifically would cause higher real-estate prices and increase the financial burden on home ownership.

If the present problems of an inflated economy can be satisfactorily overcome, we can look forward to a period of high building activity, accelerated removal of obsolete structures, and constantly improving housing conditions.

We are all impatient to speed up this process. We should all like to see everyone housed to his taste right now.

On the other hand, if we are to bear in mind not only problems of immediate need, but those as well of the long-range stability of our economic system, we must realize that our justifiable impatience requires some tempering.

The problem of housing today is precisely the same as it is in the case of clothing, automobiles, and other goods, namely, how to increase the volume of production, and at the same time, to reduce prices, or at least to hold the line on prices.

It is unlikely that any dramatic method can be found to accomplish this objective.

I should like to consider at this point some of the specific proposals which have been made to increase the supply of housing.

One, a number of steps can be taken to increase productive efficiency in the residential construction industry. Hearings earlier this week have revealed the efforts that builders and materials manufacturers have been making in introducing simplified building methods, in improving building codes, in assisting in apprentice training, and in industry-wide research.

And I hope before your hearings have been completed that you will hear about the engineered housing program, which is a very significant step.

The CHAIRMAN. We had that scheduled for last Monday, sir, and we had so many witnesses that we had to postpone it until next week, next Monday.

Mr. MEREDITH. I believe you will find it very interesting.

The CHAIRMAN. Is that the one with slides, and so forth?

Mr. MEREDITH. The engineered house is the one which uses a standard module of measurement.

The CHAIRMAN. Modular.

Mr. MEREDITH. Yes, modular, 4 inches, 4 feet.

The CHAIRMAN. We are going to have an hour on that.

Mr. MEREDITH. I am glad to hear that, sir.

The Federal Government should aid industry in its cost-reduction program through assistance to technical research, building code improvement, and apprentice training.

Efforts should be made to increase productivity in the building industry, for this is the fundamental way to more and better housing, without incurring inflationary consequences.

2. Consideration might be given to encouragement of construction of rental housing through modification of the corporate income tax, particularly by steps that would permit a more rapid amortization of the investment.

Modification of the corporate income tax would make the construction of housing for rental and investment more attractive than construction of houses for sale.

This would also encourage, in a period of high prices, a greater proportion of equity investment instead of encouraging borrowing as has been the case with many of the measures previously taken by the Government. A program of this kind, of course, also must be considered from the point of view of the over-all tax program.

3. One of the plans designed to increase the supply of housing is the provision for yield insurance, as set forth, for example, in Title V of the Taft-Ellender-Wagner bill.

This plan, which was intended to be especially attractive to life insurance companies, would have the Government guarantee a minimum return to companies making direct investment of their funds in rental projects.

As we have pointed out, some companies are already engaged in this latter form of activity, and plans for its expansion are extensive.

The drawback is not the need for Government protection, but cost, and some companies seem reluctant to proceed under cost conditions that make reliance on the guaranty almost a certainty. There is nothing in the yield insurance plan that can reduce cost.

To my knowledge, no company or group of companies has asked for this type of special protection and, in my opinion, few, if indeed any, of them would use it.

It may be noted that the Dominion of Canada has had in force since 1944, a yield insurance plan much more liberal than any proposed in this country, and as I understand it, without having produced anything but one project of eight-family units thus far.

If a project is sound, it is likely to be undertaken on its own merits, and yield insurance would not be needed; if it is not sound, it is hard to believe that yield insurance would make it so.

4. Various plans involving further direct use of Government funds to provide housing have been put forward. These range from a resumption of the prewar program of public housing under the United States Housing Act, to various plans providing for subsidy payments directly to builders, investors, or purchasers to overcome present costs.

It should be remembered that any subsidy is a cost to the Nation's taxpayers, and a burden on the economy.

Notwithstanding the possible merits of some form of subsidy for the benefit of low-income families as part of a long-range housing program, the effects today would be harmful in some respects.

No matter what form in which it was offered, the subsidy under present inflationary conditions would, by the increased pressure of demand in the housing field, be quickly translated into higher cost. The experience in England after World War I is a spectacular demonstration of this fact.

In the short run, therefore, any form of public housing would serve to promote inflation. If public housing should be undertaken after inflationary pressures subside, there are certain stipulations it should meet.

Mr. SUNDSTROM. What you are saying today is that with such a demand for materials and labor and all the things that go into a house, that Government participation would only add to the demand.

Mr. MEREDITH. Yes, sir.

Mr. SUNDSTROM. And you do not believe that they could do it as efficiently perhaps as private enterprise is doing the job.

Mr. MEREDITH. That is right, sir.

Mr. SUNDSTROM. Secondly, are you intimating that really what is going to make it sound, whether it is the Federal or private or individual funds going into a project, what is really going to make it sound or unsound is the probable original costs.

Mr. MEREDITH. Yes, costs and, of course, the prospect of return, reasonable return, over a long period of time on that cost.

Mr. SUNDSTROM. So, what you are saying is that if the Government is going to do these big projects, and they may have to do some percentage, and there may be some room for Government some time in the future, but you certainly think it ought to be postponed at the present.

Mr. MEREDITH. Yes, sir. In the short run, if public housing should be undertaken after inflationary pressures subside, there are certain stipulations it should meet:

One, the temporary stopgap nature of the program should be clearly stated in whatever legislation was enacted for the purpose.

Two, the housing built should be available only to families of the lowest-income group, who are living in slum conditions.

Three, the housing should provide minimum decent accommodations.

Four, the Government should dispose of the housing at the end of the amortization period, the period over which it is written off.

Five, the housing should be financed to a greater extent than hitherto by local participation.

Six, any subsidy should be readily discernible so that the taxpayers will know the cost.

In summary, there are two cardinal facts in the housing situation in 1948 that should influence our policy for this year.

The first is that the Nation is now involved in a struggle to control inflation. This struggle must be won before we can hope fully to meet our housing objective.

Certainly, such measures as easier mortgage terms, subsidies for housing, restricted interest rates, and similar proposals will not accomplish little toward this end. Except through technological advances, such as are now under way, it is not possible immediately to stimulate production to greater heights, without increasing the inflationary risk.

The second major fact is that we are making marked progress toward the lessening of our housing difficulties. A large volume of residential construction is going forward, and the outlook is favorable for the future, providing costs do not increase sharply.

Ample financing at reasonable rates is available. With a continued high level of national income, and a continued high rate of building along with improvement in productivity, the condition of our housing supply, as a whole, will be steadily bettered.

But we are confronted with a serious choice, lying between more inflation and dramatic attempts to solve quickly the housing problem, or, on the other hand, less inflation and a sober, rational attack upon housing.

As custodians of trust funds owned by a large majority of the American people, the insurance companies, naturally would prefer the second course, and we sincerely commend its merits to the attention of this committee.

The CHAIRMAN. Thank you very much, sir; that is a very able document which the gentleman has presented to us, and it is worthy of much study.

Senator FLANDERS. Mr. Meredith, I was sorry that I could not get here earlier. As I was coming in, I heard you say some things that are unorthodox, so far as other testimony and intimation is concerned. I heard you using, if I understood it, some very large figures, as to the production of dwelling units during the war and since.

Would you mind turning back to that, if you can find the spot?

Mr. MEREDITH. Very easily, Senator. Would you like me to read that paragraph?

Senator FLANDERS. Yes; you just might read that paragraph.

Mr. MEREDITH. The inflationary situation has obscured the great progress being made in the direction of solution of the housing problem. If I may say, Senator, I began the case by demonstrating the inflationary gap.

Senator FLANDERS. Yes.

Mr. MEREDITH. And its effect on the prices of houses and prices generally.

Senator FLANDERS. Yes

Mr. MEREDITH. The inflationary situation has obscured the great progress being made in the direction of solution of the housing problem, several aspects of which deserve special mention.

The Bureau of the Census estimates that the number of families in the United States, including those doubled up as well as those living in separate quarters, increased 4,900,000 from the beginning of 1940 to the early part of 1947.

In the same period there was a net increase in the number of dwelling units of 4,400,000 in farm and nonfarm areas.

Senator FLANDERS. The other was four million how many?

Mr. MEREDITH. Nine hundred.

Senator FLANDERS. And this is four million four.

Mr. MEREDITH. Yes, sir.

In farms and nonfarm areas, with about three and one-half million units newly constructed, and approximately one million added by conversions of existing nonfarm houses or on farms.

Senator FLANDERS. Now, does that include temporary housing?

Mr. MEREDITH. Yes, sir; I believe it does.

Senator FLANDERS. Does it go still further, and include such trailer housing as we had up in our town there in Vermont?

Mr. MEREDITH. I believe it does.

Senator FLANDERS. Yes. So that it is not a net gain; the gain is not necessarily a net, a permanent gain.

Mr. MEREDITH. I have some statisticians with me, and I would like to ask them if they would confirm my opinion. That does include temporary; it includes temporary, but not trailers.

Senator FLANDERS. I was not thinking of the trailer that a man buys or builds, but these somewhat elaborate trailers which were furnished by some branch of the Department of Agriculture; I forget what they called them.

Mr. MEREDITH. I understand not, and if your committee is interested, Senator, in more details, I would be very happy to prepare a memorandum and file it for the record, if you like.

Senator FLANDERS. You see those total figures are a bit astonishing when we think of this past year's effort that is being a very creditable undertaking. What was the number of completions and the number of starts?

Mr. MEREDITH. About 850,000.

Senator FLANDERS. About 850,000, but the average on this basis you have just given is

something like that for the whole period, is it not?

Mr. MEREDITH. No, sir; if we take 4,400,000 from 1940 into part of 1947, that is almost 8 years.

Senator FLANDERS. Yes.

Mr. MEREDITH. And, of course, that includes 1940, which was not a war year, and a reasonably prosperous year, and the war years are in there.

Senator FLANDERS. That would indicate, except for the fact the temporary housing is included, that there was a deficiency over that period of about 500,000 homes.

Mr. MEREDITH. Yes, sir.

Senator FLANDERS. And those 500,000 homes were some net loss, probably of buildings going out of use from decay or whatever.

Mr. MEREDITH. One of my associates has some information here, and with your permission——

Senator FLANDERS. Yes.

Mr. MEREDITH. Yes; these gentlemen tell me that there are 300,000 temporary units approximately in that total.

Senator FLANDERS. Yes. That would seem to indicate that if the new construction is in the right spot, that we would be catching up on the relationship between dwelling units and families coming in.

Mr. MEREDITH. That is the point, Senator, we are making tremendous progress, excellent progress, we believe.

Senator FLANDERS. Even with that 300,000, the chances would seem to be good.

Mr. MEREDITH. It would seem to be excellent; yes, sir.

Senator FLANDERS. Is the rate of production of new families keeping up with the high level of the past 2 or 3 years?

Mr. MEREDITH. I believe and suspect that they are falling off.

Senator FLANDERS. Well, that is extremely interesting, Mr. Meredith, and I thank you for bringing it here, because I believe we are getting from this a bit more optimistic picture than we have been getting previously.

The CHAIRMAN. That is true.

Mr. SUNDSTROM. Mr. Gamble, I know we have other witnesses and I do not want to take too much time, but I was very interested in the statement of Mr. Meredith that the insurance companies had considerable amounts invested in real-estate loans.

Mr. MEREDITH. Yes, sir.

Mr. SUNDSTROM. I assume they still have more money available for that purpose?

Mr. MEREDITH. I believe they have, sir.

Mr. SUNDSTROM. Do you think the supply is going to be adequate to meet the demands?

Mr. MEREDITH. I was very much interested in listening to the testimony of the previous witness.

Mr. SUNDSTROM. That is what I had in mind.

Mr. MEREDITH. When the VA program was first inaugurated it was estimated that at that time there would be about $40,000,000,000 loaned to veterans over the life of that program. To date, there have been roughly about $5,000,000,000 of GI loans made.

I should hesitate at this time to say that there will not be sufficient funds available to take care of that program. Now, what conditions may be like 3 years from now, or 5 years from now, I do not think we can tell.

As you know, that program is spread over a 10-year period, and these loans, many of them are being paid off quite rapidly, so that I should hate to say now that there will not be sufficient funds to take care of them.

Mr. SUNDSTROM. Have you or has your company ever thought of the possibility of Government participation in housing injuring the value of the investments of your company in real-estate mortgages?

Mr. MEREDITH. That is obviously a very difficult question to answer because it would depend on the extent of the participation.

Mr. SUNDSTROM. All I said was, Have you ever considered that possibility, talking about you as an individual or your directors.

Mr. MEREDITH. When you are studying housing problems, you cannot help but give thought to that. It is quite obvious, to go to another extreme, that the Government could put the insurance companies right out of the lending field almost overnight, and if you were to have a tremendous building program, with enormous subsidies back of it, the Government absorbing the loss and operations, why, the value of our underlying securities could be adversely affected.

I will not say at the moment—I know of no one who is worried about it.

Mr. SUNDSTROM. Thank you very much.

The CHAIRMAN. Mr. Meredith, you were speaking of the progress in 1947 when we had starts of 86,000 homes, and during those last few months that was running at the rate of a million dollars a year.

Mr. MEREDITH. Oh, yes.

The CHAIRMAN. And should run into a million in 1948, according to the figures that we have received. Does that coincide with your thoughts on the matter?

Mr. MEREDITH. We have heard all kinds of estimates, we believe, running as high as a million and a quarter. Some of us think that probably between eight and nine hundred thousand units for the year will be a very creditable job.

The CHAIRMAN. We get very fantastic figures. Somebody testified about a million nine hundred thousand. There is not enough material and labor in the country to construct so there is no use talking about it. I think there are an awful lot of people who did not realize what the present rate is, particularly the CIO.

You have one of the thoughts that we have, that is, if we do not look out, housing is going to price itself out of the field.

Senator FLANDERS. I would like to inquire whether you see any evidence as to whether or not the new construction is taking place in the areas in which there is the greatest need for it.

Mr. MEREDITH. Well, off-hand, my answer to that, Senator, would be that it is, because that is where the prices are being paid, and where the demand is expressing itself.

Senator FLANDERS. Would you feel, for instance, that New York City might be an area in which families were more doubled up than they just might be elsewhere, and that possibly construction was not taking care of that situation as rapidly as it might elsewhere?

Mr. MEREDITH. I am not intimately aware of the New York situation because our company has made very few loans in that area, but I have heard comments much along the lines of which you suggest.

Senator FLANDERS. I know in rent hearings that seemed to be a problem area, very much more serious than in any other part of the country.

Mr. MEREDITH. That impression, general impression, is prevalent, although I am not intimately acquainted with it.

Mr. SUNDSTROM. Do you have any more questions?

Senator FLANDERS. No.

Mr. MEREDITH. Thank you, sir.

Mr. SUNDSTROM. Thank you, Mr. Meredith; we were glad to hear from you.

The Papal Prophecy

EXTENSION OF REMARKS

OF

HON. CHARLES A. PLUMLEY

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. PLUMLEY. Mr. Speaker, under permission granted to extend my remarks, I am inserting a sonnet entitled "The Papal Prophecy," by Glen Levin Swiggett, as follows:

THE PAPAL PROPHECY

"The sinister light of a new conflict
On the horizon flashes already,"
On Christmas Day Pope Pius urgently
Did to an anxious troubled world predict,
That nations recreant and derelict,
Ere 'tis too late, may haste forthwith to see
Their willful, wayward course and errancy,
And to the ways of peace themselves addict.
But if such nations in their eagerness
For war cannot be won for peace through power
Of prayer, the warning of His Holiness
We must at last all heed, and seek with our
United strength to smite aggressiveness
That is preventing world peace at this hour.

Tariff-Making

EXTENSION OF REMARKS

OF

HON. CHARLES R. ROBERTSON

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. ROBERTSON. Mr. Speaker, American sovereignty in the collection of tariff revenue has now been delegated very largely to 17 foreign nations and among these 17 foreign nations are debtors of the United States. The 17 nations have held a number of meetings, the principal ones being at Geneva and Havana. At Geneva they drew up a document which they called a charter, the effect of which transfers tariff-making from the Congress to this body of debtor nations.

It would seem to me, Mr. Speaker, that this question is one for serious consideration on the part of the Congress of the United States at the present time. For the past 15 years there has been a tendency to circumvent Congress on the part of the administration, particularly the State Department. It is time we call a halt.

Under leave to extend my remarks I include here an article written by George E. Sokolsky taken from the Washington Times-Herald of January 30, 1948:

THESE DAYS

(By George E. Sokolsky)

Since the day of Alexander Hamilton the tariff has been a sovereign activity of the United States, the Congress determining what it should be and in what manner it is to be collected. This phase of American sovereignty has now been delegated to 17 nations, including debtors to the United States.

Apart from the United States, these countries are Great Britain, Canada, India, Austria, Union of South Africa, New Zealand, Belgium-Luxembourg-Netherlands (known as Benelux), Brazil, Chile, China, Cuba, Czechoslovakia, France, Norway, Lebanon. Soviet Russia declined to join.

The 17 nations have held a number of meetings, the principal ones being at Geneva and Havana. At Geneva they drew up a document which they call a charter, the effect of which transfers tariff-making from the Congress of the United States to this body of debtor nations.

Of course, that would be unconstitutional, so the device used is the Trade Agreement Act of 1934, since extended up to June 12, 1948, conferring upon the President the right

to reduce the tariff under certain specific conditions.

The President can proclaim certain tariff changes as though they originated with him. Actually, they are a result of the conferences among these 17 nations and are part of a general agreement reached by the International Trade Organization (ITO) of the United Nations.

The decisions of ITO thus become the law of the land. Congress has thus abrogated an important part of American sovereignty.

The Geneva agreement affects about 3,600 tariff rates. A partial list shows that the following American commodities will be affected:

Shoes, glass, pottery, printing, engraving, stereotyping and electrotyping, bookbinding, cigar making, hats, painting, decorating and paperhanging, carpenters and joiners, breweries, meat cutters and butchers, garment industry, brick and clay, bricklaying, masonry and plastering, marble, slate and stone, wood carving, coopers, paper making, pulp sulphite and paper mills, metal polishers, buffers, platers, lithography, leather, wallpaper, wire weaving, aluminum, cement, lace, distillery products, watches, agricultural products generally, wool, mutton, chemicals, pigments and dry colors, salt, glassware, tile, chinaware, optical instruments, dental and surgical instruments, cutlery, scissors and shears, hardware, tools, saws, etc., electrical appliances, agricultural implements, metal abrasives, cast-iron pipe, firearms and ammunition, wire cloth, textile, shoe, etc., machinery, zinc, lead, copper and brass, nuts, figs, dates, and other specialty crops, textiles: cotton, woolens, and worsteds, papermakers' felts, laces and embroideries, threads, twines and cordage, rayons, velvets, and velveteens, elastic fabrics, wool felt hat bodies, linoleum and felt-base floor coverings, carpets and rugs, leather goods, pencils and pens, toys, bicycles.

The gist of the matter is that a tariff policy is being fixed for the United States by its debtors at a time when no one can correctly determine what the economic situation of the world will be a month hence.

We have just witnessed France's revaluation of her currency by unilateral action.

It so happens that what France did suits the United States, but it upsets Great Britain's economy, which this country has underwritten to the tune of $3,750,000,000, if anybody still remembers.

Who can say what Great Britain will be forced to do? In a word, we fix our tariff at a moment of universal flux.

Clair Wilcox, Director of the Office of International Trade Policy of the State Department, makes this point in a defense of ITO:

"* * * Political cooperation among nations remains in jeopardy so long as individual nations feel free to wage economic warfare with weapons of their own choosing and rules of their own making."

But that does not explain why the creditor country should be so completely at the mercy of its debtors. It is particularly difficult to understand why the United States should have to make all the sacrifices. The other countries made it clear that they could not go along with the ITO program unless we cut our tariff—so we cut our tariff.

Unquestionably the State Department bypassed Congress. The entire subject requires detailed investigation by Congress.

Certainly the trade agreement law, which expires on June 12, 1948, ought not and probably will not be renewed.

Meanwhile, business and labor, which face wild competition from socialized and low-waged countries, ought to consider their interests.

Universal Military Training

EXTENSION OF REMARKS
OF

HON. WILLIAM T. BYRNE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. BYRNE of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following articles from the Evangelist, of Albany, N. Y., issue of January 16, 1948:

UNIVERSAL MILITARY TRAINING SEEN AS HAZARD TO MORALITY

Voicing vigorous opposition to the need of universal peacetime conscription, the Reverend Joseph T. Ryan, former Marine Corps chaplain, appeals to parents to barrage Congress with petitions and letters asking legislation to defeat this un-American scheme.

Father Ryan holds two citations for extraordinary valor during combat duty. A native of Albany, he is a graduate of the Christian Brothers Academy. He is the son of Mrs. Agnes Ryan, of 2 Kent Street, Albany. Since his release from service in June 1946 he has served as assistant pastor at St. Mary's, Hudson.

Father Ryan flirted with death with front-line Marines on Peleliu and Okinawa. He was the recipient of commendations in both operations. He served for 20 months in the south Pacific. Father Ryan's experiences convince him that the dangers to which peacetime conscription would expose American youth actually would jeopardize the security of the Nation.

Father Ryan says:

"It may come as a surprise to some advocates of the universal-military-training plan to know that there are highly trained, intelligent military men in all branches of the service who definitely oppose peacetime training on military grounds. In my opinion the arguments against it far outweigh the arguments for it. This is not merely my own opinion, but the considered opinion of thousands who have not resorted to the high-pressure tactics of some groups of Americans who are for it.

"For these military experts morality does not enter into the discussion. Their interest is primarily a military one. But there is a moral side to the question and there are many who feel that such a program will in the not too distant future bring about a complete break-down of morality in the United States. In my own mind I am convinced that if this legislation goes through and is carried on for two or three generations we shall see (those who are alive) a break-down in morality so complete that our glorious Nation will become, because of rampant immorality, not only one of the lesser world powers, but a beaten subjugated people.

"Who is there, in service in the last war, who does not remember the shock of the first sex hygiene lecture in boot camp? What decent young man now in his middle 20's can forget that to many, new vistas of unlawful pleasures were opened by these pictures and lectures. Their purpose supposedly was to instruct in necessary things about sex. They were instructive all right—instructive as to how to enjoy unlicensed carnal pleasures without disease.

"The tenor of the movies and lectures always was this: Every man must and will have these promiscuous pleasures; there is nothing evil in incontinence—just be careful that you don't get a disease.

"Who could forget the foul language in a barracks or in a tent or in a ship's compartment? The constant drumming of it on the ears, day after day, night after night, made it seem to the decent men as if all sense of purity in thinking and speaking would be lost forever, and lewed and lascivious manner of speech and thought would become a very part of them.

"Who is there, in the service in the last war, who will not admit that the popular belief on any Army post, naval, Coast Guard, or Marine base, on any ship, in any regiment, was: Take anything you could get; clothing, food, supplies of any kind, if you wanted them, take them from any other fellow, or the Quartermaster or ship's stores—they only belonged to the Government and therefore they were yours? And the insidious thing was that for most men there was no feeling of guilt about taking something that did not belong to them."

Father Ryan, who served for 36 months as chaplain in the Marine Corps, says:

"All of you veterans, the fathers of the coming generation, know what the moral dangers of military life are. Recall your own time in the service—recall the instructions you had to read daily on the lavatory walls, recall the nightly topics of conversation in the barracks, the suggestive recordings played before the movies, the remarks during the movies, the teen-agers after the beer issues, some of the USO shows, and the number of other proximate occasions of sin in which you found yourself in your daily life—then ask yourselves, decent, mature men:

"Do I want a son of mine placed in the midst of these temptations, at the age of 18, when our national security can be insured in other ways than by universal military training?

"The plan of training in the bill now before Congress wants to take youths at the most impressionable time in life, take them away from the safeguards of family life, and place them in an atmosphere where incontinence is the order of the day, foul and filthy language ordinary conversation, and stealing considered a sort of dangerous game with the stakes high for those who are clever at it.

"That the future of our country depends upon preparedness is certain, but there are ways of bringing about and remaining in a state of preparedness other than by universal military training. The future of our country also depends upon a generation of men who will know that they were made in the image and likeness of God and who will be imbued with the realization that they must never defile that image. Life in the peacetime service, during a certain part of their formative years, will never inculcate in young boys the lofty ideals of love of God and neighbor on which our Christian way of living and our very civilization is built.

"You veterans of the last war can realize the moral dangers of peacetime training better than any others and as God-fearing men who are or will be the fathers of future 18-year-olds I am sure that you want to protect your sons from these dangers. Your voices should be raised in protest against the plan of peacetime conscription and you should see to it that the bill now before Congress is defeated."

UNIVERSAL MILITARY TRAINING CITED INADEQUATE FOR DEFENSE

An ex-Army chaplain, twice wounded in action in Sicily and Germany, drawing on his experiences during 3 years of service with the armed forces in training camps in the United States and in combat zones in Europe, condemns the proposed peacetime conscription from the angles of inadequacy for defense and as an unwarranted hazard to the morality of the Nation. The Rev. Anthony Sidoti, assistant pastor at St. Mary's Church, Frankfort, says: "I am unalterably opposed to the plan for peacetime conscription as it now stands. Considering it from a military point of view, it is highly improbable that a

young man of 18 or 19 can be taught all that he should know (in the allotted time) about the new type of warfare which could and would be conducted with such instruments of destruction as the atomic bomb, bacteriological weapons, and radioactive gas. Six months of training would provide only a rudimentary knowledge and with progression of science that knowledge would soon be antiquated.

"I feel that a suitable course (similar to the ROTC) could and should be set-up in all of our high schools and colleges. There are many phases of military life which can be and are excellent character builders, e. g., discipline, subjection to properly constituted authority, obedience, self-reliance, perseverance, etc. The various types of weapons and warfare could be properly and thoroughly studied over a period of 4 or 8 years. At the same time the students would be under parental and, in many cases, home influence. Eventually we would have troops with a practical, working knowledge of atomic and advanced scientific methods of warfare."

Father Sidoti was discharged from service in December 1945, with the rank of a major. He served with distinction with the First and Ninetieth Divisions of the Infantry. He is 1 of 11 in the United States Chaplains Corps who have been decorated with the Silver Star with cluster. He also holds the Purple Heart with cluster and a Presidential citation for valor under fire.

Speaking of his experiences during 3 years of service with the armed forces, he says: "During the months of actual combat the average GI was in pretty good spiritual condition. With the cessation of hostilities, and I feel that all chaplains will agree with me, there was a general let-down concerning religious obligations and moral life.

"Peacetime conscription will present a greater moral danger to our young men than that to which they were exposed in training centers during the war. God knows those dangers were enough.

"Statistics prove that in villages, towns or cities proximate to any type of service posts or camps, crime, and vice ran rampant. Why then should we expose our young men, the cream of our manhood to unnecessary dangers to their moral life? We should not! Let the Government assure us that it will not assault the sense of moral decency which has been built up in our young men by their parents and religious teachers. Let the Government assure us of adequate protection of the morals of these youths; let it assure us that they will be, at least, no worse off morally at the end of their period of training than they were when entering it. Certainly it can be said of the rank and file of our young men that they have a true sense of morality and decency. They and we all have the right to expect that when the period of their training has ended they can return unspoiled to their homes."

EXCERPTS FROM A PAMPHLET, CONSCRIPTION IS NOT THE AMERICAN WAY, WHICH EMBODIES THE CONCLUSIONS OF A GROUP OF 11 MEMBERS OF THE FACULTY OF JOHN CARROLL UNIVERSITY

This law, passed by the French National Convention on August 23, 1793, meant the beginning of the era of the nation in arms. For the first time an entire nation was mobilizing every human being and every last resource in a national cause. Total war was to be the contribution of the French Revolution to modern times.

The mass army raised by universal conscription was intended by the French to be a defense for the Republic against its enemies. Napoleon, however, had other plans. While he protested that his rule of France meant peace for Europe, he developed the army to a point where Coignet, one of his officers, could say: "The army was now so numerous and so beautiful that it would have liked to fight all Europe." That was precisely what happened. Drawing upon such masses of men, Napoleon became more and more aggressive and, when war broke out again, he boasted to Metternich: "You cannot beat me; I spend 30,000 men a month."

And what was the effect of this new military policy of France upon that of other countries? Prussia was the state which understood most clearly the implications of the mass army. Gneisenau in 1807 remarked that "the (French) Revolution has mobilized the whole national strength of the French people * * * the rest of the states * * * ought to open up and make use of the same resources." "Get us a national army," begged Blucher of those working out military reforms in Prussia rom 1807 to 1813. "It is not as difficult as one thinks," he continued, "the foot rule must be abandoned; no one in the world must be exempt, and it must become a shame not to have served except in the case of infirmities." Not until 1818, however, was it possible for Prussia to make conscription the law of the land. The cadre system, with a reserve mobilized in time of war and a long-term professional army, was borrowed from Austria and combined with a militia system. By this method reserves, when their training was completed, passed into a kind of local militia under elected officers.

Thus while other countries abandoned universal service after the Napoleonic Wars, Prussia laid the foundations of her future military efficiency upon the cornerstone of universal service and the organization of a fixed number of army corps regularly stationed in the territories from which they drew their reserves. The entire system was coordinated by an efficient general staff. This development, begun by Scharnhorst and perfected by Moltke, paid dividends in the attack upon Austria in 1866. Austria, determined not to be caught again, passed a universal service act in 1868. Defeated by Prussia in 1871, France followed Austria's lead in imitating the Prussian system by passing a universal service act. Again, the idea was not to be caught a second time. Russia acted in like manner in 1874, and Italy in 1875. The race was on. Commenting upon these developments, Bismarck, in a letter to the Russian diplomat, Prince Orlov, in 1879, said: "The great powers of our time are like travelers in a carriage. They watch each other and when one of them puts his hand into his pocket, his neighbor gets ready his own revolver in order to be able to fire the first shot."

As a result of Russia's success, the army was no longer to be considered as a police force to maintain order within the state. It had become the final arbiter in international disputes. The foundations of the "armed peace" had been laid. So convinced have the nations of the world been that a defense system founded upon the principle of universal military service would insure them against attack that, in spite of the experience of the First World War, 36 of 45 have adopted this method of security. Great Britain and the United States alone of the larger powers have refused thus far to follow suit. What everyone has overlooked is that each country's defense had reached a point where it was an offense to its neighbors. Security was always to be determined by the ability to equal or surpass the number of effective troops of the potential enemy.

After 1871 each international crisis resulted in greater absorption by the various countries in preparation for war. It was always done, however, in the name of peace. Such measures as increasing the term of service of the conscripts or changes in army organization in turn led to diplomatic crises, thus completing the vicious circle. The war scare of 1875 is a good case in point. More and more stress was laid upon the training and equipment of troops. Increased attention was given to the drafting of campaign plans "just in case." Rapidity of mobilization became a prime factor. Military plans of all countries came under the influence of the theories of the Prussian General Karl von Clausewitz, who had seen service during the Napoleonic wars. For him war was merely the continuation of state policy. The cost of victory did not matter, for he said that "he who uses forces unsparingly, without reference to the bloodshed involved, must obtain superiority if his adversary uses less vigor in its application." What can happen when two opponents apply equal vigor the modern world can judge.

Is it any wonder that mutual jealousy and suspicion engendered by such thinking should have culminated in the First World War? Nor is it surprising that the alliance system designed by Bismarck to maintain peace after 1871 degenerated into the state of affairs graphically described by Viscount Morely when he said: "Grey has more than once congratulated Europe on the existence of two great confederacies, Triple Alliance and Triple Entente, as healthfully preserving the balance of power. Balance! What a beautiful euphemism for the picture of two giant groups armed to the teeth, each in mortal terror of the other, both of them passing year after year in an incurable fever of jealousy and suspicion."

The prophetic utterance of Taine, the French scholar who wrote in 1891 that conscription "has propagated itself like a contagious disease * * *; it has mastered all Continental Europe and reigns there * * * with what promises of massacre and bankruptcy for the twentieth century, with what exasperation of international ill will and distrust, with what loss of wholesome effort * * * we know all too well," was indeed true. If history has any lessons for us, one of them certainly is that the adoption of universal service by the United States would be merely the signal for other countries to shape their policies accordingly. It would be no deterrent to others; rather it would be a goal to aim at.

Letter From American Relief for Poland, Lynn, Mass.

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein a letter I have received from the secretary of the American Relief for Poland, of Lynn, Mass.:

AMERICAN RELIEF FOR POLAND,
Lynn, Mass., February 2, 1948.

Hon. Congressman THOMAS LANE,
Washington, D. C.

MY DEAR CONGRESSMAN: Please use your influence, if possible, to stop the International Bank from loaning $60,000,000 to the Moscow-imposed Polish Government. It only means America will help to crucify the Polish people. Haven't we done enough? It is a sorry shame, that we who have suffered ourselves for our democracy had any part in the present conditions existing in Poland. American history, when written in the coming generation, will certainly have a black page. What is the matter with our American diplomats? They seem to ignore the right.

I have been in Poland this summer. I know what people say and feel. I know they are afraid to breathe deeply for fear they will be whisked away. They talk in whispers. I have talked with all types of people, religious,

uniformed, educated, and peasants. All in one voice, say "we do not want aid through the Polish Government."

True, there is intense poverty and need, but that can only function fairly through the various humanitarian organizations who are having a very hard time functioning without funds and food and medicine supplies.

May I also add, we are against the Marshall plan unless it is 100 percent handled by Americans, and before our American aid is given any country the wealth of the country should be used first.

We hope your influence in these measures will prove advantageous.

Respectfully,

PELAGIA LUKASZEWSKA,
Secretary.

The German Danger

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following editorial which appeared in the Washington Daily News under date of February 4, 1948:

THE GERMAN DANGER

Yesterday's strike of about a million and a half German workers in British-American occupied Bizonia is just one more proof that the situation there is bad, and in some ways getting worse. Some of the highest German officials are guilty of noncooperation with Allied authorities that amounts almost to political and economic sabotage. The democratization program in German hands has become a dangerous joke, with even religious leaders like Pastor Niemoeller openly advocating defiance of the denazification laws.

Here in America there is a temptation to attribute most if not all of these troubles to Russia and Red plots. There is some justification. Russia, defying the Potsdam pact for unification of Germany, has in effect partitioned the country in such way as to increase chaos. The Communist minority works night and day to multiply strikes and unrest, and to undermine British-American authority.

With Russia plotting to absorb Germany as the biggest prize of all her puppet States, and with Bizonia coal and steel production the key to western European recovery and Marshall plan success, continued Soviet sabotage can be taken for granted.

Nevertheless, the major factors in west Germany for almost 3 years have not been Russian but British-American on one side and German on the other. The failures in large part are either British-American or German.

On the Anglo-American side there has been internal wrangling and indecision, especially on key policy issues such as deindustrialization and socialization. There has been too much delay in recognizing the Soviet split and in setting up Bizonia with the goal of self-support instead of more American subsidies. This has perpetuated economic collapse and encouraged political irresponsibility. Even the belated new Bizonia quasi-government is a timid reform, and continued failure to provide a new currency is inexcusable.

But with full allowance for British-American blunders in a difficult situation made vastly more difficult by Russia, the fact remains that chiefly what is wrong with Germany today is the Germans. The same spirit which welcomed Hitler as its idol, and which now blames him for losing the war but not for starting it, is again dominant. Except for a small minority, the democratic Germans are either dead or too weak to stand against the current revival of the old spirit variously called Prussian or Nazi or totalitarian.

The average German in Bizonia today shows no sense of responsibility for the war or for his own suffering—much less for the suffering in neighboring Allied lands. He curses us for most of his troubles.

In our proper concern about Russia let us not forget we still have a big German problem on our hands. And the biggest problem of all is that the Russian danger and the German danger may some day merge again as they merged in 1939.

Margarine-Tax Repeal

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. DAVIS of Georgia. Mr. Speaker, one of the most costly items of food at the present time is butter. At its present high price, butter is beyond the reach of the average family.

Margarine is a staple article of food in the daily diet of millions of people throughout the United States. It carries an unjust tax—a tax which was imposed at a time when butter was selling at a price in the neighborhood of margarine prices. The tax was imposed for the purpose of bringing the retail price of margarine above the retail price of butter.

Butter has long ago raised itself out of the price class of margarine. The tax has long since ceased to perform the function for which it was imposed, and it now remains simply as a burden upon the consumer, and one more item to add to the high cost of living. As was so truthfully said in the editorial printed herein below:

The tax serves but one purpose—to raise the price of a nutritious product to those unable to afford butter.

There is now pending a bill to remove these unfair taxes on oleomargarine. It is House bill H. R. 2245. This bill ought to have prompt action. There is no good reason why it should not be promptly brought to the floor of the House and passed. There is a petition on the Clerk's desk—petition No. 12—to bring this bill promptly before the House. I have signed it myself, and I earnestly hope that all Members of the House who are interested in taking every reasonable measure to reduce the high cost of living will sign this petition to bring House bill H. R. 2245 on the floor for action. It is true this bill will affect only one item of food. However, it is a staple item, and removal of this tax will mean a substantial reduction in the price of this item.

In the Atlanta Constitution of Friday, January 30, 1948, Doris Lockerman, woman's news editor, wrote an interesting article concerning the margarine tax, which I insert herewith under leave previously granted. Immediately following Mrs. Lockerman's article, I insert, under leave previously granted, a very logical editorial which appeared in the Atlanta Journal, February 2:

[From the Atlanta Constitution of January 30, 1948]

MARGARINE TAX REDUCTION ASKED

(By Doris Lockerman)

How many women would stand still and smile pleasantly if some stranger pushed ahead of them in their grocery line today and swept up a handful of their change with the expanation:

"For the butter people, you know."

It's done every day.

One of the basic foods, margarine, is heavily taxed to shield the dairy interests, and to be sure that a bloc of voters in Washington will be in line on other important issues.

Tariffs and taxes may be protective, but it is a good idea to know whom they protect, and at whose expense.

A bill is pending in Washington asking reduction of the 10-cent tax on colored margarine, reduction of the Federal license fee from $480 to $200 (now paid annually by wholesalers to handle yellow margarine), and from $48 to $6 (now paid by retail grocers). The lower license fees are those now paid by wholesalers and retailers who sell the uncolored product.

The immediate effect of the bill, if passed, will be that all margarine manufacturers (except in States where there are local restrictions) can color margarine when they make it, selling it at the same price now paid for the white, uncolored product.

Margarine is here to stay. More than four out of five families in America use it in their homes, and many city children, 6 years old or younger, have never tasted butter. They like margarine and they thrive on it.

This would be a time for fan mail to your Congressman. The consuming public should make a pretty strong lobby if Congress only thought of it that way.

[From the Atlanta Journal of February 2, 1948]

PRESSURE FOR REPEAL OF MARGARINE TAXES GAINS

The House Agriculture Committee and its chairman, Representative CLIFFORD R. HOPE, face today a special obligation to the American people. For upon that committee depends to a great extent the face of pending bills to end the Federal taxes and license fees which discriminate against margarine. Similar bills in past years have failed of passage. Congress must not lose the present opportunity to end its special-interest protection for butterfat and its denial of a free market for vegetable oils.

The price of butter has risen sharply, carrying it beyond the economic reach of millions of people. Today it is selling for about two and one-half times the price of oleomargarine. Yet, Congress has continued to restrict an essential low-cost food fat importantly needed in the diets of low-income consumers, and it has done so, incredibly, on the theory that this lower cost food might compete with another food two and one-half times as high. This is a flagrant example of artificial interference, of special-privilege interference, with the economy of a balanced production and consumption.

These discriminatory, and even vicious, margarine tax laws have been guarded for many years by the powerful lobby. Bills designed to remove the discrimination have failed to get past the first—and most important—hurdle, the House Agriculture Committee. Yet, in the face of this opposition to repeal unfair taxes, figures clearly

indicate that the dairy industry is producing far less butter than is needed for an adequate diet for the Nation. Butter is not only too high, it is also scarce. The truth of the matter seems to be that the importance of the butter market to the dairy farmers has been considerably exaggerated. Government figures show that for 1946, the dairy farmers' total cash income from the sale of all their dairy products amounted to $3,716,374,000, and only $548,874,999—or 14.7 percent of the total—came from the sale of butterfat and farm butter. Butter production in that same year was sufficient to give only 40,900,000 consumers the 35 pounds each recommended by the Bureau of Home Economics for an "adequate diet at moderate cost."

Demands for removal of the discriminatory taxes probably will be greater this year than at any time in the history of the 60-year-old antimargarine laws. And one of the principal reasons is that so many consumers are not able to pay the current high prices for butter. The tax serves but one purpose—to raise the price of a nutritious product to those unable to afford butter.

There is no excuse for these unreasonable taxes and fees on margarine. They are not only unfair but they are also vicious in principle. While affording special privilege for one group of farmers, they have become a penalty on another group, the producers of cottonseed oil and soybeans.

Proposals for repeal of the taxes deserve a fair hearing before the House Agriculture Committee and they deserve a chance for consideration by the House itself. The people demand it.

Aspects of the Marshall Plan

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. WOODRUFF. Mr. Speaker, under permission to extend my remarks and include therein a series of five articles on aspects of the Marshall plan, by E. F. Tompkins, editor of the New York Journal-American, I wish to present the second of the series entitled "Financing Socialism." The article follows:

ASPECTS OF THE MARSHALL PLAN

II. FINANCING SOCIALISM

(By E. F. Tompkins)

There are two ways—and only two—in which the United States can provide for the reconstruction of Europe.

One is for Europe to permit and promote the use of private capital in plant investment and commercial loans.

This is the free-enterprise way, which is anathema in socialist Europe.

The other way is for the United States Government to extend grants or loans; and these can be made only to other governments.

The second method is the Marshall plan process that has been presented to Congress.

The essential difference between the two is that the first is liberal and constructive in its operation, supporting genuinely productive elements, seeking out sound business undertakings, insisting upon competent management and requiring reasonable security as to the safety of investments or the fulfillment of obligations, while the second is political, conferring few of the benefits and entailing none of the guaranties of the first.

Money or credit advanced under the Marshall plan, in other words, will not be utilized by experienced enterprises, but will be dispensed by partisan officeholders.

And, in the prevalent condition of Europe, it will be applied in the service of socialism.

The phenomenon of governmental loans to governments for purposes of this kind is something new in the world.

In previous times, solvent governments—and occasionally insolvent—were financed by private capital, and governmental issues were prime purchases for thrifty individuals and financial institutions.

But the sanctity of governmental credit no longer exists.

It ceased in Europe when Communist Russia introduced the repudiation of public debts and when the currencies were debauched by printing-press inflation; it was vitiated in this country, and its revival was made difficult elsewhere, when the New Deal took the American dollar off the domestic gold standard.

Today, bankers do not lend to governments, except under compulsion to their own; so the United States Government is sending the people's money where bank money will not go.

Obviously, a risk that is hopeless for bankers is no better for the United States Treasury.

And, of course, Marshall plan "loans" to Socialist Europe will not be repaid.

Some international benefit might accrue if Federal donations for the revitalization of foreign economies were to be successful—and if one loan to each country were to be the limit.

But the British loan was neither successful nor sufficient; and the expenditure pattern of the Marshall plan is precisely the same, only on a magnified scale.

Furthermore, the dismal record of the $3,750,000,000 British loan itself makes private capital—the only fluid capital equal to world requirements—unavailable not only to Socialist governments but also to private enterprises in the Socialist countries.

At the very time when the British loan became available, the Labor government was nationalizing the banks and industries of Great Britain.

The pillaging policy continued, and meanwhile the loan was dissipated as a dole to subsidize the Socialist 35-hour week demanded by the Labor politicians' followers.

Now the money is about gone; and the doctrinaire Labor government is back, seeking more money, in a much greater sum, under the Marshall plan.

Thus, not only has it been demonstrated that Marshall-style lending will not reconstitute the economy under a Socialist government, in addition, an effective boycott has been laid against all private financing.

For what free investor would place his savings, or what responsible banker would hazard those of his clients in any business which, next year or the year after, may be confiscated as the coal mines of England or the insurance companies and utilities in France have been?

One remedy, among others, for the plight of the Socialist countries—if they are not to drift the rest of the way into communism—is for them to deliver themselves from socialism.

But the Congress of the United States has been notified that they will not do so, and the administration has acquiesced, so that they are to borrow our money on their terms.

The Committee of European Economic Cooperation said, in its application for Marshall plan grants:

"The various countries handle their economic affairs by diverse means; some work to a long-range plan, others follow relatively unrestricted private enterprise.

"The means of carrying out this program will therefore vary from country to country."

The governments seeking the most aid are the very governments that are most in thrall to long-term socialistic planning, which they plainly assert will continue.

And the United States Government is, in the matter of the Marshall plan, being governed by them in its dispensation of the American people's money.

The report of the Harriman committee has plainly said:

"While this committee firmly believes that the American system of free enterprise is the best method of obtaining high productivity, it does not believe that any foreign-aid program should be used as a means of requiring other countries to adopt it."

In going into the strange business of financing socialism in bankrupt countries, the administration puts America in a ridiculous position—we are going into a business which we know must fail because otherwise European governments may not accept our money.

An international banker who ventured into so chimerical a scheme would inevitably go broke along with his debtors.

So will the United States if we commit ourselves to the Marshall plan as it stands.

But the Harriman committee evidently believes that it is our duty to get rid of our money rather than to make Europe self-supporting.

Jacob Gralla—a Roosevelt Democrat

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. CELLER. Mr. Speaker, I rise to express my deep appreciation of the worth of my valued secretary for 20 years, and leader of the Democratic Party of my district, the Twenty-third Assembly District, Kings County, New York City, the Honorable Jacob Gralla.

A loyal follower of the precepts of Jefferson and Wilson, he ardently fought the good fight for the common man under the leadership of our late beloved leader of democracy, Franklin Delano Roosevelt, and is continuing that fight under President Truman.

When the question of racial discrimination and unfair employment practices came before the House, he ardently and vigorously advocated the establishment of a permanent Fair Employment Practices Committee as recommended by President Roosevelt. In my work for this salutary legislation, Jack Gralla was at my side, rendering invaluable aid. Throughout my local district, he heralded this bill and encouraged a healthy public opinion for it.

When the infamous labor-baiting measure, the Taft-Hartley bill, was before us, he led the fight against it in our district. Jack Gralla has always aided the laboring man. I hope labor will come to his support in his forthcoming leadership fight. I need not dwell upon my prolabor record, but I stress that whatever good I have done for labor, in a measure, is due to the encouragement and painstaking efforts of my secretary, Jack Gralla. No Congressman can accomplish much without a good political secretary, either at home in the district or in Washington. Jack Gralla in at-

tending necessary political chores in the district has made it possible for me to render a genuine service to labor and labor interests.

I hope and ask that the men and women who toil and who are registered Democrats will not forget the devoted services to the cause of labor offered by Jack Gralla.

Certain benighted ones back home aspire to the honor that is Jack Gralla's. They seek to wrest from him the Democratic leadership in the district. I personally ask that Jack Gralla's adversaries be soundly beaten in the Democratic primaries soon to be. I am a candidate as principal delegate to the Democratic National Convention in that same primary. I have no doubts as to the outcome. Both he and I shall be chosen. Select him as you would select me—upon our merits. His case is no more, no less, meritorious than mine. We rise or fall together.

I clasp his hand in a friendship of a quarter of a century. For all these years his loyalty and affection for me has been deep and abiding and they are reciprocated. I would be derelict if I did not ask you, the Democrats of the Twenty-third Assembly District, Brooklyn, to vote for Jack Gralla as leader of the Democratic Party in the district.

I ask his reelection not only because he is my friend, my leader, my secretary, but because he truly represents the Democrats of the district.

Whenever help for the displaced persons of Europe was urged, Jack Gralla was on the job and assisted me in facilitating the immigration of hundreds into our free land. Such a record should not be forgotten nor go unrewarded.

When partition of Palestine and the creation of a free Jewish state was yet a dream, Jacob Gralla conducted mass meetings and memorialized the Congress and our President in its behalf.

I have worked arduously for a Jewish state in Palestine. I have toiled in season and out for this desired end. But throughout I had the assistance and ministrations of Jack Gralla. He was always at my side with words of cheer, with acts of encouragement.

Much work remains to be done before the Jewish state is fully set up. The work did not end with the partition decision of the United Nations. Both the Arabs and the British seek to sabotage this decision. The enemies of the idea of a Jewish state are strong. But they must be worsted. I with Jack Gralla shall fight them tooth and nail. In this struggle Jack Gralla has been and will continue to be my right hand and shield.

Palestine may seem a far cry from Brownsville and the fight for Democratic leadership in the district. It is not. Those who would oust Jack Gralla would oust me. Therefore, if my work for Palestine is worthy of your commendation—and I think it is—I ask you to remember the work of my aide, Jack Gralla, on behalf of the aims and aspirations of the Jews in the Holy Land and his work and my work for the Yishuv. We are inseparable in the campaign to implement the UN partition judgment.

Jack Gralla has gathered around himself a group of strong, loyal, unfailing, stalwart Democrats. Through them he reaches into the four corners of the district and makes democracy living and vibrant there.

A poor family is threatened with eviction, a veteran seeks his due under the GI bill of rights, a husband wants to bring over his wife from Poland, a landlord unjustly refuses heat and services to his tenants, a postal employee seeks a transfer, a Federal employee has unfounded and unfair charges brought against his loyalty, a mother afflicted on a bed of pain and nigh unto death wants to see her soldier son, perhaps for the last time, and he must be brought back from the Pacific, the Red Mogen Dovid seeks to ship blood plasma to Palestine—in all these vital errands of either economic or moral necessity or mercy, Jack Gralla is ever present and helpful. His work is manifold as it is patient and effective. These indicated tasks are performed by him and me together. It is like the reverse and obverse sides of a coin. Despite different sides, the coin is one. He and I are one.

He has agitated for the renewal of the rent-control bill when it expires. He knows it would be unthinkable to have no controls over rents and rental conditions. He is in favor of the Wagner-Ellender-Taft bill and I have offered a companion bill in the House to set up a decent program of national housing. One of the musts of Congress is to provide homes for the homeless. Jack Gralla is a veritable leaders in the movement to enact into legislation the Wagner-Ellender-Taft-Celler bill.

Withal, a kindly group of his constituents help immeasurably in the good Jack Gralla and I bring to the district. They are men like Hon. Albert Martin Cohen, former assemblyman and outstanding lawyer, citizen, and community worker; Harold L. Fisher, chairman of the board of directors of the American Federation of Polish Jews; Assistant District Attorney Samuel Y. Gitlin; Assistant District Attorney Louis Ernst; Benjamin H. Schor, attorney for thousands of tenants, without fee; Arthur Dunaif, deputy commissioner of markets; and Abe Stark, prominent merchant.

Jack Gralla has set up a free legal bureau not only to help the tenants of his district but also to assist all persons in his district who cannot afford legal advice, regardless of race, color, creed, or political persuasion.

He has the warm friendship and admiration of the great mayor of New York City, the Honorable William O'Dwyer, and the beloved borough president of Brooklyn, the Honorable John Cashmore.

Jacob Gralla is a member of and active supporter of every charitable and civic movement in his community, including the Jewish Federation of Philanthropies, United Jewish Appeal, Boy Scouts, Red Cross, Infantile Paralysis Fund, Cancer Fund, Beth El Hospital, Brownsville Boys' Club, Conqueror Lodge, Knights of Pythias, and numerous other worthwhile endeavors. He has assisted organizations representing varying religious and racial groups without exception or favor. His own clubhouse is used as a meeting place for the Sea Scouts and other youth organizations in the battle against juvenile delinquency.

It is therefore just and proper that I should applaud this man's worth and urge that he be continued in office as Democratic leader of the twenty-third assembly district, Kings County. With all the fervor at my command I ask the enrolled and enlightened Democrats of my district to vote for him on primary day, Tuesday, April 6, 1948.

An International Conference a Snare and a Delusion

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. REED of New York. Mr. Speaker, the propaganda machine has been operating overtime to explain the cause of the break-down of the International Conference at London. Why should it evoke any surprise? Even Mr. Walter Lippmann, in the New York Herald Tribune of December 16, 1947, commenting on the set-up and its weakness, had this to say:

> Thus, the Council of Foreign Ministers, which had been a subordinate body, became, as Mr. Byrnes puts it, charged with the responsibility of preparing peace treaties. It has never been equal to the responsibility. For ministers are only ministers, bound by their instructions, uncertain of their tenure, unsure of their authority, and representing in practice not their governments but a department of their governments.
>
> To make matters worse, the Council has had to operate in full public view with every suggestion, remark, and inter-nation broadcast magnified immediately. No diplomat in history could have succeeded under these conditions. As it happened, none of the members of the Council—certainly none of the westerners—had had any previous diplomatic experience. Yet the making of this peace was as difficult a task as diplomats ever had to engage in.

I say that when the United Nations Organization was created it was doomed to failure. It served the purpose of its authors which was to furnish a forum for them to strut and to speak to a world audience. The character of the tirades emanating from the United Nations forum to the world has created more deep-seated hatred and distrust among nations than did the recent World War. The people of the United States are now hated by the people of the nations to which our billions of dollars have been sent.

The present New Deal administration, however, is moving heaven and earth to create in the public mind a war psychology to divert public attention from the major domestic problems, some of which are oppressive taxation and the high cost of living caused by inflation, from which the American people are acutely

suffering. Emergencies have been created, fear has been aroused, wars and rumors of wars are bellowed over the air night and day by the New Deal administration to justify wild and reckless expenditures here and abroad.

When, prior to World War I, has a nation fought a major war and then paid reparations to rehabilitate the defeated enemy? We did that following World War I, and as a consequence had to fight the same enemy again a quarter of a century later. This may be a pleasant diversion for the military and for those groups which profit by war, but for those who pay the cost in lives and in treasure, the result is a national tragedy.

The London Conference which has so completely failed is typical of all conferences used to divert attention from the failures of our administration on the home front. Unfortunately such conferences breed hate and distrust among countries and often make dangerous commitments so far as our experience with international conferences has been.

I recall what happened after World War I. Here is what Frank H. Simonds, an able observer and careful student of international affairs, has to say of these smoke-screen conferences and their unhappy results:

The futility of international conferences has long been recognized, except by those who use them to divert attention from failures in the economic field at home.

The explanation is invariably the same. For presidents and prime ministers alike, there is always a double temptation in the matter of an international conference. Such meetings distract domestic attention from troubles at home. Similarly, they insure a temporary rally of public opinion to the support of an administration actively engaged in foreign negotiations.

Even the most unpopular of governments can calculate upon a truce in parochial political abuse for the duration of a foreign assembly, since it can always appeal for unity at home to promote success abroad. But that appeal is obviously foolish, in itself, because all other governments are making it simultaneously.

There is always, too, the much subtler temptation inherent in the opportunity provided by an international conference for a public man to address a world audience, to play a conspicuous role upon a larger stage, to appear, if only for a brief moment, as the spokesman of a world seeking peace.

Thus international conferences have ended by creating an appetite for publicity, which no postwar statesman * * * has been able completely to resist. Finally, public men always hope that, even if their conferences fail, they may still be praised for their effort, while the blame can be shifted to the representatives of another nation.

Yet it requires no profound examination of the conferences since 1919 to indicate how incalculable has been the harm resulting from the disclosure of international rivalries at a time when the whole world was suffering both materially and psychologically from economic depression and political dispute. Conferences rashly summoned have led only to the exacerbation of national passions and international resentments. This fact explains the Geneva axiom that one disarmament conference is more disastrous for world peace than three battles in actual war. The same thought was disclosed in the prayer of a London clergyman after the Naval Conference: "Give to us peace on our time, O Lord, peace without conference."

Nor is any detail of contemporary conferences more striking than the unfailing attempts of statesmen to conceal from their publics the truth concerning a meeting actually in progress. Their prestige being engaged, because they have prepared these publics for achievement, they are condemned to sustain the illusion of progress, to continue to hold out the promise of success and, in the end, in the face of failure always inevitable, to claim a triumph which is promptly disclosed to have been lacking. Thus that secrecy and inveracity, which were the worst features of an old-fashioned diplomacy, have been adopted and even exaggerated by the new.

There is always, therefore, an element of basic untruth about international conferences. Publics perceive this promptly and have the uneasy feeling of being deceived by their own governments, as they are invariably suspicious of the superior skill of the representatives of other nations. Thus, as a consequence of successive failures they became cynical as to the possibility of an international understanding. As a means of attaining peace, accordingly, conferences have proved no more successful than were the methods of old-fashioned diplomacy in preventing war. And this failure results from the fact that they have been employed almost exclusively to help the political fortunes of administrations on the home front or to promote purely national policies abroad.

The Margarine Tax

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. BROOKS. Mr. Speaker, one of my friends has forwarded me several well-written editorials appearing in different issues of the Shreveport Times, a metropolitan newspaper published in the city of Shreveport, La. The editor of this paper appears to have made a careful study of the equiti underlying the excise tax on oleomargarine. I think all of our Members will be interested in these editorials, and I reproduce them for careful consideration. In these times of extremely high food prices, it is difficult indeed to justify heavy excise taxes on any food products. They follow:

[From the Shreveport Times of December 10, 1947]

REPEAL THE MARGARINE TAX

Some time ago the Times called attention to the fact that newspapers in various parts of the Nation now are taking up the fight for repeal of the Federal tax on margarine—a tax put through Congress by the butter lobby as a means of both protecting high butter prices and stifling competition. Originally margarine was produced chiefly in the South, but now many of the big dairy States also are big margarine producers—or would be if they were not strangled by discriminatory Federal taxation, and in some cases by similar State taxation also.

The Des Moines Register and the New York City Daily News, both nationally known newspapers published in big dairy States, have been demanding repeal of the Federal margarine tax for some time. Now the Washington Post seems to be of the same mind, as indicated in the cartoon from that newspaper reprinted on this page today. And the New York World Telegram, chief link in the Scripps-Howard chain, has this to say editorially under the heading, "One abuse that should end":

"We don't know what measures for controlling the cost of living will be proposed by President Truman or enacted by the special session of Congress.

"But we know one simple measure, long overdue, that woud help materially.

"Repeal of the Federal taxes on margarine. We recently urged repeal of the unjustified State tax on margarine.

"There is no respectable reason for these taxes. Their sole purpose is to protect the butter business—to make margarine cost consumers more than it should and to make its use needlessly inconvenient.

"Many bills to take them off have been introduced in recent sessions of Congress, but blocked by the influence of the butter lobby. The special session offers a grand opportunity to get rid of them."

With support of this type steadily increasing in other parts of the Nation, it should not be difficult for the southern congressional bloc to get action on the obviously needed repeal of the Federal margarine tax.

[From the Shreveport Times of December 11, 1947]

ANOTHER BLOW AT MARGARINE TAX

Senator FULBRIGHT, of Arkansas, in a statement released in Washington a few days ago, joined the fight to bring about repeal of the discriminatory 10 cents a pound Federal tax on colored margarine and the Commercial Appeal of Memphis has joined the fight by editorially calling for full support of Senator FULBRIGHT'S efforts by all southern interests, political or business. The Times, of course, already has made such an appeal, on several occasions, and repeats it now.

Senator FULBRIGHT pointed out in his statement that the first margarine tax (Federal) was imposed in 1886 and that the effect of it simply has been to stifle expansion of margarine production and to add to the cost of living troubles of those of low income brackets. Revenue for the Federal Government has been insignificant. He also brought out the important fact that while most margarine originally was made from fats, 47 percent now is made from cottonseed and 43 percent from soybeans, and soybeans, especially for oil, are grown in many parts of the Nation, not merely in the South. Consequently, removal of the tax would benefit farmers almost everywhere in the Nation, and not merely in one section. In fact, a vast majority of southern soybean production is for green fertilizer and not for bean production.

The Commercial Appeal endorsement of Senator FULBRIGHT'S efforts, in which this newspaper joins, says, in part:

"It has been years since the taxes on oleo owned even the semblance of excuse. In the current era of soaring prices, the imposition of these taxes means entirely unjustified and unnecessary hardship on people in the low income groups. Senator FULBRIGHT'S move is well timed as well as in the public interest.

"It should be understood, however, that Senator FULBRIGHT will need the active backing of those who agree with him in principle. The present state of affairs means economic handicaps for the South's producers that ought to be removed, and can be if the people of this section rally behind their leadership."

[From the Shreveport Times of January 9, 1948]

FACTS ON THE MARGARINE TAX

The Times several times recently has pointed to the need for congressional repeal of Federal taxes on margarine—and State taxes, too—and has emphasized that these taxes were discriminatory not only against the margarine industry but against the food consumers in the lower-income brackets.

The Federal taxes were imposed originally years ago at the behest of dairy interests which sought thus to strangle competition.

All efforts thus far to repeal the taxes have been blocked by the dairy lobby. Now, however, influential newspapers in such big dairy States as Iowa, New York, and Minnesota have taken up the cudgels in behalf of repeal, and if a powerful attack is made from all sectors Congress may act.

Because of these things, the Times believes that the following background data, prepared by Editorial Research Reports, a fact-finding organization in Washington, will be of especial interest in this area where margarine production could become a major industry:

With the retail price of butter a dollar a pound in many places, bills to repeal or reduce the existing Federal taxes on oleomargarine may get more attention in the 1948 session of Congress than in previous sessions. Five such bills were introduced in 1947. They were interred in the House and Senate Agricultural Committees.

As butter prices have risen, more and more margarine has been used. In 1939, only 13 percent as much margarine as butter was consumed in the United States. In 1947 (preliminary estimates) margarine consumption was 40 percent of butter consumption. From 1939 to 1947, the per capita domestic consumption of margarine doubled, that of butter fell by one-third. The retail price of margarine, uncolored, is apt to be less than one-half that of butter.

Thus threatened by margarine competition even under the present taxes on margarine, the dairy industry will fight harder than ever against repealing those taxes. As far back as 1941, the Dairy Record editorialized:

"The dairy industry must set as its goal the complete extermination of oleomargarine. It must never rest until the manufacture and sale of oleomargarine have been outlawed."

At first oleomargarine was called bull butter, because it was made from animal fats. In 1886 Congress passed the first Federal margarine tax (2 cents per pound on manufacturers) and imposed fees on manufacturers, wholesalers, and retailers. Margarine makers claimed that Congress was using its taxing powers to destroy their industry, but in 1897 the Supreme Court held that on its face the law was an act for levying taxes, and, therefore, its primary purpose must be assumed to be the raising of revenue.

In 1902 the Federal law was amended to distinguish between artificially colored margarine (tax, 10 cents per pound) and the uncolored product (tax, one-half cent per pound). White margarine was practically unknown at that time. Margarine makers then developed use of naturally yellow oils; cottonseed and coconut.

In 1931 the Federal law was amended again. Margarine containing yellow or yellow-red shades or tints of more than 1.6 degrees was taxed at the 10-cents-per-pound rate. Naturally yellow cottonseed and soybean oils, which together compose almost 90 percent of all margarine oils, today are bleached to escape that tax.

Butter producers assert that coloring of margarine at its point of origin must be restricted to prevent fraudulent substitution of an inferior product. Margarine makers retort that, fortified by 15,000 units of vitamin A, margarine is an equally nutritious food product, and that butter itself is artificially colored for some 8 months a year, although not so labeled. Federal taxes on margarine are:

	Colored	Uncolored
Excise taxes (per pound)	10 cents	¼ cent.
Manufacturers' license fees (per year).	$600	$600.
Wholesalers' license fees (per year).	$480	$200.
Retailers' license fees (per year).	$48	$6.

Even if the Federal taxes should be modified or repealed, not all housewives would be relieved from the bother of adding yellow dye to white margarine; half the States prohibit the sale of colored margarine, and some others levy high taxes of their own on the sale or use of it. Thus, State as well as Federal action is needed.

Aspects of the Marshall Plan

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. WOODRUFF. Mr. Speaker, under permission to extend my remarks and include therein a series of five articles on aspects of the Marshall plan, by E. F. Tompkins, editor of the New York Journal and American, I wish to present the third of the series entitled "Controls and Supercontrols." The article follows:

ASPECTS OF THE MARSHALL PLAN

(By E. F. Tompkins)

III. CONTROLS AND SUPERCONTROLS

Informed predictions have been made that one effect of the Marshal plan for Federal grants and loans to European governments will be the permanent emplacement of state trading in international commerce.

It would be idle for anyone to dispute the forecast.

State trading is a system by which a government conducts, or rigidly controls, the export and import business of its country. Soviet Russia is a complete example of the system.

In the postwar nationalization of industries by the Socialist countries—including the free world cotton market at Liverpool, taken over by the British Labor Government—and in their manipulations of export and import quotas and licenses, the trend toward state trading in western Europe has been ominously evident.

By preventing or limiting international transactions among individuals, the system is in every way inimical to free enterprise and tends to depress standards of living.

Since the Socialist governments have announced that they will not modify or abandon their state socialism in order to participate in the Marshall plan, it necessarily follows that Marshall plan grants or loans will subsidize state trading—in competition with American trade.

Moreover, the Marshall plan will contribute greatly to a socialistic international super-government within which state trading will operate—with politicians instead of merchants making or dominating the deals.

The structure for such a super-government already exists in the United Nations, and has been written into the Marshall plan by the report of the Committee of European Economic Co-Operation.

The European committee pledges its 16 governments to make their currencies convertible in international commerce under the International Monetary Fund, and to adjust their commerce to the decisions of the International Trade Organization.

The joker with regard to money is that the socialist countries are all controlled-currency countries, and that the International Monetary Fund is an elaborate device, financed mainly by the United States, for international control of these controlled currencies.

Under this arrangement, currencies will have no stable or stabilizing values, as they had under the gold standard.

The values are to be fixed from time to time by decrees, making all the currencies mere fiat money.

And fiat money—or controlled currency—is necessary, in Socialist theory, for economic planning—in this country, the New Deal's deficit financing, which was the basic cause of our inflation, became possible only when the domestic gold standard was discarded.

Its use in international state trading against free enterprise is exemplified by the decision of the French Cabinet, on December 31 last, to create an export franc with a fiat exchange rate of 240 to 280 to the dollar.

"The new franc," said a copyrighted dispatch to the New York Herald Tribune, "will enable French exporters to compete more favorably with other exporters in foreign markets, especially the United States."

That kind of export trade is subsidized trade—state trading—in competition with American producers for the American market.

The International Trade Organization has been represented as a plan to eliminate such practices.

But here we lose again; for, under its Reciprocal Trade Agreements Act, and within the International Trade Organization, the New Deal has compacted virtually to abrogate the last few remaining fragments of our historic protective tariff.

It would seem apparent that if the United States is to foster state trading abroad through the Marshall plan, and at the same time open the home market to foreign producers, we will find ourselves compelled to adopt state trading; and indeed a long start has been made in that direction by import-export controls, plus huge Government purchases of meat and wheat for distribution overseas, with severe inflationary impacts upon our own costs of living.

Moreover, as a part of the Marshall plan the New Deal proposes to surrender to foreign flags 500 of our cargo-carrying vessels; and this at a time when the European maritime nations—through their energetic shipbuilding and previous American acquisitions will soon have merchant fleets exceeding their prewar totals.

The National Federation of American shipping has warned that the impending transfer of our 500 ships will deprive 25,000 American seamen of jobs; will again scuttle our merchant marine; will constrict our overseas traffic to the exactions of alien interests; and will deprive our armed forces of the indispensable auxiliaries and transports which we must have in event of a war emergency in the uncertain next 5 years.

All these are disturbing facts for Congress to ponder.

The hidden costs of the Marshall plan may include not only a demoralizing impairment of the American system of free enterprise, but also a wanton sacrifice of our national security.

The Kearney Bill—H. R. 246

EXTENSION OF REMARKS
OF
HON. HAROLD F. YOUNGBLOOD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. YOUNGBLOOD. Mr. Speaker, in the CONGRESSIONAL RECORD of yesterday, Tuesday, February 3, 1948, I made an explanation of my inability to vote on a bill which had just passed the House. In my comments of yesterday, I said that due to unfortunate circumstances I was not present to vote on the bill just

passed. At least that is what the CONGRESSIONAL RECORD shows that I said. However, I had reference to H. R. 246—the Kearney bill—a bill to raise the ceiling of wages and allowances payable to veterans undergoing training on the job.

I should like to have the RECORD definitely show that had I been present I would have voted in favor of the passage of this bill.

Our Foreign Policy Has Been and Is a Failure

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. HOFFMAN. Mr. Speaker, from the Chicago Tribune of February 3, 1948, and, permit me to call attention to the fact that the Tribune is a Republican paper, comes some good advice. It reads as follows:

WHAT'S THE REPUBLICAN PARTY FOR?

During its wanderings in the wilderness the Republican Party has been kept alive by its control of various State and local offices. Even in its darkest hour, the party had a few Governors, and now it has the majority of them. It has controlled legislatures, and it has elected Congressmen and Senators. Above all, it has controlled the courthouses of a vast number of counties in every State outside the solid South. A year ago the Republicans took control of both Houses of Congress after 16 years of Democratic domination.

The Republican Party was not formed to elect sheriffs. It does not fulfill its function unless it offers the Nation leadership on national questions. It cannot hope for national success through its control of local offices, valuable as they may be to political organization. The congressional victory in 1946 was won on national issues of domestic and foreign policy.

In the national election of 1948 the Republicans if they are to win must offer the voters an alternative to the policies of the incumbent Executive. Republican candidates have demonstrated this twice in defeat. Wendell Willkie and Governor Dewey, in successive campaigns, embraced the New Deal, and particularly its foreign policy. All they could offer was a promise to run it better. Not unnaturally, the voters picked the original New Dealer.

If they repeat these tactics this year, the Republicans may be able to go on electing sheriffs for a few years more. They cannot, however, endure as a national party. There will be no reason why they should.

After the Mexican War, the Democratic Party became the party of the extension of slavery. The Whigs tried to compromise on that issue, for fear of losing their southern members. They continued to elect governors and sheriffs, but they became impotent nationally. Lincoln had been a Whig. He had former Whigs in his Cabinet, and in Congress, but they were elected as Republicans. The Whig Party died because it tried to remain half slave and half free. The Republicans are courting the same fate.

The Republican Party cannot endure if it allows renegade Republicans to use it in support of the policy of human slavery in Europe and Asia. It cannot endure if it allows renegade Republicans to range it on the side of the tyranny of rationing and Government controls. It cannot endure if it tolerates "me-to" Republicans such as Dewey and Stassen, who would tax the American people into ruin to enrich further the billionaires who are trying to buy the Republican convention.

The Republican Party can win, and endure as the political mainstay of the Nation, if it says that the Truman-Marshall foreign policy is the bungled folly that the record proves it to be; if it denounces the economic controls and the vote buying by which the New Deal bureaucrats keep themselves in power; if it pledges itself to remove the crushing load of Truman taxes, and to dismiss the wasters of those taxes, military as well as civilian; if it tells the world that American foreign policy will be on the side of freedom and honest workers everywhere, and against slavers and socialist beggars everywhere.

It can win, if it says and does these things, and then chooses a candidate whose honesty is a pledge that he will do what he promises.

Effective Oregon Advertising

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. NORBLAD. Mr. Speaker, under leave to extend my remarks, I include an editorial of recent date from the Capital Journal, of Salem, Oreg. I call particular attention to the tribute paid therein to Fred H. Kiser who was for many years the leading photographer of our beautiful Pacific Northwest scenery. This tribute is particularly interesting in view of the fact that the Board of Geographic Names has before it for consideration the renaming of one of our mountain glaciers after him.

The editorial follows:

EFFECTIVE OREGON ADVERTISING

The State highway commission, through its travel information department, has prepared a collection of the colored photograph advertisements of Oregon's scenic marvels and recreational areas it has been publishing the past year in the Saturday Evening Post, the National Geographic magazine, and other periodicals of national circulation along with a report presenting statistics revealing the steady increase of traveling interest in the great Northwest country.

These and other advertisements in newspapers and periodicals, supplemented with pamphlets printed in color, such as "Oregon, cool, green vacation land," "Oregon beach resorts and scenery," Oregon State parks and wilderness and mountain attractions, industrial lures, etc., along with highway and tourist maps, reveal what a good job the highway travel information bureau is doing. The illustrations are superb, the informative reading matter condensed and to the point, and as a whole the advertising campaign is the best ever launched in the Northwest.

Many years ago, when the Portland Ad Club was organized, Fred H. Kiser, then the leading outdoor photographer, called attention to Oregon's neglected scenic attractions, remarking:

"Some of us will see the day when the Oregon country will be referred to as the hub of attraction for tourists. This because of its varied and fascinating scenery and its glorious summer climate. Colored reproductions of our natural resources, in magazines and newspapers, will be largely responsible for turning thousands upon thousands of travelers in our direction each summer until the Northwest in general and Oregon in particular becomes known as the most desirable summer playground in the world."

Color photography had not then been invented but Kiser made up by artistic hand painting with oil or water colors the scenery photographed. His colored pictures of Crater Lake were largely responsible for its development as a national park and are still among the best ever made.

Kiser has lived to see his prediction come true after many years. Oregon was then still young and wild and little of its natural beauty had been discovered. There was then little interest in conservation work of any kind and when very little, if any, thought was given to Ruskin's motto: "Color is God's greatest gift to man."

Selling Forestry to the Farmer

EXTENSION OF REMARKS
OF
HON. ALBERT RAINS
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. RAINS. Mr. Speaker, under leave to extend my remarks in the RECORD, I attach herewith the following article which appeared in the January issue of American Forests entitled "Selling Forestry to the Farmer," which I think would be of interest to the Members of Congress:

SELLING FORESTRY TO THE FARMER

(By Chapin Collins)

Down in Alabama something is going on, forest-wise, that may turn out the answers to a lot of questions, which might be summarized in this manner: Are farmers and other landowners interested in good woods management? If not, why not? If they are, why don't they do more about it?

Back of this activity is the Alabama Forestry Council. And the project—"More Trees for Alabama" it is called—is attracting attention, not only on its own account, but because it provides a pattern for similar activities in other States.

The small woodland is now recognized as a primary problem in American forestry. This is so because small woodlands, in total, make up the bulk of all commercial forest lands. This is true, also, because the average small owner is doing less to improve his woodlands, to manage them for continuous production, than any other class of owner.

This being the case, the first query to make is, "Why?" Other types of forest owners have been doing an increasingly better job, and the reason why they have is because they find forest management pays.

Many tracts, booklets, pamphlets, and untold reams of mimeographed bulletins have been produced to tell the farmer and other small owners what they should do about their woodland. Because little has happened, some have concluded that the educational process has failed. Actually, it seems more reasonable to conclude that the methods or types of education have failed.

Take the farmer. His primary business is raising yearly crops from plowed fields or pastures. Usually, he has a woodland, but his energies and interests have been centered on other things. Behind him has been a tradition that the forest was an obstacle, something to be cleared away. And in many parts of the country this idea isn't merely

tradition, but a very present fact of today. His woods, then, have been incidental, whereas, with the large industrial operator, the woods have been paramount.

It would seem that, taking all factors into consideration, many attempts to reach the small owner have omitted an all-important first step—arouse his interest, tell him why and then, how.

After all, this is the basic problem of advertising and merchandising, and the problem of selling good forest practices is no different. You have to make a customer want to buy your product; you never try to cram it down an unwilling throat.

That, at least, has been the reasoning of the Alabama Forestry Council in developing the "More Trees for Alabama" project. And members of the council know the problem if anyone does. Represented in it are the conservation department of the State of Alabama, the Agricultural Extension Service, the Soil Conservation Service, the United States Forest Service, the Tennessee Valley Authority, the State department of education, the State agricultural experiment station, the Alabama State Chamber of Commerce, as well as farmers, landowners, wood-using industries, and others. The American Forest Products Industries, sponsors of the "Trees for America" project, as well as the "tree farm" and "keep green" movements, is sharing in this project.

As these organizations have approved it, the project seeks, first, to ask and answer the question: "Why should I bother with my woods?" Then, and only then, it seeks to answer, 'How?"

So, "More trees for Alabama" falls into two natural divisions. The first phase is promotion—the second, instruction and demonstration.

While the opening guns in this operation will not be fired until January, there first came a long period of preparation, as essential in a program like this as it is in a military campaign.

It was last July that State Forester J. M. Stauffer assigned W. R. Sizemore to direct this project. Bill Sizemore took counsel with his advisory committee, which consists of Mr. Stauffer, John H. Ward (manager of the Alabama State chamber), and Paul A. Swarthout, forest supervisor of the United States Forest Service, and the work began.

The biggest job was one of organization, but when it was done it reached every county in the State. More than 1,000 persons are serving on 67 county committees. These are committees of the public, not restricted to foresters or forest industries. One county chairman is president of a large textile mill, another the head of a coal company, another a county superintendent of education, another a farmer. Several chairmen are judges. There is a bank president, a county sheriff, a number of merchants.

Then came organization of cooperating agencies, particularly with the view of obtaining enough foresters to help with the second phase of the project. So far, 73 foresters have agreed to serve. Twenty-five have been provided by State agencies, 13 by Federal agencies, 17 by the pulp and paper industry, 10 by the lumber industry, and 8 by other industries.

Nearly a thousand Alabama veterans are to receive special training in basic forestry. They are landowners themselves and are expected to become focal points in their many communities for spreading the gospel of better woodland management.

The first short course in woodland management was held in the Little River State Forest from December 7 to 13. The vocational agriculture division of the State department of education, the Alabama agricultural extension service, and forest industries cooperated with the "more trees for Alabama" organization in arranging the week's program. It covered tree and log scaling, fire-control methods, planting, selective cutting practices, timber sales, and other subjects of practical interest to owners of farm woods.

The first on-the-land demonstrations will start in January. Locations for these forest shows are being selected so that ultimately one will be held within 10 miles of the home of every farmer in the State. They will feature selective marking and volume estimation.

Even before the campaign started, more than 125 spontaneous editorials, commenting on the project, appeared in Alabama newspapers. A mass meeting of interested farmers was held in one county. In Choctaw County one man issued a public statement to the effect that he was making more money from his farm woods than from 17 oil wells.

The project itself is starting with a paid advertising program in 140 Alabama newspapers, chiefly those reaching the rural field. These advertisements feature a specially prepared booklet, Cash Crops From Alabama Woodlands, of which 175,000 copies will be distributed by county agents, forest rangers, and others. A 2-minute movie short, also featuring this booklet, is running in most of the theaters of the State. Several hundred prints of a new film strip, with an illustrated manual, are being exhibited to granges, schools, and other organizations.

The first approach to landowners is best expressed in the booklet itself, which says:

"This book has suggested some ways of adding to your income by taking better care of your woods. It has not told the whole story, by any means. Its chief purpose is not to tell how, but to point out why.

"Woods management is no road to quick riches. But, in return for reasonable work and reasonable skill, it pays well. Your woodland is part of your farm. Don't forget it. It should be a profitable part of your farm. There are ways to find out how your own woods can make more money. Help is available, both by way of advice and of actual service. They are provided by your State and Federal Governments and by private industry."

The project will not be perfect, but it has the merit of being a sincere, noncontroversial approach to the woodland owner who is urged to do something for his own benefit.

While it is too early to chronicle results—and the ultimate results may be felt for years to come—this much can be said: Here is an instance in which the pulp and paper industry, the lumber and other forest industries, virtually every State and Federal agency concerned with trees, and many others, too, have joined hands to do a job. Who can doubt that the job will be done?

The Volunteer Fireman

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD I include herewith an editorial which appeared in the Alton (Ill.) Evening Telegraph on January 30, 1948:

THE VOLUNTEER FIREMAN

A volunteer fire department gets its praise the hard way.

A community's volunteers, pledged to safeguard the city in time of fire, seldom come in for any recognition for just having had a meeting. The boys have to go into action before anyone acts as though he knew the firemen are alive.

There are occasional remarks by nonmembers about how nice it must be to run off "upstate somewhere" to a firemen's convention, and there's usually a party-crasher or two on hand to criticize when the firemen throw one of their infrequent "feeds."

But even these outsiders are ready with their praise as they watch the firemen battle a blaze, in subzero or midsummer weather. Called from their beds, or off their jobs, the volunteers are always ready to respond to the call for aid. Theirs is a humanitarian endeavor.

There is seldom any worth-while compensation involved. The volunteer department chief's job is more or less an honorary position, though there is some pay for his added duties.

Lumbermen, plumber, efinery worker, florist, and grocer, all find a common purpose and understanding in banding together to protect and rescue their community from fire.

The volunteer fireman is an unappreciated man—until you've had your home saved by his efforts.

Water for California

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. POULSON. Mr. Speaker, in asking permission to insert this editorial taken from the Los Angeles Daily News of January 27, 1948, I want to call attention to one significant statement made therein. It refers to what will be the determining factors in the adjudication of water rights for the future in the West.

We have before this Congress bills introduced by the California and Nevada Senators as well as their Representatives requesting the Attorney General to start legal action before the Supreme Court to effectuate final determination of the water rights for the Lower Colorado River Basin. Even on the assumption of our belief that our riparian rights are more authentic than those of Arizona, we have in addition this new concept as very ably brought out in this editorial. It follows:

WATER FOR CALIFORNIA

This State is going through one of its driest periods. If there is any truth in the cycle theory (and there seems to be) we may be in for another year of insufficient rainfall.

Mark Twain once said, in effect, that the weather is something everyone talks about but no one does anything about. There are a few things we can do and which our State and Federal Governments are hereby urged to do.

The first and most obvious duty is to settle, once and for all, what the policy is to be with reference to the service of water by the United States Bureau of Reclamation in the Central Valley and other regions. This is not the time and place to go into this highly controversial question on its merits. It is time to insist, however, that our State and Federal Government, through their proper agencies, confer and establish for all times and for all to know on what basis California's thirsty valleys are to get water.

The next step suggested is that we proceed to implement to the fullest extent our flood-control policies as translated into law and, again, in full consultation and cooperation with the United States Army engineers and such other agencies as may be authorized to deal with it.

Flood control means more than taking care of surplus waters during flood periods, important as that is. It means impounding surplus waters in reservoirs for future use. Los Angeles must recognize that its water supply from the Owens Valley and from the Colorado River is limited and it should utilize every other available source of supply. That is particularly true when the State and the Government both recognize our need and evince willingness to aid us to the fullest extent.

California must likewise move expeditiously toward a settlement of its Colorado River water controversy with Arizona. If this means suits in the United States courts then we should prepare and file those suits at the earliest possible dates. This should be done in the most friendly possible fashion in order that our normal relationships with our neighboring State may not be impaired.

Water supply in the West is more than a matter of law and engineering. It is a matter of major public policy, which involves both and determines the economic existence of a vast and growing area. Riparian rights in years gone by, in times and places where water was abundant and it was more of an academic matter than anything else, may have involved nice questions of property right face, precedent, and numerous other elements.

Today, in the semi-arid West, two factors determine water rights. One is the population and its needs and the other is how much diligence has been used to put water to beneficial use for that population. It is not what people would like to do with water or what they say they will do with it, but their needs and what they are actually doing to meet those needs that form the basic considerations as far as courts are concerned.

The city of Los Angeles alone has a greater population than the entire State of Arizona probably ever will have. That is half the battle. The other half is to assert that right by action.

There are two other items of less importance but which properly influence the whole situation. One is the need of readjusting our water treaty with Mexico in congressional action and with the aid of the State Department. This treaty should constantly be an object of the closest scrutiny.

The other item is attention to any possible changes in crop cultures that may be indicated by weather cycles. The State, fortunately, is aware of this and disposed to be helpful.

L. E. C.

The Late Orville Wright

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New Hampshire Morning Union of February 2, 1948, entitled "Orville Wright."

ORVILLE WRIGHT

Orville Wright, codeveloper of sustained flight by heavier-than-air "flying machines," outlived Wilbur by a generation. He died of typhoid fever in 1912. Only 9 years before he and his older brother had made their first feeble flights at Kitty Hawk, N. C., where four sustained hops aloft were made, the longest of 59 seconds' duration and a 30-mile-an-hour speed.

But progress—sensational in that period of development—came quickly. The first military plane in the world, built by the Wrights for the United States Government, maintained in 1908 a continuous flight of 1 hour, and not only that, carried a passenger on a second hop. The performance, according to contemporary news accounts, "made a profound impression."

The Wrights did not foresee the use of the airplane in war. Wilbur never did realize its potentialities, but Orville saw its evolution as a war-hawk in two world conflicts. In the first, the airplane was merely trying its wings; in the second, it had found them; and the Allied victory is due in great degree to our air supremacy. Orville also was to know of what the future holds for aeronautics as a force of destruction in war—and as a contribution to progress in peace.

In 1943, in honor of the 40th anniversary of the first flight, President Roosevelt declared that "Orville and Wilbur Wright did not labor and toil to create an instrument of war. Knowing them as I do, their inspiration was not a destructive weapon."

That is so, but these are the most critical times in this Nation's history. We must maintain our military air strength, for air preparedness will either secure the peace or destroy our enemies. Then, again, as was Orville Wright's wish, the airplane will be one of man's most outstanding contributions to the progress of men.

Radio Networks Use Their Monopoly Power in Irresponsible Fashion

EXTENSION OF REMARKS
OF
HON. MAX SCHWABE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, the judgment of the American people can be no better than the information available to them. Consequently there is nothing of greater importance than the necessity for getting full information to the people on vital issues. In a casual inquiry of the broadcasting industry in this connection I have made an alarming and almost terrifying discovery.

The four great radio networks of the Nation—NBC, ABC, Mutual, and Columbia—are reported to control about 95 percent of the night-time broadcasting power in America. This broadcasting power represents almost a practical monopoly of the most powerful avenue of information and propaganda known in the modern world.

Because of the propaganda power possessed by these networks, plus the fact that this power is a quasi monopoly, it becomes vital to our existence as a free nation that this power be used to present fairly both sides of every important issue.

The four networks on the basis of their own evidence have utterly failed to fulfill this responsibility on the so-called Marshall plan.

Without exception, the networks have given an overwhelming preponderance of radio time to the promoters of the Marshall plan. They seem not to have made even the attempt to preserve a semblance of a two-sided presentation. For eight long months since Marshall made his speech inaugurating this handout scheme, the radio networks have drenched the Nation with ballyhoo and propaganda favoring it.

A discussion of the irresponsible misuse of power is outlined in the February 2 front page article from the Chicago Tribune which I am including with these remarks.

The consequences of this failure and abuse of power by the radio network are impossible to calculate. It is my intention to report my findings to the chairman of the Interstate and Foreign Commerce Committee in the hope that his committee will investigate this situation promptly and move to deal constructively with this situation.

The article referred to follows:

RADIO DRIPS WITH ALIEN AID PLEAS—6-TO-1 BIAS BARED BY SURVEY

(By Willard Edwards)

WASHINGTON, February 1.—The four major radio networks of the Nation have saturated the air waves for 7 months with propaganda in support of the $17,000,000,000 European spending program, Representative SCHWABE (Republican, Missouri) declared in making public the results of a survey.

SCHWABE accused the radio chains of failing in their duty to furnish a "fair and equitable presentation of facts and arguments both for and against the Marshall plan."

The Missourian disclosed that he had received data from three networks in answer to letters requesting that they detail the amount of radio time given to speakers favoring and opposing the vast spending scheme. The fourth network, the National Broadcasting Co., wrote that it could not furnish the information at present.

SIX-TO-ONE RATIO

"The results were amazing," SCHWABE said. "Taking the networks' own figures, the ratio of radio arguments for the plan, compared with opposing views, since State Secretary Marshall first proposed it last June, has been six to one.

"All the networks claim that they furnish a balanced presentation on subjects of great public interest. The fact is that the people depending upon radio news reporters, commentators, and programs for information on the Marshall plan have been given a sadly distorted and one-sided picture."

SCHWABE said he began his inquiry after he noted the discrepancy between radio views on the Marshall plan and the sentiment of the people in his district. A poll of his constituents, in which 5,000 replies were received, showed three to one against the proposal, he said, and six to one against if it involved price controls and rationing.

ONSLAUGHT OF PROPAGANDA

He said he became convinced that the American public was being deceived through a nightly onslaught of radio propaganda which attempted to make it appear that opposition to European spending was practically voiceless.

SCHWABE addressed letters on January 12 to the heads of the Columbia Broadcasting System, the National Broadcasting Co., the Mutual Broadcasting System, and the American Broadcasting Co.

"The Marshall plan is a far-reaching issue," he wrote. "In my post, I conceive it to be of paramount importance that the American people fully understand this proposal.

"I recognize that much of the people's information about this plan comes to them

from radio news reporters and commentators. I would like to be informed on your procedures for balancing your presentations on this specific issue, together with data evidencing this balance."

ASKED TO GIVE DATA

"In replying, please state what methods and techniques your network has used to see that your listeners have received a fair and equitable presentation of facts and arguments both for and against the Marshall plan. Furnish data on the allocation of time since the plan was advanced last June."

Replies were submitted within 2 weeks by CBS, MBS, and ABC. Niles Trammel, president of NBC, after 9 days, replied that the information requested was "so voluminous and will require so much research that it is not possible to supply actual data very quickly."

"How a network can achieve a balanced presentation of information on a subject without regularly compiling such relevant data is a mystery to me," commented SCHWABE.

ONE HUNDRED SPEAKERS LISTED

The other three networks gave SCHWABE a listing of programs, forums, and debates affecting the Marshall plan. Approximately 145 speakers had been given radio time between July 1, 1947 and late January 1948, to discuss the Marshall plan. Of these, 120 had urged its adoption. President Truman, Secretary Marshall, and other Cabinet officers, and numerous representatives of organizations created to support the program, had appeared time and again on the air.

In contrast, less than 20 persons had been permitted to air their views on the networks in opposition to the plan. Senator TAFT, Republican, of Ohio, who has demanded a large reduction in foreign spending, was granted time on all three networks on separate occasions. Senator BROOKS, Republican, of Illinois, another opponent of unreserved expenditures, appeared on an ABC program in which the issue was debated by speakers of opposing views.

THOMAS LISTED AS OPPONENT

Some of those listed as opposed to the Marshall plan actually supported it. CBS listed Norman Thomas, Socialist Party leader, as an opponent given radio time. Thomas favors the plan because it will promote socialism in Europe and appeared on an ABC program with his speech labeled "Why I favor the Marshall plan."

"The conclusion is inescapable," SCHWABE commented, "that the American people have been permitted to hear only one side of the proposal during most of the time they are listening to the radio."

Communism in Europe, in America—Malignant There, Benign Here

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. HOFFMAN. Mr. Speaker, the President and his advisers tell us that, if we do not give his administration billions of dollars and millions of tons of supplies to aid him in fighting communism in Europe, we should prepare to fight a third world war, draft American youth for compulsory military training, conscript our young men for armed service abroad.

He and his advisers are telling us that, unless we submit to price control, rationing, and regimentation here at home, in short, surrender our constitutional form of government, give him the powers of a dictator, the Communists backed by Russia will sweep over Europe down to the Atlantic seaboard, roll across the Atlantic and, like a tidal wave, engulf and destroy us.

Summed up, the story is that communism is a malignant, incurable cancer, about to destroy our Nation.

But does he fight communism here at home in the Nation's Capital? Does he use the surgeon's knife to cut out and destroy the cancerous growth of communism as it exists in his own administration, in his own front and back yards here in Washington?

Here in Washington, members of local 471, UCRW, an affiliate of UPWA-CIO, employed in some 42 cafeterias serving Federal employees, went out on strike. The administration closed the cafeterias in the Labor Department and in the Supreme Court Building, thus aiding the strikers.

The employer refuses to bargain with the unions because the officers of both the local union and the parent international organization, having been charged with being Communists, the unions accused of being dominated by Communists, refuse to sign an affidavit that they are not members of the Communist Party, that they do not believe in and are not members of or do not support any organization which believes in and teaches the overthrow of the United States Government by force or by any illegal or unconstitutional methods.

No one contends that the employer in this case may not, if it wishes, bargain with Communists, with thieves, or with known criminals, nor does anyone contend that it can legally be forced to bargain with either.

Notwithstanding the fact that the Congress has by law provided an orderly, effective way of collective bargaining, the President, knowing that the Congress has provided an effective way to use collective bargaining; that it has provided a conciliation service designed to avoid strikes and lock-outs; knowing that the Congress, for the protection of our country, desires to freeze Communists out of the labor movement, nevertheless calls in Secretary of Labor Schwellenbach, who has no legal standing in the dispute, and requests him to call upon the employer to sit down and bargain with these gentlemen who have been charged with being Communists and who think so little of public opinion that they refuse under oath to deny that they are the enemies of our country. Some of them have been dodging the subpenas of a House subcommittee.

The people of this country have excused the President of the United States in a good many instances for doing many things, but, in my humble judgment, they'll never excuse him for calling upon the people's representatives to fight communism abroad to the extent that we may weaken our own ability to defend ourselves, while at the same time following a program which aids the Communists here in America.

Harry S. Truman is following a course in connection with this strike which, if he wants the respect and the confidence of the American people, he should at once abandon. He cannot expect loyal Americans to believe that he is sincere in his fight against communism in Europe while he coddles and encourages them in the Nation's Capital.

Russia's Secret Pacts

EXTENSION OF REMARKS

OF

HON. ROBERT F. RICH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Bristol Courier of Wednesday, January 28:

RUSSIA'S SECRET PACTS

The secret German records, long suppressed by our Department of State and released a few days ago with a great fanfare of publicity, are fascinating to read—but they prove none of the case which the proponents of the Marshall plan seek to make against Russia.

They were given out as part of our cold war against the Russians, and were represented to the public as proving that Russia is treacherous, secretly hostile to the United States, greedy, and unreliable.

Moreover, their release was carefully timed to take the newspaper and reader attention away from the Hoover report, which was a document of monumental importance. They were used, not to encourage understanding abroad but to further confuse it at home.

What do these secret Nazi memoranda, pacts, and protocols, seized nearly 3 years ago and suppressed until recently, really prove?

Virtually nothing.

The broad facts of the matter are well known—they are familiar to every school child that reads his history books, perfectly well known to every American who reads the newspapers.

Back before the start of the Second World War, Hitler "bought" off Russia from her threatened anti-Nazi alliance with England by promising Russia half of helpless Poland. Stalin took the bribe, and broke his promises to England, France, and several other countries.

After the despicable bargain, Hitler attacked Russia, which promptly fled back to those she had destroyed, and they—principally with the munitions supplied by Uncle Sam—rescued Russia from the Nazis. Stalin thereupon demanded from his rescuers, the Allies (principally Churchill and Roosevelt) the very things which Hitler had been unwilling to give, and at Tehran and Yalta, by secret deals just as reprehensible as those covered by the recently released papers, he was granted all he asked, and probably much more than he ever expected. That was in line with the late President Roosevelt's "great experiment" of Russian appeasement, which now has so seriously backfired.

Naturally, every step of the negotiations between Germany and Russia which led to the rape of Poland was covered by memoranda, reports, private agreements, and the like.

But since it is a known fact that diplomats—even our own—rarely say just what

they mean, all of these records are in a sort of involved double talk with the significance all between the lines.

The secret papers reveal that the bargaining between Hitler and Stalin was carried on in the most fantastic spirit of duplicity, suspicion, fraud, and treachery.

As one commentator observed, the whole transaction was "a cynical marriage of convenience." Hitler himself later called it a hypocritical performance.

Stalin welshed on his part of the bargain before the ink was dry, and forced Hitler to add further lands to the bribe—most of Lithuania, which Hitler had planned to keep, and new territory in the southeast. Hitler himself later made it clear that he intended all the time to do what he eventually did—invade Russia.

Trying to prove now, on the strength of documents written in such an atmosphere, that any statement of either of the parties throws any light on their real purposes is absurd. For the State Department to pretend that these "secret" papers give any new information on foreign affairs is a piece of demagoguery just as offensive as were the propaganda machinations of Hitler and Stalin during the period in question—when the German envoy was able to write, as he did, that: "The (Russian) press is as though it had been transformed," and to comment on the ability of the Russian Government "in a masterly fashion to influence the attitude of the population."

How secret were these papers?

That is an interesting question. The whole attitude of the State Department has been one of pious indignation over a scandal recently come to its attention. But if that is true, and this information only lately come to the knowledge of our leaders, then it is the worst possible indictment of the capacity of our State Department.

As for the German-Russian treaty which partitioned Poland, the documents prove that Count Ciano knew all about the negotiations and the terms of the proposed agreement at least a week before it was signed. If he, not a party to the negotiations, could learn about it in Italy, why should it have been a secret from our own diplomatic staff?

As a matter of fact, the documents would do their greatest value if they could be used as a horrible example to the public of the very type of diplomacy which we ought most strenuously to avoid—but which unhappily we have been fumbling with disastrously since long before the Second World War.

That is secret diplomacy, condemned by patriotic Presidents from Washington's warning against entangling alliances down to President Wilson's demand for open covenants openly arrived at.

It would be most interesting to know how carefully the papers were edited and censored before being released, and how many similar documents are still being suppressed—why? Because they would tip the American people off, if released, to the extent to which our own State Department used the same type of duplicity and double dealing and misdirection in the days preceding Pearl Harbor.

There is a whole missing chapter of the reports made to Hitler by his observers during the days when our National Government was technically neutral—but pulling every wire to get us into the war. These, and the diplomatic papers circulated among the Axis Powers on these matters, would make most interesting reading now for the American people—who were hoodwinked while this was going on.

But the great significance of these papers lies not in their bearing on current problems so much as their bearing on the foreign policy of President Truman during the time when he had it in his power to have corrected the evils that now appear to force us directly toward a third world war.

That period was, roughly, from the time of President Roosevelt's death up to and shortly after the Potsdam agreement.

Assuming (for all its doubtfulness) the State Department's intimation that President Roosevelt never knew of the hostility toward this Nation which Russia expressed in the German-Russian documents, and that he died thinking Russia was "trustworthy" and appeasement a sound policy, these papers should have disillusioned President Truman at once.

They were seized the same month that President Roosevelt died. They were in American hands when the San Francisco conference was held, and they were in American possession during the Potsdam conference.

Yet at San Francisco the agents of President Truman ratified the horrible deals previously made at Yalta and froze the destructive "veto clause" into the United Nations program. And at Potsdam President Truman signed an agreement authorizing Russia to loot crushed Germany to the extent which has now paralyzed Europe; he authorized the reparations program which is now the great bone of contention between the United States and Russia; and he accepted the scheme for dividing Germany into zones that has proven advantageous only to Russia.

If these papers prove, as the State Department seems to expect the public to believe, that Russia is not a reliable partner in trying to work for peace in coming years—then why didn't they prove the same to President Truman in time for him to have done something about it before all the harm resulted?

Reflections on Gandhi—French Advice Ignored

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mrs. DOUGLAS. Mr. Speaker, under permission to revise and extend my remarks, I wish to include the following articles to be inserted in the Appendix of the CONGRESSIONAL RECORD:

[From the Washington Post of February 3, 1948]

TODAY AND TOMORROW

(By Walter Lippmann)

REFLECTIONS ON GANDHI

In the life and death af Mahatma Gandhi we have seen reenacted in our time the supreme drama of humanity. Gandhi was a political leader and he was a seer, and perhaps never before on so grand a scale has anyone sought to shape the course of events in the world as it is by the example of a spirit which was not of the world as it is.

Gandhi was, as St. Paul said, transformed in the renewing of his mind; he was not "conformed to this world." Yet he sought to govern turbulent masses of men who were still very much conformed to this world, and have not been transformed. He died by violence as he was staking his life in order to set the example of nonviolence.

Thus he posed again the perennial question of how the insight of the seers and saints is related to the work of legislators, rulers, and statesmen. That they are in conflict is only too plain, and yet it is impossible to admit, as Gandhi refused to admit, that the conflict can never be resolved. For it is necessary to govern mankind and it is necessary to transform men.

Perhaps we may say that the insight of the governors of men is, as it were, horizontal; they act in the present, with men as they are, with the knowledge they possess, with what they can now understand, with the mixture of their passions, and desires, and instincts. They must work with concrete and with the plainly and generally intelligible things.

The insight of the seers, on the contrary, is vertical; they deal, however wide their appeal, with each person potentially, as he might be transformed, renewed, and regenerated. And because they appeal to experience which men have not yet had, with things that are not at hand and are out of their immediate reach, with the invisible and the unattained, they speak and act, as Gandhi did, obscurely, appealing to the imagination by symbolic evocation and subtle example.

The ideals of human life which the seers teach—nonresistance, humility, and poverty and chastity—have never been and can never be the laws of a secular society. Chastity, consistently and habitually observed, would annihilate it. Poverty, if universally pursued, would plunge it into misery and disease. Humility and nonresistance, if they were the rule, would mean the triumph of predatory force.

Is it possible that the greatest seers and teachers did not know this, and that what they enjoined upon men was a kind of suicide and self-annihilation? Obviously not. Their wisdom was not naive, and it can be understood if we approach it not as rules of conduct but as an insight into the economy and the order and the quality of the passions.

At the summit of their wisdom what they teach is, I think, not how in the practical issues of daily life men in society can and should behave but to what ultimate values they should give their allegiance. Thus the injunction to render unto Caesar the things that are Caesar's is not a definite political principle which can be applied to define the relation of church and state. It is an injunction as to where men shall have their ultimate obligations, that in rendering to Caesar the things that are Caesar's, they should not give to Caesar their ultimate loyalty, but should reserve it.

In the same manner to have humility is to have, in the last reaches of conviction, a saving doubt. To embrace poverty is to be without possessiveness and a total attachment to things and to honors. To be nonresistant is to be at last noncompetitive.

What the seer points toward is best described in the language of St. Paul as the creation of the new man. "And that ye put on the new man, which after God is created in righteousness and true holiness." What is this new man? He is the man who has been renewed and is "no longer under a schoolmaster," whose passions have been altered, as Gandhi sought to alter the passions of his countrymen, so that they need no discipline from without because they have been transformed from within. Such regenerated men can, as Confucius said, follow what their hearts desire without transgressing what is right. They are "led of the spirit" in the Pauline language, and therefore they "are not under the law."

It is not for such men as them that governments are instituted and laws enacted and enforced. These are for the old Adam. It is for the aggressive, possessive, carnal appetites of the old Adam that there are punishments and rewards, and for his violence a superior force.

It is only for the regenerate man, whose passions have been transformed, that the discipline of the law and of power are no longer needed, nor any incentive or reward beyond the exquisite and exhilarating wholesomeness and unity and freedom of his own passions.

[From the Washington Post of February 3, 1948]

FIASCO IN GERMANY

(By Sumner Welles)

FRENCH ADVICE IGNORED

The lessons of the two world wars are unmistakable. The Germans must be taught that they cannot succeed in any new aggression. Germany cannot safely be permitted to be a politically centralized state. Until there is proof that the German people have experienced a moral conversion, Germany must be kept under international control so that her manpower and her resources cannot again be used for war. If all of this is accomplished, the major powers must cooperate in carrying out a joint policy.

The Allies disregarded these lessons in the 1920's. The Second World War was the inevitable result.

In our own policy toward Germany since 1945 these lessons have again been ignored.

It is true that Russia's effort to use Germans for her own ends has so far blocked any agreement upon a United Nations policy. But we have been occupying a zone of western Germany for 2½ years. We have had ample time to launch a program of reeducation that could teach the Germans what democratic liberties mean. We have had every opportunity to lay the foundations for a political and economic system which could help to build up a peaceful Europe. We have had the chance of showing the Germans that Britain, France, and the United States can maintain a common front.

What is our record?

Denazification in the American zone has been a tragic farce. After endless bungling, its control has now been handed over to the Germans themselves. What kind of denazification will we get when the average German still believes that nazism's one defect was that it lost the war?

The press, the universities, the schools, adult education, the moving pictures and the theater were the obvious means through which German mass reeducation could be carried on. It is in this field where we might have been expected to be most successful, that our failure has been the most abject. The surveys conducted by the American Military Government show that the Germans are even more totalitarian than they were 2 years ago.

The American occupation has stressed relief. It has done little to stimulate German self-help. Until the individual German realizes that it is by work and not by strikes that he will get food and clothing there will be no productive and self-supporting western Germany. But our cockeyed occupation policies have often made it impossible for many Germans to find the chance to obtain work and have impeded the distribution of German-produced food. The distinguishing features of our economic program are widespread corruption, the black market, and primitive barter.

The continuation of the concentration camps for displaced persons, and the frequent use by our military authorities of notorious collaborators in screening the inmates of these camps are a further blot upon our record. They are partly responsible for the continued strength of anti-Semitism in western Germany.

We have persistently ignored France in shaping our German policy. The French Government had no knowledge of our recent proposals for a new form of administration in western Germany until after these had been offered to a number of German political leaders at Frankfurt on January 6.

The French contend that if the militarists and nationalists are to be prevented from regimenting the German people in the future, any central German Government must be a federal agency of the several German states and must not be elected by the German people as a whole. They insist that the solution of the German problem can only be found through the integration of Germany within united Europe, and that this can never be accomplished if Germany is permitted once more to become a unified, superindustrialized, and highly centralized state.

The past 30 years have shown conclusively that the French are justified in this belief. Only if Germany becomes a federation, in which each state retains sufficient political and economic autonomy to enable it to cooperate with its non-German neighbors, can the German people be expected to become a peaceful and constructive force in the European body politic. Yet the proposals the United States offered the Germans at Frankfurt would tend to bring about precisely the contrary result.

It was announced in Washington last week that by July 1 our administration in Germany would be in civilian hands. This change should have been made 2 years ago.

The whole set-up in Germany should be transformed from top to bottom. The military should be an instrument to enforce policy and not the policy maker. Policy should not only be made in Washington rather than in Germany, but it should never be decided upon until after full consultation with France and with Germany's other western neighbors.

France has had her sons slaughtered and her lands devastated by the Germans three times within the past 80 years. Her survival today depends upon the adoption of a policy toward Germany that spells security. Her advice in 1919 was spurned, yet experience has shown she was right. Is it too much to expect of the administration in Washington that it recognize that the French are as good judges of what the policy toward Germany should be as we ourselves?

Postal Workers Deserve Increase in Pay

EXTENSION OF REMARKS

OF

HON. ALBERT RAINS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. RAINS. Mr. Speaker, under leave to extend my remarks in the RECORD, I attach herewith the following editorial which appeared in the Gadsden Times, Gadsden, Ala., entitled "Postal Workers Deserve Increase in Pay," which I commend to the attention of the Members of Congress:

POSTAL WORKERS DESERVE INCREASE IN PAY

None among the workers who have been caught in the squeeze between rising prices and fixed salaries have been more severely handicapped than those in the postal service.

During the current battle between climbing prices and pay adjustments the postal workers have been unable to get the attention from Congress that their cause merits. And it is only from Congress that they can get increased pay.

The clerks, carriers, and others in the postal service are members of unions, affiliated with the American Federation of Labor.

But these unions operate under restrictions that prevent them from the kind of bargaining and pressure that are available to other labor organizations.

The economic fate of the postal workers is in the hands of Congress and the people. Unless they get wider support from the public for their requested pay increases they may continue to be ignored in Washington.

Despite the handicaps, the postal workers continue to efficiently and faithfully discharge their duties. This service is a constant and vital national necessity. It requires well trained and loyal personnel.

The postman has a home to maintain, bills to meet, children to educate, and the many other financial responsibilities of modern life. All his expenses have skyrocketed.

But pay increases have been small and infrequent. While other workers went on strike or brought about wage raises through organized effort, the postman continued on his job.

It is time that the public reminded Congress that this loyal and efficient service should be rewarded with an urgently needed and deserved salary adjustment.

Absurd on Its Face

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. HOFFMAN. Mr. Speaker, section 3, of article II of the Constitution, provides that the President "shall from time to time give to the Congress information on the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient."

Each succeeding President of the United States has followed the constitutional directive, and on the convening of each session of Congress sent to it a message purporting to give his views on the state of the Union, carrying his suggestions as to needed legislation.

Complying with the constitutional provisions and following the long-established custom, the President, on Wednesday, January 7, personally delivered his message. Whether that message accurately described the state of the Union or recommended legislation that would be expedient is a matter of opinion. From a President of the United States one would naturally expect recommendations which would meet the test of sound judgment, logic, and consistency.

To illustrate what the Congress actually received from the President, permit a typical excerpt from his message. Said the President:

At least $50,000,000,000 should be invested by industry to improve and expand our productive facilities over the next few years. But this is only the beginning.

Then the President recommended:

A cost-of-living tax credit be extended to our people consisting of a credit of $40 to each individual taxpayer and an additional credit of $40 for each dependent. * * * It is estimated that such a tax credit would reduce the Federal revenue by $3,200,000,000.

Then he told us that to get back that loss of revenue, we should increase the taxes on corporation profits—which are now taxed 38 percent of their income, though we know money to improve and expand industry's productive facilities must come out of original investment or corporate profits.

Naturally, human nature being what it is, we are all for any program which

would save us $40 plus an additional $40 for each dependent. But is it good sense, is it logical, is it consistent to say in one breath that industry, and, of course, that means the larger corporations, which create jobs, should spend $50,000,000,000 to improve and expand its facilities, and at the same time ask it each year to pay an additional $3,200,000,000 in taxes?

To some it seems to be nonsensical to ask industry, over the next few years, to spend $50,000,000,000 in expanding its plants, and at the same time pay an additional tax of $3,200,000,000 when we know that corporations are now taxed 38 percent of their income. The President did not tell us where industry is to get the $50,000,000,000 if he takes it from it by additional taxes.

If we assume that corporate taxes continue for the next 3 years at the $17,000,000,000 level reached in 1947, the President's plan would take the entire net profit of all corporations after payment of taxes at the present rate for that period. How many people would put their money into corporations, into the building of plants, if they knew that for 3 years there was no possibility of getting a profit on their investments?

Nor is the President's proposed $40 tax reduction just what it seems, for he also recommended increasing the social-security tax by 1 percent. If a worker earned $3,000 per year and the social-security tax was increased as recommended by the President, there would be taken from him thirty additional dollars and $30 from $40 leaves $10, the actual tax reduction some would get.

I am afraid the President was talking through his hat and with the 1948 campaign in mind, rather than having his eyes on, his words directed toward, the state of the Union and the recommendation of sound, remedial legislation.

Palestine

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein an editorial which appeared in the Daily Evening Item, Lynn, Mass., Monday, February 2, 1948:

ANOTHER JOB FOR UNCLE SAM

There have been two appeals in the last few days for the United Nations to set up an international police force that can stop the fighting in Palestine before it flares into major war. One came from Harold Stassen, in the course of a political speech. The other was made by Mrs. Golda Meyerson, of the Jewish Agency on her arrival at UN headquarters from Palestine.

It is a wonder that there have not been more appeals. It is a greater wonder that the UN has not done something long since to carry out its order of partition. For the organization stands to lose the prestige it gained in the Soviet-American agreement on Palestine by its inaction since then.

The UN was clearly warned of trouble ahead. On the very day that partition was voted representatives of the Arab states told the General Assembly that their governments would not abide by the decision. It was evident that opposition would take the form of concerted international action. And that is just what is happening.

The Jews have been guilty of some needlessly bloody reprisals in Palestine. The British have been guilty of a half-hearted effort to keep the peace. But it was the Arabs who started the fighting.

Some have said that new nations are born slowly and in pain. They point to our own long revolution, and to the bloodshed from which many other governments of today have emerged. But this does not mean that history must go on repeating itself. The UN was created to change the pattern of history, to put an end to wars, declared and undeclared, and to preserve peace.

Efforts have been made by the UN in India and Indonesia to stop the fighting there and settle disputes. They have had some success. But the trouble in Palestine—trouble born within the assembly chamber—is ignored.

Partition was unpopular with the Arabs and their supporters, and the Security Council knew it.

Yet the Security Council has not acted. The UN Commission on Palestine has not acted. The British Government refuses to cooperate with the UN decision. And the Arab states are assembling an invasion army to crush the embryo Jewish state which the decision decreed.

If the invasion is not halted or broken up by international action, unilateral action by a UN member will not be surprising. Britain obviously is neither willing nor able to take that action. And what other nation is near enough and strong enough to step in? None but Russia, of course.

Some people with an understandable suspicion of Soviet policy think that Russia's agreement on partition was made with just such an outcome in view. If a major invasion of Palestine should come about, the future of the Jewish state and its people would be seriously threatened.

It is not easy to predict where the Red Army would be sent and how long it would stay, once it was in Palestine. But the possibilities cannot bring much joy to Washington or to London. Evidently London is going to do nothing about it. So, for the sake of justice and self-interest, it looks as if it is up to Uncle Sam to break the silence and stir the Security Council to action.

England Does Not Intend To Give Up Its Rule Over Palestine!

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 4, 1948

Mr. KLEIN. Mr. Speaker, only a few Members remained last night to hear several of us who spoke about the present tense situation in Palestine and the defiance of the United Nations by the Arab states and by Great Britain.

In this morning's mail I received a poignant letter from the American-Hungarian Jewish Federation, a religious relief society which has done valiant work in aiding the tragic victims of Nazi aggression in Europe, and in aiding the migration of Jews to Palestine.

I am inserting the letter in the RECORD under consent because it expresses so clearly the fears entertained by the world Jewish community at the present time, and points up what was said here yesterday.

AMERICAN HUNGARIAN JEWISH FEDERATION,
New York, N. Y., February 3, 1948.
Hon. ARTHUR G. KLEIN,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: It is abundantly clear by now that England is determined to use all the tricks in its rich arsenal of imperialistic rule, in order to sabotage the establishment of a Jewish state in Palestine.

The refusal by the British to open up a port for large-scale Jewish immigration, their continuous disarming of the Jews, while conniving with the Arabs in their attacks, their refusal to allow the organizing and arming of a Jewish militia under the auspices of the United Nations, their unwillingness to admit the United Nations Palestine Commission into Palestine before May 1, etc., etc., could only mean one thing, namely: That England does not intend to give up its rule over Palestine and is ready to achieve this aim by drowning the Jewish population in a sea of blood. Unfortunately, Bevin's policy of sabotaging the creation of a Jewish state seems to have some strong supporters in influential government circles in our own capital. This probably explains why till now nothing has been done by the United States Government to stop the bloodshed in Palestine and to help carry out the decision of the Assembly of the United Nations. On the contrary, the clamping down of the embargo on arms to the Jews of Palestine strengthens and encourages the Arabs to go on with their attacks and helps England in its nefarious aims.

In the light of this alarming and dangerous situation, we appeal to you, dear Congressman, to do all in your power to urge our Government to live up to its obligations both to the United Nations and to its own citizens, by taking energetic steps through the Security Council, aimed at stopping the present Anglo-Arab conspiracy against the creation of a Jewish state. Arming the Haganah and organizing an international police force would be, to our mind, the first proper steps in that direction. A stern warning to the Arab States to stop their aggression is also long overdue.

In conclusion, we wish to express our shuddering at the thought that by our Government's disinterestedness and hands-off policy, new large-scale massacres of the Jews of Palestine are being prepared.

If during the war, certain democratic powers have resorted to the excuse of war expediency for their not interfering in Hitler's extermination of millions of Jews, then there is no war now and our Government's hands are not tied. It can and should act at once. England, which was saved from bankruptcy by the billions of dollars of our citizens and which is and will continue to be fed by us, can be made to fulfill its obligations to the United Nations, provided our Government wills it!

On the basis of your fine record and achievements till now, we feel that we can count on you to bring all your power and good offices to bear in defense of our great and noble cause at this crucial juncture.

Wishing you a great deal of luck and success in your humanitarian efforts, we are,

Yours with Torah and Zion greetings,

AMERICAN HUNGARIAN JEWISH FEDERATION,
Rabbi JACOB HOFFMAN,
Rabbi EMANUEL POLLAK,
Presidium.
M. WOBOLSKI,
Executive Secretary.

St. Lawrence Seaway

EXTENSION OF REMARKS

OF

HON. CLARENCE E. KILBURN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. KILBURN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the text of a letter written by Mayor Rollin A. Newton of Massena, N. Y., to the editor of the New York Herald Tribune replying to the metropolitan newspaper's Sunday morning editorial of January 18, 1948, against the St. Lawrence seaway and power project. Mayor Newton has studied this project for years. His thinking is sound on this matter and I wholeheartedly agree with his arguments. I hope the Members of the House will read his letter carefully.

The text of the letter follows:

JANUARY 20, 1948.

EDITOR,
New York Herald Tribune,
New York City, N. Y.

DEAR SIR: I have been a reader of your paper for the past 20 years or more. I always figured you had a very liberal mind from your editorials, but after your comments on the St. Lawrence seaway project on Sunday I find that your liberality is concerned mostly with the city of New York.

We of the north country feel that we are entitled to a little consideration, knowing that the great city of New York has been given hundreds of millions of dollars in Federal funds spent on the port, on airports and on Federal buildings.

We feel we should not be penalized because New York City has been so shortsighted politically as to allow a large deficit from operation of its subways to color its political views, and because the city is in no financial position to develop its airports.

Your argument that the St. Lawrence seaway should be delayed is not very well taken. I am sure that you are liberal-minded enough to realize that America must wake up to the importance of conserving her natural resources.

We have helped finance two World Wars and have contributed a great deal of lumber, iron, and coal to help win these wars. Some competent authorities today doubt whether our natural resources will stand another world war.

I suppose that Mayor O'Dwyer would make the assumption that the seaway would take a lot of business away from the port of New York. I doubt if he can substantiate that argument as true

Your former mayor, the late F. H. LaGuardia, stated on a great many occasions that it would not affect the port of New York because of the fact that the seaway would be closed 4 to 4½ months each year.

At the present time the Great Lakes-St. Lawrence canals are carrying shipping equal to the load of the Panama and Suez Canals combined. I doubt very much that operation of the international section of the river from Ogdensburg to Montreal would materially increase the shipping. The only thing it might do is to facilitate that shipping. The 6-mile canal around the Long Sault rapids will have two locks, and the 2-mile canal, 5 miles above Waddington, to get around the control dam, will have one lock. These three locks will take the place of 25 or 30 now used in obsolete canals on the Canadian side.

One of the Congressmen that visited the site of the seaway in August was from one of the large coal-producing States. He told me at that time that the only thing John L. Lewis and the coal operators were agreed on was to defeat the seaway and power project. But he remarked that he thought it was time to conserve natural resources.

A necessary measure is to develop all hydroelectric power, not only in the State of New York, but in all areas where such development is needed. At the conclusion of World War II one of the first Russian moves was to rebuild the Dnieper Dam.

The development of power in the St. Lawrence, which is supplied by the Great Lakes, will produce a continuous supply of 2,200,000 horsepower. This power is greatly needed in this area, since the Federal Government built a $20,000,000 aluminum plant in Massena during the war. The plant was operated by electric power produced by coal in New York City. This power's cost, delivered to the Massena plant, was seven to seven and a half mills per kilowatt-hour.

The plant is now closed because there is no power cheap enough to operate it. Water power developed in Massena resulted in its growth from a population of 1,000 in 1901 to 15,000 today. The Aluminum Co. of America built a large plant up here. They have kept expanding, but the power was not sufficient for their needs, so they had to import some from Canada. The Federal Government has built hydroelectric plants in the South, Southwest, and on the Pacific Coast. In the last-mentioned area the cost is reported as 2 mills per kilowatt-hour.

As a result, the Aluminum Co. is building plants on the Pacific coast, which might otherwise have been built in the State of New York and added to the employment of local labor.

I wish to bring to your attention these facts to show the relative cost of producing energy from coal as compared with hydroelectric power.

Engineers have estimated that power could be developed here for about 1½ mills per kilowatt-hour.

A friend recently called to my attention the fact that the United States was one of the most wasteful nations in the world. I am not in a position to prove this, but it is about time that we gave some consideration to the matter.

The interests opposed to the seaway are those who have products to sell in competition. Their principal interest is the almighty dollar, regardless of the welfare of the American people.

R. A. NEWTON,
Mayor of Massena.

Power and the Rockwell Bill

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Oregon Daily Journal for January 28, 1948:

POWER AND THE ROCKWELL BILL

It will cost power users $1,000,000 more a year in increased rates if the Rockwell reclamation bill, as amended and passed by the House, finally passes, says Representative JACKSON of Washington. However accurate may be his estimate, some Members of the House, not to mention the United States Bureau of Reclamation and the Bonneville Power Administration, were very unhappy over last-minute revisions. No wonder.

The floor amendments, jammed through over vigorous protests, kicked the stuffing out of the compromise bill painstakingly worked out by Representative ROCKWELL, chairman of the Irrigation and Reclamation Subcommittee of the House Public Lands Committee.

This compromise measure, which had the hard-won approval of both the Bureau of Reclamation and the National Reclamation Association, would have cut interest rates on funds appropriated for power units from 3 to not more than 2½ percent, would have extended the time for repayment of costs from 50 to 7ℓ years, and would have settled the hot interest component controversy by providing that four-fifths of the interest on commercial power should be paid into the United States Treasury, rather than being utilized at the discretion of the Secretary of Interior to subsidize irrigation costs.

As amended and sent to the Senate, the bill would limit the repayment period for reclamation-project power-unit costs to 50 years and would require congressional approval of each and every reclamation project instead of permitting the Secretary of the Interior to proceed with self-liquidating reclamation projects which his engineering studies show are feasible—subject, of course, to congressional appropriations.

Reclamation Bureau and Bonneville Power Administration officials have already expressed their disapproval of these amendments. They see one favorable factor only, that is, a clause which would permit the Secretary of the Interior to allocate a portion of the costs of any multiple-purpose project to silt control, salinity control, recreation, and wildlife conservation. Otherwise, they fear the 50-year limit on repayment of power costs, without increasing costs to irrigators, will spell higher power rates.

This fear of higher power rates is shared by the Journal which questioned the original 1947 version of the Rockwell bill and urged the Bureau of Reclamation and the National Reclamation Association to get together on a compromise measure, before irreparable damage was done to western reclamation, power projects, and appropriations. It was shared by the National and the Oregon Granges which roundly criticized the reclamation association for supporting the original Rockwell bill.

It is doubly regrettable, therefore, that the compromise measure has been scuttled on the floor of the House. The Senate can still save it, however, and it is to be hoped that it will do so.

Veterans in College Training

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Thursday, February 5 (legislative day of Monday, February 2), 1948

Mr. MORSE. Mr. President, I ask to have published in the Appendix of the RECORD certain news releases, including a release on the living costs of veterans in college training, which have been prepared by the American Council on Education, released through the University of Minnesota. In introducing that material into the RECORD, I want to say that I am very happy that the House of Representatives in recent days has passed the two bills in regard to veterans' legislation for which I have fought so hard for many

months past, which bills were passed by the Senate last July. I want to commend, because I have been critical heretofore, Mr. President, and I happen to be one who can commend as well as criticize when commendation is deserved, I want to commend the Republican leadership of the House for, at long last, bringing the bills out in legislative form. I am sure that under the leadership of the Senator from Ohio, who is chairman of the Senate conference committee on one of those bills, we shall have no difficulty in reaching a reasonable and fair settlement with the House conferees on the job training and ceiling bill. I am very pleased to be able to call the attention of the veterans of the country at this time to the fact that the other bill, namely, the bill for subsistence allowance for veterans in college, is now where I have wanted it to be for a long while, at the White House, awaiting signature.

There being no objection, the releases were ordered to be printed in the RECORD, as follows:

LIVING COSTS OF VETERANS IN COLLEGE TRAINING

(This is the first of a series of articles describing the results of a survey of college veterans based on the responses received from interviews with a scientifically selected sample of veterans attending all types of colleges located throughout the country. The study was planned by a national committee appointed by the American Council on Education and was made possible by a grant of funds from the Disabled American Veterans. Dean E. G. Williamson, of the University of Minnesota, acted as chairman of the committee. Ralph J. Strom, formerly of the Veterans' Administration, was director of the project and conducted the survey.)

MINNEAPOLIS, January.—One of the important problems facing the present Congress is the matter of proposed increases in subsistence payments to veterans attending educational institutions under the GI bill of rights and the Rehabilitation Act.

Veterans all over the country have been requesting increases in the $65 monthly allotment for single students and the $90 per month for married veterans so that they may remain in school despite skyrocketing living costs.

A portion of a survey on veterans' education recently completed by the American Council on Education and financed by the Disabled American Veterans, was devoted to an investigation of the cost of living of a scientifically selected and representative cross section of veterans attending colleges and universities throughout continental United States.

To determine how much of a differential exists between the $65 and $90 monthly subsistence payments, and their actual living expenses, each veteran contacted in the Nation-wide poll was asked to make a careful estimate of his average total monthly expenses while attending school.

Results of the poll indicate that the average total monthly expenses of single veterans in college is $106.13, while the average for married veteran college students is $175.38. This means that single students spent $106.13 monthly but received only $65, a difference of $41.13. Married students spent $175.38 but received only $90 from the Veterans' Administration, a difference of $85.38.

Board and room costs of the large number of single veteran students who reported paying for their room and board in one lump sum were found to have an average of $55.19 monthly. However, in the case of single veterans who said they found it necessary to eat at places other than where they roomed the average cost of their meals alone was found to be $51.08 monthly. This amount, in addition to the average sum of $21.48 which veterans in this group pay for room rent brings the monthly cost of room and board to $72.56.

Married veteran students, according to the poll, spend an average amount of $38.96 for rent monthly, while their average outlay for food was found to be $61.71, adding up to a total of $106.67 for rent and food ($16.67 more than the total subsistence allowance).

In order to make ends meet, many veterans work during school terms, and the wives of a great number of married veterans hold jobs on either a full-time or part-time basis. Summer vacation jobs are helpful to a large percentage seeking to augment their income.

Results of the Nation-wide study indicated that 36 percent of college student veterans work for additional income, 12 percent up to 10 hours during the week, 14 percent from 11 to 20 hours, and the remaining 10 percent more than 20 hours a week.

Despite physical disabilities, one out of four unmarried disabled student veterans was found to be working to supplement his income from the Government; one out of three married disabled veterans are working, while almost one-half of the married nondisabled veterans are employed.

Of the more than one-third of the college veterans employed, the survey showed that 46 percent earn $10 or less, 33 percent earn from $11 to $20, and 13 percent earn from $21 to $30. Earnings of the remaining 8 percent range from $31 to $105.

Wives of 56 percent of the married student veterans are working to supplement their husbands' incomes, the survey disclosed, 43 percent on a full-time basis, 9 percent part-time, and 4 percent intermittently.

To help pay their living expenses and in an effort to set aside additional funds for supplemental financing of their educational costs during the current school year, 6 out of 10 veterans worked to some extent during the last summer months, according to the poll.

Despite the fact that many veterans did outside work last summer, many were unable to set aside any funds for their scholastic expenses. This was found to be particularly true of the married veterans, many of whom were unable to retain any of their summer earnings for school costs after paying their summer living expenses.

Of the 6 out of 10 married veterans who worked last summer, 62 percent said they were unable to accumulate any savings, 21 percent reported they were able to lay aside up to $250, and 17 percent more than $250.

Many single veterans who worked last summer were in a better position financially when school opened since 40 percent were able to save up to $250, while another fourth set aside more than $250. Only one-third of the single veterans who worked during the summer said they were unable to save any of their earnings.

In an effort to determine the financial cushion which student veterans are able to maintain, they were queried in the poll as to their total personal savings now available for financing their educations.

More than one-third reported in the survey that they have no reserve savings whatever upon which they can draw to help pay their way through school.

The savings of married student veterans are decidedly less than those of all student veterans, according to the poll, 40 percent of this group having no savings whatsoever. In the case of married disabled veterans attending college, one-half have no financial reserves to supplement their income.

ATTITUDE OF THE COLLEGE VETERAN TOWARD HIS INSTRUCTION AND EDUCATIONAL PROGRAM

(This is the second of a series of articles describing the results of a survey of college veterans based on the responses received from interviews with a scientifically selected sample of veterans attending all types of colleges located throughout the country. The study was planned by a national committee appointed by the American Council on Education and was made possible by a grant of funds from the Disabled American Veterans. Dean E. G. Williamson, of the University of Minnesota, acted as chairman of the committee. Ralph J. Strom, formerly of the Veterans' Administration, was director of the project and conducted the survey.)

MINNEAPOLIS, January.—The tremendous growth of colleges and universities in this country since the end of the war through the enrollment of one and one-quarter million veterans has raised numerous questions as to the adequacy of the instruction given to our ex-servicemen.

The answers to what the veterans themselves think of the instruction or teaching to which they have been subjected were learned in the Nation-wide poll of student veterans just completed by a committee of the American Council on Education and financed by the Disabled American Veterans.

Quality of college instruction was rated "average" to "very good" by 89 percent of the veterans polled, while 7 percent said they considered their instruction as "inferior" and only 1 percent branded college teaching as "very poor." In the survey, 3 percent had no opinion.

Of the 89 percent evidently satisfied with the instruction they are getting, 33 percent described it as "average," 35 percent as "good," and 21 percent as "very good."

Asked whether they felt that the present day greatly increased enrollments had lowered or raised the educational standards of their institutions, only 24 percent of the student veterans replied that standards had been lowered. No appreciable change in standards was reported by 26 percent, and 43 percent stated they felt that educational standards in their institutions actually had been raised as a result of the enrollment increase.

Of those who thought that the standards had been lowered, 31 percent said that it was because of crowded classes, and 29 percent expressed the opinion that the large enrollments resulted in less individual attention. Another 17 percent asserted that their professors and instructors were not sufficiently qualified to teach, while 7 percent saw a lowering of standards because of lack of teaching facilities such as laboratory materials, books, etc.

Increased competition among students for grades was cited as the reason primarily responsible for the increase in standards by 37 percent of the group which felt that large enrollments had resulted in such an increase. Greater maturity of students was the reason advanced by a fifth of this group, while another fifth attributed the higher standards to current higher college entrance requirements and to raised graduation and class requirements in grades. Other factors cited by this group as causes included: "More and better professors," 6 percent; "tougher courses," 4 percent; "school tries to get rid of the less fit," 3 percent; and "larger selection of new courses," 3 percent.

Six out of every 10 veterans in college, according to the Nation-wide poll, feel that their present-day attitude toward their education is different from that of nonveterans. Twenty-eight percent said they believe their attitude to be essentially the same as those students who had not been in service, while 12 percent had formed no opinion.

When asked why they felt that their attitude is different, 46 percent of the responding group stated they believed the difference to be due to the fact that veterans are more serious than nonveteran students about their work. Twenty percent said they thought veterans were more mature in their approach to college studies, 19 percent said they had more practical and definite goals than the nonveteran; and another 17 percent contended that veterans realized more

fully the value of the educational program which they are now undertaking.

Considerable variation was found when the responses of married and single, disabled, and nondisabled veterans on the question of attitude toward education were compared.

Of the married disabled veterans, more than 72 percent replied that their attitude differs from that of the nonveteran student, while 65 percent of the married nondisabled veterans answered in this manner. That their attitude toward education differs from that of nonveterans was the opinion of 62 percent of the single disabled veterans and 57 percent of the single nondisabled veterans.

Fifty-seven percent of the married disabled veterans who stated that their attitude differs from the nonveteran student said it is because they are more serious about getting an education. Half of the unmarried disabled veterans in this group agreed with this statement as did 49 percent of the married nondisabled veterans and 42 percent of the single nondisabled veterans in this group.

Of all of the married veterans who reported a difference in attitude, 23 percent credited the difference to their own increased maturity, while 18 percent of the single veterans in this category offered the same explanation.

Veterans in college, the survey shows, are for the most part pretty well satisfied with college life, 93 percent reporting either that they are well satisfied or that they have "just a few gripes." Only 6 percent said they are "fed up."

Of those who reported having "a few gripes" or being "fed up," 43 percent complained of the inadequacy of courses and instructors, 21 percent said that their subsistence pay has been delayed or is too low or complained of a general lack of finances, 10 percent reported that classes are too large, 7 percent cited bad food and poor facilities, 8 percent contended that tuition and living costs are too high, while 5 percent complained of poor housing facilities.

EFFECT OF WAR EXPERIENCES ON THE VOCATIONAL GOALS OF COLLEGE VETERANS

(This is the third of a series of articles describing the results of a survey of college veterans based on the responses received from interviews with a scientifically selected sample of veterans attending all types of colleges located throughout the country. The study was planned by a national committee appointed by the American Council on Education and was made possible by a grant of funds from the Disabled American Veterans. Dean E. G. Williamson, of the University of Minnesota acted as chairman of the committee. Ralph J. Strom, formerly of the Veterans' Administration, was directer of the project and conducted the survey.)

MINNEAPOLIS, January.—The general belief that war experiences have altered the vocational plans and ambitions of the great majority of American veterans is discounted by the Nation-wide survey on veterans' education made by the American Council on Education with the financial backing of Disabled American Veterans.

Results of the study indicate that more than half (51 percent) of the veterans now enrolled in the Nation's colleges and universities are preparing for the same vocations they planned to enter before they went into the armed services.

Only 35 percent, the survey shows, have changed their vocational plans made before entering military service, while 11 percent had not chosen vocations prior to donning uniforms.

The greatest change in vocational aims was found among the disabled veteran students, with 46 percent of the married students in this group and 43 percent of the single students enrolled in programs leading to occupational goals different from those they had prior to the war.

Principal reason advanced for changing vocational choice was "change of interest." Of the 35 percent who have changed their plans, one-fourth gave this reason. Other explanations advanced for change of vocational plans included "more opportunity in second choice," 17 percent of this group; "more aptitude for second choice," 13 percent; "is better paying," 4 percent; and "too long to prepare for first choice," 4 percent.

One-tenth of the student veterans who changed their plans stated that they had tried the vocation of their original choice, did not like it and had switched to another. Only 1 percent of those who changed said they found preparing for the first choice "too tough."

Once having embarked upon training for a vocation under the GI bill of rights or the rehabilitation program, most student veterans have remained "on course." The study shows that 86 percent have made no change in vocational plans since starting training under Government benefits. Some 12 percent reported having switched vocational plans once since starting training, while only between 1 and 2 percent said they had changed vocations two or more times.

Most student veterans feel that the majority of courses they are now taking are directly related to the vocations for which they are preparing. According to the survey, only 20 percent do not consider their present college courses directly related to their chosen vocations.

All but a few veterans in college are satisfied with the progress they are making toward their chosen vocations, the study indicates, with 72 percent considering their progress as average, 21 percent as excellent, and only 5 percent as unsatisfactory. Two percent said they did not know whether or not their progress is satisfactory.

ATTITUDE OF THE COLLEGE VETERAN TOWARD THE VOCATIONAL GUIDANCE HE HAS RECEIVED

(This is the fourth of a series of articles describing the results of a survey of college veterans based on the responses received from interviews with a scientifically selected sample of veterans attending all types of colleges located throughout the country. The study was planned by a national committee appointed by the American Council on Education and was made possible by a grant of funds from the Disabled American Veterans. Dean E. G. Williamson, of the University of Minnesota, acted as chairman of the committee. Ralph J. Strom, formerly of the Veterans' Administration, was director of the project and conducted the survey.)

MINNEAPOLIS, January.—With the Nation's colleges and universities staggering under the impact of one and one-quarter million veterans added to their enrollments since the close of the war and with $2,000,000,000 being expended for the training of veterans for the last fiscal year alone, increased emphasis is placed on the need for the proper selection of the course of training and the vocational objective of the student veteran.

What the student veteran thinks of the vocational guidance which he received from the Veterans' Administration and from his college or university was revealed by a Nation-wide poll taken by the American Council on Education, financed by the Disabled American Veterans, results of which have just been released.

Present veterans' legislation requires that all disabled veterans must select their vocational objective with counseling assistance of the extensive advisement facilities of the Veterans' Administration. Nondisabled veterans, those attending school under the provisions of the GI bill of rights, are offered the assistance of these facilities but are not required to make use of them. Nondisabled veterans are permitted to select any vocational objective they wish.

The Nation-wide survey of veterans in college indicates that only about 4 out of every 10 are availing themselves of the Veterans' Administration vocational guidance facilities and that of those who are making use of VA guidance, three out of four feel that the guidance they have received has been adequate, while one in four disagrees.

Another phase of vocational guidance is that which student veterans receive from their colleges and institutions. One-third of the veterans polled said that they had received adequate vocational guidance from official college counselors sources at their schools, and 16 percent stated they had not received adequate guidance from such sources. One-half of the student veterans included in the survey said they had not consulted any sources at their institutions.

The colleges and the Veterans' Administration were not the only sources of vocational guidance for these veterans, however. Of those queried, 37 percent had received additional help from other sources in the selection of their vocations.

In this latter group, 30 percent stated that they had received help from members of their family, while 39 percent obtained aid from individuals already in the vocational fields for which they were preparing. Eighteen percent received help from friends, while 11 percent had received help from members of their high-school faculty.

Further investigation showed that of those who had received help from these outside sources, 10 percent thought that this aid was less valuable than that received from the college or the VA, 23 percent thought it was equally as valuable, while 30 percent felt that this assistance was more valuable. Thirty-two percent of those receiving help from these other sources did not make use of the counseling facilities of either the Veterans' Administration or the college or university which they were attending.

The disabled veterans, who are required to receive Veterans' Administration vocational counseling, were asked whether the VA had given fair consideration to their own wishes in the selection of a vocational objective. Eighty-five percent indicated satisfaction in this respect, 4 percent were dissatisfied, while the remainder had no opinion.

Of this group of disabled veterans, 16 percent stated that their disability prevented them from entering vocations which they would have liked to enter, while 3 out of every 4 said that their disability had not affected their choice of vocational objectives. The remainder had no opinion.

EXTENT OF PARTICIPATION OF COLLEGE VETERANS IN EXTRACURRICULAR ACTIVITIES

(This is the fifth of a series of articles describing the results of a survey of college veterans based on the responses received from interviews with a scientifically selected sample of veterans attending all types of colleges located throughout the country. The study was planned by a national committee appointed by the American Council on Education and was made possible by a grant of funds from the Disabled American Veterans. Dean E. G. Williamson, of the University of Minnesota, acted as chairman of the committee. Ralph J. Strom, formerly of the Veterans' Administration, was director of the project and conducted the survey.)

MINNEAPOLIS, January.—More than one-half of the veterans of World War II now attending colleges and universities take little part in organized student organizations and activities outside the classroom, according to the results of a Nation-wide poll of veterans in college conducted by the American Council on Education, and financed by the Disabled American Veterans.

An additional one-third of the veterans queried in the survey said they participate in

extracurricular campus activities to an average extent, and only 7 percent answered that they take a large part in such activities as veterans' clubs, student government, professional clubs, and like organizations.

When those veterans who take but little part in extracurricular activities were asked why, 63 percent advanced the reason that they do not have sufficient time, 20 percent said they are not interested in such activities, and 7 percent reported that part-time employment prevents their participation.

Further analysis of the results of the Nation-wide poll indicates that 73 percent of the disabled married veterans now enrolled in college work do not take part in such affairs because of lack of time, while 13 percent expressed lack of interest.

In the married nondisabled group, 68 percent said they lack the time and 13 percent are not interested. Among all the single veterans contacted in the poll, 58 percent gave lack of time as their explanation, while 24 percent said they are not interested.

Of the relatively small proportion of student veterans who stated that they take a large part in organized extracurricular activities on the campus, 27 percent said they find such activities of great interest, 18 percent cited social reasons, 14 percent stated that they like to be active, and 11 percent said they consider such activities a part of college life. Only 3 percent of this group said they thought such activities would be of help when it comes to getting a job, and 1 percent said they participated on a large scale in order to make personal contacts for use later on in life.

Informal social and recreational activities as differentiated from organized student activities attract a much greater participation by veterans in college, according to the survey.

Asked the extent to which they take part in these informal activities, 59 percent of the student veterans said they participate to an average extent, 21 percent to a very little extent, and 19 percent replied that they take part in a big way.

As in the case of organized activities, the married student veterans, both disabled and nondisabled, are much more restricted in participation in informal social and recreational pastimes than are the single students. Minimum participation in such informal enjoyments was reported by 34 percent of the married veterans and 16 percent of the single veterans. Participation in a big way was reported by 11 percent of the married veterans and 21 percent of the single veterans.

Dr. S. H. Scott

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mr. DAGUE. Mr. Speaker, under permission to extend my remarks, I include a letter I have just received from Mr. A. C. Croft, publisher of the Educator's Dispatch, which calls attention to the splendid record made by Dr. S. H. Scott during his 54 years of service as a member of the board of directors of the Coatesville, Pa., school district. In addition to being a great physician, Dr. Scott has by this outstanding civic service shown himself to be a great citizen as well as a great humanitarian. I know that his many friends and admirers in the Ninth Congressional District are joined with me in congratulating him on this splendid record.

Mr. Croft's letter follows:

WASHINGTON, D. C., *February 4, 1948.*
Hon. PAUL B. DAGUE,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN DAGUE: An unusual record of public service has just been completed by a citizen of Coatesville, Pa., and we believe that such a record should receive recognition through the pages of the CONGRESSIONAL RECORD.

Dr. Scott's tenure covers the era of greatest growth and development in the Coatesville schools. When he was first elected to the school board in 1893 only two pupils were in the high-school graduating class. Today the number of graduates averages more than 300. In 1893, there was one building of only six rooms and six teachers for the entire city. Now the city boasts of four elementary schools, two junior high schools, and one of the finest senior high-school plants in America.

As an impartial observer, I believe that Dr. Scott's record should be commended nationally.

Sincerely yours,

A. C. CROFT,
Publisher.

Rationing and Price Control

EXTENSION OF REMARKS
OF
HON. W. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mr. COLE of New York. Mr. Speaker, unquestionably the one national problem which is most generally discussed is that relating to the present high cost of living. A considerable portion of our citizens have urged the reinstatement of rationing and price control with the necessary subsidy out of the Public Treasury to support a reduction in current consumer costs.

Recently, I have received a letter from C. N. Silcox, official of the Cooperative Grange League Federation Exchange, of Ithaca, N. Y., giving some very interesting and pertinent data with respect to the relationship between market prices of foodstuffs under governmental subsidized control and free market. These figures clearly indicate that some very strong factor has developed since removal of price controls which has caused current prices to rise so substantially. Anyone who considers this problem without bias must recognize that this factor stems primarily from the tremendous drain of foreign shipments upon our domestic production.

The letter follows:

COOPERATIVE G. L. F. EXCHANGE, INC.,
Ithaca, N. Y., January 30, 1948.
Hon. W. STERLING COLE,
House Office Building,
Washington, D. C.

DEAR MR. COLE: During recent weeks many people, particularly in Washington, have been making statements which when interpreted mean that this country made a serious mistake in removing price controls at the time it did. The charges are based on the fact that highly desirable foods like meat, milk, and eggs have advanced materially because controls were removed.

I happened to be looking over some prices which I found very interesting and which do not bear out the fact that the removal of price controls allowed advances which would have not otherwise occurred.

Since the price of meat, milk, and eggs is influenced to a large degree by the price of the four main grains, it is proper to look at their price levels in trying to determine what really caused the present high price of meat and other animal products.

Price ceilings on corn, oats, wheat, and barley expired June 30, 1946. The following table is interesting. All prices are Buffalo basis.

	Price ceiling expired June 30, 1946	Market price January-February 1947 (6 to 7 months later)	Price as of Jan. 5, 1948
Corn	$1.65 per bushel	$1.48½	$2.86
Oats	$1.05 per bushel	.91	1.47
Wheat	$2.24 per bushel	2.39	3.22
Barley	$1.33 per bushel	1.29	2.16

The ceiling on feed ingredients was removed for the last time October 17, 1946. The relation of prices in January and February 1947 to the ceiling prices is shown in the following table:

	Price ceiling expired Oct. 17, 1946	Market price, January-February 1947	Price as of Jan. 5, 1948
Bran	$53.60	$41.50	$82.00
D. D. grains	41.00	41.00	93.00
Gluten feed	64.30	44.10	110.00
Soybean meal	68.40	63.60	107.00
Meat scrap	97.50	74.80	132.70
Dried whey	184.10	160.00	140.00

It is obvious by comparing the prices of January and February 1947 with the last ceiling prices, that the removal of ceilings did not result in material advances in feed-grain prices, which are the basis of food costs. Something else was responsible for the price level which now prevails.

Of course, any experienced student or observer of the market knows that the advances were due to the failure of the 1947 corn crop and the policy of this Government in shipping vast quantities of food grains abroad at a time when we were in short supply ourselves due to the corn-crop failure.

The talk of rationing only certain items when and if needed brings to mind that saying: "Oh, what a tangled web we weave when first we practice to deceive." Personally I think we are deceiving ourselves if we think that limited rationing will work, and this Nation will never stand for a return to a complete program of rationing and price controls.

What is your position on food rationing?

Cordially yours,

C. N. SILCOX.

Greece—Turkey

EXTENSION OF REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mr. LARCADE. Mr. Speaker, under leave to extend my remarks in the REC-

ORD and include a newspaper article, I wish to include a report by the CDN of date December 15, 1947, which was published in the Washington Evening Star of same date, and which I think should be of much interest, and especially interesting to the Members of Congress, in view of the situation described in the article, and the further fact that the Congress will undoubtedly be called upon for further appropriations by the State Department in the near future.

The article is as follows:

TWO-THIRDS OF GREECE REPORTED IN CONTROL OF RED GUERRILLAS

ATHENS, December 15.—Despite the American aid program, two-thirds of the Greek mainland today is subject to temporary control by Communist guerrillas.

Except for the Peloponnesian Peninsula and Attica Province, of which Athens is the capital, the guerrillas dominate all the mountainous areas of Greece.

The Greek Army is able to protect only the more important centers of population, which are located in the plains and valleys.

But all land communications between them are liable to immediate rupture by the Communists.

If their Gen. Markos Vifiades so desired, he could isolate almost any town except Athens and Salonika and keep it isolated for several days, until the army assembled sufficient reinforcements to drive his forces out. He could even isolate the entire province of Thrace, if he wanted, and he may yet do so, if and when it serves the Kremlin's purposes.

STRATEGY OUTLINED

So far General Vifiades' guerrilla bands have not attempted to remain in control of any populous area. Their strategy is not to occupy territory, but to harass those who must defend it—in the hope of eventually exhausting Greece's powers of resistance.

The Communist tactics in Greece are identical to the tactics of the Bedouins of the Arabian desert during the first World War.

Inspired, paid and equipped by Col. T. E. Lawrence and other British agents, bands of Arabs no more numerous than the Communist bands in Greece succeeded in separating Arabia from the Ottoman Empire.

They succeeded partly because Turkey found itself on the losing side of an international war. But they succeeded also because of the faulty tactics of the Turkish Army—the same defensive tactics that the Greek Army is using today.

BOOK IS RECALLED

Passages of Mr. Lawrence's book, The Seven Pillars of Wisdom, might have been taken from a Soviet military manual issued for the instruction of General Vifiades' guerrillas, or vice versa.

So long as they are able to receive aid from Albania, Yugoslavia, and Bulgaria, and move back and forth at will across an undefended Greek frontier, the guerrillas will never be defeated.

They will be defeated only after the frontier is forcibly sealed and the Greek Army embarks on a serious offensive, lasting many months, to exterminate all guerrillas cut off from their bases outside Greece.

To that end the American military mission has authorized the formation of a national defense corps to relieve the army of the need for defending the towns and cities and lines of communication between them.

The Greek Government is hoping that the American military mission ultimately will increase the defense corps' strength to 50,000 men, but perhaps present plans call for supplying British arms and equipment for only 20,000.

BRITISH SUPPLIES NEEDED

British rather than American supplies are necessary in order to conform with the standard British equipment of the Greek Army. To reequip the Greek Army with American supplies would be a waste of time and money, although there are many Greek officers who would like to have us do so, since they consider our equipment superior.

If all goes well, and the strength of the defense corps is brought up to 50,000 men, it may be possible for the Greek Army next spring to begin in earnest the long, hard task of liberating Greece.

But nobody of any consequence here—Greek, British, or American—is so wildly optimistic as to believe that the job can be completed before the American aid program expires on June 30, 1948. Indeed, most observers doubt that it will be completed until the United States has set up permanent air and naval bases here and deployed two or three divisions of American soldiers or Marines along the Greek frontier.

Our Merchant Marine

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1948

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me before the annual meeting of the Mississippi Valley Association, St. Louis, Mo., January 26, 1948:

My friends of the Mississippi Valley Association, I am honored and flattered that you should ask me to speak here today, because I have followed over a period of years the splendid work of the Mississippi Valley Association, and I sincerely believe that no small part of the credit for the magnificent development of the Valley area of our country is due directly to the vision and foresight of the members of this association. I feel that I can make this observation without fear of contradiction, because I live in the great port of New Orleans, and there have seen with my own eyes the fruit of your work.

I am glad, too, to come here today and talk about the American merchant marine. I may be accused of self-interest, because I represent an area which is so dependent upon an American merchant fleet, and because our port is the lifeblood of my home community. Should the charge be made, however, I would deny it, as the problems of the merchant marine transcend all local considerations, as they are directly related to our national well-being and security. The fact that I live in a great port means only that I have had a little more opportunity to witness first hand the significance of a strong American fleet.

It is difficult to understand why anyone should have to dwell upon the importance of the American merchant marine. To me it seems so very elementary. It would be almost ridiculous for a speaker to come before you in this day and age with the announced intention of convincing you of the importance of the Army, the Navy, or the Air Force. You know how important they are. And it would be presuming upon your intelligence to even argue the point. I am convinced that this audience likewise recognizes the vital importance of the American merchant marine, because this audience knows that no adequate defense program can be undertaken without fast, modern, dry cargo ships and tankers to move the men and supplies needed for the other branches of the services.

Yet, there seem to be many who do not quite understand this vital connection between our merchant ships and our national security. These people remind me of the isolationists who are still in our midst. The isolationist saw his theory exploded in 1917, and yet, because of the national disillusionment which followed World War I, he went right back to that type of thinking, and again the Nation had to fight a World War because of it. Nevertheless, there are many who are still unconvinced. May I take a moment of your time to cite a few of our great national leaders on the vital importance of the merchant marine:

Gen. Dwight D. Eisenhower: "When final victory is ours there is no organization that will share its credit more deservedly than the merchant marine."

Adm. Chester W. Nimitz: "Without the ships which have been wholly devoted to winning the war by the American maritime industry, our substantial progress would not have been possible. * * * This war has fully confirmed the necessity for a strong and sound merchant marine to be maintained in time of peace so that it may be employed as an auxiliary of the Army and Navy in time of war. The convincing way in which this fundamental fact has been demonstrated in the Pacific is a tribute to the ability and patriotism of the American merchant marine and augurs well for its future."

W. Averell Harriman: "A healthy American postwar merchant marine must be fostered. I feel we should aim at a fleet of the most modern ships—most efficient for each trade from our various ports to carry about a half on an over-all basis of our foreign trade. To accomplish this our Government should stimulate constant new construction on an annual replacement basis. This will give us a healthy shipbuilding industry as well, so sadly neglected after the last war."

Harry S. Truman: "As an aftermath of the war, the United States faces critical problems in connection with construction, modernization, and maintenance of an adequate fleet of passenger and freight vessels. With no new passenger liners and few cargo vessels scheduled to be built in the immediate future, the Nation is not assured of the existence of a balanced and modern merchant fleet. This is a matter that concerns not only our commerce and trade, but our national security as well. I feel that the whole problem should be carefully studied in all its phases. * * *"

Prior to World War I Woodrow Wilson said this: "It is necessary for many reasons of national efficiency and development that we should have a great merchant marine. The great merchant fleet we once used to make us rich, that great body of sturdy sailors who used to carry our flag into every sea, and who were the pride and often the bulwark of the Nation, we have almost driven out of existence by inexcusable neglect and indifference and by a hopelessly blind and provincial policy of so-called economic protection. Moreover, we can develop no true or effective American policy without ships of our own—not ships of war, but ships of peace, carrying goods and carrying much more; creating friendships and rendering indispensable services to all interests."

Prior to World War II Franklin D. Roosevelt said this: "I present to the Congress the question of whether or not the United States should have an adequate merchant marine. To me there are three reasons for answering this question in the affirmative. The first is that in time of peace, subsidies granted by other nations, shipping combines, and other restrictive or rebating methods may well be used to the detriment of American shippers. The maintenance of fair competition alone calls for American-flag ships of sufficient tonnage to carry a reasonable portion of our foreign commerce. Second, in the event of a major war in which the United States is not involved, our commerce, in the absence

of an adequate American merchant marine, might find itself seriously crippled because of its inability to secure bottoms for neutral peaceful foreign trade. Third, in the event of a war in which the United States itself might be engaged, American-flag ships are obviously needed, not only for naval auxiliaries, but also for the maintenance of reasonable and necessary commercial intercourse with other nations. We should remember lessons learned in the last war."

The maintenance of an American fleet has always been a difficult job. It might be well to briefly review our maritime history:

The fortunes of our merchant marine have surged and subsided as those of no other country.

Stories of the clipper ships of the early years of the nineteenth century, which carried as much as 90 percent of our foreign trade, appeal to the imagination and are familiar to everyone. Following the days of the clipper ships and the advent of the steamship, the American merchant marine reached its early peak, in number and tonnage of vessels, in 1860 with 1,440,000 gross tons engaged in foreign trade. Then came the Civil War, followed by a period of intensive internal development of the country and an extreme lack of interest in foreign trade and the merchant marine until in 1910 we had approximately one-half the tonnage of 1860 and carried only slightly more than 8 percent of our foreign commerce and our merchant marine reached the lowest efficiency in history. During this period all other maritime nations had been increasing their merchant fleets.

At this time there were no American-flag ships operating overseas from the ports of the Gulf of Mexico and there were no dependable services by foreign ships to many markets. Foreign ships which brought coffee from Brazil to New Orleans did not offer a return service but loaded cotton, grain, and other products for Europe and then carried manufactured goods from Europe to the east coast of South America, making what was termed "triangular voyages." Naturally the owners of those ships were interested in developing commerce between their own countries and South America. Sailings to European ports and to the Orient were seasonal and dependent upon the movement of cotton or grain. Because of their infrequency and uncertainty they were of no value to the exporter of manufactured products.

Then came World War I, finding us dependent upon the ships of other nations for the transport of nearly all of our foreign commerce. When these foreign ships were suddenly withdrawn for war service, there was stagnation of our foreign trade and ocean freight rates advanced to fantastic heights. We had goods for export for which the world was crying but no means of transporting them. This loss of trade cost our country a vast sum of money even before we entered the war.

When we finally became participants in World War I, we were forced into a frenzied era of ship construction costing more than $3,000,000,000 for vessels that could have been built for less than one-third this sum during the preceding years of peace. As few of these ships became available until after the war, the ships of our allies had to transport our men and supplies to the scenes of hostility.

While in 1910, our merchant fleet engaged in foreign trade amounting to only 782,000 gross tons, after World War I, as the result of the mightiest shipbuilding program in history up to that time, we found ourselves in possession of a fleet of more than 10,000,000 gross tons. A substantial number of these vessels were good ships, but many of them were of insufficient commercial or military value to warrant their preservation.

Under the provisions of the Merchant Marine Act of 1920 the Shipping Board selected the most suitable vessels from the emergency built fleet, and through private operating agencies undertook to establish steamship services to meet the immediate needs of our foreign commerce. About 4,700,000 deadweight tons, unsuited for commercial use, were sold for scrapping. Not one of these vessels was sold to foreign countries for competition with American shipping.

Efforts were made to induce private citizens to purchase and operate the various services developed by the Board, but finally it was concluded that private capital could not be attracted to shipping without the payment of a subsidy to equalize the lower costs of shipbuilding and operation enjoyed by foreign competitors. During the period 1922–28 there was not a single keel for a ship laid in the United States for service in foreign trade. Our ships, with a life expectancy of 20 years, were becoming old, and there were no plans for replacing them.

Further legislation was passed in 1928 which attempted to improve this situation by awarding mail contracts to the operators of American-flag vessels, which proved of some help and resulted in the construction of 31 combination freight and passenger vessels of high types which were launched between 1929 and 1932, representing an investment of $142,000,000. However, a total of $176,000,000 to overcome operating handicaps were paid out on the various mail contracts between 1929 and 1937 under the provisions of the act of 1928.

"Mail contract" was a misnomer. Subsidies were paid upon a mileage performance without regard to the amount of mail carried. This led to criticism by many who were more interested in finding fault with the administration than in building our merchant marine.

When it became clear that the act of 1928 had failed to achieve its principal objective—the development of an orderly replacement program—for the war-built vessels (only 13,265 gross tons were under construction on December 31, 1933), and that obsolescence was rapidly overcoming our fleet, the Merchant Marine Act of 1936 was passed and marked the real beginning of the rehabilitation of our merchant fleet under private ownership. The Merchant Marine Act of 1936 expressed the policy of our Government in the following language:

"It is necessary for the national defense and development of its foreign and domestic commerce that the United States shall have a merchant marine:

"(a) sufficient to carry its domestic waterborne commerce and a substantial portion of the water-borne export and import foreign commerce of the United States, and to provide shipping service on all routes essential for maintaining the flow of such domestic and foreign water-borne commerce at all times;

"(b) capable of service as a naval and military auxiliary in time of war or national emergency;

"(c) owned and operated under the United States flag by citizens of the United States insofar as may be practicable; and

"(d) composed of the best equipped, safest, and most suitable types of vessels, constructed in the United States and manned with a trained and efficient citizen personnel.

"It is hereby declared to be the policy of the United States to foster the development and encourage the maintenance of such a merchant marine."

Many fine vessels equal to any afloat have been built by American citizens, at a cost of more than $500,000,000, since the passage of this act. These vessels were available to serve our foreign trade on essential trade routes before we entered World War II and then in some measure, to meet our early military requirements; however, our fleet was far short of the requirements of expanding military operations and a second intensive emergency building program costing billions of dollars was necessary.

The end of World War II left us with close to 50,000,000 tons of ocean vessels. Such of these vessels as were left of those which had been requisitioned from private companies for war purposes were progressively turned back to their owners and under the provisions of the Ships Sales Act most of the better type of vessels suitable for commercial operation were sold to American companies. Others of the slower and least desirable type were chartered to those companies or sold or chartered to foreigners. The remaining tonnage was placed in laid-up reserves to be available for any future national emergency.

With vessels available to meet their requirements American shipowners began service on thirty-odd trade routes declared by the Maritime Commission to be essential to our foreign trade. These services reached all parts of the world and as of March 31, 1947, employed hundreds of privately owned dry cargo and combination ships, together with over 1,200 Government-owned dry cargo vessels under bare-boat charter to American-operating companies, as compared with 217 such vessels in 1937. The increased size and speed of the ships comprising the present fleet, moreover, results in an even greater capacity than is indicated by the increased number of ships alone.

It looked like the American merchant marine, after the interruptions of war, was again on its way.

But now there comes a new threat. This time there is being advocated in high places a policy directly contrary to that enunciated in the Merchant Marine Act of 1936; a policy that might very well undo all that has been done and again scuttle the American merchant marine.

This new threat comes in the guise of an essential part of the Marshall plan for the rehabilitation of Europe. The President, in his message to Congress on December 19, 1947, said the following:

"The interest of the United States will be served best by permitting the sale or temporary transfer of some of our war-built merchant ships to the European countries. Because of world steel shortages, the sale or temporary transfer of ships should be linked with a reduction or deferment of the projected shipbuilding schedules of the participating countries. These arrangements should be consistent with their long-range merchant-marine requirements. They should also be consistent with our long-range objectives of maintaining an adequate merchant marine and shipbuilding industry for the United States.

"Making these vessels available to the European countries will materially reduce the cost of the United States aid both by lowering shipping costs and by reducing the use of scarce materials for new-ship construction overseas."

It is unfortunate that someone has so misinformed the President and the State Department, because a recommendation such as this merely gives ammunition to those who are already opposed to the Marshall plan and who are looking for excuses to sabotage it.

For my own part, I want it distinctly understood that I am supporting the Marshall plan in principle. I am not supporting it from humanitarian motives, as compelling as they are. Nor am I supporting it because of economic advantages which may accrue to our Nation, but for the same reason that I plead with you today to maintain a strong American merchant marine: that is, from the selfish, unaltruistic motive of our own national security.

It is inconceivable to me that we can maintain the free enterprise system in our Nation if all of Europe should become totalitarian. The mere cost of maintaining our national defense and of preventing attacks from within and without would soon seriously

jeopardize our own system. The Marshall plan may fail. It is a gigantic gamble. But it is a gamble that we cannot afford not to take. Therefore, it is unfortunate—most unfortunate—that some so-called economic advisers should have the President endorse a program which may very well wreck the American merchant marine and which gives aid and comfort to the enemies of the Marshall plan.

The transportation features of the Marshall plan as recommended by the President propose that America shall turn over to the 16 nations receiving aid, 500 vessels from our reserve merchant fleet owned by the United States. Under the proposal, 200 of these vessels are to be sold outright, and 300 are to be chartered for bare-boat operation, operated under foreign flags and manned by foreign crews.

The evils inherent in these proposals are very clear. Since the conclusion of the war, 950 American vessels have already been transferred to foreign nations. The additional transfer of 500 more ships will make the number of ships under foreign operation greater than in 1929, when this Nation carried less than 30 percent of its exports and imports on American-flag ships, and it must be remembered that this competition is particularly bad because no foreign ship is required to maintain the labor and safety standards of American vessels.

It is now estimated that under existing schedules, the Marshall nations will soon have merchant fleets of 10,000,000 tons more than prewar, when their competition with the American fleet was destructive. Under the proposed plan, this amount will be increased by 500 vessels.

These 500 vessels represent more than half of our presently operating merchant fleet under private ownership.

At the present time American shipping companies are carrying ocean-borne foreign commerce in hundreds of vessels either privately owned or owned by the United States and bare-boat chartered to the private companies. These chartered ships fly the American flag and are manned by American seamen. If these ships were to transfer their flags, between twenty to twenty-five thousand officers and seamen, many of whom have been trained by the United States Government, will be thrown out of employment.

Admitting all of these facts, it might still be possible to justify the proposal if the economy argument—that is, that it will cost less to deliver relief supplies in foreign vessels than in American vessels, thus leaving additional dollars to be used for the purchase of relief commodities—was a sound one. But it is not. With equal logic we could argue that the sensible way of obtaining our raw materials would be by importing cheap foreign labor to man our farms, to mine the coal, to operate our railroads, and to run our industries. Of course, we won't do this. But, in effect, if we carry out the so-called transfer of American vessels we will be abandoning the American merchant marine when it is as vital to the security of our Nation as any phase of business or industry.

It is well to bear in mind, as I pointed out a few minutes ago that the Marshall plan is a gigantic gamble. I hope and pray that it will work and that it will succeed, and, as I said, I am supporting it because I can see no alternate; but we face a determined opposition. We face a government motivated by a philosophy so contrary to ours that it employs any means to justify its end of world domination. With Europe suffering as it is, we might not succeed. Do you think for one moment that these vessels would be returned if we failed? And would we not be providing ready-made a great merchant fleet that might conceivably be used against us?

Let us revert to the economy argument for a moment. Reliable computations indicate that over the full period of the Marshall plan the transfer of 500 American ships to foreign flags may result in a dollar freight saving of approximately $200,000,000, without crediting recapture of charter earnings and income taxes which would have been paid to the United States if the vessels were operated under the American flag. The bare-boat charters under which American companies are presently operating merchant vessels owned by the United States provide for the recapture by the United States of 90 percent of all profits made by the American charterer. The 10-percent profit retained by the charterer is, of course, subject to income tax. If allowances are made for these factors, it is safe to assume that the saving will be reduced to a small percentage of the estimated $200,000,000.

The President's Committee on Foreign Aid recognized this in its own report when it said:

"It is argued that this dollar cost could be still further reduced if the United States would transfer additional vessels abroad for foreign-flag operation in the bulk trades. * * * The limited financial savings are not sufficient to justify the drain on the United States resources for national defense which such transfers would involve."

And again:

"The United States needs an active merchant marine for national defense, and we must not create conditions in which that merchant marine cannot survive."

The President's own Advisory Committee on the Merchant Marine, after a study of more than 11 years of peacetime and wartime operation under the Merchant Marine Act of 1936, reached the conclusion, in its report made public in November 1947, that the act is fundamentally sound and should be retained, and that the payment of construction and operating differential subsidies is absolutely essential to the maintenance of an American merchant marine of a size commensurate with national needs.

The Committee recognized the absolute necessity of the American merchant marine in the following conclusion:

"The Committee is convinced that a modern, efficient merchant fleet and an effective and progressive shipbuilding industry are necessary economic adjuncts to the peacetime economy of the United States, despite the unavoidable present necessity of Government financial aid to maintain them.

"Even if this were not true, the Committee faced the inevitable conclusion that such a merchant fleet and shipbuilding industry are indispensable to national security and would have to be maintained even should there be no other benefits accruing."

In conclusion, it is, indeed, difficult to understand how the recommendations of the President and the State Department could be seriously proposed in the face of current world conditions. They would be grossly unfair if they affected a so-called nonessential industry, but when they threaten the very existence of an industry not only vital to the economy of the Nation but positively essential to its national defense, they must be rejected.

It is my intention to vigorously oppose this proposal before the Committee on Foreign Affairs in the House and, if necessary, in the public debate on the measure when it reaches the floor of the House. In this endeavor, I am confident that I will have the support of all of you gentlemen, because many of you, if not the vast majority of you, have devoted many years of your life to the development of our great system of inland waterways, to the development of the commerce and trade of the Mississippi Valley, and the Gulf coast area, and this proposal, in my humble opinion, is directly threatening all that you have done, and all that you contemplate doing.

Thank you.

RESOLUTION ADOPTED AT ANNUAL MEETING OF MISSISSIPPI VALLEY ASSOCIATION, JANUARY 27, 1948

MERCHANT MARINE

The American merchant marine engaged in foreign trade now offers a service to shippers second to none in the world. We urge that American vessels should be patronized whenever possible by the public and by Government agencies.

However, the lack of suitable passenger ships and other special types, and the danger of loss of our shipbuilding facilities and skilled personnel is deplorable. We believe that the Government should create conditions which will induce private capital, under the provisions of the Merchant Marine Act of 1936, to build the passenger and other special-type vessels necessary to keep the merchant fleet modern and a leader on the high seas.

Great uncertainty exists as to whether the United States Maritime Commission can make operating differential subsidy contracts for more than 1 year, as an annual appropriation by Congress has recently been made necessary to carry out the subsidy provisions of the 1936 Merchant Marine Act. Such uncertainty will seriously interfere with the financing of urgently needed new construction because ship owners require definite assurance of the long term Government operating aid provided by the above act as a condition for investments in vessels for operation under the American flag.

Therefore, we urge that the intent of Congress, as expressed in the 1936 Merchant Marine Act, be made perfectly clear in the annual appropriations act so as to authorize operating subsidy contracts over a sufficiently long period to induce prudent businessmen to invest the capital necessary to build the ships now so urgently needed and those necessary for future replacement.

With special reference to the proposal of the State Department to transfer 500 ships to foreign nations, which we strongly oppose, the association further urges that neither by national nor by international action should foreign shipping be elevated above its prewar competitive position at the expense and deterioration of the American Merchant Marine, and that no action be taken by Congress or any Government policy be adopted which would result in the use of foreign ships for the transportation of more than 50 percent of the movement of cargoes under the Marshall plan for foreign relief should it be adopted.

We also urge that whatever is necessary be done to immediately reestablish our domestic coastwise water carrier services.

The association pledges its continued active support to the promotion and maintenance of a strong, privately owned and operated merchant marine sufficient for our national security, and for our economic needs.

Lincoln Day Address by Hon. Owen Brewster, of Maine

EXTENSION OF REMARKS

OF

HON. OWEN BREWSTER

OF MAINE

IN THE SENATE OF THE UNITED STATES

Thursday, February 5 (legislative day of Monday, February 2), 1948

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a portion of the address I delivered last night at the Lincoln Day banquet at the Knights of Columbus Hall in Detroit, Mich.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

1949

In 3 years we have had two Presidents and three Secretaries of State. Fortunately we have had one Senator VANDENBERG. Whatever continuity—I might almost say coherence—we have had in foreign policy has been largely dependent upon Senator VANDENBERG as Chairman of the Committee on Foreign Relations.

Assurance of the continuance of Senator VANDENBERG at the helm of our foreign policy for the next few years is the best guarantee that America may begin to command some measure of respect in international affairs by reason of consistency and continuity.

To continue Senator VANDENBERG as the pilot of the American ship of state in the stormy seas that lie ahead it is imperative that Michigan return Senator FERGUSON for another term in the Senate of the United States.

There are many reasons for the reelection of Senator FERGUSON, but the supreme significance of keeping Senator VANDENBERG at the helm of foreign policy overshadows them all.

Emphasizing the leading role of Senator VANDENBERG in the evolution of American foreign policy in one of the great dramas of history by no means minimizes the outstanding service of Senator FERGUSON as an investigator with few, if any, peers, as a legislator with an eye single to the welfare of his country and his world, and as a Senator in the highest tradition of a State that has contributed so preeminently to the enrichment of our American public life and to the development of a nation that now stands in the forefront of human destiny.

Michigan, indeed, has reason to be proud of its two great sons and the country is grateful to Michigan for continuing in the Senate two men who contribute so greatly to keeping America as a leader of world civilization in these most trying times.

Let us always bear in mind in our preoccupation with Europe and its affairs that there are many problems and many millions of people outside Europe that are of concern to the people of the United States.

Our century-old interest in our neighbors to the south must continue as a cornerstone of our foreign policy.

Senator VANDENBERG pointed out a year ago at Cleveland that his counsel had not been sought to any extent outside the important but still limited fields of the United Nations and European policy.

Meanwhile, with Argentina, we had a Braden policy in Washington and a Messersmith policy in Buenos Aires and never the twain could meet. Under the pressure of a public suggestion from Senator VANDENBERG, we finally, though belatedly, moved to call the Rio Conference and released both Braden and Messersmith—the latter having simply carried out his instructions with all the skill of a quarter century in our diplomatic service.

In place of Messersmith to the most important diplomatic point in the Western Hemisphere from our standpoint we sent Mr. James Bruce, a dairyman instead of a diplomat, and left poor Mr. Peron to figure out the implications so far as our foreign policy was concerned.

In China there was a similar schizophrenia. Having sent Marshall to argue Chiang into a union with the Communists we pronounced a ban on Communists everywhere else in the world and abandoned China to the tender mercies of the Soviet.

Our unilateral action in Greece and Turkey in bypassing the United Nations was only saved from complete disaster by the prompt action of Senator VANDENBERG in clearing the procedure through the United Nations. The precedent may still give us very serious trouble in the Middle East or elsewhere.

Meanwhile at the eleventh hour we championed the partition of Palestine in the United Nations and immediately abandoned the Middle East to inevitable chaos.

All this adds up to the continuance of Senator VANDENBERG in his present, if not a greater, position of influence on our foreign policy.

In the rapidly changing panorama of Washington Senator VANDENBERG at least remembers yesterday and also that tomorrow is just around the corner.

Let us make sure Senator VANDENBERG is continued on the job.

TAXES

In fiscal 1949 as we call it—meaning the year beginning July 1, 1948, and running to June 30, 1949—there will be a tax reduction of at least $4,000,000,000—the objections of the President notwithstanding. There will be debt reduction of at least $4,000,000,000. There will be a reduction in the Presidential budget of close to $4,000,000,000.

Here also in the financial field we see the same divided and deviating counsel. Two years ago with corporations swollen with war profits President Truman signed a bill submitted by a Democratic Congress cutting corporate taxes by more than $3,000,000,000.

Now with the corporate refund provisions running out the same President seeks to restore the very tax he repealed and offers a $40 rebate to every taxpayer in a form that the Democratic minority in the House found so unworkable, unacceptable, or inequitable that the Democratic leadership would not even allow it to come to a vote in an almost unprecedented repudiation of White House counsel.

Perhaps the reason is found in the failure sufficiently to consult the responsible authorities in the administration or in the Congress concerned with fiscal affairs, since it seems clear that the President's proposal was out of Hollywood by Congresswoman HELEN GAHAGAN DOUGLAS. The only question seriously debated in the smoke-filled room was whether the proopsal should be $25 favored by the President, $50 urged by the moderates, or $100 insisted on by the left. The result was chalked like a jury at $40 but found no takers among the responsible Democratic leadership in either House or Senate.

In labor relations also the same conflict of viewpoint appears within the Presidential mind.

Faced with a strike in transportation President Truman proposed drafting the strikers into the Army although the war was long since over. This proposal although limited in time would have established a precedent that would have been the envy of Adolf Hitler or Joseph Stalin. This was work or fight. This was work or else.

That proposal received overwhelming approval in 1 hour by a Democratic House and was through a Senate Committee and ready for final action in the Senate inside of 3 hours when it was stopped by the courageous action of a single Republican Senator. Over the week end with some chagrin some Senators paused to read the bill and it never again saw the light of day.

What assurance has anyone that such a proposal—perhaps the most un-American in all American history—will not recur?

If it was considered good policy in 1946 by the dominant advisers in the White House why may it not bob up again if expediency should seem to argue for its desirability? Has there ever been a public confession of error?

Americans may well consider where the greatest security lies—in the shifting winds of political expedience or on the bedrock of fundamental American principles.

I have predicted a reduced budget, a reduced debt, and a reduced tax bill for 1949. Let me also predict with equal assurance a Republican President. Who will it be? There are 50 eligibles among the governors, past and present, Congressmen, and Senators, who are competent to guide America out of the wilderness of doubt in which we are wandering. Perhaps a Speaker of the House. Perhaps a President pro tempore of the Senate. Men of a character and competence that presents only a problem of selection to determine who will be captain of a team that is equal to any challenge at home or abroad.

America is entering the fourth great period of its expansion under the guidance of the same principles that have carried us so successfully and so far since the Pilgrim Fathers launched this great experiment 3 centuries ago at Plymouth Rock.

Award to Postmaster Albert Goldman, of New York, by the Veterans of Foreign Wars

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EXTENSION OF REMARKS

OF

HON. IRVING M. IVES

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Thursday, February 5 (legislative day of Monday, February 2), 1948

Mr. IVES. Mr. President, the postmaster of the city of New York, the Honorable Albert Goldman, was recently honored for his patriotic devotion to duty during the war. At the eleventh annual meeting of the General Theodorus Bailey Post, No. 104, Veterans of Foreign Wars of the United States, on January 31, 1948, that organization presented to Postmaster Goldman its Americanism Medal.

Too often we fail to pay honor to faithful public servants. Because of the unusual devotion of Postmaster Goldman to his duties, and because of the outstanding nature of the citation recently awarded him by the Veterans of Foreign Wars, I ask unanimous consent that the text of the citation be printed in the Appendix of the RECORD.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

General Theodorus Bailey Post, No. 104, Veterans of Foreign Wars of the United States, presents to the Honorable Albert Goldman, postmaster, New York, N. Y., on the occasion of the elevent annual entertainment and dance at Manhattan Center, New York City, the Veterans of Foreign Wars Americanism Medal for outstanding service to our country during the Second World War, and to veterans of all wars; and

Whereas Postmaster Goldman by his alert initiative and executive ability quickly organized the New York Post Office to do a superhuman task in speeding forward those anxious letters and parcels to our armed forces all over the world, and

Whereas it was always his intent and purpose to keep the morale of our armed forces and their homefolk at a high level by his constant, diligent, and conscientious leadership, and

Whereas he has shown a sincere and humane understanding of veterans, and their problems whenever they have sought employment in the New York Post Office and at any time they sought his counsel and advice, and

Whereas he was ever ready and willing to aid, assist, and advise disabled veterans

and gave unstintingly of his time and money to their cause: Therefore, be it

Resolved, That the General Theodorus Bailey Post, No. 104, Veterans of Foreign Wars of the United States, present to the Honorable Albert Goldman, the Veterans of Foreign Wars Americanism Medal for his untiring efforts in contributing to the victory on the home front and for his willing and wholehearted efforts to bring cheer and good will to all our military personnel both at home and abroad during four hard years of war.

Duly approved at a regular meeting of the General Theodorus Bailey Post, No. 104, and in witness thereof we have placed our signatures and the seal of the Veterans of Foreign Wars of the United States, this 31st day of January 1948.

[SEAL] DAVID L. EDSALL,
Commander.
GEORGE NATHAN,
Adjutant.

The Republican Party's Contribution To Peace

EXTENSION OF REMARKS
OF

HON. ARTHUR CAPPER

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Thursday, February 5 (legislative day of Monday, February 2), 1948

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address by Hon. Alf M. Landon before the Republican club at Ottawa University, Ottawa, Kans., on Wednesday, February 4, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

America has swung from a lurid, terrific, and unreal honeymoon with Russia to the opposite extreme of increasing casual acceptance of the imminence of war with her. Neither state of public mind is a credit to a great people.

In the final analysis I don't believe war is inevitable.

The price we have to pay for peace is: First, keep stronger than Russia; second, let her know that while we fear no one, we stand ready to make a lasting peace.

Therefore, I strongly believe that—

1. We must proceed at once to make ourselves as nearly invulnerable as possible in this atomic age.

That includes a more economical and efficient administration than we now have. National credit is as important as national arms.

The mighest armies, Navy and Air Fleets—will in the end be unavailing with the kind of wasteful and incoherent leadership of President Truman.

We just cannot afford that kind of leadership.

It will destroy us—if long continued—no matter what defenses and other safeguards we erect.

2. Go right ahead with a sound and coherent foreign-aid program. That includes a drastic reversal of our German policy.

3. Make it perfectly plain that we stand ready to come to an understanding with Russia.

I urge again that the President of the United States take, without delay, the initiative in bringing together the nations of the world in a peace conference.

If the Soviet and her puppets refuse to participate it would only be facing realities.

A basis for peace and the termination of World War II must be created either with or without the Soviet.

We are stressing No. 2—foreign aid—more than we are Nos. 1 and 3.

I believe that one, two, and three should all be equally stressed as part of a sound, constructive, and coherent policy for peace and progress—that will permit the fullest development of atomic energy for peaceful uses.

Despite the emphasis that has been placed on the Marshall plan, I am sorry to see it is losing ground with the American public.

Firm doubts about the wisdom of the plan are being created in the public minds by misinformation and lack of information. President Truman's refusal to explain his policies forthrightly to the American people is really a great and sinister failing of his national leadership. It has always been and always will be my contention that the American people not only want, but also deserve, to be told the plain unvarnished truth.

The isolationism this country is suffering from is isolationism from reality. For 15 years we have been settling one tremendous policy after another—that affect civilization to the end of time—by emotional appeals and sentiment rather than reason and necessity—by appeals to the passions rather than the mind.

Every thinking person realizes that we are the No. 1 world nation today. Our thinking and our actions must be compatible with that position. To lead us in that role we need not only a head man—but a man with a head.

Who is being fooled by President Truman's contention that the Government's food-buying program is not causing soaring food prices and rising cost of living when that is admitted by the administration's own dramatic appeals for ERP. The Marshall plan may be only one phase of a foreign spending program that will continue to boost the cost of living still higher.

I think the emphasis should be shifted away from food and placed where it belongs, on plant rehabilitation of Europe and restoration of normal world trade. But, of course, we are not going to accomplish that with the Marshall plan alone. It must be fitted into other major policies such as the restoration of Germany economically. That means another complete reversal of Mr. Truman's foreign policies.

Although I am well aware that public interest today is focused on the price of a good place to sleep—the high cost of food, fuel, clothes, caused by mistakes in economic planning by President Truman, we are faced with even a greater issue—war or peace. This drift toward war between the Soviet and western civilization seems to be becoming stronger with the passage of time. We know that the Russian people and the American people, or any other people in the world do not desire conflict and will do anything in their power to avoid another terrible bloody and perhaps totally devastating war.

The responsibility rests plainly on the men at the head of the countries to stop this drift to war before it is too late. It is their responsibility to lead, to have a planned course of action, and to strive night and day for policies which will create lasting peace. I restate that thousands of words appealing to the emotions will not solve this problem.

A battle commander just doesn't say forward charge—there is the enemy—go get them. To effect a victory he has spent hours of investigation, summarizing intelligence reports, planning. He knows his resources and to what extent they may be used without impairing his reserve, and he is able to inform his troops of the exact time and place where the attack will be made with a surety of success. What is the President's target today? No one can be sure from the vague and haphazard policies which have been put forth by his administration.

If we are headed toward war there is a lack of coordination of our preparedness program. If it is peace, which I pray that it is, there is a definite nonpartisan agreement that our foreign policies are not well thought out, and that no integrated peace program has yet been formulated.

With fanatical and constant reiteration by the Soviet leaders of their basic principle of dominating the world by force—with the Soviet eliminating opposition wherever it may crop up—by the concentration camp—by starvation—by the sword—with the Kremlin issuing daily propaganda against America's participation in world affairs—by the talk in America that another war is inevitable—that we have already lost another peace—and the provocative talk of military security by the administration in presenting its arguments for congressional appropriation for the Marshall plan—a poisonous and perhaps final devil's brew is being prepared.

Obviously only the most skillful handling of our foreign affairs at home and abroad in the next few years will enable us to avoid war with honor. On this one point I agree with Henry Wallace that the present administration is not capable of such skillful handling. But neither is Mr. Wallace. It is a case of the pot calling the kettle black.

On March 12, 1947, President Truman's message to the Congress on aid for Turkey and Greece—which I promptly supported—was uniformly considered as our answer to communism's constant attack on the foundations for reconstructing a prosperous and peaceful world.

That marked one of the most complete reversals in foreign policy in the history of any nation. Prior to March 12, 1947, the administration's policies had been to help Russia and communism entrench in the world. President Truman put an end to that—on paper—last March. Since then communism has lost several important engagements. But the President still refuses to adopt certain reforms in the administration's policy essential to the success of the Truman doctrine such as completely and finally reversing the horrible Morgenthau plan for Germany.

We announced, in more or less direct terms, that we had called a halt on the Soviet strong arm moves—that we had reached our limit in giving in to her outrageous proceedings.

As a result of promptings by Secretary of State Marshall, 16 freedom-loving countries and the United States are in the midst of developing a wide economic plan to help western civilization reconstruction.

On Thursday, January 22, 1947, Great Britain returned to her historical policies of undeclared hostility toward Russia. On that day Foreign Secretary Bevin admitted the labor party's policy of friendship for the Soviet was a failure. Also, completely ignoring the existence of the United Nations, Secretary Bevin proposes to return to Britain's age old balance of power policy on the European Continent built not on her former dominant position in world affairs, but on Secretary Marshall's European recovery program.

Republican cooperation for the sake of the Nation with the President is hampered by the President's incapability of steering the ship of state in the turbulent and dangerous waters we are now in.

We have a long, hilly, and rough road ahead of us. It is a road that only the uncommon American people can successfully travel. But even as great a people as we must have accurate road maps and information.

The education of the American people regarding road conditions should be forthright and continuous. But it is not.

We need to clear our minds of the myths that our foreign policies have been farsighted when the record shows they were

and are ridiculously bum-sighted—cross-eyed in fact.

The latest illustration of the confused thinking in the administration is the Secretary of the Army's statements before the Senate Foreign Relations Committee that we had to have the complete administration program for European aid or peacetime military conscription at home.

Yet, the President has said we must have both. Is the country to understand now that if aid abroad is voted that we will not have conscription at home. Here is a highly important point that requires clarification by the President.

Thus we repeatedly are left dizzy by the conflicting statements of the administration on major policies.

The present world situation is proof either of the fool decisions made at Yalta and Potsdam or their mismanagement.

Under the inept handling of our foreign affairs, our relations with the great nations to the south of us and with France have been muddied. President Truman's ultimatum to the Congress, "All or nothing," does not fit cooperation for the sake of the Nation.

We energetically write notes and sternly call the cops. But there are no cops.

It is a pure fraud to talk about referring the policing of Palestine to the United Nations, unless Russia and the United States can patch up their differences first.

The United Nations is neither constituted nor equipped to deal with a crucial situation of that kind.

So we are in a situation for which the administration is partially responsible—where a fumbled match can start a prairie fire.

And what is the administration doing about that?

It has plans for spending fifteen to twenty-five billion dollars annually for the next few years for a huge armament program. It is asking the Congress for a total of seventeen billions for its European-aid program.

On top of all this, it is asking the Congress to appropriate forty billion for its regular budget.

Where money is coming from for this stupendous peacetime expenditure does not worry this administration. In fact, where money comes from has never worried any Democratic administration.

We badly need an administration that realizes that Uncle Sam can go broke—that realizes that an economically sound nation at home is as essential to our security and to a durable peace as a strong nation militarily.

Most serious of all is the lack of coordination of our preparedness program—just as in our foreign policies.

I believe that in military strength lies not only national security but peace. Now the plans for fifteen to twenty-five billions for military services are not complete.

"But they are definite enough to prove what the President's Air Policy Commission confirmed—that there is not now and has not been any integrated and coordinated postwar plan of defense, and that individual plans and policies, largely uncorrelated, have, like Topsy, just 'growed.' "

Those words are not mine. They are written by no partisan. They are the words of one of the recognized top military experts—Hanson W. Baldwin—of the New York Times.

Therefore, the country is imperiled by any lack of coordination in its foreign policy and its military-defense program. And the Republican Party is handicapped in its effort at cooperation with the administration for the sake of the Nation.

The administration chants over and over again—the Marshall plan and universal training. The President was not even courageous enough to use the word "military" in his message to the Congress. If it is really nothing but universal training we can get that simply and easily through our high schools and colleges.

But there is more involved in our national security and welfare than simply the Marshall plan and universal military training.

There is danger of them becoming an American Maginot line.

Many of the younger generals and admirals believe that masses of trained men in the field are obsolete under modern conditions of warfare.

The younger military professionals are more concerned about guided missiles, jet planes, radar, bacteriological warfare, aircraft carriers, submarines, and, of course, the atom bombs. Bases in the Arctic are more important to them than bases in Europe.

Unquestionably there is need for a reservoir of trained men to meet any massed panic of sudden attack. But that can be obtained through the National Guard.

The Republican Members of the Congress have equipped a Democrat President with a big stick. They voted him almost a third of the 1947 budget for national defense. They will give him at least what he asked for in his last budget message—about the same.

Furthermore, the Republican Party, as necessary, will give a Democrat President additional billions under the Marshall plan for his use in economic negotiations with foreign countries.

However, I don't believe we can buy peace by the simple appropriation by the Congress of these billions.

I believe there is still the biggest job of statesmanship left. That job is to build a bridge of cooperation for peace between the masses of the Russian people and the masses of the rest of the world.

That is almost a superhuman job. But, as I study history, I cannot escape the conviction that better and wiser statesmanship could have avoided most wars. Few wars have been deliberately planned. They largely result from blockheaded statesmen who, seeking immediate political advantage, link their initial steps with ultimate disaster.

If we stand firmly upon the principle that the inalienable rights to life, liberty, and pursuit of happiness apply to the peoples of all nations, then it will be extremely difficult for any nation to remain immovably bullheaded in opposing progress toward the realization of that principle.

We must never forget that the peace of the world in the last analysis depends upon the recognition of those inalienable rights.

Our role is the promotion of international cooperation rather than the development of old-fashioned international alliances, which, after all, usually turn out to be shotgun marriages.

To the Republican Party comes the great opportunity and the heavy responsibility of effecting policies that will offer a sound base for peace.

The nations today are in a state of great change in life and power.

Our leadership in this inevitable world evolution should be directed toward paths of development without world violence and with consent of the governed.

We cannot merely attempt with fine words to sit on the lid of the explosive forces now working in the world as did the Holy Alliance of Vienna.

I yield to no one in advocating a strong military program. But I also believe equally strongly that the sword should never dominate our thinking. We must always make it plain for all people—without relaxing our opposition to world domination by communism—that we are willing to offer our hand in peace and good will.

I want the American people to think about the details of our national defense program. But I also want them to give more thought to the roads to peace.

Let us prepare for national defense without emotional appeals to hatred, and strive for peace without ceasing.

The Republican Party's foreign policies, as expressed by the majority of its Members in the Congress, are neither appeasement, warmongering, isolationist nor hallelujah international give-away.

Republican statesmen are concentrating on a long-run constructive rather than destructive program.

It is a great job that confronts America, and the Republicans in the Congress are approaching it with a vision of social justice and humanitarianism and generous self-interest, tempered with the realization that there is a bottom to the barrel.

The conclusion cannot be denied that the Republican Party today occupies a middle ground between the haphazard saber rattling of President Truman, and the disarmament-appeasement program of Mr. Wallace. I believe the Republican position is solid ground for the country.

Award to Robert I. Queen by Delta Sigma Lambda Fraternity

EXTENSION OF REMARKS

OF

HON. IRVING M. IVES

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Thursday, February 5 (legislative day of Monday, February 2), 1948

Mr. IVES. Mr. President, I ask unanimous consent that there be inserted in the RECORD a notice from the New York City News of January 27, 1948. The article describes the recent honor paid to Robert I. Queen, past county commander of the Bronx County Disabled American Veterans, by the Delta Sigma Lambda Fraternity. Mr. Queen recently received an annual silver medallion award of that fraternity. I commend the public-spirited activities of Mr. Queen in the field of veterans' affairs and in the national campaign for the prevention of infantile paralysis.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

R. I. QUEEN GETS FRATERNITY AWARD

Robert I. Queen, past county commander of the Bronx County Disabled American Veterans, has received the annual silver medallion award from the Delta Sigma Lambda Fraternity.

Mr. Queen, a former student at City College and New York University, was active while at school with student publications and handled public relations for the fraternity, first locally then nationally. He also was associated with the forty-third and forty-fifth precincts' public relations staffs for civilian defense, and served with other civic groups in similar capacities. He served with the United States Army in an infantry unit.

Subsequent to his discharge Mr. Queen became associated with the Bronx County DAV and the American Legion, in various posts of legislative chairman, civil service and public relations chairman, county adjutant, and finally county commander of the Bronx County DAV, becoming the youngest leader to attain that post. He at the time was employed with the United States Veterans' Administration in the capacity as a registration officer.

He was appointed to the Greater New York City Council and Department of New York DAV in public relations capacities, and to the New York County Rehabilitation Committee

of the American Legion. He was cofounder of the Bronx County Coordinating Veterans Council and is now serving as public relations director of the group. Another recent appointment by the chairman of the Bronx County March of Dimes Committee put him on the Bronx Executive Committee for this polio campaign.

Willamette Valley Project—Resolution of the Portland Chamber of Commerce

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES

Thursday, February 5 (legislative day of Monday, February 2), 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a letter from Hillman Lueddemann, president of the Portland Chamber of Commerce, together with a resolution adopted by the Portland Chamber of Commerce at a recent meeting, in regard to the Willamette Valley project.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

PORTLAND CHAMBER OF COMMERCE,
Portland, Oreg., January 21, 1948.

The Honorable WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: The entire meeting of our board last Friday was devoted to the Willamette Valley project, with Col. O. E. Walsh, of the Corps of Engineers, discussing the review report, and Valley communities being represented.

The following motion was passed at that meeting:

"That the board of directors of the Portland Chamber of Commerce go on record vigorously supporting the Willamette Valley project; that the resolution of the agricultural and Willamette Valley project committees be adopted and copies sent to Oregon delegation in Congress and to the Governor of the State of Oregon, said resolution to carry the names of all the members of the board of directors."

We are pleased to enclose a copy of that resolution.

Yours sincerely,
H. LUEDDEMANN,
President.

Whereas the economic position, social conditions, and cultural attainments of the people of Oregon depend largely upon the maintenance and further development of the productive capacity of its lands; and

Whereas within the immediate future there is little opportunity to greatly increase cropland acreage or otherwise increase production, except through flood control, drainage, and irrigation, and improved land management practices; and

Whereas the average annual flood damage in the Willamette Valley, based on 1947 values, is $7,413,710, with an estimated annual loss in excess of $10,000,000 by 1970, unless flood waters are adequately controlled; and

Whereas the review report of investigations of the Willamette River and its tributaries, recently completed by the Corps of Engineers, presents modifications of the presently authorized Willamette Valley project, necessary to met changing conditions; and

Whereas this integrated plan for resource development will effectively stop recurring floods resulting in millions of dollars in property damage and loss of valuable top soil that can never be replaced; provide urgently needed hydroelectric power; enable the installation of major land drainage facilities and subsequent irrigation, thereby providing new opportunities and greatly expanded production; provide navigation locks at Oregon City and channel improvement for waterborne commerce to up-river points; and provide for improved fish facilities along with pollution abatement and recreational facilities: Therefore be it

Resolved, That the Portland Chamber of Commerce, in the interest of conservation and development of our land and water resources, continue to give full cooperation to the Willamette Valley project and pursue strong measures to secure approval of the review report by the Board of Engineers for Rivers and Harbors; and be it further

Resolved, That copies of this resolution be sent to the Oregon congressional delegation in Washington and to the Governor of the State of Oregon.

Proposed to the board of directors of the Portland Chamber of Commerce by the Willamette Valley project committee and agricultural committee of the chamber of commerce, January 15, 1948.

Approved by the board of directors of the Portland Chamber of Commerce in meeting, January 16, 1948.

Officers, Portland Chamber of Commerce: President, Hillman Lueddemann; First Vice President, Albert Bauer; Second Vice President, Charles H. Stewart; Secretary, Clark Burgard; Treasurer, E. V. Burns; Chairman of Board, Sid Woodbury; Directors: Leith Abbott, Neil T. Again, John Albright, Frank Belgrano, Jr., J. H. Branlund, Roland Davis, H. J. Detloff, Anthony J. Dwyer, Jr., Robert L. Eaton, S. Mason Ehrman, K. C. Eldridge, M. J. Frey, George Halling, Ben Hazen, George Henderson, Dean Ireland, Philip L. Jackson, Carvel Linden, Gerald R. Martin, Frank E. McCaslin, Paul B. McKee, Orville Miller, Ralph Montag, Fred Meyer, Chester A. Moores, Harry Morrow, Frank Nau, F. C. Nelson, Dr. Morgan Odell, Roy Owen, E. F. Pearson, James H. Polhemus, O. C. Roehr, E. Don Ross, Lynn P. Sabin, E. C. Sammons, David B. Simpson, F. D. Tellwright, Preston Smith, E. B. Stanton, Manley Treece, Max Tucker, Roy A. Ward, Albert H. Wey, W. L. Williams, Thomas C. Young, Lee Stidd, Jr.

Saudi Arabian Agricultural Program

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. TEAGUE. Mr. Speaker, I was very glad to receive a recent report on the progress of the Saudi Arabian agricultural program which is being conducted there by several Texans who had previously rendered great service to American farmers while employed by the Extension Service. These men are now teaching the farmers of Saudi Arabia the more advanced agricultural methods of the United States. This is a great contribution being made by America whereby our trained agriculturists encourage, inspire, and teach the farmers of this foreign land to do for themselves.

Mr. K. J. Edwards has been in charge of our agricultural mission there since January 1947. He is a graduate of the Agricultural and Mechanical College of Texas and has had considerable experience in the extension service in Texas. It is a pleasure to have this report on the accomplishments of a close friend.

Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a progress report on the Saudi Arabian agricultural program:

SAUDI ARABIAN AGRICULTURAL PROGRAM

About 1938 King Ibn Saud of Saudi Arabia became interested in developing an agricultural program for the benefit of his people. The Crown Prince, Amir Saud, has felt the same way about an agricultural and livestock development program and has rendered great service to this work. Shaikh Abdulla Sulaiman, Minister of Finance, has assisted the King and Crown Prince in every way possible and has handled many of the details of the work during the intervening years.

Actual work on this program was started at Al Kharj, about 60 miles from Riyadh, the capitol of Saudi Arabia. This project includes about 3,000 acres of irrigated land. Most of the crops which do well under irrigation in Arizona and California have done well at Al Kharj. These crops include wheat, alfalfa, maize, tomatoes, onions, carrots, eggplant, watermelons, cantaloupes, honeydew melons, Persian melons, and all kinds of pumpkins and squash, as well as many others.

Water for irrigation is pumped from two gigantic ains, which are in reality natural surface reservoirs of approximately 100 to 150 feet in diameter and several hundred feet deep. The Arabian-American Oil Co. was called upon to install pumps to lift the water from the ains into the irrigation systems and to construct the main ditches at Al Kharj. The work of the company has proven to be very efficient and the company pumping and irrigation systems have functioned successfully since their installation. In the years immediately following 1938, numerous groups from Middle Eastern and European countries assisted in the development of the project. In December 1944 a group of American agriculturalists, headed by David Rogers, of Arizona, arrived there. They stayed at Al Kharj until June 1946. This group was sponsored by FEA of the State Department. After the departure of this group, King Ibn Saud called on the Arabian-American Oil Co. to assist him in finding American agriculturalists to carry on the program at Al Kharj. Complying with the King's wishes, the Arabian-American Oil Co. brought a group of Texas agricultural men to Arabia and they started operations at Al Kharj in January 1947. This group was headed by K. J. Edwards, ably assisted by Sam Logan, Sonora; Bennie Gray, Canton; R. E. Nolan, Livingston; Joe Smith, Floydada, and John Gaudill, Rio Grande Valley. Edwards, Logan, Gray, and Nolan are all graduates of the Texas A. and M. College and have had extensive Extension Service experience. Joe Smith is a graduate of Texas Technological College at Lubbock and John Caudill received his degree from the Texas College of Arts and Industries at Kingsville.

The program of Al Kharj has been organized on the basis of research, demonstrations, and an educational program similar to

the work done by county agricultural agencies in the United States. At the same time, special effort has been made to make the project produce the maximum amount of crops at all times. All produce from the farm is sent to Riyadh.

Although operations at Al Kharj have been in progress under the direction of the Texas group for about a year only, King Ibn Saud, the crown prince and Shaikh Abdulla Sulaiman are so well pleased that the king has requested that four more agricultural centers be set up as soon as possible. These new centers will be organized just like Al Kharj on the basis of research, demonstrations, and an educational program reaching individual Arab farmers and livestock producers. They will be located at Hofuf, Qatif, Taif, and near Jeddah. Sites for the farms have already been selected at Hofuf and Qatif. Before the selection of these sites was made, the program was explained in detail to Amir Bin Jaluwi, the governor of the Al Hasa Province in which Hofuf and Qatif are located. The Amir was highly in favor of the program and appointed committees of Arab farmers at each place to work with the Al Kharj personnel in the selection of the sites for the agricultural centers.

The members of these committees were found to be highly intelligent and very much interested and enthusiastic about the program. They were extremely anxious that it be set up in such a way that it would be of equal service to everyone. The committees made some very valuable suggestions about the operations and services to be performed by the program. It is anticipated that these committees will continue to be used in advisory and policy-making capacities.

In the beginning work at the centers will concern various types of field crops and vegetables and will include all phases of the soil-improvement program. Work with livestock and poultry will be done as soon as the crop operations are well under way. With the entire approval of the Arab farmer committees, special emphasis will be given to setting up a phase of the work similar to the 4-H Club program for boys in the United States.

Experimentation and demonstration in crops will include the use of better seeds, fertilizers, insecticides, and fungicides. Extensive introduction of new crops of all kinds will be made. Improvement of soil fertility will receive major attention, and drainage in the Hofuf and Qatif areas will be of great importance. Within due time it is hoped that these centers will become the sources of supplies of good seeds for all the farmers, as well as the distributing point for improved livestock. Tractor and rice- and wheat-threshing services will be provided to a certain extent. It may be necessary that Government programs supplying fertilizers and insecticides and other farm supplies to the farmers at reasonable cost be instituted for awhile until the farmers can handle the purchase of these supplies themselves.

The Arabian American Oil Co. has rendered every possible bit of assistance to the operation of this program. In fact, there would be no agricultural program in Arabia if it were not for the oil company. The executives of the company feel that it is their obligation to encourage the institution and subsequent operations of an agricultural program which will furnish the people with more food to eat, raise their standard of living and do away with the necessity of importing huge amounts of foodstuffs as has been the system in the past. Saudi Arabia is the show window for this new program of American assistance in the Middle East. It is believed that successful methods employed in developing the Saudi Arabian agricultural program will be instituted in other middle eastern countries within due time.

King Ibn Saud has proven himself a great leader in this agricultural development work. He aims to develop a permanent program in agriculture, which within due time will be of tremendous benefit to the Arabian farmers and livestock producers. His Majesty is a very friendly, generous, and loyal person and has always been ready to listen to all problems arising out of agricultural operations. He has given his unstinted backing at all times. The same applies to the Crown Prince, Amir Saud, and Shaikh Abdulla Sulaiman and all Americans connected with the program in Arabia are looking forward to great improvement in the agricultural situation in the country and feel that the opportunity of being of service to the King and to the people of Arabia is extremely great. Perhaps within due time this agricultural program in Sauda Arabia will be an effective demonstration to all other countries in the Middle East, and even in Europe where agriculture needs to be rehabilitated.

President Truman is extremely interested in this program and made some very valuable suggestions about its operation during a recent 30-minute conference with him on this subject. Radio stations and newspapers have been anxious to carry significant programs and articles about the work. Harvard and Cornell Universities have invited K. J. Edwards to explain the program to its officials and students. The Department of Agriculture, through its Extension Service and FAR, is providing every possible amount of effective help, cooperation, and encouragement.

E. S. Shattuck Rips Military Training Plan

EXTENSION OF REMARKS

OF

HON. ROBERT A. TAFT

OF OHIO

IN THE SENATE OF THE UNITED STATES

Thursday, February 5 (legislative day of Monday, February 2), 1948

Mr. TAFT. Mr. President, I ask unanimous consent that there be inserted in the Appendix of the RECORD an article from the Los Angeles Daily News of January 20, 1948, entitled "E. S. Shattuck Rips Military Training Plan."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

E. S. SHATTUCK RIPS MILITARY TRAINING PLAN

Universal military training is the opening wedge to government control of the people, Edward S. Shattuck, former general counsel of Selective Service, said yesterday.

Shattuck, vice chairman of the Republican State Central Committee and former State commander of AMVETS, attacked the proposed bill at a town-hall luncheon in the Biltmore Hotel.

"There is no security for free Americans in such a step," said Shattuck. "We must not let this proposal become an American Maginot line, offering us a false security and lulling us into a fatal sleep."

"The only real hope of national security," he said, "lies in the early establishment of international law, international courts of justice, and international armed forces."

"There is no single step which will guarantee our security," he continued, pointing out that proponents of the plan claim the training of 18-year-olds for 6 months will make this country safe from attack.

Shattuck blasted universal military training on what he said was its only ground of justification—that it is essential to meet the manpower needs of our armed forces now and in the future.

Instead of building a single fighting force, trained in modern weapons, and made up of Regulars, the program would divert 185,000 Regulars from other duties to make it work, he charged.

"I have a deep conviction this Nation can solve the problem better and do it by traditional volunteer methods," he said.

"We must consider very carefully a course of action which might lead us away from our concepts of individual liberty and into an irrevocable step toward totalitarianism in America," he warned.

"Before we take such a step," he said, "we most certainly should convince ourselves beyond all doubt that it is absolutely and immediately necessary and that in no other way can we enlist sufficient military manpower to accomplish our objective."

Our Immigration Problems

EXTENSION OF REMARKS

OF

HON. JAMES C. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1948

Mr. DAVIS of Georgia. Mr. Speaker, under leave previously granted, I insert herewith a speech delivered in New York City, January 30, 1948, to a meeting of members of the American Legion, by National Commander James F. O'Neil:

The most important single occurrence on this earth during the past 25 years has been the emergence of the United States of America as a world leader. In the wake of two World Wars, a crippling economic depression, and a series of crises which have altered the character of almost every other major government, the United States exists today not only with its original form of government intact but as the most prosperous, most powerful, and most influential of all the world's nations.

It stands to reason that our national thinking and doing must be adjusted to fit this new role. In some fields, the appropriate adjustment already has been made.

Where once we permitted a naive policy of appeasement toward Soviet Russia, there is now a concerted effort to overcome the Russian threat to world peace. The American Legion, as one of the first and consistent opponents of Communist totalitarianism, applauds this change.

Where once there was reliance on England and France as protectors of American sovereignty abroad, we now realize we must steer our own course, strengthening friendly nations as we go. This recognition of the need for international cooperation of democratic countries the American Legion also welcomes.

The traditional American apathy toward national preparedness has given way to a great and growing public awareness of the need for universal military training, a powerful air force, greater scientific research, and other vital components of an adequate preparedness structure. The American Legion hails this trend toward realism.

These are a few of the realistic adjustments made in recent years by Americans whose Nation has come of age.

Unfortunately, this kind of fact-facing has not carried through all phases of our national affairs.

I want to talk to you today about a field of great importance to our national stature at home and abroad in which the necessary transition has not been made. I want to discuss immigration and America in 1948.

The immigration system now in effect in the United States is a conglomeration of legislative relics and antique regulations. This is not a random opinion. It is a measured statement of fact.

For 150 years, immigration has been treated as a stepchild of Government. Successive Congresses and administrations have heaped laws and regulations one on the other. Responsibility for executing the program has been bucked by four different Government departments. As a result, what goes by the name of United States immigration and nationality policy today is a massive pyramid of conflicting and complex directives which defy understanding, much less efficient administration.

Let me cite an example. In order to determine the classes of aliens excluded from admission to this country, it is necessary to consult 22 different sections of 13 different laws. To strike up even a passing acquaintance with the over-all subject of immigration, it is necessary to read almost 2,000 pages of printed laws and regulations.

I do not hesitate to say that officials of the Justice Department and the Immigration and Naturalization Service charged with administering the program find it difficult to comprehend all of its ramifications.

The national-origins provision of the Immigration Act of 1924 forms the basis for our present immigration policy. At the time of its adoption, this plan represented our pioneer effort to establish a numerically restrictive and automatically selective system.

Has this system worked? Your guess is as good as mine. The fact of the matter is that no one knows, for the simple reason that there has been no comprehensive analysis made of the character of immigrants received or any factual data established as to the degree of their assimilation. Patchwork legislation resulting from hit-and-miss attempts to modify the quota plan has further beclouded the issue.

The American Legion believes that what is best for America must be the paramount consideration in any modification of the quota system.

For this reason, I urge that the Congress appoint an appropriate commission to make a detailed analysis into all phases of our immigration laws, of the character of immigrants received under the present policy, and their effect upon our national economy. I further believe that this commission should be empowered to recommend to the Congress such revision and codification of the immigration laws as their study may determine.

The American Legion has dealt realistically and energetically with the problem of displaced persons in Europe. As a result of intensive consideration of this matter, including personal investigation of displaced persons camps in Europe, our organization has taken a firm and positive stand on the issue.

We believe that this matter must be divorced from the general subject of immigration and treated specifically for what it is—an emergency question involving vital humanitarian obligations. We further believe that the displaced-persons problem belongs and must be kept above partisan or selfish interests, and that the welfare of our Nation and our responsibility in relieving friends in distress must be the paramount and only considerations in its solution.

Accordingly, the American Legion recommends that the United States permit the emergency immigration to this country of displaced persons who were officially designated as such on January 1, 1947, less those who have since found haven, in numbers proportionate to our obligation as a member of the International Refugee Organization.

In recognition of the bond uniting men and women the world over who have fought in war for a common cause, we urge that special consideration be accorded war veterans and their families among the displaced-persons group.

We further recommend that all displaced persons who desire to settle in Palestine be permitted and assisted in doing so.

At present, there is a woeful lack of understanding as to the total number of displaced persons requiring relocation. Estimates range from several hundred thousand to the million mark. As an elementary prerequisite to any practical solution of the DP problem, the American Legion affirms that a count be made, that the exact maximum of persons to enter this country be fixed, and that we adhere strictly to that figure.

Our organization has always been interested in the betterment of relations between our country and foreign nations. At this hour of international tension, when the success of the United Nations and the best hope for peace everywhere depends on reciprocal good will among men, that is an objective especially to be cultivated.

At the same time, it is absolutely essential that we accord a firm first priority to our own national security and welfare. The American Legion believes that American residence and American citizenship are privileges which should be accompanied by the acceptance of certain obligations. Applicants for these privileges must measure up to the minimum personal standards of loyalty and industry on which our cherished institutions have been built. Common sense argues that the immigrant must conform to America, not America to the immigrant.

We want to make dead sure that immigrants will contribute to and not detract from the economic, cultural, and spiritual heritage of America. We are not obliged to burden our national structure with the malcontents and cast-offs and ne'er-do-wells of foreign societies. We do have a very definite obligation to exclude these elements from the American scene.

During the past two decades our immigration laws have been misinterpreted, misused, and even perverted to the lasting disadvantage of America. In spite of the fact that the law specifically excludes anyone who proposes the overthrow of our Government by force, we learned through congressional investigations that prominent Communists have paraded in and out of the country almost at will. Seemingly, one of these Reds obtained the necessary password from the White House itself. Certain influential persons in and out of Government apparently have made a hobby of smuggling aliens through lawful immigration barriers.

The American Legion vigorously protests this practice. As presently constituted, our immigration laws pose an almost insurmountable administrative problem. It is neither good sense nor good citizenship to magnify this problem by subjecting proper authorities to pressures which encourage evasion of the law.

Whether these attempts are made in ignorance or otherwise does not reduce by one iota their potential damage to our national welfare. A Communist smuggled into America under any other name is still a Communist, dedicated to the destruction of American institutions and possessed of the will, knowledge, and tools with which to advance that purpose.

In hundreds of deportation proceedings, brought during the past few years on the ground of Communist membership, scarcely any of the persons charged have admitted Communist membership. In most cases, the Government has been unable to prove such membership to the satisfaction of the courts.

The reason for this condition, of course, is that Communists are past masters at deception and secrecy. Almost all Communists assume fake names, and the Communist Party classifies its membership lists as top secret.

How many Russian fifth columnists have infiltrated American borders is anybody's guess. On the basis of the number of Communist aliens turned up recently, it's safe to say a small army of their brother and sister agents is still at large.

Chairman THOMAS of the House of Representatives Un-American Activities Committee announced several weeks ago that his group will investigate the illegal entry of aliens into this country. Public hearings on Communist aliens illegally in the United States are scheduled to begin March 1. This is a field in which the Congress should leave no stone unturned. The American Legion is pleased that the House committee will investigate the matter. We sincerely hope that the committee will recommend prompt and decisive congressional action to plug the loopholes in our immigration system.

To paraphrase an old saying, an ounce of exclusion is worth a pound of explusion. For once these blockade runners are in the United States, it is a near-impossible job under existing procedure to get them out.

I will mention just one case in point.

Gerhart Eisler, a German Communist, made use of a forged passport to enter this country in 1933. During the next 10 years he became a leader of the Communist Party in the United States, meanwhile enjoying several round trips abroad with the help of additional forgery. In 1943, his status was changed from that of an alien in transit to an alien for pleasure. As such, he had the complete run of the country. This, mind you, while many other aliens visiting America legitimately were having their visas revoked for such violations as failure to advise of changes of address.

Gerhart Eisler was brought to bay 14 years late, tried and convicted of lawbreaking—and released on bail pending appeal of his sentence. What is he doing today?

This agent of Soviet Russia, identified by the Department of Justice as a leader of the Communist Party of the United States, convicted and sentenced for contempt of the Congress of the United States, arrested and convicted for violation of the Passport Act, a known enemy of the Constitution of the United States, is even now preaching the Communist gospel before audiences in America.

If existing laws render this Government powerless to expel Gerhart Eisler and his kind from the United States, then by all means let's revise the laws. It is inconceivable to me that we should jeopardize all that our constitutional government has achieved in the past and promises for the future, out of reluctance to mend inadequate statutes. If there is license in our laws for the operations of Gerhart Eisler, then there is precious little protection in those laws for 140,000,000 loyal American citizens and the institutions they believe in.

More recently, an alien wanted as a war criminal in Hungary was discovered in the United States. His admission ticket to this country was a forged passport. He helped himself to a Spanish diplomat's title and got away with that ruse, for a while at least.

Then there is the case of the titled Englishwoman who overstayed the time limitation of her visitor's permit by 6 months, and was detected only after a bad check she had cashed called attention to this fact.

When the Canadian espionage trials of 1946 disclosed evidence of Soviet spy-ring operations in the United States, the Federal Bureau of Investigation followed the conventional trail of forged passports to locate a key suspect. He was posing as a student in the social sciences at the University of Southern California. He turned up missing one day and nothing more has been reported publicly on the case to this hour.

These are instances of immigration violations spotlighted by publicity. How many more are there that we don't know about?

The American Legion applauds the recent order by Attorney General Clark which will place drastic restrictions on the activities and travel of alien visitors in this country. We trust that the Department of Justice will pursue this policy relentlessly. Properly administered, it will go a long way toward eliminating many of the pretenses and ruses with which the evil minority of our alien guests have bewitched our immigration authorities in the past.

There are other "soft spots" in our immigration structure that require immediate attention.

Under existing law, visitors who qualify as "official representatives" of their government are accorded immunity from our legal processes. They cannot be bonded or detained by our law-enforcement officers. Inasmuch as industry and all else in Soviet Russia and company are under state control, all representatives of these nations qualify for the "official representative" classification. While learning from American experts the lessons of American technological and industrial skills, these Red missionaries are in a perfect position to scan the entire American scene for the benefit of the Kremlin. The American Legion advises that this policy, whose counterpart is unknown beyond the iron curtain, be terminated.

Another current regulation in sorry need of amendment permits the waiver of deportation proceedings in the case of an illegal entrant provided he avoids detection for 7 years and does not commit major offenses during that period. This is judicial double talk of the worst kind. It not only encourages law violaters to go into hiding, thereby making evasion of punishment a substitute for punishment, but it also promises the violator an easy avenue to legal residence after he gives himself up. All the violator need do after his 7 years' leisure is cross the Canadian border, apply for and obtain a number under the appropriate immigration quota, and return to the United States as a bona fide immigrant.

Several months ago, upon receipt of certain information, I confirmed and made public the fact that the notorious "Tokyo Rose" of Japanese radio fame had applied for a preentry passport to this country. This native-born American who tormented and attempted to demoralize fighting GIs in the Pacific area, wanted to resume residence in the country she had betrayed. Of course, I immediately registered the American Legion's objection to this proposal. So far as I know the matter rests pending further investigation by the State and Justice Departments.

But the point I want to make is this: When members of my Washington staff queried the State Department for information, they were told by an official of that Federal branch that the "Tokyo Rose" files were supersecret, and my assistants received a hint to abandon their inquiry. The same Federal servant volunteered the contention that "Tokyo Rose" had committed no serious wrong. I sincerely hope that this pathetic and preposterous attitude is not indicative of the over-all State Department position.

The American Legion deplores the secret treatment accorded such matters. We believe that information of this nature should be made a matter of public knowledge and subjected to public scrutiny.

We further recommend publication of the names of all persons who request visas for admission to the United States. This would be good for them and good for us. They want to join our national family to work and live with us. It is only right that we, as members of that family, should have the opportunity to know in advance who our brothers and sisters will be.

I daresay that this policy, had it been in effect during the past 20 years, would have resulted in a drastic reduction of illegal entries into this country. There would be fewer and fewer cases of the hook-or-crook immigration to America which has become so popular of late.

These are steps which the American Legion believes we must take in order to realize the potential advantages and eradicate the potential dangers inherent in our current immigration system. They are the products of long and meticulous appraisal of the entire immigration field by veterans of two world wars who hope and work for the establishment of a world society in which national security and international harmony will be coequal and sustaining factors.

Conservation: America's Most Basic Problem

EXTENSION OF REMARKS

OF

HON. FREDERICK A. MUHLENBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday February 5, 1948

Mr. MUHLENBERG. Mr. Speaker, as a member of the Public Works Committee of the House and therefore automatically interested in the subject of conservation of natural resources, I have read with great interest a speech by my colleague, Mr. FRANKLIN H. LICHTENWALTER, Member of Congress from Pennsylvania, former speaker of the house in Pennsylvania, at the meeting of the Interstate Commission on the Delaware River in Philadelphia on January 15. Believing the importance of the speech warrants its inclusion in the RECORD, I quote it below:

It is an honor to have this opportunity to speak with you about a subject so profound and fundamental as conservation. I am happy indeed to accept a part in your program, for I sincerely believe that conservation is America's most basic problem. In fact, I am willing to reach out farther. In my judgment, the salvation of the world depends upon the success in which we handle the job of conservation in this country. Conservation is not only an all-important domestic consideration; it is also a matter of vital international significance. General Marshall put the finger on that fact when, a short time ago, he stated: "Our foreign policy has entered the American home and taken a seat at the family table."

The world is sick today—very sick. It has reached the most critical point in all history. One only needs to read the headlines in any newspaper or listen to the radio to come to that conclusion. Hunger, poverty, strife, despair, human misery, and death are rampant. Although no longer at war, there certainly is no peace in the world.

Most of the globe's ills can be traced to one major cause—man's inhumanity to man and his arrogant disrespect of the simplest of the laws of nature. From time immeasurable, regardless of racial background or religious doctrine, humans have known that their existence and welfare are derived from the natural resources with which they have been surrounded. And yet, until most recently, nations have never seen fit to use the treasures of life which nature bestowed upon them in a prudent manner. At the peak of power and prime of life they always seem to change from plodding good samaritans to gluttonous, irresponsible monsters.

Only a brief consideration of history is required to confirm that assertion.

Consider first the plight of Greece, where an American mission of aid at present is striving valiantly to save that country from oblivion. At one time, Greece was a world power with an extensive domain. But, it squandered its resources, entered upon an era of intemperate living, and now lies weak and exhausted, a prey to the vultures who would devour it.

I need not refer to other examples of cultures which have recklessly wasted their resources and now lie dead and buried under their own debris. Suffice it to say that man has left a terrible path of ruin across the pages of history, in Europe, Asia Minor, North Africa, and China.

Now, let us take a look at the United States.

Today, it is the youngest major nation in the world. In its 172 years of existence—which, in terms of the span of life of man, is but 7 generations and, when measured by the age of the world, only a fleeting moment—America has become the most progressive, prosperous, and powerful country on the globe. Its rise to this pinnacle of supremacy can be attributed to two major factors: First, the abundance and diversification of its natural resources; and second, the excellence of its system of constitutional government. This combination of God-given assets and a Government designed to afford a free and full opportunity to its people for self-improvement has made it possible for the United States to become the beacon for all humanity.

The dominant question that confronts us now is: How long can America continue to maintain its enviable position of superiority? The answer hinges, more than anything else, upon how effectively the United States utilizes its natural resources from this point on, and upon how tenaciously it clings to the principles of government which has served it so well through the years.

Having stated this hypothesis, it is up to me to analyze and prove it.

As to our natural resources, aside from the air we breathe, the most important are soil, water, and minerals. Upon these three essentials hang the lives and livelihood of all human beings. It makes no difference where you live, what your occupation is, who your forefathers were, or who your children's children will be, you cannot sustain life and attain physical growth without the products of these three resources. Make no mistake about that!

At the beginning of our national history we were a republic of approximately 4,000,000 people. At that time we were in possession, in what is now continental United States, of 822,000,000 acres of virgin forests and approximately 460,000,000 acres of potential arable land with a cover averaging 9 inches of rich, fertile soil. Our streams sparkled with pristine purity and were alive with fish. Our tremendous store of mineral resources—coal, oil, iron ore, and uranium—had not yet been unearthed.

The passage of time has altered this picture materially. The amazing progress of this country, to which I have alluded, was made only at terrific cost. The price paid for industrial supremacy, for winning of wars, for our efforts to establish a lasting peace, has been stupendous. Over the years sight was virtually lost of the importance of our resources. So abundant were they that they were looked upon as being inexhaustible or forever permanent. As a result—a few times by necessity, more often through sheer indifference and thoughtlessness—we have permitted vast forests, fertile soils, clean waters, and valuable minerals to be wantonly wasted, ruthlessly ruined and selfishly exploited.

Today, in contrast to the 4,000,000 of yesteryear, we have 145,000,000 people in our own country to feed and sustain, and for whom to provide a livelihood—more than

35 times as many mouths to feed and much less to do it with. And in addition we are being asked through the Marshall plan to help feed, clothe, keep alive, and rehabilitate 270,000,000 additional people in 16 nations in western Europe during the next 4 years. And that is not the end to the prayers for succor from this country.

Can we carry this present load and shoulder our responsibility to future generations? The answer is an emphatic "No," if we continue our riotous extravagance and utter neglect of plain duty. Now, instead of 822,000,000 acres of productive forests we have less than 100,000,000 acres. While the area of our arable land has not shrunken, it has lost much of its richness. At least one-third of its topsoil has gone forever because of our failure to protect it properly from the ravages of wind and rain and the greed of men. Our streams not only have become open sewers and cesspools, but have been exposed to violent fluctuations of flow ranging from destructive floods to breathless dryness because of man's laceration of the forests and the lands from which they are fed.

Most of our mineral resources have been dangerously depleted.

In less than 200 years we have undone what it took nature thousands and thousands of years to accomplish.

On the basis of this record of denuded forests, scarred and eroded soils, polluted and desilted streams, reckless mining of minerals, and exploitation of gas and oil fields, destiny has written the condemnation: "Thou has been weighed in the balance and found wanting."

What shall we do in the face of this condemnation? Shall we maintain fierce and stubborn pride and deny the allegation? Or shall we acknowledge the fault and find a remedy?

Shall we, in ignorance and selfishness, continue to permit unnecessary waste and destruction of our natural resources? Or shall we admit our obligations and honor them?

Fate has flung the mantle of world leadership upon our shoulders. How shall we wear it?

We will only be able to fulfill our responsibilities to ourselves and posterity by making adequate provision now to embark upon an immediate and aggressive program of conservation. In no other way can this Nation continue to grow and prosper and, in the meantime, help tide over the destinies of others.

We are now living upon the products grown on about 390 of the total 460,000,000 acres of arable land which can be developed in this country. This production is sufficient only to provide the necessities of life in the form of food, fiber, clothing, shelter, and basic requirements of industry for a very little more than our present population.

Similarly, we are scraping the bottom of the barrel in respect to most of our irreplaceable mineral resources which, today, are the source of a substantial portion of all things that man uses. Curiously, however, we are witnessing the beginnings of a new era in the development of substitutes for many critical minerals and metals. Innumerable chemists in many laboratories are engaged in the synthesis of plastics and the adaptation of artificial resins for manufactured devices of all kinds. Spurred by the rapid depletion of nonreplaceable metals, science is developing usable substitutes from forests, plant life, and physical resources which can be reproduced, provided that we have the good sense to husband them properly.

Our population is increasing at the rate of one to two million persons a year. Western Europe is expecting us to supply her with $20,000,000,000 for the purchase of tremendous quantities of critical materials. Included in the list to be obtained from the United States in the first 15 months of the 4-year plan are 9,000,000 tons of grain, 1,000,000 tons of cotton, 43,000,000 tons of coal, 4,000,000 tons of steel, and $500,000,000 worth of manufactured machinery and equipment. The plastic age soon will place tremendous additional demands upon the products of our soil, forests, and waters.

If we are to meet these requirements we must make the most of our natural resources. It is imperative that we immediately adopt a program of action. Such a program, among other possible items, must include the following steps:

1. We must put our total area of 460,000,000 acres of arable land in first-class shape as speedily as possible.

2. We must stop soil erosion in the shortest feasible time. At our present rate of correction, putting an end to such waste will consume another 100 years. That is not fast enough. If we don't at least double the tempo we will soon experience the tragic results of another too-little-too-late proposition.

3. We must stop the needless slashing of our forests. Right now we are cutting annually 17,000,000,000 board feet more than nature produces. It will take us 600 years to replenish the 75,000,000 acres which we have irresponsibly laid waste. In the last 10 years we have lost by fire, disease, and waste enough lumber to build homes for 10,000,000 GI's.

4. We must redeem our streams and navigable waters.

5. We must conserve and replenish our underground water supplies.

6. We must mine our coal and mineral resources more judiciously and use them more wisely.

7. We must find further productive uses for oat hulls, sugarcane fibers, corn stalks and cobs, wheat straw, sawdust, and other lumber wastes, peanut shells, pulp and peel of citrus fruits, and all other materials which find their way into rubbish dumps and incinerators.

8. We must stop waste of all types.

If we do not do these things and do them quickly, the United States will go into a decline when its population reaches about 180,000,000. At the present rate of growth that is not more than two generations in the future.

Conservation is indeed America's most basic problem.

Russia is the only other self-contained nation on earth which has a quantity and quality of natural resources and a number of people comparable to the United States. We cannot shut our eyes to the fact that the two countries are competing frantically to curry world favor.

America must win that race. Otherwise, freedom may vanish from the face of the earth. And America will win. Not because of superiority of its resources, nor because of any advantage in population numbers. The United States will stay on top solely and simply because, under its system of free government, it offers its citizens a positive, spurring inducement to develop ways and means to make the most of themselves and of the resources which nature has placed in their hands.

America's future, the world's future, depends upon us here in this country today and upon the way we view and treat the problem of conservation.

Incodel is to be highly complimented for the example which it has set in advocating that the problem shall be solved by continuing the application of the long established and well-proved American principle of government of the people, for the people, and by the people; and for demonstrating that this procedure still works successfully.

The Tax-Reduction Bill, H. R. 479

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. PHILBIN. Mr. Speaker, the pending bill to reduce individual income-tax payments and for other purposes, has been carefully considered by the Ways and Means Committee and the Members of the House. It is not a perfect tax bill by any means but it embraces a clear-cut definite plan for immediate tax reduction.

There are few things indeed more desirable at the present time in this country than to lighten the tax burdens upon our people and our businessmen. The public debt stands at a staggering figure. The cost of running the National Government has risen to a truly unbelievable level. It must be obvious to any student of public finance and economics that the country cannot afford and our economic system cannot indefinitely maintain such gigantic expenditures by the Federal Government. These expenditures for the current year are about 10 times the cost of running the Federal Government in normal prewar years.

The cost of State and municipal government has also risen proportionately and onerous exactions are levied upon our citizens of every class and station in life. Income taxes, excise taxes, nuisance taxes, estate and gift taxes, taxes on some so-called luxuries which in America have become necessaries, taxes on automobiles, taxes on real estate, personal property, exactions of innumerable kinds from the cradle to the grave are burdening down the American business structure and the American people and threatening free enterprise, full-time employment and the deterioration of our industrial and financial institutions.

We are, in truth, a tax-ridden people and in this respect we are following precisely the way of all great democracies of the past which have fallen into ultimate ruin and disintegration because they taxed away the substance of their people, discouraged initiative and incentive and struck at the very mainsprings of economic activity upon which an abundant life depends. If this Nation is to preserve its vigor, strengths, and prosperity, this disturbing trend must be checked and checked now and in the months immediately ahead. No partisanism should intervene.

Our capitalistic economic system has tremendous vitality. That fact was demonstrated throughout the depression and particularly throughout the war and postwar period. It has successfully withstood the great burdens of government and war placed upon it and has emerged in sound, workable condition. It exemplifies our free way of life. We have learned the hard way that in this Nation enterprise cannot be put into a harness, that our people cannot be put

in strait-jackets. Undue restraints cannot be placed upon the operations of business or undemocratic restrictions fastened upon our people. We know now that we cannot compromise with proposals leaning toward the police state as fashioned after the principles of Karl Marx, or after the principles of the diverse socialistic philosophers, theorists, and politicians who have destroyed private initiative in certain European countries with such tragic results.

The war was a gigantic and tremendous venture costing us billions of dollars, and the American people will pay its heavy exactions for many years and generations to come. But we have left it behind and must reshape and strengthen our fiscal structure and industry for peace.

I am genuinely interested in extending relief to the millions of American taxpayers who are feeling the pinch of oppressive taxation at every level and who are also burdened at this time with excessive prices for ordinary necessaries of life. In the first instance we must have in mind the urgent needs of the average workingman and his family during this inflationary period. If we reduce the levies in the lower and middle-class income groups by a substantial margin and at the same time extend some relief to American business so as to provide for the accumulation and reinvestment of capital, the expansion of capacity, the extension of present facilities and by those means the increase of employment, we will be moving in the right direction.

I appreciate the fact that it is also desirable to insure the Nation against the resumption of deficit spending, to balance the Federal budget, and to provide sound fiscal conditions in the Treasury. I am also conscious of the fact that it is very difficult to reduce certain large items in the budget such as the appropriations for national defense, veterans' affairs, debt service, tax refunds, and other major items. But we must strive our best to effect economy, to promote efficiency, to strip Government of all unessential, wasteful expenditures, and to get down to the rock bottom of prudent management and careful budgeting. This can be done in my opinion without sacrificing any essential service, which is the only basis on which it should be done.

The formulation of a tax bill is one of the most difficult, complicated tasks assigned to the Congress. Under the Constitution the House has primary responsibility for revenue measures. It is not feasible to write a tax bill on the floor, and such measures must therefore be drawn and largely perfected in committee. This work demands the most expert, scientific, and laborious attention. We are fortunate to have a Ways and Means Committee comprised of some of the very ablest and experienced Members of this body. Under the leadership of the distinguished gentleman from Minnesota [Mr. KNUTSON] and the distinguished gentleman from North Carolina [Mr. DOUGHTON], this committee has exhibited industry, patience, and ability in outstanding degree and quality in formulating the pending bill.

I do not agree with all its provisions. I should like to see more emphasis placed upon relief for the lower- and middle-income groups, more relief for handicapped groups, a broader social approach. I should like to see higher personal exemptions for individuals and a repeal of many of the onerous wartime nuisance taxes which are unfair and oppressive. I hope this additional relief may come later. I should like to see a more equitable balance in apportioning the tax burdens on the principle of ability to pay so that the working people, the white-collar classes, professional, and small-business groups would be given greater consideration and larger reductions.

But it is not possible, however desirable, to avoid the current financial demands of the Federal Government. There is a point below which we cannot safely reduce the budget without impairing essential services or without risking a deficit for the fiscal year of 1949, and we must have this fact in mind if we would truly serve. On the other hand, as we cut the lower taxes sharply by 30 percent—and I think it should be more—if we fail to give adequate relief to those in the upper brackets, we may well be inviting disaster to the whole economic structure. Because in that event we will not only be effectually barring the reinvestment of necessary capital funds, but we will be also striking a severe and shocking blow to the spirit of incentive and enterprise which is indeed the main pulsating spring of our productive economy.

One fact stands out inexorably before us as we consider this measure and that is that this Nation cannot and should not continue to tax its citizens and businessmen on a wartime basis. This is untenable, unsound, and unwise on any theory save that of the regimented collective state which the American people unqualifiedly repudiate. If we continue these extremely heavy and onerous wartime tax burdens much longer, which at some levels are virtually a capital levy, at all levels a hardship, we are bound to inflict perhaps an irreparable damage upon almost every class and group, and in the end dry up the wells of private business activity so essential for the maintenance of our high, unapproached, and beneficent American wage and living standards which underlie the security and prosperity of our people. Increased productivity is the way to insure lower prices and higher standards. More production and less spending is the great need of the hour.

It is entirely appropriate that we should cling to the principle of ability to pay which in the main is equitable and just if prudently and honestly applied by the Congress and our taxing authorities. We should make sure so far as we can that all taxes levied can be paid with relative certainty and convenience. We should endeavor to provide that taxes levied are not repressive in their effect so as to produce diminishing returns or cause discouragement to ambitious individuals, legitimate business ventures, and vital risk capital. Let us take notice of the fact now that in these days of inflation many of our humble citizens do not possess the ability to pay such substantial sums out of their weekly pay envelope to the Federal Government without facing a real pinch, that these people have families to support and are entitled to prompt relief from their Representatives in Congress and the Executive.

Let us take notice of the fact that our business groups are also entitled to consideration in order that they may continue to expand and develop their enterprises along sound, healthy, and progressive American lines, so that incentive will not be discouraged, so that business activity will not be curtailed, so that full employment will not be reduced.

Our tax system must provide the basis for an economy which can expand and develop as a dynamic progressive organism. If we stand still industrially, economically, socially, we are in fact slipping back and that we cannot tolerate, because the path of America is forward. The example of certain foreign nations where initiative has been checked or destroyed is before us and we can therefore recognize the vital importance of keeping open the doors of opportunity to all who aspire to seek advancement in any sphere of American life. These are factors we must weigh and evaluate as we frame a tax bill.

I am prepared to vote for any motion to recommit the pending bill which, in my opinion, contains carefully considered, constructive, and nondilatory proposals to render the measure more equitable to the rank and file of American citizens, our workers, our artisans, our farmers, our white-collar and professional classes, our small businessmen, and all others who fall into the category of hard-working, earnest, and humble Americans who neither receive, seek, or expect special privileges from their Government, but whose every desire is to sustain and strengthen it by their labors and devotion. But the substitute, I regret to say, in my humble opinion does not conform to this standard. To be sure there is virtual unanimity of opinion here concerning the tax-splitting, community-property features of the bill which readjust an inequitable situation imposing disproportionate burdens upon taxpayers in many States. Naturally, I favor that proposal, and as I stated, I also favor raising the personal exemptions on individual taxpayers. But I cannot subscribe to a tax revision affecting the American people which imposes many billions of dollars of tax liability upon every class in the Nation which has not been carefully considered by the Ways and Means Committee.

If you are lifting tax burdens, this may well be done without hearing and without lengthy deliberation, though it should always be scrupulously and carefully done. But when you are imposing new taxes affecting many persons and business groups it is only fair that you should give the persons affected a chance to be heard. The proposed substitute levies an entirely new tax upon 22,000 corporations out of some 360,000 in the country, and I do not believe that this is either fair or just to those concerned. It does not make either for orderly procedure or a just comprehensive bill.

Let us remember that the excess-profits tax is a war measure. It is part of a system which embraces price controls, rationing, allocation of materials, and other restrictions necessary to carry on a great war. It aims to make it imposible for anyone to make excessive profits out of war. I have always thought that, if we could take profits out of war and apply the practice to the world scale, that this would be an excellent way of preventing wars in the future.

Another point: We have had enough experience with high taxes to know that all too often they are simply passed along to the consumer in the form of higher prices and to the worker in the form of reduced real wages. Of course, it is not possible to justify legally, morally, or practically the selection of 22,000 corporations out of all the corporations in the country for the imposition of a special excess-profits tax. The corporations affected are new corporations. They are not the large corporations, the trusts, combines, and monopolies with huge invested capital and high base period earnings.

They are new corporations which were formed during the war or since and many of them are undoubtedly owned, controlled, operated, and directed, in whole or part, by the very class of young men in this country which this Congress should be most interested in helping, namely, our returned war veterans. To tax this one group is not only discrimination but unfair competition, because it places taxes on one class of business and leaves the others tax-free.

Excess-profits taxes in peacetime are not defensible and if long continued will debilitate and disintegrate our American economy. Every great fiscal expert since World War I has recognized this fact. In 1945 we repealed the excess-profits tax at the urgent request of the President and the Secretary of the Treasury because it was deemed necessary to provide incentive, stimulation to business, to provide for expansion and recovery during the reconversion period. There is no justice whatever in reimposing this law long after the war is over and at a time when our current tax laws are producing sufficient revenue to balance the budget and provide a surplus. The fact that this proposal did not emanate from the committee but rather from a small group and, what has been alleged on the floor to be a 1 hour's conference, serves to clinch my view that such a proposal was hastily conceived, not carefully prepared, violative of cardinal tax rules and principles, and would bring destructive results to the American economy.

The pending bill offers real relief, though not all to be desired, and for that reason I will support it. I wish amendments could be offered to raise the individual exemptions, because I would also support them. Under the legislative situation confronting us under the rules of the House, however, that is not possible. The bill provides for a substantial rise in the exemptions, substantial reductions in taxes for most of our people, laudable community-property features, special consideration for the blind, and on the whole moves toward the most desirable aim of eliminating wartime taxation and bringing the country back to a position where we can balance the budget, make some payment to reduce the national debt, meet all our essential current obligations and commitments, and assist our common people by reducing their taxes at a time when such relief will be most welcome. For the foregoing reasons, and because I believe that it is the best tax bill that can be achieved at this time, I will support this measure.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. WILLIAM F. KNOWLAND
OF CALIFORNIA
IN THE SENATE OF THE UNITED STATES
Thursday, February 5 (legislative day of Monday, February 2), 1948

Mr. KNOWLAND. Mr. President, on behalf of the Senator from Nebraska [Mr. WHERRY], I ask that there be printed in the Appendix of the RECORD an article entitled "The Shaw Plan," which appeared in the Greater Nebraskan.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SHAW PLAN

"We should be careful that our benevolence does not exceed our means." (Cicero.)

We have boasted that this is a free America. (It was up to 1933, the advent of the New Deal.) Secretary of State Marshall has a legal right to his so-called plan. We still claim an equal right to present our plan. We ask only for a patient consideration. You, Mr. and Mrs. America, must act as both judge and jury—the momentous decision is yours. (Mark M. Shaw, editor.)

Charity is a primal virtue and characteristic of man, enjoined by Scripture, and nowhere in the world is it more exemplified than in the United States of America. We are, and always have been, cheerful lenders and givers to other nations; in fact, our Uncle Sam has become a veritable Santa Claus—although some ungrateful recipients of our bounty have dubbed him Shylock.

The majority of the people of America are willing to aid friendly nations to recover from the ravages of war and to forestall the further spread of communism, but the extent of such aid must be consistent with our means, and we are definitely opposed to giving the vast amounts proposed by the so-called Marshall plan.

It is said, "There comes a time when patience ceases to be a virtue," and many of our people are beginning to feel that such a time has come with respect to all the spending, lending, and giving which has been imposed upon us during the past 15 years by the most improvident, lavish, and prodigal administrations that have ever scourged this fair land—and, boy, do we fervently hope that there will soon be an end to the present administration and all the vagrant train of New Dealers and spenders and lenders and givers of our hardened shekels.

Altruism is commendable, but it should not be carried to the extent of self-sacrifice on the part of the altruist. In other words, think of and do for others, but, at all times, have due regard for your own interests and ability, if you would satisfy both giver and recipient to the greatest extent practicable.

For the past 15 years our administration has spent and lent and given away our money, our food products, machinery, and what-not, without any regard for our own interests and our own needs, until we are head over heels in debt, short on food products, oil, machinery, equipment, etc., and now comes along the so-called Marshall plan proposing further aid to foreign nations to the extent of approximately $15,000,000,000 over a 4-year period.

We are unalterably opposed to the Marshall plan, or any other plan, of giving vast sums of money to foreign nations. We would favorably consider contributing a reasonable amount of food or money to any friendly nation in need of food for sustenance of life or health, and money for economic and industrial rehabilitation. We would do this for benevolent reasons as well as a good-will gesture with a view to hindering the further spread of communism. In determining the extent of such contributions, however, we should be mindful of the fact that we are in dire need of our precious dollars and of our oil, equipment, foodstuffs, and other necessaries of life; that we have an inflation menace to combat; the problem of high prices to solve; and an excessive national debt which cannot seem to be wiped off with just a stroke of the pen, as our former President said it could be done—(you know who). Jefferson had an altogether different notion about the national debt. He said: "The principle of spending money to be paid by posterity, under the name of funding, is but swindling futurity on a large scale"; while another famous Democrat, Woodrow Wilson, remarked: "The way to stop financial joy-riding is to arrest the chauffeur, not the automobile."

And then there are those infernal taxes which are bleeding people white, and from which we can expect no relief as far as the present administration is concerned, while every taxpayer feels there should be an immediate revision and simplification of the Federal tax structure, the reduction of income-tax rates, and the elimination of some of the other vicious forms of taxation, to the end that taxation be confined solely to the purpose of raising revenue for payment of the legitimate expenses of government.

Grover Cleveland "hit the nail on the head" when he said:

"When more of the people's sustenance is exacted through the form of taxation than is necessary to meet the just obligations of goverhment and expenses of its economical administration, such exaction becomes ruthless extortion and a violation of the fundamental principles of a free government."

Some of those billions of dollars proposed to be given away under the Marshall plan could be used to good advantage right here at home for so many things that we need. For example:

The widening and improvement of our highways, particularly in the Midwestern area where so many serious accidents have occurred recently:

For soil and water conservation in our river valleys;

The establishment of adequate manual and business training schools for the benefit of our youth, many of whom become loafers and juvenile delinquents, mainly because they have no such training;

The elimination of dangerous railroad and highway crossings;

Payment to the American Indians of our long-delayed debt to them, many of whom are not only starving but lack hospital and medical care as well as adequate educational facilities for their children; and

In every large city in our land there are thousands of our own people who are homeless, ill-clad, and ill-fed. Surely they are entitled to consideration and relief before we send such vast amounts of money and other things to foreign countries.

All in all, we sincerely believe that it is the part of wisdom and common sense to first satisfy our own wants—take care of our

interests—before being so lavish with our money and effects to others; and we feel confident that Congress will not be bulldozed into appropriating any such amount as contemplated by the Marshall plan.

The foregoing suggestions are submitted in the sincere belief that they are more in harmony with the ideas of the average American citizen and taxpayer than is the grandiose Marshall plan.

Get this straight in your mind: The Marshall plan is the Communist-inspired scheme to make American citizens slaves in order to free Europeans and the semi-insane scheme to bankrupt America that France, Great Britain, and other European nations may become rich through the efforts of 170 years of toil of millions of American citizens. The most brazen scheme in all history—the robbery of the thrifty and industrious for the benefit of the shiftless and improvident.

MARK M. SHAW, *Editor.*

The Taft-Hartley Act

EXTENSION OF REMARKS
OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Thursday, February 5 (legislative day of Monday, February 2), 1948

Mr. BUTLER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article appearing recently, entitled "The Taft-Hartley Act, What It Does Do, What It Does Not Do," by the senior Senator from Ohio [Mr. TAFT].

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TAFT-HARTLEY ACT, WHAT IT DOES DO, WHAT IT DOES NOT DO

(By ROBERT A. TAFT, U. S. Senator)

One of the most outstanding accomplishments of the Eightieth Congress was the passage over the President's veto of the new Labor Management Relations Act of 1947. Probably no piece of legislation has ever been so carefully studied and worked out in such detail, both in House and Senate, and in conference. It was not the work of any one or two men, but represents the consensus of opinion of scores of legislators after prolonged debate.

The law was enacted in response to a general public demand, arising out of the tremendous injustices from the action of certain irresponsible unions and the prolonged strikes which interfered so seriously with recovery.

Union leaders have subjected the new act to bitter attack and misrepresentation. Without presenting any material specific criticism, they have tried to smear the act as a whole, its authors, and the Congress. They have threatened to purge from public life every man who voted for the act. President Truman weakly yielded to their pressure, but Congress did not. The majority, even of the Democrats in the House of Representatives, voted to override the veto, and the Democrats in the Senate were almost equally divided. If this veto had been sustained, union leaders might properly have boasted that their power would always prevail over the desires of a majority of the American people.

The truth is that, while the unions have succeeded in stirring up some opposition to the act as a whole, its major provisions meet the approval not only of the people at large but of the majority of union members themselves.

The difficulties in the labor field arose, for the most part, from existing statutes—the Clayton Act, the Norris-LaGuardia Act, and the Wagner Act. Originally, the employer undoubtedly had a great advantage over his employees in such bargaining as took place. These acts were passed to correct that situation, and they did so. But taken together with the various regulations made by administrative boards and decisions of the courts, the results went far beyond the real intent of Congress and gave the labor leaders not only an arbitrary control over their members but a great advantage in dealing with employers, except the largest companies in the country. The little businessman was practically at the mercy of the big union. The theory of the new law, even more than of the old laws, is to base all labor relations on free collective bargaining between employer and union, but to give some assurance that that bargaining shall be on a basis of equality. It does not prevent any reasonable union activity. It requires union recognition and strengthens the principles of collective bargaining rather than weakening them.

The second purpose of the act was to remedy abuses which have become apparent, particularly where they have arisen from the provisions of existing law. In correcting these abuses, the act endeavors to protect the individual union member against arbitrary or unjust action by his own union, to protect the employer against unfair and one-sided rulings, and to protect innocent third parties not involved in a labor dispute against the arbitrary action of employers and union.

In the third place, the act recognizes the power which labor unions have acquired and should necessarily restrain, and imposes responsibilities on these unions commensurate with their power.

In view of the uproar made by some labor-union leaders, it is well to point out what the act does not do. It does not permit any employer to refuse recognition to a union representing his employees. It does not in any way interfere with the right to strike if the purpose of the strike is to secure better wages, shorter hours, or better working conditions. It does not make any man work against his will, or impose any compulsory arbitration or government fixing of wages. It does not restore in any way power of the individual employer to secure court injunction, free from the provisions of the Norris-LaGuardia Act. It does not interfere with Nation-wide collective bargaining, even if such bargaining amounts to a monopoly, except that where national safety or health is threatened strikes may be enjoined for 80 days while mediation procedures are attempted and elections held.

The contract between the United Mine Workers and the coal operators makes those who declaimed about a slave-labor bill look very silly indeed. Of course the act never intended to pass on, or let the Government pass on, the rate of wages to be paid. It never intended to interfere with the right of employer and employee to enter into whatever contract they wished to make so long as it did not interfere with the individual rights of labor-union members. The act does require that both parties enter into collective bargaining in good faith, and complete it by a written contract. Therefore, it would be an unfair labor practice for a union after negotiating terms to refuse to sign a contract, or to sign a contract which releases the union from all liability for its performance. Just as the unions compelled the employers to put their collective bargaining agreements into writing, so can an employer compel a union to sign a valid contract. But if the employer does not choose to file an unfair labor charge, there is nothing illegal in the failure to sign a binding contract. The Lewis coal contract does not relieve the labor union from liability for its performance. I can see no legitimate objection to a limitation of liability by unions for acts of others which it cannot restrain.

IMPORTANT PROVISIONS OF ACT

Public-opinion polls show that while a majority of employees are opposed to the act as a whole, they generally approve its specific provisions when they are acquainted with them. Some of the most important provisions of the act are as follows:

Freedom of speech is guaranteed for employer and employee alike. The desirability of doing this was recognized before our committee, even by Mr. William Green, A. F. of L. president.

Secondary boycotts and jurisdictional strikes are made unfair labor practices and subject the union conducting them to monetary damages. Testimony before our committees was almost universal as to the serious injustices brought about by secondary boycotts and jurisdictional strikes, particularly to those third parties who were in no way involved in the dispute. No witness defended this kind of strike. There was some suggestion that certain kinds of secondary boycotts might be justifiable, but no one could ever define what they might be. If they can be found, they can still be exempted from the provisions of the act.

Unions are required to file financial reports with their members and other information with the Secretary of Labor. Most unions admit that their members are entitled to this information, and there is no subject on which the public and the union members themselves are so united. Eighty-five percent of union members favor it. Corporations have had to make these reports for years.

The closed shop, which gives the union a veto power over all employment, is made illegal, but the union shop, under which persons employed must join the union within 30 days, is permitted if approved by the vote of a majority of the employees. However, even in this case, the union is not permitted to force a man's dismissal if that man is willing to join the union and pay union dues. In other words, a union may arbitrarily refuse to admit a man or fire him, but if that refusal or firing results from some cause other than nonpayment of dues, then the union cannot force the employer to dismiss that man. The Board is given the power to prevent excessive or discriminatory dues.

We had many cases where a union has fired a man because they did not like his political opinions, or the way he testified in court, or his opposition to the union leadership, and where, because of a union-shop agreement, the employee was dismissed from his job. Nothing could be more opposed to fundamental principles of American freedom or justice than such power or its abuse. Undoubtedly the union leaders wish to retain this power over their men, but we could not continue the present law if workmen are to have any real freedom at all. Some 77 percent of union members apparently approve this provision.

The abolition of the closed shop resulted from abuses shown to exist, particularly in the maritime industries and their hiring halls, in which union control of employment in many cases had absolutely destroyed discipline and efficient operation.

Unions are made liable on their contracts as if they were corporations and are required to bargain collectively in good faith with their employer, just as employers have been required for years to bargain in good faith with their union leaders. Unions today are theoretically liable on their contracts, but the difficulties of enforcing union liability has been so great in many States as to be impracticable. Furthermore, judgments against

unions have been enforceable in some States against individual members of unions. The act provides that they are now enforceable only against the union itself and its funds. For years the unions have insisted upon the importance of collective bargaining agreements, and have boasted of their desire to abide by them. Those union leaders who now object to liability for breaking contracts show only their own unreasonableness, prejudice, and bad faith. Unions today are big business. There can be no logical argument for exempting them from liability on their contracts. Even union members approve such liability by a large majority.

The law requires all union officers to file affidavits that they are not Communists, or members of any organization that believes in or teaches the overthrow of the United States Government by force or by any illegal or unconstitutional methods. There is a penalty on any such officer who files a false affidavit. This would seem an effective way of getting rid of Communist officers in American unions. A desire to get rid of these officers has been often expressed by union leaders, and is certainly shared by an overwhelming majority of union members. The opposition of union leaders to the filing of such affidavits raises a serious question in the good faith of their protests against Communist-controlled unions.

WAGNER ACT REWRITTEN

The Wagner Act is rewritten to eliminate injustices, and made the act a two-way street. Up to now it has been entirely a weapon against the employer. The new act prescribes unfair labor practices on the part of unions, but without modifying in any way the existing restrictions on employers. Thus, it is provided that a union cannot coerce an individual employee into joining a union or staying away from his job. Unions are required to bargain collectively. Secondary boycotts and jurisdictional strikes are made unfair labor practices. So, also, the forcing of an employer to discharge a man without cause.

The one-sided nature of the Wagner Act has long been recognized. There is no reason why it should not operate against improper activities by unions as well as by employers. The principal beneficiaries, incidentally, will be the individual union members who are protected against the arbitrary acts of their officers.

The act is also amended by separating the prosecuting and judicial functions of the National Labor Relations Board. In the hearings in 1939 I was impressed by the complete injustice of any procedure where the same man or men initiate the prosecution, conduct the trial, and pass judgment on its results. The new act gives the general counsel charge of initiating and pressing prosecution for unfair labor practices and confines the Board to judicial action. Furthermore, in reviewing that judicial action, the Federal courts are given a wider power than they have today. The Supreme Court has held that almost no action of the Board could be reversed under existing law. The new act, while it gives preponderant weight to the Board's decision, permits the courts to examine the entire record to see whether it offers substantial evidence to support the Board. No man with an impartial mind and a respect for justice could criticize the action that has been taken.

UNION POLITICAL CONTRIBUTIONS

The act continues the present provision which prohibits unions from contributing to political campaigns when Federal offices are involved, and adopts the provision that unions shall not make expenditures for such political campaigns. A tremendous furore has been stirred up on the ground that this interferes with freedom of speech. Of course, there is nothing whatever in the act which prevents union officials from taking part in political campaigns and expressing their opinions of candidates as violently as the laws of libel will permit. The law has long prohibited corporations from making contributions, and it was always supposed that this also prevented the expenditure of corporate funds directly in elections through the publication of advertisements or pamphlets. The law simply subjects unions to exactly the same limitation as corporations. Unions are formed for certain specific purposes, and one of them is not to support or oppose candidates for office when there is almost certainly a difference of opinion among the union's own members. Dues paid by union members are paid for union purposes by members of all parties and friends of all candidates, and they are not paid for the purpose of promoting the interests of those candidates whom the union officers happen to favor.

It is suggested that the publication of a union newspaper might itself be a violation of the new act. The legislative history in Congress shows that this was not the intention. If the act is in any way ambiguous in this regard, I should favor an amendment making it clear that the act did not intend to affect any bona fide newspaper, even if the subscriptions are paid for out of union dues. But the act certainly is intended to prevent funds contributed for union purposes from being used to defeat or elect Members of Congress. It does not prohibit the setting up of political organizations sponsored by unions, such as the CIO-PAC, but their funds must come from those who believe in their political principles, and must not be coerced from every union member.

The act sets up a new impartial mediation service with a national labor-management panel of 12 men. More responsibility is given to this service to prevent strikes before they occur. A 60-day waiting period is prescribed, but if negotiations are opened 60 days before the end of the contract, the waiting period need not extend beyond the expiration of the contract.

Strikes by Government employees are forbidden. This is no change in the existing law. It is considered that men who choose to work for the Government give up their right to strike.

Limitations are placed on the check-off and the creation of welfare funds. Contracts providing for the check-off or for welfare-fund payments divert from the individual employee the money which his labor has earned, and places these funds in the hands of the union leaders. Consequently, admitting the desirability of these practices, there should be some regulation to limit the practice and prevent abuse by union leaders. The act simply requires that welfare funds created by direct payments from the employer to the union be trust funds for the benefit of, and enforceable by, each individual employee, and that his rights be definitely stated in the agreement. It also requires employer participation in the management, and independent audits of the fund. The provision is, in effect a stopgap provision until a more complete study can be made of the whole subject of welfare funds in particular industries and their relation to the national social-security system. In the meantime, we do not desire to give union officers huge sums to be dispensed at their discretion for anything they may choose to call welfare, or permit them to favor some employees or classes more than others. The check-off provision merely requires that check-offs be authorized in writing, which is the usual provision today. Seventy-four percent of union members favor such a limitation.

The act contains a provision to deal temporarily with strikes or lock-outs affecting an entire industry or a substantial part thereof which imperil the national health or safety. It permits the President to appoint a board of inquiry, and then obtain an injunction effective for 80 days. During that period, the mediation service attempts to settle the dispute and finally holds an election on the best offer made by the employer.

It is quite true that this proposal limits the right to strike contrary to the general principles in which I believe. It was felt, however, that where the national health or safety were threatened, it was not unreasonable to ask employers and employees to continue the status quo for 80 days until every possible effort for settlement had been made.

The public generally demands a much more extensive prohibition against the right to conduct national strikes. I don't believe they realize how much the freedom to strike is necessary to a free economy. If the right to strike is taken away, something must be substituted for it, compulsory arbitration or Government fixing of wages. Once the Government undertakes to fix some wages, it will probably go on to fix all wages. Once it fixes wages, it must fix prices, and we move rapidly toward a totalitarian state in which there is no longer a free competitive economy.

But it is said, what will happen if a national strike paralyzes our economic system? My answer is, in the first place, that it has not done so yet, and that voluntary methods in the end have succeeded and probably will succeed in preventing such strikes or ending them before serious damage occurs. If we do have something in the nature of a general strike or a strike in a particular industry which threatens the existence of the people, then we have what amounts to revolution. As the very last resort, I would support a special emergency act dealing only with the particular emergency, giving the Government power to seize facilities and operate them, call for volunteers, seize union offices and funds, and take every other effective measure necessary to preserve the people and the Government. But such a law is no proper part of a Labor Relations Act.

The act has not been written for the benefit of employers, except as they have suffered from the abuses of existing law. It has been written to abolish injustice, and to protect alike the employer, and the employee, and the public.

Russia and Certain Works of Art

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks in the RECORD, I include therein a recent article from the New York Times and the United States News evidencing the sacking of European countries by Russia not only of priceless works of art but also billions of dollars worth of goods, materials, and equipment which we have furnished for the rehabilitation of war-stricken nations.

It is truly incomprehensible to me, if these reports are true, that our Government officials should be willing to pour in such stupendous quantities of goods and supplies of every character when Russia is draining off as reparations or loot everything within reach. We are talking about a program to build up Europe against communism, but according to these reports our Nation has actually strengthened and is materially aiding communism and nations within its orbit and control.

Our people are not seeking war. We do not wish to be involved in another conflict. We want no supermilitarism or warmongering. We propose to work for peace and we propose to give our best efforts to the building up of the United Nations as an effective instrumentality to preserve the peace. But we must not let this attitude be interpreted by Russia or other nations as a sign of weakness. Let us lay the cards on the table. There can be no appeasement of communism and no appeasement of illegal and unwarranted territorial expansion by force or subterfuge. Our Nation cannot possibly acquiesce in the enslavement of free peoples, exploitation of small nations or helpless individuals, or denial of God-given human rights.

The Russian people are not in a position to choose or determine the form of government under which they live. That is done for them by Marxist dictators, commissars, and bureaucrats. But we should not permit this latter class to dictate to the United Nations or to this Nation with respect to territories, governmental rights and ideals, propaganda, infiltration, or other Communist techniques which are directed against democracy, against the fulfillment of our war aims, against the principles of the Atlantic Charter and the "four freedoms," against the opinions of the democratic-minded peoples of the world.

We need not invite war to make our position known. We need not invite war to impress upon the Russians that we do not propose to stand by while they sack and dominate part of the world and seek through infiltration and propaganda to rule over the rest of it, including our own country. If ordinary diplomacy cannot impress upon the Russians that we mean business when we protest against these outrages, then we should not hesitate to break off diplomatic relations. We can break off economic relations and make endeavors to prevail upon other democratic nations of similar traditions, background, and attitude to join us in insulating the Christian democratic world against further encroachments by militant, arrogant, anti-religious, and anti-Christian forces which are ruthlessly spreading their domination and influence into many lands in violation of the fundamental principles upon which our own Nation is based and for which we have just waged the bitterest and most costly war in history. Whether it relates to Russia or any other nation, there is no excuse or justification as long as necessaries of life are in short supply or prohibitive cost in this country, for sending these vital commodities to Russia or elsewhere.

The fundamental approach to the rehabilitation of Europe should be predicated on the distribution abroad of our own surpluses. We should not give away to others that we need for the welfare, well-being, and health of our own people or for the stability and efficiency of our own economy. That doctrine is so plain and logical that it requires no argument. But in any event it is appropriate now, even at this late time, to serve unmistakable definite notice upon Russia and her satellites that we do not propose to be used as a pawn to strengthen communism and that we do not propose to tolerate further outrages against democracy and against the plain intendments of our war and postwar agreements, against the rights of democratic-minded peoples and against the interests of our own country.

[From the New York Times]

ONE HUNDRED AND SEVENTY MILLION DOLLARS IN ART TAKEN FROM DRESDEN BY RUSSIANS

(By Edward A. Morrow)

DRESDEN, GERMANY, January 20.—The Soviet Army has removed art treasures valued at more than $170,000,000, including Raphael's Sistine Madonna, from the famous Twinger Museum in this city, it was learned today.

A catalog of the famous paintings formerly housed in this museum showed that 1,695 of the museum's best-known works had been taken to Russia. Left behind are 1,231 lesser known and minor works.

While the Soviet officers conducting eight American correspondents through the Soviet zone were eager to show the amount of restoration of cultural works that they were encouraging, they were unable to explain the disappearance of these art treasures or what would be done to fill the gaps in the galleries when the Zwinger Museum is restored.

According to Hubert Semesch, museum architect who is in charge of rebuilding the museum, which was heavily damaged during the war, the art works were sent to Moscow soon after the Russians took this city. He declared that an all-Russian trophy commission had given the paintings to Russia as a gift.

The catalog listings disclose among missing paintings Correggio's famous "Holy Night" as well as Raphael's Sistine Madonna, whose value on the open market could not even be estimated. To support the statement that $170,000,000 was a conservative figure for the value of the treasures taken, well-informed sources said that the following also had been removed to Russia:

Twenty-four original Van Dycks, 6 Palma Vecchios, 17 first class Rembrandts, and an equal number of Rubens; 7 of Poussin's works.

Other masters represented by several paintings were Tintoretto, Murillo, Jan Ruisdaels, Velasquez, Vermeer, and Veronese.

Represented among modern masters were Degas, Van Gogh, Manet, and Renoir.

One authority who declined to be quoted asserted:

"The selection was an excellent one. Without exception, not a work of international renown or of special artistic or scientific value remains. The twelve hundred left behind are either purely German in origin or utterly worthless. Only two important paintings by Paolo Veronese remain and these are here because of the difficulties that would be encountered in handling them because of their size."

[Two hundred and two famous paintings taken out of Germany by Americans and now in Washington are considered German property and American assurances have been given that they will be returned.]

The architect preferred to talk about the work that was going on in reconstructing the museum. It was built in 1709 by August the Strong and was almost completely destroyed in 1945. He estimated that the job would take 20 years if the materials were available.

[From the United States News of January 30, 1948]

BUILDING UP THE SOVIET BLOC

(Reported from Washington, London, and Berlin)

(A new Russian empire is growing fast in eastern Europe. The Molotov plan, which is jumping ahead of United States Marshall plan, is to tie nations closely to Russia, exploit their wealth. Russia's take to date: $12,000,000,000. United States on its side has poured out $15,000,000,000, part of it to Russian areas. United States method is to give aid, Russia's to exploit gains.)

Russia's Molotov plan for eastern Europe is pushing ahead of the United States Marshall plan for western Europe and is gaining momentum. The Russians are moving faster to tighten their hold on the area along their western border.

The Molotov plan, in practice, is described by United States officials as streamlined imperialism. Using it, Russia is drawing off reparations from former enemy countries. She is organizing companies to exploit the industries and resources of those countries. She is arranging trade deals that bind all the nations in eastern Europe more closely to her. She is completing a series of treaties that not only assure her dominance in the area, but are designed to tie the various nations to one another.

Countries in the network include Poland, Czechoslovakia, Hungary, Bulgaria, Rumania, Yugoslavia, and Albania. Dovetailed with them are the Russian zones of Germany and Austria. Thus, the area in which the Russians now hold sway consists of a solid land mass that adjoins Russia and extends all the way from the Baltic to the Black Sea.

Gains made by Russia since the war, as the chart on page 20 shows, are in the form of goods as well as in power and territory. Estimates are that she has taken a total of $12,600,000,000 worth of goods from the former enemy countries. These have consisted of removals, reparations, and payment of occupation costs. Of the total, nearly $9,000,000,000 is estimated to have been taken out of Germany. Big quantities of machinery, livestock, and materials have been removed from Germany by the Russians to cover part of the damage the Germans inflicted on Russia during the war.

Russia's policy of extracting goods from her sphere is in sharp contrast to the policy followed there and in the rest of the world by the United States. This country has advanced more than $15,000,000,000 in nonmilitary loans and gifts since the end of the war. Part of these have gone to areas under Russian control. Now, under the Marshall plan, the United States is proposing to advance additional billions in western Europe, largely by gift.

Scope of the Molotov plan, however, includes much more than reparations. Official reports show that what Russia is trying to do is to create an eastern European bloc that, in effect, will be part of a new Russian empire.

A "Danubian federation" is expected to be announced at some later date. When and if it comes, this will merely give outward form to a structure that already is taking shape. Details now available for the first time show that this structure is being buttressed by agreements of three kinds—military, cultural, and economic.

Military alliances, known as "treaties of friendship and mutual assistance," form the foundation of the structure. At least 18 of these already are in effect and more are pending. First, Russia herself entered into an alliance with each of the satellite nations. Then Yugoslavia concluded a similar treaty with each of the others.

The remainder of the network now is in process of completion. Bulgaria has treaties with Albania and Rumania and is negotiating one with Czechoslovakia. Poland has treaties with Hungary and Czechoslovakia. Rumania has a treaty with Hungary. But Czechoslovakia and Hungary still are at odds, and other links in the network have not yet been forged.

Backing up the treaties is a system by which arms are standardized and armed forces are organized on the Russian model.

Cultural treaties go along with the military alliances. These provide for exchange of professors and students and for setting up cultural societies in the respective countries.

For example, there is a Yugoslav-Bulgarian society, with headquarters in Belgrade, the capital of Yugoslavia. Its opposite number, a Bulgarian-Yugoslav society, has its headquarters in Sofia, the capital of Bulgaria. The ostensible purpose of these societies is to promote cultural and scientific cooperation. Actually, according to United States officials, they are being used by the Russians to spread Communist doctrine through youth groups and other agencies.

Economic treaties, however, give Russia the strongest hold on her bloc. Some of these provide for barter of definite quantities of goods. They are short-range and do not run for more than 6 months or a year. Others provide for long-range development of resources, with Russia supplying part of the capital and having a dominant voice in the control. Joint companies have been created in the former enemy countries for this purpose, the stock and the profits being divided equally between Russia and the government of the nation involved. In Rumania, companies of this type have monopolies on shipping, banking, and lumber production. In Hungary, similar firms control aviation, Danube shipping, and the mining of bauxite.

A series of agreements between members of the bloc also is being completed. One, between Yugoslavia and Bulgaria, lays the basis for an eventual merging of the two countries. They already have a customs union. Joint hydroelectric projects are planned. Yugoslavia is to produce Diesel tractors for Bulgaria, and Bulgaria is to build up a canning industry for Yugoslavia's fruit. The two nations will act as a single unit in any trade treaties with the west.

Russia's leverage over the former enemy nations results largely from the goods she has been able to seize in their territory. In the joint companies, she usually pays for her share of the stock with goods she has received as reparations or with German assets she has acquired. She can set high values on the assets she puts up, and low values on the assets contributed by her partners. She tries to collect on any debts owed to the Germans, but can repudiate any debts Germany owed.

A study by the economic staff of United States News-World Report shows that, of the total of $8,850,000,000 worth of goods Russia has taken from Germany, about $1,620,000,000 worth was removed from Berlin alone, immediately after the fighting stopped. The chemical, machine-tool, electrical, rubber, optical, automobile, textile, and plywood industries of eastern Germany were largely stripped. In addition, reparations from Germany's current production have totaled $1,250,000,000. Occupation costs paid by the Germans total another $3,100,000,000.

Rumania has yielded Russia goods worth $1,235,000,000, including the bulk of her oil and timber. Bulgaria has provided $320,000,000; Hungary, $520,000,000; and Austria, $570,000,000. The remainder of the goods Russia has taken from former enemy territory has come from Finland and Manchuria.

Most of the goods acquired have gone to Russia. But some have been allowed to remain in the countries that have provided them and are being used to consolidate Russia's position there. One of Russia's main aims now is to make going businesses out of the satellite economies.

Russia's problems, in consolidating her eastern European bloc, are complex.

Resistance of the people forces her to go slowly with communistic measures in many localities. Individualism is especially strong in Hungary and Czechoslovakia. Also, in areas where farms have long been of family size, collective farming is opposed. However, where big estates are broken up and given to farm laborers, as in Poland, and the new farm units prove too small, these laborers then offer little resistance to collective farming.

National jealousies also complicate the picture. Hungary, for example, refuses to sign a treaty with Czechoslovakia because of the way peasants of Hungarian origin have been treated by the Slovaks. And the Czechs, for their part, do not want to be in a military bloc that has Yugoslavia's Marshal Tito as overlord. They prefer to deal directly with Moscow instead.

Lack of goods to send to the satellite countries prevents Russia from bringing those countries completely within her orbit. They are badly in need of machinery and other equipment, which Russia is unable to supply. Therefore, with Russia's approval, they are resuming their prewar trade with western Europe as rapidly as they can.

Lack of currency that can serve as a common medium of exchange handicaps trade within the Russian bloc. In the absence of such currency, most of the trading between nations consists of barter deals. There are rumors, however, that Russia is preparing to make the ruble an international currency, and to set up a ruble area in eastern Europe, similar to the sterling and dollar areas elsewhere. In that event, the ruble for the first time in many years will have a definite value in international exchange.

Political opposition to Russia and the Communists still is powerful in some countries. The Russians, taking no chances on losing their hold, are gradually wearing this opposition down. In their maneuvering, they are using the trials of political leaders and the activities of secret police. Also, the presence of the Russian army not far away speaks louder than words. Nevertheless, even where open opposition disappears, much hostility to Russia remains beneath the surface.

Russia's ultimate aim, United States officials suspect, may be to absorb the entire area of eastern Europe that she now controls. That would add more than 100,000,000 to her population and boost the total to around 300,000,000. In any event, Russia makes it clear that, through her Molotov plan, she is determined to keep her influence in the area supreme.

A vital question facing the United States is this: What is the chance that the eastern European nations can or will get out from under Russia's dominance in the future? The men guiding United States policy believe the chance is good. Therefore, they are combating Russia's influence among those nations in every way they can.

This country's plans assume no final split of Europe, but the restoration of a big volume of trade through the iron curtain. Russia now is not trying to prevent that trade. If she does prevent it in the future, the whole basis of the Marshall plan will have to be changed.

While the United States is challenging Russia's hold on eastern Europe, Russia is challenging United States influence in western Europe. The result is a test of strength, with the Molotov plan on one side pitted against the Marshall plan on the other. The Molotov plan already is being applied, whereas the Marshall plan still must run the gauntlet of Congress. That puts the Molotov plan several jumps ahead.

Statement by Hon. Robert F. Wagner, of New York, Made in Connection With Broadcasts on Housing

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Thursday, February 5 (legislative day of Monday, February 2), 1948

Mr. MURRAY. Mr. President, on behalf of the Senior Senator from New York [Mr. WAGNER], I ask unanimous consent to have included in the Appendix of the RECORD a statement by Senator WAGNER dealing with a series of broadcasts on the housing problem produced by station WNBC in New York City, as well as one of the broadcasts.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Mr. WAGNER. The critical housing shortage merits the continuous and searching attention of the people of this country. There is no national problem which weighs more heavily on the welfare of our families and our children than the shortage of housing and the continued existence of the slums which have disgraced American cities for generations. Nevertheless, notwithstanding the vital importance of attaining a solution of the housing problem, the efforts to acquaint our citizens with the real issues and to provide them with the information they need in order to determine upon the proper solutions are too few and far between.

For this reason, I wish to call the attention of the Senate to a series of four broadcasts entitled "Housing, 1947," which were produced by radio station WNBC in New York City during the fall of 1947. In these broadcasts, all the issues and all the points of view on housing were presented to the public in dramatic, incisive, and accurate form. Authoritative spokesmen for industry, labor, and the public made their own observations on the housing problem and the best manner of curing it. I believe this series of broadcasts represents a noteworthy example of public service in informing the public on an issue of major national importance and I believe station WNBC should be strongly commended for undertaking it.

While all the broadcasts were of deep interest, I believe the Senate will be particularly interested in the following excerpts of a discussion on the Taft-Ellender-Wagner long-range housing bill (S. 866) by a number of housing authorities who participated in the broadcast of September 25, 1947:

Mr. GRAUER. I remember you said last week that tonight's subject is on a highly controversial issue.

TED. It certainly is. The people we hear from tonight are going to give their views on Government entry into the housing picture.

Mr. GRAUER. Government. That would bring in politics, wouldn't it, Ted?

TED. Exactly.

Mr. GRAUER. How do you feel about political implications in this housing shortage, Ted?

TED. Well, for that answer I went to Robert Armstrong, editor in chief of the Real Estate Appraised Journal and vice president of the New York Building Congress. I asked him if he thought there were political implications in the housing shortage. He said:

Mr. ARMSTRONG. I think that the political implications amount to no more and no less than canned dynamite. Of course, most Americans want to see private industry do the required work. They want to see private industry erect all of America's homes, but if this does not occur, if it cannot occur in the next year or two, I am quite certain that we are likely to see the Government engage in a public-housing program that will make both the past and present advocacy of public housing seem as ripples when compared to the oncoming tide. No matter what party wins the election in the fall of 1948, it most certainly will receive a mandate whereby it will be obligatory upon the Federal Government to construct perhaps as many as a million and a half homes a year until the shortage is alleviated.

TED. And now for another of Government's role in housing, I want you to hear from Commissioner Herman Stitchman, of the New York State Division of Housing.

Mr. STITCHMAN. Decent housing is a necessity, and I think the Government at all stages—municipal, State, and Federal—the Government, I say, has got an interest in seeing to it that every citizen has a decent house at a rent or a price which he can afford to pay.

TED. At a price which he can afford to pay. Commissioner Stitchman was talking about me then, and a lot of you listening in, I know. Whenever I did find a place available, it was just way out of the range of my pocketbook. And here's what Mr. Stanley Issacs, of the city council, had to say in that regard:

Mr. ISSACS. Housing produced by private builders at the present time costs so much that it is far beyond the range of most of the people who need decent housing and need new housing.

TED. I asked many people if they thought Government should step in and help the emergency. Mr. Charles Abrams, housing adviser to the New York Post, had some very interesting statements to make.

Mr. ABRAMS. We've got to adopt a theory that we had during the war, and that is that there is no housing at all or very little housing being produced, and, therefore, it becomes the function of Government to produce that housing.

We have local housing authorities, 800 of them, in 41 States of the Union, and if these local authorities were to build houses for all of whom private enterprise doesn't provide, for the lowest-income as well as for the middle-income group and the veteran, then I believe that we can produce housing in quantity. We can standardize specifications, we can buy cheaply by contracting for the whole output of factories. In that way we can produce houses on a mass-production basis and get them down to a low cost. In addition to that, the Government can borrow at low interest rates, the Government agency can build large communities that create their own environment and that resist the inroad of blight that affects private housing. We can replan our cities. We're given the opportunity for a real frontier in housing, and we should take advantage of it, if possible.

TED. Mr. James Kunens, of the Citizens Housing Council, was another man who had some definite opinions on how the emergency should be met.

Mr. KUNENS. Naturally, the primary responsibility is that of private enterprise. In New York City, which is predominantly a rental area, the emphasis has to be on large-scale rental projects. From this point of view it's necessary that we have more of the large-scale developments built by insurance companies, savings banks, and other large-scale builders. But at today's costs these groups can only take care of part of the demand, and we believe it is the responsibility of Government to take care of the basic housing needs of people whom private enterprise cannot serve. For this reason we've consistently urged action on all three levels of Government—Federal, State, and local—to supplement private activity.

On the Federal level we think that passage of the Taft-Ellender-Wagner bill is an absolute necessity.

TED. Now I'd been hearing a lot about the Taft-Ellender-Wagner bill from the people I talked with, so I decided to find out exactly what its provisions were.

Mr. GRAUER. I'd like to know a few more of the details of that bill myself, Ted.

TED. Well, of course, Mr. Grauer, we don't have the time for a complete study of the T-E-W bill. But here are the main things it would provide.

MAN 1. It gives aid to private enterprise in building.

MAN 2. It aids rental and mutual housing projects through insurance protection, with low interest rates and repayments lasting as long as 40 years.

WOMAN 1. It guarantees annual returns to investors, and in that way would attract large amounts of private capital into the housing field.

MAN 1. It helps people to buy moderate-priced homes with smaller down payments and installments extended for 30 years.

MAN 2. It will help clear slums.

WOMAN 1. It will aid the building of 500,000 units of community-owned low-rent housing projects for families which private enterprise cannot serve.

MAN 1. It will help private enterprise build 250,000 rural homes.

MAN 2. It will provide money for research in the housing field. Research in the use of new materials and new methods.

Now an interesting thing, which probably a lot of you know, is that the Taft-Ellender-Wagner bill has never reached the floor of Congress for discussion. Some people feel that there is a definite group responsible for the lack of action on the bill. Mr. Franklin Roosevelt, Jr., national housing chairman of the American Veteran's Committee, made this comment.

Mr. ROOSEVELT. I would say that remembering Mr. Wilson Wyatt's veteran emergency program which the Government undertook in the spring of '46, remembering that program, remembering its initial success and remembering that it was sabotaged largely through the efforts of the National Association of Real Estate Boards in Washington, the real estate lobby in short; and also remembering that the one national long-range over-all national program, which is the Taft-Ellender-Wagner bill, that its defeat is largely due to the opposition of the real-estate lobby in Washington and, I might add, that the American Legion has joined in with them on that, I would say that on that record, that the real-estate lobby is primarily responsible today for the housing shortage both for veterans and the country as a whole.

TED. Now, you remember, Mr. Roosevelt mentioned that the American Legion had voted against the Taft-Ellender-Wagner bill. So I went to see Mr. Arthur Benline, department housing chairman for the American Legion of New York. I asked Mr. Benline why the Legion had voted against the Taft-Ellender-Wagner bill.

Mr. BENLINE. Because the national housing committee of the American Legion feels that the Wagner bill, although it has many good and desirable points, primarily is a bill to provide housing and slum clearance and not necessarily a veterans' housing bill. At the convention there was a considerable difference of opinion among the delegates and particularly among the housing chairmen who attended the meeting of the housing committee. As you have probably read in the newspapers, many of the delegates came to New York instructed to vote for the Wagner-Ellender-Taft bill, or as it was rewritten, the Taft-Ellender-Wagner bill. However, the prevailing opinion of the National Housing Committee prevailed in the final determination of the convention.

TED. Well, right here I think we should do a little studying of the Wilson Wyatt program. Even though it was abandoned last year, it's important to explain how it fits into the picture right now. Like the Taft-Ellender-Wagner bill it was a Government move to relieve the housing shortage. It differed, however, in that it was much more of an emergency measure and was designed to get a lot of houses up for veterans in a hurry.

Mr. GRAUER. In other words, Ted, the people who were opposed to the Wyatt program are generally the same ones who now oppose the Taft-Ellender-Wagner bill?

TED. Yes, Mr. Grauer, because both involve Government participation in housing. And some people are opposed to it. Like Mr. Douglas Whitlock, chairman of the Building Products Institute, an organization supported by the producers of building materials.

Mr. WHITLOCK. Well, we have experienced in the past several years the heavy hand of Government on the construction industry. We've found it in the OPA where it prevented us from producing the types of products that ought to have been available for low-cost housing. We have seen the fiasco of the Wyatt program where a group of Government bureaucrats plan the course of the housing industry in such a way that it couldn't get started at a time when it was sorely needed. We believe that if the Government will stop interfering with the construction industry, that it will produce the houses that are needed for the American people and will take care of the housing demand that exists at the present time.

TED. The next person I talked with was even more against public housing than Mr. Whitlock. This man is chairman of the Washington committee of the National Association of Real Estate Boards—whom Mr. Roosevelt mentioned earlier. His name is Alexander Summer, the head of a real estate and mortgage concern in Teaneck, N. J.

Mr. SUMMER. Well, I think the general adaptation of a public housing building program means the end of this country, this life as we have known it. Trace back the history of every country that's gone communistic or socialistic, and it all started with public housing. Just a little bit of public housing to relieve the present emergency means a little bit more public housing. It's socialism pure and simple. I know there are a few people who are honest and sincere and conscientious advocates, but by and large most of those who advocate public housing do it for their own selfish interests and I think it's the greatest threat to the backbone of this country, private ownership of your own home.

TED. In view of Mr. Summer's statements I went back to some of the people who advocate public housing and asked them if they felt that public housing is a threat to private enterprise. Mr. Roosevelt said.

Mr. ROOSEVELT. No, public housing has never been a threat to private enterprise for the simple reason that private enterprise has always admitted that it cannot provide adequate housing for the lowest income groups and is a fact most private enterprise builders today will admit, that they cannot provide decent housing for the so-called no man's land which is the lower, not the lowest, but the lower income groups. Such acts as the Taft-Ellender-Wagner bill have been called socialistic. I'd like to point out that Senator TAFT, who in my opinion, is far from a Socialist, is one of the sponsors of the bill and that the Catholic Church, which has certainly never endorsed any socialistic legislation, the Catholic Church is behind the Taft-Ellender-Wagner bill.

TED. And Commissioner Stitchman of the New York State Housing Department said.

Mr. STITCHMAN. Public housing properly run won't hurt private housing in the slightest, as a matter of fact it's the only salvation for our cities today in my opinion.

TED. I saw New York City Councilman Issacs again and I asked him "Do you think public housing would hurt private enterprise?"

Mr. ISSACS. Not in the faintest degree. Private enterprise can build and should build to the fullest possible extent today but it can't produce homes at present costs, and this has been proved over and over again, that can rent for less than $23 or possibly $25 per month per room. There's no competition with private enterprise when you provide homes for those that can't pay more than 60 percent of this figure, $15 per month per room at the outside. Those people have to be provided for and private enterprise can't provide for them. When you provide for them through public aid you don't compete with private enterprise.

TED. Another interesting aspect of how public housing could be managed was given

by Mr. Charles Abrams, the housing adviser we heard from earlier.

Mr. ABRAMS. What the Government ought to do is build housing for those who want to own housing and use all of the private mechanisms including even the speculative contractor who can become a contractor instead of an owner. In other words we should have a program to build housing for sale as well as for rent.

TED. Mr. James Felt, who is in the real-estate business and acts as a housing consultant, brought up the same point which Mr. Abrams just mentioned.

Mr. FELT. Under the circumstances, I think it would be a fine idea if public housing went ahead in these jobs, developed housing even on the outskirts, so that we could have dwelling units for our families as quickly as possible, but at the same time make arrangements whereby at the expiration of a certain number of years, when the emergency was over, that that housing would be turned over to private enterprise and operated by private enterprise.

TED. Mr. Felt's idea that housing built by the Government could be turned over to private enterprise when the emergency ends interested me very much. And many of the other people I saw made the same suggestion. You see, those in favor of public housing say that private enterprise cannot afford to build for families in the lower income groups and therefore Government building would be no threat to the private builders. However, the people who represent private enterprise say that in perhaps 5 or 10 years, when prices are not so high, they will be able to build for these lower income groups and then the public housing will be a definite threat to private business. But it seems to me that if provisions were made to turn the public housing over to private enterprise at the end of the shortage, as Mr. Felt suggested, the threat of Government competing with private interests would be eliminated.

Now, the next person I saw was Mr. Kalman Klien, president of the Long Island Home Builders' Institute. When I asked Mr. Klien who was going to build a home for the man who makes, say, $45 a week, he said:

Mr. KLIEN. I'll admit, though, that under the present framework we're not providing houses for the veteran making $40 a week because the average house is about $8,000. Unless you want to go out into communities which are far from transportation and take an awful lot out of the house, give them a very small house, for example, where you can produce a house for a little less than $8,000 or $7,000, but even a $7,000 house doesn't answer the problem of a $40-a-week income group. However, the Government could do something about the veteran making $40 a week, and I don't think the answer is in rentals either. The answer could very well be in the purchase of a home, and they can do possibly three things: On the national level, of course, the Government could subsidize part of his interest rate. I think instead of 4 percent, if the Government would subsidize some part of that, that would bring the carrying charges down. Coupled with that, instead of a 25-year mortgage, if a 35-year mortgage pattern would be initiated that again would bring the carrying charges down so the price of the house isn't so important as the monthly carrying charges, and then on the local level the various municipalities could do something for the veteran by reducing the assessed valuation on the house, by giving them some tax exemption. It could be within the limits of three to five thousand dollars, that, too, would help bring the monthly carrying charges down. The sum total of those three items alone makes a tremendous difference in carrying charges. By doing that I think we could satisfy a great many veterans and they don't have to live in rental projects. They can own their own home and have room for expansion and enjoy a different way of life. It makes a big difference, living in a private house as against living in an apartment.

TED. Mr. Grauer, you remember Mr. William Levitt, whom we heard from on last week's program?

Mr. GRAUER. I certainly do, Ted. He's the builder in Manhasset, Long Island, who's constructing 3,000 houses this year.

TED. That's right. And the houses sell for approximately $7,500 each. Mr. Levitt is outstanding because he has the production-line system of building which we talked about earlier. Well, I asked Mr. Levitt what he thought of public housing, and he said * * *.

Mr. LEVITT. I think there's a very definite need for public housing, or its equivalent.

TED. Frankly, I was surprised that Mr. Levitt, being a builder, would make such a statement. And I told him I thought it was a little unusual.

Mr. LEVITT. I know, I've spoken to a lot of builders and practically none of them will ever say that public housing is needed, but at the same time somebody has got to house the $30-a-week fellow and I know that my company builds as cheaply as anybody in the business but I don't know how to do it.

TED. Well, now I want you to hear the answers I got to a series of questions I asked Mr. Maxwell Tretter. He was executive director of the New York City Housing Authority from January 1938 to July 1947 and now practices law and acts as a housing consultant. The first thing I asked him was, "Mr. Tretter, what are your suggestions for meeting the housing emergency?"

Mr. TRETTER. I'm glad you used the word "emergency" because we must use emergency methods in order to improve housing conditions today. Of course we must encourage private enterprise to the fullest extent but to provide housing now we must have a large public housing program.

TED. Then do you feel that public housing should be only an emergency measure?

Mr. TRETTER. No, I don't. It has been our experience over the years that private enterprise has not been able to take care of families in the lowest income group and therefore it will be necessary to have public housing with cash subsidies for families in the lowest income group. Nothing has occurred in the building industry which leads us to believe that private enterprise can build for the lowest income group now and in the near future. And in addition, in this emergency there must be an expansion of the public housing program so that Government will provide homes for families in the next income group. By that I mean public housing without cash subsidy.

TED. Mr. Tretter, I understand that public housing with cash subsidy means that the Government would make up the difference between what an apartment or house cost and what a family is able to pay. And I understand that this cash subsidy would be for the benefit of those in the lowest income bracket. But I wonder if you would explain a little more fully just what public housing without cash subsidy is?

Mr. TRETTER. That is housing built by public agencies like housing authorities throughout the country with the aid of the Federal, State, or local governments and it is housing provided for families in New York City who cannot afford to pay more than about $50 a month for an apartment. In contrast, public housing with cash subsidy in the past has been provided for families which can afford to pay about $7 or $8 a room per month.

TED. Well, Mr. Tretter, there's one thing I'd like to get straight in my mind. Just how can the Government build without losing money and rent at a price that is less than that private enterprise must charge?

Mr. TRETTER. Well, I agree that Government can't perform any miracles, but Government has certain instruments available to it which private enterprise does not have. For instance, in Government housing there is no profit involved; secondly, Government can borrow at much lower interest rates than private enterprise, which results in a substantial saving in overhead costs; thirdly, Government can afford to build these projects on a very large scale, which also results in reduction in construction costs and management costs.

TED. Do you think that Government building without cash subsidy is a threat to private enterprise?

Mr. TRETTER. Every fair-minded person who knows anything about the building industry will have to admit that there is still a tremendous gap between the 12- or 13-dollar per room per month rental to be charged in public housing without cash subsidy and what private enterprise can build for today. My answer is that we can now provide and at the end of the emergency these public-housing projects that are being built without cash subsidy should be sold to private enterprise and put back on the full tax rolls.

TED. Do you think that public housing will mean socialism?

Mr. TRETTER. Well, I certainly wouldn't like to see socialism in this country, but I am convinced that public housing is not the back door to socialism. All of us hate to see Government intrude into traditionally private fields, but it has also been the established practice in this country to ask Government to provide a service which is required by the public and which cannot be provided by private enterprise. If we maintain that principle and are certain that public housing will serve that market in the low-income group which private enterprise cannot serve then we will not have any socialism.

Union Leader Opposes British Labor Government's Palestine Policy

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mr. JAVITS. Mr. Speaker, the following letter from a trades-union leader, Mr. Charles Zimmerman, secretary-manager of the Dressmakers Union, Local 22, one of the great components of the International Ladies Garment Workers Union, AFL, shows the trouble and perplexity even of those who are deeply sympathetic to the British Labor Government in view of its Palestine policy. This policy, if it may be called that, is alienating British labor's long-standing friends:

COPY OF LETTER SENT TO ERNEST BEVIN AND CLEMENT R. ATTLEE

DRESSMAKERS UNION, LOCAL 22,
New York, N. Y., January 16, 1948.

DEAR SIR AND BROTHER: I am addressing this letter to you as a labor leader who is responsible for the government of Great Britain. * * * We in the labor movement of America have always felt very close to British labor and have been accustomed to look to it for inspiration and guidance. We were naturally elated when labor swept the last general elections and took control of the Government. * * * A new spirit of far-sighted humanity and justice, we particularly hoped, would be brought into British foreign policy. It is with deep regret that we have to confess that in one respect at least—in the British treatment of the Jews in Palestine—we have been cruelly disappointed.

It is, of course, no secret to you that we have sharply disagreed with you in your Palestinian policy in recent times, and I do not intend to rehearse our criticism or engage in political argument. I want to appeal to you as an American labor man addressing his British colleagues on a level beyond politics or political controversy. You know as well as we do what has been the fate of the Jews in the past two decades. In Europe, the rise and triumph of the Nazi movement meant the launching of a deliberate, carefully-planned program to enslave, torture, and exterminate the millions of Jews on the Continent. This dreadful crusade was accompanied in Palestine by savage Arab attacks on the Jewish settlements with the obvious purpose of terrorizing the Jews and making impossible the development of a Jewish homeland in that country, although that had been guaranteed in more than one solemn declaration of the British Government holding the mandatory power. The net result of 15 years of horror has been tabulated in cold figures: Six million Jews murdered on the European continent. The handful of survivors uprooted, displaced, and homeless, are now—2½ years after the end of the war—still languishing in DP camps without chance or opportunity of reconstructing their lives on a normal human basis.

Here was a situation in which we, American labor men, certainly had a right to expect a great deal from you, the British Labor Government. But what have you done? Not only have you done nothing to bring relief to these shattered victims of Nazi savagery, not only have you shut the doors of Palestine in their face; what is worse, you have not shown the least sign of human sympathy or understanding of their dreadful plight—or at least no such sign of understanding or sympathy has ever been manifested publicly in any significant way. We looked, and looked in hope, for that new spirit that was supposed to animate British policy. We found it in the courageous British resistance to totalitarian expansion in Europe, we found it in India—but in relation to the Jews, in relation to Palestine, not a trace!

Finally the question of Palestine came before the United Nations. After long investigation and deliberation, a decision was reached—partition and the establishment of a separate Arab and Jewish state. The decision of the United Nations immediately became the signal for the mobilization of the Arab forces against the United Nations and the launching of furious attacks against the Jews. Violence and chaos began to ravage the Holy Land. No one questions that the Arabs were the aggressors and that the Jews were placed in a position where they either had to defend themselves or submit to extermination. We do not condone terrorism and we have in the past more than once condemned the small terrorist groups among the Jews in Palestine. But that the violence that has followed the UN decision has been provoked by Arab aggression and that the Jewish community and its security forces have been entirely on the defensive, no one who is not blinded by prejudice can deny.

But what has been the attitude of the British Government, of the British Labor Government, led by you? You have apparently not found one word to say in condemnation of the Arab terror, directed not only against the Jews but against the United Nations. But when the Jews, compelled to action in self-defense, strike back at the Arab terrorists, your spokesmen in Palestine are quick to denounce the dastardly action. I do not even mention the reports that British police in Palestine have protected or given actual aid to Arab aggressors, nor do I make a point of the action of the British authorities in disarming the Jews and thus leaving them helpless against their enemies. I merely ask: Why is it that the British Government finds its voice only for condemning the Jews when they engage in self-defense, and has nothing whatever to say about the Arab terror, about the wanton Arab defiance of the United Nations? This is something that we simply cannot understand.

I am not talking of politics, I am talking of the most elementary claim of humanity. Here is some sort of solution for the aggravated Palestine problem; here is a glimmering of hope for some of the wretched, forlorn remnant in the DP camps. Why is there not a single sign of sympathy, a single gesture of help, forthcoming from you and the Government which you head? Have sympathy, humanity, and compassion no part in the program of British labor? Does British socialism mean nothing more than the nationalization of the Bank of England and the reconstruction of British industry? But what is socialism without justice and humanity?

Despite everything, we have not lost our faith in Britain or in British labor. We can never forget Britain's services to the cause of human freedom through the centuries. We still remember that it was Britain that held the fort against Hitler when the world was at its darkest. * * * But why—why, we ask—should it be so different in your treatment of the Jews in Palestine and the DP camps? Why must the Jews be made an exception? Why is there no understanding or sympathy for them, why only cold unconcern and ill-disguised hostility?

We are perplexed, disturbed, deeply troubled.

Sincerely and fraternally yours,

CHAS. S. ZIMMERMAN,
Secretary-Manager.

Oregon Common Sense

EXTENSION OF REMARKS
OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Hon. Earl T. Newbry from the Oregon Journal:

OREGON COMMON SENSE

(By Earl T. Newbry, secretary of state)

Since long before statehood the women of Oregon have played an equal part with men in the molding of a community based upon common sense and fairness to all citizens.

It is natural to look upon early-day explorers as men. Yet many pages of our early Oregon history are filled with the accomplishments of women. It was a woman, the Indian Princess Sacajawea, who did so much to smooth the path of the Lewis and Clark party.

The names Walker, Spalding, Whitman, Jason Lee, Smith, Wells, and many others are famous as those of the early-day missionaries. Each of these names, however, was borne by a team—a team of a man and a woman striving to do a common job.

Long before women paraded in front of the White House demanding the right to vote, the women of Oregon were going to the polls and expressing their political preferences.

Mrs. Abigail Scott Duniway is generally credited with the victory that gave Oregon women the right to cast a vote.

Women of Oregon are an integral part of our political system, holding officers in political parties, being elected to the legislative assembly, and generally wielding much power for good.

Because of the influence of Oregon women, this State has made outstanding political contributions to the Nation.

Oregon was the first State to abolish the convention system of nominating candidates for public office when it adopted the direct primary. The secret ballot was another forward step by Oregon. It was the first to adopt the Australian ballot—as it was called in those days. The secret ballot—something that still is a mystery to many nations—enables a voter to enter a booth and mark his choice of candidates without any other person on earth supervising his selections.

Oregon was the first State to place in the hands of the people the privilege of electing United States Senators. Today it is a common practice, but when Oregon spear-pointed the innovation it startled the other States. Oregon also was the first State to adopt a preferential Presidential primary. It was the first State to introduce the initiative and referendum. Thirty-six years ago, Oregon enacted a law that 8 hours was to be the limit of a day's work on all public instruction.

We have the wages-and-hours law for women workers which set a pattern for other States to imitate. This was used as a model law in the finally successful fight against sweat shops in New York.

To assure the purity of our elections, for 40 years we have had the Corrupt Practices Act.

Oregon enacted a law to eliminate free passes on railroads for public officials. This spread across the Nation, and today the President must pay his own way when he travels.

Oregon provided for the removal of elective officers when their acts outraged public opinion by adopting the recall.

This is a brief picture of Oregon common sense. You are familiar with all of this. I have simply sought to refresh your memories.

Men or women elected to State office in Oregon have a pattern of conduct already mapped out for them. It is a pattern drawn by the voters themselves over a period of years of free elections.

As a businessman I have been favorably impressed by the character of our State government. In our Statehouse it is common to find the employee treating the public dollar with as great care as he does his own.

In the helter-skelter of some types of politics, Oregon is sometimes referred to as a reactionary State. The thing overlooked by these accusers is simply that Oregon moves forward rapidly and without a lot of noise. Oregon has grown up as an orderly State. Our people do not have to be driven to necessary reforms—they initiate them.

The business of our State government has grown at a tremendous rate. This has not been brought about by the creation of new bureaus and departments. It is simply the effect of a great population growth.

As a result, plans are now under way for a sizable expansion of State office accommodations. Work has already been started to increase the capacity of our State institutions. In other words, we are keeping pace with progress.

If we are to continue to keep pace with progress, or, as we have in the past, lead progress, Oregon women must continue to take an active part in State leadership.

Oregon, I believe, has been built upon hope, faith, and a lot of hard work.

Junior Chamber of Commerce of the United States

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday February 5, 1948

Mr. DAVIS of Wisconsin. Mr. Speaker, under leave to extend my remarks, I wish to include a complimentary but well-merited editorial from the Chicago Sunday Sun and Times on the work of the Junior Chamber of Commerce of the United States:

ACTIONS SPEAK LOUDER

We can't prove it, but we have a hunch that when most young cave men grew strong enough to swing their own axes they grumbled about the way their elders were running tribal affairs.

Down through history, the discontent of young men and women has played a large part in changing the ways of men.

Young men played a dominant part in America's own war for independence. They played a big part more recently in Theodore Roosevelt's "square deal," and Franklin Roosevelt's New Deal.

Within the last few days we have had an opportunity to watch two distinctly different groups of young men and women in their approach to problems of 1948.

Young men and women appeared to be in the majority at the meeting of the Progressive Citizens of America, which met here to indorse Henry Wallace for President. This group believes the operation of our present free enterprise system is promoting economic injustices. It demands, for example, public ownership of the steel industry, coal mines, public utilities, and railroads.

A few days later the Chicago Junior Association of Commerce and Industry held its annual banquet to honor young men who have distinguished themselves in civic affairs. These young men believe that "economic justice can best be won by free men through free enterprise."

Members of this group, who call themselves Jaycees, show their discontent with present day conditions in another fashion. They spend their spare time activity working on constructive projects which will make their community a better place in which to live. They work for the success of such projects as the Community Fund, Chicago Boys Clubs, Red Cross, Boy Scouts, etc. Politically, they are interested in making democracy work better by staging get-out-the-vote activities on election day.

Thus, the Jaycees carry out through action their belief that young people can best help improve city, national, and international conditions by participation. While the young PCA'ers concern themselves with resolutions against the Taft-Hartley law and the Truman loyalty order, the Jaycees plan action against rheumatic fever, traffic accidents, and destruction of school property.

This distinction between the two groups extends all the way up to their international attitudes. The Wallace-PCA group is against the Marshall plan. The United States Junior Chamber of Commerce is in favor of it.

The PCA'ers passed a resolution saying funds for Europe should not be used to interfere with the national sovereignty of the beneficiary nations. The PCA believes the Marshall plan contemplates forcing America's ideas of government upon other nations against their will.

We believe America's attitude is better expressed by John Ben Shepperd, president of the United States Junior Chamber of Commerce:

"The scream of the eagle must be heard around the world. We must adopt a positive program of selling our way of life to the whole world. When we help the less fortunate in Europe under the Marshall plan, we should accompany it with the old-fashioned gospel of democracy—pointing out that only under our system of free opportunity and enterprise has a people been able to work and produce enough to relieve the chaos of a troubled world."

As President Cleveland put it, we are today confronted with a condition, not a theory. Many agree with Irving Dilliard, who writes in the current Survey Graphic: "Communism is changing from a challenge to democracy to a threat."

There are some who believe the way to combat communism is by force. They're wrong. Ideas can't be stopped by force.

There are others who believe communism should be allowed to run its course in Europe. They're wrong. Communism might some day recede. But in the meantime great damage to the world would result.

And then there are those who believe the best defense—or offense—against communism is to show the world that democracy works better than communism.

Wallace and his group of eager young men in PCA believe that the way to make democracy work better is to create a new political party. Even if this could be done, it would take several years. Meantime, pressing problems cannot wait.

We need men of action such as the Jaycees to go after the problems of the day. And we hope that as they grow older they will not change their belief that "service to humanity is the best work in life." When men or governments forget that, they foment conditions which cause young men to grumble about the way their elders are running the tribal affairs, just as the PCA'ers are doing today.

Admission of Members of the Polish Army in Exile to the United States

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mr. MacKINNON. Mr. Speaker, as you know, H. R. 3620, which I introduced to permit members of the Polish Army in exile to immigrate to the United States, is presently being considered by the Immigration and Naturalization Subcommittee of the Committee on the Judiciary. I urge this subcommittee at this time to give the most thoughtful consideration to this measure, and under leave to extend my remarks, include a letter this day received from Mr. Charles Rozmarek, president of the Polish American Congress, and excerpts from the statement he made on June 13, 1947, when he appeared before the Subcommittee on Immigration and Naturalization, Committee on the Judiciary, United States House of Representatives:

POLISH AMERICAN CONGRESS, INC.,
Chicago, Ill., February 3, 1948.

Hon. GEORGE MacKINNON,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN: I am acquainted with your H. R. 3620 bill and I was very pleased when you introduced it last May.

Six million Americans of Polish descent were at that time elated, too. The Polish soldiers whom your bill favors took heart and they are still hopeful that the gates of the United States will be opened to them.

While we backed Representative STRATTON'S earlier bill, H. R. 2910, we asked that section 5 be amended so that it would also embrace the members of the Polish Army in exile—our gallant fighting allies. Your bill is the answer to their hopes and our plea in their behalf.

I am enclosing herewith a copy of what I said in this matter before the Subcommittee on Immigration and Naturalization. Committee on the Judiciary, United States House of Representatives, on H. R. 2910, on June 13, 1947.

You may use it in toto or excerpts from it in the CONGRESSIONAL RECORD, if you want to.

Appreciating your intercession for the loyal Polish soldiers, I am,

Sincerely yours,

CHARLES ROZMAREK,
President.

DISPLACED POLISH SOLDIERS

(Excerpt from statement of Mr. Charles Rozmarek, president, Polish American Congress, before House Subcommittee on Immigration and Naturalization, June 13, 1947)

While we back Representative STRATTON'S bill, we do not endorse it entirely in its present form. We ask that section 5 be amended so that it would also embrace the members of the Polish Army in exile—our gallant fighting allies.

When Britain's fate hung in the balance, they performed daring deeds of bravery over the skies of England. They fought at Narvik, at the Maginot Line and in Tobruk. On the slopes of Monte Cassino alone, 3,600 of them laid down their lives, thus saving the lives of our American boys in General Mark W. Clark's Fifth Army and British lives in the Eighth Army of General Alexander.

These heroes of the biggest battles of the last war, many of whom were decorated with America's highest honors for bravery, are now disarmed and deprived of their military status, placed in camps of the so-called Polish Resettlement Corps.

Is this the reward for the Polish soldiers, who with our American boys fought for the cause of freedom, and who were the first to fight Germany and the last to cease fire? Is this the reward for the men who put their faith in the spoken and written pledges of the United Kingdom and the United States of America? Marked by the Soviet police, slated for labor camps in Siberia, prisons or gallows, if they return—170,000 healthy, young, heroic, and determined human beings are to languish in humid Quonset huts of British camps.

These Polish soldiers in Great Britain, Germany, or in the Middle East are entitled to come to the United States if only as a reward for the invaluable services they rendered America as our allies. It would in some measure repay them for their fighting and for their services. Their hearts bleed at the thought that they can't return to the kind of Poland for which they had fought. A great many of them come from eastern Poland, which at Yalta, without the consent of the Polish people, was turned over to Soviet Russia as an outright reward for aggression. And in what is left of Poland, there is a Communist government, which owes its allegiance to Moscow. Try to visualize, if you can, our own American boys in the same plight—unable to return home—because a ruthless foreign power in the guise of a liberator had occupied their country.

These gallant Polish heroes represent the highest human material from the point of view of any sensible immigration policy.

They, like their countrymen in concentration camps, love liberty. Most of them come from sturdy Polish peasant stock, psychologically akin to the American pioneer stock. Our vast areas of the West, the Southwest, northern Maine, or Alaska should be opened to them for the benefit of our country and our economy. Many of them are highly skilled and seasoned soldiers and it is safe to assume that they would enlist voluntarily in our Army, thus swelling its depleted ranks.

I would urgently suggest that this subcommittee avail itself of the presence of Gen. Mark W. Clark in this country and request his testimony on behalf of the Polish soldiers who fought under his command. Most of them are young people and single. They would certainly find wives in this country, build up families, raise new generations of Americans.

The displaced Polish soldiers and civilians are of the same blood and stock as the 6,000,000 loyal Americans of Polish descent. We cherish the fact that prior to the enactment of the draft law in 1940, over 17 percent of the entire United States Marine Corps, all volunteers, was composed of boys of Polish descent. Our casualty lists are replete with Polish names. We are proud of our record of achievement on the battle and home fronts. Unlike our native Communists who owe their allegiance to a foreign power, we Americans of Polish descent owe our allegiance to only one flag—the glorious Stars and Stripes of the United States of America.

AN INVESTMENT IN JUSTICE

The displaced civilians and soldiers are an American responsibility. Their plight is attributable directly to the Yalta agreement, to which America was a party. In depriving them of the protection of a legal government, of an independent country, of freedom, of their homes, and of their beloved ones, we are coresponsible for their wretched fate. Theirs is a heartbreaking story. No one can measure the depth of their grief and despair.

The Polish American Congress, the voice of 6,000,000 Americans of Polish descent, pleads not only for the cause of Polish displaced civilians and soldiers, but also for all displaced persons of every nationality, race, and creed who fear returning to homelands now transformed into Soviet lands of slavery.

To insure justice and fair play to all groups, we ask that the admission of homeless displaced persons and soldiers should be on a prorata basis in direct proportion to the numbers of nationalistic groups.

Aside from purely humanitarian considerations, there are economic reasons that should prompt Congress to allow displaced persons of good character to enter our country.

While doing our share in lightening the burden of their sorrow and in calming their fears, we will at the same time be alleviating the heavy financial burden now borne by the American taxpayer in maintaining them in their present state of idleness and misery.

The United States cannot carry on forever the burden of feeding DP's. A speedy solution to this grave problem is imperative. To permit those who typify the highest moral standards to enter the United States would be the quickest and cheapest solution. Their love of freedom would be the best investment in the future security of America. Because they would be sponsored by responsible individuals and organizations, there need be no fear that they would become public charges.

Our moral duty is to save these people. Let America set a shining example to other countries by throwing wide open its doors to a fair share of these unfortunates. The number who would come in under a revised H. R. 2910, which would also include displaced Polish soldiers, would still be far below the number of immigrants who would have entered the United States had there been no war.

In providing a haven to these homeless civilians and soldiers, God would bless America and the Congress of the United States would receive the gratitude and approval of the judgment of time.

Increase in Subsistence Allowances for Veterans Pursuing Courses of Institutional Training

EXTENSION OF REMARKS
OF
HON. HAMILTON C. JONES
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. JONES of North Carolina. Mr. Speaker, a bill, known as the Meade bill, to increase subsistence allowance to veterans pursuing certain courses under the Servicemen's Readjustment Act of 1944, as amended, was passed by the Veterans' Affairs Committee of the House of Representatives during the first session of the Eightieth Congress and referred to the Committee of the Whole House on the State of the Union on July 23, 1947.

Before passing same, the Veterans' Affairs Committee considered the bill very carefully, and we think reasonably, after hearing representatives of the American Legion, Veterans of Foreign Wars, American Veterans of World War II, regulator veterans' organizations, Members of Congress, and the Administrator of the Veterans' Administration.

It was not until this session of the Eightieth Congress that the House considered this bill. On Tuesday, February 3, 1948, the bill was considered by the House and passed practically unanimously with 370 for and 6 against.

This bill is an excellent one and meets a need which has been very real to the veterans who are pursuing institutional training. The increase is not a large one but it has been for some time greatly needed by the veterans who are enrolled in courses of institutional training under this act.

The increases are as follows: Single veteran, from $65 to $75 per month; veteran with a dependent, from $90 to $105 per month; and veteran with more than one dependent, from $90 to $120. These increases do not seem large in casual observation, but they are certainly large to those young veterans who are taking these courses of training in the various institutions under this act.

Personally, I know of a number of worthy veteran students who are doing splendid work in the college and university courses and who are having a most difficult time making ends meet. This increase, although not large, will be a godsend to them and enable them to pursue further a course of training when otherwise they might have to drop out of the institution in which they are taking the course of training.

It is a source of satisfaction to the Veterans' Affairs Committee of the House which has not been in the least dilatory in this matter to see this much-needed legislation enacted into law. I know it will be welcome and good news to the many veterans and their families pursuing courses of training in the various institutions pursuant to this act to learn that they have been granted this increase which has become so vital to their decision as to whether they can continue their institutional courses of training in preparation for pursuing chosen avocations in life.

The People, the Atom, and the Press

EXTENSION OF REMARKS
OF
HON. W. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. COLE of New York. Mr. Speaker, American leadership in the field of atomic energy is just as dependent upon a well-informed public as it is upon the actions of the Members of Congress who are members of the Joint Committee on Atomic Energy and the few who have been selected to direct the United States Atomic Energy Commission. In order to have a well-informed public, however, it is necessary that there be a full disclosure of all permissible knowledge on the subject. The nature of the problem and the need for security in many phases of atomic energy administration places a tremendous responsibility on the United States Atomic Energy Commission and, to a lesser degree, the Joint Committee on Atomic Energy. It bars disclosure of much information, even by members of the Joint Committee on Atomic Energy to other Members of Congress. Such a prohibition is inherent in the subject, but there is much which can, and should, be made available to the American people.

A step forward in this direction has been taken recently by the United States Atomic Energy Commission. An office of public and technical information service has been established by the Commission to release factual news to the people through the usual channels such as press and radio. The Commission, under the leadership of David E. Lilienthal, is to be complimented for this action. It is creditable, too, that the organization's releases have not been colored by statements of opinion, but have been strictly unbiased and factual.

Information on advances in nuclear research is vital to the farmer, the industrialist, the doctor, and the general public. It is only with such knowledge that the 130,000,000 Americans can make intelligent decisions which will guarantee to the world that our use of atomic energy will be for peaceful purposes alone.

Recently, Mr. David E. Lilienthal, Chairman of the United States Atomic Energy Commission, made an admirable discussion of this aspect of the atomic-

energy problem before the New York State Publishers Association, which merits the consideration of the public generally:

THE PEOPLE, THE ATOM, AND THE PRESS

(An address by David E. Lilienthal, Chairman, United States Atomic Energy Commission, before the annual convention of New York State Publishers Association (meeting with New York Associated Dailies and New York State Society of Newspaper Editors) DeWitt Clinton Hotel, Albany, N. Y., Monday, January 19, 1948)

Will the United States be able to maintain, and even to increase its world leadership, in the development of atomic energy? This is a question on the minds and in the hearts of a good many people these days.

Upon the answer to this question a great deal depends, a very great deal indeed.

The people of the United States have a right to expect and to receive from the Atomic Energy Commission as candid and forthright an answer to this question as, in the present state of this troubled world, it is possible to give publicly.

For by the Atomic Energy Act of 1946, the McMahon Act, the people, through the Congress, have placed the responsibility for solid and swift progress in all aspects of atomic energy squarely upon this Commission.

It is appropriate that I should state my views on this question before an organization of men engaged in the newspaper business; not a gathering of scientists or engineers or military men or industrialists, but newspaper men, publishers, and editors. For the press has a large, and it may be a conclusive role to play, in determining where American atomic energy development will be 3 or 5 years hence, in relation to its present condition and in relation to efforts elsewhere in the world.

In my opinion the answer to the fateful question: What are the prospects of continued American preeminence in atomic energy development—including atomic weapons—depends largely, indeed chiefly upon American public opinion. It depends upon how important atomic energy progress seems to the American people as a whole, and to the natural leaders of opinion within the thousands of communities of this country.

The state of American public opinion will be decisive. That opinion depends largely upon how well the people know what is at stake for them and for their children, in this race—this race for more and more knowledge of this new land of the atom. Giving the people help in learning what is at stake, what is the fundamental nature of atomic forces—here is a high function of the press. Providing the people with information, knowledge, and an interpretation of facts and events—all ingredients in the formation of realistic public opinion—is part of the trusteeship vested in our newspapers.

What has American public opinion got to do with the health and vigor of an intricate scientific, engineering business—and national defense—undertaking? Let me try to make this clear.

Bear in mind that this enterprise—from the raw ore through production and including the design and production of weapons and most research and development—this undertaking is wholly owned by the public, by the Government of the United States. It is a monopoly, by explicit provisions of law; a law so reasonable under the circumstances that it passed the Senate of the United States without a single dissenting vote. The reason atomic energy is at present a Government undertaking is an obvious one: its close interrelation to national defense and security.

The public, then, is the owner and the boss. Contrast this situation with that during the war. During the war the American people knew nothing of the atomic project; indeed, public money was spent to see to it that they did not know. Over $2,000,000,000 were spent without public knowledge or a chance by Congress to stipulate or even examine the manner of spending.

But that was in wartime. It was not the normal situation of a Federal enterprise.

The fact is, and we must face it, that it has yet to be demonstrated that in peacetime the cumbersome and time-consuming normal process of our Federal Government can make a success or insure leadership, world leadership, of such a complex scientific and technical undertaking as this.

But our difficulty today goes even deeper than this. If America is to remain in a position of world preeminence in atomic energy and atomic weapons, we simply must have at work in this pioneering field the most creative brains of science and the finest talents of industry and management. Such men, it goes without saying, are in the greatest demand in private life. It has yet to be demonstrated, however, that the United States Government in peacetime will be prepared to provide for such men the kind of opportunity and conditions without which men of this rare capacity will be repelled rather than attracted and held in the service of atomic-energy development. Here is the very crux of the matter, for it takes a high order of human energy to produce atomic energy.

Huge sums of appropriated money, alone, will not keep us ahead; the conditions of public service must be such as to encourage and stimulate scientific engineering and managerial effort in one of the most intricate and exacting enterprises of our time.

The members of the Atomic Energy Commission realize fully these difficulties. We realize that to overcome them will be an accomplishment without precedent. We feel certain that the job can be done if the American people are constantly aware of how vital it is for our country and our future that it shall be done.

There is in this country the scientific talents required to continue and lengthen our leadership in atomic energy developments. We have the engineering and industrial and administrative skills to keep our lead and to increase it.

But if the American people are not acutely aware of the vital importance of this development to them, to their future, to their security, there is a real hazard that in a brief time neither scientific talents, nor engineering or administrative skills or huge sums of money will avail us. Red tape, bureaucratic frustrations, petty politics, dull unimaginative direction will move in and change the whole atmosphere from one of pioneering to dull routine. Drive and intensity, initiative, a sense of urgency cannot be sustained in such an atmosphere. Top scientists will turn to other lines of inquiry; good administrators will have nothing to do with such an enterprise. It will become a fine nesting place for industrious mediocrity. And America's head-start and her position of preeminence will be lost, lost in less time than I care to think about.

What are some of the things about atomic energy that it seems important that the public should know, and that newspapermen should know so they may, in turn, aid in public education? Obviously it is not necessary that newspapermen or the general public become atomic scientists. Nor are the fundamental facts about this new field of knowledge too complex or technical for general lay comprehension. The notion that these are things that are "over the heads" of the general nonscientific public is bunk, in my opinion.

Let me, by way of illustration, refer to a few of the considerations that seem to me important for general public understanding.

Atomic science is not confined to weapons, but opens a new world of knowledge. This new realm of knowledge deals with the forces contained within every particle on the earth and in the sea and in the very air we breathe. These atomic forces are within our bodies, within every living thing on the farms of your home county, within every object you touch or eat or wear. Atomic forces are fundamental, as are electrical forces, and the forces of gravity and of magnetism. We are not dealing here merely with a new explosive, with "just another bomb," however powerful. You and I are witnesses, here in our time, of the unfolding of new knowledge that goes to the very heart of all things physical.

The first large-scale demonstration of this energy was the detonation of a bomb, a weapon that in a single blast destroyed an entire Japanese city. The dramatic way in which word of the release of atomic energy first reached us, with this news of the first atom bomb, naturally enough created the impression that this was only a military weapon. Quite overshadowed was its importance as the opening of a door to a whole new world.

Atomic energy is far more than weapons. But let no man underestimate its destructive power. However fantastic atomic weapons may seem, they are real, as those of us who live with them well know, they are very real indeed.

Atomic energy is a military force of vast power. Its further development is, by express provision of law, a paramount obligation of your United States Atomic Energy Commission. In the laboratories and plants of the Commission this is a high duty that we seek to discharge with vigor and determination. One evidence of the importance we give to weapons is supplied by the Commission's recent announcement that we have presently under construction proving grounds in the Marshall Islands of the Pacific (7,000 miles from our place of meeting today) for routine experiments and tests of atomic weapons. The design, improvement, and production of atomic weapons goes on in the Commission's laboratory at Los Alamos, on top of a mesa in the mountains of New Mexico. This constitutes a scientific and engineering undertaking calling for the highest order of skills. No effort is being spared to keep this part of our responsibility to you and to all Americans on a high level of superior competence and vigilance. In this we have the cooperation of universities, industries, and the National Military Establishment.

This country for 2 years, since November 15, 1945, has made and continues to make efforts to place the destructive aspects of atomic energy under effective workable international controls. For we are and always have been a peace-loving nation. But until such controls are effective throughout the world we must act on a realization that here are weapons that have shaken previous military and international concepts as has no event in centuries, if ever. This fact is just as important to you and your neighbors in up State and central New York as it is to those who sit at the council tables of Washington or London or Paris or Moscow.

My purpose in seeking to dispel the notion that atomic science and atomic weapons are synonymous is not to deprecate the position of this force as a weapon. It is rather to warn that this mischievous myth (that the two are one and the same) is a major fallacy, a fallacy that will make it more difficult to eliminate atomic energy as a weapon of war, a fallacy that may keep up from an understanding of this great force and deprive you and yours of the peaceful fruits of this discovery.

You and I have been vouchsafed the great privilege of living in that moment of time when we can dimly see ahead a whole new world of knowledge about nature. But the

door to this new understanding is but barely opened, just far enough for us to realize that beyond its portals lie vast new continents to explore and develop. Even the most talented men of science insist that they are profoundly ignorant about the nucleus, the dense core of the atom, and about the forces that hold that nucleus together with energies that are almost unbelievable.

As to these energies, let me illustrate rather simply. Suppose this small black cylinder I hold in my hand were a lump of coal. If you were to burn this amount of coal, the coal's energy thereby released in the form of heat would be negligible. But this black cylinder is not coal. This is uranium. It is uranium of very great purity. Six years ago no man had ever seen even this small amount of uranium of this purity and quality. It had never been a substance of any particular importance. Tonight, as we meet here this black metal, this inanimate object is a central figure at the council tables of the peoples of the world. This cylinder is made up of three million billion billion atoms of uranium, and each of these atoms has a nucleus. If the energy within the atoms of this cylinder were released not by burning, as in the case of coal, but by the splitting of the nucleus, by what is called fission, the energy from the heat that would be created would be equivalent to that produced by the burning of 2,500 tons of coal. That is about the amount of coal required to supply electricity for the city of Albany for 3 to 4 days. Atom for atom, the energy released by the burning of this amount of coal compared with that released by the splitting of the fissionable atoms in this cylinder of uranium bears the ratio of one for coal to tens of millions for atom splitting.

These forces within the nucleus are so fundamental that it is of the utmost importance that they should be understood—in their essentials—by all of us. Here are two facts of the greatest importance to every living being the world over.

First. Mankind has probably learned more in the past 30 years about atomic forces than in all the preceding centuries.

Second. Within the next few years, a decade perhaps, if the people of this country make it plain that they are determined that this Nation shall lead the world in pressing forward in this field—we should be in a position to unlock new knowledge about life and matter and growth and disease and suffering so that wholly new concepts of human life will follow in the wake of this new knowledge.

New knowledge is the very lifeblood of progress in a country such as ours; new knowledge is the foundation of our military strength.

A major part of this search for new knowledge that may yield majestic benefits for man is going on here in the State of New York.

Under contract with the Atomic Energy Commission, the University of Rochester is carrying on a research program in medicine and biochemistry so extensive that the Commission has just undertaken to construct at the university a 6-floor building to house this work. This will include the training of doctors in how to use atomic energy as a new instrument for diagnosis and treatment of disease. At Rochester, medical science is seeking ways of preventing and treating radiation harm to human beings, a matter of vital concern in a world that must consider the possibility of some day being involved in atomic warfare. At Rochester they are using radioactive substances produced in the Commission's nuclear energy furnace at Oak Ridge to trace the causes of many diseases, including cancer, and to progress toward the hope for cure of this dread disease.

In Schenectady, the General Electric Co., under contract with the Commission, is developing the Knolls Atomic Power Laboratory. There nuclear scientists and engineers will tackle the long series of problems that have to be solved before we shall be able to produce electricity from atomic energy.

Cornell at Ithaca is a leader in using radioactive and stable isotopes from the atomic furnaces at Oak Ridge to seek out new knowledge of plant growth, so that plants may be helped to produce more food, at less cost, from each acre of land and each hour of labor. This work is not part of any Atomic Energy Commission project. It is made possible, however, by the fact that the radioactive isotopes—the tagged atoms—used in these new lines of research can be produced in such variety and quantity and so inexpensively in the Commission's nuclear reactors at Oak Ridge.

In short, at Rochester, Schenectady, and Ithaca there is leadership in the scientific and technical drive of this Nation to claim for its people and the world's people three great possible benefits of the atomic age: (1) New knowledge that will aid in diagnosing and treating diseases that shorten and burden man's days; (2) new knowledge and new know-how that will bring to the service of men more mechanical power to lift his load of drudgery and free him to develop further the things of the mind and the spirit; (3) new knowledge that will help to increase the annual yield from the soil of the earth and the toil of the farmers, and thus to overcome one of the greatest threats of this century—the fact that world population is now increasing faster than world food production.

Underpinning all of these applications of science to the service of man is the research into the basic nature of the nucleus of the atom and its behavior under different conditions. Here, too, New York State is the site of research work of the utmost importance. At Brookhaven National Laboratory on Long Island—old Camp Upton—nine of the great universities of this country (including Cornell, Columbia, and Rochester) have joined together and under contract with the Commission are operating a large segment of the entire basic research program of the Nation in this field.

I have referred by way of illustration to some of the kinds of information the American public must have, through the press and otherwise, if it is to make informed decisions on the issues of atomic-energy development. There is another side to this coin. Congress has forbidden public issuance of a considerable range of information. In the law this is called "restricted data"; information that might be altogether too interesting to individuals and nations who are potential enemies of the United States.

Congress has placed severe penalties on revelation of restricted data. But it is not so much the risk of incurring penalties that deter reporters, editors, broadcasters, and speakers from the use of restricted data; rather it is their genuine desire to avoid harm to the Nation's defense and security.

The first problem of the press and other media is to know what is restricted data—the information that the Congress has directed, in general terms, should not be published.[1]

The press here is in an impossible situation unless it has some guidance from the Commission that under the law has been made responsible for determining from time to time just what is secret and what is not. No one can put a piece of copy or a picture or an article alongside the brief definition of restricted data in the act and say with certainty whether it does or does not contain restricted data. Even the scientists and engineers working in the atomic-energy projects cannot decide this for themselves. Therefore the Commission maintains a declassification system, originated uner the Manhattan district. Working in this system, passing judgment on all copy submitted from inside or outside the project, are more than 120 high-ranking scientists, engineers, and technicians, each expert in one line of subject matter, each familiar with his phase of our Declassification Guide, a secret document developed by a group of the Nation's top scientists saying what may be published and what must be withheld. This system is complicated, but it is rather well administered and it works more rapidly than you would expect.

So there is a way, a fairly precise way, for determining whether any piece of copy or picture or anything else for publication originating inside or outside the atomic energy projects contains or does not contain restricted data. The Commission will put this machinery at the disposal of any newspaper, periodical, radio broadcaster, lecturer, or picture service man who wishes to have copy examined. A division called the Public and Technical Information Service will handle the copy, and give the person asking for the service the judgment of our scientific reviewers on whether it contains restricted data.

To manage both the security guidance and the positive information service for all media of public communication, the Commission maintains a small public information staff—four in Washington, one at each of the five managerial offices elsewhere in the United States. This staff, to the limits of its capacity, will help your Washington bureaus, and your home staffs, if they request help, in all possible ways.

I have emphasized somewhat this matter of security guidance because it is a new thing under the American journalistic sun. Now let me turn to the equally important function of accounting to the public through the press and other media on that part of the costly and important national atomic energy program that can and should be freely and fully reported.

Let me assure you first that there is no scarcity of information free and open to the technical community, and, if it wants it, to the press and other media. Quite the contrary. In the past year, our reviewers declassified more than 1,200 technical dissertations averaging 20 pages each. The Commission has under way the publication of a National Nuclear Energy Series of technical data that will run to more than 100 500-page volumes, 21 of which already are prepared up to the point of readiness for the press.[2] So that there is a great volume of material open already to technical and scientific men, and to the press, if it desires to use it. I have here a book 2 inches thick which contains the abstracts of the declassified literature in this field issued in the past 2 years. This book and the papers which it lists can be consulted any time by any newsman through our Public and Technical Information Service.

The Commission does not intend to undertake the popularization, for the press and other media of this material. We are proceeding on the assumption—and correctly, I believe—that the American press wants to do its own analyzing and interpreting and

[1] Sec. 10 (b) (1) of the Atomic Energy Act provides: "The term 'restricted data' as used in this section means all data concerning the manufacture or utilization of atomic weapons, the production of fissionable material, or the use of fissionable material in the production of power, but shall not include any data which the Commission from time to time determines may be published without adversely affecting the common defense and security."

[2] Sec. 10 (a) (2) of the Atomic Energy Act provides the following as a policy to guide Commission action: "That the dissemination of scientific and technical information relating to atomic energy should be permitted and encouraged so as to provide that free interchange of ideas and criticisms which is essential to scientific progress."

reporting of public data. The Commission wants to confine itself to making the information available, and to count upon the existing informational and educational system of this Nation—notably the press and radio, and the schools and universities—to do the actual reporting and teaching and interpreting.

To repeat: The Atomic Energy Commission does have a duty to provide guidance regarding security. But most of the information—and I cannot emphasize this too strongly—most of the information necessary for an understanding of the fundamentals of atomic energy and the formulation of public policy has long since been public, and some of it since before the war.

The Commission does have an information responsibility, but it is a limited one—and it should be kept limited. That is our firm intention. We are opposed to building up a large information staff for the dissemination and interpretation of information about atomic energy or about the work of the Commission. There is a strong and wise tradition in this country against anything in a Government information operation that smacks of propaganda; or of promotion for the prestige of particular Government agencies or the men who temporarily are directing them. It is of the utmost importance that under no pretext, excuse, or justification of "national security" should the Atomic Energy Commission or any other agency create information or public-relations staffs beyond (1) the minimum actually required for security service to those writers or speakers who desire it, and (2) that staff required to provide such positive information service as the press and other members of the public explicitly require and request. Last week a special Committee on Atomic Energy appointed from its membership by the President of the American Society of Newspaper Editors began an independent inquiry for the society into the Commission's information problems and how they can best meet the needs of the press. This is a step we welcome.[3]

Congress recognized the central importance of public information in developing American policy in this new and often bewildering field. In the Atomic Energy Act there is a remarkable declaration of policy, one that is without precedent so far as I know. Here is the language of the law:

"The effect of the use of atomic energy for civilian purposes upon the social, economic, and political structures of today cannot now be determined. It is a field in which unknown factors are involved. Therefore any legislation will necessarily be subject to revision from time to time." The paragraph then concludes: "It is reasonable to anticipate, however, that tapping this new source of energy will cause profound changes in our present way of life."

Congress then proceeded to design special legislative machinery to make this declaration effective. The Commission does, of course, report regularly to the whole Congress but these reports, made semiannually, contain only nonsecret information. To insure, therefore, that as far as possible your representatives, the representatives of the whole people, are kept currently informed, that they have the facts including secret data, Congress established a permanent Joint Committee on Atomic Energy of nine Senators and nine Representatives. To this committee, which is thus in a position to consider in an informed way the public views and those of their colleagues in the Congress, and those of the executive branch, the Congress looks for guidance on broad policy decisions.

The present membership of this 18-man permanent committee is an indication of the importance Congress itself assigns to it in charting the difficult policy course ahead. Its chairman is Senator BOURKE B. HICKENLOOPER, of Iowa, a former governor of that State, a member of the Committee on Foreign Affairs, an experienced administrator as well as legislator. Its vice chairman is Representative W. STERLING COLE, of Ithaca, in this State, who, as you know, is among the most respected and influential Members of the House, with long experience in matters of national security. The committee includes the chairman and the ranking member of the Senate Committee on Foreign Affairs, Senators VANDENBERG and CONNALLY, of Michigan and Texas; it includes Senator BRIEN MCMAHON, of Connecticut, who as chairman of the Special Senate Committee on Atomic Energy in the Seventy-ninth Congress, sponsored the Atomic Energy Act and who follows with keen interest the international situation on atomic energy control; it includes Senator EUGENE D. MILLIKIN, of Colorado, chairman of the Finance Committee. On the roster of the committee are other men of both chambers most of whose names and reputations are familiar to you. In all, the committee is unusually broadly representative of the country, both geographically and in its group interests.

The setting up of this permanent high-level joint committee, aided by a staff under the direction of Mr. Fred B. Rhodes, is an example of the political inventiveness which has characterized American history from the founding of the Republic. Increasingly as time goes on the people of this country will come to look to this committee as a principal means whereby the broad policy decisions that atomic energy will require may be studied, weighed, and recommendations reported to the Congress as a whole, and to the people. The very fact of the existence of the joint congressional committee is security against the exercise of arbitrary power by the Commission, while we on the Commission, vested with a kind of quite terrible responsibility, find in it a great reassurance.

This joint committee mechanism, functioning in the objectives and earnest spirit which has motivated it, seems to me one of the most important facts in the atomic energy picture, and among those that needs to be better and more widely known and understood by newsmen and the general public.

Among the most important decisions in our history as a Nation will be those made concerning the course and direction of atomic energy development, and the uses to which this new force is put. These decisions will affect our most cherished institutions. They will have—they have already had—a deep and pervasive effect upon our relations with other nations and peoples of the world, and perhaps upon the very preservation of freedom in the world. These will not be scientific nor technical decisions. They will be human decisions, decisions about human organization, about our way of life, about the relations of science to well-being, about the issues of peace, or of war, war of a destructiveness beyond our imagination.

Those decisions will be made with wide understanding by the people of the facts, of the consequences of the decisions, that is to say, in accordance with the democratic process, or these decisions will be made without understanding, made in the darkness, made under the compulsions of hysteria and fear, not of reason and judgment.

It will be your job, in my opinion, not only to disseminate the underlying facts, within the limits of security, but to interpret and give meaning to those facts. It will be your task to see that your public servants, legislative and executive, are held to the highest standards of performance, to see to it that atomic energy shall never become the victim of petty politics or narrow partisanship. It will be your job not simply to increase public knowledge but what is equally important, to make that knowledge effective in determining the course of the Republic. It is for such a historic and fateful function as this that through more than 150 years this Nation has never wavered in its determination that the schools, the churches, and the press shall remain vigorous, independent, and free.

[3] The membership of this Committee of the ASNE is as follows: Gideon Seymour, executive editor, Minneapolis Star-Journal and Tribune, chairman; W. S. Gilmore, editor in chief, Detroit News; B. M. McKelway, editor, Washington Star; C. G. Wellington, managing editor, Kansas City Star; Laurence L. Winship, managing editor, Boston Globe; Paul C. Smith, editor-manager, San Francisco Chronicle.

Increase in Veterans' On-the-Job Ceilings

EXTENSION OF REMARKS

OF

HON. HAMILTON C. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. JONES of North Carolina. Mr. Speaker, a bill to increase the monthly maximum allowed to veterans receiving both compensation for productive labor and subsistence allowances for education or on-the-job training, known as the Kearney bill, was referred to our committee, as you know, on January 3, 1947, and was referred to the Rules Committee on February 26, 1947. Between the period of January 3, 1947, and February 26, 1947, the committee considered this bill very carefully and we think reasonably after hearing representatives of the American Legion, Veterans of Foreign Wars, American Veterans of World War II, regular veterans' organizations, Member of Congress, and the Administrator of the Veterans' Administration. All have expressed their views or the subject.

The change is not a great one from the old ceiling of $175 and $200 per month, but it takes in a group of veterans who are not making more than these amounts and gives them the necessary help to really live on a decent scale. It is admitted to be true that many of these boys do not have jobs that would earn for them more than $175 to $200 per month and with the old ceiling they were getting no help from the Government whatsoever and were not making enough to really live decently. The change from $175 and $200 to $250 for a veteran with dependents; $325 for a veteran with one dependent and $350 for a veteran with two or more dependents is not a great one, but it is one that is very helpful to many deserving veterans who need help in getting launched in their life work after being interrupted by serving in the armed forces of our country.

Under the old bill, a single veteran got $175 and the married veteran got $200. They would get no assistance whatsoever, but with a veteran earning $185 a month, he would get $65 per month, if single, totaling $250. If married and thereby having one dependent and if he were earning $210 per month, he would then have a $90 supplement which would give him $300 per month. Of course if he had two or more dependents, which

would entitle him to the full ceiling, and earns $260, with his subsistence allowance of $90, he would receive $350. These rises are not excessive as the committee views it and we felt that the House would approve them.

Under the old regime, there was an apparent hardship and rather a restraint on ambition and tended to keep veterans from entering on-the-job training courses because they could not live on the amount as fixed by the old ceilings. So, as I have previously stated, these figures were not arbitrarily selected but agreed to after very careful hearings and consideration by the committee which voted unanimously to include them in the bill.

We feel that the ceilings are not at all excessive, but are fixed in the recognition of the ever-increasing cost of living and helping the veteran who is trying to learn a trade and at the same time maintain a decent standard of living. The additional amount required to increase these ceilings is not very much. It is well justified, as the stimulus it would give to so many veterans to get started in a trade in the right manner and at the same time have a decent living while in training.

I would like to call to the attention of the House that the Veterans' Affairs Committee has not been dilatory in passing this bill, as this was done on February 26, 1947. We acted early in the previous session on this important matter, so we feel the bill should be passed at once.

I was in my district, and particularly in the city of Charlotte during the recess, and I found many of the veterans anxious to know just what the increase of ceilings was going to be so that they could make their plans accordingly. It is natural for them to want to know whether or not they would have a decent living while training on the job, and they are anxiously awaiting the action of the House in this important matter.

I might say that there were 21,000 men in the armed forces from Charlotte and Mecklenburg County, N. C., and about an equal amount in the other counties of the Tenth Congressional District. These veterans are all anxious to have this matter definitely settled and the slight increases made in the ceilings, for on-the-job training would help them.

"Thou Shalt Not Succeed"

EXTENSION OF REMARKS

OF

HON. NOAH M. MASON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1948

Mr. MASON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by David Lawrence from the United States News of February 6, 1948:

"THOU SHALT NOT SUCCEED"

(By David Lawrence)

(Program for breaking up profit-and-loss system set forth in study of oil industry. Large companies held to be monopolies merely because of size. Antitrust action invited when business becomes successful and efficient.)

Radicalism is always difficult to combat when it skulks behind a tree.

Radicalism, however, in America has finally come out into the open. It seeks to demolish the profit-and-loss system and to substitute a system of state socialism or state capitalism.

The main purpose, of course, is to break up industry, disintegrate its efficient units, demoralize the whole economic system and make it impossible for businesses to get capital from frightened investors and thus introduce Government capital and Government control under the guise of emergency.

The plain implications of the radical viewpoint were set forth by a group of five Yale University professors in a book published last week by the Yale University Press at New Haven, Conn.

The book is entitled "A National Policy for the Oil Industry," but it applies as well to all other industries and might better have been entitled "A National Policy for Breaking up Large and Efficient Units of American Business."

The project is described on the title page as one of a series designed to present the result of studies made in the course of an interdepartmental program of research in national policy, organized at Yale University in 1946, by members of the department of economics and political science, and the school of law.

Funds for the project were furnished by the Carnegie Corp. which, it is stated, is supporting the Yale program of research in national policy, and by the Ganson Goodyear Depew Memorial Fund.

It is ironical that the funds for the propagation of a doctrine of destruction of our economic system should have come down from men who earned their surplus in life through the system of private initiative.

TECHNIQUES OF DESTRUCTION

But the study is to be welcomed. It tells frankly the technique whereby the American system can be broken into small pieces. The book will challenge the interest of the American people as the first comprehensive outline of the weapons of law and pseudo-constitutionalism which the radicals would like to use to bring on state capitalism.

Nowhere in the book is there, of course, any precise advocacy of such an ultimate course. It isn't necessary. Anyone may see the formula plainly.

Thus the book glorifies the Sherman antitrust law as an instrument of progress. With an enthusiasm that amounts almost to exultation, the authors point to the Supreme Court decision last year in the tobacco cases as affording an opportunity at last to break down large businesses.

THE CRIME OF SUCCESS

It isn't necessary any more, say the Yale professors, to prove conspiracy to fix prices or to prove the existence of any so-called evil practices. All that's necessary is to show that businesses are big and that whenever they want to act together, they can do so. Eugene V. Rostow, professor of law and a member of the graduate faculty of economics at Yale, is the principal author. He states the case quite bluntly, if not naively, as follows:

"Painstaking search for scraps of evidence with a conspiratorial atmosphere are no longer necessary. There need be no parade of small businessmen as witnesses to testify that they have been driven from the trade, and their lives ruined, by the ruthless squeeze of monopolistic pressure. Under the tobacco case, the economic fact of monopoly is very close to being the legal proof of monopoly. The decisive elements are the power to assert a degree of control over price and output in the market as a whole; and the power to deter or discourage potential competition."

There it is at last in plain view—the mere economic fact of large size and efficiency is proof of monopoly. Success is the crime.

The Yale professors' study raises and answers some possible objections to its own conclusions.

First of all, there's the little matter of efficiency. Yes; it says, large units are efficient but efficiency can be obtained in other ways, such as the elimination of large expenditures for selling.

Then there is the question of getting working capital. Yes; it says, large companies do raise money more cheaply because of their record of success while smaller companies have difficulty. But, after all, reasons Mr. Rostow, why should a little thing like a defect in the capital markets or its ways and customs interfere with the steps necessary to reorganize an industry.

Presumably if the capital markets rebel at furnishing capital to broken-up units of the oil industry, the Government can step in. And, of course, Government capital under a system of State socialism sets up its own restrictions of control and selects its own executives and builds up its own political bureaucracy.

The study anticipates the argument that reorganization of the oil industry would disturb the market value of outstanding securities and shake the faith of investors in all industry.

To this, the Yale professors answer that to consider any such contingency would make the Sherman law "nugatory."

It is admitted in the Yale study that to line up as many as 20 oil companies as defendants because they control a total of 80 percent of the volume of business in the industry, might be novel but the Department of Justice is nevertheless pointedly invited to try it.

What this study centers on, to be sure, is the claim that identity of price as between competitors, known in business as the natural or stabilized price, is unlawful under the Sherman law. What is sought evidently is to force instability of prices, if not of profits, and substitute for the natural appraisals by management of sales and costs a factor of artificiality or perhaps a public-utility regulating process.

The corner grocer sells his sugar at the same price as the competitor across the street. He must now put his price 1 cent lower or 1 cent higher to avoid identical price making. He may lose money on the former and lose his market on the latter, but apparently if a competitor preempts a particular price level, he must choose another price.

GOOSE STEPPING TO EFFICIENCY

Certainly there would be an elimination of expenses in many an oil company if half the filling stations in the country were abolished. Lots of ways could be found to reduce expenses if the Government controlled everything. Indeed, half of the restaurants or eating places could be abolished if the American people would only agree to a staggered system for lunch and dinner. If a certain number would eat lunch at 11, 11:30, 12, 12:30, 1, 1:30, 2, and 2:30, it would eliminate a lot of waiters and waitresses. It would reduce expenses, and we would all goose step to meals as prescribed by government.

But who wants that? Isn't it a citizen's privilege to eat when he pleases or to motor along the highway and fill his gas tank when he pleases?

What is involved in the Yale study may be found in nearly all blueprints for governmental control of the economic system—a theoretical justification for the elimination of waste and a theoretical claim that large-sized operations do not mean efficiency or low prices.

THE RIGHT TO SUCCEED

The contrary can be proved by fair examination of the facts. What American businesses furnish the American people is

a service unparalleled anywhere in the world. Quantity production has given us cheap transportation, cheap tires, cheap gasoline, cheap appliances for the household under a standard of living higher than that of any other people, including socialistic England and communistic Russia.

Large businesses nowadays are not owned by a few individuals as in yesteryears. Today stockholders are numbered in the tens of thousands in almost all large companies. The public which has saved its money invests in these large companies with the hope of getting the fruit of long days of labor.

The Yale book is important because it reflects to no small extent the views of the "trust-busting" school of thought in the Department of Justice, where antitrust suits are filed by the dozens with funds supplied by a none too vigilant Congress.

"Thou Shalt Not Succeed" is the new commandment from the radical dictatorship.

The right to succeed is, however, the real incentive to American progress. It is a prime requisite if the American people are to enjoy the "privileges and immunities" set forth in a Constitution designed to safeguard the right to "life, liberty, and the pursuit of happiness."

Boom-Bust Tax Cut

EXTENSION OF REMARKS
OF
HON. MARY T. NORTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mrs. NORTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Marquis Childs, from the Washington Post of Thursday, February 5, 1948:

WASHINGTON CALLING

(By Marquis Childs)

BOOM-BUST TAX CUT

Now that the Republicans in the House have had their fun with an old-fashioned boom-and-bust tax-cut bill, the Senate will get down to the serious business of drafting a measure that can be passed over the President's veto. The cut finally approved is likely to be less than half of the $6,500,000,000 which Representative Harold Knutson, in the role of heedless Santa Claus, dangled before the voters.

In the Senate more cautious Republicans are discussing a cut of two and a half or three billions. This is a frank recognition that most of the big talk about slashing the Truman budget is just political talk in a political year.

There seems litle doubt but that a measure will be framed which can be passed over the President's veto. One thing it will contain for certain is the community-property provision enabling husbands and wives to divide one income and thereby pay at a lower tax rate. Since 12 States now have laws permitting such a division of income, it is only fair that the same provision should apply to all married taxpayers.

The final bill will also contain increased exemptions for individual taxpayers and some relief for corporations. In short, it will be a political compromise aimed at appeasing the largest number of voters while doing the minimum of damage insofar as national and international responsibilities are concerned.

This is the intention, at any rate, of those Republicans who are acutely aware of the spectacle in the House. Such blithe spirits as KNUTSON may feel that six and one-half billions is a good vote catcher. But even this is doubtful.

The other day, Speaker JOE MARTIN made a speech that didn't sound like the shrewd, able politician from Massachusetts. He solemnly warned of a plot to sabotage Congress and undermine the faith of the people in representative government.

Obviously Speaker MARTIN failed to realize how close to home he was hitting. The real saboteurs are the irresponsibles in Congress. Faith is destroyed by those who indulge in nose-thumbing political gestures, willing to take a chance that someone will save them from the full consequences of their irresponsibility.

KNUTSON is an interesting example. Giving his home as a summer resort in Minnesota and vacationing each year in Florida, he may just possibly be a little out of touch with the problems of ordinary citizens in this period of inflation.

From a reader comes a comment on President Truman's proposal to increase the personal exemption of each individual by $40. This has been laughed at as a cheap bait of the Knutson variety. But the following grass roots point of view is different:

"I would like to take exception to your expressed viewpoint that a tax cut would be inflationary. At least in my own case I do not see how it could contribute to inflation.

"If the tax cut were confined to those suffering from malnutrition because they can't buy enough foodstuffs to allow them a proper diet, in a case of this nature how could it contribute to inflation? In our case we get enough to eat, even though it has reached the point where we are having to draw on our small savings that we were able to make during the war years. These savings were made possible by long hours, but not at the prevailing high wartime wages.

"I made 80 cents per hour during part of the war and 94 cents per hour the latter part of the war. I get $1.12 now, which for 45 hours and 20 minutes per week, gives me a net take-home amount of $51.96 to support myself, wife, and two children.

"If we were given the benefit of Mr. Truman's plan of $40 per person off, I don't see how we could buy any more and thus add to the scarcity problem. But his relief plan would, I believe, make it possible for us to get by on what I am earning and thus stop the drain on our savings, which we desire to hold as a buffer against emergencies, medical expenses, hospital bills, and so forth."

Chairman KNUTSON, now on his Florida vacation, might be surprised at how many families these days are having to dip into their savings. It is a fairly common experience of those who are trying to maintain something like the standards of the past. But whether the Knutson across-the-board tax cut would give them any real relief is quite another matter. It would inject another $6,500,000,000 into the already swollen money stream.

Untimely Tax Cut

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Star:

UNTIMELY TAX CUT

The temper of Congress—and presumably of the people—being what it is, any protest against a tax cut this year probably is futile. Nevertheless, the protest should be made, for this is not the time to be cutting taxes.

With a margin of more than enough votes to override a veto, the House again has called for tax reduction. This latest measure would take 6,000,000 people off the tax rolls and reduce revenues by $6,500,000,000. This is accomplished principally by increased exemptions, a sliding-scale percentage cut in the tax rate, and by adoption of the community-property principle.

In normal times this would be a good tax-reduction program. But these times are not normal.

One of the reasons for the present inflation is that the supply of dollars in the hands of consumers is greater than the supply of goods. The effect of this is to force prices up and the addition of $6,500,000,000 to the volume of purchasing power is almost certain to drive prices still higher. The national debt stands at $256,000,000,000. It is imperative that this debt be reduced, and a maximum reduction ought to be made when the national income is high, as it is now. The Republicans hope that they can provide for tax reduction and still reduce the debt this year by $2,600,000,000. That is an optimistic estimate, but even if it should prove valid, the fact remains that at this rate it would take 99 years to pay the debt, and this is without any allowance for the lean years that are bound to come.

Finally there is the fact, largely ignored when taxes are under discussion in a campaign year, that this country is more at war than at peace. With international conditions as they are, we cannot afford to take the chances that might be taken in a tranquil world. If we have any margin of revenue over and above a proper debt reduction, that margin should be used to strengthen our defenses and to finance the countermoves we are making in the face of Russian expansion. This is a field in which there can be no certain cost figures, but we would be wiser to plan on spending more rather than less than the current estimates.

These considerations point to one conclusion. Any tax reduction now is inimical to the best interests of the Nation. But if, for reasons of domestic politics, some tax reduction is inevitable this year, then the cut should be held to the lowest figure possible. There are members of the Senate, where the bill now goes, who share this view, and they should be given every support.

Border War

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article by Frank C. Waldrop, from the Washington Times-Herald of Tuesday, January 27, 1948:

BORDER WAR

(By Frank C. Waldrop)

While you are worrying about the possibility of meat rationing, you might as well do some thinking about what to do if there's no meat to ration. And if you can't imagine such a thing, then here are some facts:

Sometime in 1946 some bulls were imported into Mexico from Brazil.

On December 26, 1946, a major catastrophe was announced in Mexico.

Cattle were found to be dying of an infection called hoof-and-mouth disease. This is one of the world's great scourges, as mysterious and deadly among animals as influenza among people.

Humans do not ordinarily contract the disease, but if they so much as walk on the ground in an infected area they can track the germs into fresh territory with disaster to cattle and hogs.

People who do not know much about the hoof and mouth disease take it lightly. Such are the ones who are always screeching that the cattle barons of the United States of America are playing dirty in opposing the importation of Argentine beef here.

The cattle barons were long-headed enough some years ago to support a treaty between the United States of America, Canada, and Mexico under the terms of which none of the three countries would import cattle or meat products from infected countries.

The people who screeched, said:

"It's all for monopoly. Look at the Argentine. They have plenty of beef down there. Other countries buy Argentine beef. Hoof and mouth disease is highly over-rated as a menace."

The screechers ignored the lesson of Holland which imported uncontrolled items in the cattle line and was swept by hoof-and-mouth disease with absolutely disastrous results. They ignored the fact that Argentina's vast open ranges, as compared to our highly developed cattle country, are the last in the world that can find room for both infected and healthy animals in any numbers.

But the case of Mexico is so near to home that now the screechers, perhaps too late, are suddenly silent. The great Henry Luce, who sees all, knows all, and tells all, was one of the loud thumpers against the cattle control policy for years.

But what has happened to Mexico has even shut him up and that is a monumental achievement, though expensive, for he and the other meddlers were encouraging Mexico in its violation of the non-importation treaty.

What has happened to Mexico is this:

Since 1946, hoof-and-mouth disease has swept the whole central belt of the Mexican peninsula. The government of Mexico, admitting its inability to do anything, has called on the United States of America, for rescue.

Our Department of Agriculture has several hundred experts down there buying up, shooting, and burning animals in the infected areas. The United States taxpayers, of course, are footing the bill and it runs into many millions.

The Mexican farmers are squawking. What good is money, they say, when they lose cattle for reproduction and get no replacement animals?

Of course, there is no help for that. They lose from the disease anyhow, but they are ignorant people and don't think it that far through. They are resisting the quarantine and that is tragic, because the quarantine can barely hope to succeed even with full cooperation.

It is not succeeding, now. The quarantine line is slowly but surely retreating northward.

The Agriculture Department says it has a new vaccine that hasn't been tried out in Mexico yet but is supposed to immunize animals for 6 to 8 months. Not good enough.

Only complete immunization will make the meat supply of the United States of America safe.

The United States is loafing on its job. The Mexican project is nothing like strong enough. A more stringent quarantine and a really full-scale vaccine effort are absolutely essential.

To quote the world's ablest cattleman, Robert J. Kleberg, head of the King ranch in Texas:

"The hour is late. Much valuable time has been lost. The job can be done only with the full cooperation of all departments of Government both here and in Mexico."

Our Government is a huge and many sided bureaucratic organization. It is slow to move on anything, no matter how important.

If you are looking for something about which to write in to Congress and the President, needle them all to get going against hoof-and-mouth disease.

Otherwise you may wake up one bright day and find no meat to eat around here and we'll be down on our knees to Peron, of the Argentine, for some scraps of his leftovers.

Our Contradictory Foreign Policy

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. SHAFER. Mr. Speaker, you can imagine the bewilderment of the average American today in regard to our so-called foreign policy, when even the experts are puzzled by the various contradictory moves that are being made by those who are in power in the executive branch of our Government, or one of its adjuncts.

Not long ago, you will recall, President Truman was asked if he did not consider it contradictory that we were shipping locomotives and freight cars to Poland, a nation that is definitely inside the iron curtain and most positively in the Russian economic orbit.

Believe it or not, the President blandly replied that there was no contradiction between shipping freight cars and locomotives to Poland, while at the same time shipping materials to western European nations in an effort to stop totalitarianism.

Now we have the news that the World Bank, which is financed almost wholly with American tax money, has decided to grant Poland's request for a loan of $60,000,000, ostensibly to allow Poland to modernize its coal mines.

This news comes on the threshold of the time we here in the House of Representatives will be asked to appropriate from five to fifteen billion dollars for western Europe to stop communism. Stripped of its bare essentials, that is exactly what the so-called Marshall plan is, and everybody knows it, a proposal to stop communism. It is a WPA way of trying to win friends and influence people. Now, apparently, we are trying to play WPA to our enemies as well as to the folks we hope to make our friends.

A most pertinent article concerning this World Bank loan to Poland has been written by the well-known foreign correspondent, Constantine Brown, and published in the Evening Star for February 3, 1948. Under leave to extend my remarks, I include this article.

I, for one, cannot understand how any man, however benighted or however cynical, can defend this loan and our other shipments of goods to Russia and at the same time urge the enactment of the so-called Marshall plan to build up a bulwark against communism in western Europe. The actions are contradictory, two timing, anomalous, and just downright stupid. One set of actions may be defended logically by itself, but playing both ends against the middle—the middle in this case being the American taxpayer—is not only ridiculous, it is inexcusably stupid.

THIS CHANGING WORLD—WORLD BANK APPROVAL OF POLISH LOAN SEEN AS LATEST OF DIPLOMATIC PUZZLES

(By Constantine Brown)

The World Bank has decided to grant Poland's request for a loan of $60,000,000, earmarked, according to bank officials, for the purchase of equipment to modernize the Polish coal mines.

This loan is being made in spite of the fact that Poland is spending many millions of dollars for military training of all her citizens between the ages of 16 and 21, and in spite of the fact that Hilary Minc, Polish Minister of National Economy, has just returned from Moscow with a new Russian trade agreement in his pocket.

The loan has been under discussion for about 18 months since Poland applied for a $600,000,000 credit, but the amount was too large to be floated in this country under the guaranty of the World Bank.

FOUND POOR RISK

Last summer a commission representing the bank, under the chairmanship of John J. McCloy, went to Warsaw to study the question on the spot. Mr. McCloy returned to Washington with the conclusion that Poland was a poor risk for a big loan, but a limited sum—about 10 percent of that asked by Warsaw—could be made available from funds still available in the bank.

The chairman was of the belief that purchase of new tools for the Polish mining industry would increase its output substantially and thus would help the Marshall plan. Poland's leaders had intimated that the increased production would be shipped to western Europe to relieve shortages of coal.

Although the heads of the World Bank pointed out that only economic considerations were taken into account in granting loans, it was admitted off the record that political solvency together with the applicant's leanings in the present international set-up had to be taken occasionally into consideration, particularly since the vast majority of the bank's funds came from American taxpayers.

Last fall the bank considered Poland a poor risk. A congressional group which visited Poland last September came to the same conclusion. The congressional group, headed by Senator SMITH, Republican, of New Jersey, and Representative MUNDT, Republican, of South Dakota, at the end of their visit received from our Embassy in Warsaw a confidential outline of Poland's economic and political situation. This contained the conclusion that "every dollar given Poland under the present set-up is a dollar given to the Union of Soviet Socialist Republics."

Ever since the Polish Government was recognized by other powers, it has showed itself to be nothing but an obedient stooge of Moscow. The men at its head were carefully hand-picked by the Politbureau and blindly obeyed orders from Moscow. On orders from their superiors, they went out of their way in their effort to side-step agreements with the United States and to humiliate the citizens and official representa-

tives of this country on every possible occasion.

NOT A FREE AGENT

The Chairman and other directors of the World Bank were obliged to take cognizance of these facts. Moreover, they had been told that existing treaties between Poland and the Union of Soviet Socialist Republics were so tight that Poland had ceased to be a free agent and was in no position to live up to its international commitments.

The bank was warned that whether Polish coal would be sent to western Europe depended entirely on Russia's mood. Economic treaties between Moscow and Warsaw are so worded that the former can give them any interpretation it desires.

The study by World Bank experts was completed last fall but no action was taken because, in the words of some responsible bank officials, the results of the Big Three Conference in London had to be seen.

The conference failed and the policy of the Union of Soviet Socialist Republics toward the Western World became more aggressive. Yet high officials of the State and Commerce Departments indicated to the bank's American Chairman last month that they no longer opposed the $60,000,000 loan to Poland, in view of the increasing deterioration in relations between the United States and the nations behind the iron curtain.

What has persuaded the State and Commerce Departments to approve the idea is one of those diplomatic puzzles which have harassed the American people since the end of the war.

Address of Hon. Joseph W. Martin, Jr., of Massachusetts

EXTENSION OF REMARKS

OF

HON. FRANCIS CASE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1948

Mr. CASE of South Dakota. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address given by the distinguished Speaker of the House to the conference of small-business organizations on February 3, 1948:

ADDRESS OF HON. JOSEPH W. MARTIN, JR., OF MASSACHUSETTS

It is a pleasure to address a group of small businessmen. I, too, am a small businessman. Therefore, I feel quite at home in this gathering. I can appreciate and sympathize with your problems. I have had to meet problems of a similar nature. I know the headaches incidental to running a little business—material shortages, labor shortages, customers' complaints, high taxes, governmental interferences. I am also familiar with its rewards. They are rich and good. Not in a monetary sense, but in a spiritual sense.

We small-business people find ourselves important cogs in our home communities. Our customers are our friends and neighbors. We share their smiles and their heartaches. We watch their babies grow into awkward boys and giggling girls, and later become men and women of substance. We often help in that transformation. Our part in the life of America may be unsung, but it is indelibly imprinted on our times.

The small businessman is the backbone of business, just as the small farmer is the backbone of agriculture. The small-business venture is home owned, home operated, and staffed by home labor. It is the mainstay of thousands of communities. In the fiscal year 1947 small business employed 45 percent of all persons employed. His employees are not only employees—they are his friends. This Nation grew great because small business and the small farmer started us on the road to greatness. And they are today helping us stay great. That is why we must give them a chance to live and prosper.

In the past 15 years the tremendous contribution of small business has gone largely unappreciated. Queer policies prevailed and a strange assortment of theorists thought they knew more about business than the business people did. They were advocates of governmental controls. To be a businessman was almost discreditable. To be a successful businessman was, to the theorist, disgraceful. To provide good jobs for people was to be branded an oppressor of the workers and a reactionary. Consequently, the little businessman found himself in a squeeze play between big business, big taxes, and big demagogs.

During the last 15 or 16 years the small businessmen have had few friends in Washington bureaucratic circles. He was the real forgotten man. He could not make frequent expensive trips to Washington, or hire high-priced agents to protect his interests. During that time he was harassed almost beyond endurance. Bureaucrats hounded him from morning until night. He was compelled to report to Washington over and over again a chronological list of his activities. In his nightmares he saw countless Government forms to be filled out—more than 76,000 administrative regulations, wrapped up in 93,000,000 words, regulations having the force of law, beset and bedeviled him. In many instances he was summarily denied recourse to the courts. Bureaucratic arrogance was in the saddle. Bureaucratic theorists tried to tell him how to run his business. They told him what he could sell, what he could buy. They told the farmers to take the horse's shoes off at night to save metal. They ordered slaughterhouses not to butcher any more "female steers". They tried to tell women what to wear, and men what not to wear. Never before was there such a carnival of dunce-witted government by decree. The fuss-budgets had a great time. Spenders and wasters were in the saddle driving hell-bent for ruin.

Small businessmen and farmers found Washington had a passion for regulation, but no talent for it. If a businessman made an honest mistake or inadvertently overcharged a customer, he was often hailed into court to pay a fine.

Pressure from Washington became so great, finally, that many small businessmen could stand no more. They closed the doors of their establishments, many of which had been in operation for years. We here can understand and sympathize with their bitter disillusionment. They had literally been hounded out of business by their own Government. As far back as 1939 it was my privilege to appoint the first Small Business Study Committee. This led to the creation of official committees and helped to give the little businessman a break.

Many of you in this very audience, no doubt, can recall trips made to Washington in war days. Many of you can recall fruitless and frustrating visits to the War and Navy Departments, the War Production Board, and other wartime agencies of the Government. You pleaded with the bureaucrats to be permitted to use your facilities to speed production of war necessities. If anybody ever got the merry run around, you did. You were made to feel that instead of trying to help, you were actually in the way. After days of humiliation, of futile assaults on the citadel of official red tape, you returned to your own community sadder, madder, but wiser men.

Under the continuous urging of the Congress, the small businessman was reluctantly permitted to make a greater contribution to the war effort. This contribution aided in bringing the conflict to a more speedy end, thus saving the lives of countless American boys.

In England the value of widely dispersed small business was clearly shown during the war. Had it not been for small business, England would have perished. Under continuous aerial attack, production in her large plants was constantly disrupted if not completely stopped. Her small business production was decentralized and that saved the day. In another war—and pray God there never is another—small business may be the mainstay of America.

Military planners are assuming air assault is inevitable. They are thinking in terms of decentralized industry. They are well aware this Nation must depend on small business to provide much of our war material. Passing are the days when the small businessman must cool his heels in the outer offices of bureaucrats when he wants to contribute to America's production.

The place of small business in a peacetime economy is vitally important. The world today is divided into two ideological spheres—freedom and communism. Our free economic system is under constant attack from within and from without. Moscow tells the world through its controlled press and radio our American system has failed. The out-and-out Communists within our own borders echo this propaganda. Their fellow travelers give them aid and comfort, using our own Constitution and our own institutions to protect them as they preach their poisonous doctrines. When we seek to curb their seditious activities they screech to high heaven their constitutional rights are being violated. They invoke the very instrument they seek to destroy.

Congress is the target of their special hatred because Congress is their major obstacle. It is the branch of our Government which has met and must continue to meet this challenge to America's well-being. Congress has summarily hailed Communist leaders and their cohorts before its committees. It has uncovered their dangerous practices so all real Americans can see the wicked undercover attempts to destroy our American way of life. Congress has prodded the administration to purge its ranks of those Reds and sympathizers who infiltrated into high places on the Government pay rolls. Congress has served unmistakable notice it will not tolerate traitors in our Government establishments and agencies any longer.

For its courageous and patriotic stand, Congress has been constantly vilified. Though Communists have spearheaded this vicious attack, respectable citizens have unwittingly joined in. It has become too common a practice to belittle the legislative branch of our Government. We see flagrant instances of it in the press and movies. Leftish radio commentators and writers offer further proof of this insidious campaign. The Communists are out to destroy the Congress before the Congress destroys their plans to overthrow our American way of life. Their attacks will not for a moment swerve the Senate and House of Representatives from what they consider to be their patriotic duty. Your legislators will persevere until we have on the statute books adequate laws to deal effectively with traitors. We intend to bring to justice those who are serving the interests of a foreign nation—the only nation

with which there is danger of war. Your Senators and Congressmen will not cease their insistence that the Communists be dismissed from the service of your Government. We shall not let them disrupt the economic life of this country.

Small businessmen will be on the alert not to lend their aid to these un-American elements. The methods Communists use are clever and deceptive. In many cases they mask their activities under respectable cloaks. Citizens must be careful not to become the unwitting tool of the Communists. We must be vigilant against their subtle propaganda. Expose this propaganda and their activities whenever you can.

Today the small businessman is concerned over high prices, high taxes, the high cost of foreign aid, and the threat of more Government regulation. The President, in his state of the Union message to Congress, made it quite clear no tax relief is coming from the administration. He has presented a trick tax proposal which many members of his own party have privately dubbed impractical, and quite obviously political in purpose. It got very little support. We Republicans, after extensive and continuous study, determined to give the overburdened taxpayer real relief.

We do not believe it is necessary to increase the already heavy tax load on business. This would be disastrous to business. It would deprive business of the necessary funds to provide more jobs, increase production, and the lowering of prices. We believe business along with the rest of the taxpayers is entitled to honest tax relief.

It is a curious twist of thinking that the administration should want to load more taxes onto business, while at the same time, in the very same message demanding that business spend $50,000,000,000 for expansion.

We can achieve this objective by effecting long-needed economies in Government operations, economies which will not only permit tax relief, but also a substantial reduction in the huge national debt. Need I add these economies will in nowise impair the efficient functioning of the Government service. They will not be made at the expense of the national defense. We are all aware of the necessity of maintaining a national defense fully adequate to meet any contingency. The administration has clearly indicated it favors a restoration of Government controls. It seems to have inherited some of the views of the previous administration that a free economy is bad. I am indeed sorry there seems to be so little faith in the American system of free enterprise. Respecting the request for stand-by authority to reimpose controls, I have this to say: The special session of the Eightieth Congress gave ample power to deal with the situation as it exists today. This power was in addition to authority already possessed, and which has never been used. They tell us the measure we passed is inadequate before they even try it. No measure can work well if there isn't a will to make it work.

It has been a real pleasure to be with you tonight. In parting I would like to leave this thought with you. The small businessman can do much for good government; he can successfully help mold public thinking along American lines; he can contribute so much toward the elimination of economic evils.

He can help America prove to the world our American system works. Your forefathers believed in America, and they toiled to make it the land we know today. The blood of their courage, their love of liberty, their devotion to American principles, runs through your veins. Major problems confront us and you can help toward their solution by American methods. We need your courage, your independence, your initiative, your inherent honesty. I am sure you will give of it to the utmost.

Today's Problems

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mr. MANSFIELD. Mr. Speaker, under leave to extend my remarks, I am inserting a speech given by the Honorable Franklin D. Roosevelt, Jr., at Springfield, Mo., on January 10, 1948:

Good evening, ladies and gentlemen, in the history of our country and of the world the year 1948 will be one of great challenge, of great responsibility, and of great decision.

Our challenge is to win the peace and to lay the foundations for a cooperating friendly and peaceful world based on the prosperity and security of our peoples. Our responsibility is to set the example and to accept the leadership in the struggle to help all nations and all peoples to be spiritually and economically free from domination either by their own state or by another. As a nation, we will meet this challenge and accept our responsibility only if by our decisions in the Congress and at the polls in November we have brought prices under control and have firmly embarked on the European recovery program as set forth in the Marshall plan.

No thinking person can deny that science has made us one interdependent world. During the recent war I learned the terrible effect of the weapons of destruction which were then available. Today, one atom bomb dropped in New York Harbor with a south wind blowing will in 30 minutes destroy 2,000,000 people. Our great problem is a social and political one for we now must learn as human beings to live together with understanding and mutual respect, sincerely dedicated to building for the general welfare instead of the destruction of us all.

This is a great question today: Must we accept the tragic inevitability of inflation, of depression, of a third world war, of the end of freedom in our world? I know that you will agree with me that the Democratic Party, under the able guidance of President Truman, has and will continue to answer with a sober but resounding "No," supplying the leadership for our people at home and faith and hope to the free peoples abroad.

The traditions of our party are grounded in the American progressive liberalism of Jefferson, of Jackson, of Cleveland, Wilson, and Franklin Roosevelt. We Democrats will continue to hold high the standard of these great Americans and to move forward with liberal and progressive answers to the desperate problems which confront us.

Liberalism in the traditional sense of the Democratic Party is not bogged down by a set of fixed dogmas, but within the framework of a free society adapts itself to the new problems of a changing world and provides new answers. As liberals and as free men, we are prepared to set the example for all the world to see. To do this we must first eliminate discrimination against and segregation of our minorities, economically, socially, and politically, for only when men feel free can they accept their full responsibilities as citizens.

Second, we must not curtail, as the Republicans would have us do, but instead we must expand our reclamation and soil-conservation programs.

Third, we must harness the great Missouri River as we did the Tennessee, not only to relieve our present shortage of electrical power but to make cheap power available to more Americans.

Fourth, we must expand educational facilities and opportunities through Federal aid for our citizens of tomorrow.

Fifth, we must put an end to the oppression of the rights of free labor as under the Taft-Hartley Act. We must raise minimum-wage levels to 75 cents an hour. We must expand and strengthen social security. And we must encourage in free labor a sense of responsibility for the welfare of the community as a whole.

Sixth, we must stand firm against the attempts of such men as Representative KNUTSON to soak the poor—luxuriate the rich.

Seventh, until all nations have placed their security in a superior military force of the United Nations, and until we are safe from the attacks of any expanding dictatorial ideology, we must dedicate ourselves to the security of our country through the enactment of the universal military training program.

Eighth, we must pass a long-range, national-housing program such as the Wagner-Ellender-Taft bill so that millions of our veterans and, in fact one-third of our Nation, can live decently and raise their children in a respectable, clean, and healthy environment.

Ninth, we must provide adequate health service for millions of our citizens through the enactment of a national-health program such as the Wagner-Murray-Dingell bill.

Tenth, we must continue to improve the living standards of our farm families by strengthening and extending the benefits of our crop-insurance program, by going forward with the rural-electrification program, by modernizing the price-support program.

However, the two greatest issues which face us in American today are, first, how can we assist Europe to help itself to rebuild and to remain free, and, second, how can we put an end to the desperate NAM-Republican-Taft inflation? These two issues are a clear example of how domestic and foreign policy are interrelated. For, if we have a runaway inflation, followed by a bust, the Marshall plan cannot work, the Russian prediction will have come true and western Europe will have lost all hope and may perhaps go communistic. The implications of such events are too obvious to contemplate.

Let us first look at the Marshall plan. It is a great and stirring example of true liberalism, for it is a new answer to a new problem. I am convinced that we cannot step backward with Senator TAFT, whose new isolationism of giving a little and too late is based on the belief that America can remain strong while the rest of the world slips into chaos, misery, and slavery. It is ironical that the Kremlin and Senator TAFT should see eye to eye in their opposition to the Marshall plan. The Kremlin is against it because it sees it as a means of helping western Europe to remain independent and free from Russia's crushing domination. Senator TAFT is against it because he is still a Victorian and has not learned the lesson of our atomic age, that all nations, that all peoples are today inevitably interdependent.

Senator TAFT tells us that the Marshall plan will increase our domestic inflation. He is correct only if we as a people are unwilling to sacrifice to secure total peace. Senator TAFT obviously does not know the facts. During the war we exported 32 percent of our total production and we consumed in America 58 percent. During this period of tremendous export our prices rose in 4 years only 6 percent and in the 2 years since the war we have exported 11 percent, not 32 percent, of our total production, and have consumed at home 89 percent, and yet our prices under the Taft-NAM uncontrolled inflation have risen 46 percent. To win the war we spent almost $300,000,000,000 and hundreds of thousands of American lives. The winning of the war will have gone for naught and we will have lost the peace and laid the

foundations for a third and more terrible war if we fail to make Europe independent and free through the Marshall plan. I cannot believe that we Americans, if we know the facts, are unwilling to spend $17,000,000,000 in the next 4 years, or 3 percent of our annual production, in order to thus lay the foundations for a permanent and lasting peace. However, there is one fact which we cannot escape. If we permit our present inflation to continue, the Marshall plan can never work. Already some prices are increasing at the rate of 100 percent a year. This trend may easily accelerate. This means that the $6,800,000,000 which the President is now seeking for the first 15 months of the Marshall plan operation will at the end of that time buy little more than one-half of what was estimated and needed. If our runaway inflation is allowed to be followed by the inevitable bust, we will be unable to help anyone, perhaps even ourselves.

As one of our great Democrats, Alfred E. Smith, used to say, "Let's look at the record."

A year ago the NAM-GOP-Taft combination gutted the stabilization program which for 4 years had held down the cost of living and protected the living standards of the American people. This they did in the name of freedom. In the name of freedom they set free the forces of greed that sound policy had kept under control. In the name of liberty they liberated the forces of inflation.

I well remember the full-page ads which the NAM placed in every paper across the land which proclaimed that the destruction of price controls would set industry free, that production would skyrocket and then prices would come down. Senator TAFT and Senator WHERRY were in the spring of 1946 vying with each other to get the credit for the destruction of the stabilization and price-control program. But, already, a year and a half later, Senator TAFT has recognized his blunder, has recognized that we do have an inflation as a result of his blunder and has introduced his own anti-inflation program which the Congress passed in December and which President Truman called weak and inadequate.

Governor Stassen has said that the premature termination of price controls was the greatest economic blunder of our generation. Recently, it was reported that Mrs. Taft, who often speaks out in behalf of her senatorial husband, proclaimed to a women's club that her good husband was not responsible for the end of price controls in 1946. I am appalled at such blatant attempts to twist the facts. Again, let's look at the record. It certainly was not President Truman. Time after time after time he called upon the Congress to continue the stabilization program without crippling amendments. His first appeal was made in the state of the Union message in January 1946, 6 months before the stabilization statutes were due to expire. As the months passed, the appeals made by the President grew ever more urgent. What response did he get from the Republicans. The NAM and its full-page ads took care of the propaganda campaign to confuse the American people, and Senator TAFT and Senator WHERRY and Representatives MARTIN, HALLECK, and BROWN saw to it that a cynical bill without teeth, impossible to administer, and without honesty was finally sent to the President for his reluctant signature. Yes, the NAM-GOP and the leadership of Senator TAFT stand convicted today of having willfully gambled with our cost of living and of having squandered our best chance to make an orderly transition from war to peace. In short, the record shows them to be responsible for our present skyrocketing prices.

As the Republicans in the months ahead try to avoid their responsibility for their tragic blunder, I urge you to apply this simple test of the sincerity of their professions of innocence.

In the face of a sharp and continuing rise in the cost of living, a rise that has already badly hurt millions of American families, in the face of a feed and meat shortage worse than any we knew during the war, the President on November 17 staked out a 10-point anti-inflation program and called upon the Congress for immediate action. If the Republican leaders were not the real wreckers of price control, would they not have responded at once. Indeed, had they been innocent would it not have been they who took the initiative, and the President who would have been reluctant? There can be only one answer. There is only one guilty party. The NAM-GOP-Taft cabal.

In the face of the damning record of their party, some Republicans try to absolve themselves by blaming the whole American people—for spending too much, eating too much. This group of Republicans has a characteristic remedy for inflation: All we have to do to bring prices back in line is to practice voluntary self-control over our family budget. You may be sure that the millions of American families who have been squeezed out of the meat market, whose children have cut down on milk and stopped drinking orange juice, treat this advice with all the contempt it deserves.

Another favorite scapegoat for the Republican blunder is labor. These hosts of working men and women, the Republicans allege, have greedily sought higher wages and so must bear responsibility for the inflation. I can think of no charge more dishonest and more unjust than this. The plain truth is that wages have fallen further and further behind the cost of living. The average pay envelope today buys 10 percent less than it did at the end of the war. Labor has been a victim, not the cause of inflation.

Equally false is the charge made by some Republicans that inflation is the fault of the farmer. The farmer is not responsible for inflation. He sells at prices determined in the open market.

Nor can businessmen be justly blamed—apart from the National Association of Manufacturers which, hand in hand with the GOP, destroyed price control.

Business too takes what it can get in the market. And that is the way it should be under normal circumstances, when competition can be relied upon to establish prices that bear a reasonable relationship to costs.

The trouble lies wholly in the fact that controls were destroyed and prices left to the free market before normal conditions had been restored.

Responsibility for this destruction which brought on inflation lies squarely upon our old friends the NAM, the GOP, the Taft leadership.

Here are a few plain economic facts that the Republicans refuse to face. Because of the bad corn crop and the shortage of other feed concentrates, the Nation's meat supply next spring will run 20 to 25 percent below the present per capita level. Meat will be scarcer than it was at any time during most of the war. Unless meat is rationed and put back under price control, meat prices next spring will be a third or more higher than they are today. And as you well know, meat prices today are appalling. As the price of the short feed supply goes through the roof, we can expect the prices of milk, butter, and eggs to tag along. Not immediately, of course, because spring is the flush season for such products. But next summer they will go up nearly as much as meat.

This dark forecast of the coming food situation is by no means a secret. The Secretary of Agriculture spelled this out for congressional committees all over Capitol Hill. But the NAM, the GOP, and the T-A-F-T still refuse to act.

According to the Department of Labor, feed prices by the end of 1947 were up 58 percent over June 1946, the last month of effective price controls. Industrial prices were up 34 percent. There is no evidence that we have reached the peak, and there is plenty of evidence that prices will continue to spiral. In the weekly wholesale price reports of the Bureau of Labor Statistics, you can find dozens of key items moving up week after week and in any single week jumping 2, 4, and 5 percent. A price rise of 2 percent in a week may not sound serious to some people, but unless this rate is checked it would double the price level in less than a year.

Contributing to our price difficulties are the serious bottlenecks in steel and steel plate, nonferrous metals, and other basic materials for which demand far outruns supply. Our continuing failure to break these bottlenecks is a standing invitation for industrial users of the materials to bid their prices higher and higher, with producers only too willing to charge accordingly. The same Republican soothsayers, the NAM, the GOP, and the T-A-F-T, who think they can make inflation disappear by chanting the magic formula, "Production, production, and still more production," are blind to the basic bottlenecks, which are the greatest obstacle to production and one of the greatest hazards to continued prosperity.

The refusal of the steel industry to undertake a constructive expansion program after the war is typical of several other industries whose products are in short supply. Unfortunately, although business is not primarily responsible for inflation, its current attitude is a strong contributing factor in the continuation of the upward spiral. Most businessmen today are convinced that a depression is inevitable; therefore they do not wish to take on an expansion program which might leave them in an overcapitalized position. Convinced of the coming bust, they are putting their excessive profits into a nest egg to tide them over the rainy days. Through expansion of production, these businessmen have the power to counteract inflation, but, instead, they have shown themselves to be lacking in the fundamental faith in the future prosperity and stability of their country.

It is because the administration has for some time been aware of the danger of an economic smash-up that President Truman summoned back the Congress on November 17 and submitted, along with the estimates of interim aid for Europe, a 10-point program to win the battle against inflation. But what happened to it? Once again, with the country on the threshold of disaster and only a fighting chance to stave it off, the Republican bigwigs turned to their friends in the National Association of Manufacturers and turned their backs on the people of the United States.

Running true to form, Senator TAFT came up with a characteristic Taft statement that rationing is totalitarian, apparently forgetting that thanks to his efforts we already have the cruelest kind of rationing—the kind that allocates butter exclusively to those families that can afford to pay $1 a pound, and eggs only to those families that can pay $1 a dozen.

When the President reluctantly signed the Taft voluntary anti-inflation bill, he aptly described it as a "feeble" and "pitifully inadequate weapon against the high cost of living." He once again urged Congress to enact a workable and positive program. Our job is to rally the country behind the realistic leadership of President Truman. I am convinced that if the people of the United States know the facts, know of our impending disaster and know of the need for European assistance and recovery, they will willingly sacrifice together to achieve the necessary objectives.

The Democratic Party has an unprecedented opportunity and responsibility as our

Nation, in this fateful year of 1948, approaches the crossroads of our destiny. Under the leadership of President Truman, we can, we must, achieve economic stability and security at home, and restore prosperity and faith to the free peoples of the world.

"Sail on,
O Ship of State,
Sail on, O Union strong and great;
Humanity with all its fears,
With all the hopes of future years,
Is hanging breathless on thy fate."

Honesty Essential in Foreign Affairs

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, on January 26 an article appeared in the Washington Post by Joseph and Stewart Alsop entitled "Honesty Is the Only Policy." I commend it to every Member of this House, for it states a truth and an objective which must be attained if our foreign policy is to have the confidence of the people of this country. Under leave to extend my remarks, I am including the article in question:

HONESTY IS THE ONLY POLICY

(By Joseph and Stewart Alsop)

In the higher ranks of the administration, a debate of the most far-reaching import is now in quiet progress. Will the real facts of the world situation at last be placed before the country and the Congress, with all the almost irresistible weight of Secretary Marshall's authority? Or will the opposition to the European recovery program be allowed to have its way, for sheer lack of understanding of the consequence? These are the alternative courses now being discussed.

This debate was precipitated by rather belated preliminary checks, which disclosed a distinctly bleak congressional situation. There is not the slightest sense of urgency on Capitol Hill today. As of today, action on ERP is likely to be greatly delayed; the program will probably be festooned with unworkable restrictions, and the amount appropriated is expected to be cut to somewhere near the $4,000,000,000 level advocated by former President Hoover.

A final survey is now being made, so that the most dependable data on the outlook in Congress may be laid before Secretary Marshall on his return from the South. But the results of this survey are not likely to give new cause for optimism. Therefore, the American policy makers are discussing the choice outlined above. There is only one way to rescue ERP from the effects of congressional indifference. That way is to arouse an adequate sense of urgency in Congress and the country. Equally, there is only one way to arouse this sense of urgency, Secretary Marshall must at last tell Congress and the country what are the real motives of American policy.

Here there appears a strange anomaly, which the American policy makers are free to confess. In the great American decisions, from the British loan down to ERP, moral, humanitarian, and, of course, economic motives have been given due weight. But the really impelling motives for every one of these decisions have been motives of pure political and strategic self-interest.

"We did all these things," one of the wisest men in the Government remarked the other day, "because if we hadn't done them, or had done even a little less, the Soviets would have been able to carry out their program of expansion and domination. If the Sovients ever carry out their program, we shall face a Europe and Asia in Soviet hands, and we shall have no choice but to fight or to surrender." As anyone familiar with the practical workings of Congress must realize, self-interest is the great congressional persuader.

Yet these real motives of American self-interest, which would quickly convince Congress, have never been publicly confessed or explained by President Truman, or Secretary Byrnes, or Secretary Marshall, or anyone else in authority. They have been hinted at, or suggested by shadowy generalities. But mere hints and suggestions do not pose big issues. In fact, the underlying issues of American policy have never been debated in the Congress, because each great American policy decision has always been put forward in elaborate moral, humanitarian, or economic fancy dress, with the real motives for it largely suppressed.

There are no exceptions to this rule. The strong language of the so-called Truman doctrine no doubt passed the Greek-Turkish aid bill but President Truman's rather grandiloquent defiance of the advance of totalitarianism contained no mention of realistic American interests.

When Secretary Marshall insisted upon Greek-Turkish aid, he had in mind only that Greece and Turkey were the keys of the Middle East, and that control of the Midle East would give the Soviets unchallenged domination of Europe and Asia. These hard facts were rather pointedly not stated by the President. A calmer statement, containing the fact, would have been more effective than the Truman doctrine.

Again, the British loan was presented as a great free-trade gesture until the last moment, when Secretary Byrnes had to make the House of Representatives' flesh creep with Soviet horror tales. The device worked. The loan passed in a mood of hysteria. But if it had been presented in sober honesty at the start, the loan could have passed in a mood of clear understanding of American interests.

In short, what is now proposed is not to "cry wolf" as is rather loftily asserted by the opponents of plain speaking. What is proposed is simply for Secretary Marshall to make a full, clear, plain statement of facts, which will only be alarming because the facts of the world situation are intensely alarming.

Those who advocate this course admit that it has not been the previous practice of American diplomacy. But they point out that although Parliament is much more responsive than Congress, Ernest Bevin's recent magnificent speech to Parliament was as strong and straightforward as could be wished. And they argue finally that it is undemocratic to ask Congress for great decisions without explaining the reasons for those decisions. Events seem likely to confront Secretary Marshall with a choice between adoption of this theory or acceptance of a gutted ERP.

Aspects of the Marshall Plan

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. WOODRUFF. Mr. Speaker, under permission to extend my remarks and include therein a series of five articles on aspects of the Marshall plan, by E. F. Tompkins, editor of the New York Journal-American, I wish to present the fourth of the series entitled "The Basis of European Recovery." The article follows:

ASPECTS OF THE MARSHALL PLAN

(By E. F. Tompkins)

IV. THE BASIS OF EUROPEAN RECOVERY

To recognize that drastic relief measures had become necessary last fall in some parts of Europe is not to concede that the Marshall plan must be approved by Congress on European terms.

The crop failures and fuel shortages in western Europe, caused by the cruel winter of 1946–47 and prolonged droughts in the following seasons, came close to being catastrophic.

That emergency was met by the congressional donations to Austria, France, and Italy and by the appropriations for Germany through our army of occupation east of the Rhine.

And the Marshall plan is not offered as a relief measure.

Its express purpose is to make western Europe self-supporting by revitalizing its agriculture and industries and expanding both (1) to equal the needs of a population of 270,000,000 and (2) to provide exportable surpluses to be exchanged for essential imports, including supplementary foodstuffs.

The European problem is not difficult to under; it is simply one of procuring production.

The Marshall plan should therefore be constructed and construed to this single end.

It will fail, and be doomed to fail, if it emerges as an instrument for building socialism, at American expense, as the left-wing Pied Pipers intend it to be.

And western Europe has within itself the basic means of production sufficient for its needs.

In fact, the task of self-rehabilitation through production after World War II—though hampered and obstructed by socialistic attitudes in politics and labor—was well advanced when the food and fuel crisis intervened as a temporary set-back.

The report of the Committee of European Economic Cooperation, in its own discussion of the Marshall plan, said:

"The scale of destruction and disruption of European economic life was far greater than that which Europe had experienced in the First World War. * * *

"The devastated countries had to start again almost from the beginning.

"Nevertheless recovery proceeded well—indeed, much faster than after the end of the First World War. * * *

"This was made possible by the efforts of the European countries themselves, with generous assistance from the United States and from UNRRA.

"So successful were these efforts that by the end of 1946 industrial production in Belgium, France, and the Netherlands had recovered to 85–95 percent of the prewar level.

"In the United Kingdom the process of demobilization of the war economy had been accomplished smoothly and the prewar level of national output had been fully restored."

At this point, however, the European committee appeals to the food and fuel crisis as its major plea for a Marshall plan according to its own ideas.

But the committee also gives the game away.

Congress, it has already been noted, was donating more than $5,000,000,000 for relief.

And the European committee asks for something else.

It submits a capital development prospectus calling for a production expansion by 1951 which will be similar in general scale to that achieved by the United States in the mobilization years of 1940 to 1944.

Then, interpreting Secretary of State Marshall's invitation in his Harvard speech, the committee computes Europe's financial ability to meet its own prospectus and requests the United States Government to underwrite a deficit amounting, in its own estimate, to some $22,000,000,000.

Subsequently, the total was scaled down to about seventeen billions.

No American should object to a European design of large production.

Yet there are questions which a prudent and capable businessman would ask before venturing his substance on such a prospectus:

1. What about management?

America's industrial war effort, which western Europe would emulate, was an accomplishment of our free enterprise system.

The European program is socialistic, first, because it is predicated upon governmental loans and governmental spending; and second, because the socialistic governments have declared themselves socialistically as recipients in the Marshall plan.

2. What about labor?

Respecting its own recovery program the European committee says:

"It calls for unprecedented peacetime effort of work by the whole population of the participating countries."

But in Great Britain millions of tons of coal production have been sacrificed by strikes and, until lately, by the socialistic 35-hour week.

In France and Italy the general confederations of labor are controlled by the Communists.

As evidence of what they can do, the communistic strikes in France in December 1947 cost the nation 2,000,000 tons of coal, 4,500,000 tons of steel, and a general equivalent of 6 months' production in manufactures.

3. What about confiscations and economic controls?

The French Cabinet is now imposing a forced loan or capital levy on large incomes, while the British Labor Government has just nationalized the railroads.

In most of the countries price controls and rationing, as well as wage fixing, seem to have become habitual and perpetual.

"The application of such a policy," the European committee notes, "presents increasing difficulties over a long period and may tend to react unfavorably on production."

An $80,000,000 Rat Hole

EXTENSION OF REMARKS

OF

HON. ROBERT A. GRANT

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. GRANT of Indiana. Mr. Speaker, under leave to extend my remarks, I include an article written by Samuel B. Pettengill, a former distinguished Member of this House.

In this well-written article Mr. Pettengill makes reference to the outstanding work that is being done by the subcommittee headed by our able colleague, the Honorable FOREST A. HARNESS.

Mr. Pettengill's article follows:

AN $80,000,000 RAT HOLE

Congressman FOREST A. HARNESS, of Indiana, is a member of a special subcommittee of Congress investigating publicity and propaganda in executive agencies. He states that the chief interest of this subcommittee has been "the means by which Federal bureaucrats perpetuate themselves in office, generate pressures on Congress for more and bigger appropriations, and sponsor socialistic enterprises in the name of national emergency or an artificially stimulated public demand."

In the fiscal year 1946, some of the principal Federal agencies propagandizing themselves spent $80,573,678 of the taxpayers' money. Most of this was actually appropriated for other purposes. It took this committee six solid weeks to ferret out a project known as the health work shops of the United States Public Health Service, the Social Security Board, the Children's Bureau, and other health and welfare program agencies.

The reason it took so long is the spirit of defiance encountered by the committee investigators.

"We discovered that practically every argument, every pamphlet, every radio broadcast, and every statistical table advocating socialized medicine originated primarily in t' e Social Security Board. Here is the worldwide nerve center of the movement for socialized medicine."

Mr. HARNESS says that these advocates of socialized medicine have sent missions to every country in the world—missions often staffed by men identified with fellow-traveler outfits avowedly sponsoring the Moscow party line in the United States. They have gone to Europe, to South America, to Japan, to New Zealand. They return and write reports which are scattered throughout this country by the millions—and costing millions.

The ramifications of Federal propaganda in behalf of socialized medicine astonished the committee.

This is done, Congressman HARNESS says, in violation of a law which makes it illegal for an executive agency to use public money to put pressure on Congress. But no one is prosecuted.

"I am sure," he says, "that the United States has not yet reached the point where it must be submissive to the dictates of a bureaucracy in Washington".

We all know that the bureaucratic power feeds upon the rights and privileges and liberties of the people. Government propaganda is the method of dictators.

"Public opinion must be maintained in its free and virile state—in full harmony with the great American tradition of liberty. If we do that by stamping out Government propaganda at its roots, then we shall have rendered a great service, not only to medicine, but to the whole cause of liberty and freedom the world around.

"Our purpose will be to uproot and destroy Government propaganda wherever we may find it."

SAMUEL B. PETTENGILL.

Something New About Lincoln

EXTENSION OF REMARKS

OF

HON. GEORGE A. DONDERO

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1948

Mr. DONDERO. Mr. Speaker, on July 26, 1947, there were opened and exhibited to the public certain private papers of Abraham Lincoln. They had been delivered to and deposited with the Library of Congress here in Washington by Robert Todd Lincoln, sole surviving son of President Lincoln, with the proviso that they should not be opened to public inspection until 21 years after his death. Robert Lincoln died on July 26, 1926.

This is a voluminous collection of 18,350 items. Included are many letters written to the President during the Civil War and some items before the war. It is interesting to note the manner in which Lincoln reacted to some of the communications which he received. On the back of some of them he made cryptic endorsements, and it is to such endorsements that I desire to call special attention. A few of them are herewith presented and made public for the first time.

Every Member of Congress receives many letters. I wonder whether we react or dispose of some of them in a manner very much different than Lincoln, more than 80 years ago. There were no typewriters, telephones, radios, television, or other methods of speedy communication in his day.

We are indebted to Mr. Percy Powell, of the Library of Congress, who cataloged the Lincoln collection, and now has supervision over that Lincoln treasure house. He prepared the rare items that follow, upon my request, for "something new about Lincoln":

SOME INTERESTING AND CHARACTERISTIC ENDORSEMENTS OF ABRAHAM LINCOLN RECORDED ON DOCUMENTS IN THE ROBERT TODD LINCOLN COLLECTION OF ABRAHAM LINCOLN'S PAPERS

In October of 1864, Elihu B. Washburne, Senator from Illinois and long a personal and political friend of Lincoln, the sole person to welcome him to Washington on February 23, 1861, became alarmed over the prospects of Lincoln's reelection in Illinois. He doubted if Lincoln could win without the soldier vote. So, on October 17, he wrote to Lincoln as follows: "Everything is at sixes and sevens and no head or tail to anything. Please consult with Stanton and have the soldiers started home at once. If you would save our State from the most appalling calamity, pray do not neglect what I suggest about getting the soldiers home."

Lincoln read the letter and endorsed it with one word, "Stampeded."

James R. Webster wrote President Lincoln on December 24, 1864, from New York and signed himself "Your affectionate friend." He was an old Illinois acquaintance and went as a delegate to the convention in Springfield, Ill., that nominated Lincoln for Senator. He asked the President for a job.

Lincoln made the following endorsement on the letter: "James R. Webster for something."

One William Kellogg was a delegate to the State convention in Bloomington in 1856, when the Republican Party of Illinois was organized. He served as a Presidential elector on the Lincoln ticket. In March 1861, Lincoln named him chief justice of Nebraska Territory. This is the same William P. Kellogg who went through the troublesome reconstruction times as Senator and Governor of Louisiana. In 1863, however, he wanted Lincoln to give him a big diplomatic assignment. He was offered the post of consul to Valparaiso. This irked him, and while in an angry mood he wrote to President Lincoln, on April 8, 1863, refusing the honor. The White House secretary briefed the letter and marked it unpleasant.

When the letter came to Mr. Lincoln's attention he endorsed it as follows: "I understand my friend Kellogg is ill-natured; therefore, I do not read his letter."

Abraham Lincoln's habit of making cryptic endorsements on his mail seems to have developed before his White House days. A New

York publishing house sent him a circular under date of May 21, 1859, announcing the forthcoming Livingston's United States Law Register and Handbook of Information Useful to Every Lawyer—"Published by subscription; will not be peddled through the country by agents." The circular listed some of the contents of the volume and suggested many possible uses for it.

Apparently the President didn't spend too much time reading the notice, for he made the following endorsement: "Too deep for me."

On April 25, 1863, Mr. Francis L. Capen wrote to Lincoln as follows: "Please refer me favorably to the War Department and I will guarantee to furnish meteorological information that will save many a serious sacrifice."

Evidently the President had interviewed Mr. Capen a few days earlier for he endorsed the request as follows: "It seems to me Mr. Capen knows nothing about the weather in advance. He told me 3 days ago that it would not rain again till the 30th of April or the 1st of May. It is raining now and has been for 10 hours. I cannot spare any more time to Mr. Capen."

It is known that Secretary of War Stanton could not always find places for the persons who expected to be appointed by the President. Colonel Hicks asked Mr. Lincoln to make him aide-de-camp to General Wool. Mr. Lincoln sent him to Secretary Stanton who refused to issue the commission. The colonel wrote the President on May 22, 1862, to the effect that the Government was run by the Secretary of War.

Mr. Lincoln made the following endorsement of the letter: "This note, as Colonel Hicks did orally yesterday, attempts to excite me against the Secretary of War and therein is offensive to me. My order as he is pleased to call it, is plainly no order at all."

During April and May 1863 President Lincoln received a number of letters from his political friends in Missouri telling him of the growth of factional feeling. Samuel T. Glover wrote that Secretaries Stanton and Chase were using their patronage power to build up a party opposed to the administration. Congressman J. W. McClurg wrote his objections to Governor Gamble and Senator Henderson. Congressman Henry T. Blow wrote about the quarrel, but stated that he was not in it.

President Lincoln endorsed Congressman McClurg's letter as "one side of the quarrel." He endorsed Glover's letter as "other side of the quarrel," and the letter of Mr. Blow as "more about the quarrel."

Secretary Chase wrote President Lincoln on November 8, 1862, that Mr. Masten, a New York patronage appointee of Congressman Steele, had been removed on the belief that he had contributed to the defeat of the Republican nominee for Congress and on the belief that the President agreed to the removal.

When Lincoln read the letter he turned it over and endorsed it as follows: "This note confounds me utterly. I am sure I have never been conscious that I was superseding Mr. Steele's man."

Henry Villard, the journalist (later railway promoter and financier), who reported the Lincoln-Douglas debates, became acquainted with Lincoln and collected Lincoln stories. He covered the Republican Convention at Chicago in 1860 and after the election went to Springfield, Ill., as correspondent for the New York Herald. He wrote to President Lincoln on August 14, 1861, asking for a letter of introduction to Gen. Winfield Scott, and adding that "you will doubtless remember me as a newspaper correspondent last winter in Springfield."

Lincoln made this characteristic endorsement on the letter: "I have only a slight acquaintance with Mr. Villard as a gentlemanly newspaper correspondent; and as such I commend him to others."

Rev. Samuel B. McPheeters, pastor of the Vine Street Church in St. Louis, Mo., refused to declare himself for the Union. He even went so far as to baptize a baby with the name of the Confederate General Sterling Price. A provost marshal arrested McPheeters and took control of the church property. Some 6 months later a petition signed by several elders of the church came to the President's desk. He made the following endorsement on it: "The assumptions of this paper, so far as I know or believe, are entirely false. I have never deprived Dr. McPheeters of any ecclesiastical rights. If, after all, the doctor is kept out by the majority of his own parishoners, and my official power is sought to force him in over their heads, I decline that also."

Senators S. C. Pomeroy and J. H. Lane of Kansas wrote President Lincoln on March 14, 1862, and asked that George McGlouflin be removed as Forage Master at Fort Leavenworth and the job given to Mike Grulish, a valuable Irish Republican.

President Lincoln transferred the matter to the Secretary of War with the precautionary "unless" clause, in the following manner: "Let the removal and appointment within requested by Senators Pomeroy and Lane be made, unless there be some reason to the contrary unknown to me".

Divisions Within Democratic Party Should Not Be Taken Too Seriously by the G. O. P.

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mr. SHAFER. Mr. Speaker, under permission to extend my remarks, I include the following transcript of a radio commentary by George L. Reedy over Station WOL this morning:

The current revolt of southern Democrats will make a serious crack in party solidarity. But it's not very likely to result in any real attempt to set up a new political organization—at least not this year.

That is the opinion of the inner-circle Democrats who are trying to direct their party to victory in the coming elections. They believe that the dissatisfaction of their southern colleagues can be ignored for the moment.

The real significance of the movement, however, is that it affords a dramatic example of basic divisions inside the Democratic Party. They have been there for years, but it is only recently that they have cropped out violently.

The Democratic Party is the oldest in our country. And yet, over the years, it has failed to bring all of its followers together under one program. Today it is a combination of at least three conflicting groups.

They are the southern democratic, the New Dealers, and the old-line, practical machine politicians of the big cities. They can get together on individual issues, but in the long run they are bound to turn upon each other.

The current scrap is over the President's so-called civil-rights program. It was absolutely necessary for him to advance it if he wanted to keep the northern vote. It was equally necessary for the southern Democrats to protest vigorously.

In this particular case the argument will probably be smoothed over. Nobody expects the President's program to be enacted by Congress. As a last resort, it would be filibustered to death in the Senate.

At the same time the southern Democrats realize the advantages of staying in the party. By themselves they would find it impossible to capture Congress, and they certainly could not look for a permanent alliance with the Republicans.

Consequently, both sides will probably back down from their extreme positions. At least they will stop talking about it and quit embarrassing each other. In an election year anything else would be suicide.

The southern Democrats have some pressures short of a bolt from the party. These they will certainly apply. Just as an example, there is the interesting suggestion—already applied in South Carolina—that they withhold the funds from the Jackson Day banquets.

These are an important source of income to the Democratic Party. The leaders would think twice before letting them go by the board. They need that money, and they need it badly.

On the other hand, the administration has a few pressures it can apply in retaliation. Not the least is its power to appoint people to certain Federal jobs. Furthermore, the southerners are doomed to remain a minority unless they cooperate with their northern brethren.

It all adds up to peace within the party. But it is a peace with a difference. Some dirty linen has been washed in public, and it isn't very likely that the public will forget. This is especially important in an election year.

It's a good spot for the Republicans. They have to do nothing except sit back and let events take their course. Sooner or later on this kind of a proposition the odds are bound to be in their favor.

Inflation

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mr. POULSON. Mr. Speaker, without a doubt the most discussed subject today is inflation, because it affects every one of us. We all receive over our desks an almost unlimited number of articles on this subject. Many of them I have tried to read and digest. To date, the editorial which I am asking to insert in the RECORD contains what I think is one of the most condensed, common-sense, and logical analyses that I have read on this very controversial subject. It is written by Mr. Manchester Boddy, publisher and editor of one of the influential newspapers of California.

(By Manchester Boddy)

At long last nearly everyone knows that "inflation" means "too much money chasing too few things."

Inflation exists in every part of the civilized and semicivilized world. Relatively there is less inflation in the United States

than elsewhere for reasons that will be explained shortly.

Sound money is based on real wealth.

War destroyed real wealth; therefore, the only way to restore sound money is to replace the wealth that war destroyed. There is no other way. Millions of words have been written about measures finance ministers in London, Paris, Moscow, Warsaw, Tokyo, Vienna, Nanking, Brussels, Stockholm and Washington are taking to prevent, cure or end inflation in their respective domains, but the hard truth remains. No amount of juggling, no political soft-soaping, no "monetary reform," however ingenious, can take the place of real wealth. A nation's money is valuable only when it represents wealth.

A classical example of inflation in the making is contained in a recent United Press dispatch from Peiping, China, which says the Communists have shelled the Nationalist stronghold of Mukden, Manchuria, knocking out a huge hydroelectric plant on the city's outskirts.

It is a foregone conclusion that if and when the Communists capture the area, the Nationalists will then feel free—indeed, obliged—to give the power plant and other industrial installations a further blasting to prevent them from being used by the Communists.

That is inflation in the making.

Of course neither side really wins. Whichever side is "victorious," a sizable chunk of wealth will have been destroyed, which will have to be replaced by hard work on somebody's part if it is to bear its former function as a foundation for sound money.

Except for the premeditated, managed, policy inflation that swept Germany in 1922–23, Europe had sound money before the advent of World War II. That is because it had real wealth.

It now has unsound, inflated currency, because its wealth was so largely destroyed. In Germany, the plan for reparations approved as reasonable and desirable the pegging of Germany's industry at one-half its prewar capacity. Besides the terrific destruction by bombing, England suffered a tremendous loss in wealth through the worst kind of attrition—the overworking of her productive facilites without repairs or improvements. Everyone is familiar with the vast destruction of wealth in France, including major ports and virtually all her livestock. And in Russia, the value of the wealth destroyed has been estimated by reliable authorities at approximately $60,000,000,000.

Regardless of Russia's protestations to the contrary, such destruction must, under any system, produce inflation. In the realm of food supply alone, one of the most vital kinds of wealth, the war cost Russia something like 26,000,000 cattle, 32,000,000 hogs, and 200,000,000 chickens. Among other losses were a third of her tractors and combines, and 8,500,000 horses.

Fertile soil plus available manpower is wealth. So is a plant that produces electricity; a mill that makes steel; a refinery that turns out gasoline; factories that produce tractors, automobiles, washing machines, and other useful, wanted things.

During the war each side cheered when its armies scorched the enemy's earth; blasted his dams; destroyed his factories, his power plants, his railroads, and killed his men. That destruction, so essential to winning a war, destroyed the only possible basis for sound currencies.

To win a war, something more than destruction is needed. Mass man must be told that the victory for which he is fighting means peace and prosperity.

The postwar politician, therefore, is faced with the problem of presiding over ruins while he strives to deliver peace and prosperity to the people who elected him.

Since money is regarded as wealth, his first desperate move is to dish out currency. This temporarily satisfies the people and gives him time for maneuvering. Liberalism, with all its virtues, usually is administered by practical politicians in terms of short hours of work and long piles of money. This leads to the mess we now see in England, France, Italy, and other desperately ill countries all across the face of Europe.

The United States has more available real wealth and more current production today than it had before the war. Therefore, it has a firm, solid foundation for a sound monetary system. But even in this country, the volume of money has increased faster than wealth has been produced. Consequently, the problem is either to drain off this excess money, or to increase real wealth through more production.

If we drain off our production through huge shipments to Europe and Asia, while at the same time increasing our supply of money, we, too, will have inflation of the disastrous kind.

President Truman's program calls for $18,300,000,000 over the next 4 years. It is, therefore, an inflationary measure. And it cannot be offset by price control, rationing or any other arbitrary measure. The only answer is enough production remaining in the United States to sustain our money in circulation.

DECEMBER 29, 1947.

Church and Professional Groups Support European Recovery Program

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1948

Mr. JAVITS. Mr. Speaker, following are resolutions of the Forum of Men's Class of Riverside Church and New York State Bar Association, strongly endorsing the European recovery program. It is further confirmation of the support from diverse and important organizations of our citizens, of this program of self-help and mutual cooperation with the support of the United States:

THE FORUM OF THE MEN'S
CLASS OF RIVERSIDE CHURCH,
New York, N. Y., January 13, 1948.

The Forum of the Men's Class of the Riverside Church on January 13, 1948, voted unanimously their support of the Marshall plan as presented by Secretary Marshall on January 8 before the Senate Foreign Relations Committee.

We believe that the Marshall plan, if administered with good will, discretion, and wisdom, can be of inestimable value in improving friendly human relations among all the peoples involved and in promoting the cause of world peace.

We further believe that time is of the essence, in order to preserve human lives as well as American prestige.

Therefore we, the members of the Forum of the Men's Class of Riverside Church, do earnestly petition the Congress of the United States to enact legislation to put the Marshall plan, together with administrative details as presented by Secretary Marshall, in operation by April 1.

JACOB F. FOSTER,
Chairman of the Forum.

"The New York State Bar Association recommends that Congress enact legislation in furtherance of the program for European recovery set forth in section 2 (b) of the draft bill that accompanied the President's message of December 19, 1947, to the Congress on this subject."

CERTIFICATE

I, Chester Wood, secretary of the New York State Bar Association, hereby certify that the foregoing is a true copy of the original resolution which was duly adopted by the association on the recommendation of its committee on international law, William Roy Vallance, chairman, at a regular session of the association held during its annual meeting on January 23, 1948, at the house of the Association of the Bar of the City of New York.

In witness whereof, I have hereunto set my hand and affixed the seal of said association, this 30th day of January 1948.

[SEAL] CHESTER WOOD,
Secretary.

NOTE.—The section 2 (b) referred to in the resolution was quoted in the printed report of the committee of the association, as follows:

"SEC. 2. (b) Purposes of act: It is the purpose of this act to effectuate the policy set forth in subsection (a) of this section by furnishing material and financial assistance to the participating countries in such a manner as to aid them, through their own individual and concerted efforts, to become independent of abnormal outside economic assistance within the period of operations under this act, by—

"(1) Promoting industrial and agricultural production in the participating countries;

"(2) Furthering the restoration or maintenance of the soundness of European currencies, budgets, and finances;

"(3) Facilitating and stimulating the growth of international trade of participating countries with one another and with other countries by appropriate measures, including reduction of barriers which may hamper such trade."

State Sovereignty Over Minerals Beneath Waters

EXTENSION OF REMARKS
OF
HON. WILLIAM F. KNOWLAND
OF CALIFORNIA
IN THE SENATE OF THE UNITED STATES

Monday, February 9 (legislative day of Monday, February 2), 1948

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by the senior Senator from Nevada [Mr. MCCARRAN] before the Colorado Mining Association at Denver, Colo., on February 7.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

My friends, I start off that way because you are my good friends, most of you; old friends, many of you.

My friends, this is an anniversary year.

A century ago the world awoke to the glorious recognition that there was gold in the hills of California, and new industry arose to shape our destinies.

This year is the centennial of that discovery, a discovery which brought both realization and utilization of mineral values previously unknown and ignored.

A century from now, we may well celebrate the centennial of the discovery and realization of a bonanza which has lain quietly beneath the waters of our inland lakes and our navigable streams, and which in those 100

years may have proved to be the natural stock pile of a wealth almost immeasurable in this world of rapidly depleting natural resources.

We who claim to represent the great mining industry are today aware that the picks of progress have struck into new ledges, filled not with gold and silver, but with new kinds of wealth unrealized in its undeveloped state. And not only do we have new kinds of mineral wealth to search for and develop; some of us have some new ideas about where to seek some of the old kinds of mineral wealth.

But I wonder if we do not lack the old-time spirit of the seeker.

A century ago they called them pioneers, and there was a gold rush. Men struggled and died to get there, and many fought and died to protect their interests when they found some color in the pan. Today we might be said to lack the energy, or horse sense, of the pioneers of '48. We aren't doing much to keep the mineral resources underlying our rivers, lakes, and ocean fronts open to the endeavors of those who might develop them. And we face a threat to the security of our mineral rights without fighting back, almost without realizing it is a threat.

Today we look back and praise the sturdy, rugged men who found the gold in 1848.

A century from now, I trust the remnants of what was once a great mining industry may not look back 100 years and condemn us who live today for having become too soft, or too slovenly in thought, to hold our rights and protect the future of our industry.

Let's take a look at what we're up against.

Last June the United States Supreme Court handed down one of the most far-reaching decisions in its history—a decision which, if allowed to stand, will change and unbalance the entire constitutional relationship between the States and the Federal Government and which will seriously confuse, if not obliterate, the legal distinction between governmental powers on the one hand and the property rights of the States and their citizens on the other.

This decision was handed down in the case of *United States* v. *California* (330 U. S. —, decided June 23, 1947), but the effect of the decision is not confined to the State of California and its implications are so far reaching that all States and their citizens are vitally concerned.

The prospective loss to legitimate and innocent lease and title holders, resulting directly from this abrupt and arbitrary reversal of title law, may be very great. The indirect results may include incalculable confusion in land titles—particularly titles to mineral land—and inevitable and grievous waste of the Nation's natural wealth.

Legally unassailable real-estate titles are the foundation of a sound national economy, just as protection of mineral rights and mining claims is vital to the mining industry. In every real-estate transfer the greatest of care is taken in removing all possible clouds to real-estate titles by careful record searches. Certainly in real-estate title law is absolutely essential, for any change in basic legal rules can have disastrous tendencies. It is decidedly anomalous for a decision of the United States Supreme Court to make such a change.

Because of the effect of this decision on minerals under water, not only in the coastal States but in the inland States as well, and because of its impact upon the mining industry and its importance to all concerned in that industry, a few words at this point, as to the background of this controversy, seem justified.

Since the formation of the Union the various States, or those who hold title as grantees of the States or under State laws and decisions, have always exercised full powers of ownership and control over all lands and resources beneath navigable waters within their respective boundaries. In the California case it was recognized by the Court that the 3-mile belt, or marginal sea, as it was called, is wholly within California's constitutionally established boundaries. The ownership and control of such lands and resources was always deemed to be a concomitant of State sovereignty. This principle was always applied both as to inland lakes and rivers and as to the 3-mile belt along the coasts.

Pursuant to this long established rule of property ownership, enormous expenditures have been made by both States and political subdivisions and their grantees for the improvement of ports and harbors and in filling and reclaiming submerged lands. On the same basis minerals, including, of course, oil, along the seacoasts, and iron, coal, brines, and other minerals beneath inland waters have been developed.

The lands beneath navigable waters are not to be confused with the public lands of the United States, which in most Western States were reserved to the Federal Government by the Acts of Admission to Statehood. These public lands and the minerals contained in them, being already fully owned by the Federal Government, are in no way involved in the present controversy. It has always been held that lands beneath navigable water do not come within the category of Federal public lands subject to the land laws of the United States. The Supreme Court's decision in the California case does not appear to change that rule.

The power of the Federal Government to regulate commerce and prevent obstructions to navigation in navigable waters within the States is not involved in this controversy. This Federal power has always been recognized by the States and is not challenged. But this power to regulate and control commerce and navigation has never, prior to the Supreme Court's decision in the California case, been considered as carrying with it the right or power in the Federal Government to appropriate lands or mineral resources underlying these waters.

For a period of 161 years, from 1776 to 1937, all State and all Federal officials had held that title to these lands was in the several States, and more than 50 decisions of the Supreme Court of the United States confirmed this holding. In 1937, Secretary of the Interior Ickes commenced agitation to reverse and upset all these precedents. To use his own words, Mr. Ickes changed his mind, repudiating an opinion which he had signed in 1933, and asserted a belief that these lands might belong to the Federal Government.

Prior to 1937 all Secretaries of the Interior, including Mr. Ickes, had uniformly ruled that title to the tidal and submerged lands belonged to the States. For example, on December 22, 1933, Mr. Ickes wrote a letter to an applicant for a lease on some submerged lands, in which he quoted from a case (*Hardin* v. *Jordan* (140 U. S. 371)), where the Supreme Court said:

"With regard to grants of the Government for lands bordering on tidewater, it has been distinctly settled that they only extend to high-water marks, and that the title to the shore and lands under water in front of lands so granted inures to the State within which they are situated, if a State has been organized and established there. Such title to the shore and lands under water is regarded as incidental to the sovereignty of the State—a portion of the royalties belonging thereto and held in trust for the public purposes of navigation and fishery—and cannot be retained or granted out to individuals by the United States."

Mr. Ickes quoted that. Then Mr. Ickes wrote:

"The foregoing is a statement of the settled law, and therefore no rights can be granted to you, either under the Leasing Act of February 25, 1920 (41 Stat. 437), or under any other public land law, to the bed of the Pacific Ocean either within or without the 3-mile limit. Title to the soil under the ocean within the 3-mile limit is in the State of California, and the land may not be appropriated except by authority of the State. A permit would be necessary to be obtained from the War Department as a prerequisite to the maintenance of structures in the navigable waters of the United States, but such a permit would not confer any rights to the ocean bed.

"I find no authority of law under which any right can be granted to you to establish your proposed structures in the ocean outside the 3-mile limit of the jurisdiction of the State of California, nor am I advised that any other branch of the Federal Government has such authority.

"Sincerely yours,

"HAROLD L. ICKES,
"Secretary of the Interior."

But when he appeared to testify before the Senate Committee on the Judiciary, Mr. Ickes said:

"Until 1937 these applications were denied by the Commissioner of the General Land Office, and, in those cases where appeals were taken to the Department, his decisions were affirmed * * *, but applicants and their lawyers continued to insist that the United States does own the land and the oil, and that the Department does have the power to grant them oil and gas leases. So we began to have doubts * * *. Consequently, since 1937 action on all of these applications, of which there are about 200, has been suspended pending a judicial determination" (p. 4, hearings, Senate Judiciary Committee, 79th Cong., on S. J. Res. 48 and H. J. Res. 225).

There, in his own words, is the history of Mr. Ickes' change of mind. Applicants for oil leases "and their lawyers" caused Mr. Ickes to decide that the "settled law" of 1933 had changed by 1937.

In other words, the controversy started as a conflict of interests between individuals holding oil leases from the State of California and other individuals who wanted the Federal Government to grant them leases of the same property. There were some 30 decisions of the Interior Department holding that the Federal Government had no authority to grant Federal leases under navigable waters because such lands belonged to the States. Nevertheless, Mr. Ickes did change his policy and assert Federal ownership.

It was to settle this controversy and to quiet the titles of the States and those holding under them that identical joint resolutions were introduced in the two Houses of Congress in 1945. Hearings on these resolutions were held before the House and Senate Judiciary Committees. More than 50 prominent State officials from all parts of the country appeared and testified in support of the resolution. The resolution sponsored in the House by the chairman of the House Judiciary Committee and in the Senate by the senior Senator from Nevada passed the House of Representatives by an overwhelming majority. Shortly after its passage, the Attorney General was persuaded by Mr. Ickes to file the suit against the State of California. It was obvious that this suit was filed for the express purpose of blocking the legislation, which was then pending in the Senate.

Exhaustive hearings were again held, before the Senate Judiciary Committee, of which I was then chairman. In all this time the only opposition to the measure was that of Secretary Ickes and a few individuals who had made application for Federal leases of California lands. The committee approved the resolution which had already passed the House. As chairman of the Judiciary Committee I sponsored that resolution on the Senate floor. When the resolution came up for consideration the question was raised whether Congress should act while the suit was pending in the Court. I took the position then that Congress is an independent branch of the Government and

should act on the legislation pending before it, especially where, as in this case, the legislation involved a matter of national policy vitally affecting State and Federal relations. I pointed out that if Congress must cease to act whenever a Federal official starts a lawsuit, Congress could be rendered impotent at any time. The Senate upheld my view and passed the bill by a substantial majority.

After the bill was passed it was vetoed by the President, the main ground of the veto being that the issue of the ownership of these lands was pending in the Supreme Court and Congress should await the decision of the Court. Following the veto the action in the Supreme Court continued, and the decision was handed down last June.

The fundamental theory of dual sovereignties, and States' rights, is endangered by this claim of superior Federal powers over State lands and resources.

The title and control of each State over its submerged lands are as old as the American Republic or the State itself, and never were successfully contested, or even seriously questioned, until Mr. Ickes came along with his Marxian dream of centralized power.

In a report filed April 26, 1946, the Senate Committee on the Judiciary stated:

"The title to all classes of lands underlying navigable waters has been confirmed to the States by the Supreme Court, and any modification of these decisions would constitute a change in a rule of property which has existed since the founding of the Nation" (S. Rept. No. 1260, 79th Cong., 2d sess., p. 3).

The Supreme Court of the United States has seen fit to make such a change; and has then sought to minimize the tremendous and far-reaching effects of its decision by the pious statement that "we cannot and do not assume that Congress, which has constitutional control over Government property, will execute its power in such way as to bring about injustices to States, their subdivisions, or persons acting pursuant to their permission" (*United States* v. *State of California*, (330 U. S. —)).

You will be told that the Supreme Court decision in the case of the *United States* v. *California* can have no possible effect upon inland waters or even upon bays and harbors. You will be told that the decision is so phrased that it does not apply to anything except the strip of marginal sea between low-tide mark and the 3-mile limit. Technically, it is true that the decree in this case does not by its terms affect anything except a 3-mile strip of marginal sea offshore from the State of California. But the principle enunciated by the Court in its decision is of much wider application. And the Supreme Court itself has said, in another case (*Illinois Central Railroad* v. *Illinois*, 146 U. S. 387, p. 435), that "there is no reason or principle for the assertion of dominion and sovereignty over an ownership by the State of lands covered by tidewaters that is not equally applicable to its ownership of and dominion and sovereignty over lands covered by the fresh waters of these lakes."

In the same report from which I have already quoted, the judiciary committee also said:

"If the Supreme Court of the United States should reverse itself, unending litigation would result for probably half a century, for it would mean that the boundary of every parcel of land fronting on navigable waters in the whole Nation would necessarily require judicial determination" (p. 5). That statement is as true today as it was when made; only now it is no longer a prediction, but an accomplished fact. Furthermore, the principle upon which the Supreme Court based its decision is so broad that there is no certainty at all but what it is equally as applicable to dry land as to land under water; and the result has been to cast a cloud upon the title to any land in this Nation which is underlaid with mineral deposits which either are, or may be in the future, necessary or desirable for use by the Government in connection with waging war or in its dealings with foreign nations.

This decision of the Supreme Court is based on a theory heretofore unknown in American constitutional law; a theory that in the exercise of its constitutional powers the United States may appropriate to its own use, and without paying for them, natural resources, existing within land wholly within the boundaries of a State, and not the property of the United States. This doctrine, if carried to its logical conclusion, might permit the Federal Government to appropriate, without compensation, minerals, forests, and other natural resources in State or private ownership, anywhere, which it deems essential to the performance of its constitutional functions.

In the suit against California, the United States alleged that it had either title in fee simple or paramount rights over the lands and minerals underlying the 3-mile belt off the coast of California and outside inland waters. Thus, no claim was made as to inland waters in that case, but there is nothing to prevent the United States in the future from making exactly the same claims as to inland waters and the lands and resources beneath such waters.

Some Federal officials have attempted to quiet the fears of the inland States by saying that it is not their intention to claim lands or minerals beneath inland waters.

Obviously, such assurances are of no value. Mr. Ickes was very positive, for a number of years, that the Federal Government had no rights in submerged lands. But under adequate stimulus he changed his mind in a hurry.

The mere statement of one Federal official that he has no intention of making such a claim is meaningless and without legal force and is not even binding on the person who makes it. A Federal official can change his mind after making such a statement, just as Mr. Ickes changed his in 1937.

The people of the inland States must look to the decision of the Supreme Court, examine the grounds upon which the Court based its decision, and see for themselves whether or not the doctrines upon which the decision is based could be extended to inland waters. If they could, then the inland States are definitely in jeopardy and will be subject to attack whenever Federal officials determine that such an attack should be made.

As a matter of fact, Department of Justice officials have stated to representatives of the Senate Committee on the Judiciary that the Department interprets the decision of the Supreme Court as probably being applicable to all the marginal seas of all the States having ocean frontage, regardless of any peculiar conditions under which such States came into the Union. Because of this interpretation, these officials say, they believe it is incumbent upon the Department to proceed with the filing of suits against all of the remaining tidewater States within the near future. The reason this policy has not yet been carried into effect is, presumably, that the Congress is again considering legislation with respect to these submerged lands, and the Department has been notified that hearings will begin on February 23, and has been asked to present its recommendations at that time.

In order that we may be in a position to form our own opinion on this point, let us examine the Court's decision in the California case to see precisely what the Court held and the precise grounds upon which it based that holding.

The Court specifically held that the Federal Government, rather than the States, has paramount rights in and power over the 3-mile belt, and that included within this power is the right to appropriate all the natural resources of the soil under the water, including oil.

The Court also held that California was not the owner of these lands and resources.

The Court did not directly hold that the United States was the owner of or had title to these lands and resources. It did not say in so many words who was the owner. This fact thas led many lawyers to the view that so far as ownership is concerned, the decision, instead of settling the question, completely unsettled it; that the only inference which can be drawn from the decision is that the land has no owner at all. However, this is completely at variance with one of the basic principles of the law of real property: namely, that real property must always have an owner. In the United States, any lands within the boundaries of a State which have no other owner must of necessity belong to the State.

I think it must be concluded that the language of the Supreme Court's decree, that "The United States of America is * * * possessed of * * * full dominion * * * over the lands," is sufficient to affirm ownership in the Federal Government, and was intended as such an affirmance. It is obvious, of course, that the Court's language is confusing, as well as something less than forthright.

The apparent reason why the question of ownership was left in this confusion was that the Court did not base its decision on chain of title or any ordinary attribute of ownership but rather on this paramount, overriding governmental power which the Court said transcends the rights of a mere property owner.

One of the most disturbing points in the Supreme Court's decision is this statement: "The Government, which holds its interests here as elsewhere in trust for all the people, is not to be deprived of those interests by the ordinary court rules designed particularly for private disputes over individually owned pieces of property." That statement is more than striking; it is shocking.

That could be construed as one way of saying that when the Government asserts an interest, private property rights will not be protected. The people of a free democracy never could assent to such a doctrine as that, and it is hard to believe that is what the Supreme Court meant.

Reduced to nonlegal language, what the Court seems to have said was that the Federal Government can appropriate for its own use, or can determine who shall appropriate, minerals, and other natural resources in the submerged lands within the 3-mile belt, without any regard to the question of who owns the soil and without making compensation to anyone.

This announces a wholly new and previously unheard-of doctrine in American law which obliterate the basic legal distinction between governmental powers on the one hand and property rights on the other. Never before in this country has it been held that governmental power extended to the taking of minerals or other resources from the soil wholly without regard to lease or fee ownership.

If that is the law, we have come a long way downhill from the Magna Carta and the Bill of Rights.

This holding of overriding governmental power which transcends title was not based on any previous decision or upon any hitherto recognized doctrine of constitutional law. In fact, the Court cited no authority whatever in support of its decision. The sole basis for the decision was the Court's own declaration that it is necessary for the Federal Government to have this overriding paramount power in order to perform its constitutional duties and responsibilities in relation to national defense and international relations. In other words, the Court said that if the Federal Government needed

oil or minerals for national defense, then such need alone, and without regard to title or ownership, would give the Federal Government the everriding paramount power to appropriate such minerals or other property. That is the rationale of the decision.

No wonder the Court was divided in its opinion.

It is not adequate to say that the Supreme Court, in the case of the *United States* v. *California*, has decided the question with respect to submerged lands. What actually happened is that the Court has reversed the rule which was uniformly upheld for more than 100 years, and has thus in effect confiscated State property, and private property derived from State titles; and has laid the foundation for further confiscation of mineral land wherever and whenever the Federal Government sees fit to declare or assert a "paramount interest" stemming from its responsibility to protect the country against dangers, or its responsibility for conducting United States relations with other nations.

The responsibility of the Federal Government for national defense clearly extends to all navigable waters, whether inland or otherwise, and, for that matter, extends to all the lands of the Nation. The Supreme Court's new theory of control of natural resources could, therefore, be extended equally as far.

California's coast line is approximately 1,000 miles in length. Not more than 15 miles of this contain any oil wells. The off-shore oil wells of California all are grouped in the vicinities of Santa Barbara, Long Beach, and Huntington Beach. The United States did not merely claim the oil rights, nor even limit its claim to that section of the submerged lands in which there was oil; it claimed the entire area of California's marginal sea. In sustaining that claim, the Supreme Court has certainly extended an invitation to the Federal Government to make similar claims elsewhere.

Officials of the Department of Justice, speaking unofficially, but in discussions with representatives of the Senate Judiciary Committee, and presumably weighing their words, have expressed the opinion that if the Federal Government should find that the land lying under inland waters was necessary to the national defense, or to the conduct of the Government's negotiations with other nations, the paramount Federal power might be asserted with the same force and effect as it has been asserted with respect to the California marginal sea.

In reading the opinion of the Court in *United States* v. *California*, one cannot help but be struck by the fact that there is nothing in it that is peculiar to California. The Court finds nothing in California history and no peculiar circumstances relating to California which call for a special rule which would apply only to that State. On the contrary, the entire decision is taken up with a consideration of the rights and powers of the Federal Government in the marginal sea generally—and the conclusions are based on the "constitutional responsibilities" of the Federal Government—responsibilities which are obviously no different as to California than as to Colorado, Wyoming, or any other State.

To grasp the potentialities of the decision as it may affect other States, we have only to look at the dissenting opinions of Justices Frankfurter and Reed.

Mr. Justice Reed in his dissent points out that the power of the United States is plenary over these undersea lands precisely as it is "over every river, farm, mine, and factory of the Nation." The constitutional power is the same everywhere. The Federal Government has the same duty to defend inland States from attack that it has to defend the coastal States. If, in the exercise of this power of national defense, the United States can appropriate oil under the marginal sea within California's boundaries, the same power would extend to minerals under the waters of inland lakes and rivers.

If California oil can be confiscated, Texas and Louisiana oil is not safe. If the Federal Government is entitled to take the oil produced in Texas, Louisiana, and California, by virtue of "paramount right," then the Federal Government can assert "paramount right" to the oysters from the bed of Chesapeake Bay, the gas from under Lake Erie, the iron ore from beneath the Minnesota lakes, the coal from under the rivers of Pennsylvania and West Virginia, and perhaps even the pay-dirt from the beds of our gold-producing streams.

Mr. Justice Frankfurter in his dissent points out that the contention that oil deposits in the marginal sea may be vital to national security is no more relevant to the question of ownership or of control than is the existence of uranium deposits wherever they may be. In other words, if this national power can justify the taking of oil, it could also justify the taking of uranium deposits even in private property, and if oil and uranium can be taken, why not iron, manganese, copper, coal, gold, and silver, or any other natural resources?

Reluctantly but inescapably, we are forced to the conclusion that the decision in *United States* v. *California* is an assertion by the Supreme Court of Federal rights and powers not declared in the Constitution and never asserted in the past by Congress or any other Federal agency; and that the decision is therefore a threat to property rights everywhere.

To realize the seriousness of this threat we must remember that the Court tells us that it is the needs of the Federal Government for national purposes which justify the existence of this paramount overriding power that transcends property rights. But who will determine these needs? Eventually the determination will fall into the hands of some Federal bureau. A bureau in Washington will decide when the Federal Government needs to appropriate your national resources, forests, mines, and fisheries. The Supreme Court's decision thus becomes a factor in the steady weakening of State and local government and the increased centralization of power in Washington, which if not checked can only result in the ultimate break-down of the constitutional balance between State and Federal governments.

Three days after the Supreme Court entered its decree in the case of the *United States* v. *California*, the Attorney General of the United States wrote a letter to the President advising him of the action taken by the Court.

The second paragraph of that letter starts with the following sentence:

"The signing of the decree brings to a successful termination the first phase of efforts being made to establish the rights of the United States in areas which, up to this time, had been claimed by the State."

I do not mean to attribute to the Attorney General any deep or hidden meaning, in his use of those words. But I say to you, his words were prophetic, in perhaps a broader sense than he intended them.

This decree of the Supreme Court does bring to an end only the first phase of the struggle. Efforts are being made to establish the rights of the United States in areas which up to this time have been claimed by the States.

In my opinion, such efforts are continuing and will continue; and there is no telling when or where they will stop, if the Congress does not stop them. This is not the plan or plot of any one man or group of men; it is a part of the pattern of centralized bureaucracy, which is at once a formula, a method, and a manner of thinking; and which is the natural and implacable enemy of States' rights.

Concluding his letter to the President, the Attorney General used this final sentence:

"What has been recovered may prove, in the coming years, to be but an insignificant fraction of the undeveloped and as yet unknown resources in the remaining area."

I think those words have deep significance, however the Attorney General may have intended them. Certainly, if the bureaucrats subsequently assert, and the Supreme Court upholds, a claim by the Federal Government to paramount power and dominion over lands beneath inland waters, and the mineral resources of such lands, what has been recovered already may indeed prove to be but an insignificant fraction of what might then be involved.

All sections of the country are affected alike by the threat implicit in this Supreme Court decision. Prospective losses of mineral rights and other natural resources may differ in degree among different States, as their natural resources differ, but the nature of the threat is the same; and there are no prospective benefits for any State, or group of States.

It is wrong to say that the reclamation States, or the reclamation fund, can profit in any way from Federal ownership of the submerged lands. These lands do not come within the provisions of the Public Lands Mineral Leasing Act, which appropriates 52½ percent of revenues from production to the reclamation fund. That act applies only to the public lands, and does not cover any submerged lands or marginal seas. The Attorney General of the United States has confirmed this, in a decision dated August 29, 1947. As a matter of fact, the briefs and stipulations filed by the Government in the case of the *United States* v. *California* made it very clear that the submerged lands cannot even be leased unless Congress passes some new act granting authority for the leasing.

The public domain was established in 1787 when Virginia ceded the Northwest Territory to the United States. Following this all of the other original States ceded their western lands to the Federal Government. These lands became the public domain; but this cession did not include lands beneath the coastal sea, nor lands beneath inland navigable waters, which were always reserved to the States.

Public lands are vacant and unappropriated uplands, subject to the land laws of the United States, and which have been surveyed by the United States under the public survey. The public survey has never been extended to cover the lands under navigable waters, either inland or along the coast, as such lands always have been considered the properties of the States.

If the decision of the Supreme Court in *United States* v. *California* was a good thing for the reclamation States, the National Reclamation Association would not be lined up against the decision, and the National Reclamation Association has by resolution directed its board of directors and officers to cooperate with and assist the governors and attorneys general of the States in their continued Nation-wide organization and campaign for suitable congressional action to undo the unsettling effects of this decision.

By petition, the National Reclamation Association has asked Congress to take immediate action declaring the law to be substantially as follows: First, that the exercise of the Federal Government's paramount powers in national defense, international affairs, and commerce shall not of itself be interpreted as vesting any proprietary interest in the land or resources so defended or dealt with; and, second, that, except as to those lands which the Government has previously acquired by purchase, condemnation, or donation, the respective States own the title to all lands beneath the navigable water

within their boundaries, which as to coastal States includes the marginal shelf, subject to such regulatory powers in the Federal Government as may be necessary in exercising its constitutional powers of and in national defense, commerce, and international affairs.

Anyone who will say that since the Supreme Court has now decided this matter, the Congress should not take any action, demonstrates his own complete failure to comprehend the problem. Congress not only should act; Congress must act. If we assume that the Supreme Court's decision settles the question that the Federal Government has complete sovereignty and dominion over the marginal seas within the 3-mile limit, then there are, literally, a score or more of questions which must be settled. These questions, of course, would not require separate and special handling if the Congress should dispose of the whole problem by disavowing Federal ownership of these lands. But if Congress does not take that course, then Congress must either itself take up, one by one, the many other questions which will then present themselves, or provide that they be taken up, and settled, in some other way.

Among these questions are the following:

Is the low-water mark, as it existed when the State came into the Union, to be accepted for purposes of a decree, or is the low-water mark as it existed at the date of the decision to be accepted?

What is to be done with artificially-made land projecting into the 3-mile area?

What are to be the limits upon the police jurisdiction within the 3-mile area, for law enforcement purposes, or for the abatement of nuisances, or the granting of fishing licenses, or the exercise of other police powers?

How are inland bays and waters to be distinguished from the low-water mark on the ocean shore line?

Are channels and inlets lying between islands within the 3-mile limit, or between an island and the mainland, to be treated as inland waters, or as a part of the area within the Federal jurisdiction, thus bringing the surface of such islands within the dominion and sovereignty of the Federal Government?

What is to be the disposition of public and private docks, loading terminals, and other harbor installations, including jetties and causeways extending into the 3-mile limit?

What are the rights of present tenants holding under grants or leases from the States?

What is the liability of the States to the Federal Government with respect to royalties and other revenues they have received from lessees, grantees, and licensees for the occupation and use of off-shore areas?

That list of questions is by no means comprehensive; but it will serve to give some idea of the complexity of the problem.

If Congress will not settle this problem at one stroke, then Congress must at the very least give its assent to negotiations for settlement, between the Federal Government and the States, looking toward a compact, or compacts, which shall be mutually binding, and which shall resolve the issues presented and give adequate protection to the rights of States and individuals. I have given considerable study to the question of compacts as a possible method of attacking the problem, and I shall give it more study, for I am inclined to think it might work.

It is my opinion now, however, as it was when I sponsored House Joint Resolution 225 in the Senate, that this is a question of national policy which should be determined by the Congress, if the Congress will act and if the President does not again nullify its action. The overwhelming sentiment of the people in favor of continuing State ownership and control was demonstrated in the passage of House Joint Resolution 225. The indications are clear that the Supreme Court decision has only strengthened that sentiment.

The only way in which this threatened invasion of State powers and rights can be prevented is by congressional action of some nature. To bring about such action I have recently joined with 19 other Senators in introducing Senate bill 1988, to restore ownership and control of all lands and resources beneath navigable waters to the States and those holding under them. This bill is a nonpartisan measure sponsored by 10 Democrats and 10 Republicans. Its basic aim is to preserve, as between the States and Central Government, the true constitutional balance of power which is essential to the preservation of our Federal system and upon which the strength and vitality of this Republic depend. I do not believe it is by any means perfect. In fact, I think it can be improved in language. But its purpose is sound.

I present this subject to this convention with a deep sense of responsibility. This great meeting, that has now become an annual conclave of historic significance, can well afford to give serious thought to the conditions that have arisen by reason of the decision recently rendered.

This Government would never have come into existence—in other words, the Constitution of the United States would never have been adopted by the original States—had it not been for the fact that in the organic law itself, it was declared, as it is now declared, that those rights not specifically granted to the Federal Government should be reserved to the States and to the people.

I know of no gathering that assembles in all the West to which this subject can be more appropriately addressed. The West is today, and we hope will always remain, the respository and frontier of individual human liberties; the guardian of the rights that belong to the States and the people thereof.

That being true, this conclave, assembled in the very heart of the West, can well afford to pronounce against what appears to be constant encroachment of bureaucratic centralized government.

As a last expression, let me express the thought that there is no form of totalitarian government that can be more ruthless in its dealings with the individual than that form of administrative hierarchy which we know as bureaucracy. A true dictator, being a one-man government, might change his mind, might yield to his heart or his conscience; but the bureau has no heart, and it has but an assembled conscience. A monarch, however bound by tradition, has a mind of his own, and may think. The bureau never thinks; it follows the formula. The individual cannot always pass the buck and escape responsibility, but the bureau can always resort to that method.

If your State, and my State, remain quiet and inarticulate on the subject that I have discussed here—if the people of the great open country of the West remain silent—we cannot tell what rights we may be letting go by default, or how soon they may go. But the generation coming on will hold us responsible for remaining silent, when the rights of the States, and the rights of the people, as individuals, are being progressively taken away, despite the apparently express guaranties of our organic law.

Others may remain silent, but I shall not; and I have sought today to present this subject as clearly as was within my power to one of the most important groups in western America, with the hope that you may be aroused, and so that you may at least be warned.

The American Farmer

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Monday, February 9 (legislative day of Monday, February 2), 1948

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD a statement on the subject The American Farmer, prepared by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

QUIT CRITICIZING THE AMERICAN FARMER

The great work of American agriculture during the First and Second World Wars in helping to achieve victory is so well known that it certainly doesn't require repeating. So, too, the amazing job that American farmers have done after both wars in sending needed relief supplies to feed the hungry abroad is also an epic that has been told and retold.

It is amazing, therefore, that in spite of the magnificent record of American agriculture and its 29,000,000 people, there should be such widespread and unjustified criticism of the American farmer these days.

"The farmer is living off the fat of the land," "the farmer is profiteering," "the farmer is having life easy and is bleeding the American consumer." These are some of the examples of the synthetic, loose thinking which you and I hear in so many quarters today.

FARMERS MUST NOT BE MADE SCAPEGOAT

This talk is completely uncalled for, as I am going to show in this statement. The reason that I take the time to answer this talk is because I don't want to see American agriculture or any other fine segment of American society made the scapegoat for unfortunate inflationary conditions—for the fact that we have a 50-cent dollar today—which is, in large part, due to bureaucratic bungling anyway. I don't want to see American farmers crucified or persecuted any more than I want to see American labor or American management unjustly attacked.

WISCONSIN'S AMAZING FARMING RECORD

It is only natural that, representing as I do the great dairy State of Wisconsin, I should be keenly interested in Badger and all American agriculture. All of Wisconsin, with its almost two and a half million milk cows, with its annual production of over seven and a quarter billion quarts, with its butter production of 83,000,000 pounds, its 370,000,000 pounds of whole-milk cheese, its over 19,000,000 gallons of ice cream produced, is deeply affected by the progress of American agriculture. You and I know that Wisconsin is not only famed for its dairy production, but for its outstanding production of canning items—cucumbers, cabbage, peas; that it ranks first in the Nation in production of tame hay, clover and timothy hay, in hemp acreage, second in alfalfa acreage, in cranberry production, fourth in production of oats and honey. Wisconsin's over 177,000 farms form a vital component of American agriculture and of our entire American economy.

FARMER DESERVES RESPECT

Loose criticism of the Wisconsin and all American farmers must come to an end. The farmer deserves the respect and esteem of the American people because he is confronted today with a tremendous job which he cannot possibly do unless he receives the

full support and encouragement not only of Government but of all segments of American life.

ANSWERING CHARGE THAT FARM INCOME ROSE DISPROPORTIONATELY

Now let's answer the synthetic thinking point by point.

1. In the first place, there is a lot of misinterpretation of the fact that the farmer's income has increased in some cases more than the city laborer's income has gone up. While it is true that farm income has risen somewhat more than that of American workers, we mustn't forget the fact that the average income of the American farmer is still way below that of the American city dweller including the worker. Sure, farm income has risen, but it rose above such low levels—such an incredibly low income—that it doesn't represent a great advance in farm prosperity.

MEMORIES OF FARM DEPRESSION

You and I know that in the last two decades, American agriculture has lost folks through migration at the rate of 600,000 per year.

You and I well recall the day when farms were being foreclosed wholesale, when farmers were being turned out of homes which they and their fathers had occupied for generations, because they couldn't eke out a few dollars to pay the mortgage. One of the first acts that I did when I came down to the Senate in 1939 was to introduce a bill for a moratorium on farm foreclosures.

I reported then that in Barron County where my father before me and I have had a dairy farm of over 300 acres, some of the finest farms were being foreclosed because the farmers couldn't make ends meet. Farmers were selling milk, as I was, at 90 cents to $1.15 per hundred that cost $1.80 to produce. I don't want to see conditions like that return any more than does any other sensible, thinking American. If American agriculture prospers, all America prospers. If American farmers suffer, all other parts of the American economy which depend upon the farmer not only to buy items but to sell items, will suffer.

FARMERS GET FRACTION OF CONSUMER'S DOLLAR

2. Next, let us note the fact that the farmer still only gets a fraction of the total price paid by the American consumer. The wool suit on your back, the food items that you eat, all have shot up in price, but not because the farmer is profiteering. His share of the consumer dollar is still only a small part of the increased price that consumers are paying.

HIGH TAXES RAISE PRICES

The middlemen whose costs have increased, too, have sought higher prices to meet the problem of higher taxes and have passed those prices along to the consumer. Let's not allow the smearing of the middlemen any more than the farmer should be smeared. We all know how processors and distributors have been hit by high taxes and high labor costs. Their dollar, like our dollar, is worth only 50 cents or so in purchasing power today.

If taxes were reduced, as I have consistently suggested and voted, the pressure to make ends meet might be taken off the middlemen, so that they would be able to decrease prices. Reduced taxes means, too, added revenue to Uncle Sam, as was proven after the First World War because with taxes low, production is stimulated and increased.

But on the farmer specifically let us note the fact that according to the Department of Agriculture, between the years 1935 and 1939 the farmers only received 50 percent of the retail price of dairy products which the consumer paid; today, his share of the retail price has risen to 59 percent. When you think, however, of his tremendously increased costs in maintaining his farm animals, his buildings, his machinery, in buying his own goods, this comparatively small increase in the farmer's share is understandable.

When you think of the sunup to sundown hours that the farmer spends on producing his food items, the long years of investment that he has to put in, you can further understand his problems. In canned fruits and vegetables the farmer's share of the retail price is only around 26 percent today as against 14 percent back in prewar days. In poultry and eggs, the farmer gets only 54 percent of the retail price today as against 40 percent in years past. In fresh fruits and vegetables, the farmer gets 40 percent of the dollar we pay whereas he received only 35 percent in years past.

FARMER'S INCREASED COSTS AND SHORTAGES

3. Next, let's consider the fact that the farmer's own cost of living items have tremendously increased in price, thus sapping his purchasing power. It has been proven that the cost of items that the farmer buys have risen higher than the cost of items that the city dweller buys. In addition, it has been proven that in times of relative prosperity costs to the farmer rise sharply, but in times of relative depression those costs tend to drop only slightly and not as fast as do the farmer's prices for his own produced items.

SHORTAGES FARMER FACES

4. Any time anyone starts to think that the farmer is leading an easy life, let him go out and work a month or so on the farm. Let him tackle the tremendous problem of the shortage of labor and the shortage of farm machinery. I have been working with officials of the United States Employment Service, trying to assure an adequate supply of hands for Wisconsin fruit and vegetable crops. Moreover, I have been trying to help forestall the grave gasoline shortage which is going to hit American farmers during next spring and summer. The word "shortage" is all too familiar to the American farmer these days. The farmer is short on everything except needless criticism which he receives.

PROBLEMS ABOUT OUR FARM POLICY

5. It is assumed by some folks that America's farm policy is all squared away. Actually, there is tremendous need for wholesale reconsideration and revision of our entire agricultural program which is still operating on a makeshift basis and which needs overhauling in the light of modern prices. The whole parity price formula, according to statements from every qualified witness, like the President of the American Farm Bureau Federation, requires overhauling to assure justice and equity for America's farmers.

EFFICIENT USE OF FEDERAL FARM FUNDS

6. We know, too, that although we have been appropriating vast sums each year for the Agriculture Department, much of our funds never reach the American farmer but go into bureaucratic overhead. I well recall that back in 1939 we were spending a billion dollars or so a year for the Department of Agriculture, but so far as the farmer in Barron or Chippewa Counties was concerned, he wasn't seeing or getting nary a dollar of it to help him when he needed help in the way that he needed it.

Farmers are tremendously interested in getting a streamlined, efficient Government set-up to assist them. Right now, there is duplication, overlapping and conflicts in administration of several areas of the farm program. In the interests of economy and efficiency, it is time that we streamline the farm agency set-up.

DECENTRALIZE DEPARTMENT OF AGRICULTURE

7. Streamlining also means decentralization. I have introduced Senate Resolution 136, providing for a study by the Senate Agriculture and Forestry Committee of ways and means of decentralizing the vast Agriculture Department. There is no reason why this department should be concentrated principally in Washington, D. C., and a few other major cities. The time is long overdue to disperse this Department to the grassroots of America, to send the Dairy Division close to the dairy heart of America, the Cotton Division, the Wheat Division and so on down the line, close to the farmers who know their own problems best.

8. Still another need of the American farmer is an adequate program for research and education for increased consumption of farm commodities. If we are to maintain a high level of farm production once Europe's immediate food needs are met, we must make sure that we don't run into the problem of farm surpluses.

We don't want to ever see recur the day when farmers must spill their milk because they can't sell it at a fair price. It is important that we accelerate therefore our studies of using byproducts of agricultural commodities, that may be in surplus, of channeling surpluses in the school lunch program and in improved nutrition and health programs. We must encourage American consumers to eat greater quantities of wholesome, nutritious foods like cheese. As I have often said, if the American consumer was to consume cheese in as large a degree as do many European consumers in normal times, then we would probably never again see a recurrence of the problem of cheese surpluses and falling cheese prices.

CONCLUSION

These, then, are but a few of the many problems which face the American farmer. You and I know that we could go on at length discussing the problem of soil conservation—the problem of adequate electrification of farms—the need for adequate farm credit, and farm health programs, accident prevention, rural education, and a dozen other issues which the farmer confronts.

In any case, our study of this problem boils down to this—quit criticizing the American farmer and start helping him and encouraging him in the tremendous job he had done, he is doing, and he still has to do.

Advantages of Export to the Middlesex County Manufacturer

EXTENSION OF REMARKS

OF

HON. BRIEN McMAHON

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Monday, February 9 (legislative day of Monday, February 2), 1948

Mr. McMAHON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by Alexander S. Keller at the annual meeting of the Middlesex County Manufacturers' Association. I have consulted the Government Printing Office, and it is estimated that the matter will make two and one-quarter pages of the RECORD, at a cost of $159.75. I believe that the address is worth much more than that.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

When your secretary, Mr. Hippler, did me the honor of inviting me to address you this evening, he suggested as the subject "Advantages of Export to the Middlesex County Manufacturer". I greatly appreciated the compliment of his invitation and accepted

the subject without an argument. It seemed like one which any export manager could handle with a great deal of ease. It certainly has been thoroughly explored and you will find a very general agreement that export is a good thing. I have heard it said by Republicans and Democrats, farmers and businessmen, labor leaders and industrialists. Mr. Henry Wallace discovered that export was necessary to support his 60,000,000 jobs. Now we've got the 60,000,000 and whether or not Mr. Wallace's prescription for reaching that point was the correct one, there is no doubt that our export figures for this year will exceed all previous records and play a vital part in supporting our present level of general activity.

To me, the advantages of export are about as obvious as the desirability of selling your products in New Jersey and California. Exports add to volume, employ labor, and help make the fullest use of plant and equipment.

There is, of course, one point about exports that must be emphasized and that is the advantage of export trade to those who are not exporters. I am, of course, particularly familiar with the machine tool industry which over a period of a good many years has shipped some 25 percent of its volume to foreign destinations. Now a gray iron foundry or an electric power company may not be greatly concerned with the problems of export but if they are selling castings or electric energy to a machine tool plant, you can just put it down that 25 percent of their sales to that machine tool builder are moving into export. Among the manufacturers of Middlesex County, there are many who are experienced exporters and understand the problems as well, or better, than I, but even if your product is a consumer article sold entirely within the United States, it can still find its largest possible distribution only during a period of general good employment and prosperity. Our economic history shows that every such period was marked by a very substantial export trade.

Conversely, the present indication that our foreign shipments have reached and passed their peak is one of the very important factors on which those who foresee a business recession are basing their predictions.

Let's take a look at the figures. The Department of Commerce tells us that we exported $12,000,000,000 worth of goods in 1946. In the first 6 months of this year that figure reached $8,300,000,000. In May alone we shipped over $1,400,000,000, which was almost as much in dollar value as we shipped abroad in the year 1932. Predictions were current that the total for this year would reach $17,000,000,000 or $18,000,000,000. It is now evident that May was the high point, June was off 12 percent, July another 7 percent, and August about the same as July.

Every exporter is familiar with the problems which have begun to arise. The so-called dollar shortage has been so widely publicized that there is very little reason for me to go into it in much detail. The fact is that almost every country in the world is now carefully limiting its imports by some system of control, and many of them are engaged in the most desperate efforts to become economically self-sufficient and reduce their needs for supplies from outside sources. This is not because they don't want the goods but because they haven't the means to pay for them.

Now, how about the other side of the picture? While we were exporting $12,000,000,000 worth of goods in 1946, we were importing $5,250,000,000 and the $8,300,000,000 in 6 months of this year were partially offset by $3,000,000,000 worth of imports. Those figures are records too, but they are a long way from balancing the terrific needs of our foreign customers.

The figures on exports and imports which I have just quoted are the most important considerations in our foreign-trade picture but they do not tell the whole story in the total balance of international payments. To get the entire picture, we must also take into consideration such items as services, including ocean freight, insurance, etc., interest on foreign investments here and abroad, the movement of long-term capital and the expenses of people traveling in foreign countries. Then there is a figure which is pleasantly termed "unilateral transfers" in the Department of Commerce reports. This is what we used to call immigrant remittances but in the last few years it has reached some enormous totals, including public and private relief remittances, lend-lease and UNRRA expenditures.

Now, gentlemen, with all due respect to the subject suggested by your Secretary, I feel that it is a little too easy. To me, the important question is not what are the advantages of export but how are we going to protect, maintain, and, if possible, expand our export position so that we are going to be able to continue and enlarge those advantages in the days to come Obviously, there is no sense in taxing ourselves, borrowing from ourselves, and inflating our own economy to support our export on a relief basis. We want to use our resources, our manpower, and our plant to the greatest extent possible, but unless we can see some return over the years we would simply be wasting our assets and our efforts. As an exporter, this is a problem which concerns me very greatly, as it must concern every thinking citizen interested in our peace and prosperity. I am going to venture to recommend a program which may help somewhat in solving it.

1. The Marshall plan should be approved and put into effect as promptly as possible so that we will continue to have a world in which our type of economy can flourish.

2. We must develop political and economic conditions under which private American capital can be prudently invested in foreign countries on an increasing scale.

3. We should develop foreign travel by our own citizens and encourage their purchases while abroad.

4. We should support the International Trade Organization and the reciprocal trade agreements resulting from the recent conferences at Geneva.

5. We must reverse our traditional attitude toward imports by recognizing them as a vital and beneficial portion of our national economy.

The Marshall plan has already had so much attention, and you will hear so much more about it, that I certainly do not propose to take up much of your time by going into details. I simply want to call to your attention the fact that we are still far from having passed out of the emergency stage to a position where we can safely rely upon normal trade and prudent investment to carry us out of our difficulties. We must preserve our friends and our prospective friends in Europe so that at least a substantial proportion of the economically advanced part of the world will continue to be available for the kind of business relations which are typical of our system of free enterprise.

I myself have said a little earlier this evening that we must find a way of supporting our foreign trade on something other than a relief basis. Many of those who are beginning to voice some opposition to the Marshall plan are pointing out that our investments abroad should be made on a sound economic basis which promise a reasonable return. To me the necessities of the Marshall plan are like the necessities for the use of public funds for relief or for the education of children in our own country. We don't spend our tax money for those things with the expectation that there will be direct repayment, but we are enlightened enough to know that our own future and that of our families is not safe if we permit an exaggerated condition of economic distress or of ignorance to prevail in our midst. Similarly, on an international scale, we cannot avoid present sacrifices to maintain a world in which there is a prospect of future safety for our own way of life.

The Marshall plan, however, is, and must be viewed as, an extraordinary effort under extraordinary conditions. It has a definite job to accomplish over the next 5 years, but it is not a program for the indefinite future, and that brings me to the second point which I have recommended to you.

A large part of the development of our industry and transportation during the nineteenth century was based upon the investment of foreign capital in this country at a time when capital and savings here were too inadequate to do the job. Today there are enormous opportunities for the profitable use of surplus American capital in undeveloped territories all over the world and in the further sound rehabilitation of countries which have suffered during the war.

It is true that the investment of capital abroad is faced with many adverse conditions which did not prevail here a century ago. There are large areas in which the investment of private capital is unwelcome and there are more areas in which there is so much doubt as to the economic and political future that prudent investment is impossible. In the period immediately following the last war we made substantial foreign investments, many of which were lost. Today there is a tendency toward nationalistic economic thinking which causes many countries, even though they welcome foreign investment, to hedge it about with restrictions and discriminations which are certainly discouraging It must be admitted that some of this attitude is the result of the special privileges which foreign capital has often demanded in the past.

In spite of these conceded difficulties, however, there is no question but that private investment, dollar for dollar, can do a far more effective job than Government investment. It is particularly important that the direct investment by American business in foreign subsidiaries and affiliates carries with it a share in management and the export of American "know how" which will be enormously valuable in advancing world recovery. And the movement of American capital into the foreign field can provide a very substantial item in the international balance of trade which will help to support our exports for a good many years to come.

The third point which I made had to do with the development of foreign travel and particularly with the encouragement of travelers' purchases abroad. Expenditures of our travelers in normal times have been a very important item in the balance of international payments. Our present position of economic and political leadership gives every promise that our foreign travel will automatically expand if peace and general prosperity are maintained.

Our government is already making efforts to eliminate some of the vexing problems of visas, which have been so burdensome to foreign travelers in recent years. Our foreign friends should cooperate in making the visitor's path as pleasant as possible, for their own direct benefit.

A further point, not too frequently recognized, is the effect of our own customs regulations. Undoubtedly many of you have traveled abroad and I am sure that the pleasure of your trip has been definitely limited by the thought of that customs inspector, whom you are sure to meet when you come back to the United States. Our present regulations, which permit an American traveler to bring back only $100 worth of foreign purchases duty-free seem to me to be ridiculous, out of date, and completely useless from any point of view. I can see absolutely no reason why an American traveling abroad should not be entitled to bring

home with him anything that he wants for his own use or for gifts to his family and friends. We have the resources in foreign exchange to permit it and it is impossible to see that any conceivable amount of purchases by travelers abroad would impinge so severely on any American industry that it would endanger its position.

The additional purchases that would be made by American citizens abroad would have a very beneficial and entirely harmless effect on the balance of international payments; and the freedom from constant consideration of that customs inspector would in itself encourage foreign travel and add to its enjoyment for a large number of our citizens. It is my recommendation that there should be no limit whatever to the value of goods which a traveler can bring back with him, that he should be required only to sign an affidavit that his purchases were entirely for his own use or for gifts and not for resale. The administration of customs should be directed altogether to insuring compliance with this simple regulation.

As my fourth point, I have suggested the support of the International Trade Organization and the reciprocal trade agreements developed at the Geneva Conference. The proposed charter of the ITO has now been published and it has come amazingly close to the ideals of American private enterprise which our Government attempted to establish as an international policy through this new organization. The desired effect is the ultimate elimination of many of the international barriers to foreign trade. Considering the amount of economic nationalism which is prevalent today (and in this we cannot help including the enormous barriers which have been set up by our own country) the substantial agreement arrived at in the draft charter is a truly monumental achievement.

Our negotiators didn't have an easy time. They were, of course, perfectly consistent in their desire to remove discrimination for or against particular countries or groups. But they couldn't deny the barriers which are inherent in our whole tariff structure. The reciprocal trade agreements which were negotiated at Geneva must go hand in hand with the ITO charter as an indication that we are willing to match the acceptance of our own principles by the rest of the world with a disposition to let them trade with us.

The most important point that I can make is the fifth, which is the reversal of our attitude toward imports. I said before that everybody is in favor of exports, or at least renders them lip service; but we've always had our share of economic isolationists who are against foreign trade, and particularly they live in fear of imports.

That, I submit, is a view that is obsolete and antiquated for two very good reasons.

First, we have learned at bitter cost in two wars that we cannot live in political or economic isolation. We are too big to stay out of the troubles, even when they are created by conditions far from our own country. Since we always get into them ultimately, it would certainly make better sense to prevent them, if possible, and to have good and strong friends in any case. Far from having no responsibility for World War II, there is powerful evidence that our high tariff policy was a contributory cause.

Secondly, it just doesn't make sense to live in fear of imports. Your children and mine know better than that. The part of their weekly allowance that goes into the box at Sunday school may be good for their souls, but it's that weekly importation of bubble gum that puts the glint into junior's eyes. No workman in our factories is content to exert his best efforts just for the sake of seeing the products roll out of the shipping room door. His interest is the pay check—and what it will buy. And, on an international scale, the fruits of our efforts in foreign trade are the goods and services which our people can buy and enjoy.

At an earlier stage in our economic history there was real validity to the argument that we must protect our industry and agriculture against the older, better financed, more efficient competition from abroad. Today that simply doesn't make sense in the light of the ever increasing world-wide demand for our products.

Equally obsolete is the argument that we must protect our standard of living against foreign labor on starvation wages. We know now that no labor is more efficient, dollar for dollar, than our own, with its background of the finest and most effective plant and equipment that the world has ever seen. Those products that we shall bring in at lower cost will actually improve, and not lower our standard of living.

A more recent argument against any change in our tariff policy is that there is no use trying to encourage imports because the rest of the world is so flat on its back that they have not anything to send us. It is certainly true that many of the European countries at least are suffering from a serious lack of productivity with serious effects, both on their own internal economy and on their ability to accumulate a surplus for export. This lack of productivity results from a variety of causes, some of which, like shortage of raw materials and fuel, are beyond their control. There are also other causes inherent in the current political and economic theories which have attracted too many of the countries of western Europe. The emphasis has been on socialization and security, while individual initiative and incentive have suffered. A vast amount of hard work on both sides of the Atlantic is going to be necessary to insure the recovery which we all need. It is the problem of the countries overseas to reestablish the amount of individual incentive necessary to restore their productivity. By encouraging imports we can provide a further incentive to them, at the same time as we assure a continuing market for our own exports.

We can do a great deal to restore a decent political atmosphere through the Marshall plan. We can accomplish much through the encouragement of private investment in foreign countries, but in the very long run this whole matter of the balance of international payment boils down to whether we really want to avail ourselves of the things that other countries can produce and send for our nourishment and enjoyment. Capital will not go overseas, and should not, unless it can be quite sure that interest payments will be made and principal ultimately repaid, and it seems to me to be the most primitive form of economic thinking, and the soundest, that tells us that if we are going to work, produce, save and invest, and export, we want more for our pains than gold at Fort Knox and another round of bankruptcies.

The reciprocal-trade-agreement program represents a magnificent advance in the history of our economic thinking. As you know, these agreements have always been based upon our making concessions in our tariff rates against concessions of equal value made by other countries. The use of the word concession has always amused me a little. Of course, it is very good when you are working out a deal to persuade the other fellow that you are giving him something and, of course, we were. But these concessions were very carefully considered to avoid any damage to our own industry and insofar as they succeeded in this, they also succeeded in bringing in more products at lower cost for our use and enjoyment; so while they were concessions to the other countries, they were benefits to ourselves.

Our tariff structure is enormous and complicated. To wipe it out all at once would be dangerous and might cause as many new injustices as were caused by its erection, but we should clearly favor its continued modification through the Reciprocal Trade Agreement route and perhaps through carefully considered legislation when necessary.

But the whole spirit of the administration of our tariff laws requires immediate attention. It has always been our policy to administer the law so as to put the greatest possible burden on the importer. If there was any doubt as to the classification of a commodity, it was put into the group carrying the highest possible tariff. Any difference of opinion was resolved by the customs officials against the importer and the delays in securing a judgment or appeal to the courts have been so great as to tie capital and merchandise up for years before some of the cases have been settled. Consequently an importer wishing to bring in a new product, concerning which there is any doubt whatever as to classification (and I assure you that our definitions give rise to a great deal of doubt), has in most instances given up the idea rather than to attempt to seek a decision which he feels sure will be adverse and which he knows will cause interminable delays. Occasionally an importer can find a good way of circumventing an unreasonable tariff schedule. I have always liked the story of the Canadian producer of mineral water who faced a prohibitive tariff here and then discovered that by freezing the water he could bring it into the United States as ice. That procedure is not available to many and the result has rather been a freezing of our entire foreign trade situation on the import side.

Regardless of the view that our present tariff barriers are excessive, the fact is that we have them, and we must use care in avoiding drastic readjustments in industries that have grown up behind them in all good faith. But I am absolutely sure that we could do ourselves and the rest of the world the greatest possible benefit by viewing the importer as a businessman who is performing an essential economic service. So let us engage in a process of gradual evolution of reorienting our tariff policy so that foreign goods are welcomed here and are only kept out when their admission would seriously endanger the structure of an existing industry or when an uneconomical industry must be maintained for reasons of national defense. Above all let us change, by law, the entire administration of our customs so that foreign importations are treated as the great economic benefit which they truly are.

Unfortunately this whole battle has thus far been carried by the importers who were presumed to have a special interest in this situation, as indeed they have; but even more important is the effect of our tariff structure on exports and on our entire economic and political well-being. From that point of view, it is the job of every one of us to take an interest in this situation.

It is ordinarily only the people whose direct interests are clearly affected who take the trouble to fight our most important battles. More and more generally exporters have come to realize that their own existence depends upon fighting the battle for imports. By the same token every citizen of our country has a stake in the battle for foreign trade.

Fears Rise in Italy of Red Revolt—Adriatic Arms Smugglers Hunted

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1948

Mr. LODGE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article

from the New York Times of Thursday, February 5, 1948:

FEARS RISE IN ITALY OF RED REVOLT—ADRIATIC ARMS SMUGGLERS HUNTED—MORE MUNITIONS CACHES DISCOVERED—POLICE TO ADD 20,000—CABINET ACTION DUE ON COMMUNISTS' EXPANDING PRIVATE ARMY

(By Arnaldo Cortesi)

ROME, February 4.—Fears that the Communists were organizing an armed insurrection to start if the Left Wing was defeated in the next general election increased today when it became known that the Government had ordered intensified surveillance of the Adriatic coast to prevent the smuggling of arms into Italy from Yugoslavia and Greece.

The navy was instructed to cooperate with customs guards to intercept several vessels believed to be about to sail for Italy with cargoes of arms, ammunition and explosives.

It is known that there has been considerable arms traffic across the Adriatic in the past and that many foreigners, mostly Yugoslavs with false identification papers, have been engaged in receiving and distributing the smuggled munitions.

Rome meanwhile is receiving additional reports of the discovery by the police of arms caches in various parts of Italy. An arsenal that included machine guns, other automatic weapons, ammunition and explosives was found on a farm outside Crevalcore, near Bologna.

Another cache was discovered in a cemetery at Parma. This one consisted of four machine guns, several submachine guns, 46 rifles, several thousand rounds of ammunition, four antitank mines, 196 hand grenades and 55 pounds of explosives. A Communist municipal councilor in Parma is reported to be the chief suspect.

TOGLIATTI STAND RECALLED

Large quantities of high explosives and gas masks were found in the attic of the home of a Communist stone mason in Prato.

All these facts, coupled with the Communist drive to recruit a large private army, appear to conform to official suspicions that the Communists may be preparing to take Italy over by force if the election scheduled for April 18 should go against them and their allies.

Palmiro Togliatti, the Communist leader, speaking at his party's congress in Milan last month, made it clear that the Communists expected to conquer power by democratic means but that they did not propose to abide by an adverse electoral verdict by the Italian people.

Although the threat of revolution does not appear to be imminent, the independent press, with the Tempo in the lead, urges the Government to act before it is too late.

Perhaps partly in reply to such proddings, the Official Gazette today published a decree authorizing the Government to increase the police force by 20,000 men, with recruiting to start immediately. This step follows the recall into service of many members of the Carabinieri from the class of 1905 onward.

The problem of what to do about a Communist private army should be taken up by the Cabinet Council tomorrow. The Government has been hampered hitherto by a lack of any specific legislation against private military and semimilitary organizations. Article XVIII of the new Italian Constitution, which came into force on January 1, forbids all secret associations and all those that even indirectly pursue political ends by means of organizations having a military character.

The Constituent Assembly, however, has not yet voted any law implementing this article. It is thought that the Government will outlaw all private military organizations by decree, but enforcing of the decree may prove difficult.

The tempo, which has been carrying on to call attention to the threat represented by a Communist private army, today published further revelations on the subject. They were believed to have been supplied by Government quarters and had every appearance of being authentic.

According to the Tempo, the Communists, after their Milan congress, decided to create permanent military formations for use "not only at home but also abroad." They were said to be called Garibaldi brigades in Italy and Maquis brigades in France.

In Italy, the newspaper says, these forces are recruited through the National Asscciation of Italian Partisans and the Youth Front, both of which are dominated by Communists. The Tempo adds that such formations existed in Milan even before last month and had their own transport, commissariat, and arms.

They effected a trial mobilization last November when they occupied the prefecture and center of the city, the newspaper added. These Communist "troops" are to be used in forthcoming street demonstrations, especially against the police, it was said.

ZONAL SET-UP REPORTED

The Tempo stated that Communist armed forces in northern Italy were at the orders of the branch office of the Communist information bureau that recently was established in Milan expressly to organize an armed insurrection. Its headquarters are secret and frequently changed from one place to another so as to escape detection, the newspaper added.

For operational purposes, the Tempo said, Italy is divided into "zones," each of which has its own "commander." The Tyrrhenian zone, which stretches along Italy's western coast from Genoa to Grosseto, has been entrusted to one of the Pajetta brothers, the newspaper said. There are two brothers, Giancarlo and Giuliano, both Communist deputies.

The Tempo said that arms were manufactured for the Communists by a factory near Genoa until the plant was discovered. It added that the Communists were seizing every possible occasion to test the efficiency of their organization by ordering partial mobilizations; some were called on such strange pretexts as a congress against illiteracy.

"There is no doubt that the Communists intend in the more or less distant future to plunge Italy into a frightful civil war," the Tempo concluded.

The Marshall Plan

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 20, 1948

Mr. WOODRUFF. Mr. Speaker, under permission to extend my remarks, I am pleased to submit the text of a broadcast by Henry J. Taylor, in which he discusses the Marshall plan:

Exactly who gets the money in the latest European-recovery plan? Seventeen billion dollars. I've just found out for sure. I think you'll be very surprised to know.

Our money doesn't grow on trees. It's hard for most any of us to get along at best. Before we're challenged further by the idea that the $17,000,000,000 new European plan must be all or nothing and start paying the bill in our homes and work places and the high cost of living, we need some facts that are contrary to public impression and which were withheld in the original presentation of the plan itself.

Fact No. 1 is who gets the money. It's hard to imagine that fact was left out but it was, and I think we have a right to know. We've already spent $22,000,000,000 abroad since the end of the war. And now we're expected to spend seventeen billion more. Yet, in the mountains of words and figures, this fact was of itself an amazing omission. Actually, the plan, to be truly revealing, should never have been given to Congress and to the public without this fundamental information—who gets the money?

After all, who is more entitled to know where his money goes than the man who pays the bill, which means us all? But the State Department in Washington could not reveal and still feature the anti-Communist angle, my friends, on an over-all $17,000,000,000 basis, on an all-or-nothing basis. So in order to be factual and exact in discussing on the air this latest project, so important in your land and mine, so heavily involved in our inflation, high prices, taxes, the cost of living that is bearing down on us all and on our future, I've been making for weeks in Washington every possible attempt I could make to get official information regarding what countries in terms of percentage were to get our new seventeen billions.

So at long last here are the facts to plug that loophole, the official figures obtainable only yesterday. They indicate much we've not been permitted to know.

First you will find that in percentage of dollars, a full third of our $17,000,000,000-plan is primarily another aid-to-England project. The lion's share of the funds goes to the British Isles, one-third of the entire amount, $5,348,000,000 of the seventeen million—billion, to be exact. Now, certainly, that part hasn't anything to do with buying off Communist popularity there and to this large extent the Marshall plan should not have been presented to us an an anti-Communist measure, any more than the last $3,750,000,000 we gave England in 1945.

Maybe they need it, I don't know. But they certainly don't need it to stop communism in England. No one has even had the nerve to suggest that the British are on the verge of voting Communist. Had the fact that a third of the money we sent—or are to send—was to go there been made public, and early, it would have been impossible to present the powerful appeal for the over-all seventeen-billion fund on an anti-Communist basis, all-or-nothing basis, in the official support for the outlay, at least to the extent of one-third of the entire proposition.

Now, next with England, seven additional countries are ruled out in the same way, where there is, by common consent, no more ideas of the population voting Communist than there is in England—this plan or no plan. I refer to Holland, Belgium, Luxemburg, Denmark, Ireland, Norway, Portugal, and little Iceland. So let's see what they'll get. Some of the figures are unbelievable, my friends, but they are correct and official and at last come from our State Department itself.

Do you know how much all of us are to be taxed for the Dutch? Holland is to get 2,436,000,000 American dollars. Fantastic as it may seem, the plan gives Holland, a little country with fewer people than live in New York City $2,436,000,000. And if that's a calculated risk against communism in Holland it's quite a calculation, yet imaginable. The plan is nevertheless presented as "take the whole plan or nothing, all or nothing." Why, the figure for Holland alone means a charge on us for $308 for every man, woman, and child who lives on the shores of the Zuider Zee.

Denmark is supposed to get over a half billion dollars, $582,000,000 to be exact. For this one little country alone, with a population less than Chicago, that's as much as all the stop-gap aid for which the special session of Congress was so dramatically called

last November. Denmark, a half billion dollars.

Now Ireland: Ireland was not in the war. Ireland is an island. The Communists would have to swim to get there and if there's a Communist there now not an Irishman knows it. But Ireland is to get a half billion dollars, $497,000,000 to Ireland to be exact. So, my friends, three and a half billion dollars out of the seventeen billion go to Holland, Denmark, and Ireland.

For good measure, even Iceland. Apparently there must be quite a Communist threat in Iceland and a lot of western civilization tottering on the brink there besides, for Iceland comes into the Marshall plan and for $38,000,000. Fewer people live on that island than live in Trenton, N. J. And Iceland is just about as much in the throes of chaos, just about as much tottering on the brink of giving up western civilization as Trenton, N. J., except that there isn't much western civilization in Iceland anyway. But they're to get $38,000,000 from us, all or nothing, just the same.

Then there's Norway, where the Communist vote is about 7 percent. But Norway is in for $234,000,000 from us. The plan gives $234,000,000 to Norway.

Next comes Portugal in deciding whether or not the propaganda for the plan is padded in its over-all anti-Communist appeal to our public. Now, in Portugal, the Communist vote happens to be nonexistent. For 20 years the country has been and remains in the hands of a Fascist dictator, Dr. Salazar. Portugal did not fight in the war. Portugal profited immensely in the war by Portuguese standards. Yet Portugal gets our money just the same. Portugal gets 150,000,000 American dollars in the Marshall plan. All or nothing. Can the seventeen billion be cut? Can the first installment now asked for, $6,800,000,000, be cut? Well, I should say so, and now.

The anti-Communist angle is valid to a degree in some places where the money is to go, like Italy. But, my friends, the simple truth is, now that we get the figures, so belatedly published and in a most confusing way, only yesterday, the truth is that over ten billion of the seventeen billion is going to countries—I visited every one of them myself—that are by common consent no more on the verge of voting Communist than the State of Indiana, which I visited last week and which hardly looks on the verge of voting Communist to me.

Or take another angle. The appeal is made to us that we are aiding the victims of war-torn countries in gratitude for their losses in the war. Now, there are other appeals that are sound and very much better. That isn't a very good one. How many billions are ruled out on that one? Of the 16 countries in the Marshall plan over $6,000,000,000 out of the seventeen billion are to go to enemy countries, Germany, Italy, and Austria, for which there are other reasons to help, not gratitude. Seven hundred million goes to countries that stayed neutral, did not fight in the war, and, in fact, got richer than they've ever been in their lives during the war, largely at American expense. They might well be giving something back to us—as if anything like that could ever happen. Sweden and Switzerland, however, have asked us for nothing, praises be.

Now, my friends, all summer long in one European country after another, in England, France, Italy, Greece, Switzerland, Belgium, Luxemburg, Holland, Germany, and in broadcasting in Paris, where the 16 nations were meeting to put in their requests for additional American funds in substance now being decided, I tried to say on the air as factually as I could, right there on the scene and repeatedly, from London, Rome, Athens, Zurich, Berlin, Brussels, Paris, and a dozen other places, and since I've been home, that the objectives of the Marshall plan are good—heaven knows, there's no question about that—but that the gigantic amounts asked for were overstated, inflated, padded, padded, and padded, and shockingly weak in respect to how the money should be administered to get the results on which we pin our American hopes.

In short, I think we should be for the objectives of the Marshall plan. But the plan is no longer just an idea, you know. It's now a tangible piece of proposed legislation, ready to be enacted into law and to absorb billions in our American people's money and goods. It shouldn't be approved as written. I'm convinced it will not be. Once we get the air pumped out of the claims and make the necessary changes suitable to the real problem over there, which is a production problem, and needs realistic, production-minded American handlers to whip it, we can stop sailing in the pattern of the $22,000,000,000 that has already gone with the wind since the end of the war and really get some place, really serve ourselves and Europe and the cause of lasting peace by the changes that must be made in the plan, and save ourselves billions and billions besides, that would have been wasted had we allowed our judgment to be blitzed.

High Cost of Meat

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. REED of New York. Mr. Speaker, there appeared in the New York Herald Tribune of February 8, 1948, an article entitled "Price Control in Politics" with special emphasis on the cost of meat. Heptisax, the author, has made a very accurate analysis of the causes responsible for present inflationary prices of meat.

PRICE CONTROL IN POLITICS

(By Heptisax)

SOME INFLATIONARY FACTORS, WITH PARTICULAR REFERENCE TO THE COST OF MEAT

A friend of mine recently showed me a letter from one of the best-known Democratic Members of Congress on the subject of price inflation. It was long-winded and violent in tone. The author was either astonishingly ignorant of all the various forces at work to push prices up and their origins, or he chose to appear so. It was a tirade against the Republicans for killing off the Office of Price Administration. A reader of that letter in another land would be led to believe that no Democrat in Congress or in the administration had had anything to do with lifting price controls (or wage controls); that the rising cost of living was traceable to nothing else, and that it could be checked and set back by a few strokes of a bureaucratic pen if the Republicans in this Eightieth Congress would only give President Truman the authority to reestablish wartime checks.

Now this is the line that nearly every labor publication in the country has been following for months. The Republicans are held responsible for the passage of the Taft-Hartley law and must be punished for it this coming November. But labor leadership is not sure that this consideration is going to move a sufficient number of the rank and file to vote the Democratic ticket this fall. So the Republicans must also be convicted of the crime of lifting price controls, so that big business could indulge in an orgy of profiteering. It appears that this is going to be the Truman campaign line as well, which the tame economists of the Political Action Committee and of the Democratic National Committee will support with a great outpouring of figures, graphs, and charts.

Now, it is as easy these days to hire an economist to make the most of your case in the court of public opinion as it is to hire a lawyer who will take care of your interest in a law court, and the war cries of the embattled doctors of philosophy are very confusing. But one doesn't have to be a professor of the inexact sciences to understand that releasing the controls on the cost of living is no more the cause of inflation than releasing the brake on a car is what makes it go.

Step hard enough on the gas, and the car will go in spite of the brakes. Put enough pressure behind inflation, and no control will stop it. If a fellow is determined to keep his foot on the accelerator, he will only ruin the brakes by keeping them on; and the war was scarcely over when the American people made a display of their determination to step on the gas. They wanted everything they had done without during the war years—done without because there was a war to win; they had the money to pay for whatever they wanted, and they went into the market flourishing their wallets. And when the shelves were empty they went into the black market and paid whatever was asked. We have short memories if we have already forgotten how the brakes were smoking when they were released.

Those persons in the low-income groups upon whom inflation is now visiting real hardship are, of course, most concerned about the price of food. Rents are under control; clothes can be made to do a little longer; minor luxuries and amusements can be crossed off the list, and the doctor and dentist will usually wait; but one must eat every day, and Americans are not accustomed to adjusting their appetites to a bread-and-cabbage diet. They want the meat, fish, eggs, butter, and milk to which they are accustomed; and when high prices force them to reduce their allowances of such foods they are just as miserable as the oriental coolie who cannot afford a little bean curd and some greens with his bowl of rice.

So the correct answer to the head of a family on a small fixed income—the man who delivers the mail, let's say—when he comments angrily on the price of meat and curses the Republican-dominated Congress for refusing to reimpose price control, is not to tell him to "eat less." You have to explain to him why meat is high, why he wouldn't now be getting as much as he wanted at prices within his reach if controls had remained in force, and why an adequate supply wouldn't be brought within his reach if controls were reimposed.

The interplay of costs being what it is, the price of meat should not be considered apart from prices and costs in all other industries. The price of steel affects the cost of the production of meat. The price of meat affects the cost of producing steel. No domestic enterprise is so independent of all others that a readjustment of its budget does not have its effect on all other budgets. An increase of labor costs in a lipstick factory sends an imperceptible inflationary ripple across the whole economic pool. But, since the meat prices are of such immediate interest to all citizens and are of crucial interest to many, let us try to see why meat is high.

In the briefest possible outline, the answer to the question is that, despite more than 2 years of lively postwar spending, there are still so many persons in this country with so much money that they can afford to buy all the meat they want at present prices, and that, collectively, they want more than the American people ever did before, and are eating meat faster than it is being produced.

It must first be considered that the supply of money has increased enormously in the last 14 years. In 1934 we had roughly $5,500,000,000 of currency in circulation. When we entered the war we had about $11,000,000,000. In September 1947, the figure was about $28,500,000,000. That increase, mostly in paper, was due in part to New Deal deficit financing, in larger part to wartime deficit financing. However, it came about—and it came about under Democratic auspices—human experience through 30 centuries has shown that it is impossible to multiply the supply of money in the hands of the people without cheapening it—as impossible as it would be to multiply the amount of corn on the open market without bringing it down in price. Human experience has also shown that, once too much money has resulted in a reduction of its buying power, nothing will restore it but the redemption (out of taxes) and destruction of great wads of it, or the repudiation of it. With all its police power over the economy of the nation, Soviet Russia recently had to repudiate a high percentage of its paper (largely represented by peasant savings) to relieve its regimented economy of the inflationary pressure of its currency flotation.

Throughout the war our money was cheapening as the supply of it grew; but the inflationary pressure of it was held in check by rationing and price controls which kept it out of competitive buying to a great extent because patriotism reconciled the people to the necessity of it. They put their money into bonds and savings banks. The dam that held the destructive inflationary power of this rising flood of currency in check was psychological. The paper power of the OPA simply implemented the popular state of mind. There were small holes in the dam at all times, of course, which showed what would happen to the paper structure when its psychological support was withdrawn. I live near a poultry territory, in which I have some farmer friends. That territory was invaded early in the war by black-market agents. They weren't numerous and the farmers who dealt with them weren't numerous; but the farmers who did accept their high premiums bid sufficiently high prices for local supplies of feed to put quite a few honest ones, sticking to OPA prices, out of business. After the war they all sold to the black market and they all bid against one another for feed. Where the pressure of a vast amount of expendable currency squirted through small holes in the psychological dam during the war, it began to tear great holes in the OPA's paper dam immediately after it. During the war years, when the sugar ration was so low, country people let their fruit and berries rot because they couldn't preserve them. One heard little of black-market sugar. But during the first postwar summer the sugar racketeers were everywhere, and home canning boomed with the help of sugar at 35 cents a pound.

Then, as for meat; try to remember what happened. Everybody with a roll, which included every homing soldier and sailor for a time, was determined to beat the ration system and gorge on meat. It wasn't long before the black marketeers and the producers who supplied them, under the patronage of a public as contemptuous of OPA as were the rum runners' patrons of prohibition enforcement, had a big part of the country's meat supply running through filthy underground channels, and before long legitimate dealers were exhibiting empty shelves to plain citizens. The poor, who are now priced out of the meat market, say that present prices are higher than black-market prices were under price control.

That may be true; but, in the first place, the black-market gentry were just getting their system organized when the abolition of controls brought meat back into legitimate channels; and, in the second place, new inflationary forces have gone to work while the pressure of ready money, ready to meet any price, has not yet eased up.

Among other inflationary pressures on the price of meat (to leave other costs to the producer entirely out of account) is the higher price of grain. Speculation and hoarding play their part in these price increases. But the speculator and the hoarder are influenced by the corn shortage and by present and prospective Government wheat buying for export. But, in the last analysis, it is the free-spending, meat-hungry citizen who is himself the guilty party, and his name is legion. If I remember rightly, the Department of Agriculture reports that we are eating 156 pounds of meat per capita a year, as against 125 pounds before the war. Now multiply 31 pounds by the last population figure, translate that into grain if you know how (as I don't), consider that the money for this is still readily forthcoming from the average gainfully employed citizen—rolling into the market as fast as he outeats the production of meat—and can you still wonder why meat is high?

And who is now simple enough to imagine that the reestablishment of price controls, the re-creation of a paper dam, would do anything but discourage production and create a scarcity which the racketeers would at once exploit, to the total exclusion of the poor from the meat market? The American Government that could now make price control work to the advantage of the poor would have to have Soviet Russia's power to police the farmer and rancher and a hundred thousand secret agents. Then how much meat would you get? This talk of restoring price controls may be good demagogic politics, but as an appeal to the distracted citizen it is a cruel swindle.

The President's Civil Rights Program

EXTENSION OF REMARKS
OF
HON. DENNIS CHAVEZ
OF NEW MEXICO
IN THE SENATE OF THE UNITED STATES

Monday, February 9 (legislative day of Monday, February 2), 1948

Mr. CHAVEZ. Mr. President, the Evening Star of today contains a statement made yesterday by Dr. E. H. Pruden, pastor of the First Baptist Church, of Washington, which I should like to have printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRUMAN HEARS PRAISE FROM PASTOR FOR HIS CIVIL-RIGHTS STAND

President Truman yesterday heard praise from the pulpit for his civil-rights program which has been so bitterly attacked by southern Democrats.

Attending the First Baptist Church, the President listened attentively as Dr. E. H. Pruden, the pastor, asserted there is nothing in the civil-rights plan which cannot find support either in Scripture or the Federal Constitution.

Drawing an analogy between the furor created by the President and the storm encountered by Jesus' disciples as they crossed a lake in obedience to His command, the minister declared that those who pioneer in the social realm will always encounter contrary winds.

TRUMAN ARRIVES UNANNOUNCED

And Dr. Pruden commented that we sometimes meet severest opposition when we are doing what we believe to be the will of God.

Mr. Truman arrived unannounced, accompanied only by a secret-service guard, and took a seat always reserved for him in the middle of the church.

Dr. Pruden's sermon topic was "In the Night Christ Came Walking," and referred to His appearance among men in the midst of history's darkest hour.

In those days, the pastor said, social conditions were characterized by slavery and the dignity of man was not generally recognized. He observed that humanity had made little progress in reaching Christ's ideal for human relationships.

PRESIDENT GREETS PASTOR

Mr. Truman's civil-rights message last Monday called on Congress to see that guaranties of individual liberties and protection are not abridged in the United States. Part of these proposals were assailed as unduly raising racial issues involving segregation.

At the close of the service, President Truman greeted the pastor and asked "How is your mother? Give her my kindest regards."

The pastor's mother is Mrs. J. R. Pruden, of Chase City, Va. She is 71. Mr. Truman met her about 2 years ago.

Are We Crazy?

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article by Frank C. Waldrop:

ARE WE CRAZY?

(By Frank C. Waldrop)

What fools we Americans are to think we can run the world. What idiotic vanity. Just look at these facts of life from a State Department bulletin, OIR, No. 4192, published in 1947:

"In spite of recent natural and man-made catastrophes, about 17,000,000 inhabitants (of the world) were added each year during the past decade."

Think of it.

We have been obsessed with news of death for so long that little or no public attention has been given to news of life.

The slaughters of war all over the globe have been the headlines of the past 10 years. Hitler, Stalin, Mussolini, Tojo, and all the other buzzards circling over the battlefields have held our attention.

But, as so often, we have been looking in the wrong direction. We should have been looking at the maternity records. The wars have hardly dented the rising curve of life.

There are now more than 2,000,000,000 people in the world. In 25 years, the merest clocktick of history, there will be half a billion more. How can the Marshall plan cope with that?

We are all very proud of our modest administration of Japan. What is the effect? The population is increasing at the rate of a million a year under our beneficent rule.

Puerto Rico is another sinkhole of humanity into which the United States taxpayers have poured millions of dollars for public health, until now there are 2,000,000 hungry beings swarming in an area that could hardly support a third as many in its natural state.

What is the result of our interference? In 10 years there will be 3,000,000 Puerto Ricans.

The faster we run, the farther we slide back.

Every spot in the world that we touch with our temporary and inevitably limited relief reacts with a burst of new life. People are born faster than they die off. The net effect upon the living standards of the survivors is something that has to be thought about. But more from the State Department survey:

"The world's present rate of population growth (about 0.9 percent) is probably the highest in history. If the present rate of growth is maintained, the twenty-first century will see the world with a total population about half again as large as it is.

"However, prospects for the immediate future suggest even larger annual population increments. The estimates developed in the present study, for example, indicate a world population total at the end of 1955 of some 2,438,000,000 people, an annual increment of almost 21,000,000 from now until then."

That means 21,000,000 more people at the end of each year than there were at the same year's beginning.

Can we honestly promise to underpin a standard of living for a mass of people growing at such a rate?

True, we have the world's greatest factory system and the world's most productive agriculture. True we once had one of the world's richest stores of minerals and timber.

But the depreciation of our minerals is now so serious that the secretary of the armed forces wants to obligate the taxpayers for $9,000,000,000 to find a substitute for natural oil, a liquid mineral that we have squirted away.

The problem is how to shift over from liquid oil to oil squeezed out of coal and other hard minerals. It is a big problem, it will cost a lot, and when we get it solved the world's population will still have continued to grow by 21,000,000 people a year.

Are we supposed to make this switch in oil, just for one, in an attempt to supply all those people whenever they cry to us for help?

Our factories can be worn out producing goods for the world, and still never make a real showing against that rising tide, if we produce for political rather than economic purposes.

Our soil can be worn out and washed and blown away in vain attempts at political rather than economic farming. Millions upon millions of tons of invaluable topsoil have already been wrecked that way. And the result? You see how we are headed in 1948.

It's all like the famous British loan of 1946. We were all told that just one little boost and our British cousins would be back on their feet. Were we told the truth?

The world's problems are many and difficult. They always have been. They always will be. Anybody who goes looking for other people's problems to solve will always have plenty to do.

But will he ever get any one problem solved?

You know from personal experience the answer to that one. You can waste your life trying to do too many things at once. Or you can concentrate on one thing at a time and maybe end up a little further up on the scale of human usefulness than you had expected.

The United States of America has been through a terrible war that cost us heavily in human and material wealth, far heavier than the politicians dare admit.

We have plenty of repair work to do right here at home to recover our own prewar living standard.

We can't honestly pretend we are able to be nursemaid to the Greeks, Japs, Chinese, French, British, Bulgarians, Rumanians, Italians—the list is as long as the world is wide.

Let's do our homework before we try to do the world's.

Reduced Number of Strikes Since Enactment of Taft-Hartley Act

EXTENSION OF REMARKS

OF

HON. CLYDE R. HOEY

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, February 9 (legislative day of Monday, February 2), 1948

Mr. HOEY. Mr. President, I ask unanimous consent to have inserted in the Appendix to the RECORD an editorial from the Asheville (N. C.) Citizen relating to the reduced number of strikes occurring since the adoption of the Taft-Hartley Act. This tends to prove the contentions of the supporters of this measure that it would benefit labor, management, and the public, and all groups are constantly realizing its good effects.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THEN AND NOW

Last year there were 3,600 strikes involving 2,200,000 strikers and costing 35,000,000 man-days of working time. In 1946 there were 4,985 strikes involving 4,600,000 workers and costing 116,000,000 man-days.

These are figures from the Bureau of Labor Statistics, released in review of labor relations during 1947. In view of the continuing agitation over the Taft-Hartley Labor Act, we think that they are significant. That highly controverted law went into full effect last August 22. In the first 3 months afterward, the strike situation compared as follows with that in the similar period of 1946:

	1947	1946
Work stoppages	525	1,359
Workers involved	180,000	1,098,000
Man-days idle	4,550,000	16,080,000

What all of this proves is perhaps open to dispute. The plain facts show, however, that strikes decreased in 1947, a year which coincided with the passage of the Taft-Hartley Act and the establishment of a new, independent Conciliation Service. Too, the Conciliation Service averted one Nation-wide strike, that of the Western Union telegraph operators.

The Taft-Hartley Act may be a fiendish device to destroy the labor movement or it may be a monument to industrial statesmanship. We are not attempting to pass judgment. But we do wish to recall the long-winded yet pertinent declaration of policy under section 1 of this measure:

"It is the purpose and policy of this act, in order to promote the full flow of commerce, to prescribe the legitimate rights of both employees and employers in their relations affecting commerce, to provide orderly and peaceful procedures for preventing the interference by either with the legitimate rights of the other * * * and to protect the rights of the public in connection with labor disputes affecting commerce."

It was the plain intent of Congress and of the act to curb unnecessary strikes. That, evidently, is what has been done.

Kansas State Board of Agriculture Resolutions on Agricultural Problems

EXTENSION OF REMARKS

OF

HON. ARTHUR CAPPER

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Monday, February 9 (legislative day of Monday, February 2), 1948

Mr. CAPPER. Mr. President, I send to the desk and ask unanimous consent to have printed in the Appendix of the RECORD resolutions adopted at the seventy-seventh annual meeting of the Kansas State Board of Agriculture, on January 16, 1948.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED AT THE SEVENTY-SEVENTH ANNUAL MEETING OF THE KANSAS STATE BOARD OF AGRICULTURE, JANUARY 16, 1948

As the official delegates from local units of organized agriculture representing more than 100,000 Kansas farmers and stockmen, we present the following beliefs and recommendations on problems of vital importance to the people of Kansas and of the Nation.

INTERNATIONAL COOPERATION

We reaffirm our pledge of full support to the United Nations and reiterate our desire that this Nation exert every possible effort and influence to help establish genuine agreement, understanding, and confidence among the nations of the world.

CONSERVATION OF FEED AND FOOD

As producers of food in one of the major agricultural States of the greatest food-producing nation, we pledge our cooperation in the program of conserving feed and food as one means of saving lives of people in other lands. We pledge most serious consideration of efficient feeding and farming methods, so that feeds and seeds may be used in such a manner as to produce the most human nutrition.

NATIONAL AGRICULTURAL PRICE POLICY

Our chief concern in regard to agricultural prices is not that of endeavoring to maintain prices at present extreme levels, but, rather, that of initiating practices and legislation which will stabilize the farm-price situation on a par with other industries. We feel the aim should be to insure farm incomes adequate for a reasonably good standard of living on American farms, and adequate, also, to allow farmers to take whatever measures are necessary for the conservation of our soil, the basis of all life, wealth, and civilization.

PRICE SUPPORTS

We look upon price supports not as a means of maintaining high agricultural prices, but, rather, as a means of preventing a recurrence of demoralizing agricultural prices such as those which followed World War I. Experiences of the past indicate that in times of economic recession, agricultural prices decline first and more drastically than those of any other industry, and that all other industries eventually suffer from an agricultural price collapse. We therefore urge that the Congress of the United States seriously study the agricultural price situation with respect to possible need for continuing supports of the Steagall amendment beyond the period provided for in the present law.

PARITY

We join with other agricultural organizations and groups throughout the Nation in

endorsing the principle of parity prices, to give equality of purchasing power between the respective segments of the American economic structure. We urge that the Congress of the United States study the parity formula carefully and modernize it to meet present world conditions. We feel that labor should be included in the parity formula, and especially request a careful study of this point in considering the subject of parity.

SUBSIDIES

We favor agricultural subsidies only as extreme emergency measures, and we urge that farm income be maintained at proper levels, insofar as possible, through fair prices for agricultural products rather than by payment of subsidies.

COST OF FOOD

We respectfully call attention to the fact that, although present living costs are extremely high, the American farmer is giving full value for the portion of the consumer's dollar which he receives. This is evidenced by the fact that latest figures on consumer expenditures for food indicate that the percentage of national income spent by consumers for food is no greater than in the prewar period of 1935 to 1939. For this same percentage of national income the consumers are actually obtaining and eating more and better food. Meat consumption, for instance, is 24 percent higher than in the prewar years of 1935–39. The consumers of this country are eating 27 percent more eggs, 31 percent more chicken, 58 percent more turkey, 31 percent more cheese, 19 percent more fluid milk and cream, 27 percent more citrus fruits, 38 percent more canned fruit, and 50 percent more canned vegetables, with many other staple food products showing similar increases in per capita consumption. The Nation's consumption of frozen fruits and vegetables is four and one-half to five and one-half times greater than in the immediate prewar years. We feel pride in the record of more and better food for the same percentage of national income. It proves that American agriculture has increased its efficiency and service to the Nation, even under inflationary economic conditions such as those now being experienced.

AGRICULTURAL SUPPLIES

We, the farmers of Kansas, join with the National Association of Commissioners, Secretaries, and Directors of Agriculture, in urging that Congress provide for the carrying of adequate reserves to level off production cycles which vary with weather conditions. Thirty-five percent of 1 year's normal production of each basic crop is considered adequate. This should help insure abundance of food without the accompanying scourge of reduced farm prices because of alleged oversupplies.

EXPANSION OF AGRICULTURAL MARKETS

We commend Secretary Anderson and the United States Department of Agriculture for their efforts toward a long-time program of finding foreign and other new markets for agricultural products produced in overabundance by American farmers. We ask that this program be continued as a safeguard against economic shock to this Nation's agriculture if and when domestic and foreign demand for food is drastically lowered.

RURAL ELECTRIFICATION

We commend those responsible for continuing the expansion of electrical services to rural areas of Kansas. We again point to rural electrification as one of the richest blessings ever to come to farm people, and we urge that the program for further expansion of rural electrification be encouraged in every way possible, by Congress, by the State legislature, and by all others concerned.

SOIL CONSERVATION

We take serious cognizance of the fact that all wealth and life springs from the soil and that the welfare of all classes of people is directly dependent on our soil resources. For this reason, the importance of soil conservation is a prime responsibility of this generation and merits universal interest and support of every citizen. In this connection we encourage the farmers and landowners of Kansas to give serious thought to the program of balanced farming advanced by Kansas State College for a more practical and more efficient agriculture. We especially recommend widespread encouragement of grassland farming with livestock and use of other practices which maintain and replenish the soil, coincident with production of food.

FLANNAGAN-HOPE ACT

We believe in the principles which led to enactment of the Flannagan-Hope Research and Marketing Act, and we are pleased that Kansas is to participate in both the research and the marketing phases of this work, with some constructive projects of material benefit to the State's agricultural industry.

SOCIAL SECURITY

This group is aware of the movement to extend Federal social security to cover many groups of people not now covered. We see considerable merit in the social-security program, but we feel that security for farmers can best be provided by parity prices in a long-range program that will assure the American farmer his just share of the national income.

AGRICULTURAL OFFICES

We agree with the National Grange that it would be highly desirable for all agricultural agencies in each count, to be housed at the same place, and for the United States Department of Agriculture to integrate its activities wherever possible.

COMMENDATION

We commend Gov. Frank Carlson and members of the 1947 Kansas Legislature for their part in enacting constructive legislation of benefit to Kansas agriculture, particularly the legislation on agricultural marketing, weights and measures, agricultural statistics, agricultural chemicals, and coyote control.

COOPERATIVES

We call attention to the fact that farm cooperative organizations are serving vital functions in many communities throughout the State of Kansas. Their services are valuable to the agricultural interests of Kansas and we, therefore, vigorously oppose legislation, either State or Federal, which is designed to cripple or destroy farm cooperatives.

LEGISLATIVE COMPENSATION

We join with the Kansas Farm Bureau and with other organizations and individuals in urging a change in the Kansas constitution to provide for adequate compensation to members of the Kansas legislature.

WILDLIFE PRESERVATION

We pledge wholehearted cooperation to those who are endeavoring to protect and preserve the State's beneficial wildlife. In like manner we call on all other citizens of Kansas to support this cause, and we respectfully suggest to the legislature of the State of Kansas that legislation be enacted to provide the following:

1. Provisions to strengthen present requirements that hunters obtain permission from farmers to hunt on their premises, and that the law shall provide a specific penalty for hunting on any premises without such permission.

2. That the farmer shall have authority to check the game taken from his farm by hunters, as regards to bag limits and other provisions of the law.

3. That consideration be given to the possibility of raising the price of hunting and fishing licenses to give the State fish and game department sufficient funds for adequate propagation, protection, and law enforcement.

UNIFORM DAIRY LAWS

As Kansas farmers and dairymen, we feel that satisfaction for producers and consumers alike is dependent upon uniform dairy regulations among the States. We urge, therefore, that every effort be made toward uniform regulations and that dual inspection on milk, cream and other dairy products be eliminated, and the authority for this inspection be vested with the State boards of agriculture of the various States, who are thoroughly familiar with agricultural conditions, so there will be no unnecessary barriers to hinder the movement of high quality dairy products from one State to another.

BUTTER SUBSTITUTES

Scientific research shows that butter contains essential nutritional properties superior to those of substitute products which are sometimes colored to resemble genuine butter. Because of this, we feel that the consuming public is fully entitled to protection from imitations which tend to undermine the natural market for butter and thus threaten the stability of this Nation's essential dairy industry. We urge, therefore, that our lawmakers stand firmly against any attempt to weaken present laws dealing with the coloring and sale of butter substitutes.

SCHOOL REORGANIZATION

As representatives of the rural areas of Kansas, we are intensely interested in all aspects of the program of school reorganization for this State.

Be it resolved, That we favor:

1. Retention of local control of school districts.

2. Such consolidation of rural districts as is necessary to meet educational standards.

3. Consolidation in accordance with the expressed will of the people residing within the districts affected.

Be it further resolved, That we oppose the county unit plan of school reorganization, because such plan contemplates the elimination of all existing rural grade and high school districts in the State of Kansas.

HIGHWAYS AND RURAL ROADS

In order to make living in the country more desirable and make available to rural dwellers one of the advantages enjoyed by all urban dwellers of Kansas, we urge that Kansas really be "taken out of the mud" by the surfacing of all of the mail and school bus routes in the State. We also urge the improvement of the State's primary highway system by an increase in the construction of concrete highways. We reaffirm the traditional Kansas policy of more than 20 years that "he who uses the roads and highways shall build and maintain them." As rural users of the primary highway system, we declare our willingness to pay our fair share of the costs of building, maintaining, and improving this system by taxes on highway motor fuel and fees. We strongly wish to reaffirm our opposition to the taxation of nonhighway motor fuel for highway purposes. We believe that local roads should be under local control and be financed, in the main, by local taxes. Good rural schools are impossible without good rural roads. We realize that a full development of rural mail and school bus routes will cost a lot of money, but we also realize that we pay for good rural roads whether we get them or not. Therefore, we declare our willingness to pay the increased local taxes necessary to build and maintain these roads.

To reimburse local road funds for the proportion of nonrural use we urge the maintenance of the State-county-township road fund. We further recommend that the fund be changed from its present fixed amount to a fair proportion of the State highway tax collections. We urge full cooperation among

all farmers in protecting the exemption to taxation of nonhighway motor fuel by rigid compliance with the State law covering such exemptions.

RESEARCH IN WEED CHEMICALS

We recommend increased financial support for agricultural education, research, and extension. Because of the rapid expansion in the fields of agricultural chemicals—fertilizers, growth-regulating substances, herbicides, and insecticides—we recommend a marked increase in the State appropriations for research in weed control, fertilizer use, insect control, and the place of growth regulating substances in Kansas agriculture.

UNITED STATES WEED OFFICE

We reaffirm our interest in the establishment of a weed office by the United States Department of Agriculture, for conducting research and education on weed control in cooperation with the various States. We reiterate, also, our feeling that Congress should enact suitable legislation to regulate the interstate transportation and sale of weed infested seed material, and to prohibit the importation of weed-infested materials from foreign countries.

4–H CLUB CAMP

This group feels that the State 4–H Club camp, now in its early stages of development, is a great forward movement for building of good Kansas citizenship. We call upon the people of Kansas to encourage and support this project.

TRIBUTE

We realize that the high position of Kansas agriculture in the Nation's economic structure is made possible not only through the wealth of Kansas agricultural resources and sturdy, progressive farmers, but also by progressive farm leadership in this State. We pay tribute, therefore, to Kansas State College, to the farm organizations of Kansas, to the Soil Conservation Service, and to vocational agriculture, 4–H Clubs and other youth activities. Our wholehearted cooperation is pledged to these groups.

PUBLICITY

Knowing that Kansas is a leading producer of many products of the soil and that the State is of much interest to tourists from every section of the United States, we desire to take every measure possible to increase the interest and enjoyment of those traveling the highways of the State. To this end, we wish to recommend that the newspapers of the State of Kansas cooperate in recommending and encouraging every city and town, large or small to erect a suitable signboard on each highway leading into that town; this signboard to state the name of the town, its population and its altitude. We deplore the fact that in many towns in Kansas the name can only be secured by asking.

MEAT CONTROL

Whereas all former efforts on the part of Government to control allocations of meat supplies through rationing and price ceilings have proven unworkable and altogether unsatisfactory; and

Whereas such attempts at control have diverted meats from retail stores and markets, established market centers, and agencies, into black-market channels where price is no consideration; and

Whereas present threats of rationing meats tend only to further reduce supplies, by creating uneasiness and hesitancy among producers with consequent reductions in meat-animal numbers; and

Whereas full production is the only known remedy for scarcity and for establishing equitable price levels: Therefore, be it

Resolved, That for the best interests of all concerned (producers, processors, marketing agencies, and consumers of meat animals and meat products), Government officials and agencies be urged to forget rationing of meats and refrain from further threats of rationing and price control, and allow the livestock industry to operate and produce in a normal manner so we may soon have abundant supplies of meat for our domestic needs and for assistance to the hungry people of other nations.

BRAND LAWS

We recommend that our present brand laws be strengthened in the enforcement phases and inspection increased as rapidly as possible.

LIVESTOCK SANITATION

Be it resolved, That the State board of agriculture urge and promote uniform national and State sanitary regulations in the interstate movement of livestock.

SEED LABORATORY

The facilities of the State seed laboratory are inadequate to take care of the demand for services expected by the citizens of the State of Kansas. We, therefore, recommend that the legislature take steps to improve this important service in order to meet the demand of the people of the State.

AGRICULTURAL HALL

We urge the legislature to appropriate funds for the completion of the agricultural hall at Kansas State College. The present facilities are inadequate to house the existing agricultural work at the college. The classrooms and laboratories are crowded and the extension service is housed in Army barracks.

STATE FAIR

Be it resolved, That the action of the Board of State Fair Managers in eliminating all gambling devices from the fairgrounds, be commended by this body.

APPRECIATION

An expression of gratitude is extended to those who have contributed to the success of this meeting. We thank the press and radio for their careful coverage, the city and State officials for their courtesies, the speakers for their excellent contributions, and Secretary Mohler and his staff for efficient planning and management of details.

SOCIAL WELFARE

Due to the fact that the social welfare load in some counties appears to be unduly high, considering the present era of prosperity in general, we do hereby urge the Congress to change the regulations in order that publication can be made of welfare clients and the amount of payments made to them.

United States Information Services in Austria

EXTENSION OF REMARKS

OF

HON. H. ALEXANDER SMITH

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Monday, February 9 (legislative day of Monday, February 2), 1948

Mr. SMITH. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a letter to me, dated January 9, 1948, from the Honorable John G. Erhardt, our American Minister in Vienna, Austria.

This letter has to do with the pick-up and expansion in the work of the United States Information Services in Austria, due to the visit of the joint congressional committees to Vienna last summer. It gives some indication of the possibilities of the new program which we have recently given legislative authorization for by the passage of the Smith-Mundt bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

VIENNA, AUSTRIA,
January 9, 1948.

Hon. H. ALEXANDER SMITH,
United States Senate, Washington, D. C.

DEAR MR. SMITH: I was delighted to receive your letter of December 2, 1947, and send hereby sincerest thanks, in which my staff joins me, for the kind observations you made regarding the Legation's part in activities connected with your visit to this country on your recent trip through Europe.

It was a very stimulating and valuable experience for us to have you in Vienna, and there is no doubt that the effect of the visit of your committee was to lift the morale of all United States agencies here. For instance, it became apparent through your visit that Congress was eager to study the work being done by the Information Services Branch of the United States Forces in Austria—not only its newspaper and radio activity—but its longer-range information center, and its lecture and book-publishing programs. The visit brought home most effectively the realization that Americans, whether working in Washington or in Vienna, were all members of the same team. It was reassuring to hear this thought expressed by you in an interview with the press in Vienna.

Col. Sidney S. Eberle, Chief of ISB, has informed me that the visit specifically resulted in bringing to a conclusion the plan to purchase newsprint in the amount of $300,000 to supplement the indigenous allocation, thereby enabling the official United States paper in Vienna, the Wiener Kurier, to appear again in an eight-page edition, instead of the inadequate four-page edition. The criticism sometimes leveled at the Wiener Kurier that it was merely a propaganda sheet will thus no longer be valid. The Information Services Branch will also no longer be working under the disadvantage of competing with an eight-page Red Army pape , as was the case with a four-page edition.

The Red-White-Red radio network received greatly increased interest as a result of the attention given it, especially its "Voice of America" program, by the committee. It can now be considered as on a par with the Wiener Kurier both as regards influence and prestige.

Colonel Eberle advises us that the approbation given by your committee to the work being done in the information centers has led to an increase in the number of activities carried on by the staff. During the last 3 months the demands of 132,734 Austrians who visited the centers were handled. To cite one more example, 33 lectures in English and German on a wide range of subjects dealing with American life, customs, and institutions were delivered to enthusiastic Austrian audiences.

Many other effects not yet materially in evidence are confidently expected as the result of the demonstration of congressional support for the information program in Austria.

Again thanking you for your letter, I am,

Cordially yours,

JOHN G. ERHARDT,
American Minister.

Jewish Refugees en Route to Palestine

EXTENSION OF REMARKS
OF
HON. GLEN H. TAYLOR
OF IDAHO
IN THE SENATE OF THE UNITED STATES
Monday, February 9 (legislative day of Monday, February 2), 1948

Mr. TAYLOR. Mr. President, I ask unanimous consent that an article by I. F. Stone, appearing in the New York newspaper PM on February 2, 1948, be printed in the RECORD.

The article presents some interesting information with regard to the origin of certain news reports appearing lately which have tended to discredit the character of groups of Jewish refugees attempting to enter Palestine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON.—If the New York Times had published a story about an individual like the story it published yesterday under a headline, "London insists Communists were bound for Palestine," it would be subject to suit for libel.

And if that story were unsupported by facts as yesterday's below-the-belt blow from London at a group of Jewish refugees, the New York Times would lose that suit and be subject to punitive damages.

I want to analyze the New York Times' story in the light of its own assertions.

The dispatch, by Herbert L. Matthews of the Times' London Bureau, said the Jewish immigrant ships *Pan York* and *Pan Crescent* "were carrying many Communist agents, according to official British sources."

"These statements," Matthews wrote, "are bound to cause dismay now that they are being made for the first time with authoritative backing."

I don't want to spread dismay in the London Bureau of the Times and among its New York editors but just 1 month ago, on January 1, on page 1 of the New York Times, under a two-column headline like yesterday's, there appeared a similar "special" dispatch to the New York Times from London making the same "authoritative," but unsupported charge.

The refugees, according to an Associated Press dispatch from Haifa on January 1, were captured that same day by the British on the high seas and taken to Cyprus, where they were searched, interrogated, and interned.

In the intervening month, the British had ample opportunity to bring forward proof of the original red smear by that "authoritative" source in London, if the allegation had any substance.

Instead the British significantly found it necessary to tone down their charges.

A month ago, the "authoritative source" in London told the New York Times correspondent that the refugees were mostly hand-picked Communists or fellow travelers, with links to the Stern gang.

But yesterday's story lowered the Red ante. It said, in case of the *Pan York* and the *Pan Crescent*, the Russian conditions are believed to have been that the ships would be released only if 1,000 Jewish Communists were included among the immigrants.

The January 1 story said there were 12,000 on the two boats. Yesterday's story gives the figures as 15,000. But instead of being mostly hand-picked Communists, we are now told that it is believed that the Russians insisted that 1,000 be hand-picked Communists.

What proof is given of this assertion?

NO EVIDENCE, BUT BRITISH ARE CONVINCED

We come to the most amazing statement of all in yesterday's Times dispatch, a statement which would have led any small-town editor to throw a local story of this kind into the wastebasket.

"The security precautions taken in advance by and on behalf of the immigrants of the *Pan York* and the *Pan Crescent*," said the dispatch, "were so thorough that British officials found it impossible to get direct positive evidence that any Russian-sponsored subversive elements were among the immigrants."

This is hardly cricket, as our British friends like to say. It is as if one were to accuse a man without proof of beating his wife, and then to give out a story saying that he must have beaten her very cleverly because "no direct positive evidence" could be found of any bruises.

"Nevertheless," the dispatch said, after this reference to lack of evidence, "the British have convinced themselves that large-scale Jewish immigration, far from being discouraged or prevented by Soviet satellite governments, has been deliberately encouraged by them."

But even if the British "have convinced themselves" that Soviet satellites are encouraging Jewish immigration to Palestine that is a long way from proof that these refugees are "mostly hand-picked Communists," or that 1,000 of them are.

While the dispatch says at the beginning "no direct positive evidence" was found, it declares later on that the British discovered among the effects of the refugees "membership cards of the Communist Youth in Rumania, the Rumanian Communist Party, the Lenin United Communist Association, the Union of Female Anti-Fascists, and the Universal Democratic Front." "All these bodies," it is asserted, "are militant Communist organizations. Moreover, a number of Communist handbooks were found."

This is puzzling. If advance precautions were as "thorough" as the dispatch says, why were membership cards in "militant Communist organizations" and "Communist handbooks" not destroyed?

Secret agents don't carry identification cards. Why don't the British give the number of cards and the number of persons who had them? Why don't they supply photostats to the correspondents in Cyprus?

There is something fishy about those cards.

The British seem to be so hard up for concrete allegations that they make much of the fact, according to the Times dispatch yesterday, that 1,000 of the 15,000 immigrants aboard spoke Russian. * * * Some may have been non-Jews and some had documents showing that they had served in Soviet forces during World War II, these sources say.

The fact that 1,000 of these refugees spoke Russian is not surprising.

These refugees were almost all Romanian Jews, most of them from Bucovina and Bessarabia, both taken over by the Russians before the Nazi-Soviet war begun.

Most Bessarabians, Jewish or non-Jewish, speak Russian; the province was Russian until the end of the First World War. Able-bodied Jewish refugees from areas taken over by the Russians during the war, Jewish partisans from that area before the Nazi-Soviet war began, and Jews lucky enough to flee from German territory into the U. S. S. R. did serve in the Red Army against the Nazis and many East European refugees are veterans of the Red Army and of the Polish Army.

While Arabs who served under Hitler are permitted to organize warfare in Palestine against the Jews, are the gates of Palestine to be barred against Jewish refugees who served in the Allied armies against Hitler?

ALL PIONEERS OR CHILDREN UNDER 12

The New York Times is guilty of unfair journalism, and British Government of malicious slander.

Early in December a full report on the refugees of the *Pan York* and the *Pan Crescent* was made by the Jewish Agency for Palestine to the State Department.

Except for 1,400 of those on board, all were chalutzim, trained Zionist pioneers, chosen by a board of selection representing all different parties of the Zionist movement.

The other 1,400 were hand-picked, but not for communism, as the British well know, for they interned them in Cyprus.

The 1,400 are children under 12, mostly orphan survivors of those Rumanian Jewish families who were driven by the Nazis in the winter of 1942–43 across the Dniester into Transnistria, where 200,000 died of hunger and cold.

I. F. STONE.

POSTSCRIPT—SOME FACTS

Some pertinent facts:

Jewish illegal immigration has been forced away from French and Italian ports by pressure on Paris and Rome exerted from the British Foreign Office and by Foreign Secretary Bevin personally.

The British in at least one case known to this correspondent (negotiations concerning compensation for British-owned mines taken over by the Yugoslav government) have offered actual financial concessions to Soviet satellite countries if they would take a hostile attitude toward Jewish immigration.

The new governments of eastern Europe and the military commanders of the Red Army (except in one case in Budapest under pressure from the American military attaché in Hungary) have refused to add to the unhappiness of these unhappy refugees seeking the new home promised them in Palestine by Britain's own Balfour declaration.

London and Washington would be gleefully ready to smear Moscow as anti-Semitic if any such steps were taken.

I. F. S.

Loans to Veterans

EXTENSION OF REMARKS
OF
HON. FRANK A. MATHEWS, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. MATHEWS. Mr. Speaker, we in New Jersey are extremely proud of the job that is being done by the Division of Veterans' Services of the Department of Economic Development, which Division is under the directorship of Col. Warren S. Hood.

In the field of economic rehabilitation of the veterans of New Jersey, the results of the operation, as an instance, of the Bureau of Loans of the Division of Veterans' Services can be no better set forth than by quoting from the report to the Governor of the State of New Jersey showing the situation as of November 24,

1947, and I hereby set forth that quotation:

DIVISION OF VETERANS' SERVICES, BUREAU OF LOANS (OPERATING THE NEW JERSEY VETERANS' LOAN AUTHORITY)

The bureau of loans performed normal functions during the month.

	Number	Amount
BUSINESS LOANS		
Total loans approved to date	13,563	$31,092,647.02
Total loans withdrawn to date	1,288	2,850,184.90
Approved loans outstanding	12,275	28,242,462.12
Total loans disapproved to date	1,369	3,087,684.49
Total loans processed to date	14,932	34,180,331.51
Total defaulted notes purchased	317	537,458.75
Total loans repaid in full	1,186	2,348,788.00
HOUSEHOLD LOANS		
Total loans approved to date	3,825	2,280,350.00
Total loans withdrawn to date	151	93,000.00
Approved loans outstanding	3,674	2,187,350.00
Total loans disapproved to date	281	172,440.00
Total loans processed to date	4,106	2,452,790.00
Total defaulted notes purchased	5	1,896.24
Total loans repaid in full	69	36,520.00

There is a steady, though slight, decline in business loans and a sharp rise in household loans. The number of defaulted loans is increasing and is now about 2½ percent.

The number of loans being paid in full before maturity is increasing each month.

We may be a bit optimistic but from our experience so far it looks as though we will salvage about 60 percent of our defaulted notes.

Stand by Mr. Truman

EXTENSION OF REMARKS
OF
HON. CARL A. HATCH
OF NEW MEXICO
IN THE SENATE OF THE UNITED STATES

Monday, February 9 (legislative day of Monday, February 2), 1948

Mr. HATCH. Mr. President, in the Oregon Democrat appears an interesting article written by Mr. Richard L. Neuberger. I particularly call the attention of every Democrat to the last sentence of the article. I ask unanimous consent that it be printed in the Appendix of the RECORD. The title of the article is "Stand by Mr. Truman."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STAND BY MR. TRUMAN

(By Richard L. Neuberger)

The next President of the United States, unless death or illness should intervene, will be either Harry S. Truman or the 1948 nominee of the Republican Party. Henry Wallace has absolutely no chance to be elected; he himself admitted as much in the speech which announced his candidacy.

There can be only one net result of Mr. Wallace participating in the Presidential race. He might take enough labor votes from Mr. Truman to insure the election of the Republican candidate. What would that mean—inflation and higher prices, no veterans' housing program, restrictive laws against labor, reduction of power and reclamation projects in the far West, tax reduction for the upper income brackets.

This is what Mr. Wallace will be hastening if he goes onto the ballot. The great liberal Pulitzer daily, the St. Louis Post-Dispatch, stated editorially a few weeks ago: "Mr. Wallace should know that, in becoming a third-party candidate without any real possibility of winning the election, he is giving aid to those who have been his enemies all his life. He is drawing away support from those who represent whatever is left of the New Deal."

I listened to Mr. Wallace's speech of announcement. It was an able speech. Many of his criticisms of the Truman administration were valid. Yet I was struck by two points: (1) that Mr. Wallace offered no particular remedies for the shortcomings he assailed, and (2) that by running for President he actually will help those who, by implication, he criticized the most.

Mr. Wallace made much of the dreadful inflation which is sapping the buying power of so many people. He assailed the lifting of controls. But who lifted controls? Was it not TAFT, WHERRY, TABER, and the other Republican leaders? And by running for President, does not Mr. Wallace advance the opportunity of these men to take over the executive branch of Government?

It is easy to criticize. Mr. Wallace made a convincing case against Harry Truman. Yet I wonder whether a case could not be made against any American President, be he named Jefferson or Franklin Roosevelt. Political institutions are not perfect and neither are the human beings who create them. Any election is a choice between alternatives, and no alternative is beyond criticism.

But Harry Truman has been a good President. He fought to retain the controls which might have kept down prices. He vetoed the Taft-Hartley bill. He vetoed the Knutson save-the-rich tax bills, and twice made the veto stick. He appointed a commission which brought out the finest report on minority rights ever issued by the United States Government. He named David Lilienthal Chairman of the Atomic Commission, and he stood by the appointment.

Would you trade this for Senator TAFT? That is what you will be doing if you vote for Henry Wallace. Wallace has no chance of election. He can only take votes from the Democratic candidate, President Truman. Each vote taken from President Truman will in effect, be a vote for the Republicans. I can understand the desire of Communists to see the Republicans elected. There were probably more Communists in the United States in 1932 than at any time in history, for despair and unemployment breeds communism.

But liberals can have no stake in a Wallace party, for a Wallace party makes extremely possible a Republican victory nationally. At this critical period in world history, America cannot stand 4 years of Republican reaction. Raymond Gram Swing has pointed this out most succinctly. Although I do not agree with Harry S. Truman on every issue, I shall support him to the fullest of my capacity in this year of 1948, for I believe his continuance in office can best serve the welfare of mankind.

Experience of Tennessee Proves That Oleomargarine Taxes Do Not Help the Dairy Farmers

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. HAYS. Mr. Speaker, in 1931 the State of Tennessee adopted certain laws imposing heavy restrictions on sales of oleomargarine. Nine years later Mr. Oscar Johnston, president of the National Cotton Council, made a survey of the results of this effort to favor the dairy industries and products, showing an interesting comparison of conditions in the neighboring State of Kentucky. The States of Tennessee and Kentucky have similar conditions. They have about the same area, the same population, with approximately the same percentage differences between urban and rural populations. It was shown by Mr. Johnston that over a period of 9 years following adoption of the law, the Tennessee farmers producing butterfat for creameries did not receive a better price for their butterfat than the dairy farmers of Kentucky, nor was there any tendency for Tennessee conditions to improve relative to those of Kentucky. The following figures represent prices in cents per pound received by farmers for butterfat, as of January 15 of the indicated years:

	1932	1933	1934	1935	1936	1937	1938	1939	1940
Tennessee	21	18	14	27	31	31	31	23	25
Kentucky	20	19	12	28	30	30	31	22	26

Manifestly Tennessee secured no price improvement greater than that received by its sister State which maintained no barriers against margarine. The Tennessee margarine taxes brought no assistance to the dairy farmers whom they were supposed to benefit.

Mr. Johnston also developed the fact that manufacturers of creamery butter have not benefited substantially by reason of the tax. This is evidenced by the fact that the per capita consumption of creamery or manufactured butter did not vary materially during the 9-year period following the enactment of the law as between the States of Tennessee and Kentucky.

The existence of the laws did not benefit the consumer of creamery butter. This is evidenced by the fact that there was no substantial or appreciable change during the 9-year period between the price charged the consumer in Tennessee for creamery butter and the price charged the consumer in Kentucky for creamery butter.

I have recently secured the figures for subsequent years, and the results indicate that Mr. Johnston's observations apply with equal force to this period, as shown by the following figures:

	1941	1942	1943	1944	1945	1946
Tennessee	30	36	46	48	46	47
Kentucky	27	31	44	47	47	47

American Merchant Marine—"Don't Give Up the Ship"

EXTENSION OF REMARKS
OF
HON. SCHUYLER OTIS BLAND
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. BLAND. Mr. Speaker, Congress has recently received a bill (H. R. 4840)

designed to assist the recovery and rehabilitation of the nations of Europe. The basic purpose to be served by that legislation is laudatory. But in the bill are two sections which, if permitted to become law, would completely reverse our long range congressional policy relating to the American merchant marine. Enactment of those provisions would seriously weaken the defenses of our Nation at a time when world conditions are upset and the prospects of permanent peace apparently remote. Therefore, I urge that the shipping sections of the European recovery program, which authorize the transfer of 500 vessels to foreign nations, be eliminated. Congress must not be a party to the scuttling of our American merchant navy.

For over 20 years the Congress has developed a long-range policy for the maintenance of the American merchant marine. That policy has been based upon the self-evident fact that our merchant fleet is a vital adjunct to our Nation's defense. Therefore, Congress has over many years legislated certain benefits designed to protect and assist American ships to remain on the seas despite low-cost foreign competition. We have appropriated and spent hundreds of millions of dollars to this end. The wisdom of our long-range policy and the importance of our merchant marine to our national defense were forcibly proven during the recent war. In the acid test of actual combat, it was our ability to supply our forces abroad through the use of our merchant marine that made victory possible. Experience in these years showed that our shipping was the vital link in the chain between our production of war material and the utilization of our potential power on the battlefields in the far corners of the globe. As Secretary of War Patterson recently testified: "It can truthfully be said that shipping was the key to the war effort." I believe that if the United States had possessed an adequate merchant marine in 1914 and 1939, both World War I and II would have been avoided.

Conditions in the world today are such that we must continue to maintain our defense forces at an adequate level. Through the foreign-relief program we are attempting to bring about a peaceful solution to the present unsettled world conditions. But while we in good faith make this attempt, it would be foolhardy for us to lower our guard or to throw away our defense weapons. Congress would not vote at this time to advocate scrapping our Navy or our Army. Yet today the Congress is asked to approve a proposal to reduce our merchant marine to a size and potency far too small to fulfill its necessary functions as a part of our defense forces. Without being informed as to the inevitable result of the ship-disposal sections of the foreign-aid bill, Congress is now being asked to weaken one of the most vital links in our chain of defense to a point where, should war again arise, our entire efforts would be limited to the strength of that weak link. For that reason I urge that the proposals submitted in the European recovery program for the sale and charter of vessels to foreign nations be overwhelmingly defeated.

With the present unsettled condition of the world, we must maintain an adequate active American merchant marine ready and able to bear the impact should another war occur. Newspaper accounts have predicted that the future will see push-button warfare. Publicity given to air operations during the last war have given the false impression that through air power alone can our Nation be defended and our objectives won. But the recent Secretary of War, Mr. Patterson, has pointed out that, while these ideas have a superficial appeal, the defense of the United States would require the early and rapid movement of millions of men and millions of tons of equipment and supplies across the oceans. As Mr. Patterson stated, this can only be accomplished by ships. Despite the developments in air warfare, both Army and Navy representatives have recently emphasized that the requirements for shipping in any future major war would far exceed in volume the ship requirements of World War II. We know how difficult it was to get ready.

The proposals submitted by the State Department and presently contained in H. R. 4840, section 7 of that bill would authorize the administrator of the European recovery program to charter to foreign nations any merchant vessels owned by the United States which are in excess of the Maritime Commission's current requirements. That section further provides that vessels so chartered to a foreign country shall be considered during the charter period as though they were foreign vessels, surrendering their American documents. In addition to this charter program, section 8 of the bill would authorize the administrator to require the sale of American Government-owned vessels to foreign interests. The full scope and danger of these proposals appears not in the bill itself, but in the transmittal documents from the Secretary of State which accompanied it. In those documents, it is stated that it is intended to sell 200 vessels and to charter 300 to foreign nations should the proposed legislation be approved. Under the procedure suggested by the State Department, the Maritime Commission, consultation with the Secretary of the Navy, and the findings required by the Ship Sales Act as to the desirability of transferring a vessel to foreign control would be completely bypassed.

What would be the result if these procedures suggested by the State Department were to be approved by the Congress? It would be that for every one of the ships transferred to a foreign nation, an American ship, employing American seamen, and paying American wages and American taxes would be forced to suspend operations and go into the laid-up fleet. By the workings of the ordinary laws of supply and demand, that result is not only probable, but inevitable.

Operating expenses for American ships are far higher than those of similar type vessels sailing under foreign flags. Our seamen are paid a basic wage rate of $192 a month, which compares with the present basic wage of $96 a month paid aboard British ships and the smaller amounts paid by our other major competitors. When you figure the estimated total pay of seamen during the year 1947, we find an average of $290 a month aboard American vessels as compared to $103 a month paid by the British. In addition to these higher wages, American vessels must pay higher maintenance and repair costs, greater insurance expenses, and larger subsistence costs for the feeding of our seamen. Because of these high costs of operation as compared with foreign ships, American vessels have always been at a tremendous competitive disadvantage. As a result of their comparatively high operating costs, our American vessels are the marginal ships. As freight rates drop or as demand for shipping becomes less, these costs require their withdrawal from service prior to the ships of any other nation.

Today there is no shortage of dry-cargo ships; there is an ample number of these vessels to handle the needs of the European recovery program. But if we transfer one vessel to a foreign nation for use under this plan, we immediately must prepare for the withdrawal from operation of an American vessel. In recent months the number of American-flag vessels sailing the seas has been substantially reduced; 372 American-flag vessels previously in operation were withdrawn and placed in laid-up status during the last 6 months of 1947. If Congress were to approve the transfer of the 500 additional vessels, as suggested by the State Department's program, an identical number of American ships would be required to cease operation.

As justification for their program, the State Department offers the thought that certain dollar savings may be made if foreign ships and crews are used to handle relief supplies. They further advance the theory that we should build up the fleets of the recipient nations as a means of implementing their incomes. I favor economy and the rehabilitation of western Europe. But, looking at these arguments closely, I am convinced that neither will result from the enactment of the proposals of the State Department dealing with our American merchant marine. I am convinced that this program would, in the long range, cost the United States many, many millions of dollars more than the State Department's estimated savings.

According to the estimates which have been submitted by the President's Committee on Foreign Aid—the Harriman committee—which studied the possible transfer of ships to foreign nations, approximately $300,000,000 of the cost of the long-range European recovery program might be saved by transferring vessels to foreign-flag operation. But what the State Department and other proponents have failed to note is that, while there may conceivably be savings in the expenditures under the program itself, the over-all result to our Treasury and the American taxpayers will be a substantial loss rather than a saving.

Let us keep in mind that if these 500 ships are not transferred to foreigners they will be operated by American companies and will be required to employ American citizens. Both the companies, their owners, and their seamen will be required to pay taxes. Transfer these ships to foreign flag and these taxes will

not be paid. Remember further that in past years we have been required to spend millions to subsidize and build up our American merchant marine in order to keep it on the seas. Transfer these 500 ships to foreign flags and we would not only have to write off our past expenditures, but we would be required in years to come to spend untold amounts to rebuild an American merchant marine up to our defense needs. Transfer these 500 vessels and our country would be placed in the negative position of having to subsidize our own merchant fleet in the coming years to a greater extent than ever because of the tremendous subsidy which these transfers would give to our foreign competitors. Think also of the huge amounts which we have spent to train our seafaring personnel. Transfer these ships to foreigners, throw American seamen out of work, and write off as a complete loss the amounts which have been expended in their training. If these vessels are chartered to Americans, our Government receives both charter hire and a large share of such profits as eventuate. Transfer them to foreign nations and all we receive for the vessels is money, which we give them, for their purchase and charter. To give you concrete losses in terms of actual dollars and cents which would result from these transfers is impossible. But it is obvious that the loss in taxes and charter revenues, plus the increased expenditures which will be required in the future to maintain our merchant marine, will be infinitely greater than any possible savings of the moment through transfer of vessels to foreign ownership and control.

Not only will the ultimate cost be greater, but the damage to our national defense will be incalculable. We have spent and will spend in the coming years billions of dollars to maintain our defense installations and weapons. Should these ships be transferred we will be faced with either a ruinous weakening of our defenses or we will be required to heal the resultant breach by building up other armaments to compensate for the loss of our merchant marine. I think that the question of cost and ostensible savings to be accomplished by the foreign transfers was excellently summarized by the President's Committee on Foreign Aid which, in discussing the alleged savings in dollars, stated that—

> The limited financial savings are not sufficient to justify the drain on United States resources for national defense which such transfers would involve.

We must not, in my opinion, give way to a philosophy of opportunism. We must not attempt to save money which, over a period of time, must be paid for many times over. It is necessary that we look at the long term and not at the moment. And when we look at the long term, the economic justification advanced for the transfer of these ships to foreign flag becomes both an illusion and a delusion. We must not here be penny-wise and pound-foolish.

The only additional justification other than supposed savings of dollars for the transfer of these ships to foreign nations is that such transfers may assist in rebuilding the economies of the 16 nations to be aided under the proposed program. True it is that obtaining these vessels will assist them. But it will assist them only at the expense of the United States, its defenses, its merchant marine, and the thousands of merchant marine personnel who will be thrown out of work. We are interested in building up the economy of these nations and reviving their industry. But I do not feel that we owe them an obligation to build up their industries above their prewar status. While their steel, coal, and other industries may be far below their prewar status, the merchant marines of the European nations are in an extremely healthy condition. At the end of 1938 total fleets of the 16 countries involved aggregated 48,300,000 deadweight tons. As of the end of 1947, that combined fleet was estimated at 44,400,000, or less than 10 percent below its prewar capacity. Under the plans formulated for the development of the merchant marine of these nations during the next few years, it is estimated that by the end of 1951 they will total 55,400,000 deadweight tons, or an increase of 7,100,000 tons over their prewar status. This amount is in addition to another almost 4,000,000 tons of ships which the European nations may or may not retire. Having these figures in mind, it seems to me difficult to justify the transfer of 5,000,000 tons of merchant ships to these 16 nations. Where is the justification for rebuilding the merchant marines of these nations above their prewar level, when such rebuilding inevitably must result in a contraction of the American merchant marine by an equal amount?

Yet we are asked to vote this transfer of 500 vessels. No mention is made of the fact that as of June 30, 1947, we had already transferred 670 vessels of 6,900,000 dead-weight tons to the 16 nations to receive aid under the Marshall plan. No mention is made that since that date, when the recipient nations themselves stated that their shipping needs amounted to but an additional 4,000,000 tons of shipping, we have transferred to them over 2,000,000 more tons of ships. The State Department now asks us to transfer an additional 5,000,000 tons, or two and one-half times the remaining amount of tonnage that the recipient nations themselves have stated they require to meet their needs, despite the fact that 372 American ships have been forced from operation during the last 6 months. In short, the State Department, in its overwhelming generosity with our merchant marine, has asked that we retire 500 more American ships in order to give 500 similar vessels to Europeans for operation by low-cost foreign labor in competition with our American vessels and American seamen.

Nowhere can it be found that there is a shortage of dry-cargo ships. Nowhere will it be found that the 500 ships proposed for sale and charter to foreigners are required to carry Marshall plan goods. Quite the contrary, these transfers are not for the purpose of doing a needed job, but rather for the purpose of assisting the European merchant marines to compete with our own. An examination of the present use of ships now owned by the recipient nations show that they maintain a large number of their vessels in routes other than those which will carry relief supplies. In other words, they are maintaining their competitive position in these routes, rather than divert any of their shipping to the actual carriage of relief cargoes. Put another way, the State Department's proposed transfer of vessels would merely permit European countries to maintain vessel services on nonrelief routes and still carry relief cargoes from this and other Western Hemisphere countries to their destinations in Europe.

While I favor aid to Europe, I do urge most strongly that the Congress not support such aid as will serve no function for the recipient European nations except to enable them to drive the American merchant marine to the wall. I have labored too long for the maintenance of an adequate American merchant marine to see this happen. I have seen too recently how necessary it is for us to maintain an American merchant marine if we are to maintain an adequate defense force for me to vote for any scheme which would crucify American shipping and America's defense for the sole purpose of assisting European nations to build up their competitive shipping position.

There are certain other aspects of the State Department's shipping proposals which I find to be highly objectionable. First and foremost is that by giving foreign operators merchant ships without cost, they place the American operator who must pay for and amortize his vessels at an even greater competitive disadvantage than under normal operating conditions. While a purchase price for these vessels might be met, in actual fact the money used by the foreign interests to procure them will be money given by this country under the Marshall plan. If charter hire is paid for their use, that too will be money granted by Uncle Sam. And that, too, will constitute unfair competition with American ships.

In the Harriman committee and other reports dealing with the transfer of ships to foreign flag, it has been emphasized that such transfers should be permitted only as a condition to the foreign nations cutting down the ship-construction programs which they have presently undertaken. The reasoning behind that suggestion is that it is ridiculous to transfer American ships and at the same time permit the foreigners to complete additional vessels requiring additional American steel in amounts up to 5 percent of the total steel to be supplied under the relief program. To permit such foreign shipbuilding to continue and to supply the steel for this purpose means that we are doubly assisting foreign merchant fleets. Yet in spite of the recommendations of the Harriman committee that transfers be permitted only on condition that foreign shipping building programs be curtailed, the State Department's program mentions nothing of this. As far as I can see, the State Department contemplates giving these ships without any restrictions on their shipbuilding programs. The result can only be that not only will these transferred ships eliminate 500 American vessels, but that additional American vessels will be

put out of service as new foreign ships come out of their yards.

The estimates of savings which would result from transferring these vessels foreign are based, as I understand it, on the Marshall plan being carried out in accordance with the original recommendations. Now it appears probable that these estimates will be substantially curtailed. If this is the fact, the amount of dollar savings will be less. But in addition, if the aid to be furnished under the pending bill is reduced, the amount of cargoes available will be far less. Under these circumstances the transfer of these 500 vessels to foreign flag will be an even more severe blow to the American merchant marine. For in addition to having to lay off 500 American ships because of the transfer of an equal number to foreign nations, American operators will be forced to lay up an additional large number of vessels because of the shortage of cargo. In considering proposals of the kind here suggested by the State Department, Members of Congress must constantly keep in mind that because of the marginal nature of the high-operating-cost American ships every drop in available cargo means an American ship must be taken from the seas. Unfortunately the foreign-flag vessels can continue merrily on their way.

The suggestion that vessels be transferred to foreign nations is not a new one. The Committee on Merchant Marine and Fisheries considered the question during 18 months of hearings on the bills which ultimately became the Merchant Ship Sales Act of 1946. That act permits vessels to be transferred to foreign nations but establishes very definite safeguards which must be met as a condition precedent to such transfers. Under that act we have already transferred almost 9,000,000 dead-weight tons of war-built ships to the nations covered under the pending relief bill. In committee we considered the entire question of charters to foreign nations; after most deliberate consideration it was determined that permitting such charter would be detrimental to the best interests of our merchant marine and of our Nation. Yet today this same proposal is being made again by the State Department as an incident to a broader purpose. Members of the Congress must not permit themselves to follow this misguided effort to revive a procedure long considered and found wanting in merit.

Let me emphasize one further point. That is that the transfer of these 500 ships as proposed by the State Department would throw out of work over 30,000 additional trained Americans now employed to service American merchant ships. During the last 6 months of 1947, 16,000 American seamen were thrown out of work by the withdrawal from operation of 372 American flag vessels. With the withdrawal of the additional 500 American flag vessels which would inevitably result from the transfer of this number of ships to foreign flags, approximately 22,700 officers and seamen, almost all American citizens, will be placed upon the beach. Over 10,000 Americans engaged in ship-repair work and other shoreside maritime industries will similarly lose their means of livelihood. America will lose the services of this large number of trained personnel. And America will lose the benefits of having an active fleet, rather than a laid-up fleet, as a part of its national defense.

Not only would this program take away the livelihood of over 30,000 Americans and their families, but it would take from the Government both the benefit of their training, the value of the taxes they pay, and the cost of their training during recent years. All this on the theory that, for the moment, a few dollars will be saved. All this on the theory that Europe's recovery should be aided. All this because the State Department has in its recommendations on shipping closed its eyes to the needs of America, seeing only the needs of Europe. All this because of the State Department's attempt to establish a world merchant-marine policy without consideration for the American merchant marine.

For many years I have known that my interests and those of my colleagues here in the Congress have primarily been to advance the welfare of our Nation. To advance that welfare and to insure its defense, we in the Congress have consistently voted a policy for the maintenance of an American merchant marine and the development of a trained force of American seamen. Our efforts have been to obtain the maximum result at a minimum cost. Today I see all of our efforts toward this end likely to come to nought because of what I believe to be a misguided and uninforced policy conceived by certain members of our State Department.

Let me invite the attention of this Congress to a determination made by the Congress of a few years ago after many months of study, hearings, and debate. Twelve years ago, the Congress made a determination which has been the keystone of American merchant marine policy and which has been set forth as the preamble to the Merchant Marine Act of 1936. In that preamble the Congress stated:

> It is necessary for the national defense and development of its foreign and domestic commerce that the United States shall have a merchant marine (a) sufficient to carry its domestic water-borne commerce and a substantial portion of the water-borne export and import foreign commerce of the United States and to provide shipping service on all routes essential for maintaining the flow of such domestic and foreign water-borne commerce at all times, (b) capable of serving as a naval and military auxiliary in time of war or national emergency, (c) owned and operated under the United States flag by citizens of the United States insofar as may be practicable, and (d) composed of the best-equipped, safest, and most suitable types of vessels, constructed in the United States and manned with a trained and efficient citizen personnel. It is hereby declared to be the policy of the United States to foster the development and encourage the maintenance of such a merchant marine.

Let us not forget that policy. Let us not change that policy merely to save for the moment a sum of money which we will be required in the future to pay for many times over. Let us not forget the needs of America, the American merchant marine, and the American seamen merely to assist in the rehabilitation of Europe. In short, I urge the Members of Congress, and particularly the membership of the Committees on Foreign Affairs of the House and Foreign Relations of the Senate, overwhelmingly to defeat the present proposals relating to shipping contained in H. R. 4840.

Supplementing what I have said here, I ask careful reading of the speeches appearing in the RECORD made by Representative BRADLEY, of California, under the following dates, January 13, 1948, and January 20, 1948, and an extension of my own on January 30, 1948, in the Appendix of the RECORD.

Congress Treading on Dangerous Ground

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1948

Mr. SHAFER. Mr. Speaker, Congress is treading on dangerous ground if it ever flouts the will of the great masses of the church people in the United States and, at the same time, helps to increase schism between the Negroes and the whites of the United States. Yet, we as a party will be doing both of these things if we pass the so-called universal military training legislation now in the Committee on Rules, where it should stay until it is recommitted to the Committee on the Armed Services for further hearings and study.

As we all know, the church people of the United States are almost unanimously opposed to the legislation, as it is now offered in H. R. 4278, the so-called Towe bill. No opportunity was given for these groups, composing the finest of our American culture, to be heard. Likewise as we know, the bill would authorize by statute the War Department to segregate the various soldiers who would be inducted under the provisions of the proposed legislation. This, to me, is a notable and important failure of the bill, and, if the bill were to be passed in such a form as it was reported out by the Committee on the Armed Services, the Republican Party would be blamed by millions of voters throughout the North.

In this connection, I have received a letter from an important Negro leader of New York State. I submit it for inclusion in the RECORD, under leave to extend my remarks, and I hope that my colleagues will give it the study and consideration it deserves:

> I write this letter, not as national chairman of the Emergency Committee Against Jim Crow in Military Service and Training—comprised of over 200 top Negro leaders. Rather, I write as a Republican.
>
> Briefly, I do not wish to see our party commit political suicide among Negroes in 1948 by enacting a permanent Jim Crow military draft. That is exactly what H. R. 4278 in its present form boils down to.
>
> In a recent conference Chairman Walter G. Andrews told A. Philip Randolph and me that the War Department plans segregated white and Negro battalions under any UMT

legislation that Congress may pass. Next November, and thereafter, every Negro of voting age would hold the Republican Congress, not the Truman administration, responsible for any such permanent compulsory segregation.

A prominent Negro New Dealer on the Federal pay roll once said: "I was a Negro before I was a Democrat." That is my position within the Republican Party. Neither I, nor any other Negro Republican, next fall could possibly explain away a Jim Crow draft for every 18-year-old Negro youth.

May I therefore urge:

1. Recommittal of H. R. 4278 to the House Armed Services Committee. Full opportunity for Negro veterans to testify before the House committee.

2. Insertion while the bill is in committee of unequivocal antisegregation amendments.

Prologue to a Political Year

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith an article contributed to the January 1948 issue of Survey Graphic by Mr. Irving Dilliard, an outstanding member of the editorial staff of the St. Louis (Mo.) Post-Dispatch.

Mr. Dilliard's article follows:

PROLOGUE TO A POLITICAL YEAR

(By Irving Dilliard)

Are the American people and their two-party system of self-government equal to the test which lies ahead in this Presidential campaign year of 1948?

Here is a question not simply to be asked rhetorically or pondered by a few who teach or study government. It is a practical question of the first magnitude which demands to be answered by the entire Nation in one way only—with the clearest, most earnest, most determined yes.

There is no guarantee at all that we shall answer it in this way. But the answer, whatever it is, will have to be written in acts. Words count for zero. What we think in our hearts or what we tell others will not make the slightest difference unless confirmed by what we do.

Solemn talk, you say. But, in fact, all of us may gain from a reminder that this is not to be called merely a year of stress. This is a world crisis, and using any one of half a dozen issues now facing Congress as a partisan plaything is simply playing with dynamite, or as the saying goes in 1948—atoms.

Never in the 160 years since the founding fathers compromised their differences to produce the Constitution has it been more true that, in Cleveland's stanch phrase, it is a condition which confronts us—not a theory.

What is the condition?

What is the test?

What can we do to meet it?

First, an estimate of the situation. The initial fact is that the calendar has brought us around again, as every 4 years under our pattern of fixed elections, to a period in which we all divide into Republicans and Democrats, and single-mindedly undertake to hold or capture for our party the highest office in the land.

Traditionally we go to any lengths for our side. We become extremely careless with the truth even if we do not ignore it altogether. We say things we would never think of saying under other circumstances. We make promises we cannot keep or else have no intention of keeping. We engage in trades and deals which we know are beneath us. We blind ourselves to clear facts which at other times we should recognize as compelling.

All this we do to one paramount end—to get votes for our candidates, to possess the political prizes in State and Nation.

This year we have not only the general fact of a Presidential election and all that goes with that. We have it set in the most adverse circumstances, politically. And we have the coincidence of some of our toughest questions of policy coming up for decision immediately, not to be postponed beyond the election—with frightening consequences for muffing them.

With the present term completed, the Democratic Party will have been in control of the executive branch of the Government for 16 years. This is twice as long as the party, as we know it today, has ever before held control at one stretch. Indeed, it is a span which equals the total of its previous years of control since the Civil War—8 years of Wilson and 8 years of Cleveland.

Power held so long gets to be a habit. Those in control are so accustomed to authority and patronage that they shrink all the more from the idea of change. At the same time, those out of power grow the hungrier for influence and advantage.

Looking back, we see that there has not been, in these 16 years, a single Presidential campaign which produced a real contest. For his fourth term, Franklin D. Roosevelt overwhelmed Gov. Thomas E. Dewey in the electoral count, 432 votes against 99, and no other Republican had done so well against him. The last four Presidential elections were runaways for the Democrats.

Then something happened in the midterm congressional election of 1946. Roosevelt, tired and spent, had died. In his place was Harry S. Truman, a relatively little-known product of the Pendergast machine, in which tenure and patronage, personalities and friendships counted for more than public issues.

Although there were creditable entries in his senatorial record, this new President was lacking in progressive conviction and prestige. He had the country's sympathy and good will but little of its respect.

In short, Harry Truman was an almost nondescript, pretty much bewildered man, lifted suddenly to a post beyond his powers. The country remembered his great predecessor as warm and appealing, optimistic, imaginative, resourceful, and boundlessly energetic. The contrast, to many, was appalling.

Moreover, formal hostilities had ended in both Europe and the Pacific and postwar disillusionment had set in. With the defeat of Germany and Japan, differences long held in check began to come out. Large ones made their appearance at conferences of the victorious Allies. Lesser ones took shape at home. When the congressional elections came around, a thousand and one discontents and grievances went to the polls and the Republicans, out of power since Hoover's midterm, not only swept the House but surprised themselves by taking the Senate as well.

How crushing this defeat was still is not realized. Here is one way to measure it: From Pennsylvania straight west all the way to Colorado, there is now only one Democratic Senator—SCOTT W. LUCAS, of Illinois. Every other administration Senator in this agricultural-industrial heart of the country was turned out. Even Missouri, the President's usually Democratic home State, now for the first time in its history has two Republican Senators.

This overturn suggested at once that an important law of American politics was again at work, namely: the party which takes control of Congress in midterm will win the Presidency 2 years later. That has been true over more than half a century. Switches in House control in 1894, 1910, 1918, and 1930 anticipated party changes in control of the Presidency in 1896, 1912, 1920, and 1932.

This precedent is not unbreakable. It can be broken just as was the anti-third-term tradition. But as the University of Oklahoma political scientist, Cortez A. M. Ewing, writes in his highly informative study, "Congressional Elections: 1896-1944," this law, until it is broken, remains "a fairly reliable criterion for the interpretation of American politics."

And so for several months after the 1946 election, the Republican victories appeared as the handwriting on the wall for 1948. The message read, or at least seemed to say, that the GOP would have an easy time in the Presidential election, pretty much regardless of its nominee.

But in came the new Congress with the Republicans in control. It is unnecessary here to review the struggles over governmental expenditures, tax reduction, labor policy, and other issues; the record of special messages, independent action and no action, vetoes and the overriding of vetoes. That is fresh in the memories of us all. Notwithstanding constructive agreements in the field of foreign policy, we have seen that fears of a stalemate in a politically divided government are fully justified.

All the while the cost of living mounted in the inflationary spiral of higher wages, higher prices, then higher wages and again higher prices. Enthusiasm for the Republicans has cooled. In 1947, special elections to fill vacancies in the House were held in five districts which the Republicans carried in 1946. In each, the Republican majority was lowered, and in one the GOP margin was down 12 percentage points.

This countertrend was confirmed by the municipal elections in November in politically sensitive Indiana—a State with a Republican governor and two Republican Senators. The Democrats won mayoralties right and left and ousted Republicans in several of the larger cities.

The upshot of all this is a Presidential horse race. That is what 1948 opens on, 10 months in advance of election day. The prospect is for the tightest contest since Wilson edged out Charles Evans Hughes 32 years ago in a battle whose outcome was not determined until the final delayed returns came in from rural California.

The normal course the first 6 months of this presidential horse race is through the halls of Congress. Election year after election year it has been this way. Each party has sought to use the Congress to embarrass the other, as a means to rival political ends. In such a situation, the politicians, cautious men by profession, commit themselves as little as possible. At best the public welfare marks time.

When one party has held the presidency in presidential years and the other controlled Congress, the resulting deadlock has shunted the needs of the rank and file of people out at the little end of the horn. Such an instance followed the Democratic defeat in 1918. Senators William E. Borah and Hiram W. Johnson set about to even their score with Wilson. Abetted by Henry Cabot Lodge they blocked the peace treaty, kept the United States out of the League of Nations and out of its rightful role in world affairs. A strong case could be made for the proposition that a direct consequence of this was Hitler and nazism and the new war they waged.

The high cost of living was an issue in the 1920 session of Congress, preceding the Harding-Cox campaign. Wilson asked for legislation to combat the price spiral. Looking to the election, the Republican Congress gave the Executive little aid. The leaders

preferred to blame living costs on the administration's expenditures and its insistence on keeping taxes high—identical complaints today.

The sessions which followed the 1910 and 1932 midterm overturns for the most part also were given over to political jockeying, to pulling and hauling intended to discredit the other side.

Left to its own devices, the second session of the Eightieth Congress, now assembling, would be no better—probably worse. As the basis for such a forecast, we have the recriminations and frustrations of the first session and of the special session last month.

But in 1948 "no better" will be not nearly good enough. The elected representatives of the American people along with the President, have got to find the way to something better. For there is a fact of graver moment in 1948 than the prize of the presidency, and that is the state of the world. We cannot gear ourselves blandly to the lesser concern when our fate is tied to the larger. This is the crux of the meaning of 1948 for the United States of America.

Congress in the new session faces a whole series of issues, any one of them a heavy burden for any preceding session.

European relief is the basic factor today in the lives of more than 200,000,000 persons abroad, and the foundation of a sound foreign policy for us. It represents the ultimate in renunication of isolation—yet many Members of Congress still would vote isolationist if they thought the times would give popular support to their stand.

Communism is changing from a challenge to democracy to a threat and relations between the United States and Russia, as a consequence, have deteriorated from month to month. Yet unless we accept a counsel of despair we must continue to work for an understanding which can be the basis for peace.

The United Nations has not measured up to our hopes; yet we have no choice, actually, but to strive even harder to make it the instrument for good will and harmony which we had envisioned it would be.

Then there is the problem of revenue to pay for vast and unavoidable Government activities. In a time of high national income and of unprecedented national debt, there is the clearest indication of high taxes in order to reduce that debt—with the anomaly of a serious drive to cut taxes. Tied to this is the threat of inflation and the need to control it.

More than 2½ years after VE-day, our gates are still closed to the displaced of Europe, hundreds of thousands of whom are even now huddled in cheerless, frustrating camps, yet Congress here continues to shirk a duty which could not be plainer.

The list of waiting decisions could be long extended: loosening the tariff bonds on world trade without which there can be no world recovery; long overdue housing for veterans and their families; protection and extension of civil rights for all citizens; provision of personnel adequate to discharge our obligations and meet our opportunities in Germany, Japan, and Korea; enlargement and perfection of the Voice of America broadcasts and the Government information service as an encouragement to friends behind the "iron curtains"; aid for education without infringing the fundamental separation of church and state; provision for enforcement of mine safety inspections; planning to meet an always possible curtailment in employment or a break in our none-too-healthy prosperity—these and many other issues are serious and could become critical.

Such issues deserve handling on their merits. They also command attention now as the very substance of representative self-government at work in a world which is hearing, from a vast propaganda machine day after day, that democracy is weak and fumbling and incompetent. When, for example, Congress fails to pass the Stratton bill to admit 100,000 carefully screened DP's each year for 4 years, the loss is much more than the bill and the worthy cause which it embraces. The whole practice of democracy is weakened by that much.

This is the condition. Here is the test. What can we do to improve our prospects?

This is no time to talk of long-range changes such as constitutional amendments to lengthen the term of House Members, to establish the parliamentary system with the Cabinet sitting in Congress, to prevent the President from succeeding himself as a check on his political activity. These proposals have no relevance now. What we do must be done in the weeks that are rushing at us in 1948.

The times are too urgent for inaction. The stakes are too great for a round of political charges and countercharges—and do-nothingism. How can we sufficiently impress these self-evident truths on the men we have sent to Washington? That is the question.

The first requirement—being severely practical—is for the American people to resolve that this session shall not fall to the level of those others degraded into curtain raisers to presidential campaigns. This resolution is absolutely necessary. Without it we merely relive the past and stumble into well-known pits.

Not every last one among our 140,000,000 people need to resolve. That ideal, of course, is utterly beyond attainment. But throughout the country, east and west, north to south, in every State and every congressional district, there must be men and women aroused and determined that the old frustrations shall not be repeated in this crisis year of 1948.

The second requirement is that this resolution be promptly and effectively translated into action, impressive to both President and Congress. The action is equally necessary; the resolution is a joke without the action.

We have the machinery for this at hand in the highly organized condition of the American society. Parts of this machinery have been used many times by special interests to impress White House and Capitol Hill. It can be used now as never before to impress the larger view, not that of special interests, but the interest, if not the lift itself, of our country in relation to the peace of the world.

This mobilized public opinion, this means to action, needs to stand above even the appearance of partisanship.

What can be read as Republican criticism of the Democrats will only cancel out what is, or appears to be Democratic criticism of the Republicans. The one way to lift this public opinion above partisanship is to participate in organizing opinion that is fair, balanced, evenhanded—and positive.

The chamber of commerce or the professional association which condemns a presidential pardon for a convicted mail fraud crook like Boss Curley must also hold Congress to account for a tax reduction bill, advocated not because Congress believes in reduction at a time of inflation and tremendous debt, but because Congress thinks a cut will make votes.

The trade-union or the voters' league which checks it up to the majority leader of the Senate when he charges "bad faith" in a presidential attack on the spiral of high prices can show its balance by checking it up to the executive who would wangle a high appointive post for an untrustworthy crony. After all, an administration that insistently included in its official family a "profiteer in human misery" should not be considered immune to being carefully watched in the future.

The thousands upon thousands of service luncheon and supper clubs which meet every week in communities ranging from the largest cities down to small towns and villages can profitably make this resolution and this action a prior order of business. The many thousands of veterans' posts, fraternal orders, women's clubs, medical and bar associations, engineering societies, and other organizations can do the same thing.

Letters and telegrams and formal statements should pour in upon the President and the Senators and Representatives. The word should go in longhand on penny postcards written on kitchen tables after a day's work; from secretaries who hasten to wire the declared conviction of large organizations; by word of mouth; by the newspapers and on the radio.

The message to send is not that politics is adjourned, but that politics this year must be on a high and responsible plane. The word is that political discussion and education are as much in order as ever, but that political trickery, misrepresentation, and deceit are ruled out. It should serve notice that the people have taken charge. It should be as quick to applaud the good as to oppose the bad.

Let this happen and the United States of America will have its new awakening. Democracy will be in fact a vital, vibrant, shining way of life, one which we are proud to display before the world, which will give new heart to distant friends risking their lives to plead the cause of liberty where oppressors rule.

This is not impossible. It is not more than we can do. We elected this Congress and we can turn it out of office in November. In the months ahead we can require it to serve us.

We sent Harry Truman to the executive branch. Ten months from now we shall say whether we want him to continue. In the interval we can require him to serve us.

This year 1948 is no time to blame our ills on the President—or on Congress. The occupant of the White House is all the President we have until he is replaced. This Congress is our latest screening of the American people to produce the most representative body on earth. If we discredit the President and Congress we discredit ourselves. That we do at our own peril.

It is up to the vast rank and file of citizens. It is in their hands—our hands. They—we—can make all the difference.

The alternative is to waste six precious months next ahead of us in a game of political tag in which everyone, including innocent onlookers growing weaker day by day on starvation diets, will lose. The alternative is to fumble in what may well be one of the greatest lost chances in history.

Now is the time.

The place is everywhere—Maine, Indiana, Texas, New York, Illinois, Wyoming, Virginia, Missouri, Oregon, Kentucky, California—everywhere throughout the length and breadth of our country.

This is asking a great deal—of the American people, of Congress and the President, of the individual citizen, of me the writer and you the readers of this article. It is asking that we break for once with the settled habit of taking a fling every 4 years. It is asking that we accept the role of positive responsibility for our political behavior. It means foregoing a great deal of election-year fun, taking on a great burden of serious concern. Such an idea requires justification, and it is in this case the simple alternative which leads to the edge of disaster—for the world, and ourselves, too.

Is the Almighty Dollar an Honest Dollar?

EXTENSION OF REMARKS

OF

HON. WALT HORAN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. HORAN. Mr. Speaker, on a number of previous occasions I have called

the attention of the Members of this House to the fact that we cannot hope to achieve stabilization of the economy of either Europe or our own Nation if we do not first return to a policy of fiscal sanity in our national and international finance operations.

At this time I should like to introduce into the RECORD a discussion of the United States monetary situation by Mr. Frank Lilly, a prominent mining research authority of Spokane, Wash.:

IS THE ALMIGHTY DOLLAR AN HONEST DOLLAR?

(Address to the Mining Bureau of the Spokane Chamber of Commerce by Frank Lilly, February 2, 1948)

With the monetary systems of the world crashing all around it is logical to ask, Could this happen here? It goes without saying that we do not want this to happen here; and the best way to prevent such a happening here is to look facts in the face and take such preventive action as the situation seems to require.

Is our almighty dollar an honest dollar in the truest sense of the word? In other words, does it have a true unvarying permanent value and is it safe? Let us look the facts in the face.

In the first place, we will find that we have several kinds of dollars to consider. They are as follows: (1) The silver dollar; (2) silver-certificate dollar; (3) United-States-note dollar; (4) national-bank-currency dollar; (5) Federal-Reserve-note dollar; (6) bank-check dollar.

The silver dollar: The silver dollar, of which there are now only 337,000,000 in the United States Treasury, where they are backing silver certificates, and 154,000,000 in circulation, is the only hard money we have, except subsidiary coins that conform to the provision in the United States Constitution which reads: "The Congress shall have power to coin money." There is nothing in the Constitution about paper currency, possibly because the founding forefathers had learned from practical experience with the continental currency that only coins should be recognized and used as money.

The silver dollar was an honest dollar containing as much or more than a dollar's worth of silver until in 1873 silver was demonetized at the behest of British international bankers. Its position in the monetary system was restored in 1934, but Congress failed to make it an honest dollar with a dollar's worth of silver in it. As matters stand today with the Treasury price of silver at 90.5 cents an ounce, there is only about 70 cents worth of silver in the dollar. Thus, through no fault of its own, the silver dollar falls short of being an honest dollar in the full sense of the word, although it is the only dollar we now have that is acceptable anywhere in the world.

The silver certificate dollar: Instead of coining all silver in accordance with the obviously expressed intention of the Constitution, Congress provided for the issuance of silver certificates against bullion silver acquired under and through the Silver Purchase Act and silver dollars in the Treasury.

These silver certificates fall short of being 100 percent honest dollars because they are issued against silver on the basis of $1.29 an ounce, when as a matter of fact, the Treasury price for silver is only 90.5 cents an ounce. Not only do they fall short in this respect, but at least one-fourth of the 1,850,000,000 ounces (approximately) of silver against which silver certificates have been issued has been lend-leased to foreign countries and is not, therefore, available on demand. All of this may be returned eventually, but no less a person than United States Senator PAT MCCARRAN told me that he doubted if any of it will ever get back in the Treasury.

United States note dollar: The United States note constitutes a comparatively small amount of our currency, totaling only $322,000,000. These Government notes were first authorized in February 1862 during the Civil War as a war measure and were at that time called greenbacks. They bear no interest and have no hard money or other collateral backing. Despite the fact that they were a promise of the United States Government, United States greenback notes sold as low as 36 cents on the dollar in gold and/or silver specie during the reconstruction period after the Civil War. Nevertheless, I consider the present United States note the most nearly 100 percent honest money this country now has, because being a non-interest-bearing Government issue it does not indirectly filch a private profit from the unsuspecting citizen as is the case with national currency and the Federal Reserve note.

The national bank currency dollar: This dollar originated as a result of legislation passed by Congress in 1863 that provided for the issuance of a so-called national currency by national banks against Government bonds owned by these banks, which, although called national banks, were and are actually privately owned. Subsequently, these banks were permitted to issue currency against other public indebtedness and even in certain instances, private indebtedness. This currency is now being retired and at the present time there are only about $100,000,000 of such notes outstanding. As notes they were and are no better and no worse than a promise to pay, and while not intentionally dishonest they do not measure up to the requirements that would make them fully 100 percent safe and honest.

Federal Reserve note dollar: In December 1913 Congress passed legislation creating the Federal Reserve bank system out of a group of privately owned national banks and provided for the issuing of currency by these banks on about the same basis as it had been issued by national banks, except that the Federal Reserve note was required to have a 40 percent gold backing.

The Federal Reserve System, by the way, was created because gold was not at that time being produced at a rate sufficient to provide the money this coutnry needed to maintain a smooth-working economic system. These notes of the Federal Reserve bank were originally in the form of national currency, but were later issued as notes redeemable in gold on demand until the gold standard was abandoned in 1934. However, the 40 percent gold reserve backing provision was retained until 1945 when it was reduced to 25 percent.

Thus the gold which is not actually owned by the Government, although theoretically under its control, is not in fact money in the truest sense of the word. Incidentally, the commercial bank that owns the gold can use it to create $245 of new money for each ounce of gold it obtains at $35 an ounce.

The Federal Reserve note, being a note based upon a promise-to-pay credit, and with no more than a small and wholly theoretical gold backing, cannot logically be considered as being 100 percent safe and "honest." If, for example, a critical debt-credit situation should arise such as did come about during the depression of the early thirties when the Federal Reserve banks were operating, it is entirely possible that much of the "promise to pay" against which the Federal Reserve has issued its notes could crumble into mere promises and no pay.

Bank check dollar: The modern bank check dollar is the dollar with which most of the business of the United States is done. It is convenient but it is not money in the real sense of the word. One money dollar deposited in a bank is in the process of banking and customer checking converted into many check dollars, and everybody is happy until, through a combination of circumstances over which neither the bank nor the depositor has control, the bank cannot pay money dollars. Remember the so-called "bank holiday."

It is only fair to point out that the bank-check dollar is safer today than ever before because of the Government guarantee covering deposits up to $5,000, but, although this type of dollar expedites business and is in many respects essential, it lacks the safety factor essential in an "honest" dollar.

The total supply of all the foregoing kinds of dollars is estimated at $111,000,000,000, or about three times the prewar volume. Of this total only the silver dollar, silver certificates, and United States notes amounting in all to about $2,500,000,000 are not more or less based upon interest-bearing debt with the profits accruing to non-Government powers who create the currency under the powers and with the privileges delegated to them by Congress.

Thus, we have stumbled step by step into a muddled debt-based monetary situation in which the real nature and purpose of the dollar has been lost sight of. To serve merely as a medium of exchange and as a measure of value is not enough—the dollar should be a safe, unvarying, and permanent storage of value which an interest-bearing debt-based money cannot provide.

This can be achieved by basing our monetary system on a gold and/or silver hard money foundation. The dollars of such a system could neither be inflated or deflated, and, incidentally, no country has ever gone "busted" because it had too much gold and/or silver.

The United States now has nearly $23,000,000,000 of gold on the basis of $35 an ounce, and approximately $3,500,000,000 of silver, including minor coins, or a total of $26,500,000,000. If this dollar total along with our check dollar, on which the bankers can get along very well without the added profit on Federal Reserve notes, does not provide sufficient money value to meet the needs of our economic system the value of gold and/or silver can be regulated as the Constitution clearly indicates is the duty of Congress.

Congress should act immediately in this matter, because in the well-chosen words of John McBride: "An unsound monetary system is more fruitful of human misery than war, pestilence, and famine, and has brought more injustice than all the bad laws ever enacted. Until a sound monetary situation is adopted by the United States all the present frenzied efforts for permanent peace, recovery, full employment, full production, and a balanced budget are just so much sound and fury signifying nothing."

Most insistent among the suggestions made in this connection is restoration of the former gold coin standard and the right of a citizen to own gold and to buy or sell same in a free market. In this connection it is pointed out that it is not in the pockets of citizens, but only in the hands of banks that values based on gold can be inflated. Opposition to silver in the monetary set-up is far less than at any time in recent years and the chance of teaming silver with gold to provide a money system with truly honest dollars is promising. Hasten the day.

The Worthington Plan—A Proposal by Which People Everywhere Can Do Something Practical for Peace

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. MUNDT. Mr. Speaker, under leave granted me by the House, I desire to call attention to the unique plan for

peace originating in Worthington, Minn. The following radio address which I prepared for use on the radio in Worthington, Minn., gives a brief description of the Worthington plan. Those desiring further information should write Mr. Charles Cashel, of Worthington, Minn., or the editor of the paper in Worthington.

Good friends of Worthington, Minn., about 20 years ago, when I was a student in Columbia University working on an advanced degree in education and serving as superintendent of schools of a small South Dakota community, we had an instructor who was a firm believer in the opportunities of life and education in America's smaller towns and cities. Almost every day he used to encourage us by repeating this impressive and very truthful slogan: "You don't have to live in a big town to do big things in education."

In this broadcast of greeting and congratulations to the people of the Worthington community who are really just good neighbors of mine, since Worthington, Minn., and Madison, S. Dak., are not very far apart, it seems to me that a paraphrasing of that old educational slogan might be highly appropriate.

Certainly, Worthington, Minn., better than any other community in the whole United States, has proved with definite finality the axiomatic accuracy of this statement: "You don't have to live in a big town to do big things in the promotion of a permanent peace."

Worthington, Minn., has today become a phrase which is literally known around the world. In Washington, in New York, in Ohio, and in Europe I have heard people talking about the Worthington plan with almost as much familiarity as they demonstrate in talking about the Marshall plan.

Truly, your Worthington plan of establishing people-to-people contacts and friendly associations with the residents of a city in a former enemy country through the unique procedure of adopting that foreign city as a sort of political ward of yours is both unique and contagious. Many other communities in America, and some in England, are now in process of following your example. They have seen the vision in the sky reflected from the working mechanism you have established in Worthington for substituting the helping hand of friendship for the clenched fist of conflict. They have learned from your example that a wise and successful victor seeks not to perpetuate the bitterness of war but to build for the future through creating areas of understanding and good will to replace the fox holes of hatred which form a part of any war. Since permanent peace is the goal of military victory, the Worthington plan if extended to 500 foreign communities by 500 inspired American cities adopting political and economic municipal wards in every region of the earth could well do more to create and maintain a permanent peace than all the armies and international organizations and formal Marshall plans that the mind of man could possibly conceive or the great purse of America could finance.

While I was in Germany last September and October I took special pains to inquire about the reaction of foreigners to your municipal Worthington ward of Crailsheim, in the western part of Bavaria, Germany, located just 40 miles southwest of the seat of the Nuremburg trials. Crailsheim, I found, to be a new symbol of hope and of peace not only in Bavaria and in Germany but throughout much of Europe as well. The Worthington plan and the reaction of the people of Crailsheim was widely publicized in an article I saw in the Paris edition of the New York Herald Tribune. Another article publicized your program all over in Europe through the European edition of the Stars and Stripes. It was written up in Rome American, an English language newspaper published by some ex-GI's in Italy. The little ripples of freedom and friendship which you Worthington folks have originated by your assistance and counsel to the people of Crailsheim are sweeping over Europe with ever-increasing strength and in a steadily expanding circle of good will.

I found our American occupation authorities in Berlin not only interested but actually enthusiastic about the potentialities of the Worthington plan, and they expressed the sincere hope you would make it at least a 5-year program with a steadily expanding interchange of correspondence, of products, of pictures, and eventually of students, teachers, city officials, and visitors between Worthington, Minn.—the parent of freedom—and its political and economic ward, Crailsheim, Germany, which hopes to become an oasis of democracy in what was formerly a hopeless desert of Nazi tyranny and belligerent nationalism.

About 2 weeks ago, when Gen. Lucius B. Clay and Ambassador Robert Murphy were in Washington, having just flown in from Germany to testify before our House Foreign Affairs Committee on conditions overseas, I took the occasion to ask General Clay, as the commander in chief of our occupation forces in Germany, some questions about the success and significance of the Worthington plan of substituting assistance for animosity.

Let me read you now some of the official testimony as it appears in our congressional hearings:

"Mr. MUNDT. General Clay, both you and Ambassador Murphy, I am sure, are familiar with the so-called Worthington plan which I discussed with you in Berlin last fall. Worthington has adopted a little German city. Other American communities are getting interested in that kind of thing. Because I was identified with the Worthington plan from the start and helped select the location in Germany through the State Department and a member of your staff, I get a lot of correspondence on the plan. Should we discourage or encourage other communities from entering into that kind of experiment.

"General CLAY. No, sir; I think it has been a very helpful thing. That type of thing and the contribution of the individual which reaches Germany makes the German feel that he has not been completely forgotten in this world, and it has, I think, more effect in molding him to our way of thinking and to a belief in democratic processes than almost anything that we can do. The more of it that can happen the better.

"Mr. MUNDT. You will be happy then to cooperate and further such cases?

"General CLAY. Very much so indeed."

That, good people of Worthington, is the testimony of General Clay in tribute to the patriotic and far-sighted program in which you are now engaged for building the precepts of enduring peace in an area which has so often served as the cradle for war. It is a tribute which you Worthington "peace pioneers" richly deserve and one which I am mighty happy to convey to you.

Inasmuch as I was once the district governor of the Minnesota-Dakotas district of Kiwanis and the Worthington Kiwanis Club was for a time under my jurisdiction, I am especially glad that the Kiwanis Club of Worthington is one of the groups now sponsoring the supporting of the Worthington plan. Many other organizations have joined together, I am sure, in this great cooperative and constructive enterprise and I salute and congratulate them all as well as the progressive community which they serve.

Since it was my old friend Charles Cashel who first enlisted my interest and assistance on the Worthington plan I want to extend a special word of commendation to him, since I am sure he must have been one of the idea men behind this new world-famous project. You will be glad to know that the State Department thinks so highly of the Worthington plan that under the provisions of my so-called Voice of America bill which was recently signed by the President, a special office is being set up for the purpose of bringing other communities together and for facilitating the exchanges of personnel and products which it is anticipated will develop from such international contacts and associations.

In conclusion may I extend the personal hope that the Worthington plan will continue not only for the 5-year period originally expected of it but that it will eventuate in a permanent series of contacts between Crailsheim, Germany, and Worthington, Minn. I also hope that some individual or committee in Worthington will prepare a little pamphlet discussing the origin, the development, and the hopes of the Worthington plan, since many in America would like to know more about it. In fact, one of the editors of Pathfinder magazine, published here in Washington, was in to see me today to get some information on your project. You have a grand idea which is off to a good start, and by describing it in an attractive booklet you can add new laurels to your crown as well as help other communities to follow in your footsteps.

As I told Charley Cashel when he first solicited my cooperation in what has come to be known as the Worthington plan, I hope you will extend its functions far beyond the contribution of supplies to the needy of Crailsheim and the interchange of letters, pictures, and literature between the students and adults of your two communities.

Men and women of Worthington, you have started a snowball of peace which has far greater potentialities than that. I hope you will be able to raise funds through cooperative efforts like home talent plays or community suppers, or tag days, or what have you, so that eventually you can finance the trip of your mayor, or your superintendent of schools, or your chief of police, or some other prominent citizen or group of citizens to visit Crailsheim and do on-the-spot guidance to help that far-off German city learn better the methods of democracy, the values of free universal education, and the functions of freedom. I hope you can also finance in time—and the sooner the better—a visit to Worthington on the part of the burgomaster of Crailsheim, or its superintendent of schools, or somebody selected in that city to get the valuable first-hand impressions of our American way of life which could be so simply demonstrated in a month's visit to Worthington, Minn. I hope, too, you can arrange for one of your good school teachers to spend a year in the schools of Crailsheim teaching the school children there to speak the English language and to understand American history and our American economic and political system. Likewise I hope you can arrange to exchange such a Worthington teacher for a year for a German instructor who will teach children in Worthington courses in German or chemistry, or physics, or music, so that through increased mutual understandings the inspiration of freedom as it functions in America can help create a solid beachhead of democracy on the European Continent.

The State Department stands ready now to help facilitate all such exchanges of personnel and products. The American occupation forces in Germany are eager to cooperate fully in developing the Worthington plan to its optimum and maximum possibilities. Whatever more help I can personally provide will be yours for the asking. You are perhaps building better and greater than you realize, but the eyes of the world are upon Worthington and everywhere the wish is that you will not stumble, or falter, or grow weary with your efforts. Your success will light a torch of freedom and set in action a chain of peace-preserving reactions which can help mightily to put an end to future war. In closing I salute you as one who is proud to be a neighbor of the city of Worthington.

United States and Great Britain Plan Military Defenses

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, it is now revealed under a London date line of February 7, that the United States and Great Britain have laid broad plans for linking defenses of the Marshall-plan nations. Only too few people in the United States have understood the implications involved in the Marshall plan, but now they stand revealed to everyone. Is this the first step in imperialism? Time will tell. Under leave to extend my remarks, I am including the article which appeared in the Washington Post as of Sunday, February 8, 1948:

UNITED STATES AND BRITAIN PLAN UNIFORM DEFENSES FOR MARSHALL NATIONS

(By Arthur L. Gavshon)

LONDON, February 7.—Qualified British military informants say broad plans are nearing completion for linking defenses of the Marshall-plan nations.

Anglo-American chiefs of staffs, according to these informants and diplomatic sources, will submit to 15 European countries proposals to standardize a wide range of military equipment and training as the basis for a program of military self-help. Standardization will be on the basis of American and British patterns and methods.

These sources emphasized that the plans are to be regarded neither as part of the Marshall program nor as excluding states outside its focus. They are primarily intended to establish military cooperation among nations which some day may have to fight as allies.

Foreign Secretary Ernest Bevin broadly hinted such measures are contemplated in his address to Commons on international policy. Bevin said Britain's military alliances, as well as her political ties, with the countries of western Europe are to be tightened.

The informants expressed confidence that the standardization principle would be accepted readily in western Europe, since most of the countries already depend almost exclusively on the United States and Britain for military requirements.

Asked to confirm these assertions, spokesmen of the British Foreign and War Offices gave cautious "no comments." The War Office spokesman, however, disclosed that Gen. G. M. J. Revers, chief of the French General Staff, has visited British military establishments and has been in consultation on technical and training matters with the Imperial General Staff.

Every care will be taken to avoid the impression that the Anglo-American arms and strategic program involves "ganging up militarily" on Red Europe, diplomatic and military informants insisted.

MERE PROJECTION

Disclosure of the plan came as the United States swung into a detailed study of the report of the Paris Conference which answered Secretary Marshall's call for a European recovery program.

The Paris report specifically stressed the desirability of streamlining continental economic recovery by standardizing basic items of industrial equipment.

The sources—who ranged from British military planners to Ambassadors of western European countries—pointed out that a program of arms standardization is just one stage removed from the principle of industrial standardization.

Most of the 16 states sooner or later must face the question of whether their armies are to be equipped with weapons forged in the west or in the east, they declared.

The standardization program was generally seen to be essentially gradual, to be put into effect over a period of at least 10 years, barring emergencies. Many of the Marshall-aid countries already are in close military liaison, the informants added.

War Office sources said that at least 11 Marshall-aid states have sent officers and men to Britain for training in the last year. The exceptions are Austria, Switzerland, Iceland, and Sweden.

Sweden recently placed the second of two large orders for an unspecified number of Vampire jet fighter planes with the DeHavilland Co., an official statement announced. Technicians of the Swedish air force are expected to come here for jet propulsion training at the DeHavilland factory.

British training missions have gone to most western European states to train and reorganize their war-battered armies on the spot. The Italian Army, said an Italian diplomat, has been reorganized from top to bottom on the British model since 1943, when Mussolini fell. He said Italy had five British equipped and trained divisions in the field when the war ended.

UNITED STATES DIVIDING SURPLUS

Similarly the United States has large missions in Greece and Turkey, training, reorganizing, and equipping their armies. Surplus American military stores and equipment are being disposed of in several other countries, including France, Italy, Austria, and the Low Countries.

Britain has supplied France, Belgium, Holland, Luxemburg, Norway, Denmark, Sweden, Italy, Greece, Portugal, Turkey, Eire, and Iceland with radar equipment, aircraft—including jet-propelled machines—and armaments since the war ended. Troops of several of those countries wear British uniforms.

Turkish technicians were instructed in jet propulsion at the DeHavilland works. The French and Belgian chiefs of staff have visited British battle schools.

France last year purchased guns, aircraft, transport, and all the other material necessary to equip a full air-borne division 16,000 strong. She has purchased many naval vessels since.

Meanwhile the sources saw significance in Lord McGowan's visit to Portugal and Spain late last year. The chairman of Imperial Chemical Industries—largest industrial concern and arms works in Britain—called on Portuguese and Spanish political and banking chiefs, although he did not see Generalissimo Franco.

British officials stressed that there is no direct intention of strengthening the armies and defensive resources of the countries taking part in the Marshall plan. But one source who is in a position to know how Foreign Secretary Bevin's mind works said Britain "views with understanding" an already expressed American desire to promote military self-help among the 16 states.

He was referring to United States Defense Secretary Forrestal's statement to the House Foreign Affairs Committee that he hopes his Department will be given the job of integrating the armed forces of the Marshall-aid countries.

LIKE LATIN PLAN

American peacetime plans for building a unified defense of western European states—common arms, air bases with equipment and techniques known to all the partners, and training which would allow military units of one country to be blended with those of another—were seen to follow a pattern already set for the Western Hemisphere.

That program was laid before Congress in the closing days of the 1947 session, tagged with a "must" label by Marshall, Army Chief of Staff Eisenhower, and ranking War and Navy Department officials.

Under its terms the United States would help other Western Hemisphere countries develop military, naval, and air bases for their common defense if attacked.

High British officials ruled out the possibility of any full-scale merger of Anglo-American armed forces in the foreseeable future. But they said they are aware of—and back—the United States desire to standardize the arms of several foreign countries to prepare herself for any emergency that might emerge from east-west rivalries.

The year-old Anglo-American agreement for the exchange of 100 officers between the RAF and AAF for training is working out "most successfully," an Air Ministry spokesman said. He remained tight-lipped when asked whether RAF officers in the United States are being instructed in the technique of atom-bomb warfare.

Other authoritative sources said, however, that this and several additional aspects of up-to-the-minute scientific developments are included in their training as a matter of course.

British officials said they expect that the United States and British Governments will maintain at least indefinitely, if not permanently the Washington-based, wartime-created Combined Chiefs of Staff Board. Both countries continue to exchange information on military equipment, weapon and munition developments. American observers regularly attend conferences of British Commonwealth army specialists and planners.

It is unlikely that plans to coordinate the forces of the western European countries will be accompanied immediately by a full exchange of top-secret information.

SMALL-ARMS CHANGES

The new standardization plan means that Britain, France, and other Marshall-aid countries will be able to order most of their military requirements from the United States in future emergencies, the officials said. It does not mean that the countries of western Europe will give up arms production themselves.

Precise details of what weapons would come under the standardization program could not be learned at once. However, informants said that the British .303-inch rifle would be redesigned to the United States .30-caliber, that other small arms will be changed to the United States pattern and that cartridges will be grooved instead of rimmed.

Some continental countries already are using the same designs as the Americans in their weapons. The French artillery, for example, uses 75, 105, and 155 mm. rifles (guns). So does the United States Army.

Kirwan Named

EXTENSION OF REMARKS
OF
HON. J. PERCY PRIEST
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. PRIEST. Mr. Speaker, under leave granted to extend my remarks I desire to include an article from the Washington Post of February 8, 1948, written as a part of the column Gallery Glimpses by Robert C. Albright.

The article follows:

Amid all the dark talk of a Dixie rebellion, congressional Democrats for the first time in history have chosen a liberal Yankee to lead their fight to recapture the House.

Southern Democrats, who heretofore have always put one of their own in the key campaign spot, surprisingly went along with the choice, Georgia's EUGENE COX even seconded the nomination.

The new chairman of the Congressional Democratic Campaign Committee, whose job it is to put Democrats in Republican seats, is 61year-old MICHAEL JOSEPH KIRWAN.

KIRWAN is a Youngstown, Ohio, Irishman, with a brogue as thick as Washington weather. He has worked at every job from driving mules in a mine to braking on a train. In World War I he was a machine gunner. Before he came to Congress he was a member of the Youngstown City Council.

SUCCEEDS VIRGINIAN

But the most surprising thing about KIRWAN, and his election-year choice by a split party, is this: "He's a 99.4-percent Roosevelt Democrat, of the vanishing New Deal variety. How he gets along with Southern Democrats is his own secret, but it has something to do with that brogue.

KIRWAN succeeds the late Patrick H. Drewry, of Virginia, who knew how to clock elections but frankly had his doubts about the New Deal. Before Drewry there was Tennessee's Joe Byrnes, Arkansas' William Oldfield, and Virginia's Hal Flood. By some sort of unwritten rule, the chairmanship always stayed in the South.

House Democrats went North this time for a very practical reason. Southern seats are sure. Outside the deep South, Democrats must pick up at least 31 Republican seats in order to control the next House.

KIRWAN thinks he knows how to do it. In 12 years he has transformed his own traditional Republican district into undisputed Democratic territory. Two Republican Presidents—Garfield and McKinley—once represented his district in Congress. Until KIRWAN came to Congress, it had never elected a Democrat.

A WALLACE RIVAL

Another explanation: Henry Wallace will enter third-party candidates in many a northern congressional district. KIRWAN can appeal to the liberals, has a Roosevelt record that even Wallace can't challenge.

The Youngstown Democrat plans a few variations on the usual direct-the-fight-from-headquarters congressional campaign.

Accompanied by Victor Hunt Harding, committee secretary, who generally does all of the cruising, KIRWAN will enter each State, from Massachusetts west, as soon as party nominees are chosen.

He's already made up his mind about issues.

Listen:

"They're going to be peace and food—the two biggest things in life."

By peace KIRWAN means the No. 1 Democratic issue is going to be the Marshall plan, its contribution to world peace and what the Republicans do to it and other international measures in Congress.

He also plans to light into the Republican record on national defense—charge the GOP with failure to support a military establishment adequate to preserve peace, from the Guam fortification test down. Only two Ohio Congressmen voted to fortify Guam. KIRWAN was one of them.

POCKET OR PAUNCH

Like peace, KIRWAN's second issue—food—covers a lot of territory. He uses the word interchangeably with "stomachs," "bankroll," and "savings." And what he means all the time is that inflation is driving prices out of the average man's reach, cutting into his savings and making him take in his belt.

"When you touch a man's bankroll, you've made an enemy," says KIRWAN. "During the war nearly everybody saved money. Now, in peacetime, they've used up their savings and can't make their salaries stretch. Who's to blame?"

For Democrats and Republicans alike, that's the jackpot question. The answer will determine the political complexion not only of the next national administration but probably of the next House and Senate.

KIRWAN insists the country has already made up its mind.

"It's just the reverse of 1946," he says. "They don't blame the President any more. They blame the Republican Congress."

"Wise Subordination of the Military to Civil Power"—Eisenhower

EXTENSION OF REMARKS

OF

HON. FRANCIS CASE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 26, 1948

Mr. CASE of South Dakota. Mr. Speaker, on Friday last, Gen. Dwight D. Eisenhower stepped out as Chief of Staff, United States Army, to begin a new career, and his successor was sworn in. A few days earlier, January 26, General Eisenhower issued a statement which stirred the Nation. It was a statement in keeping with the finest in American history on the "wise subordination of the military to the civil power." The thought was akin in principle to what I tried to say only the week before on the growing tendency to use military career men in the executive branch of the Government. General Eisenhower's statement should be not only preserved in the CONGRESSIONAL RECORD, but widely disseminated and frequently read. Under permission heretofore given, I place it in the RECORD at this time:

The text of General Eisenhower's letter to Leonard V. Finder, New Hampshire newspaper publisher, regarding the Republican Presidential nomination follows:

DEAR MR. FINDER: Your letter and editorial have been on my desk for more than a week while I pondered the reply merited by your obvious concern for the Nation's welfare, and from a personal standpoint, by the honor you had done me. Months ago I thought that unqualified denial of political ambition would eliminate me from consideration in the coming campaign for the presidency, because that office has, since the days of Washington, historically and properly fallen only to aspirants.

That some few would misinterpret or look for hidden meanings in my past expressions was expected and discounted, but my failure to convince thoughtful and earnest men such as yourself, proves that I must make some amplification. This will necessarily partake of the laborious, due to the complexity of the factors that have influenced me to say no more than I have, but which dictate my decision that I am not available for and could not accept nomination to high political office.

I have heretofore refrained from making the bald statement that I would not accept nomination, although this has been my intention since the subject was first mentioned to me.

This omission seems to have been a mistake, since it has inadvertently misled sincere and disinterested Americans. But my reticence stemmed from cogent reasons. The first was that such an expression would smack of effrontery. I had and I have no desire to appear either as assuming that significant numbers of our peoples would actively interest themselves in me as a possible candidate, or to appear as lacking in respect and regard for the highest honor American citizens can confer upon one of their own body.

A second and even deeper reason was a persistent doubt that I could phrase a flat refusal without appearing to violate that concept of duty to country which calls upon every good citizen to place no limitations upon his readiness to serve in any designated capacity. On this point it is my conviction that, unless an individual feels some inner compulsion and special qualifications to enter the political arena, which I do not, a refusal to do so involves no violation of the highest standards of devotion to duty.

It was only the possible misinterpretation of my attitude that caused me concern and so long as I could believe that mere denial of political ambition would prevent serious misunderstanding and misdirected effort, I was reluctant to say more. It would seem almost superfluous for me to add that as long as I live I shall hold myself in instant readiness to respond to any call by the Government to military duty.

In full awareness, then, and not in violation of my own sense of duty, I have developed the following conclusions which are responsible for my negative decision.

It is my conviction that the necessary and wise subordination of the military to civil power will be best sustained, and our people will have greater confidence that it is so sustained when lifelong professional soldiers in the absence of some obvious and over-riding reasons, abstain from seeking high political office. This truth has a possible inverse application. I would regard it as unalloyed tragedy for our country if ever should come the day when military commanders might be selected with an eye to their future potentialities in the political field rather than exclusively upon judgment as to their military abilities.

Politics is a profession—a serious, complicated, and in its true sense, a noble one.

In the American scene I see no dearth of men fitted by training, talent, and integrity for national leadership. On the other hand, nothing in the international or domestic situation especially qualifies for the most important office in the world a man whose adult years have been spent in the country's military forces. At least this is true in my case.

I am deeply regretful if a too simple faith in the effectiveness of a plain denial has misled any considerable number concerning my intentions and so allowed them to spend time and effort under erroneous impressions. At the risk of appearing pompous, I must say that the honor paid me cannot fail to spur me in future years to work the more diligently for America, her youth, her veterans, and all her citizens, and for the continuance of peace.

I trust that this rather lengthy explanation will convince you that my conclusions are not only sound but have been arrived at objectively and have not been unduly influenced by my own desires and convenience. In any event, my decision to remove myself completely from the political scene is definite and positive. I know you will not object to my making this letter public to inform all interested persons that I could not accept nomination even under the remote circumstances that it were tendered me.

With warm personal regards,

Sincerely,

DWIGHT D. EISENHOWER.

United States Interests in East Endangered by Conflict in Policies

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, I am calling attention to two important articles dealing with the present situation in Palestine which appeared in the Washington Star on Sunday, February 8, 1948. One article is by Mr. Leigh White from Tel-Aviv, Palestine, and the other is by Phillips Talbot, both writers for the Chicago Daily News. These men have been in Palestine and frankly set forth herein their observations and views.

Mr. Speaker, no situation is quite so acute as this one. Immediate steps should be taken by President Truman to compromise the difficulties between the Arabs and the Jews. If he fails in this respect, war is bound to result.

UNITED STATES INTERESTS IN EAST ENDANGERED BY POLICIES—RUSSIA ALONE STANDS TO GAIN AS ARAB NATIONS FEEL BETRAYED; ASIATIC PEOPLES LIKEWISE LOSING FAITH

(By Leigh White)

TEL AVIV, PALESTINE.—Much to the delight of Russia, the whole structure of American foreign policy is beginning to crumble in the Middle East.

By taking a leading part, against the wishes of the Arab League, in pushing the partition of Palestine through the United Nations, the United States has aroused the suspicion—and thereby the potential enmity—of every Arab leader of whatever political complexion.

The United Nations' action, in which Russia sided with the United States, sets up a Jewish state in the Holy Land.

Every educated Arab with whom I have spoken in Iraq, Palestine, and Egypt feels that his people have been betrayed in the interests of a Jewish minority in the United States.

Arab spokesmen maintain that the persecution of the Jews is a purely western problem that has nothing to do with the Middle East. Westerners have no right, they say, to force easterners to suffer the consequences of the westerner's refusal to make room for Jewish refugees.

ONLY MILLION NATIVES

They insist that only native Jews have a right to concentrate in Palestine and that foreign Jews have no more right to do so than Italians had a right to occupy Albania or Ethiopia.

Even if all of the world's 10,000,000 surviving Jews were supporters of Zionism—which is not the case—not more than 1,000,000 Jews are natives of the Middle East.

No Arab ever will be convinced that a decision in favor of 1,000,000, or even 10,000,000, Jews against the wishes of 70,000,000 Arabs has anything to do with the principles of justice which the United States says it is defending.

And it is important for Americans to remember that Palestine, to the Arabs, is an integral part of the Arab nations. It is to the Arab world roughly what Delaware is to the United States.

To the Arabs, the forcible establishment of a Jewish state in Palestine is equivalent to an armed invasion of the Arab world. Anyone supporting such an armed invasion will sooner or later be treated as an enemy.

MILITARY AID SOUGHT

Americans may not know it, but officials of the Jewish agency are counting on the United States to provide them with the weapons needed to enforce the Palestine decision. In other words, the United States now is involved in a military adventure.

The Arabs in turn, by resorting to force, have made impossible the peaceful achievement of the Jewish agency's maximum aims. If those aims ever are to be achieved, they now will only be achieved by force.

The only hope of a peaceful settlement—and it is waning as the violence in Palestine increases—is a compromise based on minimum rather than maximum Jewish aims.

Arab leaders with whom I have spoken hint that an autonomous Jewish republic inside a greater Palestine will be acceptable, even with increased immigration, provided a quota is imposed to insure that the proportion of Jews to Arabs is not increased beyond 30 or 35 percent.

Unless there is a compromise, American observers feel, there will almost certainly be a holy war, against Americans as well as Jews—a holy war that only the Soviet Union can win.

WE LOSE GOOD WILL

American policy in the Middle East has long been based on the assumption that we could win, and hold, the respect of the Arab world.

We are losing that respect and friendship today because of our stand on Palestine in the United Nations.

The forcible creation of a new Judea, in the opinion of our best-informed observers, probably will make it necessary for the United States to send troops to many Arab countries in order to protect our stake in the oil production of the Middle East.

Our position would then be that of an invading power, and the Arabs would become more and more susceptible to the offers of Soviet assistance that woud promptly be forthcoming. The holy war against Zionism would gradually be converted into a holy war against Anglo-American imperialism.

Any benefits accruing from the Marshall plan in Europe would thus be more than offset by the resulting turbulence throughout the Middle East. Greek, Turkish, and Iranian resistance to the Soviet war of nerves would be gravely weakened in consequence, and the Moslem leaders of Pakistan, already tempted, would be more than ever likely to make common cause against us with the Moslem republics of the U. S. S. R.

These are the reasons why American representatives throughout the Middle East are almost unanimous in regarding our Government's action in Palestine as folly. They are hoping against hope that it will be corrected before it is too late.

—

(By Phillips Talbot)

While the United States concentrates on saving Europe, its prestige in Asia is skidding dangerously.

Asians think Americans do not realize that the big eastern continent is growing up fast. They resent appearances that United States policy in southern colonial Asia is dictated by our interests in the European mother countries.

Yet take a look at the record, they argue:

1. The Arab countries were released from Ottoman rule in the First World War, then fell mostly under British and French influence. Now all are independent except Palestine, whose case is on the anvil.

2. India (with Pakistan) finally gained freedom after generation-long campaign sparked by Mohandas K. Gandhi and, among the Moslems, by M. A. Jinnah.

COLONIALISM COLLAPSING

3. Southeast Asia was politically asleep a generation ago. Now Siam, the Philippines, and Burma have become independent, while Ceylon is almost self-governing, Malaya and Singapore have new constitutions in sight, and struggles for self-rule are going on in Indonesia and Viet Nam.

Asiatic colonialism, in short, is collapsing far faster than feudalism broke up in western Europe earlier.

New states, new forces, new ambitions are appearing from the Mediterranean to the Pacific.

This eruption has not been peaceful. But these disturbances also underline the necessity of a realistic United States policy in southern Asia—one that counts the new forces and thinks in terms of the millions of humans who live in that zone.

Recently an American consul general was stationed in Java. One of his main tasks was to report on relations between the Dutch and the Indonesians.

He was extremely popular with the Dutch. He even contributed a foreword to a Dutch propaganda pamphlet published last July.

But the Indonesians interpreted that officer's presence in Java as evidence that the United States was interested in Holland but not in the Far East.

The Indochina American foreign service officers were reluctant to associate with Viet Nam nationalists.

By indirect evidence, also the newly emerging forces in Asia think that the United States is against them. Dutch troops in Java and Sumatra and French troops in Indo-China both sport American military equipment in their campaigns against nationalists.

UNITED STATES POLICY CONFUSING

"It is difficult for us to understand America," a Southeast Asian nationalist said to me last fall. "We want her friendship and need her help as much as the European countries do.

"But we believe that her interests as well as ours make it important that the United States should no longer consider us just as possessions of European countries.

"Political peace in Southeast Asia means more rubber and other tropical products available quickly for the world, and the United States is one of the biggest buyers."

This country must be ever vigilant to balance the new forces with the old ones in making foreign policy.

Cashing In on Foreign Trade Zones

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I am inserting the following article which appeared in the December 30, 1947, issue of the bulletin of the Research Institute of America:

CASHING IN ON FOREIGN TRADE ZONES

Foreign trade zones—those United States port areas where goods can be stored and processed completely free of customs regulations—will offer new opportunities for profits and savings in 1948.

New zones on the west coast are likely to be added to the two areas already established in the East and South. Recent policy changes will expand the zones' general use. As a result, it's more important than ever for foreign traders to look into the possible advantages.

HOW THE ZONES WORK

Congress authorized foreign trade zones in 1934. Rules and policies governing their operation are set by a Foreign Trade Zones Board, composed of the Secretaries of the Treasury, War, and Commerce. The zones are administered by corporations authorized by the Board.

The zones are run on a straight profit-and-loss basis; the managing corporations' income is based on dockage, storage, and service charges paid by companies using the facilities.

There is no limit to the number of zones which may be established, but the Board has so far been leery of handing out authorizations except where there seemed a real economic need. Using this yardstick, zones have been set up successfully in New York and New Orleans; one failed to work out in Mobile, and one in San Francisco is now awaiting final approval.

Four key rules govern use of the zones:

Any goods may be stored in the zones indefinitely, without bond and free from payment of all customs duties.

While stored in the zones, goods may be cleaned, graded, repacked, reconditioned, and otherwise manipulated, without Government intervention or control.

Goods may not be exhibited for sale, but bona fide buyers are allowed to examine the merchandise under customary trade conditions normally employed for showing the specific commodity.

No goods may be manufactured within the zones.

Recent rulings by the Foreign Trade Zones Board have greatly increased the trade possibilities of the zones. The phrase "manipulate" has been broadened to include many activities formerly banned as "manufacturing."

Illustration: Contrary to previous interpretations, it is now held that the assembling of watch movements into cases and the attaching of wrist bands to watches do not constitute manufacturing. Similarly, the screwing of bulbs into flashlights, the blending of olive with vegetable oils, and the mixing of sugar and flour to make a prepared baking mix no longer fall under manufacturing.

More such rulings are expected. For instance, the dyeing of piece goods will probably be made permissible.

SEVEN WAYS TO BENEFIT

Check on whether the zone set-up can help you hold down operating costs when importing goods:

1. You can avoid paying duty on shrinkage by storing merchandise subject to evaporation or seepage in foreign trade zones until ready for marketing. This can mean big savings to importers of tobacco, liquor, nuts and other commodities subject to weight loss in inventory.

2. It is often possible to process goods into a class subject to a lower rate of duty. For example, certain fruit juices may be combined with domestic flavoring while in the zone, and then brought into the country at a lower duty than if imported in the original form. Similarly, foreign rugs can be imported at lower duty rates by removing excess fringe while in the zone.

3. You can also avoid duty losses by using the zones to sort out materials which fail to meet United States market standards. Often such substandard material can be reexported to countries where market requirements are lower. Use of the zone for this purpose means minimum United States customs expense and red tape.

4. Operating expenses, and particularly the cost of maintaining inventories, can be whittled down by storing goods in foreign trade zones. No duties or excise taxes need be paid as long as the goods are held there.

Moreover, the importer can borrow against warehouse receipts issued for goods stored in the zones, without posting any bond. (Where receipts are issued for goods stored in a bonded warehouse, there is the extra expense of arranging for a bond equal to twice the amount of duty.)

5. Insurance costs are lower. Where goods are entered through customs and then stored, insurance must be carried on their duty-paid value, plus any other taxes that may have been applied. Where goods are stored in a foreign trade zone, the charge will only be on the value of the goods.

6. You can save handling and office expenses. There's a minimum of customs red tape, and goods are always under the owner's control. (In a bonded warehouse, of course, you may be hamstrung by the requirement of customs supervision over any handling—at your expense.)

7. The zones are usually more convenient for storage purposes. You can keep goods there indefinitely, and in any sized package, while goods may be withdrawn from a bonded warehouse only in an entire bale, cask, or box, and only in the original package unless repacking is necessary for the goods' protection.

EXPORTERS GAIN, TOO

Foreign trade zones offer important advantages to exporters—especially in the case of reexporting. Customs formalities are held to a minimum. Since no duty is paid as long as the goods are in the free zone, you have no problem of draw-backs. Also, like the importer, the exporter may clean, recondition, repackage (with his own brand name), assemble, mix with domestic goods and ship—all with a minimum of paper work.

In some cases savings are even possible on straight exports. For instance, where domestic flour is packed in imported bags and exported, you get a draw-back on duty paid if the packing is done within a foreign trade zone.

Recommendation: Think about cashing in on a foreign trade zone now. Few businesses are sufficiently aware of the potentialities. If you believe your line is one where use of a zone might mean greater savings, you should contact the New York zone by addressing inquiries as follows: New York Foreign Trade Zone Operators, Inc., 17 Battery Place, New York, N. Y. For the New Orleans zone, address queries to Foreign Trade Zone No. 2, New Orleans 15, La.

Increased Subsistence Allowance for Veterans Pursuing Educational Work Under Servicemen's Readjustment Act

EXTENSION OF REMARKS
OF
HON. MELVIN C. SNYDER
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. SNYDER. Mr. Speaker, I favor the passage of H. R. 4212, providing for increased subsistence allowance for veterans pursuing educational work under the Servicemen's Readjustment Act.

During the past summer, I availed myself of the opportunity of visiting some of the colleges in West Virginia and made particular inquiry about the GI students, how they were getting along from an academic standpoint and whether or not their subsistence allowance was sufficient to meet current necessary living expenses. I know you will receive satisfaction in learning that the report on the GI's academic work was very favorable. This seems to be true not only in West Virginia, but from all information it is universally true throughout the United States.

On inquiring as to whether or not the subsistence allowance was sufficient, the replies were unanimous by all school officials that they were not, in view of the high cost of living.

Recently I noted where a survey had been made by a committee of the American Council on Education, financed by the Disabled American Veterans, on the sufficiency of subsistence payments. The committee found that the average total monthly expense of single veterans in college is $106.13, or $43.13 more than the $65 allotment. Married students spent $175.38, but received only $90, making a difference of $85.38.

To make ends meet, the committee reported that many veterans worked during school terms or summer vacation. Of the more than one-third employed, 92 percent earned from $10 or less to $30 in a term. Earnings of the remaining 8 percent range from $31 to $105. Wives of 56 percent of the married students worked to supplement their husband's incomes.

Many of the schools in which the 1,250,000 veterans are enrolled are located in small towns where it is impossible for the veteran to get employment to supplement his Government allowance. Consequently, the veteran is in a position of either living on his allowance or withdrawing from school. Unfortunately, in many instances, the veteran has had to give up his school work.

The provisions of this bill, while inadequate to take care of the entire expense, in many instances, will give substantial relief.

The Veterans Economic Development Corporation Act

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. KEFAUVER. Mr. Speaker, a great deal of interest has been manifested in the Veterans Economic Development Corporation Act, which is being sponsored in the Senate and House by a bipartisan group including such distinguished Senators and Members of Congress as Senators BRIDGES, BARKLEY, FERGUSON, FULBRIGHT, HAWKES, and HILL; and in the House by Representatives WOLCOTT, SPENCE, ROGERS of Massachusetts, and KEARNEY. The bill which I have filed in the House is H. R. 521.

One of the real concerns of the Nation today is giving veterans and small businessmen a better economic opportunity. That is the purpose of this bill. It establishes a corporation similar to the RFC to furnish technological assistance and funds where they are not available from private sources to veterans and

small businessmen who wish to establish sound and profitable businesses of their own.

Recent reports indicate that $3,000,000,000 has already been paid out in readjustment allowances to veterans. About 500,000 veterans have already exhausted their allowances, and about 700,000 are drawing their readjustment allowances at this time. It is in the interest of economy, as well as to the benefit of veterans and small businessmen to assist them in getting started in their own businesses, where they have a sound proposal that would succeed.

Many veterans groups are supporting this legislation on the basis that a chance to have their own business is the great desire of members of their organizations.

Under leave to extend my remarks, I include a letter to me from Ray H. Brannaman, commander in chief of the Veterans of Foreign Wars:

VETERANS OF FOREIGN WARS,
Washington, D. C., January 5, 1948.

Hon. ESTES KEFAUVER,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN KEFAUVER: It was a particular honor to have you attend our luncheon Saturday in Washington given for distinguished Members of Congress, for ambassadors and for representatives of nations under the Marshall plan, of China, of the Philippines and representatives of the American Legion, the Disabled American Veterans and the American Veterans of World War II.

In The Veterans Plan To Win the Peace, that I announced over the NBC national network and at the luncheon, your "Tennessee plan" can serve to implement plans in the other 47 States. We wish to compliment you on your plan as it will help the people of the communities, including veterans, by bringing new industries to the communities, expanding present businesses, modernizing agriculture and by creating new industrial uses for agricultural products.

We find that experts from other nations are interested in developing programs similar to the "Tennessee plan" to enable their people to prosper and to hold the line against communism and war. It is not an overstatement to say that if applied here at home and abroad, such a plan would help win a bloodless World War III before the shooting starts.

Your championship in Congress of small business in the United States and the establishment of veterans in businesses and profitable careers has our support. The bill that you introduced in Congress, on January 6, 1947, H. R. 521, entitled "The Veterans Economic Development Corporation Act," will enable millions of veterans to catch up with the economic parade at home and abroad. Your bill will interest the taxpayers particularly as no appropriation of taxpayers' money is contemplated. In addition, it is estimated that it will reduce taxes as it will save a billion dollars a year of the present cost of government.

The bipartisan support of your bill and its early passage is indicated by the companion bills introduced in the House by EDITH ROGERS, of Massachusetts, chairman of the important Veterans' Committee, WOLCOTT, of Michigan, an authority on finance and chairman of the Banking and Currency Committee, and past Chairman SPENCE, of Kentucky, by Congressmen KEARNEY, of New York, and VAN ZANDT, of Pennsylvania, both former commanders in chief of the Veterans of Foreign Wars and members of the American Legion.

The unusual support of your bill in the Senate is shown by the introduction on July 17 of companion bill, S. 1652, by Senator BRIDGES, of New Hampshire, chairman of the important Appropriations Committee on his behalf and on behalf of Senators BARKLEY, of Kentucky, BUTLER, of Nebraska, chairman of the Public Lands Committee, REVERCOMB, of West Virginia, chairman of the Public Works Committee, FLANDERS, of Vermont, of the Committee for Economic Development, MORSE, of Oregon, chairman of the Veterans' Committee of the Committee on Labor and Welfare, and Senators CAIN, of Washington, CAPEHART, of Indiana, DWORSHAK, of Idaho, FERGUSON, of Michigan, HAWKES of New Jersey, KNOWLAND of California, JENNER of Indiana, MARTIN, of Pennsylvania, JOHNSON of Colorado, FULBRIGHT, of Arkansas, EASTLAND, of Mississippi, MAYBANK, of South Carolina, and HILL, of Alabama. In addition to the approval of your bill given by President Truman, it is significant also that small business associations and others are enthusiastic about the prospects of your bill's helping to enrich the people in the communities.

As our veterans economic development corporation bill helps others as well as veterans, it should implement your Tennessee plan as a new milestone in the illustrious history of Tennessee and of the Nation. More power to you and we veterans are behind you.

Best wishes,
Sincerely,

RAY H. BRANNAMAN,
Commander in Chief.

In his letter, Commander in Chief Brannaman refers to the Tennessee plan. It is the desire of the sponsors of the legislation to utilize the information and assistance of local groups in every possible way. State and local planning commissions would be called upon to render assistance in resource uses and in giving counsel as to the types of enterprises in the various communities which would succeed. In areas where the Tennessee Valley Authority operates the information secured by the TVA as to the economic opportunities would be of benefit.

Col. Richmond Harris, a native Tennessean, who is serving as technical consultant in connection with this legislation, together with other experts, has prepared tentative State plans for a number of States, including New Hampshire, Delaware, Maryland, Idaho, and Tennessee. The tentative proposal for Tennessee as prepared by him is as follows:

TENNESSEE PLAN

The Tennessee plan is designed to develop the resources of the State to promote the prosperity, welfare, and health of all its people. Career opportunities for veterans as well as continued full employment for others would be fostered through the development of needed new businesses, the modernized productivity of agriculture, the utilization of unused natural resources and the implementation of needed self-liquidating public projects.

Planning activities would be on a State, county, regional, or community level. The State planning board, with the assistance of a know-how committee composed of technical experts, would plan for the physical development of the State, cooperating with other State agencies in the preparation of programs. It would also assist regional and county committees (which would plan for county and regional projects) and community planning boards, giving technical advice and assisting in the coordination of State, county, and community plans. It would further extend technical assistance to individuals, new businesses, and projects.

Since the Tennessee plan is essentially a grass-roots plan—designed to serve small business and industry and agriculture in the community—emphasis on planning would be on a community level. Thus, while the State planning board and know-how committee would engage in planning on a State-wide basis, their primary function would be to serve the interests of the communities and to bring to bear the cooperation of the Federal Government on local projects whenever advisable and necessary.

Because of this emphasis on local planning, the following outline on State and community planning will list specific opportunities for development and expansion under the section on community planning.

COMMUNITY PLANNING

1. Local planning board established, representing industry, finance, business, labor, sciences, the professions, veterans, religious groups.

2. Planning board sets up a know-how committee.

3. Planning board outlines program of activity, receiving assistance in organizing and formulating programs from State planning commission or State know-how committee:

a. Inventory to determine present and future economic needs, including preparation of town and agricultural maps on the following:

(1) Population distribution and trends.
(2) Property tax surveys.
(3) Land use.
(4) Zoning ordinances.
(5) Traffic studies.
(6) Recreational facility requirements.
(7) Health and welfare survey.
(8) Community center redevelopments.
(9) Highway maintenance.
(10) Fire protection.
(11) Water supply.
(12) Housing.
(13) School system.
(14) Farming.
(15) Utility services.
(16) Transportation service—airport, etc.

(a) Uses facilities of Federal, State, and regional agencies for fact finding and making projective studies.

4. Opportunities for development and expansion:

a. Local industries:

(1) Needed expansion of existing industries.

(2) Needed new industries:

(a) Research for new products.

(b) Use of captured enemy patents and new processes.

(c) Use of natural resources.

(d) New industrial uses for agricultural products.

(3) Processing plants for local products.
(4) Assembling plants for local markets.
(5) Service industries.
(6) Retail trade.

b. Land use:

(1) Land conservation:

(a) Irrigation—surface and underground water resources.
(b) Reforestation.
(c) Erosion control.
(d) Soil treatment.
(e) Fertilizers.

(2) Water-power development:

(a) Utilities.
(b) Industrial uses.
(c) Agricultural purposes.
(d) Home.

(3) Agricultural practices:

(a) New methods of farming and livestock improvement.

(b) New crops and expansion of present acreage.

c. Commerce:

(1) Sales development—new market centers in growing communities.

(2) Farm cooperatives.
(3) Export development opportunities.
(4) Shipping:
(a) Assembly, processing, and warehousing facilities.
(b) Harbor improvements; feeder lines.
(c) Inland and ocean-going ports.
(5) Air transport.
(6) Trucking.
(7) Freight.
d. Mining:
(1) Geological surveys.
(2) Development of mineral products.
e. Tourist and recreational areas:
(1) Beaches and artificial ponds and lakes.
(2) Wood trails and roads, camping areas.
(3) Sports, fish and game stocking.
(4) Restoration of historical areas, scenic improvement.
(5) Hotels, cabins, and restaurants.
(6) Stream and pond pollution control.
(7) Handicrafts.
f. Public service (self-liquidating):
(1) Utilities and power development.
(2) Transportation of passengers:
(a) Bus.
(b) Streetcar.
(c) Train.
(d) Air travel.
(e) Boat.
g. Public health and welfare (self-liquidating):
(1) Medical clinics.
(2) Fire prevention.
(3) Sanitation.
(a) Stream pollution abatement.
(b) Sewage disposal.
(c) Garbage disposal.
(4) Hospital (improvement and/or expansion).
h. Public works and public improvements (self-liquidating):
(1) Housing:
(a) Multiple low rental units.
(b) Prefabricated and industrial housing.
(2) Toll roads and toll bridges.
(3) Parking areas and buildings.
(4) Municipal projects.
i. Education (self-liquidating):
(1) Colleges, professional and trade schools (improvement and/or expansion).
(2) Housing to accommodate veteran students.
(3) Community recreation centers.
(4) Vocational and social guidance.
(5) Rural school program, consolidation, and transportation.

STATE AND REGIONAL PLANNING

1. State planning board established, representing industry, finance, business, labor, sciences, the professions, veterans, religious groups:

a. Supplements and implements work of existing State planning agencies.

b. Cooperates with and serves community planning boards.

2. Planning board sets up a State know-how committee composed of technical experts in various fields:

a. Know-how committee gives technical advice to planning board, to community know-how committees, to county or regional committees, to individuals, to new businesses and projects.

3. Planning board outlines program of activity, receiving assistance in organizing and formulating programs from State know-how committee or State planning commission:

a. Takes inventory to determine present and future economic needs of State and geographical area, preparing State, regional and county maps and statistical studies:

(1) Uses facilities of Federal, State, and regional departments and agencies for fact-finding and making projective studies.

4. Planning board relates county, community and intrastate regional plans to one another, thereby eliminating overlapping, confusion, and unprofitable enterprises and projects.

5. Planning board cooperates with other States on regional projects in same geographic area, such as power developments, land conservation, etc.

(Specific opportunities for development and expansion outlined in detail in section on community planning.)

With our diversity of industry and agriculture in Tennessee, plus the benefits and information already available through the TVA and the State planning commission, ours is a strategic State to show how this act can be made to operate for the benefit of every business and agricultural community in the State.

For example, there are the new scientific processes, trade secrets, and patents that our veterans have captured from enemy countries, which can be of commercial profit to small new industries in our communities. John Webster, of the Department of Commerce, who was sent to Germany to evaluate and codify this material, informs me that its value to American businessmen is estimated to be as high as $20,000,000,000. Much of the goods that people of our communities buy from other States and other countries can be produced by themselves to bring and keep more wealth in the communities of Tennessee.

In an area of such potential wealth, there are many factories still to be built, many new jobs to be had from developing Tennessee's dormant resources. There are great areas of land to be restored to full productivity through soil treatment and modernized agricultural methods. There are houses, roads, schools, hospitals, and parks to build, utilities to install, oil and gas exploration and developments to be made, mineral resources such as limestone and phosphate and coal to be developed, our output of lumber to increase.

This program is designed to enable our veterans and other people to participate in the tremendous economic possibilities which lie in the field of peacetime uses of atomic energy. These will include the design, development, and manufacture of many special types of equipment, structural materials, and instruments. The expansion of uses of radio isotopes in medicine, agriculture, and in industry will also bring demands for special types of equipment and instruments and will itself be an important field of technical activity. The future development of useful power from nuclear fuels will create a demand for entirely new types of equipment and will open a new field of engineering.

Much of the work can be immediately accomplished under the executive order by the President or by amendment of existing legislation. In teamwork with technical experts and community leaders, veterans, and others can benefit from this plan, which will be implemented also under the provisions of the Veterans' Economic Development Corporation Act, which we have introduced in the Eightieth Congress.

Our Congress

EXTENSION OF REMARKS
OF
HON. W. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. COLE of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the editorial which appeared in the Daily Mirror, New York City on Monday, January 12, 1948, entitled "Our Congress":

OUR CONGRESS

O for the good old days when Congress delivered grandiloquent addresses on the tariff and similar simple matters!

Nowadays each Senator and Congressman must be an expert on the state of some 50 countries.

He must know the policies and purposes of Ibn Saud and Tito, of Pauker and Hoxha, of Chiang Kai-shek and Mao Tze-tung. He must know the geography of Pakistan and Turkestan, of Iran and Iraq, of France and Greece.

He must be a walking State Department and he needs to be able to discover when an employee of the Government of the United States is practicing diplomacy on him—diplomacy being the gentle art of lying about trivialities and fabricating about major issues.

He must be a super FBI to discover the wiles of the hired hands who pad the payrolls and other Government expenses.

He must know that the teeth of the children of Georgia require dentistry and that hoof-and-mouth disease threatens our food supply. He must know the value of a super air fortress over a submarine.

And so the Senators and Members of the House of Representatives no longer come to Washington for a few weeks each year. They have an all-year-round job.

Those who take their committee appointments seriously never finish their work. It goes on and on.

And when smart alecks talk about congressional junkets to Europe or Asia or South America, they give the impression that these representatives of the American people vote themselves fancy vacations.

It is precisely the opposite.

This year more than 100 Members of Congress traveled in Europe and out of it came, for one thing, the work of the Herter committee—the most solid study of the so-called Marshall plan.

It is no longer possible for the little fellows in the State Department to bluff the Congress by hiding reports and not knowing how to answer questions. Plenty of Members of Congress are better informed than plenty of so-called experts.

An excellent example of that was on the Town Meeting of the Air a few days ago. William C. Bullitt and Congressman WALTER H. JUDD were debating Owen Lattimore and Richard Lauterbach on the subject of China.

Lattimore is one of the smart experts close to the White House in Roosevelt's day; now director of the Walter Hines Page School of International Relations at Johns Hopkins University.

What Congressman Judd did to Lattimore in this debate should not happen even to one who is not an expert.

Judd knew. Lattimer opinionated.

Judd hurled facts at Lattimore which he and Lauterbach dodged. And when Bullitt hit an intellectual solar plexus, you could hear it all the way between New York and Nanking.

The American people are to be congratulated on their Congress. No harder working men exist anywhere. And they are truly representative of the varieties of Americans.

Maybe, some New Yorkers do not like some Congressmen who come from the South and West—and it is certain that lots of folks in the South and West dislike some New York Congressmen. But that is the kind of people we are and the Congress mirrors the nature and character of our people.

Maybe, the good old times were easier or even better—but for what we face today, it is sound to put your trust in Congress.

Decentralize for Liberty

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 3, 1948

Mr. KEFAUVER. Mr. Speaker, I would like to call attention to a recent important book which, in my opinion, should be studied by every Member of Congress, and, indeed, by every thinking person in the country, Decentralize for Liberty, by Thomas Hewes. Everywhere throughout the country business leaders themselves are growing more and more concerned over the great concentrations of power which have come to dominate our economic world. For many years it was only the college professors, commonly called crackpots, who constantly warned us of the dangerous growth of monopoly. But now we find that business leaders are seeing the handwriting on the wall. Within the past few years a number of books have appeared, written by businessmen or lawyers for prominent business firms, in which drastic and immediate action is urged to reverse the trend toward monopoly. The book by Mr. Hewes, senior partner of the well-known law firm of Hewes & Awalt, belongs in this group and is, to my way of thinking, one of the best works ever to appear on this whole subject.

Backed by 35 years of active experience in practicing law, Mr. Hewes has arrived at his conclusions, not from the books of abstract theoreticians, but from actual first-hand experience. Although one may have some reservations concerning some of the details of his program, his description of the broad outlines of the problem and his recommendations as to the general direction in which public policy must move are, to my way of thinking, beyond criticism.

Mr. Hewes' work forcibly points to the moral, which has constantly been urged on its business readers by no less an authority than Fortune magazine, that every true conservative should be a zealous supporter of the antitrust laws and a stanch opponent of monopoly and centralism. That they are not so, may probably, more than anything else, be the cause of their own undoing.

Because of the timeliness and the importance of Mr. Hewes' work, particularly in regard to many of the legislative proposals facing the Congress today, I would like to add part of a review of the book written by Mr. Joseph Lalley, the distinguished critic of the Washington Post, which appeared in Human Events in October 1947:

DECENTRALIZE FOR LIBERTY, BY THOMAS HEWES

The great social dilemma of our time might, I believe, be logically stated thus: (a) In an industrial society the mass of mankind cannot have both economic security and liberty; therefore (b) if we choose security, we must sacrifice liberty; or (c) if we choose liberty, we must accept insecurity. Is it possible to escape this dilemma? I think it is a rule of logic that dilemmas cannot be evaded, that the only hope of the disputant who finds himself trapped in one is to demolish the major premise from which the horns, or unhappy alternatives, have been projected; in other words by proving that it is not a real or valid dilemma. This in effect is what Mr. Hewes has attempted; he wishes to show that liberty and security (as we use the term today) are not necessarily irreconcilable and that we are not obliged to choose between democracy and wage-slavery on the one side and socialism and State slavery on the other. He offers a third choice the nature of which is sufficiently indicated by the title of his book.

Still, it might be well to rehearse the argument whereby the major premise of our dilemma has been established. Under the conditions created by the industrial revolution and by the mechanisms of finance capitalism the inevitable tendency of unregulated competition is toward monopolies which are themselves destructible of free industry and free competition. That is to say power machinery and the new division of labor enabled the factory owner to eliminate the individual producer, the large industry to absorb the small one, the powerful industry to extend its operations into other fields. As the scale of these operations enlarges the domination of industry passes to a few bankers and financiers. This process whereby ownership and economic power are concentrated into progressively fewer hands is necessarily accompanied by the multiplication of a class which, possessing no capital, has nothing to sell but its labor, in short a proletariat.

The cumulative psychological and moral wreckage of this process, which is destructive of all tradition, engenders a revolutionary spirit. The workers, aware of their individual impotence against the monopolists, seek power in collective action. But here again the monopolistic tendency asserts itself. The trade unions follow the same pattern of expansion and unification, and presently the control of striking and bargaining power passes to a handful of individuals. The control of a vast and powerful union may even lead in the end to the virtual control of a basic industry by a single individual. Meanwhile, the increasing insecurity of existence for an increasing proportion of the population gives rise to a demand for Government intervention and for amelioration in such forms as social insurance and guaranteed employment; but it is soon evident that these require a planned economy and that a planned economy means rigidly controlled economy.

Such is the dilemma Mr. Hewes has here undertaken to demolish. He presents a plan of action, applicable under American conditions, which will preserve capitalism while eliminating the social maladies to which it has given rise.

Veterans Speak Up on Army Waste

EXTENSION OF REMARKS
OF
HON. ALBERT J. ENGEL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. ENGEL of Michigan. Mr. Speaker, on January 22, 1948, I spoke on the floor of the House on Army waste.

I am including in these remarks excerpts from a few of the many letters I received since then. I presume that the Army will as usual investigate itself and find itself not guilty by applying as usual a liberal supply of whitewash.

By coincidence the first letter I quote is from the same captain who conferred with me at Karachi, India, during the inspection trip of my committee. He was the one who stated, as I explained in my recent speech, that the Army had promised the men at Karachi that they would have opportunity to talk with my committee, that the officers and enlisted men would each be allotted an hour with my committee. He got me aside complaining we were being rushed along so the interview could not take place. Thanks to this captain I insisted the men be heard. After reading an account in a newspaper of my recent speech, this man, Morris H. Dresner, 19367 Cherrylawn, Detroit, now enjoying the freedom of the American civilian, writes me as follows:

I was the captain in Karachi, India, who induced you to stay over and listen to first the officers' complaints and then the enlisted men's complaints.

I read your charges and I am happy to say that I hope you stick with it until you make them crawl for cover. After you left Karachi I had inspectors general from Washington, New Delhi, and Calcutta in to take my testimony. I was definitely persona non grata after that, but I didn't care. Make your charges stick.

Here are excerpts from a handful of the hundreds of other letters I received, mostly from ex-service people, in response to my speech, all telling the same story:

From Brooklyn, N. Y.:

On Guam, which is in the Tropics, came loads of winter underwear. Was it returned as a mistake or sent to needy people? No; it was put in the dumps—a most useful place for everyone to look for what they needed. The underwear was used for greasing and cleaning planes and machinery. Also when someone wanted a refrigerator, one could be found at the dump. Many cans of food were dropped by the wayside over the rough roads, never to be retrieved. But the natives knew where to look and sort out these cans, always near a rough spot in the road. Persons who worked there on the clerical staff were shocked at American waste (being from Australia and New Zealand, where there was such a lack of things that "went over the cliff").

From a former pilot in the China-Burma-India area:

As a hump pilot who was stationed in Assam for a year and flew a full share of unnecessary trips to China, I was glad to see some of this information made a public record. Flying Louisiana rice to China seemed a little like carrying coal to Newcastle at the time. However, we're taking coal to Newcastle now and it may be that those hump boys were just a little ahead of time. I could talk for hours about flying useless cargo to China, but I think you have a good start. I hope that some of the news services picked it up so that some of the other hump boys can have the same satisfaction I enjoyed.

From San Francisco, Calif.:

Some billions of dollars worth of guns, vehicles, machinery and utensils of all kinds were shipped into this area, San Francisco, from eastern points for reshipment to the armed forces in the Pacific theater of war. This material was incased or crated with high-class lumber and came into depots for

transshipment, by ocean carrier, to destined points. When it arrived at the depot it was uncased and uncrated "for inspection" and then recrated and reincased for the ocean transports. All well and proper. The lumber from these crates and cases could have been sold for some millions of dollars. Lumber was scarce. It was rationed and almost impossible to get. It was burned on the shore of the bay, in a perpetual fire, always under a military armed guard. No sale was ever permitted and none of the lumber was used for recrating of the war implements. There might have been a reason for this waste but the military guard could offer no explanation, it was just "orders."

From San Carlos, Calif.:

Andrew J. Rogers of Grass Valley called on me one evening and showed me data he had gathered. He is a carpenter and worked in army camps here in California. He told me about lumber that would be hauled in and crews would work, pulling out the nails, then the lumber would be hauled to piles and burned.

From Jackson, Mich.:

My nephew, who served in the armed services and lived near here, reports that in a southern camp large numbers of brand new radios were smashed and covered over by tractors. On his way home by ship, he and a number of others were ordered to throw overboard many barrels of best-grade machine oil as well as a large consignment of new radios. All this went overboard before the ship reached the New York harbor. Names, dates, and places can be furnished you if desired.

From Allred, Tex.:

One man who was stationed at Dutch Harbor, Alaska, came home on furlough during the time tires were the scarcest for civilians and stated that one could walk for 25 miles on new tires that had never been unwrapped but that were floating along the shore.

From Port Orchard, Wash.:

I was employed by the Army in Alaska on a tug boat. It's just one big holiday to be a member of these crews. While Army parkas and clothing, as well as machine guns and equipment were being destroyed, coke bottles were being transported back to the mainland.

From a former ATC pilot now residing at San Mateo, Calif.:

I have some 20 to 30 very clear pictures of both Army and Navy dumps in Guam which include close-ups of material which, after it had been allowed to deteriorate in the weather, was burned or hauled out to sea and dumped. Much material was readily convertible to civilian use as, for example, Prestone, which is still hard to obtain, wool-lined leather flying jackets, boots, trousers and gloves. Also boxes upon boxes of hardware such as bench vices, drills, etc. There were uncountable tons of new aircraft parts and equipment of every description, including new Pratt & Whitney motors whose protective plastic bags had been cut open, the dehydrating plugs unscrewed from the cylinder heads and dropped in the mud and the motors allowed to ruin in the weather.

Much of this was, of course, unavoidable due to the stress of war but after the war was over I was horrified to see material, literally by the acre, hauled out of the warehouses and dumped in the open. And this at the very time that the United States taxpayers were sending millions in relief to China, the ships passing almost within hailing distance of Guam where perfectly good, warm clothing, sleeping bags, etc., were being dumped and burned. Obviously something is wrong with the Army system of handling a surplus. And the Navy is just as bad.

B'nai B'rith Commemoration of the One Hundred and Sixtieth Anniversary of the Formation of the Constitution of the United States

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mr. MILLER of California. Mr. Speaker, under leave to extend my remarks, I include in the CONGRESSIONAL RECORD the portion of a program held under the auspices of the B'nai B'rith Lodges of Berkeley, Eden, and Oakland, Alameda County, Calif., commemorating the one hundred and sixtieth anniversary of the formation of the Constitution of the United States.

At this dinner Gen. Mark Wayne Clark, United States Army; Dr. Robert Gordon Sproul, president of the University of California; and Chief Justice Phil Sheridan Gibson, of the Supreme Court of the State of California, were given citations in recognition of their work in the field of group cooperation.

Mr. Monroe Friedman, past grand president of B'nai B'rith and distinguished member of the bar, Oakland, Calif., acted as master of ceremonies.

A part of the program follows:

Mr. FRIEDMAN. General Clark, Dr. Sproul, Mr. Chief Justice Gibson, Dr. Deutsch, distinguished guests, members of B'nai B'rith, and friends: In May of this year, in Washington, D. C., were given awards by B'nai B'rith to three great Americans—General George C. Marshall, Secretary of State; Mr. Justice Robert H. Jackson, of the United States Supreme Court; and the Honorable Robert P. Patterson, former Secretary of War.

Tonight, citations for merit for outstanding work in group cooperation are being awarded to three great Americans—General Mark Wayne Clark, United States Army; to Dr. Robert Gordon Sproul, president of the University of California; and to Chief Justice Phil Sheridan Gibson, of the Supreme Court of the State of California.

That General Clark is a great military commander is well known to all of us; but that is not why B'nai B'rith humbly desires to pay tribute to him. His record for over 30 years shows a deep appreciation of the American principles of fair play and justice. Far beyond the official reports, we have learned of his conduct and attitude toward the very large number of different peoples, races, and religions in Italy, both in his capacity as military commander and as an administrator. Far beyond the official reports, we have learned of his administration with respect to displaced persons of all religious faiths in Austria.

The presentation of the B'nai B'rith Citation of Merit to General Clark will be made by a past president of B'nai B'rith, who was an officer on General Clark's staff in Europe during the recent World War. It is with great pleasure that I now present to you Col. David V. Rosen. [Applause.]

Col. DAVID V. ROSEN. I consider it a great personal privilege to be permitted the honor of presenting this citation, which reads as follows:

"B'nai B'rith Citation for Merit to Gen. Mark Wayne Clark, United States Army."

[General Clark arose and stood at attention.]

"One of the great military commanders of history; in his command, there fought side by side units of many countries, races, and religions; large forces of Americans, white, black, and yellow; Christian, Jew, and Moslem; British, Indian, Polish, Brazilian, Canadian, Australian, New Zealand, South African, Italian, Palestinian, and French—all served in harmony under the distinguished leadership of General Clark.

"An able administrator in occupied territories, including Italy and Austria, he supervised the repatriation and maintenance of hundreds of thousands of displaced persons with integrity-forwardness, deep understanding of the problems of humanity, and abiding faith in democracy.

"General Clark's Army record and his many decorations indicate the greatness of his career, but it is not for those things alone that we offer this citation. We pay tribute to a splendid American, Mark Clark, one who has walked among the great, yet retains the common touch.

"B'nai B'rith therefore presents this citation to Gen. Mark Wayne Clark, United States Army, for his historic contribution to the advancement of unity among peoples, world justice and humanity."

(The assembly rose and applauded vigorously as General Clark received the scroll containing the citation.)

Gen. MARK WAYNE CLARK. Mr. Chairman, members and friends of B'nai B'rith: I deeply appreciate the distinguished award which you have just bestowed upon me. It is a pleasure, indeed, to be honored by an order whose traditions and ideals of humanitarian service are known throughout the world. I humbly accept this award, not for myself alone, but for the American men and women and those of our allies who formed the Fifth Army and the Fifteenth Army Group in Italy and United States forces in Austria and who defeated the Nazi and wiped out nazism within their sphere of activity. I have previously stated, and I again repeat, that I hope the United States of America will do its part in bringing displaced persons out of the misery of Europe and into the sunshine of democracy. No one here tonight forgets the martyrs of Dachau and Belsen, men and women, and children who suffered torture and death, rather than to compromise with the principles of human freedom.

Having been victorious in a world-wide war against arrogant tyranny and discrimination, it was reasonable to expect that mankind might enjoy the peace for which we all so desperately fought. We had hoped and prayed that in the new democratic world dictatorships would be a thing of the past. Unfortunately, today, in spite of our hopes, the insidious forces of another totalitarian dictatorship are increasingly active. I refer to the forces of communism, acting in some cases openly and with the sanction of foreign governments; acting in other cases in the clandestine and secretive manner which all of us have come to recognize only too well.

That war has been won, but the victory will be a hollow one indeed unless a true and lasting peace is made. The gains which have been secured at such a tremendous expenditure of life must be consolidated. They must be consolidated now—now, while we still have the united determination and material resources to defend our way of life against any aggressor who would profit by our show of timidity.

So again, permit me the privilege on behalf of these fine American men and women and those of our allies that I commanded in Italy and in Austria to thank B'nai B'rith for its recognition of the American contribution to world justice and to humanity as exemplified in the Army of the United States that won the war in Italy, with the aid of its

Allies, and that has acted in Austria in such a manner as to truly represent our democratic Nation. (The assembly rose and applauded unanimously.)

Mr. FRIEDMAN. I will now read a letter which was written in May of this year by the President of the United States addressed to Mr. Frank Goldman, the supreme president of B'nai B'rith:

THE WHITE HOUSE.

MY DEAR MR. GOLDMAN: Please convey my greetings to B'nai B'rith upon the occasion of its triennial convention. I am confident that the deliberation of the delegates will be fruitful of results fully in accord with the high standards of community service your order has rendered in the 104 years of its existence.

In common with your wide membership, I share a sense of regret over the passing of your distinguished president, Henry Monsky, whom it was my pleasure to meet a little more than a year ago to discuss veterans' welfare.

His long efforts in behalf of humanitarian causes should be a stimulation to continued vigor of B'nai B'rith broad program of benefactions, youth-character building, Americanism, and the promotion of mutual understanding among all religions and racial groups.

The patriotic and public-service character of such organizations as B'nai B'rith contribute much to the maintenance of that freedom and democracy which are the salvation of our Nation.

You have my best wishes for the success of your convention.

Very sincerely yours,

HARRY S. TRUMAN.

[Applause.]

I will now read a letter from the Governor of the State of California.

GOVERNOR'S OFFICE, *Sacramento.*

To the Members of B'nai B'rith and Their Distinguished Guests:

I regret very much that because of prior commitments I am unable to join tonight in the ceremonies commemorating the birthday of our National Constitution.

I am happy to know that you are paying honor to this great document outlining a form of government which, because of its outstanding guaranties of freedom for the individual, remains unique in the world today. It is particularly important that at this time we should rededicate ourselves to the philosophy of the way of life upon which our Constitution is based. The spiritual strength and inspiration which we gain by doing so will fortify us to meet the problems of a changing world as squarely as our founding fathers met them 160 years ago.

With best wishes for a successful meeting, I am

Sincerely,

EARL WARREN, *Governor.*

[Applause.]

The B'nai B'rith Citation for Merit for outstanding work in group cooperation will be presented to Dr. Robert Gordon Sproul, president of the University of California, by a past grand president of B'nai B'rith, a graduate and a former regent of the University of California, Hon. Edgar C. Levey. [Applause.]

Mr. EDGAR C. LEVEY. A great institution of learning looks out to the west, facing the Golden Gate, through which pioneers of the past streamed in the years gone by to seek fortunes and to build a mighty empire on the shores of the Pacific. Outstanding among their accomplishments was the founding of the University of California, destined to become the world's largest university and one of its greatest fountains of education.

One of its products was a young man of keen ability, high scholarship, and profound devotion to youth and its endeavors. Following his graduation he became associated with the business administration of his alma mater. It was my pleasure to first meet him in the capitol at Sacramento, where, as speaker of the assembly of our legislature, I had frequent contact with him, for he came there as the university's sponsor of legislation which through his efforts received favorable consideration and made possible the wonderful expansion which now distinguishes his college and mine. A vacancy occurring several years ago in the presidency of the University of California, the board of regents, of which I was then a member, chose Robert Gordon Sproul to be its executive head. The wisdom of the regents' choice needs no comment from me. Dr. Sproul has brought to himself and the institution which he heads great honor and great acclaim. Men talk long and well of his sagacity, his kindliness, his ease of approach, his joviality, and above all, his efforts on behalf of all humanity. To more concretely express the appreciation of good will of his neighbors and fellow citizens, the East Bay Lodges of B'nai B'rith, sponsor of the Hillel Foundations at 176 universities, presents to Dr. Sproul this Citation for Merit, which I am now privileged to read.

"B'nai B'rith Citation for Merit to Dr. Robert Gordon Sproul, president, University of California:

"A rare spirit, a scholar of renown, a nationally recognized educator, a sturdy servant of public service as an ideal; Dr. Robert Gordon Sproul, president of one of the largest institutions of learning in the world, has demonstrated full well his belief in a living, dynamic democracy. Loyal, fair, independent, wise, scholarly, courageous, indefatigable in righting wrongs and, above all, infinitely kind.

"He has never paid mere lip service to the American ideal that all persons, regardless of religion, racial origin, or antecedents, are entitled to equal consideration; his actions show a constant reaffirmation of faith in fundamental human rights; his valiance has taught us all a lesson in persistence and fortitude; his great ability is enhanced by his personal charm, his devotion to processes of reason, and his understanding of people, so that all who know him come to regard him as a personal friend.

"We, who are the People of the Book, honor him as a great educator, but more than that, we pay tribute to Robert Sproul, a chivalrous and gallant American gentleman."

(The assembly rose with loud applause, as Dr. Sproul received the scroll containing the citation.)

Dr. ROBERT GORDON SPROUL. Mr. Chairman, members of B'nai B'rith, and friends: I have an intuition that I should be deeply appreciative of the honor which B'nai B'rith has so generously conferred upon Robert Gordon Sproul. The name is my own, of course, but I have a feeling that it is a namesake rather than myself that has been characterized. I think, on the whole, I would like to know this namesake better, for I might, perhaps, be briefly stirred to emulate the virtues imputed to him, even though to do so would require days of toil and nights filled with sober reflection throughout the rest of my life. It is a stimulating experience for youth, and a solace for maturity, to feel a kinship with the great or near great around us, to recognize traits in them to which we, too, may lay modest claim. I feel that way about the Sproul whom you have described, but any resemblance between him and me, is, I fear, purely coincidental, and as tenuous as that between a man and the shadow he casts when the limelight is upon him. Given the proper lighting angle, such a shadow can appear truly imposing. Nevertheless, I am conscious of a sincere gratitude to B'nai B'rith for the glimpse it has given me of myself as some others see me. For the man who must perforce, live much in the distortion of the limelight comes inevitably to be heartened by the kindly judgment of his public, and inspired thereby to continue in the arduous task of converting, Pygmalion-like, his dreams and aspirations into reality.

To my mind the spiritual uplift, which has tonight been accorded me, epitomizes B'nai B'rith's great purpose and its many accomplishments in the past 104 years. My knowledge of B'nai B'rith's labors has been gained most intimately through Hillel Foundation at the University of California, which is, of course, but one of a multitude of activities in which it is interested. That one activity, however, has been enough to convince me that B'nai B'rith is, beyond question, one of the great fraternal organizations of the modern world. Conceived in a transcendent spirit, it has continued to maintain itself on an exceptionally high plane, kept scrupuously free from politics and religious dogma. It exists that men may better live, men of every race, in every clime, and every nation.

Modern civilization is too full of precepts of conduct and too empty of their performance. Between the ideals that we praise in the abstract, and the men whom we reward in the concrete, there lies normally the void of a great disparity. The strongest man, if he tries to stand alone against the world may well weaken in his highest resolves and conform his code of conduct to fit the expediencies of the moment. Such a one may even lose the clarity of his concept of God. And should he possess the strength of character to retain his convictions, he can scarcely escape a deep sense of futility as he struggles against man's inhumanity to man, and contemplates the long, hard road toward the ideal which faltering mankind has yet to traverse. It is only by banding together with men of like mind and spirit that each of us can sustain his own faith in the eventual triumph of justice over injustice, of tolerance over prejudice, and of decency over bestiality. The churches provide one rallying point, regardless of their faith or sect. But to many in these times, the churches do not suffice. For them, the answer to our ethical and moral problems must be found in well established secular judgments, human not divine. Herein lies the great contribution that B'nai B'rith makes, not only to people of Jewish faith, but to the people of the world. It provides a secular standard to which men of conscience may repair. Its humanitarian activities, great and numerous though they are, represent merely the outward expression of its inner purpose, which concerns an attitude toward life. It is in preserving that life attitude within the hearts of men that B'nai B'rith makes its highest and most lasting contribution.

The term "indoctrination" has come into bad repute during recent years. We have had all too convincing demonstrations of its effectiveness for evil in all too many countries of the world. We have learned that men will come not only to believe in, but also to fight and die for, the most perverted of philosophies if they have had that philosophy drilled into them by never ceasing propaganda. We recoil from these tragedies and consequently revolt against the indoctrination and propaganda that would seem to be their cause. Yet the processes of indoctrination and propaganda, if we but think about it, cannot be either inherently bad or inherently good; but, rather, the good or evil lies in the uses to which they are put. Human beings cannot live in vacuum devoid of all moral, ethical and spiritual content. Men must have choices of belief; they must be given definite objectives among which they may choose, if they are to recognize any purpose in life above eating, sleeping and procreating their kind. It is not enough to

see that gasoline is kept out of the fire buckets. They must be filled with something else, for they are of no use empty. Even so, it is with the hearts and minds of men. Not only are they of no use empty—they will not remain empty. Men will fill them from one source or another, even though it be from the mouth of Hell. To speak of avoiding indoctrination is merely to bandy words. Man was given almost from his very beginning the power of choice between good and evil. Consciously or unconsciously, the founders of B'nai B'rith must have recognized that truth. They were wise men, and they gave wisdom to the world. I salute them, and I salute those who have carried on the torch that they kindled. It is a privilege to be here, and a greater honor than I can express, to receive the citation which you have so generously worded. May your good work continue and increase in power and stature with each passing year.

(Prolonged applause as the entire assembly rose.)

Mr. FRIEDMAN. The B'nai B'rith citation for merit for outstanding work in group cooperation to Chief Justice Phil Sheridan Gibson, of the Supreme Court of California will be presented by a past grand president of B'nai B'rith and a member of the profession from which Mr. Justice Gibson came—Mr. Howard H. Desky. [Applause.]

Mr. HOWARD H. DESKY. Mr. Chairman, distinguished guests, friends of B'nai B'rith, the Order of B'nai B'rith has become generally recognized throughout the civilized world as dedicated to the service of democracy, humanity, liberty, human rights, and the American way of life. This is the America of all of the people, coming from many lands, holding many faiths, speaking many tongues, descendants of Plymouth Rock and of Ellis Island, alike sharing the rights and duties of our democracy and freedom. This is the America of the Declaration of Independence and of the Constitution of the United States with its Bill of Rights. Only he is a true American who believes in freedom for all and who defends the sacred right of every human being. That is the America of the eminent Phil Sheridan Gibson, chief justice of the Supreme Court of California, who has courageously and with fortitude demonstrated by his conduct, his actions, and his judicial decisions that he believes in the constitutional safeguards and freedoms expressed in our fundamental law.

To Phil Sheridan Gibson, our Constitution contains plain and simple truths, and guarantees to everyone fundamental natural rights—the right to work and to earn; to have and to keep the fruits of one's toil; to learn and to teach; to think and to speak; to write and to publish; to create art, music, poetry and song; to heal the sick; to speak for justice in the courts; as priests, ministers, and rabbis, to lead in prayer in church and synagogue; in short, the sum total of the human right to live and to be, regardless of origin, race, or creed. Mr. Chief Justice, B'nai B'rith recognizing your fighting spirit in defense of these rights and that your life and deeds are expressions of these noble attributes, presents to you this citation for merit, which reads as follows:

"B'nai B'rith citation for merit to Phil Sheridan Gibson, chief justice, Supreme Court of California:

"A loyal citizen, a courageous man with sincere convictions, a distinguished jurist; Phil Sheridan Gibson, chief justice of the Supreme Court of California, has never violated, either in letter or in spirit, the equal rule of law, which is the basis of our society. He has always reconciled liberty with equality, and both of them with order. He has always harmonized the claims of stability with those of progress. He has always respected the rights of the individual, but he has not pressed them to the point at which they threaten the welfare or the security of the many. His deeds shout that law shall be made true to its ideal of justice; that the American rule for the equality of all citizens, of all groups, of all religions, shall not be violated.

"A kindly man, not coldly intellectual, but most human, with the precious gift of humor. We respect him for his work as the head of the judicial system of the State of California, but it is not for this alone that we offer this citation. We pay tribute to Phil Gibson, a champion of the right of all people to live in human decency."

(The entire assembly rose and applauded unanimously.)

Chief Justice PHIL SHERIDAN GIBSON. I am deeply sensible of the honor you have conferred upon me, and I am most grateful for the generous tribute contained in the testimonial certificate. The citation is the more impressive since it comes from this hundred-year-old organization, which has played such an important role in the history of American Jewry, and which is now valiantly engaged in fighting the peacetime war for freedom, tolerance, and humanity. Any American who has kept his eyes open in recent years knows that freedom and tolerance, even in this country, cannot be taken for granted, and he must welcome, as I do, the opportunity to stand up and be counted among those who are defending our country's heritage with all their physical and spiritual strength. In responding to your invitation, and in accepting this honor, I feel that I am here not as an individual but rather as a member of the judicial branch of our government. It cannot be too strongly emphasized how important is the function of the judiciary in safeguarding the civil liberties of our people. When the recent history of this Nation is recorded, it will disclose an admirable and remarkable picture of sanity and balance, of progressive thinking, and of liberal statesmanship, on the part of our judges during these crucial years. By and large, the bills of right in the Federal and State constitutions, and the elementary rules of fairness in judicial and administrative proceedings, stood up well throughout the war and post-war period. Excesses, whether of military or civil officials, or of lawless individuals, received no sanction in judicial decisions of the higher courts.

There were times when we might have benefited from the wise leadership and counsel of Holmes and Brandeis and Cardozo, but these men did not, in passing, take their principles with them, and the lessons taught by them remain a source of strength and inspiration for those charged with the duty and responsibility of protecting the civil rights guaranteed by our Constitution. When economic crises occur in modern democratic countries, there is a tendency to think in terms of "strong leadership," of uniform beliefs, and of the suppression of dissenting ideas and practices. There are those self-styled patriotic organizations which appear out of nowhere to demand the punishment, the isolation or the exclusion of every group which fails to conform to their ideas or specifications. We hear strange things about some of our fellow Americans; they are characterized as being racially undesirable, or incapable of assimilation, or of alien extraction and beliefs. These are notions which the freedom-loving, freedom-seeking founders of this Nation would never have countenanced. There are not, and there cannot be, racially or nationally undesirable groups in this country. Racial and national origins are not a bar to assimilation. Israel Zangwill truly described America as a melting pot, a country ceaselessly engaged in blending the characteristics and characters of many peoples from every part of the globe. These groups may exhibit minor differences of speech and manner, and habits of eating and dress, and may differ also in intellectual processes, or even in political and economic views; but these matters are as nothing when compared with the all important thing upon which everyone should agree: That freedom and justice can be attained and preserved for all under a democratic state.

In a struggle against intolerance and hatred, and for the rights of minorities, it is no surprise to find Jews and Jewish organizations in the front lines. They have been the victims of persecution in countless places and unnumbered ages, and they know that you cannot either achieve or preserve freedom without fighting for it. But it is surprising, and indeed shocking, to find how many people think that this is the Jews' own battle—people so ignorant of history as to think that the Jews have been the sole victims of the torture and misery which strong groups of men are able to inflict on weaker groups. They should read the story of the past and discover how every civilization has developed its oppressors, and every era has had its iniquitous record of persecuted minorities.

This country was founded by people who fled from injustice, and there is scarcely a section of America today in which there is not a group whose ancestors were hounded and tortured in some part of the world. This truth becomes vitally important when we recall the events of the past decade. I say "recall," for no one here needs any recital of the facts so fresh and painful in our minds. But though we may grow tired of reciting those monstrous facts, let us take care never to grow tired of reflecting on their significance. The Nazi and Fascist dictatorships, along with the Japanese feudal empire, have fallen; the concentration camps have been closed, the gas chambers and the fiendish instruments of torture have been destroyed; and a handful of the more vicious of the criminals have been punished. This is good; and we must not be cynical or indifferent to the great victory, gained at such a colossal cost. But is dictatorship dead? Are the people of small nations now completely safe to follow, if they will, the pattern of political democracy? Are minority groups—racial, religious, social, national—certain of the protection of their civil rights throughout the world? Is freedom of speech and of the press an accepted fact everywhere? If the answer is "no" to these questions, then it follows that we are not through fighting; we have won a battle, but not the war.

Where in this picture is there comfort for those who think that the great cause of social justice is only a Jewish problem? The evil forces of hatred and oppression, on the march today as always, do not spend themselves on one object; there are always fresh fields in which the poison may work, new groups to be singled out and persecuted because of their wealth, or their intelligence, or their religious beliefs, or the color of their skin or hair, or their language or manner of speech, or their peaceful disposition, or their civilized habits. No; this is not a battle for Jews alone, nor for any other minority group. It is a struggle in which all civilized peoples must stand together to protect their common ideals and interests. The Jews are not the first, nor will they be the last, racial, religious, national, or social group to be the victims of persecution. And nature has a habit of turning yesterday's majorities into today's minorities. If our consciences do not sufficiently spur us on, we may well be urged on by the necessity of self-preservation. In this great struggle we shall all have a common object: To achieve a world order in which special testimonials of the kind conferred tonight will be unnecessary and unknown—a world in which the invisible badge of tolerance will be worn by all.

[Enthusiastic applause as assembly rose.]

Rules on Disclosure of Information by Civil Service Commission

EXTENSION OF REMARKS
OF
HON. FRANCIS CASE
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 26, 1948

Mr. CASE of South Dakota. Mr. Speaker, under permission to extend my remarks heretofore granted, I place in the RECORD, for the general information, a letter from the United States Civil Service Commission, setting forth the rules and regulations which the Commission has adopted with respect to disclosure of information:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., December 11, 1947.
Hon. FRANCIS CASE,
House of Representatives.

DEAR MR. CASE: Reference is made to your communication of November 28, 1947, transmitting clipping from the Washington Post regarding the payment of annuities to Members of Congress.

There is no provision of law mandatorily prohibiting the disclosure of information regarding the retirement or annuity status of Members of Congress. However, Congress has delegated to the Commission the authority to make such rules and regulations as it deems necessary and proper in the administration of the retirement law. Any such regulation made under authority of the statute necessarily has the force and effect of law.

The Commission's regulations with respect to disclosure of information are quoted below. These regulations are applicable to all members of the system and no exception is made as regards Members of Congress.

"11. (a) Files, records, reports, and other papers and documents pertaining to any claim filed with the Civil Service Commission, whether pending or adjudicated, will be deemed confidential and privileged, and no disclosure thereof will be made except as provided herein.

"(b) Disclosure of information from the files, records, reports, and other papers and documents shall be made to a claimant or to his duly authorized representative in matters concerning himself alone when such disclosure would not be injurious to the physical or mental health of the claimant or be regarded as a breach of confidence.

"Determination as to when disclosure of information would be injurious to the physical or mental welfare of a claimant will be made by the Medical Division.

"(c) By 'a duly authorized representative of a claimant' is meant any person who has satisfied the Commission of his authority to act.

"(d) The name or address of a beneficiary designated by an employee or annuitant will, during the life of the employee or annuitant, be furnished only to the designator when request therefor is made in writing over the signature of the designator.

"(e) Such information as may properly be disclosed to a claimant personally shall, in the event of his death, be disclosed upon proper request to the duly appointed representative of his estate, or to such person as may be designated by such representative, or to a duly designated beneficiary. Where no representative of the claimant's estate has been appointed, the claimant's next of kin shall be recognized as the representative of his estate.

"(f) Where copies of documents or other records are desired by or in behalf of parties to a suit, whether in a court of the United States or in any other court, such copies shall be furnished to the court only, and on an order of the court of subpoena duces tecum, addressed to the President, United States Civil Service Commission, requesting the same.

"(g) Where a process of a United States court or other court requires the production of documents or records contained in the retirement files of a claimant, such documents will be produced in the court out of which the process has issued. Where original records are produced, they must remain at all times in the custody of a representative of the Civil Service Commission, and if offered or received in evidence, permission should be obtained to substitute a copy so that the original record may remain intact in the file.

"(h) The address of a claimant as shown by the Civil Service Commission records may be furnished to duly constituted police or court officials upon proper request or the submission of a certified copy either of the indictment returned against the claimant or of the warrant for his arrest.

"(i) Disclosure of the amount of annuity or refund to any claimant may be made to any National, State, county, municipal, or other publicly recognized charitable or social-security administrative agency.

"(j) Subject to the limitation contained in paragraph (d) hereof, all records or documents officially required by any department or other agency of the United States Government shall be furnished in response to a proper request, and Senators and Representatives of the United States in their capacity as Members of Congress of the United States shall be furnished for their official use with such records, documents, or other information as may be requested for such use.

"(k) Copies of papers, records, etc., the furnishing of which would be prejudicial to the interest of the Government; copies of reports of examining surgeons; reports from the War Department; or copies of records of other departments and other confidential matters, will not be furnished."

The Commission receives on numerous occasions requests for lists of annuitants and other similar information which information is desired for solicitation purposes or to satisfy idle curiosity. It is obvious that such information should not be disclosed generally and the Commission has consistently refused to comply with such requests.

With the exception of the name of the beneficiary designated by the employee or the annuitant, the Commission's regulations do not prohibit furnishing Members of Congress for their official use information otherwise considered confidential.

Statistical information of public interest regarding the operation of the retirement system is at all times available and will be furnished generally by the Commission upon request.

Sincerely yours,

WM. C. HULL,
Executive Assistant.

Abraham Lincoln, 1809-1865

EXTENSION OF REMARKS
OF
HON. FRANCIS CASE
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. CASE of South Dakota. Mr. Speaker, under permission heretofore granted, I place in the RECORD for this anniversary week of the Great Emancipator's birth, a tribute written by O. E. Harper, of Hot Springs, S. Dak. Mr. Harper is a veteran of the Spanish-American War who spent many years in Government service and is an ardent student of United States history.

ABRAHAM LINCOLN, 1809–1865

Child of poverty, and son of want:
Destined to play a mighty part in the making
of a nation's history,
Yet ill prepared for that great task. A few
short months in school;
Just able to read, to write, to cipher.
To read: ah, that was difficult indeed; to
you, each word
Was symbol of a thought, each thought part
of a human soul.
And so you studied hard to understand aright
the words of those
Who suffered, sacrificed, yea, even died to
give a nation birth.
At last their meaning came to you, clear as
the noonday sun:
Freedom; union; justice.
Freedom to worship God as you saw fit, to
speak your thoughts,
To praise or criticize; to work, to save, to
care for you and yours.
Union for strength, for safety, for defense;
For though the several States would have
problems of their own,
Yet each was interested in the other's welfare
As members of one family.
Justice for all, without regard to race or
creed,
To wealth or poverty, and yet to be administered with sympathy
And understanding of man's weakness.
And when you understood these things, you
did what every citizen
Should do, resolved to do all within your
power to preserve this
Precious heritage, to pass it on untarnished
To generations yet to come.
Your youthful years soon passed and you
assumed the duties of a man,
And like your neighbors, toiled to earn your
daily bread.
Sometimes dame fortune smiled on you,
sometimes she frowned.
You loved and lost and loved again.
Yet all the while your eyes could see the
gathering
Clouds of coming storm. Therefore you traveled up and down the land,
Spoke to your fellow men, did all you could
to avert impending danger:
But all in vain, for fate had otherwise decreed.
Soon the storm broke, the lightning struck,
and in the Nation's
Darkest hour she turned to you for guidance.
Humbly, but sustained by faith, you took
upon your shoulders
That massive burden. For two long years it
seemed that all was lost;
Then came the faint light of coming dawn,
and Gettysburg,
And there, in simple words, you bared the
Nation's soul.
Slowly the sun arose and at last came victory
and peace,
But with the close of strife you too were laid
a last
Great sacrifice upon the Nation's altar.
And I said you were ill prepared. I had forgot that you were taught
In nature's school, the school of bitter struggle to obtain
The bare necessities of life. The school of
rolling fields
And quiet woods, and there you learned your
first great lesson,
That all of life, whether bird, or beast, or
man, was created
By the same Almighty God, each entitled to
his chance in life
As he had been given talent. And in that
school there was taken
From your heart all thought of malice,
hatred, envy,
And in their stead were placed the precious
jewels of
Friendship, brotherhood, sympathy.
Dear God: if only man-made schools might
teach as much.

Many years have passed, your body has long since returned
To mother earth from whence it sprang, and in your memory men have
Built great buildings; erected many monuments; yea, your rugged face
Has e'en been carved in granite on a mountain top.
It is well that this is so, and yet in countless centuries to come
These all shall be destroyed by nature's elements,
Shall slowly crumble into dust and make their bed with thee.
Yet rest in peace, kind soul:
Your true monument can never be destroyed.
Your memory will live forever within the hearts of men.

Pay Increases for Postal Employees

EXTENSION OF REMARKS
OF
HON. FRED A. HARTLEY, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. HARTLEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and article from the Newark Evening News of January 26, 1948:

NEW JERSEY AFFILIATED
POSTAL EMPLOYEES,
LEGISLATIVE COMMITTEE,
East Orange, N. J., February 4, 1948.

Hon. FRED A. HARTLEY,
Chairman, House Labor Committee,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: I am writing to you in the name of 10,000 postal employees in New Jersey which the above legislative committee represents on the question of pay increase for all postal employees. In their behalf I strongly urge you to do all you can in the House to have early hearings by the House Post Office Committee and that this committee reports a bill at an early date to adjust the pay of postal workers.

As the present Chairman of the House Labor Committee and as former member of the House Post Office Committee for many years, you are fully aware of the high cost of living in this present day and the meager wages of the postal employees. You have always been our champion in the House committee to alleviate these conditions. We in New Jersey look to you to come to our assistance in these days of skyrocketing prices of foods, fuel, and clothing.

I am enclosing a clipping from the January 26, 1948, Newark Evening News which shows the steady increase in the cost of living in New Jersey. This article quotes the New Jersey Department of Agriculture stating that the purchasing value of the consumer dollar is now 57.4 cents compared to a full dollar in June 1939.

We look to you to help us and hope for early and favorable action by the House on the question of pay increases for all postal employees.

Sincerely,

THOS. F. FLANAGAN,
Publicity Director.

[From the Newark (N. J.) Evening News, of January 26, 1948]

JERSEY RECORD SET ON COST OF LIVING—BUYING POWER OF CONSUMER'S DOLLAR REPORTED AT 57.4 CENTS

TRENTON.—The cost of living soared to an all-time high in New Jersey last month, reducing the purchasing value of the consumer dollar to 57.4 cents, compared with June 1939, the State agriculture department said today.

Federal income taxes, which absorb between 8 and 10 percent of the average family's gross earnings, are excluded from the cost-of-living studies of the department, which are made on a bimonthly basis.

The average cost of goods and services, such as food, clothing, housing, fuel, light, furniture, house furnishings, and miscellaneous items during December was 2.1 percent higher than during the previous pricing study in October, the department said. Those items cost 10.2 percent more than in December 1946 and 74.3 percent more than in June 1939.

DROP OF 5.6 CENTS

The purchasing value of the consumer dollar was 63 cents in December 1946, or 5.6 cents more than last month.

The advance in the cost of housing paced all other items in December. The survey showed housing cost 5 percent more on the average than in October. Average December price for houses without heat was 23.9 percent above the June 1939 rentals.

The department said that new rent units, not subject to governmental regulation, are being leased at higher rents than others under control, forcing up the average. The 15 percent maximum increase allowed by law for older housing is becoming more prevalent.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. CLARENCE E. KILBURN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. KILBURN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter from John C. Tulloch, Esq., of Ogdensburg, N. Y., who is the secretary of the Northern Federation of Chambers of Commerce. The Northern Federation of Chambers of Commerce is a fine organization. They have worked long and hard for the St. Lawrence seaway on the basis that it is a good thing for the country. I heartily agree with them.

THE NORTHERN FEDERATION
OF CHAMBERS OF COMMERCE,
Ogdensburg, N. Y., February 6, 1948.

Hon. CLARENCE KILBURN,
House of Representatives,
Washington, D. C.

DEAR SIR: I am secretary of the Northern Federation of Chambers of Commerce and this federation has been striving to help in every conceivable way with the St. Lawrence seaway and power project. We have sent men to Washington recently and know about what the situation is, but there is one particular thing to which I desire to call your attention and that is the argument on the diversion of traffic. We all know that the Welland Canal is now a seaway canal with its 27 feet over the sills.

I secured from the superintendent of transportation of the Welland Canal upon request, a statement as follows:

Total ships locked through one way in 24 hours, 28 (you must remember that these 28 have to be locked back, so that is 56 per day. This figure occupies every minute of the 24 hours. This is physically impossible and always has been, but granted they can lock through 28 one way per day and they were all 4,000-ton boats, it would be 112,000 tons per day, or 3,360,000 tons per month, and for 7 months 23,520,000 tons. Because this is an international canal, Canada is entitled to one-half, or 11,760,000 tons). That is the utmost that the seaway can carry because that is the greatest amount that can be locked through the Welland Canal which is a seaway canal now. They are carrying about 8,000,000 tons at the present time, so where does the argument on diversion land?

This seems to me to be one of the most convincing arguments that we have and should be made use of and published widely.

Very respectfully yours,

JOHN C. TULLOCH, *Secretary.*

International Monetary Fund

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Melchior Palyi, from the Toronto Northern Miner:

MUST REVAMP FUND OR SCRAP IT—IF MONETARY SANITY IS TO BE RESTORED TO WORLD—ITS PRINCIPLES GONE WITH THE WIND

(By Melchior Palyi, Chicago)

During and after the war, up to a year ago, the instrumentalities of official propaganda have been trumpeting that the Bretton Woods institutions are all that is needed (plus a few little things like the British loan, UNRRA, etc.) to provide freedom from want everywhere. Showing such bad judgment disqualifies its authors intellectually, but they should be disqualified morally as well, if for a different reason.

The International Monetary Fund was put up for the avowed purpose of bringing about stable exchange rates, and especially to eliminate multiple currencies. Its statutes abound with assurances, as did the propaganda line which accompanied the Bretton Woods program, to the effect that the very purpose is to prohibit arbitrary exchange manipulations and to nip in the bud such vicious multiple monetary systems as had been perpetrated by the Nazis. Multiple currencies are to be outlawed so far as the members of the Fund are concerned. Whether it is the French franc, the Argentinian peso or the Greek drachma, no member's currency was supposed to consist of more than one kind of money in terms of exchange rates. The idea was that the Nazi technique of having one kind of exchange rate for exports and another for imports, and a third, a fourth, and a tenth, each for some other purpose, should not happen again.

MULTIPLICITY OF VALUES

In reality, the policies of the Fund have not only permitted but even fostered the maintenance of old, and the creation of new currency chaos. Directly or indirectly, it has greatly contributed to the spread of monetary delinquency and condoned it. Officially, each country's currency can have only one value against gold and foreign currencies. Actually, the majority of the members have developed and retain a multiplicity of foreign exchange values for their respective currency units, and do so in many cases quite openly. Most Latin-American countries have different official prices for exports and imports. In the Argentine, as an example, the exporter gets one price in pesos for the dollar proceeds of his sales to the United States, while the domestic importer has to pay quite another price for dollars he needs to buy goods in this country. Often there is an upper and lower price for each, the export

and the import currency, and special prices on top of that. These clear violations of the Fund statutes—of its very purpose—are accepted without as much as a verbal spanking of the culprits. The Fund maintains a sanctimonious attitude by insisting on its principle while at the same time hypocritically tolerating its violations. But multiple currencies are practiced also in countries which deny their existence. Canada has two kinds of dollars. Officially, there is only one price for the pound, the par ($4.03 to the pound sterling). However, there is an unofficial market in pounds, too, which is recognized by the Bank of England in a left-handed manner. For example, you are permitted to take with you a certain number of pounds if you go to Britain as a tourist even though you bought them outside the official market and at a price some 10 to 15 percent below par. Similarly, if you buy British Government bonds, the Bank of England will permit you to pay in pounds acquired at the gray market rate, and may not even ask whether you bought them on a black market where the price runs as low as $2.50 to the pound.

FRANCE ACTS CONTRARY TO RULES

France is one of those countries that lives against the rules of the Fund without losing its membership rights, as it should according to the statutes. Officially, there was only one par value for the franc in terms of the dollar or gold, but the French Government tolerated and quietly recognized unofficial prices, especially for gold. It even publishes "black market" quotations. Now, France has acted to devalue its currency—raised the gold price—for the fourth time since the last war began, and to introduce on this occasion three kinds of francs. Characteristically, the Fund management did not quite know what to do about it.

Why this weakness, this inability to follow a clear-cut line of policy that was to be imposed upon the members? From the outset, the Fund has accepted the rule that for a transitional period of 5 years the members could retain their wartime foreign exchange restrictions and even introduce new ones; later on, they can do so with the consent of the Fund. Since the majority of the members practice exchange restrictions, the decisive vote in the Fund management is bound to be always in favor of permitting those practices. But foreign exchange restrictions necessarily create multiple currencies, a fact ignored by the international planners who drew up the Bretton Woods plans. Once a government is given the power to manipulate its money by permitting one kind of foreign transaction and forbidding another kind, the market reacts by attaching different values to each portion according to the greater or lesser ease with which it can be used. And once such market values are established they are bound to become part and parcel of the system. Sooner or later they must be recognized by the government itself. Exchange restrictions lead to multiple currencies, and it is nonsensical to forbid the latter if the former are permitted. To restore monetary sanity in the world we will have to revamp the International Fund, body and soul—or to scrap it altogether.

Government Should Set Example

EXTENSION OF REMARKS
OF
HON. GEORGE W. GILLIE
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. GILLIE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Fort Wayne Journal-Gazette:

GOVERNMENT SHOULD SET EXAMPLE

The Government in Washington has had quite a bit to say about cutting prices.

All of us would like to see lower prices, because we do not enjoy paying high ones and we do not like inflation.

But the Government would be performing a public service if it would take the lead and reduce the cost of its own operations. That would be a good example for the entire country.

The Federal budget and Federal taxes ought to be cut. Business and the individual are entitled to relief.

Everybody agrees that there are a lot of frills to Government today and they all cost money. But frills are not essential and they can be trimmed away without really hurting anyone.

The spending habit got pretty strong in Washington during the war. We were not counting the cost then. Everybody's first thought was of winning regardless of expense.

Now the war is over and we cannot afford waste, so the word "economy" will have to be brought into use again.

Cut the budget, see that the waste is eliminated, and the country will gain, not suffer, in the process, if good judgment is used in the pruning.

Brand Reports on War Crimes Trial

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. ANGELL. Mr. Speaker, I include as part of my remarks a brief report on the work of the military tribunal at Nuremberg by James T. Bland, associate justice of the Supreme Court of Oregon, which appeared in the Oregon State Bar Bulletin for January 1948.

Judge Bland is an eminent jurist of the State of Oregon and served as a presiding judge of the military tribunal constituted for the trial of major war criminals of the European Axis. He was appointed by the President of the United States and assigned to his post by General Clay.

The report follows:

BRAND REPORTS ON WAR CRIMES TRIAL

(By James T. Brand, associate justice, Supreme Court of Oregon)

The request of the editor of the Bar Bulletin for a report on the work of the military tribunal at Nuremberg comes as a call of duty. While on leave of absence from the supreme court, I have served as the presiding judge of a military tribunal constituted for the trial of major war criminals of the European Axis. Having been loaned by the authority of the State legislature for this purpose, I acknowledge the duty to the bar and to the people of Oregon to report upon the results.

The judges of the Nuremberg Tribunal were appointed by the President of the United States and assigned to their respective positions by General Clay. To Tribunal III was assigned the duty of conducting the trial of the members of the Ministry of Justice and of certain judges of the "Terror Courts" under the Nazi system. Fifteen defendants were tried before a tribunal consisting of three judges. The actual trial was commenced on March 5, 1947, and was concluded on December 5. In addition to a transcript of more than 10,000 pages, 2,000 exhibits were received. The entire record of the case comprising 10 bound volumes is en route somewhere between Nuremberg and Salem, Oreg.

To boil down such a record in a few short pages is, of course, impossible. I shall venture only the briefest outline of the law and procedure which governed this and the other Nuremberg trials. A reasoned discussion of the great issues involved must await fuller opportunity. Among those issues which were peculiar to the trial of the Justice case, lawyers will identify questions of judicial immunity for acts performed pursuant to local law, the defense of superior orders, the bearing of the doctrine of national sovereignty, questions of constitutionality, the nature and content of international law and its relation to domestic law, the applicability of the ex post facto principle in international law and many other issues that stagger the mind and yet demanded an answer.

The acts creating and defining the jurisdiction of the tribunal were (1) the London Agreement of August 8, 1945, with the Charter of the International Military Tribunal annexed thereto; and (2) Control Council Law No. 10 enacted by the representatives of the United States, England, France, and the Soviet Union. The indictment was drawn pursuant to the provisions of Control Council Law 10 which is similar but not idential to the Charter. Thus it will be seen at the outset that the Nuremberg tribunals were based upon international authority. Although the judges on Tribunal III all came from the United States, Russian, English, or French judges could, under the law, have been appointed on this tribunal.

Control Council Law 10 defines acts in general terms, each of which is recognized as a crime, namely, (a) crimes against the peace (the waging of aggressive war), (b) war crimes, (c) crimes against humanity, and (d) membership in criminal organizations. The indictment in the Justice case charged the commission of war crimes, crimes against humanity, and membership in organizations declared criminal by the decision of the military tribunal in the case against Goering et al. There was no charge of waging aggressive war.

Most of the defendants were charged with war crimes, i. e., violations of the laws and customs of war. In substance, the statute adopted and incorporated the rules of international law as the rules by which war crimes were to be identified. This legislative practice is not unknown in the United States. See *Ex parte Quirin*, 317 U. S. 1. For a determination of the issues upon this count of the indictment, the tribunal was required to seek the guidance of textbooks, treaties, the decisions of international tribunals and, above all, the Hague Convention by which limitations were imposed upon the conduct of belligerents while in occupation of hostile territory. The wording of Control Council Law 10 (too long for quotation here) disclosed that the term "war crimes" was employed to cover acts in violation of the laws and customs of war committed against non-Germans and did not include atrocities committed by Germans upon their own nationals. The Charter referred to acts against civilian population of or in occupied territory.

Typical of this type of crime were the atrocities committed under the infamous "nacht and nebel" decree whereby upon Hitler's order thousands of persons accused of resistance to German authority were spirited away in night and fog out of France, Belgium and Holland, never to be heard of again. They were taken to Germany, secretly tried before German courts in a language strange to them, sometimes without counsel and often without witnesses for their defense. Frequently they learned at the trial

for the first time the nature of the charges against them. The results of the trial were unimportant to the defendants. Some were executed, others sentenced to brief terms of imprisonment, others acquitted; but, with few insignificant exceptions, none ever returned to their homes. If acquitted or if their terms of imprisonment expired, they were sent to concentration camps, a punishment worse than death. The declared purpose of the night and fog decree was to spread terror in the hearts of the people in the occupied countries by reason of the disappearance of their loved ones and neighbors. Several of the defendants in the Justice case were found guilty of participation in this criminal program.

Other violations of international law occurred in connection with the extension of German law into occupied territory contrary to the provisions of the Hague Convention which requires the occupant "to insure, as far as possible, public order and safety while respecting, unless absolutely prevented, the law enforced in the country."

Among other cases of war crimes which were held violative of international law, mention should be made of prosecutions conducted by Germany against Poles, who, before the war, had caused the prosecution in Poland of Polish nationals who were racial Germans. After the invasion, the Polish prosecutors were apprehended and charged with treason against racial Germans although there was no law covering such a case. Other Poles were tried and executed on the charge of treason because they attempted to flee into Switzerland and thus escape from forced labor in Germany, "thereby malevolently leaving his important agricultural job." It was claimed that these Poles intended to join a Polish legion in Switzerland. The legion had been interned by Swiss authorities, but the Germans considered this circumstance immaterial because the interned Poles might be used on the side of the enemy in the event of German troops invading Switzerland. Other Poles were accused of "separating from the Reich, territory belonging to the Reich." The territory in question constituted portions of Poland which Germany had attempted illegally to annex. On such trumped-up charges, Poles were convicted of high treason and executed.

The third count of the indictment involved questions of profound difficulty. The charges were based upon the provisions of control council law 10 which defined as criminal "atrocities and offenses, including but not limited to murder, extermination, enslavement, deportation, imprisonment, torture, rape, or other inhumane acts committed against any civilian population, or persecutions on political, racial or religious grounds whether or not in violation of the domestic laws of the country where perpetrated."

The clear purpose of this section was to include within its condemnation acts which did not constitute violations of the laws and customs of war or of the Hague Convention. As distinguished from war crimes committed against the civilian population from occupied territories, this section provided for the punishment of atrocities against any civilian population and declared in substance that compliance with German law should be no defense. Thus it was that German officials were tried and convicted because they participated in the persecution of German nationals on political, racial or religious grounds.

It is literally true that, pursuant to German laws and decrees, millions of Poles and Jews were exterminated. The story of this, the greatest crime of the ages, cannot be told here. Several of the defendants in the "Justice Case" were convicted for participation in the international crime of genocide, a governmentally organized program for the extermination of racial minorities. In support of our conclusion on this issue, we cite the recent resolution of the General Assembly of the United Nations which—

"Affirms that genocide is a crime under international law which the civilized world condemns, and for the commission of which principals and accomplices—whether private individuals, public officials or statesmen, and whether the crime is committed on religious, racial, political or any other grounds—are punishable."

The evidence of atrocities by the officials and judges of the ministry of Justice in the name of law was overwhelming and devastating. It raised the gravest questions as to the essential character of a people who could develop or even tolerate so cruel a system.

The trials were conducted in two languages with simultaneous translation of every word spoken, from English to German and German to English. Through his earphones, each listener in the court room heard the testimony in the language which he understood. Every possible assistance was given to the battery of German lawyers who put up a capable and exhaustive defense collectively and separately. The tribunals did not apply Anglo-American rules of evidence with which the German lawyers were unfamiliar. The only test imposed by the governing statute was that of the probative value of evidence offered. More than 850 people in the Palace of Justice alone were employed in support of the work of the tribunal. The evidence consisted chiefly of captured German documents, the authenticity of which was admitted. The defendants enjoyed the benefit of the presumption of innocence and were convicted only if found guilty by proof beyond reasonable doubt. The Nuremberg trials must be distinguished from the "Who Done It Cases," which were prosecuted at Dachau and elsewhere for the conviction of the human butchers who, under Himmler, operated the camps for mass extermination of Jews, Poles, and political opponents of the Nazi system.

The twelve cases which were assigned for trial at Nuremberg were selected for that purpose because they involved the establishment of legal precedents for the future, and because, in the trial of those cases, the facts concerning the Nazi tyranny could be judicially established and recorded for history. The "Justice Case" was in truth a trial of the Nazi judicial system. The evidence conclusively demonstrated the perversion of the judicial system, the destruction of judicial independence and the consequent loss of personal liberty, freedom of speech and every right dear to the heart of a free people. This evidence constitutes the strongest argument ever made for the separation of powers, judicial independence and a government of laws and not dictators.

If this skeleton outline of the bare issues involved has stimulated an interest in the minds of the lawyers of Oregon, it will have accomplished its full purpose.

Travel Allowance of Railway Postal Clerks

EXTENSION OF REMARKS
OF
HON. JOHN C. BUTLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. BUTLER. Mr. Speaker, I have introduced a bill today to increase the travel allowance for railway postal clerks assigned to road duty. No increases have been granted to these worthy employees since July 1, 1945, although everyone is well aware of the fact that the high costs of hotel rooms and meals in restaurants and other traveling expenses have increased a great deal since that time.

Railway postal clerks assigned to road duty are allowed not to exceed $4 per day for expenses during the time they are away from their initial terminals, on duty, and while at their outer terminals. This bill will raise this allowance to not to exceed $6 per day, and I trust it will receive the favorable consideration of the committee and of the House.

Radio Address to My Constituents

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address made by me over station WHBF on February 7, 1948:

Dear friends of the Triple Cities and my congressional district, today I received a pouch full of lapel buttons which read, "Dewey for President."

They were sent to me by my good friend, Dr. Charles A. Earl, mayor of the city of Oneida, which as you know is in our district.

I am distributing these buttons among my fellow Members of the House, urging that they be displayed.

My thanks go to my staunch supporters of many years, the good ladies of the Broome County Women's Republican Club. I also wish to acknowledge their message assuring me of their desire that my legislative program in Congress for 1948 will be carried out.

I have written to Mrs. Marjorie Brownfield, their secretary, who sent me this welcome testimonial, expressing my appreciation for such valued assistance.

To you veterans, whose participation in on-the-job training and higher education under the GI bill of rights make this subject interesting, I wish to read the speech I made in the House this week as I voted to increase your allowances:

"Mr. Speaker, the bills we pass here today which provide increases for veterans' allowances and compensation embody the proposals I made at the beginning of this Congress over a year ago.

"At that time, I introduced H. R. 866, a bill entitled 'to increase the monthly maximum allowed to veterans receiving both compensation for productive labor and subsistence allowances for education.'

"Everybody knows veterans have been crying for these increases for over 2 years. In my opinion, action is long overdue, and I think our leadership is wise indeed to allow the passage of these remedial measures now.

"From now on the average veteran taking on-the-job training will be able to meet more easily the high cost of living. His preparation for a better job will not be impeded. Employers of such veterans will likewise benefit, because such training will remain attractive.

"From the standpoint of education under the GI bill, students who are veterans have found it well nigh impossible to live on subsistence allowances. I remember talking to a group of veterans attending one of the several colleges in my district a few months ago.

"One and all, these young veterans had the burning desire to regain their lost years by taking advantage of the higher learning offered them. But, tragically enough, they

were up against rising food costs and other mounting expenses. They asked me when Congress would wake up to their dire circumstances and give them a helping hand. They said frankly many of them would find it necessary to leave school unless we come to their rescue.

"As one who proposed universal college education of the GI several months prior to its inclusion in the original GI bill, I am anxious to see veterans' opportunities in the field of higher learning increased, not decreased. Perhaps there are some who mockingly refer to this as a noble experiment. But the experiment is working and working well.

"I believe the time will come when Government will assume the responsibility of opening the avenue to college and university training for all our citizens just as today it guarantees our children primary and secondary education.

"Certainly, a poor boy or girl who meets the scholastic qualifications of a university ought to have the same chance of improving the mind a person who is more fortunate financially has.

"At any rate, the GI bill has opened a burning question, puts it on a working basis, and proves that all Americans, regardless of race, creed, or color, can be treated equally when it comes to opportunity to go to college.

"Therefore lest this educational feature of the GI bill be scuttled and countless veterans be compelled to leave important studies they are now pursuing, I strongly urge the House to vote these increases of subsistence allowances to veterans immediately.

"I likewise recommend that we improve the on-the-job training program by raising the ceilings, now too low, so that the private initiative of each veteran manifests itself more forcefully."

Thank you.

St. Lawrence Seaway

EXTENSION OF REMARKS

OF

HON. JOHN C. BUTLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. BUTLER. Mr. Speaker, some days ago I extended my remarks on the subject of the St. Lawrence seaway. I tried to point out how very undesirable this project would be from the standpoint of the best interests of the citizens of the United States. I have noted with interest the debate that has progressed from day to day in the other body. Certain phases of the debate have attracted my attention particularly and I desire to comment upon them.

"Changing conditions" require "changes in methods."

One very distinguished member of the other body, and a man for whom I have the highest respect, points out that new and changing conditions demand that we give serious and favorable consideration to the seaway. He very aptly says that new conditions cause an adjustment in our economy and uses as an analogy the "buggy-whip industry." He says, and very correctly, that there was a time when the buggy-whip industry was an important and very useful industry in the United States. He states further, and also very correctly that a subsidy for the rehabilitation of that industry today would be very poor economics. He infers that progress in the fields of science and industrial development, with the new and improved methods, and so forth, challenge us to make adjustments to keep pace with the advance along these lines. Up to this point, Mr. Speaker, I find myself in full agreement with my distinguished friend. However, he goes on from there and applies this reasoning as an argument for the seaway development. He points out that railroads are fast becoming obsolete. At this point, Mr. Speaker, I do feel that my friend has gotten switched on the wrong track. In my opinion, waterways, particularly inland waterways, antedate railroads. They are one of the oldest forms of transportation. They are also perhaps the slowest and most nearly obsolete of all forms of existing transportation. When compared to railroads, the railroads are modern and the waterways are obsolete, even as passé as the very buggy-whip industry to which my friend refers. It was the railroad that speeded up our transportation and made the waterway outdated. The very argument used so ably by my distinguished friend, appears to my mind to strongly support our claims that the seaway development would be a step, but a step in the wrong direction. Instead of being forward, it would be decidedly backward. It would be adjusting ourselves to a change, Mr. Speaker, but it would be the same kind of a change if we would propose that our modern garages should be declared obsolete and we would proceed to reestablish the blacksmith shop. Our young men, engineers and mechanics, would be challenged to leave the splendidly equipped garages and return to the "village smithy 'neath the spreading chestnut tree." No, Mr. Speaker, we cannot discard our 60-mile fast overland freight because it is obsolete and expend our billions to develop a 12-mile-per-hour waterway, and call it progress.

THE SEAWAY IS A POWER PROJECT

There is no doubt, Mr. Speaker, that the St. Lawrence River would lend itself well to power development. But if we want additional power developed with Government funds, why do we select a river in some other country? Why not an American river? There are plenty of them in our own country, Mr. Speaker. Rivers going right through our own American States, rolling listlessly out to sea, thousands of miles of them. They are undeveloped and our own citizens would be most happy to see power projects for American use, employing American workers, and benefiting American business. There is plenty of opportunity for development on the Penobscot, the Connecticut, the Delaware, the Mohawk, the Hudson, the Susquehanna, the Potomac, the Niagara, the Ohio, the Mississippi, the Missouri, and countless others. All of these are in America. The power problem is not necessarily dependent on the St. Lawrence seaway. I fear it is being used merely as an argument for a project that the advocates of realize is not worthy to stand on its own merit. I fail to see that our need for power development justifies the seaway any more than it would be feasible for us to scrap our fine railroad transportation in behalf of the establishment of a ship canal.

In conclusion, I should like to pose this further question with regard to power development in the United States. Is there a lack of capital within reach of our American power companies to develop additional facilities to meet any sound requirements of our people? A glance at their financial statements will perhaps answer that question. If a power project is sufficiently needed to justify the investment, is it not reasonable to suppose that the companies themselves would be only too glad to provide it? Should it be too costly for them, then, when that is discovered, it would be well for the Federal Government to consider a grant of aid to them, thus confining our appropriations to a point where it is just the amount necessary to make the development possible. This procedure, it seems to me, is much more prudent than for the Federal Government to further aggravate our inflated condition by pouring hundreds of millions into a gigantic power development to merely create further competition with private industry. Such an effort would also further aggravate inflation, further weaken the already weak dollar, increase the already too large national debt, and load still heavier the overburdened American taxpayer. Mr. Speaker, I am opposed to this proposed St. Lawrence seaway.

Federal Bureau of Asylums

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. ANGELL. Mr. Speaker, the whole subject of the commitment of deranged citizens to mental hospitals and their treatment therein is one of deep concern not only to the Federal Government but to the governments of the various States of the Union. The United States Government and State officials and members of the Federal Congress and of State legislatures for many years have been aroused over the many cases of illegal commitment of the alleged mentally deranged and the inhumane treatment accorded to them and other patients in some of the hospitals maintained for their care and treatment.

While the problem is usually one coming under State jurisdiction, the Federal Government also has certain responsibilities with reference to it. I feel that the investigation of this serious problem should not longer be delayed but should be put on the agenda for early action both by the Federal and State Governments.

I am today in receipt of a copy of a letter written by Samuel Friedman, director of the American Equity Association, addressed to the President of the United States, calling attention to the seriousness of the problem and including

a newspaper article from the Washington Evening Star under date of November 14, 1947, in which certain alleged inhumane treatment of mental patients is discussed. I have no personal knowledge as to the truth or falsity of the statements but do feel that the whole subject should not be lightly brushed aside but the Nation-wide problem should be given consideration with the view to make certain that these unfortunate citizens are not deprived of their legal rights nor subjected to treatment which is out of keeping with the high standards of a free democracy. The letter follows:

AMERICAN EQUITY ASSOCIATION,
Washington, D. C.

To the PRESIDENT OF THE UNITED STATES,
The White House.

DEAR MR. PRESIDENT: In Attorney General Clark's recent speech he is quoted as apologizing for "burdening his listeners with details (pertaining to lynchings) because he wanted to bring home the horrors that result when mob violence takes over, when lynch law replaces due process of law, and when irresponsible persons set themselves up as the judge, the jury, the prosecutor and the executioner."

We understand the Attorney General's activity was due to your ordering the investigation of mass killings. While we are in sympathy and accord with this humanitarian gesture may we call attention to the fact that deaths by lynching are few in comparison to the deaths from violence and neglect that occur in the mental hospitals of this Nation.

When attention of hospital heads and State Governors is called to mental hospital filth and brutality, many times before the exposé breaks into print, there is always a rubber-stamp denial that anything was or could be irregular or wrong. Illinois and California papers are carrying accounts of shocking conditions in mental hospitals; recently articles have appeared in Life, Reader's Digest, Cleveland Press, New York PM, and various others, which you may not have read; therefore we wish to draw your attention to an Associated Press article in which a spokesman for the panel not only speaks for Maryland but honestly voices conditions of all mental hospitals of this Nation. "We are Tearing Patients Down Before We Can Build Them Up." * * * "Said conditions result from a division between the board of mental hygiene and individual hospital boards."

Mr. President, may we again bring to your attention the need for a Federal Bureau of Asylums with well-trained inspectors who shall be free from medical or political censorship to go into these institutions, day or night, unannounced, and find out just why an atmosphere of the concentration camp is allowed to prevail, just why many sane individuals are railroaded (without due process of law) and held incommunicado—certainly a violation of the fourteenth amendment, forced to work without pay, a violation of the thirteenth amendment, many needlessly tortured and brutally murdered, a violation of the eighth amendment, and all under the sole control of an irresponsible group who have set themselves up as judge, jury, prosecutor, and executioner.

Trusting you will give the above your serious consideration, I am,

Respectfully yours,
SAMUEL FRIEDMAN,
Director.

Mr. Speaker, unfortunately many of our hospitals for the mentally ill fail to provide for the rehabilitation of mentally deficient patients. The Congress, realizing the importance of rehabilitation passed in the Seventy-ninth Congress Public Law 487 which provides for the expansion of psychiatric facilities for the treatment of mental patients to further a program of rehabilitation. I include the following interesting and helpful discussion of this subject by M. R. Rittle:

REHABILITATION OF MENTALLY DEFICIENT PERSONS

(By Counselor M. R. Little, Waycross)

(Excerpts from paper read at district conference in Savannah)

Prior to 1943 the rehabilitation of mental cases was ignored almost completely. Public Law 113, the Barden-LaFollette Act, recognized the needs of this group and the economic feasibility of restoring such individuals to employability.

No claim should be made that all, or even most, mental cases can be rehabilitated with present knowledge, but cases can be selected who are both eligible and feasible for service.

Through the years there have been marked changes in people's attitude toward mental illness. No longer do we feel that a person is possessed of the devil or controlled by some evil influence. The mentally sick are not turned out and isolated, nor are they now punished for being "witches." Relatives of the mentally sick still are inclined to feel that occurrence of such an illness is a blot on the family record. They hesitate to mention such illnesses openly and attempt to keep such information from being public knowledge. They are fearful that they themselves may become mentally ill. * * *

There are no reliable statistics to show the complete incidence of mental diseases but it is known that slightly more than one-half of the 500,000 hospital beds in the United States are occupied by mentally ill patients.

Approximately 12 percent of men between the ages of 18 and 37 years were rejected by Selective Service for mental and personality disorders, not including mental deficiency or neurological defects.

Most physicians will admit that at least one-half of the patients whom they are treating are suffering partially or primarily from some emotional disorder.

Psychiatric cases must be selected carefully for rehabilitation in order to achieve the success necessary to justify the confidence of legislators and administrators who have made the present program possible and to avoid the discouragement which failure will bring to the rehabilitation worker and the client.

In other words, we look at the emotionally disabled individual as a human being not greatly different from other human beings, except for his disability. * * *

Every person has a threshold of tolerance for stress but if he faces stress beyond this point he tends to show disturbances of emotion.

The late Ernie Pyle expressed his feeling when he left the European theater of war in this way:

"I am leaving for only one reason—because I have just got to stop. 'I've had it,' as they say in the Army. I've have all I can take for a while. * * * I've been immersed in it too long. My spirit is wobbly and my mind confused. The hurt has finally become too great. All of a sudden it seemed to me that if I heard one more shot or saw one more dead man, I would go off my nut, and if I had to write one more column, I'd collapse." * * * During his life every individual meets difficult situations producing anxiety, irritability, or frustration. * * *

Vocational rehabilitation aims at making the individual employable.

Psychiatrists as a rule are concerned with treating all phases of a patient's disability.

The law requires that hospital treatment be limited to 90 days. In most cases vocational training and placement may be carried out sometime during the course of psychiatric treatment, before treatment is actually terminated. * * *

The first question to be answered is: "Is there a vocational handicap?" Emotional disturbances are perhaps the most common cause for employment difficulties. * * *

The most difficult decision to reach in the consideration of feasibility is the question as to whether or not the condition will respond to treatment within a reasonable period of time. In general, the outlook for response to treatment is better in the psychoneuroses and the depression states. However, no hard-and-fast rules can be made.

Feasibility of treatment also will depend to a large degree on facilities available. Under the provisions of the Mental Health Act recently passed by Congress, and signed by the President, there will be a gradual expansion of psychiatric facilities throughout the country. However, it has been estimated that it will be 50 years before there are enough trained psychiatrists in the country.

A person who is feeble-minded cannot be made intelligent. However, many such individuals can be placed in more suitable work and assisted to a vocational adjustment in spite of the handicap.

The problem of placing workers in the right kinds of jobs is not new in industry. It is estimated that approximately 50 percent of workers in the United States are not well placed vocationally and are somewhat unhappy and inefficient on this account. Some veterans who have never found themselves vocationally, and who are still suffering from some minor nervous ailment when they seek employment, will be floundering and will have no clear idea as to what they want to do or for what they are fitted.

In addition to the medical history and report of psychiatrists, constructive advice will take into consideration, whenever possible, the person's mental age, his scores in aptitude tests, his personality, his high school or work history, and his social background and conflicts.

The attitude of the employer and the state of the individual himself must be considered. Many employers have shown reluctance in accepting employees who have been given psychiatric diagnosis. One employee inadequately placed will do more to increase the employer's resistance to accepting such cases than productively employed clients could do to decrease this resistance.

The vocational rehabilitation counselor must not feel that the rehabilitation process is complete when the client has been placed in employment. A careful follow-up must be made to see that the client is self-sufficient, independent, and able to travel "under his own steam."

Some workers such as the "Schizoid" type can work more effectively only in places where they are sheltered from distractions and particularly from contact with large groups of people.

The more intelligent clients are apt to do well in a research job or other position where they are dealing with facts and chemical or mechanical processes, rather than with people.

The slow learner or mentally deficient type should be placed in jobs that do not require much complex thinking. Some need a fixed routine and simple situations.

It has been said that there are more jobs for the feebleminded than there are feebleminded persons to fill them.

In actual practice it has been demonstrated that persons with mental ages as low as 5 or 6 years may be taught to do simple jobs with supervision.

Over 100 gainful occupations for men and women with IQ's between 25 and 75 have been listed. * * *

The Federal Office of Vocational Rehabilitation, in a recent report for the fiscal year ended June 30, 1946, showed (cases) persons with mental or nervous diseases "closed as

employed" in such occupations as guards, watchmen, janitors, farmers; in skilled trades as jewelers, carpenters, electricians; semiskilled trades as in machine shop occupations, routemen, chauffeurs, auto repairmen, retail managers, clerical work, sales and kindred occupations, service occupations such as housekeepers, maids, waitresses, barbers; professional occupations such as accountants, authors, chemists, teachers; semiprofessional occupations such as aviators, dancers, photographers, radio operators; managerial occupations such as hotel and restaurants; unskilled occupations such as laborers and stevedores. * * *

The R. H. Macy Co., a department store which employs 13,000 persons, established a full clinic consisting of psychiatrist, psychologist, and psychiatric social worker. In a 4-year period these professional teams were able to adjust more than half of the "problem" employees studied while they continued to work.

Cost of Government

EXTENSION OF REMARKS

OF

HON. MELVIN C. SNYDER

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. SNYDER. Mr. Speaker, the cost of government has a direct effect on the cost of living. This is a basic and fundamental fact, which the President and his advisors deliberately ignore.

The Congress has been asked to appropriate approximately $40,000,000,000 for current expenses during the next fiscal year. Debt reduction is not included in that figure.

The facts are that better than 20 percent of the cost of food and goods is represented by taxes. That is why it is so essential to reduce the cost of government and to reduce taxes.

One of the main reasons that living costs bear so heavily upon the workers of the country, is because of high taxes. High taxes are reflected in the cost of every loaf of bread, pound of meat, pair of shoes, or any other item one might mention. The most effective way to give relief from the high cost of living is to cut down taxes, so that the worker will have a larger take-home pay to meet the high prices of today. For the worker, this is just as effective as a pay increase, and it will be much better because it will bring lower prices through the stimulation of production.

I call attention to two editorials, one appearing in the Philippi Republican, Philippi, W. Va., under date of Tuesday, January 27, 1948, entitled "Why Not Look After the Cost of Government, as Well as the Cost of Food?" The other editorial appeared in the Preston County Journal, Kingwood, W. Va., on Thursday, January 29, 1948, entitled "The Cost to Each of Us."

The cost of government can be substantially reduced when all agencies of the Government give to the taxpayer a dollar's worth of service for a dollar of tax money.

[From the Philippi (W. Va.) Republican of January 27, 1948]

WHY NOT LOOK AFTER THE COST OF GOVERNMENT AS WELL AS THE COST OF FOOD?

President Truman is campaigning to bring down the cost of food, but up to the present time he has said nothing about bringing down the cost of Government. Note his $40,000,000,000 budget.

Since 1939, the cost of food has gone up 100 percent, while the cost of Government has gone up 377 percent. Government now costs more than food. Few people see that a greater danger to their jobs, savings, and living standards comes from Washington, D. C., than from the corner grocery, and why? It is because the Government is getting so far away from us that we don't understand it. We can understand a pound of butter, but most of us can't understand a Government bureau.

A former Governor of Texas said, "We are moving the county courthouse and the city hall to Washington." Of course, that is not literally true, but it is true in every sense that counts. We must bring Government back home where we can see and control it.

[From the Preston County (W. Va.) Journal and Preston Republican of January 29, 1948]

THE COST TO EACH OF US

President Truman's budget message seems to most of us to be dealing in astronomical figures. Forty billions is merely a row of figures. The fact that Government expenditures now are more than twice what they were under Roosevelt's New Deal before the war started is merely comparative.

To bring it nearer home one might realize that the 1949 budget as set by President Truman would cost every man, woman, and child in the country $270. To a family of four the cost is more than a thousand dollars. Add to this $270 the average cost of your State and local governments and you will begin to see just how much Government is costing you these days.

Since the New Deal took over back in 1933 the national debt has increased $235,000,000,000. This means that each family in the country now owes as its share of the national debt $6,000 more than it owed back in pre-New Deal days. Then add on any State, local, or personal debts and see where you stand.

Yet in spite of all the expenditure, President Truman has drafted new and expensive plans for repairing the state of the Union. After 15 years of New Deal rule we seem to be farther from the end of the rainbow than ever.

Put Teeth in Mine-Inspection Law

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. PRICE of Illinois. Mr. Speaker, failure of Congress to expedite consideration of several proposals offered in both the House and the Senate to put teeth into the Federal mine-inspection law by providing enforcement features amounts to gambling with human lives. Because I feel that Congress should recognize its responsibility to grant protection to the thousands of men engaged in this hazardous, and most essential industry, I have urged the proper committee in the House of Representatives to take this legislation from its pigeon hole and report it to the House for consideration.

The seriousness of the present state of mine safety enforcement—or, I should say, lack of enforcement was forcibly brought to the attention of the Nation on March 25, 1947 in the terrible disaster at Centralia Coal Co., mine No. 5 when 111 miners lost their lives. The country was shocked not solely because of the tragedy but also at the political events which led up to it.

Congress was aroused. For awhile it appeared that the Centralia disaster would result in prompt action on legislation to give Federal authorities the power, not only to make recommendations in the interest of mine safety but to enforce such recommendations. A Federal mine inspection law had been passed by Congress back in 1940. In its original form this was the legislation needed to cope with the problem of mine safety. But somewhere along the line in its evolution from a bill to its final enactment into a law it lost its teeth. So we have in our statutes an inspection law that leaves the Federal Government with no power to enforce its recommendations.

I want Congress to restore the teeth which were pulled from the original bill. The series of mine disasters which have occurred since the passage of the inspection law should be evidence enough that Congress was in error when it neglected to provide enforcement power for the Bureau of Mines inspectors.

The question of States' rights was the chief argument used to pull the teeth from the law enacted by the Seventy-seventh Congress. Mining, however, transcends State boundaries. It is one of the most important of our national industries. Coal is a natural resource. Miners should be the special concern of our Nation.

State enforcement of mine safety regulations has been very lax. The Centralia disaster merely exposed a condition that had existed for many, many years. The miners were made the pawns of political chicanery. Illinois is not the only guilty State but the events of last year within its State mine inspection system were such that they attracted the attention of the entire Nation.

I have asked the chairman of the subcommittee of the House Committee on Education and Labor to act quickly on pending bills to restore teeth to the Federal mine-inspection law as the only answer to the problem of mine safety. Only in this way can we remove mine safety from the influence of corrupt political machines. Too many men have already given their lives while men high in State offices played politics with the inspection system.

At the time the Centralia miners were appealing to Governor Green and State officials to compel the mine owners to comply with safety recommendations which had been made by competent inspectors of the Federal Government and by a State inspector, Mr. Driscoll Scanlon, who was subsequently rewarded for his honesty in public service by being removed from his position, these State officials were more interested in a

mayoralty election in Chicago. A few weeks before the tragedy it had been publicly disclosed that the mine operators were being solicited for political contributions by representatives of Governor Green's State administration.

Four months after the Centralia disaster 27 miners were killed in an explosion at the Old Ben Mine at West Frankfort. Shortly after three miners were killed in an explosion at Orient Mine No. 2 at West Frankfort.

In every case, at Centralia, at Old Ben, and at Orient, the mine management had been warned in advance of danger. But they took chances a rigid Federal enforcement law would not permit them to take and in 5 months 141 Illinois coal miners were killed.

A United Press dispatch from Benton, Ill., dated February 2, 1948, indicates that in the face of such tragedies a lesson has not been learned. The story relates that an Illinois State mine inspector was under indictment on a charge of malfeasance and failure to take necessary precautions for the safety of miners at Old Ben Mine 11. The representatives of the State inspection system it is charged in the indictment, attempted to intimidate the representatives of the miners on safety and tried to prevent them from requiring from the mine operators the necessary safety measures.

It is long past time for Federal action. It is shameful the way the mine-inspection systems in many States have been used for political advantage and politics should be removed from enforcement of mine safety by Federal law. Mining is too hazardous an industry to permit delay in action on danger warnings. It is the responsibility of Congress to make absolutely certain that the safety regulations of the Bureau of Mines are observed to the letter.

Legislation for Widows and Dependents of War Veterans

EXTENSION OF REMARKS
OF
HON. GEORGE J. BATES
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. BATES of Massachusetts. Mr. Speaker, under leave to extend my remarks I include in the RECORD a resolution passed by Captain Lester S. Wass Post, No. 3, American Legion, Gloucester, Mass., and endorsed by the Disabled American Veterans, Chapter 74, of the Veterans of Foreign Wars of the United States, Post 1624, the AMVETS, and the newly formed National Guard Veterans' Organization, all of Gloucester, Mass., and urging the enactment of legislation benefitting widows and other dependents of war veterans:

Be it resolved in regular meeting assembled, That the Congress of the United States be petitioned to amend all present laws and regulations pertaining to widows and other dependents of veterans of any war participated in by the armed forces of the United States to allow (authorize) the previously mentioned widows and other dependents to draw the existing pensions regardless of any other income which they may be receiving from any source whatsoever: Also be it

Resolved, That the Congress of the United States be petitioned to make all income received by any widows or other dependents of any veteran exempt from all taxation by the Federal Government.

The foregoing resolution was referred to the Committee on Veterans' Affairs.

European Recovery Plan Weakened by Near East Problems

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. WOLVERTON. Mr. Speaker, under the leave granted to me by the House, I include in my remarks a news article appearing in the Wall Street Journal, under date of February 7, 1948. The article, written by W. C. Bryant, sets forth the critical situation in the Near East and its effect upon the European recovery plan with respect to its commitment to supply petroleum during the intervening years between this and 1952. The subject matter is one that should have the careful and serious consideration of every Member of Congress. The article to which I have referred reads as follows:

OIL FOR EUROPE—CONGRESSMEN SEE LACK OF PETROLEUM AS WEAK LINK IN MARSHALL PLAN—CAN'T COUNT ON VITAL MIDWEST SUPPLIES; ARABS ANNOYED ABOUT PALESTINE—16-NATION NEEDS TRIMMED

(By W. C. Bryant)

WASHINGTON.—In public hearings and in secret sessions on Capitol Hill the past week Congressmen have spotted the weakest link in the whole plan for rebuilding European industry. That link is petroleum.

No matter how well drawn the State Department's program for a Marshall plan, the machinery would be badly affected if oil supplies ran out. Secretary Marshall's aides are trying their best to soft-pedal the obstacles facing their $17,000,000,000 European recovery program, but they have been forced to the tacit admission that the plan as now proposed may be tripped by lack of enough oil.

Middle eastern oil is the key.

To carry out the 4-year Marshall plan, as now envisaged, will take 1,667,100,000 barrels of oil. The State Department has made that estimate after careful study. The 16 European nations to be assisted will draw heavily on this supply as they build up their industries with American help. The United States already is pressed for fuel oil and gasoline, so the plan calls for a big increase in oil production in the Arabian Middle East.

NO ASSURANCE FROM ARAB COUNTRIES

Now, the State Department admits it has no assurance that the Arab countries, incensed over the partition of Palestine, will supply all that precious oil regarded as necessary for the program.

The State Department has just released a special commodity report on the petroleum needed for ERP. The report begins significantly "petroleum is essential for the recovery of Europe." It proceeds to relate how the Department pared Europe's requests for petroleum—2,290,000,000 barrels—down to what it considers a feasible figure.

This supply of oil is predicated on expansion of oil production in the Middle East. "It is believed that the necessary quantities of crude oil and petroleum products to satisfy the requirements of the participating countries as estimated by the executive branch should in general be available provided that the projects for the expansion of the world's oil production and refining, especially in the Eastern Hemisphere are completed on schedule." If this Eastern Hemisphere supply is increased, the report says, the Middle East will contribute 80 percent of Europe's petroleum needs in 1951, compared with only 23 percent in 1946.

LEWIS DOUGLAS TESTIFIES

At a hearing yesterday, United States Ambassador to Britain Lewis Douglas told the House Interstate and Foreign Commerce Committe that, if this increased Arabian oil supply does not materialize, the whole Marshall plan will have to be revised. He differed sharply, in this respect, with Interior Secretary Krug, who suggested recently that, if Arabian oil is not forthcoming, the United States might make up the difference by rationing its own consumers.

What degree of confidence do you have in your ability to get more oil for Europe from the Middle East? the committee asked the State Department. The answer, not made public, was given at a secret meeting Thursday night. Present were State Department experts and Ambassador Ali Jawdat from oil-important Iraq.

Their answer, in brief, was that they can have no confidence at all, while Palestine is in turmoil.

The congressional committee wants the State Department to come up with some allocation plans for carrying out ERP without extra oil. This committee does not have any control over the drafting of Marshall plan legislation, which is being handled by the House and Senate Committees on Foreign Affairs and Foreign Relations, respectively. But the question mark it has raised will not be missed when this bill gets on the House floor and when the appropriations committees study the plan for possible economies.

INCREASE USE OF OIL

The State Department claims to have cut Europe's oil requests pretty drastically, but the program still allows for increased use of Diesel engines in road and rail transportation, agriculture, shipping, and industry. It also considers requirements caused by conversion from coal to oil.

This raises eyebrows among the House committee members who have taken a hand in the Interior Department's program for voluntary conservation of oil in the United States. That program discourages United States homeowners from installing oil burners and encourages United States industry to change back from oil to coal.

Europe's growing dislike for coal is based on two factors—high costs and labor and machinery bottlenecks. British coal costs $10.50 per ton at the mine head, the Commerce Committee was told. Anyhow, the State Department's plan already calls for a big increase in coal production, as big as the experts think possible.

Europe's reconstructed industry is estimated to need energy in 1951 on the order of what could be produced by burning 699,700,000 metric tons of hard coal. That compares with 540,300,000 in 1947. Energy derived from petroleum would be boosted about 32 percent to help meet this goal.

LOOK TO MIDDLE EAST

To fill the increasing demand for oil, the European nations, under the Marshall plan as now drawn, would look to the Middle East, where British and American companies have

been laying pipe lines, building refineries, and dickering with local potentates for concessions at a furious pace since the war's end.

Assuming plans proceed on schedule, the European countries would get 335,000,000 barrels of petroleum products from the Middle East in 1951, compared with 124,000,000 barrels this year. The United States is scheduled to give Europe a little less oil in the first year of the Marshall plan than it did in 1947. The State Department anticipates first-year exports of 36,000,000 barrels. Exports from other parts of the Western Hemisphere, chiefly Venezuela, would also decrease as middle eastern supplies increased. This Latin-American oil would then become available to meet increased demands in the United States.

Even so, the House Commerce Committee staff figures the United States may be 1,000,000 barrels of oil per day short of meeting its own domestic requirements in 1952.

MODIFY PIPE-LINE PLANS

Already, some United States companies have modified their plans for constructing pipe lines and refineries in the Middle East as a result of trouble in Palestine. Construction on the Haifa end of the trans-Arabian pipe line has been stopped and construction crews have been shifted to the Persian Gulf end of this important project. Unless this important link between the Persian Gulf and the Mediterranean can be completed, the oil companies, already short of tankers, will need an extra 56 of these vessels to transport the desired supply of middle eastern oil.

In addition, Defense Secretary Forrestal has warned that pipe lines in the Persian Gulf area are insecure.

Middle East oil output was about 850,000 barrels a day at the end of last year. United States companies reportedly draw about 315,000 barrels daily of which the armed forces take about 60,000 to reduce their drain on scarce United States fuel oil and gasoline.

In December, Arabian-American Oil Co., organized by Standard Oil Co. of California and the Texas Co., predicted that projects then undertaken by all companies in the area would double output within a few years. These projects include, besides the trans-Arabian pipe line, two pipe lines from Kirkuk in Iraq to Haifa in Palestine, new or bigger refineries in Iran, Iraq, and Kuwait, and extensive exploration and drilling.

Abraham Lincoln

EXTENSION OF REMARKS
OF
HON. ALBERT M. COLE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. COLE of Kansas. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a memorial to Abraham Lincoln written by the Honorable Homer Hoch, former Representative from Kansas. This world famous memorial was recently referred to me by the Honorable Phil E. Zimmerman, past national patriotic instructor of the United Spanish War Veterans:

LINCOLN

There is no new thing to be said of Lincoln. Nor is there a new thing to be said of the mountains or the sea or the stars. The mountains ever tower in solemn majesty above the drifting clouds, the mysterious sea ever sobs upon the shore, and the silent stars ever keep holy vigil above a tired world—but to mountain and sea and stars men turn forever in unwearied homage. And thus was Lincoln. For he was mountain in grandeur of soul, he was sea in deep under-voice of sadness and mystery, he was star in steadfast purity of purpose and of service. And he abides. With the name of Lincoln tears are called from old men's eyes, and with the name of Lincoln childhood learns to lisp a patriot's devotion. And there is no new thing to be said of him—what need, for such as he! But while the republic stands on whose altar he laid his great mind and heart, while liberty is cherished, while civic virtue and service and sacrifice are honored in the earth, the name of Lincoln will be spoken in undying love by the sons of men.

HOMER HOCH.

Statement of Rochester Inter-Faith Goodwill Committee

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. KEATING. Mr. Speaker, never in all history have the forces of righteousness faced a greater challenge. Godless scoffers at spiritual values occupy the seats of the mighty in sister nations. In our own country their sympathizers and agents, in idolatrous worship of unrefined materialism, seek to subvert our institutions and inoculate our people, particularly our youth, with their poisonous serum. On top of that, greed, want, racial intolerance, hatred, oppression assail us on every side. These elements are our true enemies. Only by unity of Catholic priest, Protestant minister, and Jewish rabbi, together with all those of every denomination who make their common supplication on bended knee, can the forces of right and justice prevail. Only under God, can this free Nation prosper, indeed survive.

With intense civic pride, therefore, which my colleagues may be kind enough to forgive, I set forth below, under leave to extend my remarks, the text of a recent statement issued by the Rochester Inter-Faith Goodwill Committee formed in 1934, in the city which I have the honor to represent, consisting of prominent Protestant, Catholic, and Jewish members of the clergy and laity.

Stressing the basic beliefs, principles, and ethics which unite, rather than doctrines or dogma which divide, our citizens of various faiths, this committee has performed a service of inestimable value.

TEXT OF PLEA BY INTER-FAITH GOODWILL UNIT

(Following is the text of the statement issued yesterday by the Rochester Inter-Faith Goodwill Committee:)

The Rochester Inter-Faith Goodwill Committee was formed in order to strengthen the bonds of community life. To meet the national and international problems before us, those bonds must now be made stronger than ever. As a contribution to this end the committee invites the attention of the community to its statement of purpose adopted February 23, 1934:

"The Catholic, Protestant, and Jewish communions in this city, through official representatives, have organized a permanent body known as the Inter-Faith Goodwill Committee to express their sense of comradeship and to consider such issues as may arise which are of common concern.

"The confusion of the time offers to the members of these communions an opportunity to achieve a deeper understanding and appreciation of one another. It also challenges them to emphasize in their moral and religious outlook the great common principles which they believe to be the basis of our civilization.

"The members of these communions, for instance, share the belief in the spiritual nature of man and in man's supreme responsibility to God. They are also united in the desire to maintain the rights of men, civil and religious, which are the foundation pillars of the Republic, and which are guaranteed to our citizens by the Constitution.

"The purpose of the Inter-Faith Goodwill Committee will be to express this belief and desire, shared alike by Catholics, Protestants, and Jews, and to engage in such activities as will remove prejudice and bigotry and make for an increasing fellowship in the service of the common good."

CHARTER REAFFIRMED

At this time the undersigned members of the Inter-Faith Committee would reaffirm the charter which has been the guide for its activities during the last 14 years. We believe that the great majority of the citizens of Rochester stand with us on these fundamental principles. In our meetings we have been enabled to secure a better understanding of the ideals of our people, Catholic, Protestant, and Jewish. We have directed questions at each other and have secured accurate and timely declarations of the beliefs and practices of each group. In these interchanges we have recognized always the loyalty of each group to our American Constitution, to our American principles of civil and religious liberty, and to our American doctrine of equality for all before the law.

We welcome the public discussion of every question of common concern. We recognize that there are times when the public discussion of religious as well as political differences may be a necessity if our democracy is to function in a healthy way. We believe, however, that such discussion should be carried on without impugning the loyalty of the great body of our people, Catholic, Protestant and Jewish, to the foundation principles of the Republic. Unless we recognize this common loyalty, fraternal relations become difficult and the mutual confidence essential to our working together in community enterprise becomes imperiled.

CONFIDENCE NECESSARY

Such mutual confidence is more than ever necessary in these times when we face tasks upon the successful accomplishment of which the fate of civilization itself depends. We still have to make peace and avert another world war. We have to organize our economy to provide for the needs of all without sacrificing our liberties to the tyranny of a police state. We have to find types of education that will make man, as a spiritual being, master of the science and technology that, uncontrolled, will destroy him. We have to fight racial discrimination and a deadening secularism that denies the religious basis of life.

These are the primary tasks that confront us. They are the common responsibility of Catholics, Protestants, and Jews. And the men and women who will contribute most to their achievement will come from all the communions.

The differences in outlook that separate us are important. It is essential that we acknowledge and study them. But it would be tragic if in considering these differences we should drift into attitudes of hopeless antagonism toward one another. The religious

and racial conflicts of the old world with their bitter consequences warn us against this danger. Along with the emphasis on differences, let there be also a common quest for a deeper understanding of the spiritual objectives of these great religious groups and their ways of life. From such understanding may come a new spiritual climate in which the work of all the communions may be more fruitful.

LOCAL HERITAGE

Rochester has a heritage of good will that has characterized the relations of the members of the various communions with one another since the founding of the city. We are proud of that heritage. We are concerned that it be perpetuated.

Inspired by great common convictions and the vision of great common tasks, we pledge our continued effort to the achievement of civic unity. We count upon the cooperation of the members of all our communions, for we believe they are prompted both by patriotism and religious faith to defend our precious American tradition of human freedom.

Rabbi Philip S. Bernstein; Rev. Hugh Chamberlin Burr, D. D.; James P. B. Duffy; Rev. Patrick Flynn; Harry D. Goldman; Joseph Goldstein; Rt. Rev. Msgr. William M. Hart; Very Rev. Msgr. Gerald C. Lambert; William A. Lang; Elmer Louis; Rt. Rev. Msgr. Edward M. Lyons; Martin J. Moll; William MacFarlane; Rev. Harold E. Nicely, D. D.; Rev. Justin Wroe Nixon, D. D.; William T. Nolan; Rabbi Stuart Rosenberg; E. Reed Shutt; Joseph E. Silvertein; William H. Stackel; Rabbi Leon Stitskin; Rev. Fred M. Winnie.

Slovakia's Destiny

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith a letter from Mr. John C. Sedlacek, a prominent citizen of East St. Louis, Ill., who serves as vice president of Assembly 501, National Slovak Society. I found Mr. Sedlacek's letter of great interest and I insert it in the RECORD because I believe many other Members of Congress will be interested in Mr. Sedlacek's treatment of a subject which is of world-wide interest.

Mr. Sedlacek's letter follows:

Hon. MELVIN PRICE,
House of Representatives,
Washington, D. C.

SIR: In the past decade, the history of Slovakia has become known to millions of our fellow citizens. Of course, their knowledge of the land of the Slovaks is indeed meager, but at least they learned from the newspaper headlines of the spring of 1939 that the Slovaks, 3,000,000 in number, lived in the heart of Europe on the Danube; that they have inhabited this area as their homeland for 15 centuries, that they had their own kingdom in the ninth century, and at last, after more than a thousand years of foreign rule, these long-suffering people, who had survived as a national group, had proclaimed their independence and had assumed their rightful place in the family of European nations.

In World War I the Slovaks fought side by side with their Czech cousins and helped to break up the domination of the Austro-Magyar dynasty after a thousand years' rule. But their fight for national freedom was unfortunately misused by the Czechs who used the Slovaks for their own purposes to establish a hybrid Czechoslovak undemocratic state. The plot to enslave the Slovaks under Czech hegemony was foiled, however, by the great Andrew Hlinka, who led his People's Party in Slovakia to victory over the evil designs of the Czechoslovak planners in Prague.

Out of the chaos that preceded the outbreak of World War II, the Slovaks emerged as a free nation by formally proclaiming their national independence, and by immediately establishing the Slovak Republic on March 14, 1939, in Bratislava. The newly created Slovak state was truly in accord with the will of the overwhelming majority of the people; and its institutions, the framework of its national constitution, the spirit and organization of its new government followed democratic lines. Moreover, its constitutions was based on Christian and democratic principles as inspired by the Papal encyclicals and the American Constitution. The governing officials of the new republic, who were elected in a free, nation-wide democratic election prior to World War II, served Slovakia efficiently, humanely, and justly during the entire war.

Let's look at the Slovak record during World War II. The Slovak Republic, which was established by the unanimous assent of its national parliament on March 14, 1939, in Bratislava, Slovakia, compiled the following historic and amazing list of achievements:

1. England, France, Russia, Germany, Spain, Italy, all the countries of Europe, recognized the Slovak state and established diplomatic relations with its Government before World War II.

2. The Slovak Republic, even when unjustly dispossessed of its southern fertile lands by Magyar aggression and annexation (condoned by the German Reich's Von Ribbentrop in Vienna), successfully managed to build a sound national economy.

3. The Slovak people enjoyed the greatest era of prosperity in their 1,500-year-old history during the short but glorious 6 years of Monsignor Tiso's regime (1939–45).

4. Slovakian railroads and highways reached a new high in development during the democratic regime of President Tiso.

5. The number of books, magazines, and periodicals during the existence of the Slovak Republic exceeded by far the total edited in the entire 20-year period of the first Czechoslovak regime.

6. Not one person was sentenced to death by Tiso's government in its 6 years of rule. This fact testifies more eloquently than any other accomplishment to what extent the Slovak nation and its government cooperated in the spirit of Monsignor Tiso's motto: "True to ourselves—let us march forward together."

7. Nazi-pursued Polish and Jewish refugees found safe refuge and sanctuary in the Slovak Republic. Altogether more than 100,000 lives were saved through the intervention of the Slovak Government, and well-known Slovak Communists were spared the death penalty even though Slovakia was strongly anti-Communistic and was waging war against Soviet Russia. What a contrast to the bloody record compiled by the present Soviet-dominated regime in Slovakia in the course of 2 years since the Russian liberation.

8. The Slovak Revolt (August 1944–October 1944) engineered by Soviet parachutists and a few disloyal Slovak Communists, far from being a demonstration of discontent of the mass of the Slovak people, turned out to be a fiasco when it was discovered that the rumor of Tiso's arrest was false. It had been rumored that the Nazis had taken the Slovak president into custody, and for that reason a few thousand Slovak peasants in the north country joined the partisans.

9. President Tiso frequently walked the streets of Bratislava unattended and unprotected. This shows that the Slovak president was loved by the populace. Few rulers can afford this personal luxury.

10. Father Tiso's execution by the Czech Communist regime on April 19, 1947, was mourned by the whole Slovak nation. His death by hanging was a crime against the Slovak people and against humanity.

11. The Slovak Republic did not declare war against the United States of America.

12. Despite communistic pressure and the menace of Soviet power, the Slovaks voted a 3-to-1 democratic majority in the elections of May 1946.

What of the future of Slovakia? At the present moment Gottwald, Stalin's personal chief in Czechoslovakia, has assumed control of the government in Bratislava after dismissing the representatives of the Slovak Democratic Party in the Slovak capital. This further increases the danger of Soviet domination of Central Europe, thanks to the machinations of Benes and Masaryk, who have been collaborating closely with the Soviet policies of the Kremlin, and who share the guilt with their Communist chief, Stalin, for the death of hundreds of Slovak patriots and the imprisonment of thousands of innocent Slovaks. Yet in spite of these tragic developments in Slovakia, the press of America consistently adheres to the view that the Catholic-minded Slovak state, with its government and people, was a Nazi-inspired satellite state of Germany, while the second Czechoslovak republic of Benes and company, is hailed as an island of democracy in the Soviet sea of Central Europe. But even this view is rapidly changing every day because of the steady retreat of the Czech collaborators with Stalin toward Moscow. At long last the Prague politicians have been unmasked, and their champions in America very shamefacedly have had to admit that Benes and Masaryk have let them down in the crisis. Reluctantly they have come to the conclusion, accepted in regard to Hitler, that you simply cannot do business with dictators except on their own terms. And those terms have been tyranny, persecution, violence, revolution, and death. So far we have acted as if we subscribe to these terms, and thousands have had to pay with their lives for our shortsightedness. There is coming a day of reckoning; and America, the world's most powerful democracy, must not be caught asleep. Already the front lines of democracy on the Danube are shattered. We must be ready to meet the challenge to our freedom at our very door.

As you had stated in your letters of last year, your memorial address before your colleagues in the House in honor of Monsignor Joseph Tiso and the Slovak republic. It could be given on their national independence day, March 14, which also will be their ninth anniversary. The Slovak republic was established in Bratislava in 1939, or on the day that Father Tiso's execution was carried out by the Czech-Communist regime 1 year ago on April 19.

It is with much pleasure that I send you my hearty congratulations and good wishes for a successful nomination as Congressman of the Twenty-fifth District in the Democratic primary election held on the 13th day of April. Your activities and the progress of the district will be watched with interest all over the State and country.

With kindest personal regards.

Sincerely yours,

JOHN C. SEDLACEK,
Vice President, National Slovak Society, Assembly 501.

Employment of Navajos Off the Reservation

EXTENSION OF REMARKS
OF
HON. JOHN R. MURDOCK
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. MURDOCK. Mr. Speaker. the Congress passed, in the recent special session, an emergency measure for the relief and rehabilitation of the Navajo and Hopi Indians in my State of Arizona and in the State of New Mexico. In the closing hours of the special session $600,000 was appropriated for relief this winter and for the start of an off-reservation employment program. I anticipate that estimates covering the remainder of the $2,000,000 authorized for the emergency program will be received shortly by the Congress.

In addition, legislation and appropriations for the long-range rehabilitation program that is essential are being considered actively by the Public Lands Committee Indian Affairs Subcommittee in the House, and by the Committee on Interior and Insular Affairs Subcommittee on Indians Affairs in the Senate, as well as by the Indian Bureau and the Department of the Interior. I hope that we can proceed unremittingly to the enactment of a suitable long-range rehabilitation program, which is even more important than the action already taken for them.

I believe that the Congress and the country should be informed of the progress that has been made on one phase of the emergency program—the off-reservation employment. I have a preliminary report from Assistant Secretary William E. Warne, of the Interior Department, in the form of a letter, which I include as a part of my remarks. It follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
Washington, D. C., February 4, 1948.

Hon. JOHN R. MURDOCK,
House of Representatives.

MY DEAR MR. MURDOCK: Gratifying reports have been received of the conference held January 30 in Phoenix at the Westward Ho Hotel regarding off-reservation labor opportunities for Navajo and Hopi Indians. District Director William H. Zeh, who conducted the conference, says:

"The attendance far exceeded our expectations. It was a representative group. * * * A keen interest was maintained throughout the meeting which was participated in by the Indians, present and prospective employers of Indian labor in industry and in agriculture, religious groups, and others interested in the welfare of Indians. It was significant that throughout the entire meeting this interest was both specific and practical. * * *

"The facts developed during this meeting are briefly summarized as follows:

"1. The Navajo Indian under certain conditions is willing to leave his reservation to seek off-reservation employment.

"2. The Navajo has been found to be a desirable employee.

"3. Methods need to be developed to stabilize the Navajo labor supply.

"4. The primary need was to develop stable communities off the reservation in areas where work will be available. The undesirable type of temporary migratory labor, with its attendant social problems, should be avoided.

"5. The pioneering work carried on by vegetable growers in the Salt River Valley and others in connection with the hiring of Navajo labor definitely indicates that a stable Indian labor supply can be developed with the right treatment, training in the work to be done, and by the development of satisfactory housing as well as school facilities.

"6. Problems created by language, tribal customs, etc., can be solved by a sympathetic understanding and education of both the Indian employee and the white employer.

"7. There is ample evidence to show that there are real possibilities for the development of skilled labor among the Navajos. A positive training program should be instigated, in which the Veterans' Bureau can play a major part.

"8. There are numerous agencies, both in the Government and State, as well as among private concerns, who are very interested in developing off-reservation employment of Navajos and are willing and able to help the Indian Service."

I know that you will be glad to know that this phase of our Navajo program has been well started. There will be no let-up in our attention to the details that need to be worked out. The Indian office, through the district office at Phoenix and through Mr. James M. Stewart, superintendent of the Navajo agency at Window Rock, is bending every effort to make this a continuing and successful program.

Sincerely yours,

WILLIAM E. WARNE,
Assistant Secretary.

A Word About Meat; No Rationing, Please

EXTENSION OF REMARKS
OF
HON. WILLIAM C. COLE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. COLE of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Joseph's News-Press:

A WORD ABOUT MEAT; NO RATIONING, PLEASE

About 17,000,000 people—or at least their spokesmen—this week told Congress that meat should be rationed, and one lobbyist said FLANDERS' bill wasn't strong enough. Well, a Senate banking subcommittee yesterday voted 3 to 2 against the bill. But there may be other attempts at setting up meat rationing machinery under the theory that we are facing a serious meat shortage.

From the heights at Washington the meat situation looks bad; consumers agree that the price of red meat is too high, and fear that if and when the shortage comes, the price will go still higher. Now, let's look at the figures on which this anticipated shortage is based.

On January 1 there were 12 percent fewer cattle on feed than a year ago. The drop in sheep and lambs, over the same period, was 19 percent. There are no comparable figures for hogs, but here is an indication: Last fall's pig crop was 3 percent higher than a year ago, but the anticipated 1948 spring pig crop will be 11 percent smaller, which would result in a 9 percent drop in marketing of spring pigs next fall. That's the story of what is ahead as far as the 1948 meat supply is concerned. It's not a pretty picture, but it's not famine, either. You are just going to eat about 5 percent less meat this year.

Now about this price business. Most folks don't mean price control when they say price control; they mean price reduction, the fixing of a ceiling at a lower price in order that their dollars will buy more meat. Well, let's have a look at meat profits. Accurate figures are available on a steer that was purchased by a feeder January 1, 1947, and sold at $1 a pound for steaks last September.

This steer, weighing 600 pounds, costs the feeder $22 a hundred, making the feeder's initial investment $132. If he had corn on hand at the time he bought the steer, it had cost him $1.50 a bushel. In 8 months' feeding the steer was fed 50 bushels of corn, worth $75, $20 worth of supplement, and $10 worth of hay. When the steer was sent to market, the trucking charges were $3.50, yardage, 60 cents, and the commission company that sold him charged 80 cents for its service.

With the cost of the feeder animal, the feed, and marketing makes the feeder's investment $241.90. It is difficult to determine labor costs in farm operations, but observers say that labor, death loss, interest on investment, and incidental expenses incurred in feeding a steer would run about $35. That makes his investment $276.90.

The steer, weighing 1,000 pounds after 8 months of feeding, sold for $32.50 a hundred on the market, so the feeder received $325 for the animal. His profit was $48.10. (If he had fed the steer through the last 8 months he would have paid $3 to $4 more a hundred for the 600-pound animal, and would have fed it $2.75 corn.)

So the packer bought the 1,000-pound steer for $325. Labor and other plant expense in slaughtering the animal were $11.31. (We have the exact plant costs on packer operations.) But the by-products from the steer, including hide and glands, were worth $28.42 last August 27, so the steer actually cost the packer $307.89. The steer dressed out 625 pounds of marketable meat, an excellent dressing average, so the meat that the packer had to sell had cost him $49.50 a hundred. The meat weight shrunk 4 pounds in shipping it to New York, and the shipping expense was $14.64. (We are sending this meat to New York, for the industrial Northeast eats a big share of the Nation's meat.) Laid down in New York the meat had cost the packer $51.90 a hundred.

The meat from this steer sold to a large meat market for $52 a hundred. (That was the actual price for that grade of meat on September 10, last year.) The packer made 10 cents a hundred on the steer he slaughtered. If this profit seems small, it might be interesting to know that last year Swift & Co. made only a quarter a cent a pound on all the meat it handled.

Now the meat dealer had the carcass; he lost 93 pounds in unsalable bone, sinew, and shrinkage during cutting, bringing the cost to $60.50 a hundred, before labor. The work of cutting up the carcass sent the dealer's cost to 73 cents a pound. Since some cuts of beef sold for much less than 73 cents a pound last September, even in New York, the better steaks from this steer retailed for $1 a pound.

Now let's bring this price thing up to date. The feeder, paying $25 a hundred for the 600-pound steer, and $2.75 a bushel for the corn, is shaving his profit pretty close, for he's still getting about $32.50 a hundred for his 1,000-pound finished steer. The trucker, the stockyards company, and the commission firm are still getting about what they received from handling last year's steer. The live animal is costing the packer about the same, and the retailer is getting about the same for the steaks and roasts and boiling

meat. Labor in all of these categories costs a little more than it did last year.

Now, if the cost of the meat you buy is going to be pushed back and made stationary, where is the price reduction going to be put in effect? On the feeder, the packer, or the retailer? And if all of them are included in the cut, will they be given assurance that labor and other costs they have in handling the product will not show further increases?

One thing is certain. Whenever meat prices are rolled back somebody along the line between the producer of the feeder steer and the consumer is going to get hurt. The price fluctuations on the day that the rollback comes will determine which agency will get the blow.

Petroleum and the European Recovery Program

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. WOLVERTON. Mr. Speaker, an essential part of the European recovery program is a greatly expanded petroleum supply and the steel to make it possible. What we will be able to do in helping Europe's recovery largely depends on conditions in the Middle East. It also depends on what we do in supplying steel for constructing additional facilities required to develop Middle East oil production.

For some time the committee has been examining intensively into the current fuel situation, especially regarding petroleum. We have been considering present and future domestic and world petroleum demand and supply in an effort to determine just where we are and where we may be going in this highly significant area. Many witnesses already have been heard and preliminary and progress reports have been issued.

We have just concluded 2 days of testimony on petroleum requirements of the European recovery program and on the situation in the Middle East, given by Lewis Douglas, Ambassador to Great Britain; George Wadsworth, Ambassador to Iraq; Loy Henderson, Director, Office of Near East and African Affairs; and other State Department officials.

It is apparent that petroleum is one of the key commodities in the European recovery program. It has been presumed the petroleum largely could be supplied from expansion of Middle East fields. It is not at all clear, however, that very great reliance on this source justifiably can be placed in view of political unrest in these areas.

Even were there complete confidence that this source were available and could be developed, the proposed increased use of petroleum products in reviving the European economy depends upon tremendous immediate expansion in refinery and transportation facilities to process and carry such oil. Steel is required for wells, for refineries, for tankers, for pipe lines, and even for oil burning and consuming equipment. We do not yet know how far we can supply this, nor the effect on our own economy.

On January 26, this committee issued a preliminary report covering certain specific aspects of the domestic and world fuel situation. The committee then stated that, until a thorough review had been undertaken, it appeared most unwise to make—and the committee specifically recommended the deferment of making—any foreign commitment covering the supply of petroleum and petroleum products.

From our survey these past few days we are not yet in position to know what can be done.

Last summer the committee, in the exercise of its continual watch over the petroleum situation, was assured by both industry and Government representatives that there was no question about there being adequate basic supplies of oil. By December it was evident to us that this assurance was incorrect. By last week, Government witnesses testified that neither they nor industry any longer took the position that available supplies now, or even for the next few years, would be forthcoming in volume adequate to meet the tremendously increasing domestic demand.

While it appears that the State Department has made some revision downward in Europe's requirements as estimated last summer in Paris by the participating nations, it is far from clear whether the Department's estimates have given effect to the serious situation just now being developed as confronting us. Indeed, such comparisons as can be made between the program as advanced at the time of the special session last fall and as presented this week to the committee, indicate only a minor downward change of some 5 percent. This seems unrealistic in view of current and anticipated conditions.

The State Department should carefully and energetically review its estimates of Europe's petroleum requirements. It further should review the feasibility of the entire recovery program in the light of present precarious supplies and the possibility of developing alternate energy from other sources. This should be done before the Congress is asked to vote on the recovery program, not after.

The evidence presented to the committee indicates that whereas the world in 1946 used just under 8,000,000 barrels of petroleum a day, in 1951 it is expected to consume well over 10,000,000 barrels a day. The United States consumes over two-thirds of the world's production, and is estimated last year to have used some 1,970,000,000 barrels. By 1951 United States demand is estimated to increase nearly 1,000,000 barrels a day. The additional 2,000,000 barrels a day to meet this United States increased demand and the increased demand of the rest of the world must come from both hemispheres.

European requirements, as presented to us, contemplate an increase in consumption of the participating nations from 255,000,000 barrels in 1946 to 442,000,000 barrels in fiscal 1952. Whereas the Western Hemisphere in 1946 supplied 75.4 percent and the Middle East supplied 24.6 percent of Europe's needs, the executive-branch program assumes that by 1951 these proportions can be practically reversed. This means of the 408,000,000 barrels demanded that year, the Western Hemisphere will need to supply only 18 percent, and the Middle East will supply the remaining 82 percent or 335,000,000 barrels. To do this, production in the Middle East must more than double its present 850,000 barrels a day.

This means that this country can meet its increasing needs, and Europe be supplied in larger quantities, only if Europe is primarily supplied from expanded production in the Middle East.

Reliance on the Middle East as a source of supply is entirely problematical. Whether the supply can be developed at the rates and times proposed to meet these Europan requirements already seems doubtful. The committee has been informed of changes in facilities construction already occasioned by difficulties over the partition of Palestine. Europe's proposed reliance on oil as source of fuel and energy for its commendable but ambitious program to reinvigorate its industry, calls for the closest scrutiny.

While the State Department has detailed its estimates of Europe's requirements for petroleum, however, well founded they may be, so far we have not been apprised of what we are expected to furnish in the way of steel and equipment, other than a suggestion that they are large in amount. Nor do we know when and where these are wanted, nor what will be their impact on our own domestic needs.

Regardless of the fact that oil can be made available from the Middle East source, the stepped-up European requirements necessitate substantial refinery expansion. This it will take time to accomplish. In the meantime, it is stated, Europe's requirements would have to be satisfied in appreciable measure by imports of finished products from the Western Hemisphere, as well as from the Middle East.

This is significant, for 67 percent of the stated 1949–52 requirements are in our now critical categories of kerosene, gas, Diesel, and fuel oils. Although it is stated that the executive branch estimates of requirements take into account the particularly tight situation in heavy oils, it is proposed that the apparent shortage in residual fuel oil, may be reduced somewhat by increase in refinery yield at the expense of lighter fuel products. This procedure is exactly opposite to the trend today in our own operations, for greater amounts of gasoline and home-heating fuel oils have been obtained at the expense of cracking into the industrially used residual fuel oils.

The executive-branch report on the program's requirements states that the increase in European demand for kerosene and lubricating oil is moderate, but gas and Diesel oil, and especially fuel-oil, consumption show a large expansion, resulting in part from the greatly increased use of Diesel engines in road and railroad transportation, agriculture, shipping, and industry, but mainly caused by the conversion from coal to oil in industry and shipping between 1945 and 1947.

It is far from apparent the extent to which the State Department has screened the uses of not only all petroleum products but particularly of these oils; nor how far there are imposed the same restrictions on use of, or conversions to, oil for these industrial and other purposes equal to the restrictions assumed will apply on use of gasoline for motor fuel. This is of especial moment in view of the current demands being made here at home, not only for cessation of conversions but even for reconversion back to coal in uses of this character.

Some testimony has been offered to the effect that the European conversion to oil is the result of the high price of coal, now reaching $10.50 a ton at pit mouth; and that without reduction in costs in industries which are large users of power, the European countries cannot produce goods at costs low enough to compete in world trade. To the extent this is true, it would appear the remedy may well lie in effectuating a change in mining costs of an energy source locally available in these countries, rather than through imports of energy fuel oils from here.

The increased Middle East production and European use further represents substantial expansion of transportation facilities, including ocean tankers and initiation of and completion of several large pipe-line projects to the Mediterranean. Quite apart from political considerations regarding the completion of these pipe lines, is the matter of steel involved. Pipe has been and continues to be in short supply here at home for imperative drilling of wells, for transportation of petroleum, and for transportation of natural gas and the alleviation of an exceedingly critical situation.

Alternatives to pipe line construction in the Middle East involve an even larger tanker construction program than any yet contemplated. It has been stated that in the case of one line of 300,000-barrel capacity the alternative is 59 tankers which of themselves would require 357,000 tons of steel. So far no specific estimate of the steel requirements from this country for transportation expansion to meet Europe's increased oil requirements has been forthcoming.

The committee and the Congress, before voting on the Marshall plan, should be better informed of just what is involved in the petroleum aspect of this recovery program, comprising the amount and source of oil requirements, the uses to which the oil products are to be put, the steel involved in expanding collateral facilities, and the alternatives to reliance hitherto placed on the Middle East as a source of supply. Therefore, I have requested the State Department to furnish a statement covering the following:

First. Petroleum requirements under the European recovery program:

(a) Total requirements estimated by CEEC and by State Department.

(b) Such requirements by types of products by years, by countries; comparison with current and prewar years.

(c) Such requirements by source of supply—that is, United States domestic, United States foreign, other foreign—by chief supply areas, by years; comparison with current and prewar years.

(d) Such supply itemized not only as to crude source but area of refining, and amounts from these areas.

(e) Total requirements under the plan for investment in crude production, refining, transportation, and distribution facilities; itemized to show crude or refinery capacities involved, dollars or other source of investment, areas and ownership of expansion, and steel or other critical material involved, together with source of such material, with amounts.

(f) Uses by participating countries of products involved; that is, maintenance of existing demand, increased demand, conversion from other energy sources.

(g) Investment required to meet any expansion in oil-burning facilities, especially as it relates to supply from the United States, under the plan, of such equipment, together with indication of amount of such equipment, with dates.

Second. Contemplated supplying such requirements from the Middle East:

(a) Full discussion of the "degree of confidence which we justifiably may have in imports and foreign reserves, under changing political situations, especially in view of the reliance which hitherto has been placed on greatly expanded production in the Middle East"—committee report, January 26, 1948, page 17.

(b) Full discussion of whether it is proposed to meet all or any portion of the requirements from the United States which are now contemplated will come from the Middle East in the event such Middle East supply is not forthcoming in the estimated amounts; together with discussion of the consideration which may have been given, in such circumstance, to the effect upon the meeting of the domestic United States growing demand.

(c) Alternative plans for meeting European energy and fuel requirements in the event it is not proposed to meet any deficiencies as outlined in (b); that is, additional European coal production, United States exports of coal, additional European hydroelectric power; and in the latter event, the amount and kinds of equipment planned on export from the United States.

(d) The basis upon which the plan's contemplated development of Middle East production is predicated, that is, the determination regarding amount of expansion by United States companies and by foreign companies, whether on some historical pattern or otherwise, and the effect upon competitive positions in this area of United States and foreign companies.

Oleo and Butter Held Equal in Nutrition

EXTENSION OF REMARKS

OF

HON. ROLLA C. McMILLEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. McMILLEN of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the New York Times of February 7, 1948:

OLEO, BUTTER HELD EQUAL IN NUTRITION—2-YEAR ILLINOIS UNIVERSITY SURVEY REPORTS NO DIFFERENCE IN EFFECTS ON HEALTH, GROWTH

CHICAGO, February 6.—Butter and fortified margarine have equal nutritional value, according to a survey reported in the Journal of the American Medical Association today.

The survey was made over a 2-year period by Dr. Anton J. Carlson, Dr. Harry Leichenger, and Dr. George Eisenberg of the University of Illinois College of Medicine.

The doctors studied two groups of children, one of which ate butter and the other standard brands of margarine, and concluded that there was no apparent nutritional difference when the source of supplementary table fat was vegetable (margarine) rather than animal (butter).

The margarine group consisted of 160 children, from 3 to 16 years of age, who were orphans or children from broken homes. They received margarine on bread, in vegetables, in pastry and fried foods.

The butter group included 107 children of about the same age group in another institution.

"The diet in each institution was carefully supervised by trained dietitians and so regulated that 25 to 30 percent of the total calories were supplied by fat," the experimenters said. "The margarine constituted approximately 65 to 70 percent of the total fat calories."

All of the children in both groups were weighed and measured each month under medical supervision. Routine red blood cell counts and hemoglobin determinations were made on each child after the study was started and again one year later.

"Growth of the group fed margarine, as determined by increases in height and weight, was comparable to that of the children fed butter and to standard height and weight values for the same age group," the doctors reported.

They added, moreover, that no increase in the amount of illness was noted in the margarine group and blood studies showed no significant difference between the two groups.

"The children in the margarine group experienced a high degree of good health during the study, and in comparing their health to that of the butter group it appears to have been much higher," the investigators said.

The doctors emphasized, however, that they were not making claims that the margarine group was healthier because their diet contained margarine, asserting that "other variables are more likely to account for their better health."

Radio Broadcast by Jack Beall

EXTENSION OF REMARKS

OF

HON. WILLIAM C. COLE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. COLE of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast by Jack Beall over the American Broadcasting Co., January 24, 1948:

Good evening. This week, there has been a startling and important disclosure by the State Department, of the actual secret documents of Nazi-Communist collaboration leading up to the Second World War.

As you'll recall from reading the accounts in the newspapers and listening to your radio

this week, the State Department has released official documents of the Hitler government, which were captured and which had never expected to see the light of day. They lay bare in clinical detail the development of a Fascist-Communist working arrangement to divide and dominate the world between them; to define the spheres of influence of each and to take the concerted steps which started the most disastrous war the world has ever known. This captured correspondence shows definitely that they were seeking to negotiate a settlement by which the Soviet Union would come in, openly on the side of the Rome-Berlin-Tokio axis and be a full partner of Hitler in the war. It records the overgreediness of Stalin and Molotov—their asking too high a price of Hitler—a proceeding which led to a cooling off in their relations and eventually the attack of Hitler on Russia, in June of 1941.

Without the Stalin-Hitler pact, there could have been no war, because Hitler would not have dared to go to war with Poland, with a possibility that England and France would come to the aid of their ally. Germany's eastern flank had to be made secure by a treaty.

One of the important points that the disclosure clears up very plainly is the excuse which the Communists all make for the hideous betrayal of the rest of the world. They claim that Stalin was merely seeking to gain time, to build up his own strength against the attack that he knew was inevitably coming from Hitler Germany. Well, the documents show that not only was Stalin supplying Hitler with large amounts of war materials, but that he was actually straining Russia's own economy and reducing its own war potential to do it. On the other hand, aid from Germany was slight and lagged far behind Hitler's promises. But Stalin kept right on sending material to Hitler's war machine, at the cost of his own. One of the documents is a note from the German Government thanking Stalin for his valuable assistance.

All of this certainly doesn't look like a man gaining time to build up his own resources, against a future German attack, but more like a man intent on collaboration for the gains that would accrue to Soviet Russia from that collaboration. The first fruits thereof were the Soviet seizure of the Baltic States and the division of Poland between the Soviet Union and the German Reich.

In passing, I would like to point out that the first overtures for the Stalin-Hitler pact came—not from Hitler—but from Stalin. The date was April 17, 1939. That shows the perfidy of a system which claimed to be the ruthless enemy of nazism and fascism. When it found it to its material advantage, for the sake of the spoils of war, in the hope of looting the rest of the world—it embraced the Nazi system, freely, and took the first step toward collaboration.

All of this material was sought to be placed in the records at the Nuremburg trial, by Goering, Von Ribbentrop, and other Nazis, but it was excluded on the insistence of the Russians. Goering and Von Ribbentrop thought that if they were to be adjudged war criminals and sentenced to be hanged then Stalin and Molotov were equally guilty as men who helped start the war. I leave it to you to judge whether you think the Russian side, which actually initiated the talks, made territorial agreements for the carving up of Europe; gave assistance to the Germans; actually invaded Poland from the east while the Germans were coming in from the west, protected Germany's flank; gave Germany political carte blanche to go ahead with the war; assisted in that war with supplies and even a submarine base at Murmansk; and was even negotiating to join the Rome-Berlin-Tokyo Axis—and probably would have joined if Hitler had not thought their price was too high—I leave it to you to decide if you consider the Soviet rulers were any the less guilty than the Nazi rulers for starting that terrible holocaust—World War II.

In the days of the Stalin-Hitler pact, the representatives of the two governments toasted their mutual successes. They united in agreeing that their ideological differences were slight in contrast to their joint enmity toward the capitalist western democracies. Molotov then reviled American imperialism in just the terms that the Cominform does now. It was in this period that Molotov made his remarks * * * that the difference between nazism and communism, ideologically, was just a matter of taste.

Communists would now prefer to forget all about that period. They consider it provocative "war mongering" that the documents are now brought up and published by this Government. But they should never be allowed to forget that they were once the collaborators of Hitler in bringing war to the world—the Second World War—that cost more than 22,000,000 lives, the wounding of more than 34,000,000 others, and a money cost of more than $1,000,000,000,000.

In the time I have left I would like to pursue the point that there is little to choose between fascism and communism—that they are bloody brothers under the skin.

Both fascism and communism stem from the philosophy that the state is everything—the people nothing, save instruments of the state.

Both represent revolts against western liberal civilization. Both derided and despised democracy, but the Nazis and Fascists were much more frank about it. The Communists have sought to cover themselves with the mantle of democracy, to claim that they are the true democrats. In the same way, the Communists make claim to the title of "progressive" and "liberals," while they berate the western democracies as being "reactionary." They don't consider the fact that they have gone back to the most reactionary form of government on earth—that they are copying the methods that are as old as tyranny itself—that they are going back a thousand years to the despotic rule of one man.

The struggle of democracy, up through the ages, has been to put limits on the power of one man—the king, the tyrant, the despot, the absolute ruler. Only in the most backward of countries do you still find the absolute ruler—the man who has life-and-death power over his subjects. But the Communists have raised up the infallible leader, with all the old attributes—almost of god-head. And they call it "progressive," and "modern." Stalin, for example, is publicly adulated almost to the point where he is a god on earth. No criticism of him is tolerated. The chief instrument of his rule is a single party—the Communist Party. No opposition is allowed to this party. The same things were true in Hitler's Germany. How would you distinguish this from the oriental despotism of Genghis Khan? Was Genghis Khan "progressive" by present-day standards?

Hitler once ruled, as Stalin now rules, by methods of terror and of propaganda. They both used all the arts of indoctrination and discipline to get their people to accept their rule, without question. The Communist Party—just like the Nazi Party—controlled the press, the radio, the theater, the movies, the schools—all the outlets and media of expression. If propaganda should fail them and people should still try to think for themselves there was the whip, the castor-oil treatment, the torture chamber, the death furnace, the firing squad, and the exile to Siberia to coerce people back into line. All these are methods of terror, upon which the rule of these modern despots rested. The instrument of their terror had different names. It was called the Gestapo in Germany, the Ovra in Italy, and in Russia it has had a succession of names. It's latest name is the MVD. But it does its work in the old, old way of terrorizing people. The knock on the door in the middle of the night, while peope inside cower, and silently and tearfully kiss each other goodbye—for none knows which will be taken off to prison and to torture. I might say here that if Torquemada was "progressive" so is the MVD of Stalin—so was the Gestapo of Hitler. Neither permitted habeas corpus or the right of speedy trial by jury. Both could keep a man in prison, incommunicado, until he rotted, if they liked. If Louis the Fourteenth with his letters de cachet was progressive so was the Gestapo of Hitler—so is the MVD of Stalin.

While the Soviets have done away with the death penalty, they have hit upon another penalty far worse to the victim and far more practical for the State—it proceeds to work him to death in slave camps in the Arctic North, where the turn-over is 12 percent a year. In other words, where the life expectancy is no more than 8 years. Hitler, too, had his slave-labor camps and his death factories which were almost merciful by comparison in the sense of getting the torture over quickly. If, in bringing back to this modern world the age-old institution of human slavery, Stalin and Hitler were progressive, then so were the Pharaohs of Egypt, so were the Babylonians, so were the Chaldeans, so were the Incas.

The chief distinction, I believe, of the modern slaveholders and slavedrivers is that they do it on a scale unimagined in the past and they do it to their own people—not just the enemy taken in battle.

Both Hitler's Gestapo and Stalin's MVD carried on espionage against the entire population. I am told that about the only persons who aren't listed in the secret police files of Russia are Stalin himself, and Beria, the boss of the MVD. Maybe I am going too far in making these exceptions.

Of course, with the wiping out of all political parties, both the Fascist and the Communist systems either wiped out the trade unions or reduced them to the status of company unions. In both states, the right to assign people, arbitrarily, to their labors was asserted.

With the suppression of freedom of the press, went freedom of speech and freedom of public assemblage and the rights of petition for redress of grievances. The freedom of religion was originally knocked out entirely in Soviet Russia but, in more recent years, it reached the approximate status of religion under Hitler—it had to serve the state or be under very limited toleration. Both sought to substitute state-worship or leader-worship for God-worship.

And how did the two forms of the totalitarian state face the world at large?

Both had an aggressive idea of their messianic mission to spread themselves over the earth. "Germany today—tomorrow the world" was the slogan in Hitler Germany. "We have a world to gain" is the Marxian slogan.

The organization of fifth columns in foreign countries—by branches of the Communist Party and by the bunds—was common to both. The effort to keep foreign ideas from infiltrating the minds of their own people caused both countries to set up rigorous censorships and travel restrictions. However, the iron curtain of Russia is much harder to pierce than anything der fuehrer was able to construct.

Both beat the drums of war and called for the martial spirit in training their youth. Both have cultivated the same type of suspicion of anything foreign.

Both kept huge armies and exemplified the idea of guns before butter. Both grabbed whatever territory they could, adjacent to them which they thought they could grab without causing war to break out. Both adopt a hectoring, bullying attitude in their foreign relations. A speech by Hitler before

the war could only be surpassed in vilification and abuse of supposedly friendly nations, by Molotov or Vishinsky. Both seek to make friends and influence people with a club.

There are so many points of similarity that, when you come to sum up you can do no better than use the words of William Henry Chamberlain, who says "Communism is the heir of the aggressive methods and designs of fascism. Stalin and Molotov have taken up where Hitler, Mussolini, and the Japanese militarists have left off."

Our New Friends, the Japanese

EXTENSION OF REMARKS
OF

HON. ABE McGREGOR GOFF

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. GOFF. Mr. Speaker, in the February 1948 issue of the Nation's Business, an article appeared by Gen. Bonner Fellers, former military secretary to General MacArthur and Secretary General to the Allied Council for Japan. It was my privilege to serve with General Fellers both in Africa and Japan. I commend the article as an excellent statement on the occupation of Japan with sound recommendations for the future treatment of that country. Under leave to extend my remarks, I include the article, as follows:

OUR NEW FRIENDS, THE JAPANESE

(By Bonner Fellers)

Japan's war record is so black that reasonable people understandably wonder:

Are the Japanese worth saving? When occupational forces withdraw, will Japan return to militarism? Can the Japanese nation again be trusted? Can we do business with Japan?

While in Tokyo as military secretary to General MacArthur, I struggled to find answers to these questions.

I reached these findings:

The new Japan, provided we don't blunder, will eventually emerge as a Christian democracy, and a stanch friend of the United States. The new Japan will help bridge the gap between the east and west. A democratic Japan will aid the billion Asiatics who seek freedom, will stalemate Russia, and help lift some of the burden from the American taxpayers.

The unspeakable cruelty which the Japanese military forces inflicted on prisoners of war and on civilians in occupied areas has marked Japan, but an examination of some of the probable causes of this cruelty is revealing.

In the first place, human life in the greater part of the Orient is the most plentiful and cheapest known commodity. It is cheaper than horses or wagons or machines or food. Human impoverishment breeds human cruelty.

The Japanese have no God. Their indigenous faith, the Shinto cult, teaches neither compassion nor brotherly love. It does not hold individuals personally responsible for their morality. So long as a man is loyal to his chief, he can commit any act of injustice or cruelty on his fellow man without the slightest moral responsibility.

Japanese education is superficial, the written language is cumbersome. Most of the elementary education must be devoted to memorizing characters. Thus, that essential part of early education which teaches reasoning processes has been neglected. The militarists took advantage of this. As part of the universal military training, the militarists taught their own moral code. They called it moral training and its basis was cruelty.

If a soldier had as much as 2 weeks' service in the army, it entitled him—in fact it was his duty—to beat up any newcomer. Violators of rules were officially given corporal punishment. A saying came from soldiers of particular regiment—the Forty-seventh—"When you join the Forty-seventh, the contour of your face changes."

Soldiers hated this brutality but they were forbidden to discuss it. Their parents resented it, but there was no recourse since the militarists ruled Japan by force.

Lectures by army officers in all schools and to troops rounded out the picture. Japanese were a superior race; blind loyalty to one's chief was a virtue; the Emperor was divine and to die for him was a rare privilege. All foreigners were crooks. The white man, cruel, merciless, determined to dominate the Orient, was the eternal enemy of the Japanese people. Racial prejudice was taught deliberately. Japanese youth was taught to hate, and Japanese youth had not the mentality to reason himself out of this false indoctrination.

CRUELTY IS INBRED

With this background it requires no great imagination to understand how, if the Japanese were physically cruel to themselves, in extreme adversity, they would commit atrocities on an enemy whom they had been taught to hate.

Lack of moral responsibility led the militarists deliberately to deceive the people. They lied about the progress of the war. Reports from the front presented a false picture to the high command in Tokyo. Japanese soldiers captured off New Guinea believed they were on islands off the California coast. Filipino guerrillas reported that the Japanese kept order-of-battle maps showing their flag planted in California.

The militarists indoctrinated the home population, first with tales of great victory. Then, after Tokyo was bombed, they claimed the Americans intended—when they invaded—to destroy all Japanese males and to enslave all women. Girls were instructed to wear a potion of poison about their necks and to commit suicide rather than submit to American atrocities. The Emperor himself, the militarists preached, would be numbered among the invasion casualties.

When the first Americans arrived at the end of August 1945, streets in the Yokohama-Tokyo area were deserted. The first Japanese girl I saw held her parasol so that I could not see her face.

But the moral tone of the occupation must have amazed those who had believed the militarists. It was a firm but dignified occupation. There was no cruelty nor was there horseplay. The dreaded GI, though tough, turned out to be a man with a sense of humor and a friend of the weak.

In a crowded Tokyo street car two GI's moved a Japanese man from his seat to permit a pregnant woman to sit.

The posting of GI guards at Japan's sacred shrines to prevent their being desecrated made a profoundly favorable impression. News of such incidents, small in themselves, spread rapidly. Gradually, the population welcomed the foreign army. The mayor of Kobe, a devout Christian, called on General MacArthur and, with tears in his eyes, thanked him for the decency of the occupation.

During the past 2 years Japan has emerged from feudalism. She has adopted a new constitution in which sovereignty rests in the people. War as a sovereign right is renounced. Women have been given equal rights with men. Freedom of speech, of assembly, and of religion are accomplished facts.

Possibly more than 200,000 civil officials who were tainted with militarism, or whose past assignments were in ultranationalistic categories, have been purged by their own government and replaced by carefully screened personnel. The Emperor has been stripped of power but remains the symbol of the Japanese. The cost of the occupation has been borne largely by Japan. There have been no unfortunate incidents. In spirit and to the letter the Japanese Government has carried out instructions of the Supreme Commander, Allied Powers.

Today one can see signs of change. School children are happier and young people enjoy more freedom than ever before. Everyone comments on the much kindlier attitude of policemen. This is not a superficial change. Rather it is a basic shift in values. The liberal trend is likely to be permanent.

The Japanese are a proud, sensitive race. Under military domination they were plunged into a futile war. They saw their country destroyed by air strikes. The torture which the militarists claimed would come with the occupation failed to materialize. These events stunned 80,000,000 Japanese into the realization that the militarists had duped them. What was even worse, the militarists had lied to their Emperor and humiliated him.

Today Japan's militarists are dead, or in jail, or living in obscurity and disrepute. Militarism is gone. Moreover, defeat separated Japan from the means to make war. She has not the resources within her borders to create new military might.

Into the moral and social vacuum left by the pangs of hunger and the humiliation of total defeat came our Christian forces of occupation. Gradually, the realization that Shintoism had failed to sustain them swept over the Japanese people. Shintoism, which demanded loyalty, worked in time of victory, but it offered no solace in adversity. Consequently, the people began to grope for new spiritual values.

The Japanese have always respected a winner. The victorious American forces and the decency of their conduct appealed to them. There were already enough Christian Japanese—an estimated 500,000—to provide the leaven for a strong Christian upsurge. Dr. Kagawa and Miss Michi Kawai, both devout Christians, led the movement. Kagawa received word from the palace that he was to raise the moral level of the Japanese people.

The Empress dowager remarked: "What this country needs now is Christianity."

An American Quakeress came to teach the Crown Prince English and ideas of democracy. Christian churches in Tokyo suddenly filled to overflowing. One held services daily, and it, too, was crowded. Many Japanese held Sunday services in their homes. Curious, homesick GI's wandered by, heard the singing, entered and joined in the service. Most striking of all, the Diet elected Tetsu Katayama as Prime Minister of Japan—the first Christian Prime Minister in Japan's history. The Emperor, astonishingly, fits into this new Japan, far better than into the old feudalistic Japan of the militarists.

The position which the Emperor occupies in the minds of the people is not generally understood. He is a living symbol of the race and in him lie the virtues of the people's ancestors. He is the incarnation of national spirit; loyalty to him is absolute. Although no one fears him, all still hold him in almost reverential awe. Most Japanese people even now would not touch him, look into his face, address him, step on his shadow. This abject homage is sustained by a religious patriotism, the depth of which Westerners find it difficult to understand.

The poor people are especially devoted to Hirohito. They feel that his addressing them personally over the radio at the most critical period in their history makes him

unprecedentedly close. His rescript opposing the militarists and demanding peace filled them with joy. Hirohito enjoys more personal popularity among the people than has any other emperor of modern times. His renunciation of alleged divinity and Japan's adoption of the new constitution actually released him from the false position in which he had been placed by militarist domination. These changes merely enhanced his position in the eyes of his people.

Japan's swing toward western ideology is natural. A number of leaders explained to me that in 1870 Japan wholeheartedly adopted western materialism, but flatly rejected our spiritual values. With western materialism she rose to a world power—only to fall by the very power which made her great. Now, the Japanese feel, they must take the other hand which the West has to offer and assimilate western ideology.

This Japan is doing rapidly, for there is no one in the Orient to whom she can turn. In the Philippines and China hatred engendered by the war is still justifiably rampant. Moreover, China is suffering from an economic and political turbulence without parallel. Japan dares not turn to Russia because she fears her.

This is not a new fear. It is a fear which has progressively been intensified since the Red revolution. Russian conduct during the occupation has given the Japanese a taste of what they might expect if they were to fall under Red domination.

During the time I was secretary-general to the Allied Council for Japan, I learned that the bitter Japanese resentment of Russia traces back to these points:

1. Soviet stalling on Japan's request for mediation with the Allies, while simultaneously preparing to launch a belated attack;

2. Alleged slaughter of Japanese troops in Manchuria after Japan had surrendered;

3. Russian reluctance to repatriate nearly 1,000,000 Japanese prisoners of war;

4. Russian endeavor to stalemate reparations;

5. The stand that Japan cannot be "democratized" so long as the emperor system exists;

6. Opposition to measures which would bolster Japanese economy;

7. Efforts of Russian Communists to instigate strikes, to disregard property rights, and to incite chaos.

Fear of Russia and the mounting tide of Christianity are strong assurances against Communist domination, despite the fact that Japan today is a vast poorhouse, and that the Russians are doing all in their power to win the country.

It has been General MacArthur's conviction that the best way to prevent Japan from going communistic is to give the Russians and their Japanese fellow travelers, of whom there are some 25,000, an absolutely free rein. Consequently, Communists have had complete political freedom. They have been given transportation and permitted to travel. No restrictions have been placed on the size and activities of the Russian staff in Tokyo. Yet, in spite of this freedom of maneuver, the Communist movement has been a fizzle.

In the first free election, only 6 Communists were elected to a Diet of 466 members. Before the war, under military restrictions, the Communists boasted 7 members of the Diet. In the second election, out of 716 members elected to the House of Representatives and the House of Counselors—Japan's new Congress—precisely 8 were Communists. In short, Japan shows far less trend to the left than some supposedly democratic states of the West.

REDS RETAIN HOPE

Despite this signal failure, Communists still hope to win their ideological battle. Their trump card is to create economic chaos. And time and stalling are on their side. These two conceivably could counteract all our gains of the past 2 years.

Japan is cursed with a lack of resources. Only 15 percent of her land is tillable. Iron ore, oil, mercury, manganese, nickel, tin, tungsten—sinews of modern industry—appear only in negligible quantities. Only in coal, timber, and ocean fisheries can Japan hope to meet her own needs.

Every effort is being made to increase food production. Japan's feudalistic land problem is being resolved. Nearly half of the population are farmers. The average farm family tills 2.7 acres of land. Before the war, some 80 percent of this land was owned by the landlords. The tenant gave his landlord one-half the crop, did all the work, provided the seed, the implements, and the fertilizer. Naturally, farmers were impoverished. Today it is possible for a tenant to buy the land he tills. The Government is subsidizing land sales so that the landlord is not stripped of his wealth without fair reimbursement.

But, even with land reform and her fisheries back to prewar standards, Japan can never raise enough to feed her population. She must always import at least 20 percent of her food. But, to import, her economy must be set up so that she can export manufactured goods. To export, Japan's peacetime industry must be reestablished.

If, however, reparations strip Japan of her remaining industrial assets, we shall have to continue to feed her at a cost of some $300,000,000 annually. Thus high reparations—and $54,000,000,000 have been claimed by our allies—really mean that the United States in the long run will foot the bill. Moreover, it is to the best interests of American business that Japan be permitted to stabilize her economy.

Then the frugality of her people and their eternal willingness to work can be trusted to build a sound economy.

On the other hand, if her economy is permitted to collapse, Japan will be compelled to turn unwillingly to communism and be forced to help mold the Orient into a vast group of slave states under Moscow domination.

Only decisive action in the form of a peace treaty with Japan can avert disaster.

As soon as a peace is effected, our occupation forces should be withdrawn. No matter how enlightened the program may be, armies of occupation are repugnant to any self-respecting people.

The Spanish occupied the Philippines for more than 300 years. Their troops intermarried and gradually lost military effectiveness as they became a part of the population. The Japanese occupied the Philippines only 3 years, but their brutality was such that the Filipinos will hate them forever.

It is imperative that our American forces shall not fall into either of these categories. From now on the continued presence of occupational forces will encourage rather than discourage communism. General MacArthur has stated that the present government is now strong enough to hold down a general strike or any other Communist maneuver if the American Army is withdrawn. But it is not strong enough—even to survive—unless a peace is signed to provide the economic stability any government must have to endure.

It is possible, if our leadership is able, that Russia would join in a peace treaty with Japan. Certainly she would have much to gain by remaining a member of the United Nations. But the problem of whether or not Russia joins in the treaty, or if she joins would comply, is inherent in the peace now or at any future time. In the opinion of experts, including former President Hoover, a decision to make a treaty without Russia would not lead to war. But in any event, the treaty should be attempted now.

Doubtless an allied commission created to operate under the United Nations would supervise Japan's compliance with the terms of the treaty. Whether or not the United Nations would guarantee the Japanese security from aggression is something to be worked out over the peace table. It would indeed be a strange quirk of fate if Japan, which fought the cruelest war in history, became the only nation which had renounced war as a sovereign right.

In the years since 1941, we have spent much blood and treasure in defeating Japan and in bringing her universal suffrage, free speech, free press, and the decencies and responsibilities of democracy. Certainly, it is high time that America faces the fact that we must choose between a Russian-dominated Japan or a free Japan. We can do business with a free Japan. And what happens there will have a profound effect on our other world interests.

1947: A Year of Results

EXTENSION OF REMARKS

OF

HON. CECIL R. KING

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. KING. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article appearing in the Torrance Herald, Torrance, Calif., under date of January 8, 1948:

1947: A YEAR OF RESULTS—VISION: FULFILLED

Each year at the beginning of the New Year the Torrance Herald devotes one of its seldom written editorials to a review of the progress of the community during the past year and to an outline of the needs of the city.

We would be most happy if we had the space to print each of the three editorials, one published on January 11, 1945, entitled, "Torrance Needs Men of Vision"; the second published January 3, 1946, entitled, "Vision: Fulfilled?"; and the third published January 2, 1947, entitled, "Happy New Year, Vision: Fulfilled."

Space limitations do not permit such republication, but in order to present the continuity of the program suggested by the Torrance Herald in its original editorial of January 11, 1945, we shall present it briefly, as follows:

1. Torrance, the fourth largest incorporated city in total area in Los Angeles County, is exceeded in size only by Los Angeles, Pasadena, and Long Beach; in per capita wealth, Torrance is the third richest city in the county; in total assessed valuation, Torrance is the tenth largest city in the county; Torrance has nearly 60 basic industries within its boundaries and a factory pay roll which (if all employees should reside in Torrance) would require twice as many housing units as now exist in Torrance; Torrance has room for nearly a half million residents; and Torrance needs to grow into its long pants.

2. The editorial cited need for vision in the city hall; the need for water; the need for ambitious planning; the need for homes; for recreation facilities; the need for locally controlled schools; the need for adequate bus transportation; the need for highways and streets—the need for "men of vision who can sit in the city hall and see the boundary at the bluffs of Hollywood Riviera; who can see the boundary of Torrance at Redondo Beach Boulevard; who can encourage the growth of this community to its fullest to fill to its boundaries this vast area with homes, factories, and stores."

The first year saw the launching of the first of two important water districts; the start of plans for the second district; the offer of a good recreation program; the birth of the successful program to take over the schools from Los Angeles; the initial expansion of local bus lines; the start of an ambitious street improvement program; a tremendous interest shown in the city affairs by the people.

The end of the first year witnessed the accomplishment of many of the outlined needs, but in the second annual editorial, the important objectives were outlined as: Sewers for districts not served; commercial parking facilities; "shop-in-Torrance" campaigns; cultural and athletic programs, indoors and out, during appropriate seasons; adequate highway-direction signs; all telephone service through the Torrance exchange; unification of mail service through the Torrance office, encouragement of home-building programs on mass scale.

We predicted 1946 will be a year of action.

True, it was a year of action, for it saw the people vote to assume control of its schools by adoption of a city charter; it saw the formation of the two municipal water districts covering a great area of the city of Torrance; it saw new factories launch programs here, and paved the way for the accomplishments of the year 1947 which we consider an outstanding period for Torrance.

The following year, on January 2, 1947, the Torrance Herald predicted that 1947 will be a year of results, reiterating certain needs, and in a review of its program, we are proud to present the following:

1. The city charter was ratified and the new city school district formed and in operation.

2. The new junior college was located at Alondra Park as urged by this newspaper in a vigorous campaign. Torrance joined the district.

3. The city engineer's office reorganization was accomplished.

4. The first definite step toward the city-manager form of government was made with the appointment of George W. Stevens as administrator and city engineer.

5. Unification of the school districts, under one Torrance City Board of Education, was launched.

6. Busses were purchased to enable the establishment of municipal lines to North Torrance, Southwest Torrance, Hawthorne, and Long Beach.

7. Nearly 1,000 new homes were started in Torrance, with 2,000 more planned.

8. Progress toward the unification of the mails was made, with the establishment of a new rural route through North Torrance and city delivery through Southwest Torrance (Seaside Ranchos).

9. The former Army airport was acquired through right of entry and interim permit, by the city of Torrance.

10. New industrial development was undertaken here, the largest being by American Radiator-Standard Sanitary Corp.

11. New off-street parking lots were provided through the cooperation of members of the chamber of commerce with the City Council of Torrance.

12. Water districts covering most of Torrance had been formed, and new sewer districts planned.

13. A community concert association was formed to bring fine artists to the equally fine Torrance High School auditorium.

There were many other accomplishments, such as bringing about a thorough understanding between the city council and the chamber of commerce from which nothing but progress and sound civic development could result.

All of this has been accompanied by a population growth such as Torrance never has experienced in a similar period.

The average population gain for each new home in Torrance is 3.6 persons. Thus, with 1,000 new homes being completed, the gain can be readily estimated at 3,600 new residents.

This year, according to plans on file by single family and multiple-unit dwelling projects, 2,000 more homes will be built, and Torrance will enter the year 1949, we predict, with a population of more than 20,000 persons.

More than 1,000 new jobs will open up in Torrance during this year, largely due to three big industrial plants.

For the year 1948, may the following, among other things, be accomplished.

1. Establishment by charter amendment of the city-manager form of government.

2. Creation of a sound and thorough supervised recreation program participated in on a joint basis by the city school district and the city recreation department, keeping school grounds open after school and on Saturdays, and making what athletic and cultural facilities as exist in Torrance available to general use.

3. Solution of the telephone problem, which can be accomplished now that materials are available; institution of the dial system; extension of facilities for better service; unification of number systems and service so that all of Torrance may be reached through one exchange.

4. New schools to house the children of the increased population.

5. Unification of the school system under one Torrance Board of Education.

6. Further expansion of the municipal transportation system to serve all sections of the city and the new home districts.

7. Completion of the program to unify all Torrance mail under the Torrance post office.

8. Completion of the pipe-line systems of the new Torrance municipal water districts.

9. Creation of necessary sewer districts to care for expanded population.

May the people of Torrance raise their sights to view the great opportunities awaiting them; may the city hall be staffed with men of vision who can do something about it when the opportunity presents itself.

May the year 1948 exceed the year 1947 in community progress.

F. S. S.

The Bomb Secret Is Out

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Robert M. Hutchins, chancelor of the University of Chicago, from the December 1947 issue of the American magazine:

THE BOMB SECRET IS OUT

(By Robert M. Hutchins, chancelor of the University of Chicago)

On the afternoon of July 16, 1945, a group of nuclear scientists met around a conference table in a small, hushed room in the metallurgy building of the University of Chicago. They were meeting in an effort to save tens of thousands of civilian lives, if not, indeed, all humanity.

At 5:30 that morning, on the desert in New Mexico, the first atomic bomb had been successfully detonated. These men who had helped construct the bomb had now dedicated themselves to suppressing it.

Their purpose was not exclusively humanitarian. They knew that if an atomic bomb were dropped over Japan, all hope of preserving the atomic secret for the United States and other traditionally peace-loving nations would be lost forever.

These men knew that once the bomb was dropped, once the world learned that fission chain reaction could be accomplished, atomic bombs could be produced by any reasonably advanced nation on earth, and that the end result could be annihilation of all life on this planet.

Before the hot dark closed down on Chicago that day, a solemn letter had been drafted to the President of the United States and signed by 65 members of the university's scientific staff. It petitioned the President to prevent the dropping of the bomb.

Receipt of the letter was never acknowledged.

Five days later, two members of the group were delegated to fly to Washington and appeal personally to James R. Byrnes, then chairman of the President's Committee on Atomic Research. This appeal likewise was ineffectual. The bomb was dropped over Hiroshima on August 6, the next over Nagasaki.

Then and there, our opportunity to control atomic energy vanished.

We still had one small factor in our favor—time. Under normal circumstances, it might have taken other nations a few years to discover precisely how to put a bomb together. But this chance was destroyed a few days later when the H. D. Smyth report on atomic energy for military purposes was made public.

Mr. Smyth, in his excellent job, obligingly pointed out four specific ways in which atomic fission could be accomplished. The only problem then remaining to any nation which might desire to harness atomic energy, or to produce atomic bombs, was to decide which of Mr. Smyth's comprehensive blueprints was best and most convenient in its particular circumstances, and follow Mr. Smyth's instructions.

From that instant all talk of secrecy in connection with the atomic principle has been completely asinine, and public utterances which would have us believe we own an atomic secret are rooted either in ignorance or in deceit.

Any realistic appraisal of the status of atomic energy today, militarily speaking, must be predicated on two simple propositions:

1. There is no secret.

2. There is no defense.

To understand why there is no secret, let's go back 400 years before Christ. An atomic theory was propounded in that remote time by Democritus, a Greek philosopher. A Roman, Lucretius, wrote a classic poem about atoms before Jesus was born. The theory that all chemical elements are composed of

atoms was corroborated 145 years ago. The structure of the atom was determined and its energy known before World War I.

The fact that atoms of certain substances, specifically uranium—a metal—could be split, and that this splitting, or fission, was accompanied by the release of enormous quantities of energy was demonstrated before World War II. This was not an American secret; it was known by scientists in many countries. The only problem since that time has been to capture and control the atomic energy thus released, and discovery of methods for doing this has been only a question of time.

Much as it may discomfit some of our professional patriots, the fact is that a very great part of this preliminary work, as well as practically all the subsequent work, was done by foreigners. Of 10 scientists (Einstein, Hahn, Bohr, Strassmann, Meitner, Frisch, Joliot, Chadwick, Fermi, Wheeler) who pioneered atomic fission in 1939, 5 were German, 1 was French, 1 Danish, 1 Italian, 1 English, and only 1 American. The Germans were far ahead of us at the outbreak of the recent war.

Many foreign scientists who had recently come from Europe were employed when our Army Engineer Corps established the Manhattan District for the production of atomic bombs in August 1942. They contributed notably—so notably, in fact, that every single basic idea in atomic fission came from a European mind. Very few basic contributions were made by Americans. The American contribution consisted of applying these ideas and producing the atomic bomb.

All of these foreign scientists are entirely familiar with the processes involved in producing the atomic bomb. Today, they are scattered throughout the world—in at least four European countries, to my personal knowledge—and each of them knows all there is to be known about atomic energy and atomic bombs.

So there is no secret.

No fewer than 5,000 individuals knew we were making an atomic bomb, and many of them knew the essential steps that were taken. An effort was made to compartmentalize the work, certainly, but this in itself would have been ridiculous if carried out according to directives. Compartmental regulations were violated every day. If they had not been, production of the atomic bomb might have been delayed for several years.

As a matter of simple truth, no harm would have been done had the whole enterprise been published in the newspapers, for at that time we were the only Nation on earth able to carry on such a monumental enterprise. The Germans had no facilities and the Japanese wouldn't even have known where to start. We could have given them all our plans and still they could not have duplicated our work, merely because they lacked the physical resources.

That is not the case today with Russia. When we speculate on what may be going on behind the iron curtain, we must concede at the outset that the production of atomic bombs now is only a matter of mobilization of physical resources—materials, machines, manpower.

Can Russia make them? Of course. If we told the Russians all we know at this moment—and we know a great deal more than we knew in 1945—this knowledge would not shorten their work by more than 6 months.

Is Russia making them? We would be foolish to assume that she is not. An able scientist prophesied after reading the Smyth report that Russia would complete her first atomic bomb within 3 years and thereafter would produce them more rapidly than we could. That prediction was made more than 2 years ago.

There are no less than 27 first-class nuclear physicists in Russia and no fewer than 700 universities. Assuming that each university has a fairly competent nuclear scientist on its staff, Russia has an excellent scientific corps.

Through our gratuitous contributions to her knowledge, she is able to bypass the heartbreaking succession of blind alleys and dead ends we had to explore between 1940 and 1942, when we set off the first self-maintaining nuclear chain reaction—the principle of the bomb—under a grandstand on the campus of the University of Chicago. Russia today is able to drive full tilt along a line, broad, clearly marked avenue of general knowledge. For, today, the production of atomic bombs is merely a manufacturing process. There is no secret.

But why is there no defense?

All theory of defense against aerial weapons—and the atomic bomb is essentially an aerial weapon to be transported by aircraft or controlled missiles such as rockets—is based upon absorptions, the amount of punishment a target can absorb before it capitulates or is destroyed.

With the atomic bomb there can be no question of absorption. No known target can absorb the punishment the bomb can administer. When one medium-sized bomb can wipe out of existence a target of the size of Indianapolis, what can be left to absorb any further punishment? Moreover, the problem of attempting to destroy an atomic bomb on its way to a target when carried by a high-speed missile is as difficult as attempting to destroy an artillery shell in flight.

It is theoretically possible to make atomic bombs 1,000 times more powerful than any thus far demonstrated. Let us assume that an enemy nation has only two bombs of that gigantic size. With these two bombs, by taking advantage of location of detonation and direction of prevailing winds (central California and northern Oregon, for example, when steady winds were blowing toward the east) this enemy would have a fair chance of making the United States uninhabitable.

Why? Because areas not destroyed outright through concussion, heat, and fire would be contaminated as the winds swept the highly radioactive air over the face of the land. This was conclusively demonstrated when rays from the test explosion at Bikini reached the United States in detectable strength in 1 week. And it is much farther from Bikini to Los Angeles than it is from Los Angeles to New York.

What refuge can there be from a lethal element which permeates the very air upon which we depend for life? Could we go underground? Well, even assuming it would be possible to dig caverns enormous enough to hold such industrial behemoths as Pittsburgh and Detroit, and others large enough to shelter all the people in the United States, what would we do for fresh air? Subbasements might shelter us from concussion and fire, but eventually we would have to draw outside air into them. A thoughtful soldier once remarked that the only defense against the atomic bomb is not to be there when it goes off, but even distance is no guaranty of safety if the air is contaminated for thousands of miles.

England found no defense against the V–2; her only defense was to win the war. If the war heads of the V–2 had been atomic bombs instead of TNT, England would not be here today; for 16 ounces of U–235, the critical element in the atomic bomb, is capable of as much destruction as 8,000 tons of TNT, and it is not even possible to make a bomb with as little as 16 ounces of U–235.

Added to the annihilating force of aerial detonation is the possibility of sabotage. An atomic bomb of average size detonated under the surface of New York Harbor when the wind was right would cover all of Greater New York with a deadly atomic spray. So it is reasonable to conclude that there is no known defense against the atomic bomb.

Could any nation win an atomic war against another nation which also had atomic bombs? Probably not, although this is slight consolation, indeed. Let us imagine that Nation A has 1,000 atomic bombs and feels dominant and secure because Nation B has only 150 atomic bombs. Nation A starts the war by firing its 1,000 bombs at all known targets. The targets are destroyed and so, to all practical purposes, is Nation B.

But somewhere, in some secret place, Nation B still has its 150 bombs and the means to transport them, and it has enough rugged men left alive—although burned and contaminated and doomed to slow death—to explode those bombs over Nation A. One hundred and fifty atomic bombs will ruin any nation on earth.

The result, of course, is that the nations destroy each other. Some individuals in remote places will escape, and by incredible struggles against contaminated soil, crops, and water they will temporarily survive. But disease, plague, and famine will overtake them since all surviving creatures and facilities upon which they depend for existence will be weakened and doomed to destruction, and so all life must eventually disappear.

That is the extremely unpleasant but completely realistic prospect facing mankind if atomic energy is unleased for war.

Is there a solution? I think so.

Many of us who have thought the situation through have concluded that our only salvation lies in establishment of international morality, a mutual acceptance of the futility of further warfare and a mutual avowal to keep the peace. Three years ago I would have considered such a thought absurd, human nature being what it is. Today I believe it is the only chance for the survival of humankind. Unfortunately, this conviction seems not to be shared by the rulers of nations.

I believe that all the nations must sit down together and agree to be good. It is no longer possible to say, as we seem to be saying: Let's be powerful so we can force everyone else to be good. Force can never again be a national monopoly. No nation can be dominant militarily for more than a moment in the dawning atomic era.

Nor is it enough for one nation to decide to be good. If we were to decide to be good, and another nation were to decide to be bad, the result doubtless would be most uncomfortable for us.

No, if we are to preserve ourselves, we must acknowledge that a world crisis exists—not next week nor tomorrow, but now, today, for there is very little time remaining. Instead of glowering at one another, nations must understand that we are inevitably destined to have one world or none at all. Rather than wave atomic bombs at one another, we must recognize that here in our hands is a method to produce cheaper and better goods, cure all ills, give us leisure beyond all our dreams; that there in our hands lies the most important means of improving the well-being of mankind that has appeared on the earth in 4,000 years.

Perhaps the practical solution is the establishment of a world government. Such a blueprint is now being formulated for presentation to all nations. I would have said before the accomplishment of the atomic fission that we might have a world government within the next 500 years. Today I

am convinced that we must try to attain it within the next 5 years. That's about all the time we have left.

What can we gain by attaining it? What could life be like in a peaceful atomic age?

Once more we must start with a correlated group of basic truths:

1. Atomic energy is here, now. It is an accomplished fact.

2. It is the most important discovery to mankind since the discovery of fire.

3. Medically, it provides the most important tool since the invention of the microscope.

4. Economically, which means industrially and commercially, it is the most important discovery since the discovery of the wheel.

The astounding difference between atomic energy and the energy with which we are familiar is the enormous amount of atomic energy which can be produced from a very small quantity of atomic fuel. I cannot imagine how many millions of tons of falling water, how many millions of tons of coal, how many millions of barrels of petroleum are required to produce all the electricity consumed in the United States in an average month.

But I know that less than 15 pounds of atomic fuel, no more than a small child can carry in a basket, will produce enough electricity to meet all the demands of the United States for 1 year, with a comfortable excess in reserve. One boxcar of atomic fuel will produce enough energy to heat every building, illuminate every electric bulb, and operate every machine in the entire world for 1,000 years.

Two types of atomic power plants are presently projected. One type will be a large land-based installation from which power will be transmitted to distant points by the usual methods—conduits, tubes, wires. The second type will be a large installation on an ocean liner or a battleship. Both types must be large and heavy because of the enormous quantities of insulating materials necessary to protect workers from dangerous rays inherent in their operation. That is why you cannot expect an atomic engine in your automobile or airplane for a long time to come. But you will ride in streetcars powered by energy from atomic plants, and quite likely in atomic-powered trains, in the foreseeable future.

The size and weight of atomic power plants will be reduced, for the process of producing atomic energy will be better understood as we go along, just as the processes of making steel or fabrics improved as they developed. Millions of dollars must continue to be spent in research to broaden our knowledge and improve our methods. And someone—whether it be the Government with a view toward Federal monopoly of this colossal force, or whether it be private industry with a view toward perpetuating our traditional economic system—must spend it.

The principal predictable benefit from this improved knowledge will be that atomic energy will be produced more cheaply than is now possible. Yet, even now, the cost of producing atomic energy is far less than it was 2 years ago. In a short time it should be the cheapest energy the world has ever known, just as today the atomic bomb is far cheaper than TNT in terms of destructive power.

The cyclotron, for example, was until very recently believed to be the best, if not the only, method by which radioactive isotopes could be produced for medical and industrial purposes. To produce 1 millecurie, an infinitely small amount, of these substances with the cyclotron costs about $1,000,000 and takes 3 years. Today, through a simplified process called an atomic pile—the machine, or furnace, which was developed at the University of Chicago and which made the atomic bomb possible—the same quantity can be produced overnight for less than $50.

No serious scientific or engineering problems remain to be solved aside from those of normal evolution. Atomic power is no longer a dream. It is a present-day reality.

Atomic energy makes all our conceptions of daily living obsolete, eradicates virtually all our limitations, cures all our maladies, and opens the door to a way of life as uncomplicated as that of a South Seas native basking in the sun and plucking his food from the breadfruit tree. Our paramount problem, our chief hazard in the atomic age will be what to do with our spare time.

Assuming that world government is accomplished and world peace established, and that we shall have a future at all, it is not impossible to draw a reasonably accurate blueprint of the atomic city of tomorrow. Such a conception necessarily hinges upon a thousand and one developments which are now only gleams in the scientific eye. Basically, however, the atomic city will be built along scientifically functional lines to provide maximum comfort and convenience to its inhabitants. Streets will be hundreds of feet wide. Buildings will be far apart.

The only smoke will come from fireplaces used for pleasure. They will not be needed for heat. Heat will be so plentiful that it will even be used to melt snow as it falls. Fireplace wood will be cheap and plentiful because wood will not be needed for construction.

Lawns and gardens will be luxuriant, for atomic energy promises fertilizers and soil balances more powerful than any known today. There will be flowers such as we do not have at present, for the atomic principle has the power to alter forms of plant life, just as it alters the atomic structure of minerals.

Parks, playgrounds, and other places of recreation will abound, for leisure will be almost unlimited. A very few individuals working a few hours a day at very easy tasks in the central atomic power plant will provide all the heat, light, and power required by the community and all its surrounding areas, and these utilities will be so cheap that their cost can hardly be reckoned.

There will be factories, of course, but because atomic energy is so much more potent than the forms of energy employed today, factories will operate only a comparatively few hours a week to produce more goods than can be used. They will produce, among other things, new metals, new types of self-insulating building materials, new fabrics, foods, furnishings, communication devices which will eliminate time and space, and vehicles which will run for a year on 2 ounces or less of atomic fuel.

The atomic city will have a central diagnostic laboratory but only a small hospital, if any at all, for most human ailments will be cured as rapidly as they are diagnosed.

If this seems too fanciful, consider how incredible, how utterly impossible even a small modern town would have seemed to a Dawn Man squatting on his haunches before a blaze he started, dimly conceiving that here in his hands lay a tremendous new power, a new force—fire. Today, we are the Dawn People of the atomic age.

How far are we along the road to this Utopia?

Farther than you think.

Medically, atomic energy is already at work all over the world. To understand how it is being used, and what its implications are, we must realize that the human body is like a chemistry laboratory a bull has just charged through. All the pieces are there, but they're all mixed up.

The medical scientist, with his microscope and X-ray and test tube, is able to follow and understand certain processes which take place in the body and thus correct many maladies. But beyond these are many more processes he cannot follow, does not understand, and at which he can only guess. Thus people continue to die of cancer, tuberculosis, hypertension, and other bodily malfunctions which the physician can relieve temporarily and to a degree, but which he cannot cure.

Today, through application of atomically produced substances called radioactive isotopes, the human body becomes as transparent as a pane of glass.

A radioactive isotope is a speck of material—carbon-14, a species of carbon, is the commonest now used—which has been made radioactive through subjection to atomic radiation, much as a needle is magnetized by proximity to a magnet. The immediate result is that it throws off rays which are detectable through flesh and blood with a simple instrument called a Geiger counter. Rays thrown off by the isotope make a clicking sound in the Geiger counter.

Radioactive isotopes, or tracers, are introduced into the body through the mouth, a vein, or in other ordinary ways. As they begin their wanderings through the jumbled chemical laboratory of the body, they can be followed with the Geiger counter. The medical scientist is able to determine exactly what is taking place, as surely as though he were looking through a window.

There is every reason to believe that we shall know almost at once what causes the calcification of joints in one form of arthritis and the disintegration of tissue in another. And it is axiomatic that medical science can cure or prevent what it clearly understands.

With cancer, the major problem is not what will cure it, but what causes it, why the cells go wild. Since cancer is fundamentally growth, although abnormal and uncontrolled, the problem of cancer is allied with the whole mysterious question of growth. Why do things grow?

As a kindergarten example, medical science knows that phosphorus introduced into the body becomes an element of bone, making bone grow. It does not know why or how this happens. But with radioactive isotopes as tracers it becomes possible to follow the precise events that make up this phenomenon, and when it is understood we shall know something, at least, about the mystery of growth.

The procedure is essentially the same with cancer. When we find out why a cancer grows we shall be in a position to determine how to prevent it from growing, or to kill it altogether. Here the same elements which acted as the means of diagnosis may be found to be the means of cure.

Radium has been widely used in the treatment of cancer because it emits rays. Radium treatment has been impossible for the vast majority of cancer sufferers because there is not enough radium to go around. All the radium now available for medical use would fit into a small cigar box. But through the atomic principle it is possible to give many substances the power to emit rays—in other words, to make them radioactive. These substances are the isotopes, and they are already being ground out cheaply, quickly, and in enormous quantities.

The next and fairly simple step will be to find a method to shoot a stream of radioactive rays unerringly into cancerous growth, much as bullets are fired from a machine gun, and kill the cancer without serious injury to adjacent tissue.

I am convinced that we shall understand the mystery of cancerous growth within 7 years.

Thyroid disorders, reasonably prevalent and not too well understood, are already being conquered by radioactive iodine. Blood disorders of rare but fatal types are succumbing to radioactive phosphorus. The end of all human suffering is in sight. If we are permitted to live at all, there is no reason we cannot expect to live as long as Methuselah.

The principles of diagnosis and cure apply likewise to all animals and most plants. Diseases of plants, now only dimly understood by a very few specialists, will become clear and methods of eradication will follow.

These are not dreams. These are not visions of the distant future. These are realities of today and the immediate tomorrow.

Industrially and commercially, the world was revolutionized by discovery of the wheel. The harnessing of atomic energy launches another era of equally tremendous economic progress. In the field of metals especially, this progression is already well under way.

There are many things wrong with metals. Nearly all of them—steel, particularly—should be 10 times as strong as they actually are. Aluminum, magnesium, copper, all have faults. For example, wire reduced to very low temperatures loses virtually all its resistance to electricity. Why? We shall find the answer, and when we do the cost of electricity under existing production systems will be reduced sharply.

We have found it necessary to develop several entirely new metals, unlike any hitherto known on earth, for the sheer purpose of producing atomic energy. Ordinary metals cannot resist the enormous heat generated by atomic fission. So we have used atomic energy to produce new metals, so they can be used to produce still greater quantities of atomic energy.

But the net result, to industry, is the appearance on earth of metals of such incredible strength that they must inevitably revise all our standards of stress and strain and replace many of the metals now in common use.

Alchemists dreamed for centuries of transmuting mercury into gold. This has not yet been accomplished through atomic energy, but I have no doubt it will be, perhaps before these words can be printed. We have already transmuted gold into mercury.

Even more dramatic is the impact of atomic energy upon the petroleum industry.

The fundamental problem of the petroleum industry is locating new and untapped stores of oil in the ground. Oilmen have accomplished this with all sorts of devices and sciences ranging from doodlebugs to meteorology, but none have been infallible.

Today, the same sort of radioactive isotopes used in medicine are being employed to locate subterranean oil pools, and not only to locate them but to measure their extent and volume. Through the employment of radioactive isotopes, the very earth itself becomes transparent, and the greatest gamble in the petroleum industry is eliminated.

At first glance it might appear that this would present a grave danger—the exhaustion of all natural supplies of oil. This is extremely improbable, since we already have known reserves of oil for hundreds of years. But even if we were to find, tap, and pump out all the oil in the world and pour it into the sea, we could still produce, with the aid of atomic energy, more oil than we could possibly utilize.

This is possible because of substances called catalysts. Catalysts are guiding and accelerating agents employed in refining crude oil into gasoline and other common petroleum products. During the recent war, the Germans used catalysts to produce oil from coal. Today, through employment of radioactive isotopes, the entire field of catalysts is revolutionized, immeasurably improved. If we find it necessary or desirable to make oil from coal, the means are in our hands. The process is simple and relatively inexpensive. And we have enough coal in the United States alone to meet all the demands of the world, both for coal and for oil, for the next 3,000 years.

These are not dreams. These are simple truths.

So today we stand at the fork of the road.

To the right lies peace, productivity beyond all our imagination, ease of living beyond our brightest dreams.

To the left lies war and the eventual end of all life on earth.

For the first time since creation, we truly hold in our hands the power to shape our own destiny, to choose our own fate.

We must make our choice within 5 years.

Allowances for Flight Training of Veterans

EXTENSION OF REMARKS
OF
HON. MITCHELL JENKINS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. JENKINS of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

THE KLISCH FLYING SCHOOLS,
WILKES-BARRE WYOMING VALLEY AIRPORT,
Forty Fort, Pa., January 14, 1948.

Congressman MITCHELL JENKINS,
House of Representatives,
Washington, D. C.

DEAR SIR: In reading over the President's message to Congress of Monday, January 12, with reference to budget allowances for the year of 1948, we feel that an injury has been done to the aviation industry and we should like to enter our protests for the record.

Mr. Truman, during the course of his speech, spoke of cutting down allowances to the Veterans' Administration for the rehabilitation of veterans for avocational lines, and, in doing so, specified flying together with dancing—evidently placing them in the same category. We, of the aviation industry, feel this a direct insult to one of the major industries of the Nation, and, while in many ways flight training may not seem to be effective as a rehabilitation program for veterans, we feel that Mr. Truman is overlooking many angles in which the aviation industry and flight training may bring a larger benefit to the Nation as a whole than any trade or artistic training might afford.

Much has been said about allowing large sums for national defense; in fact, Mr. Truman spoke of that in the same speech. If you will recall, one of the first steps in national defense was to send millions of young men to flight schools, no different than the one I represent, for the initial nomenclature, orientation, and primary flight. How better can we prepare for national defense than to have the thousands of young men now enrolled in flight training under the Veterans' Administration to acquire the same knowledge and skill that, in case of another threat of war, will cost the budget millions of dollars and millions of hours of precious time to obtain at a moment when time is at a premium. It seems that aviation is even more important in thinking of future national defense than it was during World War II.

Second to the above reason, aviation as a means of transportation is becoming more and more prominent. The light plane industry is growing rapidly, and light aircraft will become in the near future as widely used as automobiles are at the moment.

How then can the preparation for inevitable future events be classified in the same category as the artistic talents of dancing or of the drama or of music or of art, which are also studied under the GI bill of rights, although not mentioned by Mr. Truman as avocational and pleasure training.

I believe I can speak as a representative of the aviation industry (since I have been in the aviation business for some 20 years) in saying that Mr. Truman has grossly insulted one of the largest and fastest growing industries in the Nation which he leads; and, I believe, that in his contemplation of removing flight training from the curricula of the Veterans' Administration, he is being very short-sighted in both business and national preparedness.

Very truly yours,

ROLAND KLISCH.

Abraham Lincoln

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. CANFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address by the gentleman from Illinois [Mr. DIRKSEN] before the annual Republican Lincoln dinner of Washington, D. C., Statler Hotel, February 5, 1948, over the Mutual Broadcasting System:

ABRAHAM LINCOLN

We meet to remember a common man who became great. He was a common man with common attributes raised to the highest power and implemented by character and self education.

As we meet in this annual fellowship to pay tribute to Abraham Lincoln, the same questions arise which have addressed themselves to every generation since his passing.

What manner of man was he that so eminent a historian as H. G. Wells should catalogue him as one of the six greatest characters of all mankind and place him beside Christ, Confucius, and Buddha?

Why should we continue to return to his wisdom and inspiration for guidance after the elapse of fourscore and 3 years since his passing?

What was the grand designs of his life which somehow enthralls each generation and enhances his place in history?

If we could experience the miracle of looking through his eyes and from his heart, what course would we as a Nation pursue both at home and abroad?

He was a common man whose words and deeds made such lasting impression upon mankind that he belongs not to one Nation or generation but to all nations and all generations, and is worthy of our deepest devotion.

What manner of man was Abraham Lincoln? Some years ago I saw a little girl, perhaps 6 years of age, look upon his marble likeness in the Memorial. As she gazed, a chubby hand found the reassuring hand of her mother. There was awe and reverence

in that childish voice as she spoke. "Mother, there is Mr. Lincoln." It was as simple as that—as simple as the wide, round eyes of a child. "Yes, dear, that is Abraham Lincoln." There were no questions. There was no recital of his achievements or of biographical data. It was unnecessary. To a child it was Mr. Lincoln and there was no other Mr. Lincoln.

In a single year nearly 2,000,000 Americans have looked upon that sitting figure in the memorial, where sadness and concern were captured in marble. Why this mass tribute? What mystic magic makes him tower even greater in the esteem of his fellow countrymen and mankind as the years go by? It is neither mystic nor magic. It is but the tribute which grows from year to year to a common man in whom was gathered up an honest heart, a noble soul, a love of humanity, a wisdom which springs from compassion for and an understanding of men, a matchless humility and an unyielding will in the cause of freedom.

How candid he was and how refreshing that candor would be in an age that is marked by so much egotism and double talk. Less than a year before his nomination to the Presidency when he was already 50 years of age, he wrote a brief biographical note to an old friend in Bloomington, Ill., in which he said:

"When I came of age I did not know very much."

In this day and time how many individuals after 50 years of life had gone by would admit in writing where all mankind might see that at age twenty-one they did not know very much. But such was the manner of this great common man.

His moral integrity shines as a light down the corridor of the years. As never before we need that same virtue in the social, economic, and political life of our country. In his note to the chairman of the Republican National Convention in 1860, in which he accepted the nomination, Abraham Lincoln stated so briefly and so simply that:

"The declaration of principles and sentiments which accompanies your letter meets my approval; it shall be my care not to violate it or disregard it in any part."

How often the planks in a party platform are designed as mere lures for various groups of voters and not especially intended for subsequent action. Yet here is the first Republican President in the history of the Nation stating in a letter that all might see and know that it would be his care not to violate or disregard the declaration of principles and sentiments in any part. This was the manner of this common man.

How modest he was. Standing in the chill November air of 1863 before that group which had assembled at Gettysburg to do honor to the men who had fallen in the cause of this great Union, Lincoln said:

"The world will little note nor long remember what we say here, but it can never forget what they did here."

But the world did note, and the world did remember. The few words which he uttered there comprise one of the few speeches in the history of the spoken word which were graven in stone as a masterpiece of diction, and it will be remembered as long as the English language is spoken on the earth. Such was the manner of this common man.

What rare compassion graced his spirit. It can be found in a thousand places. But nowhere is it better exemplified than in those words which he addressed particularly to the members of his own party at Cooper Union Institute less than 3 months before the national convention was scheduled to meet in Chicago. He was pleading for peace and harmony for the Nation, and in the course of that plea he said:

"Let us Republicans do our part to have it so. Even though much provoked, let us do nothing through passion or ill temper. Even though the Southern people will not so much as listen to us, let us calmly consider their demand and yield to them, if in deliberate view of our duty we possibly can."

Such was the compassion and the forbearance in this heart which could hold no malice. Are the problems of today any greater in importance and magnitude than those which confronted him? It might, therefore, well be asked what good healing and confidence in this difficult hour would spring from an exercise of that forbearance, understanding, and compassion which he so richly exemplified toward all groups and all sections of the country. Such was the manner of this common man.

A rare kind of moral courage marked his life and his course where principle was involved. In his day, no less than in ours, the art of political appeasement and political compromise was a well-known and practiced art. He knew full well that it existed, and so dealt with it openly and fearlessly. In that portion of the Cooper Union address which he devoted to the arrest of the spread of slavery in the Territories and free States, he went boldly to the heart of the matter when he said:

"Let us be diverted by none of these sophistical contrivances wherewith we are industriously plied and belabored—contrivances such as groping for some middle ground between the right and the wrong."

For him there could be no middle ground where the simple morals of right and wrong were involved. And there can be no middle ground today. So many of our problems are no less moral than they were 4 score and 9 years ago. As the past looks down upon us and the future beckons, may we be no less wanting in that moral courage which marked his course. Such was the manner of this common man.

What a liberal he was. Unlike some of the self-styled liberals of today, Abraham Lincoln was a true and classical liberal. It can be safely said that he was the most discerning liberal in the history of this Nation, and so he could with propriety express his confidence in the ultimate justice of the people. He did not use the types of meaningless expressions which are in such common usage today to identify his liberalism. He stated it very simply so that all might understand.

"When one starts poor, as most do in the race of life, free society is such that he knows he can better his condition; he knows there is no fixed condition of labor for his whole life."

In recent years we have witnessed the development of a kind of fixed condition of labor which did pursue the common man for his whole life. This condition sprang in part from the intrusions of government and in part from the vast power which was built up in private organizations and in the leaders of those organizations. It was a strange combination of public and private power which was designed to keep the common man common, and it became necessary to emancipate him from this condition and restore his freedom. That is true liberalism, and such was the manner of this great common man known to history as Abraham Lincoln.

Perhaps his rarest and most endearing virtue was patience. Perhaps that is not so strange, after all, for patience is the companion of true wisdom. How else could he have saved the country in an hour when hate ran high, when bitterness was in the hearts of so many, and when both sides to the conflict needed that kindly counsel which comes from a patient spirit which is so hungry for peace and union?

It was only 3 days before his death and while he was appealing to the serenaders at the White House for the support of the new State government of Louisiana as a first step in reconstruction that he expressed that patience in a single homely phrase which all can understand. On that occasion his heart was so glad. Richmond had been evacuated and Lee had surrendered. A new vista of life had been suddenly opened to him. Naturally he was not unaware of the sharp differences of opinion among people in the North as to the mode and manner and means of reconstruction. Knowing all this and having made his argument for the proposal which he envisioned as the first step toward restoring the harmony of the Union, he said so very simply:

"We shall sooner have the fowl by hatching the egg than smashing it."

He knew the tumult in the human breast and the need for patience. This homely expression which he used was like Paul's admonition to the Thessalonians when he wrote: "Be patient toward all men."

Such was the manner of this common man called Abraham Lincoln.

There was greatness in his simplicity. In this day and time how complicated life has become. The administration of government itself has become so complex with its myriad functions and its millions of people intruding themselves more and more into the lives and liberties of the people of the country. Despite the stories and anecdotes which we best remember about Abraham Lincoln and which somehow make it appear that he gave over a vast amount of time to details, he was, in fact, forever backing life into a corner and reducing it to its lowest terms. There is something so rich and revealing in the incident of the Confederate envoys who came to sue for peace before the war had ended. Having patiently heard their proposals, it is said that Lincoln wrote two propositions on a sheet of paper and then informed them that they could fill in any other terms which they deemed proper and that he would sign it, so long as his proposals remained a part of the terms. It is said that they examined what he had written and then quickly departed. He had, in fact, written but nine words: "The Union must be preserved. Slavery must be abolished."

How simple and fundamental it was. All else was mere detail. Somehow in the very midst of war's turmoil he could reduce the future to such simple essentials. In this brave new world of ours so full of seeming complications both abroad and at home, how much easier the problems of government and the tasks of mankind would be if simplicity was a more practiced art. But such was the manner of this great common man.

This then was the manner of this great common man whom we honor today. This is the manner of this man whose soul is everywhere; this man who could find time to pencil a note to a mother who lost five sons in battle; this man who before the crucial battle of Gettysburg could promise God that if He would stand by the troops, he, Abraham Lincoln, would stand by God; this man who could arise from his bed late at night to listen to the plea of a New York Congressman to save a young military offender from execution, and who could so quickly cut through all admisintrative complexities and save a young life; that man who could express regret for the 110 horses lost at the Battle of Fairfax but not for the captured brigadier generals, because he said he could make a general in 5 minutes. This was Abraham Lincoln, a common man grown great, who is the embodiment of the spirit and the purpose of America.

To a cynical person it may seem the mark of weakness to return over and over again to Abraham Lincoln for inspiration and guidance, but it is neither weak nor sentimental. Somehow close communion with him can furnish an answer to the ills and frustrations of today.

He is such an essential part of what we call the American tradition. How often that word "tradition" is used and how threadbare and nebulous it seems. Perhaps we have not examined into it quite enough.

What then, is this American tradition about which we hear so much? In brief, it is that whole body of customs and practices, of principles and events, of personalities and achievements which are handed down from one generation to another and which constitute the very substance of our greatness. It is, in fact, the lineage of the Republic.

This Nation is not some vague and rootless thing without background which springs anew with each generation. It is like a family which has continuity and extends back from son to father and to grandfather and to great-grandfather. And like the family, it has its spiritual heirlooms, its romance, its glory, its achievements, its splendor, its causes and its purposes. Something of this sort must have been in the mind of that very wise apostle Paul when he wrote to the Thessalonians: "Hold to the traditions which ye have been taught."

What then do we find in this tradition of America, which is so glorious and exciting and gives it continuity and a cohesive bond?

There are those hundred and two original adventurous refugees known as the Pilgram Fathers, who took 63 days to cross the Atlantic to find freedom and to lay the foundation for the greatest republic that ever existed on earth. It is said that 4 days after their arrival they ate their first Christmas dinner aboard the vessel which brought them, and first thanked God for his blessings. It is said that in the following spring when the Mayflower was ready to return and more than one-half of the pilgrims had died, yet not one of those who remained went back to England. What a vital and compelling faith they had. They are a part of the American tradition.

Every sacrifice at Valley Forge where Washington's soldiers froze and hungered while nearby barns were stocked with food and fuel is a part of the American tradition.

Thomas Jefferson, who not only wanted to be remembered for the establishment of religious freedom and the Declaration of Independence but also for his contribution to American agriculture by sending olive plants to Charleston and bringing a new strain of rice from Africa, is a part of that tradition.

The vigor and common sense of Thomas Paine, whose trenchant pen had much to do in stirring the sluggish emotions of the Colonists and who was certain that but for America the candles of liberty would have gone out through the universe, is a part of that tradition.

The unselfish Washington who had everything to lose and nothing to gain by assuming command of the forces of independence is a part of that tradition.

Lexington and Concord, the Bill of Rights, free schools, Harper's Ferry, the Monroe Doctrine, Uncle Tom's Cabin, the Emancipation Proclamation, the exploits of millions of soldiers in every generation that freedom might carry on, and the tears of unnumbered widows and orphans—all these are a part of that tradition.

Stephen Decatur and John Marshall, Daniel Webster and Elijah Lovejoy, William Lloyd Garrison and Susan Anthony, Roger Williams and John Brown, Daniel Boone and William Penn, Ann Rutledge and Florence Nightingale—what a glorious cavalcade of personalities it really is, and all are a part of that tradition.

Towering large in that tradition and in that glorious dream is Abraham Lincoln. What he said and did, what he stood for, and what he achieved, what he accomplished for all mankind and what he did for humble people is an iridescent pattern in the whole design of America, and so as we pay tribute to him, so we honor the traditions of this Republic.

But traditions become rootless unless they are kept vital and fresh and alive by those who come after. If then, through frustration and defeatism, through confusion and cynicism, through emotional instability and softness, those traditions become dim or meaningless, what is there to tie to? What shall succeeding generations use for moral and spiritual anchorage, and who will deny that in this feverish period cynicism and defeatism are among the more common of our mass emotional diseases?

It is indeed no accident that as faith in and contact with the American dreams and the American tradition becomes dim and slender, so defeatism and escapism multiply. At a time when the world is beset with spurious ideologies and transient creeds which are inimical to the holy cause of freedom and the divinity of human personality, it is so necessary to rediscover and to reglorify the tradition of which that great common man, Abraham Lincoln, is so large a part. It can be done by reasserting the very virtues and causes whereby this became a great land.

We need as never before a generous dose of old-fashioned patriotism. To be sure, it is an old-fashioned remedy, but the moral weaknesses from which we suffer are equally old-fashioned.

At a time when true freedom is under attack in virtually every quarter of the globe and is being so subtly and gradually impaired at home it is imperative that we manfully make the sacrifices that are required for its preservation even as sacrifices were made in the generations which have gone before.

It is high time to meet the threat of defeatism with a new kind of pageantry which reasserts the glory, the greatness, and the romance of our own past. Can anyone imagine that self-educated man known as Abraham Lincoln, speaking of the bankruptcy of the Republic and indulging in those gloomy prophecies that come so readily from the lips of men with faltering hearts and a feeble faith. The true capacity of this Republic which was bequeathed to us through his zeal and devotion, has not even been scratched.

It is time to stop lamenting the lack of opportunity in America when it offers so much to so many. One need but call the roll of American business, agriculture, labor, and government to find emblazoned there the names of men and women from humble beginnings who found opportunity in every generation even as it was found by Abraham Lincoln.

Despite every dour and gloomy prediction of the last two decades, the grass is not yet growing in the streets and grows only on the streets of defeatist thinking which cannot envision a rosy and dazzling future for this blessed land. It is when we rediscover the dream and the tradition which is America, of which that great common man, Abraham Lincoln was such a noble part, that a rooted faith will return and frustration cease. Over and over and over again we must reassert it. It is because we must recapture the very purpose of America that we should return to the wisdom and guidance of this common man whose faith never faltered. As he once observed, if the dream of America ever comes to an end it will come not by conquest but by suicide.

In every purposeful life there is a grand design, and so there was in his. It was the freedom and the happiness of the individual, as distinguished from that strange collectivist philosophy which is sweeping so many parts of the earth and reducing the individual to a kind of serfdom in the interest of the collective good.

While Abraham Lincoln may not have been the originator of the movement for the freedom of the Negro race, he was the author and finisher of the final destruction of this ghastly form of tyranny in our own land.

As a flatboatman on the Mississippi, he vowed in his heart to crush the institution which enthralled human beings because of their color. It was the sense of justice which spoke within him, and from that time forward there was an unquenchable fire in his soul. One can see it everywhere in the grand design of his life.

It was manifest in Lincoln, the lawyer, while practicing law in Springfield, Ill.; in Lincoln, the State legislator, in Lincoln, the Congressman, in Lincoln, the antagonist of Douglas in that celebrated series of debates which are so rich a part of the American tradition; in Lincoln, the defeated candidate for the Senate; in Lincoln, the Republican nominee for the Presidency; in Lincoln, the Republican President of the United States. To that very hour when the assassin's bullet found its mark, freedom's fire burned brightly within him.

At Gettysburg the design of his life found such sublime expression. There he said that this was a Nation conceived in liberty. There he asked whether a nation so conceived could long endure. There he hoped and prayed for a new birth of freedom. That was the soul speaking.

Here then is a revelation of his insight and wisdom. How well he seemed to know that there could be no secure freedom for any man, anywhere, anytime while any other man was a slave. He knew that the divided house could not long endure.

Nor was his interest in the whole question of freedom limited merely to striking the physical shackles from the Negro race. Over and over he reaffirmed the principle of freedom and individual liberty in all our domestic affairs as well. When he spoke of a free society as the just and generous and prosperous system which opens the way to all men to better their condition, he at the same time added a warning against the surrender of the political power of freedom. His words are as fresh and as vital and as timely as if they had been uttered today.

"Let them beware of surrendering a political power which they already possess and which if surrendered will surely be used to close the door of advancement against such as they and to fix new disabilities and burdens upon them, till all of liberty shall be lost."

This then was the grand design of his life—the design of freedom—in all things both at home and abroad.

More than 11 months before he had affixed his signature to that great document whereby this dreadful and awful vestige of human tyranny which remained as one of the unsolved problems of the Constitution, came to an end. What a document the Emancipation Proclamation is and what a delightful sound it carries. Its language is worth recalling.

"By virtue of the power and the purpose aforesaid, I, Abraham Lincoln, do order and declare that all persons held as slaves within such States are and henceforward shall be free, and upon this act, I invoke the considerate judgment of mankind and the gracious favor of Almighty God."

To his own generation and to posterity he was saying that human beings are and should

forever be free. He was asking God and mankind to look with favor upon this act. It was indeed one of the most compassionate events in the whole history of mankind. Such was the purpose of this common man.

But this recital to his devotion to the cause of freedom would not be complete without adding two other observations. They are indeed so timely now.

The first of these was contained in his message to the Congress on December 1, 1862. On that occasion he said: "In giving freedom to the slave, we assure freedom to the free."

If we could experience the miracle of seeing through his eyes and from the heart of Abraham Lincoln, the problems of today, what courses would we be impelled to follow to serve humanity best and earn for ourselves the acclaim of our fellow men and the gratitude of posterity? What should we do to enrich the tradition of America? Somehow in moments of stress and anxiety, we like to call upon the wisdom and guidance of those who have gone before. It was this very natural inclination which impelled the poet Wordsworth, in a critical moment in the history of England, to cry out from his very soul: "Milton, thou should be living at this hour!" In that same spirit when frustration besets us and the current scene is not too peaceful, we too might utter such an entreaty and say, "Lincoln thou shouldst be living at this hour!"

And why not? His wisdom and inspiration is not denied to us. He still speaks. Even as Paul in speaking of the sacrifices of Abel to gain righteousness reminds us that "Abel being dead, yet speaketh," so this great common man yet speaketh to every generation which shall come after him.

Surely in any personal communion with him we would at once be challenged with a question which might take the very form of the words he used in his first speech at Springfield, Ill., in the campaign of 1858: "Do we know where we are? Do we know whither we are going? Can we know what we must do until we get our true bearings and a sense of direction? If a nation cannot endure half slave and half free, can an integrated world in which time and space have been annihilated endure half slave and half free? And what is the state of freedom in the world?"

Out of this provocative and challenging question there would quite naturally ensue so many things which we already know.

Let us refresh ourselves on the events of the last few years. It is but 30 months ago that mankind's costliest war for freedom came to an end. It was a moral war. It was the age-old conflict of right and wrong, the right of humble people to be free, the wrong of iron dictatorship that would despoil that freedom. At every turn the conflict was sparked by the battle cry of freedom. The pronouncements of the Atlantic Charter and the Four Freedoms were reasserted over and over again. They were reasserted in Washington and in Moscow, in Tehran and in Yalta, and from it all the world looked for so much.

It was a costly struggle. Millions of men, women, and children died. Other millions were uprooted. Other hundreds of millions were saddled with burdensome taxes. For other hundreds of millions the whole economic, social, and political design of their lives was destroyed.

And not the least of the cost was the complete destruction of hope for so large a segment of mankind.

This awful cost of freedom seems so quickly forgotten. One is reminded of the soldiers of King David, who with great danger to themselves went to Bethlehem's well to bring water for their King, and when it was brought David suddenly became conscious of its worth and would not drink. It was then that he said: "With the jeopardy of their lives they brought it." And we must ever remember that it was with the jeopardy of their lives—millions of lives—that we earnestly hoped that the water of freedom would again be brought to humanity.

And now that this chimerical dream of blood and despair has for the moment vanished, what is the state of freedom in the world? With that ancient prophet, Haggai, we can in truth cry out today and say: "Lo! Ye looked for much and it came to little."

Since the drone of planes and the roar of artillery was stifled to mark the end of World War II, more freedom has been liquidated than was won upon European battlefields. One by one the candles of freedom are again being extinguished.

One need but lift his eyes and assess the state of freedom behind the "iron curtain" from Finland to the Aegean. One need but appraise the fears of Austria and Czechoslovakia. One need but examine the fever and unrest in Italy and France. The liquidation of freedom has been accomplished by fear, brutality, and by the complete and subtle distortion of the concept of real democracy. Somehow the Atlantic Charter with all its affirmations has been forgotten in many places. One may well wonder what dead and bruised GI's might say about all this. Freedom—that kind of freedom for which Lincoln crusaded—the freedom for which millions died—the freedom which is the very purpose of this Republic—that freedom began to vanish from the earth before the cannon of World War II was cold.

Its gradual extinction has brought a strange overtone of anxiety and misgiving upon the whole world and upon us. We cannot plan for the future of our country and ourselves. Everything we say and do is calculated in terms of what communism may do. Never as a Republic have we entertained such a strange anxiety, and what do we propose to do about it?

We must finish the business of freedom. Abraham Lincoln finished his task. The words of the proclamation come down to us with ringing force. "The slaves are and henceforth shall be free," but he went even further. He said also that if the people should make it an executive duty to reenslave such persons, another and not he must be the instrument to perform it. He did not utter the plaintive cry of Haggai that "ye looked for much and it came to little." He finished the work he was in.

But we have not finished the work which we are in. The menacing force of communism daily grows bolder and bolder. Its plans for the complete engulfment of Europe must be reasonably clear to all men. Communism knows what it believes and where it wants to go. It entertains no doubts about its objectives. It is moving like an engulfing shadow.

Now we are confronted with requests for aid from the people in those countries where freedom's light, though feeble, still burns, and it is for us to determine whether our rendezvous with freedom shall be kept.

Will we be deterred by softness and political timidity from doing our full duty? Will we haggle and delay while the time for action is here? Do we fall back upon threadbare cliches to avoid our duty? Will selfishness deter us from action? Will we permit the isolationist ghost to rise again?

Perhaps we forget that communism is as much a religion as it is a system of government and economics. It is a struggle for the souls as well as for the minds of men, and already in the last three decades it has brought more than 20 percent of the world's habitable land under its control. There are some who believe that the gap between enslaving collectivism and individual freedom can be bridged, and that these systems, as opposite as day and night, can dwell together in this earth in concord and understanding. They can dwell together only if we are ready to let freedom perish from the earth.

To save freedom abroad and at home and arrest the spread of this evil force will cost money. But in Lincoln's day it was also a costly business to achieve freedom at home. To provide necessary aid to meet the challenge to freedom may to some degree feed the fires of inflation, but as Lincoln pursued with an amazing singleness of purpose and devotion the end which he had in view, there was also inflation in the land. It will require sacrifice of the most heroic kind to meet this challenge, but it also required great sacrifice in his day no less than in ours. In fact, so burdensome was the sacrifice that even the great Greeley permited it to sway his trenchant pen.

In fact, as Lincoln stood at Gettysburg in those dark hours while desertions ran high, blood and tears were everywhere, and the credit of the Union was shakey, there was still no deviation from the course which this great common man pursued.

Would we be honoring his memory tonight if he had forsaken the struggle for union and freedom because blood, inflated prices, heavy expenditures from the public treasury, and grim sacrifices by all people were required. Had he yielded to these, we would rather remember him with contumely and shame.

Conscience rides herd upon our generation. We looked for much and thus far it has come to little. Shall we now meanly forsake the struggle for freedom because it involves other and costly sacrifices?

If so, what shall we do when the political and economic and spirtual slavery of Communism moving as a cloud over the earth, weaponed by the unlimited manpower of the east and the resources of Europe, should at long last direct its attention to us as the last remaining citadel of freedom. It is then that we shall know the wisdom of Abraham Lincoln. He was so emphatic in his conviction that the Nation could not endure half slave and half free. One or the other must triumph. And in this highly integrated world in which time and space have been annihilated, and it is no further from Washington to Berlin than it was in his day from Washington to Atlanta, who will contend that such a world can endure half enslaved and half free. We are but on the threshold of this contest. Even as the world worked long and hard during the war to devastate and destroy, so it must work longer, harder, and more sacrificially than ever before to rebuild what was destroyed, including faith, hope, and ideals.

Abraham Lincoln kept his rendezvous with freedom. Do we keep ours?

There is another facet to the problem of today, and that is freedom at home. Here again his wisdom would be equally clear and persuasive.

I can picture him before a large crowd in the city of Peoria, Ill., more than four score years ago. These were his people—the kind of people whom he represented during his only term in Congress. Here again he devoted himself to the fabric of freedom, and his observations were such that they justify careful quotation:

"My faith in the proposition that each man should do precisely as he pleases with all that is exclusively his own lies at the foundation of the sense of justice that is in me. I extend the principle to communities of men as well as individuals. I so extend it because it is politically wise as well as naturally just; politically wise in saving us from broils about matters which do not concern us."

This was the doctrine of that great common man. Yet there are those today who would in peacetime impose unwanted restrictions upon the people's liberty and action. It is the incredible approach of meeting the problem of inflation and scarcity by division instead of multiplication. It is a

testimony to our softness, to the ease with which we grow accustomed to restrictions on liberty, and to the escapist view of finding the easiest way out of our dilemma.

In time of war we were only too glad to swap butter for guns that the victory might be the sooner won in the world contest for freedom. But what about swapping butter for the weapons of freedom to win the unwon peace? Without freedom there can be no peace, and without peace there can be no freedom.

One need not be an alarmist to say that this is a time of crisis for mankind. It is a moral crisis, for defeatism exists both in and out of government. A measure of our faith has been leached away and replaced by confusion and timidity. What better can we do as we honor the memory of Abraham Lincoln than in truth and in fact to fall back upon the standard which he raised for his party as its first President. Sorely do we need his faith, his simplicity, his patience, and his singleness of purpose. We need his guidance to marshal a return to the American tradition and so stop the dangerous drift which is upon the land. We need to take his design of freedom if we would serve humanity. We need to look through his eyes to rediscover the greatness of America. We need to make this exalted common man our patron saint in something more than name.

Let me add this brief epilogue to my story.

In the year 1832 when Lincoln was a volunteer captain in the Black Hawk War in northern Illinois, a young man but a few years out of Harvard who was to distinguish himself as a minister of the gospel, had composed the words to a song. His name was Samuel Francis Smith. There had come to the attention of Samuel Smith a rather solid melody which was more than 100 years old. The words of the song did not impress him and so in a moment of inspiration he wrote within the space of half an hour, five stanzas to this melody which suited him better. One stanza was subsequently dropped. But so was born a song which has risen from the lips of millions upon millions of Americans from the day it was written. In childhood we commit it to memory, and it never leaves us:

"My country, 'tis of thee,
Sweet land of liberty,
Of thee I sing.
Land where my fathers died,
Land of the Pilgrims' pride;
From every mountain side,
Let freedom ring!"

I do not know when or in what degree this song of freedom may have come to the attention of Abraham Lincoln. Often have I puzzled over this song, especially the last line, "From every mountain side let freedom ring." Abraham Lincoln, common man of the ages, did something more than let freedom ring.

He made it ring. In this generation, when the world is so beset with the challenge to liberty, there is upon us the sacred duty to make freedom ring.

True American Wants Opportunity—Not Charity

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. HOFFMAN. Mr. Speaker, under permission granted, there is inserted herewith a letter received from a resident of the district which I have the honor to represent:

SOUTH HAVEN, MICH., *January 10, 1948.*
CLARE E. HOFFMAN,
House of Representatives,
Washington, D. C.

DEAR MR. HOFFMAN: Perhaps this won't interest you, but as a mother of three children and trying to bring them up healthy and happy, and with pride in America, I have to "pop off" to someone and express my views (and many of my friends) on helping Europe with billions of American dollars.

Constantly we are being asked via radio, newspapers, and other publications to help the children in Europe. No one wants to see them hungry or mistreated, but neither do we like to see our own do without.

When they speak of sending all this money to Europe, do any of them stop to consider the families in this country in my position, and believe me we are in the majority, who wonder from day to day how they are going to get through the expenses of the next day?

Here are a few points of comparison for them to look at and think about:

In 1942, 3 years after my husband had passed away, I was still able to pay my grocery bill in full, drive a car, keep my house as warm as I wished and buy my children, not luxuries, but the necessities of life. Also to instill in them that this was a mighty fine country with everyone having the right to pick their own vocation and, if they had enough initiative, to make a spot for themselves. All this was done on the insurance my husband had been foresighted enough to provide.

It is now 1948, and I have been working 3 years. I couldn't work before because my youngest child was born 3 months after my husband died and I was unable to leave him alone and help was unobtainable. I am head over heels in debt (and not a great deal of hope for the future in clearing it up). I lose my appetite, and I mean literally, when I think of ordering groceries because of the price and knowing that my children need the right kind of foods. I can't even promise them they will be warm this winter because I run from day to day with the threat of having no oil. I am not a home owner that converted recently to oil, either. I had a complete unit installed in my home in 1939. When I get oil I now pay as much for 100 gallons as I formerly paid for 200. All this when I am still getting insurance payments and a salary. Incidentally I haven't owned a car either in 5 years. I sold it because I thought someone engaged in war work would receive greater benefit from it than I.

Ask Mr. Marshall and some of these others that are all for doling out our money—after all you can't deny, that in our small way, we of the so-called middle class are going to pay it eventually—if they have ever wondered on December 23 and even the morning of December 24, if they were going to be able to place anything under the tree for three youngsters for Christmas morning? Maybe if they thought of a few of those things they might know why the people of the United States have failed to follow through with a great cooperation on meatless Tuesday, eggless Thursday and some of the other brilliant ideas. I'll grant you they have some excellent ideas at times, but the times have been too few.

I don't want anyone to pay my bills for me or any part of social aid; all I'm asking is an opportunity to take care of my own obligations and feel that when I have concluded a day's work that I have made a small step forward in the security of my children until such time as they can provide for themselves.

I am not a radical, Mr. HOFFMAN. I was brought up in a good Republican atmosphere, where we were taught that we should work for what we wanted. There was opportunity for all, and there still is if some of those lame-brains would concentrate on the problems of our own people before taking on the world.

I know many families in South Haven, and, believe me, they feel just as I do, and they are all in the same position as I.

As you can gather from the above, I am seething with anger over the futility of working day to day and going backward instead of forward.

You are the recipient of this as you are the only one from Washington that I have ever met (though I wouldn't expect you to remember one out of thousands) who, I feel, might read this and realize my sentiments for what they are.

At least I have the feeling that someone in Washington will know what we are up against.

Sincerely yours,

OLIVE S. CAIN.

Poem by W. D. Thomas

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 15, 1948

Mr. HOFFMAN. Mr. Speaker, under leave granted, I insert herewith a poem received from a resident of my district, Mr. W. D. Thomas:

Hillbilly Harry, the man from the hills,
Is now down in Washington and does as he wills.
Bighearted Harry must feed the whole world,
If the people at home into starvation be hurled.
When Harry became master of the big chair,
He said to the King: "Your troubles I share.
"We will feed you and clothe you regardless of cost,
"For the royal family must never be lost.
"What care I if we starve and freeze,
"If the royal family can live in ease.
"We will dish out the cash and millions of men,
"To see that your troubles all come to an end.
"And now, dear King, on my bended knee,
"I make you a present of our Treasury's key."

Margarine and the Growth of Children

EXTENSION OF REMARKS
OF
HON. BURNET R. MAYBANK
OF SOUTH CAROLINA
IN THE SENATE OF THE UNITED STATES
Wednesday, February 11 (legislative day of Monday, February 2), 1948

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Margarine and the Growth of Children," by Dr. Harry Leichenger, Dr. George Eisenberg, and Dr. Anton J. Carlson, which appeared in the American Medical Association Journal for February 7, 1948. I have been informed by the Public Printer that the article will make 2¼ pages of the RECORD, at a cost of $159.75.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MARGARINE AND THE GROWTH OF CHILDREN [1]

(By Harry Leichenger, M. D., George Eisenberg, M. D., and Anton J. Carlson, Ph. D., M. D., Chicago [2])

This study was undertaken to determine whether there is any nutritional difference, as shown by increases in height and weight in significantly large groups of children, when the source of supplementary table fat in their diets is vegetable (margarine) rather than animal (butter).

For a number of years there has been some controversy among nutritionists and other workers in the field of fat nutrition regarding the relative merits of animal and vegetable fats in the human diet. A great deal of experimentation has been carried out, the laboratory rat being used, in the main, as the experimental animal.

Little experimental work has been done in fat nutrition, however, among human subjects. For that reason, the present study was decided on. To insure valid results, examinations of the 267 children (white) included in this study were made for a period of 2 years.

As early as 1925 Holmes,[3] in studies carried out on human sujects, found that margarine was from 93 to 97 percent digestible. Bunker,[4] in 1927, stated:

"Beef fat excreted in the milk of the cow is no different in its origin from beef fat which is retained within the animal, although the chemistry of butter fat and oil differ somewhat. Each is a suitable food. The vegetable oils, also, such as olive oil, palm oil, coconut oil, peanut oil, cottonseed oil, and others are all suitable foodstuffs. The digestibility of the various animal and vegetable fats is high."

Some years later Carlson [5] stated:

"All the scientific data on the digestibility, flavor, and color of the dietary fats show clearly that there is no significant difference in digestibility between animal and vegetable fats and that the acceptability of those fats in regard to color and flavor is a matter of past conditioning of the individual and of no other significance in nutrition."

Boutwell [6] and others, after experimental studies on rats, concluded:

"1. With lactose as the sole carbohydrate * * * rats showed superior growth when fed butter or lard as compared to corn oil, coconut oil, cottonseed oil, soybean oil, peanut oil, olive oil, and hydrogenated cottonseed oil.

"2. With a mixture of carbohydrates composed of sucrose, starch, dextrose, dextrin, and lactose in the diet, the average growth response of the animals fed vegetable oils was equal to that of the animals fed butter and lard. The growth rate on this ration was more rapid than when all the carbohydrate was present as lactose.

"3. Properly fortified oleomargarine fats gave growth equal to butterfat over a period of 6 weeks when the above mixture of carbohydrates was incorporated in the rations."

Deuel,[7] on the other hand, found no difference in the growth of weanling rats at any time over a 12-week period whether they were fed mineralized skimmed milk powder, vitamin supplements and butter, or corn, cottonseed, peanut or soybean oils, or margarine. The extent of growth was confirmed at 3 and 6 weeks by roentgen determinations of length of the tibia. Also, the efficiencies of conversion of these various fats to body tissue were identical. These experiments refute the idea that butterfat possesses certain fatty acids not present in other fats, which are essential to growth.

The Council on Foods and Nutrition of the American Medical Association [8] stated:

"It is therefore possible to conclude that at present there is no scientific evidence to show that the use of fortified margarine in an average adult diet would lead to nutritional difficulties. A similar statement is probably justified in the case of growing children, but preliminary reports from animal experiments indicate that more work is necessary before any specific conclusions can be made."

Graves [9] stated:

"When pure, all fats are equally available for the energy needs of the body * * * the shortening powers and keeping qualities of both butter and margarine are about the same and they are equally assimilable."

Again, Bloor [10] pointed out:

"Very little need be said about the relative nutritional value of fats and hence of availability and distribution for the reason that most of the ordinary food fats of both plant and animal origin consist mainly of the same few fatty acids—oleic, palmitic, and stearic—in varying proportions, and it is to be expected that they would not differ much in digestibility or in metabolic usefulness."

Recently Deuel [11] reaffirmed the fact that vitamin-fortified margarine has a nutritional value substantially equivalent to that of butter. This belief is supported by the conclusions of an entirely unprejudiced group, the Committee on Public Health Relations of the New York Academy of Medicine, which recommended in its report of February 1, 1943, that wide publicity, both lay and professional, be given to the fact that margarine fortified with vitamin A is nutritionally equal to butter. A similar conclusion was reached by the food and nutrition board of the National Research Council in its reprint and circular series No. 118, released in August 1943.

Cowgill [12] concluded:

"Edible fats, the melting points of which are not too high to prevent liquefaction in the alimentary tract, are digested and absorbed to about the same degree. Such differences as have been found are of no practical nutritional significance. * * * Natural fats differ with respect to their content of the essential unsaturated fatty acids, but the amounts needed by the organism are so small that these are probably of no practical nutritional significance. Natural fats have not been found to differ appreciably in their effect on the body's needs for other dietary essentials. * * * In a diet otherwise nutritionally satisfactory, a vegetable fat such as that contained in a margarine can serve adequately in place of butter fat for growth and reproduction, as shown by experiments with eight and more successive generations of rats."

Boer and colleagues [13] recently reported on the presence of vaccenic acid in summer butter. They stated that vaccenic acid has growth-promoting properties in rats. Euler and associates,[14] however, reported inability to demonstrate any growth-promoting factor peculiar to butter. Moreover, the same authors [15] in later studies "to characterize the physiological influence on the rat's organism of different fats * * * compared the growth, the fertility, and the longevity of rats, which were reared on a fat nutrition, consisting either of butter or of margarine (fat mixture MW)." They concluded "that the nutritional and physiological value of the slightly varying fat mixtures, which we employed under the designation of MW and which correspond to the margarines manufactured in Sweden during the period from October 1943 to November 1946, is in no way inferior to the value of butter."

Deuel and associates,[16] meanwhile, found vegetable fats and margarine equal to or better than butter in supporting augmented growth in two series of tests with rats, based on administration of growth hormone from the anterior lobe of the pituitary body.

PLAN OF STUDY

Two groups of children were included in the study, which covered a period of 2 years. One group received only margarine as the table fat in the diet. It was used on bread and vegetables, as well as in the making of pastry and in frying. Fortified margarine was supplied by a number of the various companies now manufacturing the product and was the same as that sold to the public. The margarine used was all derived from vegetable fats and contained no fat from animal sources. The second group of children used only butter for the same purposes.

The margarine group lived in an institution housing 130 children ranging in age from 3 to 16 years. The children were half-orphans, for the most part, from broken homes. They attended the neighborhood schools and returned to the institution for lunch. Samplings also indicated that the children were served margarine on their occasional visits to families outside the institution.

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[1] From the Department of Pediatrics, University of Illinois College of Medicine.

[2] Aided by a grant from the National Association of Margarine Manufacturers. Terms of the grant provided that findings from the study could be published, regardless of results.

[3] Holmes, A. D.: Digestibility of Oleomargarine, Boston M. & S. J. 192: 1210 (June 18) 1925.

[4] Bunker, J. W. M.: Evidence Concerning the Reputed Health Values of Fats: A Review of the Literature, Am. J. Pub. Health 17: 997 (October) 1927.

[5] Carlson, A. J.: Facts and Fancies About Food Fats, Am. J. Pub. Health, 31: 1181 (November) 1941.

[6] Boutwell, R. K.; Geyer, R. P.; Elvehjem, C. A., and Hart, E. B.: Further Studies on Comparative Value of Butter Fat, Vegetable Oils and Oleomargarines, J. Nutrition 26: 601 (December) 1943.

[7] Deuel, H. J., Jr.; Movitt, E.; Hallman, L. F., and Mattson, F.: Studies of the Comparative Nutritive Value of Fats: I. Growth Rate and Efficiency of Conversion of Various Diets to Tissue, J. Nutrition 27: 107 (January) 1944.

[8] The Comparative Nutritional Value of Butter and Olemargarine, report of Council on Foods and Nutrition, J. A. M. A. 119: 1425 (August 22) 1942.

[9] Graves, L.: Fats in Our Daily Fare, Mod. Hosp. 60: 90 (March) 1943.

[10] Bloor, W. R.: Role of Fat in the Diet, J. A. M. A. 119: 1018 (July 25) 1942.

[11] Deuel, H. J., Jr.: The Butter-Margarine Controversy, Science 103: 183 (February 15) 1946.

[12] Cowgill, G. R.: Relative Nutritive Values of Animal and Vegetable Fats, Physiol. Rev. 25: 664 (October) 1945.

[13] Boer, J.; Jansen, B. C. P., and Kentie, A.: On the Growth-Promoting Factor for Fats Present in Summer Butter, J. Nutrition 33: 339 (March) 1947. Boer, J.; Jansen, B. C. P.; Kentie, A., and Knol, H. W.: The Growth-Promoting Action of Vaccenic Acid, ibid. 33: 359 (March) 1947.

[14] von Euler, B.; von Euler, H., and Saberg, I.: Zur Kenntnis des Nahrwertes verschiedener Fette, Die Ernährung 7: 65, 1942; Versuche über die Nahrungsfaktoren der Butter, ibid. 8: 257, 1943.

[15] von Euler, B., and von Euler, H.: Biological Facts on Vaccenic Acid, Ark. f. kemi, minero. o. geol., June 1947, vol. 25B, No. 2.

[16] Deuel, H. J., Jr.; Hendrick, C., and Crockett, M. E.: Studies on the Comparative Nutritive Values of Fats: VII. Growth Rate With Restricted Calories and on Injection of the Growth Hormone, J. Nutrition 31: 737 (June) 1946.

The butter group was in another institution some 10 miles (16 kilometers) away. It included 125 children, ranging in age from 6 to 17 years, who were mostly orphans.

The diet in each institution was carefully supervised by trained dietitians and so regulated that 25 to 30 percent of the total calories were supplied by fat. The margarine constituted approximately 65 to 70 percent of the total fat calories.

All of the children in both groups were weighed and measured each month under medical supervision. A careful check was made from time to time to be sure that weights and measurements were accurately determined. Routine red-blood-cell counts and hemoglobin determinations were made on each child after the study was started and again 1 year later. Specialists in pediatrics supervised the medical care of all the children. A record was kept of the character and duration of all illnesses contracted by the children.

RESULTS

At the close of the study more than 200 records were available for analysis in the margarine group. Because of the turn-over in the institution, the period of study was not uniform and ranged from about a month to a maximum of 24 months. In the butter group there were about 150 records available, ranging up to 24 months' observation time on weight, height, red-blood count, hemoglobin, and illnesses.

It was found that those children who stayed a very short time had extreme irregularities in weight gains. Since it would serve no useful purpose and only increase the margin of error in the computations, all those records of children who were studied less than 6 months were discarded. About 40 in each group were so eliminated, leaving 160 records in the margarine group and 107 in the butter group.

Blood studies

There were 65 children in the margarine group and 85 in the butter group from whose records differences in erythrocyte count and hemoglobin could be computed. At the beginning of the study there was an average red-cell count of 4,284,000 in the margarine group, the lowest being 3,710,000 and the highest 4,870,000. One year later the average was 4,198,000; the low, 3,440,000; and the high, 5,560,000. Comparable figures for the butter group were as follows: At the beginning, the average red-blood-cell count was 4,629,000; low, 3,940,000; high, 5,640,000; 1 year later the average was 4,640,000; low, 3,920,000; and high, 5,560,000.

In the margarine group the average hemoglobin was 13.7 Gm. per hundred cubic centimeters, with a low of 11.3 and a high of 16.6. One year later the figures were 13.4, 10.5, and 18.6, respectively. For the butter group, at the beginning of the study the hemoglobin figures were: Average, 15.4 Gm.; low 13.8; and high, 17.9. One year later the findings were: Average, 15.3; low, 12.4; and high, 17.5.

All these figures are within normal limits in our clinical experience. Moreover, according to Osgood and Baker,[17] there is an average of 12 gm. of hemoglobin, ranging from 10 to 14 gm., in the blood of normal children from 4 to 13 years of age. Griffith and Mitchell[18] stated that the red blood cell count remains at about 4,500,000 to 5,000,000 throughout childhood. Hence it would appear that the blood cell counts in both institutions were in line with counts found in similar groups of children. Furthermore, any variations which occurred were well within the usual errors in making hemoglobin and red blood cell determinations.

Height and weight

All the records contained data on weight in pounds and ounces and height in inches. Gains in weight and height are partly a function of time, so a further adjustment had to be made to facilitate valid comparison. The basis of exactly 1 year was used for standardization. The period of the greatest majority of the cases was over a year. Since this means that the majority had to be reduced in value to be standardized, chance errors tend to be reduced as well.

An analysis of the total cases in each group is shown in tables 1 and 2. Average annual weight and height gains for boys and girls are shown. For additional comparison, the average gains from standard height-weight tables are included under the column headed "Standard."

Since changes in weight and height are also a function of age, only groups of like age are compared.

The standard error is appended to each value in the margarine group, and comparable value in the butter group. For a test of statistical significance at the 5-percent level, the difference between two comparable entries in the margarine and standard columns must be greater than twice the standard error. For instance, on the first line in table 1, under "Boys," in the column headed "Margarine," the average yearly gain in weight was 6.7 pounds (3,039 gm.) with a standard error of 0.6 pound (272.2 gm.). Twice 0.6 is 1.2, which added to 6.7 gives 7.9 pounds (3,583.4 gm.). The average gain in the standard column is 7.2 pounds (3,265.9 gm.), well within the range of the standard error, and the difference is, therefore, not statistically significant.

TABLE 1.—*Average yearly gain in weight (in pounds) for children observed at least 6 months*

Age, years	Boys			Girls		
	Margarine	Butter	Standard	Margarine	Butter	Standard
All (2 to 15)	6.7±0.6		7.2	7.4±0.6		6.9
All (6 to 17)		7.9	7.9		5.9	7.1
6 to 13	7.2±0.7	8.8±0.9	7.5	8.9±0.7	7.2±1.0	8.0
2 to 5	4.2±0.3		5.2	3.9±0.4		4.6
6 to 9	5.3±0.5	7.1±2.2	5.5	7.5±0.5	8.3±1.7	6.2
10 to 13	12.3±1.7	9.4±1.0	9.5	10.6±1.3	7.1±1.1	9.7
14 to 17		6.6	8.7		3.4	5.2

TABLE 2.—*Average yearly gain in height (in inches) for children observed at least 6 months*

Age, years	Boys			Girls		
	Margarine	Butter	Standard	Margarine	Butter	Standard
All (2 to 15)	2.2±0.1		2.3	2.1±0.1		2.2
All (6 to 17)		1.5	1.8		1.0	1.7
6 to 13	2.0±0.1	2.1±0.1	2.1	2.0±0.1	1.2±0.1	2.1
2 to 5	2.5±0.1		3.0	2.3±0.1		2.7
6 to 9	1.9±0.1	1.9±0.2	2.0	2.1±0.1	1.5±0.3	2.2
10 to 13	2.2±0.2	2.2±0.2	2.2	2.0±0.1	1.2±0.1	2.0
14 to 17		0.7	1.2		0.4	1.0

For a test of significance between a margarine and butter value the formula

$$\sigma_{\bar{x}_1-\bar{x}_2}=\sqrt{\sigma^2_{\bar{x}_1}+\sigma^2_{\bar{x}_2}}$$

is used. In only three cases does it seem necessary to perform this test. This is in table 1, under boys, ages 6–13 and ages 6–9, and table 3, under boys, 6–9 years of age. In none of these cases was the difference found significant.

In both table 1 and table 2 all average gains in the margarine group were at least as great (including the standard error) as the gain in either the butter group or a standard group, with two exceptions. These exceptions were in the 2- to 5-year age groups. This is due to the fact that the average age in this particular group in the margarine study was greater than the midvalue of the group. In fact, there were only one boy and one girl 2 years old included in the study.

It is believed that the adjustment of all the values to an annual basis is accurate. However, to eliminate doubt as to the validity of the method, comparisons were made using only those subjects who were observed for the maximum time. There were 51 children in the margarine group who were studied the maximum time of 24 months. In the butter group there were 53 under observation for the maximum 24 months.

Again the values were reduced to an annual average gain, going far to reduce chance errors, since all values were practically halved. Tables 3 and 4 exhibit the data.

TABLE 3.—*Average yearly gain in weight (in pounds) in children observed 24 months*

Age, years	Boys			Girls		
	Margarine	Butter	Standard	Margarine	Butter	Standard
All (2 to 15)	6.7±0.9		7.2	8.2±1.0		6.9
All (6 to 17)		8.1	7.9		6.3	7.1
6 to 13	7.4±1.2	8.7±1.2	7.5	9.5±1.1	8.3±1.2	8.0
2 to 5	4.6±0.5		5.2	4.0±0.4		4.6
6 to 9	5.1±0.6	6.7±2.3	5.5	8.3±1.1		6.2
10 to 13	12.2±2.4	9.4±1.3	9.5	11.0±1.7	8.3±1.2	9.7
14 to 17		7.0	8.7		0.7	5.2

[17] Osgood, E. E., and Baker, R. L.: Erythrocyte, Hemoglobin, Cell Volume and Color, Volume and Saturation Index Standards for Normal Children of School Age, Am. J. Dis. Child. 50: 343 (August) 1935.

[18] Griffith, J. P. C., and Mitchell, A. G.: The Diseases of Infants and Children, ed. 2, Philadelphia, W. B. Saunders Co., 1937, p. 38.

In only one case, the 2- to 5-year-age group in the boys, in table 4, is the comparison unfavorable. In all other combinations margarine shows up as at least as efficient a source of fat for growth as butter in the normal diet.

COMMENT

It is evident from the tables that growth of the group fed margarine, as determined by increases in height and weight, was comparable to that of the children fed butter and to standard height and weight values for the same age group.

Furthermore, it was noted that in the margarine group there was no increase in the amount of illness. Illnesses in general had been on the decline in the margarine group for the last 4 or 5 years, and this decrease in the incidence of illness continued during the period of the study. This compares with conditions present in the community for the last 5 years.

It was interesting to observe how the children accepted margarine. When it first made its appearance on the table—in its white form—and the study was explained to the children, the younger children promptly accepted it. The children in the older age group did not take to it too kindly. Very shortly thereafter, however, a shipment of colored margarine came in. This was cut up into the usual pats and all the children then ate it readily and liberally. Thereafter it was always served cut in pats and colored.

At no time during the period of the study was it considered that vitamin A played any definite role in the results of the study. The reason, of course, is that all the margarine used contained 15,000 units of vitamin A per pound—which is equal to or greater than the amount present in average butter.

Blood studies showed that there were no significant differences between the margarine or butter groups.

The children in the margarine group experienced a high degree of good health during the study, and in comparing their health to that of the butter group it appears to have been much better.

TABLE 4.—*Average yearly gain in height (in inches) in children observed 24 months*

Age, years	Boys			Girls		
	Margarine	Butter	Standard	Margarine	Butter	Standard
All (2 to 15)	2.2±0.2		2.3	2.2±0.2		2.2
All (6 to 17)		1.6	1.8		0.9	1.7
6 to 13	2.1±0.3	2.2±0.2	2.1	2.2±0.2	1.2±0.2	2.1
2 to 5	2.5±0.1		3.0	2.5±0.1		2.7
6 to 9	2.0±0.4	2.0±0.1	2.0	2.4±0.2		2.2
10 to 13	2.3±0.3	2.2±0.2	2.2	2.0±0.2	1.2±0.2	2.0
14 to 17		0.7	1.2		0.1	1.0

When infirmary records are compared it is readily seen that the margarine group fared much better than the butter group. We are not making any claims that the margarine group were healthier simply because their diet contained margarine. Other variables are more likely to account for their better health.

At no time during the course of the study did either institution experience any type of epidemic, and no doubt this may in part be due to the fact that both institutions practiced accepted preventive measures on all their children.

CONCLUSIONS

Growing children experience normal growth in height and weight when their diets contain only fortified margarine as table fat, as shown by comparison with children fed on similar diets with butter as the source of table fat and by comparison with standard height and weight tables.

Whether the greater part of the fat of the diet is derived from vegetable or animal sources has no effect on growth and health as shown by changes in height and weight and health records of children observed over a 2-year period.

During a 2-year period the health of 267 children was uniformly good so far as serious illness is concerned, regardless of whether margarine or butter was the source of the greater part of the fat in the diet.

If there is a growth factor present in butter which is not present in margarine, there is no evidence in the present study that such a factor plays any important part in the growth of children as determined by increases in height and weight.

Margarine is a good source of table fat in growing children, as determined by a 2-year study. Children readily accept margarine as a table spread when it is colored and served in pats.

TABLE 5.—*Group total and average yearly gains in weight (pounds) and height (inches); children observed at least 6 months*

Age, years	Margarine group			Butter group		
	Number of children	Weight	Height	Number of children	Weight	Height
2 to 5	45	182.389	106.784			
6 to 9	71	439.368	139.446	13	96.872	23.332
10 to 13	41	462.620	86.432	53	440.173	90.510
14 to 15	3	43.121	6.878			
14 to 17				41	223.328	25.209
Total	160	1,127.498	339.540	107	760.373	139.141
Average		7.047	2.122		7.106	1.300

TABLE 6.—*Group total and average yearly gains, by sex, in weight (pounds) and height (inches); children observed at least 6 months*

Age, years	Boys			Girls		
	Number of children	Weight	Height	Number of children	Weight	Height
	Margarine group					
2 to 5	24	101.080	59.171	21	81.311	47.614
6 to 9	41	215.701	77.800	30	223.667	61.647
10 to 13	16	197.327	35.600	25	265.290	50.833
14 to 15	2	42.273	6.878	1	.848	
Total	83	556.381	179.449	77	571.116	160.094
Average		6.703	2.162		7.417	2.079
	Butter group					
6 to 9	9	63.793	17.294	4	33.079	6.038
10 to 13	28	263.559	60.935	25	176.614	29.576
14 to 17	26	172.504	18.800	15	50.824	6.499
Total	63	499.856	97.029	44	260.517	42.113
Average		7.934	1.540		5.921	.957

Archibald Roane—Correspondence Between Jefferson Davis and Caleb Cushing

EXTENSION OF REMARKS

OF

HON. TOM STEWART

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Wednesday, February 11 (legislative day of Monday, February 2), 1948

Mr. STEWART. Mr. President, I ask unanimous consent to place in the Appendix of the RECORD an historically interesting narrative written by Mr. E. E. Patton, which appeared in a recent isssue of the Knoxville Journal, a daily paper published at Knoxville.

Mr. Patton is a very prominent businessman, historian, outstanding citizen, and statesman, who lives in Knoxville, Tenn. He has served as mayor of that splendid city and in his research, which is a kind of side line or hobby with him, he frequently comes up with a story of human interest.

The story I speak of today concerns a letter written by Caleb Cushing on the 20th of March, 1861, to Jefferson Davis, President of the Confederate States. This story relates how this letter appeared to haunt Cushing in later years, actually preventing him from being nominated by President Grant as Chief Justice of the United States.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LETTER TO JEFFERSON DAVIS SPELLED DOOM FOR CALEB CUSHING'S CAREER

(By E. E. Patton)

Horace Maynard was a scholar, a lawyer, a statesman, a politician, a teacher, a diplomat; he represented the Second Tennessee District in Congress; he was minister of Turkey; was Postmaster General. He said it is better to ride 20 miles on horseback and talk with a man rather than write him if it is on a delicate matter. My advice to all young people is, never write a letter when you are mad. In this article I shall endeavor to show how a man was destroyed by a letter he wrote.

Caleb Cushing was a native of Massachusetts; was educated at Harvard; spent 2 or 3 years in Europe learning the modern languages and taking extensive courses in international law. He held various offices, including several terms in the House of Repre-

sentatives. He was Attorney General in the Cabinet of Franklin Pierce from 1853 to 1857. Incidentally, Pierce is the only President who kept his Cabinet intact for 4 years.

In that Cabinet was Jefferson Davis, Secretary of War, and a graduate of the United States Military Academy at West Point. He had also seen service in the Mexican War under his first father-in-law, Zachary Taylor. He had also seen service in the Black Hawk War, having been the commanding officer of the division in which Abraham Lincoln served as a captain of volunteers. Davis was President of the Southern Confederacy and on March 20, 1861, Cushing wrote Davis the following letter:

WASHINGTON, *March 20, 1861.*

Hon. JEFFERSON DAVIS,
President, the Confederate States.

DEAR SIR: Mr. Archibald Roane, for the last 6 or 7 years a clerk in the Attorney General's office, desires from me a letter of introduction to you, and he desires it not in the view of anticipating administrative favors, but that he may have the honor of your personal intercourse. Of this I take pleasure in assuring you he is eminently worthy. A Southern man by birth, family, and affection, he has carefully studied and ably discussed, in Mr. DeBow's Review and other Southern works, the lamentable events which have at length overthrown the American Union. Whilst a practical man, he is also a ripe and accomplished scholar, with, indeed, predominant literary tastes and habits. In the discharge of his official duties he has combined in a singular degree the purest integrity, enlightened intelligence, with modest contention of his lot, having more than once declined offices of more conspicuous employment in the public service. He now resigns his present office from sentiments of devotion to that which alone he can feel to be his country, namely the Confederate States, from one of which (Texas) he was appointed.

I most heartily commend him as a gentleman and a man to your confidence and esteem. And I am, with the highest consideration, your obedient servant.

C. CUSHING.

By way of explanation, it is said that this Archibald Roane was a son of Archibald Roane, second Governor of Tennessee, and whose remains lie in a cemetery about one-half mile from Farragut High School in Knox County.

This Archibald Roane, whom Cushing recommended so highly to Davis, had a patent rifle which he desired to call to the attention of the "President of the Southern Confederacy."

In 1873 President Grant appointed Cushing to the high office of Chief Justice of the United States, and this nomination went, in its usual course, to the United States Senate for confirmation or rejection. It seems that in his younger days, Cushing treated a young man in his city with somewhat hauteur and contempt; in fact, he insulted this young man by the name of Aaron A. Sargent. Sargent went to California and in 1873 was a Senator from that far-western State. He was told about this letter. He got the letter in his possession and got the Committee on the Judiciary called together. He then proceeded to read the letter and show the members of the committee that it was in the handwriting of Caleb Cushing. He asked for a show-down, but there was not a man on that committee who was willing to risk his political life by voting to confirm Cushing for that high office, a man who had written a letter to Jefferson Davis when that man was in open rebellion against the power and authority of the Nation.

No doubt there are those who would like to know how Sargent found out about this letter and further, how it happened to be preserved. When it was known that Richmond could not hold out much longer, a clerk in one of the offices of the Confederacy decided it was time to take the records of the Confederacy to a place of safety. So he had them crated and hauled out some distance from Richmond and stored.

He later went to Washington and offered to sell them to Secretary of the Treasury, but he was not very much impressed; he could see no reason why he should put out good money for a large lot of "Rebel" records. But some of his subordinates suggested that since every claimant for damages to his property had to prove his loyalty to the Union Government, he would likely find thousands of letters from Southern sympathizers attesting their loyalty to the Confederate Government; that by purchasing these letters and other records, he could save the government untold millions of dollars in damages. So he bought the letters and other records and it is said that he paid out 90,000 good dollars for them.

Evidently some one in the Department who knew Caleb Cushing, decided it might be well to preserve it; this was done. A clerk in the Department knew of Sargent's hatred toward Cushing and lost no time in getting the information to him.

Status of the Aircraft Industry

EXTENSION OF REMARKS
OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an article written by me entitled "Status of the Aircraft Industry." This appeared in the New Hampshire Morning Union of February 5, 1948, and in the Manchester Evening Leader of February 5, 1948. Both papers are published in Manchester, N. H.

STATUS OF THE AIRCRAFT INDUSTRY

IMPORTANCE OF THE AIRCRAFT INDUSTRY

Every American should be deeply interested and vitally concerned in the trends and the conditions of the aircraft industry. It is of utmost importance for the United States to have in being an aircraft industry continually designing, developing, and producing the latest types of aircraft and aerial missiles for immediate use should an emergency arise. It is essential that the industry be capable of rapid expansion.

It is perfectly obvious that air power will play the major role in our future national security. It is certainly clear that in the event of future war the United States will be attacked from the air by missiles, conventional bombers, and atomic weapons. If our national security is to be guaranteed, we must have the facilities to replace the exceedingly heavy losses which the Air Force will sustain in the first weeks of an emergency. The decisive factor in any war of the future will be the ability to produce aerial missiles and aircraft in the first weeks of the struggle.

Planes become obsolescent with great rapidity. At the present time, obsolescence is one of the outstanding characteristics of the equipment in use by the Army and Navy air forces. We must have a vigorous, healthy aircraft industry to make replacements so that the Air Force will be modern and up to date.

The President's Air Policy Commission in its report dated January 1, 1948, entitled "Survival in the Air Age" devotes the second section to the aircraft manufacturing industry. The chairman of the Commission was Mr. Thomas K. Finletter. The report has already become a famous document on national security. In this report emphasis is placed on a strong aircraft industry as a vital element in the achievement of United States air power. The Commission holds an air establishment is useless unless it is backed by an industry which possesses skill in technological application, is high in production efficiency, is capable of great expansion, and has a strong financial basis.

OBSOLESCENCE

The task of replacing the equipment in the Air Force, most of which has now become obsolete, is huge in consideration of the present low-production level. The armed forces estimated in statements to the President's Air Policy Commission that they should have in their striking arms and in their reserves some 26,000 planes. It is conceded that air equipment for military purposes should be replaced every 5 years because of attrition and obsolescence. The current rate of production is about 1,500 military aircraft a year. At this rate the equipment of the air-striking arm and the reserves could be placed not every 5 years, but once in 15 years. This situation is so startling that we should be gravely concerned.

THE TIME FACTOR

The time required to construct an airplane from the drawing-board stage to the date when it rolls off the assembly line emphasizes the importance of having an aircraft industry in readiness. From 5 to 7 years are necessary to plan and produce an airplane. All the plans for the planes used in World War II were on the drawing boards before the outbreak of hostilities In the event of another conflict entirely new planes will be employed and the industry must be capable of producing them in mass quantities.

Even under ideal conditions a long time is required to expand the rate of production of aircraft. In World War II when all the resources of the United States could be mobilized in a leisurely fashion, when there was never at any time a question of attack or of interruption by sabotage, 5 years elapsed before the industry reached adequate production. We were exceedingly fortunate to have Allies standing between us and the enemy. This situation which prevailed in World War II, also in World War I, will never be repeated again and in a future conflict there will be no one to hold back the enemy while we proceed to expand the aircraft industry.

THE REPORT OF THE AIR COORDINATING COMMITTEE

About 2 years ago the official Air Coordinating Committee made a study of the amount of aircraft production that should be maintained for the purpose of national security. The committee reached the conclusion that, as maintenance of world peace is well assured and a substantial degree of disarmament has taken place, the minimum production of military aircraft should be about 3,000 units a year. However, if there is need for a substantial striking force ready at all times to cooperate in the maintenance of world peace, the report came to the conclusion that the production of military aircraft ought to be 5,780 units a year. We certainly need a substantial striking force to guarantee the peace.

In view of the 3,000-unit level recommended after the maintenance of peace is assured and the 5,780 units if a substantial striking force is required, it is most alarming to realize that the production of military aircraft in 1946 was only 1,330 units and that production of aircraft in 1947 was approximately 1,500 units.

REQUIREMENTS

In his recent statement before the Air Policy Commission the Secretary of the Navy held that the program for naval aviation alone requires an annual production of 2,500

to 3,000 aircraft a year. A similar statement presented to the Air Policy Commission by Secretary of the Air Symington places the Air Force needs at an annual production of 3,200 planes a year.

Current production then is less than one-third of the minimum estimated requirements of the two air services. This is a perilously wide margin of failure to supply our air-striking arm with the new equipment they need to maintain operating air forces trained with modern equipment.

PAST AND PRESENT STATUS OF PRODUCTION

In 1946 production of military aircraft was 1,330 units. In 1947 it was about 1,500 combat units plus a few liaison and personal aircraft. The production ran around 1,500 a year for the 2 years, compared with the wartime peak of 96,000 units in 1944. In 1940, the aircraft industries produced 6,019 planes; in 1941, 19,433; in 1942, 47,836; in 1943, 85,898; in 1944, 96,318; and in 1945, 47,714.

EMPLOYMENT

In the airframe and engine industries employment has declined to 175,000. This is about 30,000 fewer employees than were on the pay rolls at the end of 1946. At the height of production, late in 1943, and early in 1944, the total employment reached was 1,300,000 in the airframe and engine plants.

The above figures on the contraction of employment in the aircraft industries illustrates how rapid has been the dissipation of production and engineering teams built up during the war. Any further decline in employment threatens the complete dissipation of the nucleas of the teams of management, production, and engineering forces required to maintain an industry capable of producing the equipment we require in undertaking the expansion necessary in case of an emergency.

FINANCIAL STATUS

During 1946 and 1947, the American industrial economy experienced its greatest boom. Yet in this period when our industries were experiencing unprecedented activity, the aircraft manufacturers operated at a loss which menaces the survival of the industry. In 1946 most of the larger units in the aircraft industry responsible for the astounding production of the wartime years operated at a heavy loss. For 15 of the largest companies in the airframe and engine field, the operating loss before application of tax carry-backs and postwar reserves in 1946 amounted to $81,591,000. Even after making fullest utilization of tax carry-back provisions the net loss experienced by these companies in 1946 amounted to $11,684,000.

The picture for 1947 is even gloomier. Based on the latest information the Aircraft Industry Association estimated the operating loss of the 15 companies in 1947 as exceeding $100,000,000. After the application of the tax carry-back credits, and additional reserves accumulated during the war years, the net loss of these 15 companies for 1947 is expected to be at least double the $11,000,000 loss they experienced in 1946. Thus, for two consecutive years the aircraft industry has been operating in the red. Survival has been assured by tax carry-backs which will not be available after 1947. This grave and serious condition has not invited the confidence of investors or prospective employees particularly the employees equipped with the necessary scientific and engineering talents.

LAG IN AIR PREPAREDNESS

Secretary Symington of the Air Force in an article written for the American Magazine states that the United States is no longer the leading air power of the world. In quantity we have slipped behind the Soviet Union and qualitatively both Russia and England have numerous developments that exceed our own efforts. England, despite her severe economic strain as a result of the war, is devoting a greater portion of her defense budget to an air force than we are.

Guy W. Vaughn who is president of the Curtis-Wright Corp. asserted only recently that Russia is more powerful in the air at the present time than the United States was in World War II. He stated that Great Britain and Russia are ahead of the United States in research because of the very liberal appropriations of their governments. These warnings should make us determine to appropriate the funds required to prevent us from hopelessly lagging in the air race.

IN CONCLUSION

This alarming summary of the status of the aircraft industry emphasizes how imperative it is that we increase our plane orders sufficiently to make it possible for companies to remain organized. This is necessary for expansion sufficient to ensure production of the aircraft required in case of an emergency. The aircraft companies cannot be expected to maintain their financial positions and to retain their organization of high technically trained personnel in order to manufacture planes in the event of a conflict unless they receive financial aid through orders given by the Government. There isn't the demand for planes outside of the Government to keep the companies functioning.

Air supremacy cannot be achieved and maintained without the aircraft industry. A well-organized aircraft industry capable of expanding and a well-staffed organization of employees possessing the skill to build airplanes is prerequisite to achieving control of the air which is necessary for our national security. Even a cursory inspection of the industry causes us to pause, and we have every reason to be deeply concerned over the deplorable condition in which the companies capable of manufacturing military aircraft find themselves.

The acquiring of air supremacy is the most important issue before the country. One of the most important factors in gaining air supremacy is the maintenance of a healthy aircraft industry. Without the industry we cannot manufacture the planes and without the planes we cannot hope to achieve or maintain air supremacy; and without air supremacy we have no guarantee of security, and without air security the United States cannot survive.

The Daughters of the American Revolution and the Future of America

EXTENSION OF REMARKS

OF

HON. TOM STEWART

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Wednesday, February 11 (legislative day of Monday, February 2), 1948

Mr. STEWART. Mr. President, I ask unanimous consent to place in the Appendix of the RECORD a very interesting and timely editorial taken from last week's issue of the Knoxville Labor News, published at Knoxville, Tenn.

This editorial is entitled "The Daughters of the American Revolution and the Future of America," and is one which pays high and worthy tribute to this splendid organization. After complimenting the DAR, the editorial proceeds to say we must see to it that our liberty and freedom are handed down unimpaired to future generations of Americans. It suggests that this can best be done through our public schools by constantly teaching students the too-often-taken-for-granted basic rights and guaranties of their liberties, and by contrasting them with the lack of such rights in other countries like Russia.

I commend the Knoxville Labor News and its editor, Hon. John L. Essary, for this thoughtful editorial, and for the patriotic suggestions he makes, as well as the splendid tribute he pays to that fine, patriotic women's organization, the DAR.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE DAUGHTERS OF THE AMERICAN REVOLUTION AND THE FUTURE OF AMERICA

The National Society of the Daughters of the American Revolution is composed of women whose ancestors fought in the Revolutionary War to gain our liberty, freedom, and independence. Their main objective is to collect all history pertaining to the Revolution; mark historic spots; and foster certain worthy and worth-while schools in America.

There could be nothing nobler or finer in sentiment than this agenda. But there is a companion obligation imposed on this great society: that is to see to it that our liberty and freedom are handed down unimpaired to future generations of Americans. This can best be done through the medium of our public schools. The English language should be used in every public school. By that we do not mean to outlaw teaching other tongues.

In every schoolroom there should be constant reference made to our Declaration of Independence, to our Constitution, to our rights to "life, liberty, and the pursuit of happiness" in drastic contrast to the lack of those basic rights in such countries as Russia and all of her satellite countries which are forced to do obeisance to Stalin and his gang.

No student should be permitted to leave high school without a full and complete knowledge of our fundamental laws; the value of our rights, freedoms, and liberties. He should be required to read A Man Without a Country.

Recently there appeared in the Knoxville Journal an article on the mothers of Presidents and in this was included:

"There is a small monument in Fredericksburg, Va., on the side of which are carved these words: 'Mary, mother of Washington.' When the people of this country fail to understand fully these words, there will be no necessity to take thought about the safety of the country, for it will be gone."

Lord Macaulay tells us in his immortal poem that Horatius said to himself:

"And how can man die better
Than facing fearful odds;
For the ashes of his fathers
And the temples of his gods?"

If the Romans could die for that cruel country, how much nobler is it for Americans to die, or to live for this country. The DAR, in their State convention, should pass resolutions favoring the teaching of these basic governmental subjects in every school in Tennessee and they should also ask the National DAR Convention to take similar action.

Prohibition Next?

EXTENSION OF REMARKS

OF

HON. WILLIAM E. HESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. HESS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the

Cincinnati Enquirer of February 5, 1948:

PROHIBITION NEXT?

The liquor industry is getting much the better of its argument with President Truman and other powerful opponents. The President and other crack-the-liquor-industry salesmen are peddling the idea that the industry's grain supplies must be cut in order to help Europe.

They cannot prove that Europe is to obtain much more than another kernel of grain through the medium of slashing the liquor industry's grain tonnage.

They cannot deny:

That the industry uses less than 1 percent of the Nation's grain output.

That the industry employs more than 2,000,000 well-paid workers.

That cutting the industry's grain supply in half literally would make ghost towns of Lawrenceburg, Ind., a clean, thriving community of 5,000 persons, and 60 other liquor-producing towns similar to Lawrenceburg.

That the industry pays to the Government billions of dollars in tax revenue each year, more than enough to pay half the cost of the Marshall plan.

That British and Canadian distilleries are running at capacity, are selling whisky in the United States.

That the welfare of an American liquor worker must be as important to the Government of the United States as the welfare of a European.

That, of the less than 1 percent of the Nation's grain used by the industry, more than 45 percent becomes pork chops, steaks, milk, butter, eggs, because distilling produces a residue chock full of vitamins and proteins, a byproduct used by farmers to feed animals and poultry.

Since the industry's opponents cannot deny that the Nation's economy is damaged irreparably when the liquor industry is handicapped, their reasoning is suspect. The suspicion is that they want the return of prohibition upon the United States. With prohibition came the gin mills, the slaughter of persons killed by bootleg whisky, the gangsters operating the bootleg traffic.

Prohibition didn't stop a single drinker. It merely robbed the Nation of revenue, permitted teen agers to drink because irresponsible gangsters were operating the liquor traffic.

Because the use of corn for distilling doesn't deprive anybody of a slice of bread, because the distilling industry uses less than a thousandth of 1 percent of the total wheat supply, it is good that we now have a responsible liquor industry.

It is far better to have Lawrenceburgs than gin mills. An American's appetite for food or liquor cannot be removed by legislation.

Nomination of Edward Allen Tamm

EXTENSION OF REMARKS

OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, February 11 (legislative day of Monday, February 2), 1948

Mr. O'CONOR. Mr. President, the President of the United States has recently forwarded the nomination of Edward Allen Tamm to be an associate justice of the United States District Court of the District of Columbia. This is an ideal selection. Mr. Tamm has earned distinction as one of the directing heads of the Federal Bureau of Investigation. This fact indicates clearly the type of individual we have the privilege of confirming, because this important agency, so closely identified with activities of the Department of Justice, is composed of men of unquestionable integrity and devotion to the public service.

If proven competence, sterling attributes, and conscientious public service are tests by which judicial nominees can be gaged—as unquestionably they are—then Edward Allen Tamm measures up in every respect to the qualifications of the judiciary. He will grace the bench, and, based upon his record of faithful and efficient performance of duty, he will make a creditable addition to the district court.

Recently the Washington Star published an editorial in which reference was made to Mr. Tamm, and I ask unanimous consent to have these excerpts printed in the Appendix of the RECORD for the information of the Senate.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

Some criticism of the appointment of Mr. Tamm can be expected. A native of Minnesota, he entered the FBI in 1930 as a special agent at the age of 23. And since FBI agents do not operate in the spotlight, he is relatively little known in Washington. He has not had the kind of legal experience that one ordinarily expects to find in the record of an appointee to the Federal bench, and his appointment was announced without waiting for any recommendations from the local bar.

Generally speaking, this would provide ground for opposition to the appointment. The Star does not believe, however, that this holds good in the case of Mr. Tamm. For his record at the FBI and his attitude toward law enforcement are such as to lead to the conclusion that he will make an excellent judge.

There will be, naturally, considerable speculation as to the reasons for the selection of Mr. Tamm. The best guess seems to be that it was a personal choice on the part of the Attorney General, and it may also be that the President desired to indicate his confidence in the FBI in the face of some criticism which has been leveled at this agency. But the particular reasons for the selection of Mr. Tamm are not of first importance. What is important is that these three appointments tend to strengthen our courts, where political appointments would have weakened them. It would have been easy, especially in an election year, for the President to have treated these vacancies as political plums. That he did not do so indicates that he has a proper regard for that political independence which ought to be the first attribute of the Federal judiciary.

Decentralize or Perish

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, February 11 (legislative day of Monday, February 2), 1948

Mr. WILEY. Mr. President, I have noted in the February 4, 1948, edition of the Wheeling Intelligencer, published in Wheeling, W. Va., an editorial entitled "Decentralize or Perish."

This newspaper, of which Mr. Herman Everett Gieske is editor, has called attention in the editorial to the suggestions made by me on behalf of Federal decentralization. I believe that an editorial on so important a subject deserves wide reading, and I am, accordingly, asking unanimous consent that it be printed in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DECENTRALIZE OR PERISH

Item:

"New York's land and buildings, regarded as the richest segment of real estate in the world, have risen in value to $17,684,240,921 on the city's tax books for the coming fiscal year."

Item:

"Writing in the Reserve Officer, United States Senator ALEXANDER WILEY, Republican, of Wisconsin, said atomic war with Russia could turn this Capital (Washington) into a 'death trap' for American liberty. We are now living in a fool's paradise of apathy and inertia. We must decentralize or risk a destiny of national extinction."

The above two news items may not seem to be related, but they are. Something has got to be done about the big cities of the United States, as Senator WILEY suggests, we risk national extinction.

If some foe, from without or within, were to wipe out overnight such great cities as New York, Washington, Philadelphia, Chicago, San Francisco, and St. Louis, to mention only a few, our national economic and government system would fall.

Those living in smaller cities can well feel a sense of security against such a doom. But they, too, are vitally affected. Should the National Government fall from such an atomic blow, the dwellers in the hinterlands would find it difficult not only to retain their freedom but merely to subsist.

Senator WILEY is a thousand times right. Our biggest cities must be decentralized and scattered and converted into smaller cities of, we would suggest, not more than 500,000 population.

The difficulties are staggering. New York City's taxable value of over $17,000,000,000 stands in the way of that, because when population goes, realty values would shrink, and the smaller cities would be the gainers.

In the atomic age, the agglomeration of huge masses of people in immense hives, with population running into the millions, is fully as fantastic as atomic energy itself.

Right now we should be building an alternative or "summer" capital of the United States somewhere near the geographical center of the North American Continent, equipped with bomb-proof subterranean chasms wherein our Government, including the Senate and the House, could function unmolested when atomic war comes.

We realize this smacks something of the Maginot-line psychology, but this need not be so. We could at the same time have atomic bombs poised to paralyze a foe in his homeland and still not be without protection and organization at home, should worse come to worse and we awaken some morning to find New York City and Chicago had vanished overnight.

Doubtless Senator WILEY at present is as a voice crying in the wilderness. But we trust he will not remain so. We commend him for his vigilance and foresight. With reguard to atomic energy, we are in much the same predicament as we were when the Wright brothers' flimsy crate first flew; when the first flickering movies were viewed; when the first weak wireless call went out into the air; and when the first balky horseless carriage trundled its way along. It was not

clear then that these forces would change the world socially and economically.

Nor are the full implications of atomic energy at all clear at the present time. But is it not better to be safe than sorry?

Memorial Services for Mohandas K. Gandhi

EXTENSION OF REMARKS
OF
HON. CHARLES W. TOBEY
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES

Wednesday, February 11 (legislative day of Monday February 2), 1948

Mr. TOBEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address which I am delivering this afternoon at memorial services for the late Mohandas K. Gandhi. The services will be held at the Department of Labor Auditorium.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

In the passing of the great disciple, Mohandas K. Gandhi, our common manhood has lost a kinsman. Probably no man since Christ has more devotedly and literally followed and lived out the teachings of the Master of Men than he whose memory we honor today, and I am grateful for the privilege of lifting up my voice with others to pay a tribute of the esteem and regard in which he was held throughout the civilized world. Conscious of the greatness of his mission, he sacrified himself for others, imposing on himself rigid restrictions, abstaining from fleshly lusts which war against the soul. He truly walked with God.

In a world torn with dissensions, tossed about by madly swirling currents of greed and lust for power, with many great powers reverting to the law of the jungle, seeking to impose their will on others by the destruction of life and property, this man of God turned to the sword of the spirit, which is the word of God. He became the leader of teeming millions of people. Striving to bring about his ideals for the benefit of his fellowmen, not through resort to guns and armaments but in glorious contrast, he followed the formula given by our Lord and Master: "Not by might nor by power, but by My spirit, saith the Lord."

So mote it be that as we face the future, seeking to bring order out of the chaos which threatens the peace of the world, that America and the nations of the Old World might put their trust, not in reeking tube and iron shard, but in obedience to the divine command to "Love the Lord thy God with all thy heart, and thy neighbor as thyself."

In so doing we would speed the day when the kingdoms of this world will become the kingdoms of our Lord and his Christ.

The press states that Gandhi is dead. This is true only in a mortal sense, for he spoke truly who wrote:

"A good man never dies, in worthy deed and prayer,
And helpful hands and honest eyes,
If smiles and tears be there.
Who lives for you and me,
Lives for the world he tries to help.
He lives eternally.
A good man never dies."

Such a man was Mohandas Gandhi. India and all peoples are better because he lived.

"So valiant, for truth, passed over, and all the trumpets sounded for him on the other side."

But Gandhi, being dead, yet speaketh.

Tolls and the Seaway

EXTENSION OF REMARKS
OF
HON. IRVING M. IVES
OF NEW YORK
IN THE SENATE OF THE UNITED STATES

Wednesday, February 11 (legislative day of Monday, February 2), 1948

Mr. IVES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial entitled "Tolls and the Seaway," which appeared in the February 8, 1948, issue of the New York Times.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TOLLS AND THE SEAWAY

In 1934 Army engineers predicted that a St. Lawrence seaway would carry a maximum annual tonnage of 27,000,000. The St. Lawrence survey report arrived at the closely similar result of 25,000,000. Last year the National St. Lawrence Association raised these figures to 37,000,000. The discrepancies indicate that no one knows what the potentialities of the proposed St. Lawrence seaway are. Secretary Harriman has testified that the Department of Commerce has not yet made a detailed analysis of potential traffic on the seaway. Lt. Gen. R. A. Wheeler furnished the Committee on Foreign Relations of the Eightieth Congress with Army estimates of expected traffic—estimates which have been used to prove that the seaway can be made to pay for itself by levying tolls—but declines to be bound by them in the absence of a thorough study of all prospective traffic, the character and amount of tonnage that would actually move under a toll system * * * and the actual net income from those tolls as compared with the assessed navigation costs. In other words, all estimates of potential seaway traffic are little better than romantic hopes.

Proponents and opponents of the seaway split on the issue of self-liquidation. Last year's Senate joint resolution fixed a maximum toll of $1.25 a short ton of laden cargo that would pass through the deep-water navigation works, with exemptions in the case of local or way or Government traffic. Probably $1 would be the average cargo-ton toll. A study made by the Port of New York Authority indicates that the annual cost of maintaining and operating a channel 27 feet deep, exclusive of power facilities, would be $20,000,000 annually to American taxpayers. There are not more than five and a half million tons of toll-paying traffic in sight, so that on the basis of a $1-a-ton average (Secretary Harriman thinks that 50 cents a ton should be the maximum for grain, coal, petroleum, wood pulp, and ores), a belief in the possibility of self-liquidation seems mere daydreaming.

Costs, too, have risen since the St. Lawrence seaway was first seriously discussed in 1921. Last year the Chief of Army Engineers estimated the total cost of the work still to be done on the whole navigation and power project from Duluth to Montreal at $674,707,000, of which $491,609,000 would be borne by the United States—an estimate that allows nothing for deepening channels of lake ports and providing adequate harbor basins. Every one of our great engineering projects outran the estimates. The Welland Canal was to have been built for $70,000,000, but cost three times as much; the Chicago drainage canal cost not the estimated $16,000,000 but $53,000,000; and the New York State barge canal cost $176,000,000 instead of the expected $53,000,000. If the seaway should be constructed, it would probably cost American taxpayers annually far more than $20,000,000 for fixed, operating, and maintenance charges, so that the prospect of self-liquidation becomes more and more dubious.

Congress would be well advised to proceed with caution. We need a more thoroughgoing study of engineering costs and potential traffic than has been made before it can be asserted with confidence that a seaway can be made self-liquidating by levying tolls that shippers will pay.

Inconsistent Foreign Policy

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mr. HOFFMAN. Mr. Speaker, for the moment, let us forget the muddling foreign policy, which did not keep us out of war, and confine our present observations to what has happened since the fighting ended.

We have spent, since that time, billions of dollars in foreign lands and we have given away tons upon tons of farm and industrial machinery; of fertilizer; of oil—fuel, lubricating oil and gasoline; almost everything we were asked to give. Secretary General Marshall now admits that policy will call for sacrifice on the part of all of our people, but, more particularly, upon the part of farmers who just cannot produce food for us or anyone else without tools and fertilizer.

Now, no one objects to making sacrifices in order to help the unfortunate, but, as Herbert Hoover said just a few days ago, and as I have been trying to say for more than a year, it is idiotic to weaken one's self so much that one can neither care for himself nor help others.

Every farm girl and boy knows that you must adequately feed the cow, the hen, the pig, or you will not get milk, eggs, or ham. The city boy knows he cannot run dad's auto without gas. But that which to us seems a truism, our great intellectuals, who are so dissatisfied with our way of doing things, who wish to adopt some foreign ideology, just refuse to accept.

Our international policy has been not only inconsistent, but absurd. It would be funny if it were not so tragic in its results. Here we are, the strongest Nation in the world, frightened half to death by the propaganda which tells us that unless, in the 15 months after April 15, we give to foreign nations $6,800,000,000; unless we spend eleven additional billions on our armed forces; unless we grab each boy in the country who has reached 18 years of age and, for a period ranging from 6 months to a year and a half, turn him over to the military authorities for compulsory military training, someone is going to lick heck out of us. Communism is going to sweep this country.

Then these propagandists of fear, who try so hard to convince us that some unnamed potential enemy is about to destroy us if we do not accept without the dotting of an "i" or the crossing of a "t," their program to keep us out of war, face

in the other direction and do the very things which history tells us create war. They stick our nose into every quarrel, whatever the issue, wherever it may be. They send our marines to Greece; they send our officers to lead the armies which are fighting in the powder keg of Europe—for centuries the place where wars have been conceived—they insist that we meddle in Palestine and are now talking about sending your boys to make Palestine safe for either the Jews or the Arabs. And, to top it off, they even still make it possible for Russia, through the use of our money and materials, to gird for war. They spend billions to stop communism from Russia; they give billions to Britain which enters into a trade agreement with Russia which strengthens Russia and communism.

Billions to stop communism 3,000 miles away, but coddling it here. This week, right here in Washington, there is a strike in Government cafeterias which feed 80,000 Federal employees. The union, whose members work in these semigovernmental cafeterias operated in Federal buildings, refuses to sign the anti-Communist affidavit required by law. The President of the United States did not protest when his Secretary of Labor and the marshal of the United States Supreme Court ordered two cafeterias closed, thus depriving the women and men who wanted to work there of the opportunity to work, making it impossible for some 10,000 Federal employees and others to eat there, furthering the program of a union whose officials refuse to comply with the law requiring them to sign an affidavit stating they are not Communists.

Spending billions to fight communism abroad, nursing it here at home, does not make sense.

Spending billions to create opposition to communism in Europe, giving other billions in dollars and material to communistic-dominated countries in Europe which aid communism, patting Communists on the back here at home, is ridiculous.

Our foreign policy for the last 15 years has been ruinous. It is time this administration and the present State Department are kicked out and a policy that will protect our own welfare and interests adopted.

The Present Status of the Alaska Highway and the Defense of Alaska, Our West Coast, and the Western Hemisphere

EXTENSION OF REMARKS

OF

HON. CHARLES J. KERSTEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, when we became involved in World War II, we established far outposts of defense to our security. Even though we then had strong allies, we deemed it necessary to take effective measures to ward off possible attack at points many hundreds of miles from shore.

We looked forward to the successful end of the war and we assumed that thereafter we could with safety relax our defensive outposts. Within the past 2½ years we have acted upon that assumption.

We have unlimbered for a voyage on what we thought would be a sea of peace, and now dark-red flashes of the tempest appear on the horizon. Our forecast of general postwar calm was in error. The hurricane of aggression is still in the winds. We must prepare ourselves to ride out that fury until it spends itself in oblivion.

We must reassume a posture of active defense. We must reestablish those outposts of protection that are necessary to the present threatening circumstances.

Among the most strategic points of dynamic defense is our Territory of Alaska. As an air and sea base, it commands the northern Pacific and is an outpost of protection to our entire west coast and the Western Hemisphere.

In a very recent study of Alaska entitled "Alaska Study Mission" made by the gentleman from Illinois [Mr. CHIPERFIELD] and the gentleman from Michigan [Mr. JONKMAN] is a quotation from a report previously made by the permanent Joint Board of Defense for the United States and Canada, as follows:

> The Board reported that the effective defense of Alaska was considered of paramount importance to the defense of the continent against attack in the Pacific, because Alaska is one of the areas most exposed to any attack by an enemy wishing to establish a foothold in North America.

Senate Report No. 548 of the first session of the Seventy-eighth Congress, on the Alaska Highway, reads, in part, as follows:

> Failure to adequately defend it (Alaska) would result in the establishment of enemy air and naval bases for operation against the western part of the United States and against Pacific shipping. Defense of Alaska and the Aleutians was supplied almost entirely by the Pacific water route then being attacked by enemy submarines. * * * Military strategy dictated that the air route to Alaska be conditioned for the movement of whatever number of planes might be required in operations in the northwestern Pacific area and for providing Alaska with the essential supplies, should the water route become too hazardous. This has required grading and surfacing a connecting highway and building airport facilities.
>
> The need was immediate and urgent, and while the situation is now materially improved, the necessity remains for both a highway and air route suitable for large operations as part of the permanent Alaskan defense. It was evident that the highway to Alaska would have a variety of peacetime uses and would contribute to the development of both Canada and Alaska, but the decision to build the highway was based solely on military considerations.

The building of the Alaska Highway will remain a saga of World War II. On February 16, 1942, a declaration of military necessity concerning the highway was made by the Secretary of War to the Secretary of State with the view of securing rights-of-way through Canadian territory. Shortly thereafter commenced the greatest single highway construction job ever undertaken. Seven regiments of United States engineers equipped with Diesel tractors, bulldozers, dump trucks, gasoline shovels, carryalls, graders, portable sawmills, and pile drivers, together with 12,000 civil workers, built the 1,500-mile highway into the Arctic to connect the United States with Alaska, between the spring of 1942 and November 1943. The cost of the highway was about $130,000,000, paid completely by the United States. The highway was built along the route that follows the general line of airports, Fort St. John, Fort Nelson, Watson Lake, Whitehorse, Boundary, Big Delta. It was built to serve as a military highway for transport and was in support of the line of air fields between the United States and Alaska. It is a vital link in the protection of the Northwest.

One of the sentences from Senate Report 548, quoted above, is worth repeating:

> The necessity now remains for both a highway and an air route suitable for large operations as a part of the permanent Alaska defenses.

It therefore becomes important to determine the present status of the Alaska Highway as a highway and an air route in connection with permanent Alaska defenses.

Mr. Speaker, the United States presently has no legal basis for the use of the Alaska Highway for military purposes should the necessity therefor arise. This highway was built by the United States during the late war as a military highway and to provide a ground supply route for a chain of military airfields in northwest Canada and Alaska. However, that portion of the highway lying in Canada—1,257 miles of it—was, under the basic construction agreement, completely turned over to Canada on April 1, 1946, "to become an integral part of the Canadian highway system subject to the understanding that there shall at no time be imposed any discriminatory conditions in relation to the use of the road as between Canada and United States civilian traffic." In other words, the only purpose for which we may now use the highway is for civilian traffic and that only to the extent that a Canadian citizen may use it on the basis of nondiscrimination.

The Alaska Highway was built by us for the military defense of Alaska and now we may use it only for civilian purposes.

If the necessity for the defense of our west coast suddenly arose, Alaska would immediately assume major significance. We would then have to begin negotiating with Canada for military use of the Alaska Highway for military surface traffic and for its use as ground-supply route for a chain of military airfields for northwestern Canada and Alaska. On February 12, 1947, a joint announcement was made by our Government and by Canada based upon discussions within the Joint Board of Defense, as to extension of continuation of wartime cooperation between the armed forces of the two countries during the postwar period. This announcement is the last word, so

far as I know, of the status of joint defense arrangements between the two countries. It reads, in part, as follows:

The collaboration will necessarily be limited and will be based on the following principles:

* * * * *

4. Mutual and reciprocal availability of military, naval, and air facilities in each country; this principle to be applied as may be agreed in specific instances. Reciprocally, each country will continue to provide with a minimum of formality for the transit through its territory and its territorial waters of military aircraft and public vessels of the other country.

* * * * *

No treaty, executive agreement, or contractual obligations has been entered into. Each country will determine the extent of its practical collaboration in respect to each and all of the foregoing principles. Each country may at any time discontinue collaboration on any or all of them.

This is the basic document underlying present joint defense arrangements of our two countries. It probably contemplates the possible future making of an agreement respecting our military use of the Alaska Highway. But until such agreement is made, we have no legal right to such use. Furthermore, under the provisions of the February 1947 joint statement Canada "may at any time discontinue collaboration" with regard to our military use of the highway.

This is not a sound international arrangement for the defense of Alaska. However, there are some that say if the military use of the highway became necessary we would not hesitate to use it. Others will say that it would embarrass the Canadian Government and its citizens to ask such an agreement at this time. But these are not attitudes of frankness and honor. We need much more of these qualities in international relations today. We have had far too much Atlantic Charter talk and Yalta action. I do not know what kind of diplomacy is going to be necessary for the atomic age. But I do know that polite evasion and duplicity are going to prove hopelessly inadequate. I have a suspicion that a strong and entirely new kind of technique will have to be employed by the diplomats—the technique of truth telling and dealing in honesty. The very terms of the February 1947 joint statement contemplates further agreement as to the defensive use of the Alaska Highway by the United States. Why does not the Joint Defense Board arrange it now?

Must we wait for another situation to develop such as the one in Panama? The Panamanian Government has told the United States "to get out" of certain strategic defensive positions in their protection of the Panama Canal. Our State Department certainly did not look too good in failing to have arranged agreements for the maintenance of those positions. What kind of American diplomacy is it that fails to take proper and honorable steps to guarantee the defensive use of an outpost such as the Panama Canal. Both Alaska and the Canal are necessary for the protection of the Western Hemisphere. Neither of them is intended in any respect for any kind of interference with the internal affairs of any other country in the Western Hemisphere.

It is true that the international relations between the United States and Canada are probably the most exemplary in the world. But if I were Canada at a time when it became necessary for the United States to defend Alaska, I would much rather have an executed agreement between the two countries assuring the United States the military use of the highway. If I were Canada at such a time confronted as it would be with the opposing attitudes of the United States and its enemy, I would be embarrassed—to say the least—in granting the military use of the highway to the United States under pressure of crisis of war. It most comports with international honor and realistic understanding of world tensions today for Canada and the United States to enter into an agreement granting the use now rather than to put the United States in the position at a later time of a nation that would have to thrust its way across another country to defend its outposts.

Another sound reason why we should immediately have a permanent agreement for the plenary use of the highway is that the important Territory of Alaska will, in the not distant future, attain the position of statehood. When that time comes, we should certainly have to have an assurance of the military use of the highway. A tentative understanding such as is contained in the February 1947 statement would be entirely insufficient. When Alaska is a State we certainly should have full use of the highway connecting her with the United States. This is in no way detrimental to Canada. In fact, it comports with the best interests of Canada. A strong Alaska is a guaranty to Canada as well as the United States against the designs of any enemy of the Western Hemisphere coming from the Orient.

I believe it is the feeling of some members of the Joint Defense Board that it is not necessary at this time to enter into such an agreement with a nebulous arrangement based on previous expressions of good will between the United States and Canada. A definite agreement such as I have proposed is not inconsistent with the best of good will. The New York Central Railroad maintains a right-of-way across Canada from Detroit to Buffalo. It does not rest content with the international goodfellowship between the United States and Canada as a basis for its right-of-way. This right-of-way is protected by a 999-year lease entered into in August of 1903. When the Canadian National and the Canadian Pacific Railroad used a right-of-way across the upper part of the State of Maine, they did not rest content with international friendship as a basis for the use of a rail highway across an American State. They obtained from the State of Maine the enactment of a law in 1868 incorporating an international railway company and assuring the use of the railway in Maine to the Canadian companies. If private corporations can obtain definite agreements for the use of right-of-way in a foreign nation, should the Government of the United States hestitate to formulate an agreement with Canada for use of the Alaska Highway, built by the United States, built as a military highway and built for the military protection of the United States and the entire Western Hemisphere?

Mr. Speaker, I urge the early consideration and adoption of the resolution I am introducing today to facilitate the making of an agreement between the United States and Canada whereby the United States is definitely assured the military and civilian use of the Alaska Highway both as an overland and an air route. The world has not arrived at the pacific state whereby we can afford to relax those outposts of defense that seemed so vital to us even in World War II. Alaska is a bridge to the Orient. We cannot permit an invasion to come across that bridge and penetrate into the heart of the American Continent.

It Is a Tax on Happiness and Recreation

EXTENSION OF REMARKS

OF

HON. HAROLD C. HAGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. HAGEN. Mr. Speaker, the war is over, and I think it is about time that we eliminate some of the excessive taxes that hit the average citizen whose income is in the middle and lower brackets.

Almost everyone goes to the movies—the theater. Some families go at least once a week, and others two or three times a week. Attending the movies is something the whole family can do together, and for two happy hours they escape from the troubles of their everyday life and achieve a relaxation hardly possible under other circumstances.

Dr. M. M. Hargraves, who is associated with the Mayo Clinic in Rochester, Minn., points out that recreation is an essential to good health, and urges people to make recreation a must on their list of activities.

I have introduced a bill, H. R. 5011, which will abolish the wartime tax on theater and other amusements. My bill does not eliminate all taxes on admissions, but merely that extra tax that was legislated as a war emergency.

As Members of Congress, we surely do not want to penalize the vast majority of people whose chief recreation is a night at the movies.

I urge your support of my bill. The text of it follows:

Be it enacted, etc., That (a) in the case of the tax imposed by section 1700 (a) of the Internal Revenue Code (tax on admissions) the rate of tax applicable with respect to any period after June 30, 1948, shall be determined without regard to the war tax rate of 1 cent for each 5 cents or major fraction thereof specified in section 1650 of such code (war tax rates of certain miscellaneous taxes).

(b) In the case of the tax imposed by section 1700 (b) of such code (tax on permanent use or lease of boxes or seats), and of the tax imposed by section 1700 (c) of such code (tax on sales outside box office) the rate of tax applicable with respect to any period after June 30, 1948, shall be determined without regard to the war tax rate of 20 percent specified in section 1650 of such code (war tax rates of certain miscellaneous taxes).

(c) In the case of the tax imposed by section 1700 (e) of such code (tax on cabarets, roof gardens, etc.), the rate of tax applicable with respect to any period beginning on or after 10 a. m. on July 1, 1948, shall be determined without regard to the war tax rate of 20 percent specified in section 1650 of such code (war tax rates of certain miscellaneous taxes).

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. WILLIAM J. MILLER
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. MILLER of Connecticut. Mr. Speaker, at my request the Legislative Reference Service of the Library of Congress has prepared figures showing the cost of our foreign-aid program to each of the counties in the State of Connecticut and to the towns and cities in Hartford County.

I insert these figures not as an argument for or against the European recovery program or, as it is better known, the Marshall plan, but simply to give the residents of the First Congressional District of Connecticut an idea of what the Marshall plan will cost and just what the European relief program has cost the taxpayers of the same district since the end of the war:

Cost of foreign aid to counties in Connecticut and towns in Hartford County

	Population	Foreign aid July 1, 1945, to June 30, 1947, (population × $183.028) based on $24,099,211,087	Foreign aid proposed by Marshall plan, 1948–52 (population × $129.11), based on $17,000,000,000	Total foreign aid provided and proposed, 1945–47, 1948–52 (columns 2 and 3) based on $41,099,211,087	Property taxes collected in 12 months ended Mar. 31, 1945
Counties:					
Fairfield	418,384	$76,575,987	$54,017,558	$130,593,545	$22,293,740
Hartford	450,189	82,397,192	58,123,902	140,521,094	25,170,841
Litchfield	87,041	15,930,940	11,237,864	27,168,804	3,262,241
Middlesex	55,999	10,249,385	7,230,031	17,479,416	1,848,044
New Haven	484,316	88,643,389	62,530,039	151,173,428	23,338,343
New London	125,224	22,919,498	16,167,671	39,087,169	4,149,498
Tolland	31,866	5,832,370	4,114,219	9,946,589	733,421
Windham	56,223	10,290,383	7,258,952	17,549,335	1,328,194
Total for counties	1,709,242	312,839,144	220,680,236	533,519,380	82,124,322
Towns in Hartford County:					
Avon	2,258	413,277	291,530	704,807	66,007
Berlin	5,230	957,236	675,245	1,632,481	149,661
Bloomfield	4,309	788,668	556,335	1,345,003	197,585
Bristol	30,167	5,521,406	3,894,861	9,416,267	1,732,137
Burlington	1,246	228,053	160,871	388,924	27,054
Canton	2,769	506,805	357,506	864,311	75,103
East Granby	1,225	$224,209	$158,160	$382,369	$32,282
East Hartford	18,615	3,407,066	2,403,383	5,810,449	1,214,212
East Windsor	3,967	726,072	512,179	1,238,251	112,210
Enfield	13,561	2,482,043	1,750,861	4,232,904	565,549
Farmington	5,313	972,428	685,961	1,658,389	195,190
Glastonbury	6,632	1,213,842	856,258	2,070,100	262,259
Granby	1,544	282,595	199,346	481,941	61,217
Hartford	166,267	30,431,516	21,466,732	51,898,248	11,946,404
Hartland	300	54,908	38,733	93,641	11,678
Manchester	23,799	4,355,883	3,072,689	7,428,572	913,367
Marlborough	476	87,121	61,456	148,577	11,420
New Britain	68,685	12,571,278	8,867,920	21,439,198	3,282,029
Newington	5,449	997,320	703,520	1,700,840	254,143
Plainville	6,935	1,269,299	895,378	2,164,677	276,211
Rocky Hill	2,679	490,332	345,886	836,218	119,964
Simsbury	3,941	721,313	508,823	1,230,136	140,752
Southington	9,649	1,766,037	1,245,782	3,011,819	375,893
South Windsor	2,863	524,009	369,642	893,651	113,302
Suffield	4,475	819,050	577,767	1,396,817	187,965
West Hartford	33,776	6,181,954	4,360,819	10,542,773	1,877,146
Wethersfield	9,644	1,765,122	1,245,137	3,010,259	456,544
Windsor	10,068	1,842,726	1,299,879	3,142,605	377,403
Windsor Locks	4,347	795,623	561,241	1,356,864	136,158
Total	450,189	82,397,191	58,123,900	140,521,091	25,170,845

Sources: Population figures, Sixteenth Census of the United States: 1940, Population, vol. II, pt. I, pp. 836–37. Census Bureau, Department of Commerce. Information Relative to the Assessment and Collection of Taxes, 1945. State of Connecticut, Public Doc. No. 48, pp. 106–22.

NOTE.—1940 population figures for the continental United States are used because later figures are not available for every local unit. Population of the Nation (excluding armed forces overseas) has grown from 131,669,275 in 1940 to 143,382,000 (estimated) by July 1, 1947. If the latter figure is used, the per capita cost of foreign aid between July 1, 1945, and June 30, 1947, is $168.08 rather than $183.03. It should also be noted that the foreign-aid figures cover a period of over 6 years while the county tax receipts cover only 1 year. The county tax receipts reflect the income of only 1 unit of government and not all local and State receipts and expenditures.

The Dismantling of German Factories

EXTENSION OF REMARKS
OF
HON. EDWARD J. DEVITT
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. DEVITT. Mr. Speaker, under leave to extend my remarks, I include a splendid editorial entitled "The Dismantling of German Factories," which appears in the February 5 edition of the Wanderer, a national Catholic weekly newspaper published in St. Paul, Minn. The editorial discusses the pamphlet Destruction at Our Expense and urges a more Christian approach to the great question of rebuilding Germany. The editorial follows:

THE DISMANTLING OF GERMAN FACTORIES

At a time when the world is crying, and even dying, from lack of industrial production, writes former President Herbert Hoover in his foreword to the pamphlet Destruction at Our Expense, we seem to pursue, nevertheless, the policy of destruction of the gigantic productive equipment in the western zones of Germany. This policy, Mr. Hoover thinks, of dismantling and shipping abroad hundreds of German factories of all kinds, "means less essential goods for all Europe, greater delay in recovery of the world, and larger drain on the American taxpayer * * * as we vainly spend a billion a year to keep alive these millions of (forcibly made) idle Germans."

The afore-mentioned pamphlet, edited and endorsed by a special committee (Common Cause, Inc., 137 East Seventeenth Street, New York), contains valuable information and pertinent suggestions relative to the currently employed economic policies of the Western Powers in occupied Germany. Specifically, the pamphlet takes issue with the plan, long operative in bankrupt Germany, of dismantling thousands of factories which otherwise might be put to vitally needed, peacetime productive use. Its criticism focuses on two main points: First, that many of the German plants have been allocated for shipment to the Soviets; and, second, that in all three zones in Germany from which the factories are being removed, there is at present a huge economic deficit which must largely be met, either directly or indirectly, by the American taxpayer.

After pointing out that the arguments used by proponents of this plan have been proven false by outstanding American economists and political leaders who point to the enormous production vacuum which has thus been created in Germany, the pamphlet refers significantly to some of the chief dangers being courted by the dismantling program. The "discouraging effect," it points out, of the dismantlings on German labor and on other democratic elements, on which we must rely to build democracy and resist communism in Germany, are only too obvious. The German people must not only have bread, but hope. And yet, if they are asked to continue what must seem an insane process of destruction amid the desolate ruins which surround them, realizing that in too many instances they are destroying the factories on which their very livelihoods and jobs must depend, they can hardly be blamed if they resent such a program and,

if the program continues, gradually come to despair.

The desire to remove German industry now, the pamphlet asserts, as a means of preventing future German aggression, can to a certain extent be explain d psychologically. But it is unwise and unnecessary. For the period of the present crisis, and for as long as the Allies occupy western Germany, it is utterly irrelevant. "As for the future, there are other and better means of preventing aggression, such as disarmament and disarmament inspection; treaties to provide joint action against aggression from Germany or elsewhere; the building of a democratic Germany, and, above all, the building real international organization with its own police force."

We heartily concur, if not with everything as set forth in this pamphlet, then at least with the basic idea of finding a more Christian approach to this question, an approach which respects the justified claims for security and hope for the future on the part of the millions of dispossessed victims of Nazi aggression. (W. L. M.)

Irving Martin, Grand Old Man of California Journalism

EXTENSION OF REMARKS
OF
HON. LEROY JOHNSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. JOHNSON of California. Mr. Speaker, next April 8 will be the fifty-third birthday of the Stockton Record. The founder of this paper is Irving Martin. Today, at the age of 82, he is the active head of the Stockton Record Publishing Co.

Mr. Martin has had an interesting and useful career. Under leave to extend my remarks, I am including an article from the publication entitled "Editor and Publisher," under date of January 10, 1948, which just came to my attention.

From long personal knowledge, I know how active the Record and Mr. Martin have been in helping foster sound and beneficial public projects. His son, Irving Martin, Jr., prior to his death, wrote a daily column on the editorial page of the Record entitled "As the Sun Sets." That column gave impetus to many important public efforts. One was to try to develop the Stockton Symphony Orchestra, organized in the city of Stockton. By publicity and encouragement, he helped make the orchestra a distinct success and asset to the city. Every holiday season Irving Martin, Jr., collected through his Sunset column thousands of dollars for the parent-teachers' association for the purpose of providing lunches for underprivileged children. In every way the Stockton Record has been a wholesome influence on Stockton and the surrounding area.

To describe Mr. Martin is a difficult thing, but I believe his two outstanding characteristics are his tolerance and his kindness. He has supported many important men, including our present Governor, Earl Warren. These public men have themselves differed violently on public questions, but Mr. Martin has nevertheless maintained his friendship with them and also his convictions.

The article referred to reads as follows:

MARTIN SAYS PUBLIC WANTS HONEST OPINION

(By Campbell Watson)

STOCKTON, CALIF.—The youth who would be publisher in a city known as a "graveyard of newspapers" is silver-haired now, a veteran of 52 years at the head of one newspaper—the Stockton Record.

The same courage which brought success in publishing caused him to switch his traditional political stand in four Presidential elections, and on one of these occasions his paper's influence was a vital factor in swaying a close election and changing the course of history.

He built a successful newspaper where others failed, though once he defied a community's wrath and an advertising boycott for the stand he believed just.

HONEST OPINION A DUTY

These factors lend real significance this national election year to the views of Irving Martin, Sr., when he speaks on the value of a newspaper's editorials.

Mr. Martin asserts firmly that honest expression of opinion is a duty of the newspaper which its readers expect the publisher to assert. He does not think such editorial opinions should be for influence alone, holding that the prime purpose is to perform a public service.

Likewise outspoken on labor conditions, Mr. Martin does not believe the Chicago system of photoengraving is the real answer to the existing dispute between printers and publishers.

"It seems to me that men can get together. We must get together here in this country if we are to succeed in solving world problems," he declared.

THREE ITEMS IN HIS CODE

As a daily newspaper publisher since he founded the Record April 8, 1895, Mr. Martin lists the three principal duties of a newspaper in this fashion:

"First, to get and publish as much news as you can.

"Second, to interpret that news and make it plain.

"Third, to provide descriptive comment and opinion.

"This last," he hastened to add, "does not necessarily mean that the readers are going to follow you and be influenced by you. They want your opinion as a mark to shoot at and will follow you only to a certain extent.

"But it does not make much difference whether the readers agree with you. It does matter that they are stimulated by it and thereby find and learn their own opinion. An editorial viewpoint is offered not only as an influence. It is given primarily as a public service."

This is especially true, Mr. Martin explained, in advice given on the long series of propositions which regularly face the California voters at each election. The Record always offers yes-and-no lists, and has been gratified at the number of newspaper clippings appearing in the hands of voters going to the polls.

"This is a most effective way of giving effective thought to the community," he explained.

"The Record has facilities to investigate each ballot proposition and determine its merits. We are happy to provide this service."

STILL ACTIVE AT 82

Alert and vigorous at 82, Irving Martin summed up his views of editorial responsibilities by stating:

"It is not important whether readers agree with you or not. If you express your honest convictions, few readers will quarrel with you."

A reputation for printing the news the community has a right to expect is essential in building repute for editorial forthrightness, Mr. Martin hastened to explain. The Record always refused to suppress news. There were big tests when a community figure absconded with a huge sum of money and when civic officials were arrested in an early morning gambling raid, yet these proved the Record could be relied on to tell the story—also, that the public cannot be fooled, Martin stated.

STARTED AS A PRINTER

Fifty-three years come next April is a lengthy span of publishing for any man, but even before that Irving Martin was coowner of a weekly, the Stockton Commercial Record. Before that he was a Stockton Independent reporter, and he began newspapering by learning the printing trade at the age of 17.

Martin entered the daily field here, despite the failure of four others who attempted to publish dailies. In the course of events he absorbed the Stockton Mail, which has hailed his venture with a cartoon showing the "gravestones" of his predecessors. But he did not succeed hands down. He subsequently confessed his debts at one time reached $165,000.

The Mail held Stockton as a stronghold when the Record began to publish, and Martin gained his foothold by courting the nearby communities and the countryside. His policy was to build up circulation, render service to the community, and improve his plant as he went along.

SUPPORTED WILSON

In 1912 Martin stuck out his jaw all the way and endorsed Woodrow Wilson for President, despite warnings that this interpretation of "independent Republican" policy would ruin him. Martin remained in business and struck out for Wilson again in 1916. Chief Justice Hughes was hailed the election winner as vote counting continued in California's hinterlands, and then came the tally which returned Wilson to office.

"I do not say that the Record decided the election," Martin stated. "But it is interesting to note that California went Democratic by a margin of 3,600 votes, and the State then was nominally regarded as well within Republican ranks, so the Record's stand was important."

Martin also supported Cox against Harding and backed Franklin D. Roosevelt over Landon in Presidential contests, but he was always regarded as a progressive Republican. His stanch stands and his integrity of character resulted in a series of State laurels. He was water commissioner, railroad commissioner, chief of finance of the board of control, chairman of the California Tax Commission, and a member of the group which revised the constitution.

PUBLISHED DURING QUAKE

The Record moved along. It had just installed a new rotary press in 1906 when San Francisco was hit by earthquake and fire. The Record kept its new press rolling for almost 24 hours, printing extra after extra and building a reputation for progress. Rivals were unequipped to meet such production.

Then, in 1914, the community was rent by a dispute over unionization. Refusal of merchants to recognize a clerks' union was the spark which flared over the entire community. A group of store owners suggested the Record endorse the open-shop move, but Martin refused on the grounds his first re-

sponsibility was to publish a paper as he saw fit. The merchants debated cancellation of advertising contracts in a secret session, and Martin immediately returned all contracts.

"I had to rely on the countryside, which fortunately I had cultivated, to stay in business. It was bitter strife. It divided churches, lodges, and even families. I am glad to say that I was able to do some work which helped effect an eventual compromise."

Throughout his half century as a publisher, Martin's ideal was to link the newspaper and the community so the paper would lead and reflect the area's progress. Among many contributions to this was a long fight which created a deep-water port at inland Stockton.

GRANDSON IN TRAINING

Greatest loss in Martin's long career was the death of his son, Irving Martin, Jr., then vice president of the Record Publishing Co. This happened during wartime, when a grandson was in military service with the Army Transport Command.

The grandson, Irving Martin III, is now in the Record news room, training for future responsibilities as publisher. He worked in the advertising department, evenings and vacations, when in high school, and later in the circulation department. Irving III likes the news room best.

"He now has a knowledge of the concordance of a newspaper's departments which I believe essential," the publisher explained. Martin is especially sold on that unity of departments. He has a common plant entrance for all employees, designed his newspaper building so no one would be away from others, and annually has all workers as guests at a great Christmas party.

Nearby Lenten Services Available to Members of Congress

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. HAGEN. Mr. Speaker, I wish to call the attention of the staffs and the Members of the Congress to a community religious enterprise here on Capitol Hill which began on Wednesday of this week.

A service of worship and meditation will be held in the Church of the Reformation, at 212 East Capitol Street, just opposite the Folger Shakespeare Library and within a block and a half of the Capitol, each weekday noon until Easter from 12:10 to 12:30 o'clock.

Dr. Oscar F. Blackwelder, of the Church of the Reformation, emphasized that these would be general Protestant services, to which everyone is invited. Ministers and representatives of the various denominations will speak.

The purpose of these services is to deepen our moral and spiritual thinking, especially during these Lenten days and at a time when all of us need to refresh our minds on the basic principles of the Christian religion, which has meant so much to the life of America and all mankind. I hope many Members of the Congress and their staffs may find it possible to attend these 20-minute services each weekday.

Tennessee-Tombigbee Inland Waterway Would Strengthen Our National Defense

REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. RANKIN. Mr. Speaker, while our moon-gazing internationalists are plunging this country toward another war, they seem to imitate Nero of old, who fiddled while Rome burned, by their refusal to build an adequate air force, and to coordinate it with our atomic bomb plant at Oak Ridge on the Tennessee River.

Everybody with any intelligence knows that the atomic bomb is the most powerful and destructive weapon the world has ever known. It would be more effective in a war today than all the navies in the world, or than untold millions of individual ground soldiers without adequate means of transportation—and without the atomic bomb.

Our main plant for the construction of this powerful weapon, on which we must depend for our future defense, is at Oak Ridge on the Tennessee River. Two years ago we authorized the construction of a new inland waterway along the Tombigbee to connect the Tennessee River with the Gulf of Mexico at Mobile, Ala., which would shorten the water distance from Mobile, Ala., to Oak Ridge by more than 800 miles; and would reduce the cost of transporting strategic materials from Mobile, Ala., to the Tennessee River from $2.79 a ton to 62 cents a ton, or to less than one-fourth; and on a barge load of 14,000 tons would save $30,380 on its fuel bill alone.

One of the greatest oil fields in the world is just west of Demopolis, Ala., in Mississippi. All water transportation coming out of Birmingham, Ala., where many strategic materials for war purposes are provided, has to come through Demopolis. This new route would shorten the water distance from Demopolis, Ala., to this Oak Ridge plant by 1,246 miles, a reduction of 82.7 percent.

This project would reduce the cost of transportation from Demopolis to the Tennessee River from $3.08 a ton to 34 cents a ton, or to less than one-ninth of the present cost, and on a 14,000-ton barge load would save $38,360 on its fuel bill alone.

In testifying before the Senate committee in 1944, General Robins, Assistant Chief of Army Engineers, said:

> If that waterway were in operation today it would be of tremendous value for national defense, but you cannot put a money value on it any more than you can put a value on winning the war.

Yet, while the Dnieprostroy Dam in Russia is being rebuilt with American money, and while some of these internationalists are arguing that we proceed to build dams on the Jordan River at the expense of the American people, we are having tremendous difficulty getting an appropriation with which to start work on this great inland waterway, which in addition to giving us a slack-water route to all points on the Ohio River up to Pittsburgh, Pa., as well as what amounts to a slack-water route into the Great Lakes at Chicago, and to Minneapolis and St. Paul on the Mississippi River, would be the greatest contribution to our national defense of any inland waterways project ever proposed in providing this cheap slack-water route to and from Oak Ridge, the site of our greatest national defense project.

I am appealing to the Committee on Appropriations, and to the other Members of Congress from every State in the Union, to join us in this effort to strengthen our national defense, and to make it possible to more easily protect our country against all comers at all times.

Here is the table worked out by the Army engineers, showing in distances this project would provide:

Tennessee-Tombigbee waterway

WATERWAY DISTANCES TO GULF PORTS

From—	To Gulf at New Orleans via Mississippi River	To Gulf at Mobile via Tennessee-Tombigbee	Savings	
			Miles	Percent
Minneapolis-St. Paul	1,718	1,610	108	6
Chicago	1,398	1,290	108	7½
St. Louis	1,043	935	108	10
Cairo	860	752	108	12.5
Hickman	824	788	36	4
Pittsburgh	1,841	1,641	200	11
Cincinnati	1,379	1,179	200	14.5
Louisville	1,236	1,036	200	16
Paducah	906	706	200	22
Chattanooga	1,370	740	630	46
Wilson Dam	1,165	535	630	54
Junction of Tennessee River and Tombigbee Canal	1,121	491	630	56.2

DISTANCES VIA TENNESSEE-TOMBIGBEE WATERWAY VERSUS EXISTING WATER ROUTES

From—	To—	Distance via present waterways	Distance via Tennessee-Tombigbee	Savings in miles via Tennessee-Tombigbee	
		Miles	*Miles*	*Miles*	*Percent*
Junction of Tennessee River and Tombigbee Canal.	Fulton, Miss	1,711	57	1,654	96.7
Do	Aberdeen, Miss	1,673	95	1,578	94.3
Do	Columbus, Miss	1,635	133	1,502	91.9
Do	Demopolis, Ala	1,507	261	1,246	82.7
Do	Birmingham, Ala	1,687	441	1,246	73.9

And here is one showing the savings in the cost of transportation:

From—	To—	Via Mississippi per ton	Via Mississippi per tow of 3,500 tons	Via Tombigbee-Tennessee per ton	Via Tombigbee-Tennessee per tow of 3,500 tons	Average savings per ton	Average savings per tow of 3,500 tons	Average savings per tow of 14,000 tons
Houston, Tex	Cairo	$2.34	$8,190	$1.94	$6,790	$0.40	$1,400	$5,600
	Paducah	2.42	8,470	1.88	6,580	.54	1,890	7,560
	Tombigbee-Tennessee Junction	2.74	9,590	1.00	5,000	1.14	3,990	15,960
New Orleans, La	Cairo	2.02	7,070	1.32	4,620	.70	2,450	9,800
	Paducah	2.10	7,350	1.26	4,410	.84	2,940	11,760
	Tombigbee-Tennessee Junction	2.42	8,470	.99	3,465	1.43	5,005	20,020
Mobile, Ala	Cairo	2.39	8,365	.95	3,325	1.44	5,040	20,160
	Paducah	2.47	8,645	.89	3,115	1.58	5,530	22,160
	Tombigbee-Tennessee Junction	2.79	9,765	.62	2,170	2.17	7,595	30,380
Port Birmingham, Ala	Cairo	2.96	10,360	.95	3,325	2.01	7,035	28,140
	Paducah	3.04	10,040	.89	3,115	2.15	7,525	30,100
	Tombigbee-Tennessee Junction	3.36	11,700	.62	2,170	2.74	9,590	38,360
Demopolis, Ala	Cairo	2.68	9,380	.67	2,345	2.01	7,035	28,140
	Paducah	2.76	9,660	.61	2,135	2.15	7,525	30,000
	Tombigbee-Tennessee Junction	3.08	10,780	.34	1,190	2.74	9,590	38,360
Columbus, Miss	Cairo	2.83	9,905	.51	1,785	2.32	8,120	32,480
	Paducah	2.91	10,185	.45	1,575	2.46	8,010	34,440
	Tombigbee-Tennessee Junction	3.23	11,305	.17	595	3.06	10,710	42,940
Aberdeen, Miss	Cairo	2.88	10,080	.46	1,610	2.42	8,470	33,880
	Paducah	2.96	10,300	.40	1,400	2.56	8,960	35,840
	Tombigbee-Tennessee Junction	3.23	11,480	.13	455	3.15	11,025	44,100
Fulton, Miss	Cairo	2.93	10,255	.41	1,435	2.52	8,820	35,280
	Paducah	3.01	10,535	.35	1,225	2.66	9,310	37,240
	Tombigbee-Tennessee Junction	3.33	11,655	.08	280	3.25	11,375	45,500

European Recovery Program

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution:

Resolution memorializing Congress to enact a sound and effective European recovery program

Whereas there is great need of aid by the United States to certain countries of Europe in order to protect the inhabitants of such countries from privation and starvation to assist them in their own efforts to restore their shattered economies and to prevent the spread of communism and to preserve the democratic form of life: Therefore be it

Resolved, That the Senate of the Commonwealth of Massachusetts hereby respectfully urges the Congress of the United States to enact as speedily as may be consonant with careful consideration a sound and effective European recovery program; and be it further

Resolved, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth.

In Senate, adopted January 29, 1948.

IRVING N. HAYDEN,
Clerk.

A true copy. Attest:

[SEAL] F. W. COOK,
Secretary of the Commonwealth.

Walter Anderson—Man of the Year in Florida Agriculture

EXTENSION OF REMARKS
OF
HON. ROBERT L. F. SIKES
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. SIKES. Mr. Speaker, it is with pride and appreciation that I note the designation by the Progressive Farmer of Walter Anderson, of Greenwood, Jackson County, Fla., as man of the year for agriculture in Florida. I can think of no finer selection. Walter Anderson is a good farmer, a good citizen, and a good American.

The Progressive Farmer, a noted farm publication, has for many years selected outstanding men throughout the South for its man-of-the-year awards in recognition for their services to agriculture. Here is what was said about Walter Anderson:

FOR FLORIDA: WALTER ANDERSON

Walter Bryan Anderson is one good farmer who is not without honor in his own country. Now farming in the same community in Jackson County, where he was born 48 years ago, he has led the way in soil improvement and in use of new and better crops and has served well his community, his State, and the Southeast.

The oldest of five boys, he left college after a year and a half at the University of Florida to begin farming on his father's place. At first he raised mostly hogs, cotton, corn, and peanuts. Always, however, he had a high appreciation for good soil and early learned the things that deplete soils and some of those which build up fertility. During World War II he took over an old run-down plantation, had it producing twice as much an acre within 2 years.

He was one of the first farmers in Jackson County—early in the 1920's—to plant Austrian peas. He continued to grow them until blue lupine came along. He got 100 pounds of blue lupine seed from the Florida Experiment Station in 1939, planted them too deep, and had a near failure. Undiscouraged, he increased his acreage rapidly the next few years and has been a principal source of seed in his county.

He was the first farmer to plant Dixie Runner peanuts, agreeing to work with the Florida Experiment Station before the field value of this new variety was known. Since 1942 he has produced hundreds of tons of Dixie Runner seed, as well as GFA Spanish seed.

He is also planting Dixie crimson clover, kudzu, and other legumes. For 15 years he has been producing good Hereford beef cattle.

He was chosen a community AAA committeeman in 1933 when the plow-up campaign was begun, a county committeeman in 1934, and a State committeeman in 1936. He has served continuously for 11 years.

He became a director of the GFA Peanut Association when it was organized in 1937. He is now first vice president. It has a membership of 51,000, with assets over $400,000.

In Re Continued Contributions to Europe and Lack of Cohesion in the Republican Party

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. REED of New York. Mr. Speaker, I have just received a letter which ought to be of interest to those internationalists who are determined to give this country away:

JANUARY 16, 1948.

IN RE CONTINUED CONTRIBUTIONS TO EUROPE AND LACK OF COHESION IN THE REPUBLICAN PARTY

Because I love my country and, notwithstanding the downhill path which it has traveled for the last 15 years, think it is still the best country in the world in which to live and still offers more promise to its citizens than any other nation, I have endeavored to reduce to writing the views which I have expressed to you in our several recent conversations on the foregoing subject and the position which I think the Republican Party should take with respect to continued contributions to Europe and our present internal difficulties.

What troubles me most at present is the lack of cohesion in the Republican Party (of which you and I always have been members) upon both of these two important subjects, to-wit, (1) contributions to Europe, and (2) the domestic situation, coupled with the demand of the President for further regimentation and continued high taxes.

I intend to discuss these subjects, if I can, both from the historical and philosophical point of view, and also from the economic point of view.

THE FOREIGN SITUATION

The difficulty which I find with contributions to Europe, which, of course, includes the so-called Marshall plan (which must have had the Presidents approval or it would not have been promulgated), is that it grows out of a fundamental misconception of the philosophy of war, especially all-out war, and its necessary economic results.

An all out war, in its ultimate analysis, necessarily means the economic and national destruction of the defeated party. It was not until recent years that there has

grown up a theory that there was some duty on the part of the victors to reestablish the defeated, notwithstanding the fact that the victors themselves paid an enormous price for their victory.

I do not recall that after the Napoleonic wars there was any philosophy or eleemosynary conception of duty which required the victors to add to the price of their victory the duty of supporting the vanquished. Certainly, Great Britain and its allied victors were not concerned with the imposition of taxes upon their own citizens to support those whom they had destroyed. There was no philosophy in that period which required it.

I don't suppose that there is a country in Europe which was more savagely and ruthlessly destroyed in the late war than were the Southern States by the northern armies in our own Civil War.

At that time Great Britain was the secret ally of the Southern States—almost its affirmative and overt ally—but I do not recall that Great Britain, then at the zenith of its strength, felt any moral obligation to tax its citizens to reconstruct or enable the citizens of the South to reconstruct themselves. Neither do I recall that the Northern States, which, through their victorious armies, had destroyed and ravished the Southern States, felt any moral obligation to tax the citizens of the Northern States to rebuild and reconstruct what they had destroyed in the South. On the contrary, the duty of reconstructing themselves was left just where it was—on the survivors. They had to dig themselves out by work, production, and suffering and it took them more than half a century to even begin to do it. They haven't arrived yet.

Now, suddenly, there has been thrust upon the citizens of the United States a conception that in some way it is their duty to still further destroy themselves by taxation for the purposes of restoring the civilization which was destroyed in Europe.

We did not begin this war. It was thrust upon us. The nations which began it knew that if they were defeated they must pay a terrible price. The very philosophy of war requires that they be left to dig themselves out.

However, it is said by some Republicans that somehow or other the duty is now imposed upon us to destroy ourselves in order to help the other countries who destroyed or are destroying themselves. It is said that some or all of these countries will go communistic if we don't destroy ourselves by further taxing our citizens, and thus adding to the price of victory the policy of self-destruction. It goes without saying, that as long as we can be blackmailed, foreign countries will continue to blackmail us by the threat of communism.

A few days ago there was a royal marriage in London. It must have been a gorgeous pageant. It must have been enormously expensive to the citizens of Great Britain. Such expenditures were made at the very time when American taxpayers had been contributing to the destitute taxpayers of England. We are asked to further contribute, at our expense, to relieve their destitution. Yet everyone who thinks must know that this is only a "hangover" or an extension of the New Deal—an application to foreign countries of the magic formula which was invented by the late President by which the underprivileged could remain underprivileged without work or want, without destroying initiative and without impairing accumulated wealth. But everyone knows that destitution in England could be quickly relieved if the destitute workers of England would go to work, produce as much as they can, and dig themselves out of their difficulties, which are no greater than those which confronted our ancestors who landed at Plymouth Rock and Jamestown and who, surrounded by countless dangers, were required to work overtime in order to support themselves and to lay the foundation for the great prosperity which this country later experienced.

Parenthetically, I might observe that it might be a good thing for this country if instead of supporting workmen who won't work to the utmost in England, we let the Socialist experiment which is now going on there demonstate its utter incapacity to succeed.

Those, however, who favor continued taxation here to support Socialist England and western Europe say that it must be done in order to prevent Russia, with its communistic theories, from overrunning western Europe.

Communism, as it exists in Europe today, is either a faith or an economic status which the absolute political control by Stalin makes it impossible for the slaves, in what is equivalent to a slave state, to throw off.

If it is the latter, it is quite possible that Russia may break down internally.

If it is the former, a faith and not a political condition, people who believe in it will fight for it just as the Mohammedans did centuries ago when they tried to impose Mohammedanism on western Europe by military force and failed.

Further, if it is a faith, there isn't any doubt that if we are going to be able to successfully defend our theory of free enterprise, we have got to make ourselves strong enough to be able to fight when we have to fight, and to give our citizens an incentive to work by enabling them to keep what they earn and not to destroy them by devastating taxation.

Nations are very much like boys. Every boy who has ever grown up outside of a large city learned by personal experience that the only way to defend himself against the town bully was to make himself ready, willing, and able to fight. The town bully always left that type of boy alone. The same thing is true of nations.

At present we are weakening ourselves playing right into the hands of the international bully. We allow ourselves to be insulted without resentment. The representatives of the United States Senate are refused admission to its own embassy in Moscow and no political notice is taken of it. Instead of letting the international bully know that we won't be bullied, we continue to let him know that we are perfectly willing to be bullied and show no national resentment.

My thought is that this Nation should save its energies to build up its strength. Communism as a faith and free enterprise as a faith can't exist side by side. Sooner or later there will be a clash of arms and the more able and willing we are to accept the challenge, the less apt we are to be challenged.

These are my views on the foreign situation, on foreign relief, on the continued oppression of American taxpayers, and the continued weakening of our own resources. I know they are shared by numbers of our people. The Republican Party owes it not only to itself, but to the Nation to refuse to continue the blackmailing financial contributions to Europe and to make itself and the Nation strong.

THE DOMESTIC ISSUES

The domestic issues are confused largely by the President himelf. Everyone who reads the news intelligently has reason to believe that he places his demand for enlarged regimentation and for continued contributions to Europe upon the alleged fact that charity requires it, whereas, as a matter of fact, self-protection requires us to do the very reverse.

As to the President's demand for increased regimentation: It never occurs to anyone—at least I never see it in print—that the instant Government attempts to regiment anything, other regimentation is necessary in order to offset the economic evil resulting from the first. It never seems to occur to anyone that the real way to get rid of the economic evils which have been thrust upon us is to abandon all regimentation and allow these economic evils to be settled by the free play of the law of supply and demand.

Of course, such a course would result in temporary suffering here, there, and yonder, but I submit that suffering is the price which we must pay to restore manpower lost during the war, the destruction of wealth caused by the war, and the reestablishment of free enterprise.

It is an economic and as well a physical law that any individual or nation which has indulged in a long drunken debauch or a long economic debauch must suffer before either of them can recover. The sooner this Nation undergoes that suffering and emerges from it, the better off we will be. However, we can't "feather bed" recovery along by hopeful wishing (including regimentation) and restore the prosperity which existed before the war. It can only be restored by the abandonment of all control, and we must all suffer severally and jointly until economic balance has been restored.

The President says that he thinks it can be restored by regimentation. He is giving an unsound excuse for it and is doing the very thing which will prolong suffering and ultimately result in self-destruction.

The Republican Party is in control of both Houses of Congress. It can refuse to adopt the President's policy and refuse to go along with increased regimentation of American citizens in time of peace, the enlargement of Government bureaus, the continuance of discouraging and exhausting taxation, both income and estate taxes. The latter should be definitely lower, as well as the former.

If it is defeated in such a program, I would rather see it defeated than to see it victorious by the adoption of a policy which goes a long, long step toward socialism and the destruction of the right of free citizens.

Personally, I have been a member of the Republican Party all my life, have been for years a member of the Republican Citizens Finance Committee of Illinois and a contributor thereto. I have also contributed during the last three Presidential elections as much to the Republican National Committee as any one citizen, under the law, can do. But I think I might as well plan to discontinue such contributions if the Republican Party goes even half way along with the President's demands. We must be a party in real opposition and not a party of part imitation. If we aren't, we might as well stand aside and let our party help the President ruin the country.

* * * * *

I have written at great length and very seriously. There are other things which our party might do to help restore freedom and sanity in this country, but I have already written at far too great length. I hope that you won't be bored with this very long letter.

RALPH M. SHAW.

CHICAGO, ILL.

American Civilian Victims of Japanese Maltreatment During the War—A Suggestion for a More Speedy Relief Is Made by Lawyer-Economist Vicente Villamin, of Los Angeles, Calif.

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. McDONOUGH. Mr. Speaker, under leave to extend my remarks in

the RECORD, I wish to include the following article written by Attorney-Economist Vicente Villamin for the Manila Bulletin, Manila, Philippines.

The article discusses the relief of American civilian victims of the war in the Pacific, numbering about 6,000. The House, on January 26, 1948, passed H. R. 4044, providing for their monetary relief. It provides for a commission to investigate claims, then report them to Congress before January 3, 1949, with recommendations for further legislation, including the creation of a second commission which will actually consider claims and pay them. On the face of it, delay in the payment of the claims is evident, and the intent of Congress to help the American war victims would be frustrated.

Mr. Villamin suggests that the example of the Philippine War Damage Commission, which was created by Congress by the act of April 30, 1946, be followed and only one commission be created with the full and final power to approve claims and pay them. There is great merit in that suggestion. It should be studied for possible adoption.

Mr. Villamin's article follows:

DELAY IN AMERICAN WAR VICTIMS' RELIEF

(By Vicente Villamin)

If the Americans who were interned by the Japanese during the war expect to receive monetary relief under H. R. 4044, which passed the House and is now in a Senate committee, before at least 2 years from now, the bill will have to be modified with respect to the provision of title II regarding the War Relief Commission to be created. The relief is approved by all departments and agencies of the Federal Government and not a single Member of the House had opposed it. The only question is how to give the relief so it will actually relieve the pressing necessities of the prospective beneficiaries.

Under the bill, about $50,000,000 will be paid to some 6,000 American civilians who were interned, disabled, or killed by the Japanese during the war in Wake, Midway, Guam, and the Philippines. The amount will be debited against the former enemy assets, estimated at approximately $250,000,000, now under the control of the Alien Property Custodian.

The first bill on this subject matter was introduced more than 2 years ago, but delays and more delays overcame its consideration. Further delay may be expected under an amendment adopted by the House when it passed the bill on January 26 last to the effect that the War Relief Commission shall make the required report to Congress, not before March 31, 1948, as originally provided in the bill, but before January 3, 1949, or 9 months later. The bill's author himself, Representative CARL HINSHAW, introduced the amendment.

The idea of the Commission was the center of the debate in the House. Fear was expressed on all sides that it might cause such a delay in paying the internees that it would defeat the immediate intent of the bill. But no alternative was presented during the debate, except an amendment by Representative GEARHART, which was voted down. The amendment would do away with the Commission altogether and lodge the power to consider and approve claims in the United States district court wherein the claimant is resident, thereby greatly expediting their disposal.

Under the bill as passed by the House, the duty of the Commission is to receive claims, study and classify them, and then report to Congress with recommendations for new legislation to carry out the intent of title III of the bill. So, if there is no postponement of date, sometime after January 3, 1949, the Eighty-first Congress, which is not bound in the matter by the present Eightieth Congress, might take it up and pass a bill incorporating the recommendations and creating a new commission charged with the actual approval of claims after its own investigation, and the payment thereof. Judging by the speed of the average Federal commissions, the first payment may be expected not before 1950, that is, if the preliminaries went along according to schedule.

Representative GEARHART dramatized the foreseeable situation when he said during the debate in the House: "If you reject my amendment, it will merely mean that you have set up one more commission whose members will draw $12,000 a year, three men who will learn to like their jobs very, very much. At the end of the year, they will come in and say that they have not been able to complete their work and, therefore, will ask Congress to extend their time, and they will keep on asking for extensions. Then they will recommend the setting up of another commission to adjudicate claims in accordance with the recommendations of the first commission * * * and then perhaps the grandchildren of the internees will get the claims paid at last."

The hope is in the Senate. The question is what plan could be advanced to forestall the delay inherent in the two commissions contemplated in the House bill. The Gearhart amendment, while well intended, would complicate matters because there will be no standard for the treatment of claims by the courts unless such standard, which at best is subject to different interpretations by different courts, is specifically set forth in the enabling act. Besides that, judicial processes are usually slow and court dockets are full and the claimants will have to spend money as in other court cases both in the first instance and on appeal. The determination of a commission is uniform, final, and not appealable, and thus more satisfactory, efficient, and economical. The present case is clearly for a special commission to administer.

The author believes that the case of the Philippine War Damage Commission offers a possible solution. That Commission has more claims to consider than the proposed War Claims Commission—over 1,000,000 as against 6,000. And it has more money to disburse, $520,000,000 as compared to $50,000,000. Its work is more complex and involved, but it is working satisfactorily and, as far as commissions are concerned, speedily.

The Philippine War Damage Act was enacted by the United States Congress on April 30, 1946. On April 18, 1947, a year after, it made its first payment. Considering the magnitude of the work of this commission, including the recruiting of its staff in the United States and installing them in Manila and informing the whole Filipino people of its work, the proposed War Claims Commission under H. R. 4044 should be able to make the first payment in 2 or 3 months after the bill becomes law. Specifically, if the bill is enacted into law in April, the first payment to claimant should be made before July—July 1948 and not in 1950 or thereabouts.

The vital point is that in the case of the Philippine War Damage Commission the Congress empowered it to receive and approve claims and pay them. There will be only one commission with the power of final and unappealable adjudication of claims. Why cannot this formula be adopted in the case of the American internees' relief? The two cases are roughly similar and parallel. During the debate in the House, no Member mentioned the Philippine War Damage Commission despite the fact that it was an illuminating precedent. If it had been brought up, it would have appealed to many Members of Congress as the solution of the problem of delay involved in having two commissions. The only explanation for the omission is that no one remembered or knew it, and if a Member had read the commission's second semiannual report to Congress he was not on the floor during the debate to call it to the attention of the House. This omission must not be repeated in the Senate.

Again, let it be emphasized that there is unanimity in Washington in favor of extending monetary relief to American civilian victims of the war, and the only question outstanding is how to extend that relief without unnecessary delay. It is obvious that the bill that passed the House (H. R. 4044) with all its good and generous intentions, does not meet that situation satisfactorily. A new solution must be found and the suggestion above mentioned is submitted for consideration. The war victims must be aided in time. Justice must be done them. And oftimes delayed justice is denied justice.

Nailing an International Lie

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. KLEIN. Mr. Speaker, more than once I have risen on this floor, and so have scores of other Members, animated wholly by a sense of devotion to the high ideals and immense power and prestige of our country, to call attention to the propaganda activities of the Arab Office, a quasi-diplomatic agency representing the intransigent feudal states which comprise the Arab League.

It now appears that we should have included in our warning the British Foreign Office and its spokesmen.

In the past weeks a sudden flood of insinuation, innuendo, libel, and false and distorted charges have been widely published in this country. I have said sudden; but what is sudden about it is the new vast volume of the output, and the fact that it now appears to be emanating from high places in both the United States and the United Kingdom, yet clearly following the Fascist-Arab line.

The intent, and possibly the effect, of this river of words is to subvert the stated foreign policy of the United States as enunciated by the President and the Secretary of State in regard to the Middle East.

There appears to be a serious effort to portray these medieval Arab states, with their masses of poverty-stricken illiterate, unhappy peasantry, as progressive citadels of democracy, threatened in their native lands by an inundation of fanatic Jews tainted with the dread disease of communism.

FANTASTICALLY UNTRUE

That such a portrait is fantastically untrue goes without saying.

Every objective authority who has studied Palestine and the Middle East agrees that the nomadic tribes of the backward Arab States, living by the sword, legalizing rape and plunder and destruction, have reduced the land of milk and honey to a desert waste in centuries of misgovernment and mismanagement.

Only the Jews indigenous to the area or settled there in immigration from Europe have been able to keep alive the tradition of culture and industry and fruitful agrarian husbandry. In only a few decades the colonies of newcomers—who entered Palestine, be it noted, under specific treaties—have made vast steps toward reclaiming the fertile land from the hungry desert.

If the United Nations decision is carried out expeditiously and determinedly, they will continue to develop the natural resources of the country.

MOST CRUEL OF ALL

Most cruel of all recent propaganda is the absurd allegation that the desperate Jews on the two refugee ships, *Pan York* and *Pan Crescent*, are parts of a Communist fifth column.

I am glad to find in the New York Post a remarkable news story by Hal Lehrman "debunking" the fraud, and an important and decisive editorial dissecting and nailing the whole international lie.

Lehrman's findings square with private information I have had pointing to a new wave of anti-Semitic hysteria in all Europe under Russian domination. I cannot judge the authenticity of my information except by the earnestness with which it has been presented, except in Rumania and in Poland, where both official and unofficial sources have agreed on the virulence and the great proportions of anti-Semitism.

Under leave, I am inserting at this point both Lehrman's article and the editorial from the New York Post of Friday, February 6, 1948:

JEWS QUIT SOVIET SPHERE IN PANIC—NOT AS RED SPIES

(By Hal Lehrman)

Economic misery, fear of pogroms, and Communist suppression of liberty are goading eastern Europe's Jews into a desperate search for escape—by any road—from the lands of Soviet domination.

After a year and a half as correspondent in the satellite states of Russia's Europe, this writer can testify that the mass Jewish exodus from the Balkans is no sinister plot engineered by the Kremlin to spirit Communists into Palestine.

On the contrary, it is an irresistible urge among hundreds of thousands of survivors of Hitlerite extermination to get away from Soviet-"liberated" countries where they have no tolerable present and no secure future.

These self-made "displaced persons" who head for Palestine, who pack the DP camps of Austria and Germany, will go anywhere that will offer them a safe refuge.

When the remnants of Balkan Jewry struggled back from Nazi crematories, or the forests where they had hidden, many were indiscriminately taken as "enemy aliens" by the Red Army and shipped to labor camps in the Soviet Union.

Those who reached home found high-sounding decrees of the new Communist-run regimes abolishing racial discrimination, but failing to restore the property grabbed from the Jews by wartime Fascist governments.

I know a Yugoslav Jewish industrialist whose factory had been confiscated by the Germans after he fled. When he returned, Tito jailed him and confiscated the factory again on charges of "collaboration."

In Hungary and Rumania thousands of Jews were unable to redeem their homes from pro-Nazis.

One Jewish woman of Budapest who was raped and tortured by Hungarian Fascists of the Arrow Cross, was compelled after "liberation" to share her small apartment with an ex-Arrow Cross family who had joined the Communist Party.

It was the exception for Jews to get back their shops, factories or homes. The Communist Party newspaper in Hungary even denounced such Jewish claims as a clamor for special privileges.

Despite millions of dollars spent by the American Joint Distribution Committee and other relief agencies, the Jews of Russia's Europe, have been permanently made a depressed class by Communist legislation against private enterprise.

Congenitally anti-Semitic, the masses—resentful under Communist rule—are turning to the Jews for their usual scapegoat, although only an infinitesimally few are active in the new Communist regimes, and those are not friendly to the Jews. In fact, thousands of ex-Nazis have been forgiven and enrolled into Communist parties, while Zionists have been persecuted.

In Rumania, the Jewish desire to get out is currently at fever pitch, which renders absurd the recent British allegations that Palestine-bound emigrants are cloak-and-dagger Communist agents.

The latest major Jewish exodus from Rumania began last summer, when famine swept large areas of Rumania. Communist "stabilization" this fall reduced the value of Rumanian money 20,000 times and the last paltry Jewish savings were wiped out.

Badgering private enterprises into quitting made the few remaining Jewish merchants willing to exchange for an exit visa.

Dr. William Fildermann, who had saved many Jews by defying the Nazis, was persecuted by the Communists to force him to bring his union of Rumanian Jews into the fold.

The net result was to make the Jews want to get out, rather than accept communism.

The camps in Rumania which London sources now describe as Red-supported training centers for Communist agents to Palestine were really Hachsharoth—where youthful applicants for emigration, supported exclusively by Zionist and western funds, lived and awaited departure for Palestine. The closest they came to military training was to study the Hebrew language and take a few lessons in farming.

Of the Jews aboard the *Pan York* and *Pan Crescent*, which the British pulled into Cyprus and described as packed with Communist provocators, 4,000 were Halutzim (pioneers) from those Zionist camps.

Fifteen hundred more of the "subversive" emigrants were less than 2 years old. Another 4,000 were between 2 and 11 years of age.

All the rest were special distress cases: widows of the Nazi pogroms and refugees from Bessarabia and northern Bukovina—provinces annexed by the Soviets.

I saw some of the rigid screening which applicants for Palestine visas had to undergo by their own Jewish leaders. Quotas were apportioned severely among the different Zionist groups and only the neediest, most legitimate cases were approved.

If there had been room aboard the ships, not for a few thousands, but for 150,000, there would still not have been enough for all the passionately non-Communist Jews who want to shake the dust of the new "democratic" Rumania from their weary feet.

The editorial follows:

NAILING AN INTERNATIONAL LIE

It began last December, this particular smear campaign; almost immediately after the United Nations, backed by Russia and the United States, decided in favor of finally creating the Palestine state promised the Jews in 1919 under the Balfour Declaration.

Some 12,000 carefully screened, desperately tried Jews managed to assemble at Balkan ports, to sail on two ships, the *Pan Crescent* and *Pan York*, for Palestine.

The Jewish Agency screened them with meticulous care; they were trained Zionist pioneers chosen by members of the various Zionist organizations, except for 1,400 who were not selected.

These 1,400 consisted entirely of very little children.

The British Government, as alert to prevent any more Jews reaching Palestine as they have been to provide the Arabian states with weapons to kill those who are already there, intercepted the two vessels and interned the passengers in concentration camps in Cyprus.

They—those who are still alive—are still in concentration camps.

On January 1 a New York Times correspondent cabled his newspaper from London that he had learned from authoritative and official sources that the British had intercepted 12,000 Jew Communists on their way to take over Palestine.

Later modifications of the same authoritative reports began to weaken the figure somewhat, but ever since, when things were dull in London or in other anti-Palestine centers, a new version of the same canard would be solemnly filed, or as solemnly commented upon.

The New York Times has printed several variations on the original theme. Latest version was that 1,000 Communists had been definitely identified among the 12,000.

On February 3 a New York Post columnist, Marquis Childs, writing out of Washington, wrote that he thought it would be an excellent idea if some provable facts were substituted for the innuendo, the anonymous charges, and the flat denials that were becoming an increasing topic of undercover conversation among Washington residents, official and otherwise.

The same day under officers of the State Department placed on Secretary of State Marshall's desk a memo saying that the Department "had been informed" that there were 150 or 200 Communists among the 12,000 or so refugee Jews intercepted by the British and interned in Cyprus.

The Secretary informed the reporters, and this time the press of the entire Nation was treated to the "Jew-Communist" plot with which had been associated the dignified name of Secretary Marshall. Still without any facts, or any disclosed responsible source.

At the same time an intelligent reporter, seeking some facts, questioned the British commander, Sir Godfrey Collins, commissioner in charge of the refugees at Cyprus.

Sir Godfrey is evidently an honest man, and his reply proved so disconcerting to certain British officials in London that it may be said for certain that Sir Godfrey has hardly heard the last of it. What he said was, however, that there was no indication whatsoever that any Communist agents were among the immigrants. He also denied reports that any Communist literature or identity papers had been found on the immigrant ships *Pan York* and *Pan Crescent*.

This was the lie nailed—almost. But not quite.

In London there was consternation.

The British Foreign Office, finally smoked from cover as the heretofore "anonymous" but "authoritative" source of the story, admitted it.

The New York Times correspondent cabled from London that the Foreign Office had finally consented to reveal its identity as the source of the original and subsequent libels—only, of course, the Foreign Office didn't admit they were libels.

The Foreign Office wasn't sure how many Communists it claimed were among the detained refugees, but indicated there were a good many.

Questioned about the statement of Sir Godfrey, who certainly should be in a position to know, the Foreign Office retorted

angrily that he wouldn't have acted that way if he had been a Foreign Office man, but that alas, he was a Colonial Office man.

"The immigrants were questioned by the Foreign Office, not the Colonial Office," says the dispatch from London darkly.

The Foreign Office denial was followed by a Colonial Office statement in behalf of Sir Godfrey that he had not said there were not any Communists among the refugees; he said merely that, if there were any, he didn't know it. Besides, he was speaking for himself and not for the Colonial Office.

Today, in the New York Post, an Overseas News Agency correspondent presents the palpable truth about the refugees.

They were, it seems, almost as anxious to escape from the anti-Semitism still rampant in certain Balkan countries, notably Rumania, as they were to enter Palestine.

His story makes interesting—and factual—reading.

But, of course, the end is not yet in sight; and the refugees are still not in Palestine, but in British concentration camps; the Allied refinement on Hitler's Dachau.

And there are, indeed, a few Communists in Palestine, as there are some in every country in the world, including the United States; there their political impact to date has been perhaps somewhat less, but no matter.

The resourceful British and their American and Arabian allies will continue to pour out half truth and innuendo in carrying on the campaign to finally make partition appear to be another Soviet plot against the Western World.

Watch for those dispatches, statements, etc.—and read them with care. They contain a secret substance more destructive than the atom bomb—secret intrigue against international honor, justice, and decency.

Concurrent Resolution of the Senate and House of Representatives of the State of Mississippi

EXTENSION OF REMARKS
OF
HON. JOHN BELL WILLIAMS
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Monday, February 9, 1948

Mr. WILLIAMS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include herewith on behalf of the entire Mississippi delegation in the House of Representatives the following concurrent resolution of the Senate and House of Representatives of the State of Mississippi:

House Concurrent Resolution 22

Concurrent resolution of the Senate and House of Representatives of the State of Mississippi memorializing the Congress of the United States of the grave apprehension and vigorous opposition of the people of this State to the recommendations of President Truman's Committee on Civil Rights and urging opposition to any congressional enactment of said recommendations

Whereas President Harry S. Truman, by Executive order, on December 5, 1946, did establish the President's Committee on Civil Rights; and

Whereas this committee did function and submit its report to the Nation in the form of a public document; and

Whereas the report did recommend, among other things, the enactment by the Congress of an Antilynching Act, an Anti-Poll-Tax Act, a Fair Employment Practices Act, an act forbidding segregation, and other acts of this same character and devious purpose, which acts are obviously directed against certain geographical sections of the Nation, more particularly the Southern States, and which acts are aimed at nothing less than the subjugation of the sovereignty of the 48 States of this Union in favor of a gigantic and compelling Federal system of appointive boards with powers equal to those of the State or the judiciary; the subjugation of the majority to the demands of various minority groups and, not least among these recommendations, certain ones whose effect would be to deprive the States of their rights with regard to suffrage and election laws, and passing this power to the Federal Government for their dictates; and

Whereas the recommendations of this committee constitute an assault on the fundamental principles of division of powers between the Federal and State governments; and

Whereas the recommendations of this committee constitute an attempt by a group of persons not qualified by training or experience to recommend basic changes in a social and economic system arrived at after centuries of adjustments and changes accompanied by progress and enlightenment; and

Whereas the recommendations of this committee constitute nothing less than an attempt to inflict on the States by Federal legislation a social, economic, and political framework totally in derrogation of the sovereignty of States guaranteed by the Constitution of the United States: Therefore be it

Resolved by the house of representatives (the senate concurring therein), That the Congress of the United States be, and is hereby, memorialized of the grave apprehension with which the people of this State view these proposals, and be further memorialized of the vigorous, indignant, justifiable, and considered condemnation of and opposition to these said recommendations, and that the Congress be urged to defeat any and all of these recommendations; be it further

Resolved, That a copy of these joint resolutions be transmitted to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, and to the Mississippi delegation in Congress, with the request that said delegation continue their steadfast, determined, and courageous defense of the traditions, customs, and ideals of the State of Mississippi and the South.

Adopted by the house of representatives, January 29, 1948.

WALTER SILLERS,
Speaker of the House of Representatives.

Adopted by the senate, January 30, 1948.

SAM E. LAMPKIN,
President of the Senate.

In the Name of Peace

EXTENSION OF REMARKS
OF
HON. ROBERT L. F. SIKES
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. SIKES. Mr. Speaker, I call attention of the House to a splendid letter from President Harry S. Truman to Brig. Gen. E. A. Evans on the subject of participation in the Nation-wide observance of National Security Week by the Reserve Officers Association. The letter was published in the February issue of the Reserve Officer:

THE WHITE HOUSE,
Washington, January 7, 1948.

Brig. Gen. E. A. EVANS,
Executive Director, Reserve Officers Association of the United States, Washington, D. C.

DEAR GENERAL EVANS: I am glad to know that the Reserve Officers Association is planning a Nation-wide observance of National Security Week during the period between February 12–22. You have my indorsement of this program.

In these times the inclusion of all of our people in the study of the things which must be done to guarantee our national security is very important. I hope the ROA can bring into this program every State and community. National security is the obligation of every citizen. Its responsibilities know no social, economic, religious, or partisan lines.

Our National Security Week observance in 1948 will end almost exactly 30 months after VJ-day. We, as a Nation, gave everything we had to win the victory over the Axis Powers and Japan. We must continue to give everything that is needed to win the peace. The price of victory was lives, dollars, and materials. The price of peace calls for application of our minds, hearts, and our resources, just as we applied them in war. I believe that the people of our Nation have the character to go ahead with the tasks which are before us.

Among the many fortunes which the American people enjoy is the leadership of her citizen defenders, the men and women who have won our victories and who are the trained bulwark against aggression. I feel sure that national preparedness means preparedness for peace and not for war.

Therefore, in the name of peace, I commend National Security Week to all the people of these United States.

Sincerely yours,

HARRY S. TRUMAN.

Chairman Andrews' Interpretation of National Security Week

EXTENSION OF REMARKS
OF
HON. LEROY JOHNSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. JOHNSON of California. Mr. Speaker, the period of February 12 to 22 has been designated as National Security Week. I know of no more qualified person to interpret the meaning of national security than Hon. WALTER G. ANDREWS, chairman of the Armed Services Committee of the House of Representatives. Congressman ANDREWS started his Reserve service prior to the incident which called American troops to the Mexican border in 1916. He served in the Twenty-seventh Division of the National Guard of the State of New York in World War I. He was a company commander in the rugged fighting which that division participated in on the western front. For gallantry in action over and above the call of duty he was awarded the Distinguished Service Cross. He continued his interest in national security following the termination of the war and the demobilization of his division. He

entered Congress on March 4, 1931, and became a member of the Military Affairs Committee. Today he is the chairman of the Armed Services Committee. As chairman of that committee, following the reorganization of the committee structure of the House, the gentleman from New York [Mr. ANDREWS] had a complicated and difficult job. He performed that job in the most excellent manner to the satisfaction and admiration of the members of that committee. No man in the entire Congress, in my humble opinion, has a better grasp on the security problems of the United States than Chairman ANDREWS. His interpretation of what National Security Week means should be read with interest and profit by every Member of Congress. Under leave to extend my remarks, I include his statement, which was published in the February issue of the Reserve Officer, a magazine owned and operated by the Reserve Officers' Association. It reads as follows:

National Security Week, as sponsored by the Reserve Officers' Association, invites the attention of every American citizen to a simple and compelling truth which has never lost its validity in the 172-year history of the United States; namely, that eternal vigilance is the price of liberty and that vigilance must be combined with an adequate military posture, in order to assure the respect of the world and to deter the ambitions of potential aggressors.

This truth was never more applicable than it is today when our continued existence as a free people literally depends upon our determination to prevent military weakness on our part inviting a war.

I am thus in full accord with the purpose of National Security Week and urge every citizen to ponder carefully its meaning.

WALTER G. ANDREWS,
Chairman, Armed Services Committee, House of Representatives.

The United Nations and Palestine

REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I desire to call the attention of this House to the activities of a Christian gentleman in connection with the outrages now current in Palestine and which threaten to increase unless brought to an immediate halt. On February 5, 1948, the Honorable John Cashmore, president of the Borough of Brooklyn, sent the following telegram to the President of the United States:

FEBRUARY 5, 1948.

Hon. HARRY S. TRUMAN,
President of the United States,
White House, Washington, D. C.:

I am deeply disturbed by the turn of events in Palestine. The defiance of the edict of the United Nations by the Arab higher committee is reprehensible. The bloodshed and sabotage must stop. I urge you to use all your influence to see that law and order are reestablished in Palestine and that the authority of the United Nations is observed and respected there. To achieve this result it is necessary to lift our embargo against the shipment of arms to those who are trying to uphold the power and dignity of the United Nations. It is also necessary for the United Nations to establish an international constabulary to keep order in the Holy Land. Unless such immediate action is taken, the United Nations is doomed to the fate of the League of Nations, and Palestine and Israel will serve as a new Manchuria and a new Ethiopia.

JOHN CASHMORE,
President of the Borough of Brooklyn.

Mr. Speaker, this is not the first time Mr. Cashmore has spoken out in the same matter. Nor did his efforts cease with the sending of the telegram.

I know, not only from him, but from other sources that, without fanfare and without publicity, he has been working ardently and long to bring about the desired result as demanded in his telegram to the President of the United States.

I am glad to note that others, too, have learned of Mr. Cashmore's efforts in this connection.

Following is a copy of a telegram sent to me by the President of the Brooklyn Jewish Community Council, the original of which was sent on February 10, 1948, to Mr. Cashmore:

FEBRUARY 10, 1948.

Hon. JOHN CASHMORE,
President, Borough of Brooklyn,
Borough Hall, Brooklyn, N. Y.:

As president of the Brooklyn Jewish Community Council embracing 850 constituent organizations, speaking in behalf of 1,000,000 Americans of Jewish faith in Brooklyn, I bespeak their eternal gratitude to you for the part played by you in molding public and official opinion prior to the historic decision of the United Nations establishing a Jewish homeland. Your quiet but forceful efforts had much to do in bringing about the decision which Jews for 2,000 years had prayed for. And now when the UN decision is imperiled you have come forward again and taken effective action to safeguard the hard-won decision. What you have done openly as well as what you have done quietly at the highest official level will ever be remembered.

MAXIMILIAN MOSS,
President, Brooklyn Jewish Community Council.

Mr. Speaker, my hat is off to a real leader, a true Christian gentleman. Would that others talked out and acted as promptly and as vigorously.

Observations From Europe

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. MILLER of Nebraska. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a letter from a Minatare farmer, who is now a lieutenant in the Army and stationed with the American Army of Occupation in Germany. It seems to me that his observations should be of interest to the country.

Another soldier writes me that he wonders who is being occupied—Germany or the Army of Occupation. He states that his observations are to the effect that the State Department cannot possibly handle the intricate problems of Germany—that the Germans only understand force and power. He feels that the continued dismantling of German factories which are needed to produce the things the Germans needed is wrong. American money is being poured into Germany to build new factories similar to those which are being dismantled.

These observations come from two fine Nebraska soldiers who are stationed in Germany. I commend their observations to you for your reading:

MUNICH, GERMANY, *February 1, 1948.*

Hon. A. L. MILLER,
House of Representatives,
Washington, D. C.

DEAR SIR: A blind Minatare farmer may not be a competent observer, still he may be a good listener. Some of the ideas gained by listening since coming here may be of interest to you.

Europeans appear to believe that aggressive warfare is a legitimate function in national existence. Reparations and annexations is the immediate goal and that the possibility of winning them is justification for war. The smaller nations that are used to being plundered or have often been innocent bystanders accept the devastations as unavoidable and set to work in an earnest attempt to rebuild. They are succeeding. Germans are not yet able to believe that they did lose the war and appear to think that the benevolence of Britain and the United States will save them from the consequences. They know that Russia will deal with them just as they dealt when they occuppied parts of Russia.

Democracy does not mean a wide range of personal liberty in thought and action here as it does in the United States but rather a very limited choice in very restricted fields. For example, a nation of motorists voluntarily drive with care through school zones cannot be imagined. But if policemen were stationed closely enough so it was "drive carefully or go to jail," they would understand and consider the choice democratic. The thought that Justice is right cannot compete with the idea that might is right. Germans lived 100 years on the master-race creed. That creed collapsed in 1945 and now the Germans are desperately trying to rebuild it or to find a substitute. In rebuilding Europe most of these countries are putting first things second. They are bending their effort to produce export goods rather than food, clothing, and fuel. Even so the smaller countries are achieving some balance in their efforts. The notion that hunger breeds dictators can be only partly true since dictators have flourished when food was both plentiful as well as when scarce. Then you will recall that a few years of our WPA system we taught a large segment of our folks that the Government owed them a living. Large percentages of the population of these countries have had similar lessons over much longer periods. This is probably one reason why luxury export goods are being made instead of exerting the extra effort required to produce the necessities.

In Nebraska if our neighbor has a broken leg in the spring we go in and plant his crop, but we do not agree to cultivate, irrigate, and harvest it or to pay his bills. I think the European recovery plan should operate in about the same way. It seems to me that factional strife in each of these governments is likely to make it most difficult to make ERP effective. The Russian plan is simpler. In it the opposition is liquidated either by killing or by economic pressure. All these people understand their method and they don't understand altruism in either economics or politics.

My guess is the Russian deflation was effected for these reasons. To drain off surplus buying power so that demand would be limited to the meager supply of consumer goods. To dispel any postwar unrest that surplus money would tend to prolong. To have her economic house in order to profit when the depression comes. The news I have concerning her recent trade pacts with her neighbors all seem to be based on the principle that Russia buys goods that are in current production and pays for them later with seasonable goods. The late war was largely financed by such methods. Hitler used the method for several years. It is doubtful if it works so well or so long under the new management.

I think we should put ERP to work. To be effective it will have to foster a change in the thought as well as the economy of these people. The amount of financial help and method of using it as well as the method of reeducating these people should be determined by experts for the Department of State and Congress. I think great stress should be on local production for home consumption. A passion for personal liberty would check communism and I have no idea how to instill such a passion. Trade pacts having long-deferred payment clauses with a country that is not too strict about honoring its pledges might be checkmated by pacts with current exchange of goods.

Yours truly,

A LIEUTENANT IN THE AMERICAN ARMY OF OCCUPATION STATIONED IN GERMANY.

The Truth Will Out

EXTENSION OF REMARKS

OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. LARCADE. Mr. Speaker, under previous authority to extend my remarks in the RECORD, I wish to submit a copy of a newspaper article published in the Washington Times-Herald, of date February 11, 1948, by columnist Willard Edwards, entitled "Britain Plans Diverting United States Aid to Empire" which article I think would be of interest at this time.

The article follows:

BRITAIN PLANS DIVERTING UNITED STATES AID TO EMPIRE—SENATOR MALONE REVEALS ADMISSION BY CRIPPS

(By Willard Edwards)

Great Britain has secret plans to divert American billions received under the Marshall plan to a program of empire reconstruction in Africa, Senator MALONE (Republican), of Nevada, revealed yesterday.

MALONE related a conversation with Sir Stafford Cripps, British Minister of Economic Affairs, in London last November in which Cripps stated Great Britain could take care of its own industrial recovery.

HOW IT WILL BE SPENT

"We will use American aid for rehabilitation in south and central Africa," Cripps was quoted as saying. "It will be spent on railroads, mines, and development of resources. Great Britain has enough money of its own to invest in British industry."

MALONE was visiting Europe as chairman of the Senate National Resources Economic Committee. In an effort to determine Europe's actual needs he explored coal mines, steel mills, and industrial establishments in the United Kingdom and other European countries.

The Nevadan said he was flabbergasted by Cripps' statement. He noted that State Secretary Marshall has outlined a prospective share of $5,000,000,000 for Great Britain. This was supposedly for investment in plants, machinery, ships, and vehicles within the island of Britain. Marshall said this American aid was absolutely essential to the recovery of western Europe.

AND EXPECTS NO RETURN

MALONE said he had planned to save his startling disclosure for a Senate floor speech attacking the Marshall plan after debate starts March 1.

"Cripps made it very clear," he said, "that Great Britain wants American funds for British Empire, not British industrial recovery. Its own production, including agriculture, is now above prewar levels.

"I talked to another high British official, Ben Smith, who controls coal production. He said very bluntly that we had better extend our aid in the form of lend-lease and expect no return. Otherwise, he threatened, Great Britain controls three-fourths of the world's raw materials and, if necessary, could clamp down on us."

This Matter of Segregation

EXTENSION OF REMARKS

OF

HON. CARTER MANASCO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. MANASCO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Alabama Baptist of February 5, 1948:

NOTED JURIST DISCUSSES THIS MATTER OF SEGREGATION—IS SEGREGATION UNCHRISTIAN?

(By Judge Horace C. Wilkinson)

The efforts of the secular press, supported by some churchmen, to make it appear that segregation is unchristian, and your reference in the Alabama Baptist of January 8, 1948, to the growing tension between the white and colored people of the South because of segregation, and your report that the Negroes refused to have part in the city-wide Protestant meeting at Legion Field for reaffirmation of the principles which sprang from the Reformation, should challenge the attention of every Baptist in Alabama.

It is my conviction that the Christian religion does not call for or demand social and political equality of the Negro in the United States, and churchmen who advocate the contrary are threatening the destruction of one of the most priceless gifts of God to man.

Is segregation unchristian?

Let's answer the question with another. Is racial purity un-Christian?

Purity of race is a gift of God. Man can destroy that gift just as he can and does destroy other gifts. But when man destroys his racial purity it can never be redeemed.

"And God said, Let the earth bring forth the living creature after his kind, cattle, and creeping thing, and beast of the earth, after his kind: and it was so." (Genesis 1: 24.)

Thus was the law of racial purity established in the beginning by divine command that every living thing reproduce "after his kind." As long as that law is obeyed the color line cannot be lawfully crossed.

God saw fit to segregate and separate the different races by placing each in different lands. He divided them by color lines as well as by territorial lines so that each race could maintain its racial integrity. God did his part to prevent intermingling. What God has done churchmen may succeed in undoing, but that which some churchmen seek to do God cannot undo.

"And Isaac called Jacob, and blessed him, and charged him, and said unto him, Thou shalt not take a wife of the daughters of Canaan." (Genesis 28: 1.)

The prophet Jeremiah propounded this interrogation:

"Can the Ethiopian change his skin, or the leopard his spots?" (Jeremiah 13: 23.)

The advocate of social equality who would have the white man lost in the intermingling process of bleaching the Negro might well ponder the words of the prophet.

In Deuteronomy 23: 2 we read:

"A bastard shall not enter into the congregation of the Lord; even to his tenth generation shall he not enter the congregation of the Lord."

It might be well to point out that the real Negro seldom agitates for the abolition of segregation; it is the mulatto—the bastard element in the Negro race that agitates against segregation. This element is sometimes aided and abetted by some people who claim to be white, but I think those with light skins who advocate abolition of segregation fall into one of three classes: (1) They are misguided, or, (2) they are motivated by political considerations, or (3) they have a Negro strain in them.

There are many reasons why segregation is desirable but the main reason is that we know beyond a reasonable doubt and to a moral certainty that social association and political intimacies between people of different races inevitably brings about and leads to intermarriage. We also know that intermarriage destroys racial purity. The destruction of racial purity is the destruction of one of God's priceless gifts to man.

Can a course of conduct that leads to the destruction of that gift be morally right, Christian, or even socially expedient?

If God gave the Negro the inalienable right to social equality and intermarriage with whites then it must necessarily follow that God gave them the right to destroy the white race. I wonder if any of our misguided churchmen would sponsor a charge of that kind against God Almighty?

If the Negro has the inalienable right to social equality and intermarriage with the whites, and if social equality leads to intermarriage, and intermarriage is destructive of racial purity and the loss of racial purity is catastrophic, how are we to escape the conclusion that God endowed the Negro with the right to destroy the race through which God has revealed Himself to men?

The destruction of any race is not in accordance with the divine plan of God. Miscegenation and amalgamation is in direct defiance of the will of God. A gospel of equality of the races cannot but end in free miscegenation of the races.

Which is better—a mongrel race whose origin is sin and which represents the worst of all races, or a race, whatever its limitations, yet true to its own racial peculiarities and striving to attain, intact, the best and highest of which it is capable.

Those who seek a mongrel America often quote from Paul's sermon on Mars Hill where, in speaking to the Greeks, he said:

"God that made the world and all things therein, seeing that he is Lord of heaven and earth, dwelleth not in temples made with hands;

"Neither is worshiped with men's hands, as though he needed any thing, seeing he giveth to all life, and breath, and all things;

"And hath made of one blood all nations of men for to dwell on all the face of the earth, and hath determined the times before appointed and the bounds of their habitation;

"That they should seek the Lord (God), if haply they might feel after him, and find him, though he be not far from every one of us;

"For in him we live, and move, and have our being; as certain also of your own poets have said, For we are also his offspring." (Acts, 17: 24–28.)

In emphasizing the statement: "Hath made of one blood all nations of men," those who seek a mongrel America overlook the fact that we live in many worlds; they ignore the implication of the remainder of the verses quoted. There is a physical kingdom and a spiritual kingdom. Laws for the regulation of the physical kingdom are not necessarily appropriate to the regulation of the spiritual kingdom and vice versa.

Jesus never sought to bring about the social or any absolute equality among men on earth. He distinctly said: "My Kingdom is not of this world." His Kingdom is a spiritual kingdom, not a physical kingdom.

The statement by the Apostle Paul that God "hath made of one blood all nations of men" is just as much spiritual as the other statement that He "dwelleth not in temples made with hands." It is as spiritual as the further statement that "we are His offspring," because in Him "we live and move and have our being."

We do not physically live in God; we do not physically move in Him; we do not physically have our being in Him. The apostle was talking about the spiritual kingdom, every citizen of which is made of one blood, the blood of the Lamb. But that passage does not even purport to deal with the physical kingdom or to teach that all men physically are made of one blood. The passage referred to also states that God "hath determined the times before appointed, and the bounds of their habitation."

The Master said:

"In my Father's house are many mansions; if it were not so I would have told you. I go to prepare a place for you" (John 14: 2).

All of which, in my judgment, clearly demonstrates that the subject dealt with on Mars Hill was spiritual as distinguished from physical.

The surest way to destroy the white race through which God revealed Himself to men; the surest way to destroy the white race that has spread the gospel of Christ over the face of the earth; the surest way to destroy the white race that is now supporting the great missionary movement; the surest way to destroy the Christian church is to mongrelize the race that has fought for, defended, and advanced the cause of Christianity. Mongrelization is an inevitable result of the destruction of segregation. One follows the other, as does night the day.

There is nothing un-American and un-Christian in racial segregation. God expects us to preserve the color line. It is high time we Baptists concern ourselves about His business in that respect.

National Security Week, February 12–22, 1948

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. TEAGUE. Mr. Speaker, I am very glad to note the constant support given by the Reserve Officers' Association to adequate measures for our national security. The Reserve Officers' Association is sponsoring the twenty-sixth annual observance of National Security Week which has the unqualified endorsement of the Department of the Army.

Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the endorsement of the Secretary of the Army, Mr. Kenneth C. Royall, which appeared in the Reserve Officers' magazine in observance of National Security Week, February 12–22, 1948:

DEPARTMENT OF THE ARMY

Observance of National Security Week, under auspices of the Reserve Officers' Association, gives me the opportunity to commend to the attention of all citizens the serious problems currently confronting the Nation and the world.

Peace was not won automatically with the cessation of hostilities 2 years ago. The dislocations caused by war in the economies and in the political and social interests of the various nations can be adjusted but slowly. Until these adjustments are complete, danger of further dislocations is ever present. This danger makes it imperative that we be prepared and alert, that we may, by example and by wise guidance, lead the community of nations along paths of democracy to that peaceful future for which a most bitter and costly war was fought.

A strong peacetime defense establishment, deriving its strength from our traditional democratic citizen army, must be our insurance against any eventuality. A strong, well-trained Organized Reserve Corps must be a very important element in our solution of the problem of national security. The role of the Reserve Officer is fully as important in peace as it was when Reservists materially expedited our victory in war.

I congratulate the Reserve Officers for taking the lead in support of our program of National Security by sponsoring National Security Week and I urge every citizen, during this week, to consider his personal share of the responsibility for national defense.

KENNETH C. ROYALL,
Secretary of the Army.

Price Drop Should Reduce Marshall Plan Cost

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. VURSELL. Mr. Speaker, Mr. Charles F. Brannan, Assistant Secretary, Department of Agriculture, in his recent testimony before the Senate Committee on Grain Allocations, brought out the fact that weather conditions over western Europe, because of plenty of snow and moisture, were most favorable for heavy wheat and bread grain crops, in that entire area for 1948.

Estimates at the present time, in view of the favorable weather throughout the United States, indicate a much larger wheat crop than was anticipated a few months ago. In fact, world conditions generally are most promising for bumper world wheat and bread grain crops.

These recent reports have had their influence in breaking the grain market and turning the price spiral downward. This downward trend will most likely continue and prices will be stabilized at probably lower levels than at present.

The Members of the House and Senate should take into consideration the possibility of still lower grain prices, and they should scale down the $6,800,000,000 request for the Marshall plan to offset the drop in prices.

Mr. Speaker, the number of bushels requested in this first 15 months of the Marshall plan will cost millions of dollars less, and more important in reducing this cost to the American taxpayers is the fact that because of favorable weather conditions European countries will produce many millions more bushels of wheat and bread grains over last year, which should greatly reduce the number of bushels the United States will be called upon to supply.

Mr. Speaker, lower prices for wheat should mean lower appropriations to the Marshall plan. More wheat produced in Europe should mean less wheat that will be needed from the United States. Here is the chance for the Members of the House and Senate to save many millions of dollars.

Out of the billions for various articles of manufactured products, raw material, and so forth, provided for in the Marshall plan, including cotton, tobacco, and textiles, it should be possible to save other millions, because as grain prices seek lower levels further wage raises will not be necessary, which will reduce costs generally of all articles requested under the Marshall plan. Here is a chance for a saving of many more millions.

The Congress must take these facts into consideration in the interest of the American people.

Statement Before House Un-American Activities Committee in Support of McDonough Bill, H. R. 4581, To Define Communism and Make Its Active Practice Treasonable

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. McDONOUGH. Mr. Speaker, it would be impossible to underestimate the necessity for adequate legislation at this time to halt the activities of Communists and the spread of communistic doctrines and propaganda in the United States.

I know that the members of the Un-American Activities Committee are fully informed concerning the methods used by Communists in this Nation in their consistent efforts to undermine the foundations of our free democratic government. I am sure the committee has the whole record of communistic infiltration into unions, agitation within the armed forces even during war, and propaganda within our schools and universities. You also have the record of the insidious efforts of the Communists to gain a foothold in the motion-picture industry, where they hoped to find an

outlet for their propaganda which would carry it to every corner of the Nation.

The fact that we have been able to hold the malignant growth of communism in America in check by exposing it has not destroyed the threat of communism to our national security. We need legislation which specifically defines communism and makes it illegal to spread Communist doctrines or engage in other treasonable activities for the Communist movement.

There is need for a clear understanding of the term "Communist" as it is applied to an accused individual. Today it is a term loosely used as an epithet to be hurled against persons who may be communistic or may merely be extremely liberal in their opinions. It is used to smear the innocent, as well as to brand the guilty, and even the courts of the Nation have failed to agree on the meaning of the term, though it has been established in court that the use of the term "Communist" when directed against an individual damages his character and reputation.

Until a clear definition of communism is established by legal procedure—a definition from which the actions of a man may be determined to stamp him as a Communist or clear him of the charge—there is no basis whereby effective action can be taken by our security agencies to protect the Nation from the insidious sabotage of the real Communists in America.

Communists are not merely members of a political party, though they may use such a party in an attempt to legalize their assault on democracy.

Communism actually is the long arm of an international conspiracy; it is not a political party. Outlawing of the Communist Party alone will not halt communistic activities or destroy Communist-front organizations.

Communism is an atheistic and anti-religious ideology which would destroy freedom of religion in America.

It is a conspiracy which advocates and practices deceit, confusion, subversion, revolution, and the complete subordination of man to the state.

Communism has for its purpose and intent the overthrow of this or any other democratic or non-Communist form of government by force and violence, if necessary.

The position that passage of a bill to define and combat communism would drive the Communists underground is, in my opinion, a defeatist attitude toward legislation, especially since the Communists are apparently underground already.

During the last war we saw the development of a new technique of warfare, the fifth column with its infiltration, propaganda, and prepared quislings. We saw governments fall to the enemy without a single overt act of treasonable violence. We cannot afford to take the "can't happen here" attitude. We must enact legislation which will permit our law enforcement agencies to investigate activities which are un-American and treasonable and bring persons guilty of such activities within the jurisdiction of the law.

I introduced H. R. 4581 for the purpose of clearly defining communism and making the active practice of communism a treasonable act in the United States. My bill would not attempt any form of thought control. Only persons actively practicing communism would be exposed and treated as treasonable enemies of the United States, persons who actually owe allegiance to an international conspiracy whose ultimate aim is the overthrow of established democratic government and destruction of individual liberty and freedom.

The response to my introduction of H. R. 4581 was tremendously in favor of such legislation, and I have received letters not only from those in my own district but from persons in every part of the Nation. I am submitting excerpts from these letters for your consideration.

In my opinion effective legislation is necessary to halt communism in America. I firmly believe that passage of H. R. 4581 will meet the Communist threat in America, and I urge the members of this committee to report H. R. 4581 favorably to the House.

The excerpts referred to follow:

EXCERPTS FROM LETTERS RECEIVED BY CONGRESSMAN GORDON L. M'DONOUGH ON H. R. 4581

Jacksonville, Fla.: "Your proposed legislation to make it treasonable to belong to the Communist Party is the most important news item in our paper today, but, unfortunately, it was not given front-page position as it so rightly deserved."

Beverly Hills, Calif.: "Your fine work in promoting the anti-Communist measure is one of the worthiest pieces of legislation of the present time. You deserve and have the gratitude of the vast majority of United States citizens and it is most opportune to advance this patriotic work in the stressful and difficult period in our history."

Los Angeles, Calif.: "We would like to compliment you on your past efforts in formulating and promoting good legislation, especially regarding the anti-Communist bill, and we hope you will continue to do your utmost to push this bill through the Congress."

Cavalier, N. Dak.: "Please keep up your work and make communism so unpopular that it will fade entirely from the picture. I hope you get real support for your efforts. Your 'guts' may save our country more than anyone can realize."

Los Angeles, Calif.: "I am heartily in favor of your bill, H. R. 4581. It is high time we are fighting un-American activities in our country. More power to you."

San Antonio, Tex.: "On November 26, 1947, the San Antonio Express carried a brief item to the effect that you planned to introduce legislation in the House to make it a treasonable act to belong to the Communist Party, or to practice communism, and that violation of the proposed act would be prosecuted under the treason laws. May I take this occasion to salute you, and to congratulate you on your proposed course of action. It is high time that American leadership was aggressively developed to perpetuate the institutions which our forefathers struggled so hard to secure."

Los Angeles, Calif.: "We are in favor of your bill, H. R. 4581, which you presented to the first session of our Eightieth Congress, and are of the opinion that they should pass it as it is with as little delay as possible."

Los Angeles, Calif: "I want to thank you personally for your fight against communism, for the bill which you introduced will clarify the issue and bring the fight out into the open. Today it is a life-and-death struggle; it is our way of life or communism."

Washington, D. C.: "I have just read with a great deal of satisfaction the report in yesterday's CONGRESSIONAL RECORD of the introduction of your bill to define communism and make the practice of communism a treasonable act in the United States. To me, it seems just as urgent that we take action to forestall the spread of communism at home as it is that we do so abroad. I hope your suggestion will receive the consideration it merits and that the adoption of it or an equally effective method of destroying this threat to the United States may result."

South Wales, British Isles: "Seeing that you have introduced legislation to reveal and cope with the fact that communistic activities are actual treason, my daughter and I feel we must send you our thanks and every wish that you may succeed as you certainly would if enough people understood the trend of affairs clearly enough to realize the appalling menace to civilization of allowing these spies and agitators to be at large, paid by a foreign power to sow seeds of confusion and disorder people—your plan is the only one to get rid of them all—it's them or us. There is no time or room now for any middle way."

San Antonio, Tex.: "It gives me great pleasure to congratulate you on your anti-Communist bill. I hope you make the fight of your life to get that bill through Congress at this session."

Lincoln, Nebr.: "I note by the press a bill was introduced by you to get legislation to make it a treasonable act to belong to the Communist Party or to practice communism. I have this date discussed with a number of men the proposed legislation above referred to. The men are of different political parties and different lines of business. Without a single exception they are in favor of such legislation. They agreed generally that communism is an ideology for world revolution, against free press and free speech and for the overthrow of representative government. Many join me in wishing you success in having enacted into law the proposed legislation along lines above outlined."

Tacoma, Wash.: "I am greatly in favor of your bill presented, making active practice of communism in America as treason, as reported in today's press."

Philadelphia, Pa.: "Your bill to outlaw communism is most appropriate and I hope you will get enough votes to put it through."

Kansas City, Mo.: "Reading your proposal to outlaw communism in the Kansas City Star this morning prompts me, a life-long Missourian, to say: It's the best answer yet to the terrible threat of communism."

Proctorville, Ohio: "I want to congratulate you on your stand against traitors. I hope that you find enough friends of the same opinion to outlaw the Communist Party for the safety of these United States. This must be done."

Philadelphia, Pa.: "In a tiny dispatch on an inside page of the paper recently, I read of your introduction of a bill to outlaw communism. Your bill will no doubt have a rough time of it—even supposing it ever sees the light of day. To me the most stultifying sort of opposition will come from those snide sentimentalists who must perforce bend over backward to see that the other guy gets his chance, when the only chance he's looking for is one to stab you in the back. Communism should be outlawed just as murder and treason are outlawed, and for much the same reason."

Cleveland, Ohio: "As an American World War veteran I want to thank you for your militant actions and alertness of the menace of communism within the gates of our Republic. Indeed, I am wholeheartedly in favor of legislation making it a treasonable offense for any person or group to circulate untruths, thus undermining our constitutional form of government. The majority Members of both Houses of the United States Congress are sound Americans today. That is why I am appealing to you today to enact

drastic legislation, with teeth in it to prevent Communists and their fellow travelers from overthrowing our Government by force, violence, etc."

Los Angeles, Calif.: "Was glad to see in Los Angeles Times your bill for outlawing the Communist Party. Better get our own country free of them."

Indianapolis, Ind.: "Communism is secretly eating into the very heart of many local unions and international unions in and around New York City and elsewhere. They work night and day because in many instances with them it is their only religion. In other words, they are fanatics and in other instances, it is my personal judgment, they are under the supervision and direction of the Soviet Government and in such cases a certain amount of fear exists on those idolaters of the Soviet regime. The trouble with our Government is we are too much afraid of offending a foreign power that has no hesitancy in endeavoring to undermine our Government. * * * I favor very much your bill to define communism and to make the practice of communism a treasonable act in the United States. You may not be successful, but at least it is worth trying."

Los Angeles, Calif.: "Communism must be overcome everywhere, even in our own country."

Tucson, Ariz.: "We were deeply gratified to learn of your bill to define communism and to provide adequate sanctions for so-called Americans who are Communists."

Seattle, Wash.: "Attached hereto is a clipping taken out of the Seattle Post Intelligencer, Wednesday, November 26. (Clipping relative to H. R. 4581.) It is the most impressive piece of reading I have seen in a long time. I sincerely hope that you will get the support of both the House and Senate on this much-needed piece of legislation. As for me, if this is not accomplished, this good country of ours is going to h— in a hurry."

Los Angeles, Calif.: "Since the Communist Party in the United States is a representative of a foreign power, dedicated to the overthrow of our lawful Government by violence and bloodshed, I urge you to vote for legislation outlawing the Communist Party in the United States."

Erie, Pa.: "God bless us for men like you are and make your constituents vote communism as treason."

Stetlersville, Pa.: "Please be advised that I received a copy of your H. R. 4581. I think you are right in having the term 'communism' properly defined. It is about time we know exactly what it is."

Madison, Wis.: "I am particularly interested in your H. R. 4581, to define communism and to make it a treasonable act in the United States. For many years past it has been my judgment that this is the one most certain, most reasonable manner in which to handle the Communist problem in the United States."

New York, N. Y.: "Your letter of December 9 is very much appreciated and I am in fullest sympathy with the bill you introduced in Congress, H. R. 4581."

Los Angeles, Calif.: "I am with you on your bill to outlaw communism as a party and I hope it will be your measure that will win out. Do not compromise with the idea that to do so would drive the enemy underground for we all know that is where they have always been and where they are today."

A recent poll conducted by the Republican open forums compiled from participants in 33 States showed:

	Percent
Those who believe American Communists follow the dictates of the Russian Communists	82
Those who believe American Communists are attempting to overthrow the governmental, economic, and social system of this country	84

A recent poll conducted by the American Association of Small Business among 20,000 members throughout the Nation showed:

	Percent
For H. R. 4581	82
Against H. R. 4581	10
No vote on H. R. 4581	8

Should Rent Controls Be Continued?

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Sunday Oregonian of February 1, 1948:

SHOULD RENT CONTROLS BE CONTINUED?—YES—WOMEN VOTERS POINT TO FOOD COSTS RISE IN OPPOSING CHANGE

(By Mrs. Blair Stewart, president, League of Women Voters of Oregon)

"Should Rent Controls Be Continued?" will be the subject of lively debate in and out of Congress from now until February 29 when the present Rent Control Act is due to expire. Great public pressure has been built up by organized property-owner groups for decontrol in spite of the fact that it would almost certainly impose an intolerable burden upon millions of American families. The League of Women Voters believes that, in view of the present highly inflationary situation, we should not only maintain and extend existing restraints upon the rising cost of living but also reinstate some additional ones. The league will support extension of rent control beyond February 29, and oppose any across-the-board increase in rents.

The League of Women Voters' position is not one hastily or recently arrived at, but is rather the result of 6 years of activity in relation to inflation control and an interest in, and knowledge of, the Nation's housing needs that go back to the early thirties.

When the United States entered World War II the League of Women Voters realized that one of the most serious problems that could confront any nation at war was inflation. Accordingly, it adopted for support a many-sided program designed to minimize the inflationary pressures made inevitable by the rapid conversion from production for peace to production for war. An important part of that program was price and rent control. When hostilities and pressures for decontrol mounted the League of Women Voters supported an extension of controls at least through the reconversion period and until production could begin to catch up with the Nation's pent-up demand.

In June 1946 most price controls ceased to exist and almost every American family has learned the bitter meaning of inflation—learned it the hard way through rising costs of food, clothing, services, and other living essentials. The only important control still in existence is that of rents and even under control the President of the United States recently estimated that rents for the country as a whole are rising at the rate of 12 percent a year—a rate which he called too high.

HOUSING: ACUTE SHORTAGE AFFECTS RENTALS

Many of the rent advisory boards, citizen groups created by the present Rent Control Act, in major cities across the country, have recommended that rent controls be extended until the housing shortage becomes less acute and the danger of mounting inflation lessened. Portland's rent advisory board was one of those. In view of the alarming rise in food prices, a rise from June 1946, the last month of effective price control, until October 1947, of 116.9 percent, a majority of the local rent advisory board believed that a similar rise in rents would almost certainly follow if controls were lifted.

At the same time the board did not fail to take into account the economic difficulties facing some landlords or the weaknesses in the law that make adjustments difficult. Accordingly it recommended that the Congress strengthen the law and appropriate enough money to permit its effective administration. It is true that landlords represent that last important segment of our economy to remain under wartime restrictions but we now recognize that many of the other controls were prematurely relaxed.

Any discussion of rent controls must inevitably take into account the Nation's acute housing shortage which has accumulated over a period of 25 years. Principal reasons for the shortage are the depression of the thirties and the recent war, when home building virtually ceased.

In 1925–26, the Nation's largest building year, about 975,000 houses were built. By 1933 the number had dropped to 100,000. After the depression there was a gradual increase until 1941 when approximately 750,000 were built; then the war halted all but the most essential building.

The estimated national need based upon the 1940 census is for at least 1,300,000 dwelling units per year for 10 years in addition to the demand for farm dwellings and repairs to existing houses. In 1940, before current pressures developed, it was estimated that 37 percent of the population lived in houses in need of major repairs or lacking sanitary facilities. Add the fact that over 400,000 new families are created each year and the further fact that at least 200,000 houses fall into obsolesence or disuse each year, and the magnitude of the need becomes apparent.

The housing needs of Oregon differ only in degree from those of other parts of the Nation. Dr. Bayard O. Wheeler, housing economist of Seattle, Wash., writing in the November 1947 issue of Oregon Business Review, published by the bureau of business research, School of Business Administration of the University of Oregon, estimated the population increase in Oregon between 1940 and 1946 at 33.3 percent with a corresponding increase in the number of new families created. Analysis of figures of various agencies indicate an increase in Portland of at least 30 percent. At the same time the bureau of census, "Current Population Report—Housing," dated August 13, 1947, dealing with the Portland metropolitan area, indicates an actual decrease in rental units in 1947 from 1940. Dr. Wheeler estimates that merely to attain the same ratio of dwellings to families as existed in 1940 Oregon immediately needs 108,996 new dwelling units.

One of the groups most seriously affected by the housing shortage and excessive costs is the veteran group. While the shortage has forced doubling up of many families, the percentage of veterans having to live under such conditions is over four times as great as in the case of nonveterans. Two percent of nonveterans live so, while 9 percent of veterans' families live with relatives or friends.

VETERANS PRICED OUT OF MARKET IN TRYING TO BUY HOME

The Oregon Department of Veterans' Affairs recently submitted a housing questionnaire to veterans throughout the State. The results, as report on December 27 by Director of Veterans' Affairs W. F. Gaarenstroom, reemphasize the housing shortage and reflect general dissatisfaction with rental housing. Complaints include high rents, cramped

quarters, inadequate facilities, and undesirable locations.

Some report a desire to move to other cities within the State where employment is available but are unable to do so because it is impossible to find housing.

Also stressed is the fact that most veterans even if they wish to purchase new homes find themselves priced out of the market.

Another important point emphasized by Director Gaarenstroom is that his office finds in administering the veterans' farm and home loan act that "the asking price of older houses is generally considerably higher than the appraised value." Hence most veterans cannot afford either new or old houses.

REPORT URGES ACCEPTANCE OF LOWER STANDARDS

Another recent report of more than passing interest is one made by a committee of the Oregon Building Congress on low-cost housing in relation particularly to veterans of World War II in the Portland area. It clearly defines the problem and deals with the housing deficit, the paying ability of workers, the kind of housing desired, the cost of construction, and other items. However, all of the facts set forth add up to some surprising conclusions in the minds of the committee. The first is that lower standards of housing must be accepted. Of course, the committee refers to standards in new housing but it is little comfort to the veteran living doubled up with relatives or in one of the 45,944 substandard houses in Portland to be told that he must lower his sights as far as a home is concerned.

Government-subsidized low-income group housing is dismissed as an unacceptable solution because the controls that would be exercised over all phases of building and marketing of such houses are unsavory to a free people. The committee recommends the starter house that would provide about 700 feet of living space to be increased to about 1,050 square feet as the owner's prosperity increased. However, the cost of the starter house is estimated at $4,500 exclusive of site, and most veterans have reported that they cannot afford to put over $5,000 into a house, including ground.

It is apparent that the only real solution is building, but building at prices which the average family can afford. Even under the liberal terms of the Federal housing administration, many builders are hesitant to enter upon any large-scale building operation because of the shortage of materials as well as the high prices.

Two solutions then present themselves for consideration. One, the long-term solution, must inevitably be governmental aid to local communities in meeting the housing needs of the lowest-income group. The other, the immediate solution, a Government program of controls and allocations on the most essential building materials, with continued rent controls.

In the long-run picture, it has been demonstrated through the years that private enterprise has never been able to build profitably for the low-income families. Much has been said about building new homes for those who can afford something better, thus making their old homes available to others. However, while that would make a few homes available it could never wipe out the accumulated deficit of 25 years, especially since the country as a whole has never produced more than 1,000,000 homes in any year.

Organized real-estate interests have consistently opposed governmental expansion in the housing field, and were successful in blocking passage of the general housing bill in the Seventy-ninth Congress. However, the bill, known as the Taft-Ellender-Wagner bill, was reintroduced during the first regular session of the present Congress, and extensive public hearings have been held on it by the Senate Banking and Currency Committee. Much public misunderstanding has been created by the opponents, who call public housing "socialization of the building industry."

Actually, the Taft-Ellender-Wagner bill provides, as does the United States housing act, that such housing can be built only after the local community makes a formal decision that it is needed and that it cannot be provided at a profit by private builders. The construction job is undertaken by the local housing authority through private contractors. Local labor is employed at the going wage rates and the land is bought through local real-estate dealers. As a nonprofit public agency, the local housing authority owns and operates the projects, establishes rent scales, selects eligible families, and takes care of repairs, maintenance, and other management functions. The only function of the Federal Government is to provide the annual subsidy to cover the difference between aggregate rents paid and an economic return on the investments. In 1945 cost to the Government in existing housing projects was $6.03 per family per month.

The Nation's greatest housing shortage, however, is in the middle-income field and the pending housing legislation would provide many aids to independent business in meeting that need.

RECORD OF RAPID BUILDING IN WARTIME CITED

The Federal Public Housing Administration, a wartime agency, given responsibility for all emergency housing, had, by war's end, provided shelter for 9,000,000 persons including 4,000,000 workers in defense areas In addition, all of the facilities for community living were provided, schools, streets, cafeterias, recreation centers, sewers, and utilities. Existing housing took care of about one-half but the rest had to be new construction. Private capital, working with and aided by Government, provided more than half of the additional 1,900,000 units required and it was done during a period of unprecedented shortages of time, labor, and materials.

Much of this temporary housing is still in use and will need to continue in use until permanent houses can be provided for its present occupants.

If Government and private industry could create such a record during the war, why can it not do a similar job now when the need is daily becoming more acute?

It is a curious paradox that the organized real-estate interests that spearhead the fight against extension of rent control are the very same interests that most vigorously oppose Government aid in alleviating the housing shortage which makes rent control necessary.

In view of the highly inflationary situation, the League of Women Voters is advocating not only continued rent control but extension and renewal of other controls plus maintenance of present tax rates. The league advocates these steps in the interest of a solvent United States, able to meet its responsibility of world leadership.

SHOULD RENT CONTROLS BE CONTINUED?—NO!—LANDLORDS COMPLAIN FIXED INCOME UNFAIR ON MOUNTING MARKET

(By E. L. Wilson, president, Oregon Apartment House Association)

On the 29th of February 1948 the rent-control law will expire—unless the Congress sees fit to renew it. Now that the law is about to expire, there are voices being heard to say it should be renewed.

If rent controls are to be continued, the Nation as a whole must be the main beneficiary. If the national welfare demands that the owner of rental housing forego his constitutional right to be treated on a parity with all other businessmen, it must be on the basis that an emergency has arisen which can be circumvented in no other manner. To take the rights from one class of our citizens and bestow benefits on another class is not within the letter or spirit of our Constitution as written by the founders. This is the manner in which a Fascist state operates.

The only justification for the continuance of rent control is that an impasse has been reached in our housing situation that will disrupt our economy unless the Government by edict takes from one and gives it to another. To justify rent control, it must be assumed that our economy has broken down and there is no other way of solving our housing problem.

Let us examine some of the facts that lead up to this so-called housing shortage. In 1940, according to the Bureau of the Census, the United States had 34,855,000 occupied homes and dwellings. In November 1945 it had 37,600,000, according to the same Government report. This is an increase of 7.9 percent in housing. Meanwhile, between the same periods, the population increased from 131,669,000 to 140,200,000, or an increase of 6.5 percent. It will be seen that the increase in housing is greater than the increase in population.

POPULATION INCREASES MORE SLOWLY THAN HOUSING FACILITIES

In April 1940 there were 264.5 occupied dwellings per 1,000 persons in the United States. In 1946, there were 269 occupied dwellings per 1,000 persons. It will thus be seen that between 1940 and 1946 housing increased faster than population increased.

The same census report tells us that the number of houses and apartments occupied by only one person rose from 2,677,000 in 1940 to 3,481,000 in 1945, an increase of 30 percent in 5 years. The number housing only two persons rose from 8,630,000 to 10,529,000, an increase of 22 percent in 5 years. Meanwhile the number of dwellings occupied by six or more persons dropped from 5,414,000 to 4,208,000, a decrease of 22 percent. The number of rooms per person has increased from 1.45 to 1.58, an increase of 9 percent.

It will thus be seen that during this period when rents have been controlled renters have found housing one of the cheapest commodities on the market. As wages and incomes went up the renter found it very easy to afford additional housing space. Where a man and wife in 1940 were struggling along in an apartment for two, paying say $40 per month, which was 20 percent of his salary, by the time 1946 arrived he finds his salary has doubled. By adding a few dollars to the $40 he now finds he can rent an apartment that was designed for three or four persons, and his budget still calls for less than 20 percent which is the usual amount set aside for rent with the average earner.

In Portland, there are hundreds of large apartments occupied by only one person, thus preventing owners from renting to families because of rent controls.

CONTROLS KEEP RENTALS TIED UP, FORCE VETERANS TO BUY

This spreading out of families into larger and more commodious housing units is only natural when their incomes go up and they look about and see that housing prices have been frozen. When thousands and thousands of families all over the country do this a shortage in housing is the result. If all housing was permitted to command the rental commensurate with the incomes of the renters, there would be a bidding for each unit that would readjust the whole rent structure shortly. Families would give up the extra room or rooms that they had been getting for a few dollars. These rooms would house thousands and thousands of people. Before we knew it we would find our population housed again.

As it works out now the returned veteran seldom gets a chance to rent one of the frozen units. It is so cheap that the occupant would not think of giving it up. He knows he is getting $60 worth of housing for perhaps $40. He knows that if he were to duplicate it by building that his housing would probably cost him more than $60. So the returned veteran, being unable to rent, must go out and buy a home, at an exorbitant price.

Assuming that controls were necessary during the war, the time has now come to get back to the form of economy that has made these United States click. These very controls have created the so-called housing shortage in large part. To continue them is only to complicate the situation still more.

Not many people know that France adopted rent controls during the First World War. Thirty-three years have now elapsed and they still have the controls in France. Each year they declare that the situation is an emergency and they continue them for another term. Today France has probably the worst housing shortage of any of the western nations.

FRANCE: EXAMPLE OF CONTROLS GETTING OUT OF HAND

Worst of all the housing in France has deteriorated until there is scarcely a roof that does not leak or a wall that is not cracked. The price of rents there have been controlled, but other commodities such as materials and labor have been allowed to rise until no landlord can afford to pay for repair. General commodities and labor have risen 65 times. Rents have been allowed to rise only 5 times.

No new housing has been built in France. The controls have so discouraged private industry that it can no longer be induced to function. In France the Government has spent all its money and has borrowed its limit and has nothing to subsidize with. If the United States continues to borrow it will soon be in the same situation. Then, if it has driven private industry from the field, we will be in the same dilemma in this country.

Again we want to state that the only justification for continued rent control is that such an emergency exists that without it the Nation will be rocked to its very foundation. The advocates of rent control would have us believe that the Congress is all-seeing enough and wise enough to set up machinery that will work more efficiently than the law of supply and demand. One control only calls for another with the situation becoming more and more involved. While the experiment in Government control goes on we get farther and farther away from the rugged individualism that built this Nation.

Far too much of the thought back of controls is to protect one person from taking advantage, and another from being taken advantage of. If this same thought was given to making our economy free again, there would be profit and opportunity for all. Most advocates of controls seem to think that they should be extended to guaranteeing to every family a subsidy to put it on a parity with every other family. Just the fact that a man is born in this country in their minds entitles him to all the gadgets that go to make up the American way of living, regardless of whether he is industrious, resourceful, and appreciative.

In France they have reached the point long ago where there is insufficient net income from housing to permit the landlord to maintain the housing out of net income. This situation is now developing in this country. Many owners of rental property themselves have not come to realize that their buildings are wearing out and they do not have a sufficient margin of profit to keep them in repair. During the war period materials have not been available and they have not priced the materials and labor to bring their buildings up to first-class condition again.

There is a fallacy being propagated by the advocates of rent control to the effect that the landlord is making more now than he ever did. They state that due to full occupancy, now he is getting 20 or 25 percent more income than in 1942 when the rents were frozen. This is far from the fact. In 1942 the post office department made a survey and they found that there was only a 2½-percent vacancy. So a 2½-percent increase in rental is all that the landlord has been able to enjoy.

TAXES CONTINUE UPWARD AS DO EXPENSES

In the meantime our tax-levying bodies have met year after year between 1942 and the present and raised the mileage, all of which has resulted in an increase of taxes year after year. The last year alone most housing units were raised from 20 to 30 percent.

Anyone in the housing business in a substantial way scarcely ever finds that a day has passed when someone does not notify him some of the services he has been supplying will be raised the following month. Sometimes there are several raises in the same month. Thos who have planned the rent controls make no effort to modify these controls to take into consideration these increases.

Most of the larger housing units are heated with oil these days. We have no alternative but to continue to use oil even if it takes the last penny of net income there is. In 1942 the oil was sold to us at $1.17 per barrel. Raise after raise has resulted in this price being boosted to $2.90 per barrel. We are paying roughly two and one-half times as much for oil now as we did in 1942. This has had to come out of the income because there has been no way for the landlord to pass it on to the renter. If it was costing $1,000 in 1942 to heat a building, it is now costing $2,500. Controls have taken $1,500 from one class and given it to another class.

RENTS FROZEN IN 1942 WERE ON DEPRESSION LEVEL

This increase in the price of services has extended to everything that enters into the housing picture, because there are no controls on anything nowadays except rents. Plumbers, carpenters, painters, electricians, and the materials are all two or three times what they used to be.

It must be borne in mind that the rents the landlord was charging in 1942 were really the depression rents. Not one landlord in twenty in 1942 realized that the depression was over and had raised his rents to a point that paid him a return on the money he had invested in his property. It was about the time of the freeze on rents that the city fathers of Portland made a special appeal to landlords not to raise their rents. While he was being a patriotic citizen the machinery in Washington was turning to freeze everything as of March 1, 1942.

In conclusion, we want to state that continued rent controls, without the control of every other commodity, including labor, is a tacit admission that politically we are going over into a Fascist state where those in power arbitrarily take from one and give to another to perpetuate themselves in office. It is highly discriminatory and unfair to hold one class of citizens under restrictions when all other segments of our economy are operating free from controls. However, the retention of controls on everything is an admission that our democracy is not working. A return to the system that in 150 years has made the United States the most prosperous nation in the world is what is needed. There can be no compromise between free enterprise and a planned economy.

The Cattle Situation and Outlook

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. TEAGUE. Mr. Speaker, I have been very interested in the welfare of our farmers and ranchers who have contributed a great deal to the wealth and greatness of our country. I feel sure it will be of interest to them to have the considered opinion of one of the country's most qualified agricultural economists as to the present cattle situation and outlook.

In a recent issue of the Country Gentleman magazine, an editorial has this to say:

Charles A. Burmeister, of the United States Department of Agriculture, and regarded by many as the ablest analyst of the livestock industry, figures 1951 as the nearest date to look for an increase in cattle number. The facts of the situation—our increasing population, the demand for meat, higher labor income, the lack of import competition, the sound financial condition of the range—all add up to one of the most favorable prospects cattle raisers ever had. In fact, livestock generally looks like the No. 1 best risk in agriculture.

Mr. Charles Burmeister is a graduate of the Agriculture and Mechanical College of Texas and has been rendering a great service to the Department of Agriculture and to the country as an agricultural economist in the Livestock Branch, Production and Marketing Administration. I am very glad to learn of his many accomplishments and the recognition he has gained.

Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following address made by Mr. Burmeister before a meeting of the Mississippi Cattlemen's Association at Jackson, Miss., on January 16, 1948:

THE CATTLE SITUATION AND OUTLOOK

Developments during and since the war have brought about many changes in our economic life and there is much uncertainty as to how the country will finally adjust to the new conditions and what the adjustments will be. The beginning of this new year is a good time for stockmen to review the situation and consider prospects for the future, so as to determine if changes in their plans seem desirable.

Fifteen months have elapsed since most of the wartime price controls were discontinued. During that period prices have been free to find their natural level as determined by supply and demand operating without restrictions, as they did prior to the war. Demand, backed by consumer incomes more than double those of prewar years, has caused prices of many products to rise to new all-time highs. The average of all commodity prices is now about at the peak reached in 1920 after the First World War. Naturally there is great concern as to this situation and as to whether prices will continue to rise. For those who have to look far ahead in planning operations, it is even more important to consider the possibilities of a sharp decline in prices and how far it might go, once it gets under way.

Last year was generally favorable for livestock producers, despite a rise in production costs, particularly costs of feed. Demand for meat was sustained by the highest level of consumer income on record. Disposable income of consumers averaged more than $1,200 per person, compared with an average of slightly over $500 in the 5 years prior to the war. Livestock prices rose to new peaks, even though cattle marketings exceeded all previous records and meat supplies generally were very large. Meat consumption per person was the largest since 1909. Slaughter of cattle and calves totaled about 36,000,000 head, or 12 percent more than in the previous year and 50 percent more than the average of the 5 years preceding the war. Slaughter

of hogs, totaling about 76,000,000 head, was about the same as in 1946, but because of heavier weights the output of pork was greater. Slaughter of sheep and lambs decreased about 15 percent. This decrease reflected the sharp drop in sheep numbers that has been under way since 1942 when numbers were at an all-time peak.

After price controls were discontinued in mid-October 1946—15 months ago—prices of livestock rose sharply as unrestricted demand quickly came into balance with offerings. Seasonal increases in supplies caused prices to decline during the winter, but this was followed by a rise in the spring and prices of most classes and grades advanced to new highs. During the second half of the year, cattle prices were well maintained, even during the period of the seasonal increase in grass cattle when prices of the lower grades normally decline. Near the end of the year marked strength developed, cattle prices reached new peaks, and hog prices started their seasonal rise in November—somewhat earlier than usual.

The year ended with prices up 7 percent over the previous December on hogs, 13 percent on lambs, 18 percent on cattle, and 30 percent on calves. Except on calves these increases were only about enough to offset the rise of 14.5 percent in prices of the goods farmers buy. The purchasing power of lambs decreased 1 percent and that of hogs 6 percent. Purchasing power of dairy products and poultry declined even more. Prices of cattle, hogs, and lambs are now up about 50 percent above their parity prices. They were even further above parity in September. Compared with their purchasing power in 1941, cattle are up 25 percent, lambs 22 percent, and hogs 54 percent. In 1941, hogs were 5 percent below parity and cattle and lambs about 21 percent above.

Because of the unusually high prices now received for livestock, one would expect to find livestock production expanding. On the contrary, the trend is downward. During the next 2 years at least we may expect to see fewer cattle, hogs, and sheep for slaughter. This means less meat for the consumers regardless of their buying power and the prices they are willing to pay. The reasons for the decrease in production are different for each kind of livestock.

Sheep numbers have been decreasing since 1942, primarily because during the war period production costs increased in relation to returns and sheep raisers found alternative enterprises more attractive. Stock sheep numbers at the beginning of last year were down 17,000,000 head, or 34 percent from the all-time peak reached 5 years earlier. It appears that numbers now are about a million less than a year ago, and the present total is the smallest since the Civil War. This year's lamb crop will probably be the smallest in the last 50 years. This means fewer lambs for slaughter, and if next summer and fall sheepmen are inclined to start holding back ewe lambs to rebuild their flocks slaughter supplies will be even smaller. The rebuilding of flocks appears almost certain to get underway either this year or in 1949. But it can be accomplished only by holding back more than the usual proportion of ewe lambs from slaughter; hence smaller supplies of lamb and mutton are in prospect for the next few years.

It seems unlikely that sheep numbers will again increase to the peak level reached in 1942, when we had more than 49,000,000 stock sheep. The sheep industry in this country has always been primarily a frontier industry, operating largely in mountain areas and regions of limited rainfall where sheepmen could compete more advantageously with other agricultural producers. Expansion in sheep raising will have to be based primarily on the prospective demand for lamb, rather than wool, since wool prices will be determined largely by supply and demand conditions for wool in other parts of the world. The strong demand for beef and dairy products will tend to hold down sheep production in the farm flock States. In the Western States, excluding Texas, expansion will depend on the availability and cost of herders, and the extent to which weather conditions in the next few years might tend to restrict cattle production in those States. Sheep numbers have been reduced less in Texas than elsewhere, and there is some uncertainty as to whether sheep numbers there will or can expand greatly in the next few years.

The trend in hog production is now downward because of the reduction in supplies of feed grains, primarily corn, which resulted because of the unfavorable crop weather last year. Corn prices have risen relatively more than hog prices, and this is causing hog producers to market hogs at lighter weights and to breed fewer sows. Instead of an increase of 9 percent in the number of sows farrowed last fall, as was indicated in the intentions report of last June, the increase realized, as reported in December, was only 4 percent. The December survey shows that producers are now planning a reduction of 11 percent from last year in the number of sows to farrow this coming spring. We are glad to note that here in the South little or no decrease is contemplated. In the Corn Belt States, the indicated decrease is 14 percent. With average size litters, the 1948 spring pig crop will total about 48,000,000 head, or nearly 5,000,000 less than last year. These pigs will come to market next fall and winter.

The short corn crop of last year not only has caused farmers to produce fewer pigs but it also caused them to market last spring's pig crop earlier than usual. Slaughter during the period October to December exceeded that of a year earlier by more than 2,000,000 head, although the 1947 spring pig crop was less than a million greater than the 1946 crop. The supply of hogs now on farms for market during the next 4 months appears to be about 2,000,000 less than a year ago.

The supply of hogs for slaughter from May to September will come largely from the pig crop produced last fall and from the sows farrowing pigs this spring. These hogs will provide the sows and gilts that will farrow next fall's pig crop. If prospects for the corn crop are favorable in June and July the hog-corn price ratio at that time is likely to be sufficiently favorable to encourage farmers to increase fall farrowings, and this would thus reduce the supply of hogs for the summer market. An increase of 10 percent in sows and gilts held for farrowing next fall would reduce the summer market supply of hogs by a half million head. These indications as to probable supplies point to a possible reduction of about 4 percent in the number of hogs for slaughter during the next 9 months. Since market weights will be less than in 1947 when they were considerably above average, the reduction in pork output will be relatively greater than the decrease in numbers.

If more sows are bred to farrow next fall as a result of favorable prospects for the corn crop next summer, the increase in pigs raised will not be reflected in increased pork supplies until the spring and summer of 1949. Beginning at that time we may see an upward trend in pork production under way which might continue for 2 or more years, depending on the availability of plentiful supplies of corn to maintain increased production.

In contrast to the factors causing the downward trend in hog and sheep production, the supply of cattle and calves is being reduced because of the high level of cattle prices and the uncertainty as to how long these prices will continue. Cattlemen are in much the same position as the owner of a house who has an opportunity to sell it at a price far above what he paid for it, and who thinks he might be able later to buy another house equally as good for considerably less. They are inclined, therefore, to sell cattle more closely than ever before—thus reducing their breeding herd and replacement stock—and hoping that later when prices decline to lower levels they can rebuild their herds by buying breeding stock from those who did not sell. While this is generally considered to be a wise practice in most lines of business, it results in reducing cattle numbers and making fewer cattle available when the seller desires to restock.

The slaughter of 36,000,000 cattle and calves last year indicates that cattle numbers now total around seventy-six to seventy-seven million head, or about 4,500,000 less than a year earlier. Cattle numbers reached their peak 3 years ago when the total was estimated at 85,600,000. They were reduced by 4,500,000 head in 1945 and 1946, and apparently by about the same number last year. Present cattle numbers, therefore, are indicated to be about 9,000,000 less than the peak of 3 years ago—which is a decrease of a little more than 10 percent.

The official estimates of livestock numbers will be released late next month, and not until then will we know for certain which classes of cattle have been reduced most. During the first half of last year an unusually large proportion of the available supply of steers and heifers was slaughtered. During the second half the slaughter of cows was very large in relation to cow numbers. Calf slaughter during the year was near a record proportion of the calf crop produced, being equivalent to nearly 40 percent of the crop.

The indications on cow and heifer slaughter in 1947 point to a probable reduction of about two and one-half million head in the total number of all cows and heifers 2 years old and over, but it is not certain as to how the indicated decrease is divided as between beef cows and milk cows. The sharp drop in the ratio of prices of milk and butter to feed prices last year probably caused dairymen to cull their herds more closely than normal, especially during the fall months, and this may account for much of the large increase in cow slaughter at that time.

Because of the large reduction in cattle numbers last year and the reduced supplies of feed grain now available, we can expect fewer cattle for slaughter this year. The number of cattle on feed January 1 was 12 percent less than a year earlier, and the smallest since 1940. In the Corn Belt the decrease in number on feed was 19 percent. Outside the Corn Belt the total on feed is 12 percent greater than last year and the largest on record. Most of this increase is in California and Colorado. Supplies of hay, roughage, and byproducts of sugar beets used for cattle feeding are somewhat more abundant this year in the Western States, and demand for all classes of livestock for slaughter is unusually strong on the Pacific coast because of the great increase in population there since prewar years.

It is somewhat uncertain as to how large the decrease in slaughter of cattle and calves this year will be, but it probably will be relatively less than the decrease in number of cattle fed. The goal for combined slaughter of cattle and calves is 32,000,000 head. Stopping the decline in cattle numbers this year would necessitate reducing total slaughter to about thirty million, or about 17 percent below that of last year. With demand for meat as great as it now is, a reduction this large in slaughter is not to be expected. A reasonable expectation would be around 10 percent.

In years of short feed supplies, the general practice is to market fed cattle early and to produce relatively few long-fed or highly finished cattle for the summer and early fall markets. This pattern of feeding and marketing is likely to be followed this year, as is indicated by the kinds and weights of cattle taken out for feeding last fall. Ship-

ments of stocker and feeder calves from the four larger markets in the last half of 1947 were 36 percent less than a year earlier. This indicates a large reduction in supplies of fed cattle in the late summer and fall. Feeder shipments of cows, heifers, and bulls were reduced by 38 percent, which means a much smaller supply of these kinds for slaughter during the winter and spring than a year earlier when they were unusually large. Total shipments of feeder steers from the four markets were 19 percent less than in the last half of 1946, and all the decrease was in steers weighing under 900 pounds. From these indications as to numbers and kinds of stocker and feeder cattle bought last fall, and as to supplies, we can expect the reduction in beef supplies this year to be relatively greatest after June, and be most marked in the better grades.

Meat production in 1947 totaled slightly more than 23,000,000,000 pounds. Output this year is expected to be down about 2,000,000,000 pounds, or nearly 10 percent. The reduction will be relatively greatest in the second half of the year. Fewer fed cattle will be available during the summer and fall, and hog marketings in the last quarter will be down sharply from the previous year.

There is little prospect of increased imports of livestock or meat from Mexico and Canada, our main sources of such imports. Imports of live cattle from Mexico, formerly an important supplier of stocker and feeder cattle, are now barred from entry here because of foot-and-mouth disease in that country, and will continue to be barred until it has been determined that the disease no longer exists anywhere in Mexico. For several years we imported about a half million cattle yearly from Mexico—mostly calves and yearlings for grazing on pastures in the Southwest before going to feed lots or to slaughter. With these cattle no longer available, Western stockmen and packers will have to look to you cattlemen here for some of their needed supplies.

Imports of cattle and meats from Canada are only nominal now because of an embargo imposed by the Canadian Government so as to enable it to carry out commitments to furnish beef for export to Great Britain. These commitments extend into 1950. Since cattle prices in Canada are only about half as high as in this country, the removal of this embargo so as to permit the entry of Canadian cattle here would cause meat prices to rise sharply in Canada and bring marked complaints from consumers there.

Although the proposed plans for aiding economic recovery in Europe provide for shipments of large quantities of food products abroad, it is unlikely that any meat other than horsemeat will be included in these shipments—at least for the first 2 years the program is in effect.

Looking beyond 1948 into 1949 and the early fifties, the indications point to continued decreasing supplies of lamb and mutton and beef and veal, but probably an upturn in pork output beginning in the late spring or fall of 1949. The increase in pork production will depend on the outcome of the corn crop this year and next, but it is doubtful if the increase obtained will be sufficient to offset the probable reduction in the output of other meats.

How much longer cattle numbers will decrease is somewhat uncertain. The downward trend will end when producers have more confidence in future price stability and when they find it necessary to retain cattle to obtain the maximum net return from their pastures and crops. A good stand of grass is a great incentive to own cattle. Pastures without cattle are like a house for rent without a tenant. You can never recoup for the time not used.

When cattlemen start holding heifers and cows to increase numbers, this will further reduce the supply of cattle for slaughter for at least 2 or 3 years after this action is taken. Assuming that the present downward trend in cattle numbers is not likely to end before 1950, there is reason to expect that supplies of cattle and calves for slaughter will probably continue to decrease until 1952 or 1953. During the low years the yearly total probably will be less than 30,000,000 head. Because of increasing population—now expanding at the rate of nearly 2,000,000 a year—the supply of meat per person will decrease at a faster rate than the total supply, and will probably drop close to the levels of the decade of the thirties when per capita consumption for the period averaged about 130 pounds. Last year it was about 155 pounds and this year it is expected to be about 143 pounds.

The most uncertain factor in the immediate and long-time outlook for the livestock industry is the probable demand for meats. Those engaged in analyzing business trends and the factors determining the incomes received by consumers are forecasting a continuation of the present high level of business during the first half of 1948, with some possibility of a slight decline in the second half. In the latter period, production of some items now in short supply is expected to catch up with demand. For years beyond 1948, demand prospects are much less certain, but producers should keep in mind that this country is in a much different position than other countries, and much different from what it was before the war. Its population and standards of living have increased, and the requirements of its people are much greater. Meat is one of the foods most greatly desired. Supplying that desire is an obligation of livestock producers and also a challenge. By meeting the challenge you not only will increase your contribution to society, but over the long period you stand to increase your profits.

In my judgment the long-time prospects indicate a need for greater livestock production to take care of future demands. The possibilities of increasing cattle production appear to be greater here in the South than in most other areas, and now is the time when action should be taken to get the increase that will be needed.

1948—The Outlook for Peace

EXTENSION OF REMARKS
OF
HON. EDWARD H. JENISON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. JENISON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address on a subject of grave concern to our country and the world, delivered by a distinguished citizen of my home town of Paris, Ill. The speaker was Allen D. Albert, D. Sc., early president of Rotary International and widely known scholar in the allied fields of government and world affairs. The occasion was his annual address to the Paris Rotary Club. Because it presents a comprehensive survey of world conditions and a scholarly analysis of hopes for peace, I commend it for study by every Member of the Congress:

1948—THE OUTLOOK FOR PEACE

The greater the war the greater the turmoil left behind.

World War II was in every way the greatest war of history.

The turmoil left behind for us to allay was and is the most widespread, the most intricate, the most nearly hopeless of all the afflictions that have come upon mankind.

Yet the men and women who look into world progress most analytically, the social and political scientists, look upon that coil of difficulties without panic. They perceive in it, I am confident, a hope that contradicts our current headlines of "The Third World War." They take it to be altogether probable, I am confident—

1. That in 1948 humanity will grind along nearer and nearer to what is called world peace, meaning the cessation of armed hostilities.

2. That with or without the atomic bomb Russia can be counted upon not to undertake a major war within a generation.

3. That the United Nations is doing more than fairly well the work for which it was designed.

AMERICANS COULD WELL STOP TO THINK

We are to try today to see the present confusion of the world as these specialists see it and we may well begin with a momentary look at ourselves. Norman Makin, Australian Ambassador to our country, afforded such a glimpse lately by quoting an American industrialist as saying:

"It is strange that so many of us were once upon a time deluded into believing that such a devastating hurricane would suddenly blow away and disclose a brave new world with all of our dreams come true.

"For 6 years our human society was in a terrible convulsion. It took the greater part of those 6 years for America to reach a high peak of efficiency in destructive war. We are now but 2 years away from convulsive destruction. How much of that destruction did we expect to remedy in 2 years?"

Another misjudgment is suggested by Ralph Sockman, president of the Church Peace Union:

"Too often we think that the will to peace is found only in America. We are wrong. For the will to peace is present everywhere in the world, among men and women of good will who want to make this world both neighborhood and brotherhood."

Again, we people of America in particular have come to live by headlines. We must have a new headline every 24 hours. Any of us who can wedge a moment of thoughtfulness in between the news summaries on the air will realize that any important influence upon human living should be the subject of a thought now, a meditation later on, through a week, or a month, or a year.

GOOD AND BAD AFTER THE WAR

Suppose in that fashion we look into the turmoil brought upon us by World War II.

Storm, drouth, flood, earthquake, fire, disasters of the air and sea and land have come to the four corners of the earth in 1947.

Organized labor, conscious of a new political weight, and organized management, fearful of further constraint, have so contended with each other that in the richest country of the earth employment and prices are continuously threatened with instability.

Science has entered all our calculations—

With new possibilities of unlimited good, as in the treatment of disease, the increase of health, the prolongation of human life, the devising of new instruments of navigation, the release through atomic fission of unlimited resources of industrial power.

With new possibilities of unlimited evil, as in the use of disease germs in war, as in the future use of atomic bombs capable, we are told, of destroying our very civilization.

Not less than 850,000,000 human beings have been under the shadow of war since the surrenders—not frays, or melees, or guerrilla engagements—wars of religion, wars between races, as in India; wars of contest for rule, as in China; wars of strategy in statecraft of capitals hundreds of miles distant,

as in Greece; wars of desperate need for living space, as in Palestine.

Half the people of the earth have for years lived on insufficient food. Today nine-tenths of them are doing so. The entire population of Europe, the Continent that gave name to our civilization, lack for food enough to maintain physical effectiveness. And more than 400,000,000 children are enfeebled for want of food to eat and warmth in their homes.

So low a living scale has slowed down all the decent labors of the unfortunate communities. While our American schools and colleges are disturbed by the crowding into their doorways of unprecedented numbers, the classrooms of Britain, France, and the countries east of them are partially or wholly empty for need of coal to heat them.

A MAGNIFICENT CREDIT FOR AMERICA

Jolted out of the complacent self-assurance we felt after the First World War, we Americans after the Second have led in the establishment of a second association of nations. It has served us and the rest of the nations for 2 years.

Herein is one of the magnificent credits of our life as a nation. We have supported it out of our larger loyalty to the good of mankind, disregarding our lesser loyalty to political party.

In the 2 years United Nations has wrought enormous gains. The Netherland East Indies, Burma, Siam, Palestine, all have turned to it as none of them would have dared hope to do 20 years ago. In economics, education, public health, the cultural studies, United Nations has outstripped the League of Nations.

Yet the will of the majority has been blocked, frustrated 24 times by one power employing a device which could hardly have been written into the San Francisco Charter unless our America had been as afraid as Russia to trust the majority.

Here at home, as in all other countries, license, fostered by world-wide war, has marked 1948 for its own. Sex stalks through the novels we read, unashamed, uncloaked. A world makes the American cocktail party its one means of formal entertainment. In America, rather more than anywhere else, juvenile delinquency multiplies arrests and judicial hearings.

The democracies resound with protests against bigotry and intolerance. Other races are by law assured relief from old discriminations. Yet we have taken to trying American citizens for their political opinions, trying them without confronting them with their accusers, sometimes without so much as letting them know of what they are accused.

Tardily, to be sure, but yet unmistakably, the American people, reverent, generous, sound of heart, are making felt their sense that the postwar era is losing godliness. A quickening is discernible in our houses of worship. A readier and more practical charity is obscuring the old, old lines of rigid prejudice between denominations. America is awakening to the realization that there can never be a godless happiness, never a godless peace.

COLD WAR CENTERS ON MARSHALL PLAN

These are lights and shadows playing upon the international scene of 1948. What do they presage as to world peace in 1948?

The question lifts high above all other considerations the relations, the attitudes, the present diplomatic maneuverings of Russia and the United States of America.

Both Governments look far into the future. For the present, however, they are battling in what is termed "a cold war" over the rehabilitation of Europe.

Russia believes that as the people of Europe suffer they will incline more and more to support her economic system of communism.

America believes that as the people of Europe make their way back to self-support under political systems chosen by them in all freedom they will safeguard the cause of democracy.

I think we should be forewarned that, whatever may develop, the "cold war" will not be ended in this year. Indeed, it appears to me to be clear that it may not end for a full generation of 30 years.

If the leadership of the democracies does not fail, I believe we may count upon a steady and productive improvement in normal living, normal trade, normal international atmosphere after the second year or thereabouts. After about 5 years it may be American aid and help can become secondary.

This is a contest which is not to be won save by an America and her democratic allies, strong in the ideals of democracy, strong financially, strong in military organization, strong above all else in purpose.

COMMUNISM NOT THE RUSSIAN CHIEF CONCERN

The ground for that caution is that the foe is of an ancient stubbornness. Communism is not the chief motive of Russia. The chief concern of that other one of the two powers is Russia. Communism is one of its dearest objectives. But for communism the present government, and every Russian Government for generations to come, could wait without any sinking of the heart if that were needed to advance Russia to further greatness.

A distinguished social scientist is Louis Gottschalk of the University of Chicago. He believes "the Communists are not idealists so much as pro-Russians. We must expect deliberate aggression from them. They look to see the capitalistic world collapse. We of America have no choice but to do all we can to prove they are mistaken."

In his mind, as he spoke the other day over the air, was the plan for self-help in western Europe put forward by the American Secretary of State. That plan has come to be the prize, the stake of the "cold war." If it succeeds, Russia must then make concessions. If it fails, the democracies must draw in their belts and return to the arena as Britain returned to the fighting after Dunkirk.

PURSUING AN OLD AIM

A sharp, clear light is thrown upon Russia under Stalin by that extraordinary find of German diplomatic correspondence from which our Department of State quoted in a recent bulletin. As the Voice of America said:

"The documents tell a tale of secret intrigue and rival skullduggery, of naked conquest, and cynical disregard for world opinion and the rights of other nations, in which Russia was not only a participant but a driving force. * * *

"They provide evidence that Russian expansion of today is nothing new in itself but only a rigid pursuit of the same aims on which Stalin embarked before the last war, and which he sought to realize first with Hitler, then against Hitler, then with the Western Allies, and now against them.

"At their very beginning with the Nazis, the Russians made it plain that ideology had little to do with Russian foreign policy. * * * To the very moment when Hitler turned on his partner, Moscow continued to applaud German conquests in Scandinavia, Holland, Belgium, and France, backing up Russian words of cheer with massive shipments of grain and a naval base on the Murman coast."

GIVEN THE RUN-AROUND

It was an uneasy and mistrustful partnership. Russia demanded German withdrawal from Finland, a free hand in Bulgaria, bases within reach of the Dardanelles, if necessary war between the partners and Turkey, a penetration into Iran, and the coal and oil of southern Sakhalin.

Only 8 months were required to reveal to Hitler that he had a bear by the tail. One of the memoranda of Count von der Schulenburg, dated April 11, 1940, reports:

"For some time we have observed in the Soviet Government a distinct shift which was unfavorable to us. In all fields we suddenly came up against obstacles which were, in many cases, completely unnecessary; even in little things like visas they started to create difficulties.

"The release of Germans imprisoned by the Poles could not be achieved. The deportation of the German citizens long imprisoned in Soviet jails suddenly stopped. The Soviet Government suddenly withdrew its promises already given with regard to the north base.

"These obstacles, which were apparent everywhere, reached their climax in the suspension of petroleum and grain shipments."

Americans, whom the Hitlerbund regarded as so naive, can read that memorandum with a broad smile. There is something wickedly enjoyable in seeing brutal sophisticates get the run-around. Let us enjoy it while we can.

For in the 8 months following San Francisco the Russians gave the rest of the world the same kind of run-around. They annexed outright 240,000 square miles. Stopped by the meeting of the General Assembly in London, they entered upon a typically Hitlerian proceeding in setting up puppet governments in Czechoslovakia, Poland, Rumania, Bulgaria, Hungary, Yugoslavia, Albania, and began the infiltration of Greece.

BLOCKING UNITED NATIONS

That which the Third Reich had to endure took the form of confusion in United Nations sessions. Prof. Harold Laski, of the University of London, writing in the hope that America might, even so, cajole the good will of Russia by investments in its future, has provided us with a catalog of Russian obstructions. It is too long to quote in entirety; it is enough for us to know that he cites:

"She has never given an adequate reason for rejecting the Lilienthal plan for the control of atomic energy. She has not joined any of the UN food and agricultural organizations. She has not supported the International Monetary Fund.

"Her Iranian adventure is beyond defense. She has stripped Manchuria. The part of her agents in the inter-Allied control of Germany and Austria has been often perverse, sometimes wanton, even brutal.

"In the United Nations her delegates have driven honest men to fury, clinging to the letter of the Charter. Twenty-four times she has blocked the majority with vetoes. Wherever there is a group of Communists in other nations, no matter how small, she has kept them posted and active."

RUSSIA AFRAID OF WAR

You will be interested to hear that Professor Laski accounts for all this on the ground that Russia is afraid of war.

"Stalin now realizes," says this chairman of the British Labor Executive, "that for her own protection Russia must be kept aroused to passionate nationalism and therefore he paints every possible enemy action in far blacker color than it warrants."

Laski says, as well he may, that it is an old Russian tradition to bargain hard. Her leaders feel that by our policies after the Bolshevik rebellion she has become a pariah nation. She suffers a critical shortage of men who are competent to look ahead reliably. There are no younger men available with the knowledge and acumen of Litvinov and Maisky.

This is the foe with whom America must grapple for the cause of democracy. Be-

tween these two giant nations gapes an impassible difference. The logical fruitage of Russian communism is the welfare of the mass of men as determined by a small committee of superiors. The logical fruitage of American democracy is the upbuilding of human personality, subject to all the errors of judgment and mean motives of which humans are everywhere capable.

DEMOCRACY ON TRIAL

Is it not astonishing that such a contest should have come when resort to armed hostilities is quite improbable, if not impossible?

So long as one of them does not possess the secret trigger to atomic explosion, so long as it cannot construct the huge paraphernalia requisite to the fission of the atom, so long as it looks upon the ruins of 1,600 cities and large towns to be reconstructed, so long as its people bend and mutter at the mere suggestion of another war, in short, until a new generation has come to adult development knowing nothing of World War II the other power has only to keep so strong as not to invite an insanely reckless assault.

What all this imports for America is well understood by you in its right proportions, I am confident. Democracy, particularly democracy in the United States and Canada, is on trial before the afflicted countries of Europe.

By our charity, by sympathetic cooperation, by harmony in our own councils—even in the year of a Presidential campaign—by steadiness, by determination not to yield to bad temper, by patience, patience, patience, we of the greatest democracy can command peace through 1948 and years after.

That is the outlook for world peace in 1948.

Proposed Southern Democratic Convention

EXTENSION OF REMARKS
OF
HON. JOHN BELL WILLIAMS
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. WILLIAMS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to include herewith an editorial which appeared in the McComb (Miss.) Enterprise-Journal, on Thursday, February 5, 1948:

OUR SOLIDITY MUST BE FREE FROM SENILITY

(By Oliver Emmerich)

The South should push the current plans for a Southern Democratic Convention to its brutal completion.

There are those who say that nothing permanent can be accomplished. Well, what's wrong with this plan:

First, hold our own southern convention and there reach an agreement upon what the South will demand. Second, go to the national convention with the South's 127 electoral votes all wrapped up in one package, sealed by definite commitments that cannot be broken. Thus far this idea has not been discussed in the press. Thus far only talk of a southern convention with a southern candidate has been ventured. But the second step should be pursued. Go to that national convention with the South's vote solid—but this time solid for the South, not solid for the East and North to use at their will.

But let us have no more of those courageous stands to be followed by a cowardly fall.

Four years ago we took a stand in Mississippi, a courageous, noble stand. Then the National Democratic Party put the heat on Mississippi. That heat was put upon the Mississippi Legislature—and the State wilted, wilted shamefully. With the choice of southern traditions and pork-barrel politics before us, Mississippi turned down southern traditions and accepted cheap pork-barrel promises. Thus, the "pink lady" ballot was enacted by a legislature that went one more shameful step. It not only turned its back upon southern traditions but upon the State constitution as well. This time we must have the character to stand hitched.

But the Nation should know this: That southern political rebellion was the force that blocked Henry Wallace for Vice President. Harry Truman is President today because of that southern rebellion—and he knows it. And this editor was one of the delegates to that convention and can personally testify to this truth.

For many years the political solidarity of the South has reflected the political stupidity of the South. In the last national Democratic convention—and the one before that—the big city bosses of the North and East used this solidarity at will. Thus, the CIO, which had so much to say in the convention, actually used the South's solidarity to its advantage. The party big-wigs recognized that southern solidity meant southern senility. It was when the South was snubbed, rebuked to the point of disgrace, that Mississippi delegates saw that Henry Wallace needed a small handful of votes to get him over the majority hump, and then joined with Virginia delegates and gained sufficient other southern votes to break up the Vice-Presidential playhouse of the CIO and Henry Wallace. The coalition defeated Wallace.

So let's go through with the southern Democratic convention, and this time let's make it stick. The Nation reads about the "solid South" and laughs. It should be painful laughter to all who live in Dixie. And remember one thing more: The challenge of State rights is not the only need for solidity that is free from senility. Many issues are at stake. The remedy depends upon whether the South will be spinelessly solid or solidly secure.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. JOHN C. BUTLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. BUTLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and resolution:

CITY OF BUFFALO,
OFFICE OF THE CITY CLERK,
February 7, 1948.

Hon. JOHN C. BUTLER,
House of Representatives,
Washington, D. C.

DEAR SIR: Pursuant to directions of the common council, I enclose to you herewith copy of resolution adopted by that body on February 3, 1948, in opposition to the St. Lawrence seaway and power project.

Very truly yours,

Dr. J. J. TRONOLONE,
City Clerk.

It is the sense of the Common Council of the city of Buffalo that the proposed agreement between the United States of America and Canada for the construction of the St. Lawrence seaway will be most inimicable to the welfare of Buffalo and will destroy industrial values, create widespread unemployment and compel the removal of much of the grain elevating and flour and feed milling industry to seaport areas.

The city of Buffalo has been and continues to be unalterably opposed to this extravagant waste of public funds.

Commerce of the Great Lakes, which now has its eastern terminus at Buffalo and which has made Buffalo the greatest inland port in the world, will be diverted through the Welland Canal at a point approximately 30 miles before reaching the entrance of Buffalo Harbor.

No benefits from ocean cargoes through the seaway to the Port of Buffalo are considered probable and the Port of Buffalo cannot be used for ocean ships without deepening the harbor, Buffalo River and the city ship canal, at an expense of not less than $20,000,000.

The claimed benefits of the St. Lawrence seaway for military purposes have not been established and the limited period of time during which the seaway would be open discounts any real benefit of the seaway as an element of national defense.

The city of Buffalo protests against the sacrifice of its port, its facilities, and its industry to a scheme of untold cost and conjectural benefits.

The following resolution is therefore presented for adoption:

"GREAT LAKES-ST. LAWRENCE SEAWAY PROJECT

"*Resolved*, That this Common Council of the City of Buffalo, of the State of New York:

"1. Reaffirms its opposition to Senate Joint Resolution No. 111 now being considered by the Senate of the United States, and to House Joint Resolution No. 192, hearings upon which are scheduled before the House of Representatives, Committee on Public Works, or any other similar legislation which, if passed, would authorize the construction of the St. Lawrence Seaway and Power Project.

"2. Directs that copies of this resolution be sent to the Governor of the State of New York; to all assemblymen and senators from western New York; to the United States Senate; to the two New York State Senators; to the chairman and each member of the Committee on Public Works, House of Representatives; and to each Member of the House from the western New York area.

"3. Hereby authorizes and directs the corporation counsel of the city of Buffalo to prepare a brief presenting the case of the city of Buffalo in opposition to this unwarranted expenditure of public funds for a Great Lakes-St. Lawrence seaway.

"4. That members of this council as may be designated by the council president, the commissioner of public works, and the corporation counsel be authorized and directed to appear before the appropriate House committee hearing to oppose the St. Lawrence seaway and power project on behalf of the city of Buffalo."

Mr. Rybka moved that the foregoing resolution be amended by adding thereto the following:

"5. That the city clerk be directed to wire the Members of the United States Senate, Washington, D. C., and the majority and minority leaders of the State senate and assembly of the passage by this council of a resolution in opposition to the St. Lawrence seaway."

Needed: A National Policy on Communism in America

EXTENSION OF REMARKS
OF

HON. KARL E. MUNDT
OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. MUNDT. Mr. Speaker, in my opinion, the time has come to declare and define a national policy with regard to communism in America. In the following radio address, which I am attaching as a part of these remarks, I have outlined some of the reasons why I believe my proposed legislation, H. R. 4422, will serve our national interest at this time:

My fellow Americans, congressional hearings are now under way before a subcommittee of the House Committee on Un-American Activities, which have as their purpose the establishment of a legislative basis for doing something definite to curtail the menace of communism in the United States.

As the ranking Republican member of the House Committee on Un-American Activities, I want to talk with you tonight about the reasons why many of us in Congress feel that the time has come to circumvent the treacherous activities of Communists here at home. In an attempt to limit communism abroad to its present conquests and to protect friendly countries against Communist aggression, the Congress and the country are now contemplating the expenditure of many billions of dollars under the so-called Marshall plan. The purpose of the Marshall plan stated in three short words is simply to stop communism abroad. Our State Department and our Department of National Defense tell us that unless we can stop communism abroad, our security is in danger and war will become inevitable. If their position is correct and there is convincing evidence to support it, then, my fellow Americans, we would be penny-wise and pound-foolish indeed if we did not at this time take effective steps to stop communism at home. Uncontrolled communism abroad may well invite war with all of its disastrous consequences. Uncontrolled communism at home is certain to invite chaos and disaster with a dictatorial government resulting as its consequence.

Most Americans abominate communism, either at home or abroad. Most Americans are God-fearing and religious people and denounce the atheistic materialism which is part of the Communist concept. Most Americans love freedom and value our private-enterprise system, so they abhor the tyranny of communism and the economic idiocy of collectivism either at home or abroad. But most Americans, unfortunately, have limited their dislike and distrust of communism to condemning it with unkind adjectives, or to denouncing it from the press or from the platform, or to voting billions of dollars for the purpose of stopping it in some foreign country or on some distant continent. Very few Americans—indeed surprisingly and disappointingly few, in fact, since so vast a majority of our citizens oppose communism—very few Americans indeed have done anything definite or positive to curtail the menace of communism here at home. Perhaps this is because Americans generally have been waiting for Congress to declare a national policy with regard to the Communists in this country. In all events, I am one of those who believes that the time has come when Congress should speak out definitely, clearly, emphatically, and effectively, on this matter of communism. We can no longer afford to ignore the vipers attempting to poison our body politic within its own citadel of freedom.

Consequently, our Committee on Un-American Activities is now conducting hearings on a bill which I introduced in Congress a few months ago. This bill, H. R. 4422, spells out in specific language the three definite positive steps which I believe we should take at this time to circumvent the secret plots and plans of the American Communists.

In the first place, my bill includes the following language: "The Communist Party, any organization carrying out the principles and policies of the Communist Party, regardless of what name or title it assumes, or any organization, association, or other combination of individuals which is dominated, directed, or controlled by the Communist Party or whose origin can be traced to the Communist Party shall be required to register with the Department of Justice as an agent of a foreign principle." Not only does H. R. 4422 provide for this registration, but it requires as a part of such registration that there must be included the correct names and the last known addresses of the officers and the members of the organization, be it the Communist Party itself or one of the many front organizations engaged in advancing the Communist Party line in this country.

The second provision of my bill would require that all printed matter distributed by such organizations or any members thereof through interstate commerce must be clearly labeled in bold face type with the following identification label: "This is published in compliance with the laws of the United States governing the activities of agents of foreign principals."

The third provision of my bill establishes a penalty of not less than $1,000 and a prison sentence of not less than 12 months in one of the Federal penitentiaries operated by the United States Government.

In other words, the legislation I propose would strip the dark mantle of secrecy from the Communist Party in this country and compel it to operate in the open, under its own name and using its own label precisely as in the case of the Republican and Democratic parties of the United States. It would disclose to full view the officers and the objectives of the Communist organizations; it would disclose their source of income; it would make public their membership lists just as Republicans and Democrats have their party references registered in the auditor's offices of many American court houses and city halls. In short, it would deprive the Communists in America of the unique privilege which they now enjoy and which they seek to perpetuate in this country whereby they alone of the political organizations—if they can be dignified by being called a political organization, which I doubt because communism is in fact an international conspiracy rather than a political party—but in all events, my legislation would deprive Communists of their existing unique privilege of operating under cover and in secret and without registering or reporting their membership lists and financial statements for public inspection.

Many of you have written to our Committee on Un-American Activities to inquire why we do not write legislation to outlaw the Communist Party, since it is so obviously an un-American enterprise. Frankly, friends, we on the committee feel that outlawing the Communist Party would not achieve the desired results. Outlawing the party would simply serve to drive further underground activities which are already shrouded in secrecy. Outlawing the party would also snap shut or obscure certain open activities which now serve as important leads to the FBI and to the investigators of our Committee on Un-American Activities. Outlawing the party would also be to adopt a tactic of the Communists themselves, since wherever communism controls a government, it immediately suppresses and outlaws and persecutes all parties of opposition. The American method is not to suppress opposition, but rather to strip from it the secrecy and deceptive covering under which it operates. Outlawing communism was tried in Russia before 1917, and communism took over the country while it was an outlaw party, just as the outlawed Nazi party seized control of Germany and the Fascists usurped power in Italy. What we need in America is legislation which will drive out of the ground and into the open the purposes, the personalities, and the pagan affiliation of the Communist Party.

So long as the Communist Party can remain all things to all men and hide its identity and program from public inspection, it is certain to make inroads among Americans who are either duped or deceived or distracted into working with it. While appealing to the Negroes of America for support of the Communist Party, these would-be tyrants of a new dictatorial regime hide the ugly fact wherever communism has gained control, not only Negroes but men of every other race, as well are reduced to political and economic slavery. While trying to appeal to the Jews in America on the basis of racial arguments, the Communists camouflage the fact that anti-Semitism is a handmaiden of communism in many areas of the world. While appealing to American laboring classes for cooperation with the Communists, they conceal the fact that the best paid laborers of the Communist countries enjoy less prosperity, lower standards of living, and less freedom than the most poorly paid laborers in America. While trying to weasel their way into American farm organizations, these Communist comrades of catastrophe carefully hide the fact that in Communist lands the farmer is chained to the soil and becomes the unhappy creature of the state, which treats him with the cold commercial unconcern that it shows to its cattle and its swine. Only by denying the truth and by functioning through fiction are the Communists able to deceive or dragoon Americans of any race or color or line of occupation into following these false prophets of despair. Only then, by disguising the fact that American Communists are in fact the selfish, self-serving agents of the Soviet Government are these Communists and their fellow travelers and fellow wanderers able to fatten their purses and advance their cause through luring gullible Americans into their Red spider web of potential tyranny.

The evidence to support my legislative proposal to require Communists to register with the Department of Justice as agents of a foreign power is volumes high and monotonously long. As far back as 1924 Chief Justice Charles Evans Hughes, at that time Secretary of State, forwarded to the then Senator Borah a 530-page document which stated in conclusion: "The subversive and pernicious activities of the American Communist Party and the Workers' Party and their subordinate and allied organs in the United States are activities resulting from and flowing out of the program elaborated for them by the Moscow group."

That finding was made in 1924. From that day until this the Communist Party in the United States has been the willing creature of the men of Moscow. In 1947 William C. Bullitt, our former American Ambassador to Russia, said in sworn testimony before our committee: "Here our Communist Party, like all other Communist Parties, is subject to orders from Moscow. It follows the party line laid down in Moscow with extreme care."

The research staff of our Committee on Un-American Activities has found conclusive evidence that the party line laid down by Pravda and Izvestia in Moscow is followed by Political Affairs, the Daily Worker, and other Communist publications in America. During last December, for example, the Daily Worker in the United States carried 115 articles attacking American foreign policy along precisely the same lines as the Soviet attacks of Vyshinsky and Molotov. During the same month the Daily Worker carried 76 articles defending or supporting Communist activities in countries outside of the Soviet Union; it carried 43 articles supporting outright the attacks of the Soviet Union on American policies and purposes. On such items as the following the Communist command in Russia and their captive creatures in America see eye to eye: They comment as though in unison on the Marshall plan—on our American position in China—on Henry A. Wallace—on General MacArthur—on our American defense program—on Greece and Turkey, and on at least a dozen other American personalities or policies.

If further proof were needed that the Communist Party in America is in fact and in function the agent of the Russian Communists, it can be found in the sworn testimony of Louis F. Budenz, former editor of the Daily Worker itself, when he said on November 22, 1946. "The Communist Party is as much a Quisling organization under the heel of the Kremlin as the Nazi bund was the agent of Hitler's Germany."

Fellow Americans, since the evidence shows the Communits Party in this country to be the agent of a foreign power, my legislation proposes to require it to register as such together with the names of all its members. Once that is done I have confidence enough in the capacity and determination of patriotic Americans everywhere to curtail the activities of communism—and to defeat its seditious plots to destroy our American way of life. If you agree with me that the time has come to declare and define a national policy on communism, I suggest you write to your own Congressman urging his active and articulate support of my bill to require Communists to register with the Department of Justice as the agents of a foreign principal and to identify their propaganda and their so-called literature as being in the interests of a foreign government.

Girl Scouting in the United States

EXTENSION OF REMARKS

OF

HON. PRINCE H. PRESTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. PRESTON. Mr. Speaker, in cooperation with the movement sponsored by the national executive committee of the Girl Scouts of America and with a desire to honor a great and glorious Georgian, who was born in my district in the city of Savannah, Ga., I have today introduced a joint resolution in the House of Representatives authorizing and directing the Postmaster General to issue a series of 3-cent stamps commemorating Juliette Low, founder and organizer of Girl Scouting in the United States of America. Juliette Low was born in 1860 in a typical southern city, Savannah, Ga. She had a very early and intimate acquaintance with war and privation. During Sherman's occupation of the city of Savannah he called at the home of Juliette Low's mother, with whom he was acquainted, and while there held Juliette Low, who was then a very small child, on his lap. Juliette Low was able to recall her reaction to seeing the Yankee soldiers invade and occupy the city of Savannah.

Leaving with her mother during the occupation of the city of Savannah, she went to the home of her maternal grandparents in Chicago and remained there until it was considered safe to return to Georgia.

After receiving her education in a boarding school in Virginia and a finishing school in New York, she met and married an Englishman, Mr. William Low, and moved to Warwickshire, England, where she traveled extensively throughout the British Empire and into the Far East with her husband.

It was while living in England that she met Lord Robert Badden-Powell, who was the founder of the Girl Guides in England. Through intimate association with this altruistic nobleman she caught a spark of his enthusiasm and conceived the idea of creating a similar organization in America.

She then returned to Savannah, low in funds but high in enthusiasm, and firm in the faith that a girls' organization similar to the Girl Guides of England could prove to be a great force for moral and social uplift in America. The first troop was organized in Savannah, Ga., in 1912, and in 1913, Juliette Low bravely came to Washington, D. C., where she opened national headquarters for this newly born organization. In 1915 she incorporated her project, and from this point on the organization grew by leaps and bounds.

Mrs. Low has been honored on many occasions for her altruistic service to American society. Her interest never waned in this organization which completely occupied her life after returning to America. Until the very last she maintained great enthusiasm and active interest in its growth and development.

And with it all there was an underlying sweetness of character which showed itself in constant helpfulness to the less fortunate. Her kindness went out to the sick and underprivileged, and many daily visitations were made which no one knew about, but which brought health and cheer to the unfortunate and unhappy.

Although intensely interested in the growth of the Girl Scouts and extremely proud of her part in it, she was big enough to sink her own personality and turn the work over to others when she found it was going beyond her own capacity to manage. No suffering could turn her, no faintness make her falter, no obstacle daunt her.

She knew and understood girls. She loved and trusted them in every problem. She had an extraordinary intuition. Whatever she believed correct or incorrect she believed it vehemently and maintained it vigorously. Her character and personality was the nucleus around which this great organization was built.

It is fitting and proper that the Congress pass the joint resolution which I have offered commemorating this great American. Few women have left their names so indelibly stamped upon the social structure of our country as has Juliette Low.

Great philatelic interest has been exhibited in this movement to issue a commemorative stamp, and in my opinion it will prove to be one of the most popular issues made in recent years.

Not only will it be an honor to the sacred memory of Juliette Low and to the great organization she fostered, but it will be a distinct tribute to the city of her nativity, Savannah, Ga. This coastal city, which I have the honor to represent, can truly claim a large portion of the early American colonial history. It will likewise be a tribute to the sovereign State of Georgia, and lastly, it will be an act in keeping with that great American custom to pay greater tribute to those Americans who have contributed to the moral, social, and spiritual development of our Nation by unselfish sacrifice.

It's Your Money

EXTENSION OF REMARKS

OF

HON. WILLIAM A. DAWSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. DAWSON of Utah. Mr. Speaker, those who have more money than they can use, who have all their bills paid, including taxes, who are not afraid of inflation and the high cost of living, and who have no interest in the debt-bondage future of their children and grandchildren, will not be interested in the following report and comments.

But in fairness to all of my constituents, who are folks that have to worry about where their money is coming from, I have had prepared some facts which may give them a better understanding as to what their share will be in financing the Marshall plan and the Truman administration's estimated budget for the fiscal year of 1948–49, if passed.

From July 1, 1940, to July 1, 1945, according to the Library of Congress Legislative Reference and other sources, the United States advanced the huge sum of $73,092,058,013—billions, not millions—to foreign governments. Since some might say this should all be charged to World War II, let's see the picture since VJ-day.

From the end of the war through June 30, 1947, the United States has assisted foreign countries to the tremendous amount of $24,099,211,087, which, according to the last official census, would

amount to $183.03 for every man, woman, and child in the United States.

Now it is proposed that we give to foreign countries, under the Marshall plan, an additional $17,000,000,000. To add to the sorry picture, President Truman has proposed a Federal budget for the coming fiscal year of nearly $40,000,000,000—to be exact, $39,669,000,000, as compared to nine billion spent by the Federal Government in 1940, which was the largest sum ever spent by the Government in peacetime.

I got to wondering just what effect this huge outlay would have on my people at home. To assist me, I have had the figures broken down so as to show just what it would mean in the four counties and their county seats in Utah's Second Congressional District. This is the sad news:

Cost of foreign aid (1945–47, 1948–52) and Federal expenditures (1949) to the Second Congressional District of Utah, by counties and county seats

Counties and county seats	Population, 1940	Foreign aid July 1, 1945, to June 30, 1947 (population multiplied by $183.03), based on $24,099,211,087	Foreign aid proposed by Marshall plan, 1948–52 (population multiplied by $129.11), based on $17,000,000,000	Total foreign aid provided and proposed, 1945–47, 1948–52 (column II plus column III), based on $41,099,211,087	Estimated Federal expenditures for fiscal year ending June 30, 1949 (population multiplied by $301.28), based on $39,669,000,000
Davis County	15,784	$2,888,946	$2,037,872	$4,926,818	$4,755,404
Farmington City	1,211	221,649	156,352	378,001	364,850
Salt Lake County	211,623	38,733,358	27,322,646	66,056,004	63,757,777
Salt Lake City	149,934	27,442,420	19,357,979	46,800,399	45,172,116
Tooele County	9,133	1,671,613	1,179,162	2,850,775	2,751,590
Tooele City	5,001	915,333	645,679	1,561,012	1,506,701
Utah County	57,382	10,502,627	7,408,590	17,911,217	17,288,049
Provo City	18,071	3,307,535	2,333,147	5,640,682	5,444,431
Total for counties	293,922	53,796,544	37,948,270	91,744,814	88,552,820

It should be noted that these population figures are based on our 1940 census. With our present increased population in Utah's Second District the picture is even worse.

On the basis of the average United States family of four persons, the Truman budget for this year alone would be $1,205.12 for each American household.

Taxes and expenditures are inevitably tied together. Over 30 percent of our national income is eaten up in local, State, and Federal taxes. The average American works 3 days out of 10 for the Government. Taxes are an important factor in every family budget. They are reflected not only in the individual's income-tax return, but they are reflected in the price of everything we buy. Here again is another factor that has caused the recent price rises.

Some may say corporations will bear the bulk of these taxes, but never forget—corporations do not pay taxes—they collect them. John Q. Public is the man who pays. The high cost of living and high taxes go hand in hand. If we are to curb inflation and prevent suffering among our own people we must reduce these costs and do it now.

In the last 14 years the Federal Government has expanded from 521 agencies and bureaus to 1,141, and the number of employees has increased from 582,000 to 2,000,000. The administration insists on keeping these 2,000,000 employees on the pay roll. Now is the time to trim down this expanding bureaucracy and examine with the utmost caution further gifts to foreign lands.

Our people are demanding that by courageous, honest, statesmanlike, and careful action we trim these expenses both at home and abroad, all to the accomplishment of our full strength and security, our peace, happiness, and prosperity, and the preservation of our cherished way of life.

Palestine

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letters:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 4, 1948.

President HARRY S. TRUMAN,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: I wish to call to your attention remarks which I have received in a letter from Mr. Alex Lowenthal, chairman of the Pittsburgh Zionist Emergency Council, said council consisting of about 11,000 adult members of the Jewish families in the city of Pittsburgh, wherein he has written to me, calling again to my attention the serious situation existing in Palestine today, and the deterioration of Palestine.

Mr. Lowenthal states this deterioration has been due mainly to the uncooperation and obstruction of the British Government to the UN decision; also, it is believed the policy of the United States has encouraged both the Arabs in Palestine and the Arab states surrounding Palestine to violate and disobey the UN decision, even though our Government took a strong position in bringing about the UN decision, although its actions since then have tended to undermine the decision.

He further states that (1) the embargo on the shipment of arms to Palestine, (2) failure to warn Arab states about the consequences of their interference in Palestine, (3) statements of high officials of our Government questioning the soundness of the American policy in advocating partition, (4) failure to take any action within the UN toward the establishment of an international police force, (5) permitting a general atmosphere of alarm which may have disastrous effects on American public opinion, which in turn may undermine the entire structure and effectiveness of the UN.

May I have an expression from you regarding this situation so I might inform Mr. Lowenthal and the other members of the Zionists organization accordingly?

With kindest personal regards, I am,

Sincerely yours,

FRANK BUCHANAN,
Member of Congress.

THE WHITE HOUSE,
Washington, February 9, 1948.

Hon. FRANK BUCHANAN,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BUCHANAN: I appreciated your letter of the 4th in regard to Palestine.

Palestine has been a matter of considerable disturbance to me ever since the Japanese surrender, and I've been endeavoring to get the matter worked out. It's now in the hands of the United Nations, and this Government is backing the United Nations in the settlement they have suggested.

Sincerely yours,

HARRY S. TRUMAN.

Tax Reduction

EXTENSION OF REMARKS

OF

HON. HERMAN P. EBERHARTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial entitled "A Point of View," from the January 1948 issue of the Michigan Teacher:

A POINT OF VIEW

Citizens should have a clear understanding of the essential difference in the tax adjustment proposals outlined in President Truman's message as contrasted with the tax reduction features embodied in the Knutson-sponsored H. R. 4790 tax cut measure.

The Knutson proposals would establish a number of precedents which appear to be dangerous. In the first place, they suggest over-all tax cuts of approximately $6,000,000,000 in a period of prosperity when economists generally are agreed that every effort should be made to keep Federal revenue at the highest possible level.

General tax reduction of the nature proposed by Representative KNUTSON could not operate otherwise than to feed inflationary forces at a time when our interests at home and abroad emphasize the need for controlling prices and using scarce materials and commodities to the best possible advantage.

Moreover, even though a general tax reduction were justified, the Knutson plan is not equitable. Concentration of the tax cuts in the income-tax field under the Knutson proposal is certainly to be criticized. Excise taxes adopted as emergency measures were scheduled for elimination 6 months after the end of the war; Representative KNUTSON'S failure to make any provision for some cut in these taxes as part of a general reduction such as he is proposing is inexcusable.

The several Knutson proposals if adopted would operate together to give the low-income taxpayer insufficient relief, but would

give thousands of taxpayers in the $5,000 to $30,000 groups reductions ranging from 25 to 39 percent in their tax bills.

The Truman proposals, on the other hand, would not establish precedents as the Knutson bill does, but are frankly emergency proposals. The President's suggestion that a $40 cost-of-living tax rebate allowed for all taxpayers would be very simple to administer. Moreover, it would give the low-income taxpayer more relief than he would receive under the Knutson plan, yet would not feed inflation by giving upper-bracket taxpayers the large reduction proposed by Representative KNUTSON.

Under the President's plan, the further proposal to offset personal income-tax revenue losses by a temporary increase in taxes on corporate profits appears to be in accord with current need for checking inflation.

The Knutson proposals appear to be premature and would tend to establish a tax pattern in a period of uncertainty which might have unfortunate economic consequences. The President's proposals are sounder because designed as emergency measures to meet an emergency situation. The Truman plan has the merit of concentrating the tax cuts where they are most needed, without the possibility that they will contribute either to loss of Federal revenue or to feeding current inflationary forces that might be anticipated through the adoption of the Knutson proposals.

Transfer of American Ships

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. BRADLEY. Mr. Speaker, on several occasions in the past I have brought to the attention of the House the fact that the proposed European recovery program indicates the transfer of some 500 American-flag vessels to foreign nations either through sale or charter. I have stated emphatically that I do not believe that such a transfer of American ships is either necessary or advisable. In view of this, I am very much pleased to insert here an article by Mr. George Horne, maritime editor of the New York Times and one of the outstanding maritime authorities of the Nation, in which he discusses this proposed ship transfer at length. I recommend the reading of this article by all who are interested in shipping matters:

REDUCTION IS SEEN IN SHIP AID FIGURE—BELIEF SPREADS THAT MARITIME PHASE OF MARSHALL PLAN HAS BEEN OVERESTIMATED

(By George Horne)

A conviction that the ship transfer features of the European recovery program, or Marshall plan, have been grossly overestimated is spreading among private shipping operators and Government authorities concerned with the aid program.

Shipping executives in New York freely predict that the State Department, the outstanding advocate of the transfer by sale and charter of 500 American vessels to the 16 Marshall plan nations, is re-examining the proposal and may withdraw or amend it. Indications are that this view is based on much more than mere hope on the part of shipping companies who have vigorously opposed the sales and charters as inimical to American maritime interests.

An independent study of the Harriman report on aid, and of figures that were a part of the original European request, made by the so-called Paris committee, shows that the need for American tonnage of this character has been exaggerated.

Experts on the program say it is questionable whether more than a few specialized types of vessels will be needed by the participating nations beyond the tonnage they already have received.

SALE OF 200 SHIPS SOUGHT

Under the proposed transfer plan, 200 of the carriers would be sold to foreign interests, and the additional 300 would be ticketed for temporary charters, which American companies describe as a permanent give away. The State Department has maintained that the savings in transport costs under the rehabilitation plan, by making it possible for aided nations to carry home their own goods, would aggregate $650,000,000.

The National Federation of American Shipping, representing the opposition, used its own figures in scaling the potential saving of $200,000,000. Its spokesman say this relatively small economy will not justify removing from the active American fleet a body of 500 ships—the equivalent of one-fourth of the national reserve tonnage.

Public expressions of concern over the transfer phase of the aid plan consistently have failed to point out that by the time the program gets under way the need for transfers will have been well dissipated.

The Paris committee estimated the needs from the United States at 3,000,000 deadweight tons. Confusion on the actual need was admitted at the time, and the Harriman committee of experts, in its report, suggested plainly that the figure was a shot in the dark and not a firm or reliable estimate.

The figure was based on existing applications by the 16 nations to the Maritime Commission for vessel purchases. And it is well known that the applications were inflated; that the prospective buyers applied for more ships than they expected to get. The inflation amounted in some cases to 4 to 1.

NORWEGIANS QUESTION FIGURES

Shipping men here say it is apparent to them that the State Department accepted the 3,000,000 figure. Later calculations by no means support it, and reports from shipping interests abroad indicate that those who would benefit from the plan believe the original estimate could be and should be substantially reduced.

In fact, practical shipping men in Norway, one of the principal maritime nations among the 16, have questioned the necessity of wholesale ship transfers, and other foreigners have expressed doubt privately.

Regardless of the fair figure at the time of the Paris meeting, tanker needs were included, and the recipient nations already have received more than a million tons of vessels in this category. They also have obtained surplus American Liberty and Victory vessels and a few freighters of higher quality, not to mention numerous smaller craft that would not be engaged in the relief-carrying trade and would not enter into the transfer calculations.

In comparing the different approaches of the State Department and the Harriman committee, it appears that the Department took the 3,000,000-ton figure at its face value, subtracted the 1,000,000 tanker-tons and then formulated the 200-ship-sale request. The Harriman committee did not take the Paris estimates seriously and made its own study of ship needs.

HARRIMAN REPORT CUTS ESTIMATE

The report of the Harriman experts on this phase of the shipping program said:

"In the original Paris report the program of United States war-built vessel purchases for delivery subsequent to June 30, 1947, was placed at 3,000,000 dead-weight tons. After a series of adjustments in Washington this figure was finally expanded to 4,000,000 dead-weight tons, but, for various practical reasons, we have adhered to the original estimate.

"In relating either of these figures to the foreign sales policy of the Maritime Commission it is important to note that purchase applications have already been approved on many of the vessels included in the forward purchase program. Consequently, additional Maritime Commission approvals on the sale of 100 to 200 ships would probably be sufficient to enable the 16 nations to accomplish their entire vessel-purchase targets. A narrower range of estimate is impossible at this time in view of the confusion in the European vessel purchase plans as related to us."

In general, the transfers already accomplished, particularly the tankers, have been made since that report was compiled.

The other group slated for transfer, the 300 under charter, would be bulk or tramp vessels. The Paris nations asked for $585,000,000 in United States tramp shipping for the whole Marshall-plan period, with most of it during 1948. Thereafter, a tapering-off schedule called for $167,000,000 in 1949, $89,000,000 in 1950 and none in 1951.

TRANSFERS WOULD TAKE TIME

Shipping authorities who now reason that transfers in quantity will not be needed, point out that a good part of 1948 will have slipped into history before the aid program can get moving. Meanwhile, interim aid continues, with grain and coal moving, much of it in American bottoms. If the Marshall plan is approved by midyear, it would take some months to transfer the American tonnage from its current operators.

The talk is of laid-up ships, but it is generally accepted that the vessels, if ordered transferred, will come from the active fleet; American crews will simply walk off and foreign crews walk on.

Other factors deflating the ship needs would be the steady increase of new tonnage available to recipient nations from their own yards, and the anticipated rise in the availability of coal from the United Kingdom, Poland, and the Ruhr.

The 16 nations have a 15,700,000-ton shipbuilding program for the 4-year period and are building 4,500,000 tons now. These bottoms will come along as coal imports from European nations increase, as interim aid from the United States continues, and as the period of usefulness of American transfer tonnage declines.

Sam Hardy

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. HESELTON. Mr. Speaker, on Monday of this week, the fortieth anniversary of an employee of the Ways and Means Committee, I had an opportunity to pay tribute only briefly to that man, Sam Hardy. Our colleague the gentleman from New York [Mr. REED], long

associated with that committee, and who has known Sam for many years, expressed his admiration and true affection for Sam—admiration and affection shared by many of us.

My predecessor, Hon. Allen T. Treadway, and long a member of the Ways and Means Committee, knew Sam as did Mr. REED. He appreciated his fine character and intense loyalty. Sam was devoted to Mr. Treadway, and their close friendship continued even after Congressman Treadway retired. Sam was a frequent caller at the Treadway home on Tracy Place, always faithful and anxious to be of service. He has those excellent qualities of character—trustworthiness, friendliness, and loyalty—which we all so much admire.

This day, Lincoln's Birthday, would seem to be a fitting day to pay tribute to this gentleman, of whom we in the House are so justly proud.

Time for Action on Mine Safety

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Louis Post-Dispatch:

DEATH ON CONGRESS' CONSCIENCE

"Should there be another horrible loss of life in a coal mine, a large share of the guilt would come down squarely on this Congress." (Post-Dispatch editorial, February 7.)

These words had hardly been printed before eight men were killed in a mine explosion near Greenwood, Ark., Sunday afternoon. A check of the last report on the mine by a Federal mine inspector shows that there were more than 30 violations of the Federal mine safety code. This report said that while many previous violations had been corrected, many other violations were allowed to continue.

For example, explosives were fired by cap and fuse instead of by electical detonators. Weekly tests for methane and other hazards were not made. Air measurements were not made. Rock dust was not kept to within 80 feet of working face. Safety posts were not used close to the face. The entry roof was not adequately timbered. The hoist was not equipped with safety controls. Escapeway from active workings to escape shaft was blocked. Explosives were transported in a manner not permissible. Blower fans were not of permissible type.

And so on through a list of many more breaches in the Federal safety regulations. The trouble is that the Federal inspector can do no more than say what is wrong. That is all the law permits him to do. He cannot close an unsafe mine. And that is why it is so urgent that Congress pass the mine safety bills of Representative LANDIS and Senator KILGORE. For almost a year these bills have been tied up in committee.

This tragedy in their State should be enough to enlist the help of Senators FULBRIGHT and MCCLELLAN and all seven Arkansas Representatives to get these slumbering bills out on the floor. If there is any honest opposition, let it declare itself in the open.

The Eightieth Congress was warned by the Centralia disaster. Is it as callous as the Green administration in Illinois? How many ghastly reminders does Congress require?

Margarine Versus Butter

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Pathfinder of February 11, 1948:

MARGARINE VERSUS BUTTER

On Tuesday afternoon, bald, sixtyish bovinephile Representative REID MURRAY asked permission to speak from the floor of the House. As he rose to orate he pulled from under his chair a 2-foot-long plaster-of-paris cow.

With the cow, Rebecca, under his arm, MURRAY proceeded to lecture Congress. When he finished, not a Congressman present doubted that (1) butter is rich, creamy, and nourishing, or (2) the dairy industry will fight repeal of Federal oleomargarine taxes.

If MURRAY seemed alarmed, it was only because margarine makers have marked 1948 as the year to repeal 62-year-old laws restraining its free competition with butter.

Repeatedly, Congress has rebuffed margarine makers' pleas for equality with untaxed butter—partly because in 1886 it had good reason to crimp oleo's style. Then meat packers made oleomargarine from the original beef-fat recipe France's Napoleon III got from a nation-wide chemists' contest. Farmers feared for their butter business, saw little profit in byproduct beef fat. More alarming, dishonest peddlers passed off yellow-dyed oleo as butter. After the law was passed, honest manufacturers strove to compete with butter, switched from a beef-fat base to imported coconut oil. Then when home-grown vegetable oils became abundant—and the need for political allies grew desperate—they turned to soybean and cottonseed oils. Their product became tastier, their farmer friends more numerous.

With new margarine strength on Capitol Hill, the dairymen must wage their greatest fight to halt tax repeal. Certain to come out are these arguments:

MARGARINE ARGUMENTS

1. There's a $250,000,000 yearly business in margarine, a table spread made from cottonseed oil, soybean oil, and other farm products. It benefits farmers in 44 States.

2. Margarine costs less than half as much as butter. Yet it tastes like butter because it contains skim milk and often diacetyl, butter's flavor element. It has the same caloric content as butter. Margarine is fortified with 9,000 to 15,000 units of vitamins per pound to give it approximately butter's nourishment.

3. Margarine cannot compete freely with butter because of a 10-cents-a-pound coloring tax on the colored product.

4. Soybean oil gives margarine a naturally yellow color, without using chemical dyes. But to avoid the 10 cents coloring tax, this oil must be bleached.

5. If Congress repeals Federal penalty taxes, yellow margarine would cost the same as white.

BUTTER ARGUMENTS

1. There's about a $1,000,000,000-a-year butter business. Its sale is the balance wheel of the 5,000,000-farmer dairy industry.

2. Nobody has ever proved margarine is as nutritious as butter, it is only a cheap imitation.

3. If Congress repeals the tax on colored margarine, it would also steal butter's prized yellow hue.

4. Margarine makers use skim milk in their product, forget farmers would butcher the cows that produce it if the butter market fizzled.

5. Uncolored margarine carries a mere one-fourth cent per pound Federal tax. It is easy today to dye margarine at home.

6. Despite makers' vow that colored oleo would be sold as margarine, clerks and restaurants will try to pass it off as butter.

7. The 26 margarine firms could form a dangerous monopoly, hike the price of their product.

As opposing forces gird for the fight in Congress, both sides are wooing the housewife's support. Smack in the middle of the controversy, she must decide between 88-cents-a-pound butter and 39-cents-a-pound margarine.

Probably four out of five families have at least tried margarine. Whether they will pressure for tax repeal hangs on (1) how much they know about margarine restrictions, and (2) how much they care.

Few know that grocers must foot $48-a-year Federal licenses to sell margarine colored, $6 uncolored. In 23 States yellow margarine sale is banned. Idaho, North Dakota, Tennessee, and Utah tax it 10 cents a pound. In Wisconsin the purchase price of even white oleo includes a 15-cents-a-pound State tax and a share of $15–$500 dealer-license fees.

But if these facts are alarming, United States Patent No. 2347640—the oleo bean-bag—soothes. Chicago inventor Leo Peters' brainchild, it lets the housewife dodge both coloring taxes and the home-coloring chore. The margarine and a dye capsule are packed in a bag of transparent, pliable plastic. Without opening it, she breaks the capsule, kneads it into the margarine. Already four firms have adopted the new package. As its use increases, say butter men, it should end all talk that the margarine color tax inconveniences the housewife.

The Oleo Situation

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, the oleo bills with all the implied benefits to consumers are entitled to factual consideration.

First. There is nothing in these oleo bills that will have an appreciable effect on the cost of living.

Second. The oleo bills will allow oleo to be sold in place of butter.

Third. The oleo bills are just an attempt to get the camel's head under the dairy tent. The next step will be to substitute vegetable oils for animal fat in evaporated milk, and claim it is as desirable as evaporated milk made from natural normal cow's milk. If a vegetable oil is equal to an animal fat as a substitute for butterfat in a pound of butter, will it not be claimed that the vegetable oil is equal to the animal fat not only in evaporated milk but also in bottled fluid milk? Do you know of any pseudo-scientist that wishes at this hour to state that 100 pounds of milk containing 96 pounds of skim milk and 4 percent vegetable oil is equal in food value to a 100 pounds of natural milk?

Fourth. The whole oleo industry has not an economic leg to stand on. With-

out the dairy cow oleo is not produced. Where are you going to obtain the oleo when the dairy cows are hanging in the coolers in packing houses?

Fifth. The experiments on the use of oleo and butter should recognize the fact that oleo cannot be made without dairy products. Oleo, then, itself depends on the dairy cow. Whether or not the 15.6 percent of the oleo, which is a dairy product, is a sufficient amount of dairy products to give good results in tests and experiments is another question.

Sixth. Animal fats are absorbed at lower temperatures than vegetable oils.

Seventh. Over 2,000,000 more milk cows would have been needed to have produced the oleo manufactured in 1947. Could the consumers not have efficiently used the veal and meat that would have been produced by these 2,000,000 cows?

Eighth. If the oleo bill is passed the dairyman might as well reduce the milk cow numbers of the United States another 2,000,000 head.

Ninth. Milk cow numbers have already been reduced over a million within the last year. The United States milk production in December 1947 was the lowest it has been since 1940, even though the population of the United States has increased by 11,000,000. Do you wish to encourage a further reduction in dairy cattle numbers?

Tenth. Stockyards located in sections like Chicago, St. Paul, Milwaukee, New York State, New England, and Pennsylvania have large calf and dairy-cow receipts. Do you want to see a 10-percent reduction in receipts of cattle in these yards? We must remember that 40 percent of the beef and veal of the Nation is derived from the dairy industry. Before the war there were more milk cattle in the United States than nonmilk cattle.

Eleventh. If these promoters of vegetable oils are to succeed, it will be necessary to develop a cow that produces nothing but skim milk. Or do you subscribe to a thesis of cream for a few and skim milk for the many?

Twelfth. The dairy cow on a given amount of feed will produce twice as much human food as any other farm animal and four times as much as some other farm animals will yield. We should be able to efficiently use the products of the dairy cow without any question whatsoever. The issue then is between vegetable oils and animal fats. Great damage can be done not only to the dairy industry but to the general welfare and public health of our Nation if vegetable oils are to be sold as animal fats. Some real experiments should be conducted comparing the two products. One never reads of that kind of an experiment. The ones we read about are where vegetable oils and dairy products are fed in comparison to dairy products. Let us have just one experiment, please, without dairy products added to bolster up the vegetable oil and see what happens.

Thirteenth. The oleo consumption is now about one-half the butter consumption. Any time the byproducts of butter are provided their proper legislative support in the dairy field butter interests will not be asked to carry the burden of showing up the falsity of the oleo propaganda.

Fourteenth. So, I repeat, let no one be misled about the true values of vegetable oils and animal fats until science really tells the story. No experiment yet wherever it was conducted has butterfat. Dried skim milk has 1 per- shown that a vegetable oil can replace cent butterfat in it. Where does this leave most of the oleo experiments? This 1 percent of butterfat may be enough of this "magic food" to give the results shown in the experiments. How about the calf experiment at Minnesota College when vegetable oil was compared with butterfat?

Fifteenth. The oleo people, I repeat, do not have an economic leg to stand on. They cannot make oleo acceptable to the public without using dairy products as a base. No milk, no oleo. No cows, no milk. Do you advocate a drink made of 96 percent skim milk and 4 percent vegetable oil and contend it is equal to natural milk? Even if you do, where are you going to get the skim milk?

Sixteenth. There are huge appropriations made in the name of public health. Why listen to groups that would relegate the greatest producer of protective foods to the coolers in the packing plants? Why talk about public health, oleo, and protective foods at the same time? There is no correlation in the consideration.

Seventeenth. Since the dairy cow—the foster mother of the human race—produces twice as much human food as any other farm animal and four times as much as some farm animals from a given amount of feed, steps must be taken not to allow cheap propaganda to decrease her numbers. Enough is being done to the dairy industry without adding this one.

Eighteenth. If anyone wants less dairy products, less dairy byproducts, less leather, less beef and veal, less soil fertility—get on the oleo band wagon.

Nineteenth. We have fewer milk cows in the United States on January 1, 1948, than we had on January 1, 1933, or 15 years ago.

Admiral Sellers Knows Retired Officers

EXTENSION OF REMARKS
OF

HON. WILLIS W. BRADLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. BRADLEY. Mr. Speaker, in connection with the many comments published in the press concerning the retirement of officers of the armed forces, I take pleasure in inviting the attention of the House to the following remarks of Admiral David Foote Sellers, United States Navy, retired, president of the Retired Officers Association, who speaks after a lifetime of public service, during which he demonstrated his integrity and love of country time after time, both in war and peace:

In the wake of the disclosure that Major General Meyers had been retired from the Army for physical disability has come a deluge of criticism of the whole system of retirement of military personnel for physical disabilities. Coincidentally there have been initiated, both in the executive and legislative branches of the Government, inquiries as to the manner in which the system has been administered in individual cases and as to whether changes in the system as presently established should be made. Complete review of the cases of officers heretofore retired for physical disability appears to be in prospect—at least with reference to those who were retired for disabilities subsequent to World War II. Suggestions for basic changes in the whole system are being made.

Many of those who have heretofore been retired for physical disabilities—including some who were retired years prior to World War II—are now apprehensive lest, through administrative review or a change in the laws under which they were retired, their economic situations may now be readjusted with consequent hardships to their dependents and themselves. Some of them, although their original retirements were brought about as administrative determinations by competent and conscientious boards of medical officers, properly constituted under existing laws, later experienced a measure of physical rehabilitation through perseverence and medical care. They fear that their good fortune in this respect may now result in economic hardship through reduced income. They have molded their lives, as have their dependents, upon the reasonable expectation that they would be left undisturbed in the circumstances which premature retirement from service to their country has placed them.

While no clear cases of actual maladministration can be defended or condoned, and if such there be they should be corrected, it must be assumed that in the vast majority of cases, administrative determinations have been properly made in accordance with well-known and long-established standards, under laws enacted by the Congress—standards which were established for the purpose of eliminating the physically unfit from active military service to enhance its efficiency. These standards, originally applicable to career military personnel, have been made equally applicable to the reserve components with the mandate by Congress that they be equally and impartially applied.

Administrative determinations under those standards, if proper at the time they were made, should be left undisturbed even though in some cases there has been a measure of recovery from the physical disabilities upon which they were based.

Likewise, while a study of the present system may well, under changing concepts, suggest the necessity for the establishment of new standards, changes in the system should be for prospective application and not retroactive.

Over the years, to career military officers of the regular services, enforced retirement for physical disabilities has brought with it bitter disappointment. It has meant the sudden and premature termination of their ambition to serve their country. The standards of physical fitness for active military service are necessarily high. They are not comparable to the standards of physical fitness applicable in other fields.

Failure to meet the exacting standards of physical fitness throughout a military career, during which physical fitness is constantly under scrutiny, results in premature retirement after varying amounts of active service. In such cases, as a general rule, the greater the devotion to duty by the individual the less prepared he is to readjust his life to the totally different demands of civilian occupation in order to support his family and himself. Certainly it cannot be expected that he could make provision for that purpose by savings from his inadequate active-duty pay. The compensation, whether for active duty or

for inactive duty in retirement, never can be adequate due to the large numbers of military personnel necessary to a proper protection of the country in the interest of a preservation of peace.

Years of military service leave their mark upon those who perform it with a devotion to duty which must in large measure be its own reward. It is therefore not unreasonable to expect that the rigors of such service will inevitably result in a larger proportion of career personnel in the higher ranks being placed on the retired list for physical disabilities which have been incurred incident to military service, particularly at the close of a war during which physical strain was very great.

The essence of some of the criticism being voiced today of the system of disability retirements is that the retired pay of those so retired is exempt from Federal income tax. That is no new principle, nor is it confined to the military services. In my judgment it is a wise provision of law which might well be extended to military personnel who attain the statutory age of retirement for they are in effect retired for want of adequate physical condition to continue in active service.

Finally it must be emphasized that doubts which are being expressed in many ways today concerning the fairness of the application of the laws for retirement for physical disabilities should be resolved in favor of the individual, and basic changes should not be applied to those who have served under different rules. To change the rules in the middle of the game would create grave dangers to our national defense by undermining morale. Underpaid at best, and not undergoing preparation for business careers, it would inevitably create among those in the services a feeling of insecurity and result in their eyeing the outside as a more promising way of life rather than to keep their eye on the military ball. If it were now established as a precedent that expected emoluments of office might be at any time taken away or substantially reduced after the service has been embarked upon or performed, young men of high attainments could not reasonably be expected to choose an honorable career in the military service with a feeling that during the closing years of their lives they and their dependents might be reduced to penury.

Betrayal of Poland

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mr. REED of New York. Mr. Speaker, I hope that every American citizen will read I Saw Poland Betrayed. Ambassador Arthur Bliss Lane, the author of the book, has rendered a patriotic service to his countrymen. What he has disclosed ought to put the people on the alert as to the danger inherent in our present foreign policy. It is a foreign policy that, if continued, will pauperize our thrifty citizens, weaken our Republic, and endanger the very existence of our free institutions.

When existing undisclosed commitments are all made public, our humiliation as a nation will be complete. The word "honor" is apparently unknown to the New Deal administration.

As a part of my remarks, I am inserting an article by George E. Sokolsky which appeared in the Times-Herald Wednesday, February 11, 1948:

THESE DAYS

(By George E. Sokolsky)

Ambassador Arthur Bliss Lane has contributed immensely to the American people by publishing I Saw Poland Betrayed. It is a report to his fellow countrymen on his mission to Poland between 1944 and 1947.

I wonder whether the title should not be: I Saw America Betrayed? for when the officials of a country forsake its honor and lower its dignity for whatever expediency, do they not disclose that its spirit has been fouled, its national morality abandoned?

The tale really begins at Tehran when Great Britain, which went to war with Germany over Poland, abandoned principle upon demand of Stalin and at the instigation of Roosevelt. Lane says:

"The discussions at the conference at Tehran in December 1943 among Roosevelt, Churchill, and Stalin remained an official secret * * * even within the Department of State the truth of what happened at this momentous conference was probably not known, except perhaps to two or three.

"Some key officials, indeed, who had the responsibility of making important recommendations on matters dealing with the United Nations organization, in conversations with me shortly after President Roosevelt's death in April 1945, deplored the fact that no records of the Tehran meeting were available even to them. Perhaps none had been made."

For page after page, following this quotation, Lane records the deceptions pursued by President Roosevelt. He recounts in detail the relations between the President and Charles Rozmarek, president of the Polish-American Congress. Rozmarek wrote to Lane:

"President Roosevelt in his talk with me expressed distrust of Stalin, having been fooled by him, as he stated, on a number of occasions. He plainly indicated that he was fearful that Stalin might again collaborate with Hitler as he did in the initial stages of the war, and the President wanted at all costs to prevent such an alliance.

"He kept on repeating to me: 'Let us win the war with Germany first.' The President let it be understood that once Hitler was defeated, he would know how to handle Stalin."

Stalin actually got a better deal in Poland from Roosevelt and Churchill than he got out of Hitler by the Stalin-Hitler alliance. Apparently Roosevelt was so sure that he could outfox Stalin after the war that he complacently permitted Stalin to outfox him while the war was on.

Lane went to Poland as our Ambassador after the peace and after we had recognized that country's puppet government. Our mission to Poland was treated cavalierly. It was improperly and even humiliatingly housed.

Its diplomatic telegrams to its own Government were delayed or not sent at all. Members of the mission and other Americans were arrested. The Russians established the fact in the minds of the Polish people that the United States did not count.

Did we do anything about it? Of course. Ambassador Lane reports:

"Over my personal protest, Director General Herbert H. Lehman had appointed as director of the first UNRRA mission to Poland the Soviet member of the UNRRA council, Mr. Menshikov. * * * It was no surprise to me when in August the agreement concluded in Warsaw provided that the Polish Government, and not UNRRA, should have complete jurisdiction over the distribution of UNRRA supplies in Poland."

Also, we granted a $90,000,000 loan to the Polish government. Lane telegraphed the State Department:

"With the greatest earnestness of which I am capable I beg the department not to approve the extension of any credits at this time. When the terroristic activities of the security police come to an end, when freedow of the press is restored, and when American citizens are released from Polish prisons—not until then should United States public funds be used to assist the Polish provisional government of national unity."

He ends his chapter:

"In my opinion, these minor gains in no way compensated for the loss of prestige suffered by the United States when we granted credits to a government which had not kept its word to us and which seized on our leniency as warrant for proceeding to even greater attacks on the freedom of its own citizens—and of our citizens."

The book should be read by every American in humility and shame.

Brownie Boultinghouse Won First Place State Sons-Daughter Contest

EXTENSION OF REMARKS
OF
HON. WINT SMITH
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. SMITH of Kansas. Mr. Speaker, Under leave to revise and extend my remarks in the RECORD, I include the following article published in the Osborne County Farmer-Journal of January 29, 1948:

BROWNIE BOULTINGHOUSE WON FIRST PLACE STATE SONS-DAUGHTER CONTEST

In a communication received Monday from Mrs. Frank Boyd, State chairman of the Native Sons and Daughters essay contest, the local high school was informed that Brownie Boultinghouse, one of the school's popular juniors, received first place in the State with her essay on Americanism. The essay not only won first place among the entries on the particular subject but also won the sweepstake award covering all the various subject divisions which this contest included.

Mrs. Boyd's letter to the local superintendent of schools stated, in part: "It is a real pleasure to notify you that one of your students, Brownie Boultinghouse, received first prize on her essay on Americanism and will received the $25 award from the Robinson Milling Co. of Salina. * * * In addition to the prize from the Robinson Co., she was awarded the sweepstake prize, being chosen first among the "firsts" in the various classifications. * * * You please notify Brownie that she is to get the free trip to Topeka given by the Native Sons and Daughters of Kansas, be their honor guest at the annual banquet meeting in Topeka, Wednesday 28. Your school will receive the $25 given by the State chamber of commerce."

In a telephone conversation on Tuesday Mrs. Boyd informed Brownie that both she and her instructor, Miss Florence Deeble, would be Mrs. Boyd's guests at the Jayhawk Hotel and that following the banquet on Wednesday evening they were invited to be among the guests at the Governor's reception.

This is the third time that Osborne High students have won this coveted award. Several years ago Elizabeth Bell brought this honor to Osborne. And in 1944 Dean Gregory

was State sweepstake winner. The fact that Osborne has had two State winners within the past 4 years is a genuine tribute to the splendid services given by Miss Deeble, head of the English department in the high school. Moreover, it testifies to the fact that our high school youth are appreciative of basic values of life as expressed in their essay writing.

The entire community joins the school in congratulating Brownie Boultinghouse upon her splendid achievement.

"AMERICANISM

"(By Brownie Boultinghouse)

"Americanism was born as an ideal; an ideal which has developed and still continues to develop as an 'American way of life.' This ideal was first expressed to the world in the immortal words of Jefferson, 'that all men are created equal, that they are endowed by their Creator with certain unalienable rights—and among these are life, liberty, and the pursuit of happiness.' It was made clear that these rights are not granted to men by some benevolent government, but that they are rights with which all men are endowed by a Supreme Being, and which are sacred to the individual.

"Later, when the Constitution was drafted, the founding fathers, keeping the words of the Declaration in mind, decided that it was precisely to secure these rights that governments were made, in the first place. They believed that governments were instituted to do good, not evil; they were made to protect men, not to injure them.

"But early Americanism meant not only the Constitution and the Declaration. When we speak of early Americanism we also think of how the documents were written and of the great men that backed them; we think of men who could not have repeated them, but whose lives were the incarnation of these principles and whose spirit has breathed life into these immortal documents. It is because of the ideal of Americanism we had men who were willing to suffer, to die, to venture, to sacrifice. It was because of the spirit of Americanism that we have a country, and it is only by that spirit that we will ever be able to keep a country.

"The democratic ideals and the theories of Americanism took practical form with the development of the West. It was the spirit of Americanism that led the pioneers to the West and far West; it was the same spirit which in every part of our land has accounted for the development of democracy as 'a way of life.'

"Americanism has grown in the minds of men until it is ever greater than the ideas and hopes of the founding fathers who stood before us to teach us the meaning of Americanism. Today, these rights and benefits are not only very precious but also very rare. Nowhere else on the face of this earth are so many of the good things of life within reach of the common man, and nowhere else are the people so free to improve conditions; so free to engage in the effort to shape the future according to their heart's desires. The suffering and the hardships of two World Wars have taught us these things and many more about the true meaning of Americanism.

"But we must not take all of these for granted. Today America is challenged with many problems. Our appreciation should not be merely passive. We should actively determine to maintain the strength, the spirit, and the greatness of America. Today, the challenge of Americanism is to rise above selfishness and serve not only the people of our own community, but also those of other communities the world over, regardless of race, prejudice, or color, and I believe that Americanism is meeting this challenge.

"Today, the hearts of Americans have been touched as never before by the needs of those in distant lands. Americans have given generously to the Friendship Train and to the Freedom Train. They are giving generously to the many other worthy and efficient relief agencies which are doing so much to help the people of the war-torn areas. In other words, Americans are voluntarily extending the hand of friendship and freedom to all the peoples of the world.

"Americanism continues to grow in the minds of men. It will find a solution to the problems which stand in the way of world stability and a permanent peace."

Pricing Policies of Tire Manufacturers

EXTENSION OF REMARKS

OF

HON. R. WALTER RIEHLMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. RIEHLMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

George J. Burger, director of the Washington office of the National Federation of Small Business, Inc., declared today that the action of the Federal Trade Commission calling on the big four tire manufacturers to supply the Commission with their pricing schedules "will no doubt unearth secret and special deals in violation of section 2 of the Robinson-Patman Act."

The FTC's action will reveal secret pricing policies extended by the big four tire manufacturers through direct selling to local and national fleets, through their own retail company-owned stores, and mass distributor purchasers, all of which tend to reduce independent retailers' position in the tire-distributing fields, Mr. Burger declared.

This action of the FTC may further disclose overriding commissions paid to major oil companies—a privilege denied to independent retailers—which in turn prevents them from securing business from independent filling stations. More important, it closes the door to small tire manufacturers in getting business from independent filling stations.

The House Small Business Committee, through its chairman, Representative WALTER C. PLOESER, Republican, of Missouri, instituted this action with the FTC early in 1947 and this action of the FTC, Mr. Burger said, represents "a long and major step to solve this problem of hidden price discounts given to the few and not to all of the customers of the big tire companies."

Mr. Burger has been an active member of the rubber-tire industry for nearly 40 years. He said independent tire dealers have the right to petition Congress for legislative action through the so-called rubber-tire bill that was sponsored by both the House and Senate Small Business Committees in the Seventy-seventh and Seventy-eighth Congresses.

Mr. Burger further stated that Congress must approve such legislation unless Federal agencies can bring into line rubber manufacturers who, Burger declared, have figured the present Robinson-Patman law was just another eighteenth amendment insofar as they were concerned, and today's action of the FTC will dispel that thinking and planning in the minds of the big four tire manufacturers.

Small business of this Nation will welcome this news, and it is a major accomplishment for the present House Small Business Committee, Burger stated.

National Foundation Fund for Cancer Research

EXTENSION OF REMARKS

OF

HON. WALTER B. HUBER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. HUBER. Mr. Speaker, one of the outstanding patriotic veterans' organizations of the United States, the Military Order of the Cootie, has just inaugurated a campaign to raise $25,000,000 for the establishment of a National Foundation Fund for Cancer Research.

Mr. Speaker, I am especially proud of the fact that the national headquarters of this foundation, dedicated to suffering humanity, is located in my congressional district at Akron, Ohio, and that one of my constituents, Paul R. Couch, of that city, is the chairman of the supreme cancer committee.

When the Military Order of the Cootie was first organized in Washington, D. C., on October 23, 1920, it was designated as the honor degree of the Veterans of Foreign Wars.

Twenty-eight years ago, Mr. Speaker, even as you and I, the members were much younger and emphasis was given to their social activities. However, with the passing of the years, sobered by the thinning ranks of their departed comrades, they have rededicated themselves to a life of service in behalf of their more unfortunate brothers in arms.

Mr. Speaker, I want to point out to this House that this endeavor on the part of this great veterans' organization is not only in behalf of veterans, no, not only in behalf of Americans, but in behalf of all suffering humanity.

Mr. Speaker, Members of Congress within reach of my voice and loved ones of their families are destined to die of the searing ravages of tortuous cancer.

As an honorary member of the supreme cancer committee, I suggest that this Congress, many Members of which voted billions of dollars to win the war through maiming and killing, appropriate the funds to match the $25,000,000 contribution being made by the Military Order of the Cootie.

NATIONAL FOUNDATION FUND FOR CANCER RESEARCH

MILITARY ORDER OF THE COOTIE,
Akron, Ohio, January 24, 1948.

Hon. WALTER B. HUBER,
Member of Congress,
Washington, D. C.

DEAR SIR: Because of your known sympathetic inclination toward the veterans of this Nation, as shown by your efforts to help enact beneficial legislation and further the ends of their welfare, this letter is addressed to you.

It is written with the hope that after you have read it and digested its contents, you will be imbued with the great desire to lend your influence and support to the great humanitarian project which is set forth herein.

In order to get a comprehensive picture of the events leading up to, and including, the ultimate plan, it will be necessary to give you some historical data.

There exists within the Veterans of Foreign Wars of the United States, a subordinate organization known as The Military Order of the Cooties of the United States. This title has been generally shortened to the extent that it has become popular to refer to it as the Cooties.

When first organized in Washington, D. C., on October 23, 1920, the by-title was adopted as being, "the honor degree of the Veterans of Foreign Wars, because the members must be picked from members of the VFW."

At the beginning the honor degree was more social in character, and fun and pranks seemed to be predominant in the organization. But the years passed and left their mark upon the membership and the spirit of fun and frolic exhibited itself with diminishing intensity each and every year. As this condition became more and more pronounced there came a change-over toward the other extreme and many of the older members gradually came to wonder if the Cooties should not endeavor to stress the honor degree instead of the social degree. As a result of this change, the Cooties requested of the Veterans of Foreign Wars that they be allowed to take over the hospital-visitation program of that order. Permission was granted by the parent body and a new era opened for the Cooties.

A slogan was adopted, "Keep 'em Smiling in Beds of White" and with this as an ideal the Cooties have for the past 8 or 9 years made it their paramount ambition to make life a little more pleasant for their comrades and buddies in the various hospitals throughout this country and its outlying Territories and protectorates.

Many thousands of presents have been distributed, many hundreds of visits have been made, and thousands of dollars have been freely given in order that their unfortunate comrades might have a few hours of pleasure to help them to forget the other monotonous hours that they were compelled to spend in their "beds of white." The rewards have been great. A smile brought to the face of a boy or man who ordinarily is wracked with pain, is enough to reimburse the Cooties for all of the time, effort, and money spent throughout the time since this work was started. The feeling of something done which was worth while in making a comrade happy for a few hours is something that cannot be forgotten by a Cootie who has made a hospital visitation.

It also must not be forgotten or lightly passed over, that the Cooties made it possible to present to the VFW National Home at Eaton Rapids, Mich., an athletic field, for the recreation of the boys and girls who are residents of the home. Cootie Field is its name, and it stands as a fully equipped memorial to those who believe in making someone else happy.

At Christmas of each year the Cooties sponsor the Christmas party to the boys and girls of the National Home and every resident of the home becomes the recipient of presents galore, the yuletide greetings and bushels of joy and happiness. Cooties from all over the country journey to that Christmas party and take part in the festivities. Their only reward is to observe the unbounded joy and happiness that is radiated from the faces of those children.

Now, it so happens, that these same Cooties who have, over the years, done so much to alleviate the lonesomeness and suffering among their comrades, have also observed that in the hospitals that they have visited, both veterans and civilian, one of the most prevalent sources of hospitalization is the dreadful scourge of medical science—cancer.

So, with the idea that perhaps an opportunity lay within the scope of Cootie activities to not only do good amid the restricted area of veteranism but also to benefit humanity in general, the great idea has been fostered to take up the fight against cancer.

The purpose and aim is expressed in the title which has been adopted—"The National Foundation Fund for Cancer"—or at least help in the work of ascertaining its cause and cure.

Briefly, it is a campaign to acquaint every Cootie and the American public with the need of raising money to fight cancer. Every Cootie in the national organization will work and do his part and the results will show that for every Cootie member there will be $1 contributed to the cause. Not only will the Cooties contribute but they will endeavor to bring the program to the attention of the public and hope to acquire additional contributions from that source. It is the plan of our committee to make this program of national scope and the hope is that 1 week of each year may become known as the Cootie cancer-fund week. We hope to have the President's approval and cooperation.

The program was first initiated by the action of Pup Tent No. 3, of Akron, Ohio, and by that body was proposed to the meeting of the grand council of administration of Ohio on February 26, 1946. The plan was enthusiastically received and it was proposed that it be presented to the department at its convention of that year. The adoption of the plan was voted on favorably by the department of Ohio. Plans were then made to secure favorable action at the national encampment of the Veterans of Foreign Wars, held in Boston, Mass., in 1946. Again the plan was received with great enthusiasm and the "go ahead" sign was given to the Cooties by that national encampment.

A committee was appointed and began its work immediately upon the adjournment of the convention and for over a year the work of perfecting the program has gone on.

Mr. HUBER, can you not feel that such a noble and worthy cause should be brought to the attention of the Congress of the United States?

The Cooties have proved themselves capable of high esteem in the past and we hope to continue to merit that esteem in the future. May we count upon you to help?

Let us all adopt the slogan which is to be used in this undertaking and "get in on the kill." Cancer must be eliminated.

We hope you will do what you can to make the Cooties' national foundation fund for cancer research a byword in the minds of every man, woman, and child in the United States.

Respectfully yours,

THE NATIONAL COMMITTEE,
PAUL R. COUCH, *Chairman.*
GERALD LYNCH, *Secretary.*

Dr. Horace G. Smithy, Jr., Saves Girl by Heart Operation

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. BRYSON. Mr. Speaker, as revealed in the Evening Star of February 10, 1948, and through other newspapers throughout the country, young Dr. Horace G. Smithy, Jr., formerly of the District of Columbia, has performed a miraculous operation at the Medical College of South Carolina, in the city of Charleston.

As a tribute to the untiring efforts on the part of members of the medical profession, I take pleasure in calling attention to the outstanding service of Dr. Smithy.

We are proud of our State medical college, which has been in existence more than a hundred years. Great physicians have gone out from this institution to minister to suffering humanity.

As a part of my remarks, I include herewith the newspaper account of this great surgeon's work:

SURGEON SON OF DISTRICT OF COLUMBIA REALTY MAN SAVES GIRL BY HEART OPERATION—KNIFE ON SLENDER ROD INSERTED TO OPEN CLOGGED VALVES

Dr. Horace G. Smithy, Jr., son of a well-known Washington real-estate man, has succeeded in inserting a blade in the tubes of the heart and cutting away tissue to relieve clogged valves, the frequent after effect of rheumatic fever, it was learned today.

Dr. Smithy is assistant professor of surgery at the Medical College of South Carolina. The operation was on an 18-year-old girl, a victim of rheumatic fever who had been given a year to live. The operation occurred in Charleston, S. C., 10 days ago, according to the Associated Press. The girl, Betty Lee Woolridge, of Canton, Ohio, is now up, walking around and apparently nearly well.

Dr. Smithy has been performing this delicate operation—in which the heart is held in the hand while a knife at the end of a slender rod trims away valve tissue within—for several months on animals. The Woolridge girl in Canton read a newspaper account of the work in September. She appealed to Dr. Smithy by mail to try the technique on her.

PARENTS KNEW OF WORK

The doctor's parents, who live at 2721 Thirty-first Place NW., knew from his letters about the work and that his first operation on a human being was imminent.

Dr. Smithy, who is 33, went to Friends School here and to Episcopal High School in Alexandria. His medical practice, since his graduation from the University of Virginia Medical School, has been in Charleston.

"The good Lord was with us," his mother said today in telling about this critical operation of his career.

The 85-pound girl was flown to Charleston on January 18. Dr. Smithy said her condition was such his first impulse was to send her home.

Scar tissue in the heart valve interfered with flow of blood from one main heart chamber to the other. She had to be propped on three pillows to breathe. Veins in her neck stood out like cords.

Dr. Smithy said the operation was performed by opening the chest, and baring the heart. He used a long instrument, a slender rod, in the end of which was a movable blade to be used in cutting the scarred valve. The cutting blade is manipulated by the surgeon through the handle of the rod.

HEART HELD IN DOCTOR'S HAND

First the surgeon made a purse-string suture, or sewing, on the heart muscle. This was so that when the rod was thrust through into the heart the string could be pulled to tighten the outer heart tissues all around the rod to minimize bleeding.

The heart was held in the surgeon's hand while this purse-string suture was put in place.

The valve-cutting instrument was designed by Dr. Smithy and associates. It was made by the college machinists. When the instrument was inserted into the heart Dr. Smithy worked it by feel, and by experience gained on animals' hearts, until the point was on or in the valve.

Heart valves are openings fringed with flaps of tissue, called cusps. When the heart contracts these leaves come together, closing the

valve. When the heart expands they separate, leaving an opening. The scarring fastens the edges of cusps together, so that they no longer open freely. Dr. Smithy's probe cut away these adhesions, or part of them.

Abraham Lincoln Favored Constructive Aid for the South in Its Recovery From War—His Principles Should Be Applied Today in the European Recovery Program

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. HAYS. Mr. Speaker, it has been my practice since coming to Congress to extend in the RECORD on the anniversary of Lincoln's birth a statement on his great service, particularly his interest in the South's recovery. The day belongs to our colleagues on the Republican side, so I shall not consume the time of the House in speechmaking. However, as a humble Democrat I wish to express some thoughts on Lincoln's efforts to hasten recovery from the effects of war.

Abraham Lincoln died in the hour of success, a week after the South laid down her arms. Victory in war is far easier to achieve than justice and tranquillity in peace; the goal is far simpler, the problems are more straightforward. But, although Lincoln did not survive to struggle with the complexities of peace, he has a right to be regarded as more than a victorious leader in war, for he has left evidence of the policy that he intended to pursue when the conflict was over.

In his annual message to Congress in December 1863 he offended many by advocating a moderate policy toward the South. In February of 1865 when the end of the war still did not seem to be in sight, he drafted a message to Congress calling for $400,000,000 as compensation for the loss of property caused by abolition of slavery; only the united opposition of his Cabinet led him to shelve the proposal for the time being. Nicolay tells us that aid to the stricken South was dear to Lincoln's heart and that he was very sad at the rebuff which his purpose met at the hands of his Cabinet. A month later in his second inaugural address—which he considered to be as great a speech as any he ever delivered—he spoke of "malice toward none," of "justice toward all," and of "binding up the Nation's wounds." His last speech, made 3 days before his death, was devoted to answering those who attacked him for overgreat leniency in his attitude toward the new government in Louisiana.

History is full of might-have-been and it is idle to speculate on exactly what might have happened if Abraham Lincoln had been spared to complete his second term as President. Yet we can hardly doubt that, had he survived to translate into action that mild and conciliatory attitude of which he had given such evidence, had he, with all the weight of his great reputation behind him, attempted the harmonious reconstruction of our national life, then the country as a whole would have been spared much of the bitterness that so long outlasted the war; we cannot doubt that the history of the United States would have been one of even greater progress and prosperity than it has been.

The thought of this possibility, the wistful regret that we must all feel that Lincoln perished at the very hour when his greatest opportunity lay before him, has a moral for today. As in 1865 the United States had been ravaged and impoverished by a great conflict, so today the world has been ravaged and impoverished. In the years after the War Between the States the word "reconstruction" acquired an unpleasant flavor. Today we are waiting to see if it can recover its hopeful sound, for today Europe is in the direst need of reconstruction. There are some who try to draw a strange lesson from the parallel circumstances. The South, they say, recovered from the War Between the States without any aid; why cannot Europe do the same? The contrast is inexact; the conclusion is wrong.

First, in the last century, the United States lay in no serious danger of attack. It could recover from its wounds unperturbed by the threat of war. That is not true of western Europe today. The weakness of her war-shattered economy is an immediate temptation to the forces of disorder to the east. The South may not have been aided in recovery but at all times it had the protection of the United States flag. Without aid western Europe is more than likely to fall victim to foreign aggression.

Second, the South was comparatively self-sufficient. It contained within its borders most of the staple necessities of life. Its wealth lay in its fields and not, as in western Europe today, in its factories. The South did not have to face the problem which confronts western Europe today; it did not have to restore an elaborate industrial economy and to recreate markets—in a world in which the entire framework of trade had been shattered by war—in order to pay for food enough to survive. The South was impoverished indeed by the war but it had an agricultural economy and it was left with long years of peace in which to rebuild; it was left in a stable world with open markets and low custom barriers.

Third, the parallel breaks down because, after the War Between the States, both North and South were left the poorer for their struggle. Today the United States has emerged from the war with her productive capacity 50 percent greater than when it began. All her allies have paid the price of victory with severe loss of capital wealth.

But even were the parallel between the unaided recovery of the South after 1865 and that of Europe in the coming years perfect, it would scarcely serve as an argument against aiding Europe. If Lincoln's policies had been followed, if reconstruction had been constructive, who can doubt that the South would have been more prosperous, both in the past and today? Who can doubt that much bitterness and much hardship could have been avoided? And who can doubt that in the long run the North giving the aid would have benefited from it almost as much as the South receiving it?

I am not unaware of the great private charities extended to the South by the people of Northern States, and these acts of benevolence were a major influence in "binding the Nation's wounds," but the Government itself failed to seize the great opportunity which Lincoln pictured.

Lincoln died, and the opportunity was missed. Today an even greater opportunity lies open. The one country whose prosperity has increased during the war can, with a limited outlay, do much to give her allies a chance to restore their own and world prosperity, prosperity without which peace cannot be assured. Lincoln strove for the unity of his country and for domestic tranquillity. We know that he planned to apply in peace principles of conciliation and mutual cooperation to foster the welfare of his fellow countrymen. Today there is a chance to follow Lincoln's ideals in fostering the unity, the tranquillity, and the welfare of all the world.

Abraham Lincoln Would Be Engaged in the Same Work as the Fraternal Order of Eagles, if He Were Alive Today

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, this is Lincoln's birthday and if Abraham Lincoln were living today I believe he would want to be a member of the Eagles. I believe that because the Eagles are so actively engaged in truly humanitarian and social work for those of our citizens who really need it. In the Look magazine for February 17, 1948, is an excellent article on the Eagles who are this year celebrating 50 years of service to our country. In connection with the article are a series of pictures all of which I am proud to say, were taken in my home town, Milwaukee, Wis., showing, in a concrete way, just how the Eagles in Milwaukee operate. They show one group of community leaders working out traffic problems; another shows the boys' boxing tournament, an activity to combat juvenile delinquency. Another shows how housing for young offenders is being given attention by Governor Rennebohm and John Kenny, probation head, under auspices of the Eagles; another shows the interest of the Eagles in the juvenile court, with Judge Walter Schinz presiding; next is sponsorship of a baby clinic. Then there is one showing Ray Markey and Bob Hansen taking food to a needy

family—one of the Eagles' oldest traditions.

I am very happy to include the article in Look, as follows:

THE EAGLES, NATION'S LARGEST BENEFIT FRATERNAL ORDER, CELEBRATES 50 YEARS OF SERVICE TO COUNTRY AND FUN FOR MEMBERS

The largest benefit fraternal organization in the world is the Fraternal Order of Eagles. It has 1,391,437 dues-paying "brothers" in 1,548 "aeries" or lodge homes. A benefit fraternal society is one which makes cash payments to its members for illness, death, or disability. Money for this comes from the dues, which, in the case of the Eagles, averages $13 a year. Among Eagles, no club is better known than the one in Milwaukee, Wis. There 16,528 members pay $16 per year and, as shown on these pages, work or play in a fine clubhouse that cost more than $1,000,000 to build in 1926.

The FOE was organized February 6, 1898. Six men who were in the theatrical business in Seattle during the gold-rush days decided at a lunch-hour gabfest to form a club and call it the Order of Good Things. They changed the name to Eagles at their next meeting. Because theatrical people travel widely, it was not long before other clubs were organized in cities across the country. Early Eagle members thus were predominantly theater folk. Their pay was uncertain at best. They knew the value of the helping hand. The Eagles have a deserved reputation for taking the workingman's part, and the late John Considine, one of the founders, explained it this way: "From the start we had sick and funeral benefits and provisions for a club physician to tend our ill. Being in the theatrical business, I had seen how stage hands used to chip in and hire a doctor. We took the idea into the Eagles."

The idea stuck. The Eagles, by working that theme to the utmost for the next 50 years have grown and prospered. They point with pride to their record. The first workmen's compensation law was passed in Wisconsin in 1908. It was an Eagle project. The bill was drafted by Dan Hoan, for many years mayor of Milwaukee and an active Eagle. Eagles were back of the first mother's pension law enacted in Missouri in 1911. Montana's old-age pension law in 1923, trail blazer among such laws, climaxed an Eagle crusade. Wisconsin's 1947 Youth Service act and similar legislation in California, Oregon, and Minnesota in the field of juvenile delinquency had Eagle sponsorship.

DUES ARE LOW

The order pays members $7 per week for illness. Death of a member brings a prompt $100 to his family. The prosperous Milwaukee club pays a $200 death benefit. The payments are low. But so are the dues. Benefits total about $2,000,000 yearly to the whole membership. The funeral payment has its roots in the organization's start. Many early members were immigrants working alone in the United States for enough money to pay passage here for the rest of the family. The $100 assured a decent burial if the member died with no relatives near to see to his funeral.

THEY ARE WAGE EARNERS

The Eagles direct their appeal to the wage earner, to give him a place where he can belong and feel important. "Get a man a job, watch out for his family, help him improve his community where he lives, make him feel secure and you've got an Eagle for life," one Eagle bigwig said.

The Eagles try to do this on a big scale. National Eagle conventions establish policies and programs and urge each local club to plug away at community-improvement projects, prevention of juvenile delinquency, stimulation of employment, aid for veterans, promotion of child health and the teaching of American democratic traditions to check communism.

THEY BACK SOCIAL SECURITY

On the national policy level, the Eagles are busily advocating more and more social-security legislation. This is their platform for the future:

1. Extension of social security to include all employed workers not now protected by a retirement plan.
2. Expansion of social security to include protection of wage earners from loss of earnings through illness and reimbursements for major medical expenses.
3. Passage of State youth service acts to make juvenile delinquency a State responsibility.
4. Encouragement of city, State, and Federal planning for full employment.
5. Guaranteed annual wage and profit sharing by industry.

Palestine Freedom

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. MADDEN. Mr. Speaker, the United Nations today must solve the problems and exercise the power which its member nations have bestowed upon it. Today a situation exists in Palestine that may lead to another World War. It is the duty of the United Nations to use its force to see that justice is meted out to the Jewish people who are today living in Palestine with the thought that they would receive the protection of the great nations who believe in justice.

Great Britain, America, and the United Nations are responsible for thousands of people immigrating and settling in this Jewish homeland. It is our inescapable obligation to protect these helpless pioneers who are now being subjected to torment and unjust attacks. The situation is doubly unthinkable because the helpless people of Palestine are prohibited from securing arms and weapons to defend themselves from unjust attacks.

The time for action on the part of the United Nations and our State Department is now.

I wish to incorporate in my remarks a resolution unanimously adopted by the Gary Jewish Welfare Federation, Inc.:

RESOLUTION UNANIMOUSLY ADOPTED AT MASS MEETING OF ALL JEWISH ORGANIZATIONS OF THE CITY OF GARY, IND.

To the HONORABLE HARRY S. TRUMAN, PRESIDENT OF THE UNITED STATES.

SIR: Whereas Americans of Jewish faith are greatly alarmed and distressed at the reports of rioting, violence, death, and destruction in Palestine; and

Whereas our State Department has placed an embargo on the sale of arms in Palestine, and the British have openly supplied arms to the Arabs and confiscated the arms and defense weapons of the Jews, thus leaving them helpless before the attack of the Nazi-inspired mercenary Arabs brought in from beyond Palestine's borders; and

Whereas the United Nations Committee has been delayed and hampered in its effort to create an international police force to keep order in Palestine by the diplomatic maneuvers of opponents of the partition plan; and

Whereas the results of these policies have caused death and destruction and threaten the success of the United Nations policy and the peace of the world: Now, therefore, be it

Resolved, That we in mass meeting here assembled respectfully urge you to immediately lift the embargo on the sale of arms and munitions to Palestine, so that Jews can acquire weapons to protect themselves against aggression and violence; that our representatives at the United Nations conference be urged to seek at once establishment of an international police force to keep order in Palestine and protect its inhabitants against Arab aggression; that our Government take such steps as are possible to implement effectively the partition plan for Palestine without delay, all in order to defend the helpless victims of the Holy Land, rebuff the attack of the Arab Federation on the United Nations Organization and to preserve the peace of the world.

Respectfully submitted,

GARY JEWISH WELFARE ASSOCIATION,
CYRUS WECHSLER, *President*.
HERBERT ROSENBLOOM,
Chairman of Mass Meeting Committee.

Cut Government Expenses and Reduce Taxes

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. VURSELL. Mr. Speaker, in 1947, the Republican leadership in the Congress with the aid of a number of good Democrats, passed a tax bill in this House and in the Senate which would have given the American taxpayers a reduction in taxes in the amount of $4,500,000,000.

President Truman opposed the passage of that bill with all the power at his command. Nevertheless, it passed the House and Senate by big majorities. He vetoed the bill, and inasmuch as it requires a two-thirds majority to pass a bill over the President's veto, he was able to deny the taxpayers any relief last year.

Mr. Speaker, we came back again this year in an effort to keep our pledge to the people to reduce taxes, presenting a bill to the House of Representatives that would give the people something over $6,000,000,000 in tax relief. Again, the President attempted with all the power at his command to defeat this bill. Notwithstanding his opposition, every Republican except one, voted for the bill and 63 Democrats joined with us Republicans passing the bill by over a 2-to-1 majority in the House. The bill has gone to the Senate. It is hoped it will soon be passed by the Senate so that the American taxpayer in the third year after the winning of the war may get some relief from the biggest tax load he has ever been compelled to carry.

Mr. Speaker, we can give the people a $6,000,000,000 tax reduction, balance the budget and have $3,000,000,000 left over to pay on the Nation's debt. If we can

cut the $40,000,000,000 request the President is asking for the running expenses of the Government for the next year by $3,000,000,000, we can pay $6,000,000,000 on the national debt. If the President would cooperate with the Republican House and Senate instead of opposing us, we could reduce his budget by $5,000,000,000, making it possible to give a $6,000,000,000 tax reduction and pay more billions on the national debt.

Mr. Speaker, 1 year ago when we attempted to cut the running expenses of the Government by $5,000,000,000 he and his entrenched administrative bureaucrats opposed every reduction we sought to make at that time.

He is opposed to any reduction in his $40,000,000,000 budget this time which is $2,000,000,000 more than it was last year. He insists on refusing the taxpayers of our country any tax relief by saying that it would be inflationary, and at the same time he insists on taking more than the $6,000,000,000 tax relief from our own people and giving it to European countries, or spending it for merchandise in this country to give to the people of western Europe. He takes the position that the American citizen and taxpayer shall not have tax relief and spend his own money for clothing, dental, and doctor bills or for payments for the repairs of his home, or for any other purpose because he says that would be inflationary.

On the other hand, he says if his administration takes the money away from them in taxes and spends it on other nations, or allows them to spend it here, that will not be inflationary.

No President in the history of this Nation has ever before sought to so penalize and call upon the American people to make such a sacrifice.

Mr. Speaker, the $40,000,000,000 budget he requests to pay the running expenses of the Government for the coming year amounts to an average of $1,000 per family. There are 40,000,000 families in the United States. When he asked for a $40,000,000,000 budget, he asks to sell the average family a year's service of the Federal Government at a cost of $1,000. His $40,000,000,000 budget request is more than the total 1946 income of all individuals in all States west of the Mississippi River except Texas.

It is more than the amount invested in all of our railroads, street railways, oil pipe lines, and telegraph and telephone systems representing the investment of 100 years. You will see this is a terrible drain on the economy of our country. Such a constant drain out of the financial bloodstream will soon wreck the country. They now in the Nation are paying more for taxes than they are for food. Their food bill is less than their total tax bill, when State, county, city, and all taxes are totaled.

Think of it. It is more than the value of all assets of all life-insurance companies in 1943, which was the chief nest egg of 70,000,000 people. The President ought to be asking for less billions instead of $2,000,000,000 more than he asked for last year.

Mr. Speaker, while the people are demanding a reduction in the cost of government, the President insists on keeping 500,000 more people on the Federal pay rolls than are needed at an expense of over $1,000,000,000 a year. This Congress has done and will continue to do its best in the face of the opposition of the President and this administration to reduce the cost of government and to pass a tax bill over his veto if necessary.

WHAT THE TAX BILL DOES

Mr. Speaker, this bill we passed raises the exemption on every taxpayer and his dependents from the present exemption of $500 to $600. The man with a wife and two children will get an extra $100 exemption on each of the four. While this will benefit every taxpayer, over 90 percent of the benefit in this exemption raise will go to those whose net incomes are $5,000 or less.

The raising of these exemptions alone will free 6,000,000 small taxpayers from paying any taxes whatsoever.

The taxpayer who, after taking these exemptions, has a net of $1,000 or less on which he must pay taxes will then get a 30-percent tax reduction.

First. He gets a large percentage in relief by the $100 extra exemption and then he gets a 30-percent relief in the amount upon which he must pay. This will give probably a general 40-percent relief to the little taxpayers who pay on any amount up to $1,000. There are 25,000,000 taxpayers in this group in the low-income brackets who will get this big reduction in addition to over 7,000,000 in the lowest-income group who will pay no taxes whatsoever. This high percentage rate of reduction for those in the low-income bracket is an attempt to give them much greater relief because we realize that they need greater relief to help meet the present rise in the cost of living.

Second. The taxpayer, after exemptions, who pays on a net of from $1,000 to $1,396 will receive in addition to his added $100 exemption a reduction of 20 percent. There are 7,000,000 taxpayers in this group.

Third. Taxpayers who, after exemptions, pay in excess of $4,000 will receive a reduction of 20 percent on the first $4,000, and above that in earnings, only 10 percent.

This bill also gives great relief to those over 65 years of age, as follows: Those 65 years of age will get an added exemption of $600, making a total exemption of $1,200.

This should wipe out the tax on many of the school teachers of the Nation who are now paying either taxes on their salaries, or taxes on their annuities.

Mr. Speaker, it practically wipes out all tax against the blind of the Nation by raising exemptions higher for them than any others.

It provides for married people to divide their incomes and will give relief to a great many married couples.

Mr. Speaker, yet, when the figures prove that those in the lower brackets get 72 percent of the reduction, yet the President when he gets ready to veto this bill will most likely make the same charge that he made against a similar bill a year ago, that this bill benefits the rich and penalizes the low-income group. Of course, there was no truth in his statement a year ago, and will be none if he repeats it as to this bill.

Those in the highest brackets are allowed a 10-percent reduction because we Members of the Congress and everyone who has thought tax legislation through realizes that you cannot take 50 to 75 percent in taxes away from those who must replace worn-out machinery and keep their machinery repaired and in good condition year after year, without finally throwing millions of laboring men out of employment. They must have this encouragement now to renew equipment and expand plants if we are to keep 60,000,000 people employed.

Mr. Speaker, this is not a political tax bill like the $40-a-vote bill offered by the President, which is so worthless that neither the Democrat Members of the House nor Senate have attempted to substitute it for this bill. This is an American equity tax bill seeking to push the economy of the United States Government forward for continued employment and greater production. This is not an inflationary tax bill. It is a tax bill to combat inflation. Greater production is the only real cure for inflation. This bill will greatly increase production. And, as we greatly increase production, more wealth is made against which these lower tax rates will operate, and by the expansion and creation of greater production and greater wealth the passage of this tax bill will not likely cut $1,000,000,000 out of the revenue of the Government, while at the same time it will give $6,000,000,000 relief from these high wartime taxes to the taxpayers who are carrying this terrific load.

Mr. Speaker, after the last World War when the Republicans came into power they passed a tax-reduction bill each year for three successive years. Every time they reduced the tax levies business expanded so much that they collected more money, with the result that they balanced the budget and reduced the national debt by a billion dollars a year for 10 successive years. Sound policies written into this tax bill will not only give the people the relief they seek, but will continue employment at a high peak; the production of wealth at a high peak, will expand business and probably bring in more extra revenue at these lower rates than the $6,000,000,000 in relief we insist the American people shall have in 1948.

French Monetary Plan

EXTENSION OF REMARKS

OF

HON. BRENT SPENCE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. SPENCE. Mr. Speaker, under leave to extend my remarks, I herewith insert a letter from Hon. A. N. Overby, United States Executive Director of the

International Monetary Fund, and certain releases and statements in connection with the change in the par value of the French franc:

INTERNATIONAL MONETARY FUND,
Washington, D. C., January 28, 1948.

Hon. BRENT SPENCE,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: I am glad I had an opportunity to discuss with you on the phone this morning the recent changes in the French monetary system, regarding which there has been so much discussion in the public press and not a little confusion.

As I indicated to you, the International Monetary Fund heartily agreed with the French Government that a change in the par value of the French franc was necessary, and indicated that it was prepared to concur in a devaluation of the franc to a realistic rate. I think I can fairly say that officials of the International Monetary Fund, including myself, have for several months indicated to the French Government officials that a change in the value of the franc was necessary and desirable. We have all indicated for several months that this action should be preceded and accompanied by budgetary and fiscal measures directed at internal monetary stabilization, without which a devaluation of the franc would prove ineffective, if it did not actually contribute to further inflationary forces. In all of our discussions with the French authorities over the past several months we have urged them to take measures to balance their budget, to improve and strengthen their tax-collection measures, to control inflationary expansion of credit, to reduce wherever possible their capital-investment program, and to take all other measures necessary to bring under control and reduce inflationary factors at work in France. We have noted with satisfaction that the French authorities, despite the fact that such measures are often unpopular, at least temporarily, have in recent months taken budgetary and fiscal measures directed at internal monetary stabilization.

You will note that the attached press release by the International Monetary Fund emphasizes the foregoing considerations, and I should like to reemphasize that we were all prepared to concur in a devaluation of the franc to a realistic rate. This was not the point at issue.

I think I might elaborate somewhat on the description of the French monetary plan which is contained in the attached press release. The French proposed to reduce the official par value of the franc by 44.444 percent. This would result in a change of the rate from approximately 119 francs per United States dollar to approximately 214 francs per United States dollar, from 480 francs per pound sterling to 864 francs per pound sterling, etc. At the same time, the French proposed to introduce a so-called free market in which the United States dollar, the Portuguese escudo, and ultimately certain other currencies would be bought and sold in a market inside France at fluctuating rates which would differ considerably from the new official par value.

This new free market would not be a free market in the orthodox, classical sense, because it would be subject to the control of the French authorities in the granting of import licenses, in authorizing capital transfers, etc.

French exporters to the dollar area, for example, would be required to sell one-half of their export proceeds to the French monetary authorities at the new official par value of 214 francs to the dollar. They would be permitted to sell the other one-half of their export proceeds in the free market. Assuming this free market would be established in the neighborhood of recent quotations in the black market of, say, 340 francs to the dollar, the French exporter to the dollar area, selling one-half of his export proceeds at the official par value of 214 and one-half at the free rate of 340, would average 277 francs per dollar of export proceeds.

The French authorities proposed that so-called basic commodities, such as wheat, coal, fertilizer, and petroleum products, would enter France at the official par value of 214 francs to the dollar. These commodities are the basic commodities which are being supplied under the interim-aid program and would presumably continue to be supplied under the European recovery program. Importers of so-called nonbasic commodities would be required to purchase their dollar exchange in the free market at a rate of, say, 340 francs to the dollar.

The free market would also be used for various invisible transactions which would be authorized to take place in this market, including exchange transactions of tourists, capital transfers, and other noncommercial remittances. It was the hope of the French authorities that the free rate would encourage a substantial repatriation to France of French capital held abroad.

As I have said, the fund was more than prepared to agree to a change in the par value of the franc to a realistic rate, and the fund did its utmost, in view of the special circumstances prevailing in France, to go along with the French proposal. Despite certain misgivings regarding a system involving fluctuating rates, the fund was prepared to accept the fluctuating free market for invisible transactions and even for the import of nonbasic commodities from the dollar area.

The one point on which the fund was unable to approve the French proposal was the inclusion in a market with fluctuating rates of any part of the proceeds of exports, as in its judgment this entailed the risk of serious adverse effects on other members of the fund without being necessary to achieve the trade objectives sought by the French authorities. As stated in the press release, "The fund felt that there would be scope for competitive depreciation in the application by one country of a fluctuating rate on exports to one area while other rates remained stable and other countries maintained the parities agreed with the fund. Such a system, operating in an important trading country, would encourage trade distortions and might cast unwarranted doubt on the real strength of many currencies through the apparent discount applied to them in the French system. The fund feared that the widespread adoption of such a system would result in exchange uncertainty and instability and produce a disorderly exchange situation from which all members of the fund would suffer."

Granting permission to France to sell the proceeds of exports to certain areas (e. g., the dollar area) at a fluctuating premium with respect to the cross rates based on fund parities, which other members would be required to observe, would make it possible for the French to engage in competitive depreciation at the expense of other members of the fund and without control by the fund. One of the basic purposes of the fund is to prevent such competitive depreciation.

It was felt that if export proceeds were sold in this manner serious trade distortions might result, either from the price effects of the fluctuating exchange differentials or from the actual diversion of trade from its customary channels through commodity arbitrage. For example, French importers might purchase goods in the sterling area or in other currency areas which could then be reshipped to the dollar area and sold at a substantial profit, thus in effect, depriving the sterling and other areas of the dollar proceeds of the sales that they might otherwise normally make in the dollar area. Although the French indicated that they would use their best efforts to prevent this, question existed in the minds of the members of the fund as to whether they could in fact do so. Moreover, it was thought that even if the French authorities could control such commodity arbitrage, similar effects might follow directly from price distortions arising from the differential exchange rates.

The fund did not see how it could deny to other countries the right to institute fluctuating rate systems if France were allowed to do so. If the fund, under the French proposal, required other members to live up to their obligations under the fund agreement, we would be permitting a particular country to gain advantages from instituting a fluctuating rate system. If many members institute fluctuating rate systems, however, a wholly new situation is created in which the stability and order in exchange rates which are one of the objectives of the fund become difficult, if not impossible.

One of the results of the French proposal, if adopted on a widespread system, would be to promote bilateral deals and reduce world trade more and more to a barter basis, which is contrary to the objectives of the fund and of United States policy in the foreign economic field.

Although the introduction of the French system raises many difficulties and may have serious adverse consequences, we are all hopeful that the French Government and other governments, particularly the neighboring European countries, will do everything within their power to keep to a minimum the adverse consequences which may flow from the French action. In this connection I think you may be interested in the attached Anglo-French communiqué and in the French communiqué on this matter.

The fund, for its part, while regretting the French action, will continue to work with France in seeking a modification of its newly introduced exchange practices in order to meet French needs within the framework of the international monetary arrangements established by the fund agreement.

As our statement emphasizes, we have approached this problem in anything but a rigid and doctrinaire manner, and as you will see from my description of the extent to which we were willing to go, we certainly are not holding to any pet ideas or rigid concepts. The fund was established essentially to set up rules of fair practice in the international monetary field. We have no desire to be managers. Our efforts, on the contrary, are directed toward the role of a benevolent umpire, who is anxious to have the members of the fund adhere as closely as possible to the rules of fair play which it was sought to establish in the fund concept. The competitive exchange depreciation, exchange instability, and Schachtian economic warfare practices of the twenties and thirties were among the evils which it was hoped the fund would be effective in removing. We are still hopeful that, despite the present difficulties of the world, we can promote standards of fair exchange practices and gradually remove, rather than increase, exchange restrictions and competitive or discriminatory exchange arrangements. I know that the members of the fund board and the staff of the fund are devoting their full energies and best judgment to the success of this experiment in international cooperation, and that they will do their utmost to carry on despite temporary set-backs.

Please forgive me for having written at such length, but I wanted you to have an understanding of our point of view and of our objectives. If you have any questions, I shall do my best to answer them for you.

With all good wishes and the hope that I may have the pleasure of seeing you soon again, I am,

Sincerely yours,

A. N. OVERBY,
United States Executive Director.

STATEMENT CONCERNING EXCHANGE ACTIONS TAKEN BY FRANCE

(Press Release No. 35, January 25, 1948)

Camille Gutt, chairman of the executive board of the International Monetary Fund, today made the following statement:

"The French Government has engaged in full and frank consultations with the International Monetary Fund regarding a plan for exchange adjustment, which would require the approval of the fund. The essential features of the plan were the following:

"The par value of the French franc would be reduced by 44.444 percent, which would result in a change in the rate from approximately 119 francs per United States dollar to approximately 214.

"At the same time, a discriminatory multiple currency practice would be introduced whereby United States dollars and certain other currencies which can be readily sold for dollars would be bought and sold in a market inside France at fluctuating rates which would differ considerably from the new par value.

"French exporters would be permitted to sell in this market one-half of their export proceeds in the designated currencies, the other half being sold to the French monetary authorities at the official par value. French importers would be permitted to buy in this market the designated currencies needed to pay for nonbasic commodities. In addition various invisible transactions would be authorized to take place in this market, including exchange transactions of tourists, capital transfers, and other noncommercial remittances.

"The fund agreed with the French Government that a change in the par value of the franc was necessary, and indicated that it was prepared to concur in a devaluation of the franc to a realistic rate which would be applicable to transactions in the currencies of all members of the fund. In this connection, the fund has noted with satisfaction the budgetary and fiscal measures directed at internal-monetary stabilization which France has taken in recent months.

"The fund gave careful consideration to the proposal to establish a market in convertible currencies along the lines indicated above. The fund had no desire to be rigid or doctrinaire in its approach to this matter, particularly in view of the abnormalities of the present situation. Despite serious reservations regarding a system involving fluctuating rates, the fund explored various alternatives designed to meet insofar as possible the objectives of the French authorities. The fund was not, however, able to agree to the inclusion in a market with fluctuating rates of any part of the proceeds of exports, as in its judgment this entailed the risk of serious adverse effects on other members of the fund, without being necessary to achieve the trade objectives sought by the French authorities.

"The fund felt that there would be scope for competitive depreciation in the application by one country of a fluctuating rate on exports to one area while other rates remain stable and other countries maintain the parities agreed with the fund. Such a system, operating in an important trading country, would encourage trade distortions and might cast unwarranted doubt on the real strength of many currencies through the apparent discount applied to them in the French system.

"The fund feared that the widespread adoption of such a system would result in exchange uncertainty and instability and produce a disorderly exchange situation from which all members of the fund would suffer. While recognizing the difficulties of the French position, the fund felt that the solution must be found through cooperative efforts to place currencies on a sound and stable basis.

"The French Government found that it could not accept the modification of its proposal suggested by the fund and has now informed the fund that it has decided to go forward with its proposal notwithstanding the objections of the fund. The fund regrets this action by a country which collaborated so effectively in the fund's establishment and whose cooperation has been a valuable asset.

"The fund will continue to work with France in seeking a modification of these exchange practices in order to meet French needs within the framework of the international monetary arrangements established by the fund agreement."

TEXT OF THE COMMUNIQUÉ ISSUED JOINTLY BY THE FRENCH AND BRITISH GOVERNMENTS ON DEVALUATION OF THE FRANC

(Anglo-French statement of January 25, 1948)

Mr. Rene Mayer, Minister of Finance, exchanged views in London on the 16th and 17th of January with the Chancelor of the Exchequer about the monetary project of the French Government.

These conversations were continued in the course of the visit which Sir Stafford Cripps made to Paris on the 23d and 24th of January. Although the points of view of the two governments on the method to be adopted in this matter did not coincide, the conversations which took place both in London and Paris have made clear the frank and intimate character of relations existing between the two countries.

The French Government has presented their proposals to the International Monetary Fund at Washington.

They have explained that the solution chosen by them is the only one capable of meeting the exigencies of the economic situation. It does not constitute in its intention the permanent monetary system of France, but a step toward the stabilization of the currency on the basis of a single exchange rate, which is the object of the financial and economic policy of the Government.

BRITAIN SIDES WITH FUND

On the British side, objections of the same character as those put forward by the Chancelor of the Exchequer have been presented to the fund. The International Monetary Fund has today published a statement on this subject, of which the two governments have taken note.

The United Kingdom Government associated itself with the statement by the International Monetary Fund.

Whatever the differences between the French and British points of view in this matter, the two Governments wish to continue their close cooperation in order to insure that any measure which may be considered necessary in these new circumstances will have only a minimum repercussion on the commercial relation between the sterling and the franc areas.

The two Governments have the same objects in view. In this spirit of mutual comprehension, close cooperation between the technical services of the two countries has been decided upon and will begin at once.

TEXT OF THE FRENCH GOVERNMENT'S COMMUNIQUÉ OF JANUARY 25, 1948, ON THE FRANC DEVALUATION

The Government, at the time it took office, assigned itself the task of stabilizing the French economy. The result could be achieved only by putting into operation an over-all program consisting, in the domestic field, of combating inflation, and, in the foreign field, of provisions tending to adapt the value of the franc to international economic realities.

In having its fiscal and budgetary bills adopted by Parliament, the Government demonstrated its will to fulfill the first part of this program. It now remained to make the necessary arrangements in the foreign field.

In this regard, an adjustment of the exchange rates was manifestly necessary, to take account of the rise in French prices. The question was one of deciding whether it was better to proceed to a pure and simple devaluation of our currency, or, on the other hand, to have recourse to a more supple formula, better adapted to the circumstances.

TRANSITION PERIOD CALLED FOR

In the present state of French economy, it appeared impossible to the Government to define a new exchange rate satisfactory for all transactions abroad, commercial, or noncommercial.

In seeking prematurely to give such a definition of the franc it would have run the following risk: Either the devaluation would have been insufficient, and would not have achieved its purpose, or it would have been too great and would have inflicted an excessive rise in prices and impoverishment of the French economy.

It, therefore, is necessary to pass through a transition period during which at least part of the offers and bids of convertible assets can balance each other in a market where rates are established freely.

The Government's final aim, of course, is to return as quickly as possible to stability—but to a real and lasting stability, not to an artificially and purely apparent stability.

It knows that the policy it is following is the best means—considering the difficulties our economy is going through at the moment—of attaining this aim and, in consequence of aiding in the realization of the objectives adopted by the International Monetary Fund.

REGRETS FUND'S DISAPPROVAL

For arriving at these ends, the Government refers to the provisions that were inserted in the Bretton Woods agreements for the transitional postwar period on behalf of member states whose territories were occupied.

The Government knows, furthermore, that it is not compromising or hindering through its action the efforts that other countries may make in the same direction while employing different means suitable to their own circumstances.

It regrets that the International Monetary Fund, although approving certain important parts of the plan, did not consider itself able to accept it in entirety.

The Government stands ready, through the adoption of technical provisions and coordinated procedures of control, to take into consideration the concern that its measures might cause to countries with unconvertible currency, and more especially to our neighbors in Europe.

The Government is convinced that in taking the stand it is adopting today, and in thus preparing the stabilization of French economy, it is making the best possible contribution to the reconstruction of western Europe, in conformity with the report of the 16 nations.

NEW FRANC RATE DECREED

Such were the circumstances in which the following decisions have been decreed:

1. The rates at which the exchange stabilization fund buys or sells moneys against francs are increased by a bonus, starting January 26, 1948. The bonus applies to all transactions and is uniform for all moneys. Its amount is established at 80 percent of the rates practiced hitherto.

The new franc rates thereby come out to 214,392 for one dollar and 864 francs for one pound sterling.

The parities of the homeland franc (of continental France) with the other currencies of the franc zone are not modified except as regards the franc of the French territories of the Pacific as well as the French rupee. Their rate in relation to the dollar and the pound sterling remains unchanged.

2. There will be created immediately, besides the official market, a free market on which the United States dollar and the Portuguese escudo can be quoted.

FREE MARKET DESCRIBED

The features of the free market will be as follows:

(A) The market will be supplied:

By half of the proceeds of the exports, the other half being ceded to the Exchange Stabilization Fund on the basis of the latter's rates:

By all moneys having a different origin, notably moneys acquired from noncommercial payments, moneys corersponding to movements of capital into France from abroad, moneys paid by foreign tourists.

(B) The resources of the market will be employable:

To pay for imports of commodities, to the exclusion of some categories deemed essential, to pay for which the Exchange Stabilization Fund will continue to deliver currency at the rates it practices:

For all other payments or movements of capital from France abroad to the exclusion of certain payments by the State.

(C) The market thus defined will be a free market, in the sense that the currencies dealt with thereon will be established freely by the play of offer and demand.

The monetary authorities shall see to it only, first, that all currency that is to be turned over to them is indeed turned over; second, that no purchases be made except those conforming to the regulations authorized by the Exchange Office under the usual conditions—that is to say, as regards imports, only upon delivery of (French Government import) licenses.

The Journal Officiel will publish a notice on January 26 by the Exchange Office detailing the provisions of application of the new system.

Resolutions by Student Body of William Jewell College on the Marshall Plan

EXTENSION OF REMARKS
OF
HON. CLARENCE CANNON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. CANNON. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include an open letter from the student body of William Jewell College addressed to the Members of the Congress. Also a letter similarly addressed to the student bodies of all American colleges and universities.

William Jewell College is one of the oldest colleges west of the Mississippi River and numbers among its alumni and former students something like one-fourth of the Missouri delegation in the House of Representatives in the Eightieth Congress.

The accompanying letters represent the overwhelming sentiment of the student body of the college as expressed in a vote taken after exhaustive discussion of the subject in the open forum of an all-school convocation held January 27, 1948. The letter to the Congress is as follows:

AN OPEN LETTER TO ALL SENATORS AND REPRESENTATIVES IN CONGRESS

FEBRUARY 5, 1948.

GENTLEMEN: We want to take this opportunity and this means to inform you of the recent action of the student body of William Jewell College concerning the European recovery program, known as the Marshall plan.

At a convocation of the entire student body of 826, half of whom are veterans, held January 27, 1948, the salient features of this recovery program were presented in full. After this discussion the student body voted 777 to 49 to authorize the drafting and the sending of this letter to all the Members of Congress in order to express approval of a long-range program for European recovery and to notify all Members of Congress of the following conclusions:

First. Economic recovery of western Europe is contingent upon adequate aid given immediately by the United States.

Second. World peace and the economic stability of all other areas of the world are affected by the economic status of Europe.

Therefore, the student body of William Jewell College respectfully urges that the Congress take the following action:

1. Create an agency headed by one administrator responsible to the President of the United States to direct the European recovery program. We urge that Congress thus integrate a businesslike administration of the European recovery program with our foreign policy.

2. Make available to the agency adequate funds for the promotion of this program. If we are penny-wise and pound-foolish, the program will in effect become piecemeal aid and relief instead of recovery.

3. Implement the European recovery program by April 1, 1948, so that the program will be in action by that date. Delay would greatly diminish the possibility of success and thus would be throwing money down the drain.

The student body feels that the condition of the world demands that America face the situation with statesmanship. We are happy to believe that this also is the feeling of the Members of Congress.

Respectfully yours,
THE STUDENT BODY OF WILLIAM JEWELL COLLEGE,
By WILLIAM H. OVERTON, *President.*
THE MARSHALL PLAN COMMITTEE OF THE STUDENT BODY,
By REX BROWN and REX SCHAEFFER,
Cochairmen.

Mr. Speaker, I also include as a part of my remarks the letter authorized by the student body in convocation assembled and addressed to similar college bodies in the United States as follows:

AN OPEN LETTER TO THE STUDENT BODIES OF ALL AMERICAN COLLEGES AND UNIVERSITIES

FEBRUARY 5, 1948.

To the PRESIDENT OF THE STUDENT BODY:

During the past few weeks the members of the student body of William Jewell College have been participating in open discussions relating to the salient features of the European recovery program, popularly known as the Marshall plan. These discussions culminated in an all-school convocation, January 27, 1948, devoted exclusively to the Marshall plan.

By a vote of 777 to 49, the student body authorized the drafting and the sending of a letter to each of the 531 Members of Congress. This letter urged that Congress implement the European recovery program with adequate funds and create an agency headed by one administrator responsible to the President of the United States to administer the program.

The student body also authorized its officers to send a letter to the presidents of the student bodies of the 900 colleges and universities of America, with the suggestion that something be done on each of the campuses about the European recovery program.

The youth of America have not as yet spoken about the Marshall plan. We are only suggesting that through your leadership the students of your campus have the opportunity to express themselves.

If we are penny-wise and pound-foolish, the European recovery program will in effect become piecemeal aid and relief instead of recovery. May we also suggest that it is expedient that you act at once.

The student body of William Jewell College feels that the condition of the world demands that the students of America as the leaders of tomorrow make known today their opinions on matters of vital interest.

Respectfully yours,
THE STUDENT BODY OF WILLIAM JEWELL COLLEGE,
By WILLIAM H. OVERTON, *President.*
THE MARSHALL PLAN COMMITTEE OF THE STUDENT BODY,
By REX BROWN and REX SCHAEFFER,
Cochairmen.

Mahatma Gandhi

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 5, 1948

Mr. CELLER. Mr. Speaker, the beloved Gandhi belongs to all of us now. True, he is India's son, but the truth and the beauty of his life lifted him out of the limitations of time and place.

The meaning of Gandhi's life cannot be weighed and measured like a pound of tea, but there is not one who will deny that the impact of this frail, slight body upon the course of history has made itself felt universally.

His grip on the pulse of his country did not require what so-called strong men in other lands demanded—there was no secret police behind him, no controlled army, no spy system. His enemies knew his strength, but they made the same mistake that men of ill will always make. The body of man is mortal, but not the spirit. A bullet cannot kill a gospel.

To the United States the magic name of Gandhi had a very special significance. It has become more than a bit tiresome to hear the word "materialist" thrown at us and the American way of life. We have had a good deal of difficulty in clarifying that concept to many foreign dignitaries. Because democracy is based on the dignity of the individual, the practical application of the democratic form has resulted in the widest distribution of goods and services any country has ever known. Withal, we have been conscious of our defects, knowing our own incompletions. We hold on to the American dream, working toward wider and ever wider application. The intel-

lectual sneers directed at our stream of automobiles, cars, and refrigerators, and so forth, have reduced some of us to apologize for our so-called materialism. I may be appearing at this moment to be departing from the figure of Gandhi. But I am not, actually. To the people of the United States Gandhi was the embodiment, the clarification, the explanation of the stream of cars and refrigerators. Gandhi may have wanted to arrive at the dignity of the individual, freedom, peace, justice, and plenty in another way, by another route. But this quiet man's strength, his vision, his spiritual wealth, his practiced belief in human goodness symbolized and crystallized for the people of the United States the hopes, the never-ending struggle for the betterment of man. When Gandhi spoke the people of this land listened, and millions said to themselves, "Yes, that is right, that is good, that is true."

It has been given to few to wield so enormous an influence in the history of our time. He had none of the outward traditional trappings of leadership. He was armed, instead, with the clearest of vision and with tenacious faith. With all the strength of his soul he sought to efface oppression. Bloodshed and violence were not his answers. A good end could not be reached by evil means, he said. Hatred breeds hatred and blood draws blood.

To a people demoralized by centuries of misrule, he brought the healing graces.

It has been said that this is the age of violence and that ironic though it was for the man of nonviolence to meet his end by the hand of an assassin, it followed the pattern of our day. But that is not so. Every age has been an age of disturbance and destructiveness. But not entirely, no, never entirely, because now and then men, pure of heart, and clean, selfless and endowed with grace, have arisen to take with them on their journey through life followers in the path of peace. These are the men who when they shed their mortal lives leave behind them a world a little bit closer to the good and the true. Men like Moses, Buddha, St. Francis of Assisi, Lincoln, with this royalty Gandhi is forever joined.

Department of the Air Force

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. NORBLAD. Mr. Speaker, under leave to extend my remarks, I include therein a statement by the Secretary of the Air Force, Mr. W. Stuart Symington, published in the Reserve Officer in connection with National Security Week:

DEPARTMENT OF THE AIR FORCE

The Department of the Air Force is deeply gratified that the Reserve Officers Association is once more sponsoring the observance of National Security Week. The loyal support of Reserve officers in time of peace as in time of war has for many years given needed strength to our Military Establishment. In arousing public consciousness of the necessity for providing adequate national security, the Reserve Officers Association performs another service of inestimable value.

Today more than ever before it is essential that our citizens understand the problems of national defense. The activities of the Air Force, the Army, and the Navy are coordinated in the National Military Establishment, but that establishment must be supported by the coordinated activity of all our citizens. We have an increasing responsibility to defend and preserve our democratic liberties, and there is no more appropriate period in which we should be reminded of that responsibility than in the period that includes the birthdays of Lincoln and Washington.

I wish personally and on behalf of the Department of Air Force to thank the Reserve Officers Association for sponsoring an observance that can contribute so much to the national welfare.

W. STUART SYMINGTON,
Secretary of the Air Force.

Foreign Aid, the Budget, and Taxes

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. BRADLEY. Mr. Speaker, the following findings and recommendations regarding foreign aid, the budget, and taxes, were adopted by the board of directors of the Long Beach Chamber of Commerce, of Long Beach, Calif., on January 26, 1948.

I invite the attention of the Members of the House to these findings and recommendations as they represent, in a general way, the opinion of a cross-section of business activities in the area of Long Beach.

FINDINGS AND RECOMMENDATIONS REGARDING FOREIGN AID, THE BUDGET, AND TAXES

The need of some relief to Europe in its present emergency is recognized, not only from a humanitarian and economic viewpoint, but largely for purposes of our national safety to combat Soviet Russia's avowed plans for subjugation of western Europe and the entire world.

However, the continued economic well-being of our country demands that any aid furnished be subject to the following conditions:

1. Preservation of all our natural resources inasmuch as they are essential to our continued ability to defend our Nation against future attack.

2. Other countries of the Western Hemisphere have just as great a stake in western Europe's economic recovery as has the United States; therefore instead of the United States buying relief items from other countries of the Western Hemisphere, those countries should be induced to export the needed items direct through establishment of necessary credit arrangements of their own with European nations. This would make possible a reduction in the amount of relief appropriations by about $3,333,333,333, and permit a corresponding reduction in taxes.

3. The granting of relief to the nations of western Europe should be conditioned upon the recipient country's agreement to encourage and foster the growth of free enterprise.

4. Any relief program adopted should be limited to not more than 15 months' duration and any subsequent aid should be contingent upon the result of a survey showing the then actual need, plus proof that the recipient nation has fostered and will continue to foster free enterprise.

5. The relief program should be administered in a businesslike manner by a bipartisan commission of private citizens and Federal officials as opposed to administration by one man or one department of our Government. Should relief for countries other than those of western Europe be decided upon it could logically be most economically administered by the same commission.

6. The total amount of aid furnished should be held to the absolute minimum in order that our own national solvency may not be endangered. A reduction in the amount of the national debt is of paramount importance; therefore, we favor adoption of a systematic plan by Congress to reduce such debt each year by a minimum retirement of a substantial agreed upon sum of $2,500,000,000 or more.

7. For every dollar of foreign relief voted by Congress, a dollar to be deducted from our domestic Federal expenditures. This result could be accomplished by pro rata reduction in the budgets of all Government departments excepting those essential to military defense of our Nation.

8. It is recommended that Congress repeal existing agricultural price-support legislation or at least drastically amend its application because the buying of commodities in large quantities requires vast expenditures and unduly raises commodity prices through purchases by Government agencies in competition with private enterprise. This contributes to the inflationary spiral and increases our taxes unduly.

Adopted by the board of directors, Long Beach Chamber of Commerce, January 26, 1948.

D. W. CAMPBELL,
General Manager.

Oleo Rears Its Head Again

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, under leave to extend my remarks and include excerpts of an editorial, I submit the following editorial from Pacific Rural Press, January 31, 1948:

OLEO REARS ITS HEAD AGAIN

You have noted the drumbeating to take the tax off margarine—stop inflation—give consumers relief in food costs.

Some of you may have noticed the stockyards papers suggesting that dairymen quit fighting oleo and start manufacturing it.

Others of you have heard farmers defend oleo because it is cheap—an excellent way for farmers to tear down their own house because chemists and exploiters can present synthetic substitutes for most farm products.

The oleo propaganda will win no distinguished service medals for intellectual honesty. For instance, the tax issue. Oleo pays very little tax—a Federal tax of one-fourth cent per pound—so small that if it were removed it would probably never give the consumer a penny's relief.

What the oleo propagandeers want is the privilege of coloring their substitute to look

like butter and not have to pay the 10-cent penalty for such act. They can sell it natural color without paying any such penalty, and do, and can artificially color it any hue except butter color without paying this penalty. But they want to make their product look like butter. That is one place where their pleas fail to adorn truth.

The plea to give the consumer price relief is also something less than a contribution to fundamental ethics. Probably the retail price of oleo, compared with the cost of the materials in it, is one of the lush things of this inflationary age. The price of oleo does not seem to be based on the cost of materials so much as on what the traffic will bear and still be cheaper than butter.

Russian Reds' Seizure of Power

EXTENSION OF REMARKS
OF
HON. E. E. COX
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. COX. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Ansel E. Talbert, in the New York Herald Tribune of January 25, 1948:

RUSSIAN REDS' SEIZURE OF POWER IN CONSTITUENT ASSEMBLY RECALLED—COMMUNISTS DISPERSED DEMOCRATICALLY ELECTED DELEGATES, OF WHOM THEY WERE MINORITY, AT BAYONET POINT IN JANUARY 1918

(By Ansel E. Talbert)

Thirty years ago this month the century-old dream of Russian liberals who had been in the forefront of the fight against czarism was realized—and soon shattered. This was the convocation of the first democratically elected constituent assembly in Russian history.

Events surrounding the incident explain to a large degree the violent present-day Soviet distrust of elections in which more than one slate of candidates is allowed. For it was this event, almost forgotten today in the ebb and flow of more recent Russian history, which put the Communists in power in Russia. It was accomplished not by the democratic vote which was the aim of the assembly but by force. At bayonet point the Communists took over the assembly, overruling the voters who had a short time before rejected the Communist candidates by a substantial majority and chosen instead men from left wing but anti-Communist parties. Thenceforth the Communists controlled Russia.

On January 18, 1918, the new constituent assembly, composed of delegates elected by free and open elections throughout the nation, held its opening session in Moscow. Both its name and purpose were borrowed from the constituent assembly of the French revolution, which wrote a constitution for France and the declaration of the rights of man and then forced Louis XVI to give them his reluctant approval.

GOAL FOR A CENTURY

Such an assembly had long been sought by Russian liberals, beginning with the Decembrist rebel officers of the Imperial Guard and Navy, who massed their forces on December 14, 1825, in the Senate Square at St. Petersburg in an unsuccessful attempt to gain a constitution. This struggle by the liberals, punctuated by executions and exile to Siberia, continued throughout the remainder of the nineteenth century and into the next.

Elections for the Constituent Assembly finally were held on November 25, 1917, nearly 3 weeks after the Communist Party organization staged the revolt in Petrograd and Moscow which overthrew the provisional government of Alexander Kerensky.

One of the most constantly reiterated accusations of Communist leaders against the provisional government had been that the government was attempting to delay and sabotage the Constituent Assembly. Actually, in its first appeal to the Russian people in March 1917, 3 days after the abdication of Nicholas II, the provisional government stated that among its basic policies would be:

"To proceed forthwith to the preparation and convocation of a constituent assembly based on universal suffrage."

As late as October 25, 1917, after the election date had been set, Leon Trotsky introduced a resolution at the conference of northern councils of workmen's and soldiers' delegates warning the Russian people that the provisional government intended to prevent the assembly's convocation.

FAIR ELECTION PROMISED

Three days after the Communists seized power on November 7, 1917, Nicolai Lenin, as the new Premier and President of the Council of People's Commissars, promised specifically in a public declaration:

"The elections shall be held on November 25, the day set aside for this purpose. All electoral committees, all local organizations, the councils of workmen's, soldiers', and peasants' delegates, and the soldiers' organization at the front are to bend every effort toward safeguarding the freedom of the voters and fair play at the elections."

Other Russian political groups immediately issued manifestoes asserting that the Communist revolt had taken place because Lenin and Trotsky were aware that they could not win at the polls. In answer to this, the issue of Pravda appearing on November 11, 1917, stated editorially:

"It is clear to everybody that only an outright liar can, after this, say that the Bolshevik Government is attempting to kill the Constituent Assembly and does not want to call the election on the appointed date because it is afraid of it."

The elections were held on the appointed date, but in spite of the prestige and other obvious advantages of controlling the governmental machinery the Communist Party suffered a severe defeat. Only about one-third of the delegates elected were Communists or their supporters.

A majority of delegates were members of the Social Revolutionist Party, another left wing group which under czarism had fought constantly to end autocracy and also to distribute land among the peasants. While the Communists drew most of their strength from the industrial workers of the cities, the Social Revolutionists were supported strongly by the Russian peasants.

LENIN'S DESCRIPTION

In a Communist pamphlet issued during the summer of 1917 Lenin described the Social Revolutionist Party as wanting a bourgeoise parliamentary republic with reforms for the workingmen and peasants as contrasted with the Communist air of a republic of workmen's soldiers', and peasants' delegates opposed to all imperialist wars and to all bourgeoise governments which wage them.

Smaller blocs of delegates to the assembly were elected by the Social Democrats, the group favoring evolutionary socialism, and by the Constitutional Democrats or Cadets, a liberal monarchist group advocating parliamentary government on the British model. The right wing reactionary parties had almost no representation.

When the Constituent Assembly met in Moscow after 2 months of Communist dictatorship the delegates were not long in making it plan that they intended to carry out their mandate from the Russian people. The assembly's first act was to elect as its president, Victor M. Chernov, an old enemy of czarism and one of the founders of the Social Revolutionist Party. It also adopted a resolution at the opening session stating:

"In the name of the peoples who compose the Russian state, the All-Russian Constituent Assembly proclaims the Russian state to be the Russian Democratic Federated Republic" * * *

Communist disapproval of these actions was not long in forthcoming, either. When Chernov, as president, began his acceptance speech with the assertion that peasants must receive the land of large estates at once, Boris Shelesniak, a former sailor who was one of the Communist-elected delegates, leaped to the rostrum and shouted: "Enough!"

DELEGATES ROUTED WITH BAYONETS

At this signal Red guards with fixed bayonets poured into the meeting hall and directed the delegates to disperse. By the end of January a number had been arrested by Communist secret police and were imprisoned without trial, while many were in hiding.

The social revolutionists and social democrats almost immediately formed a union to fight by all possible means against the Communist suppression of the assembly. The Social Revolutionist Party held a conference at the end of May 1918 in Moscow, but after it adopted a demand for reconvening the Constituent Assembly the entire body was arrested.

Many of the social revolutionist leaders such as Chernov and Catherine Breshkovskaya, the little grandmother of the revolution, who had spent 35 years as a czarist exile in Siberia, managed to go underground and escape abroad. Others such as Maria Spiridonova, a young woman of considerable beauty as well as ability and intelligence who had passed 11 years in Siberian exile, were arrested, imprisoned and were never heard of again.

SOCIAL REVOLUTIONISTS' FIGHT FAILS

The social revolutionists attempted to fight the Communist dictatorship by reviving their underground fighting organization which, under czarism, had executed Von Plehve, Grand Duke Sergius, and other reactionary officials for anti-Semitic pogroms and other crimes against the people. The Communists responded with mass arrests and executions.

On one occasion during this period Lenin is reported to have answered a question regarding his views on parliamentary government by saying:

"I believe in multiparty government, provided the Communist Party is in power and the other parties are in jail."

Whether or not the anecdote is authentic, it summarizes accurately the state of parliamentary government in Soviet Russia from the date of the suppression of the Constituent Assembly to the present.

Production of Synthetic Oil

EXTENSION OF REMARKS
OF
HON. FRANK A. BARRETT
OF WYOMING
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. BARRETT. Mr. Speaker, I voted to report this bill, H. R. 2161, out of our

committee, and I am pleased that it has received favorable consideration from the House.

It has been estimated that our reserves of crude oil in this country are approximately 22,000,000,000 barrels. Our daily consumption of oil today is higher than it was during the peak of the war. We are consuming a little less than 2,000,000,000 barrels of oil each year, and, while it is not entirely certain, it is estimated that our crude oil may last but 15 years. A prudent man, therefore, would take no chances and provide for a synthetic oil industry in this country as early as possible.

Last summer I visited the shale oil experimental plant at Rifle, Colo., and I am sure that before long they will be able to produce oil in competition with petroleum. Most of the shale is located in the States of Colorado, Wyoming, and Utah. It is estimated that Wyoming has 600,000,000,000 tons of coal, and without a question of a doubt over 220,000,000,000 barrels of oil could be produced from this coal, although under present methods it would cost much more than oil produced from shale. We have more coal in Wyoming than all of Europe. Germany, by force and circumstances, was obliged to produce terrific quantities of synthetic oil.

I am hopeful that before long private industry will be able to take over not only further experimentation and research in this field but will also be able to establish commercial plants.

In the light of the condition confronting the country today, I am hopeful that there will be no effective opposition to this bill.

Brotherhood Day

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. MILLER of California. Mr. Speaker, 10 years ago, on February 27, 1938, Mr. William Randolph Hearst wrote an editorial that was recently republished in the Oakland (Calif.) Post-Enquirer. This editorial is as pertinent today as it was a decade ago.

Knowing that many of the Members would like to reread this editorial, under unanimous consent, I include it in the RECORD:

THE HEARST NEWSPAPERS CALL UPON ALL CHURCHES TO UNITE IN BROTHERHOOD

(From an editorial written by William Randolph Hearst, published in the Hearst newspapers, February 27, 1938)

"In union of the churches of God against atheism and paganism there is strength to succeed.

"In division there is almost certain defeat.

"It is not enough for the churches to wish and to say and to believe that moral and religious sentiment will triumph in the end.

"It is the preeminent duty of the churches to take the necessary measures to make sure that righteousness shall triumph and religion shall survive.

"There is a certain day in San Francisco when representatives of various religions, Jews, Catholics, and Protestants, get together and speak and plan in harmonious cooperation for the advancement of all religion.

"That day is called Brotherhood Day.

"Every day should be brotherhood day among the free churches of America.

"But to promote the happy condition of universal brotherhood of all antipagan religions let us begin by having throughout the Nation a series of brotherhood days like the one observed in San Francisco.

"There is a greater work to be done in the world in behalf of righteousness and religion, justice, and tolerance, than any one church can accomplish. Cannot all the churches unite in brotherhood to make its accomplishment absolutely sure?

"W. R. HEARST."

The last week in February has been proclaimed Brotherhood Week all across the Nation.

The Hearst newspapers are proud of the part they have played in helping to make this expression of tolerance and unity and mutual respect an American institution. They will continue to work for brotherhood among all religions and sects and creeds. For brotherhood is our surest defense against the forces of godlessness which are riding roughshod in other parts of the world.

Southern States Held Able To Force Election of President in House

EXTENSION OF REMARKS
OF
HON. W. J. BRYAN DORN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. DORN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by David Lawrence, from the Washington Evening Star of February 9, 1948:

SOUTHERN STATES HELD ABLE TO FORCE ELECTION OF PRESIDENT IN HOUSE—ELECTORAL VOTE BLOC COULD BE WITHHELD IF THEY REJECT TRUMAN

(By David Lawrence)

The solid South can exert the balance of power in the coming Presidential election. Ten States with an electoral vote of 115 can compel the selection of a President by the House of Representatives if the general election is close. Because of that potentiality, the South can influence the attitude of the candidates and platforms of both political parties.

The device is sanctioned by the Constitution. It permits each State to choose its own electors and these electors can, if instructed by a State convention, vote as the people of that State may direct.

By withholding 115 votes from the Democratic candidate, for instance, the first ballot in the electoral college may show that no candidate has received the necessary majority of 266 votes. This automatically takes the election of a President out of the hands of the electoral college and, as provided in the Constitution, it transfers the election to the House of Representatives.

STATES VOTE AS UNIT

But in the House there are, for this purpose, only 48 votes because the Members from each State must decide by majority vote for whom the single ballot of that State shall be cast. It is necessary for a candidate to get 25 votes in order to win an election.

It requires a two-thirds vote to make a quorum when the election is placed in the hands of Congress but the actual decision is by majority. In the House it is a majority of the States when a President is chosen and in the Senate it is a majority of the Senators when a Vice President is chosen.

The mere fact that the electors from Southern States would go to the electoral college instructed to vote for an independent Democrat would have its immediate effect on the policies or programs of any man who was a candidate for the regular Democratic nomination.

This method of exercising influence in a national election has not been used heretofore because the South, especially since the War Between the States broke up political parties, has been able to wield a veto in the Democratic national nominating conventions. But in 1936, through the influence of the late President Roosevelt, the one-third veto possessed by the South was abolished. Instead of nominating by a two-thirds vote, the Democrats now choose a candidate by a majority vote.

HURT BY LOSS OF RULE

The abolition of the two-thirds rule deprived the South of much of its influence in the Democratic Party. Mr. Truman, by his civil-rights message, has merely taken advantage of the alleged helplessness of the South, for it has been taken for granted that the South could be pushed around and would still vote Democratic on election day.

There are many reasons why the Democratic Party in the South must necessarily remain as it is, especially because of the State primary machinery. There is, however, nothing to prevent the Democrats in the South from using the name Democrat and utilizing the State party machinery and still remain free to support whomever they please in the electrical college or in an election which is transferred to the House of Representatives.

The important point to be borne in mind is that electors pledged to a particular candidate cannot ethically change their minds after a State has voted. This makes it all the more essential that, if the balance of power is to be wielded legitimately, the people of each State be advised in advance so that they may vote for electors who are not pledged to the regular nominee. There is nothing to prevent the regular nominee, however, from having a set of electors chosen in his behalf so that the people can decide between the two sets.

CONTROVERSY MAY BLOW OVER

The whole civil rights controversy may blow over. It may have been merely a desperate gesture on President Truman's part to prevent Negro votes in the big northern cities which have been Democratic from going over to the Wallace banner. But sooner or later the coalition of northern Democrats and Republicans will be able to put through legislation on the Negro problem which will be at variance with the wishes of the South. Hence, political action through the use of a bloc of 115 electoral votes appears to be one way that the South can protect itself against steps which it does not favor.

In a close election, the 115 votes could do considerable damage to a regular Democratic nominee, but if another Democrat should achieve the popularity as a vote getter that Franklin Roosevelt attained, it would not make much difference how the 115 votes were cast.

The counterattack then might come from groups in the North by reviving the third-party idea in those States where the big-city vote is a deciding factor. The presence in the contest this year of a radical third-party candidate is, strangely enough, the circumstance that gives the South its minority power.

If a Republican won a majority of the electoral votes next time, the protest of the

South would be of no avail. If, however, a Democratic majority is elected in both Houses of Congress and then the South withholds its electoral vote from Mr. Truman and the Republicans do not poll a majority of the electoral votes, it would be possible for the 10 States of the South plus 15 Republican States in the North to bring about the election of a Republican. It would even be possible for the South's own independent candidate to be chosen President if the Republicans preferred him to the regular Democratic nominee. The Constitution is sufficiently flexible for minority groups to combine to make a majority of their own in the election of a President.

Lincoln Day Address by Hon. Leverett Saltonstall, of Massachusetts

EXTENSION OF REMARKS
OF
HON. H. ALEXANDER SMITH
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Friday, February 13 (legislative day of Monday, February 2), 1948

Mr. SMITH. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the address by the senior Senator from Massachusetts [Mr. SALTONSTALL] last evening at the Lincoln Day banquet of the Young Men's Republican Club of King County, Wash., at Seattle.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

When I was invited here last spring by your Chairman Army Seijas, I spoke to your Senator HARRY CAIN. He told me—"That's a great crowd—they are up and coming. I hope you accept." That just made it for me. Harry is one of the hardest workers we have in the Senate. When he speaks, we listen, for we know he has something to say. Everybody likes him. You can be proud of his record as a public-spirited, conscientious officeholder in civilian life and in military life in time of war as a fearless, independent aviator who was repeatedly promoted in rank because his leaders had confidence in him. He will give you fine service in Washington. I am proud of my friendship with him.

Tonight we are celebrating the birthday of Abraham Lincoln, the Nation's first Republican President, whose memory as a leader our citizens will forever cherish. He was a man who knew how to get things done. He was a man whose art of compromise for the country's welfare is unexcelled.

The parallel between the 1860's and the days until next November, when we choose our next President, is striking. When Lincoln was at the helm of our Government the crisis was the preservation of the Union. Today we are again living in a time of crisis, almost more explosive, and the stake this time is the preservation of individual freedom, not within our own borders alone but throughout the world. In 1948, truly a "year of decision," we are fervently working for world peace as the only way to win a lasting peace and real security for American citizens on American soil. Recently I expressed it this way: "Failure to meet this critical situation—and meet it head on—may well result in a radical change in what we mean by liberty, justice, and freedom. It's as simple as that."

In the crucial days of 1861, Abraham Lincoln put it to a Cleveland audience in these eloquent words: "If we do not make common cause to save the good old ship of the Union on this voyage, nobody will have a chance to pilot her on another voyage."

This could well be the theme of the thoughts I want to discuss with you tonight as we set our sights for a constructive, unified command in Washington. By this I mean, a Republican President working with a Republican Congress a year hence.

In terms of 1948, we should realize that we can save the ship only by integrating every segment of our domestic and foreign policies into one affirmative, well-balanced American program. The state of affairs demands that we calmly take stock—that we approach recovery abroad, national defense, the question of inflation, Government efficiency, social legislation, and reassertion of individual rights as one coordinated problem. I cannot emphasize this too strongly. Each of these seemingly independent issues must be considered in its proper relationship to our one over-all aim—to create a more secure and prosperous life for our children and their children. A determined Republican leadership can work out such a coordinated, truly national program, and give this country, this sick and limping world, the shot in the arm it needs.

Last month I listened to the President, who is expected to be the Democratic candidate to succeed himself, deliver his State of the Union message. This message carried a Santa Claus gift for everyone—absolutely everyone—to the tune, in some people's judgment, of over $10,000,000,000 in taxpayers' money. Certainly many of the goals President Truman outlined in his platform speech are agreed to by all. Who doesn't want a healthier Nation, more security, shorter working hours and higher wages? Achievement of all these goals at once, desirable as they may seem, will merely add to the already enormous expense of government and top-heavy Washington bureaucracy, for which our citizens would ultimately pay.

Government, like any family, has a limited amount of money to spend during any given period. For this reason, sound government administration demands that we carefully weigh one desirable against another. It cannot accomplish every aim it would like to each year. It must establish a priority list, in terms of the most pressing needs before the country at the moment.

What you want to hear from me tonight is my idea of which issues should be given priority consideration if we are to remain within our financial limitations—unless, of course, deficit financing in peacetime does not phase you—and how we best can resolve them in a coordinated way to accomplish our goal of preserving the American philosophy of government.

Some of the tremendous decisions facing us affect our relations with other countries; others will affect only us here at home. But in this age of radar, atomic energy, and fast transportation we realize that many of the decisions made within our borders have a deep impact on peoples throughout the world.

One of these great issues is the European recovery program. Should we go ahead? My answer is "Yes." We must.

The ultimate aim of our foreign policy is to have a free, strong America. We cannot be free in a world at war, nor strong in a disrupted one. Neither can many parts of the world now have prosperity without the helping hand of a vigorous, purposeful United States.

Most people now recognize the importance of working for recovery in Europe rather than mere relief. The general aims of the plan, which Secretary Marshall first outlined at Harvard, my university, last June, have been widely accepted. Great strides have already been made toward this end under the brilliant leadership of Senator VANDENBERG. He is virtually the voice of foreign policy in the Senate.

Surely few people doubt that Europe needs a helping hand today. As a member of the Senate Appropriations Committee, I saw at first hand the poverty and hunger, bombed-out homes, and long bread lines on the Continent last autumn. But it is not for Europe's weakness alone that we should help her, but for her inherent strength. Potentially Europe is a production-center area second only to the United States. She has a heritage of rich culture and a tradition of personal freedom and parliamentary government which tie her to us in strong bonds of sympathy.

The European recovery program, in whatever form it finally takes, will be the principal channel of our foreign policy. We must, therefore, be sure that it is crystallized to represent the aims to which we are pledged. But, and this is a big "but," we have no intention of turning on the faucet of American aid and leaving it running. This time we intend to put in the stopper and make sure Europe's level of production rises.

Long-range aid to Europe is open to question on all sides. Such a tremendous undertaking involving the peace, prosperity, perhaps the lives of many of us, merits the intense study it is receiving everywhere. It is probably the most far-reaching plan of reorganization ever attempted. I intend to examine carefully each part of this over-all plan to determine whether it is really going to do its job.

One of the biggest issues is on the question of the administration of the plan. Shall it be run by an independent corporation or agency? Shall the Department of State have direct control or act only in an advisory capacity? What role shall American industry have in the administration? Every day some new plan is proposed to the Senate Committee on Foreign Relations. This is all to the good. I, personally, am confident that under Senator VANDENBERG'S statesmanlike and patriotic guidance, his Committee on Foreign Relations will report out an administrative scheme as free from politics and as businesslike as possible. Whatever form the administration may ultimately take, a primary consideration should be to get American know-how across to European industry. We must accompany our dollars with our unparalleled knowledge of industrial and business techniques, for Europe needs more than just money. It needs practical advice as well. Industry-to-industry aid should be fostered wherever possible.

The crux of the European recovery program is European self-help. We cannot carry the whole load. Recipient nations must shoulder by far the major portion, and already we have seen some encouraging signs all along the line.

If effective self-help continues to become a reality and if we do give substantial assistance to the cooperating nations, all agree that we must make periodic checks to insure that they are meeting the goals promised. The recipient countries themselves recognize the need for supervision. We must find the hairline which defines the balance between too much and too little. Too little might mean all our efforts would go to naught—money disappearing into nonessentials or black markets, or simply wasted through inept business policies. Too much might mean bringing on our heads the accusation of trying to interfere with their internal affairs, and defeat our announced purpose.

How much aid is needed? How much money can we spare? What will ERP mean to us as individuals—in terms of high prices, shortages, and taxes? These are questions everyone is asking, and rightly so. Just as a housewife scrutinizes her budget before deciding how and in what amount she can help her neighbor in trouble, so must the United States assess its resources and econ-

omy before settling on an exact sum for aid to Europe. As a member of the Appropriations Committee, I will be hearing much about this in the coming weeks. We certainly cannot ascertain exact figures until all evidence is heard. Some reports already have been made public. We know that Europe wants goods in short supply here, such as fuel, food, fertilizer. ERP will affect our goods in short supply. If it goes ahead substantially as planned, we will feel it in many little ways. It will take a little longer to get that refrigerator you want. The farmer may have to pay a slightly higher price for his new tractor. Put it another way: If the whole amount of $17,000,000,000 for 4 years is ultimately subscribed, it means about $29 a year for each person in the United States.

Long-range aid will mean sacrifices, but let's look at the odds. If ERP is successful, world trade will be immensely furthered. This in turn means more business for us. If western Europe is made self-supporting again, it means the end of relief and recovery programs. If the plan works, western Europe will be a strong, productive, democratic ally.

What is the alternative? If Europe is unable to struggle to her feet the chances are great that Soviet Russia will take a much more active interest in her. The world has grown too small for us to be able to ignore such a development. In this case, might we not have to spend much more on building up our military strength here at home?

Senator VANDENBERG recently summed up this alternative in these succinct words: "The Marshall idea involves long-range aid to implement self-help and self-sufficiency. If self-help and self-sufficiency can be made to work, this objective may well be a bargain. * * * In any event, we must take one of the two calculated risks. There is a calculated risk if we proceed. But let's be honest enough with American destiny not to ignore the calculated risk if we do not proceed."

On the other side of the world we have another ally, China. China's Government today is fighting for its very existence. The people of China have endured years of war. If we adopt the policy of economic recovery for Europe, can we afford to neglect China? When a plan is proposed by General Marshall, Congress must give it thoughtful and sympathetic consideration.

You rightly ask: Where does the United Nations fit into the picture?"

We must by all means continue to support vigorously the United Nations. Though only 2 years old and plagued by growing pains, the UN has already demonstrated its contribution to the cause of a just peace throughout the world. Again the words of Senator VANDENBERG are particularly apt: "So long as we are talking things out, no matter how angrily, we are not shooting things out. I ask those Americans who would dismiss the United Nations as a total loss to remember this. * * * If it does not save the peace, it will fix the crystal-clear responsibility for its loss. This moral verdict of mankind finally is the greatest power on earth. Has this been worth while? Can there be but one answer?"

At the moment the United Nations is not capable of handling such extensive programs. It has neither the administrative organization nor the funds to do the job. The fact remains that we are the only nation in the world able, at present, to undertake the task.

Finally, we must be absolutely sure that we do what is to the best interest of the individual American—that we will do that which in the last analysis will help him to retain his freedom in true American tradition. Our willingness and humanitarian instinct to help our real friends when they are in real trouble is another great American tradition.

Part and parcel of an affirmative, well-balanced American program, for which we Republicans must strive, is the positive assurance that we have totally adequate national defense. Our foreign policy can only be successful if it is supported by a military force always able to back up our word. We can no longer place our reliance for security on the width of the Atlantic and Pacific Oceans. As patriotic citizens we must give the proper maintenance of our armed forces a top priority this year. In any future war we would be the first ones hit, here at home and without warning. Large segments of our industries and untold numbers of our people would be obliterated. We must be sure that as Republicans we face the hard fact that more men are needed to man our regular armed forces and supply our reserves. The day of the minuteman is gone. The men who fought at Concord took their guns from the wall, kissed their wives goodbye and went out to fight a shooting war. The twentieth century, its inventions, and methods of waging war make this an impossibility. Today we know neither the Army, the Air Forces, nor the Navy is fully manned. We realize, too, that the National Guard, even after a strenuous recruiting campaign, is far under strength. We know that the reserves required for the logistics of our armed forces are woefully lacking. It is perfectly clear to me that the security of our country comes first. To insure it, we may have to take steps that we ordinarily would be against. If we are to be militarily ready then we must have sufficient men in our reserves, in our National Guard and in our regular forces, not only to keep our country secure but also to go out and take the offensive if we are attacked. We must make it clear to the other nations of the world that we have the strength to mean what we say and say what we mean.

Within our borders, the issue uppermost in people's minds today is the question of inflation. The Republican Party must attack it with statesmanship—in a forthright, decisive, and practical way. We must go after its causes and not satisfy ourselves by turning out just another temporary, politically appealing pill to deaden its effects. We Republicans want a real cure, not just another OPA aspirin. Again, we should look at inflation in relation to an over-all coordinated national program. Are we going to work out this question by reviving the wartime bureaus and go back to the OPA days? Or are we going to work it out without centralizing tremendous powers over our lives in our Government officials in Washington—without again permitting them to spread the evils of bureaucracies over every nook and corner of our great country?

Inflation, we know, is the result of too much money with too few things to buy. Increased production is, and always has been, the primary solution to lower prices. This is a slow process, so other helpful and practical steps should be given careful consideration.

Partisan considerations cannot stand in the way of the welfare of all citizens. Yet, our Republican majority in Congress has been criticized for allegedly trying to hold back the monster of inflation with a thread. I disagree. Today the present administration has legal authority and the administrative machinery to do much more than it has to cut back prices. There are a number of steps the Republican Congress has given to curb run-away inflation. Yet, these steps have not been followed up by the present administration.

Export controls can and should be more carefully administered. The wartime Export Control Act is still in effect. Yet, there is serious doubt that this power has been used to screen with sufficient care the export of scarce commodities. Has the President prevented our steel from going to South America when it was needed here? Has he prevented our grain from being shipped to those countries in South America which are not hungry? Take the question of wheat. Was it necessary for us to ship wheat from this country to 26 countries all over the world during the last year? I doubt it. Why is it not concentrated in the countries which are actually hungry?

Few people realize the very direct relationship between the high cost of government and the high cost of living. We can eliminate nonessential Government expenses. Yet last month President Truman presented to Congress the largest Federal budget in the peacetime history of our country. His budget for the fiscal year 1949 would authorize the expenditures of over $39,000,000,000. The Republican Party—dedicated to the principles of sound Government financing—feel that this figure can be safely reduced by a further whittling down of the still sprawling Washington bureaucracy, and thus meet one of the direct causes of the inflationary trend. At the moment roughly 990 executive department bureaus and agencies, manned by an army of over 2,000,000 civilian employees, make up our Federal Government. When the Republican majority took control of Congress a year ago it started the job of trimming some of these over-staffed bureaus. It will continue to do so. But it is perfectly clear to me that the only way to cut Federal bureaucracy back to size is to effect a thorough top-to-bottom reorganization of the executive branch. And it is equally clear to me that there is only one way it can be done effectively—by a Republican President working with a Republican Congress. The results of the 1946 election decisively indicated that our people wanted less government rather than more. I am certain they will be in the same mood next November.

Sound administration of regulations governing bank credit, particularly for nonproductive purposes, is another basic approach to the inflation problem which we must insist upon. The Federal Reserve banks, in their effort to peg the market for Government securities, have lost a good opportunity to reduce the supply of money. Yet we all fear the effects of a sharp drop in Government bonds. The protection of these Government savings is a continuing Government responsibility, but that does not demand that Government must indefinitely support these bonds, regardless of what happens. Such a continued Government policy will stifle the country's economic growth and will ultimately lead to complete Government control of our banking system. The proper handling of these basic and most complicated bank-credit regulations is vested in the executive branch. We must insist that they are wisely carried out in the interest of helping our people to overcome the enemy inflation.

A judicious reduction in income taxes for all is another helpful step. Tax relief will have two direct effects: It will give incentive to business expansion, thus creating increased production—the ultimate cure—and it will give relief to hard-pressed individuals and even give many the opportunity to put away some savings. Furthermore, how can we maintain individual initiative and freedom when Government taxes continue to take out of our pockets more than 33 cents of every dollar we earn? By tax reduction, we Republicans do not believe in taking the weight off one shoulder and putting it on the other shoulder, as President Truman suggests. I believe we can lighten the load on both shoulders by cutting back the expenses of government. The House already has passed a bill reducing individual taxes by $6,500,000,000. Before settling on a final figure for tax reduction, I want to be certain that we will have adequate funds for our own national defense, foreign aid, reduction in our huge national debt, the necessary and legitimate functions of government, and, above all, a balanced budget. But even after considering all these factors, I am

confident we still can have tax relief. We will insist upon a financially sound government as the greatest bulwark against inflation. But we will insist that that government be efficiently—not wastefully—run.

Still another decision in combating inflation is rent control. It seems perfectly clear to me that rent control, equitably adjusted, must be continued until production more closely catches up with demand.

The present administration approaches the problem of inflation from a different angle. It would reimpose price controls and rationing and all that these two devices connote. Rationing does not increase the supply of vital commodities. It will not produce one additional bushel of wheat or suit of clothes. On the contrary, even selective rationing cannot help but stifle production. In a word, the return to meat lines and ration coupons will mean not only more regulation over our lives but also no more goods and services. Rationing and price controls may even mean less production. As one who still remembers the decision of the people at the polls in 1946, my present answer to the OPA sedative is "No", though some small modification of this decision may become necessary if any essential commodity becomes too scarce. I, personally, want to give the anti-inflation bill which we passed in the special session—based on the American voluntary method rather than Government dictation—a completely fair trial.

The after effects of the recent war have emphasized and aggravated certain other acute needs of the individual citizen which our party must recognize if it is to put forward a well-balanced national program. By this I mean government's rightful concern for health, education, unemployment protection for the needy, equitable labor-management legislation, veterans' benefits, civil rights, and housing. I am certainly not in favor of any cradle-to-the-grave policy, but we in the Republican Party must never lose sight of the honest needs of our citizens. While our future depends upon our inventive genius, and upon giving everyone the opportunity to improve himself by hard work, it is axiomatic that people work better if they know they have some security when they get caught in the squeeze through no fault of their own, and it is equally axiomatic that government can go into this field of so-called social legislation only to the extent to which its taxpayers are willing to pay, for the key to this insurance for decent living lies in a solvent government.

One of the greatest contributions the Republican Party can make—and I sincerely hope it will—is to draft the proper compromise between Government help and self-help in its social legislation for our people's welfare. Too much Federal assistance, which cannot be divorced from Government dictation, will snuff out individual freedom of action. Too little means Government neglect of its true responsibility for the protection of its people.

As we commemorate the birthday of Abraham Lincoln tonight, we Republicans throughout the country are reflecting upon the great challenge facing us at home and abroad. We must give the American people unerring confidence in our ability to act in their behalf.

We will continue to work for a just peace throughout the world, thereby creating a more secure and happier future for our own people. These efforts to insure lasting peace will mean bold national action and may well entail certain personal sacrifices on the part of everyone of us. These efforts also demand military strength to give clear meaning to our word. The development of atomic energy, high-speed airplanes, and supersonic instruments have made the world too small for us to do otherwise.

From my experiences in Washington I am convinced that it is time for a change. The strength of our Government by checks and balances rests upon changes in administration. Shifts in party control are safeguards against government by bureaucracy. In these times when the world has gone ahead so fast and conditions have changed so rapidly, a change is way overdue. There is a tremendous need for new ideas, new methods, more efficiency, and less waste in nearly every department of our Federal Government after 16 years of New-Deal rule. That is just one simple reason why we should vote for a change—why we should vote for unity of purpose—why we should vote for a Republican President to work hand in hand with a Republican Congress.

Within our party today we are watching some fine and able men contending for the Republican nomination for President of the United States. That is all to the good, because it gives us a wider range of Republican viewpoints. It gives us a chance to hear these candidates debate their views openly and fearlessly. But in such a contest our leaders must not become party to statements of a derogatory or personal character which could well backfire to the detriment of our sole objective—the election of a Republican President. Let us as determined Republican workers pull together in harness from now until November election day.

The Republican philosophy of government stems from the love of individual freedom. Our party must combat the pressures which today are attempting to submerge this consciousness of the individual.

We Republicans today, like Lincoln in his day, clearly understand that human freedom is indivisible.

We Republicans must keep our thinking one jump ahead of events in this fast-moving world.

We Republicans must never permit partisan considerations to run rampant at the expense of human misery.

We Republicans know that the welfare of the people will best be served by a Republican President working with a Republican Congress.

Today we are in a scoring position. We will score on November 2, 1948.

Tribute to Mohandas K. Gandhi by Hon. Elbert D. Thomas, of Utah

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Friday, February 13 (legislative day of Monday, February 2), 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD the address which I delivered at the memorial services in tribute to Mahatma Gandhi at the Departmental Auditorium, Washington, D. C., Wednesday, February 11, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

In speaking of our two greatest Americans, Theodore Roosevelt said, "No two great men were as good as Washington and Lincoln, and no two good men were as great." In Gandhi there was no line between goodness and greatness. His goodness is what made him great. Thus he became one of the great universals among men. World citizen in ideals and in action, but when a cause was for his people, he, like Jefferson, our outstanding world citizen, could become a tense nationalist.

Gandhi dead will be a force in the world greater even than was his power in life, for Gandhi's leadership rested upon spirituality. Trained in western culture, he became that bridge between the east and the west which in goodness and spirituality show there was no difference.

He gained many of his ideals from reading an American philosopher, but he tempered those ideals with an eastern spirit. Thus he linked the cultures of the east and the west.

One of America's martyrs, President Garfield, is said to have soothed an angry crowd by putting forth his hand and saying, "There are times in the lives of all of us when the presence of the eternal spirit is so close that if we but put out our arm we can feel it." Gandhi's sign of forgiveness, displayed toward the man who had struck him down, proved how close are the great ones who live constantly in tune with the Infinite Goodness. His gesture of forgiveness brought pause to the thoughtful of the whole world.

Religion is a bond, which, when viewed in relation to time, ties those who live in the present with those who have gone before and those who come after. Gandhi without religion and without the spirit would not be Gandhi. Gandhi now belongs to the ages. The new India is arising to be an everlasting monument to his goodness, his greatness, and his spirit.

Income-Tax Deductions for Donations to Allegedly Subversive Groups

EXTENSION OF REMARKS

OF

HON. SCOTT W. LUCAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Friday, February 13 (legislative day of Monday, February 2), 1948

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a release by me for the Sunday papers of February 8 dealing with the charges recently made by the Senator from Minnesota [Mr. BALL] in connection with the Treasury Department approving income-tax deductions for donations to groups labeled subversive by the Attorney General.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

Senator SCOTT W. LUCAS, Democrat, of Illinois, said today that he had thoroughly investigated the charges made by Senator BALL, Republican, of Minnesota, that the Treasury Department was approving income-tax deductions for donations to eight groups labeled subversive by the Attorney General.

Senator LUCAS further said that before the charge was made, two of the subversive organizations, namely, the International Workers Order and the Joint Anti-Fascist Refugee Committee, had had their tax exemptions denied by the Bureau of Internal Revenue.

"Also at the time the charge was made, the Department had under investigation Hollywood Writers Mobilization, The School of Jewish Studies, and the National Council of American Soviet Friendship.

"The Ohio School of Social Science, the Philadelphia School of Social Science, and the Samuel Adams School of Boston, named by Senator BALL, were not under investigation, but investigation promptly began, and it is my understanding that the Bureau has now completed the investigation of the last six named and their tax exemption has been

revoked. Senator BALL is to be congratulated for bringing this to the attention of the Department, and the Department is to be congratulated for acting with such speed. However, a few more facts must be considered in relation to the charge.

"There are 28,000 organizations throughout the United States that have individually applied for and received favorable rulings that they are entitled to exemption under section 101 (6), of which approximately 7,500 fall within the educational group outside of the system of public education.

"The Bureau of Internal Revenue received reports from more than 100,000 organizations every year that claim tax exemption. It is estimated that there are some 300,000 organizations throughout the country that are exempt under section 101, exclusive of educational and religious organizations. There are 30 different types of organizations that receive tax exemption under the law.

"To handle this vast volume of reports and to make the determinations of tax-exempt status, there is a total of only 56 employees engaged in this work. There is no staff at all provided for field investigation of these cases, but such field investigations are turned over to revenue agents whose primary responsibility is the collection of taxes.

"It is ridiculous to expect such a small personnel without any assigned field force to give adequate supervision to the activities of the hundreds of thousands of tax-exempt organizations throughout the United States. Yet, in the face of such an inadequacy of personnel, the Congress last year reduced the appropriations for the Bureau of Internal Revenue to such an extent that 7,000 tax collectors, agents, and supervisors were dropped from the staff of the Bureau.

"The Treasury Department is the biggest financial operation on earth. The Bureau of Internal Revenue, with less than 50,000 employees, collects and keeps the records of $40,000,000,000 of taxes received from more than 50,000,000 people. Although not fully comparable in the character of service rendered, the biggest private business in America, the American Telephone & Telegraph Co., requires 750,000 employees to do a business of approximately $2,000,000,000 per year. The cost to the Government of collecting and accounting for internal revenue taxes is one-half of 1 percent of the amount collected. The average collections per employee, including clerical force, maintenance crews, collectors, and supervisors, is $800,000 per person per year.

"The tragedy is that hundreds of millions of dollars of evaded taxes are escaping the Treasury as a result of an inadequate force of investigators. The marvel is that more than $2,000,000,000 a year is being brought in through the enforcement activities of a relatively small staff.

"It is clear to anyone that 50,000 employees cannot adequately supervise, investigate, audit, and collect from 50,000,000 taxpayers a total of $40,000,000,000 a year. It is estimated that no less than 20,000 additional personnel is required to give adequate enforcement to our revenue laws. It is also estimated that the revenue produced by the additional personnel would be several times more than the cost.

"Senator BALL stated that this was another case in this administration of the right hand not knowing what the left is doing. Is it any wonder that honest mistakes might be made when such a gigantic fiscal policy of the United States is being carried out with limited personnel? It seems to me that the 50,000 employees of the Bureau of Internal Revenue deserve commendation for accomplishing a task that in size is beyond human comprehension. The Appropriations Committees of the House and Senate have an opportunity to render a real financail service to honest taxpayers of the country by giving to this Department additional help in order that the chiselers and the tax evaders of the Nation may be brought to justice. The niggardly attitude on the part of the Republican Appropriations Committees last year toward this Department was an open invitation for tax evaders to further their nefarious and criminal activities in escaping the payment of taxes due the Government."

Subsistence Allowances to Veterans in School

EXTENSION OF REMARKS
OF
HON. CLYDE M. REED
OF KANSAS
IN THE SENATE OF THE UNITED STATES

Friday, February 13 (legislative day of Monday, February 2), 1948

Mr. REED. Mr. President, one of my very good friends, Mr. J. E. Schaefer, vice president and general manager, Boeing Airplane Co., Wichita, Kans., has sent me an open letter to Congressmen, printed in the New York Sun of January 24, 1948.

This letter is so pertinent and so interesting that I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AN OPEN LETTER TO CONGRESSMEN

One of the bills which you will consider deals with the increasing of subsistence allowances for veterans in school and on-job-training programs. The issue is unfortunately as political as it is humane, since more than 2,000,000 voters would receive direct financial benefits from the proposed legislation. Supposing, however, that the majority of you are sincerely interested in accomplishing the most good, my husband and I—as 2 of the 2,000,000—would like to present the case as we see it.

My husband is finishing college by virtue of the $90 provided by the GI bill of rights. We are very grateful for that $90 a month. Without it we couldn't be here. It would be very easy to sit quietly and let you gentlemen raise it to $105, as you probably will. But we do not believe in biting the hand that feeds us, so we want you to know that we can get along without that raise.

We actually live on our $90 a month. I use "live" deliberately. It feeds us, keeps us clean, and puts a roof over our heads. It doesn't provide our clothing, not in a general sense, but it does cover occasional replacements of small items. Here, in fact, is a chart of exactly what we've done with our $90 per month in 2 years' time:

Rent	$20.00
Food (milk, soap, everything that comes from the grocery store)	38.00
Laundry	.50
Cleaning	2.00
Insurance (my husband's)	6.60
Insurance (mine)	4.40
Haircuts	1.00
Church	9.00
Stamps and stationery	.50
Entertainment	1.00
Transportation	4.00
Clothing repairs	3.00
Total	90.00

The rent is delightfully low—because we live in a trailer. (Most colleges have reasonable accommodations once you get into them; they just don't have enough.) Nor is it a superaffair with hot and cold running water. In fact, it hasn't any running water at all except that which runs down the walls and under our bed in every heavy rain, or even a prolonged light one. We carry our water in in a bucket, and we carried it out also until my husband procured for $1 a funnel, 4 feet of hose, a roll of black tape, and made us a drain. Our particular trailer hasn't even an oven—merely a two-burner gas hot-plate, but with a pressure cooker and a little ingenuity we have good, healthful meals and plenty of food on about $9 a week.

We have four times as many meatless days as the average patriotic citizen, but we won't starve. My husband also catches fish in nearby streams, and so provides sport and food at the same time. (The fishing license comes out of the grocery money.)

Laundry days are 2 weeks apart and we do it together in a help-yourself establishment in 1 hour for 25 cents. Cleaning, we watch closely, removing minor spots ourselves. One of our extravagances is a steam iron, which has more than paid for itself in renewing clothes that are merely wrinkled.

Since my husband does a great deal of studying, we have little time for entertainment, but we occasionally attend 15-cent shows which are several years old, and often better than newer ones. We have friends over for dinner, and crack walnuts and make fudge, or just plain talk. I read a great deal, and crochet and sew. We go to most student activities and picnic in the woods. I mention all this to show that we don't really suffer from lack of entertainment funds. We have no money to gamble, drink, or smoke, and we don't.

As for clothing, we didn't have a lot to start with, and the "new look" hasn't exactly stormed our area. We grew up during the depression, and learned to use good judgment in what little we could buy. Fortunately, my husband was an Army officer, so he still has his pinks and greens for school clothes.

We have had no medical expenses, but the school furnishes a health service for students who need it.

That, I think, accounts for the $90. We find that our neighbors spend theirs in similar ways. Besides our Government allowance, we spend about $400 additional each year. These things are our luxuries and include our car, which costs us about $240 a year more than the monthly $4 we deem necessary transportation. We consider these our responsibility to provide if we want them.

This additional money must come from somewhere. My husband found before the war that too much work does not mix with the kind of grades he wants. He goes to school both semesters and to summer school. That leaves 6 weeks in August and September to pick up $350 to $400. He solved it one summer by hauling paving bricks, purchased from a condemned road, to contractors. Handling, individually, thousands of 8-pound bricks is work, but it paid well.

Last summer he hauled machinery on a short job for a ditch-digging concern. For two more weeks he flew in the activated Air Corps Reserve, and week ends he painted a house. The truck drivers' union in our town generously grants temporary permits for short jobs for a small payment, thereby saving us the large initiation fee. Some of the unions are very considerate in such situations.

We do have a little savings, and we intend to keep them. It is the basement of the house we intend to build some day, and we won't be afraid to build it with our own hands. Some of our friends have savings; some do not. Most of them do odd jobs. Some do janitor work at the school for $10 a week; some have jobs in town. A few of the wives have jobs, and many of us have

small gardens around our trailers. Those with children find the going tougher.

This just shows why we can do without an increase. There are also reasons why we positively do not want any more money in the form of an increased subsistence check:

1. The proposed raise for married students alone is $15 a month. Let us assume this to be an average, since single students get less and married students with children get more. According to the records of the Veterans' Administration for November 1947, 1,309,145 veterans are attending school. A $15-a-month raise will cost the Government $19,637,175 a month. Yet, it will not be the determining factor in causing many GI's to stay in school. In fact, the good it will do is negligible, and its harmful aspects have been completely overlooked.

2. Constant wage increases from every direction are a contributing factor toward inflation. The extra twenty million that students alone will spend each month will make items just that much scarcer and higher in price. If we earn the money before spending it, rather than having it given to us, we will also be producing $20,000,000 worth of labor and various goods.

3. The most important reason is for the sake of the veterans themselves. Most of those receiving these benefits are in their middle or late twenties. They have been fed, clothed, and provided for by the Government almost ever since their parents stopped doing it. If they are going to become useful citizens in a democracy where the individual is the important unit, a necessary part of their training is learning how to take care of themselves.

If you really want to help, do something constructive about prices and housing, and the rent controls that go off in February. That will benefit all of the people.

As I said before, we speak only for ourselves. We are acquainted only with conditions in the Middle West. We know that students attending universities in large cities have different problems than in small college towns. We have lived in both, and have inquired about many. We know that the boys who fought the battles have learned to think, and we suspect that some of them may even agree with us.

M. V. M. PIKE.

British Health Plan

EXTENSION OF REMARKS
OF
HON. TOM STEWART
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Friday, February 13 (legislative day of Monday, February 2), 1948

Mr. STEWART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "British Health Plan," from the Miami Herald, which should be of especial interest to the American public at this time, when we are considering a similar idea.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BRITISH HEALTH PLAN

Short views on the news:

The young men who are flooding our universities with applications for admittance to the many excellent schools of medicine and dentistry should take a look at the new British health policy.

Great Britain's Socialist government is about to inaugurate a huge program of free medical care for every man, woman, and child in the "tight little island."

Basically the idea is that the Government will pay everybody's doctor bills, including hospital treatment, ambulance hire, drugs, and medical supplies.

The cost, as now estimated, will exceed $600,000,000 a year, and is to be collected from the long-suffering British taxpayers.

British doctors are being asked to sign up with the Government's plan, although they are free to stay out if they so choose. All who do join the Government medical service will receive a basic salary of $1,200 a year, to be augmented by fees of $3 per patient.

Thus, if a doctor had the time and endurance to see 4,000 patients a year, he could reach a ceiling of $13,200 before taxes.

All Government doctors would have to serve in areas where the Government determined they were needed most. The Health Ministry will have authority to bar doctors from locations which it considers are oversupplied with physicians.

Included in the list of services to be provided by the state are home nursing, midwives, maternity and child-care clinics. The Health Ministry is also to be the final judge of a doctor's competency, thus removing the individual's right to appeal to the courts.

Needless to say, the Government's program is meeting with tremendous opposition from the British Medical Association. This group fears that eventually all doctors will be forced into state medicine, with over-all salaries to be fixed by the Government, regardless of individual merit or background.

They cite the experience of 1912, when the doctors temporarily boycotted a national health-insurance plan, but ultimately had to yield. It is no secret that the British Government believes it is only a question of time until all doctors must surrender to its latest experiment in socialism.

Then all medical care in the British Isles may gradually descend to the level of the least competent practitioner, and a doctor with years of the best possible training and experience will find himself on the same economic level with Great Britain's 2,000,000 other civil servants.

We commend what is happening in Britain to the attention of America's doctors embryo, because while it is easy to say, "It can't happen here," the fact is that bills have already been introduced in the United States Congress which would take us down the same socialistic road.

You can still write your Senators and Congressmen before it is too late.

Government and Industrial Decentralization

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Friday, February 13 (legislative day of Monday, February 2), 1948

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial endorsing my stand on Government and industrial decentralization, from the Dallas (Tex.) Morning News of February 7, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOOL'S PARADISE?

Some may think that Senator ALEXANDER WILEY is too wrought up over the danger of a single, knock-out blow by a foreign foe. In the Reserve Officer magazine he speaks of our "living in a fool's paradise of apathy and inertia." He warns that, in an atomic war with Russia, Washington could become "a death trap for American liberty." He believes that we must scatter our armed forces and Government offices, or run the risk of having them blotted out in a single moment.

Even a little thought, though, about what the split atom has done to our traditional means of defense, will free the Wisconsin Republican of the charge of hysteria. Already we have agreed that our factories must be strung out, or deployed, over vast reaches of inland America. That is the policy behind the Army-industry national meet just held in Dallas. The same idea must be spread promptly to cover both military forces and civil government.

Perhaps the soundest argument for quick passage of the universal military training bill is that it would give every part of the country sizable forces in the event of disaster. The 16,000,000 veterans of World War II should also be fitted into this plan of instant readiness. It is nothing more than the Swiss idea of a citizens' army that can spring into action almost at a whistle.

There must be, too, a directing command behind both factory and fighting forces. That in our land is the civil authority. It is clear, then, that regional authorities should be created, on paper at least, to take over full power in their own areas in the event of national calamity. The Senator is merely talking common sense. Elementary, it would seem, as Sherlock Holmes might say.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. JOHN J. SPARKMAN
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Friday, February 13 (legislative day of Monday, February 2), 1948

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial recently issued by the National Cotton Council of America in the February 6 issue of its publication called Cotton's Week, containing a discussion of the effect on the cotton market of the uncertainty of the fate of the Marshall plan.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MARSHALL PLAN

Uncertainty about fate of Marshall plan is credited with playing part in sharp break this week in stock and commodities market.

Supporters of plan admit there is apathy in Congress toward plan, arising primarily for two reasons:

1. Question as to whether Marshall plan will do the job.

2. Question as to whether Marshall plan will be possible without reimposing domestic controls.

As to first query, nobody knows. However, best informed opinion is that effort must be made unless Russia is to take over most of western Europe. Will Clayton, who probably knows as much about the European situation as any man in the country, said as much in a speech the other day, and if Russia takes western Europe, many informed persons believe it means eventual war with United States.

With regard to second question, feeling is growing that Marshall plan will be pos-

sible without reimposing price controls and rationing. Judicious use of export controls over scarce commodities, supporters of plan point out, should keep inflation in hand without clamping down in this country. Furthermore, plan supporters say that supply situation, particularly in grains, is better now than was anticipated when plan was first proposed.

In this connection, there have been reports that cotton purchasing for western European countries under plan would be done by Government agencies.

Cotton Council has investigated these reports thoroughly. All Government agencies, and particularly USDA, which probably would do actual buying under plan, have emphasized they feel that cotton should be handled by private trade as was done during interim aid period. Council plans to write State Department to get views officially stated. Apparently, rumors and fears that private enterprise might be supplanted in cotton as well as other commodities arise from general language of proposed legislation and testimony. Legislation permits government to purchase and transfer commodities but there have been repeated assurances that no such procedure is contemplated with regard to cotton.

Apathy toward plan and uncertainty about its fate have aroused concern on part of some Southern Congressmen. They are pointing out that demand in this country, Europe, and China for United States cotton is strong and apparently will continue so for several years. Question is whether Europe and China also can raise dollars to buy cotton, or to state it another way, matter is one of financing. If Marshall plan fails, surpluses are pretty certain to begin piling up within couple of years. This would bring back problems with which belt is all too familiar: price supports, production controls, and like.

And, still other supporters of plan, harking back to break in commodities this week, are contending that failure of Marshall plan and slump which might result could cost country many times proposed expenditures for European recovery.

The Southern Revolt and 127 Electoral Votes

EXTENSION OF REMARKS

OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. LARCADE. Mr. Speaker, under leave to extend my remarks in the RECORD, I use the above caption to call attention to the fact that in 1879 the electors from the State of Louisiana cast the deciding votes to elect a Republican President of the United States, and 1928 should not be overlooked. I am also submitting below articles on the subject under discussion, as follows:

[From the Washington (D. C.) Post of February 13, 1948]

THE WASHINGTON MERRY-GO-ROUND

(By Drew Pearson)

DEMOCRATS ALIENATED BY TRUMAN

Anti-Truman resentment among the Democrats is now so deep that some are actually talking about trying to dump him.

What Truman has succeeded in doing is alienating both wings of the party—the southern Democrats and the northern liberals. This was something that Roosevelt, despite the kicking around he gave to some leaders, was careful never to do.

But now Truman has rubbed northern liberals the wrong way by ousting such Roosevelt appointees as Marriner Eccles, James Landis, and John Fahey. Simultaneously, he has made southern leaders boil over with indignation at his civil-rights message.

In fact, the only people Truman has pleased are the Republicans.

Result of all this is that some Democratic leaders are even talking among themselves about finding a new candidate. Admittedly, they don't think the chance is great, for it's almost impossible to block the renomination of a sitting President. However, some of them have been quietly discussing a boom for Justice William O. Douglas, while others talk about a draft-Eisenhower move for the Democratic ticket. After all, the first and only political speech Ike ever made was at a Jackson Day dinner at the age of 18.

Meanwhile, Henry Wallace has told friends that he would yank his third party out of the running if the Democrats nominate Eisenhower, Douglas, Judge Thurman Arnold, or any other Roosevelt Democrat.

NOTE.—What Democratic leaders fear most is that Wallace's third party will carry so much of the labor vote that it will be impossible for Truman to carry New York and Illinois.

[From the Washington (D. C.) Post of February 13, 1948]

WASHINGTON CALLING

(By Marquis Childs)

SOUTHERN REVOLT

The convivial days of old, when Democratic Senators gathered in the inner sanctum of Leslie Biffle, staff director of the Democratic policy committee of the Senate, are no more. A brooding bitterness is too often the mood today, and even the best stories get hardly a chuckle.

The reason, of course, is the revolt of the southerners, touched off by President Truman's civil-rights message. The same kind of flare-up has occurred in the past, only to die down after a pyrotechnical display of southern oratory.

But this time party leaders are deeply pessimistic. They discount a lot of the southern talk about establishing a southern wing of the Democratic Party which would nominate its own candidate for President. They minimize the possibility that electors from the Southern States might refuse to cast their ballots, thereby throwing the election into the House of Representatives. They do not, however, discount the effect of all this on the voters throughout the country. It feeds the impression of divisiveness and incapacity. And this time the flare-up seems likely to mean more than just oratory, even though it stops short of an actual split.

The southerners are threatening to hold up nominations made by the President whenever they can. Their first target is likely to be the President's nomination of Thomas B. McCabe, of Philadelphia, to be chairman of the Federal Reserve Board. For a variety of reasons, McCabe's nomination was deeply resented.

To begin with, McCabe would fill the vacancy caused by the death of Ronald Ransom, of Georgia, who was the only southerner on the seven-man board. Failure to give proper representation to the South would in itself explain antagonism to the appointment. On top of this is the wide popularity in the Senate of Marriner Eccles, who is being demoted to vice chairman so that McCabe may have the chairmanship.

The McCabe appointment comes before the Senate Banking and Currency Committee next week. Four southerners—Senators FULBRIGHT, of Arkansas, ROBERTSON of Virginia, MAYBANK, of South Carolina, and SPARKMAN, of Alabama—are on that committee. They could certainly delay action, and their votes might block it.

An even more practical threat which the southerners say they will carry out concerns the Democratic war chest in this campaign year. There is nothing to compel the Democratic State organizations in the South to contribute to the national committee as they have done in the past.

The Southern States have, in fact, been among the largest contributors. Because of the one-party system in the South, funds are not needed at home for a party battle. Consequently, almost everything that was collected went to Washington.

Even though their per capita wealth is much less than that of most Northern States, Texas, Florida, Arkansas, and North Carolina were among the first 10 contributors in both 1940 and 1944. Their contributions were exceeded only by New York and the District of Columbia, and they all outranked Pennsylvania. But not this year, say the southerners. If they hold to this determination, the Democratic National Committee will be hard pressed to find generous contributors to make up the difference.

The southerners even talk of blocking essential legislation. Whether they will go this far is doubtful. Nevertheless, here is another possibility of stalemate in an election year, when the machinery of government creaks along slowly at best.

The required number of votes to shut off debate and stop a filibuster are said to have been counted in advance in the Senate. With the flow of oratory thus dammed up, the frustration and the anger will grow.

The suggestion which got into print, that the President might modify his civil-rights stand by later repeating his request and carefully omitting reference to abolishing segregation on trains and busses, drew a stanch denial from the White House. Mr. Truman is prepared to stand behind every demand in his 10-point program, it was said.

The President's advisers are a little surprised at the violence of the southern reaction. The 1944 Democratic platform said: "We believe that racial and religious minorities have the right to live, develop, and vote equally with all citizens and share the rights that are guaranteed by our Constitution. Congress should exert its full constitutional powers to protect those rights." Mr. Truman in his message was merely translating that generality into specific demands, and he intends to back them up no matter what the cost.

[From the Washington (D. C.) Post of February 13, 1948]

MATTER OF FACT

(By Joseph and Stewart Alsop)

FOR SOUTHERN RIGHTS THEY ARE

The white-supremacy southerners in Congress are now talking among themselves about placing either Senator WALTER F. GEORGE, of Georgia, or Senator HARRY F. BYRD, of Virginia, in nomination for the Presidency against Harry S. Truman. This underground discussion neatly balances the overt plan of the west-coast left-wingers to put forward Henry A. Wallace as a suitable Democratic nominee.

One thing is already clear, this year's Democratic convention is likely to resemble one of those awful children's parties at which large numbers of the dear little guests gang up to kick the stuffings out of the grave but tearful host. In his role as universal nursery maid to his party, the chairman of the Democratic National Committee, Senator J. HOWARD MCGRATH, is going to have a pretty ghastly time preventing public mayhem. And this will be true even though the southerners do not carry out their threat to support a candidate of their own.

Overt southern support for a rival to Truman, even if limited to the convention, would

almost certainly be going further than the southerners desire. The Democrats have been in so long that the southern leaders have almost forgotten the hungry misery of dwellers in the political wilderness. But some faint recollection of this horrid state still lingers in their minds. They are still reluctant to destroy their party's chance at the election. This is what may be expected to nip the overt anti-Truman movement in the bud, although the plan may be expected to be watered with quantities of the same sort of northern money that used to finance Gene Talmadge.

On the other hand, the strategy which the southerners appear actually to be adopting will be almost as difficult for the White House to handle. As of today, it seems probable that the Southern States, including as a minimum South Carolina, North Carolina, Virginia, Georgia, Mississippi, Louisiana, Alabama, and Tennessee, will send uncommitted delegations to Philadelphia. The uncommitted delegations will be used to wrest from the platform committee a weasel declaration on the civil- and human-rights issue.

In the past few days there have been anxious negotiations between southern leaders and White House representatives. The southerners dropped hints that if the White House continued so scornful of the South, the more violent expedient of sending overt anti-Truman delegations to the convention would have to be resorted to.

The President may deny the intention of conciliation until he is black in the face. He may personally have no such intention, but his representatives respond to the hints of the southern leaders by hinting in return that the President would in the end approve a compromise on the platform's civil- and human-rights plan. The southerners intimated that if such a compromise were forthcoming, they would then content themselves with holding a post-convention rally, as they did after the Wallace nomination in 1940. At this rally they promised they would give free rein to their propensity for oratory, but would end by resolving that much as they detested Truman, they hated the Republicans even more.

In Congress this plan has found favor with many, even among the extreme white supremacy shouters like Senator OLIN D. JOHNSTON, of South Carolina. Meanwhile some southern governors like J. Strom Thurmond, of South Carolina, and M. E. Thompson, of Georgia, have also sent assurances of eventual support to the White House.

It is symptomatic of the state of the Democratic Party that in these dubious circumstances the White House political strategists are breathing audible sighs of relief. They are thankful for very little these days. The arrangements outlined above are very little to be thankful for because of two obvious draw-backs.

In the first place, any weasel words in the civil- and human-rights platform plank will enrage and alienate precisely the groups in the North at whom the President's civil-rights message was aimed. Yet if the weasel words are not spoken, the uncommitted southern delegates will still be able to put forward their own man. In the second place, the present arrangements may be upset even before convention time if the Fair Employment Practices Act becomes law at last.

House passage of FEPC is a foregone conclusion. So is Senate passage if cloture can be applied. Application of cloture turns upon four or five Republican votes, including Senators ROBERT A. TAFT, HARLAN BUSHFIELD, and ALBERT HAWKES. TAFT, it is known, will vote to approve cloture, although opposed to the FEPC bill. HAWKES is in a hard reelection fight in New Jersey, and the other waverers will be not uninfluenced by the fact that this is an election year. If FEPC passes, the southern fat will really be in the fire. In the ensuing bitterness and recrimination anything may happen, and quite probably will.

[From the Opelousas (La.) Daily World of February 10, 1948]

"GENUINE" DEMOCRATIC CONVENTION

NEW ORLEANS, LA.

THE EDITOR, THE WORLD.

DEAR SIR: The Truman intention to use Federal power and snoopers to abolish sensible race segregation and States rights could prove a calamity to the entire Nation, including the deluded Negroes whose votes are being bought by this Truman alliance with the creed of the CIO and the Communist Party.

Mr. Truman joins the ranks of those who, in the past 15 years, schemed and hatched the rotten system of control of the majority by the use and political manipulation of a self-seeking balance of power minority.

Mr. Truman knew when he joined the Democratic Party many years ago that Democrats were then as they are now—devoutly dedicated to the principle of a republic by a union of sovereign States. The Democratic Party has not changed. But, Mr. Truman and his fellow travelers at last march with Henry Wallace, out of and away from the time-honored, unchanged customs and beliefs of the Democratic Party.

It now becomes the duty of genuine Democrats to close ranks, rebuild and rededicate our party for honorable service to those people of the Nation who believe that our safe future depends upon a political party willing to work for the greatest good of the greatest number.

Thousands of stay-at-home eligible voters from border to border and coast to coast will at last have a reason for a return to the use of their ballots, if we southerners give them a real Democratic Party.

Mr. Truman may get the nomination of the Philadelphia mongrel convention. We of the South owe it to our country to call a genuine Democratic convention, and not in Philadelphia.

Cordially yours,

JOHN U. BARR.

The Causes of Industrial Peace

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Friday, February 13 (legislative day of Monday, February 2), 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article entitled "The Causes of Industrial Peace," by Clarence Francis, chairman of the board, General Foods Corp. It is an article which I think all those in industry in this country who think they can solve industrial problems by way of legislation should read with great care, because I think Mr. Francis in the article supplies an answer to a great many of the business industrialists who think we will solve our labor problems by restrictive legislation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor of February 9, 1948]

THE CAUSES OF INDUSTRIAL PEACE

(By Clarence Francis, chairman of the board, General Foods Corp.)

It is ironic that Americans—the most advanced people technically, mechanically, and industrially—should have waited until a comparatively recent period to inquire into the most promising single source of productivity, namely, the human will to work.

It is hopeful, on the other hand, that the search is now well under way. We are learning now that a cause of freedom from industrial strife is healthy human relations. Just as there are degrees of health, so there are degrees of industrial peace. The sort we seek is a vibrant, affirmative, productive peace. We know that it can exist because we have seen it exist. There have been few times within recent memory when we have lacked examples of this fact.

Yet, ignoring these signposts, we have lived amid the din of industrial disorder from the start. Our economic expansion has been marked by periodic disruptions from the days of the anthracite and rail strikes of the 1870's through the sit-downs of the 1930's right on down to the present.

Why has this been so? Basically, I think, it is because too many employers somehow fell into the grave initial error of treating labor as a commodity, because management and labor leaders became preoccupied with the rules of industrial warfare, because we concentrated on the vocabulary of difference—"demands," "grievances," "disputes," "prerogatives," "rights," and all the rest—and because, by implication, we accepted the notion that the interests of labor and management are basically opposed.

That's an irony, surely, since the interests of 60,000,000 Americans at work are served not by the cultivation of disunity and discord but by unity and cooperation. The tragedy is that millions of working Americans, whether organized or not, are suffering from the nonexistence of mutual endeavors to create smooth relationships.

To me, the ideal in industrial peace would be, not 15,000,000, not 30,000,000, but 60,000,000 Americans working together in well-planned and understood human relationship. Think what that would mean in terms of national unity, production, and prosperity.

I do not mean to discount the importance of labor legislation; but, conceding its importance, we must grant that it is but one of a number of trees in a very large forest.

In other words, you can legislate the conditions under which management and labor can quarrel.

You can legislate the conditions under which management and labor can maintain an armed truce.

You can even legislate the conditions under which management and labor can enjoy a negative sort of peace without fighting at all.

But you cannot legislate harmony into the hearts of men.

You can buy a man's time.

You can buy a man's physical presence in a given place.

You can even buy a measured number of skilled muscular motions per hour or day.

But you cannot buy enthusiasm; you cannot buy initiative; you cannot buy loyalty; you cannot buy the devotion of hearts, minds, and souls.

You have to earn those things.

In today's complex industrial structure, the development of better understanding between management and labor can't be left to chance. When you want to get to know a man better, you don't begin by writing letters to his lawyer. You try to find some way

of demonstrating your good will and communicating it to the man himself.

This is just as true of dealings between management and employees as it is of dealings between individuals outside working hours. Techniques and organization are needed—in small companies as well as big ones. And I am prepared to stand before you and say that, when the techniques, organization, and principles of good human relations are carefully applied, the end result is bound to be a greater measure of industrial peace.

Why are we in business, anyway? Are we simply in it to make money or do we acknowledge a stewardship toward employees, stockholders, and consumers?

Do we, above all, believe in the freedom and dignity of the individual in a free American economy?

Do we, then, believe that political and economic freedom are inseparable—and that they are equally the rights of employers and employees? I happen to be one of those who believes that you cannot put freedoms in separate compartments or maintain one kind of basic freedom without the other.

Do we want our employees to get a sense of dignity, achievement, satisfaction, and security through working harmoniously with others in a well-organized, rational, productive industrial structure and at fair wages?

Above all, are we willing to work to create these conditions?

On the negative side we know that we simply cannot afford the consequences of industrial conflict. We cannot allow the terrible danger of class consciousness to weaken our internal structure. We cannot permit the collapse of the world economy. We dare not let hunger and poverty lead millions into communism.

All true. But, on the positive side, let us consider not what we have to lose but what we have to gain. Why should our policies be dominated by a negative dread of communism instead of a positive confidence in America? As Gardner Cowles said in a recent significant speech, "No one flees toward Russia." America is the symbol of an active reality which has already accomplished more for human betterment than any system on earth. (From an address to the Congress of American Industry.)

Article by George Sokolsky

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article by George E. Sokolsky from the Washington Times-Herald of February 10, 1948:

THESE DAYS

(By George E. Sokolsky)

The essence of the articles written by Henry Morgenthau on himself and appearing in the New York Post is that the State Department and the War Department had, as is their proper function, worked out plans for postwar Germany.

He had obtained a document prepared by the State Department which would have saved the world endless trouble and unbearable costs. Morgenthau was terribly angry. So he saw General Eisenhower in London and Eisenhower said to him:

"I want to say that I am not interested in the German economy and personally would not like to bolster it if that will make it easier for the Germans."

Now, how could it be that General Eisenhower or anybody else in so responsible a position could say that he is not interested in the German economy? For after all, Germany is the economic and geographic heart of Europe.

It may be that it is unfortunate for mankind that the particular people who inhabit that particular area of the earth's surface are those who are there.

But no intelligent man can say that he is not interested in German economy—for it is German economy that has already cost us two wars, and the huge cost of occupation and the British loan and the Marshall plan but so much else that has disturbed our generation.

How could General Eisenhower say that in 1944?

It was in 1944 that Henry Morgenthau was told by General Eisenhower, as Morgenthau reports, that Russia now (in 1944) had all that she could digest, and her present problems would keep her busy until long after we were dead.

That was before Yalta and Potsdam. It was before Soviet Russia took over Yugoslavia, Bulgaria, Rumania, Poland, Hungary, the Kurile Islands, Manchuria, and Korea.

It was before the Cominform was organized. It was before Togliatti attempted to force Italy, and Thorez, France, into the Soviet Federation. It was before Soviet Russia tried to take the atom bomb from us.

Certainly it is difficult to believe that Eisenhower was so badly informed, so inadequately oriented as Morgenthau makes him out to have been.

For the history and purposes of bolshevism, from 1907 to 1944, is a thoroughly documented story, widely known and discussed by intelligent students the world over.

It is not possible to believe that the man to whom the destiny of this country was entrusted could have been so superficial. Until Eisenhower speaks for himself, I, for one, decline to believe that he could possibly have expressed such views.

Of course, the confusion in thought and of policy in the Roosevelt administration are beyond belief. Morgenthau reports, for instance, that he discussed not Treasury but foreign problems with all sorts of people, although the country assumed that it was Cordell Hull who was Secretary of State.

Apparently the American people were wrong, because Hull seems not to have known what was going on.

For instance, Morgenthau discussed Tehran with Anthony Eden and then with Cordell Hull. Apparently minutes were kept at Tehran, but Cordell Hull was not permitted to see them, although, as Secretary of State, they should have been in his possession. According to Morgenthau, this is what Hull told him:

"I don't have a chance to do anything. I am not told what is going on. That's on a higher level. I am told that is a military affair. I have consultations with the War Department every day on the immediate objectives, but when they talk about the state of Germany I am not even consulted."

Why was he Secretary of State? The story is coming out, even earlier than had been expected. Maybe, in time, some of us who warned the American people that they were being fooled and their confidence abused will, unfortunately, be proved to have been right.

I, for one, would rather have been proved wrong.

The other day I remarked to a friend that it would have given me more comfort for the future of my children if the facts, as they are now disclosed, would show that I had been in error during the years of the Roosevelt confusion.

Foreign Policy Gone Haywire

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including a timely editorial which appeared in the Kenosha (Wis.) Evening News on Monday, February 2, 1948. The editor has called attention to inconsistencies in our foreign policy and to such an extent that the people at large are generally confused and bewildered.

GONE, BUT NOT FORGOTTEN

Every day there seems to be less sense in our relations with Soviet Russia.

The United States finances the United Nations and Russia uses it as a world platform from which to hurl abuse at us.

Undesirables from Russia, holding credentials to the UN, continue to pour into the country. Immigration laws keep out thousands of victims of Nazi and Soviet terror.

While Russian diplomats and Reds roam our Nation, United States diplomatic representatives in Moscow are under rigid supervision, practically limited to their quarters.

The nastiest of Russian spokesmen wander around at will in our best society.

Cargoes of scarce materials leave our ports for Russia. It's cash business, apparently, all very reminiscent of pre-Pearl Harbor days.

The Marshall plan for spending $17,000,000 of our wealth to stop communism in Europe is ballyhooed to the heavens. At the same time Moscow sets a course designed to increase the cost to us of such a program.

Britain is credited by many with having shrewder diplomats than we have, but the Lion is pursuing a course just as muddled as ours. Bevin is applauded for rapping Soviet policies, and in a different part of London a colleague wins praise for negotiating a deal whereby Russian grain is exchanged for British machinery.

It's no wonder the ordinary fellow in the United States busy with his own dollar survival problems, can't make sense out of the doings of the diplomats.

The mainspring has gone haywire. What we need more than anything is statesmen, but if any of that breed still exists they must be camping in caves hidden away in the Grand Canyon.

Lincoln Day Address of Hon. John Davis Lodge, of Connecticut

EXTENSION OF REMARKS

OF

HON. WILLIAM J. MILLER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. MILLER of Connecticut. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of the Honorable JOHN DAVIS LODGE, Fourth District, Fairfield County, Conn., to the Hartford Women's Republican Club, Hartford, Conn., on February 12, 1948:

Members of the Hartford Women's Republican Club, ladies and gentlemen.

The occasion which we commemorate today is of importance not only to the Republican Party but also to the Nation and to the world. Abraham Lincoln, the sixteenth President of the United States, was born 139 years ago today. Yet he is very much alive. His memory is truly enshrined in the hearts of his countrymen. In a very real sense he belongs to the ages—to our age. For in his 56 years of life he stamped an image of himself on the tapestry of history and made a lasting impression on the minds of men and women the world over. He was a pioneer. He pioneered in the lonely wastes of uncharted thought, in the unplumbed depths of the human soul, and in the field of action.

His memory has a very special meaning in this fateful year. It has a special meaning particularly for us Republicans who, while we bear much responsibility, have not yet received from the people the power completely to discharge it. It is not enough to talk like Abraham Lincoln—the Republican Party must act like Lincoln. We must translate into effective action the inarticulate aspirations of millions of Americans in order that we may meet the challenge of leadership which is presented to us. We must think of freedom not as a right to be used and sometimes abused, but as a privilege to be earned and passed on undiminished to those who come after us. We must be alert to defend and deserve that privilege. We must recognize that the concept of freedom is still the most modern, the most revolutionary idea which man has yet discovered as a basis for his spiritual, political, and economic life on this planet. We must be actively aware that freedom and responsibility are inseparable. We must so lead our individual lives as to vindicate the enormous sacrifices made in the cause of freedom by millions of people. We must fulfill our daily obligations to the society in which we live in order that when we have been gathered to our fathers we shall have made a lasting contribution to the cause of liberty. We must give more than lip service to the memory of the great man whose birth we are gathered here to celebrate.

The Republican Party was born in 1856 in the midst of the turmoil and terrible disagreements which preceded the Civil War. In this year of crisis—1948—the Republican Party must have a fresh, vital, and vigorous approach to national and international problems in order that a ravished and devastated world may have a "new birth of freedom."

Never before in the history of the party, never before since this Nation was founded, has any group had such a glorious opportunity for service and leadership as the Republican Party has today. If we fail to grasp that opportunity, our failure will be commensurate with the magnitude thereof.

The two-party system is the lifeblood of our Republic. If there were less than two parties there would be distatorship and our Constitution and Bill of Rights would be of no avail. More than two major parties often leads to confusion. It is important that the two major parties should bring before the American people the great issues of the day in order that differences of opinion should be thoroughly ventilated and exposed to public view. The greatest enemy of freedom is ignorance. The American people have a right to be continuously informed regarding the significant implications of the issues which face the Congress.

In approaching these issues the Republican Party should be guided by the principles which governed the actions of Abraham Lincoln throughout his notable public career and should bear in mind that the concept of freedom must be adapted to the needs of our day if it is to survive. It was Lincoln himself who said: "The dogmas of the past are inadequate to the stormy present. The occasion is piled high with difficulty and we must rise to the occasion. As our case is new so we must think anew and act anew."

The overwhelming majority of the American people worship freedom and revere Lincoln. They are deeply apprehensive regarding conditions abroad. They know that the struggle for freedom is not yet won. They are worried about conditions at home.

Now there are no pat answers to these difficult problems. There is no mumbo-jumbo by which we can suddenly dissolve the tyrannies which still threaten us and bask in the sunshine of a secure freedom. There is no panacea which can quickly dissipate our troubles, dispel our fears, and make out of a world recently torn by war a lotus land of peace. But there are certain principles which through the years have proved timeless in their validity; there are tenets in the faith of freedom which must be reaffirmed, which must be acted on. The Republican Party must stand for these principles if we are to meet the challenge of our time.

The great issues which confront us can be divided into two main categories:

1. Those which face us abroad; and
2. Those which face us at home.

The Republican Party has shown a commendable spirit of nonpartisanship with respect to foreign relations. Several of its members have made distinguished contributions to the development of an effective foreign policy. Indeed, it may be said that insofar as the Administration has abandoned the philosophy, appeasement or war, it is to a large extent the result of the effort made by certain Republicans. There is another choice. The Republicans have been instrumental in pointing it out. The European Recovery Program, about which you all have heard so much, illustrates the recent reorientation of the Administration's attitude toward foreign affairs. Though the principle on which this proposal is based is simple, the execution of such a vast undertaking is enormously complex.

As a member of the Committee on Foreign Affairs of the House, it has been my privilege to hear the testimony of many witnesses regarding this aspect of our foreign policy. While it is impossible within the brief compass of these remarks to penetrate deeply into the labyrinth of difficulties inherent in this program, I should like to say that in my opinion its success will hinge in large measure upon our ability to bring all the elements of our foreign policy in line with this proposal. For the Marshall plan is a strategical measure with relief characteristics. Strategy cannot be successfully prosecuted piecemeal. I have been very much disappointed by the failure of the administration to carry forward on a concurrent front the other vital segments of our foreign policy in order that the European Recovery Program should operate under the most advantageous conditions possible and in order to take every step to insure the huge investments which the American people may be called upon to make.

I should like to see the administration, as soon as possible, initiate action to accomplish the following objectives:

1. Call a meeting of the United Nations under section 109 of the Charter in order that the United Nations may be strengthened; with Russia if possible, without Russia if necessary. We who were the chief creators of the United Nations should take the lead in helping it to survive and grow and prosper.

2. Instruct our representatives to the International Monetary Fund, to which we make a huge contribution, to recommend that an international monetary conference be called for the purpose of effecting a planned devaluation of the currencies of the 16 nations participating in the European Recovery Program, in order that this may be accomplished with a minimum of economic dislocation and a maximum of benefit for western Europe and for the American taxpayer. The amount involved in the European recovery program is based on the balance of payments. Because the dollar has become the basic currency in the world today, the needs of the participating countries are estimated in terms of dollar deficits. Since these foreign currencies are artificially pegged, the Marshall plan constitutes to a considerable extent an attempt on our part to bridge the gap between the legal and the real value of these currencies. A devaluation of these currencies would make European commodities cheaper to buy. It should be expedited in order:

(a) That these countries may increase their exports and thereby reduce their dollar deficits; (b) by reducing their dollar deficits, reduce the load on the American taxpayer; and (c) increase American imports and thereby reduce the cost of living in America.

3. The President should decide on a policy with respect to export controls, and with particular reference to Soviet Russia and her satellites. Here we must recognize that a revival of trade between eastern and western Europe is important to European recovery. It is to be hoped that when we have helped the Marshall plan countries to create a capital goods surplus, the agricultural surpluses of eastern Europe will flow into western Europe, in spite of the iron curtain. On the other hand, it should be our policy and the policy of the nations receiving our aid not to help Russia to defeat the Marshall plan. This aspect of our foreign policy should not be allowed to drift from day to day on an improvised basis. It should be carefully considered, clarified, and synchronized with the European Recovery Program in order that it can help to implement its major intentions.

4. Call a meeting of the 17 nations now receiving reparations under the German Reparations Agreements in order that the questions of reparations and particularly the problem of dismanting of German plants may be reexamined in the light of the European Recovery Program. Our approach to the German problem should be revised in order that the German economy should play its part in the recovery of Europe. I do not share General Marshall's fears regarding a change in the dismantling policy, provided it is the result of conversations between the United States and those nations who are to receive reparations from Germany as well as aid from America. Separate and special agreements should be negotiated with those nations who are members of the German Reparations Agency, but who are not to receive American aid.

General Marshall's view is that a change in the dismantling policy would be regarded by the nations receiving reparations as a breach of faith by the United States. I do not propose a breach of faith. I propose a modernization of these agreements. I want to bring them up to date for the benefit of all. In any event there can be no harm in discussing their revision with the interested parties.

5. Instruct our representatives to the International Bank for Reconstruction and Development, to which we make a predominant contribution, to call a meeting of the members of the bank in order that the activities of this organization should be coordinated with the purposes of the European Recovery Program. For instance, I have been informed by Stanislaw Mikolajczyk, former leader of the Polish Peasant Party, that every dollar we spend in Poland goes to Russia. Former Ambassador Lane's arresting book tends to bear this out. Yet it is rumored that the World Bank is about to make a loan of $40,000,000 to the Communist Government in Poland. If Mr. Mikolajczyk is right, and his opinion is certainly entitled to a great deal of weight, we would, in contributing to such a

loan, be helping the Russians to defeat the Marshall plan.

6. The Foreign Ministers and high military officials of the United States and the participating nations should meet for the purpose of coordinating the activities of their respective military establishments in order—

(a) to avoid a duplication which is a burden on their economies and therefore a burden on the American taxpayer; (b) take such dispositions with respect to their armies, navies, and air forces as the tactical and strategical situation require; and (c) make those changes within their military establishments which seem desirable in view of the present stage of scientific development of the weapons of war. These results could be accomplished within the framework of the Western Union proposed by the British Secretary of State for Foreign Affairs, Mr. Ernest Bevin.

The above are but a few of the things which should be done as expeditiously as possible in order that western civilization may be made secure from the onslaught of Communist aggression. We know from bitter experience that appeasement leads to war. We must know by this time that the best way to avoid war is to be strong. We know that we are stronger if we have friends than if we are alone. We know that if these friends are strong, their strength will create a mighty compulsion to peace.

In other words, the European Recovery Program should not be an attempt to restore Europe as it was in 1939. It should not be an effort to put Humpty-Dumpty together again. It should be the beginning of a great movement to achieve an economic federation in Europe in order to spread freedom by extending the free-trade area. It should have as its ultimate goal what George Washington anticipated years ago—a United States of Europe. Such a concept involves politics as well as economics. American foreign policy must take the political factors into proper account if the economic program is to succeed. We know that a starving Europe cannot recover. We know that as long as Europe has not recovered it constitutes a hunting ground for purveyors of tyranny. Accordingly, we must face the challenge as it is presented to us—on all its fronts and in all its aspects.

I have given you these few suggestions also because it does not seem to me that a nonpartisan approach to foreign affairs demands that the Republican Party should sit supinely by and wait for the Administration to show the way. Had that been our attitude we would probably still be embarked on a policy of appeasement today. The right carries with it the responsibility—nay the duty—to participate in the formulation of an effective foreign policy.

When I returned from my investigation trip last November I hoped that our President would also see the challenge to America as a nonpartisan challenge. I confess that I have been deeply disappointed. In the first place, there has been an attitude on the part of the Administration that the Congress should accept the Marshall plan precisely as written in the legislation submitted by the State Department or the whole program would be compromised. While I have for some time enthusiastically favored the principle involved in the recovery program, it is my considered view, after weeks of study, that the Congress can improve the measure submitted to us and thereby add to its effectiveness and diminish the ultimate cost to the American people.

No one can deny that foreign and domestic affairs are closely related. They are to a large degree interdependent. What happens abroad has a very definite effect upon what happens at home, and what we do here with respect to our domestic problems will have world repercussions. To think otherwise is to be in fact an isolationist. There is no sharp line of cleavage between conditions in America and conditions outside America. We are involved in world affairs whether we like it or not.

I believe that the American people have a right to expect the Executive to rise above party in administering the vast enterprise which is the United States. I believe that the Administration must display the same degree of statemanship with respect to the needs of the American people as the Republican Party has displayed with respect to the needs of others. Yet the President has seen fit to treat questions of Tax Relief, Labor-Management Relations, the Fuel-Oil Shortage in New England, Public Housing, Federal Aid to Education, Social Security, and the Public Health, as well as other matters, as political footballs to be kicked around for the profit of the Democratic Party when they should be studied and acted on in the interests of all. The Republican Party has become infused with new blood. Out of differences of opinion within its ranks has grown a revitalized modern-minded party—a party which can withstand the pressures of the moment for the ultimate good of all—a party which is truly the party of the people. It is my belief that there are accommodations which the Government must make to modern needs which interfere in no way with the freedom of the people, but which instead help them to achieve a basic standard of living without which freedom becomes virtually meaningless. It is my belief that the Republican Party must be the party of youth, the party of new ideas within the framework of freedom, the party of insurgents, of young Turks, the party which will carry high the torch of individual liberty and thereby respond not only to the hopes and aspirations of millions of Americans, but to the longings of a prostrate world.

On the other hand, the Democratic Party is so distressed, divided, and distraught that it is hard to make out what they believe except that they believe that they should stay in office. Do they believe in anti-lynching and anti-poll-tax legislation in order to bring the concept of freedom to the fulfillment hoped for by Abraham Lincoln, or do they believe in white supremacy? Do they believe that Communism threatens freedom as Nazism did, or do they believe that they Communists should be accorded rights and privileges which will help them to destroy liberty? Do they believe in relieving the people of part of the enormous tax burden which adds tremendously to the cost of living, or do they believe that the cost of Government should go up every year as it has ever since the Democrats have been in power? Do they believe, as President Truman stated in his speech on the State of the Union, that $50,000,000,000 should be invested in American business in order to insure continuous employment and a rising standard of living, or do they believe in a system of taxation which will raise the cost of consumer goods and leave little for the start of new small businesses?

On the one hand the Democrats say that they believe that payments on the national debt should be made in order to combat inflation, and on the other hand they resist the cashing of terminal leave bonds by former enlisted men on the ground that such payments on the national debt are inflationary. They were opposed to price controls in 1946 and they favor price controls in 1948. They seem to think that the Government should stay in the red since the Reds stay in the Government.

The fact is that the Democratic Party is tired, torn, and tattered. It is desperately hanging on to power which it doesn't know how to use. It has lost contact with the people from whom that power comes.

This is a year of decision. It is a year in which men in public life should more than ever keep their eyes on the horizon in order that they may have vision to act in the best interests of the people and without regard to party advantage or their own political future. It has never seemed to me that public office is an endurance contest. It is a call to service. The American people are tired of empty promises—they want constructive action. At the time of Dunkerque, Winston Churchill promised the British people blood, sweat, and tears. That promise struck a cord of understanding and resolve which was felt throughout the Western world. Today we are engaged in a terrible conflict. It has been called a "cold war." Our promise for 1948 might well be sweat in order to avoid the blood and tears of another war.

If we are to avoid the "twin gulfs of immorality and inefficiency," if we are to meet the challenge of leadership in this troubled world, if we are to maintain America as a bastion of liberty, if we are to bestow the blessings of freedom on those millions who are languishing in chains, a revived, revitalized, rejuvenated Republican Party must take the helm and march forward to new vistas of achievement propelled by the mighty spirit of an enfranchised people and inspired by the simple greatness of Abraham Lincoln.

Government Spending

EXTENSION OF REMARKS
OF

HON. JACK Z. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. ANDERSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to call the attention of my colleagues to the following thought-provoking editorial by the editor of the Gilroy Dispatch:

JUST WATCH GOVERNMENT SPENDING NOW

The tendency of most citizens is to demand and expect more and more service from local, State, and Federal Governments. Furthermore most public officials are continually seeking to expand those services in order to increase their own authority. All of these services must be paid for by the taxpayer.

It is high time we take stock of what Government services are essential and which can be done without. Some public and school buildings must be constructed, and some services must be expanded, but the time has come to eliminate all unnecessary expenditures. The day is fast approaching when small businesses will run into difficulties. Many of them will fail—many already are folding up.

Credits must be watched more closely than ever before. As small business houses close many of their proprietors will be seeking jobs. Soon a surplus of labor will accumulate.

Events of the past week have proved that the commodity markets can tumble without warning. The drop may be halted artificially for a while, but as supply catches up with demand a big break can be expected. When that happens millions will be lost in stocks on hand by merchants and wholesalers.

This prospect is one of the principal reasons why Government should curtail its spending now in order to help hold down fixed overheads for business and protect workers from losing homes and small ranches. Taxes have increased tremendously during the past year and next year will show still further increases as more and more costs are piled onto city, county, and school district administrations.

European Recovery Program

EXTENSION OF REMARKS
OF

HON. EMANUEL CELLER

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following testimony before the Foreign Relations Committee of the Senate on January 27, 1948, by Bernard Weitzer, national legislative representative of the Jewish War Veterans of the United States of America:

Mr. Chairman and members of the Foreign Relations Committee, I am happy to express to you as national legislative representative of the Jewish War Veterans of the United States the thanks of our organization for this opportunity to present its views on the European recovery program which you are considering.

Our membership is made up of veterans who have fought for America in one or more wars since and including the Spanish-American War. Our oldest surviving member until 2 years ago was a veteran of the Civil War. He died shortly after our fiftieth anniversary. In our membership today we have slightly more than 100,000 of the 850,000 veterans of the Jewish faith organized in 616 posts in 264 cities.

At our fifty-second national encampment in St. Paul, Minn., October 15–19, 1947, the more than 2,000 delegates representing all sections of the country unanimously approved the following resolution:

"Whereas the devastated countries of Europe are so weak economically that their very existence is threatened; and

"Whereas the people of the United States, through the Marshall plan, have proposed a system of aid which will rehabilitate these countries, save lives, and contribute to the peace and security of the world: Now, therefore, be it

"*Resolved*, That the Jewish War Veterans of the United States of America, in fifty-second annual convention assembled at St. Paul, Minn., October 15 to 19, 1947, record ourselves as favoring the Marshall plan and urging its adoption by Congress and its implementation in such manner as to make it most effective as soon as possible to make economic rehabilitation a fact."

In harmony with that mandate and by direction of our National Commander, Col. Julius Klein, I am appearing before you because he could not get here today.

As a veteran's organization I believe we have a special interest in the European recovery program. Colonel Klein emphasized to me that, as he looked back upon his experience in the Army in the South Pacific and the Philippines, it seemed to him that the men who fought the war fought for two main objectives. The first was to win the war. The second was to win the peace.

After victory veterans felt that they had played their full part in gaining the first objective. Civilians again, now they are ready to do what is necessary to gain the second objective and are relying upon this European recovery program to help make it possible. With the overwhelming mass of the American people, they want to get on with this job. They look to Congress to do this job and thereby make it possible to win the peace. Remembering the mud, blood, disease, and separation they experienced during the war, the veterans stand squarely behind Secretary Marshall in the conviction that "we must not fail to complete that which we commenced."

When veterans speak of peace, they usually envisage a peace which fulfills two conditions. One is prosperity, a degree of prosperity adequate to assure employment, a good living and a happy family life. The other is a peace which will last, not a mere truce before a third world war. I believe one thought was constantly in the minds of literally millions of our men overseas, the thought, "I'll do this and whatever else is necessary that my son may never have to go through this."

Western Europe, as we all know, is one of the world's two great workshops. Its 270,000,000 people normally account for more than half the world's international trade. Its present lack of purchasing power prevents recovery in South America, Asia and Africa. Unless this European workshop is enabled to produce, an economic blight will continue to rest upon the greater part of the earth. There can be no real enduring prosperity in the United States if economic break-down and chaos impoverish the surrounding world.

The peoples of western Europe, their men who fought and their women and children who suffered bombing, hunger, and enemy occupation, want the same things our veterans want—prosperity and a lasting peace. But they lack the means of making their workshop produce what it must, without assistance from us. Without the aid provided for in this program they might well lose hope in the future.

We cannot afford to consider this program only in material terms, for one of its most important consequences will be regeneration of hope and confidence. Once it has been adopted, the feeling will spread among people of western Europe that their recovery has already begun. Those who saw no way out will feel they are already on their way. Such an atmosphere of hope and confidence is an essential element in the continuance of private enterprise in the large areas of economic life where private enterprise is still dominant.

This program, furthermore, is indispensable to the attainment of a lasting peace. Without it, so serious a threat to peace would arise as to jeopardize not only the future security but also the future survival of the United States. This danger has been pointed out in previous testimony by Government officers and veterans' organizations. I do not need to repeat what they have said. The danger is obvious to any intelligent American who seeks to weigh the future consequences for the United States of an economic and social collapse in western Europe, of control of its great productive capacity by a totalitarian dictatorship, possessing unlimited ambitions, and of the probability that within a few years this dictatorship will have atomic bombs. We hope and believe that these consequences of a failure to carry out this program will be constantly kept in mind by every Senator and every Member of Congress.

A barometer of American security is provided by our appropriations for national defense. The Secretary of Defense has indicated that, if this program were not adopted, such appropriations would have to be raised to a yearly outlay equivalent at least to the total 4¼-year estimated cost of the program. Such would be the immediate measure of the increased danger of war and the increased danger to our national security. Americans are essentially a constructive people who like to get something of enduring value for large expenditures. Would we not rather spend this amount once for a 4¼-year program as constructive as any in history than spend it every year to guard against a threat which this program can preclude?

There are a number of other points I would like to make as briefly as possible.

We believe that the administration of this program must be businesslike. But we believe it is of the first importance to avoid conveying any impression that the State Department is not carrying out our foreign policy. Otherwise those countries we wish to help will be confused and the countries which are hoping for the failure of our plans will have material for the detraction of our foreign policies. A story is told of a prominent American banker who once said, "bring me lawyers who will tell me how to accomplish what I want to do." Veterans are looking to your committee to work out the means of doing what they want to do. That is to put into effect successfully this vital program for achieving the peace and prosperity for which they fought.

Much has been made of the exports this program requires. The American people have always considered that exports are beneficial and an important element in our national welfare. Although exports create a pressure just now against articles and commodities which are temporarily in short supply, they will continue to be important to our economic welfare in the future. Without this program, our future exports would rapidly wither away.

With this program, our export markets will be maintained for the years to come. In considering the immediate pressure which will be created, it is necessary to realize that the program will not increase our surplus of exports over imports this year beyond what it was last year. Thereafter our surplus of exports will progressively diminish as the aid we furnish Europe decreases and as European recovery enables our consumers to obtain many things they need or desire from abroad. At the price of a temporary pressure on a few sectors of our economy we shall gain permanent economic benefits of immeasurably greater importance to our people.

In adopting this program, we must at all costs avoid the failing of doing too little too late. These words, "too little and too late," have been written in blood on the history of many democratic peoples. We must insure now that they are not similarly engraved on the history of America.

Some prominent people have made general statements proposing that the program should be cut by or to various round sums. We have not been impressed by these statements because they are not supported by analyses and studies of the problem, of the needs of European recovery, and of the ability of the United States to fulfill them, at all comparable with the long, careful, comprehensive, and exhaustive analyses and studies from which this program resulted.

In state policy, as in business, action must be timely to succeed. If we delay the start of this program, we shall increase the risks and the cost, as the European will to recover and the plant essential for recovery deteriorate. Any reduction in the total $6,800,000,000, established with the greatest care as the minimum aid which will do the job for the first 15 months, will risk the success of the program and is likely to require its continuance for more than 4¼ years. Reduction of this amount might actually preclude the recovery which is our goal and make the program only a form of relief with no end in sight.

We believe that any American who opposes this program or urges that it should be reduced or delayed should realize the effect of his proposals. He should realize that their effect is to promote, to a degree proportionate to his influence, the Communist objective of increasing chaos in western Europe. He should realize that their effect is to promote, to a degree proportionate to his influence, the world policies of Stalin, Molotov, and Vishinsky at the expense of the world policies of the United States.

I feel that this is probably as important a problem as any that will come before the Congress in the lifetime of most of its Members. Our country's future—the future of the world—is involved vitally in the solution you gentlemen work out.

All of you who were in Congress in 1941 faced courageously the risks that were certain when you chose to have our country

fight a war against totalitarianism as symbolized by Hitler, Mussolini, and Tojo. Our whole country backed you up. It will support today this program which we believe will prevent the growth of a Communist totalitarianism to the point where a wer for survival—World War III—will be necessary.

All the speed possible, sums adequate for the size of the first 15 months task, an administrative plan that will get the maximum all-over results are the urgent need we respectfully ask you to meet.

Thank you on behalf of the Jewish War Veterans and of myself personally for your hearing of our views.

So Arthur Bliss Lane Gives Poor Poland a Book

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. SADOWSKI. Mr. Speaker, when Arthur Bliss Lane was Ambassador to Poland he saw the ruins and devastation in that country. He likewise must have seen the hunger, disease, and destitution among the Polish people.

What did he do for them? Did he try to assist them with loans and credits to rebuild the ruins and regain their strength? No. The contrary is true. He did his utmost to stop any loans or credits. He did his utmost to stop a meager supply of food and medicines for these unfortunate people, and he was successful in his efforts.

So, now he writes a book on Poland. To clear a guilty conscience? Or to make some easy money off of the gullible, as so many have done in the last 2 years? Maybe it is done for both reasons; but I have no patience with these so-called friends of Poland who shed tears over her because they do not like the Polish Government, and at the same time deny the Polish people food, clothing, medicines, relief supplies, credits and loans with which to rebuild their economy that was so completely destroyed by the Nazis. At least Hitler and the Nazis set out to destroy the Polish people and the Polish Nation openly and brazenly. They made no bones about their purpose and objectives.

But it burns me up to see these so-called friends of Poland destroying the Polish people and the Polish Nation just as deliberately as Hitler and the Nazis did, and then have the effrontery to write a book and make profit out of their destructive efforts.

Mr. Arthur Bliss Lane must know that slaughter, devastation, and oppression, even their century-long obliteration as a sovereign nation, have never weakened the Polish sense of national identity nor their patriotism.

Poland will regain her full freedom and become a potent instrument in the creation of a peaceful Europe. The signs of an unquenchable national vitality are unmistakable.

The real friends of the Polish people know this. They look with suspicion upon those who are continually carping about Polish politics, and do everything possible to deny loans and credits to the Polish people. These carping authors of books on Poland are actually driving the Polish people deeper under Russian influence. The Polish Nation last year spent all of its gold with the United States and Canada to buy wheat in order to give bread to their hungry and destitute. The Polish people are literally pulling themselves up by their own boot straps. Millions of dollars are made available for countries who did not suffer from the ravages of war, but Poland who took the full brunt of war's destruction and fury for six long years receives what? A book from the Honorable Arthur Bliss Lane.

After the war, from July 1945 up to September 1947, we gave in postwar assistance for foreign relief approximately $20,000,000,000.

Out of this sum only 8 percent or one billion six hundred million went to Poland, Czechoslovakia, Finland, Hungary, Albania, Yugoslavia, Bulgaria, Rumania, the Union of Soviet Socialist Republics, together with Ukraine and White Russia. The rest of the nations, including Germany and Italy, received eighteen billion.

Now, under the Marshall plan, seventeen billion more is going to Germany, Italy, England, and those nations that received the other eighteen billion, making a total of thirty-five billion.

Well, anyhow, we must admit that Poland and the other 11 nations of central and eastern Europe that took the heaviest punishment at the hands of the Nazis are making a splendid come-back on one billion six hundred million, and another new book by Arthur Bliss Lane.

Value of the Pound Sterling

EXTENSION OF REMARKS
OF
HON. JACK Z. ANDERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. ANDERSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to call attention to an excellent editorial which appeared in the Wall Street Journal recently. In my opinion it is about time for Great Britain to become realistic in connection with the pegged value of the pound sterling.

The editorial follows:

THE PEGGED POUND

Pegging the pound sterling is proving costly for the British—and for us, too.

Sir Stafford Cripps, Britain's Chancelor of the Exchequer, has reported that the Empire is now down to a bare $2,000,000,000 of gold and dollar reserves. During the past year Britain lost more than $4,000,000,000 in dollar balances. The $3,700,000,000 United States credit virtually disappeared; only $100,000,000 remains and that will be gone by April. The large Canadian credit has also evaporated.

The popular explanation for Britain's loss of dollars is that she has to import more than she exports, that the cure is to achieve a balance of her trade. This, of course, is part of Britain's trouble. But it is not the whole answer.

An important factor is the weakness of the pound. Holders of sterling know it's not worth its official price in terms of dollars. At every opportunity they will exchange it for dollars; so eager are they to do so that they will pay premiums up to 50 percent. Even the Attlee government's export and currency controls, models of stringency, cannot stop it.

Britain's loss of dollars last year through her own foreign purchases amounted to about $2,500,000,000. Since her total dollar drain was in excess of $4,000,000,000, at least $1,500,000,000 of her dollar resources disappeared for other reasons. Sir Stafford Cripps mentions one, "We are bankers to the sterling area and finance the dollar requirements of all sterling-area countries." But the well-known activities of unofficial currency-exchange markets strongly suggests that liquid British capital has been fleeing the pound and that its owners consider dollars a safer form in which to hold their funds. Last summer when Britain, for a brief period, made pounds freely convertible into dollars, the Bank of England was swamped with customers eager to swap their pounds for dollars.

The root of Britain's fiscal trouble is her stubborn insistence that the pound is worth $4.03. In the few free markets left a pound will actually bring only about $2.60. The difference between the free-market price and the official price is a subsidy. We have paid a large part of this subsidy through loans to the British treasury. The British people pay the rest of it in loss of capital, loss of trade, and a lower standard of living.

Consider it this way: The trade value of a pound—that is, its purchasing value in world markets—is $2.60. If you had £100 you could buy $260 worth of goods. Now, suppose the Bank of England offered to exchange your pounds for $4.03 each. Would you rather have £100 or $403? That's what the holders of pounds sterling think, too. It's not surprising the Bank of England had a run on its dollars last summer.

Every time the Bank of England paid $4.03 in exchance for £1 it gave $1.33 more than the pound's free-market value. For a brief while it tried to meet the $1.33 loss on each pound transaction by drawing down on the United States loan. The only surprise in the result was that Britain kept it up so long.

Now, look at it the other way around: Suppose the trading value of the pound and its official value were both $2.60—that is, that Britain devalued. That would mean, of course, that Britain would pay more pounds sterling for what it bought in the United States. It would, however, use up only the same amount of United States dollars as before. But Britain's problem is a shortage of dollars, not a shortage of pounds. Vis-a-vis the United States dollar, Britain would be no worse off than before.

And it would get out of a lot of difficulties. In last summer's interlude of free convertibility no debacle would have ensued. For then instead of needing only £25 to get $100, a sterling holder would have required nearly £39 to get $100. Dollars wouldn't have looked like such an exciting bargain, and even the sterling holders who still wanted to sell could have bought fewer dollars with their pounds. The strain on the Bank of England would have been much less severe. More likely there would have been no strain at all.

If today the official price of the pound sterling, in terms of dollars, were equal to the pound's actual trading value, the two currencies could be made freely interchangeable with no difficulty. The flight of capital from the pound would dwindle as there would be no bargains to be had by switching.

Britain, of course, would still have a dollar drain to the extent that its exports fell below imports. But this drain would not be aggravated by the impetuosity of runaway capital.

Furthermore, the dollar drain from its export deficit would probably decrease. For to the American customer the price of British goods would decrease; the bargains would be on the other side.

Today the cheapest British car costs £325 delivered in New York. To the United States customer that's $1,300. For the same price he can get a heavier, more powerful American car. With the pound at, say, $3, the British car would cost an American only $975. The British automobile then becomes an attractive buy. The same situation applies to whisky, textiles, and a host of other goods which Britain is trying to sell in an American market that is getting more competitive and price-conscious every day.

Sir Stafford says he doesn't intend to change the price tag on the pound because if he did the British "would have to pay more for what we buy abroad." How he intends to prop up the pound, he made clear to the Commons on Tuesday. The dollar drain, he said, must be closed "by our own efforts supported by the Marshall plan."

Sir Stafford is compounding Britain's difficulties—and increasing the cost of our own foreign aid—by persisting in the delusion that there is profit in an overvalued pound. Somebody has to pay the subsidy and we have the fretful feeling that it may be us.

Poland Betrayed

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article from the Washington (D. C.) Times-Herald of February 11, 1948:

THESE DAYS
(By George E. Sokolsky)

Ambassador Arthur Bliss Lane has contributed immensely to the American people by publishing I Saw Poland Betrayed. It is a report to his fellow countrymen on his mission to Poland between 1944 and 1947.

I wonder whether the title should not be "I Saw America Betrayed"? for when the officials of a country forsake its honor and lower its dignity for whatever expediency, do they not disclose that its spirit has been fouled, its national morality abandoned?

The tale really begins at Tehran when Great Britain, which went to war with Germany over Poland, abandoned principle upon demand of Stalin and at the instigation of Roosevelt. Lane says:

"The discussions at the conference at Tehran in December 1943 among Roosevelt, Churchill, and Stalin remained an official secret * * * even within the Department of State the truth of what happened at this momentous conference was probably not known, except perhaps to two or three.

"Some key officials, indeed, who had the responsibility of making important recommendations on matters dealing with the United Nations organization, in conversations with me shortly after President Roosevelt's death in April 1945, deplored the fact that no records of the Tehran meeting were available even to them. Perhaps none had been made."

For page after page, following this quotation, Lane records the deceptions pursued by President Roosevelt. He recounts in detail the relations between the President and Charles Rozmarek, president of the Polish-American Congress. Rozmarek wrote to Lane:

"President Roosevelt in his talk with me expressed distrust of Stalin, having been fooled by him, as he stated, on a number of occasions. He plainly indicated that he was fearful that Stalin might again collaborate with Hitler as he did in the initial stages of the war, and the President wanted at all costs to prevent such an alliance.

"He kept on repeating to me: 'Let us win the war with Germany first.' The President let it be understood that once Hitler was defeated, he would know how to handle Stalin."

Stalin actually got a better deal in Poland from Roosevelt and Churchill than he got out of Hitler by the Stalin-Hitler alliance. Apparently Roosevelt was so sure that he could outfox Stalin after the war that he complacently permitted Stalin to outfox him while the war was on.

Lane went to Poland as our Ambassador after the peace and after we had recognized that country's puppet government. Our mission to Poland was treated cavalierly. It was improperly and even humiliatingly housed.

Its diplomatic telegrams to its own government were delayed or not sent at all. Members of the mission and other Americans were arrested. The Russians established the fact in the minds of the Polish people that the United States did not count.

Did we do anything about it? Of course. Ambassador Lane reports:

"Over my personal protest, Director General Herbert H. Lehman had appointed as director of the first UNRRA mission to Poland the Soviet member of the UNRRA Council, Mr. Menshikov. * * It was no surprise to me when in August the agreement concluded in Warsaw provided that the Polish Government, and not UNRRA, should have complete jurisdiction over the distribution of UNRRA supplies in Poland."

Also we granted a $90,000,000 loan to the Polish Government. Lane telegraphed the State Department:

"With the greatest earnestness of which I am capable I beg the Department not to approve the extension of any credits at this time. When the terroristic activities of the security police come to an end, when freedom of the press is restored, and when American citizens are released from Polish prisons—not until then should United States public funds be used to assist the Polish provisional government of national unity."

He ends his chapter:

"In my opinion, these minor gains in no way compensated for the loss of prestige suffered by the United States when we granted credits to a government which had not kept its word to us and which seized on our leniency as warrant for proceeding to even greater attacks on the freedom of its own citizens—and of our citizens."

The book should be read by every American in humility and shame.

Are You for the Marshall Plan?

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following speech that I made over radio station WWJ in Detroit, Mich., on Monday, February 16, as follows:

One of the most important matters up for consideration before Congress at this moment is the Marshall plan, the European recovery program, or as it is sometimes referred to in its abbreviated form, ERP. This subject is of utmost importance because it involves politics and economics.

The program cannot be discussed in its entirety in the short space of 15 minutes. However, I do wish to touch on certain phases of our foreign-relief program, and in that connection, I wish, first, to refer to Senate Document No. 112 that was recently issued.

This amazing report shows that the total estimate of postwar assistance for foreign relief, rehabilitation, and so forth, has reached the staggering sum of nineteen to twenty billion dollars, exclusive of what may be contemplated under the Marshall plan proposals. This report covers the period from July 1945 to September 1947.

What is especially interesting to note is that Germany and Italy, two of the enemy nations, received $1,674,000,000, while Poland, Czechoslovakia, Finland, Hungary, Albania, Yugoslavia, Bulgaria, Rumania, and the U. S. S. R., together with Ukraine and White Russia, received a total of $1,644,000,000. Germany and Italy, the enemy nations, received $30,000,000 more than these much devastated nations of eastern Europe.

England, France, and Greece received $7,288,000,000.

Maybe this past policy makes sense to some people, but I am sure that it will not be understood by the vast majority of our citizens, and that it does not have their approval. I am sure that our citizens expected a humane policy which would give fair and equal assistance to the nations devastated by war. I am sure that they do not desire to follow a relief or rehabilitation program based on politics.

Our original purpose was to work out a relief, rehabilitation, and recovery program for European nations in conjunction and in cooperation with the United Nations. This was the honest and proper way to pursue a world recovery program, but certain bankers and international cartellists, under the guise of a bipartisan program, wrecked the plan that the honest and decent American citizens were supporting. A world recovery program under the United Nations would have cost our taxpayers less than one-half of what this selfish and inequitable program is costing us, and it would have brought us the respect, gratitude, and love of the whole world, instead of envy, fear, suspicion, and hatred.

I believe that our political approach is likewise wrong. I believe that our support of the rightists, or of the prewar status quo, can only bring us the enmity and hatred of the European people. That is why our position is so bad in Greece today, and that is also why we have made a mess of it in China. The people of Europe do not want communism, but likewise they do not want a return to their old governments and to the misery, intrigue, war, and starvation that those governments have brought upon them.

I am not in sympathy with a program which will shower billions of dollars on some nations and some people and ignores the plight of other people who suffered so much at the hands of the Nazis. How do you feel when you read that two and a half million German children could eat American ice cream for Christmas and 1,000,000 Polish orphan children, who went through all kinds of hell for six long years, are ignored and forgotten?

It seems like our bipartisan, big-business, and international cartellist program will only bring us the hatred and enmity of all the people of the world. We appropriated $600,-

000,000 for German civilian relief on July 23, and then 2 weeks later canceled a miserable $15,000,000 relief fund for Poland. This is something that many citizens cannot understand.

We had originally embarked on a sound American program which would give aid and credits to all people and all nations. This was the right policy to pursue, as it was in the old American tradition that has made America strong and respected. The present policy has resulted in a lot of confusion and misunderstanding. For example, we have now three groups of people in America: Those who are sincerely supporting a program of genuine relief and assistance out of the charity of their big Christian American hearts. Then there is the second group that has always opposed old-age pensions, school lunch programs, aid to veterans, Federal aid to school teachers, aid to the incapacitated, the blind, and crippled. Yes; those who wouldn't give a bone to a starving dog we find strongly supporting the present and proposed program, because it is a policy of anticommunism and a restoration of the rightists and reactionaries in Europe. Thirdly, there is the group of big bankers and international cartellists and all of those speculators in petroleum products, grain, and commodities who see for themselves an opportunity to make big profits quickly out of these free dollars that are being given to certain countries. Their motives for supporting the program are not based on patriotism, on a sound foreign policy that would work for peace, or because of sympathy for the destitute and hungry, but they have only one purpose in mind, and that is greed, high prices, and big profits that they can realize quickly out of this program.

I would like to see a genuine relief program where the gifts from America would be distributed directly to the needy people by established charitable organizations, such as the Red Cross, the various religious relief organizations, and the many other societies that for years have been doing this kind of work, so that our gifts would not fall into the hands of the profiteers and black marketeers, or into the hands of political cliques, where the people must sell their souls to get bread, or are bled white by the profiteers. The present method of distribution has brought us the hatred and enmity of the destitute and hungry.

A genuine relief program should be supplemented further by the bill which I introduced, and the amendment that I offered to the recent relief bill, which provides for free postage on gift packages being sent from the citizens of the United States to the people of Europe. In the first 9 months of last year Americans spent $44,000,000 for postage alone to send these gift packages. They are sending old clothes, shoes, food, and those things that the people in Europe desperately need. These packages go directly to the needy and the recipients know that they come from the United States. These gift packages have brought us more good will than any other thing that we have done, and it is my firm conviction that this program should be encouraged, as it would bring the greatest benefits in goods to the needy and genuine appreciation to the American people who send these packages.

I believe that Congress should junk the present program. We should quit giving gifts and instead we should give loans and credits, without interest, to all nations and their people who have suffered from the ravages of war. We should not play favorites and try to rebuild one country as against another, and particularly, as we have been doing recently, where we ignore nations and people who have been our loyal friends for centuries, and who have been on our side in every struggle. It is said, "But they have a government that we do not like." And I say in reply, "So what? The people of that nation also may not like their government, but governments come and governments go, but nations and people remain forever."

These people stand in ghastly fear of our policy of rebuilding Germany. They know that Germany has sprung at their throats at every opportunity, and in some nations, such as Poland, there is hardly a family who has not suffered the loss of fathers, mothers, brothers, or sisters. Here's a nation that had 30,000 orphans in prewar days. Today it has 1,000,000 orphans as a result of German barbarism and beastiality. Two thousand tons of human ashes were found at one crematorium just outside of Warsaw. These people and these nations have a right to be alarmed about our present policy. They also have a right to ask, "Why don't you give us an equal opportunity to rehabilitate and reestablish ourselves?"

Now, let's turn to the recent London Conference at which Russia asked for $10,000,000,000 in reparations from Germany, and which we opposed so strongly. From my viewpoint this is not an unreasonable request. It is estimated that Poland suffered over $100,000,000,000 in property damage by the Nazis. Russia's damages in all probability are two or three hundred billion dollars. Now, why shouldn't the Germans work and pay for their sins? Certainly $10,000,000,000 is not a great amount of compensation for the damages they inflicted upon the Russian people. Since the war, the United States has already contributed twice that much for the relief of European nations, and the funny part of it is that we won the war. It will serve America no good to be identified as supporting the Fascists and anti-Democratic forces anywhere in the world. Certainly that is not the desire nor the program of the rank and file of the American people. We love our liberty and we have advanced steadily in our fight for better economic and living conditions. I am sure that the sympathies of the average American are with the down-trodden, and not with the kings, queens, dukes, and the big-landed aristocracy of Europe, or with the European cartellists and monopolists. The people of Europe desire liberty, freedom, democracy, and better living conditions, just as much as we do. I believe that they shall get them. I believe that neither the left nor right shall win in Europe. I only hope that when the clouds over Europe roll away that we shall not be hated and despised by everyone. I am sure that the United States will be respected, loved, and admired if we follow the program on relief that I suggested, and also the program on credits and loans to all nations, without interest, and so to give all of them an equal opportunity to rehabilitate themselves without playing favorites one way or another.

Now, just recently it has been revealed how the proposed $17,000,000,000 Marshall-plan money would be distributed. These facts have been withheld from the public for a long time. But I think the public has a right to know who gets the money. After all, who is more entitled to know where his money goes than the man who pays the bill?—which means all of us taxpayers. Here is the break-down as it has seeped out of the State Department and the supporters of the Marshall plan:

One-third of the total $17,000,000,000 primarily goes to England. That is a sum of $5,348,000,000 earmarked for England. This will be in addition to the $3,750,000,000 which we gave to England in 1945.

I voted to help the British in 1945, as I felt that they needed some assistance, and as we were informed that this money would put them on their feet. Now they came back for another $5,348,000,000.

Holland is to get $2,436,000,000. Holland has a population that is smaller than that of the city of New York. Yet we propose to give them $2,436,000,000. That means that we will give $308 for every man, woman, and child who lives in Holland.

Denmark is proposed to get $582,000,000, and Denmark has a total population that is smaller than that of the city of Chicago.

Ireland, also, gets some of the money. Ireland was not in the war, and, so far as I know, Ireland didn't do so badly during the war. But under the proposed plan Ireland is to get $497,000,000—nearly one-half billion dollars.

Then there is Iceland. Iceland is earmarked for $38,000,000. Iceland has a population equivalent to that of Highland Park and Hamtramck, Mich., combined. Now, what couldn't the municipalities of Highland Park and Hamtramck do with $38,000,000?

Then there is Norway, which country I believe should have some help, as she did suffer from devastation during the war. But Norway is earmarked for the huge sum of $234,000,000.

Next comes Portugal. Portugal was never in the war, and I know for a fact that they profited tremendously from the war. Portugal is to get 150,000,000 American dollars.

Now, $6,000,000,000 is earmarked to go to Germany, Italy, and Austria, the enemy countries. Now, in the face of all this information, the proponents for the Marshall plan will brazenly stand up and say that this is a program for aiding the victims of war-torn countries in gratitude for their losses in the war. Those countries who suffered the most receive none of this $17,000,000,000. Will they be our friends in the future? Is it any wonder that our neighbors, the South American countries, all have a platter, looking for a hand-out of these free and easy dollars?

Oh, yes; and the expenditures under the Marshall plan is not the end. Already we are informed that an additional billion dollars must be given to Greece and Turkey, and additional hundred of millions must be appropriated for China, Japan, the Philippines, and other spots in Asia.

Here at home we have a shortage of steel, of fuel oil, gas, grain, and so many other commodities. We have the problem of taking care of our veterans, of our disabled and incapacitated, of our teachers and school children, and of the aged and older persons who are living on miserly and beggarly pensions.

Is it not time to ask if those 12 countries in central and eastern Europe who were the most destroyed and devastated during the war can make a recovery on $1,600,000,000, why is it necessary to dump thirty-five to forty billion dollars into these other nations?

I think it behooves every American citizen to look into this foreign spending program deeply and thoroughly. Let's not permit ourselves to be blitzed into national bankruptcy. Let's insist that our foreign recovery program be placed on a sane and businesslike basis.

Bon Voyage, Then, Red Frigate of Fortune

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. CELLER. Mr. Speaker, here in this country no more distinctive recognition can come to an undertaking than to have it generally referred to as an American institution. Run over in your mind those so considered; you will find their number surprisingly small, and the chances are heavily odds-on that you will have included the famous big red book Who's Who in America.

Certainly when one among these few undertakings which our customs and our usages have combined to rate as an American institution, completes a half century it seems appropriate and fitting that proper notice be given it.

Therefore, I now so record the issuance of the fiftieth anniversary volume of Who's Who. Since James M. Cain has lent his genius to preface this golden anniversary edition, I use his introduction to express, far more effectively than I, what the occasion would seem to justify:

Institutions, if they be actual and not merely nominal, will be found, I think, to possess some element, some simple, pregnant aspect, easily comprehensible to the popular imagination, which sets them off from other members of their class and gives them special status. Harvard University, certainly regarded as a thing apart, is the oldest college we have, and thus arouses reverence in the average mind, which probably doesn't know that it is also the richest, and certainly doesn't care that it is possibly, as some think, the wackiest. The late Caruso, not greatly surpassing various contemporaries in style, repertoire, or beauty of voice, could nevertheless sing louder than anybody on earth, and so passed into legend, along with Dan Patch, Babe Ruth, and other living wonders. And Who's Who in America, though a gospel, a heresy, and a raging polemic in one, and thus potentially suspect, is at the same time a Dun, a Bradstreet, a social register, and a hall of fame, all merged into a grand consolidated national glory highway, and thus unique in the eyes of the American people—this in spite of its frantic denials that it is any such thing, and the ironic agreement of its critics that it certainly is not.

It didn't seek, and doesn't seek, this role, to that extent its asseverations are true; but this is merely one more instance of the difference between what is aimed at and what is hit. The original idea, as conceived by the late A. N. Marquis, who founded it in 1897, was simply that it be a source of exact information, to be supplied by the subjects themselves, for the use of schools, libraries, newspapers, and scholars, about people likely to be frequent objects of inquiry. For a title, it is well known, of course, that he adapted to his purposes the title of the English "Who's Who," which had been published since 1848. What is not so well known is that this book, except for its title, bore almost no resemblance to the book Mr. Marquis had in mind. Until then, the English Who's Who was simply a handbook of official dignitaries, bearing more than a passing resemblance to the Social Register, the Royal Blue Book, and parts of the Statesman's Year Book, with no attempt at biography at all. Indeed, for most of the people it listed, there was little of a biographical nature to tell except their clubs, recreations, and degree of consanguinity with some noble lord; for the main point about them was their position, whereas Mr. Marquis was concerned, and indeed the whole American social scheme forced him to be concerned, with achievement. It is interesting to note that when his innovation prompted the English publishers to have a whirl at biography too, the change gained scant praise, so little that the change was regarded as a failure, and the editor responsible for it lost his job. Once accepted, though, it couldn't be discarded and crept steadily into the policy of the English book until even what a man had done began to take precedence over what he had been borne to. Of course, Mr. Marquis tried to standardize achievement as well as he could, so as to dissociate it from his personal opinion. Above a certain rank, in various fields of endeavor, such as the judiciary, the military, the Government, the academic faculty, and the like, the subject was listed ex officio. If he was an Army officer of specified rank or higher it made no difference whether he was a hero or not, whether Grant had relieved him at Cold Harbor, whether McKinley liked him: If he was of that general rank he was included in, if not, out. Industry, the liberal arts, and the learned professions had to be considered on an individual basis, since they did not, and do not, make rank a systematic matter, but here eminence in the main was a guide, and since it was easily ascertainable, selections were not difficult.

And yet, back of all this, in spite of the impersonality which Mr. Marquis imposed on himself, judgments had been passed, comparisons made, critical standards raised. If he explained that all Federal judges were in, regardless of what law schools they had been graduated from or which Presidents had appointed them, there would be those to demand by what right a judge assumed to be of more importance than the owner of a 30,000-acre ranch, or why playwrights, as a class, apparently took precedence over wholesale grocers, or admirals over contractors. Without his knowing it, there lurked in this stubby, red-bound book, which presently came off the presses with some 8,000 biographies listed, the elements of a storm which goes on, though eased by sensible changes and prestige that time has conferred, quite briskly to this day.

However, there was little indication, from the reception accorded volume 1, of the controversies that would ensue later. It was reviewed, and in the main favorably, and the sales permitted Mr. Marquis to go ahead with volume 2, his plan being to bring out a new edition every 2 years; but it was not, so far as inspection of old newspaper files shows, very hot news. And it doesn't seem to have occurred to many people that anything unusual in the way of a reference book had made its appearance. For one thing, the county history, or book of sketches in which persons of prominence were written up for some trifling sum like $150, were what the country was accustomed to in the way of brief biography, and while Mr. Marquis said no sketch in his book could be paid for, many assumed that this needn't be taken too literally; such statements, indeed, were in no way unusual in that era, even in patent-medicine advertising, but it was usually found that a quid pro quo, a contribution to a worthy cause, could be discovered somewhere along the line, for a little looking. Little by little, however, through hearsay and repetition and personal testimony, it began to seep into popular consciousness that the Marquis statement was true: You couldn't in the case of this book buy in. Then a great many Americans began to ask: "If you can't buy in, but at the same time you are in, what is the answer?" It wasn't long before they had it: "You are a success." The next step, as soon as popular consciousness began to stir editorial consciousness, was that the book did become hot news, but of a peculiar kind. For, in addition to national and international aspects, it had city, State, and even county aspects; it became as Gen. W. S. Hancock said of the tariff, "a local issue," and for much the same reason: It touched, directly and separately, every community in the land, for there was hardly one of them who didn't have somebody in it, if only some lawyer who had got himself appointed to an official body which carried ex officio listing for its members. Thus, as each new volume appeared, all papers carried page 1 stories about it, with lists of local boys who had made good, and special attention to new boys in the freshman class. Then the editorial writers took over, airing countless opinions about it, some of them favorable, others not. Among those against was Mr. H. L. Mencken, and his biennial remarks on the subject, first, in the Smart Set and, later, in the American Mercury, were awaited by all, and by none more eagerly, it was said, than the staff of Who's Who in America themselves.

Opinion, as it appears in American newspapers, need not be taken too seriously, for lying back of it is the fact that an editor is always up against it for something to write about, and finds it easier as a rule, as well as more entertaining, to knock than to boost. Thus many complaints were captious and some were waggish. Yet in the early years there runs through these criticisms a fairly consistent vein; the book gave far too much space, it was said, to obscure clerics, do-gooders, and professors in small universities, and too little to hustlers, comedians, and similar celebrities, really in the news. It may be conceded, I think, that this complaint was more than slightly founded on fact. Mr. Marquis, though I never knew him, had the reputation of being a godly man; his picture, as I look at it now, suggests more a bishop of one of the Protestant faiths than a lay publisher of books. And he constantly proved, by the policies he adopted, that he was profoundly impressed by education and the deference due to educators. From the beginning, the advertisements of schools, colleges, and universities were the only ones he would accept, this rule being still in force, so that an American, when he opens the English Who's Who and finds all sorts of blurbs, notices, and appeals scattered through it, and even stamped in gold on the cover, gets a bit of a jolt.

And it must be conceded he was almost incredibly indifferent to stage, screen, and the other lighted arts. It was the limited interest shown in these fields, I think, which really annoyed commentators most, as the omissions were glaring. And yet now, I think it can be argued that this very austerity, whether by luck or some profound sagacity that guided most things Mr. Marquis attempted, had much to do with the position the book occupies today. For it is almost impossible to picture such a work, dedicated to the cafe society of the early 1900's, as commanding the confidence of intellectuals, and this confidence it had to have if it was to win general acceptance. Later, when rock-ribbed repute had been attained, would be time enough for broadening in places that had been too narrow. As a matter of fact, this liberalizing of the book has long since taken place. Mr. Wheeler Sammons, when he bought out Mr. Marquis in 1926, did not, so far as I know, make any radical changes. But he is a man of somewhat different temperament, more hospitable to the sophistications of life, and given to more contacts, so that he is probably in wider contact with his country than was his predecessor. He is said to maintain an organization, a set of advisors scattered all over, which makes it unlikely that any important subject be left out, and almost impossible that some inappropriate subject get in. Inappropriate subjects, from all one hears, are perhaps his chief grief. They lay siege to him in droves, by wire, by mail, by personal visit, and by importunities of their friends, trying to get themselves listed. It is surprising, however, how few downright absurdities have been placed on the roll.

The Sammons innovations are in no way dramatic, but they should be pondered by all who edit reference books, for they are corrective of the special ills that afflict refernce books. The first, apart from the changes already noted, is the indication, in a clear, simple way, of the pronunciation of names about which there can be any doubt. To those who have struggled through musical reviews which assume familiarity with the most obscure titles, historical treaties which allude to forgotten personages without explaining who they were, or Britannica articles which quote, without translation, long passages of Latin—to all who have been annoyed by such phony pretensions of contributors, this gesture toward common sense

is most refreshing. Often, due for lunch with some visiting fireman, one looks into Who's Who in America for information about him, and it is indeed most helpful, if he has some trick way of pronouncing his name, to know this in advance. And anyway, since names are often so arbitrarily pronounced, it is pleasant to be sure.

The second is the listing, begun some 10 years ago, of the subject's children, in addition to his marriages. This, as the effects accrue year after year and find their way into Who Was Who, will prove of enormous help to the American scholar, and not only lighten his labors but improve his work. As things stand now, information as to the descendants of some character of history is often maddeningly difficult to get, simply because the editors of reference books did not think to instruct their contributors, most of whom have the data at their fingertips, to include it. Such categories, for example, as our military families are not commonly the subject of easily located studies; their members flare into prominence briefly, then are little heard of until the next war, and articles about them are more concerned with military exploits than with sons, daughters, or in-laws. Seeking the kin of some general, one would give almost anything for a book that would list them definitely and quickly. Yet most books do not. The English Who's Who, careless at best on the question of marriage, is a complete blank on the subject of children: "1 s., 3d." is its idea of treating the subject; that "s." and "d.'s" might have names is a possibility nobody apparently thinks of. The Dictionary of American Biography, to take an instance on our own side of the water, is a complete wash-out in this respect. The subjects' marriages it often mentions but rarely in such fashion that one can be sure the subject is fully covered. Children figure in such remarks as, "A daughter, Clara, has written a memoir, My Father and Reconstruction," but as to whether Clara was an only child or had brothers and sisters one is usually left in the dark. The Sammons contribution, if it goes no further than Who's Who in America, will do much to relieve this state of affairs; if it is imitated, as it should be, it could have a considerable effect on American biography.

Sharing Mr. Marquis' interest in education, and concerned over practical methods of promoting it, Mr. Sammons instituted, in 1938, Who's Who in America biennial citations for educational philanthropy. This, like the book itself, is something of a local issue too, for the terms of the award are so devised that it will not become the exclusive possession of a few rich men giving to a few rich colleges. For the amount of the award is considered in relation to the amount of endowment held by the college which gets it, so that small donors to small colleges are as likely to be recognized as large ones to larger places, and in point of fact many have been so recognized. Indeed, one can assume that such a citation, whose effect is likely to be considerable, can have the result of channeling money into places where it is really needed, rather than encouraging it to pile up in places where there is a great deal of it already.

In the course of an ordinary writing day, one consults the World Almanac at least once, the Brittanica three times, the Webster Unabridged Dictionary six, but Who's Who in America, in my own case anyway, is thumbed every hour on the hour. This addiction, this habit of settling endless things, from the spelling of a name to the title of a song, by a quick look-see at an appropriate entry, goes back to my childhood, when I made the acquaintance of volume 1 in the year 1901, in my father's study at Annapolis, during a summer when I was supposed to be boning square root as a preliminary to a special promotion in school, but actually spent most of my time with this fascinating book, which told all about Roosevelt and Sampson and Schley and Dewey and McKinley and Bryan and other worthies of the era, as well as George W. Cable and James Whitcomb Riley, Joel Chandler Harris, and others lying closer to my heart, and transformed them from fabulous newspaper figures into flesh-and-blood human beings. This early association, long known to Mr. Sammons, is the reason for his suggestion that I contribute a preface—that and the circumstance that I am one of a brief list of persons mentioned both in Who's Who in America and Who Was Who in America.

My education, thus derived in no small part from these pages, has been invariably my entertainment too. I know of no book so endlessly absorbing as this, so full of surprises. so suitable to sporadic peeping or hour-long poring; if you are a stranger to it, I congratulate you, for many pleasant hours lie ahead, an adventure in self-improvement, though one, I am afraid, which is habit forming. It seems odd, as I make ready to wish it well on its second half century, to reflect that I shall not be here to see it make port at the hundred-year mark, and that Mr. Sammons won't, and that most of those now associated with it won't. But so great is its usefulness, so great its vitality, so profound its hold on the country, that I think we are safe in assuming that it will dock, on schedule, with full cargo. Bon voyage, then, red frigate of fortune, and may the passengers of the future match the distinction of those of the past, and of now.

JAMES M. CAIN.

National Security and Universal Military Training

EXTENSION OF REMARKS

OF

HON. JOHN W. BYRNES

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. BYRNES of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article and five editorials from Wisconsin newspapers:

[From the Green Bay Press-Gazette of January 28, 1948]

REPRESENTATIVE BYRNES HAS CHANGE OF MIND, NOW FAVORS UMT—CONGRESSMAN SAYS HE BELIEVES TRAINING ESSENTIAL TO SECURITY

Representative JOHN W. BYRNES has announced that in light of present-day requirements for the adequate defense of the United States, he has changed his previous stand on universal military training, and now is in favor of such a program as vitally necessary to our national security.

In a 2,000-word statement issued this week, the Eighth District Republican Congressman declared that he has not arrived at this conclusion lightly, not without a great deal of study and soul searching, and said he wanted to explain the reasons for his change of mind in detail.

"I approached this problem by attempting to find the answer to just one question only. I tried to throw sentiment, emotion, and prejudice aside and arrive at a clear-cut answer to this question: Will universal military training make our Nation more, or less, secure?"

He went on to explain that he had expressed his opposition to peacetime conscription on many occasions, and that to him, as to many Americans, "the idea of drafting young men into military training during a time of peace has been repugnant" and "has gone against everything that my schooling and my instincts have taught me to believe."

Representative BYRNES also stated that universal military training was only one phase of a general program he sees as imperative for the future defense of this country.

"In preparing for a war that may come in spite of all of our efforts to prevent it, the only course open to us is to arm ourselves so strongly that not only would other nations hesitate to attack us because of our ability to strike back powerfully and swiftly, but so strongly that if we were attacked we could smash the assault quickly and surely," he declared.

"I wish to make clear that I am not discussing the type of warfare that is referred to by sensation-seekers as 'push-button' warfare," he said, adding that he was discussing the type of warfare which is possible today or in the next few years.

Other points in an all-around national defense program outlined by BYRNES included a powerful air force and air-borne troops who could defend against an air-borne attack against the United States and meet the initial blow; a cooridinated and highly efficient intelligence service; continuous scientific research and development; industrial mobilization; and unified armed forces.

But getting back to UMT, Representative BYRNES explained that reasoning process by which he had arrived at the conclusion that it is a necessary part of any adequate national defense program.

The first phase of the type of warfare possible today would be an attack through the air without warning, he said. The attack would be primarily against the great cities and would cause great destruction both to physical structures and people. And then he asked, "in such a war, where such a devastating initial attack is possible, what kind of armed forces do we need?"

First it is absolutely essential to have a highly trained body of men equipped with the latest weapons to meet this attack and be prepared to strike back to seize either advance bases for future operations or to follow up our own bombing offensive in the homeland of the enemy, BYRNES continues. And then, to defend against air-borne invasion of America, the only possible defense is "well trained reserve units in every part of our own country ready and able to meet possible invasion." These Reserve units, he points out, would also be needed to handle problems of evacuation, medical care, fire fighting and repair of essential communications and transportation.

"This will require large numbers of trained men organized into Reserve units," BYRNES declares. "To maintain such a large number of men in reserve units, it is my opinion that universal military training, which will give the rudiments of training to our young men for 6 months, then require that they join one of our reserved armed force units and train with it for a certain period, is essential and necessary. Our reservoir of trained men left over from the last war will not last forever. It must be constantly refreshed."

"Thus, straight logic, based upon a review of what is possible in the future, has led me to believe that universal military training is vitally necessary, in this era of uneasy peace, for our national security."

The Representative goes on to point out that UMT will cost money, and so will the other five points in an adequate defense. But he declares that "if it will prevent a war, or make us relatively more secure against attack, it is money which must be spent."

[From the Milwaukee Journal of January 27, 1948]

REPRESENTATIVE BYRNES NOW BACKS UMT

It takes Representative JOHN W. BYRNES, of Green Bay, some 2,000 words to explain to his constituents why he has changed his

mind about universal military training and is now supporting it. But the effort is worth the words.

Mr. BYRNES, quite unemotionally and searchingly, examines the probabilities for the years immediately ahead. He concludes that America must remain strong militarily. By his own analysis and reasoning he comes to the conviction that, for the time being a program of universal military training is one prime essential to national security for which there is no adequate substitute.

Mr. BYRNES deserves whatever credit is due any man, particularly a man in his position, who can be convinced by facts and plain probabilities, even perhaps against his will. In now changing his stand, he shows that he is not one who blindly follows his preconceived notions or closes his eyes to changing conditions.

In making a forthright statement of his change of mind and the reasons for it, Mr. BYRNES shows political courage and integrity. Many Members of Congress, just as fully convinced of the necessity for military training as Mr. BYRNES, consider it politically inexpedient to voice their views. They are avoiding rather then seeking opportunity to commit themselves. They are trying their best to keep the whole question hushed up and pigeonholed until after election.

It remains to be seen whether all other members of the Wisconsin delegation in Congress will be as objective and as honest in dealing with this vital question as Mr. BYRNES has been. The voters have a right to know where every Representative and each Senator stands on this question, and why.

[From the Manitowoc Herald-Times of January 28, 1948]

MR. BYRNES ASKS A QUESTION

"I believe universal military training, as outlined in bills presently before Congress, is vitally necessary to our national security," JOHN W. BYRNES, Representative to Congress from this district, stated Monday.

A lot of people besides Mr. BYRNES have believed the same thing and for a much longer time. What makes his arguments worthy of comment is not so much that he favors UMT or even that he is a Federal lawmaker but that by his own admission, he has expressed his "opposition to peacetime conscription on many occasions * * * the thought of drafting young men into military training during a time of peace has been repugnant."

The Congressman was convinced of the necessity of UMT by reasoning apparently so homely and straightforward as to require no exposition. He said he merely asked himself the question: "Will universal military training make our Nation more or less secure." This formula sounds easy and is easy and arrives unerringly, inevitably at the answer "Yes, it will." Mr. BYRNES, after devoting to it more thought and time than most people, could not escape the distasteful, uncompromising truth.

Enemies of UMT cannot, will not, see it in this light, of course, the only one that makes sense. Instead, they attempt to befog the issue with the old, familiar arguments: Compulsory military training will inspire militarism in the population, dictatorship in the high places, and transform our Nation into an aggressor; it will corrupt the morals and education of our youth; it is an outmoded system, useless for defense in the atomic age; and it will cost too much.

The very manner in which they sidestep the fundamental question as considered by Mr. BYRNES suggests that, consciously or instinctively, UMT opponents are aware of it, but through certain inexplicable cerebrations are virtually incapable of meeting it head-on. Obviously, they derive more satisfaction from manipulation of their own overextended dialectics than from realization of their country's security.

Admittedly, there are dangers in any military system—real dangers. A few of those mentioned above are far from mere fantasy. Considerable effort must be expended to forestall their development or at least minimize it. But quavering before these secondary hazards is the direct cause of our failure to defend against the primary threat, the menace to our Nation from abroad.

Those persons and institutions now so bitterly opposed to UMT should make a strenuous attempt to catch up with the times. Their ideas are the ones which are outdated. Their witless disregard of the world's war potentialities would be absurd if it wasn't conducive to national obliteration. Time is getting short in which they must ask themselves the question: "Will universal military training make our Nation more or less secure?"

[From the Appleton Post-Crescent of February 3, 1948]

REPRESENTATIVE BYRNES ON UMT

Representative BYRNES gained stature by his frank statement that he has changed his mind about universal military training, and now considers it a necessary part of our national defense program. His analysis of national preparedness in the light of present-day military tactics and weapons is an enlightened one devoid of the emotions, prejudices, and bias which so often confuse this great issue.

Mr. BYRNES did not have to come forth publicly now and state his position on UMT. He could have ridden the issue side saddle until it came up for a vote in the House. For that reason it is more to his credit that he announced openly to his constituents that he had changed his opinion.

In his analysis of present-day military needs of the United States, Mr. BYRNES pointed out a fact all too often passed by—the very great need for numerous and well-trained Reserve units of all the armed forces in modern-day warfare. He argues that universal training is the obvious method for recruiting young men for those Reserve forces.

The United States has always depended upon a civilian army to fight its battles. In wars past there has been time to train these civilian forces to some extent. In a future war there will not be time. Universal military training is proposed mainly as a method to train this civilian army while there is time—during peacetime.

Mr. BYRNES also points out what a valuable part such a trained young citizenry would play in case the United States were ever attacked with modern weapons, bombing from the air followed by air-borne invasion. The only defense is well-trained reserve units scattered throughout the country. They mean order instead of tumult, organization instead of chaos.

The Reserve units of our armed forces are in a neglected state at the present time. This is particularly true of Army Reserves which are not even reimbursed for inactive-duty training. They are expected to give their time and effort and put themselves forward as sturdy volunteers for the first ranks in event of a national emergency without reimbursement. The result has been as expected, a few handfuls of men with enough patriotism to do just that. But largely a paper army with great potentials but little to work with at any given time.

Mr. BYRNES sees today what the country must come to see—that all we acquired through our last excursion to the sodden fields of crimson was the acute necessity of an alert readiness for any eventuality, for treachery is now free to roam the earth.

[From the Marinette Eagle-Star of February 5, 1948]

CONGRESSMAN BYRNES DARES TO STATE HIS CONVICTIONS

Congressman JOHN W. BYRNES has received the plaudits of several newspapers of the Eighth Congressional District in recent days because he has had the courage to take a stand on two issues, neither of which will meet with the approval of many of his constituents.

Foremost is his declaration in favor of a universal military training program, in which he explains:

"As your Representative, I have expressed my opposition to peacetime conscription on many occasions. To me, as it must to all Americans, the thought of drafting young men into military training during a time of peace has been repugnant. It has gone against everything that my schooling and my instincts have taught me to believe. Yet today, I am telling you that I believe military training, as outlined in bills presently before Congress, is vitally necessary to our national security. I have not arrived at this conclusion lightly, nor without a great deal of study and soul searching."

He has taken the pains to explain at length why he arrived at this conclusion. But he could have avoided taking a stand on this momentous question at this time. More than likely Congress will delay action on universal military training in this, an election year. Yet in declaring himself for universal military training he has incurred the opposition of many mothers and fathers in the district who, whether by emotion or clear reasoning, do not favor it.

Similarly, he has invited opposition from constituents of Manitowoc by taking the position that Manitowoc should not have a new post office at this time. On this question he informed Manitowoc constituents:

"I have been outspoken in Congress against Federal building at this time. I have opposed it in other parts of the country; to be consistent, I must oppose it within my own district until there is a radical change in our present national fiscal situation."

Mr. BYRNES could have informed Manitowoc that he had the matter under consideration and would give it further attention—the well-known run-around answer—but he chose to be forthright. And he is to be greatly commended for it. The country needs a lot more Congressmen with the courage of their convictions.

[From the Denmark Press of February 5, 1948]

WE MUST BE REALISTIC

Last week JOHN W. BYRNES, Representative of Wisconsin, announced in a prepared statement that he had abandoned his opposition to peacetime conscription and considered universal military training "vitally necessary to our national security." BYRNES probably reflected the switch that most Americans had effected in their opinions on universal military training. In the first days after war's end we remembered the cost of unpreparedness. We realized the necessity for a defensive force that would turn to the aggressive at the earliest possible moment. So we grudgingly conceded that universal military training seemed the only answer.

Mothers and dads looked at sons. Today it was grade school—vacation days, and school days and dreams for futures; college or John Brown & Son in business. Somebody threw a straw upon the waters. It was the United Nations organization. We grasped for it, hoping against hope. No one dared to say aloud, but mothers kept that forlorn hope locked down deep within their hearts—"The war to end wars?" They

had heard it before. So, the UMT idea cooled, then was shelved. We had a new hope for security.

But now a different pattern has become clear, war with the socialist republic of Russia looms as a deadly possibility, UN has been sabotaged by a "veto" and the same forces that have worked within the darkest corners of aggressive nations since the beginning of time. Today most broad-minded men are accepting the facts as they stand and thinking as BYRNES does.

Our Congressman said in a widely lauded statement:

"In preparing for war that may come in spite of all of our efforts to prevent it, the only course open to us is to arm ourselves so strongly that not only would other nations hesitate to attack us because of our ability to strike back powerfully and swiftly, but so strongly that, if we were attacked, we could smash the assault quickly and surely.

"Our only course, therefore, is to develop an air defense that can break up such a sustained attack and an air offense which would cause any nation contemplating such an attack to think twice before bringing a rain of destruction down upon themselves.

"Air power, an efficient intelligence service, scientific research, industrial mobilization, and unified armed forces are agreed upon by students of national security as basic requirements.

"The only persons who disagree are those who either believe that we should disarm entirely * * * and those whose sympathies lie closer to other nations than to their own country.

"We must be realistic. We must grant to our potential enemies an intelligence equal to our own. The bare fact is that in future wars it is entirely within the realm of possibility that we shall be invaded by airborne forces who will have the same objective as our own striking force—to make it impossible for us to attack their homeland. We must be ready to crush such an invasion."

However, knowing all this, we, the little people, are praying too that the UMT program will not be a permanent feature of our way of life. A goal was shown to us once, Peace in Our Day. It has been reached before in the world's history. Some men have been blessed with a lifetime without wars and bloodshed. Something similar to the UN, we think, will be the only answer. We believe that preparedness will help us win the next war, it may even prolong the wait, until some nation thinks they have matched our power—but we doubt if strong armies ever prevented wars. We say this remembering what Hemingway wrote, "An aggressive war is the great crime against everything good in the world. A defensive war, which must necessarily turn to aggressive at the earliest moment, is the great countercrime. But never think that war, no matter how necessary, nor how justified, is not a crime."

Inflation

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. KEATING. Mr. Speaker, more bureaucratic bungling resulting in higher prices, as well as loss to the harassed taxpayer, is revealed in the accompanying article by Mr. Mark Sullivan in the Rochester (N. Y.) Democrat and Chronicle.

The administration renders lip service to the cause of lower food prices, but the moment an item starts to drop, they either step in and start buying or announce a program of future buying.

The truth is, of course, that they are playing politics with the food on our tables. They want to maintain high prices, both to present a false front of prosperity and at the same time lay at the door of Congress the responsibility for these prices.

In fundamental soundness, their approach ranks with that of the official who suggested the other day that the way to lick inflation was to control the prices of what one buys, but take controls off what he sells.

Mr. Sullivan's revealing illustration follows:

OPERATION BEE (A HONEY)

(By Mark Sullivan)

WASHINGTON.—This story is—pardon the pun—a honey. Only it isn't a story in the ordinary sense; it's an account of a Government operation. In official jargon, you might call it Operation Bee. Essentially it consists of buying honey at 10 cents a pound and selling it at 5 cents.

The beginning of the story was last fall, and has to do with flowers, bees, and the weather. Because the summer was prolonged, flowers bloomed longer; the bees, obsessed by their natural instinct for industry, worked longer. The bees gathered more honey.

Normally this would mean more honey for consumers, and a lower price for it. Housewives could enjoy a gleam of cheer in the gloom of rising cost of living. But as the consumer smiled, the Department of Agriculture frowned.

It carries out a policy of price support for practically all farm products, from wheat to peanuts and honey. To support the price of honey, the Department made a formal announcement January 28, saying that it "plans to purchase up to 12,000,000 pounds of * * * dark-color, strong-flavor honey, meeting grade A * * * from beekeepers, assemblers, processors, or their authorized agents." While the Department says that "purchases will be made on an offer and acceptance basis," it indicates that the price paid will be up to 10 cents a pound.

Having bought the honey, the Department faces the problem of getting rid of it. A frequent disposition is to sell abroad, and this is to be done in the case of honey. The Department will sell to the State Department for use in the European-aid program, and to the Army for use in various parts of the world. The selling price, arrived at by an intricate calculation of calorie equivalence between honey and wheat, will be less than half what the Department paid.

Bees are a sturdy folk, equipped to defend themselves against interference. Yet the Department of Agriculture ought not to endure frustration by bees. It has an admirable and abundantly equipped Bureau of Entomology. Somewhere in that abundance of talent could not the Department devise some means, perhaps a surgical operation or some sort of governmentally planned breeding whereby a sufficient number of worker bees could be turned into drones?

Fair Warning to Communists

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article from the Washington (D. C.) Times-Herald of February 10, 1948:

FAIR WARNING

(By Frank C. Waldrop)

Congress has a duty to give every Communist in the United States fair warning of what to expect in law as the consequence of becoming a Communist. The House Committee on Un-American Activities is just now in the process of analyzing just what kind of law will do that best.

Obviously, the right law will state plainly that nobody can be a Communist and a good citizen, and that every Communist must register with the State Department as an agent of a foreign power.

Every Communist, whether he realizes it or not, is such an agent in fact.

John Foster Dulles, member of the United States delegation to the United Nations, quibbled on that issue in his testimony to the committee, as follows:

"In part, it (the Communist Party) is a clearly subversive organization subject to what Stalin calls the iron discipline of the party with respect to policies which are largely formulated by the Soviet Communist Party in Moscow.

"On the other hand, the Communist Party in some countries, notably France, Italy, and, to a lesser extent, the United States, draws into its ranks many who in no sense seek the revolutionary overthrow of our institutions * * * but who look to the Communist Party as a method of reform that will cure evils."

The difficulty, he said, is how to separate the two and distinguish one kind of Communist from another. "That," he concluded, "is a difficulty that I do not see clearly how to solve."

Well, it isn't the Government's problem to solve the difficulty. The Government's problem is to make the rules so that everybody can understand them. Then it is the problem of the man about to become a Communist to decide what he wants to be.

This country is full of radicals who don't know why they are radicals or where their radicalism is leading them. College kids, factory workers, bored housewives, rich ignoramuses with too much idle time and too little sense.

There are thousands and thousands of such people in the Communist Party and flirting around its precincts as fellow travelers.

In the hands of genuinely treasonable and clever agents—such as Red college professors, Red union leaders, and Red political experts—these dupes are as dangerous as any other Communists.

Dulles ought to know that. If he doesn't, let him read the official transcript of the Canadian spy ring's performance, as issued by the Government of Canada.

There it was shown how dim-witted people of just the sort Dulles attempts to excuse were led step by step from "reform" to espionage. They joined the Communist Party out of a sense of grievance against the world as they found it.

They became spies, enemies of their own government. Their assignment? Oh, merely

to help steal the atom bomb, a nice playful little gesture.

Ignorance of the law is no excuse, as everybody knows. Likewise, ignorance of the Communist Party's true aim is no excuse, either, for having joined or having played around with it.

But just to make sure, be absolutely fair and give every possible warning in advance to mushheads and silly sentimentalists who find the lure of communism so powerful, the law ought to be explicit and clear.

It should say: Every Communist, by the mere act of becoming a Communist, is an agent of a foreign power in the eyes of the United States Government. If you want to be such an agent, do so at your peril. And register at the State Department under the alien agents' registration law now already on the books.

That's plain enough for anybody to understand. It will give the Government of the United States a point at which to begin breaking the power of communism in this country. Is that an important power that needs to be broken?

Well, consider this fact: There are more Communists in the United States today than there were in Russia in 1918 when the Communist Party there took over the government of one-sixth of the earth's surface.

And another thing, communism offers nobody an escape from the ills of the world. It's time people like Dulles started coupling that truth to their statements about why the simple-minded turn to communism. Just because the Reds use high-sounding promises as "sucker bait" is no reason to let their stuff go unchallenged.

The test is not in the promises but in the performance.

The performance of communism is hideous oppression. Why doesn't Dulles say that at every chance?

Radio Address to My Constituents

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address delivered by me over Station WNBF on February 14, 1948:

Dear friends of the Triple Cities and my congressional district, another Lincoln Birthday has come and gone and the Nation once more pauses to admire and to revere the name of our foremost American.

As a founder of the Republican Party, Lincoln was the first Republican President. He has always appeared to me as the greatest of all Republicans.

I am an Abraham Lincoln Republican. That means I am against all those who champion the things he opposed, namely, greed, selfishness, and corruption in government.

I wonder what Lincoln would say if he appeared upon the Washington scene today? I wonder what he would do to the little Caesars, the petty dictators, the arbitrary power grabbers we now find everywhere.

You and I know he would throw them off their high and mighty thrones. He would brand them for what they are, the enemies of the people.

It would be fun being a Member of Congress under a Lincoln administration. How easy one would find it to gain his ear in proposing bills that benefit the people. How sympathetic would Lincoln as President feel toward some measure your own Congressman has introduced that helps the veterans, the aged, the unfortunate, and the downtrodden.

Instead of finding oneself against a stone wall of opposition, the Chief would doubtless come up to Capitol Hill and demand that Congress take immediate action on those things.

Proposals like the Hall veterans' bonus bill and pensions for men of World War I would probably go through like a house afire.

Yes; Abraham Lincoln was a leader who wanted to see rank-and-file Americans represented in Congress. He even served in the House a couple of terms himself.

I am proud to say to you that I won the right to represent you folks in the same way Lincoln did, by your votes, not by the decree of a little group of scheming, calculating, designing men, who get their heads together in a smoke-filled room, reeking with tobacco and the suggestion of skullduggery.

Like Lincoln, I want no part of the activities of these wire-pullers. They have always tried to crucify me, and had they been able to lay hands on me, would have succeeded long ago.

Fortunately, the power you friends bring to bear defeats their infamous objectives and permits your Congressman to proceed with his work unmolested. Your votes sent in my direction strike terror to the hearts of these plotters.

Letters written by my chief of staff recently appealing for financial support are already being accorded wonderful response. His message contained a dire warning that John L. Lewis is sending his stooges into the Republican primary this year to endorse and finance my opponent. This, of course, is a matter of record, announced sometime ago, and you people know what to expect.

John L. Lewis is fully as popular in our locality as red ants at a picnic. But he could hide behind some smooth-faced front man, willing to sell his soul for a mess of pottage. His cronies plan to spend a lot of money to defeat the people's representative from this district.

Plans of some other labor bosses call for assessing each union member $1 apiece to throw in the kitty and spend it to assassinate my character. They are even going so far as to demand $5 minimum from businessmen they can scare.

This is the lowest form of extortion. To take a dollar from an honest, patriotic working man or woman, to force them to deprive their families of $1 worth of food in these days of high living costs, is the most outrageous act I have ever known.

They cannot control their members' votes. If they could, they would have licked me 10 years ago. Why, then, should they reach into their pockets and grab their food money, their rent money, their cash that could buy clothes?

The answer is, they'll have tough going to collect this blood money. Most of the people they're taking money from are my friends. They've voted for me before and will again. They're going to resent these babies taxing them to build a campaign fund to fight me.

Yes; they're on the wrong side of that issue. They'll get an awful kick-back from that one and it will be harder than the cash they extort. It will smack them right between the eyes and on the nose.

I'm willing to wager they can't get away with it. I'm betting folks value their dollar bills too much. They would rather spend the money on America. They'd rather see their dollars used to save the country, not wasted to sabotage it.

Thank you.

Hinshaw Proposes

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. CHURCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Times-Herald of February 16, 1948:

HINSHAW SEES SEVEN WAYS UNITED STATES MAY BE STRUCK

Representative HINSHAW, Republican, of California, vice chairman of the congressional Aviation Policy Board, sees seven ways in which America may be hit by an enemy. He suggested seven things to do now as national survival insurance.

His remarks may be a preview of the military section of the board's report, which is due March 1.

While the political war rages over the world, HINSHAW says these things might happen here: (1) Unrelenting subversive activities; (2) undeclared war; (3) destructive epidemics; (4) local disasters of doubtful origin; (5) radiation contamination of public utilities; (6) strikes and slowdowns in key industries; (7) direct assault.

This is what he proposes to insure that the United States will remain the bulwark of freedom, justice, and democracy:

1. Isolation of subversives, while devoting a wholehearted effort to teaching the true meaning of America to all citizens.
2. Establishment of a universal system of technical and scientific education from kindergarten through college graduate courses.
3. Establishment of a universal physical-training program through sports and outdoor activities.
4. Removal of the National Guard from Federal control and reformation of it as a defense in depth organization.
5. Assignment of policing duties now given the National Guard to State police forces.
6. Creation of a single reserve system having Army, Navy, and Air Force units.
7. Creation of a continental command with the job of defending the continental United States.

Picketing Political Meetings

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. MADDEN. Mr. Speaker, the Calumet region in Indiana is probably the most industrialized section in our country. Gary, Ind., the youngest metropolitan city in the United States, is the center of a huge steel industry. All the industrial workers in this area who have studied and familiarized themselves with the hidden provisions of the Taft-Hartley law, are opposed to it and are clamoring for its repeal. A great deal of misleading propaganda is being circulated among members of or-

ganized labor in an effort to convince them that the restrictions set out in this bill against union organization, collective bargaining, local union elections, restrictions against exercising their right of free speech, and so forth, is a concession to union labor. However, when the obstinate employer starts taking advantage of the numerous restrictive provisions of this act, the public will soon realize that the progress of union labor has been set back a quarter of a century.

The number one sponsor of the Taft-Hartley and Republican candidate for President of the United States, Senator ROBERT A. TAFT, visited Gary last week. The CIO leadership, including Philip Murray, Joseph Germano, district CIO director of the Chicago area, and Joseph Goin, subdistrict director of the CIO in Indiana, are to be congratulated on publicly requesting that the thousands of workers in the Calumet region refrain from picketing the distinguished Senator while a visitor in our community. Labor unions in Gary, the No. 1 industrial city of America, refused to follow the ill-advised actions of groups in other areas of the country picketing the chief sponsor of the Taft-Hartley bill when he has been a visitor to their various communities.

I herewith repeat excerpts from an editorial by H. B. Snyder, of the Gary Post-Tribune, of February 13, 1948:

Senator TAFT's visit to Gary and Lake County was a happy one from every standpoint. Particularly fortunate was the absence of any of the picketing that had been promised by labor. Some of the TAFT supporters were somewhat disturbed at the lack of the promised demonstration which they expected to advantage TAFT and not the picketers. Something of this feeling was doubtless felt by higher-ups in the CIO and may have been responsible for the orders to drop the program. It was apparent to anyone who gave the matter a moment's consideration that the chief beneficiaries of the demonstrations would have been the Communists who were reported to be lurking on the fringes ready to take any and all credit.

The Cow Versus Oleo

EXTENSION OF REMARKS

OF

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. DAVIS of Wisconsin. Mr. Speaker, if the subject of civil rights brings threats of secession from some southern States, the mention of oleomargarine creates an equal uproar in States like Wisconsin where we not only make the finest butter in the world, but feel that the American people are entitled to eat butter without danger of having colored oleo slipped over on them as a disguised substitute. As the case of Cow versus Coconut comes before this Congress, I desire to plead as a friend of the cow.

When I first came to Washington, I was amazed to notice that in restaurants and hotels of the Capital City, most people pushed aside their tiny plates of butter and left it untouched. But I wasn't amazed very long, for upon tasting the oily substance served up as so-called butter, I realized it was oleomargarine. I know that if Washington served the kind of butter made in any of Wisconsin's 2,600 licensed dairy plants, there would be no pushing aside of this valuable food, but hurried calls to waiters for more of that delicious product of America's dairyland.

Back in 1931, Wisconsin farmers organized and marched en masse on the State capitol at Madison to demand that the State legislature take action to protect Wisconsin from oleo. That march on the capitol was led by Joe Beck, a State commissioner of agriculture, who in his zeal to safeguard butter, got himself fined $250 when he defied a court order. But the march had the desired result, and laws passed that day in Madison still remain on the statute books.

Farmers of Wisconsin are opposed to any repeal of the oleomargarine color-tax that would permit its unrestricted production in imitation of butter. Farmers have no objection to peanut butter, jellies, and jams—all used as spreads for bread—for they are not manufactured and colored to look exactly like butter, and so cannot be palmed off on the unsuspecting public as butter.

At the present time, oleo is cheaper than butter. But while butter can be made on any farm and is manufactured commercially in 18,000 American dairy plants so that its price is governed chiefly by demand, oleo is manufactured in only a small number of plants and a virtual monopoly exists, which could charge any price it wished if the public had no way of knowing by sight that it was being offered an inferior product that seemed to be butter.

Economically, the proposal to do away with butter and substitute oleo is unsound. At the present time, 40 percent of the beef and veal of the Nation is derived from the dairy industry. Even the oleo manufacturers cannot do without milk, and have to use it for 15.6 percent of their oleo or their entire efforts to imitate butter will fail. Our supply of leather—even the supply of fertilizer that every farmer needs on his acres—depends in great part on dairy herds.

First it was animal fat mixed with milk, water, and coal tar that Napoleon III tried to substitute as butter for his troops in the Franco-Prussian War. Then oleo was made from coconuts. Finally cottonseed oil and soybean oil are being used. But in all these operations it has been necessary to use milk, to get a product that anyone would eat. It is estimated that if no oleo had been manufactured last year, over 2,000,000 more cows would have been needed to produce the butter, and it goes without saying we could have used the meat and leather that would have resulted from that increase.

In conclusion, I would like to include an authoritative editorial on this subject from a recent issue of Hoard's Dairyman, Wisconsin's leading publication devoted to the dairy industry which is widely circulated throughout the Nation:

OLEO TAX ONE-FOURTH CENT

"Margarine Tax" is the title of an editorial which recently appeared in the Washington Post. In the main, the editorial condemns the tax imposed upon oleomargarine. It emphasizes when butter reaches a dollar a pound that it is necessary for people to use some substitute. The editorial says the revenue obtained from discriminatory excises is negligible. The reader is reminded that the public pays the taxes imposed upon margarine.

It is clearly evident the writer of this editorial is not a student of why a Federal tax is imposed upon oleomargarine. We have often stated that the Federal Government lacks police power; its taxing power is unlimited. Prior to the enactment of the Federal law, oleomargarine in many places was selling—and is yet—as butter and at near butter prices. The consumer has a right to know what he is purchasing and what he is eating.

The tax of 10 cents a pound on oleomargarine colored in semblance of yellow butter is to stop the sale of this product. The tax should be higher. Natural-colored oleomargarine is taxed but one-fourth of a cent a pound, not for the purpose of adding to its cost but to create enough revenue from this source to pay for suppressing the fraud committed when oleomargarine is sold as butter. A tax of one-fourth cent a pound is placed on renovated butter for the same reason. Adulterated butter is taxed 10 cents a pound, the idea being to stop its sale.

No complaint can be entered when only one-fourth of a cent a pound tax is levied on oleomargarine. This doesn't add a great deal to the cost of oleomargarine. Forcing it to sell on its own merits helps to reduce its price far more than the tax which the Federal Government has levied. We well remember when oleomargarine was sold as butter, even from stores. Today it is served in the color of yellow butter when customers at hotels and restaurants ask for butter.

It seems to us the dairy industry has a right to protect its products and to require all other products used in the place of any dairy product to sell upon their own merits and not masquerade as a milk product.

Further, butter at a dollar a pound is not relatively higher than wages which the farmers are paying. Any tradesman who comes to the farm today to work for the farmer wants $1.25 to $1.50 an hour; some will want $2 an hour. It requires about 1 hour's work to produce a pound of butter from the average herd in this Nation.

We realize, of course, what people want are high wages and cheap commodities. Well, there isn't any such animal.

Accomplishments of the United Nations

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. McDONOUGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following report from the Los Angeles Daily Journal of January 30, 1948, of an address by senior United States Circuit Judge Orie L. Phillips, of Denver, before the

Los Angeles Bar Association. Judge Phillips points out the accomplishments of the United Nations during the short time it has been functioning, and he warns against loss of faith in this organization because of impatience and failure to appraise its potentialities for accomplishment from a long-range viewpoint.

The common people of the world devoutly hope for peace but have lost faith in the United Nations as a vehicle for its achievement, senior United States Circuit Judge Orie L. Phillips of Denver told the January meeting of the Los Angeles Bar Association yesterday at the Biltmore.

The leading jurist of the Tenth Judicial Circuit urged that those who hope not lose their faith in the great world congregation of nations.

"It seems to me that those who lost faith in the effectiveness in the United Nations and those who regard it as impotent have been disappointed in its failure to accomplish more in a short time, have been blinded by impatience, and have failed to appraise from a long-range viewpoint its potentialities for accomplishment," he said.

The Federal jurist pointed out that he had told the annual meeting of the American Bar in 1944 that the goal of ordered justice under law among nations might require decades to accomplish.

"In attaining the objective of justice under law among nations," the speaker continued, "we must, of necessity, interpose international control by a body of international law with means to enforce it."

FORCE THE WRONG WAY

"In reaching that objective we must not move so fast as to provoke war. And, we must not move so slowly as to permit any aggressor to provoke war. Perhaps, we are compelled by the present world situation to take the risk of moving too rapidly in our effort to impose international control.

"Again, while I would strengthen the United Nations, we must not hope that the proper solution of all controversies can be compelled by force.

"We have not reached that stage as to every character of domestic dispute. For example, in labor disputes we have not deemed it wise to compel submission to adjudication, even where processes of negotiation, conciliation, or arbitration fail.

"In the early stages of a world community lacking in cohesiveness and unity and made up of many nations varying widely in their traditions and ideologies, their religions, and their governmental systems, we can only hope, by an evolutionary process, to bring about compulsory adjudication of every character of international controversy and compliance with such adjudication by force.

"Further, the moral suasion which will be engendered by a righteous opinion expressed by a great majority of the members of the General Assembly may be more compelling than military force."

TELLS ACCOMPLISHMENTS

Judge Phillips declared he did not believe any nation, no matter how powerful, would long continue a course of conduct condemned by a majority of the General Assembly of the United Nations. No nation, he asserted, would likely take the risk of being placed in the role of a world outcast.

Much more has been accomplished in the 2 years since the Charter of the United Nations came into force than realized, Judge Phillips pointed out. Specifically, he referred to the Inter-American Treaty of Reciprocal Assistance adopted by 19 American Republics at Rio de Janeiro on September 2, 1947, and which agreement supplemented the agreement of Chapultepec.

The signers represent more than one-third of the members of the United Nations and the agreement specifically outlaws war and aggression and defines aggression in clear-cut language.

"Thus, what shall constitute an act of aggression is not left to ex post facto debate on political levels," the speaker said, "as under the Charter, and action by the organ of consultation will remove threats of aggression, and is not subject to a minority veto, as is action by the Security Council under the Charter."

The speaker also cited the fact that the United Nations has begun organizing the field of international law. A committee created by the General Assembly is busy formulating definite plans for the development and the eventual statement of international law in a form suitable for the postwar world.

With World War III smoldering in many places throughout the world, the UN has taken specific action in many instances to combat impending trouble such as in Korea and in Greece, where a committee was sent to investigate guerrilla warfare charges.

He also pointed out that the General Assembly of the UN by unanimous vote adopted a resolution condemning any and all war propaganda. The Security Council also directed the partitioning of Palestine.

President Paul Fussell presided and Delvy T. Walton headed the program committee.

What the Government Knows About You

EXTENSION OF REMARKS

OF

HON. WAT ARNOLD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. ARNOLD. Mr. Speaker, with the increasingly complex nature of our present economic set-up, it has become customary for various Government departments, from time to time, to issue statements with regard to the apparent supply and demand of certain commodities. Such statements may or may not reflect the true facts in the degree that they can be traced to propaganda designed by pressure groups for their particular benefit.

It has occurred to me that reports and statements issued by the Government, which are of vital concern to the housewife, the merchant, and business generally, if submitted to the Bureau of the Census before being published, would be more likely to present actual conditions and be less likely to cause confusion in the buying and selling markets.

An article which appeared in the July 1946 issue of Nation's Business, by Junius B. Wood, entitled "What the Government Knows About You," bears out my contention, and I wish to include it here as an extension of my remarks:

WHAT THE GOVERNMENT KNOWS ABOUT YOU

(By Junius B. Wood)

You're no forgotten man. No, indeed, brother. Board chairman or bindle stiff, the bureau boys have your number. Your past may seem dreary, but it isn't dark.

This is the open season on the forgotten man. A national election is in the offing. The bleeding hearts and aching lungs of candidates rally the voters to the hustings to rescue the Homo Americanus which they label the forgotten man.

But don't worry, little man, you're not forgotten. Not even if you're only a tiny human atom in the big United States. Your only elbow-rubbing with the world of strangers may be while swaying on a strap in an overcrowded city bus or when buying a slab of bacon at a lonesome trading post, but Washington knows where you are and more about you than you imagine.

You're indexed and cross-indexed by a Government which never destroys a record. Even the knights of the road who cook their cinder-blown can of evening stew in a hobo's jungle, without worries over punctures or finding another $50 hotel room after 5 days, are not forgotten.

Government surveillance of the individual's finances is familiar to any citizen who can rattle two coins in his pocket and voice his right to gripe at public spending. Not so well known is our Government's diligence in cataloging every individual within its borders. A Government which counts the birds, fishes, and rats—123,000,000 of the latter by the last census—and keeps track of their summer and winter outings, should know about the human beings. You may think you're a forgotten man but the odds are 500,000 to 1 that your name and address and a wealth of personal information appears more than once in the interminable miles of Government filing cabinets.

If you've done any eating in the past 5 years—and that includes everybody in the United States—the Government has you indexed. Even those who did not reach the "da da" gurgling age got a ration book. Parents attended to that. The only ones who ate without benefit of a book, though their names were listed, were members of the armed forces and inmates of institutions. An individual who dined exclusively in restaurants could exist without one, but few neglected the opportunity to have such a useful article of legal tender.

In countries like the Soviet Union and former dictatorships, where police assiduously scrutinize every individual's domestic affairs, a card of identification is as necessary as wearing apparel. The ration book—rationing started with tires in January 1942—was the first break in American resistance to such state control of the individual. Americans accepted rationing as a wartime necessity to conserve and distribute food equitably. Others realized its possibilities for control of the individual but rationing ended, except for sugar, before that control reached the extreme of denying ration cards to the politically undesirable and leaving them to starve, as in some countries.

Being a Federal permit to purchase food, a ration book was valid in any part of the country. Its holder got it from the local ration board in the district where he resided on the date the series was issued. States and even merchants quickly realized its utility as a card of identification. The public had accepted regimentation as an obligation and officialdom followed with more burdens.

The OPA records each of the four issues of ration books as around 132,000,000, a total well over half a billion. While a book carried only the name and residence of its holder, the latter's age and sex also were recorded in OPA files. Millions of changes came with each series. The files showed the moves of every resident, citizen, or foreigner in the country.

In fact, the Census Bureau checked the records of the 1943 books to show a wartime population movement of 27,000,000 persons since 1940—the greatest mass migration movement in history in so few years, equal to the combined populations of New York, Pennsylvania, and New Jersey and greater than the entire rural population of the Nation.

In addition to telling everybody how much they should eat, the Government fixed the temperature for their homes and offices, decided how far they could drive their cars and who should have a pair of shoes, rubber

boots, new or second-hand tire, stove, automobile, bicycle, or typewriter. OPA reports 28,000,000 on its lists for gasoline, 11,000,000 for fuel oil, 30,000,000 for tires, and the remainder of 100,000,000 for certificates for other commodities.

What OPA knew about holders of food ration books was primitive compared to its data on the past life and daily doings of anybody who received a certificate for other rationed goods. Much of it was immaterial and personal prying by a comparative few of the 160,000 volunteer and paid employees who relished their sip of dictatorship and tried to make things difficult for themselves and for the helpless citizen.

The dossiers in the filing cabinets of the Social Security Board are a close second to OPA. The information on each individual is much more detailed. SSB has the facts on 86,000,000 workers whose wages are posted. Of these, 75,000,000 are on what it designates as the active list. Its records are continuous from January 1, 1937.

Those who work for themselves or are casual, farm, domestic or government workers or under the Railroad Retirement Board, are not included. With these exceptions, SSB has a wealth of information on everyone, American citizen or not, who has earned $50 in 3 months by working in this country or on an ocean-going ship flying the American flag. A social-security card and number will be issued to an unemployed person if the personal information which the Board requires for its files is supplied.

Under a Fair Employment Practice Act, if New York State is taken as an example, a private employer is forbidden even to ask some of the questions for which the Social Security Board requires written answers.

Its complete list is: 1. Name used now. 2. Address. 3. Name at birth. 4. Age. 5. Date of birth. 6. State, county, and city where born. 7. Father's full name and whether dead or alive. 8. Mother's full name before marriage. 9. Sex. 10. Color, specifying whether white, black, or what other. 11. What name was used in any previous application for social security or railroad retirement. 12. Employer's name or whether unemployed. 13. Date. 14. Signature.

REPORTS ON CHANGED NAMES

Social security has a double record of every worker as both employer and employee report. Taxes for both are paid by the employer to the Bureau of Internal Revenue, which also has its dual record. SSB will not disclose the earnings of an individual and says that the serial number and information collected are merely for identification. Employers are under no such obligation, however, and authorities often find a social-security number helpful in locating a missing person.

SSB insists that its solicitude over names, past and present, is not to aid sleuthing. The name tracing is for a more romantic purpose, namely: to protect the savings of absent-minded women who change their names by marriage or divorce, get a new card and number, and forget to notify SSB of the happy event.

Since it started keeping records in 1933, to the end of 1945, United States Employment Service has recorded the name, address, telephone number and other facts on 168,354,000 applicants for jobs. These are exclusive of 500,000 on the national roster of scientists and specialists which interested the late President Roosevelt. March of this year may be typical of 1 month's grist for USES with 1,168,000 applications of which 697,000 were veterans and 216,000 women, and 453 placed in jobs.

As the first object of USES is a quick turn-over, the names are not a dependable permanent record. Millions are duplications and temporary addresses. In addition to what each applicant writes down on occupation, education, and training, age, birthplace, race, marital status, and military service, there is an oral examination.

The figures portray current national labor conditions as each State depends on USES records for its unemployment and other benefit payments.

Most of the wage earners who are not listed by Social Security are registered in other official pension and retirement organizations. The largest group that is not cataloged by either OPA or SSB is in the armed services. However, those in service at present are not more than 5 percent of the 47,833,000 men registered by selective-service boards from 1940 to January 1946. As men up to 65 years of age were registered in 1942, this produces another Government agency with a file of the entire male population between the ages of 18 and 69 years.

DETAILS FOR THE DRAFT

Selective-service data on each individual is much more detailed than in any other registration. It specifies which of 419 occupations or trades, or 35 professions, he follows. It explains further whether he works for himself, his efficiency in his job, his education, including familiarity with foreign languages, and much more. All is put on individual cards, keyed to classifications.

Much of this remains in the Government files as out of 48,000,000 registered, only some 34,000,000, between the ages of 18 and 45, were notified to report. More data was added to their information sheets, until finally, allowing for occupational and physical deferments and rejections, some 13,000,000 were inducted into the service.

In addition to being indexed, numbered, tagged, and psycho'ed, the lads and lassies in military service also are among America's fingerprinted millions. The fingerprints of nearly half the population of the United States are in the files of the Federal Bureau of Investigation in Washington.

Fingerprinting had difficulty living down its unsavory birth as a means of crime detection. Also, as the identification records are kept by the Nation's largest crime prevention agency, many associated fingerprinting with a suspicion of past crimes or future escapades.

Records of the FBI show, however, that by now the prints of sinners are a very small fraction of the total in its files. The Bureau has the prints—five fingertips of each hand—of 65,000,000 residents of the United States. About 6,000,000 of these have been furnished by police departments, of persons who have been arrested for some offense. Many of them were not convicted. About 15,000 are tough birds still on the wing who can be identified if they leave the trace of a single finger when making an uninvited call. Being the international exchange center, it also has a few thousands from 89 other countries and provinces.

The 6,000,000 have grown from 810,188 cards, which started the Bureau in 1924, mostly from Chicago and from the Federal prison in Leavenworth, Kans. The other 59,000,000—individuals with clean records—started from scratch. War speeded up the collection with compulsory fingerprinting of not only men and women in the armed forces but of Government employees, workers in defense plants, and close to 5,000,000 aliens in the country.

In addition to this permanent identification of half the population, various States and cities go in for it. When not all 10 fingers are on the uniform type of card, FBI rejects their offerings. Postal savings banks print the four fingers, exclusive of the thumb, on the right hand of each depositor. There are 4,100,000.

Some States and cities require two- or five-finger prints from taxi drivers, holders of gun permits, public employees, persons in the liquor business and other specified occupations.

FBI's records are purely for identification. They do not record occupations though a card does show where the individual was employed when the print was made. Such information would be given only to public law enforcement officers. An employer is not told whether a new employee has a record or has changed his name. But if the individual is wanted, though years have elapsed, the city or county will be notified. That often happens.

PRINTS HELP IDENTIFY

The individual who has a police record has a good reason for not being fingerprinted. There are some reasons why the other 59,000,000, even when not required for a job, put their loops and whorls on a card. In the armed forces, they identify casualties, discourage the old trick of fitting out a spy with a prisoner's uniform and dogtag, and prevent frauds. In civilian life, they can identify victims of amnesia, accidents, or sudden death and unmask imposters.

With all this finding out how the people use their time, and comparatively few need to be watched because they are misbehaving, the Government is even more thorough in keeping track of what they are doing financially. Telling anybody about taxes may be as useless as introducing a man to his grandfather. Everybody is his own expert, so it will be brief.

Income tax returns are filed by more than 50,000,000 individuals and firms each year. About one-fifth of these are tax exempt. In addition, the Bureau of Internal Revenue receives nearly 15,000,000 quarterly declarations every 3 months and 92,000,000 income-tax withholding receipts and about the same number of separate social-security reports in a year. All are cross-checked in its New York City office where each of the 50,000,000 names is indexed.

Of the income and excess profits total collected last year, 58 percent was paid by individuals, or four times what corporations contributed. That means a name for almost every household.

The Internal Revenue Code provides a year's imprisonment and $1,000 fine for unlawfully disclosing information from a tax return. Section 55 specifies: "Returns constitute public records, but, except as hereinafter provided in this section, they shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary (of Treasury) and approved by the President."

One of these rules is that each year, the Secretary publish a list of each person who received $75,000 or more in salary, bonuses, or commissions from a corporation. The Ways and Means Committee of the House, the Finance Committee of the Senate, and the Department of Justice may inspect any return. The 32 States which levy additional income taxes have the same privileges within State limitations. Also, any holder of 1 percent or more of a corporation's stock can inspect its return. All are subject to the same penalty for making the information public. Anybody can find out whether an individual or corporation has filed a return, but not the amount.

BUSINESS IS CATALOGED

While private snoopers cannot get information, the Government has the essential financial facts on every business in the country. The individual is no longer required to report securities which did not pay dividends or the names of corporations which did pay. However, the New York office can get the information by cross-checking from the corporation's report.

Any of 26,000,000 rural toilers, and on a farm everybody works, overlooked by the Internal Revenue Bureau does not escape the Census Bureau's tabulations for the Department of Agriculture and its Triple-A and other bureaus. The country has 6,000,000

farms, a decrease of 90,000 since 1940, embracing 1,140,000,000 acres of which 352,000,000 were in crops in 1944.

To encourage production, the Government guarantees that the six major crops—wheat, corn, rice, peanuts, tobacco, and cotton—will receive 90 percent of parity prices (cotton, 92½ percent) until 2 years after war officially ends. It also fixed marketing quotas, now ended except for tobacco.

This gigantic regimentation of agriculture is kept up to date by 3,000 County Agents who watch the buds and beasts on every farm. A chart of each farm is in Washington. Though many controls are removed, crops still are a concern of a Government which decides not only how much its people shall eat but how much and what food shall be grown.

DREAM OF STATISTICIANS

Finally comes the statistician's dream of heaven—the Bureau of the Census—with thousands of clerks poring over miles of tables, adding and sorting machines humming through the day, parading columns of nine figures across endless white pages until finally another report emerges on the prosaic or eccentric doings of the millions of human beings in the American ant hill.

Every time a year ends in zero, the Bureau gives the body politic a complete check-up. In interim years, it takes censuses of manufactures, agriculture, religions, vital statistics, automobile accidents, cities, and many special subjects.

In the big canvass, it lists the name and address of everybody, from the cradle to the grave, and 30 more facts of possible interest about each one, including race or color, wages or salary, and whether more than $50 came from other income. With straw poll technique, it has 15 supplementary questions for 5 percent of the inhabitants—parents' birthplace, mother tongue, military service, social security, trade or profession, and whether women have been married more than once, age at the first venture, and number of children.

In 1787, the founding fathers put a section in the Constitution requiring a census every 10 years to apportion Representatives and taxes for each State. That was all they foresaw, but Government, insatiable in making work, has added questions through the years until a national census indexes even the thoughts of the population.

In the last census, 1940, the army of enumerators put down close to 132,000,000 names. An unnamed 7,000,000 have been added since. Each name is transferred to a 45-column card in which holes are punched according to the data on the individual.

Tabulations are made at close to lightning speed by electrical contact through any selected hole in a card. As there are eight series of cards with the same names on several series, the 132,000,000 blossomed into more than half a billion cards.

CENSUS SHEETS ARE PRESERVED

Once the tabulations are completed, this pasteboard mountain is destroyed. The enumeration sheets, around 4,000,000 for the last census and each larger than a newspaper page, are preserved. These sheets for every census, from 1790 to 1870, with the name and data on everybody who could be found in the United States, are in the ornate National Archives palace in Washington.

Those for the seven later censuses are in the big concrete offices of the Bureau in Suitland, Md., and, astonishingly, are consulted daily. The Bureau searches these old records for the answers to an average of 200,000 requests a year for information which they alone can supply.

In most cases, it is needed to get a birth certificate, citizenship papers, an old-age pension or a passport or to prove the nationality of parents. The Bureau does not sort its millions of names alphabetically but keys its records by States, counties, townships, municipalities, wards, streets, and house numbers or rural locations. If an inquirer does not know his old address when the census was taken, and about half of them don't, the Bureau cannot supply the information.

After all this cataloging of Americans—OPA, 132,000,000 listed; Social Security, 86,000,000; USES, 168,000,000 listings; Selective Service, 48,000,000; FBI, 65,000,000; Postal Savings, 4,100,000; Internal Revenue, 50,000,000; AAA, 26,000,000; and Census, 139,000,000—old Diogenes would need a radar lantern to find a forgotten man in the United States.

Reece Calls on Truman

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. CHURCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Times-Herald of February 16, 1948:

TWO-PARTY SYSTEM FOR SOUTH URGED BY GOP CHAIRMAN—REECE CALLS ON TRUMAN TO STAVE OFF DEMOCRATIC FILIBUSTER ON CIVIL RIGHTS

Chairman Reece, of the Republican National Committee, yesterday urged a two-party system in the South as one way of preventing what he called infringements upon civil liberties.

He also challenged President Truman to urge Democratic Senators from the South not to filibuster against antilynching, anti-poll-tax, and other administration-recommended civil-rights proposals when they come up for action.

GOP EFFORTS PRAISED

Southern governors and legislators have denounced the President's 10-point civil-rights program. It calls for no segregation in transportation and Federal guaranties against discrimination in employment because of race.

They are talking of withholding Dixie's electoral votes from the President as one means of retaliation.

Reece, in a letter to 20,000 Republican officials and party workers, credited the Republican Party with originating most measures in the Nation's history for promoting civil liberties.

He added that Democratic filibusters in recent years had blocked all Republican efforts to put through antilynch, anti-poll-tax, and fair-employment-practice measures.

"Just now," he said, "there are some rumblings from the deep South indicating a growing realization that the un-American, one-party system is injurious to everyone, including its presumed beneficiaries.

"It is to be hoped that eventually an enlightened self-interest will put an end to this anachronism in certain of our Southern States."

Reece is a former Congressman from the Republican First District of Tennessee. He said many of the President's recommendations "are duplicates of proposals which Republican Members of Congress have been seeking to enact into law for many years."

COMPARED WITH RUSSIA

He asserted that infringements upon civil liberties "are nearly always to be found where a one-party system prevails."

"Though there may be differences in degree," he went on, "that principle would apply, regardless of whether the party bears the Communist name, as in Russia, the Nazi label in Germany, the Fascist label in Italy, or the Democrat label in Mississippi."

The Dilemma of the East-West Trade in Europe: Will the Machine Products Sent From Western Europe in Exchange for Grain Too Dangerously Strengthen the Hand of Moscow Satellites?

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, we all know that the iron curtain has cut Europe politically in half. We also know that agriculturally the eastern part of Europe has traditionally been interdependent with the industrial west. Over 70 trade pacts have been entered into by the east and west since the end of the war. The west needs the food from the east. But when England, France, and the other nations of the west are shipping machinery to Poland, Bulgaria, and the other satellite countries, it should be done with the full knowledge that such shipments are intended by Moscow and its puppet governments to fit into the over-all Soviet plan; that plan is to strengthen the Communist-dominated governments further rivet them to the Politburo. The eyes of the west should be wide open to these deals. Following is an excellent article from the February 14, 1948, issue of America:

EAST-WEST TRADE AND EUROPEAN RECOVERY

(By Tibor Payzs)

The European recovery program is based on the assumption that in the next 4 years eastern and western Europe will gradually resume a normal pattern of trade. This is a factor in the calculations of both the general report of the Committee on European Economic Cooperation, resulting from the Paris Conference of 16 European governments, and the message of President Truman to the United States Congress on the Marshall plan, December 19, 1947.

But Communists everywhere are inimical to the European recovery program. In September 1947 the Communist Parties of nine European countries held a conference in Warsaw which resulted in the announcement of the formation of the Communist Information Bureau, the Cominform. A manifesto was made public which stated: "The Truman-Marshall plan is only a farce, a European branch of the general world plan of political expansion being realized by the United States of America in all parts of the world."

Since the Cominform came into existence, a great deal has been done by Communists both beyond and behind the iron curtain to wreck European recovery and to hasten the advent of a Communist continent. Still, east-west trade in Europe, a basic assumption in the calculations for the ERP, has not stopped. In fact, it is on the increase. According to a dispatch of World Report, dated December 30, 1947, there are at present 71 bilateral trade agreements in force between

east and west. At present, however, these represent, at a yearly rate of $1,400,000,000, only 30 percent of the volume of prewar trade. Curiously, there seems to be even more anxiety on the part of some eastern European countries, such as Poland and Czechoslovakia, than on the part of western Europe to maintain trade relations with the United States and Britain.

This would apparently indicate a Communist inconsistency between political and economic policy. But an analysis of the Communist strategy in Europe as it unfolds from recent events, both west and east of the iron curtain, might shed some light on the issue.

In the west, the French and Italian Communists—the only two western groups which were among the founders of the Cominform—have been on the offensive since the latter part of 1947. In France, however, the Communist attempt to tie up the national economy through strikes was unsuccessful. Many workers refused to answer the call for strike, and about 1,000,000 members of the Communist-dominated CGT (General Confederation of Labor) have set up a non-Communist organization, the Force Ouvrière, under the leadership of Léon Jouhaux. On the political side, the considerable support of General De Gaulle's RPF (Rally of the French People) in the municipal elections shows a waning of the French voters' enthusiasm for the Communists. (In the last two national elections the Communists received about 30 percent of the total vote.) In Italy, the Communists followed the familiar pattern of strikes, political agitation, and violence. But there are no Communist gains of consequence here, either. The goal of one Communist section for every church tower has not yet been reached, according to a recent announcement by Pietro Secchia, the chief of party organization. Communists, however, do not as a rule attain power through democratic majorities.

As to its continental strategy, there is little evidence that the Cominform was hoping for victory in France or in Italy before the end of 1947. Activities in these two western countries were more in the nature of preliminary skirmishes. Before a full attack can take place in the west, the eastern European hinterland must be solidified.

The Communists still feel the need for "mopping-up operations" in at least some of the countries of the region, both in domestic politics and in the national economies. In addition, they wish to consolidate the political and economic relations of the eastern European governments both with the Soviet Union and with each other. A further task is the regulation of trade relations with the rest of the world, particularly with the western European participants in the ERP.

Admittedly the countries of eastern Europe are Communist-controlled. Investigation into their domestic politics, however, shows that the claim that they are ruled by coalition or "National Front" governments may be granted some validity, proceeding from south to north in the region. Of course, Communists occupy everywhere the key positions. But while Albania, Bulgaria, Yugoslavia, and Rumania are, for all practical purposes, one-party States, Hungary, Poland, and Czechoslovakia are not—as yet. The Peasant or Agrarian Parties, the Socialists, and other non-Communists in the governments are the left wings of those prewar parties. It has been a question of survival—often only a temporary survival—to follow the Communist lead. However, for some time these parties seem to have had a mollifying effect on Communist decisions. It should be noted that the last genuine Peasant leaders, in or out of the governments, such as Petkov of Bulgaria, Maniu of Rumania, Mikolajczyk of Poland, were eliminated only quite recently. More recently, even Alexander Obbov, a left-wing Peasant leader in Bulgaria who seemed to have been a docile Communist collaborator, was shoved into the background.

As to the Socialists, in Rumania the formation of a single Workers' Party of the Communists and Socialists is scheduled for early February. Socialists in Poland and Hungary, though left-wing Socialists, of course, have been able so far to resist the Communist "invitation" to fusion. In Hungary the two parties had separate election slates. The Czech Socialists remain relatively independent. Many large trade unions in these countries are still under socialist, and not Communist, leadership. The rank and file of trade unionists have opposed the attempts at fusion. Also proceeding in the south-north direction, one finds minor opposition parties still tolerated. Thus the Communist job in the domestic politics of eastern European countries is still not fully completed. Undoubtedly, however, the Communists are doing their best. They know that to carry out their plans they must accelerate their pace, for, in view of the recovery program, time is definitely against them.

In international politics, there is unqualified orientation toward the Soviet Union as the great power upon which alone the democratic countries of eastern Europe can rely. The United States is denounced as imperialist. And the British labor government is aiming at hiding the true face of imperialism behind the mask of democracy and Socialist phraseology. Another significant development is the rapidly expanding system of treaties for political, economic, and cultural cooperation among the governments of this region. This development also follows a south-north direction. It began with the closest collaboration, to the point of customs unions, between Albania, Bulgaria, and Yugoslavia. It continued with the extension of the network of treaties to Hungary and Rumania. There are signs of further developments, involving Czechoslovakia and Poland. The ultimate plan for an Eastern European Confederation is not denied, but is rather termed the "music of the future" by no less a Communist than Premier Georgi Dmitrov of Bulgaria, the chief of the prewar Comintern. Such a confederation, if realized, would no doubt evolve in time into a Union of Soviet Socialist Republics of eastern Europe.

The economic pattern follows closely the political one in this area. There is planned economy everywhere: 2-, 3-, and 5-year plans are setting up economic goals. In domestic economy, nationalization, next to land reform, is the outstanding future. Constitutionally, there are three sectors of national economy: Nationalized, cooperative, and private. Basic industries and large financial establishments are nationalized. Cooperatives play an important role, particularly in food production. With some exceptions, private enterprise is permitted in medium and small industries so long as they remain within the bounds of the over-all state economic planning. Foreign trade and internal wholesale trade are either nationalized or controlled by government agencies. Some of the retail trade is taken over by the cooperatives from private hands. Rapid increase in the industrialization of Poland, Yugoslavia, and Hungary is planned, and a further shift in Czechoslovakia from light to heavy industry. In general, the similarity to the new economic policy of Lenin in 1921 is a striking one. But as the NEP was a temporary stage preceding full sovietization, so there is little doubt as to what is in store for eastern Europe if the Communist planners should manage to have their way.

In foreign trade, the Soviet Union emerges as the principal customer of the region. The various plans of the governments of eastern Europe are made subsidiary to the Stalin 5-year plan for the U. S. S. R. This has been brought about by bilateral trade agreements between Moscow and the capitals of eastern Europe and, in the case of Hungary and Rumania, former Axis satellites, through reparations and the Russian title to German assets under the terms of the Potsdam agreement. The latter has occasioned direct intervention by the Soviet Government in the management of some Hungarian and Rumanian corporations, and the joint Soviet-Hungarian and Soviet-Rumanian enterprises in bauxite, oil, and Danubian navigation.

But apart from the direct dominant role of the Soviet Union, there is another parallel between foreign trade and foreign politics in eastern Europe. The region is in the process of being forged into a large economic unit. To this end the rapid increase in industrialization envisaged in the different plans is a basic condition. According to the trade agreements among the governments of eastern Europe, raw materials and industrial products are to be exchanged in a fashion which will help to transform the noncomplementary economies of the countries into substantially complementary ones. Czechoslovakia is an example. Her engineering equipment will go to Poland to produce steel and improve the Upper Silesian coal industry, in exchange for coal, electric power, zinc, and food. Yugoslavia will receive Czech industrial equipment for aluminum, iron ore, lead, and chrome. Bulgaria will pay for Czech machinery with lead, tobacco, hides, maize, and pigs; Rumania pays for it with oil, timber, and agricultural products.

Czechoslovakian industry, as it is today, could only partially fulfill the demands upon it. At present, however, more than half of Czechoslovakia's trade is still with the west. While non-Communist elements in the Government might sincerely consider their east-west trade a contribution to European recovery, it is certain that Communists view this trade as a means to provide Czechoslovakia with western industrial equipment—that is, with the tools which will develop her into the machine shop of eastern Europe. Much the same applies to the coal which Poland is so anxious to trade for western machinery. In fact, east-west trade in general must be looked upon in this light.

Thus east-west trade is fostered by the Communist-controlled east: (1) Because temporarily it still needs western trade relations for a balanced economy; (2) because the industrial equipment it receives for export is necessary for the attainment of its goal, 5 years hence. This goal is the political, economic, and military self-sufficiency of a combined eastern Europe and Soviet Union, a veritable new imperial order.

These seem to be the reasons, then, why, in spite of the fact that it helps the ERP, the east is anxious to continue and increase east-west trade.

It is necessary that the west should realize the implications of this trade. Undoubtedly such trade will make the ERP cheaper to the American taxpayer. Moreover, while the United States can make her own economic policy, she cannot dictate the trade relations of the sovereign states of western Europe. But it should not be forgotten that, while east-west trade is helping the ERP, it simultaneously accelerates the Communist plan for eastern Europe and strengthens the Soviet hinterland for an aggressive hand in western Europe, the Far East, and elsewhere. It is doubtful that under these conditions any future normalcy in east-west trade relations in Europe, that is, the prewar flow of eastern food, fodder, timber, and coal, in exchange for western industrial products, will be reached or sustained beyond a period of 5 to 10 years.

Still, for complex reasons of international economy, east-west trade must be accepted while it lasts. But the west must consider that trade a calculated risk which must be taken with eyes fully open to its place in Communist world strategy as a whole.

We've Scuttled Our Air Defenses

EXTENSION OF REMARKS
OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by W. Stuart Symington, Secretary of the Air Force, entitled "We've Scuttled Our Air Defenses," which appeared in the February issue of the American Magazine:

WE'VE SCUTTLED OUR AIR DEFENSES

(By W. Stuart Symington, Secretary of the Air Force)

The safety of the United States demands that we have an impregnable air curtain—a curtain sufficiently strong so that no fleets of hostile planes or waves of guided missiles can reach the mainland of this country. As part of that curtain we require adequate radar protection, which we now lack.

Dollars as a yardstick are misleading these days. But it has been estimated that to provide an air force able to guarantee the minimum safety margin of national security the bill would run as high as $8,000,000,000 annually.

The United States had, in its mighty air force of World War II, the greatest weapon imaginable to ensure a permanent peace and to keep us from fear of successful attack. After V-J day we scuttled it—just as surely as if it had been a rowboat and we had taken a double-edged ax to its bottom.

If we had kept strong, there might not even have been a threat of World War III today. If we hurry and catch up, the threat may recede. But the very nature of air preparedness demands that we waste not another single day.

To cite one bit of concrete evidence, a small but revealing example of how we are hamstrung in many ways by lack of funds, one of our valuable acquisitions as a result of victory in Germany was the capture of huge stores of German air force intelligence films. These showed industrial developments and terrain in a part of the globe where some day we may have to wage a war of self-defense. But we are so short of money and personnel that we are in danger of having some of this invaluable footage spoil before we can develop it.

Imagine what a potential enemy nation would do if it could lay its hands on similar films of our defenses and industrial centers.

No longer are we the leading air power of the world. In quantity we have slipped behind the Soviet Union, and qualitatively both Russia and England have numerous developments that exceed our own efforts. England, despite her severe economic strain as a result of the war, is devoting a greater portion of her defense budget to an air force than we are.

There is no doubt that Russia is going all-out for air power. The Russians are reported to be producing aircraft at the rate of 75,000 to 100,000 a year.

What kind of planes are these? In the last war the Russians were deficient in long-range heavy bombers. But this has been corrected. When Russia was our war ally several of our B-29 Superfortresses, at that time the mightiest bomber in the world, capable of operating at a 4,000-mile range, were forced down in Soviet territory after attacks in Japan.

We never saw them again, but now Russian-made copies of the B-29 have appeared in fairly sizable numbers. Manufacturing experts have estimated that Russia, with moderately aggressive production, could have at least 1,000 of this type of plane during the coming year. In December 1946 the Russians even tried to place orders for a number of sets of B-29 type tires, wheels, and brake assemblies right here in the United States. The orders were not accepted.

We are getting new bombers—the B-36, the B-50, and others—which far outstrip the B-29 in range and bomb-carrying power. Still, the B-29 is a very formidable long-range bomber.

Let's take a look at jet planes. We are catching up in this field, but we are still behind other nations. Britain has a jet fighter more advanced than ours. Russia, in her show of military strength last May Day, flew 100 jet planes en masse, and, on Red Air Force Day last August, exhibited at least eight different types of jet planes, including a four-engine jet bomber. One of their fighters is a swept-back-wing type. At time of this writing the United States has produced only one experimental model of this type. It indicates that the Soviet Air Force is preparing to hurdle the transsonic speed barrier. We haven't done that yet. Any aeronautical engineer can tell you that if an air force is able to fly 100 planes of a type at one time it must have at least 300 to 500 in existence. This, to an engineer, would indicate a monthly output of at least 200.

One of the brighter rays of hope in the otherwise gloomy picture is that the United States Air Force has finally achieved what it has been struggling for since the days of Billy Mitchell—coequal status with its brother services, the Army and the Navy. The recently enacted unification bill gave us that.

As the first Chief of Staff and the first Secretary of the newly created autonomous United States Air Force, Gen. Carl A. Spaatz, and I have pledged ourselves to strive to give the Air Force—and the Nation—the most for its dollars.

In World War II, under the brilliant leadership of Gen. "Hap" Arnold and Assistant War Secretary for Air Robert A. Lovett, and a score of inspired, resourceful fighting commanders in the field, the AAF became the world's mightiest air armada—more than 2,400,000 men and 80,000 planes. We were backed by an industry capable of producing 96,000 planes a year.

Then came VJ-day. Demobilization, of course, was necessary, but we demoralized as well as demobilized. Undoubtedly, it was the fair way, the American way, to carry out a system of demobilization that released our men in order, depending on their tenure of service, their combat records, and their family status. But, by doing it this way, we stripped ourselves of the very veterans whose skill and technical knowledge were absolutely indispensable to keep the remnant of our Air Force going. True, we had numbers of men and numbers of planes. But, as an air force, they could not fight, they hardly could fly, and there was barely a nucleus left to teach the green hands.

Now the Air Force has started on the road back. The road has been—and still is—painful, arduous, and fraught with frustrations and obstacles. Under the leadership of General Spaatz, Gen. "Hap" Arnold's leading field commander and now his successor, and a staff in which youth, inspiration, and ability abound, we are making progress. But even the greatest of leaders cannot continue to make bricks without straw, so the Air Force is facing a crisis.

An air force, I have heard General Spaatz say, is like a four-legged stool. One leg is the military air-force-in-being (this includes operations and training plus the backing of vigorous, unrelenting scientific research and development). The second leg is a strong air reserve and national guard. The third leg is industry—a healthy and adequate manufacturing network capable of rapid expansion in time of emergency. The fourth is an up-and-going air-transport industry to serve as the nucleus for military transport in event of war. Remove any of the legs and your four-legged stool of air preparedness collapses.

What are we doing about maintaining this four-legged stool so the country can rely on it?

As for an adequate military air force, we simply do not have it. When General Spaatz took over after the war, he put our best brains to work on determining the minimum number of air groups and supporting personnel we must have to maintain national security. Our planners came up with the rock-bottom conclusion, in which Gen. Dwight D. Eisenhower concurred, that at least we could dare get by on was 70 combat groups augmented by 22 squadrons, and backed up by 27 groups in the air national guard. To maintain these 70 groups and keep the other business of the Air Force going, we must have 401,000 men and officers.

In the event of war, the mission of such an air force would be (1) to protect our own industries; (2) to support the evacuation, if possible, of our pitifully outnumbered occupation troops in Europe, where there is the ever-present danger of Bataan being repeated on a large scale, plus protection of the advanced bases from which our own air offensive must strike; and (3) to launch and sustain a full-scale air offensive and destroy the enemy's industry and economy with atomic bombs and the latest weapons.

Now, a 70-group air force, unless it is backed by the capability for almost miraculous rapid expansion, would be strictly a one-shot proposition. It would be wiped out in another air war in a very short time. We must count on being able to expand with extraordinary rapidity to at least 180 groups—and I speak of groups which, in load-carrying capacity, are approximately 40-percent greater than those of World War II—and, if the war continues, to keep on climbing, perhaps as high as 350 groups if the war should last 3 years.

But we do not have these 70 groups. The money has not been available. Even recruiting has fallen down. As of a recent date, we had been able to climb to a total of 321,000 men. If we're lucky, we'll have 55—not 70—groups operating by the end of the year.

Painstaking surveys have indicated that, if we get the 70 groups, which we don't have now, we'll have to procure more than 5,800 planes and train 5,400 new pilots annually to keep the force operational and nonobsolete. That would mean the Air Force would have to spend $8,100,000,000 annually and employ 664,602 military and civilian personnel to keep such an establishment going. From the standpoint of absolute national security, anything less may be a step toward national suicide, any time any first-rate air power wishes to attack us.

To stress just one item: It is vital for this Nation to have an adequate radar network—the electronic eyes that will warn us if enemy air fleets near our boundaries—set up along the vulnerable approaches to the United States. Yet the necessary radar is just not available, so we do not have this network.

"Why spend money on old-fashioned types of planes and a large force of men to fly them when the next war will be a push-button affair?" This is an argument frequently raised by critics who may be well meaning but who certainly are poorly informed. Sure, we are going to have push-button warfare. There is not a scientific problem that will not yield to sufficiently intensive research, provided we put enough time and money into it.

But push-button warfare is, at best, 10 to 15 years off, and probably more. The era when the warrior scientists of enemy nations will sit in underground shelters 10,000 miles apart, and manipulate multibutton consoles that will aim atomic, radar-guided rockets at one another may be coming, but we at

least have some breathing space before it arrives. So the next war, if it comes within the next 15 years, will be fought with improved versions of weapons now at hand.

We do plan to take the initiative in setting up underground plants for manufacture of highly critical items. In next year's budget we shall request $5,000,000 for construction of an experimental underground jet engine plant.

The soundest strategical concept of how the next war will come is that there will be no warning, not even a relatively short period in which America can get ready. There will be no allies this time to hold the fort until the American arsenal can catch up. If we survive the first shock—and we can do so only by the expensive process of keeping up our defenses—we then can win the war only by offensive action. Even America's vast resources would be exhausted by a protracted stalemate against a far-off power that cannot be blockaded. To end it, we would have to strike with powerful, devastating weapons to make the enemy cry quits. If we are hit, only a powerful air force in being can strike back hard enough and fast enough to prevent the destruction of the United States.

Georgia Veteran Laws

EXTENSION OF REMARKS
OF

HON. JAMES C. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. DAVIS of Georgia. Mr. Speaker, recently there came to my attention an outline of Georgia's laws affecting veterans and their dependents, as compiled by my good friend, Paul Ginsberg, national junior vice commander of the Disabled American Veterans, 786 West Wesley Road, Atlanta, Ga., who, while a practicing attorney at law, has devoted a great deal of his time to veterans' affairs. At the present time he is also serving as commander of the largest DAV chapter in the State of Georgia.

Many of the potential beneficiaries under these State laws are not aware of the valuable rights, privileges, exemptions, and benefits available to them, under certain circumstances and, therefore, I am hopeful that this résumé of Georgia's veteran laws will come to their attention.

The outline is as follows:

CIVIL RELIEF AND ALLIED BENEFITS

Acknowledgment is made of legal instruments executed by members of the armed forces.

Evidence may be admitted of presumed death or absence.

Disability of minority is removed for qualified veterans under the GI bill of rights.

Protection is granted to persons acting under power of attorney granted by members of the armed forces.

Fiduciary powers are suspended during war service.

CIVIL RIGHTS

Absentee registration and voting is provided.

CLAIMS; ASSISTANCE IN OBTAINING BENEFITS; SAFEKEEPING OF PAPERS

Roster of soldiers, sailors, and marines of the Civil War, when completed and certified by a majority of the Georgia Soldier Roster Commission, shall be prima facie evidence of the truth thereof. (Powers and duties of the roster commission have been transferred to the veterans' service office.)

The fee of clerks of superior courts for recording and indexing discharge certificates is limited to 25 cents.

It is the duty of the director of the veterans' service office to disseminate information to veterans of the war with Spain, the World Wars I and II, and any other war, military occupation, or expedition since 1897, their dependents and beneficiaries, as to their rights and benefits under Federal legislation or legislation of this or any other State and to assist such persons in the prosecution of claims.

The State department of veterans' service furnishes counsel and assistance to veterans.

EDUCATIONAL BENEFITS; QUALIFICATION FOR THE PROFESSIONS AND TRADES

The State board of education is authorized to receive Federal funds to provide education of noncollege grade for persons above 18 years of age.

Certain requirements of graduates of the University of Georgia School of Medicine are suspended during military service in World War II.

The year of continuous experience required immediately prior to the issuance of a certificate as a public accountant is not broken by service in the armed forces.

Veterans of World War II may attend the common schools regardless of age. The State board of education may provide the facilities free of charge.

EDUCATIONAL OPPORTUNITIES FOR CHILDREN OF VETERANS

Aid is extended to children of veterans who were killed while serving in the armed forces during World Wars I or II, or who died as a result of such service. Amount: $300 per child per year with free tuition in State institutions of secondary or college grade.

EMPLOYMENT PREFERENCES, PRIVILEGES, ETC.

Continuation of membership in the teachers' retirement system is provided while in the armed forces of the United States.

Equal civil-service preference is extended to war veterans.

Certificate of registration is granted without examination to certain persons whose practice as an architect was interrupted by World War service.

Leaves of absence are granted to employees of the department of public safety for service in the armed forces.

Benefit rights are preserved under the Unemployment Compensation Act.

EXEMPTION FROM EXECUTION, GARNISHMENT, ETC.

Confederate pension money is exempt from garnishment and all other legal processes.

GUARDIANSHIP

A Uniform Veterans' Guardianship Act has been enacted with modifications.

The appointment of a guardian of an incompetent veteran or the minor child of a veteran is provided, to receive certain benefits on behalf of such ward.

HOMES

Confederate veterans may be admitted to the Confederate soldiers' home.

HOSPITAL BENEFITS, ARTIFICIAL LIMBS

An incompetent veteran may be committed to a Federal hospital under the Uniform Guardianship Act.

The general assembly is authorized to levy taxes to supply artificial limbs to Confederate veterans.

MARRIAGE AND DIVORCE

Residence requirement has been established for filing petition in action for divorce.

MEDALS

Medals are provided for service on the Mexican border and in the World War.

MEETING PLACES, MEMORIAL BUILDING PRIVILEGES, ETC.

A war memorial building commission has been created.

NATIONAL GUARD SERVICE

Credit is given for war service with reference to retirement and service medals.

PENSIONS

Pensions have been granted to Confederate veterans or their widows, integrated with old-age pensions.

RELIEF AND REHABILITATION

County aid is extended for food and clothing to Confederate veterans.

A veteran resettlement corporation has been created to make loans guaranteed by the Federal Government under the GI bill of rights.

TAX EXEMPTIONS: EXEMPTION FROM LICENSE FEES, RENEWALS, ETC.

Parks and places where baseball, football, or any similar game is played, and race tracks where bicycle, horse, or other races of similar character are held, where admission fees are charged, are exempt from any special tax thereon, whenever the proprietor or owner is a maimed or disabled Confederate soldier.

Resident hunting and fishing privileges are extended to nonresident Army officers, troops, and soldiers, stationed and confined for training duties in various camps and cantonments throughout the State.

All back income taxes of members of the armed forces who die during service in World War II are canceled.

Income-tax exemption is granted to members of the armed forces during World War II and for 6 months thereafter. No return is required.

Reciprocal agreements may be made for the operation of automobiles owned by draftees and members of the United States Army and registered in other States.

Confederate veterans may act as life- and fire-insurance agents or solicitors without payment of license tax.

Disabled Confederate veterans may do business as photographic or similar artists without licenses.

Veterans may conduct any business not prohibited by law without the payment of a license tax.

Disabled veterans are exempt from payment of peddler's and business license taxes.

Members of the armed forces during World War II were exempt from poll tax.

Homestead exemption of $2,000 was extended persons in the armed forces during World War II.

TRANSPORTATION PRIVILEGES

Common carriers may sell tickets to Confederate veterans at half price.

Many of these laws have been enacted through the sponsorship and cooperation of the DAV and other veterans' organizations.

At the present time the DAV has some 21 chapters scattered throughout the State of Georgia, most of which maintain volunteer or part-time service and employment officers to assist veterans with their problems in their own communities.

In addition to this service on a local level, the DAV maintains five full-time national service officers, under the direction of James A. Aldred, at the Veterans' Administration regional office, Atlanta, Ga.

Those DAV experts extend all types of service to veterans and their dependents, free of charge, more particularly in the technical preparation, presentation, and prosecution of their justifiable claims for

various types of governmental benefits to which they may be lawfully entitled under existing Federal and State laws.

DAV MEMBERSHIP ELIGIBILITY

Formed in 1920, and chartered by the Congress in 1932, to render service to, for, and by America's disabled war veterans, the DAV has been generally recognized as the official voice of America's disabled defenders.

According to its congressional charter of incorporation—Public Law 186, approved June 17, 1932, as amended by Public Law 668, approved July 15, 1942—active membership in the DAV is open only to those Americans whose bodies bear the scars of wounds or injuries, or the blight of ailments or disabilities incurred during, or by reason of, active service during time of war in the armed forces of the United States, or of some country allied with it.

More and more wounded and disabled veterans of World War II are becoming active members of the DAV.

Eligibles may become life members of the DAV upon payment of a fee of $100—$50 if born before January 1, 1902—in cash, or by a down payment of $5 or more, plus such installments as will complete payment of the full fee by the end of the second succeeding fiscal year—ending on June 30—after which, if not fully paid, a carrying charge of $5 per year would accrue. A growing number are becoming DAV life members.

DAV SERVICE TRAINING PROGRAM

Realizing the need for extending assistance to all veterans and their dependents after the close of World War II, the DAV entered into an agreement with the Veterans' Administration and the American University in Washington, D. C., back in 1944, to train some 400 World War II handicapped veterans to become national service officers. An intensive 6-month special course was set up, followed by 18 more months of on-the-job training in three different regional offices of the Veterans' Administration, under the supervision of old-time, long experienced DAV service officers.

The members of the tenth and last class of such trainees received their diplomas in May 1947 and are now completing their job training in all parts of the country.

This is the most intensive and ambitious program yet attempted by any veterans' organization to provide, without cost to the applicants, expert aid and assistance in the solution of the many problems confronting veterans and their dependents.

No veterans' organization has any more extensive and effective Nation-wide service staff to take care of the problems of all veterans and their dependents, and particularly those who have service-connected disabilities, than the DAV.

During the more than 28 years of its service activities, the DAV has sponsored and supported much liberalizing legislation on behalf of disabled veterans and their dependents.

Liberalized application of such laws, too numerous and too technical here to set forth, has, each year, been brought about by numerous conferences with officials of the Veterans' Administration and other governmental agencies.

DAV NATIONAL HEADQUARTERS

Located at 1423 East McMillan Street, Cincinnati, Ohio, the national headquarters of the DAV takes care of all administrative matters and records and publishes the Disabled American Veterans semimonthly newspaper containing accurate, up-to-date information as to all existing and pending legislation, Presidential Executive orders, court decisions, opinions of the Attorney General, Comptroller General, and VA Administrator, VA regulations, service letters, circulars, and other instructions, as well as much other information of interest and of value to disabled veterans and their dependents.

The present national commander of the DAV is John L. Golob, of Hibbing, Minn., a badly wounded World War I veteran, an insurance agent in private life, who has had a broad background of 28 years of experience in various local, State, and National DAV activities which qualify him to lead an organization composed exclusively of America's disabled war veterans.

Its national adjutant, Vivian D. Corbly, has been secretary-treasurer, business manager of the organization, and editor of its newspaper since 1925. Capt. Cicero F. Hogan is his able assistant.

The largest bank in Cincinnati, the Fifth Third Union Trust Co., has, for 28 years, been the depository for the funds of both the DAV and of its incorporated trusteeship, the DAV Service Foundation. Officials handling funds have always been adequately bonded by the Fidelity & Deposit Co. of Maryland.

NATIONAL SERVICE SET-UP

The national service headquarters of the DAV is now located in a beautiful building at 1701 Eighteenth Street NW., Washington 9, D. C., which was acquired by the organization in 1945.

In this Washington office are located the department of claims, headed by William E. Tate; the department on legislation, headed by Francis Sullivan; and the department of public relations and employment, headed by Millard W. Rice. In addition to these service departments, the DAV service headquarters has its office manager, John E. Feighner, as assistant national adjutant. All of these various departments are staffed by trained experts, all of whom are themselves war wounded or disabled veterans.

These DAV national officers know all about the technical complications that disabled veterans must overcome factually to prove the service connections of their disabilities to the satisfaction of rating agencies of the Veterans' Administration, under the limitations and restrictions of existing law, as legalistically interpreted and as administratively applied.

DAV SERVICE ACCOMPLISHMENTS

The DAV has freely rendered technical help to thousands of disabled veterans each year in obtaining compensation for service-incurred disabilities, medical treatment, hospitalization, insurance benefits, pensions for dependents of deceased veterans, vocational training, civil service appointments, and last but really first in importance, suitable gainful employment.

During the past 18 years for which records are obtainable, the paid national service officers of the DAV have extended service as indicated by the following brief resume:

Claims handled, 1,525,753.

Total monetary benefits, $132,512,-111.87.

Additional compensation payments thus obtained for thousands of disabled veterans and their dependents, who might not otherwise have been able to procure such needed benefits, have converted such beneficiaries from local liabilities into community assets.

It is, of course, not practicable, in a brief statistical résumé, to indicate the many different types of service extended by service officers. Many liberalizing precedents have been established by the decisions obtained, which subsequently have proved of value to hundreds of thousands of disabled veterans having similar claims, the results of which cannot be computed from service reports.

DIFFICULTIES OF PROVING SERVICE ORIGIN

Most citizens agree with the DAV that the Federal Government should bear the burden of providing for the Nation's defenders, but only when it has been established that the veteran's disabilities were incurred in or aggravated by his military service.

To prove service connection of a disability, however, is not an easy thing to do, except where official records show its inception in service. An equitable claim cannot necessarily be legally established.

Many different factors may make it extremely difficult, and in many cases impossible, for a veteran factually to prove that his disabilities were caused by his war service, even though actually service-incurred or aggravated.

EMPLOYMENT PROGRAM

The DAV has adopted, on a Nation-wide basis, a man-job-matching method program to provide suitable, useful, gainful employment for all disabled veterans. Less than 7 percent of the Nation's 2,100,000 compensated war-disabled veterans are totally unemployed. The remaining 93 percent are less than totally disabled and must therefore supplement their inadequate compensation payments with income from employment.

This scientific approach to a most distressing problem has produced some worth-while results thus far. The handicapped veteran's abilities have been matched with the requirements of the job, rather than stressing his disabilities. It has been demonstrated by the employment record of such disabled veterans that they have a low absentee record, a low turn-over record, a low accident record, and a higher efficiency and production record. It has thus been demonstrated that to hire disabled veterans is just plain good business, bringing benefits directly to them, their dependents, their communities, their employers, and taxpayers generally.

AN INVESTMENT IN PATRIOTISM

It is definitely in the interest of all Americans that the fight for justice must be made for those who have sacrificed

their youth and a part of their bodies or their health in our country's most hazardous occupation, its military and naval services during time of war.

The faith must be kept with those who have made such sacrifices in the past, as well as with those who are, or have been, dependent upon these heroes, so that other young men who, in the future, may be called upon to make similar sacrifices, will have the assurance, on the basis of past performance, that if they, too, should also be so unfortunate they will not be permitted to become mere forgotten heroes.

The determination of the DAV to see to it that America's disabled veterans are adequately provided for should be generously supported, as a public investment in the future patriotism of our youth and as practical patriotism which brings huge humanitarian and financial dividends to every community, to every State, and to our country.

As a veteran of World War I, it is a pleasure for me to commend the service program of the DAV, and I am sure it merits the consideration and support of the entire country.

H. R. 5052

EXTENSION OF REMARKS
OF
HON. LYNDON B. JOHNSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. JOHNSON of Texas. Mr. Speaker, most daily newspapers in cities like Austin, Tex., in my district, have three types of newspaper dealers—newsboy carriers, the boy who deliver the paper to your home; street vendors; and independent out-of-town dealers. All are independent contractors, who buy papers at a wholesale rate and resell them at the uniform retail rate. These dealers, for all practical purposes, actually own the papers after they receive them, since no refund is made for unsold copies. They operate under contract and are independent merchants—not employees. Comparatively little control is exercised over them by the newspaper officials.

These carrier boys deliver the papers they purchased throughout the city. Nearly all of them are under 18 years of age. The turn-over among them is rapid, with at least 10 percent changing each month. The average length of service of these boys is less than 1 year. Most street vendors are adults, but the turn-over among them is very rapid also.

The out-of-town dealers are more constant in length of service, since they operate their own street stands in their own communities. Again, all of these dealers buy papers at wholesale rates and sell them at retail. They are not on the pay roll of the newspaper publishers and their revenue fluctuates with the number of papers they buy and resell.

Recently the Bureau of Internal Revenue proposed to issue an order which would have had the effect of placing these contract merchants under the provisions of the Social Security Act. The Ways and Means Committee has very wisely reported legislation with the purpose of defining the employer-employee relationship, so as to exclude these people from social-security provisions.

If these contract vendors are classified as employees and made subject to the old-age benefits tax, as will be done unless H. R. 5052 is passed, it would be just as logical to tax the cigarette companies for the old-age benefits tax covering the cigarette girls who sell their products over the counters.

The amount of old-age benefits tax which each newspaper would have to pay would be negligible compared with the cost of keeping records on it and collecting the matching tax from the newsboys. On many boys who work a week and then quit, the Government would collect about 20 cents each—10 cents from the newspaper and 10 cents from the carrier. It would take a Philadelphia lawyer to interpret the regulations and bookkeepers and detectives to keep track of the accounts and personnel involved.

Mr. Speaker, I hope H. R. 5052 can be considered and passed at an early date.

Our National Cemetery Scandal

EXTENSION OF REMARKS
OF
HON. ROBERT L. F. SIKES
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. SIKES. Mr. Speaker, Foreign Service, the national magazine of that great organization, the Veterans of Foreign Wars, recently carried a thought-provoking article entitled "Our National Cemetery Scandal." It is such a timely discussion that I believe it should be reprinted here. Incidentally, I want to point out the fact that at the forty-eighth national encampment of VFW in Cleveland a resolution was passed asking establishment of national cemeteries in every State and Territory of the Union. The resolution was sponsored by 26 State departments of the VFW.

The article follows:

OUR NATIONAL CEMETERY SCANDAL

(By Herbert L. Schon)

The Air Corps lieutenant from Boston who flew a million-dollar bomber over Germany and crashed to his death during the Schweinfurt raid has become the victim of governmental economy.

An infantry staff sergeant from Columbus, Ohio, who died on Okinawa after putting to good use training and equipment which cost thousands of dollars is being denied benefits which cost a fraction of that amount.

All of the flags at half staff and 21-gun salutes which will greet these fallen heroes and approximately 200,000 other World War II dead being returned for final burial during the next few years will not cover up the fact that this country has failed to provide a national cemetery for them in their native States. For the next-of-kin and other relatives of these men and women, the outward display of tribute and respect which will mark their homecoming must add up to something less than a heartfelt welcome from a grateful Nation.

Seemingly forgotten by Congress, 21 States whose World War II casualties total well over 122,000, and whose veteran population is more than 5,000,000, are without national cemeteries. Such populous areas as all of New England, Pennsylvania, and Ohio today cannot provide burial plots for veterans in resting places maintained by the Government. The condition in densely populated California and New Jersey, which have one such cemetery apiece, is not much better.

Figures reveal a striking story of callous indifference and neglect for the veteran's right to rest with his comrades in arms. They show that while there are over 16,000,000 veterans of the Spanish-American War, World War I, and World War II eligible for burial in national cemeteries, there are today only about 434,000 grave sites provided for them. Despite the fact that 21 States have no burial facilities maintained by the Federal Government for veterans, and that other areas of the country are inadequately provided for, not a single national cemetery has been established since the year 1939.

Any member of the armed forces who is killed in action, dies while on duty, or a veteran who has been honorably discharged, is entitled to burial in a national cemetery where space is available. This privilege is also extended to the veteran's wife, unmarried sons under 21 years of age, and unmarried daughters of any age. There is no cost attached to such burial.

Such liberal provisions look good on paper, but to veterans and their families who live hundreds of miles from the nearest national cemeteries there is little comfort to be gained from them. Conditions make it impractical for these bereaved families to take advantage of a privilege they were intended to receive.

The mother of the Air Force lieutenant from Boston might want to have his remains interred in a national cemetery where he could once again be near men with whom he fought side by side. But since there is no cemetery of this type maintained in Massachusetts, she would be faced with the problem of whether or not to approve burial in the Long Island National Cemetery at Farmingdale, N. Y., over 300 miles distant and the nearest one to her home. Like most Gold Star mothers, she probably would refuse to consider interment of her son at a point which would prove inconvenient for relatives and friends to visit. Similarly, parents of the staff sergeant from Columbus, Ohio, would be reluctant to think of burial in the national cemetery located at New Albany, Ind., over 700 miles away, for their son.

Other very practical considerations are causing relatives of veterans to pass up the opportunity they have to apply for a carefully maintained grave site for their loved ones in national cemeteries. For the aged, traveling great distances in order to be present at interment services is a physical ordeal sometimes impossible to bear. Families in moderate circumstances find that the cost of railroad fare to these cemeteries is a burden which their budgets cannot stand. And since the Government allows only a limited amount for such expenses as transporting a veteran from the place of his death in this country to the national cemetery, many have found it wiser to seek out burial lots in private grounds near to their own communities.

Charged with maintaining an inadequate number of national cemeteries at the present time, the War Department is not unaware that something should be done, and soon, to correct a condition which is keeping thousands of veterans from taking advantage of regulations passed expressly for their benefit.

In 1946 the War Department supported congressional action which called for establishment of at least one national cemetery in every State and additional cemeteries in States with a population of over 500,000. The proposed bill was defeated.

During the first session of the Eightieth Congress, early in 1947, a bill was introduced which provided that surplus military reservations be used to expand cemetery facilities. While this measure would not have provided each State with a national cemetery, it would have given a more equitable distribution. Ultimately the bill was passed by the Senate, only to be amended in the House so that provision was made only for expansion of Jefferson Barracks National Cemetery in Missouri and the Fort Rosecrans National Cemetery at San Diego, Calif. Thus, once again the needs of veterans in 21 States without facilities were overlooked.

Without Congressional approval, the War Department stands powerless to take steps necessary for creating at least one new cemeterial shrine in every State. Each passing month will add to its dilemma in attempting to provide adequate service, for the death rate of former armed forces personnel is rising slowly but steadily.

Actuarial figures show that deaths of Spanish-American War veterans will reach a peak within the next few years. In 1968, it is estimated, deaths of World War I veterans will have attained their highest point. The greatest number of deaths of men and women who served during World War II will come in 1987.

While these dates seem distant, statistics furnished by actuaries give little encouragement or support to those who could adopt a do-nothing attitude. Studies show that veterans' deaths during the next decade will occur at the following rates: 1948—124,331; 1949—128,603; 1950—133,093; 1951—140,509; 1952—145,742; 1953—151,466; 1954—157,866; 1955—164,426; 1956—173,822; 1957—182,657; 1958—190,524.

Present lack of national cemeteries stems partly from the manner in which they were originally established by a well-meaning Congress.

Determined to preserve from desecration the graves of soldiers who fell in battle during the Civil War, Congress authorized the Secretary of War in 1866 to secure suitable burial places in which to inter the dead properly. The following year the War Department was granted the right to purchase grounds for national cemeteries, to enclose them with substantial fences, to mark each grave and to appoint a superintendent at each cemetery.

With casualties having occurred for the most part in the South, the largest number of cemeteries was established in that section. Since the majority of them were opened during or shortly after the Civil War, it was impossible to envision the vast expansion of the United States, the shifting centers of population, or the accessibility of the sites which were being established. And, besides, it seemed unlikely then that fighting of any great magnitude would ever again compel the entrance of United States troops into action.

For many years Arlington National Cemetery in Virginia, where the Tomb of the Unknown Soldier of World War I is located, was believed by many to be the only Government-maintained land for veterans' burials. There was also a mistaken notion held by some that Arlington was given more extensive care than other national cemeteries. In recent years, however, with increasing veteran mortality, a growing number of families have found that there are other national cemeteries and that all of them are given the same careful attention by the War Department. Records show, too, that establishment of the new national cemeteries near large centers of population invariably results in the facilities being used to a progressively greater extent year after year by those for whom they were intended.

Today there are available grave sites for veterans in national cemeteries located in Alabama, Arkansas, California, the District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Nebraska, New Jersey, New Mexico, New York, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia. Those honorably discharged servicemen whose families live near these cemeteries, however, are in a minority compared to millions of veterans who do not live within a reasonable distance, or reside in States where there are no national cemeteries at all.

Forced to suffer along with a cemetery system created for the most part during the horse-and-buggy era, War Department officers today can offer slight solace to next-of-kin who may wonder why something isn't being done to remove inequities which are causing disappointment and sorrow. Thus far nobody holds out even a hope that something definite will be done in the near future.

Whatever excuses may be offered during coming months when relatives of veterans start asking questions about the lack of national cemetery facilities, it is unlikely the answers will lessen a growing suspicion that the dead soldiers and sailors of our world wars are fast becoming forgotten men.

Conditions in China

EXTENSION OF REMARKS

OF

HON. E. E. COX

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. COX. Mr. Speaker, I have here a speech which Dr. H. H. Kung, former Premier and Finance Minister of China, delivered on January 8, of this year to the Far East-America Council of Commerce and Industry. I think it would be of interest to my colleagues before we consider the problems which face us in China to hear some extracts of this speech. Dr. Kung is internationally recognized as the most experienced and able finance minister his country has had in her modern history.

In the opinion of many, it was in no small measure due to Dr. Kung's successful management of China's finances during the last war that his country was able to face alone the tremendous difficulties which confronted her before the United States became her ally. The dangers which faced China then appears to many to have been even greater than the difficulties she faces today.

Dr. Kung in this speech said:

Mr. Chairman, ladies, and gentlemen, I feel greatly honored to be asked to meet with you this afternoon, and certainly it is a great pleasure to see so many familiar and friendly faces. I am afraid I do not deserve all the kind remarks made by our chairman. Anything I have done for China in my capacity as a servant to my country and any good will which I have tried to promote between the United States and China, I have considered as a privilege, and I am sure that many who are here have contributed as much, and perhaps more, both to their beloved countries as well as to the world.

As many of you know, we Chinese are a modest people. When you ask a Chinese about his home, he is likely to speak about his hovel; if you say that his wife is a beautiful lady, he is likely to say that she is an old hag. So when he speaks of his country, he deprecates—every country is more wonderful; every nation knows better; the statesmen and politicians of all countries are comparably pure and noble—they sprout angels' wings—they move about in a halo of glory; but of his own statesmen and politicians he speaks of them as if they were a useless lot.

I should like on this occasion to change the tune. I shall forget that I was born in China and shall only remember that I was educated in America, which I consider as my second home. As such, since we are good friends, let me tell you that there is much to say for China's heroism and fortitude against greater odds and over a more prolonged period than any country has faced in many generations.

Three years ago, when I was in the United States, I had the pleasure of addressing a similar gathering on the subject of postwar cooperation in the development of China. * * * It was then my hope—as it is now—that it should be possible for American capital to come and help us develop our country. It has always been my conviction that foreign investors should be given their just share of profits with sufficient security for them in any undertaking which they may have in China. A question was raised during the war in this country as to whether one preferred butter or bullets. Obviously, you could not have both, so you rationed butter until it almost disappeared from the market, but you made enough bullets to save the world from the forces of evil. Often in history a country has been faced by just such a sharp choice.

When in 1927 the Chinese National Government was established in Nanking under President Chiang Kai-shek, we were full of enthusiasm for our plans for the reconstruction of China. We were going to eliminate the Tuchun system, abolish civil war, modernize our civil and criminal codes, extend our educational system, build railroads, improve highways, airlines, we hoped that with the abolition of extraterritoriality, the establishment of excellent courts, the training of our judiciary and competent civil servants, trade and commerce would be expanded and vital industries would come into existence. As we hoped that the corruptions that had become a habit and a tradition under the Manchus and the Tuchuns would be corrected.

That was in 1927. Since then we have been engaged in constant war. We were attacked by the remaining Tuchuns. We faced the shifty politics of warlords who, while pretending to have reformed, played havoc with national interests. We faced the constant sabotage of national interest by the Chinese Communists. We faced the Communist armies. We faced the threat from Japan. From September 18, 1931, until VJ-day we faced the Japanese forces. They attacked us in Manchuria, in north central China, and everywhere. They concentrated their formidable forces against us until Pearl Harbor. We stood against all this completely alone from September 18, 1931, until December 7, 1941.

Whatever strength in manpower, in wealth, in resources, and in spiritual fortitude China has possessed has gone into this struggle to keep China free, to safeguard China from conquest by a foreign foe and from the Chinese agents of a foreign power. Luckily we have had a strong and great leader during our great trials. Under the leadership of Generalissimo Chiang Kai-shek we stood firmly and unremittingly against our enemies, despite the fact that on more than one occasion very attractive peace offers were made to China by the Japanese in order to withdraw their forces from the Chinese theater to concentrate them against your and other countries.

Under these circumstances we could do little more than utilize our strength in the national defense. Our glorious plans for reconstruction have remained plans. Our wonderful ambitions have remained ambitions. Our hopes remain hopes. But we still stand an independent unconquered people. We also chose bullets instead of butter—we were willing to accept no other choice. We still must keep that program of reform and reconstruction before us. I, for one, deeply believe in Dr. Sun's principles of people's livelihood, and am intensely interested in economic reforms within the country and promotion of international trade without. To achieve this, I personally believe the following are urgent things that should be done:

As soon as possible, a currency reorganization should be instituted. This new currency must have full convertibility; it should be backed with sufficient reserve so as to insure complete confidence. Effective measures should be undertaken to increase the national production of all consumer goods and to meet the necessary needs of the common people, seeing to it at the same time that waste is eliminated as much as possible. We must combat the flight of capital and the unnecessary use of foreign resources. The unfavorable balance of trade should be countered by energetic and well-planned measures to encourage exports. At the same time, every effort must be made to develop and modernize our rural economy for the welfare of the farmers. Further methods should be devised to strengthen the national economy when the currency is being stabilized. This will again call for the balancing of the national budget, which had actually been achieved before our war with Japan. The honoring of Government loans and balancing of international payments, together with a reorganization of the system of taxation to insure a fair and equal distribution of the national burden, should be accomplished. The actual carrying out of the plans for the development and improvement of the existing communication systems to facilitate the revival of normal business and trade should be undertaken. At the same time, foreign capital should be encouraged and protected to participate in the general development of the natural and potential resources of China.

Against the background of inviting foreign capital to China, in my opinion, exists the enviable record of the National Government in regard to meeting payments on service of debts that they themselves incurred. For example, every loan made by the United States Government to my country was serviced by us, and even in our most dark days the payments were made as they fell due and although our exchequer might have been low.

Parenthetically, I might remark that every disbursement of every one of these loans to which I refer was checked and accounted for by my Government to the loan-controlling agency, whether it be the Export-Import Bank, the Reconstruction Finance Corporation, or the Federal Reserve Bank here in New York.

In the present stage of world affairs, we realize that more emphasis is placed upon Europe than China. I must note here that I speak as a private person not delegated to discuss policy, but think that most Chinese will agree that we neither judge nor criticize your foreign policy nor its geographical emphasis. I only want to state realistically that we too are fighting the same menace which threatens the democracy and peace of the world, but our resources are being exhausted and that if unaided, we may suffer even greater reverses. We can no more stand alone than Great Britain or France could stand alone in their fearful days, or than Italy or Greece or Turkey can stand alone today.

Gentlemen, your country has formulated a very unselfish and comprehensive plan for the recovery of Europe which is necessary to prevent the spread of tyranny through that Continent. American policy toward China has still to decide whether timely and sufficient aid should be given to close the door to communism in that area to conform with her policy of containing that menace in Europe. It must not be forgotten that China's position geographically is believed by many to be more important than Europe for the strategical defense of this American stronghold, the heart of freedom. * * *

Because of devastation from without and within, we have no industries now to support the needs of the present civil war. Our industries such as exist on a minor scale are not the type that can supply our American trained and equipped armies. We, therefore, need American arms and munitions, airplanes and spare parts. If we do not get the help, we shall continue to fight for unification and liberty. Chinese do not fear failure. Dr. Sun failed many times before he succeeded. We shall not fail his memory.

But, with help, we can accomplish so much more and so much faster; we can put out the fire before it becomes a holocaust; we can more quickly alleviate the suffering of our masses and the threat of suffering to others in foreign lands.

* * * * *

From their manifesto, you know that the Chinese Communists can never be your allies or your friends. They are the far eastern phase of the iron curtain. When that curtain is lifted, the National Government shall, as always, be your friend; those behind the curtain can only be your enemies. If it were that the Chinese Communists merely wanted political rights, no one could argue with their claim to political freedom unto itself, but armed insurrection which aspires to regional political autonomy that impairs the integrity of the state in a military, economic, and social sense, must be resisted.

Friends, I believe you understand why I speak so candidly. I do not for a moment question the good will of your Government and your people. Your distinguished President and your wise and industrious Secretary of State are burdened with heavy problems, particularly as every country turns to the United States for aid which obviously is becoming wearying to a people, who have already done so much. I speak so candidly because since my youth at Oberlin and Yale, I have had such close ties with you that I feel at home among you, as one of you. I speak to you with such frankness because the air of America has fed my spirit, and my affection for this country has been less only than my affection for my own.

* * * * *

Gentlemen, remembering world history, you need no reminder that we are not the first nation against whom false charges have been made and our leaders castigated. I know we have shortcomings as well as our virtues, but we also know that much of the recent propaganda has been malicious and mere fabrications, and much built up from the proverbial molehill into a mountain. These charges and many others, my friends, were made against all nations and were even laid at the door of these United States in the dark days of Valley Forge and the threatening days of your own Civil War. They were also made against such great leaders and Presidential administrations as Washington, Jefferson, Lincoln, and many others. Every country has faced its tragic days. Every country has known its black hours, when every hope seemed lost. But, like you, our country in days of national tribulation still stands before the world a free people—battered, yes—hurt, yes—but fighting free.

Conditions in Palestine

EXTENSION OF REMARKS
OF
HON. FRANKLIN J. MALONEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. MALONEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me before the National Conference of American Zionist Emergency Council, Washington, D. C., February 15, 1948:

In the bosom of every true American beats a heart filled with love and loyalty for our great country, and this is true whether the American be Jew or Gentile, Protestant or Catholic, white or colored, Republican or Democrat. Right or wrong, either in internal or foreign policy, though our country may be, this war affection never diminishes. If she be wrong, then it is our right—nay, it is our duty—to exert every effort within our means to right that wrong; and if we hold public office, the means to right the wrong is enhanced and the duty proportionately greater.

Conscious of a wrong in the Palestinian situation, and likewise conscious of our duty, 30 Republican Members of the House of Representatives, including myself, within the last few days addressed a petition to Secretary of State Marshall. We requested information as to whether or not Great Britain was, directly or indirectly, shipping arms to the Arabs to be used against the Jews in Palestine; and if Great Britain was condoning such action in others, and what position was the United States going to take.

Under our Constitution, the executive branch, headed by the President, primarily is responsible for foreign policy. We in the House of Representatives have practically no authority in such affairs except in matters of appropriation, but we do have the authority to direct such a petition to the Secretary of State. This we could do. This we did do.

Further than this we can speak before the people and help to direct public opinion along the proper channel. With this purpose in mind I am addressing you tonight.

I need not dwell lengthily upon the history of the struggle of the Jews in Palestine, as you only too well are aware of these facts. What is happening there today is that a small, willful group of self-appointed, rather than democratically elected Arab leaders, has incited a number of their countrymen to deeds of horrible violence in an attempt to defy the recognized decision of the United Nations. To begin with, this violence was on a small scale and tentative in character. If the British authorities, which so proudly declared that they and they alone were going to maintain order and did not wish anyone to interfere with them, had taken the most elementary police precautions, these misdeeds would have remained a minor incident. But the British Government has chosen to assume an attitude of benevolent neutrality toward the rioters, thus encouraging them to ever greater misdeeds and thus persuading others, who have so far been peaceful, to join their ranks.

Essentially, therefore, the responsibility for what is going on in Palestine at the present time rests with Great Britain.

A second consequence of the British attitude is that the neighboring Arab states of Palestine were encouraged thereby to lend active support to the Arab rioters in the country. Their territories are now openly

used as bases for operations against Palestine; men are being trained and armed in those neighboring states for the fight in Palestine; soldiers and officers of their armies are being encouraged to take leave with pay to join the Arab rioters in Palestine along the well-known model of the German and Italian "volunteers" in Spain; arms from government stores and money from governmental treasuries are being given to those rioters; and several invasions of armed groups into Palestine have taken place from Syria, the Lebanon, and Transjordan. In two cases those invaders engaged in battles with the Jews as soon as they crossed the frontiers, and upon being repelled, withdrew with their arms into Syria and the Lebanon, there to prepare for their next act of aggression.

This is no longer disorder or a civil war within a country. This is international aggression. This is the very state of affairs to prevent which the United Nations has been created. But to this very day the United Nations has done nothing in order to call those states on the carpet. As for the British Government, it tolerates this state of affairs and it is believed even continues to supply those aggressor governments with armaments.

But there is no point in we citizens of the United States protesting either against the sins of commission of the Government of Great Britain or against the sins of omission of the United Nations. We must look to our own Government to do the right thing and not to tolerate the wrong thing. It is up to the American Government to take whatever steps are necessary in order to recall the British Government to the sense of its obligations and to the elementary decencies involved. Specifically it is up to the American Government to take up the matter in the United Nations, of which we are so leading and so active a member. It is up to the American Government to do everything in its own power to bring about the speedy implementation of the United Nations decision, and neither to do nor to tolerate anything that would run counter to the verdict of the United Nations.

This is the crux of the situation where we, citizens of the United States, are concerned. Unfortunately, the position assumed by our Government in many ways has been as shameful as, and in other ways more shameful than, that assumed by others. The British never supported the partition plan adopted by the United Nations. They were markedly cool to it from the start and made no secret of their dislike for it. The Arab Governments openly spoke against it. But our Government supported partition as the fairest compromise between the Jews and the Arabs, each of whom claimed Palestine as their own.

Having thus actively supported the plan, and having greatly contributed to its adoption by the United Nations, our Government has assumed in the last 2 months a most reprehensible attitude of coolness toward it; an attitude of straddling the issue. Nothing has been done by President Truman and his subordinate officials to smooth the way for the carrying out of the decision. But a lot has been done, mainly under cover, to put new obstacles in its way.

We might have signified to the Arab States our displeasure at their acts of aggression. We have not done so.

We might have used our friendly relations with Great Britain, with whose government we are so closely linked, to represent to it the need to conform with the United Nation's recommendations, to allow an increase of Jewish immigration into Palestine, to open the port of Tel-Aviv for the influx of immigrants, arms and civilian supplies. We have not done so.

We might have put the question of acts of aggression, now brazenly perpetrated in Palestine, before the Security Council of the United Nations, as we have put the questions on Greece, Iran, Korea, and other countries before the United Nations. We have not done so.

We might have relied on the long American tradition in permitting individual American citizens, who voluntarily feel like joining the fight for just causes, go abroad without hindrance and accompanied by the best hopes and wishes of the American people, as we had done in the cases of those who had gone from this country to help defend England, France, and Finland and many free countries in their hour of stress. We have not done so.

While thus carefully refraining from doing anything that might help transform the United Nation's decision into reality, Mr. Truman and his subordinate officials have done plenty in the other direction.

An embargo has been clamped on arms to the Middle East. No difference has been made between arms for the attackers and arms for the defenders; between arms for those who seek to defy the United Nations and arms for those who defend its verdict. Since the Arab rioters are kept fully supplied by the Arab Governments and it is believed—indirectly—by Great Britain, this means in practice that the embargo has been instituted in order to make it impossible for the Jews of Palestine to defend their lives and the newly proclaimed Jewish state.

Pressure has been exercised in respect to Jewish immigration. But this pressure was not applied to the British in an effort to get them to admit more Jews to Palestine. This pressure was applied to the Jews in an effort to get them to stop further immigration for the time being, thus nullifying the essential stand taken by our own Government for the last 3 years, according to which the immediate admission of large numbers of Jewish immigrants into Palestine was the most urgent of all tasks relating to that country.

Steps have been taken by our present administration to recall the passports of Americans fighting alongside the forces of law and order in Palestine. Press announcements have been issued by this administration and unfriendly comments have been inspired by officials of this administration, seeking to place these Jewish volunteers in a bad light before the public. Our country was founded by volunteers from abroad who helped defend a just cause. Lafayette and Kosciusko are names of honor in the history of America. From time to time, freedom-loving Americans returned the compliment and helped to fight for liberty and justice, even in those cases where our country was formally neutral. But disregarding these precedents, the administration has now chosen to take punitive measures in order to discourage those of us who are young enough and indignant enough to want to help a small people which fights alone for a cause sanctioned by the United Nations of the world.

A lot of arguments are being used to justify this attitude of the administration. Some of these arguments find their way into the newspapers, others are bandied around by word of mouth. It is alleged that the United States of America cannot afford to back its own policy and the United Nations policy; cannot afford to back it because of the international situation. What does that mean? We can rightly afford to stand up to Russia, the second greatest and strongest nation in the world, when we believe that justice demands it. And here it is said that we cannot afford to stand up to a few ambitious rulers and arrogant demagogs in the Middle East.

It is said that we dare not support the Palestine partition plan because Russia supports it. How do you like this way of double talk? As long as Russia's stand was undecided, we were told we could not support the Jews in Palestine because Russia would come out against them. Now that Russia has come out for them, we are told that we cannot support them because Russia has come out for them. Heads I win, tails you lose.

I do not believe that the present stand of the administration is necessary in the national interest, however narrowly you constr ' that national interest. But I do believe that the present attitude of the administration is very much contrary to American national interest if you look at this national interest from a broader and higher point of view. I think the principal national interest of America is to assure respect for the United Nations, to show continuity and determination in backing that which is right, and to safeguard the reputation of America for integrity and honesty.

I feel that the present attitude of the administration is not calculated to advance any of these three objectives and I, therefore, oppose it.

I am not a member of the Democratic Party nor do I have its confidence regarding the internal relations within the administration. I do not know, therefore, neither do I wish to know, to what extent the present attitude is due to Mr. Henderson, to Mr. Lovett, to Mr. Forrestal, to Mr. Marshall, to Admiral Leahy, or to President Truman. Our Constitution does not make any such fine distinctions. Nor are the citizens of the United States called once every 2 or 4 years to make such fine distinctions. The executive branch of the American Government is one whole. It is headed by the President who instructs the members of his Cabinet, and who, in turn, issue directives to their subordinate officials. All I can do, all we can do, is to address our protest to the executive branch of our Government as a whole and, if necessary, to carry our protest, against this Executive policy, to the American people as a whole.

In this sense I join with you in this expression of indignant protest against the attitude assumed by the American Government on the question of Palestine and in the insistent demand that our Government should immediately take the only stand consistent with its dignity and integrity.

CAB Denies Delta Air Lines Application

EXTENSION OF REMARKS

OF

HON. A. LEONARD ALLEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. ALLEN of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein the following editorial which appeared in the Shreveport Times, Shreveport, La., on February 8, 1948, entitled "CAB Decision Ignores Needs of Big Mid-South Travel Area":

CAB DECISION IGNORES NEEDS OF BIG MID-SOUTH TRAVEL AREA

The decision of the Civil Aeronautics Board denying the application of Delta Air Lines for a new New Orleans-Washington-New York route that automatically would give one-carrier service to and from those cities for Shreveport and a huge mid-South travel area surrounding it is a shocking set-back to prospects for future air transport and economic development in this entire area.

The decision is shocking enough in its total disregard of the needs of the largest area in the United States, geographically and in population, not having one carrier service to and from the present-day world political capital, Washington, and the present-day world economic capital, New York—our local

area. But, the decision is even more shocking in that its very wording reeks with crass sectional favoritism. It favors the Great Lakes-Midwest area with new air transport service while ignoring even greater needs of the big southwestern and mid-South area radiating from Shreveport. It favors air lines having eastern and northern financial backing, even though one of them—Pennsylvania-Central Airlines—is so wobbly that the banks are pressing it on loans, over an airline southern-backed and operated and sound in every way—Delta Air Lines.

The Times stated editorially on last December 23 that the CAB was giving our local area a brush-off through having delayed for 9 months a decision in this case, after its own examiner had recommended back in March 1947, that Delta be given the extensions that would establish the new New Orleans-New York route, and give this area its first one-carrier service to those cities. That brush-off, through delay, was bad enough, but if this decision stands we may find ourselves brushed completely off the national air map so far as major service to key eastern points of the Nation is concerned. And it begins to look as if that is exactly CAB's intention.

The Times casts no reflection on the individual integrity of any member of the CAB. We stated editorially not long ago that we had confidence in their integrity. But we very definitely now do question their judgment, and we even further question their self-stated reasons—in the decision—on which they formed their judgment.

The Fall in Prices

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I am inserting the following article by Gould Lincoln which appeared in the Washington Evening Star of February 12, 1948:

TRUMAN WRONG AGAIN, FALL IN PRICES SHOWS—DROP MAY ELIMINATE ELECTION ISSUE—DEMOCRATS AT A LOSS

(By Gould Lincoln)

A week ago President Truman insisted he still wanted price-control legislation; that it was needed to check a drastic inflation which might run riot. He spoke at a press conference a day after the first break in the commodity markets. Succeeding days have shoved prices lower and lower, until the consumer is now paying less for his pork, his flour, his butter, and other necessary items. Unless there should be a tremendous reversal of form, prices will continue to fall.

The politics of the situation is obvious. Price control and rationing legislation is dead as a door nail. If prices of commodities continue to fall, high prices will not be an issue in the coming campaign. Demands for another widespread increase in wages either will not materialize or will fail.

What will all this do to Mr. Truman, seeking reelection? He will have been proved wrong again—as he was when he demanded $2,000,000,000 from Congress immediately after the war ended to offset an expected tremendous unemployment. The unemployment never materialized. He will have been wrong again as he was when he took a position that wages could be increased without increasing prices—a position into which he may have been drawn by his then Secretary of Commerce, Henry A. Wallace.

CRASH NOT YET IN SIGHT

Production—always the answer to high prices—has begun to catch up with demand. Crop reports in this country and around the world have indicated there will be ample supplies of grain—possibly a surplus. And gradually the production of manufactured goods is coming in sight of the supply necessary to meet all demands. There is no crash yet in sight—for the demand is still high, employment is full. But there is opportunity for a leveling-off process, with reasonable prices and the threat of inflation out of the window.

Now that prices are falling, screams are coming naturally from those who benefited by high prices—and from those who made money trading in commodities and stocks. To the great mass of Americans, however, a reduction in prices is a boon. That they are not beholden to Mr. Truman for a cut in their cost of living is something that will sink in.

Republicans generally view the price recession as favorable to their cause. However, there are those, particularly from the farm States of the West, who may be expected to join a clamor for Government support of commodity prices—despite the fact that producers, handlers and traders in these commodities have been making inordinate returns during the last 2 years. That, too, is politics.

MAY NEED OTHER ISSUE

The attitude of the Democrats toward the price reductions is still to be developed. They have been calling for price controls and price reductions for so long they seem at a loss for the moment. Secretary Anderson of the Department of Agriculture has been charged by Senator TAFT with seeking to bolster the falling grain market by offering to buy grain for the Government. This Mr. Anderson has flatly denied. But any huge purchases now by the Government, which might be calculated to halt the price drop, will be looked upon with suspicion. Obviously the administration cannot have t both ways—and if high prices was the issue upon which it hoped to win next fall's election—as charged by Republicans—it must find some other issue.

Already the Democrats have begun to say that the Republican tax reduction bill must not be put through—since prices are falling. They take the ground that with falling prices, revenue returns of the Government will diminish greatly, and that the present tax rates must be maintained, or there may be a deficit next year. That is not necessarily so. If Government expenditures can be curtailed by billions of dollars, the tax returns, if production and employment keep up, should be ample to permit of a reduction in the income tax—the same income tax, practically, that the people paid during the war.

Mikolajczyk Tells How Stalin Crushed the Real Polish Government and Set Up His Pattern for Puppet States in Warsaw—America and England Stood By—Some American Leaders and Newspapers Aided Stalin's Bloody Plan

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, herewith are two additional installments of Mikolajczyk's story as contained in the Milwaukee Sentinel. Sad indeed is the story of Poland sacrificed on the altar of opportunism.

Well do I remember the sickening spectacle of certain leaders and newspapers in our own country that sided with Stalin in setting up the Lublin government in Poland, leaders and newspapers that thereby collaborated with the bloody plan of the Soviet leader to permit the extermination of the heroic Polish underground army of Warsaw while the Red army paused outside the city, American leaders and newspapers that ridiculed the London Polish Government in exile and favored the Communist Lublin clique. Those American leaders and newspapers not only aided and abetted the betrayal of the Polish people in the imposition upon them of the police state, but they actually aided and abetted Stalin in setting up the northern anchor of his iron curtain. Those American leaders and newspapers who were so ready to sacrifice principle then should have no great standing in the forum of American public opinion today. For while they could be moralistic, their eyes were blinded to moral principle. They could strain the gnat and swallow the camel. If they aided Stalin through ignorance, then their name is still ignorance. If they aided Stalin with knowledge of their acts, then their name is Pharisee or possibly even worse is the charge against them: treason to the principles of western civilization.

The articles from the Milwaukee Sentinel follow:

SOVIETS STOOD ASIDE AT WARSAW AS NAZIS ANNIHILATED POLES—STALIN ALSO ACTED TO HALT BRITISH AND UNITED STATES AID

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment XIV)

Stalin turned down Roosevelt's request that I be permitted to confer with the Red leader in Moscow, in the summer of 1944, but consented to see me after Churchill had presented the same request in somewhat stronger language.

I was prime minister of a country whose fight against the Germans, at overwhelming odds, had aroused the sympathy and admiration of the civilized world.

And, as such, I was going to Moscow to plead for support from a great ally who could help our cause—especially that of the embattled underground—with a minimum of effort.

The Red army has been doing an unbelievable thing as it advanced across Poland behind the retreating German Army. From London I had instructed our underground leaders throughout Poland to rise up and fight the Germans—our plan carried the code word "Tempest"—whenever the Red army appeared at the edges of a Polish city.

In accordance with this plan, the Polish underground had aided in the liberation of hundreds of towns and inhabited places, and in some places the delighted Red army commanders gratefully pinned medals on the chests of our heroes for their splendid valor and cooperation.

But then these very men, these Poles who had rendered such great aid to the advancing Red Army, were suddenly disarmed, arrested for "sabotage" and, in many cases, shipped into Russia at gun point.

Now, as I flew toward Moscow in the hope of appealing to Stalin's humanity, if he possessed such emotions, the Red army fought its way to the suburbs of Warsaw.

The nucleus of our extensive Polish underground was centered in Warsaw. There we had maintained the underground section of our parliament, the courts of justice which meted out positive punishment to German commanders for their hideous atrocities, our schools, welfare services, central communications departments, and other units, including 40,000 crack troops under the command of General Bor-Komorowski.

In the case of each uprising of Polish underground forces, as the Russians approached, I had left the final decision to those who were closest to the situation. In the case of Warsaw, which was to be the biggest of all the home army's operations, the invocation of Tempest rested with General Bor-Komorowski, Deputy Prime Minister Jankowski, and Speaker of the Underground Parliament Puzak.

Unknown to me, as I traveled from London to north Africa on the first leg of my journey to meet Stalin, the Warsaw underground, on July 29, 1944, had received the following radio message from the Moscow radio station which was called Kosciusko—used in Russian broadcasts to Poland:

"Poles, the time of liberation is at hand. Poles, to arms. Make every Polish home a stronghold in the fight against the invader. There is not a moment to lose."

RUSSIAN GUNS NEAR

The guns of the Red army could be heard in the center of the capital. Russian planes fought the Luftwaffe overhead. Red army tanks rumbled on the environs of Praga, the industrial suburb of Warsaw.

So, on August 1 at 5 p. m., the Warsaw home army came into the open against a sadistic foe that had butchered close to 6,000,000 of our people. It rose, 40,000 strong, to fight the heavily entrenched Germans and facilitate the entry of the Red army into the capital.

What followed remains one of the blacker marks on the record of Communist Russia. The Red army, acting on orders from Stalin, did not enter Warsaw until many months later.

General Bor-Komorowski's men and women, with ammunition and food enough for only 7 days, fought 63 days to utter annihilation—while countless divisions of the Red army remained in the suburbs.

And Stalin, beyond refusing to help, brought great pressure to bear on the British and Americans to refrain from attempting to help us.

IGNORANT OF PLOT

But as I traveled toward Moscow I knew nothing of the beginning of this fantastic doublecross, aimed at exterminating the remaining cream of Polish manhood so as to make easier the eventual reduction of Poland to a Russian police state.

My principal concern, after I reached Cairo on the way to the Kremlin, was the disquieting news there that Stalin had effected an agreement with the Polish stooges who called themselves the Polish Committee of Liberation, soon to become the Lublin government, and now recognized by all the United Nations.

My position was thus weakened, and for a time I considered giving up the thought of continuing on into Russia.

But at Tehran there were messages for me from Roosevelt and Churchill—copies of wires sent to Stalin imploring him to receive me and beseeching a change of his attitude toward Poland.

COLD RECEPTION

We arrived at Moscow on July 31. The reception was bleak. Pravda made no mention of our arrival, though it was rapturous over the impending arrival of a member of the Danish underground and news about the exchange of ambassadors between the U. S. S. R. and the Polish Committee of National Liberation.

I saw Molotov on July 31 at his office in the Kremlin.

"Why did you come here? What have you got to say?" he asked frigidly. I replied:

"I came here to see Stalin, and I ask your aid in helping me to get to him. I want to discuss with him the problems of our common fight against the Germans and the possibility of collaboration between the Red army and our underground.

"We can provide a wealth of information that will be of help to your forces. Beyond that pressing question, I'd like to talk to Stalin about Soviet-Polish relations."

MOLOTOV UNIMPRESSED

Molotov did not seem impressed. "We'll take Warsaw on the 5th or 6th of August," he said. "As for Stalin, he's very busy with military operations, but I'll try to make an appointment for you on the 2d or 3d of August."

Then he looked at me quite severely.

"But before you meet Stalin we want you to see the Poles from the Polish Committee of National Liberation."

I answered:

"I can see them, but that's an internal question concerning only Poles. I'm here as a representative of the Polish Government to see the Prime Minister of Soviet Russia."

That ended the meeting. I returned to the house that had been assigned to us in Moscow and underwent a nerve-wracking 2 days. I learned on August 1 that the Warsaw underground had risen and, through British Ambassador to Moscow Clark-Kerr, I received the first of a series of desperate messages appealing for aid in the terribly unequal fight.

On August 3, in the afternoon, I was informed Stalin would see me at 9:30 that night.

The man who wins "elections" by a 100-percent vote is nonetheless the most heavily guarded individual on earth today.

SCANNED CAREFULLY

On the night I saw him the first time, to plead the case of a depleted and desperate ally who was being treated more shabbily than such former enemies as Italy, my papers were carefully examined at the main gate of the Kremlin, NKVD men led me through the yard to the door of a certain building in the enclosure, more NKVD men took me to a waiting room, still more NKVD men scrutinized me for 5 minutes while I stood in that room, and finally I was admitted to the Red leader's large study.

With me were Professor Grabski, veteran speaker of the Polish Parliament-in-exile, and Polish Foreign Minister Romer.

Stalin was standing near a conference table that reached along the wall. With him was his translator Pavlov. Stalin wore his marshal's uniform, adorned by a single decoration.

On the wall above him, curiously enough, were big oil paintings of two old Czarist generals, Kutuzov and Suvorov. Relegated to an obscure spot near the door was a small photograph of Lenin.

"Won't you sit down?" Stalin asked.

He took a place near the end of the conference table, his back against the wall. I sat opposite him, with Pavlov in between. Stalin lighted a cigarette, exhaled the smoke, and made a gesture for me to sit.

(Installment XV)

Stalin looked across his conference table at me, on the night of August 3, 1944, while the Warsaw underground army was fighting for its life, and asked me why I wished to see him.

A few days earlier he had given an order to the Red Army to stop on the edges of Warsaw while the Polish home army, enticed by the Moscow radio to come out of hiding and fight the Germans, was cold bloodedly exterminated.

Simultaneously, Stalin had signed an "agreement" with a group of Communist-trained Poles who called themselves the Committee of the Liberation.

"I'm glad to be here in Moscow on the anniversary of the Stalin-Sikorski agreement of 1941," I began, reminding him of a pact of friendship and aid which he had broken with characteristic callousness whenever it served Russia's purposes.

"It is also nice to be here at a time when the Soviet Armies are defeating the Germans on Polish soil," I continued. "I'd like to discuss the Polish-Soviet relations, the collaboration to finish the fight against Germany, and I'd like to discuss the question of the future administration of Poland.

"But, above all, because the fight within Warsaw has started, I want to appeal to you to bring immediate help to our men in their pitifully unequal battles with the Germans."

Stalin looked back at me and answered:

"But you are not taking into consideration the agreement which has been reached between the Soviet Union and the Lublin Committee."

It was the last time I was to hear him use the word "committee" in connection with the Polish stooges who had been so carefully assembled to extend the influence of the Kremlin into Poland. Thereafter, Stalin referred to them as "the Polish Government," though, of course, I was the Prime Minister of the actual Polish Government, and so recognized by all the countries of the world except Russia.

"You are speaking of something that has been done since I left London for Moscow, as you know," I said.

Stalin went on:

"The trouble with the Polish underground army is that it does not want to fight the Germans."

"You've been misinformed," I almost shouted. "Our home army began fighting Germans in 1939 and has never stopped fighting them."

"TOO EARLY" FOR AID

I reminded him of Sikorski's efforts in 1942–43 to enlist his aid for that fighting, and of Stalin's reply that, while he was "sorry to see Polish blood shed," it was too early to give help to our fighters in the homeland.

I reminded him, also, that there was a clear-cut record of our years of sabotaging German troops and supply trains moving across Poland to the Russian front.

"Ah, yes, but what an army!" Stalin snorted. "It has neither tanks nor artillery."

CAN'T TRUST POLES

"But that's one of the reasons I'm here to see you," I said. "Can you supply our men with tanks and artillery? Your forces are in the very suburbs of Warsaw, and are near home army units in many other sections of Poland."

"I cannot trust the Poles," Stalin answered. "They suspect me of wanting to occupy Poland again. They're making a lot of trouble for me."

I asked him to name one example. Just one.

"Well," he pondered, "there was the case of the commandant of your home army forces in the Chelm area. As we neared that region, he mobilized all able-bodied men from 16 to 65 and joined in the fight."

I asked him what was wrong with that.

"He should not have done this," Stalin replied steadily. "We needed those men for the harvest. So I had to order the arrest of that commandant."

DIFFERENT PEOPLE

Startled at his reasoning, I launched into a defense of the patriotism and cooperation of the Polish people—in face of extreme hardships and danger—but he cut me short this time.

"The Poles are a different people today than when you left there in 1939," he said.

And he moved the talk along the touchy question of our frontiers.

"You must realize this," he said, "that nothing can be done for Poland or you if you do not recognize the Curzon line."

"For the loss of eastern Poland," Stalin continued, "you'll get the Oder line in the west, including Wroclaw, Stettin, and East Prussia. Koenigsberg (promised to Poland in Mikolajczyk's talks with Roosevelt) will remain with the Soviet Union, as will the area around it."

VIOLATES CHARTER

I protested that this was a violation of the Atlantic Charter and the several Polish-Soviet pacts, and after hearing me out Stalin shrugged and said:

"Maybe we can make some changes in the Curzon line that will be to the benefit of Poland. But first you've got to reach an agreement with the Lublin Poles. Hereafter I intend to deal with only one Polish Government, not two."

Then he reminisced about Warsaw, especially the picturesque old part of the capital, and said that the Germans were defending it more savagely than he had expected. There would be a small delay in capturing the city, Stalin said.

"I'm eager to help your home army there," he went on. "But how can I? I don't know how to communicate with your commanders. I'd like to drop two of my communications officers in there, to send me word about the situation."

I offered him every assistance and urged him to do this.

FRUITLESS MEETING

Above all, I felt as he talked, that he was determined that Polish resistance, as exemplified by the Polish underground then fighting the Germans in the streets of Warsaw, must perish. The Red army, and the Red army alone, would be the "liberators of Warsaw."

I met with the Lubin Poles, in the fruitless hope of appealing to whatever Polish blood was left in their veins and getting their support for the home army and the future democracy of our native land.

They were a motley bunch, but Molotov met them at the airport with a great show of ceremony. Pravda, which had not once mentioned our presence in Moscow, ran long articles in praise of them.

They were Osobka-Morawski, a former co-op clerk who had been set up as head of the new Communist-controlled Polish "Socialist" Party; Wanda Wasilewska, a Polish Communist who, after the 1939 invasion of Poland by Hitler and Stalin, wrote that Poland "would never rise again"; Andrze Witos, a distant relative of the venerable head of the Polish Peasant Party and a frightened little man since his release from a Soviet death house, and Gen. Michal Zymierski, who had been dishonorably discharged from the Polish Army before the war for accepting a bribe.

PLEADS FOR HELP

"I spoke to Stalin the other night, and he expressed a willingness to help our forces in Warsaw," I said. Turning to Zymierski, I added, "As commander in chief of the Kosciuszko Divisions, you have good contacts with Red army headquarters, and now it's your duty—as a Pole—to bring help as quickly as possible. Our men are in desperate straits."

Zymierski started to reply, but Wanda Wasielewska, a stern, horse-faced, sex-starved fanatic, silenced him.

"There is no fighting in Warsaw," she said, looking at me through narrowed eyes.

Anti-Semitism in Russia

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the New York Times of February 15, 1948:

ANTI-SEMITISM SEEN MOUNTING IN RUSSIA—INTENSITY OF FEELING DECLARED SURPRISING IN LAND BOASTING OF LACK OF PREJUDICE—ARMY POWER QUESTIONED—FORCE IN 1948 IS DESCRIBED AS FINEST IN THE WORLD FOR WAR BASED ON 1945 TECHNIQUES

(By Drew Middleton)

(Mr. Middleton left his post as correspondent in Moscow in May of 1947 for a vacation. Not having been able to obtain a reentry permit, he has been assigned to another post. This series on Russia has been written in London from notes he brought with him when he left Moscow.)

The extent and intensity of anti-semitism in the Soviet Union is surprising in a country that boasts of its lack of racial prejudice.

It is met in the streets and is evident in Government departments. It flourishes in Moscow but also in Odessa and Kiev. Reports on minor court cases reveal evidence of flourishing anti-semitism in the poorer quarters of the capital.

The Jews are blamed for shortages of bread or potatoes. In Kiev widespread discontent over the inadequacy of rations assumed an anti-semitic aspect.

One Russian never passes the pictures of members of the Political Bureau, which are displayed on national holidays, without muttering:

"Dirty Jew dogs, you killed my father."

Two former colonels of infantry have reason to know about anti-Semitism in the Soviet Union.

TRANSFER TO INFERIOR POSTS

These two colonels are Jews. Before the war they lived in the same town and worked in the same factory. When they were demobilized and returned to their jobs they learned they were to be transferred to inferior positions in distant parts of the Soviet Union.

Wearing the medals they had won fighting against the Germans, the two men journeyed to Moscow. After their protest had been heard, they received jobs similar to their old ones in towns not far distant from their old home. But the two friends were no longer to work in the same factory.

Still mystified, they invited their former factory manager out for a drink on their return home.

In his cups he said, "So you're moving. A good thing, too. You're good workmen, but we decided on the committee (the local Soviet) there were too many of you Jews in this town and in the factory. So we made a routine complaint."

Anti-Semitism is not an announced Government policy, as it was in Germany. But it is difficult to believe that such widespread anti-Semitism could exist in so closely controlled a police state if the Government did not give its tacit approval.

Announced or not, it appears to be Government policy to reduce the number of Jews in positions of influence in the Ministry of Foreign Affairs. Moreover, Jews are barred from joining the ministry even in the most subsidiary positions.

Jews cannot now enter the principal military academies in Moscow. Their number is restricted in the medical and law schools in the university at Kiev and in Moscow University.

Jews trace the start of the present antagonism to the treason trials 12 years ago. Leon Trotsky, they point out, was a Jew and so were many of his followers.

Like much else in the Soviet Union, the armed forces of the Socialist state present an imposing and awe-inspiring front.

The Soviet Army—the adjective "Red" has been abandoned—is formidable from the point of view of manpower, tanks, and guns. In 1948 it is probably the finest army in the world for the warfare of 1945.

Behind this front are certain important weaknesses. Some reflect the deficiencies of the Soviet economy as a whole. Some are the result of a mental hangover arising from a deep draught of victory laced with propaganda.

Despite nearly 2 years of preparation after the signing of the Russo-German pact of 1939 it was nearly eliminated in the first 2 months of the German invasion.

The German commanders, especially Field Marshal Gen. Karl von Rundstedt, consistently outthought their Soviet opponents. Many elements of the vast multinational Soviet army were unreliable in battle; notably, according to a Russian staff officer, the Armenians, Kazakhs and Uzbeks. Matériel, weapons, and ammunition were deficient in quantity and quality.

The Soviet state is one built by and defended by land power. Today the Russian Navy, its history one of startling defeats and dubious victories, is subsidiary to the ground forces.

Soviet air power is considerable. But it is subordinated to the needs of the ground forces. Construction of a long-range, heavy-bombardment force was opposed by the ground commanders, during and after the war, and, as in the Wehrmacht of National Socialist Germany, their views prevailed.

ATOM BOMB A FACTOR

The present emphasis on the atom bomb shows that a section at least of the political hierarchy understands the importance of nuclear fission in war. But according to articles in the military journals and magazines and the conversations that several highly placed foreigners, including two of the most successful of western generals, have had with Russian general officers, there is a strong belief that what was god enough for 1945, or even earlier, will be good enough for 19—.

The weaknesses of Russia's industrial economy today are also the weaknesses of the war machine. For today industrial strength is the prerequisite of not only victory but survival and the manufacture of decisive weapons demands a larger, better-trained, more-experienced industrial population than ever before.

For centuries Russia's main defense against invading armies has been her enormous size. Invading armies were swallowed in the vast expanse of Russian earth as, with supply lines extended, they pursued the retreating Russian forces. Today when war moves in the air such a defense is outmoded.

The Soviet Union, with a totalitarian system that can direct all national effort in peacetime to one objective, probably has now succeeded in manufacturing at least one atom bomb. Whether it has solved the other problems that have arisen from the new conditions of warfare is another question.

Can Soviet industry in its present straitened circumstances begin large-scale manufacture of atom bombs?

Will the army's general staff continue to resist "interference" by scientists and technicians in organization and planning for war?

Are there enough technicians, scientists, and "managers" to meet the new requirements of atomic armament and simultaneously fulfill plans for industrial expansion under the 5-year plan and the demands of the established armed forces?

PINNACLE OF POWER

Today the Russian Army has reached the pinnacle of power.

Well-advertised demobilization has been balanced in part by continuous conscription. It is undoubtedly the largest army in the world, with at least 2,000,000 troops in eastern Siberia, the Maritime Provinces, and Manchuria, and over 2,750,000 in western Russia, the periphery or satellite states and the trans-Caucasian and Karelo-Finnish Republics.

Equipment in the last war's weapons is excellent. Tanks, guns, and mortars are bigger, combat soldiers more heavily armed and the sheer mass of matériel more impressive than anywhere else in the world.

Command, again measured by 1945 standards, is good.

The navy, except for submarine construction, has remained static since the close of the war.

Since the removal from high position of most of the senior officers who advocated long-range bombardment in the western style, the Soviet Air Force has concentrated on the support of the ground forces.

The production of jet-propelled fighters has gone on since the end of the war. On May 1, 1947, not fewer than 100 of them flew over the Kremlin. From what the writer saw on airfields in Minsk, Kiev, Odessa, Zaporozhe, Stalino, and Rostov, as well as in Moscow, the Soviet Air Force is also well off in light and medium bombers.

The only four-engined bombers evident are those produced for major military demonstrations.

One is struck by two thoughts after seeing such parts of the Russian war machine as are exposed to foreigners. The first is that the United States and Great Britain contributed far more to the victory over Germany than one would expect even after an extensive tour of the fronts of western Europe.

The second is that the Russian Army has reached the apex of its power about 10 years too late and at a time when the vast masses of machinelike soldiery, the ponderous tanks, the tremendous guns are but minor equipment for war.

Increase of Pay for Postal Employees

EXTENSION OF REMARKS

OF

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. ROONEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Jerry Bakst, from PM for February 6, 1948:

POSTMEN RING FOR PAY RAISE

(By Jerry Bakst)

The Nation's 340,000 regular civil-service postal employees are asking Uncle Sam for a $1,000 a year salary increase to help them combat the soaring cost of living.

They are driving for passage of bills to grant them the raise now before Congress but the postmen fear that this year, as in the past, they will get much florid oratory and little or no cash.

The highest paid of these postal employees—railway-mail clerks—receive $3,300 a year, about $63.50 a week, after 10 years of regular experience. But their regular experience doesn't start until they have served time as substitutes at $1.14 an hour. Then they become permanent subs and get 5 cents an hour increases every year.

When vacancies occur and they are finally appointed as regular civil-service employees, their starting salary is $2,300 a year. They get $100 increases each year until they hit $3,300.

CARRIERS', CLERKS' TOP IS $3,100

They get another $100 the third year after they hit $3,300, another $100 in the eighth year, and still another $100 in the fifteenth year, so that the peak becomes $3,600 a year after at least a quarter of a century's work.

Income taxes, of course, are deducted, and so is 5 percent for pensions.

But the railway mail clerks, low as their pay is, are better off than other postal workers:

Letter carriers and post-office clerks get $2,100 to $3,100 a year.

Mail handlers who load and unload the mail pouches get $2,000 to $2,500. So do custodial employees such as guards, elevator operators and garagemen.

Special delivery messengers get $2,000 to $2,800.

NO RAISE IN 2 YEARS

The postal workers have been behind the economic eight-ball for a long time. From 192[illegible] to 1942, they got no pay increase of any kind. In 1942, they got a $300 cost-of-living bonus and in 1945, another $100 was added and the $400 boost was made permanent.

But the base entering salary scales remained the same.

Under the Reclassification Act passed in 1945 and effective in January 1946, classification inequities were ironed out, increments were given certain crafts for long-time service, and all base pay scales were raised $400.

Since then, with living costs zooming up, the men who handle your letters haven't had a raise.

Postal employees, whose legislative arm in the New York City area is the Joint Council of Affiliated Postal Employees, also point out that pension deductions have jumped from 2½ percent of salaries in 1920 to 3½ percent in 1936 and again to 5 percent in 1942.

There were no benefit improvements, the postal workers point out.

ASK 40 PERCENT RAISE FOR SUBSTITUTES

The Joint Council, composed of 23 A. F. of L. postal union locals representing some 18,000 workers in six crafts, is pressing, along with other postal-employee organizations, for passage of the Langer-Chavez bill, S. 1849, and the Dingell bill, H. R. 4704, which incorporate the pay raise they seek.

They are also asking 40-percent pay raises for substitutes who, before they reach permanent substitute status get 99 cents, $1.04, or $1.14 an hour, depending on the craft they're in. Substitutes don't always work a full workweek but are always on call, which hampers them in getting outside work. During rush periods like Christmas, when they work overtime, they are paid straight-time rates for overtime work.

There are a lot of other angles to the postal workers' plight. Senior post-office clerks and railway mail clerks must be familiar with the postal "schemes" of as many as four States. They must know where each post office is located, what railroads serve the town or city it's in, and must be acquainted with railroad schedules so that mail will move with a minimum of delay.

RAILWAY CLERKS HAVE "HOME WORK"

When a railway-mail clerk is finished with his run—say from New York to Albany—the mail he has sorted must be bundled up and ready for the letter carrier who will deliver it to its final destination. All the letter carrier should have to do is sort the mail for the streets he serves in house-number order.

In addition to his own "schemes," the railway mail clerk must have enough knowledge of the rest of the country to be able properly to route mail picked up on his train run. Moreover, he is personally responsible for all registered mail he handles and if such mail is lost, he may be held liable.

When his run is through he has home work, just as he has home work before he starts out. Before he leaves he must prepare all his tags, labels, and forms. When he gets back, he must prepare a trip report. For this work at home, the railway mail clerk gets $200 a year extra, which is why his salary exceeds that of a post-office clerk by that amount.

En route, a railway-mail clerk may have to purchase additional mail space from the railroad if the load picked up on the run is more than has been anticipated. He is responsible for the purchase and must account for it when he makes out his trip report at the end of the run.

Should Butter and Oleo Be Treated Alike by Government

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, under permission to revise and extend my remarks, I wish to include a radio address as prepared by Mr. E. W. Tiedeman, general manager, Central Grade A Cooperative, and executive chairman, National Dairy Council, Appleton, Wis.:

The topic for discussion "Should butter and oleo be treated alike by government?" really means: Should the present taxes and regulations be removed from oleo? My answer is "No."

Right at the start I want to make it perfectly clear that the dairy industry is not trying to deprive consumers of oleomargarine; we have no desire to bar, or to limit, or to interfere in any way with the legitimate sale of oleomargarine, we have no objection to the use of oleo just as long as oleomargarine is sold on its own merits, for what it is—a white vegetable compound.

Dairy farmers have no quarrel with oleomargarine in its legitimate field—no more than they have a quarrel with vegetable shortening, or lard, or salad oils.

But let me make this perfectly clear, also; dairy farmers have opposed and will continue to oppose all efforts of oleo to masquerade as butter. Oleo is not butter, no matter how well its oils are deodorized, no matter how well it is needled with vitamins A and D, no matter how well is is artificially flavored and colored, no matter how skillfully the distinctive butter carton is imitated, no matter how many signboards and advertisements appear, showing farm scenes with dairy cows up to their knees in clover, no matter how it runs the entire gamut of imitation—oleo is still not butter. Since it is not butter, dairy farmers insist that laws which are intended to prevent its being sold as butter, be kept on the books. This whole issue is just that simple—if the consumer wants oleo, she has a right to get it; if she wants butter, and most people do, she has the same right to be sure she is getting butter.

The present laws which curb unrestricted sale of colored oleo as butter are a safeguard to consumers. That is why these laws were enacted. They are, also, necessary for the protection of the dairy industry, because only law can help to counteract misrepresentation, fraud, and deception in the sale of oleomargarine.

Dairy farmers take the position that (1) oleo regulation is necessary to protect the consumer from intentional or unintentional fraud and deception and (2) oleo regulation is necessary to protect the dairy industry from free and unhindered sale of oleo in imitation of butter.

The history of oleo legislation briefly is this: Oleomargarine was introduced into the United States in 1874. By 1883 its fraudulent sale as butter had become so widespread that Congress considered its control. In 1886 Congress passed the first Oleomargarine Control Act levying a tax of 2 cents per pound. This tax proved to be ineffective, and by 1902 some 30 States had passed anticolor laws, and Congress enacted the law which taxes oleo 10 cents per pound when it is colored in semblance of butter. That is the one that the oleo lobby is trying so hard to have repealed.

It is contended by those who are trying to get repeal of the oleo-color tax that present-day business ethics are in themselves a guaranty against deception in the sale of colored oleo as butter. Unfortunately, this is not true, as the annual reports of the Commissioner of Internal Revenue will attest.

I am not suggesting that manufacturers of oleo would be intentional parties to fraud. The opportunities of fraud would be manifold, however, after the colored tax-free oleo left the hands of the manufacturers.

Again let me emphasize that so far as consumers are concerned, the 10-cent color tax on oleo does not cost them anything, if all they want is a lower priced spread in its original form. They should not complain about paying a 10-cent tax for the privilege of coloring oleo yellow, since the yellow color adds nothing in the way of nutritional value. Yellow is the trade-mark of butter with which nature has endowed it. For thousands of years the natural yellow color of butter and its typical flavor have been universally recognized and accepted. The producer and the consumer know that butter is both a food and a flavor. To them color and flavor are the evidence of its identity. They believe that the consumer is entitled to buy either oleomargarine or butter, with the feeling of assurance that there will be no confusion, no uncertainty, no parading in false colors. There is only one reason why anyone wants to color oleo yellow and that is to make it look like something which it is not.

The oleo tax has been described by its opponents as a tribute to the dairy industry. It is not a tribute to the dairy industry—neither the farmers nor the dairy industry get the tax; it goes to the Government. The oleo tax is primarily a regulatory tax for consumer protection against unrestricted imitation of butter. It must be granted that when regulation is necessary, the product regulated should pay the cost of the regulation enforcement.

The cries of protest from oleo manufacturers have been mounting day by day. It has been said that the color tax is unjustified, and that oleo is the only food product which bears a tax. They neglect to mention that oleo itself is protected by an internal revenue tax of 15 cents per pound on all oleomargarine imported from foreign countries. They likewise forget to mention that oleo enjoys privileges under Federal regulation that are are not extended to butter.

Under the Federal food drug standards for oleomargarine, makers of oleo are permitted to add butter flavoring, preservative, and vitamins A and D.

On the other hand, if butter manufacturers wished to increase the natural vitamins A and D content of butter, by addition of vitamins A and D, or to add preservatives to guard against the improper refrigeration of butter, such practices would cause such butter to be subject to seizure and condemnation as an adulterated food product.

The contention that oleo is the only food product which is taxed is belied by the fact that other imitation butters are also taxed. There is a ¼-cent per pound tax on processed or renovated butter.

In the case of butter, it was unnecessary for Congress to impose any regulatory tax, because no question of fraud or deception is involved in its manufacture. Butter is a natural product, sold for what it is, and is not an imitation of any other product. Oleomargarine is an imitation of butter. Does anyone think if the natural color of butter were pink, that the oleo people would be crying to high heaven because they are taxed when they color their produce yellow?

To summarize: If the present Federal taxes regulating oleo were repealed, it would mean that—

1. Practically all oleo would be colored yellow—there would be little if any white oleo on the market to help hold down the price of colored oleo. There would be nothing to prevent manufacturers from boosting the price of yellow oleo. It is very likely that low-income people would be paying more rather than less for oleo.

2. Consumers would have no adequate protection against fraud, deception, and misrepresentation.

3. No control would be left to the Federal Government over intrastate production and sale of oleo because the Pure Food and Drug Act does not apply there.

4. The dairy industry would suffer tremendous losses because of the resulting increase in fraudulent sales of oleo as butter.

5. Finally, the whole issue boils down to this—if the consumer wants to get oleo she has the right to get it. She can get it. She does get it. If she wants butter, she has the same right to be sure she is getting butter. She can have this assurance only by keeping taxes regulating oleo on the statute books.

The Palestine Question

EXTENSION OF REMARKS

OF

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. ROONEY. Mr. Speaker, the present critical situation in Palestine and the plight of the Jewish population there should receive the serious consideration and immediate attention of an aroused Congress.

I cannot conceive that our country, the outstanding champion of a peaceful and democratic solution to the Palestine question, will view with indifference the military offensive and atrocities now being carried out against these defenseless people.

Under the permission granted me I include in these remarks the following stirring address made by Mayor William O'Dwyer of the city of New York at a meeting in Manhattan Center, New York City, under the auspices of the Emergency Zionist Council a week ago Thursday evening, February 5, 1948:

I am here as an American citizen who loves his country, who believes in her institutions and who always wants to see that her strength is on the side of right, on the side of humanity.

I have seen the ravaged lands abroad where people and land have both been turned into rubble, and where the survivors lack the power to do what they think should be done. This tragedy of impotence has never come upon us here. We still have power to see things clearly, to choose spiritual values, to abide by principle.

The one great, real, and tangible victory that came out of the wholesale destruction of the last war has been the establishment of the United Nations. It came out of the hope and faith, in the hearts of the common people the world over, that such moral chaos as had plunged the world into war, twice in one generation, could be averted, and must be averted. It is our best hope of establishing a new order of decency, justice, and peace in world affairs. It was fathered by our own late great President Roosevelt. It was brought to birth on our shores in San Francisco, and, by common consent, this country was made its permanent home.

We in the United States have thus acknowledged our stake in the future of the United Nations. We here in New York have given a special pledge of our faith in its future. We have assured to it all the facilities and hospitality necessary for the accomplishment of its importafit work and great purposes.

One of the most important and urgent problems to face the Assembly of the United Nations was that of Palestine and the displaced Jews of Europe. The nations met and formulated a plan which was a compromise, but it was also a step forward.

During the General Assembly's deliberations, Arab leaders issued one threat after another, and proclaimed their determination to resist with arms any United Nations decision on partition.

The nations of the world and the United States Government heard these oft-repeated threats, took into account the attiude of the British Government, and, after deliberate and thorough discussion, voted to adopt the resolution to partition Palestine. It was not mere sentiment that dictated this American policy on Palesine. It was the realization that freedom and democracy in the world, justice in international relations, world peace and the legitimate interests of America would best be served by this solution of the problem of Jewish homelessness—a problem that has been a festering sore in international relations for such a long time.

When the decision was solemnly adopted in plenary session of the United Nations, it marked the first genuine victory of that tribunal. It marked the first instance of accord among nations, in which their rivalries were subordinated toward achieving some measure of justice. It was the first proof of the strength of the United Nations as a whole.

It seemed fantastic to suppose then that the seven Arab delegations which left the Assembly Hall defiantly vowing that they would set that decision at naught could make good their threat. It did not then seem possible that the most important expression of our modern new world organization could be turned into a mockery and into such a tragedy as it has become.

We are now witnessing the murder of hundreds of people in Palestine. We are now witnessing the frustration of the hope of a homeland, of a people who built that homeland with sweat and blood from desert earth. We are now witnessing the murder of the honor of the United Nations which

pledged them this homeland and the honor of the United States which played a leading role in supporting that pledge. What has happened and is happening in the Holy Land since the decision of the United Nations is a matter of daily newspaper headlines.

Ironically, the decision that was intended to help the stateless and homeless Jews has been so perverted that it may result in a carnage of Hitlerian proportions unless it is checked.

I believe that the heroic Jews in Palestine will not give their lives cheaply. They have already taught the world what to expect from them in courage and in military prowess. They will fight, with their bare hands if need be.

These people are no revolutionaries seeking the overthrow of a government. They are the legitimate recipients of a legal award, waiting peaceably for the day when the mandate is lifted and they may rightly take over. They are the people whose lives and homes are now being subjected to ruthless, sudden, and swift attack by foes who have sworn to exterminate them before the promised hour of liberation arrives.

The whole future of the United Nations is today pin pointed on the manner in which its decision on Palestine will be carried out. You cannot have international peace so long as you permit international murder. You cannot have peace here if you permit anarchy to flourish anywhere. The manner in which we deal with the Palestine decision may well decide whether the United Nations organization is to fulfill its purpose or whether it is doomed to nullity and failure. And that answer hinges, in a great measure, on the good faith and action of our own country.

We spoke for the conscience of the world when we threw our great prestige and moral force into that United Nations solution of the Palestine question. It meant, as I see it, that we voted in good faith and that we would back with deed our pledged word to the United Nations and to the people of Palestine. That is the kind of vote the world expected from us, and that is what the world has a right to expect from us. Our support was not intended to mean that we would merely register a vote on the record and then turn away from the inevitable consequences of implementing our vote.

We are the greatest, richest, most powerful Nation in the world, the one nation which has come through the war with moral, spiritual, and material values undestroyed, the leader that holds up to the world, as a beacon light, the shining values of democracy. We are a nation that must keep faith with ourselves and with the world.

Has anything happened since the United Nations adopted its decision, to warrant a revision of this American policy on Palestine—a policy that has been shaped over a period of many years, and endorsed time and again, not only by our Chief Executives, but by Congress, and by American public opinion? The answer should be "No." The answer is "No." The question that may be asked—the question that is being asked is, Have we been as energetic and as forthright in fulfilling our promise as we have been in making it? Are we using our power and our resources to implement that United Nations decision, for which we were so largely responsible, or are we allowing the situation to deteriorate? Are we merely standing by in the matter or are we doing something about it?

I am afraid that American inactivity is largely responsible for the growth of the crisis in Palestine and in the Middle East. We seem to be following a course inspired by anti-Jewish circles, who want to manipulate events in such a way as to be able to say: "The opposition to partition is so formidable, that the plan simply cannot be carried out. Give up the whole idea." That is precisely what they are saying, and they are saying it to the councils of our Government.

I am here to say that America and its people will not accept a reversal of the United Nations decision on Palestine—a decision in which the United States played so prominent a part. I am here to say that if we weaken in the support of that decision, it will have the most disastrous effect on the fortunes of the United Nations.

For even a child can understand that the issue before us now is much deeper and wider than Palestine or the Jewish people. It is the existence of the United Nations that is at stake. We live in an era of such fears as shrivel the mind and the heart. There is no answer to these fears except to strengthen the means of collective security. The hope and faith of too many of the common peoples the world over are centered in it. If we let down the United Nations on the question of Palestine, it will never recover. With the United Nations will go our hope for world peace. The death of the United Nations means the death of our civilization. And in this lies the tragedy for the world, for mankind, for each and every one of us.

Such tragic consequences must be prevented. They can be prevented. We dare not admit defeat or helplessness. But we must act, and act courageously and quickly.

Clearly, this problem cannot be solved overnight. We must separate the long-range problem of the Jewish State in Palestine from the immediate emergency now confronting us. The United States is in a position to take swift action in the immediate emergency and demonstrate to all the world that we stand in back of our commitments, and that promise means performance.

With our backing, it is still possible for the Security Council, under the Charter, to form a United Nations international police force or constabulary which can be sent to Palestine to prevent the breach of the peace that threatens. This force should be ready to move in when the British troops leave, or earlier, as requested.

With our backing, it is still possible to have the Security Council examine the question of using and invoking measures, short of military force, for the maintenance of peace and security. The resolution of the United Nations Assembly recommended such action. With our backing, the doors of Palestine may be immediately opened to the displaced Jews of Europe.

And we should, of course, lift or modify our own recent embargo on the shipment of arms to Palestine. The result of this embargo is incredibly unjust. It is tantamount to arming Arabs to attack the Jews and frustrate the United Nations decision, while preventing the Jews from receiving arms to defend themselves and thus sustain the decision of the United Nations.

We Americans understand the real implications of a one-sided embargo and we resent being told that the matter is so complicated and the considerations so involved that only a small group of professional diplomats can be entrusted in handling it.

The embargo must be modified. It is a cruel travesty to maintain it in the face of organized massacre and international lawlessness. By all means, let us deny arms to aggressors. By all means, let us deny arms to those who attack the Jews of Palestine and flout the judgment of the United Nations. But we are honor bound to make the decision of the United Nations effective by supplying arms to those who resist aggression and those who support the United Nations. Give arms to the Jews who are compelled to defend their lives and to preserve their freedom.

There are times in the unfolding of history when a great moral force must make itself felt or what has been achieved by generations of men, at infinite cost, can be swept away overnight. Bitterness and disillusionment cannot be underestimated as weapons of anarchy and destruction.

Now is such a time. The United States, moral leader of the world, must assume her role. She cannot remain remote; she cannot remain inactive.

Capt. Alden Partridge, Apostle of Preparedness and Universal Military Training

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EXTENSION OF REMARKS

OF

HON. CHARLES A. PLUMLEY

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. PLUMLEY. Mr. Speaker, under leave heretofore granted, I am extending my remarks and including a verbatim copy of the address I delivered at Norwich University, Northfield, Vt., on the twelfth day of February, it being National Defense Day, and the occasion of the observance of the one hundred and sixty-third anniversary of the birth of Capt. Alden Partridge, founder of Norwich University:

Mr. President, fellow citizens, we are met today to appropriately observe the one hundred and sixty-third anniversary of the birth of one of America's great men, Capt. Alden Partridge, Vermonter.

"The grand military defense of our favored country, both against external invasion and internal insurrection, is vested in the great mass of American citizens from 18 to 45 years of age. These constitute the grand military force of the Nation; a force whose feelings and interests are identified with those of the great body of the people, and which, while it forms an impregnable barrier around the Constitution and liberties of the country, is in no respect dangerous to either. But in order that this constitutional force should answer the purpose for which it was originally instituted, it must be properly organized and duly instructed in the elements, at least, of military science and tactics. Hence arises the necessity in our country, of an extended system of military education, and of a general diffusion of military knowledge. If these so necessary requisites be not attended to, if the great body of American citizens do not feel that they are something more than merely nominal soldiers, our population will gradually degenerate, our militia, so emphatically styled the bulwark of our liberties and independence, will lose their military spirit, will decline and finally be destroyed; on their ruins will spring up the standing Army detached by feeling and by interest from the great mass of the people, and when this crisis arrives, it will not require the spirit of prophecy to predict our fate from that of the most celebrated Republic of antiquity.

"The liberties of Rome were safe while military information was generally diffused and every Roman citizen considered and felt himself a soldier. But, how fatal were the results when by the operations of a system organized by Caius Marius, the savior and scourge of Rome, and matured by Julius Caesar with a view doubtless to the accomplishment of his ultimate object, the final prostration of the liberties of the country; those noble and patriotic legions which had so often, in time of peril and danger, proved the shield of their country and the terror of its enemies, were transformed into mere mercenary bands, alienated from the country and identified in views and interests with their leaders alone.

"But Rome, though the most striking, is not the only instance in which similar causes have produced like effects. The republics of Greece furnish additional instances. Can you believe that if the Greeks in the age of Demosthenes had possessed the same spirit and organization which they did in the age of Themistocles and Aristides, or, if the soldiers who fought at Cheronea had been of the same stamp with those who fought at Marathon and Thermopylae, they would have so tamely submitted their necks to the yoke of the Macedonian conqueror? From an attentive consideration of these, as well as of many other similar instances which might be adduced, I am forced to the conclusion that in every republic the due cultivation of a proper military spirit amongst the great mass of the people and a general diffusion of military information are indispensably necessary for the preservation of liberty; and consequently that those republics which neglect these requisites, will eventually be driven to exchange their freedom for a form of government bordering at least on military despotism."

The foregoing is quoted from the announcement of Capt. Alden Partridge's Views on Education and Military Training, as published in the Windsor Journal, Windsor, Vt., in 1820. He did as much as any American to mold, to shape, to determine the educational policies of his time and of succeeding generations.

Today we honor ourselves by undertaking properly to observe the one-hundred-and-sixty-third anniversary of Alden Partridge's birth in the little town of Norwich, in Windsor County, Vt., February 12, 1785.

He was educated in the common schools, at Dartmouth College, and West Point, from which latter institution he graduated as first lieutenant of engineers. In 1806, at the age of 23, he was detailed to act as Superintendent, and continued to serve in that capacity, with brief intervals, to 1815, when he received a permanent appointment which he continued to hold until 1817.

In the early part of 1819, having resigned from the Army the year previous, he was employed as United States Government engineer in charge of the survey of our country's northeastern boundary under the Fifth Article of the Treaty of Ghent. I have seen the original correspondence involving his selection for that important task and have read the diary he kept as he made and completed the survey. In July of that year he resigned this position to carry into effect a plan of education that had occupied much of his attention since 1810.

Over and over again he expounded the doctrine that in every republic the due cultivation of proper military discipline among the great mass of the people and a general diffusion of military information are indispensably necessary for the maintenance of government and preservation of liberty.

He followed the thesis laid down by Milton, who said: "A complete and generous education is that which fits a man to perform justly, skillfully, and magnanimously all the offices, both public and private, of peace and war." History attests its correctness.

Revolutionary as was the educational system for which he stood sponsor, it was entitled to, and eventually it won, the respect of the leading educators of the land.

Someone has said that the true test of a great man is found in the fact of his having been in advance of his age. Alden Partridge qualifies under such a definition. He was a great man.

His advanced educational ideas, at first opposed by his contemporaries, have been appropriated one by one; they thereupon have been accepted and adopted almost universally. He was prominent, and a leader, not only as a military officer and an educator, but in the zealous discharge of his duties as a citizen.

The product of a hard land rich in many men, he was an exemplar of fearlessness, courage, depth, and breadth of thinking; an inheritor of that prescience which our New England forbears contributed and which their successors have continued to pour into the melting pot we call the United States of America.

Four times he represented his home town of Norwich in the Legislature of Vermont. In 1821 he was elected president of the University of Vermont, but declined to accept the honor. What was the loss of the University of Vermont was the gain of Norwich.

Three times he was an unsuccessful candidate of his party for Congress.

He had the courage of his convictions, nevertheless. I have seen a political campaign poster he had printed and widely distributed wherein he declared himself as a candidate for President. He took advantage of the attendant publicity to talk about the necessity for a trained citizen soldiery, as you might expect.

The towns of Strafford and Norwich adjoin. Substantiated tradition has it that Senator Justin S. Morrill's Land Grant College Act was inspired by Captain Partridge's lectures, discussions, pronouncements, and conferences had with him, and the necessity for some form of military training as a basis for citizenship, such as advocated and exemplified by his neighbor, the founder and then president of Norwich.

Jefferson, Madison, Monroe, Clay, Calhoun, and Morrill were his friends; distinguished men of the time in which they lived, but no more distinguished, no more able, no more entitled to a high place on the honor roll of our country than this teacher, prophet, educator, and public servant—Alden Partridge.

In 1834, while a member of the Vermont Legislature, he obtained the charter for Norwich University, of which he was elected president in 1835, serving until he resigned on November 11, 1843.

When president of Norwich he called conventions of military officers and persons interested in the militia of the several States to discuss plans for the organization and discipline of the militia and for the wider dissemination of a knowledge of military science.

In 1839 he visited Portsmouth, Va., and at the request of similarly minded patriots, established an institution soon recognized by the State of Virginia as the Virginia Literary, Scientific, and Military Institute, which had an outstanding record as has Virginia Military Institute at Lexington.

From 1840 to 1853 he was as above stated very actively engaged, country-wide, delivering lectures, attending conventions along military lines, training and instructing officers and men. Among other institutions he established along academic-citizen-soldier-training lines were those at Bristol, Pa., in 1845, at Reading, Pa., in 1850, as well as one at Pembroke, N. H., that same year.

In 1853 he established another institution at Brandywine Springs near Wilmington, Del., for which institution with competent financial support he had great hopes, which were shattered by a fire in the fall of 1853, when the buildings were consumed by flames.

In the fall of that year he returned to Norwich, Vt., where his family still resided. It was there on the 17th of January 1854 that he died, and in the little old cemetery at Norwich, the body of one who had been so active and restless was laid to rest.

He was one of Vermont's great men; one of her most distinguished sons and citizens.

We do not fully appreciate the magnitude of the debt the people of the United States and the State of Vermont owe this hardy pioneer of broad, prophetic vision, with the courage, and the determination to make his dream come true. Together with his contemporaries he laid the everlasting foundation on which has been erected the superstructure of the greatest and best republic the world has ever known.

Americans today, as in the days of Alden Partridge, are opposed to war, or anything which looks like another war; but the average citizen today would be as bitterly opposed to anything and everything which looks like such a wilful lack of preparedness as that with which we were twice recently confronted when we ought to have been ready to have prevented or to have entered and to have then ended the war.

History and experience have taught, as Alden Partridge long ago insisted, that in a republic the due cultivation of proper military discipline among the great mass of the people, and a general diffusion of military information always have been, are now, and always will be indispensably necessary for the defense, protection, and preservation of this Government. Contradiction is idle.

As Secretary of State Marshall has well said:

"We are living today in a most difficult period. The problems are different, but no less vital to the national security than those during the days of active fighting. But the more serious aspect is the fact that we no longer display that intensity, that unity of purpose with which we concentrated upon the war task and achieved the victory.

"There is a natural tendency to relax and to return to business as usual, politics as usual, pleasure as usual. Many of our people have become indifferent to what I might term the longtime dangers to the Nation's security. It is natural and necessary that there should be a relaxation of wartime tensions.

"But I feel that we are seriously failing in our attitude toward the international problems whose solution will largely determine our future. The public appears generally in the attitude of a spectator—interested, yes, but whose serious thinking is directed to local, immediate matters. Spectators of life are not those who will retain their liberties, nor are they likely to contribute to their country's security.

"There are many who deplore, but few who are willing to act—to act directly or to influence political action. Action depends upon conviction, and conviction in turn depends upon understanding both of the past history of man on the globe and an understanding that action is a basic necessity of man's nature."

I am neither a militarist nor a pacifist. I am an American, and as such, with every rational and conscientious person the world over, I join in the wish and the hope that there may never be another war. I am not so foolish, however, as to believe my hopes will soon be realized, or my wishes speedily come true. There is no established peace, none which may be established by agreement, nor any to be won, but which must be defended.

All may dream of the day when wars shall cease. Every effort to bring about a realization of such a dream, so long as it does not strip us of our defenses, nor develop a condition of unpreparedness, nor lay us open to, nor invite attack, is commendable, and deserves our support; yet, I say to you while we dream, grim reality stares us in the face. If we are to have universal peace we must be prepared to initiate it, maintain it, and fight for it if need be.

America will cease to be a great nation, and the exemplar of republics whenever her young men and young women no longer possess adequate preparation, courage, energy, daring, training, endurance, determination, and the power to fight their Nation's foes or vigorously to maintain the principles on which our founders conceived, established, and defended this Nation of ours.

Capt. Alden Partridge was the prophet of preparedness. Military training for citizens

today, as in his day, is the essence of democracy. It recognizes the equal responsibility of all citizens for the safety of the country whose protection they claim. It is fair, it is just, it is right. It is an American plan.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. REED of New York. Mr. Speaker, under unanimous consent, I am inserting an article by Cecil B. Dickson, of the Gannett News Service, as follows:

MARSHALL PLAN CALLED "COVER-UP" FOR ERRORS OF ROOSEVELT, TRUMAN

(By Cecil B. Dickson)

WASHINGTON.—More and more the Marshall plan to aid busted Europe shows as a "cover-up" for the tragic mistakes the Roosevelt and Truman administrations made in dealing with the Soviets.

As debate over the Nation as well as in Congress develops, postwar mistakes made by our Government in Europe loom in greater magnitude.

All the great and highly touted postwar plans, which have already cost American taxpayers $20,000,000,000 in cash and many more billions in inflated prices, have failed of effectiveness.

The evidence is in the Marshall plan itself, if the United Nations, UNRRA, the World Bank, the International Monetary Fund, the $3,750,000,000 loan to the British, the administration by the Army of Germany and Austria and all the other financial and material aid contributed thus far had been successful, there would not have been any Marshall plan. It would not have been needed.

The Truman administration says we must have the Marshall plan, to restore Europe and to stop the sweep of communism westward in Europe.

Yet, it gives no assurance that the plan, to take $17,000,000,000 from American taxpayers and buy our scarce materials and food to send abroad at the risk of more inflation here, has any possibility of succeeding.

Even the author of the give-away plan, Secretary of State George C. Marshall, admits it is a calculated risk with doubt as to achievement.

Proposed administrator of the dubious project, Lewis W. Douglas, our Ambassador to England has admitted that even with the sharing of our wealth with western Europe, there is serious question as to whether it will accomplish the objective in 4 or even more years.

Looking backward a few years, I remember that on December 7, 1941, General George C. Marshall was horseback riding when the Japs bombed Pearl Harbor. The bombing took place while Secretary of State Cordell Hull was conferring with two treacherous Japanese at the State Department.

Looking farther backward, I recall that shortly after the Germans moved into Russia on June 22, 1941, General Marshall held a special secret press conference in which he predicted the Russians could not stand against the Germans 6 weeks. The idea was to boom lend-lease aid for the Soviets, whose strength he underestimated.

Again looking backward, I recall the luxury with which we fought this war, a more luxurious war than ever fought in history. G.anted that the general did have the great concept of the requirements of the world wide conflict and that this Nation had the wealth in money, manpower and material strength to wage it on such a scale, I often wondered if so many tools had not been available whether the general would have ended the war with the title of hero, as he did.

Still recounting, I remember now when he could not get the Nationalist and Communistic governments in China to do as he wanted them to do, the then Ambassador Marshall recommended withdrawal of American assistance to Chiang Kai-shek's government.

It is almost a year ago that I was with Marshall in Moscow for the Big Four Conference, which resulted in another failure to deal with the Communists. There it was, after a strange but brief discussion with him at our Embassy that I decided that this man could not brook interference with his objectives.

It happened that after Marshall's Harvard foreign-aid speech, I wrote the first story in America giving some concept of the scope of the proposal.

At the time, I questioned the right of any one man, or any group of men, appointive in office, to commit the whole economy and all the people of our Nation to a project of such dangerous proportions, and even more dangerous potentials.

Now it is developing, despite the Marshallites' claim we have to spend along the lines of the Marshall plan or expand our Military Establishments, that we are going to have to do both if the Marshall plan is accepted.

Already there are proposals for bigger armaments, larger air forces, and compulsory military training to back up the Marshall plan.

To many worried and thinking people, the question arises as to whether the backers of the Marshall plan, who made so many mistakes in Europe and with Russia, are not now making another mistake.

If we are going to war with Russia, can we afford to give away wealth needed to fight? Will Europe help us fight if we help them more than we have?

I don't think so.

Address to Young Democrats of North Carolina

EXTENSION OF REMARKS
OF
HON. CHARLES B. DEANE
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. DEANE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an address delivered by Hon. JOHN J. SPARKMAN, Senator from Alabama, before a convention of Young Democrats in North Carolina at Greensboro, N. C., February 7, 1948.

Likewise, Mr. Speaker, under leave to extend my remarks, I include, following the address by Senator SPARKMAN, an editorial entitled "Advice to Democrats," which appeared in the Greensboro Daily News under date of February 10, 1948:

ADDRESS BY SENATOR JOHN J. SPARKMAN, OF ALABAMA

It is a real pleasure to be with you at this meeting. One of my rich experiences has been the opportunity to meet with many groups of our citizens, groups of varied composition and seeking various goals. Of all these groups, there is none with whom I like to associate more than the Young Democrats. This is not only because of the warm personal friendship I enjoy with many of you, but primarily and fundamentally because of the importance of the task which you have undertaken.

This is a task of no small magnitude. It is no less than to awaken the young people of our country—both those now eligible to vote and those about to become so—to their role as citizens. You have set yourselves to recruit them into active participation in our political life. You have set yourselves to educate them to function with political intelligence, both as to issues and as to techniques. From among them you will select and groom promising candidates for public office. You continually pour fresh energy into the lifeblood of the party. You help to set the tone of party politics, providing new insights and ever-higher standards.

These are goals that will require a high degrees of citizen participation. They present opportunities so wide and so challenging that it is stimulating to meet with you and talk about them.

One fact that points to the importance of more active citizen participation is that in the 1946 elections only 35,C00,000 voted out of 91,600,000 Americans 21 years of age or older. In the Presidential election of 1944, only 48,000,000 American citizens voted.

Comparisons made with other nations show that on a proportionate basis twice as many Englishmen voted in their last national election; and that from two to four times as many Frenchmen and Italians have consistently voted in their postwar elections. Moreover, our record is worse as to the number of eligible voters who cast their ballots than it was in the pioneer days when to vote was much more difficult than it is today. We are forfeiting a most precious privilege by not exercising it.

Another attitude which disturbs us is the position taken by many that "it is better to be a street sweeper than to be a politician." This stand is completely incompatible with the preservation of democracy. Responsibility toward and activity in the field of politics must be accepted as of equal importance with our responsibility to our business and our church. Of course, there are some dishonest office holders just as there are some dishonest businessmen and preachers. But we do not condemn these latter two segments of society as a whole just because of the occasional crook. In either case, it is the duty of the concerned citizenry to expose the culprits.

A general lack of esteem for people engaged in political work will tend to discourage those best qualified to seek office. And the slurring title of "bureaucrats" given those who enter Government service does not encourage our most competent young people to serve their Government as a career. This is already evident in many Federal positions of grave responsibility.

You have chosen to work within the ranks of the Democratic Party. Perhaps you have done this largely as a matter of tradition. Tonight I would like to discuss with you why as a matter of conviction, as well as tradition, the Democratic Party is the party to which you and the rest of the South should continue to give allegiance.

THE SOUTH CONSISTENTLY PROGRESSIVE

A question is sometimes raised as to how truly the Democratic Party today represents the thinking of the South. Such a question cannot be answered without careful analysis. In the first place, what do we mean by "the thinking of the South"? It is evident that the South today is like a rich and many-colored carpet, woven of many strands of thought. Some are highly conservative; others distinctly liberal; a few are even called radical. Many of us come from an agricultural background; but others reside in cities concerned largely with the problems

of industry. We come from a variety of economic levels. Yet, out of such a varied web, consistent patterns have emerged which have led us in the direction of one political party and its program—the Democratic Party.

We in the South are often criticized for being too conservative. In fact, reactionary is the term most often used to describe us. I have never felt that such criticism was either fair or borne out by the facts. At the outset, American liberalism was essentially agrarian, and had its origin in the South under America's first great liberal, Thomas Jefferson. The great majority of southerners cast their ballots for Jefferson in 1796, and in 1800 they were largely responsible for his election to the Presidency.

In the Jacksonian revolution of 1828, it was the South which gave Old Hickory his most solid support. From Jackson until the War Between the States, the Democratic Party was the majority party and generally carried most of the South in State and National elections.

Following the reconstruction period, there was an era of uncertainty and fear during which the southern masses were tied to the big planter, the manufacturer, and the railroad magnate. Conservatism was the order of the day. The rank and file was too busy struggling for the bare necessities of life and all groups were too occupied trying to regain control of the machinery of government to be interested in national progressive movements.

By the 1890's, however, the southern majority had recovered its political independent thinking. In some areas of the South populism spread like wildfire, and the Democratic Party soon took over many of the measures advocated by the Populists. Since the mid-nineties the majority of the people in the South have supported those National and State candidates recognized as liberals.

Historians generally agree that Bryan's first nomination in 1896 was made possible by Southern support. The South rallied to him in 1900 and again in 1908. His ascendancy within the Democratic Party would have been impossible without southern support.

And again the progressivism inside the Democratic Party made possible the nomination of Woodrow Wilson, and the resulting new freedom which characterized his administration. North Carolina was one of the Southern States that gave Wilson consistent support at the Baltimore Convention in 1912.

During the 1920's when conservatism ruled the day, progressivism inside the Democratic Party was kept alive by great and outstanding Democrats such as your own late and beloved Josephus Daniels.

It was this progressive wing of the party and the strong support of southern Democrats that determined the decisive nomination of Franklin D. Roosevelt at Chicago in 1932. The eastern delegations had given Roosevelt little initial support. It was the South that made his nomination possible. We know of the overwhelming approval the South gave Roosevelt in 1936, 1940, and again in 1944, and I confidently predict the same wholehearted support in the nomination and election of Harry S. Truman in 1948.

It was the South that made possible the enactment of the great liberal program of Franklin D. Roosevelt. Almost every measure of the New Deal was sponsored by Southern leadership in both Houses of Congress. Go down the list and one by one you will find the names of southerners in the lead on all of these great liberal measures.

In my opinion, the South will continue to support liberal candidates and liberal legislation.

From this sketchy résumé it is conclusive that:

1. The South has by and large been in the forefront of progressive movements since the founding of the Democratic Party by Thomas Jefferson in 1801.

2. The belief that the South supports the Democratic Party today solely as a result of the reconstruction era is, to say the least, highly questionable.

3. The truth is that the Democratic Party has generally always been the party of progress and has always, even before the Civil War, normally received the support of southerners.

SOUTH MUST WORK WITHIN THE DEMOCRATIC PARTY

From time to time we have threats of revolt in our party. I suppose such is to be expected, particularly in the election years when controversial issues have a habit of coming to the front. This year is not the first time that we have heard rumblings. In fact, it happens just about every 4 years. It is only natural that there should be differences within a party as big as ours and made up of as many different groups from different parts of the country with greatly divergent views and interests. However, in the past we have pretty well succeeded each time in settling our differences within the party and I feel confident that this year will be no exception.

After all, the thought presents itself, what would the South have to gain in bolting the Democratic Party? Certainly we could expect little consideration from the Republicans. So far as that party is concerned, the South has hardly been a part of the Union. The South is a great and important part of this Nation and of the Democratic Party, and it need not be afraid of what may happen to it at the hands of its own party.

THE DEMOCRATIC PARTY THE PARTY OF PROGRESS

Contrary to the thinking of many people, the South supports the Democratic Party because it is the party of progress. It is the party that discovered and gave life to the welfare clause of the Constitution. It is the party that dared legislate under the general welfare clause.

Ever since the Democratic Party first came into power in 1801 it has stood for "equal rights to all and special privileges to none." It has followed the premise that governments are not the masters but the servants of the people governed and that to serve the public best, government must be responsive to the changing needs of the people.

The Democratic Party has followed the principle that property should be protected in all its legitimate rights, but that the rights of men come first. Our party has decreed that the minority is to be protected, but that the interest of the majority is not to be sacrificed to the greed of the minority.

It is significant that the scope of the objective of the Democratic Party has progressively widened in response to definite and new needs and problems.

The reforms which the party has initiated or supported since its founding are confirmation that it has not deviated in its support of legislation that would benefit all the people rather than a select group. A study of progressive legislation since the beginning of the nineteenth century shows that nearly all forward-looking measures were enacted under Democratic administrations—measures which for the most part were severely criticized and strongly opposed when first advocated, but which are accepted now as being essential to the welfare of our Nation.

Furthermore, the record shows that since 1860 the Democratic Party has never won a national election with a platform or a candidate considered to be conservative.

Let us take a look at some of the measures which have caused the Democratic Party to be labeled as the party of progress—the party that gets things done.

It was a Democratic administration through which the conservation of our natural resources of soil, forests, water, and minerals, was given the attention it deserves in our total economy.

During the last 15 years the dissipation of our soil and forests has been retarded, and millions of acres have been restored to productivity. Greater advantage has been taken of our water supply than ever before. Great dams have generated billions of kilowatt-hours that have been channeled into hundreds of new industries.

One cannot emphasize too strongly the importance of even expanding this program. If we want to make full use of our resources so as to have adequate protection against future emergencies, no part of our conservation needs can be neglected. One conservation need is dependent upon the other.

For example, we must have minerals to build machinery to cultivate the soil. We must rebuild our forests if we hope to have sufficient construction material for our homes, factories, farms, and mines. We must build hydroelectric plants to prevent the rapid depletion of our coal and oil reserves. Even today we are seriously feeling the pinch of an oil shortage. We must practice soil conservation for no country can exist indefinitely as a first-class power when its ability to produce food continues to decline.

In actively expanding its aid to these worth-while needs, the Democratic Party has taken the position that the wealth and wonders of our Nation should be protected for the welfare and pleasure of all.

If the policies adopted during the last 14 or 15 years are pursued, never again will a greedy few exploit the forests, the soil, and the minerals which rightfully belong to all our people. Private ownership of natural resources must be directed toward the interest of the people as a whole.

In its concern to conserve the Nation's human resources, the Democratic Party has shown itself to be a party of progress.

Along with the struggle for material prosperity there must go the fight for higher moral and spiritual values. From its birth the Democratic Party has worked for the welfare of those less able to help themselves. We remember the preachings of Jefferson on behalf of equal opportunity for all. We recall Jackson's fight for the interest of the average man. As a matter of fact, one can only recall one or two Presidents during the past century outside the Democratic Party that has shown much concern for social-welfare legislation.

The three Democratic Presidents since the turn of the twentieth century have supported legislation designed for the common good.

Wilson advocated and passed progressive measures which made his administration one of an unparalleled era from the middle of the nineteenth century to the time of Franklin D. Roosevelt. Just to name four or five, there were the rural credits law which made it easier for the farmers to borrow needed money; a law creating the Federal Trade Commission to prevent abuses in business; a law strengthening the antitrust provision; a child-labor law; and an 8-hour-day law.

Under Roosevelt the Democratic Party renewed the struggle for progressive measures in the field of human welfare. As a result, we have the rural-electrification program which has added more comfort to rural life than any other project.

This Federal program is self-liquidating and the REA co-ops are ahead in their payments, but more important is the effect upon the rural economy and rural well-being.

The REA loan program has enabled local groups of farmers and other rural people to provide themselves with an essential service they were unable to obtain in any other way.

Rural power lines financed with REA loans have brought greater prosperity and stability to our entire national economy.

Experience has shown that for every dollar spent on power lines rural consumers spend about $4.50 for wiring and new electrical equipment alone. This money, for the most

part, is spent locally. It goes to the small businessman—the neighborhood hardware merchant, the proprietor of the crossroads store, the local wiring contractor.

The program is a loan program. Local people are doing the job. The Government is helping them merely by providing the necessary financing. As the local people progress with the job they are paying back the Government loans with interest.

Altogether, a review of REA's balance sheet leads to the unavoidable conclusion that here is a case of public money well invested.

The Democrats inaugurated the school-lunch program, which has become so essential to the health and well-being of millions of our children.

Repeated studies show that a large proportion of our population is undernourished and does not enjoy the highest physical well-being. General Hershey pointed out that nutrition had something to do with at least half of those rejected for military service. The school-lunch program aims not only at helping the Nation's agricultural economy but at assuring that minimum nutritional requirements will be met in all States.

It was a Democratic administration that gave to the country its first long-term comprehensive program of economic security.

As a result, today millions of Americans enjoy social security. Assistance is given to the aged, the needy blind, and dependent children. Other millions are covered as workers. Insurance is provided against unemployment.

Social security has worked. We Democrats are justifiably proud of this program.

It was a Democratic administration that established true opportunity for the American worker.

More has been done in the last 12 years to nourish the inherent freedom and dignity of the laboring class than in any other administration in the Nation's history. The magnificent achievements of labor during the war made it possible for our soldiers to have the necessary weapons to whip the enemy. The just treatment his Government had given the laborer accounts for a great part of his willingness to increase his production during those crucial years.

After a dark and unhappy era, unionism came to be respected and is now regarded as an essential part of our economy.

We must continue to emphasize the human element in industry and strive toward increasingly wholehearted cooperation between labor and management.

It was a Democratic administration that sponsored the most generous program for returning veterans that this or any other country has ever offered.

Employment provisions, medical and hospital benefits, insurance, educational opportunities, readjustment allowance, terminal-leave pay, loans with which to establish businesses or buy homes, all combine to express appreciation of a grateful Nation to those who saved our country and its way of life.

One could name other progressive legislation which is intended to add happiness, health, and general well-being to the lives of our citizens.

For example, there is the hospital program which is just getting underway, and which is planned to provide more liberal and extended hospitalization to our people.

There is the Federal Deposit Insurance Corporation which establishes confidence in our banks, and guarantees the holdings of the small depositors.

THE DEMOCRATIC PARTY THE PARTY OF BOLDNESS

The Democratic Party is not only the party of progress—but it is the party of boldness, of daring.

It is the party which has created precedents rather than followed them.

The Democratic Party led in the establishment of international trade agreements. These agreements have been of immeasurable help in providing outlets for our surplus products and in enabling us to secure the materials of which we are in short supply. The freer the trade among nations the greater the chances for world economic and political security.

The great dream of participation in an international organization through which nations could settle their differences at the conference table was envisioned by the Democratic Party.

It was that great Democrat, Woodrow Wilson, who dreamed of a League of Nations that might give us lasting peace.

It was that Great Democrat, Franklin D. Roosevelt, who dreamed of the United Nations, the one great hope for lasting peace.

One historian has described the 99-day session of Congress which ushered in the Roosevelt administration, after 12 years of Republican rule, as the period of the most daring leadership in American history. The social reforms—some of which I have already named—gave the people of America the chance for security and self-respect.

It was a Democratic administration that initiated the CCC program that not only resulted in the savings of forests, fields, and streams, but what is more important, rescued millions of youth from an endless life of waste.

We remember the bold leadership of our party which declared a national holiday of banks so as to prevent a certain collapse of our financial system.

It was the leadership of our party which inaugurated the programs of NRA, NYA, PWA, etc., that served their purpose of putting new lifeblood into a sick economy.

It was the Democratic Party that dared the bold program of lend-lease when the fate of democracy hung in the balance at the beginning of World War II.

And when this country was drawn into the war by the sneak attack on Pearl Harbor it was Democratic leadership that dared plan and put into effect a program that hastened the end of the greatest struggle ever known to mankind.

The production of hundreds of thousands of planes and thousands of ships, and the supplying of over 14,000,000 in the armed services with the materials of war are miracles of achievement which some timid leaders declared to be impossible.

And it is Democratic leadership which has originated the Marshall plan—a daring attempt to rehabilitate the war-torn democracies of Europe.

If the Marshall plan fails, we shall have lost democracy as we know it.

And thus it is that our party has met the challenges of the times. When faced with domestic or international disasters, Democratic leadership has been equal to the occasion and has enabled our Nation to weather the storms of adversity.

THE DEMOCRATIC PARTY THAT HAS HELPED THE SOUTH

Not only has the Democratic Party been the party of progress and the party of daring, but it is the party that has meant most to the South.

In this regard, because of lack of time, I shall confine my remarks largely to the last 15 years. During this period more has been done to develop the natural and human resources of the South than in any like period of our history.

Throughout the past hundred years volumes have been written on the potential riches of the Southern States. Our minerals, farms, forests, and waterways have been praised as a possible source of huge developments. Our people have been looked upon as a fountain of labor for possible industrial expansion.

It took a Democratic administration to convert empty phrases about these assets into positive action.

President Roosevelt recognized that it is not what a country has that makes it great but how it uses what it has. He recognized that if the South was treated as an equal partner with other regions of the country, the whole economy would profit—that the South was too rich in resources and people to be longer neglected.

Perhaps the greatest single project which has redounded to the welfare of our region is the TVA. The history of this project is too long and too rich to relate here. Suffice it to say that a great section of our Southland has literally been brought back to life. Serving a population of approximately 4,000,000 people living in the States of Alabama, George, Kentucky, Mississippi, Tennessee, Virginia, and North Carolina, this monument of Democratic leadership serves as an internationally known laboratory for regional development.

It also serves as an example of how Federal funds can be put to use in a project that is too big an undertaking for State or local authorities. At the same time it proves the feasibility of coordinated participation of every level of the State and local governments, local business, agricultural and labor groups, and the individual citizen himself. This grass-root participation in the affairs of Government is an essential ingredient of a functioning democracy. It is the antidote to centralization and regimentation. Furthermore, the economic status of the people of the area served by TVA has shown an improvement of 50 percent in excess of that of the rest of the Nation. This decentralized administration of TVA and the improvement in the economic status of our people may well be a source of pride to your own two good Senators and Members of your House delegation who throughout the years have supported TVA.

TVA, of course, is not the only cause of increased industrial activity in the South, but as the single largest development in the area it must be given a large share of the credit. It is significant that from 1933 to 1946 employment opportunities in privately-operated manufacturing concerns located in the TVA area increased 161 percent. This compares with the national average of 131 percent.

During the war years many new industries were placed in the South. Some of them are staying and new ones are coming. According to Kiplinger magazine of July 1947, the 1946 construction awards in the South hit the $2,000,000,000 mark for an unprecedented high.

From 1939 to 1945 the South's food industry and related factories increased the value of their output almost $1,500,000,000.

From 1939 to 1946 the annual value of the South's exports has increased from $86,858,000 to $445,500,000.

The farm program of the last 15 years, under a Democratic administration, has likewise produced noted changes in southern economy.

No group can appreciate the farm program more than the tobacco farmers of your own State. There was established for the first time in history a proper balance between the production and consumption of tobacco by the adoption of the tobacco program.

The shackles of one-crop system have been broken and diversification has become the practice of the day.

The Farm-Tenant Loan Act has added dignity to the farmers' efforts to become farm owners.

Soil and forest conservation, which means more to the South than any other area, has received added stress.

Farm mortgages have been reduced from $800,000,000 in 1930 to about $120,000,000 now.

The school-lunch program has made for a healthier population.

Those of us who grew up on the farm can appreciate the comforts now extended to hundreds of thousands of southern farmers by the rural electrification program.

When this program got underway 13 years ago, only 1 southern farm in 20 had electricity. In your own State there were 9,672 farms that enjoyed this convenience—today there are 157,581.

We could continue to discuss what our party has meant to the South. We could point out, for example, that since 1929 our per capita income has risen from $371 to $801 (North Carolina to $817), and that southern wages and salaries have increased 156 percent, compared with a national increase of only 49 percent.

However, it is far too early for self-satisfaction. The South is still the most undeveloped region of our country—the South is still the Nation's low-income area.

And so we must continue to strive for progress. We must expand the programs which have shown that they more than pay for themselves in added income and personal comforts to our people.

Somehow we must give more encouragement to small business. This might be done by stricter enforcement of the antimonopoly laws, by promoting research and applying the findings to business enterprises, by opening large surplus war plants through such plan as multiple tenancy, and perhaps by extending loan insurance.

Effort must be continued to give an equal education to all our boys and girls regardless of the section of the country in which they live.

World and national conditions are changing, and so is the South. We want to solve problems peculiar to our region with no outside dictation. We want to make progress and at the same time preserve our customs and institutions that have proved their value through the years.

From our experience in the past and from the program, or lack of program, on the part of the Republicans today, we know that we cannot look to them for help in working out our greater destiny. The Democratic Party for us is the party of hope.

In closing, may I wish you continued success in the work you are doing, work that is hard, sometimes dull, but more often full of interest and at all times necessary to the perfection of our democracy. The Democratic Party relies on your enthusiasm and constant support. The year 1948 may well prove one of the most crucial in the history of our country. Let us all work together to make it a year of progress and victory.

[From the Greensboro (N. C.) Daily News of February 10, 1948]

ADVICE TO DEMOCRATS

Senator JOHN J. SPARKMAN, of Alabama, gave guests at the Young Democratic dinner Saturday night at Sedgefield and southern Democrats generally something to think about when he warned against a bolt from the national party.

The Alabamian declared that if the Truman civil-rights program is a question of interfering with our principles in the South the Republicans have been equally guilty. In substantiation of this declaration, Senator SPARKMAN pointed to the Republican platform of 1944 as advocating the same set of reforms now considered offensive to southern Democrats. He contrasted the definite statement of the Republican platform on the controversial issues with the generalizations of the Democratic platform on the same subjects.

Warning against southern Democrats falling for Republican trickery with reference to the civil-rights issues, SPARKMAN challenged his audience to continue with the progressive policies of their party instead of giving aid and comfort to a party that has not considered the South a part of the Nation. In this connection he reviewed the progressive legislation enacted under the Democratic administrations in the last 15 years, emphasizing the benefits that had accrued therefrom to the South.

All this seems to make a lot of sense. For while it may be true that the northern and southern wings of the Democratic Party represent differing viewpoints the fact remains that this party has had a lot more to do with the development and progress of the South than the Republican Party has. It seems to us that the wiser course for southern Democrats is to work for greater voice and recognition in the affairs of their national organization. Certainly there is little reason to feel that the Republican Party, enhanced by revolting Democrats, is likely to be more considerate of the South than it has been in the past. The Republican Party largely speaks and acts for big business and entrenched interests centered mainly in the North and East. What consideration could the South with its own peculiar regionalism hope to have under such circumstances? Are southern Democrats to abandon the ideals and principles that have brought the South to its present condition and seek refuge where it has been ignored up to now? Southern Democrats have more to gain from a stiffened attitude toward their national party than from turncoat tactics.

Senator SPARKMAN expressed hope that Democratic Party differences can be resolved and that will be increasingly possible as the South continues to develop and assume larger stature in the Nation's life. This seems to be a good time for southern Democrats to let their national leaders know in positive fashion that they are tired of being ignored in the advocacy of such controversial matters as the civil-rights program. Their chances of achieving this will be greater if they have a saner and more workable plan as a substitute.

Shortage of Natural Gas

EXTENSION OF REMARKS
OF
HON. HENDERSON H. CARSON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. CARSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement made by J. French Robinson, president of the East Ohio Gas Co., before the Senate Interstate Commerce Subcommittee regarding the shortage of natural gas.

There exists in the Northern and Midcentral States, and particularly in the State of Ohio, a critical shortage of natural gas. It is estimated that since January 14 more than 250,000 industrial workers have been idled because of this shortage.

We have heard through the papers, and otherwise, many reasons for the causes of this shortage. Mr. Robinson has spent his entire life in the gas industry and gives what, in my opinion, is a most fair and unbiased opinion regarding this shortage. In an effort to eliminate some of this shortage, the House passed a bill to amend the Natural Gas Act last year, but said bill failed to be reported out by the Senate Interstate Commerce Committee. Hearings before the Senate Interstate Commerce Committee were completed on February 12. In my opinion, the major portion of the shortages has been caused by conflicting opinions, both within the Federal Power Commission, and by the courts, and I commend Mr. Robinson's statement to each and every one of you in order to get a clear picture of this emergency. Regardless of the causes of this shortage, regardless of the factors involved, this situation calls for immediate action.

The statement follows:

STATEMENT OF J. FRENCH ROBINSON BEFORE SUBCOMMITTEE OF THE INTERSTATE AND FOREIGN COMMERCE COMMITTEE OF THE UNITED STATES SENATE ON H. R. 4051, A BILL TO AMEND THE NATURAL GAS ACT, APPROVED JUNE 21, 1938, AS AMENDED

My name is J. French Robinson. I live in Cleveland and am president of the East Ohio Gas Co., a gas-distributing company operating in Ohio. I am also a director of the Consolidated Natural Gas Co., of which my company is a wholly owned subsidiary. Consolidated's other subsidiaries are: The Peoples Natural Gas Co., Pittsburgh, Pa., a gas-distributing company which operates in Pennsylvania; Hope Natural Gas Co., Clarksburg, W. Va., a gas producing and transmission company which operates in West Virginia; New York State Natural Gas Corp., a gas-transmission company which operates in Pennsylvania and New York; the River Gas Co., a gas-distributing company which operates in and around Marietta, Ohio.

I am here now as a spokesman for the gas-distributing companies in the country.

The gas-distributing companies believe that H. R. 4051 will clarify the original intent of the Natural Gas Act, approved June 21, 1938. We think it is important that this be done. Here are our reasons:

CLARIFICATION OF THE NATURAL GAS ACT WILL MAKE MORE NATURAL GAS AVAILABLE FOR EACH COMMUNITY

Distributing companies have the job of taking gas from wells or transmission lines and making it available in each community to—

1. Domestic users—and these users take precedence over all others, not only because it is a legal requirement in most States but also because we are under a natural obligation to supply gas first to keep people warm, and enable them to cook their food and heat water for their cleaning needs.

2. Commercial users—such as restaurants, bakeries, churches, schools, etc.

3. Those industrial users who need an uninterrupted supply of gas to manufacture or process goods for the general public. However, this type of user must be and is curtailed in his supply of gas when the total supply in the area drops to a point where it jeopardizes the supply available for domestic users.

4. Those industrial users whose supply can be interrupted on very short notice.

There are more than 600 distributing companies supplying straight natural gas to 9,400,000 customers in 5,100 communities in the United States. About 30 companies supply mixed gas, consisting of natural and manfactured gas, to 2,500,000 customers in 560 communities. This means that these companies furnish gas to about 53,000,000 of the people in this country.

Domestic users of gas have a greater investment in the gas industry than the distributing companies

I spoke of the natural and legal obligations the distributing companies have to domestic

users. We also have a dollars-and-cents obligation. Let me use East Ohio as an example because it is the company I know best.

At East Ohio we have an investment in plant of about $104,000,000. What investment do our domestic users have? First of all each one has an investment in piping to use gas in his home. Then he has a gas range and a gas water heater. If he heats with gas, he has invested in a furnace or boiler or circulating heaters—some sort of space-heating equipment. He may have a gas refrigerator. If he rents he still has to pay for all this in his rent.

All told, we estimate that our domestic and small commercial customers have an investment of about $138,000,000 in equipment that can be used only with gas.

It is difficult to estimate the investment that our 800 industrial customers have in plant equipment designed expressly for the use of natural gas but it is my belief that if such an estimate were made, the amount would be as much as the investment of the domestic and commercial customers mentioned above.

Our customers—both domestic and industrial—have bought this equipment in good faith, in the considered belief that their gas company will continue indefinitely to supply them with the gas they need.

We, the gas-distributing companies, are obligated to fulfill the faith that our customers have had in our intentions and abilities to keep them supplied.

Why do we have gas emergencies in cold weather?

Since the middle of January extremely cold weather made drastic curtailment of industrial consumers necessary. Even so, severe domestic shortages occurred in many areas. As recently as January 30, 1948, the Associated Press reported that 250,000 men and women were unemployed due to shutdowns, attributed to the lack of natural gas. There was no shortage of gas in the major gas-producing areas. The entire shortage was in the amount of gas being delivered to and by the gas-distributing companies.

But the causes of it were elsewhere.

Certain areas of the United States are thickly populated. Our areas have the gas reserves. The first area served by natural gas was the Appalachian area, consisting of Pennsylvania, Ohio, West Virginia, Kentucky, and western New York. Until recently the area produced as much or more gas than it used. Today it does not. The Appalachian area uses 26.8 percent of the natural gas consumed in the United States for domestic and commercial purposes; it has just about 2.8 percent of the Nation's total gas reserves.

Conversely, the producing States of Kansas, Oklahoma, Texas, and Louisiana use 22.3 percent of the natural gas consumed in the United States for domestic and commercial purposes and have 82.9 percent of the Nation's total gas reserves.

That is why the Appalachian area has been importing gas through long distance transmission lines in large quantities since 1943. This is one instance of the need for interstate transmission of gas. There are many others like it.

The natural-gas industry since 1940 has spent $1,300,000,000 to improve the supply of gas to the people who use it. Still there is not enough gas coming through the pipe lines.

Confusion as to the extent of the jurisdiction of the Federal Power Commission is one of the basic reasons.

The oil and gas fields of the Southwest are the only ones with sufficient gas reserves to supply the thickly populated areas. Much of the gas produced in these fields is produced as a byproduct of oil production. The oil producers are under no obligation whatsoever to sell this gas for transportation to out-of-State population areas. They can sell it as fuel within the State in which it is produced, or they can sell it for the manufacture of gasoline, carbon black, and such products. Four large plants, two of which will be finished this year, are planned to make gasoline from natural gas.

This means, first of all, that gas transmission companies must buy southwestern gas in competition with buyers who would use the gas locally for purposes other than fuel. They must pay the same price for it as anyone else—or get no gas. And if the price is inadequate producers who can do so will suspend production and development. You can understand how this works. You saw meat and other products disappear from the legitimate market when prices were controlled, and miraculously reappear when the law of supply and demand was allowed to set the price. With natural gas there is one difference. The producers have other legitimate markets to which they can sell if the Federal Power Commission sets too low a price.

Wherever the Commission has had an opportunity to set prices for produced gas, as in the case of the production departments of certain transmission companies, it has set a price which is so low that no one in his right mind would sell gas at that price if not under absolute legal compulsion to do so. For example, the Commission has allowed prices of 1.14 cents and 2.21 cents per million cubic feet for gas at the well mouth, as against a prevailing field price of 7 cents.

Naturally many large oil companies have refused to put their gas on the market under long-term contracts for fear they will be subject to such rulings of the Federal Power Commission and to the costly process of complying with the Commission's accounting and report orders. We are convinced that a great deal of gas is being withheld from the markets entirely because the Commission has construed the present act as giving it control of the gas before it actually reaches interstate transmission lines at any time it desires to exercise such control.

Many times we have said that another big reason for current gas emergencies is the lack of steel for building additional lines from producing areas. Big pipe lines are laid only to fields where a large volume of gas for transmission can be assured. Producers, as we have pointed out, are reluctant to commit themselves to long-term obligations because of their fear of coming under Federal Power Commission rate and other regulation theories. That reluctance caused the transmission companies to hesitate about making the huge investments necessary to build pipe lines. Their orders for steel were thereby delayed and the pipe-line companies lost all hope of favorable priorities from the mills.

CLARIFICATION OF THE NATURAL GAS ACT WILL PREVENT UNNECESSARY DUAL REGULATION OF GAS DISTRIBUTING COMPANIES

Many companies distributing natural and mixed gas operate solely within one State. All of their activities are regulated by State or municipal authorities who have jurisdiction over rates, depreciation, and depletion charges, financing, major extensions, rules, etc.

A few of these distributing companies produce all their own natural gas locally. Their production properties and facilities, as well as their so-called transmission facilities, are used to move all of the gas to points of local consumption.

Most of these distributing companies also take gas from interstate transmission lines, but all of their operations are within the State in which they take possession of the gas.

When the Natural Gas Act was passed in 1938, its purpose was clearly specified as one of filling in the gap between State and Federal regulations. The act itself stated that the production and gathering at one end, and the distribution at the other end were not to be subject to the act.

The Federal Power Commission has, however, consistently misconstrued the language of the act and has attempted to bring under its general jurisdiction everyone who handles natural gas from the time it leaves the bottom of the well until it reaches the burner tip. This means complete regulation from Washington of one of the major industries of the country. It means that millions of customers of distributing companies will have to pay as part of their cost of gas service not only what the present complete and effective State and municipal regulation costs, but also the cost of complying with the accounting, reporting, and procedural requirements of the Federal Power Commission.

Perhaps the most menacing aspect of this dual regulation is that the Federal Power Commission has been asserting views on what natural gas should be used for by ultimate consumers. It will never prove practical to have a body in Washington decide how and by whom natural gas shall be used in each of the thousands of cities in this country which are being and can be served by natural gas. That is a local problem which should be handled in the future as in the past, by local and State authorities.

Actually, the Natural Gas Act recognized this situation, but as we know, Federal administrative bodies have a tendency to expand their powers—a little bit here and a little bit there—until they are met with statutory language which no one can misconstrue. H. R. 4051 does just this and will prevent an enormous and expensive amount of Federal duplication of existing State regulation. And it will let the gas distributing companies and the municipalities and State commissions decide who in each community is to get natural gas and how much.

CLARIFICATION OF THE NATURAL GAS ACT WILL IMPROVE THE NATION'S GENERAL FUEL SITUATION

Earlier in this statement I brought out the fact that this amendment to the Natural Gas Act will make more natural gas available as fuel. I am repeating that statement now because I want to bring to your attention the fact that it was not only the gas industry that operated under emergency conditions this winter. All along the eastern seaboard there has been and still is a critical shortage of fuel oil. In some areas coal in its several forms has been scarce. Anything that can be done to improve the supply of any one fuel is a contribution toward licking the national shortage of available fuel.

If this amendment to the Natural Gas Act were passed and producers could be sure that they had nothing to fear in the way of regulation by the Federal Power Commission, I feel certain that many producers would be willing to enter into long-term agreements to supply natural gas for distribution as fuel instead of delivering their production to nonfuel users as they do now.

Such action would not only relieve the fuel situation in general; it would lop an enormous amount from the Nation's fuel bill. Using the city of Cleveland as an example, again, the cost of gas to the user allows him to save 25 percent of the money he would put out if he were using coal, and 50 percent of what he would pay if he were using oil.

CLARIFICATION OF THE NATURAL GAS ACT WOULD NOT NECESSARILY INCREASE THE PRICE OF GAS TO THE USER

Several things should be kept in mind in discussing gas prices to users, especially in times like these. Let's take them one by one.

States regulate gas prices and profits

Every State in which gas is distributed keeps close watch on both prices to users and gas utilities' profits. There has been some fear expressed by the newspapers that if the Federal Power Commission did not regulate producers, the gas distribution companies might be tempted to pay outlandish prices

to producers and so force a rise in the cost of gas to the user. Well, frankly, any gas distributing company that went off the deep end in that respect would be foolish, to say the least. And any gas distributing company official who has ever taken part in a rate case before State authorities knows it. No expense is allowed by these authorities unless it is a reasonable one.

Selling price of gas reflects field price only to a minor extent

The following table shows some facts about gas production in the Texas, Louisiana, Oklahoma, and Kansas gas fields. It is based on these areas because they supply most of the Nation's gas today and have 83 percent of the known gas reserves in the United States. The last year for which data were available in the Bureau of Mines Minerals Yearbook was 1945:

History of Texas, Louisiana, Oklahoma, and Kansas gas production

	1907	1922	1940	1945
Production, 4 States (billions of cubic feet)	82	279	1,754	2,758
Percent of total United States production	20	37	66	70
Average field price, 4 States (cents per thousand cubic feet)	8.2	8.3	2.1	3.1
Average selling price, entire United States (cents per thousand cubic feet)	23.7	49.9	65.7	61.2

What this table shows, first of all, is that the gas industry is becoming more and more dependent upon these four States for its source of supply. The field price in these States will become more and more important as a factor in the price we distributing companies have to pay for gas.

The second thing this table shows is that there has always been competition to buy gas from these States, and that competitive buying has increased over this period without forcing the unregulated field price of gas to skyrocket. One reason for this, of course, has been that in the past 12 years, for example, the discoveries of new gas reserves have been over three times as great as the amount of gas used, even though the use of gas has been increasing.

The only conclusion that can be drawn is that the field price of gas has about as much relation to the selling price as the cost of electricity has to a trolley fare. When we take on the job of distributing gas and making it available to users we must provide for such operating expenses as labor and materials, taxes, and all the other costs that any business has. So our selling price is based on many costs, only one of which is the field cost of gas. Even though most of these costs have been increasing steadily, we have been able to offset them. This is because, until the Commission moved in with its loose interpretation of the act, there has been a free market for gas in the field, and our pipe-line suppliers by their diligent efforts have been able to get for us our share of this gas. Consequently, we have been able to increase our volume sold, thus creating a broader base to support our operating costs, and so reducing the proportionate share of these costs that each m. c. f. of delivered gas must bear.

Let us refer to East Ohio as an example. During the past 7 years the field cost of gas that East Ohio buys in Ohio has increased by 11 percent. Yet the price of East Ohio domestic gas today is 10 percent lower than it was in 1940. A fundamental reason for this is in the much larger volume of gas we have been handling.

Remember, it costs just as much to lay a 20-inch pipe line whether you are going to put 20,000,000 cubic feet of gas a day through it or 60,000,000 cubic feet. It costs just about as much to operate it. But there's an enormous difference in the cost per thousand cubic feet when you spread those more or less fixed costs over 20,000,000 cubic feet or 60,000,000 cubic feet.

One of the most important things about this amendment is that it will get more gas into the transmission lines and out into the distributing lines. That means savings for everyone—the transmission companies, the distributing companies, and the users of gas.

We don't have to worry about demand for the gas, once we get it into the lines. Let me use East Ohio as an example one more time. In 1940 we had 512,000 customers, of which 62,000 used gas for house heating. At the present time—7 years later—we have 564,000 customers, and 197,000 of them use gas for house heating. Of our house-heating customers, 46,000 were added in 1946 and 30,000 more were added in 1947 in spite of the restrictions that the Ohio Utilities Commission placed on this use of gas, and this has been happening in every section of the county where gas distribution is available.

Until 1940, East Ohio's largest day's sales were 228,000,000 cubic feet. On January 14 of this year, our sales exceeded 510,000,000 cubic feet.

In view of the current cheapness of gas in comparison with other fuels, and the convenience of installing and operating gas-heating equipment, it is very likely that we would have at least 200,000 more house-heating installations within the next 5 years—if we could get the gas to supply them. Each additional house-heating customer requires 2,000 cubic feet of gas on a peak day so that we will require an additional 400,000,000 cubic feet on a cold day to take care of these additional installations. As mentioned before, the greatest amount of gas that we were able to deliver on a single day for all of our consumer requirements has been 510,000,000 cubic feet.

For the past several minutes, I have been talking almost exclusively about East Ohio Gas Co. But this same growth in the demand for gas has been going on everywhere that there are distribution lines. Sales of domestic gas in the United States have increased from 542,000,000,000 cubic feet in 1940, to 789,000,000,000 cubic feet in 1946. Total sales of gas to all users have increased from 2,655,000,000,000 cubic feet in 1940, to 3,900,000,000,000 cubic feet in 1945. Increased field costs spread over these volumes will obviously have little effect on final rates to users.

The extra costs of regulation of distributing companies by the Federal Power Commission adds to rather than decreases the price of gas to the user

As an illustration of the added cost to domestic and other customers of regulation of distributing companies by the Federal Power Commission, I refer to the experience of my own company. We have no rates that can be regulated by the Commission, but it insists we should comply with its accounting and report requirements although we operate only in Ohio and already report fully to the Ohio commission.

The original cost and other studies necessary to this end would cost us between $1,500,000 and $2,000,000, all of which we would eventually have to get from our Ohio customers. We could have our suppliers buy a lot of gas for us to distribute to our customers at prevailing field prices in the Southwest—or at higher prices—for this amount of money.

Natural gas is a bargain; it will remain a bargain if it can be kept coming to market

During the past 8 years, the cost of living has increased greatly—70 percent in Cleveland, for example. Yet the tapping of the vast southwestern gas fields for eastern and midwestern consumption, and the resulting economies by distributing companies of handling increased volumes has resulted in no appreciable increase—and often a decrease—in the cost of natural gas to consumers in thousands of communities throughout the country.

The result in Cleveland is that to heat a home today with natural gas costs only 50 percent as much as it does with oil and only 75 percent as much as with coal.

If present gas volumes can be maintained and increased, it is apparent that natural gas will continue to be a great bargain even though substantially higher prices have to be paid to the producers. This is so because the well head price or gas in the Southwest—whatever it may be—is only a small fraction of the ultimate cost of transporting this gas for thousands of miles to thousands of communities and distributing it through city streets to consumers.

SUMMARY: THE GAS DISTRIBUTING COMPANIES BELIEVE THAT H. R. 4051 WILL PUT INTO EFFECT THE ORIGINAL INTENT OF THE NATURAL GAS ACT APPROVED JUNE 21, 1938. WE SUBMIT THAT THIS RESULT IS NECESSARY TO ASSURE ADEQUATE SUPPLIES OF NATURAL GAS TO COMMUNITIES THROUGHOUT THE NATION

I do not need to stress the point that H. R. 4051 carries out the original intent of the Natural Gas Act—the Federal Power Commission is not to have jurisdiction over natural-gas production and gathering, or over gas distribution. That has been ably expressed by Report No. 800 of the House of Representatives Committee on Interstate and Foreign Commerce, submitted by the Honorable HENDERSON CARSON on July 7, 1947.

I do want to stress this—the interest of the distributing companies in this clarifying amendment is twofold: First, to get an ample supply of gas for the 53,000,000 people dependent on our service. We think that the amendment will have little or no effect on the selling price of gas to our customers. But that is not the fundamental issue. The fundamental issue is whether the Nation will go on having "gas emergencies" indefinitely, or whether the people who depend upon us to supply them will get as much natural gas as they want and need. Second, our interest is to avoid expensive and unnecessary duplicate regulation.

My statements today have been devoted entirely to the amendment of the Natural Gas Act as it relates to the distributors of natural gas to the ultimate individual users. The subject was covered in its broader aspects when I testified last spring before a House committee. This testimony is recorded in the printed proceedings entitled "Amendments to the Natural Gas Act; Hearings Before the Committee on Interstate and Foreign Commerce; April 14 to 18 and May 28 and 29, 1947."

Merchant Marine—Lest We Forget

EXTENSION OF REMARKS

OF

HON. SCHUYLER OTIS BLAND

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. BLAND. Mr. Speaker, on the 30th of January and 9th of February 1948, I stated my reasons for opposing the proposal to transfer, by gift or charter, 500 ships to foreign nations. I endeavored to show the extremely dangerous position in which such procedure would place our merchant marine. On page A687 of the Appendix of the RECORD and succeeding pages is a copy of a speech delivered by the gentleman from Louisiana, Hon. HALE BOGGS, before the annual meeting of the

Mississippi Valley Association, at St. Louis, Mo., on the 26th day of January, 1948. I hope it will be read by every Member of the Congress.

The gentleman from Louisiana [Mr. BOGGS] comes from the port of New Orleans, and knows, as few other men in Congress do, the problems of the American merchant marine—how they transcend all local considerations, and how essential they are to national well-being and security.

The gentleman from Louisiana [Mr. BOGGS] quoted many of our national leaders on the vital importance of the merchant marine and aptly called attention to the situation which developed during World War I and immediately thereafter because we had neglected our merchant marine. He correctly described conditions before and in World War I. He said:

At this time there were no American-flag shipping overseas from the ports of the Gulf of Mexico and there were no dependable services by foreign ships to many markets. Foreign ships which brought coffee from Brazil to New Orleans did not offer a return service but loaded cotton, grain, and other products for Europe and then carried manufactured goods from Europe to the east coast of South America, making what was termed triangular voyages. Naturally, the owners of those ships were interested in developing commerce between their own countries and South America. Sailings to European ports and to the Orient were seasonal and dependent upon the movement of cotton or grain. Because of their infrequency and uncertainty they were of no value to the exporter of manufactured products.

Then came World War I, finding us dependent upon the ships of other nations for the transport of nearly all of our foreign commerce. When these foreign ships were suddenly withdrawn from war service, there was stagnation of our foreign trade and ocean freight rates advanced to fantastic heights. We had goods for export for which the world was crying but no means of transporting them. This loss of trade lost our country a vast sum of money even before we entered the war.

When we finally became participants in World War I we were forced into a frenzied era of ship construction, costing more than $3,000,000,000 for vessels that could have been built for less than one-third the sum during the preceding years of peace. As few of these ships became available until after the war, the ships of our allies had to transport our men and supplies to the scenes of hostility.

I became a member of the House Committee on Merchant Marine and Fisheries in April 1921, and continuously for almost 27 years I have fought for a restoration of the American merchant marine. I served during the chairmanship of Greene, of Massachusetts; Edmonds, of Pennsylvania, White—now Senator from Maine; Scott, of Michigan, and Davis, of Tennessee. I served on the subcommittee dealing with the merchant marine. Mr. BOGGS states the exact situation existing when the Merchant Marine Act of 1936 passed the House of Representatives.

I am confident that the proposed sale or temporary transfer of some of our war-built merchant vessels to European nations might very well undo all that has been done and again scuttle the American merchant marine.

I emphasize my support of the Marshall plan in principle, but my unequivocable opposition to the transfer of our ships by sale or charter to foreign countries. I said so in my remarks on January 30 and February 10, 1948.

Mr. BOGGS quoted from General Eisenhower, Admiral Nimitz, Mr. Harriman, and President Truman and ex-Presidents Woodrow Wilson and Franklin D. Roosevelt confirming the dangers emphasized by Mr. BOGGS.

Many of our Presidents have expressly recommended a reasonably adequate merchant marine. I quote some of them.

Calvin Coolidge:

The maintenance of a merchant marine is of the utmost importance. Our own vessels carry only about 40 percent of our foreign trade. We are dependent on our competitors to carry 60 percent of our trade to market. Of course, the result is that they help themselves and hamper us. Parity in merchant ships is only less important than parity in warships. We ought to make the necessary sacrifice to secure it.

Woodrow Wilson:

How are we to build up a great trade if we have not the certain and constant means of transportation upon which all profitable and useful commerce depends. And how are we to get the ships if we wait for the trade to develop without them? The Government must open these gates of trade, and open them wide; open them before it is altogether profitable to open them, or altogether reasonable to ask private capital to open them.

To speak plainly we have grossly erred in the way in which we have stunted and hindered the development of our merchant marine. It is necessary for many weighty reasons of national efficiency and development that we should have a great merchant marine. * * * It is high time we repaired our mistake and resumed our commercial independence on the sea.

Moreover, we can develop no true or effective American policy without ships of our own—not ships of war, but ships of peace, carrying goods and carrying much more; creating friendships and rendering indispensable services to all interests on this side of the water. They must move constantly back and forth between the Americas. They are the only shuttles that can weave the delicate fabric of sympathy, comprehension, confidence, and mutual dependence in which we wish to clothe our policy of America for Americans.

Theodore Roosevelt:

Ships work for their own countries, just as railroads work for their terminal points. From every standpoint, it is unwise for the United States to continue to rely upon the ships of competing nations for the distribution of our goods.

To the spread of our trade in peace and the defense of our flag in war, a great and prosperous merchant marine is indispensable. We should have ships of our own and seamen of our own to convey our goods to central markets, and in case of need to reinforce our battle line.

Ulysses S. Grant:

A nation of the vast and ever-increasing interior resources of the United States must one day possess its full share of the commerce of these oceans, no matter what the cost. Delay will only increase this cost and enhance the difficulty of attaining the result. * * * Building ships and navigating them utilizes vast capital at home; it employs thousands of workmen in their construction and manning; it creates a home market for the products of the farm and the shop; it diminishes the balance of trade against us precisely to the extent of freights and passenger money paid to American vessels, and gives us a supremacy upon the seas of inestimable value in case of foreign wars.

Thomas Jefferson:

The marketing of our productions will be at the mercy of any nation which has possessed itself exclusively of the means of carrying them; and our policy may be influenced by those who command our commerce.

For a navigating people to purchase its marine afloat would be a strange speculation, as the marine would always be dependent upon the merchants furnishing them. Placing as a reserve with a foreign nation, or in a foreign shipyard, the carpenters, blacksmiths, caulkers, sailmakers, and the vessels of a nation, would be a singular commercial combination. We must, therefore, build them for ourselves. * * *

To force shipbuilding is to establish shipyards; is to form magazines; to multiply useful hands; to produce artists and workmen of every kind who may be found at once for peaceful speculations of commerce and for the terrible wants of war.

It is as a source of defense that our navigation will admit neither neglect nor forbearance. The carriage of our commodities if once established in another channel, cannot be resumed in the moment we may desire.

George Washington:

We should not overlook the tendency of war to abridge the means and hereby at least enhance the price of transporting productions to their proper markets. I recommend it to your (Congress's) serious reflections how far and in what mode it may be expedient to guard against embarrassments from these contingencies by such encouragement to our own navigation as will render our commerce and agriculture less dependent on foreign bottoms which may fail us in the very moments most interesting to both these great objects. * * * There can be no greater error than to expect or calculate upon real favors from nation to nation. It is an illusion which experience must cure.

To the same effect were statements by President Hayes, President Arthur, and President Benjamin Harrison. President McKinley said:

Our national development will be one-sided and unsatisfactory so long as the remarkable growth of our inland industries remains unaccompanied by progress upon the seas. There is no lack of constitutional authority for legislation which shall give to this country maritime strength commensurate with its industrial achievements and with its rank among the nations of the earth. We must encourage our merchant marine. We must have more ships. They must be under the American flag and built and manned and owned by Americans. They will not only be profitable in a commercial sense; they will be messengers of peace and amity wherever they go.

Presidents Taft, Harding, and Hoover expressed themselves to the same effect, as quoted below:

President Taft:

All the great commercial nations pay heavy subsidies to their merchant marine, so that it is obvious that without some wise aid from Congress the United States must lag behind in the matter of a merchant marine.

President Harding:

Our shipping will strengthen American genius and determination, because carrying is second only to production in establishing and maintaining the flow of commerce to which we rightfully aspire.

I do not for one moment believe in Government ownership as a permanent policy, but I prefer that hazardous venture to the surrender of our hopes for a merchant marine.

So we mean to maintain the flag on the sea until such a future day as when Congress may rise above the obstructionist, when the reflective sentiment of all the country will sense the great necessity and compel the legislation required to turn to the national way of triumph on the seas.

President Hoover, in a message at the launching of the steamship *Santa Rosa* in 1932:

The efforts put forth in the rehabilitation of the American merchant marine have proved beneficial to the country at large. During the past 10 years, as compared with the prewar decade, the proportion of our foreign trade carried by ships under the American flag has substantially increased. It has notably grown in trades where no American-flag services previously were provided.

President Hoover, when Secretary of Commerce:

We must have ships if we would expand our exports on sound lines, and we must have them as auxiliaries to our national defense.

To secure export markets we must have some sound proportion of American-controlled shipping to assure us against combinations in rates which would prejudice our goods in competitive markets. Nor have our merchants been without experience in finding that the transport of our goods in foreign bottoms has been taken advantage of by our competitors to learn details of our trade connections.

It is just as important to the farmer to be guaranteed reasonable rates for sea transport as of land freight. The real security is an American-owned merchant marine.

It is simply a truism to say that we must have an American overseas merchant marine.

There is only one protection of our commerce from discrimination and from combinations which would impose onerous freight rates. That is to maintain upon these trade routes the regular operation of very substantial shipping under the American flag.

Other great statesmen of all parties have reached conclusions in accord with those expressed by the able patriotic men who have filled the Presidency, speaking under their responsibility to speak for the best interest of all the people of the United States rather than from the impulse to attain victory for the particular party with which they were affiliated and which had honored them. The unanimity of the views of Presidents of different faiths is convincing truth of the accuracy of their conclusions. James G. Blaine, of Maine, one of the greatest Americans whom our Nation has produced, Representative in Congress, and Secretary of State under President Benjamin Harrison, said in Twenty Years in Congress, written by him:

The principle of protecting the manufactures and encouraging the navigation of America had been distinctly proclaimed in the first law of the new Government and was thus made in a suggestion and emphatic sense the very cornerstone of the Republican edifice which the patriots of the Revolution were aiming to construct.

Secretary of State Elihu Root said in 1906:

We are living in a world not of natural competition, but of subsidized competition. State aid to steamship lines is as much a part of the commercial system of our day as state employment of consuls to promote business. It will be observed that both of these disadvantages under which the American shipowner labors are artificial; they are created by governmental action—one by our own Government in raising the standard of living and wages by the protection tariff; the other by foreign governments in paying subsidies to their ships for the promotion of their own trade. For the American shipowner it is not a contest of intelligence, skill, industry, and thrift against similar qualities in his competitor, it is a contest against his competitors and his competitors' government and his own government also. Plainly, these advantages created by governmental action can be neutralized only by governmental action, and should be neutralized by such action.

Senator Wesley L. Jones, from the State of Washington, in a speech in 1913, in the Senate of the United States said:

Since 1885, foreign ships have carried over $50,000,000,000 of our foreign commerce. Estimating the freight at 15 percent, we have paid them over $7,500,000,000 for getting our products to their markets and supplying our own. Of what benefit is a balance of trade in our favor if we pay most of it for freight?

Senator Jones was recognized as an authority on the subject on which he spoke.

On March 4, 1935, President Franklin D. Roosevelt presented to the Congress the issue of whether or not the United States should have an adequate merchant marine and answered the question affirmatively. He said:

To me there are three reasons for answering the question in the affirmative. The first is that in time of peace, subsidies granted by other nations, shipping combines, and other restrictive or rebating methods may well be used to the detriment of American shippers. The maintenance of fair competition alone calls for American-flag ships of sufficient tonnage to carry a reasonable portion of our foreign commerce.

Second, in the event of a major war, in which the United States is not involved, our commerce in the absence of an adequate merchant marine, might find itself seriously crippled because of its inability to secure bottoms for neutral, peaceful foreign trade.

Third, in the event of war in which the United States itself might be engaged, American-flag ships are obviously needed for naval auxiliaries, but also for the maintenance of reasonable and commercial intercourse with other nations. We should remember lessons learned in the last war (H. Doc. No. 118, 74th Cong., p. 1).

Under date of June 18, 1934, the Secretary of Commerce, with the approval of the President, appointed an interdepartmental committee to be known as the Committee on Shipping Policy, consisting of representative departments of the Government. This committee made a comprehensive study of the American merchant marine, and recommended a shipping policy to be pursued by the Government. The Secretary called for a comprehensive study of the policy to be followed by the administration in the development of an American merchant marine necessary for national defense and for the growth of the foreign and domestic commerce of the United States, including the question of subsidies, personnel, and unemployment.

That committee worked almost continuously for the next 6 months and submitted its report, which was attached to the President's message. The committee said:

The committee feels that it is necessary, for the purposes of both national defense and the development of foreign and domestic commerce of the United States that we have an American merchant marine. It is needless to call attention to the part that our merchant marine has played in the national defense of the country during various wars in which the United States has been engaged. We need only to recall the World War when we learned the result to us of allowing our merchant marine to approach the vanishing point. Between the outbreak of the war and our entry into it we found that the foreign shipping lines on which we had relied to carry our commerce had withdrawn their services to American trade in a large part, with the results, inter alia, that the ocean freight rates increased in some instances 1,000 percent and over. We found the products of farm, mine, and factory at the water terminals without sufficient transportation facilities to move them to their destination. After our entry into the war, it was necessary for the Government to embark upon a huge shipbuilding program resulting in the expenditure of about $3,000,000,000 to furnish merchant ships to carry supplies that were necessary for the support of our troops. We also had to train personnel to operate this new merchant fleet. It was further necessary to draw heavily upon the trained personnel of the Navy at a time when their services were needed for manning new combat vessels. This was in contrast with the experience of other maritime nations which were able to utilize their trained merchant marine personnel for operation of their naval vessels (H. Doc. No. 118, p. 21).

The President's message and the accompanying papers were referred to the Committee on Merchant Marine and Fisheries of the House of Representatives and the Committee on Commerce of the Senate. These committees studied the problems presented by the above message of the President and accompanying papers. H. R. 7521 was introduced in the House, was studied for many months. Hearings consuming 1,243 printed pages, and held for 15 days, resulted in the committee reporting favorably H. R. 8555 on June 20, 1935, Seventy-fourth Congress, first session, report No. 1277.

The report showed that the committee had carefully considered the message of the President and accompanying papers.

The bill provided means for the termination of ocean mail contracts which were the subjects of considerable controversy and gave the President agencies to assist him in his responsible duties but without abating or diminishing powers, and sought to give him the opportunity to work out substitution of contracts such as he might recommend for contracts which he might wish to cancel or modify and the committee sought to provide safeguards to prevent abuses in the future.

The committee said in its report:

The problem of an American merchant marine, its present condition and needs, the competition it must meet, the aids granted by other nations, and some of its outstanding difficulties are so complex that the committee summarizes them in this report that members may have before them the difficulties which have confronted this committee and also the Nation.

The committee disclosed the condition of our oceangoing merchant marine at

the time the report was submitted, discussed the needs for trade promotion and protection, and showed that the American merchant marine was in danger of destruction without new construction and replacement immediately.

A select committee on inquiry into the operations, policies, and affairs of the United States Shipping Board and Emergency Fleet Corporation, consisting of seven Members of the House of Representatives had been appointed under the authority of the Sixty-eighth Congress and had submitted its report in which it said:

In fact, had it not been for the American merchant marine at the close of the World War the United States would probably have paid out in increased ocean freight rates alone more than the total cost of the Government fleet. It was the Shipping Board which brought about, through control of its tonnage, constant reductions in ocean freight rates which inured to the benefit of American producers, industries, and shippers. This tremendously important fact cannot and should not be overlooked in estimating what the American merchant marine is worth to the people.

In addition to the enormous savings in freight rates, it must be remembered that the percentage of American commerce carried in American vessels has materially increased in volume over the prewar period and the freight money paid out by shippers for carriage in American vessels has remained in the United States. This sum constitutes a huge total.

Foreign ships are built abroad, their earnings are largely invested abroad, and they are manned almost entirely by foreigners who spend most of their money in other lands. It becomes apparent that the financial benefits to this country from foreign ship operations are meager. On the other hand, the earnings, wages, and purchases involved in the operations of ships are transactions which directly benefit the Government and people of the United States. An American merchant marine becomes, therefore, an effective instrument in the stimulation of domestic labor and industry.

The report of the Committee on Merchant Marine and Fisheries quoted from the Committee on Shipping Policy as follows:

In the opinion of the committee it is beyond question that this country should maintain a merchant marine, and this quite aside from the matter of national defense. In reaching this opinion, the committee is influenced by the following considerations:

1. The necessity of securing steamship service over routes essential to our commerce for which the steamship service of other countries might not provide.

2. The beneficial effect of the control of general shipping rates which the existence of an adequate national merchant marine assures.

3. The desirability of having available at all times a supply of tonnage to meet our urgent needs in the event of the withdrawal of foreign ships in a time of crisis or emergency abroad.

While there may be an occasion for differences of opinion as to the exact size which the merchant fleet should attain in order to meet these considerations adequately, the determination of what that size should be on an objective, impartial basis, giving due regard to the public interest as a whole, calls for close study and painstaking analysis of a very intricate and constantly shifting array of complex facts. Such a task can best be carried on under the direction of the unified authority on maritime affairs which is the subject of a later recommendation, and which can give full consideration to all aspects of a matter closely bound up with our foreign relations, the balance of our international payments, and the advancement of our agriculture, industry, and commerce in general.

The report pointed out that during the period from 1922 to 1928 no vessels were built in American yards for overseas foreign service and under the 1928 act 31 new vessels were built for ocean mail service and 42 reconditioned while in the preceding 5 years, in the construction of freighters, this country had built 4 while Great Britain was building 295, and for the 5 years previous when we were constructing 4 in American shipyards Great Britain built 558.

The report said:

During the postwar period from 1922 to 1933, about 16,500,000 tons of oceangoing ships of 2,000 gross tons and upward were constructed throughout the world of which the United States constructed less than 7 percent.

Obviously, something must be done quickly or our flag will disappear from the seas. We shall be reduced to our prewar position where we had 81 vessels of less than 50,000 tons operating on our regular services at which time we carried less than 10 percent of our commerce in American ships.

The tonnage under construction in the United States consists of two tankers aggregating 16,800 tons. The other tonnage consists of four vessels averaging 418 tons each. There is not one oceangoing vessel building in the United States for either domestic or foreign trade for the carriage of goods and passengers. Shipping serves every State in the Nation not only by supplying the transportation to carry its products to the markets of the world, but also by drawing upon every State for materials, supplies, and equipment for the construction of a ship. There is no other industry so diversified. The shipbuilding industry is a great consumer of raw materials. It buys from other industries not only the materials and equipment that are incorporated within the ship itself, but also the products that are consumed within the shipyard during the process of construction.

The evidence shows that from 80 to 85 percent of the cost of a ship goes to labor. This includes not only the labor within the shipyard itself, but also the labor performed on all the materials and equipment that are purchased by the shipyard and used in the construction of the vessel. When a shipyard buys material, as, for instance, a piece of machinery, the industry making this machinery performs labor upon it; and it, in turn, buys raw material, such as steel, copper, lumber, and other products, which, in turn use labor in their production. In tracing the production of any of these products it will be found that in producing ingot copper or steel, or lumber, that labor has been performed, so that finally everything is labor except the intrinsic value of the mines, fields, or forests of the country.

There is no industry in the United States where so much good could be done throughout the country and so many of the unemployed taken off the relief rolls as in the shipbuilding industry, with all of its ramifications. In this bill we have provided for the use of American products so far as practicable. The ships are needed, the American merchant marine has grown so old that it is in danger of destruction, men are on the relief rolls anxious to obtain employment, and the opportunity to grant relief is before us.

Ship operation is the most highly competitive business in the world. It is as true now as then that—

Failure to grant aid would open the door to monopolies in shipping and abandonment of the smaller ports. A few companies who could finance themselves would absorb all other lines, curtail operations, abandon ports, fail to develop smaller ports, operate from the now congested centers and destroy that equitable service to all ports of this country which has been the hope and dream of the interior portions of our country as well as of the ports that are to be served.

The study that was made by the House Committee on Merchant Marine and Fisheries confirmed fully the President's message that aid was necessary for a reasonably adequate American merchant marine, and "that only by providing for American shipping Government aid to make up the differential between American and foreign shipping costs could a reasonably adequate merchant marine be maintained," and it concluded that it would well afford to call a subsidy by its right name.

Members of the House Committee on Merchant Marine and Fisheries who still serve in the Congress of the United States are Edward J. Hart, of New Jersey; Richard J. Welch, who was second to Frederick R. Lehlbach, of New Jersey, who was ranking Republican on the committee; Ralph O. Brewster, of Maine, now junior Senator from that State; Clare E. Hoffman, of Michigan; and Bland, of Virginia, who was chairman.

Hon. Lindsay C. Warren, who was a member of the committee, is now Comptroller General of the United States.

The committee studied exhaustively all questions involved in the subject and summarized in its report the subsidies that were paid by foreign countries.

I hope this review of the record may prove interesting and useful. Partisan politics have never entered into the deliberations of the committee handling this legislation. All members were impelled and guided solely by the best interest of America as they saw it.

I am convinced that the same motives and spirit have guided and actuated all of the members of the United States Maritime Commission from the dates of their first appointments in 1936 to the present time.

No men occupying any offices have tried more honestly and faithfully to serve America than the former Commissioners and those who now serve. To say that they have made mistakes is only to say that they are human, but I believe that an unbiased, comprehensive study of their work, their problems, and their difficulties will convince all who wish to do justice to say that they have done well.

One of the Commissioners who gave of himself without stint and unreservedly, Admiral Vickery, paid with his life for his devotion to the cause. He was as truly a victim of World War II as any soldier who fell on the battlefield. His duties were arduous. He, too, was one of those immortals who died that America might live. I feel that I would be untrue to his memory, and a perfect ingrate, if I should omit this tribute to his memory.

May his sleep be sweet and may all of us who survived him remember his services.

Lord God of hosts, be with us yet.
Lest we forget! Lest we forget!

Betrayal of Poland

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. REED of New York. Mr. Speaker, the perfidy of those who have sacrificed our national honor for their own advancement in the field of domestic and world power politics is gradually coming to light.

Just so long as the sovereign citizens of our Republic reward aspirants for public office because such candidates flatter and charm them, they will find themselves betrayed.

Under unanimous consent granted, I am inserting an article by Frank R. Kent, which appeared in the Washington Evening Star of February 13, 1948:

LANE BOOK ON POLAND'S BETRAYAL DIFFICULT FOR ROOSEVELT DEFENDERS TO ANSWER

(By Frank R. Kent)

It is typical of the worshipers of the late Franklin D. Roosevelt that they should agree with practically everything in the impressive and significant book of Arthur Bliss Lane ("I Saw Poland Betrayed") except the single statement that at Yalta and Tehran Mr. Roosevelt, in his effort to charm Mr. Stalin, abandoned the principles of the Atlantic Charter and, in effect, cast aside his promises to Poland, opening wide the door for the savage and brutal domination of that suffering country by the Soviet forces.

That, of course, is an extremely serious charge—particularly when it is recalled that in 1944 hundreds of thousands of American Poles voted solidly for Mr. Roosevelt in the firm conviction that he was the vigilant and unshakable champion of Polish freedom and independence. But it is not a new charge. Others have asserted that at these Roosevelt-Stalin meetings Poland was blithely sold down the river, the former American President trustingly relying on the unsupported word of the Soviet dictator, utterly ignoring his long, black record for violation of treaties, agreements and pledges; incredibly permitting him to have a free hand in Poland.

Of all who have made this devastating accusation, Mr. Lane carries the most weight, presents the most convincing evidence and was in best position to know the facts. It no more can be claimed that he was inspired by a personal or political motive than it can be contended he did not fully appreciate the nature and implications of his statements. Here is no Roosevelt hater, no representative of reactionary forces, no economic royalist or ambitious seeker of office. Instead, here is an outstanding American with a distinguished career of diplomatic service covering more than 30 years in various parts of the world.

ROOSEVELT NOMINEE

Named Ambassador to Poland by Mr. Roosevelt himself, he was in London in 1944 when Poland was occupied by the enemy and her government was in London. He entered Warsaw immediately following the German surrender and remained there until last year, an eyewitness to every step of the Soviet seizure of Poland, with full understanding of the callousness of the pledge violation and of the humiliating failure of our Government to lift a hand to prevent or utter an effective word to protest what, beyond question, was one of the most dreadful and indefensible crimes against a free people in all world history.

Because of his official position and by reason of our Government's apathy, Ambassador Lane was personally impotent to halt the strangulation of Poland. When he talked with Mr. Roosevelt, after the latter's election in 1944, he urged the importance of insisting to the Soviet Government that the independence of Poland be maintained.

The Roosevelt reply was: "Do you want me to go to war with Russia?" When he returned to Warsaw he did what he could, but the Soviet representatives paid slight attention to him, and his own Government not only did not back him up but, over his earnest protest and with American citizens unjustly imprisoned, loaned the Polish puppet government $90,000,000.

The whole story as told by Mr. Lane is a sickening one of shameless treachery, broken promises, and unshackled brutality. It is interesting to note that the Lane report, both as to responsibility for this murderous assault upon the integrity of a great people and on the character of the occupation, coincides with that made in Jan Ciechanowski's book, published 2 years ago.

DEFENSE UNCONVINCING

Mr. Ciechanowski for many years was the distinguished Polish Ambassador to this country. By some it was unfairly argued that as a Pole he was prejudiced. But no prejudice can be charged against Mr. Lane. He is not a Pole; he is an American diplomat with no political connections, aspirations, or purposes. Early last year he resigned his post as Ambassador to Poland and, at the age of 52, closed his long diplomatic career solely to be able to tell the American people the truth of what happened to Poland—and why.

This he has done in his book and is doing in his lectures. It is a shocking story and few Americans can reflect upon their country's part in it without a feeling of shame. The defense of Mr. Roosevelt's role, at Yalta. Tehran, and after the seizure began, is not a convincing one.

Chiefly, it amounts to statements from his former intimates that while Mr. Lane has made a "valuable contribution," they personally know of Mr. Roosevelt's "deep concern" for Polish freedom and had often discussed with him his ideas for maintaining it. This clearly inadequate reply is supplemented by a transparently futile effort to shift the blame for what happened, first to former Secretary of State Stettinius and then to former Secretary of State Byrnes.

In other words, no reply worthy of the name has been made. Nor is it likely one will be. For the historians probably the kindest thing is to accept the explanation that Mr. Roosevelt was a sick man whose judgment was impaired. Certainly the notion, which so many agree Mr. Roosevelt cherished, that he, who spoke no word of Russian, could, through two interpreters, "charm" Mr. Stalin, who spoke no word of English, seems hard to reconcile with reason.

Life in Soviet Russia

EXTENSION OF REMARKS
OF
HON. JOHN McDOWELL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. McDOWELL. Mr. Speaker, for 25 years the Communist Party leaders all around the world have stated time after time that the only safe place in the world for members of the Jewish religion is in Soviet Russia, as anti-Semitism was a crime under Soviet laws. In recent years the world has come to know that that is not true and that as a matter of fact anti-Semitism has become more and more flagrant under the direction of Joseph Stalin, a well known anti-Semite all of his life. Therefore, Mr. Speaker, under permission to revise and extend my remarks, I place in the RECORD an article in the New York Times of yesterday by C. L. Sulzberger, which discusses the regrettable status of the Province of Biro-Bidjan which was many years ago set aside as an all-Jewish state in Russia. It is in the far east of Siberia, so far north that life there is a burden, and it has been permitted to steadily deteriorate over the years as is so well described by Mr. Sulzberger's article.

I hope all of the Jews of the world will read this article and ponder on the honesty of the officials of Soviet Russia:

SOVIET JEWS' AREA REPORTED IN DECAY—OBSERVER SAYS ANTI-SEMITISM DRIVES SOME TO BIRO-BIDJAN, BUT DREAM OF HAVEN FADES

(By C. L. Sulzberger)

PARIS, February 14.—In view of the Soviet Union's advocacy of the partition of Palestine into Jewish and Arab states and of the quiet anti-Semitism that still obtains in many areas of the Soviet Union, it is interesting to report on the Province of Biro-Bidjan.

This autonomous Jewish district was established in the early days of the Soviet Union on the Trans-Siberian Railway in the Far East. Jews were encouraged to migrate within the Soviet borders to establish their own seat of national culture. Russian and Yiddish are the official languages of Biro-Bidjan.

An observer recently spent considerable time there. He expressed the opinion that the Soviet government had lost interest in that area as "a project of importance" and that this haven for an oppressed people was being permitted to fall into decay. At best, he said, it is treated on a parity with other remote parts of the Soviet Union and no lenger as a dream project.

Travelers are rarely permitted to inspect that distant province.

Although, because they feel uncomfortable in conditions in which the anti-Semitism engendered during the war has not died out, Jews, especially intellectuals from Russia proper, are still emigrating to Biro-Bidjan, they are likely to be disappointed by what they find, according to my informant.

He said that the oblast, or district, of Biro-Bidjan, which has a rugged climate, consisted of only a few villages in addition to the town of Biro-Bidjan, in which lived about 30,000 inhabitants, somewhat less than a third of the oblast's population.

The town, he added, is built entirely of wood except for fewer than a dozen brick buildings, and contains three cobbled streets, an intourist hotel, and a few small factories. There are a brick factory, a sawmill, a textile factory, and wagon and pipe works. The town has no sewerage system or water supply, the observer remarked.

Although families are not so crowded as in Moscow, and often have more than three rooms, they live primitively, usually in two-story wood apartment houses for 10 to 20 families, according to the informant. The buildings, he said, are constructed around a courtyard in whose center are a lavatory pit and garbage dump.

BUILDING FOUNDATIONS SINK

Most of these buildings were erected within the last 15 years, but were said to be in a state of dilapidation. The town is built on swamps, and some foundations have sunk to a depth of 10 feet, the observer said.

As a result, he went on, the brick buildings have cracked and the wood ones warped, with many floors rotted by the unusual damp of the summer rainy season. Only a few trucks and old busses were said to make up the transportation system. To obtain water the inhabitants often have to travel 2 or 3 miles in communal trucks.

Most of the population subsists mainly on locally grown potatoes and vegetables, according to the traveler. These are produced in allotments worked after hours in the factories and state projects, he said. To support their families, many of the men have had to take two jobs, he added. One engineer was said to be feeding his wife and children by working 19 hours a day.

The local factories once received good material from western Russia, but a lack of repairs has induced what the observer described a "state of interrupted breakdown." Thus, although Biro-Bidjan has a pipe factory, it has no sewers, he remarked.

Despite the original dream of forming a Jewish state in Biro-Bidjan, its Jewish population is less than one-fourth the total; according to my informant, who said that the Jews nevertheless held many of the administrative positions, including the local party secretaryship.

The secret police has its outposts in Biro-Bidjan, the observer declared. One of its main functions was said to be to prevent disillusioned pioneers from departing.

In the Soviet Union in general it was learned that allegedly as a result of the gradual exclusion of Jews from public life (with a few notable exceptions such as Jacob Suritz, recently Ambassador to Brazil, and Vice Premier Lazar M. Kaganovich) certain Jewish leaders protested recently to Foreign Minister Molotov about anti-Semitic trends.

Mr. Molotov was said to have intimated that governmental action might be taken later when circumstances were more favorable.

Mr. Kaganovich, a member of the Politburo and a friend of Premier Stalin, was said to have made similar and firmer promises. Soviet Jews seemed to have hope that their situation might become more favorable since the death more than 2 years ago of A. S. Shcherbakov, a Politburo alternate who was reputed to be the most powerful anti-Semite in the Soviet Union.

Trends toward anti-Semitism appear to have brought about more group consciousness in Soviet Jews, and the membership of organizations such as the Jewish Anti-Fascist Committee is growing.

Anti-Semitism in the Soviet Union may have some bearing on recent British contentions that Communist Jews, many of whom spoke Russian, had migrated to Palestine.

Government Spending

EXTENSION OF REMARKS

OF

HON. WESLEY A. D'EWART

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. D'EWART. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Livingston Enterprise of February 6.

This editorial was sent me by Arnold F. Cayser, a civil engineer of Livingston, Mont., with the statement:

I am complying with a timely request which appeared as editorial in the Livingston Enterprise only last night.

The editorial follows:

WRITE A LETTER TO YOUR CONGRESSMAN

The congressional budget committee has proposed a reduction of $2,500,000,000 in the total of Federal spending proposed by President Truman.

That is not enough and every taxpayer should write to his Congressman and Senator and tell them so.

The Federal budget should be cut seven or eight billion, perhaps even $10,000,000,000 below President Truman's recommendation of $39,700,000,000.

President Truman and his bureaucrats have asked Congress for every cent of money which they hope to wring from a Republican Congress, and then they have added to it for good measure.

If the Government were forced to live as sparingly as its citizens are forced to under the present inflated prices it could get along with a great deal less than is asked.

Tell your Congressmen and Senators that taxes are sapping the lifeblood of the American economic system and that if there is no relief this Nation will be forced into socialism because there will be no source of capital to finance enterprise.

Tell your Congressman that Government spending is inflationary, because the Government enters the markets and bids up the prices of things that the people need.

Tell your Congressman that high taxes are inflationary because Federal tax is piled onto Federal tax in the price of every item which an individual buys.

Tell your Congressman that a reduction in individual taxes will not be inflationary but will be deflationary, because it will make unnecessary another round of wage increases, because it will reduce the cost of manufacturing and selling, and because it will take the Federal Government out of the market place to the extent of the reduction.

Tell your Congressman that Government spending is being poured directly into consumer-goods items in even greater proportion than is private spending.

Tell your Congressman that you are willing and even anxious to go without huge Federal-aid projects until they can be financed more cheaply. Tell him that you are opposed to adding any new costs to the budget, such as that for socialized medicine or for United States aid to education.

Tell your Congressman that Federal employees must pay everything they need for their subsistence in competition with you and I, while they produce nothing to fill channels of trade and commerce. Tell him that the Federal pay roll should be reduced so that these people could get jobs in private industry, where they are needed to help produce goods.

Tell him that you are in favor of tax reduction and budget reduction and that you think the proposal to slice only $2,500,000,000 from an inflated $39,700,000,000 budget is ridiculous.

Communism and Subversive Activities

EXTENSION OF REMARKS

OF

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. FISHER. Mr. Speaker, under leave to extend my remarks, I include the following radio interview between myself and Hon. J. Edgar Hoover, Director, Federal Bureau of Investigation:

Mr. FISHER. The people of the Nation have been anxious about our internal security since the early days of the war when Nazi Germany, aided by fifth columns, overran the many peaceful countries of Europe. Espionage and sabotage in those countries were uncontrolled. The fifth column had already done its work. In those days we, too, worried about what might happen in America. But our worries were never realized because our Nation throughout the war years experienced no enemy-directed acts of sabotage, and espionage was under complete control. One very good reason, and, indeed, the controlling reason, for this safety and security which were ours is explained by the existence of the Federal Bureau of Investigation or the G-men, as they are more properly known.

The man who heads that organization has made a profession out of security. For nearly 24 years Mr. J. Edgar Hoover has led the FBI to victory after victory and I am happy to have Mr. Hoover as my guest on this program today.

Mr. HOOVER. It is a pleasure for me, Congressman FISHER, to be with you on this program and to have this opportunity to speak to the citizens in your great State of Texas.

Mr. FISHER. I am sure, Mr. Hoover, that you feel very strongly, that the ending of the shooting war in Europe and in the Pacific did not end the necessity for vigilance here at home. You and I both know that if we have enemies to the American way of life we must know who they are before we can adequately defend ourselves, and I have the feeling that a potential threat again comes from a totalitarian force—this time the Communists. But am I being an alarmist, Mr. Hoover, when I say that communism is a menace to our democratic institutions?

Mr. HOOVER. I would say, Congressman FISHER, that you are being very realistic in your observations. The fact that there are less than 100,000 known members of the Communist Party of the United States of America in itself is not too serious. But they are only the duly constituted members of the party. The Communists themselves make the boast that for every party member there are 10 others ready, willing, and able to do the party's work. This includes Communist sympathizers, fellow travelers, and stooges who conceal their real identity with a cloak of pseudo respectability. Whether the menace of communism can be determined by the number of Communists on the party rolls is immaterial. There are some misguided and innocent persons who claim that we have nothing to fear. Unfortunately the good people of Germany and Italy learned that lesson, but only after it was too late. The Nazi Party only had 30 members when Hitler joined it in 1920, while the Italian Fascist movement in 1919 consisted of Mussolini and 150 of his friends, and when they marched on Rome they were outnumbered ten to one. But they were organized just as the 80,000 members of the Communist Party were when they overthrew the old Russian Government and seized power. In fact, in proportion to the population there are more Communist Party members in the United States today than there were in Russia in 1919. But yet we hear people in the United States saying that any denunciation of communism is likened unto the rise of national socialism in Germany where "The attacks on the rights of a very unpopular minority led to the attack on the rights of all the people."

Mr. FISHER. I know, Mr. Hoover, how deep-seated your contempt for anything that smacks of fascism is but don't the Communists always say that anyone who denounces

the Communist way of life is a "Hitlerite," a "Fascist," or a "Reactionary."

Mr. HOOVER. That is right.

Mr. FISHER. Now Mr. Hoover, what evidence do we have that the Communists stand for the destruction of the American way of life? We have found the Communists are good at deceit and trickery—the first thing a Communist learns is to lie about being a Communist. They masquerade under a lot of false colors.

Mr. HOOVER. We need go no further than the words of the Communist leaders themselves. In recent years they have been very cautious about using such phrases as "force and violence," but in their schools and in party caucus their every plan is based upon the necessity of a world revolution to establish "the dictatorship of the proletariat." In their own words they plan "to raise these revolutionary forces to the surface and hurl them like a devastating avalanche upon the united forces of bourgeois reaction, frenzied at the presentment of their rapidly approaching doom." The phrase "united forces of bourgeois reaction," Congressman FISHER, necessarily includes every patriotic American who is convinced that our system of government and our way of life are the best the world has to offer.

Mr. FISHER. That is certainly a plain statement, Mr. Hoover, but is it not true that Communists deny any plan to overthrow our constitutional government by force and violence?

Mr. HOOVER. Certainly they do. But Communists do not mean what they say when they are speaking for public consumption. They feel no moral compunction when they state that lie. The great god of the American Communists, Comrade Lenin, urged the use of deceit and trickery. His writings, which are their "bible," declare. "The strictest loyalty to the ideas of communism must be combined with the ability to make all necessary practical compromises, to maneuver, to make agreements, zig-zag, retreats, and so on, so as to accelerate the coming to power." The Communists cannot maneuver or zig-zag around the ruling of the Attorney General when he held that the Communist Party from the time of its inception in 1919 believes in, advises, advocates, and teaches the overthrow by force and violence of the Government of the United States.

Mr. FISHER. The Communist Party of the United States also denies any connection with any foreign political party or government, does it not?

Mr. HOOVER. That is true. American Communists naturally do not admit in public that their interests are identical with those of Soviet Russia. In reality, however, the one fundamental principle of the party line from which there can be no deviation is the duty to support Soviet Russia in all its dealings with other countries, including particularly the United States. Need anyone be reminded that "The Yanks are not coming" was the Communist chant during the Russian alliance with Hitler? The day before the Nazis marched into Russia, American Communists were voicing protests against our every defense effort. But less than a month later the same voices demanded all-out production and started the chant for a second front.

Mr. FISHER. You are convinced then, Mr. Hoover, that the American Communists constitute a fifth column with loyalty pledged to Soviet Russia.

Mr. HOOVER. I am, Congressman FISHER.

Mr. FISHER. Suppose, however, that actual war were to break out. In the event of that ultimate test of patriotism, where do you think the Communist Party of the United States would stand?

Mr. HOOVER. I believe few Communist statements, Congressman FISHER, but I take some of them at full face value. Here is one I freely accept. A top functionary of the Communist Party when asked the very question you have just asked me, said: "A war by the United States against the Union of Soviet Socialist Republics would be an unjust war, which is why it must be fought against; but if it should come, the Communist Party of the United States would be with Russia, and make no mistake about that." This is not the feeling of just one Communist leader. It is part of the accepted catechism of all true Communists. In another section of the country a Communist leader made this statement: "I believe that everyone should know that we are for Russia and if need be we will die for the cause. I don't mean that war with Russia is coming soon; I hope not, so that Russia will be better prepared."

Mr. FISHER. Such statements leave no room for doubt, Mr. Hoover. The Communist's first and only loyalty is to a foreign nation and an ideology opposed in every sense to the American way of life.

Mr. HOOVER. Yes, Congressman FISHER, the Communist Party of the United States, the dupes and its fellow travelers, have been, still are, and always will be a menace to our liberty, our democratic ideals, and our freedom to live and to worship according to our conscience.

Mr. FISHER. Mr. Hoover, what can the individual citizen do to defeat the Communist attempt to impose a totalitarian dictatorship upon this Nation of ours? A single individual, no matter how strong his patriotism, cannot hope to stem the tide of Red fascism by his efforts alone.

Mr. HOOVER. True, Congressman FISHER. One individual or even one organization alone cannot defeat communism. But our Nation is made up of individuals and its historic tradition has made its watchword "United we stand." The Nation's strength is the sum of the strength of the individual citizens. If each does his part, the Nation has nothing to fear.

Mr. FISHER. It is evident that each citizen, then, should know communism for what it is and fight it by exposing its true nature to others.

Mr. HOOVER. Yes, Congressman FISHER, and I want to point out that the Congress of the United States has performed a signal service in publicly disclosing through its members the forces, both Communist and Fascist, which menace America.

Mr. FISHER. We all might do well, Mr. Hoover, to take a page from the book of the Communists themselves. The true Communist devotes himself to the interests of the party with an enthusiasm which amounts to fanaticism. If all our citizens support Americanism with this same kind of fervor, the battle is as good as won.

Mr. HOOVER. That is certainly true, Congressman FISHER. At the same time, we must not let our enthusiasm lead us to violate the very principles of democracy we seek to preserve. We must be certain the man we label as a Communist is truly dedicated to the Communist cause. Sincere liberals and progressives are communism's most deadly foes, yet the Communists seek the protective cloak of liberalism to do their dirty work. A favorite Communist technique is to shout loudly for better living conditions and protection of civil rights in order to enlist popular support. The sincere liberal also fights for such desirable objectives, but his motives should not be confused with those of the Communist. We must be careful, too, that law enforcement is left in the hands of duly constituted and well-trained officers. No one is justified in taking the law into his own hands. One lynching is worth a great deal to the Communist propaganda machine. Fascism is a danger no less than communism, if it is allowed to flourish. We must fight any evidence of its recurrence.

If we do these things: Expose communism wherever it exists, protect the civil rights and liberties of everyone and devote our energies enthusiastically to making our kind of democracy work—then the Communist infiltration will fail and the Constitution of the United States will triumph over the Communist manifesto.

Mr. FISHER. Mr. Hoover, in a statement before the House of Representatives' Committee on Un-American Activities, you summed up the best antidote to communism as vigorous, intelligent, old-fashioned Americanism with eternal vigilance. That prescription is one that each American citizen would do well to take to heart.

Mr. HOOVER. Thank you, Congressman FISHER, and thank you for this opportunity to express my views to your fellow Texans.

Mr. FISHER. Thank you, Mr. Hoover, on behalf of all our listeners.

Inequality in Income-Tax Law

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and resolution:

THE SENATE, STATE OF NEW YORK,
Albany, February 13, 1948.

Hon. DANIEL A. REED,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: I am enclosing herewith copy of Senate Concurrent Resolution 11, introduced by Mr. Anderson, adopted in the senate on January 12, 1948, and concurred in by the assembly on February 2, 1948, memorializing Congress to amend the Federal income-tax law by eliminating the inequitable tax discrimination between residents of the so-called community-property States and the so-called common-law States.

Sincerely yours,

WILLIAM S. KING,
Clerk of the Senate.

Senate Resolution 11

Whereas it is our belief that a fundamental American concept of government is the establishment and maintenance of equity and freedom from discrimination among citizens in their relation to government; and

Whereas it is further our belief that such equity and freedom from discrimination does not now exist in the matter of the imposition of Federal income taxes pursuant to article XVI of the Constitution of the United States and its implementing statutes, because of the inequality of the income tax-burdens upon the residents of a few States of the Union and those of the many other States resulting from the so-called community-property laws of said few States; and

Whereas it is our belief that such inequality is substantial and places an additional estimated tax of $170,000,000 annually upon a large segment of the residents of this State; and

Whereas it would be tremendously difficult for the so-called common-law States to uproot their rules of property in an effort to remove this discrimination; and

Whereas it is our belief that the best and most equitable means available for the removal of this tax discrimination lies within the legislative powers of the Congress and the

legislative approval powers of the Chief Executive: Now, therefore, be it

Resolved (if the assembly concur), That the legislature of the State of New York respectfully urge the Congress of the United States to speedily correct the Federal income-tax law by eliminating the inequitable tax discrimination between residents of the so-called community-property States and the so-called common-law States, of which this State is one; and be it further

Resolved (if the assembly concur), That the legislature of the State of New York respectfully urge the President of these United States to speedily approve such corrective legislation when, as and if submitted to him for executive approval; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, to each Member of Congress and to the Governor and legislative body of every common law State in the Union.

By order of the senate.

WILLIAM S. KING,
Clerk.

In assembly February 2, 1948; concurred in without amendment.

By order of assembly:

ANSLEY B. BORKOWSKI,
Clerk.

Stinnett, Tex.

EXTENSION OF REMARKS
OF
HON. EUGENE WORLEY
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. WORLEY. Mr. Speaker, under leave to extend my remarks, I submit herewith an interesting newspaper article about the very friendly town of Stinnett, Tex., which I am happy to say is in my own congressional district:

ALWAYS A SPARE ROOM—"FRIENDLIEST TOWN" EVEN LENDS YOU CAR

(By William C. Barnard)

STINNETT, TEX., February 7.—A freezing mist stung the stranger's face when he got off the bus in this northern Panhandle town. He saw nothing that looked like a hotel—just a row of weatherbeaten business houses bordering the highway from Borger and Amarillo.

Constable Ben Foster, a small, lean, middle-aged man, walked up and stuck out a hand.

"What can I do for you, friend?"

"I have to spend the night and I'm looking for a room."

"I'll get you fixed up," Foster said, smiling, "If Ed hasn't got something maybe Curley will have, and if Curley's full up I'll put you up in the jury dormitory at the courthouse. We're not trying anybody right now."

Then he added reassuringly: "Don't worry about a room—Stinnett never turns anybody away."

Ed was clear out of rooms and so was Frantz (Curley) Ferguson. But Ferguson, owner of a hardware store and pool parlor, had an idea:

"My youngest can spend the night with his grandma. My wife and I will move into his room and this man can have the big bedroom with the desk."

The visitor protested, but Ferguson refused to listen.

"It's all settled," Curley said. "Now, here's my car keys—you probably have some running around to do while you're here and I don't want you getting wet and muddy."

CANOPY OF SMOKE

It was a typical incident here, and big city citizens who walk around the unconscious man on the sidewalk and never nod to the guy in the next apartment would be amazed.

Stinnett, with a population of 635, is the seat of Hutchinson County, which sits atop the world's greatest gas field. Thirteen miles south is Borger, carbon black center. Over most of the county the smoke hazes the atmosphere, softens the sunrise, colors the sunset, and sometimes gives the appearance of an impending blue norther.

Most men of Stinnett work in carbon black plants and in the gas field. The gas wells march right into town.

Outside Stinnett are fine ranches and wheat farms, and the ranchers and farmers are part of Stinnett's community life that centers in the two-story brick school. Everyone knows everybody. There are no doctors or dentists in town and Druggist Burt Downer does quite a business patching up scratches and swabbing throats.

It was at Stinnett that Frankie Groves, 103-pound, 16-year-old junior, last fall became the first girl ever to play in an interscholastic league football game.

Businessmen decided to present Frankie with some new clothes. Curley Ferguson went out for 30 minutes and got about $100. After that he just went back to his store and people began dropping in to contribute. Nobody gave less than $5.

"We sort of make it a point to help out," Ferguson says. "A while back a fellow here went over to Borger and a doctor told him he needed an operation and would be laid up in a hospital for 3 weeks. That was at noon, but the word got around. By 5 o'clock we had enough money to pay the doctor, the hospital, and to keep the man's wife and three children until he could get back to work."

EVERYBODY'S GAME

"This town goes in for athletics," says School Superintendent M. W. Graves. "Every eligible girl and boy plays basketball and every eligible boy, except three, went out for football. The three have after-school jobs. Boys and girls stay in training. I have never seen a high-school girl here smoke a cigarette."

Miss June Gibbs' home economics class took in $1,200 last year selling food at entertainments and hot dogs and coffee at football games. That's no easy trick, since there are no bleachers here and the crowd continually moves around.

When a fullback lights out on a 60-yard run, the fans run along the sidelines with him. Ed Fagg, 90, turned out for one game last fall and trotted up and down the sidelines, too, saying, "I'm going to see this game if it kills me."

Coach Truman Johnson, 220-pound Irish-Cherokee Indian from Oklahoma, teaches history and civics and drives one of the three school buses, making two 15-mile runs a day. The former Centenary football star and Chicago Cardinal professional sets out before sunrise and gets home after dark.

In his store, Ferguson runs things from an easy chair at the rear of the shop. A man came in, picked out a frying pan, rang up the sale on the cash register, got his change, waved to Curley and departed.

Curley's visitor was impressed by this easy self-service.

"Is it a good idea to let people get in your cash register?" he asked.

"Why not?" Curley shrugged. "If they get short-changed they have nobody to blame but themselves."

Union-Shop Elections—Building-Construction Industry

EXTENSION OF REMARKS
OF
HON. JOHN LESINSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. LESINSKI. Mr. Speaker, Robert N. Denham, general counsel of the National Labor Relations Board, has just announced a program of union-shop elections in the building-construction industry. It is estimated that the program will involve a minimum of 14,000 separate elections and that 2,500,000 building-trade workers will vote. The election in this industry alone will probably cost the American taxpayer in excess of $1,000,000.

I have been engaged in the building-construction and material businesses since early manhood, and I am, therefore, familiar with all phases of the operations and problems of the building-construction industry, and I am of the opinion that this poll is unnecessary and will impose an unwieldy administration burden on the National Labor Relations Board.

Under leave to revise and extend my remarks, I will include a report by the Public Affairs Institute which appeared in the weekly issue of the Trainman News of February 7, 1948, which is the official weekly publication of the Brotherhood of Railroad Trainmen.

This very enlightening and able report of the Public Affairs Institue confirms many of the criticisms which were directed against the union-shop election proceedings provided in the Taft-Hartley Act.

The report is as follows:

UNION SHOP ELECTIONS UNDER T-H—UNWIELDY, UNBINDING, UNNECESSARY

(A report by the Public Affairs Institute)

A recent report released by the National Labor Relations Board reveals that 2,064 cases were filed with that agency for the month of December alone. This is the largest number of cases ever filed with the Board in any one month in the entire 12 years of its existence. Over half of these cases consisted of petitions for elections authorizing a union shop.

When this particular provision of the Taft-Hartley Act was debated, its supporters proclaimed that the rank and file workers must be protected from compulsory union membership. Therefore, union security could not be valid without a poll among all the employees of a given bargaining unit.

Critics of this provision, on the other hand, vainly pointed out that not only was such a poll unnecessary but that it would impose an unwieldly administrative burden upon the NLRB. The accuracy of this prediction is borne out by the fact that the Labor Board is now confronted with a steadily increasing back-log of cases. The latest available figures which deal with the month of December indicate an all-time high of 5,833 cases buried under "unfinished business."

Recently the board conducted a union security election among the employees of the American Woolen Co. This one election in-

volved the polling of over 20,000 employees in 21 mills located in 14 different cities. Yet this task was comparatively simple in the light of the demands to be made upon the board in the near future. For example, the United Automobile Workers of the CIO has announced that it will seek an election not for 20,000 but for 250,000 employees.

ELECTION COST STAGGERING

What of the cost of conducting these mammoth elections? It is estimated that it costs the Government about 45 cents for each vote in a union shop election. Therefore, such an election among the 250,000 General Motors employees represented by the UAW would cost well over $100,000. Obviously, the over-all cost of these elections would be staggering.

Is it not strange that Congress can be so lavish in its use of Government funds for the restriction of organized labor, and so niggardly with its expenditures where public welfare could be improved? Millions of dollars for union shop elections, and not enough funds to conduct an effective Department of Labor.

An even more important factor is the effect of such unwieldly procedure on labor-management relations generally. The very nature of the field in which the labor board operates requires that matters before it be handled promptly. For instance, a union seeking to be certified as a bargaining representative cannot wait weeks and perhaps months for the board to consider its case without creating unrest among the employees and disturbing relations with the employers

A backlog of board cases means a backlog of injustices and dissension in the factories, shops, and offices throughout the country.

IS SUCH EXPENDITURE NECESSARY?

Is this expenditure of time, money, and good will necessary? The answer again is to be found in the figures for the months of December and November. Of the approximately 73,000 votes cast during that month, 93 percent were in favor of the authorization of union-shop provisions. Elections held during November showed 90 percent of the employees were in favor of the union shop.

Despite this overwhelming sentiment in favor of union security, the Taft-Hartley Act does not require an employer to enter into such an agreement even after an election has been held. For example, if as much as 100 percent, of the 250,000 GM employees were to vote in favor of a union-shop provision, the General Motors Corp., would not be required by law to agree to such a provision. It is illegal for a union to insist on a union shop without an election, but it is perfectly legal for an employer to ignore the preference of his employees as determined by a labor board election.

If the sponsors of the Taft-Hartley Act had really been interested in giving effect to the views of employees, they would have included in the act a provision compelling the employer to agree to a union-shop provision where a majority of the employees vote in its favor.

Why Materials Controls Are Unnecessary, Unworkable, and Obstructive

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by John H. Middlekamp for the Automobile Manufacturers Association to the Senate Banking and Currency Committee on January 30, 1948:

INTRODUCTION

My name is John H. Middlekamp. I am a vice president of the Mack International Motor Truck Corp., a producer of trucks and busses. Today, at the request and with the assistance of the fact-finding committee on Government controls of the Automobile Manufacturers Association, I am appearing to give you the views of the automobile industry on the materials controls embodied in legislation before your committee.

This is a subject on which I can speak with some knowledge, as during the war I helped administer the production controls imposed on the automobile industry. Shortly after Pearl Harbor I was called to Washington to expedite truck production for the Office of Production Management. I had been with the Brooklyn-Manhattan Transit Co. for 17 years, my prewar job being superintendent of its automotive equipment. Later, I was commissioned by the Army to head up a department to control truck production, and on January 1, 1944, at the request of WPB and the Army, I accepted the directorship of the Automotive Division of the War Production Board.

PURPOSE OF THIS STATEMENT

The automobile industry is thoroughly convinced, after exhaustive reviews of its experience both in peace and war, that:

1. No need has yet been shown for imposing materials controls upon the domestic economy at this time or at any foreseeable time of peace;

2. Partial controls—that is, regimenting some segments of the economy and leaving others free—are impossible for the Government to administer or for industry to operate under; and

3. Complete controls won't work in a free country. Even if workable, complete regimentation of the business and industry and agriculture of America would fail to create and in fact would prevent the stabilization of the economy which is the professed goal of the bills before the committee. More importantly, it would inevitably weaken and quite possibly destroy the capacity of the last free country in the world to maintain its own economy and help the rest of the nations of the world throw off the shackles of regimentation and the consequent economic paralysis which has caused them to look to us for assistance.

You will have noted that we are talking mainly about materials controls. In our industry, both wages and prices are competitive matters which are not discussed collectively. They are handled by individual companies on the basis of their individual problems and policies. In some instances, the specific as well as the broad economic arguments we will use to oppose the control of materials are applicable also to wage and price controls, but I want to stress that our presentation is based upon our knowledege and experience in the materials field.

From our experience with OPA controls of prices of materials during the reconversion period we know that items carrying unrealistically low prices disappeared from the market before the agency could—or would—correct the maladjustment. This compounded the problems of manufacturers, who were forced either to develop and use more expensive substitute but available materials or to reduce production. Thus price controls on basic materials instead of stabilizing prices actually increased costs and inflated prices.

AUTOMOTIVE INDUSTRY AND NATIONAL ECONOMY

The automobile industry, as you probably know, is not self-contained. We neither produce nor fabricate all the materials that go into our passenger cars, trucks, busses, and taxicabs. Instead we buy materials and parts from thousands of sources—thousands of small businesses.

To produce our vehicles, we use components which we make ourselves from basic materials bought from the steel, copper, lead, zinc, textile, lumber, plastics, and other materials companies. We also use complete or semifinished components or subassemblies bought from parts producers, most of which are "smaller businesses" by any definition.

The nonintegrated system of production stood us and the Nation in good stead during the war. Then the emphasis was on subcontracting, and this industry with the aid of its thousands of subcontractors (or vendors as we call them in peacetime) was able to produce—in trucks and tanks and guns and planes and hundreds of other lethal items—about 30 percent of the country's metal-based war production. For about half of our industry's important contribution to victory, smaller businesses can take credit. Subcontractors located in 1,375 cities and towns in 44 States accounted for 56 cents of every dollar's worth of automotive war production, and that pattern probably is not much different now.

You perhaps may know that the automobile industry is responsible for approximately one out of every seven paid jobs in America, with about 8,200,000 persons earning their living in the manufacture, distribution or use of its vehicles. Besides employing about 800,000 people in its own plants, it generates employment for nearly 7,500,000 people in 537,000 outside concerns, nearly all of which are classified as small business. Automotive sales and service accounts for one-fifth of all retail business, one-eighth of all wholesale business.

Normally the automobile industry is likewise responsible for a large proportion of the employment in other industries, using 15 percent of all steel, 80 percent of all rubber, 69 percent of all plate glass, 65 percent of all upholstery leather, 35 percent of all lead, 10 percent of all cotton, 9 percent of all tin, and a substantial share of nearly every other commodity sold in the United States.

These facts are cited to show the role of our industry in the over-all economy of our country and the role of small business in the automobile business. Any shortages of materials resulting from attempts to allocate them would diminish automobile production and employment, not only in the great industrial cities but in hundreds of smaller cities and towns in nearly every one of our Nation's 48 States. Thus, it would directly and adversely affect a considerable portion of the industry's total production and employment.

WHY MATERIALS CONTROL WON'T WORK

We are disturbed because in all of the official testimony offered to support measures to allocate or ration or control materials there has been no apparent realization of the fact that allocation of materials by Government, either through compulsion or through so-called voluntary agreements, means allocation of end products—the finished goods that customers buy. By allocation the Government tells each company or industry how big or small it can be.

Frankly, our industry does not believe that there exists or could be created in Washington in peacetime any group of men endowed with sufficient wisdom, judgment, objectivity, and knowledge of the future needs of the Nation to fairly and honestly allocate steel or other materials between competing products. That is, they'd decide that in 1948 there should be built so many passenger cars, so many trucks, so many airplanes, so many freight cars, so many buildings, so many bobby pins, so many of this, and so few of something else. This is exactly what the allocation of materials means, for you can't

provide more of a scarce material to one segment of the economy without taking it from another segment.

Even if it could be assumed that such a determination could be made with reasonable fairness and foresight, I don't believe that anyone would be able to imagine that the same official body or any other could fairly and efficiently allot materials to individual competing producers within a single industry. What standards would they use? If they used a historical base, taking a given year or period of years as the bench mark, they'd freeze the status quo. The smaller company could not grow, the new company could not even get started.

To circumvent this, any bureau in charge of materials controls would then attempt to use some basis other than historical for allotting materials to competitors. This inescapably would lead to discrimination and the use of personal-advantage considerations rather than broad economic factors as standards.

SCARCITY BREEDS INFLATION

More possessions of more people were destroyed in World War II than ever before. More farm tools, fertile fields, and factories were destroyed—and our own production facilities were worn nearer the end of their useful life than in any previous conflict.

Our first postwar problem was to rebuild worn facilities to produce the tools and basic materials from which we could build the commodities needed to fulfill the war-deferred demand.

This has been done. The pump is primed—the repaired and expanded facilities are producing at a steadily increasing rate and the market for some items is beginning to be satisfied. The job that American industry has done in converting its facilities to war production and reconverting them back to peace production probably will never be either understood or appreciated by people outside industrial areas, but you may take our word for it: In scope and speed it has no counterpart in industrial accomplishment any place in world history.

Unfortunately the acceleration of the production of commodities was seriously slowed down by prolonged strikes which delayed the current high rate of commodity production. One result was the loss of 18,000,000 tons of steel since VJ-day. Because of such production losses, too many commodities have been in short supply too long, inviting inflation and profiteering abuses.

Just as restricted production clearly adds to inflation, so increased production leads to stability. Greater production of scarce items is the only sure cure for inflation.

PARTIAL CONTROL IMPOSSIBLE

During World War II partial materials controls, by means of priority systems, failed despite the wholehearted efforts of Government and industry. These failures occurred under conditions ideally suited to partial control, if such control could ever be made to work, because there was practically only one customer—namely our Government. Also the variety of items bought by the Government during the war was small compared to the tremendous variety currently sold to millions of customers.

Partial control usually implies attempts to ration scarce items through a priority system, allowing the best priority for the commodities considered most essential. Lesser ratings are assigned to commodities considered of lesser importance. Essentially a priority is a license to buy if you can find a supplier with enough of the scarce item to reach down to your particular priority rating.

Partial control by priority failed during the war and certainly would fail in times of peace. Manufacturers with ratings less than the best cannot plan ahead because they can have no assurance that they can obtain all the materials they need to build their product when they have relatively low priorities for part of the materials required. The several partial-control systems attempted during the war seriously curtailed production and would drastically impede output now and thus increase costs and raise prices.

About the middle of 1941 the priority system was in the process of breaking down with the Priorities Division of the Office of Production Management unsuccessfully attempting to handle about 7,000 pieces of mail a day—a modest amount of mail compared with what was to follow. The production requirements plan, the next system of partial control, also failed. Please remember this because it is significant: These two systems covered only a relatively few specialized war commodities. The number of war products amounted to mere thousands of items while American industry now is producing hundreds of thousands of articles.

COMPLETE CONTROL ELIMINATES INDIVIDUAL INITIATIVE

Complete controls of materials would be impractical, and ultimately disastrous, even if it is more possible to make them effective temporarily than such partial controls as priorities.

The Government's effort during World War II to completely control material distribution was called the controlled materials plan. CMP applied to all manufacturers but affected, for all practical purposes, only one customer—the Government—and a limited variety of war commodities. CMP was at best only partially successful despite the utmost cooperation between Government and industry to make it work. But it would have failed completely even under those conditions if the variety of products had been as numerous as in peacetime and the demand as variable and unpredictable.

The amount of paper work, as exemplified in one form which I will show you shortly, and the number of people required to make such a plan work in peacetime would by their sheer weight bog down any such plan. WPB required 18,000 people to control the materials for a relative handful of kinds of products, while the armed forces and industry had to take hundreds of thousands of people out of productive work to operate the bare paper work of such controls.

The war proved that a materials allocation plan cannot be even partially successful if the end products receiving allocations are not first broken down into components and the results compiled on the basis of the quantity of material required to produce each of the components of the finished product.

The allocation of the scarce material in the bill of material of the end-product establishes the number of end products which can be built. This is the result of any complete allocation of any scarce material.

Our industrial production is highly intricate, and the result of many years of intensive training of great numbers of men, each constantly making immediate important decisions in his own field and on his own initiative. Literally millions of conversations, letters, and telegrams between these production men in industry accurately time material deliveries throughout vast industrial organizations. Slight disturbances in any one plant can cause production losses in many distant plants.

The production and materials procurement relationship in our tremendous and intricate American industrial machine has been amazingly, efficiently, delicately balanced to maintain steady production with minimum inventories, despite the natural mechanical difficulties and other handicaps of converting from war to peace. Disturb it through central material control and you seriously slow it down, by reducing or eliminating the opportunity for individual initiative to find the answers to the countless production problems which the experience and imagination of the men of industry have qualified them to solve.

At this point we would like to offer for the record a brief summary of the continuous failure and confusion which accompanied progressively intensified attempts to control materials during the war. This summary is taken from the official history of the WPB and its predecessors and it is keyed to the page numbers of that publication.

MATERIALS CONTROL DANGER ILLUSTRATED

Here is a picture of a truck and the bill of material of the 14,426 parts of which the truck is made. Also, here is the wartime CMP form converting this truck to quantities of the basic materials required to produce the parts from which it is made. This is one of three basic trucks my own company made during the war—now we have 42 different models of trucks and busses.

This paper work which we had to do for each of the three trucks we built during the war had to be done, in relatively about the same volume and with the same loss of productive effort, by each of the nearly 300 vendors who made materials or parts for us. Now, in peacetime, because of the greater variety of models, my company buys from 4,200 vendors, which is fairly typical of the industry.

If any one part of this truck were not available in our factory on schedule, due to the failure of the Government to issue on time the proper priority for it after poring over the paper work required of us and all other producers of items using controlled materials, all the other material on hand and the man-hours ready to assemble the vehicle would be immobilized. Production would slow down or stop and costs would rise. This part I show you, a rocker arm, is typical. It demonstrates perfectly the logic of that old truism about the battle being lost for the want of a horseshoe nail. For the want of this setscrew the rocker arm assembly could not be built. For the want of the rocker arm, the engine could not be completed. For the want of an engine, the truck could not be built—all for the lack of this little piece, which maybe costs us 25 cents.

Yet, this is just one of the parts needed for just 1 of the 42 models of one manufacturer. In our own industry there are more than 50 producers of various types of motor vehicles. There are 94 other American industries which like the automobile industry produce various products in volume more or less by assembly-line methods. In these other industries and our own industry, there are 11,000 plants. The number of separate products, taking model differences into consideration, runs into the hundreds of thousands and the number of different kinds of parts required for their production runs into many millions.

The point is that the whole productive process in any of these plants can be halted by the lack of a single part, even such a simple part as the rocker-arm setscrew.

Yet, complete allocation would require definite action somewhere concerning each of these separate numberless bits and pieces. This would require a bureaucracy many times larger than the WPB. It would raise industry's production costs astronomically because of the magnitude of the number of men who would have to be taken from productive labor to handle the paper work. All this, mind you, is not intended to increase production—which is not the purpose or result of allocations—but is merely to distribute a shortage.

Any such attempt at material control, as our wartime experience proved, does require the detailed analysis and expensive paper work typified by the CMP form to be applied to each different product using a temporarily scarce material. And, usually, before there is time to develop a production program for each commodity, the supply of the

scarce item has been sufficiently increased or industry has used its ingenuity to develop a substitute material which nullifies the original need for control.

WHY NOT POSITIVE INSTEAD OF NEGATIVE APPROACH?

Materials controls and their consequent expensive burden of paper work—and frustration—do not produce more. On the contrary, they do produce less and they do increase costs.

Developing incentive for our citizens to build and grow more of everything needed is the positive American way of beating shortages and consequent high costs and high prices. We are acutely and constantly aware of the perils of pricing people out of the market.

But wasting the time and energy of our citizens in an attempt to paper control a distribution of scarce items is certainly a negative and therefore un-American approach to the problem, which instead of curing the shortage only prolongs it and twists the inflation spiral a turn or two higher.

Our proposal is this: Given our free, competitive economy a fair chance to complete the already well-advanced job of bringing supply and demand into balance, by the fundamental processes of the market place. There is every evidence that we now are nearer to bringing scarce materials into supply-demand balance than at any time since before Pearl Harbor. Certainly, the production record of American industry in 1947, including that of our own industry, effectively challenges the factually unsupported claim that control is necessary in order to get higher production so as to stabilize our own economy and help the rest of the world.

Of all the myriad consumer goods made from steel, for instance, there are few which are still hard to get except automobiles. Immediate or near future delivery is available for some models of radios, electric stoves, refrigerators, washing machines, vacuum cleaners, and many other products. Even in the automotive industry, busses and heavy-duty trucks are becoming increasingly available. As the demand for more and more products levels off, more steel is becoming available for products in short supply. Sooner or later, and probably rather sooner than later, steel shipments to all industries will be on a normal delivery basis. That is, if we don't interfere with the function of the free market.

After all, it was not a regimented, or controlled, or Government spoon-fed economy that has permitted the people of the United States, with less than 6 percent of the world's land surface and 7 percent of the world's population to have and enjoy 80 percent of the world's automobiles, 60 percent of the life-insurance policies, 54 percent of the telephones, 48 percent of the radio sets, 46 percent of the electric-power capacity, 35 percent of the railway mileage, 30 percent of the improved highways, and 92 percent of the modern bathtubs.

These material signs of well-being, together with the social and economic blessings they have brought us, are all the fruits of our particularly individualistic competitive economy, possible only under our form of government. Thus it just doesn't make sense to us to regiment our free economy in order to free the economy of the rest of the world.

Let us permit our citizens to freely muster all their ingenuity to overcome the production bottlenecks rather than curtail overall production down to the level of a scarce item.

On March 4, 1944, in the annual report of the Special Committee to Investigate the National Defense Program, then known as the Truman committee, the following statement was made on page 18:

"Any attempt to create for peacetime production a regimentation more complicated and more difficult than that which we have had during the war would be most unfortunate and contrary to the principles of democracy."

As an industry, we concur.

And as an industry, we ask you to consider carefully, as we know you will, the implications of fastening the burden of materials controls upon our peacetime production, which with its multiplicity of manufactured products, and customers, would require a system of industrial regimentation infinitely more complicated, more burdensome and more costly than anything we had during the war.

Lincoln Day Address

EXTENSION OF REMARKS
OF

HON. MARION T. BENNETT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. BENNETT of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following Lincoln Day address delivered by me at Bangor, Maine, Friday, February 13, 1948:

Mr. Chairman and fellow Republicans, the warmth of your welcome belies the chilly reputation of Maine winter weather. The kind words of the gentleman who introduced me give rise to a feeling similar to that of the man who was given a flowery introduction and upon arising to address his audience said, "After that fine introduction I can hardly wait to hear what I have to say." In speaking of the warmth of your welcome, I cannot but recall the chill reception I received one Memorial Day in my own congressional district when called upon to address a crowd at a national cemetery. Soldiers were there with a firing squad to salute the colors. The chairman who introduced me said, "We will now have an address by Congressman MARION T. BENNETT. At the conclusion of his remarks the firing squad will shoot a volley over the dead."

I spoke last night at Portland, Maine, and am greatly enjoying my first visit to your State. I know pretty well what a fine place it was before I got here because for 6 years I have had to listen to FRANK FELLOWS and the other Members of your congressional delegation sing its praises. I must admit they had aroused my curiosity. Many people of America have been curious about both Maine and Vermont since that historic day you demonstrated that when it comes to voting you have better discrimination than all of the rest of the country put together. That judgment is also evident in the character of your representation in the National Legislature in Washington, in both House and Senate. Without meaning to discriminate among your Members, I must confess that FRANK FELLOWS is a particular buddy of mine and that it is pleasing to me that I have this opportunity, in his district, to assure you that all of his colleagues in Congress share my high estimate of his character and ability.

On these occasions, at this time of year, we pay homage to the memory of Abraham Lincoln, first President our party furnished to the Nation. I would assume that Maine, and especially Bangor, would have considerable personal interest in this custom because Bangor was the home of Hannibal Hamlin, father of the Republican Party in Maine and Vice President in the first administration of Abraham Lincoln.

History records the incident when once Bangor staged a giant parade in Hamlin's honor and offered him a carriage. He turned it down, saying: "I'll walk with the boys." As a member of the Maine Legislature, later a Congressman, Senator, Governor, Vice President, and Ambassador, this humility characterized him as it did Lincoln himself. It is a quality which must have appealed to Lincoln as it did to the voters of Maine. America was fortunate in Lincoln and Hamlin. It would be nice to have a Lincoln and Hamlin in Washington today, one at 1600 Pennsylvania Avenue and the other presiding over the Senate. But, Missouri reserves the distinction of furnishing the present tenant of the White House, whose lease expires in 1949.

It may interest you to know that my own congressional district is the one where High Tax Harry Truman was born, at Lamar, Mo. There he spent his youth and made his later acceptance address as nominee of the New Deal party for Vice President. Of course, he has never been able to carry the county or the district where he was born, for any office. We know Harry too well. In Missouri we know that he was never elected to any office by an honest vote, that he is a dues-paying member of the corrupt Pendergast machine, its defender on the Senate floor and in the White House, and he will not carry Missouri in November 1948. Republicans are on the march in Missouri. They have 9 of the 13 seats in the United States House of Representatives and both Senators today, for the first time since the Civil War.

It is just a little difficult to tell what the Democratic Party stands for today. If you vote for its candidates you can't be sure whether they represent the ultra-conservatism of the deep South or radicalism of the far left wing.

You can't know whether you are voting for the attitude toward labor that vetoes the Taft-Hartley bill or that which threatened to draft railroad workers into the Army at bayonet point.

In foreign affairs would it be expressing sympathy for Communist Russia or for a reactionary monarchy somewhere?

Would it be in support of controls and rationing or for a party which refers to such as the methods of a police state?

Would you be voting for anti-poll-tax and lynching laws or for a party that calls such practices viciously un-American and threatens to secede again from the party if not from the Union?

A party that looks for Communists under every bed or hides them under every bed?

A party which calls speculators in the grain market gamblers in human misery or one whose officials busy themselves in such activities?

A party that advocates "four freedoms" for all the world or participates in secret conferences where they are sold down the river?

A party which is for more production or which favors plowing it under and killing little pigs and throwing them in the river?

These are but a few of the puzzling questions which indicate the only sane and sensible answer for Americans in 1948, is to support the Republican Party which has a program and knows where it is headed. I gain, as a Republican, much satisfaction from the fact that when Tom Clark, the Attorney General, recently came forth with a list of Communist-front subversive organizations, and 23 names of Members of Congress appeared on their membership lists, no Republicans could be found among them.

In fact, it was not until a Republican Congress took office one short year ago last month, that any genuine effort was made to find this vermin which for 14 years had been permitted to worm its slimy way into the foundations of this Republic. We are trying to get the Reds out of the Government and the Government out of the red. That is the most important job facing America today. It is the key to our future prosperity and security. It will open the door to peace,

defeat of high prices, preservation of industrial peace, the building of homes, improving the Nation's health and education, broadening the protection of social security, protecting civil rights, reclaiming land for farming, increasing industrial production, lowering taxes and the high price of government, and protecting ourselves against infiltration of dangerous ideologies.

I cannot emphasize too strongly, in this connection, the need for us to become the party of youth. We need to do more than ask youth to join our columns. We need to demonstrate that we not only understand the problems of our youth but are anxious and willing that energetic youth help lead the direction of our party.

The youth of America is disillusioned by the moral and political corruption in high places in Washington under the present administration. It is easy to understand why this is so.

For years Kansas City, Mo., has been a cesspool of political corruption where public officials worked hand in glove with the rackets of vice, gambling, vote theft, and murder. Books have been written about it. Have you read Tom's Town? or Tom's Boy Harry? You would find it hard to believe that these books are not fiction except that they are documented. It was hard for Americans to believe that when Boss Tom Pendergast was on his way to prison, his errand boy in the United States Senate said, "I will not desert a sinking ship." It was unbelievable when, as Vice President, he took an Army airplane and flew to Kansas City to attend this man's funeral. It was shocking when last year he sent his check for dues to Jimmy Pendergast, the new boss, and Uncle Tom's nephew and political heir, in order that he might remain in good standing in the notorious Pendergast Jackson County Democratic Club.

When an honest district attorney at Kansas City prosecuted and won penitentiary sentences for 259 members of the machine, Harry Truman pardoned many of them when he became President. He fired the district attorney, Maurice Milligan, and appointed a man named Sam Wear, a gentleman I defeated for Congress the first term I was elected 6 years ago. Wear could find nobody to prosecute following the theft of a congressional election from Roger Slaughter but the Kansas City Star uncovered thousands of ghost votes. He is still in office but a special prosecutor has been assigned to do the job. He isn't getting anywhere because the courthouse vault holding the evidence, the fraudulent ballots, was blasted open one night and the evidence was stolen. Truman flew from Kansas City to Washington the next day. Eighty-one indictments against 71 individuals are thus left hanging in the air. When Congress demanded an investigation of the affair the Democrats filibustered for days, the clock around, to prevent it from coming to a vote—a confession of guilt.

Yet, there are some who say that Harry Truman never did profit from the crookedness of the Pendergast machine. But, somehow he was elected presiding judge of the county court which built a new courthouse in Kansas City with Pendergast ready-mix cement, and paved every road and cowpath in Jackson County, Mo., and eventually State highways with the same materials. Somehow he got elected to the United States Senate twice by fewer votes than were later marked off registration lists as ghosts. Somehow he has made good. Harry, himself, says, and I quote, "I have got ahead because I am a regular Democrat. That is how I became judge, Senator, and Vice President." His present position he owes both to this formula and intervention of divine providence which must have been hard pressed to choose between Truman and Henry Wallace. This is the same man who today rattles the saber at Russia but who vetoes a labor bill which requires labor unions to certify that no Communist is a union official, with power over the life stream of American commerce. It is under this administration, my friends, that we have reached the sad state where it is unfashionable and vetoable if one is called upon to raise his hand to his heart and say, "I pledge allegiance to the flag of the United States and to the Republic for which it stands * * *."

I emphatically reject any belief that the present administration is either willing or competent to save this country from the dangers of inflation, bankruptcy, and totalitarianism. I charge it with aiding and abetting these forces through ignorance, cowardice, crookedness, and lust for political office. I contend that it is necessary to elect a Republican President who will cooperate with the Republican Congress which has tried but has been considerably thwarted in its efforts to save America.

Let me say, that as one who is not an isolationist, one who has voted for foreign aid, I am alarmed at the incompetent manner in which it has been administered by the executive department of our Federal Government. When I was in Athens last summer I saw it on the black market. I saw it on the black market in Italy, France and 16 other countries. I thought of the evils which had arisen under the same men in Missouri affairs. I wondered whether they could ever be corrected now that their jurisdiction has been extended to the national and international field? I am convinced that they cannot be so corrected. I am further convinced that, as Republicans, we must insist that first things be put first.

We must first purge our Government of all Communists, New Dealers, Pendergast politicians and fellow travelers.

We must stop the nonsense which granted aid to Greece and Turkey to fight communism and within a week of extending aid to Poland, Hungary, and Czechoslovakia, and other Soviet satellites. We cannot and should not waste our strength helping both sides when it is our own security which is at stake.

We must repudiate the President who promulgates the Truman doctrine to fight communism by aiding free peoples to resist it, and at the same time says he sees no reason to stop exports of war materials to the Soviet Union, as he has the power to do.

President Harry Truman granted export licenses to Russia for $113,700,000 worth of automobiles, farm machinery, machine tools, freight cars, locomotives, and steel in 1947, along with over 8,000,000 barrels of oil and aviation gasoline since the war. Apparently, the administration has learned nothing from New Deal appeasement of Japanese totalitarianism with scrap iron and oil prior to World War II. Apparently, it is not concerned with this inconsistency with the Truman doctrine. Apparently, its muddled thinking and confusion of purpose thinks it is all right for the taxpayers of this country to shell out in straight Government gifts from this country to Russia since VJ-day, $177,347,762.04, with $16,080,000 of it handed out last year to add to $11,058,833,000 we gave Russia outright to help her win the war. All of this aid direct to Russia does not take into account the hundreds of millions of dollars we have given both during and since the war, especially since, to her 11 satellite countries.

We must stop subsidizing socialistic and communistic experiments and governments abroad. We must stop subsidizing foreign politicians and black markets. We must stop paying blackmail to those who threaten to turn Red if we don't feed them greenbacks. While we are for relief for starving and freezing people abroad we must get an administration which will be for some relief for the American taxpayer, for the old-age pensioners in the United States of America, for our own needy school teachers and other citizens who are being forced to the wall by inflation. Foreign aid distributed in an inefficient manner so that it helps neither recipient nor giver, hits you twice—in high prices and high taxes.

It is intensely interesting that the President and his paid propagandists advance the theory that Republicans are responsible for high prices because they do not restore rationing and price controls when we have given him the other powers to fight inflation that he asked for. Our experience conclusively demonstrated in 1945 and 1946 that such controls retard rather than promote production, which is the cure for inflation. Price controls and rationing deal with the effects and not the causes of inflation.

A simple rule of either medicine or economics is that in order to prevent a thing you must control its cause. In medicine you cannot prevent an illness by misreading the thermometer that is recording the patient's temperature, nor by fixing it so that it cannot rise, nor by throwing it in the river.

Likewise, in economics, you cannot prevent inflation that has already taken place by falsifying the evidence recorded in the market places where people do business, nor by attempting to fix prices, nor by closing markets and tampering with the free exchange of goods and services. Prices are the thermometer of the inflation patient, not the cause of the disease. To fool with the thermometer, and acclaim that it protects the health of the patient, is the lowest form of economic quackery and the foulest brand of political snake oil. Even if the quack loudly proclaims his love of the patient and concern about his welfare, it does not make his shenanigans any less futile. Curbing inflation requires the treatment of causes, not condemnation of effects. High prices are not the criminal. They are only his tracks and inflation is his name.

The New Deal wrecking crew in Washington has done all it can do to hamstring private enterprise in such a way as to build up a clamor for wartime controls in peacetime and to stimulate a boom-and-bust economy. It has thwarted Congress in its effort to cure the causes of inflation, which are many. About some of these causes, such as the drought and increased consumption, due to a larger population and national income, Government can do little, if anything. But it is pertinent at this point to remember that it was Harry Truman who vetoed in 1946 the OPA extension bill which called for an orderly end to wartime controls. He, and not Congress, abruptly decontrolled commodities following public repudiation of price control and rationing, with its shortages and black markets, in November 1946. It was Harry Truman who, on October 16, 1947, denounced rationing and price controls in a White House press conference as "methods of a police state." But this is an election year, and he is looking for an issue. He thinks your memories are short. He hopes you have forgotten that in June 1946, 79 percent of the communities in America were short of bread. In the same month 58,000 butcher shops closed because they had no meat to sell. In September a majority of city people ate fish and poultry because there was no other meat, and horse meat was replacing beef, even in hospitals. He has reversed himself again. He is back in bed with the CIO-PAC and those other left-wing forces which demand economic controls over the businesses, the farms, the housewives of America, as the price of election support. He cannot escape the responsibility for 15 years of power for his party by passing the buck to Republicans, who have had control only of the national legislature for a year's time. We did not get in this fix overnight.

Prices are breaking and within a month, at most, we should know if this is the "leveling off" or "recession" economists have been predicting as a result of consumer resistance to the high cost of living. When prices started to fall, the Secretary of Agriculture

indicated it was time for Government to start buying heavier to keep them up. Which causes us to ask, "Is the administration trying to combat inflation and high prices or not?"

On the whole, I would say that the Administration favors high prices, on its record. From the beginning of the New Deal we recall the program of destroying crops and killing stock to promote scarcities and high prices. Truman has out-Wallaced Wallace on this score. The pig-killing program of Henry Wallace was interesting but here is Truman's record to the high cost of living.

1. He has permitted his appointees to speculate on the commodity market and enrich themselves while running up the price of commodities.

2. He has sent the Government's Commodity Credit Corporation into the market, as he did January 20, 1947, at Kansas City, when it bought $40,000,000 worth of wheat in 1 day. That was 19,000,000 bushels and it drove wheat up over a dollar a bushel. The Government has been buying over one-third of the wheat crop to give away to foreigners. That program is reflected in the price of groceries. For a long time, it has been the chief cause of food scarcities and high prices. The administration bought 1,600,000,000 pounds of sugar at $1 per hundred pounds above the market price, the same day controls were taken off, just to make sure prices would rise when controls went off.

3. The President has not used the powers he always has had to stop deficit spending and creation of printing press money printed to meet the costs of unproductive Government spending. The administration opposes any reduction in the high price of government. Its philosophy is: "You make it, we take it. You lend it, we spend it."

4. The President refused to permit income-tax reduction in 1947. Wartime taxes in peacetime have added to the cost of living, cut take-home pay, discouraged production and business expansion. Since 1948 is an election year, he has come out, as was forecast when he vetoed tax-reduction bills in 1947, with a plan of his own, seeking to increase taxes on business and distribute the loot among the people at $40 per head. Increased taxes on business mean higher prices.

5. The President has encouraged low productivity by labor with his administration of the wages and hours law, insistence that wage increases can be granted without increasing production costs and retail prices, keeping hundreds of thousands of people on the dole who should be made to get a job, and by condoning feather-bedding union practices, business, and labor monopolies.

6. The President has refused to restrict exports to friend or foe.

7. The President has drawn people from farm and factory to work in the political machine in Washington and branch offices throughout the Nation, when they ought to be in jobs producing goods and wealth. The cost of government has become so high that we pay more for it than we pay for food. Food costs have gone up 162 percent since 1939, which is bad, but cost of government has gone up 450 percent in the same time. The food bill was $330 per person in 1947. The bill for government, on a per capita basis, was $371, or $41 more per individual than the food bill. The New Deal has increased the national debt $253,000,000,000 in 15 years. The Republican Congress in 1947 was able to reduce that debt, balance the budget, and cut expenses $3,000,000,000, but could have done better with cooperation from the White House. At least, it reversed the trend.

8. The President has fostered and supported the OPA which reduced production, hamstrung business and agriculture, created scarcities, black markets, and stimulated inflation.

9. The President has encouraged labor policies which result in strikes and crippling of production and has opposed all legislation to cure the causes of industrial unrest.

10. The President has, from the beginning of his public service, adhered to the Henry Wallace, New Deal theory, that our Nation has reached the limit of industrial and economic development and nothing remains to be done except to divide the national wealth under an economy of scarcity. In this he has outdone Mr. Wallace by such programs as that initiated by "soft soap" Charlie Luckman, of soap-opera fame. This gentleman who struggles along on an annual salary of $300,000 was brought down to Washington to persuade Americans voluntarily to do without meat and eggs, which OPA had previously forced them to do without. He was financed by half a million dollars misappropriated from funds set aside by Congress for aid to Greece and Turkey. His zany program failed in its announced objectives but did help promote high prices and restricted production.

11. The Soviet system cured inflation by abolishing their currency and issuing new, worth 10 cents on their old dollar, which they call the ruble. Here it is being done by easy stages, cutting the value of the dollar, every savings account and insurance policy. Here it is called managed currency. It is printing-press money. The gold we are still buying at $35 per ounce from Russia is buried in the ground at Fort Knox, for what purpose no one has ever been able to figure out.

The New Deal has vetoed, blocked, and hamstrung with poor administration every congressional effort to bring order out of chaos. It has spent its time pardoning Kansis City election thieves and letting Mayor Curley, of Boston, out of the Federal pen in time to line up his mob for the next election. Truman's administration has witnessed unprecedented scandals in the Army of which he is Commander in Chief.

Undermining confidence in the dollar, in the Constitution, in the laws of the land, in the armed services, every attempt is being made to have us in the middle of the stream again on the eve of the next election. We had better get wise to this crisis or emergency technique which has been used so often to win elections since 1933. The road now marked the "Truman Trail" is actually the same old road we have followed into two world wars and depressions. Its toll is high in dollars as well as in what Churchill called "Blood, sweat, and tears." Are you ready to pay the price in dollars, goods, controls, restrictions and freedom, scarcities, high prices, eventually in lives? That question is one you must answer. There is another road. That road is to vote Republican and save what's left.

I find I have come to the end of my address and have hardly mentioned the name of Abraham Lincoln. Since I was a very small boy he has always been my hero. Next to the Galilean Carpenter I feel that he more perfectly reveals the attributes of providence than any other person told about in the annals of history. A strange light shone from his sad gray eyes. All the magic of morning, noon, and night, all the mystery of dark forests and starry skies were in them. A strange divinity shone from his face, carved with lines of worry and suffering, cut deep with care and love for mankind. A boundless love, fathomless as the sea, illimitable as space. No monarch ever had greater power than he. None ever employed it so tenderly, so benevolently, so graciously. No power of pardon, except that of providence, ever was exercised so mercifully. No other human being ever dried so many tears, stopped so many heartaches, revived so many hopes. Do not think me sacrilegious when I say he was a man of sorrow and acquainted with grief. He was bruised for our iniquities, wounded for our transgressions, and the weight of the world was upon his shoulders. He saved others, himself he could not save. And, in the words of the poet:

"And when he fell in whirlwind, he went down
As when a lordly cedar, green with boughs,
Goes down with a great shout upon the hills,
And leaves a lonesome place against the sky."

But, I must confess, that there is no really new thing I can say about Abraham Lincoln, nor is there a new thing to be said of the mountains, of the stars, nor of the sea. The mountains ever tower in majesty above the shifting clouds, the quiet stars ever keep holy vigil above a tired world, the mysterious sea ever sobs on the shore. But to mountain, to star, and to sea man ever turns in reverent homage, and thus it was with Lincoln. He was mountain in the majesty of his thought, star in the steadfast purity of his purpose, sea in the deep undervoice of mystery and of sadness, so he abides.

My friends, I am an Abraham Lincoln Republican, and proud of it. Long live the Republican Party and may God bless America.

Regular Veterans Association Recommends a Practical Plan for Recruiting and Maintaining the Full Strength and Efficiency of Our Armed Forces

EXTENSION OF REMARKS
OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. McGREGOR. Mr. Speaker, for sometime past, Mr. William M. Floyd, national commander and legislative representative of the Regular Veterans Association, has been in close touch with me in connection with the legislative program of his organization affecting the welfare of our country, its service men and women, and its armed forces. I have been glad to cooperate with him because of his clear thinking on these subjects.

Under the leadership of Commander Floyd and his national officers and committees, the Regular Veterans Association has succeeded in establishing an enviable record for promoting logical and reasonable legislation for the welfare of veterans and their dependents and for the security of the nation. Today it is one of the principal veterans' organizations and certainly one of the most active in carrying out its national program. Its aim is to serve all veterans who have honorable service whether it be in time of war or in time of peace.

It is my privilege to be well acquainted with Commander Floyd personally. I had the pleasure of meeting most of the national officers of the organization, as well as many of the State and post officers when I attended the national convention held at Wilkes-Barre, Pa., in August of last year, and spoke before the assembled delegates and visitors. Sometime later, on a tour of investigation in the western part of the country, I became acquainted with a number of other national and State officers. I was glad to talk to these men about veterans' problems and about the effective work being

carried on by the Regular Veterans Association throughout the country.

In my own great State of Ohio, and in my district, the Regular Veterans Association is well represented. I am very proud of the high caliber of the men and women representing this organization in Ohio. Among the outstanding men who are carrying on a great work for the Regular Veterans Association in my State, are Mr. Neal C. Perkins, the department commander for Ohio, and a leader in rehabilitation work for disabled veterans. Closely associated with Commander Perkins are Edgar Norton, Springfield; James Gallagher, of Burton; Commander Ralph H. Grieves, of Springfield; Commander Joseph Pinter, of Burton; and Commander D. A. Pabon, Bethel, Ohio.

While at the national convention in Wilkes-Barre, I was privileged to visit and observe a number of the business sessions as well as the work of the national committees. I was much impressed with the businesslike conduct of the convention, with the strong and constructive program mandated by it. I was greatly impressed with the sincerity and the capability of the leadership of the Regular Veterans Association as demonstrated at that convention. I was so much impressed, as a matter of fact, that I then and there became a life member of the association and paid my dues in full.

I am proud of my membership in such a fine association of men and women, every one of whom has served his or her country in its armed forces and in almost every part of the world. The Regular Veterans Association itself is proud of the fact that it has such a national leader as Commander William M. Floyd. His value as a leader was fully recognized when the national convention unanimously drafted him for his fifth consecutive term as national commander of the organization.

Commander Floyd has the confidence of the membership of the Hill, for we have learned by our experience with him that he does not misrepresent any issue, he stands on his own two feet, and he is a man whose word is as good as his bond. I am pleased that we will continue to have his wise counsel at all hearings on veterans' legislation, and I shall welcome his recommendations and suggestions at all times, for Commander Floyd has the welfare of all veterans uppermost in his mind.

I wish to point out here the alertness of the Regular Veterans Association to the needs of national defense when problems present themselves.

More than a year ago, after demobilization of our wartime forces had been completed, the then authorized Regular forces dwindled seriously because of the lack of voluntary enlistments. Men were not interested in entering the Regular services. At the time, the Regular Veterans Association was the first of any organization to take a practical view of our armed forces and to recommend to the President, to the Congress, and to the War and Navy Departments, a 10-point program suggesting important measures that would make the armed services more attractive for enlisted men and thus induce reenlistments. Most of these recommendations were adopted by legislation where necessary and by War and Navy Department policy where legislation was not required. The services soon were recruited to full authorized strength.

Among the 10 points were recommendations for substantial increases in pay for enlisted men; increase in allowances for quarters and rations; 20-year retirement for disability; greater opportunities for enlisted men to secure commissions; and several other recommendations that helped make the service more attractive.

At the present time, the regular forces are nearly 150,000 short of their authorized enlisted strength. Some Federal officials are now advocating that a peacetime selective service system may become necessary. Commander Floyd and his organization do not agree with that thought. This organization believes that ample voluntary service can be secured if the services are made attractive to a degree comparable with civil life, and if a decent security can be assured enlisted men who decide to make a career in the armed forces.

Recently, astute National Commander Floyd conceived a plan he felt would stimulate voluntary enlistments without having to resort to peacetime selective service. He immediately called a joint meeting of his national committees on universal military training and national defense. The plan was discussed. The result of the conference produced a program which places the Regular Veterans Association in the envied position of again being first to recommend a practical plan for recruiting and maintaining the full strength and efficiency of our national defense forces.

The suggested program which has already been presented to President Truman and the Department of National Defense, proposes:

First. To authorize double time credits for retirement purposes to enlisted personnel who served in the armed forces between December 7, 1941, and March 1, 1946.

Second. To offer the same inducements to enlisted personnel of the women's services.

Third. To apply the authorized double time to longevity pay entitlement of enlisted personnel.

The committees, in their conference, made further recommendations for members who have served honorably in the peacetime establishment, to provide parity in disability compensation for all persons who have served honorably in the armed forces of the United States at any time.

Distinguished members of the Regular Veterans Association who took part in the conference conducted by National Commander Floyd were Commander Patrick J. Foley, chairman of the national defense committee; Commander Claude E. Allen; Commander Leonard Hoffman; Senator John Sparkman, Alabama; Representative J. Harry McGregor, Member of Congress, Ohio; Representative John Phillips, Member of Congress, California; Commander William J. Chisholm; Victor E. Devereaux, national service officer; Past National Judge Advocate Pompei J. Orlando; Frank B. Gigliotti, chairman of the Americanism committee and past national senior vice commander; Harold S. Wanner, national quartermaster; and Master Sgt. Junior J. Spurrier, a member of the armed forces and holder of the Congressional Medal of Honor.

I was very happy to serve on the committee conference, for the members comprising them were all active life members of the Regular Veterans Association.

Included in the many constructive resolutions mandated by the Regular Veterans Association, are a number that I especially approve, and I feel that some of them should be set forth here as far as space permits. They form only a small part of the extensive and logical program of the association.

I believe, for instance, that disability compensation for peacetime veterans should be on a par with those of disability compensation for wartime veterans; that a World War I pension of $50 per month for all who served 90 days or more, should be paid to those veterans upon reaching the age of 55, with a $2 increase each year thereafter; adjusted pay for World War II veterans having 90 days of service on the basis of $4 per day for service rendered outside the continental limits of the United States, and $3 per day for service within the continental limits of the United States; that Congress should expedite reasonable legislation for the housing of veterans and their families; that the pay of the enlisted personnel of the armed forces should be increased; that the retired pay of all retired enlisted men should be exempt from taxes. I also agree with the Regular Veterans Association that the Department of Justice should take immediate steps to outlaw the Communist Party in the United States.

Of course, the national legislative program of the association embraces many other constructive resolutions. A considerable number of the bills so strongly advocated by the organization, were enacted during the last session of Congress, and Commander Floyd is exerting every effort to secure enactment of the bills which are now before the present session for consideration.

Trojan work has been performed by the association and thousands of deserving veterans are now receiving pensions or compensation because of its efforts. The work is being carried on intensively, and the achievements of this veterans' group are remarkable mainly because it is sincere in trying to secure reasonable legislation rather than place itself in the position of being an association of so-called Treasury raiders.

It is a pleasure for me to acquaint you with the splendid work and accomplishments of the Regular Veterans Association, especially under the able administration of National Commander Wil-

liam M. Floyd. I believe it to be a public duty and service to bring to the attention of my colleagues, and to the public, some of the outstanding achievements of such an organization of wartime and peacetime veterans as the Regular Veterans Association.

Britain's Economic Situation

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Post of February 16, 1948:

BANKRUPTCY NEAR, SAYS LONDON PAPER—HARD WORK AND HARD LIVING SEEN ONLY SALVATION

Britain faces bankruptcy.

So says the London publication, the Economist, in the leading article of its February 14 issue. The article is entitled "On the Rocks."

By midsummer at present rate of expenditure, Britain will have exhausted its remaining reserves of about 600,000,000 pounds, the Economist says.

"After that, it will just be impossible to buy either the food or the raw materials which are necessary for Britain to eat and work," declares the Economist. "The aspect of starvation and mass unemployment is now alarmingly close."

BASED ON WHITE PAPER

The Economist bases its prediction on figures in the latest British white paper.

The publication declares the outlook is not encouraging even with Marshall plan aid.

Britain, it said, used previous loans to live and to spend on a scale which was quite out of accord with Britain's real economic position.

"And what guaranty is there that the Marshall plan may not be used in the same way?" it asks.

The Economist declares American and other loans have served to mask from the government and the people alike the country's true economic straits.

HARD WORK URGED

It advocates that Britain begin now to pursue the policy it would pursue if the Marshall plan were reduced to a half or a third and to use the surplus thus created to build up reserves, modernize industry, develop economic integration in western Europe and undertake now the program of hard living and hard working "in which in the long run salvation alone will lie."

Britain, the paper declares, has been cradled in illusions since 1945. If it had realized the situation then, as had Poland, it might have set to work as the Poles have done.

The reality is of a nation in its worst economic straits since the Napoleonic wars, the Economist declares.

Yet unions press for more wages for fewer hours while the well-to-do fight the controls and restrictions, it says.

WORLD WAS BLAMED

"Britain has been living like an improvident family which, failing to make both ends meet, first spends the accumulated capital of the past, then borrows from friends—and when their loans are exhausted, begins to pawn the furniture," the publication says.

The publication blames Britain's plight mostly on the fact it was the only Allied Power to fight both World Wars from first day to the last.

The solution to Britain's problem, the Economist says, is the same as that faced by any family facing bankruptcy—either it goes under to a life of perpetual makeshift and pauperism, or it restores its solvency by vigorous action—by buying less, by cutting down every kind of expense and by straining every nerve to sell more of its goods and services.

ECONOMIES PROPOSED

Bankruptcy is a family responsibility, the Economist declares, and no section of the community can avoid its hardships.

Longer hours and more output at the same wages, heavier taxes or limitation of profits, sterner rationing of coal, cuts in overseas spending, slashes in the armed forces, cutting down of Government employees by one-fourth, and cut-backs in capital spending for schools, hospitals, and housing are among the economies advocated by the Economist.

Universal Military Training

EXTENSION OF REMARKS
OF
HON. ERNEST K. BRAMBLETT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. BRAMBLETT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the editorial by Mr. Allen Griffin, owner and publisher of the Monterey Peninsula Herald, Monterey, Calif., Thursday, February 5, 1948, on Universal Military Training. The article follows:

DO WE FOOL OURSELVES?—ONE OF THOSE THINGS—WHAT IT PROPOSES AND WHY WE STAND

If universal military training is a lost cause in this political year, it isn't the first lost cause advocated by this column. And we dare say there will be more.

One reason why the public generally may favor a measure such as this and yet permit its defeat is because of the overweening egotism of the American people and their sense of superiority over the foreigner.

There is the assumption, particularly by those who have had little or no combat experience, that the average American, once put into a uniform, is the best, gosh-durned soldier in the world.

Well, maybe he isn't. Some of us have had quite a lot of that kind of egotism knocked out of us, even with most of the artillery and air power on our side.

There is also the old hang-over from the optimism of that vastly ignorant but colorful patriot William Jennings Bryan, who swore that "a million Americans would jump to arms overnight" (more successfully, we suspect, to the arms of Venus).

There is the pert assininity that points to the last 2 wars and asserts that the record proves that the drafted armies always lost. There's an approach to a coincidence there, but not an argument. However, there is no use arguing this one except in the presence of a proponent; and in that case it is best first to wipe such a person behind the ears. But there are lots of them and some wear high stiff collars, too.

There is always the good democratic faith espoused by Micawber, that in an emergency "something will turn up." Something always has, particularly time, thanks to those that have given us time.

Yes, we're mighty egotistic—back home among the ice cream counters.

On the other hand, there is no reason for anyone to be enthusiastic over the thought of UMT or any other expensive and wasteful military preparation, all of them being expensive and wasteful because that's the very nature of this obsolete fetish that perpetuates itself to this day because international sanity is still a goal rather than a fact.

We see no sense in a military establishment for its own sake, because on such grounds it doesn't make sense. We find justification in it only because of necessity, and we hope as much as anyone that the necessity is temporary. It is a hideous thought to contemplate, that well over half of the Federal revenue must be devoted to the costs of past wars and preparation for the one that may not happen.

Nevertheless, supporting a military establishment on the surface of land and sea and in the air, sufficient to sustain this Nation's present and growing world responsibilities—obviously built on power—is still one of those things as necessary as going to work to support a family—and many of us don't like to work, either.

There is a job to do or to mess up or possibly to fail in the doing; and there is a definite adversary that doesn't shudder and retire at someone else's weakness.

What does universal military training mean?

It does not mean what universal military service means. The latter means that the inducted person belongs to the service and may be employed here or abroad at the will of the high command, under the law.

Under UMT the inducted youth is a student being trained in the business of soldiering, in order that a reserve of trained or partially trained men may be established, to be called into service only at the will of the Congress of the United States.

In general terms this period of training is divided into two phases.

The first phase is 6 months of basic training of the individual and of small units. It is to instruct young men how to live together, to obey commands, to learn the fundamentals of weapons, to harden their physiques, to act together in group teamwork, to respond to leadership, and to develop the capacity for leadership. It is also to permit an examination into their various capacities, so that their future training may be directed according to their abilities, intelligence, and education.

The second phase, largely based upon the knowledge derived by the soldier-student and about the soldier-student, leads to selection of his reserve capacity for which he has been oriented in an entirely democratic way.

In this phase the young man by his own volition, may elect to become a member of the National Guard, for instance. If he has discovered that he likes the service very well, he may join the Regular service for which he believes he is fitted. If he has the capacities for a technician and chooses to prepare to be a technician, he will simply carry on with his school work, taking on radar, electronics, motors, chemistry, radio, or whatever phase of specialized training prepares him to be a specialist or technician in the Organized Reserves.

In short, in the event of an emergency, instead of being called unprepared to the colors, he will respond in the branch of the service or the specialty for which he has had

some preparation. He will already know what the life of a soldier is like; he will already have been oriented to discipline in barracks and in the field; he will already have had preliminary training in his specialty.

The matter is particularly important. No matter how rapidly science advances and its gadgets change and improve, the hand and mind already accustomed to the proper approach and understanding of instruments of science have gained a great advantage in time and speed in further acquisition of skills. Time is of the essence. Time has caught up with America.

The program is first of all to create a reserve, secondly to interest young men in the professional service. But let us make it clear that under UMT the trainees would not belong to the Army, they could not be employed for anything but training; they could not be sent overseas. This is not conscription in any form that this or any other country has had.

We have favored UMT as probably the best compromise that could be worked out in a democratic way. It is a compromise because universal military service would be militarily more practical.

It is not a substitute for other military programs, such as the need for maintaining a constantly superior Air Force, a Navy capable of prompt action in any sea, and a Regular Army at the strength needed for any outpost duty required of it (Trieste today, Palestine tomorrow), for occupationary duties, for training obligations, and with efficient mobile forces each unit of which is at full authorized strength.

What is the good of it all at this terrific cost to the victor of the most recent war.

The good of it lies exclusively in national security, which itself gives the other democratic nations of the world a feeling of confidence in us and in their future, until such a time that a responsible and stable peace may be organized and this maddening waste sharply curtailed.

We have never yet presented a front that a competent adversary would consider it suicide to attack. We believe that such a front is our best bid for peace, together with our willingness to dismantle it in cooperation with other governments prepared to exercise good will and make of United Nations an effective organization.

We therefore line up with the scientists and educators that have recommended such an integrated program, of which UMT is an essential part.—A. G.

Columbia Ups Tuition, Rent of Veterans

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. REED of New York. Mr. Speaker, I felt sure that the increase in the subsistence to GI's attending school, under the bill recently passed, would be nullified by the educational institutions now attended by the GI's. All that the bill has apparently accomplished is to furnish a subsidy to the educational institutions with no benefit whatever to the GI students.

Under leave to extend I am inserting an article which appeared in the veterans' edition of the Army Times of February 14, 1948:

COLUMBIA UPS TUITION, RENT OF VETERANS

NEW YORK.—Columbia University this week just about wiped out the small subsistence increase granted by Congress to GI bill students.

The university announced a 33 percent hike in tuition fees and a 17 percent boost in men's dormitory rents. Women's room rents were increased 7 percent. The new fees take effect next fall.

Columbia's 15,000 veteran students will be forced to pay the increased dormitory fees directly out of their own pockets.

The one-third increase in tuition will automatically shorten the period of each students' eligibility for GI bill study by faster consumption of the $500 yearly maximum tuition contribution of the Government.

A recent New York Times survey showed Columbia's present tuition rate of $450, which the increase would raise to $600. Men's dorm rent at present is $221; this would be hiked $37.57. The Congress-approved subsistence increase is $10 a month for students without dependents.

The Partition of Palestine

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me to the National Conference of American Zionist Emergency Council, Washington, D. C., February 15, 1948:

Mr. Chairman (Dr. Neumann), Dr. Silver, distinguished guests, ladies and gentlemen, my fellow Americans, I am one of the hundreds of Members of Congress, one of the many millions of Americans, who felt profound relief and gratification on November 29 of last year. I thought—as you all did—that the decision on Palestine taken by the United Nations on that day marked the end of one of the greatest tragedies in human history and the beginning of new life and new glory for Israel and the Land of Israel.

Henceforth, we said to ourselves with hope and pride, the Jews will not have to protest any longer; they will be busy building their new state, absorbing all the displaced and homeless Jews of Europe. The Jewish people will be a full-fledged member of the international family of nations, an equal among equals. And the friends of the Jews—all those Christians, among whom I am proud to count myself, whose minds and souls smarted at the shame of Jewish suffering—they, too, would have a respite from unending protests and indignation on behalf of the Jewish cause.

I thought so and you thought so, and God knows that it was not mere wishful thinking on our part. After the United Nations decision on Palestine, coming as it did as a result of a protracted and fierce debate between the advocates and the opponents of Palestine partition; after our great country agreed to support partition; we all had the right to feel optimistic. We knew how difficult it had been to bring about the international decision on Palestine, but after the decision was adopted, we had no doubts as to the future course of events.

Why then am I standing once more before this gathering which has assembled not to celebrate the new Jewish state, but—I am sorry to say—once again to voice indignation and bewilderment?

Only 2 months have passed since November 29, 1947, and great anxiety is once again upon us. There are strong indications, and even more than indications, to the effect that powerful opposing forces are actively at work to scuttle the United Nations decision on Palestine and to kill the Jewish state even before it is born.

A powerful antipartition alliance (most of which is anti-Jewish) is now engaged in a war, in part a declared war and in part an undeclared war, on the United Nations decision. It is a strange and unnatural alliance which is ready and willing to employ every means to block the United Nations decision.

Every partner in this alliance has a job of his own. The Arab potentates in the Middle East do their share by encouraging anti-Jewish riots and massacres in their lands, by supplying money, arms, and manpower for attacks on Jewish Palestine, and by threatening the United States with oil and other sanctions if the partition decision is implemented.

The British partner does his full share. In Lake Success, Great Britain temporizes and slows down the workings of the United Nations with regard to the implementation of the General Assembly's decision. In Jerusalem, the British Administration and armed forces prevent the effective functioning of the Jewish defense forces while apparently condoning Arab riots and attacks. In London, Mr. Bevin's government continues to supply arms and ammunition to the Arab states in the Middle East. In general, Britain continues to act as if no United Nations decision on Palestine had ever been adopted. Not one of the many positive recommendations of the General Assembly has been carried out by the British Government. A port has not been placed at the disposal of the Jews of Palestine; nor has the ban on immigration into Palestine been eased; nor has the British Government ever offered honest cooperation to the United Nations Commission of Implementation.

And here I come to that part of the alliance about which I cannot speak without a sense of deep shame and humiliation. I refer, of course, to the American members of this strange and unnatural alliance. Some of these Americans, it has been stated, fight for their vested interests, very tangible interests, translatable into the language of dollars and cents, or rather of millions of dollars, where cents hardly count, certain big oil interests in America. They are neither the first nor the last men in this world prepared to sacrifice peace and progress in order to make their profits secure, or to make more profits. They should realize what they are doing before it is too late, and withdraw from this strange and unnatural alliance.

There have been rumors in the press, and elsewhere, that the position of our Government has changed since the vote in the United Nations which provided for the partition of Palestine. Secretary Marshall and Secretary Forrestal have denied these rumors insofar as they apply to themselves or to their departments. Secretary Marshall's denial also applies to our governmental policy, as the State Department is the Department mainly responsible for our policy on foreign affairs. We are thankful to Secretary Marshall and to Secretary Forrestal for their recent statements which were most timely. We hope they will be made effective. Inso-

far as both Secretaries and their departments are concerned, if it has not already been done, they should see that any lesser officials in their departments act affirmatively in accordance with their recent statements and avowed policy of our Government in relation to Palestine.

When our representatives in the General Assembly voted for partition and our Government did everything it could to get the necessary two-thirds vote for its adoption, that action definitely committed our country to a policy of seeing that partition in Palestine became successful. For partition to be voted, as it has been, and then for partition to fail would result in a catastrophe that would stun the world, and would destroy the United Nations organization as an effective instrument for the maintenance of international peace and security in terms of the UN Charter. I have no knowledge of any, but if there are any of our officials, directly or indirectly linked with this strange and unnatural alliance, they should withdraw from it at once. It is their duty to do so. Their position is inconsistent with the definite and avowed policy of our country in relation to Palestine.

If the Arab nations, the Arab Higher Committee for Palestine, and the Arab League, or any group or groups of people can successfully defy the mandate of the United Nations, then all governments and all groups would be encouraged to do so. As I see it, unless proper action is taken to carry out the decision of the United Nations Assembly; unless partition is effected successfully, and it must be done at once, the United Nations organization will be destroyed. Like the League of Nations after World War I, when events transpired that were in violation of the League and its covenants, the League died. So will the failure to carry out the partition of Palestine result in the death of the United Nations.

President Truman and Secretary Marshall kept faith with the vital interests of our country when they provided American backing for the report of the United Nations committee and for the decision of the United Nations Assembly to partition Palestine into Jewish and Arab independent states. It was not mere sentiment that dictated this American policy on Palestine, but the realization that freedom and democracy in the world, justice in international relations, world peace, and the legitimate interests of America would best be served by the establishment of a Jewish state in Palestine and by a solution of the problem of Jewish homelessness, which has been a festering sore in international relations for such a long time.

Nothing has happened since November 29, 1947, to warrant a revision of this American policy on Palestine, which has been endorsed time and again not only by our Chief Executive but also by the two Houses of Congress, by the two political parties, by the governors and legislatures of most of the States of the Union, and by American public opinion. Nothing has happened in these 2 months which could not have been foreseen with absolute certainty. Has any new element, any unforeseen element, appeared in the picture—any element of such significance as to change our entire attitude, shaped over a period of many years?

The only true answer to all these questions is an emphatic "No." On November 29, any man, even moderately acquainted with the Palestine situation, could have given us a blueprint of future events which would have corresponded with great precision to what has since actually happened. We all knew that the Jews would abide by the United Nations decision and do their utmost to bring about its speedy and orderly implementation. We all knew that the Arabs, especially the ruling cliques of Arabia, would do their utmost to oppose and sabotage the United Nations decision. The Jews and the Arabs have behaved in complete accordance with these expectations. During the General Assembly's deliberations on Palestine, the Arabs issued one threat after another, announcing that a United Nations decision on partition would be followed by armed Arab rebellion in Palestine; that Jews in Arab countries would be massacred; that the Arab states in the Middle East would place their forces at the disposal of the fight against the United Nations decision.

The United Nations and the United States Government heard these oft-repeated threats, and proceeded to adopt the decision to partition Palestine. The Arabs, on the other hand, proceeded to carry out their threats.

There is no justification for any revision by the United Nations or by our Government.

If any efforts are made to bring about a revision of our pledges and commitments on partition, we will make vigorous protest. For even a child can understand that the issue before us now is much deeper and wider than Palestine and the Jewish people. It is the existence of the United Nations that is at stake. If we let down the United Nations on the question of Palestine, it will never recover. The United Nations is our hope for world peace.

We are now faced by a most serious situation in Palestine in which those who are fighting for freedom and democracy are seriously handicapped by this strange and unnatural alliance.

Men and women are fighting for their lives in Palestine. Boys and girls are forced to bare their chests to Arab bullets because they do not have the armor to protect busses on the street; houses are raided, looted and burned to the ground because householders do not have the rifles they need to defend themselves against Arab gangsters.

The United Nations and our country have a great task before them. Our country has imposed an arms embargo on the Middle East. Under this embargo as it now stands we cannot send arms and ammunition to the States of the Middle East. But Great Britain is still disposing of excess war material in the Middle East—and a swift transmission belt makes certain that a dozen submachine guns, unloaded today in Alexandria or Port Said, tomorrow will be in Arab hands spitting their loads of death into Jewish buses and Jewish homes—murdering a little people whose only fault is that they do not wish to be exterminated, and who have signified their willingness to accept the decision of the United Nations.

The result of this embargo is decidedly unjust. It is tantamount to arming Arabs to attack Jews and the authority of the United Nations, while preventing the Jews from receiving arms to defend themselves and thus defend the United Nations.

The embargo in this form must go.

Those whom the United Nations Palestine Commission certifies as abiding by its verdict and needing arms for defense, should not be denied through the action of our country the power and right to arm and defend themselves.

This is the first step to be taken. In addition, our delegates in Lake Success should support, and if necessary, lead a demand that no member state be allowed to sabotage the international verdict. We should give our support to the speedy establishment of a militia for the Jewish state, and of an international police force for Jerusalem and the rest of Palestine.

Such an attitude on our part would immediately tend to quiet down the forces of disorder, just as vacillation on our part would serve to encourage those forces.

This change is necessary in the interest of Palestine. It is necessary in the interest of the United Nations. But—above all—it is necessary in order to vindicate the integrity and the good name of America. Any talk of compromise is out of the question.

In the first place, the partition of Palestine voted upon by the General Assembly and agreed to by the Jewish agency constitutes a compromise, and one on the part of the Jews. It must be remembered that western Galilee, and a substantial part of Negeb and Jerusalem, were large Jewish concessions made to the Assembly.

Furthermore, a compromise would only be made where both sides to a question claim more than they expect, or where both sides were aggressors. This is not so in this case.

In Palestine, the responsibility for bloodshed is not divided. It rests squarely on the shoulders of the Arab leaders and the Arabs. They are the aggressors.

The Arabs have rejected categorically the decision voted by more than a two-thirds majority of the General Assembly of the United Nations, the vote taking place on November 29, 1947.

The Jews have accepted the decision of the Assembly. The Arabs have not. The Arabs challenge this decision and have arrogantly stated they will resort to force and military power, if necessary, to prevent the partition agreed upon. To permit the Arabs to get away with that will result in the destruction of the United Nations, and it will constitute international anarchy.

The Arabs have used force and are threatening the use of military action to prevent the United Nations from carrying out the decision of the General Assembly.

So there is nothing to compromise.

As a matter of fact, the Arabs would not be satisfied with a complete reversal of the action of the General Assembly. They have demanded, in addition, that the international bases of the Jewish homeland in Palestine established by the Balfour declaration and the League of Nations mandate, be wiped out, leaving the Jews in Palestine a defenseless minority.

The Arabs should be informed in no unmistakable terms that by the United Nations organization and the powerful countries who are members of the United Nations the decision voted by the Assembly will be carried out.

Firmness means strength and success: Appeasement means trouble and defeat.

Universal Military Training

EXTENSION OF REMARKS

OF

HON. KARL M. LeCOMPTE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. LECOMPTE. Mr. Speaker, under unanimous consent to extend my remarks in the CONGRESSIONAL RECORD, I desire to include therein copy of a resolution adopted by the fifth district of the American Legion in Iowa urging the immediate adoption of universal military training:

Be it resolved by the members of the American Legion in the old Fighting Fifth District of Iowa, That we unanimously favor the immediate adoption of universal military training, H. R. 4278, and request our United States Senators and Congressmen to vote for and aggressively support the passage of H. R. 4278 in the second session of the Eightieth Congress.

Unanimously passed by fifth district of American Legion, in convention assembled at Creston, Iowa, October 13, 1947.

L. J. RITCHELL,
Acting Adjutant.
ED POWERS,
Commander.

The Late Mohandas K. Gandhi

EXTENSION OF REMARKS
OF
HON. TOBY MORRIS
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. MORRIS. Mr. Speaker, under leave to extend my remarks, I include in the RECORD a recent tribute to the late Mohandas K. Gandhi by the noted columnist, Hon. Sam P. Pettengill, which I think is most excellent.

The article follows:

GANDHI

When a million people come to a man's funeral—more, perhaps, than ever before in history—you ask yourself, what was the secret of his power? Did he hold high political office? Was he a military hero? Had he purchased a cheap popularity by scattering billions to his retainers? Had he left a pyramid of skulls as proof of his might?

The man who died in India was none of these. He had "neither purse nor sword." He had only a breechcloth and a faith. Yet some think he was the greatest man of our times.

The fact that a million people gathered at his funeral pyre seems to prove that mankind is weary of bloodshed, the brutality of power politics, and the appeal to force.

Force! It is everywhere today. Goon squads at home, and armies abroad. Navies, air squadrons, the atom bomb, lethal dust rained from the sky, strategic bases, military conscription of the world's youth, bankrupt treasuries, hundreds of thousands of veterans in psychoneurotic hospitals, and after "winning" a war, more being spent in preparation for the next Armageddon than ever before.

Where are the Gandhis of the western world—the "Christian" part of the globe? Name me, if you can, someone in Washington, London, Paris, Berlin, Moscow, who even thinks as Gandhi did—or that other great man, also assassinated, Abraham Lincoln, who just before he died appealed for "malice toward none, charity for all."

In what dark stinking pit will the appeal to force exhaust itself?

A Catholic poet wrote in 1918:

"After 2,000 years of holy Mass
We've got as far as poison gas."

Having deserted God, has God deserted us? No, not so long as there are left even a few with the spirit of Gandhi. And there are those few. I refer to the Quakers who, year after year, against all odds, hold that killing is wrong. And here and there others are scattered. But why so few? One reason, I think, is that we have lost faith in the power of the individual. We say, "What can I do?" We say "We must organize—we must join some pressure group to get things done." Pressure. That fatal word.

Gandhi proved that one ugly little man, weighing 80 or 90 pounds, one among hundreds of millions, could light a fire upon the mountain where it could be seen from afar. Gandhi did not say, "Don't stick your neck out." He stuck his out. He spent a dozen years in jail. He stuck it out until he was killed.

He had faith "as a grain of mustard seed." Like Stephen, he was a "man full of faith." He "continued in the faith." He had the "mystery of faith." Strange mystery of faith. Strange in its strength. Strange to men.

It was said "of old time" that one with faith and charity "could remove mountains." Gandhi, with faith and charity, moved men.

The men with purses and swords have died, and none visit their graves. Nations with purses and swords have been corrupted by their wealth and have perished by the sword. But the men of faith, the Christs, the Lincolns, and the Gandhis, live on. They are the only ones who do not die.

"King and queens are facile accidents of time and chance;
Chance set them on the heights, they climbed not there.
But he who from the darkling mass of men
Is on the wings of heavenly thought upborne
To higher ether, and becomes a voice for all the voiceless,
God annointed him. His grave shall be a shrine; his name a star."

Address by Hon. Katharine St. George, of New York, at St. Louis, Mo., February 7, 1948

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. SHORT. Mr. Speaker, a few days ago, on February 7, 1948, our distinguished, attractive, and very able colleague, the Honorable KATHARINE ST. GEORGE, of New York, delivered a most instructive and inspiring address before the Federation of Republican Women's Clubs of Missouri at the Jefferson Hotel in St. Louis.

For many years I have attended these annual gatherings, but this was perhaps the largest crowd, assembled from all over our great State, and no speaker was ever more cordially or enthusiastically received than was Mrs. KATHARINE ST. GEORGE. Her address was so timely, so sincere and logical, so full of hard, common sense that it literally lifted the vast audience of admiring and appreciative Missourians out of their seats. Not only Republicans, but many Democrats from all over the State were so impressed by her thrilling message that they requested a copy of her outstanding address.

Under leave granted me to extend my remarks, I include her address which I hope to have reprinted, in order that I might send a copy of it to many of the thoughtful, patriotic citizens of our great State. My personal wish is that every voter in America might read it before he casts his ballot this coming November:

We are met again to celebrate the birthday of the first Republican President and one of the greatest Americans.

This is primarily a Republican celebration, and in this year of 1948, when we are preparing for a Republican victory, it is perhaps well to take stock once again of those things for which we stand and wherein we differ from other political parties.

It is the fashion among many so-called independent voters to say that there is really no difference between the two major parties in the United States and that they therefore vote for the best man, as they see him, and let it go at that.

Nothing could be more completely un-American than this reasoning. Our Government is a government of law and not of men, of principles and not personalities. It is unique in this and the more we depart from these two fundamentals the more likely are we to see our republican form of government collapse.

There is a fundamental difference between the two major parties today. We stand clearly as our name implies, for the Republic as opposed to a democracy. We stand for majority rule, with curbs furnished by the checks and balances as set up by the Constitution so that although the majority rules (as is its right), still the minorities' rights are protected and Government is for all the people.

Lincoln, in his great Gettysburg Address, asked a question that still remains unanswered: Whether a nation conceived in liberty can long endure. Today again that question must be answered in the affirmative, tomorrow may be too late.

We have seen during the past 16 years what happens under the democratic system of our opponents. First, the party was taken over by the radical wing known as the New Deal; they did not represent the majority of the party, but they did represent the well-oiled political organizations of the eight key cities of the country. The leader of the party once boasted: "Give me the eight key cities of the United States and you can do what you want with the rest of the country."

Another contrast is the tremendous stress laid on personalities. This, of course, was greatly helped by the moving pictures, radio, and television. A speaking voice became of paramount importance.

I have often wondered what Abraham Lincoln's voice was like. Maybe if we had stood on the field at Gettysburg and heard him deliver one of the greatest speeches in the English language, we, too, would not have been impressed just as the men and women on that field were not impressed—so much so that the President was slightly hurt and as he left the platform with the two thin pieces of paper in his hand, he started to tear them. His secretary, John Hay, took them from him saying: "I will keep the papers, Mr. President."

No, there were no mimeographed copies of that speech handed out to every newspaper in the country; there were no file copies, there were just two sheets of paper that didn't match, one having been taken from the White House and the other picked up on the train, and the words written in long-hand by the President. This Address would have perished if John Hay had not suddenly been prompted to take them from his hands.

Yes, that great Address may not have been delivered in a mellifluous voice, with faultless diction, but it will endure long after they are forgotten and it is also possible that many things that are written and said today will endure long after present day headlines makers have been forgotten.

We have seen how a majority was taken over by a militant and aggressive minority. This has been done in the democracies of the whole world sooner or later. Next, we have seen this minority taken over by a few brilliant and ambitious personalities. That has happened sooner or later in every democracy in the world. And now what is the next step? You know what has happened in every democracy in the world: out of these brilliant, ambitious personalities rises one leader, the man on horseback, the dictator. Look at the democracies of the world. It is always the same story and the same thing can and will happen here under democratic rule.

We have already lost many of our rights as individuals during the past 16 years. We have seen our Constitution flouted and set at naught by the party in power. We have seen our Chief Executive advocate the passage of legislation in spite of its being doubtful constitutionally. All these are dangerous signs, all these are black clouds on our country's horizon.

Another thing that has come into our country within the last 16 years, a thing that never belonged in America, is class hatred and

the distrust and vilification of anyone who has or has earned property. It was Abraham Lincoln who said: "Property is the fruit of labor; property is desirable; is a positive good in the world. Let him not who is houseless pull down the house of another, but let him work diligently and build one for himself, thus by example assuring that his own shall be safe from violence when built." That was and still should be America.

We Republicans are very much to blame for the serious conditions that have developed in the last 16 years, we cannot lay the blame at the door of the Democratic Party. Our trouble is also that we are led astray by the modern mania of attaching ourselves to a political leader because we like him personally and completely forgetting the great fundamentals of the Republican principle of government that is far greater and far more important than any individual that the party may nominate.

I have heard Republicans say: "Oh, if so and so is nominated, I would sooner vote for Truman." This is a shocking point of view, it is the point of view that has kept the Democrats in power for 16 years.

How can we counteract these distressing handicaps? Only in one way: by realizing that the words of Benjamin Franklin are as true today as the day they were uttered—"You will have a Republic if you can keep it."

We have fought two world wars to maintain freedom in the world and yet we must admit that National Socialism has won more ground than before we ever started to fight. So that a young Englishman, who spent 2 years of his life in a German prison camp, after returning home wrote: "For St. George has slain the dragon only to find that it is the dragon's features which confront him when he looks into the glass."

The fateful hour for keeping it is here. In fact, its integrity has already been seriously attacked. It seems that we, who are Republicans, must be the leaders in maintaining the Republican philosophy of government alive and progressive in the modern world.

We have allowed ourselves to be scared by a lot of noisy, incorrect propaganda. I had a young college girl in my office the other day who had been obviously very thoroughly indoctrinated with the New Deal version of the Republican Party. She was, therefore, politely shocked when I spoke of it as the party of progress. So I asked this question: What was the first reason for the founding of the present Republican Party? She told me she did not know. I said: "To eradicate human slavery from our country and the world." Surely that was progress.

Under what party were the laws curbing the excesses of big business passed? Under the Republican Party. When our party is true to its traditions and true to the Republic, it is and must be the party of progress and of reform. We have a great task of progress and reform ahead of us this year. First, we must reestablish the proper balance between the three branches of Government; we must restore government by law.

We hear a great deal these days about the importance of keeping the Democratic Party in power because if the administration changes it will be bad for and may change our foreign policy. I think, quite frankly, that our foreign policy needs a change. I believe our State Department needs a thorough overhauling. It is time our career diplomats were made to understand that their job is to represent the United States and her interests abroad and not represent the policies and interests of foreign nations to us at home.

I had a case brought to my attention recently of an American citizen who was arrested on a false charge in South America. He called his consul but the latter was too busy to do anything for him. He called the Embassy and was told that the Ambassador had only recently arrived and would have to familiarize himself with the work first. This American was kept for 14 days in a primitive jail up in the jungle, most of his clothes were taken from him, including his shoes. Wormy meat was thrown in to him through the bars once a day; he lost 35 pounds in 14 days before he finally was rescued.

This sort of thing is inexcusable. We should learn from the British diplomatic service how they care for their nationals. Even today a British subject is respected all over the world, and the Union Jack is a protection that no one violates save at his peril.

We can also say to these nations abroad: Yes, we know that your democracies have failed, that they have lapsed into weak Socialist governments or into dictatorships, but let us show you a system of free government that can and will succeed, the system that has made our country great, not democracy, but the Republic.

Our party has a great rendezvous with destiny this year because we are the party that is best fitted to strengthen and keep the republican form of Government at home and to teach and promote it abroad. We will have many recruits from the Democratic Party. After all, they know as well as we that Thomas Jefferson called himself a Republican and that he was one of the greatest and clearest exponents of that philosophy of government. It was Jefferson who said that the best government was that government that governs least. It was Jefferson who wrote, "I place economy among the first and most important virtues and public debt as the greatest of dangers to be feared. To preserve our independence, we must not let our rulers load us with perpetual debt. We must make our choice between economy and liberty, or profusion and servitude." He would indeed be amazed if he could look down today and see the party that claims him as their founder and patron, who give dinners annually at $100-and-more a plate to fill the political war chests, in his name, and who have now built up the biggest bureaucracy the world has ever known, where the executive branch alone has 2,008,485 employees and the people of this Nation, every one of them, are working one-third of his or her time for the state. No, it is doubtful if that was the ideal of government that Thomas Jefferson looked forward to for his country.

We are here determined to maintain this Republic, being very sure that only so we can weather and triumph over the waves of national socialism that have engulfed most of the world since World War II—knowing that our form of government, though imperfect as all human efforts must be, is the nearest thing to perfect government yet contrived by man.

But, to accomplish this great task and to achieve our country's destiny, we here as individuals must work hard and diligently. We must not rely on Henry Wallace or the ineptitude of our President, who has never been elected to his high office.

No, we must be positive of our facts. We must determine to carry out our great destiny. We must be able to say that we have kept the faith, that we have saved the Republic not only for ourselves but for future generations, not only here but everywhere in the world.

We are the salt of the earth, but if the salt have lost its savor, wherewith shall it be salted? It is thenceforth good for nothing but to be cast out and to be trodden under foot of men.

We will be cast out and justly so, if we do not stand fast, inspired by those who labored so well and so faithfully to give us this most perfect instrument of government. And among them none was more true to those ideals, none put his country above individuals more than the man whose birthday we celebrate today. The man to whose shrine we must repair each year in awe and wonder that such simplicity could express so perfectly the aspirations of a people that such modesty was coupled with such courage, such tenderness with such strength.

In his name and in his honor let us resolve not only to keep this Republic but to make her greater and freer along this pattern that has been given to us, so that this great American hero, this martyr to the cause of a united free Republic, shall not have died in vain.

Estate Tax on GI Insurance

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following communications on levying estate tax on GI insurance:

NEW YORK, N. Y., *February 10, 1948.*

Hon. DANIEL A. REED,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN REED: We are the attorneys for the widow and children of a soldier who died in the war. The Treasury Department is contending that the face value of the GI insurance (national life insurance) payable in installments to the soldier's widow and children, are subject to estate tax because the Internal Revenue Code contains no specific exemption therefor.

We believe it is unconscionable for the Government of the United States to levy a tax upon the proceeds of GI insurance in the case of a soldier who gave his life in the war.

Enclosed is a copy of a letter which we have this day sent to the Honorable Colin F. Stam, chief of staff of the Joint Committee on Internal Revenue Taxation. In this letter we have commended to his attention a recommendation that section 812 of the Code be amended so that this inequity in the law may be cured.

We hope you will agree that remedial legislation is required respecting this matter and that you will lend your support to an amendment which will exempt from estate tax any GI insurance payable in the case of a soldier who died in the war or from injuries incurred therein.

Respectfully,

AARON HOLMAN.

FEBRUARY 10, 1948.

Hon. COLIN F. STAM,
Counsel to Joint Committee on Internal Revenue Taxation, House Office Building, Washington, D. C.

DEAR MR. STAM: We are the attorneys for the executrix of the estate of a soldier who died in the war. A problem has arisen in connection with the determination of the estate tax which, we believe, calls for some action on the part of Congress.

We are informed by the Bureau of Internal Revenue that the proceeds of a national life insurance policy payable to the widow and children of a soldier who died in the war are includible in his estate for tax purposes. Our attention has been directed by the Bureau to the case of *U. S. Trust Co.* v. *Helvering* (307 U. S. 57), which involved the question of the taxability of similar insurance proceeds payable upon the death of a soldier

who died in World War I. It was there held that since the statute did not specifically exempt such insurance from the tax, it was includible in the estate for tax purposes. The Bureau proposes to follow that case in view of the fact that the Internal Revenue Code contains no specific exemption.

Most Members of Congress to whose attention this matter has been brought have expressed great shock upon learning that the proceeds of GI insurance payable to the widow and children of a soldier who died during the past war, are taxable. Most members of the Bureau of Internal Revenue are likewise surprised to learn that there is no specific exemption therefor and that it is the intention of the Bureau to impose an estate tax on such proceeds.

We believe that the very thought of the Government imposing a tax upon the proceeds of GI insurance and depriving the widow and children of soldiers, who gave their lives in the war, of such funds will shock the sensibilities of most people. While some may urge that the $60,000 estate tax exemption is an adequate protection for the families of decedents, the argument loses sight of the fact that most soldiers who died in the war were young and the opportunity has been lost to them to increase the estates which they might otherwise have left to their families; also, that since the widows of deceased soldiers will in most cases lack the ability to manage effectively the estates which are left to them, the assets will usually be invested in securities paying a small fixed return, and the families of the soldiers will have to subsist on fixed incomes whose purchasing power has been materially reduced during this inflationary period.

It may also be urged that there is no need for remedial legislation since relatively few deceased GI's left estates which are subject to an estate tax. We respectfully submit that this also is a poor argument since the inequity of the law should not be permitted to affect the families of any soldiers who died in the war, no matter how few they are.

We respectfully submit that this matter should be brought to the attention of the joint committee and that an amendment should be proposed to section 812 of the Internal Revenue Code which will exempt from the estate tax any proceeds of national life insurance payable on the lives of soldiers who died during the past war or as the result of injuries incurred therein.

Respectfully,

AARON HOLMAN.

Distribution of American Research Funds

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Tuesday, February 17 (legislative day of Monday, February 2), 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD portions of an article on the subject Distribution of American Research Funds, by Clarence A. Mills, of the University of Cincinnati, which appeared in the magazine Science for February 6, 1948.

Mr. President, this article proves the contention of many appearing as witnesses on subjects related to the science foundation bill, showing that funds given or appropriated are not uniformly or widely distributed. If we are to have a science foundation law, and if the Government is to use its funds for research, it must see to it that the funds are distributed for all of America, and not for a favored few. If scientists know only how to take care of themselves first, I wonder where in America we can get persons who can look after the general welfare first. There is real food for thought in this article.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

DISTRIBUTION OF AMERICAN RESEARCH FUNDS

(By Clarence A. Mills, laboratory for experimental medicine, University of Cincinnati)

Equity and wisdom in the distribution of Federal research funds seem of paramount importance in the years ahead. * * *

There exists no evidence that native intelligence is better in one part of the United States than in another. * * *

In order that future funds may be distributed to the best advantage of the country as a whole, I have sought information from past distributional techniques in the field of medical research, with which I have been most closely in contact during the past 30 years. My findings bring out very disturbing inequalities in the granting of such funds—inequalities so pernicious in end results as to indicate the need for an entirely new basis of action with the large Federal outlays in future years.

* * * * *

MEDICAL RESEARCH FUNDS STUDIED; METHODS

Because of the long-term dominance exerted over medical research by the older institutions of the eastern seaboard (Harvard, Yale, Johns Hopkins, Columbia, Pennsylvania), the following Northeastern States have been set off in a group by themselves: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Maryland, Delaware, and the District of Columbia. Although this small corner of the United States contains less than 30 percent of the country's total population, it gets 50 to 80 percent of all research funds.

* * * * *

American Cancer Society

Of the $14,138,897 raised by this society during 1945 and 1946 by public subscription all over the country, only 35.9 percent was contributed by the Northeastern States listed above; but in the distribution of these funds for research purposes up to February of 1947, this same northeastern section received 66.7 percent of the total. The remainder of the country, which contained over 70 percent of the total population and contributed 60.5 percent of the funds, received only 33.3 percent of the research money distributed. Of the research fellowships supported by these funds during this period, 34 were for work at institutions in the northeastern section and only 14 for work in the remainder of the country.

Let us glance now at the membership of the committee on growth of the National Research Council, which handled the allocation of these research grants and fellowships. Before July 1, 1946, 10 of its members held posts in institutions of the northeastern section and only 2 elsewhere; since July 1, 1946, the proportions have been 16 and 3. Similar disproportion exists in its associated research panels set up for channeling requests for funds: 53 from the Northeast against 24 from other parts of the country up to July 1, 1946, and since then, 68 against 36. Four northeastern institutions with representation on the committee (Harvard, Johns Hopkins, Yale, and Columbia) received 29 percent of the total distribution and 21 percent of the research fellows, while the best any top four institution not so represented could do was only 11 percent and 10 percent, respectively. Over half of all research allocations and 63 percent of the research fellows went to institutions represented on the committee on growth (with its present 19 members).

National Research Council (1941–42 annual report)

Membership on the council in 1941–42 included 174 from the northeastern section and only 44 from the remainder of the United States. Its medical fellowship board in 1944 had 11 members from the Northeast and 10 otherwise, while its fellowship board in the biological sciences had 32 and 23, respectively, and the board in physics, chemistry, and mathematics, 23 and 13.

* * * * *

Rockefeller Foundation

In its appropriations of 1944, 1945, and 1946 for the support of medical teaching and research and for research in experimental biology, the foundation awarded 77 percent of the United States total to teaching and research institutions in the northeastern area.

John and Mary R. Markle Foundation

Of the payments made in 1944, 1945, and 1946 for medical-research grants in the United States, 58 percent were to institutions in the northeastern areas, 42 percent elsewhere.

Commonwealth Fund

Over the 5-year period, 1942–46, this fund granted 74 percent of its United States medical-research funds to institutions in the northeastern area and only 26 percent elsewhere.

International Cancer Research Foundation

The report of activities for 1943 indicates that 18 grants (69 percent of United States total) were made to workers in the northeastern area and 8 (31 percent) to workers elsewhere in the country. Of the 24 United States members of the advisory trustees, 22 (92 percent) are located in the northeastern area and 2 (8 percent) elsewhere.

Josiah Macy, Jr., Foundation

Of the grants for medical research in the United States during the 5-year period, 1937–41, 81 percent went to the northeastern area and only 19 percent elsewhere.

Ella Sachs Plotz Foundation

During the 5 years 1941, 1942, 1944, 1945, 1946, 48 grants (54 percent) were made to northeastern institutions or workers and 41 (46 percent) elsewhere in the United States.

Life Insurance Medical Research Fund

This recent addition to the medical research funds has a medical advisory committee of eight members—five located in the northeastern area and three elsewhere. Two committee members are from Harvard, two from Yale, and one each from Columbia, Vanderbilt, Minnesota, and Southern California Universities. Harvard received 16.5 percent of the funds distributed; Yale, 9.4 percent; and Columbia, 7 percent—a total of 33 percent thus going to these three institutions with top rating as recipients. Five institutions in the Northeast received a total of 43 percent of all funds distributed, while only 20 percent went to the luckiest five elsewhere. The Northeast received 51.3 percent of all funds—48.7 percent going to the remainder of the country.

Similar inequity occurred in the distribution of fellowships granted by this fund. Sixteen fellowships were granted to workers in the northeastern area, 22 to men elsewhere, but 22 spent their year working in northeastern institutions and only 16 in institutions elsewhere in the country—a net loss of 6 out of 22 young scientists from the West. Harvard received 16 percent of the fellows for their year's work; Yale, 11 percent; and Columbia, 5 percent—a total of

32 percent of all fellows thus going to work in these three institutions.

National Foundation for Infantile Paralysis

Annual Nation-wide money-raising campaigns provide funds for distribution by this foundation, and, for once, less than half of the funds (48.7 percent) went to the northeastern area with its 29.7 percent of the total United States population. In 1946 its general advisory committee consisted of 6 members from institutions in the northeastern area and 7 from institutions elsewhere in the United States; the committee on virus research, 3 and 5, respectively; and the committee on research for prevention and treatment of after effects, 4 and 13, respectively. Taking all the foundation's advisory committees for the whole 9-year period (1938–47), there were 21 members from the northeastern area and 28 from the remainder of the country. This represents the most equitable geographic distribution of membership thus far encountered in committees dictating the disbursement of research funds.

* * * * *

United States Public Health Service

The Service's report of roughly $2,000,000 in grants approved March 26, 1946, revealed fairly equitable geographical distribution of funds—only 38 percent to the northeastern area with 30 percent of the population. Membership on the National Advisory Health Council, which recommends the distribution of these funds, is composed of 14 members: 4 from the USPHS, 2 each from Harvard, Columbia, and the University of Illinois, and 1 each from the Universities of Wisconsin, Michigan, California, and Tulane University in New Orleans.

Here again, however, the evils of committee representation show up clearly. Seven institutions with committee representation were among the 13 highest on the recipient list, these 13 receiving 47 percent of all research funds distributed. The 6 highest on the list received 31 percent of the total. The 2 northeastern institutions with committee representation received 23 percent of all funds allocated to that section, while 22 percent of funds allocated to the remainder of the country went to the other 5 represented on the committee. Harvard, Columbia, and Johns Hopkins were, as usual, among the country's top 6 recipients.

DISCUSSION

"For unto everyone that hath shall be given and he shall have abundance; but from him that hath not shall be taken away even that which he hath."

* * * * *

The author is well aware of the justification usually given for present distributional inequality—the larger research institutions receiving the lion's share of funds are best equipped for the prosecution of research. Such justification was very appropriate with the emergency needs for quick results during the war years. In peacetime, however, the basic need is not for quick results but rather for the broadest possible distribution of research opportunity to the country's whole population, especially where governmental funds or those collected from the whole country by popular subscription are concerned. There can be little real justification, for instance, for the New England and North Atlantic States with 30 percent of the country's population and contributing 39.5 percent of the cancer funds collected, receiving 66.7 percent of the research funds disbursed (by a committee on which they have a disproportionately large representation).

* * * * *

Corrective measures, however, must go beyond restoring a proper balance between East and West. The present tendency to benefit representation on disbursing committees must be broken. Scientists themselves have demonstrated a most unfortunate inability to act without bias in overseeing the distribution of funds in their own fields. No one believes that the politicians would themselves do any better, but theirs is the duty of so legislating that the proper end will be accomplished where public funds are concerned.

In the long run, the greatest good to the greatest number would probably be served by securing the distribution of Federal research funds—or those collected by public subscription—on a State-population basis. Perhaps the less wealthy States should even receive an added bonus to stimulate development, instead of being almost completely cut off as at present. Distribution within the State would present the next problem, for State committeemen would still be inclined to favor the institutions they know best—their own.

Pay and Retirement Benefits for Postal Employees

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 17 (legislative day of Monday, February 2), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me on Saturday, February 14, 1948, at the annual meeting of Eastern States Postal Employees' Councils, in Harrisburg, Pa.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I think I know something about your business. There is hardly a job in or around the post office that I haven't had some personal contact with or with which I was not made thoroughly familiar in the discussions around the dinner table in my father's home.

For, you see, I come from a postal family. My father was a career postal employee. On vacations and after school hours all through my early years I worked in the post office; I carried the mail; I sorted mail; I jumped on and off the package trucks. I have had sore feet and an aching back in my time in the same cause in which you fellows have had the same occupational diseases.

When legislation comes up in the Senate involving postal employees and the postal service I can therefore look at it, I think, in much the same way any of you would look at it. It's real to me. By association, it's mighty personal to me, too.

When your representatives go before the committees of the Congress as they have been doing recently in support of better treatment for the postal employee, better retirement features, or higher pay, I can think back quite easily to a period of inflation right after the First World War, when my family was dependent on my father's post-office salary while the cost of living was shooting out of sight. On this matter of more realistic retirement benefits, I only have to recall how my parents were expected to get along on a retirement benefit of not much more than about $25 per week in the years between the time my father retired and his death. This was his reward, this pension of about $25 per week, for about four decades of service in Uncle Sam's post-office system.

So when the postal employees of Pennsylvania began to bombard my office not so long ago with telegrams and letters urging better retirement benefits and a cost-of-living pay increase enabling them to a certain extent to run after, but never quite catch up to, the soaring cost of existence in this inflation, I did not need much urging in declaring my support.

You have that support and you will always have it. And perhaps what I have just said might explain to you why I have from time to time raised the roof down in Washington with supposedly intelligent persons who sometimes appear before our committees and make bland and casual know-it-all remarks about the lazy Federal pay-rollers, the bureaucrats, the loafers, gobbling the tax dollars out of the trough of Uncle Sam's pay roll and giving nothing for their pay but just sitting around throwing away the taxpayers' dollars and enjoying life at the taxpayers' expense.

Who do they mean? Do they mean the postal employees? Well, no, they don't actually mean the postal workers because they do see the postman out plodding around in the slush and the cold and the snow and in the heat and the hail and the rain; they know that their packages and business letters get through promptly; they concede, grudingly sometimes, that they guess they don't mean the postal employees.

Now I am very proud of the postal service just as you are all, I am sure, mighty proud of it too. But it strikes me that by and large—sure there are some exceptions, but by and large—the devotion to service of the postal worker is matched—mind you, not exceeded, but matched—by career employees in many of our Federal agencies and departments. I just do not like these blanket accusations and condemnations of the Federal employee because they are not justified; they are libelous and slanderous and unfair, dirty misrepresentations.

Does this mean that I think everyone who works for the Federal Government is a shining example of dedication to the public trust? Of course not. There are incompetents on the Federal pay roll too, just as perhaps there might be some in the Congress. I personally have raised all sorts of uproar with some of the bureaucrats myself over inefficiency and lack of imagination which are bound to be found in any organization.

I think the postal employees have succeeded more than any other group of Government employees in refuting these slanders on their efficiency and enterprise and initiative. I can tell you that you have sold yourselves as a group to all the people in the country and even, I might add, to a super-economy-minded Congress. Washington is full of lobbys and lobbyists but very few of them are as effective as the postman who carries the mail so faithfully, the clerks who handle it and the railway mail and motor vehiclemen who transport it all over the country. Your excellency of service and devotion to duty are the most effective lobbying activities in your behalf. When your representatives come before Congress, they find the good will has already been created for them by the rank and file back home in every post office and in the postal service.

That does not mean that you have always gotten from the Congress the things that you want and have a right to expect or gotten them promptly enough when you did get them. The delays in acting upon employee benefits of all government employees including the postal employees and sometimes particularly the postal employees have at times verged on the tragic side.

Right now we have this pay increase legislation under consideration in committee. Most of the bills recognize the horrible injustice to postal employees and to all government employees represented by their fixed preinflation wages and the shooting star level of living costs. Without doubt before the Eightieth Congress completes its work it will have acted on a pay raise bill, perhaps not the thousand dollar raise which I favor but at least some raise. I am hopeful and pretty sure we will also see the final

enactment of improved retirement legislation. These things will help the postal employee.

But every postal employee and every government employee and a lot of us in the Congress certainly recognize that the help that comes now is long overdue. The moment price control went out of the window the government employee and the postal employee along with every other American who lives on a rigidly fixed income started losing ground financially at an alarming rate. There is not yet any clear cut sign of an end to this over-all upward trend in prices although optimists the last few days have been reading all sorts of significance into the dip in the commodity and stock markets. These have been taken as signs that the peak has been reached and the downward turn begun. There are those who counsel us now that all our fears about inflation can be thrown aside because inflation is ended.

I am not an economist, I am not a soothsayer or a prophet or a fortuneteller, but as a member of the Joint Congressional Economic Committee which is supposed to be keeping close scrutiny on all of the economic facts of life as they affect our prosperity, and which has been given the advantage of all sorts of expert testimony from business leaders and labor leaders and economists and Government experts, I have seen nothing in this market dip and in the momentary flurry of price reductions of a few cents here or there in certain commodities to convince me that the upward inflationary trend has in fact come to an end.

There has been a great to do over the sudden drop of a few cents in livestock and meat prices. Meat has become something of a barometer to our over-all well-being. It is true that a tremendous sudden surge of livestock to market a few days ago following the drop in corn and wheat led to some dramatic drops in some cuts of meat. But it is significant that within a few days the volume of livestock marketings suddenly dropped. The meat which came to market at such a flood all of a sudden appears to have been livestock normally due to hit the market in the spring and summer. Much of it, I understand, was underfed livestock.

Now here is the alarming thing about it: We have known for some months that our meat animal population in this country has fallen off substantially as a result primarily of the bad corn crop and the very high corn prices. All of the responsible experts told us several months ago that we faced a severe shortage of meat this coming spring and summer. No one has denied this although some of the industry representatives have attempted to make it appear that the shortage will not be really severe in terms of per capita consumption—that the amount of meat per person will be reduced only a few pounds, say 10 pounds or so. This sounds mild until we remember that we have 140,000,000 people in the United States, most of whom like to eat meat and most of whom now feel that they have not been getting a fair share of meat because their budgets do not allow them to buy as much meat as they feel they need. We have had witnesses come before our committee in Congress and tell us frankly that they can afford meat for their families in some cases only as often as once in 3 weeks. These people are not relief clients, or charity cases. They are working people. In many cases they are making more money than ever. And now as a result of this drop in commodity prices a few days ago we had a sudden delivery to the stockyards of animals which normally would not have been marketed for several months. When the pinch really arrives in the spring and summer on meat supplies those animals prematurely marketed now will mean that many less animals coming to market then, thus aggravating tremendously the shortage that we had previously expected had the normal flow of livestock not been disrupted as it was a few days ago.

I therefore do not see how, in regard to meat anyway, we can expect any continuing decline and stability of prices. I seriously believe that meat prices, in the absence of any Government control, will not only shoot right back up to where they were but will just keep on climbing until one thing happens—the people have no money to buy it. It is one of the last items that our citizens will resist buying.

When prices start coming down only for the reason that people no longer have the money to pay them—I'm not referring now just to buyer resistance based on the belief that prices are too high, but rather on the pure and simple fact that the mass of our people don't have the money any more with which to maintain a decent standard of living—when prices, as I said, start coming down for that reason, then, my friends, we are really in for some tough and frightening experiences.

How close are we to that point no one seems genuinely able to say. The statistics show an alarming shrinkage not only in the purchasing power of our people as reflected by current wages and current prices but also an alarming shrinkage in the savings of our people—the backlogs. War bonds in the last few months have, as I recall, been cashed in at a higher rate than the rate in which they are being purchased. This never happened before except perhaps in the days immediately after the ending of the war, when a lot of people felt that they could not wait another minute to buy some of the things that for patriotic reasons they had put off purchasing during the war. But the lack of availability then of some of the most wanted items led to a reversal of that trend and savings in war bonds consistently increased over redemptions.

Those savings were what we had been counting on to help us to sustain indefinitely the tremendously high level of industrial activity we have been enjoying. As those savings shrink and become intermixed with current income and outgo and made a part of the daily budget and used for current living expenses and not for capital expenditures, the ability of our economy to sustain anything like the current level of production and employment becomes seriously threatened.

Every American has a tremendously vital stake in this issue. Rich or poor, every American will be seriously affected by any substantial drop in our economic level. We have many methods these days that we did not have in 1932 to ameliorate the hardships of unemployment and business stagnation, but, believe me, a depression, or even a recession, is no fun. It's no fun at all. A lot of people get hurt. Some get hurt badly. Our democracy begins to verge on thin ice in times of economic travail. Right now when just about the entire civilized world depends for its eventual recovery on the continuation of a prosperous America and a stable America and a free America, an America which can lend its tremendous weight toward the establishment of a decent world in which freedom can live, this country cannot afford economic upheaval. The world cannot afford to have it in America. Yet this inflation, if it is not halted, invites that upheaval.

The wage increases which you people expect and deserve may to a certain extent be considered inflationary in that it will put some additional purchasing power into your hands. If prices are allowed to continue to rise unchecked, then your increased purchasing power will be temporary and the net effect of your raise inflationary. That must not be allowed to happen. Your wages will be raised because the price rise has already driven many of you against the wall financially. You need the raise. But as much or more than you need this raise in pay, you and all Americans regardless of level in life absolutely must have a sane economy restored to our country. This must never be lost sight of.

I hope that I have not been a messenger of gloom here today. It is always a pleasure to meet with the postal employees because the postal service is so close and personal a thing to me. I just want to say in closing that I thought President Truman had performed one of the finest services possible for the whole postal service and for Government service as a whole in selecting as his Postmaster General a career postal employee. I heartily concur in that appointment.

United States Stand on the Palestine Situation

EXTENSION OF REMARKS

OF

HON. OWEN BREWSTER

OF MAINE

IN THE SENATE OF THE UNITED STATES

Tuesday, February 17 (legislative day of Monday, February 2), 1948

Mr. BREWSTER. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD an article entitled "United States Stand on Palestine Viewed as Starting UN on League's Path," written by Sumner Welles and published in the New York Herald Tribune of February 17, together with a memorandum which I have had prepared dealing with the legal problems involved.

There being no objection, the article and memorandum were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of February 17, 1948]

UNITED STATES STAND ON PALESTINE VIEWED AS STARTING UN ON LEAGUE'S PATH—SUMNER WELLES ATTACKS COUNSELORS OF CAUTION, SAYS HOLY LAND WAR WOULD REALIZE THEIR FEAR—SOVIET TROOPS IN THE MIDDLE EAST

(By Sumner Welles, former Under Secretary of State)

It is hard to arouse a democracy to impending danger when the clouds on the horizon still seem no larger than a man's hand. Even Winston Churchill could not waken the British people to the menace in the rise of nazism. The peril to us in Japan's aggression against China and in Mussolini's invasion of Ethiopia went largely unperceived. But even if the tragic lessons of the recent past are to be so easily forgotten, the clouds now looming are no longer on the horizon. They are hanging over us.

This Government has repeatedly announced that the United Nations is the foundation of American foreign policy. Yet because of the failure of the United States to adopt a consistent and courageous policy on Palestine, the United Nations is today faced with the gravest dilemma in its history.

Save for Britain in the days of Baldwin, it would be difficult to find a more sorry instance of a major power refusing to face facts.

The decision to partition Palestine was taken after full investigation and debate. It was in strict accordance with the provisions of the Charter. The United States was in great part responsible. This country played a leading role throughout the events that led up to that decision.

LACK OF ENFORCEMENT

The American Government failed, however, to insist that the United Nations must be enabled to enforce its decision, and to protect life and property in Palestine until

the independence of the two new states had been finally established.

For lack of any United Nations police force, the members of the Palestine Commission have now been told by the British that they will be assassinated if they set foot in Palestine. Major hostilities between Jews and Arabs are imminent. The United Nations cannot carry out its decision. Because the United States has during the last 2 months renounced every semblance of leadership, the smaller countries are increasingly reluctant to assume any responsibility.

The Palestine Commission has at length been compelled to ask the Security Council to determine that there is a threat to the peace and to take action under the Charter. And Washington still remains silent.

It is notorious that there is a sharp cleavage of opinion within the Government. The Army and Navy, supported by some officials of the State Department and of other departments, insist that the United States must take no action to back up its words. They allege that our growing controversy with Russia makes it unwise for us further to antagonize the Arab states or jeopardize this country's access to Middle Eastern oil.

SOVIET TROOPS?

Such arguments are wholly unconvincing. The British Government cannot prolong its mandate in Palestine. Once British forces withdraw, war will result unless the United Nations can send an international constabulary to Palestine. If hostilities break out, the Soviet Union will undoubtedly insist that its vital interests require it to send its own forces to maintain order in its neighborhood.

Should our service departments prevail upon the administration to refuse to exercise any leadership within the United Nations to maintain peace in Palestine, they will pave the way for what they fear most, namely, the extension of Soviet control over the Middle East.

The arguments on oil are just as unrealistic. If a new war breaks out, the middle eastern oil resources would certainly not be available to western Europe nor to the United States. Should peace be preserved, since the Arab governments depend upon the royalties from their oil concessions, they are hardly likely to oppose their exploitation.

But we are face to face with a far more fundamental issue.

Japan defied the League of Nations in 1932 and was permitted by the great powers to do so with impunity. The Italian aggression against Ethiopia, the civil war in Spain, and the rape by Hitler of Austria and of Czechoslovakia were the inevitable result.

The Arab states have now defied the United Nations.

UNITED STATES-SOVIET CONCURRENCE

The partition of Palestine is the one major question upon which the policies of the United States and of the Soviet Union have coincided. Yet this Government has so far failed to initiate any measures within the United Nations to guard against the Arab aggression which is under way, or even to protest the flagrant violation of their Charter commitments by the Arab states.

If the United Nations is, in fact, the foundation of American policy, the United States must support the United Nations, not only when that is convenient and easy, but quite as much so when such support implies effort, sacrifice and risk.

The League of Nations collapsed because the major powers then members of the League supported the League only when it suited their own ends. They failed to support the League when it seemed that their selfish interests might be prejudiced.

We are seeing exactly the same trend. The Palestine question is a test case. Should the United States persist in its present blind inaction it will be preparing the way for the failure of the new international organization. And if the United Nations fails, the one hope humanity today possesses for the rule of law rather than the rule of force, for the freedom and progress of mankind, and for the establishment of a peaceful world order will vanish with it.

FEBRUARY 17, 1948.

Memorandum for Senator BREWSTER.

Subject: Palestine—Embargo and restrictions on arms shipments.

House Joint Resolution 306 (the Neutrality Act) adopted November 4, 1939, establishes a National Munitions Control Board and authorizes the Secretary of State to administer that Board. Section 12 (d) of this statute provides:

"It shall be unlawful for any person to export or attempt to export, from the United States to any other state, any arms, ammunition, or implements of war listed in a proclamation referred to in or issued under the authority of subsection (1) of this section, or to import, or attempt to import, to the United States from any other state, any of the arms, ammunition, or implements of war listed in any such proclamation, without first having submitted to the Secretary of State the name of the purchaser and the terms of sale and having obtained a license therefor."

This statute is administered under regulations published by the State Department, which bear the following preamble:

"Pursuant to the authority vested in the Secretary of State by section 12 of the joint resolution approved November 4, 1939 (54 Stat. 10; 22 U. S. C. 452), sections 1 and 2 of the joint resolution approved January 31, 1922 (42 Stat. 361; 22 U. S. C. 409, 410) and proclamations issued pursuant thereto the regulations governing the international traffic in arms, ammunition, and implements of war, heretofore promulgated by him, are hereby superseded by the following regulations."

Section 201.12 of these regulations provides:

"Export licenses: The Secretary of State will issue export licenses to appropriately registered applicants upon the presentation of applications for license, properly executed, unless the exportation of arms, ammunition, or implements of war for which a license is applied for would be in violation of a law of the United States or a treaty to which the United States is a party (see secs. 201.37-201.40 and pt. 204): *Provided, however*, That export licenses shall not be issued in any case when it shall have been determined under the authority of the President, in accordance with the provisions of section 6 of the act of Congress approved July 2, 1940 (54 Stat. 714; 50 U. S. C., app. 701), that the proposed shipment would be contrary to the interest of the national defense."

Published with these regulations are copies of proclamations issued by the President forbidding shipment of arms to China, Honduras, Nicaragua, and Cuba. No such proclamation has been issued by the President precluding the shipment of arms to Palestine.

The State Department has published no order or regulation prohibiting the licensing of arms to Palestine. It published a news release on December 5, 1947, declaring that "in view of the current disorders in the Middle East, the United States is discontinuing for the present licensing of all shipments of arms to the troubled areas. The shipment of arms and ammunition licensed to the countries of the Middle East area affected during 1946 and the first 10 months of 1947 are as follows."

The table which follows in this release indicates that no shipments of arms or ammunition were made to Palestine.

I have quizzed the officials of the Munitions Division of the Department of State specifically and exhaustively on this point and they assure me that their directions to withhold license for shipments of arms to Palestine come to them by interoffice memorandum from the Secretary of State.

It will be noted that the Department's regulation provides that license will issue "unless the exportation of arms, etc., would be in violation of a law of the United States or of a treaty to which the United States is a party."

I have asked the Munitions Division to cite the law or the treaty which would be violated were shipments of arms permitted to Palestine.

Mr. E. T. Cummins, who is Chief of the Munitions Division of the Department of State, and Executive Secretary of the National Munitions Control Board, called my attention to the President's message of April 15, 1947 (H. Doc. 195), pursuant to which the Department of State is asking for a revision of statutes under which it derives its authority for munition controls. I find in this document the following very interesting language:

As long as section 12 of the Neutrality Act is in effect that requirement of impartiality is still the law, and the Secretary of State must treat aggressor and aggrieved, peacemaker and troublemaker equally by granting every application for a license for the exportation of any arms, ammunition, or implements of war unless such action would be in violation of a treaty. Such a provision of law is no longer consistent with this country's commitments and requirements. We have committed ourselves to international cooperation through the United Nations. If this participation is to be fully effective, this Government must have control over traffic in weapons which will permit us to act in accordance with our position in the United Nations and will be adaptable to changes in the international situation. Therefore there must be new legal provisions enabling the exercise of discretion in the granting or rejecting of applications for export or import licenses for arms, ammunition, and implements of war and related items."

You will note that this statement is an admission that the Department does not have the authority it needs to deny export licenses where no treaty would be violated. Mr. Cummins suggested to me that the agreements of the United Nations have the force of treaties.

The United Nations has not, however, by resolution or other action directed or requested its member nations to withhold shipments of arms to Palestine. I have checked this point thoroughly with the local office of the United Nations. Mr. Cummins was unable to cite any specific law or any treaty which would be violated by arms shipments to Palestine. He falls back upon the general authority to control exports contained in the act of July 2, 1940. the pertinent portion of which reads as follows:

"SEC. 6. Whenever the President determines that it is necessary in the interest of national defense to prohibit or curtail the exportation of any military equipment or munitions, or component parts thereof, or machinery, tools, or materials, or supplies necessary for the manufacture, servicing, or operation thereof, he may by proclamation prohibit or curtail such exportation, except under such rules and regulations as he shall prescribe. Any such proclamation shall describe the articles or materials included in the prohibition or curtailment contained therein. In case of the violation of any provision of any proclamation, or of any rule or regulation, issued hereunder, such violator or violators, upon conviction, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than 2 years, or by both such fine and imprisonment. The authority granted in this section shall terminate June 30, 1942, unless the Congress shall otherwise provide."

The proclamations issued by the President under this section merely describe the items to be treated as arms and ammunition. He has issued no proclamation under this authority to withhold shipments of arms to Palestine. The Department of State's action in denying export licenses for arms shipments to Palestine is therefore a high handed, arbitrary, and wholly unwarranted usurpation of legislative authority. The request made by the President in his message of April 15, 1947, transmitting a proposal for legislation to control the exportation and importation of arms, etc., admits that the Secretary of State must grant every application for a license for the exportation of arms unless such action would be in violation of a treaty. No action has been taken by the Congress to grant the authority asked for. Nonetheless this Department, presuming to know what is good for the world and this Nation far better than the Congress, proceeds to exercise that control without authority.

Recent precedents which may be cited to show that our State Department has not always stood on the side lines as an impartial observer are: (1) The assignment of 50 cruisers to Great Britain before our entry into the war, but after Great Britain had declared war on Germany; (2) the shipment of supplies of arms and ammunition to the Finns during their encounter with the Russians in 1939; and (3) the Flying Tiger episode in connection with which we supplied large number of airplanes equipped with machine guns and bomb racks, set up a factory for the manufacture of military aircraft for Chiang Kai-shek government and continued to supply this factory with the machinery and tools for the construction of military aircraft, all with full knowledge and consent of the Department.

American Principle Applied to a Joint European Recovery Program

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES

Tuesday, February 17 (legislative day of Monday, February 2), 1948

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "American Principle Applied to a Joint European Recovery Program," which I delivered at Peoria, Ill., on Saturday, February 7.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICAN PRINCIPLE APPLIED TO A JOINT EUROPEAN RECOVERY PROGRAM

(By HOMER E. CAPEHART, United States Senator from Indiana)

INTRODUCTORY NOTE

For 30 years our international efforts have failed to accomplish the purpose claimed for them.

The Marshall plan, as now proposed, faces the same result unless aid to Europe is divided into three phases:

1. Restoration of European economy on a business principle—private enterprise to private enterprise.

2. Direct relief to the needy peoples of Europe through government-to-government gifts.

3. Stabilization of European currency through the International Monetary Fund and the International Bank for Reconstruction and Development.

This report tends to deal only with phase 1 and the methods by which it should be applied. The success of phase 1, however, will have an indirect effect on the success of phase 2 and phase 3.

HOMER E. CAPEHART.

EXPLANATION OF HOW TO APPLY AMERICAN PRINCIPLES TO EUROPEAN RECOVERY

President Truman and Secretary of State Marshall said to the Congress: "Give all or nothing."

I say: "Do it right or don't do it at all."

Our failures

For 30 years the United States has experienced nothing but failures which have grown out of hasty, ill-advised action based on emergencies which found this Nation lacking in courageous leadership.

We fought World War I to save democracy. Then came the Versailles Treaty and the Disarmament Conference. The Kellogg-Briand Treaty was like the others—it never accomplished what it was designed to accomplish.

Then came the depression and that destructive philosophy of scarcity which is still with us today.

Prewar farces

War again threatened and we had the Neutrality Act, cash and carry, and finally lend-lease; we were only fooling ourselves. Then we gave 50 destroyers to England with the silly belief they would keep us out of the war.

Business as usual was being carried on with Japan while our diplomats were edging closer to war with that nation.

Here we go again

The war clouds engulfed us. American free enterprise went into high gear. American people fought for survival both abroad and at home.

In the meantime we signed the charter of the four freedoms which were to be the terms of an allied victory for the world.

The United Nations was born as the savior of world peace. Bretton Woods and the Export-Import Bank were proclaimed the harbingers of permanent international prosperity.

War's end came with the birth of the atom bomb and a new fear of what the future has in store for the restless world.

Scraps of paper

Four Freedoms, United Nations, Bretton Woods, Export-Import Bank; scraps of paper as we began getting the returns from Tehran, Yalta, and Potsdam.

The Morgenthau plan and the division of Germany boomed into the faces of those hoping for a quick return to the peaceful ways of the world.

Russia began grabbing. We began fearing. Then came the Greek-Turkey loan to stop Russia's march to the Mediterranean oil pool.

Now the Marshall plan.

We face another problem

It is not controversial that Europe is in need of economic recovery.

The 16 nations which have indicated a desire to participate in the Marshall plan could, as healthy, prosperous nations, form a great obstacle to a future war.

But today the threat of international conflict grows from the clashing of two ideologies: government by the people and government by dictators.

The United States has become great on the principle of free government and free enterprise. We believe this system could and should be applied with equal success in the distressed European nations if they are to become prosperous.

It is the principle for which we fought in two great conflicts. It is the principle upon which we base our hope for a lasting peace. It is the principle which should guide us in any efforts to aid Europe.

Without this principle the Marshall plan, or any other plan, will fail and we will have weakened the very structure of our own system.

Are we to be consistent?

Under the Marshall plan it is proposed the things Europe needs to restore production and stability in economy will be procured by a representative agency of our Government.

That agency, directed by an administrator, will distribute the materials—and even money (reference: Senate Foreign Relations Committee report of December 19, 1947) into the hands of the governments of those nations with whom aid treaties are signed.

Those governments then will distribute the materials into the channels of their own choosing, effecting a form of state socialism bordering on that ideology of government with which we are clashing today.

Government to government

Under such a plan of government-to-government operation, we fail to inspire the individual effort which America has found to be the bulwark of prosperity and greatness.

Such a procedure shrinks the will of private capital to invest in the resources of its own country. If a nation is worthy of assistance by the United States it must be worthy of investment by its own nationals.

The very crux of any plan for relief of any European nation should be the worthiness of that nation for assistance. If its own people are wary of its worthiness, should not we be wary of its worthiness?

The dollars are there

We need have no concern over the ability of practically all of the 16 nations to avail themselves of monetary assistance in a recovery program.

In short- and long-term investments and bank balances in the United States alone these 16 nations have $13,000,000,000 in good credit dollars (reference: Senate Foreign Relations Committee report, December 19, 1947, and statement by the committee for the Marshall plan).

Authoritative information has been accepted by those studying the Marshall plan that other vast holdings by the 16 nations and/or nationals of those nations exist in South and Central America and Switzerland.

Then there is Bretton Woods

Each of the 16 nations can turn to the International Bank for Reconstruction and Development for a loan to meet at least a share of the needs. That is what the bank was established for by the 44 participating nations in 1945.

The bank's capital was fixed at $10,000,000,000 of which the United States share was $4,175,000,000. The bank's power, under the treaty approved permits it to make direct loans and to guarantee loans of foreign countries or private foreign corporations sold to private investors.

At the same time, the International Monetary Fund of $8,800,000,000 was established to maintain orderly exchange rates and to eliminate arbitrary exchange restrictions and discriminations. The United States contributed $2,750,000,000 to this fund.

Hailed as the answer

President Roosevelt, in an address to the Seventy-ninth Congress on February 12, 1945, said of our membership in the International Monetary Fund:

"The United States should act promptly upon the plan for the International Bank, which will make or guarantee sound loans for the foreign currency requirements of important reconstruction and development projects in member countries."

He also said:

"This measure, with others I shall later suggest, should go far to take care of our

part of the lending requirements of the postwar years. * * * As confidence returns, private investors will participate more and more in foreign lending and investment without any Government assistance."

It is important to note that Russia was not a member of the fund.

Here is business approach

We must, therefore, assume with all the right of one willing to help, that the 16 nations of CEEC can also help themselves to a goodly degree.

It is important to the success of their recovery that those nations and their nationals have a stake in the progress toward recovery. The risk is great. Mr. Marshall said on December 10: "The imponderables are many. The risks are real."

Are the American people to assume those risks alone? Or are the 16 governments and their wealth-holding nationals ($13,000,000,000 in United States) willing to take the risk with the Americans?

Common cause—common effort

If Americans are willing to invest $1 in the future freedom and prosperity of any one of those 16 nations, the peoples of that nation should be willing to invest another $1 toward the same end. This should be particularly true if Americans are willing to make an outright gift of huge proportions of sufficient necessities to relieve the physical hardships of the hungry and cold in those countries.

Americans were willing to take the same risk in their own country in 1932 when a Republican administration said that formation of a Reconstruction Finance Corporation would save American economy and the free-enterprise system.

Americans have that same confidence in the free-enterprise system succeeding in those nations where the people are confident the American way is best.

An international RFC

Let those nations where confidence prevails step forward with funds to help themselves; then Americans will step forward with an equal number of dollars to aid in the industrial recovery of that nation.

With these dollars will be formed a vast pool of dollar credit which can be loaned for the purpose of restoring the production of that country.

Money can be poured into private enterprise in the foreign nation through a credit allowance against the RFC in that nation. This will entitle applicant to an equal credit against the American RFC.

Armed with his purchasing credit, the businessman moves into the world market to procure the materials he needs to restore production so badly needed in his country.

Eliminates government buying

By this method we free the market from the destructive influence of over-all government purchases which tend to drive prices high and which prevents the orderly processes of free enterprise.

Elimination of Government buying also inspires the interest of private investment and restores the faith of people in foreign nations in the processes of a free-enterprise system.

If we are to make industry subservient to the government in each of the foreign nations we defeat the purpose and intent of our willingness to help.

Greater control over risk

With private capital and private gain involved in the movement to restore the economy of those nations we have greater control over the chances of success. This feature is the contended goal of the greatest minds which have been consulted in the matter.

Bernard Baruch told the Senate Foreign Relations Committee that the 16 nations should form an economic unit. Former President Herbert Hoover told the committee the Government's only concentration for spending at present should be toward direct relief. John Foster Dulles told the committee the United States should stipulate that the amount of aid from the United States should depend upon each nation's cooperation in attaining these goals.

Three top foreign-affairs advisers are interested in how much the foreign nations will help themselves and how we can more competently assure success of the venture.

Experience is best teacher

Since July 1, 1945, the United States has made available to the Marshall plan countries and western Germany (figures to November 1, 1947) a total of $11,014,000,000, of which $9,570,000,000 has been utilized. This is more than half of the total now sought for the Marshall plan in a 4-year period.

All of this aid has been on a government-to-government basis except in the case of UNRRA costs of $1,585,000,000, which was in part by direct distribution to the people by agents of our Government.

This 2-year direct expenditure for foreign recovery by the United States is more than half our total Federal debt in 1930 and is more than the entire cost of the United States Government in 1940. Yet the economy of those nations has gradually dipped to the point where it is now admittedly a great risk to additional investment.

(Sources: Report of Council of Economic Advisers to President, November 1947; Congressional Joint Committee on Reduction of Nonessential Federal Expenditures; Report of Committee of European Economic Cooperation, vol. 2; State Department Bulletin, May 18, 1947.)

We used plan during depression

Our experience in restoring our own industry and free-enterprise system at a critical time places us in the position of knowing best how to meet Europe's crisis. We used the Reconstruction Finance Corporation plan during the depression and are still using it.

We used the RFC to finance worth-while capital improvements necessary to a progressive production system at a time when private enterprise was pressed financially. We also used the RFC effectively to meet the great war-time production expansion.

In my judgment, the same system can be utilized to meet Europe's needs in the most businesslike manner to reduce the risk to the Americans who are being asked to invest in Europe's ability to restore its economy.

THIS IS THE AMERICAN WAY

We should create an international division in the Reconstruction Finance Corporation. Each European nation seeking to participate in the plan would likewise create a reconstruction finance corporation.

The American Congress should authorize the new RFC division to purchase not less than 50 percent of the stock in the RFC of any of the 16 countries which meets the participating requirements. At this point we should definitely include western Germany as a seventeenth nation of the CEEC, since sufficient German credit dollars are available outside Germany to permit compliance.

Each participating country would form a corporation in an amount of capital to be approved by the American RFC.

The stock purchased by the American RFC would consist of preferred stock and would have equal voting rights with the common stock which would be owned by the participating European country.

American RFC would have the right to sell its preferred stock at any time on the open market.

The preferred stock would be retired no later than 40 years from date.

Congress would appropriate $——— to the credit of the American RFC for use in purchasing stock in any participating European RFC.

PATTERN FOR EUROPEAN RFC

The corporate organization of each European RFC could be similar to that of the American RFC with the addition of preferred and common-stock provisions in their charters. The division of stock should be as recommended by the American RFC.

At all times each European RFC should issue common stock equal to the investment of either the participating government or its nationals.

WHAT EUROPEAN RFC WOULD DO

Equipped with the dollar credits of the American RFC and those made available through the collateral of the participating country or its nationals, each European RFC would be prepared to aid in the financing of agriculture, commerce, and industry, including the facilitating of exports of agriculture and other products.

It would be empowered to make loans or furnish credits to: (1) Individuals, firms, or corporations; (2) political subdivisions of the country; (3) banks, mortgage agencies, and insurance companies.

The board of directors of each European RFC would determine the conditions and terms of the loans which could extend from 60 days to 40 years. No loans would be made after 10 years from the time of organization of the RFC unless the preferred stock owned by the American RFC has been retired.

We can do more with less money under this plan because interest and principal payments can be used as a revolving fund to make additional loans.

Any European RFC should be prohibited from making any loans to political subdivisions of government for the purpose of financing the acquisition of any Government-operated industry or utility. This restriction, however, should not prevent the loaning of funds for the purpose of erecting a Government-owned public utility.

It should also be the duty of each European RFC to perform such other functions as will effectually carry out the purpose of promoting industrial and agricultural production in the participating country.

Each European RFC could employ engineers, technicians, secretarial help, advisers and legal counsel. It should establish and staff regional offices in the participating country.

Each European RFC should be governed by a board of directors of seven members, three of whom should be selected by the holders of the preferred stock (American RFC); the other four members by the holders of the common stock (participating country and/or its nationals). Upon retirement of the preferred stock the common stockholders should name the entire board.

Each European RFC should be required to submit a quarterly report to the American RFC.

BENEFITS OF THE AMERICAN WAY

By this plan, Americans call upon the Europeans to share in the risk of saving their country in a cooperative manner. It inspires the confidence needed to successfully preserve freedom and independence.

This plan is the answer of the free enterprise system to the ideology of government by dictators.

It preserves our principle. It preserves our pledge to protect Americans and American resources.

If we are right in our system in America, then our system is the greatest force with which to oppose communism.

CONCLUSION

We have not attempted in this report to deal with the merits or demerits of an outright gift to European nations to meet the needs of the hungry and cold peoples of those nations.

That is a separate phase of European relief and should be dealt with separately even

though the Marshall plan as proposed fails to do this.

We have not attempted to deal with the monetary stabilization phase of the over-all program other than to point specifically to the provisions contained in the Bretton Woods agreement and the International Monetary Fund.

It was felt that each phase of the complete problem should be dealt with separately since the requirements are so vastly different that to join them is only to confuse the issues involved in each.

By this plan to restore the economy of each nation we have not called for a weakening of the present monetary position of any nation, but we have sought to preserve those existing dollar assets for each nation.

The importance of a single feature of this plan to attain recovery through free enterprise rather than through Government dictation is best described in the words of the Committee for the Marshall Plan: "self-respecting peoples, who believe in a free, democratic process, will not accept foreign dictation."

HOMER E. CAPEHART,
United States Senator of Indiana.

Civic Problems, Civic Bodies

EXTENSION OF REMARKS
OF

HON. ARTHUR CAPPER

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Tuesday, February 17 (legislative day of Monday, February 2), 1948

Mr. CAPPER. Mr. President, I send to the desk and ask unanimous consent to have published in the Appendix of the RECORD the article by Jesse C. Suter in the Sunday Star of February 8, 1948, entitled "Civic Problems, Civil Bodies." It is such an able article that I feel it should be brought to the attention of the Senate.

There being no objection, the article was ordered to be printed in the RECORD as follows:

CIVIC PROBLEMS, CIVIC BODIES—KIND OF VOTE OUR PEOPLE NEED MOST; HOME RULE DISTRICT WANTS AND NEEDS

(By Jesse C. Suter)

WHAT KIND OF GOVERNMENT IS NEEDED BY THE DISTRICT?

Lord Bryce, in the American Commonwealth, says: "The people of the United States, owing allegiance to State and Nation, have two patriotisms, two loyalties." To this Theodore W. Noyes added: "We of the District of Columbia, owing allegiance only to the Nation, have only one patriotism, one loyalty. We are Americans and nothing else. Our allegiance is undivided. Our Americanism is the more intense for its concentration."

Continuing, Mr. Noyes said: "Since the Washingtonian is a national American and a national American only—an American in a peculiar and unique sense—he is surely entitled to all the rights and powers which belong to the national American, except those (if today there are any) which he should sacrifice to meet a national necessity or to protect the national safety." These quotations were taken from an address by Theodore W. Noyes at a dinner of the Society of Natives of the District of Columbia, April 17, 1922, held in celebration of the one hundred and thirty-first anniversary of the laying of the first cornerstone of the District of Columbia.

The Auchincloss-Ball bill, now pending before subcommittees of the Senate and House Committees on the District of Columbia, is entitled "A bill for home rule and reorganization in the District of Columbia." It overlooks completely in its text any recognition of the fundamental truths stated above.

The framers of this bill, H. R. 4902, and its Senate companion, S. 1968, explain that the omission to include any recognition for national representation for the District of Columbia is due to being entirely beyond the designated scope of the committee. However, advocates of representation in the Congress and among the electors of President and Vice President are unable to see any impediment to recognition that it would not be home rule without such representation.

Another reason for the omission of reference to such fundamental Americanism was that it would require an amendment to the Constitution which would be considered by an entirely different committee. However, it is still not too late for the committees to recognize that home rule without District voting participation in the controlling Congress would fall far short of anything deserving the name of home rule.

The point of beginning of District home rule

Senate Joint Resolution 6, introduced in the Senate on January 6, 1947, by Senator ARTHUR CAPPER, Republican, of Kansas, is the first cornerstone of genuine District of Columbia home rule. Upon this foundation may be erected a structure of true Americanism which may be extended broadly so far as it does not impair full protection of the interests of the United States. The full text of Senate Joint Resolution 6 follows:

"Joint resolution proposing an amendment to the Constitution of the United States empowering Congress to grant representation in the Congress and among the electors of President and Vice President to the people of the District of Columbia.

"Whereas in recognition of the fact that the District which is the seat of the Government of the United States is a populous and permanently separate political unit which, in keeping with its special purpose, is not and should not become a State or part of a State; and with intent that the effective rights of citizens resident in that District, including their participation in the Government of the United States, shall be as nearly similar to those of citizens resident in the several States as may be without impairing the supreme authority of the said Government over its Capital: Therefore be it

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following amendment to the Constitution of the United States be proposed for ratification by the legislatures of the several States which, when ratified by the legislatures of three-fourths of the States within 7 years of the date of its passage, shall be valid as a part of said Constitution, namely:

" 'The Congress shall have power to provide that there shall be in the Congress and among the electors of President and Vice President members elected by the people of the District constituting the seat of the Government of the United States, in such numbers and with such powers as the Congress shall determine. All legislation hereunder shall be subject to amendment and repeal.' "

Congress governs the District

Under the Constitution of the United States the Congress is given the power to exercise exclusive legislation in all cases whatsoever over the seat of the Government of the United States. No matter what form of local government has existed in the District of Columbia, it has operated under this overriding authority of the Congress.

The existence and exercise of such power would continue under the proposed reorganization plan of the Auchincloss-Ball bill or any other form of local government which the Congress might erect. It is therefore most important that these voteless and unrepresented people of the District of Columbia be given the right and privilege possessed by other Americans in the States of electing Senators and Representatives in the Congress and of participating in the selection of the President and Vice President.

The rule of the District by the Congress is, of course, through legislation, and the President is a most important factor in the legislative procedure. His approval makes legislation by Congress effective. To override the President's veto of legislation requires a two-thirds vote by each House of the Congress. Lacking such two-thirds vote, the veto is sustained. This has the effect of giving the President's veto a weight equivalent to at least one more than a third of the Members present and voting on a veto. If all Members of both Senate and House of Representatives were present and voting on a veto, the President would be wielding a power equivalent to 141 Representatives and 33 Senators.

Participation in ruling body essential

Participation by the Americans of the District, through their duly elected Members of the Senate and House of Representatives, would in no way lessen the control by the Congress over the seat of Government. It would only mean that each isolated American of the National Capital would have the same fractional part in such control by the Congress as is possessed by each American of the sovereign States.

Until these voteless and unrepresented people are accorded these fundamental American rights of voting representation in the Congress and among the electors of President and Vice President, they will not possess the influence and respect among their fellow Americans, in or out of Congress, which they justly deserve and require. They have the same vital interest in all legislation as well as in all policies of their Nation. They are Americans with no divided allegiance and entitled to all of the rights and powers possessed by other Americans.

Reorganization is due

The consensus appears to be that some type of a reorganization of the District of Columbia government is due. But such reorganization plan should be formulated by the people of the District and confirmed by a Congress in which the people of the District of Columbia are represented on an equal footing with other American citizens. Such procedure would parallel that which operates in the sovereign States, where charters become law through the action of the State legislature, in which the people of the affected community are fully represented.

In the consideration of this entire question there crops out frequently an expression of fear that under changes which have been suggested from time to time the interests of the United States may be endangered. Having in mind the history of the seat of Government and its relation to the Nation, it seems impossible to envision any manner in which the Federal interests may be endangered except through the neglect of the all-powerful Congress to safeguard properly the interests of the United States.

THE HOME RULE THE DISTRICT WANTS AND NEEDS

The question of home rule for the District of Columbia was discussed briefly in the 1928 hearing before the House Committee on the Judiciary by the late Henry H. Glassie,

a prominent Washington lawyer. Mr. Glassie was a native Washingtonian, at one time a member of the United States Tariff Commission, and over a considerable period a special assistant to the Attorney General of the United States. In the course of his argument supporting a proposed amendment to the Constitution of the United States empowering Congress to grant national representation to the people of the District of Columbia, he said:

"Now, the constitutional provision for exclusive legislation means the same to every man. It means one legislation, not a divided legislation; not a superior and a subordinate legislation; one single sovereignty, one law.

"You have it now. You will always have it. How will our having a voice in the making of that law—by having one or two Representatives or one or two Senators—change that obvious fact? In other words, the constitutional provision for exclusive power of legislation has nothing in the world to do with the composition of the legislative body.

"One other principal ground or suggestion in the way of opposition is that we are not quite open, and that we stultify these American principles by not claiming the right of local self-government; that we come into court, so to speak, weakened by not claiming that right.

"Now, if the gentlemen of the committee please, coming from words to facts, what was the claim of the Americans to full participation in the Government before the Revolution? Participation in local government? Not at all. They had that. It was participation in that sovereign imperial parliament which made the law.

"We have been reproached with the idea that we do not want local government and therefore do not want self-government. But mark the distinction. Local government may be a mere matter of municipal administration. But what self-government means is that the people who are to obey the laws shall have a share in the making of the laws. You make the law. Under the constitutional provision you will always make the law. Under the principle that the Federal Government shall be supreme, you must continue to make the law.

"Therefore, when we come to you humbly and say, 'Admit us to participation; admit us to your councils in the making of this law,' we are asking for local self-government.

"True it is that we do not ask that we shall appoint the dog catcher. True it is that we do not ask that we shall elect the school board. True it is that we do not ask at this time, coming as a united body, for any of those usual municipal functions as to which it is still a question, after 100 years of self-government, whether they are better done by a vote, or by a city manager, or by a commission.

"So I say to you gentlemen, with profound deference, that these two things, first from one side and then from the other, which are continually thrown against us, will hardly bear scrutiny. We do want self-government, and the essence of self-government is the right to send a man from your community into your legislative representative body which can send you to war, tax your property, do what it pleases with your will, control your domestic relations, your relations to your family, your wife, and children, and do all those things which make a government a government touching intimately the life, as the learned gentleman suggested—and I thank him for the suggestion—which touch intimately the life of the community. Those are the things that are dearest to you, and those are the things which, in your respective States, you insist upon having, and which you will never surrender." (House Judiciary Committee hearing, 1928, 70th Cong., on H. J. Res. 18, serial 22, pp. 71, 72.)

The St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. GEORGE D. AIKEN
OF VERMONT
IN THE SENATE OF THE UNITED STATES

Tuesday, February 17 (legislative day of Monday, February 2), 1948

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "The St. Lawrence Seaway," from the Daytona Beach Evening News.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ST. LAWRENCE SEAWAY

Sometime late this month the United States Senate may vote its approval or disapproval of a vast shipping and power project that has been kicked around in Congress since 1909. This is the proposed St. Lawrence River seaway and power project, which must be approved by the Canadian Parliament as well as by the United States Government before it can begin to be a reality.

Several times the project has been defeated in the Senate; it may be defeated again this time. There are sectional and business reasons. Eastern interests centering in New York, Philadelphia, and Boston are opposed to the project because the seaway, when completed, would offer Midwest interests additional transportation facilities that would compete with those seaports. Railroads oppose it as they oppose all inland-waterway projects.

On the other hand, the Midwest and Canadian interests favor the project because it would enable them to ship their goods to the East and overseas at much less cost. And then, of course, there is the electric-power-production angle.

The St. Lawrence seaway would enable oceangoing vessels to navigate 2,347 miles from the mouth of the river on the Atlantic to Duluth, Minn., on the western tip of Lake Superior. This would be accomplished by digging a 27-foot channel through 119 miles of rapids from Montreal to Ogdensburg, N. Y. These rapids are the only part of the entire route through which big ships are unable to go now. To complete the deep-water channel there would have a revolutionary effect on midwestern agriculture and industry and would benefit Canada in the same way.

Then there is the power-production angle. Power facilities would be developed with a total generating capacity of 2,200,000 horsepower by harnessing the 119 miles of river water that drops 223 feet in level in three series of rapids between Montreal and Ogdensburg.

This new fund of electric power would be available in the USA within a radius of 300 miles from the dams, which means that it would be available in New York, Vermont, New Hampshire, Massachusetts, Rhode Island, Connecticut, northeastern Pennsylvania, and northern New Jersey. And in an emergency power could be transmitted as far as Chicago and Washington.

Total cost of the project based on last May's construction prices has been estimated at $884,000,000. But the United States has already spent $32,000,000 on parts of the plan and Canada has spent $133,000,000. Engineers estimated $720,000,000 in new money would be needed of which the United States would supply $492,000,000 and Canada $228,000,000. All this money would be paid off by collecting tolls from shipping interests and charges for electric power.

For these reasons the cost of the project is not being used as the grounds for opposing it. Opposition is based on one thing—fear of competition. Eastern interests fear it will hurt the business of the ports of New York, Baltimore, and Boston. Privately owned power companies within the radius that would be served by the new power dams are fighting it too. So the St. Lawrence seaway and power project is facing the same kind of opposition that the TVA had to face before that great project was completed in the early years of the New Deal. Fear of competition is contrary to the spirit and purpose of our system of free enterprise, but some of the loudest spokesmen of free enterprise fight competition the hardest when it comes their way.—F. B.

The Oil Muddle

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES

Tuesday, February 17 (legislative day of Monday, February 2), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "The Oil Muddle," from the Exeter (N. H.) News-Letter of February 5, 1948. This editorial points up well the situation in New Hampshire and New England generally this winter as a result of an inadequate supply of fuel oil. It was just such situations as that to which the editorial refers that prompted me recently to introduce Senate bill 2073, by the terms of which exports of petroleum products, except for our armed forces abroad, would be halted, as an assistance to furnishing adequate petroleum supplies for the northeastern area of the country. The people of the New England States have been for several winters the victims of the Government's failure to adequately plan ahead, so far as gasoline and fuel-oil supplies for them are concerned.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE OIL MUDDLE

When it is revealed that the flow of fuel oil to New England has ebbed to the point where it is necessary in some communities to issue edicts curtailing the temperature in public establishments and business places to 40 degrees, then it becomes time for some plain questions and answers about our fuel-oil supply.

It takes only common sense to know that normal work cannot be carried on at a temperature of 40 degrees when the mercury is flirting with zero outside. Nor can health and well-being be maintained for any length of time at 60 degrees in the home.

The rigors of New England winters are well known. For many years New Englanders have been encouraged to turn to oil as a more comfortable and efficient means of heat. Many were encouraged to join at great expense, the oil-heating ranks within the past year. In their turn the heating contractors were encouraged to sell and install new oil-burning heating units; oil dealers were not dissuaded from taking on new customers.

Why, if an oil shortage were foreseen, was this business allowed to continue? Many of these people lack the means of converting to other methods of heating at the present time. Why, if these conditions exist, must oil continue to be shipped abroad?

If a national emergency exists in the preservation of our oil supply (it is said that the United States has 33 percent of the world's proven crude-oil reserves at the present time) the New Englander will be found in the front rank in withstanding the hardship.

We can see no greater emergency, at present, then warming cold New England homes. We've had zero temperatures for over a month. Our hospitals are full.

So, let's have the oil.

Economic Problems

EXTENSION OF REMARKS
OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 17 (legislative day of Monday, February 2), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me on February 12, 1948, at the annual banquet of the Pennsylvania State Association of Township Supervisors, in Philadelphia.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I appreciate very much the opportunity to meet with you tonight, you as the representatives of more than 1,500 townships in Pennsylvania with a population today, I dare say, well above the figure of the last national census. A substantial portion of Pennsylvania's population continues to live under the township system where they are, perhaps, closer to the day by day municipal and civic issues facing them than are, perhaps, any other group of Pennsylvanians.

Our whole political system in America and in Pennsylvania grew out of the township system and it is indicative of the strength and the value of the township system that even with all the so-called improvements over it which have developed in the field of political organization, the township system itself continues largely unchanged and as virile as ever.

Frankly, it was a source of some surprise to me to find out the other day in preparing a few notes for this meeting, that the assessed valuation of our townships in Pennsylvania, as of the last figure I found, was substantially greater than the assessed valuation of the State's boroughs. The combined assessed valuation of townships in many of our counties exceeds, as a matter of fact, the total assessed value of all the property in some of our other counties, including township, borough, and city. It is, therefore, pretty obvious that although you gentlemen represent what are regarded as small political subdivisions, your responsibilities are anything but small.

I, on the other hand, as a Senator of the United States, represent one phase of the biggest business in the world today, a $40,000,000,000-a-year business, a business in which you and the people in your community, as citizens of the United States, have a very vital stake.

Sometimes it may seem to you that we in Washington are very far removed from your local communities, not much aware of what goes on in them, and perhaps not much concerned either. I know that is the popular conception. I read it in my mail all the time. There isn't a township representative here tonight, I am almost sure, to whom I could not go and say such and such a citizen or group of citizens in your community has written me in the last few weeks on this or that subject.

I might say parenthetically that from one standpoint—the amount of work it gives us in the Senate—the high degree of literacy in Pennsylvania is sometimes alarming. Every one of our ten million or more citizens seems to know how to write and at least one time or another in his lifetime—sometimes frequently—writes to me. You know, sometimes when we get up legislation having to do with Federal aid to education, it occurs to me we might be doing the Senators from some of the so-called backward States a great disservice by making it possible for more of their constituents to learn how to write.

Seriously, though, out of this flood of mail which literally pours in upon us every day, including Saturdays and Sundays and holidays, and days when the Senate is in session and days when it is not in session, I do manage to get a fairly good picture of what is bothering people all over the State. Usually people write to their Congressman or to their Senator only when something is bothering them. Many have the idea that when they send off an indignant letter or telegram to Washington it will be thrown into a heap with a lot of others on the same subject, weighed, and then thrown away—certainly not read by anybody, and positively not read by the Senator himself. Now they are all wrong on that, at least as regards letters sent to me, but even if they were right, even if the letters were thrown away unread, I detect in those letters—for you see we do read them—I detect an obvious inner glow of satisfaction on the part of the writer in getting the subject off his chest, whether anyone reads it or not.

Oftentimes the writer will say, "Of course, Senator, you will never get to read this letter, but if you do, this is what is eating me—" etc. The letters which really get me angry, however, are those which come in unsigned or with no return address. Many of these letters are frustrating because the writer may be urging me to support certain legislation or oppose certain legislation or to do something about some issue or other, completely ignorant of the fact that I may be beating my brains out doing exactly what the writer urges me to do, and there is no way that I can write him and tell him to relax in the knowledge that things are going to turn out all right. The more apoplectic in tone the letter may be, the more I worry about this poor fellow having a heart attack without ever finding out that I am on his side and anxious to see the issue resolved the way he wants it resolved.

This is all a somewhat roundabout way of saying that I do have a fairly good idea of the status of public opinion throughout Pennsylvania without benefit of the Gallup poll. Knowing the things which generally are bothering our citizens, I think I have a pretty good idea, also, of the problems facing their elected representatives, in the townships as well as in the cities and boroughs. I should say the biggest problem right now is money—as usual.

And yet, it shouldn't be usual, for the times are not usual. We are now experiencing the greatest level of economic activity in our history. More people are employed than ever before, doing more things and making more things than ever before, and receiving better wages and profits and incomes than ever before. One might think that this might make for greater happiness than ever before. Actually, however, the problems arising out of this high level of activity are becoming more and more difficult and happiness is a state of mind I seldom find reflected in the faces of our people.

I am not speaking only of the persons on fixed incomes, the pensioners and others who are still trying to get along on prewar incomes, or on incomes fixed and constant since the inflationary spiral really got under way a year or two ago. I am speaking also of the great bulk of our people whose incomes have, to a certain extent, followed prices upward and, in some cases, may have risen faster than prices. As a member of the Joint Congressional Economic Committee, which is assigned the formidable task of keeping our fingers on the Nation's economic pulse beat and proposing legislation to maintain this high level of employment and of industrial activity by heading off depressions before they start, I have heard voluminous testimony from all levels in our economy that we are today in a pretty dangerous situation which might blow up in our faces if something is not done to halt this upward spiral before it gets further out of hand.

It is not just as individuals that we have been feeling the pinch of inflation. Equally as seriously, and in many cases, perhaps more seriously, our political subdivisions have been feeling it, too. In your street repairs and your highway building program, in your local services and in your public pay rolls, you have been finding that your tax dollars just do not stretch far enough. The solution which most frequently must present itself to you is that of raising taxes and of instituting new taxes. And yet, your citizens, and you yourselves, already burdened with high living costs and shrinking purchasing power, are hard put to find places where those increased taxes could come from.

Your problem is further aggravated by the fact that the expansion in population and in construction in your townships necessitates large-scale improvements which are of urgent nature. This work would have to be done at present inflated costs. The dilemma is very real.

I have no magic formula to offer you at this time, no trick solution. Federal aid is often a helpful remedy to a distressed community, but Federal aid by itself is no solution to this over-all problem of the steadily increasing cost of local government and the steadily decreasing purchasing power of local government tax dollars.

The Federal Government, as I said, is a $40,000,000,000 business this year. When the budget was announced last month, screams rent the air over the extravagance and the waste, so-called, of this allegedly bloated budget. But the screams were decidedly mild when compared to the uproar which greeted last year's $37,500,000,000 budget, a budget we were told could be cut and would be cut by $6,000,000,000. As it turned out, the Congress voted in total about $200,000,000 more in the fiscal year than the President's budget of thirty-seven and one-half billions, a budget which was supposed to have been cut by $6,000,000,000.

I mention this ancient history only to point out that it is very easy to make blanket statements about the extravagant cost of Government—including local government—but that when it gets down to the point, item by item, of exposing the extravagance and making reductions, the chances are our public budgets—local as well as national—seldom provide even a minimum of the things which we as Americans expect from our governments—local as well as national.

On the national scale we want and insist on adequate military establishment and that is costing us literally billions of dollars each year. In the hopes of one day achieving a goal which mankind has sought for at least 2,000 years—and that is real and enduring peace—we are spending other billions in support of the United Nations and on programs designed to restore some semblance of economic recovery to nations which, once they get back on their feet, can do a full share

with us toward achieving peace and preventing war. These two items, national defense and foreign recovery, take a major, almost an overwhelming bite, out of our $40,000,000,000 budget. Depending upon how effective these outlays are, it is money either completely wasted or it is the best investment we could ever hope to make. We must never forget that the last war cost this Nation hundreds and hundreds and hundreds of billions of dollars—the figure is so stupendous it is just about incomprehensible.

Out of the remainder of our budget we are delivering the mail, collecting taxes, helping you build highways and airports, keeping an eye on the health of our people, keeping the railroads in operation, guarding our natural resources and helping to develop them, and doing hundreds and thousands of other things which all of us as citizens not only expect from our Government but insist on our Government doing.

And then, all by itself, is the simply huge outlay each year for our veterans, an obligation we certainly have no intention of repudiating.

That's our problem nationally. On a small scale, but along the same lines each township in Pennsylvania has a similar problem.

Not so long ago I made a speech here in Philadelphia before representatives of shipping interests in the Eastern States. One of their major problems, and one in which I had and still have a close association, has to do with boxcars. As you no doubt know, the terrific expansion of industrial activity since the end of the war led to a great crisis in railroad transportation. We were junking each month more boxcars than we were building. The railroads were working day and night at the job of moving this great flood of goods in interstate commerce, but the job was just too big in terms of available equipment. One of my committees in the Senate, the Committee on Interstate and Foreign Commerce, assigned a subcommittee to the job of investigating this shortage and recommending remedies. I was appointed to that subcommittee.

Early in our investigation, more than a year ago, Senator REED, of Kansas, the chairman, and I came to the conclusion that although we could no doubt find many instances of inefficiency and delay in the use of available boxcars, the only solution, the only real and effective and enduring solution, was the production of a lot more boxcars than we had, of a lot more boxcars than we were junking. Therefore, instead of conducting the kind of Roman holiday which congressional investigations sometimes resemble and in which the main concern seems to be to find a villain or to make headlines, we set out to get more boxcars. In the absence of Government controls, which by then had lapsed, we had to depend on the voluntary cooperation of three industries—the railroads, to order the cars that they needed and to put their orders down in black and white; the steel companies, to provide the steel that was needed and to provide it in preference to other enterprises often offering all kinds of premiums for steel; and the boxcar builders themselves, to get down to work and turn out boxcars. Happily, we got agreement; we got a plan and a program and everyone went to work and boxcars have been rolling out of the mills at a rate which now exceeds for the first time in years the rate at which old boxcars are being junked.

The point I made in speaking to the shippers group here last month was that the big villain in the boxcar shortage situation, if you could call it a villain, was the unprecedented, simply amazing level of industrial activity in America, which made all of our facilities too small, inadequate. That villain is present in most of our bottleneck situations today. We are producing more than ever and it is not enough, and so we have shortages of one kind or another—shortages which will continue as long as demand continues at this simply terrific level.

When we reach the point where we have all the box cars on the sidings adequate to meet all the needs instantly and promptly without delay, when we have all the houses built that people are interested in buying or renting, when we have all the automobiles even a high level economy can sustain in operation, when there is enough oil for every need, and all the steel is being turned out so that no one has to wait on his order, then we are heading into a different kind of trouble, a different kind of shortage, a shortage of customers.

What we are going to need then, perhaps more than we have ever needed it, is real and genuine faith in the free enterprise system, enough faith to make us want to work hard at the job of making free enterprise work. It's easy to talk about free enterprise when the profits are rolling in and employment is at a peak and there are more orders for goods than there are factories to fill the orders. In a situation like this, some of the worst enemies of free enterprise have been found in free enterprise itself—in a lack of restraint, in greed, in the old theory of dog eat dog economics.

The result has been this inflation. The result has been a shrinkage of our purchasing power among the mass of our people, a shrinkage which is hurrying up the day when we may have more goods available than customers because the customers can't afford to buy. That will be a sorry day for free enterprise because it is under circumstances such as those that we find the workability of free enterprise increasingly subject to suspicion.

There is little that the officials of a Pennsylvania township can do to protect the purchasing power of the township's tax dollars during a period of inflation. You can cut expenses and you can cut services only so far. The only solution for you as elected officials and for the solvency of your communities is to help bring about on a national scale conditions and sentiment which will halt this inflation before it gets further out of hand, and bring prices down, and once again make your local tax dollar adequate to buy a dollar's worth of service for the people of your communities.

It has been a pleasure to be here with you. It will be a pleasure at any time to do anything I can to help your communities on any problems which may arise in which I may be of assistance. I want you to feel free to call on me. I want you to know that I share your concern over the problems of local government, problems which, although smaller in scope than our national and international issues, are, nevertheless, real and significant and important and very, very close to home in every community.

Statement of Ernest O. Thompson, Chairman, Railroad Commission of Texas

EXTENSION OF REMARKS

OF

HON. LYNDON B. JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. JOHNSON of Texas. Mr. Speaker, the other day a great Texan appeared before the Oil Subcommittee of the House Armed Services Committee. His remarks were so worth while that I want all the Members of Congress to have the benefit of them.

That man was Col. Ernest O. Thompson, chairman of the Railroad Commission of Texas. Colonel Thompson was a distinguished soldier, in both wars. He was the youngest lieutenant colonel in the AEF in the first war. He trained two regiments in the last war. He has either been chairman or a member of the Railroad Commission of Texas for about 15 years. He was one of the founders, and three times chairman, of the interstate oil compact. He was personally appointed by President Roosevelt to represent this country at the World Petroleum Congress in Paris in 1937. Former Secretary of War Patterson appointed him as his representative to make a study and inspection tour of Europe and the Middle East in 1945.

Since Colonel Thompson knows more about oil than just about anyone in the country, our committee benefited greatly by his advice and suggestions. I include a summary of his statement in the CONGRESSIONAL RECORD. It follows:

STATEMENT OF ERNEST O. THOMPSON, CHAIRMAN, RAILROAD COMMISSION OF TEXAS, BEFORE THE ARMED SERVICES COMMITTEE OF THE CONGRESS, FEBRUARY 5, 1948

1. That the oil policy of the United States should be one that will call for and do all possible to insure a vigorous, healthy domestic oil-producing industry.

2. Imports of oil should be allowed only to supplement the oil that can be produced by a vigorous, healthful, domestic oil-producing industry. A flood of foreign oil could ruin our oil-producing industry.

3. There should be free play of price; in other words, the price should be free to increase exploration and improve conservation. There should be a minimum of government interference with the maximum of information furnished on improvement in technique of production and technique in discoveries and explorations. Bulletins from Bureau of Mines on new techniques.

4. The Interstate Oil and Gas Compact should be given permanent congressional approval, because it has been useful in occupying that no-man's land between State and Federal jurisdiction. (It is now approved for 4 years only.)

5. The Federal Government should demonstrate its own idea of conservation on Federal public land; for example, it should stop flaring of gas from oil wells drilled on Government public land. I say this because the Federal people are always criticizing the States for flares and yet do nothing about flares on public lands.

6. The only truly dependable reserve of oil in wartimes is an active, producing reserve. Setting aside probable oil land is not a dependable reserve for war. The wells must be drilled and producing and should be where we can protect them.

7. Texas has always produced all of the oil that has been indicated as needed by the Bureau of Mines in its monthly certified estimate of crude needed for the current month, month by month. For example, the Bureau of Mines of the United States certified last month that the amount of crude Texas oil needed every day in the month of February 1948 was 2,360,000 barrels per day.

Texas is now producing 2,385,000 barrels per day, or 25,000 barrels daily in excess of market demand as indicated by the Bureau of Mines. During 1947 Texas discovered 161 new oil fields. Texas has always filled every demand for oil. We look forward hopefully to fulfilling all requirements for oil, provided the price is left free to react to the law of supply and demand and enough steel pipe is made available for drilling the necessary oil wells.

When more oil is discovered the price of oil and gasoline will drop down according to the old law of supply and demand. We do not want price control nor rationing.

Palestine Problem

EXTENSION OF REMARKS
OF
HON. JOHN W. GWYNNE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 17, 1948

Mr. GWYNNE of Iowa. Mr. Speaker, one of the difficult problems now before us has to do with the Palestine situation, and we are all indebted to anyone who throws light on it.

I am including a copy of an editorial from the January 13, 1948, edition of the Waterloo Daily Courier and also a letter from Rabbi S. H. Epstein, of Waterloo, Iowa.

Both the writer of the editorial and Rabbi Epstein have given considerable thought and study to the problem, and their views are worthy of great consideration.

The editorial and letter are as follows:

EXPLOSIVES FOR PALESTINE

The Jewish Agency for Palestine, a responsible group promoting the Jewish homeland, acknowledges that it has been purchasing explosives in the United States for shipment to the Near East. A spokesman said the agency believed that the purchases were legal, although shipment of arms and munitions to the Near East was banned by the State Department on December 5.

American public opinion generally is unfavorable to the export of munitions in the belief that it is more difficult for people to fight if they have difficulty obtaining the arms to fight with. But there are factors which make the Palestine case an exception.

As the spokesman for the Jewish agency pointed out, the United Nations in approving the partition plan for Palestine made no provision for an international police force or other protection for the present inhabitants. The British, with their empire resources strained to the limit, are in no position to offer that protection.

The Jews, therefore, are compelled to take steps to protect themselves. It is natural that they should attempt to purchase surplus munitions in the United States. While any attempt to evade State Department export restrictions cannot be condoned, the need for a change in United States policy is evident.

Arab groups are engaging in open warfare against the Jewish settlements in Palestine. The United States is irrevocably committed to the partition plan. Does it make sense to deny arms to the group which is attempting to carry out the principles of American policy?

It would obviously be better—in terms of long-time Arab-Jewish relationships—for the UN to do the policing of Palestine. But since no UN police force has been formed, it is only fair to allow private Jewish agencies to purchase surplus American arms.

ARMS FOR PALESTINE

WATERLOO, IOWA.

To the EDITOR:

I wish to commend you on your excellent editorial "Explosives for Palestine" in the Courier of January 13. The writer shows that he fully understands the issue involved in the Palestine problem. If the United Nations' decision on Palestine is not realized and made an actuality, the Charter of the UN is a dead letter and all the world's hopes for peace go a-glimmering. If the UN does not convert their first major decision into action and submit to the threat of force by the Arab feudal states, the world will have another debating society similar to the late League of Nations.

For the sake of peace and a better world, the United Nations must be supported by the United States to bring order out of chaos and abolish the rule of brute force.

May I touch upon another aspect of this problem of arms for Palestine. It is the indisputable fact that while the Jews are refused arms, the Arabs, who aggressively oppose the UN decision and launch a series of murderous attacks on the Jews, are supplied with arms and manpower by the Arab states bordering on Palestine.

These states have purchased $41,000,000 worth of weapons from United States Army surplus since the middle of 1945. Even now, while the United States has established an embargo on shipment of arms to the Middle East, the British continue to send arms to the members of the Arab league, the sponsor and instigator of violence in Palestine. Even now the Arab Legion, recruited in Transjordania, officered and armed by the British, have been brought into Palestine where they attack Jewish convoys and commit excesses against Jewish settlements, while the members of the Haganah, Jewish defense corps, are disarmed by the British.

Is this fair play? Is this in keeping with the principle of sportsmanship of giving a fighting chance?

Editorials and pronouncements of right thinking people will do much to rectify the wrong and give a tortured people a chance to live and develop. May I in conclusion thank you for your forthright stand and enlightened position.

RABBI S. H. EPSTEIN.

Dismantling of German Industrial Plants

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES
Tuesday, February 17 (legislative day of Monday, February 2), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial pertaining to the dismantling of German industrial plants, from the New Hampshire Morning Union of February 12. This editorial strongly supports the position which I have taken regarding the urgent need for halting indiscriminate dismantling in Germany.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BRIDGES IS RIGHT

Senator STYLES BRIDGES is fully justified in his demand for a full airing of the question of dismantling of German industry. Recently, Secretary Marshall has turned down the proposal that the United States stop dismantling German plants on the ground that it would jeopardize the unity of purpose and feeling essential to European recovery. He insists that the dismantling program will aid rather than hamper European reconstruction.

Marshall's stubborn insistence on this position in the face of the widespread protest against the dismantling program is annoying. The dismantling procedure was authorized by the Potsdam agreement which decreed that German reparations should be made by the removal of capital equipment from Germany rather than from current production. Under this process, reparations were to be paid to Russia and Soviet satellite states, as well as western Europe. BRIDGES points out that in 1947 90 percent of the machinery and facilities dismantled went to iron-curtain countries, with 85 percent to Russia.

Does this make sense today when the whole German situation has been changed by Russia's refusal to carry out the basic features of the Potsdam agreement, and when the dismantled industries might help provide the goods so essential to the reconstruction of western Europe? Today Germany is divided by Russian obstinacy, with the west cut off from the agricultural products of the east, and dependent on exports to provide the essentials of life. The United States is asked to provide goods that the Germans might produce themselves, which means that the dismantling process is carried on at the expense of the American taxpayer.

There is some justification in dismantling German industries geared to war purposes. But the facts show that out of 918 plants scheduled for dismantling, 600 cannot be classed as war plants in any way. Moreover, Secretary Marshall has himself admitted that there is a tremendous loss in efficiency in the removal of industrial plants from Germany.

Virtually every one of the Congressmen who visited Europe last summer came back outraged by the absurdity of the dismantling program, and demanded that it be stopped. Senator BRIDGES was one of these visitors, and he speaks not from hearsay, but from first-hand knowledge. If Secretary Marshall is determined to continue a program so widely pronounced absurd, simply for the reason that the United States should keep its word in the Potsdam agreement, which has already been shot to pieces by the Russians, the situation should be examined thoroughly.

This is not the first policy obstinately followed by the State Department in the face of reason and protest. Congress is asked to make heavy appropriations for the recovery of western Europe, to which western Germany belongs, and it should know whether it is asked to spend hundreds of millions of dollars to repair the damages of ill-designed administration policies. As chairman of the Senate Appropriations Committee, Senator BRIDGES has a right to know all the facts.

Report on Conditions in Germany

EXTENSION OF REMARKS
OF
HON. JOSEPH P. O'HARA
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 17, 1948

Mr. O'HARA. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter written to Hon. Harry S. Truman, President of the United States, by Hon. Joseph J. Moriarty, a district judge of the State of Minnesota:

FRANKFURT, GERMANY,
January 26, 1948.

Hon. HARRY S. TRUMAN,
President of the United States of America, White House, Washington, D. C.

MY DEAR MR. TRUMAN: On December 31, 1947, a military permit was issued to me to enter the United States zone of Germany to survey my son's activities with the Bremen Boys' Club and other like clubs organized and inspired by Army leadership in that area. By virtue of this authority, I entered the zone on the 9th day of January 1948 and with unceasing labor and effort conducted a survey and course of observations which led me

to many cities and places for conversation with not only the troops and officers of the Army and the department heads of the military government but also the courts, spiritual leaders, lawyers, doctors, educators, mechanics, laborers, farmers, and other people of Germany, with the result that I am in possession of definite facts and sound opinions gained from trusted persons in the military forces and outside of the military forces and some impressions and opinions of my own arising from what I saw and heard here and before I came here which you, as President of my country, should know, if you do not already know, to help you in leading our Nation toward the sanctuary of full security and world peace.

Every American who pays a visit to this area cannot but feel a high sense of pride in the morality, devotion to duty, and qualities of leadership displayed by the entire personnel of the military force of the United States assigned to this zone of occupation. The task which fell to their lot is a trying and difficult one, calling for patience and continuing sacrifice in aiding the people of this nation as it struggles with the problems of reconstruction and rehabilitation. They are entitled to every consideration of our country, and they are performing a service which should not be forgotten as they work out the problems of security for us and for the German people and spend their leisure time and money in missions of mercy among the sad and discouraged people of this land.

It was my privilege to confer with the various department heads of the military government, and here, too, I found men and women possessing outstanding qualifications to perform the work allotted to them, and to my great satisfaction, I reached the glorious conclusion that none of these department heads was as yet affected with that dreaded malady which at home we call bureau spasms, the symptom of which is a violent change of course and policy at every point.

In Mein Kampf, Hitler divided the German people into three classes—leaders, potential leaders, and idiots. It was the leaders and potential leaders who destroyed this great German country and attempted to destroy the rest of the world as well, and now the burden of running down these leaders and bringing them to their just due rests upon the group which Hitler branded as idiots but who, in reality, were the finest people of Germany and a valuable and essential factor in the things of the world which promote the best order of society.

Nowhere in Germany do I find any respect for the Nazi Party and nowhere have I found any picture, statue, or even the name of Hitler, save in proceedings to prosecute his followers and supporters. Of course, the spirit of democracy destroyed these things but such movement received the support of the better classes of Germany. It seems that the brutal crimes committed at Dachau and other places of death and suffering where innocent men, women, and children were brutally tortured and murdered, had so shocked the people of this country that nothing short of death or severe discipline awaits every single individual responsible for the ruthless extermination of those hundreds of thousands of persons of this area and other areas as well. These crimes also shocked the civilized world and the courts of the world, including the courts of our country, are still engaged working out justice in each and every case in keeping with the laws of nature and of God.

The denazification courts of Germany are daily in session identifying, trying, and passing sentence upon Nazi Party criminals and party members, and fixing by judgment, terms of segregation and discipline, and while it is a slow process and without doubt some guilty persons may escape just punishment, yet, from my observations the German people are to be commended for the way they administer this type of justice.

The courts of general jurisdiction are making a heroic struggle to reestablish a uniform system for the administration of justice and to change the letter of the law practice which prevailed under the Hitler administration and which gave effect to the precise word of a ruthless dictator to one where the principle of right and justice and the judicious conscience play a proper part in the deliberation and final judgment of the court. I find the judges to be men of learning and fairness, leaning toward a judicial reform in the direction of the judicial system of the United States of America.

While I find the antireligious orders, decrees, and regulations of Hitler had and still have a profound effect in leading the old and driving the young away from God and religion, yet everywhere churches and chapels are among the first buildings to be repaired and, under American regulations, receive priority in many instances, proving to me that the conscience of the German people is not dead, as one infidel said to me, but to the contrary, it is stimulated anew by the long persecution of a Godless state and is expressing itself in a positive manner in laying the foundations of a new and truly religious Germany.

The most gifted writer will fail miserably to convey by description the destruction which the war caused in almost every city of Germany. My survey led me to and through Frankfurt, Kassel, Berlin, Giessen, Munich, Regensburg, Nuremberg, and many other cities some 90 percent others 60 percent in total ruins. Thousands of bodies still buried in the heaps of broken, burned brick, stone and twisted beams of steel; trains of cars and locomotives, tanks, and military equipment, wrecked, burned, and driven into the ground by the force of bombs and the fury of war. Yet in the face of all of this the poorly clad, half-fed, and punch-drunk German workmen, with courage and hope and with a few simple tools, have begun the almost superhuman task of restoration—a sad fate not of the people's making but the fault of one Godless dictator whose name was Adolf Hitler.

The physical reconstruction of Germany, hard as it may seem, is light compared with the political, social, educational, and spiritual rebuilding of Germany, for the old curse of national socialism still lingers in hidden form in the souls of many people, awaiting the opportunity to spring forth like a demon and seize control of this country and again wreck and ruin this Nation and the world at large. The majority of the good German people recognize this danger and the danger of Nazi and Communist union under another dictator and take the position that Germany must pass through a long course of conditioning before safety for itself and for the world would allow her national sovereignty. In the meantime, Germany must work out its salvation by its own planning and industry under a political organization possessing all essential powers of democratic government but short of complete national sovereignty, and Germany looks to America, and America alone, for security, liberty, and protection from now until the day it meets qualifications for national sovereignty. As I survey the field of international complications, America has no other safe course to take except to stand firmly by this course of action.

A great fighting general advised me that America must remember and instantly realize that the prewar position of our country has entirely shifted. In 1930, we of America were the pivot upon which was balanced the Allied Powers on one end of the balance beam and Germany on the other end. The movement of America in any particular direction cast the balance for or against a particular side. Today America is on one end of the balance beam, Russia is on the other, and Germany occupies the pivot central position. The movements of Germany are and will be a determining factor in throwing the balance to one end or the other, and such shifting in all probability may determine the future fate of civilization. This position of America, which was not of our choosing but cast upon us by the force of a foreign government, which went all-out for destruction of democratic ideals in the whole world, is one which demands of America a fixed, positive, long-range policy for self-preservation and world peace.

This is the first time in my experience that I had the privilege to view my country from a position thousands of miles removed from the immediate security of my Government and at the same time study first hand the operation and work of foreign governments with the result that I now take a broader view of, and see more clearly, the things which in the end mean freedom or slavery for us at home.

After reaching here I visited the Russian sector of Berlin to consult with the burgomaster, Louisa Schroder, and there observed the Communist's contempt for citizens of my country and the same old Hitler political ritual in full sway, the same sullen and uncompromising attitude which characterized the Communist representatives at the various United Nations conferences, the complete absence of any kind of freedom and the fear-stricken attitude of the Germans and other peoples whose unhappy lot it is to live in complete isolation from the rest of the civilized world. This dark world of communism to the east, fortified by isolation of political thought, yet spearheaded by a determined will to rule the world by fire if necessary, is a direct challenge to America to meet and solve without delay, the problems which confront us here and at home.

Friends of America here view with alarm three dangerous factors forming weak points in the political armor of America; namely, isolation, inflation, and the happy old-soul policy in dealing with Communist forces behind and in front of what someone has properly called the iron curtain.

Any one of these weak points may at any time give rise to an emergency which would place the whole American people in jeopardy of the expanding greed of the forces of communistic Russia. It is the duty of our Government and people to proceed without delay to remedy these weak points. First, by some proper democratic method of sensible price control; second, by the adoption of a sound, definite, long-range policy which will meet the aggression of Russia in a positive manner in true American fashion. It is said here in many quarters that America has delayed this action already too long. It is said that America must understand that Russia did not appreciate receiving what it asked for during the war and what it received after the war. This constant aimless American giving has reached the stage where many here and multitudes at home consider it a weakness in our National Government.

This sound policy and a self-political reconditioning of European nations along democratic lines of thought, recognition of each other's problems and mutual effort and determination to carry Europe through this world crisis, must precede any large-scale American plan for financial aid to Europe. For example, why should America pour money into France and England while both of these countries in their respective zones are slashing down the German forests and transporting the timber to their respective countries, upon the ground that it constitutes a German war potential, while America is attempting to rebuild Germany and sorely needs this vast natural resource to accomplish its purpose. I have not the time or facilities to here enumerate the numerous measures inconsistent with America's plan of

relief, but to the ordinary rational American, many things were agreed to by America and are now permitted under our American policy which does not make sense.

It is fundamental that the future hope of Germany lies in the mental and social attitudes of the German youth. Through no fault of their own they were doped and led to form pagan attitudes of cruelty and taught by the Nazis to hate God and every Christian concept of morality in order to wean German thought away from democratic channels of thought. This generation of German youth deserves guidance and fair treatment from America. This guidance and fair treatment must come through religion, training, and teaching, and temporary relief from the hunger and starvation that threatens the health and life of the German youth. America has no right to teach religion, but America has a right to teach God. The American soldiers here of their own initiative launched a program to train the German youth and at their own individual expense and sacrifice of off-duty time, put in motion an institution known as the German Youth Activities.

This program in due time received military recognition and was later elevated to the dignity of a department of the military government. This department is recognized here and at home as one indispensable to the proper readjustment of the German way of life, and the only true foundation for a free and peaceful national order of things. Yet, I find that this movement has not received from the government at home the financial and moral support which it is entitled to. This institution must be established on a sound basis entirely under the Army or as a separate unit of the Department of State, with proper facilities for full-scale operation with trained and competent personnel and adequate financial support and without delay, or America will lose one of its greatest means to elevate Germany to a truly democratic nation.

America has a displaced person problem on its hands here, fed and quartered by the American taxpayers and by the German economy. Before I left home, I heard a speech by a very prominent advocate of the conservation of human resources, in which this social leader said, "Let us receive into our bosom the 600,000 displaced persons in our zone of Germany, so that they may have the American sanctuary of peace and an opportunity to work with the fullness of life." This good lady was totally ignorant of the character and origin of these people. She did not know: (1) that the other nations of the world have already picked and repicked this group on the basis of character and talent; the musicians, men of science, professional and tradesmen, were long ago in other countries, and what is left now consists principally of the nontalented class; (2) that these people are not refugees who reached the zone in flight from the pursuing persecutor, but principally people of all classes and types of character, caught in the shifting chances of a roving life; (3) that this group has among them many persons capable of adopting and living good and useful lives, but in the great majority are a collection of lazy, worthless persons, totally devoid of any notion to earn their way by honest industry or effort and resting from day to day on the assumption that the world owes them a living; (4) that many of these persons were people attracted to Germany by Hitler policies and who took part in the Hitler economy against their own countries, and now are afraid to return to the people whom they betrayed; (5) that many of these people live in elaborate quarters at American expense with German people as maids and attendants while anxiously awaiting the day to enter into America to engage in profit-making commercial manipulations; (6) that many of these people are in the black markets of Germany sucking the lifeblood out of the German economy and deliberately robbing the German people of whatever little means in their possession; (7) that many of these people are avowed Communists and Nazi adherents, and are daily being detected by the authorities; (8) that many of these people swarm on the streets like vultures to take advantage of the weak and the hungry for their own personal gain; (9) that many of these persons lack the moral fiber to adapt themselves to democratic ways of life; (10) that if America shall take into our country these people without a thorough process of screening, break-down and culling out, we at home will suffer, not for a while but always, from such a national mistake. If this good lady took time out to come here and investigate these facts, I am sure that she would keep these persons far away from the loving bosom of America.

The German people and the entire military forces of the United States, and all American civilians employed on behalf of our Government in Germany, are in one way or another the helpless victims of the black markets. These markets are owned and controlled by the racketeers who supply such markets by downright deception, open and aboveboard commercial oppression, and interception of American supplies as they pass through the channels of distribution in the German economy. The black-market system originated in the Hitler economy and its operators were the favored class of the dictator. It continued over into the present German economy. It has monopolized the food supply and controlled the distribution of the necessities of life, and fixes the prices of commodities. For example, the price of a pound of bacon is 300 marks and the average German workman receives 150 marks a month. The salary of a judge, whose jurisdiction and work is comparable to that of a district judge in America, is 1,294 marks, or 7 packages of cigarettes or 4 pounds of bacon, and so on through the entire list of the things which make up, what we at home call, the necessities of life. These markets must disappear from the German economy and the procedure to effect this objective forms one of the most perplexing problems of the German people. It would be well for America to take notice of the German system of black markets so that, in the event that America should adopt a price-control system, ample provision and safeguards shall be enacted to prevent the invasion of a similar system of black markets into the American economy.

The food supply in this zone of Germany appears to be and is, as far as I can discover, entirely inadequate to serve the proper needs of the people. This problem must be solved now in order to preserve the health and life of the entire population. This aid must come from America. The burden of feeding the people may be to a large extent lifted from our shoulders if America now and before planting time supplies seed and fertilizer to the farms and gardens and gives Germany a chance to reap a crop in 1948. Connected with this problem of adequate food supply and a part of it is the control and total abolition of the black markets. This is one phase of the war against greed which America, so far, failed to win. The German courts, police force, and in fact the whole German economy is still too weak to cope with the power and wealth of the black markets. It rests with America to use the strong arm of the law to solve this problem, and a definite program for this purpose must be adopted.

This in part covers my investigation of the situation in the American zone of Germany. I have takeh a deep interest in all the things that I saw and heard, because my family has paid a high price for peace thus far achieved in the world in the loss of our young Navy pilot, who gave his life to keep the skies clear over America against an invading enemy.

I have defrayed the expenses of my trip to Germany out of my own resources. I ask nothing from the Government in return for this expenditure. I will be available at all times to make good any statement which I have here made and I have desired, Mr. President, to call upon you at Washington and personally leave you this report and give its contents to the press of America, which I consider the great bulwark of democratic freedom and security so that the people at home may know something about what is transpiring in this unfortunate land.

Respectfully submitted.

JOSEPH J. MORIARTY,
District Judge of the State of Minnesota, Shakopee, Minn.

How Much Does Government Cost?

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1948

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therein an editorial from the Pontiac Daily Press, Pontiac, Mich., of February 9, 1948.

In will shock some people to learn that the cost of the Federal Government in 1946 equaled the incomes of all the people in 19 States. In 1929, the cost of Federal Government was less than the total income of all the people of the State of California. In 1939, 9 years later, it had already increased to such an extent that it equaled the total incomes of all the people in 10 States.

If the appetite of the administration for spending money continues, it will soon total the incomes of half of the States in the Union, or until the utter collapse of our economic system stops this wild orgy of spending.

The Pontiac Daily Press is to be commended for pointing out to the people what is happening. I hope that every Member of Congress reads this editorial.

WHY WORRY ABOUT BUTTER?

Of course you know you're a victim of ruthless Federal taxation and have been for years.

This isn't a secret.

Washington can't hide it.

Just recently President Truman sounded a strident tocsin note heralding the need for reducing the price of food. We believe the President is serious.

We are, too.

We want food prices down.

But Mr. Truman blandly and grandly ignores governmental costs. He still itches to get your tax dollars—all that he can rake into Washington. Hasn't he vetoed one tax reduction bill already? And hasn't he threatened to do so again? We're still under the spell of a Federal Government that longs to rule mankind "from womb to tomb.' '

We are intrigued by a pamphlet that comes to our desk headed "Octopus on the Potomac." It uses a striking example of what the Federal Government is costing every taxpayer in this section and everywhere else.

In 1929 the cost of Federal Government was less than the total income of all the people of the State of California. In other words, if all the income of all the people of California had been sent to Washington, it would have supported the Federal Government,

leaving all the rest of the income of all of the rest of the people for the people to use themselves.

This was back in 1929 when that extravagant Mr. Hoover was in office.

Remember?

Nine years later, in 1939 and before we were in the war, the New Deal dynasty had raised this Federal bite until it equaled all the incomes of all the people in California, Oregon, Washington, Nevada, Utah, Arizona, New Mexico, Colorado, Wyoming, and Montana.

That's bad enough.

In fact, it's much too bad.

Tax strangulation was here.

But according to the Octopus we should examine the record for the year 1946. The war was over then, you know. In that year the cost of Federal Government in Washington had arisen so high that it equaled the incomes of all the people in California, Oregon, Washington, Idaho, Nevada, Utah, Arizona, New Mexico, Colorado, Wyoming, Montana, North Dakota, South Dakota, Kansas, Nebraska, Oklahoma, Texas, Minnesota, and Iowa.

And you can add half of the State of Missouri.

This includes every State west of the Mississippi River except Arkansas and Louisiana.

To quote: "(the equivalent of) every dollar received in 1946 by every individual American citizen in this vast area has been taken by the Octopus on the Potomac."

That means Washington, D. C.

Yet Mr. Truman worries about butter.

Well, so do we.

But we are much more worried about wartime taxes when the war is long since ended. And, furthermore, we're worried about the excessive peacetime taxes the New Deal saddled on this country as the bands played The Star-Spangled Banner, and they slaughtered little pigs and paid huge sums for not raising crops.

They made you like it.

Are you worried about the price of butter? So are we.

But let's worry more about an administration that gouges every living wage earner out of wartime taxes when the shooting's over, just because it is committed to a program of "spend, spend, spend."

British Views on Palestine

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1948

Mr. MULTER. Mr. Speaker, the American press for days has devoted much space to the tragic situation as it now exists in Palestine.

It should be of interest to Congress to note some of the British reactions in this important matter. The following is a critical statement of the British policy as it appeared in the New Statesman and Nation, commenting upon the violent overthrow of the pro-British cabinet in Iraq, indicating that it was exactly what was to be expected.

I quote from that newspaper:

The fact is that the appeasement of the Arab states has been no more effective in 1948 than it was in 1939. British abdication of responsibility in Palestine, though it may be calculated to assist the Arabs, does not impress them with our strength. It merely increases nationalist xenophobia directed not merely against the Zionists but against all westerners. This is still the motive force of the pan-Arab movement.

The following editorial from the issue of the Answer dated February 6, 1948, sheds light upon the situation in its quotations from the Observer, known as a Tory paper, and from the Tribune, known as a Laborite paper:

LONDON COMMENTARY—A LITTLE TRUTH LEAKS OUT

"When rogues fall out," an old saying tells us, "honest men come by their own." To judge by a number of little hints which have been dropped in official circles here during recent days, it would appear that there has been just the tiniest bit of "falling out" amongst the "rogues" engaged in implementing the Foreign Office Palestine and middle eastern policy. The system of all-in blackmailing, which is diplomacy in the Middle East, has produced some results not altogether pleasant for the British Raj. So the Foreign Office has revealed just the fraction of an inch of claw beneath its polite velvet glove, and has closed the tap of Arab violence in Palestine, a fraction—just for the moment.

Two highly revealing contributions in the British press, published, one in a Tory and the other in a Left Wing Laborite paper within a couple of days of one another, bear further witness to the latest moves in diplomatic rascality. In both of these articles for the first time a little truth about British Palestine policy has been allowed to leak out in the British press. In both cases, the leakage can be attributed to the falling out process to which I referred above.

The Tory article appeared in the Sunday Observer. It warned bluntly that the Middle East remained "Britain's most vital base outside the United Kingdom." And it told the Arabs with brutal frankness: "The presence of strong British forces to cover the eastern Mediterranean as well as the Arab countries and Persia are even more important since the British left India." After quite openly hinting at the British Foreign Office policy of supporting the Arab feudal system it reminded these Arab rulers (over one of whom, Ibn Saud, Anthony Eden has recently been slobbering with fulsome praise) that the alternative to indulgent British control is the "terrifying designs" and "ruthless domination" of Russia. The article is plainly playing up for continued British military domination of Palestine, and by way of mollifying British popular feelings, which are bent on British withdrawal, the article threatens that if disturbances continue in Palestine, the Marshall plan (which, in the eyes of the British people, secures Britain as Uncle Sam's remittance man) cannot succeed.

The article in the left-wing Laborite paper Tribune, in which the whole of the master plan of the Foreign Office to destroy the Hebrew nation in Palestine is brazenly admitted, owes its origin to a different falling out. These left-wingers of the British Government's Labor Party regard Bevin as in the pocket of Tory policy. The unbridgeable cleavage between trade unionism, which can get along quite consistently with Toryism, and the socialism of these left-wingers which cannot, is always threatening to smash the Labor Party as it did in 1931. The left-wingers were anticipating a triumph by Bevin and their other internal enemies by means of the foreign affairs debate and the Bolshevist scare—a success which in fact certainly sent up Bevin's stock. Hence, they decided to unmask the Foreign Office Palestine policy which Bevin champions, in all its revolting rascality. This is how they describe what they discreetly label as "thoughts among what might be called the entourage of Mr. Bevin's entourage:"

"Even if the Arab attack does not overthrow the Palestine Jews entirely (so that they would have to ask for British support), it will force them so much onto the defensive on the coastal plain that there will be no prospect of any stable Jewish state. The United Nations Implementation Committee will soon see, after the last British have departed in August, that there will be no way of implementing the United Nations decision without a strong force—which it cannot have, for such a force would have to be Soviet-America, and this is out of the question.

"The Committee will therefore appeal either to the Assembly or to the Security Council for new instructions. By the time either body meets, the American elections will be over and pressure from the Arab interests in the State Department will be growing. Mr. Truman and Mr. Marshall will be able to 'do a munich' on the Zionists, and either something like the Morrison plan of Jewish and Arab cantons, without large-scale immigration, will be enforced, or a scheme of a much smaller Jewish enclave around Tel Aviv in a larger Arab state—either a Greater Syria or a Greater Transjordan—will be carried through. And southern Palestine—the Negeb—will, by way of incorporation into Transjordan, come back under British control."

There you have it, straight from the mouth of the Government's own party, published for the first time in the British press in a paper over which one of the ministers of the Crown is known to exercise predominant influence. It might interest Americans, considering the Marshall plan, to learn from this same article the belief that as much as a quarter of the last American loan to Britain was squandered on the Foreign Office's Palestine adventure.

This illuminating article concludes by pointing out that the British-organized Arab attacks on Palestine had, it was felt in official circles, gone a bit too far and too quickly. There was the risk of war, and the Security Council, and Russia. Hence the lull in the British-controlled disorders. I hope the honest men in your State Department and your Congress friends will ponder these astounding revelations and confirmations.

Two Hundred and Forty-second Anniversary of the Birth of Benjamin Franklin

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 17 (legislative day of Monday, February 2), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me on January 17, 1948, in connection with the ceremonies marking the two hundred and forty-second anniversary of the birth of Benjamin Franklin.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

General Eisenhower, Governor Duff, Mayor Samuel, distinguished guests, members of the Poor Richard Club, men and women of Philadelphia who have assembled here to honor a great American of our time and to pay homage to the memory of a great American of the early days of our Republic who

became Philadelphia's most distinguished citizen.

It is most appropriate and fitting that we should choose ceremonies commemorating the birth of Benjamin Franklin as the occasion to honor a great soldier. For, although Franklin was not a military man, he was in the real sense of the word, a soldier—a soldier of democracy. Looking back over Franklin's attainments, one is struck by the fact that almost the only area of human activity in which he did not distinguish himself was as a military man. He achieved distinction as a statesman, scientist, philosopher, publisher, inventor, and philanthropist. There was, of course, a good reason for this. When the war for American independence broke out Franklin already was an elder statesman. After a lifetime of service to his fellow citizens, no one would have begrudged him a deserved rest.

He was 26 years older than Washington, 30 years older than Adams, and 37 years older than Jefferson. But, at great personal sacrifice and risk, he cast his lot with those hardy spirits who were determined that America would be free and tyranny could not be endured. He served his country on dangerous missions abroad. If he had been captured he would have been hanged.

Therefore I think it is most fitting that on the occasion of the two hundred and forty-second anniversary of his birth we should honor Franklin by honoring an American whose achievements in the great war as directing genius of the allied invasion of Europe will mark him as one of the great military commanders of all time.

Although Franklin did not wear a military uniform during the Revolutionary War, he was a soldier in the sense that Franklin Roosevelt was a soldier. He exhausted himself in the service of his country, he won powerful allies for the new American Nation and who shall say his contribution to final victory was not as great as Washington's. And as we review the wartime contributions of Benjamin Franklin and General Eisenhower at different periods of our history we are struck by their similarity.

Great as was General Eisenhower's contribution as a soldier I think it was overshadowed by his accomplishments as a diplomat and ambassador and able representative of the American people—a diplomat who with infinite patience and tact and persistence, welded together the forces of freedom composed of nations and peoples with different backgrounds and interests into the most formidable weapon for the preservation of liberty and the crushing of tyranny ever forged.

A century and a half earlier that was the essence of Franklin's wartime contribution as the representative of the young American Nation in the courts of Europe. How General Eisenhower must understand and sympathize with Franklin's efforts to get guns and ships and soldiers from allies of the struggling new Republic.

Franklin and Eisenhower have this in common. They both recognized at different periods of our history that America needed allies—that America needed friends. Both Franklin and Eisenhower understood this fact at critical stages of our history. It is a fact as true today when we are rich and powerful as it was when we were a struggling new nation with only an ideal and a devotion to freedom and democracy to hint at our future greatness.

Franklin and Eisenhower both realized also that to have the understanding and friendship and good will of the world it must be earned. It cannot be coerced or bought—it must be earned.

Franklin and Eisenhower both realized, too, that we can neither isolate or insulate ourselves from the rest of the world and if we are to live in peace we must demand the existence of a world in which freedom and decency can survive unchallenged.

That is the essence of the Marshall plan. It is designed to enable the freedom loving peoples of Europe to revive their economies and regain their economic health, so that they will be able to stand on their own feet and make their contribution to the prosperity and peace of the world.

I think the Poor Richard Club could not have made a more appropriate selection of the man to receive its gold medal of achievement than General Eisenhower. He and Franklin were kindred spirits, representing the best of the ideals and aspiration and character of the American people.

On behalf of the Federal Government I join in congratulating General Eisenhower on the addition of this award to the many he already has earned in the distinguished service of his country.

"We Must Achieve a Greater Responsibility in Government; We Must Drive Out Monopoly in All Its Forms; We Must Rid Our Country of the Plague of Price Fixing, for It Is Only in a Free Market That Democracy Can Attain Its Full Destiny"—Mr. Saul Cohn

EXTENSION OF REMARKS

OF

HON. BERTRAND W. GEARHART

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. GEARHART. Mr. Speaker, this great land of ours is now experiencing economic stresses that demand the soundest thinking and wisest action of which its citizens are capable. It is true that we have weathered other economic storms in our history but it is vitally important that the lessons of those experiences be not lost upon us during these days of crisis.

In extending my remarks in the RECORD, today, to include a speech recently delivered by Mr. Saul Cohn, president of City Stores Co., a famous retail outlet, I am making available to the Congress and the country the considered expressions of one of our country's greatest merchandisers, one whose judgment in economic matters is held in the highest esteem. Mr. Cohn has not only a sound but a refreshingly unusual approach to the problems he discusses. In analyzing the situation of the moment, he visualizes us as heading toward an economy based upon consumption, rather than production.

This well-known and highly respected business executive, an outstanding leader in his field, is strongly of the opinion that our salvation, that is, our ability to achieve economic stability in the future lies in the unshackling and the expanding of our distributive machine. According to his convictions, we have laid entirely too much emphasis upon production when, as he contends so convincingly, an efficient productive capacity means little in the absence of an equally efficient distributive system.

Mr. Speaker, I commend that which Mr. Cohn has written to the careful consideration of everyone whose eyes scan these columns. The text of his address, delivered initially at a luncheon meeting of the National Association of Retail Secretaries in New York on January 12, 1948, is the following:

PRICE MAKING IN A DEMOCRACY

The two big issues that confront us in 1948, and which have always been great undercurrents of influence in our lives, are peace and prices. And while the two are interwoven, I shall confine myself in the main to the matter of prices.

But price making today is more complex than ever. To see this clearly we must divide price making into its component parts.

Broadly speaking, every price contains two major elements—the tangible and the intangible. The tangible is the yard of cloth represented in raw material and labor, the value of which can be more or less measured because it is visible and subject to appraisal. The intangible comprises what cannot be seen or measured and makes up a considerable portion of the price. Among the intangibles are included the acts of government and the acts of producers. And it is these that we should think about today, for though viewed singly they indicate but little, seen in their totality they reveal the full and staggering impact upon prices.

ACTS OF GOVERNMENT

It would be futile today to list all the acts of government which find their way into the price structure, but a few are sufficient to indicate the powerful effect they have on prices:

A. The tax structure

Income taxes, State taxes, royalty taxes, sales taxes, license taxes, occupational taxes, and many hidden taxes.

In our kind of economy a tax structure must be judged by its effect upon consumption. When a tax bears down so heavily upon the price that consumption is arrested, with its subsequent effect upon production, that tax structure is a failure. Ours is a dynamic economy, based not only upon freedom of spirit but on a satisfaction of needs and desires. Taxes which arrest production are an interference with the dynamic flywheel of a democracy; an arrest of consumption is an arrest of production. For example, see the effect of one phase of the tax structure as it appeared when published by a leading New York newspaper on January 11, 1941:

Hidden taxes paid with purchases of goods

One hundred and twenty-six different taxes on a pair of shoes.

Seventy-eight different taxes on a quart of milk.

One hundred and forty-eight different taxes on overalls.

One hundred and ninety-one different taxes on a fence.

One hundred and forty-two different taxes on a plow.

One hundred and fifty-four different taxes on a cake of soap.

Two hundred and one different taxes on a gallon of gasoline.

It is needless to point out the cumulative effect of excise and consumption taxes, as well as taxes in general. These are purchase taxes which are all a part of prices, but in many instances they are not only this, but a foundation for profit on taxes. They seriously impair the national income and reduce the job opportunities available.

B. Subsidies

But if some of these taxes can be defended on the basis that they are a legitimate source of Government revenue, on what basis can be defended the artificial support given to prices through Government subsidies, such as tariffs, farm prices, and numerous others.

Our subsidies and sanctioned monopolies and exemptions make but a trapeze of our commercial system, on which the various lobbies engage in a good deal of acrobatics,

but with a balance that tips in their favor at the expense of the consumer. We, as retailers, have never fully understood the effect of these tactics upon the economy and have therefore neglected to make our influence properly felt, nor effectively joined our forces with the consumer in the safeguard of his interests.

C. Price-maintenance laws

And as if these were not enough, we have a long list of market legislation, such as the Miller-Tydings, Robinson-Patman, and numerous other State laws, which affect the free movement of goods into the market, producing a rigidity and inflexibility of price, notable among which are the price-maintenance laws.

ACTS OF PRODUCERS

Add to this the various methods in which cartels and monopolies have further managed to impose upon production administered prices and other kinds of contraptions, all calculated to increase the price of goods, and you begin to have some idea of how the freedom of the market is being destroyed.

As an example, only recently the head of one of our stores (a business which does over $20,000,000) was asked "how many items and lines in your store are controlled by the manufacturers, i. e., how many items are you required to sell at a price without your consent fixed by someone in the line of production?" The answer was "at least 30 percent of the items."

Producers who insist that the marketing of their products shall be done in a way which represents their requirements rather than what the retailer knows to be the consumers' requirements frequently result in enslaving the market.

COMPETITION

Competition is an easily mouthed word in this country. But is it competition to set specific retail price lines, so that an article which cost the retailer $10.75 must be sold for $16.75? And while the merchant may have some leeway over the price line for clearance or seasonal distress periods, if he attempted to be more freely competitive in price at other times it would be difficult for him to secure goods in a period in which there was an undersupply. Price fixing is a hurt to the economy.

Democracy means the right to choose, as well as the right to buy. It is for this reason that our economy is favorably contrasted with almost every other economy in the world; and for this reason it has had a turnover and an element of dynamics unequaled anywhere else. But this was achieved by a freer market, and to the extent that our market is free, to that extent will it continue to be achieved. Goods improperly restrained from coming into the market result in a deprivation of the economic liberty of the individual—and ths applies not only to consumer goods, but also to raw materials, to heavy goods, and to capital goods.

RENTALS AND LONG-TERM LEASES

There is the matter of rentals caused by competition for the limited number of desirable central locations and long-term leases which may, or may not, take into consideration the gradual decentralization of custom and trade. These have a serious impact on the retail dollar.

The percentage lease, which grew up during the depression, has served to inflate the price structure and returns to owners are too frequently disproportionate to the real value of their properties. The percentage lease does not merely give to the landowner a return on his investment—it more nearly constitutes a partnership with the merchant and an added burden on the buying power of the community.

While there is a natural opportunity inherent in the site of a store, sales volume depends upon the resourcefulness of the merchant and the capital he invests. Does the percentage lease encroach upon the merchant's power to raise wages or reduce prices?

Since we moved up to new economic plateaus because a worker takes so much more of the national product now as compared with prewar, would it be timely to inquire whether the percentage lease attacks a normal power of consumption?

COOPERATION

There is a vital need of greater cooperation between the makers of yardage and garments and the makers of sales. The lack of this is reflected in the effect on the price of fashion goods. There seems to be little faith on the part of the mill converters, the cutters or manufacturers, as well as the retailers. No one is willing to take a chance and order goods in time. The result is some goods are delivered too late, causing markdowns and losses which must be compensated for in the price of the goods arriving on time.

All of these problems can be dealt with in periodic discussions which may help to coordinate the activities of each group, at the same time working out economies in production, stemming from a better standardization of goods and from the removal of wastes which find their way into the price. In a world which needs production so badly, we must strive unceasingly from year to year to find ways and means to accomplish this.

ENGINEERED APPROACH TO CONSUMMATION OF TRANSACTION

Today's prices represent an inflated expense dollar. There must be greater production in the distributive fields which in this respect have not done as well as manufacturing.

There is also the need of management and personnel working together to simplify procedures so as to produce a better, more efficient and pleasant job; a job in which the employee shares with management the creative character of performance. This not only makes for efficiency, but like all good things reaps a good byproduct; and this is the dignified status of the employee, who achieves a sense of personal worth and pride of achievement, rather than the feeling that he is only a cog in the wheel.

1948

Nineteen forty-eight will be a fateful year, a year of great problems, but also a year of great opportunities. It will probably determine whether the whole of the twentieth century will be known as the century of fear and defeat, or as the century in which vital problems were met and successfully overcome.

At the moment we are beset by a snarl of prices, wages, and taxation problems, each with an interlacing effect upon the other. There is that segment of opinion, of course, which sees the answer in greater Government controls; in the prolongation of taxes; in the expansion of social security; in the raising of beneficial payments to the unemployed, and in the fiscal policy for deficit spending of Government-made work. The answer does not lie in any of these measures. The answer lies in some hard-headed ways of improving turn-over and buying power. But there is not enough bold statesmanship as to the price-making policy. We in retailing, must provide it or inspire it.

The most constructive thing we can do is bend our efforts toward the strengthening of our economy; make our Nation exemplary for those who have not yet worked the way of their own chaos, and prove to them that democracy can work. And a free market is the hub around which democracy revolves.

We must achieve a greater responsibility in government; we must drive out monopoly in all its forms; we must rid our country of the plague of price fixing, for it is only in a free market that democracy can attain its full destiny.

Since the retailer is in effect the buying agent of the consumer, since he most nearly knows what the consumer wants and the price level at which the consumer will take goods, he must assume a more aggressive role in the making of prices, and insist upon authority equal to his responsibilitiy. All these things must he do if we here in America are to survive as a free society with a free-enterprise system.

Palestine Question

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, Mr. Charles A. Wells, writer, traveler, lecturer, and cartoonist, writing in his publication Between-the-Lines makes some pertinent observations on the Palestine problem. Mr. Wells has traveled extensively throughout the world and he should have some knowledge and insight to this problem. It is not necessary to agree with his point of view to recognize that he is presenting some irrefutable facts. Under leave to extend my remarks, I am including his article which appeared in the February 9 issue of Between-the-Lines:

The Palestine question is not a problem of just Jews versus Arabs as the average American assumes. In the first place, powerful Jewish factions are opposing the Zionist movement to establish a Jewish homeland in Palestine. They reject entirely the theory that the only hope of the Jew is in the establishment of a homeland in crowded Palestine. The non-Zionists believe that the Jewish destiny can best be achieved as the Jew becomes a valuable and honored citizen in the country where he resides. They believe that the true nature of zionism is spiritual and not nationalistic—that Israel should be bound together by the ties of their great religion and thus be a light to the world wherever they are.

But Zionists bitterly reject this interpretation of their destiny. They demand that the Jews must reestablish their national life, that they must have a country, a national capital, and an army and navy—and that this country must be Palestine and that the capital must be Jerusalem. Zionists have been increasingly accepting the philoscphy of violence to achieve their aims. Many non-Jewish people who have been sympathetic with the Zionist aims have been shocked and their sympathy for zionism greatly shaken by the violent methods of Jewish Palestinian groups who have bombed, ambushed, and terrorized Arab communities * * * often in retaliation but with a savagery, desperation, and efficiency that far outstrips the usual medieval half-barbaric Arab thrust.

These violent Jewish factions, working with the devotion and fanaticism of the anti-Nazi underground of Europe, have recently been involved in attempts to ship large quantities of munitions from this country to Palestine. Working secretly in this country, they have raised large sums of money among American Jewish communities and have undertaken to arm the youth of Palestine for a military defense of the new Jewish national state.

British shipments of munitions have also been made to the Arab nation during the past months as is widely known in diplomatic circles. Why hasn't the American press, which gave big headlines to the discovery of the Jewish shipment of munitions

to Palestine, given any space to the news of British munitions going to the Arabs? Is it because the powerful American oil interests, endeavoring to hold the cooperation of the Arab states in matters of oil, in spite of the Washington endorsement of Zionism, have had a large hand in the British secret support of the Arabs? There are ample grounds for this assumption in view of the congressional investigations that revealed how these giant American oil corporations, endeavoring to hold their Near East oil concessions during the war, paid vast sums to the Arab states through secret arrangements with departments of the British Government (see Between-the-Lines, December 8, 1947). In spite of whatever policy the White House or the London Labor government might seek to maintain, there are always departments of both Governments that are under the control of these powerful commercial groups.

Another unfamiliar factor in the Palestine situation is the presence of Christian communities in the Holy Land that are made up of both Arab Christians and Jewish Christians—as well as other races—who are subject to persecution by both Arab Moslems and Jewish Zionists. These Palestine Christians and their rights are being ignored entirely in the war between the Jews and the Arabs. A recent report in the Christian Century by Robert Root gives considerable detail of this astonishing situation. The question is being raised among both Protestant and Catholic leaders in Europe and America as to what will become of the Christian shrines in Bethlehem, Jerusalem, and elsewhere in the Holy Land, long revered by the millions of Christendom, which are to come under the complete control of the Jewish Nationalists. UN commission reports on Palestine have already mentioned Zionist industrialization crowding ruthlessly on sacred Christian sites.

The British surrender their mandate this coming May. Then Palestine goes under the supervision and protection of the United Nations. It will no doubt be one of the most dramatic months in the history of this ageless cradle of the world's spiritual life.

The irony is that the larger portion of the Jews who have migrated to Palestine are actually nonreligious. There are few religious establishments of any kind in the new Jewish communities, rarely even a synagogue. Great numbers of the Jewish youth in Palestine are Communists—which explains somewhat Russia's unique relation to Palestine. Russia, though a Communist state, has a large Moslem population in some of the southern Soviet republics. That means that Russia is the only great world power with close ties to both the Jewish Communists which largely dominate Jewish Palestine and to the Arab Moslems of Palestine. And Russia is very close by. How long will the United States and Britain be able to hold the upper hand on Palestine when Russia begins to play fully upon these factors?

A Call to Congress To Lead, Not Follow

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1948

Mrs. DOUGLAS. Mr. Speaker, under permission to revise and extend my remarks, I wish to include an article by Mr. Jerry Voorhis, one of the most respected and outstanding men to ever serve in the House of Representatives.

In an article appearing in the New York Times, Mr. Voorhis has this to say about the obligation of Congress to lead and not to follow.

What he has to say should be of interest to the Members:

A CALL TO CONGRESS TO LEAD, NOT FOLLOW—AN EX-CONGRESSMAN DISPUTES THE VIEW CONGRESS SHOULD MERELY ECHO THE VOICE OF THE PEOPLE

(By Jerry Voorhis)

The United States Congress has a decisive role to play in this year of decision. How is it to act so that the best interests of the Nation will be served? On what should it base its decisions? As Representatives of the people, should Congressmen follow the people's will or lead it? This is a dilemma as old as democracy.

The danger is that Congress will take the time-worn course of following the Nation, as it does today, instead of setting such standards of courageous and farsighted leadership that all of us will be inspired to meet America's grave, new responsibilities. The danger is acute because unless Congress leads, the job America must do—at home and abroad—will not be done.

To a great many persons the phrase "representative government" means that Senators and Representatives are sent to Washington, not to use their own judgment and to be guided by their knowledge of the needs and problems of the Nation, but rather to reflect in their votes the opinion of a majority of the people in their districts. This is the dominant attitude of Congress itself, and it is worth while examining for a moment how majority opinion is arrived at and how the vote of the average Congressman is finally determined.

To begin with, public polls, newspaper and radio commentaries, and similar contemporary phenomena provide a fairly accurate picture of majority opinion; they can tell, at a given time on a given topic, what the people are thinking. But these are rather loose and general appraisals, with or without specific reference to a Congressman's own district. Reports from trusted lieutenants and the views of leading citizens in one's district get closer to home and are continually utilized. There are still other means.

The mail is a familiar voice from home which Congressmen listen to and they know how to "weigh" it. It is not hard to ignore the multigraphed postal cards or the identically worded telegrams that sometimes pour in. But it is a far different matter with the letter in longhand beginning "Dear Joe" or even "Dear Congressman" and appealing to you not to "let us down" on a certain bill. It is still more impressive if the letter represents the views of a local organization, which may even have sent an emissary, or lobbyist, to Washington.

It would seem that the Senator or Representative who heeds such appeals as these—so simple, so direct, the voice of the people back home—was performing his duties in the loftiest spirit of representative government. But what shall he do when all his knowledge and convictions on a significant issue lead him to one point of view and the apparent opinion of the majority in his district directs him to the other? This is the fundamental question with respect to representative government.

The easy answer, the safe one, is that the opinion of the district should prevail. This removes, for one thing, the necessity of thought. A still easier course is for the Congressman to make an early commitment as to how he will vote. From then on in legislative forum, he can argue rather than reason.

The philosophy behind such a policy—other than the view that representation means simply echoing what appears to be majority sentiment—lies in the realm of practical politics. After all, it is said, every Congressman was elected to office in the first place because his ideas corresponded most nearly to those of the majority in his district. If he is to remain in office to do as much as he can for the welfare of his constituency and the country at large, he must not lose sight of this basic political fact.

Is this, however, a proper standard of statesmanship? And is it the only way to endear one's self to the electorate?

To me, such a theory of representative government seems woefully inadequate and unrealistic. We are just beginning to realize that there are vast fields in which there is no real public opinion—even on crucial issues—because many voters do not have enough information about them.

To fill this vacuum a constituent may fall back on a prejudice or an old maxim. The bigger the problem is, and the more confused he becomes, the more likely he is to cling to the past; the more susceptible he is to the eloquence of special-interest pleading and the half-truths of propaganda. This is especially true when Members of Congress do not supply the leadership which most constituents need and many would welcome.

The Congress of the United States does not have to be a mere echo of what "inquiring reporters" and poll-takers say the people think. It is just as possible to lead and inform public opinion as to follow it. Surely there is an obligation binding on every Senator and Representative to make his views known to his constituents, to explain his reasons and appraise the issues honestly. Just as surely it is his duty to cast his vote in the best interests of the whole Nation, as he sees them. And this even though the majority opinion among his constituents may, at the moment, be on the other side.

The truly valid conception of representative government holds that the people elect their representatives because they expect from those representatives better, more farsighted action than the people as a whole, with their limited access to all the facts, can provide.

It holds that the representative is supposed not so much to reflect the opinions of his constituents as to serve (or represent) their best and highest long-run interests.

If Congress is to be nothing but a mirror one is almost tempted to conclude we could do without it. The people cannot pass judgments unless they have something to judge. Democracy cannot and does not work—particularly in times of crisis—unless the public opinion of the time is the result of the pull of concrete proposals by men daring to offer leadership to the people.

It can be done. Every successful politician worthy of that much-abused but perfectly good name knows that he owes his election, in part at least, to the organization of public opinion behind his candidacy. If this can be done to win elections it can be done to gain support for a statesmanlike course of action.

In every community in America there are men and women to whom others look for guidance on public questions. They possess qualities which have given them the opportunity to help mold the opinion of that locality. Most Senators and Congressmen know who these people are.

Direct communication with them, regardless of party affiliation, should lead them to rally behind the sound position of their representatives, or else the whole theory of democratic government is questionable. It is, as a matter of fact, at least as easy to mobilize public opinion behind true leadership as it is to attempt to gage the thinking of the people and then tag along behind it.

Members of Congress have access every day and every hour to information about both domestic and foreign affairs which, in the nature of the case, the average citizen cannot know. Unless, therefore, the Senators

and Representatives act in the light of this information, the country is compelled to operate without any fully informed action (except of course, that taken by the President and his Cabinet). Even if there were no other arguments for Congress leading rather than following public opinion this one would be conclusive.

To this higher concept of representative government Congress can rise, if it will. Confronted by unquestioned responsibility for the future welfare of this Nation—and indeed in times like these, of the world—it is fervently to be hoped that the membership of the House and Senate will be lifted in vision and courage to the point of genuine leadership.

We have had such men in Congress. I have seen them take their political fate in their hands and vote in accordance with their mature conclusions even when they knew they were in effect telling the majority opinion in their district that it was, at the moment, mistaken. And I have seen such men—not all of them, but some—returned to office by people who, on second thought, saw that they were right.

Some of the brightest pages in the history of the Congress are those which record the career of George W. Norris, of Nebraska. First as a Member of the House, later as a Member of the Senate, Mr. Norris consistently led the people's thinking, instead of following it. He awakened national interest in constructive reformation of the rules of the House; he led the battle for the TVA, for rural electrification, for a one-house legislature in Nebraska, for a dozen other measures of lasting benefit to the Nation.

Norris challenged the voters of his State to follow him or to defeat him. By his forthright action he gave direction to the thinking of the people, and so won their confidence that he was reelected over and over again. At his death all America hailed him as a great man.

Less well remembered, perhaps, is the speech delivered in the Senate by Prentiss Brown, Senator from Michigan in the midwar debate on the OPA. For days Senators had been carrying to the Senate floor the opinions of well-knit special-interest groups each of which desired concessions in the bill.

Public opinion was, without much doubt, indifferent if not hostile to a continuance of price control. Admittedly mistakes had been made and poor judgment used in some cases. Yet every informed Member of the House and Senate knew how disastrous the results would be to the Nation if price control were rendered ineffective at that particular time. It remained for Senator Brown to cut through the fog of half-truth and challenge the Senate to act on the larger issue that lay before it. And the Senate did.

Afterward there were those who believed he had so offended certain powerful organizations in his State that he could not be reelected. Perhaps they were right. Brown never ran again, for he accepted the post as OPA Administrator and retired from the Senate. But the reelection of Senator Brown was for one golden hour at least—and probably for longer than that—of less importance to Prentiss Brown himself than safeguarding the economy of the United States. The press and the people of the United States understood this and appreciated it.

We do not yet know the ultimate fate of the Marshall plan for western European recovery. But we do know that specious isolationist arguments and opinion were dealt a heavy blow when Senator VANDENBERG, of Michigan, in defending the interim-aid bill a few weeks ago, gave his graphic illustration of throwing a 12-foot rope to a drowning man 15 feet from the pier. The Senator from Michigan had some of the most powerful figures in his own party against him. He spoke against every cliche that has hampered American foreign policy since this country came of age as a great power. But he gave public opinion a simple rallying point.

Perhaps most important of all for the future of mankind are those members of Congress, led by freshman Senator MCMAHON, of Connecticut, who literally spent sleepless days and nights to inform the American people of the true scientific facts regarding atomic energy, to discredit the false promises of their vote-hungry opponents that America could keep "the secret" locked up somewhere in the Pentagon Building, and to pass the McMahon atomic energy control bill in the closing days of the Seventy-ninth Congress.

There are men and women of this stature in Congress today. The question is, are there enough?

If there were enough to change the course of Congress from one of following Mr. Gallup et al. to one of offering leadership to the Nation based on the hard facts of the present world situation, it would spell the difference between confused forebodings and renewed hope.

The average American citizen has learned to expect a generous seasoning of partisan politics with every dish the present Congress serves to him. Suppose he learned from experience that Congress was no longer adulterating its legislative action in that way? Suppose he learned that there in Washington was a group of representatives of the people seeking with singleness of purpose to serve the long-run welfare of the Nation? Then both American citizens and the other people of the world at large would know that there was a new dynamic salutary force at work around which they could rally.

Rent-Ceiling Fight

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an article by Sylvia F. Porter, which appeared in the New York Post on February 13, 1948:

RENT-CEILING FIGHT

(By Sylvia F. Porter)

I know one way Congress can turn a mild shake-out into a full-dress depression. It just has to let rent controls die February 29. I know how Congress can break the financial backs of millions of us. It just has to force us to pay up to 50 percent more for our shelter. Before Congress falls for the tortuous argument that the commodity slump justifies the slaughtering of our rent-control law, let it decide exactly what it wants to achieve.

And let it be fully prepared for the consequences—not only next November but also in the years following.

Yesterday afternoon I had a visit from a group of real-estate men. We'd arranged the appointment 10 days ago—before the crack-up in the stock and commodity markets.

When their spokesman first phoned, he'd said:

"We think you're getting a one-sided picture of the rent-control situation. We think you don't understand the position of the landlord and home owner and builder."

I'd listened, agreed I could learn plenty from our meeting.

So we met and I learned plenty all right.

I learned that something new has been added to the arguments against extending rent ceilings—the new "thought" going like this:

Since the inflation peak has been passed, there's no longer any justification for punishing the Americans who own or rent houses.

Since the time for controls has passed, the best way to solve our housing shortage is to let free, free enterprise take over.

Since food and clothing will be cheaper soon, tenants will have enough money left to meet their bigger shelter bills.

That's the new argument. And, in addition, I was told that rent ceilings always have been inflationary because they've left people with more cash to buy other goods. (How do you like that.)

And I was informed that ceilings hurt the veterans because they permit people to rent larger places than they actually need and thus the veteran can't get the space.

And I was exposed to the idea that if the higher prices compelled more families to double up, that would be fine because the space thereby released would reduce the shortage.

As you may judge, it was a most educational afternoon.

It defies logic and common sense—this new argument that the recent commodity decline justifies the end of rent control.

For instance, we realize that a painful economic adjustment has become imperative because so many consumers have been priced out of the markets in recent months.

So how do we make the adjustment less painful?

By pricing more consumers out of the market.

We remember what happened to the price level after controls were eliminated in 1946.

So how do we benefit from that lesson in economic management?

By killing the last remaining control—and the one governing a fundamental item in our cost of living.

We understand that an ersatz control law is as bad as no control at all, for we had an experience with a phony law in 1946.

So how does Congress propose to avoid repeating that mistake?

By debating a rent-control bill that is so full of jokers that Senator WAGNER (Democrat, New York) can brand it as "appalling and dishonest."

The facts are these:

We are in grave economic trouble because we have permitted prices of essential commodities and products to get out of hand.

Each inflationary price increase has led to an inflationary wage increase—and the spiral has gone on and on. The result is an economy full of dangerous distortions, of unhealthy rigidities.

The one fairly stable living cost has been housing. But since last June 30, when the present law was passed, the Bureau of Labor Statistics index on rents has risen 6.2 points—from 109.2 to 115.4. (On this index, 1935–39 equals 100.)

The housing shortage remains critical. Secretary Harriman estimates 3,000,000 families are involuntarily "doubling up." Estimates of the shortage run into the many millions. The scarcity of rental housing is particularly serious. The prices of new houses are terribly inflated and out of the reach of countless needy families.

According to Housing Expediter Tighe Woods, rents would rise 50 percent if controls were removed. The experience in decontrolled areas shows plainly that rents jump immediately when the ceilings go off. Even the real estate interests admit there would be "some increases".

Rent control dies at the month-end unless the law is extended temporarily or a new and honest law is passed.

As a tenant, I must confess some prejudice. As a reporter who vividly recalls the forecasts of the dead OPA's enemies, I must confess considerable skepticism of all pretty pledges.

But I did listen yesterday. I did try to be objective.

But the net result is I'm more convinced than ever of the utter necessity for extension of rent control. If you are, too, let Congress know how you feel—in a hurry.

Mr. Speaker, the foregoing is a fair picture of the situation as it exists not only in the city of New York, but in every urban community.

Expansion of Steel Industry

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Tuesday, February 17 (legislative day of Monday, February 2), 1948

Mr. MYERS. Mr. President, many Members of Congress, as well as many other Americans, have been critical of the steel industry in recent months and have been of the opinion that the shortage of steel has been primarily due to the industry's inability to expand its production facilities to meet the tremendous demand for that basic commodity. In view of that rather general belief I was happy to read in the Pittsburgh Press recently that there are four United States Steel projects to be finished in 1948. The newspaper article also lists eight other projects of the United States Steel outside the Pittsburgh area. Therefore, Mr. President, I ask unanimous consent to have the article printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWELVE UNITED STATES STEEL PROJECTS TO BE FINISHED IN 1948—FOUR PROGRAMS UNDER WAY IN AREA

(By W. L. Russell)

Four projects in the United States Steel Corp.'s $500,000,000 construction program will be completed in the Pittsburgh district this year.

They are:

1. Increase in the cold-rolled strip and tinplate productive capacity at the Irvin works of Carnegie-Illinois Steel Corp., to be finished in the fourth quarter.

2. New coal washers at Robena mine of H. C. Frick Coke Co., to be completed in the third quarter.

3. New coke oven battery at Clairton works of Carnegie-Illinois to be in operation in fourth quarter.

4. Increased production of silicon steel at Vandergrift works of Carnegie-Illinois to be effective by second quarter.

Nine of the 12 new major facilities now under construction by Big Steel will begin operations this year.

The 12 are the principal undertakings in the $500,000,000 development program in which virtually all operations from the ore and coal mines to sales offices will share.

The following dates have been set for completion of the eight projects outside the Pittsburgh area:

1. Increase in cold-rolled strip and tinplate capacity at Gary, Ind., fourth quarter.

2. Conversion of hot-rolled mill to a cold-reduction mill at Birmingham, Ala., fourth quarter.

3. New research laboratory at Duluth and Trout Lake pilot plant at Coleraine, Minn., to handle lower-grade ores of the Mesabi Range, second quarter.

4. New cold-rolled strip mill at Pittsburg, Calif.

5. New cold-rolled strip mill at Los Angeles, fourth quarter.

6. Construction program at Lorain, Ohio, and additional tube-making facilities at Gary, Ind., fourth quarter.

7. Remodeling of 132-inch plate mill at Geneva, Utah, for manufacture of hot-strip coils, first quarter.

8. Two new modern blast furnaces at Chicago, second quarter.

In addition to the expansion program, the corporation is engaged in a broad program of replacements and improvements to its iron, coal, coke, and steel producing facilities.

Communism Expands Under Roosevelt and Truman

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, "During 1945 and 1946 Russia achieved a territorial expansion greater than in any other comparable period in her history," says Ely Culbertson, in a feature article appearing in the New Leader, of February 14, 1948. He then points out that Russia emerged from the war as a giant Communist empire, from Korea to the Elbe, with vast industrial resources and nearly half a billion humans under one iron will. Said he, again, "In two short years, Communist Russia fulfilled the imperialistic dreams of generations of tzars."

Mr. Speaker, this comes as a shock to the average citizen. So that all may read and have the benefit of Mr. Culbertson's thinking, I am including the whole article, as part of my remarks:

THE STALINTERN AND THE ATOM BOMB—AFTER THE MARSHALL PLAN, WHAT?

(By Ely Culbertson)

During 1945 and 1946, Russia achieved a territorial expansion greater than in any other comparable period of her history. She emerged from the war as a giant Communist empire, from Korea to the Elbe, with vast industrial resources and nearly half a billion humans under one iron will. In two short years, Communist Russia fulfilled the imperialistic dreams of generations of tzars.

During 1947 Russia consolidated her victories of Tehran and Yalta in eastern Europe and laid the groundwork for new advances in China and the Middle East. The Communist tide has been contained, however, on the Greek and Turkish frontiers; it is receding, temporarily at least, in France, Italy, and America. But the Moscow rulers, by postponing practically every basic issue of the world settlement, are gaining precious time in which to advance their industrial rearmament and to make their strategic position in the heartland of Eurasia impregnable.

Meanwhile, the United States is still drifting confusedly toward the fateful hour, sometime after 1950, perhaps even sooner, when 150,000,000 Americans must fear annihilation by atomic blasts from skies or cellars.

Why have we failed?

One reason for the failures of our foreign policy lies in the structure inherent in any real democracy.

The only people who make decisions on war or peace in Russia are the 14 members of the Politburo. Russia's rulers can and do use force and the threat of war as an instrument of policy, and the only effective answer to power policies is counterforce.

But American leaders cannot give this answer—not if they wish to be reelected. The moms and pops of America do not understand the logic of power politics; they only know that they do not want their boys to go to war.

Thus, America finds herself in the greatest psychological trap in history: Our leaders, unable to answer military force with counterforce, must of necessity resort to broken weapons of persuasion, economic pressure, and half measures. Our foreign policy in 1945 and 1946 was one of appeasement, and in 1947 it stopped at half measures designed to "contain" Russia.

The Marshall plan, however worthy, is another such half measure—unless paralleled by effective action on the political front.

It is clear that the Democratic administration has developed the Marshall plan, not only as a new anchorage for United States foreign policy but also as a lever to swing the 1948 elections. From the internal political standpoint, the administration reasons that if the Republicans support the Marshall plan, then they will be placed, as in many times in the past, in a me-too position, which cannot gain votes, and if the Republicans unduly restrict or undermine the Marshall plan, then the economic logic and the popularity of the plan will lose votes for the Republicans. How much validity is there in this reasoning?

The Marshall plan has two points of strength and one basic weakness: First, it is a plan to feed, clothe, and shelter the impoverished peoples of western Europe; second, it is a plan to rebuild western Europe economically, so as to "contain" the Communist expansion into western Europe. These two points alone are enough to leave no alternative for the Republican Party except to support the Marshal plan, with proper safeguards.

But there exists a basic weakness in the Marshall plan, which we must guard against if the Marshall plan, like so many previous plans of the administration, is not to become a gambit for the Moscow rulers. The weakness lies in the deliberate progaganda of the administration that the Marshall plan is the cure-all for the ills of the world and in the consequent failure of the administration to advance additional and more effective measures against the militant Communist state.

On January 5, Charles E. Bohlen, counselor to the State Department, speaking in the place of the Secretary of State, declared that the Marshall plan "offers us the best chance for the eventual achievement of a stable and peaceful world. It is certainly the best chance, and it may be the last."

This kind of grossly exaggerated selling job, if successful, may well turn the Marshall plan into the Maginot line of the American nation. The truth is that the Marshall plan is strictly limited to the counteroffensive on the economic front, and therefore completely ignores the strategically more vital objectives of the counteroffensive on the political front. The Marshall plan fails to solve three fundamental threats to the United States and the world from the USSR.

First, the Marshall plan can do nothing about the atomic threat. Soviet Russia is now feverishly engaged in building atomic plants at the cost of billions of gold rubles and with the help of thousands of scientists from Germany and elsewhere. Leading scien-

tists estimate that by 1950 Russia is virtually certain to have a few atomic bombs. By 1952, which is the terminal point of the Marshall plan, they will have enough atomic bombs to threaten to destroy, in case of conflict, a score or two of American cities.

Secondly, the Marshall plan can do nothing about the consolidation, leading to effective absorption, of Russia's gigantic zones of influence in eastern Germany, Poland, and the Balkans, and the Far East, not to count the incipient zone in the Middle East. In fact, it has been stated by the administration that the eventual success of the Marshall plan in western Europe is largely predicated on the cooperation of the agricultural states of eastern Europe. Unless the administration contemplates eventual appeasement of Russia, such an assumption is obviously fantastic.

Thirdly, the Marshall plan can do nothing about the gigantic rearmament program of Soviet Russia now going on, parallel with her intensified industrialization. Although it may partially rearm Germany and western Europe, it cannot possibly disarm Soviet Russia and her satellites, now engaged in a tremendous program of building new air fleets, new tank and rocket divisions, and new submarine fleets.

Assuming the fullest success of the Marshall plan, with the expenditure of all the amount asked, what will our situation be in the middle of 1952? Western Europe will be economically stronger and in a better position to resist communism from within. But from outside, Russia, recovered and with her strategic zones consolidated, will possess the most powerful war machine of all time, spearheaded very probably by squadrons of atomic bombers and backed by 500 divisions. Today, the American atomic monopoly is the principal deterrent to a sweep by Communist Russia over Europe and Asia. By 1952, Russia will be in a stronger position and America will have lost her atomic monopoly. Furthermore, as with Hitler, the fear of the overpowering war machine at their very doors, fortified by the atomic threat, will probably divide and keep paralyzed the nations of western Europe and Asia.

The Marshall plan may divert the attention of the American people from the fundamental issues between the United States of America and U. S. S. R.; but it will not avert the Third World War. In a world of power politics, America cannot buy world peace on the installment plan. The Marshall plan cannot therefore be the sole basis of United States foreign policy, as proposed by the administration. Something else, of a far more drastic and more effective nature, will be needed in addition to the Marshall plan.

That something else cannot be a preventative war to crush Russia now. In a democracy such as ours either political party is certain to be defeated if enough Americans become convinced that it is a war party.

Is there a way out, which is neither appeasement of Russia a la Wallace, nor half-measures a la the Marshall plan? Such a way exists. It is to anchor the United States foreign policy on the United Nations—not the present, impotent United Nations, but a revised United Nations strong enough to prevent any nation from rearming for aggression with impunity or attacking a divided world with chances of success. The American people are convinced that the hope of the world lies in the United Nations. But since the present UN Charter leaves that body too weak to defend the peace of the world against aggressors, it must be strengthened. We can make the United Nations work by:

Abolishing the veto, but only in specific matters of aggression;

Preventing rearmament for aggression, by world-wide control and inspection of atomic energy together with a quota limitation on the production of other important weapons;

Defending any member-state against aggression with a strong international contingent (police force) recruited from the smaller member-states, supported, if necessary, from the armed forces of the major states.

Should Russia choose to reject this revised United Nations plan (or quota force plan) in spite of its eminent fairness to her, the building of a strong United Nations would proceed without her, under article 51 of the UN Charter.

What are the chances of some such plan being adopted by either of the major political parties? The plan already has been fully approved by a number of national and local organizations from left to right, whose total membership numbers over 5,000,000. Remarkably enough Socialists and liberals like Norman Thomas, Roger Baldwin, and George S. Counts are united with former presidents of the NAM and leading officials of the American Legion in endorsing the revised United Nations plan. The adoption of this plan, therefore, by either political party would secure for that party the votes of millions of those independents to whom the cardinal issues are communism and the atomic bomb.

A question may arise: If this plan for reform of the UN is so good, then why has not the administration itself proposed it? Why is the State Department making great efforts to play down even a discussion of the veto question in the United Nations, as demonstrated by its inconsistent action first in creating the little assembly in a defiant blare of trumpets, only later to bury it shamefacedly as thought it were a still-born child? One reason is that the nostalgic hankering for the happy pro-Communist days is not completely eradicated in official circles. But the more important reason is the fact that a pro-Russian vote is deemed essential by the Democratic politicians in order to win the delicate 1948 elections; and that vote would be lost irretrievably if the revision of the United Nations without Russia were proposed.

With the Marshall plan there is always a hope eventually to reach a friendly understanding with Russia. In fact, if at some future time the Moscow tacticians decide to forgive and cooperate in the Marshall plan, we will have peace in our time—always good at election time. But the revised United Nations plan will finally slam the door to any appeasement of Russia, except on conditions of effective and guaranteed peace. And the present Moscow rulers won't like it at all. For if they agree to the reform of the United Nations not only will they have to abandon any aggressive designs, but they will lose their principal trump which they so assiduously cultivate with their own long-suffering people, which is the bugaboo of foreign imperialist aggression against Russia; and if they lose this trump communism may collapse in Russia. On the other hand, should they refuse to join in the revised United Nations they will be facing a word collective front of peaceful nations that will crush them if they choose aggression.

Thus, reason the Democratic politicians, whose problem is, as with all politicians, how to save the world and yet be reelected. Perforce they follow a tortuous line of being tough enough to satisfy the anti-Communists and yet avoid making the politburo really mad.

However, things have gone too far with Communist Russia for any semiappeasement, however cleverly disguised. Furthermore, the threat of Wallace's third party has been considerably reduced by the defection of all except the Communists and totalitarian liberals. If only the Democratic leaders had enough imagination to take a firm and constructive attitude for the reform of the United Nations, they would gain millions of extra votes.

The Republican Party is not suffering from Wallacitis, but it has other kinds of internal troubles. Fortunately, a healthy and powerful movement is developing within that party against a too slavish adherence to the zigzags of the administration. Many Republican leaders have finally realized that the "Me-Too" policy in foreign affairs cannot gain any votes, and that a bold and practical program for the effective revision of the United Nations, in addition to the Marshall plan, would liberate the Republican Party from the me-too chains which Roosevelt so cleverly put upon it.

Thus the logic of world events and the opposition of the American people to both appeasement and a preventive war against Russia leaves only one way out for both parties. And that way can only be via a revised United Nations. Whether the leaders of either party will have enough political imagination to seize this unique opportunity remains to be seen.

One thing is certain: The revised United Nations plan will be a death blow to the imperialist designs of the Moscow state. And yet the plan is so designed that it offers to a peaceful Russia exactly the same guarantees against aggression as to the United States and the rest of the world. The Third World War need not take place. For if the Moscow rulers choose to stay out they will be all dressed up with no place to go. And rather than risk a war at hopeless odds against the United States and most of the world under a revised United Nations they too will have to join.

Today the Politburo reasons well that American statesmen cannot force guns into the hands of the sons of American Moms and Pops in a cause of power politics. But this is only half the truth. The other half is that American Moms and Pops will support the putting of a gun into the hands of the revised United Nations—not against Russia but against any aggressor—under a higher law, a world judge, and a world policeman.

United States Jews and Palestine

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 17, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include excerpts of a letter addressed to the New York Herald Tribune by Mr. Lessing J. Rosenwald, president of the American Council for Judaism.

Mr. Speaker, there has been considerable confusion and some misstatement about the American Council for Judaism with reference to its present position on Palestine. I am very happy that Mr. Lessing J. Rosenwald, president of the American Council for Judaism, has seen fit, in a letter which he sent to the New York Herald Tribune, to set the record straight in that respect. In his letter Mr. Rosenwald, writing as president of the council, said, in part, as follows:

On November 20, 1947, the member states of the United Nations met in solemn conclave at Lake Success and reached a history-making decision to partition Palestine into separate Jewish and Arab states. We accept this decision. We wish the new states the greatest possible success, and we hope that they will prosper and develop in peace and harmony.

We opposed the partition plan which was finally approved by the United Nations. Whatever our opposition of the past—time will tell whether or not we were right—we cannot, and do not, set ourselves against the

organized voice of the world society of nations. We have no foreign policy of our own, independent of that of our own government.

* * * * *

I am frequently shocked by the conception that loyalty and devotion to the United States are to be interpreted in terms of abiding by its laws. "I vote, I pay my taxes, I live honestly and decently." Fine! But is that all that is meant? No! National loyalty and national devotion are to be found in the depths of our being. A glowing love of our land and its people and its language. A warmth of heart about its landmarks, and its songs. A trust in its destiny. A pledge to dedicate life and posessions and all that is dear, to the fullest and finest evolution of its institutions. An awesome conviction that here—in the United States of America, and nowhere else in the world—I will live, here I will die, and so with my descendants.

For the last 150 years in all western lands we have striven to abide by the concepts of our religion as that of Judaism, our national loyalty as that of the countries of our choice.

* * * * *

In our national loyalty, attachments and interests, we are exclusively and totally Americans—as the only proper course for those privileged with citizenship of the United States of America. In our religious adherence—and in that alone—we are of the Jewish faith, striving to live by the spiritual, moral and ethical implications of the universal cry: "Hear, O Israel, the Lord our God, the Lord is One."

We trust that these concepts will strike a sympathetic chord in the hearts of all Americans, regardless of their religious beliefs. May it also bring some measure of hope to all those thousands of distressed persons, of all faiths, who look to the United States as a haven and a heaven, where life can again be sweet and natural.

Mr. Speaker, I have always contended that the establishment of a Jewish state in Palestine will not cause in the slightest degree any diminution of the patriotism and allegiance of American Jews to the United States of America. The foregoing excerpts are but one more demonstration of the truth of that statement. Regardless of the differences of opinion that may have existed as to the advisability or feasibility of establishing a Jewish state in Palestine, now that the United Nations has decreed it, the entire world is in duty bound to give it a fair chance to succeed. Every effort must be bent to preventing outside interference.

The next step in that direction must be a positive statement in no uncertain terms by the Secretary of State that any attempt to sabotage any decree of the United Nations will be considered an unfriendly act and a threat against the peace of the world.

Angry South Could Defeat Truman in Civil Rights Row

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. WILLIAMS. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herewith an article which appeared in the Washington Evening Star on Tuesday, February 10, 1948:

ANGRY SOUTH COULD DEFEAT TRUMAN IN CIVIL RIGHTS ROW—WITHHOLDING OF 127 ELECTORAL VOTES WOULD MEAN GOP VICTORY

(By Gould Lincoln)

Unhappy Democrats of the South are trying to decide whether they stand to lose more by having a "carpetbag" Democrat or a Republican in the White House. They regard the program laid down by President Truman in his recent civil-rights message to Congress as bad or worse than the program of the radical Republicans in reconstruction days after the Civil War. The Truman program spells the doom of segregation of the white and colored people—which has been practiced in transportation, in schools and colleges, in hotels and theaters and, in many ways, in employment. The issue has become social, as well as governmental and economic.

These southern Democrats went along with the late President Franklin D. Roosevelt at election time, although Mr. Roosevelt at various times advocated practically all the things which Mr. Truman has now advanced. Mr. Roosevelt, however, never lumped them all in a special message to Congress, and threatened an army of FBI agents and a determined Department of Justice to compel the southerners to carry them into effect. They went along in order to keep a Democratic President in the White House—and to keep themselves in office, with jobs to parcel out to deserving followers. They did this although they were opposed to much of the New Deal program, and particularly to the Roosevelt attitude on the race question.

ONE HUNDRED AND TWENTY-SEVEN ELECTORAL VOTES AT STAKE

Except Franklin Roosevelt, who carried every State in 1936, aside from Maine and Vermont, and Woodrow Wilson, who was elected overwhelmingly in 1912 because of the Bull Moose Party led by Theodore Roosevelt, no Democratic candidate for President has ever had a ghost of a show for election without the vote of the solid South. If that vote were taken from Mr. Truman in the coming election, he would be sunk without a trace—and even if he divided States of the North and West with his Republican opponent, and the election were tossed into the House of Representatives, he would stand no show.

So the most aroused southern Democrats are today threatening Mr. Truman with the loss of the 127 electoral votes of the 11 States of the South unless he eases off and fails to press for the enactment of this program. Senator EASTLAND, of Mississippi, for example, gives his own answer to the question, "What can the South do?" It can withhold her electoral votes and defeat any Democratic candidate, he points out. He further asserts that "no candidate would be nominated if it were known that he would not receive the South's electoral vote. The machines of the North which control the party are not crazy," he added.

Mr. EASTLAND presupposes that a Republican candidate for President could not win next fall when he suggests that the election would be thrown into the House if Mr. Truman does not receive the electoral votes of the South, yet Republican Presidents have repeatedly been elected, despite the fact that the South voted solidly for their Democratic opponents. So it is obvious that, while the South might prevent the election of Mr. Truman, it is not necessarily true that a Republican would fail of election without the issue going to the House. Southern Democrats figure, however, that it may well be better to go to the mat now on this race issue with the Democrats of the North and West than to postpone the issue. They hold a powerful weapon if they wish to use it.

MISSISSIPPI LEADS FIGHT

Mississippi, through its Governor Wright, has taken a lead in this fight with Mr. Truman—and unless Mr. Truman retreats on this issue and the Democrats of the North retreat along with him, Mr. Truman will not get the electoral vote of that State, no matter what the other Southern States do. The Southern governors, meeting in Florida, put through a resolution to study the matter for 40 days—during which, it is presumed, they will seek to get some kind of a compromise with Mr. Truman.

If Mr. Truman should yield, he will lose strength in the North and West and will be more vulnerable than ever to the raids made by Henry Wallace as a third party candidate. The position of the prospective Democratic nominee for President seems to be rapidly deteriorating.

Senator EASTLAND, who voices the sentiments of Governor Wright, says flatly: "Common sense demands that the electoral vote of the South be used to protect her people. The stark reality is, however, that our electoral vote is the basis of the movement to destroy our social institutions. Our electoral vote is now being used to promote such purposes. The politicians are expected to keep us in line in the name of party harmony while they stay in office through the dispensation of governmental favors."

The A B C of Inflation in the United States

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1948

Mr. REED of New York. Mr. Speaker, the American citizens have seen their money squandered, depreciated, borrowed, and spent, and their future and that of their children mortgaged by a ruthless gang of New Dealers bent on a planned economy. They have seen higher and higher taxes, larger Government pay rolls, and they now know that the President is demanding controls and regimentation to further aggravate an inflation for which he and his predecessor and the New Deal legislation have been responsible.

I am inserting under unanimous consent, The A B C of Inflation in the United States, written by Roger Amory, chairman of the board of the National Rockland Bank of Boston.

THE A B C OF INFLATION IN THE UNITED STATES

(By Roger Amory, chairman of the board, the National Rockland Bank of Boston)

INTRODUCTION

Every great war has produced an inflation of commodity prices, and after each war the cost of living has rapidly increased. Each period of such inflation has been followed by a period of deflation, bringing financial distress to the borrower and unemployment to the wage earner.

The cause of these inflations has been the same. During the war, expenditures by the Government have exceeded receipts from taxes and from outright sales of bonds to the public. The difference is made up by the creation of new money in the hands of the public. On the termination of the war, bonuses are paid discharged soldiers, and individuals bring forth the savings they have

accumulated from wartime wages or from earnings which under ordinary conditions would have gone into things not available during the war. Bureaucrats, whose numbers have been greatly augmented during the war, are not only slow to get back to civil life and the production of civilian goods, but have become accustomed to authority and lavish expenditures. Their demands on Congress are often arrogant and exorbitant and difficult to curb. The public goes on a buying spree for the things it has been denied during the war, and which, unfortunately, are still in short supply. People bid against each other and drive prices up. Commercial loans increase because of the increased business activity and because of the higher dollar value of those raw materials and finished goods which business must carry during those many months intervening between the time when raw materials come out of the ground and the time when the finished goods are paid for by the ultimate consumer. This increase in commercial loans further augments the money supply. An inflationary boom takes place.

However, the upward surge of prices and wages is not orderly, and as the inflation continues the buying power of an increasingly large section of the public is reduced. Finally demand for goods slows up and prices start falling. The buying spree is over. The future becomes uncertain. Economies are put into effect. Unemployment occurs. Loans are reduced or eliminated, and the supply of money is thereby reduced and its value correspondingly increased. Prices continue to fall, unemployment and stagnation of business set in, and the country is in a depression.

Money, as now defined since the gold coin standard within our country was legally abolished in 1933, is a medium of exchange, of no value in itself, but only of value to the extent that it can be exchanged for goods or services desired. Other things being equal, the larger the money supply, the less a single unit of it will buy, and the smaller the money supply, the more a single unit will buy. In the long run, if you increase the supply of money, prices go up; if you decrease the supply of money, prices go down.

Money is a measure of relative values. If a half a day's labor in a coal mine is equivalent to that labor necessary to produce food for the miner and his family for a day, it is immaterial whether the half day's labor in the coal mine and the supply of food produced by the equivalent labor is said to be worth $4 or $8. It is vitally important that they are represented by the same number of dollars. Whether it is $4 or $8 depends not on the quantity or quality of the labor in the coal mine, or on the quantity or quality of the food in question, but rather on the ratio of the supply of money to a combination of factors in the economy, perhaps best represented by "gross national income."

The spiral of increased wages, increased costs and increased prices is not due to "selfish labor leaders" or "selfish big business" but is a natural adjustment of our national economy to the inflated money supply.

The money supply of the people is composed of: (a) Currency, and (b) checking accounts in commercial banks. Currency, as here defined, consists of silver, nickel, and copper coins, bills representing the deposit of silver in the Treasury in Washington,, and Federal Reserve notes. The latter are I O U's issued by the Federal Reserve banks largely against the deposit of Government bonds. It is not lawful money, but it is redeemable in lawful money at the United States Treasury or any Federal Reserve bank, but none of our lawful money in this country today is redeemable in gold. Only a very small portion of the checking accounts in commercial banks is the result of deposits of currency. These checking accounts are largely the result of credits, which have arisen from (1) loans to the public and (2) loans to the Government.

We have, therefore, the following conditions:

I. Prices are largely governed by the relation of the size of the money supply to "gross national income."

II. The size of the money supply is increased or decreased by:

(a) An increase or decrease in currency.

(b) An increase or decrease in loans of commercial banks to the public and to the Government, and

(c) An increase or decrease in holdings of Government securities, gold, and loans by the Federal Reserve banks.

III. "Gross national income" is directly related to the productivity of individual effort.

INFLATION AND WORLD WAR II

Those in charge of the debt structure of the country during the war were well advised as to inflations and deflations attributable to former wars and the causes leading up to them. They realized that a certain amount of inflation of money was necessary to carry on the war on the gigantic scale desirable. They also were aware of the dangers. Inflation of money through inflation of currency had resulted in the almost worthless "continentals" of the Revolution and in the "greenbacks" of depreciated value of the Civil War. They realized that the inflation of credit, which had resulted by having encouraged the purchase of Liberty bonds with borrowed money, was a contributing factor to the boom and bust following World War I. The Government did finance the recent war 46 percent by taxes, as compared with virtually none for the Revolution, 43 percent for the War of 1812, 23 percent for the Civil War, and 28 percent for World War I. However, the expense of World War II was more than that of any other war, and the effect on our economy far greater. We find that per capita debt in 1812 was $15; in 1864, it was $78; in 1918, it was $240; and, in 1945, it was $1,981. The national debt has reached the stupendous figure of $258,000,000,000, requiring annual interest charges of some $5,000,000,000. In spite of the effort to finance as large a part as possible of the expense not taken care of by taxes through the sale of bonds direct to the public, and in spite of the fact that the provisions of the bonds of smaller denominations were such as to prevent them from being used as collateral for loans from banks, a very great inflation of the money supply did take place.

The money supply, composed of currency and bank credits resulting from loans to the public and loans to the Government, increased 180 percent. In 1940, there was less than $8,000,000,000 of currency outstanding against over $28,000,000,000 in 1947. Checking deposits in commercial banks have increased from something under $30,000,000,000 in 1940 to something over $80,000,000,000 in 1947. The per capita money supply is around $770, as compared with $214 at the peak of 1929. This money supply is the result of private-business activity to the extent of 37½ percent and of Government activity to the extent of 62½ percent. In 1929, the large money supply was the result of private business to the extent of 90 percent and of Government activity to the extent of 10 percent only.

The estimated annual personal income in the United States, of which over 60 percent is wages was in September at its all time high of $210,900,000,000, having gone up from $76,000,000,000 in 1940, and having doubled from the peak of 1929. The amount being paid out in wages alone is 50 percent more than the total personal income of the whole United States in 1940.

It is not surprising that with such income and after the restraints and self-denials of the war, consumption of goods increased. It is the tremendous buying power more than a shortage of goods that causes the present situation. The per capita consumption of meat is 25 percent in excess of that before the war. Not only are we consuming more goods than in the past, but Europe is demanding more goods of us. She hopes for many times the amount of wheat that she took from us before the war.

With this tremendous buying power in the hands of the public, rationing of beef can have but little effect on the economy as a whole. If people cannot compete for beef, they will compete for lamb or pork or chicken, and we would soon find it necessary to ration everything. Black markets would abound. To put on price controls would be equally futile. Price controls are ineffective, if prices are unrealistic. They are like a little boy who only leads the circus parade while he runs in front of it. It would take a tremendous increase of the present vast bureaucratic organization to even prepare and distribute the forms. Enforcement in time of peace would be virtually impossible. Meatless Tuesdays and eggless Thursdays are nothing but gestures, which have a tendency to increase the consumption of meat and eggs the other 6 days of the week.

THE A B C OF INFLATION

The ways to curb inflation are:

A. Decrease consumer spending.

B. Increase production, and increase the supply of goods.

C. Reduce the money supply.

If it were not necessary to consider what was socially desirable and what was politically feasible, there would be many ways to: (A) decrease spending, (B) encourage production and increase the supply, and (C) reduce the money supply.

A. Ways to decrease spending might include:

1. Real, determined, and effective reduction in Government spending. This is the first and foremost essential.

2. Increase of consumer taxes so that other taxes may be decreased or Government debt reduced thereby.

3. Encouragement of saving by increasing the rewards of thrift.

B. Ways to encourage production and increase the supply might include:

1. Reduction of taxes on production.

2. Encouragement of the retention of earnings for the modernization and expansion of production facilities.

3. Encouragement of venture capital.

4. The elimination of rent and other Government controls.

5. Restriction of the exportation of goods.

6. Encouragement of the importation of goods.

C. Ways to reduce the money supply might include:

1. The elimination of those Government aids to borrowing as have developed from the activities of the RFC and FHA and crop control.

2. Increase the sale of Government bonds to the public and retire Government bonds now in the commercial banks and the Federal Reserve banks.

3. Have the Federal Reserve use the ample powers at its command to control the present inflationary boom and insist that the Federal Reserve in its open-market operations not add to its already large holdings of Government securities and thereby increase the money supply and augment inflation.

Although the gradual reduction of the huge Government debt by excess tax receipts over expenditures is particularly desirable, it is by no means the only way nor necessarily the most effective way of controlling the money supply.

During the war our own Federal Reserve, along with the central banks of all major participating countries, came under the complete domination of the administration. This was natural under the circumstances as, in the financing of the war, tremendous

amounts of money had to be raised. However, to insure a sound financial future, it is essential that the Federal Reserve System regain its independence of action and not be dominated by the present or any other administration. The Federal Reserve System was organized by Congress in order that a central independent authority, through its power over bank deposits and interest rates, might keep an adequate but not excessive money supply available for the operation of a free economy. Under existing laws Congress clearly has placed this responsibility squarely on the Federal Reserve, but with the present size of the national debt the Treasury is naturally keenly interested in how Federal Reserve policy affects the markets for Government securities.

The greatest difficulty with which the Federal Reserve Board has been faced in controlling the money supply and the inflation is the danger of starting a sharp deflationary movement which would be temporarily upsetting to the security and commodity markets and would be politically embarrassing to the administration.

No one questions that the administration now has ample powers to control the supply of money and could check the inflation and stop the upward spiral of wages, costs, and prices. However, ways to stop inflation are not pleasant to party leaders, party workers, and Federal employees, nor is it immediately pleasant to the electorate. Higher interest rates mean higher interest charges for the taxpayer to pay. The administration talks against inflation, searches for palliatives and painless cures, but is embarked on an overall program that regardless of its merits is highly inflationary. To influence the economy and politics of Europe with money and supplies is inflationary. To maintain the most expensive Military Establishment in all peacetime history is inflationary. To increase social benefits and advocate higher wages and shorter hours is all inflationary.

On the other hand, no one questions that Congress could refuse the necessary legislation and appropriations to carry out those policies of the administration which are inflationary. However, Congress reflects directly the electorate, and the electorate at times seems to be obsessed with an emotional surge of benevolence and fear which blinds it to all cause and effect. The people at the grass roots are still not yet interested seriously in putting through drastic Government economy and stopping inflation. When they are interested, Congress and the administration will be responsive. In the meantime, the Treasury itself, regardless of its own ideas, must raise the large sums appropriated by the Congress.

What the voters do not realize is that for a nation which has been moving along the road to further and further inflation, there are only two courses of action: to go on, or to turn back. To stand still will inevitably end in drifting toward further inflation. To go on inflating eventually means bankruptcy, and repudiation. To choose the alternative course of turning back means actually deflating. It is useless to deceive ourselves that such a change back to sober and sound economic policies can be accomplished without encountering for a time serious economic discomforts.

CONCLUDING OBSERVATIONS

This emphasizes the difficulty of a planned economy in an unregimented democracy. Man has reached the stage of development where he willingly hires a police officer to arrest any and all, including himself, for violating the speed laws, but he has not reached the stage where he informs on himself when he fails to obey the law, nor does his heart go out to the officer who arrests him.

To achieve permanent success those operating a planned economy must at times put into effect restraints not immediately pleasant to the electorate. Men elected to office are loath to do this and prefer to call for more power to alleviate the pain. That is why planned economy is incompatible with democracy and why it results in continual requests by the central government for more and more authority until the only solution seems to be a police state with its stunted production and low standard of living.

Europe presents many examples of the result of the philosophy of attempted prosperity through planned economy, paper money, controlled money rates and deficit spending—a philosophy which, if followed, always has and always will lead the masses along a glittering path of inflation to a slough of misery and degradation.

ROGER AMORY.

DECEMBER 1, 1947.

Soviet-Nazi Cooperation in the Extermination of Freedom in Poland in August 1944, While They Were at War With One Another

EXTENSION OF REMARKS

OF

HON. CHARLES J. KERSTEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, there recently was published by our State Department the documentation of the Nazi-Soviet relations from 1939 to June of 1941.

The attack by Hitler on Russia did not really end the relationship between Hitler and Stalin. They could fight with one another, these two aggressors, but when either one of them was confronted with freedom and liberty you will find them fighting side by side against freedom and liberty.

Such was the case from August to September 1944 when Stalin's legions were advancing against the Nazis in Poland. The Soviets broadcasted to the Polish underground to arise in Warsaw and assist in the assault on the Nazis. But the Soviets betrayed the heroic Polish underground. They paused in the suburbs of Warsaw and thus collaborated with the Nazis while the latter proceeded to decimate the civilian population and the underground army. History probably does not contain a much blacker page of vallainy than that which can be written of the Soviet high command as engineered by Stalin. Of course, Stalin had a purpose in collaborating in the extermination of the Polish underground army, his purpose was this: He wanted to set up his own Soviet Poland. He has accomplished his purpose. We now have a Soviet Poland.

Following are two installments of Mikolajczyk's story as contained in the Milwaukee Sentinel:

GENERAL BOR'S ILL-FATED STAND SADISTIC RUSS COUP

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment XVI)

The horse-faced woman Communist, Wanda Wasilewska, had just looked at me in our Moscow meeting (it was August 6, 1944), and told me that there was no fighting going on in Warsaw between the Polish Home Army and the Germans—while the Red army lolled in the suburbs hoping for the extermination of the Polish patriots.

"You're talking nonsense," I said to her, and showed her some of the frantic and heart-breaking communications I had been receiving, through the British, from General Bor-Komorowski in Warsaw since the fight began a week before.

She read through them hurriedly.

"Well, if it's true," she finally said, "the help will soon come. We want to establish ourselves there as soon as possible."

I repeated that I had seen Stalin a few nights before at the Kremlin, and that in addition to showing an interest in the plight of the Warsaw Home Army (his interest, as a matter of fact, had been negligible) he had also spoken about the future boundaries between Russia and Poland.

"If we can get together, here and now, I believe we can gain some advantage for Poland by approaching him as a unit," I appealed to these either sinister or pathetic Communist stooges.

"The Curzon line is most just for Poland," Wanda answered coolly, yielding to Russia the huge territory which the Red army had invaded as an ally of Hitler in 1939.

Andrzej Witos, the frightened little man who had become a fellow-traveler after being spared from a Red purging, spoke up now.

"But Madam," he said to the woman who had hailed the downfall of Poland in 1939 and now was established by Stalin as one of its future rulers, "I think Mikolajczyk is right. Perhaps if we got to him as a body—with you refraining from speaking for us—we can."

That is as far as he got. Rather than reveal to me that there was a difference of opinion among this so-called Polish Committee of Liberation the meeting was abruptly terminated.

I was told again, however, that there was no fighting in Warsaw and that Boleslaw Bierut, destined to become President of Red-enslaved Poland, had been there on August 4, 1944, and had reported there was no fighting. He was not there, as a matter of fact, but a lie means nothing to a Communist.

BELIEVE GENERAL SHOT

After this first meeting with the Lubin Poles, I singled out one of them, Gen. Michel Zymierski, in charge of Polish units serving in the Red Army, and gave him a true picture of the military plight of General Bor-Komorowski's forces, which had been tricked into exposing themselves in open fight against the Germans in Warsaw—a sadistic Russian coup which eventually resulted in the deaths of about 200,000 Warsaw patriots.

He assured me he would do something about this matter, and even promised to release a fine Polish Home Army soldier, General Filipowski, who was arrested by the Reds after helping them free Lwow. But I never saw Filipowski again * * * nor did anyone else, except perhaps his Russian executioners.

MAKES CYNICAL OFFER

On the next day, August 7, I met Bierut, an old-line Communist who had given up his Polish citizenship years before, and urged him to listen to whatever Polish blood was left in him and appeal to Stalin not to take half our country from us—an ally.

"Our relations with the U. S. S. R. are more important than frontiers," he told me.

Then he made me a remarkable cynical offer. If I would return to Warsaw after its liberation, as prime minister of a Communist-controlled Polish government, he would give minor cabinet posts in that government to three other independent party leaders. It would be an 18-member government, 14 of whose members would be Lublin Poles.

"I can't even discuss that with you," I told him. "First of all, I am already the prime minister of a legally formed government which, together with its underground, was fighting the Germans when you—as a Communist—were allied with Hitler.

"I'd return to Poland tonight if I knew that we could sit down with the underground parliament and reach an agreement that would be constitutional and in the best interests of the Polish people."

WARNING FROM BEIRUT

Bierut looked me over, with hostility.

"If you want to go to Poland as a friend, in complete agreement with us, we will accept you," he said. "If you attempt to go as Prime Minister of the Polish Government, which is no longer recognized by the U. S. S. R., we'll arrest you."

I got up. "I have no business here."

NO TRUST IN RED POLES

I saw Molotov and Stalin once more before I left Moscow. Molotov apparently could not trust the Lublin Poles to tell him the truth, so he had me into his office—with them—to hear with his own ears my own feelings.

As for Stalin, he was less hospitable than before, presuming that is possible.

"Can you give me your word of honor," he asked, "that there is fighting going on in Warsaw? The Lublin Poles tell me there is no fight at all."

"I can give my word of honor that there is a fight there," I told him. "It is a desperate fight, and I beg of you—who is in a good strategic position for it—to give us aid."

I had heard from Washington and London that the Russians had asked the Joint Chiefs of Staff not to provide further aid for Warsaw—a request which the western allies rejected—but I still hoped I might reach Stalin's heart.

WE'LL LIBERATE IT

"I had two of my communications officers dropped into Warsaw after I saw you the other day," he said, smoking his pipe, "but the Germans killed both of them." I discovered a few days later that both men had reached the ground safely and had sent numerous dispatches back from underground headquarters.

But at the time I had no information and expressed my regret. Stalin sighed, "I'll still do my best to help Warsaw," he said. "The Germans there are more difficult than we expected. But we'll liberate it soon."

As history knows, he waited until the Germans had killed nearly a quarter of a million of our people in the capital, and then, after the fight ceased, burned and dynamited the city to extinction with a systematic thoroughness which was possible only because the Russians remained rooted in the suburbs and simply looked on.

LIKE SADDLE ON COW

Before I left Stalin, I could not resist telling him a story from our Warsaw underground. It concerned three captured Germans and their views of Germany's future. One of the captured men predicted confidently that postwar Germany would embrace communism so devoutly that it would soon become the foremost Communist state, and then go on to rule the world.

Stalin snorted indignantly.

"Communism on a German is like a saddle on a cow," he said. He added that the Soviet Union, the United States, Great Britain, and France must remain close friends for many years after the war because one can expect Germany to start a new war after about 25 years.

STALIN IGNORED PLEA OF AID TO WARSAW

(Installment XVII)

If Roosevelt and Churchill needed any additional confirmation of the fact that they could no longer do business with Stalin—they, of course, had never been able to do so—their efforts to supply the Warsaw underground by air in the summer of 1944 should have taught them.

I besought Anglo-American aid after my successive appeals to Stalin, presented to Soviet Ambassador Lebiedov in London, began to be returned to me unopened.

In Warsaw, our undaunted home army was suffering terrible losses at the hands of the Germans. We were fighting tiger tanks with little more than home-made petrol grenades. The civilians of Warsaw were being shipped by the hundreds of thousands into slavery in Germany. Stalin had promised me early in August 1944, that the Red army would take Warsaw within a matter of a few days thereafter. Yet the Russians remained planted just outside the city, never lifting a finger to aid a courageous ally.

Churchill was the first to act. Through his intercession, the RAF began running critically needed arms, food and medical supplies by air from Italian bases, with many Polish fliers involved in the missions.

The RAF losses were heavy. German night fighters took their toll. Heavy German antiaircraft emplacements in Warsaw, free to operate because the Red Army would not come in, brought down many other relief planes. Red Army guns sometimes joined in the attacks on the relief planes.

I told Churchill of the existence of Russian-held Polish airstrips only a few miles beyond Warsaw and suggested that he make arrangements with Stalin to permit the RAF planes to land there instead of trying to fly back over those interminable miles to Italy. Many were running out of gas on the long flight home.

STALIN IGNORED PLEAS

As far as I know, Stalin never answered the appeals.

In despair, I turned then to the United States and asked Roosevelt to run a special Eighth Air Force relief mission from the British bases then being used. But I pointed out that because of the distance involved this could not be done successfully unless the American planes could land on the Polish fields adjacent to Warsaw.

Negotiations between Washington and Moscow opened in mid-August of 1944, by which time General Bor-Komorowski's forces were in tremendous peril. They were being held together by the precious crumbs the RAF dropped, some of which landed so far off the mark—the RAF missions were at night—that the supplies had to be carted as many as 80 miles to the capital, at great risk.

The American planes, which flew by day, might have a better chance of hitting their targets with supplies. But there was the imposing obstacle of Stalin to surmont.

NEGLECT TO NAME DATE

After ignoring a number of messages from Washington, the Russians consented during the first week of September to permit the American planes to run a shuttle mission.

But even after consenting, the Kremlin delayed in naming a specific date for the mission. The days grew shorter, and the prospects for relief dimmer.

In mid-September, word came from Moscow that the Eighth Air Force could come immediately. But almost as the planes warmed up for the take-off, laden with arms and other sorely needed supplies, the permission was withdrawn. "Technicalities" had arisen, Stalin said. There would have to be a delay of 3 or 4 days.

During that delay, the Red Air Force suddenly appeared over Warsaw on the night of September 13–14, after the forty-fourth day of the uprising, and dropped supplies.

AMMUNITION USELESS

The ammunition they dropped did not fit the guns they dropped. The food they brought—American lend-lease rations—was dropped with either defective chutes or no chutes at all. It smashed against the ruins of Warsaw and was wasted.

But Moscow, having beaten the Americans to the aid of Warsaw, crowed happily through its propaganda mills that the Union of Soviet Socialist Republics was the true friend of the Polish people, and that the Americans were long on promises and short on deliveries.

The Americans finally were permitted to come on September 18. They drummed over with 104 B–17's, escorted part of the way by 200 fighters. Two of the supply-laden bombers and two fighters were lost. The desperately grateful people of Warsaw came up from their ruins and sewers to cheer the Americans. They could fight the Germans a little longer.

Simultaneously I broadcast from London:

"Today you've seen the American forces bringing help to fighting Warsaw. This is a symbol of how the Allies are trying to help you in your desperate fight. * * * I hope this help will bring you some relief in your historic fight against the Germans * * * your fight for a really free and independent Poland."

The only land attack on Warsaw made by the nearby Red Army in support of our home army was turned in by one of General Berling's Polish Kosciusko divisions. There had been some Red Army artillery shelling of certain German positions in Warsaw, spotted by home army men. But as the Kosciusko Poles forged across the Vistula to help their blood brothers in the city, that artillery fire suddenly ceased.

With no cover, the advancing Poles were annihilated by the defending German forces. General Berling was promptly removed from his command and returned to Moscow for "further training."

MOSCOW ASSAILS BOR

In September the Moscow radio opened a vicious attack on General Bor-Komorowski. The Moscow radio itself had enticed the home army to rise against the Germans on July 29—to facilitate the entry of the Red Army. But now it accused the general, and myself, of ordering a "senseless uprising."

The Americans were not permitted to run another shuttle mission. The British, too, were forced to give up in despair. Beyond all human endurance, General Bor-Komorowski surrendered to the Germans on October 3, 1944, with one last heart-breaking message from the capital:

"This is the stark truth," a shaken voice said. "We were treated worse than Hitler's satellites, worse than Italy, Rumania, Finland. May God, who is just, pass judgment on the terrible injustice suffered by the Polish Nation, and may He punish accordingly all those who are guilty."

HAILS POLISH HEROES

"Your heroes are the soldiers whose only weapons against tanks, planes, and guns were their revolvers and bottles filled with petrol. Your heroes are the women who tended the wounded and carried messages under fire, who cooked in bombed and ruined cellars to feed children and adults, and who soothed and comforted the dying. Your heroes are the children who went on quietly playing among the smouldering ruins. These are the people of Warsaw.

"Immortal is the nation that can master such universal heroism. For those who have died have conquered, and those who live on will fight on, will conquer and again bear witness that Poland lives when the Poles live."

From London I broadcast:

"Heroes of Warsaw, the 63 days of fighting will not be in vain. Through your heroic resistance once again the world has come to know that Poles prefer to die rather than live in slavery.

"You are now oppressed from both sides. In addition to the Germans, there are now

those who try to make profit from attacks on your leaders.

"I take full responsibility. A fight against an enemy occupying your country could not be avoided. It was our duty. It was in our national interest.

"We have lost one more battle, but we have not lost the war. The fight against the Germans is going on, and the victory was never as near as it is today."

A million people were living in Warsaw, or existing there, when the insurrection against the Germans began. A quarter of a million human beings were killed, wounded, or were missing by late September. Some 350,000 were forcibly evacuated, mostly to Germany, during the fighting. When the Russians finally came in the following January, they found human life only in the Praga suburb—120,000 Poles who remained there while the retreating Germans systematically leveled the city.

"Traitors. They surrendered to the Germans," the Moscow radio said of the dead and deported. And the Red Army marched into the ghostly place, bringing in their wake the NKVD men and Polish stooges, who, protected by Red Army guns, claimed the streets made sacred with the blood of a free people.

Address of Hon. Joseph C. Grew, Former Ambassador to Japan

EXTENSION OF REMARKS

OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. LARCADE. Mr. Speaker, under authority to extend my remarks in the Appendix of the RECORD, I wish to submit a copy of an address by Hon. Joseph C. Grew, former Ambassador to Japan, which was delivered today at a meeting at the Waldorf Astoria, New York, attended by more than 400 mayors, city officials, and others at the meeting of the United States conference of mayors.

The address of Mr. Grew follows:

On January 8, 1790, George Washington, in an address to the Congress, said: "To be prepared for war is one of the most effectual means of preserving peace." Please let that simple but profoundly significant statement sink in. It came over a century and a half ago from the fount of political wisdom. It is just as true today as it was then. It should be written in letters of gold all over our country. It should be broadcast in clarion tones throughout the length and breadth of our land, until our people, all our people, come to realize that peace in our time inevitably depends upon a strong America. Please allow me to repeat an observation that I made in a talk to some 3,000 people in New York about 10 days ago, that what we face today is not a world governed in orderly fashion by international law but a world governed by the law of the jungle. In the jungle it is the fittest and the readiest who survive.

Gentlemen, it is a very great privilege to address you today because you represent in your persons and offices an important cross section of the American people, and in your several capacities you have an inestimable opportunity for patriotic service by squarely and straightforwardly meeting the doubts that assail so many of our people, first, as to the necessity of military preparedness; second, as to the wisdom of military preparedness; and, third, as to the means of military preparedness.

I speak today in support of the plan for universal military training. That plan has many opponents, although I find that much of that opposition, apart from the antagonism that springs from subversive elments within our gates, arises simply from a lack of understanding as to just what universal military training is. The inaccurate, indeed the utterly false conceptions of the plan that come to me from many sources and that are widespread in our country are little short of appalling. Unless overcome those misconceptions may well prove disastrous. Let us remember that it is the Congress that is going to decide whether we shall have universal military training—indeed whether we shall have any kind of adequate military preparedness—and that the Congress is the interpreter of the people's wishes and cannot and will not move very far ahead of public opinion. It is therefore public opinion that must be brought to understand the facts and not remain hamstrung by imaginary bogeys of its own fabrication.

Thank heaven for our kind of democracy in which the people have the right and the freedom to know and understand the facts, all of the facts, not only about universal military training but about what is going on in the world around us. There have been times when our Government was reluctant to tell our people the whole story because it knew that the publication of all the facts would complicate the situation by antagonizing and provoking certain foreign countries. That is one of the best arguments for preparedness that I know. This subject is far too serious to lend itself to humor, but I can't help feeling that there's a good deal of sound philosophy in the story of the dying colored man. The parson, who was kneeling by the bed, said: "Rastus, does yo' believe in de Lo'd God Almighty?" "I sho' does, Pahson." "Does yo' renounce de debil and all his works?" "Now look a-here, Pahson, de way I'se feeling right now I don' want to antagonize nobody." In a strong America our Government can afford to publish the whole truth, whether by so doing we antagonize anybody or not.

Now, as to universal military training, I have no sympathy whatever with those who have made up and closed their minds against it without understanding just what it is. There are people within our borders who oppose universal military training simply because they don't want a strong America. Some of those people I would characterize as intellectually dishonest. Others I would class as outright disloyal. But there are in our country good, substantial Americans who, even though they support military preparedness, do not believe that universal military training is the best means of achieving it. Those people deserve accurate, intelligent, and comprehensive information to meet and, it is hoped, to relieve their honest doubts.

At this point we need a little history. Do not forget that on the Archives Building in Washington, Confucius' admonition, "Study the past," and Shakespeare's reminder that "What is past is prologue" are etched in stone. I commence with the flat assertion: Without preparedness, diplomacy, democracy's first line of national defense is bankrupt. Let me give you two illustrations to support that statement.

The scene is Berlin in the winter of 1914, a few months before the outbreak of the First World War.

Some celebration was being held at the mess of one of the Prussian guard regiments to which I had been invited by a German friend. Champagne and beer had flowed freely during the evening, and, finally, with a great clanking of steins on the wooden mess table, the officers solemnly proposed a toast and drank to "der tag"—the day of war. My host was in communicative mood. I said to him, "Your group reminds me of nothing so much as of a football team which is tired of constant practice and wants a game." "You have hit the nail on the head," he replied. "Of course, we shall have that game, and it will be with our old traditional enemy, France. The French Army is weak; we shall have no trouble there. We may have to go in through Belgium; but, of course, the Belgians won't fight; they will lie down at the very start. England is a decadent nation; her military and naval power is at low ebb, and even if she wanted to fight, she knows very well that with her labor and Irish troubles, she couldn't possibly do so. No; we can count Great Britain out. And as for you in the United States, you are a pacifist nation, anyway, and how in the world could you get a single soldier across the ocean? Of course, we would torpedo every transport before it got halfway across the Atlantic." I have put his remarks in quotation marks, but, as he spoke in German, this is merely a record, though a close record, of the substance of what he said that night. How clearly I remember it today. It seemed then as merely the usual arrogant braggadocio of the Prussian officer, but I remember it on July 31, 1914. That was the thinking in Germany.

My point is this. If during those pregnant years before 1914 England had followed the sage advice of Winston Churchill and had built up Britain's power on land and sea, and if, when war threatened, Sir Edward Grey had been in a position to say to Chancellor von Bethmann-Hollweg: "If Germany crosses the Belgian frontier, Great Britain will be in the war within an hour," might not history have run a different course? Would the Germans have dared attack with the certain knowledge that they would have had to fight not one but two powerful nations, one of them a naval nation? Alas, Sir Edward Grey was in no position to issue such a timely warning or to convince the Germans that he could back it up with adequate force if issued. There were 4 or 5 days of fumbling, and when finally Great Britain did enter the war on August 4 it was too late to arrest the tide. Diplomacy was bankrupt. So much for that phase of history. The lesson is there for all to mark.

We move to Japan in 1931. The Japanese military people also were tired of practice and wanted a game. They also wanted to emerge from the shadow in which they had been placed by the enlightened diplomacy of Shidehara, aiming primarily at international friendship and cooperation. So they invaded Manchuria. At first they looked anxiously over their shoulders as does the ganster emerging from a pilfered storehouse, wondering whether they were going to be allowed to get away with it. Notes of protest were written—lots of them—but action? No, neither the United States nor Great Britain was prepared for action—not even for the sort of demonstration in force which might have convinced the Japanese military that they could not get away with it, nipping in the bud the trends that ultimately led to war. Another foundation stone (the first was Mussolini's attack on Corfu) had been removed from the structure of international peace, and no effective step was taken to preserve that structure from eventually toppling.

After arriving in Japan in June 1932, some 6 months after the invasion of Manchuria, I spent the first 2 months sizing up the situation and Japanese psychology, and then I wrote on August 13 to Mr. Stimson, then Secretary of State, who had clearly recognized the danger:

"Such a national temper is always dangerous. The German military machine, supported by a carefully nurtured war psychology, took the bit in its teeth and overrode all restraining influences in 1914. The Japanese

military machine is not dissimilar. It has been built for war, feels prepared for war, and would welcome war: It has never yet been beaten and possesses unlimited self-confidence. I am not an alarmist but I believe that we should have our eyes open to all possible future contingencies. The facts of history would render it criminal to close them."

That was 9 years before Pearl Harbor. If, in the light of that warning, continually repeated during my 10 years in Japan, our country had been willing properly to assess the lessons of history; if our Government and people had been able to read and correctly to interpret the handwriting on the wall which was there for all to see; if in those intervening 9 years before 1941 we had built up and strengthened our military force and had created a two-ocean navy—which was just plain common sense—and had been in a position to tell the Japanese in no uncertain terms that the carrying out of their expansionist plans through aggression would not be tolerated—since they threatened not only our vital interests in the Far East but the security of the Philippines and our other possessions as well—might not a very different story have developed in the Orient? Might not even the Japanese military extremists—and there were plenty of intelligent leaders among them—have realized that they could not possibly afford to risk war with the United States? Might not the Emperor and the peace-minded elements in the Japanese Government have been given the support they so dreadfully needed, in the face of continual political assassinations, to curb the expansionist ambitions of the hotheads? I believe that history when all the evidence is available, will unquestionably corroborate this view.

But during those critical years, whenever our Government or clear-visioned men and women among our people, publicly advocated preparedness, shouts of warmongers arose all over our country. Speeches and articles by our isolationists and pacifists were prominently displayed in the Japanese press, often in banner headlines, so that the Japanese people, and especially the Japanese military people, assumed that the United States would be stopped by its own people from ever building up a military and naval force capable of fighting total war. In such circumstances, how could diplomacy, still our first line of national defense, hope to obtain a respectful hearing? Assurances were given, plenty of them, but concessions by the military were made with tongue in cheek. They were simply biding their time. Diplomacy was bankrupt. The lesson is there for all to read. History is prologue.

Let us remember that bullies do not attack the strong; they attack the weak. Let us remember the boasts of Hitler and Goering and Ribbentrop that Germany would bring England to her knees in short order, because England had allowed her military strength to disintegrate. They simply miscalculated the bull-dog tenacity and moral staying power of the Anglo-Saxon race, but it was touch and go all the same. The Japanese boasted that the United States, being militarily weak, could never survive the knock-out blow that was to be given at Pearl Harbor. Again, Japan miscalculated our tremendous potential strength. If another war comes, potential strength and bull-dog tenacity and moral staying power may not mean very much. Unless we are militarily prepared to act immediately, the play may be over before the curtain is half up.

Now a few facts about universal military training in an effort to meet honestly some of the honest doubts that assail the opponents of the plan.

First of all, what is universal military training?

Last year the President appointed a commission of nine distinguished Americans who made an exhaustive study of the problem, hearing hundreds of witnesses over a period of 6 months, and finally recommended the adoption of a plan for universal military training with a clear, strong, and unanimous conviction as an urgent military necessity. This recommendation was embodied in what has become known as the Compton report, named after the chairman of the Commission, Dr. Karl Compton, president of the Massachusetts Institute of Technology. It is available to all. That report is certainly required reading for every American citizen. It states the problem in clear, simple language, and answers many of the questions and doubts that have been raised. Briefly, the report calls for the establishment of a National Security Corps, whose personnel would undergo training in the various armed services, but who would not become members of the armed forces in time of peace. These trainees would not be soldiers. They would not be in the Army or part of the Army. They would be civilians under Army supervision for military training and under civilian guidance and counsel in nonmilitary matters.

Every young man on reaching his eighteenth birthday or, at the option of the individual, with parental approval, on his seventeenth birthday, would become a member of the National Security Corps and would receive 6 months of training in camp. Any youth who was still in high school or undergoing a similar course of study could be deferred until the completion of his studies or his twentieth birthday, whichever occurred first. Exemptions are provided for those physically unfit and in cases where induction would cause financial hardship. Upon completion of the 6 months' training in camp, the trainee would be required to participate in one of several alternative defense programs, to be chosen by himself so far as quotas might permit, the majority of which could be undertaken in connection with any course of study or occupation in which the trainee might be engaged in civil life. A civilian commission is to be set up to administer the program which would provide numerous safeguards for the moral and spiritual welfare of the trainee. The UMT experiment unit at Fort Knox has been widely publicized and is a living example of the plan in action.

A bill to establish universal military training is now before the Congress. It was introduced on July 18, 1947, and is known as H. R. 4278, sponsored by Representative TOWE, of New Jersey. Referred to the Armed Services Committee, it was favorably reported by the unanimous vote of 20 to 0. At the present time this bill is pigeonholed in the Rules Committee of the House and can be brought to the floor to be debated and voted on only by consent of a majority of the members of that committee.

By refusing to place universal military training on the agenda, the House Rules Committee is denying the representatives of the American people the right to vote on this vitally needed legislation. If they and the majority leaders from whom they presumably take their cue, persist in this high-handed and intransigent course, they may well become responsible for the downfall of a free nation.

Now, its cost.

It has been said that the cost of universal military training would be prohibitive. I have the figures here, officially issued by the War Department last year, giving the actual costs of World War II, as well as the costs of universal military training as estimated by the Compton Commission. Broken down, those figures indicate that the whole cost of universal military training for 1 year would be less than the cost of 7 days of war. Let that fact sink in. If universal military training, as we who support it earnestly believe, will prove to be a powerful deterrent to war, can we afford in such a case to be penny wise, pound foolish? Is a 2-percent premium—and that is what it would amount to—too much to pay for an insurance policy against war?

Would not another world war, in this age of science, be but a push-button affair in which trained manpower would be useless?

That hypothesis can be answered in a single, simple sentence. No country, short of surrender, can ever be conquered without physical occupation, and from what I know of the American spirit I don't believe that the United States is ever going to surrender to anybody. Our cities might be destroyed, our main industrial plants might be bombed out of existence, our protecting Navy might lie at the bottom of the ocean. But American soil would still remain, and when the enemy parachutists or the enemy marines or fifth columnists within our gates swarmed over that sacred soil, then, and only then, would come the show-down. With a great reserve of trained manpower ready to be thrown into the conflict, wherever and whenever it might occur, do you believe that push buttons—short of utterly annihilating our people—could possibly bring about the conquest of the United States? Or do you believe, with William Jennings Bryan, that when in case of war "a million men would spring to arms between sunrise and sunset," those untrained men could save our country? Alas, that comfortable philosophy no longer makes sense, if it ever did make sense. Experience has shown that the casualties among untrained men are appallingly greater. An untrained, undisciplined mob of thousands would be utterly helpless against a trained and disciplined force of a few hundred men.

Why should we not place our faith in the United Nations?

The answer to that question is equally obvious and simple. The United Nations is a body of tremendous potential power to guarantee world security and peace but, alas, as the political world is functioning today, that power has not yet been achieved nor is it likely to be achieved in the foreseeable future. Let us do everything that we properly and practically can do to help give the United Nations that power; the machinery is there; all that remains to be done is to make that machinery work effectively. But until the United Nations reaches a point of development where it can convince us all that it possesses the power, the ability and the determination to guarantee peace between nations it would, I submit, be the height of folly to let down our guard in the years ahead. Rather, let us strengthen that guard by every possible means if we expect to continue to survive as a Nation.

Why shouldn't the Regular Army take care of our defense?

The Regular Army can never be maintained in time of peace at sufficient strength to win a war. Voluntary enlistments will never be adequate, nor would our people stand for peacetime military conscription. UMT is not military conscription. The young men in training would not be soldiers. They would not be liable for any peacetime service in the armed forces. They would form a pool of trained men all over our country, available to protect our own communities in case of disaster at home, and available in the National Guard and the Organized Reserves if and when needed. Barring a national emergency declared by Congress, the whole project would be subject at all times to civilian control.

Would not UMT create the danger of militarism in our country?

Definitely, no. The character, ideals, and history of our people is the best answer to that question. In the aggressive-minded countries, militarily trained forces were built to implement prior plans for war as history has clearly revealed. In our country, no one wants war, least of all the 15,000,000 men who have served in the armed forces. The war veteran is our most sincere advocate of

peace for he knows the horrors of war about which the pacifist talks. He is the greatest proponent for universal military training because he knows that it is the best means of preserving peace. The major veterans' organizations are unanimously for it. A mercenary army can easily become the tool of a dictator. A people's army cannot be so used. Throughout the life of this Republic, we have had what is known as the militia in which every male citizen capable of bearing arms is charged with the responsibility of protecting his country in the hour of need. Let us not forget the minutemen of Lexington. Universal military training vitalizes and brings this doctrine up to date. Such training has not made militaristic states of Sweden, Denmark, Norway, Holland, France, or Switzerland. Our military leaders, such as Marshall, King, Arnold, Eisenhower, Nimitz, Bradley, Halsey, MacArthur, are not Junkers. They are Americans, believing in and practicing the American way of life. Military pomp has no appeal to these men nor to the American people. No general or admiral ever requested Congress to declare war, nor does the Army have the power to mobilize the Nation's Reserves. Only Congress can declare war or authorize the mobilization of military forces.

But is universal military training not still conscription, opposed to our way of life?

Our jurisprudence does not rest on a voluntary jury system. Our taxes are not based on a voluntary taxpaying system. Our educational system is compulsory. Universal military training would simply be compulsory education in self-defense and in the defense of home and country—a purpose much more significant in consequences than many other forms of compulsion. Men lie dead in Europe and the Pacific today because their fellow Americans were not trained in time or in sufficient numbers in peacetime to come to their assistance.

Interruption of education: Our GI's have answered part of that question. After long interruption of their academic education, they are back in schools and colleges with renewed determination to learn. Experience in the armed forces has whetted their desire for an education. They have seen the stern side of life. They are determined to face it courageously. They have responded with an earnestness and performance well above the peacetime average.

Time spent in military training is not lost. Anything that constructively employs the mind or body contributes to their development. In the business of military training, the field of leadership is wide open. The boy in training who shows leadership qualities soon becomes a corporal. He may have 10 men under him. He is responsible that they keep their living quarters in order, that they comply with sanitary measures. He leads them on the drill and training field. As a sergeant, he takes on additional responsibilities. There are few comparable opportunities in civil life for a youth of the same age to develop his latent leadership ability.

Not all men possess the qualities of leadership. But business, industry, and the professions and the armed forces are all crying for men who do. They are in great demand. They command high compensation in civilian life. Military training will not make a leader, but it will serve to develop one who has the basic qualities for leadership.

This training, too, would certainly contribute to civic consciousness. Civic irresponsibility is a major problem in our democratic way of life. Civic discipline is needed. The men trained under universal military training would supply it. In returning to school or college at the end of their period of training, they would make better students because of greater maturity and because of a greater incentive and eagerness to learn and to develop ability. This has been proven. Universal military training would make them better citizens with a better sense of responsibility and of the importance of teamwork in the community, and it would make them better men, physically, mentally, morally, and spiritually. Safeguards against moral looseness will be part and parcel of the plan, while religious opportunities will be amplified and emphasized. There are things to be gained in life over and above mere academic education.

Would universal military training cause international distrust?

The statesmen in whom this country has confided its representation in the United Nations and who have taken the lead in making that body an instrument of peace are unanimous in asserting that the very best guaranty of a successful United Nations is a strong United States. Demonstrated military weakness on our part now will definitely detract from the possibility of attaining permanent world peace through United Nations action.

Certainly the peaceful peoples of the world, especially the smaller, weaker nations, will feel much more secure if the United States remains strong militarily than if it does not. It requires little imagination to understand that.

We have repeatedly demonstrated our nonaggressive attitude and have proved our peaceful intentions. We have twice come to the rescue of victims of aggression by powerful nations, in our own interest as well as theirs. We have carried the banner of humanity in wars for civilization—the goal toward which we direct the progress of this Nation, asking nothing for ourselves but the right to live as we wish in a world of free and friendly neighbors. Who would come to our rescue if we were attacked and overrun?

No nation has cause to distrust our purposes, nor to believe that we want war or would provoke war. In the United States, universal military training would be a peace program, not a program for war.

Should we not devote to the building of planes and air power the money that would go for universal military training?

Planes and air power are absolutely essential in any program of defense. But air power alone cannot win a war or even guarantee the safety of our country from occupation by enemy forces. In the final show-down in any war, it will be trained manpower on foot that will either conquer or prevent conquest. Let there be no doubt whatever about that.

And, finally, the net result.

It is my considered view that universal military training, in conjunction with other elements in a comprehensive security program, may, even in the lifetime of many of us here today, mean the difference between the conquest and totalitarian enslavement of the United States on the one hand and, on the other, continued peace and a continuance of our democratic way of life.

All or Nothing

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 17, 1948

Mr. REED of New York. Mr. Speaker, I hope that those people who are urging the spending of $17,000,000,000 under the Marshall plan for European recovery and to prevent communism will examine carefully the amounts allocated to each of the various countries under the plan.

Under leave to extend my remarks, I am inserting the following copy of a broadcast made by Henry J. Taylor on January 16, 1948:

ALL OR NOTHING

Is the latest European recovery plan—calling for over $17,000,000,000—primarily an anti-Communist measure, necessary because civilization is at stake? How many people know that a third of the money goes to England? Let's hear some facts that affect us all.

I've been traveling around our country a good deal. In the last couple of weeks alone I covered several thousand miles. There's a feeling of frustration across our land about sending new billions abroad, regardless of how good our objective may be. We want to help Europe. But we feel we are getting a hooking, like a fish, all the time we're doing it.

From the workingman's viewpoint I think the reason why we feel this way is because we don't know what we're doing. We are not told honestly

We've already spent $22,000,000,000 abroad since the war. That represents a charge of $450 against every family in America. Yet do most of us know where that money went? We do not. Now, on the new $17,000,000,000, it's been a case of dig, dig, dig in the dark in the State Department, even to get the break-down of which countries get the money.

WE ARE ENTITLED TO KNOW

Yet who is more entitled to that information than the working people of our country, who pay the bill? We are at least entitled to know where the new billions go.

Let me give you a little background on this picture. When I was in Paris in September, while the 16 European nations were deciding among themselves what their shares would be, and were adding up the total under the direction of British Foreign Secretary Bevin, I had their figures showing what each country intended to get. But since I've come back to our country, the State Department has been insisting that it would be inaccurate to use those Paris figures in describing where the money would go, because the figures would be changed. They were not final. Wait and see, said the State Department, until the Marshall plan is finally and officially presented to Congress, and the appropriation is asked for. It sounded fair enough.

FIGURES UNDER WRAPS

But when the plan was officially presented on December 19, and the money asked for, even then the figures as to how much of our money the individual countries were to get were left out. I was unable to get these figures officially until last Saturday. Only then did the fact come out that a third of the whole $17,000,000,000 is slated to go to England—$5,438,000,000 to be exact. Only then was it revealed that $2,436,000,000 goes to little Holland.

Why were these figures kept under wraps? It's the same old story, I'm afraid, of thinking that the end justifies the means.

THE PROPAGANDA POLL

Here is what took place. When the State Department was getting ready to present its latest European recovery plan, the Department's publicity people took a private poll across our country to find out what the public's reaction would be. They quietly made a survey, for the Department's own propaganda guidance, on how best to present the plan to Congress and the people, in order to persuade us to take it and like it. What feature would have the biggest pull?

"STOP COMMUNISM" NOT SOLE MOTIVE

They discovered that the new $17,000,000,000 proposition would sell best if the whole thing were presented on an anti-Communist

basis. It would be most successful if it was offered as a means of forestalling communism in places where communism would otherwise spread.

Perhaps a sound case for spending this amount of money could have been made out. I doubt it. But I'm not sure, because those questions are very complex. But in any event, they did not make out a sound case. They chose their propaganda line and stuck to it.

Yet the argument was valid only in certain places like Italy. It had no application, for example, to the half billion they proposed to give to Ireland—which is about as little on the verge of voting Communist as any place in the world, and where western civilization is no more crumbling than it is in Saginaw, Mich., which was still standing intact when I left there last night.

PROPAGANDA MISLEADLNG

Nevertheless, you'll notice that the whole build-up of the presentation was on that anti-Communist feature—and on an all or nothing basis. This presentation simply did not jibe with the country-by-country figures I obtained in Paris. But as I said, the State Department refused to let the cat out of the bag.

After a series of huddles, the planners decided it was absolutely impossible for them to reveal, even in the official presentation to Congress, what countries would get the money. These figures were fundamental in constructing the 131-page plan itself. But to avoid completely crossing themselves up on their own propaganda, they had to toss the whole thing out in a lump total for all 16 countries.

WHO GETS THE MONEY?

Now, nobody thinks England is on the verge of voting communistic. For reasons like this, the list simply could not pass inspection. The vital question is, "Who gets the money?" That's what I spoke about on my broadcast January 12.

After that broadcast, telephone calls and telegrams began to come in from Washington, and from all across the country, because the people—and many Senators and Congressmen, too—had been in the dark about the simple truth.

"I've been invited to appear before the Senate Foreign Relations Committee and the Senate Appropriations Committee in Washington. I shall be very glad to do so.

AS NOW WRITTEN

Who gets our money under the plan as now written? In addition to what I have already said about certain items, let me give you the whole list tonight:

England, $5,348,000,000.
France, $3,701,000,000.
Italy, $2,913,000,000.
American and French zones of Germany, $2,499,000,000. (Now, that has a legitimate Communist angle.)
Holland, $2,436,000,000.
Belgium and Luxemburg, $1,419,000,000.
Austria, $713,000,000.
Denmark, $582,000,000.
Ireland, $497,000,000.
Greece (extra), $473,000,000.
Norway, $234,000,000.
Portugal, $150,000,000.
Iceland, $38,000,000.
Turkey, $18,000,000.

Sweden and Switzerland, praise be, asked us for nothing. They may, in fact, end up with a favorable balance, totaling $176,000,000.

Along with the International Bank's contribution, which is also, incidentally, 80 percent our money, that's where our hard-earned money is scheduled to go.

IMPROPERLY PRESENTED TO THE PEOPLE

Now, I ask you to look a little ahead. When the facts are fully exposed, I'm sure you will see that the State Department will switch away from the anti-Communist angle, as quickly as possible, and call in the military. We'll be told that the European recovery plan is cheaper and better than fighting another war—as if anything were not better than that, and as if $17,000,000,000 could save us from another war if Russia wants to have one. What an unfair and misleading choice for them to present to us.

The objectives of the Marshall plan are good. But there are great weaknesses in it as an actual proposal and commitment. Nor has it been properly presented to the American people. The air should be pumped out of it. The propaganda should be shelved.

I'm convinced that Congress, now getting the facts, and with more facts to come, will not pass the Marshall plan as presented. It will not approve the amount requested on an all or nothing basis. It will completely alter the proposed methods of administrating the undertaking—if it is undertaken at all.

We are all entitled to the facts. For all of us, every one of us, is called on to pay the bill in your land and mine.

QUESTIONS AND ANSWERS

CAN INDUSTRY STABILIZE JOBS AND INCOMES?

Question. What can be done to help stabilize the jobs and incomes of workers in production industries?

Answer. With new products and processes constantly displacing old ones, things are changing awfully fast. The constant change in customers' tastes and demands also complicates the problem of stabilizing employment and income in many production industries. These problems are affected by consumer or supplier practices, or customer habits. We all live a much more seasonal life as buyers than we realize.

Stabilization of employment is further complicated by many conflicting governmental and trade-union practices. However, progress is never made in any field simply by saying that nothing can be done. Within the area of management, much can be done. A good deal is being done. Furthermore, the possible benefits are more than worth the effort.

To the extent that management makes progress in employment stabilization within its own operations, in its own community, progress will be made across our land.

But there are two legal complications in the development of forward-looking plans and programs to stabilize unemployment and income. First, present tax laws make it difficult to establish and operate plans that naturally require setting aside reserves. These laws do not recognize such reserves as an ordinary operating business expense at the time they may be set up. Again, rigid provisions of the wage-hour law, with respect to the payment of overtime, severely restrict the possibility for employment and income stabilization for many companies.

We want a progressive, forward-looking economy. We want the best security we can muster. To that end, these laws should be modified so that they will promote and stimulate, instead of restrict, constructive management efforts toward employment stabilization.

A PRIMER ON AMERICANISM

Question. Is there such a thing as a down-to-earth, simple, elementary primer on Americanism versus collectivism?

Answer. There are very few clear, concise, good books dealing with the fundamentals and the human advantages of our country's unique economic system, which gives us the highest standard of living in the world. However, I've been reading a new and important book that fills the bill and costs only $1. It's entitled "Mainspring," by Henry G. Weaver. It's published by the Talbot Books Co., Detroit.' I found it fascinating reading.

Let me give you an idea of the author's approach. He says in the introduction, and I quote his words, "I realize that America is far from perfect, but in recent years the negative side has been so much overstressed that I make no apologies for concentrating on the doughnut instead of the hole."

I'm for that.

Address at Dinner of B'nai B'rith by Hon. Edith Nourse Rogers, of Massachusetts

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech delivered by me Monday, February 2, 1948, Hotel Statler, Washington, D. C., introducing Admiral Louis E. Denfeld, Chief of Naval Operations, at dinner of B'nai B'rith:

ADDRESS OF HON. EDITH NOURSE ROGERS, OF MASSACHUSETTS

Mr. Goldman, Admiral Denfeld, Colonel Niles, members and distinguished guests of B'nai B'rith, it doesn't seem quite possible a year has passed since your last annual dinner when you invited me to be your guest of honor. That evening 1 year ago was a memorable occasion for me and one of the great events of my life. It was at this annual dinner 1 year ago that your late distinguished leader and president of B'nai B'rith, Mr. Henry Monsky, praised my work for the veterans of our country.

Since this time 1 year ago you have elected a new president, Mr. Frank Goldman, of Lowell, Mass., to take up and carry on the wonderful work of Mr. Monsky. I cannot tell you how delighted I am with your selection. Mr. Goldman has lived in my city and his city of Lowell all of his life. We have known each other many years. We have been interested in many of the same activities. We have worked together and have accomplished many benefits for our city and Commonwealth. Today Mr. Goldman is one of the outstanding lawyers in Massachusetts; is a highly respected citizen and an honorable gentleman. You may call it local pride if you wish, but I want you to know all of us are very proud of Mr. Goldman in Lowell. We know his ability. We know his accomplishments. We know his leadership. We know his honesty, integrity, fairness, and untiring efforts to always help when help is needed. Under the leadership of Mr. Goldman, B'nai B'rith will march ahead for he brings to your great organization wisdom, reasonableness, consideration, courage, honesty, and fairness. Thank you, Mr. Goldman, for your fine tribute to me in your introduction. In reply I can say I am delighted you have the honor to be the leader of this great and fine organization. Our city of Lowell is proud of you. So is our Commonwealth of Massachusetts.

I am delighted you invited me to introduce your guest of honor this evening. I know that in spite of many thrilling and memorable events in his life that he too will look upon this occasion as one of the finest in his life.

As many of you here this evening know, I have had the privilege for many years to serve our disabled veterans. I am devoted to these men and their problems—these men who have suffered for the glory of their country—these men who have felt the bite of enemy's steel. I shall strive to help them so long as I live. Regardless of the service I have given, however, I want you to believe

me, ladies and gentlemen, when I say to you, I wish there were no veterans of any war. I wish mankind could have avoided war. I wish that mankind had sheathed the sword, a long time ago. I hate war just as all of you do. As we turn our faces and thoughts toward the future, however, we know most certainly that regardless of our hatred for war we must be completely prepared to meet war if it should come. We know we must be ready with every modern weapon and technique to resist and successfully meet the challenge of any foolish enemy resorting to war.

In the past during World Wars I and II, our allies were sufficiently strong to hold the enemy until the United States could get ready. Regardless of American efficiency a long period of time was required for the United States to reach the peak of its war potential both in industry and training. This brings me to a very important point. It is this: When the next war begins there will be no time for America to prepare. Our country will be in jeopardy and the enemy will be attempting to strike our great industrial centers and our Capitol in an all-out effort to suddenly destroy our war-making potential and force us to our knees. We will not have any precious months in which to prepare. We will not be able to make our plans then. My point is this, ladies and gentlemen: We must make our plans now, we must prepare now, if we are to be able to prevent the enemy from destroying our country. These are the days—today, tomorrow, and the next—when we should be preparing. This is the time and the only time we will have. These are precious hours.

The question arises how can we accomplish this necessary preparedness. I believe it is the duty of the free people in this great country, to demand that Congress provide the funds for strong, adequate, military forces.

Tonight we are honoring a great naval officer, so I shall invite your attention to what naval preparedness means to the security of this country. Don't be fooled or misled by anyone for selfish reasons trying to make you believe the day of the great navy is over. On the contrary, it is just beginning. Such foolish statements, and I have seen quite a number of them lately, if intentionally and seriously made, are vitally interfering with the Nation's security and are on the level of sabotage. Persons making such statements should not be permitted the honor of serving our country.

The Navy today is the country's first line of offense. The development of huge modern carriers, which can withstand any kind of an attack or bombardment, give the Navy floating air bases from which its airplanes can strike the enemy at any time, anywhere in the world. The fact these carriers can move from one place to another—that any number can be concentrated in a certain place or dispersed to several different places—provides the Navy with the method of concentrating power where power is needed.

When war comes the airplanes of the Navy's huge mobile air bases, constituting a completely organized fighting system, will be the first to strike the enemy. They will carry the fight to the enemy instantly. They will not have to capture bases first before they can fight because in these carriers the Navy will possess a completely organized mobile air base that is practically indestructible.

In addition, the Navy of the future will possess subsurface fleets able to inflict great damage on the enemy. The modern submarine can travel very deep in the sea and shoot at its target without coming to the surface. The important point is that due to modern invention it will not miss the target.

These great ships and airplanes which mean so much to the security of the United States are of little value in the planning stage or on the drawing boards. We do not want phantom ships. They must be real. They must exist, fully equipped and completely manned. This is preparedness.

To be prepared, however, costs money. It is very unwise for the Congress to limit the necessary funds to provide adequate military strength because of politics or trumped-up duty elsewhere. We must first be certain of our own security. We must be able to protect our country and our freedom, or we will lose both. The Congress needs your support and the support of all patriotic citizens throughout the Nation. With such support, I believe that sense, rather than politics, will prevail.

The guest of honor tonight is a naval officer of vast experience. He has served on every type of naval ship. He has been in command of both surface ships and submarines. He has commanded destroyer divisions and battleship divisions. In the First World War, as a young naval officer, he was attached to a destroyer force operating in the North Atlantic. In World War II his flagship, the *Wisconsin*, operated in support of the Okinawa landings and participated in shore bombardments of Hokkaido and Honshu, of the Japanese home islands. In addition, he has held a number of top positions in the Navy Department, such as Chief of Naval Personnel and Deputy Chief of Naval Operations. He knows the sea and knows the problems of a fleet fighting at sea. Likewise, he knows the business of naval operations.

I have known the guest of honor and his charming wife for many years. His professional ability as a naval officer has been demonstrated in his excellent performance of duty in the most responsible assignments in the Navy. His complete fairness in dealing with complicated issues is outstanding, while his understanding of people with his ability to properly evaluate the human element involved in decisions is a remarkable quality. His consideration of everyone from seaman and office boy, to flag officers and the most distinguished individuals with whom he has personal contact, illustrates his friendliness and warm human quality. He shoulders a great responsibility, but he is equal to the job which must be accomplished.

Ladies and gentlemen, I have the high honor to present to you, a veteran of three wars, one of the most distinguished sailors in the history of the United States Navy—possessor of the Legion of Merit, the Distinguished Service Cross, and other decorations—the Commander in Chief of the United States Fleet, the Chief of Naval Operations, Admiral Louis E. Denfeld.

ADDRESS OF ADMIRAL LOUIS E. DENFELD, UNITED STATES NAVY, CHIEF OF NAVAL OPERATIONS

I am very much honored at being introduced by so charming and distinguished a lady as Mrs. ROGERS. It was my privilege last year to join you in tribute to her, and I welcome this opportunity to express once again my admiration of her outstanding accomplishments. I know of no one else who has the interest of millions of veterans more at heart, or who is working with greater vigor, determination, and wisdom to insure them the happiness they so richly deserve. I wish her every success in her continuing efforts to make the United States an even better place in which all of us may live.

I feel very strongly that it is the membership of B'nai B'rith, and not myself, who should receive the plaudits tonight. Few organizations contributed as much as yours during the war to the comfort and welfare of naval personnel. I wish everyone could hear of your Serve-a-Ship program. I wonder how many people know that the officers and men of over 800 naval vessels were beneficiaries of that program? The radios, games, musical instruments and dozens of other items you gave did more than fill up the idle moments of fighting men and make life at sea a little easier—they helped to win the war. The checker game that relaxed a man on the eve of battle enabled him to shoot down a suicide plane and save a ship. Multiply that instance a thousandfold and you will have an idea—but still only an idea—of the value of your contribution.

I am glad that Col. Eliot Niles is here tonight, for as originator and director of the Serve-a-Ship program, I want to thank him publicly for all he has done. I remember that while talking to him sometime ago about those 800 ships the B'nai B'rith helped to outfit, he remarked, "Admiral, if you fellows had let the war go on a little longer, we would have taken care of every ship in the Navy." Now that would have been a pretty large order because at the peak of our wartime strength we had over 7,000 ships in commission. But with all the vigor and determination Colonel Niles possesses, I'm not sure but what he would have made good his promise if we had given him half a chance.

It's difficult for me to talk of the Navy's welfare and recreational programs without mentioning the men whose time and energies are largely devoted to supervising and furthering them. I refer, of course, to the Navy Chaplain Corps. I doubt if there is an officer or man in the Navy or Marine Corps who cannot tell you of at least one instance in which a chaplain contributed directly to his mental, moral, or spiritual welfare. Our ministers, rabbis, and priests are as much a part of the Navy as a captain in command of a ship—and just as important. We want to strengthen our Chaplain Corps and bring it into even greater prominence, for the men and women who serve in the armed forces today are self-respecting, honorable, and proud, and they are entitled to the same spiritual guidance and comfort as other young Americans. Only with the help of chaplains in all branches of service, can they continue to be mentally, physically, and spiritually equipped to resist successfully any threat to this country's freedom.

I know all of you are interested these days in the general state of efficiency of the armed forces and their ability to defend the United States against attack. The world situation is far from what we would like it to be, and even though we continue to plan for peace we can't overlook the possibility that another emergency may arise. We hope we will never have to go to war again, but if we do we want to be prepared. We were caught short twice before, and suffered badly as a result. Today, with all the new weapons that science has invented, we can hardly afford to get ready after hostilities have commenced. We might lose the war before we were even ready to fight it.

The various branches of the armed forces are now down to their normal peacetime size. The Navy went from a force of over 3,000,000 officers and men down to one of approximately 42,000 officers and 350,000 men. As I said before, we had over 7,000 ships at our peak wartime strength. Today there are approximately 300 combatant types on active duty.

Fortunately, we are a little better off than these figures would indicate. For one thing, we have 2,400 vessels in the reserve fleet, berthed along the east and west coasts. For another, we have more than 900,000 officers and men in the Naval Reserve, and we hope to increase this figure in the near future to the full 1,150,000 authorized by Congress.

The ships and personnel we have in reserve constitute a safety factor which increases our strength considerably. If we could put them into action at the drop of a hat we wouldn't have much to worry about, but, unfortunately, this isn't possible. The ships have to be made ready for sea, trained crews have to be put together to man them, and aircraft and pilots have to be provided for our strong air arm. This could take from

3 to 9 months, depending upon circumstances.

Because of this anticipated delay in getting the reserve forces mobilized, our emphasis is placed upon keeping the active fleets ready to go. We have stripped our shore establishments of all the men they could spare, and put them aboard ships on active duty. This enables our fleets to operate at nearly full strength. We are also giving them priority in essential equipment. We want the forces available today to be ready to go, and without a moment's delay.

Those of us in the Navy fully realize that somewhere between considerations of national economy and national security a proper balance must be struck. We don't want to place an additional load upon a taxpayer who is already overburdened. At the same time, we share with the other armed forces a responsibility to protect this country against attack. The best way I know of to insure that neither security nor economy suffer at the expense of the other, is to give the public all the facts pertaining to both.

The Navy in its present size is a mobile force for taking care of our commitments in the Mediterranean, the Far East, and other parts of the world, and guarding our vital trade routes. But it is still a force capable of delivering powerful blows. We learned during World War II that the fast-carrier task force is one of the most effective ways of hitting an enemy hard and often, and our peacetime Navy is built largely around the carrier. We have two main fleets, one in the Atlantic and one in the Pacific, and each of these contains all the air, surface, submarine, amphibious, and supply units necessary to a balanced Navy.

I should like to stress the word "balanced" in talking of the Navy, because unbalanced naval forces are nearly as ineffective as none at all. It used to be that a Navy consisted of surface ships and nothing else. The submarine and airplane have changed all that. It was first thought that the submarine and then the airplane would do away with the need for surface ships, but to the surprise of everyone except Navy men, it turned out that they only helped the surface ship do even greater damage. Most of you probably remember the last few months of the war, when our battleships approached to within a few miles of the Japanese coast and dropped 16-inch shells into many vital targets. They wouldn't have been able to do that if carrier-based aircraft hadn't first swept the skies of enemy opposition, and destroyed planes on many fields in Japan. At the same time our submarines were lying just off the Japanese ports and sinking vessels loaded with imports essential to the enemy's war production. Seapower is no longer expressed by surface ships alone, but by aircraft, submarines, and surface ships all trained together and acting together to defeat the enemy in any part of the world.

Germany made a great mistake when she tried to win control of the Atlantic with submarines alone. Her Navy was a prize example of an unbalanced naval force. If she had had the surface ships and carrier-based aircraft to back up her submarines, she would have given us a bad time of it. As it was, her efforts were foredoomed to failure.

I can assure you that we are not going to make the same mistake. We have a well-balanced Navy today, and we intend to keep it that way.

The same principle of balance which is so important within the Navy, applies equally well to our entire defense establishment. The Navy is only one member of a team composed of the armed forces of the United States. No one member of the team can win a war by itself. Each must coordinate its efforts with those of the others. This becomes even more important as science devises newer and more effective weapons of warfare.

A much needed step to facilitate and further the coordination between the various branches of the armed forces was taken with the passage of the National Security Act of 1947. For the first time in our history we have a closely integrated defense organization, and we can't help but benefit by it. I had a chance to see unification work out in the Pacific, just before returning to Washington this time, and I was deeply impressed. At my headquarters at Pearl Harbor I met with representatives of the Army and Air Force at least once a week. During those discussions we talked over each others problems and decided how we could best act together to overcome them. We always knew each others viewpoint and there were no secrets kept from anyone. As a result, we were able to accomplish much more than we could have by acting independently. We not only obtained greater economy, but greater efficiency as well.

I am glad that as Chief of Naval Operations I will have the opportunity to do even more to further the spirit of unification. Only with closely knit and well-balanced fighting forces can we hope to safeguard our freedom.

The Navy is not just ships, planes, and submarines. It is a group of men—skilled, alert, and intelligent young men—who are trained in the ways of the sea and who use whatever tools are at hand to do their job. Yesterday they used machine guns, torpedoes, and shells to accomplish their mission. Tomorrow they may use rockets, jet-propulsion, and atomic energy. Whether or not they always have all the tools they need depends entirely upon you and other Americans. I said before that a well-informed public was our best guaranty that our national security would never be jeopardized. In line with this, I intend to see that as much information as possible about the Navy continues to reach the people of this country. There are certain things we can't talk about, but there is much that we can tell you. When you understand the job the Navy would have to do in the advent of another emergency, and realize how many men and how much equipment it would take to do that job, there will be no question in your minds about spending the money necessary for national defense.

I wish more people and more organizations would display the same interest in the Navy and its personnel that B'nai B'rith does. It would make our job a lot easier. I know I speak for every officer and man of the naval service in thanking you for all that you have done, and continue to do, for them. The type of public-spirited and patriotic action you demonstrate, be made our country the great Nation it is today. It is this same type of public-spirited and patriotic action that will enable the United States to remain always a great, free, and proud Nation.

End the Steel Famine

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Harold J. Ruttenberg, from Harper's magazine:

END THE STEEL FAMINE

(By Harold J. Ruttenberg)

(Harold J. Ruttenberg is probably the only man who has seen steel from three points of view: Management, union, and government. He was research director of the steel workers' union, then an Assistant Director of the WPB Steel Division, and now is vice president of the Portsmouth Steel Corp.)

The Marshall plan, now creeping slowly for lack of grain, will be stopped cold this year for lack of steel. While the politicians can temporarily get some people to eat less and get everybody to pay the same price for a smaller loaf of bread to launch the Marshall plan, they can't do that with steel. Workers won't vote themselves into unemployment and industrialists won't vote their companies into the red by shipping the steel abroad that they need at home to provide jobs and profits. An Emergency Food Committee can appeal to Americans' inherent humanity in 1947, but an Emergency Steel Committee in 1948 would only draw boos from the Nation's workers and a sit-down strike from the industrialists. And the politicians would support both—witness their present outcry against exporting steel pipe that their farmer and oil-company constituents are short of because there is not enough steel capacity in America or the world.

This persistent steel shortage has the big names of the large steel producers dizzy. For the past 2 years they have semiannually predicted the end of the steel shortage in 6 months, only to find it persisting at the end of each 6-month period since VJ-day. Now they give the steel shortage two more years of life. Is their new prediction any more trustworthy than their previously discredited ones?

Gen. George C. Marshall saw his military plans delayed at the war's start for lack of steel. Is he also going to see his peace plans delayed for lack of steel? I say that he will. The American Iron and Steel Institute and its big names from its big-company members say, "No." Which counsel should the general and America heed?

But, you may ask, isn't the whole controversy about the adequacy of steel capacity settled anyway by the industry's announcement of a billion dollar expansion program? Unfortunately not, because, as I shall reveal later, this announcement carried in newspaper ads is a phony.

At times like these the record is always a valuable thing to examine. These prognosticators of the American Iron and Steel Institute, to be sure, are the same men who "out of 40 years of personal, practical experience in the steel industry" predicted that there was enough steel in 1941 to fight the war; who contended during the war that the new steel capacity under construction would not be finished in time to help win the war; and who prognosticated that building steel capacity to over 90,000,000 tons a year would result in ever so many idle steel plants in the postwar era. I shudder to ponder where our economy and the world would be today if we did not have the 10,000,000 tons of pig iron and 14,000,000 tons of steel capacity that were built during the war.

Why have these men of such great practical experience in steel been so wrong on steel capacity? Old Andrew Carnegie could tell them. One has to know more than the steel industry to know whether and when there is enough steel. This is a basic question of world-wide economics and international relations. The present steel crowd lack the insight of their greatest predecessor, the venerable Andy Carnegie. In fact many of them are quick to point how little old Andy knew about steel, and his knowledge of steel was limited. But his success grew out of his profound knowledge of the relationship of the iron and steel industry to the economy as a whole and to the world. It is here that the current-day leaders of steel are demonstrating their abysmal ignorance in public, and have been doing so since their Gano Dunn reports of early 1940 (which discounted the need for additional steel capacity)—reports so obviously shortsighted that even an insignificant research director of a steel labor

union knew they were dead wrong, and said so.

Two personal experiences are revealing. After I had had the benefit of a year as a top official of the steel division of the War Production Board, I freely said that the postwar world would use all of our steel capacity (so greatly expanded during the war) and still cry for more. The president of one of the largest steel producers warned me that I was going to look silly for making such loose statements. I replied, "yes, but if I'm right, look how much more silly you are going to look."

"Not a chance, boy, not a chance," laughed this man, who said steel would be lucky to run at 70 percent of capacity after VJ-day.

After I became vice president of one of the country's integrated steel producers, I spent an afternoon in this president's office. "How do you like the steel business, Harold?" said he.

"Fine, just fine," I replied, "but what happened to your 70 percent forecast?"

"I was right about steel, but I didn't fully take into account all the outside factors," he answered. This steel firm head is beginning to understand what was old Andy's chief stock in trade.

Experience No. 2. The War Production Board Steel Division is trying to perpetuate itself, and so far has succeeded. At its second annual reunion in Pittsburgh last May I was eating lunch with a dozen of my WPB associates including two of its former directors who are steel company presidents. With us was an ex-college professor turned personnel man. He was talking about broader steel items than prices, the demand for stainless, and rails.

"What we need, and nobody has yet done," he said, "is a definitive statement of our industrial culture."

"What's that?" he was rudely interrupted. And another brilliant mind chirped, "How much does it sell for a ton?"

I did not join the belly-laughs, but looked at each tormentor of the ex-professor.

Too smooth over the wisecracks, a steel man of 40 years' experience asked "What do you mean by industrial culture?"

The tormented man went on and he sounded a little like Lewis Mumford, whose Technics and Civilization ought to be required reading before anyone is allowed to learn about steel metallurgy.

"Very interesting. I never heard it called industrial culture before," replied the man with 40 years of steel experience.

But fully 40 years before, old Andy had given speeches and written articles and books about (and even given money for) things that had to do with a culture that was being radically changed by the industries that these how-much-a-ton fellows manage.

The mere fact that a man has 40 years of practical steel experience behind him does not qualify him as the supreme judge of the adequacy of his industry's capacity. These men whose foreheads are wrinkled with years of steel experience were wrong in 1941 not because they didn't know steel, but because they lacked the imagination to envision the insatiable appetite for steel of a total war. Yet an historical knowledge of what the Civil War did for our then struggling iron industry, of how the Spanish-American War brought our budding steel industry to maturity, and of how short we were of steel in World War I led me to the obvious conclusion that there was not enough iron and steel capacity to wage a new world war that was to make a rehearsal of its predecessor. So I ventured the assertion that our 1940 steel capacity was inadequate, and campaigned through the CIO and the Truman committee to expand it before Pearl Harbor. Steel and iron facilities were not only expanded during the war, but enough of them were completed to help win the war.

I urge General Marshall, whose military plans were delayed by the well meaning but shortsighted leaders of the steel industry, not to be misled again by the same type of best-intentioned shortsightedness. There is just not enough steel capacity to carry through the general's peace plans and also operate our own economy adequately.

I would like to ask my fellow steel executives how many automobiles, tractors, and tin cans our economy would be producing today if our steel industry were without the iron and steel facilities built during the war. And also whether we would have over 60,000,000 jobs today if we could produce only 75,000,000 tons of steel ingots instead of the present 85,000,000 tons?

The 60,000,000 job debate just before war's end sheds light on the current steel-capacity debate. The 60,000,000 jobbers (I was one) said that (1) unless the Government did so and so, plus several other things, (2) 60,000,000 jobs could not be created in the postwar years. The opponents said that (1) no matter what is done by Government or anybody else, (2) 60,000,000 jobs were a pipe dream and could not be achieved in the immediate postwar years. Both were wrong. The program of action so essential to get 60,000,000 jobs was not adopted, yet the 60,000,000 jobs that could not be furnished are with us today.

Why? I don't pretend to know (for sure), but I suspect that the answer lies in the same factors that are causing the enduring postwar steel shortage which has every promise of persisting.

When I was in Washington I had access to reports and people who knew what was happening to the steel industry in other countries. They were unanimous: While the United States produced 43 percent of the world's steel in 1940, after the war she was going to have to produce well over 50 percent of it. This, combined with a little historical look at our own economy, led me to the forthright conclusion that after the war the steel industry would be in for a boom that would make the industry's heads dizzy. And they have been seen to appear dizzy in recent months.

I recently heard one of the more publicized large steel company heads ask, "But what will we do with the new capacity 2 years from now?" I remember hearing him ask during the war, "What will we do with all this new capacity after the war is over?"

II

A brief historical look at our domestic economy reveals that it has been starved for steel for almost 2 decades. In the thirties the railroads didn't rebuild and the people didn't buy the cars they could have operated if they had had the income to buy them. The economy was depressed. In the farmer's case, there was underconsumption of steel going back 10 more years as their depression, we all know, began in the twenties. When they were coming out of the depression in the early forties and industry began to recuperate at the same time, along came the war that kept them from buying the steel they then had the money to buy.

I recall the plaintive plea of a steelworker: "In the thirties I didn't have the money to buy a car; now in the war I have the money but I can't buy a car." I wonder if he is among the millions still waiting for his car to be delivered 2 years after the war's end.

What comfort does he get when he hears Henry Ford II say, "The steel industry does not have the capacity to make all the steel that many of us desperately need and want"? How does he feel when he hears his SOHIO broadcaster say that there will be a petroleum shortage because there is not enough steel pipe for transmission lines? Will his coldness or pocketbook be relieved any this winter when he will be idle or shy of dividend checks because manufacturing plants will be closed or curtailed for lack of gas caused by inadequate pipe lines that could not be enlarged for lack of steel pipe? An industry trade journal reports, "almost 6,000,000 tons of steel is needed in the next few years to make the 27,220 miles of pipe lines which are to be built."

Farm fence is even a more revealing example. In 1947 the steel industry shipped over 350,000 tons of fence to keep cattle, hogs, and chickens penned in before marketing. And the demand is getting farther and farther ahead of supply, because the farmers are fencing in the fields they couldn't afford to fence during the twenties and thirties and couldn't get the fence for during the war. Furthermore, as farming becomes more specialized, fields within fields are being fenced. It will be well into the fifties before the farmers' demand for fence drops to the level of supply.

Idle automobile plants—for lack of steel—are daily headlines, and these will persist. General Motors' head sees automobile demand holding at capacity for several years. Car production is not even replacing normal obsolescence, let alone filling the gap caused by 4 years of no automobile output. And I believe that America will be able to support 10,000,000 more vehicles on the road in 1950 than it had in 1940. There is just not enough steel capacity to fill such domestic needs.

The conclusion is overwhelming:

When you combine (1) a big industrial nation like ours that has been starved for steel for almost 20 years, with (2) a world whose steel industry has been decimated by a war, which (3) created an unprecedented postwar need for steel, a steel boom and shortage seems inevitable for the only country that suffered no physical damage in history's most destructive war.

"But where's the money coming from? Who is going to pay the bill for all these exports?" is the present plea of those practical industrialists who said their combined industries could not give jobs to 60,000,000 gainfully employed.

General Marshall has already answered this question. In the forepart of 1947 our exports were running around one and a quarter billion, against imports of around a half a billion. This is a $750,000,000 monthly deficit, and herein lies a basic contributing factor to America's current prosperity. Cut exports down to the level of imports, and there may be enough steel in due time, but there won't be 60,000,000 jobs. A steel surplus can be created quickly by severing America from the world, but America can no more live so severed than an amputated arm. The domestic economy is being primed (yes, this is pump priming) at the annual rate of $9,000,000,000—far more than the great F. D. R. ever dared do. And General Marshall has made it clear why America has no other defensible alternative.

Steel is making around 85,000,000 tons of ingots this year, which is about all its present facilities will do despite their theoretical capacity of a little over 91,000,000 tons. More than 10 percent is being exported as steel products, and half again as much in the form of cars, trucks, tractors, and other essentials made of steel that the world needs. This is over 12,000,000 tons of steel ingots a year—one "whale" of a lot of steel is being exported directly and in fabricated form even before the Marshall plan is started. And these exports can no more be stopped than can the exporting of wheat. Like it or not, the United States is the hub of one of the two worlds on our planet today, and she is going to have to keep her world going with steel and wheat and dollars and a lot of other things.

Last April I said in the pages of Life magazine that the United States cannot meet domestic and world steel needs with 91,000,000

tons of capacity and called for "a steel industry that can produce 100,000,000 ingot tons of steel a year * * * now, not in 1950 or 1955." I also advanced the idea that higher steel prices would make it profitable enough for the industry to finance this expansion out of its profit dollar after taxes. But United States Steel, the price leader, was afraid to raise prices enough even to cover cost increases, let alone enhance profits, and the public seems to approve high profits for other industries but feels that somehow steel profits are sinful. This is a dangerous attitude for a people who are living in the steel age.

Charley White, the lanky, tireless heir to Tom Girdler, in opposing steel expansion, argues that new facilities cost so much today that the steel produced in them would have to sell for $20 a ton—a cent a pound—above present levels. Instead of being a reason for not expanding steel capacity, this is a good reason for raising both steel prices and steel capacity. Are steel profits too high? Look at United States Steel. In 1937, no excessive profit year, United States Steel netted $95,000,000, since when the value of the industrial dollar has dropped at least 40 percent. To earn the same profits in 1937 dollars would take $158,000,000 in 1947. United States Steel netted around $130,000,000 last year. A cent-a-pound increase in steel is a small enough price to pay for 10,000,000 additional tons of capacity, and—with Phil Murray's CIO steelworkers' union hot in pursuit of a just share of corporate earnings—will not unduly raise steel profits.

The big names in my industry publicly disputed my pleas for steel expansion last spring, and my steel friends said I would be the laughingstock of the industry by Christmas. Now that Christmas 1947 has come and gone, the end of the steel shortage has been postponed not for another 6 months but for all of 2 years. And in 1949 it will be postponed still again—unless there is cyclical recession. It will take a real depression to bail the big names' prediction of sufficient steel capacity out of the bucket. My steel friends did not laugh at me this Christmas, and by the coming Christmas they be in the throes—for better or for worse—of another great iron and steel expansion.

III

But are they not already expanding steel capacity by $1,000,000,000? This belated expansion announcement is a phony, and I will tell you why. It provides for only 2,500,000 tons of ingot capacity, while 4,500,000 tons of capacity have been abandoned since VJ-day.

By far the largest part of the $1,000,000,000 is for finishing mills, not the much-needed raw steel and iron-producing facilities. The big sheet producers are greatly expanding cold rolled sheet mills, whose product is more profitable than hot-rolled sheets. Most of the steel for these new cold-rolled mills will come from hot-rolled sheets. This will give the country more cold-rolled sheets, but it won't provide any more steel over-all—just a case of robbing Peter to pay Paul.

When this $1,000,000,000-expansion program is completed the industry will be lucky to be able to make 90,000,000 tons of ingots a year. The domestic and world need is clearly for a hundred-million-ingot-ton American steel industry.

Lastly, virtually all of this billion-dollar program was under way last spring when the American Iron and Steel Institute was using its annual spring reunion as a sounding board for its big names to tell America and the world, that are short of steel, that our steel capacity is adequate. A few weeks later, on June 19, 1947, Wilfred Sykes, president of Inland Steel, the official institute spokesman, told a Senate committee, "I believe we are going to have real relief—from the steel shortage—by the end of this year."

The next scene was in mid-September before the same Senate committee. Then Mr. Sykes and his fellow big steel company presidents gave the steel shortage two more years of life. Whereupon the case for expanding steel capacity, underlined by the Marshall plan, could no longer be denied. That is when the institute announced the billion-dollar-expansion program, and backed it up with paid advertisements.

The program is a phony because (1) it is largely devoted to rounding out finishing facilities; (2) when complete it will still leave us close to 10,000,000 tons below the needed annual capacity of 100,000,000 ingot tons; and (3) it was all under way last spring when the institute argued publicly against steel expansion. True, the industry is spending a billion dollars, but it is primarily to round out its finishing facilities and not to expand its basic capacity.

It is the latter that is so urgently needed, and I have a practical suggestion to get this steel capacity debate off dead center and to start to build more blast furnaces, steel works, and the necessary raw-material facilities behind them.

Before getting into this suggestion, however, there is one alibi and one dumdum argument against expansion to be waylaid. The alibi: If it were not for the 18,000,000 tons of ingots lost in the past 2 years because of strikes, there would be few complaints about the steel shortage now. As long as the leaders of the American Iron and Steel Institute contended that the steel shortage would be over in 6 months, this point had some weight. But now that they give the shortage two more years to run, it loses its force. Eighteen million ingot tons is 10 weeks' production, and if we had this steel we would be 10 weeks closer to the end of the steel famine. Too bad that we lost this tonnage, but its loss is hardly reason sufficient to claim that the steel shortage would now be over if we had not lost the 18,000,000 tons (incidentally, an exaggerated figure).

During the war, the last straw which the anti-steel expansionists grabbed, ran something like this: It takes 1 ton of steel to build 4 tons of capacity, and since the new capacity won't come in for 18 to 24 months, this 1 ton should not be diverted from tanks and guns. I was one who had to contend with this argument during the war, and it did stop some expansion and delay most of the rest. The facts are accurate. Current steel consumption has to be sacrificed to get more steel tomorrow. In the war we wisely decided to slow down the armament program to get more steel later, and it paid off. Whether this should be done again in the current situation is clearly a matter of judgment. Mine is to repeat the wartime performance, and I believe any steel sacrificed today to get more steel tomorrow will pay off in large dividends to our domestic economy and foreign policy.

IV

If old Andy Carnegie were living today, he would go ahead and build a half dozen more blast furnaces and a score more open hearths, and he would make another fortune selling the products of these furnaces. But he would have to contend with taxes that did not hinder him in the last third of the past century. And these Federal taxes are a real hindrance.

So I have a practical proposal to make. Uncle Sam should give some assistance to us poor steel producers to help finance the expansion of iron and steel facilities. Out of every dollar in profit we make today, we have to pay Uncle Sam 38 cents. It costs millions to build iron- and steel-making furnaces, and especially now these facilities are costly to erect. Any money we spend on them must be capitalized, which means that Uncle Sam leaves us only 62 cents of each profit dollar for such purposes. I say that Uncle Sam should let us use the full profit dollar to finance expansion, and not just 62 cents of it.

Here is how the proposal would work. It should apply only to primary expansion, such as coke plants, iron ore and coal mines, blast furnaces that make pig iron, converters and open hearths that make steel, soaking pits that preheat steel for rolling, and basic rolling mills such as blooming, slabbing, and billet mills. These are the new facilities that cost so much and without which finishing facilities are of little value. The cost of all primary facilities enumerated above should be treated the same as operating expenses, but the cost of finishing facilities should be treated as capital expenditures, as is the present practice. This proposal should be effective with all primary expansions begun since VJ-day and continue for all others undertaken within 6 months after Uncle Sam gives the go sign.

I specifically exclude finishing facilities, for which most of the billion dollars is going, because they increase a company's earning power so quickly, and are now capable of rolling over 100,000,000 tons of ingots a year. The industry is already expanding these facilities still more. The trouble is that they are not being backed up with the necessary raw iron and steel. At the Portsmouth Steel Corp. we are spending around $2,000,000 on new finishing facilities to increase our earning position. The other companies are doing likewise, especially with cold-rolled sheet and strip mills. But we at Portsmouth hesitate to build another blast furnace which we could use, and to a large extent this is true of the other steel producers. A major reason is the high cost of new facilities, which can be overcome by Uncle Sam letting us write them off fast. Beware of the proposal to accelerate the depreciation of existing facilities as this would freeze out the new fellow. Only newly built facilities should receive accelerated depreciation treatment by the Federal tax people.

It may be sounder to finance basic primary iron and steel facilities out of new investment money. Some of it will be done that way, as in the case of Wheeling Steel's recent bond issue for coke- and iron-making facilities. But this is the exception. Uncle Sam needs to step into the breach and provide an incentive to expand these costly primary facilities.

I say that a new 3-year amortization plan will end the steel capacity debate and lay the foundations for a hundred-million-ingot-ton steel industry by 1949–50. Tom Girdler may doubt that there will be a need for this increased capacity in 2 years, but he was wrong about the new capacity built during the war, and he can be wrong again.

Up to mid-September the American Iron and Steel Institute stoutly rejected all thought of expansion. Then, as I have shown, it announced that a few companies were expanding basic steel facilities to the extent of 2,500,000 ingot tons.

This public reversal would seem to indicate that some of its leaders are getting mixed emotions about expanding. But they are full of fears; first, that new facilities cost too much; second, that there may be no demand for the steel once the new facilities are completed. Here is an opportunity for Uncle Sam to give the steel industry some tax encouragement, and tip the scales in favor of making America a hundred-million-ton steel country by 1950.

The Place of the Retired Officers in American Life

EXTENSION OF REMARKS
OF

HON. WILLIS W. BRADLEY
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. BRADLEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me before the biennial convention of the Retired Officers Association, at the Mayflower Hotel, Washington, D. C., February 14, 1948:

Brother officers, today I have the rare privilege of talking to a group of Americans of which I am one from the triple viewpoint of a citizen, a retired officer of the Navy and a Member of Congress. It may be that will not agree with some of my observations but I assure you that they are sincere, friendly and intended to be helpful.

Let me commence by stressing the value of an association such as this. It is worthwhile from many angles. The individual retired officer is not likely to have much influence either in the righting of grievances or in moves for the betterment of retired officers as a whole. The saying "In union there is strength", is truthful not only in the operation of a ropewalk, wherein fibers of hemp or manila are brought together to form a hawser capable of towing a heavy ship, but also in almost every walk of life as we know it today. You may never use united strength to obtain additional benefits, but you may need it to protect some of the things you now enjoy—to protect them from sudden flurries of ill feeling caused by such an unfortunate instance as occurred recently in connection with retirement benefits for physical disability. Standing together—with a calm hand at the wheel—it is likely that you will weather the tempest without disaster. Standing alone—without an authorized spokesman to present your side of the picture—you might well be damaged so heavily that homes will be lost, children compelled to leave school, or other near-tragedies come upon you or your family.

You have built up a worthy and a worthwhile organization in the Retired Officers Association. Many of you have been in it from scratch—some 19 years ago—and you have reason to be proud of your handiwork; to be gratified by accomplishments of the past, and to be happy at the opportunities for service which are ahead. And here let me stress, my friends, that I use the word opportunities, in so far as the future is concerned, for much that you may accomplish will be due to conscientious efforts on the part of this association. We in America seldom give something for nothing. I wish I could say that we never give something for nothing, but that would not be true for there are times when a totally unexpected legacy from some unknown relative drops into the lap of a surprised heir. The retired officer, however, will be wise indeed if he expects nothing more than he has earned through service to his country.

There may be some who feel that you are supporting a lobby in Washington and that it is neither proper nor ethical to do so. Perhaps I can put your minds at rest on certain aspects of this situation since I deal with these so-called lobbies nearly every day.

We all realize that the officials of this association are retired officers of the armed forces and are bound by the usual regulations of those services. You cannot properly use this association to put pressure on the Congress, or on any other governmental body, in behalf of your members. You can, however, quite properly, utilize this association, and its officials, for the purpose of explaining the needs of retired officers to the Congress. You can, quite properly, endeavor to justify or oppose proposed legislation when it is in the formative stage of committee hearings. You can, quite properly, present requests of individual members to governmental bureaus or agencies, or offer resolutions adopted by your board of directors as the reasoned conclusions of retired officers as a whole.

And here let me mention lobbying activities around the Congress as I see them. A proper lobbyist, more correctly called a business representative or business agent, is a valuable man both to his own employers and to Members of Congress. An improper one is a nuisance and an obstruction to good legislation. I am glad to declare that, almost without exception, the business agents with whom I have come in contact have been gentlemen well versed in their own lines of endeavor, polite, considerate, and interested chiefly in having an opportunity to present their views, without recrimination or bitterness. In plain fact, I have learned to appreciate these gentlemen so much that I call them far more often than they call on me.

A Member of Congress can't know all the details of thousands of laws—he can't have all kinds of statistics filed away in his head so they are on call at any moment.

So on my part, I turn largely to the business groups which have representatives in Washington when I want detailed information regarding their respective specialties, and not once has any of these agents given me incorrect information or attempted to mislead me. When I am stuck with a complicated question of pay for a retired enlisted man or a fleet reservist, I frequently refer the whole question to the Fleet Reserve Association. If the problem concerns a matter embedded deeply in the maze of officers' retirement laws, I send it to the Retired Officers Association and your legal counsel ponders and perspires over it until he has prepared the answer. If I am troubled about merchant-marine matters from the viewpoint of ownership or operation, I turn to the exceedingly competent staff of the National Federation of American Shipping or to the equally competent staff of the Maritime Commission—a Government agency with which I have the most pleasant relations. When the question involves seamen or other merchant marine sea-going personnel, my lines of communication run into the offices of the National Maritime Union where their well-trained research analyst soon produces the elusive facts or figures I am seeking. And so it goes right down the line as I utilize these private agencies in conjunction with the established governmental set-up.

I have given you this picture because I want to put your minds at ease, once and for all time, in regard to the status of your own officers here as they go about their work with the Congress and other branches of the National Government. There is nothing wrong about their efforts in your behalf. They deserve your wholehearted support.

Now for some of the aspects of retired officers of the Military Establishment. Why should such officers be retired? Are they of any value to the Government? Should they be utilized in other governmental positions to reduce the cost of the retired list or to make use of their experience?

First. Why should an officer be retired for age or physical disability? Fundamentally, as an act of justice after his service to the Nation. Practically, because every sound concept of national defense requires that officers of the armed forces be men of high character, ability, integrity, and education, and such men cannot be held in military service, during the best years of their lives, without the certainty of financial security. A military career offers almost no opportunity to build up a profession or a business which will take care of one in his old age or in the event of physical disability. Yet, the military profession requires all a man's adult years up to comparative old age, without regard to his personal desires as to time or place of residence, as to associates, as to working conditions, or even as to the presence of his family at the station of his employment. It may be said with truth, that the commissioned officer of the Regular Military Establishment actually gives his life to the Nation during his years of active service. Yes, my friends, such officers should and must be retired, for disability or for age, as a matter of common justice to the individuals and of safety to the state.

Perhaps you may be thinking of the question so frequently propounded by civil employees of the Government: Why should military personnel have retirement privileges without pay deductions when other Government employees must build up their old-age benefits through contributions to a retirement fund? The answer to this is simple indeed. The retirement privilege is given full consideration in arriving at pay scales of military forces. It is one of the inducements needed to persuade men to enter military service and to devote their lives to it. An increase in service pay would not be anything like as great an inducement as the privilege or retirement now is, because military men realize that money is quickly spent and that people such as they—people who are ordered hither and yon during all their years of active service—would have small likelihood of establishing a home and a competence for their old age.

Second. Are retired officers of value to the Government? The answer to this question is a decided yes. Every such officer is subject to recall to active duty in time of war or national emergency if physically fit. This reservoir of retired officers constitutes a tremendous reserve strength when the need for men especially trained in the profession of arms is greatest. It provides hundreds of inspectors, instructors, and administrators for both home and overseas posts. It provides men who are conversant with the details of procurement, with the building of ships, and with the assembling of munitions. It provides steady hands for civilian wartime community tasks, such as air-raid wardens, draft boards, and security patrols. It furnishes the know-how and the leaders for local bodies set up to cope with large-scale disasters in both peace and war. As I recall the figures, the Navy utilized approximately 86 percent of its retired officers for some sort of active duty during the recent World War. The contributions of these officers were a decided factor toward victory. They made it possible for our small Regular Naval Establishment to expand rapidly without great loss in efficiency.

In every modern war the retired officers of our armed forces have rushed forth to serve their country in its hour of need—they have kept faith with America.

And, third, Should retired officers be employed in other branches of the Government in time of peace to reduce the cost of the retired list or to utilize their experience? This is a debatable proposition, but my own answer is—only in specific positions where technical training makes their services necessary.

Regardless of what many of you gentlemen may believe, I have come to the conclusion that there is a distinct "military mind" or "military conception" on the part of most professional officers. This military mind differs materially from the civilian in its way of doing things, and it quickly builds up resentment and lack of cooperation on the part of the public. The American Government is a civilian Government—it wants no part or parcel of military management or military ways during time of peace. Civilians pay the taxes on which the whole Military Establishment depends for its existence. Civilians prefer possible sacrifice of efficiency to obedi-

ence to directives of a mind which has been indoctrinated in the art of command.

A retired officer could hardly be expected to perform civilian Government work unless he were paid a total sum equal to his active duty pay and allowances. In general, since he would be new in the job, this would put his earnings above those of a civilian in a comparable position and would cause discontent and demands for increases in pay in civil branches of the Government. It is likely that increases brought about by such demands would exceed savings to the Government due to the employment of retired officers in civil jobs.

Civilian office holders, in general, would soon come to look upon officers of the armed services as contenders for their jobs and we should thus build up such suspicion and distrust that the maintenance of adequate national defense might be impaired thereby.

These are only a few of the reasons why the military man should not be utilized to replace the civilian in time of peace. However, if you are a retired officer and you are able to establish yourself either in business, or professional life on your own, rather than through assignment by the Government, you will find yourself welcomed into the world of civilian workers on an equal footing with your contemporaries. This is as it should be in America.

I am in receipt of hundreds of letters from retired personnel, of both the military and civilian components of the Government, in which demands for increases in pay are the dominant theme. I do not recall that I have ever received such a letter in which appreciation has been expressed for the benefits now being received as a reward for faithful service. It is not difficult to understand why one wants more pay. Practically all of us want more pay—feel that we earn more than we are getting—think that our pay should be increased materially. But not one in a hundred gives a moment's thought to the sum total of what even a small individual increase means in this day of vast armed forces. Probably not one in 500 gives serious thought as to how the money to finance additional pay scales is to be obtained. And so, let me say right here that there is only one source of income for the Government, and that is taxes of one sort or another. You can call them what you like, but they are still taxes and you, the people, pay them. It seems that each one who demands more pay figures that he'll get more than he'll lose in taxes. He has an idea that someone else will get nicked for the extra dollars and that he'll just ride along on the gravy train. Usually, he is merely fooling himself. The Nation's workers have found that to be the case during the last decade. A general boost in wages soon causes an advance in the cost of living such as to absorb the wage increase. Now, these workers are getting smart enough to declare they would prefer a reduction in cost of living, rather than an increase in earnings.

When some of us older people entered the service, the total number of commissioned officers was only a few thousand—probably less than 10,000 if we include every category in the whole national-defense establishment. An increase in pay or allowances didn't mean very much then to the National Treasury. Now, however, conditions are totally different. The number of active officers of the Army, Navy, and Air Force must be at least 125,000. I haven't any idea of how many retired officers there are. Also, we have applied the laws for pay and retirement to the Coast Guard, the Coast and Geodetic Survey, and the Public Health Service. The grand total of individuals who would be benefited by an increase in pay for commissioned officers is great, indeed. An addition across the board of $25 per month will likely mean an additional $50,000,000 of annual expenditures to the Treasury. And we must keep in mind that the Congress cannot increase pay for officers without extending the same sort of relief to the enlisted personnel. That is as it should be, for normally relief is needed in the lower-pay brackets much more than in the higher echelons.

I realize that officers in general have not had a worth-while pay increase for many years and that their standard of living (other than that of those who enjoy additional pay for aviation, submarine service, etc.) has deteriorated steadily when compared to that of civilians with whom they formerly enjoyed parity. I realize also that all important fact, which the civilian seldom understands, that allowances are all lost upon retirement. I am also aware of the fact that a new pay scale has been suggested by a committee of members of the armed services, but I understand that there is little likelihood of its being presented to the Congress during the current year, due to further study in the Department of Defense.

In view of this, the prospects of an increase in pay or the inclusion of some part of allowances in retired pay are not such as to make one optimistic of any probability of favorable action during the current session of Congress.

The great burden of the most gigantic debt in history—the highest annual budgets known to man in years of peace—stare Members of Congress in the face and present the stark realities of reducing expenditures in these postwar years or bankruptcy of government by the people.

It will be well to discuss briefly charges that officers of the Regular services are favored over reserve and temporary officers in transfers to the retired lists. There are specific instances where such charges seem clearly proved, but in any great establishment, or groups of establishments, there are certain to be errors of judgment, cases of favoritism, etc., which are the exceptions to the rule. To claim otherwise would be to maintain that we are not subject to human frailties, a condition I, at least, do not want to maintain, for I have no desire to be superman and I like the attributes of a human being.

Basically there is a difference in the retirement of regulars and reserves; there should be, and I believe there always will be. This difference is fundamental to the character of service performed. The regular has embarked upon a lifetime of service to the Nation. He has a permanent commission and is entitled to retirement when he fulfills certain specific requirements as to length of service, age, or physical condition. Sometimes retirement is at his own request; generally it is forced upon him. Since experience has shown we must have reasonably young men in the middle ranks of the services, and since officers neither die, resign, become physically unfit, or retire voluntarily in sufficient numbers to keep up that healthy flow of promotion required to keep age limits down to a satisfactory maximum for proper performance of duty, the services have found it necessary to adopt measures for compulsory retirement or elimination, as it is generally called. Involuntary retirement is a difficult matter. It is accompanied by heartburnings, grief, and feelings of discrimination on the part of those so retired. For the best interest of the services, it should be avoided insofar as possible. Now when a Regular officer comes before a retiring board and that officer is in a grade where elimination is required by law, what more logical result can be expected than that the officer will be retired if he has any appreciable physical deficiency? Such action is only plain common sense. The officer would have to retire soon anyhow in accordance with existing laws, and normally it is to the advantage of the service and to the Government to eliminate him then and there, rather than having him go on to a higher pay bracket as well as having to force some physically fit officer off the active list to provide the minimum flow of promotion.

We have had an unusual condition at the end of the great conflict just terminated. We had many comparatively young men in high grades temporarily. These young men did not care to revert to their permanent grades—they did not like the idea of demotion—so they set about to obtain retirement in their temporary ranks. If they could accentuate some disability or ailment to the point where a retirement for physical disability could be obtained, they did so. That was to be expected. If they didn't obtain a physical retirement, some went out after 30 years of service—at the discretion of the President.

Let us think of the Reserve or the temporary officer who comes up before a retiring board. If he has a decided physical disability—definitely service-connected—he should be given the same consideration as is accorded to a Regular under similar circumstances. I believe that such has been the case. Frequently, however, such an officer has been in active service only a short time and there is little to connect his disability to his military service. He complains of nervous disorder, stomach troubles, high blood pressure, and claims that his short military service has brought this about and has disabled him to the extent where he should be pensioned by the Government. Unlike the Regular, the Government has no obligation to him in the way of retirement except what may be due to service-connected disability. Could you maintain, for a moment, that a retiring board should be as liberal in its interpretation of disability in such a case as in that of a Regular officer whose eventual retirement is assured in any event, and whose retirement at the time might be of advantage to the Government? Undoubtedly there have been cases of injustice to temporary and Reserve officers seeking retirement for physical disability. But let's not confuse the issue. Let's have these reputed injustices stand on their own feet rather than to accentuate them by critical comparisons with the acts of retiring boards for Regular officers.

Gentlemen, I feel that every organization does better, and advances farther, when it has some mission of service beyond its own restricted circle. I suggest that you undertake something more than benefits for your own membership. You might, for example, consider a program of aid for service orphans in acquiring an education, or of gaining entrance to West Point or Annapolis. You might consider including in this program, however small it might be, a percentage of orphans of enlisted personnel. There are only thoughts—vague thoughts perhaps—but nevertheless, worth while. On my part, I find there is no deeper satisfaction than the knowledge that I have helped some deserving person—that I have advanced him on the road toward the goal he seeks. In helping others, you will help yourselves.

And, gentlemen, the goal of the physically-fit retired officer should not be achieved by a low golf score, a good bridge game, and a carefree life. It should include recognition of his obligation to his country, maximum service to his community, and an honest effort to help in providing for the needs of his own loved ones.

Gentlemen, your future is in your own hands, not, as some think, solely in the hands of the Congress. You must determine the issues in your own lives. You must present these issues to the proper authorities, after you have helped yourself to the limit of your respective abilities. You have, in this Retired Officers Association, an effective instrument for the furtherance of sound and adequate measures for retired military personnel—both officers and enlisted men. You should use it intelligently, and constructively.

I wish you the greatest measure of success in your efforts to be of service to America.

In My Opinion

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 17, 1948

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein the following radio address entitled "In My Opinion" delivered by me over the Columbia Broadcasting System on February 16, 1948":

We can best guarantee national security by the rapid achievement and continued maintenance of full and adequate preparedness for defense, on the sea, on the land, and more especially in the air. All the funds required to keep us the strongest military nation on the planet should be unhesitatingly appropriated by the Congress, and then having done this the Congress should insist that the armed services efficiently and effectively move to an early and full realization of this proposed goal. A strong and powerful United States is the surest guaranty for the perpetuation of a society of free nations.

Air supremacy by the United States must for our own national security become an actuality at the earliest possible moment regardless of the cost, the effort, or the sacrifice involved. Air power is peace power. This should be so obvious to anyone who gives even the slightest thought to the present disastrous trend of world affairs as to eliminate wtihout any further discussion any arguments against the proposition. We must achieve an air force equal to any air force or combination of air forces on earth. United States' air power is the key to the future well-being and happiness of the world.

On December 15, 1947, I introduced a bill providing for a supplemental appropriation of $500,000,000 to be expended on the Air Force before June 30, 1948. Beginning with the fiscal year 1949 the Congress should appropriate $6,000,000,000 annually for the Air Force to achieve the absolute irreducible minimum air protection. It should be emphasized and reemphasized that the suggested supplemental appropriation of $500,000,000 and the annual appropriation of $6,000,000,000 beginning with the next fiscal year will provide for this country only the barest minimum peacetime Air Force.

Even with the allotment of funds I have advocated it would be 1952 before the United States can achieve the 70-group program were we to start at once. This 70-group program, according to General Spaatz, comprises 6,869 aircraft, including training; 3,212 for the National Guard; and 2,360 for the Air Reserve. The total amounts to 12,441 airplanes. To keep this force modern and up to date, states the General, would require an annual procurement of 5,200 planes and a reserve of 8,100 planes.

When this 70-group program is a reality we will have only the basis on which air supremacy could be achieved. Were we to be attacked, this 70-group air force would be just sufficient to blunt the enemy's first offensive. We would not have air supremacy, and before we could attain it a period of 18 months would be required. To win a war we must have an Air Force of approximately 175 to 200 groups.

I cannot too strongly emphasize the fact that an appropriation of $500,000,000 for the current fiscal year and a $6,000,000,000 appropriation annually would be necessary to build the 70 groups in four years. Let me call your attention to the fact that the Bureau of the Budget has approved only $3,054,000,000 to be used by the Air Force for the fiscal year 1949. This is only half enough money to even start to realize the 70-group program.

In view of the fact that the Soviet Union is manufacturing bombers equal to or superior to the famed B–29 and is rapidly producing jet planes, the United States should at once move to achieve and maintain air supremacy. Complete control of the air would, in my opinion, be the greatest guaranty of national security.

The status of our air strength is appalling. We are not anywhere near the minimum air strength advised by the Air Force and by the naval air arm as necessary for the protection of this country were an emergency to arise. The United States aircraft industry is producing scarcely over 1,500 planes a year when it should be producing at least 6,000. The industry is sick and is rapidly losing money. The Government should place orders for many more planes.

The cost of constructing a gigantic air fleet will be great. To achieve air supermacy it will probably be necessary to spend $8,000,000,000 annually on the Army Air Force and the naval air arm. The expenditure is huge but if we refuse to pay this price as a penalty for our stupidity in scuttling the finest Air Force in history at the close of the last war, we will certainly have to pay in terms of destroyed cities; in terms of blood; in terms of millions dead; and in terms of the loss of freedom.

Air power—overwhelming is the only possible defense against the atomic bomb. Any nation contemplating an attack upon the United States will hesitate only if she knows that within a period of hours from the time the attack is made there will be delivered in reprisal a knock-out, devastating, retaliatory blow from the air. The United States can be immunized against attack from the air by building a completely unassailable and invincible Air Force.

Let no one imagine that an attack on the United States is not possible or perhaps imminent. The Soviet Union exceeds us in air strength, in the construction of guided missiles, and in submarines. Time is shorter than we think. A-day may not be January 1, 1953, as the Finletter report designates it. The hour of attack may be much nearer.

The Grain-Buying Record

EXTENSION OF REMARKS
OF
HON. WAT ARNOLD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 17, 1948

Mr. ARNOLD. Mr. Speaker, under leave to extend my remarks in the RECORD I wish to include an editorial in the Kansas City Star of February 9, concerning the effect of the Government's grain-buying operations in connection with the downward trend of the grain market:

THE GRAIN-BUYING RECORD

Whatever may be said about Senator TAFT's charge that the Administration is deliberately trying to keep prices up for political reasons, there is something to be said about the Administration's record in the buying of grain. It has been bad, almost the worst kind of management.

Of course each party has been trying to hold the other responsible for inflation and each had planned to make it a campaign issue. Now if by any chance the price trend should be definitely lower a decided shift in strategy would be necessary.

But aside from that Senator TAFT and others point to a bit of damaging evidence. It was the announcement of Secretary Anderson, after a sharp 2-day break in the grain market, that the Government planned soon to buy 50,000,000 bushels of wheat. This had all the appearances of an effort to bolster the market when a downward readjustment was strictly in order and when the Government could have profited thereby.

In fact, there was no need to announce then, or at any time, that the Government expected to buy a given amount of wheat. It could only be a market stimulus and cost the Government more when the actual buying took place. This is entirely different from buying that might be an advantage to the Government or from buying that might be justified in support of the market and in the interest of farmers.

Such bungling has marked the whole record of the Government's grain-buying operations. Over a period of months there appeared a series of conflicting announcements as to how much would be bought for relief abroad. The figures were put out by different Government agencies and the extremes varied by as much as 125,000,000 bushels. It might be a total of 570,000,000 bushels or 450,000,000 or less. It was hard to pin down responsibility and to discover what agency had the final word. The markets were kept in turmoil, usually soaring upward as the Government agents came in to buy and traders could see what was happening.

That suggests the record of it whether or not there was any deliberate planning to push prices up and try to hold them there. Under any conditions the foreign-aid program would have had its effect on prices not only of grain but on a wide range of commodities. It will still have that effect.

But responsible management could have aided in holding the inflation in check and could yet do it without the twaddle about restoring wartime controls. Otherwise a trimming of the aid program and the operation of natural economic forces will have to do the work.

Thirty Members Act on Palestine

EXTENSION OF REMARKS
OF
HON. CHRISTIAN A. HERTER
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 17, 1948

Mr. HERTER. Mr. Speaker, on February 10, 1948, 30 Republican Members of the House of Representatives expressing their deep concern with the Palestine issue, sent a letter, set forth in full below, to the Secretary of State, to which the Secretary of State replied on February 12 by letter also set forth below. There is appended, too, for the information of the House an editorial from the New York Herald Tribune of yesterday, February 16, on this exchange of letters. It is becoming clearer daily that the Palestine issue may well prove a turning point for the United Nations. It calls for study and an informed opinion on the part of every Member.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 10, 1948.

Hon. GEORGE C. MARSHALL,
Secretary of State,
Washington, D. C.

HONORABLE SIR: Following the decision of the United Nations General Assembly taken

on November 29, 1947, we have been deeply concerned by the violence in Palestine between Arabs and Jews to which the surrounding Arab nations themselves threaten to become parties, and by the honest worry among many of our own citizens as to our Palestine policy. We are concerned lest the State Department's policy announced on December 5, 1947, "discontinuing for the present licensing of all shipments of arms" to the Arab countries and Palestine, while extensive sales of arms by Great Britain to the neighboring Arab nations are reported, may be misleading alike to those seeking to render inoperative the United Nations decision and to those seeking to sustain it, as to the intentions of the United States. We believe there is grave danger that if the United Nations Palestine decision is rendered inoperative, far more even that this decision may be jeopardized, and the United Nations itself may be made ineffective.

Under the circumstances referred to above, we consider it appropriate at this time to ask the following questions:

1. Is it true that Great Britain is permitting arms to continue to be shipped to the Arab nations, and if so, does the continuance of such shipments interfere with carrying out of the United Nations decision on Palestine?

2. Do the activities of the Arab nations with respect to support of the Arab Higher Committee for Palestine, and the Arab League, or otherwise in their announced violent resistance to the UN decision on Palestine, endanger the maintenance of international peace and security in the terms of the UN Charter?

3. What will be the instructions of the United States to its UN delegate on the questions referred by the UN Palestine Commission to the Security Council regarding the means for making effective the General Assembly's decision on Palestine?

4. What is the United States prepared to do to help in the implementation of the UN decision on Palestine?

On April 22 and July 15, we addressed certain questions to you on the issue of Palestine. We believe that these were helpful in crystalizing the position of the United States on this issue. As we have stated before when addressing you on this subject, we imply in this communication no criticism or direction, but ask only for ourselves and for the people, the necessary information so that the attitude of the United States may be made clear, and the influence of our attitude be utilized to the full for the preservation of peace and the enhancement of the prestige of the United Nations.

Sincerely yours,

ROBERT J. TWYMAN, Member of Congress, Ninth District, Illinois; WILLIAM G. STRATTON, Member of Congress, Representative at Large, Illinois; CHRISTIAN A. HERTER, Member of Congress, Tenth District, Massachusetts; JAMES C. AUCHINCLOSS, Member of Congress, Third District, New Jersey; J. CALEB BOGGS, Member of Congress, Representative at Large, Delaware; KENNETH B. KEATING, Member of Congress, Fortieth District, New York; THOR C. TOLLEFSON, Member of Congress, Sixth District, Washington; THRUSTON BALLARD MORTON, Member of Congress, Third District, Kentucky; EDWARD A. MITCHELL, Member of Congress, Eighth District, Indiana; HOWARD A. COFFIN, Member of Congress, Thirteenth District, Michigan; JOHN C. BROPHY, Member of Congress, Fourth District, Wisconsin; GEORGE H. BENDER, Member of Congress, Representative at Large, Ohio; HAROLD F. YOUNGBLOOD, Member of Congress, Fourteenth District, Michigan; EDWIN ARTHUR HALL, Member of Congress, Thirty-seventh District, New York; ELLSWORTH B. FOOTE, Member of Congress, Third District, Connecticut; MARGARET CHASE SMITH, Member of Congress, Second District, Maine; GEORGE MACKINNON, Member of Congress, Third District, Minnesota; RICHARD B. VAIL, Member of Congress, Second District, Illinois; W. HOWES MEADE, Member of Congress, Seventh District, Kentucky; WILLIAM J. CROW, Member of Congress, Twenty-third District, Pennsylvania; NORRIS POULSON, Member of Congress, Thirteenth District, California; R. WALTER RIEHLMAN, Member of Congress, Thirty-sixth District, New York; JACOB K. JAVITS, Member of Congress, Twenty-first District, New York; EDWARD J. DEVITT, Member of Congress, Fourth District, Minnesota; FRANCIS J. LOVE, Member of Congress, First District, West Virginia; DAVID M. POTTS, Member of Congress, Twenty-sixth District, New York; JAMES G. FULTON, Member of Congress, Thirty-first District, Pennsylvania; FREDERICK A. MUHLENBERG, Member of Congress, Thirteenth District, Pennsylvania; FRANKLIN J. MALONEY, Member of Congress, Fourth District, Pennsylvania; CLIFFORD P. CASE, Member of Congress, Sixth District, New Jersey.

DEPARTMENT OF STATE,
Washington, February 12, 1948.

DEAR MR. JAVITS: I have received a letter dated February 10, 1948, signed by you and 29 other Members of the House of Representatives. This letter expresses your joint concern over violence in Palestine between Arabs and Jews, your worry lest the announced policy of the Department of State of an arms embargo to the Arab countries and Palestine may be misleading as to the intentions of the United States, and your apprehension that if the United Nations Palestine decision is rendered inoperative the United Nations itself may be made ineffective. In reply to your specific questions, I desire to inform you that copies of this letter are being addressed separately to the other Congressmen who signed the communication of February 10.

Taking your questions seriatim, I quote the first:

"1. Is it true that Great Britain is permitting arms to continue to be shipped to the Arab nations, and if so, does the continuance of such shipments interfere with carrying out of the United Nations decision on Palestine?"

On February 4, 1948, the British Minister of Defense made an official reply in Parliament which largely covers your inquiry. He said, among other things:

"There is at present an embargo on the entry into Palestine both by sea and over the land frontiers of all warlike material. The Government of Palestine will enforce this embargo to the best of their ability until the mandate comes to an end on the 15th of May. It is also the policy of His Majesty's Government to refuse permission for the export of military material from Great Britain to any part of the Middle East except under existing contracts which have been undertaken as a result of our treaty obligations to certain Arab governments. His Majesty's Government have no reason to suppose that the material supplied by them under such contracts will be used in Palestine."

This Government has no information in its possessions indicating that to date the continuance of British treaty shipments has interfered with the carrying out of the recommendations of the General Asembly on Palestine embodied in its resolution of November 29, 1947.

"2. Do the activities of the Arab nations with respect to support of the Arab Higher Committee for Palestine, and the Arab League, or otherwise in their announced violent resistance to the UN decision on Palestine, endanger the maintenance of international peace and security in the terms of the UN Charter?"

While it is true that various Arab governments and organizations have announced their determined opposition to the General Assembly's recommendation on Palestine, there have thus far been no overt acts which, in the decision of the Security Council of the United Nations, have been determined to endanger the maintenance of international peace and security in the terms of the United Nations Charter. Meanwhile, the United Kingdom, as the mandatory power, is responsible for the preservation of peace and security in Palestine. The United States has consistently proclaimed its determination to see the provisions of the United Nations Charter complied with, and its representative in the General Assembly, in announcing this Government's policy regarding Palestine on October 11, 1947, said that we assumed there would be Charter observance.

"3. What will be the instructions of the United States to its UN delegate on the questions referred by the UN Palestine Commission to the Security Council regarding the means for making effective the General Assembly's decision on Palestine?"

The United Nations Palestine Commission has thus far submitted its first interim report to the Security Council but the Council has not yet taken action on the report. On February 10 the Council agreed to await the forthcoming special report of the Palestine Commission on the problems of security and enforcement before giving further consideration to the General Assembly's recommendation on Palestine. This report is due February 15. In absence of knowledge as to the contents of the Palestine Commission's next report it has been impossible to formulate instructions to the United States Representative on the Security Council.

"4. What is the United States prepared to do to help in the implementation of the UN decision on Palestine?"

I believe that much of this question is implicitly answered in my response to question 3. Until the Security Council has received and studied the report of the Palestine Commission on security and enforcement and has reached a decision it is not possible for this Government to determine in advance the steps which may be necessary to carry out such a decision. However, the United States has been active as a member of certain other principal organs of the United Nations which are dealing with the Palestine problem to implement the resolution of November 29. The United States Representative on the Trusteeship Council and his deputy have worked with other members of the Council in preparing a draft statute for the trusteeship of Jerusalem. The United States as a member of the Economic and Social Council will be concerned with those aspects of the resolution of November 29 which call for action by the Economic and Social Council. Practically every major organ of the United Nations is concerned under the terms of the Assembly's resolution.

I much appreciate your patriotic interest in this question and your concern for the success of the United Nations. As the President and I have on several occasions made clear, we regard the solution of this immensely difficult problem as a United Nations solution and our contribution to that end will be as a member and steadfast supporter of the United Nations.

Faithfully yours,

GEORGE C. MARSHALL,
Secretary of State.

[From the New York Herald Tribune of February 16, 1948]

CORRECT BUT UNCONVINCING

The reply of the Secretary of State to questions raised by a group of Congressmen concerning America's Palestine policy is technically correct. He does not go beyond the British Government statement on arms shipment to Arab states; he accepts the inaction of the Security Council; he announces that instructions to the United States delegation at Lake Success must wait on the report of the United Nations Palestine Commission. In all of this he has the support of protocol. The matter is in the hands of the UN; there the State Department is satisfied to let it rest.

But no one knows better than Mr. Marshall that the UN is not a mechanical brain, which, if fed a sufficient amount of factual data, will automatically produce an impeccable solution. The UN is a human institution, which responds to human initiative and can be restrained by human doubts and fears. Moreover, it is dealing with a very human situation in Palestine, where passions are mounting, regardless of protocol—where lives are being lost and where every act or omission of statesmen, of soldiers, of fanatics, and of bewildered men and women who see their hopes and their homeland threatened by war contributes to the growing tension. The American responsibility in the premises may and should be shared with other members of the United Nations. But it cannot be simply loaded on the back of the international organization and dismissed. The United States, for a great number of reasons, has too intimate an interest in a Palestine solution to adopt a passive role now.

Therefore, the technical correctness of Mr. Marshall's Palestine statement is basically unconvincing. It does not correspond with the realities of the American position, which demand that the United States do everything which the UN Charter permits to bring an end to the terrible uncertainties which now prevail in the Middle East. It is not enough to sit by while the UN develops its policy; the United States, as is its right as a member of the UN and its duty as a nation which has in the past exerted a variety of official and unofficial pressures to affect the conditions under which Great Britain exercised her mandate, should be seeking actively to expedite and implement the work of UN. The course which Mr. Marshall has outlined is fundamentally a course of indecision, and such a course will neither avert a tragedy in Palestine nor enhance the prestige and authority of the United States.

Housing Situation

EXTENSION OF REMARKS
OF
HON. ANTON J. JOHNSON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 17, 1948

Mr. JOHNSON of Illinois. Mr. Speaker, with the continued housing shortage problem, it does appear to me that useless red tape could be cut in many places. Last summer it was my privilege to view in detail a new housing project being constructed at Moline, Ill., of 510 housing units from one- to two- and three-bedroom houses, all thoroughly modern with radiant heat and with all conveniences and a beautiful lay-out with curved streets, which is being constructed by the Byrne Associates, with headquarters in Washington, D. C. These were houses selling from between $7,000 and $8,000 each.

When I viewed this last summer, I interviewed many on the project, not only the general superintendent, but also many of the individual workers and while this is a prefabricated project with the prefabrication being done entirely on the ground, there was absolutely no slowdowns because of labor. In fact, many of these union men are known personally to me, and their story was that it was a very happy set-up but it appears that slow-downs and the delays are being caused by agents of this Government according to an editorial in the Moline Dispatch of February 12, and under leave to extend my remarks, I include also this editorial:

THOUGHTS ON HOUSING

One of the ways to solve the housing situation would be for the Federal Government to get out of it bag and baggage, and stay out. To the extent that State governments are involved, they should retire, too. To complete the picture, let the cities get out partially, remaining interested only in the prevention of eyesores and unsafe construction and in the proper installation and maintenance of utilities, such as sewage, power, and water and gas mains.

The multitudinous restrictions on rents, financing, selling, and construction have made housing an unpleasant venture. Houses are in too many instances being built merely because it is imperative rather than because someone wishes to invest his money in them in the hope of making a profit on the expenditure. Competition has been wrecked, and where there is no competition people are apt to go without adequate shelter.

I. A. Bickelhaupt, vice president of the Byrne organization now erecting dwellings on the former Deere experimental farm, has something to say with regard to the possibility of selling houses to certain individuals owing to FHA regulations. In testimony before a congressional committee in Washington, January 14, Mr. Bickelhaupt recited the case of a man and wife who were both working, drawing a total of $3,100 a year, but were not accepted for one of the Byrne houses because only the income of the head of the family was recognized. Mr. Bickelhaupt asked: "Are we denying the right to own a home to those families with the ambition and energy to get together and all work to pay for it?"

Another quotation from Bickelhaupt's prepared statement: "There are many cases wherein a man wishes to buy a home who is the present owner of a home (which has a ready market sale). He makes application to purchase one of our homes but is turned down unless he has income to support both homes or until he sells his other house. We have six cases of this type in Moline, Ill., on record."

Another instance: "A disabled veteran with a permanent allowance from the United States Government of $1,400 a year and with a watchman's job with the ADT at $1,400 a year was refused approval because his income from the Government was not recognized which we think is the most stable income of the two."

Mr. Bickelhaupt in his testimony made reference to the rumored limitation of output by organized labor, he said: "Contrary to the general opinion, we have not encountered any limitation of output among organized labor. We have found an equal or greater loss of efficiency and lower production among the open shop crews or unorganized workers than we have found among the organized crafts—so much so that we have been for some time working out national agreements with the various crafts."

Mr. Bickelhaupt's prepared statement had some remarks on local building codes as encountered in various places where the Byrne organization is building houses. Some restrictions, as we all know, are imposed by FHA itself before the financing can be approved.

"In Moline, only," said Mr. Bickelhaupt, "we were further required to drill holes in the cement and install Rawl plugs whereas it has been standard practice to nail the bottom plate to the concrete with concrete nails."

As to front and rear entrance platforms, Mr. Bickelhaupt said "These platforms were of concrete and it was required in Moline that we form them in conjunction with the grade beam, doweling the steel into them to make a slab integral with the beam of such design as to disregard the support of the earth. This is, of course, excellent construction such as is used in a $50,000 house, but it is not necessary in low-cost housing."

Mr. Bickelhaupt further said: "Sidewalks have been required in Moline leading from the front steps around the house to the rear entrance. This is all in good practice but is it not possible that a man might prefer a walk from his drive to the rear entrance and is it not possible that a workman in the low-income bracket would prefer to save that cost and put in his own walk in his spare time?"

As to paving in the Byrne area in Moline, the witness said: "With houses ready to occupy, we have been delayed in Moline approximately 6 weeks with people begging for occupancy, because of a dispute between FHA and the city. The city requested that we install concrete curbs and gutters and lay a base of crushed rock topped with fines and shot with oil and left to settle for 2 years before the city's specifications will permit the roads to be topped. FHA insists that they will not give us final approval until the road has been completed with a gravel basis and an asphalt top. The difference in cost is immaterial to us but we believe the city's method the better and the city agrees to accept the streets and maintain them as all-weather roads. After a series of delays the question was finally settled."

The quotations given here, and much other information given in the Bickelhaupt statement indicate that a builder is not only confronted with endless unscientific restrictions and a hodgepodge of code variations that make genuine planning of low-cost housing difficult, but that FHA and local authorities do not always agree.

We suggest that the most houses, and the best houses, were built in this country when politicians kept out of the business.

Farmers and Falling Prices

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 17, 1948

Mr. DAVIS of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter by Walter F. Renk, secretary-treasurer of William F. Renk & Sons, of Sun Prairie, Wis., the well-known hybrid seed corn growers of my district:

SUN PRAIRIE, WIS., *February 14, 1948.*
Hon. GLENN R. DAVIS,
House of Representatives,
Washington, D. C.

DEAR MR. DAVIS: The severe price breaks in commodity and livestock markets this week

have cost the farmers of this country millions of dollars. Most of us farmers realize that prices were high and bound to recede, but felt such a recession would be orderly. Such a bust as has just occurred cannot help but bring panic to the country.

There has been too much loose talk in Washington from both political parties about the cost of living. The newspapers and radio too have contributed their share. The average housewife has been led to believe that farmers are almost 100 percent responsible for her food budget. Has anyone in a responsible position told the housewife that the wheat in a loaf of bread for which she has been paying 16 cents brought the farmer only 5½ cents? Or has anyone told the Chicago housewife that the quart of milk for which she is now paying 22 cents would still cost her 12½ cents if the bottle empty of milk were placed on her doorstep?

The livestock and grains that the farmers have on hand at the present time have been produced with high-priced labor, high-priced feed, and high-priced machinery. Do the farmers make all these prices high? One of the major reasons that feed has been almost prohibitive in price was the competitive buying for export by the Government. The farmer certainly has been caught in a squeeze. He has had to compete with his Government to buy his feed, helped to pay for this competition through taxes, and because prices were forced so high, has now suffered a terrific financial loss on the food he is producing for the world.

Have the other items affecting the cost of living taken a nose dive? What about fuel, clothes, furniture, doctor's fees, automobiles, building costs, and so forth? Have they dropped 20 percent in 1 week?

I am strongly urging you as a representative of a great agricultural State to use your influence to help correct much of the erroneous information that is being broadcast promiscuously about the cost of living. We farmers do not want a lag in the drop of prices in the things we buy for 8 years, like that following World War I. Our greatest concern now, as farmers, is that other segments of our economy come down with us.

Very truly yours,

WALTER F. RENK.

Quartermaster Corps Research Laboratory at Boston

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 18 (legislative day of Monday, February 2), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I made this morning before a subcommittee of the Senate Committee on Armed Services considering Senate bill 286, to establish the Quartermaster Corps Research Laboratory at or in the vicinity of Boston, Mass.

There being no objection, the statement was ordered to be printed in the Appendix of the RECORD, as follows:

We in Pennsylvania have as fierce a civic pride as residents of Massachusetts, and I should say that for every argument which various gentlemen from New England, including some now or formerly high up in the Quartermaster Corps of the Army, advance to you regarding the merits of New England as a site for this laboratory can be countered with similar arguments in behalf of Pennsylvania and particularly Philadelphia.

During the course of my testimony I will, of course, go into some of these arguments pro and con. I do that primarily to keep the record straight. You know, we in Pennsylvania, and particularly in Philadelphia, just can't sit idly by and allow the record to be filled with dissertations on the glories of some other part of the country, assertions designed to show that Pennsylvania and Philadelphia lack similar virtues.

In fact, this argument between the two regional areas has gone on for such a long time in connection with this legislation and with previous attempts in the Seventy-ninth Congress by New Englanders to take this laboratory from its rightful home in Philadelphia, that the Philadelphia newspapers have become very sensitive. Our newspapers are so sensitive on this score that they resented bitterly last year the assertions made by some proponents of this legislation that Boston was a better location than Philadelphia because the Boston weather is so much worse than the Philadelphia weather, bad weather supposedly being a criterion in this contest. The Philadelphia Bulletin went so far as to make a study of its own into climatic conditions as far back as colonial times.

It reported that New England historians themselves were convinced that Philadelphia had worse weather than New England. The historians to which the Bulletin had referred were supposed to have concluded that some of the credit for William Penn's successful dealings with the Indians in Pennsylvania, in contrast to the stormy relations and the bloody encounters between Indians and colonists in New England, should be given to the severe weather in Pennsylvania which left the Indians too weak and anemic to fight whereas New England weather was much more healthy and made the Indians stronger.

I mention all this not as scientific evidence but rather as an amusing side light of the lengths to which this purely sectional argument can be carried.

Frankly, gentlemen, and seriously there is not that much difference in climate or in the availability of scientific talent or in any of the other purely technical aspects of this geographical squabble to make much of a difference in these deliberations. Any argument raised on behalf of the New England location from a geographical or a climatic standpoint can easily be matched or bettered with similar arguments for Pennsylvania and Philadelphia.

The issue, therefore, comes down to one very simple thing: Government expense.

Does the United States Government have 6 or 8 or 10 or perhaps $13,000,000 to spent at this time in gratifying some Army officers and civilian scientists in their preference of a neighborhood in which to work?

Can the Government of the United States afford to spend this kind of money so that those officers of the Quartermaster Corps in research and development who come from New England or who like Boston, or who miss the ivy-covered walls of Harvard or MIT and who want to go back there, can have their wish granted?

Do we have that kind of money available to spend merely to save an occasional civilian scientist from one or more of the New England colleges the extreme hardships of a railroad or plane journey to Philadelphia? As one who travels frequently, I know that the trains today are substantially more comfortable than the stagecoach or oxcart or horseback mode of travel, and that it really isn't fatal or even too inconvenient to ride a train. I think most of these scientists for whom the New England delegation evidences such concern in pressing for this legislation are in the main a hardy enough breed of men to survive such occasional travel.

Gentlemen, Benjamin Franklin managed to make that trip under much more adverse conditions. I might add that he was quite a scientist, too.

Philadelphia is really not very far by train or plane from any of the areas from which the laboratory attracts personnel and consultants. It is not in Hawaii; it is not in the Aleutians or the Canal Zone or Okinawa; it is right there on the east coast not far from New York and very accessible by any means of transportation. From some of the statements which have been made in connection with this proposed transfer to Boston or vicinity, one would think that we in Pennsylvania, in Philadelphia, were stuck off somewhere at the very edge of civilization.

Now just what are the facts in connection with this legislation?

The facts are that long before the last war certain activities of the Quartermaster Corps in research were conducted at the old established Quartermaster Depot in Philadelphia. Some of these activities were carried on elsewhere. During the war there was some centralization of these activities at Philadelphia. After the war the Army came to the conclusion it would be nice to have them all centralized somewhere. The director of military planning of the Quartermaster Corps, a Harvard man, who is now, I understand, back at Harvard, decided, in his conviction that Harvard and the New England area are the fountainheads of scientific knowledge and the center of all of the worst weather possible to find in any one geographic location, that this laboratory belonged in Harvard's back yard. Some of the members of the New England congressional delegation, heartily concurred and the drive was on. The matter was taken quietly to the House Appropriations Committee during its closed hearings on the Army's appropriation bill back in 1946. The Quartermaster Corps had already worked out the plan to its own satisfaction and had engaged an architect-engineer to substantiate the planning director's own preference for Boston and had then turned over to the Corps of Engineers, which would do the building work for the Quartermaster Corps, the assignment of getting the money for it. The witnesses for the Corps of Engineers pointed out properly to the committee that they build where they are told to and that the selection of a location was the responsibility of the Quartermaster Corps. The testimony was to the effect that the Quartermaster Corps desires to have the facilities erected at or near Boston. Witnesses from the engineers testified that the kind of building desired by the Quartermaster Corps would cost about $5,700,000 with another several hundred thousand dollars necessary to purchase the land. Please bear in mind that these were rough guess of the Army engineers with no plans or specifications on which to base the estimates, nothing more than a square foot estimate of the space, and that these guesses were as of early in 1946 or late in 1945. This bill now before you provides for an expenditure of not to exceed $6,000,000. Presumably the figure is based on that estimate of the engineers which in turn was based on a guess which in turn was based on prevailing construction costs early in 1946 or late in 1945. Gentlemen, that guess would be so unrealistic today as to be ridiculous, absurd, impossible.

In any event, the reports on what was happening in the Army appropriation bill finally came to our attention and the Members of Congress from Philadelphia back in 1946 aided by many of the other Pennsylvania Congressmen obtained an opportunity to present our case before the committee and we succeeded in blocking a $6,000,000 appropriation for erection of this laboratory in Boston. The committee in its report sidestepped

any of the geographical or sectional phases of the controversy and based its action solely on the fact that it was convinced there was no legislative authority for such an appropriation.

Subsequently at the start of the Eightieth Congress in 1947 bills were introduced in the House and the Senate to authorize the construction of this laboratory in or near Boston.

Activities have either been removed from the Philadelphia depot to other locations in an effort to reduce the significance of the Philadelphia depot as a laboratory center or else attempts have been made to do that very thing. Furthermore, the word seems to have been passed down the line from "topside" that all military personnel in any way connected with research and development that Boston is "it" and every effort is to be made to fertilize the soil and condition the air for such a transfer.

One of the significant exhibits of the Quartermaster Corps in testimony before the House Committee on the Armed Services on the companion McCormack bill to this Senate bill was a digest of abstracts from letters from business concerns expressing their approval of the Boston site. It has been called to my attention that the letter from the Quartermaster General's office which inspired these letters of approval in reply did not ask for a preference between Boston and Philadelphia but merely asked if Boston were satisfactory. This is typical of what I have been informed are the strategies of the Quartermaster Corps in pressuring for a Boston location.

As I said, gentlemen, we are armed with masses of documentation and evidence to show that Philadelphia matches or exceeds any of the advantages of a New England site for this facility. But, in the face of a sectional, geographical contest here—and that is what this has developed into—the main issue comes back to one of Government expense.

Every Senator without exception believes, I think, in avoiding any unnecessary governmental expenditures, especially in view of our continuing need for huge military outlays, for vast appropriations for assistance to foreign nations in our efforts to achieve a decent world in which peace and freedom can endure, for terrific expenses for veterans which will no doubt increase as the years go by, for the protection and development of our natural resources, for flood control and reclamation, and for a great variety of other necessary Government needs. The chairman of this subcommittee, Senator BALDWIN, has already indicated his support, I believe, for increases in the wages of inflation-harried Government employees. Many, if not most, of us believe Federal assistance is warranted for our school systems. We are spending now $40,000,000,000 a year, and, although the budget is a source of much controversy, regardless of individual views on individual items in that budget, the fact remains that there is little responsible opinion that it can be cut very substantially. The recent legislative budget resolution drawn by the joint committee representing House and Senate taxation and appropriation committees indicates this.

And now comes this recommendation that we authorize millions of dollars unnecessarily for a new building in New England to do work which can be done and to a large extent has been done and is being done in the quartermaster depot in Philadelphia.

I might say parenthetically that numerous New Englanders, including residents of Boston, Cambridge, Dorchester Center, and elsewhere in Massachusetts have protested vigorously to me against the erection of this building on what appears to be the desired location of the Quartermaster Corps, on park land now providing about the only recreational space for thousands of children living in a congested area.

Far from opposing any expansion of the quartermaster depot in Philadelphia, on the other hand, all of our people in Philadelphia, who are proud of this present facility, wholeheartedly endorse any expansion of the depot which might be necessary to provide the space needed for this laboratory.

Actually, however, we believe that present facilities could be rearranged to provide for the laboratory, and that it could be done with a minimum of expense to the Government while providing a maximum of the desired centralization. It is my understanding that even if the laboratory proposed here were built in Boston or in New England, many research activities would of necessity continue in Philadelphia and you would have the very division of activities this bill purports to correct.

First of all, there is 154,490 square feet of Government-owned space adjacent to the Quartermaster depot in Philadelphia which, if a completely new building actually is needed, could be utilized at a saving of at least the $200,000 or so which the Corps of Engineers—back in 1945 or early 1946—estimated land for the laboratory building in New England would cost. This available Government-owned land in Philadelphia is new being used for a parking lot.

Secondly, Research and Development at Philadelphia is already utilizing about 148,941 square feet—these are inside building measurements—at the Philadelphia depot. Nearly a half million dollars has been spent, I understand, in the construction of these facilities. How much of this expense would be wasted were the research functions to be consolidated in Boston, rather than in Philadelphia, I do not know, but I suspect that much of the money spent during the war on facilities at Philadelphia would be written off in such a transfer.

Thirdly, although the argument has been advanced that space is not available in the Quartermaster depot because the Signal Corps was recently moved into quarters there, I necessarily must bring to your attention the fact that the Signal Corps has tremendous space of its own at Middle River, Md., where an entire bomber plant, as I recall, was taken over by this service. The Signal Corps has flatly stated its intention of consolidating most of the functions it now carries on in Philadelphia down at the Maryland facility it owns and since it is in Philadelphia now only temporarily and can be moved upon short notice, either on its own initiative or to make room for laboratory research, I maintain that it is a thoroughly misleading argument and an untrue one to say that the Philadelphia depot cannot accommodate the laboratory because of the Signal Corps tenancy.

These are dollar-and-cents aspects of the issue. There are more:

The plans for the new laboratory building at Boston provide, I understand, for the construction separately, at additional expense, of a cafeteria and recreation hall. Is there any estimate available on this cost? I ask, because there exists at Philadelphia at the depot an auditorium capable of seating 1,000 persons and there also exists one of the most modern cafeterias in America. These, I repeat, already exist at Philadelphia. This is another aspect of the dollar-and-cents importance of staying in Philadelphia and enlarging the Philadelphia facilities.

The Army speaks of the saving in travel and telephone expenses in consolidating in Boston. Of course it is obvious that with some of the work in research continuing in Philadelphia, there would still be extensive traveling and telephone expenses in communication between the two locations. But even more expensive an aspect of this transfer would be the terrific expense of moving the bulk of the present military and civilian employees of the Philadelphia laboratory to Boston. Expense aside, are there housing accommodations in Boston or vicinity for these reluctant pilgrims forced to journey by this proposal to the great Mecca of Harvard?

While we are on the subject of expense and expenditures—a very compelling subject usually to this Congress—I might point out right now that although the Budget Bureau has expressed no objection as such to the Army's submission to the House and Senate of a report urging authority to construct a laboratory in Boston, the Budget Bureau expressly stated that this was not to be construed as involving any commitment with respect to the early submission of estimates of appropriation for construction of the project.

In view of that, I submit that since the Army obviously has no authority, even if this bill should grant it, to seek construction funds for the project at any early date. It cannot ask for such funds without Budget Bureau approval even if the Congress passes legislation authorizing the project—that the Army therefore has time—it has plenty of time—to give another look at the extent of Philadelphia space available to it; it has time to determine the actual cost of enlarging Philadelphia facilities to be suitable for the consolidated laboratory; it has time to make a realistic survey of the realistic costs of building such a laboratory from the ground up in New England; it has an opportunity to revise this wholly absurd estimate of $6,000,000 specified in the legislation now before us. As a matter of fact, the Quartermaster Corps has had the opportunity ever since the failure of its original end-run attempt of 1946 to get the money from the House Appropriations Committee to make such realistic surveys and it hasn't seemed to have wanted to take advantage of the opportunity. Yet, in the recent House hearings last year, this magic figure of $6,000,000 still holds as the Army's estimate.

That raises the question, In late 1945 or early 1946, when this proposal was first made, was the Army estimating on the basis of 1949 costs? Did it know what they would be? No, of course not. Army engineer estimates on flood-control costs made at the very same time that these estimates were made for the proposed Quartermaster Research Laboratory in Boston, have since been found to be completely impossible in view of the outrageous rise in construction costs. I have a tremendously high regard for the Corps of Engineers, who have done magnificent work in my State on flood control, particularly, and I am inclined to accept their estimates as being pretty reliable. The Engineer Corps estimate on this building was made in late 1945 or early 1946—I repeat. It was no doubt a good estimate at that time. Yet, when the hearings on this measure were conducted in the House last June, all of the testimony on costs came not from the Corps of Engineers, but from Quartermaster Corps officials. I found no mention in the House hearings of any recent cost estimates from Army engineers. General Larkin of the Quartermaster Corps testified in these words:

"Our costs, from the estimate that we have prepared last year, is an estimated cost of $6,000,000."

Perhaps the Quartermaster Corps has little liaison with the Veterans' Administration, which is striving to build hospitals somewhere within buzz-bomb range of appropriations given it in 1946 and 1947, or the engineers who are trying to build flood-control projects under the same circumstances, and both finding it impossible in terms of present-day construction prices. If this liaison did exist and the Quartermaster Corps knows of some of the construction-cost problems of its sister branches of the Army, it would, I am sure, do some rapid revising on its figures.

Now, gentlemen, let's stop kidding ourselves or the public that this project could be built at Boston for anything resembling

$6,000,000. Let's stop pretending that because a certain amount of the field work of the Quartermaster Corps' research work is done at Mount Washington or on the rocky coast of Maine or in the New England wet-cold occurring perhaps a month or two out of the year that the laboratory center must be in Boston. Actually, I understand, a great deal more of the field work is done in places like Attu or the jungles of the tropics. It would, therefore, be as logical to build this laboratory halfway between the Aleutians and New Guinea.

These field teams are mobile units which go where they find the appropriate conditions for the particular test. Regardless of where this laboratory were located, they would make such far-away field trips. And as for scientists and research men, I can promise that our universities and colleges in Pennsylvania and in nearby New York, New Jersey, Delaware, and other nearby States will make it their business to supply as many thoroughly qualified men as are needed in case Harvard and MIT men, for example, shrink in horror from an occasional train trip down to Philadelphia for some consultations or for extended periods of work with the Quartermaster Corps on projects of such great national importance.

It seems the Atomic Energy Commission still manages to attract scientists to the most isolated parts of the country without bringing the entire atomic-energy project to Harvard. If the work is important—and this is—the men will be found to do it.

Lincoln Day Address by Hon. Edward Martin, of Pennsylvania, at Kansas City

EXTENSION OF REMARKS
OF
HON. JAMES P. KEM
OF MISSOURI
IN THE SENATE OF THE UNITED STATES
Wednesday, February 18 (legislative day of Monday, February 2), 1948

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by the junior Senator from Pennsylvania [Mr. MARTIN] at Kansas City, Mo., February 13, at the Lincoln birthday dinner of the Missouri Republican Club, in conjunction with the Jackson County Republican Committee.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am proud to have been invited here to join with you in commemorating the anniversary of the birth of one of the world's greatest men—Abraham Lincoln—first Republican President of the United States.

In your State there is so much which is in tune with the life of Lincoln. The romance of Missouri's progress to greatness is one of the most inspiring stories of our Republic. It is a story of rugged independence, self-reliance, patriotic love of country, and magnificent victory over struggle, hardship, and conflict.

Your proud reputation as the "show me" State is honored across the Nation as a challenge and an invitation.

Missouri stands foursquare to the world as a land of vast achievement. It is strong and progressive in industry, agriculture, and mining. It is far advanced in spiritual and cultural attainments. From your cities stem the railroad arteries which haul the Nation's freight and its people to all parts of the United States.

Your fertile farms produce the crops of both the North and the South and the fruit of your orchards has national fame. Your State leads the country in lead mining with an amazing history of development going back more than 200 years. You have rich deposits of coal, zinc, iron, and many other minerals.

But more important than all of these things is the sturdy character of your God-fearing people. Missouri Americanism represents an intermingling of the best traditions of the Old World with the hard work, the courage, and freedom of the New. Your State has produced a long line of famous men—statesmen, military leaders, educators, industrialists, writers, and editors. Their service has contributed so much to our Nation and to the world.

Speaking of Missouri's outstanding sons, let me take this occasion to express my deep appreciation of the honor and pleasure of my association with your two courageous, able, and distinguished United States Senators. I refer, of course, to FORREST DONNELL and JIM KEM. Let me assure you that they are among the hardest-working, most conscientious legislators in Washington. Missouri is indeed fortunate to be represented in the Senate by two Republicans of such exceptional ability, unquestioned integrity, and high character. Their fine legal attainments are serving the Nation well in the fight to restore constitutional government.

They, together with your Republican Representatives in the Lower House, live up to your State motto, "Let the welfare of the people be the supreme law."

Abraham Lincoln believed in that doctrine. He believed in good government, in honest government, as the only kind of government that truly serves the welfare of the people.

This is the way Lincoln felt about good government and the need for respect for the law. In an address at Springfield, Ill., he declared:

"Let every American, every lover of liberty, every well wisher to his posterity, swear by the blood of the Revolution never to violate, in the least particular, the laws of our country, and never to tolerate their violation by others. Let every man remember that to violate the law is to trample on the blood of his father and to tear the charter of his own and his children's liberty. Let reverence for the law be breathed by every American mother to the lisping babe that prattles on her lap, let it be taught in the schools, in seminaries, and in colleges; let it be written in the primers, spelling books, and in almanacs; let it be preached from the pulpit, proclaimed in legislative halls, and enforced in courts of justice."

If I had my way, this quotation would hang framed in town halls, in city halls, in county buildings, and in the State capitols of our 48 States. It would be displayed in Washington in the legislative halls and most particularly in the office of every bureaucrat.

Lincoln's text is just as alive and as pertinent today as when he uttered it.

Lincoln knew that real freedom could be attained only by a law-abiding people under leaders whose whole careers had been dedicated to good government.

Unfortunately, there are still with us the racketeer in government, the racketeer in politics, the racketeer in business and in labor.

They have been flourishing in recent years. We have seen numerous cases recently. We have seen a powerful leader in the House of Representatives—a Democratic chairman of the Military Affairs Committee—engaged in quiet business deals and fixes, getting war contracts for the boys and plenty of undisclosed business for himself, under the table. The sordid story of Representative Andrew J. May was unfolded in our Federal courts.

More recently we have seen one of the highest Army officers—Maj. Gen. Bennett Myers—in charge of Air Force procurement—revealed as a man who set up a business on the side and influenced Army contracts into his plant. Not only was he making a secret and illegal profit by virtue of this racket—he was making an outrageous profit.

A Republican Senate committee brought out evidence that he had deliberately boosted the cost of the instruments he sold to far above an honest price.

These are just a few cases reflecting a dangerous break-down in morality. In the days ahead more examples will undoubtedly be brought to public light.

Across the Nation we have the corrupt city machines, dominated by unscrupulous men, serving their own selfish interests. These are powerful forces in the Democratic Party and they crush everything in their way. There is the insufferable Hague machine in Jersey City, Tammany Hall in New York, the Kenny-Nash machine still doing business at the old stand in Chicago, hand-in-glove with the underworld.

They have defiled the purity of the ballot.

They have become partners in operations which prey upon the earnings and savings of our citizens.

They have made a mockery of law enforcement by corrupting public officials. In some instances they have made justice a commodity to be bought and sold in the market place.

But here, in Kansas City, I need not tell you how a corrupt political machine operates. You Republicans, with the help of self-respecting Democrats, have fought courageously to defeat the Pendergast machine. You believe with Lincoln that reverence for the law is the charter of your own and your children's liberty.

Local governments are the foundation timbers upon which we have built the structure of our Republic. When political termites weaken that foundation, our whole system of free government is in danger of collapse. We must exterminate them before it is too late.

The examples I have mentioned, which could be multiplied many times, have shaken the confidence of the people in public officials. The word "politician" has become transformed; to many people it implies intrigue, graft, and dishonest dealing.

It is notable that Gen. Dwight Eisenhower, in his recent letter announcing that he was not a Presidential candidate, stated: "Politics is a profession—a serious, complicated, and, in its true sense, a noble one."

The dictionary definition of politician is: "One versed in the science of government." We must return the word again to that definition.

Lincoln was a politician, and he knew that politics must, as a matter of course, be part of any form of government other than dictatorship or anarchy. He knew that politics can be clean and honest and can help to provide good government for all the people. Lincoln knew, and proved by example, that a politician can be an incorruptible servant of the people. He knew, as we here all know, that the party and party regularity can be valuable weapons for good citizenship and for the defense of the Constitution.

It should be a matter of concern to all of us that so many of our citizens—leaders in business, education, and the church—have been so lax in their efforts and guidance toward good government. It is to be regretted that so many have taken the position that politics is beneath their dignity. They should understand that politics is the science of government. If we are to have clean, efficient, economical government, serving the best interests of all the people, we must have good citizenship. That means greater participation in politics and more widespread interest in the affairs of government.

We must join together as good citizens to fight corruption whether in the Democratic Party or in our own ranks.

We should not forget the advice Lincoln gave in an address before the Young Men's Lyceum of Springfield, Ill. The support and defense of our Republic, he declared, depends upon general intelligence, sound morality, and reverence for the Constitution and law.

We should encourage our young men to interest themselves in politics—not in the politics of the corrupt political machines but in politics in its true sense as exemplified by the greatest of all Republicans—Abraham Lincoln. The young men who are attracted by politics are among the greatest assets of our country. The future of the community, the State, and the Nation, is bound up in the course they take. They must realize that success in politics will grow out of what they put into it—not what they take out. They must learn that political work is for public service—not for private advantage; for the public good—not for personal gain. The qualities of highest importance are honesty, sincerity, willingness to work, and a deep sense of obligation to their fellow citizens.

For 15 long years our young people have been taught a philosophy contrary to those principles. They have been taught to depend upon the Government and not that the Government depends upon them. They have been taught to look to Washington, to the bureaucrats for the solution of all their problems. They have been taught the dependent way of life, not the independent way. This false philosophy, combined with the rising tide of corruption, spells danger to the people of our Nation. Unless we act vigorously to check these evil influences, we will be led down the road to destruction. We will lose the freedoms bought and paid for in sacrifice, sweat, blood, and tears in every generation.

I have been deeply concerned over the development of recent years in which men have turned to Washington as the source of all good things.

America's pioneers could build a house or conquer savage enemies with their hands. They were unafraid. The song of America's manifold opportunities was in their hearts. They had faith in God. They believed in themselves, and had confidence in their ability to build a Nation of freedom. That was Lincoln's kind of stock.

Abraham Lincoln was the great prophet of opportunity. His rise to immortal fame teaches that in this land, no matter where you start, there is plenty of room at the top for those who strive upward.

As never before in our history we need the example of Lincoln to teach this generation and those that follow the importance of keeping the avenues of opportunity free and open for every youth in America.

Much of the attitude of leaning upon Government to do for us what we should be doing for ourselves, comes from a feeling that the opportunities of the old days have gone.

There never was, there never will be, a falser premise. The opportunities are here. But the new philosophy of Government, with its tax roadblocks, its regimentation and socialistic paternalism, temporarily bars the way.

We will clear away these obstacles to opportunity. We will open the road once more. We will restore sound, economical, constitutional government by a smashing Republican victory in November.

Look about—opportunity is demonstrated on every side. In this very room are men of courage who came up the ladder the hard way. Today, as in Lincoln's day, you will find men who, literally, were born in humble log cabins and yet climbed to the stars.

Here in Missouri, you have men of pioneer stock, whose grandfathers and great grandfathers found opportunity, success and honor in the freedom of our soil. Others came to our shores in more recent years, finding for themselves and their sons the right to grow and prosper as good Americans. Some died on the battlefield, fighting under the stars and stripes. All contributed to building and safeguarding America.

No other land on earth offers such opportunities. Let us clean house. Let us get the course of Government back on the main track. Then America will offer the same opportunities to the brave in spirit as when it lifted Abraham Lincoln from an earthen cabin floor to a place among the immortals.

In planning for the future we can seek guidance in the lessons of the past. Have we been vigilant? Have we been true to our trust? What dangers do we face? What remedies can we apply?

First, we have placed too much emphasis upon our rights and too little on our obligations. As a people we have not taken enough interest in government. As a result, we have allowed much of our Government to be dominated by selfish men, grasping for power and wealth at the expense of their fellow citizens.

We have been led astray by political promisers who pretend they are giving something to the people, when, in fact, they are only promising to spend the taxpayers' money.

We have placed spendthrifts in high places—men who squander our substance without regard for financial stability or national solvency. Their way is the easy way—and leads to disaster. We have the pressure groups, large and small, who swarm about Washington serving special interests and selfish purposes. In seeking advantages for themselves they seem to forget that the rights of the whole people are paramount to the rights of any group, organization, or section.

We have permitted the creation of a multiplicity of spending agencies with overlapping authority and duplication of services. Many of them perform functions which should be reduced or eliminated. Their wasteful and extravagant financial operations are so intricate and so intermixed that the most capable expert accountants cannot find their way through the maze of jumbled figures. No one knows where they stand or where the money has gone.

We have seen the creation of an army of bureaucrats, not to serve the public, but to perpetuate in power the kind of government that submits a budget of $40,000,000,000 for a single year.

This is the most tremendous peacetime budget in all history. And the end is not in sight. Next, I predict, based upon existing facts, that unless we defeat this administration, it will be asking the taxpayers for a budget in excess of $50,000,000,000 within 2 years. Such a course can lead only to higher taxes, more and more inflation and, in the end, national bankruptcy and a receivership in the form of a socialistic or totalitarian government.

That is not a pleasant prospect. We can stop it only by continuing and strengthening Republican control of Congress and by electing a Republican President in November. This we must and will do.

The most constructive proposal offered by the Republican Party is its pledge to put our country's financial house in order—to restore honesty and sanity to our Federal spending—to reduce taxes, to postpone unnecessary public improvements and to make a substantial start on paying off the Federal debt.

Since January 1947 the Republican Congress has been doing everything within its power to achieve those ends, but the stubborn short-sighted Truman administration has resisted every effort to restore sound fiscal policies.

The party of Lincoln is committed to these things—and will continue the fight—because we know that freedom depends upon a financially sound government structure. An insolvent nation cannot be a free nation. Economic bankruptcy is the open door to political disaster. History teaches that a debt-ridden nation always sells its freedom for a mess of pottage—and winds up with neither, but only with chains and distress.

In these troubled, confused and perplexing days we need more of the spirit that made Abraham Lincoln say:

"I am driven to my knees over and over again, because I have nowhere else to go."

This great man of ours, this great man who belongs to the whole world and to all history, was not too proud to go to his knees and pray for guidance and comfort.

There is comfort in prayer. There is guidance in prayer. There is wisdom in prayer. The men who made America carried the Bible over the mountains and into the wilderness.

Where have we gone off the right course? Have we turned to false gods? We have the churches, the cathedrals, the temples and synagogues. We have the men of good will and good spirit to lead us back to prayer. Let our church bells ring out across the land, let our people turn again to God for divine guidance in rebuilding and strengthening our spiritual courage and our moral fiber.

With the example of Abraham Lincoln to inspire us, let us go forward to an overwhelming victory in November.

Forward-Looking Republicanism

EXTENSION OF REMARKS

OF

HON. HENRY CABOT LODGE, JR.

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Wednesday, February 18 (legislative day of Monday, February 2), 1948

Mr. LODGE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject Forward-Looking Republicanism, which I delivered in Charleston, W. Va., on February 12, before the Republican Clubs of West Virginia.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

There are many reasons why I am glad to be speaking here in West Virginia tonight. To my mind first comes the thought of the pleasure at the opportunity which this occasion affords me of telling you of the fine standing in the United States Senate of your Senator, Honorable CHAPMAN REVERCOMB. I have served with him for many years. His sincerity, his earnestness, his careful study of public questions, his zeal for the people of West Virginia, and his sense of dedication to the United States gives him a high place in the Senate. He is an able public servant and a fine American. I am proud to call him my friend.

Then on Lincoln's Birthday, it is somehow appropriate to be speaking in a State whose beginnings are so closely tied up with the Civil War in which the great Lincoln led this country to victory and without whose leadership we would not today be a nation to whom the whole world looks for liberty and salvation. It is fitting here in West Virginia, meeting as Republicans, to reflect on Lincoln's loving kindness for his fellowmen, his honesty, his passion to unify the people and finally what one great spiritual leader called his "freedom and radicalness."

Remember it is Lincoln who said: "This country with its institutions belongs to the people who inhabit it."

We cannot be timid or backward-looking and be worthy of Lincoln.

Remember the great words of thunder which come breaking out from the past from Lincoln's brain to help us today: "The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty and we must rise with the occasion. As our case is new, so we must think anew and act anew. We must disenthrall ourselves."

"Think anew and act anew"—good words for Republicans, indeed for all Americans—to remember.

"Think anew and act anew"—thoughts which the people at the next election will certainly have uppermost in their minds.

We must think anew and act anew because we are meeting under such difficult conditions. In some ways more difficult than those which existed in time of war. At that time, to be sure, our young manhood was being wounded and killed. Thank heaven this is not happening now, but today we face conditions as a people which are of much greater complexity.

In time of war the problem can be simply stated: It is to defeat the enemy and win the war. Today, however, we must make decisions which compel us to look ahead not for 3 or 4 or 5 years but for a whole generation. The acts which the American people take in this year of 1948, either through their Representatives in Congress or by their own direct use at the election in November will in all honesty have a decisive effect for good or evil on the lives of you and me who are here today and also on the lives of those who come after us.

The problems are so full of contradictions that the right answer to one problem, if carried too far, can become the wrong answer. We are often limited merely to choosing between the lesser of evils. Take, for example, the question of helping Europe. There are powerful reasons for helping Europe. There is the reason that we do not want to let our brother starve and shiver with cold. There is the reason that we do not want to see the whole western world outside of the United States engulfed in that godless tide of violence, hatred, and treason known as communism.

There is the reason which comes to mind from the old saying that, in life, the people you meet going up, you also meet coming down.

There is the reason that, out of our aid and out of the ashes, a united and integrated Europe may arise which will give man some hope for a way out of his misery—in other words that we will not have merely resurrected the old firetrap which has involved America in two world wars.

Those are all powerful reasons.

But it is also powerfully important that this help be given in the right way.

In extending it we must avoid the errors of the past. We must not repeat all the mistakes of UNRRA and of the British loan and of the other ill-fated attempts to bring order out of chaos by the simple expenditure of American dollars. We must avoid the incredible errors of bureaucratic operations, whereby we send olives to Greece and coal to Newcastle.

We must provide help for essentials only. Let luxuries be obtained elsewhere and let them be obtained later and not at our expense.

Our help must be conditioned above all on the ability of European countries to help themselves. It would be a foolish and almost a criminal waste for us to send coal abroad, for example, to countries whose principal article of export is coal.

Then, we must get something back in return. If we are to send our machinery overseas, let there be a hard and fast agreement that we will get natural resources (or future rights to such resources) in return, such as bauxite, manganese, and iron ore, and many other things, which we do not have in sufficient amounts in this country. Such agreements enhance self-respect and minimize the chances of bad feeling.

We must be absolutely sure that all assets owned by foreigners are put into the service of this great cause, insofar as this can be done. If, as we are officially told, there are between two and three billion dollars worth of gold in France, this gold must be put to work. If there are wealthy people in Europe, they should be taxed. If there are $8,000,000,000 worth of foreign assets held in the United States, they should be pledged to the operation of the Marshall plan, because the poor here in America must not be made to support the rich overseas.

The Europeans must know that we are giving this help. We should set aside enough money and enough of an organization so that in spite of communistic propaganda they may know the truth about America and then they can take us or leave us. If they know the truth they will embrace the hope and the inspiration that is America and will do so with enthusiasm.

Let there never be a Marshall plan in reverse. That would be worse than no plan at all. What do I mean? I mean a condition in which our funds would be used to promote the separatism and suicidal nationalism of Europe. We should use our influence to achieve a voluntary integration and unity of Europe in which tariff barriers are removed, financial stability and a solid currency are assured and in which the whole European area is treated as a unit, thereby lifting the intolerable military and governmental burdens from the backs of the European people. That is the best hope for avoiding the recurrences of future European war.

We all know that the program which we are confronting makes sacrifice on our part inevitable and we also know that the American people can make sacrifices and have so done many times, but let us remember this: That whatever aid we send, we must never do violence to vital American needs. It must never be at the expense of the food and the heat and the clothing and the housing and the economic system whereby America lives and has its being. A strong America is not only essential to Americans; it is vitally necessary to the world.

If there is one thing which the masters of the Kremlin desire more than any other it is the collapse of the United States. They may even desire this more than they desire the prostration of Europe.

Consequently, if there is one thing which we must preserve above everything else, it is the strength and the vigor of our country.

And, so, no matter where you start in your discussion of public affairs—whether you start in China or Germany or any other remote part of the world—you always come back to the United States. Because a strong United States is not only essential to ourselves; it is fundamental to every foreign policy which we may desire to carry out.

And I tell you no secret when I say that at the present moment the strength of America is in danger of being impaired. What is a strong America? It is, of course, an America which has an adequate army, navy, and air force. That is one kind of strength.

And in that respect we are deficient. Our Army is 60 to 70 percent short of the minimum in combat troops and our Air Force is below th 70-air-group figure which our experts consider the rock-bottom amount. This is discouraging.

But there is another and more fundamental strength which comes from a people whose morale is high, who are having such a good life themselves and see so many prospects for their children that they are enthusiastic about what this country stands for. If, therefore, the standard of living of the American people falls below a certain point, and if the prospects for the American family become dim, you will have a falling off in enthusiasm for what America stands for and a serious weakening in what is, after all, the most important form of national strength.

You know as well as I that today this element of our strength is threatened by the tremendously high prices which everyone must pay for the necessities of life. Prices are high and every American family is being strained to make both ends meet. You also know what some of the reasons are for these high prices. There is the war, which, of course, creates tremendous scarcities and builds up tremendous demands which postwar production cannot meet. There is also the desire of certain groups for exorbitant gain which in turn leads to very high prices. There is the bad weather here and abroad. I mention these three factors in order to be perfectly frank. Yet another factor for high prices is the great added burden placed on our production of foodstuffs by the need for shipping food abroad. Let us be fair.

But it is also true that the party which has been in power since 1932 seems to have overlooked not one single opportunity to push prices as high as possible. Let us just make a list of what they have done since 1932.

1. They have increased the amount of money in circulation.

2. They have cheapened the value of the dollar.

3. They have vastly increased Government borrowing and spending.

4. They have increased taxes, which always leads to increased prices in order to make up the difference of the tax.

5. They have increased the amount of Federal obligations in the hands of the banks.

6. They have failed to curb speculation in commodity markets. In fact we are now reading the not very edifying story in the papers of speculators within the President's official family.

7. They have given price support to many essential commodities in order to keep the price up.

8. They have bought foodstuffs at the wrong time and in the wrong way without taking advantage of drops in the market.

These are not statements which I make out of my imagination. These are not statements which can simply be attributed to the fact that we are having a Republican meeting here tonight. These are statements of fact which are taken from the record and which no serious student of public affairs in either party seriously disputes. There may be members of the party in power who can give explanations of why these things are done. But no one can deny that they were done.

Nor can anyone who has observed the party in power during the last 10 years fail to see the deterioration which has taken place. Ten years ago it was not only possible, but easy, to disagree violently with them, but it was evident that there were many men in Washington of imagination, intellectual vigor, and broad human sympathy—a far cry from the smug hanger-on which, with some noteworthy exception, seems best to describe many of those in the seats of the mighty today.

But there is never much use in spending a great deal of time in fixing the blame. We prefer the constructive attitude of the man who says, "Here's a problem, what is the best way to solve it?" We believe that the Republican Party is the party which can and will meet these issues intelligently and effectively, always remembering that this country exists for the benefit of the people who live in it, and that the economic structure of all segments of the community must remain in balance with the rest. The Republican Party had its birth as the defender of the most underprivileged people that the world had ever seen. It is and must be the defender of the underprivileged today. What then can we expect as a Republican program?

First of all, we can stop the mistaken policies of those who have been in the seats of the mighty since 1932.

This means effective measures:

1. To curb speculation.

2. To call a halt to any extravagant price support of commodities essential to life.

3. To stop the extravagant administration of government. We have, in fact, taken great strides along this line during the very short time that we have been in control of Congress. The Republican Congress reduced expenditures and stopped and reversed the extravagant trend of the preceding years. Congress also passed a law, of which I was an author, setting up a very able Commission to reorganize the whole executive branch of the Government, to throw the light in all the dark places and to overhaul it from stem to stern. This Commission will report in January 1949, and it is my hope and belief that it will pay big dividends in increased economy and increased efficiency for the American people.

4. We can and must reduce taxes and do so in several different ways—by increasing the allowance for dependents under the personal income tax which will give relief to the place where it is most needed and will be most appreciated. We must revise the business-tax structure so as to give encouragement to investment in goods and machinery which will increase production. Serious study should be given to a proposition to give a tax rebate to firms which reduce the price of their product to the consumer. These tax-reduction measures should give some quick relief from high prices.

5. We should be able to make at least a $2,000,000,000 reduction in Federal expenditures, a $3,000,000,000 reduction in the Federal debt, and at the same time maintain an adequate national defense and give proper support to the Marshall plan.

6. You may say that this is a hard thing to do, but that is what statesmanship is for. If these things were easy, there would be no point in the community training men for their whole lifetime in order to cope with these questions. We have trained statesmen, thank Heaven.

7. There should be some assurance given to the people also that really effective measures will be taken to conserve our natural resources. Whether we like it or not, we are becoming a "have not" nation in many of the basic commodities in which we once had a surplus, and which helped materially to make us the strongest power on earth. Remember that our great national strength and productivity is due in part to the intelligence and industry of the American people, but it is also due in part to the great natural wealth which God in His wisdom put in the four square of the United States. We must conserve what we have left and we must seek means of stock piling and acquiring natural resources abroad to make up for the deficiencies which the war has caused.

8. There should be prompt action for setting up a real housing program. The utter impossibility of getting housing at a reasonable price is a blot on our traditional American ingenuity. If the production lines of our country can turn out radios, airplanes, and motor cars, they should also be able to turn out the basic units which go into housing. When volume production gets under way prices will go down. The demand is there. With construction at a sufficiently high level to assure year around work at a decent wage for labor, the restrictive working conditions which are reported in certain trades would disappear over night. The same is true of the collusive practices which we hear of among the suppliers of building materials. These would give way under competition. The Government of itself cannot provide the sole solution, but it can help to break the log jam. The most effective and quickest step toward this end is for the Government to provide part of the cost so that housing will be available to people at prices they can afford, and especially to the lowest income groups whose needs, even in normal times, have never been met by private enterprise. But most important of all is prompt action so that advantage may be taken of the building season which begins in March. We must not lose another year.

9. Our prime reliance for the well-being of the citizen must always rest on having a competitive economy. We believe he prospers better under such a system, and we know that without a competitive economy a political democracy is impossible. The two go hand in hand. Destroy private property by direct or indirect action and you destroy human freedom. But there are chinks which our competitive economy does not always reach, and there are certain things which it is more convenient for us to have government do—and government, we hope, will under Republican guidance become an efficient tool to do whatever the people want it to do. For example, there are useful steps which government can take in the field of public health without in any way bringing to the needy and sick the dangers of so-called socialized medicine. One such step is to make a free distribution to the needy sick of certain medicines, the value of which is proven and which are beyond the financial reach of many persons. Nor is it disputed that government has an obligation toward aged persons who come to the end of their lives without adequate means.

Another way in which the power of government may be used is in instituting a really efficient campaign for voluntary rationing together with adequate appropriations for the organization of statutory rationing, should this be demanded by the people. If rationing of meat, for example, is demanded by the people, it would be inexcusable if the Government were not ready to put it into effect, and did not have really well-thought-out plans. I realize that Congress makes the laws and the President administers them. And there is no way that we can pass laws which will give us efficient administration. If we have administrators of the type that we had before, it is doubtful whether the best laws would work. But at least Congress must be ready with the plans so that if the people decide to go on a certain course, we can do so as effectively as possible.

10. There are many reasons for believing that government funds should be used to facilitate scientific research, but not under conditions which impose governmental dominance of scientific thought.

To sum up:

There are two kinds of strength—military and economic. We are below strength in one because our armed forces are under the minimum. We are below strength in the other because of inflation.

While the war and other causes explain part of the current inflation, the party in power is responsible for eight definite measures which have given prices a big push to their present height. These measures are: Increasing amount of money in circulation, cheapening value of dollar, increasing Government borrowing and spending, increasing taxes (which increases prices), increasing amount of Federal obligation in banks, failure to curb speculation, excessive support of prices of necessaries of life, and buying foodstuffs at wrong time.

A Republican Party program is here presented to curb speculation, halt extravagant price support, cease lavish public spending, enact tax reduction, conserve natural resources, construct housing, promote public health and scientific research, and maintain adequate armed forces to support American foreign policy.

These are a few specific suggestions for constructive, forward-looking Republican action. But while, of course, we must have a Government program, more than that is properly demanded of us. While we must ever be efficient, effective, industrious, farsighted, and incorruptible in our administration of public affairs, more than that is rightfully expected of us. Our viewpoint about our fellowmen is at the heart of the matter. There must be fervent belief in his value, his dignity, and his capacity for development. There must be that passion, as the Constitution so eloquently puts it, "to establish justice"; whatever we do must be done in an atmosphere of active, affirmative faith.

In such an atmosphere and animated by that faith, the Republican Party can lead our country and the world to a richer prosperity and a greater peace than it has ever known. What is more important, in such an atmosphere and spurred by such a faith, we will deserve to lead.

What Labor Expects of Management

EXTENSION OF REMARKS

OF

HON. THEODORE FRANCIS GREEN

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, February 18 (legislative day of Monday, February 2), 1948

Mr. GREEN. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an important address by an outstanding leader of labor, Harvey W. Brown, president of the International Association of Machinists. This organization is made up of the toolmakers, machinists, and mechanics whose skills are the foundation of our machine-age civilization.

Mr. Brown's address entitled "What Labor Expects of Management," was delivered February 18, 1948, before the annual meeting of the American Management Association at Chicago, Ill. In these days when we are struggling to develop labor-management cooperation, Mr. Brown's forthright appraisal of management's responsibility is worthy of careful consideration by every Member of this body.

I have obtained from the Public Printer an estimate of the cost of printing this address. The estimated cost is $213.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I have been invited to speak to you on the subject of what labor expects of management. To be more specific, what should management do in handling individual grievances, in maintaining stability, consulting with unions in the establishment of welfare programs, and in adopting labor-management approaches to certain types of employment programs.

These are very familiar subjects. I have been talking about them for—well, for more years than I am going to admit. I have been talking about them with men of your standing in management; I have been talking about them with foremen and supervisors in discussing grievances. Perhaps I should be tired of it, but I am not. To me, they are vitally interesting and important subjects, and there is nothing I would rather talk about in ordinary times, but these are not ordinary times. Frankly, the question of what management and labor expect of each other in their daily contacts does not seem to me to be the important issue today. The important issue, the only issue, is: What do the times demand of management and labor?

This year America must make decisions which will shape the course of her future, and of the world's future, for many years to come. You are meeting here to discuss important phases of one of those decisions—how American management may operate our industrial machinery in such a way as to fill the material demands of a nation and of a world whose people want, and in some cases desperately need, the products of our farms and factories. I am here, in response to your friendly invitation, to stress the fact that not only must American industry meet these demands, but it must meet them without sacrificing the industrial democracy which we of organized labor have been building painfully for the past half a century. Indeed, if America is to meet the challenge fully the area of industrial democracy must be constantly expanded.

I appreciate deeply the opportunity you have given me to be with you today. I look upon your invitation as a compliment to the 650,000 working men and women I represent. More important, the invitation is, to me, a symbol of the friendship and of the cooperation which must be practiced by management and labor on every level of contact, if we are to meet fully our democratic challenge.

The tide of totalitarianism, which already has engulfed eastern Europe, and which beats relentlessly at the crumbling walls of freedom in the west, is testimony of the extent of that challenge and the urgency of our cooperation. If we are to maintain free competitive enterprise here at home, if we are to perpetuate our free way of life throughout the world, management and labor must accept that cooperation as a basic part of our pattern of democracy, and must practice it and defend it with the same intensity which marked the practice and defense of political freedom in the early history of the United States.

This is an auspicious time for our consideration of this problem. Next Sunday we celebrate the birthday of George Washington, who led our Nation in its successful fight for national independence and political liberty. Last Thursday we celebrated the birthday of another great American, Abraham Lincoln, who lived and died in a struggle to prove that democracy began, not ended, with the principles for which Washington led a revolution.

It is important that we remember these men, and their principles, as we discuss the question of industrial democracy in today's economy. I have no doubt that American management, which you represent, could meet almost any goal of physical production if it could exercise unbridled authority. You men are experts in your field. You know the techniques of translating raw materials into finished products; you know how to mold the theories of laboratory technicians into practical goods and services. You can do the job.

But just doing the job isn't going to be enough. The matter of how the job is done is just as important. Hitler forgot that; he molded a master management which could proceed unhindered by a consideration of the slaves who ran the machinery. Hitler is gone, but there are others today who place material accomplishment above all else—above humanity, above liberty, above life itself. They will fail, as he failed. And we, too, shall fail if we slip, however slightly, into the mistaken belief that we can sacrifice human rights for material goals, even when the accomplishment of those goals may feed and clothe those whose liberties are denied.

We shall fail if we try that road because the working people of America clothed in the traditions of Washington and Lincoln, manifest in their organized strength, will refuse to remove the garments of liberty when they enter their work place. A man cannot be taught to believe that he is half free and half slave. He cannot be placed upon a pedestal of political liberty, and then told to obey commands blindly when he takes his place at his bench or machine.

The truly rugged individuals of early American management did not recognize this fact. Their failure to recognize it gave birth to the American labor movement. That movement is the expression of the American wage earners' continuing struggle for liberty in every phase of their existence. To condemn organized labor as an institution, the opponents of organized labor criticize the actions of individual leaders and certain practices just as the foes of democracy try to discredit our political system by personal attacks and by petty criticism. But the concept of organized labor, like the concept of democracy, is not open to attack by anyone who believes sincerely in the dignity of man and in his natural right to attain that dignity.

Management must believe in this concept of democracy if it is to do its part in meeting America's challenge in the postwar world, and you, the management, must practice this belief in all of your many dealings with your employees. You must admit democracy to the workshop. If you do, you will find that the processes of industrial democracy, like those of political democracy, are a stepping stone to a better, more efficient, and more productive industrial society.

Some of you may doubt this. It is probably true that the majority of American industrial managers, including many with a record of fair and successful dealing with unions, are only lukewarm in their acceptance of organized labor's full rights. Perhaps at this stage of labor-management relationships, such limited acceptance is understandable. You of management do wear the mantles of men who looked upon organized labor as an unmitigated evil. And I agree that some instances of organized action by wage earners, even today, might seem to warrant that opinion. But perhaps those regrettable actions stem from the fact that many segments of organized labor still bear the marks of battle, inflicted by management which still clings to the brutal traditions of the past. My union will celebrate its sixtieth birthday next May, but within the past decade, and even within the last few months, we have had occasion to deal with managements as ruthless and as unwilling to admit labor's rights, as any with which the union dealt in its earlier years.

This is not the whole picture, and I am happy to say, in making that point, that we also enjoy most cordial and cooperative relations with management throughout the country. During 1947 we entered into or renewed collective-bargaining agreements with some 10,500 individual firms. Yet, in less than 1 percent were we obliged to resort to the strike as a bargaining weapon. This record, of course, reflects as much credit upon the 99 percent of management as it does upon our union.

In spite of parts of the record, on both sides of the fence, I maintain that organized labor is intrinsically sound and basically good, and that by accepting it as such, management will help accomplish its own aims more fully. Let's look at that contention from your viewpoint, and judge whether it will hold water.

First, let us dismiss any ideas that such problems as wages, hours, grievances, seniority, and the like exist because of unions. The contrary is true. These problems exist because of the very nature of modern industry, which operates to deny an individual worker his God-given liberty, and tends also to rob him of economic security. The unions actually were called into being by wage earners to provide machinery by which they could translate into reality their desires for personal dignity, for justice, and for economic security.

Some of you know all of this. Yet many of our citizens, including a large segment of American management, cling to the mistaken notion that labor unions are responsible for the friction in industrial relations, and there are some of these people who believe, even more mistakenly, that without unions this friction would not exist at all.

That, of course, is absolutely false, and the management which preaches that belief, or acts in accordance with it, is either acting in extreme ignorance, or is motivated by a malicious desire to reap some temporary advantage from union smashing, at the expense of its employees and at the risk of injuring the entire country.

As an example of just how untrue the charge that unions cause industrial unrest is, let us consider the 1946 strike record. That was the year of reconversion and produced the worst strike record in recent history. Unquestionably that wave of strikes did much to convince the uninformed that the so-called power of organized labor needed to be curbed. Those strikes also misled many individuals in and out of Congress into supporting the punitive legislation embodied in the Taft-Hartley law. There was considerable strike disturbance in 1946—there was much more in 1919. In that year (1919) more than 20 percent of the labor force was involved in strikes, as against 15 percent in 1946. Yet there were only 3,000,000 members of organized labor in 1919, compared with 15,000,000 in 1946. Plainly, then, unions are not the cause of industrial unrest and they are not the cause of the countless other labor problems which plague the minds and upset the schedules of managers of industry.

A union is, in essence, a line of communication by which employees may let management know what their work problems are, and what they want done about them. A union is also, of course, a means by which employees can translate their wants into demands, and in drastic cases attempt to enforce those demands by economic power. You may resent this economic power, but without it a union would be as useless to employees as is a lathe without a cutting tool, and when you consider the matter closely from your own viewpoint as managers, I think you will find that without potential economic force a union would be a useless tool in industrial relations.

Management, in its daily work, must contend with three different groups—the owners of the business, the customers, and the employees. Both the owners, because of their control of capital, and the customers, because of their control of purchasing power, exert direct economic pressure upon management. Unless the employees have some means of exerting pressure of their own, their wants and needs will be ignored. Management will be too busy responding to the groups which have power to enforce their demands. The fact that the employees' needs and grievances are ignored will not cause them to vanish. Rather it will cause them to fester—like a hidden infection—until they have poisoned the entire structure of employee-management relations.

All of us know the effects of repressed economic demands. They resemble in these days the same force that was represented by repressed political demands in the eighteenth century. In those days the cry of the revolutionary was "political freedom." The twentieth century revolutionary rallies his forces beneath the banner of industrial democracy.

This type of revolutionary preaches the false industrial democracy of Soviet Russia. He speaks of liberty and freedom, but when he has gained the allegiance of a repressed people, he strips from them the last vestige of those civil and political rights which we cherish as the bulwarks of a free society. He, and the nation whose philosophy he represents, are potent forces in the world today. They are challenging the proponents of true democracy for the aspirations and loyalties of men on every continent. And they thrive upon the denials of industrial

democracy even in countries like ours, where political liberty is firmly established.

It is important that America's leaders, both industrial and political, do not reach the false conclusion that because the totalitarian left has seized upon the cause of industrial democracy, that the cause itself is discredited. Remember, in the days of our political revolution, charlatans and dictators espoused the cause of political freedom for their own particular ends. They used that cause, as others are using the cause of industrial democracy today, only because it embodied the hopes and ambitions of a growing mass of the common people. Industrial democracy is the irresistible force of the twentieth century. Wise men, who know the lessons of history, will not seek to stand in its path.

I am not too deeply concerned with the probability that resistance by unwise men will lead to a violent political-economic upheaval in this country. We of organized labor do believe that some business and political leaders would like to misuse the powers of government to force the subservience of the common man to their own ends. But I believe that the majority of Americans, including a majority of industrial managers and investors, are too imbued with the spirit of democracy and too astute to strive for such an end.

I am, however, very deeply concerned with the attempt of management in many plants and industries to deny industrial democracy within their own domains. The path which they choose is rocky and it must end in failure. The employees of such management, deprived of the recourses of industrial democracy, will indulge in all sorts of practices designed to cripple operations. The only recourse of such employees is to be found in individual and small-group obstructionist tactics—the slow-down, make-work practices, even petty sabotage. These are not the tactics of an organized work force which have been accepted wholeheartedly by management.

These individual and small-group tactics will continue until the employees have organized, and until management has recognized and deals with their organization. Sooner or later the employees will organize. They will organize despite every effort of management against organization and, the greater management's opposition, the more liable are its employees to be driven into irresponsible activities. Irresponsibility in unions is a direct outgrowth of management obstruction. Management in many a plant today—honestly trying to practice sound industrial relations—is haunted by the ghost of an autocratic, antilabor policy which was buried years before. The modern manager who practices such a policy is storing up trouble for himself and his successors, and is cultivating the ground for subversive forces. He is the greatest ally of the Communist labor-front in America, and the Taft-Hartley law, with its non-Communist affidavits, can save neither him nor our economy from the tragic results of his folly.

This type of management, unfortunately, still exists, and exerts power, in our economy. There are plenty of signs all around us today that this type of management is deliberately moving forward with a program of destruction. A similar attempt was made by similar evil forces after the First World War. Many of us in this room can recall that program, brazenly called the American plan. It was an attempt to eliminate independent trade unions and to build in their place a spineless, servile creature known as the company union.

The aims of the plan were to push down wages, to lengthen hours, and to rob the American worker of the self-respect and independence which he had gained by his own struggles to build a free labor movement. The tools of the plan were the company spy, the private detective, the hired gun-man, the professional strikebreaker, the yellow-dog contract, and the labor injunction. The plan employed private armies, and even called upon and obtained the services of State and Federal troops to break the ranks of union workers.

By its ruthless use of these methods, the plan attained a measure of success. Organized labor was destroyed in many industrial areas. It was considerably weakened in others. Wage earners, robbed of their strength to ask, and to fight for, a fuller share in the industrial gains of the 1920's, had to be content, like Lazarus, with the crumbs from the master's table.

But what did this success profit industry? What was the harvest for the economy and for the welfare of the United States as a whole? The wages that industry chose to pay were not enough to provide the purchasing power necessary to consume the industrial output. Factories closed, unemployment rose, and hunger gnawed at the bodies and spirits of the citizens of this land of plenty. The depression of 1929 cast a blight over our entire civilization. The strong, powerful antiunion leaders of American industry, like Sampson, had pulled down the temple of our economy, and the rubble of that catastrophe was still in our streets when World War II caught us.

The question now is, Can we learn from history? Labor has learned. It has learned that management can practice collective bargaining and prosper as it never prospered before. More important, it has learned that through collective bargaining, labor receives a fairer share of the products of industry. Fifteen million working men and women organized into trade unions know that, and their ranks are reinforced by the conviction of many sections of the public not directly identified with labor, and among men of learning and men in high places.

The men and women of organized labor remember those other days. They remember that they, who were contented with the wages industry set in the years of its prosperity, were paid off in doles and breadlines in the years of its self-inflicted misery. They know the fruits of the American plan, and they know the fruits of industrial democracy.

They know that the Taft-Hartley law, for all its clever double-talk and empty promises, opens the door to the old methods. That law is one manifestation of a new American plan. That law will not succeed. Labor will not again be pushed down into the valley of want and darkness. We, too, are strong. We, too, are powerful. We have learned from history. We are the forces of the new and real American plan—industrial democracy.

Industrial democracy is the greatest challenge to American management in the postwar world. By wholehearted acceptance of this challenge, management will make it possible for American industry to meet its production goals more effectively and more fully. By accepting this challenge management will enable industry to meet its goals in such a way as to give the lie to the apostles of revolution, who preach that our industry can succeed only by denying to the worker his dignity and freedom. But, of more immediate importance to you men here, by accepting the challenge, management will go far in resolving many of its day-to-day employee-relations problems.

Omitting for the moment such items as wages and hours, what causes these day-to-day problems? The employees don't understand, they are suspicious, they feel that they have been injured. For example, management may introduce a new system of work methods. Perhaps every possible means has been taken to safeguard the welfare of the employees; the system was devised to make the job safer; a training program was developed to enable the employees to learn the new methods as quickly and as easily as possible; the average employee will earn as much or more than he earned under the old system. Management feels proud. The new system is announced. The employees rebel. They see in the system all sorts of evils—speed-up, stretch-out, reduction in earnings, greater accident hazards—everything that management had worked so hard to prevent. Management has two courses open. It may decide to scrap the new system, or at least postpone its introduction until some spade-work has been done on cultivating better employee understanding. Or, it may try to make the system work, despite employee resistance, hoping to iron things out by education and training. The first decision is a set-back for more efficient production. The second may prove an invitation to serious labor trouble.

Management can avoid such difficulties only by dealing with a representative of its employees at every phase of the plan's development. If the representative is to be fully effective, two conditions are essential. First, he must truly reflect the desires and sentiments of the employees. Second, he must have their confidence.

To fulfill these conditions, the representative must be elected by the employees. Management cannot select someone for the job. However objective management may try to be, however capable the representative so selected, the very fact that management made the choice will undermine the employees' confidence in him.

The process by which the representative is elected must be one established and controlled by the employees, without management assistance or interference, and the employees must be voting for a representative to do the specific job required—negotiating with management. It is impossible to use the officers of a management-sponsored "employee welfare association" for the purpose. Such officers may serve well enough in planning social events and in operating an employee newspaper, but how can they achieve force and authority in negotiations with management? The association is not wholly a creature of its members. Management, which helped breathe life into the creature, may disavow it at any time.

There is no substitute for democracy. Consider the record in our political life. As our democracy has developed practically every technique devised to safeguard the common folk from the results of their own free will has fallen by the wayside. The electoral college, which used to select the President for the people, is now but a channel for the expression of the popular will. The Senators, who once were selected by State legislatures, are now elected directly by their constituents, and, with few exceptions, the nomination of candidates for office has passed from the party convention to the direct primary.

If people are to have a voice in their own affairs, there can be no half-way mark. Industrial management cannot seek the cooperation of its employees without eventually committing itself to the industrial democracy of free trade-unionism. There is no other way to know the employees' sentiments and wishes. There is no other way to gain their full-fledged cooperation in developing programs and procedures of mutual interest to employees and management. There is no other way of committing the employees as a group to definite responsibilities in agreed-upon programs. There can be no freedom of understanding—there can be no equality of responsibility—between master and servant. Understanding and responsibility can be achieved only between men or groups who stand upon a plane of equality. Employees can gain equality—and be fully capable of understanding and responsibility—only through the instrumentality of trade-unionism. The only final solution to the personnel problems of management is in industrial democracy, and industrial democracy in a private enterprise

system can be attained by no other road than that of free trade-unionism.

If the attempt to change work methods, which I mentioned before, had been discussed and developed with the officials of a union of the employees' choosing—management would not have come suddenly upon the necessity for final decision. The union might have objected to the concept of the plan—that is true, but in so doing the union would only be reflecting the reaction of the employees—a reaction which management would have to face eventually. By facing it with employee representatives, while the change was still in the formative stage, management could have had the advantage of attempting to prove its sincerity and to educate its work force before the plan was announced as an accomplished fact. It would have been discussing the matter with a few persons, who had some degree of understanding of the problem, instead of with hundreds of individuals entirely devoid of technical understanding and motivated by suspicion and fear of change.

The same benefits of dealing with organized employees exists in every sphere of employee-management relations. Take the problem of grievances. So long as men seek to live and work together misunderstandings concerning rights and responsibilities will exist. As men develop socially and morally they seek three solutions to these misunderstandings: First, by furthering general understanding and good will, they seek to narrow the areas of mistrust and ignorance which give rise to fancied grievances; second, they attempt to define the rights and responsibilities of each man or group of men, in order better to define the areas of individual grievances as they arise; and, third, they establish definite routines by which those individual grievances may be considered and resolved in justice. Those three steps form the pattern of our modern society. They were evolved because men could find no other way in which to live together in justice and freedom. As surely as we adopted them in our political life—so shall we adopt them in our industrial life, and we shall not achieve them industrially until the wage earner has been accorded at the work place, the same degree of freedom which he possesses in his political life. There was no guaranty of justice while men were ruled by absolute political monarchs. The expectation of justice from such a source was scrapped in 1215 when the English barons forced King John to sign his name to the Magna Carta.

The final solution to the problem of grievances can be worked out only between a union and management. The effective functioning of any arrangement must, of course, rest finally upon mutual respect and good will. But even when these factors are present, the formal pattern of the contract should be introduced. The contract outlines the rights and responsibilities of both labor and management. It is, in effect, the body of law upon which industrial democracy rests. The grievance procedure, which is spelled out in the contract, provides a definite routine for the presentation and hearing of grievances. If it is a good procedure, it sets time limits on each step in the routine, and has a definite terminal point, such as arbitration, to dispose of those few grievances which cannot be ironed out by negotiation. Such a grievance procedure, just in its inception, complete in its provisions, and utilized in fairness by both parties, can effectively eliminate grievances as a major labor-management problem. No other method can.

There are numerous other spheres of employee-management interest, such as methods of hiring, promotions, lay-offs, and safety and health, to name a few. There is not time to consider each one individually, but the same general principles apply to each. Labor and management must approach such subjects together. The employees must be represented by a union. The method of dealing with each problem should be outlined in the contract. The rights and responsibilities of each party should be spelled out clearly and completely to avoid misunderstanding, and then some provision, either the general grievance procedure or a special procedure, should be made to take care of any disputes which may arise.

There is one other problem which we might mention in some detail—the problem of welfare funds. With the public attention riveted on the subject within the past 18 months some managers may consider it wise to venture into such activities for the purpose of stimulating better employee relations. The wise management may initiate discussions on this subject, but also make this subject a matter of discussion and negotiation with the union. Freemen do not relish having things done for them. They like to help do things for themselves. The management which tries to institute a welfare plan on its own lays itself open to the suspicion that it is trying to alienate its employees from their union. Such action in itself may well prove a cause of labor-management misunderstanding and make rocky the peaceful way of labor-management cooperation. Management cannot bypass the road of industrial democracy without jeopardizing its relations with labor.

We of labor know that the citizens of a democracy have their responsibilities as well as their rights. We realize that if we are to be worthy of the full industrial democracy which is our goal, we must in fact practice it. As management accepts labor and deals with us as partners in those phases of industry which bear directly upon our liberties and welfare, we must accord to management the respect and good will that such democracy implies. We are willing and anxious to demonstrate our worth.

We regret that, for the time being, we will not be able to apply our most constructive efforts to the work before us. Much of the time we might devote to the discharge of our main duties as citizens of an industrial democracy will be frittered away in complying with the restrictions which have been imposed upon us by the Taft-Hartley labor law. Much of our funds which we intended to devote to constructive uses will be consumed by legal costs which the application of this antilabor legislation imposes upon all unions that try conscientiously to comply with its complicated provisions. We must devote considerable effort to protecting the welfare of our members against the activities of those managements who would like to destroy much of what we have built up.

Some of you here, I am sure, look upon the law, as we do, as an impediment to the practice of sound labor-management relations. We know that you will bear with us until the burdens of this law have been removed. At the local level you, and we, can continue our joint efforts to improve collective bargaining, in spite of the law.

To those of you who do not recognize the evil of the Taft-Hartley law, we ask only this: Study the record of industrial democracy. Consult the records of your fellow managers who wholeheartedly accept collective bargaining and who have committed themselves to this twentieth-century extension of the struggle which George Washington suffered through a bleak and hopeless winter at Valley Forge and for which Abraham Lincoln laid down his life. Do not fall prey to the hopeless cynicism which betrayed Benedict Arnold into deserting a just cause, or to the blind vengeance which squeezed the trigger of a gun in the hands of John Wilkes Booth. Of you, who do not understand, we ask faith, not in labor leaders as individuals but in the righteousness of our cause, and patience, with the sometimes fumbling efforts of those who practice freedom after years of its denial.

Together, we of management and labor can meet America's challenge. Together we can produce the goods. Together we can perfect the pattern of industrial democracy to shine out as a beacon of hope in a dark and groping world where so many forces of evil are now at work, just as our pattern of political freedom shone forth in another time of crisis.

Yes, together we can do these things, and none but we can do them. If we fail we not only lose our present status as free men in industry and labor, but if we fail, then freedom, the very soul of this land of ours, will fail, too. Neither you of management, nor we of labor, nor our sons and daughters for years to come will know the outer warmth of plenty, nor the inner glow of freedom, until some future generation of serfs casts off the yoke and displaces the totalitarian state with a state that guarantees both political and industrial democracy.

Gentlemen, I may have disappointed some of you by straying from the details of the problems which face you in your day-to-day operations. If so, I am sorry. I may have overstressed, in your opinion, the principles of industrial democracy. If so, it is because until those principles are more widely accepted, and until management and labor fulfill their responsibilities under them, there can be no real solutions to your problems.

I could have cited cases from the records of the International Association of Machinists to illustrate examples of good and bad handling of specific problems, but when we had analyzed those cases, we would have found that the important factor was not the techniques applied but the spirit of the company and of the employees involved. Without exception, we would have found that the spirit which produced the good examples was the result of the wholehearted acceptance and sincere practice of the principles of industrial democracy.

If these were ordinary times, we could ignore the principles and experiment with techniques as a means of attaining those principles in practice, but these are unusual times. If the principles of industrial democracy were generally accepted, we could devote ourselves to improving their practice, but the principles of industrial democracy are not generally accepted.

If we take time today to devise techniques while we ignore principles, we shall not meet the challenge of the times. Relations between labor and management will hinder, not help, us in our job of physical production. The denial of industrial democracy will arm the common enemy in its war on our American way of life.

If we devote ourselves to principles, the techniques will evolve naturally. Labor and management, working together, will meet our goals of physical production and will prove to all the world that economic freedom can be achieved under our system of competitive private enterprise.

Humanitarian Work of Dr. J. W. Witten

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 18 (legislative day of Monday, February 2), 1948

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the appendix of the RECORD an article that appeared in This Week by Mr. Ralph Bass in regard to the work of Dr. J. W. Witten, who is now a member of the House of

Delegates of Virginia. He lives in Tazewell, Va., and has the love and confidence of all who know him.

I am doing this in the hope that his example will be emulated by others elsewhere.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MAN WITH 150 SONS

(By Ralph Bass)

(One of the happiest families in the United States lives in an old brick house in Virginia. It all started 40 years ago when Doc Witten first opened his door to a homeless youngster.)

The two boys had been trudging the dusty, southwest Virginia road all day, and now night was falling. They hadn't eaten since morning. They were 10 years old—and a little scared. They came to a modest brick and stucco house across from the Tazewell railroad depot. It looked promising. They rang the bell and looked up silently at the middle-aged man who opened the door. He didn't seem surprised. "Come in," he said quietly. Ten minutes later two small stomachs were distended to the danger point—and Dr. Jack Walter Witten had two more permanent, nonpaying guests.

He's been doing that sort of thing for a long time. Forty years ago, this great-hearted physician flung open his door—and he's never closed it since. Through that door have walked 150 unhappy, bewildered boys, to leave years later as smiling, hopeful youths.

A white-haired, eye-glassed bachelor, stockily built, Witten at 66 is "dad" to men all over the country, and "granddad" to a growing number. He is much loved, because without thought of gain he shares his home with the most helpless of the homeless—the very young. So that they can have a roof, a friend, education and a chance in life, he gives what he has. And because boys' shoes wear out fast, his medical earnings rarely reach a bank.

But these are the least of Witten's gifts. He knows the "father-hunger" of homeless boys, the need for a male bulwark, a hero. Modestly, quietly, he gives a father's love and concern. Today he has 15 boys from the ages of 7 to 20 living with him in his 10-room house. Two of the 7-year-olds are twins, three of the older boys are brothers.

The spacious old-fashioned rooms are a little crowded with the boys and their gadgets, and the long rows of toothbrushes in the large twin-showered bathroom are almost comic in their number and variety.

When Dr. Witten met me at the station, he had three of his boys with him. One 10-year-old was bursting with news that could not wait. "I got my first whuppin' today," he proclaimed proudly. "I threw a 'tater 'crost the table this mawin'."

Witten winked at me. He knows that childhood, supposedly carefree, can be a bad time. He remembers, when he was a motherless 12-year-old, the feeling that he had reached bottom, that he could never be more miserable. He doesn't want other boys to go through that. If a paternal "whuppin'" makes them feel someone is interested, why, Witten will oblige.

"WHO SENT THAT?"

As we drew up in front of his house, a coal truck had just dumped its load on the sidewalk. "Who sent that?" asked Witten. "Can't say, Doc," replied the driver. Witten shrugged, "Someone thinks we're freezing to death, I reckon."

I didn't fully understand about the coal until next day when I was talking to a wealthly cattleman of the region. "If I hung a ham outside my door," he said, "somebody'd steal it. If Doc hung one out, someone would put another alongside it."

Later I learned that the cattleman had just sent a purebred bull calf to Witten's farm as a gift for the boys. But the doctor's neighbors have all shown what they think of him by sending him repeatedly to the Virginia Senate and to the House of Delegates. They know, too, that he lives for his patients and his boys—that without him the boys would be homeless wanderers or orphange inmates.

Witten sends his boys through school as far as their ability and ambition will take them. At present he has three boys in Virginia Military Institute and one each at West Point, the University of Virginia and Morristown College. All of them were raised from infancy when their parents died or could not maintain them.

A TOUCHY SUBJECT

One day while I was still in Tazewell, the University of Virginia boy sent Witten a football. It was a trophy. He had been voted the outstanding player by his teammates after their victory over Harvard. The football was given a place of honor atop the bookcase.

The same day this letter came from West Point: "At first I got off on the wrong foot, but I know how you dislike demerits. I got back into step. * * * This is a touchy subject, especially since you have so many boys going to so many schools, but I need $15 to clear me of debts * * *."

Also in the mail was a letter from VMI: "Harry, Bob, and I often get together and talk about the things we did at home. Some of the other boys here find it hard to believe everything that we tell them about you, the boys and the house. * * * It is something that is very hard to explain, and no one would fully understand without having lived in your house."

The boy added, "I guess I am still right much of a baby when it comes to staying away from home."

All the letters were signed, "Love, your son."

As Witten carefully scans the lines, you know that they are indeed his sons. In every room he has placed pictures of boys in military uniform. Twenty-four Witten boys served in the war, many with distinction. He won't talk about the dead and the wounded, but the only hatred I ever heard him express while I was with him was for men who want war.

Deeply proud of all his boys, Witten has a special glow for one. A Negro, brought up with the others, this boy is taking a college premed course and doing fine work. I mentioned the Negro lad to the other fellows and heard words of affection and respect—none of condescension. If he makes the grade he will be the second of the boys to become a doctor. The first, who has named a son after Witten, practices in Newton, N. J. A third prospective medic, once doomed to child labor, is doing brilliantly in school.

Some of the younger lads are pathetically fond of their natural parents, and Witten encourages the feeling. "I see my mother every Christmas," a 9-year-old told me importantly. One lad was expecting a visit from his mother. "I won't say she's coming Sunday," he added cautiously, "'cause she might not."

Witten gazed fondly at the two kids. "They were skinny little things when I got them 4 years ago," he said. "First thing, I had their tonsils out—fixed the boys so they'd grow right."

"I like gravy and 'taters and milk, and all kinds of stuff," gravely confided the 9-year-old. That he gets "all kinds of stuff" I know, because I saw Witten shopping for it with the crumpled dollar bills he had collected from his patients during the day.

Witten's boys are the kind you instinctively pat on the head. Eager and friendly, they have an outgoing quality that will stand them in good stead later on. Quaintly courteous, one 7-year-old embarrassed me by lugging my bag upstairs.

From their "dad" the boys get a rare sense of natural decency, for Witten has great respect for people. He recently administered a fierce rebuke to a rich farmer whose laborer's wife had no sheet on her bed when the doctor came to deliver her baby.

"Rich or poor, every mother having a child is a queen," says Witten. "Next time I see that fellow I'll jump on him again."

HE KEEPS TRACK OF THEM

Driving around town, Witten now and again points to neat frame houses where his old boys live. Some he built for them himself. I saw him pay $1,000 for a lot so that two of his newly married boys could build homes. He knows all about their jobs, and can reel off the names of their wives and children. As he stops to chat with a pleasant, smiling man, you see the kind of people his kids turn into.

This loyalty is not one-sided. Witten is a football fan, so most of his boys take to the gridiron. At a recent Tazewell High game a belligerent spectator ran out to argue with the referee. Witten, who was near by, advised the young fellow to return to his seat. Instead he turned viciously on the doctor and drew back his fist. In a flash one of the boys leaped from a spot a dozen feet away and, in the words of a witness, "hit the sorry fellow 10 times before he hit the ground."

Next day Witten's other huskies were out looking for the belligerent one, but luckily he had disappeared.

It was in 1907 that a young doctor of 26 stood at the bedside of a dying woman. A 10-year-old boy was on his knees, sobbing. The woman's eyes, fixed on the boy, held an awful question. Before she died Witten said something that brought a glad smile to her worn features.

"I had no one living with me," says Witten, "so I took him in. He stayed 8 years."

WHERE THEY COME FROM

Witten has been "stumbling over" homeless boys ever since. In a district where many men have died in the mines, leaving helpless widows, such boys are not rare. The mothers often roam away to find work, and Witten gets another son.

As his family grew, Witten adopted a strict routine. The boys get up at 6, make their beds and sweep up. Then the older ones help the youngsters to dress. They take turns in caring for the three cows, the hogs, turkeys, and rabbits.

Witten has a good cook and several housemaids who work hard but seem happy. Every meal is a gala occasion. The dining-room walls are ingeniously fitted with drop-leaf tables for "the little ones." The others eat with Witten at a long table. Sports, school, and table manners are the usual topics of conversation, but while I was there one 7-year-old was showing Witten how well he had learned to count. "Fifty-seven, fifty-eight, fifty-nine, forty," he cried triumphantly. Witten tactfully pointed out that the best authorities ended that particular sequence with "60."

The boys say "yes sir" and "no sir" to Witten, but there is no fear in the house—only laughter. As I got out of the line of fire of a four-boy imaginary gun duel, doing my best not to trip over three dogs, one of the 7-year-olds said, "Gosh, I bet you wish you were us, going to church and school, and having fun." At that moment the last vestige of my mistaken pity vanished.

NEVER CATCHES UP

Witten doesn't bring up sissies. Told a cow had kicked one of the boys that morning, he drawled, "Well, I reckon it waked him up, maybe." But when it comes to clean clothes, daily showers, and lots of milk at meals, he is hawk-eyed. Clothes are a big item, and Witten shops constantly without ever quite catching up. The weekly laundry bundle is always a two-man load.

Once a week the boys go to the movies, hoping for a cowboy-and-Indian picture. A recent discovery of 30 Indian skeletons in a nearby cave has had them all agog. Witten, too, is interested, since he comes from a pioneer Tazewell family. One ancestor settled there in 1771 and "cleared out the bears to make room for the people."

THE CLAN IS DYING OUT

Witten talks a little sadly about the days when the clan was numerous and active. "The family is dying out," he says, "and soon it will be forgotten." It never occurs to him that his name will live until the last "Witten boy" and his descendants are gone.

As I was leaving Witten seemed a little distraught. It developed that he had a letter from an anxious grandmother who wanted him to take in a problem boy of 12. "They say you are so good to young boys and make them mind, too," she wrote. The boy was coming that day, and Witten wanted to make sure everything was shipshape.

Saying good-by, I asked Witten why he had spent his life as he had. He looked at me for a moment and said, "Luke, eighteen-sixteen."

That night I opened a Bible and read the words that entered Jack Walter Witten's heart 40 years ago: "Suffer little children to come unto Me * * * for of such is the kingdom of God."

Lincoln Day Address by Hon. Edward Martin, of Pennsylvania, at Chicago

EXTENSION OF REMARKS
OF
HON. C. WAYLAND BROOKS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Wednesday, February 18 (legislative day of Monday, February 2), 1948

Mr. BROOKS. Mr. President, I ask unanimous consent to have printed in the RECORD a very able address delivered by the Senator from Pennsylvania [Mr. MARTIN] at the Lincoln Day dinner of the Illinois Republican State Central Committee at Chicago, Ill., on Tuesday evening, February 10.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Toastmaster and my fellow Americans, it is a real honor to be invited to address this Lincoln Day celebration. We Pennsylvanians take pride in the fact that the lineage of the great American we honor tonight reaches back to Berks County in my own State. We are proud that the forebears of the Great Emancipator lived in Pennsylvania.

When I was Governor of the Commonwealth of Pennsylvania, I became well acquainted with your distinguished Governor, Dwight H. Green. He is an outstanding soldier and executive, as well as a courageous American. He is a credit to your State and to our Nation.

Even before entering the United States Senate, I learned to admire and appreciate your Senator C. WAYLAND BROOKS. His splendid military decorations are a tribute to his brilliant record as a soldier. He is one of the powerful leaders of the Senate.

Your Republican delegation in the House of Representatives is one of the most influential in the Union.

Hard work and self-reliance were Abraham Lincoln's way. He climbed from the humblest to the greatest place in America by back-breaking physical and mental toil. Hardship and work were his daily, lifelong companions. He showed they could be used as tools to fashion greatness.

His earliest years were a struggle just to live. He struggled to gain an elementary education. As he grew older he knew defeat—both financial and political. But he did not quit and he did not hustle off to Washington for a hand-out. He worked. He kept his sense of balance, his humility, his tolerance, his loyalty, and his love of God. And he won through to fame that will live forever.

Abraham Lincoln never forgot to practice tolerance and good will. He never thought of inciting class hatred, religious or racial prejudice, or sectional discord to gain political advantage. He believed in American ideals and he practiced them.

In reviewing the greatness of Abraham Lincoln we must remember his genius for politics. His statesmanship represented political action at its best, striving always for good government and to advance the welfare of his fellow Americans.

One of the founders of the Republican Party, he believed in party loyalty and party discipline. Those qualities spell victory on election day. If we practice them diligently we will have a great Republican victory in November. We will restore to the Nation Lincoln's concept of constitutional government by electing a Republican Congress and a Republican President.

We can still find guidance and inspiration in the things Lincoln said and wrote, and we can apply his sound common sense to the problems of today.

Because of its tremendous importance to every American and to the world I should like to discuss this evening the problem of European recovery and the New Deal program for the greatest peacetime expenditure in all history.

I should like to consider how much we can afford to spend—where the money is to go—and the most effective methods to block the spread of Soviet aggression.

The philosophy of Lincoln can help us in this discussion. I believe if Abraham Lincoln were alive today, he would offer a program something like this:

"We must help free people who need help, and are willing to help themselves. Strengthening their hand at this time will help preserve the Union. But we must not buy a pig in a poke. In our willingness to help others we must not sap our own strength. To do so would endanger the liberty of our Republic."

That, I am convinced, is what Abraham Lincoln would have recommended.

As we examine the Marshall plan we should remember it was Lincoln who said: "If destruction be our lot, we must ourselves be its author and finisher. As a Nation of freemen, we must live through all time or die by suicide."

Recent history has demonstrated beyond all doubt that in the modern world, Europe is our next-door neighbor. When the European house catches fire the flaming embers fall also upon our own roof. When nazism and communism blazed up in Europe the destructive flames spread across the United States.

I believe firmly that we should do all in our power to help the needy. That has been the traditional policy of the American people down through the years. We should aid, within the limit of our means, the economic recovery and rehabilitation of Europe.

But let me say—very bluntly—that we should not undertake a program that threatens to be so wasteful of our resources that we may become the authors and the finishers of our own destruction.

I do not agree that we should approve the Marshall plan without thorough study and full debate. I do not propose to accept without question this package wrapped up by the State Department and delivered to Congress labeled as a bipartisan policy.

I dislike being told that I must not question whether we can afford this package or whether it can achieve the desired result.

Our State Department's record does not warrant that kind of blind acceptance. This same State Department has been responsible for many fuzzy-brained decisions that poured out our people's money.

Recently we were told that the $3,750,000,000 loan to England would restore that country to economic stability. Now we know that it has all been spent—much of it wasted—and the people of England still face the same problems as when we made the loan.

No, the Marshall plan in its present form is not the answer. It proposes to prop up European nations which might be in danger of succumbing to communism.

We have been told that more than half of the Marshall plan money will go to such countries as Portugal, Belgium, Holland, Denmark, Luxemburg, Iceland, Norway, and Ireland. I have heard nothing to indicate that any of those countries would go Communist if we did not finance them. I can hardly picture the folk of Eire and Portugal, for instance, embracing Marxism.

A very large share of the money, reportedly a third, would go to Great Britain. I don't believe there is any great danger of Joe Stalin taking over that country.

But then they say: "We want to use the money not only to combat the advance of communism—we want to help some of these nations to get on their feet.

And then we are told: "We must not attach conditions to our help. We must let them handle this money in their own way. We must not offend their national sovereignties."

And furthermore, Congress has received a virtual ultimatum from the President and the Secretary of State: "All the money or none; don't dare to cut a penny."

Since the early 1930's it has been the fashion for the New Deal to tell Congress nothing, to ask large chunks of money, and to spend it in ways that make a believer in the American Constitution shudder. It became the custom in that period for a rubber-stamp, spendthrift Congress to vote the money and ask no questions.

We have a Republican Congress now. The rubber stamp has been thrown into the scrap heap. Most of us in Congress want to know how the taxpayers' money is being spent.

In its best sense the Marshall plan may be described as follows: "The United States is ready to help those who help themselves."

That is fine. But I want to know some things that Congress has not been told up to now. I want to know that the beneficiary country is helping itself to the maximum of its ability and to the limit of its own resources. I want to be sure that the help given by the American taxpayer will be used solely to get the country back on its feet and to assure free, self-government for its people.

In the postwar period from July 1, 1945, to June 30, 1947, America put more than $24,000,000,000 into European relief.

We are now told that the Marshall plan will cost $17,000,000,000.

In other words, postwar relief up to now, plus the Marshall plan, will cost the American people $41,000,000,000. That means it will cost the average American family about $1,248. Think of that.

Let me bring it a little closer to you. The people of Illinois spend a little under $475,000,000 a year for their State government. Money already spent, plus the Marshall plan, would make Illinois' share of foreign relief nearly two and one-half billion dollars, enough to operate your State government for 5 years.

Before we vote such burdens upon our people we must be sure we have a plan that will succeed.

I would like to know whether our money will be spent to perpetuate ideologies harmful to us. Do we want our money to solidify such undesirable groups in power? Or will we impose conditions that will ultimately assure the great masses of their people the rights and privileges of freemen?

I wonder, for instance, how much of our money will be used to foster socialism in Great Britain and to further nationalize industry in the socialistic pattern?

America has the highest regard for General Marshall, but little confidence in many in the State Department who have developed its policy in recent years.

I feel he was wrong in coming before Congress with that ultimatum—$17,000,000,000 or nothing.

I cannot understand how President Truman could make such a demand. When he was a Member of the Senate he said:

"Unless this body and the House of Representatives exercise their perogatives in connection with the purse strings of the Government, much of the money appropriated will be thrown away for no good purpose whatever."

That statement is still fundamental good sense. It is a pity Mr. Truman has drifted so far from his once safe and sound moorings.

There is something else that troubles me greatly. Over the years American diplomacy stood for honesty, fair play, and the right of every nation to foster freedom and liberty.

But today we must face the fact that our Government has departed from that tradition under New Deal leadership that sought only to perpetuate itself in power.

We have discovered that our Government has been digging deeper and deeper into the smelly barrel of the diplomatic school which calls for deals, double deals, and double-cross deals. I regret to say our Government has been led into dishonesty in international affairs.

You know the record. You know the unsavory concoctions we helped to brew at Potsdam and Yalta and elsewhere.

Our Government forgot the truth and frankness of Abraham Lincoln when it dealt treacherously with Poland. It betrayed the little Baltic nations by way of secret pacts. During the war and after, when the New Deal Presidents were making statements supporting a Jewish homeland in Palestine, the State Department was sending secret notes to the Arabs telling them that the public utterances were intended only for home consumption.

Are we now taking the same position with regard to the decision of the United Nations for the establishment of a Jewish state in Palestine? Are we abandoning the citizens of that country to murderous attack without supporting their right to arm in self-defense?

Is the money the administration wants to pour into England to be used to defeat the mandate of the United Nations? If so, the whole structure of the United Nations as the hope of the world for peace and freedom faces destruction.

These are the deals we now know about. But what about the secret deals that have not been revealed? I am not so gullible as to believe that all the cards are on the table, face up, today. Are you?

To what have we been committed? Why can't we be told the truth?

I want to repeat that I feel help must go to western Europe. I realize also that as we improve the lot of other nations, we build American stability.

I have tried to point out that we must be guided by certain fundamental principles. Briefly, I would suggest:

1. We should determine how much of American resources we can give without endangering the solvency of America.

2. We must bear in mind that we will be called upon to provide further funds to restore the health of China, Korea, and other sick nations.

3. If in helping Europe we weaken ourselves, there will be none in the world to help us defend human liberty against communistic tyranny and aggression.

4. Feeding the hungry and bringing relief to the suffering is a Christian obligation of our Nation. Such relief should be administered by an agency separate and distinct from the program for the industrial and economic rehabilitation of Europe.

5. The rehabilitation of Europe should be entrusted to the best business brains of America. This is a job for hard headed businessmen with the American "know how." It is not a job for bureaucrats who do not know the value of a dollar.

6. Full consideration should be given to the investment, as far as possible, of private capital in business and industrial enterprises of western Europe. That will help protect the social and economic freedom of the individual.

7. In return for taxpayers money given by our Government to European countries, we should receive, wherever possible, raw materials available to those countries but which are in short supply in the United States.

8. As a condition for our assistance, we must firmly establish standards of self help and achievement by each European country.

9. We must insist that the help we give Europe be so administered as to bring to its people a greater share of individual liberty—that they be safeguarded in those rights and freedoms that we in the United States regard as endowments from the Creator of all mankind.

The great light of American liberty was the hope and inspiration of freedom loving men and women in all the dark corners of the world. Its shining rays penetrated the densest iron curtain of Europe.

Unfortunately recent diplomacy has created suspicion, distrust, and even hatred of America. If we are to rehabilitate ourselves in the eyes of those who suspect our motives we must carry out the highest ideals of Americanism.

In his historic address at Gettysburg, on the soil of Pennsylvania, President Lincoln called upon all America for high resolve that this Nation, under God, shall have a new birth of freedom.

The memory of the Great Emancipator calls upon us today for a new dedication to liberty so that men and women of good will in all the world shall share in the blessings of peace, with honor and justice.

Radio Networks as Tools of Propaganda

EXTENSION OF REMARKS

OF

HON. JAMES P. KEM

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Wednesday, February 18 (legislative day of Monday, February 2), 1948

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Radio Networks as Tools of Propaganda," from the Chicago Daily Tribune of February 9, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RADIO NETWORKS AS TOOLS OF PROPAGANDA

Representative SCHWABE, a Missouri Republican, set out a few weeks ago to find out why the vast majority of radio speakers have been plugging the Marshall plan at a time when the majority of the radio listeners with whom he was acquainted were against it. He started his inquiry after a poll of voters in his district showed them 3 to 1 against the plan, or 6 to 1 if it inflicted rationing and price controls on Americans.

He went to the radio networks, officials of which assured him, as they always do in such matters, that they presented both sides of any controversial matter discussed on their chains. But when he set out to find how much of each side they were presenting, the lists of speakers which the chains themselves furnished him demonstrated the debate was loaded 6 to 1 in favor of the Marshall plan.

This is nothing new. It has been going on since the inception of the New Deal. Every radio station, because of the arbitrary power of the Federal Communications Commission to put it out of business, is subject to political pressure. The networks are most vulnerable to bureaucratic blackmail.

Granting permanent titles in wavelengths to individual stations, revocable only upon proof of abuse, would free the stations from intimidation designed to make them follow the line of the party in power. This would help correct the abuse uncovered by Mr. SCHWABE but would not wholly solve the problem.

If radio stations, themselves freed from FCC blackmail, were encouraged to originate a large share of their programs, and the networks were thus reduced to their proper status of service agencies for stations, instead of being dictators of the industry, both radio and the public would benefit. To allow four networks, all with headquarters in New York, to originate and dominate about 90 percent of all the radio discussions of political policy is a dangerous thing for the Nation.

Election Returns From New York

EXTENSION OF REMARKS

OF

HON. OWEN BREWSTER

OF MAINE

IN THE SENATE OF THE UNITED STATES

Wednesday, February 18 (legislative day of Monday, February 2), 1948

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the RECORD the election returns from New York, as published this morning in the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WALLACE MAN WINS SWEEPING VICTORY IN BRONX ELECTION—ISACSON, ALP, DEFEATS PROPPER, FLYNN'S CANDIDATE, BY NEARLY 2 TO 1 IN CONGRESS RACE—REPUBLICAN, LIBERAL TRAIL—UPSET IN USUALLY DEMOCRATIC AREA VIEWED AS BLOW TO HOPE OF TRUMAN FORCES IN FALL

(By Warren Moscow)

LEO ISACSON, the candidate of Henry A. Wallace, was elected to Congress yesterday in a special election in the twenty-fourth congressional district in the Bronx. He scored a sweeping and surprising victory over Karl Propper, candidate of Edward J. Flynn's regular Democratic organization, in a four-man race in which Dean Alfange, Liberal Party nominee, finished third, and Joseph A. De Nigris, Republican, was last.

The vote from all the 159 election districts in the congressional district was:

Isacson	22,697
Propper	12,578
Alfange	3,840
De Nigris	1,482

FEWER THAN HALF ELIGIBLES VOTE

Total vote of 40,597 was light, considering that approximately 96,000 in the area were eligible to vote, and 89,000 did vote for Congress in the same district in 1946.

Mr. ISACSON received 55.8 percent of the vote, against 31 percent for Mr. Propper.

The result was an upset with definite national political connotations. In political circles, Mr. ISACSON never had been considered to have a chance to win, but the percentage of the vote given to the third party forces was to be regarded as an indication of the potential Wallace strength in November.

The result does not necessarily mean that Mr. Wallace will carry the district in the November election over Mr. Truman. Special elections do not forecast the percentages in November. But the result was regarded as certain to strike at Democratic hopes for Presidential victory, and to bring gloom to the Truman high command.

Mr. ISACSON ran on the American Labor party ticket, the group formed to support Franklin D. Roosevelt in 1936, which has since passed into left-wing and Communist control. Mr. ISACSON was supported throughout the campaign by the Daily Worker. The Roosevelt policies, always popular in the area, were stressed as an Isacson asset, rather than a Democratic one.

Mr. ISACSON will take his seat at once in the Eightieth Congress, the second representative of the American Labor party to do so, the other being VITO MARCANTONIO. He will have to run for reelection in November, since the election yesterday was to fill a vacancy.

DEMOCRAT ELECTED TO ASSEMBLY

In a separate special election for the assembly, in the first Bronx district, Bernard McDonnell, Democrat, won easily, scoring 3,525 votes against 779 for Simeon H. F. Goldstein, Republican, and 394 for Jackson Goldman, Liberal Party nominee. The ALP named no candidate.

Mr. Propper conceded his defeat in a one-sentence telegram to Mr. ISACSON, sent at 9 p. m., reading:

"Congratulations on your election to Congress."

A statement by Mr. Flynn, leader and undisputed boss of the Bronx since 1922, issued through Louis Cohen, his right-hand man, said:

"The Communist menace in this country is much greater than most people thought. This election brings home forcibly that those who are opposed to communism do not exercise their franchise. This is a deplorable situation. Regimented Communists vote, while those opposed to communism do not take the trouble to do so. I hope this election will serve as a warning."

The election is regarded as likely to have international repercussions, since Russian official organs have been saying the Wallace forces were the forces of democratic liberalism in this country.

Throughout the campaign, Mr. ISACSON campaigned against the Marshall plan, declaring it to be a plan of the imperialists to cut off democratic forces abroad, while Mr. Propper gave the Marshall plan his full support. The same issue was presented when Mr. Wallace spoke for Mr. ISACSON and against the Marshall plan in the Bronx last Sunday, while Mayor O'Dwyer and Mrs. Franklin D. Roosevelt took the opposite side at a rally last Thursday.

In analyzing the factors that led to the defeat of Mr. Propper, eminently respectable candidate presented by the Democratic organization, politicians and observers felt that the first of these was the effect on voters in a predominantly Jewish voting territory of the militantly pro-Palestine appeal made by Mr. ISACSON, Mr. Wallace, and other supporters.

While lifting the embargo on arms for Palestine was urged by Mr. Propper as well as by Mr. Alfange, the vote unquestionably reflected dissatisfaction with the present United States attitude on implementing the Palestine partition recommendation of the United Nations committee. This was in spite of the fact that the recommendation of Mr. Flynn to President Truman many months earlier was an important factor in the United States support of the Palestine partition move.

A second factor of importance was the light vote cast, which tended to show that the bulk of the Democratic voters in the territory—predominantly New Deal in its voting tendencies—was unimpressed by the Truman administration in general, and would not turn out to support it in a special election. That the Truman administration is weak in the urban centers has been recognized by political leaders for some time and has given the Republicans much confidence about winning with almost any nominee in the Presidential election this fall.

A third factor was that the Communists, out in full support of Mr. Wallace and Mr. ISACSON were able to mass their full worker strength from the entire city in one congressional district. Going from house to house and door to door, they pictured Mr. ISACSON as the real young progressive, favoring peace, prosperity, and Palestine, against a machine candidate whom they charged with being a lawyer for landlords in eviction cases.

In the canvass the left-wingers were able to put in more manpower than the Flynn machine, even though the latter is still the strongest organization of its kind in the city. The left-wingers also overcame the defection of the Amalgamated Clothing Workers, who left the party over the Wallace third-party candidacy and who had normally been counted upon to furnish a substantial part of the American Labor Party vote.

The strength of the left-wingers in what is regarded as a Democratic stronghold is best emphasized by recalling the 1946 election figures when Benjamin J. Rabin, the Democratic incumbent, polled 39,316 votes, or 44.1 percent, while Roy Soden, ALP nominee, polled 24,249 votes, or 27 percent. The Liberal Party nominee in 1946, Bernice Benedick, polled 8,504 votes, or slightly less than 10 percent, and David Scher, Republican, got the votes of 16,931, or 19 percent.

Yesterday's balloting took place in what is normally strongly Democratic territory, with most of the election districts in the congressional district included in the fourth, fifth, sixth, and seventh Bronx assembly districts, where the Democratic Party has ranked first, the American Labor Party second, and the Republican Party third. The newly formed Liberal Party ran fourth in the 1946 election.

The campaign began when a special election was ordered to fill the vacancy caused by the election to the supreme court of Benjamin J. Rabin, who then resigned from his congressional seat.

The American Labor Party forces supporting Mr. Wallace immediately announced their intention to run a separate candidate, who turned out to be Mr. ISACSON. When Mr. Flynn rejected an offer of support from the Liberal Party for his nominee, the Liberals countered by nominating Mr. Alfange, who was their candidate for Governor in 1942 when they controlled the Labor Party and who was thus their best-known vote-getter. The Republicans nominated Mr. Di Nigris, who made virtually no campaign, since he stood no chance of election.

When the ALP forces announced that Mr. Wallace would speak for their candidate, the Democrats brought Mayor O'Dwyer and Mrs. Roosevelt to the Bronx to counteract the effect of the Wallace appearance in what always has been New Deal political territory.

In the electioneering yesterday, while the polls were open, leaflets issued by ISACSON supporters charged Mr. Propper with being a lawyer whose office had represented landlords in at least 10 eviction cases pending in Bronx municipal court. The allegation was promptly denied by Mr. Propper, who said he had never represented a landlord in an eviction case.

Early in the day, Assistant Attorney General Nathan Ginsberg, assigned to tour the polling places, said he had received numerous complaints that ALP observers were wearing small blue ribbons as identification marks.

Mr. ISACSON said the ribbons were "just a method of identification used by the watchers," and that in all cases they discontinued their use when asked to do so.

Mr. Propper, 56 years old, has lived in the Bronx since 1898. He is a graduate of Columbia University and Columbia Law School, was admitted to the bar in 1915, and has practiced law ever since, except when he served overseas in World War I.

Mr. ISACSON, born in New York City 38 years ago, is a graduate of New York University and New York Law School and was admitted to the bar in 1934. He was elected to the State assembly on the ALP ticket with the help of a deal with the Republicans in 1944, but was not renominated by the Republicans in 1946. He then became legislative representative of the American Labor Party and has always been associated with what was its left wing and is now the controlling group in that party.

ISACSON BACKERS JUBILANT—CROWD JAMS HEADQUARTERS TO SHAKE HANDS WITH MARCANTONIO, QUILL

The victory of LEO ISACSON was reflected in the attitudes at the campaign headquarters of the two main candidates in the Bronx special congressional election last night. At the Pontiac Democratic Club, 801 Westchester Avenue, headquarters of Karl Propper, there was gloom as early as 8 p. m.

At the Isacson headquarters in the Hunts Point Palace, One Hundred and Sixty-third Street and Southern Boulevard, the news of the unexpected victory brought hundreds of left wingers to the hall. VITO MARCANTONIO and Michael J. Quill were jubilantly shaking hands with all comers, and the milling crowd soon filled the lower hall of the building, which accommodates more than 700.

Mr. ISACSON said in a formal statement that "this is a victory for Henry A. Wallace and the third party—the people's party." He declared also that it was a resounding repudiation of the policies of the Truman administration, which he declared was leading the Nation down the road to war.

"The people have also gone to the polls to say 'No' to the Truman doctrine, the Marshall plan which plays politics with hunger and orders whole people and nations to vote the way Mr. Truman, Mr. Dulles, and Mr. Vandenberg, the chiefs of the Democratic-Republican coalition, instruct them," he continued.

"The people have shown that Wallace-endorsed progressive candidates for Congress in the coming national election can win and by their vote they have given the answer to the shaky liberals who have raised the false cry that third-party candidates cannot win. The people have spoken—for Henry A. Wallace, the trustee of the Roosevelt program."

C. B. Baldwin, campaign manager for the Wallace third party movement, said the vote was even more than "a clearcut people's repudiation of the subservient do-nothing policy of a President and of an administration which has blithely handed the American Government over to Wall Street and the military."

Capehart's World RFC Plan

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Wednesday, February 18 (legislative day of Monday, February 2), 1948

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial appearing in the Indianapolis (Ind.) Star on Monday, February 9, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CAPEHART'S WORLD RFC PLAN

"Do it right or don't do it at all." That was Senator CAPEHART'S answer to President Truman's demand for "all or nothing" on the Marshall plan. And he was ready with a constructive idea. The Capehart plan, as the Senator says, "injects the American principle of free enterprise into the European recovery program." It was presented Saturday night by Senator CAPEHART in an address to Illinois Bar Association members at Peoria.

Mr. CAPEHART, like many others, has seen the Government spend $11,014,000,000 since 1945 with little success in providing recovery. Plan after plan has failed to accomplish its purpose. And so, while Mr. CAPEHART believes in the purposes of the European recovery program, he does not believe in the method proposed to achieve that purpose.

This is what he proposes as an alternative. Send gifts of food, clothing, and fuel, as proposed by General Marshall, on a government-to-government basis. But beyond these relief goods, the entire approach of ERP should be changed from a government-to-government to a business-to-business basis. In addition, the 16 nations would be required to invest their own American dollars in their own recovery. And a free-enterprise method would replace a Government-control method.

Under Senator CAPEHART'S plan the Reconstruction Finance Corporation would handle all loans for European recovery. Each of the 16 nations (with western Germany it would be 17) would set up its own RFC with Americans in the minority on each board. These European RFC's would lend money to individuals, businesses, government agencies, and industries, just as our RFC has been doing here since 1932. These businesses then would buy the goods they needed to expand or improve production anywhere they wished. They would not have to get government permission either to buy or sell.

These RFC's would get their money in two ways. Roughly one-half would be provided by European governments whose nationals have dollar investments in the United States. These investments, which total $13,000,000,000 now, would be turned over to their governments who would give the owners their nation's currency in return. Then, for every dollar these nations put up, the United States would put up a dollar.

The American taxpayer would be protected. The free-enterprise system would be encouraged and stimulated both abroad and at home. Foreign governments would have less American interference in their economic affairs, less imperialism and there is even a chance that they could end up with a profit from their RFC's after 10 or 20 years, as our RFC did in peacetime.

This is the best alternative to ERP that has yet been presented. It certainly will influence the whole debate in Congress; and it may provide a means of bringing together many Congressmen who formerly were opposed to foreign aid and getting a constructive, workable, adequate, aid plan through soon. Senator CAPEHART has done the country an outstanding service by presenting it.

Radio Address of Earl K. Long, Candidate for Governor of Louisiana

EXTENSION OF REMARKS
OF
HON. F. EDWARD HÉBERT
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 17, 1948

Mr. HÉBERT. Mr. Speaker, on yesterday the gentleman from Louisiana [Mr. DOMENGEAUX] made the following statement in closing his futile attempt to toss aside the photostatic evidence which I had produced in support of my argument that he was in error when he said unqualifiedly that Earl K. Long, candidate for Governor of Louisiana, had been assessed in excess of $100,000, including a fraud penalty, and had agreed to pay a fraud penalty in connection with his income-tax returns in Louisiana involving the year 1937, 1938, and 1939.

I quote what the gentleman from Louisiana said:

I challenge the gentleman from Louisiana [Mr. HÉBERT] to produce not the amount of tax paid wherein the fraud lies, but the income figures even as admitted by Mr. Long.

I now offer, Mr. Speaker, the speech which Mr. Long made himself on a Statewide radio hook-up in Louisiana on Monday, February 16, which includes the figures which the gentleman from Louisiana [Mr. DOMENGEAUX] has requested. I hope this finally satisfies the gentleman from Louisiana, but if he wants any other documents I will get them for him also.

The New Orleans newspapers have been publishing a great deal lately about my not giving my income-tax figures for the years 1936 through the years when I was Lieutenant Governor and Governor, up to the present time.

The newspapers claim that Sam Jones answered my challenge and made a statement of his income for 11 years, from 1936 to 1947, including the 4 years when he was Governor, 1940–44, up to the present time.

Sam Jones and his candidates have been saying in their campaign speeches that although Sam Jones gave his income figures to the public, that I have not up to this time made a statement about my income during the years before I was Lieutenant Governor and Governor, up to the present time.

As a matter of fact, the people of the State know that as soon as Congressman JIMMIE DOMENGEAUX made his false charges on the floor of Congress against me, I followed up by filing a substantial suit for damages against Sam Houston Jones and Bob Ainsworth, for repeating his slanderous and false charges, and against the New Orleans newspapers, and Sam Houston Jones, for conspiring with JIMMIE DOMENGEAUX in having him make his false charges on the floor of Congress and for having published and repeated his false, slanderous, and libelous statements against me with regard to my income taxes and supposed overassessments and penalties.

Congressman JIMMIE DOMENGEAUX charged on the floor of Congress that I had received an income of over a quarter of a million dollars in 1938 and 1939 while I was Lieutenant Governor and Governor, and that the Bureau of Internal Revenue has assessed more than $100,000 tax liability, at the present time, against me, which I had agreed to pay, but that I had asked them to hold up until after the present gubernatorial election.

Those were the false, vicious charges made against me by Congressman JIMMIE DOMENGEAUX in the House of Congress.

Congressman DOMENGEAUX has been proven to be a falsifier on each and every count.

As you all know, I promptly filed a suit for a million dollars against the Times-Picayune Publishing Co., the Item Publishing Co., Congressmen Domengeaux, Sam Houston Jones, and Bob Ainsworth, his campaign manager, and against Ralph Nicholson and Leonard Nicholson, publishers of the New Orleans newspapers, for their part in spreading those false, slanderous, and vicious statements against me in their effort to hurt me before the people of the State in my campaign for Governor.

The reason why I delayed giving the details of my income, year by year, to the people of the State was that I wanted the New Orleans newspapers and Jimmie Domengeaux, Sam Houston Jones, the Nicholsons, and Bob Ainsworth to file their answers to my suit for damages against them.

I wanted to see if any of them would dare set up that DOMENGEAUX'S statements were true. Truth is the only defense to a damage suit for slander and libel against a man's good name and reputation.

I can now tell you that the New Orleans newspapers—all three of them, the Times-Picayune, States, and Item—and their two publishers, Leonard Nicholson and Ralph Nicholson, have filed their answer, but none of them has dared to plead truth of the Domengeaux false statement as a defense to my damage suit against them.

Bob Ainsworth, the Sam Jones campaign manager, went into court and asked for 15 days' delay after he was served with my suit for damages against him. He has not filed his answer up to now.

Sam Houston Jones has not filed his answer, nor has Congressman DOMENGEAUX.

I guarantee you, JIMMIE DOMENGEAUX will not and cannot plead truth as a defense for his false and slanderous charges which he made against me in the House of Congress. I hoped to have my suit against the New Orleans newspapers and Mr. Jones and his campaign manager tried before the second primary election on February 24, to further prove their false slanders against me. But this suit cannot be tried in court until all their answers are filed.

On today, Congressman F. EDWARD HÉBERT, supported by photostatic copies from my income-tax records in the Revenue Office in Washington, disproved every false charge made by Congressman DOMENGEAUX in conspiracy with the New Orleans newspapers, Sam Huston Jones and his campaign manager. Congressman HÉBERT submitted to the House of Congress and filed in the RECORD for public inspection a full set of photostatic copies from my income-tax records in the Revenue Department in Washington.

My income-tax records show that I did not make anything like a quarter of a million dollars in 1938 and 1939, when I was Lieutenant Governor and Governor. These records from the Bureau of Internal Revenue proved that there was no tax liability or fraud penalty imposed against me in any amount, let alone $100,000 as Congressman DOMENGEAUX, the New Orleans newspapers, Sam Jones, and his campaign manager charged me with, and these records from the Department of Revenue further showed that I did not agree to pay any tax except what I had already paid.

Furthermore, an official letter from the Federal collector of revenue, Mr. Donnelly of New Orleans, showed that I had paid all of

the taxes due by me from the years 1920 to 1946. Mr. Donnelly stated absolutely, and I quote:

"The records of this office disclose that all taxes certified to me for collection for all the years in which returns were filed by you have been paid in full and that no penalties were assessed against you in any of these years."

That letter was addressed to me by Mr. Donnelly, collector of internal revenue in New Orleans, on February 13, 1948, just 3 days ago.

Congressman HÉBERT was furnished with a copy of this letter from Mr. Donnelly, and filed it in the CONGRESSIONAL RECORD, not only for Congressman DOMENGEAUX's inspection, but for publication in the CONGRESSIONAL RECORD, so that anybody and everybody who wants to can get a copy of it simply by writing his Congressman. That is the easiest way for anybody to get a copy of the facts regarding any income taxes for the past 26 years.

You have not seen Sam Jones give photostats of copies of his income-tax records to Congressman DOMENGEAUX to be published in the CONGRESSIONAL RECORD, so that any of you good people in the State of Louisiana can write to your Congressman and get a free copy of them. No!

Mr. Jones made a statement over the radio about his net income and it is published far and wide in his sympathetic newspapers, but he does not give you any details about his income taxes, such as I gave to Congressman HÉBERT for him to use in answering Congressman DOMENGEAUX's false charges against me and to have them published in the CONGRESSIONAL RECORD as a public record, which anybody and everybody in the State can get by simply writing his Congressman for a copy.

Now, let's get down to the facts of my income before I was Lieutenant Governor and Governor up to now, and to Sam Jones' income before Sam Jones was Governor up to the present time.

Right after Congressman DOMENGEAUX made his false charges against me on the floor of the House of Congress, in a plain effort to hide behind his right of immunity as a Congressman, I not only filed my suit against them for substantial damages for libel and slander, but I also issued a challenge to Sam Houston Jones, as the candidate for Governor, to publish the facts about his income before he was Governor, while he was Governor, and after he was Governor, and I said that I would do the same thing, and that we both should give sworn statements of our income to our campaign managers at the same time for publication, so that the people of the State would have all of the facts.

Sam Houston Jones has not accepted my challenge, and he dare not for many, many reasons.

The New Orleans newspapers and Sam Jones and his candidates for State office are trying to fool the people into believing that Sam Jones has accepted my challenge and has given you all the facts, which he most certainly has not up to the present time.

Now, here is the challenge which I issued to Sam Houston Jones:

"I now challenge Sam Jones, as the candidate for Governor, to make and publish a sworn statement of his taxable income for the last 9 years, including the year 1938 to the present time, and to publish a sworn statement of the names of the persons, firms, or corporations who paid him fees, and how much, during any of those years, and how much they are now paying him.

"I am prepared to make such a sworn statement and let the people have all the facts regarding my income, whom I represented and from whom I took fees before and after my short term as acting Governor of Louisiana in 1939–40, up to the present time.

"I defy Sam Houston Jones to accept this challenge and to publish, under oath, how much his income was before, during and after the time he was Governor up to now, and particularly—

"How much the coal interests paid him to prevent the shipment of natural gas out of this State to compete with coal as fuel in the East.

"How much the City Service Refining Corp. paid him to repeal the 1 cent per barrel oil refining tax and put a sales tax on the people in its stead.

"How much the air lines paid him to remove the tax on airplane gasoline, while he left the gasoline tax on the fishermen and trappers' boats and the farmers' farm machinery, and

"How much the large shell corporation paid him for that big State shell reef near Lake Charles, which he leased to that corporation for 4 cents per yard when the State shells were worth $2.50 per yard—quite a difference.

"How much those big interests are still paying him for the favors he did for them while he was Governor in 1940–44.

"If Sam Jones will accept the challenge, let him give his sworn statement to his city campaign manager in New Orleans and I will furnish my sworn statement to my campaign manager, both to be published at the same time."

I leave it to you whether Sam Jones has accepted that challenge.

Did Sam Jones tell you, the people of the State, how much the coal interests paid him or his law firm to prevent the shipment of natural gas out of the State to compete with coal as fuel?

Sam Jones testified under oath before the Federal Power Commission that he was employed by the Kansas City Southern Railroad, the largest coal hauling railroad in the country, and by the big eastern coal interests to prevent the shipment of Louisiana gas out of the State to compete with their coal as a fuel.

Why doesn't Sam Jones tell you how much he got out of the coal interests and the Kansas City Southern Railroad, and how much he is still getting out of them to fight the gas interests of the State of Louisiana?

Did Sam Jones tell you good people how much the City Service Refining Corp. paid him to repeal the 1 cent per barrel oil refining tax? No, absolutely no.

You know, that Judge Bob Kennon and the Lake Charles Kennon campaign committee put that question to Sam Jones many times during the first primary, but Sam Jones has not answered yet. Why not? He can not.

Did Sam Jones tell you, the people of the State, how much the big air line companies paid him to take the tax off airplane gasoline by his order to his State revenue collector, although there is no law authorizing the exemption of airplane gasoline from the regular gasoline tax? No. He never will.

Did Sam Jones tell you, the people of the State, how much that big shell company paid him for thousands of acres of shell reefs near Lake Charles, which he leased to them for 4 cents a yard, when the State shells were worth $2.50 per yard? Had I done this, I doubt if I could have stayed in the bounds of the State of Louisiana. No; he did not tell you that either.

On the other hand, it is a matter of public record that Sam Jones represented that corporation before the Supreme Court and defended the very lease of State shell bottoms which he gave to that company for little or nothing. That was the same case that Judge Bob Kennon decided while he was on the supreme court and held that the Jones shell deal was malum in se, that is, morally and fundamentally wrong and against the best interest of the State of Louisiana.

Did Sam Houston Jones tell you good people how much he got on the cuff and off the record for helping to lobby the bill in the 1944 legislature to deprive the people of their right to hold local-option elections until 2 years after the war? Ask him, didn't he get $25,000 for that.

Did Sam Houston Jones tell you good people how much he got out of the deal when his big Lake Charles Corp. client sold those 13 acres of marshland for the Lake Charles Bridge project to the State highway department for $40,000 when the same land was assessed by his tax commission at only $7 an acre? No, Sam Houston Jones won't let you good people in on any of his secret deals at your expense.

Did Sam Houston Jones tell you, the people of the State, how much those big interests are still paying him for the favors which he did for them while he was Governor from 1940–44? No. He never will.

And I want to let you in on a little secret. Sam Jones won't tell you, the people of the State, how much he was paid for the favors he did for those big special interests while he was Governor, and how much he got for his political influence over the Davis administration from 1944 up to the present time. He has really been raking it in.

Now, I will give you a report of my income, and I don't mind giving it to you from the time I started work way down yonder in 1916, when I was 19 years old.

In my early manhood, from 1914 to 1928, I was a traveling salesman, college student and farmer. When I saved up enough money from work at odd jobs, as most young men did in those days who wanted to get a college education, I would go back to college, first to Louisiana Polytech, then to LSU, then to Tulane, and, finally, I finished law at Loyola in 1926 with a free scholarship.

From the years 1928 to 1932, while my brother, the late Huey Long, was Governor, I was attorney for the inheritance tax collector in New Orleans, and my fees from that work averaged from $10,000 to $12,000 a year. This is a matter of record in the Orleans civil district court.

In 1933 I practiced law and operated a small farm in Winnfield, from which my income was $5,388.72.

In 1934 I became special attorney for the Home Owners' Loan Corporation, at a salary of $3,000 a year, and I practiced law and continued my farm work at odd times, which gave me an income of some $6,131.22.

In 1935 I practiced law, carried on some farm work, and was a candidate for lieutenant governor, and I was elected in 1936 and took office in May of that year. My income for 1935 was $5,999.72 and in 1936, $6,124.80 including my salary as lieutenant governor for 6 months of 1936.

My total net income for the 4 years, while I was lieutenant governor and governor are as follows:

For 1937, $14,185.38; for 1938, $14,975.22; for 1939, $14,010.17; for 1940, $7,134.

This includes the 3 years during which I was lieutenant governor to June 1939 and also includes the income from my farm and cattle business, law practice, and salary as lieutenant governor.

Under the law a lieutenant governor, who is a lawyer, has a right to practice law, which I did in a moderate way.

My income for 1939 and 1940 also includes the 11 months during which I was governor until May 1940.

You will notice, for instance, from my income of $7,131 in 1940, which included my salary as governor for about 4½ months that, I did not receive any fees from corporations or clients which could have been the result of favors performed by me for any special interest, while I was governor during those 11 months to May 1940.

My income for the year 1941 was $6,280.50; 1942, $5,203.50; 1943, $5,675.02; 1944, $3,653; 1945, $4,941.91; 1946, $7,552; and my estimated income for 1947 is $6,950.50.

I am sure no one, not even the New Orleans newspapers, can accuse me of collecting fees from any special interests in the years immediately following my 11 months as Governor of the State of Louisiana, and this income includes that of my wife too.

So you see, good people, I have nothing to fear, I have nothing to hide, and I am ready and willing to publish a sworn statement of the names of my clients who paid me fees for legal services, if Sam Houston Jones will accept my challenge, and I will guarantee you I did not get any fees from the coal interests, or the Kansas City Southern Railroad, or the City Service Refining Corp., nor from any shell company or oil company, or from anybody else for doing them special favors or using political influence for them, either while I was lieutenant governor or governor, or at any time since.

I wish to further assure you that I have never done anything in a public way in my life that I am ashamed of, and as long as my Maker gives me the intellect to fully realize and appreciate what I am doing, I never will.

I would rather be governor and pay those fine old needy folks that $50 old-age pension, open the charity hospitals in the State and build more tubercular hospitals to take care of the poor sick people, restore free-dental trailers and ambulances, build trade schools, restore free hot lunches, to help the children of the State get a better education and grow up to be fine men and women and healthy citizens, pay better salaries to school teachers and bus drivers, give the war veterans a just bonus, and save the road system of the State by repairing the neglected highways, build farm-to-market roads, blacktop and pave highways and widen our truck-line highways which are death traps at this time, to make them safe for people traveling over them throughout the State.

I would rather be governor and work to do all these things and get all of these benefits for the people of the State, than have all the gold in the hills of Fort Knox or the wealth of Wall Street, because when you leave this earth you can only take with you the good deeds that you have done for your fellow men right here on earth.

Statement of Harrington Wimberly, Vice Chairman, Federal Power Commission, on H. R. 4051

EXTENSION OF REMARKS

OF

HON. A. S. MIKE MONRONEY

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1948

Mr. MONRONEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to call the attention of the House to a statement made by Mr. Harrington Wimberly, Vice Chairman, Federal Power Commission, on H. R. 4051, before a subcommittee of the Senate Committee on Interstate and Foreign Commerce, February 9, 1948:

I agree with the explanation made by Chairman Smith regarding the proposals to amend the Natural Gas Act which we have submitted.

We believe that the amendments which we have suggested are needed to clarify issues which cannot be ignored. I am convinced beyond doubt that these suggested amendments are required to guide the Commission in carrying out the purpose of Congress.

I also want the record to show that I continue in my opposition to the enactment of H. R. 4051. My own position has been stated clearly in the reports on the natural gas investigation which have been filed with your committee. These reports were prepared in the first instance by Mr. Behling, Director of the Natural Gas Investigation, and I think they fairly and adequately deal with the issues and problems involved. They also give a fair characterization of the positions taken by all those who participated in the investigation.

My remarks will be confined generally to discussion of the basic issues rather than taking your time now in building up an elaborate case to support my views. I want to be as helpful as I can because the Congress has very important questions before it. For that reason I will point out in the best way I can some of the intellectual and philosophical tests which I have applied in arriving at my conclusions. I am not passing a tin cup for the natural-gas industry, but neither do I intend to promote a theory which produces weird results.

Brief mention of certain matters of record in the Natural Gas Investigation (Docket No. G-580), and in legislative reports to committees of Congress on proposals made last year, are appropriate at this time.

At the Houston hearing in the natural gas investigation in February 1946, an industry witness, Col. George A. Hill, made some rather intemperate accusations to the effect that the Federal Power Commission has grandiose plans for taking over under Federal jurisdiction all of the Nation's energy resources. I replied to him that I thought it should be stated for the record that his statements had not, to my knowledge at that time, any basis of fact and I did not think that his charges were appropriate.

He charged that the Federal Power Commission was seeking to take over powers which I would object to, and my answer was that I knew of no such proposals to be sponsored by this Commission.

In a short statement before this committee on April 29, 1947, I said, in part:

"As far as the exemptions under section 1 (b) as to production and gathering are concerned, I have always been one just to read the English language with care, but yet without attaching implications to it. I would not criticize either the lawyers or the courts, but I think that the language of section 1 (b) is certainly clear and definite. Much reference has been made to a dissenting opinion in the Columbian case, but I have never seen evidence, since I have been on the Commission, that the Commission was going to adopt the philosophy that was pronounced in [that] dissenting opinion."

That was my understanding when I made those statements. I am still of the opinion that the intent of the present act is clear in its limits of jurisdiction, but when there are widely different opinions about it I believe it is time for the Congress to do something to clarify it.

I became a member of the Federal Power Commission in October 1945. As a result of my thinking I do not subscribe to the application of the conventional net original cost rate base principle when applied to gas producing properties of interstate pipe lines, and it is not my understanding that the State commissions have used this depreciated original cost procedure as to gas production.

As to the exemption under the act of independent gas producers who deliver directly to the interstate pipe lines, the Federal Power Commission unanimously went on record last year as favoring amendment of the act to clarify such exemptions and spell them out in definite terms. I joined in those recommendations to the committees of the Congress and there was no question at that time but that the Federal Power Commission considered such legislation desirable.

Soon after the Supreme Court's opinion in the interstate case and immediately following adjournment of the first session of the Eightieth Congress last July, I joined a majority of the Commission in adopting R-106 on August 7, 1947, which was intended as no more than a statement of stop-gap policy. I would like to read one of the paragraphs of that rule, which is as follows:

"The rule herein has this specific purpose and is issued at this time because the Congress has not yet reaffirmed such exemption by amending the act. It is also our intention, in keeping with the position heretofore taken, to continue to recommend to the Congress that it take appropriate clarifying legislative action regarding this matter."

On last Thursday at this hearing Senator MCMAHON asked some questions about that rule, and it is my own opinion that it could be changed tomorrow and the Federal Power Commission could, if it so desired, seek to extend its jurisdiction to the full extent of congressional authority over interstate commerce. What the courts would say is another matter, but I bring up this subject to point out how unsettled the situation is at this time and how important it is that the Congress give guidance. I would not myself be so presumptuous as to tell the Congress—which after all is the final authority in resolving such far-reaching issues—to keep out of this and let us settle it.

I want to make it clear that I subscribe to the principle of a fair and reasonable return on net investment when applied to utility properties. This sound method of determining consumer rates should continue to be applied on utility operations. There is only one major point of controversy and that is whether gas wells, leases, and other production properties constitute a utility operation, and if not, what pricing principle is the most desirable in lieu of the rate base method on those production properties.

I first became aware of how serious these problems are after attending some of the first hearings in the Natural Gas Investigation, Docket No. G-580.

Following one of the hearings, I discussed within the Commission the problem of applying the cost doctrine to gas production properties. After going over the matter step by step, I still could not get over the hurdle that production operations, no matter how much or how little gas the pipe-line company came up with, were put in exactly the same category as the pipe lines, compressor stations, and other utility portions of the property.

The treatment that had been given the profits derived from extraction plants had been bothering me particularly, and I was seeking enlightenment on the methods applied. Under the cost formula, any profits above a utility return, which a pipe-line company or an affiliate derives from the sale of natural gasoline and other liquid fractions extracted from wet gas prior to its delivery into the transmission lines, are deducted from the cost of such gas. In other words, if such profits from extraction operations were sufficient to pay all costs connected with production and gathering of gas, including a return on the investment in leases, wells, etc., the result would be that the gas would enter the transmission lines as free gas at that point.

I carried it on further, and to the extreme, which to my thinking is the only way to fully test a principle. I posed the question as to what the result would be if the profits from extraction operations were sufficient to pay all costs of delivery by a pipeline company to a point of consumption hundreds of miles away. Under those extreme but not impossible circumstances, the pipe-

line company would be delivering the gas to the distributing company absolutely free.

I think these are the necessary implications of the cost formula as applied by the Commission. If the principle is to be applied at all, it must govern in each and every situation no matter how fantastic the economic results might be.

With further reference to the assured return every pipe-line company receives that invests in leases, exploration, well drilling, and other necessary functions in the production of natural gas, I suggest consideration of the following illustration:

Company A and Company B each invests $10,000,000 in leases, drilling, etc. There is not necessarily any relation between the two as to what they get for their money. The owners and investors get the same rate of return, but Company A's reserves amount to 1,000,000,000,000 cubic feet of gas, while Company B gets for its $10,000,000 one-quarter of a trillion cubic feet of gas. The result is that the investors get the same return for their money but the rate payers served by Company B, which owned one-quarter of a trillion cubic feet of gas, pay four times as much as the rate payers of Company A who were fortunate enough to get 1,000,000,000,000 cubic feet.

Independent producers are in no such position as this, and they supply more than 80 percent of all the gas produced and more than 50 percent of all the gas going into interstate pipe lines, which handled about 28 percent of the total marketed production in 1945. These percentages show that most of the gas produced does not move through interstate pipe lines but goes for other purposes.

I am now going to refer very briefly to the Federal policy on the water resources of the Nation as expressed in the Federal Power Act and other statutes relating to the conservation and use of the waters of the United States. I think I can point out an essential difference in this situation as contrasted with natural-gas production.

I doubt if there is a person in this room who would try to convince you that there should be any vested rights in the waters of the navigable streams of the country. For many years I have had an intense interest in that subject, and I hold strongly the view that these waters are public property and that no one should be permitted to capitalize or profit from the use of the waters as such.

That important national policy was expressed with the passage of the Federal Water Power Act in 1920, and it has been reaffirmed from time to time. The Federal Water Power Act was passed partly to encourage the development by private owners of hydroelectric projects on our navigable rivers.

Under the Federal Power Act, a developer of water power under license from the Federal Power Commission may include in its rate base only the cost of those facilities which are necessary for the development of electric energy from the falling water and the delivery of that energy to certain points. What constitutes a water-power project is specifically defined in section 3 (11) of the Federal Power Act, and earnings are limited to a fair return on the depreciated cost of such project. Nothing is allowed, and properly so, for the most essential feature of a hydroelectric project, the falling water itself, because that is a resource that under national policy cannot be reduced to private ownership.

The question appropriately arises as to the point of comparison when it comes to rate making between a hydroelectric project and a natural-gas company. I am convinced that the situations are not analogous, but they have, nevertheless, been given the same treatment in rate making by the Commission.

The water belongs to the public, and no earnings are permitted on its use. Natural gas, also a natural resource, is generally recognized as one that can be reduced to private ownership, just as other minerals.

However, the rule that the production of natural gas shall give to the natural-gas company transporting and selling its own gas only a return on its actual investment for such purposes, it seems to me applies to natural-gas companies the same rule as that applied to licensees operating water-power projects under the Federal Power Act—namely, a limitation of earnings to a fair return on the original cost less accrued depreciation or depletion. The rule, in effect, places natural gas when produced, transported, and sold by a pipe-line company in the same category as the falling water that turns the wheels for the generation of electric energy. The gas itself is essential, but when such a rule is followed no recognition is given to any value it might have if utilized for other purposes.

If the comparison I have made is sound, the question of public policy before the Congress is this:

When natural-gas reserves are dedicated to public use, shall they be regarded as public resources and the natural-gas companies that capture, gather, and transport in interstate commerce such dedicated gas be permitted to earn only on the cost of the facilities necessary for such operations? Or should they be treated as other producers of natural gas?

I should like to pose these further questions that disturb me:

If the Congress does not clarify the act in regard to exemption of independent producers and gatherers, is the Commission free to make inroads in that direction?

If the Congress fails to give further guidance, is the Commission to accept that as indication of congressional approval of its method of price fixing as applied to natural gas produced by pipe-line companies?

I know you will weigh carefully all that is involved. The answer should come from the Congress, because I do not believe that any administrative agency should be permitted to make national policy on behalf of the Congress.

Award by Virginia Junior Chamber of Commerce of Distinguished Service Citation to W. Brooks George

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 18 (legislative day of Monday, February 2), 1948

Mr. BYRD. Mr. President, the Virginia Junior Chamber of Commerce has named Mr. W. Brooks George, of Richmond, Va., as recipient of the distinguished service award as the State's outstanding young man of 1947.

It is my privilege to know Mr. George, and it is my opinion that this was a well-deserved tribute. He is a young man of outstanding ability, fine character, and splendid personality.

I ask unanimous consent to insert in the Appendix of the RECORD a newspaper release explanatory of this action by the Virginia Junior Chamber of Commerce.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

LYNCHBURG, February 15.—The Virginia Junior Chamber of Commerce last night named W. Brooks George, of Richmond, to receive its distinguished service award as the State's outstanding young man of 1947 at a banquet in the Virginian Hotel. The award was made by Henry E. McWane, president of the Lynchburg Foundry Co.

During the past year Mr. George served as cochairman of the Richmond area Community Chest campaign in charge of the industrial division and was a member of its board of directors. He was also cochairman of the Richmond American Red Cross campaign in charge of the industrial division.

Mr. George is a member of the board of directors of the Richmond Chamber of Commerce. Last year he served as president of the Richmond Junior Chamber of Commerce and is a member of its board of directors. He is also a member of the board of directors of the Richmond Citizens Association, Virginia Manufacturers' Association, Salvation Army, and Virginia Junior Chamber of Commerce. He is president of the Windsor Farms Citizens Association.

Mr. George is controller and assistant to the president of Larus & Bro. Co., Richmond, He is a graduate of the college of William and Mary and is a registered certified public accountant.

Judges for the award were Senator Harry Stuart, of Elk Garden; Dr. George Sadler, associate secretary of the Baptist Foreign Mission Board, Richmond; and Mr. McWane.

Speakers on the program were David E. Basten, president of the Lynchburg Junior Chamber of Commerce; Joseph H. Saunders, Jr., of Alexandria, president of the Virginia Junior Chamber of Commerce; John Pearsall, vice president of the Virginia Junior Chamber; George O. Baird, Jr., of Shreveport, La.; national vice president of the United States Junior Chamber of Commerce; Mr. George and Mr. McWane. Kenneth Lane, of Richmond, was chairman of arrangements.

The award is made annually to a young man whose participation, service, or contributions, in one or more fields of activity, with or without compensation, has been so outstanding as to bring honor to young men of the State.

Britain on the Rocks—Facing Bankruptcy

EXTENSION OF REMARKS

OF

HON. MAX SCHWABE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, under leave to extend my remarks, I include a revealing inside story just received by air mail from the authentic and outstanding financial paper of England, the Economist.

It furnishes us a vivid preview of America 4 or 5 years from now should we be so foolish as to adopt the ridiculous American economic Maginot line commonly known as the Marshall plan and if we fail to rid ourselves this coming November of the American socialistic New Deal.

Britain faces bankruptcy. That is the real significance of the Government's latest white paper. At last the British people now know where they stand. In the past 2 years they have as a community overspent their income to the extent of £1,000,000,000 and the rate of overspending was almost twice as large in 1947 as in the preceding year. At the present rate of expenditure (which has fallen since its peak last August, but now shows

signs of settling down at a monthly figure of some £40,000,000), the remaining reserves of about £600,000,000 in gold, dollars, and unexhausted credits may last Britain and the sterling area until midsummer. After that, it will just be impossible to buy either the food or the raw materials which are necessary for Britain to eat and work. The specter of starvation and mass unemployment is now alarmingly close.

To translate the tables and figures of the white paper into more homely terms, Britain has been living like an improvident family which, failing to make both ends meet, first spends the accumulated capital of the past, then borrows from friends—from American friends, from Canadian friends, from South African friends—and when their loans are exhausted, begins to pawn the furniture. How else can one describe the latest deal with Argentine in which the whole capital asset represented by the British-owned railways is bartered away for 18 months 'supply of meat? It is, of course, true that there is nothing discreditable in the events which led the British community to this desperate plight. Alone of the belligerents (except the German aggressors), Britain fought in two World Wars from the first day to the last. The income from overseas investments which nearly bridged the gap between imports and exports in 1938 disappeared in the struggle. Exceptional conditions of world demand created by war devastation added £300,000,000 to the cost of British imports in 1947. But in fact the reasons which have brought the British to beggary are less likely to be remembered than the fact that they are beggars. The old soldier showing his campaign medals at the street corner is an object of pity, not of respect.

When a family faces bankruptcy, either it goes under to a life of perpetual makeshift and pauperism, or it restores its solvency by vigorous action—by buying less, by cutting down every kind of expense and by straining every nerve to sell more of its goods and services. A nation is in no different case and the choice open to the British people is in reality precisely the same difficult choice between pauperism and gruelling recovery. The only question worth asking today when the crisis is, in Sir Stafford Cripps' words, not a matter of years, but of months and weeks, is what further steps the British people can take to consume less and produce more, to reduce their standard of living, and at the same do harder work. The subject is being debated in the Commons as the Economist goes to press, but clearly the Government's plea—it is not much more—that neither wages nor profits shall rise at this juncture is one small part of the much bigger effort that is needed to restore solvency to the British people.

Both wages and profits have to contribute their share. Bankruptcy is a family responsibility and no section of the community can avoid its hardships. The real need for workers and managers alike is longer hours and more output for the same income. In this way, more goods could be produced for export without new financial pressure being created to divert those goods to consumption at home. So drastic a departure from current industrial practice is too much to hope for, but at least the principle of no further wage increases save for cases where workers are genuinely below an adequate level of subsistence must be endorsed. Further, there is certainly a case for increasing the contribution to national solvency by those who, despite their reduced standards, can still afford it best. Heavier taxation or limitation of dividends and the control of expense accounts (upon which so much of the conspicuous waste in the big cities is based) will help politically, and to some extent economically. Even if such steps must wait upon the budget, their announcement would go far to relate the question of wages to the wider action needed to counter bankruptcy abroad and inflation at home.

But, although it will be necessary to temper the cuts by considerations of social justice, the brute fact remains that standards of consumption in Britain do not reflect the insolvency which may lie only a few months ahead. Can it be said that the rationing of domestic fuel has been drastic enough in view of the vital importance of coal as an export? Can Britain afford £200,000,000 for government expenditure overseas, or to feed a million mouths in the forces in return for no productive work? It is easy to make a case for keeping 2,000,000 government servants, but if 500,000 were returned to industry, would the gain in output not ease the burden of the controls? By what yardstick can the overseas expenditure of £50,000,000 on "tourism" in 1947 be justified? It is no longer a question of choosing whether or not to maintain certain amenities. The stark fact is that the means to provide them no longer exist.

In spite of the recent cuts in capital expenditure, it is clear that more has to be done. No one will criticize the Government for wishing to build better schools, new hospitals, and more and better-equipped houses. But this program has added to Britain's insolvency by diverting materials and manpower from the export industries; in that sense it is Americans, Canadians, and South Africans who have been paying for part of the British program of development at home. No one denies the desirability of these things, but it is not usual to add a bathroom to the house just as the receivers walk in.

The last items to cut back should obviously be productive assets, the renewal and modernization of plant. The reductions already announced in these items are severe—probably too severe—but in another field the figures suggest that outlay has been too heavy. The sum of £180,000,000 for new assets overseas, a large part of which must be represented by various schemes of colonial development, seems unduly high in relation to the time which must elapse before they begin to yield their fruits.

These are a few instances picked from a possible list of further cuts and reductions, but simply to set them down shows how painful their execution would be and what appalling stresses it would introduce into the national life. But bankruptcy is necessarily an ugly, painful, and distressing business. It tests the temper of the most united family. It requires not only fortitude and patience but considerable humility to weather it with dignity and success. Yet, bankruptcy is nevertheless the crisis through which this nation may be about to pass. What are its chances of surviving this latest test—a test with none of the glory and solidarity of a nation at war but perhaps more gruelling as a result?

It cannot be said that the outlook is encouraging. In the first place, the country so far has remained in ignorance of the facts. The government's powers of explanation have never been high, but its inability to convey to the public the significance of the gathering economic crisis is beyond all previous failures. And this is not simply a question of poor public relations. The failure goes deeper. It is not only that the government has not talked as though the crisis were serious. Until quite recently, it has not behaved as though it were. In 1946, before the catastrophic rise in American prices and the fierce winter, there was some excuse for believing that Britain could recapture its export trade, police Europe, rebuild its industries, create new social services, rehouse the people and provide cheap food all at the same time. But the writing on the wall was there for all to see after January or February 1947. The fatal flux of gold and dollars had begun. The gap between imports and exports was growing. Home production continued to lag, but the government went on its Micawberish way, waiting for something to turn up. Mr. Dalton was happy with his balanced budget, Mr. Morrison declared that no further sacrifices could be demanded of the people. Today, with the gap wide open and no prospect of filling it from British resources, even Sir Stafford Cripps' realism may be too late.

If the British had been made to realize in 1945 that in many ways the problems of reconstruction facing them were no less urgent than that which faced, say, Poland, they might have set to and worked as the Poles have done; but cradled in illusions, they have advanced in their crisis like somnambulists. It is the illusion either of infinite prosperity or of infinitely squeezable profits that makes it still possible for the trade unions to press for more wages for fewer hours. It is the illusion of wealth withheld by a spiteful government that has turned large sections of the more well-to-do against the controls and restrictions which they recognized as necessary during the war. Yet the reality is of a nation in greater economic straits than at any time since the Napoleonic wars. If the present attitude of the different classes in society cannot be mobilized into something more than the collective and disgruntled selfishness they show today, then the British will be obliged to face their supreme economic crisis without the only assets upon which they could still draw—their political balance, their deep natural unity, their phenomenal staying power.

This statement will no doubt be contested. Why speak of "Britain's only assets" when there is every chance that by midsummer the Marshall plan will have been passed by Congress and assistance will be assured for the next 18 months at the least? Even Sir Stafford Cripps has said that the only hope lies in American assistance, to give Britain the necessary time to bring about the restoration of normal conditions. But herein lies precisely the danger. Continual borrowing can have the same effect as continual drinking. The borrower's—like the drunkard's—sense of reality tends to fade. Britain has already had the American loan and the Canadian loan and will get the South African loan. All have been necessary, but all have helped to mask from Government and people alike the country's true economic straits. A standard of living has been maintained, reserves have been eaten up, expenditures undertaken on a scale which is quite out of accord with Britain's real economic position. And what guarantee is there that the Marshall plan may not be used in the same way? The only proper, the only long-sighted, the only courageous course would be for Britain to pursue now the policy it would pursue if the Marshall plan were reduced to a half or a third and to use the surplus thus created to build up reserves, modernize industry, develop economic integration in western Europe, and undertake now the program of hard living and hard working in which in the long run salvation alone will lie.

Democratic Education—University of Minnesota

EXTENSION OF REMARKS

OF

HON. GEORGE MacKINNON

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1948

Mr. MacKINNON. Mr. Speaker, as a member of the Minnesota Legislature

from 1934 until I left to serve in World War II, I was privileged to represent my alma mater the University of Minnesota. This great educational institution was located in the legislative district I then represented and is also within the congressional district I presently serve. As the representative of this institution in two legislative bodies I have on many occasions had an opportunity to observe the excellence of its work in many fields. It is a truly democratic institution—and its fundamental aim is to serve the citizens of Minnesota. In this respect it has more than fulfilled its purpose and the people of Minnesota are grateful for the high caliber of the service rendered them. They have responded through their legislature by furnishing the university its primary support. They have also continued to adhere to a sound original program that was established many years ago. Where some other States have diffused their support for higher education, Minnesota has concentrated her efforts. The results of this sound policy are to be seen today in the great university that Minnesota has become.

The president of the University of Minnesota at this time is Mr. James L. Morrill and the educational leadership that he has already evidenced is in the same tradition as that demonstrated by his notable predecessors in this position.

Time has proved the wisdom of the choice of men that Minnesota has selected to head her university and of the course that Minnesota has followed in supporting higher education. For today the University of Minnesota ranks on a par with the finest colleges and universities of the world. It is thus entirely proper that a great national magazine should select this leading educational institution as the first in a series reporting on the outstanding universities of our Nation.

Under leave to extend my remarks, I include the following article by Collie Small which appeared in the January 1948 issue of the Cosmopolitan magazine:

THE UNIVERSITY OF MINNESOTA

(By Collie Small)

The University of Minnesota is a colossal monument to mass education.

Recently it installed its own atom smasher, a bulky cylinder that thrusts its head up from the depths of the campus. An electrostatic generator, turning up 5,000,000 volts, it is the most powerful of its type in the world. Inside, the atom smasher is an ominous tangle of wires, tubes, dials, and switches, all bent to the service of science. Outside, it is dominated by the huge Minnesota football stadium.

And if the football stadium seems to contradict the atom smasher the arrangement is all the more reasonable. A university is many things to many men, and it thrives on contradictions.

Minnesota is no exception. A State university, it is committed to the public service. It is the highest seat of learning in the State. It is passionately devoted to the advancement of learning. Yet, it has suffered the contradiction of being forced to cater to more average students than superior ones, to more students wandering uncertainly through college in quest of automatic degrees than students earnestly seeking the most in higher education. The situation is not unusual. It is a tribute to Minnesota, however, that it has been able to shape itself to the needs of the average student without distorting itself as a university.

Minnesota is a great university. Even physically, it is overwhelming. In sheer numbers it is the largest university on a single campus in America. (California, with several different campus sites, is bigger.) Its red brick and gray limestone buildings, huddled together in scholarly communion on a bluff overlooking the Mississippi River in Minneapolis, shelter some 28,000 students. Future citizens come off its assembly line at the rate of five graduating classes a year. If the faculty and the janitors are included in the census, the university population swells to 36,000 persons, making it the fourth largest city in the State. Only Minneapolis, St. Paul, and Duluth are bigger.

The university operates its own airport for fledgling fliers. And aeronautical-engineering students pick over the skeletons of the several planes owned by the university. There is a university radio station, KUOM, over which professors with microphones on their desks broadcast their classroom disquisitions. An alert student, by enrolling only in those courses which are broadcast, could conceivably win his degree without ever getting out of bed.

Like any community of 36,000 people, the university maintains a police force equipped with radio cars, a crime laboratory, a lie detector, and the right to pursue and arrest fugitives anywhere in Minnesota. Crimes against the campus are committed largely by irreverent outsiders, but there is a difficult traffic problem for the police to handle, and last year they conducted a devastating assault on gamblers at athletic contests.

As a member of the Big Nine, Minnesota has maintained a position of eminence in the conference and on the national sports scene. During the thirties her Golden Gophers consistently ranked the Nation's football teams; however, when the celebrated Bernie Bierman went into service her glory faded. But Minnesota is now building again. In the 1947 Little Brown Jug meeting with Michigan, her sophomores showed unexpected power. The highly touted Wolverines, slated to steam roller the Gophers, barely managed to win, 13 to 6.

The Little Brown Jug classic is one of the oldest, most colorful sports rivalries in the country. In 1903, after Minnesota and Michigan had fought each other to a 6-to-6 standstill, Michigan left on its bench a brown 10-gallon jug which has remained a coveted trophy ever since. In 30 games with the Wolverines, Minnesota has captured the jug 11 times.

The Minnesota Daily, the student newspaper, boasts the largest circulation of any college paper—34,450 at the last count. The university maintains its own student symphony, but defers to more exacting tastes by sewing also as the home of the Minneapolis Symphony, conducted by Dmitri Mitropoulos. This year, the University Theater will experiment with such adventures in Thespia as Oedipus the King, Macbeth, and Lysistrata, having disposed early last season of Electra, Amphitryon, and The Skin of Our Teeth, among others.

All that, of course, is pretty much standard fare at any typical university. But if Minnesota intended to be no more than a typical university, it overreached itself grievously in 1940 when it built its $2,000,000 student center, the Coffman Memorial Union. There is nothing typical about the union. It is a magnificent temple dedicated to pleasure which exceeds by far any possible flight of the imagination.

There are, for example, 20 dining rooms, a post office with 18,000 boxes, an underground garage, 18 grand pianos, a soda fountain, a barber shop, and a bookstore which wisely stocks no textbooks in this frolicsome atmosphere. There are also billiard tables, complete with undergraduate pool sharks, a swimming pool, chess and checker tables, card tables, ping-pong tables, and 16 bowling alleys complete with pastel blue bowling balls. For the faculty, there is an Olympian retreat called the Campus Club, with its own dining rooms, lounges, recreation rooms, and even a "quiet room" of monumental sanctity where tired professors repair to sleep off the effects of difficult classes.

At any university so elaborately equipped, there is always the danger that the students will forget why they are there. Minnesota does not pretend to be teeming with eager young scholars searching desperately for the truth, but there is an enormous amount of studying done.

The curriculum is positively staggering. The university's graduate schools offer advanced study in every field except theology. There is a college of agriculture, forestry, and home economics in St. Paul, on the "farm" campus, which is a short trolley hop from the main campus in Minneapolis. There is a law school, a justly famous medical school partially endowed by the Mayo Clinic, an institute of technology, a college of science, literature and the arts, and a dozen other colleges. There are courses in anything and everything. You can even learn to play the trombone and get from two to four university credits a term for it.

The Minnesota philosophy of education has been described as "democratic" in contrast with the "aristocratic" type of classic education championed by the large private schools. The "aristocratic" school emphasizes the cultures of the past, offers the same courses for all students, largely ignores vocational subjects, and selects its students according to a rigid system that involves little or no consideration of individual needs.

The admission requirements at Minnesota are flexible; there are even a few students without high-school educations. For those with special needs there is University College, a division of the university that manufactures curricula to order. Not long ago a young lady about to inherit a stock farm was rescued from her dilemma of what to study by a course that somehow managed to combine business administration with animal breeding. Another student professed to be in urgent need of a course in "medical journalism," and though University College was baffled temporarily by the proposition, it rallied bravely and turned out a medical journalist, or at least what it assumes to be a medical journalist.

Of all the students who enter Minnesota as freshmen, nearly half have disappeared by the third year. The university does not delude itself that the sole cause of this high mortality rate is a stiff curriculum. Many students simply are not college material; others can afford only a year or two. For such students Minnesota has taken a long stride forward with its general college.

The general college course is for 2 years, and the curriculum places the emphasis on utility rather than on culture or highly specialized knowledge. Some courses in general college are strictly vocational; others have vocational applications and deal with broad, general principles which the college itself hopes will "enable the student to grasp the significance of an area of employment rather than the specific skills required by a particular job."

The university requires some students to enter General College directly, while others are shunted to it if they fail to show an aptitude for university work or if General College appears to be better suited to their needs. As was to be expected, in 1932, when General College was established, the university regulars developed the habit of referring to General College as "All Fools' College," and for a time succeeded in creating a rather bleak and distorted image of it.

The administration countered, however, by sending its top professors to General College, thus silencing the amateur critics.

With rare consideration for its graduates and others in need of occasional freshening, Minnesota also established a center for continuation study. Filled to capacity every term, it invites professional people to return to the campus to refresh themselves with special survey courses and to study new developments in any number of fields.

The faculty at Minnesota is not the elite faculty of a Harvard or Columbia. Nevertheless, it is impressive. Dr. Alfred O. C. Nier, who first separated uranium 235, is on the physics staff; he is currently carrying on experiments similar to those conducted at Oak Ridge. Dr. John J. Bittner, head of the department of cancer biology, operates a colony of 20,000 mice and is noted for his discovery of the milk agent in mammary cancer.

The Nation's insurance companies have been looking nervously at Minnesota's laboratory of physiological hygiene while that department conducts experiments calculated to prove a specific relationship between obesity and heart disease. These experiments involve weighing people under water. If the laboratory proves what it expects to prove, the life-insurance companies may have to change their actuarial tables.

Since it is sponsored by the State of Minnesota, the university is naturally sensitive to the peculiar problems of its benefactor. Dr. E. W. Davis, head of the mines experiment station, for example, is doing research on the processing of low-grade ores, hoping to bolster the diminishing supply of high-grade ores in Minnesota. The agricultural school has developed new fertilizers, a hybrid corn, and a superior strain of farm animal known simply and rather inelegantly as Minnesota No. 1. Minnesota No. 1 is a hog, noted for the lean, succulent flavor of its bacon, pork chops, and ham.

All this, of course, is big business. Last year, the cost of operating the university was roughly $20,000,000. Nearly $9,000,000 was spent on instruction and research alone. James L. Morrill, the former city editor of the Cleveland Press who serves as Minnesota's eighth president, balanced the books neatly, however, with income from the State, the Federal Government (which provided money for research, instruction and extension), and from various funds and fees.

Almost 85 percent of Minnesota's 28,000 students are residents of the State. The university, faced with the problem of educating its own family, does not encourage outsiders to apply for admission; to keep them away, it has established a tuition schedule that is higher for out-of-Staters than it is for residents. Last year, the demand for nonresident admissions was so great that the university had to lock the gates to some 13,000 applicants, enough to stock a new university elsewhere. This year, it was grimly prepared for 29,000 students, but the veterans did not appear as overwhelmingly as predicted, and the enrollment is a few hundred over the 28,000 mark.

Enrollment last year, however, showed an alarming jump of 80 percent over the previous peak year, and the university suddenly discovered that it didn't have any place to put its students, though it had built a village of Quonset huts and trailers to care for the overflow. Formerly, all students were housed within walking distance of the campus. Now, however, Minnesota is a trolley-car university, and it will accept rooms anywhere on the Twin Cities' street-car system for the duration of the emergency. Luckily, many students live at home, in Minneapolis and St. Paul, but this does not alleviate the crush on the campus, where, for example, 1,400 students are enrolled in the same economics class. They hold that one in an auditorium, and if it gets any bigger, they will probably have to move it to the stadium. The classroom shortage keeps lectures going well into the night.

Social life on the Minnesota campus is typical of the social life on almost any campus, but it is complicated by several factors. One of these is an interesting disparity in the ratio of males to females. There are three males to every female, representing either a superabundance of males or an acute shortage of females, depending on the viewpoint.

Immediately following the war years, there was a sharp decline in the tempo of social affairs, but gradually they are coming back. The Mardi Gras, for example, is an all-out party that compares favorably with the best campus celebration, and there is a great deal of interest shown annually in Snow Week, a midwinter expedition to Duluth. But the light snowfall of recent years has put a damper on that activity.

As on other campuses, and for some reason which has never been clearly explained, an astounding number of "queens" are enthroned each year. At Minnesota, the engineers and the foresters are particularly addicted to crowning queens, and the competition has been intense enough to bring out the cops.

The engine school men emerge on St. Patrick's Day bedecked in kelly-green hats and clay pipes; they spend most of the day either kissing the blarney stone or the young lady whom they have installed as queen. Not to be outdone, the woodsmen have a Forester's Day which is presided over by a duly elected "Uncle of Paul Bunyan," and a queen who is provided with four "assistant queens," thereby making her, in the opinion of the foresters, four times as queenly as the engine school sovereign.

Student fashions at Minnesota are dictated by simple standards of convenience and function. Saddle shoes and sweaters are still standard attire for the girls when the weather is good, and the men like lumberjack shirts and GI pants and jackets. In the winter, fashion is no problem at all. With the first hint of snow, the girls jump immediately into sheep-lined storm coats and fur-lined boots, and the men do the best they can with whatever is warmest.

The administration professes to find a certain amount of usefulness in fraternities and sororities, and, as a result, there is no particular pressure on them, as at some universities elsewhere. But the university does keep a restraining hand on rushing tactics. It is definitely against the rules to stampede confused freshmen into joining fraternities or sororities. They are introduced gradually into the mysteries and delights of Greek-letter organizations.

If there is a shortage of anything at Minnesota, it is of playboys. Some 60 percent of the students are working their way through school. It has been estimated that the minimum cost for a year at Minnesota is $850, and the average $1,000, exclusive of clothes and amusements. Unfortunately, most of the students at Minnesota are a long way from having even the $850 minimum, to say nothing of the $1,000 average. If the price seems high, the university points out sadly that even tuition and textbooks are victims of inflation.

University officials are frequently amazed at the lengths to which some students will go to get an education. Not long ago a desperate student approached the university with an offer to sell his body for medical research after his death in return for enough money to finance his way through school. Several years ago, the university discovered an undergraduate working as a street-car conductor in Minneapolis; for 2 years, he had been averaging something less than 5 hours of sleep a night.

Possibly the best student job in recent years went to a young man whose only duty was to close the doors of a fire station after the truck went out. Others worked as waiters, bakers, dishwashers, barbers, models, and chauffeurs. One youth supported himself by driving racing cars on the dirt tracks, and another—a house painter by avocation—hustled enough contracts from faculty members to insure four years at the university.

Most student employment is meted out by the university employment service, which has developed its own "civil service" system of job classification. Students are carefully graded for aptitude. Many veterans returned from war duty with special skills that they are now using to support themselves in college.

Total student earnings on the campus last year came to more than $2,000,000, and it is expected to be higher this year. Veterans, particularly, have shown a tendency to take on heavy work schedules to protect their savings, but they are gradually discovering that they can't work full time and study, too. The university itself recommends no more than 4 hours of work a day.

Before the war, Minnesota students borrowed between forty and fifty thousand dollars a year from the school to finance their educations. During the war, with the campus loaded with Army and Navy trainees, the figure dropped abruptly, but it is now rising again. A student is permitted to borrow only $250 in 1 year, and not more than $500 during his whole college career, except in the case of medical and dentistry students, whose fees and textbooks are higher and who may borrow $300 in any one year, and no more than $600 spread over the college years. A note is dated for 1 year, but as long as the student stays in school and does satisfactory work it is left open, and he pays only the interest until he graduates. Minnesota requires no security and no cosigners, nor does it require the permission of parents in the case of minors seeking loans. Despite the university's liberal attitude, the rate of number of repaid debts is high.

Many students, however, are still permitted to go down for the third time simply because they have exhausted the financial-aid possibilities. Scholarships would rescue them, but Minnesota, like most lowly endowed State universities, is weak in scholarships. One Minnesota official stated recently that no more than six scholarships were available for the whole freshman class, which normally numbers between seven and eight thousand students. Privately endowed universities are likely to subsidize half the freshman class. The situation at Minnesota and other State universities, it appears, will be corrected only by divine intervention or a more generous circle of friends.

It has been fashionable in recent years for university students to govern themselves, or at least to create the illusion of self-government. At Minnesota the "student bill of rights" has granted the students, according to the university handbook, "wide and general privileges which are similar to those enjoyed by responsible citizens in every community."

Actually it is doubtful if any of the student councils are responsible for anything very important. The All-University Council, for example, is the supreme body and is elected by the student body; yet it sets no policies and performs no perceptibly greater function than to designate 1 week each year as homecoming. The Associated Women Students is a large organization for women. Actually the strongest student voice is that of the Minnesota Daily.

Most of the students, like students anywhere, view campus politics with monumental apathy, and, as a result, the workings

of student government, such as it is, are controlled by a few eager opportunists. There are, however, several campus political parties, and the skullduggery frequently reaches a high professional plane. Harold Stassen left behind an illuminating record as a campus politician when he graduated from Minnesota 18 or 20 years ago.

A small group of students, brandishing the spear of intellectual freedom, constitutes the core of the student thinkers. Henry Wallace was sponsored by a student group not long ago, and Senator BALL, of Minnesota, has also appeared on the campus. Senator BALL, unfortunately, was subjected to a barrage of heckling truly remarkable for sustained effort.

The students at Minnesota are not exceptionally concerned with the political state of the Union or with the political state of the world. The campus Republican club, for example, claims only 350 members. The United World Federalists, an organization devoted to world government, numbers some 200 at the outside.

The left-wingers on the campus concentrate their forces mostly in the Minnesota chapter of the American Youth for Democracy, a group which includes 87 of the university's 28,000 students. The University of Illinois banned the AYD from its campus last August, but Minnesota feels that the group exerts so little influence it is best to ignore it rather than call attention to it and thus incur the displeasure of a lot of students who, being traditionally idealistic, would be inclined to support an under dog. Minnesota further feels that a university is the one place that can afford to support a conflict in ideas, and, in this sense, at least, the AYD serves a definite purpose.

Since the war, Minnesota has experienced much less of the collegiate rah-rah and coonskin spirit generally associated with a university. The students appear to be more serious now, and the only real outburst last year came when a group of veterans buried the legendary Kilroy in front of the student union. It was an elaborate ceremony, and Kilroy lay in state on the campus for several days with an ROTC guard of honor.

Even the campus humor magazine, the Ski-U-Mah, has sobered, and is not carrying the usual quota of jokes. This will come as a distinct relief, incidentally, to old college-humor magazine readers who have suffered through an endless rotation of bad jokes for years. All good college men will remember: "Waiter, there's a fly in my ice cream." "Serves him right—let him freeze."

The returning veteran has had much to do with this new attitude. All students appear to be much more concerned with post-college security than ever before, and in the case of the veteran, the problem is particularly acute since, as often as not, he has married and has taken on new responsibilities. Age is overtaking him, and the ominous signs of a possible business recession are prodding him to greater effort. It is significant that, at Minnesota, at least, his grades have been appreciably higher than the grades of nonveterans.

As for the university itself, it hopes to endow its students with judgment, perspective, and the skills to make a living. Dr. Morrill has said that Minnesota is attempting to impart a strong commitment to public service and "an understanding loyalty to the kind of political, economic, and social order which made possible the opportunities students have had at Minnesota."

Dr. Benjamin Fine, an authority on education, recently paid the University of Minnesota the supreme compliment.

"In many ways," Dr. Fine wrote, "the University of Minnesota may serve as a typical model for the democratic college of the future."

Joe Martin in Iowa

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. JENSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Council Bluffs (Iowa) Nonpareil by Mr. A. M. Piper, editor, in connection with Speaker MARTIN'S visit to Des Moines, during which he addressed a large gathering of Iowa Republicans.

In this editorial Mr. Piper voices the sentiments of millions of Americans who know our Speaker best or have followed his services to the American people during his many years as a loyal public servant.

JOE MARTIN is held in the highest esteem by not only his own party members in Congress but also by those who sit across the aisle.

The editorial follows:

JOE MARTIN IN IOWA

Speaker JOE MARTIN came to Iowa Monday. Of course, we should refer to him as the Honorable JOSEPH WILLIAM MARTIN, JR., Representative from the Fourteenth Massachusetts District, and Speaker of the National House of Representatives.

But Joe doesn't care for titles. He prefers to be known as Joe. That is what all of his friends call him, and most of the hundreds of thousands of residents of his district.

JOE MARTIN is a man of the people, as common and friendly as they make them. He gets acquainted with everybody and visits with more people in the course of his travels than any other man we ever met. He is always accessible, always ready to listen to the other fellow's troubles and do what he can to get them straightened out. That's one of the reasons he has been elected to Congress every election since 1924, polling the full Republican vote every time and often receiving half or more of the Democratic votes in the district.

But there are many other reasons why Joe has been a Congressman for 24 years, why he was elected minority leader in the days when Republicanism was at a low ebb, why he was chosen Speaker without opposition, and why he ranks above many leading statesmen in the country.

He knows more about the workings of the Federal Government than most Members of Congress. He is a superb organizer. Nobody ever called him a boss, but the Republican Members of Congress follow his leadership, not only willingly but enthusiastically. The Democrats respect and admire him. He doesn't have an enemy in Washington, or anywhere else.

JOE MARTIN is a man of the highest integrity. He is a Republican first, last, and all the time, but not a narrow partisan. What is best for the country determines his course.

* * * * *

Joe delivered a rousing speech to Republican committeemen and party workers in Des Moines Monday. It was the best speech we ever heard him make. He certainly rang the bell in Iowa.

As Speaker of the House, MARTIN is next in line of succession if anything should happen to the President.

Everywhere he goes, and Iowa is no exception, you hear rumors that he may be in line for the Presidency, regardless. If the cards should fall that way, the Nation would have a Chief Executive with only one ambition—to do his best for his country.

The Knutson Tax Bill

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 18, 1948

Mr. FORAND. Mr. Speaker, under leave to extend my remarks, I include the following article written by H. H. Bookbinder which furnishes interesting information on the tax bill which passed the House a few days ago. The article follows:

THAT INCOME-TAX FARCE AGAIN

Here we go again! The Republican chiefs of Congress are trying again to reduce taxes. Last year they failed twice to get their tax reduction approved by the President.

The GOP has announced that the first order of business in the 1948 session of Congress will be a new version of their income-tax proposal. Representative KNUTSON, Minnesota, Republican, who fathered last year's bills, has announced that his new bill is veto-proof, because it meets all the serious objections to the earlier bill and provides more relief to low-income families.

Almost all the publicity so far does make it seem like the new bill is a major improvement over the old ones. It seems to meet the major argument presented by President Truman for vetoing the old Knutson proposals, namely, that they "reduce taxes in the high-income brackets to a grossly disproportionate extent as compared to the reduction in the low-income brackets."

As a matter of fact, however, the new bill is subject to the same criticism as was directed against the old ones.

Statistics are funny things—if you are not careful. Let's take a look at some of the statistics that have been given lots of publicity in order to give the impression that the new Knutson proposal will benefit the poor at the expense of the rich. In the following table, present taxes and those resulting from the proposed reduction are given for various income levels. "Net income" means yearly income, after normal deductions, but without personal exemptions, for a family of four.

Net income	Present taxes	Proposed taxes	Percent reduction
$2,400	$76		100
$3,000	190	80	58
$5,000	589	386	35
$10,000	1,862	1,210	35
$20,000	5,890	3,656	38
$50,000	24,000	15,986	34
$100,000	62,301	44,224	29
$500,000	406,600	343,940	15
$1,000,000	838,850	732,966	13

Now, this looks pretty good. What are we yelling about? The family with a $3,000 income, or about $60 a week, has its taxes reduced by 58 percent. This percentage goes down and down, until the man with a million-dollar income saves only 13 percent in taxes. Isn't that fair?

WHAT'S WRONG?

Well, here's the gimmick. The important thing to you is not the percentage by which your taxes are reduced but the percentage by which your take-home pay is increased.

Now, let's take the table above, and do some arithmetic with it. Instead of yearly income, let's consider weekly income. Then let's see what the take-home pay is now, based on today's tax rates. Let's compare that with the take-home pay resulting from the proposed bill.

Net income (weekly)	Present take-home pay	Proposed take-home pay	Percent increase
$48	$46.48	$48.00	3
$60	56.20	58.40	4
$100	88.22	92.28	5
$200	163.00	177.00	9
$400	282.00	369.00	13
$1,000	518.00	680.00	31
$2,000	754.00	1,115.00	48
$10,000	1,868.00	3,121.00	67
$20,000	3,223.00	5,340.00	66

This table tells a different story, doesn't it? The average workingman would have his take-home pay increased by 3 or 4 percent, but the poor suffering banker or industrialist, earning $10,000 a week—a week, not a year—would have his take-home pay increased by 67 percent. The worker has about $1.50 a week more to spend, while the $10,000-a-week man has about $1,200 a week more to spend.

Bad as it is, you might think that this latest Knutson monstrosity is at least an improvement over last year's bills. The bill is better in that it does give somewhat more relief to the lower brackets—by raising personal exemptions from $500 to $600. But it is worse in that it helps the rich even more than before. Here is the proof:

Comparing the present GOP bill with the GOP bill of 1947, we find that the tax reduction is $50 greater for the $3,000-a-year man, $300 greater for the $10,000-a-year man, $5,000 greater for the $100,000-a-year man, and $20,000 greater for the $1,000,000-a-year man.

In other words, KNUTSON has "improved" his bill over last year's by giving the average worker $50 more tax relief and the millionaire $20,000 more tax relief. Not bad—if you're a millionaire.

CIO POSITION

The CIO has taken the stand that if there is to be any tax reduction the entire tax relief must be given only to the lower brackets. The simplest and most effective means is to increase exemptions. By doubling present exemptions, a family of four with an income of $80 per week would not pay any taxes at all. Such a change in the tax laws would reduce total tax revenues by no more than the Knutson proposal, and would provide needed relief for those families that have been hardest hit by the rapid rise in the cost of living.

H. H. BOOKBINDER.

Brooklyn Adopts Breukelen

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. MULTER. Mr. Speaker, Brooklyn, N. Y., has again shown the way. Some of its leading citizens of all races, creeds, and origins have organized under the name of "Brooklyn, New York, adopts Breukelen, Holland Project." Having discovered that its namesake in the Netherlands was in need, they decided to adopt it.

This is not a fund raising campaign. They are asking for things in kind. They have no paid staff. Every one is a volunteer, rendering services gratis.

Let me quote from a recent letter to me:

We need the help of everyone in Brooklyn. In cases where it is not practical to send goods, we're glad to receive a check. This is immediately used to buy at wholesale some item on our list. As we have no overhead every cent is spent for goods.

Can you think of a better way to foster foreign relations * * * * or a better piece of good publicity for Brooklyn? By the way, the people of Breukelen did not ask us for help. We asked them if they needed anything and this was done through the consul general in New York and the burgomaster in Breukelen. This is a one-time campaign only, and once we get them these goods they have a fine start to help themselves * * * which is what they really want to do.

Following is a circular giving more details about the project:

BROOKLYN ADOPTS BREUKELEN PROJECT

FACTS ABOUT BREUKELEN, THE NETHERLANDS

Breukelen has 5,100 inhabitants of whom approximately 3,400 are persons upwards of 18 years; and approximately 1,700 18 years and under.

Of these 3,000 are members of the Dutch Reformed Church; 600 of the Reformed Church; and 1,500 of the Roman Catholic Church. There are 4 churches in Breukelen. (1 Dutch Reformed; 2 Reformed; 1 Roman Catholic.)

Breukelen has a Boy Scouts and Sea Scouts organization; a rest home for the aged; two infant welfare centers and a Catholic welfare group.

BREUKELEN'S NEEDS

According to a letter received by Miss Marguerite A. Salomon from the burgomaster of Breukelen, the following is a list of the most urgently needed things * * * and to quote from the burgomaster's letter "In our opinion you can best help by sending materials. The women can make the clothes then themselves. In view of different cuts and especially different measures, this seems to us the best way."

Knitted underwear for children, men and women about 5,100 units; sizes: 2–6 years, 600; 7–12 years, 750; 13–18, 850; men's, 20 percent size 32; 20 percent size 34; 20 percent, size 36; 40 percent, size 38; women's 25 percent, size 36; 50 percent, size 38; 15 percent, size 40; 10 percent, size 42.

Sheets and pillow cases for maternity cases—approximately 300 of each.

Baby clothes for children (up to 2 years) about 250 pieces of each.

Outing flannel for babies; 3,000 diapers; 1,000 crib sheets; 3,000 safety pins.

Outing flannel for pyjamas (1 per family) approximately 10,000 yards.

Cotton material for women's clothes (1 per family) approximately 8,000 yards.

Cotton material for men's shirts (1 per family) approximately 5,000 yards.

Overalls (small, medium, large) about 200.

Work trousers for men (small, medium, large) about 200.

Knitting wool for sweaters and socks.

Men's suits—20 percent, size 38; 50 percent, size 40; 20 percent, size 42; 10 percent, size 44.

Bicycle tires and tubes, size 38x1½.

Notions: Cotton thread, darning cotton, rubber bands, pins, studs, buttons, snappers, arm-bands (for men's shirts), garters for men, haberdashery.

There are many items not mentioned by the burgomaster that would be most welcome.

To supplement the heavily starchy Dutch diet they would appreciate: meat spreads, peanut butter, cheese, jams, marmalade, luncheon meats, jellies; hard candies, sugar, jams, raisins, canned fruits; lard, cooking oils or shortenings; tea, coffee, cocoa, chocolate; canned and packaged foods of all varieties especially those which do not require prolonged preparation or addition of milk, sugar, or eggs; seasonings and flavorings, condensed milk, powdered milk and eggs.

Also girdles and corsets, sanitary napkins, rubbers; wash clothes, towels, soap, youth handicraft materials, youth sports equipment.

All shipments are handled free and duty free through the courtesy of the United Relief for Holland.

Mr. Speaker, the thought behind this project is an excellent one, and if it is adopted by other communities it will go a long way toward solving our world problems. I urge every Member of Congress to start a similar movement in his own community.

New York Teacher Offers School Finance Plan

EXTENSION OF REMARKS
OF
HON. ROBERT TRIPP ROSS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. ROSS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article which appeared in the Christian Science Monitor, Boston, on Saturday, February 7, 1948:

NEW YORK TEACHER OFFERS SCHOOL FINANCE PLAN

(By John L. Blackman, Jr.)

Widespread interest in learning and teaching evoked by the reports of President Truman's Commission on Higher Education has drawn attention to an unusual plan for financing education put forth by a New York public-school teacher.

The plan for economic stability based upon the use of banking credits for education is presented by Mrs. Viola Lurch Cox, teacher in the Jamaica (N. Y.) Vocational High School, in a book, "Wealth Through Education," published by Stephen-Paul Publishers, New York. Believing that education is the true source of wealth not only for individuals but for nations, the author tells how she would increase the productive efficiency of individuals, and hence add to the wealth of nations, by making educational opportunities more widely available to all.

Mrs. Cox's plan, in essence a system designed to permit commercial banks to make personal loans to students under the guaranty of the Federal Government, had its origin in the long depression of the thirties.

In those years Mrs. Cox saw the education of many able students cut short by the necessity of supporting their families. She felt she must find a means of keeping the children in school.

CREDIT EXPLORED

Finally, with the cooperation of her husband, S. Ernest Cox, she began investigating the uses of credit in the history of many nations and became convinced that it not only facilitated material development, but had

encouraged in the borrowers more faith in themselves and a higher sense of responsibility and capacity.

She found that the means of obtaining credit have been extended greatly in the United States in recent years. The Federal Reserve System has facilitated the provision of reserves for the commercial banks. The Federal land banks and other agencies have increased the credit sources for farmers. The Home Loan Bank System has done the same for home owners. The Federal Housing Administration had inaugurated a new type of bank credit, insured by the Federal Government. But no comparable credit facilities have been made available for education, upon which the productive capacities of all workers depends.

It was in personal credit, then, that Mrs. Cox found what she believes to be the answer to her long inquiry. This answer she has now set forth in a volume entitled "Wealth Through Education." Dr. Willis A. Sutton, superintendent emeritus of public schools in Atlanta, Ga., and past president of the National Education Asscciation, has given his endorsement in an introduction to the book.

EDUCATIONAL LOANS

Mrs. Cox's plan, which she terms "Wealth for All," has attracted the attention of many educators and Members of Congress. It is carefully described in the book, together with a detailed estimate of its probable effects on the national income, national debt, effective tax rates, price index, and production index during the first 20 years after its establishment. Its principal features may be summarized as follows:

1. All young people, from the age of 10 to 24, would be made eligible for Government-insured educational loans to be obtained locally from commercial banks, under rules to be established by State loan boards. (Although primarily designed for use in the United States, Mrs. Cox believes the plan could, with slight modifications, be adapted to most other countries.)

2. The State loan boards would determine the amount of money to be loaned to each age group and establish rules for its proper use. The boards would be selected from business, labor, and professional groups by State and local boards of public education.

3. Mrs. Cox has suggested the following tentative amounts for the annual loans:

Age group	Annual loan	Sum due after 20 years
10 to 14	$400	$600
15 to 18	800	1,200
19 to 24	1,200	1,800

Thus a young couple which had availed itself of the average benefit of the educational loans and took the usual length of time to complete elementary school, high school, and college, would accumuate a joint debt of about $30,000, according to Mrs. Cox's estimate. But the author is sure the students would be stimulated by the new sense of responsibility resulting from the loans to complete their schooling in less than the usual time and so would need loans totaling considerably less than $30,000.

TWENTY YEARS AFTER

4. The students would be charged a rate of 2½ percent simple "interest" (virtually a service charge), but neither principal nor "interest" on any of the annual loans would fall due until 20 years afterward, when both would become payable on the first of these loans in 12 monthly installments. Thus the earliest that any loan would be due would be at age 30 for a loan obtained at age 10 (with parents' endorsement in this age group). The other loans would become due on successive years.

5. Of the 2½ percent payments, 1 percent would go to the banks to meet the expenses of servicing the loans, and 1½ percent would go to the Federal Government. Neither bank nor Government, of course, would receive any payments during the first 20 years of the plan. The 1½ percent received by the Government would be used for three purposes: (1) to insure the student borrowers against certain contingencies, namely, to cancel the loans of students who passed on or were permanently disabled before their loans fell due (2) to insure the banks against loss if a loan was defaulted by the borrower and his five fellow-student endorsers (this feature is adapted from the FHA system of insuring mortgage loans); (3) to pay $300 a year to parents for each child in the age group of three to nine who attends school 10 months a year, or who, up to the age of five, is given competent nursery school training.

This, then, is a brief outline of the system of "dynamic dollars" which Mrs. Cox estimates would increase the school attendance of the United States from about 25,000,000 to about 37,000,000 in its first year of operation. The amount of loans required to do this she places roughly at $18,000,000,000. This sum would be bank-created credits, that is, new money added to the Nation's effective demand for goods. An additional $18,000,000,000 would be lent each succeeding year. Thus in the 20 years before the earliest loans fell due, approximately $400,000,000,000 of student credits would be created, according to Mrs. Cox's calculations. After the twentieth year, however, some loans would be paid off as fast as others were granted, hence the total credits outstanding would tend to stabilize around $400,000,000,000.

PROBABLE EFFECTS

The immediate impact of an increase of 12,000,000 in the school population of the country (roughly a 50-percent change) is fairly obvious. The need for new school and college buildings, for additional teachers, and for millions of textbooks would cause a boom in education that would put the present veteran-stimulated boom (at the college level only) in the shadow.

The effects on the national economy of the vastly increased spending by students and their parents would be complex as well as staggering in scope. The possibility of further serious inflation of prices, if the $18,000,000,000-a-year plan were put into effect at this time, is not ignored by Mrs. Cox. If the sums were business loans, some inflationary consequences might follow, she believes. But she maintains that loans to students will have the effect of increasing their personal capacities and character, and so will result at once in increased efficiency of production on farms and in factories. This increased output of goods and services will absorb the larger supply of money, raising the standard of living of the entire population.

This point, it should be emphasized, is the main thesis of the book—that personal student loans will bring greater national wealth by increasing the actual output of goods and services of a given number of workers. In different language, the productivity of each individual will increase. The two aspects of this most likely to receive attention in Congress, if the plan is presented to that body, are: (1) By how much will this productivity increase? (2) How soon?

INFLATION A DANGER

It would seem reasonable to expect a lag of at least a few years after the granting of the first loans before the initial beneficiaries could complete their education and obtain positions in which they could make $18,000,000,000 more goods a year than they would have made without the loans. In the meantime, it seems to this writer, if such a lag appeared, the students' spending of their loans would have an inflationary effect on prices—not only in the printing and construction industries but in food and clothing. If put into effect during a serious depression, however, the plan would tend to increase employment rather than prices.

Wealth Through Education is more, however, than the presentation of a plan for making education available to all. It is a thorough and careful study of two topics of fundamental interest: (1) The relation between education and a community's spiritual and material achievements, and (2) the value of credit in history and at the present day in the development of great nations. It is pervaded with a strong faith in democratic processes and in the dignity and inherent capacity of each individual man and woman. Its objective is equality of opportunity for every child in every nation. It is already fulfilling an important mission in focusing attention on this vital problem.

Joseph Scott, Eminent Advocate of the Irish Free State, Makes Vigorous Appeal to Senate Foreign Relations Committee for Freedom of Northern Ireland in Considering the Marshall Plan

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. McDONOUGH. Mr. Speaker, Mr. Joseph Scott, eminent Los Angeles attorney and vigorous advocate of the Irish Free State from its inception, accompanied by a delegation of other prominent Irish-Americans, recently appealed to the Senate Foreign Relations Committee urging them to make certain that any of the funds provided by the United States to implement the Marshall plan would not be used by Great Britain to continue their oppression of the six counties in Northern Ireland that are not now part of the Irish Free State.

The following is the statement made by Mr. Joseph Scott:

The CHAIRMAN. The first witness this morning is Mr. Joseph Scott, of Los Angeles, Calif. We are very glad to see you, Mr. Scott. Will you proceed in your own way?

STATEMENT OF JOSEPH SCOTT, ATTORNEY, LOS ANGELES, CALIF.

Mr. SCOTT. Thank you very much.

First of all, I wish on behalf of the committee to extend our sincere appreciation for the privilege and the pleasure of presenting our views to this honorable body, and I will say very frankly that we come here as taxpayers looking to this committee to listen to our views and give them the consideration we feel confident you will accord them.

The delegation is from all sections of the country. I come from Los Angeles, Calif. There have been a lot of people coming from our city to present their views to the Senate and the House of Representatives, but there need be no question with regard to this committee of ours as to how we stand on the fundamental principles of the American way of life. We are uncompromisingly devoted to the principles of the founding fathers and we are all of Irish stock—not all of us born in Ireland. Some were born in the faith of St. Patrick, but some of the greatest patriots we have had in the Irish cause have been men of the Protestant faith.

Regarding the Irish Free State, so-called, composed of 26 counties in Ireland:

Its first President was an Irish non-Catholic, Dr. Douglas Hyde, a distinguished Gaelic scholar, and not previously identified with Irish politics.

Gentlemen of the committee, I hope I do not have to expatiate upon the anxiety we have as American taxpayers in regard to the fundamentals of the so-called Marshall plan and where the funds are going to go.

Our information is that it is proposed that a good portion of this money is to go to London, to Downing Street, and it will be siphoned out of that seat of the English Government over to Belfast, which is the stronghold of a little corner of northeast Ireland which was cut off arbitrarily by Lloyd George and men of his type from the rest of Ireland, where the principles of the American way of life are unknown or ignored, and where the ascendancy of the imperialistic powers of England are exercised to the *n*th degree.

We feel, coming from a race that suffered persecution through the centuries, not merely for religious principles but for fundamental political rights, that we should present to this committee our reasons for taking what may appear at first glance to be an arbitrary stand.

I came to this country myself after matriculating in London University. I was not born in Ireland, but my father and mother were married in the city of Wexford, a little corner of Ireland where John Barry, "the father of the American Navy," as we like to term him, was born.

When I left to come to this country, my little Irish mother threw her arms around me and told me to fear nothing that walked the earth or crawled under the earth, but to love God above all things and be true to the principles of Jefferson and Lincoln. It happened that she, as a little Irish girl, had had her boyhood friends come back from Gettysburg; and I learned, Mr. Chairman, from my Irish mother what Lincoln meant at Gettysburg—that right made might and that government of the people, by the people, and for the people, with the help of God, should not perish from the earth. So I did not need to go to any American college or to any library of American literature. I got it from the womb of my mother.

That is the faith that has been fought for through the years. Every battlefield of the Republic, from Washington to the last great war, is marked with it. I have lived in California for 55 years. I have seen the little pueblo of Los Angeles grow from 60,000 people to nearly 2,500,000, and in our county now there are about 4,000,000 people. Our race was out in California before me. I can recall still Admiral O'Callaghan, with his flagship, the *San Francisco*, going down to his glorious death in the blue waters of the South Pacific. I can still recall Chaplain O'Callaghan, the Jesuit padre, who was designated by the skipper of his ship as the bravest man he had ever seen.

We feel, Mr. Chairman and gentlemen of the committee, that the Irish have been an asset to this country. We feel that the right to be free as nurtured in the Irish heart has been a welcome, appreciated virtue in the American way of life. My little Irish mother told me that we got it from St. Patrick; that he was a slave in the hills of Antrim from the time he was 14 until he was 18 years of age, and in his blood, in his veins as a youth, he detested slavery in any form after his bitter experience.

He impregnated the Irish with that same principle, and through the ages they have fought for liberty—not for economic security, merely, to have a slave mind, but to be free.

So men and women of the Irish race had a convention in New York a couple of months ago. I have been attending these reunions and conventions for over 50 years, and I can state, Mr. Chairman, that it was the most representative gathering we have ever had to perpetuate the ideals of the motherland of so many of us and to instill more deeply a fervent devotion to the principles of the founding fathers of our country.

There were all types of political beliefs there. I think, as a member of the buck privates of the Republican Party, I was very much in the minority, but somehow or other they insisted that I accept the job as chairman of the convention. I have never aspired to public life. My only experience in that respect has been as president of the city board of education of Los Angeles for several years. I followed the fortunes of Mr. Taft when he managed to take Vermont and Utah in 1910; I stayed with Hiram Johnson in Chicago when he fought a losing fight in 1920 in his efforts to secure the Republican nomination as President. And an old doughboy like myself had the privilege of nominating for President one of the greatest men the country has ever produced, my earnest personal friend, Herbert Hoover. So I have been around a little.

Senator BARKLEY. You wouldn't by any chance be for Wallace this year?

Mr. SCOTT. No, sir; and nobody in this delegation is for Wallace. And that is another reason why I want to impress upon you gentlemen this:

The Irish have wanted to own the soil of their own homes, I want to emphasize, Mr. Chairman and gentlemen, that men like Wolfe Tone from Dublin was a Protestant. John Mitchel, in the days of '48, just 100 years ago, one of the rebels of Ireland, was likewise an outstanding Protestant. He managed to come to this country and threw in his fortunes with the Confederacy.

I want to say that I think it is Hilaire Belloc, a very outstanding English philosopher and writer, who said, "You have got to sustain the idea of private property, otherwise you must restore the institution of slavery," and therefore it has been one of the frantic, desperate hopes of the Irish to own their own homes. And therefore for that reason and on account of its atheistic philosophy we are utterly opposed to communism in all its shapes and forms. We do not mind telling you we think it is straight from "the hob of hell." It is diabolical in all its assets, if it has any.

Therefore, we Irish—thoroughbred Americans, if I do say it myself—are one of the best assets this Nation has got in its fight against communistic control; first, because the Irish believe in a living God. We make no pretense of any evasive attitude toward a belief in the living God. We welcome and see with reverence and appreciation and emotion the picture of George Washington on his knees at Valley Forge. They can understand what Jefferson meant when he said, "With a firm reliance upon divine providence, we pledge our lives, our fortunes, and our sacred honor," and Lincoln said, "This Nation under God shall have a new birth of freedom."

All the way through our history the Irish go along with our history because of our fervent belief in its religious principles. We have no truck with the agnostic, the pragmatist, the atheist, the infidel, and with those who scoff at religion.

So we feel, Mr. Chairman, when we come here, we come as men as humbly and fervently devoted to the principles of our Government as any of you splendid outstanding statesmen before me.

Now, why are we here? We have come as taxpayers. It may be a peculiar way to come, but we come as taxpayers. Some of us have made a little money. Our limited purse strings will be ripped wide open if the Marshall plan goes into full fruition. We feel we have a right to direct the attention of this committee that no funds whatever from the pocketbook of the American taxpayer shall be diverted or allowed or compromised to get to Belfast to maintain an imperialistic Tory ascendancy as reactionary as any there is in the whole world. It is the remnant of the Tory government, just as much hostile to the principles of our Government as when John Hancock—I want to remind the Senator from Massachusetts, the man who wrote his signature first upon that immortal document, who when he was writing said:

"There! I have written my name with spectacles, but I have written it so big that the King of England can read it without spectacles."

Our information—and we are speaking, we think, by proper authority, is that it is proposed that some of this money will be given as a grant to Belfast. We respectfully, urgently, and emphatically present to this committee that that would be a violation of the fundamental principles on which we exist as a nation and as a government. We think that if we are going to go anywhere at all, we must recognize and be, at least to some extent, consistent.

As we read the Good Book, we realize that Christ sat down and ate with prostitutes and publicans and had compassion on the sinner. "I came not to call the just but sinners to repentance." But there is one type of sinner he did not compromise with. The novelist Dickens has immortalized him in his English character of Mr. Pecksniff. Christ flayed such with scorn and drove him out of His temple, and that was the hypocrite, the two-faced man who professed to be superior to his fellows; the Pharisee, in other words. We resent the pretensions of Downing Street, London, or any other place who would have you do otherwise. We suggest to you gentlemen of the committee that any money from the Marshall plan going to Belfast would be wasted, a desecration of the purposes of the appeal now being made. Anyone who protests that it should go to Belfast and that it would do good there is either a liar, a knave, or an ignoramus.

We feel very strongly about it, gentlemen of the committee. We feel our people over there have suffered long enough. They had a dirty, abominable deal, if you will allow me to use a little Los Angeles language. Irishmen fought and died in the rebellion of 1916. Young fellows with their faces in the sun, full of celestial happiness for the glory of their cause, faced the firing squads of Lloyd George and went to their doom with as pure and undefiled souls as Nathan Hale had when they put the rope around his neck and he regretted he had only one life to give to his country. They were very brave kids; they were murdered and slaughtered.

Those young Irish people had the same idea, gentlemen of the committee, of life that you have: That to be free, to have liberty, was a God-given right that nobody should be deprived of, and these men died that way.

I have in my file here now an orderly, dispassionate statement made by a meeting held in Dublin recently by lawyers and men who believe in O'Connell, the great parliamentarian. O'Connell is dead now 100 years. Eighteen hundred and forty-eight was a terrible year for Ireland. My little Irish mother saw men and women and children dead upon the roadside from famine in those horrible days of 1848. They died of starvation, although there were enough foodstuffs exported from Ireland to feed the people. They died of starvation, and young men in 1848, ignoring O'Connell's idea of constitutional agitation, rose up and fought a hopeless rebellion—such as Meagher, Mitchel, and Gavan Duffy. Meagher became a great general under Lincoln in the Civil War. Some of you Democrats of the South may be interested to know that John Mitchel, to whom I have previously referred, threw in his fortunes with Robert E. Lee, and his grandson, John Purroy Mitchel, became mayor of New York. Gavan Duffy became Prime Minister of Australia—those three young men, released

from the yoke of English tyranny—see what they made of themselves.

Now, I am quoting here statements made quite recently at a public meeting on January 25, 1948, in Barry's Hotel, Dublin. Here are three extracts from a more conservative man than I am, because, as I speak, I am filled with emotion myself, because it is in my blood, and all these delegates here present behind me feel as I do. There are 30,000,000 people that can trace their line of descent and blood to the Irish. They fled to all the four corners of the world, but mostly here.

Here is a statement made by James McScorpan, King's counselor and Member of Parliament. This is what McScorpan said:

"Britain set up partition and could end it. The responsibility was thrown upon whatever government was formed in Eire to show that it was inexpedient for Britain to continue it. I have never advocated physical force, and I never will. But if it is not solved in the way I have suggested, then as sure as the sun will rise tomorrow another generation will arise and there will be more blood offered at the shrine of British imperialism. The only way to end it is to make it inexpedient for Britain to continue."

That is a terrible indictment to make of the so-called British Government that talks about freedom and liberty in a day that has seen Palestine ripped in two, that has seen India rise in its desolation and pain to produce a man like Gandhi—imprisoned time and time again. Your distinguished colleague—I knew his grandfather well—Senator LODGE, will recall, and every New England man will recall, the story of Emerson going to see Thoreau in prison and Emerson said to Thoreau "What are you doing in jail?" And Thoreau said to Emerson, "What are you doing out of jail?"

And so Gandhi was in jail time and time again, under the same power that put Belfast on the map as a government.

Now, look how Gandhi has been exalted in death. We find that Gandhi's philosophy, with all of his peculiarities of religion, were fundamentally the Sermon on the Mount:

"Blessed are they that hunger and thirst after justice, for they shall have their fill."

I have passed my eightieth milestone, gentlemen. I ought not be here. I think according to the Scriptual admonition threescore years and ten is the limit. But I am here. After threescore years and ten, a man is supposed to encumber the earth. I flew through the night to get here. Now let us return to this Dublin meeting of last month.

The next man who spoke said:

"While the Government in England, the Government in Whitehall shed crocodile tears over the welfare of minority groups in far-off India, the British Government carelessly ignores today the aspiration of 80 percent of the Irish people and insists on stifling the voice and ruthlessly suppressing the operations of the democratic processes in Ireland."

Another Senator from that same Parliament in Belfast, Senator J. G. Lennon, said:

"At the present time a friendly Ireland is essential to Britain. It was their duty to weld the Irish opinion throughout the world and in one voice to demand the ending of the partition."

The partition, gentlemen, was caused in this way: After Padraic Pearse and these other brave lads were shot to death, after the revolution was defeated, Eamon de Valera, the present Premier of Ireland, was in that rising and was made prisoner, and he was saved from execution because he happened to be an American, born in New York. Subsequently, in the effort of the English Government to secure a solution of the tragedy, Lloyd George, a wily, shrewd, clever, smart, nimble, agile mental giant, among that kind of people, told Griffith and Michael Collins, who at that time represented the Irish as an ultimatum:

"I have the steam up on the train leaving Euston station. You sign on the dotted line. If you don't, you take the consequences."

And with a gun to their heads, these desperate Irishmen signed on the dotted line. Thus this so-called partition became effective, cutting off the wholesome part of Ireland, this northeast corner dominated by racial animosity and religious bigotry.

Here is that corner of Ireland today, gerrymandered in disgraceful and contemptuous disregard for political rights of minorities, so that it would make an American city ward politician of today almost laugh in his sleeve at anything as coarse and ruthless as that if it was not for the tragedy of it.

They haven't a chance to be accorded a reasonable vote.

Now let us see what this group of 2,000 delegates meeting in New York wanted to do. They believed that we should put before this Senate committee on the Marshall plan this statement of our position, which with your permission we will file. That statement protests that we are opposed to having any American taxpayers' money diverted to maintain this imperialistic undemocratic form of government in northeast Ireland. We urgently request that you put it to them this way: "If you don't accept this program, you are not going to get any money at all from us."

My friend Will Rogers was a Democrat, like my friend Isidore Dockweiler. Out there I don't know how you fellows get along in your other sections, but we old timers get along very well in California. Isidore Dockweiler was a very old friend of mine. He is the godfather of my oldest boy, and I am the godfather of his boy, a lad who went over to Japan and to the South Seas and was captured and had a hell of a time for 3½ years. We people with different political views get along.

Will Rogers said to me:

"Joe, I don't know how it is, our kids can lick anything on top of the earth, under the water, on top of the water, in the air. But when our big boys sit down with those buzzards at the conference table we lose our shirts and they take us to the cleaners.

"I have sat in with groups on these very treaty conferences. I was in Paris with Wilson. I was at the Economic Conference in 1922 in London. I saw Harding and Charles Evans Hughes in action in the Naval Conference in Washington. Every time we sit down with those buzzards they outsmart us and outlick us and we go to the cleaners."

Now, Mr. Chairman, and gentlemen, I have been favored with a long life. I am grateful to God for the blood that is in my veins. I am the father of 7 living children and 17 grandchildren, and I tried to put into every one of those kids the philosophy of my little Irish mother, to love God above all things and to fear nothing that walks on earth, but to believe in the philosophy of Jefferson and Lincoln as fundamental to the American way of life.

Now, it seems to me, Mr. Chairman and gentlemen of the committee, that when you put this proposition up on the Marshall plan, you can put a program down to Downing Street, London, whereby it may be this, that, and the other, but no money whatever shall go to Belfast to sustain and perpetuate this horrible, graceless, and diabolical system of government. And I think, Mr. Chairman and gentlemen of the committee, it is not outrageous or inconsistent or abominable to suggest that if they don't accept that way, they get no money at all. That is the position of our committee, anyway.

I have seen changes in the life of this Nation. When I was a young man, Senator LODGE, if you will pardon me a minute, I went up in 1889 to Boston, and I saw in the advertising sheets of the papers there, in the Boston Globe and the Boston Transcript, "Wanted, a carpenter. No Irish need apply." "Wanted, a cook. No Irish need apply." "Wanted, a nursemaid. No Catholic need apply." That was in Boston in 1889. Now Boston today is 75 percent Irish and Catholic, but the Irish in 1889 in Boston didn't lie on their bellies and let people make a doormat of their backbones. The blood of free men was in their veins, and they stood up as free men and look what it has got for them.

Gentlemen of the committee, you have had a lot of people come from California. Some of them have very misty views of their obligations as American citizens and their beliefs as to the American form of government. But these people I bring to you today, gentlemen of the committee, are 100-percent-plus fervent devotees of the American way of life, firmly and confidently believing the way of salvation is through the philosophy that Washington on his knees and Lincoln and Jefferson all fervently adhered to. And when you have that kind of support, gentlemen of the committee, we think we are on the right track.

I don't want to be too peremptory in this matter. But as I have said, Mr. Chairman, I have a very firm belief that this committee will give us sympathetic attention and consideration. Some of us here have presented in typewritten form an extension of these remarks and an epitome rather more adequate than I have put it here as their views on this matter, and I think, if I may be allowed, Mr. Chairman, I would like an opportunity to extend my remarks, and ask that these other gentlemen may be called upon to have the same privilege.

Germany and the Marshall Plan

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by C. Monteith Gilpin, secretary, Society for the Prevention of World War III, which appeared in the Washington Post of February 17, 1948:

GERMANY AND THE MARSHALL PLAN

The Society for the Prevention of World War III, Inc., has indorsed the basic principles of the European recovery program. We believe those principles will be supported by all Americans who cherish freedom and peace. On the other hand, the society believes that while the principles are wholly admirable and correspond to the real interests of the American people, their correct implementation is of fundamental importance.

The present policy pursued in western Germany, however, will not contribute to the realization of our European recovery program aims because, in essence, it is an attempt to reestablish the German economy on an autarchy basis. We must also bear in mind that the food shortages and the economic situation in Germany today are largely the result of deliberate acts of sabotage on the part of the Germans themselves:

During 1947, 6,319,000 head of German cattle had disappeared and were presumably sold on the black market. Several months ago the press reported that the government of Wuertemberg-Baden had underestimated the grain crop by 62 percent. Ruhr coal production is about 50 percent below prewar levels, and as Walter Lippmann recently pointed out, about 20 percent of the coal produced in the Ruhr disappears. The same situation holds true regarding American shipments of

cotton to Germany; thousands of bales of cotton disappeared before reaching the German factories for processing. Likewise, the German workers, aided and encouraged by their leaders, are actively engaged in sabotaging the reparations program which is so essential for the economic rehabilitation of Germany's victims.

In allocating $1,005,000,000 to Germany (as part of the $6,800,000,000 requested), plus over $1,000,000,000 a year for food and commodities to be sent to Germany, the share of Germany amounts to more than 28 percent of the total to be appropriated for the next 15 months for Europe. This places a heavy obligation on the American taxpayer for the rebuilding of an enemy country, which through strikes and sabotage of its coal and food production is jeopardizing its own revival.

Since Germany's threat to world peace lies not in her own capacity to wage an independent war within the next quarter of a century but in her value as a partner in any future world conflict, it is important that her bargaining power as such a partner be kept to a minimum.

To make the rehabilitation of Europe a success, our society submitted to the Senate Foreign Relations Committee that the European recovery program be guided by the following principles:

(1) Our first consideration in the rehabilitation of Europe should be given to Germany's victims.

(2) American policy regarding European recovery should aim at reversing the economic and political trends of the past 25 years which have placed Germany in the key role of economic master of Europe.

(3) German heavy industries must be limited to peacetime needs as recommended in the final report of the United States Foreign Economic Administration.

(4) Democratic forces in western Europe must be helped in their quest for security from future German economic and military dominance because they are the only friends we have in Europe. The United States must help these countries develop their own industrial potential.

(5) Germany's coal production—the bloodstream of the European economy—should be maximized and sufficient coal delivered to her neighbors to enable them to meet the industrial level set at the Paris Conference.

(6) Prompt reparation deliveries should be made to the 18 claimant nations in the form of surplus capital goods—specifically the 9,000,000 tons of surplus steel capacity which exists in the western zones.

(7) All German cartels, trusts, and cartel-like devices must be forever eliminated.

(8) All German assets abroad must be unearthed, marshaled, and vested by the occupying powers for eventual allocation among Germany's victims.

(9) In helping to integrate the German economy with that of her neighbors, Germany should be given the opportunity to develop her own peaceful economy through the exploitation of her light industries and her agricultural resources and raw materials.

(10) The United States should cancel the $1,005,000,000 allocated for Germany as part of the $6,800,000,000. This would leave the military government, through $1,250,000,000 of appropriations for the next 15 months, in exclusive charge of aiding Germany to solve its food and industrial problems.

(11) In order to provide Europe with the means for maintaining a stable and prosperous economy which will eventually benefit the American economy and relieve the burden of our taxpayers, the resources of the Ruhr should be placed under international ownership and control.

C. MONTIETH GILPIN,
Secretary, Society for the Prevention of World War III.

NEW YORK.

Farley Blames World Ills on F. D. R.'s Rule

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Times-Herald of February 18, 1948:

FARLEY BLAMES WORLD ILLS ON F. D. R.'S RULE—CALLS MANY TRACEABLE TO THIRD AND FOURTH TERMS

HAMILTON, N. Y., February 17.—James A. Farley, who helped put the late Franklin D. Roosevelt in the White House, said today that many of the world's ills could be traced to Roosevelt's third and fourth terms.

Farley spoke on the Human Side of Politics at the opening of Colgate University's 1948 series of lectures in human relations.

WEIGHT OF YEARS TOLD

"I sincerely believe that many of the ills which beset the world today may be traced to the third and fourth terms, which brought a great mind, but one worn by the weight of years and cares of state, to the all-important conferences at Tehran and Yalta," Farley said.

The former national chairman of the Democratic Party said that almost every world leader supported him in this belief. He said the Roosevelt at Tehran and Yalta was not the "vital resolute mind that gave a despairing Nation hope with the clarion call 'we have nothing to fear but fear itself.'"

"Instead," he said, "we had a worn Lear, dividing the world in a series of concessions embodied in secret agreements, which having arisen from the Pandora box of secret diplomacy, are plaguing the world's children with blood, death, and fears."

Farley said that reluctance to relinquish power, "particularly where the hand is feeble and the mind is tired," is fraught with danger to political parties and to the Nation. If younger men are not trained to take over leadership, he said, the party and Nation are weakened.

THIRD PARTY CONDEMNED

The former postmaster general lashed out at Henry A. Wallace's third party and said it was formed by one who "wouldn't play according to the rules." He said men and women should try to correct what they dislike in a political party from within the party.

"We have a third party today, formed by one who wouldn't play according to the rules in the Republican or the Democratic Parties," he declared. "I don't want a third party in this country. The two great political parties help our Nation by promoting unity. A third party can only promote minority rule and tend to leave the country the prey of demagogues and malcontents."

Abraham Lincoln and George Washington

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. ANGELL. Mr. Speaker, I include as part of these remarks brief articles by Carlos W. Huntington, a distinguished and public-spirited citizen in my congressional district, commemorative of the birthdays of Abraham Lincoln and George Washington:

ABRAHAM LINCOLN—1948

(Lincoln's Birthday, February 12)

Rail-splitter, clerk, postmaster, lawyer, member of the Illinois Legislature, Member of Congress, President, Abraham Lincoln was born in Kentucky, February 12, 1809, a staunch advocate of national unity and economy and efficiency in government.

What would he see in his America of today?

A national debt of unprecedented proportions, $256,000,000,000, almost $2,000 for every man, woman, and child, the highest tax rate in history; industry harassed by regimentation; bureaucracy and waste keynoting governmental operations; scare propaganda to aid in the imposing of a philosophy of scarcity, of governmental support from the cradle to the grave, of dependency on government for shelter, food, medicines, and security rather than individual effort and initiative; price support subsidies; governmental meddling in every phase of our lives; centralization of power in Washington and a breakdown of individual responsibility. He would also see a segment of our population espousing and abetting foreign ideologies that have as their goal a totalitarian government under the ultimate domination of Moscow; he would find do-gooders whose ambition is to give away our substance, both at home and abroad, they, of course, to be the mediums through whom the largesse is channeled, in order that they may reap the plaudits of the recipients, build up their power and control over the rest of the people and economy.

He would see Navajo Indians starving on their reservation while trainloads of food go to our former enemies across the water; he would see other Americans dependent upon charity for which "drives" are conducted, one after the other, to provide funds while our Government sends billions overseas; he would see our people shivering while coal and oil are exported to other lands; he would see hundreds of unnecessary Government bureaus staffed with hundreds of thousands of employees burdening the taxpayers; and he would find inefficiency and waste rampant in all branches of governmental activity.

On the brighter side, he would find an awakened national realization of the necessity of tax reduction, of greater efficiency in the Federal Government, of greater economies in operation and less restrictions upon free enterprise. He would find industry at an all-time high, despite governmental handicaps, increasing production, a determination to make the American system succeed, and an optimistic view of the future.

Yes; Lincoln would find that, despite all obstacles, America is still America, where government of the people, by the people, for the people shall not perish from the earth.

CARLOS W. HUNTINGTON.

GEORGE WASHINGTON—1948

(Washington's Birthday, February 22)

Surveyor, planter, soldier, Member Continental Congress, President, George Washington, Father of His Country, was born in Virginia, February 22, 1732, an ardent advocate of devotion to America and freedom from entangling alliances. What would he think of his country today, the state of the world, the outlook for the future?

He would see a nation of 140,000,000 recovering from two world wars and threatened with a third. He would see the results of appeasement of Hitler by Chamberlain—war; the appeasement of Stalin at Yalta and Tehran—nations overrun by communistic hordes—Americans saddled with $90 debt for every man, woman, and child for "lend-lost" grants to Russia alone; na-

tions prostrate and reviling the United States while begging for our dollars, food, and materials.

He would see Stalin, Molotov, Vishinski, and their ilk, barbarians dressed in the habiliments of civilization, hiding behind an iron curtain, their minions enslaving, purging, starving, and mistreating millions of Europeans, while attempting to spread their fiendish communistic doctrines throughout America and the lands they have not yet conquered. He would see the shambles of massacre and hate in, of all places, Jerusalem, ancient cradle of Christianity. He would see his Nation trying to help bring order out of chaos, trying to stabilize the world economy, trying to insure peace, and daily getting into the depths of the international maelstrom. We think he would reiterate his admonition of no entangling alliances, no commitments that would enslave our people. True, he would aid the suffering, but he would always bear in mind that a government's obligation is to its own citizens first, that the welfare of its people is paramount, and that out of our abundance, after our own needs are met, we will give freely to those requiring aid.

George Washington, there are still some of us who believe in your sound philosophy and doctrines on this your two hundred and sixteenth birthday.

CARLOS W. HUNTINGTON.

Foreign Aid

EXTENSION OF REMARKS

OF

HON. WILLIAM C. COLE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. COLE of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Joseph News-Press:

TIMELY OBSERVATIONS

There has been much in this newspaper about the Marshall plan. There has been much on this page and in this department for the Marshall plan. Yet there never was a great issue raised where there was not another side. This column today is devoted to a scrutiny of the Marshall plan. It will find a favorable reception in the Middle West, for all tests reveal that the Atlantic and the Pacific States are far more enthusiastic for the program outlined by Secretary of State George Marshall for the relief of Europe than is our own part of the country.

Frank Gannett, Rochester, N. Y., publisher of a string of good newspapers, brings forth the sound point that there are two phases of the European problem. One is the question of feeding the hungry and helping them produce more food. The other is to rebuild Europe with the hope of resisting the Soviet Russia power. Mr. Gannett favors saving the hungry, but not under European auspices. He would feed them through the American Red Cross, the Quakers, or some other great non-Government agency.

This eastern editor and publisher resents buying Europe away from Russia. He holds, and he has something, that rebuilding Europe involves so much international cooperation and so many safeguards against economic nonsense that the task is one for an international agency with hard-headed business sense. He favors the World Bank, whose capital has been subscribed by 46 nations, and which is authorized to lend up to $8,000,000,000.

It probably will not be questioned that if the United States does all the financing of rebuilding Europe we are going to have no tax reductions. We will have tax increases and we will have higher prices. There is a pretty large group of thinking men and women who are convinced that our own economic stability is in grave danger unless we think about this Old-World dilemma with practical common sense.

United States Senator JAMES P. KEM has prepared some startling data on what price America must pay for foreign aid. The junior Senator from Missouri questions whether America can afford to go all out as the President and the Secretary of State ask. Senator KEM has brought the matter home by showing what their foreign-aid plan has cost and will continue to cost the people of Missouri.

Senator KEM shows what foreign aid from July 1, 1945, to June 30, 1947, has cost every county and city of any size in Missouri. The figures will amaze you. St. Joseph's (Mo.) share of foreign aid that 2-year period amounted to $13,855,113. The foreign aid asked by the Marshall plan, says Senator KEM, would cost St. Joseph, Mo., $11,053,806. Then he shows the figure for Buchanan County. For the 2-year period ending last June 30 it was $17,214,261 and under the Marshall plan would be an additional $13,733,782, or a total for Buchanan County of $30,948,043.

And mark well this: The annual tax receipts from Buchanan County from all sources are estimated by Senator KEM at less than $2,000,000.

This Department thought the junior Senator from Missouri had gone off on a tangent. Mathematicel figures are confusing to many of us and we just could not swallow those startling figures. But they are correct. The junior Senator gets his figures from the Legislative Reference Service of the Library of Congress. The costs of foreign aid July 1, 1945, to June 30, 1947, are actual, nothing surmised, nothing estimated, nothing guessed. They comprise loans, property credits, advances, relief, rehabilitation grants, and other authorizations. The total for the United States this 2-year period is in excess of $24,000,000,000, that's billion, son, not million.

The rest is plain arithmetic. You will find it is $183 for every man, woman, and child in America on the basis of the last official census. It is $616 for every American family. Foreign aid has cost every American family $25 a month for each of the last 25 months.

We could give you the cost to other towns and other counties for the CONGRESSIONAL RECORD records that speech of Senator KEM, January 16, last. But to give you only a few (the cost for the 1945–47 period) show Savannah, $385,764; Tarkio, $386,862; Cameron, $661,545; Plattsburg, $350,445; Gallatin, $300,000; Union Star, $75,000; Albany, $367,830; King City, $201,840; Stanberry, $346,419; Trenton, $1,289,418; Mound City, $293,898; Chillicothe, $1,466,752; Princeton, $289,872; Maryville, $1,043,100; Platte City, $123,143; Weston, $205,525, and Grant City, $221,247. Something to think about, isn't it? No wonder we have that damned-soul look in our eye when we pass Income Tax Collector Lee Herter on the street these days.

The Palestine Problem

EXTENSION OF REMARKS

OF

HON. THOR C. TOLLEFSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. TOLLEFSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast made by me on February 14, 1948:

Tonight I should like to discuss a subject that is close to the hearts of us all. We, the common people of the world, regardless of our race, nationality, or creed, earnestly desire that a lasting peace be established. Remember our rejoicing on VJ-day? I can easily recall how you and I expressed our great relief and joy on the streets of our city and gave thanks in the churches of our faith.

And to insure peace the anti-Axis Powers gathered at San Francisco and established an international organization known as the United Nations. With enthusiasm born of hope we faced the future and quietly said in our hearts "It shall be peace in our time."

Today, however, we view a strife-torn world—a world filled with petty prejudices, Godless greed and dwindling hope. In their drive for material gain, in their devotion to so-called scientific philosophies, the politicians of this day are turning their backs on the basic concept of our contemporary religions. They have lost sight of the fundamental truth that there is but one God and in his sight all men are equal. In my humble opinion the people of all lands must return to this fundamental truth if war is to be averted. A sincere devotion to the fatherhood of God and the brotherhood of man is the only sound foundation for a lasting peace. Before we can have peace among nations it must be established in the hearts of men.

Today, 2 years and 9 months after the war, more battles are being waged, more lives are being lost, than was the case in 1939, prior to Germany's invasion of Poland. With the exception of our Western Hemisphere, no area in the world is free of situations which can easily explode into World War III. Communist agression in China, turmoil in India, colonial revolt in southeast Asia, Communist-inspired rebellions in Italy and France, foreign intervention in Greece—the list is almost endless. But the most danger-laden of these, is the crisis in Palestine, where seven small Arab nations threaten the peace of the world. Failure to solve the Palestine crisis may well herald the beginning of another world conflict.

As you will recall Britain has been administering this territory under a League of Nations mandate given to her in 1922. This followed a decision of the victorious Allied Powers in World War I taken at San Remo in 1920. This decision stated that the mandatory should put into effect the terms of the Balfour Declaration made by the British on November 2, 1917. According to this declaration, the British Government agreed to facilitate the establishment in Palestine of a national home for the Jewish people. This agreement was also contained in a treaty between the Allied Powers and Turkey and finally in the Covenant of the League of Nations. Though not a member of the League of Nations the United States consented to this arrangement in the American-British-Palestine Mandate Convention of 1924. Britain has since administered this territory and was to have facilitated the establishment of a Jewish national home in accordance with provisions of the Balfour Declaration.

After World War II, however, Britain found herself in dire straits. She was caught in the greatest economic crisis of her history. She appealed, therefore, in 1947 to the United Nations General Assembly to recommend a solution which would enable Britain to withdraw completely from Palestine. The General Assembly of the United Nations was the twentieth committee to consider a solution for Palestine. After weeks of fact finding and free discussion the United Nations voted 33 to 13 in favor of partitioning Palestine into Arab and Jewish states with economic union under the United Nations.

Great Britain's Palestine mandate is to be ended not later than August 1, 1948, and the independent Jewish and Arab states are to come into existence not later than October 1, 1948. In the meantime two critically important events are to take place: First, a provisional council of state is to be designated and recognized for each of the Jewish and Arab states by the United Nations Palestine Commission; and, second, within the shortest possible time an armed militia composed of the residents of each state and sufficient in number to maintain internal order and to prevent frontier clashes is to be recognized by the United Nations Commission. Britain is required to vacate a port in Palestine by February 1, 1948, for the purpose of facilitating Jewish immigration.

The present situation finds the United Nations Commission just beginning its work; Arab guerrillas attacking the Jews to discredit partition, with widespread disorder and bloodshed in Palestine, and the Jews endeavoring to defend themselves; the British taking the position that all they need to do is see that none of their own troops get hurt before they can pull out; and the Arab states, member nations of the United Nations, almost openly supporting the guerrilla attacks on the Jews, persisting, to use their word, in defying the United Nations' decision and in the threat of an organized invasion of Palestine as soon as the British move out.

That is the present situation, plus one other very important factor—on December 5, 1947, there was announced by the United States a cessation of the licensing of arms shipments to the countries of the Middle East, including Palestine—in this way effectively cutting off the Haganah, the informal Jewish militia, from any arms, while leaving free the Arab guerrillas through the Arab countries, to obtain arms. The British confirm a report that they are continuing to sell and ship large quantities of arms, admittedly not less than $25,000,000, to Iraq, Egypt, and Transjordan.

The major argument made against the Palestine decision of the United Nations is that it is a threat to the peace. But is it not true that it will only result in extensive hostilities between Arabs and Jews, if the leading nations fail to show decisively that they will not tolerate it? Is it not true that widespread disorder and conflict in defiance of the United Nations is what will constitute a threat to the peace? Let us examine for a minute the Arab situation itself. It is the Mufti of Jerusalem, who is one of the most distinguished Nazi collaborators alive, and his guerrillas who are attacking the Jews in Palestine. Press reports show that many of the Palestine Arabs resent it, and they have enjoyed excellent relations with the Jews. And, indeed, they might, for Arab improvement in Palestine during the period of the greatest Jewish settlement, from 1930 on, has been enormous. The value of Arab land has gone up from $120 to $640 per acre. The Arab cattle population has increased by 60 percent. The Arab school population has risen from 20,000 to about 70,000, and the daily wages of Arab workmen in Palestine are generally five times what they are even in the more advanced Arab countries.

Arab nations who propose war on the United Nations muster armed forces of 120,000 men, 35,000 of whom are in Egypt, but have no adequate mechanized means with which to cross the Sinai Desert to Palestine. The most effective force, Transjordan's Army of 25,000, is British trained and under British command. If the Arab armies are to invade Palestine, it would be because, in the main, the British arm and lead them. Should that happen, it will be the most sardonic joke the world has ever seen.

Much can and must be done to bring higher standards of living, education, and health to Arab countries. They must be encouraged in democratic ideas. But the way to do this is not by exterminating the Jews for the Jews are the the principal source for improvement in the Middle East.

On February 10, 1948, I wrote Secretary of State George C. Marshall, asking what the United States is prepared to do to help in the implementation of the United Nations decision on Palestine. He replied on February 12 that the United States considered Palestine a United Nations problem and that the United States as a steadfast supporter of the United Nations would make her full contribution when called on to do so. And that is as it should be.

The Palestine crisis is not limited to trouble between Arabs and Jews. If the United Nations is ineffectual in enforcing its Palestine decision then it, like the League of Nations, is finished. This we cannot allow to happen. To make Palestine another Munich would be to make world war III inevitable. Seven small Arab nations must not be allowed to destroy the possibilities for peace. We must enforce the Palestine decision. We must support the United Nations all the way. This is our last chance to establish peace in our time.

Transylvania

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

THE WOMEN'S LEAGUE FOR AMERICANISM,
Cleveland, Ohio, February 9, 1948.

Hon. ROBERT F. RICH,
House Office Building,
Washington, D. C.

DEAR SIR: This is an appeal in the name of humanity to every loyal Member of Congress, in behalf of the tragic situation of a vanishing people.

FREEDOM AND LIBERTY IN THE TWELFTH CENTURY BY A HUNGARIAN KING VERSUS SLAVERY AND TORTURE IN THE TWENTIETH CENTURY BY AN AMERICAN PRESIDENT FOR THE SAXON PEOPLE OF TRANSYLVANIA, RUMANIA

The Saxon people entered Transylvania on the invitation of King Géza II more than 800 years ago. This Hungarian king, who was searching for a trustworthy people to inhabit and protect the land on the border of Hungary against enemy invaders, found the Germans from the Rhine and Moselle regions had the qualifications to meet his aims. He offered them the right to have laws and rules of their own making in the new homeland. Because of this freedom offered by King Géza; the golden charter; and the Saxon bill of rights, granted to them later, they were able to develop their art and culture rapidly. According to history the Saxon people have lived up to their duty and responsibilities from generation to generation. They have answered the calls to protect home and country to such an extent that they can rightfully claim the ground on which they live has been paid with their own blood. They have been able to master their difficulties successfully, even at times when their very existence was at stake. They have enjoyed the respect of friend and foe, because of their great sense of justice and their intelligence.

Never in their history have they been destitute like they are at this time, and only so because of the deeds committed at Tehran and Yalta by an American President. Mr. Roosevelt favored the enslavement and cruel treatment of the Saxon people because of their German origin. We do not believe that Stalin would have taken by force men and women for slave work in the far steppes of Russia without the consent given him by Mr. Roosevelt.

As Christian Americans the members of this organization believe in the golden rule, therefore we expect our Government officials to be a shining example to us in this respect. If they had lived up to their, and our, American principles in foreign policy since the end of hostilities, the Saxon people would no doubt have a heavy burden of reparations to carry but they would not be destitute. We then would have no cause to bring this grievous situation to the attention of our Congress.

We appeal for immediate consideration in this serious matter before it is too late. We believe that Congress has enough qualified men to study, investigate, and to find a solution for the Saxon problem. We have confidence that we have such great men in Congress who will not overlook little people because of their minority. Today whoever is left of the Saxon people must endure great hardships. Many of them are facing starvation as displaced persons in the camps of Austria and Germany. Others are still somewhere in Russia. The most unfortunate are those who are being sent back from Russia into Germany sick, without clothes, and forbidden to go back to their families in Transylvania. It is ruthless and it is outrageous that such undeserved misery should be imposed on a people who, although small in number, have given their share toward civilization and humanity.

In closing we would like to quote one of our greatest men, Abraham Lincoln, who said: "To keep silent when we should protest makes cowards of men."

May the fate and destiny of the Saxon people of Transylvania be guided toward righteousness and justice by an act of the Congress of the United States of America.

Very truly yours,
Mrs. ANNA WOLF,
President.
Miss RENATE DIETRICH,
Secretary.

Address of Congressman Joseph R. Bryson Delivered in Statuary Hall on Tuesday, February 17, 1948, Observing the Fiftieth Anniversary of the Passing of Frances Willard, Under the Auspices of the Woman's Christian Temperance Union of the District of Columbia

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. BRYSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address:

President Coates, officers, members of the Woman's Christian Temperance Union, and friends, on this, the fiftieth anniversary of the transition of Frances Willard, it is quite appropriate that we hold this observance here in Statuary Hall, this hallowed chamber of our Nation's Capitol, at the feet of the statue of one of history's most remarkable and influential women. As evidence of the unusual and outstanding character and serv-

ice of Frances Willard, her statue is the only one representing our women in this chamber. All around us are impressive figures of stalwart sons, brave soldiers, great statesmen, leaders in industry, education, business, and politics. In their midst stands this frail little woman of imperishable granite. Since the dawn of history, women have contributed more than their share to the advancement of Christian civilization. Someone has said that God could not be everywhere all the time, so he gave us our saintly mothers.

We have just observed the birthday of President Lincoln who, like other great leaders, attributed his finer qualities to his mother. Mr. Lincoln said, "Whatever I am, I owe to my mother."

Frances Elizabeth Caroline Willard was the daughter of teacher parents. Education, next to religion, played the most important part in their ideals of life. Circumstances made it necessary for the Willard family to leave their native State of New York and journey westward through Ohio, Illinois, and Wisconsin.

Early in life Miss Willard displayed talents of leadership and for many years taught in schools and colleges. Her record as an educator is outstanding but is overshadowed by her work in the cause of temperance.

Although considered by some as an impractical dreamer, Miss Willard fought hard for political enfranchisement of women. She was a pioneer in the contention for equal opportunities, equal pay, equal rights, equal responsibilities in the home, in the professions, in industry, and affairs of state for women. She insisted upon provisions for vocational guidance for girls, upon education for citizenship, upon physical education and sports. She advocated the 8-hour day, a minimum-wage law, and many other ideals which in her day were considered the ravings of an impractical dreamer.

When those of us who still fight for temperance and decency become discouraged, we are heartened to learn of the untiring efforts for a better world in which to live as sought by Miss Willard.

She believed that intoxicating beverages were God's worst enemy and the devil's best friend. As we contemplate the example of this good woman, we shamefully confess the fact that so many still clamor for booze even if there is no bread. The selfish, greedy attitude of those who transform food into strong drink has so recently been revealed by their opposition to any restrictions in the use of grain for the distillation of liquor.

By reason of her devotion and zeal in the cause of temperance, our subject advanced from a subordinate position to that of president of the World Woman's Christian Temperance Union.

This guiding genius of the national temperance cause early recognized the importance of the printed page. She wrote six books and edited the Union Signal. She believed in temperance education, and promoted this cause for schools, colleges, and churches. She agitated for legislation, and participated in securing constitutional prohibition amendments in various States.

Not only was Miss Willard interested in the cause of temperance and justice in our own country, but her theater of operation covered the entire world.

A half century has gone since this saintly woman was called to her reward. In spite of the present chaotic plight of this troubled world and in spite of the destructive wars through which we have passed, her marvelous influence is still with us.

This is not the only statue or memorial to Frances Willard. Throughout the world there are hospitals, educational institutions, and other agencies of mercy and culture bespeaking the fine qualities of this good woman. In Willard Hall, at Northwestern University, on a marble bust of Miss Willard are chiseled these lines from the pen of the poet Whittier:

"She knew the power of banded ill,
But felt that love was stronger still,
And organized for doing good
The world's united womanhood."

Soon after the passing of Miss Willard the great State of Illinois placed this marble statue of her likeness here. The Congress paused that day to mark the eventful occasion. Many impressive eulogies were delivered. Inscribed on the pedestal of this statue here are these words from the lips of Miss Willard:

"Ah! It is our women who have given the costliest hostages to fortune. Out into the battle of life they have sent their best beloved with fearful odds against them. Oh, by the dangers they have dared, by the hours of patient watching over beds where helpless children lay, by the incense of 10,000 prayers wafted from their gentle lips to heaven, I charge you give them power to protect along life's treacherous highway those whom they have loved."

Our Nation, our churches, our people do well to remember the life and service of so noble, so self-giving, so loving a soul.

She was a brave true soldier, a great commander, and finally and best of all a kind and gentle woman who loved her fellow beings with such an unstinted devotion that she has been christened the "mother of all mothers."

When called by that Master with whom she walked so closely all through life, she answered with tones of utmost content: "How beautiful it is to be with God."

May the memory of this good woman, who did so much for the cause of humanity, be forever preserved, perpetuated, and transmitted to the generations yet unborn.

How Firm Is Your Foundation?

EXTENSION OF REMARKS
OF
HON. WALTER G. ANDREWS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. ANDREWS of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address entitled "How Firm Is Your Foundation?" delivered to the Mercer Club of Buffalo, February 10, 1948, and to the Masonic Club of Buffalo, January 14, 1948, by Richard Bishop Mather:

This occasion, which precedes the celebration of the birthdays of two of our greatest Presidents, George Washington and Abraham Lincoln, should inspire me to give one of the most dramatic and most eloquent orations of my career. I should thoroughly enjoy entertaining you and indulging myself in that fashion. But the present times seem to call instead for less impassioned speaking, for more sober thought, and still more intelligent action.

Rather than "orate" at you I should prefer to consider with you some fundamental issues which are of interest and deep personal concern to each one of us in this room, whether we believe them to be so or not, and whether we wish them to be so or not.

Had I begun my talk, not in this conventional manner, but by entering the room very quietly, tiptoeing across the floor, and then tapping each one of you gently on the shoulder saying to you, "Pardon me, but your foundation is slipping," you would have thought me either irrational or inordinately facetious. Yet there is nothing which I could do and nothing which I could say which would more accurately illustrate and more completely epitomize the message which I bring to you, than that.

We, in this country, have inherited a fabulously rich legacy of liberty, freedom, and opportunity. These rich privileges have come to us without effort on our part.

The liberty, freedom, and opportunity which we enjoy were firmly established for us by great men of past generations who conceived and brought this Nation of ours into being. It is well for us to recall the prevailing thoughts and words of their times.

George Washington is popularly referred to as the father of our country. He was the first President of the United States operating under our Constitution which fulfilled the promise of the Declaration of Independence, and which has preserved for us the heritage of liberty, freedom, and opportunity we enjoy.

The substance of the Constitution is given in the magnificently, precise, and clear preamble, which reads:

"We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America."

Since the day of George Washington several changes, in the form of amendments, have been made in our Constitution. It is proper that these changes, expressing the will of the citizens, should have been made. In more recent years, however, the fashion seems to have been to circumvent the Constitution and to substitute bureaucratic processes for democratic government. To that extent, I say, our foundation has been slipping.

Abraham Lincoln, the Great Emancipator, referred to as the preserver of our Union, had the good fortune or misfortune, whichever way you view his situation, to have been President when our Nation was torn by the great civil conflict. You all know his undying message, delivered with eloquent simplicity, on a former battlefield in Gettysburg. He said:

"Fourscore and 7 years ago our fathers brought forth on this continent a new nation, conceived in liberty and dedicated to the proposition that all men are created equal. Now we are engaged in a great civil war, testing whether this Nation, or any nation, so conceived and so dedicated, can long endure."

We all know the sequel to that immortal address. We know that, to outward appearances if not inwardly in fact, the wounds of our Nation have been healed.

Since the time of Abraham Lincoln, there has occurred the greatest development ever recorded in all history. This development however, has not, in a manner of speaking, been "all across the board." The development has been predominantly materialistic.

The great scientist and author, Lecompte du Novy, in his book, "Human Destiny," which he completed just a short time before his death, said that the rate of material developments since 1880 has been so rapid as to leave us gaping, wondering what new marvels each tomorrow would bring forth.

In his book he developed the thought that the increase in materialistic knowledge and scientific skill may have outrun our human capacity to understand and appreciate its significance. Material inventions and developments may have outdistanced our ability to use them constructively and beneficially. He draws a distinction between intelligence and wisdom, saying that wisdom lags far behind.

As we all know, we now find ourselves confronted with the shocking fact that, for the first time in all civilization, man possesses power for its complete destruction, even obliteration.

Last Saturday evening, I heard the brilliant young president of Dartmouth College, Dr. John Dickey, speak very calmly and dispassionately on this subject to an assembled group of Dartmouth alumni. He said that having access to information, as he does, it is by no means a sure thing that we shall be able, in the time allowed, to find ways and means of preventing the use of atomic power, and other known destructive agencies, from wiping out our civilization. He reminded us that time is exceedingly short and that the solution, if one is to be found, must come through our democratic processes.

He went on to say that he personally does not take a dim view of the future. He said it is entirely probable that our civilization, as we know it, may be destroyed. But, he said, he does not believe that the earth itself would vanish. He said history is a record of the successive failures of one civilization after another. It may well be that our civilization is about to go into a total eclipse to be an object lesson for some future civilizations two, or three, or five thousand years hence, if indeed any record or trace shall remain.

To paraphrase the words of Abraham Lincoln, we seem now to be engaged not merely in a great civil war, testing whether this Nation or any other nation so conceived and so dedicated shall long endure, but engaged in a great, cold war, testing whether this civilization or any other civilization so conceived and so dedicated shall long endure.

The need of the times is not for impassioned speeches; it is for more sober thought and still more intelligent action.

In the face of such a portentous future, most of us appear to be blithely unconcerned. Our thoughts seem to center upon our own personal affairs and the gratification of our individual desires. In this respect, we act not unlike the sons of the wealthy olive growers of ancient Roman times, who were sufficiently well to do that they did not need to and had no inclination to exert themselves. Their father, recognizing their shortcomings, called them to his side as he lay on his deathbed. He told them that there was a great treasure buried in the grove. Scarcely had the old man expired before the boys were out in the grove, digging feverishly. Of course, they did not find that treasure, as such, but while they were digging they were also tilling the soil. That year, when the harvest matured, they were rewarded with an abundant yield. The truth of what their father had spoken then became apparent to them.

This country of ours is like a vast grove of freedom and opportunity. We seem to have been perfectly content to pick the fruits of these magnificent trees, giving little, if any, thought to the protection, cultivation, or perpetuation of them. We now find that this grove, our country, is seriously threatened. It is time that we took action. The magnitude of the job to be done requires the best efforts of every intelligent and capable citizen. It is a job greater than elected and appointed officials alone can do for us.

There are two aspects of the problem, one on an international level and the other on a local level. We should do as much as we can on both.

On the international level, we should endeavor to keep ourselves informed of the needs of the situations and of the best possible remedies that have been advanced, so that we may offer constructive suggestions as well as personal encouragement to our elected and appointed officials in whose hands the execution of the programs rests.

On the local level there is even more that we can do. Our country is a going concern. Equality of opportunity and freedom of action, under laws designed for the greatest good of the greatest number have made ours the greatest, richest, most powerful and most desirable Nation in the world.

Strong as our Nation is, it is being insidiously attacked from within. It is up to us to keep our Nation so vital and so strong as to be immune to any such attack. Groups such as this here in this room have the ability and the influence to accomplish this objective. A recent article in Collier's magazine entitled "Clubs Are Trumps," told of the phenomenal growth service clubs, such as yours, such as Kiwanis, Rotary, Lions, Exchange, Gyro, and others, have had in recent years. The author estimates there are now approximately 1,000,000 members of these clubs. He says that in the aggregate the membership is now so great and so influential that it could control the destiny of our country. The author points out, reassuringly, that these clubs are all organized to render beneficial and constructive service.

It is good to know that we have such force as this in our country. There is need of it.

The need is strikingly brought to our attention by the fact that pitted against these 1,000,000 members of service clubs, organized for good purposes, there are an estimated 5,000,000 members of Communist and Communist-front organizations who seek the destruction and downfall of our way of life. The Communists and their sympathizers are, if anything, organized more completely. And, instead of working toward their objective occasionally, they are unceasingly at it. They are intelligent, skillful, highly trained, and zealous. They are dangerous.

A year ago last September, when there were only about one-fifth as many, J. Edgar Hoover, Chief of the FBI, in an address which he delivered before the American Legion in San Francisco, said that he would not be concerned about the 100,000 Communists in this country were it not that for each one of them there are 10 more ready and willing to do the party's work. They place themselves in strategic positions where they influence or control the activities of tens, scores, hundreds, and even thousands of others.

In a country of some 140,000,000 people, even a group of 5,000,000 need not cause alarm, but the threat which they pose must be dealt with promptly. Our memory of what a small but powerfully organized minority accomplished in Italy, Germany, and is accomplishing in Russia is all too vivid and too much to the point.

To combat the efforts of Communists in our country, we need to consider how they operate. They have developed a technique of exploiting either real or imagined personal grievances and of offering to the aggrieved a chance to get even.

It is fantastic that anyone can come into this country with a "product" like communism, the worst product in the world, that has to be forced down the throats of oppressed people with the butt of a gun, and win any adherents to their cause. They cannot do it if we will all do our full part to keep this country of ours the land of freedom, equality, and opportunity which its firm foundation made it.

As individuals, we must do our part by action, by deed, and by word.

By action, I mean being the kind of citizen that exemplifies the best ideals of the American way of life.

By deed, I mean doing for others what you hope and expect will be done for you in this land of freedom, equality, and opportunity. Recognize the dignity of the individual. That is the root of democracy. Do not think of people impersonally as groups or classes or segments of society. Think of them and treat them as human beings.

In your dealings with your friends, your customers and especially your associates and employees, treat them as people. Do not think of workers in terms of so many manhours of labor or so many units of output. Think of them as individuals. Let them know something of your plans. Take them into your confidence. Make them feel that they are, in effect, partners in the enterprise. Let them see the part which they play and how they contribute to the success of the whole. Recognize the individual and make it possible for him to express himself. You will thus increase his self-respect, his spirit, and his enthusiasm. You will strengthen him to the point that he will not fall prey to the insidious approach of communistic agitators.

By word I mean speaking up for our democratic way of life, not running it down. It is an all too human trait to agree with people when they knock, complain, or revile. Should you hear loose, insidious, destructive talk, speak up. But, to speak up and to do so effectively, you will need more than the mere desire to do it. You will need both knowledge and skill. And so, I say to you, let us steep ourselves in the rich tradition of this country, learning exactly why it is that our country has succeeded and how it will continue to succeed on the basis of equality of opportunity and freedom of action.

As a suggestion, I offer this recommendation. Do what any businessman, any experienced sales manager would do, were he marketing or promoting a product. Analyze your product and the competition.

We shall label our product democracy and the competition communism.

Take two large sheets of paper, one for each, and then under each heading, list the good features of each system of government and the benefits which accrue to the individuals in consequence of them. Then, list the risks which individuals run and the losses which they sustain under each.

If you will do this, considering the problem from various standpoints including political, economical, cultural, social, you will find that you have in your possession all of the sales ammunition that you will ever need. Once in possession of it, set about developing the skill to use it most effectively.

Just 3 weeks ago, I was the speaker at a banquet in this same room. My attention was caught by a quotation printed on the souvenir program which read, "Wisdom is knowing what to do next, skill is knowing how to do it, virtue is doing it."

Let us do our utmost to acquire the wisdom, develop the skill, and display the virtue which our times require of us.

The Marshall Plan

EXTENSION OF REMARKS

OF

HON. ELLSWORTH B. FOOTE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. FOOTE. Mr. Speaker, under leave to extend my remarks in the Appendix of the CONGRESSIONAL RECORD, I should like to enter figures prepared for me by the Legislative Reference Service of the Library of Congress showing the cost of our foreign-aid program to the 16 towns which compose the Third Congressional District of Connecticut. I do not make this entry to bolster arguments in favor of or against any European recovery program, but simply to provide

information to my constituents as to just what the program has cost and what their towns have contributed since the end of the past war:

Cost of foreign aid to the Third Congressional District of Connecticut

	Population	Foreign aid July 1, 1945, to June 30, 1947 (population×$183.028), based on $24,099,211,087	Foreign aid proposed by Marshall plan 1948–52 (population×$129.11) based on $17,000,000,000	Total foreign aid provided and proposed 1945–47, 1948–52 (column II and column III) based on $41,099,211,087	Property taxes collected in 12 months ended Mar. 31, 1945
New Haven County [1]	484,316	$88,643,389	$62,530,039	$151,173,428	$23,338,343
Towns:					
Bethany	706	129,218	91,152	220,370	37,754
Branford	8,060	1,475,206	1,040,627	2,515,833	318,878
Cheshire	4,352	796,538	561,887	1,358,425	145,795
East Haven	9,094	1,664,457	1,174,126	2,838,583	382,871
Guilford	3,544	648,651	457,566	1,106,217	133,224
Hamden	23,373	4,277,913	3,017,688	7,295,601	1,157,871
Madison	2,245	410,899	289,852	700,751	135,541
Meriden	39,494	7,228,508	5,099,070	12,327,578	1,662,666
Milford	16,459	3,008,797	2,122,459	5,131,236	850,941
New Haven	160,605	29,395,212	20,735,712	50,130,924	8,686,134
North Branford	1,438	263,194	185,660	448,854	49,070
North Haven	5,326	974,807	687,640	1,662,447	216,478
Orange	2,009	367,703	279,382	627,085	71,101
Wallingford	14,788	2,706,618	1,909,279	4,615,897	440,241
West Haven	30,021	5,494,684	3,876,011	9,370,695	1,183,242
Woodbridge	2,262	414,009	292,047	706,056	103,521
Total of towns	323,756	59,256,414	41,800,138	101,056,552	15,575,328

[1] The Third Congressional District does not include all of New Haven County.

Sources: Sixteenth Census of the United States, 1940, Population, vol. I, p. 182. "Information Relative to the Assessment and Collection of Taxes, 1945," State of Connecticut, Public Document No. 48, pp. 108–109.

NOTE.—1940 population figures for the continental United States are used because later figures are not available for every local unit. Population of the Nation (excluding armed forces overseas) has grown from 131,669,275 in 1940 to 143,382,000 (estimated) by July 1, 1947. If the latter figure is used, the per capita cost of foreign aid between July 1, 1945, and June 30, 1947, is $168.08 rather than $183.03.

It should also be noted that the foreign-aid figures cover a period of over 6 years while the county tax receipts cover only 1 year. The county tax receipts reflect the income of only one unit of government and not all local and State receipts and expenditures.

I Speak for Democracy

EXTENSION OF REMARKS
OF
HON. TOBY MORRIS
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. MORRIS. Mr. Speaker, I am indeed happy to have the privilege and honor of inserting in the RECORD, one of the winning 5-minute talks of the recent "I speak for democracy" contest sponsored by the National Association of Broadcasters, the Radio Manufacturers, and the United States Junior Chamber of Commerce.

A resident of my congressional district and my home town, Miss Alice Wade Tyree, a high-school student of the Lawton (Okla.) High School, Lawton, Okla., was one of the four co-equal national winners. She is the charming daughter of Mr. and Mrs. John W. Tyree of address Tossaconnic, Lawton, Okla. Mr. Tyree is a prominent lawyer actively engaged in the private practice of law there in Lawton.

Competing against more than 20,000 contestants in more than 500 communities, 39 States and Alaska, Miss Tyree together with the other three national co-equal winners, won a $500 cash prize, a wrist watch, and a certificate of recognition signed by the United States Commissioner of Education, Dr. John W. Studebaker. We know that this honor did not come to you, Alice Wade, except as a result of hard work on your part, good training, a proper attitude toward life, and, of course, outstanding ability. I know that I speak for all the citizens of our great State of Oklahoma when I say that we are proud of you as I know are the good citizens everywhere in our country.

This contest for high-school students was planned to encourage young people to think about the democratic form of government and to express its philosophy well, in spoken words, being limited only as to time of 5 minutes. The contest was intended also to further the use of radio broadcasting for such expression.

Miss Tyree was entered in the contest by the Oklahoma Junior Chamber of Commerce with the cooperation of Lawton's radio station, KSWO.

I had the honor of attending the award luncheon here in Washington, D. C., and it was inspiring to me to witness the presentation of the awards by Attorney General Tom Clark. I am also glad to learn that the United States Office of Education is making transcriptions of Miss Tyree's talk and the other winning talks available to schools throughout the country and that the contest is scheduled to be also conducted next year.

Miss Tyree's talk follows:

I SPEAK FOR DEMOCRACY

One of the greatest things in a democracy is the importance of the individual. Only in a democratic environment does every man have the opportunity to develop to his greatest ability. This privilege has made it possible for any man to contribute his talent to America, thereby raising the standard of living for the whole people to a plane greater than has ever been known in the history of man. Even the poorer class of Americans have so much more, materially, in comparison with other countries, that we have been nicknamed "the rich Americans." While we know that all people in America are not millionaires, they are wealthy in opportunities and possibilities. The lowliest laborer is not cold and he is not hungry. And though he goes to work on foot, he has the same personal freedoms as the rich man who rides past him in a limousine. There is no class distinction to be broken down, no social or political caste system to hold him back. An American man is judged on his own ability.

Since its very inception, this country has been a nation of free enterprise, and no nation has ever, in the history of the world, attained its position scientifically, mechanically, or financially. On two different occasions, the United States of America has been called upon to save the world in battle, and thereafter, to save the world financially. This was possible because of the freedom of our inventive genius and our ability to produce commodities quickly and in large quantities. We are inspired to greater heights of productivity because of our individual freedom. No dictator decreed that we were to work certain hours, at certain times, and to have certain set goals. And because of this freedom of choice, because we Americans may work for ourselves and not for a stereotyped, mechanical, impersonal reason, we outstripped all previous records. A man working for personal gain will naturally work harder. This fact was proven when the first of the English colonies, which eventually became America, was established. In 1607, Virginia was settled, and though the pioneers worked diligently, the results were dismal. Capt. John Smith found the trouble. Those settlers were forced to work for a company, not themselves. When they were assured that the results of their work would belong to them, and not to a settling company, interest and hope revived them, and they shaped Virginia into a prosperous, proud settlement.

The human being is a sentimental animal. If he has an ideal to fight for, a principle to preserve, and a personal pride in the outcome of his struggle, then this principle is important and this ideal is real.

But an ideal is useful only as a guide by which to live. The democratic ideal is hollow until filled with democratic living. Democracy is just a word or a symbol until the individual realizes that only through his actions can it become a reality.

Johnny may stand up and sing God Bless America and feel very patriotic and privileged to be an American. But when he disregards common courtesy to one of his playmates or a little Negro boy, he is not being democratic.

Mr. Jones is proud of being able to cuss the Government without fear of imprisonment, which is all right, because this country encourages freedom of speech, since we are a country of individuals. But when he refuses cooperation by purposely forgetting about democratic ideals in order to make a shady business deal, he is abusing the privilege of a free citizen by being democratic only at his convenience.

Thus rights and privileges impose duties and responsibilities. With freedom, come restrictions and obligations. A chain is as strong as its weakest link. A nation is as strong as its weakest citizen. Our country needs to build a consciousness of morality in order that we may choose and act for the common good. We need statesmen, not politicians. In times of stress, our country has produced great leaders, because freedom was at stake. Freedom is not a gift. It is an inalienable right of man. In the very beginning, man was born free. Then came restrictions and laws, and freedom was limited to the strong. Gradually, as civilization has progressed, we have tried to regain freedom for everyone. In order to do this, we had to fight for it—and now we must live for it. We dare not wait until our freedom is threatened again. The job of keeping our peace is as worthy as that of winning it. We must not tolerate insipid politicians as substitutes for the proud, vigorous, leaders we need. We should demand men who

would work for the glory of democracy and its enlightenment in the world. But, we also need inspired followers—men and women whose desire for freedom and peace and democracy is so strong and so sincere that every other desire is subservient.

I speak for democracy—the only possible government of individual freedom.

Rent Control

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. ANGELL. Mr. Speaker, Sam O. Plunkett, a resident of my congressional district, is a member of the local rent advisory board of my area. Mr. Plunkett is one of our outstanding citizens and is exceptionally well versed in the problems with respect to rents, being secretary of the Oregon Apartment House Association. He was appointed as a member of the rent advisory board by the late Governor Snell, of Oregon.

I include as part of my remarks a portion of a statement recently made by him which appeared in the Oregon Apartment and Hotels Magazine for February 1948, which is worthy of consideration by all Members of the Congress while rent control legislation is under discussion. The statement follows:

BOARD GOVERNED BY RENT REGULATION

At rent board hearings all facts of the case are considered in the light of the rent board's authority under the law. Each member has an opportunity to express an opinion and to request from the rent office any information that may be pertinent to the individual application. Under the rent regulation a landlord is entitled to relief under hardship if he can show that his net income has substantially decreased under any one year of rent control compared to 2 years subsequent to 1939. The measure of adjustment would be the difference in the amount the landlord's net income had been reduced. Rent boards apparently do not have the right to bypass this provision which results in them being unable to correct an inequity. A recent case before the board involved a woman having shown a decrease in net income of $34.42 per year in a four-unit building. The total amount the rent office could increase the rent of each unit would be 72 cents per month. However, an increase of $1 per unit per month was granted the petitioner who filed an application for review with the rent board. Under the regulation the board could do nothing except refer it back to the petitioner to make application under another ground for adjustment. The rent in this case was $12 per month, so it is understandable that this lady was suffering an obvious hardship.

PREVAILING RENTS BAR TO INCREASE

In many instances in which appeals are made to the rent advisory board are cases in which the rent office denies a petition on grounds that the rents are not lower than the rents of similar accommodations on the maximum rent date. In these cases the rent office supports their position by submitting several comparable housing accommodations in which prevailing rents are shown to be the same or lower than the rents in question. Comparability of rents existing on the freeze date has been a bar to many rental owners in securing rent adjustments for the reason that most rents generally prevailing on March 1, 1942, were low. In fact, the freeze method of stabilizing rents was adopted under wartime conditions because of its immediate and simple application. It was never intended to become a perpetual yardstick for appraising rents.

FUTURE OF RENT BOARDS IN DOUBT

Under provisions of the Housing and Rent Act of 1947, the present regulation expires on February 29, 1948. This also terminates the status of local rent advisory boards unless the law is extended into the future.

As a member of the Portland board it was my hope that some immediate solution might be evolved that would relieve the present condition facing owners of rental housing. It is quite obvious to me that owners of rental housing have suffered immeasurably by having to conduct a business in which a rigid price level has been imposed on its income while at the same time it has been compelled to pay its operating expenses on a constantly increasing cost basis. The threat that rent controls will be unnecessarily prolonged to the point that increasing operating and replacement costs will be greater than net income should cause grave concern to rental-housing owners.

BOARD VOTES DOWN DECONTROL

Being the only member of the Portland Rent Advisory Board that voted for decontrol of the Portland area I made a statement in connection with my vote which I now repeat. "I intend to vote for decontrol on the principle that it is grossly unfair to single out one class of citizens to be held under price control while permitting all other segments of our business economy to be free from restrictions." In a recent speech before a congressional committee in which he asked for termination of rent control on February 29, 1948, when the present Rent Act expires, John E. Owen, president of the National Apartment Owners Association, stated: "The experience of the last several years has shown that rent control has not accomplished all the objectives that its proponents claim. Rent control has not prevented inflation nor retarded it. Simple proof of that statement is to point out that in the years we have had rent control we have also had our greatest inflation. Rent control has served only to conceal some of the effects of inflation by distorting some of the relative values of housing and other commodities. Holding down the rent of a family has made more of its money available to bid up prices of food, clothing, and other essential and nonessential commodites. Rent controls thus have removed some price pressures—only at the expense of others. Rent control has had the effect of increasing the incomes of some tenant families, but only at the expense of other families—those families which own the rental property—and those families seeking rental housing. It has not increased our national wealth one dime. In other words, the owners of rental property and the persons seeking housing have been required to subsidize not only the tenant in possession of living units, but other business enterprises patronized by these tenants."

CONGRESS DECLARES INTENTION

In conclusion, Congress itself declared its position on rent control in the Housing and Rent Act of 1947, when it stated: "Congress declares it is its purpose to terminate, at the earliest practicable date, all Federal restrictions on rents on housing accommodations. At the same time, Congress recognizes that an emergency exists and that for the prevention of inflation and for the achievement of a reasonable stability in the general level of rents during the transition period, it is necessary for a limited time, to impose certain restrictions on rents charged for rental housing accommodations in defense rental areas."

The limited time referred to expires on February 29, 1948, and Congress should not break faith with tenants who willingly signed leases in 1947 for the year 1948 under the assumption that Congress meant what it said, about terminating rent control. Neither should Congress extend the gross injustices against one class of citizens who happen to own rental property by making them the sole victims of bureaucratic control, by failing to permit the present law to expire on February 29.

Write a Letter to Relatives and Friends in Europe Week

EXTENSION OF REMARKS
OF
HON. ROBERT TRIPP ROSS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. ROSS. Mr. Speaker, I have introduced a resolution today requesting the President to designate the week ending March 28, 1948, as Write a Letter to Relatives and Friends in Europe Week.

Last month the Congress passed and the President signed the so-called Voice of America bill to enable the Government of the United States to promote a better understanding of the United States in other countries and to increase mutual understanding between the people of the United States and the people of other countries. As set forth in the act, one of the means of achieving these objectives is the dissemination abroad of information about the United States, its people, and its policies.

Mr. Speaker, the most powerful voice for telling the people of Europe the truth about the United States is the voice of the plain people of the United States.

One of the most effective means of checking the spread of antireligious, antidemocratic doctrines in Europe is through the voice or pen of those living in the United States, of those who know and believe in liberty and freedom and in our democratic principles and institutions, who have faith in a government based on Christian principles.

The people of the nations of Europe have experienced severe physical and mental suffering. War and its aftermath have left a large segment of the people of the continent confused in their thinking, uncertain about the kind of government they want, and who, because of misinformation, do not understand the United States and what we are doing to preserve peace in the world. These people need friendly encouragement. They need to have their faith in their fellowmen restored. If every American would write their European relatives and friends in their own words the truth about the United States, much of the confusion and misunderstanding would be dispelled.

These letters would be a most potent force in combating the false propaganda being directed against the United States. They would build a bond of friendship and understanding which no amount of manufactured propaganda could dissolve.

I urge the House to give this resolution most earnest consideration. It follows:

Whereas every effort should be made to promote mutual understanding between the people of the United States and the people of the countries of Europe, which understanding is one of the essential foundations of peace; and

Whereas steps should be taken to correct misunderstandings about the United States now prevalent in the countries of Europe; and

Whereas encouragement should be given to the dissemination in such European countries of true information about the United States by American individuals: Now, therefore, be it

Resolved, That the President of the United States be requested to designate the week ending March 28, 1948, as Write a Letter to Relatives and Friends in Europe Week, during which time private American individuals shall be urged and encouraged to write letters or messages to their relatives and friends in any of the countries of Europe, setting forth true information about the United States, its democratic principles and institutions, its prosperity, and its desire for mutual and honorable peace and understanding with all nations and peoples of the earth.

Lincoln Day Address of Hon. Edward Martin, of Pennsylvania

EXTENSION OF REMARKS
OF
HON. HERBERT A. MEYER
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. MEYER. Mr. Speaker, last Thursday the Lincoln Day Club of the Third District of Kansas held its annual meeting at my home town of Independence. Despite inclement weather that assumed the proportions of a small blizzard, there were more than a thousand stalwart Republicans in attendance, coming from all over the district and from various parts in the State to pay tribute to the memory of the first Republican Party President. The meeting was climaxed by a banquet with Senator EDWARD MARTIN, of Pennsylvania, as the main speaker. The address of this gallant soldier and distinguished statesman was so constructive and inspiring it should receive the widest dissemination possible. To that end, under leave to extend my remarks in the RECORD, I include the address herewith and commend it to my colleagues and others as must reading. The address follows:

It is always a pleasure to come to the Sunflower State and to visit for a time with the fine, patriotic, progressive people of Kansas. It is a high honor to be invited to address this celebration of the birthday of the immortal Abraham Lincoln, first Republican President of the United States.

Here, in the heart of America, you proudly sustain the best traditions of Americanism. Patriotic inspiration springs from the romance of Kansas history. You have always believed in and practiced freedom.

Your magnificent achievements are a glorious chapter in American progress. It is the story of sturdy, hard working, courageous men and women who valued liberty of the individual above security. They transformed the rugged frontier of your pioneer days into a vast empire of agriculture and industry; education, culture, and religion.

Kansas is the great storehouse from which food pours out to supply the world's primary need for bread and meat. You also contribute to the welfare of the world from your vast deposits of oil, natural gas, zinc, lead, coal, and salt. These natural resources yield their riches only to men willing to work.

In the Spanish-American War, World War I, and World War II, military units from Kansas won undying fame and glory. My affection for Kansas goes back to when I was a mere lad, serving as buck private with the Tenth Pennsylvania Volunteers in the Philippines. Our outfit was brigaded with your Twentieth Regiment of Volunteers, commanded by that brilliant and inspiring leader, Col. Frederick Funston.

In military work and in politics I have learned to know and admire so many of your famous men. I have been associated for many years in National Guard affairs with Gen. Milton R. McLean, your efficient adjutant general. While Governor of Pennsylvania I came into frequent contact with your former Governor, Andrew Schoeppel, whose service to his State and Nation deserved the highest praise. I have greatly admired Frank Carlson, your present Governor, who made an outstanding record in Congress.

In the United States Senate it has been my privilege to serve with your two Senators—ARTHUR CAPPER and CLYDE REED—both of whom hold distinguished places in that body. They are representative of your many newspaper publishers, who are active in public life, including your able and courageous Congressman, HUB MEYER, of this district.

Some of the great Kansans, I am proud to point out, have their roots deep in my own Pennsylvania. I refer particularly to Alf Landon, who was born there, and many of whose close relatives have been lifelong Pennsylvanians; to your great Gen. Dwight Eisenhower, whose father was a Pennsylvanian; and to your distinguished adopted son, Harry Colmery, past national commander of the American Legion, who was born in the Keystone State and who still returns to visit us now and then.

These are just a few, enough to show that the ties which bind us are not flimsy and that there is a little bit of Pennsylvania in many of the truest Kansans.

With pardonable pride let me remind you that the peerless American whose birthday we honor tonight also had the blood of Pennsylvania ancestors in his veins.

Of Abraham Lincoln, more than any other figure in history, it may be truthfully said "He was a man of the people."

The contacts that influenced his life were with the farmer, the man in the street, in the cross-roads store, in the post office, and in the courthouse.

The details of Lincoln's life story are too well known to all good Americans to require retelling here. But his principles and sound common sense can guide us in grappling with the critical problems of today.

One of the paramount issues before the American people is the solvency of our Nation. Warning against excessive Government expenditures, Lincoln wrote:

"It is a system not only ruinous while it lasts, but one that must soon fail and leave us destitute. As an individual who undertakes to live by borrowing soon finds his original means devoured by interest, and next, no one left to borrow from, so must it be with a government." Those are Lincoln's words.

What this country needs today is more men in high public office who know the value of a dollar. We need more "No" men. We have too many "Yes" men, too many agreeable, complacent, charming people, willing to buy votes with your money.

These are the fellows with fine, florid programs. Sure; they have plenty to offer, plenty of benefits for everybody, plenty of good times for everybody, plenty of something for nothing for everybody. Of course, it is not their money they are spending. It is yours; it is everybody's.

I say we need men who can say "No" and oppose phony something-for-nothing programs.

If the wastrel demagogs are followed it must inevitably lead us down the road to destruction—to national bankruptcy and loss of individual freedom.

I'll give you a program. It may not be a popular program, but, in the years to come, it will pay dividends. It will guarantee that your pension and social-security programs will be sound and waiting for you; that your bank accounts will be safe; that you will continue to enjoy precious American freedoms and liberties.

This is my program. Say "No" to most of these flashy new spending proposals. Say "No" when men in high places offer to spend your money for you and assert they are giving you something for nothing.

Say "Yes" to proposals to cut the cost of government, to lower taxes, to reduce the national debt, and above all else, to keep our country solvent.

You will remember when the apostles of unlimited spending took over in March 1933, and the Nation had a public debt of twenty-two and one-half billion dollars. Today it is over two hundred and fifty-six billion.

At that time we had about 500,000 Federal employees. Today there are nearly 2,000,000 on the Federal pay roll.

Even in those early days it cost the taxpayers a little over $5,000,000,000 a year to run the Government. Today the President asks for a budget of forty billions, out of which about five and one-half billion represents interest on the national debt alone.

These figures are staggering but bear in mind that in addition, the Truman administration proposes to spend $17,000,000,000 of the taxpayers' money in Europe.

Now, we all recognize that there are good, sound reasons—humanitarian and economic—for us to go to the rescue of some European countries with a program properly and economically administered. But the great tragedy in the President's so-called State of the Union message was that he uttered not a single word on behalf of economy. He suggested no saving that would help provide the funds for this vast outpouring of American tax dollars.

The President has told us that it will require work, sweat, and sacrifices to achieve our aims in Europe. But he said nothing to indicate that the overgrown and arrogant bureaucracy in Washington will be called upon for any sweat or sacrifice.

Oh, no—they are so strongly entrenched behind the iron curtain of waste and extravagance that it will take high explosives to blast them out.

That points to the Republican program—beginning now—a great crusade to save America—to crush the spendthrift administration under an avalanche of Republican votes. You have a big job to do here in Kansas—and I know you will do your full share to return the United States to Lincoln's concept of constitutional government. Kansas will help elect a Republican Congress and a Republican President next November.

Let me tell you what a Democratic Senator reported just the other day. Senator HARRY F. BYRD, of Virginia, is a real American—an old-line Jeffersonian Democrat. He is chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures. Reporting to Congress for that committee, he said:

"Reduction of Federal personnel in the executive agencies during the first 6 months of the current fiscal year was negligible."

He continued, "Increase—not decrease—in Federal personnel is to be expected the remainder of the year."

There is something to think about. Here we are in peacetime—fighting to cut Government expenses, to reduce taxes, to keep down inflation and the Truman administration has gone back to boondoggling. It is building up the pay rolls in advance of the national elections—not for the public benefit—but to buy votes with the taxpayers' money—just as it always has done.

It has been estimated conservatively that it costs $5,000 a year to maintain a Federal employee on the average. I mean his salary and office expenses.

If we can eliminate only half a million of those pay-rollers, it would mean a saving to the taxpayers of upward of $2,500,000,000 a year.

But first we must break down the stubborn refusal of the administration to cooperate with Congress in effecting these economies so necessary to relieve the American taxpayer of the backbreaking load of taxation. It is sometimes difficult for people away from Washington to comprehend the things that we see there every day.

Roadblocks are placed in the way of every effort to reduce pay rolls and other Federal expenses. Every department, bureau, board, and commission operates a little lobby of its own to pressure the Congress and to stir up protests around the country. Items are padded and faked in budgets so that even after slashes have been made pay-rollers can be paid through phoney items. Money is actually concealed in budgets and then brought out to maintain the army of drones.

Every shabby trick is resorted to in order that they may maintain this huge bureaucracy which saps the Nation's lifeblood. Every day an army of press agents, on the taxpayers' pay roll, grinds out propaganda to keep the wasters in power. No scheme is too costly—no promise too fantastic for their political philosophy.

I can hear, like an ever-recurring echo over the years, that Harry Hopkins' slogan—"We will tax and tax, spend and spend, elect and elect."

Oh, Abraham Lincoln!

How we need you today!

The Great Emancipator told the world that "A nation cannot survive half slave and half free."

That is as true today as when he uttered it and it applies not just to one kind of bondage but to all kinds. Let me remind you that when a government says to its free people, "Don't do it for yourself anymore; let the ruler do it for you. Don't think for yourself; let the ruler think for you"—then, that government is perpetrating a form of bondage.

And, for a period of more than 15 years, I charge, this process has been going on in the United States. It has been slow. It has been insidious. The velvet glove has always been worn. But its expression has been those slashing, brutal, bare-knuckled, terrifying words of Harry Hopkins:

"We will tax and tax, spend and spend, elect and elect."

Thank God we have not gone too far. We are not yet half slave. And we will not be so long as we use the ballot box for our shield this November as we did in November 1946.

One of the great dangers to America is big government. In 1854 Lincoln wrote:

"The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot so well do for themselves, in their separate and individual capacities. In all that the people can individually do for themselves, government ought not to interfere."

In recent years there has been a great increase in the number of individuals and subdivisions of government, organized as pressure groups, asking and demanding help from the government.

Lincoln's early struggles and the hardships he endured give emphasis to the words attributed to your former Governor, Henry J. Allen:

"Had Abraham Lincoln been living today the Rotary Club would supply him with a set of books. The Lions Club with a good reading lamp. The Cosmopolitan Club with writing equipment. The Kiwanis Club with a wooden floor for the cabin. He would have the protection of the child labor law and Government old-age assistance. A kindly philanthropist would send him to college with a scholarship. Incidentally, a case worker would see that his father received a monthly check from the county. The OPA would reduce his rent by 50 percent. He would receive a subsidy for rail splitting; another for raising some crop he was going to raise anyway; and another for not raising a crop he had no intention of raising.

"Result: There would have been no Abraham Lincoln."

Once we strained our muscles for liberty. Today we seem willing to surrender a share of freedom for a handout from Washington.

Lincoln, in his wisdom and vision, saw the great need for more government in the town hall, in the city hall, in the court house, in the State capitols, and less in Washington. The courthouse must again be the beacon light of liberty as it has been in the past. The closer the government is to the people the more efficiently and the more economically it is administered. The Federal Government is the furthest away and the most expensive. Let us keep a greater share of our government at home.

No right thinking American can fail to be alarmed over the confused, contradictory, and bewildered leadership of the present administration.

Back in 1848, when he was in Congress and long before he dreamed of achieving the White House, Lincoln spoke caustically of the then President, James K. Polk. On the floor of the House he said:

"The President is in nowise satisfied with his own positions. * * * His mind, taxed beyond its power, is running hither and thither, like some tortured creature on a burning surface, finding no position on which it can settle down and be at ease. * * * He is a bewildered, confounded, and miserably perplexed man."

It is hard to believe that quotation is not just a few days old but goes back a whole century.

I say this at the risk of appearing unkind to your neighbor from Missouri who often perplexes the Congress by actions similar to those described by Lincoln. Perhaps you remember a few.

You will recall that the President of the United States told his press conference that a return to rationing and price control in peacetime would be the act of a police state. And 30 days later he sent a message to Congress recommending these very controls and ordered his Cabinet into action to influence Congress on behalf of this program.

Do you remember also a President of the United States who told Congress and the Nation he was dead set against any tax reduction at this time. And then went before Congress, in person, to recommend a $40 reduction for every person in the Nation, with a phony soak-the-corporation proviso attached.

And a President who went before Congress to demand that strikers be drafted into the Army, and a little later was denouncing the fair and equitable Taft-Hartley bill as a slave law.

And a President who wrote to former Gov. George H. Earle, of Pennsylvania, ridiculing what he called the Communist bugaboo. Those were the President's words. Then 2 or 3 weeks later he issued a public order to his administration to combat communistic menace which existed in the Government itself.

Yes; there is danger from communism in our country. But no subversive element will gain a foothold in America so long as our people stand firm and united in patriotism, good will, tolerance, and love of God.

There is, however, a minority group that is a menace even greater than the Communists. They are the minority that is seeking the easy way—those who show disrespect for the law—the chiselers, the racketeers, and the something-for-nothing crowd. We have some of them in labor, in business and industry, in politics, and even in the Government.

Their ranks include the pressure groups, many of them well meaning but misguided, who swarm about Washington and flood the mails with demand after demand for spending that favors their own selfish interests. They don't seem to realize that the benefits they seek will be only temporary in nature and that when bankruptcy comes upon us the most precious of all our blessings—freedom—will be gone.

America is a great and powerful Nation. We have been given this land as a sacred heritage. Generation after generation has kept the fires of freedom burning.

All of our great progress has been based upon the philosophy of the sacredness of the individual and the sovereignty of God. It has brought us freedom of action, independence of thought, and tolerance in worship. We, in this generation, must not falter, stumble, or fall. If the sacred torch of liberty falls from our hands, it will be because of what we do to ourselves. It will be due to blunders at home, because we continue to tolerate administrations that weaken our independence, our inner strength and even squander our solvency blindly.

Abraham Lincoln, a man of vision and passionate desire to keep this Union strong and firm, saw it that way. He declared to a New York audience:

"At what point then is the danger to be expected? I answer, if it ever reaches us, it must spring up among us. It cannot come from abroad. If destruction be our lot, we must ourselves be its author and finisher. As a Nation of freemen, we must live through all time or die by suicide."

We have taken some of the steps toward the danger that Lincoln pointed out in that warning. There is still time to change our course.

We are in a critical period today because we have depended too much upon the power of government and too little upon ourselves. There has been too much strife and confusion; too much selfishness and not enough cooperation; and the failure to observe the Golden Rule in our relations with one another. We have forgotten the thrift, courage, humility and love of God possessed by the founding fathers and so well exemplified by Lincoln. So many of our so-called intellectuals have forgotten God. They talk of a planned economy which has failed every place it has been tried during the last 2,000 years.

We have talked too much about our rights and too little about our obligations. There has been too much clamor for higher wages and greater profits. We have talked so very little about giving in exchange greater efficiency, increased production, better service, and higher quality.

The time has come where the individual citizen must know his duties and assume a greater share of the responsibilities of citizenship. From the family and the church we must relearn the ancient lessons of honesty, thrift, tolerance, work, and obligation. These must not be merely Sunday virtues. They must be 7-day-a-week virtues, practiced in our daily lives.

In the eternal truths that live forever, in the teachings of the Holy Bible, there is guidance to preserve America as a land of high ideals and opportunity so that the humblest child may achieve the highest position in government, in the professions, or in business. That was Lincoln's thought when he spoke to the men during a review of a regiment during the Civil War:

"I happen temporarily to occupy this big White House," the President said. "I am a living witness that any one of your children may look to come here, as my father's child has. It is in order that each of you may have, through this free Government which we have enjoyed, an open field and a fair chance * * * that the struggle should be maintained, that we may not lose our birthright."

A big job confronts us. We must retain America in all its greatness and glory through the idealism of the individual citizen. That means Americans must obey the law. The Golden Rule must be put into business. That will be an example to the world in right living.

We can do our job if we keep faith and carry out the ideals of Lincoln—"with malice toward none, with charity for all, with firmness in the right as God gives us to see the right"—and hold fast to government "of the people, by the people, for the people."

Tonight, the greatest tribute to Lincoln is a prayer from the 140,000,000 Americans that we may have an understanding of our mission in the world; that justice alone can bring peace to the world; that respect for authority and the rights of each other should be recognized. On the birthday of the Great Liberator our greatest need is a modern Lincoln, to lead us in our duty as Americans.

That will make us a strong and dynamic America. An America copied from the courage of Kansas so well expressed in your State motto, "To the Stars Through Difficulties."

Fuel-Oil Shortage

EXTENSION OF REMARKS
OF
HON. CHARLES R. CLASON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. CLASON. Mr. Speaker, in the Washington Post of yesterday appeared the announcement that the Commerce Department halted the issuance of all export licenses for gasoline and fuel oil for 48 hours subsequent to 5 p. m. eastern standard time on Tuesday, February 17, 1948. It is understood that contacts have been made by the State Department with officials in several foreign countries with a view to a new cut in export quotas to be announced, probably on Friday. When the present embargo is lifted Friday morning, the east coast embargo will remain in force until March 31. Apparently the Commerce Department had considerable difficulty in determining whether or not to impose this absolute embargo of shipments from any port in the United States. First, the newspapers were advised that the embargo was on. Within a half hour they were notified that the suspension had been called off. A half hour later the Department officials announced the embargo was in force. I believe that this vacillating action on the part of the Commerce Department officials is typical of their handling of the fuel-oil shortage which has caused so much hardship and trouble for thousands of American citizens all over the country and particularly in New England.

The possibility of a shortage of fuel oil was known to Government officials last spring. Apparently, oil company officials persuaded them that the shortage would be of small account and of short duration. When they knew that they had guessed wrong, our Government officials failed to act promptly and decisively to end the shortage. Nine congressional committees have endeavored to bring order out of the departmental chaos and relief to the householders. It is through the efforts of these committees and of Members of Congress acting as individuals that pressure has been brought upon the various Government departments to release Federal oil to local municipalities, to prevent further conversion from coal-burning apparatus to oil-burning apparatus in Federal buildings, to provide additional Government-owned tankers for transportation, and to place embargoes on shipments of oil from the United States to foreign countries.

In its latter course, the Government has proceeded so slowly with partial embargoes, and finally a full embargo, that the relief which might have been granted to American citizens will come at a very late date in the winter; but it is better late than never. This relief is, however, due for the most part to Congress. Congressman HESELTON, of Massachusetts, has introduced a bill which would place a commission in charge of the oil industry. The problem is a difficult one but it must be solved. Government officials have stated that they have all the laws that they need to govern the oil industry in such a manner as to prevent shortages, yet they testify that we will be faced with fuel-oil shortages for the next four or five winters and with possible gasoline shortages in the summers. If they believe their own testimony, the cause of these future shortages will be the failure of the Government officials to make certain that the industry knows how much fuel oil and how much gasoline are needed to meet the requirements of the citizens of the United States and then to insist that the 21 major oil companies which now have a strangle hold on the oil industry and all other industries dependent upon it shall provide the American requirements for fuel oil and gasoline on time. There is a growing conviction among Members of Congress that this present fuel-oil shortage need not have occurred. It is unfortunate for the independent dealers in fuel oil and in fuel-oil-burning equipment that their industries and businesses are the only ones which the 21 major oil companies do not dominate at the present moment. It looks as if 21 companies control the future destinies of nearly 40,000 other corporations and individuals in the oil or allied businesses. If the 21 major companies do not recognize the rights of these independent dealers and if they do not further realize that the most important use of oil products—other than oil needed for national security—is fuel oil for the heating of American homes, then I trust that Congress will give full consideration to the Heselton bill with a view to establishing proper production and distribution of oil products in the United States.

I am pleased to include with my remarks the following editorial from the Springfield (Mass.) Daily News of February 12, 1948:

OIL EXPORT BAN WORTHLESS

An interesting commentary on the action of the United States Department of Commerce in banning oil exports from Atlantic coast ports until March 31 as a means of relieving the acute shortage of heating oil in the East, particularly in New England, is that the ban, to all intents and purposes, is virtually worthless and insignificant in its scope. Department officials frankly acknowledge that there is nothing to prevent exporters from shipping their oil overseas through Great Lakes, Gulf of Mexico, and Pacific coast ports.

If oil exports to foreign countries can produce a profit to make it worth while, there is every likelihood that the ban on Atlantic coast shipments will have little, if any, effect on the question of keeping our oil supplies at home for domestic consumption between now and the end of March, when oil is gravely needed for heating purposes in areas where supplies are extremely meager and rapidly diminishing.

It is quite obvious, then, that the ban in its present form is practically meaningless and entirely without merit.

If the Department of Commerce wants to put teeth in the prohibition of oil exports, it will have to clamp the lid down on all exports for a period of at least 30 days. In this way, and in this way only, will the petroleum interests be thwarted in their attempts to sell oil in the foreign market, presumably at far greater profit than is obtainable in the domestic market.

Now that Congressmen CLASON and HESELTON have been successful in their efforts to effect a partial halting of oil exports, they ought to extend their demands and insist that the Department of Commerce officials go all the way and prohibit exports of oil from every United States port, at least until after the severe winter weather has passed and needy communities have been kept properly supplied during the emergency.

Youth Training

EXTENSION OF REMARKS
OF
HON. WALTER E. BREHM
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. BREHM. Mr. Speaker, as a charter member and past president of the Logan, Ohio, Kiwanis Club, I naturally watch with interest Kiwanis activities.

One of the primary objectives of Kiwanis International is to aid underprivileged children. Untold thousands of physically handicapped children have been restored to health and happiness through the efforts of Kiwanis members.

There has just now come to my attention a type of youth training which, in my humble opinion, is one of the most noble objectives any service club could adopt. This is also the first time to my knowledge that any service club has ever undertaken an educational program of this type. I refer to the action now being taken by the Kiwanis Club at Circleville, Ohio. This club has started an

anti-Communist drive among the school children of all grades in the city of Circleville. On last Friday they distributed 1,600 pamphlets entitled "It's Fun To Live in America" to school children of all ages. According to the chairman of the committee, Mr. Verne Hawkes, "Distributions will be placed on a monthly basis." There is a definite need right now to present a true picture to children and grown-ups alike comparing living conditions in Russia with those in the United States.

Mr. Speaker, I am proud that this Kiwanis Club is located in the congressional district which I have the honor to represent, and I want here and now to publicly congratulate the membership of the Circleville Club for adopting and promulgating this noble objective and to voice a hope that other clubs will follow their example. Hitler knew the value of enlisting the youth of Germany in his program. Every dictator nation follows the technique of instilling their false ideologies in the minds of their children. It is a known fact that subversive groups in America, through the formation of various youth movements with catch-phrase titles, are attempting to destroy American institutions by instilling false ideologies in the hearts and minds of American children. It is also a known fact that various instructors in the schools and colleges of America are disseminating propaganda directly opposite to the ideals which make America the envy as well as the hope of the world. If America is to be saved, it must be done through our youth, and I know of no better way to supplement the program of the churches and of the home than the one which the Circleville Kiwanis Club has undertaken. My best wishes are with them in their noble objective.

The Costs of Containment

EXTENSION OF REMARKS
OF
HON. FRANCIS CASE
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 12, 1948

Mr. CASE of South Dakota. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Walter Lippmann from the Washington Post of February 12, 1948:

THE COSTS OF CONTAINMENT
(By Walter Lippmann)

President Truman's foreign policy is about to cost well over $20,000,000,000 a year in direct expenditures. The bill for foreign aid put in by the State Department is well over eight billions figured on a yearly basis, and there is besides the bill for many other activities in foreign relations. The bill for the armed forces is over ten billions, not counting the additional expenditures for the proposed strategic Air Force or anything more than a first small installment for universal military training.

The disturbing thing about these costs is not the burden they impose this year. It is that they support a foreign policy in which, as it is now conducted, this rate of expenditure will increase rather than diminish.

That is because we are operating a policy of global containment rather than one designed to induce and compel a settlement.

For a policy of holding the line all over the world requires more and more money, more and more armaments, merely to hold the line as the situation behind the line we are holding deteriorates.

During the past year it has been deteriorating in Germany, in Greece, in the whole Middle East, and in China. The deterioration is marked by the fact that as the Truman administration has increased its commitments its diplomatic influence on events has declined.

We have assumed the whole burden of the deficit of western Germany, but our control over the destiny of Germany is rapidly evaporating. We have assumed the whole burden in Greece, but the prospects of our being able to subdue the rebellion or to settle it are less favorable than when we rushed in a year ago.

The whole Middle East from Iran to Iraq to Palestine to Egypt is proving once more the old rule that when great powers intervene separately and competitively in a rich and backward region of the world the result is anarchy and violence. And in China we are about to increase our commitments at a time when our capacity to influence the course of events is approaching zero.

The common factor in all those places is that, thanks to the Truman doctrine, we are losing our freedom of action. Our clients are becoming our masters. The western Germans, the government party in Greece, the Iranian Government, the Zionists, the Arab League, and Gen. Chiang Kai-shek have been given such unqualified support so publicly that the Truman administration is constrained to follow them and cannot lead them. Once we declared that it was a vital interest of the United States to make western Germany solvent as a bulwark against communism, or to make Greece prosperous as a bulwark against communism, or the Middle East, or China, we deprived ourselves of diplomatic bargaining power.

We must support our clients, no matter what they do, because we have slammed and bolted the door behind us. They know that we cannot withdraw our support without eating our words, and suffering humiliation and a spectacular loss of prestige.

The policy of containment has thus become what it was bound to become—an ever-deeper entanglement in evermore insoluble difficulties. There is only one way out of it, and that is by concentrating our diplomatic effort upon a settlement at some critical point. That point may be Austria. It may be Greece. It could be the Middle East. But at some deliberately selected point the stalemate must be broken decisively by that combination of pressure and compromise which is the essence of diplomacy. The important thing is to break the stalemate somewhere, and thus to change the political currents of the world. An Austrian treaty, which resulted in the military evacuation of Austria, would do that. It might well mark the turn of the tide from another war to an eventual peace. Therefore, it would be worth a considerable price.

What has to be determined by diplomatic negotiation is whether the Russians mean to stay in Austria or to leave it—in other words, whether an Austrian peace treaty can be had for a price, whether Austria can be ransomed. If it can be, then the cost of the ransom will be small compared with the cost of not making peace, of maintaining the armies of occupation indefinitely, of never reaching the time when Austria is independent and no longer divided under alien rule.

The worst of the Truman foreign policy is that in order to justify the enormous and mounting costs, it has been necessary to argue ourselves into the assumption that nothing can be settled. From that it is a small step to the view that nothing ought to be settled since any settlement requires concessions and compromises—and thus to acquire the habit of not looking for, of not trying to think out, ways and means of breaking the stalemate.

This habit is easy to acquire and hard to throw off. Especially as is now the case in the State Department, the habit tends to become fixed because the few men at the top who would have to direct a policy of settlement are so busy with the complicated consequences of the policy of containment that they cannot pay serious attention to the remedy for it.

Address of Hon. Ellsworth B. Foote, of Connecticut

EXTENSION OF REMARKS
OF
HON. HORACE SEELY-BROWN, JR.
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. SEELY-BROWN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Hon. ELLSWORTH B. FOOTE, Member of Congress, Third District of Connecticut, before New London County Republican banquet, February 14, 1948, at New London, Conn.:

We meet this evening to pay tribute to the immortal Abraham Lincoln. From a purely political standpoint we do so because he was the first President from the Republican party and one of the noble men who brought our party into being and made it great. Long before we faced the crises of today he had become an American institution far removed from political divisions, however. He has become the symbol of all that is truly American. As Stanton said on that fateful night, "Now he belongs to the ages." True it is that he belongs not to one Nation, or one generation, but to all nations and all generations. But let us not forget in all pride that he belongs uniquely to the Republican Party. He shaped it in its early years. He believed in the party as the instrument of the public welfare. He brought to it his lifelong principles and those principles have been our beacon light. The historian H. G. Wells places him as one of the six greatest characters of all mankind.

Whenever our Republic has been threatened there has always arisen in our midst a man who seemed preordained to struggle with the task at hand. From out of the masses has come a champion of the people who has wrestled with the problem and won. When revolution came, it was Washington who stood forth to lead the people. When the new Government was formed it was Jefferson who acted as the guiding genius. When it came time for America to speak her mind for a hemisphere free from sea to sea, it was Monroe who proclaimed his doctrine. But no figure in history towers so above them all as does Abraham Lincoln.

He appeared on the scene in that historic moment when the very life of the country hung in the balance on the precarious scales of human destiny. He it was who understood better than anyone else that the Union must be preserved, and yet it could not be preserved half slave and half free. He came forth at the very moment when all the world watched the very death throes of the gigantic dream of an American Nation. He perceived the difference between right and wrong.

There was no middle course for him, but it took courage, foresight, and fortitude to shout the doctrine of "one nation indivisible," from the very housetops of a country then torn by domestic strife. He led the Nation into a war only when he knew it could not be avoided and he set his course with faith in God and the strength of his people. There were moments when he might have been swayed by the cunning compromisers. He might have been torn aside by the pleas of businessmen to whom war meant bankruptcy and ruin. He might have been deviated by the wails of mothers and fathers torn from their sons, by the agonizing thought of brother arrayed against brother, by the ghastly cascade of blood which flowed across the land, by the destruction of homes and cities, by the prisoners of war and the suspension of civil liberties, and the whole revolting picture of a nation torn from border to border. Yet, he did not swerve from his path. He did not for one moment lose sight of the goal. He saw ahead of him a nation reborn, bound together forever, one Government, one flag, one people. We would not be honoring his memory tonight if he had forsaken the struggle for union because of heavy expenditures and grim sacrifices of people that were required.

Life in the great city of Washington brings home to one the full realization of the sacrifices that have been made by men and women down through the years and the rich heritage that is ours. On every side one sees monuments testifying to the work which has been done toward building this Nation to the point where it has become the envy of all other nations of the world. One of the greatest testimonials is the Lincoln Memorial. This marble shrine in a setting of rich dark green below it, and the Washington Monument and the Capitol in line with it eastward, is a memorial to the nobility and idealism of Abraham Lincoln whose rugged figure, 19 feet high, is seated within. Seven years were required for its completion. In order to prevent the columns and walls from appearing wider at the top they are tilted slightly inward. Above the rows of the columns are printed the names of the 36 States of Lincoln's time. The present number is symbolized in 48 festoons around the attic parapet. It is estimated that 2,000,000 people annually look upon that seated figure in the memorial and read his second inaugural speech and the Gettysburg speech carved in the marble walls. When Lincoln stood in the chill November air of 1863 before the people at Gettysburg to do honor to the men who had fallen in the cause of this great Nation, he said: "The world will little note, nor long remember what we say here, but it can never forget what they did here." But the world did not and cannot forget what he said there. These words engraved in marble will be remembered as long as the earth endures.

Lincoln was a true liberal. Unlike some of the self-styled liberals of today, he was a true and classical one. He did not use meaningless expressions to identify his liberalism, but stated them simply so that all could understand. While he was poor financially and his heart bled for the poor people, he did not condemn the man who through his own industry may have acquired considerable of earthly goods. He did not condemn the rich, nor penalize them, nor attempt to set class against class. In a speech in New York City in 1846, he said: "Property is the fruit of labor—is a positive good in the world. That some should be rich shows that others may become rich and hence is just encouragement to industry and enterprise." Lincoln realized that capital and labor each had its own rights and duties and that only through a spirit of cooperation rather than antagonism could they and the country prosper and reach that high point of productivity so earnestly yearned for.

Lincoln was the greatest exponent of freedom that ever lived. He realized that a nation could not long endure half slave and half free. He realized also that a world could not long endure where any nation was half slave and half free. Surely as we face the problems of today, the words of Lincoln in his first speech at Springfield, Ill., in the campaign of 1858, are appropriate, when he said:

"Do we know where we are? Do we know whither we are going? Can we know what we must do until we get our true bearings and a sense of direction? If a nation cannot endure half slave and half free, can an integrated world in which time and space have been annihilated, endure half slave and half free, and what is the state of freedom in the world?"

These words, spoken 90 years ago, are truly applicable to the situation in this atomic age.

What is the state of freedom in the world today? It is a lamentable fact that notwithstanding two world wars were waged upon European battlefields for the cause of freedom that we are far from realizing the goal. Freedom is again being extinguished, all the way from behind the iron curtain—from Finland to the Aegean. On all hands are to be found the enemies of freedom and those who proclaim it. Two European statesmen, symbols of democracy and freedom, and who fought for it until it was necessary for life itself to leave their countries and seek refuge here, viz, former Premier of Hungary, Ferenc Nagy, and former Premier of Poland, Stanislaus Mickolyczyk, are today sounding the alarm to us as to what is going on in eastern Europe and the plan that is being made to engulf us here. It is a regrettable fact, as testified by former Premier Nagy before a congressional committee the other day, "that the worst possible sin in Hungary as well as in the other eastern European countries is sympathy toward the United States." He further states it almost appears as though every anti-Communist politician is persecuted, put on trial, compelled to run for his life, because he is sympathetic to America and eventually finds himself either in jail or the cemetery. He say that the Bulgarian Prime Minister stated that it would have been possible to save the life of Potkof if the United States had not intervened in his behalf.

What would the immortal Lincoln prescribe today? I think he would say that we should do all within our power, commensurate with our ability, to hold high the torch of freedom in the countries of the world. He would not stand, however, in my opinion for a repetition of UNRRA. He would make doubly sure also that the money sent to foreign countries did not fall into the hands and be used by the very forces of communism which it is sought to destroy. I believe he would advocate giving aid and assistance to those freedom-loving countries for their own advancement but would consider it also in the interest of our own national security. The massive force of communism grows bolder and bolder. Its plan for the complete domination of Europe is clear to all. To save freedom abroad and at home will cost money. In Lincoln's day it was a costly business to achieve freedom at home.

As Speaker of the House JOSEPH W. MARTIN, JR., in an address in Washington the other evening stated, "The world today is divided into two spheres—freedom and communism. Our free economic system is under attack from within and without. Moscow tells the world through its controlled press and radio that our American system has failed (notwithstanding that under it we have become the richest country in all the world and are financing the rest of it). The out-and-out Communists within our borders echo its propaganda. Their fellow travelers give them aid and comfort—using our own Constitution and our own institutions to protect them as they preach their poisonous doctrine. When we seek to curb their activities, they screech to high heaven their constitutional rights are being violated. They refuse to answer the question of whether or not they are Communists and invoke the first amendment to the Constitution—the very instrument they seek to destroy. Congress is their target because Congress is their major obstacle. It is the branch of our Government which has made and must continue to meet this challenge of America's well being. Congress has served unmistakable notice it will not tolerate traitors in our Government establishments and agencies any longer.

"The recent disclosure that Communists are employed right in our State Department, having possible access to documents and military secrets, is so distressing that it is nauseating. To think that those who owe allegiance to the only foreign country with whom war is possible are now in the employ of the department of our Government having jurisdiction over its foreign affairs. It is disclosure of conditions such as this that is the greatest deterrent to enthusiastic support of the so-called Marshall plan.

Lincoln has been described as both the saddest and most humorous of men. He was elected to Congress from the Seventh Congressional District of Illinois in 1846. His opponent was Peter Cartright, the famous Methodist circuit rider, and the campaign was waged not on national issues of the day by Cartright, but on personal, moral, and religious issues. Cartright and his supporters resorted to the "grapevine telegraph" in spreading reports of Lincoln's infidelity. The final rally of the campaign was held in Cartright's church, and it demonstrates humor which he displayed on so many proper occasions. Cartright had called Lincoln an infidel, an agnostic, and an unbeliever, and then turned to his audience and said, "All those who expect to go to heaven kindly stand up." All stood up except Mr. Lincoln. "Ha, ha," said Cartright, "see, I have proved my point. Now, where do you expect to go, Mr. Lincoln?" Whereupon Lincoln stood up and said, "I expect to go to Congress." And he did.

One need not to be an alarmist to say that this is a time of crisis for mankind. What better can we do as we honor the memory of Lincoln than in truth and in fact to fall upon the standard which he raised for his party and as its first President? Somehow we should like to call upon his wisdom and guidance. One could well say: "Lincoln thou should be living this hour." If Lincoln were in the White House today he would strive with every means in his power to smooth out and rub out the animosities and hatreds which now divide Americans—to convince labor and capital that their interests are the same—to reconcile or dampen down the racial, religious, and economic prejudices which have been so carefully fanned up and kept hot—to persuade every American once more of the eternal truth of Benjamin Franklin's historic remark that "We must all hang together or assuredly we shall all hang separately."

I can think of no more fitting manner of concluding my remarks than to reiterate the thought expressed by the Honorable EVERETT M. DIRKSEN, of Illinois, in his address at the National Republican Lincoln day dinner in Washington, D. C., on February 5, 1948, wherein he called attention to the fact that in 1832 a song was written, the last stanza of which reads as follows:

"My country, 'tis of thee,
Sweet land of liberty, of thee I sing.
Land where my fathers died,
Land of the pilgrims' pride,
From every mountainside let freedom ring."

And that it is not known to what degree this song of freedom may have come to the attention of Abraham Lincoln, but that Abraham Lincoln did something more than let freedom ring. He made it ring.

The state of freedom in the world is at a low ebb. Abraham Lincoln kept his rendezvous with freedom. Shall we keep ours?

Tomb of the Unknown Soldier

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. FOOTE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. FOOTE. Mr. Speaker, under leave to extend my remarks in the Appendix of the CONGRESSIONAL RECORD, I wish to include a portion of a letter recently received from Mrs. William L. Dickson, of 43 North Pearl Street, Meriden, Conn., who comments upon the lack of respect shown the Tomb of the Unknown Soldier at Arlington, Va.:

This summer my husband and I spent 3 months in England, Scotland, and France. While in London and Paris we visited the Tomb of the Unknown Soldier. In both places people stood quiet as if in prayer, as it should be. We did not think much about it till after being home a month, we visited our own in Washington. We were ashamed to see good-sized children running and laughing about. Speaking of it later, I have had people tell me that they have seen grown-ups try to make the guard laugh and get in his way as he marches back and forth.

Can't you ask the boys that are on duty there what they think? Perhaps we need guards to teach our people how to act in such a sacred place.

Palestine Test

EXTENSION OF REMARKS
OF
HON. ROBERT TRIPP ROSS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. ROSS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Sumner Welles which appeared in the Washington Post on Tuesday, February 17, 1948:

PALESTINE TEST
(By Sumner Welles)
PRICE OF PROCRASTINATION

It is hard to arouse a democracy to impending danger when the clouds on the horizon still seem no larger than a man's hand. Even Winston Churchill could not awaken the British people to the menace in the rise of nazism. The peril to us in Japan's aggression against China and in Mussolini's invasion of Ethiopia went largely unperceived. But even if the tragic lessons of the recent past are to be so easily forgotten, the clouds now looming are no longer on the horizon. They are hanging over us.

This Government has repeatedly announced that the United Nations is the foundation of American foreign policy. Yet because of the failure of the United States to adopt a consistent and courageous policy on Palestine, the United Nations is today faced with the gravest dilemma in its history.

Save for Britain in the days of Baldwin it would be difficult to find a more sorry instance of a major power refusing to face facts.

The decision to partition Palestine was taken after full investigation and debate. It was in strict accordance with the provisions of the United Nations Charter. The United States was in great part responsible. This country played a leading role throughout the events that led up to that decision.

The American Government failed, however, to insist that the United Nations must be enabled to enforce its decision, and to protect life and property in Palestine until the independence of the two new states had been finally established.

For lack of any United Nations police force, the members of the Palestine Commission have now been told by the British that they will be assassinated if they set foot in Palestine. Major hostilities between Jews and Arabs are imminent. The United Nations cannot carry out its decision. Because the United States has during the past two months renounced every semblance of leadership, the smaller countries are increasingly reluctant to assume any responsibility.

The Palestine Commission has at length been compelled to ask the Security Council to determine that there is a "threat to the peace" and to take action under the charter. And Washington still remains silent.

It is notorious that there is a sharp cleavage of opinion within the Government. The Army and Navy, supported by some officials of the State Department and of other departments, insist that the United States must take no action to back up its words. They allege that our growing controversy with Russia makes it unwise for us further to antagonize the Arab states or jeopardize this country's access to Near Eastern oil.

Such arguments are wholly unconvincing. The British Government cannot prolong its mandate in Palestine. Once British forces withdraw, war will result unless the United Nations can send an international constabulary to Palestine. If hostilities break out, the Soviet Union will undoubtedly insist that its vital interests require it to send its own forces to maintain order in its neighborhood.

Should our service departments prevail upon the Administration to refuse to exercise any leadership within the United Nations to maintain peace in Palestine, they will pave the way for what they fear most, namely, the extension of Soviet control over the Near East.

The arguments on oil are just as unrealistic. If a new war breaks out, the Near Eastern oil resources would certainly not be available to western Europe nor to the United States. Should peace be preserved, since the Arab governments depend upon the royalties from their oil concessions, they are hardly likely to oppose their exploitation.

But we are face to face with a far more fundamental issue.

Japan defied the League of Nations in 1932 and was permitted by the great powers to do so with impunity. The Italian aggression against Ethiopia, the civil war in Spain, and the rape by Hitler of Austria and of Czechoslovakia were the inevitable result.

The Arab states have now defied the United Nations.

The partition of Palestine is the one major question upon which the policies of the United States and of the Soviet Union have coincided. Yet this Government has so far failed to initiate any measures within the United Nations to guard against the Arab aggression which is under way, or even to protest the flagrant violation of their charter commitments by the Arab states.

If the United Nations is in fact the foundation of American policy, the United States must support the United Nations, not only when that is convenient and easy, but quite as much so when such support implies effort, sacrifice, and risk.

The League of Nations collapsed because the major powers then members of the League supported the League only when it suited their own ends. They failed to support the League when it seemed that their selfish interests might be prejudiced.

We are seeing exactly the same trend. The Palestine question is a test case. Should the United States persist in its present blind inaction, it will be preparing the way for the failure of the new international organization, and if the United Nations fails, the one hope humanity today possesses for the rule of law rather than the rule of force, for the freedom and progress of mankind, and for the establishment of a peaceful world order will vanish with it.

American Diplomats Criticized for Views on Prewar Dictators

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article by William L. Shirer that appeared in the New York Herald Tribune of Sunday, February 15, 1948. Mr. Shirer, as we all know, is without doubt one of the most learned journalists in America and one of the best informed men on Germany and European countries. Mr. Shirer has spent many years in Germany and in practically all of the countries of Europe. I was glad to read his comments on Arthur Bliss Lane, former Ambassador to Poland. Lane saw the misery, hunger, disease, and destruction among the Polish people and did absolutely nothing to help them. In my opinion Mr. Lane's attitude was heartless and inhuman. He exerted every effort to deny loans and credits to the Polish people. He even went out of his way to deny them a meager amount of relief supplies of food and medicines that were voted by Congress for the Polish people. He tries to cover up his inhumanity by saying that he did not like the Polish Government. After Hitler and the Nazis finished murdering and slaughtering some 7,000,000 people in Poland, Mr. Lane by his actions, would have permitted many millions more to die of starvation and for lack of medicines. Anyone who is sympathetic to the Polish people cannot regard Mr. Lane with respect.

Mr. Shirer's article follows:

AMERICAN DIPLOMATS CRITICIZED FOR VIEWS ON PREWAR DICTATORS—SHIRER, DISCUSSING LANE'S BOOK ABOUT POLAND, ASKS WHY ONLY RED BRUTALITY EVOKES IRE; SAYS ENVOYS ACCEPTED THE RIGHTISTS

(By William L. Shirer)

I have read Arthur Bliss Lane's somewhat hysterial but highly provocative and informative book, I Saw Poland Betrayed, with the greatest of interest, but I cannot help thinking that his case against the suppression of democracy in Poland by the Bolsheviks would have been much more effective had he shown more concern about democracy in eastern Europe in the years when he represented his country there and when the Communist ruffians had not yet taken over.

It is a criterion which one could apply to most of our American diplomats.

I have no illusions about Russia's hold over eastern Europe—a hold which is based, as Mr. Lane shows in regard to Poland, on fraud, terror, and force. But what sometimes baffles me about our State Department diplomats is that they seem to recog-

nize tyranny only when its color is red. Why were their eyes closed and their hearts hardened to the tyrannies of almost all the little eastern European states they were accredited to during the years when those lands were completely uncontaminated by communism?

For a number of years between the wars eastern Europe was my beat, and though the people, including the intellectuals and artists were charming, and in most instances courageous, their governments, for the most part, were monstrous. These governments, which were dictatorships, did not permit democracy to function. They suppressed the human freedoms.

IS IT WORSE THAN BEFORE?

It may be, as PM's disillusioned former correspondent, Hal Lehrman, argues in his fascinating book, Russia's Europe, that there are degrees of tyranny and that the current Russian-Communist kind is several degrees worse than what it supplanted.

But the old variety was bad enough, and some of its excesses, its terror, its sadistic practices of torture used to rob me of my sleep when I learned of them in my tour of duty as an American reporter.

However—in those days—these excesses bored the readers back home, and, so far as I remember, they used to bore most of our American diplomats on the scene, who later would recoil at similar practices of the Red barbarians.

Perhaps it is my naïveté, but it is hard for me to distinguish between tyranny and terror, whether red or black. In those years between the wars I remember that our American diplomats took the suppression of democracy and human decency in eastern Europe in their stride. Their proudest boast—as anyone who has called at an American legation or embassy in east Europe will recall—was that they had gone "huntin'" with Dictator So-and-So and what a really good fellow he was when you got to know him.

And I cannot recall that a single American ambassador or minister resigned in a huff and came home to write an angry book about the suppression of democracy in the country to which he had been accredited.

Could it be that suppression of liberty and democracy is all right with an American diplomat so long as the Communists do not do the suppressing? Long assignments in Poland, Hungary, Yugoslavia, and other countries now under the Soviet yoke have made me ponder the question.

EXAMPLE OF BALTIC STATES

I kept pondering it during the perusal of Ambassador Lane's book. He was, for instance, our Minister to Estonia, Latvia, and Lithuania during 1936 and 1937. How did he find democracy faring on the Baltic?

The facts were plain. In 1934 the Estonian Parliament had been dissolved, martial law proclaimed, and an authoritarian regime set up with Paets as dictator. It is true that after Mr. Lane left things got worse in Estonia. Indeed, by 1938 the local dictator presented the country with a corporative Fascist constitution and the country lived under martial law with suspension of civil rights.

Did we care much about that in America? Or did it depress our diplomatic mission to the Baltic States? Or did the State Department send ringing notes to demand that democracy be restored immediately?

Estonia, of course, was only one of the three Baltic States. There was, for instance, Latvia. Mr. Lane was also accredited to it. By the time he arrived, in 1936, Prime Minister Ulmanis had succeeded in suspending parliament and setting up an authoritarian dictatorship on what he called a "corporative"—that is, Fascist—basis. The country lived largely under martial law.

LITHUANIA THE SAME

Lithuania, the third Baltic State, had seen the dissolution of all opposition parties in 1935 and authority taken over by Smetona. And so on.

Mr. Lane next moved to our legation in Belgrade. Though he arrived there in 1937—that is, 3 years after the assassination of King Alexander had brought an end to a royal iron dictatorship—it can scarcely be said that democracy and a respect for liberty and human rights prevailed in Yugoslavia. The elections were rigged, and until near the very end Stoyadinovitch was pretty much of a dictator under the regency of Prince Paul, who had surrounded himself with White Russians who were not only pro-German but pro-Nazi. I cannot recall that our legation or the State Department lectured the undemocratic pro-Nazi Belgrade regime during this time.

In his book Mr. Lane recalls the unbridled enthusiasm he witnessed in Warsaw when the Polish Republic was born in 1919. He did not see diplomatic service in Poland again until he returned as Ambassador in 1945. But in his sketch of the background of his assignment he has not a word to say of what happened to democracy in Poland between the time he left and the time of the treacherous Nazi onslaught in September 1939.

I happened to spend a fair amount of time in Poland during that period, and I have been thinking what a significant book some retired American Ambassador could have written then with a title: "I Saw Democracy Betrayed in Poland." He could have told how Pilsudski, for whom Mr. Lane has some kind words, destroyed democracy in Poland, and how, after Pilsudski's death, the little band of stupid pro-Nazi colonels outlawed all parties but their own, and even annulled the democratic constitution of 1921 by illegal and fraudulent means.

None of this background excuses what the Russians have done to gain their ends in eastern Europe. But it does seem to me that our diplomats, like Lane, when they come to write their books, owe it to their American public to provide a little perspective. And their angry words about Russian-Communist tyranny would ring truer, I submit, had they been just a trifle angry at the reactionary tyranny which preceded it in eastern Europe.

Palestine: British Appeasement Did Not Secure Arab Loyalty

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. KLEIN. Mr. Speaker, under leave, I am inserting in the CONGRESSIONAL RECORD two recent articles on Palestine. The first is If America Scuttles Partition from the February 14 issue of the Nation, in which the editor, Freda Kirchwey, vigorously reviews developments in the Holy Land and rejects any possibility of appeasement of the feudal Arab tyrannies. The second is by Henry Wallace from the February 16 issue of the New Republic, and is included, not because of Mr. Wallace's role as a third party Presidential candidate, but because of his familiar and lifelong standing as a great humanitarian and an excellent reporter. They follow:

[From the Nation of February 14, 1948]

IF AMERICA SCUTTLES PARTITION

(By Freda Kirchwey)

While the United Nations Palestine Commission wrestles with its monstrous assignment, word spreads in Washington and Lake Success that the United States is looking for a way out of its commitment to partition. The opposition of certain State Department officials and of Secretary of Defense Forrestal was exposed in these pages 2 weeks ago by Lillie Shultz. Since then, Forrestal has said plainly that the protection of our oil reserves in the Middle East would require strong measures—including "some arrangement" which might bring upon the Government the charge of imperialism. And sources close to the State Department insist that strategic considerations have at last forced Secretary Marshall to abandon his support of partition.

If this is true, it leaves the President both isolated and vulnerable. From honest conviction as well as political interest, Mr. Truman favors the UN plan for Palestine. More than that, he recognizes the obligation our Government assumed when it voted for partition in the General Assembly. But it will take immense courage to resist the kind of pressure that can be brought to bear if his chief policy-makers decide partition would jeopardize American security in the eastern Mediterranean. Has Mr. Truman that kind of courage?

Without active American help, the Palestine Commission stands no chance on earth of winning the backing it requires in the Security Council. Only American insistence could overcome the obstacles set up by the British—their refusal to allow the creation of local militias in Palestine as recommended by the Assembly; their refusal to provide a port and hinterland from which the commission could operate; their unwillingness to receive the commission itself until just before they lay down the mandate, thus preventing the United Nations from making any adequate preparations for taking over the interim administration of the country. Above all, the British have permitted the Arab rebellion to develop to a point which guarantees in advance the failure of partition, unless the Security Council takes drastic measures to restore order.

To meet the problems facing it in Palestine, the Security Council, will have to develop a capacity for positive action of which it has never yet shown any signs. It will have to deal with acts and threats of aggression on the part of several member states of the United Nations, one of which—Syria—is represented on the Security Council. It will have to deal with Britain's failure to maintain peace and security, its explicit refusal to carry out recommendations of the Assembly—and Britain is a permanent Council member, possessed of the veto. It confronts the necessity of putting down rebellion. Obviously, none of these obligations will be met unless the United States puts the full weight of its authority behind the commission and the decision of the United Nations. If it fails to do so, Britain and the Arabs may wreck partition, but American prestige will go down in the general collapse.

This has not yet happened; perhaps it will not happen. But if it does, we should recognize what it means in terms of American foreign policy. For the growing resistance to partition in the minds of our policy-makers is part of something much bigger. Put in a sentence, it indicates that the Truman doctrine is in process of being extended to embrace the whole Middle East and perhaps other areas as well; that the strategy

of employing as allies or tools whatever groups happen to be in power, provided only they are opposed to Russia and hostile to communism, will be applied to the Arab countries as it is now being applied to Greece and Turkey.

Just as the British tried to buy Arab support, or at least neutrality, by abandoning their commitments in Palestine when they saw war with Hitler in the offing, so they and we—if the opponents of partition have their way—are preparing similarly to buy Arab support in anticipation of war with Russia. The states of the Arab League, angered by the UN decision and fully aware of western doubts about implementing it, have put on a full-dress demonstration of their unending will to defeat the plan, if it costs the last poor Arab's life. The Jews persist in believing that, given arms, they can defend both partition and themselves; they have also asked for a United Nations police force to help maintain order and protect the commission. But some of our leaders in Washington are more impressed by Arab threats than by Jewish powers of resistance—or America's commitments in the UN. Several officials have expressed the belief that arming Haganah would only incur Arab vengeance, while an international force might in the end bring Soviet troops—along with ours—into the Levant. Better to "eat crow" on partition, they say, and make deals with the Arab rulers to protect the bases and pipe lines and oil reserves we shall need in that war with Russia. So the Arabs call the tune to which Americans will march in defense of our democratic Western civilization.

It takes temerity to differ with experts; but one gains courage from the fact that only a few months ago many of these same men had figured it out differently. They saw the strategic problem then in terms of a defense based in Africa—arguing that, in case of war with Russia, the Middle East could not be held unless armies were already massed there to prevent an invasion.

One gains courage, too, from recalling that British appeasement after 1939 did not secure Arab loyalty, but, on the contrary, was utilized by local leaders to prepare the Levant as an avenue of Nazi advance; and that the Mufti, now directing the rebellion in Palestine, was similarly engaged in Iraq at the most critical moment of the war. But if the loyalty of the Arabs cannot be bought, even with Jewish blood, the good will of the Jews can be thrown away. No official in London or Washington can hope that Jewish friendship will survive the scuttling of partition or that Palestine's Jews will quietly submit to Arab domination or existence in a "Vatican state" at Tel Aviv. Rather than accept the blasting of all their hopes, the Jews will fight, and this time they will not be held back by any concern for future good relations with Arabs or British—or Americans. They will fight as the Jews fought in the Warsaw ghetto. And every Jew will be an Irgunist, for the premises on which moderation still precariously rests will have been blasted away.

Will pipe lines and refineries be safer in these circumstances than under the plan laid down by the United Nations? Will a bloody struggle with the Jews of Palestine help secure the Middle East as a bulwark against Russian expansion? Will it create that solidarity in the West so essential to the successful "containment" of Russia? Would the United Nations itself survive the surrender of partition by America?

These are some of the questions the President should put to his chief advisers before he allows his Government to go back on its word. For once he accepts the logic of imperialism, the course will be set for war and the final defeat of democracy.

[From the New Republic of February 16, 1948]

HENRY WALLACE'S COLUMN

PALESTINE: CIVILIZATION ON TRIAL

We have the power to stop violent deaths in the Holy Land.

Day after day, as I read the stories of bloodshed in Palestine, my mind goes back to my visit there three short months ago. I saw the magnificent efforts of the Jewish settlers to build thriving communities which would set a pattern for the entire Middle East. I saw evidence on the village level that the Jew and the Arab get along very well, provided hatred and discord are not incited from outside. I saw the potentialities of this ancient land as they were dramatically presented by the Jewish people in their everyday work. I was confident that the Nation of Judea would, with the help of funds from the World Bank, join with King Abdullah of neighboring Trans-Jordan in developing the Jordan River for the lasting benefit of both Arab and Jew.

On November 29, when the General Assembly of the United Nations decided that the only practical and equitable way to put an end to the Palestine strife was through partition into Jewish and Arab states, those of us who have confidence in the practicability of international organization were inspired with hope.

Since November 29, the British Government, without American opposition, has done all in its power to obsrtuct the implementation of the partition plan.

It has waged undeclared war on the Jews, confiscating their weapons while they were under Arab attack. It has permitted Arab troops commanded by the ex-Mufti of Jerusalem from his exile in Egypt, to lay siege to the old city of Jerusalem, to erect road blocks on Palestine highways, to snipe at Jewish food-supply convoys.

The British Government bluntly told the UN that it will not permit the UN Commission to enter Palestine until May 1, 2 weeks before the scheduled termination of the British mandate and the surrender of civil authority. It told the UN it will not legalize present Jewish defense forces or permit the formation of a Jewish militia, despite a recommendation of the UN Commission that such a militia be organized.

When I read Bevin's speech about his Arab friends—the feudal lords of the Middle East—coupled with the day's stories of new bloodshed, I thought of the persecuted people I had seen building a new life in Palestine, and I shuddered to think that this man should ever speak, as he has so often done, in the name of western civilization.

Britain and the Arab states are waging civil war against the United Nations. They will succeed unless the United States speaks out forcefuly and at once to give the UN courage.

When it was a question of bringing the Iranian problem before the UN, the United States didn't hesitate to act at once. When it was a question of furnishing arms to Greece and Turkey, the United States did not hesitate to act unilaterally. Of course, when it was a question of supporting the legitimate government in Spain with arms in 1936, the United States had refused to act. Is history to record that the United States acts in most instances to support feudalistic and vested interests?

Almost 2 years ago, on Army Day 1946, President Truman declared that, "No country, great or small, has legitimate interests in the Near and Middle East which cannot be reconciled with the interests of other nations through the United Nations. The United Nations has a right to insist that the sovereignty and integrity of the countries of the Near and Middle East must not be threatened by coercion or penetration."

Yet Truman ignored the UN in the case of aid to Turkey and is ignoring it today. American actions and inaction make us as responsible as the British for continued bloodshed in the Holy Land.

We are undercutting the whole peacemaking power of the UN.

The United States, having cast the decisive vote for partition, must put its strength behind that decision. We must let the British know at once that they will receive no more money from the United States until they carry out the UN decision with regard to Palestine. We must insist that the British stop furnishing arms to the Arabs anywhere in the Middle East. I would like to see UN action to stop all shipments of arms to any nation anywhere in the world, but I condemn a system that prevents shipments to Jews and encourages shipments to Arabs.

The Arabs and the oil resources of their lands must not be pawns in a cold or hot Anglo-American war against Russia. The move to sabotage the UN decision for a Jewish state, to keep the Moslem peoples submissive, and to placate the kings and emirs and effendi is an outrage.

I have listened to and read a lot of propaganda, much of it no doubt British-inspired, to the effect that the Jews in Palestine are Communists or that recent immigration has been largely communistic. I am convinced that this is another utterly false "Red menace" manufactured with the hope of justifying murder.

The Jews of Palestine are not Communists. The economy of Palestine is more genuinely a mixed economy than can be found in any country in the world. There is plenty of room for the free enterprise of the businessman and the individual farmer. Many of the recent immigrants have come from eastern Europe because they did not want to live in Communist lands, and they find a different spirit in the kibbutzim than in the Russian kolkhozes. The attempt to use the Red paintbrush to smear the Palestine picture is nothing short of criminal.

The strife in Palestine is a reflection of a foreign policy—our foreign policy—which is negative and defensive. The elements for peace exist in Palestine as they do throughout the world. There are people, masses of good people, Jews and Arabs, with common needs, destined to be neighbors, who can be helped to build new, useful and abundant lives if we will think positively and act forthrightly, without delay.

In addition to using its influence to stop the British government's sabotage of the UN decision, the United States must call on the Security Council to order the establishment of a Jewish defense militia, responsible to the UN commission for maintaining order in the Jewish state until an international constabulary can be provided. We must demand security council action to halt the shipment of arms to the Arab league states which are waging war against the United Nations. We must request the Security Council to urge immediate compliance by the British government with the General Assembly's recommendation to evacuate a port in Palestine for the reception of Jewish immigrants.

We have the power to stop violent deaths in the Holy Land. We must use it.

Labor and Management Relations

EXTENSION OF REMARKS

OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. MILLER of California. Mr. Speaker, decades hence students of labor

relations digging into the CONGRESSIONAL RECORDS of 1947 for subject material on which to write the labor history of our time will find many yellowed pages filled with charges and counter-charges as to what had transpired during the immediate past that resulted in the passage of legislation adverse to the cause of labor. They will find many unsupported statements but little factual material.

In order to supply some of that lacking factual material, I ask unanimous consent to include in these remarks an editorial published in the Richmond (Calif.) Independent on Saturday, January 17, 1948, that is entitled "Good Going."

This editorial is based on the results of a survey conducted by the Contra Costa County Development Association and released that week. The survey was among the leading industrial plants of Contra Costa County and covered a 7-year period from 1940 through 1947 as to the number of man-days of labor lost due to strikes.

The results of this survey are interesting and have earned their place in the history of Contra Costa County. Now Contra Costa County is one of the most rapidly growing counties in California and is predominantly industrial. It was in Richmond, Calif., the largest city in Contra Costa County, that records for shipbuilding during World War II were set. Here were located the largest shipyards of that master of production, Henry J. Kaiser.

Contra Costa County is a pleasant place to live. Its people are friendly, intelligent, tolerant, and understanding; and perhaps this is the secret of the fine labor relations that exist in this county.

Here labor and management have demonstrated that they can get along together and that they are interdependent.

I am, indeed, proud to represent a district in California of which Contra Costa County with its close to 300,000 people is a part.

I am proud of this record and I think the Contra Costa County Development Association supported by the county and the industrialists of the community is to be congratulated for making known the results of a factual survey that discloses that during the period 1940 through 1947 there were 10,167 days of work lost due to strikes out of a total of 42,538,893 man-days of work. This means about 1 day out of 425 was lost due to work stoppages arising out of labor-management disputes.

The editorial reads:

GOOD GOING

This week the Contra Costa County Development Association released results of a survey conducted among the leading industrial plants of the county and found that during a 7-year period only 10,167 man-days of work were lost due to strikes.

This is nothing short of miraculous in view of the fact that there were 42,538,893 man-days worked during the same period, 1940 through 1947.

The figures emphasize what has long been a contention of labor and management leaders in the county, that Contra Costa County labor-management relations are the best in the Nation.

Contra Costa County is predominately industrial. Its lifeblood is closely interwoven into huge oil refineries, the world's largest sugar refinery, powder plants, pottery plants, and other types of heavy industry. Normally, it would be considered the ideal breeding ground for industrial dispute.

The fact that there is such a low ratio of man-days lost because of strikes is a tribute to labor and management. They know how to get along. They see the other fellow's point of view and adjust their thinking and actions along those lines.

It is also a near miracle when one considers the fact that on the whole, labor and skilled crafts in the county are better paid, or as well paid, as employees in other sections of the State. In several categories the working man in Contra Costa County earns more on an hourly basis than in any other section of the State.

All of this contributes to well being for the worker, a full day's output for the employer, and a higher than usual standard of living.

Contra Costa County, second leading industrial county in the State and topped only by Los Angeles in the value of its products, might easily have been the scene of spirited, protracted, and costly labor disputes. But it was not, and down through the years the record shows that peaceful relations between employer and employee have been the rule rather than the exception.

There have been some disputes and there have been some work stoppages. But they have been quickly settled as the result of the sane thinking and action of the leaders involved.

Labor and management in Contra Costa County have demonstrated that they can get along, and that both sides can profit.

Many other areas in the State and the Nation would do well to emulate the Contra Costa County method of doing things.

Abraham Lincoln—1948

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. REED of New York. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I am inserting an article, Abraham Lincoln—1948, written by Carlos W. Huntington, which appeared in the Portland Homebildor under date of February 14, 1948:

ABRAHAM LINCOLN—1948

Rail-splitter, clerk, postmaster, lawyer, member of the Illinois Legislature, Member of Congress, President, Abraham Lincoln was born in Kentucky, February 12, 1809, a staunch advocate of economy and efficiency in government and national unity.

What would he see in his America of today?

A national debt of unprecedented proportions, $256,000,000,000, almost $2,000 for every man, woman, and child, the highest tax rate in history; industry harassed by regimentation; bureaucracy and waste keynoting governmental operations; scare propaganda to aid in the imposing of a philosophy of scarcity, of governmental support from the cradle to the grave, of dependency on Government for shelter, food, medicines, and security rather than individual effort and initiative; price-support subsidies, governmental meddling in every phase of our lives, centralization of power in Washington and a breakdown of individual responsibility. He would also see a segment of our population espousing and abetting foreign ideologies that have as their goal a totalitarian government under the ultimate domination of Moscow; he would find do-gooders whose ambition is to give away our substance, both at home and abroad, they, of course, to be the mediums through whom the largesse is channeled, in order that they may reap the plaudits of the recipients, build up their power and control over the rest of our people and economy.

He would see Navajo Indians starving on their reservation while trainloads of food go to our former enemies across the water, he would see other Americans dependent upon charity for which "drives" are conducted, one after the other, to provide funds, while our Government sends billions overseas. He would see our people shivering while coal and oil are exported to other lands. He would see hundreds of unnecessary Government bureaus staffed with hundreds of thousands of employees burdening the taxpayers and he would find inefficiency and waste rampant in all branches of governmental activity.

On the brighter side he would find an awakened national realization of the necessity of tax reduction, a greater efficiency in the Federal Government, greater economies in operation and less restrictions upon free enterprise. He would find industry at an all-time high, despite governmental handicaps, increasing production, a determination to make the American system succeed and an optimistic view of the future.

Yes, Lincoln would find that, despite all obstacles, America is still America, where government of the people, by the people, for the people shall not perish from the earth.

CARLOS W. HUNTINGTON.

Republican Speakers Eulogize Abraham Lincoln on His One Hundred and Thirty-ninth Birthday Anniversary; They Applaud National Rededication to Principles of Freedom and Equal Opportunity Advocated and Practiced by the Great Emancipator

EXTENSION OF REMARKS
OF
HON. CHARLES A. HALLECK
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. HALLECK. Mr. Speaker, pursuant to authorization of the House of Representatives, I am presenting herewith for the readers of the CONGRESSIONAL RECORD the text of an inspiring radio broadcast commemorating the one hundred and thirty-ninth birthday anniversary of Abraham Lincoln.

The addresses, citing everlasting accomplishments, precepts, and admonitions of the immortal Lincoln for application to problems currently confronting our Nation, were presented under auspices of the Republican National Committee over facilities of the American Broadcasting Co., February 12, 1948, Hon. Carroll Reece, chairman of the Republican National Committee, speaking from Indianapolis, Ind., presided.

Hon. Joseph W. Martin, Jr., of Massachusetts, Speaker of the House of Representatives, spoke from New York; Hon. Kenneth S. Wherry, United States Senator from Nebraska, spoke from Huntington, W. Va.; Hon. Dwight H. Green, Governor of Illinois, spoke from the executive mansion at Springfield, Ill.; and

Clare Booth Luce, former Republican Member of the Congress from Connecticut, participated in the broadcast from San Bernardino, Calif.

All cited Lincoln's way—the way of national unity in support of liberty and justice and equal rights and opportunities for all races, creeds, and colors—as the eternal American way and conqueror of alien ideologies that would make our Government master instead of servant of the people.

To these views, I am sure all patriotic Americans wholeheartedly subscribe. I thank the House of Representatives for this opportunity to have this Lincoln Day broadcast made a part of the permanent record of the Eightieth Congress.

Full text of the broadcast, beginning with the radio announcer's opening remarks, follows:

ANNOUNCER. Tonight the American Broadcasting Co. presents in the public interest a special tribute to Lincoln. The program is arranged and presented by the Republican National Committee. The next 30 minutes ABC microphone will take you to Springfield, Ill.; New York City; Huntington, W. Va.; San Bernardino, Calif.; and Indianapolis, Ind.

The chairman of the program will be Carroll Reece, chairman of the Republican National Committee, who will introduce four other speakers in this Lincoln anniversary celebration. And now we take you to Carroll Reece in Indianapolis.

Chairman REECE. This is a year of decision for the American people. This year the people will decide whether to go forward as a free and powerful Nation, guided by the principles of Abraham Lincoln, or whether we will continue along the perilous course of the past 15 years. The Republican National Committee tonight is happy to be able to present to you some of the outstanding members of our party, persons who have rendered great service both to the party and to the Nation, both in public and in private life.

Eighty-eight years ago, in a time of crisis, this Republic turned to Abraham Lincoln and the Republican Party for guidance and protection. The result was the preservation of the representative Republic bequeathed to us by the founders of this Nation, and during the years which have passed since those dark days, so long as we have followed the precepts and the principles of Lincoln, we have grown in wealth and power. When we have turned from those precepts, as, unfortunately, we have on a few occasions, we have become involved in difficulties and controversies, both foreign and domestic.

There is little need to point out that we are involved in such difficulties today—after nearly 16 years under an administration which has sought to subvert or destroy the things for which Lincoln fought and for which he died.

It is said that history repeats itself and the situation in which we find ourselves today convinces me that such is the case, because basically the problem which we must solve today is the same one which confronted Lincoln—the problem of maintaining freedom and independence and integrity in a world in which powerful forces are arrayed on behalf of tyranny and disunion. The stage is larger today, the actors are different, but the basic principles involved are the same.

Lincoln had his roots in the great Middle West. Born in Kentucky he moved to Indiana in his youth, but most of his life before he was called to Washington, was spent in the great State of Illinois. I am speaking to you tonight from the capital of one of the States in which Lincoln lived, and now for a continuation of our program we take you to Springfield, Ill., to hear a great Republican and a great Governor of that State, the Honorable Dwight H. Green.

Governor GREEN. Thank you, Carroll Reece.

Four score and seven years ago yesterday, February 11, 1861, Abraham Lincoln left Springfield on a special train which carried him to Washington—to the Presidency, to death by assassination, and to eternal fame. From its platform he bade a tearful and prayerful farewell to his Springfield neighbors.

Springfield still feels the living force of Abraham Lincoln. I speak to you from the 90-year-old Executive Mansion. When it was new Lincoln was a frequent visitor here. Through the miracle of the radio, and the wise arrangements of the national committee, I am able to join with my fellow Republicans in their homes throughout America in this celebration of his birthday.

All Americans are united today in homage to the simple man from Illinois who made liberty more real for countless millions of men and women of every color, creed, and condition in life. Yet properly and inevitably he remains the patron saint of the party which gave him to the Nation and which he, in turn, made a dominant factor in America from 1860 to this day.

Properly in this campaign year when we believe that the preservation of the fundamental freedoms of America again depends on Republican victory, we scan the Lincoln record for counsel and inspiration to apply to our present task. The lesson I find in that record is this. The Republicans won in 1860 because they had a candidate who understood the American people and who stood uncompromisingly for what he believed to be just and right; and because the party conducted that campaign as a great moral crusade. I believe that that is the only formula which will achieve Republican victory in 1948.

In short, what our country and our party need today is Republicans who will work and live by the philosophy and the faith of Abraham Lincoln. Indeed, the whole world needs that faith and that philosophy.

This morning I participated in ceremonies as another special train left Springfield. It is the Lincoln friendship train, sponsored by church organizations throughout America. After joining other sections from other States, the train will deliver at the seaboard a cargo of food to be sent to starving men and women in Europe.

How wonderful it would be if that train could carry also faith and hope to the starving souls of the world. The train cannot do that, but the American Nation can send them. We can do that by scrapping the Morgenthau plan of vengeance and hate and replacing it with a Lincoln plan of justice and mercy for conquered Germany. We can repudiate the shameful compromises by which Presidents Roosevelt and Truman consented at Yalta and Potsdam to programs of mass slavery, mass exile, and mass oppression.

Our own experience should teach us that peace and prosperity must be founded on liberty, justice, and tolerance. Without liberty there is no peace but the submission enforced by the oppressors; no prosperity except for the exploiters of the oppressed. I am convinced that unless America is prepared to oppose a world half-slave and half-free, to stand for a Lincoln plan of justice and mercy, and to support it with firmness in the right, all the billions we may spend under the Marshall plan will be wasted. Similarly, the perplexing domestic problems which confront us will be solved not by new experiments in regimentation and socialism, but by a return to Lincoln's zeal for hard work and production, his faith in our system of free enterprise, his conviction that capital and labor in mutual respect can achieve a fuller and richer life for all.

Let us here rededicate ourselves to the goal for which Lincoln lived and died—a strong and free America.

Now to Indianapolis and Chairman Reece.

Chairman REECE. The next speaker on our program is one of the outstanding women of America. She has distinguished herself in the fields of literature, the theater, and public service. We go now to San Bernardino, Calif., to hear the former Congresswoman from Connecticut, the Honorable Clare Boothe Luce.

CLARE BOOTHE LUCE. It is over 80 years ago that Abraham Lincoln was slain. He was slain by a bigot who hated him because he had used his great mind and will "To give this Nation, under God, a new birth of freedom." So ever since we have rightly called him a martyr to liberty.

Liberty, do we have any clear idea what we mean by liberty? Don't we mean this: That a man has liberty when he is free to choose according to his own lights—between what seems good to him and what seems evil?

The idea that man is born with the right to choose freely is something called "the doctrine of natural rights." This doctrine is set forth in the Constitution and Declaration of Independence. It holds that each and every one of us—regardless of color, creed, or birth—holds these natural rights inalienable. And, as Abraham Lincoln knew so well, they are inalienable for one reason only: because they are the endowment of the Creator.

So God has endowed a man, at birth, with a free will, which can never be taken from him. But he can be stopped from exercising his free will in making choices. His free choices can be interfered with, or prohibited by other men. Bureaucrats and demagogues can cut them down by using legal stealth. They can pass laws which little by little will whittle away at his liberties. In the end he may not be able to call his house or business or savings or even his wages his own. His opportunities may be reduced to the point where he can't earn a living and must either starve or become a creature of a political boss or party. He may be handed over to be the victim of a powerful economic pressure group. If he is also a member of a weak minority, he will then become a slave in everything but name. He will have lost, as we say, all his civil liberties.

The American people enjoy a larger measure of civil liberties than any other people in the world. They do so, because they still have a representative form of government. They have voted themselves into these liberties.

But by no means do all our people enjoy all the civil liberties to which they are entitled—not only as children of God—but as ordinary United States of America citizens. I am speaking of the Negroes and the other racial minority groups.

The reason for this again is that we are a representative form of government. And our Government isn't perfect because we, the people, are the Government, and we aren't perfect by a long shot. So there are imperfect—that is to say, prejudiced and selfish people in our Government. Most of them got put there by selfish or indifferent voters, who urge their representatives to increase their own freedom of choice while denying it to minorities. The problem of government is simple to state, even if it isn't easy to solve: It is to increase the area of freedom of choice for the greatest number of people, while safeguarding all the liberties of the past that have proved fruitful and useful to our Nation.

Now it is just a plain ordinary everyday common-knowledge fact that the southern Democrats in our Congress do not want to increase the area of freedom for our Negroes and minority groups. There are a lot of things wrong with the Republican Party—just as there are a lot more things wrong

with the Democrat Party. And you, exercising your freedom of choice, can do your own toting up of the score, come the next election.

But this is a matter of record: All the great initial advances made in our civil rights were made by Republicans. They freed the slaves. They passed the thirteenth amendment which prohibited slavery here forever. They put through the fourteenth amendment. That one protects us against having our life or property taken from us without due process of law. They brought about the fifteenth amendment. That keeps any citizen from being denied his right to vote by reason of his race, color, or previous condition of servitude. If you don't believe what a joke the Democrats in our House and Senate try to make of these amendments every chance they get—you should have sat, as I did, for 4 years in Congress. The tragedy was, they succeeded. And why not? They were in power.

They have been in power for 16 years.

Just now Mr. Truman is making quite a to-do about civil liberties. He named a committee to give us a report on civil rights. Here's something from that report:

"The most striking mass interference (it said) since slavery with the right of physical freedom was the evacuation of persons of Japanese descent from the west coast during the past war. The evacuation of 110,000 men, women, and children—two-thirds of whom were United States citizens—was made without a trial or hearing of any sort at a time when the courts were functioning."

"The most striking interference since slavery with physical freedom." Yes, that is what Mr. Truman is saying now about what Mr. Roosevelt did. But the funny part of the thing is that Mr. Truman was in the United States Senate at the time Mr. Roosevelt did it.

He was a big, important, Democratic Senator. And the sad thing is nobody heard Mr. Truman saying anything then against this interference with freedom.

No, human liberty isn't the thing the Democrat Party cares most about like Abraham Lincoln did. But maybe you do. Maybe you'd like to see the poll-tax abolished, and an antilynching bill passed. Maybe you'd like to see minorities in this country get a little better break? Well then, I expect you'll have to go for the party of Abraham Lincoln.

Now to Indianapolis, and Chairman Reece.

Chairman REECE. The period immediately following the War Between the States was one marked by the tremendous development of the territory which now includes the Western States. As a result of that development, made possible largely by the achievements of Lincoln, many new States were admitted to the Union, and among the first of those was the State of Nebraska. Nebraska has supplied many notable leaders of the Republican Party and of the Nation. One whom I am going to present tonight is now the acting majority leader of the United States Senate. Like most good Republicans, he too has been making a Lincoln Day speech tonight and he is in Huntington, W. Va. I now present the Honorable KENNETH S. WHERRY, United States Senator from Nebraska.

Senator WHERRY. Thank you, Carroll Reece.

My fellow Americans, throughout the land Abraham Lincoln has been honored today, in thousands of homes, in schoolrooms, and patriotic programs. Tonight at hundreds of meetings he has been paid the highest tributes. May I, as a Member of Congress, the Congress in which Abraham Lincoln once served, submit this thought to you?

As in Lincoln's time, so now, we need a united America. And America needs a leader in the White House who will stand four-square on the principles championed and accomplished by the immortal Lincoln. He was unmoved by the storms of controversy which raged about him because his soul was rooted in the finest traditions of liberty and faith in his fellow men, a faith in God, and an abiding confidence that only right is might.

For 15 years the strategy of New Deal administrations has been to divide and control, to pit one minority group against another, to incite conflict between capital and labor, and to reduce our country to a nation of contending classes. But Lincoln gave his full measure of devotion to save the Union, to bind its wounds, and to unite all people.

So the issue is, Shall there be a fifth term of New Dealism in the White House?

That is what President Truman and his radical advisers are conspiring to achieve. The master planners who are advising him have taken possession of the Democratic Party. They have nothing in common with the Jeffersonian Democrats or those of us who believe in the principles of Abraham Lincoln.

The American people will not stand for a fifth term of New Dealism. Next November they will elect a Republican President who will cooperate with a Republican Congress to unite our people. Then our country will move forward to complete the job so well advanced by the present Republican Congress.

In his time Lincoln emancipated the slaves. In our time the Republican Congress emancipated the workers. Lincoln advocated and believed in American free enterprise. President Truman has lost faith in our competitive system. He constantly appeals to the Congress for power and more power to control and regulate the lives of our people. The solid fact is President Truman has been wrong on the economic situation from the day hostilities in the war ended up to this very moment. He anticipated and geared his actions for 10,000,000 unemployed. He was wrong by 10,000,000. Last October the President said price control and rationing were police state methods. Two weeks later he asked Congress to give him power to establish a more colossal OPA than we had during the war.

He fanned the flames of inflation by almost daily predictions that prices were going higher and higher and higher.

The President has insisted that huge exports of grain and meats have had little or no effect upon our domestic prices. But Secretary of Agriculture Anderson testified that exports have had a terrific effect. Who was right and who was wrong?

Even as commodity prices began breaking last week the President was insisting again to newsmen at the White House that the Congress must vote him police state power to impose price controls. The same confusion and drift prevails in the administration's foreign policy. Twenty billion dollars has been spent in Europe since hostilities ended. Fundamental problems remain unsolved, the answers to which may have far-reaching consequences, because of the President's mistakes and delays. We are still searching for a lasting peace.

The administration tried to impose the Morgenthau plan upon Germany. It failed. And it was the Republican Party that forced abandonment of that stupid and costly policy. The people sense the Ship of State has lost its rudder and the captain does not know what course he follows.

As Abraham Lincoln spoke of another President:

"The President is in no wise satisfied with his own position. First he takes up one, and in attempting to argue us into it he argues himself out of it, then seizes another and goes through the same process, and then, confused at being able to think of nothing new, he snatches up the old again, which he has sometime before cast off. * * *

"He is a bewildered, confounded, and miserably perplexed man."

This kind of leadership the American people will no longer tolerate. The signs are unmistakably clear. There is an insistent yearning call for a leadership that will stand unflinchingly for the eternal truths lived by the great Lincoln.

Let us, all of us, all Americans, rededicate ourselves tonight to his precepts and principles, so that our beloved country, with God's help, again may enjoy the blessings of freedom and opportunity.

And now back to Carroll Reece, our national chairman, in Indianapolis.

Chairman REECE. When Lincoln was struggling to maintain the Union, one of the areas from which he drew most effective and loyal support was New England. Our next speaker on the program is a product of that area. He is a man who holds today the second highest official position in our Federal Government.

Tonight, he has been a speaker at the great Lincoln Day dinner in New York City. He will speak to you from there. I now present the Honorable JOSEPH W. MARTIN, JR., of Massachusetts, Speaker of the House of Representatives.

Speaker MARTIN. Tonight, the fate of civilization hangs in the balance. Everywhere in the world men, women, and little children, terrorized by the flames of war which have swept their homes away and which have left them miserable, hungry, confused and fearful turn their eyes to the United States and cry "Help us lest we perish." In that bygone day of Lincoln in our own Nation, the fate of the Union hung in the balance. Dark clouds of trouble hovered low over our own fair land. Today throughout the whole world including our own country, dark clouds of danger and threats of disaster hang low and everyone is afraid.

We in our generation must save civilization, even as Lincoln, in his generation, saved the Union. Little did the men and women of his day know the Union he preserved would become the hub upon which the fate of the whole world would turn. But so it has become. The people of the North, the South, the East, the West, patriotic Americans all, stand shoulder to shoulder in the struggle to make sure civilization shall have a new birth of freedom, and that free government and human progress onward and upward shall not perish from the earth.

In that struggle, we must go forward with Lincoln's unfaltering faith in God, and his deep trust in the people.

We must keep our own Government of the people safe, sound, strong, and solvent. This must be done for the sake of all those who love liberty everywhere in the world. Their great strength and hope lie in America. Their inspiration, too, is in Lincoln's wonderful example of faith, determination, and fortitude.

If our own Nation loses its free way under our American system, if liberty withers in Lincoln's America, the beacon of hope for all the rest of the world will become dim and flicker out; the torch by which the footsteps of mankind are being lighted onward and upward will lose its flame and men will become lost in the darkness of despotism and ignorance.

As we see freedom faltering in so many lands, we must give the world the great example of making liberty a practical chart of life in these United States. It would be unthinkable that the lives which have been offered up by men in their last great sacrifice upon the alter of their country should have been given in vain. It is unthinkable that the privations which our forebears have endured should come to naught. We in this Nation shall not meanly lose our liberties and allow the great handiwork of the founding fathers to fall in failure. We shall be true to Lincoln's faith in us. We shall be true to our faith in Omnipotent Providence. We shall be true to our faith and confidence

in ourselves. We shall not permit political greed for power or wanton extravagance in government, reckless waste, or conniving schemes to defeat our great aim to maintain our own liberty under our American way, and to help lead the other peoples of the planet back to sanity and peace.

As a Nation we say to the world, in Lincoln's words:

"With malice toward none, with charity for all, with firmness in the right, as God gives us to see the right, let us strive to finish the work we are in. * * *"

God bless Lincoln; God bless America.

I now return you to Indianapolis, and Chairman Reece.

Chairman REECE. On our program tonight four great Republicans, and four great Americans have addressed you from widely separated cities in the United States. They have sought to bring you the message of the Republican Party; the message, which I hope will assist you in making the right decision in this year of destiny. We believe that the destiny of this great Nation, and indeed the destiny of the world itself, depends upon adherence to the principles which have made this Nation great and which will make it even greater unless they are disregarded.

This is more than a Presidential election year. It is the year in which the American people have what may well be their last chance to make a free decision as to the future of our Nation. All of us, Republicans, Democrats, and those of no political affiliation, are in the same boat. If we go on the rocks, we will all sink together.

The Republican Party enters the Presidential campaign this year animated by a determination to save our way of life and our form of government, and a conviction that this can be accomplished only by the election of a Republican President who will be guided by the principles of Abraham Lincoln—the principles which saved this Nation once before and will save it again.

We appeal to all Americans to join us in this great endeavor. Let us not forget the admonition of Lincoln here in Indianapolis on February 11, 1861, while he was on his way to Washington to assume the Presidency. He said:

"I appeal to you to constantly bear in mind that not with politicians, not with Presidents, not with office seekers, but with you is the question: Shall the Union, and shall the liberties of this country be preserved to the latest generation?"

ANNOUNCER. During the past 30 minutes you have heard five leaders of the Republican Party in tribute to Abraham Lincoln. The chairman of the program was the Honorable Carroll Reece, chairman of the Republican National Committee, who spoke from Indianapolis. The Honorable Dwight H. Green, Governor of Illinois, was heard from Springfield, Ill. The Honorable JOSEPH W. MARTIN, Jr., Speaker of the House of Representatives, spoke from New York City. Senator KENNETH S. WHERRY, acting majority leader of the United States Senate, was heard from Huntington, W. Va., and former Congresswoman Clare Boothe Luce was heard from San Bernardino, Calif. This program was presented in the public interest. This is the American Broadcasting Co.

Ohio Veteran Laws

EXTENSION OF REMARKS

OF

HON. JOHN M. VORYS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. VORYS. Mr. Speaker, many Ohio veterans are not fully aware of their legal rights to various benefits, privileges, preferences, and exemptions, as extended to them, under certain circumstances, by the laws of the great State of Ohio. I am, therefore, pleased to present, for their information, an outline of such laws, as compiled by my good friend, Albert L. Daniels, department adjutant of the Disabled American Veterans, 111 Wyandotte Building, Columbus 15, Ohio, who will be happy to furnish more specific information on any such State law.

Mr. Daniels, incidentally, has been a member of the Ohio Legislature for 12 years, the last 8 of which have been spent in the State senate, and, at the present time is chairman of the senate committee on finance. He is an outstanding leader of the legislature, particularly on veteran questions.

Mr. Albert Croy is department commander. He is publisher and editor of two newspapers in Van Wert County, the Ohio City Progress at Ohio City and the Radar at Convoy. As a World War I veteran myself, I have been interested in the DAV for years, even though I was not wounded or disabled, because of their fine service in behalf of comrades who were less fortunate than I. The DAV is definitely in good hands in Ohio with an excellent history of constructive accomplishments on behalf of war disabled veterans and their dependents during the past 15 years.

This résumé of Ohio laws, affecting veterans, their dependents, and organizations, is as follows:

BONUS

A bonus is being paid to every honorably discharged veteran of World War II who served on active duty in the armed forces between December 7, 1941, and September 2, 1945, both dates inclusive, and who, at the time of commencing such service, had been a resident of the State for at least 1 year and who served at least 90 days or who is still in such service. Amount—$10 for each month of domestic service and $15 for each month of foreign service with a maximum of $400. Survivors of eligible persons also have entitlement.

BURIAL ALLOWANCE AND ALLIED BENEFITS

A maximum county allowance of $100 is provided for the burial of indigent veterans, their mothers, wives, or widows. Burial may not be in a potter's field. Privilege is granted for removal and reinterment of bodies in soldiers' plot.

Counties, townships, and municipalities may purchase and maintain burial plots for burial of deceased veterans.

Cemetery associations have been granted certain powers.

The county recorder is the custodian of records concerning the location of veterans' graves and upon request from a veterans' organization 30 days prior to Memorial Day, shall furnish such organization with a list of all veterans buried within the county.

It is the duty of the adjutant general to preserve a record of place of burial of veterans.

Cemeteries may not prohibit the erection of a headstone provided by the United States or by the State of Ohio for veterans' graves.

The county is required to furnish, on petition, markers for veterans' graves for the purpose of designating such graves for memorial purposes.

The county shall apply to the United States for a suitable headstone for the grave of a deceased veteran and have same set in place.

CIVIL RELIEF AND ALLIED BENEFITS

Acknowledgment is made of legal instruments and the administration of oaths.

Disability of minority is waived for a veteran or spouse to contract under the GI bill of rights.

Protection is granted to persons in the armed forces in case of civil actions arising during period of military service.

CIVIL RIGHTS AND DUTIES

Absentee registration and voting is provided.

Provisions for voting by inmates of soldiers' homes have been made.

CLAIMS—ASSISTANCE IN OBTAINING BENEFITS—SAFEKEEPING OF PAPERS

Representatives of recognized veterans' organizations are appointed as commissioners with power and authority to administer oaths and take acknowledgments in connection with instruments to be used in prosecuting claims before the Veterans' Administration.

The State commissioner of soldiers' claims administers oaths without charge.

Free copies of public records are provided for wards of the United States Veterans' Administration under the Uniform Guardianship Act.

County recorders issue, without charge, a certified copy or certified photostatic copy of discharge papers.

The Veterans' Administration or other United States Government agency may obtain from the director of health, without expense to the State, transcripts of, or information from, birth, stillbirth, and death certificates without payment of any fee.

It is the duty of the State commissioner of soldiers' claims to assist veterans, their heirs, or representatives with their claims against the United States.

The soldiers' relief commission in each county is empowered to employ a county veterans' service officer to advise and assist veterans, their wives, widows, children, parents, and dependents.

EDUCATIONAL BENEFITS—QUALIFICATIONS FOR THE PROFESSIONS AND TRADES

Training in the armed forces is accepted as active practice required of applicants for registration as professional engineer.

Tuition benefits are extended to veterans.

EMPLOYMENT PREFERENCES, PRIVILEGES, ETC.

At least 7 of the 11 members of the board of trustees of town, municipal, or county memorials to veterans shall be veterans. Preference shall be given to veterans in employment on the construction and maintenance of such memorial buildings.

Members of the school retirement system in the armed forces are considered as on an indefinite leave of absence if they return within 2 years after discharge, with all rights preserved.

Members of the soldiers' relief commission and service officers appointed by the commission in each county must be veterans.

Period of service with the armed forces is not counted in determining eligibility for appointment to position in the police or fire departments recreated within 3 years after its abolition.

Preference is given to veterans in employment as caretakers of county or township memorial buildings.

Preference is given to veterans under civil service in State and local units as to examination and appointment.

Preference is given to veterans, their wives, widows, and children in employment by the soldiers' relief commission, as investigators.

Benefit rights are preserved under the Employment Insurance Act.

Retirement rights of public employees, teachers, and school employees in military service are preserved.

Full credit is extended to police and firemen's relief and pension funds for time spent in the armed forces of those honorably dis-

charged on or before September 30, 1948, and who shall have made application for reinstatement in their department within 90 days after discharge.

Classified State employees may be reinstated after termination of military service in World War II with preservation of civil-service rating.

Representatives of congressionally chartered veterans' organizations recognized by the Veterans' Administration may be appointed as State veterans' commissioners.

Retirement is provided under the State employees' retirement system (also public school or teachers' retirement system) where the cause of disability was the result of military service.

Unemployment compensation provisions are extended for those entering the armed forces.

GUARDIANSHIP

The superintendent of the Ohio Soldiers' and Sailors' Home is the guardian of the estate of all minors admitted to the home.

A uniform veterans' guardianship act has been enacted with modifications, providing for the appointment of a guardian of an incompetent veteran or the minor child of a veteran, to receive certain benefits on behalf of such ward.

HOMES

Veterans, their wives, widows, and mothers may be admitted to the Madison Home.

Veterans may be admitted to the Ohio Soldiers' and Sailors' Home.

Orphans of veterans may be admitted to the Ohio Soldiers' and Sailors' Orphans' Home at Xenia.

HOSPITAL BENEFITS

An incompetent veteran may be committed to a Federal hospital under the Uniform Guardianship Act.

Counties, etc., are authorized to purchase land in cooperation with the United States public-works projects for building veterans' hospitals.

MARRIAGE

All marriages of soldiers performed in the State from the beginning of World War I up until February 28, 1919, under marriage licenses issued by their commanding officers or other military authority, have been declared valid and binding. Such marriages shall be recorded by the probate judge on payment of a fee of 50 cents.

For good cause a probate judge may waive the 5- to 30-day waiting period before issuing a marriage license.

Regardless of the requirement that marriage license be obtained in the county where the female resides, the probate judge of any county must issue the license to any soldier or sailor stationed in his county and to the prospective bride of any such soldier or sailor.

MEDALS, CERTIFICATES, ETC.

Badges of honor have been provided for veterans who had service on the Mexican border, Spanish-American War, and World War I.

Provision has been made for a special State roll of honor to accord recognition to officers and enlisted men who received awards for gallantry.

MEETING PLACES, MEMORIALS, ETC.

A memorial forest has been established in Hanover Township, Ashland County, in commemoration of those citizens who lost their lives in World War II. The Ohio Federation of Women's Clubs is erecting a memorial shrine building.

Suitable markers have been erected on all State and Federal highways at points crossed by Morgan's raiders in 1863.

The Greene Ville Treaty Memorial Park has been established at Greenville as a State memorial under the State Archaeological and Historical Society. A $20,000 canvas painting of the event hangs in the rotunda of the State capitol in Columbus.

The taxing authority of any township, municipality, or county may declare additional taxes necessary for the building of memorials to commemorate the services of all members and veterans of the armed forces.

To honor three of Ohio's famous fighting divisions, State Route No. 3 has been designated Thirty-seventh Division Memorial Highway; State Route No. 42 has been designated Forty-second "Rainbow" Division Memorial Highway; United States Highway No. 21 has been designated Eighty-third Division Memorial Highway.

PATRIOTIC HOLIDAYS

Annual appropriations made by county, city, or town for Memorial Day observance are expended through veterans' organizations.

County commissioners provide Memorial Day markers for veterans' graves upon petition of any Memorial Day association or veterans' organization and pay the expense of placing such markers.

RECORDS, RELICS, ETC.

The 700 extra copies of the Official Ohio Roster of the Soldiers of the American Revolution have been transferred to the Ohio Society of the Daughters of the American Revolution.

A war history commission has been established with biennial appropriations.

RELIEF AND REHABILITATION

Banks, building and loan associations, and domestic life-insurance companies may make loans to qualified veterans under the GI bill of rights.

A postwar program commission has been established to study restoration of World War II veterans to private industry.

The county soldiers' relief commission extends relief to needy veterans, their wives, widows, children, and parents.

The board of trustees of town, municipal, or county memorials coordinate and assemble within a county one-stop information or service centers where all governmental agencies for the benefit of veterans operate. The centers are located in the memorials.

Where the proceeds of admissions are used for the benefit of needy veterans, such admissions are exempt from taxation.

TAX EXEMPTIONS, EXEMPTION FROM LICENSE FEES, RENEWALS, ETC.

No tax may be collected on admissions where the proceeds inure exclusively to benefit persons in the military or naval force, National Guard organizations, Reserve officers' associations or organizations, posts or organizations of war veterans, or auxiliary units or societies, provided no part of the net earnings go to a private stockholder or individual.

Residents of State institutions and military homes may fish without a license.

Persons in active military service are exempt from motor-vehicle license requirements during furlough and from examination after discharge.

A special license is issued for operation of a motor vehicle not to exceed 12 times a year for parade and exhibition purposes, with an annual fee of $2. Such licenses are issued only to the American Legion, VFW, and Forty and Eight.

Veterans are required to pay a nominal fee only for peddler's license.

A disabled or an unemployed veteran may do business as a vendor, as defined in the retail sales tax act, in more than one county under a single license.

Embalmer's or funeral director's license is renewed without cost during period of military or naval service.

Any trade or professional license is renewed without penalty or examination after discharge from the armed forces.

Monuments, monumental buildings, and funds set apart for building of monuments to veterans are exempt from property tax.

Real estate held or occupied by veterans' memorial associations, monumental building associations, etc., is exempt from property tax.

Time is extended for filing tax returns, reports, or information required by law to be furnished to the department of taxation of the State or to any county auditor of any county for members of the armed forces during World War II until 6 months after a discharge.

Funds raised and set apart for the purpose of building monuments to veterans of the State and monuments and memorial buildings are exempt from taxation.

The requirement that a club shall have been in existence for a period of 3 years in order to qualify for a D-4 liquor permit does not apply to units of organizations chartered by the Congress of the United States or a subsidiary unit of a national fraternal organization, provided, however, that the parent organization has been in existence for 3 years or more at the time of making application.

VETERANS' ORGANIZATIONS

State appropriations are made biennially to the following veterans' organizations: Grand Army of the Republic, United Spanish War Veterans, American Legion, Eighty-third Division of AEF Veterans' Association, Veterans of Foreign Wars, Ohio Rainbow Division, Thirty-seventh Division AEF Veterans' Association, Disabled American Veterans, American Legion Buckeye Boys' State, Army and Navy Union. The funds appropriated are used to render various types of service to veterans and their dependents.

Provision has been made for policies of group life insurance covering members of veterans' organizations.

The unauthorized wearing or use of insignia, badges, etc., of certain veterans' organizations is punishable by a fine not to exceed $20 or imprisonment for not more than 30 days, or both.

County commissioners may permit use of county buildings by any society or association of soldiers, sailors, marines, and pioneers.

Certain counties may erect memorial structures with room suitable for a meeting place for the Grand Army of the Republic, Woman's Relief Corps, Sons of Union Veterans, or any other organization for the benefit of Civil War veterans or their descendants.

Certain veterans' organizations have rights with respect to the use of county memorial buildings.

Suitable rooms, including heat, light, and janitor service are provided in State armories for the following veterans' organizations unless a State, county, or municipal memorial has been provided: The Grand Army of the Republic, Woman's Relief Corps, Sons of Veterans, Sons of Veterans' Auxiliary, Daughters of Union Veterans, United Spanish War Veterans, United Spanish War Veterans' Auxiliary, Veterans of Foreign Wars, Union Veteran Legion, Army and Navy Union, American Legion, Disabled American Veterans.

The boards of trustees of town, municipal, or county memorials may provide, with or without cost, suitable county headquarters for nationally organized veterans' organizations chartered by Congress.

Township memorial buildings are to be open and free to and for the use of veterans and allied organizations as meeting places.

Counties, cities, and towns may make annual appropriations to veterans' organizations for Memorial Day observance.

Members of the Soldiers' Relief Commission and service officers and other employees appointed by the commission in each county must be veterans.

Members of veterans' organizations are exempt from prohibition as to wearing of uniforms.

Most of the above-mentioned laws have been enacted by the Ohio Legislature during the last 27 years through the sponsorship and cooperation of the DAV and other veterans' organizations.

The people of the State of Ohio give evidence of their confidence in the service work of these veterans' organizations by making biennial appropriations to the DAV, as well as to the American Legion, VFW, USWV, etc.

Most of the 108 DAV chapters in the State, whose membership dues average about $5 annually, maintain volunteer or part-time service and employment officers.

In addition to such State-wide service, the DAV maintains 12 full-time national service officers, under the direction of Bernard Southard, at the Veterans' Administration regional office in Cincinnati, and four others, under the direction of John N. Nemeth, located at the Veterans' Administration regional office in Cleveland.

These DAV experts extend all types of assistance to veterans and their dependents, tion, presentation, and prosecution of their justifiable claims for various types of govmore particularly in the technical preparaernmental benefits to which they may be lawfully and factually eligible.

The DAV is primarily a one-purpose organization—to see to it that all war disabled veterans and their dependents receive their just entitlement to rights and benefits provided under many complicated laws, Federal and State.

To provide gainful employment for all such disabled veterans, the DAV has developed a Nation-wide man-job-matching method program.

During its more than 27 years of service activities, the Disabled American Veterans has sponsored and supported much liberalizing legislation, nationally and in each State.

Formed in 1920 and chartered by Congress in 1932, the DAV is composed solely of men and women who were wounded or disabled as a result of their service to the United States in time of war. My good friend, Gov. Thomas J. Herbert, is a life member of this organization.

National headquarters of the DAV is at 1423 East McMillan Street, Cincinnati 6, Ohio, under the direction of Vivian D. Corbly, national adjutant, together with Capt. Cicero F. Hogan, as assistant national adjutant.

Having specialized in the protection and promotion of the justifiable needs and welfare of America's disabled defenders, the DAV feels that it has been thereby rendering a great service to these veterans and to our country.

Address of Hon. Joseph W. Martin, Jr., Before the National Republican Club's Lincoln Day Dinner in New York

EXTENSION OF REMARKS

OF

HON. W. KINGSLAND MACY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. MACY. Mr. Speaker, under leave granted me to extend my remarks in the RECORD, I have the privilege and honor of including, preceded by my brief introductory remarks, the very excellent and forceful address of the Honorable JOSEPH W. MARTIN, JR., at the sixty-second annual Lincoln Day dinner of the National Republican Club in the grand ballroom of the Hotel Waldorf-Astoria in New York City last Thursday evening, February 12, 1948:

INTRODUCTORY REMARKS BY HON. W. KINGSLAND MACY, PRESIDENT OF THE NATIONAL REPUBLICAN CLUB

President Hoover and other unusually distinguished guests, members of the National Republican Club and their friends, and I have to thank our chairman of the evening for an all too generous introduction, the inspiration that comes from this gathering should in some measure compensate all those who have contributed to make it the magnificent occasion that it so obviously is.

To Dr. Wolfe for his erudite address, to Senator FERGUSON for his brilliant governmental discussion, our grateful thanks.

I bring, also, greetings to one and all from Governor Dewey, whose unprecedented administration has done so much for the people of our State of New York, which has consequently inured to the benefit of our Republican Party.

The Speaker of the House, the most powerful representative body in the world today, is by virtue of his office a dominating figure in our Government, made even more so by recently enacted legislation affecting Presidential succession. Yet, the present encumbent, by his forthright demeanor, his complete understanding of governmental processes, and his all-pervading kindly attitude and approachableness has so endeared himself to Representatives on both sides of the aisle that the influence of his personality goes far and beyond. No colleague of mine or his would be other than extremely proud to present, as I now do, JOE MARTIN.

ADDRESS OF SPEAKER MARTIN

Tonight as we are gathered here to honor the memory of one of the world's immortals, the martyred Abraham Lincoln, we in this hour of world confusion can feel something of the anxieties which weighed upon him. He was President when the fate of the Union was in the balance. We today must strive to have Lincoln's faith in providence and in the destiny of our country. We are again at the point of a fateful decision. Civilization must be saved. Our generation must save it.

We have just passed through a second world war to preserve liberty and perpetuate civilization everywhere. As the distinguished Michigan Senator, HOMER FERGUSON, has pointed out, we are now confronted with a desperate struggle to maintain liberty at home. We dare not assume freedom in our own Nation is assured. Eternal vigilance today, as always, is required.

Congress must maintain our free constitutional Government, free economy, and free society.

The administration whose party has been in power for 16 years is now demanding the greatest peacetime appropriations in our history; it demands a return to governmental controls, rationing, and price ceilings. What we need is more of the Spirit of '76, and less of the spirit of 76,000 bureaucratic regulations. To get that spirit we must have a Republican President and a Republican Congress. And that is what we will have next January.

Our freedom has been seriously whittled away in the last 15 years. The citizens' liberties have ceased to be secure. We are reaping the fruits of those reckless days of the New Deal. Bureaucrats still have the old scheme of operation which can be stated in two lines:

You make it; we take it;
You lend it; we spend it.

From the White House down, there is bitter resistance to efforts of the Congress to cut Government spending.

The $39,700,000,000 proposed expenditures for fiscal 1949 is more than four times the amount spent just before the war, in 1940. It is eight times the amount expended in 1933, when a New Deal President was first elected on a campaign promise to cut Government costs by 25 percent. Now they have the gall to tell us a $40,000,000,000 budget can't be cut a thin dime. But it is going to be cut, and this Republican Congress is going to do it.

Nobody in the administration seems to realize we cannot forever go on wildly spending more and more of the people's money laying an increasing burden of taxation upon them, and still keep the United States safe, sound, solvent, strong, and free.

Only a strong United States can possibly combat the threat of world communism.

The best we can do to achieve that is to help the other nations to help themselves. The Communists are at work to stop effective aid to Europe. They want to produce the confusion and chaos which will enable them to take over the governments, enslave the people, and rule. They conspire to destroy our American system.

We spilled rivers of blood and gave torrents of goods, machines, and services to fight for freedom abroad. We Republicans mean to keep freedom at home; we are making that fight now. We know we can count on the people's support.

Our domestic economy shall not be tilted off balance by excessive taxes nor forced into ruin by inflation. Our Nation can be kept strong, sound, solvent, and free. It cannot be done by giving the administration new powers of rationing, regulation, and coercion over the lives of our citizens. No man ever set himself free by putting on handcuffs. We became a great nation by following the highway of freedom. We are going to remain a great nation by staying on that highway.

The veterans of the wars and all the other young people want their chance to get ahead. They deserve that chance. They are going to get it.

We are confronted in this country by three fundamental conditions; any one of them could prove our ruin. None of them need prove our ruin if we will exercise common sense and good judgment.

I want to discuss those conditions.

The administration has squirmed and wiggled in every possible way to evade responsibility for inflation. The fact remains the seeds of high prices and inflation were planted by New Deal deficit spending. The currency was inflated by billions of dollars. Bank portfolios were inflated by more billions of Treasury paper. Still more billions were sold, after the war began, to the people in bonds. War activities were inflationary. The greater part of everything produced was destroyed in war. Wages and salaries remained at home. A great backlog of demand and purchasing power piled up. When those two forces operated in the markets, prices went up.

Then came this world-wide demand for aid to other peoples. Drafts on our production for that program constitute a further inflationary force. Goods, machines, and services are again going overseas, and the wages and salaries stay at home. The answer to high prices is production and more production—on the farm, in the field, in the factory, and in the mill. We must get that additional production, with lower prices and improved quality, without reducing wages or increasing working hours. Then, every man, woman, and child in the United States will actually realize an increase in real income. That production can come only through patriotic cooperation between labor, agriculture, management—every citizen who loves America and liberty.

To obtain that production we must consider taxes.

Taxation, Federal, State, and local, takes 31 cents out of every citizen's dollar. Of that

amount, about 11 cents goes in direct income tax to the Government. The rest is collected in prices. The Government compels the retailer to become its tax collector, and grab 20 cents of every dollar the American housewife takes to the store, for governmental bureaucrats to spend. We passed a tax bill twice in the first session of the Eightieth Congress. Twice Mr. Truman said the people were not entitled to a reduction of taxes. Therefore, he vetoed our tax proposals.

We passed a tax-reduction bill in the House last week. This bill gives more than 71 percent of the tax relief to the people with incomes of less than $5,000; it frees 6,000,000 people from paying any tax; it gives special relief to the neediest of our people, the aged and the blind. It helps the American taxpayer to meet the high prices. It provides incentive for men and capital to work together for needed expansion and more jobs for the people. There is nothing wrong with a fair profit in business.

We Republicans believe lower taxes will spur production and bring lower prices for the people. We are going to see that the people get them. Our opponents claim tax reduction would be inflationary, because, they say, it would leave the people with too much money in their pockets. All you folks out there who think you have too much money please stand up.

Nobody can now say Government operation under compulsion is any good. Look at Russia. Communism is a threat to us as well as to the rest of the world. A lot of people who, for 15 years or more, played around with the Communists and the pinkos were given places of high power and influence in the Government. There is absolutely no question but what the New Deal administration knew full well the intentions of the Kremlin.

We Republicans warned of this menace of communism for 10 or 12 years. We told the Nation the Communists were sneaking into high Government places. Now it is going to take a Republican administration to clean out these fifth columnists, and traitors from the governmental structure. Those who insisted for years in keeping them there will never do the job.

Another problem is the proposal to spend billions of dollars for foreign aid.

The only proper yardstick by which to measure foreign-aid cost to our people in sweat and toil is its proportion to our total production. That is the only way we can get an intelligent concept of what we are undertaking to do. Of course, we intend to help Europe. But the people are entitled to know exactly what they are being asked to undertake; how much it will cost them; and how the whole program shall be administered.

This is going to put a great strain upon our own people. It cannot be tried a second time, if it fails the first. I propose the rule which shall guide the administration of European aid shall be: Economy, efficiency, commonsense, and cooperation. We are confronted by unusual expenses. We must face that.

We know we must maintain a national defense—especially in the air—fully adequate for any emergency. We cannot and will not neglect this national defense. The Congress has been accused of rendering our defense in the air an empty shell. The fact is the Eightieth Congress in its first session actually permitted the air services to spend, in fiscal 1948, $76,000,000 more than the President asked. I ask you—when did generosity ever starve anybody to death?

The total reduction in the expenditures in the armed forces was only 1.3 percent or $120,000,000. Now if a reduction of $120,000,000 destroyed our national defense, and made a hollow shell of our air services, in Heaven's name, what did the services do with the $9,400,000,000 they were granted?

That is a question the people are entitled to have answered, and should insist on having answered. I could cite many other instances wherein distortions of fact and rank misstatements have caused unjust criticism of the Congress. Caught between these crushing inflationary prices, the crushing burden of taxation, and the crushing loads of foreign aid, we need an administration which realizes the vital necessity of economy and efficiency in Government.

The New Deal has had 16 years in which to prove it knows how to achieve efficiency and economy. For 16 straight years it has failed. The Republican Congress achieved the first balanced budget in all that time. We have started to pay off the national debt. We have reached a point where we can no longer temporize with political trickery or subterfuge; nor can we tolerate waste and inefficiency anywhere in government. We must overcome inflation by increased production and lower prices.

We must lower taxes. We must do everything possible to make sure our heavy expenditures in foreign aid will succeed. The only way this Nation can get such assurance is to turn out the incompetents in Government. This will be done with the election of a Republican President and Republican Congress.

In this last great haven of liberty, we must as a united people, pull together to win the world back to peace; to put a stop to ruthless aggression; to make sure we can perpetuate religious and political liberty. It is a great challenge to the American people. They will not fail. Pray God we may bring Lincoln's courage and Lincoln's faith to the task.

We Have Failed Indonesia

EXTENSION OF REMARKS
OF

HON. ARTHUR G. KLEIN

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 29, 1948

Mr. KLEIN. Mr. Speaker, in the rich and storied lands of the Far East, off the mainland of Asia, the march of democracy is strong and heart warming. Exploitive colonialism is falling away into the limbo of forgotten crimes against humanity.

The United States has withdrawn from the Philippines and the new Philippine Republic has become a functioning reality.

Not too far away, as distances are measured in the vast sweeps of the Pacific, the new Indonesian Republic has emerged from the clouds of civil war, Japanese aggression, and lingering Dutch imperialism.

The analogy with American history is obvious and unmistakable. Just as our own American Revolution against British exploitation was preceded by meetings, discussions, and fervent planning, so in Indonesia the vast masses of people worked their slow way toward fitness for independence and self-rule through the processes of education and economic improvement.

The Indonesian Republic now is in the same stage of development as was our own beloved country in the decade which followed the Revolutionary War.

We are bound to the national aspirations of exploited people by an unseverable bond of sympathy and association. We have hailed the final reluctant step of the Imperial Dutch Government in recognizing the existence of the Indonesian Republic, and in disclaiming imperial designs on the islands.

In that connection I am inserting in the RECORD an editorial from Labor, a weekly newspaper published here in Washington, and an article entitled "We Have Failed Indonesia," from the February 18 issue of the Christian Century. This article was written by Garland Evans Hopkins, who is an associate secretary of the Board of Missions of the Methodist Church, and who is well qualified for his authoritative position by his own first-hand investigations in Indonesia, and by his particular responsibility for liaison with government and business leaders.

The record of courage of the Indonesians in resisting Japanese aggression, and of willing and active and dangerous cooperation with allied forces of liberation, has been written with blood in the history of World War II in the Pacific theater.

Yet the United States is preparing to expel some natives of Indonesia from this country in accordance with our outmoded immigration and naturalization laws. Most of the victims of this legalistic and unfeeling move are residents of my congressional district. They are, or can be, good American citizens. Many of them are married to American citizens. Others fought in our army against tyranny.

Through the intervention of the Indonesia League of America, Inc., an organization devoted to the promotion of better understanding between our country and Indonesia, bills are being introduced in both Houses of Congress to enable these gallant allied people from the East to remain in the United States and to acquire citizenship through amendment of our archaic laws.

I hope, Mr. Speaker, that all of us here will support these measures and will cooperate to the end that we may reach passage in this session; and I hope that the Commissioner of Immigration and Naturalization will use his widest discretion through benevolent deferment of any legal proceedings against these people.

The matter referred to follows:

[From the Christian Century]

WE HAVE FAILED INDONESIA

(By Garland Evans Hopkins)

Several months ago in these columns I asked, "Will we fail Indonesia?" The answer can now be given. It is clear that we have failed Indonesia. Recall the sequence of events. It was on August 1, 1947, that the world thrilled to the forthright action of the Security Council in calling on the Netherlands and the Indonesian Republic to put an end to hostilities and settle their dispute by arbitration or other peaceful means. Cease-fire orders from both governments followed on August 4, but each party immediately charged the other with violations.

On August 14 the Indonesian statesman, Soetan Sjahrir, requested the Security Council to supervise the cease-fire order, to ask that the Netherlands troops be withdrawn to former positions and to provide an arbitration commission. He pledged that his government would abide by the decision of

the commission. The Netherlands delegate answered that the Council had no jurisdiction in the matter. He proposed mediation by an impartial third party functioning without relation to the Council. He also proposed that the career consuls in Batavia should jointly report the situation.

COLONIAL POWERS SUPPORTED

In all the discussion which followed these proposals, Herschel Johnson, the United States representative on the Security Council, stood solidly behind the colonial powers. His original attitude of contempt toward Indonesia gave way to one of restrained courtesy, perhaps because of the numerous demands in support of the colonies made upon the State Department by leading Protestants. But it is doubtful that there was any fundamental change in his viewpoint. If more American churchmen had become vocal the situation might have been saved.

However, not all American churchmen were against colonialism. One leader wrote: "The economic life of Holland itself is at stake. * * * Americans should never forget this. Holland's continued existence depends upon the resources of the Indies." This kind of statement was grist for the mills of our Europe-minded State Department and UN delegation. Throughout the discussions Russia and Poland, from whatever motive, were saying the things a dynamically democratic United States should have said. There was a sharp rise in the numbers and prestige of the Communist Party in Indonesia.

On August 25 the Security Council passed a resolution which, among other things, requested the "governments members of the council who have career consular representatives in Batavia to instruct them to prepare jointly * * * reports on the situation." It tendered its good offices, expressing readiness, if requested, "to assist the settlement through a committee of the council consisting of three members of the council, each party selecting one, and the third to be designated by the two so selected." In other words the council, largely at the insistence of the United States, refused to undertake arbitration and accepted the procedure of "good offices," a device which had already twice failed.

The career consuls' report offered more hope of getting at the truth than previous devices had done, particularly in view of the fact that the strongly pro-Dutch American consul general, Walter Foote, had been relieved of his duties in Batavia. But then the United States Government clearly showed its hand: it requested Foote to remain and serve with the career consuls in making the survey. The resulting report presented two directly opposed positions as admissible interpretations. It was tendentious and of little value.

On October 1 Frank Porter Graham, president of the University of North Carolina, and a recognized liberal, was appointed as this country's representative on the Good Offices Committee (GOC). The move was welcomed by friends of Indonesia, though the battery of advisers provided by the State Department raised a question as to how far Graham would be free to exercise his own judgment. Reports from Indonesia soon showed that his chief task was to mediate between his fellow committeemen, R. C. Kirby, of Australia, and Paul Van Zeeland, of Belgium, whose differences to date have prevented the presentation of a report to the Security Council and may result in two or even three reports being submitted.

It will undoubtedly be years before the full story of the negotiations can be made public, but it is hardly hazardous to guess that Graham has been torn between his personal convictions and demands from the State Department to hew to its policy of subordinating all other considerations to the rehabilitation of Europe. Particularly unfortunate is it that the one man in the State Department who might have raised his voice in support of a more farsighted policy as regards Indonesia—Kenneth Landon, the former Presbyterian missionary who is Acting Chief of the Southeast Asia Division—has frequently been absent from his desk on sick leave. The fact that former Consul General Foote has been kept in Washington as consultant and adviser on Indonesia since his return is highly significant.

UNITED STATES TO BLAME

It is now evident that the GOC has failed. This is doubly tragic. Not only does it blast Indonesian hopes but it adds another to the failures of the United Nations at a time when that organization badly needs a success to its credit. Responsibility for the failure will properly be laid at our door, for if Graham had sided with Kirby, the Renville truce and subsequent statements signed on January 17 would not have been imposed upon the Indonesians. By attempting to steer a middle course between the principles of colonialism and those of democracy, the United States has laid itself open to blame for a document more ambiguous than the Linggadjati agreement. The Indonesians have been forced to yield on practically every point. Their one gain is provision for a plebiscite, but since the Dutch control the territory in which this is to be held, there is serious doubt as to the possibility of a genuine expression of sentiment. The Dutch, on the other hand, have received almost every concession they demanded, even maintenance of the Van Mook line.

Despite the manifest injustice of this situation, Prime Minister Sjarifoeddin was backed by President Soekarno when he stated, immediately after signing the truce: "The Republic is naturally disappointed that the truce finally agreed upon departs so far from what we hoped for * * * but the Republic has accepted the truce and will carry it out to the best of our ability." What else could the leaders of Indonesia do but sign in the face of their commitment to support GOC?

But the people (who are sometimes said to be powerless in the hands of their leaders) were not willing to accept the Renville agreements. The Cabinet members representing the Masjoemi Party—largest and most intensely nationalistic of Indonesian parties—resigned. The stop-gap Cabinet of the Batak Christian Sjarifoeddin fell and Mohammed Hatta, long-time leaders of the extremists, was asked to form a new cabinet.

This is an unfortunate move, so far as the west is concerned. Indonesian liberals like Sjahrir and Sjarifoeddin have long held before their people the hope of western cooperation in attaining freedom and economic stability. The loss of prestige resulting from the failure of every previous effort, and now of the GOC, relegates these men to the background. It is entirely possible that the Indonesian Government will become antiwestern and transfer its hope of support to the Moslem nations. If this happens, it will be a serious blow to both the cause of democracy in the east and to the hope for peace in Indonesia. Responsibility for such a démarche would have to be placed squarely and almost equally upon the Netherlands and the United States.

COLONIAL WAR MADE IN AMERICA?

Until the end of 1945 Indonesians looked to the United States of America as the one power which stood for freedom and emancipation of colonial peoples. They have suffered slow disillusionment as proof piled upon proof that the Department of State was committed to buttressing Dutch power. The Indonesians felt that the Dutch would never have dared to launch their war in the colonies unless the United States had given them the green light. This conviction was strengthened by the fact that while the Hollanders' aggression was at its height the United States continued to lend them money.

Indonesians have been bombed by planes made in America, shot and shelled by tanks, artillery and rifles made in America, and burned by flame-throwers made in America. The death and devastation which have come upon the land were made possible by American money and American arms in the hands of the Dutch. To say that the United States had no concern or moral responsibility for the situation brought about by the use of these weapons is an argument which few Americans, let alone Indonesians, would be willing to accept.

MORE OF THE SAME POLICY

Now, following the truce, the United States has repeated its offer—first made in July 1947 on the very eve of the Dutch war—of $100,000,000 for the rehabilitation of Indonesia. This seems a friendly gesture. In light of the provisions of the truce, however, several questions arise. Who is to spend the money, the Dutch or the Indonesians? What say will the Indonesians have in accepting or refusing the loan, in the terms under which it will be accepted and in its expenditure? Will it be spent for the ultimate good of the Indonesian people? If the money is handed over to the Dutch or to a Dutch-sponsored colonial government, it will simply mean that the United States has made an additional loan to the Dutch with Indonesia as collateral. In the hands of the Dutch such a sum could become a more effective weapon against the Republic than all the arms we have supplied.

It is all too obvious that we have failed Indonesia. But it does not follow that we must continue to make the same mistake. The Dutch Government and the United States Department of State should face the realities. Independence for Indonesia is certain to come. It may be delayed; it cannot be defeated. An aroused public opinion in the United States should demand a complete reversal of our present policy toward Indonesia.

[From Labor]

THIS IS NOT A PLEASING PICTURE

IS THIS THE KIND OF DEMOCRACY OUR BOYS FOUGHT AND BLED TO ESTABLISH?

Aboard one of Uncle Sam's transports, anchored off Batavia, Java, a commission, representing the United Nations, has succeeded in inducing the representatives of the government of the Netherlands and of the Indonesian Republic to sign a truce. The Indonesians are promised a measure of liberty, but—and this is the most disturbing feature of the document—the Dutch retain control of all the natural resources of the territory affected.

Probably it is the best solution the United Nations commissioners can work out at this time, but it calls attention to some ugly facts. Why should the Netherlands, a little country in northern Europe, control the fabulous wealth of thickly populated islands thousands of miles from the Dutch homeland? Of course, the answer is that Dutch and British capitalists insist on retaining the source of their tremendous profits.

The Japs chased the Dutch out of Indonesia. Some of the natives welcomed the invaders because they hated their old masters.

Yankee soldiers and sailors drove out the Japs and the natives felt that at last a real deliverance had come. They were to be free to conduct their own government and to determine their own way of life.

However, the Dutch came back, armed with American and British weapons, and proceeded to slaughter the natives. The situation became so nasty that the United Nations had to intervene, and now we have the results of that intervention.

All through Asia the story will spread and hundreds of millions of yellow men will be convinced that the white man talks a democracy and liberty for all human beings, but mercilessly exploits those who can't stand up against his modern weapons. We ask again:

"Is this the kind of democracy our boys fought and bled to establish?"

Universal Military Training

EXTENSION OF REMARKS
OF

HON. FOREST A. HARNESS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. HARNESS of Indiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me at Kokomo, Ind., on February 12, 1948:

You know that Mr. Truman has demanded that Congress authorize a permanent program of compulsory military training for all American young men who, after 6 months of Army training, would join in a steadily growing pool of reserves. The Armed Services Committee of the House, in compliance with the President's demand, reported such a bill on July 26, just a few days before Congress adjourned last summer. The measure went to the Committee on Rules, where it has since rested.

The Rules Committee, of which I am a member, schedules all legislation in the House. In conjunction with the Steering Committee, it actually determines the legislative program.

Everyone who wants a universal military training program, therefore, has been directing urgent appeals to my committee to schedule this measure for House action. As one of the 12 members of the committee, I have been subjected to constant and intense pressure on this issue. In fact, the proponents have conducted a campaign to induce me to help force the bill out of the committee. Let me quote a portion of a letter sent to the posts in our district by the State commander of the American Legion as a part of this campaign:

"This is a personal appeal for some quick and definite action on your part. The national program * * * is in jeopardy because Congressman FOREST HARNESS is voting to hold in committee our UMT bill. We need a letter from yourself and every other member you can get to write at the earliest possible moment, urging Mr. HARNESS to vote to bring this bill out of committee. Our national representative * * * advises that a big majority of the House favors passage of this important defense bill, but they have been unable to get a chance to vote because it is held in a committee of which HARNESS is a member. The national commander has asked me to get our members of the Fifth District busy, and I have assured him that you would comply in a big way."

Not for a moment would I question the motives of my comrades in the Legion. Every man among them has proved his devotion to America, and I know each speaks from the heart in this issue. I do, however, doubt that my friends have examined the over-all problem of national security as they might.

Naturally, that sort of activity is causing a rather complete misunderstanding of the program and of my position. The fact that I have so far declined to commit myself one way or the other on this immediate proposal has been interpreted to mean that I am against the principle of universal and equal responsibility to serve our country in time of need; that I am opposed to adequate national defense; and even that I am playing politics with national security.

Fortunately, I believe my record in the matter of national security needs little defense, even before the most strident critics. The hard lessons I learned as a combat infantryman in the First World War have not been, and will not be, forgotten. I have always wanted to keep American defenses so strong that no aggressor, or combination of aggressors, would risk an attack upon us.

I have belonged to the American Legion and the Veterans of Foreign Wars from their inception, shortly after I laid aside my uniform in 1919. I have gone up and down our State, and I have repeatedly taken the stump elsewhere in the cause of preparedness. I think my ideas are, and have been, much the same as those of any sane man who has ever heard a shot fired, or a bomb dropped in anger: Avoid war if at all possible. But if war is inescapable be prepared to destroy the enemy quickly, and at the smallest possible cost in lives and treasure. It is also a part of my creed that American might is the strongest possible argument to deter an aggressor who will listen to no other.

Well, then, what about this immediate issue? Does our national security rest upon a foundation of compulsory peacetime military training, or doesn't it? Frankly, I confess that I do not surely know, even though I believe I have studied this question at least as carefully as most of those who insist, with Mr. Truman, that we must rush into a program of training all American youth. I see considerable merit in both views of the question. Enough merit, in fact, to convince me that we ought to examine and debate the issue much more thoroughly. Let me point out what I consider to be compelling reasons why we should not act hastily or hysterically.

Have we actually proved that universal military training is essential to our national security? Do we have convincing evidence that the benefits will be worth the actual cost of $3,000,000,000 per year? If so, are we sure that we will not place undue dependence upon a pool of half-trained reserves, at the expense of the several more important elements of national defense? Do we realize what a complete departure such a program will be from a national philosophy which has always rejected the concept of compulsory service to the state except in periods of dire emergency? Do we fully understand how staggering is the over-all cost of the security program, of which this would become a part? Are we sure that the economy can carry the burden indefinitely? Or, if an over-all budget, including this training program, is too heavy to carry safely, are we honestly willing and ready to cut other security functions just as far as necessary to provide for this program?

These are a few of the key questions which can still be asked open-mindedly and objectively; and which certainly ought to be answered just as honestly and thoughtfully as possible before we reach any final decision.

I frankly do not have the answers and I am convinced that the proponents of the program cannot answer them with positive assurance. The report of the President's Advisory Commission on Universal Training, headed by Dr. Carl T. Compton, frankly admits many doubts as to the wisdom of effectiveness of such a program. Let me give you just a few thought-provoking quotations as evidence that this distinguished group of men, after consultation with 200 military, diplomatic, industrial, and educational specialists, studiously avoid any dogmatic conclusions on the subject.

The Commission says, "We do not advocate universal military training as a panacea which of itself will give us security. We do no give it priority over any of the other elements we have set forth of an integrated national defense program." Now let us see how they define the other elements: "Our first requirement is a mobile striking force, relying heavily on air power, to stop the enemy's attack and hit back at him with all possible force. This force would have to consist of highly trained professional soldiers and fliers * * * We believe that a potential enemy's reluctance to start a war, and his handicap in prosecuting it successfully if started, will be in direct proportion to the power and readiness of our mobile striking force."

The Commission continues by pointing out that our second line of defense is comprised of Regular Army, Navy, Air Force and marines. In a word, our established, regular armed services—not a reservoir of partially trained men. Behind these first- and second-line elements, the Commission calls for a broad, continuous, and intensive program of scientific research and development; and a program of industrial mobilization and stock piling of critical materials which will keep the country fully prepared to meet any emergency.

The Commission says of this over-all program, in which universal military training appears only as a component of relatively minor importance: "All of them are necessary if we are to feel secure in this world. We cannot underscore this too strongly."

And the Commission could not possibly have emphasized more sharply a fatal error which might accompany universal military training than it did in these words:

"We realize that there may be danger if our country puts universal military training into effect, that it will therefore be lulled into a feeling of false security. There may be a tendency for this reason, coupled with a natural desire for economy and lower taxes, to seek to offset the expense of the universal military-training program by a curtailment of one or more of the other military elements of national security. * * * If the introduction of universal military training should have such indirect effect of weakening, rather than strengthening, the other elements of our national security, then our Commission is of the firm opinion that the adoption of universal military training would be a mistake and would diminish, rather than increase, our national security."

For my own part, I believe we have so far given all too little thought to date to the over-all cost of national security according to the plan of which universal military training is a part. Please understand that I have no thought of pinching pennies when it comes to national defense. Whatever it costs us to maintain our freedom as a Nation, the price will still be a comparative bargain. Nevertheless, we ought to know for sure that we can go on indefinitely carrying this load without damaging or destroying our free economy.

First of all, we must go on supporting our front-line forces. The budget for the armed services for the coming fiscal year is $12,000,000,000, in round numbers. Regardless of their views on universal military training, most thoughtful persons agree this is a wise and necessary investment.

But on top of that, we are expected to provide for a training program to cost upward of $3,000,000,000 per year; and to contribute well over $4,000,000,000 annually under the Marshall plan to the recovery of Europe.

Those items add up roughly to $20,000,000,000 per year which we in America are asked to advance for national security. That is just about 10 percent of our total national income. And even this program cannot be considered adequate. The armed services budget is by no means sufficient to provide the sort of research and development, the industrial mobilization, or the stock piling which the Compton commission recommends. And still another Presidential advisory group, the Air Policy Commission, says that present provisions for our Air Force are entirely inadequate; and that ever-increasing investments in air power will be necessary in the immediate future.

Listen again to the wise counsel of the Compton commission:

"In making our plans for national defense we must take realistic account of the financial ability of the country to support the measures that are considered necessary. We

must have protection without such prohibitive cost that it will bankrupt the Nation * * *. Universal military training should not be undertaken at all unless the citizens of this country understand that it has value only as a part of a program that will demand the expenditure of a much larger portion of our national income than we have ever allocated for national defense in peacetime. * * * It is perfectly apparent that the over-all cost of an adequate program is staggering."

When the President's own advisers speak in such strong terms, certainly every thoughtful person must pause and seriously ponder the grave implications.

And as we consider the staggering cost of adequate defense, let us remember that we are expected to carry other costs of government which are equally burdensome. If we adopt the Federal budget proposed for the coming fiscal year, the over-all load on the taxpayers will be $40,000,000,000 or roughly $1 in every five of our entire national income.

Obviously, this sort of spending must stop somewhere—and soon—if we do not intend deliberately to swamp and destroy our free economy. After all, there is a definite limit to the load that even this amazingly strong and productive economy of ours can carry. Many of our foremost economic, financial, and industrial leaders testify that we have already reached the limit of safety, if, indeed, we have not passed it.

But if we weaken or destroy our economic machine, we weaken and destroy the very foundation of national security. Since science has introduced us to total war we need no expert witnesses to convince us that our armed defenses can never be stronger than the economy which supports them. But it is most significant that the Compton Commission places at the very top of its list of essentials to security a strong national economy. Says the Commission report:

"A strong, united Nation is our number one security requirement. It is the bedrock on which all our military preparations depend. In particular, we must be concerned with * * * a healthy economy reflected in full production, full employment, industrial peace, and the avoidance of recurring economic crises or inflation."

Can we hope to keep our economy healthy and growing under such burdens as we are even now imposing upon it, to say nothing of the increased burdens we may be forced to impose to maintain defenses which will assure our national survival?

If the load is too heavy, how and at what points may we expect to reduce it? Will the American people, already chafing under a crushing tax burden, forego the tax cuts they have been promised and which they have a right to expect? We must not, of course, invite disaster by skimping on national defense, so we must seek savings in other portions of the budget. But are our people honestly willing and ready to cut every other function of Government to the bone? Will they support Congress in trimming away every nonessential or overly costly service? Will they even give up a portion of the many services they have come to think of as essential?

Every one of these is a question of the gravest and most imperative importance, and it is worse than idle, it is dangerous to attempt to reach any conclusions about UMT or any other phase of our national security problem until we have the most reliable answers that careful thought and study can provide.

I have quoted generously from the report of the President's Advisory Committee not alone because its authors are distinguished and respected men, but also because it seems particularly significant to me that these men who are perhaps most often quoted in favor of UMT actually render only a conditional endorsement, and very frankly express their own doubts at many points. There are, of course, other equally prominent authorities whose opinions ought to give the most ardent supporters of UMT food for further thought. Among these sources is the President's Air Policy Commission, which I mentioned a minute ago. To persons interested in objective study of our problems of national security I suggest a reading of both these reports.

I hope this brief review explains why I and other members of the Rules Committee have so far refused to be stampeded or coerced on this issue. But I want to emphasize the fact that I, as one lone member of 12, can hardly be expected to direct the committee's final action. After all, I do not own and boss the committee. And I assure you that I, as an individual member, or even the whole committee, can exercise only relatively small influence in the decision Congress makes on this issue.

The opinion was stated in the letter I quoted at the outset, that a majority of the House is eager to vote favorably for the current bill, but is deprived of the opportunity because my committee is blocking the measure.

But whenever a majority desires to take action on any bill, it can discharge the committee and bring the measure to the floor after seven legislative days. All it ever takes to get action is to secure the names of a simple majority—218—on a discharge petition.

Such a petition has been filed on the UMT bill, and has been available to the House membership at the Speaker's desk for some time. Does a majority of the House membership desire the immediate passage of this measure, as the quoted letter indicates? I took the trouble to check just before I left the Capitol yesterday, and I found that up to that time just 13 Members, out of a total of 435, had signed it.

So much for the status of this measure in the House. But that is still only half the story. No matter how the House may act, the Senate must also approve the measure if it is to become law.

Although that body has been entirely free to act, it has done nothing at all to dispose of the issue. Its Armed Services Committee has conducted no hearings; and I can see no evidence that the Senate expects to dispose of the issue any time in the early future.

Despite any reports to the contrary, therefore, a large majority in both Houses obviously share my own and my committee's view, that hasty action on this issue would be unwise. You can take it for granted that the Members of Congress are just as deeply concerned about American security as anyone, but our concern is not leading us to decide this issue until we know more surely the wise and safe course to follow.

Republican Ticket Only Avenue of Escape From New Dealism

EXTENSION OF REMARKS
OF
HON. EDWARD H. JENISON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. JENISON. Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to call the attention of the Congress to an outstanding address made by my distinguished predecessor, the Honorable Jessie Sumner, of Illinois, before the Kansas Republican Women's convention in Topeka, Kans., on January 28, 1948. Miss Sumner's keen insight into the problems of our Government and her rare talent for clarity in thought and presentation are well known to those colleagues who served with her through 8 years in Congress. Her address at Topeka proves once again her courageous devotion to the cause she represented so ably while a Member of this House. It deserves the serious consideration of every Member of the present Congress.

ADDRESS OF HON. JESSIE SUMNER, OF ILLINOIS

The Republican ticket, November 1948, is your only avenue of escape from New Dealism, the form of totalitarianism that masquerades as Americanism.

To be sure, there are some philandering Republican leaders who, having themselves become New Deal camp followers, seem to want the rest of us to join the New Deal harem, too, and who even go so far as to try to tell you that nobody is giving our country away.

But that only goes to show that the primrose path of New Dealism is filled with irresistible temptations, such as:

Washington dinner parties serving lend-lease soup to nuts. Free trips to Europe and all around the world for statesmen who will see only what the New Deal wants them to see. Mixing with lords, dukes, kings, and commissars—with their hands out for handouts or—to put it more politely—who have the common touch. Campaign assistance at the expense of American taxpayers. Being lauded instead of lashed by the New Deal press and the rest of the New Deal disk jockeys. Being photographed for the history books at world peace conferences, pompously picking Uncle Sam's pockets, and diplomatically creating more rendezvous with destiny for America to fight. It isn't surprising, is it, that so many politicians are human enough to cut themselves in on the New Deal racket and thereby qualify as world humanitarians, too?

The New Deal has spared no effort—and no Government money—in its sedulous drive to annihilate all opposition. The President's annual budget is a disguised campaign fund, filled with appropriations calculated to buy the votes of minorities at the expense of the majority. They laughed when the present New Deal President "sat down at the piano." But now you know that every time he plays it costs you billions of dollars. Every note he hits is a bank note.

It is through such legalized vote buying that the New Deal has built up a Nation-wide political machine—which consists of so many self-styled nonpartisan organizations that any club, league, union, or trade association you join is likely to be a New Deal-front organization. It includes teachers and even preachers. Today, like the benighted citizens of Hitler's Reich, you can hardly look or listen without having New Deal half-truths and untruths preached at you as if it were the gospel. Their falsehoods echo and reecho throughout the land until they actually believe them themselves.

The New Deal should have been thrown out way back in 1938. It was already obvious then that this Nation was being led blindfolded into dictatorship, serious currency debasement, and another quixotic war to save the world, from which, as we told them at the time, nothing would come except corpses and communism and more wars to fight. In the sacred name of the United States, New Deal Government officials have delivered unto death and communistic slavery whole countries full of innocent men, women, and little children. They keep ranting and spending for "conservation purposes." But their spending for other purposes has already exhausted many of the vital natural resources

in which this country, as they admitted themselves, was rich at the time they came in. They have become so addicted to war that they don't even give you time enough between wars to raise up a new crop of young men to manhood. If left in control of the United States Government, these Don Quixotes will surely proceed to accomplish the complete degeneration, if not the destruction, of this generation of Americans.

It is sickening to hear over and over again the hypnotizing propaganda that the United States, though still the most powerful Nation in the world, can no longer stand nor prosper alone. What an excuse for paying blackmail to every gold-digging government on earth.

This Nation is the mighty Nation that was born of a high determination never to pay tribute to any foreign government. During the first century of this Republic, while the American people still had the protection of the Constitution and the eternal principles of good government instituted by our first President, George Washington—while we still had Presidents who were neither egotists nor weaklings—nobody dared to attack us but the British and they were soundly defeated. And nobody would dare to attack us now if we had a President who was man enough to follow the Constitution and the eternal principles of national self-preservation laid down by our first President—who was a loyal American President.

Within 8 years after the Revolutionary War, the most exhausting war in American history, freedom had already paid off. Adams and Jefferson, envoys to beggar-ridden Europe, were able to boast that you could not find a single beggar nor involuntary pauper in the whole United States—the land where today most every American is begging for steel and other American products because European beggars are systematically pilfering the American people, with the treacherous connivance of our own Government officials.

The dynamic citizens of the United States, before the Constitution was kicked out from under them, demonstrated continually and irrefutably for over a century, that freedom produces a steadily rising standard of living. As long as they are free to produce what they want and keep what they produce and earn, Americans will produce whatever is wanted at cheaper and cheaper prices. They will work, save, and invest, thereby creating a plentitude of rising opportunities for their fellow citizens to do the same. The formula never fails.

Thomas Jefferson, coauthor of the Constitution, said that the principal problem solved by the Constitution was that of enabling the American people to live free of the oppression common to every government in Europe, where, he said, people were robbed of the fruits of their toil by government politicians, whom he called wolves and thieves because they robbed the people through direct and indirect taxes. And also through the insidious age-old racket of making the people feel prosperous while robbing them of what they have through creating additional money for the rulers to spend after they have spent all that they dare to demand of the people in taxes. And these are the principal rackets by which the New Deal wolves and thieves are grinding the American people down into slavery.

If you can only succeed in selecting a Republican Congress and a Republican President—I mean real Republicans and not mere gigolos for the New Deal—you can be sure that they will curb those rackets. A real Republican victory in 1948 means up from slavery.

It is harrowing to hear the falsetto voice of the wolf in grandmother's nightgown saying that your Government must give what you have to the rest of the world in order that the rest of the world will have as much as you have so that you will have more. What do they think we are? Simpletons? Playing Lady Bountiful with your money has gone to their heads. Like Hitler, the paintslinger, they are infatuated with themselves in their new role of world humanitarians, world leaders, and world conquerers. Heil, the New Deal world order!

Why, the omnipotent Lord Himself did not try to take in any more territory. He gave a chosen few religion and left the rest of the world to work out its own salvation, from the example. Our Christian American forefathers, adhering to the Constitution, refused to give anything whatsoever to any foreign government except a successful example of self-government. But that shining example was enough to inspire the oppressed and impoverished peoples of Europe to seize sufficient freedom for themselves to prosper more than they had ever prospered before. All that the world needs from the United States today is the only thing that it is not getting—the example of good American government.

Today this Nation is being disgraced. Treason is the fashion. Our National Capital crawls with Benedict Arnolds whose hearts beat with adulterous love for foreign governments. Little world statesmen—busily trying to support the whole wide world at your expense, who would not know enough to support themselves if you dumped them off the Government pay roll. The cowardliest crew that ever manned the ship of state—spending everything you possess out of fear that they might lose an election. Paying to foreign governments more blackmail, more blackmail, more blackmail, more blackmail—until everybody in the world thinks that we, the fearless American people, are yellow too. At the rate at which they are throwing it overboard, this generation of Americans will live to see the day when the magnificent American heritage of natural resources is gone with the wind.

Through unscrupulous unrepaid gift-loans the British and other foreign shakedown artists have been calmly living off the American people ever since World War I. This ridiculous American munificence to the so-called mother country is enough to make us look as if we had a nation Oedipus complex. Though it is only because the politicians who rule us have an inferiority complex derived from being inferior.

Gift-loans have served to keep the world groaning under the anachronistic parasitical British Empire system which our ancestors left in disgust. The fact is that the British Empire system is almost as much of a spreader of communism as Russia, since exploited colonials become convinced that even communism could not be worse than what they have.

But now our Government is paying annually increasing billions to the British to keep in power British socialism—the British reproduction of communism. The fruitless British socialistic government is a hopeless dictatorship. In fact, every single foreign government that your Government is now subsidizing is a hopeless dictatorship. They all use Nazi-like price controls and communistic preventions of private enterprise.

All of the dictatorships that your Government is now subsidizing are so hopelessly misgoverned that they could not possibly keep out of the red, much less keep out the Reds. What else but hopeless dictatorships would you expect the New Deal to promote abroad, far from your watchful eyes? You certainly could not expect the New Deal to promote the traditional American brand of freedom abroad. Because the New Deal has always done its best to destroy American freedom here at home.

You know from experience that gift-loans plunge the United States into depression and war.

Depression? Yes; two depressions. As patriotic American financial analysts warned in advance, gift-loans to England and other alien governments immediately following World War I caused the inflation resulting in the 1921 crash. As the same experts warned in advance, gift-loans and currency manipulation by the Federal Reserve Bank to facilitate a loan to the Bank of England sparked the inflation and precipitated the 1929 crash. And now the same old reliable experts cry warnings that continued gift-loans can only strip this country and land us in a hungry economic paralysis which will be worse than a crash.

War? Why certainly. In 1934 subsidies to both England and Russia, by means of the New Deal gold-buying program, revived the Russian Communist Government then dying on the vine and seething with counterrevolution. The revival of Russian communism furnished the excuse for the building up of Hitler who was called the "bulwark against communism." The resulting war to save from Hitler the nations which themselves had actively built up Hitler—England, France and Russia—furnished the excuse for the building up of Russian communism. And now repeated and increasing donations to Europe are used to rebuild Europe, including Germany, as a "bulwark against communism." Yes, gift-loans are the price we pay for depression and war.

Since VJ-day the New Deal Machiavellis have already squandered on foreign governments over $22,000,000,000 worth of what would otherwise belong to you. They told you at the time that it would save you from "world chaos and confusion." Remember? But common sense and plenty of Republicans protested that they would only use the money to buy the world chaos and communism which they now have the colossal effrontery to propose spending another $20,000,000,000 to rescue you from. You can see with your own eyes that they are only spending you into world bankruptcy and World War III.

Step by step they dragged you into World War II by first throwing American arms and ships into war through their Lend-Lease Act. And how surprised and grieved they acted when the Pearl Harbor attack—which they knew was going to happen and invited—caught us with our defenses in Europe. Step by step, exactly as they dragged you into World War II, they are now dragging you into World War III, by first throwing American arms and ships into war through bills which are exactly like the Lend-Lease Act.

They call those bills European recovery bills, but they might better be called Russian recovery bills, since the Russians will recover whatever we've sent to Europe if and when Russia decides to take over the rest of Europe—as New Dealers themselves have admitted that Russia can easily do any time that she wants to—and within 24 hours.

And how surprised and grieved they will act when the attack discloses that America is no better prepared than at Pearl Harbor. As General Arnold reports, "The cold truth is that at present we are almost as badly off, in a military sense, as before Pearl Harbor." All you have been getting out of the vast military expenditures meekly voted by Congress since VJ-day is a political army—evidently intended to fool you, since it does not fool any potential enemy. What America needs, so say the real experts, is scientific research, industrial-mobilization planning, and quantities of constantly improved planes. What the New Deal is putting over instead is a broomstick conscription army and a military dictatorship.

They tell you that their lend-lease bills which they now call European recovery bills are plans to keep war away from our shores.

But that's exactly what they told you about the Lend-lease Act which brought war to our shores. You already know from tragic experience that New Dealers are not above deceiving you again and again and again. To reelect the present administration would be to deserve the want and war you would surely get.

The spectacle of President Truman, General Marshall and other New Dealers posing as leaders of a crusade to save the world from communism is almost as comic as if Stalin, Molotov, and other Communists were to pose as leaders of a crusade to save the world from communism. New Dealism and communism are like Siamese twins. The New Deal has always helped the Russian Communist Government stay in power and augment its power. The Communist fifth column in the United States has always helped the New Deal administration stay in power and augment its power.

The New Deal has always almost invariably followed the Communist Party line. The Communist Party has always almost invariably followed the New Deal party line. The New Deal has always done everything it could to discredit and destroy the Congressional Un-American Activities Committee which, under the New Deal, was the only agency of government trying to save the United States Government from overthrow by Communists. Under the New Deal, Communists have always littered the Government pay roll.

Evidently New Dealers themselves can't tell a Communist from a New Dealer. A few months ago the New Deal President even asked Congress for several million dollars with which to hire people to locate the Communists on the Government pay roll, presumably because there was nobody on the pay roll who could tell the Communists from the New Dealers. But, as usual, the money appears to have been largely wasted. The last I heard, when in Washington in December, there were still "Commies" roosting on the Government pay roll—even in the State Department—which thinks up and administers the plans to save the world from communism. Perhaps the theory is that it takes a Commie to catch a Commie.

They hope, with their noisy crusade to save the world from communism, to make you, the voters, forget that it was they, themselves, who gave the world to communism. It was the late New Deal President Roosevelt, who, at Tehran and Yalta, airily delivered unto Stalin the parts of Europe which enable Russia to dominate Europe and the parts of Asia that enable Russia to dominate Asia. It was the present New Deal President, Truman, who, while communing with Stalin at Potsdam, finished the job of giving Stalin all of the world that Stalin asked. It was the bemedaled godfather of the Marshall plan, General Marshall, himself, who, as American Ambassador to China, immediately after the war, tried to induce the Chinese Government to commit suicide by letting Communists share in the government of China.

Long before the murderous western front invasion of Europe, it was already obvious that the invasion would be a waste of American lives because the New Deal had already given Russia control of Europe and the difference between Stalin and Hitler was not worth the life of a single American boy. But those of us who said so—and I, for one, even filed a bill in Congress to postpone the invasion until Stalin should cough up the countries he had swallowed—were only wasting our breath. There is no use to expect real humanitarianism from phony Kelly-Nash, Tammany, Pendergast and other New Deal humanitarians. New Dealers were still trying to make you believe that Russia was a "freedom loving," "peace loving," "democracy" long after enslaved people from one end of the world to the other had found out from experience that the chief difference between communism, nazism, fascism, socialism and new dealism is only professional jealousy.

The same New Dealers who are now posing as anti-Communists kept on building up Russia and promoting communism in your name and with your money, long after they had begun to pretend that the reason they were shoveling your property into Europe was to save Europe from communism. In 1946, at the same time that the administration was pressuring through Congress the British gift-loan bill, with the excuse that it was necessary to save the British from communism, it was also putting through Congress a bill to donate another $250,000,000 to UNRRA—though knowing in advance that the UNRRA donation would surely be used to enslave anti-Communists and build up Communist armies exactly as previous grants to UNRRA had been used. They were even letting Russia coin unlimited amounts of American money, using United States Treasury plates. They called it "occupation" money, but it was freely exchangeable for good old American dollars.

And only last year, while, with one hand, the administration was hurling American arms and officers into the Greek war against communism, with the other hand it was still sending Russia lend-lease war materials and furnishing Russia export licenses with which to haul away shiploads of American oil and what have you—though today Americans are shivering in their homes for lack of fuel oil, and midwestern farmers are curtailing their production of next year's food crop for lack of oil with which to operate their bulldozers and tractors.

And only last month, while the New Deal was pushing through Congress the interim-aid bill, with the excuse that it was vital to save Europe from communism, it was giving the Russian puppet government of Poland $60,000,000 worth of locomotives and railroad equipment badly needed here at home and helpful to Russia in case of war. In short, they have not stopped subsidizing Russia. After all, this is the same New Deal administration which appointed as head of the Government agency manufacturing atom bombs a bureaucrat who had been officially advocating giving Russia our American atom-bomb secrets.

It is for a higher power to judge whether death-dealing New Dealers shall be thawed out in the hereafter. It is for you to vote the straight Republican ticket, the only way to avoid sharing their guilt.

The way to rescue Europe from Russia is to take Russia and the Russian puppet governments off our American supply lines. But you will never get either Russia or Communists off the American supply lines until you first dump the New Deal off the American supply lines.

In 1933 the New Deal jitterbugs came in talking that the Constitution was a one-horse shay. They hitched their jitter-buggy to a comet—the late New Deal President, now gone, but not forgotten—nor forgiven. Who cared that the New Deal was copying the hit programs which nazism was copying from communism? The industry controls, the labor regimentation, the propaganda methods, even the purges. To say nothing of the demagogic schemes for taking honest men's property away from them—though, unlike the Nazis, the New Dealers were smart enough not to pretend that they confiscated private property for religious reasons. Few noticed when OPA came—after the people escaped from NRA—that OPA, from which you managed to escape only because President Truman muffed his cards, was the exact duplicate of the key Nazi program for the subjugation of industry.

By throwing you a bone now and then—a project or a subsidy or a special privilege—so as to make you think that they were cutting you in on their racket, they have won every election—except the last one. The Republican Party is now crowded with refugees from this unconstitutional, un-American corruption and oppression.

The lion's share of the New Deal loot goes to—you've guessed it—the New Deal's old sparring partners—the economic royalists. I mean the big war profiteers who have held the Democratic Party by the nape of the neck ever since World War I, and more than once have given a Republican Party National Convention the bum's rush.

These New Deal Midases are always out with their tin cups whenever Government throws important money around, whether at home or abroad; but preferably abroad where you, the voters, can't see the size of their take.

For example, you should have been at the hearings when one of the New Deal's less retiring kept businessmen was going it for the New Deal's so-called veteran's housing bill in 1946. How he lauded OPA. Though incontrovertible evidence in the hearings showed that the reason that houses were not being built was because OPA had prevented the production of every single kind of material used in building houses.

All he wanted, he said, was to help the poor veterans by building prefabricated houses in mass production in his brand new industrial empire built from a shoe string during the war with your money. Why not? The bill was a Christmas tree, loaded with legalized graft for New Deal pets—materials priorities, guaranteed sales, subsidies, free factories, tax exemptions—in short, all the same legalized rackets by which some of the largest corporations during the recent war, multiplied their prewar assets several hundred percent—as shown by the records of the Securities and Exchange Commission.

The suicidal New Deal foreign policy is made to order for the economic royalists—whom the New Deal has made rich with your tax money. Without it, the stiff competition from typical American businessmen might cut them down to size. But the New Deal foreign policy will lift them to the financial stratosphere to which they aspire.

Goods produced in their free plants here can be sold to foreigners and paid for with your money through gift-loans. Goods produced with slave labor in their free factories abroad will be shipped back to compete in the coveted American market on equal terms with goods produced by taxpaying Americans paying high wages. Moreover, your fine boys will be rotting around the world, policing their interests, which they chummily refer to as "American interests." And if their old pal, Stalin, persists in his stubborn and unanticipated refusal to play ball with them in Russia and the rich areas which the New Deal gave to Russia, presumably in order to induce him to play ball with them—you will surely see another Pearl Harbor somewhere.

The little lambs bleating passionately for the New Deal foreign policy and world government are simply asking to be fleeced. Thanks to the New Deal propaganda barrage which blankets this Nation, few seem to realize that world government is already your ruler, much of it already set up, some of it already operating—though it has not yet dared show its fangs.

Step by step, just as they dragged you into World War II, just as they are now dragging you into World War III, just as they always drag you into everything at which you would balk if you knew ahead of time where you were being dragged—in 1945 and 1946—before the Republicans were elected to control Congress—this Nation was surrendered to a group of world bureaucracies of which UNO is the part that squeaks. Together,

those bureaucracies will have complete power to loot and oppress the American people.

The Bretton Woods banking bureaucracies, patriotic experts testified before Congress, have power enough to create out of thin air unlimited billions of American dollars to be given to foreign governments in exchange for their worthless I O U's. It means unlimited gift-loans for which your Government has already issued a blank check.

The UNO bureaucracy—except for the veto, which, under the New Deal, is no veto—will own the United States Army. The world trade bureaucracy—not yet set up, but for which our President has already signed up with the British—will have power to impose permanent rationing and permanent OPA. It will also have power to impose the death sentence on any business in which you are now engaged in order that some foreign country can produce what you are producing for the American market instead.

In Parliament, the Duke of Bedford called it "the most impudent attempt in history to set up a financial and economic dictatorship." Said he, "We are proposing to hand over the control of our economic life in a very large measure to a gang of Wall Street financiers who are responsible to no one and are above every government."

You have already felt the heel of bureaucratic, autocratic, plutocratic New Deal tyranny. But what you have so far endured is as nothing to the want and war you are sure to suffer when the world bureaucrats, appointed by foreign dictators who are used to killing and enslaving people, go into action, grinding you beneath their world juggernaut, destroying you with your own American weapons and armies if you dare to revolt.

Once this new world dictatorship is well under way, how would you propose to stop it? Through your union? That is a laugh. If and when you grow weary of working for a dictatorship which gives the fruits of your toil to parasites, the New Deal will again pass a slave labor conscription bill, like the one which President Roosevelt maneuvered through the lower House of Congress and the one which President Truman flim-flammed the lower House into passing—giving the Government power to force any American citizen to work anywhere at any wage or no wage. The first time it went through General Marshall testified in favor of it. And the CIO union did not lift a finger to oppose it.

Little they care, these New Deal world humanitarians, whether you die in war or starve in peace—so long as they get their mink coats, their faces in the papers, their free factories, their free trips abroad, their medals from kings and their weekends with lords. November 1948 may be your last chance to escape from the barbaric tyranny that New Dealism has already enthroned in a world supergovernment to rule over you and your government. Later may be too late.

We, the American people, are not yellow. We are not morons. All that makes us seem so is the corrupt exhibitionists in control of our Government who have betrayed us and are still betraying us. All that keeps the United States from being invincible and invulnerable is the lack of loyal, virile Americans in Government office who would obey the tried and true American principles of national self-preservation which would make us invincible and invulnerable.

If the American people are worthy of their ancestors—and I think they are—we will all jump into this election campaign and work as we have never worked before for the straight Republican ticket. And we will not stop weeding until every politician in the whole wide world knows that we mean business and intend to have good traditional American government of the American people, by the American people, for the American people, once more and forevermore.

Lincoln Day Address

EXTENSION OF REMARKS
OF
HON. MARION T. BENNETT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. BENNETT of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by United States Senator RAYMOND E. BALDWIN, of Connecticut, to a Lincoln Day banquet at Springfield, Mo., February 9, 1948. This was an affair sponsored jointly by the Sixth and Seventh Missouri Congressional Districts, represented by Hon. DEWEY SHORT and myself. Over 2,000 people were in attendance. The address of Senator BALDWIN was warmly received by the vast crowd present and by his radio audience. It is a splendid, thought-provoking statement of the great issues confronting the Congress and the country at this difficult time.

I sincerely appreciate your kind and generous invitation to join you here in commemorating the birthday of our first Republican President.

In Washington, we are so deeply involved in our daily legislative work that it is a great relief to come out here and exchange viewpoints with you.

Speaking of Congress on such a political occasion brings to mind the story of Lincoln's 1846 campaign. He was opposed by Peter Cartwright, a fiery circuit rider who was said to be able to freeze hell over with three sermons. During one of his meetings Lincoln strolled in. Cartwright reached the point where he was demanding of his congregation whether they were going to heaven or hell. When the standing count was called Lincoln remained seated. When Cartwright demanded where he was going, Lincoln replied, "To Congress." With a little congressional experience I feel sure he would have aligned himself with one of the standing groups.

Your State of Missouri, with its great cities, its industries, its farms, and its villages, has always seemed to me to be a kind of crossroads of America. It is here, if anywhere, that we can find the typical American. And it is from these Americans that the strength of our country comes. In the last year, I have had the opportunity of knowing and working with your very capable and respected Senators, JIM KEM and FORREST DONNELL, and also with several of your Congressmen. I might say that Missouri Republicans have chosen well their delegates to the Congress. I particularly want to thank Congressman BENNETT and your committee for their kind and generous hospitality which made me feel welcome here before I arrived.

Tonight I don't want to deliver a lecture on legislation before the Congress. I would like, rather, to talk with you about Abraham Lincoln and about our party—its problems, its hopes, and its future, and about this country of ours which has come to be the most powerful and wealthy nation in the world. We have reached position not because we sought power or wealth, and not by virtue of military conquest or political aggression. The reason we have come to that position is best explained by the fact that we meet here tonight to pay homage to the most loved of all Americans. An American who represents the beliefs and ideals and hopes we all have. What were those hopes, beliefs, and ideals? Humility, love of freedom, self-respect, hard work, equal opportunity, tolerance, and Godliness.

These are the beliefs and the virtues that put this Nation in a higher position than that ever gained by all the military conquerors in history. These are the beliefs and virtues that made us great and will make us greater. If we ever lose our humility, our love of freedom, our tolerance, or if we ever forget our God, we shall surely lose all that we cherish and all that we hope to pass on as a heritage to our children.

The world has become a small neighborhood of nations. We now have the electric light, the wide use of the telephone, the automobile, the radio, the airplane, and finally the atomic bomb. Distance has disappeared. The furthest part of the globe is today only a few hours from Springfield. Huge industries have grown up. Our population has doubled and redoubled.

All of that change around us has not changed the souls and the hearts of men. The basic rights and wrongs, and the hopes and prayers of our people are no different today in an atomic age than they were in a frontier age.

Our forefathers came to this Nation because they sought security and peace and the right to live as free men. Abraham Lincoln is the most revered of all Americans because he succeeded in preserving and furthering those ideals. Peace and security and the rights of free men are still today the answer to all our prayers.

It is harder to find peace in our world of today. It is harder to build security. It is harder to keep men free, but that only means that we must redouble our efforts as threats against our moral precepts crowd in upon us.

The Democratic Party (author of the strange experiments which have culminated today in conditions with which it is apparently unable to cope) has evolved some strange thinking.

The Democrats choose to call the Taft-Hartley bill a "slave labor" bill. Yet, polls indicate that the majority of labor itself approves the principal provisions of the bill. Statistics indicate that the strike record, since it has been in effect, is the best in years.

The Democratic Party criticizes the Republican tax-relief program on the ground that it "soaks the poor," completely ignoring the fact that it gives nearly three times as much relief to people of low incomes as it gives to people of high incomes; that it frees millions of people having low incomes from the tax rolls entirely; and establishes a proportionately higher tax on high incomes.

The Democratic Party chooses to object to the Republican Party's demand for a sound, realistic attitude in our foreign policy, completely ignoring the fact that it was years of appeasement and years of wasted money that led us to the present difficult situation.

Not more than a few weeks ago a prominent apologist for this strange system said, right here in Springfield, that labor was not to blame for inflation; that the farmer was not to blame for inflation, and that business was not to blame for inflation. That would seem to cover about all the categories from which votes can be solicited. He then went on to say that the release of price controls was the cause. Now, we don't need controls unless we have something that needs controlling. Whatever needed controlling was certainly something brought about during the period when we Republicans, unfortunately, had little to say in matter of public policy. Beyond that, when these price controls (on which the Democratic Party depends so much) were removed, there was a Democratic Congress in Washington and it was the Democratic President who removed the controls by Executive order nearly 8 months before the law was due to expire.

These devious Democrats now try to hide these sins by complaining that this Congress has not, in 1 year's time, developed what they call a workable program to create peace and prosperity and all good things, to replace their 15 years of chaos, confusion and emergencies. What have the Democratic Congresses and the Democratic Presidents of the last 15 years been doing about these workable programs for which they now plead so piously?

If it were not for our deep love of our country, we could be tempted to suggest that the Democratic Party work its own way out of the difficulties it has caused.

All of this reminds me of the sailor who went on an all-night spree; came in the next morning tired, broke, and discouraged, and then blamed a friend for allowing him to go out.

There are those among us who have pessimistically concluded that America has reached its pinnacle of success—that war is inevitable, and that it is for us nervously to enjoy our prosperity while we prepare for the inevitable conflict.

Through all of Abraham Lincoln's life, he met periods of despair and periods of disappointment, but we can well remember that in Abraham Lincoln there was always hope—and there is hope in America today.

We have not yet begun to develop the vast resources that God gave our people. We have not yet begun to enjoy the comforts that we can create. We have not yet begun to enjoy the best that we can build.

Peace, progress, and prosperity do not just happen. They are the result of sacrifice and work. It was the sacrifice and work of our forefathers that gave us the heritage we enjoy today. Abraham Lincoln did not go from the lowest place in life to the highest by idly accepting all that he found around him and concluding that no improvement could be made. Every great step of progress in this Nation has been the result of foresight, sacrifice, work, and progressive thinking. We can have peace in this world as surely as Americans 100 years ago could preserve our Union. But we cannot have peace if we turn away from the challenge that is before us.

In all that has been written about Abraham Lincoln, I cannot recall there being recorded any act or campaign he undertook to belittle, deny, or wreck the plans of others without full consideration, but I can recall a great deal of the positive programs he held up as hope for our people. Lincoln was a builder. Let our party, if it forsakes all else, remember that we, too, are builders.

Our purpose as a political party is to provide more progressive, more hopeful plans for the future. It is not the province of any party out of power to obstruct and reject every proposal of the party in power. We are not intended to serve as the anchor to hold our ship of state at rest until the wind blows in our favor. We are, rather, the keel of that ship of state which, while it does not turn at the captain's whim as does the rudder, can still help insure us against an erratic and risky course. A dragging anchor can be cut loose and dropped to the depths of oblivion so the ship can sail on. It would seem useless to say that our country has not progressed and advanced since last we were in control at the helm, but we have done so erratically by fits and starts. There has come about in these years some threats to our beliefs in a free republican system of government. A deeply divided party, made powerful by unprecedented budgets and glittering promises, has succeeded in steering us off the course that made this Nation the wealthiest and strongest and the freest of any in all world history.

Speaking of Government, Lincoln said: "The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot so well do for themselves, in their separate and individual capacities. In all that the people can individually do as well for themselves, Government ought not to interefere." (That is a principle which we can well afford to examine.)

"I like the system which lets a man quit when he wants to and wish it might prevail everywhere. One of the reasons why I am opposed to slavery is just here. What is the true condition of the laborer? I take it that it is best for all to leave each man free, to acquire property as far as he can. Some will get wealthy. I don't believe in law to prevent a man from getting rich. It would do more harm than good. So while we do not propose any war upon capital, we do wish to allow the humblest man an equal chance to get rich with everybody else."

There have been two basic fallacies in the thinking of the administration of the past 15 years. The first is that capital and labor alike can work less and less and earn more and more. Wealth is usable goods, and can only be obtained through the production of usable goods. There is more wealth in one acre of Missouri farm land than in all the gold buried at Fort Knox. We can reach any degree of prosperity and any standard of living so long as the producer of wealth is encouraged to produce more by the buyer's willingness and ability to buy more. Labor, the farmer, and business, must come to realize that a bigger production means more income for the owner and the worker, and thus more purchasing power to buy the increased production of the workers.

The second weak premise upon which our plans of the last 15 years have been based is that of deficit spending. By irresponsibly charging off to the future the cost of expensive schemes, we can unquestionably offer the people added services and added securities—or at least furnish employment for many engaged in planning those goals. But like the charge account in the local grocery store, some day it must be paid. Emergency after emergency has led to the spending of vast sums for popular purposes and has led to the vast wastage of public moneys. In this a curious thinking has evolved. The late President said on many occasions that he favored a balanced budget and reduced public expenditures. The present administration likewise has put itself on the record foursquare for economy.

Lincoln had these same problems. He once said:

"For several years past the revenues of the Government have been unequal to its expenditures, and consequently loan after loan, sometimes direct and sometimes indirect in form, has been resorted to. The system of loans is but temporary in its nature, and must soon explode. It is a system not only ruinous while it lasts, but one that must soon fail and leave us destitute. As an individual who undertakes to live by borrowing soon finds his original means devoured by interest, and next, no one left to borrow from, so must it be with a government."

The President in his recent message on the State of the Union offered the people the same kind of a bargain that Lincoln said the Yankee peddler offered when he put up for sale "a pair of pantaloons large enough for any man and small enough for any boy." We cannot oppose the fine principles exhibited in that address. We cannot put ourselves in the position of being opposed to morality, the Golden Rule, or in favor of sin, but we can wonder first what the cost of all this will be to the American people, and second, whether or not the administration can accomplish it. Our quarrel is not with the purpose but rather with methods which so rarely bring results.

For example, since ascendency to power 15 years ago, the Democratic party has consistently and regularly warned that there was, in this country, a serious housing shortage—and we do have a serious shortage. Today, after 15 years, we have 34 Government agencies concerned with the question of housing and the President tells us that the shortage is more severe than ever.

Fifteen years ago the administration consciously went about the job of creating inflation by cheapening the dollar, spending huge sums of Government money, increasing taxes, favoring any and all increases in wages and salaries, practicing inefficiency in the Government, and now—in 1948—the Administration seems surprised that we do have inflation. The President claims credit for the high wages and high purchasing power that inflation brought and yet is loathe to claim the high prices that come as part of the same inflation.

This strange Democratic Party has come to have in it some oddly contrasting figures. Today, in voting for that party on a national ticket, one can well wonder whether he is voting for the ultra-conservatism of the Democratic deep south or the radicalism of the far left wing. He can wonder whether he is voting for the kind of attitude toward labor that vetoes the Taft-Hartley bill, or the kind of attitude toward labor that threatened to draft railroad workers into the Army. He can well wonder whether he is voting for sympathy with Communist Russia, or for sympathy with a reactionary Greek King. He can well wonder whether he is voting for controls and rationing or whether he is voting for the party that refers to such action as being the methods of a police state. He can well wonder whether he is voting for an Administration that opposes any tax reduction consistently, or whether he is voting for an Administration that opposes tax reduction only in nonelection years. He can well wonder whether he is voting for a party that violently opposes the anti-poll-tax and antilynching legislation, or whether he is voting for a party that calls such practices viciously un-American. He can well wonder whether he is voting for a party that looks for Communists under every bed or whether he is voting for a party that hides them under every bed. He can well wonder whether he is voting for a party that believes that speculators in the grain market are "gamblers in human misery," or whether he is voting for a party that has in it officials who busy themselves in such activities. He can well wonder whether he is voting for a party that advocates the "four freedoms" in all parts of the world or whether he is voting for the party that sat idly by while those freedoms are "snuffed" out. He can wonder whether his party is, this year, in favor of plowing crops under or burning them or demanding the farmer produce more.

It is all very well to say that $5,000,000,000 or $10,000,000,000 or $20,000,000,000 can be arbitrarily cut from that budget, but we are up against two difficulties: the opposition of the administration, and a budget which fills a book—I am sure as large as the Kansas City directory. More than that we cannot reduce commitments which our Government has already assumed. In this connection the President in his recent message to Congress tried to illustrate the economy of his administration by claiming that the budget had been reduced from a wartime level of $63,000,000,000 to $38,000,000,000, and that the number of Federal employees had been reduced from a wartime level of three and three-quarter million to two million. That is an obviously misleading and unwarranted claim. No one could, with any justification, compare the cost of—or the employees needed for—the conduct of Government in wartime with that of peacetime. The President did not choose to compare the number of employees in the last peacetime year or the budget of the last peacetime year—which budget incidentally was only about one-quarter of the present one.

In seeking to reduce the ever-increasing budgets, we do not have an entirely free

hand. The present budget, estimated now at $39,700,000,000, includes $11,000,000,000 for defense, $7,000,000,000 for international commitments, $6,000,000,000 for veterans, $5,300,000,000 for interest on the debt, $2,000,000,000 for social security, and $2,000,000,000 for tax refunds. Of this a total of $22,500,000,000 is already committed. In addition, another $11,000,000,000 concerned with national defense can probably not be greatly reduced with safety. That leaves us only about $6,000,000,000 with which to deal. It is obvious that we cannot make a $20,000,000,000 cut in that.

I make those observations not because we, in the Congress, have any less interest in reducing these expenditures, for we must and we will reduce the budget and taxes. I illustrate these difficulties to point out the position in which we find ourselves. We feel somewhat as Lincoln must have felt when a friend told him it would do him good to get down to Washington. Lincoln answered, "I only wish I could have got there to lock the door before the horse was stolen. But when I get to the spot I can find his tracks."

We must, each of us, as a member of a great party, play a confident role in urging allegiance to our cause. We know what our problems are. In seeking solutions the authorship is of far lesser importance than the result. Let us apply that thinking to a careful review of ways and means of keeping the peace, defeating high prices, maintaining industrial peace, building houses, improving the Nation's health and education, broadening the protection of social security, protecting civil rights, reclaiming arable land for farming, increasing industrial production, increasing agricultural production by a realistic guaranty of a fair return, lowering taxes and Government cost, protecting ourselves against dangerous ideologies. These purposes must be more than idle words. We can accomplish these things effectively within the scope of our now threatened system of free and independent enterprise. To do that we must either propose specific programs of our own or espouse promising programs of others. We cannot continue to say "we're for it, but not that way" unless we have a better way. The test of our value to our American future is not the degree of success we might have in denying progress but the degree of success we have in making progress. We have the choice of becoming a bitter, critical minority or becoming confident progressive builders of our own great future.

I cannot emphasize too strongly the need for us to become the party of youth. We need to do more than ask youth to join our columns. We, as workers in our party, need to demonstrate the sound and working principles of our American beliefs. We need to demonstrate that we, not only understand the problems of our youth, but are willing and anxious that energetic youth help lead the direction of our party.

We need to demonstrate that we are capable of—and constantly are—putting the interests of our Nation above party consideration. We need to demonstrate that we can, and we will, provide for the needs of our people and listen to their hopes and demands instead of creating agencies to stumble over one another in the development of ineffectual theories.

We are again a growing party, not looking back hopelessly on failures of the past, nor looking back smugly on victories of other days. With Lincoln, we can, "hope to stand firm enough not to go backward and not go forward fast enough to wreck the country's cause." If we are to justify a victory in 1948, we must frankly review the reasons for our failure. We made errors, the principle of which was that we did not keep pace with our people—but what our platform was in 1932 or at any other time in our history, is of little consequence today. The Pied Piper of promises has led the parade long enough. Let us not sit disconsolately by while the parade wanders aimlessly through a labyrinth of back alleys. Let us join the parade—and lead it again back to the broad avenue our forefathers built.

The political philosophies of our people and our party are, as Lincoln said, "sweet and short like the old maid's dance." The true American is a man who believes in political freedom for himself and for all people. A man who believes that he shall have the right to live as he chooses so long as he does not interfere with the rights of his neighbor; a man who believes he can, like Lincoln, rise from poverty to the highest office of our land; a man who believes the world changes and that he can change with it; a man who is not held down by either the dead hand of defeat or the dead dogmas of the past; a man who believes in youth and progress—constructive, positive programs; a man who believes in America, and believes in the God that made America great.

Address of Hon. Joseph W. Martin, Jr., Speaker of the House of Representatives, Before the Missouri Association of Republicans at the Jefferson Hotel, St. Louis, on Saturday Evening, February 7, 1948

EXTENSION OF REMARKS
OF
HON. WALTER C. PLOESER
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. PLOESER. Mr. Speaker, on February 7, Missouri had the honor and pleasure of a return visit from our esteemed Speaker, JOSEPH W. MARTIN, JR., of Massachusetts. We have had the pleasure of having Mr. MARTIN in Missouri with us on several occasions. We Missouri Republicans take him to our heart as an adopted son.

On the occasion of the Lincoln Day celebration at the Jefferson Hotel in St. Louis, our Speaker delivered an outstanding address which was broadcast from coast-to-coast over NBC network.

It is my great pleasure to express thanks in behalf of Missouri Republicans and to extend the remarks of our most distinguished Member—the Speaker—into the RECORD:

Mr. Toastmaster, members of the Missouri Association of Republicans, fellow citizens, when I come to Missouri my mind reverts to other visits. I recall coming here in 1938 when you had only a single Republican Congressman, good old DEWEY SHORT, and a handful of members of the legislature.

Today you have two Republican United States Senators, nine Members of the House, and you have control of your legislature. You have made great progress for sound, sane government in these few years, and I am sure that next November you will complete the task by reelecting your Congressman, electing a Republican Governor, and casting your electoral votes for a Republican President.

We are gathered here to honor the memory of an immortal American who had a sublime faith in God, and a profound confidence in the American people. He carried this Nation through a crisis which might well have destroyed the Union and made of America a divided country. Happily the Union survived and went on to a high destiny in the world. Lincoln died a martyr to his country's welfare and his devotion to the public weal. His birth date is saddened this February by the death of a great apostle of peace in India to whom death came in the same way as to Lincoln.

One of the outstanding characteristics of Abraham Lincoln was his reluctance to use power. He had a high respect for the Congress, in which he had served before he became President.

I ask you, What kind of thinking do we have today when an administration says Government price controls and rationing are tools of a police state and then advocates just such police-state methods 2 weeks later? Either they don't know what they are talking about or else they are not talking about what they know. Obviously, such an administration is not the kind to be in charge of our Government in these critical times.

What kind of thinking is it when in one breath the administration asks business to spend $50,000,000,000 for expanded production, and in the next breath, suggests increased taxes upon business. These taxes proposed by the administration would, of course, actually be a sales tax. Otherwise business would be prevented from securing the necessary funds for expansion.

Lincoln was an apostle of candid government. He believed the people were entitled to know what their administrators were doing in their name. He was convinced the people should always be told to what they were being committed by their public officials. "Why should there not be a patient confidence in the ultimate justice of the people?" he asked. "Is there any better or equal hope in the world?"

The trouble with America in the last few years has been we have had a rash of manufactured emergencies, and a chronic case of counterfeit crises in peacetime for the sole purpose of the administration demanding from the Congress more and more power. That is why Congress now views with suspicion any cry of "Wolf."

One trouble with America today is we have too many people who were never elected to public office running the Government. The people are sick of them. The administration still has a bad case of "spendicitis." It has been stubbornly unwilling to cut the cost of Government, and reduce the stupendous pay rolls. But the Republican Congress is going to do a little surgery on that trouble; we are going to cut it out. The administration today is demanding more powers, not for war, mind you, but for peace. It is demanding more and more money, higher and higher budgets. Even a nation as resourceful as America cannot indefinitely support such budgets.

This 16-year Government of trial and error—mostly error—must be discarded; it must be replaced by time-tested principles, principles which are wholly American and which have always worked successfully before in critical periods of our history.

The New Deal has sought to array class against class. It has made the businessman and business generally the focal point of its insidious attack on our American system of free enterprise. In devious ways it has promoted a so-called socialistic plan to redistribute the wealth forgetting completely that socialism redistributes poverty, not wealth.

This administration would restore bureaucratic control over our economy in its lust for more power over the people. By shackling the economy the administration says it hopes to check inflationary forces. It is never wise to do evil hoping good may come of it.

America is at a turning point. We are fighting a battle to maintain our American system of constitutional government, free

economy, and free society. We stand against demands for Government controls which would be sure to grow and spread to the point of state socialism. In other parts of the world, we are fighting communism, so-called, which is slave government.

America is the spiritual leader of the forces of Godliness and liberty. We are the financiers of what must be the greatest co-operative movement for freedom ever tried in history. The fate of civilization depends upon the success of that movement.

For more than 14 years the Republicans have been warning the Nation against the creeping plague of Communists infiltrating into positions of power in the Government. They were protected as they sought to gain control of labor unions; and even as they stirred up strife and strikes during the war.

The New Dealers derided our warnings. They scoffed at our fears. They went merrily on placating the Communists, and praising their so-called liberalism. Now even the State Department has had to reveal the treacherous acts against civilization committed by communism while high American officials were praising the Kremlin. Those who thought it was politically smart and philosophically fashionable to go along with pink policies, now want to sing very low. But it has not been so long ago when the New Dealers, the semi-Socialists, the Socialists, the pinkos, and the outright Communists were all playing around together. Anybody who questioned either their wisdom or their integrity, their intentions or their actions, was a prince of privilege, or a ruthless reactionary.

Now, fellow citizens, whom do you want to clean these Communists out of places of power? Whom do you want to clean up the intricate network of bureaus of this Government? Whom do you want to ferret out, and throw out, these people who delight to spend and spend, and tax and tax, and waste and waste? Do you want those who a short time ago were in bed with the Communists, and the pinkos and the statists? Or do you want the Republicans who saw this danger from the very start; who have fought these saboteurs all the way down the years; who never conciliated them, or appeased them, or made traffic with them? That will be an easy one for the American people to answer come next November.

The truth about despotism is out. Dress it up in any kind of propaganda you will, it still enslaves the people, and creates a special privilege class of those who control the Government.

The facts are now so clear, nobody dares to argue that communism has any advantages over our American system, or any attraction for free people. It will be stopped at our shores by those who have never trafficked with it; who never associated with it; who never appeased it; but who, down the years, have fought it for the deadly menace to liberty it has always been. That is one strong reason why I am certain the people next November will elect a Republican President and a Republican Congress.

The sly front of governmental waste is confusion, and secrecy in administration.

The Republican-controlled Eightieth Congress achieved a balanced budget for the first time in 16 years. We have commenced to pay off the gigantic national debt. We passed a tax-relief bill twice in the first session. We gave the greatest relief to those in the lower-income brackets. We sought to relieve the elderly people, and those living on small fixed incomes of all taxes, so they might have a few of the comforts of life. The administration was determined the people should have no relief from crushing taxes. Mr. Truman vetoed the taxpayers. That is why you didn't get the tax reduction last year. We have just passed another tax-reduction bill in the House which grants relief similar to the first two bills which were vetoed. This bill gives 71.1 percent of the tax relief to the people with incomes of less than $5,000; it frees 6,000,000 people from paying any tax; it gives special relief to the neediest of our people, the aged and the blind. It helps the American taxpayer to meet the high prices. It provides incentive for men and capital to work together for needed expansion and more jobs for the people. Twenty cents of every dollar the housewife pays in prices goes to the tax collector, and doesn't buy a nickel's worth of food or service. Eleven cents more goes to the Government as income tax.

Now, fellow citizens, there is something else we have to do when we reduce taxes. We must cut governmental waste and spending. The only way to cut governmental waste and spending is to cut down the governmental bureaus which waste and spend. That is another strong reason why I am certain the people will elect a Republican President and a Republican Congress next November.

The bureaucrats have a long-established policy. It may be expressed in two lines:

You make it; we take it.
You lend it; we spend it.

A joint commission is now at work on the Government reduction problem. The joint commission will report next year to the Congress. We then, with a Republican President and a Republican Congress, will finish the job of cutting the Government back to peacetime size.

We must return to the State and local levels the functions which belong there, and return to private endeavor the functions which belong there.

Big Government always means big budgets. Big budgets always mean big taxes. High taxes are oppressive on the people and discouraging to business expansion and production.

Swollen government is always oppressive. The bigger and more concentrated government becomes, the further it gets away from the people and the more remote the bureaucratic mazes are from the taxpayer.

The only way to prevent that is to keep government well and safely in the hands of the people themselves.

What we need in government is more of the Spirit of '76 and less of the spirit of 76,000 administrative regulations.

The President says he intends to spend in fiscal 1949, $39,600,000,000. We may well be startled when we realize this amounts to $1,020 for every family of four in the United States. Ten years ago the Federal Government expenditures were $276.60 per family of four. Talk about inflation robbing the people.

The administration boldly says this budget cannot be cut. Well, I will tell you it must be cut and we are going to cut it. With cooperation from the executive department, it could be reduced very substantially. But even without that cooperation, we will do this necessary job for America. The people cannot be kept forever in a strait-jacket simply because the bureaucrats insist upon continuing their wartime spending ways.

We are assuming a new cost burden on a colossal scale.

It is proposed we spend billions of dollars in the European relief program. The administration is fighting to have its own people handle these billions. The Congress is looking very carefully into the sums which are to be spent, and into the methods to be employed in the spending. The burden of cost is too vast for this money to be wasted or misspent.

In considering the tough plight of our European neighbors we must not permit our natural sympathies to blot out realities. In attempting to lift our friends up we must be certain beyond doubt that failure will not plunge us to their level of poverty and despair. We must ever bear in mind that to prevent Communist world domination we must remain strong economically and militarily.

I have a rule which I now propose. I believe it should govern the administration of the European venture. It can be stated in four words: economy, efficiency, common sense, and cooperation. Lacking any one of these elements the whole venture could be an appalling waste of the American taxpayer's money.

Only a safe, sound, solvent, free America can help the rest of the world regain peace, progress, and happiness.

While we are helping Europe, we are reaping the bitter fruits of administration mistakes over the past 16 years. The American people are bedevilled by high prices. The citizens by now know pretty well the causes of high prices. They now know inflation was born in the deficit spending of other New Deal years. They know the war activities were inflationary. The goods and services went overseas, or to the bottom of the seas, while the unspent wages and the salaries stayed home. The people now know the drain on our production to aid the world operates as an inflationary force, because, again, as in war, the goods go overseas and the wages and salaries stay at home. The people remember that price control didn't stop inflation. Price control merely drove goods into the black market. The Kremlin has had absolute control over prices in Russia, but they had inflation just the same. Despotism and deficit spending are the twin promoters of inflation.

The administration would like to have us believe inflation, like Topsy, just growed. Scatter-brained economic theorists have been pumping it up ever since they descended upon Washington like 7-year locusts in 1933. Unlike 7-year locusts, unfortunately, they've stayed for 16 years. A powerful insecticide compounded of the American voters' wrath, and the people's desire for a return of good government, will be applied next November and put a stop to this plague.

The foggy-mindedness which this administration indulges in is demonstrated in their talk about high prices. What has been perfectly plain all along is just now being discovered by them. Someone has pointed out that the dollar has depreciated just as the share in a company depreciates when the capital of that company has been watered. The administration tries to blame the producers—the Republicans—everybody—for high prices. It is the New Deal Administration itself which has created the inflation. Producers are straining to provide goods. The remarkable thing is not that prices are high, because Government inflation made them that way. It is that our free American enterprise has so rapidly and effectively moved to counteract this inflation by enermous increases in production.

There is just one answer to inflation in America; that is sound, common sense production of farm and factory products under free economic conditions which will not generate unemployment. The essence of prosperity is jobs at wages high enough to buy the products of farm and factory.

The administration has already demonstrated that its only answer for the condition America finds itself in is more power, more controls, and more spending, and eventually more scarcity. The attack on inflation and waste will have to be made under a Republican President cooperating with a Republican Congress. The New Deal has had 16 years in which to demonstrate its capacity for sound, economical government. It has failed miserably. It took a Republican Congress to achieve the first balanced budget in 16 years.

Government is vastly more costly than it ever was before. We know our national defense is going to be very much more expensive than ever before in the history of this Nation. We know we must have a super air defense fully adequate to meet any emer-

gency of the future. We are all intent on keeping our country strong. The Republicans are creating a special committee to study our air defense. If the cost of government is not to overwhelm the people—efficiency and economy in government must be made effective as never before.

Ours is a battle bigger than party. It is a fight to save Americanism. Millions of honest, patriotic Democrats and independents are ready to unite with us—give them a cordial welcome.

We have poured out rivers of precious blood, and inconceivable amounts of goods and services through two world wars. We don't intend to lose the liberties at home we fought for abroad. We are not going to let America go down in confusion and chaos. We shall keep Lincoln's America and our America sound, solvent, strong, and free. We shall lead the great world movement for godliness and liberty. Faith and freedom must be our watchwords. Honesty, efficiency, cooperation, and a people united to save civilization can save civilization and will save civilization.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. JERE COOPER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. COOPER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and statement:

FEDERAL SECURITY AGENCY,
UNITED STATES OFFICE OF EDUCATION,
Washington, D. C., February 9, 1948.
Mr. J. V. DOWTIN,
Principal, Kenton High School,
Kenton, Tenn.

DEAR MR. DOWTIN: The 10 reasons for Federal aid to education which you recently submitted to the United States Office of Education have come to my attention.

Your statements in justification of Federal aid are pithy and to the point, and it is my belief that they are worthy of publication in the CONGRESSIONAL RECORD. It is suggested that you send them to your Congressman with the request that he have them inserted.

Your thoughtfulness in sharing with us your views on this important subject is appreciated.

Sincerely yours,
RALL I. GRIGSBY,
Special Assistant to the Commissioner.

KENTON HIGH SCHOOL,
Kenton, Tenn., February 12, 1948.

TEN REASONS FOR FEDERAL AID TO EDUCATION

1. Ours is a shifting population, a person educated in one State may live the rest of his life in another.

2. Each State has representatives and helps elect the president.

3. Fun is made of people of poorer States and they are told how to manage their affairs. Education would make them less amusing and more able to handle their affairs.

4. In the War Between the States the South was overrun, became in debt, and had her property destroyed. Then she was robbed. The thieves and robbers were protected by the United States Army. Nor have all the discriminations against the South been abolished.

5. The businessmen of the richer States gain in their business transactions with the businessmen of the poorer States. The former set the prices—buying price and selling price (the old colonial system).

6. Recently it was decided that all citizens of a State should have equal opportunities for education. Why not for the Nation?

7. Educated whites and educated blacks would go a long way in solving the race problem. When has there been a conflict in which all parties were educated?

8. Illiterates and others lost to the army because of poor education were a loss to the entire Nation—also the allies.

9. Criminals in the poorer States commit Federal offenses. Lack of education is a cause of crime.

10. By subsidies, tariffs, grants, special privileges, etc., big business has received Federal aid. In many ways labor has received Federal aid. Even the farmer has received some Federal aid—though not enough. Why shouldn't education, America's most important business, receive Federal aid? Teachers are dependent on others for their livelihood.

J. V. DOWTIN.

Proposal for Issuance of Commemorative Stamp To Honor Nation's Volunteer Firemen

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. BOGGS of Delaware. Mr. Speaker, I have just introduced into this House a joint resolution which I earnestly believe merits the interest and support of all the Members. This resolution provides for the early issuance of a commemorative stamp of the denomination of 3 cents as an expression of the Nation's gratitude to the thousands of volunteer firemen throughout America and to the thousands of women who comprise the auxiliaries of these volunteer fire companies.

Seldom has the value of the work of these volunteer firemen and the members of their respective auxiliaries been more apparent than in this present severe winter. At great risk of their own safety, and indeed their very lives, these unpaid fire fighters in rural and suburban areas throughout our country give evidence each day of their courage and devotion to duty. Day and night, by their willingness to accept great personal discomfort, they protect the lives and property of residents of our towns, villages, and rural areas.

In Delaware I have had the privilege of being closely associated with scores of these volunteer firemen who faithfully carry on their individual businesses and productive enterprises but are, nevertheless, always available when the safety of human lives and of real and personal property is endangered. Furthermore, I personally had an opportunity recently to witness, and to be grateful for, the speed and the efficiency by which these unpaid but highly trained firemen perform their tasks.

I have learned that it was exactly 300 years ago—in 1648—that the first fire ordinance was adopted in what later became the United States of America. It was as a result of that ordinance that a body of volunteers patrolled the streets of New York City each night to watch for the outbreak of any fires; and 30 years later the first organized volunteer fire company, as we think of it today, was established in Boston. It is now estimated that there are at least 14,000 volunteer fire departments in the United States. The number of members of these companies and of their women's auxiliaries has not been ascertained, but it must certainly consist of hundreds of thousands.

Although volunteer firemen have served America for 300 years, no commemorative stamp has ever been issued in their honor. I now propose, Mr. Speaker, that such an honor be extended to them by our Nation.

Mr. Speaker, I also want to point out, as anyone who has ever lived in a rural American community knows, that the value of volunteer fire companies and their auxiliaries extends far beyond their invaluable services in fighting actual fires. They have done—and they continue to do—much in promoting fire prevention. In the villages and towns of America the fire house is an integral part of community life and civic and social activities. It may truly be said that within the volunteer fire companies throughout the Nation may be found the firm roots and the very foundation of our form of government. In those town and village fire houses we have, indeed, a fulcrum of democracy.

Mr. Speaker, there is still another important point I wish to make. Only a few days ago Secretary for National Defense Forrestal announced that plans are being drafted to organize civilian-defense units throughout the United States which would be fully trained to act in the event of any national emergency, especially such an emergency and critical situation as would be caused by an atomic-bomb attack. I say, Mr. Speaker, that the Secretary for National Defense already has available to him, as a nucleus for such a civilian defense corps, the volunteer firemen of America.

George Washington: 1948

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks I am inserting in the RECORD an article entitled "George Washington: 1948," written by Carlos W. Huntington, which appeared in the Portland Homebildor under date of February 14, 1948:

GEORGE WASHINGTON: 1948

Surveyor, planter, soldier, Member Continental Congress, President, George Washington, "Father of His Country," was born in Virginia, February 22, 1732, an ardent advocate of devotion to America and freedom

from entangling alliances. What would he think of his country today, the state of the world, the outlook for the future?

He would see a Nation of 140,000,000 recovering from two world wars and threatened with a third. He would see the results of appeasement of Hitler by Chamberlain—war; the appeasement of Stalin at Yalta and Teheran—nations overrun by communistic hordes—Americans saddled with $90 debt for every man, woman, and child for "lend-lost" grants to Russia alone, nations prostrate and reviling the United States while begging for our dollars, food, and materials.

He would see Stalin, Molotov, Vishinski, and their ilk, barbarians dressed in the habiliments of civilization, hiding behind an iron curtain, their minions enslaving, purging, starving, and mistreating millions of Europeans, while attempting to spread their fiendish communistic doctrines throughout America and the lands they have not yet conquered. He would see the shambles of massacre and hate it, of all places, Jerusalem, ancient cradle of Christianity. He would see his Nation trying to help bring order out of chaos, trying to stabilize the world economy, trying to insure peace, and daily getting into the depths of the international maelstrom. We think he would reiterate his admonition of no entangling alliances, no commitments that would enslave our people. True, he would aid the suffering but, he would always bear in mind that a government's obligation is to its own citizens first, that the welfare of its people is paramount and that, out of our abundance, after our own needs are met, we will give freely to those requiring aid.

George Washington, there are still some of us who believe in your sound philosophy and doctrines, on this your two hundred and sixteenth birthday.

CARLOS W. HUNTINGTON.

New York State Republican Clubs Support European Recovery Program

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. JAVITS. Mr. Speaker, the mounting support for the European recovery program among thoughtful citizens deeply concerned with the public welfare is very gratifying to those who have been wrestling with the enormous problems of world peace and stability. A significant contribution is the following resolution adopted by the Association of New York Young Republican clubs at the January meeting of their board of governors:

ASSOCIATION OF NEW YORK STATE
YOUNG REPUBLICAN CLUBS, INC.,
New York, N. Y., February 11, 1948.

Hon. JACOB K. JAVITS,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN JAVITS: The attached resolution, with regard to the Marshall plan, was adopted by the Association of New York State Young Republican Clubs, Inc., at a meeting in January.

Very truly yours,
CHARLES S. HAMILTON, Jr.

At a meeting in January of the board of governors and the executive committee of the Association of New York State Young Republican Clubs, Inc., the following resolution was adopted with regard to the Marshall plan:

"Whereas, World War II has so disrupted the economy of various European States, and so distorted international trade, that minimum requirements of food, fuel, fertilizer, and production tools can be obtained only through substantial, long-range loans and contributions from all unscarred countries having relative export surpluses; and

"Whereas permanent world peace cannot be achieved without the restoration of those European national economies which have been dislocated by World War II; and

"Whereas the economic position and self-interest of the United States require that it lead the way in the selection and administration of the necessary reconstruction program, seeking full participation of other nations able to help; and

"Whereas a realistic study of their own needs and stated anticipated performance has clearly outlined the goals of the 16 nations participating in the Paris Conference; and

"Whereas studies of the American economy indicate our ability to supply the necessary aid, now, therefore, be it

"*Resolved*, That the Board of Governors and Executive Council of the Association of New York State Young Republican Clubs, Inc., recommends the adoption by Congress of a European recovery program embodying the following principles:

"1. The shipment of foods, fuel, and fertilizer as an outright gift.

"2. The shipment of capital goods, the value of which should be liquidated over a long term by the import of materials in short supply in the United States and other contributing states.

"3. Insofar as practicable, the aid should be extended in kind rather than dollar credits.

"4. A complete program to achieve European recovery, based upon the production and standard of living goals set by the 16 participating nations, should be authorized as a whole.

"5. The sole condition to the extension and continuation of aid should be active protection by receiving nations of freedom of worship, assembly, speech, press, and elections.

"6. A nonpartisan European recovery agency should be set up and administered by American business leaders and technicians appointed by the President and approved by the Senate. Provision should be made for representation of other contributing nations. A semiannual progress report should be submitted to Congress, which report should include the agency's views as to possible modification of the program."

Lincoln and the People Everywhere

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. HAYS. Mr. Speaker, the Robert Todd Lincoln collection of Lincoln papers was opened to the public on July 26, 1947, in the Library of Congress. At the ceremony to mark the public opening of this collection one of the principal addresses was delivered by Dr. Roy P. Basler, a former professor at the University of Arkansas. Dr. Basler is now editor of the Writings of Abraham Lincoln, sponsored by the Abraham Lincoln Association of Springfield, Ill. His notable work for the association in producing a new and more satisfactory edition of Mr. Lincoln's writings is recognized by students of Lincoln literature as a significant contribution.

Under leave to extend my remarks, I include the following closing paragraph of Dr. Basler's eloquent address at the Library of Congress ceremony:

In Lincoln's life and thought America has found a compelling symbol and statement of democracy. Lincoln instructs the very soul of mankind in the meaning of human dignity, in the efficacy of human striving for justice and right, and, above all, in the spirit of patient, ironic humor with which all absolutes must be tempered—whether of failure or success, falsehood or truth, wrong or right—if men of various talents, creeds, and colors are to seek equality under one law. By precept and by example, Lincoln continues to teach mankind the way of democracy in this so-called atomic age, even as he was himself taught, both boy and man, by the precepts and examples of Washington and Jefferson.

America has accepted Lincoln as a symbol of the best which man has thus far achieved through democracy. More than this, America has accepted with Lincoln an ideal which may yet be more nearly attained—the timeless and universal democracy of the Declaration of Independence, rather than the temporary and often expedient democracy of the timely, or sometimes untimely, laws of our land. What Jefferson conceived, Lincoln consecrated with renewed meaning. Those who know the minutiae of Lincoln's life and works recognize the abiding truth in this popular acceptance of Lincoln as America's finest symbol of democracy. It was Lincoln's own admission that he had "never had a feeling politically that did not spring from the sentiments embodied in the Declaration of Independence." In an impromptu speech delivered to a German club in Cincinnati, while he was en route to Washington in 1861, Lincoln stated unequivocally: "I hold that while man exists, it is his duty to improve not only his own condition, but to assist in ameliorating mankind." If America knows and follows Lincoln we cannot fail in this, or any future era, to assist in the work of ameliorating the lot of all men everywhere.

I believe that America will continue to follow Lincoln's belief that the wealth and power which have accrued to the Nation in our quest for freedom and equality is not an end in itself, but is a byproduct, to be utilized as a means of furthering the quest. Our wealth and power cannot justify our democracy before the nations of the world, now or ever. But our democracy can justify our wealth and power, by utilizing it in the quest for a better world for all men everywhere. We shall have failed of the historic destiny which Lincoln saw for us unless we recognize with him, that "the struggle of today is not altogether for today—it is for a vast future also." How truly Lincoln answered one great question:

"What constitutes the bulwark of our own liberty and independence? It is not our frowning battlements, our bristling seacoasts, the guns of our war steamers, or the strength of our gallant and disciplined Army. These are not our reliance against a resumption of tyranny in our fair land. All of them may be turned against our liberties, without making us stronger or weaker for the struggle. Our reliance is in the love of liberty which God has planted in our bosoms. Our defense is in the preservation of the spirit which prizes liberty as the heritage of all men, in all lands, everywhere."

This, ladies and gentlemen, is Abraham Lincoln's belief, and I believe, fundamentally,

America's belief. So long as Lincoln's life and works are studied, it will be difficult for Americans to hold any contrary belief. To the purpose of perpetuating the study of Lincoln, the Robert Todd Lincoln collection is dedicated. May we hope that the day will never dawn when Abraham Lincoln and the principle for which and by which he lived have lost their force in the hearts of "all men, in all lands, everywhere."

American Ideals Taught in Athens College, Athens, Greece

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. TEAGUE. Mr. Speaker, while in Greece with the Foreign Affairs Subcommittee last October, I was impressed to find several people in each village who could speak very good English. After talking with these people for a while they would always proudly explain that they had attended an American college in Greece such as Athens College.

These colleges in Greece, which are about the junior college level here in the United States, are supported by donations from Americans. It is my opinion that the education we are able to furnish these young Greek students by teaching them the ideals of American democracy is one of the most important things we can do for them.

I was very much impressed with the accomplishments of Dr. Homer W. Davis who is founder and president of Athens College. Dr. Davis is formerly of Coram, Long Island, N. Y., and he and his staff of American and Greek instructors are training several hundred students each year the American way of life.

Our American Mission for Aid to Greece is assisting in the rehabilitation of Greece but it has not taken over any responsibility of providing funds for these American colleges. It is important that friends of these schools continue to support them financially.

Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a recent letter received from the president of Athens College, Dr. Homer W. Davis, together with a letter from the Chief of the American Mission for Aid to Greece, Mr. Dwight P. Griswold:

ATHENS COLLEGE,
Athens, Greece, February 7, 1948.

The Honorable OLIN TEAGUE,
House of Representatives,
Washington, D. C.

DEAR MR. TEAGUE: Recalling your visit to the college and your suggestion that I should keep in touch with you, I am writing to claim your interest in America's contribution to education in Greece.

All of us, of course, watch with great interest the work of the American Mission for Aid to Greece and give it our full moral support. The privilege of educating and in fact the fate of all American institutions in Greece obviously depend on the success of American efforts here, for the alternative is the iron curtain.

In the meantime, while the struggle is going on, we feel that Athens College, like other American institutions in Greece, is a powerful support to the official American effort and that the disappearance or serious curtailment of the work of these institutions, because of lack of funds, would be interpreted by the anxious public as lack of interest on the part of the American public and in fact weakening of America's determination. Any sign of weakening would be fatal.

Those of us who have struggled since liberation to rebuild American institutions in Greece thought that the announcement of the Truman doctrine would be accepted by the American public as recognition that greater help for Greece was needed and that, therefore, our task would be less discouraging. Unfortunately, the result has been just the contrary and we have faced the danger of closing the doors of the college because so many of our former contributors have taken the attitude that Government help made voluntary contributions unnecessary. We have tried to counteract this unfortunate impression and the attached copy of a letter from Governor Griswold has proved effective in many quarters.

Our trustees in the United States are appealing to the American public and particularly to Americans of Greek blood, whose obligations and interest in the matter are closest.

Mr. Theocharis Stavrides, former assistant principal of the college, who was at my side for 15 years in building up this institution, is in the United States this year and is spending much of his time going about and addressing groups in behalf of our trustees. It would be a tremendous support of our cause if you would be willing to give him letters of introduction to influential or wealthy Phil-Hellenes in your States, particularly Greek-Americans. Your endorsement of the work of the college and your expressed interest in the efforts for its survival would mean a great deal to us and I believe it is not an exaggeration to say a real contribution to the success of American efforts in Greece.

I hope that Mr. Stavrides will find it possible to call on you. If not, he will write you. His address is Mr. Theocharis Stavrides, care of Near East College Association, 46 Cedar Street, room 1209, New York 5, N. Y.

I apologize for troubling you but I know that I can count on your interest in the work to which we are devoting ourselves here with all our strength and energy. We feel that we are on the front line here and it is a great satisfaction to know that we have the support of friends in Washington, who have been here and have seen for themselves what is at stake.

With the kindest regards, I am,
Very truly yours,
HOMER W. DAVIS,
President.

THE AMERICAN MISSION
FOR AID TO GREECE,
Athens, November 22, 1947.

Dr. HOMER W. DAVIS,
President, Athens College,
Psychico.

MY DEAR DR. DAVIS: It has recently been brought to my attention that contributions from the United States to certain institutions here, particularly Athens College, have fallen off since the arrival of the American mission. I am told that this is due to the feeling in the United States that the American Aid Mission has taken over all responsibility here, including even the American educational institutions which have operated for so long and so efficiently in this part of the world. As you know, this is not the case and, for the present at least, our program is confined to the economic and security problems of Greece itself.

It is extremely unfortunate that these contributions are on a decline, and I am sure that if the facts are properly presented to the American public, they will respond. I, myself, have first-hand knowledge of the good work you are doing here. I have met and dealt with graduates of Athens College in many walks of Greek life in the short time I have been here. Your institution is performing a lasting service and is contributing not only to the welfare of Greece, but also to the prestige of the United States.

I wish you every success in this important work. With kindest regards, I am,
Sincerely yours,
DWIGHT P. GRISWOLD,
Chief.

The Postman Deserves a Raise in Pay

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. MILLER of California. Mr. Speaker, the editorial that appeared in the Oakland Post-Enquirer of Friday, January 16, 1948, is pertinent to the times. Recently there have been a few flurries in the commodity market that some have been quick to hail as a break in the high level of food prices. This is wishful thinking. There has been no real reduction in prices.

Postal and other Federal employees are entitled to a raise in pay. This editorial pleads their case in a logical manner. I urge you to read it carefully.

Continued high prices have sapped the surplus earnings of Government employees. They have no cushion of savings left to tide them over in case of sickness or periods of distress. There is no chance for them to build a reserve—it takes all they make to buy the necessities of life.

There are very few pennies left in the pocketbooks of the faithful wives of our postal and public employees after a very few trips to the grocery store.

Let Government express its interest in its employees by adjusting their salaries upward to meet high-living costs—we must not be guilty of forcing down the living standards of faithful public servants.

THE POSTMAN DESERVES A RAISE IN PAY

During the present sequence of rising prices and salary adjustments, the plight of the Nation's post-office employees continues to be largely unknown to the public, and consistently ignored by Congress.

The National Federation of Post Office Clerks is a union affiliated with the American Federation of Labor.

Apart from this identity, however, the post-office employees' union operates under limitations which prevent it from forms of bargaining and pressure invoked by other organized workers to better themselves economically.

Thus, they are prohibited from appealing to the Labor Relations Board and other facilities to compose salary grievances.

They must wait for Congress to consider their needs, and be bound by the decisions of Congress.

In spite of these handicaps, the post-office employees loyally and patiently go about their vitally essential work.

Their only recourse is to enlist public opinion, and hope that it will impress upon the Congress the now drastic need of better salaries.

In turn, Congress, not confronted with vigorous demands by highly organized and active pressure groups, finds it all too easy to ignore or delay the need and justice of the clerks' petitions.

This is not only unfair, but unintelligent.

Efficient and swift service of the mail is an unrelaxing and constant national necessity. It requires well-trained, loyal, and experienced men.

It merits a much higher rate of pay, and certainly does not deserve the small, few, and infrequent raises of the past.

The postman is a valuable and valued servant of the public.

He, too, has bills to meet, a home to support, children to educate and the maintenance of adequate savings.

This he cannot do on his present pay.

While other workers have kept their accounts even with rising prices, the postman has had to tighten his belt. While other workers went on strike, the postman went his rounds, with unexampled dependability.

Obviously, Congress must get busy and correct this injustice.

And quite as obviously, the public must also get busy and remind Congress that proper and prompt action on this matter is a matter that can no longer wait.

Excelsior, Minn., Editorial

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. MacKINNON. Mr. Speaker, under leave to extend my remarks, I include an editorial entitled "How Lincoln Attacked a Problem," which appeared in the Minnetonka Record on Lincoln's Birthday, February 12, 1948. This newspaper, published by the "waters of the Minnetonka," is well known for its many thought-provoking editorials and able coverage of the news. I especially recommend the following editorial for the keen comparison it makes to our present-day situation:

HOW LINCOLN ATTACKED A PROBLEM

When we find our Nation involved in insoluble difficulties we are inclined to seek help from the experience of brave souls who faced like conditions and left records of their methods of action. We of America—literally our Congress and our President—have been floundering helplessly in an effort to attain peace years after the last enemy yielded up his weapon and surrendered. Years of confusion, frustration, energy-sapping uncertainty have been wasted, and peace seems more distant than it seemed on VJ-day. Can we—can our congressional leaders, our President—be helped by noting how a statesman of the past acted in a somewhat similar situation?

This is Lincoln's birthday. No harm can come—and possibly good may result—from considering how he attacked a problem that threatened the Nation. This was the problem of human slavery. It was in June of the year 1858. Slavery, roughly an institution of the Democratic Party, though many individuals in that party abhorred it, was extending into territory formerly considered free. There was a conspiracy, apparent but not yet demonstrable, on the highest political level, that aimed to make slavery permissible in every State. Heretofore, Lincoln kept repeating, slavery had been looked upon as an evil existing when the Constitution was adopted; it was to be restricted; "in the course of ultimate extinction."

Now the institution, under the urge of southern hotheads and northern Democrats like Judge Douglas, of Lincoln's own State, was entering Kansas. The time had come, lonely, pondering Lincoln, lawyer and homely philosopher, decided to face the issue, attack the forward-sweeping scourge, call a halt.

The opportunity came at the close of the Republican State convention, held in Springfield on June 16, 1858. The convention had nominated Lincoln as Republican candidate for United States Senator. He was not present but came when sent for. He was asked to make a speech. He astonished the convention, we may suppose, by taking a manuscript from his pocket, or possibly from his hat, and beginning carefully to read his message. He had never done this before; his speeches had been delivered from his well-stored memory; this was to be something extraordinary, in which there must be no word added, deleted, or altered. He began, as he often did, with an axiom-like statement with which all hearers could agree:

"If we could first know where we are and whither we are tending, we could better judge what to do and how to do it."

We may imagine the delegates from town and country accepting this obvious truth and perhaps wonder at the grave manner in which it was set forth. Then came a sentence that may have caused eyebrows to be lifted:

"We are now far into the fifth year since a policy was initiated with the avowed object and confident promise of putting an end to slavery agitation."

We may believe the tall home town lawyer shifted a leaf or adjusted his glasses, affording a moment for this statement, which also was obvious, to be accepted. His next sentences contained graver matters:

"Under the operation of that policy, that agitation has not ceased, but has constantly augmented. In my opinion, it will not cease until a crisis shall have been reached and passed."

We can almost see town and prairie delegates' shoulders jerk as they glance at one another. What is coming now? What is Lincoln getting at? Such queries may have leaped in hearers' minds. The great wide shoulders may have sagged; the vast sad eyes may have blinked, as he continued:

"'A house divided against itself cannot stand.' I believe this Government cannot endure permanently half slave and half free. I do not expect the Union to be dissolved—I do not expect the house to fall—but I do expect it will cease to be divided. It will become all one thing or all the other."

With what pain these grave conclusions must have pierced the hearts of the assembled prairie pioneers, men who had assumed their section of the country would be forever free from the degrading curse of slavery. But the speaker was not mincing his words. He had spent months pondering, studying, making notes, forming sentences. Sad, unwelcome, discouraging his speech was indeed, but human progress, eternal truth, national dignity demanded that it be spoken:

"Either the opponents of slavery will arrest the further spread of it, and place it where the public mind shall rest in the belief that it is in the course of ultimate extinction; or its advocates will push it forward till it shall become alike lawful in all the States, old as well as new, North as well as South."

The tall lawyer continued. For an hour he went on, heaping up evidence of the secret agreement between Stephen A. Douglas, former President Franklin Pierce, Roger Taney, Chief Justice of the Supreme Court, and President James Buchanan. He came to the application of his evidence:

"Put this and that together and we have another niche, which we may ere long see filled with another Supreme Court decision, declaring that the Constitution does not permit a State to exclude slavery from its limits."

It was a Nation-shaking speech. Honest, clear-seeing Lincoln faced the unpleasant problem squarely, acted boldly, bravely. The people supported him. In time—it took a few years and a cruel war—the problem was settled for all history. Slavery was uprooted. Lincoln's nation became all free.

Good might be produced if every Senator and Representative, as well as our Chief Executive, should on Lincoln's birthday, reread this historic speech and weigh its wisdom and courage.

The Electoral College

EXTENSION OF REMARKS
OF
HON. ED GOSSETT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. GOSSETT. Mr. Speaker, once the people of America recognize the political shackles which bind them through the electoral college, they will demand its abolition. I was pleased to note a most intelligent discussion of this issue in an editorial appearing in the Lynn County News on February 13, 1948. The Lynn County News is a progressive paper published by Mr. E. I. Hill at Tahoka, Tex. I wish to place his editorial in the RECORD:

GOSSETT HAS THE REMEDY

That civil-rights message that President Truman delivered to Congress recently stirred up a lot of criticism in the South. In fact, nearly all southern Representatives and Senators have expressed opposition, either publicly or privately.

Some of them are mightily wrought up. Others have kept their tempers. Most of the Texas delegation have been moderate in their criticisms. They have kept their tempers, we are persuaded, because they have scented little danger of the proposals being pressed to a vote. Secretly if not openly, they feel that the President was only playing a bit of politics. He was fishing for the Negro vote in the next election.

Of course, if he should be reelected, both he and the northern Democrats generally would doubtless make some sort of effort to have these proposals enacted into law, but it is not believed that he and other party leaders would press the fight to the extent of alienating the entire South from the Democratic Party. It is to be hoped that those who hold to this view will prove to be right.

The whole matter, however, has focused attention on some serious defects in our electoral system—defects for which Representative ED GOSSETT, of Wichita Falls, has been proposing a remedy for the past year or more.

Under our system of electing a President, certain minority groups have power in elections out of all proportion to their number, the power to swing the entire electoral vote of a State to the candidate of their choice, for, under our Constitution, if a candidate for the presidency gets a majority of even one of the popular votes cast in a State he thereby gets all of the electoral votes from that State.

Take New York, for instance. It has 45 electoral votes. Suppose that Truman gets

2,500,000 popular votes and his Republican opponent gets 2,499,900 popular votes in that State, Truman has carried the State by a popularity majority of only 100 votes but in the electoral college, which elects the President, he gets all 45 of New York's electoral votes. A change of 51 votes from the Democratic to the Republican candidate in the popular election would have swung the entire electoral vote away from Truman and to his Republican opponent. Therefore it is seen how a small block of voters in a doubtful State may be able to swing the entire electoral vote of that State to one candidate or the other as the block may choose. A thousand Negroes in New York might swing the entire electoral vote at the next election either to Truman or to the Republican candidate. Since there are many thousand Negro voters in New York, it behooves any candidate to win them to his side.

Now GOSSETT's proposal is that the electoral votes of a State be divided in the same proportion as is the popular vote. In that case, Truman, who gets 2,500,000 popular votes in New York, and his Republican opponent who gets virtually the same number, should likewise be given virtually the same number of electoral votes, practically 22½ each.

Texas has 23 electoral votes. If the Democratic candidate should get four-fifths of the vote and the Republican candidate one-fifth, then the 23 electoral votes would be divided up in the same proportion.

Under this system, one man's vote in Texas would count for just as much in a Presidential election as one man's vote in New York or any other State. Under the present system 1,000 Negro votes in New York may have more weight than a million white people's votes in Texas.

Under the present system, the man who carries New York, Pennsylvania, Michigan, Ohio, and Illinois by even a dozen majority in each State, gets all of the electoral votes of those five big States and is almost sure to be elected, even though his opponent might have a million majority in Texas, and might have a popular majority of millions in the United States.

We believe that the Texas delegation in Congress should get solidly behind the GOSSETT bill and press its passage. We believe that the people of a majority of the States would approve it.

And the power of the minority blocks would be reduced to their numerical size.

Lithuania's Lost Legacy

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. SHAFER. Mr. Speaker, three decades ago, on February 16, 1918, the people of Lithuania, a little country in northern Europe, proclaimed their declaration of independence. We, as a Nation, recognized them as a free and sovereign nation, dedicated, as we are, to the proposition that all men are created equal.

That Lithuanian Declaration of Independence had been earned through long decades of travail by a stalwart people. More than 120 years had elapsed between the time they lost their freedom and the time they regained it from foreign foes.

In 1940, the Lithuanians lost their freedom again, to a tyranny far more deadly than any known in the long roll call of history. They were swallowed up by the mighty Soviet Union, perhaps as part of a deal between Joseph Stalin and Adolf Hitler.

Now, through the acquiescence of Americans who glibly promised the people of the world the "four freedoms," Lithuanians in their native land have no freedom. American Lithuanians are still working to win their native country's freedom, but the fight sometimes seems hopeless.

Several days belatedly, but better late than never, I want to salute the efforts of those who are still trying to bring freedom to the people of Lithuania. The thirtieth anniversary of the Lithuanian Declaration of Independence passed last Monday, February 16, but the spirit of freedom in Lithuanians around the world will not pass. It wil live on, and, with the help of freemen everywhere, it will someday triumph.

Palestine

EXTENSION OF REMARKS
OF
HON. ED GOSSETT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. GOSSETT. Mr. Speaker, the appropriate committees of Congress should immediately go into the Palestine situation. Too many blunders have already been made in this matter. Time is running out, and we may soon be face to face with World War III. An intelligent discussion of the issues involved appeared in an editorial in the Washington Evening Star of yesterday. For the information of the Congress and the entire country, I wish to insert that editorial in the RECORD:

SHOW-DOWN IN PALESTINE

The report of the United Nations Palestine Commission—a report which states bluntly that nothing but armed force can carry out the partition of the Holy Land—should end wishful thinking on this subject. For it is all too clear that the time for a show-down in Palestine is close at hand.

It was the end of November when the General Assembly, with this Government exerting pressure on member nations, adopted its resolution recommending the division of Palestine into Jewish and Arab states. At that time, although the Arabs had stated their intention to resist partition with force, it is improbable that many people foresaw the condition which confronts us today. It was said, and widely believed, that the Arabs were bluffing, that in the last analysis they would not oppose the moral force of the General Assembly's appeal. It was also said, and many believed it, that in event of armed resistance by the Arabs the Palestine Jews, through Haganah, their militia organization, would be capable of dealing with it.

Time demonstrated the fallacy of these assumptions. Then agitation developed for the modification by this Government of its arms embargo so that weapons could be shipped to the Jews to bolster their fight against the Arabs. The contention was that the Arabs could get arms and the Jews could not. Therefore, it was said, why not make arms available to the Jews, thereby balancing the forces in Palestine? This was another dubious assumption, one that has been thoroughly blasted by the report of the Palestine Commission. A balancing of power, instead of affording us an easy escape route, would almost certainly lead to fighting on a scale which would compel intervention.

The effect of these considerations, of course, is not to supply an answer to the problem. But a review of past errors should serve to underscore the danger of impulsive action and the overriding importance of taking further steps only after the most careful deliberation.

It is clear now that the United States committed itself to partition without any plan or program for its implementation. To act in that fashion is always dangerous. It will be doubly so if we now commit ourselves to the principle of the use of armed force against the Arabs without the fullest consideration of all the factors involved and the probable consequences of such a course.

Most of these considerations should be obvious. Some of those which lend support to the appeal for forcible implementation of the General Assembly's recommendation follow:

1. The right of the Jews to a national home in Palestine. This, of course, is a controversial point, but to those who believe in it, it is reason enough for action.

2. The prestige of the United Nations is at stake. The argument here is that if the Arabs are permitted to nullify with force a recommendation supported by two-thirds of the General Assembly, the already shaky foundations of the UN will be most seriously undermined. It cannot be denied that there is substance to this argument.

3. The opposition of the Arabs raises an intolerable situation which will go from bad to worse if nothing is done. Therefore, we should act promptly and decisively, through the UN, to compel acceptance of partition.

On the other side of the ledger one finds considerations such as these:

1. The sending of a United Nations force to Palestine—assuming that the Security Council would order that—probably would mean war with the Arab world. The military committee of the Arab League has said that if the United Nations sends troops to Palestine they will be opposed by force. We should assume that they mean this, and we should decide whether we are prepared to see such an undertaking through to a successful conclusion.

2. The Mediterranean and the Near and Middle East are of vital strategic importance to the United States and the rest of the western world. In event of war with Russia in the foreseeable future we would have to have bases in that part of the world. Hence, to what extent would our national interests be jeopardized by incurring the full hostility of the Arabs?

3. The oil in the Arab world is important to us, and even more so to Europe. It has become fashionable to jeer at any one who mentions oil in this connection. But the oil is an important consideration nevertheless. The Zionist leaders say that the Arab need of dollars is so great that, come what may, they would still sell their oil. But this is merely another assumption, and we should carefully consider its validity.

4. What are the motives and intentions of Soviet Russia in this situation? Russian policy for centuries has aimed at penetration of the Mediterranean and Persian Gulf areas. If a United Nations force should be sent to Palestine would it include Russian troops? On the other hand, if nothing is done and disorders continue, can Russia be expected to keep hands off this coveted area almost on her borders? Obviously, from the standpoint of our own national security, these are matters which should concern us deeply.

At the present time there is no evidence of a disposition on the part of our Government to discuss these questions publicly.

The President says we are supporting the United Nations, but he will not go beyond that, and his subordinates in the administration, among whom there is the sharpest difference of opinion, are unwilling to talk for publication. But our decision is not one which should be made in hush-hush fashion. There is little time left, for the British will surrender their League of Nations' mandate in May. What are we going to do then?

If we make a wrong decision the results can be calamitous for us. That being so, it is imperative that this matter be brought into the open where it can be publicly explored and discussed with a view to ascertaining where our real interests, and those of the rest of the world, lie. Too much is at stake to permit domestic political considerations, international pressures or anything else to block the fullest public consideration of the showdown which is impending in Palestine.

National Security Week

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. SHAFER. Mr. Speaker, this week, February 12 through 22, is National Security Week in the United States. It is sponsored, as we all realize, by the Reserve Officers Association of the United States to promote sound public thinking on a matter of continuing public interest—security for our Nation against enemies at home and abroad, present or potential.

As every intelligent American knows, America relies upon its civilians for both manpower and leadership in time of crisis. This has been true in every war and it will be true if war comes again, although everyone of us naturally wants no war unless we have to have one.

In World War II, members of the Reserve Officers Association of the United States furnished more than 90 percent of the leadership of our armed forces at home and abroad. Now, in peacetime, this organization is furnishing leadership in warning our people of the perils of unpreparedness and in trying to enlighten everyone as to possible courses of action we must take to be economically and militarily strong at all times.

I know that I speak for every Member of Congress when I salute the Reserve Officers Association of the United States today and bid this organization of stalwart citizens godspeed in their efforts to enlighten and to inform the people and to encourage sound thinking every day in the year on such a vital public matter as national defense.

This Congress has evidenced its continuing interest in the needs of national defense, as everyone concedes. We have appropriated huge sums for the armed forces and we will stress even more in the future the need for a highly trained, mobile, powerful air force, second to none in scientific development and striking power. We will be true to the aims of the Reserve Officers Association and we hope that every American will cooperate, not only this week but every week in the year.

Georgia, an Adventure in Freedom

EXTENSION OF REMARKS
OF
HON. RICHARD B. RUSSELL
OF GEORGIA
IN THE SENATE OF THE UNITED STATES
Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. RUSSELL. Mr. President, on Saturday, February 14, this year, at the Library of Congress in Washington, there were held commemorative services on the two hundred and fifteenth anniversary of the founding of the Georgia Colony. On that occasion my distinguished colleague the senior Senator from Georgia [Mr. GEORGE] delivered a very scholarly address entitled "Georgia, an Adventure in Freedom." I ask unanimous consent that the address may be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

No attempt will be made to catalog achievements in agriculture, horticulture, manufacturing, trade, and commerce in which Georgia excels or has made noteworthy progress by common consent of all loyal Georgians at least. Rather, this happy occasion affords opportunity to interpret the State, albeit in an inadequate manner.

On the 1st day of February 1733 an English gentleman in the prime of life led a band of hopeful adventurers to Yamacraw Bluff, on the Savannah River. There he was greeted by a dignified Indian of about 90 winters. The white leader was James Edward Oglethorpe—a soldier of the King, a member of Parliament, a humanitarian, and the founder of Georgia. The red man was Tomochichi, chief of the Yamacraws, who later accompanied his soldier friend to England and sat for his portrait by the celebrated painter, William Verelst.

On the following day the pioneers of Georgia began a still-vital tradition by showing that they were not less religious than the Pilgrim Fathers. They assembled to render thanks to God for their safe journey and to ask His blessing upon their new venture for freedom.

Under the personal supervision of their leader, the colonists soon laid out a town of regular streets and squares—as it appears in Peter Gordon's famous engraving of 1734, showing the new buildings on a site cleared from the woods, with Oglethorpe's stately tent pitched in the foreground, overlooking the river. The picture may be seen in the Library of Congress Exhibit of the Week.

The imagination of the engraver symbolizes the character of Georgia's founding and much of its history. It had long existed in the orderly vision of Oglethorpe. It was the creation of a statesman, the first in a long succession of Georgians whose motto was the one he adopted for his colony: "Non nobis, sed aliis"—not for ourselves, but for others. The soldier's feelings were touched by the misery of poor debtors languishing in their cells, and the sufferings of persecuted minorities in Europe, especially the pious Lutherans of Salzburg, who marched through the lands of their exile singing hymns.

"Through the night of doubt and sorrow, onward goes the pilgrim band,
Singing songs of expectation, marching to the promised land."

He resolved to establish the promised land, where they might begin life anew and protect the King's dominions against the Spaniards. No doubt he had read the Description of the Golden Islands, which appeared in 1720, and Sir Robert Montgomery's rather impractical plans for the Margravate of Azilia, to be organized in "the most delightful country of the universe"—namely, Georgia. King George II liked Oglethorpe's idea, and on June 9, 1732, granted to him and other eminent gentlemen a charter for the region between the Savannah and Altamaha Rivers and "westward to the South Seas." That generous phrase gave Georgia her claim to the vast region from which were carved the States of Alabama and Mississippi. In 1763 the third royal George extended the bounds to Florida.

The Spaniards of St. Augustine doubtless did not appreciate that sweeping gesture of princely generosity and reflected bitterly that their predecessors had been making Georgia history for more than a century and a half before General Oglethorpe was born, in 1697. They must have reflected, too, that the new province remained safely in his soldierly grasp, when they had fought with him in 1742, at the Battle of Bloody Marsh, on one of the Golden Islands.

That battle occurred almost exactly two centuries after Hernando de Soto traversed the future territory of Georgia to the Savannah River, on his way to his solemn burial in the Mississippi River he discovered. His exploit fixed Spain's claim upon the spacious region from the Keys to Chesapeake Bay and from the Sea Islands to the Father of Waters, which became known to her soldiers and missionaries as La Florida. The determination of the bearded dons to maintain possession was shockingly illustrated in the massacre of the French colonists of the 1560's by the ruthless Governor of Florida, Pedro Menendez de Aviles. In 1566 he planted on St. Catherines Island the first of a chain of forts in Georgia which from that time was known to the Spanish chroniclers as Guale.

For over a century soldiers and monks maintained the forts and the missions, and Georgia was a frontier of Spain's far-flung empire. In 1606 Bishop Altamirano, of Cuba, traveled in state through Guale, confirming more than 1,000 converted Indians. Other Spanish explorers—Tristan de Luna, Pardo, and Boyano—entered Georgia by the back door in search of the mines of the Appalachians. Those mines for generations contributed to the coffers of the Emperor of the Indies, and eventually inspired the establishment of the famous branch mint of the United States at Dahlonega.

The missions survived repeated Indian rebellions and buccaneer raids, and fierce storms which pounded the outer beaches of the Golden Islands and shook the bearded oaks. But they retreated before British imperial aggression and the persistent Indian trader, who drew away the Indian converts and encouraged freebooters to loot the riches of Guale. After the founding of South Carolina in 1670, the chanting and the recitations of the Indian pupils gradually ceased. The solid mission buildings became silent ruins under the hoary trees.

Then the red man confronted a force far more hostile to his way of life than the solidiers and friars of Old Spain. That was the swarming of the north European hive, the myriad householders coming with wives and children to establish homes, plantations, gardens, churches and schools. The mounds scattered over Georgia told the red man that the land belonged to him, but treaties with the white man warned him that his heritage was slipping from his hands. The contest was long, and Georgia had passed the centennial mark before the last page was written and the Cherokee Nation sadly and reluctantly began the long trek to the far West.

With them passed a great tradition, for the Georgia Indians were not degenerate loafers hanging about the tavern hearth for stray drops of liquid comfort. They are proud, intelligent countenances that gaze from the portraits painted by famous artists, when the Indian dressed in his best for great

occasions. There are Tomochichi the Yamacraw, friend of Oglethorpe, who buried him with honors at Savannah; Sequoyah, inventor of the Cherokee alphabet; and the Creek chief, William McIntosh, who sacrificed his life to the rage of his own people, to keep peace with Georgia. These were no mere barbarians. They cultivated farms, supported their own churches and schools under the guidance of missionaries, wrote letters to the Indian agents, and published their newspaper, the Cherokee Phenix, of New Echota, Ga. They gave the State the most vivid Indian history any Southern State can claim.

Into their lands swarmed the pioneers of Georgia—a cosmopolitan lot, gathered out of many kindreds, tongues, and religions: English Episcopaleans, Scottish Presbyterians, Catholic Piedmontese from Italy, German Lutherans, Moravians, Carolina Quakers, New England Puritans, French Huguenots, Jews, Welsh, and Swiss. The present-day Georgians are not the unmixed "Anglo-Saxons" absurdly claimed by the racial purists, but a blend of Wright, McIntosh, and Treutlen, Baldwin and Hall, Lanier and Ravenel, Sheftall, Mordecai, and Gwinnett. The mingling of these stocks undoubtedly accounts for the amazing intellectual brilliance of the State, as seen in a constellation of statesmen, orators, evangelists, and writers, hardly rivaled by any other Southern State.

Their idealism was a heritage from the original trustees, who pictured their dear Georgia as an empire abounding in silk, wines, oil, and indigo, and covered with rich vineyards, mulberry groves, gardens, and plantations cultivated by freemen, without the shadows of slavery. But philanthropy yielded to economic realities, and the Negro came to stay. He might arrive in the foul hold of a New England "slaver" from Goree, but soon he learned the master's language and religion, and to Georgia he brought the permanent gifts of his music, dancing, handicrafts, folklore, and soft fantasy.

Before 1776 Georgia had become a typical southern plantation colony, with a royal governor and an elected assembly after the trustees surrendered their rights of government in 1754. It had the usual established Episcopal Church, large estates tilled mostly by slaves, and also many small farmers, whose descendants became the majority of an intelligent, industrious, and religious people.

The advance of modern education and industry has not impaired the people's loyalty to the religion of the pioneers. There is a direct inheritance of spiritual aspiration, of longing after holiness, from the enthusiasm of the Wesley brothers, John and Charles, to the mysticism of Sidney Lanier's The Marshes of Glynn:

"As the marsh hen secretly builds on the watery sod,
Behold I will build me a nest on the greatness of God:
I will fly in the greatness of God as the marsh hen flies
In the freedom that fills all the space 'twixt the marsh and the skies:
By so many roots as the marsh grass send in the sod
I will heartily lay me ahold on the greatness of God."

This is a poet's interpretation of the personal religion instilled in the people by the Methodist circuit riders since Hope Hull, and by the evangelism of George Whitefield, and Jesse Mercer, and Daniel Marshall. The first southern hymn book, published in Charleston in 1737, was composed by John Wesley during his visit to Georgia.

Because of this tenacious tradition, Georgians today are a religious folk, with more than half of the people gathered into church membership. They are predominantly evangelical, whether they love the pure and precise English of the Book of Common Prayer, or the speaking in tongues at the Pentecostal meeting, or the trumpets of jubilee in some rustic praise house of the Sea Island Negro. It has been said that Christianity in America will be saved in the South; and when that happens, doubtless Georgians will be among the apostles. Yet they are not generally bigoted.

The Revolution of 1776 swept away religious privilege, along with imperial control—but only after an intense struggle. The founder and his friends had been good servants of their King, and imparted a loyalist tinge to the colony. But as imperialism attempted to tighten its grip after 1763, the traditional loyalty was opposed by a small but determined band of Sons of Liberty, organized in 1765.

Inspired by the influence of the able royal governor, James Wright, the loyalist party contrived to delay Georgia's representation in the Continental Congress—to the vast disgust of patriots. The contest became in part a desolating civil war, and perhaps none of the Thirteen States suffered more than Georgia. Through all the confusion and the barbarous devastations of partisans, Georgia emerged into statehood under her first constitution of 1777, and the leadership of such statesmen and soldiers as Lyman Hall, Lachlan McIntosh, and his rival, Button Gwinnett, John Milledge, John A. Treutlen, Samuel Elbert, William Few, and Abraham Baldwin. The last two sealed her union with her sister States, by signing the Federal Constitution, which the State ratifying convention unanimously accepted.

Georgians had scarcely adjusted themselves to the new order, when the plantation of their hero, Gen. Nathanael Greene, became the source of an invention—Eli Whitney's famous cotton gin—which introduced the golden age of the plantation economy. It strengthened the traditional prestige of the ownership of land, which had been the foundation of Georgia as a military frontier, and remained the hallmark of social position, the entree to political leadership, preferment, and statecraft. The men who made statesmanship a real craft, and who represented Georgia in the court and camp, in Congress and the Cabinet, were generally the masters of estates. Their wives were the mistresses of stately homes and gardens, which are still admired as models of gracious living.

Behind the planter aristocracy, but not behind in ability, were the masses of yeoman farmers whose many sons worked in the fields, and in 1861 dropped their tools to defend the cause of State rights and add to our wartime humor as they chaffed each other by the campfires. Then came the Negro, with his cabin and truck patch, and his frequent pride in the estate where he served. Sometimes, especially if he were ambitious and sensitive, he ran away and contributed to the embarrassment of statesmen who strove to keep the Union from breaking along the Ohio River. The ineffable "cracker" of the rough humorists was the freak of a fundamentally sound if not completely just society—he was not typical.

The plantation of romantic tradition, the white columns, the formal gardens and the family coach, did not completely represent the old order. The yellowed pages of our old census records, in the National Archives, reveal other phases of the story—the persistence of the nonslaveholding farmer and the local artisan. That varied economy was knit together and to other States by railroads, of which Georgia had more mileage in 1830 than any other Southern State. It made the Empire State the larder and arsenal of the Confederacy. And Federal strategists finally perceived that the only quick way to end the war was to invade Georgia, cut the Confederacy in half, and deprive the segments of much of their sustenance.

That rough surgery did not merely shatter an economic system, it also interrupted the evolution of a promising intellectual culture. The Federal Armies did not find in Georgia an utterly rustic people, steeped in mental torpor. The State was preeminent in the South as a stronghold of those typically American institutions, the free church, the church college, the academy, and the classical university supported by the State. Although the outlines of a democratic system of schools had barely emerged by 1860, Georgia was dotted with little private academies and colleges, which were featured in the illustrated guidebooks of the State, by the skill of the artist.

The old engravings of Georgia scenes—the rapids of the Chattahoochee, lonesome Rock Mountain, and Toccoa Falls—suggest the spirit of her early literature, which prolonged the romantic impulse of the first explorers, whose narratives inspired the DeBry engravings depicting the vivid and strange customs of the natives of Guale. The romantic spirit of the early nineteenth century suffused the poems of Georgia's first cluster of poets—Richard Henry Wilde, Paul Hamilton Hayne, and the "lost poet," Thomas Holley Chivers. The earthy realism of Augustus B. Longstreet, Richard Malcolm Johnston, and William Tappan Thompson kept Georgians from taking themselves too seriously, and foretold the growth of "realistic" fiction after the War Between the States.

In the old South, the term "literature" embraced political essays and oratory, and even the carefully styled letters of eminent men. The Georgian who listened intently to the rolling periods of Robert Toombs and Howell Cobb, or meditated on the closely reasoned constitutional arguments of "Little Alec" Stephens and Ben Hill, considered himself as a witness and even as a participant in the creation of literature. The literary atmosphere of old Georgia suggests that of the classical ancients, whose architectural masterpieces inspired the builders of her mansions, whose speeches thrilled the young collegians debating the questions of the day behind the white columns of Demosthenian Hall at the University of Georgia, in appropriately named Athens.

There came the long-dreaded but yet half-wished-for day when the fiery orators and the philosophers of State rights could see no resolution of the irrepressible conflict, save in secession and a resort to arms in defense of their conviction that Baldwin and Few had set their hands to the charter of a confederacy. The parting of the ways came hard. In 1850 the Georgia moderates prevailed, and greatly helped to keep the Southern States in the Union for another decade. Even in the fateful election of 1860, Georgians gave 43,000 votes to the Constitutional Union candidate for President (John Bell, of Tennessee), as against 51,000 for Breckinridge, the so-caled secessionist candidate.

Once the die was cast, however, the people rallied to the defense of their State. To many the war was, and in spite of General Sherman, remained a high adventure, a romantic and heroic experience. It must have been so to contribute to American literature such gems as Father Abram J. Hyan's The Conquered Banner, and Francis O. Ticknor's Little Giffen and Virginians of the Valley.

A people who sang in the face of ever-grimmer privations could endure the worst inflictions of the so-called reconstruction, which to most Georgians—white and colored—later came to seem more like a subversion of civilization. Their courage is symbolized in the brave letters written by Paul Hamilton Hayne from his cottage at Copse Hill, or by stricken Lanier, playing his beloved flute in the grim fastness of a Federal prison, and then returning to Georgia on foot. In a few years he was writing to Oliver Wendell Holmes, discoursing upon his theory of poetry as if nothing had happened, and in

1876 he was chosen to write the ode celebrating the centennial of the national independence. Bill Arp, one of Georgia's peculiar breed of earthy humorists, helped the Nation to forget the bitterness of what he so aptly described as the "uncivil war."

In that spirit the people began to reconstruct their life from the desolation, welcoming the northern capital which began a transformation of Georgia into a modern industrial as well as agricultural commonwealth. A new generation turned away from the embittered die-hards to look for inspiration to Henry W. Grady and other prophets of the new South, and to Tom Watson, author and "agrarian rebel," mouthpiece of uncounted small independent farmers.

The Negro, released from tutelage to the Freedman's Bureau and the carpetbagger, learned from Booker T. Washington and his followers that the promise of his future lay in first achieving economic independence. While he began slowly but steadily to acquire land and tools, he laid also the foundations of cultural independence, in his own schools and newspapers, and in the growth of a literature of slave narratives, reminiscences, poetry, novels, short stories, and social studies. The older folklore persists in studies of his music and customs, and the immortal one and only Uncle Remus.

The prophets of the new South insisted upon nothing more strongly than refounding the educational system on a democratic basis. The result of their labors in the present threefold system of private, denominational, and public schools, placed education within the reach of all classes, and culminated in the old State university at Athens. In the hard, uphill years a young woman of aristocratic lineage had a vision as she beheld the religious and mental destitution of the mountain children near her girlhood home at Rome. In a log-cabin Sunday school she began a venture of faith which eventually produced the world-famous Berry schools.

The diversity of modern Georgia prevails in the various character of the students in her schools. At Rabun Cap the farm family of the northern hills learns improved agriculture and home economics. The future minister or social worker adjusts the old religious culture to a new economic order, at one of the numerous denominational colleges and seminaries. The young engineer at Georgia Tech and the Negro youth in a laboratory at Atlanta University are types of the new industrialism. At Athens, walking past the classic Demosthenian Hall goes the successor of earlier seekers after wisdom and culture, who aspired to the editor's chair, to a literary career, or perhaps to a seat in Congress or the Cabinet. Their Georgia is far from the illiterate sodden South, pictured in radical political oratory in the era of the Bloody Shirt.

From 1871, when the State was readmitted to the Union—if we must use that dubious phrase—until the turn of the twentieth century, Georgia slowly recovered from the shocks of war and reconstruction. The modern era of Georgia history began in the decade of the 1890's. A surge of national feeling in 1898 found a ready response in the State and helped to wipe out the memories of 1865. Other harbingers of better times were the rise of a fresh literary movement and the memorable exposition at Atlanta in 1895.

The contemporary vogue of the historical novel carried to an unusual success one written by a Georgia-born woman, Augusta Evans Wilson, in a home thoroughly representative of the old regime—St. Elmo at Columbus. The book, which derived its name from the place, marked the new disposition to view the ante bellum days in a mood of romantic reminiscence rather than of bitterness over a lost cause.

At the exposition, Booker T. Washington made his fame as one of the foremost leaders of his people and challenged Georgia, as well as the South in general, to a new and more hopeful and practical view of interracial relations. The exposition in itself was a proclamation of the coming time of a balanced economy of improved agriculture and modern industrialism. It marked also the emergence of Atlanta as the capital and typical city of the new order—about which opinions still differed rather violently.

The vast changes then becoming obvious were destined to proceed with steadily increasing momentum in the First World War, when the State became a center of military training and war industry—as it had been on a more modest scale in the War Between the States. The Second World War simply repeated the same sudden burgeoning in a vastly larger measure. But in the latest emergency, Georgia had far more to start with than ever before, as in the meantime local enterprise and outside capital had collaborated to develop the highway system, port facilities, and electric-power resources, and had started or expanded many types of industry—such as metals, textiles, mining, quarrying, lumbering, and shipbuilding. The latter recalls that the timbers of the famous American warship *Constitution* "Old Ironsides" are said to have been cut in the liveoak groves of the Georgia Sea Islands.

The onset of industrialism speeded up the drift from country to city, brought to the State its first wave of labor organization and labor unrest, and stimulated a slow but continuous advance of urban psychology, the promotional spirit, and cosmopolitan taste. If Savannah symbolized the old order of slow and gracious living in its classic houses, iron grilles, and walled gardens, Atlanta stood for the new tempo, as seen in its towering office buildings, and its railroad yards and factories. This capital city is now considered by many Georgians to be as representative of their State as the columned mansions of Athens, Decatur, and Roswell.

The mechanical and scientific culture it represents has confronted Georgia with a whole new set of social problems, as small-town and country people (including many Negro farmers) have forsaken the old ways of life for crowded living conditions in cities. The strains have been eased partly by an enormous migration of Georgians (especially the Negroes) to other States, and more particularly to Northern industrial centers. And the interracial tension has noticeably declined, due not only to migration, but also to the earnest efforts of both sides to promote understanding, aided by the influences of progressive churches and of organizations founded for the express purpose of reducing the frequency of clashes.

With this shifting pattern of life has come a mood of self-appraisal. That is not entirely new to Georgians. Mr. Longstreet and several other early Georgia authors were disposed not to set their people uncritically upon a pedestal. Steeped in classical learning, they were perfectly familiar with the Greek motto, "Know thyself." Against bitter opposition, prophets of the new South began the revaluation of old ideals, largely through the newspaper and the traditional mode of oratory.

That task has been taken up, more recently, by the younger generation of literary people. Their reaction from nineteenth-century romanticism and gentility has carried them to the opposite extreme of a morbid realism. Tobacco Road and Anger in July, which might be considered as representative of this whole train of thought, are but the obverse side of the vogue of Walter Scott, a favorite author of the ante-bellum South. The realistic fiction writers have turned Georgia and the whole of Dixie inside out, like an old coat, to find the frayed patches in the lining, and stood southern society on its head to see whether it really has clay eaters and clay feet. They have probed the sordid aspects of Cracker life, revelled in dissecting the new and raw mill town, and delineated the wrongs of the Georgia "nigger." They have cast off the romantic standard and tried to shock the conscience into a social compassion akin to Oglethorpe's for the turbid ebb and flow of human misery which in part inspired the founding of Georgia.

Their passion shows the effect of a sudden and rather violent impact of modernism upon a conservative society. Contemporary Georgia is not asleep.

More recently, there has been a marked reversion to the practical ideals of the older tradition, as seen in Margaret Mitchell's Gone With the Wind. Here is a new and salty type of romance, based upon documentary study of history, rather than mere sentiment. Refusing entirely to reject his past, the intelligent Georgian views it with a calmly realistic candor without morbidity. He would retain, if possible, the cult of honor heroism, and unselfishness expressed in the State's first motto "Non nobis, sed aliis" not for ourselves, but for others.

Address by Hon. John L. McClellan, of Arkansas, Before the Mississippi Valley Association at St. Louis, Mo.

EXTENSION OF REMARKS

OF

HON. JOHN H. OVERTON

OF LOUISIANA

IN THE SENATE OF THE UNITED STATES

Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. OVERTON. Mr. President, at the annual dinner of the Mississippi Valley Association held at St. Louis, Mo., on January 26, 1948, the senior Senator from Arkansas [Mr. MCCLELLAN] delivered a very able and informative address. I ask unanimous consent that the address be published in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, members of the association, ladies, and gentlemen, in view of the lateness of the hour, I think if I were smart, and I know if I were campaigning to get the votes of this audience, I should take a short cut to your friendship by being very brief, but I shall undertake to make some hurried remarks touching upon matters I think of common concern to all of us.

An occasion like this gives to us who are Members of Congress the privilege of keeping in contact with organizations of our most progressive and patriotic citizens who are vitally interested in national programs that have as their objectives the continued progress and prosperity of our people. Many of the programs in which your group is interested are not only necessary to continued growth and progress, but they are, in fact, indispensable to the economic life and the survival of our Nation.

The general objectives of the Mississippi Valley Association have my enthusiastic support. For this reason I am anxious to cooperate with you and with other organizations that are concerned, to the end that our great natural resources may be well conserved and developed. I derive genuine pleasure and reassurance from meetings and contacts like this with you. I am honored indeed to have the privilege, and I have greatly enjoyed being with you today.

Much of the world today is in a tragic disorder that borders on chaos and calamity of almost inconceivable proportions.

The strange vicissitudes that are moving with such force and rapidity across international scenes are having a terrific impact on human relations and goverments throughout the world. They are strongly influencing our policies and actions in foreign relations and also with respect to our domestic economy. Prudence dictates that as a matter of intelligent self-interest and for the safeguard of our liberties and their perpetuation we must, for the present at least, be prepared to the limit of our potential strength and capacity for any eventuality or crisis that may arise.

We are going to be asked to make a tremendous investment in foreign nations, in foreign people—to help rehabilitate the European nations where the grim specter of want, hunger, despair, and chaos threatens peace—at this session of Congress.

In connection with this it is my most fervent hope that the Marshall plan—the European recovery program—is so established that it will promote lasting peace—but let me say this to you: With all the stupendous problems we in America face—a tremendous national debt, the highest tax rates in history, the drain the war made on our resources, and the inflation which threatens our continued prosperity—in the light of these tremendous problems—I say that it is time we try to know what we are doing when we authorize these investments beyond our shores.

Among other things, it is my judgment that as we face this challenge—that as we take these steps to secure a just and lasting peace—that we must make plain to Russia and to every other nation whose ideology conflicts with ours that this is an investment in freedom—and that we intend to protect every dollar of it once the investment is made.

Until a genuine and just peace has been attained America, remembering the past, cannot be indifferent and slothful at the present nor unconcerned and neglectful of the future.

Every intelligent and informed American citizen knows, as Hitler and Mussolini would concede and verify if living, that the strength of America made possible two great world military victories during the past three decades, in which the two ideologies of aggressive totalitarianism and peace-loving democracy clashed for world supremacy. If a third conflict comes, the strength of our Nation, or her lack of strength, will surely determine the outcome of it. That there does exist a real threat and danger of another such unthinkable catastrophe cannot be denied. To avoid such a tragic and maybe fatal eventuality is the hope and highest aspiration of all mankind.

We are striving by international cooperation and by working through the United Nations and all other means available to us to establish a just and enduring peace. It must be just or it will not last. If all efforts should fail, and another clash of arms between totalitarian aggressors and the freedom-loving people of democracies should come, we must be prepared for it.

The question, then, arises how best can we work for peace with the expectancy that our efforts will be rewarded. What must we do to keep America so strong that no power will dare to attack, or if an attack is made, we can resist with such force as to destroy any ruthless aggressor? "Keep America strong" is a phrase of common warning and admonition today. But how?

There are multiple phases and factors involved in national strength both in peace and in time of war. Many of these are associated with the programs and policies that we may pursue.

It was the economic, industrial, physical, moral, and spiritual strength of America that provided the balance of power in two world wars and made the difference between victory and defeat. It is the continued economic, industrial, physical, moral, and spiritual strength of America upon which we and the remainder of the democracies of the world must depend to win the peace or to defeat totalitarian aggressors, when and if they attempt world conquest. We cannot permit our strength and vitality to become impaired nor can we permit it to remain static. It must be constantly increased.

Except for American might and power, armies of aggression would be marching today all over Europe, Asia, and Africa with designs for an ultimate invasion of the Western Hemisphere. That might and power serves at present as a barrier to the march of world banditry. If that barrier should be removed or broken, if we fail or neglect to progressively increase our might and power and keep it supreme, the peace will be lost, and the freedom of mankind will again be placed in fatal jeopardy.

When we speak of keeping America strong, too many of us think in restrictive terms. We have in mind the size of our Army, our Navy, and our Air Forces. True, they are important, indispensable factors. But they, by no means, represent all the elements that go to make up strength and power either as an effective means to peace or to victory in the event of war. France had her Maginot line and the largest standing army in the world, but when the test came she collapsed because she lacked many other essentials.

American might and power emanate from, and are reposed in, two principal sources: They are the natural, physical resources with which our land is endowed and the vision and intellect of our people. These two factors can hardly be segregated or isolated one from the other.

Our natural resources, although abundant, are not unlimited. Their quantity and extent can and have been fairly well determined, whereas the vision and resourcefulness of our people have not known, and need not know, any bounds or limitations.

If we measure up in vision and intellect to our opportunities and possibilities, we can make our natural resources sufficient and adequate to provide us with unexcelled material wealth and power for centuries to come. On the other hand, by slothfulness, indifference, and neglect we can fail to conserve or to develop for the maximum use and benefit to our welfare the natural resources that are our heritage. If we commit or permit such failure our strength can deteriorate in the course of time to the extent that we will be neither an international force for peace nor a potent instrumentality for victory in the event of war.

The four basic natural resources from which we draw and develop strength and power are our soil, our timber, our minerals, and our water—our lakes and streams. These actually provide the physical sustenance of human existence and are basic elements in our social structure, health, economy, and prosperity.

Minerals, by their very nature, are exhaustible. Man cannot replace them. Our soil and timber are depletable and can be wasted away. We have learned, however, by proper use and practices they can be conserved and the depletion that occurs from use and consumption can, in most instances be substantially restored. Our fourth great resource, water, is inexhaustible. It is constantly restored and replenished by nature.

With respect to our minerals, it is incumbent upon us to use all practical means for their conservation, to continue exploration for new discoveries of deposits wherever they can be found. Those that are scarce and of a strategic nature should be acquired from abroad and stock-piled to meet future needs that may arise.

Timber should be conserved, and new methods applied in the adaptation and use of wood products so as to avoid waste. By proper husbandry, by reforestation, and by forestry protection, we can largely reproduce our forests and greatly increase their growth and quantity.

Our soil is not so easily restored. Greater emphasis must be placed upon its conservation. The more extensively our lands are developed and agricultural production increased, the greater the drain upon our soil and the more it is depleted. Fortunately, adequate countermeasures are available to us to prevent erosion and waste and to revitalize the strength and fertility of our soil.

Cognizant of this situation, and accepting its responsibility during the past quarter of a century, our Government has inaugurated and conducted programs at Federal expense that encourage and help private enterprise in this Nation to conserve our mineral supply. We have made provision for mineral depletion—tax allowances to promote exploration for the discovery of new deposits. We have acquired considerable forestry reserves and placed them under proper usage and management. We have given Federal assistance to States and to private enterprise in programs for the protection and restoration of our timber resources throughout the Nation.

An extensive soil-conservation service has been established. Large areas of lands are now wisely and effectively protected from erosion. More and larger areas must continuously be brought under control and into this program. With an impoverished soil, there can be neither progress nor prosperity.

We have made rapid strides in the right direction with respect to conservation and wise development and usage of these great natural resources. There is still, however, much distance to go. With respect to these programs, there must be no let-up or relaxation. Instead, if we are to constantly increase national strength they need to be augmented and expanded.

Unlike the other three great natural resources, there are associated with our abundant waters—our streams—elements and forces of both good and evil. If man's ingenuity is not applied to make them more adaptable to the service of human needs, the evil elements and forces too often recurringly predominate, with resulting tremendous injury and loss. But with the application of human ingenuity, the elements of evil can be removed—at least, controlled and converted into service of immeasurable benefit to mankind.

Truly, our water resources have fascinating possibilities. Their potentialities intrigue the imagination and challenge and inspire us to explore and drive toward the frontiers of opportunity they present. Left uncontrolled, their destructive forces greatly depreciate their beneficial value. Excessive floods sweep with violent destruction throughout the valleys in which they flow. Devastating floods occur not at regular but at repeated intervals. In the past, they have done material damage beyond evaluation in dollars and cents and caused loss of life and untold human misery and suffering. The loss occasioned by floods during the period of our national existence would be far more than adequate—doubly so—to pay the cost that will be involved in making the improvements required on all of our major streams, to prevent recurrences of major floods and provide the improvements necessary to develop their potentialities to the highest degree, and thus give to our people and our Nation their maximum service and benefit.

The Divine Creator did not make the whole world a Garden of Eden. When He decreed that man should earn his bread by the sweat of his brow, he meant just that. And that applies to nations, to nationalities, and to peoples, as well as to individuals. He did not create a perfect physical world. Had He done so, there would be no work for man to do. But He has endowed our land with abundance and given to us the opportunity to build a nation of free men so strong and powerful that the evil force of totalitarianism cannot prevail against us.

Included in our rich heritage are our great, fertile valleys where these devastating floods occur. If they are ever developed to their maximum use and productivity, barring unprecedented providential hindrance, they have the capacity of banishing famine from the face of the earth. But our fertile valleys can never be fully developed agriculturally or industrially, until the menace and danger of destructive floods are removed. This can be done; it should be done, it must be done, if we are to preserve and develop our productive power and make and keep our Nation so strong that it will be invincible.

We have large areas in the Nation where for long seasons of the year there is a scarcity of water. On the upper regions of our great valleys, these areas exist. But there is no conflict with our interest in the lower valleys and those of the upper regions. They have too little water; we have too much. The problem can be resolved by adequate storage and conservation in the upper regions and by control and regulation in the lower regions. By the former, we will insure in the arid areas an adequate supply of water at all times for human and industrial needs. By the latter, we will provide the necessary protection of both human lives and property, prevent destruction, and convert the forces of this excess into constructive channels.

All these programs, and particularly our water resources and flood-control development, met with stubborn opposition in Congress. When first inaugurated the charge was frequently made that projects of this character fell within the category of political favoritism and "pork barrel" legislation. This charge has long since been repudiated, and Federal responsibility for their construction is now firmly established. It has been so successfully demonstrated that benefits from water resources development so greatly exceed the costs that they are now regarded as sound and prudent capital investments—investments from which the whole Nation profits in increased productive capacity that yields a higher per capita income and larger national revenue. The wealth, progress, prosperity, and standard of living of all our people are greatly enhanced as our river programs are advanced, and more and more of these projects are constructed and completed.

Last July 16, in a special message to Congress, the President of the United States recommended a 10-year program for the completion of all projects necessary for the protection of the Mississippi River Basin. I heartily approve, and I hope the Congress will have the wisdom and courage to make the necessary appropriation and see that the job is done. Yes; we will encounter opposition, but I believe we can overcome it. It will be earnestly contended that due to the tremendous national debt, the present current cost of Government, and the large sums to be expended for foreign aid, that this program should be deferred. But I maintain that delay in doing this job of consummating this great national improvement would be detrimental and inexcusable. This program is so important and essential to our growth and national strength and to the common welfare nothing should be permitted to interfere or hinder its progress to completion.

I agree with what President Truman said in his special message to Congress that:

"The major opportunity of our generation to increase the wealth of the Nation lies in the development of our great river systems."

That is a vigorous, forceful, truthful statement. The statesmanship it embraces and expresses is a challenge we must meet if we are to preserve and pass on to others a heritage equal to or greater than that we have so happily enjoyed.

If we expect to keep America strong and invincible, we must not fail in this trust. This generation in keeping with the spirit and finest traditions of the past will keep the wheels of progress rolling on toward the fulfillment of every challenging opportunity to make America stronger, to keep her invincible. For we know that only the productive can be strong, only the strong can be free.

Lincoln Day Address by Hon. Edward J. Thye, of Minnesota

EXTENSION OF REMARKS

OF

HON. HENRY C. DWORSHAK

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. DWORSHAK. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a Lincoln Day address delivered by the able junior Senator from Minnesota [Mr. THYE] at Boise, Idaho, on February 14, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

There is something so invigorating about the western spirit that when the invitation came to me to speak here in Boise, tonight, I eagerly welcomed the opportunity. I think it is no disloyalty to my own beloved State of Minnesota to say to you that I feel perfectly at home in the West. I feel especially at home here in Idaho where you have entrusted your State government to an able Republican leader, Governor Robins, and I appreciate the opportunity to visit the home environment of my friend and colleague, Senator HENRY DWORSHAK.

During the past year, I have become well acquainted with Senator DWORSHAK, who sits only a few seats from me in the Senate, and I have found him a most conscientious and earnest legislator. He is a student of the Federal budget and complicated finances of the Government, an earnest advocate of the economy that is so badly needed in Washington, and an able and respected champion of individual enterprise which we believe is the essential characteristic of America.

We are assembled here this evening as members of a political party that came into being under the leadership of Abraham Lincoln. That courageous and inspired leadership, which made possible the preservation and continuation of the United States, deserves the tributes of all our people. Lincoln is the symbol of freedom, of the lawful rights of the individual citizen under a constitutional government, and of the strength and initiative of a united people. That spirit of freedom has made America great. That spirit of initiative has built our industrial enterprises. That spirit of unity has attracted men and women from all the countries of the world to live together as neighbors and fellow citizens—builders of a strong, progressive, and hopeful nation that stands preeminent in the modern world.

From its very beginnings under Lincoln, the Republican Party has been a party of progress and development. You people of Idaho, in the heart of the West, have compelling reasons today to recognize that fact in the historic decisions which Republican Congresses have made in the development of this region.

In keeping with the important role of agriculture in building a strong nation, President Lincoln approved in 1862 three of the most important legislative steps ever taken by the Government in behalf of the farmer. They were the act creating the Department of Agriculture, the Homestead Act of 1862, and the Land-Grant College Act which granted to the States vast quantities of the public domain for educational purposes.

The Homestead Act of 1862, which flung open the door of opportunity to any citizen who would become a farmer, marked a new era in pioneering and homesteading which attracted the courageous youth and the sturdy immigrants. The land of the West was made accessible to settlers free of any purchase price in 160-acre homesteads, provided it was occupied for a minimum of 5 years. This act was responsible for the sweep of settlement westward to the Pacific. In the course of time, 275,000,000 acres were transferred to settlers under the basic provisions of the Homestead Act.

I

It was again a Republican Congress under a Republican President, Teddy Roosevelt, which passed the Reclamation Act of 1902 under which the Government of the United States undertook to champion the cause of irrigation by providing that irrigation works, beyond the easy reach of the ordinary cooperative methods, might be constructed with Federal funds. The investment was to be repaid gradually by the farmers.

As a result of this and supplementary acts, 54 projects have now been built, yielding water to more than 4,000,000 acres of land, and serving nearly 100,000 families. Under the direction of the Bureau of Reclamation and the cooperation of the people, an empire, uniting the two seacoasts of America, has been built. Some of the works have been described as wonders of the world, such as the pioneers did not dare to dream about.

I need not remind you people of Idaho what reclamation has meant to this region. Your effectively coordinated irrigation projects stretching from Jackson Lake on the headwaters of the Snake River, through American Falls Reservoir and Minidoka Dam, to Arrow Rock on the Boise River, have brought a million acres under cultivation. They have become the biggest single factor in Idaho's contribution to the agricultural wealth of the Nation, and have resulted in the production of huge crops at a time when the Nation was calling for the utmost in food production. Together with electric power benefits they have brought new resources into use.

I recently saw a chart prepared by the Bureau of Reclamation covering a 40-year period in six counties in south-central Idaho. That irrigation expansion alone creating your famous Magic Valley, had developed more than $130,000,000 in property values, an annual pay roll of $63,000,000, 1,600 business enterprises, and jobs for 26,000 persons. Without irrigation that section of the Snake River Valley would have remained as unproductive as the surrounding desert.

The Eightieth Congress has recognized the vital importance of the reclamation program by the extensive appropriations that were made for the present fiscal year, amounting to $142,000,000. Still more generous provision is anticipated for the immediate future to keep construction proceeding at a rate that will yield vast new irrigation and power benefits.

II

In Lincoln's day the slogan of the hour was the familiar cry, "Go West, young man, and grow up with the country." And many did that as the Nation spread itself across the continent. But that frontier, with its adventure and its hardships, with its opportunity and its growth, is no longer ours to exploit. The new frontiers of our day are rather to be found in such developments of our potential resources as the reclamation program. They will be found in the research laboratory. They are waiting to be explored in establishing better relations and understanding between labor and management. They lie before us in the obligation we have assumed in international affairs.

Ours is a great responsibility which requires not only a high sense of obligation as citizens but a fresh and eager leadership that

has the vision, the courage, and the progressive spirit to chart the way forward.

1. We need a new leadership in the National Government in Washington as a first step to make possible a beginning toward that objective.

2. We are struggling against the threats of inflation and the difficulties which high prices for food and commodities impose upon the average family and especially upon the average wage earner. Yet the administration in Washington refuses to admit that these conditions are in part due to the pursuit of negative policies by the Government. It offers no solution except more rationing, more controls, more government.

3. We must have full production to relieve the shortages and to provide for the many things the American people need. Yet the administration in Washington declares that "at least $50,000,000,000 should be invested by industry to improve and expand our productive facilities over the next few years," but the President vetoes all efforts to reduce excessive taxes and proposes discouraging burdens upon venture capital.

4. We have a Republican majority in Congress which has attempted to cut down the cost of government by reducing personnel and trying to stop waste. Yet the administration in Washington which has a partisan control of every executive department and the innumerable administrative agencies can and does neutralize constructive legislation and in one breath says these cuts are "phony" and in the next claims it cannot give proper service because Congress has reduced its funds.

5. We have been concerned over the effect of the uncontrolled export of certain scarce commodities such as freight cars, oil, and pipe, to mention three that are in critical demand, and the President has had power since July 1940 to say whether or not a commodity shall be exported, how much, to what countries it shall go, and how much to each country. Yet we have an administration in Washington that not only has been negligent in the proper use of that power but has sought to shift the blame for its failure to Congress by demanding legislation to strengthen export controls when it has had ample authority all the time.

This negative atmosphere, resulting from the all too clear attempt of the Truman administration to carry water on all shoulders, makes difficult the development of constructive and badly needed new policies that will lead this great country through the difficult transition years of the immediate postwar period into a happier and better period. We simply cannot find the way to that new era if we adopt the cynical philosophy too often present in our thinking during the years of the New Deal which places an undue faith in bureaucratic government and shrugs off the spirit of initiative and enterprise on the part of our citizens.

For the first time in 15 years a Republican majority was in control of one arm of the Government last year—the Congress. In spite of the negative atmosphere in which it was necessary to work, with threats of vetoes from the White House and no assurance that Republican-sponsored policies and legislation would be effectively administered by executive agencies of the Government under complete control of the opposing party, and in spite of an accumulation of vexing problems that are the aftermath of war and of four New Deal terms, it was possible to establish a record of constructive legislation that merits confidence.

1. Thanks largely to Republican insistence, there has been a balanced budget for the first time in 15 years.

2. An actual decrease of over $3,000,000,000 in appropriations, as compared to budget estimates submitted by the Executive, was made. At the same time generous provision was made for reclamation projects, flood control, and river improvements, and the highest peacetime budget for national defense was provided.

3. A Labor-Management Relations Act to reestablish a balanced situation in industrial relations was passed despite the President's veto.

4. Following upon the legislative reorganization, which went into operation last year, steps were taken for a commission survey of the need for reorganization of the executive branch.

5. Numerous war-power and emergency enactments were repealed, and Congress has stood firm against a continuous demand for restoration of Government regimentation. Scores of constructive measures have been passed dealing with pressing domestic problems.

6. Full and generous cooperation has been extended the administration by the Republican majority in Congress in the bipartisan foreign policy, under the leadership of Senator VANDENBERG.

The contributions of the Republican Congress, described in broad terms, point the way to our most vital objectives: First, adherence to the belief that a strong, solvent, and free America is the basis of our greatest contribution to world order. Second, recognition of the leadership the Government must take in the resourceful utilization and use of our potential natural resources. Third, cultivation of an atmosphere of fair dealing and understanding in the relationship of our economic groups without which the free-enterprise system cannot be made to work. Fourth, acceptance of our responsibility and obligation to provide the stabilizing force in the world as war-torn and devastated nations seek to find their way to a stable and peaceful condition.

America's international obligations and responsibilities today are compelling. While we did not accept the full leadership in the world affairs which had been ours immediately following World War I, we must not make the same mistake now in the immediate years after World War II. A world leadership has been thrust upon us by the ability to produce which made it possible for us to supply not only our war needs, but also much of the requirements of our allies, and by the demonstration of skill and leadership and sacrifice which we gave to the struggle for the liberties and rights of man. We must not lose the lasting peace for which our gallant youth fought and died.

Our immediate obligation is to take an active part in the rehabilitation of the war-torn western European countries as they seek to reestablish sound governments based on human rights and freedom. This cannot be brought about easily. It will cost us appropriations to assist in this rehabilitation. The Marshall plan as it is now known could as well be said to be the Vandenberg plan. It was the able, distinguished Republican Senator, ARTHUR E. VANDENBERG, who said even before the war ended in 1945: "We will propose to help create the postwar world on a basis which will stop aggressors for keeps and, so far as humanly possible, substitute justice for force among freemen. We propose to do it primarily for our own sakes." Senator VANDENBERG's brilliant speech in the Senate in January 1945 really commenced the thinking on the European question which has culminated in the Marshall plan.

You and I may at times feel that this is a responsibility and burden that we should not enter upon; yet you and I in our own experience or memory know what a terrific impact on the economy of a community or State results from a devastating flood, a hailstorm, or a tornado. While I served as Governor of my own State, there were communities in my State that suffered shocking losses from storms or floods, and the State assisted them in their rehabilitation by direct appropriations. Neighboring communities also felt it their duty to help.

I think we must look upon our assistance in the rehabilitation of European countries in the same way. The devastation caused by war was more far-reaching than any calamity that we have experienced here. We should be a very grateful people that we have been spared twice in world conflict. We did not have our beautiful cities devastated as were those of England, some of France, the Netherlands, and all the others. Even the problem of the rehabilitation of Germany, which we might say is none of our affair, requires that their civilized life be reestablished and their industry made to serve the German people as they seek to lift themselves to a complete recovery.

Unless we lend a hand in a neighborly manner to bring hope and encouragement to Europe and to draw forth the hidden money of the businessman and the industrialist, we cannot expect other than chaos for those countries. Such a situation will permit the Communist philosophy to completely dominate by force those who now would like to reestablish governments for the people. If all of these countries are pulled back of the so-called iron curtain of Russia and the development of the resources in those countries becomes a part of Russia's economy, to be developed under the Soviet concept of world rule, I would say, and I say it most reverently: God help the people of this earth in this atomic age.

These years of crisis ahead lay down a challenge to the party of Lincoln for clear thinking and courage as our Nation assumes its destined place in a world that is struggling to rebuild and restore what years of war have laid waste.

They will require unity on the part of the American people, an adventurous and pioneering purpose, and a vital leadership that will kindle a rebirth of the American spirit.

Lincoln Day Address by Hon. Ralph E. Flanders, of Vermont

EXTENSION OF REMARKS
OF
HON. HOMER FERGUSON
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES

Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "The Party of Lincoln in This Year of Grace," delivered by the Senator from Vermont [Mr. FLANDERS] at Detroit, in the Fifteenth Congressional District on February 10, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PARTY OF LINCOLN IN THIS YEAR OF GRACE

Mr. Chairman, ladies, and gentlemen, it is an honor I greatly appreciate that I am asked to talk with you this evening. There is no group of Republicans in the country whom I would rather meet with at this time than the group I find before me, composed as you are of the convinced, unterrified, and dauntless Republicans who have for many years maintained the faith in a district which has, I am told, always voted Democratic in national elections.

I have the faith to believe that your long years of hope and action will this year be crowned with success, so that we may add yet one more of our party to the swelling majority in the House of Representatives. You are already magnificently represented

in the Senate. To have two men like HOMER FERGUSON and ARTHUR VANDENBERG accredited to this State is an honor which any State may well envy. In particular am I personally proud to follow the leadership of your senior Senator in his wise and patriotic counsel as to foreign affairs. In this, as in much else, he stands head and shoulders above us all.

We want to attain our victory this fall in a solid sort of way, which will foreshadow years of success for our party in this spot instead of some temporary flash of success. To do that we must put a depth and solidity into the Republican program which will embody the enduring contribution which it can make to the welfare of the citizens of this district, this city, this State, and the Nation. It is my purpose to discuss some of those values with you this evening.

I know of no spot where the enduring values of our Nation are put in more tangible, visible form than in our National Capital. There we may behold the noblest vista ever planned and executed by the hand of man. At one end of that vista stands the Capitol itself—planned and built by our fathers on no mean and niggardly scale. There was in them a sense of the magnificent destiny of our Nation. There was in them a sense of its vast territorial extent. They envisioned the incredible riches of its rocks and soil and of the industry and ingenuity of the millions then living in this country—destined to increase and multiply by birth and immigration. With this faith and vision in their hearts, our fathers planned that great building with a grandeur and yet with a dignity which has never been surpassed among the similar works of man.

Westward from that structure, for more than a mile, extends an open vista. It is marred on its flanks by the exigencies of war in the shape of temporary buildings which, it is to be hoped, a world organized for peace will soon warrant us in removing, yet, as seen from the Capitol, the eye is not attracted to these temporary structures. Instead it reaches far down the open space and rests on that simple soaring symbol of our Nation's founder—the Washington Monument. What a stroke of genius is the design of this simple obelisk: Plain and solid in its structure, lofty in its height, with its summit pointing still farther upward than the reach of the structure itself, it is the physical embodiment of the character and attributes of the father of our country, whose memory it perpetuates in physical form, even as our history, our Constitution, and our very unity as a nation perpetuates his memory in a spiritual form.

That monument is a mighty structure. Seen in the varied aspects of early morning, bright noon, rosy sunset, and pale moonlight, it has an infinite variety of appeal. There have been times when, driving to my office in the morning, I have seen its base invisible in low-lying mist while its summit rose above those mists in the bright light of the morning sun. Such a sight is thrilling, indeed. It has a significance it is difficult to put into words.

But the monument is not the end of the vista. In the far distance, away beyond the monument, there is visible from the west front of the Capitol, a gleaming marble structure—the Lincoln Memorial. I suppose there is no spot in this Nation which has attracted, since it was built, more thousands of our citizens to pause, to wonder, and to submit themselves to an impelling flood of admiration and inspiration. That this unschooled and unpolished western pioneer should be enshrined here in classic marble is not incongruous. The stature of the man has grown with the years. His character and his achievement become greater as we recede from him and set his brief years of service in the time of the Nation's supreme need in the framework of human history. Truly, as Stanton said at Lincoln's deathbed, "He belongs with the ages."

Let us tonight in a humble and reverent way bring our minds and our emotions back to the life of that great man. Let us test our actions by the principles which ruled him. Let us see what we may gain of light and leading from his life to apply to the difficult and dangerous times in which we find ourselves today.

If the party of Lincoln is to be his political and spiritual successor, it will first of all have to concern itself with human beings. It was fundamental in our great leader's thinking and feeling that man had worth as a man without reference to his station and birth, to the material circumstances to which he was born, those which he acquired by his personal activity or those which fortune may have chanced to shower upon him. In this belief and with this guide to action Lincoln embodied in himself the great truth which the founder of our Christian religion brought to the world and which is the enduring substance of that religion wherever it is sincerely apprehended and taught. Our concern likewise is with human beings and not with things or with abstractions.

Let me digress at this point for a moment to tell of the personal experience of some of us who were engaged in hearings throughout the country last fall on the subject of the high and increasing cost of living. In one sense of the word, we discovered little which could not have been discovered by expert statisticians who analyze the information which governmental and private research organizations pour forth in an unceasing flood.

But instead of trusting to these dry and lifeless columns of figures, we went instead to the people themselves. My own panel covered the country east of the Alleghenies all the way from New Hampshire to Florida. I, likewise, visited hearings on the Pacific coast at Los Angeles and San Francisco. That western group had the same experiences that met us in the East and the significant experience was this: That masses of figures, for the most part dealing with averages, conceal human problems which are most easily revealed by going directly to people. To be specific, average wages may be better with relation to some average cost of living now than was the case in 1939, even though conditions have deteriorated somewhat from the peak of real wages in 1946. It became clear, however, that we could not indulge in complacency in spite of this generally favorable situation. Within those average incomes and average costs of living were to be found many millions of people who had been left behind in the war and postwar advances in incomes, and whose conditions were materially worse than they had been at any time, even worse for many of them than they had been during the depths of the depression.

Who were these people who had been left behind in spite of so great and general statistical advances? Among them, of course, were all of those who were trying to live in their older years on the savings of a lifetime. All who had been depending on pensions and retirement annuities were severely cramped. There are millions of wage earners, organized and unorganized, who have been left behind as the incomes of their more fortunate and aggressive fellow workmen had been increased. All of those who were connected with religious and charitable institutions were in serious straits. The incomes of those institutions have not gone up with the increases in the cost of living. Almost all employees of Federal, State, and local governments have lagged behind. As for myself, when I considered the serious difficulties in which school teachers, preachers, particularly young preachers, found themselves, I was astonished that radicalism had not gained a stronger hold on this influential group of our fellow citizens than appears to have been the case.

Let me suggest to my fellow members of the Republican Party that there is a party necessity, simply because there is a human necessity, to recognize the difficulties in which these great groups, numbering in the aggregate many millions, find themselves. It is this group of white-collar workers and low-income wage earners which can and will swing elections. For our party, the safest political strategy is to recognize the problems of these people, not only politically but with the heart and with the head.

Let us take another look at the great Abraham Lincoln. He had a profound confidence in popular government. This found its springs of belief and action in his acceptance of the Christian doctrine of the value of the individual human soul. It led him to the firm, instinctive belief that no man had the right to rule the beliefs and actions of another as a superior compelling the obedience of an inferior. It led him to look upon slavery with loathing. It led him to hold aloft that ideal of government which was expressed in the world's greatest example of noble and sincere eloquence—the Gettysburg Address: "That we here highly resolve that these dead shall not have died in vain. That this Nation under God shall have a new birth of freedom; and that government of the people, by the people, for the people, shall not perish from the earth."

It was reported in the papers a year or two ago that the Gettysburg Address had been translated into Russian and publicly disseminated to the Russian people through the Russian press. There was, however, a subtle change in the three propositions connecting the government and the people in that final sentence. As I remember, it read something like this: "That government of the people, through the people, for the people, shall not perish from the earth."

That the people themselves are the instruments of their destiny was Lincoln's doctrine. It is the Republican doctrine. The people do not, except for short periods and under close control, depute to governments that authority and responsibility which rests directly in them. We do not in this country have unanimous elections. We will not in this country grant to any elected or appointed official unrestricted and unregulated powers, except as may be necessary for limited times under stress of total war or other severe national emergency.

With this retention of power in the people goes a depth of responsibility which is rejected by totalitarian governments, whether Fascist or Communist. We, the people, are the sovereign power. We also have the final responsibility. We cannot blame others. We ourselves are the authors of our destiny, whether the fate be fortunate and noble or unfortunate and tinged with shame.

There is another aspect of Lincoln's character and policy which has, I believe, never been sufficiently analyzed or appreciated. I refer to the fact that his speeches are all closely based on reason in spite of the fact that they dealt with highly emotional problems. The problem of human slavery is one which aroused the fieriest emotions which we can easily imagine, whether in the mind of its proponents or its opponents. The depth of those passions can be realized if we consider that they were of such an intensity that they were fast leading to the breaking up of the Union and the destruction of our country as an organized government based on the sacrifices and the principles of the founding fathers. In particular we have to remember the extreme emationalism of the opponents of slavery which led, in its ultimate expression, to the endeavor of John Brown to foment and arm an insurrection of the Negro people against their southern owners.

No one felt the depth of moral degradation in slavery more deeply than did Lincoln. Yet that tremendously strong feeling at no

time misled his mind in its consideration of the effective policy to be developed and applied in the face of the disintegration of the Union which was resulting from it. He put his finger on the preservation of the Union as the central problem of the American people. Slavery could be controlled. It could not be eliminated in the course of time unless the Union were preserved. As he said on one notable occasion, "If I could save the Union without freeing any slave, I would do it; and if I could save it by freeing all the slaves, I would do it; and if I could save it by freeing some and leaving others alone, I would also do that." And these words came from a man who hated slavery with the full intensity of all his moral nature.

The existence of the Union was threatened by slavery. It was this central problem to which the Republican Party addressed itself. That purpose was directed by a highly intelligent, intellectual analysis of the problem. It did not satisfy the abolitionists who, with an unintelligent but emotional approach to the problem, were bitterly opposed to the platform of the Republican Party. It likewise, of course, failed to satisfy those who were intent on the expansion of slavery into the new Territories of the West still under Federal domain, but which were in time to come to be self-governing States in their own right. In the fact of a moral problem charged with emotion, as no subsequent issue has ever been, it was wise, prudent analysis which controlled the policies of Abraham Lincoln and the great party which he led.

One may read the letters and addresses of our great leader (as I have done in recent months) and be astonished at the absence of appeals to a lower level than those of the citizen's conscience, the citizen's reason. The intellectual content of these letters and addresses is astonishingly high. I think it must be said that that intellectual content is higher than is customary in the political speeches of our own time. He had supreme confidence in the ability of the American people to follow a reasonable and effective course rather than an emotional and destructive one in dealing with the great issues which confronted them. His belief in popular government was one which he put to the test. In putting that belief to the test, the people did not fail him.

Let us revive our faith in the intelligence and practical wisdom of the American people. Let us avoid emotional appeals which lead to unwise action, whatever transitory and shallow support for party candidates and policies may be gained thereby. Should we succumb to the temptation which these deceptively attractive means to a current political victory lead, we will find, I am sure, that they will result in the progressive weakening and ultimate end to the useful and necessary part which we play in the direction of the course of our great country.

Let me make at this time, and particularly in this place, a practical application of this necessity for the appeal to the intelligence as well as the appeal to emotion.

A major problem which faces us today is that of maintaining and steadily increasing the standard of living of the American people, whether their life and work is found on the farm, in the factory, in the business office, in the store, on our railways, or wherever the lifework of the citizen has located his activities. In the endeavor to maintain and, if possible, to increase this provision of goods and services for the individual's enjoyment, we have perhaps been led to depend too strongly on increase in money income whether through wages or salaries or business profits. There is an obvious fallacy involved in the endeavor to improve our condition by such action alone. We do not eat money. We do not wear money. No piece of hard or paper currency, however large, will shelter us from the weather. Only the miser, and there are few of them indeed, can get joy or satisfaction out of the mere possession of these titles to real wealth. Yet all of us whether as businessmen, farmers, or wage earners, seem driven at times by the idea that by multiplying the volume of our money income we can as a people increase our standard of living.

The Nation is committed to the 40-hour week. We have what is to all intents and purposes full employment. That means that we have reached certain limitations as to the volume of goods and services which can be divided among us.

It is true that there are inequities in distribution. It is true that some business profits are too high to be justified on purely immediate social grounds. Observing this, the temptation is strong to attempt redistribution of those profits by wage advances beyond the limits of the present high rates enjoyed by many groups of workers. Our whole effort at the present moment seems to be directed toward the redistribution of a production of goods and services limited by our standard work week, our productive capacity, and by the high total volume of men and women available to operate those means of production and distribution.

Our concentration on trying to get advantages for ourselves or our particular group by the single route of competitive raises in income is leading to two very serious conditions. We must be intelligent enough, in the Lincoln tradition, to recognize and meet these conditions with effective action.

The first of these dangers touches the groups which are being left behind in this race for higher money incomes. Advantages gained by those most successful result, in a high percentage of the cases, in the necessity for increased cost in the goods and services produced and distributed. This in return results in a higher cost of living which those who are left behind are unable to meet. The advantages therefore gained by the fortunate group are at the expense of the submerged group. Let me say at once that this is true whether the advantages in money income sought by the more fortunate is in the form of wages, of salaries, or of unjustified profits.

Aside from these present injustices the endeavor to realize on limited production by increased income is an actual barrier to the increase in productivity, on which alone a continuance of our progress toward increased American living standards can be based.

I do not see that men work under any more severe physical and nervous strain than they did when I was a boy, and received as a machinist apprentice 4 cents an hour for a 60-hour week. I doubt if the worker in the steel mill today, with all the elaborate electrically-driven handling and manipulating equipment, uses or requires the same muscular energy than was the case 50 years ago. The farmer today, with his large use of mechanical equipment, is saved much of the drudgery of the farm work which I saw and experienced as a youth. Yet in spite of this, the output per man-hour, wherever the worker may be located, has increased tremendously during my lifetime. This tremendous increase in output has gone into an improvement in the goods and services available to the ordinary man and has marvelously raised the standard of living in this country. This has been done by the steady progress of research and invention applied to better business management, but particularly to improved processes, machinery and product. It is this which has given us our higher standard of living while we have shortened the work-week from 60 hours in my boyhood to the 40 hours of the present time.

Now we are by no means at the end of the possible improvement in products, equipment, and management. Those familiar with the possibilities ahead of us see no diminution in the rate of improvement possible. For the future, as in the past, our main dependence lies in raising the standard of living by these time-tested means.

Such improvement requires heavy investment. It requires expensive research. It requires months of design, development, and construction. It requires machinery far more intricate and expensive than anything dreamed of by an older generation. But the possibilities of improvement which those older generations grasped, applied, and enjoyed, still remain with us.

That brings us back to this question of profits. Profits for peacetime are unprecedentedly high. Yet we should remark in passing that if we should tax away all business profits, it would pay only one-half the annual expenses of our Federal Government alone, not to mention the high cost of our State and local governments.

It is, however, on these profits that we must depend for the coming heavy expenditures by which alone we may expect to make substantial contributions to a further increase in the standard of living of our people. Our national policies must be such as to encourage the flow of profits into these channels of improvement on which so much depends. This is not a secondary or incidental interest of the wage earner or the farmer. It is a pressing and primary interest, to which the best intelligence and the strong determination of our people must be directed. It is typical of the technical problems which must be faced by our legislators and administrators.

It is from the standpoint of the material well-being of our people that the most important of these problems must be faced. If problems of this sort are wisely solved, it will lead to a general improvement in material well-being which will affect every member of society—not merely some special group which has succeeded at the expense of others in obtaining for itself a larger share of a limited volume of current production. In offering solutions for this great social problem of the Nation by constructive means, our party will be following the intellectual tradition established by Lincoln, its great leader, rather than going down the political byways of lower appeals to lower emotions.

I would like at this point to say a few words with regard to liberalism and conservatism. I refer to that liberalism which the conservative calls radicalism, and that conservation which the liberal calls reaction.

I conceive that the proper use of the term "liberal" is to apply it to objectives rather than to means. I conceive that a proper objective is a continuing increase in the production of things we wish to consume and enjoy and equitable distribution of those goods to those able and willing to work, such distribution being measured in proper degree by the contribution toward the production of such wealth which each makes. There should be added to this a wise provision for the unfortunate and for those who have retired by reason of age from the full activity of productive life. There should finally be established as an objective not equality of ownership or equality of income, but equality of opportunity in this land of opportunities. These I consider to be liberal objectives.

I would further suggest that we abandon the words "radical," "liberal," "conservative," and "reactionary" when it comes to picking out means for reaching these objectives. There should be but two judgments supplied to the means. Are the proposed actions or policies honest? Will the proposed actions or policies, in fact, assist in reaching the liberal objectives?

This is important both politically and practically. The shallow political view attaches the tags, liberal and conservative, to the means for reaching desired results. For instance, if a given proposal seems on the face of it to be immediately favorable to railroads or public utilities, it may be classed in common parlance as being a conservative measure. If it seems on the face of it to be unfavorable to those institutions, it is too often classed as a liberal measure. As an opposite

example, everything which seems to be on the face of it immediately favorable to organized labor is classed as liberal. That which appears on the face of it to be unfavorable is classed as conservative or, more usually, as reactionary.

It is of exceeding importance that we cease to tie these tags onto methods, laws, and policies. If we are thoroughly convinced in our hearts of the desirability of our liberal objectives, such as those just described, let us with all the energy, ability, intelligence, and experience that we can bring to bear on the problem, examine these proposals for action on the basis of whether they are honest and whether they will actually assist us in reaching our objective. In no other way can we advance the real long-range interests of our country and of its citizens.

A careful reading of Lincoln's published words leaves me with the conviction that this was the principle by which he guided his political life and I feel no less convinced that it is on these principles that Lincoln's party should make its appeal to the voters today.

We are perhaps only slowly realizing the depth of moral strength and the innate knowledge of the moral laws of the universe which Abraham Lincoln possessed. This moral genius, for it was nothing less than genius of a very high order, found its highest expression in his second inaugural address. May I repeat to you the concluding paragraphs of that immortal document.

"The Almighty has His own purposes. 'Woe unto the world because of offenses! for it must needs be that offenses come; but woe to that many by whom the offense cometh.' If we shall suppose that American slavery is one of those offenses which, in the providence of God, must needs come, but which, having continued through his appointed time, he now wills to remove, and that he gives to both North and South this terrible war, as the woe due to those by whom the offense came, shall we discern therein any departure from those divine attributes which the believers in a living God always ascribe to Him? Fondly do we hope—fervently do we pray—that this mighty scourge of war may speedily pass away. Yet, if God wills that it continue until all the wealth piled by the bondman's 250 years of unrequited toil shall be sunk, and until every drop of blood drawn with the lash shall be paid by another drawn with the sword, as was said 3,000 years ago, so still it must be said, 'the judgments of the Lord are true and righteous altogether.'

"With malice toward none, with charity for all, with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the Nation's wounds; to care for him who shall have borne the battle, and for his widow and his orphan—to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

We, too, in the positions in which we find ourselves, must guide our lives by the principles which Lincoln saw so clearly and expressed so effectively. As citizens of this great Nation, destined to national and international responsibilities whose extent Lincoln in his day could only have dimly conceived, we are faced with moral responsibilities which we cannot escape. Those responsibilities devolve on us in all our capacities, whether as teachers of the young, producers of the Nation's wealth, organizers of that production and distribution, legislators and administrators, writers, preachers, or prophets. We ourselves make our country what it will be. If we work for wrong objectives or if we work for good objectives by bad means, we cannot escape bringing upon ourselves and others the inevitable evils of the choices which we have made. If, on the contrary, we set before ourselves high objectives, objectives higher than those in the particuluar group or even the party to which we belong, and if we pursue those objectives with all the intelligence, energy, and experience which we possess, we can play our part in our day in achieving that high destiny which our great leader in his day made possible by the strength of his will, the depth of his moral insight, and the intelligence of his action.

Treatment of Indians—Veto of Gideon Peon Bill

EXTENSION OF REMARKS
OF
HON. ZALES N. ECTON
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. ECTON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Gideon Peon in the Background of a Presidential Veto," by John H. Holst, of Lake Whales, Fla., together with a related and brief comment on the same subject by Mr. Robert Yellowtail, former Superintendent of the Crow Agency of Montana, and one of the leading Indian spokesmen of this country at this time.

Mr. Holst was for many years a resident of Montana, was formerly a professor at the Montana State College at Bozeman, and was considered an educator of high standing. For 15 years he was associated with the education department of the Bureau of Indian Affairs, until his retirement a few years ago. He is a man of high standing and integrity, and while with the Indian Service had the opportunity to visit every Indian reservation in the United States. Consequently, he is familiar with the workings of the Bureau of Indian Affairs.

The Public Printer advises me that Mr. Holst's article is estimated to make two and one-fourth pages of the RECORD, at a cost of $159.55.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GIDEON PEON IN THE BACKGROUND OF A PRESIDENTIAL VETO

(By John H. Holst)

A hundred years ago most of the Indians had been settled on reservations for their own protection and for that of the white pioneers. This was accomplished by treaties, the terms of which were proposed and imposed by Federal treaty commissions which gave the Government agencies complete control over the Indian groups and over their lands which were held in trust for the common use of the particular tribe.

Ninety-nine years ago the Indian Bureau was set up in the newly created Department of the Interior and was charged with the administration of Indian Affairs under the authorizations of Congress. The Indians were to be educated in thrift and industry and prepared to take their places as citizens.

But the reservation system did not operate to produce citizens because the Government, through its Indian Bureau, denied to the Indians the incentives that lead to the growth and development of individuals and groups under normal conditions. The Indians had only the rights of occupancy and use on the land and no assurance that they would be able to hold the improvements they might make or be able to pass them on to their heirs. It was not strange that they had no incentive to build today what they might lose tomorrow. Under the system of Government rationing, initiative, thrift, and industry were disregarded. Farmers, mechanics, and teachers provided by the Indian Bureau told the Indians what to do and when and how to do it, thus taking away all the challenge. Yet it is surprising that so many individual Indians inspired by the white system of economy about them struck out for themselves and attained a high degree of competency.

By 1870 the Indian Bureau had become notoriously corrupt and the Indians on the reservations had fallen into idleness, mischief, and mendicancy. They had no incentive to work since they could collect debts owed them by the Government in foods and materials which their work would otherwise buy. Thousands of them lived in bedraggled tepee villages about the field agencies to be ready for ration days. The others were continually gathering or waiting for rations. The central Indian office and the field agency staffs were mainly concerned with ration estimates, ration purchases, distributions of ration supplies to warehouses, and final distributions to Indians.

The General Allotment Act was intended as a solution to the intolerable reservation system. Under the plan for Indian home building and training in citizenship the Indians of a reservation were to be allowed to select lands for homesteads, usually 160 acres for an adult and 80 acres for each child under 21 years of age. In this way every Indian of any age or degree of blood was to be provided with basic land of his own selection to be held in trust for him for 25 years.

After the Indian residents and all having land rights on the reservation had made their individual selections of land the surplus was opened to sale and settlement for the benefit of the allottees. In that way Indians and non-Indians were interspersed in what became known as checkerboard areas. Whatever the method of disposal of surplus lands, the returns were placed in the particular tribal trust fund subject to the disposal of the Indian Bureau under congressional authorization.

The Indians lived among their white neighbors as noncontributing intruders because the Indian Bureau controlled their land and their trust funds and used the trust in both cases to control the Indians. The initiative was always with the Indian Bureau which assumed to know what the Indian needed and what would be best for him. But the Indian wanted the freedom of citizenship. Thousands of the more virile went out into the world on their own account. Many of them have said to the Bureau, "Here is my property through which you would control me. Lease it for me for whatever you will and I will someway manage to get what more I need for living." Trust-held lands are but picket pins for pauperized Indians.

The 25-year trust imposed upon Indian allottees and their subjection to the pauperizing indignities of the Indian Bureau were so destructive of Indian life that Congress enacted a law in 1906 giving the Secretary of the Interior the right to terminate the Federal trust on lands belonging to Indians whom he considered competent to manage their own affairs. He seldom exercised this authority.

Congress attempted to speed up the liquidation of Indian reservations through its acts of May 25, 1918, and June 30, 1919, which provided for the making of final rolls for the segregation and distribution of trust funds and property but too much was left to the discretion of the Secretary of the Interior whose Indian Bureau was ever dilatory but blamed its remissness on the failure of Congress to provide sufficient funds and particularized authorities. Many reservations were completely allotted but trust

funds were not distributed. The Indian Bureau continued to hold the tribal funds and trust title to the allotted lands and so to control the Indians and sabotage the whole plan.

Under the trust allotment system Indian estates are not subject to division among heirs since the Government cannot make final settlement without liquidating its trusts and State laws cannot operate as against such trusts. The result is an inheritance tangle of ever-growing complexity. The Indian Bureau uses this as a justification, first, for increased appropriations for its administration and, second, under the Wheeler-Howard Act, for its so-called consolidation of Indian lands through which it forces the return of individual allotments to tribal status and common use under its control.

In 1934 came the Wheeler-Howard Act—only less famous than infamous—to turn back the clock of Indian progress a hundred years or more. It froze all Indian lands in perpetual trust, even the alloted lands. It delivered the Indians, body and soul, into the ruthless hands of the Secretary of the Interior and his irresponsible Indian Bureau, to become the guinea pigs for the New Deal social and economic planners. Under its terms the Indians exist for the support of the Bureau. The Indian allottees, 250,000 or more, are in desperate straits. They can neither sell their lands nor pledge them for equipment or operating funds. They cannot pay taxes in cooperation with their white neighbors for the welfare of their communities.

II

On January 27, 1947, Senator ZALES ECTON, of Montana, introduced the following bill in the United States Senate, a bill that was destined to have far more significance than was originally intended:

"Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Gideon Peon, Flathead allottee No. 33, of Butte, Mont., a patent in fee to the following-described lands situated in Lake County, State of Montana: The north half of the southwest quarter of section 33, township 19 north, range 19 west, Montana principal meridian, containing 80 acres."

Who is Gideon Peon? He is a citizen of the United States and a legal voter in Montana. He is 45 years of age, married, and lives with his family in Butte, Mont., where he has been a loyal and capable employee of the Federal Government in the Post Office Department for many years. He was born, allotted, and educated on the Flathead Reservation though he is less than one-half Indian blood. His allotment was to have been held in trust for him for 25 years as provided under the General Allotment Act of 1887, or until it should be patented to him during or after that time, when the Secretary of the Interior should consider him competent to manage his own affairs.

Was Gideon Peon competent to manage his own affairs? He had made his own way and managed his own affairs with credit since he was 15 years of age. Why, then, had he not been given his patent? Why had not 200,000 other mixed bloods and Indians been given their patents since they were and are as capable as the average white. Simply because the Indian Bureau fears the loss of its wards and the income they bring to it. It fears the loss of one, even, lest that start an Indian procession into full citizenship.

Did the 80-acre allotment actually belong to Gideon Peon? It certainly did, and under the strongest possible Federal guaranty, though it had been held in trust far beyond the 25-year period. And it did not belong to the United States any more than does the land held in trust by the Federal Government for 250,000 other so-called Indians.

Why was it necessary for Congress to authorize a patent for Gideon to his own land? Because for more than 40 years the Secretary of the Interior has refused to perform his duties under the law in relieving the land of competent Indians from restrictive trust.

Since Gideon Peon is representative of the scores of Indians who are asking Congress to authorize and require the Secretary of the Interior to perform his duties and grant to such as are evidently as competent as the ordinary citizen, the patents in fee which the Government has long promised them, and since he is also fairly representative of the scores of thousands of Indians of mixed blood who have been duped by the Indian Bureau into accepting its schemes instead of the promised patents in fee to their lands, attention is directed to the case of Gideon Peon against the Indian Bureau backed by the Secretary of the Interior supported by the President of the United States.

III

It is not often that so simple a piece of legislation as S. 403, only nine lines in length, has such a range of governmental implications and so much background involving social and economic principles. The bill was referred to the Senate Committee on Public Lands which, according to established custom, sent a copy of it to the Secretary of the Interior for his examination. It is in this way that we pay tribute to our multitude of bureaus. We concede that they must have an opportunity to protect their prestige even at the expense of citizens and the legitimate agencies of the Government.

In this case the Committee on Public Lands, in effect, called to Krug: "We see one of your branded steers wandering near your line fence which may have a gap in it." A word to the bureauwise was sufficient. Krug hit the saddle in person. Later as a score or two of like calls came, he gave instructions to his Danites to care for the immediate situation through adverse reports patterned after his, and through which he could direct a drift fence of conditional vetoes to turn back the steers that were escaping.

On April 17, 1947, the Secretary of the Interior reported adversely on the bill to give Gideon Peon the long promised patent to his land. Krug himself wrote the report. He neglected all facts pertinent to the case and confined himself to the well standardized stock of convenient arguments kept by the Indian Bureau to be used in adverse reports on all bills to give Indian allottees patents to their lands and to set them free from the Bureau. A critical analysis of Krug's report on the Peon bill is here attempted in the belief that it will serve sufficiently in the case of every report from that department on similar bills so long as it continues to fake the application of the seven stock arguments of the Indian Bureau to the ".

In a show of originality, Mr. Krug says, "It is felt that the best interests of Mr. Peon would be served by retaining his land in trust status." He appears to have the feeling that Mr. Peon is getting along well enough under Indian Bureau supervision. The Indian Bureau is getting him $250 a year rent for his land and his white neighbors pay his taxes and furnish him with all the civic benefits that they possess. But that is not enough for the greedy Peon. He left the Flathead years ago because he was not willing to live among friends and neighbors who were paying for his social, educational, and civic welfare. He felt himself a pauper so long as he could not do his part.

Mr. Krug next says, "This is contrary to the best interests of the Indians of the Flathead Reservation who need to retain in Indian ownership and use as much as possible of the land on the reservation." This is a statement born of complete ignorance of the situation and a desire to serve his Indian Bureau. The fact is that the allotted lands on the Flathead are no part of the reservation; and no Indians live on the unallotted lands of the defunct reservation. It is under the complete control of the Indian Bureau.

Again Mr. Krug says, "Since Mr. Peon's land is in an area occupied by both Indians and non-Indians, the sale thereof to a non-Indian would further complicate and interfere with the consolidation of Indian holdings in that area." He continually talks of the sale of Indian land to confuse the issue. Mr. Peon was not asking permission to sell his land; he was asking for the long-promised patent to it. When Mr. Krug speaks of the "consolidation of Indian holdings" he refers to that communistic scheme under the authority of the Wheeler-Howard Act by which the Indian Bureau may induce or force the allotted Indians to turn their lands back into tribal status under Bureau control for the common use of the group. Only in the Sioux country is that plan meeting with any success. The Flatheads will have none of it though the Indian Bureau should torture them for a hundred years.

"If it becomes absolutely necessary for Mr. Peon to dispose of his land," says Mr. Krug, "it should be sold under departmental supervision to the tribe or to another individual Indian." He might have added, "at half price, the title passing to the Government for the manipulation of the Indian Bureau," but Mr. Peon is asking for patent to his land, not to sell it.

In a clarion voice of warning, Mr. Krug reiterates the oft-repeated lie of the Indian Bureau to say that "past efforts to bring about the wholesale removal of the protective restrictions against alienation and taxation of Indian lands have had disastrous results." Certainly no "wholesale removal of restrictions" was contemplated in the Peon case or in the other individual cases though such a thing would have been fully justified. Aside from Indian Bureau assertion, there is no evidence that the removal of restrictions on Indian allottees has had any baleful effects in the past. In fact, thousands of known cases attest the opposite. Does the Secretary know that after the expenditure of hundreds of millions of dollars on Indian education he now regards fewer Indians as competent than were so regarded by the Secretary of the Interior 40 years ago?

Mr. Krug, evidently reading from the card furnished him by the Indian Bureau, continues: "These restrictions are safeguards obtained by the Indians through treaty or agreement, as part compensation for the cession and surrender of vastly larger areas of land." That is not true. The restrictions were imposed upon the Indians by the general allotment act of 1887 and other statutes and had no connection with any land cessions. Section 5 of the Dawes or general allotment act reads: "That upon the approval of the allotments provided for in this act by the Secretary of the Interior, he shall cause patents to issue therefor in the name of the allottees, which patents shall be of the legal effect, and declare that the United States does and will hold the land thus allotted for the period of 25 years, in trust for the sole use and benefit of the Indian to whom such allotment shall have been made, or, in case of his decease, of his heirs according to the laws of the State or Territory where such land is located, and that at the expiration of said period the United States will convey the same by patent to said Indian, or his heirs as aforesaid, in fee, discharged of said trust and free of all charge or encumbrance whatsoever."

Finally Mr. Krug convicts himself and puts Bureau and Department self-interest above the authority of Congress when he says, "Under the act of May 8, 1906 (34 Stat. 182), the Secretary of the Interior has the authority to issue patents in fee for trust lands, provided that the applicants are competent to handle their affairs. For this reason additional legislation as proposed is not required."

So Krug admits he knew the law. He must have known that Peon was at least as competent as himself. Yet he denies both

law and justice to serve his Indian Bureau. The act which he correctly cites was passed by Congress to enable the Secretary of the Interior to modify the harsh effects of the general allotment act of 1887 in placing a 25-year trust period on the allotted lands of Indians and mixed bloods as the Indian Bureau had originally recommended. Under the law Krug could have granted patents in fee to Peon and other competent Indians by the thousands, but he chose to play the dog-in-the-manger act, doing nothing himself and denying to Congress the right to act in his default.

IV

Senator ECTON, for the Committee on Public Lands, having the Krug report on the Peon bill before him, reported, June 11, 1947, that "the land involved herein owned exclusively by Mr. Peon, * * * who is now and has since he reached the age of maturity been managing his own affairs. * * * The issuance of such a patent in fee would not complicate or interfere with other Indian holdings on the Flathead. * * * Would place said lands on the tax rolls of the county and State, thereby contributing its just share of responsibility which its possessor owes to the community. * * * Your committee is strongly of the opinion that to deny this Indian the right and privilege of managing his own property and the privilege of growing into a self-respecting and self-supporting citizen is to place an un-American stumbling block in his path of progress."

Congress passed the Peon bill on July 15, 1947, and sent it to the President for his action thereon.

The day before the scheduled recess of Congress the President sent the bill back with a veto message betraying his utter ignorance of the essential elements in the whole matter. Evidently he had accepted as his guide the Krug report and information from the Indian Bureau in place of the reasoned conclusions of Congress, but he could not refrain from adding his own impertinences which he had deduced from the misinformation he had received from his accepted sources, and which led him into making further blunders. Again it was evident that the balances of justice were weighted against a mere citizen in the person of Gideon Peon and in favor of the ruthless oppressors. Who would weigh this veto message against the facts, the conditions, and the legal conclusions in this simple matter involving the fundamental principles of law and justice may well question other veto decisions in matters affecting more complex matters and vastly greater numbers of citizens.

That the President was deceived by the information furnished either directly or indirectly, and mainly through Krug, by the Indian Bureau, does not excuse his action while any American citizens suffer through his gullability. The Indian Bureau did not hesitate to take advantage of his blunder. It was waiting with a news release on the veto which it had helped to condition.

Mr. ECTON. Mr. President, under date of February 6, 1948, I received the following information from Mr. Robert Yellowtail, who as I have previously said, was at one time superintendent of the Crow agency, and one of the leading Indians of the country:

Mr. J. J. Pickett, mentioned with Gideon Peon in the fake news item sent out by the Indian Bureau in connection with the Presidential veto of bills to give them patents to their own lands, is a veteran of World War I. He volunteered and served in the Navy on the U. S. S. *Covington* which was torpedoed off the coast of Ireland. Mr. Pickett was rescued after a long and perilous period in the icy waters of the Atlantic.

He served his country loyally and well through the perils of war and suffered untold hardships. As civilian employee in the Interior Department for many years, he was loyal and capable. Few citizens have a better record of Government service. But far from expressing any appreciation, the Government has denied his just and reasonable request for the right to handle and use his own land as other citizens do and as the law provides he may.

He certainly has received a raw deal, and the President of our great country should hang his head in shame for the part he has played in denying simple justice to one of the loyal soldiers and defenders of our country in time of national peril.

Mr. Pickett has been relieved of duty as fireman at the Crow Agency central heating plant because of heart trouble. He is in poor health, has a large family dependent upon him, and is hard put to feed them in these times of stress. He desperately needs the right to handle his land as other citizens handle theirs.

Lincoln Day Address by Hon. Robert A. Taft, of Ohio, at St. Paul, Minn.

EXTENSION OF REMARKS
OF
HON. EDWARD J. THYE
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the able address delivered by the senior Senator from Ohio [Mr. TAFT] at the Lincoln Day dinner at St. Paul, before the Lincoln Republican Club.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I consider it a great privilege to be invited to address the Lincoln Republican Club in St. Paul on this anniversary of the birth of Abraham Lincoln, a man who perhaps more than any other in the history of this country has expressed the ideals and the principles of the American Republic.

It is a pleasure to return the visit of courtesy which Harold Stassen paid us in Ohio in addressing the convention of the Ohio Republican Clubs in October. Subsequently I discussed with him in a very friendly meeting his proposed return to Ohio on a more serious mission, and tried to persuade him that it was against his own interest and that of the Republican Party. The contest in Ohio will be conducted on an entirely courteous basis, but by May 4 I think he will find that my advice was good.

I could not come to Minnesota without testifying to the voters of Minnesota with regard to the exceptional representation they have in the United States Senate. I have worked closely with JOE BALL on many problems and have the greatest admiration for his ability to think issues through to sound conclusions. ED THYE has been there a much shorter time, but he has acquired the sincere respect and affection of his colleagues. I am not in such close touch with the House of Representatives, but I know that the Minnesota delegation is one of the ablest and most influential in Republican councils. I can particularly congratulate the Twin Cities on having such able Representatives as ED DEVITT, WALTER JUDD, and GEORGE MACKINNON.

Lincoln's problems related primarily to the domestic field. He was the supreme advocate of liberty and equal opportunity. These are the principles on which I believe that progress can be made in the United States toward a people of stronger character, more self-reliance, and greater productivity. These are the bases, also, for further advancement in the field of material welfare, for while this country is the envy and example of the world, we have a long way to go before we reach the goals which we have set before us.

In the field of foreign relations, Lincoln simply extended his general principles of justice to our relations with other nations. The words of his second inaugural, which dealt primarily with the reconciliation between the North and the South, expressed his view of our relations also with the rest of the world:

"With malice toward none, with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in."

Today the problems of foreign policy are among the most difficult that we face, and no man can be certain that he is right in his approach to those problems because they involve knowledge of many facts for which he must rely primarily on others with preconceived opinions and prejudices, and often with a special interest.

I do think that we should realize first that foreign policy is not an end in itself. The Government of the United States is concerned with the welfare of the United States. It is concerned primarily with maintaining the liberty of its people, under conditions which will enable them freely to work out their own salvation. We are in favor of peace in the world primarily because we wish to protect our people against attack and threats of attack which probably would grow out of any war in the world today.

We are concerned with the over-all economic welfare of other nations because in a prosperous world we think it less likely that attacks will originate against our own security.

We Americans have always believed in charity for all. Our missionary enterprises and our philanthropies have reached into every continent. For more than a century American standards of health and well-being have been spread abroad by church effort, by welfare and relief groups, and by the Government on occasion. American aid went into Communist Russia in the days of Lenin, feeding the masses whom the Bolshevik leaders had liberated from depression to starvation. Other American help penetrated all of Europe after World War I. American aid was rushed to Tokyo on a large scale after the disastrous earthquake of 1923. The word "American" has come to mean "help" throughout the world. But such aid did not purport to solve the economic problems of these other nations. It was never in a volume which materially affected the permanent economy of other nations or constituted a strain on our own. We have been generous in the past because we have been rich, and could afford to be generous.

But aid on any such scale as is now proposed, imposing serious taxation on our people, and creating scarcity and high prices and economic unrest at home, is an entirely different matter. It becomes a question of foreign policy and can only be justified if it is for our own ultimate benefit. In aiding friendly nations we cannot do ourselves more harm than we can hope to achieve good from their improved condition. We should not aid totalitarian dictatorships at all. It can do us no good to encourage a world of totalitarian nations ruled by despots, whether they be kings or emperors or duces or so-called leaders of the proletariat. History shows that dictators are more likely to resort to war, and the stronger we make them the more likely they are to do so. We should adopt only those measures to aid other nations which may really tend to maintain freedom in the United States.

In the second place, I think we should realize our power to lead the world in the field of morals and political doctrine. Our power to lead the world is tremendous in the fields of morals, progressive thought and free government—a leadership which we have often asserted and rarely assumed. On the other hand, we greatly overestimate our economic power to influence the world through American dollars and American exports. After all, we are only 6 percent of the people of the world. We have less than 20 percent of the productive resources of the world.

Temporarily, we can aid and we can give economic assistance to others as now proposed in the Marshall plan. But in the long run the question whether other nations shall be Communist or anti-Communist, whether they shall be free or whether they shall be slaves, depends at least 90 percent on their own efforts and their own thinking, rather than on economic assistance from us.

We have strained ourselves to the utmost to give the economic aid which, at best, is partial and temporary. Up to this time we have failed to set an example for permanent peace and recovery by carrying out our own moral principles or the ideals which we have proclaimed.

In the Atlantic Charter we expressly stated that we respected the right of all people to choose the form of government under which they would live, and wished to see sovereign rights and self-government restored to those who had been forcibly deprived of them. But at Tehran and Yalta we gradually abandoned most of the ideals stated in the Atlantic Charter until today the attainment of many of them is impossible.

We have talked of justice, but we have shown no real interest in justice either in the United Nations Charter, in the drawing of boundaries and the assignment of territory, or in the Nuremberg trials in Germany where we enacted an ex post facto law and enforced it retroactively under the elaborate pretense of justice.

I have always believed that this Nation should associate itself with others to establish a rule of law, justice, and peace throughout the world. I supported the United Nations, and I believe our foreign policy should be built so far as possible around the United Nations, but I have substantial criticism of the Charter as it is now written. When the first draft was prepared at Dumbarton Oaks it certainly was not prepared by any men imbued with the principles of American history. Throughout the entire document there was no mention of the word "justice," there was no provision for the drafting of any law or the enforcement of any law. After Senator VANDENBERG was called into the picture he succeeded in changing the general spirit of the Charter by inserting in various places a reference to justice. But even today the action of the Security Council is an action of policy and expediency, and not of law. The Council is directed to take such measures as it sees fit to attain peace and security. It might well decree the destruction of some nation which had proved a center of dissension, regardless of the injustice involved to that particular nation. Fortunately, we can prevent with the veto power the adoption of any measure which is not in accord with the principles of justice as we see them.

The advocates of the United Nations itself have always laid tremendous stress on a strong police force. They have laid little stress on the law which the police are to enforce. It is like setting up a band of vigilantes without having written any criminal law. I feel very strongly that we should proceed to sit down with all of those nations who are willing to do so and write a law governing the relations of different nations with each other, and laying down a rule of conduct for nations, with particular reference to a definition of aggression. When that is done we should agree on an interpretation of that law by an impartial tribunal, and agree to abide by the decisions of that tribunal.

In 1911 my father negotiated two treaties with Great Britain and France which agreed to submit all justiciable disputes to arbitration, and also to submit the question whether or not a dispute was justiciable. The Senate unfortunately failed to ratify those treaties. The only hope of lasting peace in this world lies not so much in force as in the universal acceptance of the necessity of accepting decisions made by impartial courts set up to interpret a law of nations.

I believe that the United Nations charter can be rewritten to accomplish that result. I believe we can establish a world in which the great majority of nations will abide by a rule of law to which they have all agreed. I believe there can be established an international force backed by public opinion and the armed forces of individual states which will punish any violation of that law. It will take time, but it can be done. There are various plans proposed today by the American Legion and by others which promise substantial progress in that direction.

Up to date, however, we have paid little heed to the United Nations. We have bypassed it in Greece and we have by-passed it in the Marshall plan. We have shown little interest in international law, and none in international justice.

I am as much opposed to a world superstate as I am in favor of a sound association of nations, because I feel that it would defeat the very purpose of all foreign policy—the freedom of our own people. It is proposed that we set up such a state on the example of our own Federal Government, in which 13 colonies joined to make a single federal state. The analogy is completely false. The people of those colonies nearly all spoke the same language, they had the same governmental philosophy, they had approximately the same general standard of living, their interests were largely identical. The proposal now is to join together people who speak hundreds of different languages, and many of whom do not even understand how others of them begin to think. Their philosophy of life and of government is utterly and completely at variance. Probably the majority of those who would be inhabitants of such a state are utterly poverty-stricken, according to the standards of the more progressive nations. The difference in standards of living would produce continuous controversy and conflict. Finally, it is impossible for me to see how you can combine a democratic state with a totalitarian state, or a capitalist state with a Communist state.

Furthermore, if there were such a state, it would completely destroy the freedom of the people of the United States, which it is the very object of our foreign policy to protect. We would be in a small minority. The legislature of such a state could pass tax laws to take our wealth and distribute it elsewhere. It could destroy our industry and our trade. Its officers would direct our international commerce and control our airports and our seaports. Its army would be able at any time to destroy our cities and our people if they questioned the policies of an international legislature and an international executive.

I seriously question whether a state larger than the United States is today can be governed by its own people, whether it could be a government by the people and for the people. Perhaps the closest analogy is the British Empire, but that Empire has found it necessary to decentralize more and more because the people of each dominion have demanded freedom of action. It has no supreme executive and no supreme legislative power. Even in our own nation it is difficult to protect that local self-government so essential if a people is to remain free.

It is conceivable that the time may come when all the peoples of the world are sufficiently alike in language, philosophy and economic progress to make such a state possible, but today it is utterly dangerous, impractical, and ridiculous. It would not even promote peace, because it would fall to pieces whenever any important difference arose. In this country one difference relating to slavery almost wrecked the Union. There would be a dozen conflicts greater than the question of slavery in the problems of a world state. Civil war is just as possible and more destructive than international war. If we wish to attain peace in our time, we must adopt practical and realistic methods.

For the time being, at least, our tremendous interest in building up a practical association of nations has been subordinated by our concern about the policies adopted by the Union of Soviet Socialist Republics. That policy prevents the establishment of any kind of world-wide association of nations and makes any international association infinitely more difficult. The effort of the U. S. S. R. to spread communism throughout the world by propaganda and infiltration, and perhaps by force, has forced us into a series of defensive measures, culminating in the Marshall plan.

Probably no administration has ever pursued as inept and futile a policy toward communism that have the administrations of Roosevelt and Truman. Until Senator VANDENBERG entered the picture, our attitude toward Russia was one of virtual and complete surrender. We gave them billions of dollars of goods under lend-lease without a condition looking to their performance in the postwar world. President Roosevelt knew of the bargain made by Stalin with Hitler which brought about the Second World War and knew of the conspiracy to divide Poland. Yet he apparently felt that if Mr. Stalin received military aid and kind treatment from England and the United States he would be transformed into an angel of light and do all that we asked when the war was over. This was the attitude clearly shown in the President's interviews with Forrest Davis, published in the Saturday Evening Post, and since referred to as "The Great Design."

The President was deeply influenced by the strong pro-Russian attitude of Harry Hopkins. He seemed to feel that Stalin conferred a favor upon us by continuing the battle against Germany. He accepted Stalin's view of the military strategy and attack which gave him the Balkans with Tito as the recognized leader of Yugoslavia. Later we begged Russia to enter the Japanese war when it was unnecessary, and resulted only in turning over Manchuria to Russia. We recognized the right of the Russian Army to occupy the Balkans, and also Berlin and Vienna, which gives them today their powerful hold in Europe. We actually withdrew our troops from territory which we had occupied in battle with Germany—occupied by us partly because the Russians were so busy seizing all of southeastern Europe except Greece.

At Potsdam President Truman and General Marshall confirmed the agreements and the policy of Yalta. They in substance approved the Morgenthau plan, while denying that they had given it consideration. It was not even suggested that Lithuania, Latvia, and Estonia be given the sovereign rights of self-government assigned to them under the Atlantic Charter. Under feeble protests we agreed that a large part of Germany be turned over to Poland in order that Poland might be compensated for territory desired

by Russia, thus agreeing in effect to territorial changes contrary to the wishes of the people concerned, in violation of the Atlantic Charter. Thereafter, we practically abandoned Hungary, Bulgaria, Rumania, and large sections of other territory to the rule of a Communist minority.

All of this was no mere mistake. It was prompted by the basic New Deal philosophy which influenced the whole administration. Many New Dealers would not go along with Mr. Henry Wallace, who felt that communism was merely another form of democracy, and perhaps a little better form than our democracy; but there were a lot who did have that attitude. Others doubted, but yielded to the party philosophy. Remember how soft they were toward the admission of Communists into Government departments, and even into the Army. There are bureaus today where there are many Communist sympathizers. Certainly, there are even Communist Party members, or President Truman would not at long last have demanded their dismissal 2 years after VJ-day, and requested $50,000,000 to get rid of them. We can see now what a complete misconception of the whole character of communism was involved in concessions which we made, and in the failure to exact guaranties regarding the postwar world.

But even today there are those in the Government who do not admit they were wrong. Why on earth should we continue today our policy in China? From the beginning we have encouraged the Chinese Communists. Every Commie sympathizer in the United States has been damning Chiang Kai-shek, whom we were taught in the early years of the war to regard as the greatest patriot in the Far East and the greatest friend of the United States. He was the same man then, with the same faults that he has now, but forces in the State Department have encouraged the propaganda against him. Yet he is today the only hope to prevent the spread of communism in China. His armies in Manchuria are surrounded, and are unable to combat the Communists, for the reason that we have given his armies no ammunition for their American arms, while the Communists have been lavishly supplied by the Soviets with the Japanese arms they captured at the end of the war.

Unless action is taken immediately, all Manchuria will be lost to communism. It is not only a tremendous agricultural area, but one of the great industrial sections of China. If communism dominates Manchuria, how can we hope that in future years we will be able to keep it out of Japan? The practicability of rehabilitation for China and the value of relief is open to question, but certainly we can provide the Chinese Government with the arms and ammunition necessary to resist Communist force in Manchuria as we have undertaken to resist it in Greece.

I believe very strongly that the Far East is ultimately even more important to our future peace than is Europe. It is futile to expend billions on a doubtful economic project in Europe to resist communism while practically inviting them to take over western shores of the Pacific.

Another curious instance of the administration's inconsistent battle against communism lies in the loan being granted to the Polish Government by the International Bank, which is practically under American control and uses American funds. Sixty million dollars is to be given Poland in coal-mining machinery. The theory is that the Poles will ship some of this coal to western Europe. The fact is they will do with their coal exactly what Russia tells them they can do. Whether or not any is shipped to western Europe you can be certain that the majority of it will go to munitions plants at Skoda and other factories to build up the military strength of Soviet Russia. The truth is we have in our departments, both in the Commerce Department and the State Department, men at the intermediate levels who yearn for more economic planning, and others who still sympathize with Russia in spite of all that has happened.

Apparently the administration is pinning all of its anti-Communist hopes on the Marshall plan, on which it hopes to expend $8,000,000,000 during the next 15 months, while it neglects the Far East and allows machinery and other American assistance to strengthen Russia. It doesn't make sense.

I am very strongly in favor of extending aid to the countries of western Europe. I believe we can help them recover more rapidly their prewar production and restore a standard of living to their people which will make the spread of communism more difficult. We have been helping Europe for 2 years at the rate of some $5,000,000,000 a year. No nation has ever been so generous before in the history of the world. We can still be of real assistance; first, to make up the deficiency in absolutely essential foodstuffs, and second, to provide the raw materials and machinery required to get their industries going with reasonably expanded capacity.

I do believe, however, that our aid should be confined to specific needs and to fields where we can see that it will actually accomplish the purpose we want to achieve. I believe very strongly that too lavish distribution of Amerian dollars will do more harm than good. After all, we can hit only the high spots. Most of the economic recovery in these countries depends on the people themselves, on their willingness to work and on sound governmental policy. Only their own government can balance their budget, maintain a stable currency, and create the incentive to produce and export. All we can do is remove bottlenecks and prime the pump.

The threat of uncertain but potentially limitless American aid could deter all efforts of European businessmen, labor unions, and Government officials to rebuild on the basis of their own efforts. Why should they labor painfully to reconstruct this factory or that if a whole new factory may be given them, scot free from the United States, at some future date?

I object to the economic plan so characteristic of the New Deal, under which these countries are invited to add up their desired imports, subtract their possible exports, and hand us a bill for the difference. It is absolutely impossible to make any such calculation with any accuracy, because production depends entirely on the policies of their own governments.

We should not be in the position of deciding how high a standard of living each country shall have. If they are short of something, and we have it, we should help provide it. But let us not repeat the history of the British loan, where we gave $3,750,000,000 to be spent by the British for anything they wanted anywhere in the world. Many of the wisest Britons say that half of it was wasted, and only postponed the time when they had to face their essential problems.

After all, it is now nearly 3 years since VE-day. The productive facilities of many of these countries were hardly injured by the war, and yet they are still dependent on foreign aid. Is it our fault or theirs?

In giving aid to Europe, therefore, we should adopt at this time a practical and hard-boiled plan. We should set up an administration independent of the State Department and give away the money of American taxpayers only for those specific projects of which we can see the real value. In my experience the State Department is primarily concerned with pleasing foreign nations, without considering the cost to the American taxpayer or the American consumer. We should limit the amount of aid so that the Administrator will feel compelled to select only those projects of clear economic value to the European nation concerned. If any program does not produce results, it ought to be stopped.

As in all foreign aid of this magnitude, the only ultimate purpose should be to protect the freedom of the people of this country. It is utterly futile to strain our whole economy to the breaking point. By doing that we can easily destroy here at home that which it is the purpose of our foreign policy to protect. The distribution of American dollars abroad is at best an indirect means of protecting our country and may be wholly ineffective, and certainly it should be confined to a reasonable sum and projects whose values are clear.

The recent foreign policy of the United States is often described as a bipartisan foreign policy. I think this is incorrect. The Republican Party was invited to share, and did share, in some of the major foreign-policy decisions. Chief among these was the decision to write a United Nations Charter and to set up the United Nations Organization. It was only Senator VANDENBERG who finally turned President Truman and Secretary Byrnes to a stiff opposition to Russian demands. It was he who insisted on a new South American policy leading to the treaty made last summer at Rio, which may well prove the model for a larger effective association of nations.

But the other steps were not Republican steps. The appeasement of Stalin, the abandonment of constitutional Yugoslavia, the betrayal of the Polish patriots, the wild-goose chase for a Communist-Nationalist coalition in China—these, for example, were not Republican policies. The Republicans were invited to undo the mistakes of Tehran and Yalta, but they bear no responsibility for the original mistakes. The losing of the peace, thus far, has been a clear-cut Democratic responsibility.

Our foreign policy should be the expression of the interests and ideals of the American people. Its first concern should be with the peace of the world in order to protect our own peace. We should be willing to join with others in opposing aggression in order to preserve peace. We should insist upon the decision of questions according to fairness and justice. We should keep our promises when they are made.

In the meantime we should guide our domestic policies according to the principles of a free people and the rule of justice under law. We should not hesitate to assert throughout the world the benefits of a system of individual and economic freedom. Too long have the New Dealers apologized for that system. They have allowed it to be slandered and deprecated throughout the world because they themselves have been trying to change it. Only by our example can we hope to restore in the world the philosophy which can lead us toward peace and prosperity.

We cannot do better than apply Lincoln's words in his second inaugural quite literally to the present day. They proclaim a better peace policy than any now current in Washington:

"With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; * * * to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

Across the years these tremendous words ring true. You and I cannot improve on them; it is up to us only to live up to them.

The World Food and Market Situation

EXTENSION OF REMARKS
OF

HON. ARTHUR CAPPER

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. CAPPER. Mr. President, I send to the desk and ask unanimous consent to have printed in the Appendix to the RECORD, a copy of an able address entitled "Taking Stock of the World Food and Market Situation," delivered by Secretary of Agriculture Clinton P. Anderson, at the National Press Club, Washington, D. C., February 18, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TAKING STOCK OF THE WORLD FOOD AND MARKET SITUATION

In these days when so many people have set themselves up as experts on the world food situation and on the market situation it wouldn't be surprising if you and the people you write for found it a little difficult to keep track of what's going on. I know I do.

The whole picture has been complicated by changes in the production prospects of countries that have to import grain and of countries that export grain. It has been complicated by the behavior of the grain market in this country. It has been confused by investigating committees, by private citizens, and by individuals who hope that they will cease to be private citizens next November.

One man called the Department and said that he was notifying the White House that I had been trying for a year to break the wheat market and that I had finally succeeded and had lost the 1948 election. This was at the time that Senator TAFT was trying to prove that I had pushed prices up, while Congressman ANDRESEN charged that I had pushed them down. Congressman ROBERTSON, of North Dakota, celebrated Lincoln's birthday by a speech in the House that said the commodity market crash was "the only time in our history that any administration has deliberately caused a panic, and I charge that this panic has been created for purely political reasons." But "Pappy" O'DANIEL chimed in, saying that the Secretary of Agriculture, and he alone, had built up the high prices. It's quite a trick to push prices up and down at the same time. I hadn't realized that I had become so versatile.

Despite the confusing and conflicting statements about what's going on, I think it is possible to get a good straight account of the situation out of the official reports of the Department of Agriculture. I want to talk to you a little about the subject matter of two of those reports, one of which is for release tomorrow and the other for Saturday. And then I want to show you a chart which is related to both the world situation and to the market situation in this country.

Most of what I have to say today will be the type of thing I have been talking about for a long time and you can refer back to previously published statements and reports for that. My comments on the forthcoming reports on the world food situation and the wheat situation will be related to previous statements and reports.

Some people apparently have been able to get a pretty clear picture of what was ahead by following these public statements and reports closely. E. T. Maynard is quoted in an interview in the New York Times as saying that he read what the newspapers reported of my Detroit speech and that he saw where I had made certain predictions about the grain market. I think it is worth while to recall here my exact words on this subject in my talk before the Detroit Economic Club back on December 7, 1947. In that statement I took our total 1947 crop, subtracted the amounts needed for domestic use and got a figure 100,000,000 bushels larger than our export program of 450,000,000 bushels, of course, I did not take into account 70,000,000 bushels taken out by a requirement that carry-over be boosted to 150,000,000 bushels because Congress added that later. So I made my subtractions and said: "That leaves an extra 100,000,000 bushels to export, and yet the price of wheat keeps moving up day by day. I say to you that the stubborn fact of that 100,000,000 bushels is going to catch up with the speculators some day."

Mr. Maynard put a million dollars on the line on the theory that the Department might be right—and at last reports, was doing all right.

How did we reach the present situation in a marketing year in which we have witnessed wheat selling above $3? The forthcoming Department of Agriculture reports, I think do a pretty good job of analyzing and bringing the situation up to date.

Last year, as you know, Europe was hard hit with a series of natural disasters—severe freezes and winter killing of fall-sown crops, followed by spring floods and summer drought. The result was bread-grain production in Europe, excluding Russia, almost as small as in 1945, and 300,000,000 bushels below 1946 production. Bread rations were lowered, extraction rates increased, more coarse grains were added to bread mixtures, and the nations of Europe turned to the outside world for help to offset the decline in domestic production. It appeared last fall that the total world exportable supply of cereals would not be much greater than the 28,400,000 long tons shipped from all surplus-producing areas in the 1946–47 crop year. As the season progressed, however, the situation improved. There was an unusually good crop in Australia, much better than average yields in Argentina, a larger rice crop than last year in Asia, and some savings by grain conservation in this country. Australia will produce the largest wheat crop in its history this year, now estimated at 226,000,000 bushels, 110,000,000 more than the poor crop last year. Although the acreage seeded to wheat in Argentina is the smallest since 1904, indications now are that the crop will be at least as large as the 206,000,000 bushels produced in 1947. It now appears probable that exportable supplies of cereals world-wide may reach 32,000,000 long tons.

The price of grain in this marketing year is affected not only by the current supply-and-demand situation, but also by the prospects for the marketing year ahead. And the prospects now are more favorable than a few months ago. Weather conditions in Europe have been generally favorable. Russia reports ample moisture with crops more advanced than normal at this time. Russia already has agreed to export considerably more grain than was thought likely at the beginning of the current marketing year. Winter crops of cereals in India and China are reported to be progressing favorably, and prospects for our own winter wheat crop are improved over last fall.

In considering the improved prospects in Europe it should be remembered that the acreage devoted to bread grains still is 10 percent below prewar and that the shortage of fertilizer has resulted in depicted soil fertility so that better than average conditions are required to obtain average yields.

In the world as a whole, production of all major food products still is below prewar with a world population now about 10 percent larger than it was 10 years ago and with per capita food consumption in general much lower than in prewar days. It will be important to continue conservation of grain in this country because there will be need for all we can spare in this marketing year. Nevertheless, the improvement in Australia, in Argentina, and in the growing conditions in Europe and in this country have helped to bring about an adjustment in grain prices.

There has been purchased all but about 73,000,000 bushels of the wheat needed to complete the export program of 450,000,000 bushels, the basis on which we are programming shipments. Actually, if we count March commercial allocations already made, the figure drops to 67,100,000 bushels. The Cabinet Food Committee has unanimously agreed that the program will remain at 450,000,000 bushels, at least, until the end of March, when we shall know more about our crops and world needs. So in my discussion today I am dealing with a wheat export program of 450,000,000 bushels. We add to that an additional 70,000,000 bushels of coarse grains which has been a part of the export program since the start of this crop year and which has all been procured. In fact, there has been bought all but 73,400,000 bushels for the program.

For the period from January 1 to June 30, 1948, we have this situation:

Of the 795,000,000 bushels on hand at the beginning of the year, we must deduct the 150,000,000 bushels minimum carry-over required by law. That leaves 645,000,000 bushels. Of this amount, we may expect to use about 245,000,000 bushels for food and about 25,000,000 for seed, leaving 375,000,000 bushels.

Of the 450,000,000-bushel export program, we shipped through the end of December 258,000,000 bushels, and that leaves us still 192,000,000 bushels to export. Subtracting that amount from the 375,000,000 bushels we had remaining after deducting food and seed, leaves 183,000,000 bushels available for feed during the last 6 months of this crop year ending June 30. We used only 65,000,000 bushels of wheat in the first half of this crop year for feed and we might expect that feed use in the second half would range between one hundred and twenty-five and one hundred and seventy-five million bushels. Now, if wheat feeding is on the low side of that range—namely, 125,000,000 bushels—that would leave ample grain to take care of all of our present domestic requirements and perhaps enable us to increase our export program to a total of 500,000,000 bushels. If wheat feeding should be on the high side of the indicated range, then we will not have the grain to increase our export program above the 450,000,000 bushels. It is just as simple as that.

Another figure that I want to comment on is the 150,000,000-bushel minimum carry-over required by the Interim Aid Appropriation Act. With the improvement in world crop conditions and with our own improved domestic situation following the drought of last fall in the southern Great Plains wheat area, I do not feel that a mandatory carry-over of 150,000,000 bushels is essential. After all, we have gotten along with a much smaller carry-over than that on several occasions. We went into this crop year with a carry-over of 84,000,000 bushels and got along all right, and we could do it again if we were prepared with the necessary boxcars to move grain out of the Southwest as soon as it is harvested. If crop conditions are right this spring, we could shrink that 150,000,000-bushel carry-over and pick up some additional grain for export if it seemed desirable to do so. When the Congress moved to write in the provision for a 150,000,000-bushel carry-over, I opposed it. There was much discussion by grain traders and others that the carry-over should be 200,000,000 bushels. Senator YOUNG, of North Dakota, fought it vigorously, pointing out that it was

not fair to the farmer to build up a large carry-over here at home, thus making the farmer take an extra gamble on what he would get for the next year's crop.

On the matter of wheat feeding we are not simply making an estimate of the probable range and assuming that we may end up on the high side of that estimate. Instead, we have been making a special effort through our grain conservation campaign which we hope will bring us out on the low side of the estimated feeding range. Through the land-grant colleges, which do a large part of the Department of Agriculture's educational work among farmers, we have for several months been trying to impress upon farmers the desirability of finishing cattle with less grain, even though the grade may not be the best. We have asked that hogs be fattened to somewhat lighter weights than is normally the practice. We feel that farmers have made a conscientious effort to cooperate in this program although recently hogs have been coming to market at more nearly normal weights for the season than they did last fall.

A second effort we are making to conserve grain is through appeals to various industrial users. We at the Department of Agriculture have had meetings with many of these groups. Some of these meetings have not been satisfactory. Each group is, of course, willing that other groups conserve grain, but comparatively few of these people were willing to undertake a conservation program of their own.

At one time we expected that 95 percent of the brewing industry would join us in a grain-conservation program. Now I understand that the percentage of brewers who do not want to join in this effort has increased. We have no way of knowing exactly how much grain will be used by the distillers during this month as compared with the 2,500,000 bushels that were allocated to them during January, but the information we have about their use of grain during the first half of the month indicates that they will use at a rate of about 6,500,000 bushels per month. We think that is too much. We think it is unnecessary to distill whisky at that rate to go into storage. In times like these we should make as much grain as possible available for export and build up our storage stocks of whisky at a time when there may be a surplus of grain.

In the conservation program an effort has been made to take some of the pressure off of the demand for meat and thereby relieve some of the pressure on prices. If meat prices are too favorable that encourages heavier grain feeding to livestock and at this time we would rather see the farmer sell his wheat as wheat rather than to feed heavily. The result of the unfavorable relationship between grain and livestock prices showed up last fall in marketings of hogs at weights from 15 to 20 pounds below the same period in the previous year.

One of the important parts of the conservation program is the war against rats which is being carried on in cooperation with the Department of the Interior. When you realize that there are probably as many rats as there are people in this country and that each one that can get to grain is capable of destroying a bushel of grain in a year, it is easy to see the importance of the work which the Interior Department can do in the rat campaign.

There are many factors that have an influence on grain supplies and, of course, upon grain prices. Some factors other than supply and demand seem to influence prices. Bernard Baruch, who is an authority on many things including commodity markets, has referred to the recent price break as an adjustment of the market that is probably a good thing. The farmer has been getting far above parity for wheat and during the recent break prices have approached parity.

I am glad to have this opportunity to discuss the world food and market situation with you in advance of the Department of Agriculture reports which I mentioned. I hope no one will see anything in these reports which they will interpret as being intended to boost prices or beat prices down, because we have endeavored simply to report facts. One of our difficulties now is that implications which we do not intend are sometimes attributed to facts which we report.

We are operating the grain purchase program now just as it was operated during the war and in years since the war. I rely upon the judgment of the people of the Department of Agriculture who have had long years of experience in grain market operations. If we had gone into the grain market last Saturday when it looked somewhat stable some person in public life would have said that I should have let the market go to the bottom. At the same time, others in public life, as well as farmers, have asked why we did not go into the market on Saturday and keep it from breaking further. All we can say is that the export program has not been used to keep prices up or to run them down. We have price-support programs that are designed to protect prices and we will use those programs when they are necessary, but when we are acting as buying agents for the Army or for foreign countries we try to buy with as little disturbance to the market as possible and try not to allow our purchases to touch off booms or declines in the market.

In this connection I want to call your attention to a chart showing commodity credit wheat purchases and the total volume of trading in wheat in relation to the price variations since the beginning of this marketing year, July 1, 1946. It shows the heaviest purchases by the Government in the early part of the last two marketing years with greatly reduced purchases in the periods when the market made sharp upswings. This is in contrast to the total volume of trading on the market.

When the Department of Agriculture has been criticized for its buying policies, I have suggested that it might be revealing to compare the cost to the Government of 400,000,000 bushels of wheat with the cost to millers for a like amount.

During the entire calendar year 1947, average price paid by the Government for wheat was $2.44 per bushel. From January to June 1947, it averaged $2.14 per bushel, and from July to December 1947 the average price paid was $2.56 per bushel.

January	$2.06
February	2.16
March	2.00
April	1.94
May	2.16
June	2.32
July	2.20
August	2.28
September	2.47
October	2.81
November	2.95
December	2.89

Weighted average $2.44 per bushel.

We had profited by our experience in the 1945–46 marketing year when we did not get adequate advance information from claimant agencies and foreign countries and were faced with the necessity of buying heavily late in the year. This year and last we bought heavily in the early months of heavy marketing by farmers. Last July, August, September, October we bought wheat and flour equivalent to nearly 200,000,000 bushels. And now, as I have pointed out, we have about 70,000,000 bushels still to buy, a part of which will be by commercial concerns, to complete the minimum export program of 450,000,000 bushels. In other words, we have made an effort to buy in a manner that would disturb the market as little as possible.

Hogs: Average weight of barrows and gilts, packer and shipper purchases, Chicago and seven markets, specified weeks, October to February 1946–48

Week ended—	Average weight, Chicago	Average weight, 7 markets
1946	*Pounds*	*Pounds*
Oct. 5	246	24
Oct. 12	240	235
Oct. 19	223	229
Oct. 26	230	231
Nov. 2	234	233
Nov. 9	231	232
Nov. 16	233	232
Nov. 23	234	231
Nov. 30	232	232
Dec. 7	236	234
Dec. 14	239	238
Dec. 21	239	238
Dec. 28	242	241
1947		
Jan. 4	246	245
Jan. 11	247	244
Jan. 18	247	249
Jan. 25	252	251
Feb. 1	250	253
Feb. 8	255	252
Oct. 4	225	219
Oct. 11	230	219
Oct. 18	229	219
Oct. 25	223	218
Nov. 1	222	217
Nov. 8	229	221
Nov. 15	228	221
Nov. 22	230	225
Nov. 29	235	226
Dec. 6	236	229
Dec. 13	239	236
Dec. 20	241	232
Dec. 27	245	236
1948		
Jan. 3	247	245
Jan. 10	252	244
Jan. 17	255	251
Jan. 24	255	250
Jan. 31	259	254
Feb. 7	257	255

[1] Include Chicago, Kansas City, Omaha, St. Louis National Stock Yards, Sioux City, South St. Joseph, and South St. Paul.

Source: Bureau of Agricultural Economics, Division of Statistical and Historical Research.

Federal Control of Oil

EXTENSION OF REMARKS
OF
HON. W. LEE O'DANIEL
OF TEXAS

IN THE SENATE OF THE UNITED STATES

Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. O'DANIEL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a copy of a telegram dated February 14, 1948, from H. R. Cullen, of Houston, Tex., addressed to a number of persons, and bearing on the oil situation.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

HOUSTON, TEX., *February 14, 1948.*

Hon. W. LEE O'DANIEL,
United States Senator from Texas,
Washington, D. C.:

The morning press states JOHN W. HESELTON, Republican Congressman from Massachusetts, drafting bill to put oil under Federal control. It is just hell when one has to continue to fight for freedom in this country. I sent you Harry Weiss' letter some time ago that showed that the oil production of this country has increased fourfold since 1920, while coal production has not increased any. Why do not the bureaucrats in Washington

jump on the coal business for a while and leave the oil men in peace? Bureaucracy working at its best held the price of oil down and put the price of coal up, with the consequence they are using fuel oil in the factories almost directly in the coal mines. This is an unhealthy condition and should be stopped by allowing the price of oil to rise high enough to force those industries in the coal States to use coal. Instead of putting in big headlines a shortage of supply they should stress an unprecedented demand aggravated by an unusually cold winter, plus a shortage of tankers, tank cars, and pipe lines due to war-created shortages. What are the facts? We are exporting around 163,000,000 barrels of petroleum a year.

Senator MOORE, of Oklahoma, called attention to the Senate Committee on May 27 of last year to the fact that in 20 months exports not of petroleum but of approximately 50,000 tons of piping, casings, and other tubular goods used by the petroleum industry had been shipped to the Russian Government under export licenses issued by our State Department. This, said Senator MOORE, meant that the American oil industry had been denied material for drilling about 1,500 wells, which should have produced for our own use over 135,000,000 barrels of new reserves. If this equipment had stayed here and not gone to Russia, there is little reason to believe that any fuel oil tanks would be empty in America today. It is time that some patriotic statesmen in Congress should state facts and save us from that condition recently presented by Under Secretary Archibald L. M. Wiggins to the leading bankers and businessmen of this country, who said: "And, surprisingly to me, about two-thirds of the things that happened in this country in the last 25 or 30 years fitted right into Harold Laski's theory of state socialism. So, it is not a matter of opinion, it is just a matter of putting the facts down side by side, and there it is." Copy sent to Hon. JOSEPH W. MARTIN, JR.

H. R. CULLEN.

(Copies to: Leonard Read, Foundation for Economic Education, Inc., Irvington-on-Hudson, New York, N. Y.; Dick Tullis, 1707 N Street NW., Washington D. C.; Sam Pettengill, America's Future, Inc., 205 East Forty-second Street, New York, N. Y.; Robert M. Harriss, care the Breakers, Palm Beach, Fla.; Frank C. Waldrop, Washington Times-Herald, Washington, D. C.; Hon. Leo E. Allen, Committee on Rules, House of Representatives, Washington, D. C.; Hon. Carroll Reece, 1337 Connecticut Avenue, Washington, D. C.; Hon. George W. Malone, United States Senator from Nevada, Senate Office Building, Washington, D. C.; Hon. Arthur H. Vandenberg, United States Senator from Michigan, Senate Office Building, Washington, D. C.; Hon. Tom Connally, United States Senator from Texas, Senate Office Building, Washington, D. C.; Hon. Robert A. Taft, United States Senator from Ohio, United States Senate Office Building, Washington, D. C.)

The Federal Trade Commission—Minority Recommendations by Commissioner Mason

EXTENSION OF REMARKS
OF
HON. EDWIN C. JOHNSON
OF COLORADO
IN THE SENATE OF THE UNITED STATES

Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD legislative recommendations made to the Congress by Commissioner Mason, of the Federal Trade Commission. I am certain these provocative recommendations will prove of interest to every Member of Congress, and to American business and industry as well.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

COMMISSIONER MASON'S STATEMENT IN SUPPORT OF HIS MINORITY RECOMMENDATION NO. 1

In my opinion, the Commission spends a disproportionate amount of time on the sanction of force through hit and miss prosecutions of individual complaints and does not make sufficient effort towards a mass understanding and acceptance of the law. Many of the complaints are only indicative of common bad business habits which continue to flourish industry-wide in spite of single individual prosecutions.

Cease and desist orders issued after lengthy and costly trials may have served as deterrents in some cases, but often they only place the respondent under a handicap not imposed on his competitors. In addition, looking at it from the consumer's point of view, a cease and desist order entered against one company rarely results in protection to the public if the banned practice is common to others in the same business.

The failure in all punitive procedures is that they attack individual symptoms without removing the general causes, and seldom serve to bring a common understanding and acceptance of the law by those not parties to the litigation.

The President has recognized the inequality and ineffectiveness of hit or miss prosecutions as a means of getting a reign of law in commerce. He takes cognizance of the fact that some infractions of mercantile law are best remedied through cooperative means rather than by lengthy litigation against single companies. In his special message to Congress of May 17, 1946, he indicated we can obtain this through stipulation agreements to cease and desist or through the establishment of trade practice rules.

Congress approved his proposal on this phase of Commission work in 1946 by appropriating supplemental funds to carry out such a program. Later the President, in his 1947 message, fortified this proposal in these words:

"The Antitrust Division will concentrate its efforts on major violations of the antitrust laws. The Federal Trade Commission will increase its effectiveness by operating on an industry-wide basis rather than through the slower procedure of individual complaints. It will also sponsor a larger number of industry conferences designed to locate and eliminate unfair trade practices through cooperative action."

COMMISSIONER MASON'S STATEMENT IN SUPPORT OF HIS MINORITY RECOMMENDATION NO. 2

With reference to my proposed amendment to the Federal Trade Commission Act, bearing on the appointment of an administrative officer, it should be pointed out that executive leadership in the Federal Trade Commission by joint action of the Commissioners is inadequate for the following reasons:

1. Direct, day-by-day supervision by the entire group of Commissioners imposes great burdens on them and interferes with their broader duties of rule-making, administrative adjudication, and policy determination. The present method is also relatively slow and tends toward procrastination or inaction through deadlock.

2. Supervision through committees or groups of Commissioners also makes serious demands on the time of Commissioners which could be spent on broader duties. Moreover, it tends to produce uncoordinated action.

In a report to the monopoly subcommittee on small business, House of Representatives, pursuant to H. R. 64, Seventy-ninth Congress, the staff of the committee stated:

"The agency—the Federal Trade Commission—is headed by five Commissioners appointed for staggered terms of 7 years. The chairmanship is rotated every year among the five Commissioners.

"The five Commissioners divide up between them the administrative duties involved in carrying on the work of the Commission and supervising the activities of its five-hundred-odd employees. The Commissioners must also sit as judges in the hearing of cases. A member of the monopoly committee staff was informed verbally that the Commissioners meet every morning in executive session to discuss cases and meet on an average of two afternoons a week to hear cases.

"This would appear to be an extremely heavy load for anyone to carry. It is almost as though the Supreme Court Justices were asked to run War Assets Administration in their spare time. * * *"

There has been a tendency in recent years, as evidenced by the Report of the Attorney General's Committee on Administrative Procedure and by the passage of the Administrative Procedure Act, to encourage a separation of what are considered executive or administrative activities of Commissions from their quasi-judicial or quasi-legislative activities; the latter functions, and related matters, should be handled by joint action of the Commissioners, while executive and administrative matters should be placed under unified supervision, to be exercised within the framework of Commission policy, but not directly provided by the Commissioners themselves.

In order to conserve the time of the Commissioners for their basic duties, it is desirable for them to be assisted by an individual who will be responsible for executive or administrative leadership. This executive director, or administrator, should have adequate authority as follows:

1. The Commission should deal with internal administration only through him, and should not issue orders directly to anyone but him.

2. He should have authority to select and assign subordinates.

The Executive Director, or Administrator, should also have adequate staff assistance. The areas in which he will need such assistance include:

1. Allocation of men, materials, and money toward the fulfillment of Commission goals;
2. Development of efficient and economical organization and procedures;
3. Interpretation of the work of the Commission to the public;
4. Personnel administration;
5. Financial controls and records; and
6. Administrative services.

The Chairman should be designated by the President instead of by our present musical-chair procedure, which prevents the logrolling and spreads the glory but doesn't operate to the benefit of the taxpayer. The opportunity for leadership by the Chairman depends upon his authority. Presidential designation would substantially enhance his effectiveness because of the position he occupies as representative of the Commission in dealings with the executive and legislative branches of the Government. It would bring continuity to the management of the Commission and give stability to the administrative functions which now are wafted from the personality of one Commissioner to another on the first of each year. There is no authentic basis for the present method of rotating the chairmanship annually.

With reference to the compensation of Commissioners, the Federal Trade Commission Act was passed in 1914. Section 2 provided a yearly salary of $10,000 to each Commissioner. In those days $10,000 was $10,000,

with no income taxes. Today the take-home pay is $7,944.

The Consumers' Price Index of the Bureau of Labor Statistics shows that the dollar which the Government paid a Federal Trade Commissioner in 1914 bought exactly 46.6 cents worth of the necessities of life in 1946. A year ago this made the equivalent take-home pay for a Federal Trade Commissioner $3,734.07. The 1947 dollar brings even fewer of the necessities of life to one's doorstep.

Congress determined that the responsibilities and requirements of a Federal Trade Commissioner in 1914 called for a $10,000-a-year man. Then, this country's business economy was gaged at $40,400,000,000. In comparison, our industrial and economic growth today is represented by the figure of $203,700,000,000.

Octane Versus Conservation

EXTENSION OF REMARKS

OF

HON. LYNDON B. JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. JOHNSON of Texas. Mr. Speaker, several congressional committees have been studying various phases of our Nation's oil problem. The major question before them has been how we can meet our country's petroleum needs by conserving the present supply available or locating new sources of supply.

The chairman of the Railroad Commission of Texas, Col. Ernest O. Thompson, advances an idea that he believes would save us 75,000,000 barrels of crude oil annually and at the same time allow the automobile operator to put 2 cents back in his pocket every time he buys a gallon of gasoline.

Colonel Thompson's suggestion is that the driving public of America limit itself to the use of what is commonly known as regular gasoline instead of ethyl, octane, no-knock, or any of the other dozens of types of premium gasoline on the market.

Colonel Thompson is convinced that the best conservation program is the one which will give the most miles per barrel of crude. He contends that regular gasoline will take your car just as far as will the premium gas and contains a substantially smaller percentage of crude oil.

According to Colonel Thompson, almost any mechanic can adjust our car motors to give satisfactory performance on 65- to 70-octane gas. In fact, he says it has been established that, provided the engine has been properly adjusted for the fuel, no difference in performance between engines using 65-octane gas and 80-octane gas can be ascertained even by the best-trained technicians.

Colonel Thompson outlined his ideas on this subject most vividly in a paper he delivered before the Natural Gasoline Association of America in April 1947. While I am not a chemist and do not propose to understand the technicalities, Colonel Thompson's proposal could be of such far-reaching importance that I would like to include in my remarks the text of that paper:

OCTANE VERSUS CONSERVATION

(By Col. Ernest O. Thompson, chairman, Texas Railroad Commission)

Conservation of oil and natural gas has come a long way since 1932.

My reference to that date is made only to give the scope of my close study and intimate observation of the advance of the technology and science of getting a barrel of oil out of Mother Earth's storage reservoirs to the surface of the earth and then brought the pipe lines to the refinery and thence through the 400,000 filling stations of the United States, to the hungry motors of the citizen.

Surely gasoline and oil are important to the welfare and happiness and contentment of our people. Proof of this is amply given when it is called to our attention that there are in these United States 10 times as many filling stations as there are post offices.

It is proper also to state that gasoline today is one necessity of modern life that is of far superior quality and still much cheaper than the gasoline of 20 years ago.

In 1920, gasoline was 26 cents a gallon in the midcontinent, and then there was no Federal or State gasoline tax.

Today regular gasoline sells at the pump in Dallas, Tex., at 21 cents a gallon including 6 cents a gallon gasoline taxes. Compare this price with bread, butter, or meat.

Regular gasoline, less tax, is 15 cents a gallon today in Dallas, Tex. In 1920 it was 26 cents a gallon and there was no gasoline tax.

Advertising has made the motorist octane conscious. Yet few motorists know what octane is, and even fewer understand how it affects the operations of their cars.

It's a lot like our insisting on our rice being white. That is what the public has been educated to want. They do not stop to think that the polishing of rice takes a lot of the nutrition from it.

It's the same way with gasoline. A lot of money is spent clearing up the color to please the eye.

Your own technicians, that is to say, the engineers in the motorcar industry and in the petroleum industry, have convinced me of one fact. Namely, that the average motorist gets no honest brass-tacks value in added performance of his motor for the additional octane numbers above say 65 in motorcars up to and including the 1947 models. Provided that the proper adjustments have been made and that the engine has been maintained in good order, octane numbers above this level appear to be relatively unimportant. Almost any mechanic, or so-called mechanic, can read the motorcar manuals and then adjust the spark so that the engine will knock even when using 80 octane. Conversely, it can be adjusted to give very satisfactory performance on 65 to 70 octane. It would take a college graduate with at least 4 years' training as a chemist, an engineer, and a technician, with the aid of specialized testing equipment to ascertain the difference in performance and horsepower of the engine when using 65-octane number, on the one hand, as compared to using the much more expensive 80 octane, on the other—provided that the engine in each case has been properly adjusted for the fuel.

If the motorist truly wants miles for his dollars, he will quit paying extra cents per gallon for those extra octane numbers that do not add anything to his motor's performance.

Conservation is still an issue. Petroleum resources which were counted on to carry us for years in the future have been consumed for war. We are now forced to look halfway around the world for emergency supplies of oil to fuel our Navy. In spite of continued drilling and the use of more scientific methods for finding reserves, our known reserves have been reduced.

During 1946 this country produced 1,733,424,000 barrels of crude oil and 115,153,000 barrels of natural gasoline, cycle products, and liquefied petroleum gases. Proven reserves as of January 1947 total 20,873,560,000 barrels of crude oil and 3,321,027,000 barrels of natural gasoline, cycle products, and liquefied petroleum gases. Of these volumes 55.79 percent of the crude oil, 60.43 percent of the condensate reserves, and 87.46 percent of the reserves of other light hydrocarbons are in Texas.

It is gratifying to consider the remarkable results of the cooperative efforts put forth by State regulatory bodies and the petroleum industry to improve the efficiency of oil and gas production in the interest of conservation. With few exceptions, wastage has been eliminated and petroleum reserves are being produced in an efficient manner.

For some unexplained reason, petroleum conservation has taken on the limited definition which restricts the application of the term to the production of crude hydrocarbons—or, at most, includes the processing of these crude materials into specification products. On the basis of such a limited definition, conservation has been successful, but why should our concern end at the refinery? It is not sufficient that the maximum crude be recovered from the reservoirs, or that the refineries process that crude efficiently. We must remember that our petroleum resources are funds of potential energy and our concept of petroleum conservation must be broadened to include the efficient utilization of that energy. From the standpoint of the motorist, who is primarily interested in conservation as it affects motor-fuel supply, the best conservation program is the one which will give the most miles per barrel or per pound of crude.

With this broader concept of petroleum conservation in mind, we have reviewed the subject of motor fuels and engines as it is related to the problem. Because of its technical nature, such subject matter is confined to the technical journals so that the average motorist, and perhaps the average engineer, never becomes familiar with the problem. With all due regard for past achievements of the motor industry, there is evidenced a decided room for improvement from the standpoint of petroleum economy. It is amazing how many technical articles have been written on fuels and engines by representatives of the refining and motorcar industries during the past 10 years, showing how real improvements can be achieved, and in a few respects it is amazing how little has been done about it. Perhaps the car designers and motorists are too much preoccupied with sleek body jobs to worry much about petroleum economy, but the technical record shows that improved car design and better maintenance would pay important dividends in customer satisfaction and in petroleum economy.

The point of this paper, which I believe is adequately confirmed by the literature references of the bibliography, is that present-day cars do not require fuels having octane numbers higher than—or as high as—those currently available. Any excess octane number quality which is obtained at the expense of yield is poor economy and a wastage of our resources.

There appears to be no disagreement between automotive engineers and refinery motor-fuel experts on the factors which are important to the problems of octane requirement, fuel economy, and engine performance.

It is now well known that neither the A. S. T. M. motor method nor the CFR research method octane numbers adequately express

the road performance of a fuel. In general the former correlates with high speed and the latter with low-speed performance, but no simple combination will correlate with road performance over the full speed range. Recently there has been much emphasis placed on the difference between the research and motor method numbers which is expressed as "sensitivity" or "jump" and which is a measure of the degree to which a fuel has been cracked or reformed. The availability of wartime cracking and reforming capacity in certain refineries and the sales appeal of higher numbers are the most important factors in this emphasis at this time. Certainly there is no evidence to show that higher octane numbers are needed for operating reasons.

What are the factors affecting octane requirements and how can they be improved?

1. Basic ignition timing has received more attention than any other single item. Apparently the automotive engineers strive for an optimum spark setting which will deliver close to maximum power under any operating speed. Such a setting requires that the engine be actually detonating under full acceleration with the fuel used. Almost without exception the service manuals issued by the car manufacturers recommended adjusting the spark advance until a "slight ping" is obtained on full throttle acceleration.

The primary effect of this practice of adjusting the spark advance until detonation is obtained is to make it literally impossible to ever eliminate engine detonation by production and use of higher octane gasoline. As higher octane fuels are made available to eliminate knock complaints the recommended practice for adjusting cars in service will see to it that the improvement is offset and the knocking is retained. This situation has resulted in the amazing observation, pointed out in several octane number surveys, that so-called octane requirements were not so much a direct function of car design or operating conditions as of the octane number of the fuel available in a given territory.

This basic spark setting practice which keeps the knock forever with us might be reasonably condoned if the gain in power or mileage were significant—but such does not appear to be the case. Various road test programs have all come up with substantially the same answers of which the following are typical as reported by Van Hartesveldt and Field in 1940.

(a) Increasing the road octane number from 74 to 77 yielded only 1.8 percent increased power and a further increase to 80 octane number yielded only an additional 1.3 percent increased power.

(b) Increasing road octane number from 74 to 80 gave no increase in mileage at 40 m. p. h. for level-road driving and showed only 2.5-percent increased mileage at 20 m. p. h. with two-thirds throttle.

(c) Increasing road octane number from 74 to 77 gave no difference in acceleration time.

(d) Increasing octane number from 74 to 77 affected knock as follows:

Approximately 40 percent of cars, no difference.

Approximately 40 percent of cars, doubtful difference.

Approximately 20 percent of cars, noticeable reduction with the higher-octane fuel.

Other investigators have reported power losses of the order of only 2 percent and reductions in octane number requirement of 10 to 20 numbers by simply retarding spark from the maximum power setting.

In this connection it is interesting to note the effect of knock on power loss. In 1939 MacCoull reported that on several cars tested, hardly 2 percent in power loss occurred with a "medium" knock and that this small power loss accompanied use of a gasoline of almost 15 octane numbers lower value than required for complete absence of knock.

Another investigator states that "When high octane number gasoline is used in a car that does not knock on the lower-octane material no improvement in performance results; and when a car that knocks is fueled with a high-octane gasoline, the knock is reduced, but no additional power nor gasoline mileage is gained unless the knock was extremely loud. Knock must be so loud for power loss that no motorist with normal hearing, driving such a car, would fail to take the car to a repair shop."

2. Variation in spark timing from cylinder to cylinder in an engine has been shown to be also a serious difficulty. One investigator points out that by actual tests on individual cylinders of a stock car, some cylinders required as much as 35° spark advance over normal advance before audible change in knock intensity occurred, whereas, other cylinders gave appreciable increase in audible detonation with only an advance of ½° above normal. From one limited survey, octane requirement between cars of the same make and model has been reported to vary as much as 23 octane numbers. Variations such as these are traceable largely to variation in engine-distributor cam angle which can be corrected by reducing manufacturing tolerance. In the absence of corrective measures it is obvious that the cylinder having the greatest spark advance or the car requiring the highest octane number will in large measure determine the general level of octane number of the motor fuel marketed.

3. Mixture distribution is an important factor in determining octane requirement. With the complicated manifolding of present-day cars it is extremely difficult to obtain uniform air-fuel ratios to all cylinders. Maldistribution results in segregation of T. E. L. content or of high octane fractions to certain favored cylinders with the other cylinders penalized and the octane requirement of the engine increased. With perfectly synchronized spark advance to all cylinders, it is reported that the effect of varying mixture strength to individual cylinders may cause a variation in octane requirement of 15 numbers between individual cylinders. Maldistribution is worse for gasolines of higher boiling range, and this difficulty can be materially reduced by using more volatile gasolines.

4. Manifold heat, used to vaporize gasolines of low volatility, increases the octane requirement. Increased volatility of motor fuels reduces the necessity for high manifold temperatures but poor mixture distribution prevents the elimination of manifold heating.

5. Engine speed has an important effect on octane number requirement. A recent paper has shown that increasing speed from 1,000 to 2,500 revolutions per minute (20 to 50 miles per hour approximately) reduces the octane requirement by 10 or more numbers. New type transmissions, which will prevent low-speed loading, will permit use of lower octane fuels. Incidentally, such improvement will favor paraffinic or saturated type gasolines instead of cracked, olefinic type products.

6. Engine maintenance is strictly the responsibility of the motorist and therefore may not be as susceptible to improvement as are changes in the design and basic adjustment of the engine. Too few car owners have any appreciation of the improvement in performance which can be obtained by periodic checkups, and they are therefore prone to postpone servicing as long as possible. Removal of combustion chamber deposits alone has been observed to reduce octane requirement as much as 15 numbers, with 8 or 10 numbers being an average improvement which may be expected for deposit removal after 15,000 miles of driving.

Now let us look at some of the factors which affect fuel economy. In a paper presented before the SAE in November 1943. Mr. A. T. Colwell listed the major methods for improvement of economy in order of importance as follows:

1. Transmissions and rear-axle ratio.
2. Rolling resistance, wind resistance, and car weights.
3. Engine size—number of cylinders.
4. Compression ratio.

This listing may be surprising in that the major emphasis is not on increased compression ratio requiring more highly refined, and expensive, high-octane fuels.

By decreasing rear-axle ratio from 4.3 to 3.6, which would decrease performance slightly in the low-speed range, an additional 3 miles per gallon can be realized.

Reducing car weight from 3,500 to 3,000 pounds could improve economy by 3 to 5 miles per gallon without loss in performance if rear-axle ratio was simultaneously reduced.

As car weight is reduced, engine size can be reduced and load factor increased to improve economy.

Increase in compression ratios above the current 6.5/1 will improve thermal efficiency and give more miles per gallon. However, since an increase in compression ratio will require a simultaneous increase in fuel octane number, this gain in economy may be a delusion.

Loss in yield from crude to produce higher octane fuel may change this gain to an actual loss in fuel economy when considered on the basis of ton miles per gallon of crude instead of per gallon of gasoline. Such a figure is exceedingly difficult to arrive at, but the viewpoint is nonetheless important.

Additional benefits in economy are obtainable through proper design of fuel systems to use the maximum quantities of light hydrocarbons directly as fuel instead of requiring that they be processed with loss in yield merely for devolatilization. Butanes and pentanes are important contributors to octane number and good performance.

Operation of engines on leaner fuel mixtures may offer economy benefits. Increased spark gap width and spark energy may be necessary to promote firing and earlier timing to promote complete burning of the fuel. If successful, there would be less loss due to unburned fuel going out the exhaust pipe. The same investigator who reports improvement in mileage effected by the use of wider than normal spark gaps also shows even greater improvements in gasoline economy through the use of a special exhaust manifold which minimizes resonance effects and thus improves scavenging.

All of the foregoing points bearing on octane number requirement and fuel economy have been obtained from technical literature cited in the bibliography. Most of the suggestions have been found to be repeated by several authorities. While the whole subject is not nearly as simple as has been presented, the salient factors have been covered. It is regretted that time does not permit more detailed quotations but published presentations of this paper will include detailed excerpts from supporting literature.

Our primary interest is conservation of petroleum resources and it is our purpose here to remind everyone that conservation is not a practice limited to the old field but rather that the same efficiency of conservation practice should continue until the motor-fuel product is finally consumed. With this admonition to the automotive people we are willing to leave the problem of better car design up to them. They have shown the means of improvement and we are confident that more economical designs will follow.

One astonishing fact, however, stands out as an inexcusable situation. Both automotive and refinery engineers are apparently well agreed that, for one reason or another, the current high level of octane numbers is unnecessary—and certainly we don't need higher octane numbers at this time. Simple little improvements in the design of distributors and in factory and maintenance adjustment of spark timing would permit reduction in current octane levels by 5- or 10- or 15-octane numbers with no noticeable reduction in mileage or performance. Most cars on the road today could well get along with less than 74-octane fuel and yet there is every indication that the octane-number level is again increasing. One expert has referred to the octane number as the "refiner's will-o'-the-wisp" because current practices render any improvement short-lived.

In a paper published by Van Hartesveldt and Field in 1940, the authors estimated that the money cost of increasing octane number was approximately 5 cents per barrel octane number and that therefore an increase in average octane level from 74 to 80 for the 500,000,000 barrels produced per year in this country at the time of their estimate would cost somebody $150,000,000. Is there any doubt as to who will finally pay this bill for unnecessary improvement?

Aside from the money cost for octane number improvement, there are important penalties in the more rapid depletion of our petroleum reserves, both crude oil and naturally occurring light hydrocarbons. Consider first crude oil. I recall that when cracking processes first began to be used in the refining industry they rightly were considered to be a means of increasing the total yield of gasoline from the crude. How different the situation is now as refiners under the control of a "magnificent obsession" for greater octane numbers now process perfectly good naphthas at a yield of 20 to 30 percent in order to get a few more octane numbers in their over-all refinery output of motor fuel. It is, of course, impossible to give an exact figure of the total yield penalties because of the many different types of crudes and processes used. However, from examination of yield data for various processes, it appears that from 1.5 to 2.5 percent of motor fuel might be sacrificed for each increase of one octane number. Thus, raising the octane number of the current annual production of 750,000,000 barrels by one unit only would decrease the yield by perhaps 15,000,000 barrels, and this can only be made up by increased drafts on our total hydrocarbons reserves. An increase of five octane numbers, which is now considered quite possible by some, would mean an increase annual requirement of 75,000,000 barrels to offset these processing losses.

Many of the processes which the refiner has used in the race to obtain high octanes result in the production of additional light fractions such as butanes and pentanes duplicating and competing with supplies of these materials necessarily produced as an incident to the recovery of crude oil and natural gas. As a result there has been a total oversupply of these light fractions with very weak markets as was painfully obvious in the years preceding the recent war and again as recently as February and March 1946. Weak markets for these naturally available light fractions have surely been conducive to waste, a waste which we conservation authorities have been fighting with every legal means at our disposal. There is no way of knowing the magnitude of this waste but its reality has been clearly apparent to many of you who have seen casinghead gas of 2- to 3-gallon content burning with rich, smoky flame in field flares—burning because the market price of the useful fractions it contained was so low that no sensible businessman would undertake the expenditure to recover them. I tell you that this condition has been caused by the attitude and policy of the industry in not recognizing that petroleum supply and demand should be based on an over-all hydrocarbon balance. If refiners wish to make a real contribution to the conservation of our hydrocarbon reserves, they can do so by programing their operations to use naturally available volatiles and discontinuing the trend toward excessive cracking and thermal processing which now in contrast to the early days results in less gasoline from a barrel of crude oil rather than more. At a time when all are concerned about our Nation's reserves of liquid hydrocarbons, the possible saving of 75,000,000 barrels of crude oil annually and an additional indefinite but certainly worthwhile volume of natural light fractions is of sufficient magnitude to justify serious thought and reflection for every petroleum refiner and marketer.

I know it gives us regulatory authorities real concern. We believe the fruits of oil and gas conservation in waste prevention incident to production of oil and gas—the light hydrocarbons—natural distillates and condensates should be given first consideration in filling refiners requirements. We will have to, perhaps, consider these first, then supplement them with the balance from crude as needed in our allowable production orders.

Restriction of Liquor Advertising

EXTENSION OF REMARKS

OF

HON. ARTHUR CAPPER

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. CAPPER. Mr. President, I have received a copy of an editorial published in a recent issue of the Cottonwood County Citizen, of Windom, Minn., in regard to efforts of that paper to restrict the activities of liquor manufacturers. It is such an able editorial that I send it to the desk, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CURBING LIQUOR ADVERTISING

There is a bill in Congress known as the Capper bill which would restrict the activities of liquor manufacturers and distributors in their modes of advertising. It would forbid them to make claims that alcoholic beverages are beneficial to health, will increase social or business prestige, or is traditional in American family life and should be part of the atmosphere of the American home. Another bill would forbid suggesting liquor as part of the celebration of any religious holiday.

Aside from the fact that this would trample upon the freedom of the press, we still admit a shame in our profession that such legislation should be necessary. We never could see why any self-respecting newspaper or magazine should want to run advertising of the sort above named. In fact, it is so misleading that it is enough to shake the faith of the reading public in all advertising. We are happy that this newspaper has never accepted such advertising, though it has meant thousands of dollars in loss of revenue.

Senator Capehart's Proposal

EXTENSION OF REMARKS

OF

HON. HOMER E. CAPEHART

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Senator CAPEHART's Proposal," published in the Marion (Ind.) Chronicle of February 10, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SENATOR CAPEHART'S PROPOSAL

Too little attention has been given to the proposal of Senator HOMER E. CAPEHART for a joint European recovery program. The speech advocating this program was made in Peoria, Ill., February 7. In brief, Senator CAPEHART advocates the formation of a world reconstruction finance corporation in which the United States would furnish 50 percent of the money and credit, and each European nation participating would furnish money by which to buy a reasonable percentage of the remaining stock. In short- and long-term investments and bank balances in the United States alone the 16 European nations designed to be covered by the Marshall plan have $13,000,000,000 in good credit dollars. Added to these very liquid dollars which these nations possess in the United States are other vast holdings in South and Central America and Switzerland.

Senator CAPEHART concedes that there is real merit for an outright gift to European nations to meet the needs of hungry and cold people, but he says: "That is a separate phase of European relief and should be dealt with separately even though the Marshall plan as proposed fails to do this.

"For 30 years the United States has experienced nothing but failures which have grown out of hasty, ill-advised action based on emergencies which found this Nation lacking in qualified leadership. We fought World War I to save democracy. Then came the Versailles Treaty and Disarmament Conference. The Kellogg-Briand Treaty was like the others; it never accomplished what it was designed to accomplish. * * * Then came the depression and the destructive philosophy of scarcity, which still is with us today.

"War again threatened us, and we had the Neutrality Act, Cash-and-Carry Act, and, finally, lead-lease; we only were fooling ourselves. Then we gave 50 destroyers to England with the silly belief they would keep us out of war. Business as usual was being carried on with Japan while our diplomats were edging closer to war with that nation."

Then the Senator traced the various actions taken during the war, including the Atlantic Charter we signed for the "four freedoms" which were to be the terms of an Allied victory for the world. We followed with the Bretton Woods monetary conference and the Export-Import Bank. These were proclaimed to be the harbingers of permanent international prosperity. But the Senator continued: "Four freedoms, United Nations, Bretton Woods, Export-Import Bank were mere scraps of paper as we began getting the returns from Tehran, Yalta, and Potsdam.

"The Morgenthau plan and the division of Germany boomed into the faces of those

hoping for a quick return to the peaceful ways of the world.

"Russia began grabbing. We began fearing. Then came the Greek-Turkish loan to stop Russia's march to the Mediterranean oil pool.

"Now the Marshall plan."

The Marshall plan, Senator CAPEHART contends, continues the fallacy that American dollars given freely and without stint will restore European stability. Then, he says, there is an equal fallacy in the government-to-government plan proposed by Secretary Marshall. This plan provides that the United States Government will give goods or dollars to certain European nations who in turn will sell these goods or lend the dollars to their peoples needing them. This is the authorization plan of the superstate and can lead only to socialism or to statism, not only in the nation where the plan is employed but also in all probability in the United States. Pointing out that we already have given since the war, net aid amounting to more than $9,500,000,000, without producing an iota of even simulated stability in the nations where the money and goods have been channeled, Senator CAPEHART contends that additional grants will not produce stability unless the nations benefited by such credits will themselves assume responsibility according to their needs and resources.

"Let those nations where confidence prevails step forward with funds to help themselves; then Americans will step forward with an equal number of dollars to aid in the industrial recovery of that nation. With these dollars will be formed a vast pool of dollar credit which can be loaned for the purpose of restoring the production of that country.

"Money can be poured into private enterprise in the foreign nation through a credit allowance against the RFC in that nation. This will entitle applicants to an equal credit against the American RFC.

"Armed with his purchasing credit, the businessman moves into the world market to procure the materials he needs to restore production so badly needed in his country.

"This," the Senator contends, "is the American way. By this plan Americans call upon the Europeans to share in the risk of saving their country in a cooperative manner. It inspires the confidence needed to sufficiently preserve freedom and independence. This plan is the answer of the free-enterprise system to the ideology of government by dictators. It preserves our principle, it preserves our pledge to protect our Americans and our American resources. If we are right in our system in America, then our system is the greatest force with which to oppose communism."

It's Time To Do Something About Germany

EXTENSION OF REMARKS

OF

HON. JAMES P. KEM

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "It's Time To Do Something About Germany," written by O. K. Armstrong and published in the current issue of the Reader's Digest. Mr. Armstrong is a distinguished Missouri journalist.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT'S TIME TO DO SOMETHING ABOUT GERMANY

(By O. K. Armstrong, writer, publicist; former member Council of State Governments; former member Missouri Legislature)

The German people face a task as great as ever confronted any people on earth: to rebuild their country, economically, politically, and spiritually. We American people and our Government have assumed a major responsibility for the future of this defeated land. To date, our occupation policies have failed even to start Germany back toward democracy and economic self-sufficiency.

For many weeks last fall I talked with officials, clergymen, clerks, laborers, farmers, veterans, and housewives in all four of the occupied zones. There can be no doubt that the Germans know who lost the war. Almost every large city is still in ruins. Many of the small cities are from one-fourth to one-half destroyed. Some 2,750,000 troops and 450,000 civilians lost their lives. A large part of all German industry was bombed away or has been dismantled since the war.

Gaunt hunger stalks the land. Four million evacuees from bombed-out homes find shelter as best they can. About 25 percent of Germany—the best food-producing region—has been given to Russia and Poland. Nearly 13,000,000 displaced persons have been jammed into the remaining area of human misery.

There are now four Germanys. The Russians, holding the eastern third, flatly refuse to permit economic unity. The British and French are progressively shifting their occupation burdens to American shoulders. So we Americans must choose: Either we withdraw, leaving the heart of Europe in a chaotic state and a further prey to rampant totalitarianism, or we give leadership for creating a peaceful and democratic Germany. To succeed in the latter task, we must chart new policies so just and constructive that generations ahead will approve them.

Immediately, we should do four things:

1. ABANDON VENGEANCE AND ESTABLISH JUSTICE

Millions of Germans said, when American troops entered their defeated homeland: "The Americans are a just people. They will free us from Nazi rule and bring us democracy." Very quickly they learned their mistake. Our policy has been one of harsh and vindictive punishment for all the people.

It is understandable that Americans should think all Germans guilty of the crimes against humanity committed by their Nazi leaders. During the fighting this was the theme of effective propaganda in the United States. It is easy to say: "Mass punishment serves them right. They brought it on themselves." But this concept of mass guilt and this policy of mass vengeance are the very opposite of the basic principles of American justice.

These principles are implicit in our Bill of Rights: No ex post facto law shall be passed. Guilt for a crime is individual, there is no such thing as "collective guilt." One is presumed innocent until proved guilty. If cleared by one trial, one cannot be tried again for the same offense. Punishment must be humanely administered, having for its purpose rehabilitation rather than suffering and degradation. Every one of these ideals has been violated during our occupation of Germany.

Max Rheinstein, of the University of Chicago Law School, who served for 18 months in military government, has declared: "Our denazification methods retard economic rehabilitation and are driving into sterile hatred and resentful opposition millions of people who might otherwise have been sincere democrats."

Chief device for mass punishment is the denazification program. Certainly Germans expected that those guilty of crimes, military or civilian, would be punished. But denazification set up classifications of guilt for the entire population, with "automatic arrest" for all within certain categories. Proof of innocence, instead of guilt, has to be established. Meanwhile, accused persons are forbidden any occupation that might "influence the community" except manual labor.

Studying scores of denazification cases, I found such cases as these common: A manufacturer was forced to pay dues to the party or lose his business; now his business is confiscated, his property taken, and he is no longer allowed to work as an executive. Many German Red Cross units were incorporated as party auxiliaries, without consent of the members; now nurses of these units cannot engage in their profession. A pastor was gathered up with hundreds of accused and kept in a concentration camp for 7 months before trial; it proved to be mistaken identity.

Local denazification courts are conducted by Germans selected by occupation authorities. Even if men are ruled innocent by these courts, in the American zone a special branch can declare the judgment void. Thus thousands are tried again and again while held in confinement on starvation diets. A young Austrian who joined military government training while in a United States college in 1943, shortly after becoming an American citizen, is now high in the denazification program. He admitted to me that he had never studied law, but explained that in bringing about mass punishment of the Germans it is best to discard American legal procedures.

Bitterness fills the hearts of the German people over this application of American justice. Millions who never supported Hitler's policies of racial hatred and aggression recall that statesmen of the now victor nations once spoke warm endorsements for their dictator, that their governments recognized his regime.

Germany's physical stagnation and moral decay are stark proof that a policy of vengeance can produce nothing except more hate; that it is a fertile breeding ground of new conflicts; it cannot build the foundations for lasting peace. It is time to replace this policy with one of cooperation based upon justice.

2. REVIVE PEACEFUL GERMAN INDUSTRY

"Give us the right to work again," is the plea most frequently heard in Germany. Occupation rules prevent normal productive labor. Automatic elimination of persons accused of Nazi influence has completely stagnated industry. With most leaders of business, transportation, manufacturing, education, and so on, forced to haul rubble or grub the fields, production has no chance.

The policy of deindustrialization, added to the devastation of war, has left Germany a vast slum. This policy was incorporated, somewhat vaguely in a statement issued by allied leaders at Quebec in 1943, and implemented by the Potsdam agreement of August 1945. Details were never clear, but in actual practice the plan is geared to destroy Germany's principal industries and reduce the country to a pastoral, or farming, area. Reasons given are to eliminate Germany's future war potential and, less openly, to eliminate Germany as an industrial competitor of the victor nations.

A published statement of British and American technical experts in Germany in August 1945 branded the pastoral plan for this most highly industrialized nation in

Europe an absurdity, declaring: "World opinion will demand a fresh approach, after several years' experimentation. Germany can't feed itself, regardless of the diversity of German agriculture. The change in policy will occur in '48 or '49, after public opinion has changed."

To break the power of the German Army, railroads and other means of transportation were heavily bombed. Since the end of hostilities, industries that supplied material and repairs for railways, barge lines, and communications have not been permitted to function. With repair shops closed down, 75 percent of the locomotives rust idly in the yards and only a few trains move at all.

German coal mines fed about half the indutries of continental Europe, and warmed the homes and working places of millions. Now so little coal is allotted the western zones that heavy industries could not function even if permitted, and countless people suffer from cold.

All types of industrial production are in this dreary picture of forbidden activities except for a few small items of manufacture. Bureaucratic control renders futile most attempts to revive allowable industries. Formulation of policies and enforcement of the countless supplementing edicts are in the hands of State and War departmental employees, most of whom are inexperienced in problems of production and distribution, and who, while eager for power, are loath to assume responsibility for decisions.

Most ghastly of all is the dismantling program, calling for continued destruction of German industrial plants. Some are dismantled as reparations, with a large share marked for Soviet Russia even after her leaders announced the formation of the Cominform dedicated to sabotaging our European-aid plan On last October 16 British and American authorities announced that 682 industrial plants were still to be dismantled. A directive not made public but given to Senate committee members by an American officer, who could no longer stomach the destruction, listed schools, barracks, and hospitals yet to be blown up because they were used by troops during the war. This in the face of desperate need to house millions of Germany's homeless and sick.

The results of this policy of sterility and destruction are obvious: Thousands of idle men and youths wander about the western zones of Germany, staring into space, looking for scraps of food, or plotting some mischief to make up for productive labor. Such idleness is not permitted in the Soviet zone.

Starvation is taking its deadly toll. In normal times Germany exchanged industrial goods for about 40 percent of her food. Today the western zones need to import 65 percent of their food. From the mere subsistence level of the 1,550 calories per day allowed in 1945, food rations have steadily dropped until in many cities they average not more than 800 calories.

Conquering nations and their armies have no political or moral right to destroy a vanquished people's means of livelihood. It would be better to allow German laborers to produce goods at home for reparations than t take from them the very means of restitution. To try to eliminate the competition of German production is a misguided policy. The prosperity of one area strengthens that of all other areas of the world. As for war potential, it is clear that this can mean anything. In modern war, every plant, every institution of learning, every plot of ground, contributes to the war effort.

Peaceful German production is vital to the life of Europe. Her trade has long sustained the economies of her neighbor nations. With Germany industrially impotent, European standards of living must fall lower and lower and her neighbors must be permanently impoverished along with her own people. Today, the United States must sustain Germany and those neighbors with billions of aid. The alternative to reviving German industry is to continue this drain upon American taxpayers. Surely it is better to let the Germans resume work and support themselves.

3. MAKE JUST DISPOSAL OF DISPLACED PERSONS

There are two groups which intensify every social and economic problem in Germany. First, about 700,000 citizens of other countries, now under Russian seizure, such as Estonia, Latvia, and Lithuania, or under Russian domination, such as Poland, who refuse to return because of certainty of Soviet persecution.

Second, more than 12,000,000 "expellees," victims of the greatest mass uprooting of populations in history. They were driven from their homes in accordance with the Potsdam Agreement. This unbelievably tragic document reads, "The three Governments (United States, Britain, and Soviet Russia) * * * recognize that the transfer to Germany of German populations * * * will have to be undertaken." State Department officials explain that the Soviet Government promised that only 1,500,000 people would be affected; nearly nine times that many have been transferred. By the agreement, President Truman, speaking for the American people, gave approval to a mad stroke of racial vengeance. By this act, our Nation accepted the race theory against which the bitter war was fought.

In Poland, Czechoslovakia, Hungary, Silesia, Pomerania, East Prussia, Yugoslavia, and other areas these Volksdeutche were expelled from homes and farmlands that had been theirs for sometimes as long as 500 years. I talked to scores of them, from every area affected. Their stories are alike: The sudden appearance of armed men, the command to pack a few clothes and food, the forcible ejections with death to many who resisted; the loading into trucks and trains, the arrival in the American zone and forced implanting into homes of the local population.

These unfortunates are billeted mostly in small towns and rural areas. Often as many as a dozen men, women, and children are crowded into one room. The fears, tensions, and social problems thus created are immeasurable.

There can be no final settlement of Germany's vast problems until the displaced persons have been assisted to new homes and work in Germany, or resettled in other lands. Here is a task that demands the immediate attention of Congress.

4. HELP SAVE THE NEW GENERATION

Unless the new generation in Germany is salvaged, any program to create a peaceful nation will fail. The task cannot be accomplished by the inadequate welfare activities now administered through American military government. It must be a part of the broad plan of permanent rehabilitation.

Immensity of the problem can be seen in figures from a recent study of children in Berlin. Of 41 boys, aged 12 to 14, in one school class, 9 have lost both parents, and 22 others have lost father or mother. All but 2 mothers of the boys go out to work every day; 23 boys spend the whole day without any grown-ups looking after them. Only 4 have a bed of their own; 35 share their beds with 2 or more persons; 22 have no blankets. Only 5 have 2 warm meals a day. All are underweight. And saddest of all, 32 of these 41 boys admit they have stolen. Report on a class of 34 girls shows similar conditions, with the notation that 14 of the girls admit immorality to obtain food.

These are the children of Germany today. We Americans share responsibility for their future so long as we have a hand in Europe's destiny. If they continue in hunger and neglect, the inevitable delinquency, crime, and despair will take root and store up trouble for the future. Interesting and productive activities, foster homes and, above all, firm, friendly guidance must be supplied.

As a demonstration project, Dr. A. Freudenberg, Lutheran minister, has gathered up about 200 homeless youths who were arrested for black marketing and other delinquencies. In a work camp of their own construction the boys are finding new lives in profitable employment. "Unless this is done all over Germany, the land will be filled with dangerous nobodies," Dr. Freudenberg told me.

We must help Germany rebuild her educational system, along truly democratic lines. Tools and machinery should be supplied for reconstruction of schools and libraries, with the necessary dormitories and equipment. There must be new methods and programs.

Through nearly 3 years since VE-day, our governmental leaders have failed to find a constructive plan for Germany. We the American people need to tell members of Congress, our policy-making branch, to assume their responsibility in this critical matter. In cooperation with our friendly allies, we should assure the German people they will be given support in their long task of creating a law-abiding and self-sufficient nation. Then they will bring to the solution of their problems the determination of those who know what it means to lose wars and how important it is in the future to live in peace.

Mahatma Gandhi

EXTENSION OF REMARKS
OF
HON. ELBERT D. THOMAS
OF UTAH
IN THE SENATE OF THE UNITED STATES

Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "An Indian Saint," from the February 19 issue of the Christian Advocate, official organ of the Methodist Church.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN INDIAN SAINT

At the moment that these lines are being prepared for publication it is impossible to anticipate the far-reaching effects of the senseless murder of Mahatma Gandhi at the hands of a fanatic. The Indian Government seems to be proceeding with dispatch and impartiality, even in the face of suspicions that run into the upper levels of the nation. It is impossible, however, to overestimate the seriousness of the tragedy which has overtaken the infant state in this, the most critical moment in Indian history during 1,000 years.

Greater variance of opinion has not gathered about any other individual of the century. By some he has been esteemed only a little less than a god; by others he has been the spirit of evil incarnate. But by the world in general he has been accepted as an idealist of transparent sincerity and absolute fidelity.

Because he has exhibited conspicuous Christian virtues there are those who have hailed him as a Christian, in spite of his denials of the title. Because he refused to declare his belief in certain Christian creeds he has been labeled by others as almost an anti-Christ. For long years, as the leader of the independence movement for India, he was accounted by many Americans as the greatest patriot in the world. Because of his loyalty to his philosophy of nonviolence during the war, he was counted by millions of

those same Americans as a fifth columnist, a Nazi sympathizer, an appeaser, or something even worse.

Inside India he was the victim of the same extravagant distortions of opinion, as his tragic death testifies. And for an explanation of this divergence we must look at the contradictions within his own life. As an idealist in certain controversial social fields, he was one of the purest souls the world has ever known, and there is great danger that his assassin may have paved a route by which he will be elevated to the rank of divinity by great masses of Indians. But his blind spots were almost as notable as his virtues, and just as it is unwise to judge him by his weaknesses, so also it is unrealistic to think of him only in terms of his amazing qualities.

Regardless of religious, racial, political, or personal opinions, the whole world stood at his bier and mourned. His going left a great darkness over the entire earth. In paying its tribute to the Indian saint, the Christian Advocate employs the lines of W. Russell Shull:

"That scrawny Hindu saint with body poor
Is full-grown giant in his height of soul,
And power of mind, and master skill to roll
On soul of empire weight of evil sore—
Until her lords and people did deplore,
And conscience keen bestirred to lift the dole
Of justice, and began to grant the goal
Of freedom which this seer did long implore.

He's master politician of the soul;
He won by will to suffer far, far more
Than all the nations' armies e'er have won;
And by his poised resistance reached the goal,
And brought the race to threshold of the door
Of ways to build our striving world as one."

Control of Margins on Commodity Exchanges

EXTENSION OF REMARKS
OF
HON. W. LEE O'DANIEL
OF TEXAS
IN THE SENATE OF THE UNITED STATES
Friday, February 20 (legislative day of Monday, February 2), 1948

Mr. O'DANIEL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a copy of a telegram which was sent to me by Robert M. Harriss, of New York and Texas, the telegram coming from New Orleans, La., and being dated February 18. The original of the telegram was addressed to the Senator from Kansas [Mr. CAPPER], chairman of the Senate Committee on Agriculture and Forestry, and Representative CLIFFORD HOPE, chairman of the House Committee on Agriculture.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW ORLEANS, *February 18, 1948.*

Senator ARTHUR CAPPER,
Chairman, Senate Agricultural Committee,
Washington, D. C.,
Congressman CLIFFORD HOPE,
Chairman, House Agricultural Committee,
Washington, D. C.:

As one interested in farming in Texas, Oklahoma, and as a member of cotton and commodity exchanges, I urge you do not give control of margins on commodity exchanges to any governmental department or bureau because this, in effect, would give them a club for price control and destroy our free American marketing system which is the greatest in the world. Such governmental or bureaucratic control would naturally drive out of markets the speculator, trader, and investor who are as vital to our marketing system as the underwriters are to life, fire, and other forms of insurance. Thus our marketing system would be destroyed and the buying and selling of commodities be thrown into Government or bureaucratic hands and control. The commodity markets operate under Government or State charter regulation and supervision. They are an integral part of our national economy and the Government itself has often traded, bought, and sold in these markets. Business and the ventures of life itself are a gamble or speculation. May I bring the following to your attention, first, although agriculture is our greatest and basic industry it received less than 15 percent of the national income in 1947. Second, that Federal, State, county and city taxes took more than 35 percent of the national income in 1947 or more than two and one-half times as much as the total farmers and agricultural income and more than one dollar out of every three dollars the Nation produced. Third, that on the average the cost of the raw commodity is less than 12 percent of the cost of the manufactured goods to consumer. Fourth, that based on present cost of production cotton at 35 cents per pound is the equivalent of only 35 cents per hour for the farmers' labor, and during 1947 many commodities were sold below cost of production. Fifth, if farming is as profitable as some claim, why do not people return to the farm and increase production. Sixth, that if the farmers who are producing commodities and fiber to feed and clothe the Nation had given their commodities away for nothing in 1947 it would not have affected the cost of living 10 percent. Seventh, why not be honest with ourselves and acknowledge that high cost of living is due to the war debts and governmental taxes that are taking more than one dollar out of every three dollars of the people's income and have thus brought about the necessity of higher labor, manufacturing costs, transportation, merchandising, and cost of living. These excessive if not punitive taxes destroy incentive for industrial and agricultural production and make it impossible for the veteran and younger generation to have the same opportunities to succeed in business and other activities of life as their fathers had. Eighth, the recent decline in commodity and security markets has been due to the contraction of credit by the Federal Reserve policy and frightening speculators, traders, and investors out of the market. Ninth, as agriculture is our greatest and basic industry, our country was never prosperous and cannot be prosperous unless the farmer and agriculturer are receiving a fair and equitable share of the national income. Tenth, with the existing governmental debt and taxes, low commodity and agricultural prices will lead to the most serious depression in our history and the unemployment, loss of homes, farms, business and bank failures, etc., will be far worse than the depression and disaster of 1929–32 era. Eleventh, to maintain a sound economy our national income must not be less than $250,000,000,000. To accomplish this it is essential we have fair and equitable agricultural income coupled with the proper handling of money and credit and lower taxes and economy in Government. Congratulations on the good work your committee is doing for American agriculture and our country. May I ask this telegram be made part of your committee's record.

ROBERT M. HARRISS.

Allocation of Oil Quotas

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. HESELTON. Mr. Speaker, under leave heretofore granted to me, I include in this extension the press release of last night from the Office of International Trade of the Department of Commerce as to the third revision made in the quotas since January 16—25 days. As you will all recall, each has been accompanied with a statement that it is the absolute, irreducible minimum. I have examined the minutes of the meeting of the review committee preceding the reduction announced February 10. I have been promised the minutes of the meeting this week, as well as of the one prior to January 16. I think it would be more useful to Members to have them available together and plan to submit them Monday, if possible.

In the meantime, on this point, let me quote parts of the minutes:

The Chairman (Mr. John D. Garrett) raised the question as to the possibility of reducing military shipments in view of the sharp increase in this movement in recent months. Mr. Fentress (Interior) * * * expressed the opinion that little further saving could be obtained from this source. (After the meeting, the representative of National Military Establishment, Comdr. Royal Firman, stated by telephone that military shipments of gas oil and distillates in the first quarter for use in the civilian economy of Japan and Ryukyus would be reduced to 100,000 barrels as against the 1,600,000 barrels called for in the established quota. The remainder will be procured in and shipped from the Persian Gulf.

Mr. Myer (OIT) stated that export licenses for the shipment of these petroleum products were going to a handful of exporters consisting of about 10 to 15 major producer-exporters shipping chiefly to their subsidiaries abroad.

The Chairman asked about the feasibility of having foreign missions or United States Embassies estimate the adequacy of existing stocks in foreign countries. * * * Mr. Trisko (ODC) referred to a study his office had attempted to make of foreign petroleum stocks. He regretted to report that reliable information of this kind was not available.

There was general agreement that some cuts could be made in residual fuel oil, kerosene, and gas distillate fuel oil provided these cuts would not establish a precedent for future quotas. * * * It was also generally agreed that the quotas as established already represented only the minimum essential needs of foreign countries for supplies from the United States.

The Interior Department felt that the cut in residual fuel oil should be larger.

The representative of the Agriculture Department supported the position taken by Interior.

Mr. Speaker, since the National Military Establishment took a substantial cut in its requirements it seems obvious that the one representative from the State Department and the four representatives from the Commerce Department carried the day against the proposal of further reductions.

The bulletin of February 19 follows:

A furuther reduction of 599,000 barrels of petroleum products in the first quarter export allocation was announced today by the Department of Commerce through its Office of International Trade.

The revised allocation, which includes a reduction announced on January 30, represents a total reduction of about 24 percent of the allocation of 11,850,000 barrels of these products announced on January 2, 1948.

This last reduction was made by OIT after consultation with the foreign governments concerned.

The revised country export quotas for the first quarter (January 1 to March 31, 1948) and the types of petroleum with their Census Schedule B numbers follow:

[In barrels]

	Aviation motor fue. (5016.00)	Other motor fuel (5017.00)	Kerosene (5027.00)	Gas oil and distillate fuel oil (5030.00)	Residual fuel oil (5031.00)
Argentina		220, 000			
Australia	20, 000	100, 000		95, 000	
Belgium		175, 000	8, 000	175, 000	70, 000
Brazil		80, 000			
British Honduras	2, 000	5, 000	2, 000	2, 500	
China	60, 000	350, 000	85, 000	100, 000	
Costa Rica	2, 400	30, 000	3, 500	10, 000	20, 000
Cuba	25, 000	200, 000			200, 000
Denmark		70, 000		120, 000	60, 000
El Salvador		12, 500	1, 500	3, 500	40, 000
Eire	15, 000				
France	120, 000			300, 000	
Guatemala	5, 000	8, 000	2, 000		55, 000
Honduras		1, 000			
Italy	30, 000				
Mexico	70, 000	350, 000		75, 000	250, 000
New Zealand	10, 000	140, 000	20, 000	35, 000	
Norway		10, 000	7, 000		
Panama, Republic of	100	40, 000	7, 000		25, 000
Paraguay	1, 500				
Philippines	20, 000	280, 000	60, 000	135, 000	
Portugal	20, 000	50, 000	30, 000	10, 000	19, 000
Sweden		225, 000	25, 000	250, 000	60, 000
United Kingdom	120, 000	1, 175, 000	55, 000	1, 000, 000	
Netherlands				60, 000	
Iceland	35, 000	27, 000			
British West Africa	5, 000	70, 000	25, 000	20, 000	10, 000
Switzerland		20, 000	6, 000	50, 000	
French West Africa	10, 000	60, 000	10, 000		15, 000
Subtotal	571, 000	3, 698, 500	347, 000	2, 441, 000	824, 000
Unallocated reserve	119, 000	399, 000	147, 000	353, 500	151, 000
Total	690, 000	4, 097, 500	494, 000	2, 794, 500	975, 000

Exports of petroleum products to Canada are not included in these figures. Export licenses are not required for shipments to Canada.

Separate quotas of petroleum products for Greece and for Japan and the Ryukyus, as announced on February 10, have not been changed.

The amounts unallocated and listed as reserves have not been reduced below the totals announced on February 10. OIT officials explained that the unallocated amounts had already been reduced to the minimum necessary to take care of emergency needs and for exports to certain small countries not included in the allocations by country. It is hoped that it will not be necessary to use all the unallocated amounts. The amounts not used will represent a further saving, it was explained.

Mr. Speaker, I shall analyze this against the February 10 revision to determine the amounts of reductions against the amounts those countries reported they would accept. It seems as though we have some two dozen new 100-percent embargos. This is a very peculiar argument against the fear of disrupting foreign economies.

Sam Woods, Valuable Foreign Service Officer

EXTENSION OF REMARKS

OF

HON. KARL STEFAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. STEFAN. Mr. Speaker, during hearings of the committee which makes appropriations for the Department of State, it was developed that a large number of our Foreign Service officers contributed unusual and valuable services to the war effort. Many of them have been decorated for this outstanding service. Among those who were so decorated was Sam E. Woods, now our consul general at Munich, Germany.

As chairman of the subcommittee for State Department appropriations, it was my pleasure to include in the hearings on the appropriations for the fiscal year 1948 a brief résumé of what Mr. Woods had accomplished in giving the State Department information about German plans and in aiding American aviators in Europe.

The Washington Evening Star, in its issue of Wednesday, February 18, 1948, printed an excerpt from the memoirs of former Secretary of State Hull, telling how Mr. Woods, then United States commercial attaché in Berlin, procured Hitler's plan to attack Russia.

By leave granted me, I include in these remarks the portion of Mr. Hull's memoirs that will acquaint the Congress with the valuable service rendered to our Government by this outstanding Foreign Service officer:

THE MEMOIRS OF CORDELL HULL—DETAILS OF HITLER'S PLAN FOR SOVIET INVASION OBTAINED BY UNITED STATES COMMERCIAL ATTACHÉ IN BERLIN

(Ch. XXI)

I was ill at home when word of Hitler's invasion of Russia on June 22, 1941, reached me. Immediately I telephoned the President and Under Secretary Welles. To each I said, in effect:

"We must give Russia all aid to the hilt. We have repeatedly said we will give all the help we can to any nation resisting the Axis. There can be no doubt for a moment that Russia comes within that category."

I knew that some military experts, both here and abroad, were predicting that Hitler would eliminate Russia from the war in a matter of a few weeks. But I could not believe it any more than I had believed the statements of so many that with the fall of France that collapse of Britain would be a matter of a few weeks.

I had felt that in rushing vast quantities of weapons to Britain in the summer of 1940 we were taking no real risk that they would fall into German hands. And similarly I believed we could send Russia all weapons and supplies possible without real risk that the Germans would overrun and capture them.

If the President and I had doubted Russia's ability to resist Germany it would have been foolhardy to have sent her arms that would only have fallen into Hitler's hands.

INVASION NO SURPRISE

For half a year we had had excellent reason to believe Hitler would attack Russia, hence the event of June 22 did not surprise us. In January 1941 there came to me a confidential report from Sam E. Woods, our commercial attaché in Berlin.

Woods had a German friend who, though an enemy of the Nazis, was closely connected with the Reich's ministries, the Reichsbank, and high party members. As early as August 1940, this friend informed Woods that conferences were then taking place at Hitler's headquarters concerning preparations for war against Russia. This information became more concrete after some weeks, when Hitler reportedly said he intended to have "only my soldiers from Vladivostok to Gibraltar."

Woods used to meet this friend in a Berlin motion-picture house. By buying reserved seats from an agency and sending two tickets to Woods, the friend managed to sit alongside him and in the semidarkness slipped notes into Woods' coat pocket.

The information from Woods was in marked contrast to the considerable evidence that Hitler was planning an invasion of Britain, but the contacts of Woods' friend said that the air raids against England served as a blind for Hitler's real and well-calculated plans and preparations for a sudden, devastating attack on Russia.

Later Woods' friend informed him that an organization of the Wehrmacht for the old 21 Russian Czarist regional governments had been formed, and that the economic staffs for these territories had been appointed. Bales of bank notes in rubles had been printed.

LEARNED CHIEF POINTS OF PLAN

Finally, through a contact this friend had on the German General Staff, Woods learned the chief points of Hitler's strategic plan—the three wedges, those of the north and the south and the decisive third one in the center, direct against Moscow. All preparations had to be completed in the spring of 1941.

When Woods' report, embracing all this information, came to me it was so circumstantial that, at first, I believed it a German plant. I turned it over to J. Edgar Hoover, Chief of the Federal Bureau of Investigation, for his comment. Hoover thought it authentic.

Woods having told us of a method of confirming the standing and contacts of the source by checking with a prominent German exile in the United States, I asked Assistant Secretary of State Breckinridge Long to see him and obtain this confirmation, which he did. I also talked over the report with the President.

I then decided that the contents of the report should be communicated to Soviet Ambassador Oumansky. Such a step, I believed, was in keeping with the proper attitude this country should take toward Russia.

I requested Welles, who at my suggestion had been holding a series of conversations with Oumansky to straighten out the differences between our two countries, to call this information to the Ambassador's attention. This Welles did.

When further information from the same source came to me, I again turned it over to Welles, requesting him to communicate it to Oumansky. This he did on March 20.

EFFECT ON SOVIET UNKNOWN

Oumansky no doubt forwarded this information to his government, as he said he would. It is difficult to say what precise effect it had on Soviet policy. Only 3 weeks later, however, Stalin suddenly concluded a nonaggression treaty with Japanese Foreign Minister Matsuoka, at a moment when Matsuoka believed such a treaty impossible.

There is no doubt that Stalin made the treaty to protect himself in the Far East in the belief that Hitler intended attacking him in Europe. Furthermore, Russia was adopting a stronger policy toward the Balkan countries than might have been expected in the face of Hitler's plans to absorb them into the Axis.

Russia, after having stimulated Hitler in August 1939 to embark on the European war, and after having assisted him by invading Poland when the Poles were desperately resisting the German Army, had interfered with and obstructed Hitler's purpose in many ways since June 1940.

The information we had that Hitler was planning an invasion of Russia was particularly useful to me in my conversations with the Japanese. It ruled out any likelihood of an alliance between Russia and Japan, and it enabled us to adopt a firmer attitude toward Japan than would otherwise have been the case.

Jefferson-Jackson Day Address by Hon. Dennis Chavez, of New Mexico

EXTENSION OF REMARKS

OF

HON. DENNIS CHAVEZ

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Monday, February 23 (legislative day of Monday, February 2), 1948

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a speech delivered by me at the Jefferson-Jackson Day dinner at Fort Wayne, Ind., on February 19, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

At the outset let me state that the only group I enjoy addressing more than a Democratic audience is a Democratic audience that is fighting mad. From the way I appraise the situation the Democrats all over the country should be fighting mad. We lost the election in 1946 on a fluke and what better occasion to be fighting mad than a Jefferson-Jackson day dinner on the eve of a Presidential election campaign.

I am pleased to be in Indiana speaking to the assembled members of our party on the historic occasion of the one hundredth anniversary of the Democratic National Committee as well as to do honor to the memory of those great American and Democrats to whose principles we so firmly adhere—Thomas Jefferson and Andrew Jackson, one the philosopher, the other the practitioner of democratic principles.

Indiana is dear to me because so many of your citizens have played a leading part in the building of New Mexico. One of our counties is named after Grant's Vice President, Schuyler Colfax, a Congressman and Speaker of the House from Indiana. Lew Wallace was Territorial Governor of New Mexico in the stirring era of Billy the Kid, during which he wrote the famous novel, Ben Hur.

I have a further reason for being glad to be addressing a Democratic audience in Indiana. In your State the two parties are fairly evenly divided. Democrats have to fight like everything for what they get in Indiana. When I was growing up in New Mexico my relatives and everyone I knew were Republicans, but I became a Democrat before I could vote because I disapproved of the inequalities condoned by the Republican Party. In those days we fought hard but we didn't get anywhere. Times have changed and though we still have to fight for everything we get we've kept the Republicans well on the run for 18 years. The recent municipal elections in Indiana show the way the wind is blowing and point to a victory for you this fall. Keep up the good work.

What kind of a situation is the Democratic Party in today? The party is like the natural-born slugger who catches an unlucky clip on his jaw the first round, takes a count of nine and coasts; he has been coasting the second round and is now back on his feet. If his handler is good, he'll tell the boy to get out and start slugging—to try for a knock-out.

We caught an unlucky clip in 1946. That election was decided not on the record, not on principles, not on candidates, but rather because the American people were tired of the war, tired of controls, and too tired to appreciate the real issues of the campaign.

The second round was last year; it brought us the Republican-controlled Eightieth Congress. The best we could do was hang on, but the third round is coming up. Our party is back on its feet, our head is clear, we still have our punch, and it's time for us to start slugging.

It may sound trite to recall the political philosophy of Jefferson and how Jackson transformed these principles into action. There is no better way of describing the difference between Democratic and Republican philosophy. Jefferson founded our party on the doctrine that the purpose of government is to improve the lot of the masses and not to serve the interests of special groups. Jackson put these principles in effect. The Republican Party has traditionally served the special interests.

Oh, it is true that there have been liberal and progressive Republicans, but tell me how much assistance the Norrises, La Follettes, Cuttings, and Shipsteads received from the administrations of Harding, Coolidge, and Hoover. About as much as TOBEY, AIKEN, BALDWIN, and MORSE can expect from a party controlled by reactionary conservative Republicans who do not see eye to eye with them on the necessity of improving the lot of the common man.

There are doubtless some conservative Democrats, but the party as a whole, its leaders, principal spokesmen, and the great mass of its followers are not satisfied with conditions as they now exist in the United States. Democrats do not agree with Voltaire's Dr. Pangloss that this is the best of all possible worlds, but we would like to make it the best.

We realize that our technology and science have opened up for us the innermost secrets of nature and that our industrial machine is producing at a rate unprecedented in the history of the world, and that our national income has never been so great. But we also know the answer to the questions: Does the common man share in this prosperity and is there democratic distribution of the comfort and riches which our technology is producing?

Must we not admit that there are millions of our people ill-clothed, ill-housed, badly nourished, uneducated and unhealthy?

Democrats know that so long as these conditions exist our Government is not fulfilling its mission as outlined by the great founder of our party, Thomas Jefferson.

Tonight I propose to contrast the position and record of our party and that of the Republican Party with respect to these points. This record will show beyond doubt that the Republican Party is hopelessly controlled by reactionary elements and that only the Democratic Party is capable of promoting and securing the welfare and happiness of the American people.

The coming election, in my opinion, will be fought along the following lines—control of inflation and deflation, public housing, civil liberties, broadening of social security and peace.

The Republican Party has made a wonderful record on most of these points. In fact, it is so wonderful a record that just as soon as it is brought home to the American public the result of the third round will be a cinch.

Ask the American housewife if she thinks there is anything wrong with prices and if Congress ought to do something. Oh, I know that the commodity market took a beating and that prices of groceries have gone down, but how many American families are still doing without butter, beef, bacon, and eggs because the prices are beyond the reach of their pocketbook?

The administration has advocated a concrete program for the control of prices. Most of the points outlined in the control program were accepted by the Republican Joint Committee, yet a complacent Republican Congress allowed prices to run away to unprecedented heights and sits back unconcerned when the break came in the commodity market. Most economists predict that prices will not go back to 1947 levels. They'll be less complacent when an angry public votes this November.

Ask the veteran living with his in-laws, or in a trailer, or sharing a flat with another family if the Government has been square with him on the housing proposition. Has the Republican Congress helped him secure adequate housing? The Taft-Wagner-Ellender bill has been bottled up in Congress since it was introduced. A powerful real estate lobby and Republican committee members say no to the veteran and refuse Congress a vote on the measure. The administration has consistently recommended low-cost public housing as the only solution to this problem—but what is the use? The Republican Party won't give it a chance.

What is the record of the Republican Party on education? Is it not disgraceful that the richest country on earth can afford to have millions of its children without adequate schooling? Five hundred thousand young men were rejected for service in the last war because they had no education. Five million youngsters between the ages of 6 and 17 are not going to school. The 1940 census revealed that 10,000,000 adults had failed to complete the fourth grade. Does this sound like everything is all right? Is the Republican Congress justified in refusing a vote on Federal Aid to Education?

We take pride in the health of our people. Americans are healthier than other people. How is it then that some fifty percent of the young men who appeared before Selective Service Boards were rejected because they were not physically fit to defend their country? It is a matter of record that these physical disabilities could have been eliminated if corrective medical attention had been given when these men were young. Do you know why they failed to receive necessary medical attention? Because these facilities were beyond the means of millions of American families. One-third of our 3,000 counties in the United States are without the services of so much as a county health officer. Our health is a matter of national concern. The Democratic Party supports national health insurance. We insist that the lack of medical attention by the underprivileged is the

concern of all—we propose to do something about it if the Republican controlled Congress will let us.

Since time immemorial the Republican Party has paid lip service to the cause of civil liberty. They point with pride, and justly so, to Lincoln and the removal of the blot of slavery from our country. This fall campaign halls will ring with praises of Lincoln and the Republican Party and what it has done for the Negro.

The Fair Employment Practices Commission bill was introduced early last session, yet the friends of the Negro do nothing about it. It will not become law for many prominent Republicans are opposed to it. The administration, on the contrary, has come out four square behind a program designed to protect the civil rights of all of our citizens. It includes FEPC. This program has constantly been insisted upon by our Democratic administration. The program is advocated in face of threatened revolts. Are you not proud of Harry Truman? I say we are true to the principles of Jefferson and that we are acting in accordance with the fighting traditions of Jackson when we endorse, champion, and fight for his civil-rights program.

Let us see how much help we get from the Republican Members of Congress. If it amounts to what they did in the first session of the Eightieth Congress civil liberties and the defenseless minorities will get lip service and nothing more.

The record of this Congress is not yet completed, but sufficient record has been made to enable us to discern a clear pattern of conservatism and reaction.

The Taft-Hartley bill is nothing more than a concrete manifestation of Republican subservience to the special interests' desire to throttle labor.

The advances which the Democratic Party made in behalf of the national welfare in matters such as soil conservation, flood control, reclamation, and rural electrification were ruthlessly sabotaged by the unwise economy of the blundering and inexperienced legislators who saw nothing but evil in these progressive measures. They dared not attack frontally because they knew the people were for them, but they accomplished their aims just the same by cutting appropriations and limiting the effectiveness of their administration.

The Republicans won't tell you that rural electrification is evil and serves no good purpose. Oh, no! they know that 150,000 farm units in Indiana have been electrified by the REA and that 25,000 units remain to be electrified; but they'll cut the appropriation.

When Republican Congressmen cut the funds for soil conservation they do not tell you that 100 years ago seven-eighths of Indiana was covered by forests and that today 100,000 acres in southern Indiana are in serious stages of erosion, and that precious topsoil from your farmlands has been borne away never to be returned, and that your lands are constantly threatened by floods as a result of this erosion and lack of adequate flood-control measures. Not one word about that, but in 1946 they promised a flat wholesale reduction in the budget, and they are out to get it at any cost. The cost this time is the welfare and safety of the American people.

We have every right to be proud of the record the Democratic Party has made on these issues. This record must be placed before the public. When the American people realize what they can expect from a Republican administration they will unquestionably vote the Democratic ticket.

We should be equally proud of the record of our Democratic administration on the subject of peace. Maintaining peace is the most important issue before the American people today.

The welfare of our people and the preservation of our American way of life depends on our remaining at peace. Certainly the last two blood baths should convince us of this point.

The hundreds of thousands of American boys who lost their lives, the tons of irreplaceable material expended, the billions of dollars we spent—all these should convince us that war does not pay and that we must work and pray and, if necessary, fight for the preservation of peace.

One need not be an expert on foreign affairs to realize that the peace of the world is threatened today. One has merely to glance over the threatened spots of the world—Greece, Korea, Trieste, China, and Palestine. Any one of these contain the elements of an explosion sufficient to start another world conflagration.

Why deceive ourselves about Russia? We have no quarrel with the Russian people, but one has to be mighty stupid not to be aware of the intentions of the totalitarian rulers of Soviet Russia. Their aim is world revolution; they plan the overthrow of all noncommunistic governments of the world. This is their avowed objective. From the first writings of Marx and Lenin to the present-day jingoistic utterings of Molotov and Stalin, the Russion rulers have been bent on world conquest and we might as well face the fact.

What then should we do in the face of this threat? How are we to maintain peace? How are we best to preserve our American way of life? There is only one road to peace. That path is straight and clear. It is beset by countless dangers but if we follow it resolutely there will be no war in our generation. This is the course we must follow:

First, we must organize and work for international cooperation. To this end we must devote all the energy and all the resources that we would utilize in waging war. The cause is equally important. This means strengthening and supporting the United Nations. This includes tightening our bonds with Latin America utilizing the pattern established within the framework of the United Nations Charter in the Inter-American Defense Pact, as well as by assisting our sister republics of this hemisphere to industrialize and elevate their standards of living.

Secondly, we must support wholeheartedly and with adequate resources the economic recovery of western Europe. These countries are our natural and traditional friends and allies. We must pledge them our assistance until the job is completed, provided, of course, that they help themselves to recover, and that they resolve their economic and political differences and combine and integrate their military defense.

At the same time we should without malice, but with firmness, and in a spirit of friendship for all peoples serve notice on Russia and the satellite nations that we are committed to peace but we are equally and unequivocally committed to the preservation of western civilization, and that we will resort to arms, if necessary, to defend it.

On the domestic front much has to be done. We need an air force second to none; it must be in constant readiness, first to defend our country against attack, and second, prepared to strike the enemy wherever he may be at the outbreak of hostilities.

Next, we need a reservoir of trained military reserves capable of instant mobilization, not within a year after the outbreak of hostilities, but the moment war is declared. The next time we may not have allies to hold off the enemy until we can train our manpower.

I do not subscribe to the theory that the day of the infantry is over, by any means, but in all branches of the service the technical personnel needed to man and to service the complicated instruments of war cannot be trained overnight. We need a standing and always ready reserve.

We also need an intelligence system, well trained and experienced, with services in all parts of the world. We were caught napping in the last war, next time we may not be able to afford it.

We need an industry organized and geared for war as well as peace which is ready at all times to change from the peacetime to wartime production.

Lastly, we need a civilian population organized, trained, and prepared for total war.

One might ask, what this has to do with the election? It has this to do with the election. How to preserve peace is the most important issue facing the American people today and I believe that the administration and the Democratic Party have a solution.

General Eisenhower, in his final accounting as Army Chief of Staff, said that the number one job of the United States is "to convince any European aggressor that he can press war only at the risk of his own destruction."

It is my humble opinion that the only road to peace is to champion and preach peace, but be prepared to fight for peace, if necessary.

How do the parties line up on the subject? As far as I can see, every Republican candidate for President is for peace.

They remind me of the candidate for Congress in Arkansas some years ago who ran on the platform of the Bible, the American flag, and mother. No one campaigned against him.

The important point is, however, what the Republican candidates and the Republican Congress are doing about peace besides advocating it.

In regard to the Marshall plan, the Republicans are hopelessly divided. One candidate in a recent Lincoln Day address said essentially, "Give them all the dough they need, but let's chuck their entire foreign policy out the window."

Another candidate, with his tongue in his cheek, said the same day, "Don't give them all they ask for. The plan may not work, and we'll lose less money."

If the situation were not so serious we might laugh at their antics, but we are not playing for peanuts. This is the most serious poker game we've ever gotten in. This game is for keeps. The lives of our sons, our own lives, the safety of our cities, the preservation of our institutions, and western civilization are at stake. Perhaps the Marshall plan may not work, but God help us if it doesn't.

Contrast this with the statesmanlike position of our President and his great Secretary of State. We are fortunate in having the knowledge, the genius, and the leadership which directed our armies and those of our allies in the last holocaust to guide us now in our fight for peace. There is here no division of opinion. They frankly and courageously recognize the danger of war, but they offer the American people a specific program devised to avoid it. The Democratic Party leads the way to peace.

In regard to national defense the Republicans are equally at a loss. They are either sniffing at the ethereal "one world" fragrance which has the wonder boy from Minnesota dizzy, or they are hiding their heads in the sand like an ostrich when it comes to national defense facts of life.

Take universal military training, for example. If conditions are as perilous as they seem, should we not accept the opinion of an experienced, competent, nonpolitical spokesman such as Eisenhower. He is for universal military training. Many good, sincere people are opposed to universal military training. But, nevertheless, if our fate is at stake, is it not criminal on the part of the Republican Party to refuse to allow this measure to reach the floor because it is too controversial and this is an election year? We should be given an opportunity to vote on universal military training.

I am quite sure that President Truman realizes how important to him the loss may be of the votes of thousands of people who sincerely oppose this measure. However, he also realizes and appreciates that our national security depends very definitely on a trained and ready reserve and that this can

only be secured by universal military training.

Then we have the matter of a great air force. A great air force is just like the weather. Everybody talks about it and nobody does anything about it. By nobody I mean the Republicans.

In conformity with the recommendations of the President's Air Policy Committee, the President has sponsored a specific program that will give us an air force second to none. There is no question how the American people feel on this score. However, an air force costs money. I fail to see how the Republican budget committee is going to reconcile an air force second to none with their estimated budget cuts of billions of dollars.

I see now that the Republican candidates also want a superintelligence system. But why, I ask, were these voices silent when the penny-pinchers were cutting the funds for Central Intelligence and the State Department propaganda broadcasts? Who cut these appropriations? We were aware of the danger a year ago. The Democrats knew that what we were doing then and what we are doing now may well have a bearing on what happens 5 years from today. Of course, we need a highly organized intelligence system. It is vital for our national defense, but apparently it takes a Democratic administration to prove the point to the Republicans.

On every count the Republican Party and its representatives in Congress have failed the people. The record is there for all to examine. It establishes beyond doubt that the Republican Party is incapable of producing a program designed to resolve the problems of today.

Review in your own minds the failure of the Republican Congress to do anything about controlling inflation, housing for veterans, protecting the civil liberties of our minorities, educating our children, protecting the health of our citizens, maintaining national defense, or promoting peace.

The Republicans either fail to understand our problems or they are reluctant or incapable of solving them. In any case they should not be trusted with the destiny of our Nation in times so critical as these.

The third round is coming up. Our boy is rested. Personally, I think that our party will take the Republicans this fall. It will require only one punch. But that punch will pack plenty of steam, because behind it will be the weight of the American people. The Democratic Party will win by a knockout.

So tonight the past arises like a dream. We can see Thomas Jefferson opposing the Hamiltonian ideas of the power of might. We can see Andrew Jackson fighting the private bankers of his day in an effort to protect the common man. We can see the patient Lincoln, trying to secure dignity for the individual, and we can also see in our present-day life that humble and patient man in the White House, President Truman, whom the American public recognizes as the living counterpart of Jefferson and Jackson.

Lincoln Day Address by Hon. William F. Knowland, of California

EXTENSION OF REMARKS

OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Monday, February 23 (legislative day of Monday, February 2), 1948

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very able address delivered by the junior Senator from California [Mr. KNOWLAND] at a dinner in Louisville, Ky., on February 12.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, distinguished guests, ladies, and gentlemen, it is a great pleasure to be in Kentucky, the birthplace of Abraham Lincoln. Tonight we not only commemorate that event which took place in a Kentucky cabin 139 years ago and was to have such a far-reaching effect upon our Nation's history but we are also here to rededicate ourselves to the task of leading his party and ours to victory in the 1948 election.

It has been my privilege to serve on the county committee, and the State central committee in addition to my service on the Republican National Committee. Political campaigns cannot be won by last-minute efforts. To the contrary, it requires work throughout the year. Organizations such as yours have played, and will continue to play, an important part in mobilizing for the job confronting us.

I am firmly convinced that if we face up to our responsibilities the ticket we nominate at Philadelphia in June, will be elected in November.

From the Republicans of California I bring a symbolic "hands-across-the-continent" greeting. It is, I believe, indicative of the type of transcontinental unity that will spell success next year.

This is no time for Republicans to consider that they have the election "in the bag." Any such misconceptions, would in my opinion, be a serious mistake in judgment. While I recognize that the Wallace candidacy will be beneficial to our cause in a number of key States, I wish to point out that this alone, or in conjunction with some democratic discontent in the South, is no guarantee of Republican success in November. It is certainly no substitute for a strong ticket and an active campaign on our part.

We have many able Republican candidates this year. I would urge that we spend our time in building them all up and tearing none of them down.

No person today can predict with certainty who the nominee of the convention will be. Whoever that nominee is all of us will have an obligation to put our shoulders to the wheel and cooperate to the fullest extent in making his election certain.

I am not one of those who believe that all the virtues are to be found in our party or all the faults in the opposition. If we will only take a realistic look at conditions at home and abroad, we must acknowledge that there are a number of problems that must have American rather than partisan solutions.

The United States has grown from a colony of 3,000,000 people to a Nation of 140,000,000 in the short space of 172 years. During this time our two-party system has played its part in the development of our national well-being and the carrying out of national policies.

This, in spite of the fact that at no place in the Constitution or in the Declaration of Independence does one find any mention of political parties. Yet the very necessities of the situation and the actual functioning of Government developed the need for our two-party system.

Political parties come and go but our constitutional government continues. The Federalist and Whig Parties played their part and passed from the political scene. But their demise did not leave for long a void. Other more vigorous groups took their places. Political parties must justify their existence or make way for others that will.

The national interest must in all cases override any partisan advantage. It was in this spirt that the framers of the Constitution drafted that document.

It was not we the Federalists or the Republicans, it was not we the employees or the employers, it was not we the merchants or the farmers, it was not we the landlords or the tenants, but it was: "We the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare and secure the blessings of liberty for ourselves and our posterity, do ordain and establish this Constitution for the United States of America."

Lincoln was elected to the House of Representatives from Illinois as a Whig in 1846 for one term. One hundred years ago in 1848, he was completing his last full year as a Member of the House.

In that same year of 1848 the Mexican War came to a close giving to the United States a large section of western territory. A part of it became the State of California, the thirty-first State to be admitted to the Union. In that same year gold was discovered in my State. Since that time most of what our miners have dug during the last century has been buried in Kentucky.

In 1848 President James K. Polk sat in the White House. In his fourth annual message that year he pointed out that the receipts of the Federal Government would amount to $57,048,969.90, the expenditures to $54,195,-275.06, and the public debt stood at $65,778,-450.41.

Much water passed under the bridge in the 13 years which followed Lincoln's retirement from the House of Representatives. In 1855 he was voted for by the Whig minority in the Illinois Legislature for the United States Senate. As soon as the Republican Party was fully organized throughout the country Lincoln became its leader in Illinois.

In 1858 he was selected by his party to oppose Stephen A. Douglas for the Senate. While the legislature chosen was favorable to Mr. Douglas, Lincoln had gained a national reputation as a result of the well-known series of debates. In May 1860, when the Republican convention met in Chicago, Abraham Lincoln was nominated for the Presidency on the third ballot and was elected on November 6 of that same year. His inauguration on March 4, 1861 was followed by the firing on Fort Sumter and the whole chain of events which followed.

In December 1861 Lincoln delivered his first annual message to Congress. He pointed out that revenues from all sources for the fiscal year ending June 30, 1861, amounted to $86,835,900.27 and the expenditures for the same period were $84,578,834.47.

How far we have come. After fighting World War II, our public debt is now $254,-000,000,000. One modern battleship costs $80,000,000, which is greater than the entire public debt in President Polk's time. A large aircraft carrier of the *Midway* class costs $100,000,000—or more than Lincoln's 1861 fiscal-year governmental revenues.

We of this generation live in an accelerated age. In the 1,948 years since the birth of Christ, the annihilation of space has been largely concentrated in the last 48 years. The radio, airplane, and television are inventions of this century. There must be added the mass production of the automobile, which, while invented earlier, did not reach maturity until after the 1800's passed into oblivion.

Not yet to the half-way mark of the 1900's, we have already entered, for better or for worse, the atomic age. Within our hands we have the power to destroy civilization as we know it or to contribute to the opening of a new golden age.

To meet the problems of the atomic age, we need to streamline our governmental and economic facilities, yet, in so doing, we must not cast off from the solid truths that neither time nor space can change. The multiplication table has not changed by the

transition from the horse-and-buggy generation of our grandfathers to our jet-propelled era. Two and two still make four, in spite of the utopian theories and squirrel-cage thinking that has sometimes prevailed in high places. So, too, freedom is better than slavery behind the iron curtain.

Nor is security a good substitute for freedom. The most secure man is the inmate of the State penitentiary who has his food, clothing, and lodging guaranteed for life.

It is my firm belief that the functioning of our representative Republic is largely dependent upon having a fully informed electorate at home. Our people should recognize both the problems involved and the necessary steps that must be taken for their solution.

The long panorama of history clearly shows that freedom is not something that once achieved can be thereafter taken for granted. Not continual adolescent dreams of easy solutions but rather hard work and sacrifice are required if we are to preserve our institutions and fulfill our destiny.

There is no doubt that the great economic and political problems that confront us can be solved, in one way or another. The challenge we face is to solve them under our constitutional form of government and within the framework of the American system of personal liberty and free enterprise.

On all the great questions of the day there are bound to be honest differences of opinion among the members of both parties. Unless there is to be an irreconcilable split, somewhere along the way a common meeting ground must be found. As a general rule, but not always, the Republican Party seems better able to compose its difference than is our opposition.

The American system of profitable business and well-paid labor go hand in hand. Destroy one and you destroy both. We can, I firmly believe, do more under our American system for our people than the new socialism of Britain or the communism of Russia can do for their respective peoples. We don't need their methods but we can use some of their crusading zeal.

In American industry it is highly desirable that employees who are helping to build such industries or businesses have ever-increasing opportunities to improve their economic position through their contributions to increased productivity. In maintaining the profit system it is vital that an ever-increasing number of our people have a personal interest in its continued existence.

Labor or management must not be shackled. Business must be able to operate with profit and efficiency. There is no constructive future for workers or investors in closed factories or bankrupt firms.

The world needs peace in the international field and America needs domestic tranquillity if full production is to continue to raise our standards of living and permit us to help other nations to help themselves.

That we have a serious economic situation confronting the Nation is clear. Our responsibility as Republicans is to be sure that the cure is not worse than the disease. What are some of these contributory factors to present economic conditions?

As of February 5, 1948, we had a public debt amounting to $254,694,133,001.57 which compares with a pre-World War I debt (as of March 31, 1917) of $1,282,044,346. Our pre-Pearl Harbor debt was $61,363,867,932 as of November 30, 1941.

Certainly this huge public debt unparalleled in the history of the world is a contributing factor to the dangers confronting us. Until substantially reduced it will be a constant threat to the solvency of the Federal Government. A consistent program of debt reduction over the years has the unqualified support of the Republican Party. Not less than $2,500,000,000 should be provided for debt reduction in each fiscal year.

Another contributing factor is the total dollar supply (currency, commercial, and savings-bank accounts). In 1929, which was considered a boom year, it amounted to slightly over $54,000,000,000. In 1948 it amounts to more than $160,000,000,000. While it is true that production and services have also increased during that period of time, the increase is less than 75 percent. No one can deny that Government spending has contributed to the increase of the money supply. The pressure against the limited supplies of goods during the past several years played an important part in the inflationary price spiral.

The cost of the Federal Government has increased by leaps and bounds. In 1913 it amounted to $692,000,000. And by 1932 the cost had increased to $4,502,000,000. In 1941 it amounted to $18,988,000,000. The President of the United States on January 12 presented his budget calling for expenditures of approximately $40,000,000,000.

Interest on the public debt alone will amount to over $5,000,000,000; which is greater than the total peacetime expenditures of any year prior to 1933.

There is certainly room for a skilled congressional operation on the budget presented by the President. The job should be done with a surgeon's skill and not with a meat ax.

Frankly, I do not agree with the views of some of our opponents who follow the tortured reasoning that money spent by the Federal Government is not inflationary, while that spent by individual American citizens is in that category.

Despite the need for European recovery funds and adequate national defense appropriations, together with a debt-reduction program, it is still possible to have a moderate tax-reduction bill this year. After the Republican administration takes office in January of 1949 and the full cooperation of the executive branches of the Government is secured in cutting out the fat from the Federal budget, there will be excellent prospects for additional tax-relief legislation next year.

At times I find it most difficult to comprehend the inconsistent policies this administration pursues both at home and abroad. The President seeks power to reestablish a controlled economy in the United States. While the stated purpose was to check the inflationary pressures we find that Government agencies were following commodity-purchasing policies that encouraged high prices in grains at a time when they were far above parity support levels.

Our shipment of oil and industrial equipment to Russia has the same bad odor as the shipment of scrap iron and oil did to Japan during the 3 years preceding Pearl Harbor.

For the first 11 months of 1947 we exported $143,600,000 worth of goods, a large part of which was machinery and vehicles. We imported $71,900,000 worth, of which more than 50 percent constituted furs.

A major contribution that can be made to meeting the inflationary problem is to increase and assure the continued productivity of this Nation. In traveling through Europe last year I had the opportunity of getting behind the "iron curtain." Neither in Poland nor in any other country outside of the "iron curtain" did I see anything that encouraged me to believe that controls during peacetime would increase our productivity. To the contrary I came back with the strong belief that such peacetime controls would stifle it.

You cannot, in my judgment, go part way down the road to a controlled economy with regard to manufactured goods or agricultural products. If you control prices you must be prepared to control wages, profits, the allocation of raw materials, and ultimately (as in Britain) the allocation of labor. If we permit this Nation to undergo that type of rigid control in peacetime, I have grave doubts whether we can come out from under them in the foreseeable future. Speaking as one Member of the Senate I shall oppose their reimposition.

One of the great troubles with this administration is that associated with it are those who have worked with controls so long they have apparently lost confidence in the free-enterprise system. While they give it lip service they have no confidence in its ability to do the job.

Businessmen throughout the Nation instinctively know this. They also know that today the power of Government is vast and its actions have a far-reaching effect upon economic affairs, not only of this Nation but of the world. As a result, under present conditions, many do not believe they can plan with any degree of accuracy or feel confident in making long-term investments for the expansion of productive enterprise.

I cannot help but believe that in the years immediately ahead of us a strong America is essential to the peace of the world. Any display of weakness in an economic or military sense may be taken as a green light for those who desire to expand without too great a risk.

Twice in the past quarter of a century world wars were fought. One reason they came was that the aggressors thought that our Nation could not or would not fight. In their own minds they pictured us as a decadent democracy. Are such miscalculations again being made? I believe they are.

Certainly up to now the United Nations as an organization has not the force to preserve international law and order. As long as the veto exists, a potential aggressor nation could block effective action even if the United Nations was prepared to act. It should be apparent by now that some future Hitler, Tojo, or Mussolini, will not be stopped by debating society tactics.

We must face up to the question as to whether or not we believe it is in the best interest of world peace and our own national security to have a rehabilitated western Europe. I have no doubt in my own mind that this is not only desirable but is essential.

A necessary corollary is that we must provide this Nation with an adequate national defense on the sea, on land, and in the air and I lay special emphasis upon our air program. This will require an effective constantly modern striking air force in being and not on blueprints.

While we shall continue to work and pray for peace, like the pioneers who went westward from Kentucky, we shall keep our powder dry.

The peace today cannot be saved by appeasement of international blackmailers anymore than it could be at Munich. The sacrifice of Austria, Czechoslovakia, Ethiopia, and Manchuria did not buy peace but rather made certain that power hungry aggressors would be encouraged to raise the ante.

Let us make it crystal clear that the politburo in Moscow can gain no satisfaction from the Republican victory on November 2.

Our Nation has assumed obligations under the United Nations Charter. The Republican victory will not weaken but should strengthen the system of collective security.

I firmly believe this for two reasons. First, because a sound national economy and a solvent Federal Government is a prerequisite to a strong America and only under those conditions can we help to rehabilitate the war torn free world. Secondly, a Republican victory will mean a more consistent foreign policy.

It just does not make sense to ask the American people for billions of much needed help to save western Europe from going behind the "iron curtain" while we permit large shipments from our resources to the one nation that is a threat to human freedom.

It certainly is not consistent to make mighty efforts to prevent 200,000,000 Europeans from being enslaved by the Communist terror while complacency is shown about communistic activity which seeks to engulf 400,000,000 of our traditional friends, the Chinese.

It most emphatically does not make sense to send numerous "strong notes" on the Petkov case and then to have our Government give full recognition to the Soviet satellite government of Bulgaria 10 days after they have murdered the leader of the democratic opposition.

As a Nation we can no more return to isolation than an adult can return to childhood. We cannot, we dare not, turn our back on the rest of the world. If we do, the light of human freedom will go out and some day, in the not too distant future, from out of the ensuing darkness would come the knife thrust or the sword to strike us down. We must constantly keep in mind that we live in the age of the airplane and the atom.

The world must recognize the fact that only in an adequate system of international control can the world be safeguarded from the devastating effects of this new instrument of destruction. I have seen a considerable amount of war damage in Europe and Asia. Two years ago I had the opportunity of seeing Nagasaki where the second atomic bomb was dropped. The community looked as though it had been put through a coffee grinder and the remains scattered out over the landscape.

Every constructive proposal that has been made for the international control of atomic energy has been blocked by the Soviet Government. As long as an unlimited veto exists in the Security Council there cannot, in my opinion, be a satisfactory international control of atomic power. How is mankind to be protected if the potential aggressor nation itself can veto collective security action by the law-abiding nations of the world?

No man can say with certainty how long it will be until other nations are able to manufacture the atomic bomb. Some time in the not too distant future they will do so. Any nation which has in mind a full-scale "Pearl Harbor" attack upon the industrial and communications centers of America must be made to understand that no such blow will prevent this Nation from launching a swift, sure, and inevitable retaliation on a far greater scale.

This is not a happy prospect, but it is a realistic one. To do less than be fully prepared in these uncertain times would be worse than folly. It would be treason.

The Government would not be dealing with candor if it did not make clear that the policies we follow in Greece and Turkey involve risks. If Greece, Turkey, or Iran should succumb to overt outside pressure and lose their independence or have their territorial integrity violated without swift action to support them by all the law-abiding nations of the world, then the whole fabric of collective security will disintegrate and the United Nations would join the League of Nations in oblivion.

I feel certain that our people have a growing realization based on the experience of two world wars that peace, in this day and age, is indivisible.

The United States should take the lead in making the United Nations an effective agency for international law and order. If Russia persists in her obstructionist tactics, then the law-abiding nations will have to set up a collective security system outside of Russia and her satellites.

Lincoln, in his day, clearly understood that human freedom is also indivisible. In his second annual message to Congress he said: "Fellow citizens, we cannot escape history. * * * The fiery trial through which we pass will light us down in honor or dishonor to the latest generation. * * * We, even we here, have the power and bear the responsibility. * * * In giving freedom to the slave, we assure freedom to the free. * * * We shall nobly save or we shall meanly lose the last best hope of earth."

If our citizens will give as much time and effort to upholding our form of government and our free enterprise system as the subversive groups are giving to their destruction, I feel certain that this generation of Americans will not lose this last best hope of earth.

Lincoln Day Address by Hon. Raymond E. Baldwin, of Connecticut

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Monday, February 23 (legislative day of Monday, February 2), 1948

Mr. MARTIN. Mr. President, the junior Senator from Connecticut delivered a very outstanding speech in Pittsburgh last Friday night. I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

You have done me a great honor in asking me to come here and talk with you tonight. Connecticut has always had a great interest in Pennsylvania. As a matter of fact, our charter granted by King Charles II in 1662 bounded our colony on the west by the ocean. At that time no one was sure where the ocean was, but our people took advantage of the fact in a later day, by virtue of that generous grant, to extend the southerly and northerly boundaries westward in parallel lines so that they included a part of Pennsylvania and Ohio. We went to law about it, but were unable to sustain our claim, and so Pennsylvania got away from us. We are sure, however, that you have done better by this beautiful country than we ever could have done.

I am happy to be in the State represented in the Senate by ED MARTIN. I have known him as Governor and Senator, and it has been a great privilege to be associated with him these several years. I have the highest regard for his unusual ability, his sturdy character, and his broad capacities as a public officer. His colleagues in the United States Senate hold him in highest esteem. I am happy and proud to claim his friendship.

We hear many fine things about your good Gov. James Duff, who comes from this county. It is well that this great State should have as its chief executive such an able and competent citizen.

And I want to pay my respects to your Representatives in the Congress. My Connecticut colleagues have the highest regard for them. It has been my personal privilege to be associated with Congressman FULTON on the Board of Visitors to the United States Naval Academy. Your great State is most ably represented in the Congress.

After I went to Washington last January I understood how Lincoln felt when a friend said that it would be good for him to get down to Washington. "I know it will," Lincoln answered. "I only wish I could have got there to lock the door before the horse was stolen, but when I get to the spot I can find the tracks."

Perhaps the tracks were clearer in Washington in those days, but when we Republicans went to Washington last year we found them well covered by the stampede of bureaucracy—and we found not too much remained of the principles of Lincoln that our party has followed.

These principles have become a part of our heritage and are close to the hearts of all Americans. Every American knows and loves from childhood the story of Abraham Lincoln—not because he was a military conquerer or a great inventor, or a political spellbinder, but because he was the heart of the people.

Lincoln loved democracy, but not the kind of democracy we sometimes hear extolled today, in which individuality and independence do not exist. Lincoln loved the democracy that is in the true freedom he described this way: "As I would not be a slave, so I would not be a master. This expresses my idea of democracy. Whatever differs from this—to the extent of the difference is no democracy."

We were not elected in 1946 as the Republican representatives of our people because any majority had belatedly decided that it was better after all to return to some good old days. We were elected in the hope that we would develop a progressive, positive program which would lead us out of the welter of confusion into which the country had dropped. To maintain our majority position as the chosen representatives of our people, will require the best intelligence, the hardest work, and the soundest thinking and the deepest understanding from all of us.

We came to Washington last year to face pressing problems created by others. We found that tremendous financial obligations had been contracted. We found that the planned inflation of the thirties had finally arrived in full bloom and was reflected in high prices. We found that our foreign policy was shot through with the same old WPA dole system thinking that had characterized our national policies a few years before. We found in Washington an administration befuddled by difficulties and willing and anxious to turn over to us the problems that it had created.

To add to our difficulties it soon turned out that the administration's pious promises of cooperation were nothing more than sighs of relief.

It isn't easy to recover from a $260,000,000,000 debt. It isn't easy to find the tracks of runaway spending, and it isn't easy to pull down the balloon of inflation into which hot air has been pumped for so many years. Lincoln in his day had our same problem and experienced our view in saying "* * * as an individual who undertakes to live by borrowing soon finds his original means devoured by interest and next no one left to borrow from, so must it be with the Government."

An example of our difficulty is the problem of the budget. Early in January, we received the President's budget which this year contained 1,353 closely printed pages. It is almost exactly the size of your Pittsburgh telephone directory, and almost exactly as thick. Before February 15, we are required by law to present, on the basis of this, our legislative budget. It is little wonder that there is some disagreement as to the amount that it can be reduced. But the real problem lies in the question of where we are going to reduce the spending. We must make reductions with care, wisdom, and foresight. The present budget calls for about $39,500,000,000. Of that sum $33,500,000,000 are commitments that have already been made or are for the armed forces. Unless we want to sharply reduce our expenditures for defense, we are left with a total of about $6,000,000,000 on which we can wield the ax of economy.

I might give another example of fiscal difficulties we face. Our people demand, and well deserve, relief from burdensome taxes that have grown steadily larger ever

since this ever-increasing rate of spending began. The President is calling for increased production and the expansion of industry and at the same time asking for an increase in the taxes on the very industries he expects to expand. We are acutely aware that we must allow the retention of profits sufficient for the expansion of industry. We must relieve the tax load on our people already hard pressed by dangerously high prices. On the other hand, as any businessman knows, when the dollar is cheap, that is the time to pay off debts and avoid the incurrence of new ones. Unless we do that, we will continue to pay a tremendous interest on our debt (now running at the rate of more than $5,000,000,000 a year) and have to continue to pay that interest at a later date when we can probably less well afford it. More than that, the release of any huge sums as a result of sharp tax reduction, can only give impetus to the inflation we are seeking to check. In the interests of our Nation's economy, we must be aware of those last two dangers. But in the interest of our people and in the interests of production, we must provide a tax reduction.

Since last the Republican Party was in a majority position, times have indeed changed and as Lincoln said, "The dogmas of the past are inadequate to the stormy present, the occasion is piled high with difficulties and we must rise with the occasion. As our case is new, so we must think anew and act anew."

We are not going to win one vote or advance the cause of our Republic one inch by any tiresome damning of the New Deal. The past is a dead memory.

There is no point in considering what might have been. Our problems today are the problems of the future. Ours can be a progressive, positive understanding of the problems before us that will bring success to our party and peace and prosperity to our people.

What are these issues we have before us?

First, and probably more important than any other, is the question of the maintenance of peace. We have already made long strides in the formulation of a positive policy. When history is written it will show that it was the leadership of Republicans that transformed a weak policy of appeasement and an expensive policy of doles into a realistic plan for the reconstruction of sound economies and political freedoms in the world. History will show that it was the Vandenbergs, the Stassens, the Lodges, and the Deweys, the Smiths, the Herters, the Dullesses, the Austins, and others who have built what is probably the most far-reaching unselfish concept for peace the world has ever known.

With all due credit to Secretary Marshall, is there any like number of equal influences who have produced a workable program on the Democratic side? I take no pride in interjecting here a partisan comparison into what should be an American issue. But I do take pride in the fact that it is members of our party who have finally—even though they were of a party not charged with the conduct of foreign affairs—showed the way that is the best for us now. I hold no particular brief for the Marshall plan. I do not know that it will work. But I do know, and I think we all know deep in our own souls, that isolationism or appeasement, or a repetition of any other errors of the past will surely bring us war. The Marshall plan is only the beginning of what we, as a party, can contribute in an effort to preserve the peace through international good will and cooperation.

The world has come a long way since the day of Abraham Lincoln. His problem was to reunite the several States of this Union. We have a similar problem on even a larger scale—that is to unite the nations of the world to prevent a war of aggression. We, as a party, have an opportunity to make clear that we will give more than lip service to the United Nations, in which our people place such trust. If we are to make that United Nations work in the pursuit of peace we must see that it never becomes a factory for idle resolutions. If it is to act in the interests of peace its decisions must carry strength and weight. It is our obligation, as the most powerful nation in the world, to insist that its decisions do carry that strength and weight. If any nation or combination of nations chooses to obstruct the path toward peace, or chooses to maliciously use its selfish desires to block the wishes of mankind, we will have to proceed without the help of that, or those, nations. But we must never close the door to open, fair, just dealings with any nation in the interests of peace.

The year 1948 has come to stay. We cannot turn back the clock of progress. We live, today, in a small world in which the oceans (that were once wide barriers between nations) are now only minor inconveniences. We live, today, in a big and rich house in a community of poor neighbors. It is ours to choose whether we will teach those nations the way to political freedom and economic prosperity and so live with them in the harmony of a peaceful neighborhood, or whether we will withdraw and so invite them to join together in an envious attack on our wealth. We live in a dangerous, explosive world—a world in which war could always be only a few hours away. There is an urgency in our racing time that demands we recognize the immediacy of these problems. If we do not plan and prepare for the future now, we will find one day that we have delayed too long.

We are troubled today with a problem of getting on peacefully in the world with the Soviet Union. It is unfortunate that Soviet leaders cannot find themselves able to cooperate in any common understanding of rights and principles of others in the building of peace.

A number of approaches to a better relationship with the Soviet Union have been proposed. There are those who, believing that war is inevitable, claim we should instigate a war now while we are still the stronger. Of them, I would ask only one question. Would they take upon their conscience the responsibility for having voted us into what still may be an unnecessary war, knowing, as we all know, that the next war will bring a destruction and a toll of death from which this world may never recover?

There are those who say that we can afford to desert the still free nations of Europe to political aggression so characteristic of Soviet policy, assuming that they will in good time come to see the error of their ways and return to a democratic fold. To them we can only say that in all our experience there has never been a way back from totalitarianism. Once the freedom and the spirit and the lives of the people are taken over by the armed might of a police state, there is no opportunity short of war for them to return to free living. Communism cannot be accepted on a trial basis and freely voted in or out, by a free people. Unfortunately there is no money-back guarantee that comes with dictatorship. Its followers are not allowed to see the cruel bayonets of regimentation that hide behind the false and glittering promises of communism until they have been pulled behind the dark curtain of political slavery.

Then there are those who propose to try again the theory of appeasement. We have already, in the past 3 years, seen another example of the failure of that often tried—and always failing—theory. We sought, in this war, to establish the principle of political and religious freedom in all nations. Yet the guns had not ceased firing before political and religious freedoms were snuffed out from the Baltic to the Balkans. Is there any reason to suppose that the appetite of any aggressor, whether his methods be military or political, will ever be satisfied so long as there remains 1 acre of free soil. Is there any reason to suppose that the dark wave of Soviet aggression would not roll on relentlessly across western Europe? Is there any reason, then, to suppose that this Nation would not one day face the combined forces of evil, directing a military machine of slaves recruited from the nations of all the world?

The only alternative left to us is the continued development of a firm, watchful policy. The dark forces of communism fear the light of knowledge and the light of freedom more than they fear any military might. If we can maintain adequate defenses at home, while recreating the possibility of political freedom and economic prosperity abroad, we have a good chance of surrounding ourselves with nations peaceful in their freedom. Unless we follow such a course I say—and I say with deep reverence—God help humanity in this atomic age.

At home we face the threat of a dangerous inflation which, unchecked, could wreck our plans for peace. An economic collapse here would leave little hope for building peace in the world.

We, as a party, did not create inflation. That was the studied plan of many years. Nevertheless, for us to only blame others would be to shirk our duty as a party and shirk our duty as Americans. We, as a party, do not believe in a controlled, regimented economy. And yet, having inherited this problem, we will either have to objectively and unselfishly take sterner means to combat inflation or we will force upon ourselves the very controls and regimentations we deplore.

Those who believe in the principles of our party—principles that need in no way be affected by changed conditions; those who believe in the Lincoln philosophies of freedom and integrity and opportunity for the individual have, indeed, a promising program to offer.

We need not hesitate or procrastinate because of any clefts in our own party thinking. We cannot all agree on any detail, but there are certain self-evident truths in which we all deeply believe. We do not have to keep the uneasy peace, as does the Democratic Party, between the ultra-conservatives of the deep South and the far left-wing of the North. We do not have to explain why traders in commodity markets are called gamblers in human misery and yet hold high office; we do not have to explain why we advocate price controls and still call them the methods of a police state; we do not have to explain why we were publicly appalled 15 years ago that there was a housing shortage and now have to admit that it still exists; we do not have to explain why we take credit for the high purchasing power of inflation and don't want to take the blame for the high prices that go with it; we do not have to explain we spent $17,000,000,000 on unplanned European relief before we recognized the need for an overall plan of reconstruction; we do not have to explain why we hunt Communists under one bed and hide them under another; we do not have to explain these things because we are not a divided party.

I've said that we Republicans must be builders and that the Democratic Party has been a party of empty promises. In political gatherings, that's an easy thing to say. So let's see how it has worked out.

Last month as I sat listening to the President read his State of the Union paper, I realized that I agreed with many of the things he was saying. He came out boldly for peace and prosperity. He said he favored more housing, higher wages, higher profits for the farmer, lower prices, economy in Government, better health, better education, better use of our resources, greater production, security in old age, and democracy.

As I sat listening, those fine ideals began to sound familiar. So later I looked over the section on housing and found that,

according to the President, we have a "drastic housing shortage," and "need a long-range housing program." Now I happen to agree with that, but I remember that the late President said much the same thing in different words long ago. More than a decade ago, he said that one-third of the Nation was ill-housed. So I began asking myself what the Democrats had been doing about this condition that they had discovered so long ago, and why the shortage seemed to be worse today than when they first fastened on the issue—even though we had paid millions in taxes to develop these so-called housing programs. Perhaps this is the answer: According to the United States Government Manual for 1947, we still have 34 Federal agencies helping us out with the housing situation. Dealing with this serious matter for us we have agencies, authorities, administrations, expediters, corporations, departments, divisions, and coordinators—all of which sounds to me suspiciously like a lot of different ways of spelling a simple word "failure."

One in particular interested me. It is listed as "Housing—Greenbelt communities." According to the explanation, there are three of these. They have been developed by the Farm Security Administration, but are administered by the Federal Public Housing Authority which is one of the three constituent units of the National Housing Agency, which is administering the contracts of the United States Housing Authority which was created by the United States Housing Act to lend financial aid for slum clearance.

For many, many years, we have heard the oft-repeated warning that we must have higher wages, lower prices, more housing, better health, and all the other fine things that make life pleasant and easy. I repeat that I agree with those objectives. The thing that is so curious to me is why, after 15 years of Democratic administration, we need them worse than we did 15 years ago.

I do not propose to criticize the Democratic Party for much of what it has promised but rather for what it failed to accomplish. Even failure has been purchased at a staggering cost. Perhaps the executive department in determining its duties of administration found the wrong definition of that word. There is one dictionary definition that says an administration deals with the distribution of an estate. The present administration is admirably fitted for that work.

It is all of these promises that have caused some people to label the Democratic Party as liberal. If by liberal it is meant that the Democratic Party has been liberal with our money, I agree. But if by the term "liberal" it is suggested that the Democratic Party has been deeply concerned with the problems of the common man, the record will show that the concern has seldom gone beyond the stage of promise.

The world moves too fast today for such blundering, theoretical muddlers. The world, today, requires builders—builders of peace, builders of jobs, builders of security—and yes, builders of houses. That is the role the Republican Party can fill. We may not be able to make such sweeping promises, but knowing better the capacity of our Nation and the wants of our people, we can provide for them instead of promising them.

We represent the millions of Americans who do not choose to support the radical philosophies of either the right or the left, but choose to live honestly, simply, and independently in a free world of peace.

We have allowed our party to grow old during our years of disappointment. A new generation has grown up since we were last a majority. That new generation includes millions of young people without a political home. It was their support that elected us in 1946. It is their support that will be required to elect us in 1948.

It is up to each of us who is interested in the Republican Party and a good government and the future it stands for, to make our party the party of youth. We can only make it a party of youth by standing for the principles and beliefs of young men and women and by allowing them to help guide the destinies of our party. It is not that we do not appreciate the loyalty of those who have remained Republicans through these lean years, but it is a practical political fact that we are ourselves (as is the Democratic Party by itself) an insufficient number to be successful without the help of those who have no political home.

As workers in the party, we can impress upon them that in a party guided by the principles of Abraham Lincoln there can be every opportunity to voice and carry out the programs we need their energies to develop.

A winning party is one that has in it believers in (and energetic salesmen of) its principles. We need the help, the suggestions, and the support of each of you. Our victory will come from your good work.

We cannot be derelict in the exercise of democracy within our own party. We will not allow ourselves to be guided by the thinking that has brought us defeat in the past.

The last company in a parade may be dissatisfied with the road the parade is taking, but unless it can forge to the front and lead the way itself there is only the choice of marching—disconsolate and unnoticed—at the rear, or dropping out of the parade altogether. Abraham Lincoln led our people in troubled times with no precedents or political traditions to hinder him. We need not look sadly toward inevitable war or toward inevitable economic collapse here. We need not look toward a sad old age for our party, we, rather, look forward with eager anticipation to the development of new, progressive programs for the future; programs that can bring to America better education, better health, better living standards, security, and wealth under a Government that respects the freedoms and the rights of all. We can look forward to a world kept free and kept peaceful by a combination of nations working together toward the goal of all mankind. We as Americans can look forward to that peace and that prosperity if we cease to look at the past and regard 1948 as a challenge for the rebirth of a new, revitalized, young Republican Party, determined that "This Nation under God shall have a new birth of freedom, and that government of the people, by the people, for the people shall not perish from the earth."

Questions to South

EXTENSION OF REMARKS

OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1948

Mr. LARCADE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to include a copy of an editorial of recent date from the Monroe Morning World, of Monroe, La., as follows:

QUESTIONS TO SOUTH

At the present time the 13 solid South States and three border States, Kentucky, Oklahoma, and Tennessee, all definitely Democratic, provide more than half of the Democratic Party representation in Congress—53 percent in the Senate and 62 percent in the House.

Just why should 62 percent of the House Democrats be politically subservient to 38 percent? Just why should 53 percent of the Senate Democrats be politically subservient to 47 percent? Just why should either or both groups be politically subservient to an unelected President because he wears a party label, or to a New Deal bureaucracy set up in contradiction to both Democratic Party and southern principles and traditions?

Fiftieth Anniversary of the Sinking of the "Maine"

EXTENSION OF REMARKS

OF

HON. DENNIS CHAVEZ

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Monday, February 23 (legislative day of Monday, February 2), 1948

Mr. CHAVEZ. Mr. President, pursuant to Senate resolution, I went to Habana, Cuba, and there, on February 15, I delivered an address on the occasion of the commemoration of the fiftieth anniversary of the sinking of the battleship *Maine*. I ask unanimous consent that my speech may be printed in the Appendix of the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Mr. President, Mr. Ambassador, distinguished guests, and citizens of Cuba, when I was notified by the President of the Senate of the United States that I was to represent the Congress of my country, along with these my colleagues, Senator MILTON R. YOUNG, of North Dakota, Congressmen CHARLES R. ROBERTSON, of North Dakota, and ROBERT E. JONES, JR., of Alabama, together with a couple of the boys who, with a million others from the United States, volunteered their services and followed the example of Col. Theodore Roosevelt, later President of the United States, in remembering the *Maine* and fighting for your country's freedom, Commander Horace Havener of the Spanish-American War Veterans, and Hon. Lloyd Thurston, of Iowa, in sharing with the Government of Cuba the honor of commemorating the fiftieth anniversary of the sinking of the *Maine*, I considered it a signal honor for many reasons.

Fifty years ago the U. S. battleship *Maine* was sunk in the magnificent harbor of Habana, as the result of which 266 innocent men perished and gave their lives while in the service of their country. Many others were wounded. You know what followed, so today we gather here with veneration and reverence to pay our respect and show our gratitude to those who made the supreme sacrifice at that time. It is a solemn anniversary. The world shall always remember the *Maine*.

In the first place the State which I represent in the Congress is by heritage similar to that of your great country. The Spanish conquerors who left this beautiful island to conquer Mexico pushed on only 20 years after the conquest to explore not only my home State of New Mexico, but as far as the far-off States of Kansas and Nebraska in what is now the Middle West of North America.

We speak Spanish in New Mexico. Our State constitution provides that in our courts and our legislature the official language shall be English and Spanish. One half of the

population bear names such as those found here in your island.

In fact, the first Europeans to visit my State departed from Cuba in 1527 with Panfilo de Narvaez, to explore Florida, and having been wrecked on the coast of the Gulf of Mexico, started out on one of the most heroic and epic treks in history—from east Texas to Culiacan, a Spanish settlement on the west coast of Mexico, with tidings of the civilization which existed in the remote north, the land of Gran Quivira and the Seven Cities of Cibola.

I welcome also the opportunity of speaking to you in the language of my fathers—Spanish.

In this connection, I regret exceedingly that the Havana conference, i. e., Conferencia Mundial de Comercio y Empleo has failed to adopt Spanish along with French and English as an official language of the United Nations.

I say this with studied appreciation of the occasion of this visit, and I agree wholeheartedly with the arguments of the Government of Argentina and Peru that the aspirations of 20 voting nations in the great assembly of United Nations whose native and official tongue is Spanish, should be recognized. These nations have every right to demand that their tongue, Spanish, be considered in advance of one which only by tradition is the language of diplomacy, as well as English, the language of neighboring states, no matter how great their population might be, or how powerful their position is amongst nations.

I welcome the opportunity of speaking here because I feel that my country owes Cuba and her patriots a debt historically which should long ago have been paid.

I search in vain in the history books of my country for proper appreciation and recognition for the role which Cuban patriots played in the liberation of your country. It would seem that the Spanish-American War was fought solely by American soldiers. Not that I would in any way depreciate the patriotic service which my countrymen lent your country in 1898. Many of my fellow countrymen came to help you. From New Mexico came Lunas, Durans, Padillas, Cienfuegos, and Armijos. They left far-off New Mexico to fight for the freedom of this country and in defense of their ideals and their fatherland. To them every credit is due, and a grateful country and freedom-loving people everywhere will honor and praise them. However, I wish to take this occasion to assure you that patriots throughout the world appreciate the valor and unselfishness of the valiant Cuban patriots who long before their American brothers arrived here and fought, bled, and died for the liberation of their country.

I am now thinking of your supreme military commander, Maximo Gomez, who trained in guerrilla fighting in the wars for freedom in Santo Domingo, came to Cuba and rose to unsurpassed heights of military genius and leadership.

There was Antonio Maceo, a military leader whose genius, bravery, and patriotism is unexcelled in the annals of any nation. Freedom has never had a more gallant defender or more valiant champion, and there was, you recall, Calixto Garcia, to complete the triumvirate of freedom.

Cuba's liberation followed that of all other American Republics, but the delay was not for lack of patriots, nor for lack of men of determination and resolution. The proclamation of Yara of 1868 reverberates through history with all the beauty and grandeur of Concord or Dolores, and all praise is due the Mambises who so generously forsook their families and their homes to give their all for freedom.

There is hope for the world so long as there are men such as these willing to fight and die for the ideals of liberty and freedom; the great nations of the world would do well to reflect on the lesson of Cuba's struggle for freedom. Mankind was not born to be enslaved and I warn the arrogant and mighty leaders who heed not this lesson that the fate which overtook Hitler is the inevitable destiny of tyrants.

It seems sacrilegious to mention Cuba's great apostle so soon after mentioning the despicable name just uttered, but who can overlook doing honor to your great champion of brotherhood and Christianity—Marti, the apostle of liberty; Marti, the universal; Marti, Cuba's gift to a world which loves freedom and liberty and respects the dignity of the individual.

Jose Marti belongs to all ages. He is worthy of the company of the Grachi, of Jefferson, Bolivar, Lincoln, Juarez, and Gandhi. Marti belongs only with the great.

As a North American I am proud that my country received him in warmth and kindness during his many years of exile. The cause of your freedom, which he so ably championed throughout the length and breadth of my country was supported by words and deeds. My countrymen responded generously to his appeals.

Would that Marti were alive today. Marti would have rejoiced to see the decline of the colonial empires of the imperialistic nations which the world is witnessing. Were he alive his mighty pen and voice would be hurling diatribes of profoundness and wisdom in behalf of the oppressed people of this world.

Can you not see him hovering over the shoulders of Churchill and Roosevelt when they drafted their famous Atlantic Charter; and can you not see his spirit writhing because its principles were shamefully forgotten and disdained at Tehran and Yalta?

Oh, that Marti were alive today to praise and encourage President Truman to press hard and steadfastly in behalf of his program for protecting the civil rights of all American citizens, to assure the citizens of my country that the rights guaranteed by our Constitution, of suffrage, of opportunity to work, of freedom of expression, and of safety of person shall be denied to none because of color, race, or religious belief.

Were Marti alive today during the conference of world states taking place here in Habana, he would have expressed agreement with Torres Bodet and your own Foreign Minister Dr. Rafael P. Gonzales Munoz, when they championed the aspirations of the small nations of this world for economic, social, and industrial progress and for a standard of living equal to that of the great powers. These are more important and should be recognized before the desire of the great and wealthy nations to maintain conditions as they now exist.

I wish that I had more time to discuss at length the role which our countries played in your war of liberation, but time does not afford me that opportunity. However, in behalf of my colleagues, in behalf of the congress of my country, I wish to express the appreciation and admiration which we feel for the role which you played in the fight for freedom and how proud we are that we were given an opportunity to assist you with our arms in that campaign and we rejoice with you that freedom and liberty triumphed over oppression, tyranny, and enslavement.

Mr. President, my colleagues join me in congratulating you on the fight which you led in behalf of Cuba and for the liberation and freedom of its people. The great honor which your countrymen bestowed upon you was undoubtedly in recognition of the fact that you were carrying on the past traditions of the veterans of 50 years ago.

I wish to say a few words in praise of the able statesman who represents your country in Washington, His Excellency Don Guillermo Belt. Undaunted in the diplomatic halls or chanceries of great nations, he is always among the first to defend the rights and interests of the smaller countries. He is carrying on the cause for which Marti laid down his life at Dos Rios.

I would also like to say a few words concerning the ambassador to your country, His Excellency R. Henry Norweb. Representing the best traditions of the Foreign Service of our country, and schooled in the noble precepts of the good-neighbor policy, it is in the hands of such envoys as he which will do much to promote friendship amongst the American states.

In closing, may I say that my colleagues and I are happy to be here with you. We consider it a great honor and we thank you from the bottom of our hearts for the warm welcome and generous hospitality which you have extended us. We love your wonderful country. Expressing the sentiments of freemen, Para Siempre, Cuba Libre.

Conditions in Germany

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Monday, February 23 (legislative day of Monday, February 2), 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter which a friend of mine received from a friend overseas, concerning the conditions which exist in Germany. I think it contains an account which ought to be read by Members of the Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 16, 1948.

OUR DEAREST FRIEND: Many thanks for your last letter, and I must apologize for having not written before, but I have been very busy on Christmas time, and I have so much to tell you that I could not start writing unless I get a little spare time. Now I think I'll better write twice, and to begin with I think I must tell you about the propaganda question that seems to interest you. First, it is perfectly true, as your Congressmen who traveled in Europe said, that your propaganda system was not efficient and Russia's was so much powerful. Of course, if the Communist ideology is spreading so much, it must be fed on something, and if so many people, most common people, go to the big party, they have some reasons to do it, and also some profits, and one must agree that the Russians have been very successful working in the same ways, exactly as the Germans, who had also good results with the collaborators in all occupied countries. First, the Voice of America simply disappeared and is very poorly managed, not at all interesting. I hear it once a day, but it is just wasting time. You should listen to the British broadcasting, which is also not so good as it used to be in wartimes, but still so much better than the Voice of America. But there are two impeding facts. First, they have reduced their broadcasting power. I mean it is much easily fading, and you can't hear it properly, especially when the weather is stormy, or if there is any electrical noise, etc. Besides, the Communists tried and succeeded choking the BBC. (I also must write to them.) For instance, when you get exactly the wave length you hear the voice very feebly and at the same time a big noise. You then turn a little on the left, the noise disappears; also the same on the right; but, of course, you do not hear the voice just the same. And those noises (we know them very much) are exactly the same as were those

the Germans used to impede us to hear the BBC during the occupation. Are those noises (we then used to call them "Bouilleurs") worked by French local Communists, or I should rather think, as we are very near Germany, by Russians in occupied Germany? Anyhow, the popular broadcasts in the evening are worse and much worse than they used to be during the war. Another obstacle is that you can't hear on short waves (the few ones where you don't get that special noise). The BBC voice that is simply choked by Russian voice that you hear everywhere in the evening. They broadcast in French, German, and more of all in English. They are talking to the English people a lot, and I wonder why they are not discouraged, because they have no chance at all with the English. But on the same time we get fed up listening, or rather trying to listen, and hearing Italian, Germans, and more of all Russians, from Russia and a lot of German places in occupied Russian Germany. My husband suggests that you should hire Radio Luxemburg. They have a very powerful broadcasting system, and they are in the heart of western Europe. The English use it a lot and no doubt you could do just the same. But in any case you must do something in your radio propaganda, and I am afraid everything has to be done in that way.

Now, you should also start magazines or reviews with plenty of pictures about American life, American ways of doing everything, just showing how successful a capitalist democracy can be. Those magazines should be specially of pictures for people who can't read English, or very little, and they are just the crowd as you know. They would be so much interested being able to know and understand a little about America, and those magazines should be very cheap, so that the young people and the poor could easily get them. (The Germans used to do it, and got a lot of collaborators that way.)

Now, you should also try to start some clubs or associations of French friends of the United States of America. Also a German and successful idea. For instance, if I feel very miserable about our national ways and politic system and lacking of everything, and if I go simply to the Maison du peuple, the Communist house or club, as you like to call it, as did our friend, Michelot, many people are there to greet me, offering me this and this—American foodstuffs, by the way, supplied very generously by the UNRRA—why do not you hang the man who started this folly? They ask me what are my troubles, say and will help me in every way unless I have just to sign that I have become a Communist. Now, they will help me, give me moral and material assistance, but I must give them my name, attend their meetings, and they will use my name if I like it or not. On the other way I want to go to the Americans, how could I get in touch with them? Simply listen to the Voice of America, which is not a treat, and I shall hear about the American teams of basketball or some philosophical review or cinema or scientific research or the next campaign for the Presidential elections or to know what they are doing in ladies' clubs for the animals or the children, etc.—very meager to cheer up, as you see. But I should not buy an American magazine, could not get in touch with any American people or French pro-American, so you simply give it up and you go to the Maison du peuple and find the Russians so much generous and so understanding for you American food and stuffs (that is what you would be told about the important stock of canned food and soap and everything that so foolishly you give in 45V and 46 to the central Europe and Russia and that as so efficiently fed Communist propaganda). I am always speaking of the criminal stupidity that has been the UNRRA, and although I never had anything of that, I shall never swallow it.

If you had given all this to western Europe, there would hardly be 18 Communists in the French Assembly, and the Prest to England should have been more generous, and there also it would not have been such a waste of money. Perhaps there would not have needs of the plan Marshall as the European recovery would be now a reality instead of a hope, and perhaps just a dream. The peoples of France and England (western Europe) would not be so bitter, and on the other way central Europe could not be worse, neither Russian—for how grateful are they to you?—Yugoslavs, Bulgarians, Rumanians, and white Russians, etc. But now we are in the soup with 184 Communists in the assembly and the big party is still spreading among middle-class people.

You perhaps know that they have (I mean our Socialist government which is not any better than the Communists) put so many taxes on middle-class people that we will soon be overwhelmed under the burden. And many people who are selling their properties and thinking of giving up their trades or factories or charge do not worry much on the plan Marshall who is perhaps going to help our Government but not the people, and most of them get fed up and think of either leaving the country or going to the Communist Party.

I told you that this Socialist government is spending money on what we call social improvements (they share that hobby with the Communists) as they are very near each other except on foreign policy; you hardly see the differences. And those improvements are so expensive that it would ruin even the United States of America. Think that, as we told you, we give a lot of money for the children so that a man with five or six children get twice as much money for the children as he gets for his work. Besides, when two people give birth to a child they get a gift of twenty thousand as reward for the birth, so that a man who has six or seven children do not go to work but just stay at home and looks after his family. We have now very numerous families and I wonder what they are going to do with those children later on.

I must conclude and will soon write again about our worries toward the plan Marshall which is our last hope but that we should like to a success. I must excuse me for writing such a long letter in my bad English but I told you that we had a lot to tell you.

Good-by until very soon and many thanks again for not forgetting us.

With our best regards and very sincerely.

Haverhill Lincoln Day Speech

EXTENSION OF REMARKS

OF

HON. GEORGE J. BATES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. BATES of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address made by me before the Lincoln Republican Club, of Haverhill, Mass., on February 11, 1948:

This week Americans, young and old, revere the memory of a great leader, Abraham Lincoln, and may I add that it is fitting indeed that the Lincoln Republican Club, of Haverhill, should sponsor this gathering tonight in tribute to one whose words and works, have, and continue to be, an inspiration to our Nation.

Facing as we do, one of the most crucial periods of our history, following the maladjustments of the costliest and most destructive war the world has known, we need to turn to the principles, the wise counsel and sound resolution of that great President.

Momentous decisions confront our country, affecting the peace and security and welfare of all, and as in Lincoln's day, they demand the same real unity of purpose and action. The preservation of the Union was Lincoln's grave problem. The preservation of peace inextricably interwoven in a world striving to feed its peoples and seeking the reestablishment of economic health and vigor in the free countries of Europe is our problem.

Europe today, is still submerged in a state of disruption. The war smashed the vast and delicate mechanism by which European countries made their living; it destroyed coal mines and deprived the workshop of sufficient mechanical energy; it wiped out steel mills and thus cut down the workshop's material for fabrication; it wrecked transportation lines and equipment making it impossible to move goods and people; it eliminated to a great extent livestock herds; made fertilizers unobtainable and reduced soil fertility.

It was the war that destroyed merchant fleets and thus cut off accustomed income from carrying the world's goods; that caused the loss of so much of the foreign investments and the income which it has produced; which bled inventories and working capital out of existence; which shattered business relationship and markets and the sources of raw materials.

I was privileged to be among those who wished to see for themselves, the real picture abroad, and during this study, as a member of the House Committee on Armed Services, I had an opportunity to see and talk with the people who seek our help today. While primarily on a military mission, we found ample opportunities to view the political as well as the economic side of the general problem.

The 16 western European countries that have asked our aid, under the so-called Marshall plan, with a present population of 270,000,000 with western Germany almost twice our own, constitute an interdependent area containing some of the most highly industrialized nations of the world. As a group, they are one of the two major workshops of the world, and depend in large part on the processing of raw materials, largely imported from abroad, into finished goods and the furnishing of services to other areas. These goods and the proceeds therefrom paid for the necessary imports.

Germany was a striking example of this situation. Some 14 countries were visited during our tour of inspection, and in nearly every one of these we found these nations depending in one way or another upon German coal, steel, and finished goods, and also as a nation to which they would export their own goods.

For devastation, desolation, and dislocated persons and industries, as well as economy, none of the countries visited could compare with Germany. The constant and concentrated air attacks by the allies have scarred Germany completely, leaving great cities and towns a mass of ruin and rubble.

Yet, this is the country which our Armed Services Committee called the economic heart of Europe, and added, "There can be no general economic recovery in Europe until Germany is revitalized." As an indication of the interdependence of the 16 countries, an example may be given as in the case of Germany. Fifty-three percent of Germany's exports are consumed in the 16 countries set up under the Marshall plan. Thirty-five percent of Germany's imports came from these same countries of western Europe.

DROUGHTS AND WINTERS

Droughts and severe winters have added to the trials and tribulations of peoples and governments. Hit by a series of droughts, European farmers had poor crops in both

1945 and 1946. Then came the winter of 1946–47, the worst in recent history. Winter crops were ruined by the severe freeze and the spring floods that followed. Coal could be neither mined nor moved in adequate amounts. Factories had to close down because people could not get to work or do much work if they got there.

Still suffering from those conditions, Europe received a further set-back in the form of a summer drought last year. Traveling by auto in many parts of Germany and Austria in September enabled us to get a true picture of the gravity of this situation.

To make matters worse, the food which came from Europe's bread basket before the war, namely, Poland, Hungary, Yugoslavia, Rumania, and Bulgaria, was going almost wholly to the Soviet Union. Adding to the misery were the delaying tactics of the Russians seeking to prevent Europe from regaining its economic strength quickly and thus hoping to reap a Communist harvest in that area.

These are some of the monumental problems and obstacles that now face our occupation forces, headed by Gen. Lucius Clay, in Germany, as they seek to restore a semblance of economic recovery despite Russian lack of cooperation.

From General Clay in Berlin came emphatic evidence of the need of strengthening the dikes of western Europe against the tide of communism. Here we found out why the Russians want to keep eastern Germany. First, to milk the eastern zone of all that it possesses; second, to attempt to fit the eastern zone into the economy of the Balkans and, third, that an economic recession in the United States will cause the withdrawal of the Americans in Germany and thus permit the Russians to take over completely.

MILITARY THREAT

These same people look fearfully to the east where large Russian and satellite armies are ready to march whenever Moscow decides to give the signal. These men and women ask what help America could send in case of invasion. They know that the American, British, and French armed forces in Europe are not strong enough to resist any substantial movement on the part of the Soviets in this respect.

We must be bluntly frank about the military situation. The Russians today would have little difficulty in overrunning western Europe to the channel ports as fast as they can drive there in their tanks and trucks. The probable reason the Soviets don't move in this respect is because they fear it would be the beginning of another world conflict, a long war for which they are not prepared. On the other hand, they may be quite satisfied with the progress they are now making in what is known as peaceful penetration and the setting up of satellite governments which now embrace 11 countries of Europe, all of which are in the so-called sphere of Soviet influence. The total population of these countries, together with Russia, is approximately 310,000,000. The peoples of Europe are worried about food, but they are also terrified at the prospects of a Russian march.

NATIONS MEET

In answer to Secretary Marshall's appeal for European initiative in planning for their own recovery with American help, the representatives of 16 nations of eastern Europe, all outside the ring of the so-called iron curtain, convened in Paris on July 12, 1947, for the purpose of discussing what joint action they could take for the restoration, or, more accurately, the continuance, of their civilization. The basic problems of each country are the same.

The participating nations organized themselves into a Committee of European Economic Cooperation and laid out a 4-year program of economic recovery. The fact that only 16 and not all of the European nations are involved in this great constructive endeavor is the responsibility of the Soviet Government, who opposed any action on the part of the satellite governments within the Soviet sphere of influence from participating in this movement. I am convinced that despite the Russian threat and Russian opposition to our aid, that the American people strongly desire to be of every possible help in aiding the people of Europe who are fighting to preserve their freedom. The efforts that these countries are making in earnestly attempting to find a secure foundation for such common action is convincing testimony of good faith and their sincerity of purpose.

In self-help and mutual cooperation among themselves, these nations described their intentions in three phases:

First, they will expand their production of major commodities during the next 4 years in accordance with specified annual targets.

Second, they will strengthen their internal financial stability in order to provide a sound foundation for maximum progress in recovery.

Third, they will cooperate more fully among themselves to increase trade and boost production through mutually helpful action. The plan is a large one and it calls for an unprecedented peacetime effort of work by the whole population of the participating countries.

The section on mutual assistance among these nations is perhaps the most important part of the Paris report, for European countries are not individually self-sufficient. They depend for livelihood on a large amount of trade among themselves and with other parts of the world.

EUROPEAN RECOVERY PROGRAM

As a result of the Paris conference of the 16 nations, the President on December 19, 1947, placed before the Congress and the American people a proposal for United States assistance to a European economic recovery plan for those countries.

Americans have always shown a generous tendency in helping others, but a nation in which the voice of the people directs the conduct of its affairs cannot embark on an undertaking of such magnitude and significance for purely sentimental reasons. As representatives of the people, the Congress wants to know why Europe needs this help; how much is needed and how should the help be given.

The aid which will be required from us, according to the President, for the first 15 months—from April 1, 1948, to June 30, 1949—is estimated at six and eight-tenths billions.

The funds we are asked to make available will enable them to import grain for current consumption and fertilizer and agricultural machinery to increase their food production. They will import fuel for current use and mining machinery to increase their coal output. In addition, they will obtain raw materials, such as cotton, for current production, and some manufacturing and transportation equipment to speed up their productive capacity.

The industrial goods we supply will be primarily to relieve critical shortages at a few strategic points which are now curtailing the great productive powers of Europe's industrial system.

A CONTINUING CHECK

In the light of the magnitude of the program of European assistance and its cost to the American taxpayers, we must assure Americans that the plan is not being used to aid any governments whose economic theories and practices do not conform to the American ideal of free enterprise.

We must also insist on a continuing check on the European nations being helped to make certain that the recipient country is meeting its production targets and its pledge of self-help, monetary reform, budget balancing, and of cooperation in the collective European recovery program.

Important also is the determination to see to it that funds are not corruptly or improperly used, that goods do not flow into the black market, and that the most efficient and businesslike methods of operation be pursued by those governments.

We must insist that any aid given to Europe under the suggested proposal should be administered by an independent agency of the Government and composed of top-grade businessmen, the best that can be found available for the job. Every safeguard must be thrown around the use of these funds to make sure that American substance is not being used for things which are not absolutely essential to the recovery program.

In assisting Europe, we must remember to keep our own financial house in order. We must ask ourselves, What will be the effect of this far-reaching measure on the internal economy of the United States, having in mind that the resources of our own country are not inexhaustible?

We have been told by the Krug, Nourse, and Harriman groups that made extensive studies and reports on this plan, that participation in this European recovery plan can be undertaken by this country without undue strain upon our internal economy or damaging depletion of our natural resources, but those conclusions will be subjected also to the closest scrutiny by the Congress.

The cost of the European recovery plan to us for the first 15 months is not clear at the present time. The first estimates called for $6,800,000,000. It is felt that this amount can be considerably reduced for the 15-month period to a sum substantially less than that amount, without impairing the ultimate objectives of the plan.

Congressional committees are now giving their closest study to those estimates and it is expected that a report will be made to Congress within a few weeks. The amount authorized, however, should be adequate so that a permanent foundation may be laid for the early recovery of the economy of Europe. To reduce the plan to a timid and narrow proportion would be the greatest possible waste and lead to the gravest consequences.

The United States has already spent billions to fight totalitarianism. The European recovery plan demands more sacrifices, but they are necessary to insure the recovery of friendly, democratic nations and in the interest of our own economy and security.

In my opinion, the decision behind the plan is whether the United States is prepared to help western Europe attain an economic health which will enable it to assist communistic pressure and violence, or whether to leave these nations to division and conquest.

If the United States fails to help make possible the return of western Europe to self-support, then the free peoples of western Europe may be forced to turn in large part to the east for survival. The price of such dependence, in the judgment of those nearest the facts, would mean the ultimate incorporation of all Europe in the economic and political system of totalitarian Russia.

The European recovery plan is our most effective step in preventing the fall of Europe under communistic domination. If western Europe should be swept by hunger, poverty, desperation, and chaos, communism will certainly follow in their wake. Such an event would surely affect the future security and stability of our democracy in the United States.

It is my belief that it is to our interest in this crisis to participate in this program in order to win the high stakes of our own security and the welfare and peace of the world.

American Communists Are Traitors

EXTENSION OF REMARKS
OF

HON. WILLIAM C. COLE
OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1948

Mr. COLE of Missouri. Mr. Speaker, under leave to extend my remarks, I include therewith Jack Beall's recent broadcast on Communism. Mr. Beall is conducting a series of 15-minute broadcasts on this subject and can be heard weekly from 6:45 to 7 p. m., eastern standard time, over the American Broadcasting Co.'s network. His broadcast of January 17 is as follows:

Good evening. I wish to address myself to the matter of American Communists as potential traitors to their own country in time of war. It directly concerns the matter of loyalty.

You may be surprised to know that the Communist international teaches and advocates treason, by the people of other nations, in favor of the Soviet Union. That is not so surprising, considering the fact that they openly advocate armed rebellion and overthrow by violence of all capitalist governments. But that they teach and advocate treason, as openly as they do is a little surprising.

As is so often the case, the root teaching is to be found in the Communist manifesto, which Marx and Engels wrote out just 100 years ago this month. They wrote that "modern industrial labor, modern subjection to capital * * * has stripped the proletarian of every trace of national character. * * * Proletarians have nothing of their own to secure and to fortify; their mission is to destroy all previous securities for, and insurances of, individual property." Again they say:

"The Communists are * * * reproached with desiring to abolish countries and nationalities. The workingmen have no country. We cannot take from them what they have not got."

There is a fine example of a Marxian sophistry, right there. Another one of the theoretical writers and practical leaders of communism, Otto Kuusinen, wrote in the magazine, the Communist, published in February 1934, this further indication that the workers of the world owe loyalty—not to their own country—but to the Soviet Union.

Says Kuusinen: "The Bolsheviks were not afraid to come out for the defeat of their own government in the First World War. The main enemy is within one's own country. Such is the correct principle for action by a revolutionary worker's party. Turning the imperialist war into a civil war—such is the correct slogan.

And that last slogan derives from Lenin. He must have said and written these words "Turn the imperialist war into civil war," literally hundreds of times. If you want to look up just once instance, it can be found on page 232 of a collection of his speeches and writings, titled "The Imperialist War."

Well, what does this expression mean? It means very plainly and flatly this: Under the leadership of Communists the workers shall arise and use the arms which have been given them for use against the enemy, against their own officers and their own governments. This tactic is to be pursued even when the infiltrated country is not making war on the Soviet Union. The idea is that the so-called imperialist war is a good strategic time for armed rebellion, particularly if the country in question is being defeated by the enemy in the field. The soldiers have arms. The idea is to turn those arms against their own officers and their own country and take over power—and then affiliate with the Soviet Union, of course.

I have been able to get hold of a rare pamphlet—it is in only a few libraries. It contains the resolutions of the Sixth World Congress of the Communist International in 1928, and as such it contains the official party line.

All Communist Parties which adhere to the Communist International consider these resolutions as the "law and the prophets." William Z. Foster, the president of the Communist Party in the United States, when these principles were laid down, had to adhere to them, even if he hadn't wanted to, on pain of being tossed into the outer limbo of nothingness, by excommunication from the party. It is the same Foster who is presently the head of the Communist Party here. Although the Communist International has not yet been officially resurrected in the United States, it actually never has been dissolved, except on paper. Undoubtedly the same views, the same disciplines exist as before the fake dissolution. I have yet to hear any Communist get up and say that any of the resolutions of the Communist International are null and void as to him, or the rest of the party.

And what does the little pamphlet say—this little pamphlet titled "The Struggle Against Imperialist War and the Tasks of the Communists"? Let's just browse through some of the pages. First, it says, "War is inseparable from capitalism." It follows this up by saying the "abolition of war is possible only through the abolition of capitalism." Then it says, "But the overthrow of capitalism is impossible without force, without armed uprising and proletarian wars against the bourgeoisie." (Maybe I ought to explain this "gobbledegook" again. The "proletarians" are the workers and the "bourgeoisie" are the employing class.)

But to get back to the pamphlet: "The proletariat has no country," it says, "until it has captured political power and has taken the means of production from the exploiters. The term 'national defense' is nothing but a catchword, and mostly a petty-bourgeois catchword, to justify war. In wars staged by the proletariat itself—or by a proletarian state against imperialism, the proletariat defends its Socialist country."

In other words, in case of war between the United States and the Soviet Union this resolution of the Communist International says that the proletarians—meaning the Communists and the workers generally, will defend their Socialist country—meaning the Soviet Union. It makes no difference if they are American citizens—they have got to defend the Soviet Union, fight against their own country, with every force available to them. This condition has been accepted without a blink by William Z. Foster, the president of the Communist Party—then and now.

The pamphlet envisages several sets of conditions of warfare. The first is where two capitalist, or as they call them usually, two imperialist countries, are fighting each other. Note that the Soviet Union is out of it entirely. But this is what they advise their Communist Parties in these other countries to do before the war breaks out. "Communists," they say, "wage a persistent fight against imperialist war and strive to prevent imperialist war by proletarian revolution. They strive to rally the masses around their standard in this struggle and, if unable to prevent the outbreak of war, they strive to transform it into civil war for the overthrow of the bourgoisie."

The first duty is to "tear down the screen" behind wnich the capitalists conceal their preparations for war, and to do this they make a fight "against pacifism." I am not in a position to prove it, but it looks very much as if when they fight pacifism in two capitalist countries which are on the verge of going to war—they are really doing all they can to urge them on to fight. But, in the sinuous twistings of verbiage, it comes out that they are merely out to "tear the veil" from the "hypocrisy of the bosses." Then, they get a little closer to home when they advise the Communist Parties in their various countries to expose the catch-word "national defense." This is another bit of humbuggery, they say—there being no fatherland for the worker, save the Soviet Union, it follows as the night the day that, if the worker lives in some other country, he cannot have a national home, therefore he can't be interested in "national defense." This prepares the wage earner for the idea he mustn't fight for his own country.

The Communist International then goes on with its instructions, Communists must infiltrate war industries—get ready for sabotage and strikes there. They must work with the farmers and youth. They must combat military training but only where volunteer enlistments are the rule. Apparently, too many Fascist-minded people rush to join the colors, under the volunteer system, and there is no use in putting arms into their hands. But in the case of compulsory military training, that is a different thing. The workers generally are in on that, and the rule is laid down that Communists should enter the army. Once inside the army they are to conduct "anti-militarist activity," that is, stir up as much discontent as possible and encourage disrespect for those in authority and other things which will be brought out later. All of this will hasten the great day, after war actually breaks out, when they can go ahead and turn the imperialist war into civil war.

Those who do not enter the army are supposed to prepare for war by getting ready to go underground, because when war comes, party work can only be conducted illegally, they admit. They must also link up all the possible dissatisfactions of the worker—his pay, his hours, his inconveniences, with the "imperialist war policies" of the Government.

Then, after war breaks out between two capitalist countries, each true-blue Communist is instructed by the International to work for the defeat of his own country. I don't think that can be glossed over. If that isn't preparing whole segments of the population in the very essence of treason, right there, I would like to know what it is.

The Constitution of the United States defines treason as levying war against the United States, or "adhering to their enemies, giving them aid and comfort." The dictionary that I have defines treason as "betrayal, treachery, or breach of allegiance, or of obedience, toward the sovereign, or government."

I give you the very words in which the Sixth Congress of the Communist International gives the detailed instruction: "The main points of this program may be summarized as follows: (b) Defeatism, i. e., to work for the defeat of the home imperialist government in this war. (c) Revolutionary defeatist work to be carried on by the proletariat in all the belligerent countries, for the overthrow of their home bourgeoisie. (d) To transfer the war between the imperialist states into proletarian civil war against the bourgeoisie, for the purpose of establishing the dictatorship of the proletariat and socialism—this transformation to be achieved by means of revolutionary mass action and fraternization at the front."

Right there I would like to say something about this "revolutionary mass action and fraternization at the front."

The Sixth Congress of the Communist International resolves as follows about that: "(A) In connection with the economic demands and complaints of the soldiers, collective refusal or sabotage of service and certain forms of soldiers' and sailors' strikes should be applied. (B) The most important slogan of action at the front is the slogan

of fraternization. The purpose of fraternization is to unite the worker and peasant soldiers, in the opposite lines of trenches, against their officers. Experience, in the last world war, has shown that mass-fraternization inevitably leads to class differentiation in the armies and to armed conflicts between soldiers and officers. The Communists in the army must organize mass fraternization and give it a clear, political color, particularly in regard to the question of peace and the organization of the revolutionary forces in the army."

It is emphasized that it won't do any good for a few to get together in the Army and say they won't bear arms or won't shoot at the enemy. What must be stirred up is "revolutionary mass action." The Communists must tell other soldiers in the ranks that the only way to stop war is by all working together to bring about the armed overthrow of the officers and the Government.

Again I say to you, if that not be treason, too much cannot be made of it.

Back on the home front the busy little Communists are instructed by the International in Moscow to conduct themselves in the following manner—and remember always that this is just a private fight, supposedly between two capitalist states; they are not even in it. The workers on the home front are told to engage in general strikes. Tying up the making of munitions, transportation, communications, everything—because this is a very important stage in the transformation of imperialist war into civil war. In order to pull these strikes they must "champion the economic demands of the workers and link up these demands with antiwar propaganda, organize revolutionary factory councils, capture the subordinate trade-union organizations, and then organize, lead, and extend partial strikes."

All this makes a pretty picture of what we can expect from the Communists—particularly if the next war turns out to be one with the Soviet Union. They have their very specific plans for that, too.

These same resolutions say about that: "In the event of an attack upon the Soviet Union, the Communists in oppressed nations, as well as those in imperialist countries, must exert all their efforts to rouse rebellion or wars of national liberation among the national minorities in Europe and in the colonial and semicolonial countries against the imperialist enemies of the Soviet state. * * * The proletariat (meaning the workers and the members of the Communist Party) in the imperialist countries must not only fight for the defeat of their own governments in this war but must actively strive to secure victory for the Soviet Union. * * * The Red Army is not an 'enemy' army but the army of the international proletariat. In the event of war against the Soviet Union, the workers in capitalist countries must not allow themselves to be scared from supporting the Red Army and from expressing their support by fighting against their own bourgeoisie, by the charges of treason that the bourgeoisie may hurl against them."

The Sixth Congress also resolved that "work must be immediately commenced to explain to the workers why they must stand for the defeat of their own imperialist countries in the coming war. The slogan: 'Transform imperialist war into civil war' must already become the leading idea in our propaganda before imperialist war breaks out."

Again it says: "The conditions favorable for transforming a war against the Soviet Union into a civil war will be much more speedily created * * * than in an ordinary imperialist war." They speak here of the chances for pulling general strikes and crippling the war effort by means of mass demonstrations, leading to clashes with the police and damaging home-front morale.

At the front, Communists in the army can help secure defeat of their own country, the resolutions point out, by collective refusal of service by soldiers and sailors—in other words, a soldiers and sailors strike. And still another method is to go over and fraternize with the enemy at the front—this to directly bring on defeat and demoralization of the Army.

Communists remember back to the period, at the end of the First World War, when military defeat, at the front, worked for revolutions against governments in many countries. They realize that, so long as an army is successful it is comparatively immune against Communist propaganda. But when it can be brought to suffer defeats the situation is ripe for them. Communists are urged to go out and call mass meetings of defeated, demoralized soldiers, take advantage of the time of despair and confusion to get them to turn their guns on their own officers and their own governments and thus overthrow them.

One of the small but enlightening bits of advice which Communists get from their Moscow headquarters is for Communist women to write their menfolk in the army and tell them all their troubles, complaining of the lack of food; demand that they come home from the front; ask what they are fighting for, anyway.

Of course, all these tactics are to be used by Communists in the armies of capitalist countries, like the United States, England, and France. Naturally, it does not apply to the armies of Soviet Russia. No defeatism is to be permitted there. Here is the Soviet Russian instructions to its agents, all over the world, on this point: "Although the proletariat in capitalist countries is not bound by the duty of national defense, in the land of the proletariat dictatorship, however, national defense is an unfailing revolutionary duty. Here the defenders are the armed proletariat supported by the poor peasantry. Defense of the Soviet Union is a matter of class interest for the international proletariat, as well as a doubt of honor."

Ah, yes—that seldom-used word "honor," is here trotted out in a Soviet document. The Bolsheviks who snort and laugh at ideas of morality and honor in others—calling it "bourgeois stupidity"—here invoke the sacred word "honor" in order to persuade others to become traitors to their own countries, in support of the Soviet Union; to bring about the defeat of their own nations so that the Soviet Union may triumph. If it wasn't very serious, it would be almost funny. The serious side is that they actually persuaded millions of people, all over the world to subscribe to these resolutions. These very resolutions that I have read you were passed and subscribed to by the representatives of nearly 60 countries—among them—Communist party representatives from the United States. Not a word of protest was ever raised against them in the councils of the American Communist Party. Certainly, who were Communists, back in 1928, and who are still Communists—have these things in their minds and their hearts when they cry the slogan of "Defend the Soviet Union." When you next hear that cry raised, I hope you will remember that it means a great deal more than just defending the Soviet Union with words. Communists are direct-actionists and they regard their first loyalty as being to the flag of Russia.

It isn't so often that one has the opportunity of quoting the head of the Communist Party of this Nation when he admits that his loyalty is to the flag of another country. They are not frequently so frank. Maybe in this case it was an unguarded moment. Anyway, I'm going to read to you the testimony of William Z. Foster, before the so-called Fish committee. I remind you that Mr. Foster was the head of the Communist Party, back in 1928, when he subscribed to the sixth world congress resolutions. He was the candidate for President of the United States on the Communist ticket in that year. And he is now the head of the Communist Party, United States of America. I don't suppose his views have changed vastly in the meantime. Here is the colloquy which took place:

"The CHAIRMAN. Now if I understand you, the workers in this country look upon the Soviet Union as their country. Is that right?

"Mr. FOSTER. The more advanced workers do.

"The CHAIRMAN. They look upon the Soviet flag as their flag?

"Mr. FOSTER. The workers of this country and the workers of every country have only one flag and that is the red flag. That is the flag of the proletarian revolution; it was also, incidentally, the flag of the American revolution, in its earlier stages. The red flag has been the flag of revolution for many years before the Russian revolution.

"The CHAIRMAN. Do you owe allegiance to the American flag; does the Communist Party owe allegiance to the American flag?

"Mr. FOSTER. The workers—the revolutionary workers—in all the capitalist countries are an oppressed class, who are held in subjection by their respective capitalist governments, and their attitude toward these governments is the abolition of these governments and the establishment of Soviet governments.

"The CHAIRMAN. Well, they do not claim any allegiance, then, to the American flag in this country?

"Mr. FOSTER. That is, you mean the support of capitalism in America? No.

"The CHAIRMAN. I mean if they had to choose between the Red flag and the American flag, I take it from you that you would choose the Red flag. Is that correct?

"Mr. FOSTER. I have stated my answer.

"The CHAIRMAN. I do not want to force you to answer if it embarrasses you, Mr. Foster.

"Mr. FOSTER. It does not embarrass me at all. I stated very clearly that the Red flag is the flag of the revolutionary class and we are part of the revolutionary class * * * and all capitalist flags are flags of the capitalist class and we owe no allegiance to any of them."

If that is not clear and explicit language, saying that Communists do not owe any allegiance to the American flag, but to the Red flag which is also the flag of the Soviet Union, then I don't know the meaning of language.

I want to drive this point home about the fundamental loyalties of Communists, living outside the Soviet Union, to some other country than their own native or adopted lands. I wish to call another witness. This time it is Benjamin Gitlow, one of the original organizers of the Communist Party in this country. He was general secretary of the party and a candidate for Vice President of the United States on the Communist ticket. He was finally kicked out of the party for a deviation from the Moscow line. In September of 1939, he testified before the House Un-American Activities Committee. One of the questions directed at him was this one by Congressman Casey: "I'm very much interested in your statement that Russia is the fatherland of all Communists. Does that mean that Communists in America owe a higher allegiance to Russia than they do to this country?"

And Banjamin Gitlow, one of the founders of the party here and its general secretary for a number of years, answered in two words: "Of course."

Later he said: "A Communist has only one loyalty and that is to the party and that applies to every service in which he is engaged."

And here is another witness, Louis Budenz, a former party member and so high in the councils of that party that he was editor of the Daily Worker.

Chairman THOMAS asked this question: "If there should be a war today, or at some time in the future, between the United States and Russia, the Communist leaders in this country would have their loyalty with Russia. Is not that true?"

"Mr. BUDENZ. Most decidedly. That is their only loyalty and, as I say, the proof of it is * * * their own change of line, in accordance with the wish of Russia; their praise of the Soviet leadership, even after the dissolution of the Communist International; their judgment of leaders in America on the basis of their friendship or subservience to Soviet Government desires. I cannot take up all the time confirming this, but it can be found, by examination of every Communist resolution, every Communist public meeting, and every Communist publication. * * * Have you ever seen a Communist publication that found even one fault in Josef Stalin? He cannot make any mistakes. Yet the American leaders are shuttled back and forth in the Communist press, browbeaten, even called abusive terms. The Communists slander, lie, and are abusive to these Americans because these men expressed some criticism of Soviet objectives. But can Stalin be attacked in that press? They cannot even find one small fault to speak of, or discuss any weakness of his in the course of his long career. He is without any defect, says the Communist press, in effect."

I think I've given you enough testimony to document the idea that the Communists in this country consider they do not owe loyalty to this country, but that their only loyalty is to the Soviet Union. The resolutions of the Comintern demand this loyalty even to the point of demanding that Communists be traitors, in time of war, to their own country.

I don't suppose I have to argue the point that one owes loyalty to one's own country. If that isn't a basic proposition, I don't know any more basic. And yet there are many who enjoy all the advantages of life in this country, who have such a twist in their mental and emotional make-ups that they readily adhere to some other country—they scorn the toast of Stephen Decatur: "My country—right or wrong." They call that national chauvinism. Maybe it is, but it is a much better toast, I submit, than the toast: "The Soviet Union—always right—my own country, always wrong," and that is the way the American Communists feel about it.

The Rent-Control Problem

EXTENSION OF REMARKS
OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Monday, February 23 (legislative day of Monday, February 2), 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter which I have received from a very good friend of mine, Mr. Robert W. Prescott, who, I judge, disagrees with me on the question of rent control, together with an enclosure setting forth the position of the Eugene (Oreg.) Real Estate Board in regard to rent control, and a copy of my telegram in reply. As I say to Mr. Prescott in my telegram, it is such reasoned documents which are helpful to one in my position attempting to judge the merits of such an issue. I appreciate such documents as this, although, in connection with this subject, I may not reach the same conclusions as those reached by the Eugene Real Estate Board.

There being no objection, the letter, together with the enclosure and the telegram in reply, were ordered to be printed in the RECORD, as follows:

EUGENE, OREG., *February 14, 1948.*

Senator WAYNE L. MORSE.

DEAR WAYNE: Yesterday there was forwarded to you, from our local Realtor's Association, an analysis of the rent control problem, under my signature as the chairman of the housing committee; and I did not get to convey to you and to Mrs. Morse and your little daughters the personal esteem and best wishes of the Prescott family, always held for you and yours.

You have a most trying job, and I do not envy you. There is always the question of appeasing this group or that. Unless a legislator finds the truth concerning a particular subject of legislation, it would seem to me that he must move from one untenable position to another. Our economy is now so complicated, the divisions of it are so numerous and wide and interrelated that the very legislative minds, surely, can only find themselves scratching the surface of that knowledge necessary for wise and just and salutary laws. Without the help of the man who has been there, the man who knows, the best of legislators, in an era where society tries to handle all problems with another law and another bureau, cannot help but make serious blunders, most costly to the free and lighted world. In this particular age, our Congress, it does seem to me, under the great Constitution which Americans enjoy, almost if not quite, holds in its hands the destinies of the children of men.

With kindest personal regards, I am

Sincerely yours,

ROBERT W. PRESCOTT.

At: Eugene, Oreg.
Date: Lincoln's Birthday, 1948.
By: The Eugene Real Estate Board.
To: The Honorable WAYNE L. MORSE, Senator from Oregon, United States Senate Chamber, Washington, D. C.

DEAR SENATOR MORSE: Congress will shortly be called upon to modify, to extend, or to terminate the Federal Rent Control Act.

Many Congressmen, with their ears to the ground, will be sorely tempted to make a political decision in the matter, a decision of pure expediency because they fear to alienate the vote of tenant constituency. Other Congressmen will earnestly seek to make a socially scientific decision, a decision in line with constitutional rights, with equity and justice and perpetuative of the free world.

The hope for a scientific and just decision rests largely with Senators and Representatives from agricultural and from less industrialized communities. Such representatives are much less apt to be seduced from statesmanship by mob action and the pressures for expediency.

It is with this thought in mind that you are now approached by an occupational group whose daily labor and life work puts the group very close to the particular problem and qualifies it probably better than any other group for observation and reporting on just how the Rent Control Act is working. This group is the realtor group.

The realtor group is a politically nonpartisan group, most of the individual members being old and new Republicans and Democrats. The realtor association is a national association made up of hundreds of locals and of individuals pledged to a very high code of service and of ethics. A realty broker or salesman has to earn his right to the name "Realtor." It is a proud name and deservedly so.

The realtor believes in home ownership. A very heavy proportion of brokers and salesmen do own their own homes. They all have the purpose to achieve that end. They, therefore, do not belong to the tenant group.

On the other hand, few realtors belong to the landlord class. Until all citizens shall own their own homes, landlords are a necessity and will be a vital section of the national economy. But realtors, being close to the facts of tenantry and landlordism, are too smart to fly in the face of their own experience, which has taught them that landlords, as a group, no matter how fair and worthy they may be, nevertheless, are the subjects of envy, of suspicion, and hatred; and since the advent of rent controls, for 30 years in Europe and for a much shorter period in the United States, realtors see also that the very vital segment of the economy, rental housing, has been singled out by the Congress and by the administration for discriminatory and harassing and punitive treatment.

Again the attitude of realtors toward rental-control problems is not affected, one way or the other, by the amount of money to be made or lost either with or without rent control. With or without controls, a realtor would starve to death from commissions made on renting houses and apartments alone. Service in this branch of the industry is largely a courtesy and good-will service.

As a matter of fact, if the realtor's opinion of the Rent Control Act were determined by his financial interest in the subject matter, then he would be as highly prejudiced for the continuation of rent controls as is the tenant group itself. For the realtor has made infinitely more money than ever before from the sales of what normally, and without rent controls, would be and would remain purely rental property. A very large proportion of normal rental units has been removed from that category through the sale of the property at the request of despairing owners.

Thus the realtor, qualified by contacts and profession, and interested unselfishly, and often to his detriment, in the termination of rent controls, is in such a position that his voice should be officially and clearly lifted that the great free community of which he is a part may be guided to a wise decision.

The Federal Rent Control Act has been tried and has been found wanting everywhere; North, East, South, and West. To state the indictment of the Rent Act by the realtor group in a nutshell would be to brand the act as un-American because it is discriminatory and unjust, confiscatory, a theft, demagogy; an act which is dispossessing the whole tenant group; an act which is a spreader of slums; an act which if not terminated soon can only result in rents which either hit the sky or puts the Government into the housing business up to its ears, and finally, an act which is the entering wedge for the police state.

Let us look at the counts separately.

1. The Rent Control Act is a flagrant act of discrimination since, out of a free economy—which is an organically whole and indivisible thing—one branch of that economy alone is singled out for arbitrary and punitive treatment. These regulations are administered, in the final analysis, by distant political mercenaries and their stenographers, anxious to hold and to perpetuate their jobs and to maintain their particular power boss in office. But, irrespective of the wisdom or the motive of administrators, the fact remains that the property of a single economic group is taken and distributed arbitrarily amongst another social group, rich and poor alike, irrespective of affluence or of need.

2. The Rent Control Act is bitterly unjust because it does take the savings, chiefly of old-age groups who have been provident and have built up a social security of their own, and in the highest tradition of self-government and of the free world. The Rent

Control Act does take those savings, including provisions against the misfortunes attendant upon age, and it does distribute those savings indiscriminately hither and yon, cynically, ruthlessly, and designedly in the hope of political support.

3. The Rent Control Act is an act of confiscation and of theft. The act purports to manage. But housing units alone in the economy are compelled to try to operate with taxes doubled and with materials, supplies, and labor costs doubled and sometimes tripled. When Government is the perpetrator the act is euphoniously called confiscation. When an individual perpetrates a wrong then the Government prosecutes the tort under its proper classification.

4. The Rent Control Act takes its place by the side of the infamous shake-downs in vice-ridden communities by criminal gangs. As a price for not being "taken for a ride," the gang levies a weekly or monthly tribute. Under rent control the Government makes the shake-down, distributing the proceeds amongst those who, it expects, will bolster and support the perpetrators of the act.

Let us remember that the Rent Control Act is not a tax; the proceeds do not go into the Public Treasury to be paid out in an orderly and legal way for the maintenance of government.

To compel arbitrary contributions from a solitary branch of the economy in support of a social group, either because government is afraid and seeks to appease voters or because government is venal and cares not about its degradation, is not less infamous because the act is perpetuated under the aegis of government. Here is arbitrary power in the raw.

5. The Rent Control Act is an excuse for and breeder of demagogy, both the evidence and the source of a universal moral breakdown, and, if not terminated, the certain road to political degeneracy and chaos.

The Rent Control Act is alien to the spirit and to the governmental machinery of the free world, which is an indivisible thing. Freedom of speech, freedom of the press, freedom of the right to assemble and petition against grievance, the right to vote, and the right of free industry, agriculture, commerce, and the right to work, anywhere, all are part and parcel of the free world as distinguished from the slave world. The right to earn, to save, to be secure from private and public gangs, and to live and die without arbitrary molestations is, inherently, a part of that same free world. The free world is the moral world. The Rent Control Act is a part of the slave and the immoral world. The act sets neighbor against neighbor; it breeds envy, suspicion, fear, and distrust. It sets group against group and hastens the cleavage between classes. In time of peace, when all other branches of the economy are returned to freedoms, it can only create an atmosphere wherein political racketeers in government will flourish and thrive.

6. The act is slowly and surely driving the tenant group into the street. Owners of rental housing see their property taken without compensation. It is a natural defense that they should put rental property upon the market for outright sale. A great number of normally rental units have been sold. The process of disposal is not abated by the sops thrown out by Congress to remove ceilings from new construction.

Any rental-control act, in a free economy, is not only a gun aimed at the heads of landlords and would-be landlords, but also the act aims at the tenant group itself; for the supply of rental units is steadily diminishing.

How can a vital branch of the national economy thrive and the supply be increased when the Government has proclaimed an open season on those from whom it must get and perpetuate the supply? But the question itself reveals the stupidity of the Rent Control Act.

7. The Rent Control Act, unless terminated speedily and convincingly, is bound to make a Nation of nomads and slum dwellers. The notable and convincing instance of what happens under prolonged rent controls is found in France, where rent controls have operated for 30 years. In France the housing industry has long since been dead. Property instincts are all but dead. Tenants own the property but pay no taxes nor will they keep the properties in repair. The mob is content to live in squalor, and government is frightened of the mob. How soon by temporizing will our Congress hasten and bring that condition to our America? Or will it now terminate the threat?

Mr. Senator, in view of these truths, which so far as we know, are here for the first time assembled and set down for your consideration, by Republicans and Democrats, men and women, young and old, whose occupation makes them scientific experts in this particular branch of the national economy, how—in the face of these truths—can you, or any of your colleagues, temporize further with an act and a policy so foreign, so alien, so hostile, so destructive of the American way as is the Rent Control Act?

Now, Senator, sir, you and all Senators were never so challenged to show your colors.

This challenge is not a challenge by your detractors; nor by your constituents; nor by your supporters. It is a challenge by the truth, and it is made to your common sense and to the spirit that moves you and to your hope to perpetuate for your own children and to the children of your friends and neighbors in this great expanding community that heritage which has been and still is the hope and the blessing of free and enlightened men and women.

Respectfully yours,

EUGENE REAL ESTATE BOARD,
By COMMITTEE ON HOUSING,
ROBERT W. PRESCOTT, *Chairman.*

FEBRUARY 18, 1948.

ROBERT W. PRESCOTT,
Realtor, Eugene, Oreg.:

Deeply appreciative your February 14 letter. It is such material as you have sent me which is most helpful to anyone sincerely trying to think through rent-control problem as I am. I'm not only going to call attention of Cain committee to your analysis of rent-control problem, but also going to insert it in CONGRESSIONAL RECORD so all Members of Senate will have chance to read it. My present thinking on subject is that some form of rent control is needed for a while longer. Certainly legality of such control was well buttressed by unanimous decision of United States Supreme Court the other day. However, I believe most people are thinking entirely in terms of tenants' economic interests without any, or at least with little, thought being given to economic rights of property owners to fair return. Regards.

WAYNE MORSE,
United States Senator.

Congress and the Republican Party

EXTENSION OF REMARKS
OF
HON. EDWARD J. THYE
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Monday, February 23 (legislative day of Monday, February 2), 1948

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject Congress and the Republican Party, delivered by the Senator from Connecticut [Mr. BALDWIN] before the Hennepin County Republican Committee at Minneapolis, Minn., February 11 last.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A few days ago as I was looking forward to coming back among old friends in Minnesota I began to think of some of the men in whom we have recently placed your high public trust. Governor Youngdahl, Senator THYE, Governor Stassen, Senator BALL—all men big in body, big in mind, big in a strength and courage of conviction. Other States have great national figures, but perhaps none has in high office, or aspiring to high office, four young men who better represent in their high attainments, the traditions and the hopes and the beliefs and the fine open-heartedness we picture when we think of Americans.

Tonight, we again honor Abraham Lincoln, a great man, a great Republican—a great American. We can apply to Abraham Lincoln the very words he himself applied to Washington when he said, "* * * Washington is the mightiest name of earth—long since mightiest in the cause of civil liberty, still mightiest in moral reformation. On that name no eulogy is expected. It cannot be. To add brightness to the sun or glory to the name of Washington is alike impossible. Let none attempt it. In solemn awe pronounce the name, and in its naked deathless splendor leave it shining on." He has been known down through the years as a man of the people. In a deeper sense, we revere his memory because he was the people.

There is not one among us tonight who does not know the life of Lincoln. May this country always hold its heritage in such high regard that there will never be one among our children who will not be inspired by the life of Abraham Lincoln.

We, as Republicans, might, rather than review the sometimes sad, sometimes amusing, sometimes dramatic tales of Lincoln, consider instead whether our pattern of living and our pattern of party principles is such that it still reflects the thoughts and the hopes and the dreams that have made the name of Lincoln a synonym for freedom.

Abraham Lincoln was not restricted by party dogmas. He was not bound by party traditions. Lincoln shaped the principles and established the traditions of his party. It is well for us to remember, as Republicans, that we, too, must build and progress and advance.

In any Lincoln Day observance it is customary to quote at length from the wise words of Lincoln. To some degree that has brought an overemphasis on the words of Lincoln. He was more than a man of words. He was a man of far-seeing vision and a man of vigorous action. He was not a man who chose to watch the Union fail so long as he had the strength to save it.

The Republican Party today stands at the doorway of a bright and hopeful future. We can make that future great, for we can apply the vigor of Lincoln's principles to our own problems.

The future is too challenging in this age to waste time or tears on the past. There may be some among us who, embittered by party failures of years gone by, say "No" to all proposals not their own—and then lack their own. Those who fall into such a position of negativist thinking are allowing their thoughts to be controlled by the political opposition.

The function of the political party in this Republic is to compete for the favor of a majority by advancing plans of hope and then providing proof of the soundness of the

plans. Your great Minnesota football teams never won a game in which they didn't carry the ball.

There is no point in denying certain facts of our political life. For one reason or another, and probably to some large degree because of the accident of the times, we were defeated as a majority party 16 years ago. During those 16 years a new generation has grown up. New ideas, new circumstances have developed. During that time a heavy majority of the people voted for the other party largely because they thought it offered a better life and a better hope. We had become tired. Our thinking was out of tune with the majority. By 1946 the other party was weary and confused and old. That was our opportunity to provide a new party with constructive ideas and new faces and a bright future. That was the time to divorce ourselves from the past and provide a political home for the youth and the independent voters of the Nation.

We must be a party of youth. To deserve the support of youth we must be a party led by the ideas of youth—a new party challenging the future, not dreaming of the past. To believe that one day an adoring multitude will fall on its knees to give thanks for our platform of 1932 is to delude ourselves into oblivion.

We cannot allow ourselves to be held down by counsel that brings defeat. The youthful, the vigorous, the positive, progressive thinking Republicans have won the right to replace stubborn methods doomed to defeat; for we have an understanding program—a program of the people—which has in it the seed of victory.

The responsibility of a majority position further obligates us to think less of who is to blame for what, and more, of where we are going from here. When threatening problems hover over us, no timid hiding, no loud denials of their existence will make them any less real. Nor will shirking or false prophesies deserve any full confidence in our ability to conquer those threats.

We are facing, today, two great problems. It is the extent of our efforts to solve those problems that will bring to our new Republican Party success next year, or return an old party to the dreary depths of minority from which it has so recently come. The issues before us, today, sound simple because they concern simple, commonplace ideas—high prices and reconstruction. But they are not simple. In one is involved all the complexities of our national economic structure. In the other is involved the future of peace in this world. Each is dependent on the other. Their solutions are thus interdependent.

To both problems, we can well apply those words of Lincoln: "The dogmas of the past are inadequate to the stormy present. The occasion is piled high with difficulty and we must rise to the occasion. As our case is new, we must think anew and act anew."

No one in Lincoln's day would have dared to guess that within a century the United States of America would rise to a position in the world so commanding that our efforts alone might make or break the peace. No man would have guessed then, or perhaps would have guessed at any time in history, that democracy among free men banded together in a peaceful republic would be so successful as to reach a pinnacle of world success never attained by the force of all the aggressive military rulers in history. We find ourselves, today, in that position almost without knowing how we got there, without consciously caring to be there. Nevertheless, whether by design or accident, when a high position is achieved, it brings with it, as part of its price, a responsibility. The responsibility is not a Democratic one or a Republican one, it is an American responsibility.

National unity, in a bipartisan effort for a common good, does not call for the sacrifice of party affiliation or the loss of party integrity. It rather unites us to improve our chance of achieving the goal of security which is the self-evident hope of all Americans. We must, and we shall, bring ourselves to the positive position of setting before our people our own plans, our own programs, to which others may say "No" if they wish. Surely there are yet today some hopes, some ideals, and some beliefs that are above a party discipline. That does not mean that we can accept without question, or that we should regiment our thinking. It means, rather, that we should urge ourselves to propose and create and to select wisely between the good and the bad. In such matters which are too vast for mischief, let us not be blinded or diverted by the positions of others. Let us, rather, seek honestly and openly and thoughtfully to choose the way we shall go.

We must not exhibit a passive acceptance of the principles advanced by others, nor offer only dark warnings of failure. We must take a leadership in providing workable machinery for peace.

In the conduct of our relations with other nations, we have before us three broad paths, the safety of none of which we know now. We have the path labeled "isolation" which leads us toward a vast, costly, well-manned fort within which we might hope to guard our wealth from the inevitable onslaughts led by greed, poverty, and envy.

We have another choice labeled "appeasement," which leads us by a "round about" route toward the same fort of defense.

We have still another path labeled "international cooperation."

Even before technological advances made up a next-door neighbor in a small community of nations, isolationism had failed. Isolationism proved unworkable while this young nation was still in its teens. It is possible that we could develop within our own borders defenses so strong and walls so high that we might smugly think our land safe from the inevitable war of aggression, but in resigning ourselves to that conclusion, we are admitting that war will surely come, and are exchanging a few years of uneasy prosperity and frenzied preparation for a war which would be fought with horrible destruction in our own streets.

The appeasement path is well worn. The early British kings walked that path. Our own forefathers walked that path. Each time it brought them inevitably into conflict on a less desirable field of battle than that upon which they stood before they set out. Surely we cannot again believe that the appetite of a greedy aggressor is satisfied before he is stopped by force.

The third path is a new one overgrown by a jungle of difficulties. Whether that path leads toward peace and security, we cannot fully see. We do know that the other ways are costly and will surely bring war one day to our own homes. So however difficult—however long—that path may seem, so long as there is some hope, some chance that it avoids the horrible pitfalls of war, it is the path we should and we must follow.

We will not achieve peace, nor will we accomplish world cooperation, over night. The history of conflict, national jealousies, and human greed is too long; but we must, for the sake of humanity, try again to reach peace, this time by a new path.

We hear some criticism of the Republican position on foreign affairs (or at least the position of the Republican leadership on foreign affairs, as exemplified by ARTHUR VANDENBERG in the Senate, and Harold Stassen in the public forum) to the effect that it is a "me too" position. It is far from that.

When the history of this era is written and the documents of this age, and the lives of the men who shaped and wrote them, have been studied, and critically analyzed, it will be demonstrated beyond any doubt, that Republicans have made the greatest contribution to the evolvement of a sound foreign policy. The Democratic leadership have had nothing more to offer than the pattern of the years of depression and the application of that pattern to the reconstruction of a war-torn economy in Europe. That pattern was a continuation of doles—a pouring out of money. That pattern was pursued for more than 2 years after VE-day. That pattern is very much the pattern which has been applied to Greece. Something more was needed than money. Something more is being evolved today in a committee on foreign policy in both the Senate and the House under Republican leadership and with a Republican majority. I don't want to detract one bit from the great efforts made by General Marshall, nor from the contributions made by Democrats. But I do assert, again, that when this is all added up, examined, and studied in the laboratories of the historians of the future, it will be found that the Republicans rescued the Administration's foreign policy from failure and inaptitude, and have built in its place a constructive, forward-looking, hopeful program. If we have had a bipartisan foreign policy in any sense of the word, it has been because Republicans insisted upon it.

When has a party out of power made such contributions to the evolvement of any policy, foreign or domestic, as has been made by Harold Stassen and Arthur Vandenberg, and John Foster Dulles, Warren Austin, Alex Smith and Cabot Lodge, and Charles Eaton and Christian Herter, Tom Dewey, and others? Can you name men in the party now in power who are equal in influence and ability and number to those that I have just mentioned and who have made an equal contribution? Would the destiny of this Nation in the field of foreign affairs be safe in the hands of this kind of leadership? There can be no question about it.

There is another phase of this thing which I would ask you to look at very carefully. The Administration in Washington would have the country believe that the Marshall plan is the solution to peace. The Marshall plan is a step—and a very important, yes, an indispensable step—in the direction of peace, but it is not a plan for the establishment of peace. No, we have got a long way further to go than that.

Great Republican leaders in our party helped build the United Nations. As a Republican Party, we must now work to make that United Nations effective, and one of the vital steps in the direction of peace is the strengthening of the United Nations Charter. There has been too much tendency on the part of the administration, in its development of a foreign policy, to bypass the United Nations. The Democrats themselves were divided in the Senate last spring when the President deliberately bypassed the United Nations with the so-called Truman doctrine with reference to Greece. That policy has not turned out too well, so you don't hear so much about the Truman doctrine now. It was the Republicans who supported the Vandenberg amendment to the bill, providing aid for Greece and Turkey, that saved the administration a defeat by recognizing the interest and authority of the United Nations. That gesture made by the United States Congress, which was an offer to withdraw our aid at the request of a simple majority in the assembly of the United Nations—that gesture was the finest gesture of confidence in the United Nations that has yet been made.

Therefore, consistent with our policy, it must be part of our program to strengthen the United Nations as the instrument to effectuate world peace. In order that we might outlaw wars of aggression in this world, the United Nations must become a federation instead of a confederation, an organization in which so far as aggression is concerned, the veto power has no effect. If

Russia and her satellite nations do not wish to become part of an organization that has this as its policy, then let them stay out. We can extend an invitation and we can keep that invitation always open. But we cannot afford to be stalemated in our program for peace by the obstinacy or obstructionist tactics or the selfish purpose of one nation alone. Then, too, as a Republican Party, we can continue to press for those measures which prevent armament for aggression, and for the establishment of an international force of some kind in which all of the nations in the federation to prevent war are joined.

These are steps that go along with—yes, go beyond the Marshall plan—in building our program for world security. The great Republican Party leaders in the past were early in this field in which we now, as Republicans, must earnestly and intelligently labor. By doing so, we will be doing no more than keeping faith with our Republican traditions and Republican policies in foreign affairs that have been handed down to us from the past.

There is one further point of extreme urgency that the Administration has either overlooked or seems loath to consider at all. That extreme urgency is in taking the leadership in backing up, in every way possible, the decisions that have already been made in the United Nations. The United Nations Charter sets up no executive. It makes no provision for the enforcement of its decisions. Obviously, it was the intention of those who drafted it and those who became signatory to it, in all good faith, that the member nations would take care of the execution of its decisions. We must be prepared—as a Nation—to accept fully our share of that responsibility.

The League of Nations was criticized, and properly so, as being a mere debating society. We cannot let the United Nations repeat that mistake and thus become another factor for turning idle resolutions. The times call for something more than for puny policies and puny politicians. They call for positive action and high statesmanship.

Perhaps the European recovery plan was put forward by someone else, but when one considers the changes in our policy and the tremendous contributions made by Governor Stassen, Senator VANDENBERG, and other Republicans, there is little doubt that a blood test of the plan would soon prove its parentage.

So far as the cost is concerned, it is indeed expensive. But the cost of defenses that would have to be built as a result of our abandonment of Europe or the cost of even a few days of a modern destructive war, would make the billions spent on this program seem insignificant indeed, by comparison. The nations of Europe may be quarrelsome and may not properly appreciate our efforts, but it should be our purpose to take away a part of the reason for quarrel, and it should be our purpose to demonstrate to them that there is a way to peace and prosperity through the establishment of free institutions in free governments.

This is no wasteful, extravagant, purposeless effort. It should, and must, be a carefully calculated and efficiently carried out plan of self-protection. The very fact that we have succeeded in getting 16 European nations to agree among themselves to lower the barriers existing for so long between them and agree among themselves to share the resources and the wealth of their own nations, is in itself a long step toward international understanding.

I would say, again, that the cost and the effort that must be put into this plan is not attractive to any American. There is no guaranty of success. But in the absence of any alternative offered by those who criticize it most, I see no other way.

At home, too, we are faced with difficult circumstances. Our people are harassed and worried by a threatening inflation. Prices of consumer necessities have reached a point where it is most difficult for millions of our people to adequately feed and clothe their families. There are those who would choose to deal with this threatening problem by ignoring it.

We are, today, in the midst of a dangerous economic spiral. The cost of food is in itself taking from our family budgets such a large share that our people's capacity to buy other commodities is falling off rapidly. If demand for other commodities is reduced, production must soon be reduced. Unemployment and less demand, and more unemployment, will rapidly spin us to the bottom of a depression.

Again, we cannot exhibit a negative thinking that does not contribute to a solution. We cannot piously hope that the "sun will melt" this inflation. We offered, in the Congress, even before the President did, certain constructive and far-reaching proposals—which would, I believe, with a little sacrifice on the part of all, stop the dangerous trend. It is only a fair warning that if we do not take more active, more concrete, and more effective steps in the direction of solving an inflationary trend, those of us who dislike rationing, price controls, wage controls most, may force these harsh controls on ourselves. The Congress cannot wave any magic legislative wand that will suddenly bring about 1933 prices. Lower prices will come only if the public, the administration, and the Congress see the danger clearly enough to join in bringing prices down. There are many other fields in which there is much to be accomplished.

After 15 years, and after the applied efforts of 34 Government agencies, we still have, in this country, a most severe housing shortage. It should be a challenge to the Republican Party to develop a sound and coordinated program designed to end the shortage which all the agencies and all the dollars of the New Deal could not alleviate.

We still have inadequate education and health programs in many parts of this country. It should be a challenge to the Republican Party to propose and carry out programs that would bring improved health and improved education to the children of America.

We still have, in this country, vast resources which through the development of reclamation and antierosion projects, could add tremendously to our productive capacity. It should be a challenge to the Republican Party to develop a program to harness and save more of the potential wealth of our land.

We have, in America, a vast industrial machine, the wheels of which are frequently stopped by friction between labor and management. While we approach other problems in production with modern, intricate, scientific tools, we still approach this problem of the human factor with a stone hammer. It should be a challenge to the Republican Party not to return to the days of 1930, or the days of 1900, but to develop a modern, progressive, sound, labor-management program that would deal with conditions as they are today, granting true rights and freedoms and prosperity to laboring men working under a profitable system of free enterprise.

We have, today, in America, threats to our civil liberties, and threats to the rights of minorities.

When all about us, men are using the guaranties of liberty which we cherish in attempts to bring upon us a system that has in it no regard for liberty, we must act carefully and wisely so that we do not destroy our own liberties by denying the expression of views to others only because they are not our own. Despotism by whatever name it is called, is the same the world over. Whether the loss of individual rights and political freedom come from the tyranny of kings, dictators, a ruling class, or a political machine, the selfish purpose is the same and the result is identical. It should be a challenge to Republicans to make sure that we have no despotism here.

For more than a decade we have borrowed on the future to pay for the reckless spending of the present. It should be a challenge to the Republican Party to prove we can serve the interests of our people and yet put their business back on its feet.

We have seen taxes mount higher each year. It should be a challenge to Republicans to be able to announce, "This year, for the first time you can now recall your tax bill is less than last year. You are now only paying for the service you bought."

It should be a challenge to the Republican Party to meet and defeat the stifling spread of the "weed" bureaucracy.

Perhaps we can't meet the ever-extending fine promises of the tired, confused administration; but a progressive, active, Republican administration can build houses instead of housing agencies; offer more service instead of more servants; and create sound, consistent Government instead of promising "all this and heaven too" to all people.

To one who supports the present administration, it must indeed be confusing to know whether he should believe in price relief through price control or believe that is the method of a police state; whether he should follow the southern or the northern line on antipoll tax and antilynching legislation; whether he should be opposed to tax reduction every year or only in nonelection years; whether he should castigate all speculators on grain markets or be one of them; whether he should hunt for Communists under the bed or hide them there; and which of the last two Vice Presidents he should believe on the subject of Russia. Perhaps we can't, as Republicans, bring that many divergent viewpoints together in a common cause of keeping command of the public trough, but neither do we suppose that even some of the American people will be fooled all of the time.

There are, in America, today, millions of young people who have grown up in depression and matured in war. They are not the radicals of a third party, nor are they the ultra conservatives clinging to the dogmas of the past. They are the young men and the young women who truly believe that Lincoln was, as he said, "a living witness that any one of your children may look to come to the White House, as my father's child has. It is in order that each one of you may have, through this free Government which we have enjoyed, an open field and a fair chance that the struggle should be maintained that we may not lose our birthright."

It is to these millions of Americans who love liberty and freedom and an equal chance for all men that the Republican Party offers an exciting and profitable future in taking upon itself the ideas of today—new progressive plans and programs—new faces and new goals visualized by the progressive leaders we have in our ranks.

The Republican Party cannot represent, or be thought to represent, any special interests save the interests of the whole people. We cannot have poverty here and defeat poverty abroad. We cannot see freedom lost in the world and keep our freedom here. If we are to hand to our children the heritage that Lincoln helped build for us, we must in some things be above petty disagreements of party politics, and, in others, provide, through our party, the strong, bold, and progressive leadership that can deal successfully with the new problems and the new conditions that a changing world has brought us. Above all else we must be the builders of peace, the builders of prosperity, the builders of one free world.

You have here in the rich rolling lands of Minnesota the spirit of progress, the broad

vision, and the youthful, challenging ideas that will help to bring the Republican Party to a new and deserved victory in 1948. Abraham Lincoln came from obscurity to prove our belief in the rights and the dignity of man. He brought with him a hope for unifying the energies and the ideas that had split this still new Nation. The Republican Party will bring a hope for bridging the rifts that now separate the peoples of the world and threaten the peace. The Republican Party will advance the hopes of all peoples that "government of the people, by the people, and for the people shall not perish from the earth."

The Man Who Got Rich

EXTENSION OF REMARKS
OF
HON. HAROLD KNUTSON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23 1948

Mr. KNUTSON. Mr. Speaker, older Members of the House recall former Representative Samuel B. Pettengill, of Indiana, with keen pleasure. Mr. Pettengill's service in this body was characterized by unusual industry and integrity. While a Democrat in politics, he at all times placed his country first so whenever he had anything to say he was always listened to with attention.

Mr. Pettengill voluntarily retired from Congress and now devotes himself entirely to spreading the doctrine of Americanism. Under the title "The Gentleman From Indiana" he issues press releases from time to time that are real nuggets of gold. Particularly good was his release of November 18 last, and now that the Marshall plan is before Congress what he then said is most timely. Under the title "The Man Who Got Rich" Mr. Pettengill's release follows:

THE MAN WHO GOT RICH

This is the story of a man who got rich giving his money away. Of course, you will want to know how he did it.

He was a kind-hearted, soft-headed, old chap who ran a little grocery store down by the Harry Hopkins High School in Nuttown. Sometimes he did pretty good, and then, again, not so good. So he got to thinking and thinking. Morning and night the boys and gals tramped by his store on their way to school. But they didn't buy anything much. So he asked them, how come? and they said "We suffer from a dollar shortage."

Well, right then the big idea was born. Uncle Sam (for that was what we called him) went to the People's Bank of Nuttown and borrowed a hundred bucks, in $1 bills, all crisp and crinkly-like. He gave a dollar to each of the first hundred school kids who went by. But he made them solemly promise that they'd spend the dollars in his store. They all promised.

Well, sales boomed all day. Uncle Sam never had so much business and was pleased as all get-out. Come night, he showed his wife his cash box jammed full of those dollar bills and bragged about his brains no end. He sure was tickeld with himself. He said he planned to do it that way every day. And so he did. Of course he ran up some big bills with his wholesalers because the school kids kept getting his money, and not them. Howsomever, he settled up with them by signing a flock of I O U's.

Well, Uncle Sam passed his grocery store plan on to President Truman, and Harry was pleased as punch with it. Harry had run a store once himself and hadn't done so well. But back there, he hadn't known how to do it—how to get rich by giving his dollars away.

So Harry called in his advisers, Marshall and Krug and Harriman, and told them how Uncle Sam had filled his store with customers. They all said, "Wonderful!" and bounced right back with a plan. It got to be known as the Marshall plan, but betwixt you and me, it was the grocery-store plan, but on a world scale. It was going to make all poor people rich by never letting them suffer from a "dollar shortage," and it was going to make us rich, perpetual-like, by having no end of customers with dollars to buy at our store.

Congress asked a lot of fool questions, so they had to start the Marshall "grocery store" plan on a small scale—with only $19,000,000,000. But we made our foreign friends promise to buy at our store. They promised.

So the ships left New York loaded with 19,000,000,000 dollar bills. And when they got to Southampton and Cherbourg, they turned plumb around and brought the dollars right back, same as the school kids, with orders for iron ore and coal and petroleum and boxcars and lumber and meat and butter and everything. And boy, how the plan did work.

We felt so good that we expanded the plan 10 times over for the Chinese and East Indians and Hottentots—one billion folks, in all—who were so much worse off than the Europeans that they could help us get rich by just no end, buying at our store.

And that is how we went on the biggest binge in history. It was just like Thanksgiving the year round. Everybody got so much turkey and I O U's that they almost choked.

Address by Robert P. Boylan

EXTENSION OF REMARKS
OF
HON. JAMES C. AUCHINCLOSS
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. AUCHINCLOSS. Mr. Speaker, in accordance with the permission granted me, I am very pleased to include in my remarks a speech made recently by Mr. Robert P. Boylan, chairman of the New York Stock Exchange, before a joint meeting of the Atlanta Chamber of Commerce and the Association of Stock Exchange Firms on February 13, 1948.

Mr. Boylan in his remarks points out the necessity for a free and open market in commodities, as well as securities, and I commend his remarks to my colleagues for their consideration. He speaks with authority and, as I myself have been active in security markets for a great many years during my life, I know he speaks accurately and very much to the point. I am glad to see the progressive and sound management under which the New York Stock Exchange is operating as represented by men like Mr. Boylan.

The address follows:

It is a very happy experience for me to be here in your great Capital City which is surrounded with so many fine American traditions. I am pleased for many reasons. One of them is that, in this community, you have such a high devotion to our free institutions. I would not go so far as to say that this makes you greatly different from other important communities in our country, except in the sense that you have typified, for a long time, our respect for the kind of enterprises about which I am going to talk.

You will, I believe, have a special interest in the subject which I shall discuss with you. I am referring to one of the great free institutions in which you, because of your tremendous capital investments, have a vital interest— our free markets. Your continued progress, as well as that of other industrial centers, requires a full recognition of the fact that our institutions have to be maintained constructively if the process of creating wealth and culture is to go on.

It is not generally appreciated that our capital markets are threatened by an insidious encroachment upon them. Now, I believe that our people would become angrily excited if they thought that our other free institutions were in danger. But freedom of expression, freedom of worship, equality of justice, and all of the other great privileges granted under our Constitution and Bill of Rights are no less important than the liberty to bargain and to do business honorably within the limits, of course, that necessarily guard good conduct. Without recognizing the fact, we have permitted, in this country, an unnatural development which endangers our free markets. This danger is serious and it must be removed. It can be removed only by an aroused public opinion.

It is necessary that the campaign which certain elements have set in motion to discredit our free markets be stopped. Unfortunately, the essential necessity of these markets is not sufficiently understood. Uninformed people in our national community have constantly attempted and are still attempting to make scape-goats of these markets. I am not, for a moment, defending the occasional evils which occur under our free market system. Human beings, fallible as they always are, sometimes misuse the facilities of our markets, whether they be commodity markets or security markets.

Where the public has access to our free markets, as the public should have, there are episodes at times which do serious damage. In spite of our utmost effort to see that these activities do not occur, they do occur. Our responsibility is to continue our efforts to prevent abuses. We must be continuingly vigilant in this direction.

We must not allow the conduct of a few irresponsible individuals to destroy what is vital and valuable to our society in the system of free markets.

We either believe in free markets, or we do not believe in them. The attention of the American people needs to be focused upon the necessity of these markets as fundamental American institutions. It is our personal responsibility to see to it that thoughtless and hostile individuals do not reduce the efficiency of these markets. There is, I assure you, no thought in what I am saying of reflecting upon the excellent agency which regulates our particular market. My purpose, rather, is to awaken our people to the fact that free markets go to the very heart of our American system and that, without them, this system will decay.

I shall discuss, for a moment, the operations of these markets. I have been a member of the Chicago Board of Trade and of the New York Stock Exchange for many years. I had the honor of serving as president of the board of trade and I now have the honor of being chairman of the board of governors of the New York Stock Exchange. I say this not immodestly but for the purpose of illustrating the fact that I think I can speak with a considerable breadth of experience. I do not appear as an apologist for these markets. No apology is necessary. Markets are conducted for the service and benefit of our people and they have no other justification for their existence. They may seem

complex, but, as a matter of fact, their operation is very simple.

There is an impression, which is entirely understandable, that markets are made among buyers and sellers on a spontaneous basis. This would be, I dare say, the ideal concept of free markets. It so happens, however, that the orders of buyers and sellers do not come together as evenly as we would like to have them do. The professional, or as I prefer to call him, the risk bearer, steps in when there is an insufficient concentration of orders.

It is fortunate that the necessary services of the risk bearer are not fully recognized. When I speak of risk bearers I include particularly traders and dealer specialists, whose great contribution is in the making of close markets. These professionals supply not only their own capital but intelligence in taking care of the missing links in markets. They do it with great proficiency and at great financial risks, and their rewards, if any, are not large. They have no advantages over the public in their activities.

If you will bear with me, I should like to discuss another highly important factor in our economic life. There has been, particularly over the last 15 years, a deliberate effort to discredit the whole process of speculation. The people who attempt to undermine the business of speculation are either uninformed or they are purposeful enemies of our American way of life. As you all know, it was speculation which made this Nation what it is today. It will be speculation which will make it what it is to be in the future. I stress this fact because it is vital. We shall, of course, need to keep in effect measures to prevent abuses. In preventing abuses we must not go so far in the way of restrictions as to impair the essential usefulness of our markets. I frankly believe that we have already gone too far in some respects.

We cannot live as a free Nation without speculation. That point is overlooked by a great many of our political figures.

Speculation enters into all of our activities in this country. You cannot look out from your offices without seeing speculation going on all around you. It is the essence of our American way of life. Every element of your business operations here in Atlanta depends upon speculation.

One of our greatest and most useful speculators is the American farmer, although we seldom think of him as such. He sows his crop in the fall with the expectation that it will not winter-kill; that the following spring and summer will bring the proper balance of sunshine and rain to produce a crop that can be sold at a profit.

In defending speculation and the speculator, I want to make it clear that I am justifying risk bearing and risk takers, and not the manipulator and manipulation. There is no defense for manipulators. As you know, manipulation is outlawed by acts of Congress and is prohibited by rules of the exchange. Not only are the Securities and Exchange Commission and the exchange vigilant with respect to these laws, but we have the active cooperation of the various State securities commissioners whose duty it is to administer the blue-sky laws.

We cannot lose sight of the fact that it was the expansion, through the use of venture capital, that gave us those enterprises without which we could not have won the war. General Motors, the A. O. Smith Corp., Douglas Aircraft, the Glenn Martin Co., and many other companies developed with the money of risk bearers. It is commonplace information that these companies, including General Electric, Westinghouse Electric, United States Steel, Bethlehem Steel, and others, became large and productive because of the use of the funds of people who were willing to take risks. We cannot permit a trend to set in that will retard the growth and development of valuable and job-providing enterprises in this country. Instead of apologizing for speculation, we should be out proudly encouraging it as a necessary force in the further development of this country. Let us do that with our great resources and powers of expression.

I defend speculation as our fundamental means of improving our standard of living and of creating wealth. Without speculation, we shall inevitably stagnate. We need in this country, above everything else, a dynamic economy. Under no other system can we make progress. A dynamic economy can operate only in a friendly atmosphere. Unfortunately, we do not have today such an atmosphere. I refer to the political climate which will make it possible for business to perform profitably, in terms of the creation of wealth and of the advancement of our cultural life. The impulses that bring about the favorable atmosphere of which I speak must originate with the people. The impact of their opinions will bring corrections.

The basic need today is the removal of incompetent hands from all streams of decent business. This is one of the paramount problems facing us.

We have been tremendously handicapped by unwise tax policies. It is gratifying to observe that measures are being taken to correct this tax situation. I am encouraged to believe that the constructive forces in our National Legislature will carry out a strong program of tax revision. This should not be long delayed.

I hold the sincerest conviction that a reconstruction of our tax structure is urgently necessary if the country is to have further prosperity. I cannot overlook the fact that you have in this State of Georgia a man with great statesmanlike qualities, who not only understands the problems of our free institutions, but who has the courage to express his convictions. I have reference, of course, to your esteemed Senator, WALTER F. GEORGE.

All of us see everywhere evidence of the fact that busy and productive industry is the product of venture capital. We see it particularly here in Atlanta where you have developed so many great enterprises, such as the Coca-Cola Co. I do not know of a better example of the effective use of venture capital than in this particular company. Originated by Mr. Candler, it grew out of speculation. You have many other companies here which developed out of the same incentives. I cannot urge upon you too strongly the necessity for action, tax-wise, which will invigorate our enterprises and make our economy operate successfully and prosperously.

Federal Aid to States

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from Michigan Survey for February 23, 1948:

FEDERAL AID TO STATES—HOW MUCH DOES IT COST, AND HOW MUCH OF IT DO WE WANT?

Would you like to hire a good man to boss a few jobs around your home?

You know—things like cleaning and decorating, taking care of the yard and garden, watching the children's diet, and seeing that they take their baths?

It happens that the man who wants the job lives several hundred miles away—but what of it?

He knows what needs doing, and just how it ought to be done. He has plenty of experts to help him. And he'll send an inspector around once in a while to see that things are going according to plan.

Just mail him a check every 3 months. He'll pay the bills—minus a commission, of course. Experts and clerical help cost money.

But think of the fun you and your wife will have—not worrying about junior's vitamins, or dirt around the baseboards, or whether the bugs eat up your prize roses.

Federal aid to States works out something like that. At least a major part of it does.

Uncle Sam gets an idea for a project he thinks will be good for the 48 States. Congress votes an appropriation for it. Uncle Sam collects the money in taxes, then allots it to the States to be spent.

The Government makes the rules, and enforces them. It turns the actual bossing over to a commission, or a bureau or a department—and, naturally, the cost of these is paid out of tax money.

UNCLE SAM IS MIDDLEMAN

This whole subject of State aid is worrying a lot of people in a lot of States right now. They are asking pointed questions:

How much is "Federal aid" costing us? Can we afford it? Are all the projects sound, and nationally important? Can the Federal Government handle them better than the States? Are we getting back our fair share of the tax money we pay in to support them?

Let's look at a few facts and figures.

Federal grants-in-aid to the States are not new. They started in 1862, but their total for the first 60 years was only pin money, judged by later standards.

Federal "giving" is really a depression baby and a war baby. It didn't get to be big business until the 1930's. How much fat the baby has put on in the intervening years is shown in a recent study by the National Association of Manufacturers.

According to this study, Federal grant-in-aid expenditures from 1934 through 1946 totaled over $35,000,000,000. Depression emergency programs accounted for about 73 percent of that total—$25,700,000,000. And incidentally, that latter sum is larger than the entire national debt at the end of World War I.

The balance of the $35,000,000,000 grand total includes $2,800,000,000 for State-aid programs started before 1933, $4,200,000,000 for new continuing programs, and $2,300,000,000 for war-emergency programs.

FIGURE IT OUT

While all this was going on, what was happening to Federal taxes and national debt? And how were the States and cities of the country running their own affairs, in terms of debt and taxes?

A comparison between the period 1924–30 (boom years) and the period 1934–40 (prewar years) is interesting. The figures are from the NAM survey.

From fiscal 1924 to fiscal 1930, the Federal debt was reduced by $6,100,000,000. From 1934 to 1940, it increased $25,900,000,000, in spite of the fact that Federal taxes were nearly $17,000,000,000 higher in the second period than in the first.

By comparison, public debts of the 48 States increased $1,000,000,000 between 1924 and 1930, and increased only $460,000,000 from 1934 to 1940.

In the same first period, local (city) debts throughout the country increased $6,400,000,000, and from 1934 to 1940 decreased $1,000,000,000.

In short, while Federal Government was spending, States and cities were saving (on

paper) but their people were paying heavily, in taxes, for the benefits they received.

Department of Commerce figures give another interesting angle on this Federal-local picture:

They show that Federal taxes, in 1929, were just under 4 percent of the net national product; and in 1947 were nearly 20 percent. In 1929, State and local taxes were 6.8 percent of the national product; in 1947, they dropped to 5.4 percent.

Again, we spend nationally while we save locally.

Federal aid to States hit its peak in 1939, with expenditures totaling slightly over $4,000,000,000 (not including social security payments).

In that same year, be it noted, the Federal Government came out with a deficit of over $3,300,000,000. And in that same year, too, Federal aid to States amounted to more than 24 percent of the cost of all government—national, State, and local.

PATERNALISM VERSUS LOCAL GOVERNMENT

What has been spent is over the dam—except that the bills still have to be paid. What is being spent and what will be spent is of prime interest to the Michigan Survey and the taxpayers for whom it speaks.

Federal expenditures for aid to States have tapered off from their $4,400,000,000 high in 1939 to $1,300,000,000 in 1946—but in that total was $845,000,000 in nonemergency continuing programs.

Budget requests for fiscal 1949 include hundreds of millions for medical insurance, education, housing, urban redevelopment, and other similar programs.

The issue is not Federal spending for projects of national scope and importance, which the States are unable to accomplish without Federal aid.

The issue is between subsidies, paternalism, and absentee supervision on the one hand and State handling of State problems on the other.

States, for example, have neither asked nor received Federal financial support for their public school systems. New York State has a full-fledged public housing program of its own. New Jersey has a State subsidy plan for veterans' housing.

FEDERAL AID COSTS MONEY

History shows, moreover, that a dollar paid in Federal taxes for State aid does not come back as a dollar's worth of benefits. The $35,000,000,000 spent on the States from 1934 to 1946 does not include the cost of maintaining the various bureaus and agencies that ran the programs.

Further, the study indicates that 16 States got nearly $6,000,000,000 less in Federal grants from 1934 to 1945 than they paid in taxes earmarked for State aid.

Michigan was one of the 16. Its "loss," according to the study, was about $343,000,000. Michigan could use any part of that right now.

How do the States themselves feel about this question of Federal aid and its future expansion? Many of their representatives are speaking strongly on the subject.

After a recent conference, 30 Members of Congress and governors issued this statement: "Our States must cease relying on the Federal Government to do things for them and their citizens which they can do as well as or better than the Federal Government."

In a speech before the House 4 years ago, Congressman Lanham, of Texas, had this to say:

"The Federal Government has nothing to give to the people except what it takes from the people. * * * In the matter of these so-called grants other than those under constitutional authority, from each dollar that the Federal Government takes from the States, it retains and divides a part of that sum for the establishment or enlargement of some administrative agency, and then returns the remaining part to the States themselves, provided they will spend it in such a way as Federal agents in Washington direct."

INDIANA SPEAKS OUT

In a resolution adopted 3 years ago, the general assembly of Indiana spoke, in part, as follows:

"We know that there is no wealth to tax that is not already within the boundaries of the 48 States.

"So we propose henceforward to tax ourselves and take care of ourselves. We are fed up with subsidies, doles, and paternalism. We are no one's stepchild. We serve notice that we will resist Washington, D. C.'s adopting us."

Resolutions of similar tone have been since adopted by the legislatures of Michigan and New Jersey. Key paragraph of the Michigan resolution is this:

"We respectfully petition and urge Michigan Senators and Congressmen in Congress to exert all their efforts in attempting to stop or at least reduce the offering of Federal aid to the several States and Territories."

WHAT CAN BE DONE

The Michigan survey urges the taxpayers of the State, and its governmental representatives, to raise their voices wherever possible in favor of a close, nonpartisan scrutiny of all proposals for Federal aid to States.

Let every grant-in-aid be judged by the answers to three questions:

Is it necessary?

Can we afford it?

Is it a matter of national welfare and interest, or one that the States can and should handle?

Postal Employees Deserve Pay Raise

EXTENSION OF REMARKS

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. FEIGHAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include an article which appeared in the New York World-Telegram January 27. This article appears to be very timely, since hearings are scheduled to commence Wednesday before the House Committee on Post Office and Civil Service on bills to increase salaries of postal employees.

It is my hope that Members of Congress will express to the committee their support of legislation to increase postal employees' pay. I feel confident that Members of Congress, as well as their constituents, are duly appreciative of the efficient service rendered by the postal employees, and recognize the need for increased compensation to meet the demands of the present cost of living.

The article referred to follows:

MAIL PAY LOW, UNITED STATES FIGURES SHOW

(By Fred W. Perkins)

CLEVELAND, January 27.—The typical post-office clerk is just about the typical white-collar worker with a fixed income.

So says Chan Harbour, vice president of the National Federation of Post Office Clerks. He has worked out some authentic household budgetary figures, according to a witness he produced for an interview. The witness was Clarence Carter, who works in the main Cleveland post office.

The main point proved by his figures, Mr. Harbour said with the backing of Mr. Carter, is that when the United States Bureau of Labor Statistics announced its recent finding on what the head of a four-person city family should make for a modest but adequate scale of living it did not consider what is actually paid by another branch of the Government—the Post Office Department.

COVERED MIDDLE WEST

Mr. Harbour said he did his figuring throughout the Middle West, not in the post offices of Cleveland alone. The average pay of all post office employees is $2,816 a year. But Mr. Carter's basic salary is $2,700. He was chosen because his family includes a wife and two children.

In Cleveland, according to the Bureau, such a family needs $3,296 a year.

Mr. Carter's basic pay is subject to annual tax deductions of $84 and a contribution of $135 to the Federal employees retirement fund. This would be classified later as savings, but it helps reduce his monthly take-home to $206.75. The budgetary figures show he should have household expenses of $282.90—but this would produce amonthly deficit of $76.15.

CUTS ALL CORNERS

How then, did Mr. Carter make out?

"By cutting all the corners," he said. "No telephone, no luxuries of any sort, trading Sunday newspapers and magazines with my neighbors, medical expenses only in cases of real necessity, buying nothing we don't have to buy."

This family's monthly budget is about as follows:

Food, $125, including groceries, $108; milk, $7; and eggs, $10

Rent, $46; plus winter fuel, $6; electricity, $5; gas, $4.40; house supplies, $6.

Clothing, $40; transportation, $9; medical expenses, $9; dental care, $5 hospitalization, $4; benevolences, $2; union dues, $1; furnishings, $5; gifts, $3, recreation, $5; newspapers and magazines, $2.50; life insurance, $5.

Mr. Harbour pointed out that this budget had no mention of educational and vacation expenses, State sales taxes, cleaning of clothes, automobile expenses, and barbershop expenditures for four persons.

Cost of Living

EXTENSION OF REMARKS

OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. MILLER of California. Mr. Speaker, food prices are still up. The flurry in the commodity market that some people claim was the beginning of reduction in the prices of things that we eat and wear has not materialized.

The man who works for a living, the school teacher, disabled veterans living on compensation, GI's attending school, and old-age pensioners know the hard way that prices have not come down.

Under date of February 18, 1948, the Oakland (Calif.) Tribune published a story the heading of which was "Food still up in bay region."

I would like permission to read this news article because it hits the nail right on the head:

Despite last week's break in commodity markets, which many had believed would cause price reductions on foodstuffs at the

retail level, bay-area housewives are finding grocery bills as high as ever.

Housewives blamed retailers for the lack of price cuts, and they, in turn, blamed wholesalers and producers.

Wholesalers explained they are middlemen, bound to get the highest prices possible for their clients. If price reductions were not passed on to the ultimate consumer, it was not their fault, they added.

Producers laid the blame on high labor and production costs.

PHONY PRICE WAR

Recent retail price cuts were termed a phony price war by local merchants. One grocer, selling butter for 85 cents a pound, while chain stores charged 94 to 96 cents, declared:

"Sure, I'll take a loss on a few things to get customers into my store. Prices have dropped on items that people buy maybe once a week, but the bulk of food on the shelves is still far out of line."

Most retail grocers looked for no drop in canned goods, bread, vegetables, and fruits.

LENTEN DECLINE

A decline in demand at meat markets was reported by butchers, who consider it due to Lent. One said, "A lot of people are still paying off Christmas bills and can't afford much meat."

Prices of ham, bacon, fresh pork, and lamb chops were reduced 2 to 5 cents a pound in one major chain yesterday. The opposite trend was shown in eggs, which were boosted 2 cents a dozen.

There you have the history of a phony price war. It is a fine commentary on American life that merchants, in order to drag customers into their stores, drop prices on one or two commodities, take a loss on them, and then to have the people who should be doing something about price control use the reduction brought about by a phony price war to delude the American people into believing that commodity prices are really down.

Oregon Territorial Centennial Year

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following proclamation of the Governor of the State of Oregon:

PROCLAMATION

Whereas the year 1948 is the centennial of the creation of Oregon Territory, which marked the first extension of civil government under the flag of the United States to the Pacific coast; and

Whereas the act of Congress of August 14, 1848, creating Oregon Territory was an event of vital importance to the Pacific Northwest, insuring free American Government to a vast region and bringing to a successful conclusion the efforts of American settlers in Oregon; and

Whereas the creation of Oregon Territory secured for the United States an area of 283,730 square miles, embracing all of the present States of Oregon, Washington, and Idaho and western Wyoming and Montana, which with one exception among lands on this continent added to the jurisdiction of the original United States, was obtained without the necessity of conquest or of purchase; and

Whereas under the beneficent Government of the United States and of the States over 3,000,000 people now reside in the area of the original Oregon Territory, enjoying abundant prosperity, personal liberty, security, and opportunity.

Now, therefore, I, John H. Hall, Governor of the State of Oregon, do proclaim that the year 1948 shall be designated Oregon Territorial Centennial Year, and urge that the creation of Oregon Territory a century ago be appropriately celebrated during the year by citizens and organizations to the end that people of this and other States and countries may know more of the history and geography, the development, and the future possibilities of the old Oregon country; and as Governor of the first State to be carved out of the old territory, I invite the other States with lands once forming part of this territory to join in recognizing the centennial anniversary of the creation of Oregon Territory.

In testimony whereof I have hereunto subscribed my name and caused to be affixed the great seal of the State of Oregon. Done at Salem, the capital, this 16th day of February A. D. 1948.

[SEAL] JOHN H. HALL,
Governor.

Attest:

EARL T. NEWBERRY,
Secretary of State.

The Palestine Problem

EXTENSION OF REMARKS

OF

HON. JAMES C. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. DAVIS of Georgia. Mr. Speaker, under leave previously granted I insert herewith a resolution adopted on February 16, 1948, by Post No. 112, Jewish War Veterans of the United States, Atlanta, Ga.:

Whereas the Jewish War Veterans of the United States, an organization which for the past 53 years, has stood as a symbol of the pride with which Americans of the Jewish faith have served their country's every military and peacetime effort to advance human rights and the security of political and individual freedom; and

Whereas we observe with profound dismay the admission of the British Government to a free flow of arms and munitions from that country in support of Arab aggression in Palestine; and

Whereas this action of a nation with which we allied ourselves in war and with whom we share membership in the United Nations is appalling; and

Whereas we deem it all the more reprehensive since the Jewish people of Palestine, in sharp contrast to the Arab nations who have avowed their intention to flout by force of arms a decision of the United Nations, were prompt to give their youth and labor when British forces in the Middle East reeled under the onslaught of the Nazi armies in World War II; and

Whereas the record of the Arab countries and the Grand Mufti in that hour of democracy's peril, was one of aid and comfort to those who had sworn to ravage and subjugate our own country and the British Isles as well; and

Whereas we cannot conceive that our country, the outstanding champion of a peaceful and democratic solution to the Palestinian question, will see fit to view with indifference the ready collaboration of a sister nation of the United States in a military offensive against a small defenseless people; and

Whereas the peace of the world rests with the upholding of decisions of the United Nations: Now, therefore, be it

Resolved, That the Jewish War Veterans of the United States, Atlanta, Ga., Post 112, do hereby in meeting assembled, call upon our Government to do everything in its power to implement the decision of the United Nations so that the decision of the United Nations shall be enforced and world peace be insured, since should the Arabs be permitted to flout the decision of the United Nations, it will mean the end of world peace through the destruction of the mandates of the United Nations; and be it further

Resolved, That our Government press for such speedy and appropriate action by the Security Council of the United Nations that would serve to enforce peace in the Holy Land; and be it further

Resolved, That our Government lift its embargo on the shipment of arms and material to the legitimate defense forces of the Jewish Agency in Palestine and permit these defense forces to obtain access to the arms and equipment necessary for the defense of their lives and freedom; and be it further

Resolved, That our Government demand in the Security Council of the United Nations that Great Britain be immediately urged to effectively maintain security in Palestine until the Mandate ends, and that she further conscientiously comply, as an avowed member of the United Nations, with the resolution of November 29, 1947; and be it further

Resolved, That our Government demand in the Security Council of the United Nations that the Council inform the Arab states that it will not tolerate their revolt against the authority of the United Nations and that the Council immediately request all members of the United Nations to place an embargo on arms shipments to the Arab League states; be it further

Resolved, That our Government demand in the Security Council of the United Nations that the Council immediately recognize Haganah as the militia of the Jewish people of Palestine, duly authorized by the United Nations, and that the Council immediately and affirmatively arrange for the equipment of Haganah for defense purposes by member nations of the United Nations. Further, that the Council itself establish with all possible speed an international police force for Palestine, made up of contingents supplied by the smaller powers to maintain internal order but backed by an assurance of big-power support in the event of external aggression; and be it further

Resolved, That a copy of these resolutions be duly forwarded to the President of the United States, to the Secretary of State, to the Senators from Georgia and to the Congressman from the Fifth Congressional District of Georgia.

Greatest Grand Jury

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. WILLIAMS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by

Frank C. Waldrop, from the Washington Times-Herald of February 20, 1948:

GREATEST GRAND JURY

(By Frank C. Waldrop)

The most important and most useful committee in Congress is the House Committee on Un-American Activities. When the history of our times is finally written that committee will undoubtedly be described as the key to survival of the American Republic.

Why? Because in days when it was dangerous and unpopular to describe the conspiracy of the Communists for what it is and always has been, that committee of the House stuck to the job.

Nowadays, the band wagon is so crowded that some of the old-time fellow travelers against the Kremlin are astonished to find themselves in such company. Never, it might be said, have so many tried to ease in among so few.

The House Committee on Un-American Activities began its work on May 26, 1938, as a special committee of temporary authority. Vice President John Nance Garner was the central inspiration for it.

Mr. Garner was a loyal Democrat and strict party man, all right, but more than that he was a loyal American and he didn't like the things going on within the Government of the United States.

So he gave an unobstrusive little nudge under the table to some friends and the House committee came into being with Martin Dies, Representative from Texas, as chairman.

Few people, except the Communists, knew the potentialities of the assignment. Dies, himself, said more than once afterward that he had no idea what a job he had undertaken.

All things considered, he was probably the best man who could have been found at the time, though he had obvious deficiencies.

For one thing, he had only a smattering of real knowledge about the Communists. For another, he was a man of considerable innocence. It took him a long time to believe a lot of things.

But he also had some magnificent virtues. For one, he was all-American from head to foot. He was physically rugged, he had a fast wit and by his own definition he was a demagogue. And he was scared of nobody.

Dies asked for $100,000 with which to begin his investigation. He got $25,000, which was as much as telling him that the New Deal didn't want any part of him. And, of course, it didn't. For the Communists inside the New Deal knew how dangerous the Dies committee could be to their conspiracy if it ever got started.

Well, Dies had a secretary by the name of Robert Stripling, another Texan as ignorant as he was concerning communism, but even tougher and more stubborn and more fearless.

Stripling volunteered to become secretary to the House Committee on Un-American Activities, "for nothin'" on the side above and beyond his regular line of duty.

Stripling set up a filing cabinet in the corner of Dies' outer office in the House Office Building. Then they hired J. B. Matthews, one-time professor of theology and, for awhile, a fellow traveler with the Communists, who had discovered where his fellow traveling was leading him. Matthews taught them what communism was all about, and gave the committee its first lessons in how to spot Reds. And so that is how history began to be made.

The casualties among individual committee members were high in those first years. The New Deal hated the committee and grew also to fear it. Roosevelt made the mistake of trying to scare Dies. Then he made the second mistake of trying to ridicule him.

Dies sassed him back, not only on the floor of the House but on Nation-wide hook-ups. He swapped insult for insult. More than that, he stood alone against all comers and never once lost a debate.

Finally, in 1944, he reached the limit of physical endurance and retired to Texas to rebuild his health and his income.

The second great moment in the career of the committee came when Representative JOHN RANKIN, Democrat, of Mississippi, moved at the moment when Congress was organizing in January 1945 that the House Committee on Un-American Activities be made a permanent branch of the House.

RANKIN justified his career as an American citizen right there.

Dies was gone. Matthews was gone. Stripling was headed for the Army. The Communists and their fellow travelers were panting to get their hooks on the committee's files that had by then grown to enormous size. Once those files were transferred out of Stripling's hands, they felt, the whole war would be won.

But they figured without RANKIN, and he outsmarted them all to save an invaluable storehouse.

The committee began to set up for permanent action, which really began after the end of the war and the reorganization of the House in response to the voters' mandate of 1946.

The present chairman of the committee is that same J. PARNELL THOMAS, Republican, of New Jersey, who started out at the bottom of the list in 1938 as junior member of the committee and now is the sole survivor of the original group.

He is a master of committee management and procedure and drives the Reds wild by outsmarting them on parliamentary law.

Stripling is now at least as well-informed on Communists and Communist activity in the world as any man not a member of the Politburo in Moscow.

The committee has more than 600 filing cases filled with material; not a day goes by but that some executive agency of the Government calls on it for information, and not a Red in America but is mortally afraid of it.

Such great, blood-sweating New Deal characters as Morris Ernst and Adolf Berle are jumping at the chance to get their licks in and what they have just testified to about the clear and present danger of communism and how to combat it, outstrips Dies at his most violent. Times do change.

Just the same, it is time to remember. On May 26, 1948, the House committee will be 10 years old. That day should be set aside in Congress for the eulogy of some patriots who stood guard while others slept or were afraid to stay awake.

Dies, Thomas, Stripling, and old Doc Matthews who taught them the details of Communist dogma, deserve a day of praise.

How about the American Legion, Vets of Foreign Wars, et al., getting busy on this? The country owes these men something.

Oregon Ranks Third in Over-All Educational Performance

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Oregon Voter:

OREGON RANKS THIRD IN OVER-ALL EDUCATIONAL PERFORMANCE

In a new volume, Education—America's Magic, issued by the Iowa College Press, Oregon is given third place among all the 48 States for its over-all educational performance. The author of the study is Raymond M. Hughes, professor of vocational education at Iowa State College. Here is the way he lists the States:

HIGHEST

1. Utah.
2. Kansas.
3. Oregon.
4. Nebraska.
5. Iowa.
6. Washington.
7. California.
8. Idaho.
9. New Hampshire.
10. Colorado.

HIGH

11. North Dakota.
12. Nevada.
13. Oklahoma.
14. South Dakota.
15. Massachusetts.
16. Montana.
17. New York.
18. Wisconsin.
19. Vermont.
20. Indiana.

MEDIUM

21. Minnesota.
22. Wyoming.
23. Ohio.
24. Maine.
25. Texas.
26. Illinois.
27. Michigan.
28. North Carolina.
29. Connecticut.
30. Missouri.

LOW

31. Arizona.
32. Pennsylvania.
33. Tennessee.
34. New Mexico.
35. South Carolina.
36. Louisiana.
37. West Virginia.
38. Mississippi.
39. Kentucky.

LOWEST

40. New Jersey.
41. Alabama.
42. Virginia.
43. Arkansas.
44. Rhode Island.
45. Florida.
46. Delaware.
47. Maryland.
48. Georgia.

Now, the bases of the author's ranking formula are interesting and that we may know on what basis we get this high place among the 10 highest States here are the 6 criteria he used:

1. Its educational accomplishment, as determined by its average achievement of five arbitrarily chosen, yet apparently attainable, educational goals.

2. Its ability to support education as indicated by its income per child.

3. The degree in which its accomplishment is commensurate with its ability, as determined by comparison of its actual accomplishment with that which normally would be expected in view of its known ability.

4. Its educational effort, as indicated by the percentage of its income devoted to the support of education.

5. Its efficiency in the expenditure of school funds, as found by comparing its accomplishment with that which normally would result

from its actual expenditures per child for education.

6. The educational level of the adult population, as determined by the average number of years of school completed by all persons 25 years of age or older.

There were a good many loose statements made about Oregon's educational performance during recent elections in which educational funds were sought in one way or another. Since the rating comes from an educator and not from an office holder or watchdog of the people's treasury his rating might be kept for handy reference by our own legislators. Our educational nest has been fouled too frequently for political purpose, it seems, and morally we doubt that the end justified the means.—Oregon City Enterprise.

Death Walks on Four Feet

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Farm Journal·

DEATH WALKS ON FOUR FEET—FOOT-AND-MOUTH FAILURE

(By Paul Friggens, associate editor, Farm Journal)

We have lost the fight to wipe out foot-and-mouth disease in Mexico.

Eight months after the United States launched its ambitious $35,000,000 campaign, our eradication program is stopped dead, with no immediate prospect of resumption.

American livestock men, therefore, must be prepared to operate with the disease next door, and a constant threat for a long time to come—how long, nobody knows.

"Aftosa," as they call foot-and-mouth in Mexico, may jump our borders at any time. It's a miracle, in fact, that it hasn't already. If it does, the United States stands ready to stamp it out by slaughter, as it did before.

But even a single outbreak will mean serious loss, such as State quarantined against State, and the halting of all shipments of livestock and dangerous animal products. A general outbreak could threaten the whole $8,000,000,000 American livestock industry.

WE ARE BEING OUTFLANKED

Because Mexico forced us to stop slaughter—the only known way to eradicate foot-and-mouth disease—the United States is falling back to a quarantine line 750 miles across central Mexico. But, like the vaunted Maginot Line, it can and is being outflanked.

Meanwhile, the United States has agreed to vaccination, but vaccine never has been known to eradicate the disease in any country.

The Mexicans want the Americans to build two five-wire fences across malarial jungle and desert and mountains. But disease heeds no fence.

The inescapable truth is that we are worse off today than when we started. When we went into Mexico, we had only the disease to deal with—and a fighting chance to lick it. Today we have more disease, plus the animosity of the Mexican people, and the opposition of the politicians.

These are the blunt facts I found, myself, in Mexico—amidst the conflict and confusion of the Aftosa Commission offices. I talked to dozens of persons throughout the infected area, where Uncle Sam is pulling out altogether in order to try to hold the disease where it was February 1—only 300 miles from United States borders.

This is one time that Uncle Sam apparently bit off more than he could chew, at least in the way he went at it. In fairness, it must be said that aftosa has not yet broken out in the United States. Our $35,000,000 has forestalled that, so far. Another factor in our favor is that the natural movement of Mexican trade is not northward, but toward Mexico City.

A MOTLEY ARMY—AND CONFUSION

Eradicating aftosa in Mexico probably is the toughest job that veterinary science ever tackled. We relied on a corps of laboratory research men and professional veterinarians, plus a hastily recruited crew of Americans and Mexicans from all walks of life to do the job.

Few of the Americans understood Mexico or Mexicans, or even spoke the language. The doctors were all right—among the world's best—but it's been suggested that they could have used an Eisenhower in command.

The Aftosa Commission and the United States Department of Agriculture kept telling Americans at home that final success was just around the corner.

The facts were that American personnel feared for their own lives in Mexico, and had no doubt at all that the program was doomed.

Aftosa was first reported in December 1946. The United States soon closed the border, but 6 months were consumed in endless negotiations before we as much as landed a single blow. When we did get going, the disease had spread to 16 Mexican states.

Our method was to throw a ring around the infected area and to squeeze the disease out by slaughter of all infected and exposed animals—cattle, hogs, sheep, and goats. Instead, the disease squeezed out the veterinarians.

The United States, in its worst outbreak of foot-and-mouth, slaughtered only 172,000 animals. The campaign in Mexico called for killing 50,000 cattle a week and a like number of smaller animals—400,000 a month. There are roughly 7,000,000 cattle still in the infected zone today.

But Aftosa's wildfire spread was only the beginning of our problem. We were compelled to fight against overwhelming obstacles of Mexican custom, superstition, language, rumor, and political manipulation.

A PICTURE OF THE BATTLEGROUND

Most of the people live in communal villages, from which they drive their animals to a common pasture and back home at night. They have done this for centuries.

Everywhere I went I saw the Mexican and his burro. Apparently they travel at all times of the day and night, and unwittingly man and burro helped spread aftosa in Mexico. Next to the terrain, the second greatest obstacle to our program in Mexico was the Mexican himself.

Consider the problem, Mexico has 24,000,000 population. But great numbers in the rural areas are Indian. Many do not even speak Spanish. When Dr. Francis Mulhern went into Oaxaca State to locate a southern quarantine line, he found Indians who couldn't understand each other, let alone understand what aftosa was all about.

To be sure, not all of rural Mexico is as wild as Mulhern found it. Mexico also has broad, fertile valleys, and some of the richest land on earth. You may even see an occasional tractor. But everywhere the Americans found distrust, rumor, and political opposition.

Mexico has not forgotten two American invasions within a century, nor does the sight of 10-gallon hats, cowboy boots and Texas license plates advertising the Alamo help to soothe inter-American relations.

In this soil the first seeds of our defeat were sown. On the night that I arrived at San Luis Potosi traveling along the northern quarantine line, the mercury dipped to a new low for Mexico, and it was bitter cold. There had been snow at Christmas, the first snow in 35 years. The story was that Americans, probably monkeying with dry ice, were responsible for Mexico's unseasonable weather. The naturally superstitious average Mexican in the rural areas believed it.

He believed other rumors more vicious: that airplanes from the United States had deliberately spread aftosa, that Uncle Sam wanted to kill Mexico's cattle to destroy its meat industry, that even the soda-ash disinfectant American veterinarians used was a mysterious powder that carried aftosa and all manner of other fatal diseases.

YOU HAVE TO SEE THE "PRESIDENTE"

The United States' program started with one of the most cumbersome pieces of administrative machinery ever devised.

For every American official, for every American doctor, for every American appraiser, paymaster, technician, and general handyman, there was a Mexican counterpart. Then the governor and each little town's presidente, and often the padre, had to be consulted. On top of all this were superimposed the United States Bureau of Animal Industry, the United States Department of Agriculture, the State Department, and the Mexican Government. A doctor at one of the quarantine outposts said: "It got so that whether you wanted a bulldozer or a broom you had to go into negotiation."

And while the United States and Mexico negotiated, aftosa swept across Mexico northward toward the United States, and southward toward Guatemala.

Despite all this, however, the Americans began to make headway and eventually struck hard against the disease. Remembering that we started 6 months late, it was a splendid effort. By fall we had 1,500 pieces of heavy equipment on the ground—boats, bulldozers, mobile machine shops, weapon carriers, jeeps, and cranes. Two thousand men were on the pay roll, and we had started the slaughter of 1,000,000 head of animals.

At the start, the United States agreed to pay for all cattle slaughtered while the Mexicans were to pay for all hogs, sheep, and goats. The first thing American officials knew, the Mexican campesino was refusing to bring in his cattle because he said he had not yet been paid for the smaller animals killed.

The other extreme was the Mexican official who presented claims for "1,000 purebred Poland China hogs" he said were slaughtered, worth 1,000 pesos each about $200. When the Government opened the trenches, they found less than 50 pigs and pretty poor ones at that.

CATTLE HIDDEN IN THE MOUNTAINS

In view of all this, it was not long before the Mexicans were driving their animals far back into the mountains, not only defeating the slaughter program but spreading the disease further.

In October, the United States took over the payment of all animals—an average of $50 for cattle and $5 for small animals. The campesino led in his cattle, including his treasured oxen, the animals were shot the campesino signed with thumb print and was paid off (and joined his companions).

With every shot, the tension heightened. Women and children crawled on their hands and knees to cry over the dead oxen. If 200 owners were involved, many hundreds of campesinos might turn up to see the killing. Some would walk 40 miles to see "Aftosa," and, of course, carry the disease back home.

Under guard of Mexican troops, Americans shot the animals, then slashed the hides to prevent salvage and speed decomposition.

Afterward, the Americans sometimes found their jeep tires slashed.

One thing had been overlooked: No money on earth could repay the small Mexican farmer for his yoke of oxen. He loved his animals. Oxen worked his land, fed his children, provided his clothes. They were, as one Mexican told me, a part of the family.

THE GRINGOS SHOT MY CATTLE

To see them kicking and squirming in a slaughter pit, shot by "Gringos," was more than he could stand. He went home in hate, and this hate, fanned by local propagandists and anti-American elements, boiled up to help lick the United States in Mexico.

"First, you come and kill our cattle. Next, you will come and kill my wife and children," the campesinos told American veterinarians.

Another obstacle was that while aftosa cripples and seriously injures an animal, the mortality is low—3 to 5 percent. "I get sick lots of times and nobody kills me," says the Mexican Indian. "Why kill my cow?"

But for every farmer who cooperated, there were 10 to 100 or maybe 1,000 campesinos with their treasured oxen who did not—and may never—understand the necessity of slaughter and modern quarantine.

THIS WAS THE BEGINNING OF THE END

At Senguio village in Michoacan on September 1, Uncle Sam's foot-and-mouth eradication program definitely went on the rocks.

On September 1 Dr. Augusto Juarez Medina, a Mexican veterinarian, and seven soldiers were pulled from their jeep and hacked to pieces. Eight Mexicans gave their lives that day because an infuriated, propagandized mob had been told that the United States was not paying a just price for cattle. We are lucky that no Americans have been killed in Mexico. Some have been shot at.

The story of Senguio swept through Mexico's back country even faster than the aftosa. Hundreds of miles away in widely separated communities veterinarians suddenly sensed a fresh hostility. On one day, a doctor told me, an entire village had agreed to bring in its infected cattle for slaughter. The next day, after the Senguio killing, the campesinos would have nothing to do with the Americans.

THE GOVERNMENT GIVES UP

In Mexico City the American section moved swiftly to withdraw its forces from the infected area until things quieted down. Simultaneously, the Mexican Government pressed for a complete stop of slaughter on the grounds that Mexico could not stand the economic impact.

We had killed nearly 1,000,000 animals, almost half of which were cattle. On November 26 the United States agreed to the Mexican demand and slaughter stopped.

So we were licked. Barring a miracle of science, foot-and-mouth disease is saddled on Mexico indefinitely.

Where do we go from here?

Let's look at the alternative. First take quarantine.

The United States has fallen back to a quarantine line which runs from Tampico in the jungle region of the Gulf coast westward across central Mexico to San Luis Potosi, Zacatecas, thence through Jalisco and Nayarit states to Puerto Vallarta on the Pacific coast.

Some say we should have tackled the disease from this point in the first place, pushing our drive southward. But the quarantine line runs through impenetrable jungle, across vast stretches of arid, rocky lands, over 10,000-foot mountains, down a canyon which some say is greater than the Grand Canyon of the Colorado, and to the sea.

For hundreds of miles you can travel this line by motor road in the more accessible areas. I traveled from Valles to San Luis Potosi and saw Mexican soldiers on an average of once every 40 miles.

Cattle wandered back and forth across the road that marked the quarantine line. I was told that the Mexican Army had decided to drop a new and shorter south line, which explained the few soldiers I had seen.

QUARANTINE IS A FARCE

At best a Mexican soldier must have little heart for his task. He gets less than a dollar a day on which he must feed himself. I saw soldiers with their families, mind you, living in crude huts by the roadside, in lonely villages, in the jungles. Some complained to me they had had no pay for some time. And this is the military force that backs up our northern quarantine line.

At one point, I asked a Mexican civilian employee of the Aftosa Commission how many cattle passed the quarantine line the previous night. "About 100," he told me blithely. If you have the right permit in Mexico, you can go anywhere.

A few days before I left Mexico the Aleman government dispatched a propaganda truck to the quarantine zone to explain the need for possible slaughter. Mexicans stoned the truck. Others have even refused to have their cattle inspected. In some sections Mexican cattlemen with bigger herds and who fear the spread of aftosa are cooperating splendidly. But there is always the campesino with his oxen and the "Gringo" hater in the hills.

Moreover, north-bound truck traffic is a constant hazard.

FENCES? VACCINES? WHAT?

The fence question goes along with quarantine. The Mexicans want the United States to build two 750-mile five-wire fences from the Gulf to the Pacific. But I came away with the feeling that a lot of fence might be a bad thing. Two fences might serve to weaken our vigilance and destroy that of the Mexicans altogether.

That leaves vaccine which the United States had always refused to consider. Vaccine never has been known to lick foot-and-mouth disease. It has been widely used in South America and Europe, but it has not stamped out the disease. In South America stockmen vaccinate and are resigned to at least a 20-percent annual loss from foot-and-mouth disease.

The United States could never tolerate that loss. Imagine what a sudden outbreak might do to the Iowa cattle feeder or the Colorado cattlemen ready to ship, and on short grass.

But we are going ahead with vaccines because Mexico has forced our hand.

Dr. M. S. Shahan, codirector of the fight in Mexico, is an outstanding authority on vaccine. "The truth is," he says, "that there is no immediate prospect of a better vaccine than those now available."

The amazing thing is that after previous outbreaks of foot-and-mouth disease in the United States—one covering 22 States—we are caught flat-footed without a better solution than slaughter. Now, our Bureau of Animal Industry is working with world authorities on the problem and is laying out both short-term and long-term research programs. It will be up to Congress to decide what to do about them.

This much Congress should know: Mexico is saddled with foot-and-mouth disease indefinitely.

We are not even sure we can control it. Available vaccines don't eradicate. American agriculture and American science, therefore, are challenged as never before to think up something better. The United States cannot afford to harbor foot-and-mouth disease next door forever.

Dr. Shahan and his coworkers of the Department of Agriculture think that an all-out research program is the answer. Research, though, means untold millions of dollars for years to come. And what about aftosa meantime?

OUR BORDER LEFT UNGUARDED

Right now, the 1,200 miles of critical international boundary between Brownsville and El Paso, Tex., are guarded only 14 hours a day. Until recently, it was only 7.

On the other hand, many argue that the best thing to do is to hold the line in Mexico where we are right now—at any cost—until research does come up with a better solution than slaughter—say, a lifetime-immunity vaccine. It would be cheaper in any event than letting the disease get into the United States.

Other plans have been offered. One of the most thoughtful is the proposal of Robert J. Kleberg, Jr., president of the famous King Ranch in southern Texas.

"Aftosa," says Kleberg, "is as close to Americans right now as their dinner plates." He would clear out a clean zone along the northern quarantine line, move the infected stock to the south or salvage by slaughter and replace them, after 60 days, with vaccinated animals from the clean ranching areas of the north. Kleberg would then repeat the process moving to the south as fast as feasible. It might take 10 years to do this. It would be worth it, Kleberg believes.

One argument against his plan is that the replacement alone might involve 20,000,000 animals, and the same conditions that defeated the original program might work against this one. In a single village I found that 220 head of cattle were owned by 168 farmers who use a common watering place. That's the measure of our problem.

One of the world's greatest crops of veterinarians, that never lost a battle up to now, seems licked. Yet they take a philosophic view. I asked one what he thought about it all. He said:

"Just this: Whatever we do, we have to keep doing the job that best serves both the Mexican and American people."

That's our job—but it is later than we think.

National Brotherhood Week

EXTENSION OF REMARKS

OF

HON. J. GLENN BEALL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. BEALL. Mr. Speaker, this is National Brotherhood Week, so proclaimed by the President of the United States, Governors of many of the States and Territories, and the Commissioners of of the District of Columbia. It has been observed ever since it was suggested by a Catholic priest, Msgr. Hugh McMennamin, of Denver, Colo., in 1934. In furtherance of this noble custom, I submit, for insertion in the CONGRESSIONAL RECORD, a poem which, in my judgment, expresses the sentiments of our citizens everywhere. It is entitled "Law and Peace," was written by James Patrick McGovern, a captain in the American Expeditionary Forces during the First World War and a member of the Bethesda-Chevy Chase Post No. 105, Department of Maryland, of the American Legion, and the words have been set to music by Professor Franz C. Bornschein,

of the Conservatory of Music of the Peabody Institute of the city of Baltimore. The verses read as follows:

LAW AND PEACE

(By James Patrick McGovern)

What is the brotherhood of him who knows no brother?
What is the faith of him whose creed respects no other?
What is the kin of him who wrongs dust, all men's mother?
What is the peace of him who sets it for another?
Solon made laws for Greece, Aurelius for Rome;
Moses wrote rules for Hebrews, Christ taught all Christendom;
Hammurabi's code graced a Babylonian dome;
All Europe has justice stored in many an ancient tome.
The law is always dead in parchment, marble, stone,
Unless each generation relives it as its own;
"A scrap of paper" adorned with names, tempts power on its throne
As fuel for world-wide flames by all the four winds blown.
When the spirit transcends the law, men see beyond the letter,
When justice frames the law, revenge has no abettor,
When mercy guides the law, virtue holds vice its debtor,
When hearts enshrine the law, peace stands free from fetter.

Rent Controls

EXTENSION OF REMARKS
OF
HON. CHARLES K. FLETCHER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. FLETCHER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Los Angeles Times of February 18, 1948:

A POLICY OF RENT CONTROL

The Supreme Court has smothered the attack on Federal rent control through the courts and the Banking Committee of the House of Representatives has recommended a 1-month extension of the rent-control law after its date of expiration, February 29, presumably to give Congress time to fix on a rent-control policy.

This is a political year and it is almost certain that Congress will vote an additional extension of rent control, perhaps for a year, with a good many Representatives and some Senators squarely facing the fact that there are many more tenants than landlords.

There is another inescapable fact, that a sudden release of rent control now would produce an economic earthquake. The inherent evil of Government control was never better illustrated than in the case of rents. Once rent control is accepted, even temporarily, the pains attending its revocation threaten to be so severe that the decision is always put off to another day, and the procrastination tends to become perpetual. Temporary rent control has hung on in France since 1914, in Great Britain since 1915, and in other World War I countries since 1916.

Senator MCCARTHY, of Wisconsin, said the other day that it might be advisable to continue rent control in some areas for 3 years more. He is not the only one who fears a creeping disease less than a sharp cure.

Sudden release of rent controls now, as we said, would be too much of a shock in a country that already is feeling some mild tremors of readjustment. But Congress ought to establish a policy that will end the controls at a determined time, perhaps by a tapering-off process. For as long as there is no assurance that controls will end, there will be a housing shortage. The present law puts no rent ceilings on new construction, but investors in rental housing will be reluctant until they know that control is on its way out without threat of reconsideration of any of its phases.

Senator MCCARTHY, a war veteran himself, has a natural interest in housing for his fellow veterans. Yet he apparently has fallen into the error of believing that rent control helps veterans. The fact is that it has contributed to the veterans' housing shortage.

When servicemen who had had no homes of their own before the war came back to establish homes, they found all of the available housing occupied by nonveterans paying cheap rent. The Cleveland Plain Dealer said last week: "The people who stayed home during the war are the real rent profiteers. The Government said to them: 'You can continue living in the same quarters you have occupied and pay the same rent you formerly paid, in spite of the fact that prices of everything else have gone up and wages have increased'."

There was nothing for the veteran to do but buy or build a house at inflated prices. Desperate veterans who have taken this course find themselves saddled with monthly payments in lieu of rent which are much higher than landlords are allowed on housing subject to control and which are fixed through all kinds of economic weather for periods up to 20 years.

The long experience of free economy established reasonable rent as about one-fourth of income—1 week's pay in a month. Most household budget makers used to be advised to make their calculations on that basis. Rent control has enabled the average wage earner to pay his monthly rent with 3 days' pay instead of 5 days' pay, while the averages of all his living costs, except rent, are 61 percent higher than they were in 1935–39. His wages, incidentally, are more than 100 percent over the 1935–39 average.

This imbalance can't continue forever, or even for very much longer, without serious consequences to the whole economy. Even those citizens who are enjoying the low rents cannot take full satisfaction in the bargain rate; they must feel that the fruits of rent control are all of a piece with our meretricious prosperity, which cannot make anyone wholly happy.

Everybody fears the bust. Uncertainty is the plague of the time. That is one of the reasons that a declared policy on the decontrol of all rents is desirable. Congress can't and won't let the rent law go by default, but it should set an early date and legislate the procedure whereby all controls will be terminated.

Income-Tax Legislation

EXTENSION OF REMARKS
OF
HON. CHARLES B. DEANE
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. DEANE. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include therein the statement of Mr. James E. Webb, Director of the Bureau of the Budget, presented to Ways and Means Committee on January 19, 1948.

It is my belief, Mr. Speaker, that the Members will find this statement by the Budget Director most informative; likewise, reference should be made to the committee hearings beginning on page 193, which reveal that the cross-examination by committee members indicates that Mr. Webb is not only fully informed on the financial affairs of this country but is rendering a great service to the Nation as Director of the Budget.

STATEMENT OF JAMES E. WEBB, DIRECTOR, BUREAU OF THE BUDGET, WASHINGTON, D. C.

Mr. WEBB. Mr. Chairman and members of the committee, your request that I appear here today stated that you wished me to discuss the 1948 and the 1949 budgets. Since the President's budget message already has been received by the Congress I shall make this statement brief and limit it to a summary of the factors of major significance.

The items listed by your chairman for consideration today are as follows:

"(a) The size of the prospective surpluses;

"(b) The differences between the 1948 budget as it stands today and as presented to the Congress in January 1947;

"(c) The supplementary appropriations, if any, which the President regards as essential during the remainder of the fiscal year 1948;

"(d) The decrease in appropriations, if any, which the President regards as possible during the remainder of the fiscal year 1948;

"(e) The elements in the 1949 budget which represent legislation proposed by the President; and

"(f) The programs for which the 1949 budget provides amounts substantially above or below the current level of the 1948 budget."

In addition to these items, I shall refer generally to another paragraph in the chairman's letter of January 10, which reads as follows:

"In his recent message on the state of the Union, the President outlined a broad legislative program. At many points this program appeared to call for substantial increases in expenditures. The committee would appreciate your estimate of the total additional cost of these programs, and the portion of this cost which would be reflected in the budgets of the next few years."

Budget totals and surpluses: The President's budget recommendations for the fiscal year 1949 call for total expenditures of $39,700,000,000. The functions of the Federal Government which will be financed with these dollars have changed drastically in comparison with prewar years. The budgets for both the fiscal years 1948 and 1949 are dominated by five big functions—national defense, international affairs, veterans' affairs, interest, and tax refunds. These categories account for 79 percent of the 1949 budget. All other programs take up the remaining 21 percent. Interestingly, this represents almost an arithmetical reversal of the prewar ratio. In 1939 those five programs accounted for 29 percent of the budget, while the others accounted for 71 percent.

A total of $34,000,000,000 in the next year's proposed budget will be expended under existing laws. A total expenditure of $5,700,000,000 will be needed to put into effect new legislation recommended by the President. Here again, under this recommended new legislation, expenditures for national defense and international affairs dominate, and account for $5,100,000,000. European recovery and other foreign assistance and universal training are the largest items. Important domestic measures account for the remaining $600,000,000,000, and include such items as education, housing, and social welfare.

Both your committee and the Committee on Appropriations have been interested to know within what limits the Federal Government is firmly committed to expenditures in the next fiscal year. Expenditures for discretionary items in the budget are relatively a small proportion of the total. Excluding national defense functions of about $11,000,000,000 and international programs of $7,000,000,000, the remaining $21,600,000,000 include heavy fixed charges. About $9,300,000,000 of these fixed charges are accounted for by interest on the public debt, tax refunds, and veterans' pensions. Grants to States under long-term programs will amount to $2,300,000,000. Veterans' programs, apart from pensions, will amount to $4,000,000,000. Included within the remaining $6,000,000,000 are numerous other continuing programs which it would be difficult to change on short notice. For example, the natural-resources program, including atomic energy, flood control, and reclamation, amounting to $1,600,000,000, is not susceptible to rapid contraction without serious economic loss.

All of the expenditures estimates for 1949 are based upon the assumption that prices and employment will remain at about their present levels. If prices should rise further the cost of most of the things that the Government buys will rise with them. On the other hand, a general decrease in prices or an increase in unemployment would mean that budget expenditures for price support, public assistance, and veterans' unemployment compensation would rise.

The general policy of the President in transmitting his instructions for the preparation of appropriation estimates for 1949 was to hold the 1949 programs at or below the 1948 level. The first responsibility rested with the agencies. Then there followed several months of review of agency requests, both by the Bureau of the Budget and the President himself, with particular emphasis on review of requests for items in excess of 1948 appropriations which the agencies felt should be presented in this budget. The final results showed that departmental requests had been reduced by approximately $7,000,000,000.

Present estimates of Federal revenues indicate surpluses in both the fiscal years 1948 and 1949. For the current fiscal year 1948 receipts are estimated at $45,200,000,000, as against estimates of expenditures of 37.7, leaving an estimated surplus of $7,500,000,000.

For 1949 receipts are estimated under existing tax laws at $44,500,000,000, and expenditures at $39,700,000,000 leaving a surplus estimated at $4,800,000,000.

These surpluses, if realized, will be the largest in the Nation's history. However, to be properly considered they should be related to the national debt and the national income. Taking these 2 years together, the average surplus of $6,150,000,000 amount to 2½ percent of the present national debt and 3 percent of the present national income. These relationships are important in considering the effectiveness of fiscal policy in preventing further inflation and in paying off the public debt.

The 1948 budget: The committee has requested a comparison between the present estimates for 1948 and those contained in the budget submitted a year ago.

The present total of $37,700,000,000 compares with the previous total of $37,500,000,000. However, there have been substantial changes in estimated expenditures for individual functions. International programs now call for expenditures of $2,000,000,000 more than was estimated last January. Expenditures for other programs, including national defense, veterans, housing, and agriculture are expected to be below the estimate of a year ago. These reductions result from a combination of factors, such as high agricultural prices, shortages in materials, low levels of unemployment, and reductions made by the Congress.

While the total expenditure estimate for 1948 is almost unchanged there has been a marked increase in the estimate of receipts because of the rapid and continued rise in both personal incomes and corporation profits. Corporation profits for the calendar year 1947 were about $7,000,000,000 above 1946, and totaled $28,000,000,000. Personal incomes have risen by $20,000,000,000 to an annual rate of about $200,000,000,000 during the last half of 1947. These sharp increases in income and profits, above all expectations, are the basic explanation of the increased estimates of Federal revenues in the fiscal year 1948. More rapid sales of surplus property than originally anticipated have meant a large and nonrecurring increase in estimated miscellaneous receipts.

Two tables showing changes in the estimates of both expenditures and receipts for 1946 have been prepared for the committee and distributed to each member as an attachment to this statement. See tables I and II.

Supplemental appropriations for the fiscal year 1948: The committee has requested information about the supplemental appropriations for 1948 as recommended in the Budget. These will amount to $8,700,000,000, of which $7,300,000,000 will be for international purposes, including the first 15 months of the European recovery program. The total also includes $800,000,000 for refunds.

The $8,700,000,000 of supplemental appropriations will be used to finance $1,900,000,000 of expenditures in the fiscal year 1948 and $4,500,000,000 in the fiscal year 1949. Almost all of the remaining $2,300,000,000 will be obligated under the European recovery program in these years, but will not be paid out until after the close of the fiscal year 1949.

A special tabulation has been submitted to the committee to show the relationship of supplemental appropriations to expenditures in the fiscal years 1948 and 1949. See table III.

Unused appropriations in the fiscal year 1948: The committee also has requested information on any decreases in appropriations which may be possible during the balance of this fiscal year.

Immediately after the war the President recommended a number of major rescissions of existing appropriations which totaled more than $60,000,000,000. The program of rescinding wartime appropriations by specific legislative enactment was completed during the last session of Congress. It is estimated that at the end of this year the total unobligated balance from 1948 appropriations will amount to $183,000,000, almost all of which have been placed in reserve. Consequently, no expenditures have been included in the current budget from such balances. For detail, see table IV.

There are also small unobligated balances from other than 1948 appropriations which will not be spent. These are set forth in table V.

Changes in expenditures between fiscal years 1948 and 1949: Changes in expenditures between fiscal years 1948 and 1949 are discussed in some detail in the President's budget message. The largest increase will be for programs of international aid which are estimated to increase by a net amount of $1,500,000,000. While expenditures for new international programs are estimated at $4,500,000,000 in fiscal year 1949, they will be largely offset by decreases in existing programs.

Other major increases will be for universal training, Federal aid to education, flood control, and new plants and facilities for the atomic energy program. The largest decrease will occur in expenditures for veterans' unemployment benefits and educational and training allowances.

The major changes in estimates and brief explanations of them are contained in table VI.

Proposed legislation provided for in 1949 budget: The committee has also asked for information on the proposed legislation included in the budget. This is set forth in the table on pages 56 and 57 of the budget message. That table shows the estimated expenditures under the President's proposal for the fiscal year 1949 and the appropriations required, either as supplementals for 1948 or as 1949 appropriations.

Legislation proposed in the State of the Union message: For the convenience of the committee, I shall discuss the President's proposals in the State of the Union message under two headings—those which are taken into account in the budget, and those which point out broad objectives but make no specific recommendations. I shall not attempt to discuss those which require no sizable budget expenditures.

As to those which are taken into account in the budget, the 1949 estimates include the first year costs of the proposed programs on the assumption that they will be enacted during the present session of the Congress.

Some of the programs will increase in subsequent years. Universal training is estimated to cost $400,000,000 in the first year, but as stated in the budget message its eventual annual cost may reach $2,000,000,000.

The European recovery program will probably reach its peak in the fiscal year 1950, with an expenditure of over $5,000,000,000 in that year. After that, expenditures should decline and should cease after 1952—apart from liquidation expenses.

Other aid programs are still under consideration. Estimates, therefore, have been made for only 1 year.

The long-range housing program which is estimated to cost $40,000,000 the first year may increase to a total of about $150,000,000 in 1952.

The national health program as proposed is mainly self-financing but a Federal budget expenditure will be required to provide medical care for those unable to make the regular contributions. When the program gets fully under way this Federal support may amount to as much as $250,000,000 a year.

The President's recommendation for aid to elementary and secondary education are estimated to cost approximately $300,000,000 a year. Although proposals for Federal aid to higher education are under consideration, no definite recommendations have so far been formulated.

The proposals for increased benefits and extended coverage under the present social-security system will be financed for a number of years from the trust accounts.

The remaining specific recommendations in the State of the Union message include provision for the anti-inflation program at about $100,000,000 a year. Expenditures under these programs will cease after the danger of inflation is over.

The new proposals for agricultural support contained in the President's message represent modernization of existing programs. While they will be more effective than the present programs, they should require no greater expenditures.

If we turn now to the broad objectives stated by the President in his State of the Union message, we find that they relate mainly to the public-works field. The best estimates possible at this time indicate that the cost of the new proposals of the President will be largely offset by completion of public works already under way. Total Federal expenditures for civil public works, including grants to the States, will amount to

$2,800,000,000 in the fiscal year 1949. They are expected to increase to about $3,000,000,000 in 1950 and will probably continue at about that level.

Conclusion: I hope I have made it clear that several proposed programs and the present public-works program will expand in the future. A continuation of our present level of military strength will also mean higher expenditures in future years as the inventories carried over from the war are exhausted and as new procurement contracts are carried out.

It is my earnest hope that a large increase in the present national-defense expenditures can be avoided. However, we cannot escape the close relationship between the level of defense expenditures and the success of our efforts to promote world peace and economic recovery.

As the President said in his budget message:

"The plain fact is that our budget must remain high until we have met our international responsibilities and can see the way clear to a peaceful and prosperous world. Prudence demands that we plan our national finances in full recognition of this fact."

Let's Get Together on Rental Housing

EXTENSION OF REMARKS

OF

HON. CHARLES K. FLETCHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. FLETCHER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following open letter published by the Apartment Association of Los Angeles County, Inc., Los Angeles, Calif.:

DEAR MR. AND MRS. TENANT AND YOU WHO WANT TO RENT—LET'S GET TOGETHER ON RENTAL HOUSING

AN OPEN LETTER TO AMERICANS

The rental housing business is our business. We have put our money and our time and our energies into it. We have given extensive study to the matter of providing living quarters for millions of Americans who wish to rent homes instead of buying or building.

Good tenants are our good customers. We want to serve you better. We want to provide rental housing to the standards you desire. We want to maintain our properties in good condition. We want to repair and redecorate them. We want to give better services of all kinds. We want to build new buildings to replace those which are obsolete or which are rapidly becoming obsolete. But we cannot do that now. We want you to know why. We invite you to do something about it for your own interest and welfare as American citizens.

We believe that the most efficient way—the only way—the American way—is to be allowed to come to mutual agreements with our tenants and prospective tenants on a free-market basis—you free to ask us for just what you want—we free to provide it—at rentals which are entirely satisfactory to both of us and on which we voluntarily agree.

That is the way America's present rental housing was built. That is the way America's living and housing standards became the world's highest. That is the way America can again go forward.

So much confusion has been disseminated on the subject of rent control that many of us forget how America's present rental housing came into being. We forget that the vast bulk of it was built when there were no rent controls. Americans were able to rent homes in any community—in any rent range—with or without any particular services—to better their own living and housing standards—and to move freely from one community to another as often as they desired. That is no longer true. Most of us are frozen where we now live, whether it is convenient or desirable or not.

America's housing is wearing out

Today's rental housing is becoming shabby and run-down. It is wearing out, and it will not last forever. Someday it will no longer be habitable. What then—for America's tenants?

Under restrictive rent control we, the owners of much of America's rental property, cannot maintain our properties as we would like to maintain them. We cannot know what types of buildings to erect or what facilities to include within them, or how many are needed, or how large, or what kind of renovating and remodeling is needed on existing buildings, until we have the right to bargain freely with tenants and build or remodel to the specifications for which they are able and freely willing to pay.

Those who seek to perpetuate rent controls have fanned the fears of tenants to fantastic extremes with dire threats of what would happen with the termination of controls. The fear of wholesale evictions has been played up out of all proportion. There would be no wave of evictions without rent control; there were no waves of evictions before we had rent control. Owners must have tenants in order to remain in business.

There is no form of coercion an owner can use to compel a tenant to pay more rental than he wishes to pay. Unless Americans are freely willing and able to pay higher rentals, owners will not be able to collect them. No new rental rate becomes an actual rental until some tenant voluntarily pays it. The termination of rent control would—of course—mean that some rentals would rise—but only to the point the tenant agrees. Rentals for many families would not be affected—for others they would be reduced. There would simply be an adjustment of rate, space, or services that would reflect comparative values as tenants view them today—not as they were several years ago under completely different conditions.

Controls have not stopped inflation

Rent control has not prevented inflation. Simple proof is that in the years we have had rent control we have had our greatest inflation. Rent control has kept the cost of housing down for some families but only at the expense of others. It has forced millions to buy or build at prices far higher than if rent control had not been in effect—and the cost of such purchased homes must be included in the cost of America's housing and America's living.

Rent control has been most costly to the tenant it has presumed to protect. That cost is the cost of services and comforts he cannot get—of deterioration of the unit in which he lives—the cost in the lack of constant improvements and higher living standards which newer and finer buildings might have provided if they could have been built. The most important effects of rent control have been to encourage inefficient use of existing rental space—to drive hundreds of thousands of rental units out of the rental market—and to prevent greater production of more rental housing. Tenants have been denied those newer and better housing standards.

More and more tenants are realizing that their rent dollars do not buy the same services and comforts that they bought before rent control. More and more tenants realize that it is only out of the property owner's rental income that he can provide those missing services and standards. More and more tenants realize that if they had been allowed to pay a more equitable rent in the last few years while their own incomes were rising, their rented homes would have been more satisfactorily maintained and modernized—thereby reducing pressure for new housing.

Amount of rent not most important thing

The tenant is not concerned primarily with the amount of rent he pays—but with what he gets for his money. One of the unfortunate results of rent control is that the amount of rent he pays has been fixed for him and placed first in importance—to the detriment of his right of occupancy—his serenity of occupancy and his comforts and services.

We believe that the original reason for rent control has now ceased to exist. The war-time emergency is over. There are no mass movements of workers pouring into communities to produce the weapons of war. There are no longer any mushrooming Army or Navy training centers—or ports of embarkation where wives and families of servicemen tend to congregate. The violent upheavals of the rental market which led in part to rent control are no longer present. We believe that it is essential for America to think now in terms of rental housing based on the new, postwar peacetime pattern—that emergency treatments merely prolong the seeming emergency.

You are told that a housing emergency still exists. Admittedly, many of us do not have the kind of housing we would like to have. Admittedly, most of us are dissatisfied with our present run-down and depreciated living quarters. Admittedly, many of us cannot locate the newer or better rental housing units we seek. Admittedly, we are frozen to our present quarters—whether they are satisfactory or convenient or not.

Shortage is in housing for rent

But census figures show that—by our own prewar standards of 1940—we have more housing now—and more per person—than ever before in the history of this or any other nation. There is no actual shortage of housing. There is merely a desperate shortage of housing which is for rent. One reason is that rentals have been held below their natural levels and countless people have occupied more space than they had before the war. That is why—between 1940 and 1946—almost 3,000,000 living units became occupied by only one or two persons instead of by larger families. This trend has continued—according to latest Census Bureau estimates. The housing is still there—but is not being used efficiently—and the would-be renter who is frozen on the outside is the loser.

I know it is hard to realize that our present-day widely accepted shortages are not shortages of housing space, but shortages of units available for rent. Let me call your attention to another comparison in the housing reports of the Bureau of Census:

In every one of the 34 metropolitan districts of the United States that were covered by a special study in 1947, the percentage of dwelling units that were rented declined from 1940 figures. These were not mild declines. Let me emphasize this point:

In Akron, 47½ percent of its dwellings were rented in 1940—in 1947, only 31 percent were rented. In Atlanta, 67 percent were rented in 1940—in 1947 it was 50 percent. In Dallas, it was 61 percent in 1940—40 percent in 1947. In San Antonio, it dropped from 58 percent to 38 percent.

Don't these comparisons show what is happening to the rental business in America under rent control? Don't they show why the renter is in an increasingly desperate plight in every area under rent control in the United States?

Why rentals are hard to find

In Philadelphia there were 432,680 rented homes in 1940, 380,046 in 1947. More than 50,000 fewer rented homes after rent control than before. In Pittsburgh there were 305,520 in 1940, 272,210 in 1947, a loss of more than 30,000. Chicago had 863,020 rented homes in 1940, 818,125 in 1947. All of these cities had increases in population. Is it any wonder that newcomers have a hard time finding rental housing? The housing is still there, but it is not for rent. These figures tell the story of rent control and what it is doing to the tenants of America.

The housing situation is called desperate in the New York area. It is desperate. Let us look at what makes it desperate. Residents are more dependent on rental housing there than in any other area in the nation. In 1940, 76 percent of the homes in that metropolitan district were rented. In 1947, after 5 years of rent control—the percentage had dropped to 67. In the Scranton-Wilkes-Barre area there has been a population decline of 15 percent—but there still is a desperate shortage of rental vacancies. Why? In 1940, 57 percent of its homes were rented. In 1947, 49 percent. Is it not clear that rent control has driven enormous numbers of rental units out of the rental market? What possible reason is there for rent control in an area where there has been a 15-percent loss in population—and where the result has been to create a critical shortage of rental vacancies where there was none before? Is that an "emergency defense rental area" which demands emergency Federal attention?

Those sharp declines do not show that fewer persons want to rent—or that rental units are going begging for lack of tenants. They show simply that as much as one-third of the dwellings which were on the rental market in 1940 were not on the rental market in 1947. Can any factor, other than rent control, be named which could have driven so many homes out of the rental market in so short a time?

Housing desires versus housing requirements

We recognize a tenant's desire for more spacious living quarters. It was out of such desires for better living standards that the American way of living was established and the rental housing industry was made possible. Today housing desires and housing requirements are all out of balance. The picture is so distorted that it is impossible for the investor to measure the amount of housing desired or required—and at what rental levels. It is only on a free market that we can learn how many rental units actually are needed to house our rental population in the way it wishes to be housed.

Every nation in Europe affords us an object lesson in the deterioration and stagnation of the building industry which inevitably follows in the wake of rent control. In spite of the desperate need and the war damage—there is little home construction—because the only ones who are able to provide it have no incentive to do so. We are following the same pattern here.

Before World War II we saw countless examples of those who preferred automobiles or fine clothing—or entertainment—to better housing. We were able to provide housing to the extent people preferred it to other items which were bidding for their money. Today, with rents alone controlled—we cannot measure the relative demand for housing that way because tenants are not allowed to express their desires. Those of us who are in the business of rental housing must either guess and gamble what the future true demand for housing will be—or refrain from providing any rental housing at all. Many of us have been forced to adopt the latter course—to the detriment of the persons who would express their desires for housing if only they were permitted to do so in a fair and competitive and free-market manner.

We seek the right to serve

We ask only the right to serve you to the best of our ability—in the way that you as tenants want us to serve you. We urge you to ask your Congressmen for the right to rent the kind of housing you want at the price you are able and freely willing to pay. You do not have that right now. Let us go back to the American way of bargaining freely among ourselves—arriving at our own agreements—buying or selling or producing what we wish to buy or sell or produce so long as it serves a constructive purpose. Let us throw off the choking restrictions and build our America—in the only way our America can be built.

One of the cruelest inequities of rent control has been the freezing in of the stay-at-home families who moved in while veterans were in service. It has frozen out the returning servicemen. Truly, the returning veteran and his family have been the greatest victims of rent control. We believe the best way in which a veteran can be helped to find a home to rent is to provide a reasonable selection of rental vacancies—in all rent ranges and in all communities. Those vacancies can be provided only by the redistribution of existing housing space not efficiently used—or by new rental construction. Rent control has acted as a barrier to either course. Redistribution of existing space can most quickly and most fairly be accomplished by the immediate termination of rent control. New construction will be tremendously speeded as soon as the rental market is clarified so that the owner of new construction can know on what basis he will have to compete with existing structures.

Let your Congressman know

Congress is considering now what steps to take. Write or wire your own Congressman and Senator. Tell him the stringent rental housing shortage must be eased, at once. Tell him it can be done only by removing the barriers of rent control which now prevent us—the owners of rental property in America—from providing you with the kind of living accommodations and services you desire and demand.

There is no time to lose. Wire or write today. Enclose this page with your letter.

A 7-year story

PERCENTAGE OF DWELLINGS RENTED TO TENANTS

Metropolitan district	1940	1947
Akron	47.5	30.8
Allentown-Beth-Easton	56.1	41.4
Atlanta	67.4	50.4
Baltimore	56.6	47.7
Birmingham	67.1	49.7
Boston	63.8	56.0
Chicago	69.8	60.9
Columbus	58.7	46.8
Dallas	61.2	42.8
Denver	58.2	45.1
Detroit	55.1	45.1
Los Angeles	59.5	45.4
Lowell-Lawrence-Haverhill	63.4	54.0
Memphis	68.0	53.0
Minneapolis-St. Paul	53.1	40.0
New Haven	62.6	46.0
New Orleans	74.4	65.4
New York-Northeast New Jersey	76.4	67.3
Norfolk-Portsmouth-Newport News	63.6	56.8
Philadelphia	57.3	39.7
Pittsburgh	60.9	48.0
Portland (Oreg.)	47.1	35.8
Rochester	54.5	42.1
Salt Lake City	45.2	35.0
San Antonio	58.1	38.2
San Francisco-Oakland	58.6	50.1
Scranton-Wilkes-Barre	57.0	49.3
Seattle	50.3	36.4
St. Louis	63.0	52.3
Toledo	50.1	36.4
Tulsa	57.4	39.2
Washington	62.3	58.9
Worcester	62.8	52.0
Youngstown	47.4	32.0

Source: U. S. Bureau of Census.

JOHN E. OWEN,
President, National Apartment Owners Association, Washington, D. C.

Address by R. W. Frazier, Professor of Government and History, Southeastern State College, Durant, Okla.

EXTENSION OF REMARKS
OF

HON. A. S. MIKE MONRONEY

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. MONRONEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to reprint the address given by Mr. R. W. Frazier, professor of government and history at Southeastern State Teachers' College, Durant, Okla. This address was given over radio station KSEO, Durant, Okla., on January 29, the occasion being the visit to that section of the Freedom Train:

A CHALLENGE TO OUR HERITAGE

DOCUMENTAL EVIDENCE OF OUR HERITAGE BORNE BY THE FREEDOM TRAIN

(By R. W. Frazier, professor of government and history, Southeastern State College, Durant, Okla.)

(As the Freedom Train—the first of its kind in the history of the Nation, was in Denison, Tex., only 21 miles south of Durant, the city of Southeastern State College, the college committee, for its weekly broadcast, selected a speaker in response and in appreciation of the Freedom Train movement, designed to better inform the American people of our sacred heritage to have and to hold.)

Thanks to the wisdom and and patriotic concept that emanated from the heart and mind of our illustrious statesman, Tom Clark, United States Attorney General, from our neighboring State of Texas, he, together with President Harry S. Truman, went into a conference at the White House on May 22, 1947, at which time the conceptions of the movement of the Freedom Train were crystallized into concrete form. Again we wish to thank our Congressman, CARL ALBERT, together with the Oklahoma congressional delegation, the Congress of the United States, and the 200 representatives of American businessmen who so generously responded to this first move, with their means and conveyances, in bringing the national mobile library to the general public, containing the most priceless documents ever scrolled by the pen of man. The documental records of the life of Christ, with all of His miraculous performances, as recorded by the inspired writers, stand out as the greatest of them all.

Where the old world ended following the crucifixion and the new world of faith and hope began with the resurrection, thus, the epochal documentary events, in shaping and guiding the destiny of man in a formal legal aspect, may be summarized in chronological order, as follows: The Magna Carta granted at Runnymede, June 15, 1215, the Petition of Rights in 1628, the English Bill of Rights in 1689, the Declaration of American Independence in 1776, the Articles of Confederation in 1778, the American Constitutional Convention in 1787, ratification of the Constitution in 1789, American Bill of Rights in 1791, the League of Nations in 1919, and the United Nations Charter in 1945.

These documentary milestones, covering a period of more than seven centuries, are reflections of well spent lives of service and statesmanship. They are reflections of unselfish service and devotion to the general welfare of the commonwealth which come within the purview and orbits of governmental regime.

It was wholly befitting that the Freedom Train began its 33,000 mile journey at Philadelphia, the City of Brotherly Love, the hallowed spot where our Constitution was conceived in the hearts and minds of our illustrious forefathers. The Convention assembled there about the middle of May 1787; of 74 colonial delegates summoned, 55 attended and only 39 signed this, the greatest national document of all time, on September 17 of the same year. Since September 17 is the birthday of our Constitution, and Philadelphia is the place of its origin; the time and place of this enlightened adventure to have its beginning on September 17, 1947, was very appropriate.

The most challenging of all our documents, with the exception of the declarations of war, was the Declaration of Independence declaring our freedom and independence from the iron hand of tyranny and oppression of our mother country, England. Had we failed in this daring and bold declaration, all the signers of this document would have been beheaded for this very act. Yes, we had to win and by the divine providence and unlimited courage, we cost England her most potent and valuable colonial possession and raised a new torchlight of civilization incorporated in the American Bill of Rights.

Our first adoption of a fundamental law governing the colonies, was known as the Articles of Confederation. This document was wholly void of an executive department. It had the power to levy a tax, but did not have power to force collection of same. It had power to declare war, but did not have sufficient power to conscript men to fight in the prosecuting of the war. This omission was not an oversight on the part of the framers of the articles, but they feared the repetition of tyrannical rule from royal governors and the British Parliament. After our present Constitution was ratified there was still a little fear that there might have been more power incorporated into the new department than was intended, therefore, the next move was to select some one for President in whom the whole country could place implicit trust, and would not abuse with surplus power the subjects within the realm of the "new law." For he who hath power and fails to temper justice with mercy is sure to fall. The man chosen for the Presidency of the United States was Gen. George Washington, who led his brave men in the Revolution to wrest from the tyrant hands of oppression those fundamental ideals that we hold so dearly in our beloved Government.

Thus, the throttle of the New Ship of State was intrusted to the hands of the man who suffered along with his comrades in the crucial winter at Valley Forge in 1777–78. Yes, the same hands that received the sword of surrender from Cornwallis at Yorktown in 1781. A new pilot on the intrepid seas of time, beneath whose lashing and angry waves have sunk the budding hopes of many rising statesmen. A new freedom ship of experimentation laden with the general welfare of human tolerance and liberties of mankind.

In 1492 the great discoverer of America stood on the deck of his shattered bark, leaning forward his harassed frame with anxious and eager eyes, to catch a vision of the sight of the unknown world. This successful adventure set a vast chain of events in motion known as the period of discovery which lasted for a period of 115 years. From 1607 down to 1732 was the period of colonization which lasted for 125 years, and from 1732 down to 1775, the first battle of the Revolution, only 43 years. This period was one of intolerance and oppression. These were times that tried and tested men's souls. Challenge after challenge issued forth by grim and merciless rulers, until the ideals of human rights and justice were conceived in the potent and flexible minds of our leaders which brought forth the issue in the battles of Lexington and Concord. It was "here to April's breeze unfurled, the embattled farmers stood and fired the shot heard around the world."

Yes, we were fortunate to be wafted upon the waves of divine providence. We were fortunate in having outstanding leaders of the age. What country could match our brain or brawn? What country could boast of a well-balanced leader greater than a George Washington? First in war, first in peace, first in the hearts of his countrymen. What country could match the wits of the aged counselor diplomat, and statesman, Benjamin Franklin? What country could boast of a greater writer and statesman than a Thomas Jefferson, author of the Declaration of Independence and the founder of the University of Virginia. What country could produce a financial genius equal to the brain of Alexander Hamilton? What country could produce a scholar of the fundamental law equal to that of James Madison, who may well be called the Father of our Constitution and the author of the Bill of Rights. Or what country had the equals of the fearless Patrick Henry or the pleadings of James Otis? These, along with many others, served their country with patriotic fervor and devotion, leading to a common cause—liberty and independence. Yes, it was Jefferson's statement that "Liberty is the price of eternal vigilance."

My countrymen, I wish to pause at this time to state that all that we hold dear to our hearts today within the sheltering folds of this liberal Government, the complacency of a high and refined society, the pursuits of life, liberty, and happiness, was bought and paid for by a most laudable and worthy group of courageous patriots who chose to sacrifice their lives in lieu of human bondage. Again we defended these principles in the War of 1812, again in 1848 and 1898.

We sent the flower of our young manhood across the seas in World War I to fight the war to end all wars and to save the world for all humanity. Again within a quarter of a century, we sent a greater array of our young manhood and young womanhood across the seas to fight in a greater war to bridle and subdue the dictators who sought to conquer, to exploit, to enslave, and to destroy the priceless heritage of all documentary torchlights of civilization which had been mothering humanity along the turbulent pathways of time.

I wish to ask you these questions: What is wrong? Why hasn't peace yet been confirmed? Why is the world, 2 years after the cessation of hostilities, still uneasy? When and where will be the peaceful complacency of us all? God himself only knows. What is the solution? How shall we best go about solving a correct solution? There is a challenge for us all.

First, there is a challenge to learn more about our own Government, its functions, its honor, to serve where we are best equipped to render service, its honor to obey and support with patriotic devotion. With this enlightened information, become active for the betterment of our country within our own boundaries.

The second challenge is a challenge to our noble heritage by the organized forces of communism—a way of life owing allegiance to those who seek to destroy our way of life, American democratic ideals. The Trojan horses are now within our walls. What does the propagandist for communism have to offer? Oh, my friends, nothing but utopian dreams which would ultimately end in servitude and slavery. The uninformed, the negligent, the carefree, and those with a self-complex, I warn you: "Beware; lest we forget, lest we forget."

To delay a crusade of American opposition to the Red wave of destruction which threatens to inundate us will spell disaster to all hard-earned victories of the glorious past. We must not permit these noble human achievements which have glorified and enriched the traditions of America, the world's greatest asylum for those who are impoverished and oppressed, to be cast aside by the dastard hands of traitors.

Not a single battle of the last two world wars was fought in your community; yet your sons, your fathers, your husbands, your brothers, your sisters and sweethearts fought and died in that holocaust of hell and hate that was set aflame by the pernicious philosophy of these Red devils who are now grafting upon the stem of our traditional freedom.

Do you think that the number of Communists in this country is too small to constitute a grave danger to American institutions? It does not require great numbers to light the flame of revolution. The 200,000,000 people of Russia have been reduced to social and economic status of medieval serfs by 5,000,000 members of the Third International. On October 7, 1917, when Lenin sparked the Proletariat Revolution there were only 30,000 Communists in that vast nation as against 180,000,000 of other people. With this handful of peasants, augmented by the inmates of criminal institutions and other elements of desperate and dangerous participants, they enacted a blood purge which culminated in the most brutal butchery of the world's many massacres. Millions of people perished from the dagger, sword, gun, and other deadly instruments in the hands of the disciples of Karl Marx.

Do you know how the 5,000,000 members of the Third International stifle the courage and break the spirit of 195,000,000 people in Russia? Here is the answer: The concentration camps of the barren and bitter Arctic regions; the firing squad; the mines of Siberia; the Soviet collectivist farms on which the intimidated peasants are driven to their slave labor by the lifted lash of criminal bosses. These make up the difference between a vast demoralized population and a small faction of well-equipped and vicious assassins.

Mr. Uninformed and Dissatisfied American, clothed with all the protection of the American Bill of Rights, do you subscribe to this communistic way of life?

My friends, there are more active Communists in many of the States of this Union than were in Bulgaria, Yugoslavia, Rumania, or even Russia, before the Communists seized the power under which they have reduced the weak democratic states of the Balkans to a condition of impotent vassalage.

At this time in the United States there is one Communist to every thousand of our voters; a number which represents a ratio of Communists which existed in Russia when the Soviet regime was ushered in.

The objectives of the American agents of the Third International are identical with the objectives of the Communist assassins who filled the sewers of Moscow and other cities of Russia with the blood of defenseless victims on October 7, 1917.

This Red American movement is more than an economic or political program. It is a conspiracy. This statement is verified by the recent interception of "secret papers" and "agreements" between Hitler and Stalin which had been stored in the German archives, later brought to light by the occupation or patrol troops now in the occupied territory of a conquered Germany.

My countrymen, this program is a conspiracy against all free people, against freedom of thought, of worship, of the press, of the right of assembly, of the right of petition of redress of public grievances—a conspiracy against every privilege that promotes the happiness of the individual—a conspiracy to enslave the body, blight the soul, stifle ambition, destroy the virtues and equal justice of mankind. The vital and supreme issue that challenges every American is: Shall the

American way of life be preserved among the liberty-loving people of the earth, or shall we permit freedom to be wiped from the face of the earth?

Strange to say, but they held responsible, good-paying positions of trust within our own Government until President Harry S. Truman gave orders to purge the pay rolls and to stop feeding the hands that are fighting you and your heritage. They bed down in labor unions. They are shrewd parliamentarians thoroughly versed in economics and the inner workings of our Government. They soothe their victims with the soft voice of Jacob, and stab them with the hairy hand of Esau. Shall we blight the genius of our people in the poisonous fumes of atheism and anarchy? Are we ready to exchange our rich inheritance for the Utopian theory of Marxist pottage brewed in the cauldron of tyrants who connive to reduce us to a condition of menial servitude more hideous than the bondage that shattered the bodies and souls of the slaves chained to the galleys of their brutal Roman masters?

Communism and democratic capitalism cannot survive side by side. They can find no common soil in which to cultivate the seeds of their opposite purposes and ideologies. One of these systems must go. If we dedicate our lives and fortunes to the maintenance of the cardinal principles of liberty, equality, and justice, the stench of Marxism that is now befouling the free air of America will be smothered for all time to come.

A contrast between the two systems of the way of life is as follows:

What we must preserve

We sponsor government by consent.

We want liberty as we know and love it.

We demand equality of our people before the law.

We advocate government based on law and authority.

We are committed to the love of truth.

We worship an omnipotent and Divine God.

We advocate right.

We are dedicated to the principles of humanity.

What they would demand of us

They seek dictatorship.

They would replace such liberty with servile adherence to a Marxist state.

They would extend license and arbitrary privilege to an autocratic clique.

They would replace such government with a one-man brutal authority.

They resort to lying propaganda.

They would force all mankind to worship a centralized state, a ruler, a race, or party leader.

They would rule with the iron rod of might.

They resort to cruel and ruthless conquest.

Within the last three decades our dauntless manhood has suffered and died on the foreign battlefields of two World Wars in order to destroy the roots of insatiable ambitions of fiendish tyrants who sought to enslave humanity. Shall we permit the supreme sacrifices made by these immortal heroes to be all in vain? Shall we frown upon or shrink from these adventurous derelicts while they weave crowns of thorns for our brow, more cruel than those woven for us by the heartless assassins who directed the missiles of death that left thousands of our hero dead in unknown graves of distant climes? God forbid that we should let them spin the wheel of fortune which determines the future destiny of this glorious Republic.

The word "America" has become a world-wide synonym for truth, honor, charity, and justice. Wherever disaster has struck American benefactors have been the first to answer the call of distress. America has never blemished her escutcheon with cowardice. Her sons have fallen on every battlefield where the inherent rights of free people have been challenged since the birth of this Nation. What a travesty of a glorious past and a hopeful future to exchange a government possessing such honors for a system that would imperil her masses upon the vanishing sands of time.

The tide of freedom rises and falls in the constant cycles of human history. Greece, with her coterie of wise men, grew and blossomed into fruition of scholastic attainment which reached its highest stage of development and civilization under the wise guidance of Pericles. Her literature and art stands as a bulwark in the cultured realms of human achievements among the nations of the world, but she fell before the marching hordes of the Roman soldiers, and her torchlight of civilization went down in the dying embers of desolation and ruin.

The mighty Roman Empire spread its imperialistic wings over three continents and subdued the lesser powers of resistance and gave to the world her philosophy of legal justice and the scientific construction of roads and aqueducts, which reached its pinnacle of achievements under the great Augustus Caesar. But alas, she too fell, the somnambulist of a shattered dream. We propose to maintain our standard of freedom, and make it one which men cannot plunder or destroy, for such freedom once fixed in the hearts of our people, will become an everlasting source of universal kinship.

Our beloved country was not conceived by cowards and weaklings, but by men of destiny; strong, and fearless men; men who refused to live in bondage.

By an act of Congress of these United States of America, in the year 1918, this pledge has become a criterion of all citizens, laden with a moral obligation never to falter: "I believe in the United States of America as a government of the people, by the people, for the people; a democracy in a republic; a sovereign nation of many sovereign States; a perfect union, one and inseparable; established upon those principles of freedom, equality, justice, and humanity, for which American patriots have sacrificed their lives and fortunes. I, therefore, believe it is my duty to love it, to support its Constitution, to obey its laws, to respect its flag, and to defend it against all enemies." This pledge should be framed and hung on the walls of every schoolroom, carved in the archway over the doors of every temple of justice, read in every pulpit, taught to children in the classrooms throughout the land.

Our homes within this fair land are the sacred precincts across whose threshold kings, tyrants, and the demons of destruction should fear to tread.

For the throbbing pulse of this relentless world has never been pillowed in peaceful sleep. Across its snow-capped mountains and its rolling oceans, its waving forests, and trackless deserts, this white winged messenger of universal peace has never flown. Amid periods of turmoil and strife, the old world has pressed her way down through the ages.

One revolution after another has stirred her mighty heart; amidst the roar of battle has her history been written; by the lurid light of the campfire it has been read. Wrapped in the sable shrouds of desolation and death, the grim god of war has marched down through the centuries to the muffled drum beat of fallen nations and empires overthrown.

Looking backward into the past, I see a stormy day in December in the year 1606. A tiny fleet of three small vessels is forging its way against the lashing sea and biting wind, into the mouth of the historic James River. Few ships as small as these now cross the ocean, but they represented the fleet of North America, the white would-be inhabitants of this great continent. The passengers on these ships are lean, haggard, hungry, and seaworn, and on the little pinnace *Discovery* there stands Capt. John Smith with a purpose in his heart, determination plainly written on his face, and high hope swelling in his bosom; a hope to lead his suffering people from the land of tyranny and oppression into a country of moral and religious freedom where the sunlight of heaven shines over all with the same compassion of love, equality, and justice.

No vigor of youth, no maturity of manhood should ever lead a nation to forget the spot where its infancy was cradled and defended.

"Breathes there a man with soul so dead,
Who never to himself hath said,
'This is my own, my native land.
'Land where our fathers died,
'Land of the Pilgrims' pride,
'From every mountain side
'Let freedom ring.'"

Margarine and the Consumer

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. DAVIS of Wisconsin. Mr. Speaker, I wish at this time to present excerpts of an article in regard to margarine and butter. This article appeared on page 11 of the November-December issue of the Labor Relations Bulletin of Milwaukee, Wis. It was written by Mr. Milo K. Swanton, executive secretary, Wisconsin Council of Agricultural Cooperative, and is as follows:

MARGARINE AND THE CONSUMER

(By Milo K. Swanton, executive secretary, Wisconsin Council of Agriculture Cooperative, for Labor-Public Relations Service Magazine)

The oleomargarine issue, as well as the product itself, has evolved through many stages during more than one-half a century of time. In this process of change has come change in consumer interest. With this have come conflicting viewpoints. Ethical, agricultural, and nutritional problems are at stake.

The issue today is largely whether two fats of vastly different origin and of somewhat different dietary standards are competing fairly or unfairly for consumer demands. Consumers and producers both have deep interest in the oleomargarine question.

Are producers of dairy products justified in their position that oleomargarine made and sold in the imitation of butter amounts to a trick on consumers and constitutes an unfair trade practice against dairymen? Are manufacturers and distributors of oleomargarine justified in trying to convince consumers that excise taxes on their products constitute an unfair trade barrier? Does the controversy involve misunderstanding between branches of agriculture and clash between sections of the country?

FARMER NETS LITTLE FROM SALE OF VEGETABLE OILS

To repeal or reduce excise taxes and licenses, to liberalize or tighten the extent to which oleomargarine may imitate butter—these questions do not involve conflict between branches of American agriculture. It is not an issue between cotton and soybean farmers on one side and dairy farmers on the other. According to prewar figures,

about one-half of 1 percent of the cotton growers' income was derived from the sale of oil used in oleomargarine. The use of soybean oil in oleomargarine accounted for only 5.3 percent of the grain soybean growers' income in 1940.

It is not a conflict between the North and the South. Oleomargarine is made largely in the North. Domestic fats and oils used in oleomargarine came as much from the North as from the South. The oil industry is growing in the North. The dairy industry is growing in the South.

If there is a clash of financial interest it is between the millions of dairy farmers who derive two-thirds or more of their income from the production of butterfat marketed in butter, and the handful of corporations and individuals who process vegetable oils into oleomargarine made in the imitation of butter. In the sale of butter the dairyman gets about 62.8 of the consumer's dollar. In the three principal butter-producing States, Minnesota, Iowa, and Wisconsin, where 41 percent of the Nation's butter originates, 80 percent of the butter is made in cooperative creameries controlled entirely by dairy farmers living on and working family-sized farms. On the other hand, a few corporations control the bulk of oleomargarine made in America.

FARMER GETS MAJOR SHARE OF BUTTER INCOME

I think it is well for consumers to know something about comparable margins in the manufacturing of these two products. The price paid to the farmer for butterfat invariably exceeds the price per pound at which the butter is sold. As consumers you have the right to ask how this is possible.

The cost of manufacturing and distributing butter is taken out of overrun. What is "overrun"? Butter contains about 82 percent fat, about 15 percent water, 2 percent salt, and 1 percent curd. This 18 percent of a pound of butter made up of water, salt, and curd is known as overrun. It costs very little, while butterfat is the critical and difficult ingredient to produce. Because of the overrun which pays the cost of manufacturing and distributing, butter is generally solds for less than the price paid the dairy farmer for the butterfat.

On the contrary in the oleomargarine industry the farmer receives far less for the oil than the consumer pays for the finished product. Yet overrun is also an important factor in the making of oleomargarine. Oleomargarine is about 83 percent vegetable fat, 14 percent water, 3 percent salt and curd, and a preservative. Apparently this 17 percent overrun is absorbed in oleomargarine manufacturing profits.

VEGETABLE OILS IN OLEO VARY WITH AVAILABILITY

Vegetable oils, much cheaper in cost than butterfat, constitute the body of oleomargarine. The oleomargarine industry has great flexibility in that it can quickly change its source of fat supply, using whatever form of oil may be cheapest or most readily available. Oleomargarine uses cheap mechanical oil extraction processes. The butter industry depends upon the living biological processes of the cow that convert grains and grasses into milk proteins and butterfat.

Yet, in spite of these cost advantages, the price of oleomargarine fluctuates in relationship to the price of butter instead of being governed entirely by its own cost of production. In view of this oleomargarine price picture, have consumers any assurance that the oleomargarine interests will reduce consumer price to the extent that Federal or State excise taxes might be eliminated or reduced?

Consumers ask the question, "why a tax on oleomargarine?" Obviously the Federal tax of ¼ cent per pound on uncolored oleomargarine is not a burden nor does it restrict the use of this product. The 10 cents per pound Federal tax is applicable only when oleomargarine is colored butter-yellow. From the standpoint of food availability and digestibility, oleomargarine, not colored in imitation of butter, is just as nutritious and just as digestible as it is when colored butter-yellow. Hence, Federal taxes do not necessarily curtail the manufacture and distribution of oleomargarine.

DAIRYMEN RESENT ATTEMPTS TO IMITATE BUTTER

I think consumers should understand why dairymen feel that it's an unfair infringement for oleomargarine to be made in imitation of yellow butter. The farmer feels that butter has come down through the ages a basic food in the diet of civilized man. For thousands of years the natural yellow color of butter and its typical flavor have been universally recognized and accepted among all caucasian people.

The producer and the consumer know that butter is both a food and a flavor. To them color and flavor are the evidence of its identity. They believe that the consumer is entitled to buy either oleomargarine or butter with the feeling of assurance that there will be no confusion, no uncertainty, no parading in false colors.

LABELING PACKAGE DOES NOT IDENTIFY OLEO ON THE TABLE

Labeling the package is not the answer. Oleomargarine colored butter-yellow loses its identity when taken from the labeled package to be served on the table, in the hotel, in the restaurant, or dining car. It is for this reason that many States, including Wisconsin, prohibit the sale of oleomargarine colored butter-yellow.

There have long been recognized ethical standards restricting imitations. For example Brookshire cheese is too close to Swift & Co.'s Brookfield trade-mark to be permitted. Will Rogers found out that Illiterary Digest was too similar to Literary Digest. An automobile manufacturer was prevented from using a certain shape of radiator because it too closely resembled the Packard radiator design.

Why of all the colors in the spectrum do the oleomargarine people select the yellow color of butter? Why have the manufacturers of oleomargarine made every effort to duplicate the body and texture and melting point of butter? They have added 9,000 units of vitamin A per pound in an effort to approximate the vitamin A content of butter. The flavor of butter may also be added legally to oleomargarine so as to make identification almost impossible. A noteworthy deviation in legalizing these standards of imitation is the fact that the use of a preservative is permitted in oleomargarine but not in butter.

WHY NOT USE ANOTHER COLOR FOR OLEO?

With all this imitation permitted, there remains the feeling that consumers should be protected by a color identification so it would not be necessary to call on technical laboratory tests to determine whether it is butter or oleomargarine. If the product will sell in its own image, identified separately for what it is, there will be no basis for controversy. The dairy industry will guarantee never to imitate the color or characteristics of oleomargarine. Dairymen feel that asking the oleomargarine industry not to imitate the color of butter is only fair.

Peanut butter sells under its own characteristic brown color and its own typical flavor. Even though peanut butter uses the term "butter," still there is no controversy because there is no consumer deception.

And the question is asked "should it make any difference to the consumers which fat he is getting if in taste or color he can't detect the difference anyway?" Yes, for the same reason that consumers have a right to know whether or not the meat they are eating comes from a horse or a cow. Regardless of the fact that horse meat and beef are both nutritious and digestible, and when smothered with seasoning may taste the same, the consumer has a moral and legal right to know the difference.

IMITATION AND DECEPTION SHOULD BE PREVENTED

Most consumers will agree that deception is a fact to be discouraged in the world of food. Even if there existed nutritive equivalency, the element of imitation and deception should be discouraged and prevented. We are in for trouble if the time comes when we accept the principle that approximate nutritive equivalency of an imitation food shall be the criterion of legitimacy.

For example, there is the possibility of opening the door for filled milk which means the substitution of vegetable oils for butterfat mixed with condensed skim milk. This product is a positive threat to the health and life of babies raised on a formula, because, unlike butterfat, vegetable oil lacks the growth factor. There is also the threat of filled cheese and filled ice cream.

In this connection let me point out that in Germany, according to an article by Mr. A. Imhausen, published in Kolloid Zeitschrift in May 1943, a method had been developed for the manufacture of fatty acids and edible fats from petroleum products using a byproduct of synthetic gasoline plants. As early as 1937 the production of synthetic butter was reported. Later than this, experiments in the production of synthetic fatty acids from coal were reported.

If we legalize consumer deception between butterfat and mechanically processed vegetable oils, then the next move may be the substitution of vegetable oils by synthetic fats made from coal and petroleum. In this connection here is what Mr. Imhausen of Germany says of these synthetic fats (translation):

"The Public Health Bureau of the Reich has, by thousands of experiments under the leadership of Dr. Flossner, demonstrated the high value of synthetic fats and has released it as the first synthetic food material of the world for human nourishment."

IS THERE MUCH NUTRITIVE EQUIVALENCY?

Consumers should know that as between oleomargarine and butter, there is a question of nutritive equivalency. I quote from the American Medical Association Journal:

"Since the nutritional factors have not all been identified, and since butter contains numerous additional fatty acids of unknown nutritional value, the consuming public has a right to demand that the practice of identifying oleomargarine and butter, so that anyone can differentiate between them, should be continued."

The use of a preservative in oleomargarine which is not used in butter should be remembered when considering nutritional equivalency.

BUTTERFAT MAKES BUTTER QUALITIES UNIVERSALLY DEPENDABLE

Butterfat is more consistent in origin than the imitation product. This adds to the question of nutritional equivalency. Butter is created in the living mammary glands of the cow from grains and grasses she has consumed. However, in a short span of years the fat sources of oleomargarine have shifted many times. In 1925 oleomargarine made in this country consisted of:

	Percent
1. Animal fats	40.2
2. American vegetable oils (principally cottonseed oil)	14.4
3. Imported vegetable fats (principally coconut oil)	45.4

By 1933, the use of animal fats and American vegetable fats declined, while the use of imported vegetable fats had increased as follows:

	Percent
1. Animal fats	14.0
2. American vegetable fats	10.5
3. Imported vegetable fats (Almost exclusively coconut oil)	75.5

In 1940, the percentages were as follows:

	Percent
1. Animal fats	9.4
2. American vegetable fats	79.7
3. Imported vegetable fats	10.9

Butterfat alone as compared with oleomargarine has superior dietary qualities. Consumer protection when oleomargarine is used lies in the hope that an adequate general mixed diet will be guaranteed and in the hope that oleomargarine will be adequately fortified with vitamin A.

BUTTER CONTAINS VERY ESSENTIAL VITAMIN E

The high nutritional value of butter is shown by recent experiment. Butterfat is found to be a very reliable source of vitamin E. Clinical reports now indicate that vitamin E is important in human reproduction; also, the most recent research work suggests interrelation of vitamin E and inositol in the prevention of muscular dyostrophy in human beings, and a high degree of success has been reported for clinical use of vitamin E in the treatment of lumbago. According to the National Dairy Council, results of recent experimentation indicate that this interrelationship plays a possible role in the prevention of certain kidney ailments and heart disorders.

According to Dr. E. B. Hart, of the University of Wisconsin department of biochemistry:

"The fat of milk is of most complex composition."

He points to a difference in the chemical constitution of butterfat and vegetable oils. Dr. Hart further states:

"It is probably the difference in the constitution of the fatty acids of the saponifiable fraction, although it may be due to some unrecognized essential nutrient carried by butterfat but not carried by the vegetable oils. The mammary gland has synthesized something special for which there is at present no known substitute."

Since nutritional equivalency between oleomargarine and butter is not an established fact, it is vital that each product be readily and clearly identified for the consumer. Therefore, maintaining characteristic color difference is sound policy.

EXCISE TAXES PREVENT FRAUD AND DECEPTION

An important reason for Federal and State excise taxes is to police against fraud and deception. Racketeers have pawned butter-yellow oleomargarine onto the public as being butter. Reputable manufacturers are not doing this. It is to their interest as well as to the interest of consumers to suppress fraud in the sale of oleomargarine.

For example, in 1931 a man with much sales ability got in with a reputable oleomargarine manufacturer as a New York-New England distributor. His objective was to pawn a cheaper product onto the 20,000,000 people living in that eastern metropolitan area. He picked the responsible-sounding name of Haddad Trading Co. He lined up two Boston citizens, Vincent Bruzzese, who was an operator of a small cheese plant, and a trucker by the name of DeMauro, whose name was well-known in Boston police files. Haddad would provide the oleomargarine. These men would color and sell it as butter. Margins were wide and profits were great. Haddad would report sales at 20 or more Boston bakeries. Instead the product would go to Bruzzese and DeMauro. As the illicit profits accumulated he would pay the Illinois manufacturer and credit the "accounts" of the bakers who were not getting a pound of the product. He had some legitimate customers, but it was the fraudulent product that paid off. He did fool the manufacturer and the consumer for a while, but he was soon tripped up by the internal-revenue people. This is but one of many similar cases prosecuted during the past 45 years out of funds provided by the Federal 10-cent tax on yellow oleomargarine.

WOULD DAMAGE SOIL

Complete loss of identity between oleomargarine and butter would tend to reduce the demand for and the production of butter. Normally in the United States 45 to 59 percent of our milk which is processed is made into butter. If butter production is drastically reduced, it would mean a decrease in total milk production. This would mean a decrease in the production of milk solids as well as milk fats. The over-all loss to general health would outrank the alleged benefits claimed by the handful of oleomargarine manufacturers.

Any discouragement to the dairy industry would tend to cause a shift from a livestock to a field crop type of agriculture. With this shift will come loss in soil fertility, more soil mining, and more soil erosion. All of this is of vital concern to consumers as well as to producers.

Hence it is seen that the oleomargarine question involves not only ethics in business—not only the question of trade barriers or unfair trade practices—but also it involves food policies basic to consumer health and welfare and changes fundamental to the permanency of American agriculture.

Statement of Irish Race Convention Before Senate Foreign Relations Committee Urging Freedom of North Ireland in Considering Marshall Plan Submitted by Joseph Scott

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. McDONOUGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of the Irish race convention before the Senate Foreign Relations Committee as follows:

(The statement prepared on behalf of the Irish race convention is as follows:)

In behalf of those for whom I have the honor to speak, I desire to thank your committee, Mr. Chairman, for this opportunity to be heard.

And, for the record, permit me to make it plain who it is for whom I speak.

It is for very proud American citizens, Mr. Chairman, hundreds of thousands of whom have signed their names and set their addresses to a monster petition now on its way to the President and to the Congress at Washington—but more of that in a moment.

I also speak at the direction of a very remarkable Irish race convention which was held in the city of New York on the 22d and 23d days of November 1947. I carry to you the unanimously expressed wishes and views of that great convention.

The sons and daughters of our American Irish were represented at that convention, Mr. Chairman, by their delegates from 38 States of the United States of America. All of the great Irish-American organizations sent their unqualified endorsements, and were, for the most part, represented in person by their national officers. I mean such organizations as the Ancient Order of Hibernians, the Clan-na-Gael, the united Irish county organizations, the Gaelic League, the American-Irish Historical Society, the Sean Oglaigh nah Eireann, the League for Irish Freedom of San Francisco, the Anti-Partition League of Philadelphia, the Irish Fellowship Club of Chicago, the Irish Cultural Society, and countless others.

I suppose, therefore, that without exaggeration I might say that I speak for millions of our citizens of Irish blood, and I want to tell you why it is that all of them are speaking with a single united voice—a voice which cannot be denied—it is, Mr. Chairman, because they have a very deep sense of grievance.

Let me, as quickly as I can, paint the situation for you in simple and direct words. I quote:

"That countless thousands of American citizens of Irish birth or blood are smarting under the indignity of the forcible partition of Ireland by England."

Those words, Mr. Chairman, are taken verbatim from the monster petition to which I have before referred.

And to prevent your minds, worthy Senators, from formulating the question: "What has that to do with this committee, and with these hearings?" permit me to quote a further line from the preamble of the petition:

"That England, by subsidy and otherwise, has maintained this partition against the voice of the overwhelming majority of the people of Ireland."

You quickly catch and note that word, subsidy, gentlemen. You quickly catch and note, too, those words "* * * against the * * * overwhelming majority * * *."

Meanwhile, the President of the United States of America has transmitted to the Congress of the United States his message on the European recovery program. The official outline of European recovery program shows that Ireland was one of the 16 countries invited to the Paris Conference.

The President has predicated his message upon the spirit of democracy as he sees it. In a later press release he refers to the plan for western Europe as both economic and spiritual. The President has also sent to the Congress proposed legislation which this committee is now considering for report to the Senate. That legislation calls for American money, vast amounts of it. And out of those very moneys England proposes to continue to support her invasion of Ireland, contrary to the democratically expressed wishes of the people of Ireland.

So, beyond peradventure of doubt, Mr. Chairman, this is the time and this is the place for our citizens of Irish birth or blood to be heard carefully and with grave consideration before further irreparable damage may be done.

Mistake it not, when these sons and daughters of Ireland say in their petition from which I have quoted that they are "* * * smarting under * * * indignity," they have indeed a grievance. Let us examine that grievance, and see what it is.

I asked a grandfather the other day, a simple man, a maker of things all his life, how we could best express it. He said:

"My sons were in the service. They were unable to answer the questions of their buddies, 'Where did your folks come from?' My sons couldn't say 'From Ireland,' because there is no Ireland. She is split into 6 counties and 26 counties.

"You heard of the man without a country. Well, England has made my sons men without a land of heritage.

"But worse than that, my sons, thank God, have come back safe. Now they are raising me a crop of grandchildren. How, in heaven's name, are those grandchildren going to explain where their ancestral stock came from? You'd have to feed them political history with their milk."

There you have it.

Take it another way. Sit you down at a business conference or sit you down at a luncheon. Gather at your place of worship or assemble at your club or at your lodge. Americans all. That typifies the strength of our America. As you look around at your fellow American citizens you tabulate them. Sure, that fellow over there is a Swiss; and that husky giant is a Norwegian; there's a Dane in the corner seat; and that chap over there is English. Each has his country of ancestral heritage. But we come to the stock that John Boyle O'Reilly wrote of, and what can we say of them? Think of the shame of it. If one of them so much as peeps up "My father was Irish," or "My mother's folks came from Ireland," immediately the questions start: "Which Ireland?" "Where?" "You mean from the English part of it or from the other part?"

Senators, they had a short name for the Pacific Ocean in this last war. They called it the Irish sea.

Can we seriously imagine that the Kellys and Burkes and Sheas, or the Sullivans, who went down there to their last long sleep, or that the Murphys, the O'Briens, and the McCarthys, who were fortunate enough to come back from there, would want the United States of America to subsidize by our money the partition of Ireland, so that in very fact there is no Ireland but only two divided sections of counties of which the spokesman for the leading political party in Ireland has said, "If partition be not undone, then all that has been gained for Ireland in the last hundred years may be lost."

All that has been gained in the last hundred years. That seems a very casual way to treat a hundred years of event-packed history, Mr. Chairman. Our great United State of America is not yet in its two hundredth year. But let us look at it from the standpoint of Ireland's history. It was not until after the middle of the twelfth century that the English armed forces came to Ireland. Ever since then, and in each generation, the battle in Ireland against the invaders of Ireland has continued, and wherever throughout the world the exiled sons and daughters of the Gael were forced to go in order to find the liberty and to make the living which was denied to them by the oppression of the foreigner in the land of their forebears that battle has also continued, and will continue until the end, Mr. Chairman.

So, as of today, for almost 800 years, the Irish have fought the continued foothold of that English invader, and, at long length, they have driven that invader out of 26 of the 32 counties of Ireland.

Why England's subsidy supports a puppet government in the remaining six counties—against the majority vote, again and again recorded—of all of the people of Ireland, and how England does this, is too long a story for me to detain you with today, but there are two things which I can do without taking time: First, I can file with you copies of David O'Neill's 38-page brochure, The Partition of Ireland, How and Why It Was Accomplished, asking you, Mr. Chairman, to regard that exhibit as an extension of my remarks; and second, I can emphasize for this record the fact, that since the last printing of Mr. O'Neill's publication saw the light, the head of England's puppet government in the six counties, namely Sir Basil Brooke, the six-county premier, has admitted in a public speech that the minimum subsidy by which England sustains the unnatural partition of Ireland is $40,000,000 per year. And in many years, England's subsidies go far, far beyond that sum. She carefully conceals the figures, but qualified estimates place the average at $200,000,000 per year.

I recognize that in a vastly changed world order, there may be some Senator, or some Congressman, with but a few Irish in his constituency, who may say: "Oh, well, this is a new strange world we are living in. Other countries are partitioned. Other countries are split apart. Why not Ireland?"

The easy, quick answer, Mr. Chairman, is that the very antiquity of Ireland has ingrained the fight of the Irish against the invasion of the English to such an extent that the fight has become an integral part of worth-while Irish character, and in the very nature of things that fight can never end until the invader ceases to encroach upon Irish soil. Until then there can be no permanent peace in the world, Mr. Chairman, because history shows that in generation after generation the Irish in Ireland have adopted every legitimate means—just as the American Colonies sought aid from France—in the necessarily bloody battle to win independence.

Ireland's background, Ireland's antiquity, merits freedom and independence, Mr. Chairman.

It is not my purpose to unduly spend any of the time of this honorable body, and I suppose that I might, with every fairness, ask the Senators to take judicial notice of the antiquity of the Irish. So, for the purpose of the record, let me say merely this:

From more than 7 centuries before the birth of Christ, the historians have adduced what they consider as the beginning of indisputably authentic Irish history.

I quickly carry you over more than 9 centuries, during which law and learning and the arts progressed in Ireland. During those centuries, the land which we now know as England came under the domination of the Romans. Ireland remained with the Irish. During those centuries the world saw a new light—the Man of Galilee was born, and lived, and was crucified.

Two hundred and twenty-seven years after the birth of Christ, there came to the high throne of Ireland, Cormac the son of Art. Cormac gave us the Psalter of Tara—a compilation, mind you, of the then previously enacted and functioning laws of Ireland. No wonder there is pride in the people of Irish blood—Ireland's sons and daughters everywhere.

Merely in passing, and because there is a moral and a lesson to be well drawn from it, may I add that Cormac's father was the son of that Irish king known as Conn of the Hundred Battles. Seventeen centuries later, this battle which we are fighting here today is but another phase of the age-long battle of the Irish, because so long as a single foot of Irish soil remains within the possession or control of the foreign invader, so long will the sons and daughters of Ireland battle for Ireland throughout every country of the civilized world.

Then, 2 centuries more, and in A. D. 432 St. Patrick comes to Ireland. And Ireland took St. Patrick and Christianity to its warm Irish heart.

I don't have to tell you the story of that. Just let me remind you of the one incident: That of the Irish chieftain who was brought to renounced paganism and to embrace Christianity. St. Patrick stood before him, face to face, and for freedom of hand the saint took his spiked crozier and rammed it down into the soft Irish earth. Then he proceeded with the instructions to the new convert. It was not until he finished, that looking down he saw the ground covered with blood, and found that he had hammed his bishop's crozier right through the foot of the convert chieftain. That chieftain had never winced. He had not shown a sign of pain. And then St. Patrick apologized and asked him why he had not said something, the chieftain merely said that he thought it was part of the ceremony, that the suffering was just something to bear—a little token of the price of being a Christian.

Maybe there is a lesson in that for the troubled New World of today, Mr. Chairman.

Here we are, preparing to make vast sacrifices of our substance for a supposedly democratic and largely Christian western Europe, Mr. Chairman. And we are told to build high hopes upon that western Europe for our own safety, Mr. Chairman. We are told that it may keep communism out of America, out of our own United States.

I point this honorable committee back to that chieftain who knew how to suffer. I point you back to that little land of Ireland where communism never could show its dirty head. I point you back to that little island of saints and scholars which, through all of the early centuries and down through the Middle Ages, sent the teachings of Christianity and of democracy to all lands. In spite of her own sufferings at home, Ireland spread the light, Mr. Chairman—and in America's vast new projects of today and tomorrow, whatever form these projects may finally take, you will find no safer, no braver, no truer spot than little Ireland. You will neither find communism in Ireland, nor will you find it among Ireland's sons and daughters in our own land, Mr. Chairman.

But by what rule of logic, by what method of reasoning, can it be held a sensible thing to keep that stronghold of light and of Christian religion, that European outpost of Christianity and of democracy, divided against itself? The answer does not lie in logic or in reason, Mr. Chairman. The answer lies in the stubbornness and in the cupidity of England. Let us examine it:

England has about the same area as our own State of Illinois. But she is overpopulated and she is industrially outmoded. Those are the admissions of her own statesmen and of her own spokesmen. Her density of population is about 715 to the square mile. Even according to the estimates of Mr. Churchill, she must move out about one-third of her population. Probably one-half is nearer to the real picture.

Ireland has about the same area as our own State of Maine. But she is underpopulated, and is industrially underdeveloped. Her population is about 115 to the square mile. Even according to our own Department of State, the 26 counties of Ireland must be a good credit risk. The State Department's report to your own committee, I remind you Mr. Chairman, is that in the event of advance of moneys as contemplated by the so-called Marshall plan, the advance to the 26 counties would be by way of loan, whereas the advance to Britain must perforce, and obviously, be very largely by way of grant.

May I divert here, to suggest what must be quite apparent to your learned committee, and that is that no such two classes of money should ever be disbursed from a common or mingled fund. He who approaches the banker to seek a loan upon his credit, approaches that banker with head up—seeking that which he can in honor take and which he expects to pay back. But, he who approaches a donor seeking a gift or grant necessarily comes with hand outstretched, and is in no position to discuss terms. He is a beneficiary. He must listen to and obey the instructions of the donor.

But little Ireland—again as I say of the size of our State of Maine—is burdened by England with two governments, two sets of customs, an unnatural internal customs border more than 270 miles long, two sets of police, two sets of armed defense forces, two sets of everything from the highest to the lowest.

If the 26 counties, so circumstanced, and as just a part of Ireland, are a worthy credit risk for our taxpayers' money, why should not all of Ireland (the Irish Nation) under one sensible government of her people, and with England's needless waste and squandering eliminated, be in very fact an excellent credit risk?

Of course, the real answer is that the division of Ireland is England's plan—it is the age-old continuance of the policy of

divide and conquer. What was once the Pale of Dublin has now in economic fact become the Pale of Belfast and of the six agricultural counties which serve that industrial city.

And, of course, the implements by which England maintains the division are subsidy and gerrymander. Again, I refer you to David O'Neill's pamphlet. Or, if you need some more figures, I refer you to Cahir Healy's Mutilation of a Nation.

It is true that the gerrymander may be for the Irish in Ireland to handle; but the subsidy is certainly not a thing for us to grant, Mr. Chairman.

Whence come the moneys which the Executive asks you to vote, Mr. Chairman? Answer: From the taxpayers. Well, taxpayers are before you, Mr. Chairman.

Speaking in the representative capacity in which I appear here today, it would be obviously improper for me to express either advocacy of or opposition to the projected legislation which lies before your committee. Each citizen is entitled to his or her own opinion upon the merits or the demerits of the so-called Marshall plan.

But upon one thing I do speak with all the emphasis that is at my command—and I bring to you all of the steadfast earnestness of the multitude of voters who have sent me to appear before you.

I speak and I protest—and we shall continue to speak and we shall continue to protest from hence forward—against the sending of a single dollar of American taxpayers' money to Britain while the Government at 10 Downing Street persists in the insane division of Ireland. It is beyond successful dispute that England is financing the partition of Ireland with American money. American citizens of Irish blood who are worth their salt are burning with hot indignation over this, Mr. Chairman.

As members of this honorable committee know, this Irish question is no new thing in Washington. But the difference is that it is no longer truly an Irish question. It is an English question.

The Irish in Ireland have demonstrated superb abilities in troubled times to govern themselves.

Our Irish citizenry in the United States have given us of their valor and of their zeal, in peacetime and in wartime, since the foundation of this our Republic, Mr. Chairman.

In the form and manner provided in the Constitution of the United States they are now bringing their protest to Washington. They have the right to be heard.

They say that England instituted the partition of Ireland under impelling threat of superior force. This is a fact of history, Mr. Chairman. Lloyd George admitted it, and gloried in the fact.

During the period of actual hostilities, and during the first step of reconstruction, our Irish voters have preserved an admirable attitude even when vast sums were being sent to England apparently to be very largely squandered.

But now, Mr. Chairman, what future moneys are to go, if any are to go, avowedly for constructive and allegedly for American protective purposes.

If this be so, there should be no waste. We assert that England's subsidy of Irish partition is unadulterated waste. We assert that it is both economic waste and military waste. Obviously a divided Ireland is less effective as a warm friend of the United States of America than would be a united Ireland.

If we are correct in saying that there should be no waste, then it follows that there should be no palpable violation of the democratic principles for which we assert that we are building. England's violation of democratic principles in the six counties of Ireland is open, is adverse, and is notorious.

If there should be no waste, there should be no weakening of the geographic and national units which might be expected to be a source of sound defense in the event of armed struggle between conflicting ideologies. England's interference in Ireland is a continuing cause of such weakening. It should not be permitted even to continue, much less should it be financed by the United States of America.

In the United States of America we give much weight to the free ballot, Mr. Chairman. I call to your attention the fact that free ballots are about ready to be cast in the 26 counties. But each of the conflicting political parties is in complete agreement with its opponents upon one thing, Mr. Chairman—partition of Ireland must end. That is a major plank in each political platform in Ireland.

Should question arise as to the propriety of what I am today discussing before your honorable committee, and of your action upon it, I call to your committee's attention the fact that this question of propriety was thrashed out before the Committee on Foreign Affairs of the House of Representatives at the third session of the Sixty-fifth Congress almost 30 years ago. I refer to the record of the hearings on House Joint Resolution 357, December 12 and 13, 1918. As a result that question was affirmatively determined, and the decision was in favor of Ireland's cause. Likewise in the Senate before the Committee on Foreign Relations, Sixty-sixth Congress, first session. The Senate went on record 60 to 1 in favor of Ireland's cause.

Not until, by the valor of Ireland's sons, and by the force of public opinion throughout the civilized world, England was driven to it, never did England seriously approach the problem of her withdrawal from Ireland. Then, 27 years ago she devised the accursed plan of partition, and drove the 26 counties into a bloody civil war. Today, Ireland as Ireland is confronted by the enforced secession of 6 countries from the 32. It is the same kind of secession that had to be settled by our own Civil War, but with this added insult: England is actually subsidizing, directly and unashamedly, the entities which constitute the six seceding units in Ireland.

Upon behalf of my people I protest. I say that the United States of America cannot afford to subscribe to such an iniquitous outrage upon human liberty. That is my case, in the merest outline, Mr. Chairman.

May I thank the chairman and the committee for the time and the courtesy extended to me upon this hearing, and may I offer, upon behalf of my colleagues and myself, to furnish any other facts, data, historical, or other matter for the record which may be required by the committee or by its chairman.

* * * * *

Mr. SWEENEY. Again we present the problem solely as American taxpayers. I do not know how to characterize it. But I can say it would be repulsive, to say the least, if this great Republic of ours would permit $40,000,000 or $200,000,000—whatever the relative amount is—to be siphoned by the British Empire into the six counties in Ireland known as the Belfast Parliament, there established because of a shotgun treaty, as Mr. Scott has so ably and dramatically presented his side to the committee.

I think it would shock the taxpayers of America, no matter what their origin was, no matter what their blood, that this country would lend its aid and support to keep the scores of Irish irritation going in the six counties in Ireland. By every test of a plebiscite the people have repudiated this so-called shotgun treaty. Religious friction is there. Make no mistake about it. You can, Mr. Chairman, obtain from the Legislative Service the record of the amount of money spent to maintain this garrison in Ireland. Since 1920 at various times as many as 60,000 soldiers have been poured into there, into those six counties. I am not concerned about how many were there during the war, when we collaborated with Northern Ireland as a nation. Leave that out of it. I don't know what the relative figures are today. But there are several thousand, and I don't know how much money they will want to maintain that garrison there, and that bridgehead and that parliament. Suffice it to say we have the proof—our committee can give you the proof. We have the word of Sir Basil Brookes, Premier of the Belfast Parliament, as to the amount of money they need and do get from England. Where is England getting the money? From generous Uncle Sam, as she got it before. From your Uncle Sam and mine, who is punch drunk and dizzy and weak because he has been so generous in pouring out lavishly of his treasure all over the world because we are a Christian nation, gentlemen, and none of us stands in the way of extending the corporeal works of mercy to the distressed people of the world. We want to help to feed and clothe them, yes, and to give shelter to the homeless, but we certainly do not want to encourage an alien government anywhere against the accepted will of the majority of the people of any country, and I am certain the wisdom of this committee, which is laboring under terrific strain, I know, in the troublesome days we are living in, trying to do the best we can for this country, will be sure we do not drain our blood out and weaken our own Government and our own economy when we extend the hand of good fellowship and charity to those unfortunate nations that are in distress today.

As an American taxpayer, Senator VANDENBERG and members of the committee, I make my protest in that direction, and I hope your committee will consider it from that source.

Thank you.

What Six Billions Mean

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, I have just received from a constituent of mine, a very excellent graphic illustration of what six billions means to the American people. It means so much that it is beyond the comprehension of many of us to appreciate fully. I quote the item sent me by my constituent as follows:

SIX BILLIONS

Since 1932 we have become used to talking in billions instead of millions, but it is doubtful whether many of us have real understanding of the magnitude of such sums. For example, we are preparing to vote $6,000,000,000 aid to Europe on the theory that we would rather have Europeans on their feet than on our hands, but $6,000,000,000 is a tremendous amount of money.

Suppose you owned the United States and all it contains and someone came to you and said, "Uncle, 16 European nations are in a bad way. They must have help."

"What sort of help?" you might ask.

"Not just money," the solicitor would reply. "How about giving us some of your big successful business concerns?"

"You mean some of our big business concerns with all their assets?"

"Yes; that's what I mean."

"How many and which ones?"

"Well, your Ford Motor Co., for one. Also, Sears, Roebuck & Co.; and General Electric, Chrysler Corp.; Armour & Co.; F. W. Woolworth Co.; the Eastman Kodak Co.; Atlantic Refining Co.; Aluminum Co. of America; the Goodyear Tire & Rubber Co.; Republic Steel; International Harvester Co.; and the Reynolds Tobacco Co."

"Great heavens!" you probably would exclaim. "Do you really think I could afford to give you all these great business concerns with all their assets?"

"Why not? Their total value, with all their assets, is less than $6,000,000,000, which your Congress is going to vote us just for the first year of a 4-year aid program to get us back on our feet."

Does that give you any better understanding of what $6,000,000,000 amounts to?

What about $17,000,000,000?

Fort Douglas, Utah

EXTENSION OF REMARKS
OF
HON. WILLIAM A. DAWSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. DAWSON of Utah. Mr. Speaker, Fort Douglas, in the State of Utah, is one of the oldest and most historic Army posts in this country. In addition, its strategic location is of vital military importance in the event of a future war.

It is located inland a sufficient distance to give adequate protection from a sudden strike against our west-coast defenses.

It is extreme folly for the Army to abandon posts of such extreme strategic importance as Fort Douglas. The United Veterans' Council of Utah, representing 20 veterans' organizations from the State of Utah, protested the abandonment of Fort Douglas, and with leave granted me to extend my remarks in the Appendix of the RECORD, herein is their letter which fully presents their views as well as my own:

UNITED VETERANS COUNCIL,
Salt Lake City, Utah, February 12, 1948.

Hon. WILLIAM A. DAWSON,
Congressman for Utah, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN DAWSON: The undersigned committee represents 20 veterans' organizations, 20 auxiliary organizations, and 10 closely allied auxiliary organizations representing the Patriotic Council of Salt Lake City, Utah. In the aggregate, their membership consists of approximately 50,000 veterans, their families, and those interested in their welfare.

In a meeting held at the Newhouse Hotel February 11, with 100-percent attendance, they voted unanimously to protest abandonment of Fort Douglas by the Army of the United States. They do so to you vigorously and ask that you use your influence to see that such institutions are not abandoned, and that we stress with all our might the absolute necessity of a preparedness program to keep America strong.

It need not be said to you that in this group are men who served in three wars; fathers who gave their sons on the altar of sacrifice in defense of a great America; mothers who are gold-star mothers, diligently and unselfishly seeking a way to make America strong. They are a powerful group for good in America.

In order that you may know who they are, this letterhead represents all of the veterans and auxiliaries in Salt Lake County, and the additional group represents the following organizations: Patriotic Defense Council, Disabled War Veterans Auxiliary, Ladies of the GAR, VFW Auxiliary, Gold Star Mothers, United Spanish War Veterans Auxiliary, American Legion Auxiliary, Daughters of Indian War Veterans, Canadian Legion Auxiliary, No. 97, United Daughters of the Confederacy, Gold Star Wives, and Gold Star Sisters.

We reaffirm our protest and ask that this letter be made a part of the CONGRESSIONAL RECORD in defense of our stand.

Sincerely yours,

BIRNEY K. FARNSWORTH,
Chairman, Salt Lake City, Utah.
Mrs. J. E. PENNOCK,
Salt Lake City, Utah.
Mrs. J. ROY WILSON,
Salt Lake City, Utah.
CECIL H. WILKINSON,
Salt Lake City, Utah.

The Work of the Eightieth Congress

EXTENSION OF REMARKS
OF
HON. WILLIAM J. MILLER
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. MILLER of Connecticut. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by my colleague, Hon. KENNETH B. KEATING, before the Connecticut Sheriffs Association on February 18, 1948:

Mr. Mitchell, Governor and Mrs. McConaughy, distinguished guests, members of the Republican State Central Committee, members of the Sheriffs Association, and Republican friends, it is a great privilege for me to be here this evening and a high honor to have been chosen to address your live organization which takes such an unusually active part in the affairs of your respective communities throughout the great State of Connecticut and exerts such a powerful influence for good government.

I feel unusually close to the congressional delegation from Connecticut, not simply because of our geographical proximity—and the natural affinity which two States would have which are much alike in their interests and requirements industrially, agriculturally, economically, and, I am happy to say, at least at the moment—politically—nor is it only because three of the delegation from Connecticut surround me and hem me in on all sides in the House Office Building. My chief reason for attachment to the State of Connecticut, I must confess, is because of the great respect and warm affection which I feel for the congressional delegation which you good people of Connecticut have sent to represent you in the halls of Congress.

Last month in New York, at the annual meeting of the New York State Bar Association, I was privileged to hear one of the finest addresses on the subject of foreign aid which has been made since the so-called European-recovery program was first envisioned. This address was by your distinguished Senator, RAY BALDWIN, and it so greatly impressed me that I asked Senator BALDWIN's permission to place his address in the CONGRESSIONAL RECORD, in order that my colleagues might have the benefit of his practical, statesmanlike thinking on this great question. I can do no better in appraising RAY BALDWIN than to quote my description of the Speaker in my remarks in the House, when I said:

"The enthusiastic reception accorded the address of this experienced public servant in State and Nation, liberal statesman and forceful leader was thoroughly merited not alone by his always masterful delivery, but equally by the thoughtful and constructive character of his remarks.

"As we grapple with the gigantic problems embraced within the European recovery program, it seems to me helpful to bring to the attention of the membership of both Houses the views of one of our distinguished colleagues, who, in experience and devotion to the best interests of our Nation, represents public service in its finest expression." I am happy this evening to have the opportunity to restate this tribute.

In the House, the dean of your delegation is, of course, your own BILL MILLER, of the First District, embracing your own city of Hartford. It is hard to speak of BILL MILLER without giving way to what Bill, at least, would call exaggeration. This American patriot without peer, whose sacrifice for his country is unmatched by any other Member of Congress of any party, is continuing his great record of service to the Nation as one of the soundest, most constructive, and most respected Members of the House of Representatives. He is a member of the Interstate and Foreign Commerce Committee, which handled some of the most important legislation presented to the Congress. The very reason why he is not here with us tonight, where we all know he is in spirit, is because his committee is right now, as it has been for some weeks, wrestling with the problem of petroleum and fuel oil for the country, and particularly the New England and eastern seaboard States. Bill, along with his distinguished colleague from neighboring Massachusetts, JOHN HESELTON, both members of the same committee, have been leaders in the struggle to alleviate the dire conditions brought about by the fuel-oil shortage. He called me up this morning before I left Washington and told me, as you would expect him to do, that the critical situation made him feel that his duty lay in keeping on the job in Washington. Where BILL MILLER'S duty lies, he has never been found wanting.

Your Second District representative is my very good friend across the hall from me in the House Office Building, HORACE SEELY-BROWN. SEELY is a member of the Merchant Marine and Fisheries Committee, and due to his war experiences, has taken an unusual interest in matters of national defense. If there is a more conscientious legislator who studies more thoroughly the great problems which confront us, I know not where to find him.

Next door to him and across the hall from me is ELLSWORTH FOOTE of your Third District. He sits with me on the House Judiciary Committee, where his fine legal and judicial background lend weight to his remarks and contribute greatly to the deliberations of this important Committee. Beneath that stern judicial manner, as those of you who know him realize, is a sense of humor which carries him, as well as his colleagues, over many of the rough spots which we all encounter.

JOHN LODGE, from the Fourth District, is my immediate next door neighbor. John has, as you would have expected, acquired in his first term of service, the stature of an old hand at the business of legislating. He is a member of the Foreign Affairs Committee, which has been charged with the responsibility for passing on matters of pre-eminent importance, not only to the welfare of our own country, but of the entire world. His extensive background of training and experience, his facile pen and his agile mind have rendered his services invaluable in the solution of almost insoluble problems.

From your Fifth District comes JIM PATTERSON, who has demonstrated in the Congress the same qualities of fearless leadership which he displayed when he commended a tank company in the Fourth Division. When Jim goes after a thing he never lets up until he gets action. He is as good an illustration as I can name of the reason why the United States won the war. He is very properly a member of the Committee on Veterans Affairs and also was recently honored by being named by the Speaker to the Joint Atomic Energy Commission.

As your Congressman at Large you have TONY SADLAK, a member of the Committee on Post Office and Civil Service. I have recently been working very closely with Tony on two propositions; one, to reduce the postage on shipments overseas of relief parcels containing food, clothing, medical supplies, and other necessaries, and the other to waive on behalf of aliens who served in our armed forces certain of the technical restrictions and fees which are now necessary in order to become citizens. Tony, too, is of course greatly interested in veterans' problems and has displayed this interest on many occasions.

There is one particular respect in which the entire Connecticut delegation is well known throughout the Halls of Congress. There is probably no group on the Hill whose average attendance record at the sessions of the House exceeds, if it equals, that of the Representatives from your State. Every one of them takes his job very seriously. One can and will make many mistakes in his legislative career, but barring illness or the unforeseen, it need not be because of inattention to duty. So long as the people of the State of Connecticut have the sound wisdom and good sense to return to Congress their present Representatives, the Nutmeg State will be able to hold its head high over the caliber of its representation in Washington.

When BILL MILLER called me on the telephone in my home city of Rochester, N. Y., and asked me to invade Connecticut, he said it would be appropriate to tell you people, who he said got around the State a bit and did no small amount of talking, second only, perhaps, to Congressmen, a little bit about the accomplishments of the Eightieth Congress; what it has done to date, and as time permits, a few words about what we may expect this year, before the doors close at the end of the present session.

When the voters of this country spoke out in the fall of 1946 and said, "we want a Republican Congress," many views naturally emerged as to the significance of the overwhelming vote of confidence which they gave to our party. It has always seemed to me that the word "mandate" is somewhat overdone and is frequently employed as a device to justify a particular action which would have followed regardless of the preference voiced by the voters.

Nevertheless there were some fundamental questions upon which our party waged its last congressional campaign and as to which certainly most of us clung to the belief that the voters had taken a definite stand.

One of these was on the subject of the continued and ever-increasing controls—always a threat of bureaucracy—over the economic and personal life of the citizens of this great country, over the everyday questions of what to eat, what to wear, where to go, how much, how often, when, and why.

Accordingly, although the President, before Congress convened, by Executive action, eliminated price controls, this Congress has passed a number of laws removing certain other controls on our economy and extending the life for fixed periods of some of the more essential controls which are still needed to bridge over the conversion to a peacetime economy.

Illustrative of the type of control continued was the control on rents. The rent control bill which was passed has been the subject of much agitation and a large amount of misinformation. Those who voted for the bill have been accused of not properly representing the interests of the tenants. Any analysis indicates that exactly the reverse is true. Rent control under bills passed in the previous Congress would have expired automatically last June 30th unless it had been extended. Those who voted against the bill voted for the immediate termination of all controls on that date.

Probably the bill extending the controls was not written in all respects to satisfy any single Congressman. That is frequently true of legislation which is almost always the result of a certain amount of compromise. It provided for the extension of controls until March 1 this year without any increase in rents whatever. It further provided, however, that if a landlord was willing to grant a long-term lease, he and the tenant could agree on an increase in rent up to 15 percent by striking a mutual bargain on the subject. This provision made it possible for the tenant in many cases to get his house painted, or the inside redecorated, or the plumbing fixed up, or some other necessary repairs made as prerequisites to agreeing to a modest rent increase.

Now the appropriate committees of both Houses are wrestling with the problem of what to do with rent control. The housing shortage has certainly not been solved, and it is almost certain that rent control in some form will be extended for an additional period. In taking that step I have advocated what seems to me simple justice that there should not be discrimination against those who voluntarily entered into an agreement for an increase in their rents. Unless special provision is written into the rent-control law to protect them, we will be faced at the end of this year with the anomalous situation that those tenants who agreed to increases will be denied any protection whatever, whereas other tenants who refused to agree to increases will be protected. Such a result seems to me obviously unfair. When I appeared before the House committee a couple of weeks ago to press this point, I gained the impression that the committee was favorably disposed.

As to price and wage controls which the President has been demanding from this Congress, I can only say that there is no great enthusiasm in either body for any trend in the direction of a controlled economy. The President has been urging price controls and a return to the days of under-the-counter transactions, black markets, and scarcities in order to reduce the high cost of living. Then, on the second or third day when the grain market started to fall, he demanded controls in order to prevent prices from falling. I guess the answer is, he simply wants controls, whether it looks as if we were going up or down.

I do not belong to what might be described as the extreme school of thought on this subject of controls. I recognize the complexity of our economy and the many factors which impinge upon the daily life of the citizen to an extent totally unknown to our forefathers. I fully recognize the necessity for strict and extensive controls during an emergency period. I am most emphatic, however, as I believe the majority of the Congress to be, in my opposition to a tendency all too prevalent in this country to solve all problems by looking to Washington for help.

We have seen what has happened in every other country where effort has been made to regiment the citizen. The economy of those countries is cracking up. All of them now look to this great Nation for assistance.

Steering a middle course which will make adequate and proper provision for those of the lower incomes for whom the struggle to maintain a decent standard of living is always the hardest, we must always beware lest this country give way to the economic fallacy that Utopia lies along the path to the police state.

Another thing which I believe the voters said to us last fall was to reduce the expenses of running the Government, eliminate unnecessary employees from the public pay roll, and as a result, provide for reducing the burden of the harassed and oppressed taxpayers and increase their take-home pay, which we must always remember can only be done by reducing the expense of piloting the ship of state.

Government expenses were reduced. The Presidential budget was cut to the tune of about $2,700,000,000, and in addition another $1,700,000,000 represented reductions in the present Budget brought about by this Congress and rescissions of obligations previously created. This is a total of $4,400,000,000. True perhaps it is not all that might have been accomplished, but it is still the greatest reduction in budget figures, both dollar-wise and percentage-wise, which has ever been made by a Congress since the establishment of the Budget Bureau in the early twenties.

Every cent saved was in spite of the vigorous opposition and against the united objections of the spokesmen for the minority party in Congress. Every time an appropriation bill was brought before us which provided for a cut, a motion was made by those directing the Democratic strategy to restore the cut to the figure originally stated in the budget or in some instances even greater. It is only fair to say that there was a minority within the minority which did not subscribe to this policy of opposing each and every economy, but nevertheless that represented the consistent policy of the opposition.

Speeches were written by the so-called public-relations divisions of various Government departments—the propagandists paid for by the taxpayers—which would be delivered on the floor by the appropriate Democratic henchmen, sometimes so unfamiliar with their contents that they could not even read them without stumbling over the words. They predicted the most dire results which would come about if this or that particular reduction were made. You have heard a lot about lobbies and they are certainly very much in evidence in Washington, but the most prowerful lobby of them all, which in extent and degree of pressure none of them can touch, is the Government itself.

Some of you have heard the story, for instance, of the projected cut in the appropriation for the Customs Bureau of the Treasury Department. Here was a Bureau which in fiscal '46 had spent 20 percent more than the year before. Then they came to us asking for a 22 percent increase even over the amount spent that year. Extended hearings brought out a sad case of inefficiency, extravagance, and waste in this outfit. Many of their top administrators were unqualified and incapable of performing their duties. Four of them were over 80 years of age. One was a practicing physician who visited his office once in every 2 weeks—probably on pay day.

They were cut, but mind you, they were not cut below what they had the year before. They were, in fact, given more than they spent that year but not as much more as the 22 percent which they asked for.

What did they do? They sent out a notice to their employees out in the field, not those holding cushy jobs in Washington but out in the country where the full drama of the situation would be revealed, telling 85 percent of their employees that they faced a layoff or dismissal. Not one in Washington was laid off. Not a stenographer, office boy, or clerk. But only those out in the field that were charged with the duty of protecting the country against smugglers and illegal traffic. Of course, there was an immediate uproar throughout the country. In New York City

for instance, 734 inspectors were laid off and there were scare headlines in all the papers. Governors, mayors, chambers of commerce, and officials and individuals from all over immediately started wiring, writing, and calling their Senators and Congressmen.

Of course, there followed a congressional investigation of this unwarranted procedure which resulted, incidentally, in the speedy reinstatement of most of these laid-off customs officers. Even the Secretary of the Treasury expressed his regret and removed the Commissioner of Customs from office—to another post with the same salary.

The budget for the Post Office Department was cut by less than 1 percent, the least of any Government department. But here, again, all through the country headlines appeared in all the papers about the lay-off of employees and curtailment of service due to congressional reductions. When the Department was called on the mat over this, they admitted it was all a grave error and officially rebuked the postmasters. When he was asked if any blame whatsoever could be attached to Congress for impairment of service or dismissals in the postal department, the Postmaster General replied "None whatsoever." I could go on reporting instances like this as to practically every department or agency of the Government which suffered any kind of a cut, whether or not that cut involved a reduction in the amount which they had spent this past year.

It is therefore very apparent that this Congress, in bringing about the reduction in expenses which it did and the elimination of some 300,000 out of 2,000,000 from the public pay roll, performed a really surprising job against the most terrific opposition.

Of course, the only way to increase the take-home pay was by reducing the expenses of running the Government. You all know the sad story on that, about the decision by the President twice to veto a tax-reduction bill. In that action he failed to disclose, until after he had acted, the fact that the estimated surplus for the coming fiscal year would probably be four and one-half billion more than he had originally figured, and with the cuts made by the Republican Congress in expenses would have permitted the tax reduction as contemplated, with some five billion left over to apply on the national debt.

Now this year again we are faced with the problem of tax reduction. The House has already passed a bill which would raise the exemptions $100—from $500 to $600—and grant graduated reductions ranging from 30 percent in the lowest-income brackets to 10 percent in the higher incomes besides giving additional relief to the blind and those over 65. On top of this, the bill removes the discriminatory situation which has existed for taxpayers of your State and mine whereby a husband and wife were not permitted to split their income for tax purposes, whereas in certain so-called community-property States this tax was allowed. What will happen to this bill in the Senate remains to be seen.

The President still publicly states that he is opposed to income-tax reduction, except the purely demagogic approach which even his own party does not support, of allowing a $40 credit to each taxpayer and dependent. He says tax reduction is inflationary. Instead of allowing the people to spend the additional money which they would have in their pay envelopes by a tax reduction, he says, "No; you let the Government spend that money. If we spend it there will be no inflation, but if you spend it, that will lead to dire consequences. No, my children, Uncle knows best. It is no time to increase your pay by cutting down on the deduction from your pay envelopes."

It is my sincere hope and firm belief that a tax-reduction bill will be enacted by both Houses, which will be of such a character that the President will be forced to sign it or if he vetoes it, the required two-thirds majority in both Chambers will promptly be forthcoming to override his veto.

Finally, in my judgment the voters said to us last fall: "We must have some legislation which will reduce the industrial strife in this country and will give to the members of labor unions a greater voice in the affairs and policies of their own organization. We do not want any punitive or repressive laws. We want you to study the labor-management picture and come up with something effective and fair. We have witnessed recently and specifically in the year 1946 the greatest loss in man-hours through strikes in all our Nation's history with all the disruption to our economy, individual suffering for the workingman and his family, and hardship on the consuming public which such stoppages necessarily entail. In addition a few radical and dictatorial labor leaders have seized a power and are exercising a domination over the lives and liberties of those who toil, the very backbone of our country, which cries out for corrective measures. We believe in collective bargaining. We want to see labor unions which we know have done so much for the improvement of the workingman's condition strengthened and made secure. But we insist, and those of us who are members of these unions most of all insist, that steps be taken to eliminate the abuses upon which unrestricted power so often feeds."

That I believe is a fair statement of the mission enjoined upon the Eightieth Congress insofar as labor law is concerned. Some would differ. There are two camps of extremists. Some would say we should have done nothing. Others, just as many Democrats as Republicans, by the way, would say we did not go far enough in imposing restraints and curing abuses.

I would be the first to concede with our own Senator IVES and your Senator BALDWIN, both of whom have been such towers of strength in their first senatorial year, that it is not a perfect law. One of its best features is the provision for a continuing joint commission to observe the workings of the law in actual practice and recommend legislation to alter and amend and supplement its terms.

Time does not permit any discussion of the bill finally passed after the most exhaustive hearings with witnesses from all walks of life and volume of debate. I am confident that in practice the law will have none of the dire consequences which its opponents so freely and in such extravagant generalities predict even in the face of the signing since its passage of some of the most favorable contracts in the history of organized labor, but that, on the contrary, it will improve the position of the men and women who labor, will foster true collective bargaining, will strengthen the labor-union movement, and will restore a measure of harmony to the industrial picture to the ultimate benefit of labor, management, and the consuming public.

That this has, indeed, already happened is evidenced by the statistics which are now issued by the Department of Labor, showing that the average worker earned $72 more in 1947 than in 1946; that he only lost 16 days of employment in 1947, as compared with 25 days in 1946; that there were 81,000,000 more man-days lost due to idleness in 1946 than in 1947; and 1,385 more work stoppages. These benefits mean dolars in pocket to the men and women who labored to produce the wealth of this Nation. Daily they are coming more and more to realize that this law, far from enslaving them, has given them a measure of benefit and protection for which they yearned and which they richly deserved even far beyond the predictions of those who voted for the legislation.

I wish I might discuss with you also other measures passed by the last Congress, less publicized perhaps, but of equal importance and long-range significance. In the field of national defense, the bill for unification of the armed services, in so many Congresses the subject of talk but in this one for the first time, of action. The bill for reorganization of the Army and Navy, providing for promotion on merit, rather than mere seniority, said by many to be the most important measure ever passed affecting the armed services.

In the matter of legislation for war veterans, many of you will remember the words of the President in his message to Congress. "Except for minor adjustments, I believe our program of benefits for the veterans is now complete." The Eightieth Congress did not agree. They did not agree with the Secretary of the Treasury that it was fair and just and free from discrimination to give officers terminal-leave pay in cash and say to the enlisted men who bore the brunt of the heat of battle and who, in most cases, needed the money worse, "You must wait 5 years for your money." So they undid the work of the Seventy-ninth Congress and said the first government obligation to pay now is our outstanding debt to our Nation's defenders. They also passed in both House and Senate 24 other measures on behalf of the veterans and many more are still in various stages in the legislative process.

Then there was the bill for establishment of a National Science Foundation vetoed by the President because he wanted to name not only the 24 members but also the director, whereas the bill provided, as all scientific men agreed, that the scientists should choose their director.

I could go on at length. In all, the House passed 985 bills and the Senate 812 and both Houses 519 which went to the White House, a rather impressive record to be chalked up by a body of men and women whose detractors would paint them as a "do-nothing Congress."

Much has been done but much remains to be done. Time only permits a sketchy reference to the gigantic problems which now challenge this Congress for solution.

Uppermost in our minds at the moment for the security of the land we love and the peace of the world is the so-called European recovery program. I wish I might talk about this at length. All I can say is that I feel confident that the Republican majority, as it faces the responsibility of a decision on this issue, will not allow any considerations of narrow partisanship to influence its action. That is not to say, however, that it will swallow whole without thoroughly digesting the recommendations made by the administration. Neither it nor the Congress is the repository of all wisdom on this subject. No one can assure that the final action which the Congress takes will be the right answer, but this assurance I can give, that it will be taken with the utmost sincerity and in the prayerful hope that it will lead to stability, prosperity, and peace in the world.

On the domestic front the still high cost of living and housing are perhaps the most pressing problems which we face. Another is increasing the benefits and broadening the base of the social-security law, extending the benefits to domestic servants, agricultural workers, employees of charitable corporations and self-employed not now covered, and giving to those now in the evening of their lives a more adequate provision for support as I understand can be done without substantial increase in tax because of the large fund which is already accumulated.

Also I feel strongly, as do most of those on the Republican side of the aisle, that the party of Abraham Lincoln should not close its doors on the Eightieth Congress without

enacting anti-poll-tax and antilynching legislation.

Also we face the solution in some manner consonant with justice and the national welfare of such complex problems as a universal training bill for our youth and the distressing and heart-rending plight of our displaced brothers in Europe.

Hundreds of other issues face us in the solution of which, as I said in my opening remarks, we are most grateful to the good people of Connecticut for the stature of the men whom they have sent to Congress to help us in our task.

The Republican majority has a great responsibility and a challenging opportunity. If we adopt and carry through a program of constructive liberalism within the framework of a free opportunity society, with our conscience as our guide, our eyes fixed singly on the ultimate welfare of the Nation we love, our political destiny is secure. Because by our fidelity to our public trust we shall have justified the confidence in us reposed, we shall celebrate together in November a smashing Republican victory.

Extent of Ratification of Anti-Third-Term Amendment

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. MacKINNON. Mr. Speaker, under leave to extend my remarks I include an article which appeared on February 16 in the Washington Times-Herald, reporting the present status of the anti-third-term amendment:

NINETEEN STATES HAVE RATIFIED TWO-TERM LIMIT AMENDMENT

The State Department revealed yesterday that 19 States have ratified a proposed constitutional amendment limiting a President to two terms in office. Thirty-six are required to make it effective.

Eighteen of the States have notified the State Department officially of their action, and Virginia, which also has approved the amendment, is expected to do so shortly.

Virginia is the most recent of the States to ratify the amendment and represents the only State with a Democratic legislature. It was the first State to act favorably on the amendment since last May 23.

The first 18 ratifications came shortly after the amendment was submitted to the States by Congress on March 23, 1947—between March 31 and May 23.

Most amendments have been ratified within a few years. The twenty-first amendment, which repealed prohibition, was adopted by the necessary 36 States in 1933 in 9½ months. Another proposed amendment, the so-called child labor amendment, was approved by Congress June 2, 1924, but has never been ratified by the required three-fourths of the States. Congress placed no time limitation on this proposed amendment.

The States which have ratified the proposed amendment and the dates on which they approved it in 1947 follow: Maine and Michigan, March 31; Iowa, Kansas, New Hampshire, April 1; Delaware, April 2; Illinois and Oregon, April 3; Colorado, April 12; California, New Jersey, and Vermont, April 15; Ohio and Wisconsin, April 16; Pennsylvania, April 29; Connecticut, May 21; Missouri, May 22, and Nebraska, May 23. Virginia ratified the amendment this year.

Cost-of-Living Index

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. BRADLEY. Mr. Speaker, I believe that the editorial which follows, taken from the February 14, 1948, edition of the Long Beach Independent, of Long Beach, Calif., will be interesting to many Members. It is to be noted particularly that the cost-of-living index for all items has advanced steadily since 1933, its lowest point since 1915. Except for a slight drop in 1939, the tables show that the advance has been somewhat regular even during the years of controls on our economic life. A larger jump is evident in the readjustment which occurred after the general removal of controls in 1946.

LIVING COST INDEX

Our readers may be interested in the table showing the ups and downs of the living cost index over the past 34 years. It is the only official index that has consistently measured the rise and fall of prices. It is the Bureau of Labor Statistics index which has functioned under Republican as well as Democratic administrations. In our opinion it is a sound index and free of politics.

The table we attach to this article shows how costs of living since 1914 have been up and down many times. It is reasonable to expect them to fluctuate widely again. But we doubt that prices will again fall as low as they were in 1939. Most economists whose opinions we have read doubt that the index will fall more than 20 percent from the present level during the next several years.

The index is based on what it cost a moderate income family to live in the period 1935 to 1938. It will be noted that in 1914 it cost 28 percent less than in 1939. In December 1947 it cost 66 percent more than it did in 1939.

In between these dates was the great depression. But even in 1933 the cost of living fell only 6 percent below the 1939 average. The fall was 30 percent from 1929 when the depression set in. Labor unions are so much stronger now than before 1939 there is less chance that wages will be greatly reduced. Large industrial monopolies control production to a greater extent than in 1939. These two elements will be a force that will not allow prices to fall as far as they have in past recessions.

Many other factors will slow down price reductions. Some of them are parity payments to farmers, which means guaranteeing farmers a high price for the major crops. Social security payments to retired persons and the unemployed will maintain purchasing power completely lost in past recessions. We used up many of our raw materials during the war. It takes greater production of everything for our increased population and for higher living standards.

The following table shows living costs have fluctuated over the past 34 years. Each year is based on December, except in 1934 when October is used, and 1935 when only November is available. The reader should understand the column "all items" represents the average of all necessities needed by the moderate-income family. The other columns show how some items are lower than in 1939, while food is almost 100 percent higher. The "all items" average for last December at 166.1 is 65.7 percent higher than in 1939.—L. A. C.

The Bureau of Labor Statistics index for the 34 years is as follows:

Year	All items	Food	Clothing	Rent	Fuel, ice	Home furnishings	Miscellaneous
1914	74.1	91.7	65.7	102.8	84.1	52.4	52.5
1915	72.7	87.9	67.5	100.0	84.4	55.7	51.5
1916	79.3	98.8	75.1	100.2	86.0	64.5	56.6
1917	93.9	120.7	95.3	102.2	92.8	81.9	67.7
1918	114.6	148.4	137.4	107.3	99.5	114.5	79.9
1919	134.9	166.1	175.8	130.4	113.7	144.3	93.0
1920	143.8	153.7	175.2	176.2	134.7	158.3	105.4
1921	132.8	133.4	127.7	195.5	141.8	127.4	104.9
1922	131.2	131.4	117.0	200.3	129.0	124.7	105.7
1923	134.8	137.4	120.3	206.6	118.8	132.0	107.3
1924	132.0	133.0	118.5	198.7	119.1	124.5	107.3
1925	133.6	145.7	116.8	178.6	119.1	122.4	110.7
1926	128.7	139.8	115.1	166.3	119.3	117.3	108.1
1927	126.7	135.2	112.8	162.1	117.7	114.5	109.3
1928	126.0	136.8	112.0	154.0	114.3	109.2	110.8
1929	124.4	134.9	111.2	147.8	114.2	107.9	111.2
1930	116.0	115.4	105.3	140.8	110.7	101.1	110.4
1931	105.7	99.1	92.0	129.2	109.8	89.7	106.9
1932	95.0	84.8	83.0	107.8	110.2	78.3	103.1
1933	94.1	91.2	92.5	92.0	104.7	87.9	97.9
1934	96.3	98.8	96.0	87.9	104.4	91.1	97.9
1935	95.1	98.2	96.9	88.6	104.4	95.8	93.4
1936	99.4	101.6	97.5	96.5	99.5	98.5	99.5
1937	103.2	101.2	104.3	106.9	98.8	105.8	103.1
1938	102.6	100.7	102.3	100.0	98.8	101.8	102.4
1939	100.4	94.6	103.2	107.4	95.5	102.0	102.1
1940	102.2	99.9	103.4	106.4	95.5	101.1	102.9
1941	112.3	118.6	116.6	108.5	94.2	115.3	108.6
1942	123.9	142.8	127.5	110.0	94.2	118.4	114.5
1943	126.6	143.3	135.3	110.3	92.5	119.2	121.0
1944	129.1	143.9	139.9	110.7	92.5	138.0	125.3
1945	133.7	150.9	146.8	110.8	92.5	143.7	129.5
1946	154.5	195.1	168.3	111.7	92.5	173.1	135.2
1947	166.1	(1)	(1)	(1)	(1)	(1)	(1)

[1] Item not available for December 1947.

Worse Than Living Costs

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, the following article from the editorial page of the Daily Oklahoman of Oklahoma City, Okla., of January 19, 1948, speaks for itself:

WORSE THAN LIVING COSTS

Curiously missing from the average conversation on today's chief topic of discussion—the high cost of living—is another cost which not only is higher, percentage-wise, than the cost of food, clothing, and shelter, but which is only adding to those costs as it goes along.

Bread costs rose between 1940 and today approximately 50 percent. In the same period governmental costs or Federal spending increased 370 percent. And Mr. Truman's budget calls for no reduction—rather it calls for $2,000,000,000 more than the 1947–48 fiscal year.

Possibly it is a blind spot in the average American's thinking. Perhaps the full import of Government spending has not yet dawned on him. But if living costs had gone up 370 percent in the past 7 years his blind spot would have been quickly overcome. Of course, much of the mushroomed governmental costs are in hidden form but, if they are, their cost is no less real.

If we, as a whole, are really concerned beyond the conversational stage about our living costs, we will quit grumbling and calling for controls and more regimentation and demand of our Senators and Representatives a sharp reduction in Government spending as the speediest and surest relief. Even Mr. TAFT hasn't scratched the surface when he

suggests a $3,000,000,000 cut. With bureaucracy four times larger now than it was in 1940, there is ample room for trimming far beyond the surface scratch proposed by the Ohio Senator, or the vote buying and illusory $40 tax cut suggested by Mr. Truman.

Proposed Aid to European Nations

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. POULSON. Mr. Speaker, I am enclosing a letter from a reputable and successful attorney in Los Angeles, Mr. William D. Mann, who has just recently spent over 20 months in France. He has served in a capacity in the Army which would grant him the opportunity to make observations which, in my opinion, would be far more valuable than those made by casual visitors. There has been so much propaganda and so many false statements about the conditions in France and other European countries that I think this letter should be read by all who are interested in the foreign situation.

The letter follows:

JANUARY 27, 1948.

Hon. NORRIS POULSON,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR MR. POULSON: This is merely to restate, in more comprehensive form, the views I expressed to you a few weeks ago, while you were in Los Angeles, pertaining to the proposed program for aid to European nations.

I have recently completed a tour of nearly 6 years of active duty as a Reserve officer in the United States Army. My last assignment was as Staff Judge Advocate, Headquarters, American Graves Registration Command, European Area, Paris, France, from February 1946 to October 1947. During that time, I lived in Paris, traveled over a goodly portion of France, talked with other officers, whose duties took them to all parts of western and central Europe, and conversed with many French people, in all walks of life. Further, I made motor trips over parts of Italy and England. As a result of my observations and what I learned from others, I I have formed some rather positive opinions as to the present economic situation of the French, Italian, and English peoples, and the policies of their respective Governn ents. The announced policies of our Government and the intensive propaganda, which I found on my return to America, are so at variance with what I consider the factual situation to be, that I feel impelled to make my conclusions known to you.

In the first place, I do not believe there is starvation, or prospects of starvation, in France. There are no empty counters or shelves in the provision and meat stores and markets—wherever one goes, large stocks of foodstuffs are visible. It is true that there is a shortage of certain food products from time to time, but such things happen also in the United States. At the present time there is certainly a shortage of wheat on the open French market, resulting in reduced ration quotas of wheat bread and the use of mixtures of corn and other substitutes in the baking of bread, but it seems to be the thought that there is a year's supply of wheat on the farms, and the French Government has made some effort to loosen this up, by threats of prosecution. Then there are millions whose incomes are insufficient to meet the radically increased prices of the food necessaries of life and who certainly are suffering as a result. To my mind the problem is not one of supply but one of distribution. Profiteering and the black-market operations are rampant in France, and to this the inflation there is largely due. In that country inflation hits the wage earner much harder than it does here, for here compensatory wage adjustments have been accomplished through strikes and otherwise from time to time, while in France the wages until recently remained at about the 1938 level. I have been told that the cost of living for the poor man has increased about 800 percent since that year. So far as I could find any efforts of the Government of France to stamp out inflation have been very feeble indeed. On the other hand, that Government repeatedly and vigorously refused, until recently, to sanction any increase of wages to the worker, on the theory that such increase would operate as a further inflationary influence. In France the property classes can get just about anything they desire on the black market, but it is not their custom to readjust their appetities so as to permit a fair division of food products with their low-income brothers. The point I desire to emphasize is that the Congress should be careful to distinguish between inadequacy of supply and inadequate distribution methods and procedures. If it be true that the present food situation results from faulty distribution methods and economic administration, then the problem is clearly one for the respective nations and not one for us. An interesting side light as to France is dogs. Greater Paris is a city of about 6,000,000 people. Nearly every family has a dog. I've been told that there are 400,000 dogs in Paris. At that rate there would be nearly 3,000,000 dogs in all France. French do not go in for lap dogs or the small terrier type; they like big stout fellows, who need plenty of food. They take grand care of their animals; the horses are big, fat, and beautifully groomed, and I never did see a dog in Paris that didn't look very well fed. Now I am not advocating that they eat the dogs, but the willingness and apparent ability to support so many of them in the manner they do is a bit incompatible with the starvation story.

While I believe that there is no question but that the countries of western Europe should be supplied with some immediately needed machine tools, coal, and raw materials, or with the wherewithal to purchase the same, yet the coupling of political implications with the loans (or gifts), will, I think, prove to be a serious error in the long run. The peoples of Europe, particularly the Latins of Italy and France, have lived in an atmosphere of intrigue and suspicion for so many generations, that they suspect, not only their neighbors, but any who seek to influence them in their government processes or political economy. The proposed aid plan is considered by many Europeans as a device for American political and financial control of Europe. This apprehension is shared by many moderates. I am convinced that democracy cannot be successfully sold to the nations of Europe by the giving of a bonus in the form of financial support with political conditions attached. In any event, give them what we will, those peoples will be just the same after as before.

Assuredly, there are Communists in France, and trouble makers they are, too. But I have been told by intelligent French businessmen that France being predominately Catholic, a Communist dominated government in that country is impossible. Further, France is firmly entrenched in its parliamentary system. The average Frenchman is probably better informed as to political aspects and the administration of his Government than is the average voter in the United States. No radical change in its form of government could be accomplished excepting at the polls. Of course, if later a majority of the voters decide that a change to the communistic system would be desirable, that would be their business and our efforts and money would have been wasted anyway. However, that condition is very remote indeed. There are so many forms of socialism now that some of our people seem to find it difficult to distinguish between them. I am convinced that no nation of western Europe is, or will be, interested in the Russian brand.

For centuries the French have loved to demonstrate and parade. That is nothing new. I have seen long segments of parades converging on Place de la Concorde 200,000 strong. There doubtless were communistic elements involved in those demonstrations, and also in the recent parades accompanying strikes publicized by our papers. However, I believe that the primary motive for those strikes, as well as for prior strikes, was to force an increase of minimum wages from the equivalent of $58 per month to the official rate of exchange (it would be about $28 at the black-market rate) to the equivalent of $90 a month at the official rate. The newspaper headlines featured only "defeat of the Communists," yet in the text following I noted that substantial wage boosts had been sanctioned as a condition to termination of the strikes. As I see it, the strike situation in France grew out of the short-sighted policies of the French Government and its unwise and ineffectual administration of the economic affairs of the nation, rather than from a real communistic menace, which latter explanation the French may well be deliberately asserting for the purpose of protecting their upper and middle classes at our expense. It is very possible that those classes are crying "wolf" in order to avoid taxes necessary to feed their own poor and meet their country's needs.

As to Italy, I believe the situation and the country's needs to be about the same as in France, excepting as to the dog population. It is said that there, also, at least a year's supply of wheat is held on the farms. The large supplies of all types of merchandise in the stores of Florence, Rome, and other centers, indicate no lack of activity on the part of the factories. Certain bombed-out industrial centers are naturally in a bad way.

From what I saw of the farming regions of Germany they looked very prosperous indeed. Of course, in the bombed-out industrial cities there is much unemployment and many people do not have the means to buy sufficient supplies of food. But that situation does not act to decrease farm production—rather it has to do with distribution methods and procedures.

As to Great Britain, I think the situation to be rather different. Great Britain cannot raise enough food for its own people. It has in the past depended, and always must depend, on other nations for a large proportion of its food supply. Be that as it may, I feel that the British are of the opinion that they can work out their problems even without the proposed plan.

My purpose in writing this letter is to emphasize the importance of balanced thinking in any aid-to-Europe plan, and of measuring carefully the possible recoil thereof on our own domestic economy. The factual situation only, and not frantic propaganda, must be considered. Let's not get ourselves in a horrible jam. My own answer would be to permit substantial increase of coal production in the Ruhr and arrange a larger allocation of such coal to France, to send some wheat where absolutely needed and to supply needed machine tools immediately required. The vast balance planned to be spent I would appropriate to finance a universal military training program and to establish, train, and

maintain the damndest, biggest Army, Air Force, and Navy in the world. In such a program lies our protection, not in a highly idealistic plan, however well meant.

Perhaps I should add something about myself. In civilian life I am a practicing attorney. I am a Hamiltonian Republican, having the deepest respect for the provisions of the Constitution of the United States, these days so frequently disregarded. I no more desire that this country become Fascist than I desire that it become communistic.

Very sincerely yours,

WILLIAM D. MANN,
Los Angeles, Calif.

Margarine Taxes

EXTENSION OF REMARKS
OF

HON. ELLSWORTH B. BUCK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. BUCK. Mr. Speaker, under consent to extend my remarks in the Appendix of the RECORD, I include the following recent editorials from Wisconsin newspapers all advocating the removal of discriminatory Federal taxes on margarine:

[From the Janesville (Wis.) Gazette of December 19, 1947]

MORE COMMENT ON ANTIMARGARINE LAWS

Dairy folks in Wisconsin are deluding themselves if they still think that we can legislate competition out of the market, no matter what the commodity. Opponents of natural gas tried it and failed. The people interested in forcing out unfair competition succeeded in getting laws in many States to rule out margarine colored to imitate butter's yellow.

Taxes to eliminate margarine competition in a free market, however, is a different thing. Today, with butter prices inflated to nearly $1 per pound, Wisconsin still persists in taxing retailers heavily for handling margarine, taxing colored margarine out of the market, and taxing margarine at 15 cents per pound.

Housewives here who cannot afford $1 butter are put under an unnecessary hardship. Why should Wisconsin housewives be forced to pay 15 cents per pound extra for margarine when butter is out of their reach? Wisconsin's State margarine tax is unjust and unreasonable.

The dairyman's original argument for the tax against colored oleomargarine was just. The yellow substitute was being foisted upon an unsuspecting public. Since then, however, the heavy Wisconsin tax has simply served to place an extra burden on Wisconsin housewives. It does not serve its original purpose of eliminating the butter substitute which was then made from southern vegetable oils.

Today Janesville's soybean plant is extracting soybean oil and shipping one to three tank cars per week. Part of it goes to the making of margarine. Is it logical that Wisconsin's heavy margarine tax, passed to eliminate cheap southern oils in margarine for Wisconsin butterfat in butter, should also be used to force out Wisconsin vegetable oils in the butter substitute?

Regardless of what we in Wisconsin think of margarine, and regardless of our pride and desire to protect the butter market, we are fooling ourselves if we think the country is not rising up against the antimargarine taxes.

Newspapers in 23 States recently have printed editorials against the antimargarine taxes. Part of their arguments lie in the fact that butter prices are so inflated. Some of these States, however, are heavy dairy producers, like Wisconsin.

We might as well face the facts. Margarine consumption is rising tremendously. It was given very helpful support by the New Deal during the war. If butter is to compete successfully, it must meet that competition squarely and on its own merits.

No commodity can long depend upon legislation to outlaw competition. It cannot be done successfully, for when the people learn how it affects them, they eventually repeal the law.

Butter is the finest table spread on the market. Wisconsin butter has no equal. Despite the exaggerated claims of the margarine makers, margarine cannot compete on the same plane with our luscious dairy product. But butter is suffering a terrific blow because of price. Now it is more necessary than ever to advertise and capitalize its merits.

[From the Racine (Wis.) Journal-Times of December 24, 1947]

UNFAIR OLEO TAXES

With butter nudging the $1-a-pound figure, this appears to be an opportune time to examine the fairness of the State and Federal taxes on butter substitutes.

Today's housewife, who cannot afford high-priced butter, is unable to purchase oleomargarine in many stores. Even where she can, it is higher than in other States and is uncolored.

The reasons, of course, are the numerous State and Federal taxes and license fees which were voted by Congress and the legislature under the misguided notion that they could eliminate competition for butter.

In Wisconsin, the State puts a tax of 15 cents a pound on uncolored oleo, and the Federal Government adds another tax of one-fourth of 1 cent. The Federal tax on colored oleo is 10 cents a pound.

In addition there are special license fees for both wholesalers and retailers. The State license for retail stores selling oleo is $25, and the Federal is another $6. The State license for wholesalers is $500 and the Federal $200. If the oleo is colored the Federal wholesale license fee goes up to $480, and the retail license from $6 to $48.

This, of course, only means that the price of oleo is artificially forced far above the competitive price. It means that the thrifty housewife is penalized if she seeks to find a substitute for $1-a-pound butter.

The American Public Health Association declared that Federal and State laws handicapping oleo in favor of butter are detrimental to public health. Many people who cannot afford butter, either use oleo or they do not get a necessary element of diet. These laws keep oleo off the shelves of many stores, especially small stores which would have to sell a lot of oleo to cover the license fees.

Wisconsin farmers should realize that butter should be sold on its merits, as the finest table spread on the market, but not forced upon a people by legislation that drives substitutes out of the market.

Regardless of what we in Wisconsin think of oleo, and regardless of our pride in Wisconsin-made butter, we are fooling ourselves if we think that the country is not rising up against the anti-oleo taxes and restrictions. The State tax is unjust and unreasonable.

These taxes not only penalize the consumer by raising the oleo price, but they also penalize the farmers in many States who raise soybeans, cotton seed, corn, and peanuts, used in making margarine.

The Federal restriction against free competition of margarine with butter was voted back in 1886, and it cotninues to exist because the House Agricultural Committee, dominated by the dairy interest, is unwilling to allow the question to be decided by the entire Congress.

Representative MITCHELL, of Indiana, and Senator FULBRIGHT, of Arkansas, have introduced a new measure the repeal the Federal taxes. We hope that this move will have more success in the new Congress.

[From the Oshkosh (Wis.) Northwestern of December 15, 1947]

MANY TURN TO MARGARINE

Last week, in some places, including Milwaukee, butter soared to a dollar a pound, with $1.03 being charged where the butter is sliced into four sections and each section separately wrapped, which latter proceeding many consumers feel is just a device for charging more.

That there is a cutback in the production of dairy fat is not to be denied. Among the reasons given for this is the high price of feed for the cattle of the dairy farmers, and the fact that housewives are buying more fluid milk than ever before, also more ice cream, cheese, evaporated milk, and dried milk. Thus consumption of these items has been going up, while production of butter has fallen off.

Many households have turned to oleomargarine as a substitute for high-priced butter, but the tax put on the substitute product through the united efforts of butter production prevents that article from being sold to consumers at as low a figure as would be possible if the tax burden on the manufacture and handling of margarine were reduced.

For example, some time ago oleomargarine shipped in to consumers in Oshkosh from points outside the State sold for 35 cents a pound. Lately it has been 55 cents a pound. Even the latter price is a substantial saving over 98-cent butter.

Regarding the oleomargarine situation, a Minneapolis newspaper stresses:

"Butter probably would be higher than it is if it weren't for booming margarine production. Housewives are flocking to the vegetable product in droves. In 1939 they bought only 303,000,000 pounds of it. Last year it was 540,000,000 and this year it will amount to something like 740,000,000 pounds. Retailing in the 35-to-55 cent price zone, margarine costs less than half as much as butter."

[From the Oshkosh (Wis.) Northwestern of January 13, 1948]

RENEWED BATTLE FOR OLEO

The price of butter has dropped slightly hereabouts in recent days, but it still tries hard to reach that dollar-a-pound level that is the worry of the perplexed housewives. And the high cost of this product has given a new incentive to those in Congress who aim to have tax burdens taken off oleomargarine, so it can become a cheaper substitute for butter than it is at present.

Signs point to another spirited battle in Congress over what might be called the freedom of oleo.

From 1939 to 1947 the per capita consumption of oleo doubled in this country, while that of butter fell off by a third. In 1939 oleo consumption was 13 percent of butter consumption. In 1947 the figure was 40 percent.

These spectacular increases have been due to the fact that people like oleomargarine well enough to take advantage of the difference in cost, when butter prices start soaring.

[From the Oshkosh (Wis.) Northwestern of January 16, 1948]

WASTED MARGARINE

Sometimes statistics can be frightening. They turn trifles into monstrous totals. When a thrifty housewife, using margarine in place of butter, colors the product to

satisfy her family's preference for a yellow bread spread, she is likely to do it in a bowl. Inevitably some margarine remains on the side of the bowl when the operation is over. How much?

According to Ersel Walley, president of the American Soybean Association, this remainder of margarine mounts up to an annual national total of 15,000,000 pounds. Turned into tonnage, the waste is still impressive. Some better use could certainly be made of 7,500 tons of margarine.

Another kind of waste worries Mr. Walley. He believes that the coloring of margarine consumes 88,000,000 woman-hours per annum, greatly to the annoyance of the busy housekeeper.

All these figures, and others, contribute to the argument of the soybean growers that the 10-cent Federal tax on each pound of colored margarine should be cut to one-fourth of a cent, the present tax on white margarine.

Congress may find it difficult, in the near future, to convince the kitchen electorate that it shouldn't make that reduction.

Universal Military Training

EXTENSION OF REMARKS
OF
HON. HOMER R. JONES
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. JONES of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Seattle Post-Intelligencer of February 14, 1948:

UNIVERSAL TRAINING VITAL FOR SECURITY—UNITED STATES WORLD POSITION DEMANDS POWER TO BACK PLANS

If the United States is to be in a position to preserve the peace in a world which looks upon us as a major arbiter among the nations, we need some form of universal military training, Representative HOMER R. JONES said yesterday in a letter to the Post-Intelligencer.

"Our world position demands of us that we have power to back up our proposals," JONES wrote. "It places us in the same position as an individual who must follow certain fundamental rules in order to maintain health and to build physical resistance to disease.

"In my opinion, protecting the security of the Nation and maintaining strength sufficient to resist and prevent aggression in any quarter of the world—a world no longer separated by simple arbitrary, geographical boundaries, but tightly knit together economically, politically and spiritually—are in the same category.

"I believe we can't afford again to repeat the mistakes of the past when lack of preparedness cost us thousands of lives and billions of dollars of resources. I do not believe that training the youth of our Nation to fulfill an obligation of citizenship in time of crisis is a move toward war, nor indicative of any national militaristic aspiration."

The Congressman said he believes that at this time the young men who would be called into service in the interest of preserving our possible national future would accept the responsibility as a form of national community service.

"It is not alone in times of war that our people have searched for ways in which to express their sense of responsibility and selfless devotion," JONES said. "In so-called times of peace a period of disciplined training might well represent to our young men a substitute for their wartime patriotism and could be an excellent beginning in their lives as citizens with a full sense of community responsibility.

"Such service could be for them the first intimation that they have obligations as well as privileges because of their citizenship in a democracy which, no matter how great the cost, all of us believe must be preserved."

JONES said he has the utmost respect for those who believe that universal military training might lead to distrust and world agitation, but is moved to extreme caution in the adoption of this point of view by his personal experiences and world occurrences, past and present.

"Were I convinced that total disarmament and abandonment of any training program by the United States would point the way to universal peace and set an example other countries would follow willingly, then I would embrace the theory which opposes universal military training.

"Certainly, I know something of the cost, the hardship, and the horrors of war, for I have served in uniform in both world conflicts, both as an enlisted man and as an officer.

"We look today at a world where hatred, suspicion, and greed seem to have been alleviated not a bit by the results of the late, great war. We see at least one nation pursuing policies and tactics reminiscent of the rise of Hitler in the 30's, and we watch this advocate of armed might engulfing smaller and weaker neighbors."

Universal military training, he said he believes, is the most important gesture which Americans can make to convince the nations of the world that the United States means to remain strong in a military way until some settlement is made within the United Nations organization which will make it possible for that body, "dedicated to the continuance of world concord and peace," to become strong enough to hold even a big nation in check.

"Until that time comes," he said, "I do not feel it is wisdom on our part to avoid any means of strengthening our ability to defend our interest in time of an emergency."

No Controls, Please

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, the following expresses the thinking of many people of this country. One of my constituents has crystallized her thoughts and expressed them in verse on the subject, No Controls, Please.

They are pulling the wool down over your eyes
And telling you committeemen scarcity lies;
Yes, laying their plans for a police state,
Better get wise before it's too late.

They ask you Republicans for control legislation
And work to that end by misrepresentiton,
By hollering "No meat" and a "Big inflation";
It's simply a scheme for control of this Nation.

So they concoct excuses of the flimsiest kind,
Hoping you Congressmen will change your mind;
How I wish that I could sit in your place;
I'd tell 'em it's lies right to their face.

They are plenty shrewd and sly as a fox
And count you Republicans dumb as an ox,
And sometimes I'm thinking that maybe they're right;
If you don't say "no" and put an end to this fight.

If you were a landlady and in my place,
Then you'd perform the "right about face,"
You would kill the regiment of this OPA,
Else it'll grow a new head and be here to stay.

Under rent control there is no freedom;
Last August I was sued by a Mr. Creedom,
It's pure and simple old communism,
Just anything else but Americanism.

Mr. Woods wants power the landlords to sue;
Why not give him a deed to our properties, too;
Give him hundreds of police to turn him loose,
He'd soon have us all in the calaboose.

To extension of rent control we say "no";
We ask you give it a death-dealing blow,
For we elected you Republicans as our only hope,
Expecting you to rid us of this New Deal dope.

When you vote millions for the bureaucrats,
You make thousands of votes for the Democrats;
Now if I can see it then why can't you?
You could if you would and wanted to.

On February 29 we listen to hear you say,
You've ended rent control and the OPA;
No extension please, not even a day,
It's dangerous—no good—take it away.

Revive the Republic

EXTENSION OF REMARKS
OF
HON. MARION T. BENNETT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. BENNETT of Missouri. Mr. Speaker, I addressed a Lincoln Day banquet at Point Pleasant, W. Va., February 21. At that time my attention was called to a statement prepared by the Mason County, W. Va., Superintendent of Schools, Robert H. Ferguson. It is a fine summary of evidence to prove that this Nation is a Republic, was so conceived, and that propaganda about Democracy is misleading. The sooner we try to get back, all the way, to a Republican form of government, the better off we will be. The clever propaganda campaign of the Democratic Party to convince America and the world that such political party is synonymous with the principles of our form of government has succeeded too well. It is time we woke up and insisted, with the founding fathers, that the Republic and our Republican form of government for which the Republican Party stands, should be preserved.

The statement of Superintendent Ferguson is as follows:

REVIVE OUR REPUBLIC

We are seeing and hearing the word "democracy" through press, radio, books, and textbooks. This habit so referring to our form of government has been growing since 1932. (Could it be that a clever campaign has been on for years and is continuing to din the word into our ears and into our brains so that we will believe it?) Russia has now adopted the word.

The truth is that this Nation was formed a Republic and for a long time was a Republic with a republican government. In a democracy the people vote on all public questions themselves. Proof is in the Constitution which says in the fourth article, sixth section: "The United States shall guarantee to every State in this Union a republican form of government."

George Washington said, "The destiny of our republican model of government."

John Adams said, "A government in which the executive authority as well that that of all the branches of the legislature are executed by citizens selected at regular periods by their neighbors to make and execute laws for the general good."

Thomas Jefferson, who knew words so well that he was selected to write the Declaration of Independence, referred twice in the same address to republican government. He said, "We are all republicans." In the same address he said, "Let us then, with courage and confidence, pursue our own Federal and republican principles, our attachment to union and representative government."

President Madison said, "Our own republican institutions * * *. This rising Republic."

The learned John Quincy Adams referred to our Republic when he said, "Our happy condition under a Constitution founded upon the republican principle of equal rights."

Andrew "Old Hickory" Jackson said, "The eyes of all nations are fixed upon our Republic."

Martin Van Buren said, "The earliest and foremost pillars of the Republic * * * the power and influence of the Republic."

President Harrison said, "A simple representative democracy or Republic."

James K. Polk said, "The infancy of the Republic," and also "The ends for which our Republican Government was instituted."

Zachary Taylor was called "The Chief Magistrate of a Republic," he referred to, "Our own widespread Republic."

Daniel Webster spoke of our Nation as a Republic. He said in speaking of the death of President Taylor, "The Chief Magistrate of a Republic died suddenly * * * and those grand and imposing rites which the Republic confers on the most distinguished of her sons."

Franklin Pierce called our Nation a Republic. He said, "I have been called for a limited period, to preside over the destinies of the Republic."

James Buchanan spoke of our Nation as a Republic. In speaking of the necessity for honesty in our Government he said, "Public virtue is the vital spirit of republics."

Abraham Lincoln, who prized the United States of America above all considerations repeatedly referred to the Republic and republicanism.

President Grant said, "Our Republic" and "Under our Republic."

James A. Garfield said, "The new Republic was beset with dangers on every hand," and "Our own little children will soon control the destinies of the Republic."

Grover Cleveland said the "Constitution launched by the founders of the Republic," and "Presidential economies are best suited to the operation of a republican form of government."

Benjamin Harrison said, "Equipping the young Republic for the defense of its independence."

William McKinley said, "Our full duty as citizens of the great Republic," and illiteracy is "a grave peril to the Republic" and "the trust imposed upon the Chief Executive of the Republic" and "the builders of the Republic" and also "the Republic has marched on and on."

Teddy Roosevelt, who boasted one name only, said, "the tasks set before our fathers who founded this Republic in the days of Washington, which made great men who preserved the Republic in the days of Abraham Lincoln."

These men said, "Republic." What is a republic? It is a representative form of government in which sovereignty is "of the people, by the people, and for the people" but in which the sovereignty is not exercised by them directly but through selected representatives elected by the people and subject to their will.

Democracy is the form of popular government wherein the power to govern is retained by the people and exercised directly by the people as in Switzerland. Democracy is practicable only in very small countries. Democracy in a land of over 135,000,000 people would be unwieldy.

Representative government with the power of election, change, recall, resting in the people with representatives acting for them, is republican in form and makes a republic.

Were these great men we have quoted wrong in their statements? If they were wrong, then we are right in speaking of our Nation as being a democracy. If they were correct in statement, then we must be wrong in the use of the term "democratic." We conclude that unless this Nation has changed from the ideals set by our forefathers that this Nation is a republic with republican form of government. The choice of Washington, Jefferson, Adams, Jackson, Lincoln, Cleveland, McKinley, and the others as to what our form of government should be called is our guide.

What caused this sudden change from the republican ideals of our forefathers? Over the world today the cloak called "democracy" covers much and many alienisms. Let us reverently say again the pledge to the flag and stress "and the Republic for which it stands one Nation indivisible with liberty and justice for all."

Poems by Horace C. Carlisle

EXTENSION OF REMARKS

OF

HON. HARRY R. SHEPPARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. SHEPPARD. Mr. Speaker, in commemoration of the passing of another birthday of Washington, with the present perplexed with national and international problems, and with the future beclouded with uncertainties and alarms, it is refreshing to view, in retrospect our patriotic past, whose most inspiring character is the immortal Washington, now and forever, first in war, first in peace, and first in the hearts of his countrymen.

In keeping with the persevering spirit inherent in the far-seeing founders of our Republic, Americans of today appreciate, in a very special way, the character, courage, and capacity of Washington, as portrayed in a small group of poems from the pen of Horace C. Carlisle, frequently referred to as the poet laureate of Congress, because of his many appropriate poems which have been published from time to time in the CONGRESSIONAL RECORD.

Knowing, as many of us do, the hearty appreciation of the American people of Mr. Carlisle's contributions to the columns of the CONGRESSIONAL RECORD, under unanimous consent, I include in the RECORD as part of my remarks this little group of picturesque poems, characteristic of the ever-enlarging life of the illustrious Washington, and unhesitatingly I recommend them to the teachers in the schools of the Nation as a means of implanting and cultivating the great fundamentals of patriotic Americanism in the minds and in the hearts of our aspiring youth:

WAKEFIELD

In the wilds of Westmoreland, Virginia,
Back when power laughed justice to scorn—
That such tyranny might not continue—
Freedom's unafraid founder was born,
Making Wakefield, the home of his parents—
As the banner of hope was unfurled—
Wherein virtue spurned further forbearance,
The New Bethlehem of the New World.

Tho' no star hovered over his manger
To direct the wise men, from the East,
To the spot where this newly born stranger
Lay, unchristened by prophet or priest,
As he humbly was born into being—
Ere the Stars and the Stripes were unfurled—
Wakefield woke, as the shadows were fleeing,
The New Bethlehem of the New World.

In the arms of caress—and correction—
Up thru infancy, Washington grew
Into childhood, approaching perfection—
Nearer still than his own parents knew—
And the site of the home of his childhood
Stands today, 'neath Old Glory unfurled,
Souvenir from the primitive wildwood,
The New Bethlehem of the New World.

"MARY, THE MOTHER OF WASHINGTON"

In the mem'rable days of devotion and danger,
With her hands folded peacefully over her breast,
The once belle of the famed Northern Neck of Virginia
By affection's kind hands was laid gently to rest—
And above the lone spot where she's silently sleeping,
Where in life oft she met with her Maker in prayer,
Simply, "Mary, the Mother of Washington", graven
On an obelisk, tells us who's slumbering there.

None but God knows the depths of the inner emotions
That welled up in the secrets of Washington's heart,
As he turned back the years, thru divine meditation,
At the spot where his mother and he had to part;
For this mother of his, who endowed him with being,
And in infancy taught him her love for the truth,
Had bequeathed him a character, conscience, and courage
That directed his course from his earlier youth.

And, in all the long years of the fierce Revolution,
Thru which Washington fought with miraculous skill,
The great principles, practiced in life by his mother,
And transmitted to him, were his guardians still;
And these principles, born in him at the beginning—
Robbing enmity's wounds of its coveted scars—
Guard America still in her every great struggle,
And give glory divine to the Stripes and the Stars.

WASHINGTON, FIRST PRESIDENT

Washington, first both in war and in peace,
Master supreme of the sword and the pen,
Was, long before his untimely decease,
First in the hearts of his own countrymen.
Character fashioned his boyhood and youth,
Not so much thru the restraints of the rod
As thru his love for the eternal truth,
Verified in the great volume of God.

Washington, back in his earlier teens,
Laid for his future a practical plan,
Using his every available means,
Growing in favor with God and with man—
He became master, deservedly so,
Of every great task that he tried to do—
And thru experience he'd come to know
That with God's help he could carry it thru.

Washington had a sweet mother, and she
Poured her best self into his budding life—
He, to her God, learned to pray at her knee—
And kept it up, in the midst of the strife
For independence, that had to be won
'Gainst proud Old England, in spite of her boast—
And, as he prayed, "Not my will, Thine be done,"
England surrendered, and her fight was lost.

Washington, when Independence was won,
Went to Mount Vernon, his haven of rest;
But, ere his surcease from toil was begun,
And peace, renewed, reigned supreme in his breast,
He was called back into service again,
And eight more years he courageously spent,
Serving his countrymen who, in refrain,
Hailed him their choice as their first President.

Washington, great both in peace and in war,
Shines upon history's pages today,
As the most lovely, illustrious star
That ever scattered the darkness away—
Throughout the dark Revolution's long night,
Briskly and brightly and bravely he shone
With a reflected, most marvelous light—
Pillar of fire through the night for his own.

Washington loved both the church and the state—
He loved them both from the depths of his heart—
But knew that both of them could operate
In greater harmony, if kept apart.
If throughout all wisdom's realm we should search
Out the real cause that makes both of them great,
Love is the power that governs the church,
Law is the power that governs the state.

MOUNT VERNON

By the side of the silver Potomac,
Where his waters flow silently on
Is the spot set apart
In America's heart
As the dearest the sun shines upon—
Here the flowers still grow in the garden,
And the grass still grow at our feet,
In the fashion that they
Grew in Washington's day,
When he lived in this quiet retreat.

Here the world's greatest human exemplar
Sought repose in the calm tides of life,
Hid away from the cares
Of the Nation's affairs,
Snuggled in from confusion and strife—
In the sweet rustic stillness of nature,
With her ways so entrancingly odd
Like the Psalmist of old,
Did he oftentimes hold
Sweet communion with nature and God.

Not a call ever came from his country
To which he did not gladly respond,
And when came the last call—
For life's curtain fall—
He was ready for heaven's beyond.

But his beautiful home at Mount Vernon
Still is ours to have and to hold—
May the footfalls of time
On this treasure sublime
Fall more tenderly, as it grows old.

When the wasting of centuries crumble
The old mansion to ashes and dust,
And the little brick room
Guarding Washington's tomb
Is dissolved by the rain and the rust,
Will his character, spotless and perfect—
Unbesmirched by iniquity's scars—
In the sweet by-and-by,
Where the great never die,
Ever shine, on and on, like the stars.

And our beautiful Capitol Building—
Like Mount Vernon in favor and fame—
On the Capitol Hill,
Grows more popular still,
With the worshipful Washington name.
Even tho it expands with the Nation,
More majestic, imposing, and grand,
It has graciously grown
Round the same cornerstone
That George Washington sealed with his hand.

AMERICA'S MEMORIAL TO WASHINGTON

Our National Capital, matchless in grandeur,
In every respect, from foundation to dome,
Stands fixed in the mind, an indelible picture—
"Wherever we wander, wherever we roam"—
A fitting memorial to its great founder—
Conceived in the womb of his wonderful brain—
Whose plans, from the past, for the present and future,
Conclusively prove that he planned not in vain.

And Washington City, with all its attractions,
In ready response to the call of the States,
Reaches out, past the District, in every direction,
Where natural beauty invitingly waits.
But this the great Capital of our great country—
That had its beginning in his thoughtful brain—
Is but a Memorial to its wise founder
Whose labors of love have been spent not in vain.

The United States, with its forty-eight nations,
United, by common consent, into one,
Long since recognized by the world's greatest powers
As first of all governments under the sun,
Expanding by leaps and by bounds down the ages——
Commensurate with the great breadth of his brain——
Is but proud America's master memorial
To Freedom's defender who fought not in vain.

NOT THE NATION'S WISH, BUT WASHINGTON'S WILL

Immediately under the spacious Rotunda,
Beneath the great Capitol Dome,
The crypt was perfected—tho later rejected—
For Washington's last earthly home;
For he had requested, as his will attested,
To be laid away to his rest,
To sleep thru the stages of time's ageless ages,
As Mount Vernon's time-honored guest.

While, like a song-poem, the river below him
Sings on 'neath the sky's changing gleam,
Unharmed and unhurried, unwatched and unworried,
He wished there to silently dream,
In unbroken slumber, thru years without number,
Till his Lord and Master shall come,
And gently awake him, and lovingly take him
To his waiting, eternal home.

Yes, directly under the vaulted Rotunda,
Beneath the world's most noted Dome,
His Nation intended that, when his life ended,
He should rest in this rock-wrought home;
But, since he requested to sleep, unmolested,
At Mount Vernon, he's laid away,
Contentedly sleeping, in her care and keeping,
Until comes the great Judgment Day.

LEAD US EVER ON

Blessed God of our salvation, on this, Washington's birthday,
O deliver us from evil, and purge all our sins away—
Grant that we Thy righteous precepts may remember and obey—
And lead us ever on

Chorus:
Look upon us, Lord, in mercy—look upon us, Lord, in mercy—
Look upon us, Lord in mercy——
And lead us ever on

As we look out on our country, may we stray not into doubt—
Banish every thought of envy, and thus drive all hatred out—
Lord, prepare these hearts of ours for a world-peace vict'ry shout—
And lead us ever on

May we keep on marching forward underneath the Stripes and Stars.
In the name of right and justice for the sake of freedom's cause,
May the Price of Peace direct us in our fight to end world wars,
And lead us ever on

By the valiant sacrifices that illuminate the past,
O Thou Father of the ages, from the first one to the last,
We've attained to heights of glory, now by shadows overcast,
Lead Thou us ever on

(Tune: Battle Hymn of the Republic.)

Service Activities of the DAV

EXTENSION OF REMARKS
OF

HON. THOMAS E. MARTIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. MARTIN of Iowa. Mr. Speaker, recently I had lunch with a long-time friend of mine, who is a past national commander of the Disabled American Veterans, which has served to remind me of the outstanding record of achievements and the future program of this unique organization of which I am proud to be a life member.

Formed in 1920 and chartered by the Congress in 1932 to render service to, for, and by America's disabled war veterans, the DAV has been generally recognized as the official spokesman for America's disabled defenders.

DAV MEMBERSHIP ELIGIBILITY

According to its Congressional Charter of Incorporation—Public Law 186, approved June 17, 1932, as amended by Public Law 668, approved July 15, 1942—active membership in the DAV is open only to those Americans whose bodies bear the scars of wounds or injuries, or the blight of ailments or disabilities, incurred during or by reason of active war

service in the armed forces of the United States, or of some country allied with it, during time of war.

More and more wounded and disabled veterans of World War II are becoming active members of the DAV.

Eligibles may become life members of the DAV upon payment of a fee of $100—$50, if born before January 1, 1902—in cash, or by a down-payment of $5, or more, plus such installments as will complete payment of the full fee by the end of the second succeeding fiscal year ending on June 30, after which, if not fully paid, a carrying charge of $5 per year would accrue. A growing number are becoming DAV life members.

DAV SERVICE TRAINING PROGRAM

Realizing the need for extending assistance to all veterans and their dependents after the close of World War II, the DAV entered into an agreement with the Veterans' Administration and the American University in Washington, D. C., back in 1944, to train some 400 World War II handicapped veterans to become National Service officers. An intensive 6-months special course was set up, followed by 18 more months of on-the-job training in three different regional offices of the Veterans' Administration under the supervision of old-time, long-experienced DAV service officers.

The members of the tenth and last class of such trainees received their diplomas in May 1947 and are now completing their job training in all parts of the country.

This is the most intensive and ambitious program yet attempted by any veterans' organization, to provide, without cost to the applicants, expert aid and assistance in the solution of the many problems confronting veterans and their dependents.

No veterans' organization has any more extensive and effective Nationwide service staff to take care of the problems of all veterans and their dependents, and particularly those who have service-connected disabilities, than the DAV.

During the more than 28 years of its service activities, the DAV has sponsored and supported much liberalizing legislation on behalf of disabled veterans and their dependents.

Liberalized application of such laws, too numerous and too technical here to set forth, has, each year, been brought about by numerous conferences with officials of the Veterans' Administration and other governmental agencies.

DAV NATIONAL HEADQUARTERS

Located at 1423 East McMillan Street, Cincinnati 6, Ohio, the national headquarters of the DAV takes care of all administrative matters and records and publishes the Disabled American Veterans' semimonthly newspaper containing accurate, up-to-date information as to all existing and pending legislation, Presidential Executive orders, court decisions, opinions of the Attorney General, Comptroller General, and VA Administrator, VA regulations, service letters, circulars, and other instructions, as well as much other information of interest and of value to disabled veterans and their dependents.

The present national commander of the DAV is John L. Golob, of Hibbing, Minn., a badly wounded World War I veteran—an insurance agent in private life—who has had a broad background of 28 years of experience in various local, State, and national DAV activities which qualify him to lead an organization composed exclusively of America's disabled war veterans.

Its national adjutant, Vivian D. Corbly, has been secretary-treasurer—business manager—of the organization, and editor of its newspaper since 1925. Capt. Cicero F. Hogan is his able assistant.

The largest bank in Cincinnati, the Fifth Third Union Trust Co., has for 28 years been the depository for the funds of both the DAV and of its incorporated trusteeship, the Disabled American Veterans' Service Foundation. Officials handling funds have always been adequately bonded by the Fidelity & Deposit Co. of Maryland.

NATIONAL SERVICE SET-UP

The national service headquarters of the DAV is now located in a beautiful building at 1701 Eighteenth Street NW., Washington 9, D. C., which was acquired by the organization in 1945.

In this Washington office are located the department of claims, headed by William E. Tate; the department on legislation, headed by Mr. Francis Sullivan; and the department of public relations and employment, headed by my good friend, Millard W. Rice. In addition to these service departments, the DAV service headquarters has its office manager, John E. Fighner, as assistant national adjutant. All of these various departments are staffed by trained experts, all of whom are themselves war wounded or disabled veterans.

These DAV national officers know all about the technical complications that disabled veterans must overcome factually to prove the service connections of their disabilities to the satisfaction of rating agencies of the United States Veterans' Administration, under the limitations and restrictions of existing law, as legalistically interpreted and as administratively applied.

Understanding such vexatious problems by personal experience, DAV national service officers are naturally more sympathetic than are non-disabled veterans or civilians and are therefore generally more effective in helping disabled claimants to comply with technical requirements to prove legal entitlement to benefits to which they may be lawfully and equitably entitled.

DAV SERVICE ACCOMPLISHMENTS

The DAV has freely rendered technical help to thousands of disabled veterans each year in obtaining compensation for service-incurred disabilities, medical treatment, hospitalization, insurance benefits, pensions for dependents of deceased veterans, vocational training, civil service appointments and, last, but really first in importance, suitable, gainful employment.

During the past 18 years, for which records are obtainable, the paid national service officers of the DAV have extended service as indicated by the following brief résumé:

Claims handled, 1,525,753.

Monetary benefits, $132,512,111.87.

Additional compensation payments thus obtained for thousands of disabled veterans and their dependents, who might not otherwise have been able to procure such needed benefits, have converted such beneficiaries from local liabilities into community assets.

It is, of course, not practicable, in a brief statistical résumé, to indicate the many different types of service extended by service officers. Many liberalizing precedents have been established by the decisions obtained, which subsequently have proved of value to hundreds of thousands of disabled veterans having similar claims, the results of which cannot be computed from service reports.

DIFFICULTIES OF PROVING SERVICE ORIGIN

Most citizens agree with the DAV that the Federal Government should bear the burden of providing for the Nation's defenders, but only when it has been established that the veteran's disabilities were incurred in or aggravated by his military service.

To prove service connection of a disability, however, is not an easy thing to do, except where official records show its inception in service. An equitable claim cannot necessarily be legally established.

Many different factors may make it extremely difficult, and in many cases impossible, for a veteran factually to prove that his disabilities were caused by his war service, even though actually service-incurred or aggravated.

EMPLOYMENT PROGRAM

The DAV has adopted, on a Nationwide basis, a man-job-matching-method program to provide suitable, useful, gainful employment for all disabled veterans. Less than 7 percent of the Nation's 2,100,000 compensated war-disabled veterans are totally unemployable. The remaining 93 percent are less than totally disabled and must, therefore, supplement their inadequate compensation payments with income from employment.

This scientific approach to a most distressing problem has produced some worth-while results thus far. The handicapped veterans' abilities have been matched with the requirements of the job rather than stressing his disabilities. It has been demonstrated by the employment record of such disabled veterans that they have a low absentee record, a low turn-over record, a low accident record, and a higher efficiency and production record. It has thus been demonstrated that to hire disabled veterans is just plain good business, bringing benefits directly to them, their dependents, their communities, their employers, and taxpayers generally.

AN INVESTMENT IN PATRIOTISM

It is definitely in the interest of all Americans that the fight for justice must be made for those who have sacrificed their youth and a part of their bodies or their health in our country's most hazardous occupation, its military and naval services during time of war.

The faith must be kept with those who have made such sacrifices in the past, as well as with those who are, or have been, dependent upon these heroes, so that other young men who, in the future, may be called upon to make similar sacrifices, will have the assurance, on the basis of past performance, that if they, too, should also be so unfortunate they

will not be permitted to become mere forgotten heroes.

The determination of the DAV to see to it that America's disabled veterans are adequately provided for should be generously supported, as a public investment in the future patriotism of our youth, and as practical patriotism which brings huge humanitarian and financial dividends to every community, to every State, and to our country.

HOW DAV SERVICE IS FINANCED

The DAV has been able to maintain its extensive service program primarily out of funds contributed by disabled veterans themselves, by their payment of membership dues in the DAV through its State departments and 1,443 chapters.

A national per capita tax of $1, plus a national service fee of $1, is paid each year to the national headquarters by every local chapter for each of its members.

Local DAV chapters finance their own service and relief activities out of their portion of the annual membership dues which average about $5 per year, by annual Forget-Me-Not Day drives, dances, and other projects.

Nationally, the DAV has recently been successful in raising substantial needed funds through its sale of Ident-O-Tags, miniature automobile license plates, to be attached to one's key ring. The value of this Nation-wide key insurance is indicated by the fact that about 4,000 sets of lost keys are returned each month to their owners.

DAV SERVICE FOUNDATION

To make possible a much-needed expansion of its rehabilitation activities, the DAV is hopeful that understanding fellow Americans will help to build up a needed trust fund of $10,000,000 or more by generous donations to its incorporated trusteeship, the DAV Service Foundation, 1701 Eighteenth Street N. W., Washington 9, D. C.

This DAV Service Foundation has 11 trustees, 5 of whom each serve for 5-year terms, 1 expiring each year and replaced by another as confirmed by the annual national convention of the DAV, 2 of whom automatically consist of the national commander and national finance committee chairman of the DAV, with the remaining 4 consisting of prominent social-minded citizens, each successively elected to serve for a 4-year term.

Donations received by the DAV Service Foundation are placed in separate State trust-fund accounts according to State of origin, with 60 percent thereof to be available for allocation to the DAV when needed, for the expense of maintaining one or more full-time national service officers in each such State, and with the other 40 percent to be available for use wherever needed.

WHY DAV NEEDS OUTSIDE HELP

Many eligible disabled veterans fail to become paid-up members of the DAV and, thus, do not help to maintain its Nation-wide service set-up on behalf of less fortunate disabled veterans, for varied reasons—some because they know very little about the DAV, some because of indifference, others because of selfishness, some because of negligence, and many others because they cannot afford it. If they all understood the implications involved, every service disabled veteran would decide that he should belong to the DAV.

The American public is, I am confident, desirous of fulfilling its obligation that those who return from hazardous military employment in the armed forces of the United States, handicapped by reason of such active service, shall be adequately provided for by a grateful Nation.

Such a service program deserves the solid support of all service-disabled veterans and of all Americans.

COMMENDATIONS OF THE DAV

Among many statements commending the DAV and its rehabilitation services the following are a few examples:

I am glad to learn that the Disabled American Veterans is endeavoring to expand the rehabilitation program on behalf of all handicapped ex-servicemen. Your committee is to be complimented on its leadership and patriotism in placing your organization in a position to render adequate service to those men who have so well served the Nation. I am sure that all Americans, particularly families and relatives of the war disabled, will approve this step. You have my best wishes for the success of the endeavor. (President Harry S. Truman.)

I am delighted to learn that you are taking effective steps to raise substantial sums for the purpose of providing for the future welfare and rehabilitation of disabled veterans. Your efforts will be fully rewarded in the lasting appreciation of veterans who have sacrificed so much." (Gen. Dwight D. Eisenhower.)

The purpose of your Nation-wide rehabilitation program * * * to extend needed assistance to members of our armed forces who become disabled, as well as to disabled veterans of the World War and their dependents, is, indeed, a worthy one and merits the full support of our citizens. (Franklin D. Roosevelt.)

Please express for me to the Disabled American Veterans my continued appreciation of their services to the country. (Herbert Hoover, former President.)

It is, therefore, particularly gratifying to me to learn of the plans of the Disabled American Veterans to expand its already extensive service program so as to make available to the handicapped servicemen of World War II, who are coming out of the present conflict in ever-increasing numbers, the valuable advice and assistance it has long rendered their fathers of World War I. These new veterans and their dependents also will need a helping hand, and I hope that the organization will meet with complete success in its campaign to provide now for the extension to them of its worthy activities. (Gen. John J. Pershing.)

I accept membership in the Disabled American Veterans with a sense of distinction. Membership in no group in the world carries greater honor than does membership in the Disabled American Veterans. (Gen. Douglas MacArthur.)

I am pleased to add my endorsement of the national service fund of the Disabled American Veterans. Certainly this program, which has for its objective the rendering of service to those who served, is a worthy one. It merits the support of all who are interested in the welfare of our disabled ex-servicemen. Your efforts are commendable and I wish for your program the success it deserves. (Gen. Omar N. Bradley.)

I feel very keenly the necessity for our proving to the lads who have really taken the rap in this war that the American people do not intend to forget them. I want to congratulate you on your willingness to take leadership in the drive on behalf of the Disabled American Veterans. The way in which we respond to the needs of our returning soldiers and sailors, and particularly the proof of our enduring recollections of their sacrifices, will provide one of the great tests of this Republic. (James V. Forrestal, Secretary of Defense.)

The DAV is not appealing for your sympathy nor to your patriotism, but is presenting a practical plan for making useful, independent citizens of our disabled veterans. It is to be commended for its excellent work. (Robert R. Wason, former president, National Association of Manufacturers.)

Be assured that we of the American Federation of Labor, who have long relied upon the principle that unity develops strength, look with favor upon the valuable service-giving activities of the Disabled American Veterans organization. (William Green, president of the American Federation of Labor.)

Labor's heart goes out to the disabled veterans, many of whom come from its own ranks, and we are eager to do everything we can to help these handicapped veterans and their dependents to secure the fair and generous treatment to which they are entitled. (Philip Murray, president, CIO.)

The Military Order of the World War passed a resolution endorsing the Disabled American Veterans * * * for the purpose of assisting disabled veterans in the preparation and presentation of their claims * * * a most important work. (Col. George E. Ijams, past commander in chief, Military Order of the World War.)

I know of no organization that I can more heartily commend and support than the DAV, whose purpose is the rescue and helping of disabled veterans. Let us hope all loyal Americans will recognize the DAV's humanitarian objective and program as their opportunity to demonstrate loyalty and patriotism. The people of the United States must not and will not fail those who did not fail them. (Gen. Robert Lee Bullard.)

It affords me real pleasure to heartily endorse the Disabled American Veterans * * * to assist individual deserving veterans in their local needs and in the technical prosecution of their equitable claims for compensation resulting from war-incurred disabilities. (JAMES E. VAN ZANDT, past commander in chief, Veterans of Foreign Wars.)

The DAV is helping to protect and to promote the best interests of disabled veterans, and of the general public, by maintaining and further expanding its national service bureau in Washington, D. C., and its Nation-wide set-up of national service officers. To do the job properly, however, the DAV needs to have at least three or four times as many full-time national service officers as it now has. (Congressman WALTER G. ANDREWS, of New York.)

The Unemployment Trust Fund

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1948

Mr. REED of New York. Mr. Speaker, the Social Security Act of 1937 provided for the laying and collecting of certain taxes from employers of labor in the States and for the use thereof for the relief of unemployed persons in those States.

In a closely divided Supreme Court, the constitutionality of the Social Se-

curity Act was upheld, on the theory that the greater number of the States had passed cooperating legislation and waived what was asserted as an infringement on the rights of States to manage their own internal affairs. At any rate most, but not all, of the States went along with the scheme contained in the Social Security Act for providing unemployment relief.

The Social Security Act, in the plainest of terms, provides that the moneys raised by taxes on employers of labor within the States shall constitute, and be, an unemployment trust fund in the Treasury of the United States. It is known, however, that no trust fund has ever been established, as required by Congress; and, on the other hand, the gigantic fund has been, and still is, being handled as a special deposit account which means that expenditures therefrom do not have to have the approval of the Comptroller General through the countersignature of warrants, as would be the case if the fund were handled as a true trust fund.

It is known that the Comptroller General, as early as 1937, insisted that the Treasury create a trust fund with those taxes, but the Treasury failed, neglected, and refused to do so, contrary to the will of Congress, with the assertion by the Treasury that a true trust fund would hamper the making of authorized investments of, and disbursements from, the fund. At any rate, despite the demand of the Comptroller General that the fund be established and handled pursuant to law, nothing has been done to carry out the expressed wish of Congress in that regard.

The Social Security Act authorizes the Secretary of the Treasury to invest such part of the unemployment trust fund as may not be needed for unemployment payments in direct obligations of the United States, or in obligations fully guaranteed by the United States. And the Secretary of the Treasury is empowered to credit the accounts of the several States with interest on the investments, namely, with interest payable on the securities in which the fund is invested. However, it has been ascertained that the Secretary of the Treasury has been, and is, crediting the accounts of the States with earnings at the rate of compound interest, so that the over-all earnings which have been credited amount to more than 6 percent of the total deposits made by the several States in the fund. Government securities do not bear compound interest, and it is manifest that Congress did not mean that compound interest should be credited and paid on the States' investments in this fund.

Inquiry discloses that, to June 30, 1947, the Government of the United States had credited compound interest on the States' investments amounting closely to $1,000,000,000, and the balance in the fund as of that date amounted to the very great sum of almost $7,000,000,000. Is not that a terrible price for the Government to pay for the mere privilege of receiving, handling, and paying out the States' funds deposited to relieve unemployment?

Examination of the Annual Reports of Social Security show, I am informed, that even during times of highest employment of labor throughout the States, withdrawals for the unemployed have far exceeded withdrawals in times when employment was far less than it was, and is, during, and since the war. Furthermore, it is said on good authority, that withdrawals since the war for unemployment have been heaviest in States where major and prolonged strikes took place; and it is known that, since the end of World War II's shooting, 11 of the participating States withdrew more from the fund than there was deposited by them in the years involved. Can it be that Congress meant and intended that this gigantic fund should be used, as it seems to have been used, as a war chest for striking workmen? It most certainly would seem that Congress did not so intend.

Another thing for consideration, in addition to the payment of compound interest on the investments, payments to strikers, and the like, is the fact that the longer this fund exists, the greater it becomes, and the greater the fund becomes, the greater its cost to the Federal Government.

With the recurring clamor for the extension of social security and the expansion of unemployment compensation benefits to be paid from the unemployment trust fund, and with rumored efforts of administrative officials to extend benefits of social security and unemployed persons without waiting for congressional extension of such privileges and benefits, it seems high time that these and possibly many other irregularities to which I have adverted be considered and corrected.

Much has been said concerning chiseling on these and other sociological plans of the administration; and it would be most interesting to know to what extent, if any, there has been overlapping of payments to persons entitled to unemployment compensation and other forms of governmental handouts. Surely, Congress did not mean and intend that one individual should receive duplicate benefits under the different schemes.

It has come to attention that the Social Security Agency's social workers, acting under the terms of Social Security Reports Nos. 8 and 10, have, in effect, passed out the word that citizens are expected to claim and get benefits under the Social Security Act any way they can; and that close questioning as to need and uses made of the benefits paid is not to be indulged in by representatives of the Social Security Agency. Those pamphlets certainly portray grossly loose methods of operation, and it is well to remember that the thoughts advanced and the policies followed by those administering the Social Security Act have been made the subject of a scathingly critical report by the Commission on Governmental Efficiency and Economy, Inc., Baltimore, Md., which conducted a survey of relief and charitable activities in that city by local relief agencies and the Social Security Agency of this National Government. That report was dated December 1937.

I repeat, Mr. Speaker, that it behooves Congress to examine these agencies with a view to corrective action.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include an article which appeared in the Boston Sunday Post, Boston, Mass., February 15, 1948, entitled "Seaway Peril To This Area," by Lester Allen:

SEAWAY PERIL TO THIS AREA—NEW ENGLAND TO PUT NOOSE AROUND NECK IF PLAN GOES THROUGH—MANY INDUSTRIES TO DIE

(By Lester Allen)

New England has a standing invitation to put an economic noose around its own neck by engineering an already unfavorable geographic location into a complete isolation.

If the Senate bill authorizing joint United States-Canadian action to provide a channel for ocean-going vessels from the Atlantic to the Great Lakes and construction of a 2,200,000-horsepower hydroelectric plant at Massena, N. Y., is voted on February 27, New England can mount the scaffold and make its farewell speech to the world.

That may sound drastic, but it is the inevitable effect of the St. Lawrence seaway and power project, which will cost the Nation many times $500,000,000 before it is effective, and will compel New England through taxation to pay for a good share of the means of accomplishing its own ruin.

New England opposition to the St. Lawrence seaway and power project is not alone on the basis of the added tax burden. New England railroads are already operating at a grave disadvantage through this region's geographical isolation from the rest of the country, but the power development features will place New England at a great disadvantage, for today New England power needs can best be supplied by steam-generating plants.

Moreover, American-flag shipping will not be benefited by the seaway, if, indeed, the seaway were practicable in the first place. It would bypass all of New England's ports during 7 months of the year.

GREEDY GRAB

Coastal shipbuilding plants might just as well start to demolish their ways if the bill is passed, for this is a greedy grab on the part of heavy industry in the Great Lakes region to hog the business and put across a deal that will accomplish the ruination of New England. They have dressed it up with the phoniest set of statistics that ever beguiled and befuddled the people of a whole region.

Let's pry into the statistics the advocates of the St. Lawrence seaway offer. Let's pry into the personalities shouting loudest for the seaway.

Starting with Senator ALEXANDER WILEY, Wisconsin Republican, who is merrily logrolling in the Senate and threatening reprisals against Senators, interested in inland waterways and other measures if they do not vote for the seaway.

LARGE STAKE

The Senator is from a Great Lakes State, which today has a large stake in the iron and steel industry. The fact is that the Wisconsin and Minnesota iron-ore deposits are running out. What's that got to do with the St. Lawrence seaway? Just this: There are two alternatives for the Great Lakes States. They must either develop low-grade ores at enormous expense or get a supply of richer ores at a cost comparative to that of removing ore from the Lake Superior iron beds.

The only large bodies of such ore available are in Labrador and Newfoundland.

Do you begin to get the picture? Note that the ship channel advocated by these advocates of the seaway calls for a 27-foot channel. The channels in Boston are 40 feet, Philadelphia 35, Montreal 32, Baltimore 35, and New York City deeper than Boston with 42 feet.

FOR ORE BOATS

So it really isn't ocean-going steamers the boosters of the seaway want in the Great Lakes. By a strange coincidence Great Lakes ore boats draw slightly more than 20 feet, and the only port on the Great Lakes with a channel deeper than 26 feet is Detroit.

What is desired, then, is a seaway to take ore boats and not ocean-going steamers. There is, of course, still another alternative which is much cheaper than the seaway for the dilemma of the Lakes States. A New England steel industry could be built at a cost not greater than $100,000,000, one-fifth of the initial outlay proposed by the seaway boosters.

Even more strange is the opposition of Great Lakes shipowners to the seaway. In Ottawa a few days ago American and Canadian inland shipowners blasted the plan as a "political pork barrel." Canada and United States, they declared, would be saddled with $35,000,000 a year carrying charges. They neglected to add what their interest was in this, but at the moment it is the fact that existing vessels plying the Great Lakes would have to be rebuilt internally to use the seaway, since the Great Lakes are fresh water and the St. Lawrence River from the estuary to the rapids is salt water. Great Lakes steamers have no equipment for converting salt water to fresh for their boilers, and Diesel engine operation is enormously expensive on the lakes.

COST OF PROJECT

Senator WILEY has declared that the cost of the project would be amortized by payments from hydroelectric earnings and from tolls for passage of ships through the canals.

Let's take those claims in order. The development of hydroelectric generation does not depend upon the building of a ship canal. Such development could take place right now. But New England wouldn't get any of the power generated, much as the few friends the seaway has in New England would like to believe.

Right now Maine is experiencing a power shortage because of the freezing conditions which have caused low water on the rivers—and this same condition exists on the St. Lawrence, frozen 5 months out of every year. The problems of transmission of such power as the St. Lawrence project might produce for effective use in New England are technical and formidable, but for New York and points west, relatively simple. Therefore, New England can reckon on getting little or nothing from the power development.

BASED ON SURVEY

The tolls for the ship canal, based on a survey of possible traffic through such a canal, estimated at 4,000,000 tons of shipping each season of 7 months, would require a toll of $6 to $15 a ton, without a Government subsidy. The Senate limited the tolls to $1.25 a ton, which would produce a maximum revenue of $2,600,000 annually. The annual cost of the seaway under present plans would range from $25,000,000 to $62,000,000.

If you are willing to pay a subsidy to move Canadian grain to world markets, grain which during the winter season normally flows through east coast ports, then you ignore the economic facts of New England's position in world commerce. We are trying to build up New England ports instead of bypassing them.

The seaway, as planned, would have 67 miles of canals, 6 miles of restricted channels, and 18 locks through which vessels might pass from Duluth, Minn., to the open sea of the St. Lawrence estuary at Montreal. Five months a year this would be frozen fast. That means that for 5 months a year east coast ports would be expected to handle the leavings of commerce flowing out of the Great Lakes area, and 7 months of the year commerce would be ladled from hand to hand along the seaway in a spoon at enormous cost.

TO HAMSTRING HUB

Only one sample of cost of shipment is needed. Pittsburgh pays a little over $5 a ton for freighting ore. Gary, Ind., on the Lakes, pays about $2.60 a ton for freighting ore. A real toll cost of $6 to $15 for freighting ore through the seaway would mean that the American taxpayer would pay a subsidy to provide the steel industry with cheaper ore.

The power development, you may be certain, would benefit only the production of steel in electric furnaces from New York State ore deposits, and very little else.

Boston is the nearest big American port to Europe. But there seems to be a willful and even vicious desire to hamstring Boston and New England.

Another technique was adopted by the seaway boosters to isolate New England opposition, the possibility of a cut-off of the canal through Lake Champlain and the Hudson River, which would divert some traffic through the port of New York. This is an adroit move to line up the mid-Atlantic ports against Boston, Portland, and Providence.

NEGLIGIBLE FACTOR

Outbound commerce in the foreign trade is a negligible factor in the St. Lawrence seaway proposals. The chief items of outbound commerce from the Great Lakes are dairy products and grain. Dairy products are a perishable item and it is entirely unlikely that the 10 to 12 days in transit through the seaway project would be risked.

But inbound commerce is another matter. The chief import items here bound for the Midwest Lake States are coffee, vegetable oils, wood pulp, burlap, and jute. Special handling facilities for this traffic exist, in Boston—and the westbound freight is a vital part of New England economy.

Henry Foley, who is one of the bulwarks of New England's fight against the seaway, has exposed the fallacies of the statistics offered by the seaway boosters over and over again. But that is not enough when a piece of legislation is being considered in the Senate. The log rolling and back scratching of expedient legislation make strange bedfellows.

ENTERING WEDGE

The $500,000,000 expenditure is only an entering wedge, a ruinous wedge for New England, which will be asked to pay a generous share in taxation to accomplish its own disaster. If the 27-foot channel proposed is deepened by only 3 feet, which would still not open up the ship channel for large ocean-going vessels, it would cost another $500,000,000.

New England now depends upon its water-borne commerce for the movement of a vast amount of freight, and its railroads are of minimum vital trackage for the needs of the area, and are staggering along under immense problems of decreasing revenue.

If the average wage earner in New England believes that all this rumpus about the seaway is not his concern, it is important to drive home the truth that the seaway will cause many, many New England industries to wither and die.

In effect the seaway chops New England off from the rest of the continent and makes it an island, a have-not area forever debarred from developing its chief resources, the technical skill of its people.

The noose is waiting. New England can put it around its own neck and strangle—or stage a fight now, before the seaway goes to vote in the Senate.

Radio Address to My Constituents

EXTENSION OF REMARKS
OF

HON. EDWIN ARTHUR HALL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address delivered by me over Station WNBF on February 21, 1948:

Dear friends of the Triple Cities and my congressional district, within our community there live untold hundreds of patriotic citizens who have loved ones and relatives in the Old World.

Today, great concern is being expressed for these relatives, and Americans are responding privately as well as publicly to help them. Packages filled with much-needed food and clothing are being sent in greater amount each day.

I am receiving many letters from the people who are mailing such packages. They feel they are being compelled to pay an exorbitant price for necessary postage to carry this aid to its destination.

They tell me the cost of mailing bundles to Europe is as high as 14 cents a pound and upward.

To me this seems outrageous. I believe folks ought to be permitted to send such mercy packages for less. Oftentimes the postage exceeds the actual value of the contents by several times. Certainly, it is unfair. I hope the Postmaster General will take immediate steps to lower the high postal rates for sending articles overseas.

Bear in mind, also, there are many thousands of our boys serving on the Continent, and they like to hear from home, too.

This week I addressed the House on the Hall pension bill for veterans of World War I. My speech was as follows:

Mr. Speaker, today I am introducing a bill granting pensions to veterans of World War I.

For the past 7 years the accent has been to spend billions of taxpayers' dollars in foreign countries. Without batting an eyelash we have voted tremendous sums of money to pour down the rat holes of Europe and Asia.

Some of this money must have found its way to succor the downtrodden, to feed the hungry, and clothe the naked. But much of it has been wasted and is being wasted.

Be that as it may, we keep providing these billions for the nations across the sea while our own people are laboring to keep their heads above water and the wolf from the door.

I regret that it has come to the point when a Member of this House runs the risk of attack and abuse when he becomes presumptuous enough to request something for the Americans he represents.

All of which strikes no fear to my heart because my job is to consider the needs of the Americans who elected me before anybody else abroad.

I believe the time is ripe to come to the aid of the veterans of World War I. With the natural importance placed upon the needs of our younger veterans, we have overlooked, for a time at least, those who served so valiantly in the stirring days of '17 and '18.

We are guilty, therefore, of forgetting that our World War I heroes are older, their ranks thinning, and the exigencies of former military sevice beginning to tell upon the numbes that remain.

They are the forgotten men of our generation. We have looked after the fighting men of every other American war but them.

As near as I can judge, the present average age of veterans of World War I is 57. Many are, of course, older. All have started down

the trail which eventually leads to the setting sun.

These men are for the most part still vigorous. We owe them almost as much for what they did in the way of moral encouragement and keeping the home front in line during World War II as we owe them for their physical contributions in the first struggle.

But they ought to have consideraion. We provided pensions for the GAR, the Spanish War vets, for all who went before. We have no choice but to begin thinking about the men who came back from France after participating in the war that was to end all wars.

Therefore, I submit the following bill and I urge upon the House its early, friendly acceptance. The Nation must be willing to meet her responsibility by preparing for final and equitable treatment of so patriotic and noble a group as the veterans of the first World War.

My bill reads:

"A bill granting service pensions of $75 per month to veterans of World War I, and for other purposes

"*Be it enacted, etc.*, That any person who (1) served in the armed forces of the United States at any time between April 5, 1917, and July 3, 1921; (2) was honorably discharged from such service either after 90 days or more of service or for disability incurred in service in line of duty; and (3) either (A) is 60 years of age or over, or (B) has a disability of 10 percent or more and is 55 years of age or over, shall be entitled to receive a pension of $75 per month. If any such person is, on account of physical or mental disabilities, helpless or blind, or so nearly helpless or blind, as to need or require the regular aid and attendance of another person, he shall be entitled to receive a pension of $100 per month in lieu of such pension of $75 per month.

"SEC. 2. The original award of a pension to any person under this act shall be effective from the date of application or the first day of the second month following the enactment of this act, whichever is later.

"SEC. 3. No pension or compensation payable to any person under any law or Veterans Regulation in force on the date of the enactment of this act shall be reduced or discontinued by reason of any provision of this act, but a person may elect to receive pension under this act in lieu of such pension or compensation.

"SEC. 4. The Administrator of Veterans' Affairs is authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this act."

Fairness to Postal Employees

EXTENSION OF REMARKS

OF

HON. ALBERT L. REEVES, JR.

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. REEVES. Mr. Speaker, at the request of several of my constituents, I am including in these remarks the text of an excellent editorial on the subject of increasing and equalizing the pay of employees of the postal service. It appeared in the Kansas City Times of February 17, 1948, and is as follows:

FAIRNESS TO POSTAL EMPLOYEES

The efficiency of the United States postal service is a matter of concern to virtually every person in this country. That efficiency is now seriously threatened because of the shamefully low pay of the postal employees. They deserve better treatment not only on this ground but as a matter of plain justice.

These employees make up a group of faithful workers who have patiently borne the unfairness in pay. They are not threatening to strike and could not consider that alternative. But there is a limit to human endurance and the clear fact is they cannot meet their living costs under the present conditions. The morale of the service is being undermined and there is increasing difficulty in the enlistment of efficient workers into the service.

Since 1939 or since the start of the rise in living costs the postal employees have received total pay increases of only about 35 percent. In that time the pay of industrial workers has been just about doubled, while national income, industrial profits, farm income, and the like have increased still more. The last pay advance for the postal workers was more than 2 years ago. At that time the Associated Press wholesale price index of 35 basic commodities stood at less than 113, with 100 as the 1926 average. On the latest report, adjusted to the recent price declines, this index stood at approximately 186.

In this period of rapid living cost advances the postal employees have gained nothing. The situation has produced bills in both the Senate and the House which are designed to remove the injustice to a fair extent. Under these measures the numerous classifications of the employees and their pay would be given consideration. If no other workable method can be found there ought to be some adjustment in postal rates to provide the funds for this urgently needed compensation.

The responsibility for this action falls upon Congress. It can maintain the efficiency of this service to the public and will be held accountable if nothing is done. It should get busy and deal justly with a neglected group of public servants.

Rural Electrification

EXTENSION OF REMARKS

OF

HON. JOHN E. RANKIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. RANKIN. Mr. Speaker, I am today introducing a bill for a deficiency appropriation of $300,000,000 for rural electrification.

That amount will be necessary in order to carry on this great program from now until the end of the present fiscal year.

Every dollar of it will come back with interest, and it will add untold millions of dollars and probably billions of dollars, to the wealth of the Nation.

When I started in this fight for rural electrification in 1933, just less than 10 percent of the farmers in this country had electricity in their homes; while 90 percent of the farmers of Germany, 94 percent of the farmers of France and Italy and approximately 90 percent of all the rest of the farmers of western Europe, as well as 90 percent of the farmers of Japan, had electricity in their homes.

After a struggle of 15 years we have managed to get electricity to about 60 percent of the farmers of this country.

The rest of them are pleading for this service.

It will mean more to them than everything else this Government has ever done for them.

While we are being urged to pour billions of dollars of our taxpayers' money into Europe and Asia, we had better pay a little more attention to the farmers of this Nation, who fight its battles in times of war, feed and clothe our people at all times, and sustain our institutions in times of peace.

By helping these farmers to electrify their homes, we are building up the strength of the Nation, and not dragging it down toward bankruptcy and destruction.

Let us electrify every farm home in this country, at rates the farmers can afford to pay.

I Am Private Enterprise

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, the following quotations appear to have been first reprinted from Benjamin DeCasseres' column in the New York Journal-American. It should do our souls good to read, digest, and contemplate the basic philosophy contained in these statements. They are fundamentally American in their ideology, and are, perhaps, just as applicable today, for all practical purposes, as when they were written.

I AM PRIVATE ENTERPRISE

(Reprinted from Benjamin DeCasseres' column in the New York Journal-American)

I am the spirit of private enterprise.

Wherever I have existed freedom of mind and body have existed.

Wherever I have been murdered by collectivist laws and governmental strangulation freedom of mind and freedom of body have died.

I was the physical lever of Athenian civilization.

I died in the collectivist feudal ages.

I was resurrected in the Renaissance, beginning the modern age.

With the rebirth of free private trading came the vastest expansion in the arts and sciences the world has ever known.

I, private enterprise, have brought men of the same countries and men of distant countries closer together in friendly intercourse than all the socialistic and communistic doctrines combined.

My trade routes have been the routes of human progress.

I am the expression and sustainer of all that is lordly in the human soul—self-reliance, the adventurous spirit, emotional and mental initiative, ambition, and inventive resourcefulness.

With my rebirth in the Renaissance the human level of living began to rise.

The shackles on slave labor began to rust and crack.

Money became international.

Man at my touch took on something of the aspect of a creative god.

I, private enterprise, built America.

If she is a giant today in production it is I who have made her a giant.

I cleared her forests.

I built her railroads.

I tunneled her mountains.

I erected her factories, dug the coal and ore in her mines, and sent out her ships on Seven Seas.

In my brain was born every creature comfort you enjoy.

I, private enterprise, with my free laborers and my unshackled captains of industry, built the muskets, the airplanes, the tanks, the submarines, the great guns that were used in the Revolutionary, Civil, and World War No. 1 and that are now protecting the United States from invasion.

I am the hope of Europe and Asia.

I, private enterprise, am the working classes, the middle classes, and the well-to-do classes.

I am the butcher shop, the bank, the newsstand, the great department store, the giant furnaces of Detroit and Pittsburgh, and the electric light.

I, private enterprise, am Edison, Ericsson, Goodyear, Wanamaker, Westinghouse, Fulton, Whitney, Morse, and the Wright brothers.

I am that free business, big and little, on which civilization alone depends.

I am the body of a great spiritual entity—liberty.

I am the body of a great sociological and biological fact—self-interest.

It is I, private and free enterprise, that is winning this war for Russia, England, China, and the United States of America.

I, private enterprise, am the power behind your son, your father, your brother fighting for you in Africa and the Pacific.

I am the minuteman of Uncle Sam.

I am the very essence and body of Jeffersonian democracy, for I am private property and personal liberty.

I am the old deal. I am America.

Lithuanian Independence Day, February 16, 1948

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. LANE. Mr. Speaker, this is the thirtieth anniversary of the Declaration of Independence by the people of that small country on the shores of the Baltic Sea.

For 120 years prior to 1918, they had worked unceasingly to throw off the yoke of foreign domination.

All Americans, no matter from what race they stem, consider themselves as brothers, in mind and in spirit, to the people of Lithuania, because we both detest authoritarianism.

In the latter part of the eighteenth century, Americans and Lithuanians rose against their oppressors. Through the grace of God and the courage of our forefathers, we, in America, separated by 3,000 miles of ocean from those who held us in bondage, were able to win our freedom. Lithuania, however, hemmed in by large and powerful neighbors, was not so fortunate. But freedom is not isolated. To have meaning, it must be shared.

Through 120 years of tyranny, Lithuania did not despair. Her passion for freedom could not be smothered by ukase or by the secret police of her temporary masters. Her integrity and faith bore fruit in the hearts of those who had already won their independence. At the proper time, they would come to her assistance.

As a result—in 1918—and largely because of the principle of national self-determination as expressed by President Woodrow Wilson, the Lithuanians proclaimed their independence.

With the Allied victory, Lithuania stood up as a nation again, and her people rejoiced.

With liberty, came the incentive and the pride to work hard for progress. In the 1920's and 1930's, Lithuania hummed with constructive activity. Her people were free from fear, and soon they would be free from want.

They were too busy and happy to see the war clouds that were gathering. And when the storm broke and the floods came, communism and nazism swept back and forth, smearing the face of her fair land. There was no choice. Lithuania went under again.

But history has a strange way over the years of reversing itself. Lithuania has been conquered before but never for keeps. Her people have been schooled to endure temporary misfortunes, knowing that in the end, faith triumphs over material power.

This is the secret of Lithuania's character. It will not be denied.

Secure in the Christian faith which, in 1399, gave her the will to stop the Tartar invasion and thereby save the civilization of Europe from being overwhelmed by the barbarians, Lithuania will outlive the foreign dictatorship which presently enslaves her.

The people of Lithuania are proud of their religion, their language, and their culture. In spite of alien efforts to tear out her roots, they will not die.

Even at this black and depressing moment in history, when Lithuania is cut off from the rest of the world by the iron curtain of communism and her people the being subjected to relentless oppression, the passion for liberty is not extinguished.

The secret police cannot reach the hopes and aspirations that glow in every Lithuanian mind and heart as they silently rededicate themselves on this day to the eventual liberation of their homeland.

Lithuanians in all other parts of the world openly celebrate this day of their independence—an independence temporarily lost, but in the losing, inspiring them with fresh determination to work the harder for its redemption.

Here in the United States they are strengthened in their purpose by the moral support of their freedom-loving fellow Americans.

By the Marshall plan we shall help the countries of Europe to rebuild themselves so that they shall not fall victims to the juggernaut of communism.

In view of our realistic policy, there is hope that communism in time will moderate its ruthless treatment of small nations and their people.

Through this and the leadership of the United States in developing the United Nations into a strong federation where all peoples will have representations and will be heard, we have goals which can be reached.

In the truly democratic world toward which we strive we expect to see Lithuania present in her own right as a member of the family of nations.

Ex-New Dealers Now Work for Nations Seeking United States Aid

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. REED of New York. Mr. Speaker, it is the hope of the Truman administration that, with the Marshall plan in operation, it will be possible to reward the New Dealers and all the Communists, who, because of their un-American activities, were removed from the pay rolls of the United States Government by placing them in high-salaried jobs abroad.

Thus far it is obvious that the departments here have let many of their faithful New Dealers go abroad at increased salaries, but the real rewards will come under the Marshall plan. It is a clever way to fool the people, and with a propaganda machine that can charge the air with emotionalism, half-truths, and lies, the taxpayers at home, who pay the bill, can be kept in the dark with respect to all of these inside intrigues and deceptions.

Under leave to extend, I am inserting an article which appeared in the Washington Times-Herald on February 19, 1948. It may be many months before the political turpitude of the Marshall plan can be unearthed and revealed to the public, and unfortunately it will then be too late to either stop it or recover the billions of dollars paid out by the taxpayers of the United States.

EX-NEW DEALERS NOW WORK FOR NATIONS SEEKING UNITED STATES AID—JUSTICE FILES REVEAL HIGH FEES GIVEN FOR HELP CONCERNING MARSHALL PLAN

(By James Walter)

How numerous ex-New Dealers, most of them refugees from the State and Treasury Departments, are using their bureaucratic knowledge to help European governments climb aboard the Marshall-plan gravy train was revealed yesterday by the Justice Department.

Files in the foreign agents registration section of the Justice Department disclosed that scores of Roosevelt administration protégés, as well as many domestic Communists and fellow travelers, have hired themselves out for salaries as high as $3,000 weekly to the 16 nations which are slated to share in the spoils of the European recovery program.

ROBERT NATHAN ON LIST

Top names on the list include Robert Nathan, a long-time advocate of the planned economy favored by Henry Wallace and the CIO; Earl Browder, temporarily deposed boss of the United States Communist Party; Oscar Cox, former White House intimate and lend-

lease expert; and Alger Hiss, a protégé of Dean Acheson during the latter's reign in the State Department.

Browder, despite the fact that he was ousted as top-dog United States "commie" several years ago, is momentarily expected to resume leadership of the party with the personal backing of Premier Stalin. Meanwhile, Comrade Browder has listed himself as a literary advisor to the Soviet Union at a decidedly capitalistic salary.

Nathan is using the knowledge of Government finance he acquired under the New Deal for the advancement of the French and Polish Governments in return for fees as high as $20,000 for 6 months' work.

COX WORKS FOR THREE

Cox, who was buddy-buddy for years with Harry Hopkins, Roosevelt's Svengali, is hard at work for the Governments of Costa Rica, France, and Italy, in the last two of which Communists are particularly strong.

Harry Dexter White, who has been described as the "father of the international monetary fund," and who served as an assistant to Treasury Secretary Morgenthau, pulls down $18,000 yearly from the Bank of Mexico.

Randolph Feltus, a favorite of Florida's Senator PEPPER, gets $3,000 a week from France and the Netherlands Governments and received additional fees from the East Indies and Borneo. He also has an expense account of $500 a week.

FELTUS' $20,000 FEE

Feltus picked up a $20,000 fee from the Polish Government in 1947 for services rendered during the time when the Soviet satellite was trying to promote a $600,000,000 "loan" from Uncle Sam. Feltus, in turn, has his wife, Ann, on his pay roll and also one Robert T. Miller, who was permitted to resign from the State Department in 1946, and who appears often on the files of the House Un-American Activities Committee.

So steady has been the stream of ex-New Dealers from Uncle Sam's pay roll to that of the Marshall plan recipients that some Government bureau chiefs fear their organizations are "falling apart."

John W. Pehle and Lawrence S. Lesser, along with White and Feltus, resigned from the United States Treasury March 26, 1946. Pehle had been in the office of the General Counsel and was director of foreign funds control from 1940 to 1944. Lesser, an attorney with the Treasury Department, joined Pehle in setting up a law firm after the pair had quit the United States Government. They currently represent France and Romania.

Donald Hiss, a brother of Alger Hiss, also is connected with Acheson's law firm of Covington, Burling, Rublee, Acheson and Shorb. The firm now represents Denmark, Greece, and Iran. It formerly represented Poland, too.

Donald Hiss was a former State Department legal adviser and is an active member of the Washington Committee for Democratic Action. His wife is a member of the League of Women Shoppers.

European Recovery Program

EXTENSION OF REMARKS

OF

HON. WILLIS W. BRADLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. BRADLEY. Mr. Speaker, since it is likely that the House will soon be considering the Marshall plan in all its aspects, I am pleased to present herewith a petition and memorandum in re European recovery program, as adopted by the West Coast Local No. 90, Masters, Mates, and Pilots of America.

I believe this petition and memorandum is worthy of careful consideration by every Member of Congress.

PETITION AND MEMORANDUM IN RE EUROPEAN RECOVERY PROGRAM (MARSHALL PLAN)

Re Sections VII and VIII of the European recovery program

To the Honorable the President of the United States and the Members of Congress in the Senate and House of Representatives of the United States:

On behalf of the national organization of Masters, Mates, and Pilots of America, west coast local No. 90, representing the licensed deck officers of the United States merchant marine who sail out of United States Pacific coast ports and who are 100 percent American citizens, we repectfully submit this petition to strike out sections VII and VIII of the European recovery program, hereinafter referred to as the Marshall plan.

UNITED STATES BEST INTERESTS

In making this request, we believe it is for the best interests of the United States merchant marine and of our country as a whole. Our organization is on record for the European recovery plan, and furthermore we wish to emphasize that we are not opposed to the Marshall plan.

Our organization is in favor of sound comprehensive legislation which will enable these nations to recover their prewar economic stability without damaging or ruining any specific American industry or our American economy as a whole. Under sections VII and VIII of the present plan, there is a recommendation for the allocation of 500 United States-owned merchant vessels to the 16 nations for the purpose of carrying all relief and other United States export cargo. It is inevitable that American labor and industry must make great sacrifices in order that this plan may serve its purpose. We sincerely believe that these unfortunate nations should be assisted in achieving their prewar status, and subsequently they should through their own ingenuity and energy provide for more stability and prosperity.

TESTIMONY GIVEN

National officers of our organization have testified before the Committee on Foreign Affairs in Washington, D. C., when that committee held public hearings on the Marshall plan. Therefore, we do not wish to repeat protestations made against sections VII and VIII of the plan. Neither is it our desire to submit voluminous statistics which disprove statements made by our State Department and others in favor of virtually giving the United States merchant marine to foreign nations. Such remonstrances have been ably presented by others, including the President's Merchant Marine Advisory Committee and the United States Maritime Commission, all of whom are vitally interested in keeping a United States merchant marine, second to none, for economic and security reasons in the best interests of the United States as a whole.

AMERICAN LABOR

On the west coast, because of our Government's selling over 1,000 vessels of all classes to foreign nations under better and more favorable terms than a United States citizen is able to secure, employment of American labor which mans, operates, builds, repairs, supplies, and supervises ships, has dangerously declined.

Tables below were prepared from an examination of advertising services of 17 lines of the 5 hereinafter-mentioned nations, and the number of vessels quoted would be greater if the vessels not advertised were included.

1947 compared with 1938

	1938	1947
Great Britain	13	35
Norway	20	40
Sweden	10	14
Denmark	(1)	12
Netherlands	8	23
Total	51	124

[1] Nonadvertised.

If these nations are sincere and willing to carry relief cargo, they have sufficient vessels to do so without the transfer of more American vessels to them. The more vessels they obtain from us, the more they will be able to deduct from their essential national trade and the more they will enter into competitive trade in the Pacific.

The following table will show how this has affected employment of officers and men in the merchant marine on the west coast, although it does not include shore workers.

Seafaring employment—west coast (officers and men)—total employment—average number men employed

For quarters ending—	
September, 1945	48,857
December, 1945	47,247
March, 1946	44,323
June, 1946	36,588
September, 1946	27,325
December, 1946	19,018
March, 1947	20,119
June, 1947	19,741
September, 1947	20,085
December, 1947	18,668

There is no justification for making more unemployed United States seamen. Hundreds of thousands of seamen have been trained, and millions of the taxpayers' money have been spent for that purpose during the past 6 years. When recruited during the past war, the men were promised a permanent seafaring future and that the history of the First World War would not be repeated. However, today many thousands of young men are disappointed, and again the seaman is the forgotten man, "beached," and the jobs are turned over to foreign seamen and in some instances to former enemies.

The American-built vessels which cost the American taxpayers billions of dollars should not be delivered to any other nation which will compete against our own by using cheap labor.

SPEND MILLIONS

The Maritime Commission and several States are still spending millions yearly of the taxpayers' money to train officers and men for the merchant marine. Are they trained to go on the unemployed relief?

Finally, what of our national-defense requirements? By Federal law our merchant marine is an auxiliary of our Army and Navy. If by some program, we give ships to other nations; reduce ourselves again to a third-rate maritime nation; do not provide for our required national security—the saving of a few millions, which is claimed to be made under the Marshall plan—could in another emergency mean a loss of billions.

This should be clear to you, Mr. President, gentlemen of Congress, and to the American taxpayers to whom it was brought home sharply in 1917 and again in 1941. No; do not let it happen again.

MAKE RECOMMENDATIONS

When legislation is adopted, we recommend that it include:

(1) That no funds under the European recovery program be used for the transfer, charter, purchase, or hire of any American vessel by foreign nations and for foreign-flag operation, and no ships built by foreign nations shall be paid for out of those funds.

(2) That a minimum of 65 percent of all cargo originating anywhere in the world under this European recovery program be carried on American ships, operated and manned by Americans.

There is no doubt that a workable plan must be adopted. We agree with the statement of our Secretary of State, General Marshall, that "the United States faces one of the greatest decisions in history, which will have a far-reaching effect on the whole world, and if adopted, it will stand as one of the great historic undertakings in the annals of world civilization." However, while we are giving aid to our unfortunate European friends at great risk to our own economy, let not our charity exceed reasonable bounds. Conditions do not justify the scuttling of our merchant marine to accomplish that purpose.

We hopefully appeal to you to help to strike out sections VII and VIII of the Marshall plan and in lieu thereof insert recommendations made by the National Organization of Masters, Mates and Pilots of America.

Most respectfully submitted.

NATIONAL ORGANIZATION MASTERS, MATES AND PILOTS OF AMERICA, WEST COAST LOCAL NO. 90,
Capt. C. F. MAY,
President and National Vice President.

Jefferson-Jackson Day Address by Hon. Clinton P. Anderson

EXTENSION OF REMARKS
OF
HON. ALBEN W. BARKLEY
OF KENTUCKY
IN THE SENATE OF THE UNITED STATES
Monday, February 23 (legislative day of Monday, February 2), 1948

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very able address delivered by Secretary of Agriculture Clinton P. Anderson at the Jefferson-Jackson Day dinner held in Louisville, Ky., on February 21, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A TIDE IN THE AFFAIRS OF MEN

I am happy to be in Louisville to join you in honoring two superb Americans—two great Democrats, Thomas Jefferson and Andrew Jackson. There is a saying: "The nation—or the people—which does not honor the memory of its heroes is dead." This gathering tonight is wholly convincing: The Nation—and the Democratic Party—are very much alive.

But, most of all, I am glad to be here because being here gives me opportunity to get something off my chest. I want to tell you why I am proud to be a Democrat.

It is not only that the Democratic Party is the oldest of all existing American parties.

It is not only that the Democratic Party traces its beginnings back almost to the founding of our Nation.

Nor is it only that the Democratic Party is the one political organization which has stood by the people through virtually every period of the Nation's grand history—through boom and bust, through war and peace, through the many ebbs and flows of social progress.

Naturally I am proud of all this—who would not be?

But, above all, I am proud of the way the Democratic Party has contributed to the growth of progressive spirit in our Nation.

A hundred and fifty years ago it was Thomas Jefferson and his political followers who typified the progressive spirit of the infant Republic. In our day it has been Franklin D. Roosevelt—and it is Harry S. Truman—who have continued to typify that spirit. In the future, whatever it may bring, I am confident that Democrats will still lead the Nation to new frontiers of political, social, and economic progress.

I have come here to say to you in dead earnest that if I were starting out in life again—knowing the history of this country—wanting to be part of an organization that is attuned to American ideals—that stands for true economic and political freedom—that holds the best hope for the United States of America down the corridors of the future—then, I say that I would become a fighting Democrat.

Yes, a fighting Democrat.

You know we are taunted sometimes by our political opponents. They say we are a patchwork party. They say we can't even live peaceably with ourselves. They sneer whenever we squabble.

But let me ask you: Isn't it true that a donkey that doesn't kick up a little dust now and then—a donkey that doesn't bray from time to time—is a mighty sick critter? Certainly, we have the gumption to fight and squabble. But when election time comes, isn't it true that we stop kicking ourselves and start kicking the stuffing out of the Republican elephant? We have done it before. What do you think—can we do it again?

Personally, I have confidence in our ability to do it—here in Kentucky—and throughout the Nation—when November comes. For I keep thinking of something Woodrow Wilson said: "The great tides in human affairs * * * rise in their power and irresistible might and those who stand in the way are overwhelmed."

Those words sum up the history and predict the future of the Democratic Party. From Jefferson to Truman, by and large, the Democratic Party has ridden the crest of a great wave of progressive spirit. We have not stood in the way. Other parties of the past have stood in the way; and they have been overwhelmed and have disappeared in the turbulent seas of history. One political party is standing squarely in the way of that tide today.

I have brought with me a chart [not printed]—the chart that you see before you—which testifies that what I have just said is true.

Let me tell you how I came to bring this chart to Louisville.

I have a fondness for history, especially American history. The other day I was reading some American history of the period about a century ago, and I grew interested in an account of the election of 1840. That was an election in which the Whig Party defeated the Democrats by shenanigans. The Whigs had seen the people rally around Andrew Jackson in 1828 and 1832. They cunningly decided, therefore, to palm off their candidate in 1840 as a man of the people—another Jackson. He owned 2,000 acres, but that didn't matter. For electioneering purposes, he was as poor as a church mouse. Until election Tuesday in November he was going to be an honest-to-goodness "log-cabin" man.

So the Whigs got some big wagons and put log cabins on the wagons. They nailed coonskins to the cabin doors. They built atmosphere all right—they even had live raccoons climbing all over the premises. And, finally, they had big barrels of hard cider on tap.

It was a remarkable show. But who do you suppose was really sitting in those log cabins? A man of the people? Not on your life! The easy-money boys in their stovepipe hats and frock coats—the representatives of vested interests that Andrew Jackson had fought tooth and nail.

I hate to recall it, but the Whigs put their man over. But that isn't all of the story. You know the old sayings, honesty is the best policy? Well, the Whigs were just a little too slick. They chose for Vice President a Virginia Democrat, thinking that would make the election dead sure. And they were right. When the hot air of the election died down, their candidate caught pneumonia. A month after he was inaugurated he was dead. And the Whigs found they had put a Democrat in the White House—for sure.

Well, as I read that history, I thought how times have changed. Even our political opponents don't go in for such shenanigans nowadays. I certainly would not want to come to Louisville with a torch, a log cabin, or a barrel of hard cider. And I don't usually carry a live raccoon around in my pocket.

We need no shenanigans. We Democrats can fight our battle with facts—with reason—with truth.

And so I brought this chart. And just as the pen is mightier than the sword, so is this chart a much better weapon of truth than a torch, a log cabin, a live raccoon—and—I hope you will agree with me—even a big barrel of hard cider. For this chart points to a tide of human affairs—a tide like those Wilson was talking about—the tide of the American spirt of progress.

If you look at this chart, you will see much that is interesting. It shows the periods of control of the House of Representatives by each of the two major parties from 1854—when the Republican Party came into being—to 1946 when the general elections were last held.

Note that the periods of Democratic control are shown as peaks above the line. That is appropriate—those were the times when the Nation was having its "ups." The periods of Republican control are valleys below the line—when the Nation was having its "downs." Note that these valleys are depicted in dark colors—that, too, is appropriate—that is a sign of mourning.

Speaking seriously, I want to say that this chart has been prepared by a keen political analyst, Dr. Louis H. Bean; and it will be further developed in a forthcoming book. It is based upon cold facts, not fervid fancy.

Note the intensity of the swings up and down. In 1920, for example, the Republicans elected 69 percent of the House as against 31 percent for the Democrats. Sixteen years later, the Democrats elected 79 percent of the House, as against only 21 percent for the Republicans.

I seem to recall that there was some squabbling in the Democratic Party about that time, too.

Next, note the frequency with which minor trends have been reversed. Three times—in 1854, 1880, and 1888—the Republicans gained control of the House and lost it at the very next election. I think we might pay special attention to that—I think history is going to repeat in 1948.

But most significant of all, note the long-time trend of increasing Democratic control and the dwindling degree of Republican dominance. If this trend continues the Democratic Party in the future may be expected to elect on the average about 60 percent of the House of Representatives.

I am not indulging in wishful thinking when I say this. I am merely interpreting statistical facts and a historical trend. In the 1860's and 1870's a Republican-controlled House was the norm.

Today a Republican House is the exception.

In the future a Republican House could become the rare—the catastrophic—like an earthquake or a flood. In fact if the trend continues to its logical conclusion, the House of Representatives might well become just the place for the tired old Republican who longs to retire to the sweet delights of a quiet life.

No doubt there are many factors which must be taken into account in attempting to explain this chart. No doubt business conditions have much to do with the ups and downs of political popularity.

Another important factor probably is the increasing proportion of the voting population that is concentrated in large cities—for the large cities are predominantly Democratic. In 1860 only one-fifth of the vote was urban. In 1940 nearly three-fifths of the vote was urban.

But the big factor to my mind is the thing I keep stressing here tonight—the progressive spirit of the Democratic Party. We are a progressive people. From the time of Jefferson the Democraitc Party has been a progressive party. It has been a party of the people, devoted primarily to the promotion of human rights.

You and I are the inheritors of great Democratic traditions. We should never lose sight of our responsibilities to push forward in the continuing struggle for human rights.

And I think one way to remain aware of these responsibilities is to recall to our minds from time to time the great men of the party—the great deeds of the party—and the great future which the party can help secure for America.

On this day, which we have dedicated to the memory of Jefferson and Jackson, nothing could be more fitting than that we should do this.

So let us ask ourselves some questions. What does America owe to Jefferson?

First of all, it owes much of the Bill of Rights.

Jefferson was a strong advocate of the Constitution. But he realized that the Constitution without a Bill of Rights could become a sword of Damocles poised threateningly over the head of human liberty. No one fought harder—and probably no one fought as effectively—for the right of the people—not just the propertied classes—for the right of the people to rule; for equality in the courts; for a free press; for the right to petition for redress of grievances; for religious freedom; for all those fundamental rights which are guaranteed by the first 10 amendments to the Constitution.

We have those rights today, you and I. Do we sometimes call to mind how much we are indebted to Jefferson?

After Jefferson, in an unbroken line came other Democratic Presidents—Madison, Monroe, John Quincy Adams, Jackson, Van Buren.

That was a tremendous era. Near its end, the lean, vital figure of Andrew Jackson dominated the American scene. Again let us ask a question: What do we owe to Jackson?

Above all, we owe the strengthening of the belief in human equality. With him, no man was king and none was servant. He is known to history as the first "people's President."

I like to think of Jackson, the boy. When he was 14, the historians tell us, he was redheaded, aggressive, exuberant. Boylike, he could not bear to miss the fighting of the American Revolution, and he ran away and joined a band of backwoodsmen. Soon he was captured. One of his captors, sensing his fierce pride, ordered him to shine his shoes. But young Andy Jackson was servile to no man. He refused. He refused even when his captor swung his saber and cut a gash in his head.

That was Jackson, the boy. That same spunk was in Jackson, the general—Jackson, the President.

In the footprints of these magnificent leaders other men of similar stature followed.

There was Grover Cleveland toward the close of the nineteenth century. What do we owe to him? Cleveland brought to the White House a rugged honesty—like a breath of clean air sweeping away the stench of the Republican scandals of the preceding decade. He far overshadowed the Republican candidate who ran against him in 1884—so far, indeed, that a veritable army of liberal Republicans deserted their party and voted for Cleveland.

Then there was Woodrow Wilson. Do you think of Wilson only as a scholarly, gentle man who suffered, as President, the agony of leading a people whom he loved through a world war? Do you think of him only as the farsighted idealist—the disappointed architect of the League of Nations—who was vindicated only by a second and more terrible world war?

Wilson was all this and more. Wilson was a superb leader in a tremendous wave of progressive spirit—a wave exceeded only by that of the 1930's.

And then there was Roosevelt—and now Truman. I shall say more of the achievements and leadership of these men later.

But do you see how right it is that our hearts should swell with pride as we contemplate the pedestals that Democrats occupy in the halls of American history?

Let us turn now from men to deeds.

Picture the United States of America as it was about 1800. A small group of States clustered mainly about the Atlantic seaboard. A tiny Republic, sneered at by much of the world—expected to collapse like a toothpick house in the first gust of the winds of dissention. A Nation so weak that the minister of a foreign power threatened possible war unless we bought our way clear with money—and the deathless answer of our minister: "Millions for defense, but not one cent for tribute."

And then picture that Nation 40 years later—after 40 years of democratic guidance. Now there are 26 States. By the Louisiana Purchase alone, the Nation has acquired a huge tract, stretching from the Mississippi to the Rockies, and from the Gulf to Canada. In that period of 40 years we have consolidated our independence by the War of 1812. We have promulgated the Monroe Doctrine, warning European nations that the American continents are not subject to European colonization or encroachment.

And in that period Jackson has thrown down the gage to the powerful Bank of the United States in the first clear-cut conflict between the rule of the people on the one hand and government by privilege on the other.

This was a bitter struggle. The bank fought Jackson with every weapon it had. It used its money to tempt the press by subtle bribery. Industrialists openly threatened to close their factories if Jackson were reelected. The supporters of Old Hickory found the channels of credit effectively closed against them.

The question of whether or not to fight the bank posed a terrible dilemma for Jackson. But as one historian has said, Jackson was ready at any time to meet a dilemma "more than half way and spit in its face." Figuratively speaking, he did exactly that. Neither as boy nor as President, would Jackson lick any man's boots.

And the result was that farmers and workers, recognizing him as a "people's President," flowed out of the fields and factories to the polls—to vote—and Andrew Jackson won reelection by a majority of more than 4 to 1.

Thus in those days more than a century past, the progressive spirit of the American people found its mate in the progressive spirit of the Democratic Party. And the marriage has been successful and no political opposition has been able permanently to put it asunder.

Oh yes, there have been family quarrels. Sometimes these quarrels left us unable to reform our shattered troops in time to win the next encounter. Sometimes the Democratic Party forgot its principles, and when that happened, the people punished the party.

We see that illustrated on the extreme left-handed side of the chart. In 1854—the very year it was organized—the Republican Party won control of the House of Representatives.

Do you know why? It was because the Whig Party—and many members of the Democratic Party—thought they could straddle a great issue. They tried proviso and compromise. They courted delay and indecision. They let the day pass when a solution might have been reached without bloodshed and by far less hurried disposition than a war finally achieved. But the Whigs and the Democrats straddled. With that election the Whigs virtually disappeared from the American scene. And although the Democratic Party recovered in the elections of 1856 and not only won control of the House but elected a President, yet 4 years later—in 1860—the Democrats split hopelessly again over the same issue. Then nominated two candidates—wrote two platforms—and while Abraham Lincoln wisely stayed home and made no speeches—Douglas in the North and Breckinridge in the South handed him the Presidency. I will not forget that history whenever I lift my voice in this election.

Looking again at the chart, you will note that it took quite a while before the American people remembered the old glories of Jefferson and Jackson and restored the Democratic Party to control of the House.

Even after it did so, in that period running through the larger part of the 18 years from 1874 to 1892, Republicans were in the White House most of the time.

They remained there, despite the scandals of the Grant administrations, until it began to dawn upon farmers and workers alike that the Republican Party had deserted them and was consorting only with the high priests of business and apostles of reaction.

Then, and then only, did the Democrats return to favor. But we need to pause and look at that history in relation to the election that lies ahead.

In 1860 when Lincoln came in, the progressive groups were behind him. The farmers, the labor leaders, the intellectual giants found congenial company in his camp.

But the progressive sentiments of Lincoln's party died with him. His party turned to conservative ideals. It lost labor, gradually but nonetheless surely. By 1900, labor was not welcome in the party.

The farmer in the Northern States stayed Republicans for a long period after labor left. The farmers didn't quit until the 1930's. They were busted then, the great mass were, and they rebelled because two Republican Presidents had vetoed the McNary-Haugen bill to bring them assistance.

So in the 1930's, the political situation was the reverse of 1860, labor, farmers, and progressive citizens generally uniting behind a Democratic candidate. The task to which we must dedicate our best endeavors is to make that combination stand in the election of 1948 behind President Truman and Democratic candidates over the Nation.

In the period that followed Lincoln's death, the Democratic Party continued to fight the battle of the common people. Constantly, it struggled against the mounting tariff which raised higher and higher the cost of living. And toward the end of the period, in the administration of Cleveland, an impressive step forward was made when the civil service was reformed so soundly that the merit system then inaugurated remains substantially the same today.

Thus, even in those difficult years, landmarks of progressive policy were established that are basic in our democracy in 1948.

And then with the elections of 1910, and 2 years later the victory of Wilson, the progressive tide began to flow in earnest. I mentioned earlier that Wilson was a great leader in this tide. Let me list some of the accomplishments of his administrations:

The Federal Reserve System was organized.

Labor was specifically and legally declared not a commodity.

Farm loan banks were organized to meet the need of farmers for loans at reasonable rates of interest.

Women were given the vote, Nation-wide.

The income tax amendment was adopted.

For the first time, Members of the Senate of the United States were elected by popular vote.

Do you know anyone who today would urge repeal of any of these progressive programs? Think for a moment how large these reforms bulk in your lives—you women who vote—you men and women who now can elect your Senators—you farmers who can obtain credit—you workers whose rights as human beings are safeguarded—you business and professional people who benefit from a sound banking system. Would you give these up without a fight?

And now we come to another period, an era when the tide of progressivism came in with a roar and literally swept aside all who stood in its way, just as Wilson had said it would.

The first hundred days of that era were among the most dynamic hundred days in American history. I believe historians of the future will agree that in that short period we traveled as with seven-league boots farther along the road of social progress than in all the Republican administrations since the time of Abraham Lincoln.

May I refresh your minds about those days?

Think back with me. It is March 3, 1933. In Wall Street and the Loop of Chicago howling mobs surge around the pillars of closed banks while the police struggle to hold them back.

There is a sickening sensation in everyone's heart as we watch the financial life of the country come to a dead stop.

And then suddenly a day later there is hope again—hope surging through the vitals of this Nation as a great leader—though he was a man who could not even walk unaided—comes to the microphone and tells you—and tells me—that the only thing we have to fear is fear itself.

Never will the Nation forget that day. Never will it forget those first 100 days that followed.

On Sunday, the day after inauguration, the President uses a lingering power from World War I to declare a 4-day bank holiday.

On Monday a conference of governors meets at the White House.

On Thursday Congress convenes, an emergency banking bill passes both Houses and is signed by the President.

Six days later, the economy bill becomes law.

The day after this, farm-relief legislation is sent to Congress.

And in the next 3 months:

The banks are made sounder than they have ever been.

The Agricultural Adjustment Act is passed, laying the foundation for the national-farm program which both parties now support.

The National Industrial Recovery Act is set up to provide jobs, improve wages, and eliminate unfair business practices.

The Tennessee Valley Authority Act is passed to provide an example of long-range planning and use of natural soil and water resources.

The Civilian Conservation Corps is established to take boys off the streets and out of hobo "jungles" and give them useful work.

The Home Owners Loan Act enables people to save their homes from foreclosure.

The Railroad Coordinator Act helps keep the railroads operating.

The Glass-Steagall Bank Act sets up the Federal Deposit Insurance program.

The Emergency Relief Act furnishes food and clothing to the needy and wipes out the bread lines.

The Securities Act protects investors against sharp stock-promotion dealers.

The Wagner Employment Exchange Act helps men and women find jobs.

One hundred days. One hundred days in which the wolf of depression is flung back from the throat of the American economy. One hundred days in which the progressive spirit rises triumphant over fear and despair.

You have heard Republicans curse the New Deal. They have now controlled the Congress for more than a year. What bills have they passed to repeal any of the acts I have mentioned?

Today the Democratic Party, under President Truman, still continues in the progressive spirit of Jefferson, Jackson, Wilson, and Roosevelt. And strangely, that seems to trouble some people. They sometimes ask, "Why doesn't the President coast along? Why does he raise troublesome issues?"

Do you see why? Don't you see, it is because our party can never coast, can never straddle. There is no standing still. We are a great party because we forever push ahead toward the ideals of democracy. We are swept along on a great progressive tide and our strokes are with it—not against it.

Only so long as the Democratic Party remains the champion of human rights—the defender of human liberties—whether in the political or the economic sphere, only so long will it continue to ride the crest of the tide.

Otherwise, the two-party system goes dead and there is little to choose between the Democratic donkey and the Republican elephant.

The distinction between Democrat and Republican must remain clear. Democratic leadership must be as completely in step with the times as the Republican leadership is out of step. Many Republicans today are little more aware of the nature of the world crisis than they were in 1940 when the party overwhelmingly voted against selective service and lend-lease. Do not take my word for this. It was Candidate Harold Stassen who said last week that the Marshall plan faces "shortsighted opposition within our own party"—meaning the Republican Party. And it is Candidate ROBERT TAFT who wants to debate about the last $300,000,000 for ERP while the people of Europe scan the skies for signs of their deliverance.

Nor is the Republican leadership today any more aware of the nature of the domestic crisis than it was in 1929. Do you remember? With depression just around the corner, do you recall how Republicans halleluiahed that prosperity was here forever and soon there would be a chicken in every pot and two cars in every garage? And do you recall the classic remark of the radio comedian a few years later who said that if half the people who didn't have a pot would buy one, the pottery business would pick up? Do not take my word for it that the Republicans are still living in a dream world. It was Republican Senator AIKEN who suggested after the 1946 elections that his party had lost touch with reality.

True, the people momentarily turned to the Republican Party in 1946. But it has not taken them long to get enough. They are fed up with the results of what the Republicans themselves take credit for—high prices.

Again, do not take my word for it. It was a Republican, Senator WHERRY, who said: "TAFT! TAFT! Everybody is always talking about what TAFT has done to OPA. I'm the fellow that knocked out meat control." And it was Senator WHERRY who repeated recently, "It was the Republican leadership in the House and Senate that was responsible for ending OPA."

Last year you, the people of Kentucky, decided that you had had enough of that misguided leadership. You heard ALBEN BARKLEY stump this State in a great campaign on the cost-of-living issue. You voted Gov. Earle Clements into office by the biggest majority in Kentucky history.

In so doing, you proved once again the direction of the tide. Governor Clements, as a Congressman, fought for a progressive farm program. He took his stand against the Taft-Hartley bill. He was proud of his record, and it was on his record that he waged his campaign for the governorship. I am happy to see that the progressive tide—the tide that has so often reelected Senator BARKLEY—still runs strongly in the Blue Grass State. I expect that tide—Nation-wide—next year to return ALBEN BARKLEY to the post of majority leader in the Senate. And I expect, moreover, that when next January comes, the State of Kentucky will again be represented in the Senate by two Democrats.

The people are not long fooled. Last year, they were first amused, then worried, by the antics of the Republican ax wielders, who were going to chop up the budget like so much kindling wood. The House proposed to cut the budget by $6,000,000,000. Then, cooler heads in the Senate prevailed, and they came up with a compromise figure of four and a half billion.

What was the result? Congress finally appropriated for this fiscal year more money than the President had asked. The Republicans had merely marched their soldiers up the hill and marched them down again.

No, the people are not fooled. The Gallup polls daily look better to the Democratic eye.

And this chart doesn't look so bad, either.

And that is why, knowing all that is behind this party, I look hopefully to November and to the years ahead, why I rejoice to see the great tides in human affairs * * * rise in their power and irresistible might.

For this year we Democrats have both a short-run and a long-time trend with us.

In 1948, we enter the short-run trend when the big outturn at November Presidential elections works in our favor. We will prevail. We will reelect Harry S. Truman.

And when we make the hurdle in 1948, then we capitalize on the long-time trend that has carried us upward for 100 years—and can carry us higher.

But it will only do it if our armor shines spotless in the sun, if we are alert to our destiny at home and abroad, if we are loyal to our cause, if we remain the party of the people.

What South Can Expect

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. WILLIAMS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Memphis (Tenn.) Commercial Appeal of February 20, 1948:

WHAT SOUTH CAN EXPECT

If Senator J. HOWARD MCGRATH speaks for the Democratic Party's top command, the

South now knows just how much consideration it can expect. It is none.

Senator MCGRATH must so speak, because he is the Democratic national chairman, and therefore one of the party's chief policy makers.

His statements relative to the impending visit of the southern governor's committee to Washington almost destroys hope that differences over President TRUMAN'S "civil rights" program can be settled within the party itself.

"I can't see," he says, "what purpose the committee hopes to accomplish."

Either Senator MCGRATH is politically blind or stupidly naive. Maybe it is both.

The governor's committee plans to make clear the South's position on the civil rights program and to demand greater consideration for the dominant position it occupies in the party. Senator MCGRATH'S declarations preclude any fruitful results, but the committee should go through with its plans if for no other reason than that of keeping the records straight.

He has made it plain that there will be no reversal of policy as to the civil rights program, and he attempts to explain Southern opposition by saying that it was due to the fact that all of the civil rights proposals were "wrapped up in one package."

He knows better. The South has opposed FEPC, antilynching, and antipoll tax legislation singly and collectively.

It will continue to oppose them.

It will continue to labor in behalf of the principles on which they are based through realistic methods. If that does not make sense to Senator MCGRATH, let him study the South's record of self-progress toward the ends of racial understanding and the elimination of mob violence.

On the same day that the Democratic Party's national chairman was expressing lack of understanding as to the purpose of the governors' visit, he made what was a shameless public appeal to Henry Wallace to repudiate his Communist supporters and return to the Democratic fold.

That was tantamount almost to a confession of desperation and another low in the field of political expediency. It will only serve to encourage the Wallace Reds and further disgust true Democrats.

If the Democratic Party's dismal failure in the recent Bronx congressional election and the so-called southern revolt brought that appeal about, the Democratic Party's top command had already lost all reason and balance.

Henry Wallace's political philosophy and followers are as alien to genuine Democratic Party principles as the civil rights program is in origin.

Neither deserve the consideration of right-thinking Democrats.

What doesn't seem to have penetrated the confused minds of Democratic leaders like Senator MCGRATH is that the South is in earnest.

Perhaps the governors' committee can, at least, set Washington and the rest of the country straight as to that.

There's infinitely more than the matter of a civil rights program at stake, although that is plenty of itself, involving, as it does, those rights to which the Democratic Party seems to be giving little heed—the constitutional rights of majorities.

There is involved that matter of being taken for granted—of assuming that after the South has been kicked around long enough it will still take more.

"Beware of the fury of a patient man," wrote Dryden. That goes for a section.

Patience and party loyalty both have their limitations.

Perhaps the governors' committee can help Senator MCGRATH see that.

Jefferson-Jackson Banquet

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Oregonian of February 17, 1948:

AT $100 A THROW

Oregon Democrats show both ambition and optimism in planning a Jefferson-Jackson banquet at $100 a plate. The figure is not an unusual one for this event in places where Democrats are in lucrative office, such as Washington, D. C. In Portland, attendance will have to depend upon party hopes and party enthusiasm, rather than upon party obligation.

There are, however, two elements that should help attract a Democratic turn-out in Portland. The principal speaker will be J. HOWARD MCGRATH, former Governor of Rhode Island, former solicitor general, now United States Senator and Democratic National Committeeman. The other element is that this year the Democratic National Committee attains its one hundredth birthday. The committee was formed in Baltimore on May 22, 1848. Oregon Democrats will dine on April 7.

April 7 has no direct significance as a day in party history that we know of. Neither has February 19, when Jefferson-Jackson dinners will be held in most other large cities. It is not the birthday of either founder of the party. Jefferson was born on an April 13; Jackson on a March 15. So April 7 is as good a combination date as February 19.

Orators at these banquets will have a wealth of material to recall respecting the statesmanship of Jefferson and Jackson. But comparison of the political philosophies of the two with the policies of the present-day party does not lend itself to warm acclaim. The party's founding fathers, were they now alive, would not recognize their child.

Both adhered to strict construction of the Constitution. That is to say they opposed centralization of Federal Government in internal affairs—and look what happened under the New Deal. The early proponents of liberal construction were Hamilton, the two Adamses, Webster, Story, Clay.

Jackson vetoed, on the ground of unconstitutionality, several bills appropriating Federal funds for internal improvements. Now localities compete for them. Jefferson thought his Louisiana purchase required validation by constitutional amendment, but nothing was ever done about it. Jefferson believed in economy in government and a small public debt; in confining the currency strictly to gold and silver; in a well-trained militia and a small standing army. What the latter-day party has done or wants to do, regarding the last three, would better be left unsaid by the banquet orators.

In one respect, however, the Democrats could defend Truman appointments on the basis of notable party precedent. Jackson believed in rewarding his personal friends. And, as already remarked, much can be declaimed about the two without going into embarrassing political contrasts.

These Jefferson-Jackson banquets are money-raising projects. The diners will not get $100 worth of food and drink. Whether they will be as financially productive as formerly is in some doubt. It had not been unusual for corporations, seeking good will come what might in politics, to buy blocks of tickets and distribute them among employees. But the Taft-Hartley law tightened restrictions on political activity by corporations. Formerly they were forbidden to make "contributions" in connection with election of a President or Congressman. Technically the buying of tickets to a banquet was not a contribution—the buyers received something in return. Now the law forbids "expenditure" by corporations in connection with any election at which the people vote for President or Congressmen.

A Democratic banquet at $100 a throw to help fill the campaign chest, now depends more closely on the open-handedness of individual party stalwarts.

TVA Handles a Flood

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. EVINS. Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to include an editorial from the New York Times, dated Saturday, February 21, 1948, concerning the handling of floodwaters by the Tennessee Valley Authority. This editorial is timely and praises the efficiency of the TVA system of harnessing and checking the recent high waters in the Tennessee Valley area. Areas without the TVA chain-dam system suffered great losses during the recent flood. High waters in the Tennessee Valley area were checked and millions of dollars saved our citizens by reason of the existence of this great flood-control project. Extensive damage occurred in the Duck River Valley and other areas in Tennessee where the TVA watershed does not extend. Nashville, Tennessee's capital city, situated on the banks of the Cumberland River, suffered losses variously estimated from $400,000 to $500,000 from the now waning and recent flood. The bringing of the Cumberland River and its tributaries under the TVA watershed would mean untold savings to the people of the South. Flood control is a great problem with which this Congress is or should be concerned. The example demonstrated by the benefits of the TVA program is clear and explicit.

The editorial is as follows:

TVA HANDLES A FLOOD

Latest reports on the recent high water in the Tennessee Valley again confirm the efficiency of TVA's system of tributary and main-river dams. The great reservoirs of Norris, Cherokee, Douglas, Fontana, and Hiwassee, on the tributary streams, took all the water that was poured into them and had plenty of room left. By this means the flood crest at Chattanooga was cut 10 feet, with an estimated saving of $6,000,000. Real damage was done in the valley of the Duck River, where the flood broke the Weather Bureau's 70-year record, but as there are no TVA dams on Duck River the blame must be placed on the weather.

Below Chattanooga some water from the main-river dams was allowed to inundate low-lying farm lands, causing losses of a few thousand dollars. This, however, is standard practice. Such lands are kept cleared of

farm structures and though occasionally flooded in winter are protected throughout the growing season. Finally, the vast Kentucky Reservoir, above the Ohio junction, still has sufficient capacity to halt the whole flow of the Tennessee, if necessary, while the flood crests pass down the Ohio.

It is important that these facts be understood. They are of record and in no way affected by political or economic controversy. They stand for sound engineering. We have a right to look forward to a day when comparable engineering will control the flow of the Missouri and other rivers not yet adequately under man's domination.

Universal Military Training

EXTENSION OF REMARKS
OF
HON. WILLIAM H. STEVENSON
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. STEVENSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and petition:

LA CROSSE, WIS., *February 18, 1948.*
Hon. WILLIAM H. STEVENSON,
Member of Congress, Washington, D. C.

DEAR CONGRESSMAN: A petition signed by some of the best citizens of La Crosse, urging you to further legislation establishing some form of universal military training is enclosed. This is not just an ordinary petition, for the reason that it represents the wishes of our thinking citizens in this community. We believe the cost of universal military training is a very small premium to pay for the protection of our country.

Very truly yours,
L. V. WEISENSEL.

PETITION

Hon. WILLIAM H. STEVENSON,
Member of Congress,
Washington, D. C.:

Peace is worth striving for. Therefore we, citizens of the United States and voters, urge you, our Representative in the Eightieth Congress of the United States, to support and vote for legislation establishing a system of universal military training for American young men, as recommended by the President's Advisory Commission on Universal Training.

Emie Georgie, John Michels, O. C. Smerog, Marvin M. Lee, J. D. Christie, William Gantenbein, Harry H. Miamto, Lawrence E. Clark, Louis George, Tom G. Dowling, Robert Rio, Delmer J. Secord, Robert Meyers, N. L. Gittetz, S. W. Gifford, R. I. Deml, R. S. Winesburg, George A. Rau, C. L. Klein, Cal Lachman, Roy Myers, La Crosse, Wis.

F. H. Rodenberg, W. J. Bosshard, R. T. McGeough, R. B. Rye, H. H. Keller, M. L. Park, R. T. Hess, Glen N. Lunde, S. Stellpflug, V. Schrader, S. D. Seguin, Edwin O. Norton, Howard L. Aiken, Leonard G. Harnish, Roy W. Posenwaldt, John W. Hengel, Harold Kostecki, Ardell C. Emerson, Edward J. Hengel, Robert A. Zisehle, Dale B. Peterson, F. E. Wallace, D. J. Secord, R. G. Secord, L. V. Weisensel, La Crosse, Wis.

Mrs. Charles E. Knoblauch, J. F. Korpal, Mrs. J. F. Korpal, Mrs. W. A. Knoblauch, G. F. Seymour, Marilyn J. Bobwell, H. R. Russia, Robert Kracklauer, Max J. Peshak, Earl H. Bluske, Eugene V. Dugan, Robert Kachel, Edward J. Roth, C. O. Amundsen, Woodrow J. Schoenfeld, R. L. Lowell, James Bates, John G. Anderson, Wesley M. Thompson, John T. Gairhu, Leo R. Chapachi, E. G. Johnson, William L. Mason, E. L. Mason, Lee O. Sleve, George J. Renner, Clarence Papacek, R. H. Klein, Riley W. Walling, Lyle R. Mason, Harry B. Fillner, F. A. Kenney, Joseph Pathling, W. L. Becker, Alfred F. Tubanek, J. W. Reidelbach, La Crosse, Wis.

Sam Hardy

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. JENKINS of Ohio. Mr. Speaker, loyalty is one of the finest of all human virtues. Loyalty is a firm constant reliability which encompasses courtesy, honesty, and fidelity. A loyal friend or employee is one who will stand when others run away.

My good friend Sam Hardy exemplifies all these virtues every day as he goes about his duties as messenger for the Ways and Means Committee. He has been employed by the Ways and Means Committee for 40 years. During that time he has been intimately associated with many of the leaders in the House and Senate.

With an unfailing courtesy and with an alacrity, born of a desire to render helpful service, he has been a most efficient and popular employee. Many of his intimate acquaintances do not know his surname, but they all know Sam. Thousands of persons who have in the past 40 years had business with the Ways and Means Committee know and have known Sam. They know him as Sam and they will always remember him as Sam.

For the many kindnesses to me and for his readiness to render service which is a part of his position, I shall be forever grateful to him. May he continue long in the place which he has filled so competently.

The Steel Shortage

EXTENSION OF REMARKS
OF
HON. LINDLEY BECKWORTH
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. BECKWORTH. Mr. Speaker, I desire to include in the CONGRESSIONAL RECORD the following letter from Mr. John C. Virden, Assistant to the Secretary, Department of Commerce, concerning steel:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, February 16, 1948.
Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BECKWORTH: In reply to your inquiry of February 10, the Steel Committee undoubtedly will explore the possibilities of using all iron and steel facilities to the utmost to insure as large production of the basic commodities as is possible during the present emergency.

We are gratified to learn of the increased facilities of several of the larger steel producers which will go into production this year. It is doubtful, however, even the stepped-up production will be sufficient to meet all emergency requirements of the farming, petroleum, and housing industries. Caution, accordingly, will have to be exercised in working out industry agreements whereby the more critical of the programs receive prior attention. Among the latter undoubtedly will have to be certain segments of the petroleum, gas, and oil industries. The steel requirements of the latter group are now being prepared by an industry advisory committee under the general guidance of the Department of the Interior. The necessary data is scheduled to be available by March 1.

The steel requirements for maintenance and repairs to keep the entire industry operating at full capacity will comprise the foundation of the report. Superimposed on these requirements will be the minimum steel requirements for increasing production to meet the over-all stepped-up domestic economy. How far one must go beyond these domestic requirements to take care of the European recovery program is naturally a matter of speculation at the moment.

Please be assured this office will make sure the question raised by you as to possible surplus war-plant steel facilities being available is given the serious consideration it deserves at the very earliest date.

Sincerely yours,
JOHN C. VIRDEN,
Special Assistant to the Secretary.

Rent Controls

EXTENSION OF REMARKS
OF
HON. CHARLES K. FLETCHER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. FLETCHER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Chicago Daily Tribune of February 20, 1948:

A COWARDLY BILL

The Senate Banking Committee has approved a bill to extend rent control to the end of April 1949. There is the usual palaver about liberalizing regulations to protect landlords against hardship, but all this boils down to the Senators' reluctance to pick the landlord's pocket of a dollar but their willingness to pick it of 85 cents.

One example of shocking bad faith is the provision that would extend those leases, voluntarily entered at 15 percent increases of rent, until the 1949 date. Last year's act, authorizing these leases, provided that they should expire at the end of this year, and that thereafter the properties so leased should be free of rent control. Now the control is extended, violating the legislative promise.

Congress has also provided that new construction shall be free of rent control. There has been very little new construction of rental properties, and after this action on the 15-percent leases, there may be still less. One reason that investors have been unwilling to put their money into rental properties has been the fears that when they are built Congress will go back on its word and slap rent controls on them. The Senate

committee has shown that these fears are well justified.

This pending rent-control bill, like every other action of National, State, and local legislative bodies on the subject, betrays the complete cowardice of the politicians of the United States. They know there is no moral or legal justification for rent control and they vote for it for one reason only. That is their hope to win the votes of the vast army of tenants by helping them defraud their landlords.

Rent control is always presented in the same guise, which is that it is to give emergency relief from a shortage of housing. The emergency will last as long as the rent control, and not more than 6 months longer. As long as the control is maintained, the shortage will grow worse because rental units are wearing out and falling apart faster than new units are being built.

Removal of controls would of itself remedy most, if not all, of the housing shortage. It would force people who are occupying more space than they need, because they get it at artificially low rent, to restrict their use to fit their purses, and thereby make room for other tenants.

There should be no mistake that the lifting of rent controls would immediately result in a considerable increase in rents. It will also result in gouging by a certain number of landlords, though probably not by the more foresighted ones. The lifting of other controls has resulted in farmers getting the last penny they can for their crops and in labor unions getting the last penny they can in wage increases. Only the landlord is expected to defray 1948 costs out of 1942 income.

The only people who can gain in the long run by rent control are the public-housing racketeers. The housing shortage will persist and they will have an excuse to use tax funds to provide shelter at less than cost to another favored group. That racket, however, won't be financed by landlords alone. Tenants also pay income taxes.

Butter Industry Must Not Be Destroyed by Oleo—Here's What Grover Cleveland Said About It

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I include excerpts of Grover Cleveland's message to the Congress when he signed the oleo tax bill, August 2, 1886. These excerpts are:

[Excerpts from Suggesting Certain Amendments to the Oleomargarine Act (H. R. 8328—49th Cong., 1st sess.)]

EXECUTIVE MANSION,
Washington, August 2, 1886.

To the Congress:

I have this day approved a bill originating in the House of Representatives, entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine."

* * * * * *

The Constitution has invested Congress with a very wide legislative discretion both as to the necessity of taxation and the selection of the objects of its burdens. And though, if the question was presented to me as an original proposition, I might doubt the present need of increased taxation, I deem it my duty in this instance to defer to the judgment of the legislative branch of the Government, which has been so emphatically announced in both Houses of Congress upon the passage of this bill.

* * * * *

It has been urged as an objection to this measure that, while purporting to be legislation for revenue, its real purpose is to destroy, by the use of the taxing power, one industry of our people for the protection and benefit of another.

If entitled to indulge in such a suspicion, as a basis of official action in this case, and if entirely satisfied that the consequences indicated would ensue, I should doubtless feel constrained to interpose Executive dissent.

But I do not feel called upon to interpret the motives of Congress otherwise than by the apparent character of the bill which has been presented to me, and I am convinced that the taxes which it creates cannot possibly destroy the open and legitimate manufacture and sale of the thing upon which it is levied. If this article has the merit which its friends claim for it, and if the people of the land, with full knowledge of its real character, desire to purchase and use it, the taxes exacted by this bill will permit a fair profit to both manufacturer and dealer. If the existence of the commodity taxed, and the profits of its manufacture and sale, depend upon disposing of it to the people for something else which it deceitfully imitates, the entire enterprise is a fraud and not an industry; and if it cannot endure the exhibition of its real character which will be effected by the inspection, supervision, and stamping which this bill directs, the sooner it is destroyed the better, in the interest of fair dealing.

* * * * * *

GROVER CLEVELAND

Source: The Writings and Speeches of Grover Cleveland, Library of Congress.

The Work of the Eightieth Congress

EXTENSION OF REMARKS
OF
HON. B. W. (PAT) KEARNEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. KEARNEY. Mr. Speaker, under leave to extend my remarks, I wish to include the address made by the Honorable JOSEPH W. MARTIN, JR., Speaker of the House of Representatives, at the Veterans of Foreign Wars' Washington Birthday banquet at the Statler Hotel, Washington, D. C., February 21, 1948:

Fellow citizens, it always gives me a special pleasure to talk with war veterans. The contact always renews my confidence in the capacity of our people and the strength of our Nation. The most wholesome and helpful practice we in America can adopt is always to keep in the forefront of our thinking the great debt of gratitude we owe the men and women who have worn the uniform of their country's service. We must never forget that our soldiers, sailors, and marines, dead and living, have preserved our America. They have kept strong the one remaining beacon of freedom in a dark and stormy world. They have kept the fires of freedom bright when despots, and ruthless aggressors, would have extinguished them in a night of horror and human suffering.

A great responsibility has rested upon the young Americans who, over the years, have gone forward to lay their all, if necessary, upon the altar of their country's service. War service always demands the flower of our citizenship, the best of our youth, and the greatest human sacrifice in suffering and agony known to humanity. You and the other citizens who have served in the armed forces discharged your responsibility well.

A great responsibility still rests upon you, and all the other young Americans who are now coming into control of the Nation. America is the last bulwark of liberty. It must be kept strong, and solvent, and free, to lead a world cooperative movement back to peace and sanity and prosperity. You will keep it so.

By virtue of the very service you have rendered your Nation, you are keenly aware that liberty is not something government gives to the people. Liberty is something the people keep government from taking away from them. The men who founded this Nation knew that. Therefore, they placed all the power of government in the hands of the people. They very cautiously gave only a few powers to the legislative, the executive, and the judicial branches. They were careful to establish as many checks and balances as possible. Whenever these checks and balances are impaired, the liberty of the citizen is endangered. The veterans will see that our American system is preserved. They have seen all governments in the world in operation. They came home knowing by experience our American system is the best.

The Nation will always pay homage to those who, through valor, sacrifice, and courage, prevented aggressive despotism from enslaving perhaps the whole of the Old World.

You, as veterans and as citizens, have a major contribution to make to your peacetime Nation. The veterans have come back from the wars to undertake leading roles in industry, in agriculture, in the labor movement, in the professions. Above all, the veterans will continue to resist, as they have resisted with all their might, any subversive attempts to destroy our constitutional system of government, our free economy, our free society. The veterans will be the first to rise to the defense of our liberties when the Government seeks too much control over us, or when traitors to our Nation seek to curb our liberties. The veterans will be the mainstay of our Nation in any attempts which might be made earlier by stealth or by force to overthrow our American way of life.

The men and women who have laid away the uniforms of their country and their service continue to serve under the banners of the several veterans' organizations of the Nation. They continue, in those organizations, to serve the best interests of America. As the veterans were our country's first line of defense in war, they continue to be our first line of defense in that never-ending struggle to maintain our full liberties and privileges under our free way of life.

Something has happened in the world in the last few months that holds a very deep significance for the veterans of all our wars.

For many years some people have been telling us that perhaps in Russian communism there might be something a little better than our American system. I want to remind you now that under the test, communism utterly and completely failed. Revelations made within the past few weeks show conclusively and accurately that in the land where the Kremlin had complete control of government, industry, agriculture, labor, and of every detail of the private citizen's life that control has failed utterly to produce efficient results. They have had worse inflation in Russia than we have had in the United States. Our tax rates are too high, but in Russia just recently they executed a 90-percent capital levy. How would you veterans feel if your Government were to order you

to bring all of your dollars to the nearest bank and have the bank take 9 out of those 10 dollars and allow you to keep only one?

Russian living levels are only about a tenth as high as those of the United States. The prices of all goods and services in Russia are very much greater than in the United States. Men are chained by governmental decree to their jobs in factories, or on the land of the collective farms. Citizens are not permitted to have radios, or automobiles, or telephones, or any of the other luxuries or comforts of life. Wages are low and are rigidly regulated by the Kremlin. Labor strikes are impossible. They would be settded by a firing squad. There are grades and classes of living. The privileged rulers and their favorites deal at different stores. They get better goods and lower prices than do the rest of the people. Most of the Russian people live in mud hovels, log huts, or else are crowded like so many animals into quarters which would make even our crowded conditions in America seems highly luxurious. The people are slaves. Just the other day there came out of Russia an authentic statement on their budget. It revealed that inefficiency, waste, graft, and corruption have been widespread, and still are today in the whole of Russia. They have nothing under the system of the Soviet that even remotely compares in excellence, efficiency, or equality with our American system.

The job ahead of us now is to keep America the kind of country, to keep our Government and our economic system and our social system, the kind of Government, economy, and society you veterans and your comrades fought and bled and died to preserve.

There are some 18,000,000 veterans now. Actually a few aged veterans of the Civil War still live. Quite a few veterans of the Spanish-American War are among us. Still more of World War I—and about 14,000,000 World War II veterans.

We must make certain the debt this Nation owes to all veterans is paid in opportunity for progress, and not canceled by a crushing burden of taxation or in the corrosion of inflation.

Our first concern, as we go about this tremendous task of trying to lead a cooperative world movement back to peace, sanity, and decency, is to look to our national defense. We must have a defense—especially in the air—both military and naval, amply adequate to meet any possible need of the future. We know now that science has become a very important factor in our national defense.

Let me say to you at this point there are those who, either deliberately or unwittingly, seek to mislead the people as to the attitude of the Eightieth Congress toward the national defense. It has been claimed that by a pinchpenny policy the Eightieth Congress wrecked the national defense, reduced it to about fifth place in the world's defense system. It has been charged our defense in the air was made a hollow shell. Your veterans' organizations recognize this necessity for air supremacy to be in the hands of the United States. A resolution unanimously adopted at the forty-eighth national encampment of the Veterans of Foreign Wars at Cleveland in September 1947 stressed this fact. Your excellent pamphlet entitled "Formula for Peace" is a powerful plea put forth to keep the Nation alert to the need for the most efficient defense possible for us to maintain.

Now, what are the facts about congressional recognition of this necessity? The truth is the first session of the Eightieth Congress allowed the air services $76,000,000 more to spend than the budget called for. Over the whole range of national defense, the Eightieth Congress reduced the requests by only $120,000,000 or 1.3 percent. We gave the services $9,400,000,000 to spend on the national defense. I do not have to tell you our national defense could not go to wrack and ruin on nearly $9,500,000,000 merely because the appropriations were reduced 1.3 percent. Of course, the Congress means to appropriate all the money necessary to maintain the safety and security of this Nation. We intend to be sure the money is actually needed. We intend so to safeguard expenditures that your dollars, and the dollars of the other taxpayers, will not be wasted. We intend to see that efficiency and economy are exercised to the last degree possible to attain. Duplication must be avoided. To that end the Eightieth Congress enacted unification of armed services. You know and I know that is the only way we will get a national defense which will stand up to its job if ever the time comes—and pray God it never will—that we have to use that national defense in war again.

One of the reasons why we must get back to a peacetime-size government, to peacetime-size bureaus and departments, is because it is the veterans and their families who have to help carry the crushing burden of taxes to pay for governmental spending. You and your comrades want your fair chance to get ahead; to establish homes; to save money; to lay up something for your old age. You cannot do that if the hand of the tax gatherer is going to be thrust into your pockets to take a third or half of all you can earn. You cannot do that if, at the retail counter, hidden in prices, you've got to pay taxes up to 20 or 25 percent of the price mark of all goods and services you need and use.

We recognize that we must aid Europe and the Orient. But there again efficiency, economy, common sense—and cooperation—must be attained if we expect our attempts to aid the other peoples of the world to be successful.

The war was like a fire breaking out in a settlement. All of us had to help put out the fire. Now all of us have to help clean up the ruins, stamp out the plagues; reestablish the sanitary systems; help homeless and desperate peoples to get back on their own feet. But America's help must be recognized as being designed not as a world WPA unlimited; it must be recognized as a cooperative effort to help the other peoples of the world to get in position to help and maintain themselves.

At this point I want to pay a tribute to the American soldiers, and sailors, and the Wacs, and the Waves, and all the others who were in the services abroad, as ambassadors of good will. There is no soldier in the world who is the equal of the American soldier for being an ambassador of good will in countries outside his own. While he might fight his enemies resistlessly, he never fails to be a fair foe. But just let a little child, or a hungry woman, or a suffering aged person, or even a beaten foe, appeal to him for help, and what is the first thing the American soldier does? He reaches for his chocolate bar, or his can of K-rations. He reaches for a shirt or a suit of underwear. He reaches for something to give comfort to those who are suffering. What a magnificent mission of good will that is.

Perhaps such small incidents as these may be lost sight of in the great program of international relations. But let me say to you good will among men grows out of a multiplicity of just such small incidents as these. Governments may make mistakes—and do; diplomats may blunder—and do; someone in business may be greedy—and some are; some tourists may behave like hoodlums—and a few do; but in the long run, it is the day-by-day kindnesses exchanged among peoples which generate good feeling or ill feeling. One of the greatest tributes in all history to American fighters is that they are always welcomed back in peacetime to the countries wherein they fought.

Our efforts to aid the world must be based on a foundation of understanding and good will between the masses of the peoples.

Now I want to speak for a moment about what the Eightieth Congress has done to recognize the debt of gratitude we owe to the veterans of the United States. In broad general terms, you already know we stand for every educational advantage for the veteran it is possible to give him.

We have already passed a bill in the House of Representatives to lower tax rates. More than 71 percent of those reductions go to those in the lower-income brackets.

We are moving to reduce the debt as rapidly as practicable in order to take off of the veterans and their children as much of that service load as possible.

Here I would like to point out some of the accomplishments which have been achieved by the Eightieth Congress for the benefit of the veterans.

The Eightieth Congress did not have the benefit of a great publicity machine. But in spite of turbulent world problems much was accomplished for veterans. Following are the measures passed by the Eightieth Congress:

Public Law No. 5, to extend the time limitation for reinstatement of national service life insurance policies.

Public Law No. 34, to provide for renewal for a fifth 5-year period the 5-year level premium term insurance plan for World War I veterans.

Public Law No. 36, to grant officers of the Army and Navy Nurses Corps comparable rank, pay, and allowances with officers of the Army and Navy.

Public Law No. 82, to permit husband and wife to combine their armed services credit for homestead purposes.

Public Law No. 85, authorizing $35,500,000 to complete temporary reuse housing for veterans.

Public Law No. 115, increasing the revolving fund in the Veterans' Administration from $1,500,000 to $3,000,000 for the purpose of making noninterest bearing loans to disabled World War II veterans taking vocational rehabilitation courses.

Public Law No. 126, extending until January 1, 1948, the time during which alien fiancées of veterans may enter the United States without being subject to immigration quotas or visa regulations.

Public Law No. 161, to extend for another year the authority to purchase automobiles for World War II veterans who are leg amputees or have suffered the loss of use of a leg.

Public Law No. 213, to permit the admission to the United States of racially inadmissible alien spouses of veterans.

Public Law No. 254, to provide for the cash payment of terminal leave bonds any time after September 1, 1947.

Public Law No. 270, to provide a 20 percent pension increase for veterans of the Civil War and Spanish American War.

Public Law No. 310, to restore the tax exemption status of those members of the armed services removed from former American possessions during captivity by the Japanese.

Public Law No. 314, to authorize the acceptance by officers and enlisted men of the Armed Services of medals and decorations tendered them by co-belligerent and neutral nations of World War II.

Public Law No. 316, to permit retired Armed Services personnel to represent veterans organizations in claims before the Veterans' Administration.

Public Law No. 325, to make mandatory on Federal agencies the rulings of the Civil Service Commission on appeals by veterans for reinstatement.

Public Law No. 337, to improve the Army and Navy medical services.

Public Law No. 338, to increase the minimum allowances payable to disabled veterans undergoing vocational rehabilitation under Public Law No. 16.

Public Law No. 350, to provide cash in lieu of terminal leave for veterans.

Public Law No. 365, to provide additional pay of $100 per month for officers of the Army Medical Corps and Navy Medical Corps.

Public Law No. 367, to refund income tax so paid by any member of the armed services who died on active duty for the year in which death occurred and for the years during which he was in the armed services.

Public Law No. 377, to provide full subsistence allowances for veterans taking on-the-farm training.

Public Law No. 396, to extend veterans' preference benefits (civil service) to widowed mothers of certain ex-service men and ex-service women. Approved January 19, 1948.

Public Law No. 398, to increase by 20 percent the pensions payable to veterans of Indian wars and the dependents of such veterans. Approved January 19, 1948.

Public Law No. 411, to increase the subsistence allowances to veterans pursuing full-time educational training courses under the GI bill of rights. The measure increased such allowances from $65 to $75 a month for single persons, from $90 to $105 for veterans with one dependent, and to $120 for veterans with more than one dependent. The increased allowances will go to about 1,500,000 veterans and cost around $217,000,000 a year. Approved February 14, 1948.

S. 1393 to raise the ceilings and allowances payable to veterans undergoing training on the job is in conference. The Senate voted to increase the ceilings from $175 to $200 a month for a veteran without a dependent and from $200 to $250 for a veteran with dependents. The House voted to increase ceilings $250 for a veteran without dependents, $325 for a veteran with one dependent and $350 for a veteran with more than one dependent.

Hospital facilities for disabled veterans must be adequately expanded. No disabled veterans must ever be allowed to suffer for a lack of hospital care.

We are bedeviled by high prices. We are confronted with demands for further governmental controls. Nearly everyone now knows high prices are the result of years of deficit spending on the part of the Government and the inflationary effects of the war activities. The greater part of the goods and services were destroyed on the battlefields or sunk at sea, while the unspent wages and salaries stayed at home. The postwar demands for aid for foreign countries are also an inflationary force. Like war activities, the goods and services go abroad and the unspent wages and salaries stay at home.

Our shortages of materials, our inflated prices, aggravated by hidden taxes, which amount to 20 percent of price, all bear hard on the veteran and his family. These problems must be solved. The veterans will have a very important part in solving them. The answer, however, certainly is not more regimentation; more control over your lives; more interference with your activities or your business. We can never get this Nation back to economic soundness by thinking only in terms of governmental controls, curtailed liberties and privileges of the citizen, and planned economy, with the Government doing all of the planning. Other countries have that kind of government today. Under those governments people are being told what they must eat, what they must wear, where they must work, what their wages will be. Under that kind of government they may not travel about in automobiles. What they may buy is very sternly regulated. But that kind of government is bogging down. It doesn't work for people who love freedom.

We can't serve the best interests of the war veterans by a topheavy supercostly structure of inefficient governmental agencies. I suspect you veterans didn't always relish the necessity of having to snap to attention when the "big brass" barked, although discipline is vital to military efficiency. I am sure you do not want to spend the rest of your lives having to snap to attention and follow orders when bureaucratic "big brass" barks.

America must be kept the land in which the citizens tell the government what to do. It must not be permitted to become a country in which the government tells the citizens what to do. Every government tends to grow bigger and bigger. Our Government is no exception. One of the most bitter struggles being made by the bureaus today is against the Congress cutting them back to peacetime size and expenditures.

What this means to the veteran and his family may be realized when I tell you that as of January 31, 1948, the per capita debt in this country was $1,776.10. That meant that every veteran and his wife owed on the debt $3,552.20. If he has a child he owes another $1,776.10. It is now proposed to the Eightieth Congress that we permit the Administration to spend in fiscal 1949, $1,020 for every family of four in this country.

Those figures have a sinister meaning for veterans and other young people who are trying to get ahead in these times. It behooves us to cut back all governmental bureaus and activities which can be dispensed with, or reduced, so we may lighten as much as possible the tax load upon our people. In the interest of the veteran we must watch Government spending and its accumulation of debt.

After all, the veteran is a taxpayer the same as everybody else.

The Veterans' Administration has just completed a survey which shows that of every hundred Americans today 32 are veterans, or members of veterans' families.

It is estimated that within 5 years from now, veterans and their families will constitute 43 percent of the population.

A recent study shows that within 20 years, the veterans will comprise about half of all the taxpayers in this country. It is plain then the veteran is greatly concerned over continuing spending policies of the Government.

I do not need to take your time to warn you against subversion. You know as well as I there are too many people in this country who given their allegiance to foreign doctrines and foreign powers. They must be rooted out of position of influence in the Government, and rendered powerless to injure us in the moment of a national emergency. If we should send back to their own countries those who come here and find so much wrong with ours, there would be fewer subversionists to pester us. Strangely, none of those fellows ever want to go back home to their own countries. You veterans are going to have a lot to say about that situation, too.

Those who have fought in the wars of their country have kept faith with those who, under Washington, left their bloody footprints in the snows of Valley Forge. So we must keep faith with all of those, living and dead, who shed their blood, or risked their lives, in the defense of this grand, free Nation which Washington had such a great and noble share in building.

On the side of one of the great stone pillars supporting the arch to the main entrance to Valley Forge, there is this beautiful inscription:

"And here, in this place of sacrifice, in this vale of humiliation, in this valley of the shadow of that death out of which the life of America rose, regenerate and free, let us believe, with an abiding faith, that to them union will seem as dear, and liberty as sweet, and progress as glorious as they were to our fathers, and are to you and me; and that the institutions which have made us happy, preserved by the virtue of our children shall bless the remotest generation of the time to come."

Since tomorrow is the immortal Washington's birthday, and since, but a little while ago, we paid homage to the immortal Abraham Lincoln, I should like to conclude these remarks with that wonderful tribute to Washington voiced by Lincoln:

"On that name no eulogy is expected. It cannot be. To add brightness to the sun, or glory to the name of Washington, is alike impossible. Let none attempt it. In solemn awe pronounce the name, and in its naked, deathless splendor leave it shining on."

What Do the People Think?

EXTENSION OF REMARKS

OF

HON. MARION T. BENNETT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. BENNETT of Missouri. Mr. Speaker, under leave to extend my remarks, I include the following talk which I made February 21 and 22 over radio stations KWTO, KGBX, and KDRO, in my congressional district. In this talk I give the results of a poll of public opinion in my district on six controversial questions pending in Congress today.

Fellow citizens, I am glad to be back with you today to resume this series of radio reports from Washington, the Nation's Capital. It has been my privilege to bring you such a report over the air and on this station at this hour each week Congress has been in session during the 5 years I have been a Member. We are now starting the sixth year of that service. Congress is faced by many problems I expect to discuss with you today and in the weeks ahead. This is in the spirit of true representative government. You are invited to listen, tell your friends, and to write to me or to the radio stations giving your comments or views on the program or suggesting topics for discussion.

The main jobs the Eightieth Congress faced when it took office were tax reduction, reduction of Government spending, reduction of the number of Government employees, and passage of a law putting labor and management on equal footing before the law and reducing the causes of strikes. Congress has pretty well made good on all of these propositions, or has taken long strides toward their accomplishment. Of course, it hasn't reduced your income taxes yet. The President stopped that twice last year with his veto. However, he will be given another chance to reduce the high cost of living by approving a new tax-reduction bill in the near future.

This tax-reduction bill increases the exemptions for each taxpayer and each of his dependents; doubles the exemption for persons over the age of 65 years; increases the special exemption for the blind; eliminates the tax discrimination between taxpayers in community-property and other States; and reduces taxes from 10 to 30 percent, with the larger reduction applying to the lower-income groups. This bill gives the greatest reductions to those who need it most, those with lower incomes, the aged on fixed incomes, and the young people just beginning to earn a livelihood. This bill recently passed the House by an overwhelming vote.

What do the people think about these and other questions? Or do they think, or does it make any difference?

The founders of our form of government had two ideas about that. One idea was that the people should elect Congressmen who would devote their full time to the job, study the issues and evidence and vote as they saw fit without necessary regard to the public's wishes. The assumption was that the public didn't have time to go into the details of the complex legislative questions and that their trained and experienced representatives would vote in their interest and if it didn't work out that way they could be fired at the next election. The opposing view, was that the Senators and Representatives, should carefully feel the pulse of the public and vote the way the public wanted regardless of the views and conscience of the Congressman. In other words, the Congressman should be a sort of glorified weather vane which at all times could tell the direction of the political winds.

Your Congressman has tried to strike a happy medium between these extreme views. The public judgment is not always right because it is not always fully informed and cannot be expected to be. On the other hand, even an expert can give an answer to a problem which will look good on paper, or in theory, but which in practical application may not be in the best interests of the public. A good Congressman should give respectful hearing to the views of his constituents and, other things being equal, should give them considerable weight. He should keep in touch with the needs of his people, report to them frankly and often and solicit their opinions. Today, with the press and radio, the public is better informed than ever before, and it would be a foolish Congressman, indeed, who tried to assume he had all of the wisdom in his district. While exercising independent judgment based on his own studies and experiences tested in the fires of legislation, he should give due consideration to the popular will. That is both expedient and right. And it can be done.

In January, I sent out a questionnaire on the back of a Government bulletin check list offering the citizens of the Sixth Missouri Congressional District useful and valuable publications put out by their Federal Government. Each Congressman has a small annual allotment of these publications which are also for sale at the Government Printing Office. He can distribute his allotment any way he sees fit, free to his constituents.

The letter and questionnaire which went with this check list did not attempt to cover all of the questions of public and congressional interest just now but did make reference to six of the most important and controversial. Fifty-three thousand questionnaires were sent out in the Sixth District. They were distributed to all rural, star, and post-office boxholders in the district. In addition, 10,000 went to telephone subscribers in all of the various cities of the district. This distribution did not cover everybody but certainly is a complete cross-section of the political, racial, and occupational elements of the population in the district which the New Deal St. Louis Post-Dispatch in 1943 said, "Is perhaps the most typically representative American congressional district." A few returns are still coming in but indications are that the percentages will vary only slightly if at all. That is the way with polls and elections. Over 6 percent of those questioned have replied, filling out the questionnaire and furnishing their own return envelope and stamp. That is a higher return than any other Congressman has received who has followed the same plan this year. Two other Missouri Congressmen have done the same thing. Congressman PARKE M. BANTA of the Eighth District, adjoining the Sixth District on the east and running to the Mississippi River, had a 5-percent return. Congressman MAX SCHWABE, of the Second District, just east and north of the Sixth District, had a 4.8-percent return. Five percent would seem to be about average and far above the usual response to inquiries of this kind. But the higher return may be accounted for by two factors: People like to tell their Congressman how to conduct himself, to express their views to him, and the questionnaire carried the lure of an offer of free bulletins for any who completed and returned it.

Here are the six questions asked and the percentage answers from the Sixth Missouri Congressional District:

1. "Do you believe the Taft-Hartley labor law of 1947 should be left alone?" "Yes," said 57.1 percent. "Repealed," say 6.1 percent. "Changed and made stronger," say 15.5 percent. "No opinion" say 21.3 percent. Those who say it should be left alone or made stronger total 72.6 percent. This may be of interest to labor leaders who hope to drive union members to the polls this year like sheep, to vote against those Congressmen who voted for this labor bill. The rank and file of labor supports its provisions. The Gallup Poll of February 18, 1948 bears this out. The same question was asked by Dr. Gallup, and on a Nation-wide basis only 13 percent of the people who vote, favor repeal of the bill, as against 6 percent in our congressional district. But, there are no Detroits, New Yorks, and other big industrial centers in our district to run this percentage up to the national level as found by Gallup. The Look magazine poll says that 68 percent of union members approve the individual provisions of the Taft-Hartley bill. Apparently those who do oppose it haven't read it, don't know what is in it or are taking the word of the union bosses and press agents who don't like it because it has reduced the number of strikes, helped stabilize the industrial unrest, ousted many Communist leaders, and has given the working man (often at expense of the union leader) more democratic rights than he has ever had before over his union affairs. Nowhere can be found the "slaves" which union bosses said the bill would make of the working man.

2. The second question asked was: "Do you favor a reduction now from the wartime burden of taxation?" Those who say "yes" to this Republican proposal total 74.3 percent, "No," 21.3 percent, and "No opinion," 4.4 percent.

3. "Do you favor compulsory peacetime military training?" "Yes," say 44.7 percent. "No," say 48.5 percent. "No opinion," say 6.8 percent. This is very close with only about a 4 percent lead for those opposing, which may surprise some people.

4. The fourth question is based on the double request of the President in his message to the special session of Congress. The question inquires as to the Marshall foreign-aid plan and the restoration of wartime controls in peacetime. It is necessarily a little long. Here it is:

"Do you favor the so-called Truman-Marshall plan which calls for our Government to borrow and to raise by taxation $17,000,000,000 more to give foreign countries in the next 4 years and, as recommended by the President, to reestablish Government price fixing and rationing in this country as among the necessary steps which must be taken to prevent further inflation from such expenditures?"

The people of the Sixth Missouri Congressional District would seem very definitely to oppose these propositions. Here are the returns: "Yes, we favor such aid and controls," say 15.2 percent. "No," say 76.9 percent. "We have no opinion," say 7.9 percent.

5. "Do you think the administration is following the right course to avoid war with Russia?" "Yes," say only 17.7 percent. "No," say 56.3 percent. "We don't know," say 26 percent.

6. "Should undistributed profits of farm cooperatives be subject to Federal income tax in the future?" "Yes," say 45.8 percent. "No," say 40.3 percent. "No opinion," say 13.9 percent.

This last return is a little surprising in view of the tremendous strength of farm cooperatives in the Sixth District, where they have their largest plants in the State and probably the bulk of their members. Recently, some elements of business have been protesting what they claim is an unfair competitive advantage enjoyed by these organizations which pay no Federal income taxes, although they pay all other taxes. Some businessmen said that I had weighted the question in favor of the co-ops. If I did so, it was not intentional. They suggested it should have read as follows, and that this language would have brought a heavier percentage in favor of taxing them: "Should undistributed profits of farm cooperative corporations be subject to Federal income taxes in the future like other corporations?"

Just how Congress will resolve this controversial question is not now apparent. It is considering the Ploeser plan, to give all small business a tax-free base of profits up to $25,000 annually. At present there is double taxation on corporation profits. The whole matter is before the Ways and Means Committee, which has held hearings on it recently and which some say indicates informally that it would like to repeal that provision of the law giving cooperatives exemption from income taxes, if the cooperatives don't distribute their profits as patronage dividends to members but use them to expand or to go into new lines of business. It would be my guess that this touchy subject will not be legislated on in an election year. Whatever the committee does decide, however, will likely be adopted by Congress because tax bills are always brought out of committee under gag rule which prevents amendment from the floor, on the grounds that they are technical measures the average member shouldn't be allowed to clutter up with ideas not actuarily sound. But, if the tax laws could be in any worse mess than they are now, as written by the self-appointed experts, it would be interesting to see the mess.

I want to thank the thousands of constituents who cooperated in this project and who so often wrote me in considerable detail their views on these and other important national questions, for the most part in an intelligent and informed vein.

My time is running out. This is Congressman MARION T. BENNETT speaking and returning you to your local announcer.

Baptist Joint Conference Committee Endorses the Stratton Bill

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EXTENSION OF REMARKS

OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. HAYS. Mr. Speaker, the Joint Conference Committee on Public Relations, established by four of the leading Baptist conventions of America, recently adopted a resolution endorsing the Stratton bill. This committee is composed of ministers and laymen who maintain an interest in foreign mission activities and

civic responsibilities of these denominations. I am confident that the individual members appreciate the difficulties confronted by members of the Judiciary Committee in considering the Stratton bill. While the committee favors the admission of displaced persons under the terms of the bill, it does not advocate the impairment of statutory standards for immigration which have been built up. The committee's formal resolution does, however, draw attention to the plight of fellow Christians and others in the camps for displaced persons in Europe.

Under leave previously granted, I include the resolution embodying the views of the joint conference committee:

Your committee would beg to call to your attention the matter of displaced persons now in Europe, for whom efforts are being made by the churches and other organizations, and some consideration has been given at the hands of Congress.

The failure of our Congress at its last session to act upon the Stratton bill (H. R. 2910) has placed upon the conscience of this Nation a great moral burden. This bill, which would authorize emergency legislation to permit the entrance of 100,000 displaced persons a year for 4 years, is now pending in the Subcommittee on Immigration of the Judiciary Committee of the House of Representatives, while close to 120 national organizations representing the bulk of church, farm, labor, civic, women's, veterans', and other important groups are asking that immediate action be taken. Now that the second session of the Eightieth Congress has convened, this call for humanitarian action on behalf of part of the 850,000 displaced persons of Europe should be considered along with all other measures intended to create a larger measure of well-being for all people everywhere, as well as fundamental freedoms and principles designed to create world peace.

Eighty percent of these unfortunate victims of the war are Christians. The largest part of them are in camps now under the supervision of the United States military government. We are deeply interested in the fate of all displaced persons, but have a special concern for the moral, spiritual, and physical welfare of these our fellow Christians.

More than money is needed. Back of the money should be a demonstration of our Nation's concern for suffering people, our love for liberty and justice, and the full realization of commitments already made to the United Nations. We, of the churches, believe that America should practice its humanitarian professions as voiced over the air waves and elsewhere. We are convinced that the United States Government cannot expect other nations to take all the responsibility for the resettlement of these displaced persons; that unless we, as a people, act quickly to aid these DP's we shall be guilty of creating in the very heart of Europe, just where reconstruction problems are the greatest, a physical and moral plague which no amount of cash will be able to cure. This is a human problem which requires humanitarian action.

Church World Service, our interdenominational cooperating organization for relief and rehabilitation, through its Committee on Displaced Persons, is ready to act. In fact, it has already taken as much action as the limiting provisions of the immigration quota system will allow. It is prepared to take action on a much broader scale just as soon as the Stratton bill becomes law. Already the committee, through its 36 workers in Europe and its staff in this country, besides other services, has given assistance to 1,488 persons coming at a rate of 100 a month. These have been resettled in 32 States and in 124 communities throughout the United States. The committee has a current operational budget calling for an estimated expenditure of a little over $1,000,000 a year.

In anticipation of the passage of the Stratton bill, which would permit the committee to do the service it was established to render, it is now in the process of making a careful and extensive survey of the practical aid which its constituent denominational members will be able to render in the resettlement of DP's. The Northern and Southern Baptist Conventions are cooperating with the Church World Service

We are recommending that once more, in line with expressions from our conventions approving this effort, we respectfully ask Congress quickly to enact the Stratton bill.

Rent Controls

EXTENSION OF REMARKS
OF
HON. CHARLES K. FLETCHER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. FLETCHER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Wall Street Journal of February 19, 1948:

RENT CONTROLS

The Republican policy committee in Congress has decided to extend rent controls for "at least" another year. It seems to us that the Republicans are yielding to political pressure to perpetuate a moral inequity, and, from the practical viewpoint, an economic insanity.

As a matter of ethics we do not understand how Congress can rightfully single out one particular service, namely housing, and say that the provider of this service must subsidize the receiver when all other services are freely competitive. We have no wage controls; the laborer may exchange his service for money on a free market, selling it to the highest bidder. We have no price controls; the farmer can sell his wheat for whatever the public will pay him for it. But most landlords can sell their housing only for what some Government official thinks is right.

The public would be shocked at a law that required John Doe to subsidize John Smith. Smith himself would be indignant at the suggestion. Even in caring for our indigent we make the charity a community enterprise. But if John Doe is required to sell a month's housing to Smith for, say, $10 less than its value, we are making him subsidize Smith, give him charity, in a word, to the tune of $10 a month.

We agree that for many the cost of housing would go up if controls were ended. But morally there can be no justification for requiring Smith's lower cost of living to be subsidized by his landlord rather than by the farmer who supplies his food, or the coal miner who supplies his heat, or the garment worker who makes his clothes. Our whole wage-price level has moved upward. The seller of anything, labor or goods, gets more for it than he once did. That is, except some sellers of housing.

The inequities of rent controls do not stop with landlords. Smith may rent his apartment for $65 a month. Jones may rent an identical apartment (or perhaps one of poorer construction) in a new building across the street for $85 a month. Even the controllers know that today they cannot get the same apartment built to rent for $65. There is one standard for Smith; another for Jones.

Equal treatment under law has become inequity by law.

There is the controller's dilemma. He would like to restore equality among tenants by widening his rent ceilings to cover new as well as old housing. Yet if he does there is no new housing at all. The bricklayer and the carpenter, the brickmaker and the timber supplier, will not subsidize Jones' new apartment. They want full market value for their goods and labor. So the double standard is born.

The planners can see the hopelessness of trying to lick the housing shortage by holding the old line on new dwellings. They see no economic damage from holding it on old houses. In fact, if they relax it they will "just make landlords rich."

What they forget is that utility in a house is not a matter of age. We have many useful houses that antedate our country. But a house that falls into disuse from disrepair is as much a loss as a house that was never built. Anyone who lives in a rent-controlled house or apartment is aware that it is slowly falling apart around him.

Who is to keep it in repair? The man who lives in it? Or will we just increase the tenant's subsidy? Or perhaps the plumber will kindly work for prewar wages so that Smith can keep his prewar housing standard at the prewar rent?

Putting artificial price tags on housing is as blind and futile an operation as putting them on a man's labor or any other of his products. It not only creates impossible moral problems, it is also insane economics.

The rent-control law is legislation for a privileged class: those lucky enough to buy their housing at less than its market value. Economically it retards rather than promotes a real solution to our housing problem.

We had hoped the Republican leaders would not be carried away by the emotionalism of the word "rent" and would instead take a broader view of the housing problem, as they did on wage and price controls. Now we admit, ruefully, that it isn't likely.

Attack American Schools

EXTENSION OF REMARKS
OF
HON. C. JASPER BELL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. BELL. Mr. Speaker and Members of the House, I arise at this time to call your attention to the latest attack by the Communists upon this country through an appeal to the school teachers.

Because of the great debt of gratitude we owe to the high minded patriotic teachers of our children, preparing them as they have so well for the full duties of citizenship, I feel impelled to suggest that this information be made available to all of the teachers in your home districts to prepare them to ward off the appeals for their regimentation under the banners of the Russian Comintern.

It is well known that for many years the Communist Government of Russia, acting through the Comintern throughout the world, has secretly and quietly subsidized many professors and teachers in our schools and universities. Now by the use of that nucleus of converts to the ideologies of communism, an organization in New York City is now planning to

branch out by making a Nation-wide appeal to teachers everywhere.

I feel that such an appeal will be welcomed and accepted by only a few teachers and then only when they lack the background of information about the dastardly attack against our Government. I am sure they will understand, as we do, that the appeal comes from despicable traitorous rats who, while enjoying the shelter of their American citizenship, accept pay from a potential enemy of the United States and spend their time destroying the ideals and corcupting the thought of our youth.

I am inserting in the RECORD as a part of my remarks an article clipped from the Washington Daily News of Monday, February 16, 1948, under the headline "New Commie Front To Ask Marxist Schools be Cleared." The article reads:

NEW COMMIE FRONT TO ASK MARXIST SCHOOLS BE CLEARED

(By Frederick Woltman)

NEW YORK, February 16.—A new Nation-wide Communist front is being hatched. It will be called a Statement of American Educators.

President Truman and Attorney General Tom Clark within a few weeks will receive an appeal to remove from the Government's list of subversive organizations the 11 so-called Marxist schools which the Justice Department found to be adjuncts of the Communist Party.

The plea will be in the form of an open letter with a statement bearing the names of professors and administrators from universities throughout the country.

The statement will speak in lofty terms of "academic freedom" and "our national ideal of freedom of thought."

But the catch is this: The whole deal has been cooked up by the Communist schools themselves.

As bait, the names of 12 professors are affixed to letters now making the academic rounds collecting signatures to the Statement of American Educators. Replies are to be addressed to Prof. Lyman R. Bradley, Five Hundred and Seventy-fifth Avenue of the Americas, New York 11, N. Y.

Omitted from the letter is the fact that No. 575 is the headquarters of the Jefferson School, chief of the Communist Party's training schools listed in the Clark report. Omitted also is the fact that Professor Bradley, New York University, is chairman of the board of trustees of the Jefferson School.

Nor is this mentioned: Three more of the twelve are trustees of the Jefferson School—Prof. Dorothy Brewster, Columbia; Prof. Margaret Schlauch, NYU; and Prof. Dirk J. Struik, Massachusetts Institute of Technology. One is a former trustee—Prof. Walter Rautenstrauch, Columbia—and one is an instructor there—Philip S. Roner, who was dismissed from City College in 1941 as a secret member of the Communist Party.

A seventh professor of the 12—F. O. Matthiessen, Harvard—is trustee of the Samuel Adams School in Boston, another of those cited as Communist.

The letter signed by the 12 professors is addressed "Dear Colleague."

"As educators," it begins, "we are perhaps more sensitive than some of our fellow Americans to the social and political implication of events and actions taking place today. We could not call ourselves responsible members of the teaching profession were this not so."

Then it asks for their signature to the prepared statement.

Citing the Jefferson school as an example, the statement holds that the 11 schools are victimized by "thought control" and "thought police" simply because they are teaching the philosophy of Marxism.

There is no hint that the Jefferson School was set up by the Communist Party; that it teaches, not theoretical Marxism, but revolutionary Stalinist-Marxism.

According to the prepared statement, "The right to study Marxism" is being "denied by arbitrary Government fiat." The fact is that no one has even suggested closing down these schools. They were included in the Clark subversive list as a guide for helping Government agencies determine whether any of their employes are Communists.

One of the signers of the come-on letter is Prof. Colston E. Warne (Amherst), who last November resigned a Federal job in protest against President Truman's loyalty check.

The program outlined indicates the daily increasing brazenness of the Communist attacks on America. For any teacher to join that attack by teaching Marxism in our schools would clearly indicate that teacher was a traitor in our midst.

It is my hope that the floodlight of truth and revelation of these nefarious enterprises will continue to be made through our daily press, by the Congress, the administration, and by right-thinking people everywhere in the United States.

Sam Jones Replies to Congressman Hébert

EXTENSION OF REMARKS

OF

HON. JAMES DOMENGEAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. DOMENGEAUX. Mr. Speaker, on Saturday last the gentleman from Louisiana, Representative F. EDWARD HÉBERT, who has apparently become the spokesman of Earl K. Long, candidate for Governor of Louisiana, sent Sam Jones, also a candidate for Governor, the following telegram requesting him to read it at the Sam Jones rally held in the city of New Orleans on that date. The telegram is as follows:

WASHINGTON, D. C.

SAM JONES,

New Orleans:

In order to keep the record straight I wish to inform you that Commissioner of Internal Revenue refused me permisison to examine your income-tax records based on authority which you say you issued that anybody could see the returns if they applied. Also informed that Commissioner of Internal Revenue previously notified you that your public statements to this effect as well as your request was not in accordance with law and you were informed that only manner in which records could be examined were under provisions of law which was manner in which Earl Long permitted me to have photostatic copies taken from the official files of the Internal Revenue Department proving conclusively charges made by Congressman DOMENGEAUX on floor of Congress not to be founded on the facts of the case. Commissioner of Internal Revenue George Schoeneman also told Congressman DOMENGEAUX the day before he made charges that he could not make such charges as they were not true and were not in accordance with the facts. Knowing your deal to keep the record straight I am sure you will take advantage of the opportunity to read this telegram at your rally tonight.

F. EDWARD HÉBERT.

Mr. Jones read the telegram as requested.

The following is a copy of the telegram which Mr. Jones sent to Congressman HÉBERT in reply:

HON. F. EDWARD HÉBERT,

House Office Building,

Washington, D. C.

Re your telegram. I am disappointed that you were refused permission to examine my income-tax figures by the Commissioner of Internal Revenue. However, I am easily remedying this by wiring Commissioner Schoeneman requesting him to give you copy of a letter addressed to me yesterday. Since you profess fairness you will, of course, read this to the House Monday, as I am reading your wire to our rally tonight.

Commissioner Schoeneman's letter confirms the income figures made public by me February 9. Earl Long still hides his official record. The office of Collector Donnelly and Revenue Agent Logan reveal there are no assessments or penalties against me. You are authorized to check with Pear, Marwick Mitchell & Co., CPA of New Orleans, on this.

Following is the text of Commissioner Schoeneman's letter: "Further reference is made to your telegram dated February 20, 1948, requesting to be advised by wire the total net income for the years 1936 through 1947, reported in the Federal income-tax returns by you and by your wife, Mrs. Louise G. Jones. Your income-tax returns presently available in this office, discloses the following listed net income for the years indicated: 1938, $4,580.20; 1939, $6,202.23; 1940, $3,963.25; 1941, $6,925.48; 1942, $7,614.05; 1943, $6,803.75; 1944, $9,690.87; 1945, $11,367.97; 1946, $13,640.38. A similar communication is being addressed to Mrs. Jones in your care. If further correspondence relative to this matter is necessary, please refer to IT:REC: IW:P-MSG."

In order to keep the record straight, I call your attention to these facts:

1. Both the United States Government and the State of Louisiana have tax claims pending against Earl K. Long. In your strange defense of the tangled tax matter of this "poor man" you have admitted that the case involves a fraud penalty.

2. You know, Eddie, that you blocked revelation by congressional action on Earl's complete tax and income record, and you know you blocked it because that record is packed with the fraud assessments you have confessed.

3. The State case against Earl Long is shown in the public records of the State board of tax appeals.

4. Earl Long swore to the people on the radio on February 16 that his total net income was (including his wife's), 1936, $6,124.80; 1937, $14,185.38. Earl Long reported to the State of Louisiana on his sworn tax return (including wife's), 1936, $10,967.50; 1937, $11,890.74. The State of Louisiana claims that Earl's actual income (including wife's) was, 1936, $50,728.12; 1937, $78,096.19.

5. The file notation of the board of tax appeals says of the "other income, taxpayer (Earl Long) received money from Mr. Clem Sehrt and Mr. Shirley Wimberly. He was the beneficiary of a so-called gift fund. He made numerous deposits of cash and receipts which he has refused to identify or explain. He received a monthly allowance from the Louisiana Democratic Association, commonly known as the deduct fund."

6. Mr. Long and his spokesmen have made the above admissions in the second primary campaign because they knew these facts could not be concealed from the people. Yet, on January 19—1 day before the first primary election—Long had published in full-page newspaper advertisements, in bold-faced type, this statement: "Long owes no tax. Statement of Charles A. Donnelly, United States collector of internal revenue for Louisiana * * * said he knew of no claim against Earl Long."

The intent and purpose of that Long ad was to deceive the voters of Louisiana on the eve of the election—to delude the people into believing that there was no tax case of any kind against Earl K. Long.

Most important, this case is now revealed to have been pending for a number of years. That means Earl Long deceived the people deliberately and falsely when he declared, and had collector Donnelly declare, before the first primary that there was no tax against him, that his hands were clean. Since then, Long's every action has been to prevent the hidden truth about his tax records from coming to light.

Throughout the first primary, Earl Long told the people of Louisiana that he was a poor man who never received 1 cent he was not entitled to get. But now that he is revealed to have enjoyed a large income, the people no longer believe his frantic efforts to pose as a poor man.

He has not come clean with the people as I have done. He will not do so because he cannot.

You remember, Eddie, my support put you in Congress. You became a political opportunist and deserted—not only me—but our cause of good government.

SAM JONES.

What I particularly object to in the statement in Representative HÉBERT'S telegram is:

Commissioner of Internal Revenue George Schoeneman also told Congressman DOMENGEAUX the day before he made charges that he could not make such charges as they were not true and were not in accordance with the facts.

This statement of Congressman HÉBERT is entirely and completely incorrect and false.

On the same day and before I made the charges on the floor of the House I had a conference with Commissioner George Schoeneman and Mr. Aubrey R. Marrs, head of the technical staff of the Bureau of Internal Revenue. I presented to these gentleman the charges that I were to make and Mr. Schoeneman replied that under the law he was prevented from discussing the case in any particular. Last Friday I had an opportunity to again see Mr. Schoeneman, together with Mr. Edward H. Foley, Jr., Assistant Secretary of the Treasury. I told Mr. Schoeneman that he had been quoted as having said that he had told me that the charges I were about to make were incorrect and not based on facts. In the presence of Assistant Secretary Foley, Mr. Schoeneman said he had not made any such statement to me on this case.

All that Congressman HÉBERT needs do is to contact Mr. Schoeneman and I am certain he will be informed that the statement with reference thereto that I have made is correct. I think in all fairness he should do this.

The Polish Betrayal

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, that eminent writer, Frank R. Kent, in the Chicago Journal of Commerce, on February 14, commented upon former Ambassador Arthur Bliss Lane's book and pointed out the Polish were betrayed at Yalta. The evidence keeps on piling up against that unconscionable agreement. I am including as part of my remarks the article by Mr. Kent:

THE POLISH BETRAYAL
(By Frank R. Kent)

WASHINGTON, February 14.—It is typical of the worshipers of the late Mr. Roosevelt that they should agree with practically everything in the impressive and significant book of Mr. Arthur Bliss Lane, I Saw Poland Betrayed, except the single statement that at Yalta and Tehran Mr. Roosevelt, in his effort to charm Mr. Stalin, abandoned the principles of the Atlantic Charter and, in effect, cast aside his promises to Poland, opening wide the door for the savage and brutal domination of that suffering country by the Soviet forces.

That, of course, is an extremely serious charge—particularly when it is recalled that in 1944 hundreds of thousands of American Poles voted solidly for Mr. Roosevelt in the firm conviction that he was the vigilant and unshakable champion of Polish freedom and independence. But it is not a new charge. Others have asserted that at these Roosevelt-Stalin meetings Poland was blithely "sold down the river," the former American President trustingly relying upon the unsupported word of the Soviet dictator, utterly ignoring his long, black record for violation of treaties, agreements, and pledges; incredibly permitting him to have a free hand in Poland.

Of all who have made this devastating accusation, Mr. Lane carries the most weight, presents the most convincing evidence and was in best position to know the facts. It no more can be claimed that he was inspired by a personal or political motive than it can be contended he did not fully appreciate the nature and implications of his statements. Here is no Roosevelt hater, no representative of "reactionary forces," no "economic royalist" or ambitious seeker of office. Instead, here is an outstanding American with a distinguished career of diplomatic service covering more than 30 years in various parts of the world.

Appointed Ambassador to Poland by Mr. Roosevelt himself, he was in London in 1944 when Poland was occupied by the enemy and her Government was in London. He entered Warsaw immediately following the German surrender and remained there until last year, an eye-witness to every step of the Soviet seizure of Poland, with full understanding of the callousness of the pledge violation and of the humiliating failure of our Government to lift a hand to prevent, or utter an effective word to protest what, beyond question, was one of the most dreadful and indefensible crimes against a free people in all world history.

Because of his official position and by reason of our Government's apathy, Ambassador Lane was personally impotent to halt the strangulation of Poland. When he talked with Mr. Roosevelt, after the latter's election in 1944, he urged the importance of insisting to the Soviet Government that the independence of Poland be maintained. The Roosevelt reply was, "Do you want me to go to war with Russia?" When he returned to Warsaw he did what he could, but the Soviet representatives paid slight attention to him, and his own Government not only did not back him up but, over his earnest protest and with American citizens unjustly imprisoned, loaned the Polish puppet Government $90,000,000.

The whole story as told by Mr. Lane is a sickening one of shameless treachery, broken promises, and unshackled brutality. It is interesting to note that the Lane report, both as to responsibility for this murderous assault upon the integrity of a great people and upon the character of the occupation, coincides with that made in Mr. Jan Ciechanowski's book, published 2 years ago. Mr. Ciechanowski for many years was the distinguished Polish Ambassador to this country. By some it was unfairly argued that as a Pole he was prejudiced. But no prejudice can be charged against Mr. Lane. He is not a Pole; he is an American diplomat with no political connections, aspirations, or purposes. Early last year he resigned his post as Ambassador to Poland, and at the age of 52 closed his long diplomatic career solely to be able to tell the American people the truth of what happened to Poland—and why.

This he has done in his book and is doing in his lectures. It is a shocking story and few Americans can reflect upon their country's part in it without a feeling of shame. The defense of Mr. Roosevelt's role, at Yalta, Tehran, and after the seizure began, is not a convincing one. Chiefly, it amounts to statements from his former intimates that while Mr. Lane has made a valuable contribution, they personally know of Mr. Roosevelt's deep concern for Polish freedom and had often discussed with him his ideas for maintaining it. This clearly inadequate reply is supplemented by a transparently futile effort to shift the blame for what happened, first to former Secretary of State Stettinius and then to former Secretary of State Byrnes.

In other words, no reply worthy of the name has been made. Nor is it likely one will be. For the historians probably the kindest thing is to accept the explanation that Mr. Roosevelt was a sick man whose judgment was impaired. Certainly the notion, which so many agree Mr. Roosevelt cherished, that he, who spoke no word of Russian, could, through two interpreters, charm Mr. Stalin, who spoke no word of English, seems hard to reconcile with reason.

So These Are the Objectives of the Oleo Promoters?

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, in this oleo-butter controversy too few people realize that the whole dairy industry is being jeopardized. If oleo can be sold to masquerade as butter, then oleo evaporated milk will be the next legislative objective, then oleo cheese legislation, and then oleo milk, where the vegetable oil will be substituted for butterfat in milk will be the final goal.

Just because some dairyman sells his milk as fluid milk, or to a condensing

factory or to a cheese factory, he does not want to be deceiving himself into thinking that the market for his dairy product is not going to be faced with this substitute synthetic approach.

In Business Week of February 14, 1948, a copy of which the editor was kind enough to send me, I note several interesting statements on page 25 under the title of "Margarine Gets a Break." Among these statements are, first:

The margarine lobby's timetable has worked smoothly this year.

Second:

After that the lobby's high command believes the ways are greased for quick and favorable action by Congress and the President.

If oleo is used it will surely be greased.

Third, and be sure to get his one:

Repercussions: If the margarine people get what they want, it may have some repercussions elsewhere in the United States farm economy. Further inroads by margarine into the butter market would undoubtedly weaken butter prices. This, in turn, might well bring down fluid-milk prices. For fluid-milk prices are determined under a Federal-State formula, based on the prices for butter and skimmed milk. So dairy farmers would be sure to want a revised milk-price formula, based on something more solid than butter.

Lincoln Day Address of Hon. Kenneth B. Keating

EXTENSION OF REMARKS

OF

HON. RALPH HARVEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a Lincoln Day address delivered by Representative KENNETH B. KEATING, of New York, at Muncie, Ind., February 11, 1948:

Fellow Republicans, it is a great pleasure and high honor to have been chosen as the speaker as the Republicans of your fine city and community join in their annual celebration of Lincoln's birthday.

Indiana, and particularly the Tenth Congressional District, occupies a warm spot in my affections. There is something fundamentally fine about the soil of an area which produces men like the late Ray Springer, who represented your district with such marked distinction for some 9 years before his death last fall. I served on the Committee on the Judiciary with this true and loyal friend and this patriotic servant of the highest order. There and on the floor of the House and in his contacts with his colleagues, he rendered conspicuous service in matters of the utmost importance to the welfare of our people. With marked ability he guided through the committee and the House intricate bills of great complexity, such as the measures passed at the last session relating to various controls over the complex economy of our country.

In the mind of this statesman, so serious in purpose and so indefatigable in efforts, although like you good people, a loyal and professing Republican—at no time did considerations of narrow partisanship becloud his views or dictate his action.

Ray was always a great team player, preferring, with unassuming modesty to advance the common interest rather than his own personal fortunes. We who worked with him day in and day out and who came to know and love him, and you who sent this great public servant to us, can all be consoled and take comfort from the sure knowledge that he now enjoys the rewards of a good and faithful servant.

Following Ray's departure, you sent to us in the same tradition, a sound and sensible thinker and a most amiable gentleman in the person of RALPH HARVEY. Out of his extensive agricultural and business experience he is already, in this short time, making his presence and his influence felt among his colleagues in a most constructive fashion. He is a member, not only of the Committee on House Administration, but also the exceedingly important Committee on Expenditures in the Executive Departments. The responsibilities and corresponding opportunities for public service in work on this committee are almost limitless. When the Congressional Reorganization Act of 1946 was adopted, with the vast expansion of the activities of the Federal Government touching the lives of more and more citizens at ever-increasing points, it was felt that some committee of the Congress must be charged with nothing else except to keep a watchful eye on the mounting expenditures in the executive departments and constantly study the governmental activities at all levels with a view of determining possibilities for increased economy and efficiency, and perhaps most important of all, to study and pass upon the constantly recurring reorganizations which necessarily take place in the various departments of government. This, then, is the extremely important work to which RALPH HARVEY has been called. Great indeed are his responsibilities, which we who have had the opportunity, as you have, to measure the man, have become convinced that he is well equipped indeed to discharge.

The entire Republican congressional delegation from the Hoosier State is one in which you Republicans have every reason for justifiable pride. Without detraction from the luster of the names of any of your Representatives, I know that all of them would join me in paying our highest tribute to the distinguished majority leader of the House of Representatives, who hails from Hoosierland—CHARLES A. HALLECK. With infinite tact and patience, utmost devotion to duty, and brilliant statesmanship he has guided the deliberations and legislative program of the Republican majority in the House in most trying times and against most stubborn opposition. A young man, as I classify anyone no older than myself, CHARLIE HALLECK, I predict, will rise even above his present exalted position of trust and honor.

The day before I left Washington a newspaper said: "Republican speakers will address this week the 700 Lincoln Day banquets which are slated to take place in 44 States. They will speak, of course, for the Republican Party and victory next November." True to form, I bespeak victory for the Republican Party next November. Having stated that, however, I turn not to the controversial issues of the day, but rather to a story, an epic which depicts better than anything else I know, the fundamental principles and philosophies for which the Republican Party has always stood.

In this time when civilization is menaced by the aftermath of war; in this time when free government is struggling for survival everywhere in the world; in this time when millions of people are questioning in their own hearts whether or not security under despotism may not be better than risk under freedom; in this time when America is the last great bulwark of individual liberty and freedom, I want to portray for you, if I can, an epic of liberty, opportunity, energy, perseverance, all transmused by a divine spark into a powerful, marvelous instrument of good. Nowhere but in America could this have happened in this way. Let me now recite the epic.

In a log cabin about 3 miles south of Hodgen's mill on what was known as the Singing Spring farm, in what was then Hardin, but is now LaRue County, Ky., a manchild was born. The condition of the parents, their way of life, could hardly have been more humble than it was. Life was a humdrum, backwoods existence. The birth of a boy baby to Tom and Nancy Hanks Lincoln was of no particular significance to the settlers.

Truly nothing had happened except that Abraham Lincoln had been born. His father was a shiftless, uneducated, self-sympathizing man who just couldn't seem to stick at anything long enough to succeed. His first wife, Nancy Hanks, the mother of Abraham, like her husband, was untutored.

Abraham Lincoln's early childhood was spent about 8 miles from his birthplace at a locality known as Knob Creek. The family did not remain long there. When Abraham was seven his father and mother were on the move again. The Indiana woods was their destination. Here the family of four, the father, Abraham, Sarah, his sister, and the mother, lived very poorly. Scarcely more than a hut sheltered them the first winter. Broken by the hardships of pioneer life, Nancy Hanks sickened and died.

Then came another event. We can look back and see now how it must have been a part of a pattern planned by Providence. Thomas Lincoln married again. His second wife was Sarah Johnston, of Elizabethtown, Kentucky. She was a widow, who came with her three children to the Lincoln cabin. She became a very important factor in Abraham Lincoln's rearing and career. She was a real mother to him. She warmly encouraged his thirst for knowledge.

Lincoln's youth was that of an easy-going backwoods boy. He did hard labor on the homestead. He performed odd jobs for his neighbors. He had practically no formal schooling. His attendance did not exceed a year all together. But a singular and fateful destiny moved this boy. He had every opportunity to sympathize with himself, as his father had before him. He had every example to encourage him to be shiftless, and a ne'er-do-well. He might easily have taken to the strong drink and the rude brawls of those backwoods days. He was a good wrestler. He might have frittered away his time in the excitements of the hunt, or the thrills of fishing. He loved the river. He was fond of fun. He had a natural bent for humor. He thoroughly enjoyed a joke, even on himself. But deep within that gangling awkward, backwoods boy Providence had planted a spark of genius. The All-Knowing had endowed that nature with a great thirst for knowledge. As a result Lincoln developed a deep sense of justice, and tolerance and a desire to serve his fellow men.

Stretched out on the floor of the rude shack, by the light of the fireplace he read such few books as he could get, and by the light of divine inspiration he came to have that philosophy of right and justice, of courage, of a simple, profound faith in God, and a simple profound faith in his fellowmen, which ultimated in the immortal Lincoln whose memory we honor here tonight. That boy baby born in that log cabin on Singing Spring Farm, where nothing ever happened, was the Abraham Lincoln who had the courage, and the faith, and the gentle justice, and deep love for his fellowmen which kept this Nation united when it was at a breaking point which might have made of this country two bitterly antagonistic peoples.

Never in all history has there been a more wonderful, beautiful epic of a rise from obscurity, through the vicissitudes and hardships of pioneer life, to a place of destiny such as that of Abraham Lincoln. He lifted his gaze from the soil with which he worked,

and, looking on high, sought his destiny in the stars. Strangley enough, just a few days ago another great emancipator, another great apostle of peace and gentleness, Mahatma Gandhi, of India, was martyred, as Lincoln was martyred, by a tragically mistaken fanatic with a smoking pistol.

Lincoln absorbed education. He was born with greatness in him. He got his wisdom not alone from books but from his meditations close to nature, and above all from his prayers to the Master who guided his destiny.

For several years—almost to midlife—Abraham Lincoln appeared to be more or less of a mediocre individual. He did not seem to succeed at anything he tried. The trouble was he was always in the wrong business up until the moment he found his true vocation. Lincoln's real business was being great. His real calling was to serve and guide his fellowmen.

He knew many sorrows. The great love of his life was denied him. The fires of those sorrows must have burned out any dross that may have been in his nature, leaving the pure gold of inspired greatness, molten and shining over the flame of his burning desire to serve his fellowmen. It was slavery, the cruelties and inhumanities practiced upon the negroes, which stirred him to his depths, and moved him to the epochal accomplishments of his life.

Although his life was filled with sorrows; although he knew the stings of bitterness, and the gall of ingratitude, and the poison of treachery—Abraham Lincoln never for a moment ceased to be a gentle, peaceful, forgiving, wise, and just man.

Picture him if you can, a shawl draped about his gaunt shoulders, pacing the corridors of the White House in the still hours of night, praying to his God for strength and guidance to save his Nation and his people from hatred, and war, and a severance of the Union which would have destroyed the great Nation the founding fathers had erected. He said many times that he was driven to his knees often because he had nowhere else to go. A better place he could not have gone.

Lincoln himself stated the marvelous opportunities which our American system of government, of economy, and society make possible better than anybody else ever stated it before or since. Said he:

"I happen temporarily to occupy this big White House. I am a living witness that anyone of your children may look to come here, as my father's child has. It is in order that each one of you may have, through this free Government which we have enjoyed, an open field and a fair chance * * * that the struggle should be maintained, that we may not lose our birthrights."

Think you, my friends, that the remarkable phenomenon of Abraham Lincoln could have taken place under a despotism? Think you he could have risen from the obscurity of a log cabin to his immortal place in history in any country which did not have the open field and fair chance that existed in America?

If we had no other example of the grand and glorious freedom of choice and equality of opportunity which lie before every boy and girl in the United States of America, Lincoln's life alone would prove the case.

Today, as it has always been in America, our way of progress to spiritual and cultural heights, and to material achievements, lies in equal opportunity for all, and not in limiting opportunity for some.

We can see Lincoln's divinely bestowed wisdom shining through when he declared that:

"The strongest bond of human sympathy, outside of the family relation, should be one uniting all working people, of all nations, and tongues, and kindreds. Nor should this lead to a war upon property, or the owners of property. Property is the fruit of labor; property is desirable; it is a positive good in the world. That some should be rich shows that others may become rich, and hence is just encouragement to industry and enterprise."

All the wisdom underlying free America was expressed in those words. Lincoln would never have been a Socialist. He would never have been a Communist. He believed every man and every woman was entitled to the right to get ahead, but not to pull the other fellow down in getting there.

What a marvelous instrument of Providence Lincoln turned out to be. He had none of the finished suavity of the slick politician. He was a man of the people. He loved the people. He believed they had inherent in them a wisdom and a sense of justice which would instinctively find the right path if they were given the truth and left alone to make their own decisions. How wise he was, how clearly he perceived the proper function of government when he said:

"The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot so well do, for themselves in their separate and individual capacity. In all that the people can individually do as well for themselves, government ought not to interfere."

Now listen to these further words:

"I believe each individual is naturally entitled to do as he pleases with himself and the fruit of his labor, so far as it in no wise interferes with any other man's rights."

Now, my friends, to what are we to attribute the rise of our own Nation in 172 years from a humble, struggling group of colonies, just as Lincoln was a humble, struggling member of a humble, struggling family? You know, of course, that in 172 years we in America have accomplished spiritual, cultural, and material progress which nations in the Orient and Asia have not been able to do in more than 5,000 years, which other nations in continental Europe have not been able to equal in a 1,000 years of warfare and struggle.

From a country of log cabins and woods and pioneers the American people have produced the Washingtons, and the Jeffersons, and the Lincolns—a whole immortal group of men, wise with the wisdom of providential grace, and not with the fleeting and changing beliefs of unstable human theories.

We have in the United States the highest living levels; the highest wages; the best working conditions; the finest transportation and communication systems; the finest educational system; and the best government to be found anywhere on the globe.

Now, was it some peculiar genius on the part of our poplc which produced all this? That could not have been, because our forebears came from all these other nations in which for over 1,000 years their ancestors had failed to achieve what we in America have accomplished in a century and three-quarters on this continent. What did our forebears possess that set them apart from this great Providential demonstration in free Government, and the capacity of men to govern themselves? First, they had courage. They pulled themselves up by the roots, they left the scenes of their childhood and their early life; they embarked with their families in cockleshell boats, and dared the stormy seas. They were coming to the shores of a land which was uncharted forests and trailless plains. They were coming because they loved liberty more than they loved their early environment, or even security.

The real reason, however, that we in America today are the richest, most powerful Nation on the globe is because of the character and kind of Government, economy and society established by the founding fathers. They knew the people could not prosper, except in rare individual instances, under despotism and tyranny. They knew no autocrat could guide, and no tyrant could compel the people to wiser actions concerning their own affairs than they in their individual capacities might exercise. So the founding fathers set up the kind of a government which would act as an umpire; which would hold things even, so that the fair might not be injured by the unfair; so that the just and gentle might not suffer at the hands of unjust, aggressive despoilers. But as Lincoln said, they left every man free to do with the fruits of his labor as he chose, so long, and so far, as it in no wise interfered with any other man's rights.

It was under that kind of government, safeguarded by checks and balances against too much dominance or domination by any one or any two of the three coordinate branches, that our country grew great. It was under that kind of government, economy and society that Abraham Lincoln made his way by his own efforts from the little log cabin on Singing Spring Farm to the great white mansion in his Nation's Capital.

It is that kind of government, Lincoln's government, of, by, and for the people, that millions of our boys and girls went forth in two world wars to preserve against the onslaughts of ruthless, power-mad aggressors. It was that kind of government of opportunity we have always fought and always must fight to maintain and perpetuate.

And yet we have among us, and we have in other parts of the world, those who would proclaim that this kind of government has become obsolete and oppressive. They declare that the common man no longer has an opportunity in America. Let me say to you that if Lincoln were here tonight he would proclaim that opportunity in America never ceases to exist for the man or the woman who will embrace it and "work diligently to build a house for himself, thus by example assuring that his own shall be safe from violence when built." The house Abraham Lincoln was talking about then was not a physical structure, either a log cabin or a marble palace. He was talking about a trade, a career, a calling, a profession, the accumulation of something for old age, the opportunity to exercise one's talents in freedom, and to raise as high as one can rise, if he has the inherent ability, energy, and integrity so to progress.

Therefore, let me say to you that we must, in justice to Washington, and Jefferson, and Lincoln; we must, in justice to all of those who have fallen in the past, in the wars in which we have engaged to preserve this great free Nation of ours in its freedom, we must continue to perpetuate free, constitutional government, free economy, and free society. We must continue to preserve that freedom of opportunity which will permit a child born in some hovel to aspire, if he will, to the portals of the White House.

Lincoln was always vigilant on behalf of liberty, just as he was always determined on behalf of justice. It is a striking fact that Lincoln's great strength was his gentleness. Go back of him and you will find that the great Nazarene, whose teachings he followed, found his great strength in His incomparable gentleness.

Oh, if only we can make every young man and woman in this country realize what it means to them to live in a land in which an obscure child born of unlettered, poor parents, can attain the wisdom, and make the journey to the State house, or to the halls of Congress, or to the White House, as Abraham Lincoln did.

Oh, if we can only make all the world realize what an inexpressible blessing our kind of Government and society is, some faults though it may have! Oh, if we can only make all mankind understand that the American people are moved by a sense of gentle justice in all they want to do for the other peoples of the world, driven into poverty and suffering and despair by war! How well we know we want only to help other peoples

to attain enduring peace and progress! How well we in American know that we want to be friendly, and just, and cooperative with everybody else in the world, if only they will let us.

No young man or woman can possibly study the life of Lincoln and not realize in the end that his whole career is a living, vibrant, shining proof in the pages of history that our American way is the finest way ever devised by the mind of man to permit individuals to rise to spiritual heights, to cultural achievements, and to material prosperity.

Thus we see this epic of the immortal Abraham Lincoln, which is a symbol of the inexpressible grandeur of our constitutional system of Government and our American equal opportunity society.

As we now leave until next year our observance of the life and works of this great man we can pay to him that beautiful tribute which he once voiced of Washington. As he said this of Washington, so we say of Abraham Lincoln: "To add brightness to the sun or glory to his name—is alike impossible. Let none attempt it. In solemn awe pronounce the name, and in its naked, deathless splendor leave it shining on."

Federal Regulation of the Petroleum Industry

EXTENSION OF REMARKS

OF

HON. HERBERT A. MEYER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. MEYER. Mr. Speaker, under leave to extend my remarks in the RECORD, I call attention to a letter written by Mr. Russell B. Brown, general counsel of the Independent Petroleum Association of America, to Mr. Merle Becker, of St. Louis, Mo., the president of that organization of independent oil operators.

Mr. Brown has a Nation-wide reputation as a profound student of the many problems affecting the petroleum industry. His rich background of experience enables him to speak with authority on all its phases of activity. His analysis of the present much-discussed oil situation and his expressed confidence in the ability of the domestic petroleum industry, functioning under conditions of free enterprise, to care for our future supply of petroleum and natural gas, has been widely commended. A thoughtful reading of his letter will serve to remove certain current misunderstandings. I commend it to my colleagues and others for such reading. Mr. Brown's letter follows:

MR. MERLE BECKER,
President, Independent Petroleum Association of America:

For the first time in several years Federal regulation of the oil industry in all its phase, including production, is formally proposed in Congress. A bill has been drafted by Congressman HESELTON, Republican, of Massachusetts which would establish a board or commission with broad powers.

The sponsor of the measure is a member of the Interstate and Foreign Commerce Committee of the House and has been one of the most active members of the committee in the hearings it has recently conducted on petroleum. His several speeches in the House on the supply and distribution problems affecting home heating with oil and his insistence on cutting down exports of petroleum during the period of shortage in eastern areas, have reflected his deep concern.

The exact details of the Heselton bill are not so important to us as the reasons for its introduction. Because of the over-all significance of the move to solve by legislation a number of interrelated problems, I am going to confine this report to discussion of the one subject.

Proposals of the type made by Congressman HESELTON are extreme and outside the normal concept of our Government. I seriously doubt that such remedies will provide the relief desired by those who make them. This is not a new method of meeting such situations and we do have some experience which should enable a critical examination. I would emphasize, however, that whatever inspires the attempt to use the method should have our careful and thoughtful attention. The proposals are not settled or minimized by refusing to honestly consider the elements which gave rise to them.

Many of our people in several areas have been cold because of lack of oil during this extremely severe winter. Cold homes and family suffering inspire determined impulses and action. The action may not always be logical but it cannot be ignored safely just because it is illogical. Sympathetic study and analysis would seem to be a sounder approach in answering the demand for action. It is not sufficient to say that there is no shortage of oil in the United States. There is a shortage of oil in the homes of the consumers who are making the complaints or a shortage at the factory which provides their income. That is real to them. The fact that there may be oil some other place and good and sufficient reasons why delivery cannot be made do not satisfy them. The fact that in all the history of the oil industry it never before failed under peacetime conditions of free enterprise to supply all of the products which were desired is also not a sufficient answer.

So, those in distress appeal to the Congressmen. The latter try to find an answer, not necessarily an answer that is fundamental but one that will provide relief. Failing to find assurance of oil supply they turn to the agencies of Government that are presumed to know something about the situation. Here again we run into the human element. Government agents often believe, quite honestly, that if they were given the power they could solve any problem, so they suggest controls—Government controls with power lodged in their hands. This being the only suggestion in sight of a solution to a difficult problem some will adopt it in the desperate hope that it will work.

FACTORS IN THE INCREASE IN CONSUMPTION

Too often hasty remedies, adopted in desperation and without careful consideration, may lead to serious consequences and inflict lasting harm. It is hoped that in the present situation there will be careful analysis of present conditions and of the suggested remedial measures. I would like to suggest to our people the study of certain outstanding facts in the hope that they will be helpful. The following factors are basic in the approach to the question:

1. There has been a general trend, and one that has been rapid in application, to convert the national fuel economy from traditional dependence on solid fuels—coal of various types—to the more desirable and convenient oil and gas fuels. The reasons for this trend have been, in part, as follows:

(a) The two fuels, oil and gas, were under severe Government price controls at depressed levels for a long time while other fuels were not so closely controlled. The result was that oil and gas prices for a number of years were much lower than prices of other fuels customarily used in home heating.

(b) The supply of oil and gas has heretofore been plentiful, uninterrupted, and sufficient to the needs of all users. Other fuels were subject to uncertainties of supply caused by labor interruptions and other factors affecting supply and distribution.

2. The use of oil and gas for fuel and power for farms, railroads, air transport, and many other uses has grown rapidly in recent years. The use of motor fuel has continued to increase. The sum of the several forms of increase in oil and gas use have been enormous. As an illustration, the demand for crude petroleum in the last full prewar year, 1940, was 3,635,000 barrels per day. In 1947 it was 5,090,000 and the projected demand for 1948 is 5,385,000 barrels per day. There was neither time nor materials to prepare for the swift increase, postwar, in the new and increased uses of oil and gas fuels. The experience of the industry had not been such as to enable it to be forewarned of the necessities. To illustrate, users of coal through long experience had learned to provide against heavy winter demands by storing the winter requirements gradually through the summer months, thus spreading procurement and transportation loads over a longer period. Like provision was not made as to oil for these reasons:

(a) Oil users had no experience as to the manner and quantity of storage required;

(b) Storage facilities required the use of great quantities of steel which has been in short supply ever since the close of the war.

Because of the foregoing factors, fuel-oil users relied on small storage and thus threw the heaviest load on transportation facilities during the heaviest consuming season. Where the coal consumer laid in a supply of fuel that would last for weeks, the householder heating with fuel oil is limited to storage that carries him for but a few days in severe weather. Transportation facilities, such as tank cars, pipe lines, and water transport were not developed sufficiently because of lack of material and lack of anticipation of the enormity of the problem.

DIFFICULTIES IN SUPPLYING ALL USES

The foregoing are some of the points of difficulty on the consuming side of the problem. On the supply side there have also been unusual difficulties. During the war steel went first into military usage. It was diverted from the usual petroleum producing, refining, and transportation needs to the more direct war uses. The petroleum industry was thus prevented from carrying on its customary scale of exploration, development, and maintenance work and the expansion of refining and transportation facilities in accordance with the needs of the consumers. There was thus no opportunity to conduct operations which would provide the surplus of capacity above immediate needs—the safety factor needed to meet new and unusual demands such as now confront the industry. The industry has done a tremendous job in increasing its operations under severe limitations but it has not been able to avoid spot shortages of serious proportions in some areas.

Thus, we have had and still have a problem of considerable proportions. We may now consider the suggested remedies. The first proposal, that of Government control, as suggested in the bill referred to earlier, relates only to petroleum. The sponsor of the bill was quoted as saying that natural gas was omitted because it was already under Federal control. I believe we may at this point consider the result of Federal regulation of natural gas.

To an extent it is true that there is such regulation. The transportation, distribution, and sale of natural gas in interstate commerce are controlled. The production of natural gas is not controlled by the Federal Government. The division of the industry that is not so controlled, acting through the free play of industrial effort, has built up the

largest supply of natural gas in our entire history. Yet there is an ever-increasing and a largely unsatisfied demand for natural gas. The bottleneck is somewhere between that section of the industry which operates under free economics and those who desire gas for fuel. It is, therefore, in that section of the industry which is under Federal control.

It would seem that in this instance Federal control has not functioned to relieve unsatisfied demand.

RESERVE CAPACITY EXHAUSTED DURING WAR

As to petroleum and its products, the necessity of war suggested that the Federal Government exercise control over the industry's production and operations during the war. When the controls were first imposed the industry had a vast reserve of producing capacity. It also had a reserve of refining capacity above demand. The producing capacity was a million barrels per day or more above actual requirements. During the war this excess capacity was used up because of the inability of the producing industry to get the materials and the manpower and to exercise the freedom of action necessary to maintain normal operations. It was only through extreme rationing of petroleum products for civilian use that the military program was supplied. Again we have experience on which to draw as to the efficacy of Federal control. Again it does not suggest that control as being the answer to our increased demands.

In June 1946 when the last of the wartime controls were ended, the production of crude oil in the United States was approximately 4,900,000 barrels per day. Since that time, operating under conditions of free industrial activity, we have increased the production until we reached the daily average of 5,330,000 barrels for the 4 weeks ending February 7, 1948. This is the highest in the history of the industry in the United States. The gain was accomplished in spite of the serious handicap of shortage of steel for oilfield equipment.

CONTROLS HAVE BEEN INEFFECTIVE ELSEWHERE

It is to be hoped that the experience of an industry under control contrasted with its experience under free conditions will be given careful attention in the consideration of whether controls should be reimposed as the answer to current difficulties. We can look also to other countries for their experience in Government controls as a solution to fuel problems during cold weather. Great Britain in the winter of 1946–47 was desperately short of fuel. Government control of their coal and other fuel resources failed to provide the relief that was so greatly needed and it was the free-enterprise industries of the United States that were called upon to provide from our none too plentiful available supply much of the oil and coal that were needed.

We have much more in the experience of other countries which may well be considered. In our own hemisphere, Mexico and Bolivia confiscated the oil properties which had been discovered and developed by private industry. They attempted to operate these properties. The result is that our Government today is attempting to help those countries to alleviate their petroleum shortages by financing expansion and further development of their petroleum industries.

It is now proposed to further aid Great Britain and other European countries as well in the matter of fuel supplies, among other forms of aid. In the face of the experience under Government controls, wherever exercised, why will Government control be proposed here? I believe we may consider the following as principal or contributory answers to the question:

1. Desperation often suggests a change—any change—to those whose needs are great and remain unsatisfied. This is especially true of those commodities required for basic needs, such as food and fuel.

2. There are those in government who would like to exercise power under a system of control. Some of these, wholly lacking in experience, believe that with full power they could do a better job than industry has done. These have not failed to take advantage of the present difficulties to suggest Federal control as the remedy.

3. There are some whose philosophy of government is based upon the theory of centralized control of industries. They, too, have not failed to take advantage of the fuel-supply situation this winter.

4 Some in various branches of the petroleum industry have for different reasons been suggesting that the petroleum industry of the United States is not capable of further expansion to meet the increased demands. They suggest greater and greater reliance on the foreign sources of supply in which they are interested. This group has gone far toward building an atmosphere of uncertainty among those who do not have the opportunity to learn the facts and know the true condition. These persons and their friends, through careless testimony before congressional committees and through public utterances, have created an impression in the minds of some in Congress that the industry is greedy, selfish, and indifferent to the situation in which we find ourselves. Just a few days ago a man who has wide acceptance as an authority on some phases of the petroleum industry told a committee that the price increases on crude oil were unnecessary. He suggested certain impractical forms of relief. Such testimony has the effect of prejudicing the minds of some in Congress against the petroleum industry of the United States. Of course, all who are familiar with the industry's operations realize that such statements are unsound and stupid, but because of the reputation heretofore enjoyed by some of these spokesmen, there is a considerable contribution to the embarrassment of the industry.

INDUSTRY HAS MADE PROGRESS

The facts of the domestic situation should be kept in mind. The entire industry from the beginning of our participation in World War II has suffered severe restrictions on essential supplies of steel. Despite this the industry has continued to increase its discovered reserves of crude petroleum and natural gas until they are now at the highest point in history. The first published estimates of reserves, compiled by the Oil and Gas Journal, are 23,737,000,000 barrels. This is an increase of more than 4,000,000,000 barrels of presently available discovered crude oil over the estimated reserves at the close of 1941. In the meantime the domestic industry has supplied most of the oil used in our war effort and the greater part of that used by our allies during the war, as well as supplying our own economy.

These are typical of the facts which we should remember constantly. They are evidence of the assertion which the industry has always made—that it can be expected to grow and progress under free, competitive conditions. There is no magic in government. Is the rail-transportation system of the Nation perfect today? I think there is plenty of evidence that they have many problems. They have been under close Federal regulation for many years. And we may also ponder the fact that the "have not" nations in respect to petroleum are those which have either guided and directed their petroleum industries or conducted them as direct functions of government.

I would not minimize the proposal to regulate or control the industry. It grew, in the final sense, out of the current shortage of home-heating oil in some areas. It is the industry's job to do all that it can to ease the situation and to provide for future situations. It is also our job to keep in mind the fact that during the war government had a free hand in the distribution of supplies, yet people were cold—there were shortages of all kinds of fuel. The job which government tried to do then has been enlarged since 1941 by about 1,000,000 oil burners of the furnace type and 2,250,000 space heaters burning oil. This does not take into consideration all the other forms of increase in the use of petroleum products—locomotives, industrial plants, farm tractors and trucks, busses—the list is long and each item is significant of the greatly added burden on the petroleum industry.

Those who now suggest Federal control see disruptions in petroleum supply. Some of them honestly desire to correct the situation, even at the risk of employing drastic methods. What they should understand is that the industry is now convalescing from the very disease they now suggest as a remedy—Federal control.

All of us have heard of sufferers from a hang-over who proposed as a remedy the "hair of the dog that bit me." The dog did bite us all right, but there is neither scientific nor popular support for the theory that his hair will heal the injury; rather, repeated dosage will make the hang-over permanent.

Since the removal of the more direct type of controls there has been Government control on exports of steel. These controls have been used in a manner to take steel from the uses of the domestic oil industry and send it abroad. This process continues. The industry at home then is blamed for a condition which Government itself helped to produce—and the assertion by some of the men in Government is made that the shortage which they have helped to create will last through 1951.

Yours very truly,

RUSSELL B. BROWN.

Why Does Not Mr. Brennan Provide 7 Cents Per Quart Oleo Milk?—Why Does Not He Recommend 12 Cents Per Quart Reconstituted Whole Milk?

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, under leave to extend my remarks, I include the following article from the February 5, 1948 Washington Evening Star:

BRENNAN CALLS FOR END OF OLEOMARGARINE TAX

Roland M. Brennan, purchasing officer for the District, has recommended to the Commissioners that they indorse the bill now pending in Congress to eliminate the tax on oleomargarine.

In a memorandum to the Commissioners, Mr. Brennan said his office has discontinued the purchase of butter "until the price of butter comes down to a figure within reason," and that if the tax were eliminated, the District would save considerable money.

The District has contracted to purchase, in this fiscal year, 37,750 pounds of uncolored oleomargarine at 35½ cents a pound and 7,200 pounds of colored oleomargarine at 47 cents a pound, which is more than the District paid for butter several years ago.

While the tax on uncolored oleo is only one-quarter of a cent a pound, there is a great deal of labor involved in coloring it in the various institutions, Mr. Brennan told the Commissioners.

Mr. Brennan could incorporate the vegetable oil in the skim milk without the "great deal of labor involved." At the support price the United States Department of Agriculture paid for skim milk for the school-lunch program, oleo milk could be produced for 7 cents per quart. At the support price for dried skim, this oleo milk could be made for less yet. Reconstituted whole milk and not a substitute for milk can be obtained and made at District institutions for 12 cents per quart. Why not this saving instead of telling the Commissioners to be telling the Congress what laws to pass?

American Foreign Policy

EXTENSION OF REMARKS
OF

HON. ROBERT A. TAFT

OF OHIO

IN THE SENATE OF THE UNITED STATES

Tuesday, February 24 (legislative day of Monday, February 2), 1948

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address I delivered before the Economic Club of Detroit, on February 23, 1948, in Detroit, Mich.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I consider it a great privilege to be invited to address the Economic Club of Detroit and have an opportunity again to visit Michigan where live so many of my old friends. I do not suppose there are any two States in the Nation more alike than Michigan and Ohio in their forms of local government and in the governmental philosophy of their peoples. Of course, it is pleasant for me to come to a State with a long Republican record and an able line of governors, mostly Republican, ending with your present efficient and excellent executive, Kim Sigler.

I could not come to Michigan without testifying to the voters of Michigan regarding the exceptional representation they have in the United States Senate. Since I have been a Member of the Senate, I have worked closely with your distinguished senior Senator, ARTHUR H. VANDENBERG. From a minority of 17 just before my election in 1938, we have seen the Republican Party grow to command the Senate, and we have worked together in harmony for the development of progressive Republican policies. I shall discuss later his services to the Nation in the foreign field, but on every question, domestic or foreign, he commands the respect and admiration of his colleagues.

I have a warm affection also for your junior Senator, HOMER FERGUSON. I think he is the hardest worker in Washington. One of our duties is to investigate the doings of the executive administration and see that the people really understand what is going on. The Republicans have usually assigned Homer to this rather unpleasant job, and he has often had to sacrifice much more attractive work in order to carry it through with the success which he has achieved. No State has more influence in the Senate than Michigan.

I hope also that you may retain your very excellent representation among the Republicans of the House for as long as they will be willing to serve. There are none better than those who represent Wayne County, HOWARD COFFIN, HAROLD YOUNGBLOOD, and GEORGE DONDERO.

My title is given as "Congress Today." Since most of our thoughts at the moment are devoted to the Marshall plan, I desire to speak today on the foreign policy of the United States and its relation to the Democratic and the Republican Parties. How far is our foreign policy bipartisan? How do the foreign policies of the two parties differ? How far is foreign policy a partisan question at all?

In the first place, foreign policy is peculiarly within the jurisdiction of the President of the United States. Any role played by Congress or by a minority party must be a secondary one. Under the Constitution, the President is given the right to initiate all negotiations with foreign nations, to make executive agreements with such nations, to appoint ambassadors and to declare policy. Such an important policy as the Monroe Doctrine, for instance, was never formally approved by Congress and arose simply by a declaration of the President of the United States. True, when an agreement finally reaches the condition of a treaty, it must be confirmed by a two-thirds vote of the Senate, but more and more the Executive is claiming the right to cover almost all subjects by executive agreement which requires no consent of Congress unless appropriations are involved. In recent years, and particularly since the adoption of the United Nations Charter and its subsidiary agreements, still more power over foreign policy has been delegated to the President. He has been given complete power to direct the American representatives in the Security Council and the General Assembly of the United Nations as to the action of the United States. Under this power he can even involve us in war without the declaration of war by Congress required by the Constitution. Under the Reciprocal Trade Agreement Act he can lower tariffs to 25 percent of the statutory rate without any action by Congress. That is lower in most cases than the Underwood tariff, and gives the President the power to destroy an industry which requires protection. Almost the only power remaining to Congress is the power to refuse funds necessary to carry out any special feature of foreign policy. Since our relations today with foreign nations consist for the most part in loaning them money, this power is not negligible. But even in the remaining fields of congressional policy, the President can so far commit the Nation by his acts and statements that it becomes very difficult for Congress to make any substantial modification in his commitment.

Ordinarily, foreign policy has not been a party matter. In recent years, substantial differences on foreign policy have cut across both parties. In time of war it is regarded as almost unpatriotic to oppose the current foreign policy of the Government no matter how wrong it may be. In time of peace the condition is somewhat different, and I believe that those who regard any foreign policy as likely to involve the Nation in an unnecessary war or substantially interfere with our own economic welfare, are obligated to present a public opposition to administration policy. On the other hand, on less important matters I have felt also that between elections, at least, it is better to withhold criticism. Under the Constitution and laws I have described, only the President can be the effective voice of America, and unless issues vital to the welfare of America are involved it is better that foreign nations do not feel that we are speaking with two voices.

In accordance with this policy, the Republicans in the Senate have usually refrained from criticism where it could not change administration policy. They have often supported proposals which, to their own mind, contained little promise of success.

But certainly before an election, it is the duty of both parties to present to the people the foreign policy they will follow if elected. In such an election, I believe it is their duty as well as their right to criticize at that time those past policies of the administration which have failed and the present policies which threaten unnecessary disaster to the Nation. This week President Truman, in effect, opened his campaign for reelection. The campaign is on. At the Republican convention in June, we Republicans will agree on a program of foreign policy. I am confident it will be suited to the present world conditions. It will protect the interests of the American people while recognizing our responsibilities the world over.

Today, I wish, first, to point out the irreparable and destructive results of the foreign policies of Presidents Roosevelt and Truman; second, to show how the Republicans, for the most part through Senator VANDENBERG's participation, have been responsible for most of the recent improvements in that policy; and, third, point out a few of the dangerous prospects involved in administration policy today.

During the war, President Roosevelt practically ignored the Republican opposition, and the Democratic Party must assume full responsibility for everything that happened through the Potsdam Conference. Most of our difficulties today were brought about by the foreign policies of the Democratic administration.

The policy of unconditional surrender destroyed the German state. It left no one with whom we could even begin to negotiate and no possibility of setting up such a state. It left a vacuum in Europe into which Russia has successfully moved. Decisions were made at Tehran and Yalta which have completely wrecked the economy of Germany and thereby seriously hindered all European recovery. Reparations in impossible sums were agreed to which have resulted in the dismantling of German plants, many of which were used for civilian purposes long before the war. In effect, the Morgenthau plan which was adopted intended to reduce the German people to a bare subsistence level, largely on an agricultural basis. In Washington this plan was constantly denied, but, nevertheless, it was substantially put into effect. It was more than successful in its unwise aims, because it reduced the German people to well below the subsistence level, and it is now costing the United States $800,000,000 a year to bring them up to a subsistence level. In the meantime, they are unable to supply the goods needed by other European nations and, of course, they do not provide a market for the goods of those nations. I once questioned Secretary Morgenthau in a committee meeting as to whether this would not be the necessary result of his proposal. He assured the committee that German industry was unnecessary, and that industry would spring up in all the surrounding countries to replace it. Of course that has not happened.

Neither in 1941, when we first extended lend-lease aid to Russia, nor at Tehran or Yalta was it ever suggested that Russia give some assurance of cooperation after the war in return for our lend-lease goods. The President knew of Stalin's deal with Hitler and his unjustified attack on Finland, yet he chose to put complete reliance on his own hunch that Stalin would behave in an angelic manner if we gave him everything that he asked. We poured out billions in aid to Russia without obtaining anything in return except their continuing to fight a war against Germany which they would have had to fight anyway. We agreed to Stalin's strategy of attack on Germany which resulted in the complete Soviet occupation of

budgets, whether they stabilize their currencies, whether they give incentive to men to invest money in new or expanding plants, whether they give proper incentive to men to export their production. All we can do is help them to help themselves. I strongly object to the theory that they can add up their desired imports, subtract their possible exports, and hand us a bill for the difference. Secretary Marshall's claim that the appropriation must be $6,800,000,000 or nothing is about as fallacious as any argument ever presented to Congress. Whatever we give them will aid them that much, and if we give it too lavishly it can well do more harm than good. Why should a man struggle to build a new plant and produce more goods when there may be a chance several years from now to get one for nothing from the United States? Why should a government take unpopular steps to put its own house in order if it can get cash from the United States to carry it through, without critical examination of what it does with the money?

The whole success of the plan depends on the manner in which it is administered. I doubt if a wise and careful administrator can spend more than $4,000,000,000 in a year, exclusive of Germany. If he is not a wise and careful administrator and is not prepared to check each expenditure and see whether it is really producing results, we had better not give him more than four billion.

In this field the Republican Foreign Relations Committee under the leadership of Senator VANDENBERG has done a most effective job in improving the plan. They have removed the $17,000,000,000 figure from the bill, thus eliminating any implication of a commitment for that amount or any amount during the last three of the four years. By cutting down the period from 15 months to 1 year, the commitment implied at this time is reduced by a billion and a half dollars. Beyond that five billion three hundred million, I can see no moral commitment, though the momentum of the plan, of course, will carry it on at least into the second year at some additional expense. I still think this amount is too large and that it will encourage the granting of money for dubious projects which should properly be eliminated. This, however, is a question of degree and one on which men may differ, and do; but there is no difference of principle in such a question.

A magnificent job was done by the committee in completely destroying the State Department plan to have this money administered under the direction of the State Department. The Republicans in Congress, and I believe most of the Democrats, feel very strongly, and I think with justification, that the State Department has no consideration whatever for the American taxpayer or American economy. The Department seems to share the foreign view that this country is an inexhaustible reservoir of money and commodities. Sometimes I think it shares the view that we owe these European countries an annual present. Even $4,000,000,000 is not hay. Seven billion six hundred million dollars as originally proposed by Secretary Marshall (which includes $800,000,000 for the German civilian population) means on the average about $200 more taxes for every family in the United States this year payable in taxes or in higher prices or both. It means a tax of about $100,000,000 on the people of Detroit to provide their share of the proposed expense for the first 15 months. Excessive expenditures mean a drain on our resources which may further increase prices, particularly as the European countries want the very goods which are still in inadequate production. It is vitally important that this tremendous sum be administered by a hard-boiled businessman who only pays it out when he can see that results are obtained.

The committee has set up an independent administration with a man at the head of cabinet rank. He will be on an equal basis with the Secretary of State and the Secretary of Commerce in presenting his policies to the President, who will have the final decision. As far as the form of organization can control the administration, the Republican plan will do it. Let us hope that the President will appoint a man to act in accordance with the theory of that plan.

From Potsdam until today, Republican cooperation has strengthened the plans for international organization, has resisted the advance of communism and has insisted on economical and effective administration of assistance to war-torn nations. It was impossible to correct the mistakes of foreign policy committed at Tehran, Yalta, and Potsdam, but the Republican Party can only be proud of the record that it has made.

But the ordinary day-to-day policy of the State Department is conducted without Republican participation of any kind. While the Marshall plan is justified by the restoring of production and opposition to communism, we dismantle German plants in direct opposition to the principle of the Marshall plan. We ship machinery to Russia. We distributed UNRRA supplies largely to the military advantage of Tito. Today in China we continue a policy which threatens to undo in the Far East everything the Marshall plan is trying to do in western Europe.

From the beginning we have encouraged the Chinese Communists. Every Commie symypathizer in the United States has been damning Chiang Kai-shek, whom we were taught in the early years of the war to regard as the greatest patriot in the Far East, and the greatest friend of the United States. He was the same man then with the same faults that he has now, but forces in the State Department have encouraged the propaganda against him. Yet he is today the only hope to prevent the spread of communisim in China. His armies in Manchuria are surrounded, and are unable to combat the Communists, for the reason that for months we gave these armies no ammunition for their Americans arms, while the Communists have been lavishly supplied by the Soviets with the Japanese arms they captured at the end of the war.

Unless vigorous action is taken immediately, all Manchuria will be lost to communism. It is not only a tremendous agricultural area, but one of the great industrial sections of China. If communism dominates Manchuria, how can we hope that in future years we will be able to keep it out of Japan? The practicability of rehabilitation for China and the value of relief is open to question, but certainly we can provide the Chinese Government with the arms and ammunition necessary to resist Communist forces in Manchuria as we have undertaken to resist them in Greece.

This week, Secretary Marshall presented his Chinese plan to Congress and testified before the House committee. He said that China was completely wrecked by civil war, but he opposed the policy of extending vigorous military aid, which alone could bring an end to civil war. He suggested a limited amount of economic relief which, of course, by his own testimony, will completely fail to solve the problem. Secretary Marshall admitted on the stand that if the Chinese Government collapses, China north of the Yangtze River would be taken over by the Communists. He admitted that north China would present the equivalent of a second Poland under Russian domination. He admitted that under those circumstances, our position in Korea would be untenable. He admitted that Japan would probably be Communist when we withdraw. The truth is that Secretary Marshall does not like the Chinese and has no interest in their problems. For 7 months he tried to force Chiang to accept the Chinese Communists into his cabinet. He has been unwillingly forced into proposing a relief program. He says that ammunition is now being shipped to the Chinese, but obviously with no interest or vigor. Yesterday, the column of Mr. Joseph Alsop, who certainly is extremely friendly to General Marshall, said that he is deeply influenced in his views on China by a sharp personal distaste for Chiang which produces a wholly negative approach on his part to the Chinese problem.

Certainly, this whole policy is absolutely contrary to the traditional policy of the Republican Party in support of a free China and an open-door policy in China. I believe very strongly that the Far East is ultimately even more important to our future peace than is Europe. We should be at least as much concerned about the advance of communism to the shores of the Pacific through people who are ready to accept dictatorship as we are to its possible advance in Europe through nations which have a history of independence and popular government.

Another curious instance of the administration's inconsistent battle against communism lies in the loan being granted to the Polish Government by the International Bank, which is practically under American control and uses American funds. Sixty million dollars is to be given Poland in coal-mining machinery. The theory is that the Poles will ship some of this coal to western Europe. The fact is they will do with their coal exactly what Russia tells them they can do. Whether or not any is shipped to western Europe you can be certain that the majority of it will go to munitions plants at Skoda and other factories to build up the military strength of Soviet Russia. The truth is we have in our departments, both in the Commerce Department and the State Department, men at the intermediate levels who yearn for more economic planning, and others who still sympathize with Russia in spite of all that has happened.

I cannot emphasize too strongly that foreign policy is dominated by the President of the United States. He may assume the whole responsibility as did President Roosevelt. He may accept in selected fields the assistance of the minority party as has President Truman. The Republicans have had an opportunity to show not only their willingness to cooperate when consistent with their principles, but to suggest and carry through great improvements in special fields of foreign policy. If American policy, however, is to be consistent, if it is to represent first and above all the interest of the American people, if it is to stand open and unashamed for a system of freedom of the individual, of commerce, industry and agriculture and oppose consistently the philosophy of communism, then the only certain recourse is to put a Republican administration into control of all our foreign policy.

Freedom Is the Issue

EXTENSION OF REMARKS
OF
HON. BRIEN McMAHON
OF CONNECTICUT
IN THE SENATE OF THE UNITED STATES

Tuesday, February 24 (legislative day of Monday, February 2), 1948

Mr. McMAHON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject "Freedom Is the Issue", delivered by the Senator from Wyoming [Mr. O'MAHONEY] to the First National Convention of Americans for Democratic

the Balkans, of Vienna, and of Berlin. In fact, we actually withdrew our troops from land which we had conquered to carry out our agreements while the Russian Government was not asked to make any agreements restricting its territorial advance, and failed to keep its other agreements.

In the course of this policy, we completely tore up the Atlantic Charter and all the ideals for which the war was fought. We never even mentioned the freedom of Latvia, Lithuania, and Estonia. We failed to guard effectively the freedom of Poland, the very freedom for which England and France began the war. We abandoned Mihailovich and the Yugoslav patriots who had been urged to defiance against Hitler by our own State Department. We turned against Finland, whose only crime was that it was determined to be free from Soviet tyranny. We won the war against Germany, but we have not brought freedom or self-government to Europe or peace to the world. We have made a mockery of the Atlantic Charter.

At Yalta, President Roosevelt gave Russia wide interests in Manchuria and the best half of Korea, to say nothing of the Kurile Islands and the Japanese half of Sakhalin. These islands were given with no strings attached, so that they may be heavily fortified as a threat to our whole position in the Pacific. Secretary Marshall, who was at Yalta, says that he knew nothing of this agreement, although he admits that he insisted upon the necessity of getting Russia to enter the Japanese war. If anything is clear today, it is that he was completely mistaken and that the Japanese armies in Manchuria would never have been an important factor after their homeland was occupied.

Throughout the whole period, we seem to have been dominated by a complete inferiority complex to Russia. Whatever they asked they received, and gave nothing in return. This failure in foreign policy was not chance. It resulted from the character of the New Deal administration. For years they had criticized the American principles of republican government. They had favored the steady growth of a totalitarian state directing the economic and individual rights of all its citizens. Men like Henry Wallace, Vice President and Secretary of Commerce, had regarded communism as another form of democracy, perhaps a little better than our form of democracy. Communists were encouraged to support the Democratic candidate in national elections, and to take over important labor unions. Harry Hopkins, the President's adviser on foreign affairs, was extremely friendly to the Communist regime. Other men who were thus friendly were raised to influential positions in the departments. Those who expressed opposition to, or criticism of, Russia were silenced or relegated to nonentity. In fact, the Government service acquired so many Communists that President Truman a year ago requested $50,000,000 in order to investigate and rout them out. As Russia's attitude became more aggressive, Communist influence in the United States declined but even today there seem to be curious areas in some of the bureaus where opposition to Russian claims is deplored.

Just before his death, President Roosevelt for the first time invited Republican congressional cooperation in foreign policy by appointing Senator VANDENBERG as a member of the United States delegation to the San Francisco Conference. The reason for this was obvious. Without Republican votes, the United Nations Charter could not be adopted. From the date of that appointment, however, the Republican Party can claim credit for most of the improvements in American foreign policy without which the present chaos would be infinitely worse. Senator VANDENBERG on January 10, 1945, saw very clearly the dangerous situation brought about by the Russian policy and the apparent determination of Russia to occupy all of eastern Europe. He proposed that if Russia abandoned that policy, we would agree to join Russia and Great Britain in a permanent occupation of Germany which would prevent a new aggression. He felt that if Russia could be certain of such a long continued occupation, it would feel safe against Germany and would not be suspicious of our using Germany to build up a new attack on Russia. President Roosevelt took copies of this proposal to Yalta, but as far as we know he never even suggested the idea to Mr. Stalin. The Russian attitude became more and more aggressive and difficult as we continued to yield on every point, if not openly, then by secret agreement of the President.

Republican influence had a substantial effect in improving the Charter of the United Nations. I do not know who wrote the original draft of Dumbarton Oaks proposals. They were based, however, entirely on force and expediency, and there was little discussion of law or justice. All power was concentrated in the Security Council dominated by the large powers and given power to act whenever it felt that it was desirable to act to maintain international peace and security. The word "justice" was not mentioned in the entire draft. Mr. Thomas Jefferson and the members of the Constitutional Convention would have shuddered at the first American approach toward an international organization.

It was through Senator VANDENBERG'S insistence that the Charter of the United Nations required that all collective measures be taken in conformity with the principles of justice and international law (art. 1, par. 1); that members settle their international disputes by peaceful means in such a manner that international peace and security and justice are not endangered (art 2, par. 3); that the General Assembly initiate studies encouraging the progressive development of international law and its codification (art. 13). I think that the Charter still places too much dependence upon the arbitrary power given the Security Council to do whatever it may think opportune to secure peace and security, but now we have every right ourselves to exercise our veto power against any decision which does not include considerations of justice. The ground was laid for further improvement toward a world of equal justice under law, when the Charter is revised. It was also due to Republican insistence that the General Assembly was given wider freedom of debate (art. 10), and also the power to recommend measures for the peaceful adjustment of any situation regardless of origin (art. 14). We were determined that the whole proceedings of the United Nations be not dominated by the direction of the great powers.

Senator VANDENBERG participated in other conferences, particularly the conferences at Paris in 1946. It was largely his influence which finally forced the administration to abandon the policy of appeasing Russia. His experience at San Francisco and thereafter convinced him that nothing could be accomplished by adhering to that policy, and his influence with Secretary Byrnes was such that we finally committed ourselves definitely to complete opposition to further Russian expansion. Most of what had already been conceded could never be undone. It was also the influence of Senator VANDENBERG which forced through the only peace treaties which had been made with Italy, Hungary, Bulgaria, and Rumania. Unsatisfactory as they were, it was better that we work from a peace basis than from an armistice basis, and there can be no doubt of the improvement of conditions in Italy through the adoption of the Italian Treaty.

Again, in South America, most of the commendable policies have had a Republican origin. Senator Austin played a vitally important role at Chapultepec before the San Francisco Conference in working out the international agreement in such a way that it could be fitted later into the United Nations Charter. It was agreed that after the Charter was adopted the American nations would meet again to complete an inter-American peace agreement. State Department policy in South America after that, however, practically destroyed all of the friendship which had existed at the time of the San Francisco Conference. Secretary Braden carried on a largely unnecessary dispute with Argentina and continually postponed any further conference. It was only on Republican insistence that the Rio Conference was held in August 1947. Senator VANDENBERG was the American leader at that Conference. The results of his work and that of Senator Austin were finally made evident in the treaty between all the American nations entered into at Rio de Janeiro on September 2, 1947. Under the Inter-American Treaty of Reciprocal Assistance, 19 republics agreed that an armed attack by any state against an American state shall be considered as an attack against all the American states, and each undertook to assist in meeting the attack. For the first time an attempt was made to define aggression so that some tribunal could determine the merits of an international dispute on principles of law. This agreement may well set an example for future revision of the United Nations Charter. Without Republican insistence, guidance, and leadership this epoch-making agreement would not have been completed.

Republicans were not consulted in advance regarding the Greek and Turkish loan or the Marshall plan, involving no bipartisan policy. Though they were dubious as to the wisdom of the policy and particularly of the possibility of successful administration they, for the most part, felt that support of Greece and Turkey were in the national interest. I felt myself that the chance of our being involved in war was not great, and that some action was necessary in order to discourage Russian advance until the world could be stabilized. We did our best to impose conditions which would make the policy effective, recognizing, however, that the responsibility for its success must rest entirely on the Executive.

With regard to the Marshall plan, we have adopted the same generally cooperative attitude. I have always felt that we must continue Government aid to Europe while the threat of communism still remains substantial. It is vital to our interest that the philosophy of communism does not advance throughout the world. Certainly, it should not be assisted by the maintenance of unstable conditions which we can do something to improve.

I do not agree that there should be any economic plan for the world or for Europe. I don't think it is possible to make any such plan. I don't think this country can possibly underwrite any global plan for the world without wrecking our own economy. I do feel that these countries are handicapped in many ways and that without our aid, even assuming their own complete and effective action, it will take them many years to recover their prewar prosperity, whereas with our aid they can reach that goal much more quickly. I feel that we can supply machinery and raw materials which will enable them to put their people to more effective work and produce the exports necessary to pay for the import of food. We can prime the pump. We can help them remove bottlenecks. We can provide some food while they go to work. I agree with the theory of the plan that our aid must be contingent on their doing the best they can.

I do feel, however, that nine-tenths of their success will depend on their own efforts. It will depend on the policies of their governments whether they balance their

Action, at Philadelphia, Pa., February 21, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FREEDOM IS THE ISSUE

Whenever the political life of a people, or their economic life is controlled for them instead of by them, they have lost freedom.

This first convention of Americans for Democratic Action has assembled because everywhere throughout America forward-looking men and women realize that the basic principle of Americanism is in our time undergoing one of its greatest tests and they are determined that freedom shall not be lost. I congratulate all who have assembled on the evidence you have given by coming here that you have enlisted for the duration in the fight to preserve liberty.

Americans for Democratic Action stand for the best traditions of American statesmanship. You recognize that the people come first, that the individual is free and that dictatorship, whether it is exercised in the name of the "haves" or in the name of the "have nots" is the negation of everything for which this Republic was brought into existence.

For the first 50 years after our Government was formed every President, either in an inaugural address or in a message to Congress, referred to popular government as an experiment, the fate of which resides in the hands of the people of the United States. Tomorrow when we celebrate Washington's birthday we can remember his declaration in his first inaugural that the preservation of liberty and the destiny of free government are to be considered as "deeply and finally staked on the experiment entrusted to the hands of the American people." In 1825, when John Quincy Adams assumed the duties of the Presidency, he looked back upon the history of the intervening years since Washington and asserted with gratification "that this experiment upon the theory of human rights has, at the close of that generation by which it was formed, been crowned with success equal to the most sanguine expectations of its founders." Almost three decades later another great American President made clear his conviction that ours was indeed "a new Nation conceived in liberty and dedicated to the proposition that all men are created equal."

POPULAR SOVEREIGNTY THREATENED

We have lived to see the time when the experiment in popular sovereignty is once more threatened by arbitrary power. It is a more dangerous threat than ever arose before, because it is a threat of tyranny armed and strengthened by all the discoveries of science and the inventions of technology.

It is for those of us now living here in the United States to prepare for the Presidential election of 1948 with knowledge that we shall by our action shape the world in which our children and our children's children for generations to come are going to live. It will be a free world or it will be a controlled world and the lines are now forming between those who believe in freedom and those who believe in arbitrary power. We who are gathered here and the many thousands who are aligned with us throughout the United States have taken our stand upon the side of freedom. We are against arbitrary power. We are against tyranny. We are against all those who pretend to believe that they have the wit to tell the rest of us how we must live and how we must be governed.

Our first great task, therefore, is to make clear the issue which must be settled by this generation of men and women.

If we are to have a free world it will be a free world in which the individual is recognized as the only source of whatever authority, political or economic, that is to be exercised over him. That is the American system.

If, however, it is to be a controlled world the individual will not be the master of his own destiny either in economics or in politics, but will be subject to some arbitrary will that is imposed upon him.

BETWEEN TWO SYSTEMS

We stand between two systems. One of these is the authoritarian It prevails by force. It will not tolerate the liberty of the individual. It ruthlessly stamps out any opposition to its will. It is headed back into the distant past from which civilization has so painfully emerged and this is true whether it is the authoritarianism of an alleged proletariat dictatorship or the authoritarianism of so-called "vested" economic power.

The other system and the one to which Americans have always given their allegiance is the one in which the individual is free, in which he is subject to no dictator, economic or political, in which he enjoys the right to govern himself and the right to support himself, in which by tolerance and cooperation he recognizes no barriers of race or creed, but devotes himself to the progress of all.

Democracy prevails by reason and self-restraint among all the individuals who compose society. Its very virtues are sometimes its greatest danger for democracy does not suppress opinion. It is not suspicious, it is tolerant and trustful. Democracy encourages debate. It is slow to anger. It hates war for it will not attack unless attacked, but in the modern world with all its scientific achievements, it can be overwhelmed by ruthless force before it is aware of its danger.

Thus it is that the people of America must rally as never before to the defense of the American system.

WHAT IS THE AMERICAN SYSTEM?

What is this American system which we have inherited from the past and which, in our time, has been repudiated by those who have yielded to the false dictatorship of totalitarianism. It is the system of popular sovereignty in the name of which every great advance in our history has been made. If anybody doubt that it was intended to be what Jefferson and Jackson called the government of all, or of what Lincoln described as a government of the people, by the people, and for the people, let him read the Constitution itself. From the preamble to the tenth amendment its provisions constitute an assertion and a reassertion of the doctrine that the people and only the people are the source of power, that the government is an instrument to promote their welfare according to their will and that it is the constitutional duty of the Congress so to regulate commerce as to preserve the economic freedom of the people.

"Popular sovereignty," the phrase which was so common in the earlier history of this Nation, is the very heart of the American system, but upon this basis of popular control there has been superimposed in our time an economic system which is in conflict with the fundamental principles of individual supremacy. One finds little debate against the proposition that the state was meant to be the servant of men, but blind leaders of the blind are now contending in the camp of the police-state Communist and in the camp of the economic royalist that man is either the servant of the state, upon one hand, or of the economic system, upon the other, and that those who happen to be able to seize control of either the state or of the economic system are entitled by some divine right to impose their will upon their fellows.

During the current month we have been treated to the strange spectacle of hearing men who call themselves the followers of Abraham Lincoln proclaim a score of reasons why the Government should not be permitted to serve the people in economic affairs. Knowingly or unknowingly, they are willing to create the vacuum into which economic totalitarianism is always ready to rush and by assuming direction of the way men can live eventually gain control of their political rights as well.

ABRAHAM LINCOLN'S MESSAGE

To such persons I recommend the reading of a fragment of writing in Lincoln's hand found last July when the new Lincoln papers were opened in the Congressional Library. It is a message which all Republicans may well ponder while they are being urged to countenance the abandonment of the regulation of commerce into the hands of totalitarian industrial reaction. These are the words of Lincoln:

"The legitimate object of government is to do for a community of people whatever they need to have done but cannot do at all or cannot do so well for themselves in their separate and individual capacities. In all that the people can individually do as well for themselves the Government ought not to interfere."

The threat to freedom in our time has arisen from the fact that we have failed to follow the injunction of Lincoln who, like Washington, Jefferson, and Jackson in the early days, like Wilson, Theodore Roosevelt, and Franklin Roosevelt in our time, have been devoted advocates of the principle that the people are entitled to use the powers of government to prevent the loss of their economic liberty. Central economic power, exercised in an arbitrary fashion by those who control the modern instruments of commerce, has been the cause of the development of arbitrary central political power in the modern world. Mussolini, Hitler, and Stalin, all three have been the direct products of the concentration of economic power. The fight for freedom begins with the fight against monopoly.

This fact was clearly seen by President Franklin D. Roosevelt who, in his masterful and penetrating message of April 29, 1938, laid before Congress a program for the establishment of economic freedom:

"Once it is realized that business monopoly in America paralyzes the system of free enterprise on which it is grafted, and is as fatal to those who manipulate it as to the people who suffer beneath its impositions, action by the Government to eliminate these artificial restraints will be welcomed by industry throughout the Nation."

COLLECTIVIST INDUSTRY

With unerring vision he pointed out that the danger of this centralization of economic power in the hands of a few giant corporations is not mitigated by the distribution of their shareholdings among a few hundred thousand people. He understood that concentrated industry is not managed by its owners, but by a few experts who are themselves employees and that the modern economic system thus has become a collectivist pattern for the collectivist state.

This is a lesson for all who believe in the democratic tradition to learn. It rises above all partisanship. It has nothing to do with political faction. It has its roots in the most sacred institutions of a free people and the members of this group of American citizens who have organized for democratic action can go forth to their neighbors and friends, Republicans and Democrats, firm in the knowledge that they are preaching the basic political doctrine to which the people of this country have adhered since the beginning.

If America is to lead the world to a higher standard of living for all peoples of all races and nations, if it is to teach all mankind how freedom can be maintained, it must begin by appealing to the instinctive belief of all Americans that our economic system,

as well as our political system, belongs to the people.

This is a campaign for Republicans as well as for Democrats for most Republican voters of this Nation, like most Democratic voters, are believers in popular sovereignty in all its aspects. Victory in this campaign depends upon our success in making it clear that the policy of economic laissez faire, the policy of tax concessions to the very wealthy, the policy of abandoning any pretense of Government regulation of monopolistic groups which has marked the 80th Congress will, if permitted to proceed, make impossible the attainment of the salutary objectives for which Democrats and Republicans alike have, in their best moments, labored.

The dominant steel companies which have now for the second time in 6 months decreed an increased price of steel will collect their tribute from Republican businessmen as well as from Democrats. They draw no party line. They regulate commerce in steel and by private decision fix the costs for all industry. A handful of big companies, acting behind closed doors, set the pattern for 140,000,000 people and the American Congress, under reactionary leadership, repudiates the concept of government function held by Lincoln and Jefferson and all other progressive American leaders by whatever party name they were called.

ECONOMIC FREEDOM ESSENTIAL

A Congress which refuses to exercise its constitutional powers to abate the spiraling cost of living and which surrenders to concentrated economic power the control of industry and of commerce, is false to every tradition of Americanism.

The old issues which have divided the political parties of America in the past have disappeared. The new issue is the fight against economic and political collectivism. They are one and the same for economic freedom is part of the same ideal as political freedom. Man cannot long preserve the right to govern himself if he is not free to support himself, and he cannot win back the right freely to support himself by yielding to Communist dictatorship.

Those advocates of social progress who are willing to compromise their convictions of individual liberty by appeasing the leaders or the advocates of political collectivism are even more dangerous foes of democracy than the frank advocates of arbitrary power. They are dangerous because they play the game of the totalitarian whose first step in the struggle for power is the attempt to create confusion. The political totalitarian sees in confusion the best instrument with which to abolish personal and democratic ideals and establish the all-powerful police state. There can be no compromise with the totalitarian. There can be no successful appeasement of him for he regards all such appeasement as only the silly and naive offerings of those who do not understand that the dictator has no associates, but only dependents, no equals, but only slaves.

The fight for democracy in the modern world begins in the economic field for it is in this field that the totalitarian doctrine of control from above first developed. We must base our fight upon the axiom of free society that the people and only the people are the sovereigns. All political organizations are created to serve them, not to rule them. Therefore no economic organization may be permitted to do that which the state itself cannot do.

We must recognize the fact that economic organization in the modern world, necessary though it is and beneficial though it can be, should never be permitted to gain control of the Government.

BIG BUSINESS SEEKS CONTROL

That battle is on right now. The stock exchange would like to control the Securities and Exchange Commission. The National Association of Manufacturers wants to direct the policies of the Federal Trade Commission. Private utilities are battling for dominance of the Federal Power Commission and are endeavoring to cripple the United States Bureau of Reclamation as an instrument of public power. Wall Street would like to take over control of credit. In short, concentrated business aspires to exercise the power to regulate commerce in its own interest, a power which, by the Constitution, was granted to the Congress of the United States to be exercised in the public interest.

Neither government nor monopoly should have the power to control the people. Government does have the power to regulate commerce, for the drafters of the Constitution placed that power in the Congress, but monopoly should have neither the power to control nor the power to regulate the affairs of the people.

As Americans for democratic action, we must first of all recognize the difference between the individual who is the creature of God and the economic organization which is only the creature of man. We must recognize that the people, through their Government, in self-protection must lay down the rule of order which the organization must observe.

We must recognize that we cannot safely permit economic concentration to proceed further than it has already gone. The end will only be the destruction of both economic and political freedom in the erection of the totalitarian state.

We must recognize that the road to social progress and to the establishment of prosperity is the road to the establishment and to the maintenance of economic opportunity. This road can be opened only by strict adherence to the antitrust laws, by the stimulation of investment in free competitive enterprise, and by the taxation of excess profits.

The people of America will not surrender the powers of government to those who abuse liberty by indulging in economic exploitation. Neither will they abandon their devotion to world peace by surrendering, upon the one hand, to the isolationist who does not realize that American genius has made the world so small that no people can isolate themselves, nor, upon the other, to the blind leaders of the blind who do not recognize that the prevention of the recovery of the people of western Europe would be the prelude to the triumph of totalitarian communism.

Now, for the second time in this century, the people of the United States have the opportunity to lead the world to peace. After World War I, we were turned aside by isolationists who, attacking the League of Nations first by indirection and deceit, finally prevented our adherence. As a consequence, mankind drifted into World War II.

ISOLATIONIST AND VISIONARY FOES OF PEACE

The price of that mistake was the sacrifice of the lives of more than 300,000 young Americans. Who can predict how many more hundreds of thousands will pay with their lives if the people of the United States should now fail again? We must not permit ourselves to be turned aside from the attainment of this great end so necessary to civilization either by isolationist leaders who are attacking the Marshall plan by the same indirection with which the fight against the League of Nations was launched, or by visionaries who would defeat the Marshall plan though such a failure would mean the destruction of economic freedom throughout Europe.

Those who pretend to shudder at the cost of the European recovery program are closing their eyes to some simple facts. In 1946, before the last election, the Seventy-ninth Congress rescinded war appropriations amounting to more than $63,000,000,000. Those were funds which had been appropriated without a dissenting voice for purposes of war. Had the conflict continued those $63,000,000,000 would have been expended for purposes of destruction within a period of 6 months, and no one in the United States would have hesitated at the expenditure.

Now we are asked to spend $17,000,000,000 for purposes of peace over a period of 4 years. Compare $17,000,000,000 which would be expended for reconstruction and rehabilitation in a constructive program during 4 years with $63,000,000,000 to be expended in 6 months to destroy all productive capacity as well as life itself. Shall we hesitate to spend for the restoration of the world one-third of the sum we were prepared to spend to destroy?

We are offered the choice of working for peace or of once more permitting ourselves to drift helplessly into war. The isolationist who does not recognize that American genius has made the world so small that no nation can live unto itself alone, is no less blind than the naive visionary who would keep the democratic peoples of western Europe in nonproductive misery while the police state with military and economic preparation lays its plans to erase both economic and political freedom throughout the world.

This is the challenge that is presented to those of you who have assembled as Americans for democratic action. Action is the word! Action! For freedom and liberty both in the field of government and in the field of peace.

The Heritage of John Wesley

EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 24 (legislative day of Monday, February 2), 1948

Mr. HILL. Mr. President, the Christian Advocate, Methodism's church-wide newspaper, in its issue of October 9, 1947, carried an article prepared by me entitled "The Heritage of John Wesley." The Alabama Christian Advocate, the official organ of the Alabama and North Alabama Conferences of the Methodist Church, carried the article in its issue of February 12, 1948. I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the article war ordered to be printed in the RECORD, as follows:

THE HERITAGE OF JOHN WESLEY

(By Hon. LISTER HILL, of Alabama)

Sometimes I wonder whether we Methodists fully realize the heritage John Wesley left us. He was not only the foremost evangelist of modern times, and the founder of a mighty church which stands today as the shadow of a great rock in a weary world, but his gospel carried an influence far beyond his own faith.

His teachings brought light and hope to millions in his day who never heard of Methodism. His burning evangelism kindled vital reforms in other churches at the same time it drew millions into his own.

He lifted up a whole nation from moral degradation.

He awakened and challenged man's sense of responsibility for his brother.

And through the religious democracy of his gospel he inspired political democracy, the democracy upon which our Nation is built and the strength of the English-speaking peoples.

The heritage of John Wesley is still a living force, an abiding inspiration. The face of the world has changed, but his truths are eternal.

When Wesley rode across England on horseback carrying the word of life to the people, there was no atomic energy, no radios, no railroads, no steamboats. Even matches were unknown.

Science has moved far and swiftly since that day, until now the divine secret of the atom has been given man. But, for all its machines, the world we live in is still a world of men. The revelation Wesley brought to the people of his century is today the source of spiritual inspiration to all men.

Let us recall that in the middle of the eighteenth century the established church in England had sunk into moral lethargy. The fox-hunting parson and the absentee rector, attached to the nobility and the wealthy, devoted themselves largely to pleasure and material pursuits. Their concern was not with men's souls, certainly not with the souls of the common people.

By the time of Wesley's death his reform movement had served to cleanse the Church of England. For more than 150 years the religious life of that land has been vital and wholesome, and an influence for good in the affairs of all the world.

When Wesley began his ministry he found the English people of all classes sunk into almost helpless depravity. The fire of his evangelism aroused a moral enthusiasm which swept the nation. Through the pestholes of the cities and the primitive dwellings of the country his word caught the imagination of the people. Miners, workers, farm tenants bound for a lifetime to the same acres caught Wesley's vision. They became conscious of their manhood and jealous of its honor.

Life became to them something more than a sordid struggle for a bare existence. It assumed the dignity and sublimity of a great adventure of the soul. The people were lifted out of their depravity and started on the long journey to spiritual enlightenment.

The fervor of Wesley's gospel also stirred the nation's conscience. He was moved to anger by the callousness among civil officials and the upper classes to the conditions that existed among the common people. He knew that poverty brought moral decay.

In the cities of the time the poor lived in misery and want. Most of the labor was done in the "home factory" at viciously low wages. Women and children did much of the work. Coal miners worked beyond dawn-to-dusk for a pittance which could not give their families the necessities of life. Agricultural workers were treated more like beasts than human beings.

Wesley poured out the vials of his wrath upon those who prospered on the people's wretchedness. The whole nation was seized with compassion for the ignorance, the suffering, and the social degradation of the masses of the people. Hospitals were built, charities endowed, and refuges established for those who were helpless—physically or mentally. Sunday schools were founded for the religious education of poor and neglected children.

It was in the age of Wesley that Hannah Moore went among the agricultural workers and drew the attention of England to their poverty. John Howard began his struggles for prison reform. Edmund Burke made his great plea for the people of India. And Clarkson and Wilberforce started their crusade against the British slave trade.

Modern philanthropy and social reform flowed from the wellsprings of Wesley's evangelism. A people began to assume their responsibilities to their fellow beings.

Wesley made a further contribution to the modern Christian world. He carried over the land the gospel of universal redemption—of Christ's atonement for all mankind. His gospel proclaimed that each man possessed equal opportunity to save his own soul. The most wretched and depraved people learned from Wesley that it was within their own power to be redeemed. Men, seeking salvation, were freed from dependence upon social caste, ecclesiastical privilege, or royal favor.

The democracy of the Methodist teaching was contagious, the political institutions of the day caught it. Religious democracy lighted man's way to political democracy. The revelation of spiritual freedom created a passionate desire in the hearts of the English people for freedom from political bondage—for equal opportunity to achieve knowledge, place or power. Wesley's doctrine that men equal before God should be equal before their fellow men made him a founder and prophet of present-day democracy.

As we turn from a reading of John Wesley's life and times, we look upon a world which still has hunger and cold, fear and want. Millions over the globe face death from malnutrition and disease. The physical degradation Wesley fought still impedes the way to Christian peace in the world. If men are to dwel together in peace, there cannot be hunger in the midst of plenty, brotherhood in a world of distrust.

We have joined in setting up the machinery for achieving world peace—the United Nations. Into this family of nations America must carry the gospel of Wesley: All men are brothers; all men are equal in the eyes of God.

We Methodists must not forget that we share as individuals in the heritage of John Wesley. As he brought the word to the poor and oppressed despite threats and persecution and stoning by the mob, so must we practice his gospel in our daily lives. Each of us must make Wesley's teachings a living force within us, sharing God's beneficence through charities and good works. Each of us must do all we can, without counting too much the cost to ourselves, to right moral wrongs and correct the social injustices of our own day.

The goals of John Wesley must be our goals.

Decent housing to replace the slums of today, breeding ground of disease and crime and juvenile delinquency.

Commerce without exploitation so that men may receive just rewards for their toil.

Adequate education for our children so that they may grow up to be useful citizens.

On the farm and in the city, the opportunity for a decent American standard of living for all our people.

We must demonstrate the everlasting truths of the Christianity we profess and on which our democracy is built.

There is still a long road ahead. But Wesley's teachings yet burn in the hearts of men. Lasting peace and happiness can be won if we follow the Christian way.

Regulation of the Steel Industry

EXTENSION OF REMARKS

OF

HON. ERNEST W. McFARLAND

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 24 (legislative day of Monday, February 2), 1948

Mr. McFARLAND. Mr. President, I ask unanimous consent to have printed in the RECORD a statement entitled "Steel Industry Asking for Regulation," issued today by the Senator from Wyoming [Mr. O'MAHONEY].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STEEL INDUSTRY ASKING FOR REGULATION

The action of the steel industry in announcing a second huge increase of prices within the past 6 months indicates that United States Steel has established a virtual monopoly in the industry upon which all little and local business and all consumers are dependent. By their indefensible action they are virtually asking Congress to declare the steel industry a public utility. Immediate remedies which are absolutely essential in the public interest are the adoption of an excess-profits tax and an appropriation sufficient to enable the Federal Trade Commission to conduct a thorough-going investigation into the big industry pricing policies.

FEDERAL TRADE COMMISSION PROBE

The House of Representatives in acting upon the independent offices appropriation bill this year eliminated an appropriation of $185,000 requested by the Federal Trade Commission and the Bureau of the Budget to throw the spotlight of publicity on the methods used by the managers of big business to drive prices up and exploit the public.

I am introducing an amendment to the appropriation bill to restore the full amount requested by the Bureau of the Budget.

This is necessary because it is quite evident that the Joint Committe on the Economic Report which will allow some of the spokesmen for big steel to attempt to whitewash themselves next Thursday is not prepared to carry on the investigation which the facts demand.

No preliminary study has been made by the staff of the joint committee with respect to the activities of national interstate business in the pricing field, although it has been clear that interstate corporations have been making the greatest profits in history under the extortionate prices they have maintained. This is particularly true of steel, and when the joint committee goes into its steel session on Thursday, it will not have the benefit of any information gathered by its own staff.

Months ago it became apparent to the Small Business Committee that action in the case of steel was particularly necessary. A letter was written to the Federal Trade Commission on behalf of this committee, asking what the probable cost of such a study would be. The response was to the effect that it would cost about $225,000. There has been no action except the action of the House committee in cutting out the appropriation requested in the President's budget for a study of administered prices.

I am asking the Joint Committee on the Economic Report to have representatives of the Federal Trade Commission and of the Department of Justice present when the Economic Committee hearings open on Thursday. The Federal Trade Commission and the Anti-Trust Division of the Department of Justice are equipped to make a much-needed revelation before the committee of the pricing policies followed in the steel industry.

Attention ought to be called to the fact that in August 1947 the Federal Trade Commission filed a complaint against the American Iron and Steel Institute and 101 steel producers, alleging price fixing and combination in restraint of trade. Several public hearings have been held already, but they have not received the public attention to which they are entitled. It was revealed at these hearings, for example, that during the year 1940, before war preparations had begun, whenever the Navy Department or the Tennessee Valley Authority had occasion to

buy steel products, identical bids had been submitted by the steel producers down to one ten-thousandth of a cent. It made no difference what steel company was the seller. There was no competition; the price was the same.

MONOPOLY IN STEEL INDUSTRY

Even though there are 101 defendants in the Federal Trade Commission case, the fact is that in all probability most of these defendants were compelled in self-defense to go along with the decisions of the few big companies which dominate the steel industries. They have no freedom of action, much less competition in this industry, because the little fellows stand at the mercy of the big companies which dominate the scene. The fact of the matter is that the four largest steel producers call the tune for the entire industry. As long ago as 1880 the four largest producers owned 25 percent of all American rolling-mill capacity. Before the beginning of World War I, more than 60 percent of the capacity was in the hands of the Big Four, and when World War II began, that control included about 64 percent. It is even greater now. As a matter of fact, the eight largest steel companies own approximately 80 percent of all steel capacity.

When these big fellows speak, all the others fall in line. Worse than that, seven of the eight fall into the "me, too," category because United States Steel alone has more than 35 percent of the total capacity. In other words, United States Steel is the controlling power in an effective steel-industry monopoly. Failure upon the part of Congress to act positively and speedily will only mean that these big steel companies will be confirmed in their power to turn on or off the supply of steel for all the people and all the industries of America, as well as to fix the price which all industry and all the people must pay.

These eight companies are United States Steel Corp., Bethlehem Steel Co., Republic Steel Corp., Jones & Laughlin Steel Corp., Youngstown Sheet & Tube Co., National Steel Corp., Inland Steel Co., and American Rolling Mill Co. There is every reason to believe that the American Iron and Steel Institute does the bidding of United States Steel as conveyed through this small group of eight.

It ought to be clear to the managers of big business that the action of the steel industry in announcing its latest price increase is an invitation to have the steel industry declared a public utility. Every State in the Union, every business which uses iron and steel, every worker employed in any position or industry which uses steel is now dependent upon the private decisions of these blind steel magnates who do not see that they are destroying the basis of free enterprise.

The action of the steel companies in making this most recent boost is evidence of their complete confidence that the Congress of the United States under its present leadership will do precisely what they want. That is to say, leave them alone to regulate the commerce of the country so that they may make huge profits.

EXCESS-PROFITS TAX PROPOSED

I have prepared and will introduce before the end of the week a new excess-profits-tax provision which I shall offer as an amendment to the pending tax bill.

This provision will be designed to force big business to decide either to cut prices so that little business and local business throughout the United States, as well as all consumers, may benefit, or be prepared to turn their excess profits over to the Government for application on the national debt.

This new excess-profits-tax provision will carry a sliding scale running from 50 perpercent of all profits in excess of the base rate to 100 percent, so that the choice will be inescapable. The mandate of this provision to big business will be:

"Unless you are content with reasonable profits, be prepared to reduce your prices or to pay all of your extortionate gains into the Federal Treasury to help reduce the public debt."

My amendment will allow an excess-profits credit of 135 percent of normal profits, so that there can be no allegation that reasonable profits are denied. The excess-profits-tax rate will be 50 percent on the first 5 percent above the 135 percent of normal profits, 75 percent of the amount of profits above the next 10 percent of normal profits, and 100 percent on all profits in excess of 150 percent of normal.

The Missouri River Basin

EXTENSION OF REMARKS
OF
HON. MILTON R. YOUNG
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Tuesday, February 24 (legislative day of Monday, February 2), 1948

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very able address entitled "Your Future—the Missouri Basin Project," delivered by Hon. William E. Warne, Assistant Secretary of the Interior, before the student assembly, State Teachers' College, Minot, N. Dak., on February 9, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

YOUR FUTURE—THE MISSOURI BASIN PROJECT

Whether you plan to farm, to teach, or to start a business or a family in North Dakota or a neighboring State, what happens in the Missouri River Basin is of vital importance to your future, as well as that of the whole country

You've read and studied a great deal about conservation during the last few years. You have also seen the results of letting a river run hog wild during spring floods.

Some of you may even remember the drought of the 1930's when streams dried up and the soil of your home farm turned to dust and blew over into the next county, or farther away.

Because of recurrent floods and droughts, conservation has become more than a word in the Plains States. It is a way of life, of finding how to guard and use land and water and related resources so that they will multiply for the benefit of this and coming generations.

Conservation is more than contour farming; it's more than crop rotation; it's more than a sound irrigation policy.

Conservation is the sum total of measures for preserving and making wise use of our fish and wildlife, our forests, our minerals, our waters, our land. Each of these natural resources is interdependent. Denuded forests and grazing lands result in silt-burdened rivers that run amuck in flood time, wasting waters that should be salvaged for irrigation and hydroelectric power development.

The time has long since passed for merely talking conservation. Secretary Krug said recently, "If we lose our productive soil or if we fail to use it fully and properly, we are committing mass suicide as surely as if we turn loose our modern weapons of instantaneous destruction."

It is, therefore, literally of utmost importance that we conserve through prudent use our resources. Consider this: During the war we drew heavily on our natural resources capital. Our needs are still great, but if we continue to consume our reserves, careless of the future, we will be designing a catastrophe for our children.

For example, in order to preserve the fertility of our soil, we must return to it a ton of essential soil minerals for every ton used. Now, it is calculated, that about two tons of soil minerals are taken for each ton returned. One ton disappears in the harvested crop and another is lost, mind you lost, through erosion.

We must stop the waste and we must find new mineral reserves and develop them wisely. All of these things must be included in the development of our river systems, the first mature program we have architected to meet our recognized conservation needs. Our continued prosperity as a nation depends on the wise husbanding of the abundance of natural resources that are to be found in our fertile river basins.

The Missouri River Basin—one of America's greatest storehouses—contains almost fabulous riches of soils, phosphate, oil, and other nonmetallic minerals. There is water power and enough coal here in this basin to have made a European kingdom rich.

During this critical period of world food shortages we have comfort in knowing that the Missouri River Basin is the source of many cereal grains, sheep, and cattle. In fact, this basin has been called the great American breadbasket, for here the Nation finds food to fill one-half of its cupboards and butter for about one-fifth of its bread. One-sixth of the pork, one-fifth of the beef, and a quarter of the mutton produced by the United States are raised right here in the Missouri River Valley. This is too great an American agricultural stake to risk through continued droughts and floods.

It is of national concern that the Missouri Basin faces serious economic problems, that its land resources are being wasted; its rivers are glutted with silt washed from its cultivated and grazing lands; that its people are leaving their impoverished lands to find other areas of opportunity.

An estimated 57,000 persons moved from North Dakota farms during the drought years prior to 1938. Approximately 45,000 people moved to villages and towns in North Dakota and in other States, and 12,000 established homes on farms in other States.

Some North Dakota counties, perhaps the one where you live, lost over 25 percent of their total population in the 1930's. In that same decade the State as a whole lost 16 percent of its population. In 5 years between 1930 and 1935 a total of 150,000 persons moved away from the Great Plains because their livelihood was removed by drought.

The drought of the 1930's is only one of many that the basin has endured. Back in 1890 it is said that 250,000 people were driven out of western Kansas by a series of bad years. Many returning prairie schooners carried the banner, "In God we trusted; in Kansas we busted." At that time 18,000 retreating prairie schooners passed eastward over the Omaha bridge in one season.

Dependence on a dry farm and range economy has weakened the social structure of the Great Plains States. Abandoned homes, forced sale of farms, of livestock and foundation herds, delinquent taxes, closed schools—these are evidence of a sick economy. A few years of good rain, good production, and good prices, such as have been experienced recently, should not cause us to forget; for they cannot, they will not last, and they are unable to correct the basic natural difficulty.

The Missouri River Basin project, a joint plan of the Interior Department's Bureau of Reclamation and the Army Corps of Engineers, authorized under the Flood Control Act of 1944, is not a panacea for all basin

ills, either. It can, however, cure many of the agricultural and industrial ailments that are now plaguing this region's prosperity. The Missouri Basin project has been designed to bring land and water resources of the basin into harmony; to make it possible for farmers here to make a more secure year-to-year living from their land. The project cannot prevent droughts, but it offers insurance against them and the means of safeguarding crops and livestock during long, dry periods. It offers a source of low-cost power that will lighten farm labors as well as attract new industries to the region. Those of you who don't plan to farm will have a better chance of finding a job to your liking in towns that will grow with the basin's industrial advancement.

The Missouri River Basin project will regulate the river, hold its waters in check, so that they can be used to benefit all of the people. Flood control, irrigation, hydroelectric power development, improved navigation, silt control, domestic and industrial water supplies, fish and wildlife preservation, and establishment of recreational areas—these are some of the benefits that accrue to you and to the Nation from such comprehensive basin plans.

Reservoirs will be created on the Missouri River and its tributaries in North Dakota, South Dakota, Montana, Wyoming, Colorado, Nebraska, Kansas, and Missouri. All of these will serve one fundamental purpose—to impound the water in periods of heavy run-off from the land and release it during periods of low stream flow.

In all cases, by impounding floodwaters, the reservoirs will reduce flood hazards downstream. Water released from the reservoirs will serve both rural and urban needs.

Irrigation is one of the most important benefits of the plan. Approximately 5,000,000 acres of land will be irrigated by the project in the basin States. Of this amount, about 27 percent, or 1¼ million acres, are in North Dakota.

Power plants will be built at many of the reservoirs to convert into electricity the energy from falling water. The fullest development of power is a basic principle incorporated in the Missouri Basin project. The plan as now contemplated includes 22 power plants, with a total installed capacity of approximately 1,900,000 kilowatts with power plants in North Dakota and South Dakota located at Garrison, Oahe, Big Bend, Fort Randall, Gavins Point, Crosby, Des Lacs, and Miller. These power plants will have a total capacity of approximately 1,500,000 kilowatts.

This is a gigantic amount of power when you stop to consider that the present power demands in North and South Dakota combined total only about 200,000 kilowatts. Some of the power will be used in pumping water for irrigation, but a large part of that block will be generated at power drops located on irrigation canals at Crosby and Des Lacs here in North Dakota and at Miller in South Dakota. Present studies indicate that approximately 1,000,000 kilowatts will be available for domestic, commercial, and industrial loads in North Dakota and South Dakota. A region-wide network of transmission lines, the main high-tension arteries of which will be built by the Bureau of Reclamation, will connect the power plants with each other, with other power systems and with consumer distribution facilities.

Good conservation practices demand that the waters of the Missouri River Basin must be used to the fullest. Flood prevention, irrigation, and power production alone do not discharge the responsibility. The Missouri Basin project plan demands more than that. Besides these beneficial uses, it calls for control of silt which glut our streams, for supply of water to domestic, industrial, and municipal consumers, for pollution abatement, for recreational development, for navigation, and for conservation of fish and wildlife. Never before has a conservation program of this magnitude been instigated by man.

The multiplicity of problems that are in need of solution before the Missouri Basin's vast store of resources can be made to serve its people are a challenge to everyone and particularly to you, to all of the young people of the Basin.

Generations preceding you have demonstrated their quality by their ability to withstand the rigors of the elements, by their steadfast determination to maintain homes and rear families despite drought, flood, and hail; by their hard work and their individualism.

I am sure that you have inherited from those ancestors the vigorous characteristics that will be required to carry the challenge of the problems. Individual characteristics of initiative and enterprise will be at a premium.

Development of the basin cannot be done overnight. Years will be required to carry out the detailed investigations. The vast Missouri-Souris unit, for example, which lies directly to the north of Minot is now under detailed investigation. The exact extent and pattern of its development will be determined only after careful soil classification, topographic mapping, economic studies, structure, and major canal lay-out plans are completed. The response of the local glacial soils to irrigation and the adaptability of diverse crops to the soils must be more exactly determined.

Your initiative and enterprise will be needed to its maximum extent in developing the farms for which irrigation water will be provided and in developing crops and adapting varieties to the 1,200,000 acres of land to be irrigated in North Dakota.

The full beneficial results from irrigation will be achieved if full integration is provided with the surrounding agricultural areas. Each irrigated acre is capable of supplementing many acres of nearby range land. In many areas an ideal enterprise is an integrated farm composed of a combination of irrigated land, dry farm land, and grazing land, with the irrigated land serving as a forage base during winters and unfavorable seasons.

Beyond the irrigation phases of the Missouri Basin project lies a real challenge to the people of the basin. The project as I have pointed out will bring about the production of vast amounts of power. Local initiative and enterprise will determine the extent of industrialization.

With low-cost power and an abundance of agricultural products, the people of this basin can well develop many regional industries processing agricultural products. They can also develop mineral resources. The basin is self-sufficient in nonmetallic minerals. To date, only a small portion of these has been used. A virtual catalog of minerals exist such as bentonite, refractory clays, gypsum, potash, phosphates, glauber's salt, arsenic, cadmium, iron, magnesium, tantalum, corundum, fluorspar, lithium, and tripoli. These are a representative few.

Coal reserves amount to 65 percent of the United States total. Of an estimated 92,000,000,000 barrels of oil in United States shales, 49,000,000,000 barrels are in the basin. About 8 percent of the United States crude petroleum output comes from the basin. The natural-gas potential is not determined, but there are indications of immense supplies.

The establishment of industries present many stubborn problems. Distances are great within the basin. Lower cost transportation and more transportation will be needed to bring the raw materials together and to transport the finished products to the consumers. Use of many resources will await the development of improved technological methods. Despite the problems, the industrial outlook for the basin is good under the influence of the Missouri Basin project.

There are those in the United States today who would stop this great resource program for fear that industrial developments here will lessen the area's dependence upon the older sections of the country for manufactured products. I have sufficient faith in the future of America to believe that we have not reached the acme of our agricultural and industrial development. There is plenty of room for extensive industrial development in the Missouri Basin as our Nation grows in economic security.

I have discussed briefly what the Missouri River Basin project can mean to this region and to North Dakota. I am personally convinced that the success of this undertaking rests upon you who will soon leave school to carry on the future activities of the basin. The greater goals, for the area and the Nation, can be attained only through hard work, consistent effort, and the youthful vision. That is your natural heritage.

Buying Good Bureaucrats

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 24 (legislative day of Monday, February 2), 1948

Mr. MURRAY. Mr. President, much has been said of late about the difficulty of securing men of high character and ability for positions of importance in the Government. This is a problem which justifies our serious consideration.

The Washington Post of February 11, 1948, carries a very timely article by the columnist, Malvina Lindsay, discussing this question. I think this article should be read and pondered by every Member of Congress. I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUYING GOOD BUREAUCRATS—HECKLED LEADERS

(By Malvina Lindsay)

"No outstanding men or women will come to work for me," laments Uncle Sam.

"What is the country coming to?" cry the viewers with alarm. "We'll soon be completely governed by rabbity bureaucrats."

"Somebody do something quick!" shouts the public.

"I have it!" exclaims the man of the hour. "We'll pass a law—give 'em a raise of a thousand or two. No sound, high-caliber millionaire is willing to starve on $10,000 a year."

Thus it is all neatly settled, this crisis in Government executive service. For many of us would solve this problem the same way we would like to write Europe and China off our conscience—with a hand-out.

However, other reasons than money are causing able Americans to refuse executive posts, and causing many of those in such posts to leave them. Men and women highly paid by private business do not, as a rule, take governmental jobs for the salaries. Usually they are responding to calls to patriotism.

Badgering by Congress and ingratitude from the public cause many outstanding citizens to shy away from big Government jobs.

Also they cannot be sure of being backed loyally and aggressively by their superiors, or have security and stability in their work. They are in imminent danger of being made pawns of political conflict, of being thrown to the wolves personally by those who are fighting their programs. Sometimes the value of what they have done is recognized only after it has been torn down.

A case in point is that of William Benton, former Assistant Secretary of State in Charge of Cultural Affairs, who is now receiving wide tribute for what he did in setting up an overseas information program, including the Voice of America. At the time of Mr. Benton's resignation the report was bandied about that he and Congress could not get on together, hence the paring down of his information program. But now Members of Congress, including those who were represented as clashing with him, have been praising him highly.

Members of Congress who went to Europe last summer came home enthusiastic about the foundation laid there for an information program. It is now generally recognized that Mr. Benton was responsible for getting from Congress the backing that enabled him to organize this program. The Government has continued calling on his services. He recently headed the United States delegation to the Mexico City Conference of the United Nations Educational, Scientific and Cultural Organization. It is reported he will soon be asked by the Secretary of State to represent this country at another important world conference.

If the country is not to be run by the mercenary and the mediocre, some way must be found to create an atmosphere in Government that will attract the most capable men and women. No one can imagine a rush of volunteers to be heckled at congressional inquisitions, to be derided by an unthinking public baying "bureaucrat."

Women, of whom there should be more in policy-making governmental posts, often seem to be special game for this sort of thing. Who does not remember the punishment the first woman member of the Cabinet took? Lesser women officials frequently have to "ride the goat," suffering discourtesy and sarcasm, when presenting to congressional committees the needs of their departments.

Authorities on Government are deeply concerned about this, especially since the University of Chicago recently announced that it would no longer advise its faculty members, or graduates, to take governmental posts. A widespread education of the public is needed to awaken it and its representatives to the consequences of tearing down by misunderstanding and misstatement those it pays taxes to employ.

Government Decentralization

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, February 24 (legislative day of Monday, February 2), 1948

Mr. WILEY. Mr. President, on Friday night, February 20, 1948, I was scheduled to deliver an address on the subject of Government decentralization, over the network of the National Broadcasting Co., on the Pro or Con Program. Unfortunately, I developed a cold and was unable to appear personally to deliver my message. I was very grateful and happy that my colleague, the distinguished Representative of the first congressional district of my State, Hon. LAWRENCE H. SMITH, kindly consented to give my message over the radio.

I ask unanimous consent at this time that the text of this message, which I prepared, and which my friend, Representative SMITH, so graciously and so well delivered, be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

DECENTRALIZATION OR DOOMSDAY

I am going to talk to you during the next few minutes about the end of the world as we know it—the possible wiping out by war of all the progress that has been made since the beginning of recorded time. This is not a speech of idle speculation. It is not a scare message or an alarmist message. It is going to be a statement of cold fact, as I see it, in my humble opinion, and as many scientists, military men, and businessmen see it.

As you know, the end of the world, as we know it, has been something that has been discussed in scientific fiction, like H. G. Wells' War of the Worlds. It has been mentioned in talk by astronomers who have prophesied that one day the sun might explode, or some other natural catastrophe occur. Yes, this subject has been discussed, too, in children's comic books in flights of pure fancy.

OUR CHANCE FOR PEACE IF WE WILL IT

I am speaking to you now about how our world of machines and buildings and cities and culture on this little spinning planet can come to an end, because of the dread possibility of atomic and bacteriological warfare. I repeat, I am not trying to scare anybody or alarm anyone. I believe that we have a wonderful chance of preserving peace through the United Nations if all of us, particularly the Soviet Union, manifest the true spirit, the will, the intent, and the purpose for peace.

PRESENT STRAIN IN RELATIONS

But our eyes are open to the fact that international relations are severely strained. Our eyes are open to the fact that, whether or not we like to admit it, there is a possibility that man's ingenuity and inventiveness may unloose terrific forces, atomic, and other germ, in another war which could wipe out human living as we know it.

WHAT ARE WE TO DO IN UNITED NATIONS?

What are we going to do about it? We must redouble our efforts for international peace in the spirit of true friendship and cooperation. We must pray for divine guidance and direction for our faltering steps and those of other nations.

We must make sure, too, that we are adequately prepared with modern instruments of warfare for any eventuality of the atomic age. We are told that some brass hats always prepare for the preceding war rather than for future war because they are caught in ruts and in mental mires. We dare not risk the possibility of experiencing another Pearl Harbor which some of our brass hats may not be able to foresee. This means that we must decentralize government, industry, and population in the United States.

Why? Because, without decentralization, we will be ripe for a one-two punch which could end the war in a matter of seconds. The choice is ours—decentralization or doomsday. On America's fate hangs the fate of the world. If we endure, freedom will endure, and there will be no end to the world as civilized man knows it.

OUR PRESENT VULNERABILITY

Let's bear in mind these facts. Ten atomic bombs blasting Washington, New York, Detroit, Los Angeles, Chicago, Philadelphia, Boston, St. Louis, Milwaukee, and New Orleans could destroy our principal agencies and offices of government, could obliterate 70 percent of our industrial facilities, kill or maim one-half of our national population and, in one terrible flash, end the world of democracy and human freedom and happiness.

All of this is possible. It is foolish to presume that the next war will be declared with months of speeches, with newspaper headlines, with a formal diplomatic break before a blow is struck.

On the contrary, in our time, two world wars have been lost by the aggressor because he failed to strike at America first with a holocaust blow. The next aggressor will not dare to take that chance. He will come like a thief in the night. * * * With the glowing arc of guided missiles hissing through the sky or the roar of clouds of planes, loaded with atomic bombs, winging down on 50,000,000 Americans peacefully asleep in their cities.

There would probably be no declaration of war—no warning. Our world could end in a horror of cities exploding into rubble. The mushroom clouds of atomic desolation would rise as tombstones above man's hope for freedom and democracy. Our world would end. And the reason for its end would be our own inert smugness and false sense of security in the oceans that surround us.

How, then, can we save ourselves? By speedy and adequately planned decentralization. It's not a military or economic cure-all; it's not a magic formula, but it will work.

WHAT DOES DECENTRALIZATION MEAN?

Decentralization means not only a physical spreading out of people away from the big cities and the centers of population. It means likewise a spreading out of concentrated economic power, of concentrated government and a universal reawakening of individual responsibility of each citizen for the common welfare.

It means, specifically, that enough factories and supply depots must be built in rural and semirural areas, away from the big cities, to insure us of an adequate supply of essential machines, airplanes, guns and bombs—in the event of our cities are destroyed by atomic attack.

Decentralization further means that the Federal Government in Washington must disperse some of its functions to small communities and to widely separated areas so that, when and if (and I pray it will never happen) the Capitol, the congressional office buildings, the War and Navy Departments, the White House, Supreme Court, and Pentagon Building are all destroyed, in a single atomic blast, our civil and military branches of government will still be able to function from decentralized secondary points.

NEED FOR ECONOMIC CHECKS AND BALANCES

The amazing thing about this whole decentralization concept is that it will have great social and economic benefits over and beyond its utter necessity as a measure of national defense.

Decentralization is important because it provides another check and balance in the American political and economic set-up. Monopoly, meaning lack of checks and balances, is dangerous wherever it exists. If we only have big business and no small business, if we only have healthy big cities but ailing small communities, it is a dangerous condition and must be corrected.

The frantic speed of city life, the crowded tenements, the high crime rates, the boss rule of many municipalities, the domination of men by machines, will all be remedied, if only in part, by decentralization. Getting close to the land, getting close to one's neighbor, getting close to one's God, means getting back to fundamental American truths and principles.

MORAL DECENTRALIZATION

We must have military, economic, political, and, yes, moral decentralization—uplifted moral standards brought about by our self-reliance rather than reliance on Government in Washington, D. C.

OTHER EFFORTS TO DECENTRALIZE

As you can see, my friends, this idea of decentralization is no flash in the pan. It is not somebody's brainstorm conceived one night and discussed the next night. Many men have been devoting years and years of intensive study to this problem. To cite but one man, Mr. Thomas Hewes, of Hadlyme, Conn., has written a stimulating book, Decentralize for Liberty, which provides possibly the most comprehensive plans for decentralization ever offered. Mr. Hewes is a former Assistant Secretary of the Treasury, and I commend his book to your attention. Whether or not you or I agree in full detail with Mr. Hewes, the important fact for us to determine is whether or not we agree with the fundamental concept of decentralization in this atomic age and then to evaluate Mr. Hewes' plans.

I, personally, have been endeavoring to spread Uncle Sam's Government and to spread business out to the grass roots ever since I came to Washington in January 1939.

MILITARY ADVANTAGE OF DECENTRALIZATION

Decentralization, you understand, will strengthen America's hand in international diplomacy. Russia, for example, although a dictatorship, is far more decentralized than we are and has spread her government and industry over one-sixth the space of the earth. In any military emergency, we would be at a hopeless disadvantage with our bloated, congested cities ripe for atomic attack.

PROBLEMS OF DECENTRALIZING

Please don't think for one moment that I underestimate the terrific problems—administrative, financial, and others—of decentralization. But we do not have any adequate alternative to taking on these problems if we are to be adequate in our defense.

WHAT ARE WE GOING TO DO ABOUT IT?

Now, what are we going to do about all this? Here is what I respectfully suggest:

In your own community's organizations, start thinking, reading, talking, and acting decentralization. In your veterans' post, in your chamber of commerce, your women's club, in your fraternal group, wherever appropriate, emphasize to your friends and associates the need for decentralization for purposes of national defense.

In your talk to your legislators—and I mean city, State, and national leaders—try to point out the importance of speedy decentralization.

WHAT UNCLE SAM SHOULD DO

Of course, the Federal Government can't do the job alone, but it should pioneer in decentralizing because it is the most overcentralized octopus of all. How? Here's how:

(a) I believe that every committee of the Congress should begin to work with representatives of the Government department or agency within its jurisdiction to help lay plans to speed decentralization.

(b) The Congress should plan for decentralization of the legislative branch of Government. Yes, this might mean legislation by television, simultaneously from 30 or 40 different points in our country in case of a national emergency.

(c) Our armed services, in particular, should keep the wheels rolling. They should retrain personnel for decentralization and take the central headquarters of our Army, Navy, and Air Force out of the Pentagon Building in Washington, D. C.

(d) The Civilian Defense Unit of the Department of National Defense, which Secretary Forrestal has announced, is a very enheartening development. It should speedily mobilize the best brains in the land for adequate, practical, realistic planning on decentralization.

(e) Former President Hoover's Commission on Reorganization of the Executive Branch should, and I know it will, make suggestions on decentralization.

(f) The present trend of Federal agencies to recentralize, that is, to move back to Washington, should be halted and reversed.

CONCLUSION

My fellow Americans, I am grateful for your kind attention and to this great radio network for its cooperation.

There we are, my friends. The choice is ours; yours and mine.

Decentralization or doomsday.

Order or chaos.

Vigilant preparedness or smug inertia.

I know that with the fundamental intelligence of the American people, with our fundamental vision and initiative, we will be adequate to this problem.

"Without vision, the people perish," the Good Book tells us. We will have vision.

There will be no end to the world.

America shall endure under God.

Dr. Parran Retires

EXTENSION OF REMARKS

OF

HON. SOL BLOOM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. BLOOM. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to insert several editorials which have appeared in the press with reference to Dr. Thomas Parran, for many years Surgeon General of the United States Public Health Service, who is about to retire from the Service.

The editorials follow:

[From the New York Herald Tribune of February 15, 1948]

DR. PARRAN RETIRES

The imminent retirement of Dr. Thomas A. Parran, Surgeon General of the United States, is occasion for some surprise and a good deal of regret. Dr. Parran has devoted his career to public health—nearly all of it, with the exception of the 6 years he served as commissioner of the New York State Department of Health, in the United States Public Health Service. To a high degree of technical competence he added enthusiasm and the capacity for dramatizing health problems in terms which the public would understand and to which it would respond. A notable instance of his ability to stir the popular consciousness of health problems was seen in his campaign against venereal disease, which admitted healing sunlight into a condition which had long festered in the shade of old taboos.

For Dr. Parran's long and successful service the Nation owes him a debt of gratitude. Fortunately, his designated successor, Dr. Leonard A. Scheele, at present the Assistant Surgeon General, is also a distinguished member of the Public Health Service, who has been honored for his work in typhus control in western Europe, and who is now director of the National Cancer Institute. With the lively appreciation of the need for a national approach to health problems which now prevails, the post of Surgeon General will certainly increase rather than diminish in importance. The selection of Dr. Scheele gives reason to hope that the traditions which Dr. Parran did so much to establish will be carried forward.

[From the Washington Sunday Star of February 15, 1948]

DR. PARRAN STEPS DOWN

President Truman's decision not to reappoint Dr. Thomas Parran as Surgeon General of the Public Health Service when his term expires on April 6 could not have been an easy one to make. Dr. Parran has served so long and so well in that post that his replacement could be justified only on the most compelling grounds. It was the very length of his service, as a matter of fact, that was cited at the White House as the reason for a change.

Dr. Parran has occupied the important Federal health post for 12 years, or for three full terms. It would be manifestly unfair to his colleagues in the service to give him indefinite tenure as Surgeon General. It is sound policy to rotate the job among top-ranking officers of this essentially career service. Dr. Parran attracted the attention of the late President Roosevelt while the latter was governor and the physician was on loan to New York State as health commissioner. As head of the Public Health Service, Dr. Parran expanded to national proportions the campaign he had waged in New York to remove venereal diseases and cancer from behind the veil of tabooed subjects for general public discussion. He felt that the more the public knew about these killers, the better prepared it would be to fight them. His campaign has paid dividends in lives saved and suffering eased. His leadership in many other public-health endeavors has been outstanding.

It is fortunate that his successor, Dr. Leonard A. Scheele, is one so closely identified with Dr. Parran's work and so highly regarded not only by the retiring Surgeon General but by the medical profession generally. Dr. Scheele, as Assistant Surgeon General in charge of the National Cancer Institute, has specialized in a field which, unlike that of venereal diseases, still puzzles the best minds of medical research. If, during Dr. Scheele's term as Surgeon General, as much progress is made toward ending the scourge of cancer as was made under Dr. Parran in the fight against syphilis, the Public Health Service will have even greater cause to be proud of its leaders and its record under their inspiration.

[From the New York Times of February 15, 1948]

DR. PARRAN'S RETIREMENT

Once upon a time there was a Secretary of the Treasury who decided that it was not in keeping with the dignity of the fiscal department of the Government to issue an educational bulletin for the benefit of the syphilitics cared for by its Public Health Service. When Dr. Thomas Parran was made Surgeon General of that Service this ice of reticence was broken. Largely influenced by him, the press has been discussing syphilis and gonorrhea openly for nearly 20 years. Because he was an expert in the field of venereal diseases he became health commissioner of this State and later Surgeon General of the United States Public Health Service. Franklin D. Roosevelt as Governor and President was responsible for both appointments.

Whatever the reason for Mr. Truman's failure to reappoint Dr. Parran, there will be Nation-wide regret at his departure from an office which he administered with zeal and distinction. His whole professional life has been devoted to the public health. Only 2 years after graduating from Georgetown University Medical School he joined the Public Health Service. By 1925, at the age of 32, he was head of the Service's division of venereal diseases and there made a remarkable record.

As Surgeon General he realized that it was far easier to deal with tuberculosis, influenza, and the epidemics that sweep the country at rare intervals than with the veneral diseases. Only a man of sterling honesty and high courage could deal with the worst of infectious scourges by discussing them candidly in popular writings. No one man did more to reverse the traditional policy of the Treasury Department and to place syphilis on much the same basis as any other infectious disease.

It is not likely that so distinguished and useful a career has ended. Dr. Parran is still in the prime of life. That we shall hear more of him in public-health work is certain.

"F. D. Too Ill To Understand Quebec Pact"—Stimson

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. ELLIS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement by Willard Edwards in the Washington Times-Herald, Tuesday, February 24, 1948.

The statement follows:

"F. D. TOO ILL TO UNDERSTAND QUEBEC PACT"—STIMSON

(By Willard Edwards)

The late President Roosevelt was so tired and unwell in September 1944, that he signed the Quebec Conference agreement to destroy Germany as an industrial state without realization of its purport, former War Secretary Stimson disclosed yesterday.

Stimson said Mr. Roosevelt himself confessed this at a White House meeting 2 weeks after he and British Prime Minister Churchill had initialed their endorsement of the Morgenthau plan.

The Quebec Conference took place 7 months before Mr. Roosevelt's death on April 12, 1945. The President was seeking a fourth term at the time with his followers insisting that his physical and mental health had never been better.

MORGENTHAU'S "BONER"

In the third installment of his wartime biography, published in the current Ladies Home Journal, Stimson's diary gave the following account of a White House luncheon October 3, 1944:

"I reminded him (the President) that he had asked me to talk with him over the treatment of Germany. He grinned and looked haughty and said 'Henry Morgenthau pulled a boner,' that he had no intention of turning Germany into an agrarian state.

"He got so affirmative to this effect that I warned him that the paper which Churchill had drawn and which he initialed (on September 16) did contain the proposition of converting Germany 'into a country primarily agricultural and pastoral in its character.' "

Stimson then read the agreement to Mr. Roosevelt.

HADN'T GIVEN IT THOUGHT

"He was frankly staggered by this and said he had no idea how he could have initialed this; that he had evidently done it without much thought," Stimson wrote in his diary.

Stimson revealed that he was practically alone in his battle against the Morgenthau plan. He termed it "the most violent interdepartmental struggle" of his Government career.

Former Treasury Secretary Morgenthau was "not unnaturally, very bitter," he wrote, and the leader of those who desired a Carthaginian peace. He found "to my tremendous surprise" that State Secretary Hull was "as bitter as Morgenthau against the Germans" but later modified his position.

HOPKINS FAVORED PLAN

The late Harry Hopkins, Mr. Roosevelt's intimate associate went along with Morgenthau and Hull so far as to wish to prevent the manufacture of steel in the Saar-Ruhr area, Stimson said, "which would pretty well sabotage everything else."

Stimson protested against "turning a gift of nature into a dust heap" and reducing the German people to the edge of poverty. Such methods, he contended, "do not prevent war; they tend to breed war."

Just before the Quebec conference with Churchill which began September 11, Stimson's diary disclosed that he was uneasy about the state of the President's body and mind.

FEARED REVOLT IN FRANCE

Mr. Roosevelt was hampered by an obsession that a revolution in France was forthcoming and "had worked himself up into an apprehension of this," Stimson wrote.

Morgenthau's ace argument at the Quebec conference was that the destruction of Germany's mines and heavy industry would give advantage to British trade, Stimson declared.

Storms of protest from the press greeted disclosure of the Quebec agreement and Stimson again pleaded his case against the plan. The obviously "tired and unwell" President then admitted that he had indorsed the agreement without knowledge of its most important terms.

Bad Weather Doesn't Stop the Rural Mail Carrier

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. HAGEN. Mr. Speaker, few of us realize how important the rural mail carrier is to the farm families on his rural route. In good weather and bad, he makes his appointed rounds and in addition to delivering the mail, is a daily contact between the farm family and the community. The average rural mail carrier is a friendly fellow who deserves and has the respect and cooperation of his patrons.

Just recently, I had the pleasure of reading a human-interest story published in the February 12 weekly Review of Battle Lake, Minn. The story was written by a Review reporter who made the rounds of a rural route with the mailman following a snow storm.

My chief purpose in bringing this story to the attention of my colleagues and the readers of the CONGRESSIONAL RECORD, is to emphasize again the need for more adequate compensation and better retirement provisions for the faithful men who comprise the corps of mailmen serving the rural areas throughout our Nation.

The article follows:

"Now watch this dog," said Glen Salts to me.

I saw the animal, fine, tawny cattle dog, threading his way with exaggerated casualness through the thicket next to the road. Glen slowed his panel delivery truck to nearly a stop. The dog, with a disappointed look, slunk back into the thicket, thinking, no doubt, about the spoil-sport attitude of man.

"Can't take a chance of running over a dog," Glen said. "The kids would never forgive me."

All this came about Saturday, when, with a brisk breeze whipping up loose snow, a Review reporter accompanied a Battle Lake mailman on his rural route as a "scooper." A "scooper" is an assistant who helps a carrier dig out of drifts and through other hazards of the road.

Carrier Salts' route takes him west of Battle Lake then down through the Stalker Lake country and back. Even in the subzero cold and with a blanket of deep snow, the terrain on this route is beautiful—and doubly so in summer. But the beauty of the terrain, while appreciated by the carrier, is sloughed aside by the immediate task of getting the car through to the mail boxes. And there, as the man with chiggers said, is often the rub. Getting stuck is just something that a rural carrier accepts with the patience of Job.

"Take a look," said Glen, "at my weapons." Glen is an ex-GI who believes in preparedness against the elements, so he carries an assortment of chains, scoops, and other paraphernalia, all designed to get the mail through.

Much of the route was freshly plowed Saturday and the boss chortled with glee at the prospect of snapping mail into boxes that had been inaccessible for days.

"I've really got good people on my route," he said. "Finest people you ever knew." A few minutes later I learned part of the reason. One farmer double-timed quite a distance over the fields to warn him about the road and the plow operations ahead. "See what I mean?"

I learned, too, of the peculiar driving position a carrier assumes on approaching a mail box. He sits about halfway across the front seat and eases the car up to the box. Then with a bundle of mail in hand, he reaches out the right-hand window, unsnaps the box lid, and drops the packet.

"What," I asked, "are all those cans and jar covers I see in the mail boxes?" First one I saw I thought someone had cached a can of angleworms for fishing last summer and forgot to take it out. "Oh, those," he said. "You'll find out."

And so I did. They are used for pennies and small change for stamps when a snowbound patron has no access to getting stamps. I don't know the technicalities on this, but a carrier assumes it as part of his job. And he checks out with the patron and post office to the half cent.

A while back we mentioned snapping open the mail box and placing therein the mail. If you'll take a look at a rural carrier's right hand, you'll probably see it is chapped and scuffed. The lid often bangs against the hand—and those boxes are cold.

Snow was already drifting into the roads and it looked like some of the places would be filled by the next morning.

At one point two men came out to meet the carrier truck. As they transacted business, Iver Iverson told about his first, and only, experience with smoking. As a small lad he tried out an old pipe of his father's. He got a habit from it. A habit of never smoking. After the doctor had been called and he had recovered, he kept mum about the basic reason for his illness. "I thought I put one over on the folks by not telling," he explained. "But I noticed my father filled that old pipe with tobacco and laid it

on the shelf. He didn't say a word. But I could hardly look at the thing."

All this took but a matter of minutes. Glen kept looking at his watch like a railroad engineer. "I try to keep a schedule," he said. "When the conditions are normal I can just about time it the same every day. But winter driving isn't normal. Down past Stalker there's a sharp left turn up an icy hill. Made it yesterday, O. K." But he didn't quite make it this time. He had to make a second run for it. "I was 3 inches off on that patch of ice the first time," he apologized.

As we drove along, Glen said aloud, "I wonder if my deer have gone through today." They had. There were tracks across the road leading from the woods to the field. He's seen deer there often. Not one but several.

Then, despite the cold, there was the little girl who came out to meet the mailman. "Hello, honey," said the mailman. "How are you today?" The little tyke smiled shyly, took the mail and went back to the house.

So it went—and the trip ended much on the same vein as the outset. A dog came down the road from the house. "Watch him now." The dog started, retreated, started again. Glen did the business of slowing down. The dog frustrated, ambled back to the house—a little miffed at calling off the race.

It's quite an experience, being a mailman. You have to give 'em credit.

It Can Be Peaceful

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely article by Mr. Edwin L. Dale, Jr., which appeared in the Worcester, Mass., Evening Gazette on February 5, 1948.

The article follows:

IT CAN BE PEACEFUL

(By Edwin L. Dale, Jr.)

We hear so much about strife and animosity in the field of labor relations that we often forget how much is accomplished on a peaceful basis. Right in our own back yard in the past month has been a good example of unheralded negotiating that has preserved peace in a big industry probably for 2 years to come.

In that time no less than 25 contracts have been signed between woolen, worsted, and felt manufacturers and the Textile Workers Union of America, CIO. Not a strike was called. Nobody evaded the Taft-Hartley law or tried to, though the union did have a clause inserted in the contract protecting it from financial damages in the case of wildcat strikes.

HOW IT WORKS

A quick history of those negotiations gives a good picture of how wage patterns are set and how collective bargaining works. Back in November the union's top men got together and decided what their basic demands on the wool and associated industries would be. They demanded raises, they said, because of the increased cost of living.

They settled on a bargaining figure of a 20 cents an hour wage increase and seven paid holidays plus a number of other demands. Then in early December they sent notices to the companies that negotiations for a new contract were beginning. This was because under the Taft-Hartley Act, 60 days' notice is required, and most of the contracts expired February 1.

Actual negotiations took about a month; that is, they lasted through most of January. In most cases the contracts weren't actually signed until shortly before the contract deadline. In the few that are still being negotiated, extensions have been granted and any wage increases finally agreed upon will be retroactive to February 1.

As would be expected, the union didn't get all it was asking for. The negotiations were no doubt helped by the fact that the huge American Woolen Co. signed up earlier for a 15-cent pay raise and six paid holidays. That pattern was followed pretty much throughout.

In every case the negotiating was carried on by officials of the company, Charles J. Auslander, regional director for the union, officials of the plant local, and occasionally one of the officers of the international union. Though it turned out that the basic pattern was about the same everywhere, each contract was worked out individually and there are some minor variations between them.

WILLING TO BARGAIN

Nobody is claiming that the companies enjoyed paying higher wages or that the union feels that now its men are as highly paid as they should be. There is no love lost between the manufacturers and the union. But on the other hand, there was a real willingness to bargain.

Sure, you can say that once the pattern was set, the companies figured that they'd have to fall in line. And true enough, most woolen and worsted companies raised their prices slightly in anticipation of the wage boost. No one will probably ever agree whether that price boost was necessary or justified. The union will continue to talk about high profits and the companies about high costs.

But just the same, the contracts were signed and work in the industry goes on. There is no trouble about Communists because the textile workers constitution won't allow a Communist or Fascist to be an officer anyway. The men still want the union, too, as is shown by the union-shop elections provided for by the Taft-Hartley Act and the contracts just signed. Of the men voting, 96 percent so far have favored a union shop, and that is 90 percent of the total membership in the shops.

As we said, there is probably no love lost. But the negotiations, both sides admit, were for the most part friendly. And labor peace was preserved for 7,500 textile workers and 25 manufacturing plants in Worcester County and part of Franklin County.

Article by Paul H. Eisenbise, of Morrill, Kans.

EXTENSION OF REMARKS
OF
HON. ALBERT M. COLE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. COLE of Kansas. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include therein the following article written by Mr. Paul H. Eisenbise of Morrill, Kans.:

IS THIS THE WAY WE EXPRESS OUR THANKS?

After years of toil on the part of the American farmers, farmers' wives, farmers' sons and daughters working hard, working long hours, plowing, tilling, producing, and harvesting the food and fiber to feed and clothe our people, our armies, and our allies,

After years of sacrificing our sons on the battlefields of the world for the cause of freedom and liberty for those who would love and cherish freedom and liberty,

After years of making the best of shortages of the materials and machines they have so desperately needed to substitute for the shortage of labor to produce and harvest record-breaking crops to feed ourselves and those around us,

After years of sending food and clothing to the needy of the world and at the present time making up freedom trains with grains, etc., for the needy and suffering of the world,

After years of cooperating with God and the elements of nature to produce and feed more than we have ever fed, we get a large gift package handed us in the way of the biggest price drop for our commodities in the shortest length of time ever recorded at the Chicago Board of Trade.

Was it just a coincidence that a midwestern market receiving from 30 to 60 cars of corn daily should, a day before the price crash started, receive 261 cars? I ask again was this merely a coincidence?

Was it just a coincidence that a daily paper printed January 27, 1948, carried an article stating that the American Bankers Association urged banks to deny credit to the speculative farmer "who bins his wheat or cribs his corn purely for higher prices"?

This, according to the bankers, was an anti-inflation move.

Thus we would gather that storing grains on the farms where they are produced causes inflation, but if it's sold to the grain speculators it produces a very healthy condition. Healthy for whom?

Well, I can't say that we farmers are altogether thankful to those responsible for this sudden price crash in our commodity prices, and that's putting it mildly.

Haven't we been faithful to our charge of plowing, tilling, producing, and harvesting when these commodities were most vitally needed?

Please consult our record of performance when it was vitally needed to maintain peace and security at home and help win the peace abroad.

Have you forgotten so soon?

As if this weren't enough to have our prices slashed as they have been the past 2 weeks, word comes from Washintgon that this is a step in the right direction.

Does this mean this is a step in the right direction to thank the American farmers for a good task faithfully and diligently performed?

Is this the new and modern way of thanking those who have been true, faithful, spent long hours toiling, sacrificing to feed our country and those around us?

It seems there has been enough uncertainty and unrest without adding more at this time.

Is this not biting the hands that have been feeding you?

Federal Aid for Education

REMARKS
OF
HON. GERALD W. LANDIS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. LANDIS. Mr. Speaker, the importance of education becomes more apparent with the passing years, but today the United States is confronted with a serious crisis in public-school education.

Our qualified teachers are abandoning their teaching profession for more lucrative pursuits, fewer and fewer graduates are coming from the teachers' colleges, schoolhouses are inadequate in many areas, and there are overcrowded classrooms and other disheartening conditions. Unless present trends are arrested, teaching may become a vanishing profession.

Education is a matter of national concern. It cannot be disputed that we do not have enough teachers and that many of our schools do not have proper and sufficient equipment with which to properly educate those who will direct the next generation. Education is not an activity that pertains merely to children and school teachers but has a direct bearing on all of us. Wage earners, housewives, farmers, and businessmen all share in the benefits that education affords and each individual should assume certain obligations toward it. If there are educational inadequacies in any State, the whole Nation suffers.

Fortunately, the State of Indiana, which I have the high honor to represent in Congress, has been able to keep its school system among the Nation's best although there is still room for improvement and much to be desired. But many States have struggled in vain, chiefly because they do not have sufficient resources to finance good schools for all their children. As pointed out in a recent editorial appearing in one of the leading Indianapolis newspapers, if Mississippi tried to bring its school expenditures per classroom up to the New York level, for example, the tax on Mississippi real estate—the chief source of school revenue in predominantly rural areas—would be so high as to be confiscatory.

The solution to this crisis has been offered in the form of Federal education bills pending before both Houses of Congress. As a former instructor in the Indiana public schools, a member of the House Education and Labor Committee, and a member of the bipartisan House Committee for the Support of Federal Aid for Public Schools, I believe it is the responsibility of the National Government, through grants-in-aid, to assist States in providing adequate public facilities and education standards, without exercising Federal control over education.

Legislation proposing Federal aid for education should receive immediate consideration by our Congress. The education of the Nation's future citizens cannot be ignored or slighted.

Issuance of New Currency

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. BOYKIN. Mr. Speaker, may I take this opportunity of addressing myself to H. R. 5239 now before the House Committee on Banking and Currency.

This bill was introduced by my good friend, the Honorable FRANK SUNDSTRUM, of the Eleventh District of New Jersey, who has long been distinguished by the splendid work which he has been doing in this House.

Himself an economist—his devotion to duty and his work in behalf of good government on the several committees on which he serves, as well as on the floor of this House—has already won him the esteem of every last Member of this body.

The Sundstrom bill, H. R. 5239, provides for the recall, as well as the reissue of new currency.

It is not a so-called new money bill in any sense of the word, inasmuch as it does not change the value, void, or in any manner even impair the existing value or use of the dollar. It merely issues new bills for old, bills in identical denominations and identical amounts.

It has put one purpose—to bring out of hiding the illicit gains which have accrued to those engaged in bootlegging, black and gray markets, hoarding, and other operations—and upon which no income taxes have ever been paid.

Mr. Speaker, time after time we in this House have heard tell about the hoarding of money in foreign countries—and of the tremendous sums locked up in the safe-deposit boxes by foreign nationals.

Mr. Speaker, we in the United States, as Mr. SUNDSTROM has so ably pointed out, have a situation comparable if not more intolerable than that in Europe.

It has been stated, and on good authority, that there is at present some several billions of dollars—collected in transactions which for some reason these people did not want to disclose—or which if disclosed might be adjudged illegal by the Internal Revenue Bureau, now hidden away in safe deposit.

Many of these are ill-gotten gains. Fearful of disclosing their operations—and the sources of the revenue—the holders of the currency under question have deprived the Government of the United States of hundreds of millions in income taxes, revenue which they should have paid.

It is high time that we make it possible for the Internal Revenue Bureau to catch up with these malefactors.

The Sundstrom bill will enable that Bureau to see that these evaders are disclosed—and all legitimate revenue due on these holdings is covered into the Federal Treasury.

With the Sundstrom bill written into the law of the land the resultant revenue collected will enable us better and with greater ease to balance the annual budget—reduce the existing rates of income taxes now paid by all other classes who meet and pay their taxes. In this wise we can afford all American workers and housewives further relief from the currently prevailing high cost of living and government.

Change Our Presidential Election System So as To Make It Responsive to the Voters and the Political Parties—Address of Hon. Estes Kefauver, of Tennessee, to Law Students of Vanderbilt University

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks, I wish to include an address delivered by me to the law students at Vanderbilt University on February 11, 1948. The address is as follows:

A strong and real two-party system is the most intelligent, responsive and lasting way to operate a democracy. The party in power formulates the policy and program of the Government. The minority party criticizes and tries to improve that program.

The present system of electing a President prevents the candidates of the political parties from being truly expressive of the members of the parties. It also results in the head of the parties taking positions which are out of harmony with a large segment of the party.

Recently we have heard complaints from Republicans in the "sure" New England States to the effect that the Republican Party was not taking their viewpoint into consideration in connection with rationing, price control, and allocations. We are now hearing a loud and vociferous criticism from southern democrats to the effect that President Truman in his civil-rights message to Congress was disregarding the "solid South." Both of these accusations have substance. The truth is that Presidential candidates throughout the years have made whipping boys of those sections which are considered to be definitely in the camp of their party. That is, the Republican candidates do not feel that they have to worry too much about Maine, Vermont, Michigan, Wisconsin, etc., in formulating their platform. The Democratic candidates feel that they must appeal to the voters of the North and East in formulating their platform and in carrying out their program. The fault is with the system more than with the individuals. In the light of these circumstances let's examine our present method of selecting a President and see what can be done to make the heads of the parties more responsive to all segments which make up the large political parties.

Whenever I consider the fact that the United States has grown into the strongest and most enlightened nation in the world under our Constitution during the past 160 years, I marvel at the wisdom and foresight of the founding fathers who conceived this memorable document. It is, indeed, the most remarkable system and formula of government ever devised by human minds. The Constitution makers, however, recognized that changed conditions would require changes in our basic law and they wisely included a provision for amendments. The Constitution, as Jefferson so wisely said, must be a growing document which will embrace and guide the conduct of the people in generations to come under circumstances which could not be conceived by the founding fathers.

The greatest demonstration of popular government in our time is when 50,000,000 or more American citizens, untrammeled, with freedom of thought and action, go to the polls and determine who shall be the next President of the United States. No patriotic citizen will question the contention that such an election should be conducted under rules which will definitely result in the election of one of the candidates and that all votes should be counted by a method that will accurately and justly reflect the will of the American people. We do not have such a system today. Ever since 1824, when a deadlock threw the election into the House of Representatives, all students of government have recognized that our system of electing a President has serious defects and that they should be remedied.

Section I, article 2 of the Constitution provides that each State shall be entitled to a number of Presidential electors equivalent to the number of Senators and Representatives of that State in Congress; that the electors of each State shall meet in the State Capitol on the same day and choose a President and a Vice President.

I have joined a number of Representatives in Congress, both Republicans and Democrats, in sponsoring an amendment to the Constitution. House Joint Resolution 108 is the bill I have pending. It would provide for the elimination of the electors and that each State should be entitled to a number of Presidential votes, the same as we have at the present time, and that these votes should be divided between the candidates for President and Vice President in proportion to the number of popular votes cast in that State. For instance, in a Presidential election, assuming that the Democratic candidate secured 600,000 popular votes and the Republican 200,000 popular votes, the Federal votes for Tennessee would be divided on the basis of 9 for the Democrats and 3 for the Republicans. The votes under the amendment would be directly for the candidates and not for the electors.

Let us see the conditions that have arisen which makes this amendment necessary. The founding fathers did not anticipate political parties. They intended that the people of a State would elect a superior group of people known as electors and that these electors would use their independent judgment in selecting a President. This method was carried out for about 12 years but by 1800, with the formation of political parties, the electors became mere robots or automatons of the party will and since that time we have gone through the rather ridiculous formality of voting for electors who are not supposed to exercise any discretion in the choice of a President. This, however, places the Nation in a dangerous situation. During the last election you will recall certain Democratic electors in Texas threatened to vote for someone else other than the Democratic Party candidate. Had their threat been carried out, and if this had determined the result of the election, we might have had a very bad disturbance or a revolution in this country. There is no logic or wisdom in holding onto a system which does not represent what the people, by common practice, have decided should be done. We should make our Constitution comply with the practice which is actually taking place.

Under the present provision, if no candidate has a majority of the electoral votes, the election is thrown into the House of Representatives. The House then ballots on the three highest on the list. Each State, regardless of size, has one vote. The Jefferson-Burr controversy of 1801 almost wrecked the young Republic and resulted in the adoption of the twelfth amendment providing for separate votes for President and Vice President. In 1824 the Presidential election was thrown into the House. On that occasion the unquestioned will of the people was not followed because Jackson had a plurality of more than 50,000 votes, yet the third person on the list, John Quincy Adams, was elected President. The scandal which arose on that occasion did not do our Government any good. The Tilden-Hayes controversy in 1876 was so bitter that Congress could not decide the issue but set up a special commission and agreed to abide by its findings.

These controversies could not arise under the plan proposed in the amendment because in every instance some candidate would have a plurality of the Federal votes of the States.

There are other important and compelling reasons why this amendment should be adopted. Under the present system if any candidate wins by a plurality of one the entire electoral vote of that State goes for that candidate. The minority, therefore, has no voice in the election of the President. The result is that the Democratic and Republican national organizations fight out every Presidential election in a relatively few States. The Republicans mark off the solid South; the Democrats concede certain New England and Midwestern States will be in the column of the GOP and there is virtually no campaign carried on in those States which are conceded. The people in the solid South and those New England States do not actually participate in the Presidential election because it has already been determined which way those States will go. Under this proposed amendment every vote would count whether it was cast in the solid South or in the State of New York. The issues would be discussed in every State and every citizen who went to the polls would be actually participating in the work of our democracy.

We all recognize that the political control of States has a great deal to do with the benefits that will be secured from the Federal Government. It should not be that way but it always has and it always will be. The Democratic Party is inclined to feel that there is not much need of doing anything for the South because the South will be Democratic in any event. When the Republican Party is in power it does little for the South because its leaders feel that politically there is no need of placing improvements and benefits in our section. As a matter of fact, practically every Presidential election hinges upon the votes of New York, Pennsylvania, Ohio, Illinois, California, and a few other States. And these are the sections that receive the special consideration in the way of patronage and public improvements from the two political parties. If the amendment I am proposing is adopted, each State in the Union would receive its fair and just share of Federal benefits.

Furthermore, the present system makes it impossible for practical purposes for a President to be elected from the South, from New England, or from the West. There are only a few States given consideration when the parties are looking for Presidential material. This amendment would change that situation entirely. It would give a candidate from Tennessee an equal chance with one from New York or Ohio.

Perhaps the most important reason why this amendment should be put into effect is that actually the United States is operated by its political parties. In other words, we have party government. It was not intended to be that way by those who wrote the Constitution, but the early statesmen of the country soon found that the best and most wholesome method of operating a democracy was on a party basis. That is, each party presents its platform and its candidate. The people choose between them. The party selected has the responsibility of fixing the policy and of administering the laws during the time it is in power. The minority party has the duty of criticism, of pointing out defects, of prodding the party in power when mistakes are made, and in that way trying to win control for itself.

From my years of experience in Congress I am convinced that a strong two-party system is the most logical, responsive, and satisfactory way to operate a democratic form of government. Those countries which have had multiple parties suffer from divided responsibility, and this is the cause of many of their failures. But it is not possible to have an effective two-party system under our present Constitution. In the South there is really only one party. In New England and many other States of the Union there is only one party, and both sections lose much of the benefit of criticism, of the incentive to get out the best possible candidates, and of seeing that their party is truly responsive to the needs and demands of the people.

There has been some criticism of this proposal on the ground that it would work to the disadvantage of the Democratic Party. It is true that under the system the Republican candidate for President would secure some Presidential votes from the States comprising the solid South; however, an analysis of the votes cast over a period of years shows that this loss to the Democratic Party would be made up by Presidential votes which the Democrats would secure from the so-called certain Republican States of the North and Northeast. If the system were adopted an end would be put to positions and platforms and messages by Presidents and Presidential candidates which play off one part of the Nation against another. The plan would certainly result in more consideration being given to all segments of the political parties by their candidates.

Another important result would be reducing the effectiveness of third parties. Third parties such as the pitiful effort now being made by Henry Wallace, do not expect to capture the Presidency. The result, and perhaps the hope of such abortive efforts is to change enough votes in a few pivotal States to throw the election to one or the other of the major political parties. This has happened several times in our history and it could happen in the coming Presidential election. If, under the proposal which several of us in Congress have made, a third party secured a few votes in the pivotal States, the result would not be of great importance. Each party would still receive its proportion of the Presidential votes and the third party would receive its small proportion. Even if Henry Wallace should take several hundred thousand votes away from the Democratic candidate in New York, the Presidential vote in New York would still be fairly evenly divided between the Republican and Democratic candidate. It is important, as I see it, to minimize the result of these third party movements. Certainly a minority party should not be able, by throwing a few Presidential votes one way or the other, to control the destiny of the Nation.

This amendment has been fully considered by a subcommittee of the Judiciary Committee of the House. The subcommittee has taken favorable action upon it. I hope that the House and the Senate will at this session, submit it to the States for ratification and it may well become the twenty-second amendment. The proposal deserves your study and consideration.

Under this system we can transmute the election returns into a fair and accurate common unit of expressing the will of the Nation as the votes are counted. We can give the Nation a just system of electing a President and on a plan that will operate definitely, uniformly, and accurately under all circumstances. This proposal will make the parties responsible to all sections comprising it. It will reduce the ill results of

a third party movement. By adopting this plan we will make an important contribution to clean, efficient, and progressive government.

Steel and Henry Wallace

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following article by Thomas L. Stokes that appeared in the Washington Daily News of February 24, 1948:

STEEL AND HENRY WALLACE

(By Thomas L. Stokes)

There is a close relation of cause and effect between two recent widely publicized events in two entirely different spheres, though some persons involved apparently do not see it, which inspires this reminder.

One is the $5-a-ton increase in steel prices that will jack up prices of all sorts of essentials—for steel is a basic commodity—to whip up the already dangerous inflation.

The other is the third-party candidacy of Henry Wallace, which had its own inflationary fillip through election of an American Labor Party candidate for Congress in New York that has boosted the hope of third-party advocates all over the Nation.

Leaders of the steel industry probably are not conscious of it, but it is just such arrogant and selfish acts as this price advance in the midst of inflation that turn people to third parties and other media of protest against the established order.

The real meaning of this action, which came as so great a shock, was diagnosed by a Republican, Senator FLANDERS, of Vermont, himself a manufacturer, who said bluntly that "the steel industry apparently does not yet realize the nature of the public interest in their business policies." He declared that "in an industry as fundamental as steel there are public questions involved as well as questions of private business policy."

So there are. Steel is a great empire of its own, in effect a private state that reaches far and wide in our land, affecting the lives and welfare of all of us. For that reason it is endowed with a public character and a public responsibility, whatever the master of steel may think.

It has, at times, shown itself stronger than the political Government created ostensibly by the people to direct their affairs and protect their interests. It is one of the larger units of a number of giant industrial enterprises which, taken together, are sometimes referred to as "the invisible government" or "the private government." Their influence has weighed heavily in politics and statecraft, of which fact no proof is needed.

There are those, and not nearly so leftist as Henry Wallace, who believe that such dominant industries as steel must be brought closer under regulation in the public interest. The attitude exemplified by the steel industry will be capitalized for this purpose.

Among these are Senator O'MAHONEY (Democrat, Wyoming), who has a bill pending for Federal licensing of such giant interstate industry. Commenting on steel's price increase he said that "the supply of goods for 140,000,000 people is now controlled by a handful of industrial managers because of the tremendous concentration of economic power.

"There is no relief through competition because there really is no competition. When Big Steel acts the other companies follow in line. Six companies control approximately three-fourths of the steel production in the United States. Therefore, a basic economic decision is made for the people of the United States by a few corporate managers while Congress reluctantly assumes its duty of regulating the commerce so as to protect the people."

Address by Hon. James A. Farley

EXTENSION OF REMARKS
OF
HON. SOL BLOOM
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. BLOOM. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to insert an address by Hon. James A. Farley, chairman of the board, the Coca-Cola Export Corp., on a program commemorating the two-hundred and ninety-fifth anniversary of the christening of the city of New York, Niew Amsterdam, under the auspices of the Citizens Committee for the Fiftieth Birthday Celebration of Greater New York and Federal Hall Memorial Associates, Inc., radio station WNYC, February 2, 1948.

The address is as follows:

Mr. Osborn, I appreciate your introduction, the gracious manner in which you have presented me to a vast listening radio audience, and before this assembled gathering of notables, here in Federal Hall Memorial Museum.

It is with reverence that I speak of the hallowed and historic ground whereon we are now standing. Here on the site of old Federal Hall, first Capitol of our country under the Constitution, General George Washington was inaugurated as President of these United States, 159 years ago this coming April 30.

Today we are here to commemorate the 295th anniversary of the christening of our city as New Amsterdam. This marked the actual struggling start of our great municipality of today, the greater city of New York, and the capital city of the world.

Director General Peter Stuyvesant of the then New Netherlands in America issued his proclamation on the eve of the Feast of Candlemas, February 2, 1653. He chose the name of the Holland seaport from which the Dutch settlers had sailed, the old Netherlands city of Amsterdam.

It is interesting at this point to note, also, that Stuyvesant, exactly 300 years ago, built part of a famous structure on this very spot in New York where we are gathered, at the corner of Wall and Nassau Streets. But more of that later.

Glancing about me here today, I am surrounded by priceless historic museum pieces, of all kinds and descriptions. They are painstakingly and well displayed, telling visually much of the thrilling story of the first years of our Nation, and of its leadership, including the famous collection of "Washingtonia" that has been assembled over the years and loaned by my friend, Messmore Kendall, past president general of the Sons of the American Revolution, and president of the Bill of Rights Commemorative Society.

That most precious document, the Bill of Rights, was finally written and enacted on this site. Here the first Presidential Cabinet was selected and met. Both the Senate and the House of Representatives convened here in 1789, and the first departments of our Government, including the Post Office Department, were created on this corner.

Around and about us today, in the museum, are priceless originals of many pertinent documents of the early days of our Republic and the authentic reproductions of many more; old prints, models of historic buildings of old New York of the revolutionary period; even the huge flagstone, saved from the floor of the balcony of old Federal Hall, whereon Washington stood when he took the oath of office as President.

Here is what might be termed a "stationary freedom train."

I am awed, and reverently so, as I stand here speaking to you.

All of you who can should visit this historic corner of our city when occasion and time permit.

In these trying days, particularly, here can be found heartening inspiration for all true Americans, for all lovers of freedom and democracy as our Government, together with that of the Netherlands, understands and interprets those frequently maligned words "freedom" and "democracy."

I believe that I am expressing the sentiments of the official representatives of the Netherlands Government who are with us today, Dr. van Kleffens, the Netherlands Ambassador, Dr. Koopmans, as consul general, in what I have said.

At the conclusion of these ceremonies, Ambassador van Kleffens will open a special exhibit of old Dutch colonial historia, dating back to the early days of New Amsterdam and the new Netherlands. This special display will continue for some weeks to come. It is a part of our citizen's committee's activities in connection with the golden anniversary celebration.

To continue with old Dutch colonial history, there is a point I had promised you all to make—that Peter Stuyvesant, too, was directly connected with this corner of Wall and Nassau Streets.

We know that he strode along on this spot in 1647, stumping along on his one good and his one copper-bound wooden leg. Walking here, he selected the site and caused to be erected a wooden palisades—a wall for the protection of the Dutch settlers from Indian marauders.

That wall, completed in 1648, just 300 years ago, crisscrossed this very land. It stretched east and west, directly across lower Manhattan Island, from the East to the North River, as they were originally named by the Dutch.

These palisades were flanked to the south by a roadway. This road came to be known as "Wall Street." The front of this structure wherein we are now assembled, the 105-year-old Subtreasury Building, faces Wall Street, as did old Federal Hall. And so Peter Stuyvesant made another historic entry on the books recording New York City's background.

This 1948 Greater New York Golden Anniversary Year presents an ideal occasion upon which to review in various ways and to impress upon the world of today our city's highlights in history. This I can say, as executive vice chairman of our citizens' committee, we are endeavoring to do. That is why we are gathered here today, believing it is vitally important that public consciousness of our traditions should be stimulated to offset the subversive, un-American propaganda now being disseminated on every hand

throughout this land and throughout the world. We must endeavor to meet and to defeat such propaganda with positive presentations of democracy, as traced back through our history and brought up to date.

Commemoration of these and other events forming the background of our city's phenomenal growth is a part of our committee program for the year 1948. When we began picking various events and dates to be singled out for special celebrations, it seemed amazing that so many historic anniversaries were available, many of national interest, and not merely local.

As a former Postmaster General of the United States, I am particularly pleased that the Post Office Department in Washington approved our issuance of a series of 15 commemorative historic postal cachets. Seven in the series already have been issued. The eighth will be issued here today, to commemorate this event of Dutch Colonial days and the naming of our city "Nieuw Amsterdam." The cachet pictures Peter Stuyvesant.

To officially issue these cachets, a temporary branch post office has been built here in the Federal Hall Memorial Museum. I am standing directly in front of its philatelic stamp and cachet window, from which already more than 100,000 cacheted covers have been mailed. Only here can each cachet be affixed and only here will the special cancellation be applied, reading "Federal Hall Station, Greater New York Golden Jubilee, 1898–1948."

May I take this opportunity to state that our citizens' committee is cooperating wholeheartedly with all in the celebration of our city's golden anniversary. A citizens' committee is always important. It keeps alive our sense of civic responsibility. The temptation is always strong to expect the Government to take care of things. But, ladies and gentlemen, we of the Citizens Committee for the Fiftieth Birthday Celebration of Greater New York feel that the good old voluntary spirit is essential and vital to a healthy democracy. Let's make it work, each and every one of us.

New York State Legislature Requests Lifting of Palestine Arms Embargo

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. CELLER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following resolution of the New York State Legislature:

STATE OF NEW YORK,
IN SENATE,
Albany, February 10, 1948.

Whereas the United Nations has decreed that Palestine shall be partitioned into separate Arab and Jewish states; and

Whereas the Arab nations, in defiance of the decree of the United Nations, have refused to participate in negotiations preparatory or subsequent to the vote on the partition plan; and

Whereas the Arab nations have persistently followed a course of terror and violence designed to nullify and prevent the implementation of the United Nations Palestine decision; and

Whereas the Jews of the world, in a spirit of amity and compromise born of the suffering and persecution which they have endured through the ages, have gratefully accepted and agreed to be bound by the decision of the United Nations on Palestine although it does not carry out promises made to them in the Balfour declaration; and

Whereas the public press carries daily accounts of unprovoked mass Arab raids and terroristic attacks against the Jewish people in Palestine and the toll of wounded and dead Jewish people continues to mount with unabating intensity; and

Whereas the Arab attacks on the Jews threaten to disturb the peace of the world and the Jewish people should be permitted, assisted, and encouraged to arm and defend themselves against such attacks; and

Whereas this Nation, through its embargo on arms and munitions destined for shipment to the Middle East, has prevented the Jews of Palestine from obtaining the weapons of defense sorely needed by them to resist and defend themselves against the attacks of the Arabs, while the Arabs continue to secure arms and munitions from neighboring Arab and other states; and

Whereas the Honorable William O'Dwyer has openly announced his opposition to the arms embargo and has urged the Government of the United States to cancel the same and to permit the immediate shipment of weapons and munitions to the embattled Jews of Palestine; and

Whereas the people of the State of New York are justifiably disturbed and alarmed over the plight of these defenseless Jews in Palestine and urgently implore the President and the State Department to cancel the arms embargo without further delay: Now, therefore, be it

Resolved (if the assembly concur), That the President, the State Department, and the Congress of the United States be and they are hereby respectfully memorialized to take such steps as may be necessary to cancel the present embargo on the shipment of arms and munitions to the Jewish people of Palestine who are defending the decision of the United Nations and make possible the immediate shipment of arms and munitions for the defense of the Jewish people of Palestine against the unprovoked acts of aggression and warfare of the Arabs; and be it further

Resolved (if the assembly concur), That copies of this resolution be immediately transmitted to the President of the United States, the Secretary of State of the United States, the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, and to each Member of Congress duly elected from the State of New York.

By order of the senate:

WILLIAM S. KING, *Clerk.*

In assembly, February 10, 1948. Concurred in without amendment.

ANSLEY B. BORKOWSKI,
Clerk.

National Science Foundation Act

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 16, 1948

Mr. HESELTON. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I am including a copy of the reasons filed by the President on August 8, 1947, when he disapproved S. 526, the National Science Foundation Act:

NATIONAL SCIENCE FOUNDATION ACT

S. 526. I am withholding my approval of S. 526, the National Science Foundation bill.

I take this action with deep regret. On several occasions I have urged the Congress to enact legislation to establish a National Science Foundation. Our national security and welfare require that we give direct support to basic scientific research and take steps to increase the number of trained scientists. I had hoped earnestly that the Congress would enact a bill to establish a suitable agency to stimulate and correlate the activities of the Government directed toward these ends.

However, this bill contains provisions which represent such a marked departure from sound principles for the administration of public affairs that I cannot give it my approval. It would, in effect, vest the determination of vital national policies, the expenditure of large public funds, and the administration of important governmental functions in a group of individuals who would be essentially private citizens. The proposed National Science Foundation would be divorced from control by the people to an extent that implies a distinct lack of faith in democratic processes.

Moreover, the organization prescribed in the bill is so complex and unwieldy that there is grave danger that it would impede rather than promote the Government's effort to encourage scientific research. The Government's expenditures for scientific research and development activities currently amount to hundreds of millions of dollars a year. Under present world conditions this work is vital to our national welfare and security. We cannot afford to jeopardize it by imposing upon it an organization so likely to prove unworkable.

Under S. 526 the powers of the proposed foundation would be vested in 24 members appointed by the President by and with the advice and consent of the Senate. These members would be part-time officials required to meet only once each year. This group would in turn select biennially from among its 24 members an executive committee of 9 members and would exercise its powers through the executive committee. This nine-member executive committee would also be a part-time body required to meet only six times a year.

The Foundation would have a chief executive officer, known as the Director. He would be appointed by the 9-member executive committee unless the 24-member body itself chose to appoint him. The power and duties of the Director would be prescribed by the executive committee and exercised under its supervision.

There would be within the Foundation a number of divisions, each exercising such duties and performing such functions as the Foundation prescribed. There would be no limit upon the number of divisions which the Foundation could establish. For each division there would be a divisional committee. In the case of the Committee for the Division of National Defense, there would be a limit of 26 members, half of whom would be appointed by the Foundation and half of whom would be representatives of the armed services. In other cases, there would be no limit upon the number of members of each divisional committee and all of the members would be appointed by the Foundation. Not only would these part-time committees furnish advice and make recommendations concerning the Government's scientific research program, but each divisional committee would also exercise and perform the powers and duties of its division.

The Foundation would also be empowered to appoint commissions in various fields of

research. Three such commissions are specified in the bill, and the Foundation could appoint as many additional special commissions as it saw fit. Each such commission would consist of six eminent scientists and five members from the general public. After making a survey of public and private research already being carried on, each of these commissions would recommend a research program within its field and constantly review the manner in which such program was being carried out.

Apart from the conflicts and confusion which would result from this complex organization, the bill would violate basic principles which make for responsible government.

The Constitution places upon the President the responsibility for seeing that the laws are faithfully executed. In the administration of this law, however, he would be deprived of effective means for discharging his constitutional responsibility.

Full governmental authority and responsibility would be placed in 24 part-time officers whom the President could not effectively hold responsible for proper administration. Neither could the Director be held responsible by the President for he would be the appointee of the Foundation and would be insulated from the President by two layers of part-time boards. In the case of the divisions and special commissions, the lack of accountability would be even more aggravated.

The members of the Foundation would also be authorized to appoint the full-time administrative head of an important agency in the executive branch of the Government as well as more than 70 additional part-time officials in whom important governmental powers would be vested. This represents a substantial denial of the President's appointing power, as well as an impairment of his ability to see that the laws are faithfully executed.

The ability of the President to meet his constitutional responsibility would be further impaired by the provisions of the bill which would establish an Interdepartmental Committee on Science. The members of this committee would be representatives of departments and agencies who are responsible to the President, but its chairman would be the Director of the Foundation. It would be the duty of this committee to correlate data on all Federal scientific research activities and to make recommendations to the President, to the Foundation, and to the other departments and agencies of the Government concerning the performance of their functions in this field. Thus an officer who is not appointed by the President, and not responsible to him would be the man primarily charged with the performance of functions which are peculiarly within the scope of the President's duties; that is, the coordination of the work of executive agencies. This is especially unwise when the activities concerned are so intimately related to the national welfare and security.

There are other compelling reasons why control over the administration of this law should not be vested in the part-time members of the Foundation. The Foundation would make grants of Federal funds to support scientific research. The recipients of these grants would be determined in the discretion of the Foundation. The qualifications prescribed in the bill for members of the Foundation would insure that most of them would be individuals employed by institutions or organizations eligible for the grants. Thus, there is created a conflict of interests which would inevitably give rise to suspicions of favoritism, regardless of the complete integrity of the members of the Foundation.

It is unfair to individuals asked to accept public office that they should be put in such a vulnerable position. Moreover, colleges and universities and other organizations seeking aid for scientific research deserve the assurance that the manner and extent of their participation in a national program will be determined on a completely impartial and objective basis.

Adherence to the principle that responsibility for the administration of the law should be vested in full-time officers who can be held accountable will not prevent the Government from utilizing with great advantage the services of eminent scientists who are available only for part-time duty. We have ample evidence of the patriotic and unselfish contributions which such citizens can make to the success of governmental programs. The role to be played by such part-time participation, however, is more appropriately one of an advisory nature rather than of full responsibility. In other governmental programs of vast national importance this method is used to obtain advice and recommendations for impartial experts as well as from parties in interest. There is no reason why such a system cannot be incorporated in legislation establishing a National Science Foundation.

For the reasons I have indicated I believe that this bill raises basic issues of public policy. There would be no means for insuring responsible administration of the law. If the principles of this bill were extended throughout the Government, the result would be utter chaos. There is no justification in this case for not using sound principles for normal governmental operations. I cannot agree that our traditional democratic form of government is incapable of properly administering a program for encouraging scientific research and education.

It is unfortunate that this legislation cannot be approved in its present form. The withholding of my signature at this time, however, will not prevent the Government from engaging in the support of scientific research. Research activities are carried on extensively by various executive agencies under existing laws, and would continue to be carried on whether or not this bill became law. The only funds made available by the Congress for expenditure by the Foundation are funds which might be transferred from other agencies, thereby reducing the amounts which those other agencies could spend for similar purposes. No funds were made available for the scholarships and fellowships authorized in the bill. Thus, there would be no immediate gains which would justify accepting the risks involved in the approval of this legislation.

I am convinced that the long-range interests of scientific research and education will be best served by continuing our efforts to obtain a Science Foundation free from the vital defects of this bill. These defects in the structure of the proposed Foundation are so fundamental that it would not be practicable to permit its establishment in this form with the hope that the defects might be corrected at a later date. We must start with a law which is basically sound.

I hope that the Congress will reconsider this question and enact such a law early in its next session.

It will be remembered that this legislation passed in the Senate on May 20, 1947, and passed the House on July 16, 1947. Then, you will recall that the conference report was agreed to by both the Senate and the House. It will also be recalled that the bill as reported by the House Committee on Interstate and Foreign Commerce had received extensive consideration after long hearings.

I also include a memorandum prepared at my request by the Legislative Reference Service dealing with the basic objection expressed by the President to the administrative features of the legislation in that it contained "provisions which represent such a marked departure from sound principles for the administration of public affairs that I cannot give it my approval." I believe the memorandum is self-explanatory, and I think it is particularly interesting that the Hospital Construction and Survey Act furnished a clear precedent for this type of an approach to the problem of creating a very important Federal agency, and that it will be agreed that, if Congress and the President were correct in permitting that legislation to become law, they would be correct in approving the National Science Foundation Act as basically sound. The memorandum follows:

MEMORANDUM

To: Representative JOHN W. HESELTON.
Subject: Administrative provisions of S. 526, National Science Foundation bill.

This is with reference to your memorandum of January 8 requesting a report as to whether the provisions of S. 526, the National Science Foundation bill represent a marked departure from principles for the administration of public affairs.

Your memorandum also requests that the report include instances, if any, of the specific organizational features. The specific items will be dealt with first.

1. Instances where members of a commission, foundation, or other governmental agency, appointed by the President by and with the advice and consent of the Senate, have been authorized through the main body or its executive committee to appoint a director or similar officer.

It is customary for statutes establishing governmental agencies to confer upon the head or heads of such agencies a general authorization to employ such officers and employees as are necessary in the execution of agency functions. Acting under this general authority, a number of commissions and other agencies have made provision for the appointment of an official with broad administrative powers, subject to the direction of the members of the agency.

As illustrations, the Tennessee Valley Authority has a general manager; the Railroad Retirement Board a chief executive officer; the Federal Deposit Insurance Corporation an executive officer, and the Civil Service Commission an executive director and chief examiner.

In the case of the National Labor Relations Board, prior to its recent reorganization, the statute itself made provision for an executive secretary, to be appointed by the Board.

With respect to the officials designated above, great variation exists as to their duties. It would be difficult to make comparisons with the position of Director of the National Science Foundation established in S. 526. In all of the above cases the officials to whom the executive officer is responsible are full-time officials, so that the role actually played by the executive officer is probably less significant than was intended with respect to the Director of the National Science Foundation.

2. Instances "where authority has been given the foundation or main body to create divisions or small groupings and prescribe the duties of such divisions or groupings."

Such authority is possessed by practically all Federal agencies, by virtue of its very power to "administer." It is sometimes, of course, limited by statute.

(The "divisions" provided for in S. 526 were to be administered by part-time committees. It is in this respect that they appear to be unusual.)

3. Instances "where responsibility for the administration of the law has not been vested in full-time offices."

Many such instances in the Federal Government may be cited. Among them are the National Advisory Committee for Aeronautics (U. S. Government Manual, 1947, 2d ed., p. 447); the Federal Hospital Council (60 Stat. 1040); the National Capital Park and Planning Commission (Manual, p. 456); the American Battle Monuments Commission (Manual, p. 395, 60 Stat. 317); the Commission of Fine Arts (Manual, p. 400); the Textile Foundation (Manual, p. 294, 298); and the Smithsonian Institution (Manual, p. 476). Note also the Federal Power Commission as set up by the Federal Water Power Act of 1920 (41 Stat. 1063). In addition, nearly all memorial commissions, etc., are composed of persons serving on a part-time basis.

While the above bodies consist of persons serving on a part-time basis, in most instances all or a majority of the members are full-time Government officials serving ex-officio, or appointed as representatives of their agencies. Exceptions are the Federal Hospital Council, which is discussed below, the American Battle Monuments Commission, and the Commission of Fine Arts. The Battle Monuments Commission is composed of "not more than 11 members" appointed by the President. The President also appoints one officer of the Regular Army to serve as its secretary. The members and the secretary serve at the pleasure of the President. Commissioned officers of the United States may be appointed members of the Commission. Members serve without compensation, except for payment of actual expenses.

The Commission of Fine Arts is the official advisory body of the Government upon matters of art. It is composed of seven "well-qualified judges of the fine arts," appointed by the President.

Comparison of the other agencies cited above with the National Science Foundation is made below.

Does the National Science Foundation bill "represent a marked departure from principles for the administration of public affairs?"

In terms of precedent, it may be said that none of the above-mentioned agencies possess all of the essential organizational features found in S. 526. Those administered by full-time boards or commissions would not seem to be comparable. The agencies administered by persons serving on a part-time basis have some but not all of these organizational features. For example, the American Battle Monuments Commission and the Commission of Fine Arts could be composed, so far as their governing statutes are concerned, by persons none of whom were full-time Government officials, thereby resembling the Foundation. However, apart from the fact that the responsibilities of these agencies are scarcely comparable to those of the Foundation, other features of their organization are quite different. The members of both are appointed solely by the President. In the case of the Battle Monuments Commission, the President also appoints as secretary an officer of the Regular Army. The members and the secretary serve at the pleasure of the President. Neither of these agencies has need for any elaborate internal organization.

It has occasionally been stated that the National Advisory Committee for Aeronautics is constituted similarly to the proposed National Science Foundation. Its members serve on a part-time basis and appoint a director of research. The differences, however, are substantial. In the case of S. 526, there is no requirement that any of the members of the Foundation be appointed from the Government, although some of them, of course, could be. In the case of the National Advisory Committee for Aeronautics, however, the law specifies that the Committee shall consist of 15 members appointed by the President, and that it shall include two representatives each of the War and Navy Departments and the Civil Aeronautics Authority, one each of the Smithsonian Institution, the United States Weather Bureau, and the National Bureau of Standards, and six additional persons "acquainted with the needs of aeronautical science, either civil or military, or skilled in aeronautical engineering or its allied sciences." Thus, while the members serve on a part-time basis and without compensation, a majority of nine must be Government officials. Another difference is that the President is given full authority to make appointments. The position of Director of Aeronautical Research is not a statutory one, and he does not appear to have the authority of the Foundation Director, since the Committee also has an executive secretary, and an executive officer.

The situation is somewhat similar with respect to the National Capital Park and Planning Commission. The Commission is composed of 10 members, 6 of whom, however, serve ex officio, with 4 citizens appointed by the President. In the case of this agency the statute provides that the Director of the National Park Service shall be the executive officer.

The organization of the Smithsonian Institution resemb'es in some respects that of the Foundation. The Institution is legally an establishment, the members of which are the President, the Vice President, the Chief Justice, and the members of the Cabinet. It is governed, however, by a part-time Board of Regents who elect three of their own members as an executive committee. The statute also authorizes the Board of Regents to employ a Secretary, who is the actual Director of the Institution. The Secretary is removable by the Board of Regents. The composition of the Board, however, is quite different from that of the proposed Science Foundation. It is composed of the Vice President, the Chief Justice, three Members of the Senate appointed by the President thereof, three Members of the House of Representatives appointed by the Speaker, and six citizens of the United States appointed by joint resolution of Congress.

Another unusual organization is the Textile Foundation, created by act of Congress in 1930 (46 Stat. 539; 15 U. S. C. 501-503) for scientific and economic research for the benefit and development of the textile industry. The Board of Directors consists of the Secretary of Commerce and the Secretary of Agriculture, ex officio, and three persons familiar with the textile industry, appointed by the President. The Board appoints a secretary. The statute provides that the Board shall direct the exercise of all the powers of the corporation. The Foundation administers a fund of nearly $2,000,000 arising out of the disposition of German dyes after World War I (U. S. General Accounting Office, Reference Manual of Government Corporations, S. Doc. No. 86, 79th Cong., 1st sess., pp. 254-257).

Attention is called to the Federal Hospital Council, established under the Hospital Construction and Survey Act of 1946 (60 Stat. 1040). The Council consists of the Surgeon General and eight members appointed by the Federal Security Administrator. Four of the eight appointed members shall be persons who are outstanding in fields pertaining to hospital and health activities, three of whom shall be authorities in matters relating to the operation of hospitals, and the other four members shall be appointed to represent the consumers of hospital services and shall be persons familiar with the need for hospital services in urban or rural areas. The Council acts in part as an advisory body, but has in addition a very real measure of authority. For example, if the Surgeon General disapproves of any State plan as failing to conform to the requirements of the act, the Council, upon the request of the State agency, gives it a hearing. If the Council decides that the plan conforms to the requirements of the statute the Surgeon General must approve the plan (sec. 623 (b)). The statute also specifies that the general regulations prescribed by the Surgeon General must have the approval of the Federal Hospital Council as well as of the Federal Security Administrator (sec. 622).

It might be noted that a very close parallel to the organization provided in S. 526 is to be found in the original May-Johnson bill for the development and control of atomic energy (see H. R. 4566, 70th Cong., 1st sess.). This bill provided for an Atomic Energy Commission composed of nine members appointed by the President, by and with the advice and consent of the Senate. The Commission was to appoint an administrator, who, subject to the direction and supervision of the Commission, was made responsible for the administration of the act. As finally enacted, however, the statute provided for a full-time Commission.

Another parallel is to be found in S. 1239, Eightieth Congress first session, providing for a National Education Agency. This provides for a National Board of Education, consisting of 11 members, appointed by the President by and with the advice and consent of the Senate. Members are to be selected for character, ability and special interest in education. It is to meet not less than twice nor more than four times a year. The Board appoints a Commissioner of Education, through whom it administers the act.

HUGH L. ELSBREE,
Legislative Reference Service.

FEBRUARY 11, 1948.

Since practically everyone admits that our national security and welfare require, as the President indicated, that we immediately direct support to basic scientific research and take steps to increase the number of trained scientists as well as develop an agency to stimulate and correlate the activities of government directed toward those ends, I have reintroduced the bill as it was reported in the conference report, so that we may review both the consideration of the legislation in the Congress last year in terms of the reasons given for its disapproval by the President and the precedents to which reference is made in the memorandum. This bill has been numbered H. R. 5532 and has been referred to the House Committee on Interstate and Foreign Commerce.

Free Enterprise

EXTENSION OF REMARKS

OF

HON. SOL BLOOM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. BLOOM. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to insert an editorial with reference to the address of the Honorable James A. Farley before the Kingston Chamber of Commerce in Kingston, N. Y., on January 24.

This editorial appeared in the Kingston Daily Freeman on January 28, and is as follows:

FREE ENTERPRISE

Former Postmaster James A. Farley in his talk at the annual dinner of the Kingston Chamber of Commerce declared that some of the best brains that America's free-enterprise system has created should be drawn into the administration machinery to conduct our European aid.

We must look for management and direction to those who have successfully managed and directed the great productive enterprises in the United States. And these men ought to be drawn into service regardless of the party to which they owe allegiance, he said.

Free enterprise is not a political term. Some people seem to think that as soon as one begins to advance the idea that American business, industry, commerce, or agriculture was built upon free enterprise in this country, one must be a Republican. It was good to hear the former Democratic national chairman point to the free-enterprise system.

Free enterprise is a basic American principle, as free from politics as the Constitution of the United States itself. It came into being with the Constitution. It emerged from such episodes in American history as the Boston Tea Party and drew its first baptism of blood at Bunker Hill.

The implication of free enterprise is simple, straight-forward, and honorable. It derives its rights from a natural human impulse; the right of the individual to the initiative, and to enjoy the liberties guaranteed in the Constitution; liberties bought with the blood of patriots, who pledged their lives and their sacred honor to establish these liberties.

Free enterprise has financed two world wars. It has created more wealth among some 140,000,000 people than exists in the rest of the world. It has enabled us to spend approximately $400,000,000,000 to train, equip, and mechanize an army to fight for the principles of free enterprise for ourselves, and that other people may be enriched.

Therefore, free enterprise is not a selfish system as claimed by some and it is not founded upon greed. It is based on human initiative and the right to create, share, and enjoy and spend the wealth amassed by our individual and collective efforts as a people.

As Democrats and Republicans, and especially as Americans, we will not surrender free enterprise to national socialism, communism, or to any dictatorship. Such agencies have been the downfall of governments since the beginning of history, because they fail to recognize a fundamental right—the right to life, liberty, and the pursuit of happiness and the right to the wealth the individual has honestly earned by creative genius and the sweat of the brow.

Free enterprise is American democracy in action.

Address by Hon. Herbert R. O'Conor, of Maryland, to Delaware Feed Dealers' Association

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EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Tuesday, February 24 (legislative day of Monday, February 2), 1948

Mr. WILLIAMS. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD a very able address delivered by the junior Senator from Maryland [Mr. O'CONOR] at a meeting of the Delaware Feed Dealers' Association held at Laurel, Del., February 13, last.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Your business is an important factor in solving one of the most vital problems of the world today—providing an adequate supply of meat and poultry.

Efficiency in producing these vital products is more essential than ever before. It has always been important from the standpoint of the producers. It is now an important factor in the welfare of people generally that the available supplies of materials which go into this production are used most efficiently. The rehabilitation, and even the lives of millions of people, in foreign lands, are dependent upon the grains we send them. Our efficient use of the grain supplies at our disposal will determine in large measure the quantities we can send to starving populations while taking care of our people at home. I know of no group that has a more important role in the efficient use of grains than you, who supply feeds for the great livestock and poultry industries.

Scientists are constantly discovering new facts regarding nutritive requirements of various meat animals, about the value of new ingredients for feeds, and better utilization of the materials that have been in use. The feed industry is to be congratulated upon the prompt reception and welcome it has given to scientific advances, both by its own scientists and those of Federal and State agencies. Through this prompt action in the adoption of scientific principles on the part of your industry, the producers of animals, dairy and poultry products, have been enabled to increase their efficiency and profits.

It was not so many years ago that we knew absolutely nothing of the important role that vitamins play in the nutrition of all kinds of animals, as well as humans. It was not even known that such substances existed, let alone that they are essential for proper growth and health, and for the efficient utilization of other food ingredients. I wonder how long it would have been before the discoveries with respect to vitamins would have become so generally utilized in feeding animals and poultry had it not been for the services of those who have both the know-how and facilities for compounding rations containing them, such as your group possess.

The feed business of the Delmarva Peninsula is a great industry. It carries a heavy responsibility. According to the latest figures—those for 1946—Delaware broiler producers had about 55,000,000 broilers to feed, with a gross-income value of more than $51,000,000. Even that large number of broilers and gross-income value is a decided drop from the 75,000,000 produced in 1945, with a gross-income value of more than $65,000,000. I pay tribute to Delaware as the largest broiler-producing State in the Union, producing approximately 20 percent of the broilers in 1946.

The point I would make is that efficiency in production is extremely important in this great broiler industry. Major responsibility, no doubt, rests upon the producers. But I submit that the feed industry can, and does, have an important place in helping the producer to meet that responsibility. For efficient and profitable production, the producer must, of course, have the stock that can utilize feed efficiently—he must breed, or obtain in some manner the fast-growing strains of birds that produce the most meat from a given quantity of feed. At the same time, it has been demonstrated over and over again that more than half of the cost of producing broilers is represented by the feed bill. Possibly in these days of high prices feed may account for as much as 60 percent of the total cost of production. I am told that the broiler producers in Delaware spend in the neighborhood of $32,000,000 annually for feed. Certainly there is a responsibility in seeing that they get for that large sum the feeds which will enable them to provide well-balanced efficient diets for their birds.

The path of those engaged in the feed industry has been far from an easy road during the past several years. Shortages of materials and labor, abnormally fluctuating demand and costs, and the many other factors incident to wartime conditions and postwar adjustment period have all been yours in large measure. Perhaps you were too absorbed during those strenuous years in meeting the immediate problems as they arose to give a great deal of thought to the future. I believe that out of your efforts and services there have resulted lasting benefits for your industry. Ingredient scarcities and the necessity for finding substitutes for some of the commonly accepted materials has focused attention on mixed feeds to an extent that had not existed before. As someone has said, "The day of hit-or-miss and hope-for-the-best" in the rations used for poultry and livestock is past. The increased knowledge regarding the essential role of various vitamins and other ingredients in feeds has made the compounding and mixing of feeds more complex. It has made the facilities and know-how that you possess more and more necessary. The necessarily complex formula recommendations resulting from feed research are a powerful argument for the compact, time-saving value represented by the reliable, premixed, branded feed.

Since the poultry and particularly the broiler industry is so important a factor in your business, it would appear that the immediate future offers an opportunity. With the shortage of meat that exists and is predicted for months ahead, it would appear that increased supplies of poultry would help meet the shortage. While there was a recession in production of broilers in 1947, it would seem that the national situation is favorable for the industry and will lead to its stability. It is my understanding that an educational campaign has been launched in Delaware and Maryland, both private and cooperative, looking to stabilization of the business in this territory. At this particular time your industry is not only in position to render valuable service to the broiler industry in your trade territory, but at the same time will make a substantial contribution in the national food emergency.

I have referred to the poultry and broiler industry at some length because of its importance in this area. I am not unmindful that the dairy and livestock industries of the State are the source of millions of dollars in farm income and purchasers of large quantities of feeds.

Cattle and calves: 60,000 head—$1,908,000 gross income 1946.

Hogs: 34,000 head—$1,570,000 gross income 1946.

Sheep and lambs: 2,000 head—$7,000 gross income 1946.

There is one other topic about which I cannot refrain from commenting to those engaged in the feed industry. I refer to the conservation of our natural resources, particularly our soils. The wartime period placed a tremendous drain on all of the resources of this country. In the effort for maximum food production farmers were not able to give the attention to saving their basic resource that they would have given in more normal times. It is more gratifying to note, however, that the program of soil conservation launched prior to the war made substantial progress during the unsettled

years. The loss of soil fertility was much less than might have been anticipated.

With the return to peace and with the continued need for full production, there is no more vital problem than saving our soils. It is by no means a problem that affects only those who live on and cultivate the land. It affects all of us, and, it seems to me, it is a problem in which your industry has as great, if not greater, stake than any other. Your sales are to those who must derive the funds from which to buy your goods from the soil. Your product contains the concentrated fertility taken from the soil by crops which must be returned in some form. It would appear no more than logical, and, I might add, self-interest, that those of the feed industry would not only maintain active interest in and support of all sound conservation programs and measures but would even be leaders in saving the resource upon which their industry, as well as the industry of their principal clients, depends.

Developments in the past several weeks, and more particularly of the last few days, in the commodity and stock markets unquestionably must have caused dealers in feeds to ask themselves, "Is this the beginning of the long-predicted 'bust'?"

All of you have felt, I am confident, that prices of feedstuffs had risen dangerously high. It was only natural, therefore, that reports of improved expectations of food production throughout the world would tend to bring a readjustment in this particular field. The desperate need for cereals throughout the world today, however, and the certainty that, even with the increased expectations for grain production due to improved weather conditions, the world will be short of food for some time to come, argue against any catastrophic decline in basic food prices at the present time.

Farmers as a whole have benefited appreciably from the high food prices occasioned by world needs throughout the war years and up to the present time. It is only natural to expect that with the European countries getting back to some semblance of normal production, and with good weather conditions prevailing there as compared to the very unfavorable weather of last year, the present high level of return to agriculture would be decreased.

In addition to the facts of weather and world need just mentioned there is, of course, the general picture of our national economy, which now is being reflected in lower stock-market prices and a growing belief that the upswing is about at its peak, with lower prices on many items almost a certainty for the months ahead.

With American industry rolling along at a far higher level of production than ever was possible even during the critical days of the war many of the shortages that plagued both individuals and industry have been relieved, to the point where future buying will be done entirely on the basis of immediate needs, with no backlog or inventory build-up to consider. I believe it is an entirely healthy situation that America so quickly has been able to accommodate itself to the backed-up needs of its citizens and of at least some phases of industry. There are so many wants to be supplied throughout the world that, once the fear of a "bust" is relieved by such readjustments as now are in process, our country can settle down with assurance, economists generally agree, to a period of prosperity far superior to any that even this most prosperous of all nations has ever experienced.

Our envious enemies abroad, particularly in Russia, are licking their chops in expectation of their predicted chaotic recession here in America. They are enraged because they haven't been able to match our forward strides. Their controlled economy does not afford the incentive or the opportunity which the American system does to individual and to industry to achieve new records of production.

If anyone needed to be resold on America and the American system, it would be necessary merely to look around the world today and note how vastly superior America's response in increased food and commodity production has been to that of Britain's and of Russia's. Even granting the disadvantages to those two countries occasioned by their severe war losses, it is immediately apparent that there are possibilities under the American system that are not offered under any other system of government in the world today.

Rubber Legislation

EXTENSION OF REMARKS

OF

HON. WALTER B. HUBER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. HUBER. Mr. Speaker, as a stanch believer in the free-enterprise system and long an advocate of measures to liquidate wartime controls, I must voice vigorous objections to pending legislation which threatens to shackle the Nation's great rubber manufacturing industry to long-term controls of a type common only to the authoritarian state. I refer to H. R. 5314, reported by the Armed Services Committee of the House on February 17. Not only in my own district, which embraces Akron, Ohio, the "rubber capital of the world," but throughout the country rubber manufacturers voice grave fears over the totalitarian implications of this measure.

For this reason, I commend to the Congress a careful study of the trenchant objections raised against H. R. 5314 in the Monthly Rubber Report by Mr. Warren S. Lockwood, of Washington, who is widely recognized both in this country and internationally, as one of the outstanding, independent authorities in the rubber field.

PERMANENT (?) RUBBER LEGISLATION

Whether the Shafer bill (H. R. 5314) becomes law in approximately its present form is a matter of prime concern to the rubber manufacturing industry, the rubber reclaiming industry, the synthetic rubber industry, the rubber trade in the primary markets of the world, and the natural rubber producing industry. It is also of direct interest to the millions of Americans who ride on rubber and the even larger number of millions who should know what Congress is doing when, in the name of national security, it takes an important step down the road of governmental regimentation.

With one vital amendment, we could swallow the bitter pill H. R. 5314 contains to our fundamental belief that the future of any industry is better assured in private than in Government hands.

We do not like the bill's inroads on the freedom of international trade. We do not like the implied acknowledgment that, in rubber, in peacetime, free enterprise cannot be trusted. We do not like the extraordinary powers granted to the President, under which, in the name of national security, almost any given production of synthetic rubber would be possible by an administrative action.

But, far and away the most dominant issue is the lack of a termination date.

The theory that once a bill becomes law, when conditions change the law can be changed, is fine. But try and change it.

What the Shafer bill proposes is, in effect, permanent legislation—a minimum of 200,000 tons of synthetic rubber in forced consumption whether or not we have an ample stock pile of natural. Sale of synthetic plants to private enterprise to produce rubber becomes next to impossible, whether or not such a sale might prove eminently desirable, during the many months Congress is not in session.

Here we see, in peacetime, a compounding by legislation theory written into law—forever, until changed—which gives the administration in power the right to tell a great American industry how to make its products, and the American public what kind of rubber products it can have.

Think of the implications of such permanent legislation. When will government in peacetime, and in the name of national security, tell us, for example, how automobiles should be made from some less critical material than steel? For certainly, of all our strategic and critical materials, rubber is one for which the future supply looks brightest, for which we have a huge synthetic plant which can be put in stand-by, for which private capital wants merely complete freedom to earn the fruits of its own research to develop a constantly better substitute material.

If we adopt this "government control necessary for national security in rubber" theory, where do we head for the materials that are really critical now?

Take petroleum, for instance. For every ton of synthetic rubber made we sacrific hundreds of gallons of 100-octane gasoline. All critical material supply problems are relative. Does anyone seriously think our rubber supply, present or potential, is more critical than our petroleum supply?

If a 2-year time limit is put on this bill, however, the rest of its provisions can be tolerated. It is not a matter of debate that we must use more than 200,000 tons of GR–S in both 1948 and 1949 in order to secure our natural rubber stock-pile goals. Probably sale of plants during this period, in any event, would be slow. National-security emergencies—on a temporary basis—provide a legitimate reason for government allocation of scarce materials and control of physical facilities. The smooth acquisition of a needed stock pile is a legitimate national security emergency.

It is only when you make a national security emergency permanent that the security from government control becomes the real national security.

Salute to Censors

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Tuesday, February 24 (legislative day of Monday, February 2), 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial entitled "Salute to Censors," from the Christian Science Monitor.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SALUTE TO CENSORS!

(By Harlan Trott)

One way to spark public curiosity about a provocative publication is to suppress it.

It is doubtful whether the speech Marshall Adams was asked to give before the Detroit Adcraft Club would be attracting half as much attention around Washington today had Mr. Adams' prospective sponsors not canceled the invitation after finding out what was in the speech.

Mr. Adams is advertising manager of the Mullins Manufacturing Co., of Warren, Ohio, makers of kitchen equipment. Apparently, he does not entirely approve of the National Association of Manufacturers' sponsorship of a plan calling for an outlay of large sums of money by the Nation's big corporations on advertising in newspapers, magazines, and house organs to sell free enterprise.

What Mr. Adams was primed to tell the Detroit admen was that the undertaking looked like an effort to conceal faults inherent in free enterprise and to propagandize against changes to improve that system.

The Ohio advertising executive believes the NAM is still influenced by out-of-date diehards who insist that the American way of life is being destroyed.

"The American way of life isn't static and never will be," he insists. "It has undergone constant change for over a hundred years and will continue to undergo changes for the next hundred."

According to Mr. Adams' thesis, Joe Doakes doesn't have to be sold on the American way of life.

"He likes it and wants to keep on living it—and his greatest hope is that free enterprise will make it possible for him to keep on living it."

Furthermore, what Doakes wants among other things is work, social security, and decent living conditions, and so long as free enterprise provides them, he'll be for the system.

Mr. Adams thought it was worth telling the Detroit group that the NAM-sponsored advertising campaign was unsound because it aimed to persuade Doakes to "forget the still existing faults of the system by telling him how it works."

"If free enterprise is in any danger," Mr. Adams argues, "it's because of the defects in it, particularly the recurrence of depressions." He believes advertisers would do better to work out a program to prevent another depression and "buckle down to work to overcome the defects of the system."

It does not take a very long memory to recall the campaign of this kind undertaken shortly before the war which had for its slogan, "What is good for business is good for you."

Mr. Adams was itching to say quite frankly that that is a false slogan, and that it typifies a point of view that is the source of the present difficulties of the free-enterprise system.

He holds that the slogan should go the other way round: "What is good for you is good for business!"

"The same words," he declares, "but what a whale of a difference a few shifts make. And until free enterprise, as a whole, recognizes what many leaders know—that its long-pull welfare is dependent on the welfare of its customers as well as stockholders—it will be in danger."

If business really wants to sell somebody something, he suggests they try their hand at selling the shortsighted elements of free enterprise on the idea that what is good for Joe Doakes is good for free enterprise.

There is no way of telling how far afield Mr. Adams' views might have traveled in print had not the Detroit "Admen" decided not to give a hearing to this businessman's unorthodox ideas.

I think they unwittingly did him and the American free-enterprise system a good service. As any witness to a Boston bookburning knows, the worst censorship is often the best salesmanship.

In Lithuania

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very pertinent article by Dr. W. Elmer Ekblaw on Lithuania, which appeared in the Worcester (Mass.) Telegram on February 16, 1948. Dr. Ekblaw is a professor at Clark University, Worcester, Mass., and is a recognized authority on international affairs.

The article follows:

(By Dr. W. Elmer Ekblaw, Clark University)

The world does not know what is happening in Lithuania now. Once the world knows, current apologists for Russia will find their tasks more difficult than ever. Their casuistries will then fall on deaf ears, for folk will be convinced finally of Russian perfidy, tyranny, and brutality. Their false objectivity will be revealed for what it truly is—subtle promotion of Russia's willful schemes for territorial and political aggrandizement and, ultimately, domination of the world's resources and man's activities.

It is 30 years since the peace of Versailles, when Lithuania became a free and sovereign state, restored to her rightful place in the family of nations. It is 30 years since Soviet Russia was forced to relinquish her throttling hold upon the Lithuanians, and other Baltic peoples. It is a little more than 30 years since the revolution laid the foundation for a new regime of implacable tyranny, treachery, and brutality, and the ruthless course for political aggrandizement and territorial imperialism which Russia has since followed. After three decades of brutalization in Russia, the idealism and humanity that characterizes Lenin's Communist teachings have been completely lost in materialism and inhumanity that mark every step of Stalin's rise to power and imperialistic policies.

The world does not know what has happened to Lithuania behind the somber, impenetrable Iron Curtain, dark and ominous as the walls of Hell itself. There is every reason to believe that behind the iron curtain tens and hundreds of thousands of good God-fearing Lithuanians have been liquidated, martyred for their patriotism, their religious faith, their steadfast resistance to tyranny. Tens and hundreds of thousands of good Lithuanians have been wrested from their families, their homes, their native haunts, for service as slaves in Siberia. It is slave labor that Russia is using to equip herself for further expansion, for further despotism, for further persecution, even for war and further conquest, and a goodly part of the slave force comes from Lithuania.

And still we temporize. We close our eyes to the injustice, we close our ears to the calls for help, we close our hearts to the suffering we know prevails behind the iron curtain. We cannot much longer ignore the tragedy that the iron curtain conceals. We cannot much longer endure the shame we feel over our tolerance of such brutality. We cannot much longer hold up our heads in self-respect and honor if we continue to associate economically or politically with a nation so devoid of humanity and sense of justion as the iron curtain shields. We should not accept the stamp of hypocrisy, the seal of selfishness, that continued toleration imposes upon us.

It is 30 years since Lithuania regained her freedom and independence. Her people were happy and prosperous in their own sovereignty, until they were again overrun by Russia. They are now being destroyed as a nation and exterminated or enslaved as a people; all that we are doing, all that we have done, is to acquiesce. Can we not do more?

Certainly we can renounce our associations with a power that betrays every right of minority peoples, that tramples upon every group that falls under its control, that ridicules our ideals and our principles—of government, of religion, of honor and justice. Certainly we can refrain from any economic or political exchange of benefits or advantages between them and us. As a man is known by the company he keeps, so is a state known by its associates; why should we accept the disgrace of association of any kind with so perfidious a power as Russia?

We must not recognize, or accede to, Russia's claims to sovereignty over the Baltic states. We must not yield to Russia's threats, her insidious propaganda, her insatiable demand for territory and power, and permit Lithuania to become only a memory. We must not, shall not, forget Lithuania and her right to sovereignty and freedom.

Oil Troubles the International Waters

EXTENSION OF REMARKS

OF

HON. HENRY CABOT LODGE, JR.

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Tuesday, February 24 (legislative day of Monday, February 2), 1948

Mr. LODGE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Oil Troubles the International Waters," by Kirtley F. Mather, which appeared in the New York Times magazine for last Sunday.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OIL TROUBLES THE INTERNATIONAL WATERS—ITS SCARCITY HAS PRODUCED CONFLICT ABROAD AND CONCERN AT HOME, BUT RESOURCES ARE STILL VAST

(By Kirtley F. Mather)

Petroleum is in many respects strategic mineral No. 1 in world affairs. Almost everywhere we look, as we try to utilize the earth's resources for the benefit of mankind, petroleum holds a central if not dominating position. Indispensable to our civilization, it is a compelling factor in relations between the major powers.

Competition for control of the marvelously rich oil lands of the Middle East is an important element in the dangerous tension between the United States and Soviet Russia. The far-flung holdings of British oil companies are fundamental to the foreign policy and economic planning of Great Britain.

Mesopotamian and Arabian oil has significant bearing upon American interest in the future of Palestine. Not even the good-neighbor policy in the Western Hemisphere can escape the implications of the presence of vast oil reserves in several of the Latin-American republics.

One reason for all this is that in many fields there is at present no adequate substitute for oil. Regardless of any developments that now seem likely with respect to atomic energy, oil will continue for many years to be a primary source of power for industrial nations. It will also be a basic raw material for numerous chemical industries.

Another reason for rivalry over oil is that it is by no means an inexhaustible resource. Our planet must be reckoned as a storehouse of such minerals as petroleum, not as a factory which generates them year by year, or even millennium by millennium. Each year we take away a few packages of the goods that remain on the shelves of the storehouse; if we keep doing that long enough, some day the cupboard will be bare. Indeed, petroleum is now being used at such a rate in relation to its total amount in the earth's crust that its complete exhaustion, from a geological standpoint, is alarmingly imminent.

Between 1859, when the first oil well was drilled in the United States, and January 1, 1948, the world production of petroleum has totaled nearly 55,000,000,000 barrels. Of this, the United States production has been approximately 32,000,000,000 barrels. The annual output, both for the world as a whole and for the United States, has increased each year since 1938 (except 1942, when America entered the war) and there is every indication that the increases will continue for the next few years. Probably the world oil production will average more than 3,000,000,000 barrels a year during the decade 1947–56.

This is significant when we note that estimates by competent geologists give a figure of slightly less than 72,000,000,000 barrels for the world's "proved" oil reserves as of January 1, 1948. It would be erroneous, however, to make the easy arithmetical calculation that the world's oil will be exhausted in 24 years. We know from past experience that the proved reserves are only a fraction of the actual reserves. But whether the fraction is one-half or one-tenth is a matter of great moment, and one that has much to do with the international competition for oil fields.

The reason for uncertainty on this point is that although geological and geophysical surveys permit the discovery of places beneath which some of the requisites of an oil field are evident, no one can guarantee in advance of drilling that oil will be encountered at depth. Not until the drill has yielded information concerning the texture and thickness of potential reservoir rocks within a favorable structure and has demonstrated the actual presence of petroleum can one begin to calculate the quantity of proved reserves for any oil field.

This broad outline of the world picture for petroleum suggests three vital questions relating to the extent and distribution of oil reserves. They are:

(1) What is the outlook on future petroleum supplies in the United States?

(2) Can the world's remaining oil be distributed equitably and peacefully, or will big-nation rivalry for it touch off a disastrous conflict?

(3) Can an adequate substitute for petroleum be found before oil resources are exhausted?

Our most immediate problems are involved in the first two questions. Both of these concern the relation between proved reserves and the total supply of petroleum in the ground. The meaning of the relationship is best illustrated by the recent history of American oil fields, where production is now at an all-time high.

Since 1936 there has been an intensive search for new oil fields in this country. The results have made possible an increase in annual production from about 1,000,000,000 barrels in 1936 to 1,890,000,000 barrels in 1947. In spite of this vast removal of oil, the proved reserves have been greater at each year's end than at the beginning of each year—with the exception of 1943, when the wartime need for steel cut into the use of steel for well casings.

On the face of it this would seem reason for optimism. But the trouble is that the curve representing additions to proven reserves rose steeply only from 1936 through 1939. Since then it has shown a definite tendency to level off. There is little doubt that the peak will be reached about 1950 and that thereafter the United States must increasingly depend upon existing proved reserves.

This somewhat gloomy forecast is borne out by detailed studies of operations in the chief oil-producing States of the Union. There the number of new major fields discovered each year has decreased steadily since 1940. The inference is plain; nearly all the large oil pools in those areas have been located. We are spending the capital provided by nature, and spending it rapidly.

The drain on American reserves is speeding the search for additional oil sources in the submerged parts of the continent, known to geologists as the Continental Shelves. A chief center of search is the submerged part of the coastal plain of Texas and Louisiana, which continues far out beneath the waters of the Gulf of Mexico. Geologically there is no reason to doubt the presence of oil-bearing salt domes there.

Despite the special engineering problems involved in this type of drilling, two wells have been completed and a number of others are being drilled at distances of from 10 to 40 miles from shore. So far, however, there has been no production in commercial quantities.

Extension of the search for oil to such submarine areas may be expected to add a few billion barrels to American reserves, but at best it will postpone by only a few years the time when American production will lag far behind American consumption of petroleum products. It is therefore appropriate to examine the prospects for meeting American needs by importing oil from other countries.

American interests control 75 percent of the nearly 9,000,000,000 barrels of proved reserves in South America, more than 40 percent of the 26,000,000,000 barrels of proved reserves in the Middle East, and nearly 30 percent of the 1.4 billion barrels of proved reserves in the Far East. Thus, if political factors are favorable, the United States may draw upon nearly as many barrels of foreign oil reserves as are presently available within its own boundaries.

But the United States does not exist in a geographical vacuum. It is but one among many nations having petroleum needs and rights.

The chief known resources of oil based upon estimates of proved reserves at the beginning of 1947, show that although continental United States possesses only a little more than 30 percent of the proved world reserves, its production has been running well over 60 percent of the yearly output.

Moreover, a graph depicting conditions 10 years hence would in all probability show a decrease in the proved reserves of the United States and an increase for most other countries. One may venture the guess that whereas the actual reserves beneath the United States are not much more than twice the amount of present proved reserves, the actual reserves in other producing countries (except Venezuela) average at least three times the proved reserves.

Most amazing is the position of Kuwait, the tiny country at the head of the Persian Gulf, whose proved oil reserves are exceeded only by those of the United States and the Soviet Union. It is also interesting to note that Iran, Iraq, and Arabia stand fifth, sixth, and seventh in the world in respect to petroleum potentialities. These all lie in the Middle East, the chief storm center of international rivalry for oil.

If present trends continue, the obvious deduction is that the United States in 10 to 20 years will be a "have not" Nation so far as petroleum is concerned. The chief "have" nations will be Soviet Russia, Kuwait, Iran, Iraq, Arabia, and the East Indies. It is no accident that practically all the potential oil fields of the five last-named countries are under the control of American, British, and Dutch corporations.

This picture of oil reserves has vital bearing on the world situation. The United States and Soviet Russia are the only two great industrial nations which at the moment have a chance to meet their petroleum needs from their own domestic production. But for us this happy situation will change in a few years; then we will be increasingly anxious to import oil from abroad.

Furthermore, most of the major industrial nations—Britain, France, Germany, the Scandinavian countries, Belgium, Holland, and Italy—cannot possibly supply their normal demands from domestic sources. On the other hand, Venezuela, Colombia, Peru, the countries of the Middle East and the islands of the southeastern Pacific are producing or could produce petroleum far in excess of their own needs. Thus, a large fraction of the world's oil happens to be in countries which at present cannot use it, while many of the countries that need oil today do not possess it.

The temptations arising from such a situation are virtually irresistible. Petroleum is "a natural" for "power politics." The political factors fall under two heads.

Less powerful nations possessing more oil than they can use, naturally desire to profit as much as possible from the exploitation of their resources by foreign capital. At the moment, the arrangements between the South American countries and the American and European oil companies have been stabilized on a basis that seems satisfactory to all parties concerned.

Regulations concerning royalties and taxes in Venezuela, for example, are fixed in such a way as to divide the profits from all operations on approximately a 50-50 basis between the Venezuelan Government and the operating companies. Similarly, the governments of certain countries in the Middle East derive a considerable part of their income from oil royalties.

All such arrangements are, however, subject to change in the future, either by revision of tax laws or through revolutionary changes in the government, such as occurred in Mexico two decades ago. Consequently, it is not surprising that the governments of the more powerful oil-seeking nations do their best to maintain friendly administrations in the oil countries.

The second political factor is the difficulty of avoiding cutthroat competition among the stronger nations which require foreign oil. As a result of the reshuffling of the political and economic cards during World War II, there are now three outstanding players in the international oil game, Britain, the Soviet Union, and the United States. Their interests converge upon the Middle East, where racial and religious, as well as geographical and historic, factors provide abundant fuel for a world-wide conflagration.

Even in the event that a conflict can be avoided, are world supplies adequate to meet future world demands? The prospects are that the present rate of consumption (about 2,800,000,000 barrels a year) will soon be increased by larger consumption in countries which hitherto have not been heavy users of petroleum. For example, whereas the annual peacetime consumption in the United States is 450 gallons per capita, in Britain it is 80 gallons, in the Soviet Union 50 gallons, and for the world as a whole, outside the United States, only 15 gallons per capita.

Even so, it appears that the world reserves are adequate to meet world needs for half or three-quarters of a century. But to use the reserves in the most efficient way there must be almost complete freedom for distribution of the oil and its products from the regions of supply to all parts of the world, regardless of political boundaries. Probably this could best be attained by some sort of voluntary allotment or quota system.

The difficulties of allocation bring us to the third question posed by the oil situation—the likelihood of adequate substitutes before the oil pools are exhausted.

There are two reasons why alternative sources of gasoline, diesel oil, fuel oil and lubricants are now being sought in this country. One is the fear of political or economic barriers against the free flow of oil from South America and the Middle East when American production fails to meet American needs. The other is the fact that it is not too early to begin preparing for the inevitable day, which may come even before the end of the present century, when world production of oil will be inadequate for world requirements.

Already an appreciable fraction of the American requirements for petroleum products is being met by the condensation of liquid hydrocarbons from natural gas. A pilot plant for the synthesis of petroleum from oil shale is being completed and put into operation in Utah by the United States Bureau of Mines. Methods of synthesizing oil products from coal, developed by German scientists before and during the war, are being improved in our private and governmental laboratories.

There is no doubt that science and technology will have provided another source of supply long before the oil-pool resources of the world are exhausted. And these alternative sources are almost unbelievably abundant. In the United States alone there is enough oil shale and coal to provide the equivalent of 2,000,000,000 barrels of crude oil a year for at least a thousand years.

But such application of technical knowledge is not a simple matter. Processes now available are too expensive to permit competition with natural petroleum products except under extraordinary conditions.

Nevertheless, there is every reason to expect the gradual replacement of natural petroleum products by synthetic products in the more distant future. As supplies of crude oil are exhausted, this alternative source will take their place. And long before the oil shale and coal are used up, still other sources of energy, such as that released by nuclear fission, will be available to do the work.

Far more difficult than the technical problems involved in meeting the physical needs of humanity are the psychological and spiritual problems that retard the process of learning how to live properly in a world community. Perhaps knowledge that our small world is a world of potential abundance but of inescapable interdependence, as illustrated by such an inquiry as this concerning one typical, nonrenewable resource, may help to accelerate that learning process.

President Undermines Labor Law

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. DONDERO. Mr. Speaker, I would like to call to the attention of the House a flagrant misuse of executive power by the administration. The President of the United States and members of his official family are using their power over public buildings in order to circumvent and undermine the labor relations law.

To make the situation even more shocking, the administration is using its power not on behalf of a bona fide labor organization but to rescue from defeat one of the most notorious Communist-infested and Communist-dominated organizations, the so-called United Public Workers–CIO.

On January 5, 1948, a local branch of the UPW–CIO called an unwarranted strike against 42 Government cafeterias which are operated by Government Services, Inc., a nonprofit-semiofficial agency. The sole issue in dispute was the refusal of the officers of the UPW–CIO to sign statements under the Labor Relations Act that they are not Communists.

These officers seek to represent in collective-bargaining negotiations employees of the Government and employees working in Government buildings. Yet, Mr. Speaker, apparently they are not in a position to state under oath that they are not Communists.

Communist control of the UPW–CIO has been clearly and irrefutably established by the House Committee on Un-American Activities, by a subcommittee of the House Committee on Education and Labor, and by many official and unofficial organizations.

By refusing to sign the non-Communist affidavits required under the law, the UPW–CIO was automatically cut off from seeking the services of any Government agency in its strike. The National Labor Relations Board ruled specifically that the UPW–CIO was not qualified to represent any group of employees and the Federal Conciliation Service ruled that it could not lend its services unless the officers complied with the act.

These rulings were in specific compliance with the letter and spirit of the law. They were clearly contemplated by the Congress in passage of the Labor Relations Act of 1947. When that law was passed over Presidential veto, the Congress made it clear that one of the principal purposes of the act was to drive Communists from the labor movement. We had a right to expect the President to keep his promise to comply with and enforce the law.

What actually has happened is in direct violation of the Labor Relations Act. The President, the Secretary of Labor, and other officials of the Government have openly interceded on behalf of the United Public Workers–CIO, a Communist-dominated organization. They have brought pressure to bear on the trustees of GSI, all of whom are active or retired Government officials, to come to terms with the UPW–CIO, although that organization has absolutely no recourse at law.

GSI has been threatened with complete ruin by cancellation of its right to maintain cafeterias in Government buildings unless it accepted the edicts of the UPW–CIO.

To effect their purpose, Government officials have even appointed an outside mediator to assume the functions which the Federal Mediation Service was forced to decline in compliance with the law.

In his veto message on the Taft-Hartley law, the President stated that, and I quote:

> Cooperation cannot be achieved by force of law. We cannot create mutual respect and confidence by legislative fiat.

Does the President, then, think that cooperation can be achieved through the type of coercion which is being used against Government Services, Inc.? Does the President believe that cooperation can best be achieved by under-the-table threats of ruination?

Mr. Speaker, I am convinced that the Members of Congress will agree with me that the law provides machinery for settlement of disputes on an equitable cooperation basis, while illegal coercion does not.

Devaluation of the French Franc

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letters:

JANUARY 29, 1948.

Mr. CHARLES E. BOHDEN,
Counselor, Department of State,
Washington, D. C.

DEAR CHIP: According to the reports in the papers, the recent devaluation of the franc by the French Government was opposed not only by the British Government, but also by the directors of the International Monetary Fund, to which we make a predominant contribution.

Sections 3, 4, and 5 of section IV of the Bretton Woods agreements appear to raise impediments to the devaluation of currencies by all member governments of the International Monetary Fund.

On the other hand, the Government witnesses who have testified before the Committee on Foreign Affairs of the House, as well as many Members of the House and many other distinguished citizens, have for a long time felt that the success of the European recovery program will hinge to a large extent on the measures taken by the governments of the participating nations to bridge the gap between the legal and the real value of their currencies. It has seemed to many people that such measures will allow these countries to increase their exports, thus diminish their dollar deficits,

and thereby reduce the burden on the American taxpayer. Another consequence of such devaluation might also be a lowering of the cost of living in this country because of increased United States imports from the countries devaluating their currencies.

I am well aware of the fact that the entire problem of stabilization of currency is highly complex, especially with regard to the trade and fiscal relations among the participating nations. I realize that such devaluation might better proceed not on an improvised but on a planned basis in order that such devaluation may be effected with a minimum amount of economic dislocation.

In view of the foregoing, I shall appreciate it very much if you can let me have the State Department's official view with regard to the following questions:

1. Does the State Department favor the devaluation of the currencies of the 16 participating nations so as to achieve eventually a free market in these currencies in which the legal and real value of these currencies will be identical?

2. Does the State Department believe that the Bretton Woods Agreements should be revised, with particular reference to the problem of devaluation?

3. Does the State Department believe that in order to achieve such devaluation an international monetary conference, to be attended by the United States and 16 participating nations, should be called for the purpose of coordinating such devaluation?

4. Does the State Department believe that pending such a conference it would be desirable for the State Department to reach an agreement with Great Britain and the directors of the International Monetary Fund with respect to the devaluation of the currencies of the 16 participating nations?

5. Does the State Department believe that the European recovery program will fail of its objectives unless there is a maximum amount of reciprocal self-help among the 16 participating nations and that this is impossible of achievement until there has been at least a measure of devaluation of the currencies of these nations?

I thank you in advance for your attention to this important matter, and I look forward to receiving your answer at your early convenience.

With kind personal regards,

Very sincerely yours,

JOHN DAVIS LODGE.

DEPARTMENT OF STATE,
Washington, February 10, 1948.

Hon. JOHN DAVIS LODGE,
House of Representatives.

DEAR JOHN: The specific questions contained in your letter of January 29, 1948, pertain primarily to matters which are the concern of the National Advisory Council. Accordingly, I am transmitting your letter to Secretary of the Treasury Snyder, Chairman of the National Advisory Council.

I should, however, like to comment informally on a number of the points raised in your letter. Your questions 1 and 5 refer to the role of devaluation in promoting self-help and reciprocal help among the ERP countries. An essential element of the ERP is, of course, to encourage maximum self-help by each of the participating countries and also reciprocal self-help among all the participants. If this is not achieved, an important objective of the ERP will not be met. The elimination of gaps between the real and legal value of currencies is an important step in this direction. The establishment of realistic exchange rates will assist in promoting exports, will reduce the necessity for artificial import controls, and will foster European economic recovery.

The problem, however, is not one of devaluation alone. Low production, unbalanced budgets, and excess purchasing power must be remedied if adjustment of exchange rates is to have the desired effects. A whole series of measures is, therefore, necessary if financial stabilization is to be achieved. These measures taken together are at the heart of the ERP. In the absence of such measures, devaluation can generally be expected to be merely a temporary palliative, leading to further deterioration and the need for further devaluations. The necessity for this type of approach to the problem is fully recognized in the Paris report of the CEEC countries and in the proposals of the executive branch respecting proposed United States assistance to European recovery.

Your fourth question implies that there was opposition by the International Monetary Fund and the British Government to devaluation of the franc. I believe it is important to bear in mind that the statement issued by the Fund on January 25, 1948, indicates that the opposition of the Fund to the French devaluation proposal did not apply to devaluation per se, but to certain aspects of the French proposal, particularly the provision that proceeds from exports to certain countries should be sold in a market with fluctuating rates while proceeds from exports to other countries are sold at fixed rates. Both the United States and the British Governments are in agreement with the position taken by the Fund. Responsible officials of this Government have indicated that they welcome steps by the ERP countries toward financial stabilization and, wherever appropriate, adjustment in exchange rate levels.

In view of the important position occupied by the Fund in this field, it is believed desirable to achieve coordination through the Fund. For this reason the executive branch has proposed that whenever exchange rates of ERP countries are so out of line so as to impose a burden on their balances of payments the countries concerned should be required to consult the Fund with respect to revision. Nonmember countries would consult directly with the United States Government. It is believed that coordination can be achieved without change in the Articles of Agreement of the International Monetary Fund.

Sincerely yours,

CHARLES E. BOHLEN, *Counselor.*

THE SECRETARY OF THE TREASURY,
Washington, February 10, 1948.

Hon. JOHN DAVIS LODGE,
House Office Building,
Washington, D. C.

DEAR MR. LODGE: Since your letter of January 29, 1948, addressed to Mr. Charles E. Bohlen regarding the recent devaluation of the French franc in relation to the International Monetary Fund raises questions within the competence of the National Advisory Council, he has referred your letter to the Council for reply. The State Department as one of the agencies represented in the Council associates itself with the views stated here. The Council wishes first to comment on the problem of devaluation as raised in your letter. The specific questions addressed to the Department of State are discussed below.

Sections 3, 4, and 5 of article IV of the Fund Agreement do not prevent the devaluation of member currencies or require adherence to a given par value when it has become inappropriate to the international position of the member concerned. On the contrary the agreement recognizes that adjustment of exchange rates may be necessary and desirable and provides a procedure for orderly adjustment in consultation with the Fund.

The United States Executive Director on the International Monetary Fund after consultation with the National Advisory Council fully concurred in the position of the Fund with respect to the necessity of a change in the par value of the franc. This was not the point at issue. The objections of the Fund were not to a devaluation but to the discriminatory multiple-currency practice which the French Government proposed to introduce in its exchange system. The Fund Agreement, among other things, is intended to protect the members against competitive exchange depreciation as a means of expanding the trade of one country at the expense of another country. Both the National Advisory Council and the International Monetary Fund held the view that the application by a country of a fluctuating rate on exports to one area while its rate on exports to other areas remains stable and while other countries maintain the parities agreed with the Fund would result in discriminatory depreciation. A system of this sort operating in an important trading country would encourage trade distortions and might cast unwarranted doubt on the real strength of other currencies through the apparent discount applied to them in the French system. Moreover, the widespread resort to such systems might lead to exchange instability and disorder from which all members would suffer. It was for these reasons that the proposal of the French Government was unacceptable to the Fund.

The National Advisory Council's views with regard to the specific questions raised in your letter addressed to the Department of State are as follows:

"1. Does the State Department favor the devaluation of the currencies of the 16 participating nations so as to achieve eventually a free market in these currencies in which the legal and real value of these currencies will be identical?"

The National Advisory Council believes that it will be necessary for some of the 16 countries to adjust their exchange rates. The fund agreement has as one of its objectives the maintenance of exchange stability with the minimum of control over exchange transactions for current account purposes. The market rate of exchange would then fluctuate within a narrow margin around the legal par value. Before this objective can be realized there will undoubtedly have to be devaluations of some of the currencies of the countries involved in the European recovery program. It is the opinion of the National Advisory Council that such adjustments in rates should be part of a developing program of internal and external stabilization, in conjunction with United States assistance. Mere devaluation without internal stability and without substantial equilibrium in the balances of payments of the countries concerned, would not be sufficient to realize the objectives of the European recovery program.

"2. Does the State Department believe that the Bretton Woods agreements should be revised, with particular reference to the problem of devaluation?

"3. Does the State Department believe that in order to achieve such devaluation an international monetary conference, to be attended by the United States and the 16 participating nations, should be called for the purpose of coordinating such devaluation?"

The National Advisory Council does not believe that the Bretton Woods agreements need modification in order to meet the problem of over-valued currencies, nor does it believe that this problem could be solved by calling an international conference for the specific purpose of dealing with this question. The fund mechanism, in its opinion, is entirely adequate for this purpose. The directors of the International Monetary Fund are continually in session and work in close consultation with their governments. The National Advisory Council is

satisfied that the fund is fully aware of the problem involved in over-valued exchanges and that the fund is more than ready to approve appropriate adjustments of exchange rates when they can be made with benefit to the countries concerned and to the world at large.

The conditions affecting the stability of exchange and the appropriateness of the rate structure of the countries participating in the European recovery program vary greatly. Accordingly, the proper time for devaluation will vary from country to country. Premature devaluation may have as unfortunate consequences for the economy of a country as the prolonged maintenance of an overvalued rate. It is the opinion of the Council that the method of procedure provided in the fund agreement is far more satisfactory than an attempt at dealing with the problem at an ad hoc conference would prove to be.

"4. Does the State Department believe that pending such a conference it would be desirable for the State Department to reach an agreement with Great Britain and the directors of the International Monetary Fund with respect to the devaluation of the currencies of the 16 participating countries?

For the reasons indicated above, the National Advisory Council believes that it is not desirable for the United States to enter into a particular agreement with Great Britain or the directors of the fund with respect to the prospective devaluation of the currencies of the participating nations.

"5. Does the State Department believe that the European recovery program will fail of its objectives unless there is a maximum amount of reciprocal self-help among the 16 participating nations and that this is impossible of achievement until there has been at least a measure of devaluation of the currencies of these nations?"

The executive branch has made its position clear that the extension of aid under the European-recovery program should be conditional on the maximum possible amount of reciprocal self-help among the participating countries. It recognizes that the maintenance of exchange rates which overvalue currencies can be a serious hindrance to the expansion of trade and that the expansion of European trade is essential for full European recovery. Consequently, the Council believes, as has been stated in testimony before the House Committee on Foreign Affairs, that exchange rates should be adjusted where this is an essential element in a program of stabilization. It was the opinion of the Council, however, that to make across-the-board devaluations a prerequisite to aid under the European-recovery program might interfere with the realization of its objectives.

Sincerely yours,

JOHN W. SNYDER,
Chairman, National Advisory Council on International Monetary and Financial Problems.

FEBRUARY 24, 1948.

Hon. JOHN W. SNYDER,
Chairman, National Advisory Council on International Monetary and Financial Problems, Treasury Department, Washington, D. C.

DEAR MR. SNYDER: Thank you for your letter of February 10 with respect to the question of devaluation.

I am very glad to have this statement of opinion from you as chairman of the National Advisory Council.

With respect to the question of devaluation, I might say that although I appreciate that other internal reforms are necessary in order to obtain full benefit from a devaluation, I believe that devaluation will act as a spur to production since it will have a tendency to replace the unstable conditions which are involved in a barter economy with satisfactory currency incentives. In other words, I think devaluation in itself will do more than simply help to create realistic exchange rates.

While I appreciate that the entire problem of devaluation is enormously complex, may I reiterate that I think it is vital that a concerted drive in that direction be made in order to precipitate an economic climate propitious for the operation of the European recovery program.

Very sincerely yours,

JOHN DAVIS LODGE.

Statement of Gov. Earl Warren, of California

EXTENSION OF REMARKS
OF
HON. CECIL R. KING
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. KING. Mr. Speaker, in concert with my colleagues from California and other States, I have introduced a bill identical with Senate bill 1988, which is being considered by the Senate and House Judiciary Committees at this time. This demonstration manifests the vital concern of California and her sister States in a principle that transcends political or economic considerations. Yesterday the Governor of the State of California appeared before the joint committee to testify on behalf of the State of California in support of this legislation. His statement is noteworthy in many respects, and I set it forth below in full:

STATEMENT BY GOV. EARL WARREN, OF CALIFORNIA

It is generous of the governors and the attorneys general of the many States, waiting to be heard on Senate bill 1988, and others to arrange for my appearance before your distinguished committee as one of their first witnesses. It is a great accommodation to me to be able to give my testimony and return immediately to California for the annual session of our legislature, which convenes next Monday. If it were not for this necessity, I would happily give way to my colleagues in order that they might demonstrate to you early in this hearing the Nation-wide importance of this legislation.

Our State has been in a prominent position in this tidelands controversy for many years not because the title or use of our tidelands was distinguishable from the other States of the Union but because it was selected by the Government 11 years ago as the guinea pig for a new and startling doctrine concerning the relationship between the States and the Federal Government; a doctrine that ran counter to a legal principle that had been expounded by the Supreme Court more than a hundred years ago and reaffirmed by it more than fifty times in a myriad of circumstances; a principle that had been adopted without question by the executive branch of the Government in all of its administrative acts; a principle that to this day has never been abandoned by the Congress.

By force of circumstances I have been connected with the controversy almost from the beginning. Nine years ago almost to the day I appeared before your committee to testify concerning the Nye Senate resolution and the Hobbs House resolution, which were designed to accomplish the exact opposite of this resolution. At that time it was believed even by the originators of the Federal tidelands ownership theory that they could prevail only by the exercise of some sort of governmental legerdemain to make the 50 decisions of the Supreme Court of the United States on the subject disappear in thin air. They selected California as the object of their dexterity. Their resolutions declared the Federal Government to be the owner of the California tidelands and sought to quiet its title against the State. If passed, they proposed to have the Executive Department act promptly on it and thus place it beyond the power of the courts to interfere.

They would not admit that the other States would be judged by the same theory. It was insinuated that there were some special conditions which placed California tidelands in a different status than those of other States. But the other coastal States refused to be lulled into a false sense of security. Then as now, they appeared in great numbers at the hearings.

At that time, I was the attorney general of my State, and I remained here for weeks working with my colleagues in the presentation of our cause. We were sustained by both committees.

Failing to convince the Congress, the matter simmered along until 1945, when the then Attorney General filed suit in the Supreme Court to invalidate California's title to her tidelands. Almost without exception, the States again rallied to the cause, but with the result which is well known to this committee.

The Court denied that title is in California, refused to find that it vests in the Federal Government, but stated without the citation of authority that the Federal Government has paramount rights irrespective of title to the tidelands and the resources underneath them.

It is now admitted by the Department of Justice that the California case applied to every State of the Union. We now all find ourselves in the position we anticipated, with the title to our lands beneath our navigable waters clouded for all purposes to the lasting injury of practically every State in the Union unless we obtain relief from this Congress.

So far as my State is concerned, the oil issue is a minor one compared with its other fundamental rights which are infringed. We have 1,200 miles of coast line. So far as we can ascertain, oil deposits are under only 15 miles of that coast line. Half of the estimated oil in those pools has already been extracted. We receive approximately $3,000,000 a year in royalties from them. That amount can be expected to diminish progressively until depletion of the deposits. Under the proposal of the Secretary of the Interior, we would continue to directly receive at least 37½ percent of the royalties, and indirectly an additional amount from that portion of the revenues which he would have revert to the reclamation fund. So it can be seen that the amount we would lose is not great by comparison with the other revenues of the State.

Our great concern is not that we may lose some oil revenues, but that our dominion over our tidelands for every purpose is clouded. Our coast line is one of our greatest natural resources. Our people have been energetic and forward-looking in the use of them. Hundreds of millions of dollars have been expended on our harbors, our fisheries, our pleasure resorts, and many other uses that are essential to the orderly development of our State. Our cities and counties all have additional plans for the future use of our tidelands.

If they do not belong to us, of course, those plans are retarded. We are subordinated to the Federal Government in matters that we, and all other States, have for over a hundred years been told by the Supreme Court are a matter of State sovereignty.

We are not here asking for anything new. We are not seeking to extend our rights at the expense of our Government. We are asking only to retain those rights which have

been ours for the first century and three-quarters of our Nation's existence. We are asking Congress to confirm to us the fundamental States' rights which are essential to the virility of the Republic.

I am a believer in a strong central government within the limits of the Constitution, but I do not believe that the Federal Government should encroach upon the powers and rights which were reserved to the States by the tenth amendment to the Constitution.

During the first half of the existence of the Nation, the States were strong and the Federal Government was weak. It was during this time that our great leaders strove to strengthen the Central Government so that it could perform its functions as a true sovereign; but now the situation has materially changed. As so often happens, the pendulum which in our early history had swung too far toward States' rights is now swinging in the opposite direction toward Federal power, until now it has reached a point where the continuance of our States as independent, sovereign political entitles is threatened.

If we are to preserve our constitutional system of a Federal Union made up of sovereign States, it is just as important now to protect the States from excessive concentration of power in the Federal Government as it was 150 years ago to protect the Federal Government from an excessive concentration of power in the several States.

In 1819, Chief Justice Marshall said: "No political dreamer was ever wild enough to think of breaking down the lines which separate the States, and of compounding the American people into one common mass." (*McCullough* v. *Maryland*, 4 Wheat 403). Let us hope that Marshall was right. Nevertheless, it must be recognized that the constant encroachment of Federal power and the extension of the jurisdiction of Federal bureaus over every aspect of our life has tended to weaken our States to such an extent that I believe now it is the duty of everyone who believes in the American Constitution to exert his efforts to bring back to the States the political and property rights which have been taken from them and to restore the just balance as between local and national power which is indispensable to the maintenance of our constitutional system.

A great and important step in that direction could be taken by the Congress in confirming to the States their title to the lands beneath navigable waters within their boundaries, as is proposed in the legislation now before you.

And what would the Federal Government lose by the enactment of this bill? Precisely nothing. The States have never interfered in any way with the sovereign rights of the Government to impose its will over and its use upon these tidelands for the purposes of national defense, navigation, and international relations. We have never claimed nor wanted any such jurisdiction. The legislation before you expressly disclaims any such intent. The Federal Government now determines beforehand whether any proposed use by the States would be an interference with any of those national interests.

But the taking of oil drilled from the shore by slant drilling does not set up any obstructions; and if it did, the Government could restrain it. We do not engage in any practices that the Federal Government does not adopt with relation to its own naval oil reserves. We do not even exploit the pools unless they extend to the uplands and the private owners who are also over them start to drain them to the detriment of the public interest. As a conservation measure our legislature has prohibited exploitation except in such circumstances.

The Federal Government could do no more to conserve oil unless it did one of two things: either condemn the uplands ownership in eminent-domain proceedings or apply this newly conceived "paramount rights" doctrine to private property on the theory that the Government needs it and can, therefore, take it.

If the Government can take the property of the State without compensation merely because it needs it, where would that theory end? Could it not take the property of a citizen of a State?

The doctrine that natural resources can be appropriated without compensation by a power that transcends ownership to me means confiscation—taking property without due process of law.

So far as I know, no Court has ever held that the United States could acquire the natural resources of the soil in disregard of ownership, and the present Court cites no authority in support of this doctrine. The decision rests on the unsupported determination of the majority opinion.

Wrong as we believe the decision to be, we bow with all deference to the final judgment of the Supreme Court of the United States, as every American should. On the other hand, we contend that this legislation is not in conflict with that decision.

On the contrary, the closing words of the majority opinion not only contemplate some action by the Congress, but in my opinion actually suggest it. It said: "We have not overlooked California's argument, buttressed by earnest briefs on behalf of other States, that improvements have been made along and near the shores at great expense to public and private agencies. * * * But however this may be, we are faced with the issue as to whether State or Nation has paramount rights and power over this ocean belt, and that great national question is not dependent upon what expenses may have been incurred upon mistaken assumptions. * * * We cannot and do not assume that Congress, which has constitutional control over Government property, will execute its powers in such way as to bring about injustices to States, their subdivisions, or persons acting pursuant to their permission."

The Attorney General, in his argument to the Court, has stated that the Government wants to see equity done. The Secretary of the Interior has introduced a bill, Senate bill 2165, which would continue to give the States 37½ percent of their oil revenues, and retain 52½ percent for the reclamation fund, and transfer the oil leases of the State to the Federal Government, continuing to exploit the fields as in the past. In other words, he would merely change the landlords of the oil operators, with slight appeasement to the States. That is his concept of equity in this matter.

Ours is different. We believe, and I am sure I speak the mind of practically all the governors and attorneys general of the Nation, that equity calls for the confirmation of the title that has been recognized since the beginning of the Republic.

In simple justice, we respectfully ask the Congress to enact S. 1988 confirming and establishing the title of the States in and beneath the navigable waters within their boundaries. To do so will greatly strengthen the 48 States, and will in no sense diminish the sovereignty, the effectiveness, or the stature of the United States of America.

Lincoln Day Address

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address which I delivered before the Lincoln Associates, Lowell, Mass., on February 12, 1948, and which was broadcast over Station WLLH:

Mr. Chairman, fellow citizens, members of the radio audience, and friends, it is surely a very happy privilege and a great honor for me to respond this evening to the kind invitation of this fine, outstanding American organization to attend this impressive celebration of the birthday of Abraham Lincoln.

It is most fitting that we should pause on this day to commemorate the name, memory, and achievements of one of our greatest Presidents, and one of our truly immortal Americans. Abraham Lincoln was a great and noble leader. He came from the common people of the Nation. Born in humblest circumstances, by virtue of his own struggles, industry, zeal, and great ability, he rose to the highest position within the gift of the American people.

The story of his life, of the difficulties that confronted him in his youth, of the dire poverty of his early days, his courageous struggle to overcome handicaps and obstacles, his brilliant career before the bar and in the public service, his unselfish work for his fellowman and his country mark him indelibly as one of the great figures of history. His career was typically American. As much perhaps as any other, it exemplified the unlimited opportunities of our country which are open to the ordinary citizen. It illustrates the truth that the poorest and humblest child born under the Stars and Stripes, if he but exercise the strength of will and the determination to develop his God-given talents and gifts, can rise surely and steadily up the ladder of success to the most exalted station in the land.

It is therefore most appropriate that the Lincoln Associates should dedicate themselves this evening on his natal day to recognition of the worth of Abraham Lincoln, his noble qualities as a man, his sterling ideals, his solid, fundamental American principles, his invincible spirit, and his great love of country, and sterling patriotism. Every community in the land should take the time today to consider the significance of the contributions made to the American way of life by the Great Emancipator.

Like every generation, we are living principally in the present. We have our own problems to face and solve. They are problems just as compelling, just as vital, and just as urgent to the cause of free democratic government as the ones which confronted Lincoln. If we are but willing to speculate upon his achievements, and the manner in which he clung to his convictions when the Nation was threatened with division and destruction, when the clamor of secession rang in his ears, when the deathknell of a united American democracy was being sounded, we may well learn from his precepts and example the way to the solution of the tremendous problems which confront us in this dark hour in the history of civilization.

Lincoln had many remarkable attributes. He was possessed of a sharp, brilliant intellect, and a ready wit. By long years of study and application, he had educated himself, and was well informed on public questions. He was a capable trial lawyer, an able debater, a brilliant writer, and an accomplished story-teller, born with a keen sense of humor.

He believed in the philosphy of the American Government, the Constitution, and the Bill of Rights. No man could possibly be more devoted to the great truths that underlie fundamental Americanism than Abraham Lincoln. No man could have served more unselfishly the cause of national unity and freedom. No man could have perceived more clearly the basic issues that confronted the country as a result of the great struggle

over slavery and secession. If he had faltered for one moment, if he had ever wavered in his fundamental beliefs, if he had perchance compromised his principles, the Nation would have been split asunder, and the Union would have been shattered.

Apart from his great faith in America and her destiny, Lincoln was always marked by a truly unique quality of humility. He was a plain and simple man. There were no pretense or adornments in his make-up. He dealt with realities, and basic problems through the exercise of common sense and sound judgment. He had the faculty of going right to the heart of an issue. He had an abiding faith in the common people because he was one of them himself, and he never forgot his origin and early struggles. He devoutly believed that, given the opportunity, given the facts, given the true picture uncolored by propaganda or misrepresentation, the people would reach the right result. We all remember his timely words, "You can fool some of the people all of the time, and all of the people some of the time. But you cannot fool all of the people all of the time." This strong unwavering faith in the ultimate judgments of the people lived with him throughout his life, and he never lost his confidence in the ordinary man and woman who stood by his side and rendered him unflinching support in the darkest hours of the great conflict between the States when the very existence of the Republic hung in the balance.

Power of mind, logic, and the ability to think straight, calmness of spirit, and ability to make decisions were his great gifts. Humility, a quality not always found in public men, was also, as I have said, an unusual quality that endeared him to the people. But the two attributes which distinguished him as a great statesman and which contributed most to his achievements were his courage and his humaneness.

Abraham Lincoln had a kind and noble heart. There was nothing mean, or small, or narrow-minded about him. His mind was as broad as humanity itself, and encompassed in a very intimate way the perplexities, the bitter struggles, the difficulties, and the problems of the average man. His courage was fortified by a devout trust in the Almighty, and he never knew fear either in his private or his public life. He was known as Honest Abe, and he had earned that name not only by fair dealing and rectitude, but by honest thinking as well. Materially, intellectually, spiritually, Lincoln was profoundly clear-sighted, direct, humble, and honest, and this but served to accentuate and sustain his courage during every crisis which he and the Nation faced. Dauntless and straightforward, he never flinched from a decision because he had the courage of a lion, and an abiding faith in his God, himself, the American people, and his country.

His profound religious faith and trust in God was illustrated by the words of an informal speech he delivered to his friends and neighbors when he left home to assume the Presidency. He said, "I now leave not knowing when or whether ever I may return"—and he never did—"with the task before me greater than that which rested upon Washington. Without the assistance of the Divine Being who attended him I cannot succeed. With that assistance I cannot fail. I hope that in your prayers you will commend me."

A commentator once said of him, "When he spoke, he was transformed; his eye kindled, his voice rang, his face shone and seemed to light up the whole assembly." His style of speech and manner of delivery were severely simple, and were characterized by Lowell as the grand simplicity of the Bible with which he was so familiar. It was marvelous to see how this untutored man, by mere self-discipline and the chastening of his own spirit had found his way to the grandeur and strength of absolute simplicity.

There are many interesting episodes and stories told of the great Lincoln which I cannot enumerate here, but one or two of them may be pertinent to demonstrate the universality and appeal of his character. This one is attested to by my able and esteemed colleague, Congressman DONDERO, of Michigan, an outstanding authority on Lincoln, who relates it substantially as follows:

In 1847 two men were elected to Congress from widely separated sections of the country, one from the North, the other from the South. One was far above average height, the other was a small or under-sized man. Both were intellectual giants. One was opposed to slavery, the other opposed secession. During their respective congressional careers they became warm, personal friends and remained so until death. One was destined to become President of the United States, the other Vice President of the Confederacy. One was to be assassinated, the other was to become a political prisoner of the Government he had once served. One was Abraham Lincoln, of Illinois, the other was Alexander H. Stephens, of Georgia.

As is always the case in life, they parted in the House of Representatives in the year 1849, and it was not for 16 years that they met again. Meanwhile the Nation was torn by civil strife. Their next meeting took place at night on board a gunboat in Hampden Roads, Va., early in February 1865. The occasion was a famous peace conference which sought, but failed, to end the Civil War. President Lincoln and his Secretary of State represented the Union; Stephens was one of the delegates representing the Confederacy.

If Abraham Lincoln had not known that his former colleague in the House and his warm intimate friend Alexander Stephens was to be one of the emissaries, it is very doubtful that he would ever have agreed to meet representatives of the Confederacy.

When the parley ended in failure, Lincoln turned to his old and beloved colleague of congressional days and asked, "Alex, is there anything I can do for you personally?" Stephens informed Lincoln that he had a nephew who was a prisoner of war at Johnsons Island in Lake Erie near Sandusky, Ohio, but his family had heard nothing from him—could Lincoln find out something about him, could he get word to him that his people at home were well. That was all. The old friends parted.

But Lincoln had his own idea. Two days later, Lt. John Stephens, of the Confederate Army, arose as usual to begin the depressing, routine, life of a prisoner of war, just as he had done for 2 years without hope of change. The thermometer registered twenty below zero, and he was standing in his barracks near the stove trying to keep warm. An orderly appeared at the door informing him to report at once to the commanding officer. His surprise was great. What did the commander want of him? He had known of other prisoners who had been called out and never were heard from again. Was he to suffer the same fate? With the orderly, he went to the commander where a still greater surprise awaited him. He was shown a telegram which read:

WASHINGTON, D. C., *February 4, 1865.*

OFFICER IN COMMAND AT JOHNSON ISLAND, OHIO:

Parole Lt. John A. Stephens, prisoner of war, to report to me here in person and send him to me. It is in pursuance of an arrangement I made yesterday with his uncle, Hon. A. H. Stephens.

A. LINCOLN.

The boy was fairly stunned when he read this message, but the great drama proceeded. Wrapped in buffalo robes, placed on board a bobsled drawn by two mules across Lake Erie, was an experience undreamed of by this Confederate soldier. To be ordered to report to the President of the United States in person at the Nation's Capital was beyond the imagination of a son of the South in the Confederate Army.

In due time he was ushered into the presence of Abraham Lincoln. The President was lying full length on a long office table with his elbow on the table, and his face resting on his hand talking to Secretary of State Seward, who was seated in a nearby chair. He was cordially received and introduced to the Secretary of State. Lincoln suggested that if he had friends in Washington he could pay them a visit, then report back to him. No guard was necessary. He was under the parole to the President of the United States. Five days later the young lieutenant reported back to the White House and found the President alone. Lincoln talked about his uncle, their association in Congress, and their friendship. He handed the young Confederate officer a short letter for his uncle which read as follows:

"DEAR ALEC: According to our agreement, your nephew, Lieutenant Stephens, goes to you bearing this note. Please, in return, select and send to me that officer of same rank imprisoned at Richmond whose physical condition most urgently requires his release.

"Respectfully,

"A. LINCOLN."

Returning to his desk, he autographed a small photo of himself, and handed it to Stephens, saying, "Young man, suppose you take this along with you. I don't expect there are many of them down South."

Young Stephens was carried through the lines, arriving at his Georgia home during the first week in May 1865, and delivered Lincoln's letter to his uncle. By then the war was over. Lincoln was in his grave. Alexander Stephens became a fugitive, was arrested, and carried a political prisoner to Fort Warren in Boston Harbor.

One of the most touching incidents in all our history is the scene in the cell at Fort Warren on the morning of June 1, 1865. Alexander Stephens, Vice President of the Confederacy is awaiting his fate. This prisoner who opposed secession and loved his Nation made an entry in his diary that morning. It is the day set apart by President Johnson as a fast day in memory of Abraham Lincoln. The entry in Stephen's journal for that morning reads, "Rose early. As it is a fast day and mourning in memory of Mr. Lincoln, I requested the corporal to bring me a cup of coffee and some rolls." We can almost hear the spirit of Lincoln whispering, "This hath he done in remembrance of me."

The letter relating to the release of Lieutenant Stephens and the autographed photo handed him by President Lincoln were framed and hung on the wall of Stephens' home in Georgia for over 70 years, as a silent reminder of one of the most unusual events in the history of the United States. This little-known story of the generosity and kindly impulses of Lincoln has a sequel.

Thirteen years later on February 12, 1878, the famous oil painting of the signing of the Emancipation Proclamation, in which Lincoln is the central figure, was presented to the United States Government. This picture now hangs in the old Supreme Court Chamber in the Capitol Building in Washington. On this occasion, Alexander H. Stephens, who had been reelected to Congress from Georgia, was chosen to deliver the acceptance speech on the part of the Government. In that address will be found this tribute by Stephens to his old friend Lincoln. I quote: "He was warm-hearted, he was generous, he was magnanimous. Every fountain of his heart was overflowing with the milk of human kindness."

That was the tribute of Alexander H. Stephens, one time Vice President of the Confederacy, to the President whom even the rancors of Civil War could not turn against an old friend.

I could go on indefinitely, if time permitted, to recite incidents in the life of this great man which illustrated his kindness, his generosity, his humaneness, and his courage. It is most fitting tonight that we should pause reverently to pay tribute to his sterling qualities of Americanism, and to his magnificent service to our country.

But we would be truly remiss on this occasion if we were not solemnly to resolve here and now to be inspired and guided henceforth during the crisis which now confronts us, during the threats to democracy which now face us, by the principles, the ideals, and the example of the immortal Lincoln.

We have just victoriously ended the greatest armed conflict in history. We waged bitter war against powerful and tyrannical enemies to defend our democracy, to preserve human freedom, and to achieve an enduring peace for our own Nation and for mankind. In that great conflict we sacrificed the flower of American youth and spent untold billions of American wealth. Millions of American boys interrupted their careers and left their homes to achieve victory and thus insure freedom and peace. Incalculable sacrifices were made by these gallant boys and by the entire American people.

How ironical the present situation is. Instead of the freedom, democracy, and peace which our boys fought and died for, we are now faced with continued turmoil, strife, contention, oppression, and the threats of war. We have defeated and smashed one set of tyrants only to find new tyrannies confronting us almost everywhere. Small nations continue to be enslaved, self-government and freedom continue to be denied, oppression of traditionally free peoples afflicts a sizable portion of Europe and the Orient. Our war aims are notoriously violated, our peace objectives scorned and repudiated, the United Nations hamstrung and checkmated. The officials of our Government are condemned and insulted. Vicious propaganda is directed against our Government and people on a world-wide front even within the confines of our own country. Age-old and sacred religious, governmental, social, and economic institutions are brazenly attacked and ridiculed. A new type of war—ideological war, a cold war, a war of nerves—is waged against democracy and freedom and everything they stand for in behalf of a superstate led by fanatical despots who are intent upon wrecking the civilzation built upon free institutions.

These apostles of Marx, well organized, well financed, ably led are spreading poisonous hatred between nations, groups, and classes. They are seeking to divide and disrupt the forces of democracy, liberty, and Christianity. They openly seek the destruction of religion and private property. They are aiming at the enslavement of all mankind. They would superimpose upon us all, the will of the great Red colossus, which already stands astride of most of Europe and much of the Orient threatening western civilization and the spirit of liberty itself.

What would Abraham Lincoln's reaction be to this incredible situation? How would his stalwart Americanism judge these outrages? Would he be willing to appease these enemies of democracy and freedom? Would he remain silent and unprotesting in the face of their insults and threats, in the presence of their vilification and propaganda, in the midst of the steady expansion of their dominion over the lives and affairs of countless millions of helpless, defenseless peoples? I am sure that he would not. I am sure that he would insist on the carrying out of our war aims and objectives; our promises and pledges of freedom and self-determination for small nations, the right of human beings everywhere to choose their own way of life.

If we honestly and courageously apply the principles of Abraham Lincoln to the present international situation, we should inform the Soviet Government and her puppets that we seek honorable peace with all nations, but that we cannot tolerate continued violations of our war aims, that propaganda directed against us must cease, that aggression and infiltration against helpless free peoples must cease, that organized campaigns to promote world-wide bloody revolution must cease, that the rights, interests and ideals of this great Nation must be respected.

If we still believe in the principles of Lincoln, we cannot afford to be indifferent or spineless in this great contingency that faces the world. It is time to determine whether we and other democratic-minded peoples shall live in the free world of the Atlantic Charter or the slave world of communism.

Our country cannot compromise on this great issue. We do not seek war and we hope and trust that Russia does not seek war. We earnestly seek peace and harmonious relations for ourselves and all peoples. We will not tolerate unbridled militarism or warmongering in the Nation. But we are determined that the sacrifices which the American people have made since the inception of this Government and particularly the sacrifices which our gallant heroes, both living and dead have made in the name of freedom and democracy, shall not be in vain. We will not tolerate that any nation or group of nations set up with the avowed purpose of destroying free institutions, and inaugurating the radical, totalitarian state of serfdom and slavery, will be permitted to stand in the way of a just, lasting peace. We will not tolerate that any power shall conspire to undermine and destroy the great free Nation of Washington, Jefferson, and Lincoln which we have established here to guarantee the rights of our citizens and the free way of life.

It is most regrettable that such obstacles have been placed across the path to universal peace, but, like Lincoln, we must deal with the realities. Let us work to strengthen the United Nations and every other agency designed to preserve the peace. Let us cooperate wholeheartedly with other nations to check the outrages and aggressions, both physical and ideological, which are directed against free, democratic government. Let us use the economic weapons that we have at hand to bring Marxian zealots everywhere to their senses. Let us leave nothing undone to promote good will, friendship, confidence, and trust between the nations of the earth. Let us keep our own Nation strong, vigorous, free, and democratic, and uncorrupted by the poisons of radicalism and disruption. Let us check the enemies within our gates who are joining with their Moscow advisers to destroy our economy, our business system, and our free institutions which have not only brought salvation to the world, and hope and inspiration and assistance to the helpless, the suffering, the afflicted, and the oppressed, but which have also made possible for our own people the greatest, the happiest, and the most prosperous nation in the annals of history. Until international agencies possess the will, strength, and the capacity to check international outlaws and to maintain order and peace in the world, let us maintain a strong, impregnable national defense, an Army, Navy, and overwhelming Air Force comprised of mature, professionally trained, scientifically devised, armed forces—not 18-year-old boys—able to keep our Nation safe and secure against every attack and contingency.

And in our own broad land where liberty was nurtured, let us remember that eternal vigilance is the price of liberty, that it can be lost far more easily than it was won, that once it is lost, it is difficult, if not impossible, to regain. In the spirit of Lincoln, the Great Emancipator, with his sense of fairness, justice, and humanity let us zealously protect all our civil liberties, and the great truths and doctrines upon which our Government was founded.

This is a Nation of opportunity for all, and let us keep it so. Let us relieve our people of burdensome taxes and inflated prices. Let us care and provide for our disabled veterans, and assist all our veterans who were the defenders of the Nation in time of greatest peril. Let us keep the doors of opportunity open so that every man, woman, and child can seek and find the chance, by virtue of industry, hard work, thrift, and ability, to rise to the top of the ladder of success. Let us banish the hatreds and passions of intolerance from our Nation because they are un-American, offensive to our faith in God and our Constitution and way of life, and provocative of distrust and antagonism among our people.

In brief, as we again receive inspiration, strength, and courage and guidance from the immortal Lincoln, let us resolve, each and every one of us, to make our own contribution which is so necessary at this time to the perpetuation of the Nation.

As John Macy said, he was finely sensitive, highly intellectual, meditative, uncommonly gifted with that rare thing called common sense to which was added great prophetic vision. That is why Lincoln is not only a statesman who belongs to history, but a man of letters who belongs to literature. His Gettysburg Address—and you all recall how on the occasion of its delivery he was matched against Edward Everett, of Boston, one of the great orators of the day—was a remarkable, historic document and a work of art. In a few words he expresses the essential emotion of the moment without flourish, without bombast, and in a quiet and calm style, in words that will live forever. Let me recall them to you:

"From these honored dead we take increased devotion to that cause for which they gave their last full measure of devotion; that we here highly resolve that these dead shall not have died in vain; that this Nation, under God, shall have a new birth of freedom; and that the government of the people, by the people, and for the people shall not perish from the earth."

And as we face the problems of the hour, let us display the same patriotism, the same courage, the same fortitude, the same generosity, the same spirit of kindliness, tolerance, and charity which the immortal Lincoln displayed during a life of service to his country and fellow man. Let us remember:

"With malice toward none; with charity for all; with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in: To bind up the Nation's wounds, to care for him who shall have borne the battle, and for his widow, and for his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all the nations."

Thank you for listening and good night.

United States Hears of Russian-Polish Treaty as World Bank Considers Warsaw Loan

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EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I

include the following article of Constantine Brown, from the Washington Star of February 23, 1948:

UNITED STATES HEARS OF RUSSIAN-POLISH TREATY AS WORLD BANK CONSIDERS WARSAW LOAN

(By Constantine Brown)

Reports are being received in Washington on some of the main terms of the new secret military agreement betwen Poland and the U. S. S. R. last month. These come at a time when the World Bank is waiting for a favorable moment to announce a $60,000,000 loan to Warsaw.

According to information which has reached high Government quarters, the agreement was signed in Moscow by Foreign Minister Molotov for Russia and by the following Polish officials: Jacob Berman, Minister of State attached to the Office of the Polish Premier as a watchdog for the Politburo; Hilary Minc, Minister of National Economy; Field Marshal Zmierski, commander in chief of the Polish Army, and General Kieniewisz, a Russian attached to the Office of Marshal Zmierski.

The following terms of the Moscow agreement are known:

1. The Polish steel and armaments industries are to be integrated with those of Czechoslovakia and Russia. This may explain the pressure which is being exercised on the World Bank by friends of Poland for a $60,000,000 loan for modernization of the Polish mining industry.

DISCARD LEND-LEASE EQUIPMENT

2. All lend-lease and captured German equipment which is being used by the Polish Army at the end of 1949 is to be discarded. After that time Polish armaments will be standardized with those of the U. S. S. R.

3. Five infantry divisions are to be converted into motorized units, on the pattern of the Soviet Army. One new parachute division and two armored divisions are to be created.

4. Because of the difficulty of indoctrinating the prewar officers and noncommissioned officers in the new ideology, the new agreement provides that all these shall be retired by the end of 1949 and new personnel put in their places. Fifty percent of the new officers and noncoms will be trained beginning March 1, 1948, at the Central Soviet Armored Warfare School at Irkutsk, Siberia.

This school was organized in November 1947 for the purpose of training future officers and noncoms of the satellite states. The instructors have been carefully selected from the ranks of Soviet Army specialists and officers of former German panzer divisions.

DRAWN FROM VON PAULUS GROUP

The latter are drawn from those who were captured at Stalingrad and later joined the "liberation" army of Field Marshal Friedrich von Paulus and from among those who surrendered later. These men are reported to be reliable not only because they have become convinced that the future of the fatherland henceforth is tied up closely with that of Russia, but also because their families are hostages in Russian hands.

The agreement further provides that the Polish steel mills, particularly those at Gleiwitz and Beuten, will increase their production to 1,050,000 tons per week in 1948 and 1949 and to 2,060,000 tons by 1950. A part of this production will be used for construction of three new shipping yards in Yugoslavia. The Skoda works in Czechoslovakia are earmarked exclusively for the production of armaments.

American military officials are particularly interested in the fact that rejuvenation of the Polish army, according to the terms of the Moscow agreement in January, must be completed by the end of next year or the beginning of 1950.

This is interpreted to mean that by that time the war plans section of the Red Army wants to be prepared for any task the Politburo may consider necessary for the prosecution and implementation of its expansionist policies.

What Part Should We Play in Europe's Recovery?

EXTENSION OF REMARKS

OF

HON. MAX SCHWABE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, under leave to extend my remarks, I include a short radio address given by me on Washington's Birthday and carried by a national network of the Mutual Broadcasting System:

Today is Washington's birthday. One of the great documents of American history is Washington's farewell address, wherein he warned us in no uncertain terms to mind our own business and not meddle in the affairs of foreign countries. But the men who would now load on your back the Marshall plan, sneer at George Washington's advice. Yet these Marshall plan promoters have played into Stalin's hands again and again.

While they claim to be too smart for Washington, how smart were they on the United States Morgenthau vengeance plan, Tehran, Yalta, and Potsdam. On all these situations the Marshall plan advocates played squarely into the hands of communism. Does that kind of performance justify giving them another chance to pay into Stalin's hands? Their mistakes to date are largely responsible for the present chaos in Europe.

The people in high places in this country who are destroying your savings through inflation are apparently the popular favorites at the moment. They come to you and say that we must bring about European recovery. Certainly, we should help Europe, but neither according to their demands nor our desires, but instead according to our capacity. On this point—"our capacity"— we have now reached the place where further gigantic hand-outs like the Marshall plan mean unlimited inflation in America. That means that prices are low in comparison with what prices will be if the Marshall plan goes through.

Prices in France are about 75 times as high—75 times as high—get that percentage—as they were when World War I started. If the Marshall plan goes through, prices here will double, treble, or quadruple, and who will that help? Only those who know what inflation is and put their savings into real property and tangibles, while trusting folks like my listeners put theirs into bonds and life insurance. But that is not all—not only will this handout program to Europe destroy what is left of sound currency in this country but the hand-out program itself is the greatest instrument today for world communism. Why do I say that? Because the money from the Marshall plan is going in a majority of cases to those governments run by Socialists. And socialism and communism according to an Army official statement, are blood brothers. And so, now then, let's make this plain—the so-called European recovery program is not a recovery program at all; it is a scheme to finance and entrench the power of Socialist politicians in various lands and enable them to maintain their stranglehold over people who are trying to regain freedom. It is being sold to the American people as a humanitarian project, just as a year ago they told you that the "aid to Greece" program was a humanitarian project, and now we learn that it was only a great bloody adventure.

The European people are entitled to relief from America from those who are willing through the practice of Christian charity to help the distressed of Europe. Actually, your Government has strangled and crippled Christian charity to Europe in many different ways. They have substituted a global WPA for Christian charity. A New Deal WPA is no better in Europe than it was in America.

Our global bleeding hearts—and some of them are well-meaning people—have the fantastic notion that we can interfere all over the world. Do you want to know how that will work out? Try going around your block, going up to each neighbor, and tell them you would like to help them run their personal affairs. I don't know how that would work where you live, but I know that where I live everything would be topsy-turvy in 48 hours. The way to make my neighborhood better is to run my family better so that my family would make a better contribution to the block.

America can make her best contribution to the world by persuasion and example. Have we treated the Indians fairly in this country? They have been our wards for 60 years. Have we treated the Puerto Ricans fairly? They have been our wards for 50 years. Have we treated the colored people fairly? They have relied on their Government since 1865. American responsibility for justice and fairness begins at home. Let's be fair to those in this country and by example and persuasion help the rest of the world to justice and opportunity. The recovery program for Europe is private charity for relief and sound, economic loans for sound, economic advancement and recovery. That means that the politicians in Washington would lose a lot of the jobs for their political hacks and carpetbaggers, but that is the method that will save Europe and America, and that is the method George Washington pleaded with us to adopt in his farewell message.

More "operation rat-hole" in Europe will not help the humble people of Europe adopt hard work and freedom from political parasites as their road to salvation. Continued hand-outs from America only makes it easier for their political rulers to postpone the day of going back to work. No outsider, not even the American taxpayer, can learn to walk for them.

Address of Speaker Joseph W. Martin, Jr.

EXTENSION OF REMARKS

OF

HON. KARL M. LeCOMPTE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. LECOMPTE. Mr. Speaker, on February 9 the Speaker of the House of Representatives, Hon. JOSEPH W. MARTIN, visited Iowa and addressed a great gathering of militant Republicans at the capital city at Des Moines, the occasion being a celebration of the birth of Abraham Lincoln.

This is the first occasion in many years that a Speaker of the House has visited Iowa and delivered an important address.

All good citizens of Iowa extended greetings to Speaker MARTIN.

Under leave to extend my remarks in the CONGRESSIONAL RECORD, I include the address made by the Speaker:

Fellow citizens, I am glad to be in this agricultural section of the Midwest. We are gathered here to pay a tribute to the memory of one of America's immortals, Abraham Lincoln. He was a man of the plain people. He loved the plain people. He was fond of saying God must have loved the poor because he made so many of them. Lincoln did not mean that literally. What he meant was that money, riches, do not make men noble, or women virtuous, but that the spirit, the innate personality, is what makes men and women good and noble and virtuous.

Lincoln was himself a man of the backwoods and the soil. He was close to nature. He drew his inspiration from nature. He had the simple sense of justice, deeply tinged with mercy, which the plain people always have.

Agriculture has always been the backbone of our American economy. Farmers have been among the most independent of our religious and political thinkers. The pitchfork has always been a symbol of strength in our Nation.

In our government of, by, and for the people, independence of thought and independence of action are essential. The very essence of the kind of government for which Lincoln fought and died is the principle of proposal, disagreement, discussion, and compromise. By that method we reach the nearest approximation of good government and concrete truth.

That is one reason why our highway system has been so important. It has brought the farm nearer to the city. Together with the appliances which have been invented over the years, good roads and motor vehicles have taken much of the drudgery out of farm work and left those who labor with the soil more time for reading and meditation. Agricultural families can now live on a spacious farm, enjoy the outdoors, and all of the benefits and advantages of rural life. They can step into the automobile, and over good highways, be in the city, and at the theater, or at a concert, or at a church, in a matter of 15 or 20 or 30 minutes, at most.

American agriculture must be kept at a new high level of production and income. Of course, the farmers, like all other citizens, are concerned with high taxes, a constantly expanding government, and inflation.

The farmer is conscious of high taxes because it has not been too long ago when he realized that taxation might so impoverish him he couldn't follow his way of life. It is true that farmers are now making money. Nobody is happier about that than am I. We cannot have in America an impoverished farm class and the rest of the Nation still be prosperous. It is not possible in the United States for any great segment of the people, or for any great part of our free economy, to be broke, or poverty-stricken, without the rest of the Nation suffering in consequence.

We know the only possible answer in the United States to inflation and high prices is production and more production. The farmers of America want a fair price, a fair return on their products. To that they are richly entitled. The farmers do not want artificially inflated prices on everything they buy to be so high as to consume all they can take in and leave them nothing for a reserve. Such a condition is not a sound economy. It is the forerunner to a depression. None of the people can long stand such a condition as that.

The farmers, as well as everybody else, know the reason for the inflationary prices of today lies far back in years gone by when deficit spending was planting the seeds of today's crop of inflation.

The Republicans have warned all through those years that the practice of wild, reckless deficit spending—the policy of tax and tax, spend and spend—would bring ruin if persisted in. Following hard upon the heels of those years of waste, and extravagance, and deficit spending came the war. The war activities were inflationary because the goods and services produced for war went to the battlefields or to the bottom of the sea. The wages and salaries stayed at home unspent because there was nothing to buy in the home market. Then, following the war, came the demand for foreign aid. That constitutes a drain on our available production. The result is still another inflationary force, because again the goods and services go abroad and the wages and salaries poured out in the production of those goods and services stay at home.

All of this resulted, as the farmers and everybody else now know, in the accumulation of a great backlog of purchasing power in this country—much of it invested in Government bonds. At the same time, there accumulated a great backlog of unsatisfied desire for goods. People wanted automobiles, and ice boxes, and phonographs, and electric fans, and electric-heating stoves, and clothes—everything Americans had been accustomed to having. The only possible remedy for that condition is production and more production. But that production must be brought about under conditions which will not lead to overexpansion of either the agricultural plant or the industrial plant of America, and a consequent era of unemployment. A depression in this country would be just as disastrous, or more so, than the present condition of inflation.

The Agricultural Committee of the House of Representatives is now making a study of a long-range agricultural plan in order to prevent any recurrence of a deflation of agriculture.

We cannot contemplate with great concern, any depression in agriculture. We must maintain agriculture on a new high level of production, because not only the United States, but the world needs the products of American farms. We must preserve the soil. We must operate the farms of America efficiently. That means, farmers must have adequate, modern machinery by which to increase their production. They must have that machinery at a fair price in proportion to their income.

It is the farmer who feeds and clothes the rest of the people, as well as himself and his family. Clothing is now made from rayon, which is reprocessed cotton. Many useful things are made from milk. Even farm waste is being utilized. Incidentally, I want to say I have long been interested in farm chemurgy, which is the scientific use of farm products and farm waste, as the raw materials for factory manufacture. Ways can be found—ways are being found—to transform what formerly was waste into a revenue producer for the farmer. That is a very welcome innovation.

The farmer is concerned with expanding government, because nobody knows, better than he, the dangers of centralized power and an overgrown bureaucracy.

The veterans of the wars and all the young people on the farms and in the cities want their chance to get ahead. They deserve a chance to get ahead. They are going to get a chance to get ahead. But they do not want to spend their years snapping to attention at every command from bureaucratic "big brass." Government regulations and regimentation do not constitute a proper life for free citizens. We are determined that freedom, not governmental autocracy, shall rule in America.

Most of the farmers of Iowa, I suspect, can well remember those days when questionnaires and ration applications and gasoline permits had to be filled out. I am sure you recall the remarkable advice which once emanated from a Washington bureau to the farmers to take the horses' shoes off at night to save metal, and to change the shoes from foot to foot to equalize the wear. You have not forgotten the famous instruction which went out that there must be no more butchering of female steers. In other words, you, the farmers of Iowa, and the farmers of the rest of the country, remember very well, indeed, the way the starry-eyed theorists and temperamental tinkerers and economic quacks tried to tell the farmer how to run his farm, how to plant his seed, and how to reap his crops. I think you will agree with me when I say if there is anything that will make the farmer grab a pitchfork and use it for something besides pitching hay is for some theorist to try to tell him how to run his farm. Nevertheless, we can recall how, under governmental regulations, the farmer could not put up his fruit. He saw it spoil under the trees because his wife could not get enough sugar to preserve it. Clear across this broad land of ours, when food was of the most imperative importance, it was allowed to waste because somebody in Washington had decided how much sugar American housewives ought to use, but knew little or nothing about the fruit and berry crops.

Swollen government is always oppressive. The bigger and more concentrated government becomes, the farther it gets away from the people and the more remote the bureaucratic mazes are from the taxpayers.

The only way to prevent that is to keep government well and safely in the hands of the people themselves.

What we need in Government is more of the spirit of 1776 and less of the spirit of 76,000 administrative regulations. To get that we will have to have a Republican administration throughout.

American freedom has been pretty seriously whittled away by the New Deal and later by the war powers. The citizens' liberties have ceased to be the paramount consideration of the administration and his privileges are being taken away one by one. We intend to restore them.

Now, the farmers are quite concerned—and properly so—over the proposition for us to help the other nations of the world back on their feet. We recognize the need for us to help rehabilitate these other countries, but we must be certain the American people's money will not be thrown away.

In a broadcast recently I proposed, and I repeat here, a rule of action by which we ought to administer any aid to Europe. That rule of action can be stated in four words: economy, efficiency, common sense, and cooperation.

The only possible way in which this proposal to help Europe can be successful is for us to have the full and complete cooperation of the countries we are trying to help.

The Congress intends to examine very carefully all of the proposals for European and Asiatic help. We sent many of our own Members over to get first-hand information as to the needs and as to how the relief can best be administered.

It is time for us to begin to think of keeping America safe, sound, solvent, and strong, not only for our own sake but for the sake of civilization.

For the past 15 years anybody who spoke a good word for our own country was immediately condemned. To be for our American system is the best brand of patriotism of which our people are capable.

We spilled rivers of precious blood and turned out torrents of goods and machines

and services to fight for freedom abroad. We intend to fight for freedom at home, and to keep freedom at home regardless of how tough a fight it may be.

I want to revert to taxes again for a moment. As the farmers of Iowa and the rest of the people know, we passed a tax bill twice in the first session of the Eightieth Congress. We gave by far the greatest benefits to those in the lower income brackets. We sought to relieve entirely elderly people living on fixed incomes of a thousand dollars a year of any taxes so they might have some of the comforts of life. Twice Mr. Truman saw fit to veto those tax bills because he did not think the American people should have a reduction in taxes.

We passed another tax bill in the House the other day. This bill gives 71.1 percent of the tax relief to the people with incomes of less than $5,000; it frees 6,000,000 people from paying any tax; it gives special relief to the neediest of our people, the aged and the blind. It helps the American taxpayer to meet the high prices. It provides incentive for men and capital to work together for needed expansion and more jobs for the people.

We know full well that in order to cut taxes, we must also cut governmental squandering. The only way it is possible to cut down governmental squandering is to survey the functions the Federal Government has usurped from State and local governments, over the past 16 years. We must return to the State and local levels the functions which belong there, and return to private enandeavor the functions which belong there. A joint commission is studying that very problem. The commission will report back to what we are sure will be a Republican Congress, under a Republican President, in 1949. We will then move to separate a lot of bureaus and their functions from the Federal Government. We must cut down the size of Government. We are being asked today by the President for a peacetime budget which amounts to a thousand and twenty dollars for every family of four in the United States. The Government pay rolls have been broadened and broadened, until now there are millions of people who have a vested interest in the administration remaining in power because they, or their relatives, want to hold on to soft jobs.

The Eightieth Congress intends to cut spending. It intends to cut taxes. It intends to cut taxes most heavily in the lower brackets. But the fact still remains we must give some incentive to venture capital to go into business to aid in increasing production. As I said a while ago, only through increased production can we hope to beat the inflationary rise.

We are determined our American economy shall not be tilted off balance by extortionate taxes, nor forced into an abyss of ruin by inflation. America can be kept strong and sound and solvent and free, but that cannot be done by giving the administration new powers of rationing, regimentation, regulation and coercion over the lives and activities of the citizens. America became great by traveling the highway of freedom. America is going to stay great by continuing on the highway of freedom.

I want to direct your attention at this point to the fact that for several years there has been an intensive propaganda drive against the Congress. Those who would destroy our American system and bring us under the rule of alien despots, under a foreign concept of government, know they must first destroy the Congress before they can hope to realize their nefarious scheme. The Congress is the people's special instrument of control over their Government and their administrators. It was designed to be so by the founding fathers, who set up our system of constitutional government, free economy, and free society. So long as the people have confidence in their Congress, and stand behind it, the Congress can prevent either of the other two departments of Government from getting out of hand. But the day the people lose their confidence in the Congress, and withdraw their support from it, will mark the day our American system of freedom will have gone by the board. Personal liberty will have been destroyed.

Lincoln had a great faith in government of, by, and for the people. He knew that so long as the people were given the truth they, in the mass, had an inherent wisdom which no individual and no small group could possibly hope to equal. I should like to give you an instance of how, wittingly or unwittingly, vilification and abuse of the Congress and distortion of facts have operated to discredit the Congress in the mind of the people.

We all realize that under conditions in the world, as they are today, we must have a defense wholly adequate to meet any sort of an emergency which may arise. That means a superdefense in the air. It means we must have the most modern and the most scientific defense ever devised by man. It means such a defense is going to be superexpensive. Yet, the statement has been made in the press, over the radio, in speeches, by authoritative spokesmen of the administration, by commentators and others, that the Eightieth Congress, by a pinch-penny policy, had destroyed our national defense and had caused it to become about a fifth-rate defense. It has been said our defense in the air is but a hollow shell. Now the fact is the Eightieth Congress, in its first session, gave permission to the air services to spent $76,000,000 more than the President asked for in his budget. Also, the total budget and spending for the rest of the armed services was reduced only 1.3 percent, or $120,000,000. Now, if a reduction of $120,000,000 knocked our national defense down to fifth place, what did they do with the $9,400,000,000 the Eightieth Congress appropriated for the national defense? That is a question every citizen has a right to ask. It is a question which ought to be answered. The fact is many, many people, a lot of them unwittingly, some of them with sinister design, have repeated those distorted statements and misstatements. Those distortions all operated to cause the people to believe the Eightieth Congress was blind to the necessities of the national defense, when exactly the opposite was the case.

You remember how, when appropriation bills were pending, the bureaus declared they would have to lay off border guards and mail carriers if they didn't get all the money they demanded. When the House Appropriations Committee began to look into these matters and investigate them, the bureaucrats backed off in a hurry. They had laid off border guards, but they put them back to work again, because it was found such action was not necessary at all. It was simply the technique of long-experienced bureaucrats trying to bluff the Congress into voting more and more billions of dollars of the people's money for the bureaucrats to spend.

The situation in the United States, as well as in the world, calls for economy, efficiency, common sense, not only in our international relations, but in our relations between classes and sections in the United States. There never has been a time in the history of America when we more desperately need to make every dollar count; to pull together as a united people to save this country, to help the other nations save themselves, and to save civilization.

God give us the strength and the courage to forge ahead with a strong, sane, sound, solvent America, to lead the rest of the world back to sanity and peace and progress.

The Port of San Francisco

EXTENSION OF REMARKS

OF

HON. RICHARD J. WELCH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. WELCH. Mr. Speaker, the geographical location of the great international seaport city of San Francisco is of tremendous strategic importance to both the peacetime economy and national security of the Nation. This has been proven in the past by the great military and naval establishments, as well as the commercial and industrial establishments, in San Francisco and the bay area. The port of San Francisco and the great San Francisco international airport form the crossroads of commerce between America and the Orient. San Francisco Harbor and Airport mark the progress in the development of the great West. I invite attention to the following editorial which recently appeared in the San Francisco Call-Bulletin:

CENTURY OF PROGRESS—PORT OF SAN FRANCISCO ON THRESHOLD OF NEW GREATNESS 100 YEARS AFTER GOLD RUSH GAVE IT START

It is a centennial coincidence that it was just about a 100 years ago that the port of San Francisco began to take its place of importance in the Nation's economic picture, under the stimulus of the discovery of gold in California, and that today it is beginning to realize fully its vast possibilities as one of the foremost centers of commerce of our times.

Since the days when the Golden Gate was a lodestar to men eager for the quick wealth to be found in the mineral veins of the Sierra Ranges, our port has always been an important one.

It has all the natural advantages—location, climate, and one of the truly splendid harbors of the world.

Prior to the gold rush, these assets were to a great extent ignored, for the reason that the West still was largely a frontier wilderness, and San Francisco not so much a capital of world trade as an outpost of that frontier, although, of course, it long had been an important community to the old California of the Dons and the Franciscans.

The discovery of gold, which came during a time when there was a general discovery of all the great resources of the West, gave San Francisco its first real start to economic greatness, and the port grew rapidly in importance, maintaining a steady increase through the years until after the First World War, when economic depression, with a consequent falling off of commerce, brought this expansion to a temporary halt.

The years of the Second World War saw a tremendous migration to California—a rediscovery of the West, as it were—and actually the great population tide which swept over the California border exceeded in volume the first migrations of the gold rush.

Now, San Francisco as a port is growing into another stage of its world importance.

This time, we have the added impetus of a general focusing of attention, both national and throughout the world, upon the region of the Pacific, and a general realization of the potentialities of the area, both sharpened by advances in communication and transportation.

Greatness will not fall into San Francisco's lap, however. There has to be some constructive action on our part.

Already, there is some; we are developing plans for a world trade center; our foreign trade zone awaits only the last word of official approval to become a reality; and the current discussion of tideland reclamation, in connection with the proposals to develop shoreline areas here for use as industrial and residential sites, illustrates the awakening interest in the city's possibilities. Next week, a California State Chamber of Commerce meeting is scheduled here at which the chief subject of discussion will be ways and means of increasing the flow of commerce through this—and other California ports.

This awakening interest is a wholesome sign. It should not be allowed to lag. We're started, but we've got quite a way to go yet, and we shouldn't slacken our pace.

M. E. Cremer, manager of the Marine Exchange, recently prepared an article on the steps which the port of New Orleans has taken to develop her maritime commerce, steps which have seen a 71.2 percent increase (during the first three quarters of last year over the same period the preceding year) in the movement of railway cars carrying export freight to that port. A foreign trade zone, diligent efforts to cultivate the good will of businessmen in Latin American countries situated to do business with the Gulf port, and zealous attention to rate structures affecting the port all have played a part in New Orleans' gains.

San Francisco can do likewise.

We've got our start. Let's keep going.

Accurate Forecast

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following article which appeared in the Lawrence Evening Tribune, Lawrence, Mass., on Friday, February 20, 1948:

ACCURATE FORECAST

In view of the widespread attention being given to the plight of thousands of wild ducks facing starvation this winter in the Parker River wildlife refuge established by the Federal Government over the opposition of numerous responsible citizens of Essex County, the interesting fact has come to light that the identical situation which exists there was predicted 5 years ago in connection with the fight against the project.

Among the foremost opponents of the plan from the time it was instituted by the United States Fish and Wildlife Service in the latter part of 1942 was the Committee on Preservation of Duck Hunting in Essex County and in accordance with its desires, Attorney Charles D. Mahoney, of Lawrence, the chairman, made an exhaustive study of the availability of the Parker River and Plum Island regions of the county for the establishment of the proposed wildlife refuge. His formal printed report to the committee in April 1943 went into great detail and in arriving at the conclusion that the project was neither necessary nor desirable and that the Federal agency should be requested to abandon its plans, one of Attorney Mahoney's outstanding contentions was the following: "The Fish and Wildlife Service claim that one of the greatest benefits of the proposed refuge will be that it will hold birds in the area for a longer period each fall. If it was established and had that effect, it would be a crime against the ducks. Having stayed too long, they would face slow starvation in a death trap."

Notwithstanding the strong objections of residents and property owners of the affected area, public officials, all the active sporting clubs in the county, and the Council of Sportsman's Clubs of Massachusetts, Inc., the United States Fish and Wildlife Service established the refuge and the situation forecast by Attorney Mahoney has become an exact reality, unfortunately for the ducks that are starving there this winter.

As evidence of its activity and versatility, the same Federal agency announced this week that the Albatross III, a converted United States Coast Guard vessel, is being made ready in East Boston to sail April 1 with a crew of 21 men to conduct the first official census of fish on Georges Bank, the Gulf of Maine, and off Nova Scotia. The operation will take several years and the United States Fish and Wildlife Service expects that it will result in a fairly accurate census of haddock, cod, flounder, halibut, and other food fish. As usual, the American taxpayers will foot the bills and it is to be hoped that they get a better return for their money than was the case in connection with the Parker River refuge; also that the fish fare better than the ducks did.

Charges on Germany Confirmed

EXTENSION OF REMARKS

OF

HON. GEORGE A. DONDERO

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therein an article from the Times-Herald, Washington, D. C., February 23, 1948, written by John O'Donnell. It is self-explanatory.

Every loyal American and the country at large owes a debt of gratitude to men like John O'Donnell for the service they are rendering to the Nation.

Mr. O'Donnell is untiring in his efforts to expose Communists, who can only be considered in the light of traitors in their efforts to destroy our Government.

Mr. O'Donnell's article follows:

CAPITOL STUFF

(By John O'Donnell)

Pardon us for a moment while we spit on our hands, grab a handful of Old Mother Earth, take a couple of practice swings and then tee off for a sockeroo down the fairway—all without yelling any warning "Fore" into the ears of a gent right in our line of fire. The gent in this case is New York City's eminent counselor and distinguished member of the Empire State bar, Attorney Abraham L. Pomerantz, of 295 Madison Avenue, Manhattan.

Now there are between 750 and 800 accredited newspaper correspondents in this Capital. In addition, there are around 150 accredited magazine writers and another 100 or so radio commentators.

And out of this brigade, the O'Donnell is the one who has before him a plea from Counselor Pomerantz, the self-proclaimed chief United States prosecutor at the Nurnberg trial of Nazi industrialists urging a kick-in to fatten up a defense fund for the convicted Communist Leon Josephson, of Manhattan's Uptown, Downtown, and In My Lady's Chamber, and please send your check, old top, to one Raymond C. Ingersoll, of the Civil Rights Congress of 205 East Forty-second Street.

O. K. babies, you asked for it. Hold your hats and let's go. We shall take up in turn the case of Pomerantz who asks for the dough, Ingersoll who's holding it, and Josephson, who hopes it will spring him.

For eminent Counselor Pomerantiz: Last July 9, Representative GEORGE A. DONDERO, of Michigan, in the course of his attack on some of the phonies that the War Department had sent as United States spokesmen to the war trials at Nurnberg and other civilian posts in Germany read into the record that "Pomerantz was forced to resign" and then damned the New Deal Washington superiors who appointed him in the first place.

Congressman DONDERO then read Attorney Pomerantz' written declarations in which Pomerantz denounced the tardy efforts of the Truman administration to rid Federal departments of Reds and pinkos as "the most Nazi-like and terrifying law since the Alien and Sedition Act."

And, as Representative DONDERO then pointed out, Mr. Pomerantz by the way is now addressing the Communist-controlled New York State Progressive Citizens of America which is boosting the stock of Henry Wallace, leading Soviet apologist.

Later, the record shows that Pomerantz was a darling of the Daily Worker in many a clip. He wrote for Soviet Russia Today praising pinko Bill Shirer's End of a Berlin Diary, and signed an indignant letter denouncing the canning of the Reds in Hollywood.

Now for the boy who's slated to hold the swag bag to spring convicted Josephson. This is Brother Raymond C. Ingersoll.

Ingersoll we might point out first of all last year was a candidate for State senator from New York City's Harlem-dominated twenty-third assembly district.

But get this. According to the Department of Justice, such outfits as the Civil Rights Congress and the National Council of American-Soviet Friendship have been branded as Kremlin fronts, which function solely to overturn the Government of the United States by violence.

On October 10, 1947, Ingersoll filed, in accordance with the Foreign Agent and Lobby Act, a statement with the Clerk of the House of Representatives stating that he was on the pay roll of the Civil Rights Congress. On a letterhead of the National Council of American-Soviet Friendship, dated February 8, 1946, Ingersoll's name appears as a member of the board of directors.

Had enough? Well, let's go. Let's meditate on the boy they're soliciting the defense funds for, that fine outstanding American, Leon Josephson.

The Josephson racket in part was to take over the soft-headed upper crust of Manhattan's so-called cafe society and make the suckers like the idea of being slapped for a heavy tab while they lapped up, along with the booze, the all-important idea that their fathers, brothers, husbands who had earned the dough they were kicking in were really a bunch of capitalistic mobsters.

Which, all in all, was one of the smartest ways of taking suckers that we've yet met in the Red racket. The fall guys are not only taken for a ride, but they pay the fare as they go along.

Leon, according to the record, lived with his brother, Barney, down on Sixteenth Street, Manhattan, and his wife, Lucy, was a partner with Barney in the two cafe-society boob traps which were sold to the suckers as "hot spots with a social message" and where the philosophy of the proletariat could be

brought to high society without such repugnant requirements as rubbing elbows with the great unwashed.

One of Josephson's expensive Red traps was down in Greenwich Village, the second up on swankier East Fifty-eighth Street. As reporter Howard Rushmore noted a year ago these "two swanky night clubs which reaped hundreds of thousands of dollars of capitalist money while kidding patrons about the sad state of American democracy have for years been Communist Party fronts * * * Not only were Red Fascists assigned as entertainers, waiters, and captains, but Josephson was advised by high-ranking Communists to use Communist propaganda in shows for the cover charge customers."

Back in 1935 Leon Josephson, according to sworn testimony before the House un-American Activities Committee, was in cahoots with a Red fraudulent passport ring, and got nabbed in Denmark on charges of espionage.

Released from the Copenhagen jug he had a talk with Lester Maynard, American Consul General. And this American diplomat in a report to the State Department at that time gave this revealing bit of dope on the kind of a bird Josephson is:

"He explained to me his personal views in regard to the Communist movement, the pertinent part of which was that he considered the orders of his committee (Commie) superior to the laws of the United States and that he would do anything 'short of murder' to carry out the committee's orders."

The European Recovery Program and the International Trade Organization

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. FULTON. Mr. Speaker, it is becoming increasingly clear that the efforts to free world trade from artificial shackles and restrictions which diminish instead of increase it now going on at Havana through the conference to organize an International Trade Organization are essential to the success of the European recovery program. Without an enhanced opportunity for foreign trade it is difficult to see how the 16 western European nations to benefit from the European recovery program can pull out. The whole program is premised upon a greatly increased export by those countries taken up for the most in income they had before the war on overseas investments, shipping, insurance, and other similar remittances. The enhanced productivity and the vastly increased markets in the world generally make this kind of world stability distinctly practicable. The following article from the New York Herald Tribune of January 28, 1948, by my colleague, Hon. J. K. JAVITS, of New York, together with me, a delegate to the ITO Conference on Trade and Employment at Havana, explains this subject in all its practical aspects.

THE VITAL ISSUE AT HABANA—WORLD ECONOMIC RECOVERY AWAITS SUCCESSFUL LAUNCHING OF INTERNATIONAL TRADE ORGANIZATION

(By Representative J. K. JAVITS, Twenty-first Congressional District, New York)

There has been considerable misunderstanding about the proposals for an International Trade Organization (ITO) now being considered by about 60 nations of the United Nations Conference on Trade and Employment at Habana. Especially has it been charged that the ITO represents a breakdown of the protective-tariff policies of the Republican Party. Without endeavoring to defend a traditional high-tariff policy at this stage of the world's economic development, it is fair to say, first, that our concern with the ITO is due to our concern with the success of United States foreign and domestic policy; and second, that the ITO does not break down the existing United States tariff policy and does not even change it.

It should be made clear here that no such organization as the ITO has as yet been formed. It is significant that among the 60 nations at Habana negotiating to form it are the world's principal trading nations except for the U. S. S. R., but that included at Habana are two of the so-called Soviet satellites—Czechoslovakia and Poland—as well as countries newly formed as a result of the break-up of prewar empires—Burma, Pakistan, and the Indonesian Republic.

This whole idea of fairer world trade is a United States sponsored idea. It had its origin in the United States-British lend-lease agreements early in the war in which the British promised to negotiate for lifting barriers to world trade after the war. The United States held the British to their promise and came out with proposals as early as December 1945. These proposals were refined in several international conferences, culminating in the conference at Geneva, which lasted from April to August 1947. At Geneva the 18 principal trading nations of the world, other than the U. S. S. R. adopted a draft charter for the ITO consisting of 9 chapters and 100 articles. This charter, if approved by a majority vote of the nations at Habana, will come into force 60 days after at least 20 of the nations at Habana ratify it.

The ITO charter proposes to bring about agreement on the part of the principal commercial nations of the world that artificial barriers against world trade shall be given up. These, for example, are quantitative restrictions—limitations on the quantity of a certain type of goods which may be imported into a particular country; preferential arrangements on imports between two countres which discriminate against other countries; discrimination in internal commerce with regard to excise taxes or sales restrictions on imports; or subsidization of exports by governments in order to capture foreign markets. These practices grew up during the depression of the thirties, when individual countries—and even the traditionally free-trade British Empire—thought they could insulate themselves against the economic troubles of others by building Chinese walls of trade restrictions and trade discriminations.

They were refined into a science by Hjalmar Schacht and the Nazis, who victimized half of Europe with coercive barter agreements, by which they foisted unneeded harmonicas and ersatz aspirin on peoples who were breaking their backs to produce foodstuffs for them. The ITO charter proposes to bring under control these foreign trade weapons, but as to tariffs, the proposed ITO charter only obligates the countries concerned to enter into "negotiations" for the progressive reduction of tariffs.

Our national tariff policy, today, operates under the reciprocal-trade agreements program in which selective reduction of tariffs with other countries is possible on a bargaining basis; that is if other countries will reduce, we will reduce, and makes the reduction available to all with whom we have trade treaties under the most-favored nation principle.

Let no one suppose that all is sweetness and light at Habana. A Latin-American and far-eastern group, spearheaded among others by Argentina, which consider themselves industrially underdeveloped states, are fighting tooth and nail for United States agreement to their continuing various kinds of restrictive foreign-trade practices. But where the shoe pinches is that these restrictions work both ways; if we are excluded from some foreign markets we can also exclude others from our own—and ours is the richest in the world. In these differences Brazil has been our stanch ally. Other nations at Habana have other troubles. Czechoslovakia and Poland are worried about their trade relations with the U. S. S. R., likely to be a nonmember of the ITO, while others express concern with the rights the ITO charter may make them extend to foreign investors.

Yet, there is a remarkable will to succeed at Habana and clear evidence in almost all the delegations that the price of failure in terms of a new international depression is well realized. And when we consider the restrictions to international trade which exist right now there is good reason for alarm. Of the total of 87 trading nations listed by the Office of International Trade of the Department of Commerce, 55 tightly control imports and require a Government permit before anything can be brought into the country; 61 tightly control foreign exchange to be used to pay for imports, and 68, or about 80 percent, have some type of import or exchange controls.

Since VJ-day two new dramatic factors have appeared on the world trade scene: (1) The effect of the destruction of European production resources and Soviet influence giving a great impetus to state trading in Europe as contrasted with private trading; and (2) the vastly increased United States industrial production rate making it the only really big source of supply of manufactures for export in the world. The latter trend is shown dramatically by the high degree of unbalance between our exports and imports—our exports running at the rate of about $15,000,000,000 a year and our imports at about $7,000,000,000 a year. Accordingly, the other trading nations of the world are now in the position where they fear that their markets will be flooded by our manufacturers and that their resources will be drained away by our goods as soon as they are no longer the proper subjects of benefits from us such as those in the various relief bills we have passed since the war and in the proposed ERP itself.

Without an international trade organization, we would expect that these countries would erect even higher barriers against our trade and engage in more discrimination and preferential arrangements than ever; and in view of the prevalence of State trading they are in a better position than ever to do so. If we retaliated, as indeed we would, and so would other nations, it would defeat the capability of the western European nations in the ERP to recover their trade and would jeopardize our own domestic economy.

Thus a guaranty of fairer world trade is on the one hand essential to our own economy and on the other vital to the success of the ERP. This is shown very clearly by the import figures. According to our past history, and taking into consideration the overall increase of about one-third in prices generally since prewar, we should be importing not $6,000,000,000 worth of goods but $9,000,000,000. Our imports from South America, from Canada and from Central America have held up to this level, but our imports from Europe are about one-half of what they were prewar, and from Asia about 25 percent; yet it takes just about $2,000,000,000 a year in additional trade to make up for the western European nations what they have lost in income from their investments, from shipping, insurance, and other enterprises which they had prewar but which they do not have postwar.

We are now practically all agreed that hunger and despair in the world are the

perfect breeding ground for war, and yet an analysis of the world income figure shows how far we are from decent world living standards. Individuals in most countries have annual incomes which are a small fraction of that of the people in our country. Contrasted with our per capita income of $1,200 in 1946, countries like Colombia, Brazil, Guatemala, and Chile show per capita incomes of about $100 a person a year, and more industrially developed countries like France, the United Kingdom, and Argentina show incomes per capita of between $300 and $500 a year. Standards of living in the world are very low indeed, but with enormous increases in production in the United States and enormous increases in production in other countries to be logically expected as a result of the new direction of our foreign policy toward financing recovery, self-help, and mutual cooperation, great vistas of higher standards of living and general well-being are being opened up for us and other peoples.

Our whole purpose in undertaking the ERP and in our foreign policy generally is to attain a prosperous and peaceful world. This, it seems clear, is most likely to be attained if world trade can flow fairly and easily. It is the surest guaranty that programs of self-help and mutual cooperation like the ERP will realize their objective and really enable the nations that participate to continue to stand on their feet at the end. Success in organizing an ITO at Havana, therefore, will demonstrate the ability of the democratic nations to unite on economic principles which are essential to their success, while failure will be seized upon as the surest sign that the economic cataclysm is on the horizon which Soviet-inspired propagandists so insistently claim to be inescapable for the democratic world. Any such failure will be exploited to the full by those who seek to drive nations at this very moment engaged in a grim struggle for their own freedom into becoming "police states." United States leadership at Havana must be unfaltering. The democratic nations in conference there cannot—they dare not—fail.

Praise for Congressman Clifford P. Case, of New Jersey

EXTENSION OF REMARKS
OF
HON. EDWARD J. HART
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. HART. Mr. Speaker, at the annual dinner of the Lincoln Association of Jersey City, which since 1866 has never failed to commemorate the birthday of the Great Emancipator, one of the two main speakers was our colleague the gentleman from New Jersey, Hon. CLIFFORD P. CASE. I am pleased to enclose herewith a brief but complimentary appraisal of the speech he delivered on that occasion, as it appeared in the Jersey Journal of Saturday, February 14. It is as follows:

The people of Union County should be proud of CLIFFORD P. CASE, their Representative in Congress. His speech at the Lincoln Association of Jersey City was a courageous and plainly worded program of the kind of common sense which made Abraham Lincoln such a terror to his political rivals.

The Other Side of the Road

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. MULTER. Mr. Speaker, this is Brotherhood Week. It is being observed throughout the country in an endeavor to emphasize to all of the people of the country that these United States were conceived and made strong by religious men who fervently believed in practicing the brotherhood of man under the Fatherhood of God.

Permit me to direct your attention to an editorial written by the Rev. Robert W. Searle, D. D., which appeared in a recent issue of the Protestant Church Life, official weekly publication of the Protestant Council of the City of New York. It reads as follows:

THE OTHER SIDE OF THE ROAD

"The other side" of the road has been deeply grooved by the feet of the many who have passed by.

The original Priest and Levite doubtless had ecclesiastical appointments which could not be deferred, or perhaps there were traditional services in which they were expected to participate. Whatever it was that caused them to pass by on the other side may have satisfied their conscience, but it did not in the supreme judgment of Jesus equal the obligation that lay on the far side of the road in the form of a human being in immediate need.

That deep groove which they initiated has been hollowed out by the feet of countless priests and Levites who, in the generations since, have followed the original footsteps, governed in their action by similar motives.

Today it is humanity itself that lies wounded by the roadside, and, because of America's unique resources, it is we, the clergy, the officials and the members of the American churches, who are walking the Jericho Road. We have appreached the place where wounded humanity lies. We are at the moment of decision.

Is it more important for us at this moment to carry on our traditional ecclesiastical duties in the traditional and accepted pattern? Or should we, as clergy, officials, and laymen, agree to deviate our patterns so far as necessary to reach the place where wounded humanity lies, that we may do our utmost to make the will of America the will of the Good Samaritan, who not only bound up the wounds but made provision for "whatsoever more was needed"?

Also most apropos is the following verse, written by Rabbi Joseph Klein, of Temple Beth Emeth, of Brooklyn, N. Y.:

A THOUGHT FOR BROTHERHOOD MONTH

A prophet spoke this long ago
In ancient Palestine;
A simple statement of the faith
He held to be divine—
"It hath been told to thee, O man,
What to the Lord is good,
And what He doth require of thee,
Whatever be thy mood—
To do the just
And love the kind,
And humbly walk
With God in mind."

No observance of any brotherhood movement should pass without a rereading of Walter W. Van Kirk's Ten Commandments of Good Will, which follow:

TEN COMMANDMENTS OF GOOD WILL

I. I will respect all men and women regardless of their race or religion.

II. I will protect and defend my neighbor and my neighbor's children against the ravages of racial or religious bigotry.

III. I will exemplify in my own life the spirit of goodwill and understanding.

IV. I will challenge the philosophy of racial superiority by whomsoever it may be proclaimed, whether they be kings, dictators, or demagogues.

V. I will not be misled by the lying propaganda of those who seek to set race against race or nation against nation.

VI. I will refuse to support any organization that has for its purpose the spreading of anti-Semitism, anti-Catholicism, or anti-Protestanism.

VII. I will establish comradeship with those who seek to exalt the spirit of love and reconciliation throughout the world.

VIII. I will attribute to those who differ from me the same degree of sincerity that I claim for myself.

IX. I will uphold the civil rights and religious liberties of all citizens and groups whether I agree with them or not.

X. I will do more than live and let live—I will live and help live.

Mexican Trade Agreement

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. REED of New York. Mr. Speaker, the President of the United States on February 2 sent to this Congress certain recommendations for a so-called civil-rights program. In his message he listed the securing fully of all our essential human rights as the most important of all of the goals toward which we should strive in order to strengthen our democracy. He said further, and I quote:

Unfortunately there still are examples—flagrant examples—of discrimination which are utterly contrary to our ideals.

I wish to call the attention of my colleagues to one of the most flagrant of these discriminations that has come to my attention. What makes it even more flagrant and undemocratic is the fact that it stems from and is the responsibility of our own Chief Executive.

I make no bald, unsupported statement. I offer proof, and I challenge the administration to attempt to disprove it. They dare not try—their only salvation lies in keeping it from the public—just one more violation of their obligations.

In 1942 the United States and Mexico negotiated a trade agreement in which each country agreed to reciprocal tariff reductions. In that agreement, if the President and his negotiators conformed to the spirit and the letter of the Trade Agreements Act then the tariff concessions granted by each party were roughly equivalent in value. The life and meaning of the agreement hinged on the continued effectiveness of the concessions

granted by one as a quid pro quo for those granted by the other.

This agreement became effective January 30, 1943, and was for a basic period of 3 years and thereafter until terminated by either government. This basic period expired just 2 years ago, but even as early as 1945 Mexico notified the United States that the terms of the agreement could no longer be adhered to. Mexico attempted over a long period to withdraw certain concessions and to terminate the agreement. If the ultra-secret records of the President's inner-sanctum, State Department could be made public we would know for a surety that the United States tried desperately to keep the agreement alive. Such termination would have a serious effect on the whole program and prove what has long been maintained by American industry—that now is no time to force the world into a free-trade strait-jacket.

The State Department may deny that they ever received a definite, written unequivocal notice that Mexico intended to terminate the agreement. Only their secret files would reveal the truth of the matter, but we do know that about July 1947 this country was notified by Mexico of her positive intention to increase all her tariff rates and to abrogate every concession granted to the United States. Furthermore, on December 20, 1947, Mexico unconditionally and without a single reservation canceled, abrogated, and terminated every single concession granted under the terms of the agreement and increased duties and tariff rates to a point higher than those prevailing in 1942 when the agreement was negotiated.

Now the administration may claim that the agreement was merely modified by this drastic action. This would be a subterfuge so open and serious that I wonder if even the diplomatic immunity which the State Department so frequently hides behind would shield them. Yet it appears to be the President's claim.

The agreement gave either side the authority to terminate it. Mexico has taken every conceivable action designed to do so and it seems inconceivable that anyone would deny that the agreement has been ended. The President has no authority under any law, emergency or otherwise, to continue the many tariff cuts proclaimed when the agreement was made effective. He is openly and brazenly flouting the law and the rights of our laborers, producers, and of Congress itself.

I want to make one thing perfectly clear. I do not, and have not, claimed that the concessions made to Mexico have, as yet, wrecked American industry. It may be conceded that, the condition of the world being what it is, many of the concessions made to Mexico could be continued for some time without having too serious an effect on very many domestic industries. I have no intention of trying to narrow my vision in that respect. But all that is entirely beside the point.

The President has not kept the faith; he has not abided by his legal obligations. The termination of the Mexican agreement might be denied by him, but the continuation of American concessions cannot be justified in any sense of the word, under the Trade Agreements Act, his emergency powers, or in any other way. If the country of Mexico has only modified the former agreement, in the eyes of the President of the United States, then certainly every other nation with which we have agreements may properly, and many of them have already, renounce or modify their concessions to us without any feeling of having violated solemn obligations.

To show how bad the situation really is and how far the administration has gone in its ignoring of the legal rights of our citizens I call your attention to a recent announcement by the Acting Secretary of State and the Secretary of the Committee for Reciprocity Information that interested parties might file briefs and appear and be heard in connection with the renegotiation of the Mexican agreement. The public notices themselves completely transgress the first of the ideals which he urged upon Congress in his recent message, viz: to secure fully our essential civil, and human rights. These announcements specifically limited those who could appear and present their case to exporters. Domestic producers, labor organizations, importers, had no standing, had no apparent right or interest in the matter.

It is obvious to any close observer that the President does not intend to withdraw any of the concessions made to Mexico regardless of the rights of domestic labor or industry. He apparently intends to ask Mexico to revise certain of its tariffs which in some instances have been raised to the astronomical heights of over 5,000 percent. In this renegotiation of an agreement which has actually terminated but which the President claims was only "modified," the United States will have to do two things:

First. It will be necessary to prove to Mexico that reducing of duty will not injure the industries of that country. Our negotiators failed to do that in more than 2 years of attempts to dissuade the Mexican Government from terminating the agreement.

Second. They must offer the Mexicans some concessions, have everything to lose and nothing to gain unless some quid pro quo is offered.

Mr. Speaker, this situation is only typical of the mismanagement, secret negotiating, and outright violation of the authority granted to the President and the State Department to enter into foreign agreements. I wonder if the President will, after such fiascoes, ask this Congress for any extension of his authority to enter into these agreements. I wonder if he can face the producers of American goods who were denied the right to appear and present their case, and talk to them about human rights and civil liberties. I wonder if he will ever make an attempt to explain his actions to the American people.

European Recovery Program

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Dorothy Thompson, from the Washington Star of February 23, 1948:

PREAMBLE TO ERP SEEN MAKING ERROR BY IGNORING PEOPLE'S DESPAIR IN EUROPE

(By Dorothy Thompson)

The preamble to the European recovery program reiterates what I believe to be a fundamental error of analysis of the European crisis. This error is that the crisis is primarily economic. I think it is not.

The economic crisis is the result of European social, political, and spiritual crises, not the other way around. That is why the crisis cannot and will not be cured by economic aid. The aid is necessary to prevent imminent collapse. But it is folly to expect that, of itself, it will result in recovery.

The social and political crisis of all Europe is not postwar. It was prewar, otherwise there would have been no war—no Mussolini, no Franco, no Hitler, no periodic and perpetual breakdowns. Since World War I, there has been no prolonged period of social stability in any major country of Europe. The reasons, I repeat, were not primarily economic.

DESPAIR LED TO NAZIS

Germany did not go into the Nazi revolution because the people were starving or money was valueless or only because of a great depression. The latter accelerated the Nazi revolution but did not create it. It was created out of that always revolutionary phenomenon, spiritual despair, and collapse of faith in existing institutions of all kinds—a feeling of rootlessness and inner chaos which expressed itself everywhere in the phrase: "It can't go on like this; something must happen."

The Nazi revolution was itself nihilistic, chaotic in its essence, but its initial power consisted in creating the illusion that it would build a new organic society in which everyone would know his place and, therefore, be at peace.

The Nazi revolution presented a quiet voluntary relinquishment of "individual freedom," the maintenance of which the preamble to the ERP bill reiterates to be our objective. The reason so many millions were willing to relinquish individual "liberty" was, first, that the whole trend of modern times—in Europe, and here too—has progressively subordinated individual liberty to what is conceived to be the social or national welfare. Thus it created a schism between rights of the individual and the rights of society as a whole. Somewhere the schism had to be breached, and the Nazi revolution seemed to many a way of breaching it. It offered, for instance, a planned economy—and furthermore it delivered one which worked, as far as Germany herself was concerned.

SIMILAR TO FRENCH CRISIS

The French crisis is not dissimilar. What we have been seeing is the liquidation of the nineteenth-century liberal era, the liquidation bringing with it immense upheavals.

Why, for instance, must France import food? France is a rich agricultural country, large in area for its population, with further rich resources in its African colonies. Wholly

situated in the temperate zone, with plentiful rainfall and excellent soil, France is one of the more favored nations of the earth.

France must import food because of the famous "scissors" between town and country. The French peasant still is living in the liberal era. The French industrial worker, however, is trying to live in a Socialist era. The French farmer expects to sell his produce for real money or real goods and at a profit to himself, while the French industrial worker wants to eat well, cheaply. If the farmer cannot get a profitable price for bread grains, he turns them into cattle food and if he cannot get a profitable price for meat, he butchers for home consumption or sells to black marketeers.

Precisely this condition in Russia in the early thirties led to the forcible collectivization of agriculture and the deportation of millions of "kulaks"—successful peasants—to Siberia.

New York State Legislature's Memorial Resolution for Lifting of Palestine Arms Embargo

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. JAVITS. Mr. Speaker, the legislature of the State of New York has passed a resolution memorializing the President, the State Department, and the Congress to take immediate steps to cancel the present embargo on the shipments of arms and munitions to the Jewish people of Palestine who are defending the decision of the United Nations, which follows. The present situation in Palestine demands prompt, realistic, and constructive action along the lines called for in the resolution:

Senate Resolution 70

Whereas the United Nations has decreed that Palestine shall be partitioned into separate Arab and Jewish states; and

Whereas the Arab nations, in defiance of the decree of the United Nations, have refused to participate in negotiations preparatory or subsequent to the vote on the partition plan; and

Whereas the Arab nations have persistently followed a course of terror and violence designed to nullify and prevent the implementation of the United Nations Palestine decision; and

Whereas the Jews of the world, in a spirit of amity and compromise born of the suffering and persecution which they have endured through the ages, have gratefully accepted and agreed to be bound by the decision of the United Nations on Palestine although it does not carry out promises made to them in the Balfour declaration; and

Whereas the public press carries daily accounts of unprovoked mass Arab raids and terroristic attacks against the Jewish people in Palestine and the toll of wounded and dead Jewish people continues to mount with unabating intensity; and

Whereas the Arab attacks on the Jews threaten to disturb the peace of the world and the Jewish people should be permitted, assisted and encouraged to arm and defend themselves against such attacks; and

Whereas this Nation, through its embargo on arms and munitions destined for shipment to the Middle East, has prevented the Jews of Palestine from obtaining the weapons of defense sorely needed by them to resist and defend themselves against the attacks of the Arabs, while the Arabs continue to secure arms and munitions from neighboring Arab and other states; and

Whereas the Honorable William O'Dwyer has openly announced his opposition to the arms embargo and has urged the Government of the United States to cancel the same and to permit the immediate shipment of weapons and munitions to the embattled Jews of Palestine; and

Whereas the people of the State of New York are justifiably disturbed and alarmed over the plight of these defenseless Jews in Palestine and urgently implore the President and the State Department to cancel the arms embargo without further delay: Now, therefore, be it

Resolved (if the assembly concur), That the President, the State Department, and the Congress of the United States be and they are hereby respectfully memorialized to take such steps as may be necessary to cancel the present embargo on the shipment of arms and munitions to the Jewish people of Palestine who are defending the decision of the United Nations and make possible the immediate shipment of arms and munitions for the defense of the Jewish people of Palestine against the unprovoked acts of aggression and warfare of the Arabs; and be it further

Resolved (if the assembly concur), That copies of this resolution be immediately transmitted to the President of the United States, the Secretary of State of the United States, the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States and to each Member of Congress duly elected from the State of New York.

By order of the senate,
WILLIAM S. KING,
Clerk.

In assembly, February 10, 1948, concurred in without amendment.
ANSLEY B. BORKOWSKI,
Clerk.

Reserve Officers' Association Commended by Secretary of the Navy

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. VAN ZANDT. Mr. Speaker, the Reserve Officers' Association, which speaks for the Reserves of the country, is making a great contribution to our national defenses through its sponsorship of National Security Week, February 12 to February 22, inclusive.

The Reserve Officers' Association enjoys the support of all the services, and among the many commendations is one from the Department of the Navy, over the signature of the Secretary, John L. Sullivan, which is as follows:

DEPARTMENT OF THE NAVY

I am very grateful for the opportunity to express on behalf of the Department of the Navy this unqualified endorsement of the twenty-sixth annual observance of National Security Week, sponsored by the Reserve Officers' Association of the United States.

For the past 25 years your splendid association has sought diligently to overcome public apathy toward the urgent needs of the Military Establishment and the problems of national security. You are performing a splendid service and making a great contribution to our national welfare, for it is upon the people themselves that the strength of our armed forces and the safety of our Nation ultimately depend.

The need for this service is great today. Public interest in preparedness tends to reach its lowest ebb immediately following the cessation of hostilities. This is a period hazardous to our national safety, for it is difficult to maintain our armed forces at their authorized complement on a voluntary basis.

I therefore commend the Reserve Officers' Association for its distinguished service in stimulating public awareness of the need for national security and of the means for insuring it. You are fighting a good fight, and—speaking for the Navy—I encourage you to persevere in this work to the satisfactory realization of our mutual objectives.

JOHN L. SULLIVAN,
Secretary of the Navy.

Internship in Government Proposed—Our Own American Government—People Should Be Fully Acquainted With Their Own Government Here in the United States—A Knowledge of Our Own Government Will Be the Greatest Bulwark Against Any Foreign Ideologies

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. PATMAN. Mr. Speaker, I am offering today a bill which is a step in the direction of giving young men and women interested in public life the best possible on-the-job training in legislative and administrative functions of our National Government. This will open up a vast amount of potential leadership.

The bill, if enacted, will create a commission to prepare a plan to enable selected students, who are training and who desire to train for Government service, to actually serve an internship in the Federal Government.

The bill is as follows:

A bill to create a commission to prepare a plan to enable selected students who are training or who desire to train for Government service to actually serve an internship within the Federal Government

Be it enacted, etc., That there is hereby created a Commission on Internship in Federal Government, to be composed of the following members, to be appointed by the President: (1) Three officers of the executive branch of the Federal Government; (2) one representative from each of four different veterans' organizations incorporated by act of Congress; (3) such other members as the President deems advisable, also three Members of the Senate, to be selected by the President pro tempore of the Senate; three Members of the House of Representatives, to be selected by the Speaker of the House; and

three officers of the judicial branch of the Government, to be selected by the Chief Justice of the United States. The members of the Commission shall select a Chairman from among their number. Any vacancy occurring in the membership of the Commission shall be filled in the same manner as the original appointment.

SEC. 2. The Commission is authorized and directed to prepare a comprehensive plan for the establishment of an internship program to enable selected students who are training or who desire to train for Government service to serve an internship within the Federal Government, thereby gaining practical experience in the operations of all branches of the Federal Government so that they may be better fitted to perform their duties in Government service as well as their obligations as citizens of the United States. The Commission shall submit such plan to the Congress and to the President as soon as practicable after the Eighty-first Congress is convened and organized. Ten days after the submission of such plan the Commission shall cease to exist.

SEC. 3. (a) The members of the Commission shall receive no compensation for their services as such, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission.

(b) The Commission is authorized, without regard to the civil-service laws or the Classification Act of 1923, as amended, to appoint and fix the compensation of such employees as it deems necessary to the performance of its duties.

(c) All expenditures of the Commission shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the Chairman of the Commission.

SEC. 4. There is hereby authorized to be appropriated the sum of $50,000, to carry out the purposes of this act.

DISSEMINATION OF KNOWLEDGE AND INFORMATION

George Washington and Thomas Jefferson were both great believers in dissemination of knowledge and information to the people. It was their belief that if the people knew the truth, a great majority of them would do what was right, which would result in a good government, established upon the will of the people. In furtherance of that idea our Government, since its beginning, has allowed newspapers to be circulated free within the county where published, in order to encourage local newspapers that would carry current news and keep the people informed. This policy kept subscription rates to the minimum and caused wider distribution.

Another good policy was that the distribution of newspapers and magazines and all reading matter outside the county of publication should be sent through the mails at a very low postage rate; in fact, so low that the Government has made appropriations to make up for the deficit every year, but it caused a much wider distribution of reading matter.

In this day and age we are witnessing attacks upon our own American Government, which is the finest and greatest Government on the face of the earth. It is my personal belief that the best defense of our own Government will spring from our own people, who really know and understand our form of government.

When I first came to Congress—20 years ago—I made plans to prepare for my constituents each week a report in the form of a weekly letter, which has been published in most of the newspapers in the district I represent since that time. In order to properly discuss our Government, a question-and-answer method was adopted. Each week I would have in the weekly letter two or more questions and answers bringing out the important points in connection with the Federal Government. This method proved so popular that a number of the public-school superintendents asked for copies. They were reproduced in mimeographed form and distributed. Later, these questions and answers were inserted in the daily CONGRESSIONAL RECORD. Members of Congress expressed an interest in them and they were reprinted as a public document and distributed by many Members of Congress to their constituents, which aroused the interest of the citizens throughout the country. More than a million copies of these documents were sold by the Government Printing Office.

The 1946 revision of my booklet, which was a public document on Our American Government—What Is It? How Does It Function? became obsolete due to changes brought about in congressional procedure and executive policies caused by the enactment of the Maximum Employment Act, the Legislative Reorganization Act, the Atomic Energy Commission Act, the Armed Services Unification Act, and others.

Since it was not possible to have an expanded, up-to-date book printed as a public document, a private publisher—Ziff-Davis Publishing Co., of Chicago—agreed to print the book in a form that would insure wide distribution.

The present book includes 1,001 questions and answers and is now published by the Ziff-Davis Publishing Co. under the title, Our American Government—The Answers to 1,001 Questions on How It Works.

This book, I hope, is in the public interest and will make a contribution toward informing the people of our country on the virtues of our own great Government.

Permission having been granted, I am inserting herewith an editorial which appeared in the New York Times, January 25, 1948, on Schooling for Government:

SCHOOLING FOR GOVERNMENT

A number of recent developments point to the urgent necessity for reexamining the haphazard lack of system by which we staff our Government on all levels, Federal, State, and municipal. Yesterday's Times, for instance, reported some remarks made before the American Society of Civil Engineers, meeting in New York City, by the executive director of the Tax Institute, Inc. The engineers were told that leaders of today are as unprepared to plan a city functionally adapted to the needs of tomorrow as the leaders of 150 years ago were in planning a city for present needs. During the past week the Citizens' Budget Commission has been revealing some of the fantastic inefficiency and waste in New York City's sprawling government, whose expense budget runs now to more than $1,000,000,000 a year. Everywhere, in cities, States, and in the Federal Government, costs have been rising, and anxious officials are seeking ways that will make administration more businesslike. For government, our largest business, is far from being run like a business.

It is a curious fact that, as personnel numbers and Government costs have risen, as services expand and new concepts of responsibility take hold, we have paid little more attention than we did years ago to the training of young men and women specifically for careers in civil service and the higher posts in government. A young man may set his goal to be a physician and work specifically toward that end from his high-school days. He may do the same with law, with engineering, with teaching, and an infinite number of other specialties. But how rare it is to hear a young person say that he is studying for government.

As taxpayers and otherwise we are greatly the losers by the failure to see this problem whole and act upon it. President Truman commented on it some months ago at Princeton, which is one of the few institutions where a substantial attack is being made on this challenging problem. It would be a fine thing if a close partnership could be worked out between our colleges and our various governments whereby students training for government could actually serve on a part-time or vacation basis in municipal, State, and Federal offices, a form of internship not only educational for the students but helpful to government itself. There have been some experiments along this line, but no wide use of the plan. This might be arranged on a scholarship basis. It would bring fresh ideas into musty Government departments. It would also tend to make the schooling for government less theoretical and more practical. With a trained body of graduates to draw upon, the civil service would be constantly refreshed and strengthened.

Our governments have been extremely slow to recognize their needs and opportunities for college-trained staffs. Their tardiness is matched only by the lack of emphasis that our educational leaders have given to this field of possible service. Unfortunately, there is little evidence even now of any emerging program to remedy the defect.

I am also inserting herewith excerpts from President Harry Truman's talk at Princeton University recently as it appeared in the New York Times, June 18, 1947. It is as follows:

On an earlier occasion of equal significance in the history of this university, the President of the United States, Grover Cleveland, spoke in 1896 at the Princeton sesquicentennial ceremonies. President Cleveland seized that opportunity to charge our colleges and universities with the task of supplying a "constant stream of thoughtful, educated men" to the body politic—men who were eager to perform public service for the benefit of the Nation. He chided our institutions of higher learning for their lack of interest in public affairs, and held them responsible for the disdain with which many of the best-educated men of the day viewed politics and public affairs.

Happily for us, that attitude on the part of our universities vanished long ago. I am certain that no observer of the American scene in recent years has detected any reluctance on the part of our educators to enter the political arena when their services have been asked. And our schools have made much progress in supplying the "constant stream of thoughtful, educated men" for public service called for by President Cleveland half a century ago.

That task is more important today than at any previous time in our national history.

INTEGRITY NEEDED AS NEVER BEFORE

In our free society, knowledge and learning are endowed with a public purpose—a noble purpose, close to the heart of democracy. That purpose is to help men and women develop their talents for the benefit of their

fellow citizens. Our advance in the natural sciences has led to almost miraculous achievements, but we have less reason to be proud of our progress in developing the capacity among men for cooperative living. In the present critical stage of world history, we need, more than ever before, to enlist all our native integrity and industry in the conduct of our common affairs.

The role of the United States is changing more rapidly than in any previous period of our history. We have had to assume world-wide responsibilities and commitments. Our people have placed their trust in the Government as the guardian of our democratic ideals and the instrument through which we work for enduring peace.

The success of the Government's efforts in achieving these ends will depend upon the quality of citizenship of our people. It will also depend upon the extent to which our leaders in business, labor, the professions, agriculture, and every other field, appreciate the role of their Government and the greatness of its tasks.

Our schools must train future leaders in all fields to understand and concern themselves with the expanded role of government, and, equally important, to see the need for effective administration of the Government's business in the public interest.

SHORTAGE OF OFFICIALS "CRITICAL"

I call your attention particularly to the problem of effective administration within the Government, where matters of unprecedented magnitude and complexity confront the public servant. If our national policies are to succeed, they must be administered by officials with broad experience, mature outlook, and sound judgment. There is, however, a critical shortage of such men—men who possess the capacity to deal with great affairs of state.

The Government has recruited from our academic institutions many members of its professional staffs—geologists, physicists, lawyers, economists, and others with specialized training. These men are essential to the conduct of the Government and the welfare of the Nation. But we have been much less effective in obtaining persons with broad understanding and an aptitude for management. We need men who can turn a group of specialists into a working team and who can combine imagination and practicability with a sound public program.

All large organizations, public or private, depend on the teamwork of specialists. Coordination is achieved by administrators trained to assemble the fruits of specialized knowledge and to build on that foundation a sound final decision. Men trained for this kind of administrative and political leadership are rare indeed.

In the task of finding and training men and women who will add strength to the public service, universities have a particular responsibility. They should develop in their students the capacity for seeing and meeting social problems as a whole and for relating special knowledge to broad issues. They should study the needs of Government, and encourage men and women with exceptional interests and aptitudes along the necessary lines to enter the Government service.

WOODROW WILSON SCHOOL CITED

The Woodrow Wilson School of Public and International Affairs of this university was established with this purpose in mind. It seeks to prepare students for public careers. It is significant that the school bears the name of a statesman whose concept of civic duty contributed so much to the Nation and to the world.

Of course, the Government cannot and does not expect to rely entirely upon our educational institutions for its administrators. It must bring into service from business and labor and the professions the best qualified persons to fill the posts at all levels.

The Government must take several steps to make its career service more attractive to the kind of men and women it needs.

Salary limitations prevent the Government, in many instances, from securing the kind of executives required to manage its vital activities. Capable administrators are too frequently drawn away from the Government to private positions with salaries many times what they could earn in Government service. This situation can be remedied only by laws to bring salaries more nearly into line with the heavy responsibilities that executives carry at the higher levels in the public service.

The complexities of the tasks now facing our top officials force them to spend most of their time in studying matters of policy. These officials should be supported by a career group of administrators skilled in the various aspects of management. If capable men and women can look forward to holding such posts as a reward for able service, they will be more eager to accept Government employment.

TRAINING PROGRAMS HELD NEEDED

Because of the difficult tasks of Government today, we should plan a program for the systematic training of civilian employees once they have entered the public service. It is not generally possible at the present time for the Federal Government to send its employees to universities for special short-term training programs. Nor is it permissible under existing law to spend Federal funds for Government schools to develop the knowledge and techniques required by officials in their work.

This is a problem that can be solved only by the joint efforts of the Government and the universities. Training programs can be formulated both on the job and on the campus. The Government must make provision for its employees to participate. The universities will need to provide courses well adapted to increasing the effectiveness of the employee in his job. Such a plan is certain to pay substantial dividends.

I have been speaking about the important contribution which educational institutions can make in the service of the Nation through preparing men and women to administer our far-flung public enterprises.

Statement of Mr. Michael A. McGrath

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include a statement of Michael A. McGrath, national president of the Ancient Order of Hibernians and Ladies' Auxiliary in America, before the Foreign Affairs Committee, United States House of Representatives, on February 5, 1948:

STATEMENT OF MICHAEL A. M'GRATH, NATIONAL PRESIDENT OF THE ANCIENT ORDER OF HIBERNIANS AND LADIES' AUXILIARY IN AMERICA, BEFORE THE FOREIGN AFFAIRS COMMITTEE, UNITED STATES HOUSE OF REPRESENTATIVES, FEBRUARY 5, 1948

Gentlemen, my appearance before your committee is in my capacity as the national president of the Ancient Order of Hibernians and Ladies' Auxiliary in America.

The Ancient Order of Hibernians was organized in the United States in June 1836.

It affiliates itself with the American League for an Undivided Ireland, whose national president is the Honorable Joseph Scott, of California, who speaks before you, for 30,000,000 men and women of Irish blood by virtue of a mandate from the Irish Race Convention, held in the city of New York, November 22 and 23, 1947.

We are deeply concerned with the attempt of the British Empire, to receive a grant or loan from the United States under the Marshall plan, that your honorable committee now has under consideration.

Our opposition is primarily directed to a proposed allocation of money, which Sir Basil Brooke, Premier of the Ulster Government, who has stated that a minimum sum of $40,000,000 is necessary to carry on the military and some civic operations, in the northeast six counties of Ireland.

I am certain that your committee, and I believe the people of the United States, are fully aware of the weakened financial structure of the British Empire. The implication of this financial weakness was evident in 1946 when the Congress of the United States approved a loan of $3,750,000,000 to this same British Empire.

The thousands of men and women enrolled in the membership of the Ancient Order of Hibernians and Ladies Auxiliary, vigorously protest as American taxpayers, the sending of one red cent to the British Empire, for the purpose of maintaining a bridgehead in ancient Ireland, and to delay, if possible, the action of the large majority of the inhabitants of that ancient country to abolish the artificial boundary that has existed against all reason since 1920, and was set up by virtue of a shotgun treaty, reference to which has been made to your committee.

I am sure that your committee is not unmindful of the millions of Irish nationals who immigrated to these United States, who assimilated themselves and played a major part in the establishing of this Republic, and its maintenance down to this present date.

The magnificent contribution of Irish blood in every war in which our Nation has been compelled to engage, is not exceeded by any racial group, with all respect to the splendid contributions made by other groups to preserve our Union. From the time of the Continental Congress down to the present time, the halls of your National Legislature has resounded to the many tributes paid to the loyalty and valor of young Irish men and women to this country of their adoption.

Whatever emotional appeal myself or the various witnesses register in our opposition of the British grant or loan, call it what you may, is understandable from the standpoint of race pride.

The membership of the organization that I have the honor to represent, are Americans first. Their fealty has never been in question and it is as faithful and loyal American citizens and taxpayers, that we are vitally concerned with the political, social, economic, and financial welfare of the United States of America.

Men and women of the Irish race everywhere, have always followed the admonition of the Saviour, to feed the hungry, clothe the naked, and give shelter to the homeless. We join with you Members of the Congress in the extension of Christian charity to all oppressed people everywhere in the world.

This protest, that comes from the millions of men and women of Irish lineage in the United States, is one that I respectfully submit to the Congress of the United States. It should be heeded. Before any allocation of money under the Marshall plan to the British Empire, there should be a definite and positive understanding that the American taxpayers' money will not be used in any fashion to thwart or delay the unity that Ireland enjoyed for centuries and which she seeks now to maintain in fact.

I submit this statement for your consideration.

Rationing and Price Control

EXTENSION OF REMARKS
OF
HON. CHARLES R. ROBERTSON
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. ROBERTSON. Mr. Speaker, I have received a very cogent letter from a prominent rancher in my State of North Dakota. He has very clearly set forth facts relating to price control and rationing, and I should like every Member of the House of Representatives to have the advantage of reading his letter. I should like to include the letter of Mr. Paul Schoff under unanimous consent:

ST. ANTHONY, N. DAK., *February 3, 1948.*
Hon. CHARLES R. ROBERTSON,
House of Representatives,
Washington, D. C.

DEAR MR. ROBERTSON: I want to touch a little on the subject of rationing and price controls on meat and other farm commodities. If Congress wants to impose meat rationing and price controls on meat and other farm products, it will have to go all out and include steel, farm machinery, automobiles, clothing, lumber, gas and oil, and labor. One of the best and most important things Congress could do today would be to cut out the black market on automobiles, farm trucks, and farm machinery. A $1,000 black-market premium on a $1,700 or $1,800 automobile, farm truck, or tractor is a common practice. The black-market dealers have rows of new autos, trucks, and tractors in line along the highway between Mandan and Bismarck and few can be obtained from the dealers.

The rationing of meat would drive the available supply into the hands of the black market racketeers, with huge profits to the black-market operators, at the expense of the consuming public and the farmers. There is a meat shortage because the supply is smaller than the demand. By discouraging production the problem will not be solved, on the contrary, production should be increased, and encouraged to be increased, to meet the demand. In order to bring about increased production of meat an increased supply of labor must be made available for the farms. At present no one wants to work on a farm because industrial wages are at an all-time peak, and workers are protected by a 40-hour week with time-and-a-half for overtime. As a result, no one wants to work on a farm under open-weather hazards, when in the towns many working places are even air conditioned.

The rancher has to haul six or seven loads of hay on Sunday, or Monday, or Saturday, every day of the week, whether he works 16- or 18-hour days. The pay is the same whether he works 80 or 90 hours a week, without any overtime. My boys and I have been putting in about 80 hours a week on our ranch all winter because no one wants to work on a farm. We winter about 400 head of livestock. We have cut down too much. Our ranch is capable of supporting 1,000 head of cattle on an average. We are hauling six and seven loads of hay every day, including Sundays, because we cannot catch up to bring in enough hay to last for Sunday without hauling on Sunday, because help is not available. I asked two young men at Mandan to work for me Saturday evening. I asked them what they had to have, and they replied: "I am making better than $200 per month here at 80 cents an hour and with time-and-a-half for overtime. So I would have to have about $250 per month. I know that's more than a farmer can afford to pay, but I would not even go out because in town I do not have to dig around in the snow and cold. In town I work inside all the time."

This, and only this, is the fundamental cause for the high cost of living, as the steaks and pork chops and all other cuts do not fall from the horizon ready to pick up, they still have to be worked for—and worked hard. Industrial wages, higher than ever before in history, have pushed farm wages way out of sight, where it is impossible to pay them, and further no one wants to work on a farm, or ranch any more. Farm wages in North Dakota today are higher than in any other State in the Union. Thousands of young farm couples and farm youth are drifting to the towns and cities to share in the high industrial wages and better working standards and shorter hours. For example, during and after World War I, a farmer could hire the best farm man for $500 or $600 a year. We had one man for 3 years in succession at $500 per year—the best man we ever had.

Then a good hand could be hired by the year at an average of $50 a month, in contrast to today when $150 to $250 per month is asked and the employee does not try to work, but just puts in his time to get his pay check. Twenty-five years ago one could get help that wanted to work, and knew how to work, and who did not want to put in most of the time sitting in some air-conditioned bar. (It's 27° below zero here now—not air-conditioned to haul hay.) Labor scarcity, and its unwillingness to work, is the cause for the short-meat supply, and also for the shortage of clothing, machinery, lumber, and everything else. Yes, the 40-hour week and time and a half is the cause for high prices. For example, if a bushel of apples is worth only $3, measured by the buyers ability to pay, and the labor is $1.50 per hour and it takes 3 hours to pick, crate, and ship the apples, costing $4.50 per bushel, then there just won't be any apples; that's what happens to meat, clothing, machinery, lumber, and all other items. That is why there are shortages.

I am not going on record to cut down wages, but I do go on record that the 40-hour week should be eliminated or raised to 60 hours a week. If labor would work more hours, all supplies would be plentiful * * * there would be no black market on autos, lumber, fence posts, farm machinery * * * yes, and the farmer's wife would not have to bring a nice chicken to some clerk in a clothing store to get two or three-yards of oil cloth for the farm kitchen table, or a few yards of cotton goods, and so on down the line. This has been the policy all through the war, and still is. Freight raise after freight raise is being granted, which so vitally affects the cost of farm products to the consumer, and the railroads have requested further increases in rates. These increases cannot continue on the one side, and the farmers' prices be cut down on the other side.

I will not, and the farmers as a whole will not, object to a price cut if the prices on everything else will be cut in proportion at the same time * * * on industrial products and on freight rates, and the quality of industrial products improved to a par with prewar products * * * not the price raised 500 percent and the product offered being an imitative one. These are some of the things that affect the public today, and will continue to affect all of us until remedied.

More congressional dickering with farm prices, and future farm income, can only result in a shorter supply of scarce farm products and tend to make agriculture more unstable.

This is a serious thing to do.

Very truly yours,

PAUL SCHOFF.

All Manner of Men

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. JAVITS. Mr. Speaker, Malcolm Ross' new book, All Manner of Men, just published by Harcourt, Brace—Reynol—and reviewed in the February 23, 1948, issue of the New York Herald Tribune, is a powerful documentation of the practicability of a Federal FEPC. Mr. Ross served as Chairman of the national Fair Employment Practices Commission from 1943 through 1946, and has told in this book of the broad experience he had with the actual workings of the Commission. It is a record which deserves to be read by all who are striving to take constructive action against the injustice of discrimination due to race, color, or creed in the economic structure of our country.

Lewis Gannett's review of the book follows:

BOOKS AND THINGS
(By Lewis Gannett)
(All Manner of Men, by Malcolm Ross)

Some of the southern politicians in revolt against President Truman's civil-rights program talk as if recreation of a Fair Employment Practices Commission would upset the whole southern way of life. They talked that way in wartime, too; they called the commission of which Malcolmn Ross served as chairman from 1943 to 1946 a "cancer on the body politic," "an un-American, filthy agency," and a "tentacle of a devilfish." In All Manner of Men Malcolm Ross tells what the FEPC actually did, or tried to do, and how it went about it.

WHAT THE FEPC REALLY DID

It didn't upset either the Southern or the Northern way of life half as much as it would have liked to do. It worked mostly by persuasion, and here and there it was effective. A Texas oil company gave up its practice of paying Mexican-Americans "B" wages and "Anglos" "A" wages for the same work. An Alabama shipyard began by using a few Negroes as rough painters in January 1943, in August 1944, upgraded them, and in January 1945, employed its first Negro welders. A New England manufacturer of radar equipment stopped refusing jobs to men with names like Goldberg. The FEPC obtained the cooperation of some union officials and some plant managers in infiltrating Negro manpower into plants that had been accustomed to bar Negroes. In such conspicuous cases as those of the Washington trolley lines and the cartridge plant at East Alton, Ill., it failed.

It's a little difficult, reading Mr. Ross' story, to understand what all the orating is about.

IN THE CARTRIDGE PLANTS

The Western Cartridge Co., of East Alton, Ill., is owned by the same company that owns the Winchester Repeating Arms Co., in New Haven, Conn., which, on its own initiative, accepted Negro workers in any job for which they could prove fitness. The same parent company also owns the United States Cartridge Co., in St. Louis, where some white workers said they didn't want to work alongside colored workers. At United States Cartridge the union forced the issue. At the General Cable Co., in the same city the management forced the issue. There was no

real trouble in either plant. East Alton stood pat.

East Alton, like other factory towns in wartime, was short of labor. Three miles away in Hartford, Ill., the International Shoe Co., imported Negro workers from Jamaica to help out. But East Alton, up to 25 years ago, had had a sign on its railway station: "Nigger, don't let the sun set on you in East Alton," and if the sign had gone, the spirit hadn't changed. The FEPC held hearings there; the company lawyer stated his conviction that one Negro in the plant would mean an instant stoppage of production, tough boys from the brass mill staged an invasion of the hearing—and the FEPC took no action.

What Mr. Ross' account seems to show is that in any community, North or South, where one or two decent community leaders or employers are willing to speak up firmly for equality of opportunity, equality of opportunity can be made to prevail. The commission helped; it couldn't—particularly with a local minority in Congress constantly yapping at it—force anything.

EQUALITY OF OPPORTUNITY—WHY NOT?

It seems astonishing that, South or North, many people can be found to openly to oppose the principle of equality of opportunity. It seems so plain, as Mr. Ross points out, that one contributing cause of Southern poverty is the failure of the section to use its own colored labor to maximum productive efficiency. Sometimes the commission was merely trying to restore an older Southern way of life. When Bester Steele, Negro fireman, went to work for the Louisville & Nashville Railway in 1910, some 80 percent of its firemen were colored when he was dropped in 1943, only 20 percent was colored. The role of the railway "brotherhoods" in squeezing Negroes off the Southern railways is one of the most disgraceful chapters in the history of the American labor movement. The FEPC couldn't stop that.

Malcolm Ross, obviously annoyed at all the pinpricks his commission received, tells with painful honesty some of the FEPC failures, and probes into the mixed history of racial and creedal tolerance in America. He finds enough black in the past to make him regard the gray present with considerable cheer. He still can't see why any community or section should permit a few leather-lunged loudmouths to stand in the way of its own progress, and feed propaganda material to the eager Russian Communists. And it isn't all South he's talking about. East Alton is in Illinois, Lincoln's State.

Should Our Government Be Run by Lawyers, Ministers, or Editors?

EXTENSION OF REMARKS

OF

HON. RICHARD B. VAIL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. VAIL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Whiteside County News, of Morrison, Ill., for January 26, 1948:

SHOULD OUR GOVERNMENT BE RUN BY LAWYERS, MINISTERS, OR EDITORS?

A letter from one of our readers:

"AN AMAZING EDITORIAL IN THE NEWS:

"We have no deep-seated prejudice or animosity against editors: For the most part we have found them rather likable and courteous gentlemen—some of high-grade intellectual and moral caliber; but, like all classes of professional and nonprofessionals, they sometimes get some very strange, fantastic notions in their heads.

"One conclusive proof of this fact is found in an editorial statement in the News as of January 9: 'What this Federal Government needs is more editors and fewer lawyers in charge of the United States.' Ye editor of the News speaks as one, who in a conclave of fellow editors, resolved themselves into a mutual admiration society, and decided they could do a fine job running the Government of the United States. Ye are reasonably certain that, if all the lawyers were turned out of Congress and their places filled with editors, it would make but very litte, if any difference; the editors, like the ousted lawyers, would still be joined to their idols—hog-tied by the partisan, political prejudices, and instead of bettering conditions, we would have 'confusion worse confounded.'

"We believe we have a better remedy for our national ills than the editor of the News. How about turning all the editors and the lawyers out of Congress, and filling their places with honest-to-goodness preachers? Men like Harry Emerson Fosdick, Preston Bradley, Edgar De Witte Jones, Bromley Oxnam, and many others. As a preacher of more than 56 years of experience, I have a high regard for the character and ability of my fellow preachers.

"Respectfully,

"REV. C. W. MARLOW."

What we think—

Most people, Reverend Marlow, do not like an overabundance of ego, and I well realize that we stuck our neck out in making a statement that what the country needed was more editors at the head of our Government. It was not ego that prompted the thought, but, rather, the outstanding recommendations for better government that had been made by some of the editors of the Nation. No; we don't like ego either, when it is overdone.

It is our sincere opinion that there are too many lawyers in high Government positions, and many of them lack solid business training. They work on theory in the main.

However, God forbid turning the affairs of our Nation over to a group of ministers as suggested in your letter. However good their intentions or their theories, I cannot agree with you that their professional training fits them as legislators. I have the greatest respect for men of the cloth in their chosen work, but it has been my observation that a very small percentage of them are good businessmen, and believe me when I say that Government is big business and requires the keenest type of business training.

Well, anyway, folks have different callings; some have hankerings to tote balls, some referee the game, and others just pay the bills, or write about it. Yours truly, for the purpose of this dissertation, is only an insignificant crossroad critic. But critics, even the little ones, perform a very useful service to society. In the aggregate, they finally run the Government. Often people are phlegmatic, apathetic, slow to act. But, ultimately, when sufficiently aggravated, they become articulate and, by the sheer force of public opinion, they make crooked things straight again.

So we arrogate unto ourselves, for a few paragraphs, the enviable role of spokesman for the irritated masses. We speak for the restless Republicans and the disillusioned Democrats. We speak to tell the world what we would do if we were President and had the power now allocated to the highest officer of the land.

The first thing we would do would be to get right with the Constitution; we would know the rules, all of which are written down in the laws or in the court records. We would run the Executive offices, let Congress run its own legislative business, and the judges run the courts. If we did not understand the Constitution we had taken an oath to defend, we would retain the best constitutional lawyer in the country as our Attorney General. We would not go off half-cocked. We would veto all suspicious or illegal legislation.

If we were President, we would go back to the precepts and principles of our party—we would not betray the glorious memory of its dead, nor crush beneath our heels its hallowed traditions. We would not repudiate the expressed purpose of the parties' rank and file, nor break a single sacred promise.

We would likewise stay honest—we would not fool the people into believing we could spend our way to prosperity nor waste our way to wealth—we would balance the Federal budget, live within our national income if it took the standing Army to keep the hordes of political plunderers out of the public till.

If we were President, we would fire the Postmaster General and try to make this one great communistic experiment of running our post office a huge success as a perpetual yardstick—we would end forever the practice of making Postmaster Generals distributors of political pie. We would also shoot every star gazer in the Capital City on sight, in the seat of the pants with a load of rock salt, and turn them loose on their own to make an honest living for a while.

If we were President we would stick bills under the noses of our World War debtor states often enough to keep a perpetual chill running up and down their war-crazed spines. We would also let every Red know in no uncertain terms, that we would deport him to his own blessed fatherland if he were caught red-handed plotting against either the democratic ideal or the American system.

If we were President, we would not pick on any one industry—persecute one at the expense of the others—we'd tote fair with all of the people, and we would get the Federal Government out of business competition with its own taxpayers so quickly that it would make every person's head swim: whether or not it was making mattresses, producing power or printing envelopes.

If we were President, we would deliver the Government back to the people; we would crush the centralization of power in Washington; we would not trespass on the inalienable rights of its citizens or of the States, and we would do away with a political monopoly as quickly as possible.

If we were President, we would destroy all "new instruments of power," and go back to the old weapons; and we would pledge the armed forces of the Republic to a democracy that would brook no dictatorships on these shores, whether or not it was a dictatorship of organized capital, of labor, the proletariat or the politician.

If we were President, we would work for a united people—we would not take this liberty-loving, shirt-sleeved democracy, and try to arouse the rich against the poor, or the poor against the rich—we would not try to agitate a class consciousness where equal opportunity has been the people's trust and the eternal watchword.

And if we were President, we would tell the masses of men to turn to their plows and to their looms again, and tell them to produce in abundance—and we would turn a million trained salesmen loose into the markets of the world, and we would sell our wares, if we had to blow a hole in the tariff wall as big as Boulder Dam to do it. And we would sell neutrals and combatants alike, both food and contraband, in the American tradition, whenever they put the money on the barrel head.

If we were President, we would have common sense enough to know that every log-jam in a stream is caused by a key log, and we would find that log and start the raft downstream at a lively pace. We would look far

enough into the past of this great Republic to determine what had contributed most to its success, and we would do these common-sense things that coincide with the American idea—we would do away with social and economic synthetics.

And finally, if we were President, we would begin a patriotic revival, and we would bury New Dealism upside down so deep that it would take it at least another thousand years to sprout again.

These are some of the things we would do, if we were President, and we do not even profess to be smart like the professors, the lawyers, or the ministers, for we know that the destinies of this great Republic are in the hands of Almighty God.

Yes, Rev. Marlow, we do have very pronounced ideas as to what our Government should be, and how it should be run, and we feel that it is time that America awakens to its danger of being led into or, rather, thrown into the boiling pot of destruction or eternal slavery.

Two Amendments to the Taft-Hartley Labor Act Which Should Be Approved

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. McDONOUGH. Mr. Speaker, it is now evident that some changes are necessary in the Taft-Hartley Labor Act if the intent and purposes of that legislation are to be carried out to establish greater production and less strife in the labor field and improve relations between management.

I recognized the need for some changes in this law, and on July 14, 1947, I introduced two bills, H. R. 4193 and H. R. 4194, which would amend the Taft-Hartley Labor Act and would remove what are, in my opinion, the chief objections to the act which at the present time are creating dissention in the labor front.

H. R. 4193 would protect the civil rights of labor by permitting labor unions to use funds in political campaigns provided the members of the unions had voted in favor of such use of funds.

H. R. 4194 would equalize the legal responsibilities of labor organizations and employers by requiring that the principal officers of business firms also sign affidavits stating that they are not Communists and do not belong to Communist organizations.

Adoption of these bills would have established better relationship between management and labor and would have safeguarded the rights of labor with relation to political activity. And passage of these bills would have removed the basis for legal action now pending in the courts relative to the Taft-Hartley Labor Act.

I have repeatedly urged the Education and Labor Committee to report H. R. 4193 and H. R. 4194 to the House for action. I appeared before the committee on July 25, 1947, and explained the purposes of these bills and urged immediate action by the committee. At the present time both bills are still pending awaiting committee action.

There is need for action on this legislation which would amend the Taft-Hartley Act, and the Education and Labor Committee should give immediate attention to bills which have been introduced for this purpose.

The Taft-Hartley bill was passed for the purpose of equalizing responsibility of labor and management. But the act requiring officials of labor unions to take an oath that they are not Communists or affiliated with Communist organizations did not provide any safeguard against communism within management. This has created an inequality in responsibility of labor and management which should be corrected.

H. R. 4194, requiring officials of corporations and business firms to sign the same affidavit required of labor officials, would equalize this responsibility.

The provision of the Taft-Hartley Act prohibiting the use of union funds for political purposes was intended to prevent labor leaders from using union funds for political purposes of their own, and such action was a necessary corrective measure. However, the act as it now stands infringes upon the civil rights of labor and has caused justifiable resentment in the rank and file of labor.

My bill, H. R. 4193, would correct this situation by permitting the members of each local union to decide by ballot whether or not union funds shall be used for political purposes. Under this legislation, funds would not be at the disposal of labor leaders, but would only be available for political use when the union members voted in favor of such use.

There can be no question that some correction in the Taft-Hartley Labor Act is necessary, and I personally cannot understand the reluctance of the Education and Labor Committee to hold hearings on H. R. 4193 and H. R. 4194 so that these bills may be carefully considered and passed to the House for action.

I believe that the Labor Management Relations Act was necessary to equalize responsibility of both labor and management. But I do not believe that any unjust or discriminatory restriction should be placed on labor. And where correction is needed in the present law, I believe now is the time when we should act to pass legislation which would remedy any inequality and result in improved relationship between management and labor.

George Washington and the Year 1948

EXTENSION OF REMARKS
OF
HON. BURNET R. MAYBANK
OF SOUTH CAROLINA
IN THE SENATE OF THE UNITED STATES

Wednesday, February 25 (legislative day of Monday, February 2), 1948

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on George Washington and the Year 1948, delivered on February 21 by Hon. Gordon Gray, Under Secretary of the Army, at the one hundred and forty-first annual banquet of the Washington Light Infantry, at Charleston, S. C.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am grateful to Senator MAYBANK for the original invitation to be in Charleston tonight. I think you can better understand my gratitude when I disclose to you, to my own personal shame, the fact that this is my first visit to your beautiful city. Thus, you can well understand, and I trust that Senator MAYBANK will understand, why I seemed overanxious to accept the invitation. I think that he will recall that he had hardly finished extending it before it was accepted.

Later on, when Mr. Don Gestefeld kindly issued the formal invitation to me, he indicated the wide latitude which you were willing to allow me in speaking on the topic of the significance of Washington's Birthday. He very frankly advised me that most of the speakers who have appeared each year on this occasion have developed the theme of how the principles laid down by Washington should be interpreted in the light of present-day needs and in the light of present-day situations.

With all the freedom Mr. Gestefeld gave me, I must confess that I can think of no new way of approaching the subject. My talk will probably follow the old familiar pattern: How should we interpret the principles of George Washington under present-day circumstances?

I might digress long enough to say that the inevitability of this type of approach is in itself a tribute to the strength and stature and prescience of Washington. The fact is that he was a man who saw far beyond his time, and I suspect that his writings were deliberately planned to be of future help to the Nation to whose early beginnings he contributed so much.

Now, let me be more specific about the theme of my talk tonight.

It is that unless we do what Washington wanted us to do in order to maintain our national security—and unless we do it very soon—we may never have the chance to do it at all, because we might cease to be a free nation.

I do not make this statement just for the purpose of sounding like an alarmist. I am not one who believes that war is inevitable at any time, or that war is lurking around every corner, or that the fear of war should turn our national life topsy-turvy.

However, it should be made plain that the longer we delay in putting into practice the sensible ideas for national security which Washington first offered back in 1783—and we have delayed doing this for 164 years—the more possible it is for us to come to the day upon which it might be proved to us, by some powerful enemy, that Washington was right, after all.

My talk will be upon this theme because I am convinced that present-day events make this the most important single thing which George Washington has to say to us tonight over the bridge of those 164 years, and the vision of Washington was so keen that we can phrase his advice in his own words and find it ringing just as true in our ears as if it were being spoken by him right here and now.

I quote from his Presidential message to Congress of December 1793:

"The United States ought not to indulge a persuasion that—contrary to the order of human events—they will forever keep at a distance those painful appeals to arms with which the history of every other nation

abounds. There is a rank due to the United States among nations which will be withheld—if not absolutely lost—by the reputation of weakness. * * * If we desire to avoid insult, we must be ready to repel it; if we desire to secure peace—one of the most powerful instruments of our rising prosperity—it must be known that we are at all times ready for war."

These words of Washington were not just so much rhetoric, unfortified by a practical plan. He had a practical plan which he put forth as the best means of achieving this condition of readiness in America.

What was Washington's plan? It involved two important factors:

The first was a small standing Army.

In listing his reasons for this he spoke first of the natural distaste which a democracy has for militarism—especially an ever-present militarism which might be dangerous to civil liberties.

He spoke secondly of the situation of the country in his own day—this was in 1783—of the fact that we were at a great distance from European States and, to quote him again, "from their numerous regular forces and the insults and dangers which are to be dreaded from their ambition."

And then he spoke not for his own day, but for the future, putting his finger upon one clear point which faces us today. He said, and I quote:

"But if our danger from those powers was more imminent, yet are we too poor to maintain a standing Army adequate to our defense, and was our country more populous, and more rich, still it could not be done without great oppression of the people."

In short, Washington had a healthy respect for the taxpayers' dollar. And he had a healthy pessimism regarding the strength of material wealth as such. For, rich as this country may be today—it is still too poor to stand the huge amount of expense which would be involved if we were to maintain a Regular Military Establishment large enough to deal with all the threats which might come to us.

Thus Washington set the traditional American pattern favoring a small standing Army.

Then he went on to the second point.

This was that the small Regular Army must be backed up by well-organized citizen-soldiers, uniformly trained in all the States, ready, in any emergency, to join with the Regular Army to resist any aggression against the country.

In developing this point, Washington faced the realities of his own day squarely and sensibly. There was a militia in existence at the time in which he wrote, but the greater part of it was ill-organized, lacking in uniform training—or, indeed, in any sensible training whatsoever. And Washington knew this only too well, because it was this very type of militia which had driven him wild during the Revolution—driven him to the point at which he had written that the militia—I quote: "come in you cannot tell where, consume your provisions, exhaust your stores, and leave you at last at a critical moment." He had called placing reliance upon it "resting on a broken staff" and said plainly that his experience with it had proven that "no man who regards order, regularity, and economy, or who has any regard for his own honor, character, or peace of mind, will risk them upon this issue."

But it was not this kind of untrained militia which had led him to his belief that the Nation must use the citizen-soldier as its best method of defense. He knew, also, what a trained, well-organized militia could do.

He knew that his own victorious Continental Army had been composed of ordinary citizen-soldiers who had been trained by the German Baron von Steuben. Training, to him, made all the difference between a defense establishment that could accomplish its mission of security and one which could not.

Any realistic system of security, Washington said, had to rest upon the basis, and again I quote, "That every citizen who enjoys the protection of a free government owes not only a portion of his property, but even of his personal services to the defense of it," and that, as a consequence, every citizen of America, from the age of 18 to that of 50 should be carried upon the training rolls of the country.

He then went further into detail.

All this was before he became President. During his Presidency he presented this plan, with modifications, to Congress upon two occasions. The first time it was defeated. The second time it was amended out of recognition and workability.

There was a reason. In too many locations the existing militia had become a political football. In too many sectors of American life, self-interest had begun to rear its head in the fear of loss—even temporary loss—of manpower for some project other than that of national security.

Listen to this criticism of Washington's plan which was printed in the Pennsylvania Packet and Advertiser in 1790, and judge for yourselves whether it has a familiar ring today:

"ELIZABETHTOWN, April 14, 1790.—The plan for the organization of the militia of the United States by the Secretary of War is generally execrated in this State, as pregnant with mischief both to the agricultural and mining interests, as well as having a tendency to debauch the morals of the rising generation."

Washington's plan was never put through. He pleaded for its adoption until his death to no avail.

If Washington's plan, modified or not, had been adopted in any kind of workable condition in his day, we would not now be facing any choice over whether to establish universal military training—because we would have had the equivalent of UMT.

Every citizen would have been a member of the armed forces, privileged to have served in organizations such as your own, which bears the name of the father of this idea, as he was of the country.

Because of that service, all citizens would have a more complete understanding of their armed forces and their problems.

And it has been proved by many able men that our Nation would have been able to pass by much of the military grief that has been its lot in the past century and a half, if this plan had been adopted and continually revised to meet modern conditions.

In Washington's time we had thirteen separate sovereignties, all of whom had small military organizations for their sepaarte but similar purposes. In a national emergency which arose on the Declaration of Independence, the system became the principal headache for Washington in his necessity for an integrated armed force to prosecute the war for our liberties. He needed an integrated force of trained men, who would remain on the job long enough to complete it; and which would obviate the necessity of constantly training, in the face of the emergency, new bodies of troops. The problem was further emphasized in the War of 1812.

It was not until the passage of what is known as the Dick bill in 1902 that some progress was made in training the citizen-soldier. With the passage of the National Defense Act in 1916 and its amended form in 1920 the National Guard made progress and it had taken on a name which was to mean much to it in the future. From the militia, it became the National Guard—still under the militia clause of the Constitution. This had great significance. It was to be first line troops for the defense of this country and it furnished 18 great divisions and many other troops and trained men in World War II.

The guard now faces another epoch in its evolution. With the increased velocity of war, it becomes more important in the scheme of national defense than ever before. We must have a force in being for M-day, which may well be D-day at any time in the future. This necessity points directly to the National Guard. Its future missions are more pressing and more demanding. We must have it at adequate strength, and, even more important, we must have it at a level of training where it can be expected to be ready for limited combat missions from the day of mobilization. The present time devoted to National Guard training gives it about 20 percent of the time required for combat missions. Universal military training would mean that we could raise this level of training to 60 percent of the required training. Therefore, universal military training has its greatest benefit directed toward vitalizing the National Guard. It is perhaps the only thing that will make it possible for the National Guard to become an adequate D-day force, as it has been an effective M-day force in the past.

We have reviewed Washington's views on training. If this were all he left us, he would have made a huge and significant contribution to solving one problem we face today.

But training is just that—one of many allied problems having to do with national security. Just over a year ago the Compton commission—was the body, nationally known, nonpartisan, and unbiased, appointed to make an over-all study of America's security needs—issued its report, and this report dealt with all the factors which, in the opinion of the commission, were necessary to fill those needs.

The Compton commission lists six necessities at the conclusion of its comprehensive study of security. These are a strong, healthy, educated population; a coordinated intelligence service; scientific research and development; industrial mobilization and stock piling; unified, balanced armed services, Army, Navy, and Air; and a system of universal training for security.

The report does not treat national security as a matter depending upon training alone. It stresses that the other five recommendations are of equal importance, and that all—not just one—of the recommendations must be carried out if we are to have real security.

It is amazing to compare the main points of Washington's plan, written at congressional request in 1783, with the main points of the Compton report, written in 1947. While Washington did not specifically mention the necessity of a strong, healthy, educated population in his plan, we know, from his other writings, that he firmly believed in it. Nor did he mention coordination of intelligence agencies, because this problem was not one of his time.

But the advice of Washington is highly similar to the four remaining points of the Compton commission's report.

On the need for scientific research and development he said that it would be necessary to establish—I quote—"Academies * * * for the instruction of the art military * * * also, manufactories of some kind of military stores"—in short, institutions in which the needs of warfare would be continually studied, backed by the practical machinery for national security.

This stress Washington laid upon manufacturing dovetails with the Compton report's stress upon the necessity for industrial mobilization and stock piling. Washington further stated that there should be—I quote—"Establishment of arsenals of all kinds of military stores." He saw the need

for peacetime production facilities for security and the further need for creating stock piles of essential defense materials.

When the Compton report speaks of the regular armed forces, under unified command, small in number and backed up by trained reserves, we can compare the point to Washington's emphasis upon an army just large enough—I quote—"to protect our trade, prevent the encroachment of our neighbors * * * and guard us at least from surprises." Naturally, he could not foresee an Air Force. But he had the basic common sense to know that the services are interdependent. He knew the importance of sea power, and he knew that the battle of Yorktown was won when the French fleet arrived at Yorktown in time to bottle up Cornwallis by sea, while his own forces continued the land attack. If there was ever a surplus of money for defense in America, he said it should be applied * * * in preparations for building and equipping a Navy. When Washington—a general of the Army—called for the creation of a Navy, the country took its first step towards unification.

And as I have explained at length previously in this talk, his stress in 1783 upon the importance of a plan for universal training is almost identical with the stress put upon the same idea in 1947 by the Compton report.

Much remains to be done if we are to have the truly balanced program for national security which today's world situation demands. We do have a plan, but it cannot be transformed into a real, over-all, working system of security until all of its points are put into action.

The biggest gap in the program is the need for trained manpower. At present there are many veterans of World War II within the Nation, but time is not going to stand still for them any more than it does for anyone else. Being one of them myself, I know—believe me. I'm not getting any younger, and neither is anyone else.

Time is bound to catch up with the efficiency of our veterans—nullify their physical resources and cause them to lose the skills they acquired in training. Unless these skills—which they went to so much trouble to obtain, are passed on to younger men, their replacements—and unless we constantly modernize our training, we may find ourselves engulfed by some disaster so huge that it will not permit time for mobilization or training.

Now, I know that there is always someone who will say, in effect, "All right. If Washington's plan was such a wonderful thing, how did we ever manage to survive without it, and grow to be such a great nation?"

Here's my answer to that question:

We survived without using Washington's approach to security at the cost of many lives, many billions of dollars, and much wasted work and energy. We are bearing tax burdens today which have grown and grown as a result of military unpreparedness and consequent wars. Unless and until we take some sensible action to put a stop to this vicious circle of unpreparedness, inviting war, which increases debt and causes further unpreparedness, and so on and on, we can rest assured that these burdens of blood and money and time are likely to continue to grow and grow.

And while we have had a hundred-and-sixty-odd years to indulge ourselves in the luxury of ignoring Washington's advice, we must remember that the pace of scientific development in warfare is catching up with us—that the time we have had to get ready for a war at the same time we were fighting it might, some day, run out.

In order to bridge the gap of all those years, and to set up a national-security organization which will resemble the one which Washington's plan would have evolved, we have much work to do.

This work belongs to each one of us, just as the consequences of its success or failure will belong to each one of us. It is not a matter for the Army, but for the Nation. Let's consider it fairly and unemotionally and let's do the best job we possibly can.

If the ideals for which Washington lived means so much to us, we owe at least that much to them and to his memory.

Address by Hon. C. Wayland Brooks, of Illinois, Before Pennsylvania Manufacturers' Association

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, February 25 (legislative day of Monday, February 2), 1948

Mr. MARTIN. Mr. President, last night the junior Senator from Illinois [Mr. BROOKS] delivered a very able address before the thirty-ninth annual meeting of the Pennsylvania Manufacturers' Association, in Philadelphia. I ask unanimous consent that the address be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It was indeed a pleasure to receive and accept the kind invitation to address the thirty-ninth annual meeting of the Pennsylvania Manufacturers' Association and its casualty and fire-insurance companies. This pleasure was increased by the fact that the invitation was originally presented by Senator Mason Owlett, whom I have known and admired for a great number of years. The invitation was further extended by my dear friend and colleague, Senator EDWARD MARTIN, who honored us on February 10 by being our principal guest and speaker at the annual Lincoln Day observances in Illinois. His enthusiastic and intelligent devotion to the interests of the people of Pennsylvania and of the Nation is a constant inspiration to all of us from other States who are privileged to come in constant contact and work with him in the United States Senate.

Your delegation in Congress is one of the most faithful and forthright delegations in our Nation's Capital.

His Excellency, Governor James H. Duff, has already established for himself a reputation of leadership that brings dignity and honor to the State whose government he presently heads with real distinction.

Pennsylvania and her people hold a high position as an outstanding contributing force to the creation, development, and preservation of individual rights and human liberties. This has been true from the days when William Penn first established here an asylum for persecuted people of all lands. Through the days of the Confederacy and the signing of the Declaration of Independence; through the Revolution and the creation of a new Federal Government; through the intervening years of progress when many people settled here and others wandered westward; through the Civil War and the historic battle of Gettysburg; in fact, in every step and stage of the progress of America this State has proudly developed and maintained her position of leadership. A quick review of her contribution to liberty, the pursuit of happiness, and to the welfare of mankind generally, establishes beyond all possibility of doubt her right to the title she has worn through the years as the Keystone State.

Her present leadership in the production of petroleum, pig iron, and printed fabrics, coal, cocoa and chocolate, wool, silk and cotton textiles, leather goods and felt hats, lake, river and rail transportation, natural gas and steel, farm products and miscellaneous manufacturing, churches, libraries, and institutions of learning, all form a part of the pattern proudly called Pennsylvania. I am delighted to pay my personal tribute to the leaders and the people of this great State tonight.

Although the State of Illinois is much younger in years, we, too, are proud of our contributions to the romantic pages of history in the advancement of human rights and the preservation of the Republic.

Although his works and accomplishments belong to the ages, Illinois' greatest contribution was the presentation of Abraham Lincoln to lead and save our Republic in one of its most trying hours. He was not only the greatest citizen of Illinois, he was the founding father of the Republican Party and it was during his lifetime that the fundamental principles that have guided our destiny thus far became a living, vibrant reality.

Lincoln was born as humbly as the Son of God in a hovel; he was reared in poverty; he lived a life of struggle against adversity; he was elevated to the Presidency of the United States; he preserved the Union; he set more men free, and was crucified for his service to humanity. He hated oppression; he loved liberty. He wanted to free the slaves, but more than anything else, he wanted to preserve this, our Republic, under which liberty was established and under which it might be extended only if this form of government could survive.

That was the challenge of his day. It is no less a challenge to us in our day.

While Pennsylvania is justly proud of her industries that have grown great, we must always remember that in the United States there are over 3,650,000 small business concerns owned and operated on the average by two and one-half persons, or a total of 9,125,000 persons, constituting 92 percent of our entire economy; and that these concerns employ about 65 percent of all the commercial and industrial wage earners in America. From that fact alone, we can see at once that these small businesses constitute the backbone of our individual initiative, private enterprise, and provide the most eloquent testimony concerning the desirability of maintaining the American way of life. Adding to this figure of small businesses, the countless numbers of men and women who operate their own farms or follow the profession or vocation of their choice, we have the magnificent demonstration of the true effectiveness of private initiative and private enterprise.

This should not only bring pride to the millions engaged in it, but at the same time bring a dramatic realization that only in the United States of America is such opportunity for accomplishment even remotely possible today.

The American people have never been greedy with their freedom or their finances.

We the people of the United States have shipped more material, spent more money, and spilled more precious blood more thousands of miles from home, than any other people in the history of mankind, to protect human freedoms. Yet we are confronted with the reality that only here is that personal freedom of choice, initiative, and action still vibrantly alive today.

While those now in charge of the administration of this free Government constantly talk about preserving private enterprise and enforcing the rules against vast monopoly, the Government itself in the extension of its vast network of bureaus, agencies, and

commissions, has become the most devastating monopoly preying upon the American people today.

While our people do engage in private enterprise, every average citizen works 3 days out of 10 to pay the present mounting cost of government. The cost of government is the No. 1 contributing factor to both our high prices and high taxes at the same time. Yet we constantly hear the demand for more power, more controls, and more regulations, which in turn mean more cost of Government which will tend to wipe out the incentive and initiative to continue the small businesses that have made us the freest, the richest, and the most powerful people on the face of the earth.

Since the close of the war the unprecedented shipment of food, machinery, and material already in overdemand in the United States, has contributed greatly to the difficulties of the small businessmen, and unless we can develop a restraining effort on this unusually large shipment of American supplies abroad, it may ultimately strangle and destroy not only the opportunity for small businessmen but complete regimentation of our entire economy.

During the war and since, the small businesses of our country have been hindered and hampered by shortages and Government controls, and no committee in Congress has rendered a greater service and no Member of the Senate has devoted more intelligence and time in securing steel, fuel, and other essentials to keep small businessmen alive than has the Small Business Committee of the Senate of the United States, with the guiding direction of Senator EDWARD MARTIN, of Pennsylvania.

During the past year under the Truman administration, we exported goods and services out of the United States at the rate of $19,000,000,000. During the same period, we imported goods and services into the United States at the rate of only $8,000,000,000. This excessive export over import has added to our difficulties, our scarcities, our high prices, and will be reflected in higher taxes.

And that brings me to the discussion of the Marshall plan.

When the so-called Marshall plan was first announced, several of us immediately offered our protests because it was in reality no plan at all. It was an idea expressed in a speech delivered by Secretary Marshall on June 5, 1947, at Harvard University, suggesting that the western European nations get together, formulate a program to help themselves, and tell the taxpayers of the United States how much we should supply to carry out their ideas.

Foreign Secretary Ernest Bevin, of Great Britain grabbed the idea with enthusiasm. His Socialist government had just dissipated in a little more than 1 year almost all of the $3,750,000,000 of America's money that we provided for supposedly 5 years of their necessities. He called together the 16 nations in Paris and they presented us with their program. They estimated the imports they wished to have for 4 years, then subtracted the exports they thought they could ship, and the first bill they presented us amounted to $29,000,000,000, for the difference. This bill was subsequently reduced by them to $22,000,000,000. Our Government presented a figure of $17,000,000,000, but that did not include the $800,000,000 we must pay annually to feed the German population in the American zone, nor the $500,000,000 we must pay annually to feed those in the British zone when we take over British obligations there. Nor does it include any money to be spent in Asia, China, or South America.

This vague expenditure would mean several things:

1. It would mean that each average American family would have to increase its already heavy tax payment by $500.

2. It would mean higher prices for everything we purchase for many of these billions of dollars will be spent immediately or find their way back to compete with the American taxpayers here for wheat, food, scrap iron, farm machinery, fertilizer, transportation and mining equipment, and many other articles and raw materials already in short supply.

3. It would mean higher taxes which would cause wage increases and still higher prices.

4. It would mean greater shortages and demands for rationing, price controls, and further allocation and regimentation.

The President has already twice asked for unlimited authority to reestablish rationing and price controls in so-called "selective" forms. Make no mistake about it—if controls, rationing, and price fixing go on again in peacetime in America, it would be difficult to ever take them off, for we still live under the New Deal administration that has created and will create emergency after emergency that will call for ever greater controls over the lives of free American citizens.

While those who ardently advocated this vast expenditure constantly told the American people that it constituted only 5 percent of all our production, they were presenting a very misleading figure. Last year we exported 40 percent of our wheat, 20 percent of our steel in various forms, including machinery, etc. Last year we exported 35 percent of the boxcars produced in the United States as well as a substantial amount of our petroleum.

Every time the Government announced a larger figure of export of wheat, the price of wheat went up. This affected the price of the whole food bill in America. The same thing was true with farm and other machinery, which again increased the cost of our living.

The American people have been and still are the most charitable people on the face of the earth. A most generous people generally and individually. To be generous, even amazingly generous, is magnificent, but to be stupidly generous is akin to sin. We must remember constantly that we are only 7 percent of the world's people, we occupy only 7 percent on the earth's surface, and in our bumper years, we produce only 12 percent of the world's food supply. We are already carrying the largest national debt ever carried by any people supposed to be solvent in the history of mankind.

I repeat, that every average citizen is already working 3 days out of 10 to pay his taxes, and working the other 7 days to pay the ever-increasing cost of living. This will mean less money every year for civic, charitable, and church contributions on the part of the individual American citizen.

This heavy burden is carried not only to support our own Government, but to support socialistic governments abroad, who foster and follow policies of socialistic schemes, price fixing, rationing, regulations, restrictions, unbalanced budgets, and false values of currencies.

For instance, since the Socialist Government of Great Britain gained power it has taken the mines, the railroads, communications systems, and other industries, including over 2,500 farms, away from their owners. If you add up the total amount that they paid these owners, it will just about equal the $4,400,000,000 which we gave them in the British loan and credits a little more than a year ago. They now announce that they are instituting their socialistic health and hospital program that will guarantee Government hospitalization, medical, and health care literally from the cradle to the grave, at an annual cost of approximately $700,000,000.

No one can complain about costly socialistic schemes being instituted in any country if their economy can support it, but to adopt programs at our expense that retards private initiative while we are taxing our people to rehabilitate them is quite another matter.

Only a few days ago Reuters News Agency from London reported that as a result of a plebiscite conducted among 58,000 doctors in Great Britain, 89 percent disapproved this scheme to socialize the entire medical profession in Great Britain. Notwithstanding this fact, they insist on going forward with having their Government regulate the health and hospital facilities for all their people, and the American taxpayers will subsidize this as well as their other socialistic schemes.

Recently, in the House of Commons, in trying to explain the dissipation of the $3,750,000,000 gift—called a loan—and their future difficulties, the Chancelor of the Exchequer stated, and I quote him:

"The additional measures which the Government proposes were announced yesterday by my right honorable and learned friend the Minister for Economic Affairs, but I wish here to repeat one figure which he gave in his exposition; it is a very grave one, and needs to be underlined. Even if we succeed in achieving all that my right honorable and learned friend indicated yesterday in the program which he set forth, we shall still at the beginning of the year 1949 be facing a dollar deficit running at the rate of $1,000,000,000 a year * * *. Even if we succeed in all that we are planning to do, and even if the luck goes well, we shall still, at the beginning of 1949, be running a dollar deficit at the rate of $20,000,000 a week."

Further he stated:

"The National Insurance Act and the National Health Act, both passed last session, will come into operation in July, and will not be delayed as some people have suggested. They will come into operation in July, with all their social and financial implications; and, in spite of all the difficulties confronting us, we are not going to swerve aside from carrying through this most essential feature of the program on which the last election was fought."

Thus we see that they are engaging in vast socialistic programs at the expense of the American taxpayer, while our own Veterans' Administrator has recently announced that many of the badly needed veterans' hospitals in America could not be built because of the lack of essential materials and the ever-increasing cost.

This socialistic program in England brought forth this unusual reply from Winston Churchill who so successfully led the British people through the last tragic war, and I quote him:

"The first step to national recovery and indeed survival is to have a new parliament. Why can we not earn our own living, pay our own way, and stand on our own feet? It is because our whole living is being handled the wrong way around. The socialistic planners have miscalculated and mismanaged everything they have touched. They have tried to substitute Government control and direction for individual enterprise and skill. By their restrictions they make scarcity and when scarcity comes they call for more restrictions to carry on."

The same is true in other countries and that is why many of us objected strenuously and seriously to blindly adopting the original so-called Marshall plan. General Marshall did not outline the details of his plan nor was he present when the original bill was drawn, which was presented to Congress. It was drawn by 14 lawyers representing 14 different Government bureaus, and our contention was that if we turned $17,000,000,000 over to 16 countries following policies and practices that stifle initiative and enterprise, and to 14 different Government bureaus that have a constant lust for more power, the money would be dissipated the same as the $3,750,000,000 plus the additional credits we gave Great Britain—a sum dissipated in a little more than 1 year.

To consider their plight as temporary is the wrong approach. As long as we guarantee their constant deficits of "balance of payment" they are not going to change their course and they will not meet their own problems. Their problems are those of incentives to work and to produce to their maximum. Even that would not meet their difficulty completely, for no matter how much they produce, if they continue to take the proceeds of that production and devote it to extension of their socialistic practices they will never close the gap of their "balance of payment" and we will merely continue to pay for their trade deficit indefinitely.

During the war the American people heard great promises from our leaders that everything would be better when the war was over. That we would have one world and peace was loudly proclaimed.

Twice we went to Europe with our blood, brains, and brawn to stop Germany from being the colossus of Europe. Anyone who had studied history and especially those who sat in on the secret conferences and deals should have known that Russia had never given up her centuries-old ambition to expand, but had merely added to her desire the terrorist tactics to expand and enslave the people of the world. Certainly those in charge of our State Department and military who had in their possession the secret agreements between Stalin and Hitler to divide up and enslave the world should have protested against the vast amount of supplies and the almost criminal contributions and concessions we made constantly to Russia.

As a result of their mistakes and keeping hidden this secret information while continuing to contribute to Russian expansion, we now face another emergency and terrific problem.

Surely the people of America must know by now that this New Deal administration has neither the courage nor the capacity to properly administer either our domestic or our foreign policies.

It would be hard to conceive how a great country could win wars of such magnitude and find themselves at the end in such a deplorable condition as we find ourselves today across the face of the earth. Those who had authority and secret information were backed up by the resources of America as no other leaders were supported in all history. We the people provided the greatest Navy, Army, and Air Corps; we provided the greatest productive capacity, inventive genius, and industrial know-how to attain victory; only to find ourselves challenged anew throughout the world by one of our so-called allies.

Those of us who did oppose the initial presentation of the Marshall plan did so, first, because it was merely a trade-deficit plan on the part of 16 foreign countries; second, because the plan was written into the form of a bill by 14 Government bureau lawyers. We have already seen the transformation of that original suggestion into quite a different form.

The Foreign Relations Committee has revamped and revised it so that there may be a chance for a business management that will devote itself to the creation of incentives to work and production abroad. They have provided for the scrutiny of the program by a committee of Congress representing the people of the United States. They have indicated that emphasis should be laid on the production of food, coal, steel, and transportation equipment—the four fundamentals and basics of all needed production in western Europe.

We did then and we do now believe that neither the State Department nor the Military Department were equipped by training or experience to adequately or intelligently administer so vast a program as this one contemplates. The State Department and the military stood startled, stunned, and confused, when we were struck at Pearl Harbor, following the policies they had advocated. Then we had to call the experts of American industry, labor, and agriculture to provide the know-how, the industrial genius, the labor, and the food, to produce the essentials necessary to bring our enemies to their knees. That was a major operation.

The creation of incentives to work and produce in western Europe and to apply the proceeds of that production to support stable currencies, balanced budgets, and stable governments is another major operation and needs the leadership of the best brains in America in agriculture, industry, and labor, to administer the program.

We believed then and do believe now that American dollars will not save Europe, but production and hard work, plus the proper application of the proceeds of that work and production will constitute the only sound bulwark against the miseries of communism.

I repeat that during the war our leaders were talking about one world after the war, but at the same time they were helping make communism the colossus of Europe and Asia, and they were installing communistic-minded men and their sympathizers in the various departments of the Government of the United States.

Now we hear altogether too much talk about needing a third force in Europe, halfway between the totalitarianism of Russia and the free enterprise system of the United States. These socialistic sympathizers call this third force democratic socialism.

If we continue our unprecedented undertaking of rebuilding our former enemies and many of our former allies by constantly paying the trade deficits as they develop their so-called democratic socialism, it will mean a drain so constant and heavy upon the free-enterprise system of America, that we too will finally be drawn down to the depths of despair and will be bound by the mesh of rules, regulations, and controls, that form the chains that presently bind the energies of the countries of Europe.

None of us want to see people starve or unnecessarily go hungry anywhere, but since we are limited and cannot feed all the hungry, clothe all the naked, fire all the furnaces and hearthstones of the universe, we want to help those who will intelligently help themselves. We want to help people who will work, produce, and take steps to meet their own difficult problems. It is to our advantage to have a strong prosperous western Europe, but in our future contributions we must insist upon having intelligent, sound, and constructive management so that while helping them, we may preserve our own republic, and preserve our own American way of life to which Pennsylvania and Illinois have made such tremendous contributions.

We too, like Lincoln, hate oppression. We would like to extend human liberties, but, like Lincoln, we must remember that to preserve our own form of Government, our own solvency, and our own security, are the major challenges of this day.

Address by Most Rev. Francis P. Keough on the Occasion of His Installation as Archbishop of Baltimore

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, February 25 (legislative day of Monday, February 2), 1948

Mr. O'CONOR. Mr. President, there are so many ideologies abroad in the world today utterly opposed to every principle and belief which we cherish as free Americans, that I consider it quite in order to request insertion in the Appendix of the RECORD of a superb address delivered yesterday by the newly installed archbishop of Baltimore, the Most Reverend Francis P. Keough.

It can be read and studied with profit by everyone with an appreciation of the problems of the day, and the necessity of divine guidance for their solution. It is a noble expression of the finest conception of a way of life, and I recommend it to the consideration of every thoughtful person.

As the newly installed head of the Primal See of the Catholic Church in America, Archbishop Keough adequately voices in his installation message the deeply rooted Christian morality and the rich heritage of religious toleration which first flourished in the colonial settlement of Maryland. From there spread the seed for Nation-wide extension of religious toleration and good will which now obtain throughout our beloved land.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Through the grace of God and the favor of the Apostolic See, there has been committed to my care this day the premier See of Baltimore.

I am humbly conscious of the great dignity which has been conferred upon me and of the grave responsibilities attaching themselves to my new office. Yet I am enabled to face up to my task with a more confident heart because I feel that your prayers will be with me.

My first sentiments are those of profound gratitude to the Holy Father in appointing me to this high dignity in the church and it shall be my task to exert every power at my command that I may fulfill it to the best of my ability. I am not unmindful of the debt of gratitude which I owe to his worthy representative, his excellency, the most reverend apostolic delegate, for his official presence here this morning.

MEANING OF TOLERATION

Standing in this historic cathedral of Baltimore, which has been raised to the dignity of a basilica, I am filled with the profound sense of gratitude and appreciation such as is shared by every American Catholic, for it was here in Maryland that Catholics experienced for the first time in this country the true meaning of toleration and religious liberty.

It was in this archdiocese and in this State that there first gleamed the ray of hope giving promise to all men of our great Nation that they might serve their God according to their conscience and right reason.

And as I stand before you today I am also conscious of the fact that I must follow in the footsteps of a succession of great archbishops. There passes this morning, before our mental vision, a glorious procession of prelates who have held sway in this ecclesiastical jurisdiction.

"ILLUSTRIOUS PREDECESSOR"

It is led by the great John Carroll, whose honored name is written so large into earlier chapters of our church and our Nation. Down through Archbishop Leonard Neale; the outstanding French prelate Marechal, who dedicated this cathedral in 1821; the learned Briton, Whitfield; the Sulpician Eccleston; Francis Patrick Kenrick, who convened the first plenary council of Baltimore; the scholarly Spalding; James Roosevelt Bayley, the beloved convert, and the immortal James Cardinal Gibbons.

My illustrious predecessor, Archbishop Michael J. Curley, won the affectionate regard of his clergy and his people to a marked

degree. To win such affection, such love, manifests his amiable character, his saintly nobility. The saying, sacerdos alter Christus est, as the golden-tongued Chrysostom (St. John) declares was completely realized in his person. His prodigious accomplishments in this archdiocese will long keep his memory green in our minds while his charity, beautifully concealed on earth, is now an open book in the archives of Heaven.

These great ambassadors of Christ, my predecessors in office, are the glory of the church in the United States across all the years since the birth of this diocese in 1789. Their memory touches with a holy light the solemn ceremony of this morning.

BOUNTIFUL BLESSINGS

Such are the men I must succeed. That is not easy. Yet in a sense it is. Let me explain this apparent contradiction. My saintly predecessors have left the archdiocese the bountiful blessings of their glorious careers, every parish has felt their presence and shared the heritage they bequeathed to all. So that, as I rule and guide this archdiocese, I shall know that it is a blessed archdiocese, that its clergy and laity are blessed, for they are the children of saintly fathers who now, we trust, rest with God.

My installation comes at a time critical alike for the church and the world. The burden of modern living is pressing down upon us, the future is most uncertain. From eternal Rome comes the pleading, warning voice of the great shepherd of souls, Pius XII. Amid the roaring of voices, the mad hatred and confusion of humanity, there sounds the sweet, prophetic message of the Holy Father, calling, pleading to men and nations to return to Christ.

God grant that this world shall see the light, clear and tranquil, like the Star of Bethlehem above the manger where Christ, the King of Peace, was born, God grant that men may hear above the tumult, the song of Angels, the song of peace and hope and good will.

We may well look upon our present day as a time of historic change, for today we confront the sinister face of evil that would wipe out every vestige of Christianity, Catholic and Protestant alike.

"NIGHT OF SLAVERY"

If the enemy, inspired by satanic forces, should prove victorious, the night of slavery will fall on every land. Men can then no longer call their souls their own, but a world-wide state will wield the lash of a universal oppression that shall batter and bruise and kill the champions of truth and godliness. Justice will be no more. All the fine traditions of our forefathers, the great men who made America the land of the free, will be lost in the tragic mist which will envelop the earth and extinguish the light of Christian democracy.

Humanity has come a long road and a hard way to the precious freedoms we enjoy and accept, perhaps without thinking, just as we accept the sunlight and the air a good God has given us. From Runnymede and Magna Carta to the Atlantic Charter and the four freedoms of Roosevelt and Churchill, it has been a forward march, marked by the fall of our brave sons who gave their lives that we might live, surrounded and uplifted by the dignity of freemen in a free country. But now shadows creep over the earth, intent on extinguishing the "light that came into the world"; social revolutions have upset the traditions of the past; men have grown hopeless and despairing; children, thin and pitiful, old people as well, all are victims of the totalitarian system of government in which the state alone rules and God is excluded.

"DREADFUL SIGNIFICANCE"

A distinguished scientist has said that "the next war will be fought with atom bombs and the next with clubs." The dreadful significance of this dismal prophecy falls upon us with ominous portent, for its meaning is obvious—civilization shall perish and men return to the state of primitive man without God. This is the picture; this the prophecy we face.

The motto of my office is Maria Spes Nostra—Mary Is Our Hope. Mary gave us Jesus, born into a world of paganism and cruelty, yet that pagan world was conquered by the cross of Christ. The church came forth from the dark catacombs, and upon the ruins of paganism, there arose the glory of St. Peter's. The church has endured through every persecution, through every revolution, during the long centuries. We have the assurance of her Divine Founder, the promise of Mary's Son, that "the gates of hell shall not prevail against it." And in these troubled times, as in the past, let us place our reliance in the church. Let us go to Mary as our Holy Father counsels us to do.

Then, out of the disorder with which we are surrounded, Mary can bring peace, for many a time before she has brought peace to a civilization that has been threatened with annihilation. As she brought the Prince of Peace into this world, so through our prayers to her, may she bring Him back to a world which desperately needs Him. Hoping in Mary we may look for her Son, and may the world this time take Him as its leader, so that, molded according to His gentle teachings, filled with something of His tender spirit, inspired with His sympathetic understanding for others, it may go its way in lasting peace and charity.

HOPE OF MANKIND

Gathering together in prayer, under the protective mantle of Mary, our Mother, let us ask her to dry the tears from the face of the world, to assist us in this our time of mourning and weeping. With our beads daily in our hands, may we wage war on the greatest of all disorders, sin, so that removing it from our own lives, we shall become greater influences for good in the lives of others. And if our beads are still in our hands when we come to die we need have no fear, for we shall know that we are going to her who is our life, our sweetness, and our hope, the hope of mankind, the hope of the world. Our hope—Maria Spes Nostra.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. HARLEY M. KILGORE

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 25 (legislative day of Monday, February 2), 1948

Mr. KILGORE. Mr. President, in the February 1948 issue of the American magazine there appeared an article entitled "We Are Cheating Our Children." The article was written by Oscar R. Ewing, the Social Security Administrator. It goes into the question of Federal aid to education, and the article is accompanied by a very illuminating table. I ask unanimous consent to have these printed in the Appendix of the RECORD, because I believe it would be wise for all Senators to read them.

There being no objection, the article, together with the table, was ordered to be printed in the RECORD, as follows:

WE ARE CHEATING OUR CHILDREN

(By Oscar R. Ewing, Federal Security Administrator)

We are cheating millions of our children, withholding from them their right to an education as good as, or better than, that of their parents.

Public-school education in America has become a lottery. If your child is lucky, you live in a community in which qualified teachers develop his aptitudes and talents and equip him to become a good provider and a good citizen. If he is unlucky, he attends a school manned by incompetents, enters the world shabbily equipped, and, through no fault of his own, has less chance to make the most of himself.

This appalling situation has deeply impressed me in the short time I have been Federal Security Administrator, charged with responsibility for the Office of Education, as well as for the Public Health Service, the Social Security Administration, the Office of Vocational Rehabilitation, the Food and Drug Administration, and related services.

When public-school education in States or school districts is bad, almost invariably the basic fault lies in the lack of money. In some cases, of course, the taxpayers could afford better teachers and better schools, but won't vote the funds, but in most instances the income of the taxpayers in the States or districts just isn't large enough.

Our children can't wait. The immediate remedy, the most practical way to distribute education fairly, is for the United States Government to give financial aid to the States for educational uses, according to their needs. The future of America depends upon the intelligence of its people. In helping to build a better America, a sounder America, dollars never will be better spent. President Truman has recommended such national action.

Surveys show that at least $300,000,000 a year should be distributed by the Government to lift the standard of education of boys and girls who, because of bad schooling—or none at all—are headed toward heartaches and handicaps. There are more than 2,000,000 who, educationally, are actually starving. Millions more are receiving an inadequate mental diet.

Smugly, we have ignored those unfortunates. We take it for granted that Americans are the best educated of all peoples. But our percentage of illiteracy ranks us down in the list. Countries that have done a better job at equipping nearly all their children with the three R's include Denmark, the British Isles, Finland, Netherlands, Norway, Sweden, and Switzerland.

In the years ahead the United States will be faced with vital problems, probably more complicated and more difficult to solve than any that ever faced our citizens before. They are problems of how to earn a good living, how to be happy; problems of local and national government, foreign affairs; problems of farmers, labor, business; problems of parents and homemakers; problems of national defense. It will be up to the boys and girls now in school to carry on, to continue to maintain the United States as the best country in the world.

But, stupidly and shamefully, we are allowing many boys and girls to receive such shoddy schooling that they may become a hindrance instead of a help in building a sound America. Good schools help to build character and competence. They help to keep children from becoming maladjusted. On the other hand, those who have had no chance at an education feed the ranks of the mentally unstable, the delinquents, the men and women who go on relief rolls. They may become recruits for the agitators who believe, sometimes with reason, that the world has treated them badly and who belligerently demand the destruction of government. If we don't invest in educating such children now, they will cost us many millions later.

States that are not giving their children even a fair education are usually in there trying, usually doing the best they can. Many of them tax their citizens more heavily

than do those States whose schools are better financed. In the school year 1944–45, for instance, Kentucky spent 1.72 percent of its residents' income (as determined by the Department of Commerce) to provide $80.94 per pupil. But Nevada had to spend only 1.43 percent of its residents' income to provide $155.88 per pupil. While Mississippi was spending 1.67 percent, which provided only $44.80 per pupil, rich Connecticut provided $159.50 per pupil with 1.36 percent of its residents' income.

Several proposals are pending in Congress now which would establish specific programs of Federal aid. Let us examine one such proposal to see what can be done—the nonpartisan Educational Finance Act, which has been approved by the Senate Committee on Labor and Public Welfare and is now on the Senate calendar. A subcommittee of the House Committee on Education and Labor has already reported favorably upon a bill with the same aims.

This Senate bill would distribute $300,000,000 a year to the States under a formula based upon the number of children 5 to 17 years of age in a State, and upon the total income of residents in the State. No State could use Government money to cut its own appropriations. In fact, the formula is arranged so as to stimulate States to appropriate an amount equal to at least 2.5 percent of the income of their citizens. They are to be rewarded for effort.

The poorer States, of course, would receive the largest per-pupil appropriations. No State would get less than $5 per pupil. Thus, according to the estimates for this bill, rich New York, with 2,402,000 children, would receive $12,010,000. Mississippi, with 595,000 children, would receive $5 per child, plus a bonus to make up for its inability to pay for good schools, and its total would be $16,985,000 a year. States with an annual per capita income of less than $4,000 for each child 5–17 years of age would receive more than $5 per child.

The average State expenditure throughout the United States in 1944–45 was $125.41 per child. Many States increased appropriations for the school year of 1946–47, but generally the ratios and the needs remain comparable. The Educational Finance Act would raise the average to $140.42.

Federal aid cannot perform miracles. The worst schools in America would not rise to be classed with the best, but additional appropriations would be an enormous stimulus. Better teachers could be employed, rattletrap buildings could be repaired. Most important would be the notice served to college men and women in every State that the teaching profession will once more offer decent pay and decent living conditions.

Plans for Federal aid provide for distribution to Negro schools in those States where segregation prevails by law, and proper audits and other reports must be made to the Government to make sure the money is used only according to the law. However, under the terms of this bill, the Government and its employees are prohibited from interfering with local and State control over the schools. No one in Washington could say who shall be employed, what shall be taught, what schools should be improved, where new ones shall be built. The State is boss.

Differences of opinion as to Federal aid to nonpublic schools are largely responsible for delay in the enactment of necessary legislation. Surely a program can be found that will resolve these differences in a manner that will be fair to the children. After all, their interests are paramount.

Most parents, taking it for granted that their children are being adequately educated, are not aware of the need for Federal aid. Your own school district may need it. You may be one of the millions who would be painfully surprised and profoundly shocked if you knew the full truth about the quality of education your school board, in spite of all its strivings, has been able to provide for your children. You do your best to give your children good, sound training at home. How can you afford to give them less when they are at school?

In at least one classroom out of eight, "education" is in the hands of men and women who are not qualified by training for their jobs. More than 100,000 teachers are substandard according to the qualifications demanded by their States. But because of the emergency, because boards of education can't get anybody else, they continued to be employed month after month and year after year. They may be well-meaning, earnest, and hard-working people. But teaching is a skilled art and needs special training and experience. Would you take your child to a doctor who was not fully licensed? Well, many of you send your children to teachers who are not fully licensed.

Boards of education that have limited funds must hire such teachers because there are not enough experienced teachers to go around. People can make more money as clerks or even by running elevators. In many cases, even the best of teachers cannot do a really good job for their pupils because classrooms are crowded, many pupils are on half-time, the equipment is out of date, and appropriations won't stretch to pay for needed improvements.

At least 50,000 children who are eager for an education are getting no schooling whatsoever because their school boards cannot get any kind of teachers for them at the miserable salaries they must offer. These usually are in the rural districts. There are probably a million more who are, in effect, truant. Every State has a compulsory education law, but in many districts it is not enforced, because there would be no room for the children if they were hauled back to school. These usually are the unfortunate boys and girls whose parents don't realize the value of an education and who let their children go to work at an early age.

This situation has been developing for years. It was aggravated, of course, by the war. From 1941 to 1945, in addition to the normal turn-over, 350,000 qualified teachers left their schools to enter the war or to take better-paying jobs. Comparatively few returned to the teaching profession, which in 60 percent of the cases pays less than $2,000 a year, and less than $1,200 a year in 16 percent. Faced with this financial situation, men and women who had been preparing themselves to teach, began to give up the idea and to take jobs in businesses in which they could meet the rising cost of living.

States and school boards have long been aware of these conditions. To their great credit, as soon as the war was over, two-thirds of the States and countless communities began trying to raise teachers' salaries. The increase comes to an average of about $300 a year, or 13 percent for this school year. Those increases help teachers meet the increased cost of living, and thus have kept on their jobs many good teachers who were being forced to consider new fields, in order to feed, clothe, and house themselves. But even in the richer States those increases do not bring many teachers' salaries up to the average paid for factory labor.

The trouble is that improvement is neither universal nor sufficient. A recent report by the Citizens Federal Committee on Education, an official group that advises the Federal Security Agency, declared, for instance, that in South Carolina college-trained new teachers are asked to work for around $1,000 a year, and experienced teachers with masters' degrees get from $1,305 to $2,286. A teacher with a bachelor's degree may receive as little as $1,700. Mississippi managed to raise its average salary from $800 to $1,200.

The National Education Association estimates that, even after raises in pay, classroom teachers receive an average of $1,850 in Iowa, $1,770 in Nebraska, and $1,500 in North Dakota. The States that make up the top class—that pay an average of more than $3,000 a year—are California, Connecticut, New York, Maryland, and Washington.

To show what a critical shortage of teachers lies ahead, the Citizens Committee points to Illinois, where the State schools will need 6,000 or 7,000 more elementary teachers in the next 5 or 6 years. Yet the six State teacher-education institutions in Illinois, which are designed to produce teachers for the State schools, graduated only 104 elementary teachers last year. And Illinois has an average salary better than many States—about $2,200 a year.

Our birth rate is increasing so rapidly that even the best-manned schools must expand quickly. In the last 5 years, 13,000,000 babies were born, when the experts had predicted the arrival of only 9,000,000. Some of these youngsters are now entering kindergarten. For their 12 school years competent teachers can do much to help parents make them good citizens. Without higher salaries and better opportunities we can't bring to all the schoolrooms that kind of teacher.

One of the objections to Federal aid comes from taxpayers in prosperous States who say, "Why should I pay to educate children in some other State?"

The answer lies in the fact that, like the world, the United States has become smaller. Migration is enormous. There is the migration from the farms and small towns to the nearby cities, and the migration from one State to another. Thus, lack of education in one part of the country can affect all of us.

Do your schools need Federal aid?

State	Expenditure per pupil in public elementary and secondary schools for 1944–45	Estimated per-pupil expenditure with proposed Federal aid [1]
United States average	$125.41	$140.42
Alabama	56.93	93.57
Arizona	127.55	146.69
Arkansas	60.26	99.50
California	163.38	169.83
Colorado	129.47	136.66
Connecticut	159.50	167.11
Delaware	123.05	140.92
District of Columbia	161.02	170.28
Florida	94.55	101.55
Georgia	64.92	97.39
Idaho	112.34	123.20
Illinois	169.32	177.20
Indiana	131.29	138.11
Iowa	124.83	131.32
Kansas	130.85	137.69
Kentucky	80.94	119.74
Louisiana	95.31	125.49
Maine	97.75	105.81
Maryland	113.98	122.52
Massachusetts	166.67	174.76
Michigan	127.73	134.69
Minnesota	144.29	151.43
Mississippi	44.80	82.66
Missouri	113.07	120.60
Montana	163.42	170.35
Nebraska	127.28	134.00
Nevada	155.88	162.91
New Hampshire	131.48	142.59
New Jersey	198.33	205.89
New Mexico	119.98	155.89
New York	194.47	202.14
North Carolina	68.91	100.92
North Dakota	132.55	148.97
Ohio	138.25	145.29
Oklahoma	96.61	120.74
Oregon	144.56	150.94
Pennsylvania	137.00	144.70
Rhode Island	148.96	157.93
South Carolina	65.17	103.44
South Dakota	144.62	159.43
Tennessee	69.70	98.71
Texas	102.46	120.89
Utah	120.24	132.78
Vermont	117.90	130.34
Virginia	83.49	100.76
Washington	159.78	165.99
West Virginia	93.18	121.82
Wisconsin	140.41	148.06
Wyoming	164.84	171.63

[1] Does not include any increases in local and State expenditures for the years 1944–45 through 1947–48.

Palestine Without Politics

EXTENSION OF REMARKS
OF
HON. HOMER A. RAMEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. RAMEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Toledo Blade of February 23, 1948:

PALESTINE WITHOUT POLITICS

In two important respects the statement issued by Senator ROBERT A. TAFT Saturday on the Palestine situation differs from the pronouncements the American people have learned to expect from their politicians on the touchy subject.

In the first place, most politicians prefer to limit their remarks about Palestine to vague generalities about what should be done rather than to go into the specific details of how it is to be done. Thus, when President Truman and Gov. Thomas E. Dewey started calling for the admission of more Jews into Palestine a couple of years ago, their competition was based more on numbers than on methods. Each tried to outbid the other in proposing that the quota be raised by a good round figure, but one was no more specific than the other in suggesting the means by which this country would persuade Great Britain to accept either quota.

In the second place, most politicians prefer to issue such statements when it will do them rather than the Jews the most good. Thus, when Mr. Truman and Mr. Dewey started competing with each other with their Palestine pronouncements, no immediate decision on the issue was pending before the United Nations. New York just happened to be on the eve of an election.

But Senator TAFT, who so far as we recall has never tried to make political capital out of the Palestine controversy, was addressing himself both to the issue and to the occasion when he called on the United Nations to enforce its partition plan. Sometime this week the Security Council is expected to take up the recommendation of the Palestine Commission that the United Nations provide the troops required to do that job. And Senator TAFT says that it is now time for the United Nations to back up its decisions with force of arms.

As readers of these columns know, the Blade does not always see eye to eye with Ohio's senior Senator. We have taken issue with his views on many occasions before, and will undoubtedly do so again. Yet we have never questioned his political honesty any more than we have his personal integrity. He may be as reactionary as some of his critics say; he may be as cold-blooded as some of his opponents charge. But even on so controversial an issue as this Palestine question, he has the sense to see what should be done and the guts to say let's do it.

Lithuania Should Be Free

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address I delivered in Worcester, Mass., on February 22, 1948, at a meeting of the Lithuanian Aid Association in commemoration of the thirtieth anniversary of the independence of Lithuania:

As United States Representative from the Fourth Congressional District of Massachusetts, I was glad to receive and accept the invitation to join with you in commemoration of the thirtieth anniversary of the declaration of Lithuanian independence.

This annual program is dear to the hearts of all Lithuanians because it is held to recollect that day of February 16, 1918, which marked the end of well over a century of suffering under a hostile foreign rule. Lithuania on that day stood forth as an independent, democratic republic. There was cause for rejoicing and the future was faced with confidence. Your people were happy and prosperous in their own sovereignty.

Unfortunately, in this year of 1948, our observance here is shaded with sorrow. The bright star of Lithuania's freedom has been clouded over by the violent storms of tyranny. We gaze with sadness upon the advancing tragedy of sacrifice to ruthless imperialism that has enveloped Lithuania; she has ceased to be an independent nation.

The principle of political independence enunciated in the declaration by the United Nations and the Atlantic Charter is a hollow mockery in the present suppression of the Lithuanian people. Lithuania is undergoing a shameless conquest, the victim of as bold and cynical a diplomatic campaign as any big state has ever waged against a gallant, honorable, but weaker neighbor.

Although we mourn over her present plight, there is no cause for despair. Repeatedly, through her history, Lithuania has proved that her people can eventually overcome the temporary triumphs of oppressors. The Christian faith, which, in 1399, defeated the Tartar invasion and saved all Europe from barbarism, is still with her today. It gives her the spiritual vigor to outlive any dictatorship. From my own knowledge and experience with my fellow Americans of Lithuanian descent, I know that deep in the heart of every Lithuanian is that passion for liberty and freedom which never dies. There is no power that can forever enslave a people who are determined to be free.

All over the world, Lithuanians are gathering, at this time, to renew their vows to work for the independence of their homeland. Here in the United States I earnestly believe that most Americans are becoming increasingly more concerned about the fate of Lithuania, which stands in accusing testimony to our failure to live and act according to the principles for which our people have fought and died in two World Wars. I consider it the solemn duty of every officer of our National Government to reveal the truth of the extinguishment of self-government, that is being forced upon the smaller nations, like Lithuania, by the Russian Government policy of expansion through fraud, intimidation and coercion. World War II was fought with the clear understanding and pledged purpose that common victory should bring restoration of self-government and territorial integrity to the oppressed nations of the world.

We cannot conceive of the recent war being won until that pledge has been carried out. The major world powers, including the United States, are acquiescent parties to the disgraceful betrayal of the smaller nations while they continue to allow peaceful, freedom-loving peoples to be cruelly dominated by the Soviet rule of imperialistic terrorism—which defies every decent concept of self-determination and democracy.

The case of Lithuania, and the other small nations, is a challenge to the moral conscience of this Nation and the United Nations to establish the great, basic principles of freedom and liberty for all peoples. In simple justice, our Government must insist that the Lithuanian people be permitted their inalienable right to govern their internal existence as they themselves see fit.

You must dedicate yourselves today to the determined revelation and presentation—to the world—of the facts and truth about Lithuania so that the United Nations shall be called upon to meet the full moral and humanitarian responsibility of restoring the independence of Lithuania.

In this cause you will have the complete support of freedom-loving people throughout the world, they will join in your efforts and prayers that your homeland may be free to live again in the spirit of her ancient motto: "Be what may, Lithuania will always stay."

Poland

EXTENSION OF REMARKS
OF
HON. MITCHELL JENKINS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. JENKINS of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me at exercises before the statue of Kosciusko at Lafayette Park, Washington, D. C., February 12, 1948:

In the course of mankind's history here in this world, many nations and many peoples have had their brief day in the sun and, as the night has fallen, have sunk into obscurity. Empires have risen and fallen, but not often have they risen again. Few there are whose names are written on history's page, who have survived conquest and dismemberment only, like that fabled bird, the phoenix, to rise again from their own ashes and stand once more among their contemporaries, free and equal. And fewer still have survived three such experiences within a short span of less than a quarter of a century followed by over a hundred years of alien rule. Such, however, has been the history of Poland, and the reason for it is not too hard to find. All through its history there has been in Polish hearts a burning, consuming love of freedom which no amount of tyranny, no hardship, no oppression could quench. From father to son to grandson to great grandson, through the generations, the ideals of liberty and freedom have been passed on. Polish boys and Polish girls drank it in with their mothers' milk, and should a man falter and forget, his women bolstered up his failing courage.

No one individual, to the world at large, more dramatically personifies the Polish spirit, with the possible exception of Paderewski, than Thaddeus Kosciusko, whose memory we honor today. For me, a Welshman, to attempt to recount to you, of Polish extraction, the events of his life would be futile. For better than I, you know them for they are part of your racial and ancestral heritage. You know them, but they are part of mine too, as an American, for a part of Thaddeus Kosciusko, and no small part, either, belongs to America. It was to America that he came as a comparatively young man of 30 years of age, to offer his services in the fight for freedom and for six long years he risked his life, far from his native land, in a cause which many people would say was not his own. But to him, and to all men like him, who have in them some of the spark of divine fire, the cause of liberty loving people striving to

throw off oppression's yoke, is always their cause. To such men there are no racial or national boundary lines, for all men, everywhere, are their brothers and those who love liberty are always spiritually next of kin.

Fifteen years after he came to America to help us to win our freedom, he participated in the signing of the new constitution of his own Poland. We here in America can, with profit to ourselves, scan that constitution which, long before we freed our own slaves, made every man who set foot on Polish soil a free citizen; which recognized the responsibility of the legislative body to the people who created it; which guaranteed religious liberty and recognized the obligation of every citizen to defend his country in time of need. We owe much, we in America, to Poland and to the Americans of Polish extraction for their contributions to America.

But a constitution, such as the one Kosciusko helped to frame and into which he breathed his own love of freedom, could not long survive in the Europe of his day, surrounded as Poland was by Russia, Austria, and Prussia. Such a document, if allowed to stand unchallenged, could have kindled a flame throughout all of central Europe, which would have consumed the Hitlers and the Stalins of that time. And so, in but a few years—three short years—came the final partition of Poland and the end of Kosciusko's dream, although like the patriot and lover of freedom that he was, he never closed the fight. He never lived to see that dream of a free Poland come true for he died in 1817.

For a brief time it did come to pass but again, today, as in the days of Catherine of Russia and the Czar Alexander, Poland, though with the outward trappings of freedom, is not free. Although its liberty is destroyed and its constitution, which Kosciusko helped to write, is but an empty mockery, yet his spirit lives on, and always will live, in the hearts of his countrymen. As it did before, Poland will rise again to take its place among the free nations of the world. A strong, freedom-loving people cannot die, for in that love of freedom are the seeds of immortality. And, we here in America, for whom he fought and who are the inheritors of his love for liberty, can and must help that day to come when Poland shall be truly free, when we can cleanse our soul of the sin against a people, whose only offense was that they were our allies, that they fought with us and for us, on the field of battle and in the underground, to the bitter end, and when we can undo the wrong that our representative, unbeknownst to us, did at Yalta.

Kosciusko still lives, and in the words of that song which expresses his own spirit—"Jescie Polska nie zginela." We salute him.

Joe Martin Came to Iowa—He Saw and He Conquered

EXTENSION OF REMARKS
OF
HON. THOMAS E. MARTIN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. MARTIN of Iowa. Mr. Speaker, on February 9, 1948, it was my good fortune to attend a very inspiring meeting and luncheon in Des Moines, Iowa, commemorating Lincoln's birthday. The speaker of the day was our own JOSEPH W. MARTIN, Speaker of the House of Representatives. I visited with hundreds of my friends from all over Iowa for several hours following that meeting and I have read with great interest many news reports and editorials in the newspapers of my district about the meeting and about JOE MARTIN.

The personal reports, news reports, editorial comments and letters I have received are unanimous in their praise for the inspiration JOE MARTIN gave everyone present or listening to his radio broadcast.

Typical of the editorial comment is the editorial that appeared in the Fairfield Daily Ledger of Wednesday, February 11, 1948, which I have secured permission to include in my remarks, so that Congress and the Nation may have the benefit of knowing how highly JOE MARTIN is held in the esteem of the Iowa leaders who heard him and met him and visited with him during his recent visit to that great State. It follows:

JOE MARTIN CAME TO IOWA—HE SAW AND HE CONQUERED

Sunday night, at a dinner given by the Register and Tribune in Hotel Kirkwood, Des Moines, we met a man who knows and knows why he knows. The meeting was in charge of the inimitable John Henry of the Des Moines newspapers.

He had invited a representative from each of the daily newspapers of Iowa to meet in an "off the record" conference, with JOSEPH W. MARTIN, Speaker of the National House of Representatives and heir-apparent to the Presidency of the United States, if there should be a vacancy between now and noon on January 20, 1949.

Questions were fired rapidly at the Speaker and were as rapidly, frankly, and completely answered. MARTIN'S answers were given in simple words that could not be misunderstood nor misconstrued.

Speaker MARTIN was questioned for more than 2 hours and not one of his replies was evasive. As he met the barrage of questions fired at him, we thought of the lines of Samuel Valentine Cole in his "Old Saw Reset":

"The man who knows and knows (why) he knows, to him your homage bring; he wields the power that waits and wins, and he is a rightful king."

JOE MARTIN knows and knows why he knows because he, a common man, like you and me, has been in the House of Representatives since 1925. He was elected first in 1924, the Presidential year, when Coolidge and Dawes were elected President and Vice President, respectively. At the expiration of his present term he will have served 24 years.

He was 1 of only 89 Republicans elected to the House in 1936, the great Roosevelt landslide. He had not been in Congress long till his Democratic as well as Republican colleagues discovered that he was clean, honest, and aggressive. By 1939, the Republican Members—then 169 in number—saw that he was the gentleman for the position of minority leader of the House.

He held that position till 1947 when the Republicans gained a majority in both the House and the Senate. The unassuming Congressman from the Fourteenth Massachusetts District was then elected Speaker of the House.

His Republican colleagues had learned long before, that JOE MARTIN knew and knew why he knew and he was just the lad to direct the course of the House after it had been in the hands of the New Dealers for 16 years.

Having seen the Republican membership of the House dwindle from 247 in 1925 to 89 in 1937, then with JOE MARTIN as minority leader, the Nation witnessed the greatest comeback in the history of the National House of Representatives. In 4 elections, the Republican membership had climbed back to 246—only 1 less than the membership in 1924, when JOE first entered the Congress.

What is the secret of the Speaker's success? As we view the man he is first of all a fighter for what he believes to be the right. He is a short, square-shouldered man who plants his feet on the floor, like the bulldog who intends to stand his ground against all comers.

But he is a fair fighter. No matter what the opposition does or has done, he is unalterably opposed to unfair tactics to gain a point or a victory. He is that type of a man who would rather go down in defeat in a fair fight than to win by unfair methods.

But back of it all he knows thoroughly every position he takes and knows why he knows. A fair fighter with that mental equipment rarely is defeated. He will keep on coming back for more till he does win.

He has an engaging smile that spreads all over his face and a hearty laugh that is contagious—qualities that draw to him men who are willing to listen to his words of wisdom and fairness in all dealings, even all political dealings.

He comes from a highly industrialized district. It is made up of parts of only four counties. The whole area, however, is probably no larger than Jefferson and Van Buren Counties. The population of his district is about 305,000, approximately 10 times the population of Jefferson and Van Buren. In this district are such cities as Fall River, Taunton, and Attleboro, and nearly 50 other smaller cities and towns of 10,000 and less.

There are, also a large number of truck farms in his district. He is a common man, like the rest of us, and acquainted with our problems.

MARTIN is the publisher of a daily paper in North Attleboro, a little city of approximately 10,000, 5 miles northwest of Attleboro. Our latest circulation reports places its circulation at 3,500. He has had his grief, like many other publishers, in getting print paper during and since the war.

We believe we are safe in saying that no candidate for the Presidency has ever appeared before an Iowa audience and made the friends that JOE MARTIN made in his address Monday noon.

All Monday forenoon we heard the remarks repeated again and again: "He is probably a great man, but he is too far east," "I do not believe in a dark horse. He should announce himself," "People want to know where a man stands when he seeks that office."

We milled around with the crowd in the Hotel Fort Des Moines lobby for a couple hours after the address and not once did we hear any objections. The talk then was, "I'm for that man." "I can take off my coat and work for him till the last vote is in the ballot box." "He's just the guy we need, he's not afraid to call a spade a spade." "No one can say that MARTIN tries to dodge the issues." "He's a statesman and I would like to move that nominations be closed and the fighter from Massachusetts be named by acclamation." Not one of these statements and not one of many others similar to these, was challenged.

The Increase in Steel Prices

EXTENSION OF REMARKS
OF
HON. JOHN J. SPARKMAN
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Wednesday, February 25 (legislative day of Monday, February 2), 1948

Mr. SPARKMAN. Mr. President, within the last few days all of us have been

greatly disturbed by the announced increase in steel prices. Three very fine editorials on the subject have appeared in three of the Washington, D. C., newspapers—one in the Washington Evening Star, one in the Washington Daily News, and one in the Washington Post. I ask unanimous consent that these editorials be printed in the Appendix of the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star of February 21, 1948]

INDUSTRIAL STATESMANSHIP

The 10-percent increase in the price of semifinished steel which has been put into effect by the leading steel makers has to be appraised, both as to its wisdom and its justification, in the light of the industry's profit position. When that is done, it makes one wonder what has become of that "industrial statesmanship" about which so much has been heard.

In 1947 the net profits of United States Steel, using approximate figures, were $126,000,000, as against $88,000,000 in 1946. Bethlehem, the second biggest steel producer, had net profits of $51,000,000 in 1947; $41,000,000 in 1946. The figures for Republic Steel, third in size, are $31,000,000 last year and $16,000,000 in 1946. Taking these profits into consideration, the steel industry is not going to be able to convince the public that there was any compelling need for a price increase at this time.

Benjamin F. Fairless, president of United States Steel, attempts to minimize the significance of the price increase by pointing out that it applies to a very small proportion of total steel output. It will result, he said, in an average increase in the price of semifinished steel of only one-quarter of a cent a pound. That is $5 a ton and if the price advance stops there the actual inflationary effect might not be too serious. On the other hand, if the net effect of the price increase is as inconsequential as Mr. Fairless indicates, there would seem to have been little reason for the steel companies, considering their profit position, to have made this unsettling move at this time.

Psychologically, at least, the influence of the steel advance is almost certain to be bad. Earlier in the week Philip Murray, president of the United Steel Workers, announced that the union would demand substantial wage increases in April. The price increase unquestionably leaves the steel industry in a weaker position to resist this demand and if the steel workers get a substantial increase the much-feared third round of wage hikes will be under way. Further than this, the price action has created uneasiness among the industrial users of semifinished steel who have to buy this commodity. Most of those who have spoken say they cannot absorb the increase and will have to pass it along in higher prices.

The president of the American Bankers' Association says that the increase "sounds inflationary" to him and Democratic National Chairman McGrath, who may be suspected of some political interest in the matter, sees the increase as evidence of an irresponsible get-yours-while-the-getting-is-good policy."

All factors considered, the boost in the price of semifinished steel appears to have been unfortunate, unnecessary, and unwise. If the next step is to be an increase in the price of finished steel the over-all effect can well be disastrous.

[From the Washington Daily News of February 21, 1948]

STEEL BEGS FOR TROUBLE

Again the steel industry has taken a step which affects America's whole economy. And very badly, we fear.

It has raised a batch of prices, at an estimated total cost of $68,000,000 a year. By the time the increases are passed to the public through higher prices on thousands of items, the bill may run larger. Moreover, the rash of increases for semifinished and special steels seems to forecast a coming general steel boost.

The timing of all this is amazing. If ever an industry seemed to be begging for trouble, it is steel.

It happens just after a year in which steel made profits that often broke all records.

It comes in the face of a major decline in commodity prices.

It comes after General Electric and some other firms had cut prices in an effort to check inflation.

It comes while the industry is running at full speed, with an eager buyer for every pound it produces.

And it comes just as the steelworkers' union is opening negotiations for higher wages—with Philip Murray clamoring against exorbitant profits and high prices. Mr. Murray said there would be no strike, and made no definite demands—just substantial rises. He must be psychic—his strategy couldn't have been better had he worked it out with the companies.

Here, then, goes that inflation bubble back up again, when it seemed to be losing some of its size.

In spite of Government policies and the warnings of economists. In spite of what seemed even more effective—a sudden application of the old law of supply and demand.

Steel is so big and vital in every phase of our economic life that its deliberate action can offset all this.

As has happened before.

It was United States Steel's negotiations with Mr. Murray which set a national pattern for the first big round of wage increases.

In the second round, Big Steel repeated the performance—that time with John L. Lewis. By granting demands running to about 44 cents an hour in total pay increases and a 10-cent royalty on each ton of coal, it gave an enormous boost to inflation.

Every steel firm and coal operator had to go along—including a lot of little companies on the remote edge of the steel and iron business, and a host of small and marginal coal producers.

These wage patterns were followed by price hikes that helped set the national price pattern.

A third historic case came when top steel men decided against expanding capacity as much as Government, business, and union economists claimed was essential.

Whatever the merits of that decision—and it is a highly technical matter—it must have had some bearing on the steel shortage which has squeezed thousands of businessmen, hampered production, and caused a vast and evil gray market.

Believing passionately in free enterprise, we still can't help wondering whether this is one of those cases where freedom is being abused and restraint is in order. Just as we have felt in the case of gigantic unions.

Big business and big unionism have the power to combine in behalf of high prices and wages—at the expense of the public. We are not charging collusion—just looking at what happened and thinking that had it existed we would have got just about what we have got.

There are dangers—great dangers—in the existence of companies and unions so big that they can upset Government policies and fix national trends for all prices and all wages. That power can become bigger than Government.

The steel industry is already involved in an antitrust suit. In the midst of it, leading companies seem to have had the same thought about the same prices at the same time.

This industry badly needs friends. But its part in dictating wage and price policies and its inability to supply steel and control the gray market have been making enemies. And they are by no means confined to the left-wingers.

We frankly fear that among the patterns it has been creating there may develop one for Government operation or control which would jeopardize our free economic system.

[From the Washington Post]

STEEL GOES UP

Soaring building costs will go still higher as a result of current increases in the prices of structural steel, while advances in the prices of semifinished steel products will doubtless be reflected in a rise in prices of a wide range of manufactured goods. To be sure, a large part of the semifinished steel output is processed by big steel concerns for their own use. Hence price increases may possibly be absorbed without an increase in the prices of their own finished products. But smaller concerns that depend upon the large integrated companies for supplies of semifinished steel are expected to raise the prices of their finished products, and these increases will be passed along in varying degrees to the ultimate consumers.

Spokesmen for the steel industry say that prices of semifinished steel are out of line with prices of finished steel products—that in some cases prices are below production costs. But there is a larger issue that the leaders of the steel industry have entirely ignored. That is the effect of rising prices on the general economy.

Since coal prices were raised last summer no marked changes have occurred in production costs that necessitate upward adjustments in steel prices. The rosy profits statements of the big steel companies are proof that they are under no compulsion to increase prices. Yet they have chosen to do so at a particularly critical stage of adjustment when it seemed as if the forces of inflation were subsiding and a salutary decline in prices and living costs might be achieved. Although the inflationary elements have not been eliminated, the drop in grain and food prices encouraged new hope of arresting the spiral of rising prices, higher wages, more price increases, and still higher living costs. The possibility of achieving stability depends to a great extent upon the policies pursued by business executives who are in a position to guide price policies in important individual fields, and by so doing influence the actions and the policies of businessmen in other fields.

Steel is a basic industry. Its price policies are of vital importance to a host of more-or-less dependent steel-using industries. Nevertheless, it is giving a fillip to the forces of inflation that may result in undoing all that has been done to take some of the inflation out of the consumer's food budget. In short, steel-price increases will not only produce more price increases; they also signify to the business world that the heads of a vital industry think that the country is still in the midst of inflation and that the economy will be able to sustain still higher prices.

In view of mounting consumer resistance to high living costs, this is a dangerous belief. Carried to its logical conclusion, it can only spell an eventual price collapse of heroic and

devastating proportion. The immediate effect of such short-sighted price policies will, of course, be to intensify demands for wage increases. Although the head of Republic Steel contends that present price advances are intended to compensate for past wage increases, it is a foregone conclusion that the increases will be regarded by steelworkers and workers in other industries, too, as a new argument for higher wages. For every price increase of this kind tends to raise prices of many articles that workers buy.

We conclude, therefore, that the heads of the steel industry have displayed a deplorable lack of responsible business leadership. They are pursuing price policies that stimulate inflationary forces instead of setting an example of restraint that would assist the administration's efforts to hold back destructive inflationary tides.

Resolutions For Lithuanian Independence

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include the following resolution unanimously adopted by the members of Our Lady of Vilna Parish and their guests at an assembly in Worcester, Mass., February 15, 1948, on the occasion of the commemoration of the thirtieth anniversary of the independence of Lithuania:

Whereas man has been endowed by his Creator with certain inalienable rights which no human power or authority can wrest from him; and

Whereas chief among these inalienable rights is the sovereign right of all peoples to choose for themselves the form of government under which they wish to live; and

Whereas the principles of the Atlantic Charter, which our Government signed, respect and guarantee this right of all nations, both large and small, to govern themselves without interference from any outside source; and

Whereas the Allied Nations, among these our own United States, fought World War II presumably for the assurance of peace to the entire world, a peace which cannot be if large nations are allowed against all principles of justice and charity to subject small nations to tyrannical rule; and

Whereas the Republic of Lithuania, a neutral and liberty-loving nation, has proven by her 21 years (1918–39) of advancement in all fields of endeavor that she is capable of self-rule and has ever respected this right of self-government of all peoples; and

Whereas genocide, the extermination of a cultural group, has been declared by the General Assembly of the United Nations to be an international crime; and

Whereas Soviet Russia has ruthlessly and shamelessly deprived the Republic of Lithuania of her freedom and is now following a policy of the complete annihilation of her people through merciless deportation into Siberia, through the relentless destruction of her government, industry, culture, and educational system and through the cruel plunder of her population by wholesale murder and imprisonment; and

Whereas this policy followed by Soviet Russia against the Republic of Lithuania is openly and defiantly against the principles of the Atlantic Charter and against the democratic policy of our own United States: Now, therefore, be it

Resolved, That the Government of the United States firmly evoke the principles of the Atlantic Charter and effectively use its influence upon the United Nations to apply these principles to all nations, both large and small; be it further

Resolved, That the Government of the United States maintain and uphold its present policy of nonrecognition of Russian absorption of the Baltic States and ever use its influence to bring about the immediate and positive restoration of the independence of Lithuania and the other Baltic Nations; be it further

Resolved, That our Government insist upon the immediate cessation of the atrocities and inhumane treatment now being inflicted upon the Lithuanian and the other Baltic peoples by Soviet Russia; be it further

Resolved, That proper provision be made to have protests and grievances, addressed by small nonmember countries to the United Nations, be officially acknowledged by the Secretary General and taken before the Little Assembly; be it further

Resolved, That the Republic of Lithuania be admitted as a member of the United Nations and that her official representatives be permitted to enjoy the status of duly-elected delegates to that organization; be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, His Excellency Harry S. Truman; to the Secretary of State, the Honorable George C. Marshall; to the Senators of Massachusetts, the Honorable Henry Cabot Lodge, Jr., and the Honorable Leverett Saltonstall; and to the Representative from the Fourth Congressional District in Massachusetts, the Honorable Harold D. Donohue.

The Business Approach

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Wednesday, February 25 (legislative day of Monday, February 2), 1948

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "The Business Approach," appearing in the February 10, 1948, issue of the Peoria (Ill.) Journal Transcript.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE BUSINESS APPROACH

There is little disposition in the United States today to refuse assistance to those nations of western Europe which show an inclination to rebuild their war-shattered economies.

There is, however, widespread disagreement over the amount of assistance that those nations need and the amount which the United States can afford to offer. There also is widespread disagreement over the form which American assistance to the democratic nations of Europe shall take.

President Truman and Secretary of State Marshall have asked for the provision of $6,800,000,000 for operation of the program for the 15 months beginning April 1 next. They have made no specific proposals, however, as to just how the money is to be expended, what portion of it is to be in the form of loans and what portion in outright grants.

There seems little doubt that the Congress will scale down the figure asked by Mr. Truman and Secretary Marshall, despite the Secretary's ill-advised "all or nothing" demand. Various amounts have been proposed by Senators and other authorities upon European and American economics and there has been a growing disposition in Congress, among Democrats as well as among Republicans to put American aid upon a more businesslike basis than the vague proposals of the administration.

Concrete proposals for the administration of aid to Europe have been few, however, despite the repeated assertions of determination to examine our economic abilities before the granting of assistance.

One of the few specific formulas for the handling of European assistance was advanced in Peoria last Saturday night by Senator Capehart of Indiana. Speaking at the annual Lincoln Day banquet of the Peoria Bar Association, the Indiana Senator made the first public announcement of what appears to be a most carefully thought-out proposal which would result in our dealings with Europe being conducted upon a common-sense, businesslike basis instead of the ethereal proposals for the scattering of American dollars which have been made by the administration.

Roughly, Senator CAPEHART's plan proposes the setting up of an international division of the Reconstruction Finance Corporation which would issue loans to private endeavors in foreign countries which could prove they were good credit risks. The plan further would require that the vast dollar holdings of the nationals of foreign countries in this Nation be tapped and that each nation benefiting from the plan would contribute to the fund dollar for dollar with the United States participation.

The Capehart plan would utilize the successful American free enterprise system instead of adopting the socialized European system which the Marshall plan contemplates. It would be private enterprise dealing with private enterprise instead of government dealing with government. It further would require the people of the needy nations to signify their faith in their country by putting up half of the capital to be used instead of requiring faith in the future of Europe only from the Americans who would foot the bill.

The placing of European relief on a sound, business basis has been proposed by many but Senator CAPEHART is the first to come forward with a plan which would seem to accomplish that purpose.

The Textile Situation

EXTENSION OF REMARKS
OF
HON. JOHN J. SPARKMAN
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Wednesday, February 25 (legislative day of Monday, February 2), 1948

Mr. SPARKMAN. Mr. President, recently Mr. Douglas Comer, one of the outstanding textile men of the United States, wrote an article regarding the textile situation in this country, which was published in the New York Journal of Commerce. I ask unanimous consent that the article be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Journal of Commerce, January 1948, textile edition]

The textile industry has seen the number of its spindles shrink from 37,000,000 in 1925 to a little over 22,000,000 today, and yet by efficient operation and extra shifts, production is at a high peak. Prevailing prices today are an encouragement to as near three-shift operations as possible and while there are a few textile fabrics that are unusually scarce, the general level on the whole is catching up with unfilled needs and there is every prospect for a leveling of prices as well.

Naturally goods made in foreign countries try to market themselves here in America because of our dollar value. Just a few goods coming into this country could easily result in the loss of confidence in our home values. It would not necessarily be just the few yards of cloth involved in an initial shipment. It would be that amount magnified many times in the minds of the buyer and which might be broadcast for the purpose of influencing the market.

We can spin and weave everything this country needs. The fact that American cotton may go to foreign looms does not justify the return of that cotton in goods to America. Their coming in here will only serve to displace that much cotton and that many jobs here in our American mills. We have sufficient capacity and we are tremendously competitive. Our average wage rate is over $1 per hour. Today we are spinning American cotton at the rate of 10,000,000 bales yearly—our business is prosperous as our farmers prosper. Foreign spinners encourage cotton growing in every other available part of the world.

Any speculation as to the future of the textile industry would have to take under consideration aid to Europe, whether under the Marshall plan or any other, because it involves the export of American cotton goods.

I am much cncerned about this question of aid to Europe. I have read with great interest several articles in the January Readers' Digest. One by W. T. Holliday, president of the Standard Oil Co. of Ohio; one by Henry Hazlitt; and one by Anne Morrow Lindbergh. We know Europe needs our help. The result of our help is going to depend most of all on how it is given. Anne Lindbergh says, "If we give simply out of duty, simply out of self-interest, or simply out of fear, then in the words of Saint Paul, 'it profiteth us nothing'" She quoted T. S. Elliot, "The last temptation is the greatest treason, to do the right deed for the wrong reason." What can be done individually has not yet been measured. Drew Pearson had an idea, and we saw Friendship trains gathering individual, voluntary contributions from one end of this country to the other in increasing amounts and surprising quantities.

If we should want to have two funds, one for relief and another dealing with more permanent upbuilding, I believe we would have an individual response that might amaze us. I am not suggesting a formula but I am impressed with what Mrs. Lindbergh had to say.

Many people, including those whose job it is to appraise economic conditions, continue to tell us that we are now in a period of growing inflation and that it has been building for several years past; and because in the past such periods have been followed by drastic recessions, we are being warned today of a similar happening.

Until we have settled this question of inflation and how much we need to do in order to help the fellow across the ocean, there should be no public-works spending anywhere for anything except just the barest necessities. That kind of spending should wait and any administration which declines to cut taxes and continues to ask for increased appropriations, whatever the need may be, should justify itself by economies in government, the kind which we have not seen now for many a day.

Inflation does not develop overnight; it is something that grows over a period of time. As a rule its growth is gradual. The question has been asked: Why, if inflation reaches its peak as a result of gradual ascent, the decline cannot also be gradual instead of tumbling precipitously.

Surely we would like to think such a result could be accomplished, not only for this time, but for other times as well. I believe that our antitrust laws do discourage business from attempting something on its own account in this connection. I think that planned results will have to come with both Government and business working together, and when I say business I mean all of us who have a part in the making or growing of things for sale, or performing some useful service.

The Government's and Congress' concern about present inflationary trends hasn't yet developed an acceptable remedy. No matter how much we may all agree on the need of some slowing down plan, we still seem unwilling again to adopt methods used by a police state, for which I am thankful. This gives me an opportunity of saying that I think we have been hurried into our present situation possibly because we were a little too quick in dropping war controls, and all of the excess-profits taxes. The resultant larger business earnings, with increased dividends, stimulated demands for increased wages, and the inflationary spiral was fairly started. Certainly a restoration of any part of this tax should not be for tax reduction somewhere else, but for debt reduction.

If controls came off too quickly after the war, I think it is not altogether fair to attribute this to the urging of industrial management. It surely was obvious to everybody that the administration of OPA, and all other controls as a matter of fact, became increasingly difficult with the war's end. Impatience with the continuation of controls was intensified because of bad administration, increasing black markets, as well as other reasons. Personally I favored at the time a further continuation of controls, but I coupled my position with the necessity for improvement in the administration.

Our freight charges for 1946 were approximately $6,112,000,000, on which we are at present paying 20 percent war tax, which is $1,222,000,000. In October the railroads were granted a 10-percent increase in their rates, and now there is an announcement of an additional 10 percent. After adding this 20 percent on 1946 freight charges, we get a total of $7,334,000,000, and 20 percent tax on this amount increases the tax bill from $1,222,000,000 to $1,466,000,000. We realize that taxes on freight charges is a tax on our bread and meat, on everything that we haul for our use; this, of course, includes home-building materials. We know that this tax pyramids—in some cases several times—and it is hidden from the consumer. It is a concealed sales tax of the worst sort. This increase in freight rates was approved to take care of increased wages and railroad costs, and undoubtedly is justifiable, but it is one more upturn in the spiral. Representative KNUDSON is proposing to take off over $5,000,000,000 from individual income taxes, but I hear no one proposing to take off this one and a half billion tax on railroad freight rates. Also, increased freight charges slow down railroad business. If we are to have sales taxes, they should be in the open, over the counter, and, to prevent pyramiding, at the nearest point of consumption and in full view of the taxpayer. I think such sales taxes as a part of an over-all tax program, including license taxes, income and inheritance taxes, will give us the fairest tax program. If we are going to use selected groups of businesses (railroads in this case) as tax gatherers, let's try to limit the tax to passenger travel. We have become accustomed to sales taxes on luxury services and things.

There are two factors which I think bear largely on this whole problem, and which I would like to mention here. One has to do with wages. It seems to me that since the volume of money and the velocity of its turn-over is one of the causes of inflation that there lies in the hands of business an opportunity to do something to help.

The Government permits corporate earnings up to 15 percent of employees' wages to be set aside ahead of taxes in trust for old-age or retirement benefits. This money can be put aside without individual income-tax deduction for the benefit of the employees, the result being an increase in wages, but without an increase in the volume of money for the time being. This also puts such money in trust where it may be made available for needed capital funds. The Avondale Mills and the Cowikee Mills are pursuing this course.

This same money in the hands of each individual and after income taxes could not possibly buy equal benefits. Why argue for increased production as a cure for inflation and at the same time keep supplying more money and new money?

The Government has recently suggested, in the interest of curtailing inflation, a campaign for bond sales throughout the country. Without attempting a formula, it seems to me that these two branches of the Government—one proposing to reduce the income-tax levy $5,600,000,000 and another proposing a sale of bonds to these same people—could join hands, and, instead of turning loose $5,600,000,000 of new spending money at a time like this, could give to the taxpayer $5,600,000,000 of some sort of certificate (called a bond, if you wish) that could not be spent until some future agreed-upon date.

Any of us with our business experiences of the past, with operating results running in peaks and valleys, would gladly swap booms and busts for a fair leveled-off operating result. In markets like this, it is not so much the seller who marks prices up; but the buyer bidding for scarce goods—and the speculator plays his part.

I think not only industry but communities at all levels should look forward and do some planning.

I was interested in a recent news item outlining a $1,000,000,000 program for Pittsburgh.

In times like this I think suppliers should work very closely with their customers, that we should all be honest with each other as to our future plans and the extent of our inventories, and should do our utmost to stop speculation in our particular field. I think business, as far as possible, should keep a reserve for certain capital investments and expenditures. Our companies are doing this. I think the Government itself should have similar plans. No Government spending now except for absolute necessities, and I certainly think with our experiences of the past we ought to be able to go ahead and catch up with our extra needs and then level off without having to tumble off.

As taxpayers today, our first concern should not be so much for tax reduction, but for debt reduction, coupled with economy in government and of the strictest kind. In the accomplishment of these latter two aims, we will have a continuing sense of security for our home, our farm, our business—large or small—and for our job, of our choosing and where; and a trend that way means much to us in America today.

DONALD COMER.

The March of Russia in Europe

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES
Wednesday, February 25 (legislative day of Monday, February 2), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Stalin's Step Toward War," published in the Washington News of February 25, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STALIN'S STEP TOWARD WAR

Red seizure of Czechoslovakia has been only a matter of time ever since Yalta. One by one Stalin has picked off the nations of eastern Europe. Now only little Finland is left in the twilight zone of phony freedom.

It is the same old story of Communist treachery and betrayal, of the Soviet stab in the back. It has been repeated in so many places, Stalin's method and purpose should be known to all the world. And yet there are still a few even in America who call themselves non-Communists like Mr. Wallace, who profess to believe that democracy can be saved by appeasement.

Stalin has played it precisely like Hitler and the Japs—only with more skill. No Nazi or Jap fifth column ever operated with the insidious perfection of the Soviet agents who have taken over eastern Europe and who have bored so deeply into Italy, France, and China.

If the analogy holds, Stalin will go on until he provokes a world war; until his cheap victories over smaller nations end in his final defeat by the strong democracies he is trying to destroy.

There is one chance that he may be stopped without such a war. If the remaining free countries can transform their economic weakness into strength through the Marshall plan, and if they can combine in an effective defense pact under the United Nations, Stalin may retreat when faced by greater power.

But, whether he retreats or advances to war, the protective unity of the free nations now rests chiefly on American economic strength and military preparedness. That much at least is clear.

The St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. JOHN C. BUTLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. BUTLER. Mr. Speaker, the debate on the proposed St. Lawrence seaway continues both in Congress and in the country. I understand that on Friday of this week the other body will vote on a proposal that it has been considering for a number of weeks. There are many citizens interested in this proposal and millions will be affected by it if it should be approved by the Congress. In fact, it would permanently affect the very livelihood of millions of our people. For this reason I desire to present for the record some comments on various arguments that have been offered as reasons why the proposal should be adopted.

NATIONAL SECURITY

National security has been one of the arguments emphasized by the proponents of this measure. They point out the need for additional facilities to move our commerce out to sea in times of national emergency. They say that our railroad and other overland means of transportation are inadequate. Let me pause to remind my friends who share this view that during the war, that we believe has just ended, our railroads and trucks did a mammoth job and did it exceedingly well. Furthermore, they were greatly handicapped because of the fact that the Government took much of their equipment—equipment which was sorely needed—and gave it away to other countries under lend-lease. I am not in possession of the exact figures of just how much of our American railroad facilities were thus given away. I recall reading at one time, and this was early in the war years, where there had then been given to our ally, the Soviet Union, some 4,000 freight cars and 1,000 American locomotives. This equipment was badly needed here, Mr. Speaker, both during the war and since the war. Perhaps if that equipment were rolling over the rails in the United States we would have avoided many a bottleneck in our transportation that has handicapped us. Perhaps if we wait for a few more months until even a portion of what we gave away can be replaced by additional new freight cars, locomotives, trucks, and other factilities, we shall find that we have an abundance of transportation facilities.

Permit me also to state that railroad and truck transportation is so much faster than a narrow seaway that to think of using the inland waterway as a means of speeding up our transportation in time of war becomes little short of a joke. Certainly if additional facilities are needed we should be considering additional trunk line railroads, or additional tunneling of mountains, or modernizing our equipment including the tracks and roadbeds to actually speed up the transportation. To suggest a 10- to 14-mile per hour ship canal to take the place of our rapid overland transportation is about as feasible as suggesting that we return again to horses and wagons.

I also desire to point out that a single bomb dropped from the sky, or planted by a saboteur either on our side or somewhere along the line in Canada could easily put the entire seaway out of order.

Let us suppose the seaway were now operating. Let us suppose also that it does save the exporters and importers or the consumers in all countries where the goods are finally used a portion of the transportation cost. Then our friends would have us believe that we have really accomplished something in the service of mankind. Now, if it is such a success, what has happened to our railroads and trucking companies? The answer is obvious. Certainly they will go out of business to whatever extent that the seaway is successful. This means that their facilities will be contracted to whatever point that they are required to handle the volume that is left to them. That will mean the railroads and trucking companies operating from Duluth, Milwaukee, Chicago, Cleveland, Buffalo, and other areas to the east will only have local freight to carry. This means their capacity to transport at say 50 to 60 or more miles per hour will be reduced down to a point where they are only able to carry the local freight. Then let us imagine that a war should break. Let us also consider the possibility that saboteurs either in this country or Canada should be ready with a planted bomb at any one of the many locks along your seaway. Now, Mr. Speaker, what becomes of the argument that we need such a seaway for national security? I say it would be far better for national security for our Government to lend its encouragement and support to the further development of our more modern and faster moving overland transportation. Let us do this rather than make huge appropriations that will add to their already excessive tax burden for the purpose of developing a ship canal largely in another country for the purpose of putting them out of business.

I am not merely thinking of the companies that own the railroads and truck lines. I am thinking even more of those tens of thousands of Americans who depend on them for their livelihood and that of their families. Also, I am thinking of the thousands of small businesses along the overland trade routes who are dependent entirely upon the trade they receive because of these transportation systems. In my mind, Mr. Speaker, it simply adds up to the inevitable conclusion that if the seaway is a success, then it would be a tragic mistake. If it fails, then of course it would not be so tragic to our economy and our security, it would be merely another of those impracticable, ill-begotten, boondoggling enterprises that have plagued America for these past several years. They have also in large measure accounted for the huge and threatening national debt which darkens the future for every American citizen.

Another reason that I feel this is just another pie-in-the-sky endeavor is the fact that its proponents have resorted to the characteristic and undignified method of calling ugly names against those of us who disagree with them. This is a label that we expect to find on every boondoggling enterprise, and now that it appears in bold relief on the seaway project, Mr. Speaker, there is little doubt how this project might well be classified.

Condemning our railroads, automobile, and trucking companies, and to suggest that our Government go further and further into the power production and distribution, also have a familiar sound. They seem to fit into this familiar pattern. But, once we point out the inadvisability of the seaway for transportation, then they turn to it as a power development project.

Is it necessary to develop a ship canal in Canada at the cost of a thousand million dollars for the purpose of providing electric power for one small area in northern New York State? Why not make available funds necessary for care-

fully planned power projects in many different sections of the country? There are thousands of good sites for dams on American rivers that will both provide the power in different areas and can also be adapted to both flood control and irrigation.

I have studied every argument, Mr. Speaker, that I have heard advanced in favor of this project. I admit they come out clothed in beautiful adjectives and adorned with high and noble purposes. But, once the clear light of analysis reflects upon them they melt into something that becomes neither beautiful nor desirable. We as Congressmen are sworn to promote the general welfare of our people. We should enact legislation for the good of our constituents as a whole. We should oppose vehemently those measures, even though they are made to look and sound good, that are not in accord with the best interests of the American citizens. And, Mr. Speaker, I for one will bitterly oppose all forms of boondoggling, generally, and the St. Lawrence seaway, particularly. Let us not go back to "horse and buggy" days.

Lithuania

EXTENSION OF REMARKS
OF
HON. MITCHELL JENKINS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. JENKINS of Pennsylvania. Mr. Speaker, on February 16, those Americans of Lithuanian descent observed, with appropriate ceremonies, the thirtieth anniversary of the independence of the Republic of Lithuania, which came into being shortly after the First World War. It was not the first free government of Lithuania, however, for as far back as 1529 the people of Lithuania established themselves as a nation and down through the intervening years they have, although many times subjected to alien rule, preserved unquenched their love of liberty and have struggled to preserve it for themselves and their children. When the light of freedom burned low in many parts of Europe, it remained lit in the hearts and souls of the people of central Europe and not least in the hearts and souls of the people of Lithuania.

But, Mr. Speaker, today, on the anniversary of their independence, the hearts of the Americans of Lithuanian origin are sad, as are the hearts of their racial brothers in Europe, for that independence so hardly and dearly won, no longer exists. There is not today a free Republic of Lithuania, any more than there is a free Poland or a free Czechoslovakia, Lithuania, like her liberty-loving neighbors, lies prostrate under the oppressor's heel, chained to the Russian chariot like the captives of ancient Rome.

The conduct of the Moscow government in its relations with Lithuania possibly has been matched, in the past, in its cynical disregard of its pledged word and its treaty obligations, but certainly has never been surpassed. A bare narrative of what has been done should shock the conscience of all decent people. The ink was hardly dry on the treaty of 1926 and its successor of 1939, whereby Russia undertook to respect the territorial integrity and national inviolability of Lithuania when Russian troops were garrisoned in the country and its ultimate incorporation into the Soviet Republic was begun. In June 1940 Mr. Molotov, just a little over 6 months later, announced the incorporation of the country into the Russian system saying, "It would be unpardonable if the Soviet Union did not seize this opportunity, which may never recur." The next year Germany "liberated" it, and then later the Russians "liberated" it from the Germans. No one has yet liberated it for the Lithuanians.

No one, except possibly those of Lithuanian descent who still retain some contacts, tenuous though they may be, with the land of their ancestors, can have any realization of the horror that lies behind the bare recital of these facts. "Liberation," by both Germany and Russia, has meant for the people of Lithuania nothing but looting, and rape, murder, and deportation, imprisonment, and fear. Our eyes have been more sharply focused, perhaps, upon the sufferings of other peoples, because news of what has happened to them has come more readily to us. But they have been no greater than the sufferings of Lithuania.

Mr. Speaker, as a lawyer of some years practice, I look to the record to see what has been done; and there I see that at Tehran, again at Yalta, and again at Potsdam, those who conducted our foreign relations on the one-man principle, and who were willing to gamble with the destinies of free people, acquiesced, so far as the record shows, in this crime against Lithuania, acquiesced in the violation of the treaties I have mentioned, and in the complete disregard of the principles of the Atlantic Charter, of which Russia was an adherent. But the American people, Mr. Speaker, do not acquiesce and can never condone what that record shows. We still regard Lithuania as an independent state and on this anniversary of its freedom look forward with confidence to the day when the Republic of Lithuania will again take its place among the free nations of the world.

Voice of America

EXTENSION OF REMARKS
OF
HON. FRED E. BUSBEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. BUSBEY. Mr. Speaker, in view of the widespread interest throughout this country in the amount of money which is being spent by the Government to disseminate proper information about this Nation abroad through the State Department's "Voice of America," I ask unanimous consent to insert in the Appendix to the RECORD a letter which was cited by the noted authority on foreign policy, David J. Dallin, on February 21, 1948, in the publication, the New Leader:

A well-known French author writes me from Paris in a letter dated February 8:

"The influence of crypto-Communist intellectuals continues to be formidable in the universities, among publishers, and in the press. We don't have the collection of documents here which was published recently and appears to have made some impression in the United States. Three or four French newspapers have mentioned them—and that is all; the whole affair has passed virtually unnoticed. It is impossible to get hold of a copy at either the American Embassy, the American library, the Information Center, or at Brentano's. This illustrates American behavior only too well. Always too little or too late. They waste millions of dollars feeding Tito but save a few hundred dollars when the education of western Europe on essential points is at stake. Yet at the same time they should take a look at the publications and information agencies of the Communists. They actually overflow with all sorts of editions, on all subjects, in all formats—you wouldn't believe it unless you saw it.

"Camus' aphorism, 'Whatever happens, we get sacrificed by the Americans,' expresses only too well the attitude of those intellectuals who have neither succumbed to Soviet enticements nor lost their heads to the American mirage. The anti-American campaign of the Communists, succeeding that of de Gaulle, is extermely effective; its effects are considerable and lasting. No wonder that the movie, Grapes of Wrath, and the writings of Steinbeck, Hemingway, and Caldwell are having a terrific success, as they tend to discredit America."

Marshall Plan Must Not Scuttle Merchant Marine

EXTENSION OF REMARKS
OF
HON. FRANCK R. HAVENNER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. HAVENNER. Mr. Speaker, I am in receipt of a letter from Mr. A. T. Wynn, secretary-treasurer of the Bay Cities Metal Trades Council of San Francisco, urging that the clause authorizing the transfer of 500 United States vessels to foreign governments be stricken from the Marshall plan bill. The Bay Cities Metal Trades Council represents 73,000 metal trades craftsmen in the San Francisco Bay area and Mr. A. T. Wynn is a citizen of high standing in that community.

The vital interest of his organization in the proposed amendment to the Marshall plan bill is set forth in his letter, as follows:

Our shipyard craftsmen and merchant marine men are greatly in need of the work required for the maintenance, repair, conversion, and manning of the vessels recommended for transfer under the plan. Retainment of the vessels is also vital to the national defense and the commerce of our Nation. These factors must be given first and serious consideration. Our representative will be in Washington on or about March 1 and will contact you to further our request. We will greatly appreciate your favorable consideration.

I have also received a letter from Capt. C. F. May, of San Francisco, president of the West Coast Local No. 90, National Organization of Masters, Mates and Pilots of America, in which Captain May makes the following statement:

The situation in the maritime industry on the west coast is very deplorable, and we are all wondering what will become of the west coast in case that part of the Marshall plan would be adopted which refers to marine transportation, sections VII and VIII. We surely hope that all the Congressmen from the Pacific coast will assist in eliminating this provision. Otherwise, as you know, all A. F. of L. organizations are definitely for the European recovery program, but we cannot afford to scuttle the United States merchant marine completely. We do feel the increase of foreign vessels sailing out of the Pacific coast tremendously on our unemployed list, which is getting bigger and bigger. From our organization there are approximately 1,700 unemployed licensed men on this coast, and more are being laid off daily, while the companies return the chartered vessels back to the Government.

I am submitting these letters at this time in order that all of the Members of the House of Representatives may have an opportunity to consider them.

Resolutions of Vermont Soil Conservation District Supervisors' Association

EXTENSION OF REMARKS
OF
HON. CHARLES A. PLUMLEY
OF VERMONT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. PLUMLEY. Mr. Speaker, under leave heretofore granted, I wish to insert in the RECORD the following resolutions adopted by the Vermont Soil Conservation District Supervisors' Association at its annual meeting in Burlington, Vt., on February 6, 1948:

Whereas the conservation job is of tremendous importance to the Nation and so big and complex as to require the full-time efforts of a technical agency to insure the accomplishment of permanent conservation; and

Whereas the entire State of Vermont is now organized in soil conservation districts and these districts have assumed the local responsibility and management of the locally adapted soil-conservation programs in accordance with the State law; and

Whereas the Secretary of Agriculture has recommended one conservation agency and one soil-conservation program for the Nation: Therefore be it

Resolved, That the State Association of District Supervisors:

1. Go on record as being ready and willing to assume the full local responsibility for the Nation's soil conservation operations program.

2. Urge that the Federal assistance made available to the districts be provided to the districts through the Soil Conservation Service, an agency that has already demonstrated its ability to work with and through such districts.

Whereas economic safeguards and assistance to farmers are in the national interest and are necessary to insure an abundance of farm products from the agricultural lands of the Nation, at the same time avoiding unwieldy surpluses of these products, and whereas such economic aids require the full-time efforts of an agency concerned with production goals, incentive payments, price supports, school-lunch programs, and the like, which agency should be armed with necessary authorities and incentive-payment resources to meet the constantly shifting economic conditions confronting farmers: Therefore be it

Resolved, That the State association of district supervisors:

1. Go on record in favor of continuing and improving the programs of economic aids to farmers.

2. Urge that elected county PMA committees be continued and made responsible for such programs of economic assistance as incentive payments, production adjustments, price supports, crop insurance, etc.

3. Favor the enactment of legislation for the use of cash payments and production aids, such as lime and fertilizer, as production-adjustment incentives.

Whereas the two types of assistance—one aimed at maintaining permanently the productive capacity of the land and the other with safeguarding the farmer's economic position—should be handled by different agencies, giving full time to their respective specialties; and

Whereas it is deemed advisable for the two agencies to work in harmony and with complete understanding of each other's objectives: Therefore be it

Resolved, That the State Association of District Supervisors—

1. Go on record as favoring the housing of personnel of all agricultural agencies operating in a county in a common building, the cost of such building to be borne jointly by Federal, State, and local governments.

2. Urge the Secretary of Agriculture to invite a representative of each of the organized farmer groups in a county to become a member of the county United States Department of Agriculture council and to instruct such councils to hold regular meetings for the exchange of program and policy information and to report on progress.

3. Urge the Secretary of Agriculture to strengthen the State United States Department of Agriculture councils by inviting representatives of each of the State-wide farmer organizations to become a member of the State council.

Whereas the soil conservation districts in Vermont are now staffed with the very minimum of personnel for efficient work; and

Whereas personnel will have to be drawn from these Vermont districts to staff new districts in other States if the appropriation is not increased to take care of the new districts: Therefore be it

Resolved, That the State Association of District Supervisors go on record as favoring an increase in appropriation for the Soil Conservation Service adequate to provide effective assistance to newly organized districts and to continue, on at least the present basis, the assistance older districts are receiving.

Inflation Comes From the Acts of Government

EXTENSION OF REMARKS
OF
HON. FRED E. BUSBEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. BUSBEY. Mr. Speaker, the cost of living is of real concern to the Congress and to all Americans. In this fateful election year it is essential that our citizens be correctly and intelligently informed about inflationary prices and where the responsibility for them lies.

The Republican, national party magazine, an outstanding publication printed in Chicago under the editorship of Mr. Richard Nowinson, carried an article of mine in the February issue entitled "Inflation Comes From the Acts of Government." Under leave to extend my remarks in the Appendix of the CONGRESSIONAL RECORD, I include the text of the article, as follows:

INFLATION COMES FROM THE ACTS OF GOVERNMENT

(By Representative FRED BUSBEY)

One year ago the majority of the economists associated with the Federal Government were warning the country of an imminent recession.

Instead of that recession we have developed additional inflation until people everywhere are complaining of prices which have, in their opinion, gone too high. At present the outlook appears to favor a substantial increase in the inflation. Retail merchants going into the markets to replenish their stocks, quite uniformly, find wholesale prices higher and still increasing. Therefore it is apparent that the American public, already resentful of the general price level, will be faced by still higher prices in the near future.

How has this come about?

NO ONE WANTS INFLATION

No one wants inflation. Consumers find it difficult to meet the current prices and do not want inflation. The retailers, who must assume the risk of carrying high-cost inventories, certainly are opposed to inflation. The President of the United States has often mentioned the necessity of halting the price advances and bringing things down to a more normal level, so we may assume the President does not want inflation. An important congressional committee has been investigating the causes of high prices and the Department of Justice has undertaken a campaign to root out monopolies as a means compelling lower prices. Therefore, it seems these officials definitely are not in favor of inflation.

Who, then, wants inflation and who, or what, has caused the present situation?

To find the answer we must go back to the long depression of the thirties. It will be remembered, we suffered during that period from a deflation which most of us believed had gone too far. Prices were abnormally low, almost every business concern was losing money, unemployment increased by leaps and bounds, employees receiving cuts in pay sighed with relief because the pay-cuts seemed to make their jobs more secure.

During that period, the Federal Government deliberately encouraged a certain degree of controlled inflation. The word "inflation" always has carried fearful implications with it, so the Government did not use that word; instead, it called the process of reviving our collapsed economic balloon by the milder term "reflation."

THE NRA IS THE BEGINNING

Congress passed the National Recovery Act and immediately every industry was busy writing codes to regulate the operation of business. The Government made no secret of the fact that the only important provisions of these codes were the restrictions on working hours and the increase in pay rates which all codes must contain. The purpose was to insure the employment of more people and to increase purchasing power. It was a deliberate effort to create inflation, but the country generally favored the move.

Then the Government abandoned the gold standard and reduced the gold content of the dollar to 59 cents. It fixed the price of gold at nearly double its long-time value, which cheapened the dollar.

It may be pointed out that a deflation comes when people prefer money to things and an inflation develops when people prefer things to money. By lowering the value of money, the Government hoped to increase the value of things, raise the depressed price level, and introduce a bit of inflation to offset the deflation from which the Nation was suffering.

Government action to make work, such as the PWA and the WPA, gave many unemployed work and compensation. Apart from public amusement over some of the worthless or nearly worthless things which people were paid to do, there was no strong demonstration of objection to these activities.

THE WIND-UP: THE WAR

It is unnecessary to dwell upon all of the inflationary things, which the Government did during those recovery years. Almost all of the important actions of the Government were inflationary in character. The wind up: the greatest producer of inflation which has ever been known, participation in a world war.

It is true that, upon facing the war, the Government eventually recognized the fact that, by undertaking some control over the economy, the effects of the inevitable inflation might be retarded. Congress enacted a price control law and established the Office of Price Administration. There seemed to be no recognition of the fact that prices have a sounder basis than the mere whim of the seller. That prices are and must be based upon costs had little consideration. As a matter of fact, when Leon Henderson, the first Price Administrator, assumed his task of trying to control all prices in this huge and complex economy, he glibly said that wages had nothing to do with prices. It would not be necessary to control wages.

THE OPA SUSPECTS EVERYONE

Naturally in such a complicated and large economic system as that of the United States, there is no man or group of men sufficiently experienced to handle such work as the OPA with 100 percent efficiency. The OPA made many mistakes, but the majority of the mistakes grew from the fact that every business representative was a suspect.

The fact that there were businessmen sincerely and unselfishly interested in supporting the Nation's war effort was an assumption which was not allowed to invade the precincts of the OPA. Too frequently, therefore, businessmen's advice was rejected, or grudgingly accepted when the soundness of the business position could be demonstrated so clearly that OPA no longer could find arguments to offset it. Businessmen saw their sons go to war, they put their surplus funds into war bonds, they participated in all of the patriotic activities of their localities; but when it came to the matter of prices, supposedly, businessmen were not to be trusted even when they wanted to cooperate with OPA.

In spite of these things, price controls were effective in keeping a check on price inflation during the worst years of the war; considerable credit should go to those who labored in jobs which never could have made them popular. It must be remembered that business generally cooperated wholeheartedly in the efforts of the OPA, had that not been the case, it is apparent that no price-control system could have been effective.

ADVANCING PRICES RESULT FROM INFLATION

It should be easy to recognize, however, that advancing prices are the result of inflation and not the cause. If that were not so, then it would be extremely easy to create an inflation by merely raising prices.

The Government's persistent efforts to overcome a deflation by creating an inflation, and the years which were required to produce such an effect are perhaps the soundest evidence that inflations are not easily produced. As a matter of fact, business—even if it desired to do so—could not create an inflation. Only the policies adopted by the Government can create an inflation.

While the OPA did hold down prices, it could do nothing to check the inflationary influences which the Government was generating. As far as the Government is concerned, it must be remembered that relatively little opposition to the course followed ever was voiced during the times when these things were done.

Because prices were controlled but the causes of inflation could not be controlled, the Government's control of prices may be compared to the compressing of a great spiral spring. When such a spring is compressed and then the pressure suddenly released, the spring will react violently. This violent reaction can be prevented, however, by a gradual relaxation of the pressure. Price control compressed the inflationary forces by an embargo against their natural outlet. The sudden ending of all price controls was similar in effect to the sudden removal of the pressure on the spring, and the identical violent reaction was inevitable.

FROZEN PRICES FIGHT MISCELLANEOUS INCREASES

The OPA held prices down, but under the surface were the forces of inflation awaiting an outlet which sooner or later would no longer be denied. This condition was greatly aggravated by OPA's own operation during the later phases of its control. Effective March 1942, prices had been frozen. As time went on, it became impossible for the OPA to hold the line completely and so miscellaneous increases in some prices were permitted.

Meanwhile, costs generally increased and many long-established manufacturing firms, which had facilities for turning out merchandise that the public greately needed, found that, under the prices which OPA permitted, they could no longer produce the articles they had been providing for the public for many years. Coming at a time when the war effort created shortages in civilian supplies, this meant a tragic loss of needed production. Moreover, probably because OPA actually realized the need for more production, new manufacturers would begin producing articles which the established manufacturers, restricted by OPA ceiling based on their prewar prices, could no longer produce profitably. The newcomers found little difficulty in securing the OPA's authorization to charge prices decidedly more liberal than the experienced concerns were allowed.

The new manufacturers usually lacked the experience and the facilities of the older manufacturers. Too often they were not men who intended to remain in that particular manufacturing field indefinitely and so their products were often inferior. The OPA officials refused to face the facts realistically; as a result, there was an extreme shortage of all the lower-priced merchandise for which the public had a special demand.

When the war activities ended, the public demanded more and more merchandise; thanks mainly but not entirely to the OPA, the merchandise supplies were scarce and industries were in shackles, which made increased production difficult. Congress, recognizing these conditions, attempted to enact a modified price control measure which, while exerting a restraining influence on prices, would encourage the mass production which the country required. The President's veto put an end to all the price controls.

What happened then is common knowledge. Prices proceeded to seek their own level, and they still are seeking for that level. What the ultimate result may be, it is too early to predict.

It is natural that many Americans look back upon the price control days and sincerely believe that we need similar controls now. Prices were lower then, so they believe that if we had price control today the prices again would be lower and everything would be serene.

PRICE CONTROLS HOLD UP PRODUCTION

This point of view fails to see that price controls cannot cure the underlying condition. It may be hard to accept, but, nevertheless, it is a fact that even if price controls, as administered by the OPA, had been continued for several more years, when they finally came to an end, the inflationary influences underlying the rise in prices would be continued and increased so that, eventually, we would have a period somewhat like the present, through which we would have to live. The OPA philosophy that price controls should have been continued until production had caught up with demand, of course, completely fails to recognize the fact that price controls were preventing that needed increase in production.

Inflation has come from the policies of the Government, not from business, although it has been nourished by business and by the buying public. It would be both refreshing and beneficial if the Government would frankly inform the public of the situation.

Perhaps it is too much to expect, but how unity and understanding would be advanced if the Government would say, "Your Government has been confronted by great emergencies which have required it to follow policies resulting in inflation. The Government could do nothing else, but it is the obligation of every citizen to support the Government by using self-restraint in the presence of this great danger of inflation."

Such an official statement would help to remove the confusion and the suspicion which now exist. It would act to destroy the illusion that high prices are an unfailing proof of greed and dishonesty in the business which serves the public.

What is the outlook for the future?

It seems that we have not reached the peak. That opinion is based upon some recognition which Congress may vote in favor of the Marshall plan to aid Europe and China, which inevitably will entail more inflation.

As long as this problem is discussed in terms of "dollars" (I recommend reading Will Dollars Save the World? by Henry Hazlett), it may serve to disguise the actual situation and to prevent the public from understanding that, again, a governmental policy is inflationary in nature.

DOLLARS TO EUROPE MEAN HIGHER PRICES

Gifts of dollars to Europe would be meaningless if it were not that these dollars give the holders access to the supplies of commodities in this country. They can have no other use. Consequently, it is plain that what is under contemplation is the giving of part of our own supplies to other countries. It must be pointed out, however, that this is another inflation-producing policy and its effect will be to push American prices higher.

Politicians will argue that this will not be the case, but it is impossible to read any other result into it. Here again, the Administration should make an honest, frank statement of the situation and advise the people that the Marshall plan is inflationary and, naturally, higher prices will result.

In Washington there is the beginning recognition of the fact that one of the basic causes of the inflation is the great increase of money in circulation and the tremendous expansion of bank credit. Before the war the money in circulation was about $6,000,000,000 while now it is about $28,000,000,000. That fact alone would support a substantial inflation because the supply of available

goods has not increased sufficiently to balance it. Moreover, the huge volume of Government obligations in the hands of the bank has been a still greater influence in expanding bank credit. The banks can expand their credit six and one-half times the amount of the bonds which they hold.

By taking steps which will initiate the passing of this era of easy money, the Government could turn the inflationary tide. To do so, however, may involve hardship both to the Government and to the people. Therefore, it is to be expected that such steps will not be taken, at least until it becomes increasingly apparent that no other way out is to be found. To put an end to what both business and the public mistakenly regard as good times would not be a popular step. That is why it is easier to talk about the return of price controls and all other sorts of controls over the economy of the Nation. Such controls cannot strike at the basic causes of inflation and so they would serve only to disguise the fact that we are heading into disaster.

Here is another example of how foolish it is for the Government to omit telling the public the real causes of inflation and inviting public cooperation in overcoming the situation.

Save Your Money

EXTENSION OF REMARKS
OF

HON. FRED A. HARTLEY, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. HARTLEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address which I delivered recently:

I have obtained this time tonight over the Mutual Broadcasting System to talk to the workers of the Nation.

This day is of great significance to me; first, because it commemorates the anniversary of the birth of George Washington, the founder of our beloved Nation; second, because it happens to be my own birthday; and, third, because today the Taft-Hartley law is 6 months old.

While its full meaning is yet to be determined by decisions of the National Labor Relations Board and the courts, on the face of its first 6 months of trial the act refutes the hysterical and fanciful attacks made upon it by certain union leaders.

While they have toned down their adjectives in describing the Taft-Hartley law in recent months, I would like to remind you of some of the terms they employed in trying to defeat the legislation and later in condemning it after it was the law of the land.

Mr. Philip Murray, president of the CIO, called it a diabolical monstrosity. Mr. William Green, president of the American Federation of Labor, in the multi-million-dollar campaign against the bill, coined the term "slave-labor law."

The fact of the matter is that the workers of this Nation are being kidded by their own officials, their own so-called leaders. Since they don't like the law, they are trying to tell you that you don't like it. The labor barons of this Nation don't like the law for one simple reason. It breaks up their dictatorship over you. It brings democracy to the labor movement. It in no way interferes with labor's legitimate rights. It seeks only to curb the abuses of power by certain of your labor leaders, and I say with regret that it doesn't curb all of them.

I would remind the workers of this Nation that every protection you ever had in the original Wagner Act against abuses by employer bosses is retained intact in the Taft-Hartley law. What we have done in the new labor law is to give you additional protection against abuses by labor bosses. That is why the labor bosses don't like the Taft-Hartley law. That is why they are trying to make you believe it is a "diabolical monstrosity" and a "slave labor law." That is why some of them are trying to sign contracts outside the Taft-Hartley Act; not to put your employer behind the eight ball but to keep you there. The big change in the Taft-Hartley law is the new power given you as a member of the union; power which you did not have until the new law was passed.

Here are some of the new rights which you haven't had before and wouldn't ever have had if the new law had not been enacted:

You can't be fired by your union under the Taft-Hartley Act. So long as you pay your initiation fees and your dues regularly you job is safe. The union can't have you laid off because they don't like your race or religion or you personally. There will be no more special assessments for political parties or candidates you don't want to support. If you don't want to pay them you don't have to and your union can't do anything about it. If perchance you are laid off for any such reason you can apply to the Government for reinstatement and make the union pay you for the time you lost.

Strong-arm and muscle-men methods by unions against its members are out under the Taft-Hartley law. If force is used in a union election or if it is used against a man who doesn't want to go along with something the union officials have decided to do that is an unfair labor practice under the Taft-Hartley Act. The union can lose its bargaining rights with the employer and its right of appeal to the Government. I am frank to say to you that in my judgment that provision in the law is not adequate. The strong arm methods I have observed in various parts of the Nation during industrial disputes can lead to but one thing and that is to strengthen that provision in the law.

I would not deny to any worker his fundamental right to strike. But there is an equally fundamental right, one which has been overlooked far too long, and that is the right of a worker to work if he wants to work free from any harm or threat of harm to himself or members of his family.

I propose to make it a Federal offense to interfere with the civil rights of any worker to go to his job, not only to preserve his right to work but to restore respect for law and order even in the conduct of an industrial dispute.

Here are some more of the things about the Taft-Hartley law which your labor bosses don't like but perhaps you will. You can now go straight to your employer if you have a grievance which your union wouldn't handle.

Check-offs can't be charged against you without your written permission. Excessive initiation fees and fines are outlawed. Jurisdictional strikes and secondary boycotts which have lost so much working time for union members are now illegal. Featherbedding, which means a loafer being put on the pay roll while someone else does the work, has been outlawed.

If your union is sued and a fine imposed the money can only be taken from the union as a whole; it can't be taken from you as an individual member. You have a right to a full financial report so that you can find out what the labor bosses are doing with your money they collect from you in dues and assessments.

You have the right to petition to get rid of the union if you have it where you work and don't want it any more.

The Taft-Hartley law also helps you rid yourself of the yoke of communistic leadership. Before the union can appeal to the Government for collective-bargaining rights it must file affidavits that no officer of the local is a member of the Communist Party or any other group which plans to overthrow the United States Government. There has been much to do about this provision in the law. I have been asked why should the head of a union declare he is not a Communist and, if we are going to make labor union leaders register as non-Communists why not have the same requirement for the heads of business groups? I see no objection to the latter suggestion and welcome such a proposal. But as to the reason for this provision in the law, may I say that most people recognize there is an international conspiracy intended to break down democratic government wherever it exists, especially in America, and replace it with a communistic dictatorship. Communists in all countries, including the United States, are part of this conspiracy. One of the main objectives of this program is to obtain control of the labor movement in every country.

In recent weeks and months we have witnessed the effect of communistic infiltration in the labor movement in France, Italy, and the Ruhr Valley in Germany. Already in the United States they have succeeded to the extent that the heads of several big unions are known Communists.

The American people well know that in communistic-controlled unions the purpose is to instill civil strife and prepare to destroy industrial machinery which would be our mainstay in the event of war.

Under the Taft-Hartley Act we endeavor to withdraw the protection of the Government from unions dominated by persons whose purpose is to break down our Government. In this particular, the Taft-Hartley Act is a necessary protection for America as well as for union members.

The Taft-Hartley law makes you free Americans. As I mentioned earlier, William Green, the president of the American Federation of Labor, has tried to make you believe this is a slave-labor law. There are supposed to be 16,000,000 workers in the organized-labor movement, A. F. of L., CIO, and independent unions. I challenge Mr. Green or anyone else in the labor movement to give me the name of a single one of the 16,000,000 organized workers in this Nation who has been made a slave laborer under this law. The fact is that some of the most favorable contracts ever written, from the union point of view, have been signed since the Taft-Hartley Act was passed.

It is interesting to note the results of various polls that have been taken among the workers of this Nation to find out what you think of the law and its provisions. These surveys uncovered a strange paradox, that notwithstanding their declared disapproval of the law, a majority of the workers favored every individual provision on which they were questioned. The accuracy of these polls has not been challenged by the labor leadership.

While I am attempting to answer the hundreds of attacks that have been made on this law, I am not asking you to accept my word for it. The law speaks for itself. It is easy to get a copy. I will send a copy to anyone listening to this broadcast. Read it for yourself. Every single point that I have mentioned as giving you new rights and powers is down in black and white in the law. I want you to have the facts, because you are being called on now to contribute millions of dollars into a fund to be spent by the labor bosses of this Nation, in an effort to purge from Congress the 331 Members of the House and the 68 Members of the Senate who voted to make the Taft-Hartley bill the law of the land.

I want to advise you not to give this money to your leaders. It will constitute a fund that in itself will accomplish nothing. You, as workers, must abhor this waste of your money.

I would like to remind you that 331 Members of the House who voted to override the President's veto, constituted an overwhelming majority of both political parties. Incidentally, that vote was the greatest vote ever to override a Presidential veto. This effort to purge the Members of Congress who voted to make this the law of the land is doomed to fail.

But even should the complexion of Congress revert to that of the Seventy-ninth, the Seventy-eighth, or even the Seventy-seventh Congress, there will still be enough Members in the House to protect the integrity of the Taft-Hartley law. In fact, fully 60 percent of the present law passed the House as far back as 1940. So I say to you that this law will not be emasculated nor repealed. This campaign by the leaders of organized labor of this Nation is hardly the way to win friends and influence people in or out of Congress.

On the other hand, if there is any provision of the new law which proves to be punitive, drastic, or unworkable, those of us who sponsored this measure will be the first to want to correct any defect. As evidence of our good faith, let me call your attention to the provision in the law setting up a joint committee composed of seven Members of the House and seven Members of the Senate to study the effect of this law and to recommend to the Congress any amendments that might prove desirable. I happen to be vice chairman of this committee. I can assure you that we have been making a thorough study of this law and how it is operating in all its particulars. On December 17 last, more than 2 months ago, this committee publicly invited anyone, including the labor leaders of this Nation, who had any fault to find with this law, or who had been injured by its operation, to tell us about it. Up to this moment not a single representative of organized labor has taken us up on this invitation. And let me repeat that the invitation is still open.

In other words, all we are asking the labor leadership to do is stop crying and tell us where the pain is. The fact is that they cannot give us a bill of particulars against this law and they know it.

The new labor law is a good law—for you, the workers, and for the American people. Those of us in Congress who contributed to its passage are proud of what we have done. If anyone who is now listening to me would like a copy of this speech or of the law, or of any of the material that we used in preparing this law, I would be glad to send it to you.

I thank you for having listened and bid you a cordial goodnight.

Port of Portland and Far Eastern Trade

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. ANGELL. Mr. Speaker, by leave heretofore granted, I include the following article on Far Eastern trade which appeared in the Portland (Oreg.) Journal on February 11, 1948:

FAR EASTERN TRADE

(By L. W. Harris, Jr., Ames, Harris, Neville Co.)

The port of Portland, the Columbia River basin and the State of Oregon, located as they are and constituting part of the western-seaboard community of the United States, all have a definite right to look in the direction of the Far East and the Middle East with the objective of forming and preserving trade and cultural ties. On August 15, 1947, the new dominion of India and the new dominion of Pakistan formally assumed their own responsibilities, each with dominion status, together comprising the territory which was formerly British India.

From a trade standpoint and of importance to all of us in this community are records of this port, which show that Portland is surpassed only by San Francisco in value of imports from British India to the Pacific coast. This is particularly notable, since from a general average of all imported products from all sources, Portland ranks fourth on the Pacific coast, but on cargo originating from British India our record puts us considerably ahead of Los Angeles and Seattle, principally because of the tonnage of jute burlap brought in through our port.

Burlap is the commercial designation for that cloth made from the fiber of the jute plant, which is successfully grown on a commercial basis only in certain provinces of India. The burlap is brought to this country in pressed bales via steamer, discharged over our own dock facilities, and is processed principally into burlap bags for shipment of agricultural products.

Approximately 600 people receive employment in Portland factories directly connected with the cutting, sewing, and printing of the burlap as it is manufactured into bags for such a variety of products as wheat, flour, sugar, seeds, poultry, dairy and animal foods, wool, potatoes, nuts, salt, beans, and fertilizer. Burlap bags thus manufactured in Portland are shipped into the great agricultural areas of the Pacific Northwest and Intermountain States of Oregon, Washington, Idaho, Utah, Montana, Wyoming, and northern California.

The factories actually producing burlap bags are in turn continually using manufacturing materials and supplies which are furnished from other factories of the community.

The bags used in the transportation and handling of these bulk commodities become part and parcel of the industrial and agricultural output of the Pacific Northwest. From the above, it can be seen how a product of a very distant country becomes part of our everyday life. Approximately 100 years ago President Fillmore was even then cognizant of the prospects of trade between Asia and the west coast of North America. Today 400,000,000 people who constitute the population of Pakistan and the Dominion of India are seeking opportunities to produce items which we can use in this country, and are equally anxious to obtain many items made in the United States. Recently more than the usual number of visitors have come to the United States as observers and investigators to bring their manufactures to a point of greater acceptability by us, while others endeavor to secure American products which can be used by their people.

There are other commodities, produced overseas, which can be imported with resultant advantage to our port and our industries. It is a two-way proposition which can well be cultivated with other countries, as well as with India.

Increase of Pay of Postal Employees

EXTENSION OF REMARKS
OF
HON. ROBERT CROSSER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. CROSSER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by William C. Doherty, president, National Association of Letter Carriers, before House Committee on Post Office and Civil Service:

Mr. Chairman and members of the House Committee on Post Office and Civil Service, my name is William C. Doherty. I am president of the National Association of Letter Carriers. Our organization represents 79,364 city, rural, and vilage letter carriers in the United States Postal Service. The NALC was founded in 1889, and has devoted nearly 60 years to the improvement of the postal service and the betterment of conditions affecting the welfare of letter carriers. I want to add that each of our 79,364 members is a classified civil-service employee. I should also tell you that we have local branches of our organization in more than 4,000 cities and villages throughout the 48 States, the Hawaiian Islands, and Puerto Rico.

In behalf of our entire membership, I desire to compliment the chairman and members of this committee for their presence here today to consider this very important subject of postal wages. Speaking for myself and every letter carrier in the Nation, I want to express deep appreciation for your prompt and friendly consideration of what I consider the paramount issue in each letter carrier's life, namely, the problem of stretching his postal-wage dollars to meet present high-living costs.

With respect to an upward wage adjustment for letter carriers, it might well be asked: Is there need of it? Is there need of it in the first place from the standpoint of the employees? Secondly, is there need of it from the viewpoint of the postal service? These are the questions which I wish to submit for the candid consideration of you gentlemen. If our respectful request to you is unjust or unreasonable, it should be rejected without apology. But if you find validity in our claim that letter carriers cannot live on their present postal wages, then we are satisfied that you are fair enough and wise enough to make possible the proper means for solving our economic problem.

Perhaps the best answer to the question of the need for a wage adjustment is to be found in the numerous bills anent the subject introduced in this session, both in the House and the Senate. In this connection, I am mindful that you, Mr. Chairman, very recently introduced your own bill, H. R. 5472, which provides for a temporary increase in the compensation of all Federal employees, including postal employees. You are to be complimented for the friendly consideration which prompted your action. Those same sentiments of appreciation go out to the several other members of your committee that have sponsored postal pay bills in the present session of the Congress.

While I have no ready reference at hand, I believe it is a fact that approximately 35 postal pay bills are now pending before the appropriate committee in each House. The fact that 35 different postal pay bills have been introduced can be interpreted as meaning but one thing, and one thing only, namely, a general acceptance of the fact that postal workers are not now receiving an adequate salary.

From a statistical standpoint, that is, figures based on accepted cost of living indices, it can be readily shown that an urgent need exists for an upward wage adjustment for letter carriers. According to the Bureau of Labor Statistics, the over-all cost of living on December 15, 1945, stood at 129.9 points—with 1935–39 equaling 100 points. That same source shows that as of January 15, 1948, the index for the cost of all items had risen to 168.8 points. This rise represents an almost unbelievable jump of 29.9 percent in the over-all cost of living in the period involved.

For purposes of clarification I should say that the period from December 15, 1945, to

January 15, 1948, is used herein because the first-named date most nearly coincides with the date on which letter carriers last received a pay increase—that is, January 1, 1946, or 15 days subsequent to the example date used. The January 15, 1948, date is employed because it represents the last available period for which complete cost-of-living data have been compiled.

In other words, since Public Law 386 became effective on January 1, 1946, which gave letter carriers and most other postal personnel a horizontal pay increase of $400, the period of December 15, 1945, to January 15, 1948, is being utilized in this justification for an immediate wage increase.

Because food costs comprise approximately one-half of the average worker's personal budget I should like to invite your attention to the spectacular rise in the cost of food during the same period described above.

The Bureau of Labor Statistics on December 15, 1945, noted the food cost index as being 141.4. On January 15, 1948, it had soared to the astronomical figure of 209.7, a rise of 48.3 percent for the period involved. This rise in the cost of food has had and continues to have a crushing impact on the personal budget of letter carriers. He simply has not been able to match food prices with his sadly deflated purchasable dollar. In many instances he has not been able to put on his family table the basic foods that are so necessary to sustain him in the arduous duties of a letter carrier.

I am sure that most of you will recall the item which appeared in all the local newspapers a few weeks ago, concerning the testimony given a Senate subcommittee on postal wages by the wife of a local letter carrier. This lady very convincingly demonstrated that she could not provide butter for her family, which included three growing boys, on her husband's salary. I do not wish to intimate that letter carriers are starving to death in the streets. They are not. But at the same time their present woefully inadequate salary denies them their rightful participation in the ideals and bounty of the world's greatest democracy. This same totally inadequate salary excludes letter carriers from an equitable share in the material, social, intellectual, and moral prosperity of our day and age. Letter carriers do not want merely a living wage. We feel that we are entitled to no less than a saving wage. A saving wage and the American way of life are indivisible.

In other words, due to the inflation of our money, which affects everybody, the purchasing power of our dollar has decreased approximately one-half. In addition, we have nearly 30 percent less take-home pay. This situation has created chaos in the personal lives of our people. They are at their wit's end trying to make their salary stand up to present-day costs. Not only is there a glaring deficiency in their take-home pay, but not a single penny they sepend does its full duty. We lose in every transaction affecting our food, clothing, shelter, hygiene, schooling, amusements, and all the other necessities that go to make up our accepted American standard of living. I feel very strongly that the time has long since passed when the letter carriers' value should be assessed at the poverty line.

Admittedly, there was a break in grain prices beginning the first of the month. Perhaps I should admit further that it was the sharpest break in recent years. But I also contend that the break has had very little effect, if any, on the prices you and I pay at retail. As a matter of record, during the past week the BLS officials conducted a sample test of retail food prices. The results showed a decline of 3 to 4 percent—an infinitesimal decrease, to say the least. Moreover, there is sufficient evidence to justify the opinion held by those economists who say the food-price declines appear to be leveling off. If that turns out to be a correct estimate of the situation, the average letter carrier will be just as perplexed as he was before the price break.

On the other hand, the slight decrease in food prices has been more than offset by the continuing rise in consumer items, such as household products, clothing, fuel, and rents. It cost 31 percent more to wear shoes these days; fuel is up 20 percent; clothing approximately 19 percent. And there is no reason to be optimistic that a break will occur in the prices for these items, especially in view of the recently announced increase of 10 percent in certain types of steel products.

Actually, it is a case of one hand washing the other; bread and milk come down a penny or two, while consumer products go up in an equal amount. As far as the individual letter carrier is concerned, no downward trend in prices is reflected in his personal budget, and something more tangible is necessary than a 3-percent decline in food prices to convince him that his present postal salary is now adequate, or that it will become adequate in the immediate days ahead.

I should like to inject another point which is too often overlooked in considering wages for letter carriers. Reference is made to the fact that letter carriers are obliged to furnish their own uniforms for the proper performance of their duties. The cost of these uniforms constitutes no small item in his yearly budget. I say "uniforms" advisedly, because each letter carrier is obliged to furnish himself with two complete uniforms—one for winter wear and another for the summer period. I might also say that to the best of my knowledge no other department of the Government demands employees to furnish their own uniforms or other distinctive garb where required.

Let me quote some of the prices advertised for letter-carrier uniforms taken from advertisements appearing in the Postal Record, a monthly journal published by our organization.

One firm (and it is a typical firm as to prices) offers serge trousers at $15.75 each; 14-ounce gabardine trousers cost the letter carrier $16.

The same firm offers a summer-cloth suit, consisting of three pieces, for a total of $54.45; a medium-weight uniform suitable for mild winter weather costs $61.35.

A letter carrier's cap costs him a minimum of $2.50—and he must have at least two caps, one for winter and another for summer.

Shoes. There is hardly any need for me to impress upon you the fact that letter carriers in the daily performance of their duties are on their feet in all kinds of weather from 8 to 10 hours a day. The wear and tear on their shoes is terrific. A very conservative estimate for the cost of a year's supply of shoes for the average letter carrier would be $50, including the cost of repairs.

Shirts. The special accessories required on our work shirts, such as shoulder reinforcements, etc., increases the cost. It is impossible to get a quality letter carrier's shirt for less than $3.50 each, and because of the constant wear and tear on our clothing, a minimum of six shirts each is required for summer and winter wear.

All this adds up in a year's time. In fact, it costs a letter carrier no small portion of his salary each year to dress himself in the uniform required by the Post Office Department. As I mentioned previously, we are probably the only Federal employees required to furnish our own uniforms. It is a ridiculous situation. I sometimes wonder what would happen if an employer in outside industry hired a bookkeeper and then required the employee to furnish his own adding machine and all the other tools of his trade. Imagine yourselves hiring a secretary and then telling her to bring her own typewriter and file cabinets when she reported for work.

Again referring to the 29.9-percent rise in the over-all cost of living since last letter carriers received a wage adjustment, I want to point out the method used to justify the amount of increase we now feel is necessary to bring letter carriers up to par, so to speak.

On December 3, 1947, the legislative reference service of the Congressional Library stated that on July 1, 1946, the average salary paid postal workers in the field service was $2,708 per annum. If we multiply $2,708 by 29.9 percent, the result is $809.69. That figure represents the amount required to meet the average deficiency in postal salaries.

Now let me refer to another phase which must always be borne in mind in the consideration of postal salaries. Letter carriers are paid out of public funds—that is, Treasury Department funds—and I might use this occasion to insert in the record a correction of an erroneous impression that is becoming prevalent relative to the source of payments for postal salaries. There is an impression in some quarters that postal salaries are paid from postal revenues; moreover, there is a further interpretation put on this impression which would have postal salaries totally dependent upon postal revenues. I merely want the record to show that postal salaries are in no manner dependent upon postal revenues. By the same token, there is no connection between postal revenues and postal expenditures. If the Congress should, for example, appropriate $1,000,000,000 during any fiscal year for the operation of the Post Office Department, that is all the Department could use legally for the operation of the postal service, regardless of the fact that postal revenues during that period might be double or triple postal expenditures. Because letter carriers are paid out of public funds, there is always present a certain sensitivity as to the public reaction to any increase in public expenditures, be they for salaries or any other legitimate public expenses. The spokesman for the letter carriers is aware of that condition; letter carriers in general are also aware of the necessity of always presenting a reasonable request in the matter of wage advancements—after all, letter carriers are also taxpayers.

Along that line of thought, I want to quote at random some of the favorable reaction of the public press to our request for an upward wage adjustment. This is not a complete file on the subject, but it does indicate the attitude of the American people toward the request of the letter carrier for a decent salary. I might add these are all editorial comments:

From the Peoria Star, February 7:

"The request of the postal employees has our sympathy. Employees of the Post Office Department work for their salaries. They form a large group of our most reliable public servants. The service they render is essential to the Nation. The security they enjoy they pay for themselves. There is no featherbedding in the postal service. There are many places in the administration of our Federal Government where economy might be practiced before squeezing the purses of such a loyal and essential group of Government employees as those who operate the postal service."

A second comment from a paper in Illinois, the Peoria Journal, under date of February 11, stated: "Whenever the cost of living rises, as it has been doing for the past few years in the United States, persons with fixed incomes suffer the most. Some workers can get raised to offset at least a portion of the increased cost of living, but those whose incomes are stationary or whose salaries are set by law have a great deal of trouble keeping up with rising prices. Included in this category are the employees of the Post Office Department. Their salaries are set by law and it takes action by Congress to obtain an increase for them."

Taking a realistic view of the cost aspect involved in Federal salaries, the Journal continued: "There seems little doubt that the

postal employees are entitled to the raise they are seeking. Few Government employees work as hard as the post-office employees and few give as faithful service as they. While we dislike to see any increase in the cost of Government, certainly the postal workers have earned what they are asking, and we are hopeful that their request will be granted."

On February 3, the editor of the Altoona Mirror, in Pennsylvania, said: "The letter carriers contend they can no longer meet current living costs on their pay scale * * * they maintain that, on their present pay scale, the average letter carrier is going in the hole at the rate of $35 a month. It is up to all of us to consider the facts and act accordingly. The carriers have done, and are doing a good job. Let's give them a pat on the back in the way it will do the most good. Write your Congressman."

The Jackson (Miss.) Daily News, on January 29, said: "Among the 10,000,000 or more Americans of fixed or relatively fixed incomes who find their purchasing power dwindling in the present inflationary period, few groups are more worthy of relief than the Nation's postal employees. Letter carriers and other postal workers are by no means the only ones suffering from rising prices. But in their case the remedy is at hand."

Advancing the thought that the well-known fair-mindedness of the American taxpayer would prompt him to see the justification of a pay raise for letter carriers, the editor of the St. Joseph (Mo.) Gazette, on February 3, stated: "Few American taxpayers are likely to object to a reasonable increase in the pay of the country's postal workers. Like everybody else, they have been squeezed by inflation, but no relief is in sight for them unless Congress approves raises in their pay. Congress, who believes in fair play, and expect the postman always to ring twice, should take steps for giving them a raise in pay."

The editor of the Macon (Ga.) Telegraph, February 6 edition, makes a point that should be given unusual consideration in dealing with the question of letter-carrier wages. The editorial referred to states, in part: "It is generally agreed that our postal employees are among the most faithful and deserving of all our public servants, but it is equally true that they have been greatly neglected." The editorial continues:

"An important consideration in this connection is that, while postal employees are organized, they are not allowed to strike, and, to be perfectly fair, they have shown no disposition to strike. They are content to rely upon a sense of fair play on the part of Congress and of the general public. There were weary years during which this reliance seemed misplaced."

I am not going to take up any more of your valuable time to read additional editorial excerpts in favor of a salary raise for letter carriers. There are a great many more on file in my office—among them comments from Milwaukee, Wis.; Atlanta, Ga.; Philadelphia, Pa., and others. I do want to mention, however, that the AFL executive council, of which I am privileged to be a member, in their recent winter session, voted unanimously to endorse our pay-raise request. Describing postal workers as being victimized by inflation, the statement accompanying the AFL endorsement added: "It is up to Congress to correct this mass injustice without delay. Government workers who cannot bargain collectively for wages or strike must depend upon the mercies of Congress."

In the forepart of my statement I propounded the question of the need for a salary raise from the viewpoint of the postal service. I also pointed out earlier in my testimony that the organization which I have the honor to represent has been engaged for the past 60 years not only in bettering the welfare of its membership, but doing everything within its power to advance the postal service. We, as postal employees, have a natural and abiding interest in the advancement of the service. We want to see it expanded; we want to see it give more and better service to the American people. To do these things it is absolutely necessary that modern equipment be furnished the postal service in sufficient quantities to do the job. It is imperative that the planning of the Department be harmonized with the technological advancements of our era. No less important is it that the Department secure and retain the high caliber of personnel which has brought the United States postal service to the high position which it now enjoys in its field. That point alone is sufficient justification to increase the wage of letter carriers and other postal workers.

Postal authorities will no doubt testify to the fact that it is no longer possible to recruit new employees on the present $2,100 entrance salary. New entrants who, for the most part, are veterans of World War II are required to serve 11 years before reaching the maximum pay grade of $3,100. As I have pointed out, the gap between the fixed salary of the top-grade letter carrier at $3,100 cannot be closed. How, then, can we expect the $2,100 letter carrier to cope with his economic problems? I can tell you he is not successfully coping with those problems.

In many instances these men are attempting to augment their postal wages with income from outside employment. There is little need for me to tell you that in so doing it is at the expense of a diminishing interest in the postal service. If these men stopped at part-time work it would be bad enough; but in altogether too many instances they are leaving the postal service for more lucrative positions in outside industry. That sort of situation is very costly to the Government. Considerable money is spent to train a postal recruit, and before there is time to collect on the investment the new man becomes disillusioned. He gives up any idea he might have had about a postal career and sells his labor elsewhere.

Most of us knew when we entered the postal service that we would never become wealthy men; we forfeited all thought of ever owning productive capital. But as matters now stand the job of carrying the mails is no longer attractive enough to induce young men to enter the service. Potential career men apply for an examination; they qualify in competition with other like-minded men, but as soon as they learn of the salary grades they turn their back on the service.

In this connection, let me quote a portion of an editorial recently appearing in the Wyoming Eagle, published at Cheyenne, Wyo. It points up the absolute need for making the job of carrying the mails attractive from a financial standpoint, if the historical efficiency of the service is to be maintained. The article is dated February 5, and reads in part: "As a result of the low beginning wage and the limitations placed upon these people, it is becoming increasingly difficult to secure capable young men for the postal service. And the volume of mail now being handled is considered to be at an all-time high. If the Government is to uphold the traditions of its efficient postal service and staff it with capable young men, it must offer them at least the inducements of other occupations. Among these a comfortable living wage."

This unwholesome condition is not something that has been conjured in our minds. It is real. Moreover, it will become progressively harder to rectify if allowed to continue unchecked. It is something that can be overcome only by thoughtful consideration and forceful action. There must be an immediate consideration given the underlying cause for its existence, namely the wage consideration.

I want to quote an announcement dated February 13, 1948, from the United States Civil Service Commission, Office of the Director, Eleventh United States Civil Service Region, with headquarters in Seattle, Wash.: The purpose of the announcement is to advertise a forthcoming civil-service examination for probational appointment to the positions of substitute clerk-carriers in the post office service. The interesting part about this announcement is that it is the third such amendment to the original call for the examination described. The reason for this third notice—and it is printed very plainly on the copy—is "because of insufficient applications." In other words, there is a third attempt being made to secure sufficient applications to warrant holding a civil-service examination to establish eligible rosters for the entire eleventh civil service region.

Getting a little closer to home, permit me to quote a news item which appeared in the Washington, D. C., Times-Herald on February 16. The caption of the story reads: "Postal Jobs Go Begging." The item reads in part: "The Civil Service Commission reported today that it has not received enough applications for substitute clerk and carrier jobs in the Washington post office—jobs for which it used to be deluged with applications." The remainder of the item is irrelevant to the point under consideration, as it merely outlines the place, time, et cetera, where applications may be secured for the examination.

The point I wish to bring to your attention is that no longer is there any financial reason why a young man should enter upon the postal service as a career.

Because of the acute situation within the Postal Service, a conference of letter carrier representatives was held in Washington, D. C., January 12 and 13. Approximately 700 letter carriers from 44 different States were on hand for that conference. Among other things, the group recorded itself in favor of an immediate $800 upward wage adjustment on a permanent basis, to be effective January 1, 1948.

This action taken by the National Association of Letter Carriers parallels that taken by the Government Employees' Council, American Federation of Labor, on December 9, 1947, when it endorsed a proposal seeking an immediate wage adjustment of not less than $800 per annum. This also carried the stipulation that such legislation would be permanent in nature and would become effective January 1, 1948. This last named group represents 21 unions whose membership in whole or in part are employed by the Federal Government. The Council has a membership of approximately 500,000 Government employees.

I have one more thought before I finish my testimony; along with millions of other American workers, letter carriers would much prefer a substantial reduction in the over-all cost of living in lieu of a wage boost. But the situation is one over which letter carriers have no control. It is a very critical situation both for the Postal Service and the employees. Simple justice demands that letter carriers be given an immediate wage increase.

Therefore, the National Association of Letter Carriers endorses the principle contained in the various pay raise bills pending before this distinguished committee. We are of the firm opinion, in fact, it is a deep-rooted conviction with us, that a permanent wage increase of not less than $800 per annum, effective January 1, 1948, is not only warranted but wholly justified.

Thank you for your kind attention.

Synthetic Rubber for War

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. SHAFER. Mr. Speaker, under leave to extend my remarks, I include an editorial from the February 24 issue of the Washington Star:

SYNTHETIC RUBBER FOR WAR

The House Armed Services Committee has recommended unanimously to the House a peacetime synthetic-rubber program that, if adopted without substantial change, should assure the Nation of an adequate supply of the critical material in any foreseeable emergency. World War II showed how risky it can be to rely on imported natural rubber to keep the war machine going. But for the amazing production feats of a war-born synthetic-rubber industry an Allied victory in that war might well have been impossible.

Congress now faces the problem of deciding what to do with this industry when the wartime synthetic rubber law expires on March 31 of this year. There is not much time left for deliberation. But the House committee, after 9 months of intensive study of the problem, has presented a series of proposals which should simplify the task of the House and the Senate. The program represents a number of compromises of prevailing views on the difficult subject and hence will provoke some debate on the floor.

Briefly, the measure calls for preservation of sufficient synthetic-rubber plants in operating or standby condition to produce 675,000 tons of the product annually, if necessary. The plants would remain under Government ownership, but they could be leased to private interests for rubber production under an arrangement requiring a total output of at least 225,000 tons each year. Sale of any of the fifty-odd Government plants would be prohibited except by special authority of Congress. Private interests would be encouraged, however, to build their own plants, to add to the potential productive capacity of the country.

The leasing of these Government plants, of course, should be surrounded by every safeguard necessary to protect the public's vital interest in the industry. Maintenance in efficient operating condition of adequate facilities for synthetic-rubber production is no less important to national security than availability of aircraft production facilities. Fortunately, synthetic rubber has become a valuable peacetime commodity, the demand for which is such as to assure a continued interest by private industry in its production. The cooperation of private industry should help to put the Government's proposed program on a self-liquidating basis.

New National Service Life Insurance Program in the Making

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. SHAFER. Mr. Speaker, as the chairman of a subcommittee of the House Committee on Armed Services, I have received several letters from interested insurance executives relating to an insurance program that I understand will be inaugurated to take the place of the national service life insurance in the Army, Navy, and Air Force.

As is generally known, the present method of insurance used by the Government is both unduly expensive to taxpayers and socialistic in implication. Even more important, it is about as inefficiently handled as it possibly could be.

Insurance men who have had a chance to observe the workings of the Veterans' Administration are impressed, more than anything else, with the inefficiency of the present set-up. The service rendered policyholders is terrible.

One insurance friend of mine said recently:

It would be more economical and far more efficient if the Government would give the insurance to the veteran rather than charge him for it each month.

There is a great deal of interest in insurance circles, of course, as to the kind of legislation the armed services themselves will recommend in regard to a future mode of insuring service personnel. I am happy to be able to say that such a recommendation will be forthcoming soon, and I am serving notice now that my subcommittee will get busy on the legislation just as soon as the wishes of the armed services are made known.

In this connection, I ask unanimous consent that there be carried in the RECORD at this point a letter which I received recently from James V. Forrestal, Secretary of Defense, relating to forthcoming action along this line:

THE SECRETARY OF DEFENSE,
Washington, January 20, 1948.

Hon. PAUL SHAFER,
House of Representatives,
Washington, D. C.

DEAR MR. SHAFER: The following is in amplification of my previous acknowledgment of your letter of December 31, with which you forwarded a letter from Mr. H. Loree Harvey, of the Equitable Life Insurance Co. of Iowa, relative to the report of a committee of the Joint Army-Navy Personnel Board on national service life insurance.

I find that the report to which Mr. Harvey refers has not been pigeonholed but that recommendations in the premises will be forthcoming in due course. Its status is as follows:

A committee, headed by Lt. Col. A. F. Penzold, Jr., USMC, appointed by the Joint Army-Navy Personnel Board, made a study of national service life insurance and made certain recommendations in its report to the board which included the granting of gratuitous life insurance to persons on active duty. The report of this committee has been approved by the Joint Army-Navy Personnel Board, but has been held in abeyance by that board pending completion of a study of the whole problem of pay, physical-disability benefits, and death gratuities, to which matters the subject is closely related, and with which it should be integrated.

The recommendations of the board when completed will be forwarded to the Secretaries of the Army, Navy, and Air Force for comment and further recommendation prior to the initiation of legislation on this subject.

The enclosure forwarded with your letter is returned herewith as requested.

Sincerely yours,

JAMES FORRESTAL.

Cadets Want No Foreign Sales

EXTENSION OF REMARKS
OF
HON. ALVIN F. WEICHEL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. WEICHEL. Mr. Speaker, with reference to the proposed sale and transfer of some 500 ships to foreign nations under the relief program, I am including a statement from the Alumni Association of the United States Merchant Marine Cadet Corps, who substantiate the position taken by the Committee on Merchant Marine and Fisheries in which the committee took action to stop charter and sales to foreigners as well as recommending there being no free transfer of ships:

The Alumni Association of the United States Merchant Marine Cadet Corps, representing more than 8,000 deck and engine officers graduated from the United States Merchant Marine Academy at Kings Point, Long Island, N. Y., wishes to state before this committee, that it opposes the sale or transfer of approximately 500 American ships to foreign nations under the emergency relief program.

At the same time, we wish to make it clear that since we sail our ships to most of the destitute countries in Europe, we are probably more familiar with the needs of those war-stricken nations than are most Americans. We will therefore, support very strongly the efforts of those interested in supplying the necessary aid to these countries. But aside from the humanitarian aspects of such a plan, we believe in the development of healthy trading between Americans and citizens of foreign countries. Stimulation of such trading at this time especially, is of utmost importance for the recovery and prosperity of the European nations, as well as the continuance of our own.

This committee has already been provided with statistical break-downs proving there will be little immediate saving and no long-range saving by using foreign crews and American ships in transporting American goods to nations in Europe. It is not our purpose then, to duplicate these figures but we do wish to point out a few other important aspects of the problem as it affects the American merchant marine, the American public, and in particular the American citizen who is also an American seaman.

In two World Wars the United States was caught with a pitifully inadequate peacetime merchant fleet. Since an abundance of merchant ships and well-trained crews is always the very first requirement in meeting such national emergencies, we, not having a healthy merchant marine, had to hastily build merchant ships during two world wars. Added to this, is the unestimated cost to the United States of the war due to delay in building ships and the many lives lost due to this same delay.

At the beginning of World Wars I and II, the percentage of goods transported to and from this country was 13 percent and 25 percent, respectively. At present, it is less than 50 percent with this figure decreasing steadily. Shouldn't it be the policy of the United States Government to maintain the American merchant marine at its highest possible level, especially when it can do this at such a relatively low cost? Shouldn't the Congress take the long-range view and endeavor to avoid the possibility of a recurrence of the extravagant spending concurrent with the last two wars? I am sure that if more

American citizens were aware of the cost of unpreparedness, they would want the Congress to take steps to prevent recurrence of this cost.

During the height of battle, the American seaman was praised from the President on down for his courage and willingness to sacrifice life and limb for his country. Since the cessation of hostilities, he has been almost completely forgotten. Now, more than 25,000 American seamen are facing replacement by foreign seamen on American ships.

The use of cheaper foreign labor which will directly put American citizens out of work in an industry vital to national defense just doesn't seem to be real Americanism.

It is the sincere hope of our association that the Congress will continue the 500 ships on an active status with American crews in the American merchant marine.

Life of Margaret Bondurant Devoted to Social Service in City and State

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. ANGELL. Mr. Speaker, on February 11, 1948, I called attention to the outstanding record of one of Oregon's distinguished public-spirited citizens, Margaret Bondurant. In these remarks I emphasized the remarkable work performed by Mrs. Bondurant in behalf of handicapped citizens. In the Portland Oregonian of February 22, 1948, M. Leona Nichols gave a brief review of the social service performed by Mrs. Bondurant in her long career in my State in her free-will service for the handicapped and the underprivileged. The article follows:

LIFE OF MARGARET BONDURANT DEVOTED TO SOCIAL SERVICE IN CITY AND STATE

(By M. Leona Nichols)

"Keep your face to the light and never turn back," was the advice given Margaret Bondurant when she began her first social service work in 1909. Her interest awakened, the underprivileged and their problems, continued to absorb her attention until now she devotes her full time to assisting the handicapped in find a self-supporting vocation.

Margaret Zwickel was born in Pittsburgh, Pa., the daughter of C. C. and Margaret Zwickel. Miss Zwickel came to Oregon in 1889 and later was married to Royal Edward Bondurant.

The duties of homemaking were deeply engrossing to Mrs. Bondurant, yet she did not allow her own security to crowd out her interest in those who experienced the seamy side of existence.

The story of a deserted family drew deeply upon her sympathies. After investigating the case, Mrs. Bondurant found the distress of these homeless ones deplorable and she went among her friends to collect enough funds to relieve the wife and her little ones. Her success astonished her for the response was liberal. Enough money was donated to clothe the entire family and to buy a small house for them. From this substantial start they were able to become self-supporting and new courage lifted them out of despondency.

Mrs. Bondurant now launched other projects to aid the needy and found much satisfaction in social-service work.

MANY PROJECTS SUPPORTED

Allying herself with other women who had the same objectives, she supported many projects for the benefit of women and children. Laws were lacking whereby State help might be secured for orphaned or deserted children, and mothers were obliged to leave their little ones to the care of older children while they became bread winners. In order to secure help for these dependents, Mrs. Bondurant sought the cooperation of the Oregon Congress of Mothers.

As chairman of the legislative council, she and her associates in 1912 formulated data for the passage of a widow's pension law. This and other remedial legislation was passed in 1913.

With this matter accomplished Mrs. Bondurant turned her attention to the Oregon Prisoners Aid Society Board and labored with that group from 1913 to 1936.

The years presented other problems needing solution, and since Mrs. Bondurant's sympathies were inclusive of all underprivileged, she served as a member of the board of the Children's Farm Home at Corvallis for 6 years, beginning in 1922. She was also president of the Albertina Kerr Nursery from 1919 to 1927 and was active in the affairs of the Louise Home.

Capacity to work for others made Mrs. Bondurant a prominent figure in social welfare, and her affiliations were many and varied. She was chairman of the State advisory board for the blind from 1930 to 1936 and treasurer for the Blind Relief Fund, Inc. It was under her supervision that a survey of the blind in the State was made. In this work Mrs. Sidney Teiser, representative of the blind commission for the Council of Jewish Women, was a valuable assistant, for it was a full-time job that required the careful investigation of those handicapped by partial or complete loss of sight.

Mrs. Bondurant also was instrumental in obtaining money from the State legislature for the first school to be held at the Louise home for the juvenile hospital at that institution. She also was active, together with Oscar W. Horne, in securing an initiative measure for creating the Oregon Blind Trade School.

HANDICAPPED PERSONS AIDED

Mrs. Bondurant was active in raising the standard of the court of domestic relations. Her latest efforts were promoting the sale of articles made by handicapped persons. This store at 1325 Southwest Washington Street is sponsored by National Crippled Children and Adults, Inc. Mrs. Bondurant is keenly alert to the needs of those who are handicapped by physical affliction and her services are gratuitous in all of her activities.

Aside from her many charities, she is honorary president of the Holladay Park Hospital and has acted as treasurer of the Republican Woman's Club, Inc., of Oregon since 1937. She is also a member of the Eastern Star, the Daughters of the Nile, and Portland Woman's Club.

A daughter, Pauline, now Mrs. Hedley Hill, was born to Mr. and Mrs. Bondurant. Since the death of her husband in 1935, Mrs. Bondurant has found a renewal of interest in life in the arrival of her two grandchildren.

Equality for Aliens

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. JUDD. Mr. Speaker, under leave to extend my remarks, I include an editorial from the Washington Post of January 29, 1948, dealing with a bill, H. R. 5004, I have introduced to remedy a long-existing injustice, and to correct various technical difficulties, in our immigration and naturalization laws. I do not know any place where we can do more good to others and can get more benefits for our own country at so small a cost.

EQUALITY FOR ALIENS

The immigration and naturalization laws of the United States still contain a considerable element of racial discrimination which is at once an irritant to our relations in the Far East and a denial of our own vital principle that all men are created equal. The exclusionary features of the Immigration Act of 1924, directed against persons of oriental origin, were modified with respect to the Chinese in 1943 and with respect to the Filipinos and East Indians in 1946. However, persons from Burma, Japan, Siam, Indonesia, Korea, Indochina, the Malay States, and the Pacific islands are still barred from becoming naturalized as citizens of the United States and are, therefore, in general, ineligible even to enter this country as immigrants.

Representative WALTER H. JUDD has introduced a bill designed to cure this inequity. Its effect would be to do for other orientals what has already been done for Chinese, Filipinos, and East Indians—that is, to erase from our nationality and immigration policy any discrimination on racial grounds and treat them as we treat Europeans seeking to ente the United States. In practice, because stringent quotas are applicable to the peoples in question, no more than a few hundred Asiatics now ineligible to enter the United States would be granted admittance. Mr. JUDD's proposal would not change the quota law in any respect; it would merely extend it.

The most important effect of his bill would be to make eligible for naturalization an estimated 88,000 persons now in the United States and Hawaii who are barred from becoming citizens because of racial origin. The President's Committee on Civil Rights urged that this be done. Most of those who would be affected are Japanese whose loyalty to their adopted country was amply demonstrated during the war; they produced, among other things, the One Hundredth Battalion and the Four Hundred and Forty-second Infantry Combat Team, which, as the late Gen. Joseph W. Stilwell put it, "bought an awful big hunk of America with their blood." Their present status makes them the victims of discriminatory land laws in some Western States prohibiting aliens ineligible to citizenship from buying, selling, or conveying land. In the Oyama case, the Supreme Court pointed out the other day the invidiousness of this kind of discrimination. Congress rather than the Court can furnish the most effective remedy. Americans of Japanese ancestry deserve fair pla"

The Enemy Within

EXTENSION OF REMARKS

OF

HON. ROBERT A. GRANT

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. GRANT of Indiana. Mr. Speaker, the following editorial from yesterday's

Wall Street Journal should be required reading for every American:

THE ENEMY WITHIN

The thing we call the American way of life—for lack of a more definitive phrase—is beset on many fronts. We have just finished a war to protect it from one enemy. We are prepared, if it be necessary, to take up arms again to repel others who envy us. But in turning our faces outward, it seems to us, we are overlooking a more insidious enemy within our gates.

That enemy is doubt. It is a suspicion that, although we have the greatest liberty, the greatest wealth, and the widest distribution of both the liberty and wealth, of any nation now or before us—that although we have all these, the system by which we achieved them is somehow all wrong.

Our economic system rests on the profit motive, the theory that the best way to achieve maximum production and distribution of material goods is to permit each man to reap his own harvest. Our political system rests on the belief in personal liberty, a conviction that the individual must not be enslaved by the majority any more than by a tyrant.

Both beliefs are under suspicion. The suspicion is that the profit motive, the desire of a man to work for himself and his family, is not only unnecessary but is even undesirable, a thing of evil. And finally, that if we cannot have perfect equality and security without sacrificing liberty, then liberty has been overvalued.

The seeds of this doubt come in many forms and are dropped in many places. They are not fathered alone by conscious propagandists for foreign ideas. They are to be found in the words of many men of good will, teachers, intellectual and artistic leaders, and high Government officials.

It is probably not surprising that some among our artists and "intellectuals" are the most prolific sowers of suspicion, for they are by nature doubters of the world, however they may find it. But there is an ironic twist there, for they have profited greatly from the civilization they censure. Under no other system, for example, have the teacher, the writer, and the artist had greater rewards or greater freedom. Even in the Golden Ages of Greece and Rome, the teacher was a slave and the singer the sort of minstrel who, like today's Shostakovich, sang as he was told.

What is dangerous is that the suspicion has worked its way, perhaps unconsciously, into high places.

Last week President Truman addressed a Jackson Day dinner. It was admittedly a political speech designed to garner votes next November. But the words he used, the fact that both he and his hearers believed them to be vote-getters, shows how strongly the seeds of doubt has grown.

Wealth (i. e., money) to the President is never a thing that is put to work and performs any useful service. It is referred to always as "selfish wealth" and "concentrated wealth." Wages for labor and income for the farmer are good things, but the very word "profit" is an epithet and a reproach. Those who acquire it, or seek it, are engaged in a reckless pursuit of privilege and power.

Business, which is simply a name for the mechanism that produces and distributes wealth, has somehow become an enemy of the people. Even when Mr. Truman speaks of one of his policies as being beneficial to business, the implication is that business is a special group apart from the rest of the citizenry and has no relation to the laborer or the farmer. Mr. Truman is not doing something beneficial for the community as a whole; he is doing something nice for business.

Anyone who read this speech, and believed all of it, would be persuaded that wealth is an evil force enslaving mankind and that all men of business wear horns and a tail.

Mr. Truman, too, despairs of our progress in conquering prejudice, in extending political liberty, in providing educational opportunity. He sees little opportunity for progress under our present laws; we must give up a little more of our liberty to new laws and new Government bureaus to achieve more real liberty.

We do not think Mr. Truman intended any such sweeping denunciation; more probably he was tilting with Henry Wallace. Surely he could not be intentionally denouncing the very productive wealth with which he wants to uplift the rest of the world. Nor do we believe that he was intentionally castigating the system that gives our individual citizens so much freedom that they are now the envy of that world.

Perhaps he meant only to say the obvious: that the millennium is not here. But it seems to us he was reflecting the suspicion fashionable among too many people in the Government, that there is something wrong with our whole system, and that it ought to be junked simply because it has not produced that millennium.

These people are seeding suspicion of the very things that have made us among all nations the richest in both material goods and in freedom simply because we have not yet abolished all prejudice, all poverty, all greed. They are, as it were, doubting justice because some judges are venal.

Certainly we need to guard against dangers from without because our life is too rich a prize not to raise envy. Equally we need to guard against doubts from within lest we grow within ourselves the seeds of our disaster.

Palestine Retreat

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. CELLER. Mr. Speaker, upon hearing Senator Austin's statement before the Security Council on the Palestine situation, I issued the following statement:

The statement of our United Nations delegate, Warren Austin, before the Security Council is outrageously hypocritical. He asked the appointment of another committee to study the Palestine situation—as if there haven't been enough committees. There have been committee reports piled on committee reports on Palestine. It is like seeing a house burn and having the fire commissioner ask for the convocation of a debating society to determine whether or not to ply the hose on the conflagration. Action, not words, is wanted. Inaction only encourages Arab incursions and more bloodshed. This is further evidence of United States fumbling and faintness of heart. As a first positive action, the United States itself should lift the arms embargo forthwith and immediately demand without reservation the setting up of a Jewish militia, the opening of a seaport to Jewish immigration and necessary supplies, and the establishment of an international constabularly. No further committee studies are needed.

In Senator Austin's statement we see the retreat of the United States from the healthy leadership it had first provided in the General Assembly debates which led to the recommendation of partition. Frankly, the newspapers state that the terms of the long-delayed statement of the United States position on Palestine was so complicated that even the UN delegates skilled in the fine art of innuendo so dear to the diplomatic heart were themselves confused and uncertain as to what Warren Austin meant.

At least this is clear. The American statement leaves all the lead questions unanswered. Secondly, its many generalities and qualifications are a pretty obvious attempt to permit the United States plenty of elbowroom to go in many directions. It can go upward, downward, north, east, south, or west. It is hardly what one would expect from a nation which took the lead in the advocacy of partition last fall. The statement is a far cry from the forthright declarations made by Herschel Johnson concerning the partition plan. In Austin's statement there was absolutely no ring of leadership. It was a spineless, blurred attempt to confuse the issue. On one hand, the United States says that force can be used only to enforce peace in the Holy Land, and, on the other hand, the United States says that force cannot be used to enforce partition. Any child can tell you there is no peace in Palestine and that the absence of peace is a threat to international peace and that the sorry conditions in Palestine are the result of the Arab refusal to accept partition. The statement makes it appear as if Senator Austin and those responsible for the statement deliberately put blinders on their eyes and plugs in their ears so that they would not see nor hear of the horrendous conditions now existing in Palestine. In a single blast in Jerusalem on Sunday, British troops or Arabs disguised as British troops murdered 52 Jews. Hundreds were maimed. The violence continues unabated.

Who is guilty? Certainly, the Jews did not start the killing. It was the intransigence of the Arabs aided by Arab sovereignties who have brought death into the Holy Land, and amidst the tragedies, the Jews are unable to arm themselves against the attacks. The finger of guilt is pointed at the United States as well as at Great Britain. Despite Britain's promise to keep law and order in Palestine, despite the 100,000 troops she has in that area in her calculated way, she permitted acts of aggression by the Arabs directed against the Jews. She openly disregarded the United Nations injunction to open a port for Jewish immigration by February 1. She refused to permit the commission of five selected by member nations to set up shop in Palestine in time to make certain that Palestine would be a going concern before the British left. I knew well enough that Britain would not retreat gracefully, but I did not know then that she would precede by intrigue and councils of war with Arab leaders to so confuse the issue, to let blood so freely, that she could go back to the UN, pleading the unworkability of partition, even before partition had been tried. It was hoped, however, that with British and United States firmness squarely and without compromise placed before the Arabs, the Arab spokesmen like the

ex-grand mufti of Jerusalem would understand fully the futility of opposition.

But the real joker in the deck was the United States. After the leadership, the earnest and affirmative and direct statements, plus Presidential pressure, which the United States gave in the partition debates, it is almost impossible to believe the evidence now spread before us, leading to the inescapable conclusion that our State Department favors the wrecking of the partition plan. We kept ominously silent when troops from Syria and Lebanon and Transjordan crossed the borders into Palestine to join in aggressive fighting against the Jews. I quote directly from the text of the UN Palestine Commission's first report to the Security Council, submitted on February 16: "Arab morale is considered to have risen steadily as a result of these reinforcements."

We did nothing to recall to the British their own responsibilities in maintaining law and order. We saw no reason to bring these acts of aggression to the attention of the UN, though we did not hesitate to carry the issues of Greece, Iran, and Korea to the UN and take leadership in the ensuing discussion. While President Truman did plead with some of the Arab leaders to use restraint, it was purely a private conversation and in no way helped to allay the deliberately inflamed passions of the Arab populations.

These are some of the things we did not do. What we did instead was to place an embargo on arms to the Middle East. That is not only adding injury to injury but irony as well. As the report to the Security Council affirms, the Arabs are receiving arms and armed men from surrounding territories. The British admit sending arms to Arab countries and defend it on the ground of "contractual obligations." Arms from the United States can go to Pakistan and Iran, countries openly favoring the Arabs. We know these arms are being routed to Palestine. But the State Department sees fit to bar the Jews from such purchases from the United States while making it possible for the Arabs to arm at will. It almost appears as if our State Department had grown two heads, one nodding ineffectually to the idea of partition and the other voicing a great big welcome to the invading Arabs. In short, we behaved as if the only way to work out the puzzle was to cut pieces that do not fit.

Now comes Austin's statement, pale, inconclusive, and shy. How will the Arabs react now with this further evidence of retreat from center? Can they not rightfully conclude that their threats and their raids and their bloodshed have borne for them the desired fruit? Had we taken positive action before as indicated in my previous remarks, the question would not have been thrown back to the UN. As is, exactly what was planned by partition opponents, has come to pass. Colombia formally proposed that the Security Council convene a special session of the General Assembly to reconsider last fall's decision on partition. Naturally, step by step, by British refusal to cooperate, by United States pussyfooting in one direction and imposing the arms embargo in another direction, by refusal to set up a militia or providing arms for the defenders of the partition plan, by deliberately encouraging bloodshed and violence, it was secretly hoped that an impasse would be reached and reconsideration asked. Can we spell out one single affirmative act on the part of the United States or any other member nation, for that matter, that pointed to a determination that partition was conclusive? Did anybody really try? It seemed that the road back was being very carefully paved so that it could be pronounced that partition had failed before anyone except the Jews of Palestine had seriously tried to put it into operation. Now the failure is pinned on partition instead of where it really belongs—on those nations which refused deliberately to give authority to the United Nations decision on Palestine.

Warren Austin is worried about the legal niceties of the protocol. He says that the General Assembly can only recommend. Of course, it can only recommend a decision, but the Security Council of which the United States is a member has a right to invoke sanctions just short of force by economic boycott, by cutting oil communications of offending nations like Syria, Lebanon, and Transjordan, radio, telegraphs, telephones, and the mails. It can oust the intransigent nations from the United Nations. If all this fails, it can invoke force. But Warren Austion was silent on all of these. He followed the protocol. The situation in Palestine is not a threat to peace; it is an actual breach of the peace of the world. It is actually such a breach of the peace that the Security Council was set up to stop, first by sanctions as aforesaid and then by a constabulary.

This is no longer only a Jewish problem. The United Nations prestige is at stake. The prestige of the United States is at stake. All peoples have a stake therein in the outcome. The press of the country is almost unanimous in their criticism of the mawkishness of our attitude. Already, the ambiguous statement of Warren Austin has been quickly followed by developments which have further muddied the waters of Palestine.

Warren Austin is most suddenly worried about strict charter constitutionality. But, mind you, the United States was not worried about any charter constitutionality last fall when Herschel Johnson formally proposed an international constabulary to keep the peace during partition. Austin stated:

> The Security Council is authorized to take forceful measures with respect to Palestine to remove a threat to international peace.

What is happening in Palestine but just such a threat to international peace? He states further:

> The charter of the UN does not empower the Security Council to enforce a political settlement whether it is pursuant to a recommendation of the General Assembly or of the Council itself.

What is any settlement emanating from the UN but a political settlement?

Austin proposes the Big Five Nations on the Council constitute a special committee to consider whether such a threat exists. Another committee. We have had committee piled upon committee until the very issue is being smothered for lack of air. Another proposal is that this thousandth and one committee negotiate with Arabs, Jews, and Britain to gain acquiescence to partition. This delaying maneuver is as obvious as a hanging petticoat. All through the debates prior to the recommendation, negotiations, the very same negotiations, were going on. If the negotiations failed then, how much more certain are their failure now with the pulpy attitude of the United States in full parade. The Arabs recognize that their bluster is on the way to success. It is more than just silly even to talk about their yielding to verbal persuasion.

One of the explanations forwarded by the State Department is the necessity for American security in terms of Middle East stability, as if Middle East stability can be obtained through permitting the Arabs to believe they can blackmail the United States at will. If there had been no prospect of a Jewish state in Palestine, the cauldron there would still seethe. The Middle East is undergoing transformation. The Arab peasant is slowly but surely awakening to the deprivations that have been forced upon him through these many decades by unscrupulous leaders. The ideologies of democracy and industrialization have crept through to the downtrodden Arab. Revolt is stirring. It has been aptly said that if there had not been zionism in Palestine, the Arab chieftans would have had to invent it. The Jewish state is used to divert the Arab peasant from contemplating his own ills. It will not take him too long to understand. The State Department with its cry for stability cannot hold back the tide. The Middle East will not remain stable even if all the wishful thinking of the State Department were woven into iron and placed around the whole Arab world. What the department overlooks is that the one stabilizing and dependable factor that can exist is the Jewish state which with its science and agriculture and industrialization can serve the United States best in that area if the need ever arises.

So it has come to this. The mighty, the moral, the superior United States refuses to stand up and be counted. The steady hand with which it pursued the General Assembly debates is palsied. Its hand has become sticky with the glue it uses to stick to the coattails of John Bull.

Finally, I am more than deeply concerned over the Palestine policy of the State Department. Everything that has been done or left undone has been kept secret. It is time to shed the light on it. It is time to draw the curtain back and expose the political intrigues, the brass hat interference, the ill-considered motives of our State Department in its delineation of the Palestine policy and its perversion of American traditional policy which since 1922 has favored the establishment in Palestine of a Jewish democratic commonwealth. To that end, I shall introduce a House resolution tomorrow calling for the investigation of the State Department in its conduct with

reference to the Middle East. The text of the resolution is as follows:

Whereas the conduct of the State Department with reference to the Middle East has been subjected to continuous criticism; and

Whereas the Office of Near Eastern and African Affairs has been charged with deliberately subverting the decision of the United Nations on Palestine; and

Whereas an arms embargo is imposed against countries of the Middle East without consultation with member nations of the United Nations; and

Whereas such unilateral conduct has been the very antithesis of neutrality although presumably based upon the Neutrality Act of 1939 and the Export-Import Controls Act of 1940; and

Whereas the activities of the Near Eastern Division have brought the State Department into disrepute; and

Whereas the activities of that division clearly indicate bad faith, ineptitude, indecision, and obscure motives; and

Whereas the Near East Division has initiated policies which are contrary to the American policy on Palestine; and

Whereas the said Division has deliberately contravened established policy by untoward instructions to our consular and diplomatic agents in the Middle East; and

Whereas the traditional American policy on Palestine has been reiterated in two congressional concurrent resolutions and by Executive declarations from President Wilson through and including President Truman, which policy has been traduced by officials of the said Division; and

Whereas the activities of this Division with reference to Palestine are contrary to stated public opinion as registered by the petitions of 40 Governors of the States and by 33 State legislatures: Now, then, be it

Resolved, That a special committee, composed of seven Members of the House of Representatives, appointed by the Speaker of the House, is hereby authorized and directed to investigate the conduct of the Near East Division of the Department of State with reference to the establishment of a Jewish state in Palestine.

For the purposes of this resolution the committee is authorized to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses, and the production of such books, papers, and documents, and to take such testimony as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or by any member designated by such chairman, and may be served by any person designated by such chairman or member.

More on Yalta

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 19, 1948

Mr. JUDD. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the Washington Post of Saturday, February 21, 1948:

MORE ON YALTA

Mr. Byrnes in his book, Speaking Frankly, says that if he had been at Yalta on February 11, 1945, "it is probable" he would have learned of the Roosevelt gift of the Kuriles to Soviet Russia. Judging from Secretary Marshall's confession yesterday, we doubt it. Secretary (then General) Marshall was at Yalta, but he knew nothing about the Manchurian deal. Moscow, in return for a promise to go to war with Japan, got a reversion of the Manchurian concessions once enjoyed by the Czarists. Mr. Roosevelt, according to Mr. Byrnes, promised "to have China agree to that part affecting China's territory." And he kept his word. Under the Sino-Russian agreement of August 14, 1945, China ratified the Yalta understanding, and got as a quid pro quo a Russian pledge of friendship and support for Chiang Kai-shek's regime. The Soviet has honored the treaty by trying to turn Manchuria into a Soviet colony without regard to China's rights, especially at Dairen; and its friendship and support of Chiang have been expressed in silence and inactivity during his present travail.

Though these cessions were not known to Mr. Marshall, it must be said that it was because of his estimate of the military situation that they were made. It is said on good authority that he told Mr. Roosevelt Japan could hold out for 18 months after the collapse of Germany. Few errors in the war were more egregious than this. Actually, Japan was on the verge of disintegration while the deal on Manchuria was under discussion, and gave in within 4 months of the Allied victory in Europe. It is, we know, the fashion to give the credit to the atomic bomb, but no competent and honest observer believes it. In Navy circles, moreover, there was the utmost skepticism as to the expediency of courting the war entry of Russia, anyway. Mr. Roosevelt paid a purchase price for it which, in these days of Russian noncooperation with China or with the United States, is heavy on the American conscience, and which is one of the reasons that the conference at Yalta was the monumental blunder that we called it when the real news of what happened began to be public property.

The Fraternal Order of Eagles

EXTENSION OF REMARKS
OF
HON. WARREN G. MAGNUSON
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES
Wednesday, February 25 (legislative day of Monday, February 2), 1948

Mr. MAGNUSON. Mr. President, this month marks the fiftieth anniversary of the Fraternal Order of Eagles. No doubt many Members of Congress belong to that organization. It was founded in my home town of Seattle, February 6, 1898, and is now one of the oldest fraternal organizations of the United States. Its record of social legislation and humanitarian achievement is without peer among fraternal organizations.

In the monthly magazine called the Eagle for February, the organization commemorates its fiftieth anniversary in a very fine article entitled "Fifty Years of Service," by Richard S. Davis, a well-known writer. I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIFTY YEARS OF SERVICE—EAGLEDOM'S FIRST HALF CENTURY HAS BROUGHT NEW HOPE AND SECURITY TO MANY MILLIONS OF PLAIN AMERICANS—AND A NEW KIND OF FELLOWSHIP

(By Richard S. Davis)

Since February of 1898, America has grown a half century older. The Fraternal Order of Eagles has become a half century old. Through storms and fair weather, in this era of stress, the stalwart father and the loyal son have steadily marched forward, arm in arm.

No man should speak of the Eagles apart from America, because the Eagles could not have been born and could not have become strong anywhere else on this troubled earth. No other soil and no other spirit could have been right for the lusty fellowship which in 50 years has grown from six members to more than a million. The heart, the mind, the soul, and the sinews of America are the Eagles' incomparable heritage. The Eagles are American democracy. They seek no part of anything else.

Six original members—that is the record. They were John Considine of Seattle and five of his cronies. They took a long walk together in the warm sunshine of February 6, 1898, and they sat on a lumber pile in the waterfront shipyards. There, in jovial fellowship, they founded the order which long since has come to mean not only brotherhood but infinitely more.

It is fitting that John Considine was a rugged chunk of a man, a square-jawed, broad-shouldered Irishman with twinkling blue eyes. It is fitting also that he had the dynamic, aggressive character which some years before had led him into the Klondike, where only the strong could survive. And it is further fitting that he and the other boys held their first meeting on a pile of redolent pine, which stood then for the might and beauty of the great Northwest, just as it does today.

Surely it was right for Eagles to spread their wings originally in the Northwest, and it was right for them to sweep across the continent. It was both right and inevitable, for the country had an impelling need for a brotherhood that eagerly welcomed the common man.

Then as now the Eagles welcomed men of the logging camps, the mines, and the mills. They welcomed men from the stores, and men of the professions, and men of the cloth, and men from the theater, and men from the taprooms and men who made their living in sports. In short, they welcomed all Americans who basically were clean.

The starch of social position was no requirement. High education was not asked. Mayflower ancestry meant no more than did an old man who had arrived with his straggling brood only the day before yesterday. Men whose shirts were stained by sweat, men whose hands were never quite free of grime, men who knew the dread of poverty—all these men were asked to be brothers.

No condescension was in it, nothing but deep understanding. It was understanding of the truth that all men, regardless of birth or station, hungered for the fellowship America so easily could give.

No use pretending that those early days of the order were not a lusty period. The steins were on the table—the smaller glasses and the fat bottles, too—and the good songs were ringing clear, often much later than was strictly proper.

The one and only John L. Sullivan once headed New York aerie. Sailor Tom Sharkey was the toast of many a loyal brother. It was a matter of course that James J. Jeffries, one of the truly great champions, should become an Eagle and do fine missionary work in his beloved West. And it was a certainty that the incomparable Jack Dempsey, in the not so long ago, should adopt the pin that in itself is symbolic of the heights. All through the years it has gone without saying that men who could fight were Eagles, and it's been almost equally true that, in every other branch of sport, the men who played the game to the hilt have instinctively turned to this order.

The two Roosevelts—Teddy and F. D. R.—both were proud to be Eagles. So was Warren G. Harding and so is Harry S. Truman. Senators, Representatives, Governors—man, what

a list could be stretched out here if there were point in it! But let's get on with things that have more substance.

Countless times, in the lobby of English's Opera House in Indianapolis, little old ladies on the arms of their watchful sons have paused to read a bronze tablet, which bears this inscription:

"On this site, Sunday, February 7, 1904, the first known plea for a Nation-wide observance of Mothers' Day was made by Frank E. Hering, teacher, orator, humanitarian—in commemoration of Mother's Day and in honor of its beloved founder the Fraternal Order of Eagles erects this tablet May 10, 1931."

The little old ladies unfailingly have smiled in their warmly appreciative way, and the sons have said with pride that well became them: "Know who Mr. Hering was, mother? One of our Eagles. No wonder the boys are proud of him."

Somehow it's true that in all the order's long list of accomplishments, there is nothing that stirs more satisfaction among the men of the rank and file than Frank Hering's great address in Indianapolis 44 years ago. All America knows what finally came of his appeal.

Few words should be written about Frank E. Hering without linking his name to another of equal luster—the name of Conrad H. Mann, "the mighty oak of eagledom." They were leaders, those two, and though both of them now are gone their influence is still a living force.

The scholarly Hering, writer and speaker extraordinary, will always be remembered as the silver-haired advocate of lofty causes. The robust Mann—"a man's Mann" is the phrase that fits him best—will live through the years as the exemplar of the order's simpler virtues. A giant in physique, he owned a giant's heart, a heart with the warmth and capacity for unlimited friendship. The two men strode through much of their lives together.

Unwittingly, long before he died, Frank Hering wrote the perfect epitaph for both himself and Conrad Mann. His words were these: "So live that when you die the poor, the sick, the outcast will mourn the passing of a friend."

A round and kindly man whose eyes had extra light because they had seen so many shadows—Judge Edward Everett Porterfield, his name was—is also revered over the Nation, chiefly because of the bill he fathered in Missouri. It was this way with the judge:

Tearful kids and harassed mothers were coming to him in Jackson County's juvenile court, and many times he had to separate them, because the widowed mothers simply could not carry on. Black tragedy, it seemed to him, and he determined to do something about it. He put the case before brother Eagles, and they promised all their help.

The result was America's first mother's pension law, which became part of the Missouri statutes in 1911. Since then all but a few States have adopted counterparts.

And old-age pension laws, what is the record there? This is the record: In 1921 the order thundered out a demand that men and women be treated justly when the crushing years finally forced them out of employment. The aged who were in need, the Eagles said, must no longer be treated as paupers.

In two short years, Representative Lester H. Lobie, of Montana, had drafted a bill of rights for the weary and had seen it through to passage by the State legislature. It was signed March 5, 1923, by Gov. Joseph M. Dixon, a life member of the order, who prophesied:

"You Eagles have planted this seed, and you can no more stop the progress of old-age pensions than you can stem the tide of the Pacific Ocean."

In Wisconsin, an Eagle drafted—it was Daniel Webster Hoan, for many years the mayor of Milwaukee—and Eagles supported the first workmen's compensation act passed in any State.

Nearly 20 years ago, Eagles endorsed the principle of the guaranteed annual wage and are effectively campaigning for its broader acceptance. Eagles were vigorous in the fight for the GI bill of rights. Eagles are lending their mighty support to efforts to provide medical and hospital benefits for millions who have never known the meaning of good medical care.

Eagles spent 14 years of the 50 which now are history in tenaciously working for the legislation known as the Social Security Act. If nothing else had been accomplished in this half century, the Social Security Act would fully justify the founding of the great order of the common man. America's men and women, to the number of more millions than anyone can now foresee, will bless the Eagles endlessly.

The battle for a better life, moreover, still goes on. It is the order's hope that provisions of the Social Security Act will be extended to protect many more millions now living and that eventually every American will know its benefits. Eagles have not forgotten these words of Franklin D. Roosevelt, when he signed the act on August 14, 1935, and gave the pen to the order:

"The pen I am presenting to the order is a symbol of my approval of the fraternity's vision and courage. May its possession inspire your members to rededicate their own efforts and those of the fraternity to the insuring of such economic and political conditions as will bring a greater degree of happiness to our people. Our countrymen owe the Eagles good will for their unselfish services."

Nearly 7 years have sped over the hill since another glowing entry in the record of the Eagles was written. On a clear, bright day in April 1941, the $160,000 Eagle dormitory at Boys' Town, Nebr., was presented to Father Flanagan. Frank Hering, who gave the presentatior talk, spoke from the hearts of all Eagles when he said:

"The F. O. E. and Boys' Town were destined to meet. The order that dedicates itself to keeping the family together as the unit of the social, political, and spiritual life of the Nation, and Boys' Town, which is dedicated to care for the children from families that do not stay together—these two are like streams that rise in widely separated parts of the country and flow at an angle until their confluence, their union, forms a single, powerful river that moves majestically toward the sea of usefulness and happiness."

And why was the Boys' Town dormitory so significant? Because it was a forerunner of the order's youth-guidance program and because it gave tangible expression to the Eagle credo: "A chance at a real childhood for every American child."

Another dream of the Eagles is coming into full fruition. The great Memorial Foundation, treasured project of Managing Organizer Matthew L. Brown, is already a reality and is clearly destined to become a tremendous power for greater good as its resources increase.

Simply stated, the Foundation is a huge trust fund that will be held intact through the years as a living memorial to all the Eagle servicemen who have given their lives for their country. It is a memorial prepared to offer a lift to those who need help, particularly to the children of Eagles who died in the service. Youngsters will have the chance that would have been theirs if Dad had not been called away.

A record to be proud of? Brother, you can tell the world it is, but when all is said and done it may well be true that in these 50 years the greatest accomplishment of the Eagles is after all the simplest. It may be that what has counted most with hundreds of thousands of men is nothing more pretentious than this:

A card game with the boys over a battered table. A little Kelly pool. A thunderous bowling match. A picnic and sunburn out in the country. A dance to which a man could take his best girl and have the time of his life. A sociable drink with good scouts named Tom, and Bill, and Joe, and Olaf, Emil, and Giuseppe.

What all this means, as wise men know, is merely the chance to belong, to be recognized as somebody, to be, when the day's work is done, a kindly fellow hobnobbing with broad-shouldered equals.

And who among us can even attempt to measure the priceless value of just that?

Statement of Hon. Martin L. Sweeney

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include a statement of Hon. Martin L. Sweeney, a former Representative in Congress from the State of Ohio:

Mr. Chairman and members of the committee, for the record, my name is Martin L. Sweeney. I am a former Congressman from Ohio.

With several other individuals, we appear before your committee as a result of a mandate from an Irish race convention held in New York City November 22 and 23, 1947 This convention of over 2,000 delegates from 38 States of the Union met to protest the continuation of a partitioned Ireland. The call for this convention was issued by the Honorable Michael Donohoe of Philadelphia, a former Member of Congress from Pennsylvania. Practically every Irish-American organization in the United States responded to that call and sent delegates to the assembly as a result of the deliberation of the convention.

The American League for an Undivided Ireland, Inc., was organized. The president of this league is the Honorable Joseph Scott, the distinguished attorney from the State of California, and the gentleman who has just so eloquently addressed your committee.

The brochure you have before you briefly explains how the partition of Ireland was accomplished in 1920 by a "shot-gun treaty" which brought into existence two distinct forms of a national government in a country geographically the size of the State of Ohio. The Free State Government of 26 counties in Ireland functions with its parliament in Dublin. The British-controlled Government of six counties located in northeastern Ireland functions with its parliament in Belfast. This Belfast Government has been, since 1920, a source of irritation to the civilized world. By a clever system of gerrymander, the Catholic minority in the six-county area is denied equal representation in the national and local administration of their government. Religious bigotry is rampant in this section of Ireland. Discrimination and the denial of civil liberties to large segments of the population is notorious for its boldness.

Four hundred and twenty-five thousand Catholics in the six-county area pay 33⅓ percent of the costs of government in that area without fair representation and only 4 percent are allowed to participate in the administration of government affairs. In peacetime, during the past 27 years, as many as 60,000 British soldiers have been quartered in the Belfast sector. During a period of unusual prosperity, this six-county government has sent across the Irish Sea as much as 100,000 pounds to the British Crown. Today the Belfast Parliament depends upon

subsidies from the British Empire to maintain its bridgehead in Ireland.

We present these facts to you members of the Foreign Affairs Committee of the House of Representatives as you study the so-called Marshall plan now under consideration by your committee. To say that the British Empire is defunct would be an understatement. Our recent loan of three billion five hundred million of American dollars to Great Britain confirms the fact.

The present Premier of the Ulster Parliament, Sir Basil Brook, in a budgetary request to the British Crown, states the need of $40,000,000—some reports say as high an amount as $200,000,000—to maintain a bridgehead for the British Government in Ireland. Let's be frank about the situation. It is expected that in the allocation of grants or loans under the Marshall plan, approximately 60 percent will go to the British Empire. The Empire, in turn, will siphon from the funds furnished by the American taxpayers sufficient moneys to meet the budgetary request of Premier Basil Brook. Because we believe this will happen we are here, Mr. Chairman and members of the committee, as American taxpayers to strenuously protest against a grant or loan to Great Britain. Not one red cent should go to Great Britain as long as she continues to play the role of usurper and denies to the people of Ireland the God-given right to the unity the great majority of that ancient land desire.

The British Empire has released its strangle hold on India. It is currently getting out of Palestine. It should be told by Uncle Sam to get out of Ireland before we even consider her an applicant for more American dollars.

Thirty million Irish-Americans are watching the action of your committee and the Congress. We understand these are troublesome days for not only our beloved Republic but the entire world. As Christians who believe in the corporal works of mercy, we are in accord with a policy consistent with our own safety and our own needs in feeding the hungry, in clothing the naked, and in giving shelter to the homeless.

After two World Wars in which we lavishly gave of our young blood and our treasure in an effort to make the world safe for democracy, it would be repugnant, to say the least, if we at this late date directly or indirectly lend our financial support to frustrate the legitimate aspirations of the Irish people to be free of alien domination in one section of their country.

You heard our distinguished president, Mr. Joseph Scott, quote Will Rogers' famous statement, "We never lost a war, but we never won a conference." Along with scores of Members of Congress during my public career, I frequently quoted our late beloved American humorist.

We have been a cat's paw for the British Empire long enough. Twice in a quarter of a century we have pulled her chestnut from the fire and saved her as a world power. The previous speaker, I am sure, expressed the feelings of most Americans when he said with reference to the "gimmie" attitude of our British diplomats after hostilities are over, "The buzzards always take us to the cleaners."

Mr. Chairman, if we seem somewhat emotional in our appeal, I am sure you and your committee will sympathize with us. The long struggle of Ireland through several centuries to be free from British rule is known to every schoolboy.

On last Monday, February 2, I appeared before the Foreign Relations Committee of the Senate. I recalled to the committee that 84 years ago my father, a young Irish lad, landed in New York, driven from his native land because of the unjust, cruel, and vicious social, political, and economic hardships imposed upon him and his kind by an alien government. Millions of other men, women, and children left Ireland for the same reasons. They found asylum in this great new land. They became the hewers of wood and the drawers of water. They thanked God for the blessings of America. They became loyal subjects. In every military crisis in its history, no race has ever surpassed or equaled the contribution of the Irish to the preservation of the United States of America.

I observe, with pride, the presence before your committee today of the Honorable MICHAEL A. FEIGHAN, my successor in Congress from the Twentieth Ohio District. His paternal and maternal grandparents, like my father, were born in Ireland. They came to the United States for the same reasons. Their love of Ireland is second only to their love and devotion to the United States.

Our organization extends thanks to Congressman FEIGHAN for his presence and his contribution to this committee.

In conclusion, Mr. Chairman, may I state that negotiations under way in Ireland to abolish partition are sponsored by Catholic and Protestant alike. The struggle for a unified national independence is not a religious one. It is a political struggle, led as it has been in the past in most cases by men of the Protestant faith. When and how partition in Ireland is abolished is a problem solely for the Irish people themselves. If this Congress gives any American dollars or grants a loan to Great Britain to delay the struggle, it will, in my opinion, be an indignity to the Irish-Americans of the United States and an affront to the American taxpayers.

Mr. Chairman, the national president of the Ancient Order of Hibernians, founded in 1836, Mr. Michael A. McGrath, of Cleveland, Ohio, is unavoidably detained from appearing today before your committee. I respectfully ask that he be permitted to make a statement for the record.

My personal thanks to you, Mr. Chairman, and your committee for the reception and attention you accorded our organization here today.

The Postman Deserves a Raise

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. FULTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Pittsburgh Sun-Telegraph of February 19, 1948:

THE POSTMAN DESERVES A RAISE

During the present sequence of rising prices and salary adjustments the plight of the Nation's post-office employees continues to be largely unknown to the public and consistently ignored by Congress.

The National Federation of Post Office Clerks is a union affiliated with the American Federation of Labor.

Apart from this identity, however, the post office employees' union operates under limitations which prevent it from forms of bargaining and pressure invoked by other organized workers to better themselves economically.

Thus they are prohibited from appealing to the Labor Relations Board and other facilities to compose salary grievances.

They must wait for Congress to consider their needs and be bound by the decisions of Congress.

In spite of these handicaps, the post-office employees loyally and patiently go about their vitally essential work.

Their only recourse is to enlist public opinion and hope that it will impress upon the Congress the now drastic need of better salaries.

In turn, Congress, not confronted with vigorous demands by highly organized and active pressure groups, finds it all too easy to ignore or delay the need and justice of the clerk's petitions.

This is not only unfair, but unintelligent.

Efficient and swift service of the mail is an unrelaxing and constant national necessity.

The postman is a valuable and valued servant of the public.

He too has bills to meet, a home to support, children to educate, and the maintenance of adequate savings.

While other workers have kept their accounts even with rising prices, the postman has had to tighten his belt. While other workers went on strike, the postman went his rounds with unexampled dependability.

Obviously, Congress must get busy and correct this injustice.

And quite as obviously, the public must also get busy and remind Congress that proper and prompt action on this matter is a matter that can no longer wait.

The Geneva Agreement

EXTENSION OF REMARKS

OF

HON. HERMAN P. EBERHARTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the American Milk Review of January 1948:

THE GENEVA AGREEMENT

If all of the oratory and all of the writing that has been expended on tariff questions in the United States could be gathered together it is doubtful that there is a library in the country big enough to hold the material. Almost without exception, every great epoch in our history from the Colonial Wars to the Marshall plan has been directly or indirectly related to tariff considerations.

The significance of these facts is not in the rightness or wrongness of our tariff laws, but in the high and controversial position that foreign trade—the economic relationship of nation with nation—occupies in the minds of men. Although we have been slow to admit it, the tariff controversies are irrefutable evidence that what goes on in one country is important to the people of another, and—on a far more localized scale—that the welfare of a textile worker in Lyon is, for better or worse, bound up with the price of butter in Fall River.

When 23 nations can sit down at the council table and hammer out a trade agreement covering 45,000 items and over 50 percent of all international trade, it is an achievement worthy of note. When the agreements are concluded in an atmosphere of mutual satisfaction it is a triumph. Such was the result of the long discussion that terminated in the Geneva agreements on tariff and trade.

We cannot agree with those in the dairy industry who view the cuts in our duties on dairy products with alarm. We do not believe that the reductions, even in butter, will affect the domestic market in this country any more than a BB gun would affect a General Sherman. Our dairy business is a big industry. It is one of the largest, if not the largest, industry in the world. And do not get the impression that the arrived-at

pacts were all given on the part of this country and its dairy field. It reflected horse trading all down the line, and if this Nation made concessions it received offsetting concessions in return.

A great deal has been said from time to time about industrial leadership. Perhaps even more has been said about getting Government out of business and the bureaucrat out of the market place. A lowering of tariffs and the reduction of governmental fetters on international economic intercourse are steps in that direction. If the dairy industry is to take its rightful responsibility of leadership, then it must lead as a part of the whole and not as a self-centered battalion that marches alone.

Along with millions of other men, your editor has seen 2 wars in 30 years. Your editor has also seen with his own eyes the awful explosion of two atomic bombs. Your editor has, therefore, little patience with those who would cry before they are hurt—who would sacrifice one of the first concrete measures for international accord on the altar of a fancied ill.

The Massachusetts Housing Picture

EXTENSION OF REMARKS
OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article:

THE MASSACHUSETTS HOUSING PICTURE—1911–47[1]

(By Harold Robinson and John I. Robinson)

Notwithstanding the general impression gained from the emphasis on veterans' housing, the housing shortage and the Federal and State attempts to remedy the situation are no recent phenomena. The World War II veteran, hardest hit of all in the rapidly growing housing crisis, thinks he discovered the problem. The debates in the legislature and newspaper stories have led the public and legislators alike to believe that the shortage is a war-born baby which will solve itself with the help of a few emergency expedients. The truth is that the housing shortage has been building up for a long time.

In 1939, even before wartime restrictions on building were invoked, New England found itself confronted with a serious housing problem. Housing construction was not only not keeping pace with increased population, but the net amount of housing (i. e., the total of all housing plus new construction, less demolished housing) was actually decreasing. Surveys show that from 1921–39, the supply of housing in New England was not sufficient for the natural increases in population and the replacement of old buildings. For 1930–37, the following figures are startling: The net change in Boston was a minus 517; in Cambridge the net change was a minus 29; Fall River, a minus 1,414; Holyoke, a minus 40, and New Bedford a minus 897. The need for replacements in the low-income brackets are even more startling. A survey of eight Massachusetts cities (Boston, Cambridge, Chelsea, Everett, Haverhill, Newton, Springfield, and Worcester) for the period 1931–38 shows that of 406,396 dwelling units surveyed, 40,000 were unfit for use or in need of major repairs. To date, the city councils and town meetings of 28 cities and towns of Massachusetts have found that there is a shortage of decent safe and sanitary dwellings for their citizens and have established local public-housing authorities empowered to undertake low-rent housing and slum-clearance projects. The Federal Public Housing Administration has on hand applications from Massachusetts localities for financial assistance for approximately 16,000 low-rent dwelling units in the amount of over $100,000,000. Other communities are expected to apply when Federal funds are available.

More recently, in December of 1947, a special recess commission of the general court estimated that conservatively more than 50,000 veterans in Massachusetts are in desperate need of housing. The commission estimated that approximately 350,000 new residential units would be needed in the Commonwealth in the next 10 years alone.

THE LEGISLATIVE HISTORY

In Massachusetts public housing has a legislative history of over 36 years.[2]

THE ADVISORY OPINION OF 1912

As far back as 1911 the Massachusetts Legislature debated the expenditure of public funds for housing for mechanics, laborers, and other wage earners. Only an adverse opinion of the supreme court in 1912 interfered with the construction of homes by the State for sale to citizens of the Commonwealth.[3] That court, maintaining a narrow view of what is conducive to the public welfare, decided that the provision of housing was not a public use for which public funds could be used.

Fortunately, the people of Massachusetts and their representatives to the constitutional convention of 1915–17 thought otherwise and adopted two amendments to the constitution.[4] One authorized the Commonwealth itself to build homes for sale in order to relieve the congestion of population and provide homes for citizens. The other empowered both the Commonwealth and the cities and towns to provide shelter during time of war, public exigency, emergency, or distress. Once the constitutional authority had been granted, the general court created a homestead commission, which built some 20 houses in the city of Lowell. That, however, constituted the extent of the Commonwealth's action until the passage of almost two decades.

ACTION IN 1933 AND 1935

Some 15 years later, in 1933, spurred on by the depression and unemployment in the building trades, as well as by the prospects of Federal aid, the general court created the State board of housing, empowered to regulate limited-dividend housing corporations and to construct housing itself. This time no funds at all were appropriated for construction. Nor, with the exception of one rehabilitation housing project in Chicopee Falls, was there any limited-dividend housing, although the Federal Government did make loans for seven limited-dividend housing projects in other parts of the country.

Shortly thereafter, in 1935, stimulated by the Housing Division of the Federal Emergency Administration of Public Works in Washington (of which one of the authors was Chief of the Opinions and Litigation Section), the General Court again adopted housing legislation. This time, the legislation provided for the establishment by the cities and towns of local public housing authorities (then a new financial and legal device)[5] empowered to borrow money and undertake the construction and operation of low cost housing projects. This time, too, it was contemplated that there would be no cost to the cities and towns since the debts of the housing authority would not be obligations of the city or towns for which it was established.

Once again, nothing came of the legislation. The Federal Government had embarked on a program of direct construction—Old Harbor Village in South Boston and New Towne Court in Cambridge were built and are still owned by the Federal Government, although leased to the Boston and Cambridge Housing Authorities for operation—and was not yet prepared to make loans and grants to local housing authorities. Until 1938, therefore, despite the increasing need for decent housing and employment in the building trades, the legislation enacted by the General Court was paper legislation only.

INTERVENING FEDERAL ACTION

In the interim, the Federal Government with its greater tax spread and program of social progress under President Roosevelt had been active.[6] In the early days of the depression, Congress established the Home Owners Loan Corporation to help distressed home owners and bail out the banks and mortgagees from bad or frozen investments. Congress too, set up the Federal Housing Administration to insure mortgages on new construction and thereby stimulate construction by that hidden subsidy to builder and bank alike. In addition, provision was made for other forms of financial assistance. Congress in 1932 had authorized loans by the Reconstruction Finance Corporation to limited dividend housing corporations. In 1933 with the creation of the Federal Emergency Administration of Public Works under Secretary of the Interior Ickes (PWA and not to be confused with Harry Hopkins' WPA) this power was transferred to the PWA. When this program bogged down with the unsatisfactory result noted above, the PWA embarked on a short-lived program of direct Federal construction and ownership of large scale housing projects, building some 51 projects, including the two in Massachusetts. Here again, court action retarded the program and forced a change in policy. For in 1935, the Court of Appeals for the Sixth Circuit, in a two to one decision, ruled that the Federal Government could not take land for housing by eminent domain.[7]

Unwilling to jeopardize the whole spending program of the Federal Government—as a matter of fact, the Government appealed to the United States Supreme Court but asked permission to withdraw its appeal on the very day set for argument—and unable to proceed adequately without the power of condemnation, the program of Federal construction slowed down. Actually, the decision served to give impetus to the growing demand for a decentralized program of local construction

[1] Robinson, Thirty-six Years of Housing in Massachusetts (Veterans News, January 1, 1948); Robinson and Robinson, New England Spends for Housing (The New England Townsman, September 1947).

[2] Robinson, Public Housing in Massachusetts, 18 B. U. Law Review 83 (1938); Robinson and Altman, Equivalent Elimination Agreements in Public Housing Projects, 22 B. U. Law Review 375 (1942).

[3] 211 Mass. 624, 98 N. E. 611 (1912).

[4] Articles of Amendment, articles 43 and 47.

[5] See Foley, Low Renting Housing and State Financing (85 U. of Pa. L. Rev. 1 (1937)); Foley, Some Recent Developments in the Law Relating to Municipal Financing of Public Works, IV Fordham L. Rev. 13 (1935). For the most recent discussion of local housing authority financing see Miller, Public Housing and its Financing, Municipal Law Section, American Bar Association (1946).

[6] Keyserling, Legal Aspects of Public Housing, National Resources Committee, Government Printing Office, Washington (1939).

[7] *U. S.* v. *Certain Lands in Louisville* (78 F. (2d) 684 (C. C. A. 6th, 1935)). One of the authors was in charge of the preparation of the brief for the Government.

and operation with financial assistance, only, by the Government, and led to the United State Housing Act of 1937.[8]

BEGINNING OF THE LOW-RENT HOUSING PROGRAM

Twenty-six years after Massachusetts first gave consideration to the housing shortage, Congress took action which restimulated housing in Massachusetts. In the United States Housing Act of 1937, Congress, linking unemployment relief with an attack upon the social evils of bad housing, provided for loans to local housing authorities, authorized by State law to undertake low-rent housing and slum-clearance projects, and annual subsidies (contributions) to make up the difference between the so-called economic rent and the rent such low-income groups can afford to pay. This led to a complete revision of the Massachusetts Housing Authority law in 1938, a revision which is the basis of the 28 local housing authorities now existing in Massachusetts and has enabled the communities of the Commonwealth to participate in a decentralized program of local construction, ownership, and operation of low-rent housing and slum-clearance projects without any cost to the Commonwealth or its communities.

Before the war, and Congress' later failure to extend the low-rent program suspended further construction, low rent housing and slum clearance projects were built in Boston, Cambridge, Fall River, Holyoke, Lawrence, Lowell, and New Bedford. As indicated above, the Federal Government has on hand applications for over $100,000,000 of projects from Massachusetts alone, with additional cities and towns eager to participate when the program is revived. In the meantime, the construction of low-rent housing projects in these cities has added 8,900 dwelling units to the supply of housing in Massachusetts. Had the shortsighted opposition been successful the housing shortage would have been aggravated by that number.[9]

This time the supreme judicial court, on a taxpayers' petition, and later on a condemnation proceeding, found that the clearance of slums and the accompanying provision of housing is a public purpose for which public funds may be used, tax exemption granted, and condemnation permitted. In the 26 years since the opinion of 1912, the Court's attitude had changed to coincide with that of almost 40 other State courts. For it relied on the general welfare rather than the express constitutional amendments.[10]

THE WAR YEARS 1942–46

During the war years, the Federal Government was alone in the housing picture. Since private capital would not, and could not be expected to risk its funds in meeting the temporary demand for housing around the booming centers of munition and shipping production, the Government itself built housing just as it had had to do in 1918.[11] In Massachusetts, war housing projects were built by the Federal Government in Ayer, Boston, Chicopee, Falmouth, Hingham, New Bedford, North Weymouth, Pittsfield, Southbridge, and Springfield. In some instances, they were temporary dwellings; in others, permanent. In a few cases, they were managed by the Federal Government, itself; in others, by local housing authorities to whom they were turned over for operation. Pittsfield, Southbridge, and Springfield established housing authorities partly for this purpose.

With the close of the war, the recurrent housing shortage showed its head again, this time aggravated by the lack of building during the war and the rapid demobilization of the armed services. The threat of veterans' pressure had its usual effect, and Congress appropriated some $453,000,000 with which to demount, transport, reerect, and convert Army and Navy barracks and quonset huts into temporary dwelling units for veterans and their families. Again the Government paid the entire cost of this program, except that this time the cities had to furnish sites and prepare them for the buildings. In this case, ownership passed to the localities.

Temporary veterans housing projects of this nature were erected in 36 communities: Athol, Barnstable, Beverly, Boston, Braintree, Cambridge, Chatham, Chelsea, Chicopee, Fall River, Fitchburg, Framingham, Garner, Gloucester, Greenfield, Hingham, Ipswich, Lowell, Lynn, Malden, Marlboro, Medford, Needham, New Bedford, Northampton, Norwood, Quincy, Revere, Southbridge, Springfield, Taunton, Waltham, Wellesley, West Springfield, Winthrop, and Worcester. In addition, both family and dormitory units were built by the Government for college veterans attending Amherst, Boston College, Harvard, Atlantic Union, Fort Devens, Massachusetts State, MIT, Springfield College, State Teachers, and Tufts. To manage these projects, additional housing authorities were established in Brockton, Chelsea, Framingham, Gardner, Greenfield, Malden, Northampton (North Adams also has an authority), Quincy, Revere, Somerville, Wellesley, Woburn, and Worcester.

VETERANS HOUSING LAW OF 1946

When it became evident that an enlarged Federal program of permanent construction was not going to materialize and that the housing shortage was rapidly approaching the disaster stage, the general court once again took action.[12] Early in 1946, it had been the first legislature to authorize its communities to cooperate with the Federal Government in its program of temporary, reuse housing. (This type of legislation, too, was tested in an opinion of the justices, using as the basis for requesting an opinion, a specially drawn bill).[13] In May of 1946, largely through the efforts of Philip Nichols, then chairman of the State board of housing, the general court enlarged the scope of the earlier 1946 legislation by the enactment of the popularly termed chapter 372 to permit cities and towns to borrow money and build permanent housing for rent and subsequent sale to veterans. Originally, as a result of the pressure of certain real-estate groups, construction was limited to single and two-family houses and a prohibition of 5 years imposed upon sale. This ban on sale, however, proved to be no deterrent, since, as it was later realized, the greatest need is for rental housing. In fact, the danger is that there will be pressure from the economy-minded taxpayer to dispose of the dwellings before the 5-year period, a possibility which is all the greater now that the act has been amended to permit such prior sale.

Despite this grant of power, few communities took action.[14] The act contemplated some annual operating loss since rents could, and were intended to be, set below the amount necessary to pay operating expenses and debt service. It also envisaged some loss on sale. Realizing this, only a scattering of localities availed themselves of the act. To induce action, therefore, the general court, in June of 1947 with considerable proddings from the veterans, and the Massachusetts Allied Veterans Housing Council in particular, and the able presentation of the new chairman of the State board of housing, Lewis H. Weinstein, further amended chapter 372 [15] to provide that the Commonwealth would reimburse any city or town, on the determination of final loss, for one-half of the loss suffered but no more than one-tenth of the outlay by the locality. This acted as a slight incentive to local action but the response has continued to be disheartening. Concord built some 20 houses, Boston has a large program, West Springfield is completing 43 single houses, Amherst has a program, Springfield and Worcester have projects in the planning stage, and several other smaller communities are contemplating action. Nevertheless, the amount built or contemplated is insignificant in view of the need.

THE 1948 BILLS

Several new bills have been introduced and are being considered by the 1948 session of the general court, as a direct result of the lack of community action and the realization that a housing crisis is here. One, in a form already ruled constitutional by the supreme judicial court,[16] would provide for construction by the State of some $250,000,000 of housing. Two others, more probable of enactment, were sponsored by the special recess commission appointed by the last session to study the problem of veterans' housing.[17] One of these would amend chapter 372, as amended, to provide for the Commonwealth bearing its portion of the cost of construction during the rental period rather than awaiting the end of the 5-year period. This would reduce the increase in local tax rates. The other, emulating the legislation in New York and New Hampshire, and, in part, Connecticut, is patterned after the United States Housing Act of 1937 and the public housing provisions of the Taft-Ellender-Wagner bill. Essentially, it provides for the Commonwealth guaranteeing the bonds of local housing authorities and making annual subsidies over a 45-year period to local housing authorities of 1½ percent of the cost of each project. These projects would be low-rent housing projects, housing veterans only, until March 31, 1953, with a preference to low-income veterans; after that date, they would house low-income families only, with a preference to low-income veterans. The $3,000,000 aggregate annual subsidy would permit some $200,000,000 of construction, or a possible 20,000 dwelling units, at no cost to the community.

Space does not permit a discussion of the advantages and mechanics of the proposed legislation. This last bill, however, will meet the greatest need, that of rental housing at sufficiently low rentals. It is, too, a proven form of financing which has been developed during the last 10 years to the satisfaction of houser, bond counsel, and bond market. It has the added advantage of permitting a transfer of the subsidy burden to the Federal Government when the public housing provisions of the Taft-Ellender-Wagner bill are passed by the Congress.

CONCLUSION

During the last few years, the general court passed a goodly number of acts pertaining to private and public housing, all aimed at increasing the housing supply of

[8] One of the authors participated in the drafting and fight for passage of the United States Housing Act of 1937.

[9] See Robinson, The Record Has Been Very Good (National Public Housing Conference Journal, November 1947).

[10] *Allydonn Realty Company* v. *Holyoke Housing Authority* (304 Mass. 288, 23 N. E. (2d) 664 (1929)); *Stockus* v. *Boston Housing Authority* (304 Mass. 507, 23 N. E. (2d) 333 (1939)).

[11] See Robinson, Some Problems of the Public Works Emergency Housing Corporation, 19 Cornell Law Quarterly 548 (1934).

[12] Chapter 13, Acts of 1946.

[13] 320 Mass. 799, 61 N. E. (2d) 588 (1947).

[14] Robinson and Robinson, New Housing Program in New England (The Daily Bond Buyer, December 1, 1947).

[15] Chapter 479, Acts of 1947.

[16] 74 N. E. (2d) 886 Mass. (1947).

[17] Robinson, $200,000,000 for Housing in Massachusetts (The Bond Buyer, December 12, 1947); Robinson, Need for Action (Veterans News, January 8, 1948).

decent, safe, and sanitary housing.[18] In some instances, the legislation entails the spending of public funds, Federal, State or local; in others, subsidies to private capital in the form of tax exemption, donation of publicly owned land, services or utilities, or the grant of the power of eminent domain. All these acts have failed of their purpose because of the reluctance of both local governments and private capital to move. Nevertheless, the passage of this legislation has evidenced the realization by the general court that the average person today cannot pay the prices or rents necessary to induce private capital to build sufficient new housing. It shows, too, that our representatives have finally come to the inevitable conclusion that a certain income group will never be able to afford decent, safe, and sanitary housing without public subsidy.

Until Congress awakens to the dangers inherent in the lack of such decent, safe, and sanitary housing, the Commonwealth must act to protect the health, welfare and moral well-being of its own citizens. The form this action should take is not emergency, but permanent legislation. The general court took cognizance of housing emergencies in 1911, 1912, 1915, 1917, 1933, 1935, 1938 and just about every year since then. We are presently in the midst of another of many housing emergencies. It is time that we cease thinking in terms of uneconomical and wasteful temporary measures and enact legislation which will relieve not only the present shortage but put an end, once and for all, to these recurrent crises.

[18] The acts passed by the general court may be classified as follows:

(1) Housing authority law providing for the creation of local housing authorities empowered.

(2) Public urban redevelopment.

(3) Private urban redevelopment corporations.

(4) Nonprofit veterans' housing corporations.

(5) Temporary and permanent housing for veterans.

(6) Domestic life insurance companies authorized to undertake housing projects.

(7) Savings banks authorized to undertake housing projects.

(8) Defense housing law.

(9) War housing law.

(10) Special emergency housing commission to waive building and zoning codes and grant variances.

Living With Lincoln—A New Impression

EXTENSION OF REMARKS

OF

HON. HOMER FERGUSON

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Wednesday, February 25 (legislative day of Monday, February 2), 1948

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "'Living With Lincoln'—A New Impression," by J. G. Randall, from the New York Times magazine of December 14, 1947. The article deals with the handling of the long-sealed papers of President Lincoln.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIVING WITH LINCOLN—A NEW IMPRESSION—HANDLING THE LONG-SEALED PAPERS, A HISTORIAN SAYS, IS LIKE GOING BACK AND BEING WITH THE MAN HIMSELF

(By J. G. Randall)

In the past few weeks students have been at work among the newly opened papers of Abraham Lincoln in the Library of Congress. What they have found is a rich collection, with fresh material that is highly valuable from the historian's point of view. For these voluminous documents throw new light upon Lincoln and his associates and add greater depth to the picture of the man and the problems that beset him. It is apparent that a new phase of Lincoln studies has begun.

Appraisal of the papers, however, has required prolonged examination: meantime, certain ready-made questions have tended to create false impressions. For example, one is asked whether there is "anything sensational" in the papers. After 3 months' complete absorption in them the writer finds the query a bit off key, as if a statesman's record or the elaborate inner history of our Nation in an era of supreme crisis could be reduced to a short order of murder for breakfast or scandal for lunch.

Another question has become very familiar: "Do you find anything new in the letters?" The answer to this, contrary to a prevalent misconception, is an emphatic affirmative. What we have in the Lincoln papers is the essence of historical data. It is source material—the stuff out of which history is built. It is original, not second-hand or retrospective. It knows not of the assassination or what followed. It knows only the living Lincoln.

Before the recent opening the only writers who had access to the collection were Nicolay and Hay, but access is one thing and an adequate use is another. The newness of the collection is unimpaired in that much of it has been passed over. The papers have informal and warmly human aspects. They are especially valuable for the kind of book, or books, that Nicolay and Hay did not write.

Working with the papers week after week is like going back and living with Abraham Lincoln. Handling the letters and envelopes that he handled, one has the feeling of sitting with the man himself, sharing his irritation at a petulant missive, noting how complaint is patiently borne, hearing now and then a Presidential chuckle or hearty laugh, sensing more often the weariness of long-deferred hope, and feeling a welcome uplift, if only for a moment, when the incoming mail is friendly or favorable.

The collection comprises 194 volumes, with 41,751 "mounting numbers," each number representing a sheet of paper, one sheet consisting in many cases of two pages. Though the letters are mostly incoming, Lincoln's own autographs are very numerous—surveys, tables of election figures, tallies of appointments, fragments on various topics, memoranda, many working drafts or copies of outgoing letters, endorsements, and occasionally a copy by the President of what was received by him, as when Reverdy Johnson sent such an illegible letter that the President laboriously wrote it out so far as he could decipher it, leaving blanks for the words he missed.

Some of these writings by Lincoln himself—quite a few, indeed—are new. Nor are these new ones dull. They show the President in significant situations: giving a pardon with a statement of its conditions, declining to sponsor an inventor's interests, sending directions to the Secretary of War, and in one case copying in his own hand what Sherman wrote him from Atlanta concerning the Army view that there must be no wavering in the drafting of additional men. In one of the new items the President, when official duty required him to reprimand a captain, turned the reprimand into a handsome uplift for the young man's morale.

At times the President would request John Hay to write saying "The President desires * * * " etc., but such a letter would be signed by Hay. The papers show the falsity of the assertion sometimes made that nearly all of the letters signed by Lincoln were composed by Nicolay or Hay. Even when a letter was signed by Hay we cannot always be sure that Hay composed it; there were at least a few times when Lincoln, in his own hand, drafted a letter for the Secretary to "write" and sign.

As for the letters Lincoln signed, they were usually not only handwritten by him but worked up through his own preliminary drafts.

There is, running through the papers, a sense of urgency in the constant pressure of decision. Lincoln had to be both firm and conciliatory, staunch in upholding the Union, but friendly toward well-disposed Southerners. He had to decide what to do with Fremont (not to mention Mrs. Fremont), whether to retaliate when reports came as to the slaughter of colored Union soldiers—after surrender, it was asserted—at Fort Pillow (he did not retaliate); whether Burnside should advance in January 1863, or Meade in September of that year.

He had to decide whom to appoint, whom to remove, whether and when to make Cabinet changes, how to deal with civil versus military imbroglios such as that between General Butler at Norfolk and Governor Pierpoint, who functioned uncertainly as Union Governor of "restored Virginia." There were many such imbroglios.

To some men power is sweet. To Lincoln it was probably painful. He had the power of life and death as to men under military sentence; in political arrests he had to steer between laxity toward disloyal practices and infringement of civil liberty. To follow Lincoln's daily rounds through his problems is to understand what is meant by the executive function. It is to realize that government is largely a human art.

The collection is a mine or quarry from which, with careful study, many a chapter, book, or article could be hewn. Realities of the time were ugly and unromantic. There is enough for a volume on the Missouri muddle alone, with its feuds, civil commotion, guerrilla warfare, and pervasive terrorism. Much the same could be said for Kansas.

What we had in Lincoln's day was not only a war in the regular military sense. The irregular, criminal, chaotic, and violative aspects of the period—which Lincoln sought to cure or check—hardly appear in formal accounts of battles and campaigns. Such disturbances were always aggravated by "politics." Another book could be written on Union Sympathies in the South, of which there is abundant evidence.

Portraits of certain members of the Cabinet acquire new tints and shadings. Cameron's visage improves not at all. Chase's picture takes on unbecoming lines. Stanton's record, already darkened with arbitrariness and arrogance, receives a new tarnish.

In the letters that rolled in while Lincoln was President-elect one is impressed with what might be called the Cameron headache. So strong was the torrent of outraged indignation at the idea of the Pennsylvania politician's appointment that Lincoln, having offered him a Cabinet place, asked him to decline it; but such was Cameron's incredible persistence that Lincoln reluctantly made

him Secretary of War, which led to further headaches.

It was an inharmonious Cabinet, Blair and Seward being close to Lincoln in nonvindictive views, while Chase and Stanton, centers of radical pressure, were a continual source of dissension.

As to Chase, it was not merely his impatience at the President that caused the trouble, nor his normal pose of being "pained and surprised" at what the President was doing. The main difficulty arose from the schemes of the Chase political machine. Samuel Galloway (from Columbus, Ohio, February 25, 1864) wrote that officials of the Treasury Department were "using every false and foul effort to suppress the voice * * * of the people."

The previous August the statement had come from Louisiana, where Treasury patronage was heavy, that "every piece of official machinery (was) in motion for one object exclusively, namely the advancement President-wise of Mr. Chase." The Chase boom collapsed by early March, 1864, but at all times a Chase crisis was just around the corner, until finally the President accepted the Secretary's resignation in June 1864.

The embarrassment of Chase's rivalry, however, was slight when compared to the difficulty of dealing with Stanton, who had few friends and whose domineering methods were a perennial source of grief. "Stanton is so irritable * * * that * * * a citizen is not safe" is a typical comment. Time and again Lincoln's orders were ignored by his Secretary of War. Thomas H. Hicks, ex-Governor of Maryland, had a pleasant interview with Lincoln, who was convinced "by examining * * * numerous letters" that a prisoner ought to be released. Lincoln ordered the release and asked Hicks to deliver the order to Secretary Stanton.

"This I did," wrote Hicks, "and received * * * a lecture as uncalled for as it was unpleasant * * * and the rough refusal * * * to execute your order was not the least uncomfortable part of the interview." Stanton refused to examine the papers in the case and accused the ex-Governor of trying "to get rebels released," a charge that was taken as an insult by a man of Hicks' Union sympathies.

One of the strangest of Civil War episodes was the movement in the summer of 1864 to oust Lincoln—to have another Republican convention, name another candidate, and force Lincoln's withdrawal. (Lincoln had been renominated at Baltimore in early June.) It has been known that this movement existed, but certain angles of it come with new force and astonishment as one examines the papers; for instance, the intrigues associated with Gen. B. F. Butler.

From Freeport, Ill., Thomas J. Turner wrote: "I saw a letter from a prominent member of General Butler's staff wherein he advised all his friends 'not to commit themselves to Lincoln' * * * that 'Lincoln was hopelessly defeated.'" This writer was convinced that there was a "well-matured plan" to bring out General Butler in Lincoln's place.

The movement seems hard to envisage now, but in July and August of 1864, military failure, financial instability, a sickening sense of war-weariness, and vigorous peace agitation combined with radical disapproval of the President to create a wave of defeatism and a feeling among Republicans that Lincoln's reelection was impossible. An attitude of despair seemed to have gripped Republican managers.

It was not until September that the party's prospects were considerably brightened by Sherman's victory at Atlanta. An influence in the same direction was the widespread resentment at the "peace platform" of the Democratic Convention, which was denounced as a Copperhead move.

Plans of the anti-Lincoln Republicans were revealed to Lincoln by his friend, J. C. Conkling, of Springfield, Ill. Enclosing a copy of a circular issued by John Austin Stevens, president of the Bank of Commerce of New York City, Conkling wrote:

"The circular calls for a convention to be held at Cincinnati on the 28th inst. [September]—I understand the movement is made in favor of General Butler. His Chief of Staff has written in favor of such a convention. * * * It is said that a strong pressure is to be made, to induce you to resign * * * as a candidate in favor of the Cincinnati nominee * * * and that John Wentworth [of Chicago] has said that you had already written out a letter with reference to resignation."

We know that on August 23, 1864 (when Republican skies were thick with gloom), Lincoln wrote, not a letter with reference to his resignation, but a paper, something like a memorandum to himself, indicating that he considered his defeat "exceedingly probable."

A study of this whole movement shows Lincoln's wisdom in not letting anyone read that document till after the election. If there had been a "leak" as to this memorandum by the President, a great amount of mischief could have been done.

Nowadays a President has a battery of aides, secretaries, and assistants, with elaborate agencies to which business may be referred, but Lincoln handled a multitude of vexing and time-consuming matters himself. To enumerate the things brought to the President's attention would be to present a most diverse catalog, including many items of social history.

A United States marshal asked permission to arrest a Congressman whom he suspected of Confederate sympathies. The distinguished Negro leader, Frederick Douglass, gave advice as to bringing slaves out of the South. When General Rosecrans issued an order at St. Louis forbidding labor associations and strikes, there came a strong protest that the military had no right to intervene "in the social relations of our workingmen and the manufacturers."

Minor pleas ran into the thousands. Of course there were numerous autograph hunters. One young lady asked the President to autograph a piece of white silk for a wedding quilt. It was put up to him: without the autograph there could be no quilt, and without the quilt no wedding. A wounded soldier asked Lincoln to help collect a long-overdue note from a clerk in Washington; the clerk was getting $1,800 a year while the soldier was receiving $13 a month.

There was something coldly disagreeable about the abuse of Lincoln that was committed to writing and sent to him through the mail. It must have been disheartening to hear from his friend, Jesse Dubois in Illinois that he was ostracized because he favored Lincoln. As a way of consoling the abused President, the Shakespearean actor, James H. Hackett, sent a newspaper clipping showing how Washington had been similarly vilified.

On the other hand a larger amount of the incoming mail which has been preserved was favorable. Through the letters there runs a refrain: The people are with you; the people trust you. In a letter from the Army of the Potomac a Cabinet member was assured that the soldiers loved the President. The reason was given: the keynote to his personality as seen by the soldiers "consists mostly in his honesty, kindness of heart, and humanity." After the election of 1864 a soldier sent his reenlistment stripes to the President who had "reenlisted." Amos Tuck wrote from New Hampshire: "You have immortalized your name by one of the wisest administrations of power which any man in any country has ever exercised."

Contrary to the general impression, the collection contains a number of Lincoln and Todd family letters. A distressing story unfolds in two letters from Mrs. Lincoln's family. Her brother Levi O. Todd wrote from Lexington, Ky., September 12, 1864, telling how he was working for Lincoln's reelection and asking for a loan of $150 to $200 because of ill health and "actual necessity."

The sequel is deeply pathetic. Mrs. Lincoln's half-sister, Emily Todd Helm, widow of the Confederate general Ben H. Helm (killed at Chickamauga in September 1863), wrote to the President on October 30, 1864. She reached Lexington, she said, to find her half-brother Levi dead "from utter want and destitution." Lincoln loved Emily ("little sister") and her letter with its understandable bitterness must have hurt him deeply. "I would remind you," she wrote, "that your minnie [sic] bullets have made us what we are."

There are touching references to Lincoln's stepmother. In a letter of July 27, 1858, A. H. Chapman (who married her granddaughter) told how he read to her newspaper extracts eulogistic of Lincoln. "You can Hardly form an idea how proud it makes her," he wrote. On April 5, 1864, Dennis Hanks, Lincoln's cousin and son-in-law of Lincoln's stepmother, wrote: "Dere Abe I Received your Little Check for 50.00 I shoed it to Mother She cried like a child Abe * * *."

It is impossible in one article to cover so large and significant a collection. To see how Lincoln met his tasks day after day, and to observe how tremendous those tasks were, is to gain a new appreciation, as well as a fresh portrait, of the man. It is greatly to the credit of the Library of Congress that this unique record has been given an appropriate frame and niche.

Often in perusing these tens of thousands of handwritten pages one marvels how Lincoln lived through it all. As a gentleman from Shelbyville, Tenn., expressed it: "* * * when I think of your Incessant Labours I wonder to myself * * * as you are not Superhuman and cannot any more do without Sleeping Eating and Rest than other men nor cannot extend the day & night Beyond twenty-four hours."

The Nation's Power Supply

EXTENSION OF REMARKS
OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 25 (legislative day of Monday, February 2), 1948

Mr. HILL. Mr. President, Collier's magazine of February 28, 1948, carries an article entitled, "Our Lights Are Going Out," by Mr. A. G. Mezerik. The article states that all over the Nation power lines are carrying peak loads, and that in many cases lower voltage is endangering the electric motors on which so much of American life depends. I ask to have the article printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR LIGHTS ARE GOING OUT

(By A. G. Mezerik)

In the operating amphitheater of a hospital, a surgeon was performing an appendectomy. Suddenly the overhead cluster of lights went out, as a power failure blacked out the hospital. For 40 minutes nervous doctors and nurses kept the patient under anesthesia. Finally the overworked power station which served the hospital recovered sufficiently to restore the lights.

Quick thinking had saved that patient's life, but the staff of the hospital today breathes no easier. They know that the danger is not past. Their X-ray and other essential therapy machines are not receiving sufficient voltage to operate efficiently and sometimes cannot be used at all. News comes to the staff of blackouts in other hospitals in distant areas, and they brace themselves for the worst. Entrusted with human life which can be so endangered by lack of light and power, the doctors and nurses are more conscious than the rest of us of a new creeping epidemic—the Nation-wide power shortage.

The signs of an impending breakdown in the Nation's power supply can be seen by more than the staffs of hospitals. In Maine, power is rationed. In California, workers have lost their jobs. The plants where they were employed manufactured aluminum and chemicals which consume huge blocks of electricity, and the power company had found that it couldn't continue to serve them and everyone else too.

At first workers didn't realize the reason for their summary dismissal. They shouted for their union representatives, thinking they were being locked out. It took a good deal of explaining to drive home the point that their jobs depended on electricity. Now, in California, the power shortage is No. 1 business for labor unions. They have demanded that a "brownout" be declared to save electricity and thereby their pay checks.

On the beaches near Los Angeles bathers soon learned that the shut-downs in the California factories curtailed not only employers' profits and workers' jobs, but also the right to swim. One of the affected plants was the Dow Chemical Co., makers of chlorine, which is vital to the purification of water. With the supply of chlorine exhausted, the beaches became unsafe and were closed by the State department of public health.

Up in Maine the streets are dark, and the gay red, gold, and green neon lights of the advertising signs have been blacked out by official edict. Forest fires, topping a basic shortage of electricity, destroyed a good part of Maine's electric distribution system, including poles and lines.

A state of emergency exists, and President Truman, recognizing the need, ordered the Navy to send to South Portland Bay the destroyer escort *Maloy*. Today the *Maloy* is not a ship so much as a power plant, its generators working around the clock to create electricity, which is then taken by the power system and distributed throughout the State. But Maine's troubles are far from over, and electricity is still rationed—2 hours on and 2 hours off.

Maine's plight is bad, but it is not much worse than that of its neighbors. The new year brought to Vermont an aggravated shortage which threatened paralysis of industries employing thousands of people. The State is frantically seeking emergency power. Even earlier Vermont officials had implored the Navy to send them a ship, too, but the Navy had none available, and a ship couldn't have got through the narrow canal into Lake Champlain anyway.

The power-hungry Vermonters would probably settle gladly for half a ship, which is exactly what the inhabitants of Eureka, Calif., are using. The people of Eureka towed in a foundered Russian craft which had broken in two offshore and put it to work creating light and power. Half a ship has also come in handy way up on top of the world, at Anchorage, Alaska, where half an abandoned Victory ship is supplying power.

Expedients of every type have been tried by utility companies and public agencies to get relief in this crisis. Arizona is the lucky borrower of an Army mobile power-generating train which, while inadequate, is helping a little. The proud Pacific Gas & Electric Co., one of the Nation's biggest power systems, is scouring the byways buying electricity wherever an extra kilowatt is available. It purchases from the Navy at Mare Island, from Letterman General Hospital, and from factories with tiny power equipment known to the trade as "tea kettles." Many utilities are emulating P. G. & E., and at least one utility system, dependent on water power, has tried sending a plane into the clouds to make rain with dry ice.

Most American utility systems today are inclined to be sorry they were such excellent salesmen of appliances in years past. A power company in Florida some years ago staged a sales drive on electric house heaters. It was a high-pressure campaign, much like those put on by power companies everywhere up to a few years ago, and it was successful.

Much too successful, it now turns out, because on the first cold day when all those heaters were plugged in, a transformer blew out.

UNSELLING ELECTRIC HEATERS

Today that utility company is using the same amount of advertising pressure to tell the buyers of those heaters to please, for Pete's sake, keep the things off the line. Though heating by electricity used to be one of the things most encouraged by utility companies, new installations are entirely forbidden today in many sections.

Cooling and air-conditioning sales campaigns were just as popular. Not so now. In Texas, restaurant, hotel and department-store owners have been requested to shut down their cooling equipment for part of each day. Yet the power saved by restrictions is infinitesimal compared to the need. Overloaded generating equipment all over the country remains in danger every minute.

In Beaumont, Tex., crews ride up and down the highways, peering at small transformers along the road. These indicate when they are dangerously overheated by automatically showing a red flag. When the men spot a red flag they dash for the transformer and deposit a cache of dry ice around it to cool it off. And the story isn't much different inside generating plants in every area, where in many cases fire hoses play constantly on aged, overheated machines to keep them from going up and out in smoke.

Across the country, advertisements are appearing like a rash. "We Need Your Help!" says the Union Electric Co. of St. Louis, offering hints to its customers on how to save electricity. The Otter Tail Power Co. in North Dakota thanks its customers for cooperating, but asks for more of the same. Another company buys space to apologize for a serious power failure and concludes by saying that it anticipates more of the same.

Meanwhile utility executives sit in their offices, dreading every storm which might throw out precarious lines and create an intolerable burden on generating and power-station equipment. The great snow which blanketed New York, and the record ice storms which swept across the country in late December were just such catastrophes. The snow, the ice and the wind would have worked havoc even had equipment and maintenance been at peak efficiency. This time, the combination very nearly broke the overloaded camel's back.

The executives thank their lucky stars that the engineers who build electrical machinery are such a conservative group. The equipment provides a wide safety margin and the present demand has led utility operators to push the equipment to limits of everyday use which were never visualized by the engineers. And as they contemplate all this, they think back on how the emergency came about and wonder what the public reaction will be.

The utility companies worked hard and well during the war and there was no power shortage, despite their inability to get necessary equipment. A regimented wartime economy had helped them. The Government told manufacturers that they must work three shifts, which meant that industrial loads could be distributed around the clock. Relief also came from power pools organized by the Government, which arranged interconnections so that one company in dire need could borrow from a temporarily richer neighbor. Daylight saving and rules which barred advertising display signs, Christmas lighting, and the manufacture of appliances helped too.

With the end of the war the rules went into the discard, and the power companies relaxed, expecting a long let-down, even a postwar depression. And for 11 months after VJ-day they had reason to think they had guessed right. Demand for electricity dropped below that of any year since 1942. Then suddenly reconversion was over and every plant which could hook in one more motor was demanding more current than ever before.

Nor was that all. Farmers, grown affluent with a succession of good crops and high prices, clamored for electrification and sometimes hired lawyers in their zeal for instant action.

THE FARMERS' BEST CHORE BOY

They had found out for themselves that electricity is an unparalleled chore boy, and with farm help increasingly hard to come by, electricity could do more. It was wonderful inside the farmhouse, too. Washers, refrigerators, radio, entertainment, and blessed light all came with that line. Small wonder the farmers demand electrification, but their chances of getting it are as dim as the interiors of their kerosene-lighted houses.

One exception is in the Tennessee Valley, where publicly owned TVA is not only continuing to serve its huge industrial customers such as du Pont and Eastman but has, since the end of the war, doubled the number of its farm consumers.

Incidentally, TVA, which is largely a water-power operation, owns a big steam plant near Wilson Dam. That plant is operating at full capacity right now, and is selling every last spark of its output to its neighbor utilities, the Georgia Power Co. and the Alabama Power Co. This has its ironical side because the Alabama Power Co. is using the courts to fight the growth of farm cooperative electricity in its own State on the ground that it can readily take care of all the requirements. At the same time it is buying power from publicly owned TVA.

Desire for electricity is, of course, not limited to farmers. Along the Pacific coast 1,500 wartime factories, thought by all to be headed for the scrap pile after the war, are still doing business, and twice that number of smaller plants have set up to sell goods to the bigger fellows. That takes power, and plenty of it, and the situation is roughly the same all over.

Government and military needs are also demanding more and more power. The creation of atomic bombs already takes huge blocks of power, and when the recently announced plans of the Atomic Energy Commission have been carried out, requirements will double. The hope that atomic energy might be used to make electricity, instead of consume it, has grown dimmer, the only optimism coming from Lewis Straus,, one of the members of AEC, who suggests that atomic storage batteries may one day be practical—but that is looking a long way into the future.

Meanwhile, other military installations are also increasing their demands. The Army is in quest of a site for a supersonic wind tunnel bigger than anything hitherto dreamed up anywhere else in the world. When it is built it will use plenty of power; those who know say it will require 500,000 kilowatts or about five times the power used by the city of Denver.

Aside from military needs, which will be met or else, there is still the ordinary American, trying to plug in his new automatic

laundry, his vacuum cleaner, his refrigerator, and his new floor lamps. There are more people in the country than ever before and each is using more electricity. In Los Angeles, the population has increased by 19 percent, and each consumer is using 35 percent more current. The power systems, everywhere seeking to make a little energy go a long way, have dropped their voltage in many places. If the light bulbs look dirty, if the water doesn't boil, and if the toast won't brown, it's probably low voltage.

DAMAGE TO HOUSEHOLD MOTORS

Low voltage can be very costly to householders, as the business of electrical repair shops in many parts of the country proves. Burned-out radio condensers and bad reception are only a part of the consequences, for low voltage causes motors of vacuum cleaners and refrigerators to go up in smoke. This low-voltage trouble has already caused owners of many electrically equipped homes to buy gasoline and kerosene lamps and to install stand-by cooking facilities in the form of wood, coal, oil, or bottled gas ranges.

Events, such as Maine's forest fires and the greatest drought ever experienced in the green Northeast, are in part responsible for this national shortage. Lack of rain affected the water supply from which electricity is made at Niagara Falls and at dams all over northern New York, New England, and Pennsylvania. Drought affected the West even more. The West depends on hydroelectricity, and the fuel for hydro is falling water. No falling water, no electricity, as the Bureau of Reclamation, which operates so many of the western hydro plants, will quickly prove. They make their point with a picture of the Elephant Butte Dam in New Mexico, which has not enough water in its reservoir to turn the big water wheels.

Those events were acts of nature, but people, singly and collectively, also contributed their share. Congress only last summer cut to the bone the appropriations for the Bureau of Reclamation, despite the fact that the money was largely going into power projects, such as those in the Columbia River Basin, which are vitally necessary to the maintenance of our industrial and food production. Behind the action of Congress was the pressure of the less foresighted of the privately owned electrical systems.

The Idaho Power Co. is still resisting building of the dam and powerhouse at Hells Canyon on the Snake River, a project which would make possible the processing of the richest vein of phosphate rock in the world, at a time when fertilizer is not only short but indispensable if we are to carry out our immense plans for helping to feed the world. The president of the Utah Power & Light Co. only recently denounced the expansion of cheap electric power as political.

In many other areas the private power companies have not been oversanguine about the future of the country. The president of the national organization of the privately owned electric companies was perhaps thinking in this pattern when he said, in the face of rationed and curtailed electricity, that rumors of impending shortages were unwarranted and untrue. So also are the many utility men who speak of the present situation, not in terms of shortages and necessary expansion, but of abnormal demand.

They imply that demand will fall off, that people and industry will use less electricity. But the only foreseeable way that can happen is by a depression, and while a depression may prove a comfort to a few harassed operators of utilities, it is not the solution which the Gallup poll would find popular.

If that is the picture in the privately owned systems, neither is all sweetness, much less light, among the Government agencies which are in the business of creating and selling power. The Army Corps of Engineers and the Bureau of Reclamation build and run most of our great Government power plants. Each would like to do as much of the total job as possible. They have worked together to stop the creation of a Missouri Valley Authority, which like TVA would be under the control of neither, but their jealousy is more often directed against each other.

In California each of the agencies is trying to keep the other from building and operating Folsom Dam. At present, the engineers are out in front, though qualified experts say the dam logically belongs in the framework of the big Central Valley project run by the Bureau of Reclamation.

The same experts say that Army control of the dam will cause duplication and uneconomical operation.

Whoever and whatever is responsible, whether fires, drought, or war, whether private operators or public agencies, it is obvious it will be a long time before we catch up with our present needs. There are only three generator manufacturers in the entire country and they are sold up for years to come. It takes 3 years and sometimes more to make one of the big generating machines. And shortages of copper, poles, and transformers plague everybody.

EUROPE'S NEEDS AN ADDED PROBLEM

On top of these handicaps there is ERP, better known as the Marshall plan, which may well be "operation rathole" unless it results in setting Europe's productive capacity on its feet. That cannot be done without generators. The famous Krug report, which inventories our natural resources with Europe's need in mind, suggests that Government allocation in this field may once more become necessary.

William E. Knox, president of the gigantic Westinghouse Electric International Co., which supplies power equipment to foreign countries, takes a pessimistic view of the effects of what he calls the international "woeful shortage of basic electric power." He says, "The estimates of the amounts of electric equipment requested from Europe are very large, and the studies of these estimates made by official American groups have so far not tended to reduce them." The Marshall plan, as Mr. Knox sees it, will have an undeniable impact on our domestic economy and our capacity to produce even our basic domestic needs.

However, if everything works in our favor and if, in addition, there is no oil, coal, or water shortage, this Nation will in 5 or 10 years, be where we ought to be now—supplying the existing demand without undue strain. Only after that will come the job of freeing and flexing the economic muscles of the country, and we will arrive there only if every possible source of electrical energy, public and private, it developed meanwhile.

INDUSTRIES NEED CHEAP POWER

Manufacturers such as the Reynolds Metals and the Aluminum Co. of America will then be able to find sources of cheap power, the lack of which now keeps them from expanding and making more products and more jobs. The great power-using chemical and metallurgical industries which emerged during the war now constitute but one-half of 1 percent of industry, yet already they are using 50 percent of all the power consumed in manufacturing. Given more power, that infant will really grow.

Highway and street lighting, badly needed across the country, will be undertaken. Businesses will proceed with long-deferred expansion. Farmers will get the power they are demanding, and the people of the cities will taste some of that postwar-world stuff they heard so much about awhile back.

Meanwhile, we will all save electricity in little ways and hope—hope that the private power systems will set up more interconnecting lines so they can borrow from one another when one or another has a power surplus; hope also that the three manufacturers of generators will expand and that more manufacturers will start making the big machines. We can wish that private-utility executives will keep their eyes on our potential and that the public Government agencies will quit quarreling. For it will take everybody in the power business, whether using steam, hydro or Diesel, whether cooperative, private or public, to get behind the stalled power wagon and shove if we are to get really on our way.

Until that dream comes true, the dark shadow will hang over us and strange things will continue to happen. Letters will come to the Navy, as one recently did from a cooperative in Florida, asking them to send a battleship to Miami to supplement their supplier's needs. And in your house and mine the lights may blink three times, the way they do now in Iowa, a signal that the load is getting too heavy and that somebody better get around pronto and flip the switches before all the lights go off.

United Nations Survival Threatened!

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, the United Nations organization has gone downhill in the past year according to Mr. Constantine Brown, noted writer and world traveler. This organization is getting weaker and not stronger, as it should.

Mr. Brown has written a very interesting article on this subject which appeared in the Washington Star on February 15, 1948. I include the article as part of my remarks:

DRASTIC STEPS NECESSARY TO INSURE UN SURVIVAL—WORLD ORGANIZATION HAS GONE DOWNHILL IN PAST YEAR AND THREATENS TO EXPIRE UNLESS A CURE IS FOUND SOON

(By Constantine Brown)

The United Nations, born less than 3 years ago amid the enthusiastic cheers of hopeful bystanders and the impassioned speeches of politicians throughout the world, is sick and dying.

In fact, the illusion that world peace could be achieved by the selfless collaboration of all nations has had a far shorter life in the United Nations than in the League of Nations. The Geneva organization lasted for nearly two decades. The Lake Success (nicknamed by some cynics Lake Flop) organization—more ambitious than that at Geneva—is now so wobbly that observers have begun to believe it was still-born.

STARTED IMPRESSIVELY

Many European statesmen in the past have accused the United States of responsibility for the demise of the League, contending that if we had joined it things would have been different. Teeth, in the form of military sanctions and actual intervention, it was said, could have been written into the covenant and the dictators who appeared after World War I could have been cowed into submission before they became strong enough to use force themselves.

Heeding this criticism, the organizers of the UN inserted plenty of teeth in the charter. Not only did the UN charter provide specifically that military sanctions should be applied when all other means of enforcing peace failed, but a special United Nations Army was provided for, with a staff drawn from the five big permanent members of the Security Council.

The charter was so framed that its members actually surrendered many of their sovereign rights to that organization. All their activities—political, economic, military, and social—were to be filtered through the various component parts of the new peace organization.

Hardly had the UN been organized before it became apparent that unless all the big nations were willing to play square the ambitious program inaugurated in 1945 at San Francisco would fail.

FROM BAD TO WORSE

The first blow—a minor one—came during the Russian-Iranian conflict when the U. S. S. R. representatives refused to obey the Council's injunctions and settled their differences with the Teheran Government alone. Since the worst fears of the non-Soviet members, that Azerbaijan Province of Iran would be incorporated into the U. S. S. R., did not materialize, every one hailed it as a victory, influenced indirectly by the moral power of the UN.

The "minor ailments" of the new-born UN—described by its parents as inevitable growing pains—in the last 12 months have developed into a serious illness which may have fatal results, unless some drastic means is devised to check it. Up to now no one has devised such a means.

Far from improving, matters are going from bad to worse. Whatever cure is discovered will not be applied. One of the UN's parents—the U. S. S. R.—is using the veto power to stymie modern democratic methods.

The old League of Nations frequently was accused of being the sounding board for the selfish interests of the big powers. In those days there was still at least a semblance of international morality, and the power-politics game played by Britain, France, Italy, Germany, and Japan at least was clothed in legality.

GREEK CASE TYPICAL

The United Nations exists at a time when all international morality seems to have disappeared and the sessions at Lake Success sound more like the vituperations of Billingsgate fishmongers than discussions by representatives of the great powers.

Untruths are expressed from the rostrum of that world-peace organization without any respect for diplomatic language. According to some of the members attending the hotter sessions, if the interpreters were to translate literally many of the Yugoslav and Soviet invectives they would be unprintable.

The stalemate has become complete, except in a few cases—such as the partition of Palestine—in which the Russians want, for their own purpose, to join in settlement of the problem.

The case of Greece is typical. In accordance with the Charter and its articles dealing with aggression against a member nation, a commission was sent to the Balkans in 1946 to investigate the justice of the Greek Government's complaint against its northern neighbors.

The whole thing became a tragic farce soon after the commission reached the country. The Russian and satellite delegates openly favored the Greek rebels, while the rest of the commission attempted to make an impartial report.

KOREA ANOTHER EXAMPLE

The findings at the end of the several months of investigation were presented to the Security Council, with the Russian and his associates making a minority report. The whole report was inconclusive. The rebels supported by Russia's satellites, continued their warfare, because Moscow decided to nullify the investigating committee's report and to continue the aggression which the Kremlin leaders expect will bring Greece finally behind the iron curtain. The peace efforts of the UN thus were flaunted.

The same thing applies to Korea. That country regained only nominal independence at the end of World War II, after having been a Japanese province for many years. The ill-advised Yalta agreements between the Big Three provided that Korea would be divided into two zones immediately after her liberation. The northern portion was occupied by Russian troops, while the southern was taken over by the Americans. This occupation was to be temporary, and only until such time as free and unfettered elections could be held, giving the Koreans their own government.

Immediately after the Soviet Army entered Korea it placed a solid iron curtain between north and south.

A secret police force, composed of Russians and Koreans trained for many years in Siberia, was organized. A Korean army composed of men who had sought refuge from Japan and had been trained by the Red Army in the maritime provinces was organized under Russian commanders.

The Koreans in the south—supported by the United States—began clamoring for an election, as they had been promised. They did not want to have their country chopped up into two parts, and were anxious to reunite the north and south under a native government.

At the United Nations, where the Korean claims were considered, it was decided that an international commission should be sent immediately to investigate conditions on the spot and to supervise an election throughout the country.

RUSSIA SULKED AT RULING

Russia opposed the plan, and suggested that before an election took place American and Soviet armies of occupation should be withdrawn. The Russian suggestion seemed logical, except that it meant that south as well as north Korea would be dominated by the Russians.

While in the American zone we had trained a police force armed only with pistols and light machine guns—for the sole purpose of maintaining law and order—in the north the Russians had organized a strong force armed with artillery and tanks and trained by Red officers.

The withdrawal of both occupation forces, it was obvious to us, would mean that the north would invade the south and impose Russia's will through another satellite armed force. By no stretch of the imagination could the southern police force match the northern Korean army.

Russia sulked at the decision of the United Nations and refused to participate in the commission sent to Korea. This group was empowered, under the mandate of the UN, to go everywhere in northern and southern Korea.

The commission arrived at Seoul, headquarters of the American occupation forces in the south. Agents from the north had preceded the commission's arrival and demonstrations were trumped up. These led to major disturbances, which had to be put down by the American military police.

When the UN commission attempted to cross the border to investigate popular feeling in northern Korea, it was peremptorily halted by the Russian Army commander, who refused admission without any further explanation. Once more the UN had taken a kick from the Soviet Government.

WEST SAVED FACE

To imagine that this organization, in which we have placed all our hopes for peace, can function efficiently henceforth under such conditions is to refuse to recognize a tragic—but factual—situation.

For the sake of accepting the theory of the UN, Prime Minister Stalin received handsome payment in allotment of territories to Russia. But all those who attended the Yalta Conference, where Mr. Stalin agreed to participate in the world peace organization, admit now that he never believed in this new democratic idea.

Mr. Stalin had suggested to President Roosevelt and Prime Minister Churchill that the world be divided into three zones of influence, with Russia retaining the lion's share. When the American and British leaders refused to consider such barefaced villainy and offered the Soviet dictator important advantages in Manchuria and control of Eastern Europe, he agreed to have Russia represented at San Francisco.

The face of the western peacemakers thus was saved. They also hoped—for reasons which the ordinary citizen in this country cannot yet understand—that once Russia's thirst for territorial expansion was satisfied she would be willing to work for a stabilized peace and would become a useful member of the new society of peace-loving nations.

How Mr. Roosevelt and Mr. Churchill could have believed in this, after the experience of Prime Minister Chamberlain and Premier Daladier with Hitler, is difficult to understand. But subsequent developments since 1946 prove that Russia never intended to keep the UN alive, unless it could become a useful tool for her schemes of aggrandizement.

Now the United Nations is breathing heavily and the political doctors, while putting out optimistic bulletins, fear that the patient is in a real bad way.

United States Economic Foreign Policy and National Security

EXTENSION OF REMARKS

OF

HON. A. S. MIKE MONRONEY

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. MONRONEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include the remarks by Norman Burns, adviser, Division of Commercial Policy, United States Department of State, before the Foreign Policy Association in Oklahoma City on February 19:

UNITED STATES ECONOMIC FOREIGN POLICY AND NATIONAL SECURITY

The Economic Foreign Policy of the United States is to promote, through cooperative action with other countries, world economic prosperity.

We believe, as a practical business matter, that economic prosperity in other countries is essential, in the long run, for the maintenance of prosperity in our own: no country can exist for long as an island of prosperity in a sea of depression. We believe in economic prosperity, also, for humanitarian reasons; it does not seem right for people to starve when the world has resources, which, if utilized, would provide food and clothing for all. We believe in economic prosperity, also, for ideological reasons: free institutions, freedom of thought, of speech and of worship do not flourish in a soil of economic desperation. All of these aspects of our economic foreign policy have been described many times in the press and in speeches. They have become familiar to, and have received the support of, the American people.

The purpose, here, is to concentrate on one aspect of our economic foreign policy, namely its implication from the point of view of our national security. National security, of course, is a function of various factors. It depends, in part, upon our own intrinsic strength, in part upon the relative strength of other countries, and in part upon the friendly or hostile nature of our relations with other countries.

UNITED STATES ECONOMIC FOREIGN POLICY

The method of our policy is one of cooperation with other countries. After World War I, we sought prosperity and peace by attempting to withdraw from world affairs—on the political front by dissociating ourselves from the League of Nations; on the economic front by attempting to isolate our economy from that of other countries through successive tariff increases in 1921, 1922, and 1930. The tragic end of that chapter we all know. After World War II we sought prosperity and peace, not through isolation but through cooperative action with other countries to solve our mutual problems. We sponsored the creation of the Economic and Social Council of the United Nations, the Food and Agriculture Organization, the International Bank, the International Fund, and the (proposed) International Trade Organization. We sponsored a European recovery program (the Marshall plan) and the multilateral trade-barrier reduction program. Our economic foreign policy has had the effect of greatly expanding the scope and area of cooperative action in international life. Since national security depends, in part, upon the friendly or hostile nature of our relations with other countries, it follows that an expansion in the scope of international cooperative action, which makes more friendly nations, is likely to contribute, in the long run, to our own national security. This, of course, is an intangible factor, but history is a record of the power of intangibles.

The extent of our cooperative action may be indicated more clearly, perhaps, by an account of two major programs of our economic foreign policy, the European recovery program and the trade-barrier reduction program.

European recovery program

The European recovery program was initiated by the European countries at the suggestion of Secretary of State George C. Marshall, June 5, 1947, to make Europe self-supporting again. Wartime dislocations had created downward spirals in the economies of western European countries which, in turn, set in motion other downward spirals until a kind of economic paralysis set in that made economic recovery a slow and difficult process. Coal production could not be increased sufficiently because mines lacked machinery and miners lacked food. Mining machinery to increase the output of coal, and agricultural machinery to increase the output of food, could not be produced in sufficient volume because machinery factories lacked coal. This is but one example of the vicious spiral. The European recovery program, if approved by Congress, would mean the expenditure by the United States of something like $17,000,000,000 within the next 4¼ years (approximately 2 percent of our total national income during that period, at the present level of business activity) to put Europe on its feet again. This plan is more than relief. If relief alone, its cost would of course be less. But relief alone would leave these countries in no better condition at the end of the 4¼ years than at the beginning. The real problem is to furnish enough economic support to ensure their full recovery. The 17 European countries participating in the plan have agreed to help each other, to the full extent of their resources, in addition to the aid from the United States. The participating countries are Austria, Belgium, Denmark, Ireland, France, Greece, Iceland, Italy, Luxemburg, the Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey, the United Kingdom, and western Germany. Other war-devastated countries in Europe are free to participate if they meet the terms prescribed and adopted by the other participating countries.

Multilateral trade-barrier-reduction program

The trade-barrier-reduction program, also initiated by the United States, culminated in the general agreement signed at Geneva by 23 countries, October 30, 1947, to mutually reduce their trade barriers for the purpose of expanding world trade. These countries reduced their tariffs and bound tariff rates on products that account for one-half of the world's total foreign trade—the most comprehensive attempt ever undertaken to reduce world-trade barriers. The general agreement assumes that a reduction in trade barriers will stimulate a revival in international trade that will cause production and trade to expand in all countries. It assumes that if the 65-odd countries of the world separate themselves from each other by trade barriers that create 65 more or less watertight economic compartments there will never be world economic prosperity.

The general agreement came into effect provisionally on January 1, 1948, as regards the United States, the United Kingdom, Canada, Australia, France, Belgium, Luxemburg, the Netherlands, and Cuba. Other signatory countries are expected to put it into force by June 30.

The general agreement was followed by negotiations at Habana, among 60 countries, for the formulation of a charter that would provide a detailed set of rules to govern countries in their conduct of trade with each other and to encourage further reductions in various types of trade barriers. The charter provides, also, for the creation of an International Trade Organization, which members would join to facilitate the carrying out of their obligations under the charter. This charter, when completed, will be placed before Congress to decide whether or not the United States should adhere.

UNITED STATES PROSPERITY AND OUR NATIONAL SECURITY

The question arises now: If our economic foreign policy succeeds in promoting world prosperity, how will this affect our national security?

It is evident upon reflection that a vigorous foreign trade contributes to our own economic prosperity, partly because it creates or sustains a strong foreign market for our exports and partly because it creates a favorable climate for flourishing trade within this country. Economic prosperity is prerequisite for full production in the United States. Full production in peacetime is necessary to maintain a large industrial structure. A country without a large, well-balanced, industrial structure will lack both the plant capacity and the technological skill to produce the kind and volume of equipment required to carry on modern warfare. The United States could never have produced 60,000 planes or more per year during the last war, if we had not had a huge peacetime automobile industry. The United States could not have produced the ships necessary to carry military forces and supplies across two oceans, if we had not had factories and skilled workers to convert our resources into the ship building. The atomic bomb, synthetic rubber, penicillin, and many similar products could not have been produced in volume during the last war if this country had not possessed a reservoir of industrial capacity and technological know-how as a result of prosperous peacetime business.

A large industrial structure is necessary also to maximize food supply. A maximum food supply is essential from the point of view of national security, for no army can fight without adequate food, factories cannot produce with underfed workers, and civilian morale cannot be maintained indefinitely with hungry people. Factories are needed to make fertilizer, insecticides, and agricultural implements to produce the food, to make trucks and freight cars for transporting food and to make machinery for the processing of food that it may be utilized efficiently.

Economic depression would shrink our industrial capacity, stultify technological development and impair our national security.

The maintenance of full production in the United States will create a tremendous drain on our own natural resources. The Bureau of Mines, describing the wartime drain on our mineral resources, in the course of Senate hearings in May 1947, states that the United States has less than a 35-year peacetime commercial supply of 21 basic minerals, including petroleum, copper, lead, zinc, bauxite, antimony, tungsten, platinum, manganese, chromite, nickel. Many of these are strategic materials absolutely essential in the production of implements of war. Under our trade barrier reduction program we have reduced tariff rates on a number of these minerals, so that more of our current requirements will be supplied by imports. This will help to conserve our dwindling domestic reserves.

It is claimed, in certain instances with validity, that reductions in our tariff might operate against national security if mines or factores should be closed as a result of drastic tariff reductions (note, the Trade Agreements Act permits no more than a 50-percent cut in duty on any product). It is feared that such action might make us too dependent upon overseas sources not easily accessible during an emergency. Our experience with rubber illustrates why the synthetic rubber industry, and certain other industries, should be maintained, even although the economic cost may be great. An operating industry to provide a nucleus of management and technical skill and to stimulate technological developments, is necessary in many lines of production, from the point of view of national security. On the other hand the national security argument for tariff protection should not be carried to extremes. For example, there are many cases where our reserves of minerals are inadequate for national security and tariff protection, no matter how high, will not increase nonexistent reserves. In other cases, our competitive strength is so great that imports would not impede domestic production, even if the tariff should be cut. For example, no country can compete against American automobiles. The safest procedure is to consider each case on its individual merits and to take tariff action on the basis of the combined consideration of the Department of State, the Department of National Defense and other Departments concerned with technical or economic aspects of the problem.

FOREIGN PROSPERITY AND OUR NATIONAL SECURITY

Economic prosperity in foreign countries, also, has significant implications from the point of view of our national security.

Hunger and poverty in foreign countries make for political unrest. Poverty is a fertile soil for the sowing of Communist ideology because hungry people are desperate people. It is no exaggeration to say that persistent economic disorganization and want in any country lead directly and inevitably to the loss of individual freedom, to the breakdown of free institutions and to the loss of national independence. Economic prosperity, as Secretary Marshall said, is essential to permit the "emergence of political and social conditions in which free institutions can exist." Economic prosperity is the ally of those people within a country who believe in freedom and democracy. Countries with a strong sentiment of democracy are likely to be friendly countries.

The Eurasian continent (Europe and Asia) has an area about double and a population about 10 times that of North America. The rimland of Eurasia, from the Behring Strait through Malaya, Aden, and Gibraltar, to northern Norway is fringed with approximately 50 countries or economic units, some large such as China and India and some smaller such as Italy, France, Belgium, etc., each of which is separated from the others by trade barriers that prevent the full development of their economic resources. Hence, the rimland countries are economically

weaker than they need be, in view of their aggregate population and resources. The heartland of Eurasia, on the other hand, is in large part covered by a single, large country, with an area twice as great and a population 50 percent greater than that of the United States. Because of its size, the diversity of its resources, and the unified direction of its economy, the heartland country is far less dependent upon international trade than are the many, smaller, rimland countries. The heartland can maximize its production without a large international trade; most of the rimland countries can develop their resources and maximize their production only through a large international trade.

If world trade barriers are reduced and international trade expands, all countries will benefit, but the rim land countries will benefit relatively more than the heart land country, simply because of their relatively greater dependence on international trade. A high level of production and economic activity in the rim land countries will contribute to their security, for the same reason as in the United States, namely that a large industrial structure is an essential of military strength. For these reasons we believe that economic prosperity in foreign countries will have a stabilizing political effect in the world today, that democracy will be strengthened and that these developments will contribute, in no small measure, to our own national security.

CONCLUSION

The economic foreign policy of the United States is essentially a strategy of economic prosperity. We seek economic prosperity through cooperative action with other countries. The immediate step is the European recovery program to lay a firm foundation for a permanently self-supporting Europe. The long-run step is the trade barrier reduction program to expand international trade. We believe that economic prosperity will contribute to political stability in the world today, that economic prosperity will contribute to our own national security and that, in world economic prosperity lies hope for world peace.

A Summons to Self-Reliance

EXTENSION OF REMARKS
OF
HON. CLAUDE I. BAKEWELL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. BAKEWELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Earl O. Shreve, president of the Chamber of Commerce of the United States:

A SUMMONS TO SELF-RELIANCE

(By Earl O. Shreve, president, Chamber of Commerce of the United States, before Chamber of Commerce, St. Louis, Mo., February 9, 1948)

The world is living through a time of great confusion and despair, in this aftermath of the most destructive war in all human history. Vast populations are homeless, which is bad enough—and also hopeless, which is worse. Hundreds of millions in Europe and Asia had counted on the glorious hour of victory to bring them political freedom and economic progress. It brought them neither the one nor the other, thus adding bitter disillusionment to their general distress.

In such a time the frightened and angered masses of the world are eager to find a convenient scapegoat. And as always, the demagogs and adventurers are there to provide one. It is all too obvious that they have selected our America, and especially the American businessman, for that sacrificial role.

They are making our system of individual enterprise the principal target for their organized lies and malice. Their shrill accusations echo through the halls of the United Nations. The airwaves are clamorous with their invective against Wall Street and American imperialism and the other familiar figments of propaganda.

What we face, in effect, is an all-out offensive against our American business civilization. It is an offensive expertly organized by great masters of the strategy and tactics of confusion. It is led and financed by men who have preempted the resources of a dozen helpless countries, including Russia itself. Let no one shrug off the seriousness of the threat, the urgency of the challenge.

You and I, as Americans and as men of business, have no remote excuse for indifference. We must utilize every chance to consult together, to clarify our thinking and to fortify our self-confidence. That is why I am grateful for this opportunity to address another group of my fellow-Americans and fellow-businessmen.

There was a time when each of us could safely mind his own business, letting nature take its course on larger matters. That time is past. Those larger matters have become very much our business. Unless we set that course and fix its direction, others will do it for us—and in directions from which there will be no easy return.

I have neither the right nor the intention to lecture. I happen to be the head of the world's largest organization of businessmen, the United States Chamber of Commerce. But that does not magically endow me with any special wisdom or insight. It merely imposes on me the obligation to call attention to looming dangers and to take counsel with you on our common duties in confronting them. And that, more or less, is the assignment I have set for myself today.

The danger as I see it, is not alone in the attacks on our system of freedom.

No, the danger also is within ourselves. It is implicit in the question which many serious-minded Americans are asking themselves: Do we have the moral stamina, the inner confidence, the resources of faith in ourselves for the great contest between liberty and slavery?

We dare not succumb to a failure of nerve. That is the one calamity which would guarantee victory for the forces of human enslavement.

America must see to its psychological defenses. It seems to me essential that all of us, and leaders of the business community especially, revive the old sense of pride in our national achievements—and a clear-headed confidence in the way of life that made those achievements possible. I believe we must return to the springheads of American inspiration; to the fundamentals of individualism; to those attitudes of mind and heart which may be summed up in the word "self-reliance." Something of the pioneer spirit still lives in every American. Look at the boy selling newspapers on a street corner. He is quite sure that he will one day be among the successful—he feels himself, in his way, an American pioneer. Look at the young man starting a little business of his own, the miner or farmer who sends his son to college, the engineer planning to build a bridge or tunnel a mountain—each of them, too, feels himself a pioneer in the noble American tradition.

There was a time, within the memory of men still quite young, when the basic concepts of individual self-reliance, in all departments of life, were taken for granted in this country. No one felt called upon to defend them, any more than he needed to defend the air he breathed. We recognized, of course, that self-reliance involved risks and responsibilities but were willing to pay that price. Indeed, we relished the risks. They gave to business its tang of adventure.

The few who proposed to limit personal liberty in the name of security or some other goal were looked upon as cranks. Even in great emergencies, like war, we relinquished our individual prerogatives with the utmost reluctance, and always with a firm determination to restore them the moment the emergency was over. In short, we had a deep-down faith in ourselves, in our capacity for general progress through individual initiative.

That faith, alas, has been badly battered in recent decades. You can hardly open a magazine or turn on a radio without hearing a discussion as to how much freedom we ought to surrender to some Government agency or some super-duper "planners." The very fact that the issue of individualism can be seriously debated is a symptom of encroaching moral flabbiness.

Too many Americans have been infected by the very ideologies they profess to be fighting. Their efforts to insure free enterprise seem to be limited to pious declarations. But the proof of free enterprise, as of religion, is in everyday conduct.

You know as well as I do the kind of business leader who defends free enterprise in principle but is inclined to weaken on the principles in practice. Some of his kind are still about. He shouts hurrah for competition as lustily as the next fellow—but is not above a little price-fixing to squeeze out inconvenient interlopers when it suits his purpose. He waves the flag of free economy—but doesn't protest a helping hand from Government bureaucracy here and there.

There are not many of them, fortunately, but enough of them to serve as a warning. They are symptoms of the growing corrosion of that sense of self-reliance to which I have alluded.

The American system of economy has just been through two periods of intensive regimentation. The first, of course, was the New Deal era. Then, without a respite, came the second: The great war.

In both those periods, though for different reasons, business became in many vital respects the word of the all-powerful State. All the mechanisms of priorities and taxation, managed currency, and bureaucratic decrees, were used to cut down the natural creative energy of private enterprise. We saw a vast centralization of power in the Executive, and a virtual abandonment of the principle of free checks and balances.

Taken together these periods added up to 14 continuous years of subjection to centralized and often arbitrary dictation of manufacture, distribution, wages, prices, and other economic factors. The initiative of the individual businessman and manager was hemmed in and sometimes substituted by directives from the ever-multiplying bureaus and agencies.

Emerging from those years of bureaucratic restraint, our economy is a good deal like a patient who has been confined to bed for a long time. After his recovery he must learn to walk again, to stand on his own feet, to do without medication and without the guiding hand of nurse or doctor. In the first flush of his restored health, in fact, he sometimes misses the snug, relaxed routine of hospitalization.

Even thus, American private enterprise economy must learn to walk again, to stand on its own feet, to do without the plaster-cast of state regimentation. It must get over the habit of looking to the doctor in Washington.

Business tended to grow soft during those regimented periods. Let's acknowledge the fact, not in blame but in a spirit of candor. It lost a lot of its wonted drive and resourcefulness. It tended to become meek and compliant under pressures from above.

During the New Deal epoch the economic areas in which individualism and the profit drive could function were so restricted that certain faculties of our economy tended to become atrophied, like body muscles which are not used for a long time. Business, of necessity, relied more and more on lawyers and lobbyists and politicians—less and less on those abilities which are native to a free economy and individual resourcefulness.

During the war, of course, American business in nearly every dimension became in effect an instrument of government. That this was unavoidable in a total war does not alter the fact that the effects on business psychology were deep and dangerous. They added to the harm already done by the New Deal which preceded.

After all, a planned economy has a good deal of temptation for some businessmen. It takes off their shoulders problems and responsibilities. While their return on investment of capital and effort may be small, they believe it is at least more certain, with the Government behind them to cushion risks and absorb losses.

War industries had ready-made markets. Costs ceased to be a problem or a challenge. Competition was a thing of the dim past—the Government took all we could produce and clamored for more. The shortage of goods turned the once powerful consumer into a supplicant who could be treated with scant consideration.

The habits engendered by those two periods—the bad habits of leaning on government—must be unlearned, and that quickly, if our American system of economy is to regain its traditional vitality and self-reliance. Perhaps some industrialists, some merchants, actually miss the "good old days" of centralized regulation. Unless they be endowed with fortitude and daring, they may find it none too easy to adjust themselves to the responsibilities of freedom, to the problems of a free market, to the challenge of pace-setting competition.

Probably you know, as I do, instances of business groups which have sought to retain the protection of government for their own fields, even while demanding an end to regimentation in general. That's the kind of thing I have in mind in warning that the danger is in the first place in ourselves. How can we hope to muster the moral power to defend our freedom unless we restore freedom to its ancient eminence in our hearts and minds?

What's left of the civilized world looks to us with desperate hope for help and guidance. For millions throughout the world we represent the last outpost of the free human spirit. The same force which assured victory during the war—namely the American economy—now holds the one great promise of victory in the peace. It is our obligation not only to ourselves but to all mankind not to dilute or weaken the system that made possible the miracle of our abundant America.

And so I plead for a return to the philosophy and practice of American individualism, whose central virtue is self-reliance.

We must eliminate that undertone of apology—a hang-over from the intoxication of the New Deal spree—which is so often audible in our very defense of free enterprise. Remember always that capitalist America at worst—even in the depths of depression—provides its people with a more ample existence than totalitarian economy at its best. Remember always that the most under-privileged groups here live on a higher level than the privileged workers in Soviet Russia. As for the average American, he enjoys material and cultural advantages never before accessible to so many so continually in all the annals of man's ordeal on this earth.

We must recapture that dynamic sense of mastery over our own destiny that used to be characteristic of the American, and especially the American in business. He never doubted his own ability to meet any situation as it arose.

Two types of defeatism have sapped our national self-confidence in recent years. Both of them must be eliminated from our thinking and feeling if we would step up our economic morale.

The first species of defeatism holds that a drift toward some form of socialism or regimentation is inevitable. The pessimists draw graphs and charts to prove it. But they prove only their own weak faith. Socialization of a national economy, samples of which are on view in Russia and in England, is inevitable in these United States only if we make it so. To assume that we cannot escape it is a fatalistic view unworthy of self-reliant Americans.

Recently, as you may have read, some 8,000 tons of West Virginia coal were shipped from Baltimore to England—destination, and there's the kicker to the story—Newcastle, coals to Newcastle. The ancient phrase that expressed absurdity now translated into real life. What a dismal commentary on the failure of socialism. We need not, we must not, succumb to the defeatism which accepts any brand of .ocialism as a kind of inescapable disease of our times.

The second variety of defeatism was packaged for us in the official New Deal contention that material progress in America had reached its limit. Our economy, it was claimed, had become mature, and there was no more scope for expansion. It remained only for the Government—meaning a lot of big and little bureaucrats—to plan our economic lives in an economy which had attained its growth.

It was not the first time in our history that such a claim was made. Again and again, at points in our climb to abundance, there were pessimists who insisted that the tallest peak had been reached and that we could climb no more. In 1886, more than 60 years ago, the United States Commissioner of Labor, Carroll D. Wright, announced with all the authority of his official position that American economy had reached its natural limits.

"Industry has been enormously developed," he wrote, "cities have been transformed, distance covered, and a new set of economic tools has been given in profusion to rich countries and in a more reasonable amount to poorer ones. What is strictly necessary has been done oftentimes to superfluity. * * * The day of large profits is probably past. There may be room for further intensive, but not extensive, development of industry in the present area of civilization."

That defeatist forecast made on the edge of the greatest industrial expansion the world has ever seen, seems utterly ludicrous in the perspective of time. Well, I am convinced that the "maturity" prophets of our day will sound no less ludicrous as time unfolds the future. We cannot foresee the full potentialities of electronics, of nuclear energy, of new developments in chemistry, of sciences still in the womb of time—any more than shortsighted Mr. Wright could foresee the consequences of the telephone which had just been invented or of the horseless carriage with which some crackpots were already tinkering. But the potentialities are still there, mysterious and alluring.

There is ample reason for believing that, despite the difficulties of this day, we Americans are on the edge of another great flowering of creative genius in our economic life—provided the incentives to effort are not shackled. That flowering, we may be sure, will not be touched off by any Government action. It will grow out of the myriad ambitions, strivings, experiments, and visions of millions of individuals. It will burgeon through a thousand failures in a few brilliant successes. It will be nurtured by the indomitable spirit of free men, who in an atmosphere of freedom depend on themselves and their own capacities.

Our American way of life is under attack. Its assumptions have been opened to question. For these very reasons we must renew our pride in the American story, our confidence in American destiny. Only in that way can we match the fervor of detractors at home and sworn enemies abroad. The answer to the world-wide offensive against America is in ourselves and the name for that answer is good old-fashioned self-reliance.

Taxation Cutting Down Owners' Cherry Trees

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include from the Boston Sunday Post of February 22, 1948, relating to home owners:

TAXATION CUTTING DOWN OWNERS' CHERRY TREES

Cutting down the cherry tree.

Property rights in Washington's day were inviolate, as the first President learned when he wielded an ax in his youth. Property rights on Washington's birthday, 1948, are insufferable, as the home owner is learning every day with tax rates mounting and real estate bearing the full burden of the cost of government. They are still cutting down the cherry trees of the home owner, and not only doing nothing about his predicament, but slowly and surely chopping his home from under him.

Regardless of the fact that Washington, our first realtor as well as our first President, recognized property and home ownership as basic, and it has been so recognized through the years since then, present-day officials in many municipalities appear to believe that property and the home are fodder for budget balancing. While the property stands on a foundation, it is now fair game for replenishing every raid on the Public Treasury. And an ax, well known in the days of Washington, is an unheard of implement when anyone suggests that it might be used to cut down waste and extravagance in municipal affairs.

Unorganized, as he is, the home owner has little chance to protest. Tears are shed for his plight around election time, and other sources of revenue are cited at the time which, when legislated, would shift the burden from his shoulders. But, when the election is over, he finds that his tax rate has advanced, the nonproperty owner has voted away more of the municipal treasury and organized forces, much more powerful, have prevented any possibility that these other sources of revenue be found. For many years now, the gradual draining of the resources of the home owner has been understood and the necessity that other sources of revenue be found has been admitted. Yet, today, the home owner stands alone, watching the tax rate mount, and impotent. His chances of relief are remote in his present unorganized state and his seeming indifference does nothing to alleviate his present condition.

TAX CUT WITH HOME OWNERS' HELP

True, not all home owners are indifferent, but too many of them sit idly by waiting for the other fellow to do battle. Whenever an opportunity is offered to help themselves they make but little effort and the measures that might aid, die aborning from lack of support. Such an opportunity is now offered in three amendments to the Internal Revenue Act

sought for home owners by the National Association of Real Estate Boards and devised by a Boston realtor, Joseph W. Lund of R. M. Bradley & Co., Inc. These amendments, if enacted by Congress, will definitely help the home owner. They were drawn up in an attempt to give owners of homes parity with owners of other property.

These amendments would provide:

1. That the home owner be allowed to take depreciation on the home which he occupies. Homes are recognized as capital assets by many other departments of Government and should, therefore, be depreciated on the same basis as other assets.

2. That when a home owner exchanges his home for another, he not be taxed on an imputed profit but only on such profit as is realized in cash.

3. That home owners be permitted to deduct losses in the case of a sale, especially since they are now taxed upon any profit realized.

In commenting on the introduction of these amendments, the Washington realtor committee declares, "If Congress will adopt this legislation immediately, it will provide added and needed incentive to home ownership, and, therefore, to increase our housing supply."

MUST STAND UP AND BE COUNTED

Unquestionably it is high time that a home owner be allowed to take depreciation on the home he occupies. He is taxed enough—and more than enough as it is. But he will continue to pay—if he lends no support to the measure. And the extent of the support will be seen in the number of letters received in Washington by the Congress—particularly the individual Congressman and both of the Senators representing the home owner there.

Unless the home owner is concerned—nobody else is going to be. It's a simple test—and up to the home owner. He can sit back and allow his representatives in Congress to assume that these amendments are not important to home owners or he can sit down and, with a letter, lend his support. He can, too, assert that the relief he would get from such a change in the revenue act wouldn't be enough to put in his right eye. Yet, it is from the little things that he may begin to get an understanding of his potential power. And what can be done in Washington can be done just as effectively in his own community—if he will stand up and be counted.

Too many cherry trees in owners' orchards are being cut down now—Washington's Birthday is a good time to start dulling the ax of excessive taxation. The odds are against the home owner—but they are no greater than those Washington surmounted.

Federal and State Aids Defeat Home Rule

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, when municipalities or States accept aid for local services they begin to defeat home rule by the people. This great truth is pungently pointed out by Mr. Claude F. Eames, editor of one of my fine weekly newspapers, the Elkhorn Independent.

Mr. Speaker, under leave to extend my remarks, I include an editorial by Mr. Eames, which appeared in his paper on February 12:

AID AND INDEPENDENCE

The insidious, hypnotic power of State and Federal aid is gradually removing home rule from the communities of the Nation in spite of the fact that everyone recognizes there is no such thing as "something for nothing."

When Elkhorn or Walworth County accepts a hand-out from above, it sells another part of its independence because along with easy money comes rules, regulations, permissions that must be granted from above, and red tape.

Plans are drawn for us in Washington and we are invited to cooperate while the aid bait is held before us. We grab it quickly, because, we reason, somebody else will. Suddenly we find that we are going through the motions of running our own business according to the formula provided by somebody we never heard of.

Somewhere along the line we have forgotten that Government's only source of revenue is us and that we are furnishing the money for Federal spending. We have lost sight of the fact that after the money is out of our hands somebody else decides how it shall be used. And only those who conform to the master pattern and regulations will benefit.

Costly governmental machinery takes money from us in the highest taxation program in American history. An expensive bureaucracy juggles our money and takes its cut for admihistration costs and then sends what is left back to the people, usually in a different distribution program than was used in the collection.

All these things are contributing factors in creating the highest peacetime budget in the history of the United States. This spendthrift, wasteful Government, which asks $37,000,000,000 has gone so hog wild that it tosses billions around like small change, knowing full well that if it runs short, that inexhaustible supply will always be handy—the people!

It is high time this Nation took stock of its future. It is time Walworth County people surveyed their own situation and discovered a few of the places where Federal money flows freely. The termites of a strong central government are busy at the foundations of democracy.

Address of Hon. Mary T. Norton, of New Jersey

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. MANSFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Representative MARY T. NORTON, of New Jersey, at the Jefferson-Jackson dinner, Mayflower Hotel in Washington, Thursday, February 19, 1948:

Tonight we and Democrats everywhere are honoring Thomas Jefferson and Andrew Jackson, one the founder of the Democratic Party, the other the great defender of Democratic ideals. The Democratic Party has come a long way since the days of Jefferson and Jackson and we want to see that party, which combines the ideals of these two great patriots, continued and strengthened throughout the coming years with distinction and honor. Through the years, and particularly the last 16, the Democratic Party has made a great contribution to our country. It is, and always has been, the party of the people, a progressive party that has been responsible for most of the humane laws on our statute books, laws which have as their objective prosperity for the farmer, a living wage for the working men and women of America, security for the aged, and higher standards of living and education for all of our people. These, and many more laws, have been enacted under the leadership of a great President, Franklin Delano Roosevelt, and they will be continued and improved under the able leadership of President Truman.

However, all that we have gained in the last 16 years will be lost and the welfare of the common man, who is the bulwark of this Nation, will not be improved if we do not re-elect our President and return a Democratic Congress.

That, I can promise you, and, if you need proof, I can refer you to the record of the Republican Party in the Eightieth Congress and challenge you to point to a single outstanding act of this Congress to benefit the people of America or of the world. The Republicans have had their opportunity in the 14 months that they have controlled Congress, and how miserably they have failed. Even the Marshall plan, which should be nonpartisan, and which would do so much to establish a lasting peace, is being jockeyed around and made the same kind of a political football that succeeded in destroying the League of Nations following World War I. Are we to go through that same agony again? I say that we cannot if America and Europe are to survive and, whether we realize it or not, the survival of civilization itself is at stake this time. Make no mistake about that. We are faced with a tremendous responsibility and we must meet it. I know the Democratic women will do their part, particularly those women whose sons have made the supreme sacrifice in the late war. They know the price paid for war in tears, in suffering, and in sacrifice. We know the Democratic Party is responsible for the United Nations and the Marshall plan, which we hope will go far to end war, and we know that if either or both is to survive, we must reelect President Truman and a Democratic Congress. This, I believe, will be the No. 1 reason why women will support the Democratic Party this year.

Another, and very personal reason, is that the Republicans in Congress voted 9 to 1 to destroy OPA and brought about the highest food prices in our time. This will be remembered on election day—and there are 2,000,000 more women than men eligible to vote this year. Some people claim the women helped to elect the Republicans in 1946. Well, if they did, I know they have bitterly regretted it. It is true that women were tired of restrictions, tired of standing in line to buy food, and they foolishly thought the Republicans could improve conditions. They wanted a change. Well, they got it and what a change it has been. When we had to stand in line with coupons, we were treated fairly, and, although we fed a great Army and supplied our Allies with food, we were still able to get our share of food at reasonable prices, and feed our families properly because the price of food was controlled through the entire war. We did it through OPA but the record shows that the Republicans destroyed OPA. If you need proof of that, I call to your attention a statement made on February 5, 1948, in my own State by Senator WHERRY, acting majority leader of the Senate, before the Middle Atlantic Lumbermen's Association, and I quote, "I do not need to remind the membership of this association that it was the Republican leadership in the Senate and House that was responsible for ending OPA." Now that price controls are gone, we can look longingly at the nice cuts of meat and other foods, which only the rich can afford to buy.

Yes; women have had enough, and I predict they will come back to the party that gave the workers enough to eat at fair prices, a chance to live, to educate their children, to save for their old age, and to enjoy some of the comforts of life. Mr. President, we women are going to be a great factor in your reelection this year, and we shall elect a Democratic Congress to support you in your program. This is a challenge, and we shall meet it. And it would be a good idea and strengthen our organizations, if it were suggested to the leaders of our party that women be given a greater share in the policy-making councils of our party, particularly young women. I am old in years and 28 years old in service to the Democratic Party. I humbly acknowledge a great personal debt to my party for the privilege of serving nearly 24 years in Congress. I have no axe to grind, and my time is running out, but I do want to see more qualified women recognized for what they are worth. Women are willing and anxious to work.

The mothers of this country do not propose to be again separated from their husbands, their sons and daughters, and again wait in an agony of suspense, wondering whether or not they will receive that fatal message.

They are going to vote for the party and the candidate who show by specifics that they, too, want peace.

The Democrats will win this coming election if the campaign is waged in the image of Jefferson, Jackson, and Roosevelt.

We must be courageous and forthright.

We must face issues and not evade.

We must fight and not conciliate.

We must speak the truth and not mouth a lot of platitudes.

We must draw the lines clearly. We must be the people's party in spirit as well as in word.

If we are, we will elect a Democratic President and a Democratic Congress to support him.

In Favor of Library Demonstration Bill

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. PATMAN. Mr. Speaker, I would like to give my views on the library demonstration bill.

I have studied the bill thoroughly and I am convinced of its merits. It seems to me to be the soundest approach to solving the problem of our 35,000,000 bookless Americans. The money required for the plan is indeed modest compared with the good it will do.

This bill would do a lot for my State of Texas, as well as for other States. There are more people in Texas without library service than in any other State. Over 3,000,000 Texans, or about half of our population, do not know what free public library service is.

Texas is first in a lot of things, but when it comes to library service we have to take thirty-eighth place among the other States. Of the 254 counties in Texas, 147 have no public library within their bounds. And only 33 counties have county-wide free library service. I would like to see this bill passed so our State library could have some help in getting libraries set up in these areas without them. I am sure there are other States who need Federal help just as much as Texas does.

One argument that has been raised about the bill is that the Federal Government will be getting involved in something the States should take care of. I think most of you will agree that Texans as a rule are pretty independent people, and will not favor any action which might take away their rightful powers.

Well, the people in my State are definitely in favor of the library demonstration bill, so at least there are a great many people who do not thing it invades States' rights.

I think one of the encouraging features of the bill is that it affords Federal aid for stimulating Nation-wide extension of free library service with initiative and full control of the movement left to State and local authorities.

I have here a collection of editorials from Texas papers which I want to submit for the RECORD. They point up the need for library service in Texas and the United States as a whole, and express the people's attitude toward the bill.

[From the San Antonio (Tex.) Express of May 8, 1946]

TEXAS' STAKE IN THE HILL-DOUGLAS LIBRARY BILL

One particularly sound feature of the Hill-Douglas bill now before Congress, is that it would afford Federal aid toward stimulating Nation-wide extension of free library facilities with complete assurance that initiative and full control of the movement would reside in State and local institutions.

With modest joint Federal-State financing, the proposed 4-year program would demonstrate—by working examples—how local initiative and resources can establish and maintain free public libraries. The effort would be concentrated in rural districts now most backward as regards library facilities to prove their worth in raising living standards, affording recreation and inspiring cultural improvement.

The bill specifically limits Federal interest to purely fiscal matters and progress reports. The State library agency—after consultation with local authorities—would design the detailed demonstration plan in each instance. The program would be entirely State operated; responsibility for selecting books and personnel, scheduling the services to be rendered, and all other related activities would be reserved to State and local officials and their advisers in the library field.

Previous experiments in some States support the theory behind the library-demonstration bill. When the 4-year program shall end, the people in the selected demonstration areas will strive independently to maintain the library facilities which they will then appreciate. The examples offered by the test areas will show State legislators and their constituencies the merits of State extension service for raising local educational levels through library service. Counties already possessing such facilities will benefit indirectly, but appreciably through resulting general improvements in the service and clearer popular understanding and support of the library movement.

Texas shares to a discreditable degree in the Nation's large number of poorly educated and relatively uninformed adults, to whom free public libraries offer the best opportunity for self-help under expert guidance. Texas is one of the 13 States with 45 percent or more of their population lacking public-library service.

[From the Wichita Falls (Tex.) Times of May 2, 1947]

UNITED STATES SENATE LIBRARY BILL VITALLY CONCERNS TEXANS

(By Leslie Carpenter)

WASHINGTON, May 2.—Texas has a big stake in the library demonstration bill which comes before the Senate Education and Labor Committee for hearings in May.

Texas has more people without library service than any other State. Almost 3,500,000 Texans do not have access to any libraries. This huge figure represents nearly half the State's population, and it represents 10 percent of the total number of people in the United States who are without libraries. The national figure is 35,000,000.

The Senate bill, co-authored by a Democrat and a Republican, Senators LISTER HILL, of Alabama, and GEORGE AIKEN, of Vermont, would take great strides toward improving library service in rural communities. It would appropriate $25,000 for each of 5 years to the State library organization in each State. The State group would then use the money in any way it determined to demonstrate better library service in rural areas. Each State could also obtain up to $75,000 in addition in Federal money for all 5 years by matching it dollar-for-dollar.

The idea behind the bill is that after rural dwellers are given a 5-year demonstration of good libraries with Federal money, they will want to continue it and will be agreeable to supporting it with their own local tax moneys.

TOWNS TOO SMALL

"Take west Texas," says Paul Howard, formerly of Fort Worth, who is director of the national relations office of the American Library Association in Washington, "You drive hundreds of miles and don't find a town large enough to support a good public library. That's the reason Texas stands out as first in having the most people without library service."

What's the solution? The American Library Association thinks the best one under such conditions is to establish one good library for a group of several counties. Enough people would live within the area to support the library. The books could be distributed throughout the area by bookmobiles—trucks carrying books right to the ranch house or farm home; general stores could distribute books for the central library, with the stores' supply of books being changed frequently by the library for variety; schoolhouses and churches could also act as distributing centers; and the library itself would be open for those who could come.

[From the San Antonio (Tex.) Evening News of June 5, 1946]

WHY FARM LEADERS APPEAL FOR RURAL FREE LIBRARY SERVICE

Farmers' Union and National Grange lately expressed strong, informed support of the public library service demonstration bill now before Congress.

Leaders of those farmers' organizations know only too well that of the 35,000,000 or more people estimated by American Library Association to be without any free library service whatsoever, the great majority are in rural areas and their small communities—such as contain the larger part of Texas' population.

Those leaders agree with Dr. Luther Evans, Librarian of Congress, that "the level of information of our people as to current problems has to be raised if we are to meet our responsibilities." With Dr. John W. Studebaker, United States Commissioner of Education, they perceive that "public library service is truly an essential factor in the educational program of the Nation."

Though the proposed measure is perhaps too modest a beginning—the farm leaders' only criticism—the plan it would finance has proved practical. The Federal-State funds to be allotted would enable demonstrations of library service in areas where the people are unfamiliar with its manifold benefits and with the relatively low cost of establishing and maintaining local libraries.

Once the demonstrations had been afforded the people in most such towns and counties, the outside financial support would terminate. The local populations themselves then would decide whether to forego library service such as they had been enjoying, or continue its maintenance on their own. Experience in several States shows that most would choose the latter course.

The Hill-Douglas bill would grant State library agencies full responsibility for planning the demonstration program within each State. Two general types of plans could be submitted—one for a basic demonstration using $25,000 a year for 4 years, financed solely by Federal funds; the other an expanded plan with an additional $25,000 to $50,000 in Federal funds, matched by the State. The plans thus could range in each State from $25,000 to $125,000 annually for 4 years.

Texas needs the maximum expenditure. More than half its population now has no public library service, and additional thousands are inadequately served. The program proposed would stimulate the continuing work of the people's library movement for Texas and the planned expansion of this State's library extension service.

Despite its obvious merit, the Hill-Douglas bill is moving too slowly toward final passage—bogged down behind more sensational issues which lately have involved Congress in wrangling. Firm expressions of support from still more individuals and organizations might speed its approval, however, and the need is urgent enough to warrant that popular appeal.

Make Meharry Medical College a Southern Regional Educational Institution

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. EVINS. Mr. Speaker, the meeting in Washington yesterday of southern governors in connection with the providing of regional educational institutions was a momentous one from the point of view of harmony, unanimity, and cooperation—all present favored the proposal for providing regional schools of higher learning in the South. There were no dissents or disagreements. The governors of 15 Southern States have completed action upon a compact to expand educational facilities for Negro students desiring to take advanced educational training in Southern States. There remain only two steps to be completed to bring this forward and progressive move into reality, namely, approval by Congress of House Joint Resolution 334, giving the consent of Congress to the compact of the Southern States on regional education, and two, passage by the respective legislatures of bills approving the joint compact for the purpose indicated.

Included within the plan is a specific provision for the acquisition by the States of Meharry Medical College, a class A medical and dental college for Negro students in Nashville, Tenn., to be jointly owned and operated by the Southern States. This is but a forerunner of other projects to benefit professional students throughout the South. Plans are under way for the establishment of schools of veterinary, science, forestry, agriculture, and schools providing other specialized training. The States and Federal Government should cooperate to the fullest extent in providing adequate educational opportunities. The approval by Congress of the pending resolution will facilitate this movement and certainly constitute a forward step in the right direction.

Mr. Speaker, in this connection I desire to include two editorials from leading newspapers in Tennessee, namely, the Nashville Tennessean and the Nashville Banner, concerning the acquisition of Meharry Medical College by the Southern States and its operation under the regional educational plan.

The editorials are as follows:

[From the Nashville Tennesseean of February 10, 1948]

THE NEW ERA

The signing of a compact between southern governors for the establishment and support of regional institutions of higher education for Negroes and whites marks a historic advance for this portion of the country.

Nine governors have signed the compact. Four others have signified their willingness to do so.

Enabling action by State legislatures and Congress is still necessary before the plan begins to function, but no serious opposition is expected.

Governor McCord, of Tennessee, is to be commended for the leadership he has exercised in working up the plan and promoting its adoption.

Nashville in particular is pleased that the compact will assure continuation of Meharry Medical College for Negroes here and a widening of its influence and activity.

The Southern States have long been plagued by educational headaches. Paucity of funds and the need for maintaining dual facilities have been the chief stumbling blocks in the way of educational adequacy.

The new era opening for the South has been reached by changing from sectionalism to regionalism. It is a happy and progressive step which may well lead to others.

[From the Nashville (Tenn.) Banner of February 14, 1948]

OPPORTUNITY KNOCKS VIA MEHARRY PLAN

There is every good reason for the Meharry Medical College plan—transition into a regional school, for use of all the Southern States—to be adopted. There is every good reason for it to succeed.

It was approved in substance when Gov. Jim McCord proposed it last October before the Southern Governors Conference. The idea was sound, and recognized as the ideal solution to a great present and growing need.

It received further substantiation, as a practical, worth-while, forward step, when five southern governors—meeting here as the committee on regional education—inspected the Meharry plant and went into further details of the plan. And we anticipate that when this committee makes its report to the Southern Governors Conference that body will sanction it and go to work on it immediately for full materialization.

It merits that instant treatment to clear whatever hurdles remain; as, for instance, congressional approval, which is necessary for any interstate commitments of appropriations and spending. As another instance, sanction by the State legislatures whereby the States in question can avail themselves of it.

We have said time and again that the South can solve any problem confronting it; that such problems—relating to individual States or to States regionally—belong in hands familiar with them and capable of handling them intelligently, without the handicap of kibitzing, intrusion, interference from afar. We have said that the South is not remiss on matters of duty toward its citizens. And these points bear repetition.

Institutional facilities exist to be used for this purpose. Meharry Medical College exists to train doctors, nurses, dentists, etc., as it has trained them and sent them out to work with distinction all over the United States. The record of its achievement is excellent, and used on the grand scale contemplated in this plan, the record of usefulness can be tremendously magnified.

And use of this plan with respect to Meharry, or even contemplation of the plan in the light of what it can accomplish through that institution, suggests its worth in the whole field of higher education. For the South possesses other great institutions of Negro education where a similar working plan can be devised.

The South, we are very sure, is in favor of that.

Meharry's favor of it speaks for itself. Meharry needs the support this plan would provide, enabling it to meet an economic situation so serious that it has been threatened with closing unless help can be secured. Help by the means suggested is the best that could be forthcoming.

Meharry has discharged its responsibilities as an institution, and admirably. The Southern States can discharge a like responsibility by availing themselves of the facilities at hand.

The plan is available, and the facilities are available. Let's use them. Let's speed this plan into full maturity.

European Recovery Program

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. HESELTON. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to include an address given by the gentleman from New Jersey, the Honorable CLIFFORD P. CASE, at the dedication service on European recovery program at the Fifth Avenue Presbyterian Church, Sunday, February 22, 1948. The remarks of the gentleman from New Jersey [Mr. CASE] follow:

Everyone hopes that a European recovery program will succeed. Most of us believe that it can succeed. But we all know that it can fail.

For its success—for the European economy to be restored, or, more accurately, remade, so that it can maintain itself—many difficult problems must be solved, many uncertainties must be happily resolved.

I am confident that shortly Congress will authorize, and the great weight of American

opinion will support, an adequate and workable European recovery program. We shall do so soberly, with full recognition of the difficulties, with full appreciation of the uncertainties, with full awareness of the heavy cost. And because this is so, I believe that when the record of our century is written, the participation by the United States in the European recovery program will be recognized as one of the great conscious acts of faith in all history.

It is well, I think, that we should ourselves recognize that this is so. Nor does it detract from the importance of the act or lessen its significance that it is, as I am convinced it is, the most effective action we can take in the interest of our national security or for the purpose of establishing and maintaining a peaceful world. There is nothing unworthy in either of these objectives.

But even more important than the establishment and maintenance of a peaceful world is the kind of world we are able to maintain.

Peace and order, of a sort, can exist under a dictatorship. Quiet and stability can be maintained, or enforced, in a society which denies the dignity of the individual, which denies the existence of the human soul, which denies God.

It is not extravagant to believe, as I do, that the maintenance and restoration of these transcendent values in many parts, if not all, of western Europe depends upon the successful working out of the European recovery program: How much of our heritage of freedom had its origin in these very countries. How appropriate that we should now be able, in a measure, to repay that debt.

In planning and in carrying out the European recovery program, we must, of course, be concerned for the most part with cold, impersonal economic facts. Then, too, the magnitude of the problem requires that the program be essentially a relationship between governments, as opposed to relationships between the peoples of one nation and those of other nations. It is, therefore, good that we should pause from time to time, as we do today, to consider the moral aspects of the matter and the spiritual factors which are involved.

But faith without works is vain. And so I suggest that in this meeting of dedication today we should not be content with dedicating ourselves to thinking correct thoughts about the European recovery program and its high purposes and objectives. Each of us should also dedicate himself to the most effective participation of which he, as an individual, is capable in the effort to insure the success of the program.

One obvious form of such participation can be to urge and support sound action by our elected representatives in authorizing and administering the program insofar as the United States is concerned. Important as such activity is, however, we cannot stop there. It is clear beyond a question that the success or failure of the program, in the final analysis, depends not only upon what we in the United States or our Government does, but that it depends even more upon what is done in London, Paris, Rome, and the other capitals of Europe and upon what is done by the peoples of the European countries themselves.

Consider, for a moment, what must be accomplished to insure the success of the program.

Trade barriers between the nations of Europe must be broken down, internationally integrated industrial and agricultural production must be brought about, internationally integrated production of electric power and transportation and communication are vitally required. A high level of trade between eastern and western Europe—throughout the iron curtain, if you will—as well as with the rest of the world must be established. All this, in addition to the establishment within each country of sound fiscal policies and the development within each country of its own agricultural and industrial potential to a level far higher than ever before existed. And, further, conditions of political stability must be maintained.

To accomplish these results requires that the peoples of Europe rise above national aspirations, prides, and jealousies which have been nurtured for centuries. The program cannot succeed unless this is done. Many countries will want—indeed, they have already requested—independent self-sufficient basic industries; for example, a steel industry, an electric power industry, and the like. These requests cannot be granted except insofar as they fit into an integrated international program and many of them will have to be denied.

To induce the various countries and their peoples to accept such disappointments as a necessary contribution to the common effort will be a task of extraordinary difficulty. Especially is this so because the forces interested only in destroying the program will appeal to all the most selfish aspirations, to all the worst motives, to all the basest instincts of peoples whose moral and spiritual strength has already been greatly weakened by the ordeal through which they have gone and which they are still undergoing. They will be most susceptible to the suggestion that the refusal to grant to their particular countries the full measure and exact kinds of assistance which accord with their individual narrow desires represents but another attempt at imperialist dictation by the great colossus of the West.

This, I am convinced, is the very heart of the problem. Success or failure of the European recovery program, with all that it means to the peoples of Europe, to us and to the world, depends, first, upon bringing home to the peoples of Europe a clear understanding of the communal effort which is required, and, second, upon persuading them that wholehearted participation in that communal effort is in their own best interests.

It is here that the greatest service by the American private citizen is possible. Governmental efforts through the Voice of America and otherwise must be employed to the greatest possible extent. But they alone cannot succeed. Only by innumerable, direct, personal contacts between the people of America and the people of Europe can the latter be persuaded, first, of our own good intentions in the matter and, second, of the vital part which they themselves must play.

There are many ways by which the human relationships between our peoples and the peoples of the participating countries can be improved; by which we can avoid and eliminate where it exists, the natural resentment which one obliged to accept help from another feels toward his benefactor, the cynical belief that our actions are motivated essentially by self-interest which has given rise in certain quarters to the complaint that Uncle helps himself.

The Friendship Train, for example, is an outstanding instance of personal contact between the peoples of America and of Europe. It had, I am told, a most impressive effect abroad. American communities have adopted European towns and villages and have helped them to rebuild. On a less ambitious scale, American families have adopted European families or groups of European children. The rebuilding of bombed or ruined churches and synagogues in Europe, with the direct help of individual Christian and Jewish congregations in this country is another example of the manner in which the individual American can directly reach the individual European and become not only a source of material help but a moral and spiritual inspiration as well.

Activities of this sort should be continued and broadened. In addition, direct personal contacts between individual Americans and individual Europeans and between representatives of American churches, schools, the press, industrial and labor organizations, professional and scientific societies, libraries, clubs, service, fraternal, and other organizations and groups with their European counterparts are of vital importance. Everyone of us who is associated with any such organization should see that such contacts are established on every possible occasion. Through such personal communication, more effectively than through any governmental action, propaganda, or organized publicity, can the people of this country bring to the people of Europe, and especially to those in positions of leadership in private as well as in public life, an understanding of what the European recovery program requires on the part of their peoples and their governments. A suggestion to which the present occasion naturally gives rise is that there might be organized on the widest possible scale in the churches of Europe services of dedication to the principles and purposes of the European recovery program similar to this service today.

The importance of activities of this sort to the success of the program cannot, in my opinion, be exaggerated. Without the human relationships, the intellectual understanding of the problem, and the moral and spiritual lift which they alone can engender, I do not see how the program can succeed. Herein lies the responsibility of the individual American private citizen, the challenge which no one of us can fail to meet.

China Needs Military Help

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, no less an authority than General Chennault says that China must have military help if she is to survive as a free nation. He is willing to return to this country and testify before a House committee. As part of my remarks I include an article by Mr. Farnsworth which appeared in the Washington News on February 24.

AID FOR CHINESE IS UNITED STATES DEFENSE, SAYS CHENNAULT

(By Clyde A. Farnsworth)

SHANGHAI, February 24.—The question of aiding China has become a question of defending the United States, Maj. Gen. Claire Chennault said today in an interview.

"Economic assistance now planned may help, but at best it will be only a partial answer to this urgent problem unless it is preceded or accompanied by decisive military help," said the retired general who formerly was chief of the Flying Tigers.

General Chennault, who may be invited to Washington to testify on the China aid program now before Congress, said he would be happy to accept such an invitation.

General Chennault's view is that Korea, where a Sovietized state was proclaimed last week, and Manchuria, where one may be proclaimed soon unless China gets military assistance, are the eastern anchor of the strategic belt across Asia which Russia wants to control in order to have freedom of action in Europe.

For that reason he believes a strong, friendly China could be America's greatest insurance against a third world war.

"TIME FUZE"

The situation in Manchuria, where the Nationalist government has been losing to Chinese Communists armed by Russia with captured Japanese weapons caused General Chennault to write in a dispatch to the Scripps-Howard newspapers 3 weeks ago that the time fuze of World War III was burning there.

He recommended American help for China—arms and ammunition and other supplies, and a corps of air and ground technicians to provide military advice.

The Chennault dispatch preceded presentation of the State Department's program of non-military aid for China.

The State Department's subsequent disclosure of new contracts for the sale of surplus American goods to China left General Chennault of the opinion that the United States Government is still not facing the realities of the situation here.

"Surplus war goods will not save Manchuria and probably will not save China," he said, "but our surplus talent of technical, tactical and strategical advice and direction might.

"China, in a strategical sense, is a defense frontier of the United States. A defense frontier when threatened deserves more than surplus goods and token economic assistance.

"DOWN A RAT HOLE

"Without intelligent military support to insure the continuity of the Nanking Government—which is the only government presently possible in China except a Communist puppet regime—General Marshall's proposed $570,000,000 may disappear like sand down a rat hole—a Communist rat hole.

"Difficulties of the Chinese Government are almost beyond comprehension, through no fault of its own. As, for example, the situation in Manchuria. There the Central Government has been trying almost hopelessly to undo our own misstep at Yalta.

"The time has passed for Americans to quibble over helping the Chinese Government because it fails to come up to their highest expectations. It is no longer a question of whether we should help China. It has become a greater question of whether we should help ourselves—whether we can defend ourselves on the Asiatic continent."

General Chennault said it was "questionable" whether the American position in Japan could be maintained with China lost.

"The first thing Washington should do is to take the handcuffs off the American Advisory Group," the general said. "As matters stand, the advisory mission gives the false impression that the United States is trying to help China militarily. Actually they have a dozen officers with Chinese troops in one troop training camp in Formosa, hundreds of miles from China's battlegrounds."

General Chennault thought that military advice alone, even if rendered at China's battlefronts, would prove insufficient. He said the situation called for "a bold Chinese-American partnership" in both advice and direction of China's efforts in aerial and ground warfare as well as in such subsidiary services as communications and supply.

"Moreover this partnership must be backed up by unstinting shipments of war matériel and a strong program of economic rehabilitation.

"Let's quit arguing about whether Nanking is 'reactionary' or whether Chinese Communists are 'agrarian' reformers," he said.

"Facts deny both propositions, I believe, but even that doesn't matter now. What does matter is that the United States is fast losing China as a defense position against world communism."

Curb Controls

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. FOOTE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. FOOTE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to include an editorial from the New England Homestead of February 14, 1948:

During the war the Nation was subject to controls of many kinds. We gave a sigh of relief when they were lifted and hoped that they were gone for good, but once again we are threatened with a renewal for this or that purpose. We have learned from past experience that once Washington starts on control measures, there is no end to their operations, for one measure inevitably leads to another, and each new control means an army of controlists and an anything but happy public. Remember what happened in Russia and in Germany, and what's happening in Britain today under socialistic control. It could happen here. Our past experience with Government control and its resulting racketeering and black-market operations should not be forgotten. We need more statesmen and fewer politicians down Washington way.

AMVETS Pledge

EXTENSION OF REMARKS
OF
HON. PAUL CUNNINGHAM
OF IOWA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. CUNNINGHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I am pleased to include an address delivered over radio station WHO, Des Moines, Iowa, on January 25, 1948, by Edgar C. Corry, Jr., national commander of the AMVETS:

This is the third winter of a peace which really is not a peace. It is the third winter which finds the world tottering on the brink of uncertainty about the future. There is a growing, permeating fear almost everywhere that another war will come. It is neither a pretty nor a welcome outlook. But where and when and under what circumstances war will come again, those apparently are the only factors missing insofar as an increasingly great number of people are concerned.

With each passing moment, with each tick of the clock, more and more individuals and nations are ready to give up the ghost of our newborn, hard-won peace which began with the end of World War II. Here and now, however, let me say that AMVETS do not believe that another war is coming. We know within our hearts, because of the sacrifices already made by so many of our comrades of War II, that another war must not come. And it need not come if we will strive as hard, as sincerely, for a permanent, workable peace as we did to win the military victory in the late global conflict.

It is axiomatic that it is better to win than to lose a war—but in some ways, not much better. For no one ever really wins a war. America paid a staggering price for victory—she paid with the lives of her young men; she paid by fantastically draining her natural resources, she paid by placing an astronomical burden on her present citizenry and upon generations yet to come. Such was the price of our victory. But victory was not just an empty cause, for today the world is free of the totalitarianism of the Nazis and the Fascists. And once again we have unequivocal proof that when America fights, she fights for humanity.

We of AMVETS know, as does every straight-thinking American, that another war could—perhaps would—mean the end of our civilization. With such a prospect in the event of another conflict, the just cause (that is the human cause) does not become one for which to fight a war. The just cause now becomes the matter of securing and maintaining a peace—a peace that must work.

Before going any further, gentlemen, let us agree on a definition for the word peace. According to Webster, there are several definitions—one being freedom from war. If we accept this definition, then the United States is at peace and the world is at peace. Certainly there are racial strifes, but there has been no formal declaration of war—therefore the world must be at peace. But Webster has another definition. He says peace is spiritual content. And I think if you ask the man on the street, he will agree with this last definition according to which there is practically no peace anywhere.

The fact that the American public now accepts this second definition is enough to restore our faith in miracles for it proves that our country has come of age. It proves that the sense of responsibility which took us into the last war has developed into an adult conception of the Golden Rule. It proves that this country has discarded isolationism and has assumed her rightful place in the family of nations. I use the word "family" advisedly for we now believe in a brotherhood of man that spans national boundaries.

Maybe you are thinking—but haven't we always believed in being our brother's keeper? This country was founded on a completely new philosophy of individual liberty and personal security, which was established in our remarkable Constitution and Bill of Rights. With the Monroe Doctrine, we proceeded one step further by proclaiming national integrity and freedom from aggression for this continent and the Americas to our south. In World War I we advanced again. We had so broadened our concepts that this country was fighting to make the whole world safe for democracy. We won that war but we lost the peace. We failed to achieve our great aim because we weren't big enough to accept the rules of the game. We would not join the League of Nations, we slammed our door in the face of the world and retreated back to our ideas of 1800. So immersed were we in our own selfish problems that we ridiculed and humiliated the men in this country who tried to awaken us in the thirties to what was going on all around us. We paid no attention to our military leaders, our scientific leaders, our educators, and certainly not to our spiritual leaders. The physical fact that we were separated by two oceans led us to believe that we were chosen people and that we could remain aloof from human misery and demagogs that fattened on it. It took a bomb in our own backyard to show us what deluded fools we had been.

Within a year this country reversed its train of thought. Within a year we decided that maybe the peoples of the world were worthy of the rights we so cherished for ourselves. We proclaimed that all people everywhere were entitled to the four freedoms, and we became quite suspicious of the fact that if the peoples of the world lacked these four freedoms that we could not hang onto them ourselves for long. While the war was still being fought and its outcome unknown we

fostered and participated in the establishment of the United Nations. Now, at last, we sincerely believe we are our brother's keeper.

So the formal fighting has been terminated for more than 2 years, but America knows no spiritual content. Thank God. And why doesn't she? Because she has a world conscience now. We promised the four freedoms to the world, and we are responsible for making them available. We are disturbed because they seem further from attainment than they did in 1943. We know that two-thirds of the world is starving. We know that freedom of worship has died everywhere the Red Army has put its foot; the Arabs and Jews in the Holy Land are murdering each other with a holy war promised. The Indians are massacring each other in the name of their respective gods.

What does freedom of speech mean to a Pole, a Lithuanian, a Finn, a Czech, a Hungarian, a Bulgarian, a Yugoslavian, a Greek, an Indonesian, or a Russian for that matter—quick death if he is lucky.

As far as freedom from fear is concerned, the whole world seems to be scared stiff. There is informal war on dozens of shifting fronts. Europe is afraid of being in the middle of another giant conflict, Russia is scared of us and the atomic bomb, and we are scared of Russia and the day when she will have it.

What to do about it? We have made our decision and there is no retreat. We must have faith in the success of the United Nations. We must be ready to carry out any decisions reached by that body. AMVETS pledge their aid wherever it is needed. But the United Nations alone is not enough. The country as a whole must—systematically and dynamically—plan for peace. AMVETS believe at least three sets of blueprints are necessary. One for Asia, one for Europe, and one for America.

The plan for Asia does not seem to exist—it has been sadly neglected, and it is high time that Congress and the people of this country together remember the pledges we have made, and the Russians have made to each other and to China and Korea. Millions of other people of the Orient are crying for the rights which we take for granted.

A master plan for Europe is well under way. To the great credit of our Congress and our people, we are ready to assume our full share and more for the responsibility of the economic recovery of Europe. That the Marshall plan will cost billions of dollars is a foregone conclusion. But to spend a relatively few billions now, as compared with countless billions of dollars and millions of lives in another war is not only the wise course, it is the only course. But there is a calculated risk in the Marshall plan. It will achieve its purpose only if the money and goods are so used as to prime the economic pump of Europe to the point where the recipients can work out there own peace, their own spiritual content. Only thus can the quickening march of communism be stopped. Europeans will be glad to stop it. Let us not worry too greatly about the risk. Congress must take proper steps to insure the wise administration of these funds and we will remember that this country was built by men who took risks, pioneers who were not afraid of failure, scientists who were not afraid of the truth, thinkers who were not afraid of progress, fighting men who were not afraid to die for a faith, and people as you and I who strive to live in the image of the Son of God.

The third plan for peace pertains to America. We have never planned for peace. The President of the United States believed this to be of primary importance when he appointed an Advisory Commission headed by Karl T. Compton, president of the Massachusetts Institute of Technology. This Commission, in its report of May 29, 1947, said that to have national security which AMVETS interpret to mean national peace, we must have the following:

1. A strong, united, healthy, and informed Nation.
2. A coordinated intelligence service.
3. Scientific research and development.
4. Industrial mobilization.
5. A striking air force.
6. Maintenance of the regular Army, Navy, Air Forces, Marine Corps, and Merchant Marine.
7. Unification of the armed forces.
8. Universal training.

AMVETS wholeheartedly pledges its entire support to the foregoing recommendations of the Compton report. Of these 8 points, only universal military training is controversial. The big cry against it is that the need for universal military training implies the belief that war is inevitable. Surely the veterans of this war would be the last to accept the concept of the inevitability of armed conflict. We don't want to fight another war. We don't want our sons to fight another war. We just don't believe that peace is inevitable. Even at the present moment, those allies who cooperate so closely just a couple of years ago are now stalemated in trying to work out a just peace. It is not inevitable that men will agree unanimously. The United Nations is still blocked by the veto power, there is no world police force, there is still no universal control of atomic energy. AMVETS agree with the Compton report which says "It is apparent from the lessons of history and from the experience of the postwar period that the only way in which we can lend authority to our voice in international affairs and inspire confidence in the ability of the United Nations to enforce peace is to maintain our armed forces at a level of efficiency and comprehensiveness that will defy challenge by any would-be aggressor."

Universal military training as conceived by the Compton report is not conscription, it is not training for militarism, it is not training for aggression. On the contrary, it introduces a completely new concept to the world because it is training for defense, it is training for responsibility, it is training for world peace.

History has taught us the hard way that weakness invites attack. England and France practically invited Hitler to march into the Ruhr, Austria, the Sudeten Land, and Czechoslovakia because they were in no position to enforce a command to halt. Hitler's eagerness for war increased as his estimate of the military strength of the democracies decreased.

It was this same logic that guided the Japanese war lords when they decided to attack Pearl Harbor. We know now that the democracies could have prevented this past war had they not been compelled to compromise, compromise, compromise with totalitarian aggressors because of their military impotency. Without the strength to back up our moral position or discharge our international commitments, we are impotent in a world where force is still, unfortunately, a determinant of the right.

Yet all of these plans and blueprints are futile if America does not have a rededication of faith. For faith, not fear must move us. At no other time of the year is the story of faith more graphically told than during the Christmas season. At no time in history has the need of faith, and the absence of fear been more great.

I would like to quote from Judge Learned Hand:

"The spirit of liberty is the spirit which is not too sure that it is right. The spirit of liberty is the spirit which seeks to understand the minds of other men and women. The spirit of liberty is the spirit which weighs their interests alongside its own without bias. The spirit of liberty remembers that not even a sparrow falls to earth unheeded. The spirit of liberty is the spirit of Him who, near 2,000 years ago, taught mankind that lesson it has never learned, but has never quite forgotten; that there may be a kingdom where the least shall be heard and considered side by side with the greatest."

Palestine Partition

EXTENSION OF REMARKS
OF

HON. ED GOSSETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. GOSSETT. Mr. Speaker, we are about to muddle into world war III meddling in other people's business. American leadership in the partition of Palestine was a shameful betrayal of the best interests of the American people. It is sincerely hoped by most Americans that the Security Council of the United Nations will not follow the recommendation of the United Nations Assembly and will not adopt or implement their recommendation for a partition of Palestine.

Our action in this matter has been motivated by cheap political considerations. Mr. Ernest Lindley, a leading New Deal columnist, writing in a leading New Deal paper, the Washington Post, on last December 12 made this damaging admission:

> The policy and tactics of the United States in the Palestine controversy were, of course, influenced greatly by American Zionists. Domestic politics rather than a considered analysis of the interests of the United States has been the predominant factor in our policy concerning Palestine.

In the Evening Star of yesterday appeared a sound, thought-provoking editorial on this subject as follows:

DANGEROUS POLITICS

With the Security Council scheduled to take up the Palestine partition question tomorrow, current news reports reveal the extent of the political pressure which is being brought to bear against President Truman to make him approach this problem from a partisan political point of view.

The President is being told by his New York advisers that he cannot hope to keep that State with its 47 electoral votes in the Democratic column this November unless he acts decisively and promptly to lift the embargo on the shipment of arms to the Jews in Palestine and to bring about the sending of a United Nations police force to enforce partition. This is simply another way of saying that the President will lose the Jewish vote unless he meets this condition.

It seems quite likely that these warnings are well founded, for the Jewish vote in New York is big enough to affect the outcome of an election, and the result of the recent special election in the Bronx indicates that the Jews will vote for Henry Wallace instead of the President if their demands with respect to Palestine are not satisfied. If that should happen, it is a virtual certainty that the Republican Presidential candidate will carry New York State.

There is nothing new about this situation, of course, for minority groups in this country have often used their strategically placed

political power to achieve special ends. But it becomes an especially serious matter in this instance because of the very real danger that the interest of the Jews in the partition of Palestine may cut across other interests that are vital to the security of the United States.

As yet there has been no adequate public examination of this aspect of the problem. Presumably all of the ramifications have been explored during the course of the soul-searching which has been going on within the administration. But the final conclusions and the reasons for them have not yet been brought into the open for public scrutiny.

It should be perfectly evident that there is a national risk in lifting the embargo, in sending an armed force to fight the Arabs or in pursuing any course that might come to mind in this exceedingly difficult situation. And in making our final decision this element of risk should not be underestimated.

It would be compounding the danger to proceed on the assumption apparently entertained by Senator TAFT that a "moderate force" would be adequate to cope with the Arabs. If the British experience means anything, a very substantial force would be needed. We will also be compounding the danger if the decision as to our stand in the Security Council, which must finally be made by the President, is dictated by the question of whether the Democrats are to win or lose New York State this fall. If ever there was a problem which ought to be decided on the most careful appraisal of where our national interests lie—and that, in the long run, includes the interests of the Jews—this is it.

Mr. Speaker, aside from the principles involved in this controversy, America is going to suffer a tremendous economic loss. Leading Arabian statesmen from several of the Arabic nations in the Palestine area have assured me that when America moves into this area to enforce partition, all of our oil concessions will immediately be canceled.

On February 22, 1948, in the Wichita Daily Times, of my home city of Wichita Falls, appeared the following article based on reports of Mr. Oscar Burden:

BLACK DYNAMITE IN ARABIA COULD ROCK WORLD INTO NEW WAR, SAYS WICHITAN

(By Jack Harmon)

Black liquid dynamite coursing through Arabian subterranean shelves could rock the world again in war, according to Oscar R. Burden, 2201 Berkeley, who has the ticklish job of harnessing that oil for its ride to market.

Burden recently returned from almost 8 months in Beirut, Lebanon, where he has headquarters as manager of the western division of the Trans-Arabia Pipe Line Co.

In a land where the are only the rich and the poor, with no middle class—and Russia is pushing her quiet fight for a toehold against England, the United States, and other independent countries—it is Burden's job to lay pipe that will carry oil to market.

But in all the time he was there—from July 1947 until February 11, 1948—no pipe was laid in his western division.

The tap line, as he calls it, is to run from the Persian Gulf in Arabia to the Mediterranean, with the terminal point in Lebanon.

BUILT AIRPORTS

"But we hardly began to complete our objectives," he explained. During the time spent there, Burden said his men "worked on a couple of airports for the Government of Lebanon," did right-of-way work and constructed roads.

Currently their pipe-laying job is stalemated.

"We have considerable equipment stored out in the desert, guarded by the Arab Legion, a group of soldiers from Transjordan that is very well organized and competent," he explained. "The balance of our equipment is stored in Beirut in readiness to take to the line when we have permission to do so."

Burden is hopeful permission may be granted within the 60 days he plans to remain in the United States and confer with Trans-Arabia Pipe Line officials in San Francisco, Houston, or Tulsa.

Syria is holding out on permission to lay pipe, said Burden, a development which came only with the United States' move to have Palestine partitioned. "My opinion might not be in accord with the Government (of the United States)," he said, "but I speak as I see it there."

Then he brought out that Syria never ratified the convention—as they call a contract—made by the Government heads with the pipe line company. The convention was agreed upon by the President and Prime Minister, but not by the Parliament.

Thus efforts to lay pipe across Syria were halted.

APPROVAL PROBABLE

Now in session is the Arab League, composed of representatives from all Arabian countries, he said. Permission already had been granted by the countries of Lebanon, Transjordan, and Arabia. At the meeting in Cairo, it is very likely approval of the line construction will be given, Burden prophesied.

"Right now, we're concentrating effort on the east end in Arabia near the Persian Gulf until we see the results of the meeting in Cairo and what Syria does in the next parliament convening in March," he said.

Burden believes Syria balked because of a belief that "the United States put pressure on smaller nations, influencing them to approve partitioning of Palestine."

"While they (Syria) were very friendly and cooperative when we first went there, they are now just the reverse," he added and said the change of attitude occurred about the time the United States expressed itself on the Palestine partition.

"If Syria doesn't ratify the convention," he offered, "it is very possible the route will go to Alexandria or Port Said in Egypt; that would lengthen the line by considerable miles and involve crossing the Suez Canal."

Then there would be only two countries to deal with—Arabia and Egypt. But the Lebanese, "who will benefit from two large refineries and terminals, are very anxious for us to construct the line, it means so much to them," Burden explained.

OIL MEANS A LOT

Oil means a lot to that country, he pointed out. "If you shut off oil for 1 day there, everything stops. If they stop the sale of petrol, as they call gasoline, business comes almost to a standstill, for they depend on it for transportation."

"When I left there they already were rationing gasoline," Burden said. He reported passing service stations where people were lined up for blocks waiting to get their petrol.

Countries affected by the pipe line are two kingdoms, Arabia and Transjordan; two republics, Syria and Lebanon; and Palestine.

"If a war starts," he predicts, "it will begin there in the Middle East. Russia would like to have that oil."

In Beirut, the temperature is ideal. According to official government figures that cover the last 30 years, the temperature has never been as low as freezing there and seldom much over 100 degrees.

Right now, Burden said, bananas and oranges are plentiful and in full fruit. Gorgeous flowers are prolific and the climate of that section attracts many persons to seashore beaches to lounge and soak up the sun or swim in tepid waters.

Thirty minutes away are snow-covered mountains. In a half hour the vacationist can change from a mild climate to one of ice and snow. After climbing mountain roads which snowplows keep open, there is skiing or bobsledding while looking down on beaches left shortly before.

Mr. Burden is an outstanding businessman who writes from his experiences in Beirut.

Mr. Speaker, it is high time that America should admit she has made a mistake. For the sake of American lives and of American principles, it is hoped that the Security Council, now debating this question, will not accept the fallacious and revolutionary recommendation of the United Nations Assembly. In the sentiments expressed herein I am satisfied the vast majority of the American people concur.

The Socialist's Dilemma

EXTENSION OF REMARKS
OF

HON. GEORGE MacKINNON

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. MACKINNON. Mr. Speaker, under leave to extend my remarks, I enclose an editorial entitled "Czechoslovakia," appearing in today's Washington Post which I feel would be better entitled "The Socialist Dilemma." It shows the fifth-column position in which the socialists find themselves and illustrates the fact that these Socialists are in reality what might be termed "50-percent Communists."

CZECHOSLOVAKIA

At this writing it appears likely that the Communist coup in Czechoslovakia will be consummated without direct intervention by the Red army, despite the courageous resistance by Dr. Benes and the apparent determination of the elements represented by the National Socialist Party to resist to the end. In Slovakia the Communists, through their control of the police and various important labor unions, appear to have obtained full control of the provincial administration and of the municipal government of Bratislava, the provincial capital. In Bohemia the situation is still confused, although there, too, the Communists through their control of the police seem to have gained the upper hand and to have arrested several National Socialist leaders, including Vladimir Krajina, secretary-general of the party.

The parliamentary situation, which is important only to the extent that Communist control of Parliament would give some pretense of legality to their seizure of power, is even more confused. President Benes remains firm in his refusal to accept the resignations of the non-Communist members of the cabinet and to accept the hand-picked ministry of the Communist Premier Gottwald. The tactics of the (Social Socialist Democratic) party in the crisis are extremely ambiguous and suggestive of a deep fission within the party itself. The Socialist ministers have declined to join the other non-Communist members in resigning from the Government, but the executive committee has called for a Government representative of all parties. The point is, of course, that a combination of Communists and Socialists could command a majority, which

would make possible Communist government by constitutional means which Dr. Benes would be legally obliged to accept.

Elsewhere, within the orbit of Russian power, and in many places outside it, the Communists have shown themselves extremely skillful either in retaining the support of the Socialists until the other parties had been eliminated or in reducing the Socialists to impotence by splitting their ranks. The reasons for this are not entirely clear, but they cannot be ascribed entirely to Communist intimidation. Part of it no doubt arises from a fear of reaction, and part of it from the fact that a party which must compete with the Communists for radical support cannot put itself in the position of seeming to be less radical than its rival.

It appears that, when confronted with the necessity, the Socialists find themselves unable or reluctant to choose between their much-affirmed devotion to parliamentary methods and their eagerness to hasten the advent of socialism. Or rather they have tended to delay the decision until a choice was no longer possible.

District of Columbia Home Rule Bill

EXTENSION OF REMARKS

OF

HON. JAMES C. AUCHINCLOSS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. AUCHINCLOSS. Mr. Speaker, in accordance with the permission granted me to extend my remarks in the RECORD, I take great pleasure in including therein a broadcast presented by the Evening Star, of Washington, over WMAL, entitled "News for Schools With Bill Coyle." This broadcast is brought right to the schoolrooms and is an effort to interest the young students in reviews of current events.

Recently this program was dedicated to a discussion of the proposed home-rule bill for the District of Columbia, H. R. 4902, and it was participated in by various young students 9 years of age.

I consider this a very interesting and constructive work because if the young people of the country become interested in the affairs of their city and Nation and are taught the principles of democracy, we need have little fear of the attacks of any other ideology.

I think that Bill Coyle and the Evening Star are to be highly commended for this constructive work and I am sure that my colleagues will be edified in reading this transcript of the broadcast concerning H. R. 4902.

The broadcast follows:

BILL COYLE. Good afternoon everyone, and welcome to another edition of News for Schools.

You'll certainly remember how the first part of this month the local headlines in the newspaper and on the radio were given over to hearings on the District of Columbia home rule bill that was proposed by Congressman AUCHINCLOSS, of New Jersey.

The hearings were held on Capitol Hill and have now been completed. But while they were going on it seemed that everyone in the District had a chance to say something about this home rule plan—either for it or against it.

And what could you expect? It has been 74 years since the people of the District of Columbia have had a chance to vote. No wonder there was so much interest in this bill.

But those hearings were devoted to the views of the grown-up leaders in the great community of our Nation's Capital. These grown-ups were businessmen, members of the Board of Education—the District Commissioners themselves, heads of civic clubs and many others. What isn't generally known is the fact that this whole business of home rule also was a big topic among the school students of the Nation's Capital. To them home rule is an important thing, too; because if home rule should come to the District these young people in a few years would find themselves the citizens doing the voting, who would be the citizens whom thousands of District residents might even some day elect to an office in the District of Columbia.

So why not give the school students an opportunity to be heard? Well, today we have that special hearing, all for their benefit. And now we are ready for that special hearing—just as if we were conducting it up on Capitol Hill with the subcommittee.

One of the most active groups in discussing the home rule bill and plans for a vote for the District of Columbia has been one made up of several young students at the Truesdell School. They represent the 4-A-B class at Truesdell, and their teachers, Miss Mandras and Mr. Israel. Miss Brown, principal of Truesdell, gave them permission to journey down to the radio station today to present their views.

So we have an important delegation on hand, and we're going to conduct this thing just as if it were a regular hearing, so that the voice of the 9-year older in the District of Columbia can be heard all around the town.

And now, for a little background on the discussion of news in the classroom. First of all, here is our first witness.

ELLEN ANTHOLIS. My name is Ellen Antholis, 9 years old, of 5201 Illinois Avenue NW. Since we've been in the fourth grade, we have been having news discussions twice or three times a week, besides listening to News for Schools each Thursday. We talk about events which take place at home, in the United States, and throughout the world.

One day a few weeks ago, as our class was looking over page 1 of a Washington newspaper, one of our classmates read a line about home rule. When our teacher asked us about it, most of us thought it referred to rules for each of our homes. Our teacher told us to check on it; so we decided to bring in news articles about it. As we brought in the clippings and discussed them, we learned that the plan referred to self-government for the people of Washington. Then we started a news booklet, in which we pasted each clipping.

In each discussion we began to express our opinion about the Auchincloss-Ball home-rule plan. It was quite difficult to understand.

BILL COYLE. Thank you, Ellen. That was very nicely presented. It certainly looks like people in the fourth grade are interested in the home rule along with everybody else.

And now for a few important points of the bill to be discussed by our next witness.

JUDY REDDING. My name is Judy Redding, 9 years old, of 713 Ingraham Street NW.

We knew that as fourth graders it would be impossible for us to learn about every detail of the bill. But we got help from news programs on the radio, news articles from the newspaper, our class discussions, and facts our parents and teachers told us. These are the main points of the Auchincloss-Ball bill we learned about:

1. All adults over 21, except for persons in prison or mental hospitals, who have lived in Washington at least 1 year, would have the right to elect a council of 12.

2. Legal residents of other States who live here would be voters, too.

3. The council of 12 would choose a city manager.

4. The city manager would have 12 departments to help in running the District government.

5. The Auchincloss-Ball bill would not give District of Columbia residents the right to vote for Senators, Representatives, or the President of the United States.

6. When the council and city manager wanted to pass a law, it would go to the House, Senate, and to the President of the United States.

7. If the President, Senate, and House didn't veto the plan, then it would become a District law.

BILL COYLE. Judy, that's very fine, and we are very much impressed by the fact that you have such a fine understanding of what this bill is all about. And now, for some information as to what the class has been doing, we turn to our third witness.

ROBERT MERIWETHER. My name is Robert Meriwether, 9 years old, of 5216 Fourth Street NW.

One day, after we had several news discussions, one of our classmates suggested we vote in our class to see if we favored the Auchincloss-Ball home-rule bill. Of 35 classmates, 32 of us voted, and we all favored the bill. Then another classmate suggested we write to Representative AUCHINCLOSS telling him about our vote. We decided to write to Bill Coyle, too, telling him about it.

When we wrote to Representative AUCHINCLOSS we told him that when we reached the age of 21 we would like to have the right to vote. One classmate told Mr. AUCHINCLOSS that we may seem quite young to decide now, but we hoped to know more about voting by the time we are 21.

Even though we voted unanimously for this home-rule bill, many of the fourth graders had different opinions about each part of the home-rule bill. These are some of the opinions we had.

BILL COYLE. All right, well, we certainly thank that fine witness for having presented us with some of the views of the class, and for informing us on some of the things the classmates have been doing in regard to the home-rule plan.

And now for the No. 4 witness; I wonder if he'll give his name and address.

MARTIN DILLON. I am Martin Dillon, aged 9, of 900 Longfellow Street NW.

The Constitution of the United States gives citizens the privilege of voting. This bill gives this right to Washington citizens. Some of us did feel that only legal residents should really be able to vote for District officials. People who live here but who vote in other States should vote in only their own States.

Our classmates favored having a council of 12. But a few of them favored perhaps 11 or an odd number, so whenever they had to vote, the vote would not come out even.

Most of our classmates hoped that perhaps the bill would include the right to vote for President of the United States, the Senators and Representatives, as well as city officials. Our classmates did favor this bill though, and hoped that later on District residents would get the vote for President, too.

BILL COYLE. Martin, we're much obliged to you. That was very nicely presented, and you had a lot of complicated opinions to report on the part of your classmates, and you did it very nicely.

Our poll of opinion continues on the Auchincloss home-rule bill, and we have witness No. 6 here now. I wonder what her name is.

JOAN YATES. My name is Joan Yates, age 9. of 5024 Seventh Place NW.

Some of the fourth graders suggested that instead of the council of 12 choosing the city manager, the council might suggest five candidates for city manager, then let the people elect the manager. One classmate favored having the people nominate five candidates for city manager, and have the council make the final choice. In regard to the

passing of laws, our classmates thought it might be a good idea if a bill was signed by the President, Senate, and House of Representatives, if they favored it. Then the council would know that their plan for a bill was given an O. K.

BILL COYLE. All right. Now we're getting a very interesting story from our next witness. Thank you, Joan. And now, this is Kate, I believe.

All right, Kate, you just go right ahead. We're all set for you.

KATE BAIR. My name is Kate Bair. I live at 1106 Jefferson Street NW.

We certainly learned much about plans for home rule. And all of our classmates felt that Senator BALL and Representative AUCHINCLOSS were very thoughtful to give so much time working out a plan, and very clever for making it. The children in our class were so proud when we received personal letters from Mr. AUCHINCLOSS. We knew he was a kind person to take extra time to write to us. Here are some of letters we received.

BILL COYLE. Well, that's fine. And now, look who we have here. We have Paul Sandoe, who is going to read a couple of letters for us that came from Mr. AUCHINCLOSS.

You go right ahead, Paul.

PAUL SANDOE. I am Paul Sandoe, age 9, of 5305 Seventh Street, NW.

This is Judy Redding's letter:

"Miss JUDY REDDING,

"Care of Mr. Israel's Class, Truesdell School, Ninth and Ingraham Streets NW., Washington, D. C.

"DEAR JUDY: Your letter of February 6 has reached me.

"I want you to know that I will do everything I can so that you will be able to vote when you grow up.

"Sincerely yours,

"JAMES C. AUCHINCLOSS."

BILL COYLE. All right, now, let's have another letter, Paul.

PAUL SANDOE. This is Joan Yates' letter:

"Miss JOAN YATES,

"Care of Mr. Israel's Class, Truesdell School, Ninth and Ingraham Streets NW., Washington, D. C.

"DEAR JOAN: I have received your letter of February 6, in which you say you want to vote when you get to be 21.

"I will do everything within my power to have a bill passed by the Congress of the United States so that it will be possible for you.

"Sincerely yours,

"JAMES C. AUCHINCLOSS."

BILL COYLE. All right, now let's have a final statement from you, Paul.

PAUL SANDOE. We hope all the boys and girls and their mothers and fathers will think about the home-rule plan.

BILL COYLE. We certainly thank all these fine witnesses for coming down here. I invited them to come and to present their views so that you could know and understand the amount of interest there is in home rule and a vote for the District of Columbia among the school children in our Nation's Capital.

Thank you, members of the 4–A–B class at the Truesdell School at Eighth and Ingraham Streets NW.

Washington Scene

EXTENSION OF REMARKS

OF

HON. ELLSWORTH B. FOOTE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. FOOTE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to include a column entitled "Washington Scene," by George Dixon, published in the Washington Times-Herald on Tuesday, February 24, 1948, and syndicated by King Features Syndicate, Inc., of New York Cty:

Even the Jeffersonian-Jacksonian Democrats—I mean Democrats—are pretty well convinced, after the other night's fabulous fiasco, that they can't win with Harry S. Truman.

It cost them a C note per sucker, five cigarettes each thrown in free, to have this conviction pounded home. Mr. Big, as we call him for short, was pathetic.

"Sweetest little feller, everybody knows, doan know what to call him, but he's mighty lak' a rose." He's a sweet little feller, no denying, but they doan know what ta call him—except out on strikes.

The Jefferson-Jackson dough-raising dinner which was spread out over two hotels like a rooming-house tenant, bath convenient, aroused no enthusiasm except as spuriously manufactured. The only spontaneous applause all evening was for poker-faced James A. Farley, who is doing a better imitation of Ol' Man River this season than Jimmy Savo, not sayin' nothin'.

Incidentally, I grabbed J. Aloysius in the barber shop while he was having his kisser simonized for the party and asked if he still had any idea of running for Vice President. He gave me the bland Farley stare and said, "On what ticket?"

It was really sort of heartachy to hear the worthy Democrats, who had just been parading the banquet room with placards proclaiming Truman's reelection in a landslide, putting the slug on him the minute they escaped to the lobby. They should have been singing, "There'll be a two-time in the old town tonight."

Mostly, they didn't care whom they were talking to, either; they were so depressed by the events of the evening their usual political caution had fled. They told each other and anybody else listening they were dead. unless they could find some way of ditching their titular leader—no mean chore, as any patronage seeker can tell you.

"He's a sweet guy," they kept repeating as they wandered from room to room trying to revive themselves with fast snorts. "But he can't open his mouth, even at the party's biggest dinner, without putting his foot in it."

They weren't referring only to the President's sad boner in paying tribute to Theodore Roosevelt when he meant Franklin. They felt he could have picked a more appropriate spot than this $100-a-plate champagne and terrapin feast to proclaim that the Democratic Party was the party of the common man, pledged to the undoing of the "statesmen of the stock exchange" and the forces of wealth and privilege.

All he had to do was look around to see such horny-handed and underprivileged tillers of the soil as James H. R. Cromwell, Cornelius Vanderbilt Whitney, Ed (I'm Going to Keep on Speculating) Pauley, Tommy (The Cork) Corcoran, and the poor little kiddie from the oil tenements of Oklahoma, Perle (of Great Price) Mesta.

Incidentally I am afraid the privilege of feeding the Trumans on the cuff has swayed Mrs. Mesta. I seem to have the distinct recollection that she was a rip-snorting Republican when I met her at the Republican National Convention in Chicago 4 years ago.

But there she was at the Democrats' head table, one hand resting possessively on the shoulder of Margaret Truman. Toastmaster Barkley even called upon her to make a big bow for her splendid work in raising dough for the coffers of democracy.

Parenthetically the money men of the Democratic National Committee have been having a little trouble wth Perle. The lady has been after certain big contributors to kick in with checks.

The money men, however, want these prize contributors to slip it to them in cash under the table because cash does not have to be accounted for and can be used advantageously wherever peculiar or ticklish political situations arise.

Every practical politician on both sides is hep to all this, but not Perle. And the money men feel she is too innocent, or anyway too talkative, to be told these political facts of life.

The lady, as honest as the day is long, is getting to be quite a problem in this respect. as one party stalwart observed wryly:

"She's the Republican Perle in the Democratic oyster."

I really felt sorry for Truman, the way they were conning him at both dinners, in the Statler and the Mayflower. I don't suppose he had a suspicion what they were saying behind his back.

I was glad I was at a table where we were just having fun, although I think I may have detected a note of sarcasm on the part of the blond and beautiful Mrs. Edward D. Madden, of New York.

Lifting a glass of champagne she nodded toward the orchestra, murmuring: "Dear me, how appropriate for here!"

The orchestra was playing: "The best things in life are free."

Fair Employment Practices and Anti-Lynching Bills

EXTENSION OF REMARKS

OF

HON. JOHN J. RILEY

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. RILEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution:

Whereas there have been recently proposed in the Congress of the United States certain measures designed to curb unfair employment practices and to make lynching of persons a high Federal crime; and

Whereas the proponents of these measures do not take into consideration the great progress made by citizens of our Nation, individually and as States, toward achieving the harmony which these acts are intended to promote; and

Whereas the proposed measures seem impracticable and designed to thwart the sincere efforts of our people to settle these matters locally and amicably: Now, therefore, be it

Resolved by the Euphradian Literary Society, a representative student organization at the University of South Carolina, That we are strongly opposed to the fair employment practices acts now pending before Congress, and the antilynching acts.

Brotherhood in Action

EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. MAGNUSON. Mr. President, I ask unanimous consent that a very able address on the subject "Brotherhood in

Action," delivered by the Senator from West Virginia [Mr. KILGORE], in Washington, D. C., on February 20, 1948, be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

When I received your welcome invitation to speak here on brotherhood and began to prepare my remarks I tried to think of the most effective and forceful manner to present to you the real meaning of one of the great truths of American life—a truth that gives invincible strength and resiliency to our Nation and our people; the truth that we are of many races and creeds, but with loyalty to one Nation, one world, and one God.

What I shall say here tonight grows out of my deepest convictions as a believer in Christianity and American democracy. My remarks were prepared for this Sabbath and this house of worship, but they could be delivered in almost any church or cathedral in the land, for they express the ethical ideals and aspirations of all the great religions in our country. They could be made in almost any American town hall or legislature, for they conform to the self-evident truths about democracy which animate all the great parties and statesmen in our land. This unity behind our political and ethical aspirations—freedom and equality for all men—is our strength. The diversity and variety of American life does not weaken that unity; they enrich and enhance it. We represent all faiths, and we are Americans all, united by our belief in the brotherhood of man and the fatherhood of God. It could not, and should not, be otherwise.

Every single American is here because he personally or his fathers before him sought escape from some type of oppression or intolerance in another land. All of us are descended from minority groups that have at some time deliberately sought to breathe the fresh air of freedom and decency in this new land. We are all human and fallible; we all have our quirks and prejudices—but deep down each of us who understands the web of history from which our country grew will check his intolerant impulses and whims.

Even before the Revolutionary War, the distinctive quality of the people in this new country was apparent to visitors from other shores. One of the earliest writers to report on America recounted his amazement at the way the new immigrants from England, France, Sweden, Germany—Anglicans, Methodists, Baptists, Catholics, and Jews—lived and worked in peace. "The American," he said, "is a new man who acts on new principles."

The qualities we cherish—boldness of mind, adventurousness of spirit, respect for the inherent dignity of all men regardless of status, the passion for fair play and a square deal for all, the devotion to living principles as against the dead hand of archaic custom—are not, of course, the monopoly of America or Americans, but I think it fair to say that they are here in fuller measure than they are in the lands from which our fathers came. We have only to recite the names of any representative list of contemporary great Americans—Roosevelt, Eisenhower, Nimitz, Murray, Baruch, Vandenberg, Wagner, LaGuardia, to mention only a few—to realize that no country but America could have produced them, no country but America could have developed and used so completely their great talents.

I say it is no accident that the greatest city in the world today is the one located on that little island in the Hudson where every nationality strain and religious faith, every shade of political coloration, is represented among its people. I think we will agree that New York's greatest mayor was LaGuardia and that he was the most typical of New Yorkers; typical even though he spent his first 25 years in Army posts among the mountain ranges of the West; typical even though his father was an Italian bandmaster and his mother a Jewess from Austria. Diversity is not a handicap to New York. It became one of the sources of New York's strength and greatness.

There are still too many among us who think that they own a copyright on Americanism, who think they can prescribe what shall be orthodox in politics, nationalism, religion, or other matters of opinion. They would establish first- and second-class citizenships. They would stigmatize as inferior Americans those who do not think like them, pray like them, or look like them.

They have forgotten that what the world respects and admires in America—what we here value and cherish as true Americanism—has grown out of the labor and creative effort of all Americans; that it was distilled out of the blood and sweat of the humble and the mighty, the heroes in our Hall of Fame and the forgotten men, the recent immigrants and the Mayflower descendants, those who built the railroads and dug our coal, as well as those who graced our White House and led our armies. They have forgotten that the genius of America's supremacy in the family of nations has been her leadership in releasing the creative energy of all her people, so that none would be denied the opportunity to contribute his strength and thought to the national welfare.

Ignorance, intolerance, and greed dissipate too much of the Nation's real strength. Prejudice rather than reason motivates too many actions. On this brotherhood observance I think it is axiomatic that we should seek out and endeavor to remove the fallacies that have led to the erection of barriers between people of different races, religions, and creeds.

I have said many times, and I wish to reiterate tonight, that racial and religious problems can never be solved by any one segment of our American life. Satisfactory solutions can be achieved only through moral cooperation of all men of good will.

The spirit of brotherhood can become a reality only through the cooperation of all peoples.

Anti-Semitism, one of our gravest problems, is a real challenge to our democratic society. I think there is more than a grain of truth in the assertion that anti-Semitism is a Christian problem, not a Jewish problem. But I believe the answer lies not in separate actions by Jews and Christians, but through the coordinated efforts of both. Anti-Semitism is an American problem, and Jews and Christians as Americans who are dedicated to the proposition that all men are created equal must work together to wipe out this blot on the conscience of mankind.

Recently President Truman appointed a Committee on Civil Rights. He did not take the position that the protection of civil liberties was the principal responsibility of the Protestant white American majority. He regarded the responsibility as belonging to all Americans as Americans; and that committee was a true cross-section of American races, creeds, and political beliefs. The report of the committee has been one of the bravest and most heartening developments in the field of civil liberties. The committee did not merely view with alarm or utter pious hopes for reform. It pointed directly to many areas in American life where civil liberties were grossly violated, where the freedom and equality of opportunity promised by our Constitution had become dead letters, where discrimination based on race or religion was sapping the strength of our democracy. It proposed a series of specific, hard-hitting reforms in employment practices, in education, housing, and elsewhere. I hope that report will not become a "voice crying in the wilderness."

I was glad to see President Truman's recent message to the Congress in which he adopted the recommendations of the committee. President Truman reminded us that until all Americans have equal opportunities for jobs, for homes, for education, for health, and for political expression, we fail to realize the promise of American life. Said President Truman: "We seek answers which will embody the moral and spiritual elements of tolerance, unselfishness, and brotherhood upon which true freedom and opportunity must rest." I hope that the Congress will heed the President's recommendation.

The kind of brotherhood we honor here tonight is not merely an idea or a feeling. It is not a private matter which we should keep to ourselves. It must be a philosophy of communal action. It must animate our relations with our neighbors, our conduct in the office and the factory, the thinking of our educators and legislators. There are no innocent bystanders when injustice is perpetrated for all bystanders have a moral duty to use their powers to prevent injustice. True brotherhood will not tolerate injustice merely because it has been perpetrated by another, any more than the Good Samaritan could ignore the plight of a fellow human being.

Brotherhood must be an active, dynamic principle. It is the kind of spirit that was found on the troopship *Dorchester* just about 5 years ago today as it was sailing in North Atlantic waters with thousands of American GI's aboard. Shortly after midnight three Nazi torpedoes struck the heart of the *Dorchester* and soon she began to sink. On the deck of the ship were four chaplains—two Protestant, one Catholic, one Jewish. The records of the War Department tell us that the chaplains helped to quiet the panic among the passengers. They distributed spare life belts as long as the supply lasted. Finally, when four men came along who did not have any belts, the chaplains took off their own and forced them over the heads of the unwilling men. As the survivors were pulling away in their lifeboats, they could see the four chaplains still standing on the deck, feet braced and arms locked against the ever-deepening slant of the deck, praying—each in the tradition of his faith, each loyal to the noble ethics of his faith. When last seen, just before the waves engulfed the ship, they were still standing together in prayer for the safety of the men. They had learned the fine art of living together as brothers—and in death they were not divided.

The spirit of brotherhood can illumine all the avenues of life, the simple and the quiet as well as the heroic and dramatic.

Last year an international emergency conference to combat antisemitism was held in Seelisberg, Switzerland. A commission composed of four Protestant ministers and four Catholic priests prepared an address to the churches, which was unanimously approved by the delegates. They said, "It is shocking to discover that 2,000 years of preaching of the gospel of love have not sufficed to prevent the manifestation among Christians, in various forms, of hatred and distrust toward the Jew. This would have been impossible if all Christians had been true to the teaching of Jesus Christ on the mercy of God and love of one's neighbor." They asked that school curricula and Christian publications be corrected wherever necessary to insure that they are not in conflict with the spirit of these words of St. Paul: "They are beloved for the Father's sake, for the gifts and the calling of God are without repentance." Here was true brotherhood and true religion in the churches.

I recall the story that the great war correspondent, Ernie Pyle, told about the time he was leaving Italy for a brief furlough in the United States. The day before he was

scheduled to fly back, he was sitting around with the GI's who loved him so much. One of the GI's asked him where he was going to spend his leave. "New York," Ernie said. The GI said, "You are going to a place where there are a lot of Jews." Ernie answered, "Yes, and I just came from a place where there were a lot of Jews." "Where," asked the GI. Ernie answered, "Anzio beachhead where most of the First Division lies buried." I don't think that anyone who listened to Ernie that day will ever forget that simple human lesson in brotherhood.

I would not and shall not introduce any partisan political discussion. But there are some matters that come before the Congress where the claims of conscience and brotherhood are so strong and compelling that they should drive out all partisan political consideration. I wish to speak briefly now about two such matters. Our country is preparing to spend seventeen billions to aid in the recovery of Europe. It is a great and noble undertaking, and I support it. But, at the same time, we persist in a do-nothing policy for the 800,000 displaced persons who are still being forced to live on the edge of decency in the grisly concentration camps of Germany and Austria. Surely, those who managed to escape Hitler's death chambers have a claim on America's conscience and humanity, too. Surely they should not be forced to remain in the land which has been the graveyard of their relatives, their friends, and their hopes. I say we are weakening the moral force of the Marshall plan; we are making it possible for America's enemies to attack the motives behind the Marshall plan as long as we do nothing for the DP's.

Last week I said on the floor of the Senate some things that had been troubling me about the Palestine situation. I regard it as a matter of national honor that the solemn decision of the United Nations on Palestine, a decision in which this country supported in the United Nations, should be carried out, should not become a scrap of paper. The UN is our last great hope for world peace. The UN's moral fiber will be destroyed if the threat of a few thousand invaders and the greed for oil are permitted to upset a decision which represents the first important occasion when east and west saw eye-to-eye. I think the bloodshed in Palestine is tragically unnecessary and that simple firmness on the part of the leading powers could stop it right now.

We have condemned the use of the veto in the Security Council of the UN, charging that it prevents the development of world peace and order. That veto up to now has at least been open and direct, but what we face today in Palestine is an under-the-table pocket veto that prevents the UN partition decision from being carried out. I shall never be able to understand how democratic nations will sell arms to guerrilla bands while they continue an embargo on the democratic defense forces in Judaea on forces which are fighting to uphold a decision made by the conscience of mankind.

The nations of the world who cherish freedom must take appropriate action immediately to recognize the Jewish defense army in Palestine. We are a nation blessed by God with material riches beyond all others. Our mountains, our plains, our rivers, our harbors have given us industry and commerce, agriculture, and mining resources which are the envy and despair of the rest of the world. But our richest and our greatest resource is people—people living under free and fair institutions which permit them to develop fully the talents God gave them. We shall waste this richest of our resources unless here and everywhere, now and forever, we practice and cherish brotherhood.

If there is one simple truth in all history it is that man is a lonely creature. He needs the comfort and aid of his fellow men. I recall the words Horace Mann, that great American, passed on to his pupils: "Be ashamed to die until you have achieved some victory for humanity." I also recall that Ernest Hemingway's title, For Whom the Bell Tolls, comes from the pen of that great religious poet of the early seventeenth century, John Donne. The poet had been thinking of the custom of ringing the church bells on the occasion of the death of a native. Often people came running to find out who had died, to discover for whom the bell was tolling. John Donne's answer is one of the finest passages in literature:

"No man is an island, entire of itself; every man is a piece of a continent, a part of the main; any man's death diminished me, because I am involved in mankind; and, therefore, never send to know for whom the bell tolls; it tolls for thee."

Whenever you hear the bell toll for the death of justice, brotherhood, religion, tolerance, and democracy never send to know for whom the bell tolls; it tolls for thee.

Address by Hon. Francis J. Myers, of Pennsylvania, to Atlantic States Shippers Advisory Board

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by me at the twenty-fourth annual meeting of the Atlantic States Shippers Advisory Board, Philadelphia, Pa., on January 15, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

From a glance at the docket of your program for this morning, I can see that although you may not have settled among yourselves all of the problems facing the shippers and the railroads, you at least have a pretty thorough idea by now of what those problems are.

Consequently, there is no need for me to go back over the ground that was covered so thoroughly this morning and give you details and statistics on the magnitude of transport difficulties sure to arise in the coming year.

I am sure that all of you gentlemen, whether or not you attended the meeting this morning and heard the reports of the experts, have known for some time that 1948 is going to be anything but an easy year in the transport field. The boxcar shortage is certain to continue, and you shippers are going to scream at the railroads for over-long turn-around time and delays and the railroads are going to scream back at some of you for not unloading promptly enough, and we in Washington are going to get blamed for everything by both of you.

But frankly, gentlemen, the record which has been made in the past year and which will be made again this year, I am sure, in the field of transportation, and particularly from the standpoint of genuine cooperation on the part of the various segments of the transportation industry, is a truly magnificent record. It's the sort of record I like to think of when I hear the defeatists say that free enterprise and free democracy can't work. It works when free enterprise is determined that it must work. I think we have had that determination demonstrated many times in the past year in the transportation field.

Here at this gathering today where you have many outstanding railroad officials present, you have two groups which one would think were inherently antagonistic, and yet you have managed over the years to resolve your differences and to work together to remove causes for conflict. The Interstate Commerce Commission is the impartial referee in many of your issues, but there are comparatively few instances in which the ICC or the Congress must step in to break up any significant quarrels. Obviously, there is a need for a referee, but at the same time, the transportation industry generally has striven to suppress its passions and to reflect true restraint.

I mentioned earlier that 1948 is going to be a tough year on the railroads and on the shippers and many times there are going to be loud wails splitting the air. The finger pointing and the accusations will continue as they have in the past year, and, as a matter of fact, as they have over a number of years. Gentlemen, this may be little consolation to you, but these annoyances and aggravations and delays and shortages constitute a price we are paying for the greatest level of economic activity this country or any country ever experienced. We didn't have a boxcar shortage in 1932. We didn't have a steel shortage. If anybody wanted to build boxcars in 1932, there was plenty of steel around to do it with. Undoubtedly, as long as we keep on at the present level of industrial activity and national income—and we all pray that we will continue a 60 million job economy—we are going to run into shortages of one kind or another, different kinds at different times, until our industrial capacity has expanded to the point where we can meet every requirement expeditiously. We are heading in that direction but it is a long process because the backlog of demand is simply incomprehensible in its volume.

And when we do reach it, when we've got the steel capacity to turn out all the steel that everybody wants at the moment, when we have enough boxcars idle on the sidings or instantly available so that every shipper can get immediate delivery on his goods by rail, then, believe me, we better be well equipped with the machinery and with a willingness to use that machinery to keep such a vast industrial colossus operating. That will take some doing. It will take a lot of imagination and it will take a lot of faith in the free enterprise system on the part of free enterprise itself.

That is one of the places where Government must enter the picture. I do not mean a paternalistic government which takes over the entire economic machine and regiments it and orders each citizen around. I do mean Government action in research and in planning to help industry find markets for its products and to develop new products, to protect our natural resources against reckless exploitation, to keep the channels of interstate commerce open, and to help industry itself coordinate—that's a word that got in bad during the war, but it's a good word nevertheless—coordinate its efforts in behalf of maintaining an ever upward level of living standards in this country and throughout the world.

That's a big order and I guess you could say that it was expressed in pretty general terms and that I didn't pin myself down too closely to any panacea but, gentlemen, I hope that I make myself clear that I think our free enterprise system in this country is the best economic system for us, just as I think democracy is the best political system for us. In our democracy, in our best of all systems, we still have nevertheless a certain amount of necessary Government interference for the purpose of preventing anarchy, and in our free enterprise system

we must also, for the protection of that system itself, have a certain degree of interference and regulation, because otherwise we would have industrial anarchy, and when we have that our democracy gets pushed onto some pretty shaky ground.

So, as I say, we're going to have our troubles in transportation this coming year and troubles are no fun. But I think it's a whole lot better to have our troubles arise out of the fact that we still have an expanding economy with more and more and more people in the market for more and more goods causing shortages and disclocations than to have our troubles arise out of a contracting economy where lack of purchasing power is about the only real trouble, but one trouble like that is enough. All business and all industry and all of us as citizens have known that trouble in our lifetimes, and it is the kind of trouble we would like to avoid.

The important thing today is to mitigate those shortages as much as possible by intelligent action on the part of all concerned. That is easy to say and hard to do. It can, however, be done, and has been done in an amazingly successful manner, all things considered, in connection with this matter of boxcar supply.

As some of you may know, I am a member of the Senate Interstate and Foreign Commerce Subcommittee which began nearly a year ago to investigate the boxcar situation. Senator REED is the chairman. We knew before we started that there was an alarming shortage of rolling equipment. Some of you came down and told us in some detail how this situation was affecting you. In the face of the shortage of boxcars, there was also, and there still is, a tremendous deficit of available steel There was also a record wheat crop which required cars in record numbers. Manufacturing was hitting its reconverted peacetime strides and the demand for cars was obviously far out of line with supply.

We could have, had we wanted to, concentrated our fire on raising cain with every shipper who held a car overly long, with every railroad that took a little extra time in moving a car and wasn't prompt enough in returning it. We did a little bit of that. But it occurred to Senator REED and myself and other members of the subcommittee that the only effective solution was more cars. The car builders were willing to build them but that required steel, and also it took guaranteed orders from the railroads.

Instead of conducting the kind of Roman holiday that congressional hearings sometimes resemble, giving everybody a chance to come down and scream accusations at the other fellow, we conceived the idea of holding a conference where the top men in these three industries—steel, carbuilding and railroads—and also the responsible officials of Government could meet with us as the representatives of the Senate in this matter and work out a definite operating procedure which would have the support and the cooperation of the industry itself. We set a goal of 10,000 new cars a month.

It tok just about a year, but that goal has about been reached and now the sights are being set a little higher.

Top representatives of the 11 largest steel companies recognized immediately that the long-range well-being of American enterprise rested on adequate rail transportation. They pledged complete cooperation. The railroads did their part by reducing into written orders their long-standing needs for new cars. The boxcar builders got to work building cars. From time to time, one group or another in this voluntary agreement did some finger pointing at another, and there were some bugs to be worked out and some misunderstandings to be cleared up, but the important thing is that these three industries—three key industries—did get together and did work together and did make good. There was for a while a bugaboo over the antitrust laws, but in the face of an overwhelming desire on the part of free enterprise, as represented by these industries, to get together and work in the common good, we had no difficulty in getting assurances from the Justice Department that no one was going to suffer an antitrust rap for cooperating with the Senate of the United States and with the Office of Defense Transportation in a cause which was the cause of America itself.

We are working now on our report on our investigation. Here and there in the report there may be some criticisms of segments of the industry or of particular firms, or of this or that Government agency, but, on the whole, the report will reflect, I think, the same genuine appreciation which I have been expressing to you just now for cooperative American effort in solving a serious national problem.

You gentlemen, many of you, represent some pretty big business enterprises in the United States, but we down in Washington represent the biggest business in the country. Right now it's about a $40,000,000,000-a-year business. During the war it was even bigger. As a Member of the Senate of the United States, helping to draw up the rules and regulations governing this $40,000,000,000 business, I am, of course, expected to know everything about that business. No matter what goes on anywhere in the United States involving any agency of the Government of the United States, at least one of my constituents will write to me to demand immediate action on my part to do something about it. Usually hundreds, or even thousands, will write, wire, or telephone to register their opinions on the most important issues. Thousands of bills go into the House hopper during a congressional session and 1,000 to 1,500 into the Senate hopper at the same time. I'm expected to know everything about all of them.

What I'm driving at in recounting this dilemma is that I not only appreciate but I actually need help from the citizenry, from Pennsylvanians particularly, in sizing up the effects of some of these measures on Pennsylvania business and Pennsylvania industry and on Pennsylvania communities and residents. I pay attention to my mail, particularly when my mail contains informed facts. So often, however, a businessman will write to me or wire me with orders to vote for or against some obscure piece of legislation and expect me to do so merely on his say-so, with no facts on it.

Now, obviously, that's not fair, and it's not helpful.

And yet these same individuals could be extremely helpful to me in this tremendous task of developing intelligent appraisals of the flood of bills which come before us. I say to you gentlemen, who devote your lives to close study of transportation issues, that I am interested in your problems and in legislation affecting your businesses I want your views. I want you to feel free to send them to me. I want you to know that whether I can acknowledge every letter or not, whether I act as you wish on each matter or not, I do try to study the facts, and it's facts I want.

Right now, on the Senate Interstate Commerce Committe, I am on a number of subcommittees considering 10 different aspects of transportation. I cited the boxcar investigation. There is another we have had under way in connection with the transportation of explosives; one on some far-reaching amendments to the ICC; one studying the car-service-rules question; another considering railroad-reorganization problems. We had the Bulwinkle bill before the committee last year, and we got it through the Senate, and now I understand it may come up in the House perhaps by next month. That bill is a complex, highly controversial one, and I appreciated the facts that I received from many of my shipper friends on it.

I've had a long association with that bill, going back to my days in the House when I was on the House Interstate Commerce Committee. And yet, although I have continuously supported the bill, there and in the Senate, I wanted the facts on it as the facts developed over the years. They came in many instances from some of you, and they were, as I said, not only appreciated but also helpful.

I think it is important to keep in mind that most Members of Congress are sincerely interested in knowing the facts on the things that come before them. If each Member of Congress specialized in one subject and studied everything on that subject and knew all about that subject, he would, of course, not need this assistance on matters related to that subject. But then, of course, he would hardly have the time to study the facts on any other subject.

I think you will find that most of us are fairly well informed on an amazing variety of things. But we can't all be technical experts.

It has been a great pleasure to be here with you today and to renew many old acquaintanceships and some real friendships and to make many new ones. I think you have a right to be proud of the great achievements in your field during the war and since the war. I am sure you will not rest on this record, but will work unceasingly to improve conditions in your basic field of activity, realizing that the long-range well-being of our economy rests primarily on rapid transportation and efficient transportation.

Since our very way of life depends at this moment on a strong and free and prosperous United States—we alone of all nations are in the position of being able to promote international stability—then you can see how really important your job is.

Pennsylvania's Forests

EXTENSION OF REMARKS

OF

HON. LEON H. GAVIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 26, 1948

Mr. GAVIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me before a subcommittee of the Committee on Appropriations handling the Forest Service of the Department of Agriculture:

Mr. Chairman, my name is L. H. GAVIN, and I represent the Nineteenth District of Pennsylvania. I want to present my statement to you on Pennsylvania's forests—an important and neglected asset, also pertinent statistical information.

I also want to take this opportunity to compliment the Forest Service of the United States Department of Agriculture. They have developed a great national program of forest service and are turning in a magnificent performance of which they may well be proud. I am particularly pleased with the work the Forest Service is doing in my State of Pennsylvania.

Dr. V. L. Harper, director of the northeastern forest experiment station in Philadelphia, along with the other representatives of the Forest Service in Pennsylvania, are to be commended on the fine work they are doing in my State.

They are working out a comprehensive program of forestry development which is an excellent one and should be productive of great results; and, I might say, they are wholeheartedly cooperating with all State agencies in carrying out the forestry program.

Also, I want to compliment A. H. Anderson, the forest supervisor of the Allegheny National Forest, a great part of which is in my district, for the fine work he is doing.

I would say that in my opinion, speaking for my State of Pennsylvania, that the appropriations we in the Congress make for this service is a wise and sound investment of the American taxpayers' dollars for which we can look for excellent returns, and I sincerely hope that the appropriations which have been requested will be granted.

For years we paid little or no attention to our great natural resources—our forests and our waters. And I do not know of any place we can spend our money more wisely than in carrying out the practical, commonsense programs to reforest and rehabilitate, protect, and conserve these great forest areas that have made such great contributions to the economic life and productivity of our Nation. They are today one of the greatest factors in our prosperity and will continue to be if we are farsighted enough to make the necessary appropriations to carry on these programs through our Forest Service for their protection, rehabilitation, and development to give the generations that are to follow us the same opportunities which nature so generously provided for us. The Forest Service is doing a fine work; their money is wisely spent, and their recommendations should be given our careful consideration.

The Pennsylvania Conservation Committee, the affiliated organizations of which are: Brandywine Valley Association, Camp and Trail Club, Chamber of Commerce and Board of Trade of Philadelphia, Conservation Council of Pennsylvania, Delaware Valley Protective Association, Friends of the Land, Garden Club Federation of Pennsylvania, Garden Club of America, Interstate Commission on the Delaware River Basin, Izaak Walton League of America (Pennsylvania division), Izaak Walton League of America (Philadelphia chapter), Keystone Automobile Club, Pennsylvania Farm Bureau Co-Operative Association, Pennsylvania Federation of Sportsmen's Clubs, Pennsylvania Federation of Women's Clubs, Pennsylvania Forestry Association, Pennsylvania Land Conservation Association, Pennsylvania League of Women Voters, Pennsylvania Parks Association, Pennsylvania Roadside Council, Pennsylvania State Fish and Game Protective Association, Philadelphia Maritime Exchange, Schuylkill River Valley Restoration Association, Split Rock Club, Horse-Shoe Trail Club, National Wildlife Federation, at its annual meeting held February 9, when almost all of the affiliated organizations whose names appear above, unanimously voted: First, their disapproval of reduction of appropriations to the United States Forest Service for wildlife management and use, sale of national timber, forest development roads and aid to owners who want assistance in managing and selling their own private woodlots; and, second, their further disapproval of unwise cutting of expenditures for essential research work in conservation.

"Specifically, the following appropriations are strongly urged at this time: First: For management of our national forests: (a) Adequate appropriations to provide for development and use of the wildlife resources of our national forest areas; (b) an additional appropriation of $600,000 for adequate, suitable, and profitable cutting and marketing of timber which is now fit to be cut on all national-forest areas; (c) an appropriation of $25,000,000 for sufficient forest department roads to market national forest timber now ready to be cut but inaccessible; and (d) an increase of $1,000,000 for aid to owners who want aid in properly and profitably managing and marketing their own private woodlands.

"Second. For forest experimental research centers under the national forest program."

I want to again emphasize that I consider the Forest Service of the Department of Agriculture one of the most important branches and services of our Government. My State of Pennsylvania is pleased at the opportunity to cooperate to the fullest extent of their ability to do so in these great forestry programs.

Pennsylvania's Forests: An Important But Neglected Asset

(A statement on the forest situation with pertinent statistical tables)

Every schoolboy in the country learns that the Commonwealth of Pennsylvania got its name from the great forests that covered the lands granted to William Penn. The name was well deserved—there were mighty forests on those lands and the timber that was cut from them played a very important part in building the farms and cities and industries that have made Pennsylvania one of the leading wealth-producing States of the Union. Lumbering on a large scale got under way about 1870 and steadily increased to a peak about 1900. The annual cut at that time exceeded 2,000,000,000 board feet. About three-quarters of the excellent quality lumber produced was hemlock and white pine. Huge log rafts were a common sight on the Susquehanna and Allegheny Rivers. The city of Williamsport had about 90 sawmills. Large quantities of hemlock bark were used for the extraction of tannin. Timber cut for this use was often peeled in the woods. The bark was taken out but the logs were left to rot. One of the State's largest lumber companies was set up by a leather manufacturer as a means to get better utilization.

Pennsylvania led the Nation in the development of coal mining and petroleum. Wood for mine timbers and for oil-well derricks was available from the local forests. Heavy metallurgical industries had their beginning in the charcoal smelters of postcolonial times. Later the great mills and factories were built partially of lumber. Several thousand miles of railroad was laid down on wood crossties. Cities doubled and redoubled their population—all the time using wood as one of the principal building materials.

The generous forests were called upon to meet all these many demands for wood—but in meeting them the Commonwealth's timber-supply bank account was sadly overdrawn. By the early 1920's lumber production had fallen to about 15 percent of the 1900 level. By 1945, under the spur of war demands, the lumber cut had recovered slightly—but only a quarter of the output was in the softwoods. The timber conversion plants that once were so prominent in the Pennsylvania economy have now been eclipsed by metallurgical and other manufacturing industries. People have been giving scant attention to the forests—we should be more concerned because our welfare is at stake in more ways than we seem to realize.

The timber-products deficiency in Pennsylvania is about as critical as any found in the country. The volume of lumber normally consumed ranges from about one to one and five-tenths billion board feet. About two-thirds of this is in the softwood species. The present total within-State lumber production is equivalent to only about one-third of the quantity consumed. The softwood lumber output of the State has been ranging between a mere 7 to 15 percent of the softwood lumber consumption. The hardwood lumber cut has been about 75 percent of the hardwood lumber consumption. The paper and paperboard mills of the State in 1946 consumed 621,000 tons of new wood pulp. The within-State production of wood pulp in that same year was 273,000 tons or equivalent to 44 percent of the quantity consumed. The other 66 percent was obtained from Canada, from northern Europe and from other states. It is thus apparent that Penn's woods came far short of supplying the volume of wood fiber necessary to sustain the present paper and paperboard industry. Even the wood pulp produced within the State was not made wholly from Pennsylvania pulpwood. Quite large quantities of pulpwood are normally received from Canada, and from neighboring States. Taking this into account, it is probable that Pennsylvania forests are supplying not more than one-third of the wood fiber consumed by the State's paper and paperboard industry. Other timber commodities for which within-State production is not sufficient to meet consumption demands include hewed cross ties, veneer and plywood, shingles, and mine timbers. Specific figures on the deficiency are not available.

Timber products, of course, are only one of the several important values that reside in forests. In a highly-developed region like Pennsylvania adequacy and reliability of water supplies and the regulation of run-off that would otherwise cause destructive floods may even be more important than the wood supplies that come from timbered lands. There is hardly a large city in the State that does not need an improved municipal water supply. Many of the existing supplies were first developed when the cities were small and when the streams were relatively free from pollution. As time goes on these waters become increasingly laden with industrial wastes and sewage. The costs of reclaiming such water by filtration and chemical treatment have steadily gone up. Even when that is done the water still has an offensive odor and taste. The movement in present public water-supply procurement is toward the development of upland sources that can be kept relatively free of pollution. This, quite often, requires the public acquisition of forested watersheds and dedication of such land to this specific use. In addition to the domestic needs for water, there is also a huge industrial requirement—water for cooling purposes in steel mills and in steam power plants, water for the processing of pulp in the manufacture of paper, water for the washing of textiles, water for the washing of anthracite coal, water for the processing of food products, water for carrying away industrial wastes. The importance of adequate supplies for all of these purposes can hardly be overstated.

The availability of good-quality water is highly important but the role of forests in controlling floods is of even greater importance. The long-term average annual precipitation in Pennsylvania is about 42 inches—3½ feet of water in the form of rain and snow. This amounts to about 4,400 tons of water that normally fall on each acre of land in the course of a year. In some localities it is somewhat less and in others somewhat more. The mechanical power of this much water to move soil downhill is enormous. Nothing but hard rock would stay in place on sloping ground were it not for the vegetative cover that absorbs the force of it. The role of the forests in regulating run-off and thus holding back waters that would otherwise cause destructive floods is probably more important than any other. Even though Pennsylvania ceased to use wood in any form, it would still need the forests as regulators of stream flow.

Still another value in Pennsylvania's forests lies in their use for recreation and for wildlife habitat. About 6,000 lakes and ponds, plus 100,000 miles of forest-bordered streams, afford pleasant and restful vacation spots as well as opportunities for sport fishing. About 50,000 acres have been set aside as public forested parks. Camp sites, picnic areas, swimming facilities, and hiking trails have been constructed for public enjoyment. Over 3,000 permanent summer-home sites are under lease in the State forests. Four or five million persons annually visit the State forests and parks, and the Allegheny National Forest. This is only a fraction of the total recreational use of Pennsylvania's forests.

In the field of wildlife restoration the State of Pennsylvania has been one of the leaders. Game refuges were first established in 1905. In 1919 the State game commission was authorized to use a part of the license revenues for the purchase of lands to be dedicated to game production. More than 700,000 acres, chiefly forest land, have since been acquired and placed under management for wildlife. These lands are in about 180 parcels scattered throughout the State. About 90 other primary game refuges have been set up on other public lands. Another 130 auxiliary State game refuges have been established through the cooperation of private-land owners. Altogether there are more than 1,000,000 acres of land now devoted primarily to wildlife. Deer and bear have once more become plentiful. The same is true for upland birds and small game.

Pennsylvania needs her forests—there can be no doubt about it. Fortunately, more than half the land area of the State (15,000,000 acres out of 29,000,000) is still in forest. Almost all of this land, and possibly some more that is now in other uses, is best suited for the growing of trees and should be permanently dedicated to that purpose. Why then is there such a deficit in timber? A close-up examination of the situation discloses the reasons. Forty percent of the forest acreage (6,400,000 acres out of 15,000,000) is occupied by seedlings or saplings or has been deforested. This is the direct consequence of the widespread clear cutting that has been practiced over a long period of time. Forest fires have also been a contributing cause. Another large block of the timber lands adding up to 4,900,000 acres, or 33 percent of the total, bear immature timber of pole size. The saw-timber stands, defined as those having a volume of 2,000 board feet per acre or more in 9-inch diameter or better softwood trees and in 11-inch diameter or better hardwood trees, occupy only about 1 acre out of every 4—3,700,000 acres out of the 15,000,000. The large acreage of poorly stocked and immature or poor-quality timber is indicative of the badly run-down condition of Pennsylvania's forests.

Only about 66 percent of the saw-timber volume is in stands that average better than 2,000 board feet per acre. The other 34 percent, or 7,000,000,000 board feet of saw-timber trees, are scattered throughout the stands of pole timber, saplings, and seedlings. Not much of this should be commercially utilized at present. Where it is removed and marketed in conjunction with products from the smaller timber, as too often happens, the residual growing stock is usually reduced to somewhere near the vanishing point.

The stand of softwood saw timber throughout all the forest lands now amounts to about 3,000,000,000 board feet. The cut of hemlock and pine lumber in 1899 was 1,800,000,000 board feet. The entire supply that now remains amounts to less than a 2-years' cut at that period. This heavy depletion of softwood saw timber is one index of the deterioration in timber quality. As the preferred species were cut off, less valuable hardwoods tended to take over the land. There is now a tremendous job of rehabilitation.

It is sometimes said that new techniques of timber utilization have made it possible to use small trees in place of the large ones that stood in the virgin forests. This is true to a limited extent, but we should not be misled. Even in Pennsylvania, in 1944, where large trees were scarce and expensive, the bulk of the wood that went into the important timber products, such as lumber, pulpwood, hewed crossties, veneer logs, and cooperage stock, was cut from saw-timber trees—no less than 89 percent of it. Products like fuelwood, fence posts, distillation wood, and mine timbers can be made from the trees removed in thinning and cleanings under good forest management. We still need good-sized trees, and, insofar as can be seen at present, we shall continue to need them. There is also the additional fact that trees reach their maximum of growth in volume and quality only after they have attained considerable size. The indiscriminate cutting of immature timber before it reaches the period of rapid growth is about as sensible as picking a lettuce crop just after the plants have come above the ground.

About 80 percent of the forest land is in private ownership. The pattern is one of small properties. Those containing more than 5,000 acres number less than 50 and add up to only 4 percent of all commercial forest lands. The number of small holdings runs to about 195,000, of which about 123,000 are farms. The acreage in this class of holdings adds up to 76 percent of the total forest-land area. The remaining 20 percent of the total acreage is in public ownership—chiefly in the 24 State forests that contain about 1,700,000 acres and in the 700,000 acres of State game lands. The Allegheny National Forest contains 442,000 acres—less than 3 percent of the total.

About 18 percent of the total acreage in private holdings is in properties that are being logged under good cutting practices. The rest of the acreage is being logged under practices that can be rated as only fair or poor. It is a sad fact that a people like ourselves, who have mastered and applied the principles of science in manufacturing, in commerce, and in farming, have made so little progress in applying the techniques of good forest management. A farmer who paid little or no attention to the maintenance of good breeding stock in his dairy herd and regarded it simply as an asset to be turned into cash as any suitable opportunity would not stay in business long—but that is just about the kind of management that forest lands are getting. Our methods for handling the forest growing stock are about as crude in their way as those used by the Indians in growing corn when the white man arrived in North America. Technical knowledge about forest management should be built up and applied to Pennsylvania's 195,000 timberland holdings with some of the same energy and force that have been used on farm-crop lands. When this is really done on the scale that is required, Penn's woods will begin to produce, not at the present average of about 35 cubic feet per acre per year, but possibly twice that much. When growth is brought up to a high level, a much larger part of it will be in high-quality logs—less in worthless brush, scrub oak, and low-quality poles.

The over-all picture of Pennsylvania's forests is not a flattering one. Fortunately, however, something has been and is being done about it. Under the cooperative Federal-State forest-fire-control program set up under the Clarke-McNary Act of 1924, the losses from fire have been cut to a moderate figure. Still further progress can, however, be made, particularly in parts of the anthracite region where forest fires are still serious. A further strengthening of the State-wide fire-control services is desirable.

A start has been made in tree-planting programs. This should be carried forward especially on critical forest-land watersheds and on those lands that are exposed to erosion damage. Lands that have been deforested or that have been strip-mined or otherwise torn up by oil-well-drilling operations are among those in need of planting. Still other areas that have been taken over by scrub oak and other low-value or worthless species could best be rehabilitated by planting.

The extension service of Pennsylvania State College, cooperating with other agencies, carries on an educational program in farm-woodland management. The Federal-State cooperative program in farm forestry, under the Norris-Doxey Act of 1937, is operating in Pennsylvania with nine farm foresters giving assistance on the management of woodlands. This is a good start but obviously inadequate to serve the 123,000 farm-woodland owners. A similar type of service is needed for the many small processors of wood products. The bulk of the small-forest owners and small processors still have no source of public on-the-ground technical assistance on their management and processing problems.

Pennsylvania has already come a long way with its program for the public acquisition of forest lands. The State forests, the Allegheny National Forest, and State game lands should be blocked into efficient operating units. Further extension of county and municipal forests to include lands not suitable for long-term private ownership and lands needed for watershed protection purposes is highly desirable. The State, Federal, and local governments should obviously lead the way in the development of high standards of forest management.

Fundamental to the formulation of forest policy and programs is accurate and up-to-date information on the forest acreage, timber volume, timber growth, and timber drain. All of these elements are essential in deciding what should be done to improve forest production. The survey initiated by the Forest Service in northwestern Pennsylvania in 1947 is a part of the Nation-wide forest survey authorized by Congress in 1928. It should be carried forward until the entire State is fully covered. Four counties were covered in 1947 but with present funds the entire State cannot be finished for several years. Thereafter, the basic data should be kept up to date.

The importance of clean water for domestic, industrial, and recreational uses has already been stressed. Floods have been increasing in frequency and in severity. Watershed management through improved land use is needed to maintain and improve the water resources. The Department of Agriculture has been authorized by Congress to make flood-control surveys on all the Pennsylvania watersheds. The Forest Service and the Soil Conservation Service have begun this work on the Allegheny, the Youghigheny, the Monongahela, and the Lehigh watersheds. These surveys will develop comprehensive programs for improved land use and other measures designed to retard run-off. Action programs to put these plans into effect will be presented to Congress. The State of Pennsylvania has already appropriated a substantial fund for water conservation and improvement purposes.

Still another and a highly important part of the remedial program should be the stepping up of forest research. The research on the Kane Experimental Forest (located in the Allegheny National Forest) and elsewhere is laying the basis for improved planting and timber-cutting practices. This research work is still on an inadequate scale. Entirely lacking in Pennsylvania and elsewhere in the Northeast is a research program to develop the badly needed information on watershed protection. The problems of flood control and of the sustained yield of usable water for domestic and industrial purposes are becoming increasingly critical. A forest-research center in the Delaware River Basin area to develop information on the basic water-forest land relationships and to service-problem areas has been proposed. Research to guide the needed remedial measures so that they may be most effective is an urgent requirement and should not be long delayed.

By working all fronts together it will ultimately be possible to restore the forest lands to a high state of productivity. Only then will Pennsylvania fully deserve its proud name—Penn's Woods.

STATISTICS PERTAINING TO THE TIMBER SITUATION IN PENNSYLVANIA

The existing estimates for Pennsylvania of the forest acreage, timber volume, timber growth, and timber drain are based upon a

rough survey carried out on a sparse-sampling method in 1945 as part of the Forest Service's Nation-wide reappraisal of the forest situation." Existing figures are estimates subject to a considerable margin of error; this should be kept in mind in using the tables that follow.

Accurate data on the timber situation in Pennsylvania will be available upon completion by the Forest Service of the forest survey initiated in Pennsylvania in 1947.

TABLE 1.—*Land area in Pennsylvania in various land uses, 1945*

Land use:	Thousand acres
Total land area	28,829
Total forest land	15,228
Commercial	15,127
Noncommercial	101
Cropland in farms	9,240
Pasture and range	1,469
Other	2,892

Forest Service reappraisal data.

TABLE 2.—*Character of timber growth on commercial forest land of Pennsylvania, 1945*

Timber-stand class:	Thousand acres
Total commercial acreage	15,127
Saw timber	3,745
Virgin	20
Second growth	3,725
Pole timber	4,892
Seedling and sapling area	3,208
Poorly stocked and denuded	3,282

Forest Service reappraisal data.

TABLE 3.—*Ownership of commercial forest land in Pennsylvania by ownership and timber-stand class, 1945*

[Thousand acres]

Ownership class	Total acreage	Timber-stand class			
		Saw timber	Pole timber	Seedlings and saplings	Poorly stocked and denuded
Total	15,127	3,745	4,892	3,208	3,282
Private	12,143	3,435	3,644	2,397	2,667
Farm	3,369	739	1,040	705	885
Industrial and other	8,774	2,696	2,604	1,692	1,782
Public	2,984	310	1,248	811	615
National forest	442	55	129	227	31
Other Federal	28	3	13	6	6
State, county, and local	2,514	252	1,106	578	578

Forest Service reappraisal data.

TABLE 4.—*Estimated number of properties of privately owned commercial forest land in Pennsylvania, 1945*

Ownership class	Number of properties	Thousand acres	Average acres per property
Farm	123,254	3,369	27
Nonfarm	71,766	8,774	122
Total	195,020	12,143	62
Holdings of less than 5,000 acres	194,974	11,511	59
Holdings of 5,000–50,000 acres	44	518	11,773
Holdings of 50,000 acres and more	2	114	57,000
Total	195,020	12,143	62

Forest Service reappraisal data.

TABLE 5.—*Ownership of saw timber on commercial forest land in Pennsylvania, 1945*

Ownership class:	Million board feet
Private	17,702
Farm	4,208
Industrial and other	13,494
Public	2,880
National forest	433
Other Federal	27
State and local	2,420
Total	20,582

Forest Service reappraisal data.

TABLE 6.—*Board-foot volume of saw timber on commercial forest lands of Pennsylvania, 1945*

Kind and location:	Million board feet
Total	20,582
Hardwoods	17,495
Softwoods	3,087
On saw-timber areas	13,568
Hardwoods	11,533
Softwoods	2,035
On other areas	7,014
Hardwoods	5,962
Softwoods	1,052

Forest Service reappraisal data.

TABLE 7.—*Cubic-foot volume of timber on commercial forest lands of Pennsylvania, 1945*

Tree size, softwoods and hardwoods	Million cubic feet	Percent
Saw-timber trees:		
Hardwoods	4,729	49
Softwoods	617	7
Total	5,346	56
Pole-timber trees:		
Hardwoods	3,680	38
Softwoods	544	6
Total	4,224	44

TABLE 7.—*Cubic-foot volume of timber on commercial forest lands of Pennsylvania, 1945*—Continued

Tree size, softwoods and hardwoods	Million cubic feet	Percent
All trees:		
Hardwoods	8,409	88
Softwoods	1,161	12
Total	9,570	100

Forest Service reappraisal data.

TABLE 8.—*Estimated species distribution of saw-timber volume on commercial forest lands of Pennsylvania, 1945*

Species class	Million board feet (lumber tally)	Percent
Hardwood:		
Oak	11,114	54
Birch, beech, maple	3,705	18
Yellow poplar	206	1
Cottonwood and aspen	206	1
Others	2,264	11
Total	17,495	85
Softwood:		
Yellow pines	147	5
Spruce and fir	21	(1)
White and Norway pine	1,234	6
Hemlock	885	4
Total	3,087	15
Total all species	20,582	100

[1] About one-tenth of 1 percent.

Forest Service reappraisal data.

TABLE 9.—*Relationship of current annual timber growth to 1944 drain, Pennsylvania*

[Million cubic feet]

Kind of timber	Current growth	1944 drain	Surplus
Saw timber:			
Hardwood	273	155	118
Softwood	39	26	13
Total	312	181	121
Pole timber:			
Hardwood	218	102	116
Softwood	36	15	21
Total	254	117	137
All timber:			
Hardwood	491	257	234
Softwood	75	41	34
Total	566	298	268

Forest Service reappraisal data.

TABLE 10.—*Lumber consumption in relation to lumber production in Pennsylvania in specified years, 1930–43*

Year	All lumber			Hardwoods			Softwoods		
	Apparent consumption [2]	Estimated production [2]	Production as percent of consumption	Apparent consumption [1]	Estimated production [2]	Production as percent of consumption	Apparent consumption [1]	Estimated production [2]	Production as percent of consumption
	M board feet	*M board feet*	*Percent*	*M board feet*	*M board feet*	*Percent*	*M board feet*	*M board feet*	*Percent*
1930	1,404,197	320,000	23	342,847	239,090	70	1,061,350	80,910	8
1932	595,552	162,000	27	160,315	93,396	58	435,237	68,604	7
1934	701,869	224,000	32	215,786	164,326	76	486,083	59,674	12
1936	926,630	350,000	38	250,504	251,291	100	676,126	98,709	15
1938	749,025	243,000	32	192,824	175,167	91	556,201	67,833	12
1940	1,190,729	356,668	30	280,800	263,172	94	909,929	93,496	10
1942	1,379,585	398,877	29	475,560	296,674	62	904,025	102,803	11
1943	1,367,930	447,046	33	486,541	341,032	70	881,389	106,014	12

[1] U. S. Forest Service: Domestic Lumber Consumption and Distribution (1930–43, inclusive). Apparent consumption includes foreign imports.

[2] Estimate by Forest Service—somewhat higher than figures reported by Census Bureau to take account of incomplete enumeration of small sawmills.

TABLE 11.—*Cubic-foot volume of timber cut for commodities in Pennsylvania, 1944*

[Thousand cubic feet]

Commodity class	Total	Hard-wood	Soft-wood	Percent from saw-timber trees	
				Hard-wood	Soft-wood
Lumber	110,260	91,603	18,657	98	92
Pulpwood	12,187	8,106	4,081	71	61
Hewed ties	4,310	4,265	45	100	100
Veneer logs	958	720	238	100	100
Cooperage stock	1,635	1,415	220	100	100
Shingles	2		2		100
Subtotal	129,352	106,109	23,243	87	96
Fuel wood	54,147	48,450	5,697	28	17
Fence posts	3,505	3,155	350	30	29
Mine timbers	81,400	71,200	10,200	26	21
All others	8,982	8,972	10	57	100
Subtotal	148,034	131,777	16,257	29	19
Grand total	277,386	237,886	39,500	59	59
Loss by fire, insect and other destructive agents	20,614	19,114	500		
Total drain	298,000	257,000	41,000		

Forest Service reappraisal data.

Economic and Political Conditions in the South

EXTENSION OF REMARKS

OF

HON. BURNET R. MAYBANK

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me before the Municipal Association of South Carolina on February 24 last, in which I commented on economic and political conditions in the South.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A city, like a family, means nothing unless it means people. A city must pay rent, it must pay for clothing, professional services, medical care, fuel, building materials, and food. The same sharp increase in prices which is threatening the economic well-being of individual Americans and their families is taking its toll in efficient municipal service in each of your cities. A city represents the sum total of the families and individuals within its jurisdicton.

Glaring examples of the menace of inflation upon your municipalities are to be found in the cost estimates of capital projects or long range municipal improvements. Many of you have been contemplating and planning the construction of various public buildings, buildings like hospitals, libraries, city halls, and many others. Many of these projects were planned before the war. Contract negotiations were even entered into in some cases. But during the war, obviously, those negotiations, in most instances, were stopped entirely. Bare foundations and half completed buildings still testify to many heartaches and disappointments of late prewar planning. Since that time it has even been impossible to keep up with the estimates. By the time you get a plan drawn for a piece of construction the architect comes back and says he must do it all over again because of the increase in costs.

There is no way even to issue bonds and have a bond sale and know that there will be enough money to complete the cost when the bonds have been issued.

Municipal officers throughout the Nation have, of necessity, increased taxes in some instances in order to meet the higher costs of normal operation. However, it has been impossible to obtain sufficient revenue to maintain the same quality of service which was possible in 1945 or 1940.

Your cities are facing a bad situation in streets and sidewalks. It is next to impossible to plan a budget for the repair, extension, and improvement of streets and come to any degree of accuracy on it at all. In a nutshell, the American city today is a victim of inflation but unlike other victms it has not been permitted to help itself out of its predicament and no one has come to its rescue. As a result, our cities are today literally fighting for their economic lives.

Gentlemen, there was a recent article, as most of you no doubt know, in the American Mercury, entitled "The Plight of the American City." You who are familiar with municipal problems know that with very few exceptions every major municipality in this country is fighting a losing battle in terms of providing municipal services at a local level. I would like to offer this, too, that all too often the municipal government is looked upon as just a small area of government. What a mistaken and short-sighted conception. Basically, the Government of the United States is the sum total of the government of the municipalities that serve the vast section of our population.

I believe that, gentlemen, I believe it from the bottom of my heart. That is why I have taken, and will continue to take; every opportunity in the Senate of the United States to preserve the sovereignty of the individual States of this Nation and their rights to self-government within the confines of their own borders. In view of this, gentlemen, I am alarmed that our Democratic President, speaking for the national party, should propose enactment of measures which, in their entirety, constitute a mass invasion of State rights. Why such a thing has never before been even suggested, much less recommended, by any President of any party affiliation in the Nation's history.

The President has accepted and recommended the proposals of the committee known as the President's Committee on Civil Rights. He has recommended to the Congress the immediate passage of legislation to implement these recommendations.

As you know, from your newspapers and your radio, we are already faced with an anti-lynching bill. Such a law has long been considered unconstitutional, since it involves no interstate aspects. The fact that only one lynching occurred in the Nation last year—unfortunately, that one was in South Carolina—and the dominant desire manifested by southern people to prevent lynching by every possible means, have not deterred the proponents of this legislation from asking for its immediate enactment. It is clearly an invasion of State rights, and, if enacted, would establish a precedent for the Federal Government to take jurisdiction in other State crimes which are punishable under the laws of the respective States.

There is not one of you here today who, after reading this piece of proposed legislation, would not fight to your dying breath to have it killed outright. It is not an anti-lynching bill in any sense of the word. It does not make lynching any more of a crime than it always has been. Instead, it creates a new crime. It extends Federal jurisdiction to the office of the Attorney General of the United States to send his officers to your counties and to your municipalities and imprison your officers and fine your counties. The proposed bill would not have prevented the one lynching of 1947 any more than it would prevent any other lynching—past or future.

By another measure -the enactment of the Federal Employment Practices Commission—the President proposes to establish another costly, powerful bureau of the Federal Government. This bureau would have the authority to muscle in on the daily business transactions of virtually every man's private business. It would, in effect, tell every man whom to hire, whom to fire, and whom to promote. These Federal strong-arms would reach into a man's books and papers without process of any court. Fines and imprisonment are provided for any person who hinders the operation of this Federal Commission.

The purpose of this commission, of course, is to force employers of the South to give employment in privately owned businesses to members of a minority race, even though such action may not be justified by the worth of the person to be employed. The employer may not have the power to hire a new employee or control the promotions within his own business. All of this can be done under the direction of this Federal Bureau.

This legislation is even now on the Senate Calendar. It was reported favorably by the Republican-controlled Committee on Labor and Public Welfare, and our Democratic President has endorsed the principles of this so-called fair employment practice legislation.

The Commission then proposes, and the President has endorsed, not only the specific abolition of the poll tax in Federal elections, but also an authorization to the Department of Justice to use all civil and criminal powers of the Federal Government to supervise primaries and elections of representatives of the respective States in the Federal Government.

All of this is in direct defiance of the first article of the Constitution of the United States which specifically gives to the States the right to establish the qualification of voters and conduct all elections. If this should be done, then the very basic principle upon which the confederation of States was established, is destroyed. Abolition of the poll tax has been recommended before, but no President, so far as I know, since the days of the carpetbagger, has asked that the Department of Justice ir Washington be given the power to use both civil and criminal sanctions to supervise and intervene in State elections. Why, gentlemen, this opens a new field for possible Federal abuse of power which could even be used to prevent the free discussion of the record of the party in power. Need I mention that all the dictators of the world have used the very same tactics in securing unanimous elections?

This amazing proposal strikes at the very heart of free speech and is certainly a long step toward total Federal Government and the abolition of State lines.

But these bills are coming up. They are already on the Senate Calendar. In the past, legislation of this nature has been routed out of the Senate by use of the filibuster. The first fight this time will be over the rule of cloture. I've been in on three of these fights—and we have won them all. This one will be more difficult. The Republicans and the President will do all in their power to put cloture on this debate but we of the South will try to stop it in one way or another—but it will be a long, hard, uphill fight. At the 1936 convention, I upheld and fought for the two-thirds rule. In fact, we delayed the convention with that fight. Right there was the turning point in the South's loss of influence.

It is with extreme regret that I have had to watch President Truman turn his back on the loyal South. The South was his friend. The Southern States voted for him for Vice President to beat Wallace. And yet, all of this is being recommended to the Nation by a man who was never elected President in the first place, but only succeeded because of the death of the President.

I cannot see what we in the South have done to deserve such treatment. We have remained loyal to the Democratic Party in good times and in bad times. Without the South there would be no National Democratic Party today. In what way, gentlemen, have we failed? Why should we be singled out by leaders who are determined to destroy that which enabled us to rise from the bitter ashes of the War Between the States? We had only our character and determination to go forward then.

We, in the Senate, are prepared to oppose this legislation by every legislative device within our power. We may lose the fight.

I hope with all my heart that at least the national party, which owes the South so much, may realize the injury which is being done to party unity and southern traditions.

I believe it would be a mistake for the South to bolt the party at this time. But we should elect independent democratic electors who will retain for us the control of our party.

The national party, of course, has no authority to interfere with our State party and we will not tolerate any interference by the national party into our State affairs. If necessary, we should separate our State party from the national party, but again I say we should not bolt the Democratic Party and leave it to those who, in many instances, are not real Democrats.

I mention this fight over civil rights to show you what goes on from day to day in order that the status quo of our States and their counties and their cities may be maintained. The day must never come when the actions of our governmental subdivisions will be bound by the rule of a government centralized in a Federal bureaucracy.

Some 70 percent of our people, according to our census, live in cities of 5,000 or over, and these municipalities, with very few exceptions, are the ones that provide the real service for our people.

The property owner, and in your cities that includes the majority of your people, is heavily burdened by the highest real-estate taxes in history. If the income of your cities had kept pace with the inflationary spiral, you would have had to have revenues and budgets far in excess to those with which you are currently having to operate.

The American city is being victimized by inflation. The American city represents the American people and just as the individual citizen sees his pay check consumed by high prices, so the municipality sees itself being liquidated by the spiral of inflation.

I have no fear for the future of the municipalities of South Carolina. We have met both depression and inflation in our time and we are still on top. When we weathered the depression of the thirties and actually got down to the point of issuing scrip in order to pay our employees we rededicated ourselves to the basic principles of municipal government.

You have inspired the confidence of your people. They turn to you automatically as head of their administrative house. It is you who put out their fires, police their streets and property and provide recreation for their children. And not only do they pat you on the back for the fine job you are doing, but their troubles and problems usually come to you first.

I know as well as you that before someone complains to his Governor or Congressman he goes first to the mayor and the aldermen. He wants to know why the streets cannot be finished or, at least fixed up. He tells you he is paying higher taxes than he has ever paid before. You tell him he is right but cement is higher than before—just like steel and paving blocks and everything else you touch. It is impossible even if you have the means to do so, it is impossible to keep the tax rates going up in terms to meet the cost which a municipality is required to pay.

Now, obviously, my remarks up to this point have been of a very general nature relative to your problems as heads of municipalities. They are not yours alone, if at all. But it is the current picture the Nation over. It is particularly pleasing for me to note the high degree of success with which you have met these situations here in South Carolina. Let me commend you, each one of you, on the part you are playing in bringing the State of South Carolina to the forefront in the eyes of this Nation. You are making this possible by the businesslike manner in which you are conducting the day to day operation of your cities. You have shown your ability to administrate wisely in the face of great odds in the very way in which you have held your taxes down.

Every day you are helping the people of your State in bringing about businesss and industrial establishment, development, and expansion. Through your State Research, Planning and Development Board, you are taking advantage of your assets and natural resources. This board has been highly successful in its search for small industries closely related to your agricultural economy and using its products as raw materials. The record of this board speaks for itself. In the last 2 years 685 new industries have gone into 151 communities in South Carolina. These 685 new industries represent a capital investment of $130,000,000 and new employment to over 30,000 people of the State. Mark this, gentlemen, these figures are for new industries only. This does not include expansion of industries which were already established here. Combined with the report of expansion, the total figure would more than double those of new industries.

The Research, Planning, and Development Board is doing a wonderful job for you and for South Carolina. Fundamentally, that board is you. You do the research work for your individual communities; you negotiate with your local property owners; you make the tax and utility assessment allowances. In short, gentlemen, you are the trunk through which flows the lifeblood of the palmetto.

I am so happy to see the way in which South Carolina is making her readjustment to the postwar period. Our State stands today on the threshold of a glorious new era of industrial and economic expansion. It is so all over the State. We are swinging back with healthy strides into peacetime achievements.

Last week, for the first time since before the war, passengers left Charleston harbor for the Far East. Darlington County showed a $1,500,000 increase in the value of goods produced within the county. That figure is exclusive of lumber and other timber sales. Along with that increase, wages were up $2,500,000 over the previous year. In Abbeville the councilmen had taken a salary cut from $20 to $1, and the mayor had taken a cut from $100 to $50. Their former pay was restored just 2 weeks ago. In Greenville a group of educators will meet in May to discuss and plan for better rural life and education. Approximately 200 delegates will attend that conference. A request has been received from a citizen of Turkey who would like to come to South Carolina to learn more about the cultivation, care, and handling of Turkish tobacco. And no wonder. The average yield last year in South Carolina was 1,240 pounds per acre as compared with a yield of 600 pounds per acre in Turkey.

According to the last report of the Fifth Federal Reserve Bank District there were only seven business failures in the State of South Carolina during the period between January and September of last year. Only Maryland had a smaller number of failures.

Yes, gentlemen, we stand today on the very threshold of a great new era. Because of the foresight of men such as you and the confidence of our people, South Carolina stands ready today to take her rightful place as a leader in our logical march toward the agricultural and industrial rebirth of a new South.

There is a new pulse beat in the South today, a pulse beat that grows stronger and stronger day by day, each day bringing greater prosperity and progress to our land. I commend you, gentlemen. Your task is not easy, but with your strength and the will of your people you cannot fail.

American Legion's Freedom Booklets

EXTENSION OF REMARKS

OF

HON. C. WAYLAND BROOKS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. BROOKS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement which I released today concerning the American Legion's Freedom Booklet campaign.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LEGION'S FREEDOM BOOKLETS

The American Legion has come up with a new Americanism program that sparkles with the promise of tremendous good for keeping America always American.

On April 1 it will start distributing to 1,000,000 American homes the first of a series of 12 monthly brochures designed to build a new and increased appreciation of the blessings of American citizenship.

Very aptly it calls these pamphlets its Freedom Booklet Explaining the Dividends From Democracy. We could think of no better title.

They are about the most dramatic and forceful presentations of the inherent values of the American way of life that we have yet seen. Written simply, printed in color, these freedom booklets take up the various aspects of our form of government and portray their superiority over any other system. They do this in terms of everyday living—in terms of individual rights and benefits, freedoms, purchasing power, automobiles, radios, electric refrigerators, vacuum cleaners, life insurance and other ordinary American necessities which are luxuries everywhere abroad.

This is a powerful weapon with which to combat alien subversive propaganda. It arms our people with up-to-the-last minute factual information about the actual margins of our superiority in every respect, with which to rebut attacks on our institutions and ideals by Communist elements and other "ism" groups. That's an effective way to bolster faith in America.

The American Legion hopes eventually to reach a distribution of 10,000,000 freedom booklets a month. It is offering the opportunity to groups of all kinds to participate in this campaign through a nonprofit subscription plan. Leaders of all walks of life, including Government, business, labor, church and civic organizations have endorsed the freedom booklets with enthusiasm.

More power to this American Legion drive to revitalize Americanism.

Foreign Policy of the United States

EXTENSION OF REMARKS
OF

HON. CHAN GURNEY

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. GURNEY. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD two addresses delivered by the Secretary of the Army, Hon. Kenneth C. Royall. The first address was delivered in Los Angeles on January 5 last, the second at Denver, Colo., on January 8. These addresses were so constructive and illuminating that I feel they should be made a matter of record.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE KENNETH C. ROYALL, SECRETARY OF THE ARMY, AT TOWN HALL, LOS ANGELES, CALIF., JANUARY 5, 1948

The Council of Foreign Ministers has recently ended its sessions in London—and ended them without any constructive results. This is one additional chapter in the story of postwar nonagreements and disagreements—one more evidence of difference in fundamental concepts and lack of mutual understanding between powerful nations of the world.

It is one more failure to clear definitely the path toward worldwide peace. It postpones again the hoped-for day when we can feel with assurance that all international difference can be composed without conflict. It emphasizes the necessity for a well-armed and a well-prepared America—a necessity already established by other disillusioning facts.

Our Nation has not abandoned—and will not abandon—its efforts for world accord. Under the able guidance of President Truman and Secretary of State Marshall, our Government—both legislative and executive—is moving with fairness and firmness toward the goal of peace—moving with perseverance and optimism in the face of discouragement.

But in a splendid demonstration on nonpartisan patriotism our leaders recognize that in this trial period we must have a strong America—in order to deter aggression and encourage peace as well as to provide for the contingency of war.

The question, therefore, is not "whether" but "how" we must strengthen our Military Establishment. What course must we follow to create a condition of preparedness which will in itself minimize the danger of war and which, if war should come, will provide us a reasonable assurance of victory?

In one brief talk I cannot discuss all our requirements. We need war matériel—planes and ships and tanks and artillery and bombs and rockets and camps and bases. We need these to be kept modern and continually improved by scientific and mechanical research and development. We need plans and preparation for industrial mobilization. There should be stockpiling of strategic materials, and a small reserve of specialized plants and a larger reserve of specialized machine tools.

But there is another need—the need which I will discuss today. We must have men—men for current requirements—occupation forces, garrison of bases, and a sufficient mobile striking force of Regulars in the Army, Navy, and Air Force to deal with at least the initial stages of any emergency. And in addition we must have a large reserve of manpower ready to serve promptly if an all-out war should come with suddenness.

When a prehistoric man first rolled stones down on the heads of his enemies he doubtless thought that the machine age, the "push-boulder" age of warfare had come. Thousands of years later when gunpowder was invented or long-range artillery came into use, other generations surely thought that manpower in war was becoming outmoded. And many will recall that with the development of planes and bombs it was freely said that the day of mass armies was definitely over. Perhaps, some of us here said just that.

But now fresh in our minds is the distressing fact that, despite the great strides of science—despite new and more powerful explosives, and faster and faster transportation, and much more effective electronics of offense and defense—despite all of these and other improved weapons, the last war required more military men in combat and more military men in supply than any previous war in human history.

Let me give you an interesting sidelight of 1945. For months German-held territory was subjected to terrific and insistent bombing—bombing which for a considerable period was practically unchallenged—precision bombing and area bombing. And yet the launching sites of the V–1 and V–2 rockets and the concentration points of the submarines were never destroyed—never even materially damaged—until the infantry reached them on the ground.

But the National Military Establishment need not—and does not—rely merely on history for its estimate of present and future manpower needs. Under the able guidance of Mr. Forrestal we are seeking to capitalize on the experience of the past, but at the same time to give full effect to the changes and developments of the present and the reasonable probabilities of the future. We have weighed the possible effect of atomic warfare and guided missiles upon our defense requirements.

As to the former we must recognize that agreements may effectively outlaw atomic weapons or—and this seems to me the more probable—fear of reprisal may prevent their use or the use of any other new weapons of destruction, just as was the case with poison gas in World War II.

Effective guided missiles are still far away. And, despite the drugstore quarterbacks, now graduated to cocktail-party experts, push-button warfare is not even in sight. And if it were in sight, I would like to inquire who would push the buttons, and who would push the enemy button pushers while they were pushing the buttons against us.

Even if we could safely tie our whole defense system to the premise that there would surely be the use of atomic or other new devastating weapons in a future war, we would still need military men to launch our bombs or other missiles, to reach and supply friendly bases, and to seize and hold bases in hostile territory, and to protect the lines of communication throughout the conflict.

In the matter of defense, our shores and cities and industrial centers could be protected from sea or air or from submarine attack only by planes and ships—manned by men. And if our own territory should be invaded by air or submarine—which well might happen in a future war—then ground troops would be needed to defend against the foe.

Finally, we are equally sure that without an invasion of foreign territory we would achieve at most a permanent armed stalemate, which would produce a constant and overhanging threat both to peace and to normal pursuits. The place to destroy an enemy is on his own home grounds, and to destroy him so completely that his readiness and willingness to visit our shores will be definitely canceled.

In short, the National Military Establishment is convinced that for the foreseeable future at least, success in war can be achieved only through the application of maximum pressure by land, sea, and air forces. Since another war may come with suddenness, we believe that for adequate protection of our Nation we must be prepared to put in the air, on the sea, and on the ground millions of men in uniform within a short period after a war emergency arises.

This is the opinion of the same men who estimated military manpower needs in World War II so accurately that at the time of our final victory we had committed to combat 88 of the 90 divisions we had activated, and had all 90 overseas.

How are we going to get these millions of men if a future emergency comes upon us? It is and has been the opinion of our military planners, it is the opinion of the splendid Compton Board appointed by President Truman, it is the opinion of many leaders of national thought and of an overwhelming number of war veterans and their national organizations that we cannot be prepared currently or for the future without universal military training.

I have somewhat reluctantly come to the same conclusion. "Reluctantly," I say, because I realize that, despite many compensating civilian benefits, a program of military training is an additional drain upon our dollars—and what is more important—an additional demand upon the available time of our young men. And I have also given careful thought to the argument that the plan would regiment the trainees and inculcate in them the spirit of militarism.

But the real need of the plan, for reasons which I will shortly give you, seems to me to justify the money and time involved. And I believe that the other arguments against the plan can be largely met either by proven facts, or by provisions in the plan which will alleviate, and compensate for, the sacrifices which would result.

Perhaps the best answer to the charge of militarism and regimentation—recently the word "fascism" was used by a political figure—the best answer is the 14,000,000 men from civil life who served in the armed forces during World War II—many of them for long periods. They have now returned home and you certainly do not find among them any spirit of militarism or lack of independence, or any fascism.

The suggestion of interference with a young man's education does not impress me overmuch. Only 6 months' continuous service is required, after which a trainee has certain part-time options which would not prevent school attendance.

Taking 6 months out of any 2-year period would leave time for two complete scholastic years of 9 months each. Schools and colleges showed great ingenuity and manifested great cooperation in order to meet the educational problems of wartime students and those of returning veterans. The problem of adjusting to a universal military training program—without any detriment to orderly education—would seem simple by comparison.

On the affirmative side, the current universal military training plan will provide a course of training which, to the maximum extent consistent with the military objectives, will afford to the trainee special educational and technical advantages—an opportunity to learn and develop along lines which would be of value to him in later civil life.

As to the real need of universal military training, may I give you a few facts? Congress has approved a total Army and Air Force of 1,070,000 enlisted men and officers—the number thought to be necessary to perform the current tasks of these two departments.

Our plans also include a National Guard of 681,000 and a Reserve Corps with a peacetime

complement of 768,000. These totals will serve as the nucleus of the larger force needed for any mobilization day and for the period immediately following—a force which must be filled from the civilian population.

This is the over-all defense picture. And in our opinion every phase of it is dependent for its success upon universal military training. Neither the desired peacetime strength of any component nor the facility for necessary expansion in an emergency can be obtained without this program.

As has been previously stated, universal military training contemplates a 6-month minimum training period for all able-bodied young men. Thereafter the trainee would have among his options enlistment in the Regular Army, or joining the National Guard or the Organized Reserves.

Today the Regular Army and Air Force are nearly 170,000 behind in the necessary enlistments. It is felt that under universal military training the Regular Army option would be exercised by enough young men to help to an appreciable extent in supplying this deficit in presently needed strength.

The National Guard now has only 215,000 men, or less than one-third the required number. And this is true despite a recent intensive recruiting campaign. Universal military training is the only real hope of obtaining the required enrollment in the National Guard. And the same is substantially true of the Enlisted Reserve.

Finally, it is perfectly apparent that without universal military training we would have no reservoir of young men who would be able to serve promptly in the armed forces in event of a sudden war. As Mr. Truman said a year ago, "The development of a trained citizen reserve is vital to our national security. This can best be accomplished through universal military training."

Some of us may get a false sense of security from the number of present-day civilians who served in 1941-45. We are inclined to forget that the defense of our Nation requires young men. Already more than half of those who fought in 1941-45 are precluded from further military service because of age or added responsibilities or other causes—and by the time UMT could build up an adequate supply of trainees, practically none of these World War II veterans would be available.

But the men needed for war present a question of quality as well as quantity. In case of our National Guard and our Reserves, the training periods are relatively infrequent and in toto provide only a part of the hours needed to qualify a soldier for effective active service.

But with UMT trainees of 6 months' experience entering these components, we would have much more adequate and more advanced training. Six months of UMT would be equivalent in training value to 5 years in the National Guard or the active Reserve.

To those who might be called for duty in war the advantage of the added training is obvious. It is an advantage not only to the country, but also to the selectees and their brothers-in-arms. For the inexperienced combat soldier endangers both himself and the men who serve with him.

We do not have—and we cannot hope to have and we do not want to have—the largest Army in the world, either today or in case of war. But the advantage in numbers of the armed forces of any other country must be offset by providing our Nation not only with the best equipped but also with the best trained soldiers and sailors and airmen in the world.

Finally, I would call to your attention one other value of UMT. If war should come, it is perfectly possible that many of our cities would be faced with an emergency following an enemy bombing or other attack. In such event, a cadre of men with military training would help greatly to meet any situations which might arise.

In my talk today, as in prior talks, I am sensible of the fact, and sensitive to the fact, that all this sounds warlike. I realize that our people are so hopeful of avoiding war that they do not like to think of it even as a possibility, much less to discuss it.

I wish it were not necessary to discuss it. But the function of the Army and the Navy and the Air Force—in fact, their only function—is to provide for the contingency of war. If we could surely and safely dismiss from our minds, and from our plans and recommendations, all reference to armed conflict, then we would not need our armed services at all.

But, unfortunately, neither the facts of history nor the circumstances of the present world, make this course even thinkable. We must have defense forces, and adequate defense forces, forces which are designed for possible military combat.

It is my sincere hope that the international picture will so improve that UMT and much of our other preparedness program can be abandoned or, better still, never have to become completely operative. But until world conditions are better stabilized than they are today, we must plan and we must have universal military training in order to be ready properly to defend our Nation.

And if our preparation never has to be used for actual war; if instead the time and dollars spent for such preparation to deter an aggressor and avoid a conflict; if military strength, maintained by the most peace-loving of nations, succeeds in preserving the peace of the world, then this time and these dollars and this preparation will have bought for us the greatest value of all—peace for ourselves and for our children.

ADDRESS BY HON. KENNETH C. ROYALL, SECRETARY OF THE ARMY, AT THE DENVER ROTARY CLUB, DENVER, COLO.

This year 1948 will bring into even more definite focus the new role of America in the preservation of the peace and security of the world—will emphasize the leadership which this role requires and the responsibilities which it imposes upon us. This postwar period is indeed a new era in the affairs of America and of the world.

Perhaps the most novel development of all is the treatment of our defeated enemies. We must frankly admit that 2½ years ago few of us, if any, realized just what the victory would entail in the matter of occupation of enemy lands—or what this occupation would involve in men, in money, and in effort.

We had strained our every national fiber toward winning the war. Most of us felt that victory, when achieved, would solve our world difficulties—that we could quickly punish our enemies, sterilize their military potential, and be on our way to normal life, with nothing more than a small police force to preserve the peace.

But step by step new factors successively entered the picture—humanitarian considerations even toward the enemy peoples we had defeated, unrest and disorder and political conflict in the world, clear manifestations of the spirit of totalitarian expansion, disillusionment as to the conduct and purposes of other nations. These developments have combined to lead us to a broad occupation of Germany and Japan.

The job of this occupation has been given to the Army—with policies fixed by both the State and Army Departments. The Army does not want, and has not wanted, the nonmilitary part of the occupation job—which is the principal part. Both former Secretary Patterson and I have repeatedly sought to transfer it to some other Government agency.

But until this transfer can be made, we will use our best efforts—as we have done in the past—to carry out the occupation objectives of our Government. We are keeping in close touch with Congress, and will also keep the public advised of our general plans and results. For it is the Army and the money of our entire Nation that is being used in the occupation, and our people have a right to be informed.

Day before yesterday, in San Francisco, I discussed some phases of Japanese occupation. Today I will discuss Germany. The occupation of each country is a big, tough, complicated job. But in Germany we have—not a single nation with an existing government—but a country divided politically into four parts with only two of those parts—the British and American zones—having a joint economic administration. At this moment, the French and the Russian zones are operated separately and independently of the other two.

One of the zones is controlled by a government of a different ideology from that of the other three occupying countries, and the differences have become so marked that joint action—through an Allied control council—has been either difficult or—more frequently—impossible. The recent meeting of foreign ministers achieved no progress in rapprochement among the zones.

Not only are there vast political variances between the Russian zone and the others—difference in freedom of choice and freedom of action of the citizens—but there is also a serious economic schism in what was once a closely-knit nation—with much of the food-producing land in the hands of Poland or in the Russian zone and with the principal industrial plants in the British and French zones.

As already suggested, the first purpose of occupation was to prevent Germany from ever again upsetting the peace of the world. We had seen enough of German-initiated conflict in our time. Twice within a generation that nation had plunged the world into war—and the German people had an ugly history running back through the nineteenth century—and before that all the way to medieval and even ancient times.

England and France and Austria—Belgium and Holland and others—remembered these historical facts even more vividly and tragically than did we. Today they still remember—and remind us, if we forget—that after World War I, as in earlier times, the seeming penitence of Germany—and her simulation of weakness—had merely afforded the time and opportunity for secret—and then open—rearmament, which again plunged her neighbors into a war of Teutonic aggression.

While we were fighting World War II, we were determined to create conditions in Germany which would put a stop to her militarism once and for all. No matter how many other issues have now woven themselves into the German picture, we must not forget this original purpose of occupation. To this purpose we must still adhere—for the sake of our peace and the peace of the world.

Since May 1945 we have gone a long way toward demilitarization of Germany. We have brought her war criminals before the bar of justice. We have broken up and dispersed her military organization and her vicious and cruel Nazi groups. We have removed from positions of influence most of the top leaders who fomented and conducted the cruel war of oppression. We have abolished the pernicious cartels. We have dismantled the actual munition plants as well as some of the supporting industries.

In this dismantling there was another aspect—that of reparations. Those allied nations who had suffered so greatly from Nazi depredations—those whose own industry had been destroyed by Germany—had a feeling a rightous feeling, that the Germans should pay at least in part for their criminal destruction. Therefore, it was decided—and agreed between us and these allies—that there should be payment in kind—payment from certain dismantled German plants.

But as we have moved toward the destruction of the German military threat, we have

encountered other problems in the conquered nation Some of them arose from the terrific damage inflicted by the Allies on the cities and towns even the countryside of Germany herself, on her plants and her transportation system—damage which some of you have seen.

This destruction has created a vast deficit in the German economy—a deficit aggravated by the millions of casualties among the young and able-bodied members of the population. In peacetime the British and American zones had not been self-sustaining in food. Their present deficiency is larger than before the war, and there is nowhere near enough production of other goods to pay for the importation of necessary food or other deficient necessities. And the surge of Germans—many of them nonproducers—from the Russian zones into our own, has added to the burden.

So in the case of the German people we are faced with a situation where—to quote a former War Department official—"we must starve 'em, shoot 'em, or feed 'em." To America there was but one alternative—the humanitarian answer. We would have fed them if there had been no other considerations. We would not walk out and leave them destitute.

But there were other valid reasons for feeding our former enemies. If Germany was to be removed as a threat to the world, she had to have a stable and peaceful government. Such a government could not exist under conditions of hunger, disease, and despair.

So we have helped the Germans—sending them each year hundreds of millions of dollars' worth of food and medicine and other necessities. We have done so, until we begin to wonder how long we must continue this expenditure. We are properly asking ourselves when it will end. The answer is obvious—we can either let Germany collapse or we can continue to help her until her own production and exports can pay her own way.

This brings us up against another situation. A bare subsistence diet will not enable Germany to work and produce. Her present minimum adult ration of 1,425 calories per day is little more than a hearty American breakfast. For workers, particularly in coal mining and other heavy labors, it was—and is—necessary to provide much more than this minimum in order to get the jobs done. This means a greater food contribution from America, which, in turn, calls for a greater production to meet eventually the added costs.

So it is that German industrial and economic recovery has become a major objective of German occupation. This is accentuated by the important part that Germany must play in general European recovery. An impoverished Germany might well be an economic millstone around the necks of its neighbors, and the recovery of the rest of Europe is definitely dependent on the coal and steel production of the Ruhr.

Another occupation factor of increasng moment is the sharp political conflict in Europe—the conflict which has arisen between free democracy and oppressive totalitarianism. There are alarming indications of another creeping aggression—at least a creeping political aggression. This development makes it important that there be built in Germany not only a free democratic government but a stable and self-sufficient one.

For these various reasons the need of an improved German economy is now felt so strongly that some of us are inclined to forget the original occupation purposes of demilitarization and reparation. Some find objections to further implementation of these policies. And all of us are sensing areas of possible conflict between the present objectives of occupation.

For example, the percentage of completely non-Nazi Germans was exceedingly small—too small to run Germany successfully. Among the Nazi sympathizers were many men of ability whose talents would be helpful in the present-day development of the German economy. It is urged upon us that too broad a purge of this entire group would greatly impede German progress.

Likewise, the demilitarization of German industry presents a possible conflict with economic recovery. The phrase "war potential" can include a wide range of plants, such as steel and chemical, which can contribute to economic recovery. And in selecting plants for reparations there is danger of destroying industrial capacity needed for full economic recovery of Germany.

These as well as other situations present questions of degree about which equally sincere and informed people may well differ. There can be no dogmatic rule of thumb. It is a matter of judgment under all the circumstances—often changing circumstances.

The Department of the Army is fortunate in having as military Governor of Germany—and also as theater commander—one of the most capable of officers, Gen. Lucius D. Clay. His character, intelligence, executive ability, energy, and singleness of purpose have distinguished his handling of the difficult problems which I have mentioned—as well as many other problems.

The Department of the Army is determined to complete the demilitarization of our zone in Germany and to build a freely democratic form of government which will help preserve the peace in Europe. We will also carry out as far as possible our international commitments for reparations to the western European countries and to any other nations which have not abrogated nor waived their rights under these commitments.

But, at the same time, we are also acutely conscious of the growing importance of German industry and exports. We recognize that a stable Germany which can stand on her own political and economic feet will prove the soundness of a true democracy and will serve as a deterrent against totalitarianism with its connotations and threats.

We have acted accordingly. During last summer we raised the permitted level of German industry—and lowered the projected reparations—thereby giving to German industry a chance to grow to the 1936 level. In dismantling we have, as far as possible, selected those plants which are in excess of German capacity for production. We have organized an Export-Import Agency which is functioning successfully. Agriculture is being encouraged and developed. In conjunction with the British, the operations of the important Ruhr coal mines have been improved.

There are still great difficulties to be overcome. The possible conflicts with demilitarization and reparations are at present a minor part of these difficulties. The war collapse of Germany and her people are still the principal factors.

Our Department is glad to report some results and progress. General industrial production has increased from a low of nearly 20 percent to 42 percent of the 1936 average. Steel production is up to 70 percent. The daily coal output has gone from 100,000 tons a day to 280,000 tons. Some commodities, including lumber, have passed their pre-war level.

The exportable surplus of Germany is growing and the proceeds are being used to acquire cotton and other raw materials needed for further increases in production. The transportation system is being rehabilitated, 30,000 cars having been restored to service in the last 3-month period. The recovery spiral is definitely upward.

In the meantime, General Clay and his staff have continued in their efforts to reteach Germany the essence of free democratic government—which most of them had forgotten or had been afraid to practice. Germans are experiencing freedom of the press; freedom of thought; freedom of association; freedom of religion. They are being given a chance to see—and their eastern neighbors are being given a chance to see—how a capitalistic democracy works—how it benefits all the people of the country.

More than a year ago President Truman said: "We shall help the defeated enemy states establish peaceful democratic governments of their own free choice, and we shall try to attain a world in which nazism, fascism, and military aggression cannot exist."

The work of General Clay and his staff in Germany, and of Under Secretary Draper and his able helpers in Washington, is toward the achievement of the goal fixed by the President. In full recognition of the size and complexity of their task, they have sought the advice of competent men from every walk of life, from every school of political thought, and from every section of the country.

The job in Germany is not done—and in my opinion it will be many years before we can turn Germany loose on her own without endangering the attainment and preservation of our important goals. But in a much shorter period, I hope, we can see an end to our financial contributions.

But, whatever the duration, we must remember that occupation is a task which America has assumed. It is a flag responsibility. Its failure would be—not that of Germany or Japan—but that of the United States.

Conversely, if we succeed, we will get the credit and—what is much more important—we and the whole world will reap the benefits of a peace-loving and self-supporting nation, which will be an aid instead of a threat to the peace of the world.

With the splendid and unwavering assistance which we have been receiving from Congress and from the departments of government—and with the support of citizens such as yourselves—we expect to succeed in our task.

Air Power and National Security

EXTENSION OF REMARKS

OF

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUST OF REPRESENTATIVES

Thursday, February 26, 1948

Mr. DAVIS of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast:

Congressman DAVIS. Hello, friends in Wisconsin. This has been a busy week in the House of Representatives.

The report of the conference committee on the Langer-Stevenson Civil Service Retirement Act was approved. This, incidentally, culminated months of faithful and effective work by Congressman BILL STEVENSON, of La Crosse. Rent control and the President's powers under the Second War Powers Act were extended on their present basis for 30 days to permit thorough consideration of pending permanent legislation. The authority of the United States Maritime Commission to control and operate merchant vessels was extended until July 1, 1949.

The grinding out of appropriation bills has begun. Two of them were passed this past week. Other important subjects for House debate were the President's Reorganization Plan No. 1 of 1948, and the temporary freezing of existing social-security schedules.

Today, I want to divert from the important subjects of House action and discuss with you another matter that wasn't up for debate this week, but which is uppermost in

the minds of many persons today. It is the matter of a stronger and improved Air Force, and its relation to national security. It isn't a new subject, but it is one that is receiving increased consideration every day. Some of the Nation's leaders who have stressed it since the days of Billy Mitchell, of Wisconsin, have included two of the leading Presidential candidates, Harold Stassen, of Minnesota, and ROBERT A. TAFT, of Ohio. Recently Senator TAFT declared his belief that American air power offered a better insurance of national security than the proposed universal-military-training program. Let's look into that angle for a few minutes today, and consider some of the facts about our air power. There has been so much loose talk about our Air Force that many of you may have the idea that the United States has almost no air strength today, and that we would be a push-over for any first-rate power that attacked us by air. Let's look at the facts.

There is no present concern over ability of the United States to protect the North American Continent from enemy air attack. According to the President's Air Policy Commission, the earliest date when that problem might become acute is January 1, 1953. However, while our present air strength is sufficient to cope with present national security requirements, we cannot be sure of what the next few years may bring in technical advances of aircraft and guided missiles. And ability of the air force to adequately support our American foreign policy is a more immediate problem.

The steadily deteriorating international situation under the Truman administration now indicates that United States air power may have to operate outside the continental United States in three troubled areas: The Middle East, western Europe, and the Far East. Of these three, the middle-eastern sector seems the most explosive, with its 4,000,000,000-barrel oil reserve as the stake in international maneuvering. We've taken the first steps in that direction by reopening some of the largest World War II air bases in the Mediterranean and middle eastern sections.

Now just how many planes do we have ready for service? Numerically, United States air power now consists of 6,805 combat planes with the air force and 4,900 combat planes in the carrier-combat groups and fleet-support units of the Navy. This total of 11,705 combat planes compares with the Russian air strength of 14,000 combat planes, as estimated by General Spaatz, Air Force Chief of Staff. In addition, the United States has 9,000 combat planes of the Air Force in storage and 3,000 naval combat planes in storage. These 12,000 planes can be reconditioned for combat on short notice, and would give us at the moment slightly under 24,000 fighting planes. Although many of these planes are already tactically obsolete, and more will become out of date in the next 2 years, they will form an important component of air power for several years more as trainer and utility-type planes. Thus we do have the planes available today, if we had the men to fly them. In case of a national emergency, part of the men to man these storage planes would come from ex-servicemen who would return to the Air Corps, and part would come from men trained in commercial aviation.

Would the rest of the men needed by the Air Force be available if universal military training should be adopted in this country? Not immediately, and perhaps not at all. The first 6 months of training under the UMT bill would be devoted to what the Army calls basic training. I don't have to explain that term to any ex-serviceman. It means 6 months of hayfoot, strawfoot, one-two-three-four, company, halt! After that period, the UMT candidate would have certain choices of which branch of service was to get him for the next 6 months, and then he would go back to civilian life. Even if we could train pilots in 6 months, they would be out of uniform at the end of that time, and we'd have to start all over on a new group of trainees.

But if increased attention is given to improving and developing the Air Force, manpower will be more easily obtained. Even during World War II when antiaircraft guns and enemy planes made flying indeed much more dangerous than in peacetime, a good share of men going into service wanted to get into aviation. You can talk to any group of high school students in our country today, and you'll find that flying has more appeal to them than ever before. The question of finding men to fly the planes on a long-term basis isn't as vital today as the problem of getting the planes to replace those becoming obsolete in the next few years.

The Air Coordinating Committee has set an annual production rate of 3,000 military aircraft with air-frame weight of 30,000,000 pounds as the minimum required to maintain a healthy aircraft industry capable of rapid emergency wartime expansion. Against these requirements are the facts that in the calendar year 1946, the aircraft industry built 1,330 military planes; in 1947, built 1,800 planes, and has for 1948 received procurement funds for 1,511 planes. To meet the committee's requirements, aircraft production rates would have to be trebled. Is this the fault of Congress? Let me read you a quotation from Aviation Week magazine for the issue of February 23. "Blame for the fiscal 1948 procurement plight rests squarely on President Truman, who slashed by more than 50 percent the 1948 Army-Navy request for 3,140 planes with an air-frame weight of 26,233,000 pounds." Aircraft procurement funds for the fiscal year 1949 have not yet been determined by the Congress. The President's budget called for a total of $1,172,000, which is expected to buy 2,131 military planes, of which 1,164 would be for the Air Force and 967 for the Navy.

Although congressional sentiment is not ready to accept the $6,000,000,000 annual expenditure that a huge Air Force would require, there is solid bipartisan support for as much as a 10-percent increase over the Presidential request for aircraft procurement. One reason that congressional thinking has not crystallized on this matter is that the joint chiefs of staff have not yet drawn up an over-all strategic defense plan for the United States. Lack of such a plan at present was bitterly accented recently in the President's air policy commission report.

Earlier I mentioned the possibility of advancement in aircraft designs and development of the guided missiles program making present fighting procedure obsolete. But don't think for 1 minute that we are standing still in that same field. We'll probably double the production and research in the guided missiles department this year. Our Second District of Wisconsin has a direct interest in this field, for the Nation's newest laboratory studying one part of guided missiles is located at Madison, Wis., under naval ordnance direction. Actually the United States Government is conducting the largest aeronautical research program in the entire world right now. We are spending more than $300,000,000 during the current fiscal year in an effort to gain new knowledge in the aeronautical sciences, to expand and crystallize presently available knowledge, and to build new equipment and train new workers for future research. And we are fostering this gigantic program because only through research can leadership in the air be assured. About 99 percent of the present aeronautical research effort is directly sponsored by the Federal Government. The reason is obvious. Any discoveries have immediate or potential value to the Air Force and naval aviation, in the design of new aircraft and missles.

Outside of Russia, the United States is the only major power that is giving serious consideration to developing its air strength. In Britain, for example, the government there is gambling on 5 years of peace and putting all emphasis on long-term research, with little attention being given to keeping an adequate stand-by of fliers and planes. England's huge wartime aircraft industry is idling along now, or turning to other lines of manufacture. By contrast, Russia's aeronautical research program is estimated to be 5 years ahead of schedule, thanks to captured Nazi wind tunnels, German scientists, and laboratories operating night and day.

In all this discussion of air power and national security, I have not mentioned one all-important thing. That, of course, is the atomic bomb. Today we have it; how many we have in stock piles is a secret we cannot tell the world. But this we do know: We have the bomb and we can use it. No other nation will challenge us to combat as long as we have it and they do not; no other nation will want war with us if we have air power sufficient not only to make us secure here at home, but to take care of our far-flung commitments abroad.

It is for this reason that more and more people today are looking with favor upon the proposals to foster air-power development and scientific research. To many of us it seems a more safe and sane program, and certainly no more expensive than some of the security proposals that have received more discussion but little action in recent months.

It may take Fred Waring's orchestra to convince the mothers of America that they want their boys to be soldiers, but all it takes to convince young America that it wants to fly is one zooming airplane passing overhead and soaring off into the wide blue yonder. Fill our skies with modern planes and young Americans trained to fly them and we'll not have to worry so much about national security.

TVA Steam Plant at New Johnsonville, Tenn.

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter I addressed to Gordon R. Clapp, Chairman of the Board of the Tennessee Valley Authority, on January 22, with reference to TVA's construction of a steam plant at New Johnsonville, Tenn., and Mr. Clapp's reply dated February 10, with a memorandum to the Board of Directors on the constitutionality of the proposed TVA steam plant at New Johnsonville, Tenn.

I am informed by the Public Printer that the matters will make 3¾ pages of the RECORD at a cost of $266.25.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
January 22, 1948.

Mr. GORDON R. CLAPP,
Chairman, Tennessee Valley Authority, Knoxville, Tenn.

DEAR MR. CLAPP: I note that the TVA is requesting this year an appropriation to begin the construction of a steam plant at New Johnsonville, Tenn. Heretofore TVA has acquired a Federal steam plant at Muscle Shoals which was constructed by the Corps of Engineers during World War I under the war powers of the Executive, and a second steam plant at Watts Bar during the recent war, also under Executive war powers. In addition it acquired through purchase of private utilities a number of smaller steam plants in the area in 1939.

This proposed construction in peacetime of a steam plant by TVA is the first instance where it directly invades the field of steam generation.

Will you give me your legal opinion as to the constitutionality of this departure?

I particularly refer you to the colloquy of Mr. John Lord O'Brian, counsel for TVA in the Ashwander case.

Sincerely yours,

STYLES BRIDGES.

[Ashwander case, 297 U. S. 288]

Mr. Justice MCREYNOLDS. Is there a steam plant in connection with this project?

Mr. O'BRIAN. Yes, Your Honor. That was mentioned earlier. There is a large steam plant which was built at Muscle Shoals before the dam was built.

Mr. Justice MCREYNOLDS. For what purpose?

Mr. O'BRIAN. For the purpose of equipping the war munitions plant immediately, as quickly as possible with power.

Mr. Justice MCREYNOLDS. Is that used to generate electricity?

Mr. O'BRIAN. No, sir; it has never been used. It stands idle. Much is made in my opponents' brief of the danger of the Government selling power from the steam plant. That steam plant is not in this case. It has never been used. It has been maintained. It has been leased to the Alabama Power Co., which has used it as a stand-by facility with which to meet break-downs in its service. There is nothing in this record to show that the Authority ever intends to use it for the purpose of generating power for sale, and I disavow any such intention at this time.

Mr. Justice BUTLER. I know; but you assert the power, do you not?

Mr. O'BRIAN. No; I do not.

Mr. Justice BUTLER. Do you say that to aid in disposing of the electricity incidentally produced from this navigation dam, the Congress has no power under the Constitution to build stand-by plants to supply their customers, to keep the current going?

Mr. O'BRIAN. If you mean break-down facilities, yes; it could. It would have to. Any regulated system would have that.

Mr. Justice BUTLER. And then to meet great demands upon the peak?

Mr. O'BRIAN. No; I do not think that could be done in this case.

TENNESSEE VALLEY AUTHORITY,
Knoxville, Tenn., February 10, 1948.

Hon. STYLES BRIDGES,
Senate Office Building,
Washington, D. C.

DEAR SENATOR BRIDGES: In accordance with your letter of January 22, 1948, I have asked Mr. Joseph C. Swidler, TVA General Counsel, for an opinion on the constitutionality of TVA's construction of the proposed New Johnsonville steam plant.

I am enclosing herewith a copy of the opinion which he has prepared.

Sincerely yours,

GORDON R. CLAPP,
Chairman of the Board.

FEBRUARY 9, 1948.

MEMORANDUM TO THE BOARD OF DIRECTORS ON CONSTITUTIONALITY OF PROPOSED TVA STEAM PLANT AT NEW JOHNSONVILLE, TENN.

In accordance with the request which the Chairman of the Board has received from Senator BRIDGES and referred to me, I am setting out below for the Board and for transmittal to the Senator a statement of my views on the constitutionality of TVA's construction of the proposed steam generating plant at New Johnsonville, Tenn.

I understand the pertinent facts to be as follows: Additional generating capacity is urgently required if TVA is to meet the steadily growing needs for power in its service area. This area, which covers about 80,000 square miles and has a population of 5,000,000, is wholly dependent upon TVA for its power supply. To help meet the demand for additional power, TVA plans to install additional generating units at several of its existing hydro projects, in addition to proceeding with the construction of the South Holston and Watauga projects. Since completion of TVA's Watts Bar steam plant, large installations of hydro capacity have been added to the system with no comparable additions in steam capacity. If much of the value of large quantities of hydro power is not to be wasted because stream-flow conditions limit the availability of such power to certain periods, additional steam capacity must be provided to firm up secondary and dump power produced at some of the existing hydro projects and by the additional new hydro units. The anticipated increase in power loads over the next few years will be particularly great in the western portion of TVA's service area. The need for additional quantities of firm power is, therefore, particularly great in this portion of the area. The proposed New Johnsonville plant will perform much the same function in firming up hydro power, particularly that produced in the western portion of the Tennessee Basin, as the Watts Bar plant presently performs in firming up part of the hydro power produced in the eastern section. Construction of the New Johnsonville plant accordingly offers the most practical and economical method of meeting present power needs.

TVA's statutory authority to construct steam plants is clear. See TVA Act, sections 4 (f), (i), and (j); 14; 15. The legislative history of the TVA Act demonstrates that Congress itself has consistently regarded the construction of steam plants as presenting no special constitutional problem.

The authorization to construct steam plants contained in the TVA Act accorded fully with prior congressional thinking on the subject. Provisions authorizing continued operation of the steam plant erected by the Federal Government at Muscle Shoals during World War I were included in the various Muscle Shoals bills introduced by Senator Norris prior to the enactment of the TVA Act in 1933, two of which were passed by Congress (S. J. Res. 46, 70th Cong., pocket-vetoed by President Coolidge, and S. J. Res. 49, 71st Cong., vetoed by President Hoover). One of the earlier Norris bills, S. 2147, Sixty-ninth Congress, would have declared it to be—

"SEC. 16. * * * the spirit and intention of Congress in passing this act—

"(c) To assist in the development of electric power by the complete storage and utilization of the waters of the Tennessee River and its tributaries, in conjunction with steam and other sources of fuel, to the end that electrical energy may receive the widest possible distribution at the minimum cost." (Hearings before Senate Committee on Agriculture and Forestry, 69th Cong., 1st sess. (1926), pp. 5–6.)

The same bill would have established a Federal Power Corporation with express authority—

"SEC. 9. * * * to complete the steam auxiliary plant at nitrate plant No. 2, and to construct such other steam auxiliary plants as may be necessary" (Id. at 4).

The later of the two earlier bills actually passed by Congress also contemplated that additional steam plants might be constructed (secs. 12 and 26, S. J. Res. 49, as reprinted in H. Rept. 2747, 71st Cong., 3d sess.).

In 1930, the Army engineers rendered a detailed report to Congress concerning the development of the Tennessee River in the interest of navigation, flood control, and power. This report proposed, basically, two alternative methods of development. The first involved improvement of the main river by a series of low dams. Such dams would have provided a navigable channel, though an inferior one, but no flood control or power. The second proposal was one for full-scale development, involving construction of high dams on both the main river and the tributaries for navigation, flood control, and power.[1] The report assumed that auxiliary steam generation would be both necessary and feasible if a plan for full-scale development which included generation of power were adopted. (See H. Doc. 328, 71st Cong., 2d sess. (1930), pp. 15, 66–68, 92.) The TVA Act represented, in effect, the adoption of this program of development as one to be built and operated by TVA.[2] A similar assumption as to the need for steam generation in this program was later made by the engineering staff of the joint congressional committee investigating TVA. (See S. Doc. 56, 76th Cong., 1st sess., part 3 (1939), pp. 156–164; see also the committee report, part 1, p. 151.)

The last two of the earlier Norris bills each contained a section providing for payments in lieu of taxes to Alabama based on generation of power at any existing or future steam plant, as well as at hydro plants, located in that State. Section 13 of the TVA bill as passed by the Senate contained a similar provision reading as follows:

"SEC. 13. Five percent of the gross proceeds received by the board for the sale of power generated at Dam No. 2, or from the steam plant located in that vicinity, or from any other steam plant hereafter constructed in the State of Alabama, shall be paid to the State of Alabama; and 5 percent of the gross proceeds from the sale of power generated at Cove Creek Dam, hereinafter provided for, or any other dam or steam plant located in the State of Tennessee shall be paid to the State of Tennessee." (Conference report on H. R. 5081, 73d Cong., 1st sess. (1933), p. 46.)

This provision was thoroughly debated and bitterly attacked, but solely on the ground that Alabama and Tennessee should not receive the direct benefits of the TVA program and in-lieu tax payments as well. That steam plants would in fact be constructed was assumed. The following colloquy between Senators King and Copeland during the debate in the Senate is of interest in this connection:

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[1] Before the TVA Act was passed, the Army engineers were already proceeding with plans for construction of a high dam at the Wheeler site.

[2] See *Tennessee Electric Power Co.* v. *Tennessee Valley Authority* (21 F. Supp. 947, 953 (E. D. Tenn., 1938)), where the Court stated: "The program adopted by the Authority, in its main features, and the choice of the sites for the various dams follow the broader multiple-project plan outlined in House Document 328 p. 43), commended by the board of engineers of rivers and harbors, as superior to the low-dam plan."

"Mr. KING. Mr. President, I want to address myself for the moment to the Senator from New York [Mr. COPELAND]. He certainly must be in error in saying that the bill contemplates the operation of a steam plant. I have been told that we have in the Tennessee Valley the greatest water power in the world, so important that the Government is justified in expending tens of millions of dollars in its development. Is not the Senator from New York in error in saying that we are to operate steam in addition to the water power?

"Mr. COPELAND. I am not surprised that the Senator asks the question. I invite his attention to the language on page 14, beginning in line 20:

"'Five percent of the gross proceeds received by the board for the sale of power generated at Dam No. 2, or from the steam plant located in that vicinity, or from any other steam plant hereafter constructed in the State of Alabama, shall be paid to the State of Alabama.'

"I suppose there is a certain amount of primary power which can be depended on throughout the year, but to make certain there is a uniform supply of power it has been necessary to erect a steam plant, and the States are to have 5 percent of the gross proceeds not only of the water-power plant but of the power generated in the steam plant." (77 CONGRESSIONAL RECORD 2633 (1933).)

The reference to steam plants in the in-lieu payment provision of the Senate bill was eliminated in conference. It was eliminated, however, not because the conferees thought that no steam plants should or would be constructed, but because they felt that the claims of Alabama and Tennessee to ownership of the waters of the Tennessee River might justitfy in-lieu payments based on production and sale of hydropower, but not of steam power. Representative McSwain expressly so stated during the House debate on the conference report. (77 CONGRESSIONAL RECORD 3595 (1933).)

In 1939, Congress authorized TVA to buy existing steam plants and clearly recognized, in the course of considering the amendatory legislation involved, that TVA might later have to build additional steam plants. Section 15c, the legislation in question, was enacted to make possible purchase by TVA of the generating and transmission line properties of the Tennessee Electric Power Co., as well as similar properties belonging to other subsidiaries of the Commonwealth & Southern Corp. Section 15c specifically authorized TVA to issue bonds in the total amount of $61,500,000 for the following, among other, purposes:

"(1) Not to exceed $46,000,000 * * * for the purchase of electric utility properties of the Tennessee Electric Power Co. and Southern Tennessee Power Co., as contemplated in the contract between the corporation and the Commonwealth & Southern Corp. and others, dated as of May 12, 1939.

"(2) Not to exceed $6,500,000 * * * for the purchase and rehabilitation of electric utility properties of the Alabama Power Co. and Mississippi Power Co. in the following-named counties in northern Alabama and northern Mississippi * * *.

"(3) Not to exceed $3,500,000 * * * for rebuilding, replacing, and repairing electric utility properties purchased by the corporation in accordance with the foregoing provisions of this section." (53 Stat. 1083.)

Congress was fully aware, when it enacted these statutory provisions, that the electric-utility properties which TVA intended to acquire, in accordance with the contract of May 12, 1939, included important steam plants at Nashville, Hales Bar, and Parksville, as well as several smaller plants. The Nashville plant had an installed capacity of 48,000 kilowatts, the Hales Bar plant 40,000 kilowatts, and the Parksville plant 13,000 kilowatts. Moreover, Mr. J. A. Krug, then TVA manager of power, testified expressly before the House Military Affairs Committee during its consideration of the bill that TVA intended to operate the Nashville and Hales Bar steam plants if the purchase were consummated. (See hearings before Subcommittee of House Committee on Military Affairs, S. 1796, 76th Cong., 1st sess. (1939), pp. 19–21.)

With the facts fully before it, Congress itself did not regard the 1939 amendatory provisions as presenting any constitutional issue. From a constitutional standpoint, there obviously can be no distinction between the Government's power to acquire and to construct steam plants for operation in conjunction with an existing federally owned hydroelectric system. Certainly Congress recognized no distinction. Indeed, the principal reason given in Congress as to the need for the 1939 amendment was that while TVA already possessed authority to issue bonds in order to finance construction of steam or other generating plants, there was considerable doubt as to whether the proceeds of such bonds might be used for purchase of such plants as distinguished from construction. The Senate Committeee on Agriculture and Forestry stated in this connection:

"Under the existing Tennessee Valley Authority Act, as amended, the Board of Directors of the Tennesseee Valley Authority are empowered to issue bonds and use the proceeds thereof for the construction of dams, steam plants, or any other facilities to be used for the generation and transmission of electric power; also for the construction or acquisition of transmission lines, and for making loans to municipalities and cooperative organizations for the purchase of existing transmission lines and distribution properties. The authority under the law to issue bonds for the purchase of existing generating plants is extremely doubtful. It is this defect in existing law which the proposed amendment is mainly designed to remedy. (S. Rept. 189, 76th Cong., 1st sess. (1939), pp. 1–2.)

The congressional decision to authorize acquisition of existing properties of the Tennessee Electric Power Co. and other companies within TVA's service area constituted, in effect, a determination that competition and duplication of facilities within that area would result in an uneconomic if not an impossible situation, and that TVA, therefore, should become the sole power supplier for the area. The Senate committee report on the bill containing the authorization (S. 1796, 76th Cong.) stated, in part:

"The agreement reached by the Commonwealth & Southern Corp. and the Tennessee Valley Authority to carry out this sale of the Tennessee Electric Power Co. properties would end all such controversies and do away with any possible competition between the parties.

* * * * *

"Notwithstanding the liberal price to be paid for the properties included in the contemplated sale, both the friends and critics of the Tennessee Valley Authority, as well as the Commonwealth & Southern Corp., the real owner of the property to be sold, are satisfied with the price agreed upon for the sale of such properties. The elimination of potentially wasteful competition in this area would be a factor of major importance. An audit of the properties to be purchased, made by the engineers of the Tennessee Valley Authority, indicated that the value of the properties involved in the contemplated sale were not worth more than $70,000,000. The difference between this sum and the total consideration of $78,600,000 agreed upon can be regarded as the cost of eliminating this destructive competition, a competition damaging and injurious both to the Tennessee Valley Authority and to the private owner of the properties to be purchased." (S. Rept. 189, 76th Cong., 1st sess. (1939), pp. 3–7.)

Congress could not have reached a decision to eliminate competition in the area and to make it solely dependent on TVA for power service without recognizing that TVA would be responsibile thereafter for providing such additional generating facilities as migh+ become necessary to meet the area's needs. The House committee hearings on the bill indicate affirmatively that Congress, in reaching its decision, did recognize the possibility that additional generating facilities, including auxiliary steam-generating plants, might become necessary, and believed they could be provided. Mr. Krug, for example, testified on this question as follows:

Mr. CLASON. And the system of steam-generating plants you are getting from the Commonwealth & Southern, plus this water development that you contemplate, will be sufficient to supply all of that area?

"Mr. KRUG. Yes.

"Mr. CLASON. And you would not expect to have to build any more steam-generating plants in the near future?

"Mr. KRUG. Not in the near future. I think I should make it clear that in the power business it is virtually impossible to plan for longer than a 10-year period. Our plans run over approximately 10 years. After that time the load in this area will grow and additional capacity will have to be installed at some place in that area to take care of the growth in that load, if the present upward trend in the use of electricity continues.

* * * * *

"Mr. CLASON. But you have no plans now to develop anything further that will require any more steam-generating plants in this area for the next 10 years?

"Mr. KRUG. No, sir." (Hearing before subcommittee of House Committee on Military Affairs, S. 1796, 76th Cong., 1st sess. (1939), pp. 111-112.)

Moreover, both Mr. James L. Fly, who was then TVA general counsel, and Mr. William C. Fitts, Jr., who was then TVA solicitor and later became its general counsel, testified as to TVA's authority to construct future steam plants, and both stated that such construction, in their opinion, would be entirely proper. The following is excerpted from their testimony:

"Mr. FLY. * * * Section 4 (j), I believe, makes reference to powerhouses—that is section 4 (j) of the original statute—'and shall have power to acquire or construct powerhouses, power structures, transmission lines, navigation projects and incidental work in the Tennessee River and its tributaries, and to unite the various power installations in one or more systems by transmission lines.'

"That contemplates, of course, that any steam plants shall be within the region of the river and shall be integrated with the system which surrounds these hydroelectric projects. (Id. at 148).

"Mr. FITTS. * * * My own views about the limitations now in the statute are—and they are carried over, by the way, into this amendment—are that the TVA is authorized to construct dams on the Tennessee River and its tributaries provided that those dams are related to navigation and flood control in a material sense and further, is authorized to construct steam plants to operate in conjunction to those dams within the Tennessee watershed. It is further my view——

"Mr. CLASON. Will you refer us to the section that would limit you to the Tennessee Valley watershed?

"Mr. FITTS. Yes, sir. Section 4 (j).

* * * * *

"Now, it is my conception, and it always has been ever since I have been the one assigned to construe this statute, that the power to construct generating plants is contained in this provision, and that it is limited to the construction of generating plants within the basin of the Tennessee River. Now, with transmission lines, of course, there

is a different provision. The Authority is authorized to construct or acquire transmission lines within transmission distance of the place where the power is generated.

"Mr. CLASON. They have, as I understand it, at the present time, the TVA has no right to either acquire or to construct any steam generating plant?

"Mr. FITTS. No, sir. I did not say that. I think it has the right to construct a steam generating plant that is an auxiliary to an existing hydroelectric system and it is located within the Tennessee River Valley. Section 4 (j) gives the right to construct power structures and powerhouses, plus the present language in section 15 where a steam plant is specifically covered in section 15 as it now stands" (id. at 306).

Within 2 years after enacting the 1939 amendatory provisions, Congress specifically authorized TVA to construct the Watts Bar steam plant. Senator BRIDGES' letter refers to it as having been constructed "during the recent war * * * under the Executive war powers." In fact, it was constructed pursuant to a specific appropriation contained in the Independent Offices Appropriation Act, 1942 (55 Stat. 92, 118 (1941)). This act became law on April 5, 1941, before the unlimited national emergency declared by the President on May 7, 1941, and more than 8 months before the United States was attacked by the Japanese; and the appropriation which it contained for the Watts Bar plant, as well as for other TVA projects, was for the stated purpose "of carrying out the provisions of the act entitled 'The Tennessee Valley Authority Act of 1933.'" Neither the hearings nor the subsequent committee reports and debates indicate that any constitutional question was thought to be presented. The situation which existed then was basically similar to that which exists now. At that time the United States was in a state of defense emergency limited by the President's proclamation of September 8, 1939, to national defense measures "within the limits of peacetime authorization." Today the state of war has not yet been terminated, and while hostilities have ceased, the international situation is unsettled. From a constitutional standpoint, there appears to be no difference between the congressional action concerning the Watts Bar steam plant and that which is sought now with respect to the new Johnsonville steam plant.

To summarize the legislative history, Congress has consistently assumed over a long period of years, that construction of supplementary steam generating facilities might be necessary and that such construction would present no constitutional problems. Congress included express authority to construct such plants in the original TVA Act. It empowered TVA in 1939 to issue bonds, the proceeds of which it knew would be used in substantial part for acquisition of existing steam-generating facilities that TVA intended to operate; and in 1941, 8 months before Pearl Harbor, it specifically authorized TVA to construct a steam plant at the Watts Bar site.

An examination of applicable Supreme Court cases indicates clearly that the assumption of Congress, over a period of many years, that there was no constitutional inhibition to the construction of steam plants is entirely sound. This conclusion has been reached with full regard for the statements concerning Federal operation and construction of steam plants made by Mr. John Lord O'Brian, who was serving as special counsel for TVA during the oral argument before the Supreme Court in *Ashwander* v. *TVA* (297 U. S. 288 (1936)). These statements must be considered in the light of the factual situation which existed at that time—a factual situation entirely different from that which exists today. TVA was then in the course of acquiring a market as a means of carrying out the objectives of the act, and the question was whether a steam plant could be used to increase the size of the market which TVA could take over by enabling it to meet peak demands that could not be met by power from Wilson Dam. Today TVA is serving an area which it took over to afford a market for its hydro power. The problem now is one of serving adequately the markets which TVA has already undertaken to serve; and the steam plant now proposed would supplement and make more efficient the existing system of hydro plants serving these established markets. It is speculative as to what Mr. O'Brian's position would have been, even in 1935, on the present state of facts. In any case constitutional law has undergone tremendous development during the 12 years since the Ashwander case was argued, and nowhere has such development been more rapid or sweeping than in those fields relating to the Government's power to undertake integrated watershed-development programs in the interest of commerce and to deal with its own property. Government activities in these fields once regarded as of doubtful constitutionality have not only been upheld in the courts when tested but have become commonplace. Any opinion expressed a dozen years ago on questions in these fields would need to be reexamined in the light of intervening developments in the law.

Since the New Johnsonville plant would be used for firming up hydro power, its construction clearly would be justified under the property clause of the Constitution (art. IV, sec. 3, clause 2), as a means of permitting fully effective use of the Government's hydroelectric projects. These projects, as well as the electric power which they are capable of generating, are property of the United States (TVA Act, sec. 4 (h)). *Ashwander* v. *Tennessee Valley Authority*, supra; *Tennessee Electric Power Co.* v. *Tennessee Valley Authority* (21 F. Supp. 947 (E. D. Tenn., 1938), aff'd 306 U. S. 118 (1939)). The property clause of the Constitution provides:

"The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States; and nothing in this Consitution shall be so construed as to prejudice any claims of the United States, or of any particular State."

The Supreme Court has said of the power conferred under this constitutional provision:

"The power over the public land thus entrusted to Congress is without limitations. 'And it is not for the courts to say how that trust shall be administered. That is for Congress to determine.'" *United States* v. *San Francisco* (310 U. S. 16, 29–30 (1940)).

There is no distinction between the powers granted by the clause with respect to territory and those granted with respect to other Federal property:

"The term territory, as here used, is merely descriptive of one kind of property; and is equivalent to the word lands. And Congress has the same power over it as over any other property belonging to the United States." *United States* v. *Gratiot* (14 Pet. 526, 536–537 (1940)).

With respect to any of its property, the Federal Government may exercise the rights of an ordinary proprietor. *Camfield* v. *United States* (167 U. S. 518 (1897)); *Light* v. *United States* (220 U. S. 523 (1911)); *Ruddy* v. *Rossi* (248 U. S. 104 (1918)). Among these rights is that of improving Federal property in order to enhance its usefulness and value. This right was exercised at least as far back as 1902, when the Reclamation Act, authorizing the Secretary of the Interior to establish, construct, and maintain irrigation projects, was enacted in order to make marketable and habitable large areas of desert land within the public domain (*United States* v. *Hanson* (167 Fed. 881, 883 (C. C. A. 9th, 1909)). The power of Congress to legislate for such a purpose was expressly upheld in the Hanson case and in *Burley* v. *United States* (179 Fed. 1 (C. C A. 9th, 1910)).

There is no question from an engineering standpoint concerning the necessity for auxiliary steam generating capacity to firm up hydroelectric power produced by most primarily hydroelectric systems. In the case of the TVA system, this need for auxiliary steam facilities has been recognized since the report on development of the Tennessee River made by the Army engineers in 1930, and has been acted upon in utilizing both the steam plants acquired from private utilities and the Watts Bar plant. At the present time, because during the later stages of World War II it was more feasible to construct hydroelectric than steam facilities, the proportion of steam facilities in the TVA system has declined from approximately 30 percent to approximately 20 percent of the system's total capacity. Engineering studies show that effective utilization of power produced at the hydroelectric plants requires more steam capacity. The cases cited above establish affirmatively that the Government possesses constitutional authority to provide such capacity, in order to effectuate full utilization of the Government's hydro properties.

Under the situation which now exists in TVA's service area, a steam plant might properly be constructed, under the commerce power and property clauses, whether or not it would serve to firm up hydro capacity. In *United States* v. *Appalachian Power Co.* (311 U. S. 377 (1940)), the Supreme Court defined the authority of the Federal Government over navigable waterways under the commerce clause in the following language:

"In our view, it cannot properly be said that the constitutional power of the United States over its waters is limited to control for navigation. By 'navigation' respondent means no more than operation of boats and improvement of the waterway itself. In truth the authority of the United States is the regulation of commerce on its waters. Navigability, in the sense just stated, is but a part of this whole. Flood protection, watershed development, recovery of the cost of improvements through utilization of power are likewise parts of commerce control. As respondent soundly argues, the United States cannot, by calling a project of its own 'a multiple-purpose dam,' give to itself additional powers, but equally truly the respondent cannot, by seeking to use a navigable waterway for power generation alone, avoid the authority of the Government over the stream. That authority is as broad as the needs of commerce" (p. 426).

In *Oklahoma* v. *Atkinson Co.* (313 U. S. 508 (1941)), the Court stated:

"We would, however, be less than frank if we failed to recognize this project as part of a comprehensive flood-control program for the Mississippi itself. But there is no constitutional reason why Congress or the courts should be blind to the engineering prospects of protecting the Nation's arteries of commerce through control of the watersheds. There is no constitutional reason why Congress cannot, under the commerce power, treat the watersheds as a key to flood control on navigable streams and their tributaries. Nor is there a constitutional necessity for viewing each reservoir project in isolation from a comprehensive plan covering the entire basin of a particular river. We need no survey to know that the Mississippi is a navigable river. We need no survey to know that the tributaries are generous contributors to the floods of the Mississippi. And it is common knowledge that Mississippi floods have paralyzed commerce in the affected areas and have impaired navigation itself. We have recently recognized that 'flood protection, watershed development, recovery of the cost of improvements through utilization of power are * * * parts of commerce control' (*United States* v. *Appa-*

lachian Power Co., supra, p. 426). And we now add that the power of flood control extends to the tributaries of navigable streams. For, just as control over the nonnavigable parts of a river may be essential or desirable in the interests of the navigable portions, so may the key to flood control on a navigable stream be found in whole or in part in flood control on its tributaries. As repeatedly recognized by this Court from *McCulloch* v. *Maryland* (4 Wheat. 316) to *United States* v. *Darby* (312 U. S. 100), the exercise of the granted power of Congress to regulate interstate commerce may be aided by appropriate and needful control of activities and agencies which, through intrastate, affect that commerce" (pp. 525–526).

These cases establish that the Government may embark on a program of full-scale development for a given watershed, and in so doing may proceed on the basis of an integrated plan which takes full cognizance of potentialities for the generation of electricity as well as for promotion of navigation and flood control.

In the case of the Tennessee Valley, Congress has embarked on a full-scale program for the development of the Tennessee River for navigation, flood control, and power, an essential part of that program being the wide distribution of electric power at low cost. To implement that program, Congress, in 1939, authorized TVA to acquire the properties of the existing utilities and thus to become the sole supplier of power for the area, a step which was clearly within the constitutional authority of Congress. *Ashwander* v. *Tennessee Valley Authority* (297 U. S. 288 (1936)); *Tennessee Electric Power Co.* v. *Tennessee Valley Authority* (21 F. Supp. 947 (E. D. Tenn., 1938), aff'd 306 U. S. 118 (1939); *United States* v. *San Francisco* (310 U. S. 16 (1940); *United States* v. *Gratiot* (14 Pet. 526 (1840)); *Oregon & Cal. R. R.* v. *United States* (238 U. S. 393 (1915)); *Ruddy* v. *Rossi* (248 U. S. 104 (1918)); *Tennessee Valley Authority* v. *Lenoir City* (72 F. Supp. 457 (E. D. Tenn., 1947). When Congress took this step, it assumed an implied obligation to meet the area's future as well as its existing demands for power. Indeed, if the Government could not assume such an obligation, a general watershed development might become wholly impracticable. If the servicing of such a market area is undertaken and the area's power demands later increase to a point where they exceed the capacity of a purely hydroelectric system, the Government can only (a) purchase such power as may be available from neighboring utilities; (b) construct steam facilities; or (c) sell out. It could hardly be contended that a tremendous Government investment in a multipurpose system must be sold whenever the demands of the area in which the system operates exceed actual and prospective hydro capacity. The Government's constitutional authority to purchase additional quantities of power from neighboring systems, under such circumstances, probably would be attacked by no one. There is no practical difference, however, between the Government's purchasing steam generated power from others and constructing steam generating facilities itself. The Government may obtain whatever it requires to conduct its program successfully; and if it may properly obtain its requirements by purchase, it should be equally at liberty to obtain them by direct production (*Cf. United States* v. *Alleghany County*, 322 U. S. 174, 177 (1944); *Clallam County* v. *United States*, 263 U. S. 341 (1923)).

Such steam-plant construction is also justified under the congressional power to appropriate for the common defense and the general welfare (Constitution, art. I, sec. 8, clause 1). The national defense, for example, would be seriously imperilled by a power shortage in an important production area like the Tennessee Valley area, which contains great electrometallurgical, electrochemical, and nuclear fission plants which are of key importance in time of war. In addition, there are defense installations in the Tennessee Valley presently in stand-by condition which, if another defense emergency should ever require their use, would be dependent on TVA power. Taken in conjunction with the present international situation, these considerations, as already noted, are similar to those which led Congress, in April 1941, to authorize construction of the Watts Bar steam plant.

With respect to the general welfare, it would seem that a threatening power shortage in an important area for whose power needs the Government has made itself responsible would "create a menace to the national welfare" (*Cleveland* v. *United States* (323 U. S. 329, 331 (1945))), and would, therefore, justify appropriation of Federal funds to relieve the shortage.

Prior to the decision of the Supreme Court in *United States* v. *Butler* (297 U. S. 1 (1936)), lawyers had argued for years the respective merits of the two opposing interpretations of the general welfare clause: (a) the Madisonian view, to the effect that the power to tax and spend for the general welfare amounted to no more than the power to tax and spend in the exercise of those powers specifically conferred upon Congress by other sections of the Constitution; and (b) the Hamiltonian view, to the effect that the clause empowered Congress to tax and spend for the general welfare as an end in itself. The controversy was not resolved until, in the Butler case, the Court expressly adopted the Hamiltonian theory.

In *Steward Machine Co.* v. *Davis* (301 U. S. 548 (1937)), and *Helvering* v. *Davis* (301 U. S. 619 (1937)), the Court reiterated this position in upholding the unemployment compensation and old-age benefit sections of the Social Security Act. In the last-cited case, the Court also stated that whether a given expenditure is for the general as opposed to a particular welfare is for Congress to determine (subject to the limitation that its determination will not be given effect if it is "clearly wrong, a display of arbitary power, not an exercise of judgment"). Provision of an adequate power supply for an important area of the country would seem clearly to meet the test of generality.

In *Cleveland* v. *United States* (323 U. S. 329 (1945)), affirming *United States* v. *Boyle* (52 F. Supp. 906 (N. D. Ohio, 1943)), the Supreme Court was called upon to determine whether the Government, under the general-welfare power, might expend funds for the purpose of constructing low-cost housing projects as part of its slum-clearance program. Mr. Justice Roberts, for a unanimous Court, answered the question thus presented in the affirmative on the authority of the Butler, Steward Machine Co., and Helvering cases. See also to the same effect, *United States* v. *Milwaukee* (49 F. Supp 436 (E. D. Wis., 1943)), affirmed (140 F. (2d) 286 (C. C. A. 7th, 1944)), certiorari denied (322 U. S. 735 (1944)); *Bastian* v. *United States* (118 F. (2d) 777 (C. C. A. 6th, 1941)); *Oklahoma City* v. *Sanders* (94 F. (2d) 323 (C. C. A. 10th, 1938)). If the Government may thus act to relieve a shortage of adequate housing, it would seem to follow, a fortiori, that it may also act, in an important region of the country, to relieve a threatened shortage of a commodity so basic to modern civilization as electric power.

For the reasons given, it is my opinion that construction of the proposed new Johnsonville plant is within the constitutional powers of the Federal Government.

JOSEPH C. SWIDLER.

Increase in Postal Workers' Pay

EXTENSION OF REMARKS
OF
HON. TOM STEWART
OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. STEWART. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a statement made by Mr. Daniel R. Sullivan, vice president of the National Association of Letter Carriers, when he appeared before a Senate subcommittee urging an increase in the pay of postal workers. This is a strong and persuasive statement in behalf of a fine but underpaid class of public servants who carry on 12 months in the year despite heat or cold, rain or shine. They trod the streets and sidewalks each day. They drive over the country roads delivering your mail and mine. They meet you at the post-office window with a smile. They are fine citizens in every community and always contribute their part to its civic activities—religious, educational, social. As a rule they are home owners with families. They educate their children and teach them to become good citizens. They constitute, Mr. President, a large, high-class segment of our patriotic citizenship and they should be compensated for their labor. Personally I would like to see an increase of $1,000 a year. They deserve it.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Chairman and members of the subcommittee of the Senate Committee on Post Office and Civil Service, my name is Daniel R. Sullivan. I am vice president of the National Association of Letter Carriers, an organization representing 79,364 city, rural, and village delivery letter carriers in the United States postal service. Our organization was founded in 1889, and has devoted nearly three-score years to the improvement of the postal service and conditions affecting the welfare of letter carriers. We have branches, numbering approximately 4,000, located in all of the 48 States, and the Hawaiian Islands and Puerto Rico.

In behalf of our entire membership, I desire to commend the chairman and members of this subcommittee for the timely action which made possible these public hearings on the vital subject of wage adjustments. We will always be grateful for your prompt and friendly consideration of this all-important topic.

We, likewise, wish to commend highly the chairman and members of the Senate Committee on Post Office and Civil Service for having recommended the confirmation of Hon. Jesse M. Donaldson as Postmaster General of the United States. His appointment to that high office definitely spells the beginning of a new era in the postal service—an era which will redound to the credit of the President, the Congress, and the people of our great Republic.

On the matter of wage revisions, it would be well to call attention to the fact that numerous bills bearing on that problem have been introduced in both the Senate and House of Representatives. The postal pay increases contemplated in these measures range from a minimum $480 to a maximum

$1,000 per annum. Three of these proposals are now pending before your distinguished committee.

According to the Bureau of Labor Statistics, the over-all cost of living on December 15, 1945, stood at 129.9 points, or 29.9 points above the 1935–1939 level. The same source reveals that the over-all cost of living had risen to 164.9 points on November 15, 1947, or 64.9 points above the 1935–1939 level. These figures represent an increase of 26.9 percent in the 23-month period ended November 15, 1947. Since Public Law 386, which granted a $400 horizontal pay raise to most postal employees, became effective on January 1, 1946, the 2-year period December 15, 1945–December 15, 1947, is being utilized in this justification for an immediate additional increase.

Quoting the same source for the 2-year period just ended, it is noted that food costs on December 15, 1945, stood at 141.4 points, or 41.4 points above the 1935–1939 level, as compared with 202.7 points on November 15, 1947. These figures reveal that food costs have risen 43.4 percent in that period. The BLS experts have gaged the continuing rise in the over-all cost of living to be 2 points each month at the present time. Accordingly, we believe the BLS will readily acknowledge that the over-all increase in the cost of living from December 15, 1945, to January 15, 1948, is 27.3 percent. That is the actual amount by which letter-carrier wages have shrunken in that period. It is absolutely imperative that something be done immediately to make up for this tremendous deficiency in so-called take-home pay.

Under date of December 3, 1947, the Legislative Reference Service of the Congressional Library stated that on July 1, 1946, the average salary paid postal workers in the field service was $2,708 per annum. By multiplying $2,708 by 27.3 percent it will be noted that an increase of $739.28 is now required to meet the average deficiency. However, the vast majority of letter carriers have reached the top-wage bracket (grade 11) or $3,100 per annum. By multiplying $3,100 by 27.3 percent, the wage deficiency for the top grade letter carrier is $846.30.

Postal authorities will undoubtedly testify to the fact that it is no longer possible to recruit new employees on the entirely inadequate entrance salary of $2,100 per annum. New entrants, including numerous veterans of World War II, are required to serve a period of 11 years before reaching the maximum grade of $3,100. The gap between the fixed salaries of postal workers and the income needed to maintain a decent standard of living is ever widening. Under the prevailing circumstances, the job of carrying the mails is no longer attractive to those potential applicants who pass the civil-service examination and otherwise meet the necessary requirements.

Because of the acute situation within the Postal Service, a Conference of N. A. L. C. representatives was held here in Washington on January 12–13. Approximately 700 letter carriers from 45 different States assembled at the Hotel Statler to discuss their common problems. Among other things, the Conference recorded itself in favor of an immediate $800 upward wage adjustment on a permanent basis, to take effect January 1, 1948.

The action taken by the National Association of Letter Carriers' Conference parallels that taken by the Government Employees' Council of the American Federation of Labor on December 9, 1947, when it also endorsed the proposal to seek an immediate wage adjustment of $800 on a permanent basis, effective January 1, 1948. This last group represents some 21 unions whose membership in whole or part are employed by the Federal Government. The council has a membership of approximately 500,000 Government employees.

Along with millions of like-minded citizens, the National Association of Letter Carriers would much prefer a substantial reduction in the over-all cost of living in lieu of additional wage boosts. But the situation is now so critical that we have no alternative—simple justice demands that letter carriers be given an immediate wage increase.

Therefore, the National Association of Letter Carriers endorses the principle contained in the Langer-Chavez bill, S. 1849; and also the Cain bill, S. 1931. However, we are of the firm conviction that a permanent wage increase of at least $800 is not only warranted but wholly justifiable.

In view of all the factors mentioned previously, I am pleased to place the National Association of Letter Carriers on record as wholeheartedly endorsing the Baldwin bill, S. 1949, and express the sincere hope that it will be reported favorably at the earliest possible moment. Thank you.

Germany and Reparations

EXTENSION OF REMARKS

OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Germany and Reparations," published in the New York Times of February 21, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GERMANY AND REPARATIONS

In another column on this page we print a letter from Julius C. C. Edelstein, special adviser to Secretary Marshall, regarding the allied reparations and dismantling program in western Germany. The problems discussed in it are fundamental, not only to the fate of Germany but to the recovery of western Europe and the success of the Marshall plan. Since these problems are bound to play a major role in the conference between the United States, Britain, and France (beginning next Monday), to discuss a merger of the French occupation zone with the combined American and British zones, we believe that they merit careful scrutiny and wide public understanding.

Mr. Edelstein holds that while this newspaper gives substantial weight to the political factors involved it does not yet see the basic economic factors that make this program advantageous to Europe and to the United States. We, on the contrary, believe that the program is contrary to the best interests of Europe and of the United States. There is no question that the victims of German aggression are entitled to the greatest possible amount of reparations, even though Germany has already paid in territories and seized properties more than any nation has ever paid before. There is likewise no doubt that short-time payments in capital equipment are preferable to long-drawn-out reparations from current production, which could only repeat the consequences of such a program following the First World War.

But we submit that such payments are limited by two factors which should take precedence over other considerations. The first is that even under the Potsdam agreement reparations payments are supposed to leave Germany enough resources to subsist without external assistance, which is not now the case, and that a self-supporting and viable Germany is the key to European recovery, as recognized in the European recovery program itself. The second is that the dismemberment of Germany and the loss of her eastern breadbasket—which, contrary to Mr. Edelstein's assumption, comprises not only the Soviet zone but all eastern Germany unilaterally annexed by Poland and Russia—have completely changed Germany's population and production picture. As a result the new level of industry, under which plants are still being dismantled as surplus, has become a snare and a delusion which can cost us and Europe dearly.

What the makers of the new reparation program have not yet faced up to, we think, is the fact that western Germany has become another Britain, with approximately the same population living in an approximately similar area, with coal as the only important raw material, and with an ability to produce only about half the food needed. Yet Britain with an unimpaired apparatus and complete freedom to produce and trade, with vast resources in her Empire which more than offset her Empire obligations, and vast American aid already given, is able to live only under the severest kind of austerity on a diet which, while still twice the total calories the Germans usually receive, is nevertheless considered to be close to the danger point. How, without any of these advantages, western Germany is not only to live but also to contribute to European recovery, under a program which would leave her only 75 percent of the per capita production capacity of 1936 (when she produced more than 80 percent of her own food) is an unexplained mystery for which we can see only one solution, and that is continued American subsidies to Germany and to Europe.

As regards the claim that the plants scheduled for dismantling can serve European recovery better if transplanted to the victor countries, we must point out that the dismantling and transplantation takes years and the labor of many thousands of men who could better be utilized in immediate production to relieve Europe's needs. And if it is said that the plants cannot be put into operation in Germany because of lack of skilled labor and raw materials, then we can only point to the fact that labor is withheld by the victors themselves through the retention of German war prisoners and that the raw materials are withheld by the allied policy of economic strangulation. That is attested not only by such experts as John Hynd, former British Cabinet Minister in charge of the British zone, and others, but also by the constant revision of the program itself, even to the extent of reactivating industries forbidden under the Potsdam Agreement.

This leaves as arguments for the program not any economic facts, but merely the force of political problems. It is to be hoped that these political problems will be subjected to a searching review at the forthcoming conference, and that this conference will be able to find a more realistic solution for them than is embodied in the dismantling program.

RFC's for Europe

EXTENSION OF REMARKS

OF

HON. HOMER E. CAPEHART

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "RFC's for Europe," published

in the Kokomo (Ind.) Tribune-Dispatch of February 10, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RFC'S FOR EUROPE

Senator CAPEHART's plan to finance European recovery through reconstruction finance corporations modeled after our own RFC has a strong appeal. It offers some guaranty that the money our people invest in Europe would not be wasted or squandered, but would be used exactly for the purposes our Nation would be granting it.

The Indiana Senator suggests that each European country qualify for our aid, set up an RFC, and that Americans be included as minority members on those boards. This certainly is no affront to any nation. When you are in a position of wanting and needing help, you should be agreeable to any reasonable requirement your benefactor makes.

Under Senator CAPEHART's plan, which he outlined Saturday night in an address to the Illinois Bar Association, the United States would put gifts of food, clothing, and fuel into Europe on government-to-government basis, but any aditional help would be on a business-to-business basis. The 16 European nations receiving our help would be required to invest their own American dollars in their own recovery.

The European RFC's would lend money to businesses, government agencies, individuals, etc., would buy what they need for expansion or improvement of production. CAPEHART would have the European governments provide about one-half of their own RFC funds from the $13,000,000,000 of investments which their nationals have in the United States.

Turn these investments over to the various governments and let those governments give their owners their nation's currency in exchange, says CAPEHART. The United States then would put up a dollar for every dollar the nations put in. This idea will bring a lot of squawk from abroad, but there's a good deal of fairness about it.

Negro Farm Families in Cleveland County

EXTENSION OF REMARKS

OF

HON. CLYDE R. HOEY

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. HOEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article from the Cleveland Times, published in Shelby, N. C., which gives the record of 18 Cleveland County Negro farm families who have purchased farms under the Farmers Home Administration and who are successfully meeting their obligations.

While the professional agitators are engaging in a great hue and cry about civil rights, the great State of North Carolina is going steadily forward, providing equal opportunities in education, agriculture, and other material matters for the Negroes of our State.

This report of the 18 Negro families who recently purchased farms in my home county, Cleveland, indicates what is happening all over the State. Each year we have an increased number of Negroes who own their own farms and homes and who are establishing themselves in their communities and achieving real success in life. The average cash income per family was $2,300 in 1947 besides supplies consumed at home.

If those who are honestly interested in the civil-rights issue could visit North Carolina and see the real progress which is being made by the Negroes in all walks of life, the fine relationship existing between the races, and the spirit of cooperation and helpfulness manifested on every hand, I feel assured that they would be impressed with the fact that this peaceful and happy relationship ought not to be disturbed by the projection of issues which merely stir up strife and discord.

What is taking place in North Carolina is typical of the South, and it furnishes daily evidences of definite progress along all lines. This article gives but another object lesson of the way the South is solving its race problems.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EIGHTEEN COUNTY NEGRO FARM FAMILIES SHOW GAINS—ADVANCE IN FHA PROGRAM—FAMILIES AVERAGE $900 NET INCOME

Among 18 Negro families in Cleveland County who have purchased farms under the Farmers Home Administration, the average total cash income per family during 1947 equalled $2,300, the average increase per family in net worth—assets over liabilities—amounted to $1,200 during the past year, and each family averaged payments on their farms totaling $309 for 1947, or approximately 50 percent more than the amount of payments due during that period, according to a review of the year's work by Negro FHA families presented by John Faison, FHA supervisor, at the annual gathering of participating Negro families, held Saturday at Camp High School.

Approximately 30 persons attended the all-day program which began at 10 a. m. and which featured an address on Better Citizenship by J. W. Osborne, Shelby attorney, who described the toil and effort through which the American Nation has developed its democratic form of government. Mr. Osborne traced the Government's land policies during the past century and discussed the importance of soil conservation practices as evidence of better citizenship among farmers.

FOOD PRODUCTION

Thelma McVae, Negro Home Demonstration agent, speaking on home management and a successful live-at-home program reported that among Cleveland County Negro farmers last year, the average five-member family produced food equalling $1,800 in value, or approximately $350 per person on a county-wide basis.

Leon McDougle, Negro county agent, discussed the livestock program among Negro farmers and stated that a great percentage of the county's Negro rural families are without milk-producing cows. He pointed out that a movement has already been begun and will be pressed to import high-grade dairy cattle into Cleveland's agricultural Negro community and urged that Negro farmers avail themselves of the advantages offered by the county's artificial-breeding program.

John Ed Davis, assistant supervisor, of the FHA, reported that among the 18 Negro families represented in the plan in 1947, two had paid off the balance due on their farms and had been presented with deeds to their property. They were Levi Smith, of Camp community, and James McCree, of Long Branch community, who participated in the presentation ceremony which was part of Annual Farm Day observed by white FHA farmers several weeks ago.

Mr. Davis stated that the average net cash income of the 18 families last year was $900 after living and farm-operating expenses. A break-down of that amount showed that of the $900, an average $309 was paid against indebtedness for the farm, $450 was expended to increase livestock and equipment, leaving approximately $150 for other debts or investments.

Land utilization, conservation practices and development of fish ponds were discussed by Joe Craver, of the Soil Conservation Service.

Final event of the all-day schedule, which included a picnic lunch at noon, was recognition of outstanding achievements by Negro FHA farmers in 1947.

K. O. McKinney, of Grover, route 1, spent only $25 for food during 1947 and received a prize for the best live-at-home program. Levi Smith, of Camp community, was recognized as making the largest land payment during the year, $2,039, and for realizing the greatest increase in net worth, his assets over liabilities rising in the past 12 months to more than $8,000. Bill Good, of Grover, route 1, showed the best livestock program with a herd of five registered Jerseys which he started in 1947.

Other prize winners were: Matthew Williams, of Washington community, for pasture improvement: Willie Norris, of No. 1 township, for the best record book; and Roy Bell, of Grover, route 1, for alfalfa production. Prizes were donated by O. Z. Morgan Co.; Washburn's Hardware; Bridges & Hamrick, of Kings Mountain; Kiser Feed Co.; D. A. Beam Co.; and O. E. Ford Co.

Rural Roads

EXTENSION OF REMARKS

OF

HON. TOM STEWART

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. STEWART. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a very fine, practical, and sensible address on the subject of the need for changes in our Federal road laws. The address emphasizes local or country roads, sometimes called farm-to-market roads. Mr. President, the man who delivered this address is Judge Andrew L. Burruss, of Obion County, Tenn., one of our progressive and highly productive counties. Judge Burruss is one of the most capable of public officials in Tennessee. He has made a close study of rural roads and is outstanding among those who are expert on the subject. I have introduced legislation in the Senate designed to set up an independent rural road department much as is described by Judge Burruss in his address, and I feel that until we have made more effective a method of establishing a practical type of rural road we will continue to be derelict in our duty toward our great rural population. I think farmers should have our guarantee of a road they can use 12 months in the year. I recommend the reading of Judge Burruss' timely and instructive address by all who are interested in this great problem of building rural roads in America.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

NEEDED CHANGES IN THE FEDERAL HIGHWAY ACT AFFECTING LOCAL HIGHWAYS

What do we mean by local highways?

In preparing this paper I have in mind rural roads that are not in the State or Federal system but the ones which come under the jurisdiction of the local highway organizations.

Not knowing how the Federal Highway Act works in other parts of the Nation I am using my own State, Tennessee, as a basis to show how it operates here and to point out some changes that would make it more effective in developing our rural roads.

We have in Tennessee about 57,500 miles of roads, 7,500 miles under the direct supervision of the State highway department and 50,000 miles under the supervision of 96 local highway organizations. Under the Federal Highway Act now in operation, the State highway department worked out an agreement with the local road department, setting up a secondary road system in the State, allowing each county to put into this system 6 percent of its entire mileage. They put in 2,500 miles of their roads, making a total mileage in the secondary system of 5,500 miles to be constructed over a period of 10 years with the use of Federal funds for local roads, the State department agreeing to match all of the Federal funds. Under the Federal law as it now stands the Public Bureau of Roads will not recognize a local road department but will cooperate only with the State highway department. That within itself gives the State department the final say in the location and construction of all of the rural roads that are to receive Federal aid. At the present rate of construction it will take 10 years to complete the secondary system in our State. There will be 50,000 miles of rural roads in Tennessee that have not been touched as far as Federal aid is concerned. All of the money will have been used for the secondary system, 5,500 miles or about one-tenth of the rural roads, that means that under the present system all of the Federal-aid money is being used to add a few miles of roads to the now existing State highway system. Now what we in Tennessee are interested in is help on the 50,000 miles of rural roads. Under the present set-up these roads are receiving very little aid. The only roads the State and Federal highway departments will accept for construction are the most important local highways and these are usually ones that have already been developed to a higher degree than the other local roads. I believe that the law should be changed so Federal aid would go to strictly rural roads and should not be used to further develop roads already in the State system. This could be accomplished by setting up within the Public Bureau of Roads a rural-road department by law, stating in the law that the personnel of this department must be filled with those having experience in the building of local roads. I know it is just as essential to have that rural-road-building experience to construct local roads as it is to have highly trained personnel in building State and Federal roads. While rural roads are a vital part of our whole system, because of the low traffic they do not have to be of high-type pavement. An all-weather road permitting travel throughout the year is all that is needed. I cannot conceive of a person who has devoted all of his talent to high construction being able to adjust his energies to building the lower type of country road.

I believe that the Federal Highway Act should be amended so that the Public Bureau of Roads, through its local road division could deal directly with the local road organization, or require the various State departments to set up a rural road department in their respective States in order to have contact between the Public Bureau of Roads and the local road department.

This method would serve two purposes. First it would be a means of keeping the Federal Bureau informed as to the needs and problems of the rural roads departments, and second it would be a great help in improving the efficiency of local highway organizations in the same manner in which it has improved the efficiency of all of the State highway organizations.

We need strong, well-organized, and efficient local roads departments, not only to construct and maintain local roads with Federal aid, but to construct and maintain all of the rural roads. I believe the local road department should be encouraged to construct the low type of road or at least have the right to do so if they will meet the Federal requirements.

We need all three organizations, Federal, State, and local if they will cooperate for the good of the whole country. But even good organizations can accomplish little if funds are not available. We all agree that our rural roads should be all-weather roads. The question is how should they be financed. Should the Federal Government participate in the expense and to what extent? The people pay all tax money. In the early history of our Government most of the taxes were used by the local goverment. A small part went to the State and still less was paid into the Federal coffers. That condition has been reversed. The largest part goes to the Federal Government, next the State, and a very small amount stays at home. In my county the people pay 4 times as much tax to the State and 10 times as much to the Federal Government as is paid to our local government. Almost the only means left for local taxes is a tax on real estate and that does not bring in enough revenue for the construction of local roads. About the only revenue we have for local roads in Tennessee is a portion of the gas tax and that is only enough for maintenance purposes. Farming is one of the great industries of our Nation. It is an important factor in the economic and social welfare of our country. I think the Federal Government realizes this, for it has spent and is spending great sums of money for soil conservation and the preservation of our farms, rural electrification—and this is right. More money should be spent on our rural roads. A great part of all of our food is raised in these rural sections. Not only America but the whole world is in dire need of this food. We must not let the bottleneck be at the very farm on which this food is raised. Our economy in these United States is so constructed that transportation is the blood stream that feeds it and transportation is no better than the road over which it travels.

Congress, I think, in the Federal act appropriated money for rural roads for only 3 years. I believe that it should continue at a larger sum and for 10 years instead of 3 more. If this is done it will allow the Public Bureau of Roads, the State highway department, and the local highway organizations to make long-time plans which are so essential to efficient road development. So to sum up the needed changes as I see it is: First, set up within the Public Bureau of Roads a rural road division staffed with a personnel of experienced local road men. Second, for the Public Bureau of Roads to recognize the local road organization or to work with them directly, or through a local rural road division, set up by the State organization, allowing the local organization the privilege of doing the work themselves, provided they meet the Public Bureau of Roads requirements. Third, I think the appropriation for local roads should be increased and extended over a longer period of time.

A. L. BURRUS,
County Judge of Obion County, Tenn.

The Handling of Pacific Islands by the Navy

EXTENSION OF REMARKS
OF
HON. GUY CORDON
OF OREGON
IN THE SENATE OF THE UNITED STATES
Thursday, February 26 (legislative day of Monday, February 2), 1948

Mr. CORDON. Mr. President, some time ago I submitted a resolution authorizing an investigation into the condition of the people resident on the so-called trust islands in the Pacific. In the Los Angeles Daily News of February 16, February 17, and February 18 of this year there appeared three articles by Frank Rogers concerning the plight of the residents of these islands. I ask unanimous consent that the three articles may be printed in the Appendix of the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Los Angeles Daily News of February 16, 1948]

SECRET REPORT RAPS NAVY TREATMENT OF PACIFIC ISLES

(By Frank Rogers)

WASHINGTON, February 16.—Navy officials for more than 6 months have been sitting on a report which charges that to date the United States of America has not made good its obligations to the people of the Pacific islands. This the Daily News learned today.

This report, if it could be made public now, would have a timely effect on a legislative battle which is about to open in Congress.

That battle will be over whether the Navy is to be allowed to continue its semidictatorial rule over the people and the affairs of Guam, American Samoa and—perhaps most important of all—the inhabitants of what is known as the Trust Territory, the former Japanese-mandated islands.

Already before Congress are legislative bills calling for the writing of organic acts which would give citizenship to the people of Guam and Samoa, and end the Navy's long-established rule over these areas.

But the battle over whether the Navy stays in power in Guam and Samoa will be a small-scale operation compared to the tussle over whether the Navy is to be allowed to keep its grip on the hundreds of little Pacific islands given to the United States in trust by the United Nations.

For, it is being pointed out by Representatives and Senators who have armed themselves with the facts of the situation, the manner in which the world's greatest democracy exercises its stewardship in the Trust Territory is being closely watched by peoples the world over.

The Trust Territory includes more than 2,000 islands or islets spread out over an oceanic territory almost as large as the United States, although the land area involved is only 903 square miles.

As the last war proved, to Japan's advantage, the islands are useful as a long string of strategic military bases. They include the

Mariana, Caroline, and Marshall island groups, all lumped under the single name of Micronesia. Their strategic value makes understandable the Navy's apparent desire to continue as the Government's administrative agent there.

But opponents of Navy rule—armed with some information gleaned from the semi-secret report mentioned earlier—argue that the Navy's administration is keeping the door closed on development of the kind of self-government and equal rights status, which we are pledged to give to the area, under the United Nations agreement.

This agreement, they point out, makes the continued operation of United States bases in the area perfectly legal—but it also requires us not to allow the islands to be forever ruled by military governors. The Trust Territory can have both civilian rule and military establishments, they argue.

Some of the information obtained in the report which the Navy has been keeping to itself, makes clear some possible reasons why the Navy has declined to publish it, or even reproduce it on a limited scale. Only seven typewritten copies are in existence.

While it praises the Navy's governorship in some respects, the report several times makes the blunt declaration that the islands' natives are worse off now than they were under Japanese rule.

The report calls the Navy to task for lack of an over-all administrative plan, for imposing a heavy tax on goods shipped in from areas other than the United States, hints that the natives are being forced to work against their wishes, and declares there is no concentrated effort to restore the islands' economy to something like its prewar level.

But, what is more important, the report—which in all includes some 16 volumes—contains the first real survey that Americans have ever been able to make of Micronesia. Experts from every branch of the Government on such subjects as geography, geology, human resources, economic resources, minerals, agriculture, livestock, nutrition and diet, and other matters, put their talents into the survey over a period of several months.

The job, done for the Navy by the United States Commercial Co. (a subsidiary of the RFC), cost at least $150,000. That figure represents only actual cash outlay; it might easily be doubled if the cost of various Government services were added to the bill.

Thus the report constitutes a veritable library of information which should be immensely valuable to our Government's functions as trustee for the area.

Our first-hand knowledge of the islands, the people, and their resources is limited almost entirely to the material gathered in this report, because the area was virtually closed to us under the long Japanese rule, and before that, by the German rule there.

Yet, say Navy spokesmen, the report cannot be published. Official reason: "It would cost $50,000 and we just haven't got it."

Furthermore, says Capt. W. F. Jennings, Chief of the Islands Government Section in the Office of the Chief of Naval Operations, it would not be practicable to publish even volume 1, which summarizes the findings of the other 15 volumes.

"The summary is of no use unless you can read the whole thing," he says

He added, however, that "parts" of the report may eventually be made available. Congressmen, he says, may be allowed to look at parts of the report upon application.

Whether that action will come before Congress is called upon to pass an organic act for the trust territory is not known. Many Congressmen would like to read that report before they vote, for reports are that when the administration sends up a trust territory bill, it will ask the civil administration be delegated to the Navy Department on an interim basis.

Another bill already introduced by Senator HUGH BUTLER, Republican, Nebraska, calls for the establishment of a civil administration under Department of the Interior supervision.

The issue is not whether the islanders shall be given self-government. The United Nations trust agreement stipulates that. The question is, When. Interior Department experts, believing they have had the best experience in civil administration in such cases, feel the sooner self-government is granted the better.

The Navy—cautious as always about military security—and perhaps anxious to have a chance to clean up some of the abuses charged in the USCC report, says it will take years before the natives can govern themselves.

[From the Los Angeles Daily News of February 17, 1948]

REPORT SHOWS NAVY BLUNDERING IN ISLAND EMPIRE

(By Frank Rogers)

WASHINGTON, February 17.—Indications appeared today that the Navy may be denied the right to continue as ruler of the United States new colonial empire, the Pacific Trust Territory.

Word is circulating here that the administration soon will ask Congress to pass an organic act for the Trust Territory which will place the Interior Department—not the Navy—in charge.

The Navy has been attempting—and even in view of this development there is no indication that it has given up the ship—to convince administration chiefs it should continue to control the Pacific islands as it has so long controlled Guam and American Samoa.

Background reason for the administration's reported change in plans—until recently top thinking had held that the Navy should continue as interim administrators for the islands for an indefinite number of years—may be that some of the charges of Navy misrule in the islands have reached the ears of the higher ups.

Another reason may be that the administration hopes to head off a congressional investigation of the Trust Territory. A resolution calling for a thoroughgoing investigation of this country's stewardship in the islands Japan formerly held under mandate was introduced recently by Senator GUY R. CORDON, Republican, of Oregon.

One reason for CORDON'S resolution apparently is the fact that the Navy has failed to make public an extensive report on the Trust Territory, made at the Navy's request by the United States Commercial Co., an RFC subsidiary, at a cost of at least $150,000.

This report is, in several instances, sharply critical of the way the Navy has clung to military rule, despite the fact that the United Nations trusteeship agreement under which we took over the Pacific islands binds our country to lead the island people along the road toward self-government.

If the investigation is authorized, the Senators assigned to make the trip might save themselves some trouble (and might save the taxpayers some money) if they could first read at least parts of this report which the Navy for more than 6 months has declined to make public. The Navy has not offered the report to Congress. Any Congressman who wants to read it will have to ask for it.

If the senatorial investigators find the same things which the field experts for the U. S. Commercial Company wrote into their now-hushed-up report, the Navy's chances of continuing as administrative agent for this great new American colonial empire may be drastically reduced.

Congress will soon be called upon to decide whether to let the Navy continue its rule of the islands—with the self-government which the United States promised the UN it would provide thus delayed until sometime in the dim future—or whether to set up immediately a form of self-government administered by a civilian agency, the Department of the Interior.

The Navy pleads that it hasn't enough money—$50,000 by its estimates—to publish the USCC report so that Congress and the public may know something about this new territory. But a study of the summarizing volume brings to light some other reasons why the Navy may want to keep the report restricted to its present number of seven typewritten copies.

For this report declares that the Trust Territory natives, "who became our responsibility through no act of their own, look with hope for the economic and social benefits which they have always associated with the United States."

But so far, the report continues, all the natives have received is fine but vague talk and a succession of Navy administrators with no plan, little understanding of their problems, typical Navy officers' attitude toward little people, and a burning desire to leave island life behind them as soon as possible.

The Navy's disregard for the natives' land rights, the surveyors found, caused frequent complaints. On Saipan, Navy officers laid out a golf course on a large part of the island's best farming land and most of the natives hadn't been given back their farms although the war had long since been over.

Tillable land is scarce and on many islands the natives cannot raise enough food under the best conditions, but island commanders seldom remembered this.

On Guam, the native leaders feel the Navy has grabbed the best farming land and on Peleliu "the armed forces occupy much more of the best land than seems justified," the report declares, while the people of Fono Island were removed from their farms "because of the anticipated need for a naval recreation area."

On another island, Sanat, a small leper colony was established and all the healthy natives were evacuated and forced to abandon farms which produced far more food than the small leper colony could use.

During the war it was of course, necessary that many air strips be laid out on the island. It just happened that the best air strip locations were on the best farming land; but now that the war is over, the air strips are largely useless and abandoned. But many of them have not been returned to productivity because the coral and sand material which was laid down to make happy landings for our war craft is not easily removed. Even when it is reclaimed, much of the land has been so damaged by this process that it cannot be returned to producivity for many years, the report asserts.

Housing is a problem there, as here. For instance, the report states:

"In the Marshalls, after the Navy had had control for nearly 3 years, housing was still far from satisfactory. In areas such as Truk, Ponape, and Palau, where the Japs surrendered only a year ago, practically nothing has been done to ameliorate housing conditions."

It is in its economic chapters that the report deals most roughly with Navy policies. It points out that the island's economy was wiped out by the war, but that the return of peace hasn't meant much to the hungry natives.

"The native populations are impoverished; their living standards are far below prewar (i. e., when the Japanese were the islands' rulers) and although the war may be partly to blame, one reason for the continuance of this condition is the emphasis of the present administration on granting assistance only of the emergency type for making survival possible."

In addition to placing a heavy tariff on goods imported from areas other than the United States, the Navy administration has not encouraged importation of enough American goods to satisfy native needs and has compounded the economic fracture by devaluing the yen and restricting the natives to a small reserve of money.

"No group faces starvation," the report says, "but none has enough supplies to make possible restoration of the economy to the point where it can function as it once did.

"No one is totally lacking in shelter, but few have the kind of homes and household utensils which they possessed before the war.

"No one is without clothing, and yet there is a widespread demand for fabrics to make clothes like those formerly worn."

It pointed out that the Japs tried hard to make the islands self-sufficient—in addition, of course, to making them contribute to the Japanese economy—and warns we had better do the same.

"The presence or absence of imported goods means to most natives the difference between having a chance to become self-sufficient through their own production or being dependent on the Government for relief—the difference between progressing toward a better life or recession to the kind of life which existed in aboriginal times."

The Japanese saw to it that low-priced (if low quality) goods were made available at even the most remote atoll, while the American practice has been to unload our unwanted items on the natives regardless of their use for them, the report says. Goods which the Japs marketed there, while not high in quality, were suited to the needs of the islanders. This cheap market is now closed to the islanders by our new import taxes.

"Our administration should stop making a profit from sales to the natives," says the report, pointing out that the Japanese at times even subsidized the native purchases.

The islands probably will never be an important cog in the American economy, but they may constitute a heavy and steady drain on it unless current policies are drastically revised, high non-Navy officials say.

"If we continue to keep them on a dole economy," said one expert, "we'll just find ourselves running one 'helluva' big lifetime WPA over there."

The Japanese, however, not only found the islands useful militarily—they made a successful business venture out of their League of Nations mandate.

In 1940, the latest year for which figures are available, Japan imported from the mandated islands 48,300,000 yen worth of goods and in the same year sold their island wards goods valued at 41,000,000 yen.

[From the Los Angeles Daily News of February 18, 1948]

SEMISECRET REPORT RIPS NAVY RULE IN TRUST ISLES

(By Frank Rogers)

WASHINGTON, February 17.—When Congress sets out to decide who will manage America's new colonial empire—the Pacific trust territory—its Members can, if they wish, find some hot debating ammunition in two little-known sources.

The first is the semisecret report of the United States Commercial Co., which deals with the way the Navy has been administering the trust territory, formerly the Japanese mandated islands of the Pacific.

This report, prepared after an extensive field trip by a large company of Government and university experts, has not been released for public consumption by the Navy. Excerpts from it like this may indicate why:

"There is no excuse for continuing military government in time of peace. We can't continue to preach democracy to the people of the Pacific world if we don't practice it there."

The Navy can be expected to put up a fight to be allowed to continue its military rule of these islands of Micronesia—just as it has ruled Guam and American Samoa since 1900—but if congressional leaders dig very far into the files of a watchdog outfit called the Institute of Ethnic Affairs, Navy brass may have some explaining to do.

These files contain a carload of material designed to warm up the debate on what we are to do with the islands given us in trust by the United Nations.

Already the institute, supported on a nonprofit basis by people whose public spiritedness leans toward such things, has accused the Navy of violating in two instances the agreement under which the United States became trustee for Micronesia.

The institute, whose officers apparently are among the few people who have seen one of the ultra-scarce copies of the USCC report, back up Government experts who argue that the trust territory should be given a civil government now—not 10 years from now, as the Navy is proposing for Guam.

As an example of how insensitive Navy rulers are to the economic welfare of islanders who have become our wards through no choice of their own, they point to these two Navy decrees:

1. An import tax, averaging about 20 percent ad valorem which the natives must pay on any goods not produced in the United States or its possessions.

2. Opening of parts of Tinian Island to commercial agriculture enterprises under terms which exclude nationals of other United Nations members and shackle native farm labor to wages decreed by the Navy.

The first act, the institute charges, not only is a violation of the trust territory agreement, but was done against the recommendation of experts participating in the USCC report.

The second, the institute charges, "is a further, decisive step toward the economic ruin of the island natives." Wages decreed by the Navy are 5 to 7 cents an hour for common labor, 9 to 11½ cents an hour for skilled labor. The same rate applies whether the Navy or a private employer signs the paycheck.

Since the islanders' savings have been impounded by the Navy, they cannot bid for the large-scale commercial agriculture leases the Navy now is offering.

"So," says an institute announcement on the deal, "the leases will go to Americans and the islanders will function as impressed labor at the starvation wage the Navy has decreed. If they refuse this bondage, labor will be imported from outside the trust territory."

With wages held down by Navy decree and prices forced up by a severe shortage of goods, the natives are caught in a situation which is made even more stringent by the import taxes slapped on by the Navy. Cheap goods once available from the Orient and parts of the Pacific are locked out.

Much of this situation is caused, say both the USCC and the institute reports, by the Navy's determination to cling to the ways of war in time of peace.

The USCC experts found, for example, that in general the guiding principles of the Navy's administration are sound, but there is many a slip between the thought and the act.

The USCC report points to a lack of integrated postwar plan at the policy making level, and a failure to put into action at the field level whatever plans there are.

"Some native groups," the report states, "wonder if the Government really intends to help them restore their prewar levels of living or will abandon them to shift for themselves.

"They feel they do not understand what America wishes to do in the islands. Each succeeding set of officers in the islands outlines a policy, the plans of the preceding set are forgotten, and the natives are confused."

Too many of the military governors are impressed by the knowledge that their island assignments are only temporary, the report continues:

"By making island duty a career, the type of personnel desired might be attracted and retained," it adds.

"The tendency in some areas has been to regard the administration of native affairs as serving the shore bases rather than as an essential function in its own right.

"This perspective was necessary during the war, but now it seriously hampers reconstruction of the native economy."

In short, the report concludes, the Navy's methods were good and right during the war, but they miss the mark now, and little is being done to bring them up to date.

The USCC experts found among the Navy administrators little understanding of how to foster self-dependency, and encourage self-government. "The Navy's hand is not a helping one," they said, adding:

"Government controls should be exercised to assist natives to become self-dependent, not to restrict their actions merely to control them. This is one of the most challenging issues which confronts the administration in Micronesia today."

Centennial of the Woman's Movement

EXTENSION OF REMARKS

OF

HON. WILLIAM H. STEVENSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 26, 1948

Mr. STEVENSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an address I delivered on the evening of February 17 before the Women's Bureau Conference in the city of Washington, entitled "Centennial of the Woman's Movement," as follows:

It was just a century ago this July, while attending the annual meeting of the Friends Society of western New York, that four women concluded to have a conference of the women of that State at Seneca Falls for the purpose of telling the world their grievances. Thus the first woman's rights movement was born.

Lucretia Mott, of Philadelphia, a leader among the Friends or Quakers, was visiting at the home of her sister, Martha Wright, Elizabeth Cady Stanton, formerly of Boston, had gone west to make her new home in Seneca Falls. These three and Mary Ann McClintock put their idea into action and set a convention for Wednesday and Thursday, the 19th and 20th days of July 1848.

The man who owned the town newspaper, the Seneca County Courier, must have been favorably impressed by the appeal of those four pioneer women, because it is said he did not charge the ladies for space in the Courier for the following notice appearing on Sunday, July 16:

"WOMAN'S RIGHTS CONVENTION

"A convention to discuss the social, civil, and religious condition and rights of woman will be held in the Wesleyan Chapel at Seneca Falls on Wednesday and Thursday, the 19th and 20th of July, commencing at 10 o'clock a. m.

"During the first day the meeting will be exclusively for women who are earnestly invited to attend.

"The public generally are invited to be present on the second day when Lucretia Mott, of Philadelphia, and other ladies and gentlemen will address the convention."

Those ladies did not have the background of world travel and the international, economic, and political experience that our friend Frieda Miller has, who is one of the leaders of your conference here in Washington today. But they did think of the causes of the American Revolution and other grievances expressed by our founding fathers in the Declaration of Independence. So Lucretia and Elizabeth, Mary and Martha, those four pioneers of the woman's movement, drew upon the Declaration of Independence as a model for the foundation of their program of action and resolution.

On Wednesday morning, July 19, 1848, men and women on foot and horseback and by horse and carriage, scores of them, arrived at the door of the Wesleyan Church—to find the door locked. But the women were undaunted. A young professor from Yale College was in the crowd. He climbed through a window of the church—fortunately left unlocked. The professor gaining entrance by way of the window then unlocked the door of the church from the inside, and the crowd of men and women, making up that first convention of the women's rights movement, soon filled the church.

The women had not intended to have their husbands, and the other men who had accompanied them to the church in a spirit of curiosity, take any part in the convention. But inasmuch as it was a man who had gained entrance to the church when the women found themselves locked out, helpless and unable to convene, they then and there decided to let their friends of the opposite sex join with them in the meetings.

In a prayerful attitude around the altar of the church the women concluded that the moment had arrived when the men should help them in their mission of bringing to the attention of the world the plight that woman was in.

And so it happened that the first convention of the women's rights movement was presided over by a man, James Mott, husband of Lucretia, who it is said made a very impressive chairman as he presided over the meetings, tall and dignified in his Quaker costume. Mary McClintock was named secretary of the convention. Lucretia Mott recited the objects of the meeting. A law student, Samuel Tillman, read from English and American law certain statutes reflecting the legal status of women, setting forth the "charity and mercy shown by men toward their wives," protecting them in their civil rights and taking over their property after marriage.

This conference of the Women's Bureau will be interested in the resolutions adopted by that convention. Some of them read as follows:

"Resolved, That woman is man's equal—was intended to be so by the Creator; and the highest good of the race demands that she should be recognized as such.

"Resolved, That the women of this country ought to be enlightened in regard to the laws under which they live; that they may no longer publish their degradation by declaring themselves satisfied with their present position—nor their ignorance by asserting that they have all the rights they want.

"Resolved, That the same amount of virtue, delicacy, and refinement of behavior that is required of woman in the social state, should also be required of men; and the same transgressions should be visited with equal severity on both man and woman.

"Resolved, That the objection of indelicacy and impropriety, which is so often brought against woman when she addresses a public audience, comes with a very ill grace from those who encourage by their attendance her appearance on the stage, in the concert, or in feats at the circus.

"Resolved, That it is the duty of the women of this country to secure to themselves their sacred right to the elective franchise."

Thus was created the nucleus of the woman-suffrage movement, which resulted years later in the adoption of the nineteenth amendment to the Constitution of the United States, giving women the right to vote.

The suffrage resolution was the only declaration that was not unanimously adopted at the Seneca Falls convention. The women were not quite certain that the suffrage idea would be accepted by women universally throughout the country. But at the very moment they were about to falter it was a Negro and a former slave—the great Negro exponent of freedom and emancipation, a man who has gone down in history as one of the greatest Negroes in the world, Frederick Douglas, editor of the North Star, a weekly newspaper, devoted to the cause of freedom—who rose on that occasion and delivered one of the greatest orations advocating the freedom of women and their right to vote that has ever been spoken by a man.

It is said of Frederick Douglas that he had such great powers of eloquence he captivated his auditors and never failed to bring home to their hearts the cause which he pleaded. He was a polished gentleman, with a voice that was full and sonorous. He was dignified, without pretension, and a man of lofty reason. It is recorded of the eloquence of Frederick Douglas that his was the kind of eloquence that issued from the depth of his soul as from a spring, rolling along in copious floods, sweeping all before it, overwhelming by its force, more dazzling and more thundering than the bolt which leaps from crag to crag.

At that historical moment when the women of Seneca Falls were undecided whether to launch the cause of the women's suffrage movement, it is significant that it was through the effort and the eloquence of a former slave who, with Elizabeth Cady Stanton, inspired and encouraged the pioneers of the Woman's Movement at their first convention to adopt the suffrage declaration.

The declaration was signed by 100 men and women of the convention. This struck a responsive chord in the hearts of women everywhere.

The Seneca Falls conference passed a final declaration maintaining:

"We shall use every instrumentality within our power to effect our objective. We shall employ agents, circulate tracts, petition the State and national legislatures, and endeavor to enlist the pulpit and the press in our behalf. We hope this convention will be followed by a series of conventions embracing every part of the country."

Sounds very much like a resolution that might be passed by the Conference of the Women's Bureau of the Department of Labor today, doesn't it.

I am informed that there are today at this Women's Bureau conference representatives from 26 States of the United States and from the District of Columbia and Puerto Rico, representing more than 155 different women's organizations. Ladies, I congratulate you.

There is in our Nation's Capitol a monumental shrine erected in marble, the rock of ages, dedicated to the founders of the Woman Movement of the World. It is the first monument of women to women, presented and executed by woman.

This monumental shrine to women everywhere is the work of the sculptress, Adelaide Johnson. It is composed of the three great pioneers and founders of the woman movement, Lucretia Mott, Susan B. Anthony, and Elizabeth Cady Stanton. This monument was presented to the women of America by the National Woman's Party. It was accepted by Speaker Gillette of the House of Representatives in the name of the women of the Nation, and was unveiled in the rotunda of the National Capitol on the anniversary of the birth of Susan B. Anthony on February 21, 1921, in an imposing ceremony attended by thousands of people, at which more than 8,500 persons were unable to gain entrance to the Capitol, so keen was the interest on that occasion.

I hope every one of the delegates to this conference will visit the shrine in the National Capitol while here to pay honor to the Woman Movement.

In the words of the sculptress, Adelaide Johnson:

"This monument was not made for entertainment, but as an immortal record of the mightiest thing in the evolution of humanity that has taken place since the dawn of mind in the brute. It was at Seneca Falls, in 1848, that began the first movement to succeed. That did not die, but grew, until for the first time in human history a cause reached every country, and expanded to every field of endeavor.

"No statement can be complete without including the three initiators of the women's movement, Lucretia Mott and Elizabeth Cady Stanton and Susan B. Anthony. These three form a unique historic unit in the nature of a trinity, the one of which could not have done her work without the other. They became the embodiment of an idea. Of this trinity, Susan B. Anthony, peerless as an erect monolith reaching skyward out on the desert, whither humanity might journey as to a shrine, will forever stand alone, at the end of an age that produced her and her great contemporaries. Let me say that the National Woman's Party in their instrumentality in placing this monument in our Capitol, where they who have rendered signal service to the Nation are admitted, were in that act placing an everlasting jewel in their own crown of service."

When you view this shrine to the Woman Movement you will note the idea and the purpose of the sculptress Adelaide Johnson to picture the three founders of the Woman Movement, Lucretia Mott, Susan B. Anthony, and Elizabeth Cady Stanton, as a trinity, as an ideal rising out of the desert "peerless as an erect monolith reaching skyward."

And when you go back to your homes, to your desks, to your work—contemplate the ideals of those pioneer women who met in the first convention of the Woman Movement at Seneca Falls a hundred years ago. Think of the obstacles they had to overcome, which they met and which they conquered. Then gird yourselves with the inspiration of victory, and say to the world: Our mission shall be accomplished.

Now ladies of the conference, you are about to hear one of the leading exponents of woman's rights in the world today, a distinguished educator, writer, and lecturer, the dean of Vassar College. She was the only woman member of the United States delegation to the Conference of Allied Ministers of Education in London in 1944, whose report of that conference has been published by the Foreign Policy Association. In 1945 she was again in London as a delegate and representative of the United States at the conference that drafted the constitution for UNESCO. Continuing her activity and influence in education, she has accepted the chair at the University of Georgia as consultant in education and professor of history. She is a writer of national and international acclaim. She has written books on southern history, among which are: Reconstruction in Georgia and Carpetbaggers in the United States Senate.

I now have the distinct pleasure and high honor to present to you the speaker of the evening, Dr. C. Mildred Thompson, dean of Vassar College, who will address you on the subject, Women's status—yesterday, today, and tomorrow.

National Brotherhood Week

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. SABATH. Mr. Speaker, I feel that it is fitting and appropriate on the occasion of the observance of National Brotherhood Week that I insert in the Record a very informative and interesting editorial on the subject of brotherhood, which appeared in today's Chicago Herald-Examiner. I am sure that the membership in reading it would join in my feeling that it would indeed be wonderful if we could live up to the intent of the Declaration of Independence as so well expressed in this editorial, as follows:

BROTHERHOOD WEEK

It is a very great service to the country, and a great credit to the churches and religious organizations which sponsor the observance, that National Brotherhood Week is designated annually as an occasion for emphasis upon the manner in which the happiness of the American people is dependent upon religious and racial tolerance and understanding.

In the matters of religious faith and racial origin, and especially of religion, the American people have many contrasting interests and many other conflicting beliefs and traditions, all deeply rooted in the lands and times of their fathers and thus inexorably and most properly constituting the intellectual pattern by which their present lives are largely shaped.

This is not a new condition among the American people, but a very old one.

It existed, and was recognized, at the time when the founders of the American Republic wrote the Declaration of Independence, in which it was asserted that all men, irrespective of race or religion, have certain inalienable rights as their endowment from the Creator, these being life, liberty, and the pursuit of happiness.

Its existence was more substantially and irrevocably recognized when the Constitution of the United States, by the first act of amendment, totally and permanently withheld from the Congress of the United States the power to enact any law respecting an establishment of religion or in any degree infringing upon the freedom of worship.

By these devices, which gave recognition to the religious and racial differences among the American people, it was sought to assure them in perpetuity against any future acts of prejudice or discrimination.

It is to be significantly noted that in the pursuit and fulfillment of this purpose the founders of the country deemed it of the utmost necessity to provide for the protection and integrity of religious and racial minorities.

Accordingly, it was not the attainment of a single conviction by the American people with respect to religion that was held to be a proper object or responsibility of the people, but instead the attainment by them of a spiritual and cultural state of sincere and earnest brotherhood.

This is the high purpose to which the American people give recognition, and to which they rededicate themselves in the manner of their founding fathers, by their observance of national brotherhood.

There has never been a total attainment of an estate of absolute brotherhood among the contrasting and conflicting religious and racial groups of the American Nation.

But the American people as a whole, to their very great credit and profit, have never failed to recognize the wisdom of their fathers, and have never ceased to strive for and progress toward the full estate of American brotherhood as a matter of national aspiration and dedication.

The churches and religious organizations, which themselves exist and prosper in the country by virtue of the freedom and dignity to which its basic laws entitle them, have fulfilled their most vital duty to the country by organizing the National Brotherhood Week observance and thus giving the strength of national unity and purpose to the desire and intention of the American people to live together with tolerance of all faiths and respect for all opinions.

Portrait of a "Progressive Liberal"

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. VURSELL. Mr. Speaker, under leave to extend my remarks, I am including in the RECORD an editorial of Wednesday, February 25, from the Chicago Tribune.

The subject of this editorial, Portrait of a Progressive Liberal, gives a word picture of Truman liberalism well worth careful reading.

PORTRAIT OF A "PROGRESSIVE LIBERAL"

The despoilers paid $100 a plate to hear Harry Truman mock the memory of Jefferson and Jackson by announcing himself as the custodian of the true faith of "progressive liberalism." He referred to New Dealers as "we of the forward looking faith." Anybody else was a "reactionary." Before taking to the radio, he announced that conditions were too grave to turn the Government over to a "bunch of reactionaries."

"If anyone chooses to call this politics," he said in the windup, "then it is the politics of Jefferson and Jackson, Wilson and Roosevelt—and it is good enough for me." We do not know whether Washington and Lincoln were good enough for High Tax Harry, too. He has rather peculiar standards.

Let us look at a few of the things that are good enough for this self-styled progressive liberal. The convicted crooks of the Pendergast Kansas City gang were good enough for him. They stole the election which first assured him a Senate seat. They loaned his mother $35,000 on the family farm out of the trust fund of the school children of Kansas City. Yes, they were good enough for him. He pardoned them after an honest Democratic United States attorney, termed by Truman a traitor to the party, had sent them to the penitentiary.

They were still good enough for him when he determined to purge Representative Slaughter in the Democratic primary of 1946. With Harry directing operations on the grounds, they stole that election. A whole raft of them were indicted, but then they blew the courthouse safe and stole the evidence of the fraudulent voting. It was a slick trick. It was good enough for him.

When the scandal was at its height, Harry's Attorney General, Tom Clark, thought he had better do a little window dressing. He announced an FBI investigation, but he directed the FBI agents to do just enough investigating to make it look good. That is the testimony of the No. 2 G-man, Edward A. Tamm, now nominated by Harry for a Federal judgeship.

Senator DONNELL, Missouri Republican, struggled last year to obtain a full scale investigation of Clark's brush-off of the stolen election. The party of "progressive liberalism" blocked action by a filibuster. That was good enough for Harry.

The parole of the four Chicago Capone mobsters, Ricca, Campagna, D'Andrea, and Gioe, who shook down the movie industry for a million dollars, was good enough for this administration, too. The testimony shows that Paul Dillon, Harry's old St. Louis sidekick and campaign manager, who figured in the fix, collected $10,000 from the mob. Another $20,000 went to the widow of Putty Nose Brady, another shining light in the St. Louis wing of the party of progressive liberalism. Brady's services were to get Dillon to "intervene" for the gangsters. With whom?

Well, we have Dillon's statement that when he went to Washington last August 6 to talk to parole board members, he was entertained by President and Mrs. Truman in the White House. He was good enough for them.

We know that a favorable climate for parole was developed here in the 1946 congressional election when five gangster controlled Republican ward committeemen delivered solidly for the party of progressive liberalism. That was good enough for it.

What else is good enough for the great progressive liberal who holds hands with election thieves and hoodlums? The United Nations fraud, for one, with its apparatus to perpetuate imperialist slavery in Indonesia. Human slavery, for another. The German prisoners of war in this country were released into the tender bondage of the British and French and are still engaged in slave labor almost 3 years after the end of the war in Europe. Any nation other than the United States, for a third: three billion seven hundred and fifty million for Britain, seventeen more billions for Britain and her pals, five hundred and seventy million for China, ten million for Iran, four hundred million for Greece and Turkey, five hundred and twenty-two million for France, Italy, and Austria, etc. These panhandlers are good enough for him.

Such people and such things are good enough for the great balcony builder in the White House. Who is he good enough for? We very much doubt that the people of the United States can be induced to agree next November that he is good enough for them.

Good Brotherhood

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following excellent article from the Chelsea Evening Record, Chelsea, Mass., entitled "Good Brotherhood":

GOOD BROTHERHOOD

President Truman, in accepting honorary chairmanship of National Brotherhood Week,

February 22–29, said, "I commend the cooperation of all agencies of religion, education, and community life, and all media of communication in making brotherhood a living reality in every corner of our country." During the war years Americans shared the responsibilities and sorrows of the Nation without segregation of race or religion. Likewise during this period of time greater effort was expended in public schools to give children a better understanding of the peoples of the world.

The observance of brotherhood in our public schools, therefore, has ceased to be merely a week set apart for each year in which to be reminded of good brotherhood. Since it has long been recognized that a child has no prejudices of race and religion until the seeds of discrimination have been planted by some adult, our schools today endeavor to give a more truthful picture of the background, customs, and practices of people from other countries. Stereotyped characters are no longer presented as accurate pictures of the ancestors of new Americans. With the wealth of materials available from UNESCO, United Nations, the Pan American Union, the East and West Association, and innumerable other organizations, it is now no longer necessary to overwork the imagination in this respect. Older brothers and sisters have returned from war service bringing pictures, stories, and memories as witness that other people are no different in their hopes and fears than we are.

No race or nationality is, therefore, set apart as one to be regarded as different from us in its emotions. The National Conference of Christians and Jews is doing much to secure greater religious tolerance among children. Children are taught that many of the great musical compositions, folk songs, masterpieces of famous artists, the ballet and folk dances of the world found much of their origin in countries across the Atlantic or the Pacific. In and out of school listening to radio programs brings the literature and music of these countries nearer to the child's understanding.

With the improved means of communication, we now teach our children to rise above the level of narrow thinking and to develop in fullness and accuracy the knowledge of life in all nations as it really is. We teach them that in having this appreciation they must also respect and love a democratic form of government which can and does give equal opportunity to all people, regardless of race, color, or creed.

South's Political Revolt

EXTENSION OF REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. LARCADE. Mr. Speaker, under previous authority, I was granted leave to extend my remarks by inserting a newspaper article and I now submit a copy of an article by Columnist Gould Lincoln which appeared in the Washington Star of Washington, D. C., of date February 26, 1948, entitled "South's Revolt No Joke," and so forth, as follows:

SOUTH'S REVOLT NO JOKE FOR TRUMAN'S CANDIDACY—DENIAL OF ELECTORAL VOTES COULD CAUSE WORST DEFEAT IN UNITED STATES HISTORY

(By Gould Lincoln)

And so the Southern revolt—against President Truman's civil-rights program—was a "joke." So much of a joke that there is doubt, now, in the minds of some of the Southern Democratic leaders that Mr. Truman will have the electoral votes of these States, which since reconstruction days have been voting almost automatically for Democratic Presidential nominees. First, the southerners would like to deny Mr. Truman the Presidential nomination. If they fail there, as seems probable, then they plan to deny him the electoral votes of their States. If this happened, it would be within the bounds of probability that Mr. Truman would be the worst defeated candidate for President, not even excepting Alf Landon, who in 1936 carried two States—Maine and Vermont.

The promoters of the "joke" idea suggested that the Southern Democrats, even if they did not like Mr. Truman and his proposals for antilynching, anti-poll-tax, and anti-segregation legislation, had "no place to go"; that they would prefer Mr. Truman in any event to a Republican in the White House, which a desertion of Mr. Truman would probably bring about.

1928 REVOLT DISREGARDED

They counted, however, upon old political-party ties being stronger than certain institutions and principles of government in which southerners have been grounded for years. They paid no attention to the historical fact that a revolt of the Southern voters 20 years ago found five of the States of the Democratic "Solid South" giving their electoral votes to a Republican, Herbert Hoover. These States were Texas, Florida, Tennessee, North Carolina, and Virginia. The religious issue was paramount in this desertion of the Democratic Presidential nominee, Al Smith—although also involved were the South's stand for prohibition and against a "wet."

The recalcitrant Southerners say they are fighting Mr. Truman on two grounds. First, they are strongly opposed to his proposal for doing away with segregation of the races—white and colored. Second, they are opposed to his proposals which would flatten out States' rights and make the Federal Government supreme in matters which, they insist, must remain within the jurisdiction of the States if the present form of government is to continue. By antisegregation laws, by anti-poll-tax Federal laws, and by antilynching Federal laws, it is argued, the Federal Government would take over control of elections, police, employment, travel conditions, and education.

Mr. Truman and the chairman of the Democratic National Committee, Senator MCGRATH of Rhode Island, have turned their backs on appeals from the southerners for some mitigation of the civil-rights program which Mr. Truman has demanded of Congress. A committee of southern governors, presenting to Mr. MCGRATH a series of questions asking what his stand as chairman of the party's national committee would be, obtained no satisfaction. Indeed, they received an emphatic "No" to all their requests.

LEADERS PRESSED BY PEOPLE

While the governors were rebuffed, the very rebuff served to point up the sharp differences between the southern Democrats and Mr. Truman. Because this revolt in the South goes down to the grass roots, it is far more serious than if it were just a revolt on the part of some of the party leaders. The leaders are being pressed by the people they lead. In 1928, when southern voters revolted against Al Smith, the party leaders—with two notable exceptions, Senator Simmons of North Carolina and Senator Heflin of Alabama—went along with the Smith presidential candidacy—on the surface at least. The southern Democratic leaders today face the alternative of fighting Mr. Truman up to and through the election or of merely voicing their protests. What the rank-and-file voters of the South may do is another thing.

One of the moves now proposed is to take Mr. Truman off the Democratic ticket in the Southern States, even if he be nominated by the Democratic National Convention, and so permit the voters to vote for individual Democratic electors, who in the electoral college would cast their ballots for some Democrat other than Mr. Truman. If followed out, this would be an effective way of denying Mr. Truman the votes of the Southern States.

It is beginning to look as though Mr. Truman's efforts to line up for him the Negro votes of the Northern and Western States may be as disastrous as his efforts to win the Jewish vote.

AIC Stenos Basketball Team of Davenport, Iowa

EXTENSION OF REMARKS
OF
HON. THOMAS E. MARTIN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. MARTIN of Iowa. Mr. Speaker, the American Institute of Commerce of Davenport, Iowa, has been a great exponent of international good will and they have proceeded to back up their belief with action. They have an outstanding girls' basketball team that has made an annual tour throughout the eastern part of the United States. They play under the name of AIC Stenos.

Last year a girls' team from Mexico came to our country and played the AIC Steno team at Davenport and the good will that developed from their tour of America gave Mr. S. D. Fenton, director of the American Institute of Commerce, the desire to return their visit and also to extend their trip to other Central American countries. The girls who make up the AIC Steno team are all from Iowa families, they receive no pay, and at no cost to the Government of the United States the girls have been of help in promoting the good will between nations that we are all striving for. These girls did much to engender the feeling of good will that exists between Central America and Mexico and the United States.

The trip of the AIC Stenos basketball team through Central America this winter has brought forth many expressions of appreciation and good will from the countries visited by these girls. I have received several communications and newspapers from Mexico and Central America praising the American Institute of Commerce team and I set forth here a translation of a typical article that appeared in La Estrella de Nicaragua, Managua, D. N., February 3, 1948:

SO THEY TELL US—GOSSIPS ABOUT THE BASKETBALL SERIES

Well, the Davenport's starlets have heard so much of the pinoleras when we refer to the Nicaraguan basketball girls and certainly they do not know what it is all about.

They are called pinoleras because most of everybody in this country drinks a typical national beverage named pinol. It is a sort of a drink made of corn. Sometimes it is mixed up with chocolate and then we call it pinolillo which is a delicious drink but it does not have a kick, so the distinguished visitors don't have to worry about it. The beverage is comfortable and refreshing.

Although the pinol is not dangerous, the pinoleras might be tonight and the Stenos should beware. Our players have decided to

cradle all the Davenport babies and put them to sleep during the second game.

Miss Stolte has only 18 years of age and none of the Iowan beauties have reached the 20 years' goal. They are all teenagers, but, for God's sake, how they shoot at the basket, how they pass around, and how they run.

Miss Stolte told us that if she made one point in the first game, she would be lucky. Well she made 22 and we hope that in the second game she will keep up to her promise and score only one point. That is the best souvenir she could leave us. Atta girl!

Although the diplomatic relations between the United States and Nicaragua are practically severed, because of someone whose name we do not wish to remember, the Davenport's peaches are the best diplomats that Uncle Sam could send down to Nicaragua.

It is too bad they do not remain here for good.

But perhaps it is so much the better, because the American Embassy would have to be all the time crowded with apparent refugees. So they tell us.

FIVE THOUSAND SEE THE STENOS BEAT OUR GIRLS—THE PUBLIC WAS THRILLED BY THE HIGH SCORE OF THE LOCAL PLAYERS

The Nicaraguan team was beaten by the Stenos at the gym Friday night; but the local fans were left speechless when our girls made 35 points against 52 scored by the visiting outfit.

It was a marvelous night and this hot city became the hottest spot in the world when the American beauties made their appearance before 5,000 fans who gave them a rousing welcome.

Fortunately nobody got burned and the game was played smoothly mid a great number of spectacular thrills.

Miss Stolte was the star of the game, scoring 22 points. She delivered the ball in the basket as she pleased. The public was amazed and gave her a big hand each time she developed her streamlined plays.

All the enchanting American players had a wonderful night and were enthusiastically admired by the Nicaraguans who were delighted to see such a marvelous bunch of basketbell stars displaying their ability at the utmost.

Lois Lepley, Blanche Loving, Charlotte Tomlin, Joan Hendricks, Beverly Lauer, Jane Schmidt, Lucy Kurt, LaVerne Stolte and Marjorie Logan were actual miracles on the floor and it is really very hard to pick up the best one in the game, although, as we said before, Miss Stolte was the top scorer.

There was plenty of "poetry in movement" and everybody's heart was beating strongly and ceaselessly during the whole game.

All the fans were all dressed up to start a big celebration hoping that our team could win, but they left the gym with a broken heart, although very fond of the wonders of Davenport.

The "Stenos" have won not only a victory in the first game but also the thoughts of the public which is terribly eager to see new thrills in the second game Monday.

The "invading army" of the "Stenos" certainly has conquered all of us and we gladly have surrendered. We, simply, can't help it.

Federal Barge Lines on Missouri River

EXTENSION OF REMARKS

OF

HON. CHARLES B. HOEVEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 26, 1948

Mr. HOEVEN. Mr. Speaker, under leave to extend my remarks, I include the following statement made by Mr. Harold O. Benson, of Sioux City, Iowa, before the Committee on Interstate and Foreign Commerce on February 26, 1948, relating to legislation pertaining to the sale of the Federal Barge Lines. Mr. Benson is chairman of the waterways committee of the Sioux City Chamber of Commerce. His statement follows:

My name is Harold O. Benson. I am appearing before this committee as chairman of the waterways committee of the Sioux City Chamber of Commerce. I have been engaged in the furniture business in Sioux City for the past 18 years except for 4 years when I was in the Army. During my service in the Army, I was in charge of several tug boats and barges transporting supplies in the South Seas.

The Sioux City Chamber of Commerce is an organization with 1,540 members. It is composed of individuals in all types of trade and industry. Its waterways committee is charged with the responsibility of doing all possible to develop commerce on the Missouri River. I am submitting herewith, on their instructions, a copy of the resolutions unanimously adopted by the board of directors at their meeting on February 4, 1948, in opposition to any sale of the Inland Waterways Corp. to any private interests until such pioneering work has been completed on the Missouri and other rivers as is required.

Sioux City lies in the center of the greatest agricultural area in the United States and at almost the geographical center. Development of our resources has been hampered due to the fact that our land lies so far from the consuming areas. Using Sioux City as a typical origin point, it is roughly 1,200 miles to New Orleans, 1,800 miles to San Francisco and 1,500 miles to New York. It can be readily seen that transportation costs by truck or rail must necessarily be high and it is our studied opinion based on past experience that products of the farm and many commodities consumed on the farm can be transported by water at a much lower cost.

In the year 1947 the State of Nebraska produced 308,000,000 bushels of grain and the State of South Dakota produced 261,000,000 bushels of grain. This production alone warrants navigation on the Missouri River, but figures could also be cited to cover grain produced in Minnesota, Iowa, Kansas, Missouri, Wyoming, North Dakota, and Montana, which will be available tonnage for the river. With the completion of the irrigation projects now under construction in South Dakota, Wyoming, Montana, Colorado, and Nebraska this production will be materially increased. It must also be noted that irrigation projects bring increased population which must be served with adequate transportation, increasing the opportunity to bring tonnage up the river. We would like to direct your attention to such commodities as coffee, sugar, oyster shells, petroleum products from the lower Mississippi River; cotton piece goods, coal, and fertilizer from the Tennessee; steel, coal, etc., from the Ohio River; and coal from the Illinois River, as typical commodities which would move upstream which are available to water transportation.

We would also like to direct your attention to the increase in population in the United States during the past 10 years and to suggest that the most advantageous new territory in which to settle this population would be in the sparsely settled area of the Missouri River Basin. Being away from the seaboard, this would be a safety factor should the United States be forced into war. Many industries should be located in this area for the same reason, and they would need the cheapest transportation available.

Facts have been submitted from time to time to show the loss in revenue incurred in the operations of the Federal Barge Lines, but we are sure this will not apply to the Missouri River as we can profit by the errors committed in pioneering on the Mississippi and other rivers in installing terminal facilities, etc. Furthermore, no credit is given in savings to the producers and consumers in the areas directly tributary to the Mississippi, Illinois, and Ohio Rivers in savings in reduced transportation charges forced by the competition of low-cost water transportation. Granted that there has been a monetary loss in the operation of the Federal Barge Lines, areas tributary to the above-named rivers were able to recoup this loss by the use of reduced transportation costs. However, residents in the Missouri River area have had no such opportunity, although they have willingly borne their share of the taxation necessary to keep the Federal Barge Line in operation, being under the impression that the same type of pioneering work would be done on the Missouri River as soon as the Missouri River was available for such service. The Missouri is now ready for the initial stages of this pioneering work and it should be started at once.

Sioux City is opposed to any type of legislation that would in any way retard the pioneering work on the Missouri River. It feels that this Congress has a moral obligation to see that the work of pioneering as contemplated in the original Organic Act of 1924 creating the Federal Barge Line should be carried to a successful conclusion by continued operation of the Federal Barge Line until such time as this pioneering work is finished on all rivers.

RESOLUTION

Whereas there is now pending before the Honorable Averell Harriman, the Secretary of the Department of Commerce of the United States, an offer to purchase part of the equipment and all of the operating rights of the Inland Waterways Corporation, such offer being made by Mr. Theodore Brent, of New Orleans, and his associates; and

Whereas shippers, receivers, manufacturers, grain, livestock, and agricultural interests represented by the Sioux City Chamber of Commerce have authorized and directed its waterways committee to transmit its views and position relative to the proposed disposal of this equipment and business known under the trade name as Federal Barge Lines: Therefore be it

Resolved by the waterways committee on behalf of the aforesaid interests, That it favors the continuation of the present operations of the Inland Waterways Corporation and requests our Members of the Congress to urge the appropriation of the needed funds for the rehabilitation of equipment and the continued operation of the line by the Government for the following reasons:

(a) The Inland Waterways Corporation is operating practically as the only common carrier rendering "less than barge load" service on the Mississippi River and its tributaries.

(b) This "less than barge load" service is essential to the shipping needs of the smaller businesses of the valley.

(c) There is a definite need for pioneering of barge service on the upper Missouri River, as has been done by the Government on other navigable streams. We feel that the people of the Missouri River valley are entitled to similar consideration.

(d) Private interests who might purchase the Inland Waterways equipment at this time will not voluntarily pioneer the development of terminals and Missouri River barge service; be it further

Resolved, That until such time as private interests will make an offer to the Government to purchase the entire assets of Inland Waterways Corporation Federal Barge Lines at a fair and reasonable price and will agree to continue and fulfill the basic provisions of the organic act which established and created the Federal Barge Lines, that this committee recommends to the Congress that the

operations in the Inland Waterways Corporation be continued by the Government of the United States; be it further

Resolved, That copies of this resolution be mailed to Secretary Harriman, Senators Wilson and Hickenlooper, and Congressmen from Iowa, Nebraska, South Dakota, Kansas, and Missouri.

Respectfully submitted.

HAROLD MURPHY,
Secretary, Chamber of Commerce,
Sioux City, Iowa.

Resolutions Relative to the Admission of Eire and All Other Peace-Loving Nations as Members of the United Nations

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution:

Whereas it is reliably reported that the Soviet Union through its power of veto has excluded Eire and other peace-loving nations from membership in the United Nations: Therefore be it

Resolved, That the House of Representatives of the General Court of Massachusetts affirms its conviction that the cause of peace will be best served if Eire, and all other peace-loving nations, are made members of the United Nations, and views with alarm the acts of the Soviet Union, specifically the unwarranted exercise of its power of veto and the spread of harmful propaganda against the United States and other democratic nations; and be it further

Resolved, That copies of these resolutions be forwarded forthwith by the secretary of the Commonwealth to the President of the United States, to the Presiding Officer of each branch of Congress, to the Members thereof from this Commonwealth, and to the representatives of all nations participating in the United Nations organization.

In the house of representatives, adopted, February 17, 1948.

LAWRENCE R. GROVE, *Clerk.*

A true copy. Attest:

F. W. COOK,
Secretary of the Commonwealth.

What United States Gets for Aid Abroad

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following from the United States News-World Report for February 27, 1948:

WHAT THE UNITED STATES GETS FOR AID ABROAD—REPORTED FROM WASHINGTON, LONDON, AND PARIS

Government pump priming is to be started on a global scale.

Scope of Marshall plan aid is almost double that of New Deal.

Recovery planning puts the United States in a position to direct production and business activity for much of the world.

Spending abroad has the advantage of being less visible to taxpayers than spending at home. Program may become permanent.

Pump priming, once confined to the United States under the New Deal, is to be tried for much of the world under the Marshall plan. Dollars are to be used on a planned basis to try to bring back prosperity where it is lacking, or to support prosperity where it is shaky.

Plans for fueling world recovery with dollars are moving out of the blueprint stage into the stage of action. Unanimous approval for those plans is given by the Senate Foreign Relations Committee. Final Senate action is not far off. There will be a battle and some modification in the House, but billions will be voted. Within 2 or 3 months a program will start that may turn out to be a permanent one.

For the outside world, dollars are to be provided on a larger scale than they were for the New Deal. The plan for the year ahead calls for almost twice as many dollars as the New Deal ever spent in a year for relief and recovery at home. In Paris, London, and Rome, among other places, governments are making plans on the basis of these dollars. Deep cuts in living standards are being avoided. Leaders of governments flirting with bankruptcy are confident that dollars will come in time to keep the sheriff away.

The accompanying charts show the scale of emergency spending that is about to begin, compared with the scale of domestic spending at the peak of New Deal efforts.

Prewar pump priming cost $4,000,000,000 in its most expensive year. That was for the 12 months ending June 30, 1939, when the Government poured out money to offset the 1938 business setback. This sum represents only dollars spent to employ the jobless, relieve the distressed and assist the farmers. It does not include the more or less regular outlays for public works.

The money was distributed as follows: $2,200,000,000 through the Work Projects Administration and other relief agencies, $300,000,000 for the Civilian Conservation Corps for reforestation work, $1,200,000,000 in aids to agriculture, and $300,000,000 for assistance under the Social Security System.

Cost of priming United States pump, July 1, 1938–June 30, 1939, via relief spending (WPA, etc.) at home, $4,000,000,000.

Postwar pump priming, under existing plans, calls for $7,000,000,000 for the year starting July 1. This sum is asked by the President and may be trimmed a bit by Congress. But it does not include all the aid that is coming up. There is to be more money for China, for Greece, maybe for Germany and Japan.

The plan calls for a super-WPA to be run on a global scale by an administrator with more power and more money than the late Harry Hopkins ever had. This official is to have the status of a Cabinet officer and is to be paid $20,000 a year, $5,000 more than a Cabinet officer. He will deal with foreign countries separately and in groups. He will determine which countries get loans and which get gifts. He will supervise buying in this country and will oversee spending abroad. He will have agents almost everywhere, directed by a "roving Ambassador."

Foreign governments are setting up organizations to handle their end of the pump-priming project. The British are sending to Washington a new Ambassador, Sir Oliver Franks, a man who knows more about the program than anyone else in Britain. The 16 nations that are to receive United States dollars are to meet soon to set up a joint organization for the receiving end.

The Administrator of the program actually is to become a director of world business. He will be in a position to tell France, for example, whether to rebuild railroads or to improve highways. He can decide whether farms are to be mechanized. He will determine whether Britain or the Ruhr gets first call on coal-mining machinery. And he can stop the dollar flow altogether if countries do not abide by his terms.

World trade patterns will be influenced by the Administrator's decisions. He has power to decide whether timber shall be purchased from Finland, Sweden, or Canada; whether United States wheat or Canadian wheat should get priority in dollar sales; whether Brazil or the United States should supply cotton to European textile mills.

When it comes to purely relief operations, the Administrator, on the basis of Senate plans, is to have almost absolute power. Congress will appropriate relief money to him and he will make grants-in-aid to the various countries. He may decide what countries get the food, the coal, the petroleum, the medical supplies, and the raw materials that the United States pays for. He also has power to buy these supplies directly, anywhere in the world.

When it comes to loans, the Administrator must consult with the National Advisory Council on International and Monetary Problems, of which he is to become a member. The Administrator's activities also will be subject to check by the Secretary of State on foreign-policy matters, by a 12-man Public Advisory Board, and by a 14-man congressional Joint Committee on Foreign Economic Cooperation.

Some advantages over domestic pump priming are seen in the world program that is about to begin. Effects of spending will not be so visible inside the United States. American taxpayers will not have WPA leaf-raking projects before their eyes. They won't see courthouses being built, sidewalks laid, or murals painted with Federal money. The result is that there may be less criticism.

The foreign-aid program also may promise an easier way of keeping United States business active and of getting rid of surpluses. Most industrial orders will be for heavy goods—machinery, trucks, tractors, electrical equipment—a sector of industry that the New Deal never could revive until the war. Foreign outlets for surplus grains and fruit and cotton may prove more effective than relief stamp programs at home.

Overseas pump priming, in addition, is expected to pay off in increased good will toward the United States. New Dealers found that voters on relief showed their gratitude at the polls. Now this country expects to produce allies in the campaign to stop the spread of communism.

Disadvantages are numerous, too. Current domestic shortages of steel, farm equipment, and oil may be prolonged as shipments to Europe continue. The political trouble these shortages can cause already has been demonstrated in the case of oil. Criticism also may develop over plans to modernize plants of foreign competitors at little or no cost to their owners, possibly giving them an advantage over United States producers in future world markets.

There is a risk that world recovery could result in a surfeit of goods like that which plagued the world just before the war. In that event, United States manufacturers might find themselves competing with producers whose costs were reduced by gifts or easy-term sales of modern American machinery. Such a development, however, is unlikely for several years.

Standards, meanwhile, are to be imposed on countries that are to receive aid. The law proposed in the Senate suggests that pump-priming dollars be concentrated on projects that will increase output of coal, steel, and food, and that will improve transportation systems. In addition, receiving countries are to be required to agree to take steps to balance their budgets, to stabilize their currencies, to lower trade barriers, and

to do what they can to use the dollar resources of their own citizens. These standards are to be written in a series of treaties between the United States and the countries that receive aid.

The Administrator also is to have a voice in deciding what other countries are to do with the proceeds from United States goods that are sold to their citizens. A basic idea is to persuade European governments to use these funds to help balance their own budgets and give their currencies stable values. France, for example, is expected to get around $54,000,000 worth of United States farm machinery. That probably will be sold to French farmers for francs. The Administrator might induce France to use those francs either to apply on the French budget or to reduce the volume of circulating money.

A flow of $7,000,000,000 worth of goods to Europe, most of which is to be sold to European citizens and industries, is expected to provide a sum that could be used to restore a degree of financial order in inflation-ridden countries. The Senate plan definitely contemplates that gifts are to be paid for in local currencies and that these receipts are to be used to put finances under better control.

Cost of priming United States pump, July 1, 1948–June 30, 1949, via relief spending abroad, $7,000,000,000.

In Europe, governments already are preparing their programs for American aid. They expect to be ready with detailed programs by the time Congress approves the recovery program and an Administrator is appointed.

Britain is depending on United States aid to close the gap between her imports and exports for the 12 months beginning next July 1—a gap that created a deficit of around $2,000,000,000 in 1947. Dollar aids also are expected to ease the deficit for the sterling area, which Britain backed last year to the tune of $4,092,000,000.

France, the next largest beneficiary, faces in the same period a deficit that is expected to approach $1,000,000,000. Smaller deficits, to be made up by American aid, are in prospect for Germany, Italy, the Netherlands, Belgium, Luxemburg, and Greece.

An end to the aid program is suggested by 1952. By then, it is hoped, European recovery will be on a firm basis, requiring no further assistance. Such programs, however, tend to become permanent. United States farmers will receive Government payments despite a record income, and Federal outlays for old-age relief are larger than in 1939, despite full employment.

REA Appropriations

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. VURSELL. Mr. Speaker, today I want to take a minute's time to refer to the defeat of the amendment seeking $300,000,000 additional funds for REA which several Members voted to add to the urgent deficiency bill before the House.

The roll call came on the motion to recommit. I voted against the motion to recommit, as did a majority of the Members of the House, and the motion failed, as it should have.

I was surprised at many Members voting to spend $300,000,000 without any request being made for this money by Claude R. Wickard, Administrator of REA, and at their being willing to completely by-pass the regular subcommittee of the Appropriations Committee which is now holding hearings on the amount of money necessary to be voted for REA for the coming fiscal year.

The regular course is for hearings to be held before the proper subcommittee of the Appropriations Committee where those interested in additional REA appropriations always come, and, with facts and figures, justify their request for appropriations. The gentleman from Wisconsin, Congressman KEEFE, when the amendment was suggested, told the Members of the House that hearings would be held, and that a bill would be brought to the floor in regular order about the middle of March, which will carry the request for appropriations for the REA for the coming year.

The gentleman from Wisconsin, Congressman KEEFE, further stated that there was $73,000,000 in cash, now allocated, to run REA up to June 30, 1948. Also, the gentleman from New York, Congressman TABER, read into the RECORD that REA now has on hand to its credit $451,000,000 in cash. Congressman CASE inserted in the RECORD a letter from Mr. Wickard stating that they had on hand, from February 13 to June 30, 1948, $73,017,126.

Mr. Speaker, Administrator Wickard, in the same letter, said that the appropriations for the coming fiscal year, beginning June 30, 1948, which will be requested for the REA loan fund for 1949, will be $300,000,000. It should be quite clear to anyone that the $300,000,000 which was voted down on the amendment should not have been offered, but that it should come before the Congress after it has been considered by the regular Appropriations Committee. That is the reason why a majority of the House voted against the motion to recommit.

Mr. Speaker, could it be that many Members supporting the amendment out of its place, and without consideration, were influenced by political expediency, rather than greater and quicker extension of power lines to the people?

Mr. Speaker, one of the reasons people throughout the Nation have not been able to secure extension of light and power as rapidly as they desire is not for lack of funds appropriated by the Congress, but is due to lack of material brought about largely because of the war. I want to point out now that many of those who attempted by their vote to indicate their great interest in extending light and power to the people of America by supporting the motion to recommit, will doubtless within a few weeks' time vote to continue this shortage of materials. They will vote for the Marshall plan, which is voting to give away materials we need for the extension of light and power to European nations, and many of our American people who want light and power will still be waiting, because many who supported the amendment will have supported the Marshall plan. That will be the best test of how much they are interested in getting light and power to the farmers.

Mr. Speaker, I have voted to continue the backlog of millions of dollars for the rapid extension of REA, and will vote for ample funds in addition for REA when the regular appropriation bill comes to this House within a few weeks. I will vote to reduce to a minimum the sending of supplies to Europe under the Marshall plan so that we may use those supplies here in the future for the extension of REA, and for the building of homes for our people, for more farm machinery which is badly needed, and to keep the oil in this country necessary to run the trucks, automobiles, and tractors of the farmers.

United States Citizenship for Aliens Who Served in the Armed Forces

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution:

Resolution memorializing Congress in favor of conferring United States citizenship upon aliens who served in the armed forces of the United States during the world wars and were honorably discharged from such service

Whereas there are approximately 250,000 alien World War veterans who took the oath of allegiance to our country and served in our armed forces during the world wars and were honorably discharged from such service who believe themselves by reason of such service to have become citizens of the United States automatically; and

Whereas there are hundreds of these aliens who died on the fields of France for the preservation and perpetuation of our institutions; hundreds came back mentally and physically wrecked; and hundreds of these men, in caskets draped with the American Flag, were lowered to their last resting place as aliens by reason of the technical interpretation of the law; and

Whereas to consider these men as aliens is contrary to our conception of American justice as handed down by the forefathers of this glorious country of ours; therefore, be it

Resolved, That the general court of Massachusetts hereby respectfully petitions the Congress and the president of the United States to declare these alien World War veterans who honorably served in our armed forces citizens of the United States; and be it further

Resolved, That copies of this resolution be sent forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to the members thereof from this Commonwealth.

In House of Representatives, adopted February 5, 1948.

LAWRENCE R. GROVE, *Clerk*.

In Senate, adopted, in concurrence, February 16, 1948.

IRVING N. HAYDEN, *Clerk*.

A true copy. Attest:

F. W. COOK,
Secretary of the Commonwealth.

Increase of Pay for Postal Employees

EXTENSION OF REMARKS
OF
HON. OTTO E. PASSMAN
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. PASSMAN. Mr. Speaker, the esteemed Committee on Post Office and Civil Service is now considering proposals to provide higher compensation for post-office employees. By this means I express my wholehearted endorsement of a substantial salary increase for this worthy group of civil servants.

The pay raise granted to post-office employees in 1946 was adequate at the time; however, prices have continued to rise and now an additional pay increase seems to be fully justified. Many newer postal employees, no doubt, are leaving the service to accept employment with private industry where wages provide a better standard of living. Wages of many groups have kept in balance with the inflationary spiral and those wages have far outstripped the salaries of postal employees who in 1947 tried to hold the line against salary increases. This action on their part deserves much credit. The postal employees, as a group, have been faithful in maintaining the high standards of the postal service and the quality of their work has remained consistently high.

It is my earnest hope that a bill will be reported out without delay which will adjust postal salary rates to a degree commensurate with increased costs of living.

The Poll Tax

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. BENDER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following address delivered by me as author of the bill to abolish the poll tax in Federal elections at a dinner in my honor sponsored by the National Committee To Abolish the Poll Tax, Statler Hotel, February 24, 1948:

Madam Chairman, distinguished guests, ladies and gentlemen, we are nearing the end of a long fight to abolish the poll tax.

I cannot begin to tell you how deeply I appreciate the honor of this dinner tonight. I am proud to be here. I am proud that it was the Bender bill to abolish the poll tax in Federal elections which was passed by the House of Representatives with an overwhelming majority in this session of Congress. I am proud that it will be the Bender bill which will shortly be enacted by the Senate and which will finally put an end to the poll tax.

But this is really a dinner in honor of many people, a few of them who are well known and hundreds of others who are not, who have labored over the years to restore the right to vote to 10,000,000 disfranchised American citizens.

The one man to whom, more than any other, I should like to pay tribute tonight, is the late Congressman Lee E. Geyer, of California. I wish that he might have lived to see the fight to abolish the poll tax on the threshold of victory, as it is tonight, and to see the poll tax finally abolished, as it will be in this session of Congress.

Congressman Geyer and I served together as freshman Members of Congress nearly a decade ago. It was Congressman Geyer who, in the Seventy-sixth Congress, on August 5, 1939, introduced the first bill to abolish the poll tax. Hearings were held on the bill but the hearings were never published and the bill was never reported from committee.

That was the beginning of the fight.

I do not need to recount here the long history of the struggle to abolish the poll tax. For most of you it is a familiar story. You know how a second bill was introduced in the Seventy-seventh Congress in 1941. You know how after more than a year and half, it was forced out of committee by a discharge petition signed by a majority of the Members of the House, how it was passed by the House and killed for the Seventy-seventh Congress by a filibuster in the Senate.

Many of you saw much the same pattern repeated in the Seventy-eighth, and in the Seventy-ninth Congresses. But each time, support for Federal action to abolish the poll tax grew. The people of the whole country became aware of the poll tax and how it works and what it means in the denial of basic political rights. They learned that it is not a matter which affects the poll-tax States alone but that it is a national issue.

When the third anti-poll-tax bill was introduced in the House of Representatives in January 1943 by Congressman MARCANTONIO—a courageous fighter who is here tonight—it had the active support of a nonpartisan group of Republican and Democratic Members. The signatures of the necessary majority of the House for a discharge petition were secured in a record 32 legislative days.

In the present Eightieth Congress it was no longer necesasry to employ a discharge petition to force the bill out of committee. And in the Eightieth Congress a filibuster will not be permitted to kill the bill in the Senate.

With Congressman Geyer there is another man to whom I should like to pay tribute this evening. And I wish that he too could be present to see the final enactment of the anti-poll-tax bill. That man is the late George W. Norris of Nebraska.

In 1942 Senator Norris, one of the truly distinguished men in the history of Congress, then in his thirty-ninth consecutive year of congressional service, wrote the masterful report of the Senate Judiciary Committee which favorably reported the anti-poll-tax bill to the Senate. That report remains one of the great statements on poll-tax restrictions on the franchise.

Senator Norris was an independent Republican. Lee Geyer was a Democrat. Congressman MARCANTONIO is the leader of the American Labor Party. We who have worked for the removal of the poll-tax restriction from the ballot know that all virtue is not confined to any one political party. We know that a deep belief in fundamental American rights is not the property of any one party. Mr. Walter Lippmann in his commentary yesterday on a recent political speech—a speech which advanced a parcel theory of American political history—pointed out some of the difficulties of so simple a theory. Mr. Lippmann wrote:

"The fitting of American history into these two parcels will keep any man busy who tries it. But he will not succeed. For in making up the Republican parcel under the Truman doctrine of our party history it would be quite puzzling to know what to do with Washington, with Lincoln, with Theodore Roosevelt, or with Norris, Pinchot, Borah, La Follette. * * * In making up the Democratic parcel it would not be clear just what to do with Franklin Pierce and James Buchanan or with Flynn, Hague, Pendergast, and Pauley in more recent times."

No, it is too simple a theory, as Mr. Lippmann has suggested—even for an election year—that all the virtue is in one parcel.

But the important thing is for the people to have an opportunity to make a choice.

It is the denial of that opportunity which makes the poll tax a device which is detested by all men who believe in the American tradition of democracy—whether they look to Jefferson and Jackson or to Lincoln and Theodore Roosevelt for their inspiration.

There has been a good deal of talk during the past week or two by some Representatives and Senators—yes, and by some Governors—about outside interference in the affairs of the South.

I need not remind this audience, which includes so many distinguished Southerners who have worked long and courageously for the abolition of the poll tax, that the charge of "outside interference" is hollow.

That charge comes from those who have been at great pains to prevent any inside interference with their rule in the poll tax States.

I know that the majority of the people of the South, just like the majority of the people everywhere in America, are in favor of civil rights and of fair play and majority rule. I look forward to the day—which is now not far distant—when the majority of the people in the South, not just 2 or 3 or 4 percent of the people, will have the opportunity to express themselves on these issues—to express themselves where it is felt, through the ballot box.

The people of the South have the right to look to their Federal Congress for the guaranty of a free ballot in Federal elections. They have the right—for they are citizens of the United States as well as citizens of the individual States. And many of you who have been in the thick of the fight, in the several States where the poll tax still exists, know even better than I that the people of the South must have the help of the Federal Government to abolish the poll tax in Federal elections.

In every State where the people of the South could abolish the poll tax by a simple majority vote, the poll tax has been abolished. In the remaining States the poll tax is so embedded in the State constitutions that the disfranchised are powerless to enfranchise themselves. The men who imposed the poll tax around the turn of the present century went to great lengths to see that their work could not easily be undone. The people of the poll-tax States have the right to look to their Federal Congress for help.

As you who are here tonight know, the majority of the people of the South are deeply concerned with the problems of civil liberties and democratic rights. I think one of the most eloquent statements about the poll tax which I have heard was made by a southerner testifying in favor of the bill before a committee of Congress. It was made by Mr. Herbert Agar, who was then editor of a great southern newspaper, the Louisville Courier Journal. He said: "The result of the poll tax is to keep the poor from voting, or to keep the Negroes from voting, or both. If you keep the poor from voting, you make a joke of Jefferson. If you keep the Negroes from voting, you make a joke of Lincoln. If you do both these things at the same time, you make a joke of the American idea."

As you who are here tonight know, this is no matter of States rights or outside interference—however, much the few men who benefit by the restrictions on the suffrage try

to confuse the issue. The rights of States are important rights, and I know of no disposition to interfere with any of the legitimate rights of the States. But I say that no State has the right to deny any American citizen of the equal protection of the law. No State has the right to deny any American citizen of the right to vote because of his race or because he is poor. There are States rights, yes, but there are rights of individuals, too. There are rights of individuals which, under our American democracy, the Federal Government has the authority and the duty to protect even against Mississippi or Ohio. The right to vote in Federal elections is such a right.

We trust that our friends from the Senate, who have honored this dinner by their appearance here tonight, will give a tremendous heave together, in a genuine nonpartisan way, to remove this restriction on the basic right of American citizens to vote.

They will need the help of everyone of us. And under the leadership of that courageous and hard-working organization, the National Committee to Abolish the Poll Tax, I know that they will get, throughout the whole country, the kind of support they need.

Address of Gov. James H. Duff, of Pennsylvania

EXTENSION OF REMARKS
OF

HON. RICHARD M. SIMPSON

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 26, 1948

Mr. SIMPSON of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Hon. James H. Duff, Governor of Pennsylvania, at the Pennsylvania Manufacturers' Association dinner, Philadelphia, Tuesday, February 24, 1948:

In the profoundly disturbed and chaotic world of today the leadership and influence of America are needed as never before. For upon us rests the last hope of restoring stability and equilibrium in the world.

But it is clear that our ability to exert that leadership and influence depends in the final analysis upon the continued stability and integrity of our own financial and economic structure.

It would be unrealistic to assume that if an acutely disturbed economic situation reoccurred here that either our leadership or our aid would be of the same character and quality as they would if we remained sound and prosperous.

Superficially the Nation seems to be in a state of unexampled prosperity. Sixty million of our people are gainfully employed, a figure considered fantastic even as late as the end of the war. The take-home pay is at a peak for times of peace. Corporate profits are greater than they have ever been. The national income is at the annual rate of $200,000,000,000, as compared to a previous peacetime peak of only ninety billions in 1929.

The sum of these situations would ordinarily warrant an appraisal of unprecedented prosperity. Yet it becomes increasingly evident that there is a widespread and growing feeling of uneasiness and uncertainty throughout the Nation.

This striking contrast between what we seem to have and how we feel about what we seem to have should make even the most optimistic of us begin to stop, look, and listen. For the fact is that inflation has been sweeping the country at express-train speed and no effective effort has been made to deal with it.

The recent decline in commodity prices resulting in a slight decrease in living costs offered momentary hope that prices had reached the peak. But last week the Nation was surprised and shocked by an announced increase in the price of steel. This new increase, coming at the very time when the steel workers' union is demanding another round of wage increases, demonstrated that the upward spiral of inflation was still accelerating.

The situation developing as a result of this unexpected increase in the price of steel is alarming because it is a duplication of the situation which gave the first great impetus to the current inflation in its primary phases. If past experience is an index for the future we may predict with assurance that this new increase in the price of steel will have the same general inflationary effect that it had before in the steel and wage price increases of 1946.

For one of our greatest corporations and one of our most powerful labor unions to take action, however separate, which has the effect of acting in concert to further raise prices, shows a shocking disregard for public opinion and the national welfare.

At such a tremendously critical time as the present it would seem that some of our industrial and labor leaders are either unaware of, or refuse to accept the challenge of events. One of those challenges undoubtedly is the necessity of achieving a discipline of moderation when the welfare both of the Nation and the world is in the balance.

Great as the necessity is, the fact is that inflation is not being curbed. If another round of price and wage increases is permitted to develop, we may reach the point where there will be no turning back.

Then what? At a time certainly not too remote, and possibly unbelievably near, a deflationary "bust" could be predicted with certainty. We dare not undertake that risk.

Of all the great nations of the world we are now alone in believing in the free-enterprise system as we are accustomed to define it. Under that system the United States has developed the most unparalleled capacity for production of any nation in history. Also, as a result of that production, the average American enjoys a greater condition of well-being than ever before enjoyed by the average man anywhere in the whole course of civilization. And, together with this unprecedented material well-being, he also enjoys in America complete civil and religious liberty.

Is it our purpose to risk and hazard all these blessings because we are unwilling to undertake the imperatively necessary, although decidedly unpleasant job of halting inflation? If we allow inflation to grow until we have a bust, resulting in financial collapse comparable to the 1930's, there is every reason to believe, in the light of what has happened elsewhere to the great nations of the world, that we will end up as they did, with some form of collectivism. Nor can any informed person be unaware that communism patiently awaits a major depression in America to pursue uninterruptedly its march around the world.

To be sure we have had efforts to head off inflation. But those efforts have not been determined, or aggressive, or effective.

As Americans, we resent Government controls, not only because they are offensive to us by reason of our untrammeled life as a people, but also because we rightfully fear that they will endanger our system of enterprise under which we have come to lead the world.

Therefore let us realize that if we do not desire to be driven to Government controls we must be strong and determined enough to do what we know in our hearts we must do if we are to avoid them.

Unfortunately there is no magic cure for inflation. But it can be cured by voluntary action even at this late date. The cure will call for unpleasant medicine, and industry ought to set the example by talking the first dose. Unpleasant though it may be, it will still be much easier to take than return to controls or to the havoc of a deflationary bust.

If as a Nation we intend by voluntary action to pull ourselves out of this inflationary spiral, the primary essential is that we must be willing to put the public welfare ahead of our self-interest until we have worked out of this crisis. For unless we stop inflation it will stop us. We will be ruined by inflation if it is not controlled.

The national administration at Washington has thus far failed to provide the direction for the absolutely essential action if we are to avoid falling into controls. On the contrary, it has gambled with our future by perpetuation of policies and practices which gave inflation a running start, and also by failure to understand or to label the spiral for what it is—our gravest national emergency.

Federal Government policies have encouraged us to become a Nation divided, a Nation of classes, a Nation of businessmen and industrialists, a Nation of farmers, a Nation of laborers, a Nation of privileged and underprivileged, and, strangely somehow, for it draws its membership from all the others, a Nation of consumers.

This playing of one group against another must cease. Labor, industry, and agriculture must be made to see that if they don't work together they will soon be engulfed together. Now is the time to summon representatives of labor, industry, and agriculture to a fateful conference on inflation, and to demand that they agree simultaneously to adopt a program to combat it.

Business must be told: "Our first need is a price roll-back. Everyone is going to have to sacrifice. But the initiative must be taken by the group in the best position to afford the risk involved. That group is business."

Business can well afford to take the lead. Its earnings are at the highest level ever recorded. According to Federal Reserve data, profits after taxes are more than double any prewar year and almost double any war year. This roll-back must spread throughout the entire business structure.

Some manufacturing companies have already taken a step in this direction, but the movement has not been general enough to become effective.

Let business meet this crisis by showing the Nation the same concerted action it did in prying off the price-control lid. There was no question about unanimity then. There should be none now, because the crisis today is infinitely greater than it was then.

Agriculture, too, must act for the common good. Farmers must be told: "Inflation has been particularly acute in the prices of farm products hitting at the great mass of consumers. Your profits have been enormous. You can't shrug this off as merely supply and demand. Government price-pegging policies permit prices to move upward but discourage downward swings of the commodity markets. You must agree to accept modification of Government price policies that will permit farm prices more nearly at the parity level."

What farmers want and should have is a steady demand for their produce at prices which yield a fair return rather than a boom or bust, in which they may lose everything. They should remember that, added to our domestic needs, the European relief program assures them of a reasonable demand for

years to come, and that as business rolls back its prices, implements, fertilizers, clothing, and other necessities will cost them less. Certainly agriculture as a whole is sufficiently concerned with the country's welfare to accept Government price-support policies which will make it possible to establish a freer market in farm products.

Equally important, if our economic salvation is to be achieved by voluntary means, is labor's contribution. Working men and women must be told: "Your wages are higher now than ever before, but have you really gained from higher wages when you pay higher and higher prices for everything you buy? New demands by you at this time may well build up inflationary pressures to the bursting point. You must hold the wage line."

If business rolls back prices and farmers take a lower price on their products, labor will be better off than if it fights for and wins another increase that accelerates the price spiral. Labor cannot afford not to go along. But also it has another obligation, and that is to produce as never before. For greater productivity is vital to the solution of our problem.

However, in foregoing wage demands at this time, labor must have the assurance that when balance has again been achieved in our economy, it will again be given the green light to seek a share of increased productivity.

We all have enough faith in the patriotism and wisdom of each of these groups to believe that they can and will develop a workable solution on this basis if they are given to understand in unmistakable terms that the future of our country is in their hands. Knowing the consequences of their actions, none of them would want to, and none of them would dare, to see that conference fail.

While this is going on, the Government must put its own house in order. Government expenditures—Federal, State and local—must be cut to essentials until the crisis is past. In much of their spending our governments are competing directly with their own citizens, bidding against them in the market for labor, for scarce building materials, for automotive equipment and for various other necessities. Let Government make these contributions:

1. Substantial reduction of the Federal Budget as submitted to the Congress by the President;

2. Examination of State and local government postwar building and service programs with a view to reduction to genuine necessity;

3. Retirement of the Federal debt as rapidly as possible, particularly the large bank-held portion to help contract the monetary base and relieve inflationary pressure;

4. Stronger encouragement of individual savings. Some form of income tax credit should be considered to provide an added incentive to save.

5. Adoption of more restrictive Government credit policies, including restoration of restrictions in installment buying and other consumer credits. Since a plentiful supply of money is one of the basic causes of our high prices, is it not foolhardy to spread that money still further and force prices still higher through abuse of credit?

6. Action to eliminate restrictive business and labor practices which hamper free competition require unnecessary work and result in needlessly higher costs. If industry and agriculture and labor could work together in an unprecedented display of mass strength to win the war, they surely can with proper leadership repeat the effort and win the equally vital battle against inflation and the world chaos that will accompany it.

The only alternatives to an immediate voluntary get-together by industry, labor, and agriculture are controls by government or inflation unlimited until the bubble bursts.

Government will never save our free economic system although it may easily ruin it by unwise and restrictive interference and controls.

The salvation of our free enterprise depends upon the men and women, both in management and labor, who run the system. It depends upon how fully and comprehensively they appreciate and understand its responsibilities as well as its benefits and privileges. That salvation depends also upon their clear and distinct realization that there are times when their moral and patriotic obligations rise far superior to their duties to their stockholders or to the members of their labor unions. Now, when institutions and governments everywhere are being shaken to the very base of their foundations, is surely one of those times.

We can either continue on our separate selfish pathways to destruction or we can walk and work together toward lasting stability and prosperity, not only for our own country, but also ultimately for the whole world.

Rural Electrification

EXTENSION OF REMARKS
OF
HON. LYNDON B. JOHNSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. JOHNSON of Texas. Mr. Speaker, I regret that the House did not see fit to recommit the deficiency appropriation bill and include $300,000,000 for rural electrification. There are thousands of rural homes that are burning coal-oil lamps tonight whose owners have been signed up for rural electrification for years.

We have been fortunate in my district to extend rural electrification as much as we have. However, there are thousands who have filed their applications with the co-ops but cannot be served because of lack of funds. We could not have avoided the delays occasioned by the war, but we certainly can and should avoid continuing these delays during the years of peace.

Recently I asked the manager of one of the co-ops in my district to let me have a list of those persons who had applied for service and paid their membership fee but whose homes had not yet been electrified. I was amazed when that list came to find that it contained nearly as many names as did the list of those who have been extended service since 1937. A large percentage of these people paid their REA membership fees in 1939, 1940, and 1941. They waited with patience until after VJ-day. Now they realize that wire, poles, transformers and other materials are fast becoming available and they do not understand why they can not have electricity.

While it is too late to do any good so far as this deficiency appropriation bill is concerned, I understand that the Appropriation Committee plans to report another one soon, and I sincerely hope that the committee will be able to include a substantial fund for rural electrification when that bill comes up next month.

On the Rocks

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 26, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Economist of London, reprinted in the United States News of February 27, 1948:

[From the United States News of February 27, 1948]

"ON THE ROCKS"

(British periodical outlines grim realities of Britain's economic plight—Decries improvident spending and dependence on loans in face of bankruptcy—Calls for national policy of hard work, hard living, and more production.)

(From the Economist, London, February 14, 1948)

Britain faces bankruptcy. That is the real significance of the Government's latest white paper. At last, the British people now know where they stand. In the past 2 years, they have as a community overspent their income to the extent of $4,000,000[1] and the rate of overspending was almost twice as large in 1947 as in the preceding year. At the present rate of expenditure (which has fallen since its peak last August but now shows signs of settling down at a monthly figure of some $160,000,000), the remaining reserves of about $2,400,000,000 in gold, dollars, and unexhausted credits may last Britain and the sterling area until midsummer. After that, it will just be impossible to buy either the food or the raw materials which are necessary for Britain to eat and work. The specter of starvation and mass unemployment is now alarmingly close.

To translate the tables and figures of the white paper into more homely terms, Britain has been living like an improvident family which, failing to make both ends meet, first spends the accumulated capital of the past, then borrows from friends—from American friends, from Canadian friends, from South African friends—and when their loans are exhausted, begins to pawn the furniture. How else can one describe the latest deal with Argentina in which the whole capital asset represented by the British-owned railways is bartered away for 18 months' supply of meat? It is, of course, true that there is nothing discreditable in the events which led the British community to this desperate plight. Alone of the belligerents (except the German aggressors) Britain fought in two world wars from the first day to the last. The income from overseas' investments which nearly bridged the gap between imports and exports in 1938 disappeared in the struggle. Exceptional conditions of world demand created by war devastation added $1,200,000,000 to the cost of British imports in 1947. But, in fact, the reasons which have brought the British to beggary are less likely to be remembered than the fact that they are beggars. The old soldier showing his campaign medals at the street corners is an object of pity, not of respect.

When a family faces bankruptcy, either it goes under to a life of perpetual makeshift and pauperism, or it restores its solvency by vigorous action—by buying less, by cutting down every kind of expense and by straining every nerve to sell more of its goods and services. A nation is in no different case and the

[1] All figures converted from pounds sterling to dollars at rate of $4 to the pound.

choice open to the British people is in reality prescisely the same difficult choice between pauperism and gruelling recovery. The only question worth asking today—when the crisis is, in Sir Stafford Cripps' words, not a matter of years, but of months and weeks—is what further steps the British people can take to consume less and produce more, to reduce their standard of living and at the same time do harder work. The subject is being debated in the Commons as the Economist goes to press, but clearly the Government's plea—it is not much more—that neither wages nor profits shall rise at this juncture is one small part of the much bigger effort that is needed to restore solvency to the British people.

Both wages and profits have to contribute their share. Bankruptcy is a family responsibility and no section of the community can avoid its hardships. The real need for workers and managers alike is longer hours and more output for the same income. In this way, more goods could be produced for export without new financial pressure being created to divert those goods to consumption at home. So drastic a departure from current industrial practice is too much to hope for, but at least the principle of no further wage increases save for cases where workers are genuinely below an adequate level of subsistence must be endorsed. Further, there is certainly a case for increasing the contribution to national solvency by those who, despite their reduced standards, can still afford it best. Heavier taxation or limitation of dividends and the control of expense accounts (upon which so much of the "conspicuous waste" in the big cities is based) will help politically, and to some extent economically. Even if such steps must wait upon the budget, their announcement would go far to relate the question of wages to the wider action needed to counter bankruptcy abroad and inflation at home.

But, although it will be necessary to temper the cuts by considerations of social justice, the brute fact remains that standards of consumption in Britain do not reflect the insolvency which may lie only a few months ahead. Can it be said that the rationing of domestic fuel has been drastic enough in view of the vital importance of coal as an export? Can Britain afford $800,000,000 for government expenditure overseas, or to feed 1,000,000 mouths in the forces in return for no productive work? It is easy to make a case for keeping 2,000,000 government servants, but if 500,000 were returned to industry, would the gain in output not ease the burden of the controls? By what yardstick can the overseas expenditure of $200,000,000 on tourism in 1947 be justified?

It is no longer a question of choosing whether or not to maintain certain amenities. The stark fact is that the means to provide them no longer exist.

In spite of the recent cuts in capital expenditure, it is clear that more has to be done. No one will criticize the government for wishing to build better schools, new hospitals, and more and better-equipped houses. But this program has added to Britain's insolvency by diverting materials and manpower from the export industries; in that sense it is Americans, Canadians, and South Africans who have been paying for part of the British program of development at home. No one denies the desirability of these things, but it is not usual to add a bathroom to the house just as the receivers walk in.

The last items to be cut back should obviously be productive assets, the renewal and modernization of plant. The reductions already announced in these items are severe—probably too severe—but in another field the figures suggest that outlay has been too heavy. The sum of $720,000,000 for new assets overseas, a large part of which must be represented by various schemes of colonial development, seems unduly high in relation to the time which must elapse before they begin to yield their fruits.

These are a few instances picked from a possible list of further cuts and reductions, but simply to set them down shows how painful their execution would be and what appalling stresses it would introduce into the national life. But bankruptcy is necessarily an ugly, painful, and distressing business. It tests the temper of the most united family. It requires not only fortitude and patience but considerable humility to weather it with dignity and success. Yet bankruptcy is nevertheless the crisis through which this Nation may be about to pass. What are its chances of surviving this latest test—a test with none of the glory and solidarity of a Nation at war but perhaps more grueling as a result?

It cannot be said that the outlook is encouraging. In the first place, the country so far has remained in ignorance of the facts. The Government's powers of explanation have never been high, but its inability to convey to the public the significance of the gathering economic crisis is beyond all previous failures. And this is not simply a question of poor public relations. The failure goes deeper. It is not only that the Government has not talked as though the crisis was serious; until quite recently, it has not behaved as though it were. In 1946, before the catastrophic rise in American prices and the fierce winter, there was some excuse for believing that Britain could recapture its export trade, police Europe, rebuild its industries, create new social services, rehouse the people, and provide cheap food all at the same time. But the writing on the wall was there for all to see after January or February 1947. The fatal flux of gold and dollars had begun. The gap between imports and exports was growing. Home production continued to lag, but the Government went on its Micawberish way, waiting for something to turn up. Mr. Dalton was happy with his balanced budget, Mr. Morrison declared that no further sacrifices could be demanded of the people. Today, with the gap wide open and no prospect for filing it from British resources, even Sir Stafford Cripps' realism may be too late.

If the British had been made to realize in 1945 that in many ways the problems of reconstruction facing them were no less urgent than that which faced, say, Poland, they might have set to and worked as the Poles have done; but cradled in illusions, they have advanced in their crisis like somnambulists. It is the illusion either of infinite prosperity or of infinitely squeezeable profits that makes it still possible for the trade-unions to press for more wages for fewer hours. It is the illusion of wealth withheld by a spiteful government that has turned large sections of the more well-to-do against the controls and restrictions which they recognized as necessary during the war. Yet the reality is of a nation in greater economic straits than at any time since the Napoleonic wars. If the present attitude of the different classes in society cannot be mobilized into something more than the collective and disgruntled selfishness they show today, then the British will be obliged to face their supreme economic crisis without the only assets upon which they could still draw—their political balance, their deep natural unity, their phenomenal staying power.

This statement will no doubt be contested. Why speak of "Britain's only assets" when there is every chance that by midsummer the Marshall plan will have been passed by Congress and assistance will be assured for the next 18 months at least? Even Sir Stafford Cripps has said that the only hope lies in American assistance, to give Britain the necessary time to bring about the restoration of normal conditions. But herein lies precisely the danger. Continual borrowing can have the same effect as continual drinking. The borrower's, like the drunkard's, sense of reality tends to fade. Britain has already had the American loan and the Canadian loan and will get the South African loan. All have been necessary but all have helped to mask from Government and people alike the country's true economic straits. A standard of living has been maintained, reserves have been eaten up, expenditures undertaken on a scale which is quite out of accord with Britain's real economic position. And what guaranty is there that the Marshall plan may not be used in the same way? The only proper, the only long-sighted, the only courageous course would be for Britain to pursue now the policy it would pursue if the Marshall plan were reduced to a half or a third, and to use the surplus thus created to build up reserves, modernize industry, develop economic integration in western Europe and undertake now the program of hard living and hard working in which in the long run salvation alone will lie.

Stop Spending

EXTENSION OF REMARKS
OF
HON. T. MILLET HAND
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 26, 1948

Mr. HAND. Mr. Speaker, with reference to the President's proposal to greatly increase taxes on corporations, it has been often pointed out that it would increase rather than help inflation, and an excellent statement on the subject has been made in the recent editorial appearing in the Bridgeton Evening News, which I herewith include:

PHONY RELIEF

A communication in last Saturday's issue of the News, the writer of which we presume from the trend of his article is a supporter of the President's policies, accuses us of bearing false witness against Mr. Truman in our editorial, drawing a tax analogy between the President and King Rehoboam of the Hebrew nation, in that we didn't give the President credit for proposing to give taxpayers with an income under $5,000 a rebate of $40 for himself and each dependent on his income tax.

Well, we were discussing the burden of taxation in that article. Did this proposal of Mr. Truman do anything to lessen the burden of taxation? Not on your life, not one dollar. What it did was simply to lessen the taxes on one class of individuals and impose the same burden on the big corporations, for the President had bluntly said the receipts of the Government must not be reduced one dollar.

But would the big corporations pay these increased taxes?

Not on your life. What they would have done would have been to add these increased taxes to the price of their products and services, whatever they might be, and pass them on to the consumer. Even the people who received the rebate on their income taxes would have had to use some of their savings to pay some of the taxes of these big corporations to meet the increased price on the products they purchased, while thousands who pay no income taxes would be saddled with that additional cost of living. Thus another rise would have been made to the high cost of living and the spiral of inflation sent reeling upward.

The whole proposal was phony, put out to catch votes in this Presidential year, so phony, in fact, that it has been laughed out of the tax picture by all responsible lawmakers in Washington and cast into the ash can.

To have given Mr. Truman credit for this phony proposal would have been to abet him in perpetrating a fraud on the American taxpayer.

The only way to reduce the burden of taxes is to reduce spending, and Mr. Truman has refused to do this, because he has presented to the Congress the largest budget in the history of the Nation and demands its adoption.

Much of Mr. Truman's spending in the past and that planned for the future, is as wasteful and useless as that of the Hebrew King cited, even if not as vicious.

There is only one way to reduce the tax burden—stop spending. Subterfuge will not do the trick and is entitled to no credit.

W. E. M.

International Bankers Back Marshall Plan

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. VURSELL. Mr. Speaker, with leave to extend my remarks, I am including in the RECORD one of a series of news articles clipped from the Chicago Tribune of February 25, which is further proof that the Truman New Deal is now completely in the control of the international bankers, exporters, and Wall Street.

This article names only a few of the hundreds of them who have organized to put over the Marshall plan for the benefit of the international bankers and exporters at the cost of continuing the high cost of living to the American people, and, doubtless, the reimposing of Federal controls over the entire economy of the Nation.

Never before has any administration gathered together so many multimillionaires in an attempt to further its, and their own interest at the expense of John Q. Public, the ordinary American taxpayer who cannot organize in opposition to this insidious lobby, and whose only protection are the Members of this Congress.

MARSHALL PLAN GROUP INCLUDES MANY BANKERS

(By William Clark)

(This is the third of four articles describing the interests behind the Marshall plan.)

The committee for the Marshall plan, headed by Henry L. Stimson and Robert P. Patterson, is stoutly bulwarked by members of the eastern banking fraternity, an analysis of records of the gift-aid boosters organization showed yesterday. The group also is liberally sprinkled with insurance company executives.

Banks in New York City alone contributed 22 officers and directors to the Stimson troupe. Of the committee's 294 members, at least 89 hold positions with commercial banks, investment banking houses, or finance companies—by far the largest representation from anyone line of business. A majority of these banking connections are with eastern institutions.

ALDRICH HEADS LIST

The list of bankers is headed by Winthrop W. Aldrich, a member of the Marshall plan committee's 20-man executive group. Aldrich is chairman of The Chase National Bank of New York. He also is a director of American Telephone & Telegraph Co., Metropolitan Life Insurance Co., the Federal Reserve Bank of New York, International Paper Co., and Westinghouse Electric & Manufacturing Co.

Arthur W. Page also is a member of the committee's executive council and a director of Chase National Bank, American Telephone & Telegraph Co., and Westinghouse Electric & Manufacturing Co. His other company affiliations include membership on the boards of directors of Prudential Insurance Co. of America, Continental Oil Co., and Kennecott Copper Corp.

ALTSCHUL HAS PLACE

Frank Altschul, another member of the executive platoon, is president and director of General American Investors Co., a general management trust sponsored by Lazard Freres & Co. and Lehman Bros. Philip D. Reed, chairman of the board of General Electric Co. and a fourth member of the committee's executive contingent, is a director of Bankers Trust Co. and Metropolitan Life Insurance Co.

The balance of the Marshall plan committee, the 274-man national council, includes the 28 persons listed in the committee's releases as bankers, plus some 50 others listed as manufacturers, lawyers, or educators who also have strong banking affiliations.

Thomas J. Watson, president of International Business Machines Corp., and Charles E. Dunlap, president of Berwind-White Coal Mining Co., are both directors of Guaranty Trust Co., New York City. Dunlap also is a director of International Telephone & Telegraph Co., whose chairman, Sosthenes Behn, is a committee member.

DIRECTORS ALL INCLUDED

National City Bank of New York has two of its directors on the committee, Behn and Gerard Swope, honorary chairman of International General Electric Co. New York Trust Co. is represented by a trustee, B. B. Jennings, president of Socony-Vacuum Oil Co. Bankers Trust Co. is another with two of its directors on the committee, Reed and Ward Melville, president of Melville Shoe Corp.

John M. Franklin, president of United States Lines, is a member of the board of Manufacturers Trust Co. Irving Trust Co. contributed two members of its board to the Stimson organization. Henry P. Bristol, president of Bristol-Myers Co., and David L. Luke, Jr., president of West Virginia Pulp & Paper Co.

TWO FROM HANOVER BANK

Stimson also enlisted a duo of Central Hanover Bank & Trust Co. directors. C. M. Chester, honorary chairman of General Foods Corp., and Gwilym A. Price, president of Westinghouse Electric Corp. The First National Bank of the City of New York gave of its directors George L. Harrison, also president of New York Life Insurance Co.

The Federal Reserve System has a strong representation on the Marshall plan committee, headed by Thomas B. McCabe, president of Scott Paper Co. and newly appointed chairman of the reserve system's board of governors.

FEDERAL RESERVE AIDS

Committee members who are officers or directors of Federal Reserve banks in addition to McCabe and Aldrich include Allan Forbes, president of the State Street Trust Co., Boston; Charles E. Adams, chairman of Air Reduction Sales Co.; Chester C. Davis, president of the Federal Reserve Bank of St. Louis; Tom K. Smith, president of Boatmen's National Bank of St. Louis, and William W. Crocker, president of Crocker First National Bank, San Francisco.

Address of Hon. Edward Martin, of Pennsylvania

EXTENSION OF REMARKS
OF
HON. RICHARD M. SIMPSON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. SIMPSON of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of United States Senator EDWARD MARTIN, of Pennsylvania, before the annual meeting of the Pennsylvania Manufacturers' Association, in the Bellevue-Stratford Hotel, Philadelphia, Pa., Tuesday evening, February 24, 1948:

This is a magnificent meeting. We need more meetings such as this in every city, town, and village.

It is good for America to have men and women interested in government, business, labor, agriculture, and the professions assemble at frequent intervals to discuss the general welfare of our country.

Such meetings are in accordance with our duty as citizens. They stimulate more widespread interest in government and politics. People should be proud to take part in politics because good government can be achieved only through honest politics.

In a free country—where the people rule—politics is a serious business and a great responsibility. It calls for hard work, intelligence, courage, and the will to sacrifice in the interest of all the people.

Politics is not only the science of government—it is really the American Government in action. If every voter would take a real part in politics, it would mean good, sound, economical government based on the best traditions of the United States.

It is a tragic loss to America that so many business and professional men, educators, and even men of the church, feel that participation in politics is something to be avoided.

General Eisenhower, one of the world's great military leaders, in his statement a few weeks ago, paid a fine tribute to politics.

"Politics is a profession," General Eisenhower said, "a serious complicated, and, in its true sense, a noble one."

That should satisfy anyone who believes political activity is degrading.

The Republican Party stands today on the threshold of victory. If we all do our part in politics, it will be an overwhelming victory.

In the next few months there will be nothing more important to the future of our country than a great Republican crusade to rescue our Government from the free-spending bureaucrats who will bankrupt America unless their wasteful course is checked.

We are honored tonight by the presence of Senator BROOKS, one of the most outstanding and courageous men in the United States Senate. Illinois has every right to be proud of him, not only as a great statesman but as a soldier with an exceptional record.

Senator BROOKS, I want you to know that in this audience are members of Pennsylvania's Republican delegation in the House

of Representatives. With you, Senator, they represent the Federal level of government.

This delegation is doing a wonderful job in Washington. It has been an honor to be associated with them, and a real privilege to sit in at their meetings. I have been profoundly impressed by their deep understanding of the national problems, their great sincerity, and their firm determination to do what is for the best interests of America. All are hard workers and faithful to the trust imposed upon them.

We have here, representing the State level of government, Pennsylvania's distinguished Governor and many members of his cabinet. Also, the leaders and members of the Pennsylvania Legislature.

The local level of government is represented by the most important local officers, members of the boards of county commissioners and other county officials.

On the political side we have Mason Owlett, our national committeeman; Harvey Taylor, our State chairman; many of our county chairmen and other stalwarts—all of whom have guided the Republican Party to splendid victories in our Commonwealth.

There are so many others here tonight who are equally important but time does not permit enumerating them all.

But you can readily see how much good can be accomplished by the united and enthusiastic support of such a powerful, patriotic, and influential group.

Combined with similar groups throughout the Nation, they could, for instance, cut down the cost of government. They could simplify and decentralize government and bring it back to the people.

They could have a powerful voice in determining the amount of taxes that could be imposed upon the people without damaging the economic structure of our country.

They could insist upon a more equitable distribution of functions among the three levels of government. They could put a stop to the encroachment by the higher levels of government upon the taxing areas that properly belong to the lower levels.

That would bring more government back to the precincts and election districts, borough halls, city halls, courthouses, and State capitals. That would mean better, more economical government because it would be closer to the people who pay the bills.

That is why this meeting is so important. In the 14 months that I have been in Washington I have seen how the taxpayers' money is tossed about recklessly by the bureaucrats.

I have seen the stubborn resistance with which every department, agency, board, and commisison fights against any suggestion to curtail their functions or to cut down their swollen pay rolls.

I have seen how individuals, organizations, and even cities and States combine into pressure groups to demand money—the taxpayers' money—for their pet projects.

That is why I am so deeply concerned and alarmed over the future of our country.

Let me give you a few figures to illustrate just what the high cost of Federal Government means to the people of Philadelphia.

I have added together the cost of operating your city and county governments, your school taxes, your Red Cross contributions, and all the money paid into your Community Chest, and I find the total for 1947 was approximately $117,000,000.

I have figured Philadelphia's share of the taxes collected by the Federal Government in the last fiscal year. That comes to $612,000,000—enough to run your city and county, your schools, your Red Cross, and your Community Chest for more than 5 years.

We can stop that sort of spending if we have the will to do it. But the will must grow and develop out of the spirit of the people—from organizations of business and industrial leaders—from the wage earner, the farmer, the white collar worker—from every decent, self-respecting, law-abiding citizen who loves America and wants to keep it safe, sound, and solvent.

You men in politics know that the most effective appeal to the voters is a positive, constructive program, not for the benefit of any special class or section, but one that offers the greatest good for the greatest number.

In these critical times there is no program more constructive or more vital than a return to a sound fiscal policy. That is the only way to assure our freedom and to safeguard the liberties for which heroes and patriots have died in every generation.

Every nation that has gone down to destruction was wrecked on the rocks of economic weakness. Let us keep America solvent. Let's keep America dynamic. Let's keep America a courageous country where the individual will recognize national solvency as a guarantee of freedom and the only true foundation for security.

Let us remember that government did not build America but that America was made by hard work, courage, thrift, prayer, devotion and reverence for the laws of God and man.

If you believe as I do, and I'm sure you do, it is your duty to carry the doctrine of sound Republicanism into every corner of Pennsylvania. Let the message go out beyond our Commonwealth's borders. Let it roll through the length and breadth of our land. Let it roll till it culminates in a tidal wave of political power to sweep out the big spenders who are squandering the Nation's substance.

I would like to quote tonight the words of a great American statesman, an illustrious exponent of liberty, who believed with all his heart in individual freedom. I would ask that you give these words your close attention because they have unmistakable application to conditions of today.

Here is the quotation:

"I place economy among the first and most important virtues and public debt as the greatest of dangers to be feared. To preserve our independence we must not let our rulers load us with perpetual debt.

"We must make our choice between economy and liberty or profusion and servitude.

"If we run into such debts we must be taxed in our meat and drink, in our necessities and in our comforts, in our labors and our amusements.

"If we can prevent the Government from wasting the labors of the people under the pretense of caring for them they will be happy.

"The same prudence which in private life would forbid our paying our money for unexplained projects, forbids it in the disposition of public money.

"We are endeavoring to reduce the Government to the practice of rigid economy to avoid burdening the people and arming the magistrate with a patronage of money which might be used to corrupt the principles of our Government."

That is the end of the quotation.

That stern warning was given to the American people 150 years ago by a man whose praises were loudly proclaimed last week by men who have turned their backs on the principles for which he stood. They paid lip service to the memory of Thomas Jefferson, great disciple of good government, but they have completely abandoned his teachings. Not a single Democratic speaker at any of their numerous $100 dinners voiced one word on behalf of economy which Jefferson placed among the first and most important virtues of government.

All of us who are workers in the Republican ranks can be justly proud of the strength and unity that makes Pennsylvania Republicanism a shining example for other States to follow.

I have had the opportunity of observing the political organizations in most of our 48 States. Out of that experience I am firmly convinced that Pennsylvania has one of the finest, cleanest, and strongest political organizations of our country.

Never has there been a time in our history when we were as solidly unified as we are today. We have fine, loyal, hard-working county leaders directed by a wise and experienced State chairman. We have splendid leadership and devoted workers in our women's organizations.

We are fortunate that there is none among us who would not be willing to make any sacrifice for our country and our party.

When you have an army as strong as we have in Pennsylvania, it is not surprising that the strategists of the opposition make every effort to divide us in order that they may make a flank attack upon us.

Within the past few days we have observed how the opposition has attempted to divide and disrupt our ranks by falsehoods and deception.

Let me say now, as emphatically as I know how, that all their efforts have failed and will fail. I want to say again, as I have said many times before, that when my friend of many years, Jim Duff, served in my Cabinet, he was my close confidant and advisor—a loyal, able, and courageous Attorney General.

He discharged the duties of that high office in a manner that brought great credit to himself and the Republican Party. The splendid record he made in my administration has been continued with added brilliance as Governor of our Commonwealth.

Let me assure you here and now that we will work together to crush every attempt by those whose obvious purpose is to divide and conquer. Standing shoulder to shoulder, with the State and county leaders, we will remain united. We will go forward to victory in the important fight to restore honest and decent constitutional government to the American people. We will keep Pennsylvania solidly Republican. We will send a bigger delegation to Congress to strengthen Pennsylvania's prestige and influence, and we will put a Republican President in the White House.

Address of Hon. John W. Snyder, Secretary of the Treasury

EXTENSION OF REMARKS

OF

HON. EDWARD J. HART

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 26, 1948

Mr. HART. Mr. Speaker, on Thursday, February 19, the annual Jefferson-Jackson Day dinner, under the auspices of the New Jersey Democracy, took place at the Essex House in Newark. It was attended by more than 2,100 diners, and the confidence and enthusiasm of those in attendance were most marked. It was the most successful dinner in the series marking this occasion.

The featured speaker of the evening was the Secretary of the Treasury, Hon. John W. Snyder. His address was concise and factual and held the attention of his large audience from beginning to end.

The dinner was marked by the presentation to the audience of the candidate approved by the New Jersey State or-

ganization for the United States senatorship, Mr. Archibald Stevens Alexander, Jr., whose appearance was greeted with prolonged applause.

The honorary chairman of the dinner committee was Col. William H. Kelly, chairman of the Essex County Democratic Committee; the general chairman of the dinner was Hon. Felix Forlenza; and the toastmaster was Gerald Foley, Esq., a leading member of the New Jersey bar. In addition to Secretary Snyder, the speakers were Hon. Vincent J. Murphy, mayor of Newark; Hon. Frank H. Eggers, mayor of Jersey City; and myself.

The address delivered by Secretary Snyder follows herewith:

Tonight the National Democratic Party is redeclaring its firm purpose to protect and preserve for every citizen of this country the great social and economic gains made during 15 years of Democratic leadership.

In gatherings such as this throughout the Nation, we are reasserting the fundamental principles of our party, and we are rededicating those principles to the continued progress and prosperity of this Nation.

I believe it particularly appropriate that at this same time we pay joint honor to Thomas Jefferson and Andrew Jackson, as well as to those other statesmen who molded our party doctrines and purpose, and who contributed so immeasurably to the spiritual and material growth of the United States.

Thomas Jefferson's sane philosophies and truths are deeply imbedded in our system of government. He endeavored continually to convince Americans how vital it was, even as it is today, to defend staunchly their basic liberties and standards of free endeavor.

Jackson, too, was an outstanding advocate of human rights, and his ideals and work ably complemented the achievements of Jefferson. He brought to the leadership of the Nation and party vigor and resoluteness of purpose.

It is well to remember that in the annals of our party history, the accomplishments of these men, and their notable contributions to our system of government, were the results of unceasing and steadfast devotion to country.

Thomas Jefferson said that "the whole art of government consists in the art of being honest," and upon this truth, the Democratic Party has consistently and conscientiously based its pattern of service and its policy measures.

The history of Democratic leadership amply supports our assertion of accomplishment.

We are entitled to particular satisfaction with the social and economic progress of this country during the past 15 years of Democratic administration.

The 15 years that have passed since our party assumed the responsibilities of government cannot dim the recollection of the economic disorder that prevailed at that time. Nor do they allow us to forget that our present social and economic achievements have, in a large part, been accomplished only through hard and continuous fighting by the Democratic administration against bitter opposition.

Fifteen years ago we were in the depths of a depression for which the then-incumbent administration had not the slightest remedy. Twelve million workers were vainly seeking jobs, while factories were closing their doors. Businesses were failing at the rate of over 30,000 a year. Most great industries were operating at fractional capacity.

In this extremity the speedy and courageous action of a Democratic administration brought to a halt the worst depression of modern times. It took dynamic leadership, with great vision, to appraise properly the weaknesses of the old system and to compel their elimination.

In 1933 we had two huge tasks to accomplish: First, to halt the deflationary trend which had been under way since 1929; and second, to develop a balanced and expanding economy, based upon the maintenance of a high volume of production and of purchasing power. To gain these ends the entire level of employment and incomes had to be greatly increased, along with the over-all business activity, and at the same time a repetition of the speculative unbalance which had developed in 1929 had to be prevented.

Shortly after the new Democratic administration took office and began a constructive expansion program, the national income started rising. By the end of the year income payments were 20 percent higher than in March 1933. With the rise in purchasing power retail trade immediately began to increase and a general business improvement spread over the country. The industrial production rate started to climb, employment began to increase, people began to spend more money, and the improvement became cumulative.

Inspired Democratic leadership gave a discouraged people a new hope and a new sense of responsibility for the social and economic welfare of their fellow men. Through aggressive action the administration achieved lasting benefits for unemployment and old-age security, for the protection of individuals against unjust practices, for the safeguarding of our banking system, for the expansion of credit facilities which were not available to banks, railroads, and other private industries, for the improvement of our agricultural resources, and for the healthy and strong development of our entire national economy.

The wage earner's position had been strengthened by national recognition of the rights of workmen to bargain collectively with their employers.

Laws enacted for the regulation of security offerings, requiring sellers to reveal the facts about new security issues, have done much to protect people against misrepresentation in this field.

Agriculture has been placed in a stronger position by legislation for the conservation of the soil and for the encouragement of better farming practices. The strengthening of our agricultural industry brought welcome dividends during the war, when our farms yielded one-third more food than before the war despite shortages of equipment and manpower.

The insurance of bank deposits under the Federal Deposit Insurance Corporation has provided protection against a repetition of the bank-failure tragedy of 1933.

These and other measures inaugurated during the Democratic administration have given a new sense of economic security to our people, and have enormously contributed to our record peacetime level of business activity and to our present high standard of living.

We must not forget, either, the far-sighted steps taken to provide for the military preparedness of our Nation—steps taken against stubborn opposition—which nevertheless proved our salvation.

During World War II, we came nearer than ever before to learning our true strength and our national capabilities. These factors of strength supplied the men and materials for the greatest all-out war effort in history. When called upon to give vital assistance in protecting the very core of modern civilization, the United States not only out-produced the rest of the world, but at the same time maintained its own national standards of living.

Our wartime strength could not have developed without an essentially strong foundation. Under the recovery measures taken by the Democratic administration, the health of our economic structure has been steadily improving since early 1933. The steel industry, as an important example, turned out only 1,000,000 tons of ingots in March 1933, but it raised its output to over 4,000,000 tons per month at the outbreak of war in August 1939, and to 7,000,000 tons per month when we entered the war in December 1941. And now, in time of peace, it has reached the total of 7,460,000 tons per month.

The victory over our enemies precipitated the tremendous peacetime problems of demobilization and reconversion—problems which were no less vital to our national security than those faced—and solved—in wartime.

The problems of peace and postwar transition fell on the shoulders of President Truman. He has borne his heavy responsibilities, the heaviest in the world, with outstanding courage and skill.

Of foremost concern, certainly foremost in the minds of their families, was the return to civilian life of more than 12,000,000 members of our armed services. The swift and orderly discharge of our service men and women, their return to peaceful pursuits, and their absorption into our economy, are accomplishments of which we can be proud.

The industrial change-over from war to peacetime production was completed more rapidly than anyone dared predict. War contracts were quickly settled and war plants were speedily cleared for a volume of civilian output never before equaled.

At present, with our economy again soundly established on a peacetime basis, we find that the total personal incomes are now running at an annual rate of over $200,000,000,000, as compared with $49,000,000,000 in 1932.

Workers in manufacturing industries now average $1.27 an hour, or $51 in weekly earnings. In March 1933 their average earnings were $15 a week and 41 cents an hour. And they felt lucky to even get that.

Corporate earnings have likewise shown an enormous improvement since the dark days of 15 years ago. In 1932 corporations showed a deficit of over $3,000,000,000, but by 1934 they had moved into the black, and profits rose sharply in succeeding years until in 1947 they are estimated at $17,000,000,000, after taxes.

These comparisons in dollar terms are in part due to the present high price levels. But comparisons on a purely physical basis tell the same story. Perhaps the best measure of economic welfare is the number of people employed. This figure in recent months reached the unprecedented total of 60,000,000. In 1933 the average number of employed was only 39,000,000 persons.

The output of our manufacturing and mining industries has been at the highest levels in our peacetime history, and far above the prewar level. The index of industrial production reached 191 in December 1947, as compared with the depression low of 54 reached in March 1933.

This present business activity is a tribute to the vitality of the American system of free enterprise. But it is also the product of wise policy and prudent management on the part of this administration under the leadership of President Harry S. Truman.

Our fiscal policies have been closely related to those in the economic field. Our purpose is to practice economy in Government and to maintain the revenues at a level sufficient to secure a balanced budget and provide for debt reduction.

As Secretary of the Treasury I feel that the financial integrity of our Government must always be a first consideration. Particularly so with a Government debt, largely war

created, of $255,000,000,000. Under such circumstances, it is not only the financial integrity of the Government which is at stake but the soundness of the whole economy. This Government's fiscal policies are irrevocably wrapped up in the entire financial structure of our country.

It is estimated that in the current fiscal year which ends on next June 30 the surplus of Federal receipts over expenditures will amount to $7,500,000,000.

We have been using this surplus as it accumulates for debt retirement in the manner in which it would be most effective, and we shall continue to do so.

The President's budget estimates for the fiscal year 1949 show receipts of $44,500,000,000, and a surplus of $4,800,000,000 in that fiscal year to apply toward further reductions in the debt.

On the expenditures side the President has pared the budget to the minimum which he considers consistent with the country's domestic and international responsibilities.

Expenditures are estimated at $39,700,000,000 in the fiscal year 1949. Seventy-nine percent of the estimated expenditures for fiscal 1949 are war related—they either reflect the direct costs of war, the aftermath of war, or our efforts to prevent a future war.

In this category, we have expenditures for national defense which amount to $11,000,000,000, or 28 percent of the total budget. It would be possible, of course, to cut this amount, but I do not believe that the Congress will want to take this step at the expense of our national security.

Expenditures for international-aid programs also come in this category, and total $7,000,000,000, or 18 percent of the total budget. These expenditures could also be cut; but again I do not believe that any of us want to recommend such a cut when we know that it would endanger our hope of achieving a peaceful world.

Veterans' benefits amount to $6,000,000,000, or 15 percent of the budget. They represent an obligation which we owe to those persons who made great personal sacrifices for the Nation during the war. It is an obligation for which a Democratic Congress has already provided by legislation, and certainly none of us want to propose that any of this legislation be repealed.

The other two items which enter into the war-cost category are $5,000,000,000 for interest on the public debt and $2,000,000,000 for tax refunds. These are financial obligations of the Government which it must meet.

In analyzing the Government's peacetime operations, we find that 16 percent, or $6,200,000,000, of the budget covers expenditures to finance the Government's programs in many broad areas, such as social welfare, agriculture, natural resources, and transportation and communication. These programs include expenditures for public assistance, for flood control, for soil conservation, for reclamation, for State aid to highways, for development of rivers and harbors, and for atomic energy.

These programs include activities which the Government must perform in order to conserve our natural resources. More importantly, however, they finance functions which the Government is obligated to perform in conserving our human resources—for programs which contribute to the health and well-being of the American people and which have long been a part of the Democratic platform.

Any reduction in these programs would be false economy.

The remainder of the budget, that which is left for the operational costs of the Government, is not reltaively large, amounting as it does to only 5 percent, or $2,100,000,000. This amount covers the Congress, and the Executive Office. It includes Treasury activities in collecting taxes, administering the public debt, and keeping the Government's books, and the expenditures of various other agencies. To cut large sums out of this group would be a difficult undertaking.

As a matter of fact, any cuts in this budget will be difficult if we are not to jeopardize our national defense, ignore our national welfare, or threaten our efforts to attain world peace.

Finally, let me call your attention to the policies of President Truman and your administration in the field of foreign affairs. As Democrats and as citizens of these United States, we can be thankful for the leadership that has brought about an unprecedented unanimity of opinion in this country in our dealings with other nations.

Our international policy is essentially an American policy and it represents the views and the wishes of the Nation.

Looking toward the future, the task of Democratic leadership is clear. Under the continued guidance of President Harry S. Truman, we will direct our policies toward developing a balanced and expanding economy. We must maintain a high volume of purchasing power to provide a broad market for the products of industry and agriculture. We must insure that business profits remain at adequate levels to provide a steadily expanding industrial capacity, and that the capital markets function smoothly in financing our business expansion.

We must provide for the development of our human and material resources, to the end that we may continue as a Nation of high living standards and high productivity.

The aims and purposes of the Democratic Party can be eloquently summed up in the words of President Truman: "We seek a peaceful world, a prosperous world, a free world, a world of good neighbors, living on terms of equality and mutual respect."

Thirtieth Anniversary of Lithuanian Independence

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. GARMATZ. Mr. Speaker, on February 16 I was privileged to attend a banquet in Baltimore given by the Council of Lithuanian Societies, in observance of the thirtieth anniversary of Lithuanian independence.

Thirty years ago Americans joined with the people of Lithuania in celebrating Lithuanian independence. More than 100 years of servitude under a foreign rule were over. Unfortunately, however, today we again find Lithuania without her independence. For her today there are no longer any four freedoms, the freedoms for which the true democracies of the world struggled so long and so patiently during the last war.

But all over the world today, Lithuanians are gathered to renew their efforts and to encourage one another to continue to work for the independence of their homeland. Millions of fellow Americans join with them in their desire for the liberation of their homeland. We refuse to recognize the destruction of Lithuanian independence as valid. We still regard Lithuania as an independent state. The cause of Lithuania's independence must be supported by our country, because it is based upon American principles of representative government.

The peoples of Europe who respect these principles and ideals should be given the opportunity to embrace them and shape their own way of life and choose their own form of government.

The spark of liberty is strong in Lithuania. Under the tyranny of her conquerors, Lithuania suffers a living death, but yet lives. There will always be a Lithuania—a Lithuania in the hearts of men, a Lithuania in the history of the world's struggle for freedom, and in due time, a Lithuania at the conference table of the world's great family of nations.

Under permission to extend my remarks in the RECORD, I wish to include an address delivered by Mr. Juozas Kajeckas, attaché at the Lithuanian Legation, at the banquet, and also a resolution which was adopted by the Council of Lithuanian Societies of Baltimore City at that time:

LITHUANIA'S THIRTIETH ANNIVERSARY OF INDEPENDENCE

(Address by J. Kajeckas, attaché, Lithuanian Legation, February 16, 1948, at Lithuanian Hall, Baltimore, Md.)

During the years of Lithuania's independence, in the period between the two world wars, it was customary on February 16—the anniversary of Lithuania's declaration of independence—to draw up a balance sheet of the progress that had been achieved by the Lithuanian people and the Lithuanian state. This record showed that with every year the Lithuanian people were maturing in statesmanship, and that Lithuania was rapidly catching up with western Europe, compensating for the 123 years that had been lost to progress under the Russian czarist yoke.

From the fateful day of June 15, 1940, when the aggressive hand of the Soviets destroyed at a single stroke the attainments of Lithuania's years of independence, regression set in. From the summer of 1940 we began to enumerate not the attainments of progress but the injustices to which Lithuania was subjected—the spilled blood of her sons and daughters—their tears, their grief, their misery.

The Lithuanian people did not deserve this cup of sorrow. Their martyrdom, occurring in the present—the twentieth century—after the oft-repeated promulgation of so many high-sounding ideals of Christianity and humanitarianism, would make it seem that the very forces of hell are unleashed, in order to try out on the Lithuanian nation the full cruelty of Red barbarism, the like of which the world has never before witnessed.

Nevertheless, on this the thirtieth anniversary of Lithuania's declaration of independence, we can state that there are indications pointing toward the liberation of Lithuania, and from these we may take comfort.

First of all, we may be proud of the iron will, and the determination to resist the occupant, of our people who remain in the homeland, as well as of those who were forcibly exiled to the east. Many sons and daughters of Lithuania have perished because of loyalty to their country and to its beloved tricolor. Those who survive have remained true to the ideal of Lithuania's freedom. The spirit of the Lithuanians, even as that of the early Christians in the time of Nero, proved to be stronger than the terror of the executioner. The youth of Lithuania continues to defend the right and the honor of the homeland by force of arms.

We may also be proud of the firm resolve of the Lithuanians who live in exile in western Europe; in spite of unenviable living conditions in unfriendly Germany they remain deaf to the enticements held out by the Soviets to return to occupied Lithuania. Furthermore, they who live in exile have accomplished much for the cause of their country's liberation, and have achieved high standards in fields of cultural endeavor, such as education, journalism, art, etc.

In seeking Lithuania's liberation, we can also derive encouragement from the fact that the free countries of the world understand, and sympathize with the plight of the Lithuanian people. The seizure of Lithuania by the Soviets is now viewed in the light of further aggressive actions by the eastern bear. Today countries of Europe held captive behind the iron curtain pray, together with the Lithuanian Nation, for liberation from the eastern liberators, whereas that part of Europe which remains free prays for support against, and deliverance from, the threat of that same slavery.

On this occasion we may also be heartened by the recent appearance of a certain book; namely, Nazi-Soviet Relations: 1939–1941. This collection of documentary evidence, published by the United States Government, discloses, among other revelations, the conspiracy of Nazi Germany and Soviet Russia to divide Lithuania among themselves. The fact that these documents are now brought to light dispels the smoke screen of the Soviets, their propaganda line about the happiness of the Lithuanian people over the slavery imposed upon them, about the free elections, and the self-determination of the Lithuanian people. This publication knocks the props out from under the propaganda of the Bolsheviks, whereby they attempt to vilify Lithuania and to distort the truth. It exposes to the world the vile injustice committed on Lithuania by the Soviets. These documents prove that in seizing Lithuania, the Bolshevik leadership did not consult the wishes of the Lithuanian Government and people but, instead, obtained approval of their act from Hitler, Russia's great friend at the time; and later paid to that same Hitler the accursed pennies of Judas in payment for part of Lithuania. This volume was published on the initiative of the United States, which makes the material it contains all the more valuable to Lithuania's cause. Therefore, we greet this publication with great satisfaction. The appearance of this book at this time is of greater value to Lithuania than millions of dollars or several Army divisions, for it unmasks the complicity of the Soviets and the Germans, as well as the shameless duplicity of which Lithuania was the victim.

To the items that give encouragement to, and are important for, the morale of Lithuanians in their aspirations for freedom may be added proclamations and statements made on this anniversary by State governors and mayors of cities in the United States, including proclamations by Gov. William Preston Lane, Jr., of Maryland, and the Honorable Thomas D'Alesandro, Jr., mayor of Baltimore. It is said that in misfortune one may recognize one's friends, and the Lithuanian nation recognizes among its friends the past and present governors of Maryland, mayors of this city, and senators and representatives of this State.

Besides these and other proclamations which give strong moral support to the Lithuanians, are the noteworthy statements issued by two world-renowned Americans on the occasion of this anniversary. I quote from the bulletin published by the Lithuanian legation current news on the Lithuanian situation, of February 1948, the statements of the Honorable William C. Bullitt and the Honorable Arthur Bliss Lane, both of whom are acquainted with Lithuania from personal experience. Said the Honorable William C. Bullitt:

"During my visit to Lithuania I was greatly impressed by two attributes of the Lithuanians: First, the moral fiber of the people who constituted a strong bastion of Christian civilization against Communist malice. Second, the very high level of the Lithuanian architects, artists, and literary men.

"It was my good fortune to be the friend of your great poet Baltrusaitis, who was one of the most eminent men I have known. He was my guide in Lithuania, and introduced me to persons of all classes, including the members of the official family of President Smetona.

"Like all other Americans who acquired even a slight first-hand knowledge of the Lithuanians, I hope profoundly that someday Lithuania will again enjoy the complete liberty which she deserves."

The Honorable Arthur Bliss Lane, accredited United States Minister to the Baltic States, including Lithuania, in 1936–37, commented:

"Filled with gratitude to the Lithuanian people for their contribution to the intellectual and economic growth of the United States, I pay my tribute, with countless others, on this thirtieth anniversary of the signing of the declaration of Lithuanian independence.

"Our hearts are heavy today as we contemplate Lithuania's present plight. We sorrow for those Lithuanian patriots who, together with their Latvian and Estonian brothers and sisters, are enduring today the temporary loss of their liberty. But we rejoice that the Lithuanian spirit of independence has in no wise been tarnished. There has been no moral capitulation, no surrender of principles.

"The Lithuanian people and all Americans of Lithuanian origin may well be proud, even in the present martyrdom of their mother country, that Lithuania's record is unsullied. when international justice is meted out—we fervently hope in the very near future—the brave sacrifice of Lithuania on behalf of democracy must not and will not be forgotten."

And, finally, may I bring to your attention today's editorial in the New York Times:

"LITHUANIA'S INDEPENDENCE

"With their country still writhing under the heel of the conqueror, the Lithuanian people commemorate today with heads bloodied but unbowed the thirtieth anniversary of the signing of their declaration of independence. After more than a century of struggle against oppression by the Russian czars, and in defiance of the armies of the Kaiser then still on Lithuanian soil, the Council of Lithuania, on February 16, 1918, in consultation with American Lithuanians, formally declared the country to be free and independent. This act conformed with President Wilson's doctrine of the right of self-determination. There seemed to be every prospect for its continued success and prosperity when the Kaiser's Empire collapsed, and when the Russian revolutionary government proclaimed that the age of 'imperialistic ravishers' was over. In the peace treaty with Lithuania the Soviets 'voluntarily and for all time abandoned all the sovereign rights of Russia over the Lithuanian people and their territories.'

"The independence of Lithuania is still recognized by the United States and most other countries, and Lithuanian diplomatic missions still function abroad. But Russia, reverting to the policies of the 'imperialistic ravishers,' has renounced all her pledges and treaty obligations and has again annexed Lithuania, like the two other Baltic Republics, by her own unilateral action. Moreover, she is subjecting their people not only to the oppression and terrorism that is the lot of everybody under Moscow's rule, but is deliberately pursuing a policy of extermination and deportation in the effort to replace the 'unfriendly' native populations with reliable Russian Communists.

"But the Lithuanian people continue to fight for independence. They are fighting as partisans in the forests. They are fighting, insofar as that is possible, at the ballot boxes. Even the Russians had to admit that in recent local elections the Communists polled only 11.6 percent of the vote, the rest going to 'nonparty' candidates. Above all, they are fighting to arouse the conscience of the world, in particular that of the United Nations, to which they have submitted a plea for action against the genocide being practiced in their land. Sooner or later the world will have to take note of their struggle and give it the support it deserves." (New York Times, Feb. 16, 1948.)

These signs of hope for the liberation of Lithuania, and the words of sympathy and encouragement which I have quoted, are but a few of many factors which give moral support to Lithuania and to her people in their struggle for the restoration of a free, independent, and democratic homeland.

To this generation of Lithuanians falls the responsibility of a glorious task—the liberation of enslaved Lithuania. A part of the Lithuanian people has made the supreme sacrifice. Other Lithuanians are redeeming Lithuania's independence by suffering imprisonment and exile, by their tears, by their grief, by their willingness to make sacrifices and to endure the hardships of ill health, starvation, shortages of the most elementary necessities. Let us, too, add our bit: by our prayers, by our deeds, by our pennies, let us with warm hearts and with good words support this just and rightful cause, and advance the liberation of Lithuania. Let us remember that whatever we may do will be but a fraction of what has already been done or is now being done by those who have given their all for their beloved Lithuania. In the past, Lithuanian Americans assisted in the restoration of Lithuania's freedom. Let us hope that, within the limits of existing possibilities, they will do so again.

In closing, let me quote the words of an American war veteran, Alvin C. York, who said at the Unknown Soldier's Tomb in Arlington on May 30, 1941:

"Liberty and freedom and democracy are so very precious that you do not fight to win them once—and then stop. Liberty and freedom and democracy are prizes awarded only to those people who fight to win and then keep fighting eternally to hold them."

We, citizens of Baltimore, State of Maryland, gathered under the sponsorship of the Council of Lithuanian Societies of Baltimore City, in commemoration of the thirtieth anniversary of the Declaration of Independence by the people of Lithuania, held on the 16th day of February 1948, at Lithuanian Hall, after due deliberations regarding the international situation prevailing in Europe, take note of the following:

Nearly 3 years have elapsed since the Allied Powers gained a military victory in Europe and yet the numerous promises of freedom, happiness, and justice to the people of Nazi-enslaved Europe remain unfulfilled. In fact, the peoples of Lithuania, Latvia, and Estonia are now subjected to an enslavement which is even more oppressive than their former enslavement by Nazi Germany.

The Baltic States are occupied by the armed forces of the Soviet Union. They have had no opportunity to hold free and unfettered elections in order to honestly elect their representatives to form a government of their own choice. They have no authorized delegates to represent them in the United Nations.

Masses of political refugees from the Baltic States in the occupied zones are suffering from moral and physical oppression, with no hope in sight of ever returning to their native countries.

Wherefore, in the name of the millions who spilled their life's blood on hundreds of battlefields so as to make this world a better place in which to live and for the sake of justice and a permanent peace, we respectfully urge the President of the United States and the Secretary of State to lead the nations of the world in adopting appropriate measures to accomplish the following:

The removal from the territory of all Baltic nations all foreign armies and agencies, so that the refugees from these countries may be enabled to return to their native lands from all displaced-person camps, prison camps of Soviet Russia, and other parts of the world to free, independent, and sovereign countries.

That after their governments have been reestablished they should be invited to join the United Nations and be given a full status.

COUNCIL OF LITHUANIAN SOCIETIES,
ANTHONY J. MICEIKA,
President.
KONSTANT MATULIAUSKAS,
Secretary.

Taxes and Federal Expenditures

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 25, 1948

Mr. VURSELL. Mr. Speaker, with leave to extend my remarks in the RECORD, I want to include a copy of a letter from Arthur H. Booth, president, United Farmers of America, Inc., to the CIO Packing House Workers' Union, Chicago, Ill., who are threatening to strike for a raise in wages.

His letter points out facts with reference to the effect of high taxes on the cost of living which is worthy of careful consideration.

To the Members of Organized Labor, Greeting:

The writer is national president of the United Farmers of America, Inc., and has operated a retail business and was formerly a member of the United Brotherhood of Electrical Workers.

The United Farmers are trying to get a floor under farm prices at not less than our average cost of production, as we cannot operate on less than our cost any more than can big or little businessmen.

We know that the city workers are our best customers for farm products and we are theirs, as we buy 40 percent of all the products of industry. We have 10 times more money invested and employ 10 times more labor than does both the auto and steel industries combined, hence the records over the past 28 years prove, that for every dollar of farm income, the city worker gets a like number of dollars, no more nor no less, so your and our welfare are closely knitted.

Wheat recently was $3.50 a bushel and bread was 15 cents a loaf. Wheat went down a dollar a bushel and bread declined 1 cent a loaf. Question: What would you have to pay for bread if we gave the bakers our wheat?

I recently assisted a farmer in compiling his income-tax report. He was one of these landlords, and after deducting actual expenses, which does not include his labor value, his net income of 80 acres, worth $8,000, was less than $75 or less than three-fourths of 1 percent interest on his investment. This is not an isolated case, as many farmers even with the recent high farm prices received nothing for their labor.

The writer having earned his bread at public labor for a wage, having been an officer of a labor organization, I understand the problems that are confronting you.

Fifty-seven cents out of each dollar you spend for food, clothing, or what not, is taxes concealed in everything you buy. If labor and agriculture had the intelligence that God gave a goose, we would unite and eliminate all the unnecessary expenses of our Government.

If we could lower the Government budget by $6,000,000,000, and it is asking for $40,000,000,000 for the coming year, and pass this reduction back to the taxpayers, both city and rural, it would lower your living costs exactly the same amount as if farm income declined 30 percent without lowering your wage or the farmer's prices.

But the Administration, according to a report of February 17, is shipping out fuel oil to the Fiji Islands, that we are in short supply, and exchanging it for coconut oil, that we can produce an abundance of, here on our own farms in soy bean oil and cottonseed oil.

The result will be that this coconut oil produced by labor who are receiving in some cases 10 cents a month, and the profits go to the absentee landlords, of Washington, New York, London, and Amsterdam, who now have more income than they can consume. This will cause a further decline in farm prices, with the resultant decline in the factory pay roll, dollar per dollar, which will mean either a cut in your wages or a lay-off for your job.

We are asked to send twenty million to feed the hungry in Europe and this is a partial list of the food that we propose to send them: Coal, mine machinery, timber, electrical equipment, trucks, freight cars, etc., which you and I will have to pay for with higher taxes and hence a lower living standard.

We must also buy 70 percent of our sugar consumed from overseas, although two States can supply our domestic needs, hence when the farmer is not permitted to grow the sugar you want, he quits farming and goes to the city looking for your job.

Sincerely yours,

ARTHUR H. BOOTH.

South Dakota's Governor Mickelson Urges Justice for Indians

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 26, 1948

Mr. MUNDT. Mr. Speaker, under leave granted me by the House, I desire to call attention to the following statement made by Gov. George T. Mickelson, of South Dakota. It deals with an urgent situation now confronting the Indians of our area and provides additional evidence that Congress and the country owe to America's first citizens better and more adequate consideration than they have been receiving.

I hope, sir, that when the next appropriations bill comes before us to provide funds for the education, the health, and the economic opportunity of our American Indians that Members will unite in dealing with these requests both justly and generously.

PIERRE, S. DAK., February 18, 1948.—Gov. George T. Mickelson stated today that he was convinced the various Indian agencies in South Dakota were in real need of the additional Federal funds which they have recently requested to supplement their regular welfare allotments. The need for these funds for relief to Indians will grow more pressing as the end of the fiscal year in June approaches. The present plight of the Indian appears to be but a repetition of previous winters. One may well ask whether such conditions must continue year after year. It seems to call for study and consideration of a sound, longer range plan of rehabilitation that will enable the American Indian to become a self-sustaining, happy member of our society.

The Governor revealed that more than 4 weeks ago he had requested the social security department to secure information from all the reservations in South Dakota regarding the welfare of the Indians. Although the Indian is recognized as a responsibility of the Federal Government, the State of South Dakota with matched Federal funds assists many Indians through the old-age-assistance, aid-to-dependent-children, and aid-to-the-blind programs of the State social security department.

As a result of contacts with agency superintendents and reservation social workers, with county social-security directors, with Indians themselves, and other interested citizens, Jay Roney, Director of the Department of Social Security, has given the governor information, some previously published, concerning the welfare of the Indian which has kept him currently informed. There has been no actual starvation but there has been hunger and malnutrition and there will be more if adequate supplementary Federal funds are not provided. High living costs, a hard winter, lack of employment on the reservation and lack of housing off the reservation has made this season especially difficult.

In February, 843 Indians were receiving old-age assistance, the average grant being about $25 per person. This is slightly lower than the State average of about $31 primarily because the Indian often has no rent or fuel to pay and consequently not included in his budget. All grants for assistance are determined in the same manner. Resources available are deducted as in all other cases. Four hundred and twenty-five families with 927 children received aid to dependent children and 96 Indians received blind aid. The total assistance given in February was $40,640. The total assistance to the Indian by the State with Federal matching funds approximates $487,640.

The Indian Bureau provides assistance to those who do not qualify for the State social security program. The reservations in South Dakota have been allocated about $89,000 in Federal funds for welfare purposes for the fiscal year ending June 1948. An additional $16,500 in tribal money is being used on the Cheyenne Reservation. Payments to Indians in need from these funds have averaged about $12 per person per month. To maintain even this low rate, additional funds are needed and thus the superintendents of the South Dakota Indian agencies have requested an additional $55,000 in supplementary Federal welfare funds. This, Mickelson said, appears to be a conservative, modest request, and whereas Indians receiving State social security aid were feeling the pressure of rising costs those receiving Federal agency assistance of about one-half the rate were in a serious plight.

Lincoln Day Address of Hon. Joseph P. O'Hara, of Minnesota

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Hon. JOSEPH P. O'HARA, Member of Congress from Minnesota, at the Lincoln Day dinner of the Bridgeport Lincoln Day Committee, Bridgeport, Conn., Thursday, February 12, 1948:

It is altogether fitting and proper that Republicans everywhere revere the memory of Abraham Lincoln. Indeed, there has been no time since his tragic death when it was more appropriate to do so, no time when it was more profitable to gather strength and comfort from his life and wisdom.

We have come to the fullness of a crucial period in our history. The maladjustments of the costliest and most destructive war the world has known are great and many They demand wise counsel and sound resolution, else our American form of government will be in great jeopardy. It may be difficult to preserve it, for the American system—call it what you will: the capitalist system, the profits system, or the free-enterprise system—has been under attack for 15 years, an attack which has twisted it into something the founding fathers never intended, subjecting it to the whims of the overlords of our bureaucracy who long have fed upon it. A system so weakened needs careful nourishing.

That is why it benefits us to turn to Lincoln for wisdom, to learn and profit from his profoundly wise words and principles, so many of them as cogent and pointed today as they were in the tragic era which was their source.

We pay tribute to Lincoln, not alone because he was the first President of the Republican Party, one of the noble men who brought it into being and made it great. Lincoln was a great party leader, but he long since ceased to be merely that. Long before we faced today's crisis, he had become an American institution, far removed from political divisions. He had become the epitome of all that is truly American. He remains epitome, forever enshrined in the hearts of American everywhere, and we can return to him today for counsel and wisdom, with great profit to ourselves and our Nation.

Yes, Lincoln belongs to the ages, to all Americans, to all people—but let us not forget, in all pride, that he belongs uniquely and particularly to the Republican Party. In principle and tradition we belong to him. He shaped us in our formative years. He believed in the party, as the instrument of the public welfare, and it believed in him. He brought to it his lifelong principles, and those principles have been our beacon ever since.

Stupendous problems confront us, and upon their solution rests our future. We have no problem of preserving the Union, as we had in Lincoln's age, but real unity of purpose and action still remains a major factor in all we do to resolve these problems, in peace and security, for the welfare of all.

And, as in Lincoln's day, we must be clear in our minds about one thing, as clear and forceful and far-seeing as he was. That one thing is this: Whatever foundation we build for the future must be erected upon our historic traditions, our great American institutions. They must remain effective if future generations are going to know the peace and security and happiness, the opportunity and prosperity that should be their inheritance from those of us who must meet these problems.

Those historic traditions and institutions were in Lincoln's blood, his inheritance, as they are yours, from our forefathers, and he could not see them destroyed, however great and terrible the issue, however mighty and costly the sacrifices. He saved them, he preserved the Union, and in doing so, he greatly enlarged the ambition of human liberty.

This point is well taken. The argument is made advisedly. For our historic traditions, our American institutions, our representative form of government, our free-enterprise system are a major stake today. For 15 years the American people have lived under crisis and emergency government, moving from one crisis to another, each succeeding one the product of its predecessor, some created by the men in power to enlarge their powers over American citizens and American industry. It has been a long period of license and abuse. A period when sectional jealousies, class prejudices and suspicions and strife were encouraged; a period of experimentation and improvisation in government; so much of it dangerous to the American system of represenative government; a period in which the Nation abandoned for a time a fundamental principle laid down by the men who founded our Republic—the principle that this should be a government of laws and not a government by men—and made the mistake of nurturing a too elaborate, entrenched, and far-flung bureaucracy; a period of government encroachment upon business and industry; a period of immunities and privileges granted one class, for the sake of political power, and denied to all others; a period in which new instruments of public power were created which, in the words of their author, could and might provide shackles for the liberties of the people; a period of prodigious spending, with votes the major aim; a long, long period of reckless and wasteful deficit financing on an unprecedented scale, and the accumulation of an enormous public debt which is the source of the costly inflation now bedeviling the American people; an inflation that endangers American economy; a period of many attacks upon constitutional government and its institutions—some by men in power, some by advocates and preachers of foreign ideologies who would substitute some form of the corporate state for our republican form of representative government.

Today we are confronted again with crisis government, and the administration shows every sign of using it for political purposes. Inflation is a costly and troublesome thing. The source of ours is well known to the administration, which does nothing to attack the evil at its base—it advocates only plans to treat the symptoms; proposes new control powers which, under the circumstances, could fasten the police state upon the American people.

The long period of license and abuse is drawing to a close. The beginning of the end came in 1946, when the voters, rising in revolt against the very thing the administration again proposes, elected a Republican Congress. That Congress already has done much to mend the evils which confront us. This year, the people will complete the job. The party of Lincoln is still the party of America, its faith in American traditions and institutions as great as ever. It will preserve those traditions and institutions.

In America, in the future as in the past, progress will be found in encouragement of free enterprise; in full production, full employment, lower prices, better quality, lower taxes, more home rule and less Washington rule, more individual opportunity and initiative and less bureaucratic dictation and regimentation.

Lincoln faced a nation half slave, half free, and he said it could not permanently endure so long as that situation obtained. We face a nation in which the Government has placed a crippling hand upon American economy; a nation in which the Government is operating an enormous part of the country's business in competition with the rest of it; a nation in which the Government enters the commodity markets as a competitor in bidding for scarce goods, and thereby accelerates the inflation. We have seen the Government's powers over business and industry enlarged so prodigiously that there is scarcely a business in the country today that is not subjected to the restricting control and regulations which the Government now exercises and administers. We have known strict regimentation in very realistic and costly forms, and the administration would return to it. We have seen whole industries paralyzed by strikes by labor monopolies, which the administration created out of the immunities and privileges granted by discriminatory legislation. We have seen America's productive capacity, the greatest in the world, reduced almost to the vanishing point by these strikes, all of them forced upon the Nation in the pursuit of more powers and more benefits, without any thought of assuming responsibilities.

None of this was done by the party of Lincoln, but the party of Lincoln must redress it; has already done much to redress it.

The Republican Congress has passed the Taft-Hartley Act, which has done no more than balance the scales as between labor and industry. You have heard it called a slave-labor act. That is transparent nonsense. It is the very antithesis of slave labor law. Under it, the laboring man has not lost a single right or privilege or liberty guaranteed him by the Wagner Labor Relations Act. Indeed, the benefits conferred upon him by that law are retained in the new act, written into it in the same precise language contained in the Wagner law.

The difference between the number of strikes which were existing before the passage of the Taft-Hartley Act and the condition of the country now as to number of strikes leads to the conclusion that there was something wrong before or that the Taft-Hartley law is a better law than some of the agitators are trying to make out.

And bear this in mind: The Taft-Hartley Act not only does not take from the laboring man a single right and privilege granted by the Wagner law, but it also broadens the scope of his individual rights and liberties by guaranteeing him new ones which his unions had denied him. In every respect, the Taft-Hartley law benefits the individual worker, protects his job, guards him from the abuses of unscrupulous and power-seeking union leaders. The Wagner Act was a union leaders' act in every respect, and it was used by many leaders to perpetuate themselves in power. It did nothing for the individual as an individual. Not so the Taft-Hartley Act. It deprives the leaders of some of the powers they had, and that is why they do not like it. That is why they call it a slave-labor act; why they collect huge campaign funds to defeat the Congressmen who voted for it, and to fight for its repeal.

The Republican Party has adopted as its program the reduction of taxes, along with the reduction of expenses of Government;

and the encouragement of both labor and management to new ventures.

There is no hope to the wasteful program of an administration which insists on taxing and spending, and spending and taxing.

Lincoln knew what the American way of life was when he said:

"The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot do so well, for themselves, in their separate and individual capacities. In all that the people can individually do as well for themselves, government ought not to interfere."

He knew the American system, too, when he said at New Haven, Connecticut, in 1860:

"I take it that it is best for all to leave each man free to acquire property as he can. Some will get wealthy. I don't believe in law to prevent a man from getting rich. It would do more harm than good. So while we do not propose any war on capital, we do wish to allow the humblest man an equal chance to get rich with everybody else."

That doctrine means, too, the right of every individual to go about his business unmolested, unregulated, unregimented by his government, so long as he does not interfere with the rights of his fellow citizens.

"I believe each individual," Lincoln said, "is naturally entitled to do as he pleases with himself and the fruit of his labor, so far as it in no wise interferes with any other man's rights."

He also made the observation, at Columbus, Ohio, in 1858, that:

"We shall sooner have the fowl by hatching the egg than by smashing it."

Regarding the right and freedom of man to progress through the medium of his own industry and resourcefulness, he said in 1859 at Cincinnati:

"The prudent penniless beginner in the world labors for wages a while, saves his surplus with which to buy tools or land for himself, then labors on his own account for another while, and at length hires another to help him. This is the just and generous and prosperous system which opens the way to all, gives hope to all, and consequently an improvement of condition to all."

In the same year at Milwaukee, Wis., Lincoln said:

"Property is the fruit of labor. * * * Property is desirable as a positive good in the world. * * * That some should be rich shows that others may become rich and hence is just encouragement to industry and interprise."

That is the doctrine which has made America great; the doctrine which brought us to our great position of the most productive, the most prosperous, the most enlightened, the most powerful nation in the world, with the highest standard of living found anywhere on earth. It is a doctrine that stems from our constitutional form of government. It is inherent in American traditions and institutions, which are the basis of our way of life, our representative form of government, our free-enterprise system. It is that doctrine which will enable this Nation to endure for all time, its historic traditions and institutions honored and secure, and fulfill its mighty destiny in the atomic age of man. We must be faithful to that doctrine if we are to give a heritage of freedom, security, peace, prosperity, and happiness to the coming generations. Faithful to that doctrine, we will never falter in our allegiance to the Constitution and to the Bill of Rights, or to our representative Republic. Faithful to it, Republicans will restore American institutions to their historic greatness and effectiveness.

The advice which Lincoln gave his fellow men in his second inaugural address on March 4, 1865, is as appropriate today.

"With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in, to bind up the Nation's wounds, to care for him who shall have borne the battle and for his widow and orphan, and do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

In honoring the memory of our first Republican President of the United States, I can conclude in no better way than to paraphrase Lincoln's own tribute to George Washington:

"To add brightness to the sun or glory to the name of Abraham Lincoln is alike impossible. Let none attempt it. In solemn awe we pronounce the name, and in its naked deathless splendor, leave it shining on."

Protect the Employment of Glassworkers

EXTENSION OF REMARKS
OF
HON. T. MILLET HAND
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. HAND. Mr. Speaker, I continue to be disturbed by the effects of international trade agreements on the great glass industry in my district. This industry has a substantial amount of capital invested in a number of fine modern plants and employs upwards of 9,000 of our citizens. They are threatened now with pending trade agreements in Mexico. They suffered as a result of the Geneva Conference, as I knew they would when we delegated all of our tariff authority to the Executive in 1945. I warned of this situation then in a speech in the House. I repeated my warning on April 29, 1947, in another speech in the House, which I am incorporating herewith.

Mr. Speaker, I shall continue my efforts to protect these workers and this industry from unfair foreign competition. My fears are shared by Mr. Harry H. Cook, the president of the American Flint Glass Workers' Union of North America, who on December 20, 1947, said to me:

We are fearful that our American industry and the American glass workers will become the victims of importation as a result of the present tariff legislation.

I see no reason to change the position I took in my speech of April 29, 1947, which follows:

RECIPROCAL TRADE ACT

Mr. HAND. Mr. Speaker, I have long been troubled with the ultimate effect that the Reciprocal Trade Act will have on the industry of America and its labor force. When Congress extended this act in 1945 for an additional 3 years, and provided that tariffs might be lowered by another 50 percent, we abdicated our control over tariffs and delegated all our responsibility to the executive department. It was for this reason that I then spoke against the passage of the bill and voted against it, and in the 2 years that have passed since then, during which I have given continuous study to the question, I have not changed my mind.

I represent the Second Congressional District of New Jersey, which comprises Atlantic, Cumberland, and Cape May Counties. This is the home of many substantial industries. Food processing and the manufacture of clothing is carried on extensively. Commercial fishing is of great importance; and primarily, so far as tariff questions are concerned, the district, particularly Cumberland County, is one of the most important producers of glassware in the United States.

There are today between 9,000 and 10,000 workers occupied in the production of glass products in this district. The glassware manufactured here varies from ordinary containers to intricate apparatus for laboratory use, and represents a sales volume between $30,000,000 and $35,000,000 per annum.

The actual labor involved represents from 25 percent of the cost of fully automatic machine-made containers to 89 percent in the production of glass apparatus for laboratory or industrial use.

The average hourly wages, on a basis of a 40-hour workweek, range from $0.985 to $1.644.

During the past 10 years, wage rates have increased 107 percent for male workers and 135 percent for female help. The plant and equipment investment per worker averages about $4,000.

I would like to say in passing that the labor relations in this industry in my district have been for the most part exceptionally good, and the combination of excellent management and high-grade workers made an important contribution of vital materials to the United States during the war.

This essential industry and other important businesses in my area are threatened by the power of the Executive Department to manipulate and decrease tariffs. The International Conference at Geneva, which began April 8, can spell the difference between the continuance and discontinuance of this and many American enterprises.

Mr. Speaker, I do not believe in the exclusion of foreign products, and I recognize the necessity of cultivating foreign trade, but there are some specified industries which by their very nature require reasonable and adequate protection; and require, in my judgment, that that protection be guarded and provided by the elected representatives of the people in Congress, and not by the State Department, which, in its zeal to cultivate our foreign relations, often neglects our domestic welfare.

It is for this reason that I have introduced a bill to restore to Congress at least the right of veto of tariff treaties which are harmful. I think the bill is necessary, and I hope it will have the prompt attention of the Ways and Means Committee and of the House. It does not interfere with the international conference about to proceed, and it does not retard foreign trade. It merely restores to the Congress, where it rightfully belongs, ultimate authority over tariff questions, the protection of the American worker, and American industry. This bill is brief and reads as follows:

"A bill to require approval by Congress of executive agreements with respect to the reduction of tariff rates before the same become effective

"*Be it enacted, etc.*, That on and after the effective date of this act no Executive agreement which contains any provision for reduction of tariff rates shall become effective until such agreement shall have been filed for a period of 90 days with the Clerk of the House of Representatives and with the Secretary of the Senate. If during such period of 90 days the Congress shall, by joint resolution, disapprove the agreement, it shall not thereafter be executed and shall for all purposes be void."

Mr. Speaker, the Constitution gives the Congress jurisdiction over the regulation of foreign trade, custom duties, and tariffs. When Congress passed the original Reciprocal Trade Act in 1934, as well as the exten-

sions of that act, it abdicated its responsibility under the Constitution, and departed from a program which had been in effect in this country for many years.

It is my feeling that Congress should take action to restrain or delay the negotiating of reciprocal treaties which are about to be undertaken. If agreements are made now, they should be very flexible. World conditions are changing rapidly, and trade agreements must reflect such changes.

If the United States is to help in mending a torn world, we must maintain a sound productive economy within our own borders. Domestic producers and manufacturers must be in a position to compete in the domestic market on an equitable basis with foreign products of similar character. An equitable tariff cannot be considered a barrier to trade; it has the opposite effect. Fair competition is stimulating to business. At this time nearly all of the other countries of the world with whom the treaties are to be negotiated have nationalized industry, and for us to believe that the free enterprise of this country can compete with nationalized industry in other countries is fantastic, unless adequate safeguards are provided. Before negotiating treaties we should have definite assurances as to wage scales that are going to be maintained abroad, agreements that governments will not use their nationalized industries to pour foreign products into our country to the great detriment of our own labor and industries.

Another matter of great concern is the question of protecting certain key industries in the United States which have made it possible for this country to wage two successful wars. Tariffs should not be lowered on the products of these key industries, as they are indispensable to our national existence and our very life. Most of these industries are highly specialized and require the highest type of both skilled and unskilled workers. Labor costs are one of the most important factors, and we must not subject these industries to foreign competition that would render them impotent. While at the present time labor and industry seem to be far apart on many of their problems, their interests dovetail on tariffs, and many labor unions throughout the United States have joined in the protest against the lowering of tariff rates and have filed briefs with the Reciprocity Information Committee. One prominent union, representing thousands of workers, stated in its protest:

"We are not opposed to imports even though those which are competitive with the products of our own American workers We are opposed to the entry into America's market of competitive articles, delivered at total wholesale costs, duties paid, which are less than our costs of production.

"We do not seek any monopoly. However, we will not knowingly or willingly permit any Government officials to deprive us of our work opportunities, and make us dependent on either the charity of the Government, our relatives, or our friends in order to satisfy the theories of some or to add to the riches of others.

"We contend that with the changed conditions which now exist in Germany, Japan, Czechoslovakia, and other foreign countries, which in former years were the major source of supplies for American distributors of foreign hand-made glassware articles, there is no definite way at this time of knowing what the production costs of competitive hand-made glassware articles are or will be in the immediate future in those countries.

"In addition, it is of interest to have in mind that millions of dollars worth of the latest American automatic machinery has been installed in these foreign countries, at little or no cost to the operators of such machinery and that their future cost of production will soon be much lower than it has been in former years.

"One does not have to be equipped with a college training or recognition as an economist to realize that tariff rates which permit of competitive foreign-made products being delivered into America's market at less than American costs of production would soon result in the closing down of America's factories and unemployment for those American workers dependent upon such factories and workshops for their livelihood."

On the other hand, the American Tariff League which represents several hundred industries was very fair in its brief filed with the committee which stated:

"Currently the world's economy is chaotic. The United States is at present engaged, as are other countries, in endeavoring to catch up with a demand for goods created by wartime shortages. We do not have any general surplus for export and it will take considerable time to reconstruct and improve our domestic facilities to meet domestic needs and create an exportable surplus. During this chaotic period, we respectfully submit, it is unwise to complicate the situation still further by a mass revision of our tariff.

"Indeed the league believes it is unfair at this particular time to expect domestic producers to furnish to the committee for reciprocity information the kind of statistical and informational material which the committee ought to have in its work of correlating information about domestic production, imports, foreign costs, etc."

It is quite apparent that Congress should adopt a definite policy in connection with reciprocal trade agreements. It should:

First. Pass a resolution calling for a delay of at least 6 months before any new treaties are entered into, during which time a further study of world conditions could be made.

Second. Pass suitable legislation protecting the key industries of the United States which have helped win two wars.

Third. Provide that treaties would not be extended under the favored-nation clause unless all of the nations that would benefit from such an extension would agree to increase wage rates so that the commodities produced in the foreign countries would be on an equal basis with the commodities produced in this country. A study should be made to determine how far the foreign countries with whom we are to negotiate treaties are going in the nationalization of industries and ascertain the effect that such nationalization will have on the treaties to be executed.

I am including a memorandum entitled "History of Scientific Glassware in America" which, I think, is pertinent to this subject:

"HISTORY OF SCIENTIFIC GLASSWARE IN AMERICA

"At the time of the Allied embargo in 1914, the manufacturing of scientific glassware in this country was negligible, being limited to small shops working largely on repairs or filling shortages of import orders. Along with certain chemicals, drugs, dyes, and optical glassware, laboratory glassware had, up to this time, been a complete German monopoly.

"Unlike the other industries mentioned, for some reason the German firms did not see fit to even establish an American subsidiary for making scientific apparatus. As a result, when the blockade became effective and imports were shut off, there was, in England and America, a real crisis.

"England immediately called together her glass manufacturers and scientists and, in addition to establishing and subsidizing a school of glass technology, she placed all scientific glassware under the safeguarding of Key Industries Act.

"Late in the spring of 1917 the Council of National Defense called together in Washington a group of American glass manufacturers, and from that meeting a new American industry was born.

"No promises were extracted, but each plant took upon itself the development of suitable glasses, the training of men, and the necessary capital that was required to meet what would otherwise have been a serious situation, not only to our War Department, but to every major supporting industry requiring the smallest degree of scientific research or control.

"At the signing of the armistice there were at least 15 factories producing blown chemical ware and double that number fabricating and graduating laboratory apparatus.

"Early in 1919, before central Europe was in a position to enter the American market, there was a flood of Japanese glassware, which demoralized the entire market. This was so serious that in June 1919 this industry, the importance of which was still fresh in the minds of both our Government officials and scientists, was picked out as one of the few industries that should come under the administration's emergency tariff consideration.

"In spite of the Tariff Acts of 1922 and 1930, the industry was carried on by a decreasing number of plants, who practically subsidized these departments. Under June of 1933, previous to the devaluation of the dollar, imports from Germany, Czechos'ovakia, Italy, and Japan were seriously curtailing the American production of this small but important industry.

"This industry is highly specialized and requires the highest type of both skilled and unskilled workers and this branch of the glass industry is still considered by the War Department and Public Health Service as one of the critical industries, the supply of which must be assured.

"Because it is an industry whose labor cost is the important factor, the controlling element of foreign competition is, therefore, the standard of wages paid in these countries, further amplified by the unstable currency condition in both Europe and the Orient.

"At the outbreak of World War II, this industry was in a position to rapidly expand and furnish the Army and Navy medical services, as well as the Public Health Service, with enormous quantities of items that were required in the war effort. Such production would have been impossible if the industry had not been continued after the First World War, as modern science and medicine are entirely dependent upon scientific apparatus."

Mr. Speaker, I close by repeating that whatever ultimate changes it would seem wise to make in our tariff laws, it is, at the very least, necessary to immediately restore to Congress the veto right over agreements negotiated by the executive department, which may be regarded by the Congress as improvident. Congress has no right, in my judgment, to shirk its responsibility in this regard. My bill will again clothe Congress with the power and responsibility which belongs to it.

Mr. BATES of Massuchetts. Mr. Speaker, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. I think the gentleman ought to be complimented for the very splendid statement he is making this afternoon in calling to the attention of the House and the American people the real danger that lies before us insofar as foreign trade is concerned. While we all agree that we ought to do what we can to rehabilitate Europe, we must defend our own industries from this type of foreign competition, particularly from those totalitarian governments that are being established on the Continent of Europe and elsewhere, and who are taking over the industries completely and subsidizing them and then later on, through reciprocal arrangements, are hoping to deluge this country with the cheap products of those countries in competition with our own labor.

Mr. HAND. I am in complete accord with what the gentleman has said, Mr. Speaker, and I know he has in mind, among other things, the every disastrous effects that unwise agreements would have on the great fishing industry which he represents and which to a certain extent I represent, together with shoes and textiles.

I am particularly interested in glass, which is particularly vulnerable in the present state of the law. I think if we restore the situation so that Congress can have the final say, the ultimate veto power, so to speak, on these unwise agreements that may be negotiated, that that will go a long way to solve the problem.

Mr. BATES of Massachusetts. The Committee on Ways and Means has given serious thought to many of those problems in the continuous hearings they have been holding over a period of days and weeks and will continue for some time to come, and I hope from that there will come some solution along the lines suggested, that others will have something to say other than the executive department of the Government.

Mr. HAND. I thank the gentleman. Both the gentleman and I have testified before the Committee on Ways and Means.

Betrayal

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. KLEIN. Mr. Speaker, under leave, I am inserting in the RECORD an editorial from the New York Post of February 25, written by my friend, Ted Thackrey, co-publisher of the Post, who has headed the editorial very simply, "Betrayal."

In a few sharp words Mr. Thackrey has summed up the reaction of millions of American citizens to the statement presented for the United States to the United Nations Tuesday.

The text of the editorial follows:

BETRAYAL

(By T. O. Thackrey)

Stripped of platitudes, the statement of the United States before the United Nations Security Council yesterday canceled out the plan for the partition of Palestine the United States fought to secure last November 29.

This is betrayal, though quick study of the statement does not disclose it—as it was intended not to disclose it.

The statement is intended to make us believe the United States is merely seeking a method of carrying out the partition decision.

The United States asks the Council to determine whether there is a threat to peace; it offers to consult with the other great powers on the formation of an international army to enforce the peace, if it is found to be threatened; it pledges to support whatever action the Council takes.

This has the sound of a constructive policy, particularly when coupled with intimations that, if the Council decides an armed militia is required to enforce the peace, a way would be found to supply arms.

It was intended to sound constructive.

But it was betrayal.

The first of the significant statements—an outrageous statement containing the very essence of betrayal—was this from the United States:

"The Council's action * * * is directed to keeping the peace and not to enforcing partition."

But if enforcement of the partition decision is not the business of the Council, the only United Nations organ empowered to use force, then it is the business of nobody and is meaningless.

The United States statement is not content with nullifying the partition decision by conspiring to negate any possibility of its enforcement, however; it goes further.

"The Charter does not empower the Security Council to enforce a political settlement whether it is pursuant to a recommendation of the General Assembly or of the Council itself" is what the United States delegate said.

This statement terms the action of the General Assembly a recommendation, which it is not, rather than a decision, which it was.

It also embarks on the most dangerous of all concepts—that whether the General Assembly, or the Security Council, or both, reach political decisions, the United Nations under no circumstances is empowered to enforce them.

Since every question involving a threat to peace is a political question, what the United States has actually said in its anxiety to avoid enforcement of the partition decision is that no decisions can be enforced.

This is another way of stating that the way to nullify any decision is for the opposed group or groups to attack, threaten the peace, and then have the Security Council maintain peace by nullifying the decision that caused the attack.

The United States also proposes a five-power Security Council Commission to study the Palestine problem.

This commission supersedes, of course, the Palestine Commission empowered by the General Assembly to implement a decision which we now deny was a decision.

What really was done at Lake Success yesterday by the United States was to do these things:

1. Kill the partition decision reached by the General Assembly.

2. Take the whole Palestine problem away from the Assembly and place it effectively in British and Arabian hands for "settlement."

Next, we shall, no doubt, see the spectacle of the United States urging that Great Britain be begged to remain in Palestine "to keep the peace."

It would have been more honest to state flatly that we have placed our foreign policy in the tender hands of the British Foreign and Colonial Offices, and have empowered the Nazi-Arab war criminal, the ex-Grand Mufti of Jerusalem, our new secretary of state for Palestine.

If no other course can restore us to honor, perhaps it is not too soon to raise the question of impeachment.

Address of Hon. Mary T. Norton, of New Jersey

EXTENSION OF REMARKS
OF
HON. EDWARD J. HART
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. HART. Mr. Speaker, at the Jefferson-Jackson Day dinner held in the city of Washington on February 19, 1948, among the distinguished speakers, headed by the President of the United States, was our able colleague the gentlewoman from New Jersey, Hon. MARY T. NORTON, who is also the Democratic national committeewoman for the State of New Jersey. Although not present at the Washington dinner, I have heard many compliments uttered by some of those who were there, addressed toward the speech of the gentlewoman from New Jersey, Representative NORTON, which follows herewith:

Tonight, we, and Democrats everywhere, are honoring Thomas Jefferson and Andrew Jackson, one the founder of the Democratic Party, the other the great defender of Democratic ideals. The Democratic Party has come a long way since the days of Jefferson and Jackson and we want to see that party, which combines the ideals of these two great patriots, continued and strengthened throughout the coming years with distinction and honor. Through the years, and particularly the last 16, the Democratic Party has made a great contribution to our country. It is, and always has been, the party of the people, a progressive party that has been responsible for most of the humane laws on our statute books; laws which have as their objective prosperity for the farmer, a living wage for the working men and women of America, security for the aged, and higher standards of living and education for all of our people. These, and many more laws have been enacted under the leadership of a great President, Franklin Delano Roosevelt, and they will be continued and improved under the able leadership of President Truman.

However, all that we have gained in the last 16 years will be lost and the welfare of the common man, who is the bulwark of this Nation, will not be improved if we do not reelect our President and return a Democratic Congress. That, I can promise you, and, if you need proof I can refer you to the record of the Republican Party in the Eightieth Congress and challenge you to point to a single outstanding act of this Congress to benefit the people of America or of the world. The Republicans have had their opportunity in the 14 months that they have controlled Congress and how miserably they have failed. Even the Marshall plan, which should be nonpartisan, and which would do so much to establish a lasting peace, is being jockeyed around and made the same kind of a political football that succeeded in destroying the League of Nations following World War I. Are we to go through that same agony again? I say that we cannot if America and Europe are to survive and, whether we realize it or not, the survival of civilization itself is at stake this time. Make no mistake about that. We are faced with a tremendous responsibility and we must meet it. I know the Democratic women will do their part, particularly those women whose sons have made the supreme sacrifice in the late war. They know the price paid for war in tears, in suffering, and in sacrifice. We know the Democratic Party is responsible for the United Nations and the Marshall plan, which we hope will go far to end wars, and we know that if either or both is to survive, we must reelect President Truman and a Democratic Congress. This, I believe, will be the No. 1 reason why women will support the Democratic Party this year.

Another, and very personal, reason is that the Republicans in Congress voted 9 to 1 to destroy OPA and brought about the highest food prices in our times. This will be remembered on election day—and there are 2,000,000 more women than men eligible to vote this year. Some people claim the women helped to elect the Republicans in 1946. Well, if they did, I know they have bitterly regretted it. It is true that women were tired of restrictions, tired of standing in line to buy food, and they foolishly thought the Republicans could improve conditions. They wanted a change. Well, they got it, and what a change it has been. When we had to stand in line with coupons, we were treated fairly, and, although we fed a great Army and supplied our allies with food, we were still able to get our share of food at

reasonable prices, and feed our families properly because the price of food was controlled through the entire war. We did it through OPA, but the record shows that the Republicans destroyed OPA. If you need proof, I call to your attention a statement made on February 5, 1948, in my own State by Senator WHERRY, acting majority leader of the Senate, before the Middle Atlantic Lumberman's Association, and I quote, "I do not need to remind the membership of this association that it was the Republican leadership in the Senate and House that was responsible for ending OPA." Now that price controls are gone, we can look longingly at the nice cuts of meat and other foods, which only the rich can afford to buy.

Yes; women have had enough and I predict they will come back to the party that gave the workers enough to eat at fair prices, a chance to live, to educate their children, to save for their old age, and to enjoy some of the comforts of life. Mr. President, we women are going to be a great factor in your reelection this year and we shall elect a Democratic Congress to support you in your program. This is a challenge and we shall meet it. And, it would be a good idea and strengthen our organization, if it were suggested to the leaders of our party that women be given a greater share in the policy-making councils of our party, particularly young women.

I want to see more qualified women recognized for what they are worth. Women are willing and anxious to work but we are human and when the election is won, we do not want to be forgotten until the next election. We ask an opportunity to serve with our men. That is all. We need more women in the State legislatures and in Congress. There are all too few. We want to apply our housekeeping talents to serve America and when our sons are called upon to fight, and if need be die for our country, we want to have something to say about the rules. Two million more women than men eligible to vote could, properly organized, do much to make the rules.

And, finally, Mr. Chairman, we want to assist in carrying on the ideals of that great President who gave his life to maintain freedom and justice in a war-torn world and to help his worthy successor, who has carried on a very difficult job with vision, ability, and great integrity. President Truman has presented to Congress a 10-point program which will go far in establishing at home and abroad the ideals for which so many of our young men fought and died and we owe it to him and to them to do everything in our power to bring about the realization of that program so that we can continue our high standard of living with freedom and justice to all.

Mr. Chairman, the Eightieth Congress will go down in history as the Congress that destroyed OPA and brought about the highest prices in generations—the Congress that has placed political expediency above the welfare of America—the Congress that promised much and accomplished nothing. We should not find it too difficult to elect Democrats this year.

National Foundation for Infantile Paralysis

EXTENSION OF REMARKS

OF

HON. ALBEN W. BARKLEY

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Friday, February 27 (legislative day of Monday, February 2), 1948

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement in the nature of a report by the Honorable Basil O'Connor in connection with the work of the National Foundation for Infantile Paralysis.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FOR 10 YEARS THE MARCH OF DIMES HAS MARCHED ON

The National Foundation for Infantile Paralysis, incorporated under the laws of the State of New York, on January 3, 1938, grew to its present size and usefulness during what was probably the most turbulent decade the world ever had known. Scarcely a year after it was formed for the purpose of making the fight against infantile paralysis Nation-wide in character, war broke out in Europe. For almost 4 years of the 10, the United States was fighting in that global war. Yet the National Foundation, created with the dimes and dollars given by millions of Americans, emerged from an ideal set down on paper, took on flesh and blood, strengthened, became an active, potent force in the life and health of the country.

In the 10 years from 1938 to 1948 the national foundation gave financial assistance to an estimated 88,000 polio patients; helped increase the number of hospitals admitting acute polio cases from about 300 in 1938 to 717 in 1948; trained some 1,300 professional workers urgently needed in hospitals and laboratories through scholarships and fellowships; authorized grants for 540 research and education projects in 83 institutions in 29 States.

As a result of the tremendous public interest in the fight against infantile paralysis, the cooperation and advice of medical and public health authorities and the practical, fluid organization of the national foundation's 2,738 local chapters, that enabled them to act swiftly as needs arose in all parts of the country, there is today better care for polio patients, less permanent deformity and crippling and vastly diminished panic in time of epidemic than at any time in the Nation's history

The present structure of the national foundation and many of its current activities were matters of evolution. Policies necessarily were dictated by need and experience. But as each year demonstrated new needs and added to the young organization's experience, additions and changes in the program were possible with minimum delay.

From the first the advice and counsel of medical authorities were provided for. On June 21, 1938, the first board of trustees and medical advisory committee were appointed. Thenceforth all allotments of money for research, education, and medical care programs were made with the advice of committees composed of physicians and scientists who were specialists in the various related fields. In this way the lay organization was kept up to date with medical findings and procedure.

It is estimated that leaders in 24 specialty fields—from chemistry to mechanical engineering, from psychology to internal medicine—play their parts in the quest for knowledge to overcome infantile paralysis today. Few, if any, new projects could be undertaken at present without duplication, if indeed qualified personnel could be found to engage in them. The problem in polio research today is lack of personnel. Properly trained new workers in this field were not produced during the war years.

The national foundation today is conducting the most intensive and comprehensive attack on a single disease ever launched by a private agency anywhere in the world. The number and size of its scientific efforts have multiplied and grown with each year, despite even the difficulties attendant upon war years. For instance, in the first 21 months of the decade there were 45 grants and appropriations amounting to about half a million dollars for research and education. In the last 12-month period ended May 31, 1947, there were 87 grants and appropriations, totaling almost $2,000,000.

Eminent specialists engaged in national foundation research and the institutions with which they are connected offer assurance of the use of the best minds in a wide variety of fields for this particular attack. Furthermore, these men and women, celebrated in the world of science, have chosen their work because of deep personal interest in the problems involved, bring to it a tacit promise of continuation until final victory is achieved.

RESEARCH

Polio research requires the skills, abilities, and experience of a great many diversified scientists, each approaching the problem from a special vantage point to form a circle converging on the ultimate truth. Since no one can tell in advance from which source will come the vital clue, the national foundation deliberately has brought to bear on the problem representatives of many specialties, each engaging in specialized research. This process of far-flung exploration has a bearing on similar quests for knowledge directed at other unsolved diseases. National foundation scientists are undertaking to determine the fundamental nature of living organisms, of which the virus remains the most mysterious. When this fundamental knowledge is gathered, it may well speed the day of control of many diseases, perhaps all disease. Who knows but that the answer to cancer or tuberculosis or the common cold may be found in the course of seeking a solution to infantile paralysis?

Already byproducts of research financed by the national foundation have made most important contributions to the understanding and control of a group of diseases known as the encephalitides. In the course of national foundation work came the application of the oximeter, a clinical device to measure oxygen in the circulating blood, thus allowing with increased safety surgical operations such as that for blue babies, heretofore considered extremely dangerous. And new, improved artificial extremities—soon to be distributed to war veterans—evolved in part from studies supported by national foundation funds.

Many advances have been made since 1938 in the polio field itself, although no human preventive vaccine as yet has been discovered. Treatment of the disease has improved as a result of research, even the treatment of bulbar polio, a serious type of the disease affecting the nerve centers of breathing, swallowing, and circulation, and accounting for most polio deaths.

AN ARMY OF WORKERS

To accomplish all this, an increase in our army of professional workers was an obvious necessity. Through its education program the national foundation financed the training of 893 physical therapists; 106 medical social workers; 87 hospital and public-health orthopedic nursing supervisors, teachers, and head nurses; 58 health educators; 35 sanitary engineers; 30 virologists; 27 orthopedic surgeons; 18 public-health physicians; 22 medical-record librarians; 7 pediatricians. More are being added each year. Many important universities and medical schools have received assistance from the national foundation, making this training available.

The United States Public Health Service alone has received grants totaling $348,400 for fellowships in health education, the specialized training of health officers, and sanitary engineers whose services are employed by Federal, State, and local public-health agencies.

The national foundation's grants for public-health research and training alone, total about $2,400,000.

LOCAL CHAPTERS

In the field of patient care, the 10 years have brought many changes. The first chapter of the national foundation, for example, was recognized on May 12, 1939. Today the 2,738 local chapters, manned largely by volunteers, provide financial assistance for patients unable to meet the full costs of polio care and to assist local treatment centers to obtain professional staff and special equipment needed for the modern care of this disease. The chapters receive half of all net receipts of the annual March of Dimes. At the end of the last fiscal period, May 31, 1947, the chapters had spent about $32,000,000 for service to polio patients in their own areas.

The local chapters have become the liaison group between patients and patients' families and official agencies. In time of epidemic, there are many and diverse services the chapters render. For example, through national headquarters they are able to obtain medical specialists, orthopedic nurses, physical therapists from all parts of the country, to augment local hospital staffs. They can obtain without delay iron lungs, hot-pack machines, and other supplies urgently needed. In many communities, without these supplemental services, patients would not have been as well cared for, since the budgets allowed, many local health authorities are predetermined before the summer polio season, and official funds are not available in an emergency. Chapter funds may be spent for services and equipment dictated by emergencies, without waiting for meetings of legislative bodies.

The services of chapter volunteers in arranging transportation, housing, and other details for visiting professional workers, as well as their unpaid work in hospitals and homes have helped to mitigate the effects of nursing and other hospital personnel shortages. There can be no monetary value placed upon the beneficial influence of enthusiastic, well-informed volunteers.

AID OF THE RED CROSS

From the time of the establishment of the chapters of the national foundation to the present, new services for polio patients have been added each year. In 1940, the American Red Cross for the first time recruited nurses for polio epidemics. This recruitment now is part of the disaster service of the Red Cross. Approximately 4,000 nurses have been recruited, their salaries and transportation costs paid by the national foundation.

In 1943 the first advance of funds from national headquarters to supplement dwindling chapter resources in time of epidemic was made. Chapters whose treasuries are depleted by unusual demands due to outbreaks promptly receive advances to guarantee adequate treatment of all polio patients, regardless of age, race, creed, or color, wherever they are. A total of $10,701,397 had been advanced to chapters by October 1, 1947.

PREPAREDNESS FOR EPIDEMICS

In 1944 the first of a series of preparedness meetings attended by representatives of all State and local agencies, including chapters, was held in Columbus, Ohio. Its purpose was to prepare, in advance, for handling any epidemics the State might experience. These meetings are in keeping with national foundation policy to work with and supplement, where necessary, the activities of official health agencies. A thorough survey and discussion of facilities and personnel available, a plan to be put into operation when and if necessary, and working agreements among all those who have a part to play in handling any emergency are the major steps of such meetings. There are 32 in 21 States up to now.

In 1945 teams of professional experts, experienced in the care of infantile paralysis and ready to make emergency visits to stricken areas on short notice, were set up in four strategic geographical areas: Harvard University, Boston; D. T. Watson School of Physical Therapy, Leetsdale, Pa.; Northwestern University, Chicago; and Stanford University, Palo Alto, Calif. Emergency epidemic aid units, whose expenses are paid by the National Foundation, have gone out 13 times in 3 summers to help local hospitals organize polio care.

Also in 1945, recognizing the critical shortage of qualified physical therapists whose services are so important in the modern treatment of infantile paralysis, the National Foundation launched a $1,267,600 physical therapy training program. Scholarships had been offered through the American Physiotherapy Association since 1942, but the number was tremendously increased in 1945. Almost 1,000 scholarships and fellowships have been awarded in this field, and 684 students had completed their training by October 1, 1947. This represents an increase of about 25 percent in the supply of qualified physical therapists in this country. More than 600 have been recruited by the National Foundation to serve in epidemics since 1943.

THE PEV'S

In May 1945, the Polio Emergency Volunteers were organized. These units consist of women who take brief courses in bedside care of polio to prepare them to assist nurses and physical therapists—without compensation—in hospitals and homes. About 2,000 PEV's were trained in 1945; there are 9,000 now.

On August 6, 1946, an equipment depot was established at Des Moines, Iowa, to assemble iron lungs, hot pack machines, and other equipment urgently needed by epidemic communities in the middle western area that was hard hit that year (1946 saw the largest number of reported polio cases since 1916—more than 25,000 new victims). Today there are five equipment depots located in the transportation centers of Boston, Columbus, Ohio; Atlanta, San Antonio, and Denver, where equipment will be ready to serve all parts of the country during 1948.

Sharing of medical knowledge has become more widespread each year. Last September a clinical conference on polio was held at the Georgia Warm Springs Foundation, to review progress in medical treatment of infantile paralysis since 1927, when Warm Springs came into being. In July 1948, an international conference of physicians will be held in New York City, for the purpose of pooling medical information in both the research and treatment fields. Representatives of 60 nations have been invited by our State Department to attend. The conference theme is: "Polio—World Problem."

The national foundation is concerned with all aspects of the fight against infantile paralysis. In the words of Dr. Thomas Parran, Surgeon General, United States Public Health Service:

"Every year infantile paralysis adds more names to the thousands, mostly defenseless children, who have been crippled by its treacherous attacks. An epidemic disease such as this can be controlled only by a well-organized campaign on a Nation-wide scale. This the national foundation has prosecuted vigorously."

Ten years, in world history, is but a moment. To mothers and fathers it is half their children's lives as children. What has been done in the 10 years just ended gives a picture of progress, though much more remains to be done in the years ahead.

Lincoln Day Address by Hon. Edward J. Thye, of Minnesota

EXTENSION OF REMARKS

OF

HON. HARRY P. CAIN

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Friday, February 27 (legislative day of Monday, February 2), 1948

Mr. CAIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a Lincoln Day address delivered by the Senator from Minnesota [Mr. THYE] at Olympia, Wash., on February 10, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is such a genuine pleasure for me to be here in this capital city of the State of Washington, and I feel so much at home in the Pacific Northwest, that I find the reception you have accorded me to be like a welcome home.

I can think of no place where I should rather speak at an event that commemorates the birthday of Abraham Lincoln than right here in Olympia. I like the spirit of this great State of yours, the friendly western good will, the enterprise and initiative, and the faith in America and American ideals which it seems to me you reflect. It is that spirit which is going to carry a Republican Party—the party of Lincoln—to victory. Thus I am especially glad to be present at a rally of Republican men and women of the State of Washington.

There is an added satisfaction, also to be in the home State of HARRY CAIN, whose friendship I have enjoyed and whose qualities of leadership and conscientious endeavor I have admired so much during our first year together in the Senate. I look forward to becoming even better acquainted with your State when I visit Tacoma tomorrow and Everett on the actual anniversary of Lincoln's birth, February 12.

We face such critical problems in this country today—and such great opportunities—that it is unfortunate that in the Nation's Capital a smugly negative attitude has been created by a Democratic administration that has been in power so long that it has become incapable of assuming the vigorous leadership that will carry the American people forward. Its members are so singularly busy carrying water on all shoulders and blaming everything on the Republican Congress that they have succeeded only in creating a situation in Washington that handicaps constructive legislation.

To solve the complex problems of our times—to meet the challenge of large responsibilities—there must first be a new spirit in national leadership. It must be expressed through a party of principle, and not a party of expediency. It must be honest and forthright. It must have ideas and vision, and the vigor to make them effective.

I believe the party of Lincoln has these necessary attributes and that the American people will recognize that fact next November when they will decree a well-earned vacation for those who have become self-satisfied, careless, and cynical in public office.

I

One of Abraham Lincoln's most famous remarks ran something like this: "You can fool all the people some of the time, and some of the people all the time, but you cannot fool all the people all the time." I

should like to apply that formula to some recent happenings:

1. When they are struggling against the threat of inflation and the hardships of high costs of living, the American people are not going to be fooled into believing that the only solution is more rationing, more controls, more government, and more red tape.

2. When they seek full production to relieve shortages and provide for their unsatisfied needs, the American people are not going to be fooled into believing that the way to do it is to heap taxes high and curtail iniative and enterprise by more Government controls.

3. When they hear the President say that industry must expand and that at least $50,000,000,000 should be invested to improve production facilities, the American people are not going to be fooled into believing he intends to encourage such essential expansion since he repeatedly recommends policies that deprive business of the use of venture capital with which to expand.

4. When they see a Republican Congress cut $3,000,000,000 from the executive budget the American people are not going to be fooled by the Democrat charge that this is a phony cut, especially if Government bureaucrats at the same time complain that the reason their agencies are not giving better service is because Congress has reduced their funds.

5. When they see the Federal budget balanced for the first time in 15 years simultaneously with the appearance in Washington of the first Republican Congress in 15 years, the American people are not going to be fooled by administration claims of exclusive credit for this accomplishment.

6. When they see no control applied to exports of scarce oil and steel and other critical items needed by the people during a time when the President had ample powers to exercise such controls but neglected to do so, the American people are not going to be fooled by the administration's obvious efforts to shift the blame to Congress for the inflationary threats that are aggravated by shortages.

No, Lincoln was right. "You can't fool all the people all the time." The American people are quick to sense when their vital needs are made the football of politics.

There is a great opportunity for a strong, young, vigorous Republican Party in this period of our history. It must be a party that appreciates the public good and recognizes the power and ability of our people. It must be a party that knows where it wants to go and how to get there, just as Lincoln did in his day. It must be a party that has "an abiding faith in the American people."

II

I think the Republican majority of the Eightieth Congress has shown that abiding faith in the American people.

1. The Republicans in Congress have shown their confidence in the power and ability of the people by refusing to succumb to the unimaginative thinking which places such undue faith in bureaucratic government and discounts the spirit of initiative and enterprise on the part of our citizens. They remember what Lincoln said: "The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot do so well, for themselves, in their separate and individual capacities. In all that the people can individually do as well for themselves, government ought not to interfere."

2. The Republicans in Congress believe that an economy of abundant production is both economically sound and necessary. They know that this is the real answer to inflation and high prices which can mean profits only for the few. Scarcity means there is not enough to go around at a fair price and at that point it favors the rich and those with high incomes against the wage-earner and those of moderate incomes. Only the few profit from scarcity and high prices at the expense of the many.

3. The Republicans in Congress know that without a balanced relationship of fair dealing and understanding between our economic groups the free enterprise system cannot be made to work. That is why they passed the Labor-Management Relations Act of 1947 to supplement the old Wagner Labor Relations Act which had denied certain rights to employers and needed revision also to assure freedom and democratic procedures for workingmen. These changes have been made with full appreciation of Labor's great contribution and with the expectation that given a fair chance the new law will safeguard the interest of both labor and management and help build a stronger Nation.

4. The Republicans in Congress have not forgotten that it was under Lincoln that the Homestead Act of 1862 was passed, opening the door of opportunity to courageous youth and sturdy immigrants in the sweep of settlement westward to the Pacific. They have not forgotten that it was under Theodore Roosevelt that the Reclamation Act of 1902 was passed and the Government undertook to champion the cause of irrigation. They have recognized the vital importance of continuing the vast reclamation projects in 17 western States, and appropriated $142,000,000 for this purpose with still more generous provisions contemplated to continue this great constructive program bringing new resources into productive use.

5. The Republicans in Congress have recognized that with the disappearance of our once great land frontier, new opportunities for the future are to be found in such development of our potential resources as your own great Columbia River Basin project here in Washington. The $30,000,000 which was appropriated by Congress last year in the regular and special sessions—the highest appropriation ever made in any one year for the Columbia River improvement—clearly indicates the interest of Congress in this project. I do not believe that the importance of this remarkable resource to your State can be overestimated. I do not think I am wrong in calling it your greatest physical resource.

6. The Republicans in Congress have realized the tremendous importance of capital in expanding production. They know that prices are high because too many people with money are competing with one another for the available supply of goods, and that to get prices down and stop the inflation, goods must be supplied in such abundance and at such prices that the sellers will compete with one another for the consumers' dollars.

There must be encouragement of venture capital to supply the worker with more efficient tools and machines, to develop new companies and new industries, to give our expanding population opportunities and jobs. Taxation has become so burdensome as to destroy initiative.

We must never lose sight of the fact that the fundamental achievement of America is based on individual initiative and the right of man to own property. When Lincoln said that "property is the fruit of labor" and "that some should be rich shows that others may become rich, and hence is just encouragement to industry and enterprise," he described a profound principle of our American system that has had far too little encouragement in recent years.

7. The Republicans in Congress have recognized our responsibility and obligation as a Nation—strong, solvent, and free—to provide a stabilizing force in the world as war-torn and devastated nations seek to find their way back to stability and peace.

Our immediate obligation is to take an active part in the rehabilitation of western European countries as they seek to reestablish sound governments based on human rights and freedom. This cannot be brought about easily. It will cost us appropriations to assist in this rehabilitation. It will need to be properly safeguarded and administered. Yet we cannot escape the alternative which may be chaos in government in western Europe and absorption of these nations into communism.

The Marshall plan, as it is now known, could as well be called the Vandenberg plan. It was the able, distinguished Republican Senator, ARTHUR H. VANDENBERG, who said even before the war ended in 1945: "We still propose to help create the postwar world on a basis which will stop aggressors for keeps, and, so far as humanly possible, substitute justice for force among free men. We propose to do it primarily for our own sakes." Senator VANDENBERG's brilliant speech in the Senate in January 1945 really started the thinking on the European question which has culminated in the Marshall plan and formed an important link in the bipartisan foreign policy.

Our humanitarian recognition of Europe's need does not mean that we should go about it without careful planning and proper safeguards. I am in full sympathy with the basic purposes of the proposed assistance to the 16 western European nations, but I believe that Congress has a fundamental obligation to scrutinize the program realistically and carefully, and I am confident this can and will be done without dangerous delay. However, I am anxious that it shall be done with the spirit that motivated Abraham Lincoln when he called upon the American people at the close of the Civil War "to do all which may achieve a just and lasting peace among ourselves and with all nations."

III

As we consider all of these economic problems, we realize how important are our human resources. Take the field of labor-management relations, for example. You and I must remember that with our vast expansion as a Nation our industries have grown away from the small plants of only a few men where the executive knew his men by their first names, knew their families and all the living conditions, and there was a feeling of mutual interest between the owner and the worker. With industrial growth in our complicated machine age and its vast corporations, the personal relationship between worker and management ended. Too often management acted as if it were elevated far above the average worker. In the strained relationship that resulted there was a fertile field for radical labor leadership which sometimes has exploited the honest, sincere workingman. There are many fair-minded men in Congress who want to see a better and a closer relationship between management and labor. We cannot progress without that sound understanding.

We are really such a young Nation that it seems only yesterday that our mothers and fathers blazed trails out across the wilderness. As a Nation our people have been builders, but we have also exploited our resources. We have exploited our soil and forests, failing to provide sufficient care so that future generations might have some of those resources with which to work. We have carelessly exploited our lands when there was always the chance to move into new areas. Now those areas are all occupied. Fortunately, there lies within the people themselves an even greater challenge to seek by educational opportunities and social

benefits a richer and a better American life. Such problems as providing adequate housing, eliminating slums in our crowded cities, and in providing schools and jobs and security present a challenge to our thinking and planning as a people.

We have a greater responsibility to future generations to see that we do not continue to exploit our resources by poor management. As I have come out across this country and seen the splendid forests, I have likewise observed the cuttings that have been made and note you have done some of that with the vast timber resources of Washington, just as we in Minnesota ruthlessly cut our beautiful pine with no thought of the future. It is only because of the splendid work of present-day members of the lumber, pulpwood, and paper industries, cooperating in the sincere effort of State and Federal Governments, that we have started to rebuild our forests. With proper forest-fire protection and management we can see for future generations a profitable business from the timber as well as from the lesser trees that will provide the raw supply for the wood byproducts and paper.

In the care and the management of the fertility of our land, we have been ruthlessly destructive, also. In the relatively brief life of this young Nation we have destroyed the topsoil of more than 282,000,000 acres of land, and another 700,000,000 acres are in danger. All of it comes on in such a gradual way that we do not realize that yields are diminishing and that the black topsoil is gradually eroding down the hillsides and into the streams. I have flown over much of the United States, often flying at a low altitude, and I have particularly noticed the change in the color of the land as it approaches the hilltop, knowing full well that the topsoil has gone. I have been down in the older areas of the southeast and have noted where some of the land had lost all of its fertility and had become so badly eroded that it seemed a useless attempt to continue its tillage. Yet, through soil conservation practices, we have secured some recoveries by proper contour farming and strip cropping to tie the soil back and get it into a grass crop. With such good management it has been possible to completely reestablish a splendid production.

We cannot continue to use our coal deposits and our oil deposits in the generating of power. We must harness our waters as this source does not deplete or wear out. It is constant. Power must be developed in order that our industrial needs may be met in an economical way. Only in this manner will we be able to continue to develop opportunities for our constantly increasing population. Only in this way can our economy be expanded so that we are able to meet the demands upon us because of the huge national debt incurred during the mechanical war in which we were engaged. As we develop the great resources in our Nation, we will be able to maintain the leadership that is ours today.

These years of crisis ahead lay down a challenge to the party of Lincoln for clear thinking and courage and vision as our Nation assumes its destined place in a world that is struggling to rebuild and restore what years of war have laid waste.

Only a strong America, enjoying economic and social health, can undertake this great task. Only an America that is well informed and united in spirit can do it. Only an America that commands the respect and goodwill of the world can do it.

Ours is the great opportunity as a party to provide the vital leadership that will inspire a rebirth of this historic spirit of America.

Electoral Votes Are Subject to State Powers

EXTENSION OF REMARKS
OF
HON. HARRY FLOOD BYRD
OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, February 27 (legislative day of Monday, February 2), 1948

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the RECORD a very interesting article entitled "Electoral Votes Are Subject to State Powers," written by Mr. Arthur Krock and published in the New York Times of February 27.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ELECTORAL VOTES ARE SUBJECT TO STATE POWERS

(By Arthur Krock)

WASHINGTON, February 26.—Nothing in the Constitution or in any high court ruling thus far interposes a legal bar to the proposal of Governor Tuck to the Virginia Legislature that Presidential electors chosen by the popular majority in November shall be free to vote for any citizens they may wish for President and Vice President. And the act of February 3, 1887, specifically makes each State the absolute and final judge in any dispute that may arise over how its electoral vote shall be cast.

VIRGINIA'S POSITION

Whichever candidates for elector Virginia or any other State may choose in 1948 are not legally bound to support the nominees of any national political convention. They are not morally bound unless they pledge such action in advance, which is the prevailing custom, and this moral obligation is the stronger when the names of the electoral candidates appear on ballots that also carry the names of the candidates of one of the national party conventions. Governor Tuck's proposal, if accepted by the Virginia Legislature, will clinch the electors' legal right of free choice by omitting from the State's ballots the names of the national convention nominees. In many States these do not appear anyhow, but in Virginia they do; hence the law requiring this must be repealed to assist the Governor's purpose.

Its larger design, of course, is to withhold the electoral votes of Virginia from the Democratic national candidates, if desired, and yet permit a set of electors to be chosen who belong to the Democratic Party and have been nominated by the party organization in the State. The design will be plainly stated to the voters of Virginia, and, if they favor it by giving a majority to such a slate of candidates for electors, the moral obligation will be wiped out and every constitutional and statutory requirement be met.

THE 1912 PRECEDENT

The clearest precedent is to be found in South Dakota in 1912. There the Republican organization seceded from the national party convention before President Taft had been renominated, and its candidates for elector announced that if chosen in November they would register the State for Theodore Roosevelt, the Bull Moose Party candidate (no Bull Moose electoral slate having been nominated). In that knowledge, the voters chose the Republican candidates for elector over the Democratic, and South Dakota's vote was cast for Roosevelt without the slightest challenge of legality. Not a letter in the Constitution offered support for a challenge, and the act of February 3, 1887, allowed no room for it at all.

The present majority of the Supreme Court might entertain a plea against the Virginia plan, if it proceeds to a full climax, but on some basis which no legal student of these matters consulted by this correspondent today could conceive. It might find some way to order State electors to cast their votes for the national candidates of the party with which they are locally affiliated, even though the final State power under the act of 1887 had previously been invoked to bind the electors otherwise. If the names of such national candidates had appeared on the same ballot with the successful candidates for elector (which Governor Tuck proposes to forestall in Virginia, and other southern Governors will follow suit), the Supreme Court might have some footing, though the authorities canvassed today do not think so. But they are unanimous in the opinion that if the names of the convention candidates do not so appear the Supreme Court would have no jurisdiction and could not enforce an order even if one were issued.

SOUTHERN THREAT MATERIALIZED

This legal situation, the consequence of retaining the archaic system of directly electing Presidential and Vice Presidential electors instead of party nominees, renders Governor Tuck's message of the highest importance and materializes the threat of southern Democrats to prevent the election of President Truman if he is nominated. If several other States join in the Virginia plan, as they are expected to do, the democratic organizations which are sure to carry them can, as in 1824, throw the Presidential election into the House if the contest elsewhere is close. In the House they would then have a veto on the candidates for President, and this would undoubtedly be used against President Truman if he is nominated on the civil rights platform which is the immediate occasion of the southern democratic revolt. But if elsewhere there is a landslide either way the ultimate effect of the movement is not calculable in advance except that it would not transfer the Presidential choice to the House.

THE PROBLEM

The possibility of a democratic landslide elsewhere, however, is so remote that Governor Tuck's proposal is accepted by all politicians as the grave development it is.

Bolting, especially in the South, has meant oblivion for Democratic leaders, but on those occasions the organizations were regular. Half-bolting, which this move would be, supported by the organizations, would be a very different matter.

If Virginia and other States adopt the electoral plan, the chief problem of the Democratic organizations will be how to send delegations to the national party convention and yet remain morally unbound by the decisions of its majority, like the South Dakota Republicans in 1912.

Political Conditions in Czechoslovakia

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Friday, February 27 (legislative day of Monday, February 2), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD editorials re-

garding the Communist conquest of Czechoslovakia; one from the Manchester Union, of Manchester, N. H., and two from the New York Times.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Manchester (N. H.) Union]

NOW CZECHOSLOVAKIA

One sees in the Communist coup in Czechoslovakia the operation of the same program followed by the Soviets in the absorption of other countries behind the iron curtain.

This program consists of four distinct steps, cleverly designed to disguise the process of Soviet domination. The first step is to form a coalition government in which the Communists must be included, no matter how small their initial strength may be. This is followed by the inflexible demand that the Communists must control the ministry of the interior, under which the domestic police in European countries operate.

Then in due time when the Communist grip on the police is considered adequate, the charge of plotting against the state is trumped up against other parties in the government that resist Communist dictates, as a pretext for an assault upon them and their ejection from the government. This gives the Communist minority in the government an excuse for seizing control, backed by the overshadowing presence of a Russian army somewhere in the offing.

What has happened in Czechoslovakia is not new. It runs perfectly true to form. It is the same thing that has happened in Hungary, Bulgaria, and Rumania, and that we may expect to happen again and again as the program of Soviet expansion works itself out.

True, the Western World has been more deeply shocked by the death of democracy in Czechoslovakia than it was by the submission of Hungary, Bulgaria, and Romania to Soviet dictation. The Czechs are traditionally a democratic people. They set up a republic after World War I with Western help and they made democracy work even beyond the most sanguine expectations. Democratic peoples elsewhere cannot but be saddened at seeing this brave, freedom-loving people hamstrung and hoodwinked into bondage.

Moreover, Czechoslovakia has a strategic importance in the fight for freedom in Europe far beyond Hungary and the two Balkan states. It lies at the center of the political framework of Europe, a fact that the Soviets have certainly not overlooked.

The question is: What is the Western World going to do about it? Will it stand by and see one free nation after another fall like pins in a bowling alley before Soviet machinations? The world is faced today with a new method of conquest, bloodless usually, but nonetheless effective in its operation. What nation will be next in the march of communism? One may believe that others are listed for Communist absorption in due time following Czechoslovakia.

Will the next in the list be Greece, Italy, Austria, or France? Time will tell unless the Western World awakes and decides to meet the challenge to freedom with something more than words. Let there be an end of chatter about an understanding with Russia. A sharp line of division has been drawn across the world by Moscow, and only firmness and force can stop the slow Communist attrition that blots out a free nation in a day as in Czechoslovakia.

[From the New York Times of February 26, 1948]

RED TRIUMPH IN PRAGUE

As the result of a Communist revolution which has forced President Benes to acquiesce in something that was "not in complete accordance with his wishes," Czechoslovakia has today become a totalitarian police state under a Communist dictatorship and the last flickering lights of freedom that shimmered through the iron curtain are going out.

The new dictatorship is still thinly disguised by a government which, like the governments of other east European countries, contains a few non-Communists, among them Jan Masaryk, the son of the democratic founder of the Czechoslovak state, and himself a professed adherent of a rapprochement with the west. But these figures only serve as window dressing, insofar as they are not merely time-serving opportunists who have climbed on the Communist bandwagon. Their survival will depend entirely on their complete compliance with Communist orders. For Moscow has long since announced that in its war against the western imperialists there can be no middle position. In Communist eyes any opposition to the dictates of the party leadership becomes treason, punishable by death.

There are still two factors in the situation that must be clarified. One is the exact position of President Benes, who has postponed or cancelled his announced broadcast to the nation and remains personally incommunicado in his palace, surrounded by armed police and troop contingents. The other is Parliament, which must give the new government a majority to make it technically constitutional. But these factors can no longer change the course of events. For the Communists have already seized power through the Communist-controlled police and army, and through their action committees. They have taken over both central ministries and local governments, have purged the opposition parties, arrested more than a hundred on charges of plotting against their rule, suppressed freedom of press and speech, occupied factories, and broken up counter-demonstrations with rifle fire. Communists, once in power, do not resign because of a mere adverse vote.

As a result, Czechoslovakia, already tied to Russia and her satellites by military alliances, has now become an integral part of the vast totalitarian bloc that stretches from the Baltic to the Adriatic, and from the Oder, or perhaps the Elbe, to the Bering Strait. One more nation has been engulfed by the tide of Russo-Communist expansion. Soviet Deputy Foreign Minister Zorin, who "happened" to be in Prague during the coup d'état, can now take his place besides Vishinsky and Zhdanov and Dekanozov and Tito and Dimitro as a conquering commissar who can report to Stalin that another country has been brought into the fold. This means not only the collapse of the world of Tehran and Yalta, in the same manner that Hitler's seizure of Czechoslovakia meant the collapse of the world of Versailles, but also a further shift in the balance of power in Europe.

Communist seizure of Czechoslovakia rounds out a new Russian empire which has not only extended dominion over an additional 100,000,000 people and their armies but has also gained a tremendous additional war potential. It has gained the "little Ruhr" of Silesia, turned over to Russia's polish puppet. Now it has also gained the Skoda armament works—the Krupps of the east. It has long been an axiom of European politics that whoever controls Bohemia has at least a good chance to control Europe. It is an ironic sidelight on postwar history that Russia's latest prize was put on its feet by nearly a quarter of a billion dollars advanced by the United States.

When Hitler seized the Sudetenland he announced that this was his last territorial claim in Europe. It was a lie to lull the west to sleep. Moscow has disdained to disguise its own intentions. There is no reason to expect that Czechoslovakia will be the last target of Russo-Communist expansion.

[From the New York Times of February 27, 1948]

THE PATTERN OF CONQUEST

Shocked by the Communist coup d'état in Czechoslovakia into their first joint action on Russo-Communist expansion, the Governments of the United States, Britain, and France have condemned what they characterize bluntly as the establishment of a one-party dictatorship disguised under the cloak of a Government of National Union. They are conferring on the advisability of refusing to recognize this new regime. But neither of these steps, reminiscent of similar protests against Hitler's methods, will stop the course of events. Nor will they dispel the fear that is stalking through Europe, where other nations feel themselves to be the next potential victims. But they do reveal that the last stubborn illusions are falling, that world opinion is at last beginning to crystallize, and that out of this process is emerging the realization that appeasement still carries its own penalty, and that doing business with Stalin is just as dangerous and as profitless as it was with Hitler.

Like Hitler, Stalin has been taking over one country after another, sometimes by direct conquest, as in the cases of Lithuania, Latvia, and Estonia; sometimes by traitorous fifth columns backed by Russian troops or commissars, as in the cases of Poland, Yugoslavia, and Albania, Bulgaria, Rumania, and Hungary, and now Czechoslovakia. Today, Stalin's acquisitions already amount to more than four times those of Hitler prior to the war, and, like Hitler, he is reaching out for more.

Equally striking is the virtual identity of the methods by which both the Nazis and the Communists attained power, as exemplified especially in Czechoslovakia, whose "directed" democracy was comparable with that of the German Republic. Both began as small parties able to flourish under ultra-democratic proportional representation, but determined to use democratic methods only for the destruction of democracy and making no secret of the fact. Hitler served early notice that once he was in power heads will roll, and Gottwald, his Czech counterpart, told Benes and his followers long ago that he would "break their necks." Despite this, both Hitler and Gottwald were made heads of government with the cooperation of the parties they had vowed to destroy. And once in office, they undertook to capture the state from within.

First they took over the police and made it a party instrument for the extension of their power and the terrorization of the opposition. Then they neutralized the army by putting in command officers loyal to themselves, and, in the case of Czechoslovakia, pledging the army to loyalty to the Soviet Union. With these two instruments of power in hand, they began to regiment the population. They took over the ministry of propaganda, or information, and with it control of the radio and the film industry. They restricted freedom of the press by taking control of the supply of paper and by compelling all journalists to join a union under Communist control. They took over control of industry—Hitler by organizing it into associations under Nazi domination, Gottwald by nationalizing it and organizing an armed workers militia to guard it. They conscripted labor, put all labor unions into one labor front under their control, and thereby obtained control of every worker's job and livelihood, with power to penalize any worker who dared to oppose them. Finally, national socialism in Germany and communism in Czechoslovakia resembled each other even in the matter of a racial policy;

Hitler turned against the Jews in the name of pan-Germanism and the Slav Communists against the Germans and Hungarians in the name of pan-Slavism.

It seems amazing that, having seen these things happen in Germany under Hitler, the Czech leaders and parties, still dedicated to democracy, should have permitted them to happen in Czechoslovakia—going along step by step, making one concession after another, until they were powerless to resist.

That in itself is a warning to all countries still under the delusion that they can cooperate with Communists without signing their own death warrant.

Stalin's Step Toward War

EXTENSION OF REMARKS
OF
HON. TOM STEWART
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Friday, February 27 (legislative day of Monday, February 2), 1948

Mr. STEWART. Mr. President, I ask unanimous consent to place in the Appendix of the CONGRESSIONAL RECORD a very timely editorial which appeared in the Knoxville News Sentinel, Knoxville, Tenn., on February 25, 1948.

This editorial accurately and truthfully points out that the Red seizure of Czechoslovakia strikes a familiar communistic chord and it is the same old story of communistic treachery and betrayal.

Certainly, it is running true to Soviet form and anyone who has observed the Stalin finesse sees definitely the same old pattern being cut.

This editorial points out that we should act quickly on the Marshall plan and that we should strengthen the United Nations. It also shows the importance of strengthening ourselves here in America from within. America should have no patience with communism. It is the most dangerous enemy of the civilized world today. It challenges the right of free people to remain free. This is a timely editorial.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STALIN'S STEP TOWARD WAR

Red seizure of Czechoslovakia has been only a matter of time ever since Yalta. One by one, Stalin has picked off the nations of eastern Europe. Now only little Finland is left in the twilight zone of phony freedom.

It is the same old story of Communist treachery and betrayal, of the Soviet stab in the back. It has been repeated in so many places, Stalin's method and purpose should be known to all the world. And yet there are still a few even in America who call themselves non-Communists like Mr. Wallace, who profess to believe that democracy can be saved by appeasement.

Stalin has played it precisely like Hitler and the Japs—only with more skill. No Nazi or Jap fifth column ever operated with the insidious perfection of the Soviet agents who have taken over eastern Europe and who have bored so deeply into Italy, France, and China.

If the analogy holds, Stalin will go on until he provokes a world war; until his cheap victories over smaller nations end in his final defeat by the strong democracies he is trying to destroy.

There is one chance that he may be stopped without such a war. If the remaining free countries can transform their economic weakness into strength through the Marshall plan, and if they can combine in an effective defense pact under the United Nations, Stalin may retreat when faced by greater power.

But, whether he retreats or advances to war, the protective unity of the free nations now rests chiefly on American economic strength and military preparedness. That much at least is clear.

Hardwood Court Fiesta

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. BRYSON. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I desire to include the following article, written by Henry Lesesne and published in the Christian Science Monitor of February 21, 1948, describing the annual Southern Textile Basketball Tournament at Greenville, S. C., an event unique in the sports world in that it is the largest basketball tournament on earth and all participating teams represent textile communities in the South:

HARDWOOD COURT FIESTA—GREENVILLE, S. C., HAS SOME BIG BASKETBALL NAMES AND KEEN TOURNAMENT COMPETITION

(By Henry Lesesne)

Basketball in the South Atlantic States is hardly the popular sport it is in some parts of the country from both a player and spectator point of view. This makes it all the more surprising that the region boasts the largest basketball tournament in the country under a single roof, and each year it is getting bigger and bigger—1,000 players, 100 teams now.

Even so, there was a time in the Southeast when basketball was not nearly as popular as it is today. In the years after World War I, the semipro teams of the textile communities were not able to schedule nearly all the games they desired with the schools and colleges. So the athletic or recreation directors of a few mills in the Carolina foothills hit upon the happy thought of a regional industrial tournament, both as a means of providing competition and promoting interest in the sport.

Their first tournament in 1921 attracted only six teams. It went by the ambitious name of the Southern Textile Basketball Tournament. But each year it grew fairly steadily and today overflow crowds of customers come a long way to see and enjoy the spectacular play, the matchless spirit of competition, and the clean sportsmanship among the teams, men's and women's from the textile communities.

For 4 days every year, at about the time spring is coming to the coast and moving up slowly to the Appalachian foothills, Greenville, S. C., is probably the most basketball-conscious city in America. You can't get a hotel room and the players from a six-State area seem to be everywhere in their smart uniforms. They are interested in basketball, yes; but they are also renewing old friendships and making new ones. Many of them come back year after year. And proudly they wear their banners—names, many of them, that are household words in textiles, names familiar to everyone who reads advertisements.

From early morning until far into the night the games, usually two at a time, sometimes three, are in progress at big Textile Hall in downtown Greenville. It is a field day for the visiting sports scribes from the principal textile cities. The games are usually fast and it's not uncommon to see a husky youngster or blond bombshell toss a spectacular one-hander. Often almost as many women's teams as men's participate.

The Southeast is essentially a baseball country rather than a basketball country, and it is not surprising that some of the big drawing cards at the basketball tournaments are big names in baseball for whom the customers from textile communities root all summer.

For instance, there's Earl Wooten, who plays basketball for nearby Pelzer, but is an outfielder for Washington and Chattanooga. He came up in the community, played high-school and sandlot baseball. And for the Pelzer basketball team he'll play a long stretch of games averaging 25 points or better. Though of average height, he's fast as a shuttle on a loom and usually a tournament sensation.

Or there's Virgil Stallcup of the Cincinnati Reds, who played with Jersey City last year. He wears the Ware Shoals, S. C., insignia at Greenville. Or there's Marion Rackley, St. Paul outfielder, who spends his winters in a nearby textile community. These are just a few of the baseball stars who hail from the immediate vicinity of Greenville who also play in the basketball tournament. The players come from a six-State area and among the men's teams there are any number of baseball stars.

And the crowds? What, for instance does a spectator do when there are two games being played side by side simultaneously? He simply goes to the side of the big Textile Hall that the game in which he's most interested is being played, or if he wants to limber up his neck muscles he can try keeping an eye on both. Basketball even of the collegiate variety seldom draws an impressive crowd in the South, but 5,000 or more spectators watch the games at Greenville, and on the night of the finals there is really no place in town large enough to hold them all.

There's seldom, if ever, any rowdiness and not much of the old alma mater spirit. The people are just home folks, most of them from small towns and communities in the valleys who come to watch their hard-fighting young people, men and women both, doing their best to excel in a sport they love. A typical crowd is usually spotted with names well known in the textile industry. For the industry naturally takes a pride in the tournament, and mill owners and executives follow the careers of the mill teams closely.

Still, the amazing growth and success of this largest of industrial basketball tournaments is the envy of some college associations. It has always been self-supporting and has never once gone in the red. It is managed by the Southern Textile Athletic Association, headed by C. T. Thomas, of Greenville. The association's work down the years has been not only to sponsor the basketball tournament but also other activities that take in all fields of textile athletics in the southern area.

There are small basketball tournaments confined to certain areas within the States. Reference was made a moment ago to baseball consciousness in the textile communities. There are also many textile baseball leagues covering small areas: amateur leagues and semipro leagues. Now in the

making is a baseball tournament for the textile communities on the same grand scale as the Greenville basketball tournament. It should be an even greater success than the hardwood carnival.

For over the years there has been no greener pastures for the big-league baseball scouts than the small communities of the Southeast. A glance at the big-league baseball rosters shows a surprising number of players from the region.

In a small area of which Greenville is the center there's Ernie White, of the Boston Braves, who comes from Pacolet; Bill Voiselle, also of the Braves, who calls Ninety-Six home; Buddy Lewis, of the Washington Senators, from Gastonia; Lew Brissie, Athletics pitcher, from Ware Shoals, just to name a few from textile communities. Brissie, an ex-GI, was injured in Italy, but made a strike-out record for the Sally League last year, playing with Savannah, and Connie Mack says he has more on the ball than Lefty Grove did when he moved up to the majors. In winter, Brissie attends Erskine College, near Ware Shoals, as a day student.

Larger textile mills and many of the smaller ones all have planned recreation programs and facilities for every sports or outdoor activity in the alphabet. Many of the facilities are modest—about what you'd expect in a community elsewhere of the same size—but some of them are picture-book sort of things you would expect at a resort. Look in almost any one of these towns in the Carolinas or Georgia or Alabama and the chances are you'll find a fairly well-known baseball player who considers it more to his liking and pocketbook to head up the athletic program in a mill town, sometimes the same town in which he grew up and played sand-lot baseball.

A mill may send any number of teams it desires to the tournament if they meet requirements. But the idea is, of course, to send teams that will win.

It's not all a matter of trophies, or even dollars and cents. Pride in achievement, nor the zest for living and work and play, can't be computed that way.

Lincoln Day Address

EXTENSION OF REMARKS

OF

HON. EDWARD O. McCOWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. McCOWEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following Lincoln Day address delivered by me to the Kiwanis Club, at Ripley, Ohio, Thursday, February 12, 1948:

ABRAHAM LINCOLN

"Abraham Lincoln, his hand and his pen,
He may learn to write but God knows when."

So wrote 9-year-old Abraham Lincoln on the back of a black old shovel with a charred end of a burned stick as he lay on the floor of a log cabin in front of a low fire. This instance is a slight illustration of the natural originality of the boy, to become sometime immortal.

He was born about 3 miles south of the present site of Hodgenville, Ky., in what is now Larue County, February 12, 1809, 139 years ago this morning. But Abraham Lincoln never saw Hodgenville. Yes, Lincoln was born in a log cabin. But, it is not necessary to be born in a log cabin to become President. Millions of Americans have been born in log cabins who never became President. But, one writer said, "A log cabin is as good a place to be born in as anywhere else if a man intends to be President." Andrew Jackson, William Henry Harrison, Millard Fillmore, and James A. Garfield were born in log cabins, and so were other great men. There were lots of log cabins in those days.

William Henry Harrison was probably the first Presidential candidate to capitalize on being born in a log cabin, for you doubtless remember from reading your histories that William Henry Harrison was called the "hard cider and log cabin candidate." You know they wheeled little log cabins around from place to place where speeches were made in Harrison's campaign. If I may digress a moment, I might remind you that William Henry Harrison was clerk of the Hamilton County, Ohio, courts at Cincinnati. And this region also is the immediate bailiwick of Gen. U. S. Grant; so you see southern Ohio has had some great men. A number of others could be named.

When the lack of modern conveniences and sanitary arrangements are known as they were in those days of Lincoln, isn't it a wonder that there are very many Americans today? Or did such an environment help to produce a hardy race? Although he could trace his line no further back than to certain ancestors in Berks County, Pa., research disclosed a lineage reaching back to Samuel Lincoln, who came from Hingham, England, and settled in Hingham, Mass., in 1637. The Lincolns were pioneers. Lincoln thought his ancestors were Quakers, but they were not. They were Baptists.

Both of Lincoln's parents were born in Virginia and both came to Kentucky in early childhood. The story that they were first cousins is without foundation. The families of both were poor. They were of decent, average American stock. There was nothing in either of the parents that would lead us to expect so great a son; neither was there apparent any marked disqualification for such a high honor.

As some of you may have noticed when you travel on Route 50 to Washington, D. C., on Allegheny Front Mountain, well toward the top, is a sign on which is inscribed, "About 6 miles beyond the saddle Nancy Hanks the mother of Abraham Lincoln was born." As you stand near the sign on the side of the road, you will see the saddle, which is a long, graceful, curving dip along the ridge of the opposite mountain. You stand with reverential awe as you let your imagination fly swiftly back to that event and note its eternal importance. It presaged the end of slavery in the United States and the preservation of the Union.

No; Nancy Hanks was not a blond. She was tall, dark, and sallow. Her hair was dark brown, almost black. Her eyes were small and gray. Calling to mind the pictures of Lincoln, can you not see that his eyes were like hers? She had a prominent forehead, which her relatives said indicated unusual mental ability; she was above medium height and weighed about 130 pounds. Isn't it important to portray her picture, when we are reminded that Lincoln believed he inherited his qualities from his mother? He had this in mind when he said, "God bless my mother; all that I am or hope to be I owe to her."

Lincoln said that he had not controlled events, but had been controlled by them. William E. Barton, one of Lincoln's biographers, said, "We cannot understand Lincoln apart from his environments; neither can we understand his environments without a knowledge of the growing personality of Lincoln." I think that all of us can agree with those statements. If so, it would seem fitting and proper to sketch his environments briefly. Thomas Lincoln, Abraham's father, had grown up literally without education. He changed his occupation several times, moved his residence frequently, made nothing of his poorly chosen farms, and bequeathed little to his son besides life itself. His first wife, Nancy Hanks, was the mother of Abraham. She, like her husband, was illiterate.

Abraham Lincoln's early boyhood was spent about 8 miles from his birthplace on Knob Creek—a place of natural beauty. The uncertainty of land titles caused the family to move soon, at a time when Abraham was only 7. The Indiana woods was their destination, and here the family of four—mother, father, Abraham, and Sarah, his sister—lived very poorly with little more than a hut to shelter them the first winter. It was not long before Nancy Lincoln became ill, was without medical care for a week, and died in October 1818. We know how Lincoln as a boy grieved over the loss of his mother. You have read that pathetic story with tears in your eyes.

Thomas Lincoln's second wife, Sarah (Bush) Johnston, of Elizabethtown, Ky., widow of Daniel Johnston, came with her three children to the cabin.

Abraham's stepmother became an important factor in his rearing. She cleaned things up in the cabin and around it in a hurry and made Thomas do his share of the work. She was a masterful woman.

Lincoln's youth was that of an easy-going backwoods youth; he did hard labor on the homestead and performed odd jobs for neighbors. He shunned vociferous camp meetings of the time and used his leisure for self-improvement by the reading of a few good books, among which were the Bible, Robinson Crusoe, Pilgrim's Progress, Aesop's Fables, William Grinshaw's History of the United States, Weem's Life of Washington, and various other biographies and books of verse. Lincoln had very little formal schooling; in all, his attendance at school would not exceed 1 year.

The one-teacher kind of a school that he attended was known as a blabb school. Have you heard of the blabb schools? The children had to spell or read out loud when they studied so the teacher would know when they studied. He marched around among the pupils and hit those that were not blabbing.

Lincoln grew up without the frontier vices, shunned liquor, and was free from dissoluteness and profanity. The river entered largely into his early life. Of course, you had read of how he got his big barge over the dam and about his trip on a flat boat to New Orleans. Since his relations with his father were not altogether happy, he welcomed the day when he could shift for himself.

In 1830 the Lincolns again moved. This time to Macon County, Ill. Abraham was now 21 years of age and remained with his family only long enough to help with the building of a new cabin and to assist with the rough tasks of the following winter. The 6-year period 1831–37 was spent in earning a living by working in a store until "it petered out," managing a mill, doing odd jobs, acting as village postmaster, traversing the country as deputy surveyor, all of the time reading law, studying grammar, widening his acquaintances, following the trend of national politics, and laying the foundations for a wide personal influence. It is of interest to know that during this period he served in the Black Hawk War.

In 1834 Lincoln was chosen to the State legislature, where he served during four successive terms, 1834–41, first at Vandalia and later at Springfield. He gained his first political training in this frontier legislature where party maneuvers were spirited. National issues were of great concern to him. In these early days as later, he avoided associations with abolitionists; he nevertheless did not want himself to be thought of as in positive support of slavery.

Lincoln moved from New Salem to Springfield in 1837 and was so poor that his surveying instruments had been attached to pay a debt. Having been licensed as an attorney September 9, 1836, he began the practice of law in Springfield and formed a partnership with J. T. Stuart, a man of influential family, who was an able lawyer and prominent in Whig circles. While in New Salem he had courted Ann Rutledge, who died August 25, 1835. He married Mary Todd in Springfield on November 4, 1842, after a troubled courtship. It is difficult to say what degree of happiness attended their marriage. Their first son, Robert Todd, was born August 1, 1843, and was their only child to grow to manhood.

In the year 1847–49 Lincoln served one term in Congress where he had the distinction of being the only Whig from Illinois. Most worthy of comment in his career as Congressman is his attack upon President Polk for having begun the Mexican War. This deeply offended the people of his own State, as also did his stand in regard to slavery. On January 10, 1849, he read a proposal to abolish slavery in the National Capital. Although the Whigs nationally were successful in the election of 1848, the party lost out in Lincoln's own district. With a sense of futility he said goodbye to Washington; and while the slavery crisis was shaking the country, he returned to Springfield and sadly resumed his law practice.

As a lawyer Lincoln rose to front rank in his own State. He was associated with capable partners—John Todd Stuart, Stephan T. Logan, and William Herndon. An important and extensive practice in the State supreme court and in the Federal courts made him a familiar figure throughout the State. He became popular for his aptness at political speeches and for his humor and story telling. Such qualities as common sense, shrewdness, effectiveness before a jury, his reputation for honesty, searching thoroughness for investigation, familiarity with pertinent judicial doctrines, ability to get at the core of a controversy made him more than a country lawyer.

Lincoln was a man of individuality. Of more than average height, 6 feet 4 inches, uncommon length of arms and legs, rugged face which revealed character whose depth was not easily sounded, his manner of dress and appearance was apparently of no concern to him.

In the agitation which swept the country with the repeal of the Missouri Compromise, Lincoln emerged from political inactivity. A new tone appeared in his speeches and he narrowed the contest to one phase of the slavery question, making it a suitable party issue. In 1856 he became identified with the new Republican Party. The Illinois State Republican Convention met at Bloomington May 29, 1856, and excited anti-Nebraska Democrats, Whigs, and Abolitionists were pouring into the city. When the convention got under way, Abe was on the platform, there were calls for a speech. Lincoln unwound his long legs, came forward and began to speak. Reporters who started to take down his words forgot to use their pencils. I quote:

"He stood before the throne of eternal right and unburdened a penitential and inspired soul." "We must make this a land of liberty in fact, as it is in name. We shall say to the Southern disunionists, 'We won't go out of the Union and you shan't.'"

The grandeur of the speech was talked of by those who heard it until it became a legend. Because no word of it was recorded by newspapermen, it became known by the romantic name of the "Lost Speech." It put Lincoln in line for the Presidency.

Successful in getting the Republican senatorial nomination in 1858, he delivered at a Republican State Convention in Springfield on June 16, 1858, his famous "House Divided" speech. This revealed his position on the slavery question. He denounced the Dred Scott decision as part of a proslavery conspiracy to recognize slavery even within the free States. Then followed a series of debates with the leading Democrat, Douglas, in the senatorial campaign in which he showed his strength as a leader and politician. Lincoln's campaign was effective in that his party carried districts containing a larger population than those carried by the Democrats, but unequitable apportionment gave Douglas a majority in the legislature, insuring his election.

As a figure of national prominence now, Lincoln's name was mentioned for the Presidency. Named as Illinois' choice for the Presidency at the State convention, he was nominated at the National Convention at Chicago because he was a candidate who was not too radical or too conservative and who could avoid offense.

The National Convention was held in a large hall called the Wigwam with a seating capacity of 10,000 people. Lincoln's manager had nailed Indiana and Pennsylvania for Lincoln. A terrific roar followed the nomination of Seward. Lincoln was nominated in a speech that wound up with the statement that Lincoln was a man who could split rails and maul Democrats, and the convention went wild. On the first ballot, Seward led with 173½ votes with Lincoln in second place with 102 and Cameron with 50. On the second ballot, Cameron withdrew, giving his votes to Lincoln. The score now stood, Seward 184½ and Lincoln 181. The convention was filled with excitement over the dark horse from Illinois. As ballots were called on the third vote, the suspense grew tense—231½ for Lincoln, making him need only 2½ more votes to give him the nomination. A man in the Ohio delegation leaped on a chair and shouted, "Mr. Chairman, I rise to change four votes from Chase to Lincoln." A moment of utter stillness, and then an explosion of 10,000 terrific whoops. Ohio had made old Abe the Republican President of the United States. That night all Illinois celebrated. At far-off Washington, Senator Douglas said, "There won't be a tar barrel left in Illinois tonight."

During the ensuing campaign, he stayed quietly in Springfield and avoided political speeches. He was chosen President by pluralities in enough States to give him a considerable electoral majority, but in regard to the whole popular vote, he was a minority President.

In the period between his election and his inauguration, Lincoln continued his political silence and made no speeches or public statements as to his policies. During this time the Southern Confederacy was formed. Lincoln never doubted the Federal Government's authority to maintain itself. In his inaugural address, he disclaimed any intention to interfere with slavery in the States, advised observance of all Federal laws and pleaded for the preservation of the Union.

To a man inexperienced in executive matters, the duties that fell upon him as President brought many pressing problems which had to be dealt with immediately, such as the Fort Sumter crisis involving the issue of civil war. Often during his administration, he faced a hostile Congress and at times seemed almost deserted. Abolition demands required his utmost tact. The pressure of military duties was great. Throughout this trying period he demonstrated that he was able to deal fairly with his enemies, maintain cooperation in his ill-assorted Cabinet, and respond to criticism with humor and understanding.

As the Great Emancipator, it must not be thought that he suddenly struck the shackles from millions of slaves by the stroke of the pen. A preliminary proclamation given out in September 1862, and the proclamation of January 1, 1863, served chiefly to pave the way for effective liberation of the slaves through State action and through the antislavery amendment to the Constitution.

Lincoln's manners as President were out of the ordinary and unconventional; his habits were irregular. He labored continually under a great strain and often felt extreme mental weariness. He made very few public speeches during his years in the White House and confined himself to his inaugurals, the Gettysburg Address, November 19, 1863, and his last speech, April 11, 1865.

Lincoln received a sweep of the electoral votes in the election of 1864 in spite of opposition within his own party. Paying great attention to the last military phase of the war, President Lincoln visited the Army and remained with General Grant at City Point from March 24, 1865, until April 9, 1865, except for a 2-day visit to Richmond. He returned to Washington on the day that Lee surrendered. He did not experience the ensuing struggle for reconstruction, for he was assassinated on the night of April 16, 1865, in the Ford Theater by John Wilkes Booth. After lying unconscious all night, he died the following morning. Funeral services were held in Washington and the burial was in Springfield.

Lithuanian Independence

EXTENSION OF REMARKS

OF

HON. IVOR D. FENTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. FENTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution on Lithuanian independence adopted by the Federated American Lithuanian Societies and Clubs, citizens of the United States, at a meeting held on February 15, 1948, in St. George Auditorium, Shenandoah, Pa.:

Whereas following World War I the nations of the world found the cause of Lithuanian freedom and independence to be just and her people to be worthy of self-government and political independence; and

Whereas the Republic of Lithuania was thereby established and accorded political recognition by all of the independent governments of the world; and

Whereas, during its existence as a free and independent nation, the Republic of Lithuania made progress and flourished and proved its ability of self-government and to be a worthy member of the community of nations; and

Whereas, in the recent global struggle which began in 1939, the United States of America and Great Britain proclaimed certain principles of freedom and justice to all nations and expressed this in the Atlantic Charter and Four Freedoms, to which the U. S. S. R. officially subscribed; and

Whereas, in violation of these principles, Soviet Russia on devious pretexts and in conformity with a secret agreement entered into with Nazi Germany in 1939, by overwhelming military forces, occupied Lithuania in 1940 and now arbitrarily deprives this Republic of its independent political life and membership in the community of nations of the world; and

Whereas, since this predatory occupation of Lithuania, the U. S. S. R. pursued and continues to pursue a ruthless policy of planned liquidation, deportation, and dispersion of the Lithuanian people in order to destroy the Lithuanian national entity which constitutes a crime of international magnitude; and

Whereas the crime of genocide which the U. S. S. R. is perpetrating upon the defenseless Lithuanian nation violates all principles of human rights, international law, all the covenants and agreements entered into between the U. S. S. R. and the Lithuanian Republic and the avowed war aims of the Allied Powers and expressed in the Atlantic Charter and the "four freedoms"; and

Whereas we recognize and acknowledge that the representatives of the people, the Congress of the United States was not consulted and had no part in the infamous secret agreements whereby innocent nations were committed to communism, and its peoples exposed to the throes of slavery and Siberian deportation and possible extinction: Therefore be it

Resolved, That we petition the Government of the United States to renounce, denounce, and repudiate all such secret agreements that violate human rights; and be it further

Resolved, That we request our representatives at the United Nations to demand that the General Assembly of the United Nations take steps and proper measures to make Soviet Russia conform to the United Nations Charter and other international agreements and covenants; that the U. S. S. R. armed forces, puppet regimes, and terrorist police forces be withdrawn from Lithuania and other invaded countries and that their deported nationals be returned to their homes and families; and be it further

Resolved, That we petition the Government of the United States to initiate proper and firm measures for the purpose of rendering effective aid for the restoration of the violated sovereignties of Lithuania and other European countries; and be it further

Resolved, That a copy of these resolutions be presented to our Senators, Hon EDWARD S. MARTIN and Hon. FRANCIS J. MYERS, and to our Representative in Congress, Hon. Dr. IVOR D. FENTON, with a request to have them read into the CONGRESSIONAL RECORD and to have them forwarded to other officials for presentation to the proper authorities of the United Nations.

AMERICAN LITHUANIAN SOCIETIES AND CLUBS,
A. J. STANISKAS, *Chairman*.

Attest:

W. J. KRENCEWICZ,
Secretary.

Foreign Gifts and Loans

EXTENSION OF REMARKS
OF
HON. MAX SCHWABE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, under leave to extend my remarks, I include the following radio address given by me February 27, 1948, over the network facilities of the National Broadcasting Co.:

The Marshall plan is nothing new. It is merely a proposal to extend the New Deal foreign hand-out policy.

Since the end of the war we have sent abroad nearly $22,000,000,000. Contrary to expectations, it has gone for the most part to help entrench Socialist elements that have squandered this huge assistance, which we were told would be used for the reestablishment of freedom, politically, socially, and economically.

Our people are now led to believe that the Marshall plan is something new, but it is only a proposal to carry on the existing program of gifts and loans to foreign countries. I would be for the program if I thought it would do what is claimed, bring peace, reconstruction, and freedom to the nations. But it is not a plan to aid starving European people. When the sponsors of the program keep talking about starving people they are dishonestly playing on our heartstrings.

You see, our Government extracts dollars from our taxpayers and gives the dollars to foreign governments who in turn use these dollars to purchase goods and sell them to their own people. We do not send the goods to the people of the foreign countries directly. These gifts are government to government subsidies. European government leaders will be able to refuse food and aid to citizens who do not support their socialistic programs. For example, England insists that she will need at least a billion United States dollars in 1949, yet Parliament was told that the Beveridge cradle-to-the-grave plan will be put into operation in July, with all its social and financial costs. We are subsidizing the Socialists' program of England and preventing their returning to sound finance.

When President Truman presented the Marshall plan to Congress he asked for what he himself has called "police state controls." He and many others contend that the European recovery program will make such controls necessary. Official propaganda may make them politically necessary. The sacrifices required by the Marshall plan are likely to be so great that most Americans will be unable to carry the load. It would thus be necessary to put this burden of billions on the backs of our greatest wealth producers. Under price control they would be asked to produce without hope of profits. This would kill their incentive to produce and dry up supplies of investment capital. Our houses and factories would wear out. What would our workers do then? The Marshall plan can thus cause the break-down of the American economy, which is now the backbone of the world's hopes. It might be the last billion that would break our back and pull the whole world down into chaos and dictatorship. Neither Europe nor America wants this—only the Communists.

Private loans for genuine recovery are advisable if we would say to these countries that before they get a cent they must throw off their socialist controls and adopt private enterprise and free labor. The trouble is, our present leaders are not going to make such a request because our own leaders are not private enterprise minded. In short, Socialist thinkers, a similar group of planners, are in control over here as well as in the European countries. Why gamble further our precious freedom by this gigantic hand-out to finance hostile economic systems? Is it not ridiculous to tax private enterprise at home to finance socialism abroad? Are you willing to mortgage your children in an attempt to lift the standard of living in foreign countries to the point where we are dragged down to their level? This is the pay-off of world socialism or communism.

Make no mistake about it, those of you who believe in the American way of life, freedom and opportunity, the Marshall plan has little to do with feeding starving people or with European recovery. The starving people and economic recovery are being used as a shield or a blind so that you will unwittingly approve as a taxpayer the financing of not a four year but a permanent worldwide planned economy. A planned economy is dictatorship—look at Russia today. It is a planned economy.

For eight long months you have been hearing glowing words and promises for the Marshall plan. All this oratory reminds me of a wise old Englishmen who said: "It is not important what men say, nor the way in which they say it; it is what they propose to do."

This Englishman was, of course, just restating a solemn truth phrased long ago by the Man of Galilee when he said to his disciples, "By their fruits ye shall know them."

The people who have been spouting the oratory and making the promises for the Marshall plan are the same people who have been strutting across America making promises to you for 10 years. What have been the fruits of their promises? To determine whether their promises for the Marshall plan are worth considering, let us look at the record of these global planners.

In 1940 the clique now promoting the Marshall plan was demanding a peacetime draft army. They claimed that by having a peacetime draft we would keep out of war. Was that promise true or false?

In 1941 the Wall Street crowd now promoting the Marshall plan told you that lend-lease would keep us out of war. Was that promise true or false?

In 1942–43 the present promoters of the Marshall plan were telling you that we were fighting for the Atlantic Charter and that would be the law everywhere. Was that promise true or false?

In 1943–44 the Marshall plan promoters were promising the "four freedoms" to the whole world. Was that promise true or false?

In 1944–45 the Marshall plan promoters were telling us that Russia was a great democracy and a friend of America. Was that promise true or false?

In 1944 the Marshall plan promoters were telling you that UNRRA, into which the United States poured $2,750,000,000, was going to bring about recovery in Europe and was going to help prevent communism in Europe. The record shows that hundreds of millions of UNRRA went to Tito's forces. Was that promise to stop communism in Europe with UNRRA funds true or false?

In 1945 the present promoters of the Marshall plan told you that Bretton Woods, into which the United States has poured some billions of dollars, would insure world peace and make it unnecessary to send more hand-outs abroad. Was that promise true or false?

In 1946 the promoters of the Marshall plan drove through a hypnotized Congress the British loan. They promised that that hand-out would bring recovery to England and make further aid unnecessary. Was that promise true or false?

In 1947 the clique now promoting the Marshall plan asked for $400,000,000 for Greek and Turk aid and said it was to relieve human suffering and distress in those lands and that it would stop communism there. Was that promise true or false, or are they now wanting more money and conniving to start a shooting war?

The answer, friends, to all the foregoing questions is that in each and every case the promises made by the promoters of the Marshall plan have been utterly worthless. They have not made good on a single promise.

Now let me ask you a question. If a man came to you and said that he was an expert chauffeur and 10 times in a row you provided him with a new car and every time he wrecked it and each time his accident put some of your family in the hospital, wouldn't you conclude that he was either a deliberate liar or was deliberately wrecking the cars? Would you continue to provide him with new cars to smash up and injure your children, simply because he continued to claim that he was a good driver and the next time he would get there safely?

No, my fellow Americans, the simple truth is that this administration has been playing

into the hands of the Communists from the date Mr. Roosevelt recognized the infamous Communist regime in 1933. And this administration, through the Marshall plan, will continue to play into Stalin's hands.

This program, the so-called Marshall plan, is not to stop communism. This program will promote communism by underwriting and propping up the Socialist dictatorships of Europe. These Socialist dictatorships are blood brothers with communism. The only difference is that Socialists enslave the people by degrees while the Communists, who don't get direct American hand-outs to sweeten the transition, make the change-over from freedom to despotism at one stroke.

Further than that, this program will continue the deterioration of the American currency and cause the cost of living to go higher and higher. Lenin said that the surest way to overthrow the existing social order was through debauchery of the currency.

The Marshall plan will cause prices in this country to go higher and higher. It will cause shortages in critical items like steel and oil; it is already causing black markets and a demand for regimentation of the people. It is laying the foundation for the shackles of a police state in America in peacetime. The very name, Marshall plan, on this program, should be a give-away, because General Marshall was one of the architects of the Tehran, Yalta, and Potsdam agreements. All those deals have played into Stalin's hands.

Adolf Hitler said that by clever and sustained propaganda an entire people can be made to believe that heaven is hell and the most miserable existence is paradise. Is that deadly trick being played upon the American people by the same propaganda methods? You are being told the Marshall plan is to bring about peace but on the floor of Congress it is being openly conceded that the Marshall plan is lend-lease for another war.

The situation reminds me of one of the incidents that took place in 1944. Roosevelt was seeking the so-called Polish vote in America. A slogan to fool voters of Polish descent was spread over the Nation. Here was the way it read "Vote for Roosevelt; save Poland."

At the very time the slogan was ballyhooed, Poland had already been sold down the river to Stalin. We know that now. So it will be with the Marshall plan. They tell you the Marshall plan is to bring peace. At the very time they make you that promise, the Marshall plan is promoting undeclared war.

Just as in the case of Poland, the administration is promising peace while promoting war. This means that there is only one thing that can save the people of America. If your sons and daughters are not again to die on far-flung battle fronts all over the world, the Marshall plan must go into the ash can.

America must again fulfill her role as the light of the world—making the world better by the Christian virtues of persuasion and example, not by guns and bribery.

More Facts on UMT—The Sugar Coat Name for Conscription

EXTENSION OF REMARKS

OF

HON. HOWARD H. BUFFETT

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 30, 1948

Mr. BUFFETT. Mr. Speaker, under leave to extend my remarks, I am including a recent news story appearing in the Omaha World Herald and a recent article appearing in the Christian Century:

[From the Omaha (Nebr.) World Herald]

UMT PLAN ASSAILED BY EXECUTIVES

A group of Omaha business and professional men, all members of the American Legion, Thursday expressed opposition to universal military training.

The men represent no organization, but spoke as private citizens, they said.

Victor E. Spittler, attorney, said he contacted the group.

"I felt that some of us who oppose UMT should speak up," he said. "I believe the opinions of these men carry weight.

"I think UMT is a departure from the American way of life and another step toward totalitarianism. If you agree to conscripting youth in peacetime you can't object to conscripting labor and capital. This all adds up to dictatorship. We were supposed to be fighting dictatorship in the last war. I'm opposed to big government and regimentation."

TELLS OF DEFERMENT

Said W. O. Larson, Omaha real-estate man and member of the metropolitan utilities district board: "I can't go for UMT. I spent 5 years on a selective-service board in the last war. I know how people with influence in Government were able to get their sons or the sons of their friends deferred. In my opinion, UMT will not work in a democracy because there are too many ways politicians can do favors for people."

George J. Cleary, vice president of Mutual Benefit Health and Accident Association: "I'm solidly opposed to the plan. I like Representative HOWARD BUFFET's idea. I think we ought to know where we are going before we get into UMT. I believe we are being pressured into something that just isn't necessary."

Daniel J. Monen, vice president of the Omaha National Bank: "Conscription of youth in peacetime will, through interruption of study in science and engineering and democratic processes, do more damage than good. A future war will not be won by squads right and squads left."

OPPOSES COMPULSION

Denman Kountze, president of Midstate Underwriters, Inc.: "I'm thoroughly opposed to compulsory training. My reasons are so many and varied it would take an hour to list them."

James Wells, executive of Scott Tent & Awning Co., and World War II Signal Corps captain: "I am against the compulsory part of UMT. I think it violates the concepts of freedom we have always held. If UMT is put into effect it should be by constitutional amendment and not by the staff of the Army."

[From the Christian Century]

UMT IS CONSCRIPTION

With characteristic vigor, Dr. Daniel A. Poling is campaigning in behalf of universal military training. He spoke in Omaha on January 14 to a meeting to which the American Legion invited church and civic leaders. Particular pains were taken to invite members of the Christian Endeavor and of the Baptist Young People's Union to the Legion Hall to hear him. But a story which appeared on the front page of the Omaha World Herald the same evening pointed out that neither the Nebraska Christian Endeavor Union nor the Baptist Young People's Union was committed to UMT. It also carried the information that a poll of 152 ministers and rabbis in Omaha showed 92 opposed, 45 in favor, and 15 undecided.

On January 17 Dr. Poling was in Washington, where he got a friendlier reception at the Women's Patriotic Conference on National Defense, in which the principal organization is the American Legion Auxiliary. According to the Associated Press, he informed the embattled women that "in universal training, trainees are not in the service, they are not in uniform, they are not under the Articles of War. They are not subject to Army court martial and could not be sent out of the country. Should another crisis arise, it would still require a special act of Congress to induct them." He vigorously denied that such training would be "peacetime conscription" and complained that great confusion is arising because people have not read the report issued last May by the President's Advisory Commission on Universal Training, to which Dr. Poling was appointed as a Protestant minister.

It is a fact that a considerable number of people are puzzled by all the hullabaloo over military training, but we doubt that Dr. Poling has laid his finger on the cause. That seems to be, in part at least, the language of H. R. 4278, "a bill to enact the National Security Training Act," which differs so widely from the descriptions of it given to the public by its advocates. It is that bill, and not the report of the President' commission, which the American Legion and its friends seek to make law. Dr. Poling's statements give rise to the suspicion that he may not have read the bill himself.

This bill states in its preamble that "to provide for the common defense * * * every male citizen of the United States and every other male person residing in the United States owes to our country an obligation to undergo training which will fit him to contribute to its protection in time of emergency." It sets up the National Security Training Corps, "to be composed of trainees who shall be inducted into it only for training as hereinafter provided, and who shall be organized, administered, and trained * * * by appropriate departments and agencies of the United States. As used in this act, the term 'department concerned' means the War Department or the Navy Department, or such other department or agency as may be appropriate. The terms 'military training' or 'military training program' as used in this act means the training for duty with the armed forces of the United States."

Such language has quite a different tone from that used by Dr. Poling. In the first place, the training is universal. In the second place, it is military. In the third place, it is conducted under the Army and Navy. The other departments referred to may have jurisdiction only over conscientious objectors, as section 206 of the bill shows. The statement that the young men trained under this bill are "not in the service" is eyewash, because the National Security Training Corps will be a branch of the Army and Navy, which handle every detail of its administration. It is true that its top echelon of authority is the National Security Training Commission, but even that is under the President in his capacity as Commander in Chief of the military arm of government. One of its three members "shall be a member of the armed forces." The bill states that "the operation of the program, as it applies to all persons qualified for any form of military training, shall be the direct responsibility of the several service agencies." Not in the service? Nonsense.

Dr. Poling states that the trainees "are not in uniform." Section 105 of the bill states that "the President shall prescribe the uniform to be worn by the trainees, which uniform shall include a distinctive insignia." So the truth is that the trainees will be in uniform, a military uniform, which will differ from that of other branches of the armed services only as they differ from each other. Persons who advocate this measure should read the bill.

Dr. Poling states that trainees are not under the Articles of War, which is the law of the military service, and will not be court-martialed. The fact is that if this bill passes they will be under a detailed system of law which is incorporated under title II, chapter III, of the bill as a Code of Conduct. We have not had opportunity to compare the wording of this code with the Articles of War, but the language of this section of the bill leaves no doubt that the law it prescribes is military and not civil law. "All trainees * * * shall, from the time of actual induction * * * be subject to the provisions of this code," says section 303. The code provides that discipline shall be imposed by direct command of officers or by national security training courts. These courts shall be "composed of five officers of the service," says section 304. If this is not what soldiers know as a court martial, the difference is so slight that it is invisible to the naked eye. Appeals from decisions of such courts are taken to higher officers.

Some of the long list of offenses and punishments described in this code of military law are startling. The bill prescribes that induction into the corps occurs when the trainee takes an oath to "bear true faith and allegiance to the United States of America" and to "obey the orders of the President of the United States and the orders of the officers appointed over me according to law and the rules of the code of conduct of the National Security Training Corps." Refusal to accept actual induction "shall be in violation of this act and as such is liable, upon conviction in a civil court, to punshment of a fine of not more than $2,000, or by imprisonment for not more than 1 year, or both." Trainees who have finished their first 6 months of basic training and who refuse to go through with the second 6 months "shall be punished by a fine of not to exceed $500, or imprisonment for 6 months, or by both such fine and imprisonment."

This section clearly reveals the compulsory nature of this form of military service, but the heaviest penalties—5 years' imprisonment and $10,000 fine, or both—appear in section 212, which seems to cover the same offenses, as well as others. This section deals with registration, classification and induction. It says in part: "Any person who shall knowingly make, or be a party to the making of, any false statement or certification as to the fitness or liability or nonliability of himself or any other person for training under the provisions of this act, or rules or regulations made pursuant thereto; or who otherwise evades registration, induction, or training or any of the requirements of title I of this act, or who knowingly counsels, aids, or abets another to evade registration or training or any of the requirements of this act, or of said rules and regulations * * * or any person selected for training under this act who shall refuse to complete the training as prescribed under this act, shall upon conviction in the district court of the United States having jurisdiction thereof be punished" as indicated above. What does this mean except that if a trainee leaves camp before he has completed his year, he is subject to this heavy penalty? And if he goes home and is taken in by his family, doesn't it say that both his father and his mother are also subject to imprisonment for 5 years and a fine of $10,000, or both, for receiving their own son?

There are, besides, pages upon pages in the law prescribing heavy penalties for desertion, aiding deserters, striking an officer or "offering" violence against an officer, "collective insubordination," including slowdowns or "any concerted action in the nature of a strike" ($2,000 fine or a year's imprisonment or both for that), failure to aid in suppressing such insubordination or failure to report it to officers when the trainee has reason to believe it may be contemplated, losing Government property, and so on. Then there follow 18 sections, starting with absence without leave and carrying through to "all disorders and neglects to the prejudice of good order and trainee discipline," which carry the sweeping and unlimited penalty that the trainee "shall be punished as a national security training court may direct." Anyone familiar with the capacity of 18-year-olds to get into trouble will find it hard to read these sections of the law without wondering how large a portion of the boyhood of the Nation faces the prospect of spending some time in jail.

Section 383 permits punishment of trainees for crimes of which they are not guilty and concerning which they have no knowledge. It provides that where damages are done to property and "where the offenders cannot be ascertained, but the organization or detachment to which they belong is known, stoppage [of pay] to the amount of damages inflicted may be made and assessed in such proportion as may be deemed just upon the individual members thereof." No democratic civil court would or could follow this principle of collective guilt for the acts of individuals. This is military law, which is essentially despotic and undemocratic. Of what value is such discipline to men who are citizens of a democratic society?

Dr. Poling's main attack in his Washington speech was aimed at the people who denounce universal military training as conscription. He says that this is not conscription and that the difference between universal military training and conscription is basic. We fail to follow his logic. Here is a plan to draft young men between the ages of 17 and 20. It is universal in its application. Its purpose is military training. Its uniformed trainees are members of a corps which is in fact and in organization a branch of the armed forces, under the commander in chief. There is not a line in the bill which says that they may not be sent out of the country. They are under military law. The corps is administered by military officers. In the event of war, Congress could act in 5 minutes to sweep aside the flimsy civilian camouflage under which the National Security Training structure is masked. But even this would not be necessary. The corps is committed to obey the orders of the Commander in Chief of the Armed Forces, just as other branches of these forces are.

It is possible, of course, that Dr. Poling may not have a copy of H. R. 4278 at hand, and that he is too busy making addresses under the sponsorship of the American Legion to read its 82 pages. He may not even have a dictionary in his briefcase. So we quote a definition of conscription from Webster's New International Dictionary of the English Language, second edition, which was published in 1940: "Conscription, n., a compulsory enrollment for military or naval service; a draft." Conscript, a transitive verb, is defined as "to enroll by compulsion for military service; to draft." Conscript, the noun, is defined as "one compulsorily enrolled to serve as a soldier or sailor; a recruit secured by compulsion."

So Dr. Poling is wrong. UMT is conscription. It is peacetime conscription. The trainees are conscripts. The attempt to make universal military training appear to be anything else than conscription is deliberately dishonest. It is a specious evasion of the plain and universally accepted meaning of an English word. The confusion that this evasion has created in the public mind concerning universal military training is calculated to get the people of America to accept one thing in the guise of something else. That confusion is rapidly clearing up as the people come to understand the real nature of the system which the militarists are trying to impose on them.

This is peacetime conscription and it must be accepted or rejected as such. We believe it should be rejected.

Token China Aid Is Not Enough

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. JUDD. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the Washington Daily News of February 23, 1948:

TOKEN CHINA AID IS NOT ENOUGH

The State Department under pressure has changed its no-aid-to-China policy. But unless it is prepared to go much further and faster in getting help to China, there is little prospect that the new policy will be more than a cruelly deceptive gesture.

Secretary Marshall now says the Communist armies may take the rest of Manchuria and north China; and that this soon would make our position in Korea untenable and our position in Japan insecure. So there is no longer any official question that American security interests are involved.

He now urges $570,000,000 in the next fiscal year for nonmilitary aid, and points out that supplying these civilian goods will release Chinese funds for purchase here of other essentials. That is, military materials. The State Department says army supplies are going forward; that some were loaded on Chinese ships at Saipan last week, that 150 transport planes are being readied, that low-cost contracts for surplus ammunition from the Marianas and Hawaii were signed last month and will be filled rapidly.

Finally Secretary Marshall emphasizes the lack of training of Chinese Nationalist troops and the inability of their officers to get maximum results without expert military advice—such as he gave to little avail when in China in 1946.

So in theory Washington favors the sending of military supplies and American military advisers, with such experts as Generals Wedemeyer and Chennault considered absolutely imperative to enable Chiang Kai-shek to halt the Red advance. The many congressional and other friends of China aid are now relieved of the time-consuming task of proving the obvious wisdom of this policy. They now can concentrate on getting it applied effectively.

As for munitions, the contracts already made are mere tokens. Far larger amounts are required, plus the men and the ships to guarantee quick delivery. Planes are of little use without spare parts and military equipment.

In the case of military advisers—the most desperate need of all—we suggest that the American military mission now cooling its heels in China be assigned to that duty at once. Washington implies that the Nanking government does not want such advisers, but Nanking indicates that it does. This absurdly costly confusion would be clarified within a few hours if Washington would lift its reported order to its military mission to refrain from advisory activities.

The Chinese Government certainly shares with Washington the blame for the impasse which has so long paralyzed effective cooperation for mutual benefits. But that is all the more reason for both parties now, in view of the vastly greater Communist military threat, to forget old feuds and face-saving maneuvers and to work together.

Czechoslovakia

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article by George E. Sokolsky:

THESE DAYS

(By George E. Sokolsky)

There are always men, great and small, who are certain that they can do the impossible. You have known them; the man who can run the banks of the country differently and better; the man who can operate the United States Steel Corp. better than Ben Fairless; the man who never laughs when he sees a play by George Bernard Shaw; the man who knows precisely how to manage the newspaper you are now reading better than its publisher.

Among the statesmen, such a man runs his head into a stone wall of historic fact.

Such a man is Eduard Benes, President of Czechoslovakia, who conceived the brilliant idea of looking both east and west simultaneously. This Janus-faced policy was supposed to be the smartest ever conceived and the Czechs have been inordinately proud of their achievement.

It was designed to make it possible for Czechoslovakia to be a western nation while at the same time it was an eastern nation.

Czechoslovakia was to have a free economy while at the same time it permitted their own Communists to select the premier, to accelerate a Communist propaganda and to become what is called a majority parity, changing the freedom of western European economics into the slavery of Marxism.

The first sign that the Czechs had that they were not in control of their own affairs was when Jan Masaryk at the San Francisco conference served as a diplomatic valet to Molotov. That was the tip-off.

Masaryk is not a Communist but he could work with them if it suited him. He is an opportunist.

The second sign was when Czechoslovakia wanted to join the nations of western Europe that were to meet to consider the Marshall plan. Russia told Czechoslovakia to stay away.

And Czechoslovakia stayed away. That was the second tip-off, and it was an unmistakable one. Whether one is for or against the Marshall plan, it was to be admitted that the nations of western Europe that met at Paris to set up the program represented, together with Spain, all that is left of what might be called western civilization in Europe.

Czechoslovakia, which rightly belonged at the conference, was not present. Czechoslovakia there and then became a part of the Russian world.

Benes at that point could have appealed to the United Nations to judge between him and Stalin, between the right of a sovereign nation to form its own foreign policy, to determine its own economic policy, without interference from outside.

Stalin did interfere in the internal affairs of Czechoslovakia, and Benes took it.

He probably thought he had another trick up his sleeve.

Maybe he thought that Masaryk had another trick up his sleeve. Maybe he thought that he could outwit a steam roller that is not to be resisted by speeches.

So now it has come at last. Russia is moving on Czechoslovakia as it moved on Hungary, as it moved on every Balkan country except Greece. This is war by propaganda—war by treachery and the utilization of quislings.

What Hitler planned at Munich, what traitors did in every country into which the German armies marched, was petty larceny compared with the horrible miseries that Stalin is bringing to country after country.

And there is no stopping him at any particular point as long as the western powers lack the will or daring to stand up to him even on the basis of their opposition to Hitler. Czechoslovakia is only another step in the march to Europe's death.

There are men who serve Russia in every country: Togliatti in Italy; Thorez and Duclos in France; Gottwald in Czechoslovakia.

Who is the man in the United States who, in pursuit of personal power and personal advantage, is playing this silly game of believing, like Benes, that he can evade becoming the prisoner of those who are willing to feed his vanity, supply him with a claque to applaud his platitudes, to cheer his every gesture, while he, Janus-faced, looks both east and west, playing both ends against the middle?

It would seem to me that Henry Wallace is the Eduard Benes of America—albeit a less graceful one.

Truman Permits Vital Security Program To Bog Down

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. SHAFER. Mr. Speaker, the present political administration has been drumming up a feeling of urgency among our people by making it seem that there is danger of a war with Russia. Every time a new plan for spending American tax money overseas is O. K.'d in the White House, a new incident of some kind is publicized from overseas to scare Americans into making the appropriation.

We in Congress, as most of us realize, are kept busy digging to get the truth. Frequently, we see evidences of chicanery and half-truth or lies by innuendos and omissions, in the testimony of prominent Democrats and in the stream of propaganda issued by one or the other of the Federal departments.

I, for one, am going to get all the information possible into the hands of the people, for only through knowing the facts can the average man make up his mind about what policies he wants our Government to follow. Let the people know. That should be our watchword.

As we know, and I repeat, the administration has been leaving the hint, clearly and unmistakably, that there is danger of a war, that we are in an emergency period. It has used this old and familiar technique to promote any of a dozen projects in Congress, notably universal military training, the so-called Marshall plan, and the Greek-Turk drain.

Now, as chairman of a subcommittee of the House Armed Services Committee, I am in a position to know that the administration has fallen down on one of the most important bases of a strong and prepared America—stock piling of strategic materials.

Enacting new laws ostensibly to make America strong will be meaningless if we do not have good administration of laws already in effect.

Approximately 3 years ago, Congress passed the stock-piling law, which was designed to assure us that we never would be caught short on strategic materials such as natural rubber, molybdenum, industrial diamonds, and many others, in case of another war. Ample funds were voted by Congress to start this program.

Now, after 3 years, we might legitimately ask, in view of the emergency attitude fostered by the executive branch of the Government, how are we getting along on strategic stock piling? Since the official reports are labeled "confidential," I do not feel free to give exact figures of the so-called Stock-piling Board, but I have read the latest report and I am amazed that the administration could have the effrontery to suggest other measures while failing to see that the stock-piling legislation works.

Of something more than 65 strategic materials included in the stock-piling program, only two or three are in full supply in this Nation. On several of the acquistion programs, the stock pile is as big as the program contemplates for this time, in other words, up to schedule. But in more than 60 strategic metals, minerals, and materials, we are not up to schedule on our stock piling.

What good would it do to have millions of men under arms, or trained to fight, Mr. Speaker, when the minerals and metals and materials needed to supply these men were not available through poor administration of a law passed by Congress? An army is no more efficient than its lines of supply, and the lines of supply cannot be kept filled unless the minerals and metals and materials needed to make the implements of war are available.

After Pearl Harbor, as we all can remember clearly, this Nation faced a rubber emergency of the first magnitude. We were caught short in respect to a vital commodity. A hasty and, of course, expensive synthetic rubber construction program was undertaken and carried through in the nick of time. But there were still widespread dislocations. Motorists had to make old tires work long after these tires should have been junked.

Now you and I would think that the executive branch of the Government would have learned a lesson from this. But apparently not. Today, the armed services have not stock-piled rubber in anything like the quantities they should

have, although the militarists keep talking war, war, and more war. We have the synthetic plants, to be sure, but we still need plenty of natural rubber, or would need it in case of a major war.

The administration of our stock-piling program is in such a mess that the Government's right hand doesn't know what its left hand is doing. Merely to acquire a little natural rubber, the bureaucrats have to pass an order through 6 or 7 different boards, councils, or committees. There is no one person in authority to move fast if the occasion demands.

Not long ago, I am reliably informed, the Government had a chance to acquire 20,000 tons of natural rubber at a fair price. Under existing procedures, if the price of natural rubber is higher than 18 cents a pound, the Government does not buy. If it falls under that figure, the Government can buy. This rubber I am talking about was for sale below 18 cents a pound and the Government wanted to buy it. But by the time the idea was kicked around by 6 or 7 groups in the Government, and finally was approved, the bureaucrats learned that the rubber already had been sold to a private company.

This kind of run-around and slipshod administration is one of the big reasons why the whole stock-piling program is in such a mess. Yet, we are continually being urged to pass new legislation with the implication that there is a threat to our security somewhere or the other.

As a matter of fact, as we all know, the President originally this year was going to ask for $660,000,000 for the stock-piling program. But the Bureau of the Budget, one of the President's own personal agencies in the executive department, cut the figure down to $225,000,000. That is, relatively, chicken feed compared to the billions we are talking about shipping overseas for foreign nations and considering the billions we are throwing away in other pretty obvious ways. Yet, that is the total amount Congress is being asked to appropriate for one of the most important and vital programs for national security imaginable.

Mr. Speaker, I do not believe we are going to have another war in the next decade. I am not in favor of another war, with Russia or any other nation. I was against our entry into World War II until we were forced into it, and I will be against world war III. But one thing is certain: If we are going to have a war, or even if we are not, we should be prepared. A lot of people want to get prepared in obvious ways—by having kids march around with rifles on their shoulders and waving flags. That is one way of being prepared, but it did not help France in 1940, and it will not help us in the atomic and guided-missiles war of the future. Another way of being prepared is to have adequate stock piles of every kind of metal, mineral, precious and semiprecious jewelry, a strong industrial system, and a scientifically trained and alert citizenry. That is the way I want to be prepared for war. You can have the parades. Give me the strategic materials. Wars are won by real force, not apparent force.

The Russians, and every other civilized people, can learn very easily the state of our unpreparedness. Not because of any laws we in Congress do or do not pass, but merely by checking up on our industrial capacity and the strategic materials available to us. They will not be influenced one way or another by any show of strength we make, as long as they know we lack strength in the most vital parts of our industrial and military anatomy.

Death of Hon. Thomas M. Hederman

EXTENSION OF REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Friday, February 27, 1948

Mr. RANKIN. Mr. Speaker, I have just received the sad news of the passing of Hon. Thomas M. Hederman, owner and editor of the Clarion Ledger at Jackson, Miss.

In his passing my State loses one of its finest and most valuable citizens; a true patriot, and Christian gentleman in every sense of the word.

The last editorial he ever wrote had reference to my services here. It appeared in the Clarion Ledger on Wednesday morning, February 25. He sent me a copy of that editorial together with a personal note which was mailed on the morning of February 25. He passed away that afternoon.

It is impossible for me to express my heartfelt gratitude for this last expression of a true and loyal friend. My heart goes out to his bereaved loved ones in their hour of sorrow.

His life was gentle, and the elements
So mixed in him, that nature might stand up
And say to all the world this was a man.

The editorial referred to follows:

HIGH PRAISE OF HOUSE COMMITTEE AND MISSISSIPPI'S JOHN RANKIN

"The most important and most useful committee in Congress is the House Committee on Un-American Activities," Frank C. Waldrop declares in a full-column editorial page article in the Washington Times-Herald.

And when Mississippi's Representative JOHN RANKIN in 1945, by a smart, bold, and foresighted move, caused that committee to be made a permanent House committee, Mr. RANKIN justified his career as an American citizen right there, Waldrop states further:

"When the history of our times is finally written," he predicts, "that committee will undoubtedly be described as the key to the survival of the American Republic.

"Why? Because in days when it was dangerous and unpopular to describe the conspiracy of the Communists for what it is and always has been, that committee of the House stuck to the job."

Mr. Waldrop reviews the whole history of the committee, from the time of its creation in 1938 with Martin Dies as chairman. He tell how the New Deal hated the committee and grew also to fear it. How Dies was attacked and ridiculed but fought back valiantly until breaking health forced his resignation. (JOHN RANKIN was the target of similar threats and ridicule by the same groups.)

"The second great moment in the career of the committee came when Representative JOHN RANKIN, Democrat, of Mississippi, moved at the moment when Congress was organizing in January 1945 that the House Committee on Un-American Activities be made a permanent branch of the House.

"RANKIN justified his career as an American citizen right there.

"Dies was gone. Matthews was gone. Stripling was headed for the Army. The Communists and fellow travelers were panting to get their hooks on the committee's files that had by then grown to enormous size. Once those files were transferred out of Stripling's hands, they felt, the whole war would be won.

"But they figured without RANKIN, and he outsmarted them all, to save an invaluable storehouse."

We take pleasure in noting this article not only because it gives Mississippi's JOHN RANKIN deserved praise and credit but also because of its tribute to the much-maligned Martin Dies.

We think many Mississippians will find it interesting. And, as the times become more critical and the menace of the Communist plots and activities becomes clearer to all, many others in Washington and over the country will endorse this statement that this committee may be described by historians as "the key to the survival of the American Republic."

Problem in Korea—Opportunity in Japan

EXTENSION OF REMARKS
OF
HON. EDWARD H. JENISON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, February 27, 1948

Mr. JENISON. Mr. Speaker, under leave granted me to extend my remarks in the RECORD, I desire to call to the attention of Members of Congress an editorial appearing in the New York Daily News and the Washington Times-Herald this week. It points out anew the obvious truths present in an interesting article written by Gen. Bonner Fellers, military secretary to Gen. Douglas MacArthur and later secretary-general to the Allied Council for Japan. The article, written for the current issue of Nation's Business, has already been included in the Appendix to the RECORD through the good offices of my distinguished colleague, Hon. ABE MCGREGOR GOFF, of Idaho.

The editorial follows:

PROBLEM IN KOREA—OPPORTUNITY IN JAPAN

Russia pulled a fast, though not unexpected, one the other day, when a radio station in Pyong Yang, capital of the north Korea Russian zone, announced creation of a thing called the Democratic People's Republic of Korea.

This outfit, of course, is a Moscow marionette which will dance to any string Joe Stalin jerks. According to United States occupation authorities in Seoul, capital of southern Korea, the infant "republic" has an army well equipped with Russian arms, ammunition, and light planes.

The birth of the new "government" throws the spotlight on our problem in Korea, and it is a first-class one. We've been occupying the southern part of that peninsula since

soon after VJ-day, pursuant to an understanding with Russia that Moscow and Washington would pull their troops out of there when an independent Korean Government should be solidly established.

The United Nations Korean Commission is badly worried over this development and is warning of a possible new world war, originating in Korea, unless the Little Assembly can do something in a vigorous way to prevent it. The Little Assembly has no armed forces. Russia wants us out of there—and has much heavier fighting strength on the unhappy peninsula than we have.

What we'll finally do is anybody's guess. Meanwhile, it seems to us a highly attractive opportunity is beckoning in Japan, whose islands bracket Korea.

This opportunity is set forth in detail in a long and interesting article in the current Nation's Business magazine by Gen. Bonner Fellers, military secretary to Gen. Douglas MacArthur during the war and later secretary general to the Allied Council for Japan.

General Fellers discusses the vile atrocities Japs inflicted on captured Americans from the Bataan death march to the end of the war. He asks none of us to forgive those crimes, and probably none of us ever will. But he does offer an explanation for them which seems sound.

He blames the atrocities on three things, mainly—the cheapness of human life in the overpopulated Orient; the Shinto religion, which preaches nothing about a decent regard for one's fellowman; and the fact that the Japanese warrior caste taught the soldiers that they belonged to the master race and were duty bound to kill off, torment, or enslave all non-Japanese, especially white ones.

MAKE PEACE WITH JAPAN

All that, says Fellers, is gone. The militarists are discredited; atrocity instigators are still being jailed or executed. Christianity is making heavy inroads on Shintoism. Tetsu Katayama (Socialist) was Japan's first Christian premier. He was succeeded Saturday by Hitoshi Ashida, head of the Japanese Democratic Party.

The native Communists are doing their best to take over Japan for Russia. MacArthur has given them every leeway, every possible bit of rope to hang themselves. Meanwhile, MacArthur keeps the Russians in Toyko Allied occupation councils firmly under his thumb.

MacArthur says that the Japanese Government is now strong enough to keep the Reds where they belong if United States occupation forces are pulled out.

Fellers says that "the new Japan, provided we don't blunder, will eventually emerge as a Christian democracy and a stanch friend of the United States." Japan, incidentally, has 80,000,000 people.

The country is now one big poorhouse which is costing us $300,000,000 a year to feed. It can relieve us of that bill only by getting back on its feet economically.

MacArthur's prescription for quick Japanese recovery and firm United States-Japanese friendship is, as reported by General Fellers: Conclude a peace treaty as fast as possible, with or without Russian participation, and then withdraw United States occupation forces; and virtually forget reparations.

If we can make fast friends and potential allies of the Japanese, it seems by all odds that we'd be fools not to try. And if anybody should know how it can be done, MacArthur should.

How about serious consideration of these suggestions in United States Government circles? We're aware that the Marshall plan is taking up the time and energies of most of the statesmen; but can't some of them please give thought to the possibility of making 80,000,000 real friends for the United States at reasonable cost and at a spot on the world map where we need all the friends we can find?

New York Democratic State Committee Asks Active Support of Palestine Partition

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, February 27, 1948

Mr. KLEIN. Mr. Speaker, I am inserting in the RECORD under previous leave the statement issued by Paul E. Fitzpatrick, chairman of the Democratic State Committee of New York, which asks full support of the United Nations decision for partition of Palestine and for lifting the arms embargo and enforcing the UN determination:

Support of the United Nations' partition of the Holy Land by lifting the United States embargo against the shipment of arms to Jews in Palestine is essential to world peace, Paul E. Fitzpatrick, Chairman of the Democratic State Committee, declared today in a four-point program submitted to the New York State congressional delegation.

Such positive action, Mr. Fitzpatrick pointed out, would go far toward backing up President Truman's declaration February 12 that the United States is supporting the UN settlement, and would reinforce Secretary George C. Marshall's statement the day before that no change in our policy of support is contemplated.

Emphasizing that American troops are neither necessary nor desired, the New York State chairman strongly urged that the United States also support UN proposals for a voluntary police force, and clearly warn Great Britain against any "scuttling" of the partition.

His recommendations supplemented a proposed joint resolution introduced in the New York State Legislature Tuesday by the Democratic Party, calling on Congress to lift the arms embargo.

Mr. Fitzpatrick's complete statement follows:

"The New York State Democratic Committee is heartily in accord with President Truman's statement that the United States support the United Nations' settlement of the Palestine issue. We welcome the assurance from Secretary of State George C. Marshall that this Government contemplates no change in support of that decision.

"We are convinced that such support is essential to the future if not the very life of the United Nations as an instrument for the peaceful settlement of disputes. We also believe, however, that such support must be positive and real for those defending the United Nations' decision against aggressors who would ignore that decision and nullify it.

"We therefore respectfully but strongly recommend that the members of the New York State delegation in Congress actively support a program that would:

"1. Bolster the United Nations in this, its first important decision, lest its effectiveness for peace be destroyed.

"2. Lift the United States arms embargo so that Jews can defend the decision of the United Nations within Palestine against Arab aggression.

"3. Inform the British Government clearly that this Government will not tolerate scuttling of the partition.

"4. Support proposals by the UN Palestine Commission made to the Security Council that a voluntary police force be sent into Palestine. It is not necessary to send United States forces, for Palestine does not want American troops.

"The New York State Democratic committee sincerely believes that the above program is the only real way to back up President Truman and reinforce Secretary Marshall, in their aim to safeguard the United Nations and world peace."

Taxes Discourage Production

EXTENSION OF REMARKS
OF
HON. CARL T. CURTIS
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Friday, February 27, 1948

Mr. CURTIS. Mr. Speaker, for the benefit of the gentlemen holding the inverted theory that by taxing the initiative out of business the Nation will be led to new levels of prosperity, I have an interesting answer. This is not a communication from John Jones, owner of a multimillion-dollar corporation, but from the editor of the progressive semimonthly, the Nebraska Farmer.

Here is what Editor Tom Leadley has to say in an editorial published February 21, 1948:

TAXES DISCOURAGE PRODUCTION

Somewhere in the murky haze surrounding ing our incomprehensible level of Federal spending, debt, and tax burdens, the planners have missed a vital point in human nature, if not in economic law.

That is the effect of high taxes in discouraging individual initiative and maximum production.

Many big wheat growers in western Nebraska and Kansas were reported to be little concerned about the effect of the dry fall on their 1948 wheat crop. They don't care whether or not they raise a crop. The reason is because they will be about as well off without it. Their bins are already full of 1946 and 1947 wheat crops on which the Government will collect a major part of the selling price if sold in any one year. Maybe they would have 50 to 75 cents a bushel left net. By spreading their sales over a longer period, they keep their income brackets at a lower level and will have about as much left by that means as they would have by raising a new crop.

Probably to a lesser degree thousands of wheat growers are in a similar frame of circumstances and mind. It all works out to discourage production of a vitally needed food crop because income-tax rates are almost confiscatory. But curtailed production won't feed a hungry, starving world, nor permit production to catch up with demand and thus lower prices.

The effect is about the same in business. Proprietors don't have much enthusiasm for risking money for expansion of their business with Uncle Sam getting the lion's share of profits in corporation and individual income taxes. Instead, the normal inclination is to play safe, even curtail production, and by charging all the traffic will bear, try to offset lower volume and high taxes by higher and higher prices.

At the same time this high-tax burden closes the door to new business that would provide additional competition, and normally force prices to reasonable levels. Thus there is something to be said for the theory that lowering income taxes will result in lower prices and in an equally high and much sounder level of general prosperity through greater volume of sales, profits, and employment. This will bring more tax revenue to the Federal Government, as was proven after World War I.

Our Government and Higher Education

EXTENSION OF REMARKS

OF

HON. DAYTON E. PHILLIPS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. PHILLIPS of Tennessee. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I am inserting an address by W. I. Jones, administrative secretary, Lincoln Memorial University, delivered at Harrogate, Tenn., February 16, 1948:

OUR GOVERNMENT AND HIGHER EDUCATION

(By W. I. Jones, administrative secretary, Lincoln Memorial University)

Mr. Chairman and gentlemen, one of the reasons why our great country is today the citadel of freedom, the pantry, the treasury and the arsenal of all free peoples, is that from the beginning we have built schools and churches along with our factories and railways. While we were developing agriculture and commerce, science and industry, we have been developing character and knowledge; producing young manhood with keen eyes, steady nerves and the "know how" that is unsurpassed anywhere in the world. We built and equipped laboratories for scientific exploration, libraries for study and research; opened vast stores of knowledge for those who desired to excel. In all this we did not neglect physical and spiritual development for the well-rounded man or woman.

For a good many years, prior to World War II, there was a gradual increase in the percentage of high school graduates seeking a higher education. Universities and colleges were finding themselves crowded but were gradually expanding to meet the needs and it is quite probable that gradual and normal expansion of facilities would have met the problem of increased enrollment. There has been a gradual awakening, on the part of parents and young people, to the need of higher education. During the past 50 years there has been an increase of about 90 percent in our population. At the same time enrollment in our colleges has increased over 260 percent. It is claimed that only 2 percent of our population are college-trained but that this 2 percent make up 86 percent of the leadership of service in the business and professional world. We may, therefore, conclude that the matter of providing facilities for increasing this 2 percent of college-trained people is of prime importance. Through the years this gradual increase placed a heavy strain on the institutions of higher education. However, through taxation, endowments, private subscriptions and from whatever source, facilities were enlarged, so that expansions for the most part, met the needs created by increased enrollment.

Then came World War II. Suddenly colleges and universities found themselves with only 25 percent of the normal potential student pool to draw from. Male high-school graduates were taken out for war duty. Half of the female graduates went into war plants, industry, or the armed forces, leaving only about half of the female high-school graduates, or one-fourth of the whole, to keep our great institutions going. Some institutions became training centers for the armed forces, holding up the income for a while, but acting as a hypodermic, easing the pain before the operation.

Institutions of higher learning were, therefore, faced with a long period of curtailed income from student fees. Also, the scarcity of material and labor and the lack of finances made it impossible for colleges and universities to keep their buildings and equipment in normal repair. Leaking roofs, broken windows, damaged plaster, and faulty heating and lighting had to wait. Laboratories, libraries, dining halls, fire-fighting and all other equipment suffered. Everything, from typewriters to heating plants, had to wait. Taking millions of our young people to war had a devastating effect on our colleges and universities. It had a damaging effect on our young people themselves. Let us take the mythical John Doe, age 18. John was graduated from high school with honors and made application to a college to become an engineer. But he was called to the colors, and as he left us we said, "Now, don't worry, John, when you come back we will send you to college." For 3 years John braved the weather, the heat of battle, the hunger, and hell of war, and then one day he came home and prepared to go to college, and realize his great ambition to become an engineer.

But other things had happened. Universities and colleges had not been able to expand. In fact, they were in worse condition than when he left for the war. Also, by then, the normal crop of high-school graduates were applying for admission to college, and these were sufficient to fill these institutions to capacity. Too, 3,000,000 other John Does had come back and were applying for admission. Also, the girls who left high school for war work had come home and wanted to go to college. Added to all this was another factor. Many parents found themselves with more money than usual and decided to give their children an education. All these factors reveal tragic conditions. Not only John Doe, but over 1,000,000 others equally ambitious and who had been promised an education, received the discouraging news, "Sorry, we have no room."

This situation was the fault of no one in particular. Our first duty was to win the war. Be it always to the credit of John Doe and all the others, that they were patient in the realization of what happened, and have adapted themselves to the situation. There was, however, a realization that something had to be done and in a hurry. Educators, public officials, civic leaders, business and professional men began to study the problem. On August 8, 1946 the Congress made available $75,000,000 with which to increase temporary facilities on the campuses of colleges and universities, to enable them to increase student enrollment. Each institution was asked to make known its needs to the United States Office of Education. After a "finding of need" was established, the Federal Works Administration, through the Bureau of Community Facilities, undertook to make facilities available to colleges and universities. As needs were established vast Army camps and equipment were dismantled, moved to the campuses and reerected as temporary buildings. These installations included dormitories, libraries, dining halls, gymnasiums, classrooms, and offices. Also, much equipment was given including office equipment, refrigeration, cafeteria, fire-fighting, laboratory and industrial machinery. This program was carried out with dispatch and efficiency in a way that relieved the tension and made it possible for many more students to be enrolled and added to the effectiveness of the instruction to all who were in classes.

The program carried out under Public Law 607 was of a temporary nature but was most effective. Buildings in camps were needing paint and repairs. A few years and they would have been a total loss. Equipment was also rusting and becoming a liability. To turn these vast resources into effective, if temporary, assets to higher learning was a wise and valuable decision. Distribution was made on an equitable basis, taking into account the number of veterans enrolled, the actual need in each case, and the ability of the institution to meet the need in question. Statistics show that 1,777,028 veterans approved by the Veterans' Administration are enrolled in institutions of higher learning and that 3,000,000 already approved have not yet enrolled.

Lincoln Memorial University highly appreciates the effective aid given in this great emergency. The first aid received was a supply of desks, typewriters, and filing cabinets, replenishing worn out equipment that could not be found on the market. We also needed refrigeration to stop spoilage of food and safeguard the health of our students. This need was met. Through the war our fire fighting equipment had deteriorated beyond repair or use. Every building was a hazard. A fire engine and a number of extinguishers were supplied, removing that danger. For a number of years we had needed a gymnasium but the large number of veterans wanting to become coaches and athletic directors made this a must. Due to this need and other factors, we were awarded the sports arena at Camp Forrest which is now being rebuilt on the campus, with concrete block walls and brick veneer, making it into a permanent building. These and other valuable items have enabled Lincoln Memorial University to be effective in its courses of instruction given to veterans, and for which we are grateful. We have found, without exception, that all Federal agencies participating in this program have been fair and have striven to establish the need and meet it regardless of race, creed, or color.

This use of surplus properties gave temporary relief at a minimum cost. A total of $75,000,000 was spent, enabling an increased enrollment of thousands of students in colleges and universities. Veterans and nonveterans, who were enrolled benefited from this relief. This was a small expenditure for so great a result.

That brings us up to now. What of the future: Institutions of higher learning must face realities. In the first place, there is certain to be an increase in the percentage of new high school graduates entering college and the increase in population will normally swell the enrollment in colleges and universities. From reliable sources it is estimated that the peak of veteran enrollment will not be reached until 1951, and that the veteran enrollment will not end until about 1960. That factor plus normal increase from high schools, plus problems that may arise due to military training in the future, and all add up to a continuing demand beyond the ability of institutions to handle. Also, shortly the temporary buildings erected will no longer be of service and this depreciation will lessen the ability of schools to continue their present capacity. It is claimed that 1,200,000 veterans are now enrolled in institutions of higher learning and that the peak has not been reached. Whether the peak has been reached or not, it is true that veterans will be enrolled for 8 or 10 years, that there will be a normal increase in non-veteran enrollment, and that all institutions of higher learning will be filled to capacity with thousands unable

to enroll. Many veterans are yet in high schools and will go on to college later.

Looking toward a permanent solution of the educational stresses, a bill, S. 971, has been introduced in the Senate and H. R. 2845 into the House, calling for an appropriation of $250,000,000 to be made available to public and private (nonprofit) institutions on a matching basis for the erection of permanent buildings, such as laboratories, libraries, and classrooms. Such an aid would go far toward a solution of the problems of today. It is hoped that the amount will be increased to $500,000,000 on a matching formula, which would give $1,000,000,000 to institutions of higher learning to build facilities for the present and the future. From authentic records we learn that some temporary buildings were erected at a cost of $8 per square foot, with the average being $4.27 and the Government paying it all. It is estimated that new and permanent buildings can be erected at a cost of $11 per square foot, which shows that the cost to the Government would be $5.50 per square foot for permanent buildings instead of the $4.27 for temporary ones, the other half to be paid by the institutions themselves.

Federal authorities state that the proposed $250,000,000 will provide facilities for two-sevenths of the veterans now unable to enroll for lack of room. By doubling the amount four-sevenths could enroll. Nor will this money be wasted after the veterans' program is finished. This Nation must step up its educational facilities to keep pace with other nations. As a matter of security, our chemists, engineers, and scientists must be second to none. Whether in war or peace, we must invest in a well-educated citizenship ready at all times to measure arms with students from all other lands.

It is safe to predict that the present number of veterans will require from 8 to 12 years for the end of their educational program. Then their sons and daughters will wish higher education. Too, there may be other wars, in which case our educational institutions will be bulwarks in national defense. It is claimed that wars are being fought more and more in laboratories and test tubes. That agriculture and transportation, physics, chemistry, steam, steel, and electricity are now the weapons we will use. That being true, it is as important to have laboratories, libraries, and classrooms as it is to develop defenses against the atomic bomb. Added to these is the necessity of developing strong and intelligent men and women to use the weapons we create. For these reasons we hope the Congress will give immediate and careful consideration to an appropriation large enough to ease the strain of today and meet the needs of tomorrow.

Institutions of higher learning cannot do these things of themselves. The cost per student exceeds the income per student. By the time most institutions keep up repairs, pay present salaries, and replace worn-out equipment, they cannot meet the complete cost of new buildings needed. It is believed that from present resources, plus what can be raised from private subscriptions, colleges and universities could match appropriations from the Government and realize the improvements needed. When we realize the potential strength in peace and in war of a powerful, technically trained young American manhood and womanhood no cost is too great, and when we think of the dangers of this age in electronics, in bacteriology, in all phases of science, we realize that the maximum in education becomes a must.

In the 1,700 institutions of higher learning, projects of expansion are already planned for $180,000,000 for 350 projects for public institutions. Add to this proposed project that is needed and we have a necessary expansion program of over $1,000,000,000 for the next 3 or 4 years. It is presumed that from funds already raised and to be raised, plus tax appropriations for public institutions, half of the billion-dollar program can be raised. If, therefore, the Government could or would supply the other half, a greatly improved program of education could be realized in time to give full benefits to veterans in their junior and senior years, and for those now enrolled and the full 4 years for those yet to enroll.

It has been shown by Federal officials that the $250,000,000 would, on a 50–50 basis, enable construction of 42,500,000 square feet of space for veterans, or two-sevenths of the 141,000,000 square feet of space needed today. An appropriation of $500,000,000 would provide for four-sevenths of the needed floor space and, while not meeting the full need, would go a long way. Let us now fulfill our promise to young John Doe that he will have a chance to complete his education. Above housing, bonuses, or unemployment relief stands this promise to give opportunity to the 3,000,000 who want to go to college and cannot.

The question has arisen as to whether these Federal funds should go to public institutions or be shared with private, non-tax-supported institutions. It has been stated officially that today 40 percent of all veterans in higher institutions of learning are in private institutions. From the beginning of education in this country, private schools have pioneered, carrying their full share of the load. Another principle involved here is that the veteran may enroll in the school of his choice, and to deny the private school assistance would work an injustice both on schools and veterans. The private (non-tax supported and nonprofit) school has been and will continue to be a great source of educated leadership and an asset to the country in great emergencies.

There is another principle involved, S. 971 states that, "no department, agency, or officer of the United States shall exercise any supervision or control over any institution of higher learning to which a grant may be made hereunder nor shall any conditions or requirement be imposed, either in the grant agreement or otherwise, which shall in any way prescribe or affect the administration, personnel, curriculum, instructon, methods of instruction or materials of instruction of such institution."

This is important, it preserves the freedom of instruction called "academic freedom." In the distribution of surplus property under the emergency program the Office of Education and the Bureau of Community Facilities carried out this principle fully, and there was no discrimination as to race, creed, or color. Relief was given on the basis of proven need after the "finding of need" had been duly executed. In carrying out the provisions of S. 971 it is hoped that the same basic principles will be followed as prevailed in the distribution of surplus property under the program of temporary relief. In this way all institutions of higher learning can present a solid front. In this way by 1950 most of the three and one-fourth million students who will apply, can find accommodations.

This great need rises above political expediency. The future of this Nation in peace and in war depends upon training of our young people in the "know how" of living. This is particularly true of the sciences. To survive we must have chemists, engineers, physicians, and leaders in management second to none among the nations. Of what use will be the billions of dollars spent on relief, on hydroelectric power, on agricultural development, on our armed forces, unless we make provisions for the full development of our greatest resource—the young manhood and womanhood of America? The function, therefore, of our Government is not to restrict, hamper, or control education, but to assist institutions of higher learning in providing opportunity to every student in every part of our country to become an asset to our Republic. Our institutions cannot do this alone. Our Government cannot do it alone. But all of us, the Government, public and private institutions working together, sharing the load together, can meet the greatest challenge we have had in the history of our country.

Rent Control and Communism

EXTENSION OF REMARKS
OF

HON. JOHN E. RANKIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. RANKIN. Mr. Speaker, as I stated on the floor in making my fight against the extension of rent control, it is a long step toward the very communism our alleged leaders presume to fear.

Under the Constitution, we cannot "take private property for public use" without just compensation. But under the Rent Control Act we are taking private property for private use without just compensation and without any constitutional authority at all.

The next step toward communism would be price fixing and the rationing of purchases—together with the so-called civil-rights program which certain demagogs are now trying to foist onto the American people, in order to placate small groups of organized racial minorities.

At this point I am inserting a letter which I received from New York this morning, and which I hope every Member of Congress will read, especially the ones who voted for the extension of rent control.

You are going to get many such letters as time goes on, I hope.

The matter referred to follows:

HON. JOHN E. RANKIN,
House of Representatives,
Washington, D. C.

MY DEAR MR. RANKIN: I have seen in today's newspapers the fight that you put up against the rent-control bill in the House of Representatives. Congratulations, Mr. RANKIN, and keep up the good work. I would like to tell you my story in short: In 1945 in order to get an apartment I bought a three-family house and moved in on the second floor, the only apartment available in the house. For the down payment of $5,000 I used all my life savings and sold my life insurance policies. In the 3 years that I owned this house my wife and I have got heart trouble and high blood pressure through the aggravation caused by the tenant on the first floor. He is making our lives miserable in every possible way and is the most undesirable tenant I have ever seen. We are both over 50 years of age and both go to work in order to make ends meet. Our physician has advised us to move on the ground floor, so we have offered 2 months' rent to our tenant to vacate the apartment. He expects 1 year's rent to move out, we cannot afford that. He earns $6,000 a year and his wife is a New York City school teacher.

Would it be possible through your gallant fight to add an amendment to the new rent law where an owner of a two- or three-family house, sick and under his doctor's advice, can move in his own house on the ground

floor, where there are no war veterans involved?

After we bought the house we found out the former owner sold the house on account of this first-floor tenant. Do we have to do the same thing in order to get a ground-floor apartment and get peace in the house?

My apartment on the second floor is also registered with the OPA so I am not for the money, just for our health.

I thank you from the bottom of my heart for whatever you can do and keep up the gallant fight, I remain,

Respectfully yours.

Statement of Hon. Charles E. Potter, of Michigan, Before Dirksen Subcommittee of Appropriations, February 25, 1948, in Connection With Forest Service Hearings

EXTENSION OF REMARKS
OF
HON. CHARLES E. POTTER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, February 27, 1948

Mr. POTTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me before the Dirksen subcommittee of the Committee on Appropriations handling the Forest Service:

Gentlemen of the committee, I am appearing before you today on behalf of the State of Michigan, which at one time held an enviable position among the timber-producing States of our country. Michigan still boasts some 19 million acres of forest land, a considerable portion of which, however, is neglected second-growth timber—not because we do not recognize the need for the acceleration of research and reforestation programs but because the moneys sought in the past have not been forthcoming to the extent necessary. Within the scope of funds available, the Forest Service has done a commendable job in its established fields of endeavor also in our State.

We have in Michigan many wood-using industries which now must import much of their lumber and pulpwood. If our reforestation and other forest programs were accelerated, it would not be many years before those industries could again secure a considerable portion of their lumber from Michigan forests.

Our State of Michigan Conservation Department, with the aid of moneys made available through the Clarke-McNary fund, has been able to establish a commendable record in protecting our forests from fire. Fire losses have been something like a tenth of 1 percent of our total acreage. It is hoped that no reduction will be made in the fund as set up in the budget.

We have some 30 forest districts of which Michigan finances 24, the other six being Norris-Doxey districts where foresters provide assistance and technical advice to farmers who are woodland owners and thus encourage better wood management. These six districts receive 50 percent of their financing funds from the Government under the Norris-Doxey Act of 1937. Expansion of this technical advice to the other 24 districts is badly needed. We have 181,000 small owners whose total forest ownership equals seven and three quarter millions of acres—a very significant proportion of the total forest area in our State. Adoption of progressive cutting practices on this area would do much to safeguard the future of our timber supply and industries. An expansion of the Norris-Doxey program would be of immense help in accomplishing this. I, therefore, urge that budget figures for farm and other private forestry activities be increased.

The development of research centers under Federal leadership, and in cooperation with the State agencies, is one of the important steps in getting the basic facts we need to solve our very vexing forestry problems. We appreciate the fact that this program has been favorably considered on a national basis by your committee in the past. We feel, however, that we ought to expand the plan rapidly. I want to stress particularly that a research center for central and southern Michigan is badly needed. We can assure the committee that if one is established, it will get the warmest support and cooperative assistance from existing State agencies—the Michigan Department of Conservation, its universities and colleges.

We are also interested in establishing for the Lake States a field utilization service unit to work with the Madison Laboratory and our Lake States Experiment Station at St. Paul. Our reasons for this support are based on reports from other territories on the usefulness of such a unit and the contention of our industrial groups that the work of the Madison Laboratory can be brought to the attention of the wood industries by the activities of a utilization service unit. It is also a responsibility of this unit to bring the problems of the industry to the attention of the laboratory for solution.

To date, the Lake States is the only major timber-producing area that has been denied such a utilization service unit. In this connection, I respectfully call your committee's attention to the testimony on behalf of such a unit presented by Dr. Grover C. Dillman, president of the Michigan College of Mining and Technology, Houghton, Mich., during the Forest Service hearings of March 1945. Your attention is also directed to the correspondence from Dr. Dillman and Prof. Hereford Garland, director of the forest products research division of the same college, which I referred to Mr. DIRKSEN under date of February 2, 1948.

The cost of establishing such service is minor indeed compared to the billions we are appropriating for overseas relief and rehabilitation. It is, therefore, respectfully asked that an appropriation of $30,000 be earmarked for the establishment of a forest utilization service unit for the Lake States area even though it may mean the budget figure be increased by this amount.

If we continue to supply foreign countries with the fruits of our natural resources, it certainly becomes of greatest necessity that we do everything possible to conserve and further develop those resources. Foresight is better than hindsight—also in the field of forest conservation. Too long have we economized on forest-conservation programs. Our children may well some day denounce us for our foolish economy.

Youth

EXTENSION OF REMARKS
OF
HON. DWIGHT L. ROGERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Friday, February 27, 1948

Mr. ROGERS of Florida. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an article which I heard given by Mr. Wendell Noble on Newscope. I thought this such a fine article that I wrote Mr. Noble requesting that he send a copy to me and I would like the entire membership of this Congress to read this quotation:

YOUTH

Youth is not a time of life. It is a state of mind. It is not a matter of ripe cheeks, red lips, and supple knees. It is a temper of the will, a quality of the imagination, a vigor of the emotions. It is a freshness of the deep things in life.

Youth means a temperamental predominance of courage over timidity, of the appetite for adventure over love of ease And this often exists in a man of 50 more than in a youth of 20.

Nobody grows old merely by living a number of years. People grow old only by deserting their ideals. Years wrinkle the skin, but to give up enthusiasm wrinkles the soul. Worry, doubt, self-distrust, fear, and despair—these are the long, long years that bow the head and turn the growing spirit back to dust.

Whether 70 or 17, there is in every being's heart the love of wonder, the sweet amazement of the stars and starlike things and thoughts, the undaunted challenge of events, the unfailing childlike appetite for what next, and the jog and game of life.

You are as young as your faith, as old as your doubt, as young as your self-confidence, as old as your fears, as young as your hope, as old as our despair.

In the central place of our heart there is a wireless station. So long as it receives messages of beauty, hope, cheer, courage, grandeur, and power from the earth, from man, and from the infinite, so long are you young. But when the wires are all down, and the central place of your heart is covered with the snows of pessimism and the ice of cynicism, then you are grown old—very old, indeed. And may God have mercy on your soul.—ANONYMOUS.

The Powers of the President as Commander in Chief of the Armed Forces

EXTENSION OF REMARKS
OF
HON. THOMAS E. MARTIN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Friday, February 27, 1948

Mr. MARTIN of Iowa. Mr. Speaker, the Washington newspapers of the past few days have carried the news that President Truman's aides doubt that he has authority to commit American forces to Holy Land use. This discussion raises the very question that has been uppermost in my mind throughout the years that universal military service and universal military training have been before Congress for consideration. I have studied this issue for many years and the practically unlimited powers of the President as Commander in Chief of the armed forces of the United States under our Constitution is one of the main points on which I have always based my opposition to compulsory and universal military service as a peacetime policy while at the same time I vigorously support universal military training.

Many years ago I searched the writings of recognized authorities in this field to determine what powers the President can exercise as Commander in Chief of

the armed forces and I included some of my findings in my arguments against compulsory military service in peacetime. I will set out here a portion of my previous discussion from the CONGRESSIONAL RECORD of April 12, 1946, in the hope that my discussion on this point may be of some help to Congress and to President Truman in their study and consideration of this important issue:

This point in my analysis of this legislation has to do with the division of powers between the President and the people as represented by Congress. Selective service places men in the armed forces of the United States. Universal military training does not. Selective service brings men as soldiers and sailors involuntarily within the command of the President, as Commander in Chief of the armed forces. This power over all men in our Nation is very essential in wartime, but it should be carefully examined and thoroughly understood before it is adopted as a peacetime policy.

I have been impressed with the wide divergence of views with reference to the powers of the President as Commander in Chief of the armed forces of the United States in peacetime. It is extremely important at this time that we examine as carefully and thoroughly as possible the extent of these powers. At the outset of my search for information, I was very much impressed when I found in reading the book, The Making of the Constitution, page 530, by Charles Warren, the following statement:

"On August 27, 1787, another power suggested by the committee was granted to the President, without debate (so far as appears from Madison's notes) that of 'Commander in Chief of the Army and Navy of the United States and of the militia of the several States when called into the actual service of the United States.' Such a power had been vested in the State Governors in practically all the State constitutions; and in some the Governor had few powers or functions other than military."

That is why they did not debate the matter very thoroughly in the Constitutional Convention. So going back to the Constitutional Convention you cannot find any very great light on the division of power between the President and the Congress in the matter of national defense. The wording of the Constitution, of course, is quite general.

I was very much impressed in reading the annotations of the Constitution of the United States to find so few references therein to discussions of the peacetime power by our Supreme Court. In some of these cases, the statement is made that Congress has the power not only to raise and support and govern armies but to declare war and that it has therefore the power to provide by law for carrying on war. The Court in these cases states further that the command of forces and the conduct of campaigns are powers derived from the Constitution, but inasmuch as neither is defined by that instrument, their extent must be determined by their nature and by the principles of our institutions. The Court states also that the power to make the necessary laws is in Congress and the power to execute is in the President, and each includes all authority essential to its due exercise "but neither can the President, in war more than in peace, intrude upon the proper authority of Congress, nor Congress upon the proper authority of the President" (*Ex parte Milligan* (4 Wall. 2, 139 (1866)); *Swaim* v. *United States* (28 C. Cls. 173, 221 (1893)), affirmed 165 U. S. 553 (1897)).

I have made a very brief search for authoritative statements with particular reference to the powers of the President as Commander in Chief of the armed forces of the United States in time of peace. My purpose in making this small contribution to the discussion at this time is to impress upon the House the importance of the full exercise at this time of such powers as the House may wish to exercise in restricting the power of the President.

Prof. Edward S. Corwin, on the President's Control of Foreign Relations, states:

"I conclude that the Presidential power under survey (the right to perform acts of war without congressional authorization where the question is as to his right to take measures which are technically acts of war in protection of American rights abroad) is somewhat analogous to the so-called right of self-preservation at international law. Theoretically the power is a defensive power and reserved for grave and sudden emergencies. Practically, the limit to it is to be found in the powers of Congress and public opinion."

Elihu Root, in a famous debate in the Senate in 1912, had the following statement to make:

"In my judgment, there is no law which forbids the President to send troops of the United States out of this country into any country where he considers it to be his duty as Commander in Chief of the Army to send them, unless it be for the purpose of making war, which, of course, he cannot do.

"Doubtless, Congress could by law forbid the troops being sent out of the country; doubtless Congress has not done it; and I apprehend that any Congress which undertook to do it would find a general protest from the people of the United States against depriving the Commander in Chief of the Army of the power to protect our citizens under those circumstances which exist widely throughout the world, in countries whose governments have not the power to maintain order within their jurisdiction. From time immemorial it has been the practice of civilized nations to send troops into those countries whose governments were too feeble or too ill-organized, too deficient in power to enforce their laws and protect foreigners."

This has primarily to do, of course, with protecting our own citizens abroad.

Prof. Clarence A. Berdahl, in his book, War Powers of the Executive in the United States, has the following to say:

"An eminent authority (Elihu Root) thinks that Congress could probably by law forbid the troops being sent out of the jurisdiction of the United States in time of peace; but in time of war the authority of the President is recognized as being absolute as to where the war is to be conducted, whether to await the onslaughts of the enemy and wage a purely defensive war within the boundaries of the United States, or to send the armed forces of the United States out of the country to carry on an offensive war in the enemy territory, in the territory of an ally, or perhaps even in the territory of a neutral."

William Howard Taft, in one of his lectures on Our Chief Magistrate and His Powers, had the following to say:

"The President is the Commander in Chief of the Army and Navy, and the militia when called into the service of the United States. Under this he can order the Army and Navy anywhere he will, if the appropriations furnish the means of transportation. Of course, the instrumentality which this power furnishes, gives the President an opportunity to do things which involve consequences that it would be quite beyond his power under the Constitution directly to effect. Under the Constitution, only Congress has the power to declare war, but with the Army and the Navy, the President can take action such as to involve the country in war and to leave Congress no option but to declare it or to recognize its existence. This was the charge made against President Polk in beginning the Mexican War. War as a legal fact, it was decided by the Supreme Court in prize cases, can exist by invasion of this country by a foreign enemy or by such an insurrection as occurred during the Civil War, without any declaration of war by Congress at all, and it is only in the case of a war of our aggression against a foreign country that the power of Congress must be affirmatively asserted to establish its legal existence.

"What constitutes an act of war by the land or naval forces of the United States is sometimes a nice question of law and fact. It really seems to differ with the character of the nation whose relations with the United States are affected. The unstable condition as to law and order of some of the Central American republics seems to create different rules of international law from those that obtain in governments that can be depended upon to maintain their own peace and order. It has been frequently necessary for the President to direct the landing of Naval Marines from United States vessels in Central America to protect the American consulate and American citizens and their property. He has done this under his general power as Commander in Chief. It grows not out of any specific act of Congress but out of that obligation, inferable from the Constitution, of the Government to protect the rights of an American citizen against foreign aggression, as in the Kotza incident, cited by Mr. Justice Miller in the Neagle case. In practice the use of the Naval Marines for such a purpose has become so common that their landing is treated as a mere local police measure, whereas if troops of the Regular Army are used for such a purpose, it seems to take on the color of an act of war.

"Thus it would be difficult to explain the landing of our Army in Vera Cruz by force as anything but an act of war to punish the government of Huerta in Mexico for its refusal to render what was deemed by President Wilson as a proper apology for a violation of our international rights in the arrest of some of our sailors. This act was committed before authority was given by Congress, but the necessary authority for it had passed one House and was passing another at the time, and the question as to the right of the Executive to take the action without congressional authority was avoided by full and immediate ratification.

"In Nicaragua in my administration an insurrection had led to the immurement of American citizens by insurrectos and the threatened destruction of American property. The President of Nicaragua, whom we had recognized and whose minister we had received, called upon us to protect our own citizens and their property because he was unable to render them the protection which their treaty rights gave them. This led to the landing of marines, and quite a campaign, which resulted in the maintenance of law and order and the elimination of the insurrectos. This was not an act of war because it was done at the request and with the consent of the lawful authorities of the territory where it took place."

The Importance of Farm Parity Prices

EXTENSION OF REMARKS
OF

HON. CHARLES R. ROBERTSON

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. ROBERTSON. Mr. Speaker, after a long program of farm support prices, recently we have witnessed a tremendous nose-dive in the prices of farm commodities. Were it not for the support program, in all probability the nose-dive of 2 weeks ago could have led us on to genuine danger.

We have now seen conclusively the value of the parity program, especially on farm products. We must ever be mindful of the fact that only with a satisfactory price on farm products will the prices of industrial products, wages of labor, and so forth, have a permanent setting. Everything is dependent upon the farm.

With the thought in mind that perhaps there are some Members of Congress and many citizens in the country not thoroughly familiar with how the farm parity works, I am including herewith an article taken from the United States News of February 27, dealing with the technical aspect of how the farm parity program works:

WE'VE BEEN ASKED HOW FARM PARITY PROGRAM WORKS

The prices of many farm commodities must be supported by the Government at 90 percent of "parity." This support can be extended by the Government to almost any product of the country's farms. The power to support prices runs until January 1, 1949. Before Congress goes home it will be pressed to extend the price-support program to January 1, 1950, with chances strongly favoring such an extention.

Many questions are raised about price supports as a result of the recent break in prices of several farm commodities. There are questions about the definition of parity. Other questions relate to how the Government may fulfill its obligation to support prices, and to the exact commodities that either are being supported or may be supported.

Costs of supports can run into big figures if a farm price decline continues. That cost will fall on taxpayers who, in effect, are committed to underwriting a minimum level of farm income. If prices go on declining taxpayer pressure will be on the side of ending or modifying the Government commitment to uphold farm prices. Pressure from farming regions, however, will be on the side of continuing controls, and probably broader controls. The result could be a planned operation of the agricultural industry in the future.

Just what is parity price? Parity is the price of a bushel of wheat or corn, or of a unit of some other commodity, that will return to the farmer the same volume of things that he buys as it would have returned back in an earlier period, usually 1910–14. It is a sort of purchasing-power guaranty. And, of course, parity prices of various farm products can rise or fall from time to time as the cost of things a farmer buys rises and falls. The parity figure and the price-support level for a commodity usually are fixed at the beginning of the marketing year. In some cases these stand for the entire support period, in others they are revised to reflect changes.

Does Government guarantee parity? It does not guarantee full parity. The guarantee is to support five "basic" commodities at 90 percent of parity and a sixth, cotton, at 92.5 percent of parity all through 1948. A simple act of Congress can extend that guaranty beyond 1948. The guaranty also is to support 14 other so-called Steagall commodities at 90 percent of parity. The Government asked farmers to increase production of these commodities during the war emergency. In addition, the Secretary of Agriculture is empowered to support, in his discretion, the prices of almost any farm commodities with available funds.

What commodities are affected? Basic commodities in the price-support program are corn, wheat, cotton, tobacco, peanuts for nuts, and rice. Steagall commodities are hogs, eggs, chickens, turkeys, milk, butterfat, dry peas, dry edible beans, soybeans for oil, peanuts for oil, flaxseed for oil, American-Egyptian cotton, potatoes, and sweetpotatoes. Support for wool also is mandatory.

Cattle need not be supported, but can be. Support programs for other farm commodities, which the Secretary of Agriculture can support in his discretion, already are announced for this year or were in effect last year. These include dried fruits, flax, hemp, certain seed, sugar beets, sugarcane, rosin and turpentine, grain sorghums, and tung oil.

How are prices supported? Two methods are used. The first is to make loans to farmers, through the Commodity Credit Corporation, at the guaranteed price. If the price goes up, the farmer can pay off the loan with interest, and sell the commodity at the higher market price. If the price goes down, the farmer can let the Government have the commodity, but he keeps the money he got through the loan and pays no interest.

The second method of price support is Government purchase of products at the guaranteed price. These purchases can be made directly from the farmer, who sometimes stores the commodity on his farm or delivers it to a warehouse or to the Government. Also, the Government can buy farm products through dealers, cooperative associations, processors, and others.

Can the Government buy directly in the markets? Yes. The CCC can go into the commodity markets to buy farm products at anytime. These purchases can be either to support falling prices or to acquire commodities for foreign export or for other purposes. Thus, if a commodity began to fall below the support level, CCC would be likely to buy on the market in a move to check this decline. At the same time, it also might make direct purchases or loans so that producers could withhold this commodity from the market. Sometimes purchases might have the double purpose of holding prices at support levels and filling the Government's need for certain commodities.

How are loans made? CCC can make loans directly to farmers. But often it allows a farmer to make arrangements for a loan from a bank or other lending agency, with a supported commodity as collateral. Then the CCC guarantees the loan, assuring the lender 100-percent protection against a loss. Details of making loans vary for the several support programs.

Who bears any loss? The Government, and the taxpayer finally. But, in some cases, commodities bought by the Government through price-support programs have been resold later without a loss. The war gave the Government the opportunity to dispose of quantities of cotton and grains without having to take expected losses. Some recent losses have been taken in supporting the prices of such commodities as wool and potatoes. Losses could rise and amount to big sums if the Government bought large supplies of commodities to support prices, and later should be forced to sell at less than the buying prices.

How does the Government dispose of these commodities? The Government can sell to foreign governments, or to United States agencies, for relief abroad. It can direct these commodities into such channels as school-lunch programs. There are some restrictions, however, against returning commodities to competitive markets at less than the original support prices paid by the Government. That is, they cannot be dumped on the domestic markets.

How are price supports financed? The Commodity Credit Corporation, which finances most of the price-support program, has authority to spend or lend more than $5,000,000,000. Some of this already is tied up, but Congress from time to time appropriates money for the agency to finance specific programs. For example, the Department of Agriculture's appropriations each year specify that a certain amount of customs receipts shall be used for farm programs. These include purchase of commodities for school lunches, diversion to new uses or new markets, and for humane purposes. Purchase of these products also can be made an additional step in supporting farm prices.

The Government, thus, has far-reaching powers that can be used to support farm commodities against sharp price declines. Greater use of these powers may be called for this year. But Congress will decide whether to continue the price-support program—and in what form—after 1948.

How Can Peace Be Maintained in Palestine

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 26, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, on February 10 it was my privilege to have appeared on Town Meeting at Philadelphia along with Senator WARREN G. MAGNUSON, a former Member of this House and Messrs. Cecil Hourani and Moshe Shertok. Our topic for debate was How Can Peace Be Maintained In Palestine. Pursuant to permission already granted I am inserting the opening statements by my colleagues and myself made at that meeting and the opening remarks by the moderator, Mr. George V. Denny:

During my freshman days at college, sophomores studying physics used to put this question to us: "Do you know what happens when an irresistible force meets an immovable body?"

I puzzled for along time over this question until somebody told me the answer. The answer was: An inconceivable smash.

On November 29, 1947, the United Nations, led by the United States and Soviet Russia, rendered its decision on the partition of Palestine, which was designed to prevent an inconceivable smash between the irresistible force of Zionism and the immovable position of the Arabs. Your Town Meeting has devoted several programs to the Palestine question during the past few years, and we turn to it again tonight as we approach the eventful day when the British occupation ends and the power of the United Nations to keep the peace will meet its first real test.

Authorities on this subject differ greatly over the possible outcome. Should the proposed new Jewish state in Palestine be allowed to work out its own salvation in the face of the threats of the Arabs not to accept the United Nations decision? Or, should the United States and Russia, through the instrumentality of the United Nations, having taken the lead in the partition action, send in troops to keep the peace?

What should be done now to prevent the present clashes from breaking out into full-fledged warfare?

Our first speaker tonight has been the head of the political department of the Jewish Agency in Palestine since 1933. He was only 11 years old when his parents took him to Palestine to live in a purely Arabian village not far from Jerusalem. He completed his education after the First World War at the

London School of Economics. Then he returned to Palestine to become assistant editor of Davar, a Hebrew labor daily. During World War II he was responsible for the recruiting of over 20,000 volunteers in Palestine for the service in the armies of the United Nations. It is a pleasure to welcome back to Town Meeting, Mr. Moshe Shertok. Mr. Shertok. [Applause.]

Mr. SHERTOK. A discussion of the Palestine problem today cannot be gained from fundamentals. The problem has been discussed inside out for years past. For fully 8 months, it was under examination by the United Nations. The solution urged by the Arabs that the whole of Palestine should become an Arab state with the Jews remaining forever a minority under Arab rule was rejected just as it had been rejected by the Permanent Mandates Commission of the League of Nations throughout its existence, by the British Royal Commission in 1937, and by the Anglo-American Commission in 1947.

On the other hand, the United Nations were unable to accept the solution advocated by the Jews. The Jewish immigration and settlement proceeded unchecked until the whole of Palestine became a Jewish state. What the United Nations Special Committee recommended and what they essentially approved with a majority of two-thirds plus seven was a compromise solution to divide Palestine in two and to set up two states, one Arab and one Jewish.

The Jews have accepted the compromise. The Arabs are trying to defeat it by bloodshed. They are out to enforce their own solution, the one which the Assembly has rejected, by methods which the Charter condemns.

When the question of peace in Palestine is now posed, it must not be forgotten that peace and justice are inseparable. The verdict of international justice has most authoritatively been pronounced. It decreed the reestablishment of the Jewish state and the admission of the Jewish people as an equal partner to the family of nations.

The Jewish state is to embrace only a fraction, exactly one-eighth, of the area originally set aside for the Jewish National Home. In the remainder one Arab state already exists and another, the eighth Arab state of the Middle East, is to be set up.

If this settlement is implemented, stability and peace will eventually prevail. The very existence of the Jewish state will compel the acceptance of the fact by its neighbor, while its own self-interest will force it to seek friendly contacts with them.

But if the decision is flaunted, if the Arab states set out to crush the long-cherished hope of the Jews for independence by brutal force, the Jews will never submit. They will defend every square foot of the territory assigned to them by the United Nations. Volunteers will rush to their help from all countries where Jews live.

Above all, the authority of the United Nations will suffer a shattering blow and the peace of the world will be endangered by the collapse of the international machinery for settling disputes.

The issue is one of burning urgency. So far, the Jews of Palestine have withstood the onslaught. Every attack on their settlements was beaten off with heavy losses to their attackers. In military prowess, in organization, and in tactics, the Jewish settlers have proved greatly superior to their adversaries.

The boomerang effects of the aggression on the economic condition of the Arab population have been disastrous, but the odds against the Jews are mounting, encouraged by the United Nations passivity, the invasion of Palestine by bands from outside is proceeding apace.

The British Government, out to obstruct and defeat the United Nations plan, continues to supply arms to the Arab states, prevents the Jews from importing arms by sea blockade, and disarms the Jewish defenders inside the country. The effect of the British policy is to enclose the Jews in a death trap.

Defenselessness invites aggression. Let the Jews be enabled to acquire arms for their defense and to set up their militia—that is a first condition. But in the face of concerted Arab aggression from outside, their force alone may not suffice.

Moreover, the target of attack is United Nations authority, not only the Jews. The United Nations decision was adopted in the teeth of very violent threats to defy it. Now that the threats are materializing, the challenge must be taken up by the nations of the world.

The difficulty of setting up an international force is nothing as compared with the crisis which the world will eventually have to face if the Jews are left to fight it out alone with all the hordes converging on them from all sides.

Responsibility is in the habit of pursuing those who flee from it and avenging itself on those who shirk it. Failure to undertake even a slight effort of prevention may in the end entail an extremely costly cure.

Whatever happens, the Jews of Palestine will not retreat and the Jews of the world will not let them down. But it is up to the great international organizaion to uphold its decision if it wants to survive. [Applause.]

Moderator DENNY. Thank you, Mr. Shertok. Our next speaker is a graduate of Oxford University in England, who taught for 2 years at the American University at Beyrouth, and held a commission in the British Army from 1943 to 1946 when he was elected secretary of the Arab Office in Washington, which position he now holds. I take pleasure in welcoming to our platform, Mr. Cecil Hourani. Mr. Hourani. [Applause.]

Mr. HOURANI. Mr. Shertok has argued that peace can be maintained in Palestine by implementation of the United Nations plan to partition Palestine. My first remark is that the question should have been, "How can peace be restored in Palestine?" because today there is no peace there. There has been none ever since November 29 when United Nations made the recommendation which more and more people are coming to realize was a mistake—the recommendation to cut up tiny Palestine into an Arab state, a Jewish state, and an international regime for Jerusalem.

Why did the United Nations recommendation to partition Palestine disturb the peace so gravely that more than 1,000 people have already been killed there? Because the decision was taken against the wishes and interests of the vast majority of the population of the country who are the Arabs.

The Arabs refuse to accept partition for the same reason that you American citizens would refuse to agree to the establishment of a non-American State on any portion of your territory, or would refuse to allow any section of your population to secede from the majority and establish its own sovereign State.

Senator MAGNUSON, you will remember that when the Southern States of your American Union tried to secede, you did not allow them to. Imagine that the movement for secession had been financed from outside, that its purpose had been to allow thousands of foreigners to come into the country to change it from being an American land into something else. You will then understand exactly why the Arabs object to partition.

Partition is a gesture of despair, not of hope. It separates, instead of bringing together. It erects new walls between peoples at a time when mankind is striving to break down barriers.

Many delegations in the United Nations, including that of the United States, voted for partition, because they had been led to believe that it would bring peace to Palestine. Events have proved that they were mistaken. What has happened since partition was recommended is far worse than what was happening before, or what would have happened had partition been defeated.

The United Nations recommendation only inflamed the hopes of the Jews on the one hand, and enraged the Arabs on the other. The result is the present bloodshed.

It should have been obvious to the United Nations that partition could never succeed, unless a considerable section of both Arabs and Jews were prepared to accept it. That has proved not to be the case. There are many Jews and even many Zionists who do not accept partition, and the entire Arab population of Palestine, without exception, as well as the entire Arab and Moslem worlds, rejects partition. Not one Arab has been found who will have anything to do with it.

Partition, therefore, could only be implemented by the use of force against the Arabs. But that defeats its whole purpose—which was to bring peace. To send an international police force to Palestine to implement partition would be like asking a man, who has put a bomb in a house and blown up half of it, to come along with another bomb and repair the damage. All he could do would be to blow up the rest of the house.

What is needed now is not arms and police forces, but a new approach. Mr. Shertok, you have painted a picture of the Arabs in revolt against the United Nations, and you have argued that the future of this organization depends upon the implementation of partition. If you will allow me to say so, that is a false picture. It is not the Arabs who are attacking the United Nations. It is the United Nations which has made a recommendation, which if implemented would rob the Arabs of Palestine of more than half of their country.

The United Nations would not be destroyed if it has the moral courage to admit an error. It will only be destroyed if it insists in a course of action which has now been shown was made on false assumptions. If the United Nations now tries to implement partition by force, it will be adding oil to the flames of violence in Palestine instead of putting them out.

Since the United States of America took the lead in pushing partition through the United Nations, she should now take the lead in helping the United Nations to reconsider and reverse its decision before it is too late. This it can do—

1. By refusing to send her troops or to take the initiative in the formation of an international force to coerce the Arabs of Palestine.

2. By refusing to allow arms or ammunition or money to go to Palestine to be used in acts of violence.

3. By taking the initiative in referring the problem back to the United Nations for reconsideration, and then supporting a unitary solution which really takes into account the interest of all the people of Palestine, the majority of whom do not accept partition. Once partition is dead, peace can be restored to Palestine. [Applause.]

Moderator DENNY. Thank you, Mr. Hourani. Now we're going to hear from the senior Senator from the State of Washington, a Democrat, the Honorable WARREN G. MAGNUSON, a veteran of World War II, who was elected to the Senate in 1944, after having served four consecutive terms as a Member of the House of Representatives. Welcome back to Town Meeting, Senator WARREN G. MAGNUSON. [Applause.]

Senator MAGNUSON. Thank you, Mr. Denny. Dr. Hourani, in his discussion, stated that the situation in Palestine now was somewhat like the situation here in America, when several States tried to secede from the Union. It's true, Dr. Hourani, we did not allow those States to do that. We fought a war over that, because we had formed within the Constitution, the United States.

Now, in an effort, in an attempt to achieve world peace, we have formed the United Nations. [Applause.] The United Nations have made a decision. He suggests a reconsideration. Why, this Palestine matter has been reconsidered, not once but 500 times. [Applause.]

I believe that the United Nations should enforce its decisions just as surely as we did [applause]—just as surely as we did when we fought a war, to keep this Nation and the United States intact.

Now, a few days ago, the world was shocked by the assassination of its most peace-loving citizen. Today, the Hebrews in Palestine are practically as defenseless against possible extermination as was India's great leader.

In Palestine today, violence, bloodshed, and murder are the order of the day. Yet there are police forces in Palestine. There are troops in Palestine, but any semblance of order is rapidly disappearing.

The British are surrendering their mandate on May 15. That's about 90 days from now. That is the date set to proceed in full scale, again, with some of Hitler's old tricks.

Time is slipping away fast. There is a strong possibility that within 90 days, unless we do something, we might witness all the stakes in Palestine washed away in blood.

What are those stakes? They're the stakes, Dr. Hourani, of 800,000 Hebrew pioneers, and the lives of hundreds of thousands of peaceful and innocent Arabs who will also fall victims to this bloody conspiracy.

But more is involved. At stake is the future of the United Nations and the honor and the faith of the United States of America and all 52 other nations. [Applause.]

The Hebrews of Palestine have no arms or ammunition except for the paltry arsenals of the underground groups. The United States has refused to allow materials of war to go to either Hebrew or Arabs. But we imposed this embargo after we transferred to the Arab league states $37,000,000 worth of surplus war materials and nothing to the Jews. Quantities of British arms are being supplied to the Arabs. Warfare of this kind would clearly mean annihilation.

There are many reasons why warfare of this kind must be averted in Palestine. Among the most important is this: The coming partition of Palestine was the first major decision ever made by the United Nations. What happens in Palestine will be the test. Destroy that decision and we will diminish a thousandfold the chances of ever making any United Nations decision stick. [Applause.]

Americans, particularly those Americans who have followed the long, torturous, and sometimes confusing struggle of the Hebrews for a national homeland support the United Nations compromise because they believe it is justice. They know that the Arabs have seven states in the Middle East alone; that the Hebrews whose national territory is Palestine have none. They want peace maintained. So we should make two things completely clear tonight.

First, the Hebrews of Palestine are asking only for one thing: The opportunity to defend their own lives in their own country. I propose that we give them that chance by lifting the embargo as long as the other side has arms.

We might guarantee a well-regulated militia that might be necessary to the security of a free state. The right of people to keep and bear arms that shall not be infringed is one of the tenets of our own American democracy—one of the things that you people here in Philadelphia know so well; one of the things in which you have many national shrines.

Second, we should call on the United Nations to make its first order of business the enforcing of peace in the Middle East. The United Nations must demonstrate that it will not be bamboozled or black-mailed by a wanton band of mercenaries who answer the solemn decision of the world with threats of warfare, and, even today, in the newspaper suggested that on the 15th of this month that may happen.

How? By using America's moral force within the United Nations to uphold our promise to all the nations that join with us in this decent attempt to form a world peace. [Applause.]

Moderator DENNY. Thank you, Senator MAGNUSON. Now, let's switch to the other branch of our National Legislature and hear from Congressman LAWRENCE H. SMITH, a Republican, from Racine, Wis.; a member of the House Foreign Affairs Committee; a veteran of World War I; and a national executive committeeman of the American Legion. Congressman SMITH. [Applause.]

Congressman SMITH. Thank you, Mr. Denny. Mr. Shertok says we can't begin now to discuss the fundamental issues in this controversy; that we can't turn back now. He and Senator MAGNUSON advocate armed conflict. That's war. This is the essence of their argument:

I believe that peace is impossible for Palestine under partition. This fact is obvious to all. The action by the United Nations Assembly will fail, (1) because it is unfair and lacks moral justification; (2) because it lacks legal authority.

I take no partisan position on this question. I contend for a principle. If the position of the parties were reversed, Mr. Hourani, my argument would be the same.

As a nation, we have always stood for fair play. Partition as recommended by the United Nations Assembly ignores the wishes of two-thirds of the people who live there and who are Arabs and they, incidentally, have been in Palestine for 1,300 years. [Applause.]

The records of the Assembly meetings fail to indicate that any effort was made to bring the Arab and the Jew together; no suggestion as to a middle ground which might provide a working plan. This in spite of the stated objectives of the United Nations Charter to exercise the principles of justice when a breach of peace threatened.

Our Nation has always carried the torch for equal rights and self-determination. Not so long ago, President Truman said, "We shall approve no territorial changes in any part of the world unless they accord with the freely expressed wishes of the peoples concerned."

In view of this language, Senator MAGNUSON, how can the United States now approve a partition which denies the principle of self-determination?

High-level Government officials and influential private citizens are reported to have exerted considerable pressure for the adoption of the partition scheme. Congress has a responsibility to investigate this situation. I hope it will, so the integrity of the United States may be protected and, Senator, I hope you will join in this request.

Now, by what legal authority did the Assembly act? In effect, it recommended the establishment of an independent state which shall forever be under the jurisdiction of the United Nations administration. The functions of government are not in the people who live there. Permanent sovereignty is in the hands of a joint economic board without responsibility to the people.

Peace cannot be secured under these circumstances. If the parties refuse to cooperate, then blood-shed and violence will continue until the rights of the people are recognized.

I repeat again that the partition of Palestine lacks moral justification and legal authority, and it is contrary to the American spirit of fair play. Already, the United States is being asked to lift the embargo on arms. Next will come the request for our military services. Yet, it was the understanding that partition was to be achieved without resort to force.

A request for military force will be made to Russia, also. Now this means war—nothing less. It will place Russia in the Middle East where she has aimed to go for centuries, and here lies our national interest.

The danger—yes, the threat—to our oil supplies is obvious to everybody. Our policies in Greece and in Turkey are likewise in jeopardy. Secretary Forrestal recently called attention to that situation.

We are spending billions of dollars to stop the march of communism in western Europe, under the Truman doctrine. We have tried to keep the door locked against communism in Greece and in Turkey. In Palestine, we open the door wide and invite them in.

It is common knowledge that Communists are infiltrating into Palestine. The old Trojan horse technique is in operation again. All this is a part of the scheme to put Russia in the Mediterranean without firing a shot.

Time is running out, but it is not too late for reasonable men on both sides of this controversy to work out a compromise. This is a job for the United Nations. If it fails, there is little hope that it can survive the stormy years ahead. [Applause.]

Moderator DENNY. Thank you, Congressman SMITH.

Gift Loans to Europe Mean Big Commissions to Ex-New Dealers

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. SHAFER. Mr. Speaker, George Washington, the Father of our Nation, warned in his Farewell Address against the "insidious wiles of foreign influence." He advised us to be "constantly awake" toward such influence and he asserted that "the great rule of conduct for us in regard to foreign nations is, in extending our commercial relations, to have with them as little political connection as possible."

Today, I want to warn the Congress against the insidious wiles of Americans who have sold themselves and their country out to foreign influence. They are not in Paris, in Rome, in Berlin, or in London. They are right here in Washington, born in America and nurtured in our traditions. Yet, like the American Communists who recently were indicted for refusing to answer questions before a congressional committee, somewhere along the pathway of life these other Americans either have cynically decided to sell out the United States or have been hoodwinked by cleverer men.

I am sure that many Members of Congress have seen in the Washington Times-Herald of recent date the names of these Americans who have succumbed to the insidious wiles of foreigners and have sold their birthright for what amounts to a mess of pottage. On February 19, 1948, under the heading "Ex-New Dealers now work for nations seeking United States aid," there was a

list of former Goverment officials registered with the Department of Justice as foreign agents. On February 21, 1948, under the heading "Currie among ex-New Dealers prospering as foreign agents," there appeared another list.

Reading these two articles, the authenticity of which cannot be questioned, we see the names of the following former officials of the Federal Government among those listed with the Department of Justice, as required by law, as agents of foreign governments:

Lauchlin Currie, formerly one of the nine young men with a "passion for anonymity," who resigned his post as administrative assistant in the White House in June 1945 for "urgent personal considerations." He was making $10,000 a year on the Federal pay roll. Now, as a director of Robert Nathan and Associates, he is listed as representing Poland and France, while his association with the Inter-American Construction Co. entitles him to a listing among agents of Argentina, which Government paid Inter-American $1,100,820 in advance for services to be rendered.

Included in the list is the name of Robert Nathan, a long-time advocate of planned economy, who is using the knowledge of Government finance he acquired under the New Deal for the advancement of the French and Polish Governments in return for fees as high as $20,000 for 6 weeks' work.

On down the list is the name of Oscar Cox, who used to be a buddy of Harry Hopkins, had ready access to the White House for years during the regime of Franklin D. Roosevelt, and was classified as a lend-lease expert. Cox must have been really an expert on lend-lease, for he is hard at work for, and is being well paid for his work, in behalf of Costa Rica, France, and Italy.

Harry Dexter White, who never has objected to being described as "the father of the international monetary fund," and who for years served as assistant to Treasury Secretary Henry Morgenthau, is on the Department of Justice list as a representative of the Bank of Mexico—at a stipend of $18,000 annually.

Randolph Feltus, formerly also on the staff of the United States Treasury and a favorite of the pinks around Washington and New York, picked up a $20,000 fee in 1947 for services rendered during the time when that Soviet satellite was attempting to get $600,000 from Uncle Sam in the form of a gift-loan. Feltus probably had a lot to do with the maneuvering of the recent, but not yet announced, decision of the World Bank to lend Poland millions of dollars to renovate its coal mines so that, in case of another war, the Russians will have plenty of fuel to power their industry to make guns and tanks to kill American boys.

On Feltus' pay roll is one Robert T. Miller, who was permitted to resign from the Department of State in 1946, and whose name appears often on the files of the House Un-American Activities Committee.

On the list also are the names of John W. Pehle and Lawrence S. Lesser, who resigned from the United States Treasury in 1946. They now represent France and Rumania, both trying to take money away from the American taxpayer and give it to European interests.

Everywhere you turn, when you hear about attempts to get American money funneled into foreign pockets, Mr. Speaker, you run into the law firm of Covington, Burling, Rublee, Acheson & Shorb. Not long ago, you will recall, Dean Acheson, one of the darlings of the Truman administration, was in the State Department as an Under Secretary. He resigned a few weeks ago and now represents many foreign governments. No wonder, less than a month ago, he appeared before the Senate Committee on Foreign Relations and endorsed the so-called Marshall plan down to the dotting of an "i" and the crossing of a "t."

Mr. Acheson, it will be recalled, was in the Department of State during the time this Federal Government gave or loaned more than $1,600,000,000 to Russia, or Russian satellite countries, according to Senate Document No. 112, issued December 15, 1947. Yet, in that same period Mr. Acheson must have known of the Nazi-Soviet collaboration recently bared by the Department of State, and, although he may plead stupidity, he could not possibly have been so stupid as not to have guessed that Russia was going to play us for every dime she could get and then tell us, in effect, to go to hell.

What did Mr. Acheson do to protect America from being double-crossed by Russia? You know the answer to that one. He did nothing. But, behind the scenes, the law firm of Covington, Burling, Rublee, Acheson & Shorb were busy getting every kind of fee possible out of all the countries possible to funnel all the American money and goods possible out of the United States and into the foreign nations.

Besides Mr. Acheson, let me name some more names in that law firm of Covington, Burling, Rublee, Acheson & Shorb. I feel very keenly, Mr. Speaker, that Congress ought to subpena every member of that law firm when the so-called Marshall plan is before our Foreign Affairs Committee, and question them closely about all the money they have made in propagandizing and lobbying and finagling to get American money and materials into the hands of Russia and Russian satellite countries.

On the foreign registration files are the names of Edward G. Burling and John G. Laylin. Burling, formerly of the Immigration Service, and Laylin, formerly of the Treasury Department, are members of the law firm of Covington, Burling, Rublee, Acheson & Shorb.

Looking further through the list, you find the name of Donald Hiss, a brother of Alger Hiss, who also is connected with Covington, Burling, Rublee, Acheson & Shorb. Donald Hiss is a former State Department legal adviser and an active member of the Washington Committee of Democratic Action.

Altogether, so far as I know, the firm of Covington, Burling, Rublee, Acheson & Shorb, and its various partners, represent, or have represented at times, the Governments of Iran, Poland, Denmark, and Greece. By now the firm probably has picked up a few more clients among foreign nations as a result of Mr. Acheson's all-out endorsement of the Marshall plan, or the so-called European recovery plan.

Mr. Speaker, if George Washington were alive today and serving as President and heard of former officials of his Government serving foreign governments here as lobbyists and propagandists and agents, he would rebuke them in stinging terms. If the veterans of America, the millions of farmers and plain workingmen, could know of the intrigue in which these former so-called friends of the common man, took part, they would never support any measure these men endorsed in any shape, form, or fashion.

The only thing that protects these men from the scorn they rightly deserve from Americans is that it is difficult to get the news out in America. Many newspapers carry it, but not enough of them are interested in exposing the enemies of America who would sell us short. I say that we ought to be warned against the insidious wiles of foreign influence and also the insidious wiles of men who pose as Americans but are foreign agents in disguise. They will sell us out for mere cash. We must not let them betray us. We must expose them at every turn, until the people, being forewarned, can be forearmed against the insidious influence of men who would do anything for a dollar.

Mr. Speaker, under leave to extend my remarks, I include the aforesaid articles from the Washington Times-Herald:

[From the Washington Times-Herald of February 19, 1948]

EX-NEW DEALERS NOW WORK FOR NATIONS SEEKING UNITED STATES AID—JUSTICE FILES REVEAL HIGH FEES GIVEN FOR HELP CONCERNING MARSHALL PLAN

(By James Walter)

How numerous ex-New Dealers, most of them refugees from the State and Treasury Departments, are using their bureaucratic know-how to help European governments climb aboard the Marshall-plan gravy train was revealed yesterday by the Justice Department.

Files in the foreign-agents registration section of the Justice Department disclosed that scores of Roosevelt administration protegees, as well as many domestic Communists and fellow-travelers, have hired themselves out for salaries as high as $3,000 weekly to the 16 nations which are slated to share in the spoils of the European recovery program.

ROBERT NATHAN ON LIST

Top names on the list include Robert Nathan, a long-time advocate of the "planned economy" favored by Henry Wallace and the CIO; Earl Browder, temporarily deposed boss of the United States Communist Party; Oscar Cox, former White House intimate and lend-lease expert, and Alger Hiss, a protege of Dean Acheson during the latter's reign in the State Department.

Browder, despite the fact that he was ousted as top-dog United States Commie several years ago, is momentarily expected to resume leadership of the party with the personal backing of Premier Stalin. Meanwhile, Comrade Browder has listed himself as a literary advisor to the Soviet Union at a decidedly capitalistic salary.

Nathan is using the knowledge of Government finance he acquired under the New

Deal for the advancement of the French and Polish Governments in return for fees as high as $20,000 for 6 months' work.

COX WORKS FOR THREE

Cox, who was buddy-buddy for years with Harry Hopkins, Roosevelt's Svengali, is hard at work for the governments of Costa Rica, France and Italy, in the last two of which Communists are particularly strong.

Harry Dexter White, who has been described as the father of the international monetary fund, and who served as an assistant to Treasury Secretary Morgenthau, pulls down $18,000 yearly from the Bank of Mexico.

Randolph Feltus, a favorite of Florida's Senator Pepper, gets $3,000 a week from France and the Netherlands governments and received additional fees from the East Indies and Borneo. He also has an expense account of $500 a week.

FELTUS' $20,000 FEE

Feltus picked up a $20,000 fee from the Polish Government in 1947 for services rendered during the time when the Soviet satellite was trying to promote a $600,000,000 loan from Uncle Sam. Feltus, in turn, has his wife, Ann, on his pay roll and also one Robert T. Miller, who was permitted to resign from the State Department in 1946, and who appears often on the files of the House Un-American Activities Committee.

So steady has been the stream of ex-New Dealers from Uncle Sam's pay roll to that of the Marshall plan recipients that some Government bureau chiefs fear their organizations are falling apart.

John Pehle and Lawrence S. Lesser, along with White and Feltus, resigned from the United States Treasury March 26, 1946. Pehle had been in the office of the general counsel and was Director of Foreign Funds Control from 1940 to 1944. Lesser, an attorney with the Treasury Department, joined Pehle in setting up a law firm after the pair had quit the United States Government. They currently represent France and Rumania.

Donald Hiss, a brother of Alger Hiss, also is connected with Acheson's law firm of Covington, Burling, Rublee, Acheson & Shorb, The firm now represents Denmark, Greece, and Iran. It formerly represented Poland, too.

Donald Hiss was a former State Department legal adviser and is an active member of the Washington Committee for Democratic Action. His wife is a member of the League of Women Shoppers.

[From the Washington Times-Herald of February 21, 1948]

CURRIE AMONG EX-NEW DEALERS PROSPERING AS FOREIGN AGENTS—AIDES BURLING AND LAYLIN ALSO ACTIVE; FULL LIST TO BE DISCLOSED NEXT WEEK

(By James Walter)

Lauchlin Currie, whose passion for anonymity helped to qualify him as one of Franklin D. Roosevelt's top administrative assistants, currently is indulging a lucrative passion for representing foreign governments in their one-way financial deals with Uncle Sam, a search of Justice Department files disclosed yesterday.

For urgent personal considerations, Currie resigned his $10,000-a-year White House post in June 1945. As a director of Robert Nathan & Associates, he is now listed as representing Poland and France, while his association with the Inter-American Construction Co. entitles him to a listing among agents of Argentina, which paid Inter-American $1,100,820 in advance for services to be rendered.

MORE NEW DEALERS LISTED

Two more former New Dealers whose names repose in the foreign-registration files are Edward B. Burling and John G. Laylin. Burling, formerly of the Immigration Service, and Laylin, formerly of the Treasury Department, are partners in the law firm of Covington, Burling, Rublee, Acheson, & Shorb, which represents Poland, Denmark, Greece, and Iran.

Commonly known as Dean Acheson's law firm, the aggregation specializes in arranging loans for the countries it represents through the Export-Import Bank and the International Bank for Reconstruction and Development.

Representative STEFAN, of Nebraska, chairman of a subcommittee on appropriations, said last night he would make public the full list of persons registered as foreign agents in his report to Congress next Wednesday. Beyond predicting his report would be very illuminating, STEFAN declined to discuss it. From other sources it was learned the report deals with $500,000,000 in appropriations for four divisions of the Government's executive branch.

SHAFER SEES GAIN

Representative SHAFER, Republican, of Michigan, characterized the disclosure that many former New Dealers were registered as agents of foreign powers as evidence that these men have been making big business out of our foreign loan program for their own personal gain.

"It has been big business ever since we started making the loans and these disclosures merely back up what I've been saying all along," SHAFER said. "These men, Acheson, Currie, Harry D. White, Oscar Cox, Randolph Feltus, John W. Pehle, Donald Hiss, Nathan, and others, have turned our foreign aid program into big business at great personal gain."

Meanwhile, Capitol Hill puzzled last night over how a Washington lawyer, Martin Popper, of 1731 Harvard Street, NW., managed to breach Russia's Iron Curtain in 1946, a year before his legal firm of Wolf, Popper, and Wolf was paid $1,000 for a month's service to Poland.

In his registration statement Popper said he visited France and Russia in connection with the establishment of an international bar association. The lawyer is national executive secretary of the National Lawyers' guild, which the House Committee on Un-American Activities has called subversive. The same group also was called subversive by the New York committee which investigated municipal civil service.

COMMITTEE WAS A CLIENT

The firm assisted in the defense of the Joint Anti-Fascist Refugee Committee which Attorney General Clark has branded subversive and lately has been aiding the 10 Hollywood writers who were cited for contempt of Congress. Popper, himself, is a member of the executive board of Henry Wallace's political action committee.

Justice Department records show that Popper visited Russia during a trip he made as an observer to the Nuremburg trials in Germany.

Americanism Week—Jaycee Program

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks, I wish to include a speech I made at Cleveland, Tenn., February 20, 1948, at a meeting sponsored by the Cleveland, Tenn., Junior Chamber of Commerce as part of the Americanism Week of the Jaycees:

I congratulate you upon Americanism Week. Throughout the Nation more than 2,000 active Jaycee Clubs have emphasized the great privilege of being an American. They have pointed out however, that every privilege carries a responsibility. You have done a good job of talking about the virtues of freedom, opportunity, and progress, exemplified by our American system.

Sometimes when one hears the grumbling and criticism of our Government and of our public officials we wonder about the future of our Nation. Wouldn't it be well to concentrate and talk more of what's right with our country rather than what's wrong with it? Constructive criticism is fine and always needed, but let's be certain we have a better solution before we condemn those things our Government is doing.

Sure, we all love America, but are we doing what we can to protect her? You may say, "I'm just one person—what can I do?" Suppose everyone said that? There must be a reawakening of individual responsibility. I think I see signs of such an awakening. This program tonight, the keen interest of young people throughout the land are heartening signs.

The truth is, our country is fine and there is nothing fundamentally wrong with it or with our people. We are, to be sure, entering a new era. We can make this the greatest era in our history if we will. America has only one-sixteenth of the earth's population but she produces nearly 40 percent of the world's goods. Her people own 46 percent of the world's electric power, 48 percent of its radios, 54 percent of its telephones, 59 percent of its steel capacity, 60 percent of its life-insurance policies, 85 percent of its automobiles, and 92 percent of its modern bathtubs.

Yes, it is statistically true that in the 150 years of her dynamic, adventurous life, America has made more progress than all the other nations have made in 6,000 years. What has she got that the rest of the world has not?

She has only 6 percent of the world's area. Other nations have more land and more people. Some are more richly endowed with natural resources. Several enjoy a general level of health, education, political freedom, and native ingenuity approximately comparable to our own. Carry the comparison on down the line, and you will be forced to the conclusion that the one thing which America has that the other nations lack is the American desire for freedom and of opportunity. Personal freedom and the chance of every boy and girl to get ahead.

Contrast this with other systems. Capitalism and communism stand at opposite economic poles. Communism—born of poverty and hunger—seeks to perfect a system for the equal distribution of a scarcity of goods, so that ultimately no man has enough of anything. Capitalism—born of hardship and toil—seeks to provide such a plentitude of goods that, ultimately, all men may have enough of everything. Communism is content that no man should be rich. Communism strives on keeping people poor. Furthermore, communism is just as arbitrary and despotic as was fascism. There is little difference except in the technique of the leaders.

Economically speaking, the system which provides the greatest good for the greatest number is the system which provides the greatest supply of goods for the greatest number. By any standard of comparison that system is free American capitalism. It has enabled every American worker to produce and to possess more than six times as many goods as the average worker outside the United States. No other system has equaled, or closely approached, that record.

During the war one nation, single-handed, outproduced the combined powers of the Axis. The nation was America.

No one must assume that because we have the world's most enlightened civilization and productive power that our future is easy. Greatness brings responsibility. The call for world leadership has been beckoning us for 50 years—we are just now hearing it. If light and peace are to come to the world this Nation will furnish them. We cannot escape the power and the responsibility of the American flag.

In the world today either we are going to succeed and have a period of peace or the Soviets are going to succeed and drag the world into one of its darkest ages. Our Government understands this and through a bipartisan policy is doing something about it.

We appeased Russia as long as there was a chance of agreement through that course. The Greek-Turkish loan was notice that we would stand our ground—the emergency aid program was to hold the fort against communism and to help our friends until a recovery program could be put into effect. Through the Marshall program we hope to unite 16 European nations with us in holding the mantle of freedom and peace. This program must and I believe will succeed—then a third step is necessary. Through American leadership we must work out with those other democracies a common purpose for the future. We must stand together with determination to prevent chaos and warfare. We hope, of course, that other peoples under new leadership may join in this noble undertaking, but we cannot depend on this. This means eventually a kind of federation or union of free and peace-loving nations—common defense measures, trade, exchange of ideals, understanding of one another's problems and of assistance when a friend is in trouble.

This is where the Jaycees come in, new leadership is required. You are training your members not only to help in local communities, but to take leadership in national and international problems. Training for leadership is your motto. Through your organization more than 200,000 young men are going forward to see that the force and character of this Nation is used in the interest of world peace. The Nation needs you. Your interest is another ray of hope. I know you will carry on and show the world that we are capable of meeting the destiny which has come to America.

Universal Military Training

EXTENSION OF REMARKS
OF

HON. ROBERT F. RICH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Alonzo F. Myers:

THE PRICE ASKED FOR UMT

(By Alonzo F. Myers, chairman, department of higher education, New York University)

No intelligent decision on the question of universal military training can be reached until we have considered carefully what it would cost.

The President's Commission on Universal Training predicted the annual cost would be $1,750,000,000. However, Hanson W. Baldwin, New York Times military analyst, estimated between three and five billion would be required annually. When a similar training system was put in operation in Australia it cost almost twice as much as its sponsors had predicted.

To the direct expense must be added the indirect cost of withdrawing more than 750,000 young men each year from the labor force, apprenticeship training, and higher education. Economists have estimated almost $2,000,000,000 a year would be lost to the Nation in this manner.

It would appear then that $3,000,000,000 a year would be a very conservative estimate as to the total cost of a universal military training program. Before we add that sum to the $10,000,000,000 already appropriated to the Military Establishment for the year let us try to visualize what it would represent in terms of our civilian educational program.

According to the latest survey of the United States Office of Education, the total expenditure for education in this country during the school year 1943–44 was $3,522,007,441. This included all elementary and secondary schools, colleges and universities, professional schools, teachers' colleges and normal schools, schools for the delinquent, blind and deaf, the mentally deficient, and Federal schools for Indians.

The money we would spend for 2 years of UMT would represent more than the total value of all existing facilities for higher education in this country. According to latest Government statistics the entire value of land, buildings, equipment, endowments, and other funds of institutions of higher education in the country is slightly more than $4,500,000,000.

Three years of UMT would consume more than enough money to double the present public-school facilities in the Nation. Value of all land, buildings, equipment, permanent and sinking funds, for the public schools in the entire country, is less than $9,000,000,000.

According to the Director of the Budget, the administration advocates that UMT be given priority over aid-to-education legislation. If the present plight of the Nation's schools is overlooked in the rush to set up a compulsory military training program, we shall pay dearly for such a policy. I do not question the necessity of developing and training the minds and bodies of our youth, but if they are to be prepared to serve their country in time of peace or war we dare not siphon off billions into a military training program at the expense of our basic educational needs.

The validity of such a conclusion seems to be thoroughly established by the following factors:

Approximately one-third of all men called up by selective service during World War II were rejected because of physical, mental, and educational deficiencies. The majority of these men could have been fit for military service, if they had received the proper nutrition, medical care, and educational opportunity in childhood and youth.

A sample study during 3 months of 1942 showed that 38 of every 1,000 registrants were rejected for illiteracy. In some States rejections for educational deficiency ran as high as 74 per 1,000 among whites and 258 per 1,000 among Negroes. States with low per capita expenditures for education produced the highest percentage of these disqualified men.

The outcome of any future war will be decided in the scientific laboratories of our colleges, universities, and industries. The day is long since past when military strength can be reckoned in number of men under arms. A few dozen scientists can turn out weapons more dangerous than millions of marching men.

Yet our Nation today is confronted with a grave shortage of scientists. Diverting billians of dollars into a UMT program and interrupting the studies of our potential scientists for a year's time would contribute further to this dangerous deficiency.

The President's Scientific Research Board reported recently that the drafting of science students during the war was a major factor in producing a loss of 40,000 scientists and research engineers. Because of the dearth of qualified men the Atomic Energy Commission has had difficulty in carrying out its research, while the Army's guided missile program is only three-quarters staffed.

The field of medical research—so vital to the health of our people—has experienced a drastice reduction in qualified personnel. Between 1941 and 1945 the number of persons receiving doctor of philosophy degrees in the basic medical science dropped from 548 to 217. Federal agencies engaged in medical research report deficits in personnel up to 40 percent. Important projects are gathering dust for lack of competent men to tackle them.

The crisis in science can only be met by greater support for our schools, colleges, and universities. Our entire educational structure—from first grade through the graduate and professional schools—has suffered a terrible set-back due to the war. Putting that system back on its feet should be a number one priority in any security program.

Those who say we must have UMT to keep ahead of Russia, even though it means skimping on our educational budget, ought to be reminded that last year the Soviet Union devoted twice as much of her income to her schools, colleges, and basic research programs as did the United States.

During the war hundreds of thousands of teachers left our public schools. Present salaries are too low to attract the needed men and women to instruct our children. The average salary for teachers and school officials during 1945 was only $1,846. Today we need 78,000 qualified teachers.

There is an urgent need for new school buildings. The Office of Education predicts that our high-school population in 1960 will be 50 percent larger than in 1943–44, due to the sharp upswing in wartime birth rates. To replace obsolete structures and to provide for this new crop of children we must spend $10,000,000,000 on new public-school facilities within the next decade. If we put out $30,000,000,000 on UMT during the same time our school-building program is certain to be slighted.

Our colleges and universities are literally bursting at the seams, yet an estimated 250,000 qualified men and women, eager to attend, were turned away during the past year. Those who managed to squeeze in are being cheated out of the full benefits because of shortage of professors, lack of adequate facilities and the feverish, crowded atmosphere of the postwar academic program.

In the field of science alone we would require 15,000 more instructors, including 4,500 with doctor's degrees, in order to meet the prewar student-teacher ratio.

The percentage of income derived from endowments has been declining for many years. Our institutions of higher learning are having to depend more and more on public funds for their support. If we give the military first priority in our tax funds, our schools are bound to suffer.

We are wasting an enormous amount of human talent because qualified young people cannot afford the expense of a college education. A recent study in New York State showed that 59 percent of high-school students in the top fourth of their classes fail to attend college, if their family income is less than $5,000 a year. In Pennsylvania a survey revealed that 105 of each 1,000 high-school graduates entered college, but 174 of each 1,000, with the same mental abilities as the other group, could not attend due to lack of funds.

With the $3,000,000,000 we would spend on UMT each year we could provide free $500 annual scholarships for a million of these capable young people who cannot afford a college education. We would have enough left to raise the average public-school

teacher's salary $1,000 a year, provide $1,000,000,000 worth of new buildings and facilities for our public schools each year, and expend $500,000,000 on our colleges, universities, medical schools, and other institutions of higher learning. Within a 10-year period such an annual expenditure would more than double the present value of our entire system of higher education.

In a survey conducted by the National Opinion Research Center a cross-section of the American public was asked the following question: "If the Government had $2,000,000,000 a year to spend, would you rather have it spent on a program of better regular education in the schools, or on a program of compulsory military training in the Army or Navy?" Sixty-nine percent of those expressing a definite opinion favored the regular education system, while only 31 percent preferred military training.

Civilian education and military training are both competing for available funds. If we decide to spend $3,000,000,000 every year for UMT, we cannot expect to appropriate a similar amount in addition to what our schools are already receiving.

We must make a choice. The clear-thinking Americans who answered the public-opinion poll have indicated a wise course for the Nation to follow.

Steel Plow and Iron Curtain—One American Farmer Can Produce As Much As Six Russians—Equipment and Methods Help Him Do It

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. HAGEN. Mr. Speaker, I wish to call the attention of the Congress to the interesting article entitled "Steel Plow and Iron Curtain" by Herrell DeGraff, professor of agricultural economics, Cornell University, which appeared in the November 1947 issue of Steelways, published bimonthly by the American Iron and Steel Institute.

It is a story of the United States and Russia and the lead we hold in the vital race of food production, of the advantages we enjoy, of the supremacy we can keep, provided we never forget how it was achieved. The story is authored by Herrell DeGraff and Arthur Bartlett.

It follows:

One of my ex-GI students was speaking, the other day, of a country in which he spent some time during the war—a country which had put up a briefly valiant but futile struggle against invasion. "They fought the way they farm," he said. "Plenty of determination and brute strength, but with methods and equipment strictly from the Dark Ages."

It was an acute observation, which only a farm-bred soldier would have been likely to make. We are no longer a Nation of farmers and it is easy for nonfarmers to miss the fact that most peoples fight—and live—just about the way they farm. A country's way of farming constitutes a reasonably accurate barometer of its whole level of accomplishment, in peace or war.

The reason is very simple. Food is the first essential of life. The more people it takes in any country to produce the food to keep the country alive, the fewer are available to produce goods and services.

In other words, the farm is, and always has been, the irreplaceable foundation of the structure of society. If it takes four families on the land to produce enough surplus over their own requirements to feed one nonfarm family, then only 20 percent of a population is free to produce other things. Only as each farmer, by using more efficient methods and equipment, increases his production, are more hands and brains freed for other tasks.

We have moved so far and fast in this direction in the United States that most of us take food more or less for granted, and tend to overlook these elementary facts. Yet their implications are so far reaching that we cannot afford to overlook them much longer. They contain the key to the whole complicated world situation of today.

Back in 1943 Wendell Willkie performed a great service to the people of this country when he crystallized our realization of "one world." We had come to realize that war in Europe or creeping invasion along the southeast coast of Asia or even a squabble in Chaco were, after all, our concern in the United States; that we were, indeed, citizens of one world in which our acts affected others and the acts of others affected us.

Now with confusion and concern we see an iron curtain drawn down across Europe and pressing westward. A curtain that has shoved out to enclose a half score of nearby neighbors and threatens to extend farther. The one world has fissioned into two. We don't like it. We worry about it. We even wonder: Must there be another war? If we are spared that, as we all must hope, we still realize that we face, at least, an economic and political rivalry which may be a showdown struggle between our way of life, our system of government, and those of the Soviet Union.

We start this struggle with a tremendous advantage—the basic advantage of an agricultural system which makes Russia's look like a 14-year-old boy pitted against a brawny blacksmith in a weight-lifting contest.

Let's look at some over-all figures. First, Russia is the vastest nation in the world. She extends from 20° east longitude to 170° west longitude. She contains one-sixth of the land area of the world and the sun never sets upon her territory. The area of Russia is more than two and one-half times as great as that of the United States. She has a population one-third greater than ours, not counting the many recently brought within her influence.

But, at least agriculturally speaking, the strength of Russia ends with those figures. She has about the same harvested-crop acreage as the United States, but from our similar acreage we harvested, prewar, one and one-half times as much agricultural production as she. I am using prewar figures, for which I have drawn heavily on the writing of N. Jasny, a United States Government economist who was with the Foreign Economic Administration during the war, because, even if we had the information, it would hardly be satisfactory to draw a comparison between Russian and American agriculture today. Russia was far more disrupted by the war than we were. Her agricultural production from the thirties has been much reduced; ours has been vastly expanded. Even in the late thirties, however, our output of farm produce exceeded Russia's by 50 percent.

The most important reason for this greater total production is that the territory of the United States is far more favorably situated than the vast area of Russia. If anyone on the day of creation had staked out 3,000,000 square miles of desirable territory, he could have done much worse than to have driven his stakes in Florida, California, Washington, and Maine. Where the heat of the Tropics leaves off, the United States of America begins. Close to where the cold of the North sets in, the United States of America leaves off. Enclosed is a vast area of temperate productive lands, none of it too hot, little of it too cold, little of it too wet, but some of it too dry.

Russia suffers from being north. The port of Odessa on the Black Sea lies in the latitude of Duluth, Minn., and Aroostock County, Maine. Russia extends on north. Vast areas are too cold for agriculture. Vast areas are unproductive, spruce-forest soils. Vast areas beginning in the Ukraine and extending on east into Siberia are some of the most productive soils in the world, but they don't get adequate or evenly distributed rainfall. Too cold and too dry characterize vastly more of Russia than of the United States.

Our truly significant advantage, however, is not indicated in the total production figures, favorable as they are. The important thing is that each worker in American agriculture turned out, in those prewar years, six times as much production as each worker on the land in Russia. We have to go back to shortly before the Civil War in this country to find the time when the American farmer's productivity was as low as the Russian farmer's output in 1938.

Russia has made claims, which many of us have read, to have the most mechanized agriculture in the world. It is, of course, a gross exaggeration, though it is true with respect to a few operations. For example, 71½ percent of all spring plowing was performed by tractors in Russia in 1938. We fell far short of that figure. About half of Russia's grain acreage was harvested with the combine in 1938, and again, except for our wheat crop, we fell far short. But aside from these few operations, the vast bulk of Russian farm work is performed, not with tractors, not with machines, but by hand. The Russian farm worker in the late thirties had less than one-half horsepower in the form of draft animals, tractors, trucks, or stationary motors. The average American farmer at the same time used more than three horsepower in tractors and horses alone.

The Russian farmer worked 63 hours to grow and harvest an acre of corn. Our farmers used 27 hours on the average—only 16 in the Corn Belt—and produced double the Russian yield per acre. Russians used 330 hours to raise and harvest an acre of cotton. Our cotton producers worked 91 hours on an acre. Russia farmers worked about 47 hours to raise and harvest an acre of wheat. Our farmers worked 9 hours and the wheat yielded more bushels per acre. Russian farmers worked 530 hours to raise and harvest an acre of sugar beets. Our farmers worked 92 hours. They worked 265 hours to raise and harvest an acre of potatoes. Our farmers worked 68 hours. They worked 460 hours a year to care for a dairy cow. Our farmers worked 140 hours and produced twice as much milk per cow. On the Russian farms producing poultry, one person cares for about 500 birds. Our poultryman takes care of 1,500 or more.

Back in Civil War times, when the efficiency of our agriculture was similar to that of Russia today, we had hardly more than started using equipment as we now know it. McCormick's reaper was in use, but not widely so. The basic horse-drawn tools had been introduced, and were coming into use. Since then, however, we have been through a prolonged agricultural revolution. Soil science has been developed and applied to a previously unknown degree. Crop and livestock improvements have shot far ahead. Pest control has made unprecedented progress. Most important of all, the American farmer, using machines, mostly of steel, supplied by an aggressive American industry, has never since that time ceased to expand the effectiveness of his work.

In 1862 Ezra Cornell, the founder of Cornell University, in his presidential address to the New York State Agricultural Society, made a plea for the improvement of farm livestock. The cows of New York dairy farms were then producing almost precisely what the Russian cow produces now. He saw no reason why cows could not be twice as good as they then were. Not only has that goal been achieved but actually American husbandry has gone on to exceed it by one-third or more.

Here, then, in the great vitality and productiveness of American agriculture, has been the basis of the rising strength of the Nation and the rising standard of living of the American people. Since 1850 the percentage of the United States labor force engaged in agriculture has declined at a nearly constant rate of 6 percent per decade. We now use only one-sixth of the Nation's productive effort directly on the land; we produce enough to provide the best standard of food living to our people that is enjoyed by any nation, possibly excepting New Zealand, and still ship 10 percent of our farm products overseas.

As the productivity of the American farmer has expanded other workers, no longer required to produce the basic foods and fibers, have been able to shift to producing the thousand and one other things that add up to our high standard of living and that make our Nation so strong. As a result, the standard of living of our people has increased at the rate of 2 percent a year for the past 100 years. We have gone on to produce more autos for more people, more refrigerators, more radios, more telephones, more nylons, and more eggs for breakfast than are enjoyed by any other people in the world.

If agricultural progress has made possible our industrial society, it is just as true that our industrial economy, in turn, has made possible the expanding effectiveness of the farmer. For example, a few years ago a young chap of my acquaintance left promising nonfarm employment to return to his boyhood home in the dairy land of central New York. It was a little farm carrying 12 cows producing an average of 6,000 pounds each—just average sort of cows. And the cows were the only source of farm income. He knew scientific farming and he knew how to apply American methods of production. Within 4 years he brought up that farm to carry 20 cows instead of 12, with an average yield of 9,500 pounds of milk per head instead of 6,000 pounds. He added a flock of poultry to the farm. Four years after he took over the business he turned out a volume of production four times that of his predecessor.

He did all this with no more help than his father had used. He used machines instead. He wired electricity into his building, and used this "cheapest of all hired hands" to run a milking machine and pump water and do other jobs that would have required much hand work. He bought a manure spreader and a small tractor. He hauled hay with a buck rake. He cooled milk with electricity instead of tugging ice into the ice house all winter and out all summer. In 4 years' time he nearly doubled the farm's net worth.

Here is the record of another farm. It is 405 acres on the prairies of Illinois. All but 18 acres are in cultivation. The farm produces 200 acres of corn, 75 acres of soybeans, 60 acres of oats, 25 acres of hay, and the rest is in rotation pasture. A couple of years ago, when I saw the records of the operation, it had produced these crops and, in addition, fed 125 head of cattle to 12,000 pounds of gain and raised 165 hogs to 34,000 pounds live weight. It is a business capitalized at well over $100,000, and two brothers run it without any hired help.

How can two men handle so much business? Obviously, they could not do it without machinery. The farm is equipped with two tractors, four-row planting and cultivating equipment, combine, pick-up baler and corn picker. The steel industry and its allied industries, making possible such machines of ever-increasing efficiency, constantly reduce still further the manpower needed to produce food, and thus release still more men to devise and produce still more ways to build still higher the level of our civilization and accomplishment. It is an interlocking, self-priming system, and the end is nowhere in sight.

Why has it worked so much better for us here in the United States than for any other country? The answer is clear. It is because here individuals have had freedom to work and to enjoy the fruits of labor. Under that freedom we have built an economic system that has vastly stimulated production, individually and in the mass. It is a system in which capital, in the form of tools and production facilities, has constantly increased our enormous production per man, whether on the farm or elsewhere. The farmer's incentive to use more and better machines is that through them he can make his capital work for him, and thus be able to buy more of all an expanding civilization offers. So it works through the whole society—if it is allowed to work.

The Socialists and Communists, in recent years, have adopted the slogan, "From each according to his ability, to each according to his needs," as if they had the only answer to that sound aim. It ought to be obvious enough that it is we who have been outstandingly successful in that respect, not Russia with her Stakhanovist system to speed up the accomplishment of a worker. And we can still get "from each according to his ability" if we will continue to maintain our free productive system.

In the past two decades we have done much to compromise the private-enterprise system. We have done all kinds of damnably foolish things in the field of restrictive economics. For 10 years before the war we were telling farmers that they had to restrict production because they produced too much. One would think we expected to become more wealthy by cutting down on the production of wealth. We have told the workman that he could work only 40 hours a week. Who knows if everyone wants limited work hours and enforced idleness as against the opportunity to work? We have built up a system of economic controls based upon decisions by committees. Committees are made up of individuals who, like other individuals, can be wrong. And when they are wrong, they are wrong for everybody.

To finance a planned economy and a committee system of economic control, we have in recent years piled a progressive income tax upon American production. It works to discourage the producer because he gets penalized for producing another dollar. It works also to discourage production from the nonproducer because by getting the essentials of life without working, he is made more indolent still. We have drained off for government use dollars of personal and business earnings which should have gone back into the expansion of our capital facilities. We have so discouraged capital investment by the tax burden upon earnings and by the application of restrictive economics that the labor force of the country has been increasing faster than the production facilities for them to use. Capital per person has been decreasing.

This is cause for concern. It is more disturbing than any immediate challenge from the Russians or their system.

Whatever else may be hidden behind the iron curtain, we know it hides great weaknesses. Our strength is in plain sight: The steel coming from our mills, the machines from our factories, and the production from our farms to make it possible to get from each according to his ability, in increasing measure, the stuff of life.

Russia's challenge is not to a shooting war—not yet, at least. It cannot become so unless and until she wins the war of steel plows and the general productive efficiency which they symbolize. That is a war in which we are far ahead. We can lose only by forgetting how we got there.

Will You Buy the Marshall Plan?

EXTENSION OF REMARKS
OF

HON. WILLIAM H. STEVENSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. STEVENSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Henry J. Taylor:

[From Cosmopolitan Magazine of March 1948]

WILL YOU BUY THE MARSHALL PLAN?

(By Henry J. Taylor)

Look in your cupboard, coal bin or clothes closet. There you will see the future workings of the Marshall plan.

Look at the prices in the grocery store. Ask yourself why it is hard to build a house or get a car. What are you paying for milk? For meat? Ponder tonight the connection between the steel famine and your own job security, the oil shortage and this country on wheels, the machinery scarcity and the problem of new production to whip inflation. Now you and I are ready to think about the Marshall plan.

For the Marshall plan—officially known, since Secretary Marshall disavowed that title, as the European recovery program—does not mean dollars. It means goods—mostly the same goods that America itself needs.

Never before in the history of the world has a relief proposal like this subsidy-in-goods been assembled.

It means the difference between the products that 16 European nations (chiefly Britain) believe they need and the products they can produce or buy in the next 4 years—with America donating that difference.

We American people are already paying the bill for the Government's postwar relief programs abroad at the annual rate of $376 per United States family. By this proposal the bill would be built up to $862 per American family by 1951.

Accordingly, the pocketbook, the personal welfare, and the future of every American citizen are directly involved in the question: Will you buy the Marshall plan?

Knowing that every farm, every home, every factory, every pay roll, prices, pensions, taxes, individual security, and the basic stability of the United States are all directly affected, it is up to each of us to be honestly informed and to answer. For now is the time the question must be decided in Congress in accord with the will of the people.

What is our will? Given the facts, we can find our own way to this answer for both our own good and also the good of the hard-pressed world. But we need to know the plain, unvarnished truth. And, at the moment, propaganda rules the roost.

It is not enough to say we want to help Europe—the needy, the heartworn, and weary. Everyone agrees about that. In the past 4 years of war unnumbered men have died to give humanity another chance. We who remain cannot say good-by to their efforts—not when we remember that they said good-by to life itself. But to humanity, in the end, it is results—not pronouncements—which count. And in these critical

times we cannot indefinitely postpone getting real results from anything we do for relief and recovery abroad.

The war has been over nearly 3 years. After all, something must be wrong with the way we have aided Europe so far, or the gigantic postwar aid already given would have helped more than it has and possibly won us more friends.

Our world-recovery donations ($22,000,000,000 since the end of the war) have failed to achieve their promised objectives. If they had not failed we would not now be called upon to send so many new billions.

But when earlier expenditures fail to deliver promised results, attention is generally distracted from the failures by making new promises and putting the objectives on an even wider base. New labels are sought, new slogans concocted, new arguments advanced. Generalities about the future smother the facts and fiascos of the past.

What are the chief arguments usually advanced for our buying the latest plan now that it is no longer merely an idea with good objectives but has become a specific piece of proposed legislation, presented on in all-or-nothing basis?

1. We must protect western Europe from the Communist menace.

2. Our own economic self-interest (i. e., avoiding a depression) is involved.

3. We can afford to be generous on this scale on a humanitarian basis.

Before we examine the validity of these arguments, let's see how and where the "plan" really began.

It began in London. I was there when it started. While it was being put together abroad, I journeyed to most countries involved: England, France, Italy, Greece, Switzerland, Belgium, Luxembourg, Holland, and Germany. I went to Paris while it was finally being thrashed out there. I came home and saw it finished in Washington, D. C.

Much of the European story behind the headlines and public speeches has not been told. The facts about the birth of the plan abroad, the inside inter-European commitments and cross-trades, the amazing contradictions in the program itself—all are vital, but smothered. The effect on us in our homes and work places is certainly not clearly understood. So come to London for the real beginning.

In January 1947 British Foreign Secretary Ernest Bevin notified Secretary Marshall that new large-scale American aid for England was necessary or Britain would suffer economic collapse by June.

He made a request that was kept "top secret." He asked for the equivalent of five and a half billion dollars over the next 4 years. The 1945 Congressional grant of $3,750,000,000 was being consumed at twice the rate anticipated. It was passing through the British economic system without long-term effect.

Bevin's preliminary appeal for a new loan was not made known to either the American or British public. Even the forthcoming crisis itself, foreseeable from the inside, was played down until it burst full-blown in July. Meanwhile, this is what was happening:

In a series of January dispatches to London, Secretary Marshall told Bevin that in his opinion Congress would not again appropriate a large, new fund for Britain except possibly as part of a general economic program for European recovery. Congress had objected to the original British loan because it did not represent a rounded European solution.

Throughout February, Bevin replied that the British Government understood this objection, in principle, but—as at the time of the original 1945 grant—England could not wait for such a widespread program.

In London you could see that a feeling of being bogged down permeated the British Foreign Office. Bevin needed action. He got it. He implemented his claim for separate aid by suddenly announcing that Britain was so hard-pressed that she would have to withdraw immediately from Greece.

Bevin ruffled tempers in the State Department, for he announced this in Washington and London at the same time, and publicly. But the American agreement to take Britain's place in Greece (with Turkey later included) and to vote $400,000,000 for this purpose, was the answer.

Revealed March 12 as the Truman doctrine, this was, in fact, a stopgap substitute for new, large and direct aid for England, which it was clear Congress would not grant.

Prospective British withdrawal from obligations in western Germany, and the assumption of these occupation costs by America were agreed to at the same time. But this part of the agreement remained "top secret," and announcement was withheld until November.

Nevertheless, British insistence on straight separate aid did not slacken. The pressure was increased throughout the spring, not only on President Truman and Secretary Marshall but also on most members of the United States Cabinet, and especially on Secretary of the Treasury Snyder. That pressure had reached a climax by June 1.

On June 5, Secretary Marshall made his now famous commencement speech at Harvard. He was speaking primarily to England—a fact fully realized by Bevin but lost on the British and American public alike—when he said, in three sentences, that further large-scale American aid could be expected only as a part of a general coordinated European program. With that, Secretary Marshall dropped the subject. But when Mr. Bevin tagged it the Marshall plan the force of a great American name was lent to the subsequent European proposals.

I was in London when the British Ambassador in Washington confirmed the fears of the British Government that England had lost her priority on American assistance. At that point what has since been called the Marshall plan became really the Bevin plan. It became Secretary Bevin's responsibility to construct an outline for American aid to other countries in such a manner that approximately the same amount of aid would go to Britain as if the separate aid, asked for in January, had been judged agreeable to Congress.

This Mr. Bevin accomplished in the Paris meetings of 16 nations during July, August, and September, which I went to Paris to observe.

Mr. Bevin's January appeal to Secretary Marshall for $5,500,000,000 went into the Paris plan from the outset, and stayed there.

France and Italy objected strenuously to the British proportion. But they played along with England's big long-term proportion in exchange for a bird-in-hand understanding that England would support immediate United States stopgap aid for them amounting to $685,000,000.

Mr. Bevin agreed. The British Government went on record with Secretary Marshall as urging $685,000,000 American stopgap aid for France and Italy, $227,000,000 to Italy, $458,000,000 to France. They got $540,000,000 in stopgap aid on December 19.

Now the time has come to act on the long-range presentation—predominantly aid-to-Britain, plus the additional collateral reliefs.

The overshadowing aid-to-Britain feature was kept carefully under wraps, a fact first noted by Washington newspaperman Peter Edson.

Page after page of other statistics are supplied in the official presentation to Congress. But in all the 131 pages, the percentage of American aid allocated to each country and the predominate share scheduled for England are not revealed. It required a separate investigation to obtain for this article the official figures showing where our billions would go, country by country.

Here are the facts:

England	$5,348,000,000
France	3,701,000,000
Italy	2,913,000,000
United States-British Zone Germany	2,499,000,000
Holland	2,436,000,000
Belgium-Luxemberg	1,419,000,000
Austria	713,000,000
Denmark	582,000,000
Ireland	497,000,000
Greece	473,000,000
Norway	234,000,000
Portugal	150,000,000
Iceland	38,000,000
Turkey	18,000,000
Total	21,021,000,000

Sweden and Switzerland are in for nothing. Actually they expect a favorable trade balance of about $176,000,000. This means net requests for over $20,000,000,000 from Uncle Sam. The difference between that figure and the announced 17,000,000,000 is to be made up chiefly by the International Bank and Monetary Fund, which is also 80 percent United States taxpayers' money.

England's $5,348,000,000, which is one-third of the $17,000,000,000 in the Marshall plan, is exactly the amount asked for by Bevin in January 6 months before Marshall attempted to answer England at Harvard University.

That, in brief, is the background of the plan. Now let us consider the arguments advanced for its support.

Is the threat of communism in western Europe a valid argument? If so, Britain's 32 percent share in the funds must be automatically excluded from this claim. No one has even suggested that the British people are on the verge of voting Communist under any circumstances.

This is admittedly and equally true of 9 more among the 15 other countries involved: Ireland, Iceland, Denmark, Portugal, Belgium, Luxemburg, the Netherlands, Sweden and Switzerland. These represent another $5,000,000,000; a billion dollars to Ireland and Denmark alone.

The Communist problem in two other countries involved, Austria and Greece, is commonly conceded to be military, not economic. This means that anticommunism appeal for us to buy the plan, is largely confined to France and Italy, where communism has been consistently losing ground in the grass roots for over 2 years; and western Germany where the last Communist vote was 7 percent, Turkey 4 percent.

Once revealed on a country-by-country basis, the anti-Communist angle in the overall "all or nothing" $17,000,000,000 presentation takes on a different aspect. And, in any case, few military men would care to argue that dollars alone would be effective if the Red Army marched.

What about the argument that America's economic self-interest is involved, that we must export to avoid depression?

We are in a fight against inflation. Yet nothing could be more inflationary than vast exports at public expense, not repaid, striking us squarely in our shortages.

Our exports in 1947 totaled $14,500,000,000, chiefly free. Our balancing imports were $5,500,000,000; an over-export gap of $9,000,000,000. We know, or should know, these exports are abnormal.

Our real trouble today is that the home demand—to say nothing of foreign gifts—is far in excess of our ability to produce.

We need not worry about a falling off in demand for things we can't produce. We should not buy that idea. If there is to be a decrease in our exports—and that appears to be the thing the foreign-relief planners and other prophets of our domestic doom seem to fear—this is the best possible time

to absorb the reduction. They should either admit this fact or else not claim they are trying to fight inflation. Both contentions cannot be true. If there is really going to be "boom and bust," all we have to do is ship enough goods abroad for which we won't be paid to assure it. We went on that ride once before—after the last war.

And the argument that we can afford to be this generous on a humanitarian basis? This is the major claim on which the issue must be decided and changes in the commitments made or not made in the plan.

It is the direct cost at home and the results abroad which must be considered.

Our civilization is founded on compassion and charity. The deep and honest desire of the American people is to help people abroad as much as we can within good and generous limits. No other nation in the history of the world has ever regarded the rest of the world in this light. That is another reason why we can be proud we are Americans. But this does not permit continually giving Europe a blank check on our resources or on our lives.

Further, why are we not told clearly a little-known fact about our official charity; namely, that our aid does not actually reach people abroad as a free gift, as millions of Americans suppose.

By and large, the people abroad buy from their governments or middlemen what our Government sends free. They do not receive our gifts as charity. Their governments, and others overseas, pocket the difference. Practically none of the official donations of the United States Government end up as charity to the wretched. That is why so much of our vast aid is unknown to individuals in Europe.

In our own Government, who finally constructed the Marshall plan? Who wrote the President's presentation?

Clark Clifford and Charles Murphy, young White House advisers, did the actual writing. A young task force put the program together, directed by Under Secretary of State Lovett.

"We started to figure this thing out on the back of an envelope, and it got slightly out of hand," explains Charles Kindleberger, 37, a State Department adviser on financial policy.

Earlier reports by the Krug, Harriman, and Nourse committees were purely advisory, and the vital administrative features recommended in the Harriman report were ignored. The names of the actual planners hardly carry national prestige. These are the men in the Washington task force who came up with the final answers: Charles Bonesteel, 3d (State), Frank Southard (Treasury), Frederick Northrup (Agriculture), James Boyd (Interior), Philip Kaiser (Labor), Col. Raymond M. Cheseldine (Army Civil Affairs), Thomas Blaisdell (Commerce), Burke Knapp (Federal Reserve), and a special State Department planning group consisting of William Bray, Lincoln Gordon, Ernest Gross, Arthur Kimbell, Charles Kindleberger, Paul Nitze, William Phillips, Harold Spiegel, and Walter Surrey. Nearly all are in their thirties. Theirs was the program which was finally taken to Congress with the request for a 4-year commitment and $17,000,000,000—all or nothing.

Will the plan, if adopted, be ably administered? No one can say, but we will have to do better than we have been doing. Look at the way we have handled our No. 1 problem—Germany.

As working people in America, our dole to Germany is costing us about a billion dollars a year.

The Marshall plan countries surrounding Germany—Switzerland, Holland, Denmark, Sweden, France, Italy—whose economies are interwoven with Germany's productivity, suffer through the German paralysis. So most are among the 16 nations now asking us for aid. With Germany on a dole, they must ask us for a dole too.

Accordingly, in restoring the productivity of Europe, it is only common sense to begin with Germany—the sector most demoralized and over which we have large control—yet with all safeguards against German rearmament of any kind.

Since we say the Marshall plan is dedicated to European recovery, and Secretary Marshall himself speaks of German peace-production recovery as the crux of the problem, our public may suppose that at last we have changed our original "scorched earth" policy in Germany. But fantastic as it may seem, at the same time that one set of hands in one of the 20 separate buildings that house the State Department in Washington was writing the Marshall plan for Congress, another set of hands in another building was writing a new and sweeping directive for further dismantling peace-production machinery in Germany.

In our own western area over 600 nonwar German industrial plants are now to be dismantled, scrapped, or removed as reparations under this new 1948 dismantling policy. Some 30,000 German workers have been withdrawn from production to carry out this new dismantling program.

The paralysis we are maintaining in Germany hits Italy more seriously than any other country in western Europe. Accordingly, Congress was called upon to vote Italy $227,000,000 stopgap aid in December, and the Marshall plan emphasizes, with nearly $3,000,000,000 more, the difficult situation there.

With one hand we choke off German peacetime productivity in the center of Europe and deal out a dole; with the other hand we enlarge the dole to Germany's neighboring countries. It seems one hand doesn't know what the other is doing.

Europe's recovery problem is primarily a production problem. Any program we enact, in order to succeed, must be administered here and abroad by hard-headed, realistic, production-minded Americans especially qualified for the gigantic task and operating as a selected agency for this complex effort.

Instead, nine departments are directly involved in a setup so confused, conflicting, intertwining, and unworkable that the official organization chart itself is utterly bewildering—even to the men who drew it. Said one of them to me, "It looks like Gracie Field's biggest 'aspidistrat in the world'."

If we haven't learned anything administratively from the $22,000,000,000 we've already spent, we had better learn something, and make the necessary administrative changes, before we spend $17,000,000,000 more; an amount equal to practically the entire profits of all American industry here at home last year.

Some farm aid to Europe is doubtless indicated, but is it not reasonable to suggest that any further congressional appropriation be limited to 1 year? We should not be committed for a longer program since we cannot know what our friends abroad may ar may not do for their own self-help or what may develop here at home. Further bills can always be passed, when and if needed.

The Marshall plan means $7,000,000,000 of taxes in 1948 from all of us beyond what we would otherwise pay.

Some say that if a billion dollars of the new aid is handled by the International Bank (80 percent United States money), the taxes may be "only" $6,000,000,000 additional this year. But the plan calls for $6,800,000,000 in the first 15 months. This sum is nearly two-fifths of the total sum paid in personal income taxes by everybody in America this year. It almost equals the income taxes paid by all American corporaions. It is about 70 percent as large as our entire national defense budget already voted. Yet it excludes new and forthcoming "little Marshall plans" for Latin America Asia, the Middle East, and Indonesia, the patterns for which it will establish.

It does not seem to take into account the fact that there's a limit to the number of failures Americans can absorb.

At some point our leaders failed, or we would not have suffered as we did in the depression. At another point our leaders failed, or we should have been so strong on land and sea and in the air that there could have been no war, and certainly no Pearl Harbor.

Now they fail again if they do not see that the future peace of the world depends on the internal strength of the United States. And they fail yet again if they squander our strength so we are weak when the chips are down.

Address of Hon. Clinton P. Anderson, Secretary of Agriculture

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Hon. Clinton P. Anderson, Secretary of Agriculture, at the Jefferson-Jackson dinner, Statler Hotel, in Washington, Thursday, February 19, 1948:

If you can believe what the Republicans and their helpers say about a fellow these days, I ought to be putting on a magic show instead of making a talk.

Look at commodity prices. Senator TAFT proclaims that the administration tried to force up the price of grain at great cost to consumers. Congressman ANDRESEN declares that we forced down the price of grain and ruined the market for his voting farmers in Minnesota. And our own "Pappy" O'DANIEL says that the Secretary of Agriculture and he alone is responsible for rising prices. Thus you see the power of this great Democratic administration. We push the market up and pull it down at the same minute of the same hour of the same day.

Joshua commanded the sun to stand still and that was regarded as quite a feat in those days. But now the Democrats command the market to stand still, to rise, and to fall—all at the same time.

So I thought I ought to bring along my magic lantern and give you a little demonstration of how it works. But the National Committee felt that since this banquet was in honor of Thomas Jefferson, we should have something scholarly, and since it was in honor also of Andrew Jackson, we should have something of service to the common people. The law establishing the Department of Agriculture where I work stipulates that it shall gather and diffuse among the people useful information. Therefore, the committee, knowing of my close contact with scientists, suggested that I present scientific information here tonight.

So I decided that I would talk about the identification and control of Republicans. Whenever a new bug, beast, or blossom is discovered, the species has to be captured, classified and controlled. Captured, classified and controlled; that's the CCC of agriculture that you hear so much about.

Now to identify Republicans for you, any proper scientist would bring along his specimens. But the national committee would

not permit me to have living specimens. Hence I could have no specimens at all because no Republican would be caught dead in this distinguished gathering. However, I can give you evidence of some fossils. If you think there are no fossil remains of Republicans, you need only go to the home State of the distinguished chairman of these banquets—the Honorable Wilson Wyatt. In the State of Kentucky you will find that a Republican Party grew and blossomed and gave promise of long, fruitful life. But since the election of last fall, it is as dead as Julius Caesar and doesn't even have a Mark Antony to come and speak at its funeral.

In determining the exact species, microscopic examination is often essential. Occassionally you will find an AIKEN or MORSE who does not fit into the Republican pattern, a specimen that can best be described in scientific language as a mutation or a sport. Or there may be rare and exotic—sometimes military—specimens which classify neither as Republican or Democrat and successfully confuse the experts. But we also encounter a few of those border-line cases which the expert recognizes as throw-backs—specimens which classify themselves as Democrats for election purposes, but who display Darwin's theories in reverse by evolving to a lower stage of life and adhering to Republican ideals. But it is not my purpose to concern myself with mutations, sports, exotic specimens or throw-backs, but to deal with more stabilized forms of republicanism.

One characteristic common to the Republican species is the desire to win an election and win it quickly. Republicans have been hearing so much about atomic energy and the possibility that one great explosion of bombs could destroy the world that they are overanxious. Bob Hope, in his priceless discussion a few nights ago, summed up this predicament with persuasive eloquence when he said that the Republicans were afraid that the world would go out just as they got in.

But the world is not going out and they are not coming in.

As to habitat, the Republican species can live anywhere in the Nation. One great region is almost completely free of them, but the process of eradication meets with occasional reverses in other parts of the country. In 1936, with only Maine and Vermont in the Republican fold, it looked as if the species might disappear as did the dinosaur, the cohippus, and the Whigs. But 10 years later the restraints, the burdens, the inconveniences, and annoyances of war had made possible a fresh outbreak in many States, even in that happy hunting ground of Missouri.

This year Dr. Gallup has been making some allergy tests and finds very little reaction on most exposed surfaces. Specifically, he has found no Republican Presidential candidate who stands a chance of election.

But I hasten to give you some further means of identification. Republicans cling to lofty aims. They believe in reducing the public debt and reducing taxes at the same time. When you search for economic specimens, don't look on the top of hills; you will usually find them back of depressions. Perhaps I should remind you that you can spot them by their vision which seems to be a little impaired right now. They have a myopic condition which has become more apparent since they have been looking under every rug and into every corner for a morsel of inside information. I have had a chance to study this condition at close range. Their myopic impairment persuades them that only Republicans make money in commodity trading without special help. Only last Monday the biggest speculator of the month was to appear before a Senate committee for examination. But he didn't appear. Nobody questioned him. Nobody badgered him. Nobody accused him of having inside information. He had a simple defense. He was a Republican, and like the priest and the Levite, they passed him by on the other side of the road without a glance. There was no good Samaritan to look at his wounds.

There is another way by which you can identify the species, and that is by its mating call, which during the vote-getting season sounds like "me tooooo! me too! me tooo!" Why, only a few days ago that noted Ohio farmer, ROBERT TAFT, visited Nebraska and discoursed upon farm plans. He was in favor of parity, but a different kind of parity. He wanted the farmer to have equality with other groups of society, but to use his words, "at a much less percentage of parity than 90 percent." We don't know exactly what he means, but we suppose that the level which he would establish will be measured by the extremity of his need in the Philadelphia convention.

But he did lay out a farm plan and it was a pretty good farm plan, because it followed in fairly accurate what the Department of Agriculture had laid down before congressional committees this last spring and fall as the essentials for a long-term agricultural planning. That program had been reviewed by the Senate Agricultural Committee and it had published a very fine report following almost exactly the pattern of testimony by the Department of Agriculture. And so Candidate TAFT sounded the mating call to the Nebraska farmers, "Me too!"

Before applying control methods you must know something about the life habits of the specimen on whom you have designs. Don't be misled if in examining your specimens you find them covered by the hard shell of conservatism. No, just as surely as the spring warms the soil and starts the sap to running in the trees, then in every even-numbered year the hard shell of the cocoon begins to itch and the little larva within it tries hard to shuck it off and don the shiny wings of liberalism. TAFT, with the shiny wings of liberalism, is the new look for 1949.

Now, I give you one final identifying mark. You will find all Republicans harmonious. It's a little divided harmony, but why not? Every orchestra must have its sections of wind and brass and someone to beat the drum.

Well, once you have learned to classify and identify your specimens, control is no problem. All we have to do is give them a good dusting during the voting season. It takes some work but the results are guaranteed. We, in the Department of Agriculture, had a share in developing an insect eradicator called DDT. We also developed a weed killer called 2,4–D. In the light of this experience, I now suggest that we shake the dust off our feet and mix with it a good dose of H. S. T. This powerful ingredient is certain to be lethal to all Republican hopefuls. This product we guarantee—to control the GOP, use H. S. T. For H. S. T. is Harry S. Truman.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF

HON. GEORGE H. FALLON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. FALLON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address delivered by me on February 22, 1948, over Station WBAL, Baltimore, Md.:

Ladies and gentlemen, as a member of the Public Works Committee of the House of Representatives I have been very much interested by the daily debates which have ensued during the past week in reference to the proposed St. Lawrence waterway and power project.

The St. Lawrence waterway project has been before the Congress a number of times during the past 50 years. Until last year, however, the navigation aspects of that project have been urged upon the Congress without any effort to place the proposal on a sound economic basis. In other words, it has been proposed to spend over $300,000,000 out of the Federal Treasury to open the improved St. Lawrence waterway free of charge to the ships of all nations and to have Uncle Sam foot the greater portion of the bill, a much smaller part being allocated to Canada.

In my opinion the St. Lawrence seaway has lacked justification through the years and still lacks it. The official records are filled with factual material supporting this premise. In testimony offered before the Senate committee this week it was indicated that the cost to complete this undertaking would be close to seven hundred and seventy-five million. This is the estimated cost by the Army engineers. However, the actual cost is unknown but in the end it will probably reach a billion dollars. For such projects have almost always exceeded their estimates. For example—and I could cite many more if I had the time—the estimated cost of the Panama Canal was one hundred and fifty million, whereas when completed the cost was three hundred and seventy-five million—a difference of two hundred and twenty-five million. If we are going to make such a vast expenditure as this seaway would cost we could with this money improve 85 percent of our own American harbors.

Throughout the hearings during which the proposal to complete this project has been under consideration by Congress, there has been unanimous opposition on the part of the members and employees of the railroads of the United States. Many of these railroads are major trunk lines which feed the port of Baltimore millions of dollars in exports. I am informed concerning their attitude and am safe in asserting that probably without exception they are all opposed to the establishment of another great medium of waterway transportation. They are opposed because of their definite belief that the waterway will divert millions of tons of revenue freight from railroads serving the areas from which the waterway is expected to attract its business and that this will result in a substantial reduction of railroad jobs. During the past year railroad employment has decreased and security of railroad employment especially for younger men in the service is extremely precarious. During the war the railroads demonstrated their indispensability to our national security. In order to maintain efficient and save railroad transportation the country must have a trained personnel available to carry on the work of transporting the country's freight and passengers at all times. To the extent that the uncertainty of continuous employment will be increased by the establishment of a seasonal facility, which the seaway closed to navigation 5 months of the year unquestionably would be, the stability of railroad employment will be decreased and the availability of men to carry on that work in times of emergency diminished. In my judgment this is one factor of the problem that should be given most serious attention in the consideration of the national-defense phase of the matter. In the light of unsettled, uncertain, and unpredictable international conditions this country cannot afford to establish additional transportation competing agencies which will undermine and injure those already in existence.

The volume of bulk freight which would be diverted presents a serious issue for American railroads. And for seaboard ports such as Baltimore which specializes in this cargo

and have built up expensive facilities and services to handle it. Millions of tons of freight annually would be diverted from existing transportation routes. The jobs of nearly 30,000 men in the port are at stake in this matter.

By latest figures from the Department of Commerce, Baltimore handled the second largest amount of foreign commerce among all the ports of the United States in 1946, and this record was excelled in 1947. Should the seaway go through there is indicated a prospective diversion from Baltimore of over a million and a half tons of cargo or nearly 10 percent of the port's average annual total of foreign and domestic commerce.

It is only too obvious that Baltimore can ill afford such losses and it is hardly fair to the interests of our State to ask her to do so. Baltimore is a great city chiefly because it is a great port, and as the greatest asset to the city and State of Maryland, the port influences the welfare of every business and of every citizen. Its national significance is even greater than its local importance and for 235 years it has served this country well and faithfully. It is to the Nation's interest, as well as our own, to keep the port active and busy through the full 12 months of the year as was conclusively proved in the recent war when almost overnight we in Baltimore were called upon to provide the facilities for handling an almost incredible volume of war materials and supplies.

Baltimore has long been the principal seaboard service harbor for the Central West because it is the closest port geographically to the interior cargo areas of the United States. Over one hundred million dollars is invested in terminals and warehouses by private interests. Baltimore's investment of fifteen million in piers and three million in channels and the Federal investment of nearly twenty million in harbor dredging are all largely based upon the handling of interior business. Of the port's normal average annual commerce of about twenty million tons valued at over a billion dollars (of which eight million tons valued at two million is foreign trade) A substantial part is inland rail-haul business. The Government collects from ten to twenty million a year in customs duties based to a great extent on goods shipped to the interior. The four thousand deep-sea ships which annually visit our port are influenced largely by inland movement.

The seaway proposal threatens many of our port commodities which have been leading factors in the development of the harbor and for which facilities have been provided costing millions of dollars. Grain, steel, woodpulp, and packing-house products are leading examples. Other materials both in- and out-bound for which special handling equipment has been created in Baltimore at large cost. It is now proposed to divert from the Atlantic seaboard and ship through the long and torturous seaway route.

By injecting the idea of self-liquidation into the present discussion of the project the proponents apparently seek to make it less objectionable in the eyes of the public. However, a most superficial examination of the records to date leads to the inevitable conclusion that no assurance can be given that the project will ever be self-liquidating.

There has been no assertion by any responsible governmental agency that the imposition of tolls is feasible. A check of all steamship companies operating under the American flag fails to reveal a single steamship company among them that would utilize the seaway if constructed. Who then is to pay these tolls that are to make the project self-liquidating? Obviously many foreign ships would use it, particularly tramp ships with low-operating costs, and take from American flag lines hundreds of thousands of tons of this country's export and import freight.

In the brief time allotted to me it is impossible for me to deal thoroughly with this subject. I have, however, exhaustively examined each phase of the project, its economic effects, and its relationship to national defense. On the basis of the testimony I have heard I find it impossible to concur in the opinion that the project is economically sound. In my judgment this proposal threatens the welfare of the port of Baltimore, as it does that of every other major harbor on the Atlantic and Gulf seaboards. It is an ill-advised project, which cannot be justified on any sound basis of national or regional economy. At this time, with the high price of materials and the extreme doubtfulness as to its effect, I cannot agree that such vast expenditures as are involved should be undertaken. To me, no phraseology about agreeing "in principle" to charging of tolls can change the grim prospect that it will be an economic millstone about the necks of the people of the United States, which will drag doubly hard on the million people in the port of Baltimore district. I shall with all sincerity and all the emphasis I can command urge the defeat of this resolution.

Cost of ERP to Third Michigan Congressional District

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. SHAFER. Mr. Speaker, how much will the New Deal's recovery program take out of the pockets of the citizens of Michigan's Third Congressional District?

According to the Legislative Reference Service of the Library of Congress, it will cost, if the Marshall plan is adopted, $312.14 for every man, woman, and child.

That means that citizens of the congressional district who I have the honor to represent will pay an equivalent of their school, township, county, and State taxes for 25 years to finance the European recovery program.

The New Deal's ERP has already cost the citizens of Michigan's Third Congressional District $51,861,917, according to the Library of Congress. If the Marshall plan is adopted it will cost an additional $36,583,577, or a total of $88,445,494. On a per-capita basis, based on the 1940 census, this means $312.14 for every person residing in the district.

Can Kalamazoo County afford to send $31,240,532 to Europe? Can Calhoun County afford to send $29,405,461, and Eaton County $10,651,466, and Hillsdale County $9,080,777, and Branch County $8,067,258?

Indeed, it is difficult to conceive the true meaning of a figure as large as $17,000,000,000, asked for ERP under the Marshall plan. But it is not difficult to realize that $312.14 per pocketbook, in addition to other current high costs of living, would destroy practically every taxpayer in the Third District.

As someone has well stated, "providing relief to Europe is a gamble at its best. It is no sure method of stopping communism, or socialism, or war. But it is a sure method of overtaxing the American citizen and a sure method of further inflating prices."

A big question to be decided, therefore, is whether the gamble on peace in Europe is worth destruction by taxation and high prices at home.

Under permission to extend my remarks, Mr. Speaker, I include a table furnished me by the Legislative Reference Service of the Library of Congress of the cost of the New Deal's European recovery program for Michigan's Third Congressional District:

Cost of foreign aid to the Third Congressional District of Michigan, by counties and principal cities

	Population 1940	Share of foreign aid, July 1, 1945 to June 30, 1947 (population × $183.03), based on $24,099,211,087	Share of foreign aid proposed by Marshall plan, 1948–52 (population × $129.11), based on $17,000,000,000	Share of total foreign aid provided and proposed, 1945–47, 1948–52 (col. II plus col. III) ($312.14 per capita), based on $41,099,211,087
Branch County	25,845	$4,730,410	$3,336,848	$8,067,258
Coldwater City [1]	7,343	1,343,989	948,055	2,292,044
Calhoun County	94,206	17,242,524	12,162,937	29,405,461
Albion City	8,345	1,527,385	1,077,423	2,604,808
Battle Creek City	43,453	7,953,203	5,610,217	13,563,420
Marshall City [1]	5,253	961,457	678,215	1,639,672
Eaton County	34,124	6,245,716	4,405,750	10,651,466
Charlotte City [1]	5,544	1,014,718	715,786	1,730,504
Hillsdale County	29,092	5,324,709	3,756,068	9,080,777
Hillsdale City [1]	6,381	1,167,914	823,851	1,991,765
Kalamazoo County	100,085	18,318,558	12,921,974	31,240,532
Kalamazoo City [1]	54,097	9,901,374	6,984,464	16,885,838
Total for counties	283,352	51,861,917	36,583,577	88,445,494

[1] County seat.

Source: Sixteenth Census of the United States, 1940, Population, vol. 1, pp. 506–508.

NOTE.—The 1940 population figure for the continental United States is used because later figures are not available for every local unit. Population of the Nation (excluding armed forces overseas) has grown from 131,669,275 in 1940 to 143,382,000 (estimated) by July 1, 1947. If the latter figure is used, the per capita cost of foreign aid between July 1, 1945, and June 30, 1947, is $168.08 rather than $183.03.

Merger Menace and the Steel Industry

EXTENSION OF REMARKS
OF

HON. ESTES KEFAUVER
OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. KEFAUVER. Mr. Speaker, on the floor of Congress and throughout the Nation we are hearing a great many complaints about the recent increase in the price of steel. Several investigating committees and the Department of Justice are looking into the reasons for the recent and rather unexpected boost in steel prices. Considerable interest and concern is cast about the fact that all of the major steel companies found the same price increase necessary and gave notice of the increase at the same time. It is, of course, wholesome that this matter should be looked into. At a time when we are trying to hold the line against inflation a substantial price raise of steel makes this job much more difficult.

I submit, however, that the investigating committees of Congress and the Department of Justice are not getting at the basic reason for the recent price increase. The reason is the dominant position in the industry which has been gained by the United States Steel Corp. The dominant position enables the United States Steel Corp. to set the pace and the lesser companies inevitably follow along. The condition is the result, in a substantial degree, to the merger program of the United States Steel Corp. during the past 20 years. This acquisition of competing steel companies has been the result of the failure of Congress to plug the loophole in section 7 of the Clayton Act. Section 7 of the Clayton Act was intended to prevent monopolies from being created by the acquisition of a corporation by its competitor. It prohibited the acquisition of capital stock of a competitor where the result would be a monopoly. Means of evading section 7 was discovered in 1927 through the acquiring of physical properties of a competitor rather than the capital stock. Since that time section 7 of the Clayton Act has been a dead letter and this fact has enabled the United States Steel Corp. to acquire a substantial number of competitors.

The situation and the remedy is described in an editorial which appeared in the Washington Post of February 26, 1948. Under leave to extend my remarks, I wish to include this editorial, which is as follows:

MERGER MENACE

Between 1940 and 1946, says the Federal Trade Commission, more than 1,800 manufacturing and mining concerns with assets exceeding $4,000,000,000 disappeared because of mergers and acquisitions. And the trend continued during 1947. This merger movement, taking the form principally of purchases of the assets of smaller concerns by big firms, has been facilitated by the ineffectiveness of the Clayton Act, which, as interpreted by the courts, deprives the Federal Trade Commission of power to prevent a company from purchasing outright the assets of another company unless the resultant merger creates a monopoly. Since the FTC does have the power under the Clayton Act to prevent acquisition of a company's stock by another company, if the purchase would merely lessen competition or tend to create a monopoly, the result has been encouragement of industrial concentration by the merger route.

The FTC has long urged Congress to amend the Clayton Act as a means of enabling it to proceed against corporate mergers brought about through purchase of assets. A bill amending the act with that purpose in mind, the Kefauver bill, has been reported out by the House Judiciary Committee but is at the moment bottled up in the Rules Committee. The proposal has been the subject of extensive hearings, resulting in revision of the bill originally introduced. The Federal Trade Commission also made an exhaustive study of the merger developments of recent years, emphasizing the threat to free enterprise of current trends. Congress should certainly be afforded an opportunity at this session to pass on the merits of this measure, which aims to protect the interests of small business from unfair competition and monopolistic encroachments.

The postwar growth of mergers furthering the concentration of wealth and income in the hands of giant concerns emphasizes the need for plugging those loopholes in the antitrust laws that hamper the FTC's efforts to deal effectively with the merger problem. And it makes it all the more imperative for Chairman ALLEN of the Rules Committee to take the Kefauver bill out of cold storage and give Congress a chance to examine it.

Mr. Speaker, I invite the Department of Justice and the congressional committees that are investigating the present steel-price raise to consider the merger record of the United States Steel Corp. It is as follows:

The United States Steel Corp., in acquiring the different combinations in 1901, issued its stock aggregating $76,968,994 in exchange for the promotion stock given the underwriters who promoted the various consolidations which the steel corporation afterward absorbed. And the steel corporation paid its own underwriters stock of the steel corporation aggregating $73,997,500. Thus, more than $150,000,000 of the stock of the steel corporation ($41,845,600 preferred and $109,120,890 common) was issued, either directly or indirectly for mere promotion or underwriting services.

Immediately following the organization of the steel corporation, it apparently made no effort to secure control of any of the large iron and steel concerns which competed with it other than the Shelby Steel Tube Co., as hereinabove stated. However, in December 1902 the corporation acquired the entire capital stock of the Union Steel Co., which had been an exceptionally aggressive competitor. That company had theretofore absorbed the Sharon Steel Co. and had acquired the entire issue of the capital stock of the Sharon Ore Co., the Sharon Coke Co., the Sharon Sheet Steel Co., the Donora Mining Co., the Republic Coke Co., the River Coal Co., and control of the stock of the Sharon Tin Plate Co., and the Sharon Coal & Limestone Co. This acquisition cost the steel corporation over $30,000,000.

In January 1903, the steel corporation acquired, through a subsidiary, Troy Steel Products for $1,000,000. This purchase gave the corporation additional blast furnaces, steel works, and rolling mills. The plant was never operated and was dismantled in 1907.

In 1904, the corporation acquired the Clairton Steel Co., a fairly important concern, at a cost of nearly $11,000,000.

In 1907, the steel corporation acquired the Tennessee Coal Iron & Railroad Co. at a cost of nearly $49,000,000. By this acquisition, the steel corporation eliminated a competitor of growing importance with its manufacturing plants in Alabama. The acquisition was made at the time of the panic of 1907 and was claimed to be important in averting a disaster of the financial stability of the country. The acquisition made the steel corporation the most important steel factor in the southern region.

In 1908, the corporation acquired the plant and equipment of the Shoen Steel Wheel Co., which manufactured about 200,000 wheels per annum.

In 1924, the Cyclone Fence Co. was acquired by the corporation.

In 1930, the properties and business of three major companies were purchased by the steel corporation, namely Atlas Portland Cement Co., Columbia Steel Corp., and Oil Well Supply Co. The corporation stated that the value of the properties, plants, business, net current and working assets acquired by these purchases amounted to $91,000,000.

The steel corporation produced cement as a byproduct of slag, and its own Universal Portland Cement Co. had by 1928 a production of approximately 15,000,000 barrels from its three plants at Chicago, Pittsburgh, and Duluth. By the acquisition of the Atlas Portland Cement Co. with its seven cement plants located in the States of Pennsylvania, Missouri, Alabama, New York, and Kansas, it acquired plants whose annual total production was over 19,000,000 barrels, which makes it today much larger than any other cement manufacturer in the country.

The Columbia Steel Corporation was a combination of Columbia Steel Co., with plants in Portland, Oreg., and Pittsburg, Calif., and the Utah Coal & Coke Co. which controlled extensive coal properties in Utah. In 1923 it had acqufred the Llewellyn Steel Co. of Los Angeles. It owned large properties in Utah estimated to contain 40,000,000 tons high-grade iron ore and 60,000,000 tons of coking coal, with rail connections.

Oil Well Supply Co. was an established organization operating throughout the United States and abroad, which dealt in large quantities of steel pipe, wire rope, and other products used in the development and operation of oil and gas properties, such products having been similar to those manufactured by subsidiaries of the steel corporation. The Oil Well Supply Co. also handled a complete line of equipment and machinery of its own manufacture and of the manufacture of others for use in the development and use of gas and oil properties.

In 1936, the corporation acquired the Virginia Bridge & Iron Co. property, with its three plants at Roanoke, Va.; Memphis, Tenn.; and Birmingham, Ala.

In 1937, the corporation acquired the Gerrard Co., Inc., manufacturer of machines for tying containers with wire.

In 1939, the corporation acquired properties of Boyle Manufacturing Co., of California, manufacturer of sheet-metal products such as barrels, tanks, etc.

In 1940, the corporation acquired the Savannah Wire Cloth Mills, manufacturers of screen wire.

In 1943, the corporation acquired the physical assets of the Moise Steel Co., at Milwaukee, Wis.

Later in the same year, the corporation, through a subsidiary, acquired the Petroleum Iron Works Co. of Texas, a subsidiary of American Republics Corp. Petroleum Iron Works made steel containers.

In 1944, the corporation made three reported acquisitions. First, it acquired the capital stock of the Gunnison Housing Corp.,

a producer of prefabricated houses. Next, through a subsidiary, the corporation acquired the Witte Engine Works, manufacturers of Diesel engines for oil-well pumps and other uses. Finally, in August of 1944, the corporation acquired the Bennett Manufacturing Co., a steel-drum manufacturer.

In 1945, through its cement producing subsidiary, Universal Atlas Cement Co., the corporation acquired the Wabash Portland Cement Co.

Also in 1945, the corporation, again through a subsidiary, acquired the Neilson Pump Co., a producer of subsurface pumps.

In May 1946, the corporation made its biggest acquisition in recent years when it bought, with Department of Justice approval, the Geneva, Utah, steel plant from the WAA. This plant had cost $200,600,000, but was sold to the corporation for $47,500,000.

In June 1946, the corporation acquired from the WAA the rolling mills and steel works at Homestead, Pa. This plant had cost about $86,500,000; the corporation paid $44,100,000 for it.

Also in June 1946, the corporation acquired from the WAA blast furnaces at Braddock, Pa. These furnaces had cost $22,600,000 to build; the corporation paid $14,400,000.

In the same month the corporation acquired an electric steel and heat-treating plant at Duquesne, Pa., from the WAA. This plant had cost $10,800,000 and was sold to the corporation for $6,500,000.

The corporation's last purchase from the WAA in June 1946 was a blast furnace at Duluth, Minn. The cost of this furnace had been $7,600,000, while the price to the corporation was $1,800,000.

In March 1947, the WAA sold the corporation a town site at a coal-mining property in Dragerton, Utah, for $1,600,000. The cost of this property was listed at $4,200,000.

Also in 1947, the corporation attempted to acquire the Consolidated Steel Corp. at Los Angeles, but has been challenged by the Justice Department. The United States Supreme Court on December 22, 1947, agreed to review the case; so far as is known at this time no decision has been handed down.

On January 9, 1948, WAA approved the sale to the corporation of an aluminum reduction plant at Torrance, Calif. This plant, which had originally cost $12,900,000, was sold to the corporation for $4,200,000.

A New Housing Policy

EXTENSION OF REMARKS
OF

HON. WILLIAM G. STRATTON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. STRATTON. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a speech prepared for delivery by my colleague, the Honorable RALPH A. GAMBLE, chairman, Joint Committee on Housing, at the annual meeting, National Association of Home Builders, Wednesday afternoon, February 25, 1948, Stevens Hotel, Chicago, Ill.:

A NEW HOUSING POLICY

At the outset let me say that, in my opinion, what we need is a national housing policy. We have never had one. We do not have one now. I hope our committee, in collaboration with the House and Senate Banking and Currency Committees, may develop one. Given a national housing policy, legislation is simple.

The trouble with most discussions of the housing problem of which I have heard or read is that the approach is made, either from a personal, a business, or a class standpoint. Out of this diversity of opinion has developed our present situation, in which he who speaks the loudest, the most frequently, and who applies the most pressure is supposed to get the most attention.

If the Joint Committee on Housing accomplished nothing more than to center attention on the common interest, it would make a substantial contribution. I hope and expect that it will accomplish far more. The subject on which I was asked to speak is: A New Housing Policy. Our Committee has not yet made its report—and will not until the time set in the authorizing resolution, which is March 15. So what I have to say here today should not be regarded as foreshadowing our recommendations, but as simply reflecting my own opinions.

To address the National Association of Home Builders is about like speaking to a combined gathering of realtors, mortgage bankers, and general contractors, with not a few important materials' dealers thrown in. From a relatively weak and diffused group of small operators, you have so expanded in size and so magnified your influence, both through external circumstances, and your own progressiveness, that you are today potentially tne greatest power in the building industry. How shall this power be applied?

As individual enterprisers all of you must be aware that business growth comes, not so much through the prevention of bad conditions, as through the promotion of good ones. It comes far less from developing skill in the art of grinding one's own ax, as it does from thinking of the people as a whole. If those of you who are convinced that the world's direst need is a rise in the interest rate or an increase in authorized insurance under section 608 of title VI of FHA, regard what I have just said as angel patter, let me observe that a Congressman sometimes knows more than he is credited with knowing. We get to be Congressmen—and remain such—only as we anticipate or approximate what the people want.

What do the people want? In general, they want a little more assurance on the part of business that business is interested in the common welfare. I read in a New York financial paper the other day that many of the large corporations—including manufacturers of essential building materials—were worried because the profits they made last year were too large. But well might they be concerned.

I personally have no doubt that Congress will take additional action in the extension and increase of insurance for loans under section 608 of title VI of FHA. No one can predict what will happen to the interest rate; personally, I hope it will be held where it is, or even reduced, as it well could be, were the great aggregations of private capital now virtually in hiding to emerge and go to work. What I mean is that the inflationary operation of section 608 is a threat to your industry, and consequently to the country, and that what the self-styled stewards of private capital (such as accumulated insurance funds) fail to do, will most certainly be undertaken by Government, if pressure is applied by minorities at the right time, and if the generally mute majority does not find more unselfish spokesmen among the leaders in private enterprise.

Please do not misunderstand what I have just said, but I hope you take seriously to heart that there is a tremendous demand that additional 608 moneys go into rental housing.

I do not believe that public housing is a dead issue. I do not believe that an artificial boom in dwelling construction can substitute for the kind of substantial construction which has many times averted a depression. I do not believe that labor relations can be made all right merely by saying so. I do believe that the kind of thinking you do at this convention will be a strong factor in what Congress does on public housing. I do believe that, unless you as a group pay more attention to the kind of materials used, and the construction methods followed, in Government-financed housing, we all will have reason to regret such oversight. I do believe that, in your organized dealings with labor, there must be recognition of the good faith of organized labor itself. I do believe, too, that by telling your grievances to labor, as frankly as you demand that they express their grievances to you, you will have done more than you might believe possible to combat the trend toward socialization.

Last year 854,500 new dwelling units were started, 835,000 were completed. I congratulate you home builders and private industry on this record. This year, the minimum should be 1,000,000. If we are to make any appreciable reduction in the accumulated shortage, that figure should be increased. How much it can be increased depends upon a series of steps which, if intelligently taken, will in themselves be correctives of greater value than large amounts of new construction prosecuted without regard to underlying causes.

I am personally convinced that were municipalities simply to enforce their safety and sanitary codes, some shortages could be immediately done away with, and the artificial demand for public housing somewhat abated.

There is no necessity to wait until the sweet by-and-by for the 2,000 localities to modernize and harmonize their building codes. Any division of private enterprise that can be as articulate as realtors and builders are in opposing what they regard as undesirable legislation can certainly be far more active in urging legislation which is universally acknowledged to be desirable for the public.

It is well known among you mortgagee-realtor-home builders that public housing advances slum clearance as its principal objective—its principal housing objective. Here in Chicago, early last November, we held a hearing of our committee. One of our most helpful witnesses was Philip M. Klutznick, president of American Home Builders, whose partner, I believe, is president of the Chicago Metropolitan Association of Home Builders. Without agreeing to all that was said on that occasion by Mr. Klutznick, I commend the following as being of very great value to you. "We must stop thinking of slum clearance and urban redevelopment as housing problems," he said. "Undoubtedly there is a housing aspect, but essentially they are problems in municipal solvency." Now, as most of you undoubtedly know, Mr. Klutznick was formerly Commissioner of the Federal Public Housing Authority. It appears to be quite possible for him to reconcile his views on improved housing, with his significant individual enterprise. It should be equally possible for you to reconcile your views as builders for profit with the unquestioned demand that something be done—not merely to erect great and costly castles for the poor on former slum sites, but to put former slum land to work in the creation of wealth, thereby making some progress, at least, in the age-old battle of preventing the unfortunate and the incompetent from slipping deeper into a social morass.

Do you gather, from what I have just said, that housing is primarily a local problem? And if the locality is incapable of financially meeting its responsibilities, or insensible to them morally, that housing then becomes a State problem? No better illustration is possible as to how municipality and State can work together than that which we find here

in Chicago. I may be wrong, but it is difficult for me to recall more than a few realtors, bankers, or builders who came forward with proposals other than those which would immediately benefit their own particular type of enterprise.

Now, where does all this lead us? Simply to the conclusion that, if we suspect public housing to be a Trojan horse for socializing society, we should do something more than object. May I ask you to do this something, back in your home town? And to do it quickly? This something is to examine your home town's finances. Build your own business wth your right hand, if you will, but devote at least the skill of your left hand to public service. It may be that your home town through bad management, is incapable of solving its housing as well as its slum clearance problems. If so, lend it a hand through the State. I do not suppose that all States will be as sympathetic to the proposal that they buy back influence with their own municipalities as is being done in Illinois, but the responsibility is present none the less. And I predict that unless the States do accept this responsibility, your problems of socialized competition will rapidly multiply.

Revert for a moment to the synonymous terms of urban redevelopment and slum clearance. Those proponents of what is loosely and inaccurately termed "public housing," who are really the advance agents of socialized society, would have the people believe that a benevolent and inexhaustibly rich Federal Government is the answer. Therefore they urge the ceaseless appropriation of countless billions of dollars by the Government for housing, added to the twenty billions to which the United States Treasury is already committed, either directly or by contingent liability. The fact is that the Federal Government gets by far most of its income from the cities themselves. The delusion that Government is a producer, and therefore the inexhaustible source of appropriations, must be dissolved. We are trying to do this nationally, but it can best be achieved locally.

You can rest assured that the Republican-controlled Eightieth Congress is private-enterprise-minded. This committee is predominantly private-enterprise-minded. But you will have to help us to help you. Let me sum up:

First, see well that the type of construction you are doing under Federal aid merits commendation, not condemnation—and there have been many evidences of bad construction brought to our attention and the committee has seen a lot more over the country. It will come back to plague the GI.

Second, apply, as the Housing Committee has, constant pressure to your building-material resources to reduce their prices.

Third, devote the energies of your local groups to putting the local community's finances in order, and thereby reducing taxes.

Fourth, join with other groups in urging the Illinois plan of urban redevelopment—which is just another word for slum clearance—and thereby help the local community to increase its production of wealth.

Fifth, recognize that there is a need for housing in the lower-income groups, which can be met, on progressively lower-income levels, through some such device as limited-dividend corporations, successfully employed for a number of years by New York State.

In conclusion, let me say one more word on labor. Perhaps what I have to say on this point deserves to rank as the sixth and most important recommendation. If management and labor agree, we need have no fear as to the continuance of our private-enterprise system. You know of this Housing Committee's attitude toward labor. We chose to seek their cooperation, just as we have sought yours. At our hearings I have noted a reluctance on the part of builders to speak publicly on the subject of labor practices. I have also noted a reluctance on the part of labor to correct certain practices until they were publicly called to their attention and proved. Now, to my simple way of thinking, neither attitude is correct.

A few weeks ago I had the privilege of meeting informally in Miami with the members of the executive council of the building-trades department of the AFL. At this meeting a number of questions were directed to me, and because of their significance, I asked the help of the Bureau of Labor Statistics, which, not incidentally, but directly, have been most helpful and cooperative. H. E. Riley, Chief of the BLS Construction Statistics Division, writes me under date of February 5, as follows:

"The congressional Joint Committee on Housing is faced with a number of significant questions regarding labor costs, about which unfortunately very little reliable information is available. Questions recently raised on this subject, and some comments on them follow:

"(1) What has been the trend of labor costs in housing construction over the past 5 or 10 years?

"Labor costs in construction are affected by wage rates, labor efficiency, and labor utilization as controlled through proper management of the job, adequate equipment, regular flow of materials, etc. We do not have a measure of labor costs which takes into consideration all of these factors. Testimony prepared by the Bureau of Labor Statistics for the committee includes some data indicating that there has been relatively little change in recent years in the proportion of site labor cost to total construction cost in housing. Studies made in 1940 showed that site labor constituted about 32.3 percent of construction cost. In 1946 labor at the site accounted for about 31 percent. During the period from January 1940 to October 1947 average hourly earnings in building construction increased by 79 percent. Wholesale prices of building materials increased by 96 percent between 1940 and October 1947. The residential construction cost index published by the Housing and Home Finance Agency showed an increase of 79 percent between 1940 and July 1947. If these various figures are accepted as substantially accurate, they suggest that labor utilization was better in 1947 than in 1940, otherwise the combination of a 79 percent increase in hourly earnings and a 96 percent increase in building materials costs would have resulted in an increase of more than 79 percent in the construction cost index.

"(2) What has happened to the spread between labor costs and other principal costs in dwelling construction and with selling prices of homes?

"We have no information on selling prices of houses which can be related to the construction cost elements. The report of the Flanders subcommittee cited selling-price data developed by United Industrial Associates, a private organization. This information was obtained by analyzing newspaper advertisements. Aside from the dubious validity of the source of material, we have no way of relating construction cost data to the selling prices obtained from that source.

"(3) Information has been requested concerning labor cost increases since 1939 or 1941 in the manufacture of gypsum products.

"The measurement of labor costs in manufacture involves the same considerations as were noted in the comments under question 1 regarding labor and management efficiency. Our data on average hourly earnings do not extend back of 1946.

"(4) What percentage of the total construction cost in housing is represented by direct and indirect labor costs?

"It has been noted above that construction labor accounts for between 30 and 35 percent of construction cost. Total materials costs represent roughly 50 percent of construction costs, while the direct labor cost in industries producing materials represents at the outside around 75 percent of the cost of material delivered at the site. This means that the nonconstruction labor costs in housing construction would account for 35 to 40 percent. Therefore the total labor cost, including site construction labor and the cost of industrial labor in producing materials, would constitute about 70 percent of construction cost. This estimate excludes labor costs remotely involved in materials production. For example, the estimate of labor costs excludes the value of raw materials in their natural state, interest charges on capital of the materials producers, profits of the materials producers and distributors, and promotional costs. Promotional costs, of course, include salaries of employees in advertising firms, etc. These are not counted as labor costs in the above estimate.

"In summary, using the definition of direct and indirect labor costs as above described, it is believed that the total labor costs do not exceed 70 percent of construction cost and perhaps is closer to 60 percent under present conditions."

In behalf of the public interest I urge that the National Association of Home Builders and the Building Trades Department of the American Federation of Labor work out some cooperative means of face-to-face discussions of their mutual problems. Perhaps this could be accomplished by the appointment of committees by local home builders and local building trades councils. It is incredible to me that this was not done a long time ago. To meet once a year simply to discuss questions of wages and hours, and then not to see each other for 12 months simply doesn't make sense. The construction industry, next to agriculture, is our biggest industry. In its relations with labor, mutual trust and respect, the will to live and let live, above all to produce the best that is possible in the public interest, transcend all else. If this viewpoint is adopted and put into effect, I predict our housing problem will quickly disappear, and with it will also disappear a very real threat to private enterprise and to the American way of life, in which neither capital nor labor is all, but in which each plays its indispensable part.

These are only my views as a member of the House-Senate Joint Housing Committee, whose lease on life expires March 15 when we file a report and pass out of existence. We have tried to be factual after over 7,000 pages of testimony. If you don't agree with me write for a copy of the testimony and try to keep awake reading it. Thank you for inviting me to come to Chicago to meet with you.

Résumé of Veterans' Legislation Approved by the Eighteth Congress

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. VAN ZANDT. Mr. Speaker, from time to time discussions are held concerning benefits and privileges granted to our veteran population by the Eightieth Congress.

On February 21 Speaker of the House JOSEPH W. MARTIN, JR., in an address to the Veterans of Foreign Wars of the

United States at the Statler Hotel, Washington, D. C., enumerated the benefits to veterans enacted by the Eightieth Congress.

For the information of the Members of Congress, I am inserting, at this point, a portion of Speaker MARTIN'S speech, commenting on what the Eightieth Congress had done to recognize the debt of gratitude the American people owe to the veterans of the United States.

Speaker MARTIN'S remarks are as follows:

Now I want to speak for a moment about what the Eightieth Congress has done to recognize the debt of gratitude we owe to the veterans of the United States. In broad general terms, you already know we stand for every educational advantage for the veteran it is possible to give him.

We have already passed a bill in the House of Representatives to lower tax rates. More than 71 percent of those reductions go to those in the lower-income brackets.

We are moving to reduce the debt as rapidly as practicable in order to take off of the veterans and their children as much of that service load as possible.

Here I would like to point out some of the accomplishments which have been achieved by the Eightieth Congress for the benefit of the veterans.

The Eightieth Congress did not have the benefit of a great publicity machine. But in spite of turbulent world problems much was accomplished for veterans. Following are the measures passed by the Eightieth Congress:

Public Law No. 5, to extend the time limitation for reinstatement of national service life insurance policies.

Public Law No. 34, to provide for renewal for a fifth 5-year period the 5-year level premium term insurance plan for World War I veterans.

Public Law No. 36, to grant officers of the Army and Navy Nurses Corps comparable rank, pay, and allowances with officers of the Army and Navy.

Public Law No. 82, to permit husband and wife to combine their armed services credit for homestead purposes.

Public Law No. 85, authorizing $35,500,000 to complete temporary reuse housing for veterans.

Public Law No. 115, increasing the revolving fund in the Veterans' Administration from $1,500,000 to $3,000,000 for the purpose of making non-interest-bearing loans to disabled World War II veterans taking vocational rehabilitation courses.

Public Law No. 126, extending until January 1, 1948, the time during which alien fiancées of veterans may enter the United States without being subject to immigration quotas or visa regulations.

Public Law No. 161, to extend for another year the authority to purchase automobiles for World War II veterans who are leg amputees or have suffered the loss of use of a leg.

Public Law No. 213, to permit the admission to the United States of racially inadmissible alien spouses of veterans.

Public Law No. 254, to provide for the cash payment of terminal-leave bonds any time after September 1, 1947.

Public Law No. 270, to provide a 20-percent pension increase for veterans of the Civil War and Spanish-American War.

Public Law No. 310, to restore the tax exemption status of those members of the armed services removed from former American possessions during captivity by the Japanese.

Public Law No. 314, to authorize the acceptance by officers and enlisted men of the armed services of medals and decorations tendered them by cobelligerent and neutral nations of World War II.

Public Law No. 316, to permit retired armed services personnel to represent veterans organizations in claims before the Veterans' Administration.

Public Law No. 325, to make mandatory on Federal agencies the rulings of the Civil Service Commission on appeals by veterans for reinstatement.

Public Law No. 337, to improve the Army and Navy medical services.

Public Law No. 338, to increase the minimum allowances payable to disabled veterans undergoing vocational rehabilitation under Public Law No. 16.

Public Law No. 350, to provide cash in lieu of terminal leave for veterans.

Public Law No. 365, to provide additional pay of $100 per month for officers of the Army Medical Corps and Navy Medical Corps.

Public Law No. 367, to refund income tax so paid by any member of the armed services who died on active duty for the year in which death occurred and for the years during which he was in the armed services.

Public Law No. 377, to provide full subsistence allowances for veterans taking on-the-farm training.

Public Law No. 396, to extend veterans' preference benefits (civil service) to widowed mothers of certain ex-servicemen and ex-servicewomen. Approved January 19, 1948.

Public Law 398, to increase by 20 percent the pensions payable to veterans of Indian wars and the dependents of such veterans. Approved January 19, 1948.

Public Law No. 411, to increase the subsistence allowances to veterans pursuing full-time educational training courses under the GI bill of rights. The measure increased such allowances from $65 to $75 a month for single persons, from $90 to $105 for veterans with one dependent, and to $120 for veterans with more than one dependent. The increased allowances will go to about 1,500,000 veterans and cost around $217,000,000 a year. Approved February 14, 1948.

S. 1393, to raise the ceilings and allowances payable to veterans undergoing training on the job is in conference. The Senate voted to increase the ceilings from $175 to $200 a month for a veteran without a dependent and from $200 to $250 for a veteran with dependents. The House voted to increase ceilings $250 for a veteran without dependents, $325 for a veteran with one dependent and $350 for a veteran with more than one dependent.

Hospital facilities for disabled veterans must be adequately expanded. No disabled veterans must ever be allowed to suffer for a lack of hospital care.

Abraham Lincoln and Hawaii

EXTENSION OF REMARKS
OF
HON. JOSEPH R. FARRINGTON
DELEGATE FROM HAWAII
IN THE HOUSE OF REPRESENTATIVES
Friday, February 27, 1948

Mr. FARRINGTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article written by Harry Frantz, United Press staff correspondent, pointing out the interest which President Lincoln had in Hawaii, even though at that time Hawaii was an independent monarchy and not a part of the United States:

WASHINGTON.—Advocates of Hawaiian political advancement often cite Abraham Lincoln among the illustrious friends of the Hawaiian people, although his presidency occurred when the mid-Pacific islands were still a kingdom and today's campaign for statehood could not have been predicted.

The slavery question and the War of the States monopolized most of the Emancipator President's days in the White House, but official records reveal many indications of his deep interest in affairs of the Pacific region and his more than casual sympathy for the Hawaiian people.

"In every light in which the state of the Hawaiian Islands can be contemplated, it is an object of profound interest for the United States," President Lincoln once said.

Virtually it was once a colony. It is a haven of shelter and refreshment for our merchants, fishermen, seamen, and other citizens when on their lawful occasions they are navigating the eastern seas and oceans. Its people are free, and its laws, language, and religion are largely the fruit of our own teaching and example.

According to an official collection of Lincoln documents, these remarks were made to an envoy from the Hawaiian Islands, June 11, 1864, but name of the envoy was not noted. The House of Representatives' report on the present statehood bill quoted similar remarks by President Lincoln in a letter to Elisha Allen, Envoy Extraordinary from the United States to Hawaii, in the same year.

That President Lincoln's friendly disposition toward the Hawaiian people was reciprocated is indicated by communications from Honolulu at the time of Lincoln's death in 1865, officially published in Diplomatic Archives.

A memorial meeting at Lahaina, island of Maui, presided by M. Ilihie, with D. Kahawlilio as secretary, adopted a resolution expressive of the sympathy of Lahaina, and deploring the assassination of the great, the good, the liberator Abraham Lincoln.

"Yet live his mighty deeds, victory, peace, and the emancipation of those despised," said the communication.

In 1863, the United States elevated its diplomatic representative before the Hawaiian monarchy from the rank of Commissioner to that of Minister. During Lincoln's Presidency Thomas J. Dryer was Commissioner from 1861 to 1863, and James McBride served as Minister Resident from 1863 until 1866.

In those years, the chief diplomatic tasks were to avert the possible use of Hawaiian ports by Confederate privateers, negotiation of a reciprocity treaty, and attention to seafaring matters that grew out of Honolulu's position on trans-Pacific routes to China and Japan. Depot needs of United States naval craft already had foreshadowed the future importance of the islands in mainland naval defense.

Lincoln's Secretary of State William Seward with a notably friendly attitude toward the Hawaiian Government twice declined to "intervene" in Hawaiian domestic matters, once in connection with proposed changes in the constitution, and once in reference to a customs dispute.

"The interpretation of their own revenue laws is the prerogative of the Hawaiian Government, and the application of them must be left to their own sense of equity," wrote Secretary Seward to the United States Minister at Honolulu.

Lincoln except for the Civil War might swiftly have advanced plans for an Atlantic-to-Pacific canal on the Nicaraguan route, a trans-Pacific cable, and a general broadening of Pacific commerce. These matters are frequently mentioned in state papers of the period. Officials of the time were keenly aware of the importance of Hawaii in the commerce, communications, and military strategy of the entire Pacific area.

In his last state of the Union message to Congress on December 6, 1864, President Lincoln said that a rebellion in China had been suppressed, "with the cooperating good of-

fices of the United States Government and other western commercial states.

"China seems to be accepting with hearty good will the conventional laws which regulate commercial and social intercourse with the United States.

"Owing to the peculiar situation of Japan and the anomalous form of its government, the action of that empire in performing treaty stipulations is inconstant and capricious. Nevertheless, good progress has been effected by the western powers, moving with enlightened concert. Our own pecuniary claims have been allowed or put in course of settlement, and the Inland Sea has been reopened to commerce. There is reason also to believe that these proceedings have increased rather than diminished the friendship of Japan toward the United States."

Home Rule in the District of Columbia

EXTENSION OF REMARKS
OF

HON. JAMES C. AUCHINCLOSS

OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. AUCHINCLOSS. Mr. Speaker, under the authority granted me to extend my remarks in the RECORD I am very pleased to include therein a thoughtful and constructive letter which I have received from Mr. Joseph W. Cheyney, who is now living in Gaithersburg, Md.

Mr. Cheyney is a native-born Washingtonian and is very much interested in the proposed legislation for home rule and the reorganization of the District government, and his letter carries a great deal of interesting historical information as well as constructive suggestions for the improvement of the act, H. R. 4902.

The subcommittee of the District Committee which has this matter under consideration will most certainly give Mr. Cheyney's suggestion its closest attention and we are indeed very grateful to him for his interest. I am sure the Members of the House will be interested to read this well-written and informative letter.

GAITHERSBURG, MD., *February 24, 1948.*

Hon. JAMES C. AUCHINCLOSS,
Chairman, Subcommittee on District of Columbia and Home Rule.

DEAR REPRESENTATIVE: The Congress of the United States is always deeply impressed and influenced by precedents; therefore the emphasis should be placed on restoring local self-government to the inhabitants of the District of Columbia—a fundamental right, which, by acts of Congress of the United States, they enjoyed for 70 years—from 1801 to 1871. This will inform your fellow legislators that you are asking them to do again what our forefathers did before.

If you will take the 1929 Code of Law for the District of Columbia and begin at page 449 and read through to and including page 495, you will have a complete picture of what the Congress has done to perpetuate and provide for the exercise of the right of the inhabitants at the seat of government of the United States to have their own local self-government.

During the hearings you were told that James Madison (in the Federalist) wrote that a municipal legislature for local purposes will of course be allowed the inhabitants of the seat of government of the United States. This promise was faithfully kept, for by section 16 of the first act of Congress concerning the Territory of Columbia (February 27, 1801; 2 Stat. 103, ch. 15) it was enacted:

"That nothing in this act contained shall in anywise alter, impeach, or impair the rights granted by or derived from the incorporation of Alexandria and Georgtown, or of any other body corporate or politic, within the said District except as far as it relates to the judicial powers of the corporations of Georgetown and Alexandria."

(Georgetown in the Maryland part; Alexandria on the Virginia side of the District of Columbia.)

Whatever construction may be placed upon the "exclusive legislative" clause of the Constitution concerning the District of Columbia or the seat of Government of the United States, it is plainly evident that the Congress in former times did not believe that it deprived the inhabitants thereof of the right of local self-government. Able expositors of the Constitution have agreed that it means no more than that no State could have jurisdiction over the seat of Government of the United States; and the tenth amendment to the Constitution should be held to be a limitation upon the clause, so far as local self-government for the District of Columbia is concerned. By acts of our forefather legislators in Congress, they certainly so observed it.

Then in 1802 (by act of Congress May 3) local self-government was provided for the city of Washington. Pages following in the 1929 code set before you how the Congress liberalized the local governments in the District of Columbia by enlarging home rule and vesting more powers in the District of Columbia municipalities. There is impressive illumination in section 7 of the act of Congress, May 3, 1802, incorporating the inhabitants of the city of Washington as a municipality. At the very beginning of that section 7 the corporation so created shall have full power and authority to pass all bylaws and ordinances. The word "by" comes from an old Norse word that means "town," so that bylaws in connection with city ordinances are "town laws." They are not legislative laws in the sense that Congress and the State legislatures enact "legislation"; and there is no delegation of legislative power when the Congress provides for a home rule council to make municipal laws for the District of Columbia. The United States Supreme Court has said that "the District of Columbia is a municipal corporation, and as such it may be invested with legislative authority; but it can exercise only such powers which are expressly conferred by statute, which must be of a strictly municipal nature." (Cases are cited in S. Doc. No. 154, 68th Cong., 1st sess., which contains a synopsis of decisions of the Supreme Court of the United States from its establishment to December 1, 1924. See p. 239.) Note particularly that "powers granted must be expressly conferred by statute" and "must be of a strictly municipal nature." You will find such an enumeration of powers in section 7 of the act of Congress, May 3, 1802 (pp. 450–451, 1929 Code, D. C.). These mean that acts of a District of Columbia council may not include such as are exercised through a State legislature or the Congress and are not properly municipal town laws. This would not permit the Public Utilities Commission and similar agencies to be regulated by a District of Columbia municipal council. To comply with the above quoted court limitations, your bill will have to continue the District of Columbia as a municipal corporation to justify its existence through municipal powers granted thereto.

I think that the strongest argument for the abolition of the commissioner form of government of the District of Columbia is that an Army officer (while still in the Army of the United States) is one of the Commissioners of the District of Columbia who make municipal ordinances, disguised as regulations. By section 3 of the Temporary Organic Act of the District of Columbia (p. 474, 1929 Code, D. C.) he is designated as "an officer of Engineer Corps of the Army of the United States" and shall perform the duties heretofore devolved upon the Board of Public Works, abolished under this act by the act of Congress wiping out the legislative assembly under the Territorial Act for the District of Columbia. His duties are itemized in that section "and he shall not be deemed by reason of anything in this act contained to hold a civil office under the laws of the United States" In section 2 of the Permanent Organic Act for the District of Columbia (p. 477, 1929 Code, D. C.) he shall not be required to perform any other duty. As the above provisions of the Temporary Organic Act for the District of Columbia are not inconsistent with the Permanent Organic Act for the District of Columbia, they are presumed to be still in force. Certainly it does not seem proper that a Commissioner, limited to engineer duties, should be both a United States Army officer and a municipal legislator at the same time. A change to a civilian engineer to perform the duties of a United States Army officer certainly would be an improvement in a local government by the people of the District of Columbia.

It should be particularly emphasized that as citizens of the States of Maryland and Virginia, these people of the seat of Government of the United States had the right of local self-government before the Territory of Columbia was ceded to the Congress and Government of the United States—before we had a Constitution—and the mere act of cession did not take them out of the Union or deprive them of their freeman right to have and retain local self-government. Corroborative of that is that the act of 1801 concerning the Territory of Columbia expressly continued in force the laws of Maryland as they then existed and the laws of Virginia as were then in force, except the judicial powers. A great and inexcusable wrong would be undone by a change now to local self-government for the people of the District of Columbia. They would be set free from the stigma that they are subjects of the Congress of the United States, now governed at its will and pleasure, for neither Maryland nor Virginia had any authority over their freemen citizenry as would justify either State to consign them to the vassalage of subjects.

By the change to local self-government the people of the District of Columbia would feel that they are no longer mere subjects of the Congress. Are they subjects now? By section 1 of the Act of Congress of June 11, 1878 (the Organic Act of the District of Columbia, p. 477, 1929 Code, D. C.) said: District and the property and persons that may be therein shall be subject, etc. Then read what the United States Supreme Court once said: "The United States, under the present Constitution, cannot acquire territory to be held as a colony, to be governed at its will and pleasure. And may establish a local government * * * in respect to the rights of persons or rights of property" (*Dred Scott* v. *Sandford* (19 How. 373)). The Court meant territorial form of government but our forefathers went further and perpetuated and enlarged local self-government (or home rule) in the District of Columbia for 70 years.

Section 17 of the act of Congress establishing the Territorial form of government for the District of Columbia (p. 471, 1929 Code D. C.) sets forth what the local legislative assembly could not do, while the charter of the city of Washington (1802), by section 7, pages 451, 452, 1929 Code, District of Columbia, specified what the city council

could do, including to "lay and collect taxes." It would be informative to read both lists.

A very important part of said section 17 of the Territorial Act is a prohibition against "granting to any corporation, association or individual any special or exclusive privilege, immunity, or franchise whatsoever." Such a prohibition might well be in your bill for home rule for the District of Columbia, as it would do away with the favoritism now shown the bands of irresponsible public lobbyists who presume to represent large sections of the District without lawful authority and other cliques here (not responsible to the people) who are ever seeking to further their own selfish interests at public expense.

Your attention is called also to section 34 of the act of Congress establishing the Territorial form of government for the District of Columbia (p. 473, 1929 Code, D. C.) in which you find "and the Constitution and all the laws of the United States which are not locally inapplicable shall have the same force and effect within the said District of Columbia as elsewhere within the United States." The Supreme Court of the United States declares: "When the Constitution has been once extended by Congress to Territories, neither Congress nor the Territorial legislatures can enact laws inconsistent therewith." (In re Ross, 140 U. S. 464; *Downes* v. *Bidwell*, 182 U. S. 251). Does it not seem to be a great wrong when Congress took away the right to vote from the inhabitants of the District of Columbia?

All necessary safeguards to prevent fraud in elections should be included in your bill. There should be no election by minority vote, but run-offs should be required when the candidate for any office does not receive a majority of the votes cast.

You might also use the wording (as necessarily modified) found in section 18 of said Territorial Act of 1871 (p. 471, 1929 Code, D. C.): ["For good and sufficient cause,] (add) all acts of the legislative assembly [District of Columbia municipal council] shall at all times be [liable] (not subject) to repeal or modification by the Congress of the United States, and nothing herein shall be construed to deprive Congress of legislation over said District in as ample a manner as if this law had not been enacted." No veto power is vested in the Congress of the United States, nor can it approve by inaction. It must disapprove, modify, or repeal by positive legislative act in the usual and regular constitutional course. The above modified language of section 18 settles a disputed point.

My purpose in writing is to send you such information of a conclusive nature as will mightily help to accomplish your laudable purpose. I am sincerely grateful to you for all you have done and are doing in behalf of the disfranchised subjects of the District of Columbia.

It seems to me that if such parts of this letter as you may verify and approve as helpful could be made into an extension of remarks by you or by your able assistants and placed in the CONGRESSIONAL RECORD, you would have a very forceful argument to influence your fellow legislators to favor and vote for home rule for the District of Columbia. They will then know that it is a restoration of a right that never should have been taken away.

I was born in Washington, D. C., have lived there the greater part of my life, and have advocated a return of local self-government for the District of Columbia since 1890 in local newspapers and at congressional hearings. Due to heart trouble, I have been staying with a relative in Gaithersburg, Md., since last May, but I still have interests in the District of Columbia that would be affected by a change in the government to home rule, and I believe it would be highly beneficial to all the people living therein, all the sniping at it, and selfish interests opposing it to the contrary notwithstanding.

Hoping and praying that you will win gloriously in your efforts to restore local self-government to the people of the District of Columbia.

Gratefully and respectfully submitted.

JOSEPH W. CHEYNEY.

Federal School Support

EXTENSION OF REMARKS

OF

HON. RALPH HARVEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. HARVEY. Mr. Speaker, with permission of the House, I should like to have inserted in the Appendix of the RECORD an editorial that appeared February 22, 1948, in the Richmond (Ind.) Palladium-Item:

FEDERAL SCHOOL SUPPORT

Let the Government sober up from its spending spree, and the local communities will have enough money to finance their schools.

The bright boys at Washington cannot see that the dollars they are taking from the incomes of the people back home are the dollars that should be used for local purposes.

The National Education Association says school support is "inadequate" and schooling opportunities are "unequal."

Its executive secretary uses that as a reason why the Congress should give $300,000,000 Federal aid to needy school districts.

The Federal bureaucrats would like to put the schools under their control. If Federal school aid is granted, another group of bureaucrats will be added to the Federal pay roll.

The more functions and services the bureaucrats are allowed to perform, the more they will build up their power.

The vast army of men and women who are on the Federal pay roll is a drain on the income of the people.

The bureaucrats are not producers. They are not working in our shops and stores. They are not helping to run our railroads or operate our utilities.

They are not adding to the national income through their work. But they are living off the country. Part of our incomes is used to pay their salaries.

The move to extend Federal aid to the schools is in line with the program of the bureaucrats. It is a big question whether more expensive schools will give better education.

The motive behind the demand for Federal aid is the desire to strengthen big Government at Washington and to give the bureaucrats more power.

Address of Harrington Wimberly, Vice Chairman, Federal Power Commission

EXTENSION OF REMARKS

OF

HON. PRESTON E. PEDEN

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. PEDEN. Mr. Speaker, on October 30, 1947, the Honorable Harrington Wimberly, Vice Chairman, Federal Power Commission, delivered a very able and far-sighted address before the sixteenth annual association of the National Reclamation Association at Phoenix, Ariz.

Under leave to extend my remarks in the RECORD, I include this address, which very thoughtfully discusses the important problem of conservation and development of our water resources:

It is with considerable personal satisfaction that I am privileged to address this gathering of leaders from our Western States who are devoting their time and energies to a most worthy cause—the conservation and utilization of the Nation's more important natural resources—our lands and the waters of the countless streams that father our mighty rivers.

If you will pardon a brief personal reference, I wish to note that my active interest in the preservation of water resources to the end that they will be dedicated to the welfare of the greatest number predates many years my membership on the Federal Power Commission. My entire life has been spent in a section of the country where every drop of rain that falls that can be impounded or otherwise preserved for future use is a blessing.

It is my natural inclination to look first to the benefits that can be achieved by returning to the land, to the fullest extent feasible, the waters that drain from it. I know how very useful a little water can be at the right time. I am fully aware of the struggle that land owners often experience before an irrigation dream becomes a reality. During the past years I have witnessed at first-hand what often is required to secure for a section the lasting benefits of a Bureau of Reclamation project.

Today, however, my subject for discussion is not so much irrigation and water conservation as it is the related and often bitterly debated question of Federal jurisdiction over the Nation's rivers. Of course, some will charge that I ought to include the tiny streams in the same category with the rivers, but it is my intention to keep as far as possible from the highly controversial aspects of this problem. Certainly, it would not be helpful at such a meeting as this to suggest issues that might cloud the broader objectives of this convention.

There is one thing that I do wish to emphasize. It is something that gives me no trouble and I do not think needs be much of a problem to anyone. I refer to the interest and the direct responsibility of the National Government in the waters of our navigable rivers and their tributaries. I want to make it as clear as I can that my conception of the basic jurisdiction of the Federal Government in these matters has not changed since I left my newspaper office in the town of Altus, in southwest Oklahoma, to become a member of the Federal Power Commission.

I have heard this subject of jurisdiction debated in my State from all angles, and in the end the compelling argument would prevail, that no region and no locality can do a complete job of conservation of its water resources without invoking the jurisdictional authority and receiving the aid of the National Government.

The realistic situation as I have tried to interpret it need not cause alarm or excite prejudices. We are in a period of progressive thinking and action when there is an acute realization of both Federal and State responsibilities over the control and utilization of water resources. Of practically no river basin can it be said that the responsibility for adequate comprehensive and wise use of water in the public interest is solely a matter of Federal responsibility and most certainly it is not a responsibility that a State alone can assume. There is, we all must recognize, a proper and necessary role to be played by all governmental agencies

and neither State nor Federal Government can infringe upon the rights and responsibilities of the other without jeopardy to the interests of the people as a whole.

It has been charged by some that the "encroachment"—and bear in mind I emphasize the quotes—of the National Government has been fostered by the Federal Power Commission among other agencies. A review of the history of the long and often disheartening struggle for Federal water power legislation which would effectively operate in the interests of the people refutes any such misconception. As laymen, as I am sure most of us are, there can be no mistake in our minds regarding the powers granted and implied in the Constitution to the Congress to control, regulate, and develop the navigable rivers and their tributaries. The Congress exercised such jurisdiction long before the passage of the Federal Water Power Act of 1920 and in so doing it was repeatedly upheld by the Supreme Court. As you also know, the assertion of jurisdiction by the Federal Power Commission over water power plants has also been consistently sustained by the Supreme Court.

Briefly, the first national legislation dealing with streams had to do with permitting and removing obstructions to navigation within the inland waterways.[1] Nearly 60 years ago, and continuing for more than 2 decades thereafter, Congress followed a policy of virtually giving away to private interests for an unlimited time extremely valuable water power sites on many of our rivers. This policy of permitting private exploitation, with few limitations, and without payment, supervsion, or control, was followed generally until a sharp awakening occurred in 1908 when President Theodore Roosevelt vetoed a license extension bill for a water-power site on the Rainy River in Minnesota.[2]

Later there were lapses back to a "give away" policy until President Taft on August 24, 1912, vetoed the Coosa River bill authorizing the Alabama Power Co. to build a dam at Lock 18, and firmed up our present-day conception of the public's interest in our water resources.

The veto messages of these two Presidents did not deal with jurisdictional questions. It was largely a matter of whether the public interest was paramount to the exploitations by private interests. A private company, said President Theodore Roosevelt, was not required, under the legislation previously passed by Congress, to develop these resources in a logical and comprehensive manner and the rights of the general public were largely neglected.

These principles were crystallized in March 1908 when he appointed the Inland Waterways Commission to study the waters of the United States and formulate plans for their more complete use. I think it would be quite illuminating to some if I would quote portions of his letters to members of that Commission. These statements indicate clearly his conception of Federal jurisdiction and how it might be properly exercised, and these accepted concepts have not changed during the past 40 years. President Theodore Roosevelt wrote to the Commission, in part, as follows:

"Works designed to control our waterways have thus far usually been undertaken for a single purpose, such as the improvement of navigation, the development of power, the irrigation of arid lands, the protection of lowlands from floods, or to supply water for domestic and manufacturing purposes. While the rights of the people to these and similar uses of water must be respected, the time has come for merging local projects and uses of the inland waters in a comprehensive plan designed for the benefit of the entire country. Such a plan should consider and include all the uses to which streams may be put, and should bring together and coordinate the points of view of all users of waters.

* * * * *

"It is not possible to properly frame so large a plan as this for the control of our rivers without taking account of the orderly development of other natural resources. Therefore, I ask that the Inland Waterways Commission shall consider the relations of the streams to the use of all the great permanent natural resources and their conservation for the making and maintenance of prosperous homes." [3]

From that time until June 10, 1920 when President Woodrow Wilson signed the Federal Water Power Act creating the Federal Power Commission, the batle over public and private rights in water use of national streams raged in Congress and elsewhere. Many of you are already familiar with the hectic legislative history of this water power statute which finally resulted in expression of a definite and progressive congressional policy. Under this statute many valuable water power sites have been developed for public benefit by private power interests.

Too frequently in other fields arguments along jurisdictional lines have generated so much heat and aroused so much enmity that the public interest has suffered, and at times valuable resources have been irretrievably dissipated. As a member of the Federal Power Commission and a citizen of a State vitally interested in these matters, it is my earnest hope that in the future these unfortunate results may be avoided in the field of water control and use.

In addition to private power developments, our national policy has also considered public river improvements. In the long series of legislative acts evidencing Federal interest in the full utilization of water courses under comprehensive plans, the River and Harbor Act of 1927 [4] inaugurated the active start of another era in national planning and river control with necessary funds being supplied from the Federal Treasury. This statute enacted into law the recommendations of the Army engineers, as set forth in the famous House Document No. 308 of the Sixty-third Congress, first session, and called for detailed study and reports on all possible uses of the principal river basins subject to Federal jurisdiction.

The disastrous flood of 1927 in the Mississippi River Basin and the agitation which followed prompted Congress to pass the Mississippi River Flood Control Act of 1928,[5] and the Nation was finally on its way to the full utilization and adequate control of these great natural resources.

The purpose of this movement is not only to prevent loss of life and property, but to enable our citizens to live a more secure life, to have the use of available water for municipal and domestic purposes, to irrigate their lands, to convert the restless waters into electric power for industrial, residential, and farming purposes, and to improve transportation channels for low-cost water carriage.

Another important part of this program, and one that means so much to many of us in the plains country, is development of the recreational opportunities which are being opened up for hundreds of thousands of our citizens.

In more recent years the movement for such constructive work has gathered further impetus from the achievements and benefits which are increasingly in evidence. Although Federal expenditures for river and harbor improvement started in 1822, up to 1938 only $558,000,000 had been spent for flood control. By way of contrast, the expenditures for river and harbor work, up to 1938, amounted to a total of $2,432,000,000 after having started off with a modest expenditure of $530 in 1822. The last decade has shown us to be well on our way. Between 1939 and 1945, the United States spent over $728,000,000 for flood control, and over $604,000,000 for river and harbor work. The grand total for all such work shows the United States has spent over $4,324,000,000 through 1945 in furtherance of the objectives to which I have referred.

To the expenditures through the War Department for river control and development may be added the expenditures of the Department of the Interior. Up to June 30 of this year the Bureau of Reclamation had spent approximately $1,100,000,000, of which around $600,000,000 could be allocated to reclamation, and other expenditures going chiefly to power plants and power facilities, but including a number of other incidental purposes. We might also mention the Tennessee Valley Authority, whose tremendous achievements are of immeasurable value to the Nation as well as creating a new economy in the large area embraced within the Tennessee River watershed. Over $842,000,000 had been expended by the TVA up to June 30 of this year.

Referring to my earlier remarks, I want again to remind you that the assertion of Federal control over tributary streams has long been recognized as an appropriate exercise of constitutional authority. Judicial recognition of this authority has kept pace with the measures found by Congress to be necessary to advance or protect the general welfare. In 1899, the Supreme Court said that a provision in the River and Harbor Act of 1890 [6] extending Federal control to nonnavigable streams for the protection of lower navigable capacity was constitutional. In that case it was held that the Elephant Butte Dam in New Mexico, then under construction as a non-Federal development, would require Federal approval if it was found to impair substantially lower navigable capacity.[7]

It was not, however, until the United States constructed a flood-control and power dam in an admittedly nonnavigable stream, and its authority to do so was directly challenged, that the Supreme Court finally passed upon the question of the authority of Congress to construct multiple-purpose projects in nonnavigable tributaries. In this case, which involved the Denison Dam, located between Texas and Oklahoma on the Red River, the Supreme Court stated the obvious when it remarked, "Floods pay no respect to State lines."

This project was merely one of a series of reservoirs in tributaries of the Mississippi River which would serve the double purpose of keeping back large floods and relieving summer navigation from obstruction by allowing the surplus so retained to pass down in the season of low water.

The Court further remarked:

"There is no constitutional reason why Congress cannot, under the commerce power, treat the watersheds as a key to flood control on navigable streams and their tributaries. Nor is there a constitutional necessity for viewing each reservoir project in isolation from a comprehensive plan covering the entire basin of a particular river." [8]

Congress has stated on many occasions, and it is now quite generally recognized, that the national government is not confined in its protective and control measures to those sections of a stream which are navigable in interstate commerce, but that this jurisdiction extends to the very headwaters of such streams to the full extent necessary to promote and protect interstate commerce.

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[1] E. g., River and Harbor Act of 1890, 26 Stat. 454, and the earlier river and harbor acts.

[2] Senate Doc. 438, 60–1, Apr. 13, 1908.

[3] S. Doc. 325, 60–1 (1908).

[4] Act of Jan. 21, 1927, 44 Stat. 1010.

[5] 45 Stat. 534.

[6] 26 Stat. 454.

[7] *U. S.* v. *Rio Grande Dam and Irrigation Co.* (174 U. S. 690 (1899)).

[8] *Oklahoma* v. *Atkinson* (313 U. S. 508 (1941)).

However, when we come to consider the exercise of this authority in connection with the effect upon State jurisdiction, we have a more difficult and more complex situation. But the solution in a proper manner of this problem will result in the general development of the great waterways of the United States for the benefit of the largest number of people, and with the least friction among all State and Federal agencies concerned.

With respect to the construction of multiple-purpose projects by the corps of engineers, it is the Federal Power Commission's function to pass upon the feasibility of power development and to recommend the installation of penstocks and appurtenant power facilities. In order that this may be done, it is necessary, of course, to know where the power can be marketed and the general economic picture which should be considered by Congress in authorizing construction. The Commission, therefore, makes appropriate recommendations in such cases submitting recommendations jointly with the Chief of Engineers to the Secretary of the Army.

Those projects which are constructed by the Bureau of Reclamation are the responsibility of that agency. The power-market studies and power-analysis possibilities at any particular site which must be made by the Commission for a variety of reasons, such as its licensed project work and its work under the Flood Control and River and Harbor Acts, have been found by the Bureau of Reclamation to be extremely valuable and of great assistance. With respect to the approval of rate schedules for sale of power from Government projects, the Federal Power Commission's participation is required for those projects constructed under the Flood Control and River and Harbor Acts and the Fort Peck and Bonneville projects.

In addition to Federal developments, there are many private and State power projects constructed under the Federal Power Act and so designed as to be best adapted to the most comprehensive plans for stream development and control. The Federal Power Act, as you know, and as the Commission was reminded only a couple of weeks ago by a large group of power companies,[9] is drawn upon lines designed to encourage private construction of water-power projects on streams subject to the jurisdiction of Congress under appropriate terms and in the public interest. It is important to keep in mind that the licensing of private power projects represents one means of securing comprehensive development of water resources without the expenditure of Federal funds.

Some concern was expressed by various State groups following the decision of the United States Supreme Court in the First Iowa case.[10] I do not find it difficult to follow the Court's analysis of the problem presented or to rationalize administration of the Federal Power Act in conformity with it, while at the same time giving full recognition to the rights and statutes of the several States. In reality, the Court no more than repeated what it had said in the *Oklahoma* v. *Atkinson Co.* case. The Court evidently had in mind the long struggle for the effective control of the waters over which Congress might constitutionally assert jurisdiction. Speaking of the effect the Iowa statute might have on the administration of the Federal Power Act, the Court said:

"We find that when that [Federal Power] act is read in the light of its long and colorful legislative history, it discloses both a vigorous determination of Congress to make progress with the development of the long-idle water-power resources of the Nation and a determination to avoid unconstitutional invasion of the jurisdiction of the States. The solution reached is to apply the principle of the division of constitutional powers between the State and Federal Governments. This has resulted in a dual system involving the close integration of these powers rather than a dual system of futile duplication of two authorities over the same subject matter."

At every gathering where water resources and their development is the subject of discussion the charge is made that the Federal Government and its agencies are exceeding proper and constitutional authority. The fear will probably always be expressed that our national resources are gradually being nationalized. I, for one, will always support every proper interest the States may have, but at the same time we want to make sure that private interests that would exploit are not confused with genuine public interests within the State. I will be perfectly frank in stating that, so far as I have been able to ascertain, the Federal Power Commission has not been guilty of inflicting or causing to be inflicted any real injury to any State in the administration of the Federal Power Act. Naturally, I am not in a position to ascertain first-hand all that has transpired in other fields where Federal jurisdiction has been invoked. But I do wish to point out that my own State of Oklahoma fought a losing battle to prevent the construction of the Denison flood-control and power dam, to which I have referred previously, and today a very large majority of the people of Oklahoma recognize that great project as a blessing that will be enjoyed in our time and one that will bring happiness and better living to our children and our children's children.

I would be the last to suggest that the States should sit idly by and leave all the planning and development of these natural resources to the National Government. State participation in all these activities is highly desirable, if not essential. But all must recognize that the States have a responsibility that can be carried out without wasting time at every turn to engage in a new jurisdictional battle.

There is a most promising experiment under way in the Missouri Basin and I am sure that every person who is intensely interested in the development of our water resources is hopeful of its accomplishments because it can be a pattern of cooperation in every section of the United States. Most of you know of the work of the Missouri Basin Inter-Agency Committee. Here we have an example of State and Federal groups striving toward a common goal without the conflicts of jurisdiction becoming an issue. The States have a right and duty to insist that their local interests and general welfare receive protection and consideration. Congress, acting through duly constituted Federal agencies, charged with specific responsibilities in connection with the general welfare, cannot properly be asked to limit constitutional prerogatives but the great undertaking so essential to progress and security in the 10 great States drained by the Missouri and its tributaries must go forward.

There are those present who have attended and participated in the meetings of the Missouri Basin Inter-Agency Committee during the past year. They can give an accurate and detailed account of the problems that have been faced and how they have been met by the Governors and their aides and other State representatives and Federal agency men sitting around the table in a cooperative and friendly atmosphere. It now appears that the committee will present to Congress a highly comprehensive and uniform plan with the proposal that the entire matter be heard by a single congressional committee. The Federal and State budgets will be coordinated and a unified front will be maintained. It is not as simple as this brief explanation might indicate but this is a bold and worthy step in the direction of eliminating most of the controversies between State and National Government that have had a disturbing and retarding effect in the past.

The entire Nation should be grateful to the Governors of the 10 Missouri Basin States for their participation in the successful endeavors of the Missouri Basin Interagency Committee. Special mention should be made of the Governors of Missouri, Montana, Nebraska, North Dakota, and Wyoming, who, as representatives of these 10 Missouri Basin States, have participated so diligently and wholeheartedly in the work of the committee. They have been guiding spirits in Federal-State relationships that might well serve as a model for all groups striving for comprehensive development of our water resources.

The Federal Power Commission has been represented on this interagency committee from its beginning by Mr. B. H. Green, regional engineer in charge of our Chicago office.

We also have regional offices in San Francisco, Fort Worth, Atlanta, and New York, where Regional Engineers L. S. Wing, W. F. Fairlamb, M. F. Hetherington, and D. J. Wait are always ready to assist in any way possible. These men are well qualified in their field and we hope they will serve to bring about closer cooperation with those of you who are in such intimate touch with water problems.

Finally, may I repeat that the matter of jurisdiction need not be an issue where all concerned have one objective—that of dedicating to the widest and most beneficial uses the waters of our streams and rivers. Unanimity and mutual confidence and recognition of the responsibilities of each State and Federal authority will achieve greater results in conserving our soil, irrigating the arid regions of the West and Middle West, controlling the floodwaters, developing the maximum of hydroelectric power, and protecting navigation on our inland waterways, than will dissention and discord.

In such a great and lasting program we must not give a second thought to the red herrings that will be dragged across our paths with never-ending regularity.

[9] During a hearing at Docket R-105 in connection with a proposal to amend the Commission's substantive rules.

[10] *First Iowa Hydro-Electric Coop.* v. *Federal Power Commission* (328 U. S. 152); rehearing denied, 328 U. S. 879 (1946).

Increase in Subsistence Pay to Student Veterans

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, February 27, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and enclosure from Hon. Samuel B. Pettengill, a former Member of the House from Indiana:

FEBRUARY 16, 1948.

Hon. ROBERT RICH,
House Office Building,
Washington, D. C.

DEAR BOB: The enclosed is a thoughtful letter from a YMCA employee, which I think you will be glad to read.

Sincerely yours,
SAMUEL B. PETTENGILL.

REGARDING INCREASE IN SUBSISTENCE PAY TO STUDENT VETERANS—SOME FACTS TO BE TAKEN INTO CONSIDERATION

(By a personnel worker)

The thinking public does not have much patience with the slogan, "A hero yesterday, a heel today," now used by veteran organiza-

tions, or by individuals in behalf of veterans, for the public is doing some thinking for itself, and is seeing conditions as they are, and facing facts, and drawing its own conclusions.

Right-thinking and right-hearted people think and feel that every consideration, and full and just compensation, are due every veteran (student and nonstudent) who suffered in any way from the ravages of war service, mentally or physically; who were maimed in any way; whose health is impaired in any way because of war service; who are now handicaped because of war service, etc.

But the public also thinks and feels that glaring facts should be taken into consideration by the Administration in Washington before any increase in subsistence pay to student veterans is allowed, since taxpayers' money is already being spent too freely by those who need to be more economy minded for the good of everybody concerned. The public knows that what it sees going on in its own town, city, and school is multiplied over the country.

Many student veterans ride to school (even a short distance) in a car, or jeep or motorcycle. Many of them belong to fraternities and have cars—as parked cars at fraternity houses, day and night attest. And many of these veteran students in fraternities drink, stay up half the night, or come in late or early, and keep the neighbors awake—and the neighbors do not fail to express themselves about all this. Nonfraternity student veterans do their share of drinking, too; and practically all of the student veterans smoke pack after pack of cigarettes. They all have money for liquor or cigarettes. And the student veterans have more money to spend on food than do many of the nonveteran students, some of the latter being unable to buy much meat, if any.

Countless numbers of ex-service men received monthly pay, full subsistence or maintenance, free dental and medical, etc., from the Government while in training and in service, and had a chance to save a good deal of money. Some were officers and drew good pay, and never left the United States, and had a chance to save money; and the veterans who are now students ought to be able to get by on the present gift of tuition, books, supplies, and $65 a month if single, or $90, if married.

A student veteran who did office work while in camps in United States, and overseas, said he was in England, France, Switzerland, etc., and did traveling he never could have afforded to do, and saved $1,500, then received other allowance from the Government; and felt the Government was doing too much for veterans at the expense of taxpayers in his family and on the outside. Such cases can be multiplied.

A student veteran told a personnel worker among students of his being on the GI bill, also of having received special money from the Government; said his room rent was less than $10 a month; that he worked at a place where his meals and cash pay amounted to about $20 a week, and figured his income ran from $175 to $180 a month.

A student said his friend—a student veteran under the GI bill—was also receiving a special allowance from the Government for a slight shoulder shrapnel wound that had long ago cleared up.

A student veteran who had just gotten his discharge said he had applied for the 20–52 unemployment pay despite the fact that in 6 weeks' time he would be enrolled in college under the GI bill.

(Close checking on the part of the VA might reveal that a good many veterans in and out of school are drawing disability pay long after a disability ceased to exist, or perhaps find some students under the GI bill drawing unemployment pay.)

Some student veterans have other financial interests or personal cash incomes and do not need even what they now get from the Government.

Many single student veterans are handling part-time work or odd jobs now and then to supplement their pay from the Government.

Many married veterans' wives are working, and in a vast number of cases both husband and wife are working, and their incomes are well over $200 a month, doubtless sometimes a good deal more than that amount.

Personnel workers know that some student veterans who apply for work turn up their noses at the mention of certain types of jobs offered them. They want light work, short hours, big pay. In other words, they want something for nothing, according to the growing spirit in this country because of the New Deal hand-outs.

The public feels that the able-bodied student veterans who cannot or will not economize and try to live within the Government allowances should be willing to do part-time work to supplement their Government pay (if they do not have personal incomes) if work is available and if free time from studies permits. Red-blooded men will do this when possible and not receive pay from the pockets of taxpayers who earn as little as $20 to $30 per week (with many obligations to meet from this small salary and the need of looking after their future); and many taxpayers who are on small monthly allowances, some faring far less well than many of the student veterans on the present rate of pay.

(Since writing the above paragraph a nonveteran student looking for work, having to make his entire way through school, said, "If I'd get from the Government tuition, books, etc., and $65 a month, I'd have no trouble getting along on that amount. I'd be satisfied.")

Increase in subsistence pay would mean that an army of student-veterans would marry before getting out of college because they could draw more pay as husbands, and thus greatly increase the housing shortage all over the country, and run rents and property costs higher. As is, many students, even freshmen and sophomores, marry before they have gotten part-time work, or found an apartment, and some even have to hunt for a room for a couple, after marriage.

A few months ago a youthful student-veteran said it was to his advantage to get married, for he'd get more money from the Government and his wife could work. He is still without a job—and in case of an addition to the family, there might be some rough sailing. A great many veterans who figured as he did soon found their wives expectant mothers, who had to give up their work—and there was also the problem of finding a place to stay, with a baby in the family.

A married student-veteran had to leave school and get a regular job, because, he said, a baby had come and his wife was so disagreeable and was always "griping" because of lack of money and conditions she did not want to put up with any longer.

It was recently stated over the radio that there were 31 divorces out of every 100 marriages last year. No wonder, with boys and girls marrying at such early ages, before they were prepared to take such a serious and important step, and when conditions were not conducive to happy married life and there were obstacles at every turn.

Several years ago a student was drafted just a few months before his graduation from college, and was greatly upset because he couldn't finish up and get his diploma before going into training, since he did not see any urgent need of his being taken out of school at that time. He was in training 1 year. Under the GI bill he went back to college (though he could have easily financed his way without outside help), got married, drew $90 a month from the Government, got work at the college, and his wife also got a job.

A present student veteran hadn't been in school long as a freshman, had a part-time job and was making his way satisfactorily when, to his great displeasure, he was drafted. When back to the campus on a furlough, he was still complaining about the break in his studies, unnecessarily, he felt, right after the war was over. At the end of the year's training he was back in school, and soon became engaged—in keeping with the early-age marrying spree that is growing all over the country.

People who thought it all right to give increased pay to student veterans on getting married right after the war, since they were in war service several years, with no chance to marry, are now asking the question, "Now that the war is way back in the past, where is the reason for the Government continuing to pay student veterans to get married, especially at the early ages of 18 to 22?"

The public does a lot of talking about the veterans—their attitudes and actions; the way the rich, as well as the needy, veterans receive money they do not need and should not take from the pockets of taxpayers who can ill afford to pay income taxes at all; the way they spend money; the way they drink; the way they turn down jobs they would have been eager to get before the war; the way they drive for more money, etc. It is often said that the veterans who endured and suffered most complain less and ask for less.

People—even veterans—think the New Deal administration catered to veterans for votes just as it catered to labor for votes. Ever since the New Dealers got into power, certain groups have pressed or fought for their particular selfish interests without giving any thought to the people at large, who have to bear the brunt of things.

It is often said that, as to legislation concerning veterans, the administration did not take into consideration the fact that it could not make up to every group or individual for what they lost or suffered because of the war. Some of those who were not in service lost loved ones because of the war; had heartaches and heartbreaks because of what happened to them or to their people in and out of service; some lost homes and small businesses during war years; some lost rents they depended on for a living—on one block in a city there were five large houses vacant, and after losing 2 years of rent, the owner of one of these houses sold the house for about half price, fearing the bottom had dropped out of the bucket; many rooming and boarding houses had to close, depriving many of a livelihood; workers put up with inconveniences and hardships of all sorts when they went to crowded industrial centers to do war work, then came back home without a place to live, or had to pay high rent, or live in crowded conditions that greatly affected their living; some people who had been living in houses or apartments for years were evicted by veterans who married young, or by unscrupulous owners or agents who cared more for the almighty dollar than for human beings. Everybody has to remember there was a war; that wars cost most everybody something, in one way or another; and that no government can make up to everybody for what a war cost him.

Antilynching legislation

EXTENSION OF REMARKS

OF

HON. R. WALTER RIEHLMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. RIEHLMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include two statements

made by the Honorable KENNETH KEATING on the Forum of the Air regarding proposed antilynching legislation:

Mr. GRANIK. Mr. KEATING, you are the author of an antilynching bill. Why do you feel that there is a need for Federal legislation on this subject?

Mr. KEATING. In less than 50 years lynch mobs have caused the deaths of over 5,150 persons in the United States. This has happened while many States have on their statute books State laws against murder and other violence. The simple fact is that in many States these laws are not enforced.

The fourteenth amendment to the United States Constitution provides that no person shall be denied by any State the equal protection of the laws. Then it gives to Congress the power to enforce, by appropriate legislation, the provisions of this article.

On top of that, this Nation has signed the United Nations Charter, agreeing to promote, among other things, universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, language, or religion. Certainly one of those fundamental freedoms must be freedom from violence and from the fear thereof.

It seems to me, therefore, our clear duty as a Nation to enact Federal legislation to end the abuses which some States continue, by inaction at least, to condone.

In order to maintain our domestic tranquillity, as well as our position of world leadership, it is essential that the basic human rights embraced within the civil rights proposals be safeguarded and strengthened.

Racial superiority, religious intolerance, false pride of national origin are the concepts we have just sacrificed the finest of our youth and uncounted wealth to destroy.

Yet we permit to exist in this great country conditions which belie the lofty ideas and principles we proclaim. So long as lynch mobs are allowed, to seize and murder American citizens because of the color of their skin, so long as others can only peer at the ballot box through the bars of the dollar sign, so long as jobs are denied because of religious faith, our material achievements profit us nothing. To gain the world, we must not lose our own souls. No nation can retain greatness which sacrifices righteousness.

Peace

EXTENSION OF REMARKS
OF
HON. PORTER HARDY, JR.
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 1948

Mr. HARDY. Mr. Speaker, I had the pleasure of hearing an address by Rear Adm. Richard E. Byrd on the subject of Peace. Admiral Bird discussed particularly the role of the United Nations as an agency for bringing about a just and lasting peace of the world. The address was presented at a banquet of the Society of Virginia at the Statler Hotel on the evening of January 29, at which Admiral Byrd was tendered the Society's Gold Medal of Achievement for his Arctic and Antarctic explorations. I commend the reading of this address to every Member of the House:

PEACE

I

My old friend Rixey Smith has asked me to discuss peace. It is a subject I have studied all my life, but my interest was much quickened when, as a young ensign in the Navy, I served aboard the Presidential yacht the USS *Mayflower*, as one of the aides to that great Virginian and great prophet of peace, Woodrow Wilson.

In discussing peace tonight I will attempt to fit it into the whole-world picture and to take the element of time into consideration; in other words, the long-term view. That seems to be the only way I can tackle the problem. And I think that is bad news for you Virginians who have to listen to me.

There is a very great emphasis placed today on the preservation of peace, which, of course, is as it should be. But there is one thing which we know to be more important than the preservation of peace and that is the preservation of freedom. But freedom, that is in grave peril the world over, has no chance whatever of survival if the peace is lost and a Third World War is to be fought with atomic and chemical weapons. The danger of war now is very slight, but we have only 4 or 5 years to secure the peace. (It always irritates me when some of our sages returning from visits to Russia make the flat statment: "There is no danger of war with Russia" without any reference to the danger that will exist when Russia gets rehabilitated. A year is no more than a few days in the life of a great nation, and relatively an even shorter time in the life of the human race.)

Time is running out. It is later perhaps than we think. Only a few years of grace now remain to the world before other nations, totalitarian nations, will possess the atomic bomb and bacteriological weapons that may be just as devastating as the bomb.

And when that time comes, Christianity itself will be imperiled because freedom is the implementation of the spirit and essence of Christianity. Make no mistake about it—a totalitarian dictator sees in the idea of a Divine Being a rival with which he finds it most difficult, or impossible, to compete. The dictator must establish the state as God, with himself as the state.

And so, the world over, people of good will who are liberty loving, decent, kindly, and well meaning, are in a titantic cold struggle against an evil minority to prevent the destruction of that great trinity—peace, liberty, and freedom of worship.

I am going to start with a premise that there is nothing wrong individually with the Russian people. They are simply misled. There has been so much criticism of Russianism that I would like to show that the potentialities for the development of a very powerful and dangerous Russia have been made possible by a fundamental and gravely serious problem that mankind as a whole (and Americans in particular) has itself created. It is important that we face this truth. I am greatly puzzled by the failure of international leaders to face the truth.

II

Please bear with me while I attempt to isolate the devastating germ that is causing our troubles—our world disease. We must discover this germ and develop a culture with which to inoculate mankind for its destruction. How can we cure the disease by giving all of our time to fighting the symptoms only, which means acting for expediency's sake, haphazardly, spasmodically, and inadequately, as we neglect the long-term remedies. There are, of course, urgent, pressing matters that must be attended to with the utmost vigor. But if the world's peace loving leaders act from expediency to the neglect of the long-term absolutely essential remedies, there is not the slightest chance to preserve freedom in the world. As I see it, it is just plain stupidity and futility to blame Stalinism for all of our troubles.

We have witnessed at the beginning of the twentieth century the dawn of a new era, the technological era, where man has made lightninglike advances in material progress with his scientific and mechanical genius while he neglected the science of human relations, which thus stood still as his spiritual self suffered a sickness and went backward under the deteriorating influence of our material progress.

The technology of the twentieth century, by suddenly shrinking the world, created an interdependence of human relationships that was so great that man was unprepared to cope with it. The mechanism of our economic organization and group and national relations became so delicate and complicated that it made war not only obsolete but very dangerous to the progress of the human race.

Thus we who went through the First World War learned how disruptive was such a war to the delicate mechanism of this new kind of civilization. The great confusion that resulted from that war was a very poisonous soil for the growth of freedom as it was a very fertile soil for the growth of tyranny. The masses of the people became too confused to guide their own destinies and so democracies began to go down like torpedoed ships.

Thus we learned that it was not just wars alone that threatened freedom, but that our own technological progress created a fundamental hazard to the human race, even without wars. But with war added to our troubles, the result was devastating.

Then, following World War I, we witnessed the human race, and more particularly the Americans, joyously creating ever better machines that shrank the world with an ever increasing acceleration, which meant increasing complexity and confusion. The task of ruling ourselves by slow democratic processes thus became increasingly difficult.

And then, of course, more and more destructive became the weapons of warfare, and we who love freedom, didn't stop to consider that the more devastating the destructive power of weapons of war, the more it worked against freedom to weaken it, and on the side of tyranny to strengthen it.

When the United States discarded Woodrow Wilson's League of Nations and followed George Clemenceau's idea of power politics, World War II became a certainty. Thus it was inevitable that some tyrants, such as Hitler and Mussolini, should use our new devastating technological weapons to blitz the world.

And to top it all, the United States developed and dropped the atomic bomb on Hiroshima. In that fatal instant we leaped ahead tens of centuries into an even more sinister era, which placed liberty in an even greater peril by our utter unpreparedness to cope with it.

To sum up: Our worldly material sciences have made incredible advances while our science of human relations has stood still and our spiritual progress has actually gone backward.

III

And now, where do we stand today? Our isolation is suddenly gone—destroyed. From several worlds, as it was before the twentieth century, we suddenly have become one world, and we are unprepared in the field of human relations and the spiritual realm to coordinate and integrate the nations of that world.

In short, we destroyed the isolation of nations long before nations were ready for integration.

This greatly shrunken world puts groups and nations right up against each other. When nations are, in effect, jammed up against each other—running athwart of each other's prejudices, hates, ambitions, and misunderstandings—they eventually find themselves at each other's throats. This illustrates how difficult General Marshall's task is.

Is it not ironical that man has himself created an environment in which he, as a free man, is unfit to survive.

This new kind of environment calls for such things as universal good will and understanding, the brotherhood of man, kindliness, give and take, and common decency. In short, it calls for the application of the Golden Rule.

If the major trouble with people is people, can we put all the blame on the dictators? Their success is a symptom, a dangerous sympton, of our fundamental problems.

How can we solve that problem and eradicate the evil that is striking us down until we know exactly the nature of that evil.

And so that is why I have painted this picture rather carefully to show that our greatest problem is not with such things as chemical warfare, atomic bombs, and other davastating weapons, but with man himself. This fact must, I believe, be realized and acted upon if there is the remotest chance that we shall achieve peace and succeed in holding in leash warlike dictators.

Our predicament is such that many things must be done, immediately, vigorously and simultaneously, on a wide front. Adequate education is the great long-term need.

And now, before giving my opinion as to some methods of meeting this predicament, I would like to make a short introductory statement.

IV

When after World War I this Nation refused to join the League of Nations, it was discouraging to see the various nations of the world play their handicapped and fumbling parts on the world stage. During that period it was my misfortune to be in a position to look behind the scenes of the tragedy that was being played and to witness some of the grevious mistakes of weakness and appeasement made in secret negotiations by honorable, well-meaning men. But it is not my object to attack those men. We have had enough criticisms that are purely negative.

My object is to attempt to give something constructive, however small it may be, that is calculated to strengthen the arm of President Truman and General Marshall and the Congress where they are on the right track.

So devastating was the nature of World War II, and so great the loss of life and human degradation and misery, that the masses of the people of the world seemed at long last to be convinced that it was absolutely essential that war be abolished as an instrument of national policy. In the organization of the United Nations, the star of hope for lasting peace was lifted high in the heavens.

Subsequently the people of the world were greatly fortified in this hope by the barrage of statements made by many great leaders of the day concerning law and fair play and justice for the proposed UNO. Naturally the people believed and many still believe that an effective instrument for peace was achieved.

And yet the sad fact is that there wasn't the slightest chance of obtaining a really workable organization at San Francisco. But there was no one to tell the people the whole truth.

V

More than anything else, it was the veto formula of the UNO that makes it unworkable. This formula gave any one of the five great nations the power to veto any punitive action against any act of aggression that might occur anywhere in the world. And, further, it allowed, and it still allows, a veto of any change in this veto formula, and thus crystallized, and still crystallizes, the UNO solidly in its impracticable shape. I feel that I have a right to make this statement now because before the San Francisco meeting I protested to our leaders as strongly as was in my power against the veto formula. What I particularly dwelt upon was the ability of one of the Big Five to veto any change in the veto formula. This formula provides a shield for the strong nations and is in the nature of a mockery for the weak ones. I made a plea then and I make it again now for protection and justice for the smaller nations.

Any provision for the exercise of power by one or several great nations over any weaker nation and a veto to make that power permanent is certainly the opposite to justice. It is more akin to the law of the jungle than it is to civilized law. It means that the weaker nations of the United Nations are subject to penalties, and even to punishment, without fair representation. It is, in fact, akin to the might-is-right idea.

The advocates and framers of the veto formula claimed that the United States Senate would not ratify any UNO that contained an amendment to this power to veto any change in the veto formula. I denied then, and I vigorously deny now, the truth of that contention. I know that several Senators flew to San Francisco bent upon an effort to amend this veto formula. There were other Senators who felt the same way.

I believe that if history tells the truth, it will have to record the shocking fact that the United States and Great Britain are responsible, along with Russia (and I can't blame Russia too much), for that part of the veto formula, that gives any one of these three great nations the power, by itself, acting alone, to prohibit, in fact actually completely to block progress or growth and development of the UNO, even though at its birth it was dwarfed by the might-is-right idea.

Even though I will be guilty of repetition, I want to make the issue upon which I stand absolutely clear. I know too well the subtlety and sophistry of the arguments made by those, who from a sense of guilt, or even for perfectly honest reasons of expediency, desire to becloud the issue and hide forever the truth about what really happened at San Francisco. That issue is the right given in the Charter of the UN to Russia acting alone (Great Britain and the United States have the same right) to prevent by veto any change in the veto power of the great powers. The intent was clear: to prevent any change in the Security Council's totalitarian idealogy; for who could be stupid enough to think that Russia, so long as she has the veto power, would fail to veto any change in the veto formula that would make the UN less totalitarian and more democratic? And who could blame her?

At San Francisco a fanatical, communistic imperialism (ideological and expansionist) plus a fear born of mistrust of free enterprise nations sabotaged the good judgment of the Russian leaders. Fear for the life of the British Empire sabotaged the good judgment of the British leaders. Fear of not getting Russia into the UNO, combined with a lack of faith in the common sense of the Senate and people of this Nation, sabotaged the good judgment of the American leaders. (This is oversimplification of course, but the general idea conveyed I believe to be correct.)

Now I want to pause here to say that I do not recommend the abolition of the UN. I recommend strongly that it be amended so that it can be saved. That, as I see it, is the only way it can be saved.

VI

Before I give my suggestions for peace, I would like to lay down several assumptions.

1. That there is little danger of war as long as Russia is as weak as she is today.

2. That the Russian people are just as fine people as exist in the world and that they would value liberty and freedom and the American way of life if they knew about it and could get it.

3. But that the philosophy of a dictator such as Stalin is that the end justifies any means whatsoever, and that such things as logic and reason and justice are not to be considered if they interfere with his plans.

4. That Russia, well within 5 years, will possess the atomic bomb.

5. That the moment Russia possesses an adequate supply of atomic bombs and is rehabilitated from the ravages of World War II is the moment that the danger to freedom the world over becomes very grave.

6. That the Russian people do not have freedom and have no conception of the American way of life because they do not have freedom of the press and will never have freedom of the press as long as men like Joseph Stalin are at the helm of Russia. Nor will Russia's satellites enjoy freedom of the press.

7. That freedom of the press is the mark of liberty and the completely controlled press by a dictator is the mark of slavery.

8. That no normal human being would of free choice elect to live under a police state that utilizes gestapo methods.

9. That the Russian leaders are imperialistic and fanatical crusaders to extend communism by infiltration.

10. That Stalin considers that an orderly western Europe and an orderly Far East and a workable United Nations are undesirable because they work on the side of democracy and freedom and that therefore he must do all possible to create a world-wide confusion, which is the most fertile of all soils for tyranny.

11. That I do not believe that this Nation, if it becomes (and it may so become) an oasis in a desert of world communism, could preserve its American way of life.

12. That Communists in the United States and in other nations give their allegiance to Stalin instead of to their own native land. That, therefore, they are a menace to freedom.

13. That democracies cannot stand wars, just as dictatorships cannot survive with long periods of peace. That, therefore, dictatorships are more naturally warlike than democracies.

14. That the Marxist philosophy holds that the capitalist countries will eventully attack Soviet Russia. If Stalin really believes this we can forgive him some of the things he has done. We must remember that we did not always, in prewar days, treat Russia with all the consideration we might have. Let's be honest about this.

15. That Russia is very unlikely to make any satisfactory settlement with free-enterprise nations so long as there is confusion in western Europe. With western European solidarity Russia would probably find some kind of settlement to her advantage.

16. That appeasement of dictators by free-enterprise nations by the sacrifice of their most sacred principles has gotten these peace-loving nations into their present dangerous position. Such appeasement leads inevitably to war. General Marshall knows that and he should be backed up in his courageous course. If this Nation and Great Britain are too timid to protect small nations that are still free from reprisals from Russia for daring to resist aggressive communistic infiltration, then those nations will continually be mortally afraid to offend Russia and will lose their respect and friendship for us. Great moral strength and courage behind what the ages have taught us is right is the dire need of the hour. But this does not mean that we should be careless about or indifferent to fair play and justice when dealing with any nation. Justice and fairness are in fact what we profess and in the end must live by.

VII

Based on these assumptions and other statements I have made tonight, I submit the following suggestions for peace:

A. That first and of great importance is that the people of democratic nations in general, and this Republic in particular, be kept thoroughly informed, where practicable, of all moves for peace. I believe that General Marshall has been doing just that.

Never again must the millions of free people be betrayed by keeping them absolutely ignorant of the real meaning of the problems and the issues and their settlements that are being made by the leaders of democracies for a peaceful world.

B. That the nations of western Europe be shown the dire need of and encouraged in the formation of a federation for economic collaboration and coordination, collective security, interchange of information, and mutual understanding and education. And that representatives from China and the British Commonwealth of Nations be invited to attend the deliberations of the federation.

C. That a settlement with Russia is very desirable. But that such a settlement must not be in the nature of appeasement nor above all the sacrifice of principles that will provide a breathing spell for Russia to continue, by peacetime aggressive infiltration, to rub out freedom in weaker nations and thus to spread communism.

D. That a temporary answer to "might is right" is "right plus might." That, therefore, this Nation keep itself physically strong and that it encourage other peace- and freedom-loving nations of the world to do the same. The purpose of this is to hold in leash the power-mad aggressive leaders of dictator nations until the world can achieve a workable United Nations organization. We know that what dictators respect most is strength and power and that there is nothing for which they have more contempt than military weakness or any kind of weakness. But I conceive of strong armaments as being an emergency measure. Armament races have never achieved peace and probably never will. Thus, in the long run, physical strength alone is but an uncertain prop upon which to lean for the achievement of lasting peace. And let us not forget that it would not take many years for an armament race to bankrupt the world.

E. That the veto formula of the Security Council of the United Nations be amended.

1. But there are other considerable changes aside from the veto formula that are necessary to remake the UN into a sufficiently strong and workable instrument of peace. As I have said, there is no adequate provision within its structure to enact laws for its growth and development. We must admit that the power of one of the big five to veto any change in the veto formula appears on the face of it almost an impossible hurdle to get over. But it is not impossible; it must not be impossible. Without a workable UN, there is, I fear, little hope in the long run for the preservation of freedom in the world.

2. Here is one way, I believe, is to be possible to change the UN. The General Assembly to be given power to enact world law but only in the fields necessary for keeping the peace. It should not have authority to enact law affecting the political, economic, or religious systems of the member nations, but only on such matters as the control of weapons of mass destruction, limitation of armaments, and provision for, and government of, an international police force. These laws should apply to individuals in any nation so that a Hitler who commenced to rearm his nation for warlike purposes would be subject to be indicted, punished, and tried as soon as his acts were discovered by the international inspection force.

3. The leaders of the powerful democratic nations seem reluctant to relinquish even a tiny bit of sovereignty, and the leaders of the dictatorial nations are determined not to relinquish any sovereignty whatever. It is this matter of sovereignty that is blocking peace and endangering freedom. And it must be admitted that it may become the nemesis of liberty and Christianity. On this planet, which we have shrunk until it is one world, freedom cannot live so long as any nation that is powerful and mighty uses that power to put its heavy heel down on the rights of weaker nations.

4. In the early days this Nation had its troubles with individual sovereignty. In a community or a town where each individual had the right to do as he pleased, order and peace and safety were found to be impossible. This I will call intense individualism. The western pioneer cities before the establishment of law and order show what happens when individuals can do as they please.

5. And in the first part of the twentieth century we saw what evils selfish capitalism could create and of later years we have seen what damage aggressive narrow-minded minorities can do to this Nation. I will call this intense groupism. These groups are now being curbed in the democratic way.

6. But some powerful nations are not yet curbed and still demand the right to do as they please and to hold themselves above any law of God or man. I will call this passionate nationalism. It has ever been the world's greatest war monger.

7. Just as individuals and groups within a nation have learned that they cannot achieve internal harmony and peace until they relinquish the right to do as they please; so the nations of the world cannot achieve world peace until the strong nations relinquish the right to commit at their pleasure depredation upon the weaker nations.

8. This question of sovereignty over a sovereign power plagued the original 13 States. The Articles of Confederation under which they organized required unanimous consent. This in effect gave any State the right of veto. Yet this hurdle was overcome when the necessity of solidarity was realized and the Constitution was substituted for the Articles of Confederation.

9. To give the General Assembly of the United Nations the law-making power, it would be necessary to change the system of representation from the present one-nation one-vote rule to a system by which each nation would have a number of votes fairly representative of its relative position in the world. Several formulae have been devised for making such apportionment in relation to a nation's population, productive capacity, natural resources, literacy, and similar factors.

10. Only with such balanced representation in the Assembly could all the powerful nations be expected even to consider amendments to the veto power in the Security Council.

11. The Security Council, with an amended veto, should be made the executive of the United Nations with the responsibility of enforcing the laws passed by the Assembly. The use of any police force that might be decided upon, would be limited to the fields in which the United Nations is given power to legislate.

12. The permanent Court of International Justice should be given compulsory instead of optional jurisdiction over international disputes and all cases arising under the laws enacted by the assembly. The international police should be charged with the enforcement of the decrees of the court.

13. Senate Resolution No. 24, and House Resolution Nos. 59–68, now pending in Congress, state that it is the sense of the Congress that the President should immediately take the initiative in calling a general conference of the United Nations pursuant to article 190 for the purpose of making the United Nations capable of enacting, interpreting and enforcing world law to prevent war. I believe that these resolutions should be passed, and that if they are passed, the President will instruct United States delegates to advocate the calling of such a conference, and that if called, amendments like the above will be submitted to the member nations for ratification. No veto can be exercised to prevent the calling of such a conference. If any country should refuse to ratify the amendments when submitted to them, the nations favoring them would be free to withdraw from the present organization and set up the amended one without the adherence of those nations which might elect to stay out. Agreements arrived at at the San Francisco conference permit nations voting for such amendments to withdraw under these circumstances. Such action would closely follow that which was taken when our own Constitution was adopted. The previous Articles of Confederation forbade amendments except by unanimous consent. Nevertheless, the Constitution went into effect when adopted by only nine of the States.

14. We must do all possible to keep Russia in the UN. If the Soviet Union should elect to stay out of a strengthened United Nations, I believe that in the course of a few years she would follow the example of Rhode Island and North Carolina, which originally remained out of our Federal Union. The Soviet leaders would probably find it very uncomfortable to continue in isolation, to conduct an atomic armaments race against a union of the non-Communist part of the world, when the alternative would be to join and participate in a workable United Nations that could protect the Soviet Union and all other member nations from any kind of external aggression. Russia need not then fear aggression. Nor need we with a workable UN fear giving to Russia the oil and the access to the sea (warm water) that she needs. If we do this Russia may remain in the UN. If she agrees to a workable UN on condition that these concessions be made, then such concessions would be steps toward freedom. At this point I pause to admit that dictators in the past have been given to the habit of breaking agreements. Perhaps this weakens my contentions, but I submit that breaking a law established by the great family of nations would be a more serious step than breaking an agreement made between two or three nations.

F. That this Nation do all within its power to prevent the spread of communism throughout the world. President Truman and General Marshall should be backed up in every way possible, short of war, and short of giving so much to Europe and Asia that our own economy will be disrupted. It is clear that a serious collapse of our national economy would lose for this Nation and all other freedom-loving nations the battle for world freedom, and the American way of life. The great point is, How far can this Nation go without bringing about economic disaster. This point will, I am sure, be considered carefully and prayerfully. It would seem that our aid to Europe and Asia should be kept in a flexible status, so that this Nation can correct any mistakes that might bring about our own economic collapse. All other freedom-loving nations should be asked to do their part for Europe and China according to their capacity to help.

G. I have said that keeping this Nation and other democratic nations physically strong is an emergency measure. The aid to Eurasia is also an emergency measure. The establishment of a workable UN is both an urgent emergency step and long-term measure as well. Even with these three moves carried out efficiently peace is still not secured. The very long term absolute necessity, as I have pointed out, is for man to learn to cope with and fit himself into this dangerous environment that he has created with his scientific and mechanical genius. Within the Nation intense individualism and intense groupism must be abandoned. They make for internal discord and lack of solidarity and unity, just as intense nationalism has always been, and still is, I repeat, the greatest cause for war. If we are to survive as free beings, we must learn that the well-being of individuals depends upon the well-being of other individuals; that the well-being of groups is

dependent upon the well-being of other groups; and that the well-being of a nation depends upon the well-being of other nations. Selfish minorities cannot impose their will upon all the other people of a nation without hurting themselves as well.

H. I repeat that man will not be willing to change his infinitely complex environment or even consider putting an end to his shrinking of this world with an ever-increasing acceleration, which means ever-increasing complexity. That, therefore, he must fit himself into this environment since he flatly refuses to fit the environment to himself. As certainly as the sun rises and sets freedom will be lost unless man achieves this goal. I have been told many times by political leaders that it is impossible for man to change his age-old attitude and selfish practices in time to save freedom.

I. But I would like to say emphatically that I believe it can be done. Man can achieve the necessary universal good will and feelings of brotherhood for his fellow man by eradicating fear. He is afraid of starvation, and he is afraid of the destruction of his family unit, and he is afraid of sudden death from tyrants in peacetime and from combat in wartime. And he is afraid of the chaos that breeds all these things. And now I come to the most important point that I can make, and I wish that I could get this truth to every human being in the world: That man can change his hates and selfish practices only by getting rid of the above-mentioned fears by protection under some system that operates by law, backed by force, to achieve fair play and justice for small nations. I make this statement with all the force at my command.

J. Thus we see that due to the chaos that exists in the world within nations and between nations, those nations are working at cross purposes. There must be, I submit, a common purpose for all mankind, just as there is a common purpose for the cities and States of the United States.

K. Therefore, the world must be united by integrating it behind a common global purpose by means of a workable method. The only common global purpose that is conceivable to me is the achievement of the design of creation, which I take to be a chance for human beings the world over for the enjoyment of liberty and the pursuit of happiness. And the workable method I take to be the utilization of Christian principles, which is the same golden rule that Buddha and Confucius taught.

L. This method calls for the expression of the decency that is in man through organization. It is the effective implementation of the good will that individuals in the world possess in abundance, by means of law and order to suppress the evil that unfortunately predominates when there is no law—when confusion or chaos rules. The human race can no more implement its good will when living in a state of chaos than the decent citizens of early western towns could achieve local peace until they achieved order and law. This method, in short, calls for the mobilization of decency to save men from destruction by the technological Frankenstein monster that his genius has created. Only the comparatively few Communists among the Russians would refuse to vote in the direction of decency if they had the chance.

And now in conclusion:

M. I have tired to show that nations can change their ancient hates and selfish practices but that such a change can only be effected under the encouragement and protection and deterrents of international law and justice. That applies to the weak as well as the strong nation. That, as I see it, is how mankind can develop its potentialities for spiritual growth and strength into an implement of checks and restraints of the evil that would destroy peace and freedom. Thus can mankind go forward under God to its destiny.

Commercial Fisheries—Canada Expands While United States Shrinks

EXTENSION OF REMARKS
OF
HON. SCHUYLER OTIS BLAND
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. BLAND. Mr. Speaker, my attention has been called to an address by Hon. James A. MacKinnon, Canadian Minister of Fisheries at East Coast Fisheries Conference, Quebec, Canada, February 3–5, 1948.

I am impressed by the fact that while our appropriations for, and interest in, our fisheries seems to be in process of reduction, yet our competitors north of us are increasing their expenditures. It seems very shortsighted that our commercial fishery appropriations should be severely cut while our chief competitor is reorganizing and expanding.

I hope that all Members interested in our fisheries will take notice. We have incurred an enormous debt in the World War. We must expand our business in commerce and in our fisheries. All that Mr. MacKinnon advocates for Canada applies all the more to us.

Commenting on Mr. MacKinnon's speech, the National Fisheries Institute at Washington, D. C., which is always alert to the best interest of our fisheries and diligent to promote them, says:

Mr. MacKinnon is the Minister of Fisheries in Canada, the same status as a member of the Cabinet in the United States. Recognizing the growing importance of fisheries, particularly in the international field, Canada is losing no time to protect and advance her fishing industry. Mr. MacKinnon was formerly Minister of Trade and Commerce. He has just returned from a 15,000-mile trade tour in Africa and other parts of the world. Canada is looking to the future and leaving no stone unturned to build and protect her fisheries.

Meanwhile, let us review the situation on our side of the border. For lack of funds the Fish and Wildlife Service can no longer mail the daily Market News Reports—efforts are being made to secure a deficiency appropriation from Congress. But this is just one blow. The Commercial Fisheries Division of FWS, the main Government unit servicing our fishing industry, is struggling along with reduced personnel, on just barely half the appropriation they had last year. The House reduced the appropriation last year almost 80 percent, but in the end some items were restored, so that the appropriation for commercial fisheries work ended up with only a 50-percent cut. Trained personnel have been dropped, statistical records which are essential for Government use in international treaty-making are becoming disorganized. What a parallel. Canada expands while United States shrinks.

Mr. MacKinnon spoke as follows:

As Minister of Trade and Commerce I have been associated over a fairly lengthy period with the Canadian fishing industry on its export marketing side. Fisheries have always had an important part in our export trade As a matter of fact, 70 percent of the products of Canadian fisheries are sold in markets outside Canada.

At the present time I believe problems of marketing, rather than production, are the chief concern of the fishing industry of this country. Canada has experienced years of abnormal demand for food products of every kind. There has been an outlet for all the fish Canada could supply. Today the world is still in need of food but many countries in urgent need of supplies have not the means with which to buy. This points up our problem which officials of the department have been discussing and will possibly discuss with you further.

In regard to the market within Canada for fish, the prospects are favorable. Domestic buying power is at a high level. There is no sign of an early reversal in the upward trend of business activity generally. Meat and possibly some other foods which compete with fish are in relatively short supply. Fish should, therefore, obtain a higher share of the food business than has formerly been the case. I do not mean that a large volume of increased sales will come to the industry automatically. There will need to be a continuance of dependable quality in the product, energetic selling efforts as well as efficient handling of products at every stage of distribution, if full advantage is to be taken of improvement in domestic-market conditions.

Fishing and agriculture are the two great national food-producing industries. Annual conferences are held with representatives of the Canadian Council of Agriculture meeting with Federal Department of Agriculture officials as well as with members of the Federal Government. The usefulness to the agricultural industry generally of these discussions, held regularly and on an official basis, has been demonstrated. I realize that it is not always possible to apply to one primary industry what has been proven successful in the case of another. For instance, it is not practical in the case of fisheries to set up annual production targets or goals as has been done in agriculture. But I believe something like the same conference procedure could be adopted with benefit to the fishing industry. Progress in this connection is being made. Our east and west coast regional conferences are a step in this direction. Another step is the practice of the Fisheries Department in submitting annually proposed regulations to groups in the industry for study and comment.

As to exports, 1948 promises to be another good year in the United States market. The United States, of course, is the best single customer for the products of our fisheries. Recent official market surveys in that country indicate that food supplies this year are likely to be somewhat less than in 1947. The same market examination shows that the demand in the United States for fish will continue to be strong. There is a distinct possibility that fish prices in the United States will rise in the first half of the present year above the level reached in the corresponding period of 1947.

The marketing situation elsewhere for some of our fish and fish products is less definitely favorable. Unsettled world conditions and problems of international exchange becloud the future so far as the general flow of Canadian goods abroad is concerned. Last year, as you know, post-UNRRA purchasing by the Federal Government relieved the situation. Buying on the part of a number of European countries under the Marshall plan may develop during this year. All these factors present problems and their complete solution does not rest with one authority or even one country in this modern, complex, and highly interdependent world.

The Federal Government will, however, proceed vigorously to find satisfactory outlets for Canadian fish production. Preparations are now under way to establish in the Department of Fisheries a special market service, one feature of departmental reorganization and expansion. I believe that the functions of the Department of Fisheries should be concerned with more than administration, important as those duties may be.

The Department should also be a service organization, designed to assist as well as to regulate. The chief aim of this new marketing service will be to assist the fishing industry in developing profitable outlets for its products. It will put under way research activities and make available market reports and other information useful to the fishing industry generally. This service will be integrated with the Fisheries Prices Support Board and, of course, will work in close cooperation with the Department of Trade and Commerce. I am satisfied that as this program develops its benefits will be widely and rapidly felt.

One of the chief difficulties experienced in setting up this new service, has been the matter of finding men available and qualified to fill senior administrative positions. We are hopeful that this obstacle will soon be overcome but any assistance which the industry can volunteer in this connection will be appreciated. The senior appointments in this marketing service will be of prime importance—from your point of view as well as from ours. We need competent men for these positions.

This same personnel difficulty has also retarded some department plans. I think, however, I should say that the record shows that very considerable progress has been made in the past year. Everyone here from the maritimes is already familiar, I am sure, with what has been done to expand and strengthen our field force in those provinces. The same sort of thing has been done in British Columbia. In the matter also of strengthening our staff in Ottawa progress has been made and is continuing to be made. The whitefish inspection staff in the midwest has also been strengthened. Certain important adjustments have been made in the department with a view to better coordination of work and greater efficiency in operation. Plans are in preparation to add to the effectiveness of various branches of departmental service—plans, for instance, such as those for further improvement in our marine patrol service in the interest of conservation. This service is essential if the fishermen's livelihood is to be safeguarded.

I have rather closely followed the development of commercial fishing in our northern lakes, particularly in Great Slave Lake, recently, and in Athabasca and other lakes for a longer period. Great Slave is one of the continent's largest bodies of fresh water. It had never been fished commercially, however, until 1945. For that matter there had been no commercial fishing anywhere in the northwest territories previous to 1945. Each year since, however, fishermen employed by an Edmonton company have been sending to Canadian and United States cities several million pounds of lake trout and whitefish. The interesting thing to me about these operations is the fact that individually wrapped consumer packages of fish fillets are processed by fast-freezing equipment operated on barges, and the product is transported by air to Canadian and United States buyers. I have, personally, seen these operations. Because of this development, the productive map of Canada is being expanded and a new area of enterprise is being opened up for the first time. I am mentioning this interior fishing not in an attempt to detract in any way from the great fishing centers of the St. Lawrence and the two coasts but by way of contrast, as it were, to emphasize the extent of Canada's principal fishing areas.

I have passed over a good deal of reorganization detail but I think I should say a word in particular about the establishment of the economics division. The Canadian fisheries' position would be strengthened if there could be a more adequate stream of authoritative information in the field of fisheries' economics. Certainly in these times we cannot trust hit-or-miss knowledge of economic conditions in our fisheries and the different factors affecting the operations and progress of the industry generally. In the operations of the industry and in the establishing of departmental policy, something better is required as a guide to proper action.

It is the job of the economics division to build up, by trained and careful research, a continuing body of economic facts relating to the fisheries and their development—to discover, assemble, and interpret accurate data for the benefit of industry and government alike. This division services both the department and the Fisheries Prices Support Board, and through them it will also serve industry. It operates both at headquarters and in the field. Members of its staff have already been at work for some time in fishing areas in different parts of Canada.

The Fisheries Research Board were anxious to have the services of Mr. D. H. Sutherland, who has been assistant deputy minister of the department. This is being arranged, and we believe that this move will improve the administrative liaison between the Fisheries Research Board and the department.

Mr. Sutherland's transfer to the board position means a new assistant deputy minister. Anticipating the question which I am sure is in some minds, perhaps I might answer right now that we don't know who the new assistant deputy will be. All I can say is that we would like the appointment to be made as soon as possible, and when it takes place we will follow it with a closer coordination of several administrative branches of the department under the assistant deputy.

We visualize the department as an agency of service to the fishing industry rather than simply concerned with administration. That is what is being sought through the present process of reorganization and expansion. All its plans and adjustments are directed to making the department an instrument of service.

Communism

EXTENSION OF REMARKS

OF

HON. WILLIAM C. COLE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. COLE of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast by Jack Beall on communism:

Good evening. Recently, I have been trying to show that the Communist International teaches and demands mass disloyalty and treason of its followers to all nations except the Soviet Union. I have used their own official documents to show it.

What I want to demonstrate today is the direct control by the Communist International, in Moscow, of all activities of the American Communist Party. In other words, what I have to say tends to prove that Communists are agents of a foreign power.

Right now Congress has before it a bill that would force Communists to register their names as agents of a foreign government. I hope all of you who feel strongly on this point will write in to your Congressmen to support the Mundt bill. It deserves support.

For one thing, the passage of the Mundt bill will force a legal test of this whole thing—a test which has never been put up to the Supreme Court in this form. Communists have been doing their utmost to prevent any clear-cut ruling by the Supreme Court, holding that they are, in truth and in fact, and as a matter of law, a subversive outfit which serves a foreign power. It is high time we had just such a ruling and one of the best ways to get it is through enacting a statute along the lines of the Mundt bill. The same thing is true of the Cole bill, which would bar a subversive party from the ballot.

Well, what is some of the evidence of Communists being agents of a foreign power?

Again, I go to a fundamental document—the Constitution and Rules of the Communist International. That provides that all parties calling themselves Communist Parties throughout the world shall be merely sections of the Communist International, with headquarters in Moscow. Section III says the executive committee of the Communist International—which is generally called the ECCI—"gives instructions to all sections (or parties) and controls their activities." It adds: "The decisions of the ECCI are obligatory for all sections" and the ECCI has the right to annul or amend decisions of party congresses and central committees of individual parties and make decisions which are obligatory for them."

This is so plain on the face of it that there can be no argument. The executive committee of the Communist International in Moscow runs the Communist Parties all over the world. Whoever runs the executive committee runs the Communist Parties in the United States and in 60 other countries. Of course, the Politburo, with Stalin at its head, runs the ECCI and makes decisions purely in the interest of the Soviet Union. Therefore, how can there be any question but what Stalin and the Politburo of the Soviet Union run the Communist Party in this country?

And they have it rigged so that the Russian party can never lose control. They have the right to annul or amend decisions of the individual parties throughout the world. They can expel whole parties which disagree with them, as well as individuals, and only the Russian party can instruct its representatives to the world congress. They can send out their representatives to the various parties throughout the world and, actually and practically, the representative can overturn their decisions. One man, sent out from Moscow, mind you, can absolutely control the decisions of the Communist Party of the United States of America. Listen to the testimony of Ben Gitlow—a former general secretary of the party in this country. He is talking about what Communists call the CI Rep—the Communist International representative. Incidentally, Gerhart Eisler stands accused of having been the CI Rep to this country at one time—the top secret figure who transmitted orders from Moscow.

Here is what Gitlow says about the CI Rep:

"A representative of the Communist International to the United States was the boss of the party. In other words, he could step into the central committee of the party and say, 'I, as a representative of the Communist International, using my mandate, order the American party to do this thing and that thing and something else,' and that had to be carried out. In other words, he was commander in chief of the party while in the United States. * * *

"If he happened to be in the minority in the vote—when he wanted the minority to be a majority—all he had to do was to impose his power and mandate, as a CI representative, and then his view would prevail. Generally, American Communists never take a position in opposition to the representative of the Communist International. They know his special powers in the country."

Apparently the whole thing of the special powers of the CI Rep to order things around to suit Moscow and overturn a majority vote of the American party came to a head back in

1929. Over in Russia, Stalin was engaged in purging another one of the older Bolshevists, who might threaten him. This time it was Bukharin, one of the most brilliant theoreticians of communism. As usual, there were great repercussions of the struggle here in America. Jay Lovestone, the head of the party here, and various others, were suspected by Stalin of sympathizing with Bukharin. So Stalin set out to depose Lovestone. He sent a letter to William Z. Foster, letting all Communists know that Foster was Stalin's candidate. But back in 1929, this still wasn't enough. The party had not yet learned its lesson of absolute obedience to Moscow. Before the national convention of the American Communist Party was held, Foster had only from 5 to 10 percent of the votes. It appeared that Foster wasn't going to get the job after all.* So the Communist International sent a cable directing the American party to elect Foster and also ordering that Lovestone, an American citizen, mind you, be removed and deported from America, to work in Moscow. The party still resisted but Lovestone and his followers did go to Moscow, where a sort of trial was held. Stalin made several speeches. Molotov laid down the doctrine that from then onward, when Moscow sent over a CI Rep, he (quoting Gitlow) "shall have full power and complete control over the American party and his decisions shall be binding, with veto power over any kind of decision the party might happen to make."

This was made an order of the International and, says Gitlow, it "established the complete bossism of Stalin over the American Communist movement."

Lovestone and his henchmen were kept in Moscow for months while Stalin's agents went to New York and completely reorganized the party in the United States along the lines laid down by Moscow. The only compromise was that Stalin picked Earl Browder instead of Foster. Later on, when the American party would have liked to kick Browder out, Stalin came to his rescue and kept him in.

There may be those who say, "Yes, but all that is changed now—the Communist International has been dissolved. It no longer interferes in American affairs." Well, that is a subject all by itself and I am not going to get sidetracked on it now. There is a wealth of evidence that the Comintern was dissolved only on paper and that it kept right on doing what it had always done, but not so openly. I will cite only one example of their direction of American affairs—while the Communist International was supposedly not even in existence. During the war, Browder had been the head of the party here and had been following the united front tactics. They coincided, of course, with American policy, we being wartime allies of Soviet Russia. Russia wanted to help us get out production and set up a second front. Up through Tehran, the attitude of cooperation between the two countries still persisted but soon a most significant thing happened.

A French Communist named Jacques Duclos, known to all Communists, everywhere, as a representative of the Communist International, wrote a piece in a French periodical. It came out in April 1945, the month in which President Roosevelt died. It told the initiate that the season of Soviet-American good will and cooperation was over with and it did it in a single phrase: The Tehran Pact, said the Duclos article, was only a diplomatic gesture. At the same time it attacked Earl Browder, the symbol of the Communist united front. It called Browder a revisionist and said that he should be supplanted. Now, mark you, Earl Browder, the head of the party here, was accustomed to 30-minute ovations from the faithful when he appeared at Madison Square Garden to make speeches. But so subservient was the American party to the whim, will and word of Moscow—even from a somewhat concealed source, this French Communist named Duclos—that it turned on Browder overnight. Browder even began beating his own breast and uttering mea culpas. He withdrew from the secretary generalship, and he said a very significant thing when he did so. He said this condemnation of him by Duclos, undoubtedly represents the opinion of all leading European Marxists. Of course, the leading European Marxists are Stalin, Molotov, Vishinsky, et al.

It shows the absolute servility of the American Communists to the edict of Moscow. Just a few words in an obscure French journal, but from a right source—an old Comintern representative—could overturn the leadership of the American Communist Party. But doesn't it show something else? Doesn't it show that the Comintern—the Communist International that was supposedly dissolved—was still operating at the old stand?

I want to give you some testimony of Louis Budenz, the former Communist and former editor of the Daily Worker, where he had a front-row seat.

Budenz said before the House Un-American Activities Committee, in November 1946: "Browder and Foster have no life except that which is granted them by Moscow, no political life of their own. I want to illustrate this by what happens in the Communist Party, to show how this works out. For instance, Browder used to go back and forth to Moscow and every time he came back there was a new line. A classical case that I remember * * * was when a conference on unemployment insurance was going on, in January 1935, and they (meaning the Communist Party) were denouncing the idea of a Labor Party. The Communists were fighting tooth and nail against it when, lo and behold, Browder arrives on a ship from Moscow, rushes to Washington and declares that anyone who is against the Labor Party is anathema; that anyone who is opposed to the Labor Party is opposed to the interests of the workers and the labor movement. And the Communists flip-flopped over and became just as enthusiastic, in 2 minutes, for the Labor Party as they had been bitterly opposed to it, all along before.

"Now, we are all sensible people. We know that Browder did not go to Moscow for the fun of it. He went to get the line on the Labor Party and he came back with it. That happened over and over again."

Budenz gives another rather amusing picture of the feverish search of the Communists for the one true party line, direct from Moscow, so that they could veer with it and not be thrown off when it took a sudden turn. He depicts the search for the true gospel in the pages of the two great Moscow newspapers, Pravda and Izvestia, which get to this country 10 days or 2 weeks after publication.

"If there is anything that would give you a picture of a Communist leader," says Budenz, "it is his feverish search, every day of what Pravda or Izvestia says, to make sure he has the proper sensitivity regarding the line that must be followed for that day or for that period. If there are some lapses, it is largely due to difficulties of communication or the time element."

As a clincher to all I have been saying, let me give you just one more quote to show that the Kremlin dog wags the American Party tail.

Here is Browder speaking in 1939:

He said there is "no single instance where the Communist Party of the United States has ever disagreed with the Communist line in Russia."

How could this be mere coincidence?

This is Jack Beall saying good night from Washington.

Taxes and Government Extravagance

EXTENSION OF REMARKS
OF
HON. T. MILLET HAND
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. HAND. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcasts:

CONGRESSMAN HAND ON TAXES AND GOVERNMENT EXTRAVAGANCE

(A series of three radio broadcasts)

I

As I suggested in last week's broadcast, the House passed the tax-reduction bill without difficulty, but I am bound to say I was surprised by the actual vote of 292 to 120, which was a larger margin that I expected, and larger than would be necessary to override another Presidential veto. The bill has been sent to the Senate, and I regret to report that it will be delayed there for some time. However, while there will be an unfortunate delay, I think there is no doubt whatever that the Senate will pass a tax-reduction bill in some form by spring. It is possible that they will have to substantially reduce the cuts which the House has proposed in order to get enough Democratic votes to override an expected veto.

It is a shame that bargains of this kind have to be made at the expense of the taxpayer. Under the Constitution the House is the body which is charged with raising revenue, and this is the fifth time in recent months that the House has overwhelmingly voted for tax reduction, only to find their efforts foiled by vetoes and the lack of a working majority in the Senate.

The House bill provides substantial relief to all taxpayers, and relief, which in my judgment, the people need and the Government can well afford. Tax reductions range from 30 percent to 10 percent according to the size of income. Briefly, persons with net income of $1,000 or less after exemption get a 30-percent reduction in their tax bill, and 20 percent on any excess up to $1,400. Those with net incomes from $1,400 to $4,000 get a reduction of 20 percent. Those with net incomes in excess of $4,000 get a reduction of 20 percent on the first $4,000 and 10 percent on income in excess of that amount. In addition, exemptions are increased from $500 to $600 which alone will take millions in the lower brackets off the tax rolls entirely; and additional exemptions are allowed for taxpayers over 65 years of age. This latter provision has been criticized as discriminatory, but the cold facts are that persons in that age group, as a rule, suffer greatly impaired earnings, and are the most seriously affected by high living costs which, indeed, affect all of us.

In addition to affording very substantial relief to those who are in the lower brackets, the merit of the bill is that it provides reasonable relief for the great middle class of this country, earning, say, between $2,500 and $5,000; and some encouragement for those in the upper brackets.

Those who advocate a definite soak-the-rich program overlook two basic facts:

1. That if all of the income of all the really rich was confiscated, it would run the Government but a very few days.

2. That some promise, at least, of tax relief must be given to those who have spare capital, in order to give them some incentive for investing money, because it is only through the investment of capital that jobs are created. The livelihood of everyone depends upon the prudent investment of capital which will not be invested if tax

rates continue on a wartime confiscatory basis.

I wish that time would permit me to give you a number of examples of tax savings to the average citizen, which are effected under this bill. Millions who paid taxes last year will be exempt entirely this year. A married couple with two dependents earning $2,500 will pay about $13 under this bill as against approximately $100 under the present law, because under this bill, as you know, the benefits of the so-called community property States will extend to all taxpayers, thus eliminating an unjustifiable discrimination. And, as I have said, older persons are especially benefitted.

The President's proposal to greatly increase corporate taxes overlooks the fact that it would probably reduce employment, and unquestionably increase prices, because the corporations that make the goods of the country will, of course, pass their burdens on to the consumer.

Despite charges that you have heard to the contrary, this tax reduction can be effected without disturbing the operations of Government, without impairing the Government's foreign program, and with due allowance to the orderly reduction of the national debt. I hope the Senate will not change it too drastically and that the President will have the good judgment to finally agree with Congress that reasonable tax relief is needed and is entirely practicable this year.

II

I think it will be agreed that one problem of paramount importance this year is to make a real beginning on the problem of the drastic reduction of Government expenditures. Like Mark Twain's observation about the weather, everybody talks about it but nobody does anything.

It has been calculated that Federal, State, and local taxes take as much as 30 percent of the average income. Another way to put it is that all of us work possibly 1 day out of 3 for the tax collector.

The cost of food is extremely high, but the cost of Government is even higher. The Federal budget alone costs us as much or more than our food bill. Moreover, in every item of food that we buy, a substantial part of the price is in taxes. The citizen who pays a small income tax, or perhaps none at all, and who pays no local real-estate tax, sometimes thinks that the tax burden is none of his concern. That is a great mistake. Every time he goes to the corner store to buy a loaf of bread, he helps to pay the taxes of the merchant, the baker, the flour manufacturer, the taxes of the farmer who grows the wheat, and innumerable other taxes that are imposed along the way—and it will be found that a very substantial part of the 16 cents paid for the bread finds it way into the hands of the tax collectors for the local, State, and Federal Governments.

The President's budget of nearly $40,000,000,000 is about four times as high as the peacetime budgets under the Roosevelt administration. Of course, there are reasons why it is necessarily higher. The cost of national defense, the cost of adequate care for veterans of the war, and the interest on the public debt are three reasons why we cannot escape from higher budgets. But that is not to say there is any justification for multiplying the expense of Government four times. That is the result of waste, extravagance, inefficiencies, and above all the psychology of spending and spending, which has taken hold of governments generally.

It is obvious that if we are going to maintain a sound economy at home, pay off our crushing national debt, and lift an intolerable burden from the backs of our taxpayers, we are going to have to cut out waste, and extravagance, and unnecessary services, and furthermore (and this I want to particularly emphasize), we are going to have to cut out even those expenditures and services which are desirable, but not imperative. In other words, first things must come first, and second things, even though we are used to them and would rather like to continue them, and find them convenient, must go if we are to truly economize.

With the exception of civilian employees in the Army and Navy, which obviously have been reduced since the war, the number of employees of many departments of the Federal Government have actually increased since the war.

Therefore, I am keenly disappointed at the action taken on the first appropriation bill of the year. It was passed last week by a top-heavy vote, but I felt bound to vote against it, and did. The committee told us that they had saved $56,000,000 under the budget estimates, and they did, but the fact still remains that the bill provided appropriations of $196,000,000 in excess of the moneys spent in 1947. The President's emergency fund, for example, last year was $500,000. This year the President asked for $1,000,000. The committee thought they were economizing when they reduced the request to $700,000, but the simple fact is they raised the item $200,000 over last year. This is a sort of petty-cash account which Presidents for many years did not find necessary at all. And so it goes with almost all the 27 agencies covered by the bill. The committee cut down their extravagant requests, but still appropriated more than the previous year.

Let me reiterate that if we are to cut the budget, and we must, we will have to do it far more drastically, far more courageously, and far more radically than action on this first bill would indicate.

III

At the risk of harping too much on the same problem, I ask your leave to again emphasize the importance of continuing the fight against Government extravagance.

You will recall that last week I said I was disappointed with the first appropriation bill passed by the House this year. I charged that although the committee had reduced the extravagant claims made by the agencies that they had nonetheless approved appropriations almost 200 millions in excess of the requirements of the preceding year, which is surely economizing backwards. In the intervening week my charge has received strong and welcome support. Senator HARRY F. BYRD, of Virginia, speaking on the same subject a day or two ago, said: "Too frequently Congress is satisfied with itself when it whittles the Executive's budget request, but actually allows increases over the previous year. This is the case with the * * * (appropriation) bill reported to the House last week."

Senator BYRD was right, as he mostly is. I have had occasion before to pay tribute to him as an outstanding member of the Democratic Party, who has done highly useful work in exposing extravagant expenditures and unnecessary Government pay rolls.

Speaking of Government pay rolls, the situation is still relatively unimproved. Personnel in December 1947 was close to the 2,000,000 mark, and although a net reduction has been made in the last 6 months, an analysis of that reduction indicates that less than 1 percent of total savings may be attributed to a real effort on the part of the executive department to economize. The reminder of the reduction is either seasonable, or results from a liquidation of war agencies, which have no possible right to a continued existence.

The discouraging fact is that in nearly half of the agencies there has actually been an increase in the number on the pay roll.

Now, more than 2 years after the war, it is startling to discover continued increases in the vast pay-roll army. A notable offender is the Post Office Department, which increases its pay rolls very substantially month by month, and which added almost 1,700 new employees from November to December. The pay of postal employees needs to be brought more nearly in line with present living costs, and this could be better done if the Department would not continue to pad its pay rolls with thousands of employees not needed for the efficient conduct of its business. It is no wonder that the Post Office anticipates an operating loss running into millions and is planning a general increase in postal rates to partly relieve the deficit.

On the basis of the President's requests, the budget for fiscal 1949 would provide employment for 2,010,000 persons, who would be paid more than $6,000,000,000. And it is to be assumed that thousands more will be added to implement various foreign programs—and this fact stands out in bold relief—exclusive of civilian employment in the Army, Navy, and Air Force, Federal employment has increased 60,000 over the peak of wartime employment in June 1945.

The primary blame for this obviously rests on the executive department, which plans and does all of this hiring, but Congress cannot evade the responsibility for not putting a stop to it—because after all, with its control of appropriations, its historic control of the purse strings, it can and most certainly should call a halt to an orgy of waste and extravagance which continues almost unabated, and will continue until we say "No" in a loud and certain voice.

Now that the break in the price of commodities gives us reason to hope that the ever-increasing cost of foodstuffs has broken, it is more than ever time for us to cut the price of Government, which is always an important factor in living costs generally.

We do not set our sights nearly high enough. We talk about cutting two or three billion from the present budget, and we should think in terms of a minimum cut of five billion. We talk about reducing employees in the thousands, and we should talk about reducing them in the hundreds of thousands. It is practical, and with a will it can be done. Listening to the people of my district, I know they insist it be done.

A Bow to Sea Isle City and Mayor Bill Haffert

EXTENSION OF REMARKS

OF

HON. T. MILLET HAND

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. HAND. Mr. Speaker, Mr. Max Leuchter, the publisher and editor of the Vineland Times Journal, recently published in his interesting column an article entitled "A Bow to Sea Isle City and Mayor Bill Haffert."

The bow was a well merited recognition of a man who is a first class citizen, a newspaper publisher, the publisher of a well known farm magazine, and who has been a friend of mine for many years.

The significance of the article, however, is its brief reference to Mayor Haffert's town meetings, which are modeled after the town meetings of early New England, and which are an interesting and valuable experiment in true democratic government. It is for this reason in particular that I include herewith a part of the article referred to:

If Charles K. Landis could have been present at the recent town meeting held at Sea

Isle City, he would have been very proud of the resort town which he founded, and which, as in Vineland, honors his memory in naming its main street Landis Avenue. The town meetings in Sea Isle City are the inspiration and the initiative of Mayor William A. (Bill) Haffert, newspaper and farm-magazine publisher and prominent Rotarian. Bill believes that the Sea Isle City commissioners should be guided in all major decisions by the direct opinion of the city's residents, and he has held six town meetings since 1945.

Vineland has more than a pasing interest in the welfare of Sea Isle City. Quite a number of residents of this area spend many summer week ends there. In our opinion, no south Jersey beach equals the Sea Isle City in its gentle slope seaward. Given any kind of an opportunity, Sea Isle can grow into a wonderful home resort, minus the bluff and bluster of the more highly advertised and pressurized coast places. Its residents have shown unusual honestly and courage in turning down a financial windfall. We hope that potential residents, seeking year-around homes at the shore in the future, will respond to this friendly invitation by the people of Sea Isle City. With new homes will come additional ratables, with which the city commissioners can improve beach-front facilities.

The report of the town meeting, as carried in the Atlantic City Press, stated in conclusion: "T. Leyard Blakesman, chief of the New Jersey State Bureau of Planning, a guest at the meeting, declared that it was the finest example of real democracy at work that he had ever seen."

To Mayor Bill Haffert, whose faith in the good judgment of his fellow townsmen caused him to revive a good, old-fashioned, colonial custom of liberty-loving New England, and make it work in a south Jersey municipality—our admiration and congratulations. To Sea Isle City, which wants to be honest with its friends and visitors, good luck and prosperity!

MAX LEUCHTER.

Low-Cost Housing

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Monday, March 1 (legislative day of Monday, February 2), 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a proposal for a low-cost housing plan prepared by a constituent of mine which I think merits careful reading by the Members of the Senate.

There being no objection, the proposal was ordered to be printed in the RECORD, as follows:

A LOW-COST HOUSING PLAN

It has come to our attention that the Government is in the process of trying to sell the land and houses under the jurisdiction of the Vancouver Housing Authority, McLoughlin Heights, Vancouver, Wash.

Homes under $1,000 sounds unbelievable but is a working reality with the proper cooperation of Government agencies—mainly the Public Housing Authority and Reconstruction Finance Corporation. Therefore, we urge the careful study of the plan herein stated.

PUBLIC HOUSING AUTHORITY PLAN

Floyd S. Ratchford, executive director, Vancouver Housing Authority, McLoughlin Heights, Vancouver, Wash., has set forth his plan in a series of personal interviews with us. The plan consists of dividing the McLoughlin Heights area into large plots and having the land and the buildings appraised and the property sold to interested builders or investors for redevelopment. This area of 832.15 acres has 3,394 single construction demountable houses, 493 family units in row houses, three schools, a fire station, two large general store buildings, a recreation area, and administration buildings.

An 11-acre plot containing 85 houses was used as an example of what the investor would be required to do. The land would be sold to an investor at $600 per acre. The 85 units would be sold at an appraised value according to respective accommodations—a 2-bedroom house having a value of $650. The investor would be required to replot the area into lots so that only 41 units would remain in the 11 acres, and the additional 44 units would have to be moved to some other plot of land purchased by the investor. It was suggested this other land could be made available through War Assets Administration. The 41 units remaining on the 11 acres would each be moved intact from its original site to a new location and placed on a concrete-block foundation and rebuilt to conform with FHA specifications and the city of Vancouver specifications, as it was further planned that the city of Vancouver would incorporate each redeveloped plot into the city.

A description of the remodeling of a sample house in the McLoughlin Heights area and the cost of remodeling is shown in an enclosed pamphlet published by the Vancouver Housing Authority. The cost of this two-bedroom converted house is $5,559.

Two other such units in the McLoughlin Heights area have been remodeled to such an extent that the selling price would reach $8,800 and $9,200, respectively. Therefore, it can be assumed that the pamphlet does show a conservative figure at $5,559.

FALLACIES IN THE PLAN OF THE HOUSING AUTHORITY

1. The McLoughlin Heights area is very well planned and does not need any moving or shifting around of the houses. As the area now stands, it is far, far better than can be found in many city residential areas, including some of the adjoining areas in the city of Vancouver. The city has an ordinance requiring 5,000 square feet to each Vancouver city lot. The 11 acres to be taken into the city on March 1, 1948, have 85 houses. This will average out to 5,637 square feet per lot; actually, however, some lots will fall slightly below the requirement and some will run a little larger. It can, therefore, be reasonably assumed that the area would be taken into the city as it is now laid out. Any objections on the part of the city can be handled in a democratic manner, namely, by public reaction and opinion.

2. The appearance of the house, after a remodeling job, alone costing $4,509.29, is improved only slightly more than could be done by a coat of paint.

3. These remodeled houses would have to sell for $5,559 plus title insurance, and any expert's opinion is that they are not worth as much as $3,500.

4. The added utility room is not heated and could scarcely be used in the winter months without an additional expense for heating equipment.

5. The hardwood floor used in the sample remodeled house was of inferior quality.

6. The change of the wall structure is not worth the tremedous cost for remodeling the same.

7. Private capital will not support such a fantastic plan as that proposed for the remodeling of the McLoughlin Heights area. Any capital support would give only 50 cents on a dollar, therefore requiring $2,780 for down payment.

8. The amount of building being done in the Portland-Vancouver area has created a heavy demand upon building materials, and a shortage of material already exists in this locality. The amount of material necessary to remodel these 3,394 homes (and they are being used as homes at present) would create such an additional demand that it would only tend to increase building material prices, which are already too high, and also to create a severe shortage of material for other homes being built in this vicinity. It is a known fact that material shortages have caused many builders to take up to a year to complete a single home.

At a cost of $16,000,000 for remodeling no new homes are to be created in this area, and therefore no housing shortage for this area will be solved, but rather the proposed remodeling will only divert the material that could be used for other new homes.

9. The public housing areas provide the only rental housing that the average veteran can afford. Remodeling or transfiguring these areas at present inflationary prices would completely deprive them of shelter.

OUR PROPOSED PLAN

A careful study of the housing situation in the Portland-Vancouver area and information received from a recent survey, sponsored jointly by the city of Vancouver and the PHA, proved the immediate necessity for a workable low cost housing plan—one that would keep us away from the road that leads to inflation. We have that plan and urge the Government to consider our proposals. We feel confident that our proposals will receive a tremendous amount of favorable public reaction. There are many similar projects over the Nation, therefore this plan can help solve thousands and thousands of housing problems.

We propose that the housing authority make this McLoughlin Heights property available in units of one house to each eligible purchaser with rules to be set up as to eligibility and priority similar to those stated below:

Eligible purchasers will consist only of persons who do not own a home in the Portland-Vancouver area.

First priority: First 2-month period held for sale to present occupants.

Second priority: Second 2-month period held for sale to veterans in need of a home.

Third priority: After 4 months open to low-income families in need of a home.

We suggest also that a deed will not be issued until 1 year after date of purchase, and resale of said property will not be permitted during the first year, except in case of death or some other unforeseen circumstances that would require or cause the purchaser to move from this area. The sale, in that case, would be handled by the PHA under the regular priority system with a fair charge being made for rental and damage. This clause would prevent racketeering in the purchase of these low-cost homes.

Mr. Ratchford informed us that the investor would receive a two-bedroom house with refrigerator, electric range, hot-water heater, and heating stove for the price of $650; a three-bedroom house for $720. We, therefore, propose that the buildings, equipped as stated, be made available to the eligible purchasers at the same price.

We propose that the three schools, fire station, playground or park area, and administration buildings be given as communal property to the city of Vancouver on condition that the area be accepted into the city limits, or to a new city of the McLoughlin Heights area to be chartered if Vancouver refuses admittance of the area as it now stands.

The price of the land was set at $600 per acre to an investor. If this land value was divided between the 3,394 houses and 2 general stores, it would make the price of each average-sized lot about $147. With care and good judgment, lots larger than average would be priced a little higher and lots smaller than average would be priced a

little less. This plan is reasonable as it would automatically pay for the area occupied as communal property mentioned in the previous paragraph. It is only fair for the property owners to pay for the communal property as they would benefit directly by it.

The 498 row units would be sold as salvage at the present appraised value and removed from the area.

Buildings now used as business establishments would be sold by sealed bids.

The land has to be plotted and surveyed by a staff of competent engineers. Abstracts and title insurance will have to be drawn up for each piece of property. This cost could amount to as much as $50 per house. The buildings turned over as communal property have some value and the administration of such an undertaking would be high. Someone has to pay for all this so we propose that a handling fee of not greater than 15 percent be charged. Therefore it can be concluded that a two-bedroom house would have a selling price as indicated below:

House (two-bedroom)	$650.00
Lot	147.00
Total	797.00
15-percent handling cost	119.55
Total cost to purchaser	916.55

It is easy for one to sit and dream of some splendid, magnificent, superresidential area, but in the face of reality, one must accept the facts. Our Nation lacks any home plan whereby the lower-income group can acquire a home at some nominal fee that would not be injurious to their future well being. Many of our potential home buyers can ill afford to pay more than $916.55, and very few home buyers can actually afford to sign themselves into indebtedness for the rest of their lives and thereby bring about want and hardships to their families. There are undoubtedly many veterans who cannot even afford a home with a down payment of $916.55. Therefore, we urge that these low-income people be given a chance by making some small down payment with the remainder financed by RFC and paid back in regular monthly installments amounting only to a low-rent rate of $25 to $50 per month—the only rate an average veteran can afford to pay.

In the past veterans have strongly criticized WAA for their handling of surplus Government supplies and the making of surplus supplies available only in carload lots—quantities too large for the individual consumer. Let's get behind this program of single-package units with a push and let the veterans know that their Government is for them by giving them a chance to start out with a home and a clear outlook for the future.

ALTERNATE PLAN

Should the Government be unwilling to carry out our plan, we propose that the property in the McLoughlin Heights area be made available to us (a committee of veterans) financed by RFC, and we will agree to carry out this program or some similar program that could be agreed upon. We believe we could handle the entire plan more cheaply than the Government and charge a handling fee of about 10 percent plus 1 percent added for each calendar quarter until the sale is consummated. This additional 1 percent handling charge per calendar quarter would reimburse us for interest charged by RFC.

Example

FIRST QUARTER PERIOD, OR FIRST 3 MONTHS OF SALE

House	$650.00
Lot	147.00
Total	797.00
10 percent handling charge	[1] 79.70
1 percent handling charge	7.97
Selling price	884.67

SECOND QUARTER, PERIOD FROM 3 TO 6 MONTHS AFTER SALE OPENS

House	$650.00
Lot	147.00
Total	797.00
10 percent handling charge	[1] 79.70
2 percent handling charge	15.94
Selling price	892.64

[1] Handling charge covers the expense of plotting, land surveying, abstract or title insurance, communal buildings, and administration of the program.

The following statistical data from a recently completed survey of the city of Vancouver and its environs is given for your information:

Population of city of Vancouver	20,871
Population in housing areas adjacent to Vancouver	19,342
Total population of Vancouver and housing areas	40,213
Number of households planning to buy or build in or adjacent to the city of Vancouver before 1950	1,991
Total number who now live in public housing areas who plan to build	5,120

These figures are astounding and should cause a great deal of concern. It must be kept in mind that this survey does not include the 415,000 population of the city of Portland, Oreg., just across the river from Vancouver. If the ratio for new homes according to population were to run the same, there would be over 20,000 households planning to build in and around Portland before 1950.

One other fact must be taken into consideration. The survey only indicates the number planning to build and does not indicate the number of low-income households who would plan to build if they could afford to do so.

All these figures taken into consideration would indicate the tremendous demand for the McLoughlin Heights homes to be made available at low cost and also indicates the financial soundness for RFC support.

The plight of the occupants, the veteran, and the low-income group, who cannot afford to pay present inflationary prices, should be of the greatest concern to our Nation. Since there is a complete lack of an effective housing program for this group and our plan would in some degree alleviate this condition, we urge your utmost consideration and approval.

Respectfully yours,

JOSEPH H. SELLIKEN,
Committee Chairman, Portland, Oreg.

Fair Employment Practices Bill

EXTENSION OF REMARKS
OF
HON. ARTHUR CAPPER
OF KANSAS
IN THE SENATE OF THE UNITED STATES

Monday, March 1 (legislative day of Monday, February 2), 1948

Mr. CAPPER. Mr. President, I send to the desk, and ask unanimous consent that there be printed in the RECORD an able editorial which appeared in the Chicago Defender, under date of February 28, 1948, on Senate bill 984. In my opinion it has such merit that it should be brought to the attention of the Senate.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOOD BUSINESS SENSE

A group of distinguished business leaders, including the celebrated Nelson Rockefeller, Paul Hoffman, Beardsley Ruml, and Eric Johnston, called upon the Congress last week to pass the Ives-Fulton FEPC bill.

In a telegram addressed to Senator VANDENBERG and Congressman JOE MARTIN, the businessmen declared that discrimination in employment operates against the best interests of the country in that it results in an unsound use of manpower and retards the development of purchasing power.

Besides the purely economic reasons advanced by the business leaders, they charged that such discrimination is "undemocratic and inhuman, * * * that it weakens the position of the United States in the eyes of the world."

Realistically, they wrote: "In our judgment the Ives-Fulton bill if enacted into law will substantially advance the cause of nondiscrimination in employment. * * * We do not believe that passage of this bill will eliminate prejudice in America, but it will be an effective step along the road."

The sound, truly American position taken by these eminent leaders of business cannot be dismissed as an empty gesture made by soft-headed do-gooders. These men are realists who do not permit sentiments and emotions to influence their judgment. They know that job discrimination weakens the economic structure of our society and artificially circumscribes business opportunities.

The purchasing power of the Negro will be immeasurably increased when our workers enjoy equality of opportunity and this purchasing power will turn the wheels of business and industry. Business cannot prosper in the long run without adequate markets.

Today, despite the limitations imposed upon us, the annual purchasing power of Negro Americans is far greater than the annual income of many foreign countries where American business is now seeking to establish beachheads. These facts the business leaders know well.

The strong economic and moral arguments which were advanced last week by these businessmen should inspire the Congress to speedy action on the fair employment practice legislation. These arguments cannot be negated by the windy pronouncements of filibusterers who appeal to prejudice instead of reason.

Los Angeles City Council Endorses H. R. 4999 and S. 1988 To Clarify Title of Tidelands

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. McDONOUGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

OFFICE OF THE MAYOR,
LOS ANGELES, CALIF., *February 26, 1948.*

Hon. GORDON L. McDONOUGH,
Member of Congress,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN McDONOUGH: May I take the liberty of calling to your attention

the pending bills, S. 1988 and H. R. 4999, now before subcommittees of the Senate and House Judiciary Committees, which have for their purpose the declaration of title of the several States to the 3-mile marginal belt along the coast.

As you doubtless know, these so-called tideland bills are not merely of State concern, but of vital importance to Los Angeles and other port cities of California, as well as all cities throughout the country having property interests in harbors, or any tide or submerged lands and inland waterways. The recent decision of the United States Supreme Court has cast a cloud upon the title of the State of California in and to its tidelands and inland waters. The statement of the United States Attorney General that there is no intention to acquire submerged lands in ports, harbors, and rivers is no guaranty for the future. The legal principle being once established the United States Department of Justice may at any future time take improved city property just as is now being done with reference to lands seaward of the low tideline and within the 3-mile limit that has always heretofore been regarded as the property of the States. The city of Los Angeles derives its title to its harbor and its beaches from the State of California and with full reliance thereon has invested many millions of dollars in the development and improvement of Los Angeles Harbor, as well as its extensive beaches, and the future of these valuable public facilities is now in serious jeopardy.

The Council of the City of Los Angeles has adopted a resolution on this subject, a copy of which I enclose herewith. I fully endorse the resolution and ask that you give these bills your personal consideration and active support.

With sincere appreciation on behalf of the city of Los Angeles for your kindness in this matter, I am,

Sincerely yours,

FLETCHER BOWRON, *Mayor.*

Resolution urging the adoption by Congress of S. 1988 or H. R. 4999 or similar legislation

Whereas the State of California has heretofore granted to the city of Los Angeles all its right, title, and interest in and to all tide and submerged lands, whether filled or unfilled, within the boundaries of the city of Los Angeles; and

Whereas by the expenditure of many millions of dollars obtained from general obligation bonds of the city of Los Angeles and from revenues from the operation of Los Angeles Harbor in San Pedro Bay, the city of Los Angeles has created, built, and improved a large modern harbor which is devoted to serving the commerce of the United States, southern California, and the city of Los Angeles, and which is indispensable to the United States and the citizens of Los Angeles and southern California for purposes of national defense and the maintenance of a merchant marine; and

Whereas said Los Angeles Harbor is located upon tide and submerged lands in San Pedro Bay; and

Whereas the city of Los Angeles has expended large sums in establishing and maintaining public beaches and other public recreational facilities on tide and submerged lands within the city of Los Angeles in Santa Monica and San Pedro Bays, and has in contemplation a program of further extensive improvements and additions to such recreational facilities; and

Whereas the Supreme Court of the United States, in *United States* v. *California* (Original 12, October term 1946) has determined and decided that the State of California and its grantees do not own the marginal sea, lying seaward of the ordinary low water mark, exclusive of bays, harbors, and other inland waters; and

Whereas the Attorney General of the United States is now endeavoring by petition in the Supreme Court of the United States to establish that a large part of Los Angeles Harbor is not inland water, is not owned by the city of Los Angeles, and was not owned by the State of California; and

Whereas the Attorney General of the United States is now endeavoring by petition in the Supreme Court of the United States that Santa Monica Bay, seaward of the ordinary low water mark, may not be a bay or inland water, but may be within the marginal sea and hence may not be owned by the city of Los Angeles or the State of California; and

Whereas the Attorney General of the United States has refused to recognize any legal distinction between the rights of the United States in and to the marginal sea and in and to bays, harbors, and other inland waters, and hence has refused to concede that the State of California and its grantees are even the owners of bays, harbors, and other inland waters, though that question was not actually in issue before the Supreme Court of the United States in said proceeding entitled *United States* v. *California;* and

Whereas the ownership and use of a portion of the tide and submerged lands, heretofore used and occupied by the city of Los Angeles in the interests of commerce, navigation, and fishery, are jeopardized by the said recent decision of the Supreme Court of the United States, and the said petition of the Attorney General of the United States to have a portion of Los Angeles Harbor declared to lie within the marginal sea; and

Whereas a cloud upon the title of the city of Los Angeles in and to any and all of the tide and submerged lands lying within its boundaries, in both San Pedro and Santa Monica Bays, over which tide and submerged lands the State of California and the city of Los Angeles have exercised all rights of sovereignty, ownership, and control since 1850, in reliance upon decisions of the Supreme Court and acts and conduct of Congress and of departments and officials of the United States, has been created by the policies recently adopted by the Attorney General of the United States and by other Federal departments and bureaus; and

Whereas the future and further development and improvement by the city of Los Angeles of the tide and submerged lands within its boundaries in the interests of commerce, navigation, fishery, and recreation has been, and will continue to be, impeded and hindered, and local and civic interests have been, and will continue to be, adversely affected, until the uncertainties of title and ownership engendered by said decision of the Supreme Court and said policies adopted by the Attorney General and other Federal departments and bureaus have been dispelled: Now, therefore, be it

Resolved, That the Congress of the United States is hereby memorialized and earnestly urged to adopt and pass S. 1988 and H. R. 4999, being bills to confirm and establish the titles of the States to lands and resources in and beneath navigable waters within State boundaries and to provide for the use and control of said lands and resources, or similar legislation; and the Committee on the Judiciary of the Senate of the United States and the Committee on the Judiciary of the House of Representatives of the United States are hereby earnestly urged and requested to report favorably upon S. 1988 and H. R. 4999, respectively, or upon similar legislation; and be it further

Resolved, That Arthur W. Nordstrom, assistant city attorney, be, and he is hereby, authorized and empowered to represent and speak for this council and the city of Los Angeles in behalf of such legislation before said Committees on the Judiciary and any subcommittee thereof that may hold hearings relative thereto.

I hereby certify that the foregoing resolution was adopted by the council of the city of Los Angeles at its meeting held on the 10th day of February 1948.

COUNCIL OF THE CITY OF LOS ANGELES,
WALTER C. PETERSON, *City Clerk.*

Constantine Brown Scores State Department Policies

EXTENSION OF REMARKS
OF

HON. ARTHUR V. WATKINS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Monday, March 1 (legislative day of Monday, February 2), 1948

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very instructive and enlightened article entitled "State Department Scored for Patched-Quilt Policy," written by Constantine Brown, and published in the Washington Star of yesterday.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STATE DEPARTMENT SCORED FOR PATCHED-QUILT POLICY—ANALYST SAYS LEGISLATORS LACK CONFIDENCE IN EXECUTIVE BRANCH AND THE GULF BETWEEN THEM GROWS WIDER

(By Constantine Brown)

Never in the memory of old-timers in Congress—not even during the bitter debate on the Versailles Treaty—has there been a greater gulf between the legislative and executive branches of the Government.

At no time has there been greater lack of confidence on the Hill in the actions and activities of the State Department.

In the last 12 months Senators and Representatives have become more aware—and almost vocal—about the failings of the State Department, which in turn is irked by "indiscreet" questioning by Congress of its actions.

DIFFERENT DURING THE WAR

During the war Congress was acquiescent, resigned to voting anything the administration demanded without asking questions. When some "rebels" wanted to know the whys and wherefore of the executive branch's actions, they were answered with the statement that even communication of such explanations in executive sessions would be damaging to the conduct of the war and our relations with the other allies. The "rebels" had to let it go at that.

Today the United States has undertaken global economic obligations and regional political and military commitments greater than those assumed by the old Roman Empire. Yet the conduct of these affairs, which vitally affect every American, is in the hands of people who either are confused or uncertain over how to handle the ship of state in the world's present international tempest.

After the brilliant feats of American armed forces, we found ourselves at the end of 1946 in a situation which indicated clearly that although we had won the war militarily we had lost it politically.

Administration leaders realized full well that after having contributed to the war effort to the tune of about 1,200,000 casualties and more than $73,000,000,000 in lend-lease, UNRRA, and other help to our wartime associates, the American people would react unfavorably to another armament race leading to a probable third world war.

DECIDED TO BUY FRIENDSHIP

Because of a misconceived policy of appeasement toward Russia in the year following VJ-day it became obvious to most observers in Washington that we would not have peace in our time. Not daring to reveal the monumental diplomatic blunders committed between 1941 and 1945, the administration had to find a solution. The solution was to spend more of the taxpayers' money to buy friendship and thus stem the Soviet drive for world domination.

The top officials of the State Department decided to counter Moscow's drive by promising large amounts of goods, money, and raw materials to governments which would resist communism.

These policy framers had not progressed in their mental processes since World War I, when communism first made its appearance in many parts of Europe. At that time it was contended that poverty tended to breed communism and that nations which suffered privations adopted most easily the neo-Marxist doctrines of Lenin and his followers.

American policy framers and their advisers—young self-seeking career diplomats—refused to realize that Stalin had adopted a new brand of communism which was in no way different from nazism. They also realized that nations do not "go" Communist, but are coerced into the Russian fold by terroristic police methods.

In order to slow down Russia's march, it was proposed to spend billions of the taxpayers' money in all kinds of economic and financial schemes. But because of the fear of justifying Moscow's charges that we were warmongers and militant imperialists, there was a distinct reluctance to listen to experienced voices in Europe and Asia which said that a really strong American military force and supplies of military equipment for the nations on the periphery of the iron curtain would be as much help as food and machine tools for the peoples menaced by the Red avalanche.

It was only in the spring of 1947 that we decided timidly to support Greece and Turkey. The Truman doctrine, which clearly stated that America would assist those countries to maintain their sovereignty and independence, was the first practical approach to the problem. Later, in December, last year, the same promise was made to Italy in a somewhat nebulous statement from the White House.

But strange as it may seem to the man in the street, while we adopted this attitude toward Europe, we refused to extend it to the Far East, where Russian activities are as energetic as in Europe.

PRESSURED INTO AIDING CHINA

We promised the benefits of the Marshall plan to the 16 European nations, provided, of course, that they maintain their democratic forms of government. In regard to China, however, the State Department insisted after months of passivity that Generalissimo Chiang Kai-shek should include Communists in his government in order to get the full benefit of America's global bonanza.

Under pressure from Congress, the State Department produced a plan of assistance to China amounting to $570,000,000. But at the same time—while the matter was being discussed in Congress—America's Ambassador to Nanking, Dr. John Leighton Stuart, reiterated the demand that General Chiang should broaden the government by including some of the Moscow puppets. Dr. Stuart's statement is reliably stated to have been drafted in main outline—if not altogether written—in the State Department.

There is not a single top military man in the Department of Defense—and, for that matter, not a single realistically minded civilian entrusted with national defense—who is not convinced that China, and especially Manchuria, is of utmost military importance to the defense of this country.

The conduct of America's foreign affairs since last year has been in the hands of one of our ablest tacticians, General Marshall. But the fact that he is a distinguished tactician and logistical expert does not mean that he is also a far-seeing statesman. Although diplomacy and military strategy are interwoven closely these days, General Marshall's military training makes him an indifferent diplomat with a strong distaste for anything political.

Throughout the war—when General Marshall was a member of the Joint and Combined Chiefs of Staff—he tried to avoid participation in any discussions which were flavored with international politics. General Marshall accepted his first diplomatic job as Special Ambassador to China as a chore because his Commander in Chief demanded that he give up his retirement and attempt to settle the Chinese crisis, which some State Department experts ascribed to General Chiang's dictatorial ambitions.

General Marshall did not fare well in his first attempt at diplomacy because he had espoused the idea of the "experts," namely, that the Chinese Communists were mere agrarian "reformers," as they had been identified by State Department ideologists and "liberal" newspapers and magazines in this country.

However, the Secretary of State is not used to failure.

NOT USED TO FAILURE

General Marshall agreed to succeed Secretary of State Byrnes out of loyalty and obedience to the desires of his Commander in Chief.

It is probable that in his own heart General Marshall did not think he could do the job as well as he did his wartime job as Army Chief of Staff. He must have been aware that the conduct of America's foreign policies in the midst of Moscow's dark intrigues and conspiracies is the most difficult job any American citizen ever undertook in the history of the Republic.

As a military man General Marshall realized how little actual force we have to implement a policy of direct and forceful talk to Moscow. Because of this disadvantage he is compelled to accept the suggestions of a few advisers whom he chose when he went to the State Department and must follow a patched-quilt policy.

It is this lack of a "straight line," accompanied by failure to provide Congress Members with the vital information to which they consider themselves entitled, that has produced the gulf between the executive and legislative branches of the Government.

Connecticut Ranks High in New Who's Who

EXTENSION OF REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. SADLAK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article written by Sheldon Garber, United Press correspondent, pointing out that Connecticut has 76 out of every 100,000 residents included in the anniversary edition of Who's Who. This article appeared in the Hartford (Conn.) Daily Courant of Tuesday, February 24, 1948:

STATE RANKS HIGH IN NEW WHO'S WHO—HAS 76 OUT OF EVERY 100,000 RESIDENTS IN ANNIVERSARY EDITION

(By Sheldon Garber)

CHICAGO, February 23.—The editors of Who's Who in America issued their fiftieth anniversary edition today with a soothing word for readers not to feel too badly if they don't find their names in it.

The chances are you won't. The odds are better than 3,000 to 1 against you getting your name into the blue book of famous people, the editors said.

About 5,000 persons, including Crooner Frank Sinatra, actress Paulette Goddard, cowboy Roy Rogers, and radio's Mrs. Nussbaum, are among the newcomers who made the grade in the 1948–49 edition. More than 100 wartime officers of the various armed services were dropped because they "automatically" lost their prominence when they left service.

FORTY-ONE THOUSAND ONE HUNDRED AND NINETY-FOUR LISTED

Wheeler Sammons, publisher of Who's Who, got his name into the new edition. But he gave himself only 8 lines among the 41,194 famous persons the book lists.

The editors said graduates of small colleges have a four times better chance of getting listed than those of big colleges. An analysis of the vocations and professions listed disclosed 35 explorers, 7 bridge engineers, 8 diabetic specialists, 15 impressarios, 27 criminologists, 2 magicians, and 52 astronomers.

All the names that go into the book are "screened" by a five-man editorial board whose primary job is to see that the people are "not the best but the best known."

The oldest person in the book is 97-year-old Calvin F. Adams, a Massachusetts engineer. The youngest is 11-year-old Margaret O'Brien, Hollywood screen star.

The most space is given to Thomas J. Watson, president of the International Business Machine Co. It cost the publishers $50 to print his biography, taking 201 lines.

President Truman's data cost only $5 to publish.

Connecticut has the largest number for each 100,000 population listed in the new book, 76.3.

American Foreign Policy Respecting China

EXTENSION OF REMARKS
OF
HON. GLEN H. TAYLOR
OF IDAHO
IN THE SENATE OF THE UNITED STATES

Monday, March 1 (legislative day of Monday, February 2), 1948

Mr. TAYLOR. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD an article on our foreign policy in China by Alexander H. Uhl, which appeared in the newspaper PM on Sunday, December 21, 1947.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHINA: FOREIGN POLICY BY BLACKMAIL

(By Alexander H. Uhl)

WASHINGTON.—Despite the obvious reluctance of the State Department, the United States of America is now being driven toward an all-out policy of help to Chiang Kai-shek against the Communists with the possibility that within a matter of months new tensions will develop between the United States of America and the U. S. S. R. over China.

What has happened during the past 2 weeks is that by an extraordinary pressure campaign on the part of a few Republican Congressmen, plus an assist from the Luce publications, Secretary of State Marshall is being forced into a China policy contrary to his own recommendations and the advice of many China experts in his Department.

WHAT IT MEANS

The shift in policy—if the Chiang Kai-shek admirers have their way fully—means

not only economic help to the Nationalist Government, but military help in every phase needed to crush the Chinese Communists. This policy has long been opposed by China experts for two reasons:

That should the United States of America give all-out help to Chiang, the Russians are likely to retaliate by extensive help to the Chinese Communists. Should that happen the China problem by degrees may enter a phase directly involving the United States of America and U. S. S. R. in the Chinese civil war.

That the Chinese situation by its very magnitude and complexity is different from the situation in western Europe and that help poured into China under present conditions is a gross waste of American taxpayers' money for the benefit of a handful of Chinese profiteers.

HOW IT WORKS

The technique by which the Department has all but been stripped of its policy-making power so far as China is concerned might well be called foreign policy by blackmail.

It has been marked by State Department fear that if it did not placate Congress on China, its requested appropriations would be cut. And it has been marked, too, by a smear campaign against the China section of the Department with all but open accusations that Communists influence has been behind its decisions.

No one who has been at the hearings of the past week, particularly those of the Senate Appropriations Committee, could fail to be convinced that the Department was being bullied and threatened into a policy in which it has no faith. And that unless Secretary Marshall blows up, it will find itself doing things in which it does not believe.

TOP ACTORS

The two men who have played the most important role in this GOP foreign policy for China, are Representative WALTER H. JUDD, Republican, Minnesota, former missionary in China and long one of Chiang's greatest defenders, and Senator STYLES BRIDGES, Republican, New Hampshire, who has come along on the China ride somewhat belatedly but with considerable vehemence.

BRIDGES isn't even a member of the Senate Foreign Relations Committee.

Senator ARTHUR H. VANDENBERG, Republican, Michigan, who has long opposed the Department's China policy—he thinks we should help Chiang, too—has played a somewhat more modest role and has been willing to be more patient with Marshall than have JUDD or BRIDGES.

SOME MANEUVERS

It was JUDD who put through an amendment authorizing $60,000,000 for China in the House interim aid bill even though the State Department preferred to bring in a separate China program after the first of the year.

The Senate knocked China out of the bill, but Senator BRIDGES, as chairman of the Appropriations Committee, got it back to the tune of $20,000,000. He held a series of hearings that for a one-sided presentation of the case makes a first-class scandal.

He invited Lt. Gen. Albert C. Wedemeyer, author of the highly secret Wedemeyer report, to testify and got exactly what he wanted. Wedemeyer did not reveal his report on China, but he spared no pains to make it clear that he thought we hadn't been treating Chiang right and that we ought to be giving him military and economic aid as part of our stop-communism policy.

LOADED TESTIMONY

Then BRIDGES invited William C. Bullitt, former Ambassador to Moscow and an ardent supporter of Chiang, to testify. Bullitt reiterated much of what he wrote in his China article in Life, ending with sharp criticism of the China desk in the State Department and suggesting that a military man like Gen. Douglas MacArthur ought to be sent to China.

Finally BRIDGES invited Clare Booth Luce, president of the American China Policy Association, which follows the Luce line on help to China. Mrs. Luce couldn't come, being absent in California, but Alfred Kohlberg, chairman of the board of directors of the association, came, and turned out eminently satisfactory from BRIDGES' viewpoint.

THROW 'EM OUT

He accused some members of the China desk as being lovers of Moscow, but thought that everyone who didn't agree with an aggressive anti-Communist policy in China should be thrown out of the Department.

What was striking about these hearings is that none of the China experts in Washington who are strongly opposed to any more aid to Chiang, particularly military aid, was invited. The anti-Chiang side of the picture never even got a chance for a hearing.

There were hints, for example, that some malign influence had been working on the Export-Import Bank for its failure to attend to the $500,000,000 credit to Chiang earmarked more than a year ago for Chinese reconstruction.

WHAT IT'S ABOUT

Yet, apparently, it never occurred to BRIDGES to call representatives of the bank to say why they had not voted the loan, although it has long been known that they turned thumbs down on it because they saw no chance of ever getting their money back.

The State Department now finds itself caught between GOP determination to help Chiang on the military as well as economic front and its own concern over the wisdom of plunging again into further intervention in the Chinese civil war.

Behind this concern are two factors:

To talk about "working the Communists out of China," as Bullitt does, is no small-scale operation. That operation in Greece with its 20,000 to 25,000 guerrillas is proving a difficult enough task. But China represents even more than a localized civil war, since the Communists control territory in which there are perhaps 100,000,000 people.

Although the State Department admits that the Russians in all likelihood turned over captured Japanese weapons to the Communists, Secretary Marshall has insisted repeatedly that there is no evidence of any large-scale help to them.

BULLITT DENIES IT

This Bullitt denies, insisting that the Russians are now manufacturing and shipping arms and ammunition to the Communists.

At any rate what seems clear is that open American intervention on the side of Chiang may produce more open and more direct aid to the Communists by the Russians. In a competition of that sort there is no telling where it would stop.

Again, nationalist China has received about $3,000,000,000 in aid of one kind or another in the past 6 years, much of it since VJ-day, yet conditions in China today are admittedly deteriorating more rapidly than ever.

CORRUPTION UNIMPORTANT

Men like JUDD concede inefficiency and corruption in China, but contend that these are relatively unimportant before the fact that Chiang is firmly anti-Communist and therefore on our side.

Actually this has not been the only criticism directed against new aid to China. What has played an important role, is that Chiang by a campaign of terrorism has destroyed the Democratic League, the very group upon whom Marshall pinned great hope in a reorganization of the Chinese regime.

Probably the most striking example of the role of corruption is what happened to the $500,000,000 granted China in 1942 with virtually no strings attached.

SPECULATORS' FIELD DAY

Part of this loan was used to buy gold and it wasn't long before speculators were having a field day. When the gold was all but gone, the Government finally clamped down on any more sales.

Premier T. V. Soong was forced out of office on that deal, the head of the Central Bank was impeached and other officials were arrested. But the gold was mostly gone into private pockets.

The break-down in Nationalist morale has been so severe in the face of corruption that a considerable amount of the military equipment used by the Communists has been obtained from units outfitted and trained by the United States of America and there is real fear that new equipment may go the same way.

There is no doubt that the State Department would like to find some way of helping Chiang hold the Communists. Marshall, himself, has promised Congress a $300,000,000 program beginning next year, averaging $20,000,000 a month for 15 months.

ECONOMIC PROGRAM

This program was originally designed to be economic, and the big problem the State Department has been trying to solve is how to get it used constructively rather than be swallowed up by corruption and inefficiency. Now all the indications are that in addition, military help will be demanded by Congress and probably obtained.

Actually the State Department's throat was cut on its China policy by President Truman himself in his speech last March on aid for Greece and Turkey. With that clearly avowed anti-Communist policy, Chiang's supporters have been drumming steadily on the logic that if we help Europe to stem communism, we must equally help the Far East.

The result is that the basic problems of China—land distribution, usury and exploitation by war lords and landholders—are not even mentioned any more.

Wallace Acts for War

EXTENSION OF REMARKS

OF

HON. EDWARD J. DEVITT

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. DEVITT. Mr. Speaker, the St. Paul Pioneer Press for February 27, 1948, contained a splendid editorial entitled "Wallace Acts for War" which I submit for inclusion in the Appendix of the CONGRESSIONAL RECORD:

WALLACE ACTS FOR WAR

It is time to stop mincing words on this occasion of Henry A. Wallace's visit to the Twin Cities and to recognize bluntly that, judged by his acts, Wallace is for war.

He talks as plausibly for peace in our time as Neville Chamberlain did in 1938 at Munich. Many peaceful people want to believe and do believe that Wallace is serving peace now as Chamberlain was thought to be then. Wallace may even have convinced himself completely of the practicability of his methods, though it is hard to see how a mind trained in science and schooled in politics could be so naive.

But in reality Wallace's method, if followed, would lay the basis for World War III just as clearly as Chamberlain's in 1938 laid the basis for World War II. The method is the selfsame one of appeasement. Confronting democracy again is the force of dictatorship. The difference between aggressive communism and fascism is nil. Each concession given the one is being followed up by a new act of war, just as was the case with the other.

The Communists' seizure of Czechoslovakia is inherently an act of war now just as Hitler's seizure was in 1938. Russia's arming of the Greek Communists is incipient war. Appeasement with the Middle East's oil while this country and Britain and western Europe face an oil emergency would court war for that resource. And today's applause by Russia's fifth column of Communists in this and other democracies for each new concession to dictatorship that is put forward under the luring guise of peace is ominous, just as the similar applause of Hitler's fifth columnists in the democracies turned out to be an omen of war.

Henry Wallace is the Neville Chamberlain of world war III. He even has under his arm a deceptive token of peace to substitute for Chamberlain's umbrella, and this is the callow Senator GLEN TAYLOR, of Idaho.

And if the pooled political power of the Communists and the well-meaning but deluded pacifists of this country should be able to make appeasement the foreign policy of this country, the path to world war III would be opened. Perhaps even the time schedule of it could be foretold almost with the definiteness and accuracy with which Ambassador William E. Dodd once foretold from appeasement the coming of World War II. At the rate she now is traveling, Russian readiness appears less than a decade away.

And if war should come again as a result of appeasement, it would find Russia through her puppets astride the same resources in Poland, Rumania, Bulgaria, and Hungary that Hitler coveted and the Communist forces possessed of the same strategic assets in Czechoslovakia that Hitler won through appeasement. Due to the weakness of western Europe and Britain, and strife or weakness elsewhere, there would be no strong ally available for this country anywhere in the world. And the war that would sear the peaceful cities and lovely countryside of this and other nations would make even the scourge that appeasement in the 1930's turned loose on Europe and Asia look like a pink tea.

Regardless of Wallace's motives, that is the kind of fire with which he and his course of appeasement are playing for this country and the world. His words are those of peace. But his acts invite dictatorship to advance, as it just has advanced in Czechoslovakia, along the path to world war III.

Recipients of Earned Social Security Benefits Are in Misery Because of the High Cost of Living—Congress Must Provide Relief

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REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. VAN ZANDT. Mr. Speaker, when I first came to Congress in 1939 there was talk of amending the Social Security Act. While it is true that some minor changes were made in the law, we are still just talking about the major amendments that will bring needed relief to millions of recipients of earned social-security benefits.

Mr. Speaker, since 1939 we have heard the excuse that delay is necessary in order that certain committees should study the subject. We have had the excuse that a board of actuarial experts similar to those employed by insurance companies should study the financial structure of the social security fund and the possible impact of such amendments.

We have been told in the name of economy it has been necessary to postpone liberalization of benefits under the Social Security Act. This waiting policy has long run its course and the American people are sick and tired of such dilly-dallying over a matter that concerns the health and welfare of millions of our citizens.

We, in the Congress of the United States, should be ashamed of our actions in pouring out billions of dollars to foreign nations, while we turn our backs to the needs of our fellow Americans, who, by the sweat of their brows, have made this Nation possible. These same American citizens contributed to the prosperity of our Nation only to witness it being dissipated by international hand-outs to foreign nations without any hope of a dollar ever being repaid.

Approximately 2,000,000 persons are receiving benefits under the Social Security Act. There are 875,000 retired workers over 65 years of age, who get approximately $25 a month. Two hundred and seventy thousand of their wives receive a half allowance, or about $13 a month. Thus, a man and wife receive about $38 monthly.

There are 135,000 widows with young children who receive $20 monthly; 165,000 aged widows of deceased workers get $20 a month; 10,000 aged dependent parents receive about $13.50 a month; 525,000 children of deceased workers get $13 a month.

We have been told time and again from this floor of the sufferings of people in Germany, Korea, France, Italy, England, and other foreign nations. We have had Members of Congress tell us that foreign citizens were not obtaining sufficient food to provide the necessary calories. What about our own American citizens?

Let us forget about the rest of the world for a moment and devote our attention to the plight of the average retired citizen, who is receiving earned social-security benefits. If you consider the average retired couple in your congressional district, you will find that they are receiving on an average of $38 monthly. Let us ask ourselves, in all sincerity, Could my mother and father exist on $38 a month in the face of present living costs? The answer is so obvious that even a school child of tender years can reply to such a question.

Let us consider the widowed mother and the $20 monthly she receives under the Social Security Act. Who in this Congress will deny the fact that a person cannot live on $20 a month? Many are in ill health by reason of age alone and their plight is rendered more serious on that account.

A recent Government report states that only 1 out of 10 Americans past 65 has enough independent income to live. Ten million Americans are past that age. Some are supported or aided by relatives. The report says 3,500,000 have to keep on working.

We could discuss at length the misery and suffering that is being borne with patience and fortitude by the elderly citizens of America. However, there are two age-old sayings, "Talk is cheap," and "Actions speak louder than words." These eternal truths should be borne in mind as we study the attitude of Congress with respect to the need of amending the Social Security Act.

All we have heard is talk during the past several years when it concerns amendments to the Social Security Act. As evidence of our failure to act, it is a known fact that each succeeding Congress has witnessed the introduction of dozens of bills that year after year die in committee. At the moment there are numerous bills in the House Committee on Ways and Means, designed to amend the Social Security Act. It is the same old story, we must make a study of the situation and consult actuarial reports. Delay. Delay. Delay. It is the only answer we get.

Mr. Speaker, I propose to do something practical about this situation. For that purpose, I have introduced a bill, H. R. 5636, embodying two simple amendments, not over six lines in length that will do a world of good in providing welcome relief to millions of recipients of earned Social Security benefits.

My bill is a short cut, providing definite and speedy relief, whereas cumbersome omnibus bills languish and eventually die in committee, with the result that such action shatters the confidence and hope of millions of good American citizens.

The first amendment increases the amount a retired person may earn while receiving earned Social Security benefits. Under the existing law, a recipient who earns over $15 monthly in outside employment is denied Social Security benefits. I propose to increase the amount he may earn from $15 to $40.

I am informed by the Social Security Board that this particular amendment will have little effect on the social-security fund. In fact, it will permit retired persons to receive earned social-security benefits and augment the amount received by securing part-time employment. The net result is to contribute to their health and well-being by building up their morale and self-respect. The Social Security Board informs me that such an amendment will result in no more than 3-percent increase in the total disbursements of the social-security fund.

The second amendment contained in H. R. 5636 revises the benefit formula in the following manner. At the present time, when an employee retires his benefits are computed by taking 40 percent of the first $50 of his monthly wages and 10 percent on the remainder, with a percentage of the total credited for his years of service.

My amendment changes this formula to allow 40 percent on the first $100 and 10 percent on the remainder with the

percentage now added for years of service remaining the same as under the existing law.

As an example, let us consider the case of a retired employee, who has an average monthly salary of $200 and who has been employed for 10 years.

Under the present formula, 40 percent of the first $50 provides $20 and 10 percent on the remainder an additional $15, making a total of $35. His 10 years of service is credited at 1 percent for each year or 10 percent, which amounts to $3.50 additional. This retired employee receives as benefits $38.50 monthly.

By comparison, my amendment would give this employee 40 percent of the first $100 or $40, plus 10 percent of the second $100 or $10, making a total of $50, to which 10 percent is added for his 10 years of service, making a total of $55 as his monthly benefit.

I am inserting at this point in my remarks a table of benefits, illustrating the effect of my amendment as compared with the amount received as benefits under the present law.

Average monthly wage	Basic benefit			10 years' coverage			20 years' coverage		
	Present law	Proposed revision	Increase	Present law	Proposed revision	Increase	Present law	Proposed revision	Increase
$100	$25	$40	$15	$27.50	$44.00	$16.50	$30	$48	$18
$150	30	45	15	33.00	49.50	16.50	36	54	18
$200	35	50	15	38.50	55.00	16.50	42	60	18
$250	40	55	15	44.00	60.50	16.50	48	66	18

The above table shows the increases in the benefits for the retired workers, which will be about $16 for the majority of the retired individuals at present, although averaging probably about $13, because of the fact that some persons have wages below $100 or have been in the insurance system less than 10 years. Likewise, increases will be made for eligible wives of retired workers, amounting to about $7 on the average. Also, the change in the benefits will be passed on to the survivor beneficiaries, with the increase amounting to about $7 on the average for the eligible children, and to about $10 for the widow beneficiaries.

Mr. Speaker, having introduced these amendments, I want to emphasize that the cost is negligible and that the impact on the social security fund will be at a minimum.

According to the Social Security Board, there are adequate funds available and no increase in payroll tax will be necessary in the future to cover the cost of these amendments.

The present rate of pay-roll tax, based on wage levels today, is producing an annual income to the social-security fund, far in excess of the cost of present-day benefits, including the cost of my amendment.

I am inserting, at this point, a table furnished me by the Social Security Board, showing transactions for the period 1941 to 1947, inclusive. The table is as follows:

TABLE 5.—*Operations of the Federal old-age and survivors' insurance trust fund, fiscal years 1941–47*

[In millions]

Fiscal year	Fund beginning of year [1]	Transactions during year							Fund at end of year
		Income			Disbursements				
		Total	Appropriations [2]	Interest on investments	Total	Benefit payments	Administrative expenses	Net increase in fund	
1941	$1,745	$744	$688	$56	$91	$64	$27	$653	$2,398
1942	2,398	967	896	71	137	110	27	830	3,227
1943	3,227	1,218	1,130	87	177	149	27	1,041	4,268
1944	4,268	1,395	1,292	103	217	185	33	1,178	5,446
1945	5,446	1,434	1,310	124	267	240	27	1,167	6,613
1946	6,613	1,386	1,238	148	358	321	37	1,028	7,641
1947	7,641	1,623	1,459	163	466	426	41	1,157	8,798

[1] Totals shown in this and other columns do not necessarily equal the sum of rounded components.
[2] Include 100 percent of contributions which are automatically appropriated to the trust fund, and reimbursements equivalent to any additional payments arising from the extension of survivors insurance protection to certain veterans of World War II (Social Security Act amendments of 1946).

You will observe that the net funds on hand at the end of the fiscal year 1941 amounted to $2,398,000,000. Each year there has been a steady increase, with the result that at the close of the fiscal year 1947, after all expenses were paid the social-security fund amounted to $8,798,000,000.

Mr. Speaker, as I said in my opening remarks, it is necessary that we do something immediately to relieve the suffering and misery of those receiving earned benefits under the Social Security Act.

The cost of my proposed amendments is about 3 percent of the billions of dollars unexpended in the social-security fund. My amendments will add nothing to the national debt and requires no increase in taxation from any source.

Here is an opportunity for us to do something for millions of our own American people. We have spent months pondering over the plight of foreign nations and, with Congress adjourning in June, we should move immediately to consider our own people without any further pussyfooting or side-stepping.

We have granted retired civil-service employees increased benefits. The retired Army and Navy personnel have received similar increases. At the moment we are considering increases in salaries for postal employees and other Federal employees because of the inability of these groups to meet present-day living costs.

The recipients of earned social-security benefits and those receiving old-age assistance through the various States are the victims of our neglect.

I hope that action will be taken in the various States to increase old-age assistance benefits and that our Federal Government will sanction such action by increasing Federal appropriations to the several States for that purpose.

At the moment we have an opportunity to consider my amendments as the first step in liberalizing social-security benefits to those who have earned them by reason of their employment.

I sincerely hope that all of you will join me in getting prompt action for this group of forgotten Americans.

Six Months of Taft-Hartley

EXTENSION OF REMARKS
OF
HON. ROLLA C. McMILLEN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. McMILLEN of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial:

SIX MONTHS OF TAFT-HARTLEY

Congress enacted the Taft-Hartley labor relations law over the Presidential veto in late June 1947, and a considerable section of organized labor immediately denounced the law as a "slave labor" act.

Six months later the opposition of organized labor has subsided to some extent although the legislation is an issue in various congressional primary elections. There is less public sympathy for the opposition chiefly because the dire predictions of labor leaders have failed to materialize.

Meanwhile the law seems to be working. Various provisions are being tested in the courts, the usual democratic procedure in such cases. The labor unions have been doing some housecleaning. Communist influences have been ousted and the unions are working to eliminate jurisdictional differences among themselves.

Strikes are at a record peacetime low for a dozen years and secondary boycotts have declined. Although certain union labor leaders protested that the purpose of the Taft-Hartley law was to break the unions, no victim has been reported.

In fairness it must be noted that the law has been in effect during the season of the year when strikes are infrequent. Various strikes have been threatened later in the year. And many union contracts were signed in advance of the effective date of the Taft-Hartley law. A considerable body of organized labor is employed under contracts which do not embody the provisions of the new act. Furthermore, certain unions are working without contracts, and so are beyond the jurisdiction of certain provisions of the Taft-Hartley law.

Another reason, and a good one, why employers and unions seem to be getting along these days is that they are feeling each other out while, at the same time, they wait for interpretation of the courts and by Government agencies.

Altogether the labor situation is hopeful. The Taft-Hartley law is not perfect legislation and there must be changes in some major provisions. Those changes will come as a result of court decisions and of experience in applying the new law to actual conditions.

Report on Fuel Conditions in Massachusetts

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, March 1, 1948

Mr. HESELTON. Mr. Speaker, under leave heretofore granted to me, I wish to extend my remarks in the Appendix of the RECORD to include a current report on fuel conditions in Massachusetts, under date of February 27, 1948, from George F. Hines, special representative of the Commonwealth of Massachusetts.

In general, you will note not only the optimism expressed in the report but also the note of caution in the third paragraph, which I repeat for emphasis:

It is the considered opinion of all dealing directly with the situation that while another severe or prolonged cold spell will immediately create another critical shortage, the emergency will not be so widespread, not involve so many consumers, and be of shorter duration.

I also wish to emphasize the following paragraph:

The principal danger spots at the moment are the Fall River area, north of Boston, and the western part of the State, but these sections are receiving special attention.

As I have reported, there has been some real concern about the so-called spot shortages in the western part of the State, but there has been excellent cooperation and a minimum of real hardship. I sincerely hope that will continue.

Finally, I call your attention to the opinion expressed that the supply of gasoline is going to be short this summer. This is a matter which, I think, deserves immediate attention and constructive effort, and I propose to get all the available facts for your consideration just as soon as possible.

COMMONWEALTH OF MASSACHUSETTS,
OFFICE OF SPECIAL REPRESENTATIVE,
Washington, D. C., February 27, 1948.

REPORT ON FUEL CONDITIONS IN MASSACHUSETTS

Congressman JOHN W. HESELTON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN HESELTON: Massachusetts has passed through the worst period of this winter's fuel shortage in the opinion of George Rockwell, State emergency fuel coordinator and his staff of volunteer area and local coordinators and oil-industry advisors.

The recent 10 days of mild weather was most helpful in relieving the extremely tight and constant demand for emergency supplies and the splendid team work built up between suppliers, distributors, and local cooperating agencies has enabled the State to catch up a little on the problem.

It is the considered opinion of all dealing directly with the situation that while another severe or prolonged cold spell will immediately create another critical shortage, the emergency will not be so widespread, not involve so many consumers, and be of shorter duration.

The large independent distributors, who have been the cause of principal concern throughout the last 2 months, are now in better shape, at least temporarily, as the result of help received from the large suppliers. On this top level the only problem that remains is to provide these distributors with regular sources of supply.

The State Fuel Co. is O. K. to March 3 on kerosene and to March 10 on No. 2. The White Fuel Co. has been able to borrow considerable quantities of both kerosene and No. 2. Hartols tanker has arrived.

Generally speaking, supplier and large distributors report that their stocks are at low levels because the mild spell has permitted them to increase the amounts in householders' tanks a little higher than the dangerously low levels under which they have been operating for the past 6 weeks.

In other words, the big fellows have pushed out their stocks into the consumers' tanks so that they have slight reserves to meet any sudden sharp drop in temperatures. All dealers are trying to build up their in-stock positions. On the consumer levels the situation changes every day. Emergency fuel coordinators still are receiving emergency calls, but not so many.

Kerosene continues to be the most critical shortage and the most dangerous. Through March and April, when the weather moderates and the consumption of No. 2 declines in homes a further increased demand for kerosene is expected as householders shift from their central heating plants to keeping the chill out of the houses by running their kitchen kerosene ranges.

In Boston all kerosene users are being adequately supplied and every consumer has "got by." Emphasis has been placed on providing kerosene for the poorer sections of greater Boston and the other large cities. In this connection the bank of emergency supplies made available to the fuel coordinator by the large suppliers has been a great help.

To summarize: Massachusetts has successfully met this crisis so far with no householder reported cold. No relief stations have been established, and there have been no Red Cross alerts, but on several occasions distress has been avoided by very narrow margins. The danger is not yet over. The return of extremely cold weather will immediately precipitate another crisis, but everyone is hopeful that with the approach of spring further drastic steps will not be necessary.

To show how critical the situation was, one incident is related. A family in Wellesley was completely out of oil and no immediate relief was possible for a few days. The Wellesley volunteer fuel coordinator invited the distressed family over to his home to spend the week end.

The principal danger spots at the moment are the Fall River area, north of Boston and the western part of the State, but these sections are receiving special attention.

On the whole Atlantic coast, stocks of both kerosene and No. 2 are still very low. Suppliers are borrowing well into March stocks and depending on more moderate weather to see them through. Reports of spot hold-up prices continue to be received in Washington of small dealers charging 48 cents for kerosene in Baltimore and 35 cents in Detroit, but these are quite unique. One of the remarkable phases of the entire country-wide shortage has been the relatively small amount of chiseling on prices.

It is reported here that Michigan, Wisconsin, and Minnesota are still very short areas. Considerable quantities of oil have been shipped by the long-rail haul from west Texas, Kansas, and Montana into the upper Middle West, and there has even been all-rail shipments of oil from Oklahoma to New England. In most cases the companies are taking a licking on this long, all-rail movement of tank cars.

Appeals for users of heating oils to continue to conserve are still being made. At the moment the country's supply of available gasoline is as good as last year, although there is every evidence that the supply of gasoline is going to be short this summer.

In Massachusetts discussions are being held as to how long it will be necessary to maintain the emergency fuel coordinator's organization. No provision has as yet been made to maintain a permanent State or local set-up to plan for the gasoline shortage expected late this coming summer or for next fall when it is expected heating oils will be as short as they are in the winter now ending.

I hope this information is of assistance to you.

Yours very truly,
GEORGE F. HINES,
Special Representative.

How To Write Your Congressman

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, March 1 (legislative day of Monday, February 2), 1948

Mr. WILEY. Mr. President, the March 1948 issue of the magazine, Successful Farming, the magazine of farm business and farm homes, contains an article which I prepared on how American farmers should write their Congressmen. In this article I presented certain suggestions which are applicable not only to farmers, but to all other groups, in presenting suggestions and requests for assistance to their legislators.

I ask unanimous consent that the text of this article be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO WRITE YOUR CONGRESSMAN—OUR UNITED STATES LEGISLATORS NEED YOUR HELP IN SHAPING THE NATION'S POLICIES; HERE'S HOW TO WRITE YOUR CONGRESSMAN

(By the Honorable ALEXANDER WILEY, United States Senator from Wisconsin)

The voice of the American people is expressed in the form of hundreds of thousands of letters which find their way to the desks of United States Congressmen each year. The messages are varied. They range from personal inquiries to expressions of views on current legislative questions.

As efficient congressional letter-writers, farmers hold their own, or beat the best records of any other group in the country. Occasionally, however, we receive a letter such as the following one, which was written by a Georgia farmer to his Senator:

"STONE MOUNTAIN, GA.

"Hon. RICHARD B. RUSSELL,
"Senator of Georgia.

"DEAR SENATOR: I wrote to you for some information on medicinal herbs and you have sent me a whole batch of bulletins on chicken raising. I know all I want to know about chickens; what has chickens got to do with medicine herbs?

"On March 18, 1894, 44 years ago, I wrote to my Congressman for information on pecan trees and their care, and he sent me bulletins on Belgian rabbits and guinea pigs. What

has rabbits and guinea pigs got to do with pecans?

"I am an old man, 72 years old. Old enough to know better than to write to a Senator or Congressman, but I heard such a nice talk over the radio during the Home and Farm Hour that in a moment of weakness I sat down and wrote to you for which I most humbly beg your pardon for bothering you. I did not want bulletins about chickens. I am so disgusted and outdone. Two times, 44 years apart, I get the same kind of a deal. Serves me right.

"Thank you? I haven't anything to thank you for; there are seven votes in this house and we have made it a rule not to miss a chance to vote on important Government or State elections.

"Respectfully.

"Only two times in all my life did I ever write to a Congressman or Senator."

Most farmers who write their Congressmen have much better luck than our Georgia friend did, for Congressmen who don't correspond with their constituents efficiently don't continue in office long.

Moreover, farmers do place a much higher value on letter writing to their legislators than did this particular fellow. Farm people are becoming more aware of the fact that letter writing to the United States Congress pays off in advancing the welfare of American agriculture as a whole, and in protecting their personal interests.

Around 300 letters reach my desk daily from farm people alone.

Of course, we can't answer all these inquiries—and, believe me, they come in on every subject. For instance, you'll get a kick out of this letter which Representative HOMER D. ANGELL, of Oregon, received:

"DEAR SIR: I thought I would write you this letter for it is very important matter to take up in Congress. You see it like this. I would like to get marry and I cannot get a wife so I thought I would write to you to see if you could help me out and get a wife.

"I am a young man about 40 years old and have not been marry, it seem that I cannot get a wife. I would like to get a wife about 21 or 24 years old. I am a signel man and I want home and have a family. It would be kind of you to help me out very much.

"Sincerely."

Do you see what I mean?

IMPORTANCE OF CORRESPONDENCE

I have operated a dairy farm in Barron County, Wis., for over 30 years, which is a lot longer than my 8 years in the United States Senate. From experiences on the farm and in the Congress, I am particularly interested in seeing to it that there is even closer contact between the men who work the soil and their elected representatives.

I well remember how, back in the 1930's, Wisconsin farmers were getting 90 cents per hundredweight of milk, which cost them $1.80 per hundredweight to produce. I remember the disastrous foreclosing of mortgages on countless farms. Those times must never come back.

One of the factors which will help guarantee against situations like this is capable letter writing of American farmers to their legislators—helping to assure Congress' understanding of the farmers' problems.

KINDS OF CORRESPONDENCE

We might note that there are two principal kinds of farm letters to Congressmen:

1. In the first or departmental type, the farmer asks specific assistance from the legislator for the purpose of getting something done at a Government agency.

The farmer may write, "Please contact the Veterans' Administration to speed up their handling of my application for a farm loan," or "Please contact the United States Tariff Commission and find out what's what on discussions of tariff reduction on these agricultural products." This kind of question involves work of some Government bureau.

In departmental correspondence, you can also include farmers' requests to their legislators for agricultural yearbooks, for farmers' bulletins, or for applications for fish planting.

2. In the second, or legislative type of letter, the farmer isn't asking for specific assistance from some Government agency, but is presenting his views on a current affair or bill. He may write, "Please vote for the Smith amendment to the Jones bill for the raising of parity prices," or "Please vote against S. 1000, which would impose needless restrictions on soil-conservation funds," or "Please vote against the nomination of Mr. John Jones for the farm post."

Through correspondence such as this, a Congressman can get a fair view of how the folks back home are thinking on matters of national interest.

HOW TO WRITE GOOD CORRESPONDENCE

How can you be sure you are writing good letters to your Congressmen, and how can you improve on them? There are certain standards you might follow in sending either a departmental or a legislative letter.

The standards are quite simple, and are already quite universally followed, with some exceptions. Here they are:

(1) Correct addressing: Your letter should be sent to either of your two United States Senators, or to the Representative from your home district—particularly if you are writing for some specific assistance. Of course, if you are writing on a national problem, you have every right to express your views to out-of-State legislators; however, your views probably will carry more weight with your own legislators.

We might note, too, when writing on a purely State-wide problem, that some folks misaddress their letters by sending them to their United States Senator, instead of to their State senator in the State capital. Your United States Senators are located in the Senate Office Building; your Representatives in the House Office Building. When addressing them there, it is helpful to include the postal zone: Washington 25, D. C.

If you are writing your legislators during a period when you know Congress is not in session and your Congressman is probably home, you can address him at his home office. It is important to note, however, that part or all of congressional office forces usually remain on hand in Washington, whether or not Congress is in session, and whether or not the Congressman is in the Capital. These office forces will be ready to assist you at all times.

When you want Government information only, write to the United States Information Office, 1400 Pennsylvania Avenue NW., Washington 24, D. C.

(2) Legibility: Most letters are quite readable. They are typed, or the penmanship is fair, words are not crowded, and there is plenty of paragraphing. Now and then, however, a letter comes in which can't be answered because the writer's handwriting is illegible; his address is scrawled, and his sentences look like a spiderweb of crisscrossing.

Congressmen don't ask you to write a penmanship masterpiece, but since they do have to read so many letters, legibility becomes an important factor in helping them to help you.

(3) Brevity: There are very few farmers who have to be told to keep their letters brief because, obviously, they have enough to do on the farm without writing long-winded communications to Washington. Most of them condense their thoughts in letters very well, often putting a two-three word digest in the upper right-hand corner of the letter, such as "Subject: Defeat S. 400, Kennedy bill."

Still, some folks do become involved in telling irrelevant stories of their Aunt Emma and of Uncle Pete, which are a long way from the subjects they have to discuss with their Congressmen.

(4) Completeness. Be sure, however, to include all pertinent facts, such as the history of your effort to get satisfaction from some Government agency, dates on which you wrote the agency, to whom you wrote, replies you received. Don't send original copies of important documents or other correspondence unless it is absolutely necessary. Copies should be sent instead. Congressmen can't be expected to return material.

LEGISLATIVE LETTERS

There are certain rules which especially apply to writing legislative letters. Here are a few:

(1) Keep them friendly. "Of all the stupid, blankety-blank actions I have ever heard a Congressman take, yours wins the rotten cake." That might be the way you feel about your Congressman, but it would be best to restrain your feelings, and write him in as respectful and calm a manner as possible.

This does not mean that you should not be frank; on the contrary, Congressmen appreciate blunt, straight-shooting talk. But they don't appreciate the nasty letters which a handful of folks write to them. Actually, when a writer gets excited, he limits the effectiveness in presenting his case to his Congressman.

(2) Keep them personal. Instead of using "canned" thoughts supplied by various organizations, the farmer should write about his own experiences in a personal way, straight from the heart.

"Here is the picture of how the farm-labor shortage and the machinery shortage is hurting production on my 600-acre farm. I have one hired man where I used to have four. My wife and three children help me out all they can, but we are way behind in our work, and our health suffers because of the burden."

A legislator can understand these facts, and they mean more to him than all the high-falutin', impersonal talk that some organizations mistakenly advise.

(3) Be reasonable. The farmer should present the facts behind his suggestions, rather than simply stating, "Do this" or "Vote this way" or "Protest this action." The legislator will listen if there is a good basis for your suggestion.

(4) Be timely. Many folks unfortunately send their letters in too late. When an important bill is coming up, farmers should make certain that their letters will arrive in time.

This does not mean sending a telegram or air-mail special delivery long before a bill comes up. An ordinary letter, well timed, is better than these expensive rush forms. So follow newspaper, magazine, and radio reports to learn when things will break in Washington, and then act accordingly.

(5) Follow up on your letter. Analyze the answer that your Congressman makes to your letter. Sometimes if many other farmers (and possibly city folks) have written in to him on the same subject, he may have to use a mimeographed-form response. You shouldn't mind this because, on the whole, Congressmen like to use form letters as little as farmers like to receive them, but often they are necessary.

When you receive a reply, ask yourself if the Congressman answered the questions you raised, or if he listened to your point of view with understanding.

In his reply, the Congressman may not be able to indicate a final commitment on the bill you asked him to support. This does not mean that he is hedging. In fact, a noncommittal answer may be the best for all concerned.

It is foolhardy for the legislator to give a blanket endorsement to any subject which is still in committee, and which may be amended there beyond recognition, or which may be vastly revised on the floor of the Senate or House.

Many farmers, in writing their legislator, say, "You needn't acknowledge nor answer this letter because I know you're busy. It is your action that counts, and I'll be following it."

This is a wise point of view because it is the action that the legislator takes and the reasons for it that really count more than an answer in words alone. So follow up on the results of your correspondence by watching for the roll-call votes on measures, and the reasons your Congressman gave for voting the way he did. If you like his vote, tell him so; if not, don't hesitate to advise him accordingly.

When the farmer writes his Congressman, he helps himself, the Congress, and American agriculture.

The Public Share in Indian Assimilation

EXTENSION OF REMARKS

OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. MILLER of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by William E. Warne, Assistant Secretary, Department of the Interior, before the annual meeting of the Home Missions Council of North America, Inc., Buckhill Falls, Pa., January 6, 1948:

The avowed objective of the Indian Service of the Department of the Interior through the years has been to work itself out of a job. Within the last year the committees of the Congress which are concerned with Indian Affairs have expressed some doubts whether the controls were being released rapidly enough. To reaffirm this policy of releasing Indians from Government supervision, the Congress made substantial reductions in funds appropriated for this fiscal year for Indian administration at all levels of the service.

My direct connection with Indian problems dates from last July 1, when I became Assistant Secretary of the Department of the Interior, in general charge of the Office of Indian Affairs, among others. As it happened, the drive to reemphasize the withdrawal of the Indian Office coincided with my entry on new duty, though there was no other relationship between the two events. Nevertheless, the United States has before it, posed anew, the question of its treatment and relationships with the Indians.

Government management and leasing of Indian property were based on the assumption that Indians lacked the experience to compete with whites in handling their own affairs in our economy. Money from these operations have remained in restricted status. I am sure that this is one of the greatest causes of Indian resentment at Federal supervision, and rightly so. It has been increasingly clear that the Indian field service has been reluctant, perhaps because of imposed regulations, to relinquish control over funds of individual Indians, as rapidly as the increasing competence of Indians should have dictated. One result of the current cut in administrative funds has been that we have had to withdraw much of the supervision of individual funds and individual leasing of land that was formerly exercised by agency officials. The suddenness of this transition will work to the disadvantage of some Indians, but the change as a whole is a move in the right direction.

Wholesale and indiscriminate relinquishment of Federal responsibilities for the protection of Indian property rights is not justifiable, however, and would be dangerous to the Indians. Many critics fail to discriminate adequately between those Indians who have progressed a long way toward assimilation, and those like the Navaho, Apache, and Eskimos who have as yet had little opportunity for association with non-Indians. As a matter of fact, it is easy, when discussing Indians in Oklahoma, to be so impressed with the economic and political competence of many representatives of the Five Civilized Tribes as to forget that there are several thousand members of these same tribes isolated in 100 percent Indian communities in the eroded Cookson Hills, and in eastern McCurtain County who speak very little English, and who a few years ago had an average net annual cash income of $54 a year.

Haste would make waste of many an Indian patrimony. The Indian Office should promptly and finally wean the competent Indians, but the Nation must not wean the starvelings among this Indian brood. They must first have an adequate economic foothold in modern society, or they will be lost.

An increasing number of Indians each year are drifting from the reservations into urban life and industrial employment. I am sure that this movement could be greatly accelerated if the public played its part in welcoming these graduates into economic and social equality. These phases of Indian assimilation are at present largely outside the scope of the Federal Government's efforts. But here in this movement lies the final answer for most of the Indians themselves to the age-old problem that we and our ancestors have created by occupancy of this great and beautiful land.

At the close of the Indian wars, treaties were drawn providing for the ceding of Indian lands and the education and civilization of the Indians. Many of the eastern tribes gave up all of their lands and accepted land set aside in a vague Indian territory west of the Mississippi.

Most of these tribes were partially adjusted to non-Indian ways of earning a living, and had long since given up any active opposition to the Government, or to their white neighbors. This was not so of many of the Plains Tribes, however. The peace treaties with the Sioux, the Blackfeet, the Shoshone and their plains neighbors provided that the leaders of these tribes would keep their members within the borders of the reserved lands. The Government also agreed that the Army would keep non-Indians out of these areas. The letter and spirit of these treaties were often broken by the whites, but until about a dozen years ago the regulations of the Indian Office still provided that Indians might not leave their reservations without permission from the superintendent. Actually, these regulations were seldom enforced, but they remained in the book.

Today, any Indian in the United States is as free to come and go as is any other citizen. Many of the rights of citizenship that are only spottily accorded to Indians, such as the right to vote in the States of Arizona and New Mexico, and throughout the South, and the right to receive social-security benefits are outside the jurisdiction of the Indian Office and the Department of the Interior. These are matters which rest on State laws and public attitudes.

The vast field of law and order presents another problem. In early days, Indian tribes were classified as dependent nations. Each had its own recognized customs and regulations governing personal and tribal conduct.

Onto this structure of local law and order was placed the Federal definition of offenses which must be punished by the white man's code, murder, rape, etc. A limited corps of Federal enforcement officers was created. The enforcement of the Indian liquor law came in time to occupy much of the attention of these agents.

The Indian Reorganization Act gave a well-defined place in Indian self-government to the enforcement of law and order. Tribal councils were recognized as competent to enact regulatory ordinances and fix penalties; tribal courts were reinforced; and the tribes were encouraged to employ law-enforcement officers. Many tribes have established effective local systems of law and order on their reservations. In areas where there is still operating an effective body of tribal lore and custom, this is probably as it should be. There is just as much reason to permit the passage and enforcement of local regulations in an Indian community as in any other American town or community. The Indians because of their peculiar legal status in the national life derive much of their authority for local self-government by inherent right, as distinguished from cities which are chartered by the States, but the powers exercised by the tribes and by cities are similar.

There are many reservations, however, on which Indian customs are no longer strong. The Indians live side by side with non-Indians, and to all intents and purposes are fitting into the general culture pattern. In many of these areas there is no interest on the part of the Indians in setting up and operating a tribal code or tribal courts. Their right to do so is sometimes used as an excuse to interfere with the enforcement of local law upon restricted Indian property. The Indian Office recognizes this situation and has for a decade prepared legislative proposals that would permit State law enforcement agencies to assume the responsibility in many parts of the country. Legislation transferring the responsibility has already been enacted for Kansas and for one reservation in North Dakota. It is our belief that similar legislation should be passed at an early date for the Indians residing in California, Minnesota, Wisconsin, Iowa, and some other States.

Indians, when they leave the reservation, are subject to the laws of the State and the community in which they live. They are entitled to no special consideration. They cannot legally be deported back to their reservations. Sometimes reservation officials or others, in an endeavor to work out a solution more favorable to the Indian in view of his tribal attitudes, may urge him to return to the reservation and avoid contact with a community with which he is not equipped to deal.

Some advocates of emancipation of the Indians presume that the Federal Government is somehow or other exercising restraint. As a matter of fact, the instances which are quoted in support of the assumption are usually outside the province of the Federal Government. Indians do face discrimination and Indians are in many States deprived of full and functioning citizenship, but these are matters largely beyond Federal control. In these areas emancipation will be gained chiefly through public opinion. As active participants in the formulation of public opinion within your home communities, I bring these matters to your attention.

It is true that reservation Indians may not vote in Arizona and New Mexico. While the Department of the Interior believes that this is a matter of racial discrimination, the restrictions are not expressed in racial terms. The determination of voting qualifications is vested in the State legislatures by the Federal Constitution, so this is largely a matter which must be settled by the citizenry of those States. The courts of Arizona some 20 years ago interpreted the State constitution as barring ward Indians from voting. The Constitution of New Mexico debars from vot-

ing Indians not taxed. The qualifying tax has been determined to be an ad valorem land tax. In recent months test suits have been started in both States in an endeavor to have the constitutional questions decided by the United States Supreme Court. In the long run, the question of Indian voting in these States will be greatly influenced by the local public opinion. If this is favorable, barriers may be broken down. That job is logically in your sphere.

It is true that Indian citizens in Arizona and New Mexico do not receive social-security benefits. In view of the large Indian populations of these States in proportion to the number of non-Indians and the further presence of large units of nontaxable Federal land within the States, the reluctance of these States to assume the burden is understandable. Indians, however, are subject to the payment of certain State taxes, proceeds of which are used to raise the State's share in these benefits. This matter is now before the Social Security Board for a ruling, and some change may be made in favor of Indians.

When an issue is made of the nontaxpaying status of Indians, one should remember that in general the only taxes which Indians do not pay are those on real and personal trust property. Indians with few exceptions are subject to State and Federal income taxes, State and Federal inheritance taxes, sales taxes, automobile use taxes, and the various excise levies. What an individual Indian pays under any of these levies is small, usually. But there are millions of non-Indian citizens who pay no property taxes because they own no property and whose contribution to excise levies are infinitesimal. The basic resistance to including Indians in State and local services requiring outlay of funds grows out of a belief that the Indian makes no economic contribution to the community, and unfairly escapes his share of taxation. These assumptions are erroneous, in my belief, but no Federal regulation can change public thinking based on them. Enlightened public opinion would help.

The Navajos, poor as they are, contribute much to the economic life of the cities bordering the reservation, for example. As the Navajos profit, so do the traders and other citizens of Gallup, Farmington, Holbrook, and Winslow profit. As the Navajos starve, so are these communities less well-to-do. When public opinion makes this connection between the welfare of Indians and their non-Indian neighbors, there will be less discrimination against Indians. I have tied these remarks to the Navajo. They apply with equal force to every area where there are large groups of Indians.

It is true that Indians sometimes cannot get a square deal with the police and the courts of the cities bordering the reservations. Corrupt police ignore the preying by bootleggers on Indians but arrest the drunken Indians, and occasionally, at least, strip them of their money and jewelry. There is hardly a person in this room who can't fit that description to the towns bordering many of our reservations. The Indian Office can attempt to discover the bootleggers, but it can't influence the courts which dismiss such cases without even a reprimand. And whether a town will put up with corruption in its police force can only be determined by the citizens, including the substantial businessmen, the teachers, and others of the community. People like yourselves can bring such matters to public attention in such a way as to change the climate of opinion, and it needs improvement.

It is true that there are many towns and cities in the United States where an Indian cannot be served in most restaurants and stores, cannot register at the leading hotels, cannot rent a home in some sections of town. The discrimination is racial, and bears little relationship to the cultural status of the individuals. Until such barriers are removed and well-behaved Indians are accepted as other well-behaved citizens are accepted, Indians will choose to remain in their reservation homes, where they at least enjoy the respect of their associates. This discrimination depends on public opinion, which you can influence much better than can a government agency.

It is true that in many parts of the country Indians are included in the races barred by restrictive covenants on land. The legality of such covenants is now being tested in the Supreme Court, and the Government has entered the cases to ask that these covenants be declared illegal. Regardless of the Court decision, the spirit of a people who have entered into such covenants must be changed if Indians are to receive a square deal in the cities. In these same areas, Indians are usually not welcome in the churches, their children are not wanted in the public schools. They also suffer discrimination in the kinds of jobs that are open to them, and are the first to be laid off in times of slack employment. No Government can control such public opinion. You can offer leadership to a better type of thinking.

It is true that in many States, intermarriage between Indians and Caucasians is prohibited by law. Many of you, in discussing the ultimate solution of the Indian problem point to the successful amalgamation of races which has taken place in Oklahoma, and say that is the American way. That is the ultimate solution. So long as intermarriage is prohibited, such amalgamation must wait on the outcome of illicit unions, which is hardly what we would recommend. The revision of the marriage statutes rests upon public opinion. You rather than I can develop that public opinion.

It is still true in many States that Indians are not called to serve on juries, though the courts have begun to throw out cases on appeal in which it can be proved that the peers of a man of a minority group were systematically excluded from the jury panels drawn in his case. Also there are still a few States where the competence of Indian witnesses to testify in court may be challenged. In practice, I know of no recent case in which this latter has happened, but it is clear in the court records that in several States Indian testimony is discounted. No group enjoys full citizenship under these circumstances. Emancipation here also is dependent upon enlightened public opinion, not a change in Federal law.

The products of Indian handicraft, though widely sought, are still thought of by many people as something to be obtained for a song. Traders and public alike resent paying a price for something made by an Indian commensurate with the work involved in making it. This is merely a reflection of a belief that Indian competence is less and is therefore not worthy of the same reward. These are beliefs, not facts. Something must be done to change them, to alter public opinion.

People are not willfully inconsiderate in dealing with Indians, I think. They are simply reflecting a stereotype which has come down from the past when Indians were facing the destruction of their way of life, and groping for new values. There are still old and middle-aged Indians in every Indian group who in some degree justify these critical attitudes. It is unreasonable, however, to penalize the younger, educated group, who are making a tremendous effort to find a place in the society and economy of the majority group of Americans, because of these exceptions among their people. The change does not rest on Government action. It is you who must initiate it.

It is true that when Indians do succeed in an individual or a tribal enterprise there is likely to be political pressure exerted to interfere with their activities, on the ground that they enjoy an unfair competitive status because of Government subsidy. It seldom is so, but that doesn't stop the agitation. Aside from the nontaxable status of Indian property, which is guaranteed in the constitutions of most of the Western States, Indians usually experience a handicap instead of an advantage in starting or carrying on any business. It is because the normal sources of credit which are open to you and to me are not open to Indians, that the Federal Government inaugurated Federal loans. But Indians are not alone in receiving this aid. Small home owners, even large railroads, have not hesitated to accept loans from the Government when the banks which would normally be expected to supply such credit, failed to do so.

I believe too much emphasis is being placed on the nontaxable status of Indian land. It is always cited as though Indians were alone in enjoying this status. Again, the Indian is not alone. In many of the Western States, homestead or veterans' exemption acts have been passed in the last two decades, which have taken a great deal of real and personal property off the tax roll. While I have not compiled all of the figures, it is a fair guess that the amount of non-Indian land taken off the tax rolls in Oklahoma, for example, by the homestead exemption act greatly exceeds in value all of the nontaxable Indian land in the State. Similar comparisons could be made in most of the other States where such laws exist.

Having made reference to these several ways in which all of us as private individuals might help our Indian citizens to take their rightful places in our communities, it is only proper that I should refer briefly to some of the things the Federal Government is now doing to remove sources of irritation and bring better conditions for the Indians.

First, I will remind you that until a year ago, it was legally impossible for the Secretary to delegate to the Commissioner or any lesser official of the Indian Office any of his multitudinous authorities placed in 100 years of Indian law-making. The Secretary personally until then had to approve a staggering number of transactions involving expenditures of less than $10, for example. Now we expect to and are actually moving control over essential administrative details closer to the communities in which the Indians live. I have already mentioned that supervision over individual Indian moneys and leasing of individual Indian lands has been relaxed.

Instructions recently were issued urging Indian tribal groups to deposit their corporate funds in local commercial banks rather than with the agency headquarters for the reservation. This again will reduce some of the clerical burden on the agency, but more important is the effect it should have in giving the Indians experience in handling their own money.

The Johnson-O'Malley Act of 1936 empowered the Commissioner to enter into contracts to provide for education, health services, and welfare by other agencies than the Indian Office. Under this authority, contracts were made with the States of Minnesota, Washington, and California, by which the entire educational service for Indians in those States was assumed by the State. More than 1,000 contracts were made with separate school districts for the operation of individual schools within the States, where the State was not prepared to assume the entire responsibility. However, we have steadily moved in the direction of State-wide contracts and have just completed negotiations resulting in the signing of two more contracts of this nature—with the State of Wisconsin on December 12 and with the State of Montana only a few days ago.

The Indian Office has long had an arrangement with the United States Public Health Service by which it obtains medical personnel and professional assistance of various kinds from that agency.

Finally, I might refer to the testimony given by Acting Commissioner Zimmerman before a committee of the United States Senate last winter in which it was proposed that certain tribes, possessed of resources and already well assimilated, were at the point where Federal supervision could be withdrawn almost immediately. Other tribes should come to this point in another 10 years, and all tribes should be moving in this direction. All of us in the Department of the Interior are hopeful that the day is not too far off when we may see the end of our guardianship responsibility with respect to the Indian people. That day will come at different times for different tribes, but everyone will welcome the advent of each such day.

Let us part with two conclusions. First: The Federal Government is not giving things to Indians. Reservation lands always belonged to Indians or were acquired in trade for other lands considered more desirable by the white man. School and health services are either explicit or implicit in most of the early treaties, sometimes in part payment for ceded land, often as a matter of self-protection. Second: That achievement of full assimilation for Indians involves attitudes of mind on the part of the non-Indian group which are beyond the reach of law and regulation. The Department of the Interior is working on these attitudes, and on other requirements of complete assimilation. You, my friends, can spearhead a drive for the needed change in public attitudes.

Clarence Hancock

EXTENSION OF REMARKS

OF

HON. KATHARINE ST. GEORGE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mrs. ST. GEORGE. Mr. Speaker, it is a source of very real sorrow to me that I did not have the honor and pleasure of being in the House of Representatives at the same time as the Honorable Clarence Hancock.

I knew Clarence Hancock personally, and his wife very well, indeed.

I have been greatly impressed since coming to Washington to see in what great and lasting esteem he is held on both sides of the aisle and especially the deep regard and affection that the entire New York delegation, his own delegation, have for him.

It is a great tribute to this man's personality and character that his memory is so greatly cherished. It must, indeed, be a source of solemn pride and joy to his widow and family.

It can in very truth be said that this man was a true and patriotic American, devoted always to the service of his country. That he is and will remain an example to those who come after him as well as to those who served with him. And that all will rise up and call his memory blessed.

Housing for Veterans

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. KEATING. Mr. Speaker, aside from the actual shortage of housing units, another obstacle, high rents, faces the returned veteran of modest income as he searches for a home.

I have today introduced a bill which, if enacted into law, will cause a material reduction in rent for those veterans who either now or in the future may occupy dwelling units in low-rent housing projects.

This measure seeks to amend section 22 (b) of the Internal Revenue Code so as to exempt from income tax the interest on bonds, notes, or other obligations issued in connection with such projects by corporations or associations engaged solely in providing or constructing such homes for veterans.

Under the law of New York, and I understand a number of other States, authority is given for the formation of limited dividend corporations to make available additional veterans' housing. A number of communities, including the city of Rochester, N. Y., have undertaken to try to alleviate the housing shortage in part by proceeding under the provisions of such laws to raise the necessary capital to commence construction of housing developments.

In the case, which has been brought to my attention by a group of my constituents, certain public-spirited citizens have indicated their willingness to purchase some $30,000 of authorized capital stock to create a corporation known as the Rochester Civil Redevelopment Co., Inc. This corporation is to receive land from the city of Rochester which it has acquired under tax foreclosure in exchange for $27,000 of the capital stock. Under the contract of sale it is provided that no dividend will be paid on this stock. The agreement between the corporation and the city of Rochester further provides that the corporation will pay taxes only on the value of the unimproved land for a period of 25 years. The corporation proposes to obtain the cost of constructing a low-rent housing project for veterans on the land acquired from the city by borrowing money from local banks on its unsecured notes. It is contemplated that after the project has been completed the corporation will take up the notes by means of a mortgage. The corporation has already applied to the Federal Housing Administration for insurance on its mortgage under the provisions of the National Housing Act of 1934.

The certificate of incorporation of the corporation provides that its purpose is to acquire areas and to construct, operate, sell, and convey projects pursuant to the terms and provisions of the redevelopment companies law of the State of New York. Provision is made for limited income with respect to those holding obligations of the corporation. It is stated that the corporation is organized to serve a public purpose and that all surplus income upon dissolution will be paid to the city of Rochester. The bylaws provide that no dividends will be paid on the stock of the corporation. There is, therefore, no possibility of any profit or gain for the stockholders of the company.

The redevelopment companies law of the State of New York states that public interest requires the rehabilitation of unsanitary and substandard areas and the provision of adequate, safe, and sanitary housing accommodations.

The United States Housing Act of 1937 expressly exempts from all taxation obligations, including interest thereon, issued by public-housing agencies in connection with low-rent housing projects. A ruling has been made, however, by the Commissioner of Internal Revenue that, since this limited dividend corporation, although not a source of profit to anyone, is not truly a public-housing agency, interest on its obligations cannot be exempted from Federal income tax.

Those interested in furthering this worth-while project have arranged for a substantially lower interest rate on the notes and subsequent mortgage issued by the corporation, provided the income from such obligations is tax-exempt. Such a result will, of course, make it possible for the project to be self-sustaining upon a correspondingly lower rental to be charged to tenants.

Every argument which applies to the merit of existing legislation granting tax exemption to public housing projects applies with equal force to the obligations of such nonprofit corporations. Obviously, such a tax advantage should be limited strictly to those situations where the project can truly be said to be entirely free from any profit incentive.

The state of facts which I have outlined no doubt finds its parallel in many similar cases throughout the country. In the case I have related, and no doubt in many others, earnest and public-spirited citizens have devoted long hours and tireless energy to an attempt to assist in the alleviation of the distressing plight of so many of those who have served our country well and who can now find no adequate living accommodations within their pocketbooks. They have now turned to the Congress for help but have only said that they want the same consideration given to the nonprofit projects which they are promoting, which is now accorded to those sponsored by the Federal Government.

It may very well be that private enterprise and initiative may not be able to solve all of the problems connected with providing homes for those of modest incomes. Perhaps, too, it will not be possible in all communities to find financial institutions which are willing to cooperate to the extent of lending money to a

corporation whose only asset is an unimproved plot of ground.

But certainly every legitimate encouragement should be extended to those who seek to secure moderate-cost housing accommodations for our veterans, through the medium of private enterprise and local management and control.

It is appropriate that this bill should be introduced at a time when so many veterans are gathered here in the Nation's capital to discuss the acute housing situation which they face throughout the Nation. The measure is by no means intended as a cure-all. It must be supplemented by other housing legislation. In that connection, also, we must not forget the obligation which we owe to the millions who served so faithfully and patriotically on the home front and who also are faced with the problem, often heart-rending and acute, of finding a place for them and their families to live.

I am confident, however, Mr. Speaker, that this legislation will result in substantial rent reductions for those occupying the privately financed nonprofit low-cost housing units and will thus go a long way toward fulfilling the obligation which is ours, to assist those who, when their country turned to them in its hour of emergency, responded without hesitation and without condition.

Lithuanian Resolution

EXTENSION OF REMARKS

OF

HON. ELLSWORTH B. FOOTE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. FOOTE. Mr. Speaker, 30 years ago we joined with the people of Lithuania in celebrating her independence after more than 100 years of servitude under foreign rule. Today we find Lithuania without her independence. The aspirations of her people were brutally betrayed in the secret dealings at Tehran, Yalta, and Potsdam at the behest of the Soviet Union. Under the tyranny of her conquerors, Lithuania suffers, but yet lives. In due time, however, Lithuania will rise again as a free and independent nation and take her seat at the conference table of the family of nations.

Under permission to extend my remarks in the RECORD, I wish to include the following resolution adopted by the Lithuanian-American Council of New Haven, Conn., on February 22, 1948:

The following resolution was voted by citizens of the city of New Haven and State of Connecticut at the observance of the thirtieth anniversary of the Declaration of Independence by the people of Lithuania, held under the auspices of the Lithuanian American Council of New Haven, at the St. Casimir's Hall on the 22d day of February 1948:

"Whereas the American people continue to believe in certain inalienable principles of the American Declaration of Independence and wartime policy declarations; and

"Whereas the people of Lithuania and countries adjacent to it, firmly espousing the selfsame principles in their declarations of independence promulgated in 1918, have won their liberty by valiant fight against their oppressors, and made substantial contribution to the United Nations victory over the Nazi-Fascist enemies by their unified, vigorous, and heroic underground resistance movements during the late war; and

"Whereas the aspirations of the peoples of Lithuania, Latvia, Estonia, Poland, Ukraine, and other similarly situated countries were brutally betrayed in the secret deals at Tehran, Yalta, and Potsdam at the behest of the conniving and imperialistic masters of the Soviet Union; and

"Whereas the peoples of Lithuania and other countries lying between the Baltic, Black, and Adriatic Seas continue to wage relentless war for liberation from enslavement by the Soviet Union, cosignatory of the Atlantic Charter and United Nations Charter; and

"Whereas the people of the United States are directly benefiting from the said liberation fight, in that the ultimate Soviet aggression against the United States is in this manner deterred; and

"Whereas the present precarious armed truce imposes heavy burdens on the American taxpayers whose public and voluntary contributions for the relief of the countries remaining beyond the immediate reach of the Soviet aggressor, fall short of the intended effect by reason of the disruptive actions manipulated by Communist fifth columns; and

"Whereas the Soviet Union consistently and unilaterally violated all of the pacts and declarations solemnly underwritten by it, viz, peace and nonaggression pacts with the Baltic States and Poland, the Atlantic Charter, Four Freedoms, the United Nations Charter, Yalta Declaration to liberated European peoples, and the Potsdam Agreement; Now, therefore, be it

"*Resolved*, That we petition the Government of the United States—

"(a) to terminate all of the secret pacts concluded, without the consent or knowledge of the Congress of the United States, at Tehran, Yalta, and Potsdam, and

"(b) to demand that the Soviet Union conform to the letter and spirit of the Atlantic Charter, to wit:

"That Soviet armed forces, puppet regimes, and terrorist personnel be immediately withdrawn from all of the countries invaded by the Soviet Union since September 1939 in connivance with Hitler; further

"*Resolved*, That we petition the Government of the United States to initiate firm measures and render effective aid for the restoration of the violated sovereignty of the peoples of Lithuania, Latvia, and Estonia and for the reopening of freedom of navigation of the Baltic Sea; and be it further

"*Resolved*, That we petition Members of Congress of the United States to expedite enactment of the legislation necessary for translating the European recovery program into an effective policy, and for admission of a fair share of displaced persons from Europe under an equitable pro rata distribution to visas among the respective racial groups presently living in and out of camps in Germany and Austria; and be it finally

"*Resolved*, That copies of these resolutions be forwarded to the President, Secretary of State, and Members of Congress of the United States, and to the local press."

Yours respectfully,

MATHEW J. VOKETAITIS,
Chairman, Lithuanian American Council of New Haven.

MAE JAKUBAITIS, *Secretary.*

Mikolajczyk Tells How the Big Three at Tehran Carved Up Poland Without Any Regard for the Principles of the Atlantic Charter

EXTENSION OF REMARKS

OF

HON. CHARLES J. KERSTEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, under leave to extend my remarks, I wish to include two additional installments on Mikolajczyk's story as contained in the Milwaukee Sentinel. These articles disclose the haplessness of the true Polish Government, the London Poles, after the Big Three had carved up Poland at Tehran without consulting the representatives of the Polish people. The American people were led to believe that World War II was fought on the principles of the Atlantic Charter but our representative at Tehran was not much troubled with the rights of conquered peoples when he sold out to Stalin on the question of Poland.

The following are two additional articles:

STALIN SPURNS NEW POLAND PLAN

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment XVIII)

Back in London, after my fruitless visit to Moscow in August, 1944, I reported my failure to come to terms with Stalin about the future of Poland, and set to work on a compromise that I hoped would make possible a resumption of Soviet-Polish relations.

With the aid of my government in London, and after many communications with our underground leaders in embattled Warsaw, we drew up a postwar plan for Poland in which our five major political parties would have recognition.

As Prime Minister I would form a temporary government made up of equal numbers of the five parties. We would draft a new constitution. We would hold a free election. The elected parliament would settle our growing frontier dispute with Russia and see to it that the Red Army was asked to leave the country when hostilities ceased.

We pledged also to continue the Allied fight against Germany.

I submitted the plan to Russian Ambassador Lebiedov on August 22. A month later I asked him how the plan had been received in Moscow.

"It was turned over to the Lublin committee," he said.

The British were friendlier. "The British government indorses the Polish plan," Anthony Eden told me at the Foreign Office.

Early in October, Churchill sent me a letter from Moscow:

"I hope that you and whatever colleagues you think necessary to bring with you will be able to fly at once to join us in Moscow.

"I am sure that this is the only way in which we can break the present deadlock."

AGREES TO GO

I answered that I was prepared to fly to Moscow, but could not agree to go there if Churchill planned to confer also with the Lublin Poles.

Eden replied, "I am now expecting you. Discussion will, of course, be with the Soviet

government and ourselves as well as with the Polish (Lublin) committee."

I talked the matter over with our Government in London, and was urged—against my better feeling—to go.

We met on October 13 with Stalin, Churchill, Eden, and Averell Harriman at the Soviet Foreign Office.

POLISH GUESTS

Molotov, the chairman, seated us around an oval table and welcomed the American and British. He referred to us as "our Polish guests," then called on me to speak.

I restated the postwar plan which Stalin had previously ignored, and concluded, "Our aim is to bring about an agreement between Poland and Russia, not between Russia and a handful of Poles."

Stalin spoke up:

"You say this plan has the backing of the Polish underground. I doubt that it's possible for them to have engaged in such work lately."

"Marshall Stalin, perhaps you forget that as a younger man you, too, were in an underground and remained active making plans and programs which affected your country," I said.

"Ah, yes," he said, "we held six big congresses and about 25 meetings of the central committee of the Communist Party while I was underground."

"What about the Lublin committee?" Churchill asked. "Was its advice sought?"

"I went much deeper than the Lublin Poles," I said, "I went to the Polish people."

"Your plan has two big defects," Stalin said. "It ignores the Lublin committee, which has done such a good job in that part of Poland which the Soviet Army has liberated; and, secondly, if any Polish Government wants relations with the Soviet Union, it must recognize the Curzon line as an actuality."

CHURCHILL PLEASED

Churchill expressed a great and sudden happiness.

"I see now a new hope for agreement," he said enthusiastically. "Regarding the new frontier along the Curzon line, I must announce in the name of the British Government that, taking into account the huge losses suffered by the U. S. S. R., and how the Red Army has helped liberate Poland, the line must be your eastern frontier.

"We will see to it that for the land you have lost there will be compensations in eastern Germany, in East Prussia, and Silesia. You'll get a nice outlet to the sea, a good port at Danzig, and the priceless minerals of Silesia."

I looked at Stalin.

"You accuse me of ignoring the Lublin committee," I said. "You're ignoring the Polish Government which has fought the Germans for 5 years, which created strong armies, a navy, and air force, and which now fights on all fronts."

"I recognize this," he answered. "I have given proper credit."

CONTRADICTS STALIN

"But you haven't," I insisted.

"I want no argument," Stalin said.

"I can't accept the Curzon line," I said.

Stalin then went into a lengthy argument in which he insisted that the Polish lands then liberated were really White Russia and the Ukraine, which, of course, was not true.

Molotov told me—officially—that the Big Three had agreed on the Curzon line as a Polish-Russian frontier at their Tehran Conference—a fact which had never been revealed.

I looked from Churchill to Harriman, silently begging them to call this damnable deal a lie.

Harriman was silent. Churchill looked straight back at me. "I confirm this," he said quietly.

It made Churchill angry and, turning on me, he demanded that I agree then and there.

"You don't have to make a public announcement," Churchill said. "I don't want to put you in a difficult position with the Polish people."

I could make no private deal either, I told him. He went on:

"But you can at least agree that the Curzon line is the de facto frontier, and you may appeal for adjustment at the peace conference."

But before I could answer, Stalin rose indignantly.

"I want this very clear," he said gruffly. "Mr. Churchill's thought of any future change in the frontier is not acceptable to the Soviet Government. We will not change our frontiers from time to time. That's all."

Churchill held out his hands, looked up to the ceiling, and wheezed with a despairing impatience.

MIKOLAJCZYK RECALLS NEAR BREAK WITH CHURCHILL

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment XIX)

In view of what has subsequently happened in Poland, my efforts in Moscow in 1944 to save our land and sovereignty, which had been imperiled by the secret agreements of Tehran, take on considerable significance.

Churchill and Roosevelt had yielded completely to the demands of Stalin in regard to Poland at their Tehran Conference. They had agreed to split Poland, an ally, through the middle with the Curzon Line. Each had made a number of notable statements about refusing to recognize territories gained by aggression, and continued to do so even after Tehran. But Stalin's will prevailed.

HINT OF POLISH SPLIT

When I refused to become a party to this deal, at Moscow in October 1944, Churchill became very angry at me. In a series of conferences, aimed at solving the issue, he demanded that I agree to the new eastern frontier between Russia and Poland, accept a verbal promise of future gains of land from Germany and a similar promise about the future political independence of what would be left of Poland.

He blamed me for not appeasing the Russians early in 1944, when there was a hint that the Big Three had decided to split our country, and he said that because of my stubborn refusal at that time I had provoked Stalin into setting up the Lublin Committee of Polish Communists.

"How near we got the beginning of the year," Churchill stormed. "If you had come to an agreement with the Russians at that time, you would not have today those Lublin people. They are going to be a frightful nuisance. They will build up a rival government and gradually take over authority in Poland."

I reminded him of the Atlantic Charter and the other pacts and promises made to such states as Poland.

"I shall tell Parliament that I have agreed with Stalin," Churchill flatly declared. "Our relations with Russia are much better than they have ever been. I talked to your General Anders the other day and he seems to entertain the hope that after the defeat of the Germans the Russians then will be beaten.

"This is crazy. You cannot defeat the Russians. I beg of you to settle upon the frontier question. Suppose you lose the support of some of the Poles? Think what you will gain in return. The British Ambassador will be with you. The Americans will send an Ambassador—the greatest military power in the world."

INFURIATES CHURCHILL

I shook my head and it infuriated him.

"Then I wash my hands of this," he said. "We are not going to wreck the peace of Europe. In your obstinacy you do not see what is at stake. It is not in friendship that we shall part. We shall tell the world how unreasonable you are. You will start a war in which 25,000,000 lives will be lost."

"You settled our fate at Tehran," I said.

"Poland was saved at Tehran," he shouted.

"I am not a person whose patriotism is diluted enough to force me to give away half of my country," I replied.

'Unless you accept the frontier you are out of business forever," Churchill cried. "The Russians will sweep through your country and your people will be liquidated. You are on the verge of annihilation. * * * We will become sick and tired of you if you go on arguing."

Anthony Eden smoothed matters for a moment, but Churchill came back strongly.

"If you accept the frontier the United States of America will take a great interest in the rehabilitation of Poland and may grant you a big loan, possibly without interest. As for ourselves, we shall be poor after this war. * * * You are bound to accept the decision of the great powers."

It seemed the proper time to remind him again of Poland's shocking losses in the fight against the Germans, and the better treatment being accorded such enemies as Italy and Rumania. But he dismissed this argument.

"You are no government," Churchill said, adding:

"I will have to call on the other Poles. This Lublin Government may function very well. It will be the government. This is a criminal attempt on your part to wreck, by your liberum veto, agreement between the allies. It is cowardice on your part."

I resented everything he said and told him so.

"I am not going to worry Mr. Stalin," he replied. "If you want to conquer Russia, we shall let you go your own way. You ought to be in a lunatic asylum. I don't know whether the British Government will continue to recognize you. You hate the Russians. I know you hate them."

Eden again attempted to smooth matters, but Churchill interrupted. In a calmer voice he promised me that if I acquiesced in this bold sell-out of a nation that had lost nearly 6,000,000 people in the war, and if I accepted Russia's claim to the half of Poland which the Red Army seized in 1939 while an ally of Hitler, he, Churchill, would personally guarantee that what was left of Poland would be free of Russian interference.

I was furious at the man, and could not conceal it.

"Mr. Prime Minister," I said, "I once asked you for permission to parachute into Warsaw and rejoin the underground that is at this very hour fighting the Germans, while the Red Army sits in the suburbs and refuses to help. You refused to give me that permission. Now I ask it again."

"Why?" Churchill asked.

"Because I prefer to die, fighting for the independence of my country, rather than be hanged later by the Russians in full view of the British Ambassador."

It hurt the old man * * * hurt him more than I had wanted to, for he had been and remains, my friend. He turned on his heel and walked out of the room. But after a few minutes he returned and put an arm around my shoulders * * * and we were both on the point of tears.

I asked to see Stalin alone before I left Moscow. I still hoped I might appeal to him to relent in his outrageous demands.

"Poles will bless your name if you make a generous gesture here and now," I appealed to him. "Even if we retain only the area around Lwow and Vilna we will be grateful."

"I cannot and will not do this," he said.

I pleaded for Poland's future political independence and envisioned a day when a sovereign Poland would have enduring pacts with "Russia, the United States, Great Britain, France, and Czechoslovakia."

He nodded, then said, "You must include Hungary in that group." His statement was a surprise, for Hungary was at that time an ally of Germany and was busily engaged fighting the Red army.

"Hungary?" I asked, incredulously.

"Hungary," he said, steadily "will change completely when we get there." He had obviously completed his plan for the future political domination of that country.

I asked him if he intended to make Poland a Communist state after the war.

"No," he said. "Absolutely no. Communism does not fit the Poles. They are too individualistic, too nationalistic. Poland's future economy should be based on private enterprise and Poland will be a capitalistic state."

He saw my surprise.

"There is no middle system," he explained, after a bit. "Capitalism can assume many forms, have many different controls. But what is not communism is capitalism."

"Will you order the Communist Party in Poland not to seek a revolution after the war? I asked him.

"I will order that," he said. "Poland will not be disturbed by ideological strife. But there are certain people—both left and right—we cannot allow in Polish politics."

"But Marshal," I protested, "one cannot dictate who shall not be in public life—if the person's party is behind him."

Stalin looked at me as if I were indeed a lunatic and abruptly ended the conference, and so again I went back empty handed to what was left of the Polish Government in London.

Czech Liberties Vanish

EXTENSION OF REMARKS
OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Post of February 29, 1948:

EUROPE FEARFUL AS CZECH LIBERTIES VANISH

(By Ferdinand Kuhn, Jr.)

What happened in Prague last week was murder most foul—the murder of the civil liberties and free institutions of 12,000,000 people.

A week ago the people of Czechoslovakia could read what they liked, say what they liked, vote as they liked. Their country was in the Soviet sphere of influence, tied to Russia by a military and political alliance, but in its internal affairs it was still free.

The Czechs could read attacks on their Government in newspapers of the opposition parties. They could go to see American or Soviet films, as they chose. They could buy foreign publications. They could move and travel where they wished.

Today the non-Communist newspapers have been taken over by a disciplined Communist minority. Politicians of the non-Communist parties have been arrested and jailed. Soon there will be the purges, the concentration camps, and perhaps the firing squad or gallows.

From now on, into an indefinite future, the Czechoslovak people can look forward only to the dread sound and symbol of the police state—what Dean Acheson, former Under Secretary of State, once called "the knock on the door at night that strikes terror into men and women."

THE CLOCK SPINS BACK

The Czechs have heard it all before. Nine years ago next month Hitler's mechanized armies rumbled into Prague, bringing with them the black-shirted secret police, the concentration camps, and the living death of Nazi rule. Then, as now, the Czechs lost their liberty, and it took years of occupation and war to set them free.

In the eyes of the remaining free nations of Europe, this second extinction of Czech freedom is not only tragic but deadly serious. For western Europe looked upon the Czech people as Slavic in language but western in culture, tradition, and achievement.

The sight of these people being swallowed into the Soviet system has given western Europe a greater shock than anything since the end of the war. In Paris and London, still half prostrate from the wounds of one war, it looks as if Russia is on the march once more; as if the Kremlin has regained the initiative which Secretary Marshall took from it last summer. Each country again looks at its neighbor, as it did in Hitler's day, and asks, "Who's next?"

And there is a haunting sense in western Europe that only the United States, acting with more swiftness and strength than ever before, can prevent the Czechoslovak pattern from being followed in Italy before summer.

If the sense of shock has not yet hit official Washington—and there is little sign that it has—it is because the United States long ago wrote off Czechoslovakia as a genuinely independent country. Officials here have felt that the death warrant of Czechoslovak liberties was signed almost 2 years ago, on the fateful day when President Eduard Benes accepted Klement Gottwald, a Moscow-trained Communist, as Premier.

COOPERATED INTERNALLY

Gottwald was accepted because his Communist Party had won 38 percent of the votes in the April 1946 election, and had become the biggest single party in the state. He promised to cooperate with the non-Communist parties in the cabinet; he let the country have genuine democracy and free institutions within its borders, as long as it suited his purposes.

But from the day he became Premier, Czechoslovakia ceased to follow an independent foreign policy. Her delegates at foreign conferences voted obediently and monotonously with the Soviet Union and its satellites. Only in trade and cultural relations with the outer world did the Czechs differ from their Soviet masters, and then they did it by permission.

The final proof of their lost independence, in American eyes, came last summer in the aftermath of Secretary Marshall's famous speech at Harvard. The British and French invited the Czechs, together with all other European countries except Spain, to come to Paris and discuss European economic cooperation. The Czechs accepted promptly.

But it was not long before their Premier and their Foreign Minister, Jan Masaryk, were summoned to Moscow. The Czechs were compelled to withdraw their acceptance of the Paris invitation. They declined to take part in the Marshall plan, and their spokesmen at home and abroad began attacking it as an attempt to dominate the peoples of Europe.

From that moment official Washington no longer regarded Czechoslovakia as an independent country able to carry out its own policies in its own interests. Its civil liberties and parliamentary institutions were admirable, but they could be wiped out by the flick of a finger in the Kremlin.

TOUGH BUT PASSIVE

When the crisis finally came last week, the Czechs submitted more tamely than their less-cultured and less-democratic Balkan neighbors. They are tough people, so tough that the old Austrian Empire could not crush their national spirit in hundreds of years. But their traditional role under Austria and Hitler Germany was that of passive resisters, noncooperators, and saboteurs, rather than active rebels. It remains to be seen how they will withstand the Soviet version of totalitarian rule.

The overturn in Prague differed in three respects from the Communist coups in Hungary, Rumania, and Poland. They are differences in detail, but they are worth examining and remembering, for the Czech overturn contains clues to what may be expected from the Communists elsewhere.

In the first place, there was no Red Army actually in Czechoslovak soil, and not even any Soviet troops ostensibly guarding communication lines as they did in Hungary. The actual tramp of Red Army boots was not needed. Soviet territory adjoins Czechoslavakia at its narrow eastern border, and Soviet armed power spoke as loudly in its absence as if it had been on the spot.

In the second place, the Czechoslovak overturn was the first in eastern Europe in which the trade-unions played a prominent and perhaps decisive part. In Poland, and still more in the Balkan countries, trade-unions are comparatively weak. In Czechoslovakia, an industrial country, they are strong, disciplined, and well organized. The seizure of Communist power last week could not have taken place so smoothly without their connivance and cooperation.

Finally, Czechoslovakia was one of the few European countries where an important wing of the Socialist Party had continued to cooperate with the Communists. Although European socialism and communism are deadly enemies, the left wing of Czech socialism had a leader, former Premier Zdenek Fierlinger, who was ready to do the Communists' bidding. It may yet be that Socialist leader Pietro Nenni in Italy will play the Fierlinger role when communism is ready to try for power in the Mediterranean.

BYRNES EXPLAINS "SHOVE"

At moments like these an American may wonder whether the United States could not have saved the Czechs from their present purgatory. Leading Czechs, friendly to the western world, have often complained that Secretary Byrnes helped to throw them into Russian arms in 1946 by cutting off American economic help.

The reasons were told in the Byrnes book, Speaking Frankly. At the Paris Peace Conference of 1946, Andrei Vishinsky, of Russia, had just finished a denunciation of the United States for trying to dominate the world by hand-outs. Byrnes noticed two of the Czechoslovak delegates applauding heartily.

At that very time, he remembered, the Czechs had been allotted a $50,000,000 surplus-property credit from the United States. He also discovered that a Communist minister, without the knowledge of Foreign Minister Masaryk, had contracted to relend $10,000,000 of this to Rumania at a higher rate of interest.

Byrnes promptly cut off the credit with the bitter remark that he did not want to offend the Czechs further by giving them American hand-outs.

Partly from this episode came Byrnes' determination to give strictly American help to countries who would not denounce us for giving them the relief they asked for, in place of internationally administered relief on the UNRRA model.

The record shows, however, that the United States continued giving some help to the Czechs long after their foreign policy passed into virtual Soviet control.

Czechoslovakia had received a total of $268,250,000 from UNRRA up to the end of 1946, 70 percent of it contributed by the United States. It had used $9,304,694 of the surplus property credit before Byrnes cut it off. It had received $3,042,000 in direct and indirect lend-lease help following the liberation. Yet in February of last year it got $20,000,000 from the Export-Import Bank to buy American cotton, and two million for tobacco.

Apart from these sums, the Czechs asked, but did not get, a further cotton credit of twenty million and a surplus property credit of the same amount. They also sent the World Bank a letter of intent for a $350,000,000-reconstruction loan, but no formal application has ever been received.

SMALL BUSINESS' TURN

The seizure of power by the Communists probably extinguishes any hopes the Czechs may have had of getting economic help from the west, except for the indirect effects to be expected from a revival of east-west trade under the Marshall plan.

The economic consequences will be serious in other ways. Czechoslovakia until now has been a nation of small-business men and some big industries. Until now the small businesses have been allowed to follow paths of free enterprise even though the big industries have been nationalized. The advent of a straight Communist regime is expected to lead to the gradual nationalizing of all businesses, and the small-business man may be driven to the wall.

Politically, the new regime is also expected to move gradually after its lightning seizure of power. The scheduled elections will be held with the opposition leaders in jail or powerless to speak; therefore a rigged result is almost certain. The parliamentary forms may be preserved until a new Soviet-type constitution can be written, but they will be a hollow mockery.

Whether or not President Benes remains, his power to control events appears gone. He had his value to the Communists as a symbol of the Czechoslovak Nation. He had compromised with them in a wholly sincere belief that east and west could live together in peace and that Czechoslovakia, as bridge between them, could belong to neither side.

If he stayed, the Communists, being what they are, would have used him until it suited their purposes to discard him, just as they discarded King Michael, likewise a symbol of the state in Rumania.

THE ROAD TO ROME

What can the outer world do about it now? Probably it is too late to do anything for Czechoslovakia except to keep open every possible channel of communication to the Czech people, the majority of whom are democratic to the marrow of their bones.

It is not too late, however, to take to heart the lessons of this latest Soviet triumph. The pattern of bloodless conquest has now taken the Soviet system farther west than it has ever penetrated before.

The finger of future trouble now points squarely at Italy, where the government is shaky, the Communists strong and ably led, the Socialists divided. A general election in Italy is due April 18. It is wholly likely that the Communist machine will begin a drumbeat to discredit the election results in advance, as it did in Greece, and then attempt a coup d'etat of the kind it engineered with such deadly skill and precision in Prague.

So far American policy makers have not faced up to this situation. Their thoughts and energies have been devoted to getting the European recovery program passed promptly by Congress and followed up by the western Europeans.

Secretary Marshall has said already that Europe's immediate future depends on ERP, and that there can be no true peace until American economic help can repair the weaknesses of the western European countries.

But the past week's events have made it clear that economic help is not enough. Unless western Europe is tightened as swiftly as possible, by political as well as economic measures, there may yet be a repetition of the tragic events in Prague.

Los Angeles Needs a Foreign-Trade Zone

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. McDONOUGH. Mr. Speaker, Los Angeles, Calif., is now one of the leading industrial centers in the United States, and is tied in sixth place with Pittsburgh, Pa., as an industrial city.

Los Angeles has excellent harbor facilities which today provide a gateway for the constant flow of raw and processed materials from South and Central America, and this harbor is situated more than 300 miles closer to the source of these materials than any other major shipping port.

I have advocated the establishment of a foreign-trade zone at Los Angeles Harbor since 1945 because such a zone will contribute materially to the expanding industry of Los Angeles and southern California, and through increased production in that area will benefit the entire Nation.

I am glad to find that Mayor Bowron, of Los Angeles, agrees with me in a recent radio address delivered over radio station KMPC on February 1. Mayor Bowron's speech follows:

Citizens of Los Angeles, all too few people realize the importance of our harbor, what it has meant in the development of this metropolitan area and the great Southwest, and what world trade will mean to Los Angeles and southern California in the future. There was a time when harbor affairs were of the most important subjects of local consideration. But for nearly a quarter of a century it has been one of those things, vital to our economy, which has been taken for granted.

With the great increase in population in this area, there are hundreds of thousands of people who are not familiar with the fact that most of the water-front land and improvements and shipping facilities at the harbor, including wharves, slips, docks, and warehouses, are city-owned, and that the management and operation of the harbor is a municipal enterprise. More people should know about their harbor. It is true that we should have better access. It is hoped that before long we will have a harbor freeway. But I should like to urge those people who are not familiar with one of the city's great assets to go to San Pedro and Wilmington and Terminal Island and look around. Many of you will be surprised at what you will see.

Although shipping, both domestic and foreign, has not anywhere near reached the volume and importance of the prewar years, nevertheless there is much activity. You will see ships bearing the flags of many foreign nations and you will get a much better idea of the important place Los Angeles holds in commerce and how this city is in direct contact with many foreign lands over the sea routes.

Prior to the commencement of World War II, much of the commerce through the port of Los Angeles, both domestic (that is, coastwise and intercoastal movements) and of foreign commerce, inbound and outbound, was the result of local production and consumption. Based upon this prewar experience, it is reasonable to presume that, with our great increase in population and industrial growth, upon the stabilization of conditions affecting maritime service, our port will handle greatly increased commerce movements. At the present time ships entering our local harbor are handling about 60 percent of prewar day domestic commerce, and we are looking forward to very substantial increases in foreign trade.

Anticipating a big shipping increase, the city harbor department has adopted an all-time record budget of more than $17,000,000 for the current fiscal year's operation, and of this amount about $9,250,000 has been earmarked for new construction, including freight terminals, berths, wharves, and facilities for passengers and the United States Customs Service. Some new warehouses will be constructed. A new wharf for the commercial fishing industry is under way. The building of a combination passenger-marine terminal facility in the west basin, at an estimated cost of $3,900,000, is proposed as soon as conditions permit, which means the removing of the existing drawbridge, which has impeded the development of this portion of the inner harbor. The city is actively pressing its application with the United States War Department to order the removal of this drawbridge, and it is hoped that such order may be made in the near future.

The board of harbor commissioners has before it for consideration reports dealing with promotion activities and is considering the creation of a traffic and public relations department for the purpose of stimulating more commerce through our port. The publication of a brochure has just been completed setting forth pertinent information about the port of Los Angeles, and copies will be widely distributed to traffic managers of large industries throughout the country as well as in foreign countries. Our harbor department is constantly in touch with larger shippers, both domestic and foreign, with steamship operators, and with railroad and truck carriers who serve our port, for the purpose of ascertaining how their needs can be better served.

The Los Angeles Chamber of Commerce has a well-staffed department under the very capable direction of Stanley T. Olafsson, the entire activities of which are directed to increasing world trade, and the city harbor administration works closely with this organization, and also with the Foreign Trade Association, and all other similar organizations interested in promoting commerce.

Recently the harbor department had made an industrial and administrative survey of the business and property of the city at the harbor. This was done by a nationally known firm of engineers, and the report and recommendations are now being carefully studied by the board of harbor commissioners and the general manager of the department.

A matter of far-reaching importance is the establishment of a foreign-trade zone at the Los Angeles Harbor. While I cannot anticipate the final action of the board of harbor commissioners, which is still studying this matter, it is my belief that within a very short time formal application will be

made to the Federal Government for the necessary authority. A foreign-trade zone is sometimes improperly referred to as a free port. It is a customs-guarded area operated as a public utility, into which goods, whether foreign or domestic, dutiable or free, may be brought and stored. Within the zone such goods may be cleaned, graded, reconditioned, and then reshipped or sold. If reshipped to a foreign destination, no customs duties need be paid.

In December 1946, the board of harbor commissioners appropriated funds to make a reinvestigation and economic survey leading to the determination as to what should be done in connection with the establishment of a foreign-trade zone. Two competent consulting engineers and port authorities, Col. Charles T. Leeds and Gerald C. Fitzgerald, were employed for this purpose. Their study and preparation of a report required nearly a year's work, and was finally submitted to the board of harbor commissioners on October 15, last. The report submitted was very informative and included much detail, and pointed out an economical method of financing. The establishment of a foreign-trade zone in our port has been the subject of continuous interest for the past 10 years, but heretofore there was considerable objection to the estimated cost, and the necessary information has been lacking as to economic feasibility, and full data has never before been collected in such form as would meet the exacting United States Government foreign-trade requirement. Now we have it.

Heretofore it has been estimated that construction costs would amount to $1,000,000 or more. The Leeds-Fitzgerald report shows a way by which a foreign-trade zone may be established at very small capital outlay and with low operating cost, by using a portion of an existing facility, warehouse No. 1 and berth 60 in the outer harbor of the San Pedro area. The large warehouse that stands at the entrance of the harbor has, during the past years, been something of a white elephant, and since it has not returned substantial revenue heretofore, except during a period when it was used for storage of cotton, there will be no great loss by using a portion of this facility for a foreign zone. At the beginning of the operation of a foreign-trade zone there will be a considerable expense to the city. In addition to the original construction costs, which will include necessary fences and gates to make it impossible for goods either to be taken inside or outside of the zone without checking and official permission, the operation of a foreign trade zone will require adequate lighting by night, the continuous employment of guards, and additional personnel.

The question to be decided is whether the indirect and potential benefits will or will not be commensurate with the deficit incurred during the development period. In other words, will the increased convenience and savings afforded to foreign traders, the stimulation of foreign trade, the advertising of the port, the diversion to the port of Los Angeles of trade that might go to other harbors, and the indirect benefit through increased commercial activity in southern California, will more than offset the expense involved.

The Leeds-Fitzgerald report reviews all of the factors, and undertakes to make an estimate of the potential tonnage that will pass through the foreign trade zone, if one should be established. On the basis of estimates, it is indicated that a foreign-trade zone will be a losing venture financially for at least 3 years; that it should break even about the fourth year; and return a profit to the city from its operations by the eighth year. It is further calculated that all capital expenditures and accumulated deficits would be liquidated within 10 years. It should be understood that the objective of a foreign-trade zone is not to produce revenue but to stimulate commerce. Its benefits will be found in increased activity at the harbor, greater revenue from docking fees and other charges collected by the harbor department, and stimulation of business activity in this general area. We are particularly interested in increasing world trade, as it is now more appropriately termed, because such trade and commerce will be the means of expanding local industrial production, giving more employment, increasing business in this area.

Foreign trade zone experience in this country is limited. The first zone was established in New York in 1937, and during the war the location of the zone had to be moved twice, but the experience there has justified its establishment. A foreign-trade zone was established in Mobile, Ala., in 1938, but was closed after only 6 months' operation. Authority to open a foreign-trade zone in New Orleans was given more than a year ago, and operations started May 1, 1947. San Francisco made application for a zone in 1935 but the application was denied because the site was unsuitable. More recently a new site was selected which complied with the Federal requirements, and San Francisco will soon be operating a foreign-trade zone. The matter has been under study at Seattle for some years but no action has been taken.

The world trade committee and the harbor affairs committee of the Los Angeles Chamber of Commerce have recommended the establishment of a foreign-trade zone at our port in the following language:

"In our world trade the emphasis today is on the necessity of importing more goods from other lands in order to supply our industries with raw materials and to assist in creating new sources of dollars to pay for our exports. Our opinion is that the Los Angeles Harbor Department should install and maintain every available modern facility and service that will advertise, publicize, and assist in sustaining our world trade at the highest possible levels. The establishment of a foreign trade zone facility would be an important contributing factor in developing and expanding our international trade."

As I said before, I cannot anticipate the action of the board of harbor commissioners. The decision must be made by that body. There may be factors concerning which I am not fully informed, that may be advanced as negative reasoning, but I feel that the application should be made and that the port of Los Angeles should not permit New York, New Orleans, and San Francisco to forge ahead in bidding for foreign commerce. In this area we have a veritable empire, representing in population and business the equivalent of many States in the Union. Our production should find foreign markets and our industries need foreign goods. Los Angeles is a city of world-wide importance and we must recognize our position in world trade and world-wide affairs.

What Is Necessary To Provide the Largest Number of Housing Units in the Shortest Possible Time in Metropolitan Detroit?

EXTENSION OF REMARKS

OF

HON. HAROLD F. YOUNGBLOOD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. YOUNGBLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Hiram Perry Holmes, president, Detroit Real Estate Board, as presented before the Detroit and State Affairs Section of the Economic Club of Detroit, January 28, 1948:

The purpose of this discussion is to attempt to bring forth practical and possible ideas that will help to make available as quickly as possible more family living units. As I see the problem, there are two general ways in which this can be done. One is to construct more new units. The other is to make the best possible use of existing structures. Because of the urgency of the problem, I believe we should first explore the condition of what we have already. If we find that anything can be done to improve their use, with proper cooperation, it can be done in less time than it would take to build new ones.

May I say here that by no means do I wish to discount the importance of exercising immediately all of our abilities and facilities in developing new construction. In fact, may I urge that every citizen in this country capable of constructive thinking do his or her best in helping to bring out into the open the causes of existing bottlenecks in the construction field today. More important still than telling us what is wrong with the situation, I hope that they will follow through with some useful ideas on how to eliminate the troubles of the contractor, as well as how to convince private investors that they can safely invest more capital in rental housing. Too many good citizens, in my opinion, are too modest in their own estimate of their ability to think. There are others, of course, even though they are able, who are too lazy to think. They are the parasites of our society who, perhaps unconsciously, are not only contributing nothing but are rapidly helping to destroy what we have.

During my life, and particularly in the past 25 years, it has been my lot to be closely associated with the two fundamentals of life—food and shelter. In this time I have had actual and practical experience as a farmer, a carpenter, a builder, and a property owner. Most of my working experience has been that of a property manager whose true role is to act as a sort of a trustee between four related groups of people. They are the property owners, the tenants, the workmen, and the public. Management is now my business, my means of livelihood. As a property manager I am a servant of all of these people, and here may I inject the fact that in this country, not until lately, has there ever been any thought of classes or one class versus another. This is a foreign idea and unnecessary and undesirable under our Constitution. The workman (the employee) can be and often is both a tenant and a property owner. The tenant must be a workman or a property owner. He can be both. The property owner is a workman of the past. All make up the public and are important members of our society of high specialization and intense cooperation. That is as it should be for time has already proved it.

Reference of personal experience is made here only with the hope that it may help to qualify me in the minds of others from all walks of life as a qualified witness for the rental-housing business. It is my sincere hope that the thoughts which I shall present will be received in the spirit in which they are given. I have tried to base my conclusions on actual experience, facts, and findings, without passion, prejudice, personal selfishness, or political philosophy.

The value of housing space or time of occupancy is purchased, as in the case of any other commodity, on its worth to the tenant and the tenant's ability to pay. Any other standard of value disrupts the entire housing field and creates artificial shortages

or vacancies just as in the manufacturing, retail, or labor markets. But the relationship between the property owner and the tenant differs in some respects from the merchant and his customer. It is a constant relationship of 24 hours a day, 365 days of the year. This relationship shares the good with the bad, sickness, good health, financial reverses, and good fortune. The renting of living accommodations owned by another is a privilege and not an inherent right. With this relationship goes certain privileges, responsibilities, and obligations on the part of both parties. If they are respected the relationship is pleasant and satisfactory to everyone. But, to be harmonious, that relationship between the property owner and the tenant must be fair and equitable to both parties.

In my opinion, at least 95 percent of the tenants I know do respect these privileges and responsibilities. They are desirable and we hope that we can keep them. The other 5 percent are undesirable for one reason or another and they are generally considered so by their neighbor tenants. They may be destructive, disturbers of peaceful living, or creators of fire or other hazards. They may be causes of crime and delinquency. Almost always they add more to the cost of maintenance than do the good tenants. In a free society it is the duty of management to dispossess these tenants but, bear in mind, these vacancies are immediately filled for property owners must have tenants to remain in business.

I offer this thought because I believe the eviction scare has been vastly overplayed and stressed completely out of proportion to its actual importance. There would be no wave of evictions without rent control. Nothing of this kind happened before rent control. Property owners want tenants just as badly as the tenants want living space.

Advocates of rent control frequently say that elimination of controls would cause rental housing to be available only to the well-to-do. I believe that they are generally well provided with housing now and those others are not enough in numbers to make any dent in the supply. We used to have a rule that it was unwise to sell rental space to a tenant to any lesser quality than the best he could afford to pay for. If we did, he would not stay settled long. His pride compelled him to look for and find the best he could afford to pay for.

One point generally overlooked is that rents cannot be arbitrarily raised to any point desired by the property owner. There must always be a tenant able and willing to pay the price. Removal of rent control would permit the asking of higher rentals but in most cases the new rates would truly reflect comparative values as tenants view them today, not as they were several years ago under completely different conditions.

Proponents of rent control claim that it must be retained to prevent or retard inflation. Simple proof that their contention is wrong is the fact that during the years we have had rent control we have had our greatest inflation. Rent control has served only to conceal some of the effects of inflation by distorting relative values of housing and other commodities. Holding down the rent of a family has made it possible to bid up the prices of food, clothing, and other essential and nonessential commodities. Thus rent controls have removed some price pressures—only at the expense of others. Rent control has had the effect of increasing the incomes of some tenant familes (those in possession) but at the expense of other families—those who own rental property, those seeking rental housing, and those who have been forced to buy houses before they were really able to do so. In other words, the owners of rental housing, together with those seeking housing, have been required to subsidize not only the tenants in possession but other kinds of business enterprises patronized by these tenants.

Rent control has not kept the cost of housing or the cost of living down for the Nation as a whole. It has kept the cost down for some of the tenants, but only at the expense of other of our citizens.

The points brought out so far are, in my opinion, necessary as a foundation for understanding of why, under rent control, we have not made the best use of our existing structures or why rent control has served to reduce the number of rental family units which are available to those families seeking rental housing. At the same time rent control has contributed to the prevention of greater production of new rental housing.

It is time to cease thinking in terms of an emergency. As long as emergency treatment continues, the emergency will stay with us, at least in our minds. With reference to position, there is a certain segment of our population in a real state of emergency, but I shall discuss that later. I believe that it is necessary and advisable now to think in terms of a rental housing market based on this new, postwar, peacetime pattern and adjust ourselves to it. The wartime emergency is over. The original justification for rent control now ceases to exist. Army and navy training centers, mobilization bases, or ports of embarkation where wives and children congregated to be with husbands and fathers no longer exist. There are no mass movements of war workers to centers for production of war weapons. The war-displaced population has either settled permanently in its new communities or returned to its former home communities. We have begun to assume our true postwar pattern as a nation. We are no longer in an extreme state of flux.

Census figures show that by our own prewar standards there is more housing today, and more housing space per person, than ever before in the history of this or any other nation. In other words, there is no actual shortage of housing.

When any necessary commodity—and rental housing space is a commodity—is priced below its free market value, people will rush to buy it. With rents less than 7 percent over the 1942 market value and with average wages and incomes of our rental population more than 100 percent over the 1942 level, rental housing space has become a cheap commodity in relation to earnings. In 1942 approximately 22 percent to 25 percent of the average income was devoted to rent. Today rent absorbs only about 9 percent to 14 percent of this average individual income. Under this situation people have followed their natural desire and sought larger and better living space. This situation continues today. In actual practice the owners and tenants have been partners in contributing to this overconsumption of space per person. The fewer the tenants in a given space the less wear and tear and maintenance expense there is on that space. Even the OPA and the Housing Expediter have encouraged this wasteful use of rental housing. With very few exceptions, they have made higher rents for increased occupancy impossible. That is why, from 1940 to 1946, the number of houses and apartments occupied by one person increased by approximately 800,000. In other words, 800,000 living units, formerly occupied by two or more persons, became occupied by only one person. This was an increase of about 30 percent. The number of living units occupied by only two persons during this period increased by approximately 1,900,000, an increase of 22 percent. Again, in other words, approximately 2,700,000 living units became occupied by only one or two people instead of larger families. This under-occupancy trend was noted in all sizes and classes of living units. This wasteful use of housing space still continues. The housing is still there but it is not being used as it was originally intended. Existing buildings now contain fewer persons. I know it is hard to grasp the true import of this situation but it is true that our present-day widely accepted shortages are not shortages of housing space, but shortages of available rental space—particularly rental vacancies.

A special study of 34 metropolitan districts in 1947 showed that in every one of them the percentage of dwelling units that were rented, instead of owner-occupied, declined from the 1940 figures. In many of these districts the decline was tremendous. Time will not permit the quoting of percentages but they clearly show what is happening to the rental business under rent controls. They clearly show why the the plight of the renter is becoming increasingly desperate. There is a shortage of rental housing because rent controls are forcing it off the market.

Today's tenants live in buildings which were constructed from yesterday's profits. If there are no profits today, who will provide the buildings of tomorrow? Some say that public housing is the answer. I believe that public housing is not an incident or a trading point in our politics today. It is a touchstone by which we can judge a man's entire political philosophy. The person who sincerely believes in public housing and thinks that we must have a little of it to pacify certain segments of our population has to accept the implications. That man does not any longer believe in the American private-enterprise system. He is a Socialist at heart. Destruction of private enterprise and the ultimate victory of socialism always starts with public housing. We have but to refer to the history of France, England, Austria, and Russia to realize this.

The philosophy of rent control has been based upon the assumption that the amount of rent a tenant pays is his most important consideration in renting a home. It is my considered opinion that this is not so. From my own experience, I have learned that the tenant looks for four things: (1) His first consideration is a home for his family wherein there is security and safety. If he were allowed to occupy a castle free and he felt that his life or the lives of his family were in danger, he would not want to live there. (2) He looks for all of the comforts, conveniences, physical appearances, and atmosphere that he can find. (3) He seeks to establish his home wherever he can enjoy peace and freedom from annoyance, wherein he can live peaceably with the owner, other tenants and others in the same neighborhood. (4) He wants all of these things to the fullest extent that he can pay for them in order to satisfy his pride of living. Under rent control item 4 has been placed first, and it has in many cases made it impossible for him to satisfy the first three desires.

Rent control as it has been maintained has prevented the attainment of the tenant's goal. The longer controls are so maintained, the further the tenant will be from complete satisfaction. Aside from the fact that there were no rental units available the rent-control act has forced millions of families to purchase homes at too high a price in order to satisfy these fundamental living desires. These families, unfortunately many of them veterans, are experiencing a higher cost of living which offsets the apparent savings of the tenants in possession. Even those tenants in possession of the rent-controlled living units are beginning to realize through missing services and standards of living that their rental payments are not buying as much as they did before rent control. More and more tenants are finding out that the rental housing of 1941 and 1942 cannot be bought with 1948 dollars.

Earlier I made reference to one segment of our population who are in a state of emergency. These are the elderly people who have worked hard all of their lives at modest salaries, who have saved and deprived themselves of many wants and who have looked forward to being property owners. They were confident that by becoming a property owner they would escape the humiliation of becoming public charges when they were no longer able to work. The majority of these people have only the net income from one,

two, or three tenants to depend upon. These poor people are really in a state of emergency. Removal of rent control would restore their confidence in this country and permit them to pass on the same incentive to be industrious and thrifty to their children. These people have always been the backbone of any country; perhaps too few realize how many of these people there are in this country. According to statistics taken from the Federal income-tax returns 74.7 percent of all of the property owners of this country have net incomes of $5,000 or less. Approximately 80 percent of our rental units are in small buildings such as single dwellings, duplexes, or four-family structures.

It is only on a free market that we can learn how many rental units are actually needed to house our rental population in the manner in which it wishes to be housed. Today these desires and demands are all out of balance. The picture has become so distorted that it is impossible for the investor or builder of housing to know just how much housing is actually required and at what rental levels. If we based our construction of housing on the artificial demand of today, we would run the risk of creating the greatest property depression the country has ever known. The longer the elimination of rent controls is postponed, the greater will be the unbalance and confusion. For the history of what has happened in France by renewing rent control for just one more year for 33 consecutive times, I refer you to an article that appeared in the December 29 issue of the Wall Street Journal. People in that country just cannot understand why we cannot learn from their experiences. They know now that the longer removal of controls is put off, the harder it is to do it. One so-called emergency seems always to follow another while available rental housing keeps getting worse and worse.

In conclusion, may I briefly summarize the important reasons why I believe removal of rent controls as of February 28, 1948, will quickly result in the balancing of supply with demand and thereby provide sufficient rental housing family units for all of those who desire them. Property owners need tenants and desire all good tenants to remain. Fears of wholesale evictions are completely groundless. Structures in use today are not housing the number of tenants for which they were originally designed. The tenants, the property owners, OPA, and the Housing Expediter have all contributed to a less efficient use than could be made of the existing structures. The emergency for which the Rent Control Act was created no longer exists. Under the act as it now stands, one segment of our economy is paralyzed, thereby throwing our whole system further out of balance. It is time to establish ourselves on a new, normal peacetime pattern. Strictly speaking, there is not a housing shortage but rather a shortage of dwelling units which are available for rental. The returning veteran, instead of being aided by rent control, has been its principal victim. The housing picture is so distorted under rent control that an accurate picture of the real needs is impossible to obtain. Rehabilitation and modernization of present structures will materially reduce pressure for new housing. We are using up faster than many realize the housing that is now in use and confidence must be restored to the investor in order to stimulate building for the future.

If this is not the time to permit Federal rent controls to expire, then the time will never come. There is no single argument for continuing rent control that cannot be repeated next year and the next year, as France has done for 33 years. Give the property owners the right and the confidence to build a new America in the only way it can be built.

Water for Long Beach, Calif.

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. BRADLEY. Mr. Speaker, I place herewith a resolution adopted by the Board of Water Commissioners of the City of Long Beach, Calif., before the House for the consideration of its Members. It is to be noted that this resolution expresses the unqualified opposition of the Board of Water Commissioners of Long Beach, Calif., to Senate bill 1175—the central Arizona project—and its wholehearted support to Senate Joint Resolution 145.

Whereas the city of Long Beach has reached what is believed to be the safe maximum yield of its wells in the Coastal Plain and is now taking 40 percent of its water requirements from the Metropolitan Water District of Southern California, of which district said city is a member; and

Whereas the city of Long Beach has increased in population from 164,271 in 1940 to approximately 285,000 at the present time and is still expanding rapidly, requiring steadily increasing quantities of water from said water district; and

Whereas said Metropolitan water district holds filings upon 1,655 cubic feet per second of the flow of the Colorado River and has expended some $200,000,000 in the construction of an aqueduct to deliver said water into the metroplitan area of southern California; and

Whereas said water district has made these expenditures in reliance upon definite contracts with the Government of the United States; and

Whereas the Metropolitan water district and other southern California organizations have in effect underwritten the construction costs of Hoover Dam through firm contracts to purchase the power developed at said dam and to store water behind said dam; and

Whereas the central Arizona project (Senate bill 1175) is unsound, economically infeasible, and indefensible in that it cannot be constructed and supplied with water without serious encroachment upon the water rights of the Metropolitan water district and in that it proposes to saddle the power users with the major part of its costs, which means, inasmuch as the market for such power is in southern California, that if this pernicious bill is enacted into law, southern California will be required to finance Arizona's taking of water rightfully belonging to southern California; and

Whereas Senate Joint Resolution 145 provides for settling the controversy between California and Arizona before the Supreme Court of the United States: Now, therefore, be it

Resolved by the Board of Water Commissioners of the City of Long Beach, acting for and in behalf of said city, That said board hereby expresses its unqualified opposition to Senate bill 1175 (the central Arizona project) and its wholehearted support of Senate Joint Resolution 145, and urges the defeat of the former and the passage of the latter; be it further

Resolved, That the board of water commissioners hereby authorizes distribution of copies of this resolution whenever and wherever necessary in order to make known the board's position on this proposed legislation.

I hereby certify that the foregoing resolution was adopted by the Board of Water Commissioners of the city of Long Beach at its meeting of the 5th day of February 1948, by the following vote:

Ayes: Commissioners Johnson, Wall, Hilbert, Martin, and Wilson.

Noes: Commissioners, none.

Absent: Commissioners, none.

[SEAL] HELEN L. PENLAND,
Secretary of the Board of Water Commissioners.

Steel Export Situation

EXTENSION OF REMARKS
OF
HON. ALBERT J. ENGEL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. ENGEL of Michigan. Mr. Speaker, we hear a great deal about the steel situation these days, and rightly so.

I want to discuss briefly the steel export situation, with specific remarks on how these exports affect industries, small and large, in my district. I want to include the suggested solution of one small manufacturer in my district, since this suggestion makes complete sense to me.

This suggestion is that steel export controls be clamped on so rigidly that no permit be issued on any steel export item until the manufacturer can show that his steel firm is not more than 6 months behind in domestic shipments and no domestic orders be refused, providing the purchaser was a customer in good standing during the years 1938 to June 1942, when all production went on a wartime basis.

We hear a lot about steel export controls as they exist today. There has been some degree of improvement in recent months, it is true. But it also is evident large amounts of steel, badly needed by American industry, are still being shipped to foreign markets, perhaps because prices are higher in these markets. Whatever the reasons, these exports should be far more tightly and sensibly controlled, right now, in the interests of all the people of this country.

I was amazed to pick up a copy of Report No. 825 of the Senate Special Committee to Study Problems of American Small Business a few days ago and read the following from page 11 of that report, dated January 16, 1948:

In securing figures from the Bureau of the Census on steel exports for the year 1946 and the first three-quarters of 1947, the subcommittee found that total exports are on the rise in 1947 over 1946, at a rate which will be an increase of 2,000,000 tons of steel products this year. This also represents about a million and a half more tons of steel than exported in the prewar year of 1938, when there was no shortage of steel and exports were unrestricted.

Exports of steel-mill products are leaving the United States this year (1947) at the rate of 7,000,000 tons, or 11.1 percent of current production. At the half-year mark the figure was 6,500,000 tons, or 10.5 percent of what it was then estimated production would be. At the three-quarter mark production

of steel products is running at the yearly rate of 62,300,000 tons.

Exports of such critical products as sheet steel and steel pipe and tubing have doubled and trebled in 1946 and 1947 over shipments of those items in normal prewar years.

During its preliminary investigation, the steel subcommittee was especially interested in shipments of sheet steel and steel pipe and the countries to which these shipments were being made. Census figures indicate that our prime country of export on most steel products, and especially of sheet steel, is Canada. Next in volume are such countries as Argentina, Brazil, Mexico, and Sweden and other nations not involved in war-rehabilitation projects. Only one country in the devastated areas of Europe—France—has been a major participant in current export trade.

In the case of steel pipe, Brazil, Argentina, Mexico, Venezuela, Colombia, and Russia have been the chief recipients. In the case of Venezuela and Colombia, investigation has shown that American oil firms are developing new oil resources in those countries, which accounts for large shipments of pipe. In the case of Russia, however, it is difficult to determine any reason for the shipment of 65,000 tons of critically short steel pipe and tubing to that country in 1946, shipments which continued at the rate of 20,926 tons in the first quarter of 1947. This situation was brought to the attention of the Bureau of Export Controls, Office of International Trade, Department of Commerce, by the subcommittee in May 1947. Since that time it is noted that all shipments of steel products to Russia have been curtailed; steel-pipe shipments in particular were reduced to 1,056 tons by the third quarter of 1947. The subcommittee is heartily in accord with this move.

It so happens that the manufacturer whose suggestion is cited in the opening paragraph of these remarks is in the business of making irrigation systems, and thus pipe is the principal ingredient in his business.

Believe it or not, his firm is now making a sizable shipment, of special fittings only, to Barbados in the lower West Indies just off the coast of Venezuela, where they can get all the pipe they want. But the same firm cannot get pipe enough to ship 300 feet to a plant grower in Georgia to grow small plants for northern markets. The same old story: Plenty of United States pipe in South America but still an extremely critical shortage in the United States.

If the American steel companies want to capture a new market, let them first supply the market that lies at their door, which in turn will supply labor, taxes and productive materials for our own needs. A shipment of $1,000 worth of pipe to South America will add possibly $100 or less to the taxable income of the steel company. That same pipe in the business of the man who makes irrigation systems, for example, will add the same profit and in addition will add taxable income from the men who work for him, will add taxable income from his factory and will add taxable income from the growers who use his product.

A policy of rigid controls based on domestic shipments would not work any undue hardship on the steel industry. It would not curtail sales. An export permit would merely assure the little fellow that he was being taken care of to the best of the ability of the steel industry. It would not require that one company be compelled to fill the gap for the entire demand. It would only compel the various companies to take care of their old customers before exploiting brand new markets.

There will be no expansion of steel production as long as any sizable segment of that industry can force American users, even the smallest of them, to play second fiddle. If the South American market, or any other, is to be developed, let it be by new investment in new production capacity, and not out of the hides of America's small-business men.

This pipe situation is already bad—

Reports the irrigation manufacturer in my own district—

not alone for me but for everybody else, of course. It is, for example, one of the big factors in the housing crisis. I wish I knew the months of occupation of new homes that have been lost by lack of plumbing. In my own community, Muskegon, Mich., I have seen new homes plumbed with electric conduit, which will rust in a few years and have to be replaced. I have seen sinks and toilets and bathtubs hooked up with discarded boiler tubes and water connections made with rubber hose. I have been offered a dollar a foot for pipe that should sell for 12 cents. It is this shortage that makes the shortage for me.

Here is the point: As everybody knows, steel will be scarce for quite a while. The mills and other suppliers know full well that customer good will is something they will not have to reckon with too seriously for some time. In too many instances their present attitude reflects this, as any steel buyer will verify.

I am told there is ample legislative authority now for far more rigid control of steel exports. I hope the congressional committees concerned with this question, and all other Members of Congress as well, will press for licensing of steel exports on a basis where no permit will be granted until the producer in question can show that it is no more than 6 months behind in domestic shipments. A 6-month leeway on delivery of domestic orders would allow for planning by the mills. It would also allow for a more definite delivery schedule to small domestic consumers. If the mills cannot do that, they should not be allowed to export a pound of steel.

Luxemburg, Wis.: The Village of Friendly Folk

EXTENSION OF REMARKS

OF

HON. JOHN W. BYRNES

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. BYRNES of Wisconsin. Mr. Speaker, the backbone of America is the people in our small towns and villages. It is from this source that our finest leaders, our great ideals, and our cherished traditions have sprung. Typical of these small towns and villages is the thriving village of Luxemburg, Wis., located in my district in the heart of dairyland. As an example of the progressive and alert spirit that has made America great, I include as part of my remarks an open letter from the village of Luxemburg to the people of America:

WHY DO THEY STILL RING CHURCH BELLS ON SUNDAY?

An advance man for a circus once suggested to a small-town storekeeper that he take space on the circus posters to advertise his business.

"Why should I advertise?" countered the storekeeper. "Been here 20 years, everybody knows me." The circus man pointed to a church across the street. "How long has that been there?" he asked. "About a hundred years, I'd say." "And yet," exclaimed the circus man, "they still ring the church bell every Sunday."

Today we must be reminded more often than taught. You may have heard about Luxemburg but you would fail to appreciate the many advantages of this little community if we did not tell you more about it. The write-up on the edge of the enclosed letterhead and the reproductions on the reverse side should give you some idea of this fine little burg. However, a number of changes have taken place since this was printed. The recent installation of a modern waterworks plant and disposal system has created a great deal of added building activity, the laying out of several new plats of land into lots, opening of a number of new streets, etc., and it is evident that the entire village as well as the fine adjoining surrounding community has been stepped up just a bit as regards enthusiasm, and the desire to promote the growth of Luxemburg. However, no community can keep up that enthusiasm, or can attain any degree of such growth unless there is provided sufficient employment for its people and those in the outlying territory. With this thought in mind, that we may thereby interest some individual, or group of individuals to come to our town, we are sending out this brief publicity matter. Our thought is that we would be more interested in a number of small plants rather than too large a factory. While we do not have many vacant buildings, there are available some fine factory sites, especially suitable for small or medium-sized businesses. It would be useless to make any attempt here to go into details about this. To you who may be at all interested, we hope that through this publicity we can induce you to make a personal call, look over our town, contact some of the businessmen and meet some of those listed here at the bottom of this letter. Investigations through other sources would, of course, be most welcome to us.

Naturally, we might be prejudiced, but we feel that we have a mighty swell little community and that we can offer a number of advantages to anyone looking for a small factory location or a place to build a home. While we are a prosperous community, we could hardly be classed as a wealthy community. Our most treasured asset lies in the fact that there exists here a spirit of community cooperation that is seldom evidenced anywhere—the envy of many communities much larger than ours. It is in that spirit that we solicit a visit from you who may be interested in what we state here, with the hope that you may decide to locate here and share this with us.

In conclusion, we believe that the hospitality of Luxemburg village and the surrounding community can best be demonstrated by quoting in whole a welcome invitation contained in a booklet that was mailed out to publicize a local Legion Fourth of July celebration some years ago over the signature of its long-term chief executive:

"WELCOME

"On behalf of the citizens of the village of Luxemburg, it is my pleasure to extend to

you a most cordial welcome to be our guests during the Fourth of July festivities.

"Luxemburg is an inland village of happy homes and contented people, where the latchstring is always out and where friendship is deep and true. You will like us as we shall like you. Come then, laugh with us and play with us while we forget our troubles and pack them up in the kit bag of understanding and good will.

"And we are a patriotic people, too, for while we represent many nationalities and religious and political beliefs, we believe in the American way of life. Each for all and all for each. Not all of us may speak the same language with our lips, but we do with hearts—the language of American democracy, where the poor are as good as the rich and one race as good as another.

"Welcome then to Luxemburg, the village of friendly folk, whose hearts beat true to the red, white, and blue. God bless America."

As stated, while we should very much solicit a personal visit, however should you desire additional information we ask that you write to any of the undersigned, or any member of the village board, who we are sure will be pleased to answer your inquiry.

Cordially yours,

Charles L. Peters, Village President; Richard Seidl, Cashier, Bank of Luxemburg; Rev. J. Huhn, Pastor, St. Marys Congregation; George Gregor, Principal, High School; Dolores Sands, President, American Legion Auxiliary; Elroy Hoppe, Fair Secretary; Lawrence Rueckl, President, Luxemburg Milling Co.; Dr. E. J. DeWane, Dentist; Gordon Zemlika, High School Director; Clem Rass, Village Clerk; John Schwab, Jr., Town and Country Club; Rev. J. H. Nau, Lutheran Minister; Earl Peot, Commander, American Legion; John L. Miller, CRCOF; Austin Allard, Postmaster; Peter Colle, Zoning Committee; Dr. R. R. Jandrain, Physician; Ed Dalebroux, Manager, Farmers Trading Co.

LUXEMBURG, WIS.

Situated in Kewaunee County, population 500, on the Kewaunee, Green Bay & Western Railway. It is located in Wisconsin's richest dairy belt, 14 miles from Lake Michigan, ideal shipping facilities to the East.

Luxemburg is honored as having one of the finest bank buildings in the State, housing the Bank of Luxemburg, which is a community institution.

Luxemburg's population consists of a Belgian, Czech, and German mixture, which makes it a consistent and energetic populace.

Luxemburg has a modern street-lighting system, Kewaunee County fair grounds, a community newspaper, firemen's band, a 50-piece high-school band, two parochial schools, an excellent high school with a new and modern $40,000 gymnasium and auditorium, two churches, paved streets, and 5 miles of cement sidewalks. It also boasts of three large general stores, a grocery store, several variety stores, radio shop, two electric shops, two appliance stores, furniture store and undertaking establishment, drugstore, two hotels, two grain elevators, several hay dealers, four garages, a telephone exchange, three implement dealers, opera house, lumberyard, two barber shops, two beauty parlors, a modern art studio, two meat markets, a shoe store, real-estate dealers, jewelry store, harness store, two welding shops, a tool and lawn mower service station, a freezer plant, two fur farms, large cheese factory with a capacity or 45,000 pounds of milk daily, a planing mill and cheese-box factory, flour mill, a plumbing shop, bowling alleys, a number of well-regulated taverns and lunchrooms, beet-lbading station, large apple and cherry orchards, three bulk oil stations, six gasoline service stations, several livestock shippers, and in the near vicinity are the largest gravel pits in the State, a pulverized limestone plant. Two doctors, two dentists, and a veterinarian take care of human and animal ailments.

Luxemburg has an active service organization, the Town and Country Club, who are alert to the commercial and industrial needs of the community and take the lead in promoting clean and wholesome social activities for both young and old.

The village has a supervised municipal playground, public park, excellent police protection, a modern up-to-date post office, and an efficient volunteer fire department equipped with the latest fire-fighting apparatus, and serving both the local and surrounding territory.

The village has just completed the installation of a complete municipal waterworks and sewage-disposal plant, designed to add much to the convenience and comfort of home owners and others. Building lots are available at very reasonable prices and prospects are invited to establish themselves in this fine village.

The businessmen are wide awake, and will lend their cooperation to those wishing to invest capital or locate in this prosperous community. Dairying is the chief farming industry and is largely practiced, although the land is fertile and crops of all kinds grow in abundance.

Italy Next?

EXTENSION OF REMARKS

OF

HON. JAY LeFEVRE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. LeFEVRE. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include an article by Joseph and Stewart Alsop taken from today's New York Herald Tribune.

It seems to me that the world picture is beginning to take definite form. Heretofore, ever since VJ-day, our Government has been doing everything possible to appease the Soviet Government. Everyone has been confused. What has recently happened in Czechoslovakia and what is threatened in Finland begins to clear the pattern that Russia is following.

The following article informs us about what can take place in Italy. There are those who believe that the Scandinavian countries can likewise be taken over by the strategy directed from Moscow. By this strategy Stalin is accomplishing even more than Hitler did by force. Soon the powers that be will have to decide whether the United Nations is capable of satisfactorily adjusting our international disputes. Most certainly the United States will have to take a leading position in this decision.

Many of my constituents have expressed their opposition to universal military training. Again I repeat that few of us like a military program. We all have hoped and prayed that the United Nations would be effective. Another world war will be ruinous—but what is the answer? We may have a selective service draft program forced on us in the near future. Are we going to sit by and let communism spread or are we going to carry through our desire to free the downtrodden peoples of the world through democratic forms of government?

MATTER OF FACT

(By Joseph and Stewart Alsop)

ITALY NEXT?

What has just occurred in Czechoslovakia, and what is clearly in the process of occurring in Finland, may happen within the next few months in Italy. That is the stark fact of which the American policy makers are fully and agonizingly, aware. Serious as the Czech and Finnish events are, they do not greatly alter the balance of power between the Soviet sphere and the West. Yet if Italy enters the Soviet sphere, the United States and the whole western world will have suffered a disastrous defeat.

An Italian election is scheduled for April 19. Italian politics are volatile and unpredictable. Yet, as of now, it appears probable that the Communist-run Italian people's bloc, which has been gaining rapidly in recent weeks, may poll well over 40 percent of the total vote. If that happens, it will almost certainly be politically impossible for Premier Alcide de Gasperi or any other non-Communist leader to form a non-Communist government. That is why Italian Communist leader Palmiro Togliatti is now reported to be exuding a supreme confidence.

Field reversed by Reds

Togliatti's leadership of the Italian Communists and their stooges has recently thoroughly justified his reputation as the shrewdest Communist outside Moscow. All observers agreed last autumn that the Moscow-ordered campaign of violence had frightened and alienated a large proportion of the Italian electorate. But since then the Communists have neatly reversed their field. They have assumed again the disguise of true democrats and patriots. Moreover, Togliatti has finally persuaded his old friends in the Kremlin to join him in wooing the Italian voters.

Thus an Italian mission was sent to Albania shortly after the war, and was promptly jailed on orders from Moscow. Its members have now been released through the intervention of the Italian Communists, and relations with Albania resumed. Yugoslavia's Marshal Tito has been equally cooperative. Seventy-odd Italian fishing boats have been quite illegally seized in the Adriatic by the Yugoslavs (one Yugoslav gunboat even pursued an Italian fisherman with machine-gun fire, right into an Italian port). Recently a direct appeal from the Communist trade-union leader De Vittorio has elicited from the Yugoslav dictator the gracious promise that the Italian boats will be returned.

Such triumphs of Communist diplomacy have been widely advertised in the pro-Communist Italian press. There have been broad hints that they are no more than preliminary tidbits. If the Communists come to power, the grand prize, the return of the city of Trieste to Italy, will be forthcoming.

Moreover, the Soviets, after treating the Italians with open contempt since the end of the war, have suddenly begun to bid for Italian favor. Within the last few days they have announced that they are "still" in favor of Italian trusteeship for the former Italian colonies. And last Friday they stated that they were very much in favor of the return of Italy to the international Tangiers regime.

Such announcements have been published with much fanfare in the powerful pro-Communist Italian press (which is lavishly and

somewhat mysteriously supplied with paper). The fact that all the other Tangiers signatories, including Britain and France, had 3 months before signified their willingness to invite Italy back to Tangiers was studiously disregarded. So was the fact that the Soviets had previously tried to grab the Italian colonies for themselves. Instead, a riot in British-held Italian Somaliland, in which 52 Italians lost their lives, was held up as further proof of western imperialism, duplicity, and hatred of the Italian people.

Few cards to play

In this rather squalid game of bidding for the favor of Italian nationalists, the United States and the western nations have few cards to play. If the red tape in which the Maritime Commission is as usually firmly bound can be unraveled, some 15 Liberty ships will shortly be dispatched to Italy, as authorized by Congress. But against such minor gestures, the Soviets can still play their ace. They can renounce a portion of their Italian reparations.

Meanwhile, Togliatti's grip on Pietro Nenni, Italian Socialist leader, is as tight as Gottwald's grip on the traitorous Fierlinger; indeed, the Italian Communist Party is known to pay more than nine-tenths of the expenses of Nenni's Socialists. The other parties in the people's bloc, the Action Party, and the Republican Alliance, are in like case. With such tight organization, with apparently unlimited funds and with the miseries of postwar Italy working in their favor, it is now believed seriously possible that the Communists and their stooges will poll a vote sufficiently large to prevent the formation of any non-Communist government. Then the venal Nenni will be propelled into the premiership, and the reins of power will stretch back through the hands of Togliatti into the Kremlin.

If that happens—and it must be emphasized that it is regarded by those who should know as a wholly serious possibility—the whole western position in the Near and Middle East will be outflanked, and the power balance in Europe itself will be disastrously altered. The world will then be close to war.

Czechoslovakia

EXTENSION OF REMARKS
OF
HON. KARL STEFAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Monday, March 1, 1948

Mr. STEFAN. Mr. Speaker, this past Friday, over radio station WOL in Washington, at 8 o'clock in the morning, Mr. George E. Reedy, the popular commentator, discussed the fall of Czechoslovakia to the Communists. I quote:

The fall of Czechslovakia to the Communists has brought the United States to its greatest diplomatic crisis since the beginning of the late war. American officials are making no attempt to disguise their deep concern.

Of course, Czechoslovakia is only one of a long series of nations to fall to the Communists. It has been preceded by practically all of eastern Europe. Soviet domination of border countries has become the pattern of the postwar world.

But the fall of Czechoslovakia presents a different picture. The other nations had been under Russian domination in one form or another for several centuries.

Their nation, which grew out of the First World War, was patterned after our own. Its government was modeled on the lines of our Government, and its people had a passionate devotion to liberty. They have proved it over and over.

From a strategic standpoint, the capture of Czechoslovakia was important to the Communists. It advances the Russian sphere of influence to western Europe itself, and it brings to the Soviets an important industrial prize.

The Soviet Union has always lacked a pool of skilled workers. Czechoslovakia as an industrial nation has plenty. Before the war it was one of the most important manufacturing centers on the Continent.

There is little doubt that Russia will be able to make good use of this pool of workmen. The Germans proved that it could be done, and the Communists are fully as efficient as the Nazis. The Czechs will work—whether they want to or not.

All of these things considered, it is not surprising that the United States, Great Britain, and France have joined to denounce the Communist stroke. Their language is bitter and undiplomatic, but it is justified.

The three-power note calls the coup a "disguised dictatorship of a single party." It calls the crisis which was used to bring it about "artificially and deliberately instigated." No words are minced—or softened.

Such language, of course, does nothing but give the three nations a chance to blow off some steam. They are still faced with the problem of doing something to halt a further Soviet advance. Czechoslovakia must be written off the books.

Secretary of State Marshall has already asked Congress for more aid to Greece—the only non-Communist country adjoining the Soviet sphere. He wants $275,000,000 to strengthen the Greek Government.

But the real fear is that the Communists have designs on France and Italy. Those are the two vulnerable points in western Europe. The Communists know they cannot take them except by force from the outside.

A strike at either by Soviet forces would put this country directly on the spot. We would either have to fight or get out of Europe altogether. Neither alternative would be a happy one. Either alternative could be disastrous.

The true significance of the fall of Czechoslovakia is this: There are now no more buffers in the world. From here on out international diplomacy is played for keeps. Any further Soviet expansion means we must put up—or shut up.

Mr. Speaker, and so ends the commentary last Friday morning of Mr. George E. Reedy.

Much of what Mr. Reedy said about Czechoslovakia and her current situation I am sure most of us will agree with.

However, I wish to most earnestly correct Mr. Reedy's remark that "Czechoslovakia must be written off the books."

Mr. Reedy and the world must never forget that Czechoslovakia is a young republic, younger even than our own United States. And youth has vitality, strength, and courage. Nor must the world forget that the people of Czechoslovakia cherish in their hearts a deep love of liberty as passionate and sincere as is our own.

It is true that a Russian rider sits in the Czech saddle. But if I know those people, and I think I do, the spirit of democracy will not die as long as one Czech lives.

It is also my belief that the Russian rider will find that he sits astride a strong-willed and bucking mount.

Radio Address to My Constituents

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, March 1, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address made by me over Station WNBF on February 28, 1948.

Dear friends of the Triple Cities and my congressional district, first I want to acknowledge the telegrams representing hundreds of post-office employees, clerks, railway-mail men, letter carriers, and custodians, which were sent me this week.

You boys are asking for a raise from $800 to $1,000, and I think you ought to have it. You're the only ones on the Federal pay roll who have been left out in the cold. Whatever the committee decides to do for the rest, the postal workers ought to be given the limit.

I want you to know that I complied with your request to plead your case before the Rees committee. The chairman very courteously received me and gave to me the opportunity of stating your wishes in the matter.

A message from Mr. Howard J. McNamara, chairman of the Broome County Red Cross Chapter, reminds us that the National Red Cross campaign begins March 1. He says that the quota for Broome this year is $147,000, more than 45 percent higher than for 1947.

It is scarcely necessary to point out the necessity of public support for the Red Cross. The record of this great organization is written on the hearts of Americans the country over. Let us hope the response will more than take care of the increased requisition.

George Washington had a lot to contend with fighting the enemies of the people of that day, just as your own Congressman struggles against the intolerance and sham thrown up to barricade his efforts. The House recently observed another Washington's Birthday and, impressed with the significance of such an occasion, I made the following speech before Congress:

"Mr. Speaker, whenever, on these annual occasions, Washington's Farewell Address is read, I never fail to get a new angle. I am always impressed by some different phase of this immortal message.

"I suppose the Nation would be better off today if our leaders and statesmen down through the years had taken Washington's advice more to heart. A lot of decisions made since might have been changed for the wiser, if his parting, fatherly words had been contemplated oftener.

"The public knows George Washington as the Father of His County. He is looked upon as the foremost military man of his generation. He won the War of American Independence and, as our greatest Revolutionary hero, was the logical man to become our first President.

"Washington's record as head of the new America was unimpeachable. Under his administration the country emerged as a strong Nation, young as she was.

"While all of us know Washington for his amazing public accomplishments, few realize that he was as hard working in private affairs. No matter how great the cares of his military or executive office, he always seemed to find the time to develop his farm lands in Virginia.

"History tells us he was an authority on agriculture. He burned the midnight oil studying about ways to improve the soil and develop new programs of fertility and farm development.

"George Washington knew more about farming than some of the so-called experts down in the Department of Agriculture. If he came back today, he could probably teach a lot of the specialists things they never heard of about the soil.

"Each Member of Congress has in his office a set of volumes containing Washington's letters. If you peruse them you will find how versatile this great man was and what a wealth of knowledge he possessed.

"So, in addition, Washington can be looked upon as first in war, first in peace, and first in the hearts of American farmers."

Sale of American Merchant Ships

EXTENSION OF REMARKS
OF

HON. WILLIS W. BRADLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. BRADLEY. Mr. Speaker, it is gratifying, indeed, to note that the Congress has seen fit to stop all sales of American war-built merchant ships to foreign nations or to foreign individuals as of February 29, 1948. This, of course, is only the first step in the struggle to prevent the sale or transfer of a large number of such American merchant ships in connection with the forthcoming European-recovery plan legislation.

As an indication of the widespread support which the complete stoppage of foreign ship sales has behind it, I take pleasure in publishing herewith a letter from the secretary of the California State Federation of Labor of February 6, 1948. I invite attention to this clear presentation of the reasons why additional ships should not be sold foreign:

CALIFORNIA STATE
FEDERATION OF LABOR,
San Francisco, February 6, 1948.

Hon. WILLIS W. BRADLEY,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BRADLEY: This will acknowledge and thank you for the copy of your letter to Mr. Bassett regarding our opposition to that portion of the Marshall plan which proposes to sell and/or charter 500 American merchant ships to European nations.

The basis for our action rests on the following conclusions:

First of all, it is important that our country maintain a strong merchant marine for foreign and domestic commerce and to support our national economy. On at least two occasions in our Nation's history, we have passed through critical situations due to the lack of the necessary ships and trained personnel to support our national defense. The reduction in our merchant marine is an obvious danger to the adequate defense of this country.

Moreover, it is recognized that competition exists between the various fleets of the world for the transportation of international cargoes, and that to the extent that one fleet is successful, another one is deprived. To overtonnage the fleets of our foreign competitors from our surplus war-built fleet, at a low price with the resulting low capital costs, would deprive American ships of a proper competitive position in international trade. With the low wages and living standards aboard foreign ships, and further aided by low capital costs, our foreign competitors would have an advantage sufficient to more than offset the low speed and relative inefficiencies of certain of our surplus war-built vessels.

Investigation discloses that on an over-all basis the 1939 fleets of foreign nations, other than those of our enemies, have been restored up to or more than their prewar strength on a tonnage basis alone. That does not take into account the increased lifting capacity of the higher speed and more modern vessels which have been built or acquired. Certainly there can be no obligation to build up our foreign competitors beyond their 1939 status, and it is not in the interest of our merchant marine or in the public interest to do so.

There are many other arguments that can be advanced proving the need of opposing this proposed transfer of American ships to foreign registry.

We are very appreciative of the effective presentation of this position which you made on the floor of the House, and we wish to congratulate you for taking this position.

You are free to insert in the RECORD any of the opinions expressed above.

Sincerely yours,

C. J. HAGGERTY,
Secretary.

Germany and Christianity

EXTENSION OF REMARKS
OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. SADOWSKI. Mr. Speaker, now when so many Members of Congress are being driven by fear and fear propagandists and are about to make decisions on foreign policy which may have an adverse effect upon our Nation and our relations with the nations of the world, it is good to see once in awhile a ray of sunshine break through these dark and disturbing clouds.

Yesterday I received a letter from E. M. Poe, GI student at the University of Michigan. He tells of a lecture delivered by Dr. Ferenac Kiss at the church auditorium. Dr. Kiss is head of the Free Church—Protestant—movement in Hungary, and was teaching anatomy at the University of Budapest. He was released by the Russians and is the only member of his faculty that was not shot by the Germans, or is not in jail. He has been in the United States for 3 months and is making a tour of this country and Canada under the auspices of the Inter-Varsity Christian Fellowship. He has so far given 100 lectures.

Dr. Kiss is not only a scientist, but he is also a great Christian leader. He is not one that believes that science or new knowledge should supersede Christianity or the teachings of Christ. Although he has written an anatomy text, atlases, and 40 or 50 scientific papers, he has not forsaken the greater teachings of religion.

Dr. Kiss stated:

The problem of Russia is only secondary. It is the European organism that is primary. We used to teach that germs cause diseases Now we teach that if the organism is weak, it will be subject to attacks of various kinds. The real cause of Europe's present plight is the lack of positive Christianity and social reform, which alone could have prevented World War II.

Russia broke from Christianity, but we must remember that the aristocracy of Europe and their close imitators, the middle classes, also decided that—

Religion was only an opiate for the masses. The top class must set an example for the masses. They have the power, the government, and the lives of the people are in their hands. Along with this power there is a great responsibility. A moral one. If the rulers become corrupt they are like a sore on an arm. Some day the whole skin underneath will slough off that dead, corrupt, and useless old tissue. While still alive and performing its function as skin and protecting flesh beneath, it will continue to be fed by the body. When it forgets its duties it dies and will be pushed off.

Germany became the leading scientific country and decided that science was greater than God. They pushed God out and substituted lectures on science for sermons on morality. They taught nothing but science in school and put all faith in armies and the military.

After World War I some tried to urge Germany back to God but the learned professors only laughed and said, "The real trouble was not lack of God, but that they had started the war too soon before science was sufficiently well developed."

So they redoubled their scientific efforts and they knew far more than the United States about a lot of things. So they tried again. Again it was the Christian countries than won the war. Then these non-Christian German scientists were called before the courts at Nuremberg. At the trials they said, "We are not responsible. We had to obey Hitler's orders. It was all his fault."

We said, "You are of the intelligent class. You are the men of learning, of science. You are the leaders." Yes; they were men of pure science who had forgotten God, and they could not succeed.

We need science and we should learn all we can, but we must remember that we are responsible for our inventions and machines, to see that they work for the good of the people and that science does not desert the teachings of God.

In England the Government leaders admit that it was not their armies that held the Empire intact. It was their preachers, hymns, and Christian literature that gave courage to the people and held them together. Likewise in Poland, when all hope was gone, it was the faith and belief in God that held them together. Today the churches are filled and Christianity is stronger than ever in Poland. Without bulldozers, mammoth tractors and trucks, thousands of people are picking up rubble, brick by brick, stone by stone, with their bare hands and loading them on wheelbarrows and horse carts. Every visitor and correspondent who visits Warsaw and other Polish cities is amazed at the Polish people when they witness their desire to live and excavate themselves from the ruins. Poland is a great Christian nation. It is not a nation of science and

scientists. But the people possess a far greater asset. It is hope and faith in God. Yes, Germany had great scientists. But no man must set himself on a plane higher than God.

A true Christian is not a fearful man. Today in Congress I believe we are being driven by fear and told to believe in the protection of science and the military. This road will not lead us to peace, friendship, and security. We must not allow German scientists or atheistic leadership to sway us.

We have recently appropriated substantial sums for the Voice of America. How much time is being devoted to bring a Christian message from us to the people of Europe? Dr. Kiss, as a scientist and a Christian leader, has a real message to deliver to the people of Europe—yes; the people that he knows so well and the conditions under which they have lived for centuries. Why not invite Dr. Kiss and other religious leaders like Monsignor Sheen to deliver a Christian message to the people of Europe? Of course, this would mean that our foreign policy would have to be changed in accordance with the Christian message that these men would send. It would mean giving help, aid, and assistance on a Christian basis.

We must send a spiritual message to Europe before we send our dollars. Otherwise, our dollars will do no good. In the Middle Ages the body of Europe died and remained dead until the Renaissance came and picked up the people's spirit. This we did not get after World War I, nor have we so far developed anything after World War II. The people are in a vacuum. They are lost in the jungle. Go to the left or go to the right. No other choice. They want to take a Christian Democratic road that goes down the middle. Perhaps our great Christian teachers will provide the leadership. I have hope, I have faith, that neither the right nor left shall prevail, because both roads lead to destruction. The world does not want leadership from militarists, monopolists, royalists, or dictators.

Real Christian leadership has a golden opportunity, and it must be kind, charitable, understanding, and not permit itself to be used by any powerful group or interests.

European-recovery money should not be wasted on arms and armaments. It should go for reconstruction, education, food, medicines, to restore farms and factories and—yes—even a few dollars to restore churches and religious institutions.

MacArthur: The Man of the Hour

EXTENSION OF REMARKS
OF
HON. MAX SCHWABE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, the recent statesmanlike utterance by Gen. Douglas MacArthur is refreshing in that it offers new hope to millions of our people who are weary of being exploited by politicians.

MacArthur asserted:

The Republican Party is peculiarly well fitted * * * to further arouse in the youthful mind the all-important concept of public responsibility, for the Republican Party has never deviated from the proposition that all political power resides in the people.

It has never failed in its staunch advocacy for the maximum of personal freedom and individual responsibility, and has tenaciously held as a principle inviolate equality of opportunity.

Undoubtedly the above words quoted from a statement by General MacArthur to the Republican National Committee endorsing a drive to establish Young Republican Clubs on the Nation's 1,730 college campuses has prompted today's double-column front-page editorial in the New York Journal American entitled "The Man of the Hour," as follows:

THE MAN OF THE HOUR

More than at any time since Abraham Lincoln was summoned to the White House to save the Republic, these United States need a statesman and not a politician at the head of the National Government.

None of the avowed candidates for the Presidency meets the public need.

And the responsibilities that lie upon us are too grave and too consequential to be committed into feeble or uncertain hands.

Misled by vainglorious ambitions and false alien ideologies, we have departed dangerously from the sound traditions and the equally sound practices of our successful past.

We have become a debt-ridden commonwealth, with a debased currency, drifting like a rudderless bark in the shoals of inflation toward shipwreck on the rocks of depression.

The seeds of class hatred and class conflict have been sown in our soil and are bearing poisonous fruit.

The tribunals of justice have been debaunched; arbitrary administrative edicts are taking the place of just laws justly enforced; and a vast bureaucracy is being erected over us to devour our substance.

Taxation has been made an instrument of pillage and persecution, so that the accumulation of generative and productive wealth is diminishing; the fountains of philanthropy are vanishing; the creative energies of our people are faltering; and the dependencies of the dole are being substituted for the virtues of self-reliance and self-respect.

Beyond our shores, our so-called diplomacy has been carried on in a disgraceful medley of secrecy and deception and usurped authority, until no man knows what our foreign policies are—or what they portend.

And meanwhile, in a world where the embers of unextinguished war still smolder and there is no peace anywhere, our defenses are permitted to decline and decay.

A free republic that is so beset with manifold errors and evils cannot—in Lincoln's historic phrase—"long endure."

The times are indeed critical, calling for saving leadership—and America would be indeed bankrupt if the leadership were lacking.

But fortunately for us and for posterity, the leadership awaits—the kind of virile leadership that democracy requires.

Above any man of his generation, Gen. Douglas MacArthur has demonstrated in many capacities his superlative qualities.

He has the statesman's touch along with the patriot's consecration, and he has the inspired and selfless "gift of command" which extreme exigencies always require.

In every call to duty that has been made upon him he has always responded—and he has never failed.

No difficulty, however great, has ever daunted him.

Knowing that we cannot believe that General MacArthur would fail his beloved country now.

We need him.

We need his experience and his judgment and his superb executive ability at Washington.

If we are to save ourselves from our own follies, we must draft General MacArthur for the Presidency.

For beyond any rivalry and any partisanship and any questioning, Douglas MacArthur is America's man of the hour.

Federal Council of Churches' Advocacy of Marshall Plan Questioned

EXTENSION OF REMARKS
OF
HON. HOWARD H. BUFFETT
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. BUFFETT. Mr. Speaker, several weeks ago I received a letter from Charles Taft, president of the Federal Council of Churches. Mr. Taft's letter set out that the executive committee of the Federal Council of Churches of Christ in America was whole-heartedly supporting the Marshall plan.

Mr. Taft's message to Members of Congress was inserted in the CONGRESSIONAL RECORD and so it appears some reply might likewise be made public.

Mr. Speaker, years ago I was saddened as I studied the record of how Hitler slyly prostituted church institutions in Germany for his evil purposes—although ultimately the strongest opposition to Hitler from within came from courageous churchmen.

Probably no greater tragedy could ever befall American Christianity than that its power and influence be, in any part, unwittingly used to promote the goals of militarism and power politics. I hope that in advocating the Marshall plan the federal council is not making that kind of error, but, as my letter to Mr. Taft indicates, I have real anxiety on this score.

The letter follows:

FEBRUARY 28, 1948.

Mr. CHARLES P. TAFT,
President, the Federal Council of the Churches of Christ in America,
New York, N. Y.

DEAR MR. TAFT: This will acknowledge your letter of January 28, advising me that the executive committee of the Federal Council of Churches of Christ in America is wholeheartedly supporting the European recovery program.

Because of my deep respect for the religious leaders of this country of all faiths, I am interested in learning the procedure whereby the council's executive committee arrived at this conclusion.

Accordingly, I will appreciate being advised as to what expert testimony from witnesses favoring this program was received by the committee, and also the witnesses the council heard giving the arguments against this scheme.

Also, I note the federal council believes that this Government "must be zealously on guard against imposing, or appearing to impose, conditions in the granting of foreign aid which would seem to threaten the political independence of the nations of Europe or their right to choose their own way of life."

1. Is it the belief of the federal council that this plan is devoid of provisions designed to influence the political, economic, and military behavior of the governments receiving the subsidies involved in this scheme?

2. The Senate Armed Services Committee has recently been told by the Joint Chiefs of Staff that the extended American position in Europe required by the European recovery program makes necessary a doubled annual military budget. Did the federal council have knowledge of this military expansion aspect of this scheme, and am I to understand that the federal council favors the growing military dominance of American life promoted by this plan?

3. What evidence does the federal council have that the European relief program will be more successful than the Bretton Woods agreements, which were supposed to accomplish the same objective?

4. The House committee report on Bretton Woods, advocating that legislation, carried this paragraph:

"On the other hand, if some countries should find it difficult to secure through private investment the minimum capital needed from abroad, they will be tempted to seek this capital in other ways. Foreign loans may be arranged on a political rather than an economic basis. Such a policy would be most unfortunate, for it could only means a resumption of the use of power politics in international economic relations."

From the foregoing it would seem that the European recovery program initiates the power politics which the Bretton Woods agreements were designed to prevent.

Did the executive committee of the federal council consider this aspect of the European recovery program? If so, is the federal council now an advocate of "power politics"?

5. Does the Federal Council of Churches believe that the Anglo-American decision to build a western European military alliance is an action for which the churches of America should be the advocate?

6. Does the executive committee of the federal council know of any country in which the peacetime economic regimentation (rationing and price control) demanded by the advocates of the Marshall plan has existed side by side with religious freedom?

7. Has your executive committee analyzed to what extent this program will accelerate the deterioration of the American dollar? If so, what conclusions were reached by the committee?

8. Does the federal council believe that the motives and objectives behind this program have been forthrightly and fairly laid before the people? Or that the American people have had a fair presentation of both sides of this controversial issue in the press and on the radio?

If so, how would the committee account for the fact recently established by Congressman MAX SCHWABE that the radio networks have given about 10 hours of radio time to the promoters of this program to every single hour granted to the opponents of the program?

I am not writing this letter simply because I believe the European recovery program will be as futile and disastrous as the British loan was for both the recipients and for ourselves. Instead, I write it because I have the conviction that only by brilliant spiritual leadership will we be able to save our country from the materialism and imperialism that have ruined former civilizations.

I am concerned lest the federal council make the same mistake that many top intellectuals made in Germany when totalitarian government was on the march in that land.

In November 1933, the following Associated Press dispatch came from Leipzig, Germany:

"In picturesque Leipzig University German professors, in an Armistice Day meeting, appealed to the intelligentsia of the world today for a better understanding of Germany.

"It was their way of urging popular support for the Nazi government in tomorrow's elections. The appeal followed along broad lines one released during the war when professors and scientists appealed for a better understanding of the German Nation.

"German professors, today's appeal said, placed themselves in the front ranks of field leaders and fighters in behalf of 'German's honor, justice, and for world peace'."

It is plain now that these men of great intellect were being used as pawns by adventurers in ruthless power politics. It would be an irreparable disaster to Christianity if the federal council, possessing the power to speak for millions of Christians, now makes a series of similar blunders in this country, wouldn't it?

Sincerely yours.

What Is Our Policy?

EXTENSION OF REMARKS
OF
HON. PRESTON E. PEDEN
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, March 1, 1948

Mr. PEDEN. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include herein an editorial from the Sunday Star, Washington, D. C., February 29, 1948:

WHAT IS OUR POLICY?

On Tuesday of last week our representative in the United Nations said that this Government was prepared to enter into consultations looking toward the sending to Palestine of a UN force, presumably including both American and Russian troops, to maintain peace. Two days later Secretary of State Marshall asked Congress to appropriate $275,000,000—this in addition to the $400,000,000 already provided—for Greece and Turkey. The additional money is to be used to provide military assistance to the Governments of Greece and Turkey in an effort to keep those countries from being overrun by the Russians and their Communist stooges in the satellite nations.

If this can be called a national policy, what kind of policy is it?

The Star has supported the policy of assisting Greece and Turkey. And it continues to support that policy in the belief that our vital national interests and our national security would be gravely threatened if those strategically placed countries should be taken over by the aggressive Communist fifth columns, aided by outside forces.

When one looks at a map, however, the logic, if any, of spending $675,000,000 to keep the Communists out of Greece and Turkey, while pursuing at the same time a policy which would bring the Russian Army into Palestine, is utterly incomprehensible to the lay mind. For once the Russians are in Palestine, they have outflanked Greece and Turkey. And once those countries are outflanked by the Red Army they are done for.

Surely, this seemingly contradictory policy ought to be explained, if any explanation is possible. But no one in an official position has offered a word of explanation. On the face of the matter, the American people, at considerable expense, are being asked to march up the hill in Greece and Turkey and to march down again in Palestine. It is doubtful that they will be willing to accede for long to any such request. To the layman it does not make sense, and a policy which, on its face, does not make sense is going to be hard to sell to the people of this country.

In the letter accompanying the request for additional funds, General Marshall said that the Communists, in their ambition to dominate Greece and Turkey, are convinced that time will play into their hands. To this might be added the thought that the Communists may be convinced that not only time but also American policy will play into their hands.

The Racial Issue

EXTENSION OF REMARKS
OF
HON. JAMES DOMENGEAUX
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, March 1, 1948

Mr. DOMENGEAUX. Mr. Speaker, the March 1948 issue of U. S. Public Opinion, published here in Washington, contains an interesting and instructive article on the racial issue entitled "Race Issue Looms Bigger Than Ever in Politics." I believe this article is worthy of careful study and consideration, particularly by those who would seek to make politics out of a problem which the South best understands.

U. S. Public Opinion, a new publication, treats national and world issues in a very entertaining and original manner. It has attracted considerable interest, and I believe its success is assured. The editor and publisher is Mr. John T. Parkerson, a native of the Third Louisiana District I represent in Congress. Mr. Parkerson has had wide experience in reporting, analyzing, and interpreting public opinion. He served as war correspondent for the Associated Press in both World War I and II, and represented the Hearst newspapers at the Paris Peace Conference at the close of the first world conflict. He remained in Paris to become business manager of the Paris edition of the New York Herald, and upon his return to the United States was one of the founders of Trans-Radio Press Service. For the past several years he has served as commercial manager of Press Wireless, in which a number of the Nation's largest newspapers are interested.

Mr. Parkerson understands the South and the fight the Southern States are making to preserve long-established ideals and principles. He knows that the South has often been misunderstood and has also often been the victim of prejudice and of attempts by outside influence to destroy barriers that are necessary for the mutual welfare of the white and colored races. He understands the motives and purposes back of these attempts. For these reasons the following article under his editorship is of special interest, particularly to all southerners:

RACE ISSUE LOOMS BIGGER THAN EVER IN POLITICS—IS SOCIAL BAIT HELD OUT FOR NEGRO VOTE?

With a national election only a few months away, and all parties vying for the votes of the huge Negro population, particularly in

cities of pivotal States, the race question has suddenly sprung into a prominence never before equaled in the history of the country.

"End of racial bars demanded by President's Committee on Civil Rights," says one glaring headline.

The Nation's Capital is held up as "a graphic illustration of a failure of democracy," and the manner in which the Negro population of Washington is treated is denounced by the committee as intolerable and shameful.

The United States Army tells our troops throughout the world that three-fourths of the people of the earth are what we call "colored" and warns that racial and religious prejudice endanger democracy and peace.

HENRY WALLACE'S PARTY

Out in Chicago, where Henry Wallace was acclaimed by his Gideon's army of extreme left-wingers, someone called for Paul Robeson, the Negro singer, "for Vice President," and the crowd roared, "We want Robeson."

The Supreme Court ruling that "equal educational facilities" must be made available for Negroes in all State institutions of learning creates a problem in the South. At the same time, when the question of restrictive covenants aimed at Negroes and other minorities comes before them, three of the Justices of the Supreme Court disqualify themselves from acting in the case.

"Antisouthern legislation," sponsored by President Truman and his Committee on Civil Rights, constitutes "a greater menace to the Nation than the international clash between democracy and communism," declares Gov. Fielding L. Wright, of Mississippi, who urges southern Democrats to secede from the national party unless this situation is corrected. "Such legislation," adds the Governor, "violates the very experience of man, namely, that the problems of human relationships are so varied and diverse that we can never begin to solve all of them by laws."

An ultimatum of the southern Governors, castigating President Truman for his civil rights message and calling on the National Democratic Party to reverse its stand with the President, or face a threat of secession by the traditionally solid South, is the big political story of the day.

DEMOCRATS ON SPOT

It is no secret that a revolt within the Democratic Party has been brewing for some time, and the suggestion has even been made that the Southern States unite upon a candidate like Senator HARRY F. BYRD, of Virginia, and vote for their Presidential electors to support him in the electoral college. Such action would, of course, insure the election this year of a Republican President, which many Southern Democrats openly admit they would prefer to continuation of the Truman policy and his support of what they term "the infamous proposals" of his civil liberties committee.

Southern whites, who claim to know something about the subject, because they say they have had to live with most of the Negroes, contend that the sudden interest in the Negro's social status stems chiefly from political considerations. Perhaps the answer was given in an article which appeared in Liberty magazine in December, 1945, by Sam H. Jones and James Aswell, of Louisiana, who estimated that 5,000,000 Negroes had quit the South and headed north between 1940 and 1945. More have left since.

WHY THEY'VE MOVED AWAY

The reason for this vast exodus—mechanical cotton pickers, flame cultivators, etc. One farmer who formerly employed 1,000 workers now has 250. Under primitive methods, two Negroes and two mules per 20 acres of sugarcane. Today, with tractors, mechanical cane cutters, and loaders, one man can handle 100 acres.

"The war which ended in '65 did not free the Negro," said Messrs. Jones and Aswell. "Instead, it enslaved both the white people and the Negroes of the South. But now, ahead, both races see the first crack in their chains."

WILL NEGROES BENEFIT?

With the steadily increasing population of Negroes in New York, Chicago, and other large cities, "politics has taken direction of the race question." Where will it lead? Will the Negro be better off?

Nearly half a century ago a magazine entitled "White America" appeared on the news stand in Los Angeles, Calif.—a magazine, which it proclaimed, was "devoted to the race question." What it said at that time on the question of social equality between the races is interesting to quote now. Here is an excerpt:

SAYS IT'S FALSE HOPE

"Even though this euphemistic dream could be realized, it would be done at a sacrifice of all moral compunctions and * * * at such a cost * * * that society would be wrecked and stung to its death. There can be no peace as long as simpering idiots who pose as philanthropists advocate a social harmony which they do not practice. * * * No white-skinned declaimer of amalgamation seeks marital alliance with the Negro hero whose cause he champions. It is criminal to inspire a hope or an ambition in the Negro in which disappointment gives birth to ranking bitterness. * * * The inequalities of birth, and blood, and tastes, and instincts, and the natural antipathies and incompatibilities had their origin in divine economy, and the man who does not see it is a fool; and the man who sees it and then lures the Negro to his certain doom by such an ignis fatuus is a knave of the deepest dye."

What do you think?

Weak Electoral System

EXTENSION OF REMARKS

OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. LARCADE. Mr. Speaker, under leave to extend my remarks in the Appendix to the RECORD, I wish to submit the following newspaper article from the Washington Post, Washington, D. C., of date February 29, 1948, as follows:

WEAK ELECTORAL SYSTEM

We suspect that Mr. Average Citizen is likely to regard Governor Tuck's request that the Virginia Legislature vote President Truman's name off the ballot as an unconstitutional device for defeating the will of the people. The pathetic fact is that it is not only constitutional but also seems to be fully in accord with what the founding fathers intended. The people have so long exercised the right of electing the President and Vice President that they forget the Constitution accords them no such privilege.

Any skepticism on the subject can be readily dissipated by turning to article II, section 1, of the Constitution. "Each State," it reads, "shall appoint, in such manner as the legislature thereof may direct, a number of electors, equal to the whole number of Senators and Representatives to which the State may be entitled in the Congress."

Those electors choose the President and Vice President. The practice of pledging the electors to individual party candidates, so that the electors become mere recorders of the will of the people, has grown up by usage. Virginia is thus free to elect uninstructed electors, or even to have them appointed by the legislature or the Governor, without the slightest deference to the national conventions where Republican and Democratic candidates for President will be chosen.

There seems to be little question as to enactment of the Tuck proposal at Richmond, and similar bills are likely to emerge in other State capitals. Indeed, a number of States do not now permit the names of Presidential and Vice Presidential candidates to be printed on the ballots. The voters in those States vote for electors only, and if those electors are not committed to candidates named in advance, the will of the majority may be defeated. The critical weakness of our electoral system is thus strikingly illustrated.

For years the Washington Post has been urging Congress to throw safeguards around this Achilles' heel in our representative government by constitutional amendment. We are confident that the people would vote overwhelmingly for confirmation in the basic law of the right they have been exercising to elect their own President. What is needed, in our opinion, is a new constitutional provision that would divide the electoral votes of each State among the candidates in the same proportion as the ballots actually cast are divided. That would preserve the present relative influence of each State in the choice of the President while at the same time eliminating opportunities for finagling. Incidentally, it would recover for the South much of the influence and prestige it now loses by having its electoral votes automatically counted in the Democratic column. For minority protest votes would then count against the most favored candidate to the extent of their actual number.

Of course, nothing can be done in time to affect the 1948 election. But Congress can and should set up a commission of experts to work out a foolproof electoral system. If the revolt in the South inspires action in this direction, it will have at least one constructive result.

What Is Our Foreign Policy—Why Are We Rebuilding Germany?

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following speech that I will make over radio station WWJ in Detroit, Mich., on Monday, March 1, as follows:

What is our foreign policy? Why are we rebuilding Germany? Why does everyone talk of war instead of peace? These are questions that are being asked most frequently by my constituents. People are deeply disturbed and rightly so, and I believe that every Congressman should speak up frankly and honestly. I do not like our foreign policy and I believe that it leads to war.

I voted against the Greek-Turkish loan and I shall vote against the Marshall plan.

I have repeatedly expressed my opposition to the rebuilding of a strong and militaristic Germany. I believe that money for European recovery should go first to those countries that suffered the most in this war at the hands of the Nazis. The present policy divides Europe into east and west blocs, giving the western bloc forty billions of our dollars, as against one and one-half billions for the countries of eastern and central Eu-

rope, which countries lost over 35,000,000 people killed, and suffered twice as much destruction to their cities and villages and to their factories and farms. Most people are amazed to hear this and ask, Who is responsible?

I blame it on the present bipartisan government, which is the result of the 1946 elections, wherein the people gave a Republican Congress to a Democratic President.

The Republicans brought in Herbert Hoover and John Foster Dulles as their leaders and spokesmen. Hoover and Dulles brought in Dillon, Read & Co., international bankers, and all of their cartellists and monopolist friends, and poor old General Marshall, who is a good and sincere man, is being shunted aside and the program is becoming a part of a plan to revive Germany as the great industrial center of a European military bloc, that will restore back into power the European monopolists, cartellists, royalists, and landed aristocracy. That's why the Republican Herter plan calls for the removal of the program from General Marshall and the State Department. It is to be administered by someone approved by this Republican Congress. General Marshall will be used until Congress appropriates the money so that the big boys can get their hands on it.

Never have the American people been so high-pressured by such a tremendous propaganda campaign as they are at this time to pour out their billions in tax dollars.

A scare psychology. This is "aid to stop communism." Anything to bribe us into this deal.

To make factories run, you must have energy. Europe's source of energy is coal. The two greatest suppliers of coal for Europe are the United States of America and Poland. The Ruhr should be No. 1 source of supply. But Ruhr coal is being hoarded for Germany, only about 5,000,000 tons of this coal was made available for other nations. Poland exported about 30,000,000 tons. Seventy-five percent of Polish export coal went to western European nations, such as Austria, eastern Germany, Italy, France, Sweden, Norway, Denmark, Belgium, Holland, England, Czechoslovakia. Poland's request for $60,000,000 to modernize her coal-mining equipment has not been acted upon. Why? Are the proponents sincere in their desire to rebuild Europe, or are they just interested in rebuilding Germany?

Is it not their purpose to withhold recovery in Europe until Germany has complete industrial domination again and the big boys can make their billions?

Recently, Senator TAFT made a pitiful plea for the poor Nazis' standing trial at Nuremberg. On February 24, before the Economic Club at Detroit, he was sorry that Germany had to surrender unconditionally. He deplored reparations and any plan that might adversely affect German economy. He deplored the UNRRA aid that was given to our battered allies, and he was opposed to granting a Polish loan for coal-mining machinery. And Senator TAFT is not the only Republican weeping tears for poor Germany and the monopolists.

Not one kind word for the victims of German Nazi brutality! Not one kind thought to aid them in their struggle for reconstruction! Not even a thought for Europe's orphaned and destitute children!

After a hard struggle last year, we managed to squeeze out a bare $40,000,000 for the United Nation's Children's Relief Fund. Only $15,000,000 of this money has actually gone to the children's fund. Many private and charitable organizations are now seeking private donations to the extent of $60,000,000 to implement this meager and inadequate fund.

Yes, billions for Germany, billions for European politics, billions for militarism! For the poor, for the unfortunate, for the victims of Nazi aggression, not a kind word, not a dollar, just a stone-deaf ear!

In Palestine we see a continuation of this policy. Human beings, they mean nothing. Profits from oil—that's what counts. There we have a policy laid down by American and British oil monopolists. That 10,000,000 Jews were killed, tortured, placed in slave labor camps, and now that the remaining few would like to go to their homeland in Palestine, that all means nothing. Money, profits, bigger and better monopolies, and bigger and better cartel agreements, even if made with the devil, yes, that's what counts.

Well, isn't President Truman responsible for this foreign policy? No, my friends. It's the voters, who in 1946 gave to the Nation a bipartisan government. They gave to the international bankers, monopolists, cartellists and militarists a fertile field to work in.

Today, paid newspaper columnists and radio commentators are reeking with pro-German propaganda. In 1945 they would not have dared to do it, because the stench from the cremated bodies at Oswiecim, Treblinka, Buchenwald, Dachau, and Belsen, was still fresh in the nostrils of the people. Then many an American mother was weeping for her boy killed in Italy, France, Germany, and in the Pacific.

At that time these Germany-firsters had to lie low, but now they are all out in the open, white-washing the terrible crimes of the Germans, and are creating a political climate that is ripe for the betrayal of our loyal friends and allies.

We must remember that Germany remains a spawning ground for lust, for conquest. They are not sorry for their sins, they are only sorry that they lost the war, and they hate Hitler not because he waged this brutal war, but because he was not victorious.

These Germany-firsters are trying to keep Germany's war potential intact. They are trying to keep Ruhr coal in Germany so that her neighbors cannot restore their destroyed industry. They are trying to protect Nazi war criminals. Yes; they are planning on partnership and business arrangements and to participate in German industry and German profits.

Our policy toward Germany is important because what we do in Germany will ultimately determine whether Europe and the United States can go forward in peace, prosperity, and security. For centuries, Germany's neighbors have been slaughtered and butchered by German militarists. Now, even many Germans are demanding that the German warmongers, those wealthy German families like Krupp-Von Bohlen und Halbach, Mannesman, Stinnes, Klockner, all ,those who owned the heavy war industries, the Vereingte, Stahlwerke and the coal mines, be dispossessed of their holdings, and that these properties be nationalized. Why shouldn't they be permitted to do so? Perhaps there would be no money in it for the monopolists and cartellists, is the right answer.

As to our policy in the Pacific, we hear Senator KNOWLAND, the wealthy California Republican, shouting that the United States is promoting socialism in Japan, by breaking up the industrial and financial combines owned by a few rich "Zaibatsu" families in that country. Senator KNOWLAND and American big business interests would keep on top the Jap warmonger families who misruled and enslaved their people and who together with the militarists attacked China, Pearl Harbor, and the Philippines.

We must see to it that big business does not resume its prewar "international cartel" ties with the industrial and financial combines of Germany, Italy, Japan, and other nations. It was these foreign industrialists and financiers who, with the help of American international bankers and American corporations, put Hitler and Mussolini in power, used the Japanese Emperor as their puppet, militarized their nations, destroyed tradeunions and democracy, and plunged the world into a bloody war.

The desires and hopes of the people of Europe, Asia, and the United States are all the same. Liberty, freedom, democracy—better living conditions. They want neither to go left nor right. But they are squeezed and shoved from the middle of the road that they desire to follow.

Just recently we heard the Minister of Bulgaria propose an alliance of the 100,000,000 people that live in the Balkans and the eastern and central European states. Moscow squelched the idea immediately. Why? Because she was afraid that such an alliance might turn against her. Yet to these same nations and these same people we refuse to loan a dollar, and tell them to go to Russia for help. Why? Because Churchill and Hoover told us that they were behind an iron curtain and that they are satellites. Now just recently Churchill and Hoover have played their trump card. They propose to militarize and arm the western bloc. Will they succeed? I don't think so.

European economy requires cooperation between eastern and western European countries. Trade agreements have already been completed between most of the European countries. Nationalization or socialization of heavy industries, utilities, transportation, shall continue. The era of kings, queens, dukes, and princes has come to an end—even in Greece the German King will have to abdicate. The days of the landed aristocracy of Europe are over.

Must we have wars with countries because they go socialistic? I say "No." Can we do business with socialistic countries? I say "Yes."

Should we release the gold that we are holding that belongs to socialistic countries? I say "Yes."

Secretary of Commerce Harriman, banker and railroad magnate, says that no credits will be granted to Socialist countries. Well, I say that he is wrong. We cannot turn the clock back. After the First World War many crowns toppled, the Hohenzollerns, the Czars, the Hapsburgs, the Ottoman Empire. After this war more and greater changes have taken place.

We should insist that assistance be given first to our allies—those nations in eastern or western Europe who suffered the most and were devastated the most by the Fascists and the Nazis;

That relief be handled through established charitable organizations with no political strings attached;

That all credits and loans be used for economic reconstruction and peaceful purposes, and not for military armaments;

That we work to restore the UN to greater power, not to by-pass it; in fact, the whole recovery program should be worked out through the UN.

The hour is late, but the fight for peace and security can still be won. It remains for all of us to join hands as we did during the war years and demand that our Government get back on the right track.

Lift Arms Embargo—Support of Partition of Palestine

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. CELLER. Mr. Speaker, support of the United Nations' partition of the Holy Land by lifting the United States embargo against the shipment of arms to Jews in Palestine is essential to world peace. Paul E. Fitzpatrick, chairman of

the Democratic State committee, declared today in a four-point program submitted to the New York State congressional delegation.

Such positive action, Mr. Fitzpatrick pointed out, would go far toward backing up President Truman's declaration February 12 that the United States is supporting the UN settlement, and would reenforce Secretary George C. Marshall's statement the day before that no change in our policy of support is contemplated.

Emphasizing that American troops are neither necessary nor desired, the New York State chairman strongly urged that the United States also support UN proposals for a voluntary police force, and clearly warn Great Britain against any scuttling of the partition.

His recommendations supplemented a proposed joint resolution introduced in the New York State Legislature Tuesday by the Democratic Party, calling on Congress to lift the arms embargo.

Mr. Fitzpatrick's complete statement follows:

The New York State Democratic Committee is heartily in accord with President Truman's statement that the United States support the United Nations' settlement of the Palestine issue. We welcome the assurance from Secretary of State George C. Marshall that this Government contemplates no change in support of that decision.

We are convinced that such support is essential to the future if not the very life of the United Nations as an instrument for the peaceful settlement of disputes. We also believe, however, that such support must be positive and real for those defending the United Nations' decision against aggressors who would ignore that decision and nullify it.

We therefore respectfully but strongly recommend that the members of the New York State delegation in Congress actively support a program that would:

1. Bolster the United Nations in this, its first important decision, lest its effectiveness for peace be destroyed.

2. Lift the United States arms embargo so that Jews can defend the decision of the United Nations within Palestine against Arab aggression.

3. Inform the British Government clearly that this Government will not tolerate scuttling of the partition.

4. Support proposals by the UN Palestine Commission made to the Security Council that a voluntary police force be sent into Palestine. It is not necessary to send United States forces for Palestine does not want American troops.

The New York State Democratic Committee sincerely believes that the above program is the only real way to back up President Truman and reinforce Secretary Marshall, in their aim to safeguard the United Nations and world peace.

Racine, Wis., Memorial to Veterans of World War II First in the Nation

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, on this coming Memorial Day the first memorial to veterans of World War II will be dedicated at Racine, Wis. This memorial has been erected in Mound Cemetery. It is the gift of Mr. William R. Wadewitz, himself a veteran of World War I, as a member of that famous Thirty-second Division, and with which he served with honor and distinction.

Mr. Speaker, this memorial is to perpetuate the memory of 375 Racine County veterans who gave their last full measure of devotion in the hope that a just and lasting peace might be achieved. The people of Racine County will always honor and revere their memory. Likewise, they appreciate the gift by Mr. Wadewitz of this fine memorial, for it will be a living witness to his patriotism and civic-mindedness.

Mr. Speaker, I include as part of my remarks the following article, which appeared in the Racine Journal-Times of February 20, 1948, pertinent to this subject:

GIFT OF WAR DEAD MEMORIAL TO BE DEDICATED ON MAY 30

To perpetuate the memory of 375 Racine County veterans who lost their lives in World War II, a Court of Honor will be dedicated in Graceland Cemetery on Memorial Day, May 30.

The Court of Honor includes a plot, large enough at present for 450 graves, and a Veterans' Memorial Shelter. The shelter was constructed as the gift of William R. Wadewitz, vice president of Western Printing & Lithographing Co., who is starting his sixth term on the Racine Board of Cemetery Commissioners. The plot is so constructed that 1,500 graves can be added.

PLOT HAS GARDEN EFFECT

The shelter was designed by Hoffman & Schneider, Racine architects, and was constructed by Johnson & Henrickson. It is 122 by 13 feet in size with two galleries or wings, each 25 feet long, and it is entered by circular steps which can be used as a stage. It is constructed of Lannon stone with Bedford facings and trimmings, slate roof and flooring, and oak panelled ceilings.

On an elevation facing the south, the stone shelter can be seen from all parts of the cemetery. Block 15, set aside by the city in 1945 for the dead of World War II, has been landscaped on designs of Hare & Hare, Kansas City, who originally designed the cemetery.

Six 20-year-old maple trees are being moved to the site which is bisected by red granite walks. Shrubbery and grass will add to the beauty of the plot when it is completed and the artificial lake adds to the picture. A large flag staff has been erected there. Graves will not be in rotation but on a garden design.

HONOR ROLL A FEATURE

Central feature in the main shelter will be the honor roll on which will be listed the name of each of the Racine county veterans who died in action or because of illness between the years 1941-'45. These will be carved in four plaques, 7 feet 6 inches by 2 feet 10 inches, of Tennessee marble. Cut over the north wall, which will carry the roll, is the inscription, "1941—They Gave the Last Full Measure of Their Devotion—1945" and over the four plaques will be the wording, "Racine County's World War II Honored Dead."

A further inscription, "Time shall not dim the glory of their dead," tops the entrance. On the east and west friezes are listed the battle areas in which these men saw service, so arranged that Pearl Harbor is the first and Japan the last.

VETERANS OF WORLD WAR I

Back of the building is the wording, "Memorial Court of Honor Dedicated to All Racine Veterans of World War II." A panel on the northeast bears the inscription, "God's Everlasting Peace to All Nations of the World," while that on the northwest panel bears lettering, "Presented to Racine by W. R. Wadewitz, Memorial Day, May 30, 1948."

Wadewitz, a veteran of World War I and one of the founders of the Racine Legion Drum and Bugle Corps, has been active in veterans' work for years. When the cemetery commission, on which he has served for 25 years, began considering a plot in Graceland Cemetery for dead of the recent war, he suggested that Superintendent Leroy Jerstad write to the original landscape architects, Hare & Hare, Kansas City, for suggestions.

These architects drafted designs for laying out the large plot which they featured with outlines of a shelter. The city council had given the commission authority to proceed with the landscaping which was done under the direction of Superintendent Jerstad.

WORK ON HONOR ROLL

When the place began to assume form, Jerstad asked the commissioners what to do about the shelter. It was then that Wadewitz announced that he and the Western Printing & Lithographing Co. would assume the costs.

The foundations were started last fall. The building was completed during the winter. It is expected that cutting of the honor roll of Racine's war dead on the plaques will be finished by Memorial Day.

FIRST IN NATION

Jerstad in commenting on the gift said, "Through the generosity of Mr. Wadewitz, Racine is the first city in the United States to be in a position to dedicate a memorial to its World War II dead by Memorial Day. This I know as a member of the National Cemetery Association which is devoting a special article to our memorial in its spring edition."

Washington Cooperative Farmers Association Resents Unfair Attacks on Cooperatives

EXTENSION OF REMARKS

OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. JACKSON of Washington. Mr. Speaker, one of the largest farm cooperatives in the Northwest is the Washington Cooperative Farmers Association of the State of Washington. Thirty thousand Washington State farm families own and patronize this great organization. They recently held their thirty-first annual meeting and passed two resolutions which I feel should be called to the attention of the House. This cooperative and other cooperatives in my State deeply resent the unfair attacks which are being made against our farmers. I heartily subscribe to the position taken by our Northwest farmer cooperatives.

Mr. Speaker, under unanimous consent, I include the following resolutions to be printed in the RECORD:

Resolution on financial contributions to NTEA

Whereas our association and other farmer cooperatives have made their records of receipts and disbursements for the last 12 years available to the House Small Business Committee; and

Whereas that committee has officially requested the National Tax Equality Association to furnish to it the names of the contributors to the National Tax Equality Association and records of its receipts and disbursements for the past 2 years; and

Whereas the public in general and farmers in particular are entitled to know who seek to destroy farmer cooperatives and to divide and alienate segments of private industry of this country: Now, therefore, be it

Resolved, That the members of Washington Cooperative Farmers Association, assembled at their thirty-first annual meeting, vigorously urge that the Congress of the United States take action to require the National Tax Equality Association to furnish to the Congress the names and addresses of each and every contributor and the amount contributed by each to the National Tax Equality Association during the past 2 years, together with a complete record of all receipts and disbursements for the like period.

Resolution on planks in party platform

Whereas farmer cooperative associations have been recognized and encouraged by the American people in the public interest under the administrations of the Federal Government by both the great political parties of the United States; and

Whereas for many years the Democratic and Republican Parties have recognized by their actions the fundamental right of farmers to cooperatively market their own farm products and cooperatively purchase their own farm supplies: Now, therefore, be it

Resolved, That the members of Washington Cooperative Farmers Association, assembled in their thirty-first annual meeting, hereby call upon the leadership of both great political parties to reaffirm, by platform pledge and prompt affirmative performance, their belief and faith in farmer cooperative associations; and be it further

Resolved, That the members of Washington Cooperative Farmers Association denounce the activities of those individuals who have violated the pledges of their parties by attempting to cripple agricultural credit and seeking to destroy the right of farmers to cooperatively market their own products and to cooperatively purchase their own farm supplies.

Amos Richard Webber

EXTENSION OF REMARKS

OF

HON. WALTER B. HUBER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. HUBER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Lorain (Ohio) Journal of February 26, 1948:

AMOS RICHARD WEBBER

Some years ago the editors of Who's Who in America wrote Judge A. R. Webber for information concerning himself.

He complied only on condition that the biographical sketch include the statement that, as a Congressman, he introduced the first prohibition bill to make the District of Columbia dry.

It was not so much that he was proud of the furor his bill caused in Washington more than 40 years ago. He was concerned with the importance of the issue, rather than the part he played in making it a vital force in the Nation for so many years. Judge Webber was a sincere as well as a vigorous advocate of prohibition. And it was for that that he was known and respected throughout Ohio, even among those not in accord with his views on prohibition.

He insisted that alcohol had no place in either good being or good living, and during his more than a decade on the common pleas bench of Lorain County he frequently posed for photographers in his court with a glass of water in his hand.

Now he is dead. The marvelously durable heart and body that outlasted his family and his associates ran down at 96.

Until the day of his final illness, he practiced what he preached, which was to live simply, maintain good habits and keep busy. He was a total abstainer from the use of tobacco and intoxicating liquor and believed the way to start the day right was to arise early.

For most of his 96 years he was a power and an influence in and out of public office. As county prosecutor, Congressman, and judge he gave a great part of his life to public service. Even after his retirement at 83, he refused to be idle and persisted in his writing. He wrote four books, all of them after reaching 70. His purpose was not profit, but, as he himself expressed it, "to keep alive the names and good deeds of our forefathers to whom we owe so much."

It is not strange that he should have written of the hardy pioneers who carved the Western Reserve from the Ohio wilderness. His grandfather came from Massachusetts, purchased 125 acres of solid woods in Medina County, put up a log house, and felled and burned trees in order to make room to plant corn.

Many honors came to Judge Webber. None of these did he prize more than the tribute paid him by members of the county bar association on the occasion of his eightieth birthday, when he was called from his bench in court and presented with a metal card, rolled out of gold coins, as a testimonial to his "integrity, wisdom, and leadership."

Baldwin-Wallace College, from which he graduated in 1876, honored him twice in recent years, conferring on him the honorary degree of doctor of laws in 1935 and presenting him a special centennial merit award in 1946 when the institution celebrated its hundredth anniversary.

On this occasion, Judge Webber expressed the philosophy of almost a century of living. "I became convinced many years ago," he said, "that true success is never attained in accumulating dollars or holding official positions, from the President down, unless the recipient of such earthly honors uses them in accordance with the divine teachings."

Power and Water Shortage in California

EXTENSION OF REMARKS

OF

HON. JOHN J. ALLEN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. ALLEN of California. Mr. Speaker, under leave to extend my remarks, I include an article which gives further indication of the water shortage in California and of the power shortage which follows from it. Every resident of the district which I represent is feeling the effects of this shortage.

The article which is taken from the Oakland Post Enquirer of February 25, 1948, follows:

BEGIN OAKLAND DIM-OUT TONIGHT

At midnight tonight Oakland and the rest of California from the Oregon border to the Tehachapis will be darkened by an emergency brown-out on orders issued by the State public utilities commission to save electricity.

The drastic action—reminiscent of wartime power restrictions—was forced by one of the worst winter droughts in California's history which has brought on an electric-power crisis.

The commission called for a 10-percent reduction in consumption of electrical energy by all classes of power users, including householders.

All outdoor lighting, except theater marquees, was banned. Floodlighting of outdoor sports events was cut in half. Street lighting will be curtailed.

The commission, after an emergency hearing in San Francisco yesterday, ordered seven utility companies to shut off the electricity of any violator after 3 days' notice. This measure will be invoked only against commercial users.

Persuasion will be used against household violators.

Specifically, the program—which is expected to continue at least until autumn rains next fall—provides:

1. The seven power companies will furnish up to 90 percent of their present delivery for commercial, residential, and agricultural uses, and up to 60 percent for outdoor displays and advertising.

2. The companies will cut their frequencies from 60 cycles to 59½ cycles for the entire 24-hour period instead of 8 hours as has been the case recently. Voltage will be reduced by 5 percent.

3. New businesses and new customers will receive only minimum service essential for public health and safety. New lighting for outdoor sports, signboards, and exterior lighting will be prohibited.

4. Residential customers must use 10 percent less electricity. The commission may demand greater cuts if conditions warrant.

5. All agricultural pumping plant operation shall be prohibited during peak power use hours. Kilowatt-hour consumption shall be reduced by about 10 percent.

6. Special establishments other than theaters may be permitted one formal indentification sign from sunset until closing. Theaters may use marquee signs indicating current and coming attractions only. Under-marquee lighting must be reduced 50 percent.

7. Sports floodlighting must not be turned on until 8 p. m. and must be limited to half the amount used the same month a year ago.

8. Street lighting, except for all-night safety lights, shall be prohibited.

Southern California was excepted from the order because it gets electric power from the Hoover Dam.

No termination date was set for the order affecting the drought area, but commission officials predicted the shortage will last until fall. Only abnormal spring rains and adoption of daylight saving time may ease the crisis, the commission said, but not enough to end the dimout.

The commission urged the State legislature to adopt daylight saving time as another measure to save electricity. State Senator Gerald J. O'Gara, of San Francisco, announced he would ask the legislature convening March 1 to enact a daylight saving law.

The Pattern of Conquest

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Monday, March 1, 1948

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein the following editorial from the New York Times of February 27, 1948, entitled "The Pattern of Conquest":

THE PATTERN OF CONQUEST

Shocked by the Communist coup d'état in Czechoslovakia into their first joint action on Russo-Communist expansion, the Governments of the United States, Britain, and France have condemned what they characterize bluntly as the establishment of a one-party dictatorship disguised under the cloak of a government of national union. They are conferring on the advisability of refusing to recognize this new regime. But neither of these steps, reminiscent of similar protests against Hitler's methods, will stop the course of events. Nor will they dispel the fear that is stalking through Europe, where other nations feel themselves to be the next potential victims. But they do reveal that the last stubborn illusions are falling, that world opinion is at last beginning to crystallize, and that out of this process is emerging the realization that appeasement still carries its own penalty, and that doing business with Stalin is just as dangerous and as profitless as it was with Hitler.

Like Hitler, Stalin has been taking over one country after another, sometimes by direct conquest, as in the cases of Lithuania, Latvia, and Estonia; sometimes by traitorous fifth columns backed by Russian troops or commissars, as in the cases of Poland, Yugoslavia, Albania, Bulgaria, Rumania, Hungary, and now Czechoslovakia. Today, Stalin's acquisitions already amount to more than four times those of Hitler prior to the war, and, like Hitler, he is reaching out for more.

Equally striking is the virtual identity of the methods by which both the Nazis and the Communists attained power, as exemplified especially in Czechoslovakia, whose directed democracy was comparable with that of the German Republic. Both began as small parties able to flourish under ultra-democratic proportional representation, but determined to use democratic methods only for the destruction of democracy, and making no secret of the fact. Hitler served early notice that once he was in power heads will roll, and Gottwald, his Czech counterpart, told Benes and his followers long ago that he would break their necks. Despite this, both Hitler and Gottwald were made heads of government with the cooperation of the parties they had vowed to destroy. And once in office they undertook to capture the state from within.

First they took over the police and made it a party instrument for the extension of their power and the terrorization of the opposition. Then they neutralized the army by putting in command officers loyal to themselves and, in the case of Czechoslovakia, pledging the army to loyalty to the Soviet Union. With these two instruments of power in hand, they began to regiment the population. They took over the Ministry of Propaganda, or Information, and with it control of the radio and the film industry. They restricted freedom of the press by taking control of the supply of paper and by compelling all journalists to join a union under Communist control. They took over control of industry—Hitler by organizing it into associations under Nazi domination, Gottwald by nationalizing it and organizing an armed workers militia to guard it. They conscripted labor, put all labor unions into one labor front under their control, and thereby obtained control of every worker's job and livelihood, with power to penalize any worker who dared to oppose them. Finally, national socialism in Germany and communism in Czechoslovakia resembled each other even in the matter of a racial policy; Hitler turned against the Jews in the name of pan-Germanism and the Slav Communists against the Germans and Hungarians in the name of pan-Slavism.

It seems amazing that, having seen these things happen in Germany under Hitler, the Czech leaders and parties still dedicated to democracy should have permitted them to happen in Czechoslovakia—going along step by step, making one concession after another, until they were powerless to resist.

That in itself is a warning to all countries still under the delusion that they can cooperate with Communists without signing their own death warrant.

What Is Our Policy?

EXTENSION OF REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, March 1, 1948

Mr. LARCADE. Mr. Speaker, under leave to extend my remarks in the Appendix to the RECORD, I wish to submit the following newspaper article from the Sunday Star, Washington, D. C., of date February 29, 1948, as follows:

WHAT IS OUR POLICY?

On Tuesday of last week our representative in the United Nations said that this Government was prepared to enter into consultations looking toward the sending to Palestine of a UN force, presumably including both American and Russian troops, to maintain peace. Two days later, Secretary of State Marshall asked Congress to appropriate $275,000,000—this in addition to the $400,000,000 already provided—for Greece and Turkey. The additional money is to be used to provide military assistance to the Governments of Greece and Turkey in an effort to keep those countries from being overrun by the Russians and their Communist stooges in the satellite nations.

If this can be called a national policy, what kind of policy is it?

The Star has supported the policy of assisting Greece and Turkey. And it continues to support that policy in the belief that our vital national interests and our national security would be gravely threatened if those strategically placed countries should be taken over by the aggressive Communist fifth columns, aided by outside forces.

When one looks at a map, however, the logic, if any, of spending $675,000,000 to keep the Communists out of Greece and Turkey, while pursuing at the same time a policy which would bring the Russian Army into Palestine, is utterly incomprehensible to the lay mind. For once the Russians are in Palestine, they have outflanked Greece and Turkey. And once those countries are outflanked by the Red Army they are done for.

Surely, this seemingly contradictory policy ought to be explained, if any explanation is possible. But no one in an official position has offered a word of explanation. On the face of the matter, the American people, at considerable expense, are being asked to march up the hill in Greece and Turkey, and to march down again in Palestine. It is doubtful that they will be willing to accede for long to any such request. To the layman it does not make sense, and a policy which, on its face, does not make sense, is going to be hard to sell to the people of this country.

In the letter accompanying the request for additional funds, General Marshall said that the Communists, in their ambition to dominate Greece and Turkey, are convinced that time will play into their hands. To this might be added the thought that the Communists may be convinced that not only time, but also American policy, will play into their hands.

ERP Should Not Subsidize European Socialism

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, March 1, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, one of the problems in the European recovery program, as the bill is now written, is that it would impose further socialization of the 16 European countries who are to be the beneficiaries under the act. I have informed my constituents that I will not support any program which will further the cause of socialism in Europe. Mr. Speaker, on February 23 Mr. Merwin K. Hart, president of the National Economic Council, delivered a radio address on the subject Let's Not Subsidize European Socialism.

Under leave to extend my remarks, I am including his address at this point:

You and I want to see the United States help European countries, but not at the cost of our own economic stability, our own liberties, our own Republican form of government. To give help to other countries is nothing new for Americans. We have long shared with other peoples the benefits of our private enterprise.

But unless the Marshall plan is drastically revised, then, instead of helping to establish freedom in western Europe, we will merely promote socialism, and socialism is unsound and will end in economic and political bondage.

The February 14 issue of the London Economist, Great Britain's leading financial weekly, says, Britain faces bankruptcy. That is part of an editorial entitled "On the Rocks."

Kenneth de Courcy, of London, in the February issue of his Review of World Affairs, speaking of Britain, said:

"The immediate economic prospects could scarcely be graver. Whether they are going to be felt to the extreme point depends almost entirely upon the degree of further American aid."

If you or I had a friend in financial straits, we'd do two things—first relieve his pressing needs and then look into his business methods; and if we found his methods impractical, before we came around with more solid support, we'd demand he adopt a sounder plan.

Well, our friend Britain is in just this predicament—as are also certain other European countries. Britain asked help 2 years ago, and we gave her nearly $4,000,000,000. That was to last 5 years and put her on her feet. But it was nearly gone in a year.

Britain is in worse shape today because her methods are unsound.

It's as simple as that. Just before we gave her the four billions Britain had decided to

discard the private-enterprise system and to substitute socialism. Under socialism, the responsibility of individuals is scrapped, except for a few intellectuals who tell everybody what to do, and the people are invited to stop worrying and lean on the government.

Socialism has never succeeded in supporting a people. Ambition languishes. Nobody gets ahead, no matter how hard he works. And so nobody tries.

And today's misguided British leaders, while they and other European countries are asking you American taxpayers to give them $17,000,000,000, defiantly insist they will go ahead with their socialism. They will continue to nationalize their industries. They will proceed with such schemes as putting all British doctors on the public pay roll, and furnishing free medical treatment to everybody, even though a few days ago 89 percent of all British doctors said they were against it.

Now the giving of seventeen billions to Europe is the object of the Marshall plan. The Senate is beginning to debate it. The House Committee on Foreign Affairs has not yet acted. There is still time for you, Mr. and Mrs. Citizen, to do something about this.

If you don't act, then the Congress under the pressure of propaganda, will pass this Marshall plan as is. And President Truman has asked Congress for practically unlimited power to impose wartime controls. Perhaps you like rationing and standing in line and black markets.

In short, the Marshall plan is a scheme to finance socialism in Europe, to put socialism thoroughly on its feet. And to do it we will probably go Socialist ourselves. For once we go back to wartime controls, in peacetime, we may never see the end of them.

If we could teach Europe what free enterprise has done for us, what it can do for them, we would be doing far more than the mere giving of goods and dollars. We ought to cease our silly attitude that to make conditions for giving or lending money is indelicate. Your banker and mine do not hesitate to make conditions when we ask for a loan. We should get down to realities and tell these countries, as a condition, to reopen the door to free enterprise.

So keen are the British Socialists over the Marshall plan that they have called a Marshall plan conference of European Socialists to meet in London in March.

Some defenders of the Marshall plan say the Socialists are on our side in the struggle against communism. But socialism and communism are much alike. Both are Marxist. Both are opposed to capitalism and free enterprise. Both want to abolish private property—both discourage initiative—destroy incentive. They want to take the steam out of the steam engine.

Mr. Marshall has said that our policy is not directed against any country or doctrine.

But we ought to be against a doctrine that means the destruction of free institutions. But not being against socialism, we are inviting disaster upon Europe and eventually upon the whole world.

Perhaps no American industry has rendered greater service to the people than the oil industry. Yet a bill has been introduced in Congress to put the oil industry under Government control.

Excessive steel and other exports to Europe for their own use and benefit have handicapped the oil industry. Due to these exports there haven't been enough tankers to take the oil north. Already, without any Marshall plan, many of our people have been threatened with cold and hunger. Through industry cooperation and through assisting the fuel coordinators, this unregulated industry has ably met the crisis.

But how able to serve the American people do you think the oil industry would be under Government control? Yet this and more socialistic threats to American industry will come if the Marshall plan goes through.

And how much more financial strain can the United States stand? Are we to give Europe a book of blank checks on what is left of American savings?

It is unsafe to believe Soviet Russia is really against the Marshall plan despite appearances and despite the propaganda. The Communists are for anything that weakens us as a free enterprise nation. The United States is "the number one target of Soviet Russia"—George Dimitrov, exiled Bulgarian peasant leader, told a congressional committee that only last week. Since the Soviets could today seize all Europe up to the Pyrenees, why would they not wait until America had spent its seventeen billions building up Europe's plant and equipment?

In addition to the financial burden, the Marshall plan would give one more grant of unlimited power to the President. The bill authorizes the Administrator to employ personnel for duty outside the United States without regard to the law limiting the number of persons who may be employed in the Government.

As though we do not have enough bureaucrats today.

Since both experience and prudence prompt us to make sure what we do will be of value, the Marshall plan should be amended in these ways:

First. Every country, in order to receive its benefits, must fully abandon all further schemes to nationalize industry or to promote socialistic activities, and must stop all present socialistic plans that can be stopped.

Second. The aid given should be limited to food and supplies vitally necessary to help bring western European plant and equipment back to prewar status only. We can't afford to make the proposed grand gesture of building European industry up to 30 percent above prewar level.

Third. The whole project of aiding Europe should be placed in the hands of a commission, the chairman and a substantial majority of whom shall be business men with a record of high achievement in private enterprise. They should be men who believe in private enterprise and in the incentive system, and are convinced that recovery can come only through production. The chairman should be given Cabinet rank and serve directly under the President. Our purpose should be frankly to convert Europe back to private enterprise.

Fourth. Spain should be included among the countries to be offered aid in any plan adopted. Spain with moderate commercial loans can soon help in the rehabilitation of Europe. Spain is a good credit risk; never in her history has she defaulted on a foreign loan. And in event of war, Spain would be our most powerful ally on the Continent of Europe.

Some years ago Betrand de Jouvenel, a Frenchman, lived in Washington as a newspaperman. He came up the hard way, but he got to know America well. Recently, after another visit to this country, he wrote a friend:

"My main impression, after visiting America, is that production can do for the worker what socialism can only promise. While Europe has been losing its time and strength with paper reforms, commerce has provided America with the means of decent living for everyone."

Why can't Europpe learn the secret of how the United States has been able to achieve so much? Here come 16 nations of Europe, all Socialist in varying degrees, asking us to help them. If we had not had our private-enterprise system all these years, we couldn't do it.

Mr. and Mrs. Citizen, if you don't care enough about private enterprise to defend it against Marxism, then there is nothing for you to do. But if you do care, and I know you do, you better tell your Congressman what you think about this Marshall plan.

Let's get down to fundamental realities in our next grant of aid to Europe.

Let's be a sympathetic and generous banker, on businesslike terms, to the rest of a world that is willing to work and to open its doors to the ways of freedom.

Let's not accept the Marshall plan, as is. Let's amend it to conform with what we have learned from our own experience. Let's not invest private-enterprise earnings in Socialist schemes. We'll only throw money away.

In his Farewell Address to the American people, George Washington, whose birthday we have just celebrated, said to his fellow citizens:

"The independence and liberty you possess are the work of joint councils and joint efforts, of common dangers, sufferings, and success."

Let's not permit steps to be taken that will destroy our American heritage.

America's Postwar Merchant Marine

EXTENSION OF REMARKS
OF

HON. WILLIS W. BRADLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. BRADLEY. Mr. Speaker, for the information of Members regarding the current situation and future prospects of the American merchant marine, I include herein extracts from a number of articles published in the February 1948 issue of the Marine News, one of the leading publications of the American shipping world, edited by Commander Wendell Phillips Dodge, a well-known authority on shipping affairs.

Mr. Andrew W. Robertson, chairman of the board of the Westinghouse Electric Corp.—also a member of the President's Advisory Committee on the Merchant Marine—writes under the heading entitled "The Need of American Passenger Ships," as follows:

If we lived in a storybook "one world" of brotherly love, it might be safe for the United States to be without passenger ships; but in the world as we know it today, with its international problems aggravated by the aftermath of the war and the lack of friendliness between people, it is foolhardy for the United States to be without the necessary ships to carry its citizens wherever they wish to go. If it were not so serious, it would be comic to picture the all-important role the United States is playing in world economy at the present time in contrast to its pitifully weak position in the maritime passenger-carrying field.

Every day the newspapers print statements to the effect that America must spend vast sums to relieve the distress of Europe to the end that the people of Europe may thereby be saved from communism. There is a broad insinuation in the discussion that it might be necessary to use force. This cold war of supplying aid and comfort to our openly avowed friends and denying it to our less openly avowed enemies may well burst into a shooting war. If that happens we would find ourselves without adequate passenger vessels to aid in troop transportation. In other words, if we had to fight another war, we would be handicapped because of a lack of passenger ships, notwithstanding the hundreds of naval vessels and cargo ships we have built. And the next time, perhaps we could not rely on the *Queen Mary* and the

Queen Elizabeth to carry thousands of troops quickly from port to port.

This is a brief picture of our need for passenger ships for national security.

The complete lack of appreciation of the need of passenger ships by a great majority of our people is paradoxical in the light of the well-known American urge to excel in the mechanical arts. During the war we demonstrated that we not only have everything available to build ships so far as materials are concerned, but we also have the required skill and know-how to build ships better and faster than the master builders of other lands. We discuss in academic terms the need of selling surplus goods abroad, but pay no heed to the matter of the ships necessary to carry American citizens engaged in world trade. When we think of the matter at all, we seem to have a childlike faith that somehow, someway, the necessary ships to carry our people will be provided. * * *

Our neglect of the sea amounts almost to an aversion. Like some animals, we do not like water. As a common practice our sons do not go down to the sea in ships. Our daughters, unlike Helen of Greece, could no doubt start a million automobiles, but the best of them could not launch a dozen American ships, not because our women are not beautiful and exert a powerful influence but because, as a people, we prefer the land and are woefully ignorant of maritime affairs.

To make matters worse, we supplement our lack of interest in ocean travel by creating all sorts of difficulties for the few who make a living by operating ships. For instance, our standards of safety are higher than those required by other nations. Our standards of comfort and space for the crews of our ships are also higher than those of any other nation. Our laws limiting hours of labor add greatly to the expense of operating American ships. At the present time these cumulative costs make the operation of an American ship twice as expensive as the most expensively operated foreign ship. These are difficult conditions to overcome, but they must be overcome if we are to have American passenger ships. These extra expenses are largely due to the attitude of our people, either as expressed in their laws or interpretation of public opinion. And since the public is responsible for the expense, it is inevitable that the public must pay the cost. This means, of course, a subsidy of some kind. This has been a common practice for years, so that the present question is not so much one of a subsidy or not a subsidy but rather the amount of the subsidy.

Following Mr. Robertson's article is one by myself, headed "Ocean shipping and the European recovery program," which says in part:

The funeral of an adequate American merchant marine has been arranged by the State Department. The pallbearers may well be some 16 foreign nations. The dirge is misleading propaganda. The mourners will all be Americans. The outline of a European recovery program prepared under the direction of the State Department and submitted to Congress, aims a near mortal blow at our present merchant marine. It may be that Congress can save the patient's life and disappoint those who hopefully anticipate the reading of the last will and testament.

I favor reasonable help to western European nations, and to their citizens to enable them to regain their economic footing even though such help is an additional burden upon our taxpayers. But I do not comprehend, as a part of that help, a program which will strip us apart of our principal defense assets and will relegate our entire shipping industry to a very inferior standing among the fleets of the world.

Under the proposals of the State Department we shall sell to European nations some 200 oceangoing steamships and, in addition, transfer to them on a temporary basis up to 300 more bulk-cargo ships under bare-boat charter. In substance, this is a proposal to transfer 5,000,000 tons of American ships—about 25 percent of our reserve dry-cargo fleet to foreign nations under the Marshall plan. It is a proposal to transfer foreign about half as many ships as now constitute our entire privately owned ocean-going merchant marine.

This astonishing proposal has come forth even though the merchant fleets of the 16 Marshall plan nations will exceed the level of their prewar capacity when their present construction programs are completed. This proposal is made notwithstanding the fact that in 1951 these same nations expect to have 10,000,000 tons (over 20 percent) more shipping than they had prewar. It is made notwithstanding the fact that even after allowing excessively heavy withdrawals for obsolescence by 1951 they will still exceed their 1938 capacity by the equivalent of 750 ships of an average of 10,000 deadweight tons each. This proposal is made notwithstanding the fact that the United States has already made a material contribution toward increasing the postwar tonnage of these nations by selling them over 750 of our war-built ships.

Then follows a forthright article by Mr. George Killion, president of the American President Lines, under the title "United States Has Sunk to Seventh Place Among Nations of World in Ship Construction," stating in part:

I have been invited by the editor of Marine News to contribute a "forthright article pointing up the vital necessity for a strong American merchant marine."

To those of us in the shipping business and on the shipping-trade publications such an article seems as unnecessary as one on why food, sunshine, and fresh air are necessary to maintain life. Yet there are hundreds of thousands of good, sound, loyal American citizens living within the interior of our great country who have not the faintest idea why a large fleet of merchant ships should be maintained as a matter of national policy after a war is won.

While the conflict rages, yes. Everybody knows we need ships. We need them to transport troops, munitions, and supplies to battle areas; to fuel and service combat ships of the Navy, and to bring the boys home when the firing ceases. It has been said that most of our merchant seamen during the war hailed from the Middle West and other inland States, and because of this it was felt that the value of the merchant marine would be so impressed on everyone's mind that we simply could not let this important industry deteriorate again as we did after World War I.

But here we are in the same old doldrums. Shipyards are idle and rusting away, and the skilled hands that fitted ships for victory a few years back have of necessity gone into other occupations. Not a single passenger liner keel has been laid in an American yard since the war ended. The new luxury liner *President Cleveland*, recently turned out at Bethlehem-Alameda, and her sister ship, the *President Wilson*, still under construction, rose from keels laid during the war and were intended for troop transports.

Meanwhile Great Britain has no less than 125 ships presently under construction, and even the hard-pressed nations of France and Italy have 11 and 9 ships respectively on the ways. The United States, the wealthiest and most influential nation on earth, with 10,000 miles of coastline to protect, has sunk to seventh place among the nations of the world in new ship construction.

Why is it that we do not learn the lesson so clearly pointed by two world wars?

I believe that a large part of the fault lies within the industry itself. By industry I mean both shipbuilding and ship operation, not to mention all the allied concerns that have a collateral interest in one or more of the many phases of the maritime scene.

I believe that the maritime industry, in collaboration with the United States Maritime Commission and other interested Government bodies and officials must give unified, intelligent leadership to a campaign of public education concerning the merits and necessity of a strong American merchant marine as a continuing institution, in peacetime as in war.

I am convinced that unless the majority of our citizens can be persuaded, through common-sense logic and reasoning, that a strong American merchant marine is in the public interest; and these same citizens become articulate through their duly elected representatives in Washington, we shall just continue to muddle along as a third-rate power on the high seas.

We can trust the American people. They have never failed to respond favorably to an appeal which they believe to be in the public interest. A minority group of Americans know that we must have an adequate merchant marine both for reasons of national security and national economy. But the majority of our citizens do not understand this necessity. If they did, their will would be reflected in the Congress and we would have the necessary appropriations and legislation.

Mr. M. G. Gamble, general manager of marine department of the Standard Oil Co. of New Jersey, writing on the topic of "Tanker Transportation," has this to say, in part:

The foremost question within the industry today on the subject of tankers is, "Are there enough tankers?" If there are, why are we experiencing such a transportation shortage as now exists? The correct answer to the first question, I believe, is that there are ample tankers in the world today. As of October 1, 1947, there were 96 United States Government-owned T-2-type vessels in tie-up, over and above nearly 200 in operation. In regard to the second question, the prolonged shipyard strike kept a substantial number of tankers out of service from July to November. Several months have been required in most cases to process the purchase by private industry of T-2's from the United States Maritime Commission. Also, both military and commercial requirements have proved to be far in excess of previously estimated needs. All these factors, I think, explain why, in spite of there being enough tankers over the longer term, we are at present handicapped by an artificial shortage of water transportation.

We understand that progress is now being made in returning all modern tankers formerly in tie-up to active operation and are pleased that steps are being taken to sell all United States Maritime Commission tankers promptly to private interests. However, it is difficult to foresee when all of these steps will be effective in remedying the situation because of the extent of the accumulated shortage. As vessels taken out of tie-up for sale or operation require repairs, the shipyard situation will largely govern the speed with which the shortage can be alleviated and finally overcome.

From a long-range standpoint, it is felt that building in Europe, which apparently is being greatly retarded by material and labor shortages, will not in itself provide all tonnage needed to keep pace with world requirements, and construction in United States yards will, therefore, be necessary.

For national defense purposes tankers should be fast, modern, and efficient in order to minimize the risk from enemy action and to insure prompt delivery of cargo. No less is this true for economical commercial operation. It is fortunate, therefore, that the Government has promoted sales to legitimate

buyers for foreign registry, as this will provide an opportunity in the future for modernization of the United States-flag tanker fleet.

WAR CONSTRUCTION

The war resulted in the loss of about 40 percent of the prewar world-wide tanker fleet. However, it also had the effect of hastening the general utilization of larger and faster ships. For example, the average prewar American-flag tanker had a deadweight tonnage of about 11,500 tons and a speed of about 10 knots, whereas today the average American tanker has a deadweight of about 15,000 tons and a speed of 14 knots. In general, we might safely say that the size and speed of a tanker, within certain limits, are all-important in reducing operating costs. This is particularly true with today's high and rising costs.

Our Government constructed during the war about 9,000,000 tons of T-2 type tankers. These vessels have a deadweight of about 16,600 tons, a speed of 15 knots, and a capacity of 138,000 barrels of gasoline. In most trades oil can be transported in them about 25 percent cheaper than in a prewar 13,000-ton 12-knot tanker, and for about 30 to 40 percent less than on the old 11,000-ton vessels. Looking at this question in another way, it is estimated that out-of-pocket operating costs have about doubled since 1939. However, the increased size and speed of the modern fleet, with consequent increased haulage capacity, has fortunately reduced the cost per ton-mile, so that the effective rise on that basis has only been about 65 percent.

NEW TANKER TYPES

Inasmuch as it is obvious from the foregoing that large fast tankers are an answer to the high cost which owners—and, I might say, particularly American owners—are experiencing today, the question naturally arises as to how far one should go in this matter of size and speed.

"What's Ahead for the American Merchant Marine?" is the title of an article appearing in this issue of Marine News, by Mr. Howard P. Bish, manager of the aircraft, Federal and marine divisions of the General Electric Co., setting forth in part:

What is ahead for the American Merchant Marine? Last November 1, the President's Advisory Committee on the Merchant Marine made its official report to President Truman. This committee, composed of four nationally known and successful business leaders and a high-ranking naval officer, has performed a patriotic service by making a most careful and comprehensive study of this highly complicated and important problem. Its members have concluded "that a modern, efficient merchant fleet, and an effective and progressive shipbuilding industry are necessary economic adjuncts to the peacetime economy of the United States, despite the unavoidable present necessity of Government financial aid to maintain them." What makes this conclusion more potent is that it has been arrived at impartially by leaders who are not directly connected with either shipbuilding or the shipping industry.

Events of the past eight years have pushed us to the forefront of world leaders. Whether we, as placid, self-sufficient, self-satisfied citizens of the United States like it or not, we have arrived at a position of world leadership which places upon us responsibilities that we cannot avoid nor shirk. Our merchant fleet constitutes the life lines of our world commerce, and to place it largely in the hands of foreign nations, as we have in the past, is fraught with real danger.

Prior to World War I, and between the two World Wars, there were discriminations against our ships in many foreign ports which proved to be detrimental both to our economy and to our national safety. Certain nations practically closed their ports of call to our ships by discriminatory laws which helped them to build strong merchant fleets and tended to weaken our national defenses.

We came out of the war with well over 5,000 merchant ships, but the vast majority of these cannot compete economically with ships built since the war by other nations. Also, there are certain types of ships, such as passenger liners and combination cargo and passenger ships, which are vitally needed, but virtually none of which were constructed during the war.

Even before the war, the number of passenger liners and cargo-passenger vessels was pitifully inadequate from a security standpoint. At that time, there were only 118 vessels of these types in service. All were requisitioned for war duty. Thirty-one were lost during the war. Ten were sold to foreign operators, and 10 were retained by the Army or Navy. There are another 30 of these vessels now laid up because it is uneconomical to recondition them for further service. There remain, then, from the already inadequate 118-ship prewar fleet of passenger and cargo-passenger ships, only 37 vessels which will be in service when all reconditioning work on them has been accomplished. These 37 vessels have an average age of more than 18½ years.

Since the end of the war, 18 vessels of these types originally intended for war service have been converted during construction and completed for commercial use. One more, the steamship *President Wilson*, is under construction. These, added to the 37 which remain from the prewar fleet of such vessels, bring our total postwar fleet of these types to less than half of the dangerously low number of passenger and cargo-passenger ships which we had in 1941. And yet, with the exception of the one vessel already mentioned, there are no ships of these types now under construction.

At present, only 32 ocean-going merchant vessels and four large dredges aggregating 200,000 gross tons are under construction in private yards. All of these vessels, half of which are for foreign owners, will be completed by the middle of 1948. By contrast, Great Britain currently is building more than 2,000,000 tons of merchant shipping and 125 of the vessels presently on the ways are passenger or cargo-passenger types.

"Don't Dump the Ships," is the title of another article by Mr. H. Myron Bull, president of A. H. Bull Steamship Co., in which he states:

The Government war-built fleet presented two contrasting possibilities for the American merchant marine—one good, one bad. The better ships furnished a substantially adequate supply for the rehabilitation of our pre-war fleets which were, for the most part, obsolete at the outbreak of the war and lost or largely worn out by war use. However, the large number of slow Liberty-type vessels constituted a threat of disaster, for if thrown upon the market there would result such a surplus of tonnage as to destroy all values. * * *

We should, therefore, further build up and modernize our merchant marine, not by drawing upon the surplus Liberty ships, but by encouraging new construction.

Shipyards in going condition are no less essential to national defense than the fleet in being. A subsidy to them, so that they may turn out ships for domestic as well as foreign trade, is no less justified in terms of national defense.

The principles of the Ship Sales Act are now being cast aside.

The State Department has recommended, and this recommendation has been adopted by President Truman, that 200 additional vessels be sold to foreigners and an additional 300 be chartered to foreigners.

When the Ship Sales Act was under consideration, the industry opposed sales to foreigners, but unsuccessfully. It then proposed that sales foreign be limited to the rehabilitation, but not expansion, of the Allied foreign fleets. This would seem to have been a reasonable place to hold the line. Prewar American vessels carried about 30 percent of our own foreign commerce. Foreigners had 70 percent. It appears reasonable that American vessels should carry at least 50 percent, but this objective cannot be reached merely by stating it. Fifty percent or any other percent can be obtained only by competing for it, and if we largely expand the foreign fleets, we make the competition infinitely more severe while we subsidize the American vessels to meet that competition. The State Department proposal envisages that by 1951 we will carry only 20 percent of our foreign commerce. Even without adoption of the proposal for further sales and charters foreign, it is anticipated that by 1951 the foreign fleets will be 20 to 25 percent above their prewar tonnages.

Another manifestation of the dumping theory is the recommendation of the President's Advisory Committee on the Merchant Marine that 250 Liberty and Victory vessels be sold for domestic operation, for what they will bring.

The shipping industry, either domestic or foreign, like any other industry, cannot be healthy when the quantity of service it has to offer substantially exceeds the demand therefor. If trades are greatly overtonnaged, the American operator will suffer devastating losses. The effect of overtonnaging on the shipping industry is so well known that it should not need restatement and further emphasis, and yet, today, it appears completely to have been lost sight of.

The stock argument that the Liberty ship is not a competitive ship and that the purchasers of the better ships need not be concerned with the sale of the Liberty ships simply does not make sense. There has been much controversy about the merits of the Liberty ship. It cannot be classified categorically as a good ship or a bad ship. It is a very useful ship for certain purposes, but by and large it is not a competitive ship for berth services, nor is it competitive, generally speaking, with specially designed bulk carriers. A limited number for services to which they are fitted would be a proper component of an American merchant marine and useful for national defense, but the number is definitely limited.

The conclusion must not be drawn from the foregoing that a Liberty ship cannot be competitive. Any ship that can carry cargo is potentially competitive, and if it is available cheap enough and in sufficient quantity, it can wholly disorganize the industry, because it involves no capital costs and invites irresponsible and speculative operations. The prudent and essentially long-range planning which is involved in large investments of private capital in modern vessels, and with which goes dependability and permanency of service, is impossible against the competition of cut-rate, cheap ship operation.

Mr. John F. Gehan, vice president of American Export Lines, Inc., has contributed an article with a punch entitled "Positive Thinking and Action Called for To Accomplish the Merchant Marine Destiny," in which he states, in part:

At a recent merchant marine conference, an inland delegate not associated with the industry said: "If we support subsidies for the maritime industry, then why not subsidies for other major American industries?"

The answer is that some domestic industries do receive subsidies in one form or another.

National thinking on the subject of subsidy wavers from time to time. In the long

run, a substantial body of public opinion has upheld the principle where necessary to protect and to encourage essential industries, particularly those which vitally affect our national defense and economic security.

We do not find consistency with respect to the merchant marine. At government level and among the public at large, there are frequent changes in attitude, which in turn have serious effect upon the course of the maritime industry.

The shipping industry is international in scope. While dedicated to the transportation of a substantial part of our Nation's commerce—generally interpreted at 50 percent of our imports and exports—it is in constant competition with vessels flying all manner of foreign flags. The crux of the matter is that foreign-flag vessels inherently are built at lower cost and are cheaper to operate than American-built and manned vessels. Thus the purpose of American differentials and operating differentials is to provide a means of equalizing cost for American operators under varying foreign competitive situations.

The public frequently loses sight of the fact that the prime purpose of the American merchant marine is to carry American commerce in good times and bad, in peacetime as in war. No foreign flag competitor is dedicated to a similar purpose. Lack of this service concept at a time when America lacked a merchant marine cost American business tremendous sums and likewise handicapped our military preparedness. * * *

There is urgent need for straight thinking and honest understanding of the nature and purposes of the construction differentials and operating differentials (subsidies) as provided under the 1936 act. The act provides for construction differential up to 50 percent, and for operating differential, where required, to provide equalization of costs for Americans who compete with vessels constructed and operated by foreign-flag owners.

American Export Lines and certain other lines have applied for 50-percent construction differential in connection with their proposals to acquire new passenger vessels.

In determining the need for 50-percent differentials in the 1936 and 1948 acts, recognition was given to the inherent spread in constructing costs here and abroad.

The Ship Sales Act of 1946 authorizes the Government to dispose of war-built vessels at 50 percent of their estimated prewar domestic cost.

Current reports indicate that foreign shipyards are operating close to capacity and that many are favored with extensive backlogs of orders for additional new vessels. Foreign costs are currently reported above their long-term averages. Because of this current condition, there is a feeling in some Government quarters that 50-percent construction differential is not necessary here at this time. Proponents of this view must not overlook the situation at home, where American yards are completely lacking new construction contracts and their costs have advanced 60 percent since the start of the war.

The public does not seem to understand that operating differential (subsidy) is subject to recapture by the Government if earned. Perhaps not enough publicity has been given to the fact that for the 5-year period, 1937–42, the Government dispersed about $50,000,000 in operating-differential payments, and that of this sum approximately $30,000,000 was earned, hence subject to recapture. Thus, the net cost to the taxpayer for this vital service averages $4,000,000 a year.

Mr. Speaker, one interested in American ocean shipping will find other pertinent articles in this same issue of the Marine News. I recommend it for general reading—by those particularly interested in the merchant marine, to bolster their knowledge and enthusiasm; by those who lack interest, to make them understand better the problems of shipping and, perhaps, to develop a more sympathetic feeling for those who go down to the sea in ships.

Now Czechoslovakia

EXTENSION OF REMARKS

OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein the following editorial from the New Hampshire Morning Union of February 26, 1948, entitled "Now Czechoslovakia":

NOW CZECHOSLOVAKIA

One sees in the Communist coup in Czechoslovakia the operation of the same program followed by the Soviets in the absorption of other countries behind the iron curtain.

This program consists of four distinct steps, cleverly designed to disguise the process of Soviet domination. The first step is to form a coalition government in which the Communists must be included, no matter how small their initial strength may be. This is followed by the inflexible demand that the Communists must control the ministry of the interior, under which the domestic police in European countries operate.

Then in due time when the Communist grip on the police is considered adequate, the charge of plotting against the state is trumped up against other parties in the government that resist Communist dictates, as a pretext for an assault upon them and their ejection from the government. This gives the Communist minority in the government an excuse for seizing control, backed by the overshadowing presence of a Russian Army somewhere in the offing.

What has happened in Czechoslovakia is not new. It runs perfectly true to form. It is the same thing that has happened in Hungary, Bulgaria, and Rumania, and that we may expect to happen again and again as the program of Soviet expansion works itself out.

True, the Western World has been more deeply shocked by the death of democracy in Czechoslovakia than it was by the submission of Hungary, Bulgaria, and Rumania to Soviet dictation. The Czechs are traditionally a democratic people. They set up a republic after World War I with western help and they made democracy work even beyond the most sanguine expectations. Democratic peoples elsewhere cannot but be saddened at seeing this brave, freedom-loving people hamstrung and hoodwinked into bondage.

Moreover, Czechoslovakia has a strategic importance in the fight for freedom in Europe far beyond Hungary and the two Balkan States. It lies at the center of the political framework of Europe, a fact that the Soviets have certainly not overlooked.

The question is: What is the Western World going to do about it? Will it stand by and see one free nation after another fall like pins in a bowling alley before Soviet machinations? The world is faced today with a new method of conquest, bloodless usually, but nonetheless effective in its operation. What nation will be next in the march of communism? One may believe that others are listed for Communist absorption in due time following Czechoslovakia.

Will the next in the list be Greece, Italy, Austria, or France? Time will tell unless the Western World awakes and decides to meet the challenge to freedom with something more than words. Let there be an end of chatter about an understanding with Russia. A sharp line of division has been drawn across the world by Moscow, and only firmness and force can stop the slow Communist attrition that blots out a free nation in a day as in Czechoslovakia.

Air Power

EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Tuesday, March 2 (legislative day of Monday, February 2), 1948

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject Air Power delivered by me at the opening of the Air Forces University, Maxwell Field, Ala., on September 2, 1947.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

General Vandenberg, General Fairchild, distinguished guests, gentlemen of the faculty and student body, ladies, and gentlemen, I wish to thank General Vandenberg for his kind introduction and for extending to me the privilege and opportunity of addressing this opening class of the Air University. As we realize the dreams which we have so long cherished for an autonomous air arm within a single military establishment of Air, Ground, and Sea Forces, I am conscious of the honor of being bidden to speak on this significant and historic occasion.

This Air University—with its member schools at Maxwell Field, Craig Field, and Gunter Field in Alabama, Tyndall Field in Florida, and Randolph Field in Texas—epitomizes all that we have fought for in our efforts to build for the United States a strong defense structure that will always meet the requirements of the hour.

You gentlemen—perhaps more than any other single group in the country—are the guardians of the future of America.

It has been well said that "Air power is peace power."

This school is the cradle of the principles upon which this declaration is based. It is the laboratory in which those principles are studied and nurtured and developed. The United Nations, the Atomic Energy Commission, and our security forces hold among them the key to the survival of our civilization and perhaps even of the human race. If the United Nations and the Atomic Energy Commission cannot control the forces of totalitarian aggression and atomic destruction, our hope for the preservation of our freedom and our democratic institutions lies in the success of this Air University and the task which our country now places in your hands.

As student officers chosen from among many, you fully appreciate the responsibility which is yours. In your daily work you will

keep constantly before you the trust imposed in you.

Here at Maxwell Field the air university brings together those elements of the Military Establishment which many of us have long deemed vital to our national security—unification of the armed forces, development of air power, and military education. May I express the pride of Alabama that Maxwell Field is the home of this significant, unique, and profoundly important institution.

Maxwell Field had its beginning 37 years ago when the Wright brothers came here to carry forward the experiments begun at Kitty Hawk and to pass on their knowledge to a pitifully small handful of aviation enthusiasts. The field's first use was in the nature of a laboratory and a school when American aviation was still largely a dream.

I have watched Maxwell Field, aviation, the Air Forces, the Army educational system, and Alabama grow and develop together. We in Alabama have watched this growth as the fond parent watches the growth of his child.

In the First World War, Maxwell Field served as an aircraft-engine and repair depot. Since 1922 it has borne the name of that gallant pioneer airman, Lt. William C. Maxwell, of Atmore, Ala., who gave his life in the Philippines.

In 1931, the Air Corps Tactical School was moved to the field, and here were developed the tactics, stratagems, and techniques which made possible General Eisenhower's immortal words to the Army Ground Forces on D-day, 1944:

"If you see any airplanes, they are ours."

Maxwell Field, as an advanced flying school in World War II, turned out a long line of fighting airmen whose courage and valor will never be surpassed.

Historic Austin Hall is the birthplace of that air-ground cooperation which, joining with our naval power, finished off Japan in the far Pacific and made the race across France and Germany the most brilliant and complete victory in all military history.

After the war, the Air University of the Army Air Forces was founded here and graduated its first and only class. You gentlemen are the first class of the Air University of the United States Air Force. I know you feel pride in your selection and I congratulate each of you.

This school inherits the fine traditions of the old Army Air Service, the Army Air Corps, and the Army Air Forces, but it must ever go forward, looking ahead, thinking ahead, and planning ahead.

We must remember that there is no more reason for believing that there will always be a long-range bomber than there was for the belief that there will always be a horse cavalry. We must remember that a victorious nation tends to prepare to fight the last war while a defeated nation always plans to fight the next one. You will question yourselves frequently and search yourselves deeply to insure that your planning does not take the pattern of fighting the air war of 1940–45 all over again. You will not permit your wise concentration upon building a long-range attacking air force to obscure the need for air defense of the United States or the need perchance of an air umbrella for your comrades of the Ground Forces.

In keeping with your spirit of self-analysis, the Air Educational Advisory Board, headed by Dr. Kenneth Williams, formerly dean of the College of Education at the University of Georgia, has been established here and General Fairchild has invited civilian leaders to come here and cross-examine your dream boys from the layman's practical point of view.

We must remember that America's military strength is built upon the bedrock of America's economic strength. Our Air Force can be foremost only if we maintain supplies of strategic materials, air research of every type, and vast productive capacity.

The great problem that confronts our military establishment today is to keep the Nation aware of the need for air training and education for American youth, for maintaining and continually advancing technical research, and for preserving our aircraft industry, our factories, mills, mines, and workshops, to insure us the air power we must have if we are to remain strong and preserve the peace.

Only last week, General Spaatz, Commanding General of the Air Force, expressed deep concern over the severe reductions in Air Force personnel and the ability of the Air Force to get the replacement planes they will need this year. Two thousand replacement planes are needed, General Spaatz pointed out, but only 800 are being secured this year. He told how worried he was over the enormous decline in aircraft production and yet the aircraft industry is a fundamental element of the national security.

Your designers and your engineers and your production experts are the sinews of your air power. We must remember that tactical and strategic proficiency can be taught and acquired much more readily than aircraft technical knowledge and productive capacity can be developed.

To recover the lost ground, to rebuild and maintain the Nation's air force at security levels is a difficult task. But when things look darkest, that is the time to work the hardest. If we think that things look dark today, we have only to recall the discouraging and heart-breaking picture back in the days of Billy Mitchell, when for so long he knocked in vain at the closed door of official minds. If he and Andrews, Hickam, Knerr, Kenney, Arnold, Spaatz, Eaker, and Walter Weaver, beloved of Alabamians—if they had throttled down when the going got rough, instead of being a victorious Nation today we might be fighting with our backs to the wall. And surely we would not have unification of our armed forces with a separate autonomous air force.

Since 1921, there has been a continuous struggle for unification. Alongside the old invincibles of the early Air Corps, I joined that struggle. In 1931, we lost a bill for unification in the House of Representatives by 153 to 135. We were that close to victory. Though we lost year after year we never gave up. Like old England, we lost every battle but the last one—the pay off.

Now we have the single military establishment and a separate autonomous air arm under the National Security Act of 1947, which gives us a sound military structure.

It creates the National Security Council, the National Security Resources Board, the Central Intelligence Agency, the Munitions Board, and the Research and Development Board, that we may make certain that our foreign and military policies are coordinated and mutually supporting; that a central intelligence agency may collect and analyze that mass of information which is so essential for the Government to maintain peace and without which the Government cannot wage war successfully; that scientific research and development may be coordinated, not only within the military services, but between the military services and other Government agencies, and with industrial and educational activities; that intelligent planning may guarantee coordination of our military program with the Nation's resources in manpower, materials, and production facilities; and that all of these objectives may be accomplished with the greatest possible economy consistent with a strong and effective national security.

In the last war time was bought for us by the blood of those peoples who were attacked first; time to prepare; time to mobilize; time to plan; time to forge our winning war machine. Time saved us. But it was given to us by others. We will not have this gift again.

Our other indispensable ally was space. There was a barrier of thousands of miles of ocean between us and our enemies. The weapons of 1941 could not cross this barrier. But—like our ally of time—space will not save us again. The weapons of today can cross that barrier. The weapons of tomorrow will laugh at it. By VJ-day we had entered a new age of science, of warfare, and of world relations.

The United States has attained an unprecedented ascendancy among nations. Willing or not, we have acquired new and awful obligations. So much of the responsibility for the future peace of the world rests with us. The world looks to us for our cooperation, but even more the world depends upon our willingness and our ability to back cooperation with the military power to preserve the peace. The peaceful nations of the world know that they can cooperate to preserve the peace only if they are backed by a strong United States, strong not only in moral values and material resources, but strong in military potential.

In the United Nations we have set up the machinery for building the peace. While a strong America stands guard over the peace, we must work to make the United Nations an effective instrumentality to prevent war among nations—that through the United Nations we may substitute the rule of law and reason for force and violence.

Until this day comes, bear always in your minds and carry in your hearts the trust and the faith that America has placed in you. You are the guardians of the peace, the guardians of America.

Address by Hon. Olin D. Johnston, of South Carolina, Before South Carolina Regional Conference on United Jewish Appeal

EXTENSION OF REMARKS

OF

HON. OLIN D. JOHNSTON

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Tuesday, March 2 (legislative day of Monday, February 2), 1948

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that there be inserted in the Appendix of the RECORD a copy of the brief talk which I made before the South Carolina Regional Conference of the United Jewish Appeal, which met in Columbia, S. C., on Sunday last.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is a known fact that since 1918, from the administration of Woodrow Wilson through the Presidencies of Harding, Coolidge, Hoover, and the late Franklin D. Roosevelt, and even including the present administration, our national policy has been publicly stated and restated as supporting the establishment in Palestine of a national homeland for the Jewish people.

I state at the outset that this is no longer an issue. Since the pronouncement of the Balfour Declaration in November 1918 and the establishment of Great Britain as the mandatory power over that country with the consent of all of the sovereign powers of the

civilized world, there may have still been an issue, but that has been resolved for all time by the determination of what we all hope will become the most sovereign power on earth—the United Nations Assembly.

The world has long recognized that in the short period since 1918 a small but hardy band of Jews has made of Palestine a virtual oasis—a garden spot out of a desert.

Despite the Arab failure to assist the Allied cause in World War I, the Arabs received recognition for sovereign states covering over 1,000,000 square miles, with all of present-day Palestine but 10,000 square miles. Despite the aid given to Hitler by the Grand Mufti of the Arabs, who fled to Berlin to give such assistance to our common enemy, the United Nations Assembly partitioned Palestine and left for the remnant of a butchered people but 500 square miles, and yet the Arab feudal lords are not satisfied and are carrying on a holy war. What is so holy about that war? It is born of a fear that the feudal barons from all Arab kingdoms will, with the development and evolution of higher living standards in Jewish Palestine and among the masses of Arabs—most of whom are and would—continue to be friendly but for the fear of reprisal from the hired thugs of the overlords.

Our country has, happily, attained the position as the first power on earth. As such, we wield an influence in proportion to that power. Do we, however, measure up to the responsibilities which the power and influence require? I fear not, but sure hope we will. We cannot and must not stand idly by. We must take such steps which will, at the very threshold of the existence of the United Nations, implement and make effective the decisions of that body. We cannot—we must not—fail to exercise that same power and influence which brought the United Nations Assembly decision resolving the Palestine issue by partition between Arab and Jew to implement that determination.

I have called to the attention of the administration in Washington in language as forceful and, yet, as friendly as is within my command, that its silence under conditions where a people harassed, maimed, and destroyed during many centuries, but more recently in the heart of central Hitler Europe, is itself un-Christian and inhuman.

We have failed in our responsibility actively to give life to and enforce the decision of the United Nations Assembly. We have, on the contrary, actively taken a position hostile to and destructive of the international conclusion arrived at. We permit an embargo upon arms and equipment which the Jews so sorely need to defend themselves, while Great Britain disarms the Jews—gives aid and comfort to the Arabs, who, from the first, have defied the United Nations decision.

Our Nation should immediately announce that it stands foursquare behind the United Nations decision; permit United States citizens or residents to volunteer as members of an international military force representing the United Nations in such numbers and at such times as will enforce with other members in the United Nations the international decree. We will thereby give breath, vigor, and life to the international body so recently created and make its decisions the law of the civilized world.

We have heard much and read more about our interests in oil in the Middle East, particularly in Saudi Arabia. Are we to permit human blood, be it Arab or Jew, to be spilled for that reason? It is hoped that the President of the United States will restate that which is historically true—that the traditions of this country make it impossible for us now, or at any time, to permit blood to be traded for property—even oil.

It is only fair and in the commands of Christian teaching that the steps I have suggested be taken by the President, who will have not alone the support of the vast numbers of our country's citizens but also the approval and approbation of the civilized world, save for those with special interest—and you know who those are. To paraphrase Holy Writ, the Prophet Isaiah said, "Let us not be among those who justify the wicked for a reward, and deprive the righteous of justice."

The Wallace Campaign

EXTENSION OF REMARKS
OF
HON. CLYDE R. HOEY
OF NORTH CAROLINA
IN THE SENATE OF THE UNITED STATES

Tuesday, March 2 (legislative day of Monday, February 2), 1948

Mr. HOEY. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article by Jim Chaney, from the Raleigh News and Observer, which discusses a very unusual meeting held at Chapel Hill. It was called a Wallace seminar. The meeting was held last Saturday and Sunday. A number of students from other colleges in North Carolina were invited to attend, and they were given instructions as to how to proceed with the Wallace campaign. There are one or two items I should like to call to the attention of the Senate, as they relate to the methods of proceeding. The students were told:

Write simple and plain letters to the editors of newspapers in which you say: "If you want to save the country from war, Wallace seems to be the only man to make President."

They were also told to write:

Why is your newspaper playing down Wallace news?

Again, these students were admonished to get into the churches, the effect being to utilize the facilities of these religious institutions to circulate and disseminate Wallace propaganda.

They were told:

But don't make your purposes too obvious. People will see your letters and get in touch with you.

Another suggestion which was made to these organizers for Wallace was:

Get on the radio stations. There are many which give free time, especially to college groups, if you sell them on the idea that it is a public-service feature. Ask for time to hold a forum with candidates of other parties taking part. A good trick is to offer four persons to debate the third-party issue or other issues. You don't bother to explain that all four are pro-Wallace.

Mr. President, I think it might be quite revealing to study the methods which will be adopted in pushing forward this "idealistic" campaign on behalf of Henry Wallace.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PLANS FOR WALLACE DRIVE OUTLINED AT CHAPEL HILL

(By Jim Chaney)

CHAPEL HILL, February 28.—A heterogeneous collection of 126 progressives—similar only in their conviction that Russia and the minorities are the victims of a capitalistic greed—laid the groundwork here today for the Wallace movement in North Carolina.

To 99 percent of the population of this university village, it was Saturday and no more. To the 43 UNC students and instructors who sponsored the war council and their 83 visitors, it was M-day for the common man.

Assembled for a Tar Heel-students-for Wallace rally, they received from experts in liberal-front promotion the basic lessons in salesmanship for the common cause—how to get free time on the radio, how to push petitions, how to work through letters to the editor departments of newspapers, and how to sell the cause with words.

"There are many times," their teachers told them, "when you must not reveal your real objective."

"As students you will have many opportunities," they were told, "to campaign by talking to the right people."

The progressive method, laid down at the seminars by CIO Organizer Mike Ross and Veteran Progressive Mary Price, follows easy steps:

1. Write simple and plain letters to the editors of newspapers in which you say: "If you want to save the country from war, Wallace seems to be the only man to make President," or "Why is your newspaper playing down Wallace news?" But don't make your purposes too obvious. People will see your letters and get in touch with you. Soon you will have little groups from which to work.

2. Get on the radio stations. There are many which give free time, especially to college groups, if you sell them on the idea that it is a public-service feature. Ask for time to hold a forum with candidates of other parties taking part. A good trick is to offer four persons to debate a third-party issue or other issues. You don't bother to explain that all four are pro-Wallace.

3. Get into the churches. There are many chances to talk among church groups, especially among young peoples' groups, and if you are a church member you aren't as subject to as much criticism.

4. Get into organizations and try to get pro-Wallace speakers on the program. Newspapers and radios generally will carry speeches made at civic clubs when they might otherwise refuse them.

5. Organize entertainments and social events, chiefly as social events. They provide good opportunities to talk to people about the "progressive" program.

6. If people call you a Red, brush it off as a smear. If they go too far, remind them that they can be sued for libel.

7. Work with race groups and groups which have something definite to gain by the "progressive" movement.

8. Find out who is registered in your community. Take the people who aren't registered to the voting places and see that they register. If you carry them there, they will be more likely to vote for your candidate.

Go push the New Republic liberal magazine. It carries Wallace's speeches.

More than a third of the 126 were Negroes, chiefly from Johnson C. Smith University in Charlotte and North Carolina College in Durham. Approximately half originally were from out of State. A majority were members or past members of other liberal-front groups, particularly the Southern Conference for Human Welfare.

At least 20 listed New York as their home State; 6 New Jersey; 5, Alabama; 4, the District of Columbia; 3, Florida; and 3, South Carolina.

Ohio, Pennsylvania, Massachusetts, Virginia, California, Maryland, and Mississippi were represented by two delegates each. Others claimed Missouri, Georgia, Arkansas, Illinois, and Connecticut.

The break-down for North Carolina residents showed seven were from Greensboro, four from Charlotte, four from Stanly County, five from Alamance County, four from Durham, two from Lumberton, two from High Point, two from Wake County, and two from Columbus.

Single delegates were registered from Gastonia, Wilmington, Cabarus, Elm City, Fayetteville, Elkin, Winston-Salem, Craven, Goldsboro, Robeson, Asheville, Greenville, Davidson, Randolph, Cleveland and Brunswick.

A few names picked from the registration cards are typical:

Carl S. Leonard of Washington, D. C., State College; Thomas McPhasher of Lexington, Johnson C. Smith University; Floyd Spaulding of Clarkton, Johnson C. Smith; Sigrid Lehribereger of New York, Duke; Wallaer F. Daley of Hartford, Conn., Johnson C. Smith.

Helen Mercer, of Westfield, N. J., Duke; Nancy Bone, of Toledo, Ohio, Duke; M. J. Simpson, of Hagerstown, Md., Duke; Sidney Fletcher, of Elkin, UNC; Stanley A. Simpson, of Orange County, UNC; Richard B. Null, of Gettysburg, Pa., Duke; Charles D. Lucas, of Matthews, Duke.

Mary Upshur Elliott, of Norfolk, Va., woman's college; Arlene Batchelor, of Brooklyn, N. Y., woman's college; Miri W. Whitaker, of Batesville, Miss., Duke; Elias Freedland, UNC instructor.

W. A. McGirt, Jr., of Wilmington, former Duke student.

Marge Frantz, of Orange County, UNC; Albert H. Haney, of Birmingham, Ala., Elon; Dick Koral, of Brooklyn, N. Y., UNC; Grover C. Adams, of Charlotte, Johnson C. Smith, Walter Robinson, of New York, UNC; Don G. Harris, of Shelby, UNC: Bill Cannon, of Durham, Duke; Dot Arnett, of Greensboro, UNC; E. D. Miller, of High Point, Elon.

Sylvan Routh, of Franklinville, Elon; Hale Chamberlain, UNC instructor; J. F. Blake, of Charlotte, UNC; L. Dixon Lyon, of New Jersey, woman's college; Dorothy Blake, of Orange County, UNC; S. J. Klein, of New York, UNC; M. Lucille Davidson, of Fayetteville, N. C. college.

Daniel B. Jackson, of Orange County, UNC; Roy Watson Coble, Richard E. Deane, Doyle Edison Cowder, and Gerald Reid Chandler, all students of Pfieffer College, from Stanly County.

James Charles Johnson, of Washington, D. C., Shaw University; Ralph L. Fleming, Jr., of Greenville, Duke; James W. Stanford, of Asheville, UNC; Betsy Bush, of Florida, Duke; Isabel Elmore, of Alabama, Duke; Elizabeth Rhoads, of California, UNC.

Mildred L. Haney, of Burlington, Elon; Nancy Keen, of Burlington, Elon; William E. Gibson, Jr., of Marion, S. C., Johnson C. Smith; John H. Kier, of Mississippi, Duke; and Louise F. Schneider, of the Bronx, N. Y., Duke.

Their candidate, Henry A. Wallace, featured speakers of the two-day program reported tonight, is certain of victory.

James Waterman Wise, director of the council against intolerance and co-chairman of the citizens committee which supported Progressive candidate Leo Isacson in his successful Bronx race for Congress, told the group "the very formation of a third party today is an act of faith in democracy."

FOREMAN SPEAKS

Clark Foreman of Atlanta, Ga., president of the Southern Conference for Human Welfare and member of the national Wallace campaign committee, declared the Democratic Party is crumbling.

The word from Henry A. Wallace—received in a speech read by Sam Hirsch, Trenton, N. J., member of the Carolina Playmakers—backed up the prediction. Through a "progressive" party, Wallace's statement promised, Americans can work for peace with Russia, the adoption of Fair Employment Practices legislation and elimination of "Jim Crow" discriminations.

In sessions Sunday, the group will hear reports on operating plans; attend services at the Presbyterian Church; adopt an organization plan; elect officers, and conclude their rally with a folk-song recital by Ballad-Singing Pete Seeger.

Hardly the spontaneous demonstration some notices had described as the rally was organized by a youth who reports he plans to make the "progressive" party his career, Leonard Nelson of Miami, Fla.

A 24-year-old veteran and graduate of Columbia University, Nelson now holds the title of secretary of the National Students for Wallace, but he plans to go higher.

If Wallace wins, he told The News and Observer during a telephone conversation, he expects to find a permanent job.

If Wallace doesn't win—

"That," says Nelson, "is a chance everybody has to take in politics."

At Chapel Hill, among the members of the University of North Carolina Wallace Club, Nelson found ready and experienced workers—among them Junius Scales, son of a prominent Greensboro industrialist and reportedly a former leader of Chapel Hill Communists.

The president of the club, Bill Richardson, is a former resident of Belhaven. The active members are part-time and junior instructors, their wives and older students.

Kingston, Once Capital of Tennessee

EXTENSION OF REMARKS
OF
HON. TOM STEWART
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Tuesday, March 2 (legislative day of Monday, February 2), 1948

Mr. STEWART. Mr. President, I ask unanimous consent to place in the Appendix of the CONGRESSIONAL RECORD a very historically interesting story written by Mr. E. E. Patton, of Knoxville, Tenn., one time mayor of that city, and published in the Knoxville Journal of February 29, 1948.

The story concerns the interesting fact that Kingston was at one time actually the capital city of Tennessee by reason of a promise made to the Cherokee Indians in the area at that time.

I recommend the article as interesting reading.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"PROMISE" TO INDIANS MADE KINGSTON CAPITAL OF TENNESSEE FOR 2 HOURS

(By E. E. Patton)

Four cities have had the honor of being the capital of Tennessee: Knoxville, Kingston, Murfreesboro, and Nashville. The dates are as follows: Knoxville, 1796 to 1802; 1807 to 1811; 1817 to 1819. Kingston, 1807—1 day, 2 hours. Nashville, 1812 to 1815; 1826 to 1843, when it became the permanent capital. Murfreesboro from 1819 to 1825. In this article I shall deal only with Kingston. I quote:

"On October 27, 1805, the State made the Treaty of Tellico with the Cherokee Indians, in which is the following clause:

"Whereas it has been represented by the one party or the other, that the section of land on which the garrison at South West Point, and which extends to Kingston, is likely to be a desirable place for the Assembly of Tennessee to convene at—now, the Cherokee, being possesed of a spirit of conciliation, and seeing that this tract is desirable for public purposes and not for individual advantages—cede to the United States the said section of land, understanding at the same time, that the buildings erected by the public are to belong to the public, as well as the occupation of the same, during the pleasure of the government."

"In order to give color of claim made in the Treaty of Tellico, the General Assembly on September 13, 1806, directed that Knoxville should be the seat of government after the second Monday in September 1807. On September 21, 1807, the legislature convened at Kingston but adjourned the same day to meet 2 days later in Knoxville."

The above is a quotation which gives the history of the capital at Kingston; it is recited in a very few words, and those words are very hazy. They must have been written by a career diplomat. The statement has been made that the State authorities felt honor bound to have the capital at Kingston on account of a promise made to the Cherokees. If the above quotation contains a promise, I fail to find it. It merely states that Kingston is a "desirable place for the assembly of Tennessee to convene at"—bad grammar.

At any rate, the legislature—house and senate—and the Governor made a pious pilgrimage to Kingston; both houses were called to order; and in 2 hours or less time, they had adjourned to meet 2 days later in Knoxville. They then climbed into their wagons, buggies, or carry-alls, or straddled their horses and came back to Knoxville by easy stages.

Roane County was named for Archibald Roane, second Governor of Tennessee. He was highly educated; was an eminent lawyer and outstanding judge. Under the Tennessee constitution, a governor may not serve more than three consecutive terms. John Sevier was Governor from 1796 to 1802: Roane succeeded him and was a candidate for reelection in 1804, but was defeated by Sevier, who served three more terms, going out of office in 1810. Roane is buried in a cemetery about halfway between Concord and the Farragut High School; his grave is marked by a handsome monument erected by the State, the bill having been sponsored by the late Hon. John C. Houk.

Roane County is famous in many ways; it has rich soil and as capable farmers as may be found anywhere. It has fine coal mines and is rich in high-grade iron ore. Harriman and Rockwood are as important manufacturing cities, of their size, as you will find anywhere. The public-school system is one of the best in the State, Mr. J. F. Brittain has been superintendent of schools for many years, and his heart is in the work. The principals and teachers of the grammar and high schools are most capable and efficient.

Roane County has been a veritable breeding ground for eminent lawyers and judges. Martin W. Littleton, one of the great New York lawyers, was a native of Roane. Then there were Judge Thomas A. R. Nelson, Judge W. B. Staley, Judge Robert M. Jones, for many years chancellor of Knox County, the late Hon. W. L. Welcker, and Judge James Sevier, one of the most eminent lawyers the State has produced. Sam Rayburn, for several years Speaker of the United States House of Representatives, was born in Roane County. Hon. James G. Crumbliss, son of Maj. Henry Crumbliss, judge of the county court, clerk, and master and for 4 years United States marshal of east Tennessee, is a native of Roane.

Miss Rachel Littleton of Kingston married Cornelius Vanderbilt, Jr., in one of the most notable weddings in New York.

I have mentioned the schools of Roane County, and I want to state further that no

county in the State has a better class of citizenship that Roane. Most of them own their own homes; they are law abiding; there is very little crime in that county. The business and professional men are among the leaders of the State.

There is little race or religious prejudice in the county, and the county has the distinction of having within its borders the first Christian Church organized in Tennessee; it is Post Oak Springs Church, on the highway between Kingston and Rockwood. Judge John R. Neal's father, a Confederate officer, lawyer, and Congressman, is buried just east of the church mentioned above.

I want to speak of the movement that has been discussed for many years: the erection of a suitable and appropriate tablet or marker on the site of the first capitol in Knoxville and also a similar action in regard to the site of the capitol in Kingston. The State historical commission is granted funds every year by the legislature for purposes just like this, and it would seem that no more appropriate action could be taken by this commission than to mark the sites of the capitols in Knoxville and Kingston.

The Knoxville Journal has been very interested in matters of this kind; in fact, it has marked a number of historic spots in and around Knoxville, and I believe the people of Roane County will appreciate a program for marking this historic spot. There are 95 counties, but only 4 of them have had the honor of having the capital within their borders.

An appropriation by the State historical commission, the county court of Roane County could be matched by subscriptions from the progressive and loyal people of the county. This marker should be worthy of the place that it memorializes; and we would expect it to stand as long as America is kept free. If you are favorable toward a movement of this kind, write the editor of the Knoxville Journal and express your views.

A Salutary Reform

EXTENSION OF REMARKS
OF
HON. SCOTT W. LUCAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Tuesday, March 2 (legislative day of Monday, February 2), 1948

Mr. LUCAS. Mr. President, recently I submitted a concurrent resolution seeking to reform senatorial committee procedure. On March 1 of this year the New York Herald Tribune published a very important editorial under the caption, "A salutary reform," which I ask unanimous consent to have printed in the Appendix of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A SALUTARY REFORM

The congressional investigation is a most useful, indeed an essential, tool of Government in the United States. It is the best official means of keeping the public informed of the operations of Federal administration, of examining into errors and frauds, of functioning in the twilight zone where the law itself cannot—or for some reason does not—take effective action, and where the press is unable to obtain access to all the facts. The investigating committee is particularly important now when the threat to the American system may take forms which are not comprehended in the constitutional system of safeguards for the State and the individual. Unfortunately, the congressional investigation can be and has been abused for party or private advantage.

Senator LUCAS has therefore introduced a concurrent resolution which would bind the committees of both Senate and House to certain rules protecting witnesses and accused persons. Hitherto, the committees have been able to establish their own rules of procedure which depended upon the good taste, judgment, and fairness of the committee majority, and which often resulted in the browbeating of witnesses, the utterance of unsubstantiated charges to which the accused was not permitted to make formal reply, and a number of other infringements upon individual rights and the public interest.

Senator LUCAS's proposals include many rules, not all of which may be found necessary or advisable. But the principles upon which he bases his code are certainly in accord with the American tradition. They would not hamper a congressional committee in getting to the roots of any matter. They would cause no change in the procedure of committees which normally conduct their investigations decently. They would, however, put a bridle on fanatics.

It is difficult to see how this would interfere with the necessary flexibility of a congressional investigation. Instead, it would give such investigations enhanced prestige and authority. Therefore, Congress in its own interest and the public for its own security, should get behind the Lucas resolution and see that its spirit is written into congressional practice. There is plenty of work for congressional investigating committees, and they should be made to perform their tasks in an atmosphere which will give the best possible results.

Address of Hon. L. B. Schwellenbach, Secretary of Labor

EXTENSION OF REMARKS
OF
HON. ANTONIO M. FERNANDEZ
OF NEW MEXICO
IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. FERNANDEZ. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Hon. L. B. Schwellenbach, Secretary of Labor, before the Jefferson-Jackson centennial dinner, February 19, 1948, in Albuquerque, N. Mex.:

I appreciate this opportunity to come back to the West and to join with you in commemorating the birthdays of Andrew Jackson and Thomas Jefferson. Thomas Jefferson founded our party. It was through his vision that it was conceived. It took Jackson, however, with all of his strength of character and virility and toughness against opposition so to strengthen it that it might be preserved as an instrument for the protection of American democracy through the many decades since Jackson's death.

To the Americans of Jackson's day he was looked upon as coming out of, and speaking for, the West. To most Americans on the Atlantic seaboard President Truman is looked upon as coming from the West. Andrew Jackson was being critized for being plain, common. It was said that he was not sufficiently erudite to occupy the high office of the Presidency. Many of the things that were said about Jackson then are being said about President Truman today. Jackson had the courage and the faith to carry on his fight against most bitter opposition. He knew he could, and he did succeed in protecting the institution of American democracy. All I know about Andrew Jackson is what I have read in many volumes printed about him. I have known President Truman well over the past 11 years. I know that he, too, has that same courage and that same faith in the American people, and that under his leadership we will carry through with a solution of the almost overwhelming problems with which we are today confronted.

I was particularly delighted to accept this invitation to come to Albuquerque. This was because of the fact that during the last 13 years I have come to have a very intimate acquaintanceship with, and a very affectionate regard for, three of the public servants that you have sent to Washington. The first of these whom I met was Senator HATCH. When first I met him I did not realize fully the deepness of his strength of character. He was soft of voice, kind, and considerate. It took only a short time for me to realize, as I watched him debate on the Senate floor, that he could present as tough a debate as any Member of that body. No man has gained a position of respect for intelligence and integrity higher than that of Senator HATCH. A few months later Senator CHAVEZ was sworn in as a Member of the Senate. He, too, has gained the respect of the Members of that body. He has the remarkable attribute which is possessed by too few people—to know that a straight line is the shortest distance between two points. He plunges into a debate armed with the facts, and it makes it rather difficult for anyone to withstand the force of his argument because he has so carefully conceived the point which he intends to make. I did not know Secretary Anderson until I returned to Washington in July 1945. I have known several Secretaries of Agriculture. I served on a Committee of Agriculture when I was in the Senate. During that 6-year period not only the Secretaries, but the Assistants and many experts from the Department testified. I can say without qualification that Secretary Anderson has a better grasp of the broad problems of the farm than anyone who appeared before our committee during the 6 years I was in the Senate.

My home, as you know, is in Spokane, Wash. To a great extent the eastern part of the State of Washington is similar to New Mexico. We have some of the same problems. We have the problem of reclamation and irrigation. We have the problem of the development of power through the dams, which not only are an aid to navigation, but which also are used for the purpose of flood control. So I think I know a little about the problems of New Mexico which went through years and decades of Republican neglect, and which have at least partially been solved by the interest which the Democratic administrations have shown since 1933.

Probably no State in the Union is more vitally concerned with problems of irrigation and reclamation than is your State of New Mexico. My State of Washington, with its vast supplies of water and power generated from projects made possible under Democratic administration, has difficulty in conceiving of water shortages which exist in the more arid regions of the Southwest, but at the same time present serious problems of flood control.

Yet, I understand from my more or less intimate association with your representatives in the Congress and from other sources, that you here in New Mexico, even in this fair city of Albuquerque, do have both problems to consider and sometimes they exist almost simultaneously, however impossible that may seem to be to those who have no genuine conception of the great Southwest.

When I say those who do not understand the problems of the Southwest, I might just as well include all of the West, which embraces my own State in the northwestern

part of the Nation. After all, the West is the West, whether it is the Southwest or the Northwest.

While we on the one hand have an abundance of water supply, and you on the other may have a scarcity, nevertheless the unalterable fact remains that the development of our great regions depends upon a continuation of the philosophies and theories advocated and carried out by Democratic administration of the Federal Government. Without Federal assistance, we in the Northwest never would have been able to construct our vast projects which contributed so much to the war effort and without which a different production story might have been written.

As more or less a stranger within your State, I shall not attempt to discuss specific projects. I do know that here at Albuquerque you are vitally concerned in adequate flood control and protection against the waters of the Rio Grande. Also, I am told that there are some differences existing between those of you interested in the Middle Rio Grande Conservancy District and others of your citizens in the southern part of your State—including, but never overlooking, your neighboring State of Texas. Whatever these differences may be—and I am sure they are real—they can be reconciled. Under a Democratic Congress, with a Democratic President, whatever flood protection is needed in the middle Rio Grande can and will be given; and, at the same time, ample protection for the users of water under the Elephant Butte project will be afforded. In the end the development and protection of this area can go forward without injury to any, and real benefit to all.

The same is true of your greatly needed developments at Tucumcari, Fort Sumner, and Carlsbad. Your problems on the Gila and the San Juan are not insignificant. All in all, these different streams and systems add up to a general situation which prevails throughout the entire West. This general condition, prevalent all over the West, requires an administration which is cognizant of and sympathetic with our natural resources and their proper development. This has never occurred under Republican administration, and the actions of the present Congress speak more loudly than any words of mine the absolute impossibility of any future development by any Republican administration.

I want to talk to you for awhile about an old friend of mine. I met him on January 3, 1935. There were 14 of us in the group, including my good friend, Senator Guffey, of Pennsylvania. We knocked upon the doors of the United States Senate, presented our credentials, and were accepted into membership in that body. One of the most unassuming and humble of that group was Harry S. Truman, now the President of the United States. I am sure that no one of us on that cold January day had the slightest thought of, or aspiration to, the office of the Presidency. There was within the group a feeling of friendliness and mutual respect that I have not seen in any group entering the Senate since. We had no bloc of votes. We held no caucuses. Yet because of the fact that we were the first group of new Senators elected after President Roosevelt assumed office, and because we had all pledged ourselves to our constituencies to uphold the hand of the President in his efforts, there was a certain solidarity about the group which made it distinctive.

Senator Truman did not speak on very many subjects. He wasn't one who thought he knew the answer to all of the questions that might arise. Yet, when he did speak, it was found that he knew the facts and knew the problem, and spoke only because he sincerely believed that the particular piece of legislation would meet the situation as it then existed. For example, we found out, when the question came up of railroad reorganizations because of improper financing of such reorganizations in the past, that Senator Truman knew more about it than any other Member of that body. The same was true when the civil aeronautics bill came on for consideration. Slowly, gradually, but nevertheless deeply ingrained in the minds of the Members of the Senate, there developed a feeling of confidence in, and respect for, the ability, the integrity, and the sincerity of this unassuming man.

After 6 years I left the Senate and moved back to my home to go on the Federal bench. During that 6 years of effort to advance the welfare and well-being of the American people Senator Truman made a record which in itself is proof of the intensity of his belief that, insofar as it can, the Federal Government must be ever-watchful to guard the interests and the welfare of the great mass of the people. Let us glance briefly at that record. During our first year he voted for the Wagner Labor Act, social security, the Agricultural Adjustment Administration, and the ratification of the Treaty of Adherence to the World Court. In 1936 he voted for the Soil Conservation Act and against sustaining the bonus payment veto, and against returning relief to the States. In 1937 he voted for the low-cost housing bill, the Fair Labor Standards Act, the continuation of the Civilian Conservation Corps, and the continuance of reciprocal trade agreements. In 1938 he favored the antilynching bill cloture, the naval expansion bill, and WPA appropriations. In 1939 he voted for the civil liberties bill, the Hatch Act, the lifting of the arms embargo, and for adequate appropriations for aeroplanes, ships, and military stock piles. In 1940 he voted for the conscription bill and farm parity payments.

Those are but a few of the votes which he cast while I was a Member of the Senate. I have selected them as typical. Surely, that record alone must be proof to anyone that he has sympathy and understanding of the problems of those people who have no special lobbies and who have no one to speak upon their behalf before the committees which prepare such bills for consideration.

Then the war came on and Senator Truman saw the difficulties which would arise. We were going into a war program—the largest in the history of any nation in the world. We were undertaking to supply, not only our own armies, but the armies of most of our allies. He introduced a resolution which the Senate approved by which there was authorized the setting up of a War Investigating Committee. He became chairman of that committee. I might go on for an hour discussing the success that committee had in almost every field involving the war effort. Let me give you three illustrations. It ended the army camp scandals and saved the taxpayers $250,000,000. It broke the bottleneck on aluminum and made possible the subsequent record in airplane production that contributed so largely to winning the war. It came to the aid of small business which was being pushed out of the war picture by large corporations. You may inquire how this committee, functioning during the strenuous wartime period and having to combat the very natural pressures by which the patriotism of the country made it difficult for any committee of this nature effectively to function because of the criticisms that it was impeding the war effort, did function, and did succeed. This inquiry might very well result from what you have read and heard about the same committee a few months ago when, in its first major postwar investigation, it turned the committee hearing into a hippodrome and caused those in charge to look like clowns because of their ineptness and their lack of knowledge of the facts which they set out to investigate. The answer is very simple. During the war the committee was chaired by Senator Truman. He adopted certain rules for the conduct of the committee. The first was that the committee should not prejudge any case until first it had mastered the facts of that case. It was a committee of inquiry, and not of persecution. Its hearings, for the most part, were held quietly and without demonstration or display. Mr. Truman does not have a flair for dramatics. He sought no personal publicity, although the success of his efforts in itself resulted in Nation-wide publicity. It was not a partisan committee which had as its purpose the smearing of individuals. Whether they dealt with industry, labor, or the Government, the committee called its shots as they saw them even if, as a result, those in charge of the war might be hit by them. By and large throughout the country confidence in the committee and Mr. Truman was so great that the people were willing to make many more sacrifices which they would not have made had they lacked that confidence. Here was a simple man who honestly and courageously investigated and told them the truth no matter what might result therefrom.

It was but natural in 1944 when the Democratic Convention in Chicago selecting a candidate for Vice President it turned to the same man who had such a reputation for honesty, integrity, and fearlessness as did the Senator from Missouri. He was elected to that office and was happy in it because it gave him the opportunity to deal and work with the group of men in the Senate whom he had come to know and to admire regardless of their political party affiliations. He was permitted to occupy that office but a few months. Suddenly, and with no warning as to its imminence, the hand of death stopped the beating of the heart and stifled the voice of the man who for 12 years had carried the burdens of the American people.

Late one afternoon Harry Truman was called to the White House and informed that, then and there, he must assume the responsibilities and obligations and the duties of the Presidency of the United States. Events since have proved that on that afternoon he took over the most stupendous task which any man has ever undertaken in any country in the world. Undaunted and unafraid, he assumed the obligations. Even he did not then realize how rough and rocky was the road ahead. A few weeks after he became President the shooting war in Europe collapsed. To many, that meant a partial end of war activities. The problems of reconversion and reconstruction presented themselves immediately. The President was faced with the task of balancing the two. On the one side, he must provide leadership to a successful termination of the campaign in the Far East; on the other side, he must attempt to make the delicate adjustments from war to peace in a portion of our economy without disturbing the necessary activities behind the campaign against Japan.

In a few short months that campaign ended with the collapse of Japan's Empire and its unconditional surrender. That surrender was greeted with heart-felt thanks by every man, woman, and child in the United States, even including those who knew that their own brothers or husbands or sons would never return from the battlefields in which they were buried.

It has taken a considerable length of time for the American people to realize that reconversion to peace is even more difficult than conversion for war. After the almost 4 years duration of the war people were tired; they had worked long hours; many hours of the day when they did not work the time was spent in extra duties performed for the benefit of the war. The end of the shooting was

in no sense the end of the war. The lives and portions of the bodies of our men were given that the democratic process and the free enterprise system would be permitted to exist wherever in the world the people wanted it to exist. Until we reach that point, the war is not yet over.

During all of that time, and up to and including this very minute, the policy of President Truman has not changed. He has worked consistently and energetically to bring about such a condition. Yet, even today, there are those who look wishfully back at 1939 and would seek to a return to it. We will not return to the days of 1939—this, for the simple reason that we cannot return to those days. We cannot do it and maintain our economic system or the democratic privileges which our forefathers gave us. If that wishful thinking were not so tragic, I would get amusement out of it. I was in the Senate then. I not only read, but I analyzed my mail. I know that those same people who today wish to return to the conditions of that time were extremely unhappy in those days because they wanted to turn back the clock 10 years to the predepression days of 1928 and the first 6 months of 1929.

The problems which confront us now are immediate, important, and emergent. The President discussed them with the American people from time to time. He described them as "high prices at home and hunger and cold abroad." As he said, "We could choose the course of inaction, we could wait until depression caught up with us, until our living standards sank and our people tramped the streets looking for jobs. Other democratic nations would lose hope and become easy victims of totalitarian aggression. That would be the course of defeatism and cowardice." This call to the American people was made modestly and unassumingly, yet it was made courageously and even daringly. The time has come for the American people to respond to this call. The goal which the Administration seeks is easy of understanding, but difficult of attainment. This is no time for timidity. This is no time for delay or quibbling. The President seeks, as he rightfully should, the cooperation of the people of America. We must have faith in our system of Government, faith in our economic system of free enterprise, and faith in the God who guides our footsteps. If each of us imbued with that spirit of faith is moved onward by determination and courage and daring, there can be no doubt that we will attain that goal for which the war was fought, and for which so many lives were given, and so much of our resources expended. We cannot do less.

Are Treaties Meaningless?

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. REED of New York. Mr. Speaker, what nations in western Europe will be our allies if and when hostilities break out between the United States and Russia?

I invite attention to two treaties of fairly recent date, one entered into in 1942 between the Union of Soviet Socialist Republics and Great Britain, and the other between the Socialist Republic and France, the latter executed in 1944.

I am inserting these treaties in the RECORD under unanimous consent:

LONDON, *May 26, 1942.*

[Ratifications exchanged at Moscow, July 4, 1942.]

TREATY OF ALLIANCE IN THE WAR AGAINST HITLERITE GERMANY AND HER ASSOCIATES IN EUROPE AND OF COLLABORATION AND MUTUAL ASSISTANCE THEREAFTER CONCLUDED BETWEEN THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

His Majesty The King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India, and the Presidium of the Supreme Council of the Union of Soviet Socialist Republics;

Desiring to confirm the stipulations of the Agreement between His Majesty's Government in the United Kingdom and the Government of the Union of Soviet Socialist Republics for joint action in the war against Germany, signed at Moscow on the 12th July, 1941,[1] and to replace them by a formal treaty;

Desiring to contribute after the war to the maintenance of peace and to the prevention of further aggression by Germany or the States associated with her in acts of aggression in Europe;

Desiring, moreover, to give expression to their intention to collaborate closely with one another as well as with the other United Nations at the peace settlement and during the ensuing period of reconstruction on the basis of the principles enunciated in the declaration made on the 14th August, 1941,[2] by the President of the United States of America and the Prime Minister of Great Britain to which the Government of the Union of Soviet Socialist Republics has adhered;

Desiring, finally, to provide for mutual assistance in the event of an attack upon either High Contracting Party by Germany or any of the States associated with her in acts of aggression in Europe.

Have decided to conclude a treaty for that purpose and have appointed as their Plenipotentiaries:

His Majesty The King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India,

For the United Kingdom of Great Britain and Northern Ireland: The Right Honourable Anthony Eden, M. P., His Majesty's Principal Secretary of State for Foreign Affairs;

The Presidium of the Supreme Council of the Union of Soviet Socialist Republics: M. Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs,

Who, having communicated their Full Powers, found in good and due form, have agreed as follows:

PART I

Article I

In virtue of the alliance established between the United Kingdom and the Union of Soviet Socialist Republics the High Contracting Parties mutually undertake to afford one another military and other assistance and support of all kinds in the war against Germany and all those States which are associated with her in acts of aggression in Europe.

Article II

The High Contracting Parties undertake not to enter into any negotiations with the Hitlerite Government or any other Government in Germany that does not clearly renounce all aggressive intentions, and not to negotiate or conclude except by mutual consent any armistice or peace treaty with Germany or any other State associated with her in acts of aggression in Europe.

PART II

Article III

(1) The High Contracting Parties declare their desire to unite with other like-minded States in adopting proposals for common action to preserve peace and resist aggression in the post-war period.

(2) Pending the adoption of such proposals, they will after the termination of hostilities take all the measures in their power to render impossible a repetition of aggression and violation of the peace by Germany or any of the States associated with her in acts of aggression in Europe.

Article IV

Should one of the High Contracting Parties during the post-war period become involved in hostilities with Germany or any of the States mentioned in Article III (2) in consequence of an attack by that State against that Party, the other High Contracting Party will at once give to the Contracting Party so involved in hostilities all the military and other support and assistance in his power.

This Article shall remain in force until the High Contracting Parties by mutual agreement, shall recognise that it is superseded by the adoption of the proposals contemplated in Article III (1). In default of the adoption of such proposals, it shall remain in force for a period of twenty years, and thereafter until terminated by either High Contracting Party, as provided in Article VIII.

Article V

The High Contracting Parties, having regard to the interests of the security of each of them, agree to work together in close and friendly collaboration after the re-establishment of peace for the organisation of security and economic prosperity in Europe. They will take into account the interests of the United Nations in these objects, and they will act in accordance with the two principles of not seeking territorial aggrandisement for themselves and of non-interference in the internal affairs of other States.

Article VI

The High Contracting Parties agree to render one another all possible economic assistance after the war.

Article VII

Each High Contracting Party undertakes not to conclude any alliance and not to take part in any coalition directed against the other High Contracting Party.

Article VIII

The Present Treaty is subject to ratification in the shortest possible time and the instruments of ratification shall be exchanged in Moscow as soon as possible.

It comes into force immediately on the exchange of the instruments of ratification and shall thereupon replace the Agreement between the Government of the Union of Soviet Socialist Republics and His Majesty's Government in the United Kingdom, signed at Moscow on the 12th July, 1941.

Part I of the present treaty shall remain in force until the reestablishment of peace between the High Contracting Parties and Germany and the Powers associated with her in acts of aggression in Europe.

Part II of the present Treaty shall remain in force for a period of twenty years. Thereafter, unless twelve months' notice has been given by either Party to terminate the Treaty at the end of the said period of twenty years, it shall continue in force until twelve months after either High Contracting Party shall

[1] "Treaty Series No. 15 (1941)." Cmd. 6304.
[2] "United States No. 3 (1941)." Cmd. 6321. (The declaration was drawn up by the Prime Minister and the President of the United States of America on August 12, 1941, and made public on August 14.)

have given notice to the other in writing of his intention to terminate it.

In witness whereof the above-named Plenipotentiaries have signed the present Treaty and have affixed thereto their seals.

Done in duplicate in London on the 26th day of May, 1942, in the English and Russian languages, both texts being equally authentic.

(L.S.) ANTHONY EDEN.
(L.S.) V. MOLOTOV.

TEXT OF THE RUSSIAN-FRENCH ALLIANCE

(The following is the text of the treaty of alliance and mutual assistance between the Provisional Government of the French Republic and the Union of Socialist Soviet Republics, as transmitted today by the French Telegraph Service and reported by the Federal Communications Commission:)

The Provisional Government of the French Republic and the Praesidium of the Supreme Council of the Union of Socialist Soviet Republics.

Resolve to pursue together, and until the end, the war against Germany;

Convinced that, once victory has been achieved, the reestablishment of peace on a stable basis and its maintenance for a lasting future require the existence of close collaboration between them and with all the United Nations;

Resolved to collaborate with a view to creating an international system of security, making possible an effective maintenance of general peace and guaranteeing the harmonious development of relations between nations;

Desirous of confirming reciprocal commitments resulting from an exchange of letters on Sept. 20, 1941, relating to joint action in the war against Germany;

Certain of meeting, through the conclusion of an alliance between France and the U. S. S. R., the feelings as well as the interests of the two nations, the demands of war as well as the requirements of peace and of economic reconstruction in full conformity with the aims adopted by the United Nations,

Have resolved to conclude a treaty and to this effect have appointed as their plenipotentiaries:

The Provisional Government of the French Republic, M. Georges Bidault, Minister of Foreign Affairs; the Praesidium of the Supreme Council of the Union of Socialist Soviet Republics, M. Vyacheslaff Mikhailovitch Molotoff, People's Commissar for Foreign Affairs. Their appointments having been recognized as being fully valid, they have agreed on the following provisions:

ARTICLE I

Each of the high contracting parties will continue to fight by the side of the other and of the United Nations until final victory over Germany. Each of the high contracting parties undertakes to afford to the other help and assistance in this struggle by all the means at its disposal.

ARTICLE II

The high contracting parties undertake not to enter into separate negotiations with Germany or to conclude, without mutual consent, an armistice or a treaty of peace with either the Hitlerite Government or any government or authority set up in Germany with the aim of prolonging or maintaining the German policy of aggression.

ARTICLE III

The high contracting parties undertake to adopt in complete agreement, at the end of the present conflict with Germany, all measures necessary to eliminate any new threat on the part of Germany and to oppose any initiative of a nature capable of making possible a new attempt at aggression on her part.

ARTICLE IV

If one of the high contracting parties should find itself involved in hostilities with Germany either as the result of an aggression committed by Germany or as the result of the provisions of the above Article III, the other high contracting power will immediately give the contracting power so involved all the help and assistance in its power.

ARTICLE V

The high contracting parties undertake not to conclude alliances and not to participate in any coalition directed against one of them.

ARTICLE VI

The high contracting parties agree to give each other all possible economic assistance after the war in order to facilitate and hasten the reconstruction of the two countries and in order to contribute to the prosperity of the world.

ARTICLE VII

The present treaty in no way affects the commitments previously undertaken by the high contracting parties toward third parties by virtue of published treaties.

ARTICLE VIII

The present treaty, of which the French and Russian texts are equally valid, will be ratified and instruments of ratification thereof will be exchanged in Paris as soon as possible. It will take effect immediately on the exchange of instruments of ratification and will remain in force for twenty years. If this treaty is not denounced by one of the high contracting parties at least one year before the expiration of this period, it will remain in force without limitation as to its duration, each one of the high contracting parties being then able to terminate it by means of declaration to this effect subject to one year's notice.

The plenipotentiaries above named have hereunto set their hands and seals.

Made in Moscow in duplicate on Dec. 10, 1944.

BIDAULT,
Minister of Foreign Affairs.
MOLOTOFF,
Commissar for Foreign Affairs.

Devious Ways of Communism

EXTENSION OF REMARKS
OF
HON. TOM STEWART
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Tuesday, March 2 (legislative day of Monday, February 2), 1948

Mr. STEWART. Mr. President, I ask unanimous consent to insert in the Appendix of the CONGRESSIONAL RECORD a very able and thought-provoking editorial from the Nashville Banner, published in Nashville, Tenn.

This editorial appeared on Saturday, February 28, 1948, and I commend its reading to all interested in the defeat of communism. It points out that while we spend billions to stem the tide of communism in Europe, we are tolerating things in our own country which are utterly inconsistent with our anti-communistic flames.

I commend this editorial and congratulate the editor and the newspaper.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

COMMUNISM, A SNEAK ENEMY, BETRAYS ITS HAND

In communism, the civilized world faces an enemy which is at once a sneak and a pervert, a lying, murderous foe, spawned in hell and doing its master's bidding. It breeds on treachery, and fastens by that method on the weak and sleeping. It penetrates, where permitted, to seduce the unvigilant. It exploits at the same time every advantage occasioned by the reluctance of contemporaries to initiate a breach in present "peace" machinery.

We mention the latter point thus early in the discussion because it is obvious that Russia—bound body and soul by this design of world revolution—will block every effort of the United Nations to achieve any working formula of peace. The Kremlin is using UN, and its power of obstruction therein, to stultify joint action against this conspiracy of infamy, expansionism, and aggression, while its own agents knock over government after government in nation after nation. It will continue to do that so long as by choice on its part and sufferance on the part of the rest, it remains ostensibly a "member" of this organization of the "peace-loving."

While deploring Communist conquest of such nations as Czechoslovakia, the likely conquest of Finland, the possible spring putsches against France and Italy, contemporaries like the Big Three and Four still shake the hands of Communist-Kremlin delegates, debate with them, and go through all the ceremonious motions of sweet and trusting fraternity. Yes, we even contemplate termination of diplomatic recognition where Czechoslovakia is concerned, because it now is captive, yet preserve full recognition of its captor, lest we offend as outspoken and back-stabbing an enemy as we ever have had.

We spend billions, and contemplate spending other multiplied billions of dollars to stem the tide of surrender to communism in Europe, but break bread with it at the peace table and tolerate its conspiracy within our very doors. We wax indignant (and properly so) when liberty falls within the area which communism has designated as its own immediate orbit, and purges ensue to seal with blood a covenant with the devil over there, but ignore territorial plans drawn at Moscow, picked up and advertised and propagandized here, to carve the southland into a Soviet colony populated and ruled on a racial basis.

Yes, the Kremlin has all its maps ready—including the United States map. It has filled in part of those maps, by expansion and aggression. Its plans are worldwide. What has happened in Czechoslovakia, and is in store for Finland; what the Kremlin contemplates in its renewed drive on France and Italy, are all part of its plan. It is divide and conquer, penetrate and conquer, attack where necessary and conquer, purging as it goes.

But it is also: Maintain the subterfuge of peace-loving participation in joint efforts as long as possible; play on the sympathy, the gullibility, the patience of these nations as long as possible; be misunderstood as long as possible Arm meanwhile. Sabotage meanwhile. Steal atom secrets meanwhile. Do missionary work, meanwhile, and count on the stupidity of sympathetic jackasses to get in a kind word for continuing appeasement.

Communism is a sneak, the most depraved and dangerous in history. Yet we are playing with it—and that is its danger.

It can be defeated. It can be contained in a small area where it will die of its own rottenness and eventually be buried as were nazism and fascism of another hue. But we're certainly not going to kill it with kindness, or discourage its caress of death all over the earth by submitting to its embrace for just the seduction that is on its perverted mind. When the United Nations wake up to this, a sufficient number remaining will be United Nations to take care of the Kremlin threat.

The International Communist Movement

EXTENSION OF REMARKS
OF

HON. W. KINGSLAND MACY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. MACY. Mr. Speaker, I would like to insert into the RECORD at this point excerpts from the official organ of the new international Communist alliance, the Communist information bureau or cominform.

In view of the current congressional study of plans to finance foreign countries in their fight against Communist domination and also in view of forthcoming legislative proposals dealing with the Communist problem within the United States, I believe that Members of Congress will find helpful these expressions by the ringleaders of the international Communist conspiracy.

Through the wide distribution of the CONGRESSIONAL RECORD in the schools and libraries of the country, I feel that the general public will also benefit from this timely and significant material.

The Cominform was established during a secret meeting of leaders from nine European Communist parties in Poland last September. This organization, which has its headquarters in the Soviet puppet state of Yugoslavia, is recognized as nothing more than a resumption of open activities by the old Communist International, that Moscow-directed alliance for world revolution which Stalin pretended to dissolve in 1943 when he needed our help to defeat Hitler.

I am submitting excerpts from the first issue of the Cominform's publication, dated November 10, 1947, as well as excerpts from the issue of December 1, 1947. The articles leave no doubt that the international Communist movement considers the United States to be the chief stumbling block to world-wide Communist control, and as such is to be made the chief target of attack by Communists throughout the world, including the United States Communists.

The publication bluntly tells us that the Communists are now on the offensive. A. Zhdanov, a secretary of the Soviet Communist Party and member of the powerful Politburo of the Soviet Union, who was one of the leaders in the formation of the Cominform, confesses that the U. S. S. R. plans to bend every effort to see that the Marshall plan is doomed to failure. This lieutenant of Stalin also reveals that Russia is hoping that a defeat of the Marshall plan will hasten what to Russia is an inevitable economic crisis in the United States. How the Communists profit from economic crises within a country is already known to us from the difficulties in France and Italy.

The Cominform organ promises to present articles showing how the theories of Marxism and Leninism can be applied by the Communist parties of various countries. As you know, the theories of Marx and Lenin are founded on the violent overthrow of non-Communist systems of government.

I would like to call particular attention to the admission by Soviet Leader Malenkov that the Soviet Union maintains social and political contacts with organizations in other countries through which it strengthens the international influence of the Soviet Union.

The predominance of writings by Soviet Communist leaders in the Cominform publication is evidence of the predominant role that the Soviet Union is playing in this international Communist alliance. In addition to articles by Zhdanov, there are discussions by G. Malenkov, another one of Stalin's lieutenants, who also serves on the Politburo of the Soviet Union and the Secretariat of the Soviet Communist Party.

Although the Cominform membership is allegedly limited to the Communist Parties of the Soviet Union, Yugoslavia, Bulgaria, Rumania, Hungary, Poland, Czechoslovakia, France, and Italy, there is little doubt after reading the official organ that the information serves as instructions to Communist Parties in all the other countries of the world.

For example, an editorial in the first issue of the organ lays down the rule that "Communist Parties everywhere must become a leader or organizer of the popular masses in the struggle for peace and a people's democracy."

Communists, of course, have their own definitions for terms such as peace and democracy. As the Cominform organ itself discloses, peace is that which the Soviet Union is seeking and which America is trying to destroy; while democracy is the form of government in the totalitarian Soviet Union and its puppet states. Thus only can one understand the significance of the title of the Cominform publication, which is "For a Lasting Peace, for a People's Democracy."

The matter referred to follows:

[From For a Lasting Peace, For a People's Democracy, of November 10, 1947]

THE INTERNATIONAL SITUATION [1]

(By A. Zhdanov)

I. THE POSTWAR WORLD SITUATION

The end of the Second World War brought with it big changes in the world situation. The military defeat of the bloc of Fascist states, the character of the war as a war of liberation from fascism and the decisive role played by the Soviet Union in the vanquishing of the Fascist aggressors sharply altered the alinement of forces between the two systems—the socialist and the capitalist—in favor of socialism.

What is the essential nature of these changes?

The principal outcome of World War II was the military defeat of Germany and Japan, the two most militaristic and aggressive of the capitalist countries. The reactionary imperialist elements all over the world, notably in Britain, America, and France, had reposed great hopes in Germany and Japan, and chiefly in Hitler Germany; firstly, as in a force most capable of inflicting a blow on the Soviet Union in order to, if not having it destroyed altogether, weaken it at least and undermine its influence; secondly, as in a force capable of smashing the revolutionary labor and democratic movement in Germany herself and in all countries singled out for Nazi aggression, and thereby strengthening capitalism generally. This was the chief reason for the prewar policy of appeasement and encouragement of Fascist aggression, the so-called Munich policy consistently pursued by the imperialist ruling circles of Britain, France, and the United States.

But the hopes reposed by the British, French, and American imperialists in the Hitlerites were not realized. The Hitlerites proved to be weaker, and the Soviet Union and the freedom-loving nations stronger than the Munichists had anticipated. As the result of World War II the major forces of bellicose international Fascist reaction had been smashed and put out of commission for a long time to come.

This was accompanied by another serious loss to the world capitalist system generally. Whereas the principal result of World War I had been that the united imperialist front was breached and that Russia dropped out of the world capitalist system, and whereas, as a consequence of the triumph of the Socialist system in the U. S. S. R., capitalism ceased to be an integral, world-wide economic system, World War II and the defeat of fascism, the weakening of the world position of capitalism, and the enhanced strength of the anti-Fascist movement resulted in a number of countries in central and southeastern Europe dropping out of the imperialist system. In these countries new, popular, democratic regimes arose. The impressive lesson given by the patriotic war of the Soviet Union and the liberating role of the Soviet Army were accompanied by a mass struggle of the freedom-loving peoples for national liberation from the Fascist invaders and their accomplices. In the course of this struggle the pro-Fascist elements, the collaborators with Hitler—the most influential of the big capitalists, large landowners, high officials, and monarchist officers—were exposed as betrayers of the national interests. In the Danubian countries, liberation from German Fascist slavery was accompanied by the removal from power of the top bourgeoisie and landlords, compromised by collaborating with German fascism, and by the rise to power of new forces from among the people who had proved their worth in the struggle against the Hitlerite conquerors. In these countries, representatives of the workers, the peasants, and the progressive intellectuals took over power. Since the working class had everywhere displayed the greatest heroism, the greatest consistency and implacability in the struggle against fascism, its prestige and influence among the people have increased immensely.

The new democratic power in Yugoslavia, Bulgaria, Rumania, Poland, Czechoslovakia, Hungary, and Albania, backed by the mass of the people, was able within a minimum period to carry through such progressive democratic reforms as bourgeois democracy is no longer capable of effecting. Agrarian reform turned over the land to the peasants and led to the elimination of the landlord class. Nationalization of large-scale industry and banks, and the confiscation of the property of traitors who had collaborated with the Germans radically undermined the position of monopoly capital in these countries and redeemed the masses from imperialist bondage. Together with this, the foundation was laid of state, national ownership, and a new type of state was created—the people's republic, where the power belongs to the people, where large-scale industry, transport, and banks are owned by the state, and where a bloc of the laboring classes of the population, headed by the working class, constitute a leading force. As a result, the

[1] A speech delivered at the Informative Conference of representatives of a number of the Communist Parties held in Poland at the end of September 1947.

peoples of these countries have not only torn themselves from the clutches of imperialism, but are paving the way for entry onto the path of Socialist development.

The war immensely enhanced the international significance and prestige of the U. S. S. R. The U. S. S. R. was the leading force and the guiding spirit in the military defeat of Germany and Japan. The progressive democratic forces of the whole world rallied around the Soviet Union. The Socialist state successfully stood the strenuous test of the war and emerged victorious from the mortal struggle with a most powerful enemy. Instead of being enfeebled, the U. S. S. R. became stronger.

The capitalist world has also undergone a substantial change. Of the six so-called great imperialist powers—Germany, Japan, Great Britain, the United States of America, France, and Italy—three have been eliminated by military defeat—Germany, Italy, and Japan. France has also been weakened and has lost its significance as a great power. As a result, only two great imperialist world powers remain—the United States and Great Britain. But the position of one of them, Great Britain, has been undermined. The war revealed that militarily and politically British imperialism was not so strong as it had been. In Europe, Britain was helpless against German aggression. In Asia, Britain, one of the biggest of the imperialist powers, was unable to retain hold of her colonial possessions without outside aid. Temporarily cut off from colonies that supplied her with food and raw materials and absorbed a large part of her industrial products, Britain found herself dependent, militarily and economically, upon American supplies of food and manufactured goods. After the war, Britain became increasingly dependent, financially and economically, on the United States. Although she succeeded in recovering her colonies after the war, Britain found herself faced there with the enhanced influence of American imperialism, which during the war had invaded all the regions that before the war had been regarded as exclusive spheres of influence of British capital (the Arab east, southeast Asia). America has also increased her influence in the British dominions and in South America, where the former role of Britain is very largely and to an ever-increasing extent, passed to the United States.

World War II aggravated the crisis of the colonial system, as expressed in the rise of a powerful movement for national liberation in the colonies and dependencies. This has placed the rear of the capitalist system in jeopardy. The peoples of the colonies no longer wish to live in the old way. The ruling classes of the metropolitan countries can no longer govern the colonies on the old lines. Attempts to crush the national liberation movement by military force now increasingly encounter armed resistance on the part of the colonial peoples and lead to protracted colonial wars (Holland-Indonesia, France—Viet Nam).

The war—itself a product of the unevenness of capitalist development in the different countries—still further intensified this unevenness. Of all the capitalist powers, only one—the United States—emerged from the war not only unweakened but even considerably stronger economically and militarily. The war greatly enriched the American capitalists. The American people, on the other hand, did not experience the privations that accompany war, the hardship of occupation, or aerial bombardment; and since America entered the war practically in its concluding stage, when the issue was already decided, her human casualties were relatively small. For the United States of America, the war was primarily and chiefly a spur to extensive industrial development and to a substantial increase of exports, principally to Europe.

But the end of the war confronted the United States with a number of new problems. The capitalist monopolies were anxious to maintain their profits at the former high level, and accordingly pressed hard to prevent a reduction of the wartime volume of deliveries. But this meant that the United States must retain the foreign markets which had absorbed American products during the war, and, moreover, acquire new markets, inasmuch as the war had substantially lowered the purchasing power of most of the countries. The financial and economic dependence of these countries on the United States of America had likewise increased. The United States extended credits abroad to a sum of $19,000,000,000, not counting investments in the International Bank and the International Currency Fund. America's principal competitors, Germany and Japan, have disappeared from the world market, and this has opened up new and very considerable opportunities for the United States. Whereas before World War II the more influential reactionary circles of American imperialism had adhered to an isolationist policy and had refrained from active interference in the affairs of Europe and Asia, in the new, postwar conditions the Wall Street bosses adopted a new policy. They advanced a program of utilizing America's military and economic might, not only to retain and consolidate the positions won abroad during the war but to expand them to the maximum and to replace Germany, Japan, and Italy in the world market. The sharp decline of the economic power of the other capitalist states makes it possible to speculate on their postwar economic difficulties, and, in particular, on the postwar economic difficulties of Great Britain, which makes it easier to bring these countries under American control. The United States proclaimed a new frankly predatory and expansionist course.

The purpose of this new, frankly expansionist course is to establish the world supremacy of American imperialism. With a view to consolidating America's monopoly position in the markets gained as a result of the disappearance of her two biggest competitors, Germany and Japan, and the weakening of her capitalist partners, Great Britain and France, the new course of United States policy envisages a broad program of military, economic, and political measures, designed to establish United States political and economic domination in all countries marked out for American expansion, to reduce these countries to the status of satellites of the United States, and to set up regimes within them which would eliminate all obstacles on the part of the labor and democratic movement to the exploitation of these countries by American capital. The United States is now endeavoring to extend this new line of policy not only to its enemies in the war and to neutral countries, but in an increasing degree to its wartime allies.

Special attention is being paid to the exploitation of the economic difficulties of Great Britain, which is not only America's ally but also a long-standing capitalist rival and competitor. It is the design of America's expansionist policy not only to prevent Britain from escaping from the vise of economic dependence on the United States in which she was gripped during the war, but, on the contrary, to increase the pressure, with a view of gradually depriving her of control over her colonies, ousting her from her spheres of influence, and reducing her to the status of a vassal state.

Thus the new policy of the United States is designed to consolidate its monopoly position and to reduce its capitalist partners to a state of subordination and dependence on America.

But America's aspiration to world supremacy encounter an obstacle in the U. S. S. R., the stronghold of anti-imperialist and anti-Fascist policy, and its growing international influence, in the new democracies, which have escaped from the control of British and American imperialism, and in the workers of all countries, including America itself, who do not want a new war for the supremacy of their oppressors. Accordingly, the new expansionist and reactionary policy of the United States envisages a struggle against the U. S. S. R., against the labor movement in all countries, including the United States and against the emancipationist, anti-imperialist forces in all countries.

Alarmed by the achievements of socialism in the U. S. S. R., by the achievements of the new democracies, and by the postwar growth of the labor and democratic movement in all countries, the American reactionaries are disposed to take upon themselves the mission of saviors of the capitalist system from communism.

The frank expansionist program of the United States is therefore highly reminiscent of the reckless program, which failed so ignominiously, of the Fascist aggressors, who, as we know, also made a bid for world supremacy.

Just as the Hitlerites, when they were making their preparations for piratical aggression, adopted the camouflage of anticommunism in order to make it possible to oppress and enslave all peoples and primarily and chiefly their own people, America's present-day ruling circles mask their expansionist policy, and even their offensive against the vital interests of their weaker imperialist rival, Great Britain, by fictitious considerations of defense against communism. The feverish piling up of armaments, the construction of new military bases and the creation of bridgeheads for the American armed forces in all parts of the world is justified on the false and pharisaical grounds of defense against an imaginary threat of war on the part of the U. S. S. R. With the help of intimidation, bribery, and chicanery, American diplomacy finds it easy to extort from other capitalist countries, and primarily from Great Britain, consent to the legitimization of America's superior position in Europe and Asia—in the western zones of Germany, in Austria, Italy, Greece, Turkey, Egypt, Iran, Afghanistan, China, Japan and so forth.

The American imperialists regard themselves as the principal force opposed to the U. S. S. R., the new democracies and the labor and democratic movement in all countries of the world, as the bulwark of the reactionary, antidemocratic forces in all parts of the globe. Accordingly, literally on the day following the conclusion of World War II, they set to work to build up a front hostile to the U. S. S. R. and world democracy, and to encourage the antipopular reactionary forces—collaborationists and former capitalist stooges—in the European countries which had been liberated from the Nazi yoke and which were beginning to arrange their affairs according to their own choice.

The more malignant and unbalanced imperialist politicians followed the lead of Churchill in hatching plans for the speedy launching of a preventive war against the U. S. S. R. and openly called for the employment of America's temporary monopoly of the atomic weapon against the Soviet people. The new war mongers are trying to intimidate and browbeat not only the U. S. S. R. but other countries as well, notably China and India, by libelously depicting the U. S. S. R. as a potential aggressor, while they themselves pose as friends of China and India, as saviors from the Communist peril, their mission being to help the weak. By these means they are seeking to keep India and China under the sway of imperialism

and in continued political and economic bondage.

II. THE NEW POSTWAR ALINEMENT OF POLITICAL FORCES AND THE FORMATION OF TWO CAMPS: THE IMPERIALIST AND ANTIDEMOCRATIC CAMP, AND THE ANTI-IMPERIALIST AND DEMOCRATIC ONE

The fundamental changes caused by the war on the international scene and in the position of individual countries has entirely changed the political landscape of the world. A new alinement of political forces has arisen. The more the war recedes into the past the more distinct become two major trends in postwar international policy, corresponding to the division of the political forces operating on the international arena into two major camps: the imperialist and antidemocratic camp, on the one hand, and the anti-imperialist and democratic camp, on the other. The principal driving force of the imperialist camp is the United States of America. Allied with it are Great Britain and France. The existence of the Attlee-Bevin labor government in Britain and the Ramadier Socialist Government in France does not hinder these countries from playing the part of satellites of the United States and following the lead of its imperialist policy on all major questions. The imperialist camp is also supported by colony-owning countries, such as Belgium and Holland, by countries with reactionary antidemocratic regimes, such as Turkey and Greece, and by countries politically and economically dependent on the United States, such as the near eastern and South American countries and China.

The cardinal purpose of the imperialist camp is to strengthen imperialism, to hatch a new imperialist war, to combat socialism and democracy, and to support reactionary and antidemocratic pro-Fascist regimes and movements everywhere.

In the pursuit of these ends the imperialist camp is prepared to rely on reactionary and anitdemocratic forces in all countries, and to support its former adversaries in the war against its wartime allies.

The anti-Fascist forces comprise the second camp. This camp is based on the U. S. S. R. and the new democracies. It also includes countries that have broken with imperialism and have firmly set foot on the path of democratic development, such as Rumania, Hungary, and Finland. Indonesia and Viet Nam are associated with it; it has the sympathy of India, Egypt, and Syria. The anti-imperialist camp is backed by the labor and democratic movement and by the fraternal Communist Parties in all countries, by the fighters for national liberation in the colonies and dependencies, by all progressive and democratic forces in every country. The purpose of this camp is to resist the threat of new wars and imperialist expansion, to strengthen democracy and to extirpate the vestiges of fascism.

The end of the Second World War confronted all the freedom-loving nations with the cardinal task of securing a lasting democratic peace sealing victory over fascism. In the accomplishment of this fundamental task of the postwar period the Soviet Union and its foreign policy are playing a leading role. This follows from the very nature of the Soviet Socialist state, to which motives of aggression and exploitation are utterly alien, and which is interested in creating the most favorable conditions for the building of a Communist society. One of these conditions is external peace. As embodiment of a new and superior social system, the Soviet Union reflects in its foreign policy the aspirations of progressive mankind, which desires lasting peace and has nothing to gain from a new war hatched by capitalism. The Soviet Union is a staunch supporter of the liberty and independence of all nations, and a foe of national and racial oppression and colonial exploitation in any shape or form. The change in the general alinement of forces between the capitalist world and the Socialist world brought about by the war has still further enhanced the significance of the foreign policy of the Soviet state and enlarged the scope of its activity on the international arena.

All the forces of the anti-imperialist and anti-Fascist camp are united in the effort to secure a just and democratic peace. It is this united effort that has brought about and strengthened friendly cooperation between the U. S. S. R. and democratic countries on all questions of foreign policy. These countries, and in the first place the new democracies—Yugoslavia, Poland, Czechoslovakia, and Albania which played a big part in the war of liberation from fascism, as well as Bulgaria, Rumania, Hungary, and to some extent Finland, which have joined the anti-Fascist front—have proved themselves in the postwar period staunch defenders of peace, democracy and their own liberty and independence against all attempts on the part of the United States and Great Britain to turn them back in their course and to bring them again under the imperialist yoke.

The successes and the growing international prestige of the democratic camp were not to the liking of the imperialists. Even while World War II was still on, reactionary forces in Great Britain and the United States became increasingly active, striving to prevent concerted action by the Allied Powers, to protract the war, to bleed the U. S. S. R., and to save the Fascist aggressors from utter defeat. The sabotage of the Second Front by the Anglo-Saxon imperialists, headed by Churchill, was a clear reflection of this tendency, which was in point of fact a continuation of the Munich policy in the new and changed conditions. But while the war was still in progress British and American reactionary circles did not venture to come out openly against the Soviet Union and the democratic countries, realizing that they had the undivided sympathy of the masses all over the world. But in the concluding months of the war the situation began to change. The British and American imperialists already manifested their unwillingness to respect the legitimate interests of the Soviet Union and the democratic countries at the Potsdam tripartite conference, in July 1945.

The foreign policy of the Soviet Union and the democratic countries in these two past years has been a policy of consistently working for the observance of the democratic principles in the postwar settlement. The countries of the anti-imperialist camp have loyally and consistently striven for the implementation of these principles, without deviating from them one iota. Consequently, the major objective of the postwar foreign policy of the democratic states has been a democratic peace, the eradication of the vestiges of facism and the prevention of a resurgence of Fascist imperialist aggression, the recognition of the principle of the equality of nations and respect for their sovereignty, and general reduction of all armaments and the outlawing of the most destructive weapons, those designed for the mass slaughter of the civilian population. In their effort to secure these objectives Soviet diplomacy and the diplomacy of the democratic countries met with the resistance of Anglo-American diplomacy, which since the war has persistently and unswervingly striven for the rejection of the general principles of the postwar settlement proclaimed by the Allies during the war, and to replace the policy of peace and consolidation of democracy by a new policy, a policy aiming at violating general peace, protecting Fascist elements, and persecuting democracy in all countries.

Of immense importance are the joint efforts of the diplomacy of the U. S. S. R. and that of the other democratic countries to secure a reduction of armaments and the outlawing of the most destructive of them—the atomic bomb.

On the initiative of the Soviet Union, a resolution was moved in the United Nations calling for a general reduction of armaments and the recognition, as a primary task, of the necessity to prohibit the production and use of atomic energy for warlike purposes. This motion of the Soviet Government was fiercely resisted by the United States and Great Britain. All the efforts of the imperialist elements were concentrated on sabotaging this decision by erecting endless and fruitless obstacles and barriers, with the object of preventing the adoption of any effective practical measures. The activities of the delegates of the U. S. S. R. and the other democratic countries in the agencies of the United Nations bear the character of a systematic, stubborn day-to-day struggle for democratic principles of international cooperation, for the exposure of the intrigues of the imperialist plotters against the peace and security of the nations.

This was openly demonstrated, for example, in the discussion of the situation on Greece's northern frontiers. The Soviet Union and Poland vigorously objected to the Security Council being used as a means of discrediting Yugoslavia, Bulgaria, and Albania, who are falsely accused by the imperialists of aggressive acts against Greece.

Soviet foreign policy proceeds from the fact of the coexistence for a long period of the two systems—capitalism and socialism. From this it follows that cooperation between the U. S. S. R. and countries with other systems is possible, provided that the principle of reciprocity is observed and that obligations once assumed are honored. Everyone knows that the U. S. S. R. has always honored the obligations it has assumed. The Soviet Union has demonstrated its will and desire for cooperation.

Britain and America are pursuing the very opposite policy in the United Nations. They are doing everything they can to renounce their commitments and to secure a free hand for the prosecution of a new policy, a policy which envisages not cooperation among the nations, but the hounding of one against the other, violation of the rights and interests of democratic nations, and the isolation of the U. S. S. R.

Soviet policy follows the line of maintaining loyal, good-neighbor relations with all states that display the desire for cooperation. As to the countries that are its genuine friends and allies, the Soviet Union has always behaved, and will always behave, as their true friend and ally. Soviet foreign policy envisages a further extension of friendly aid by the Soviet Union to these countries.

Soviet foreign policy, defending the cause of peace, discountenances a policy of vengeance toward the vanquished countries.

It is known that the U. S. S. R. is in favor of a united, peace-loving, demilitarized, and democratic Germany. Comrade Stalin formulated the Soviet policy toward Germany when he said: "In short, the policy of the Soviet Union on the German question reduces itself to the demilitarization and democratization of Germany. The demilitarization and democratization of Germany is one of the most important guaranties for the establishment of a solid and lasting peace." However, this policy of the Soviet Union toward Germany is being encountered by frantic opposition from the imperialist circles in the United States and Great Britain.

The meeting of the Council of Foreign Ministers in Moscow in March and April 1947 demonstrated that the United States, Great Britain, and France are prepared not only to

prevent the democratic reconstruction and demilitarization of Germany, but even to liquidate her as an integral state, to dismember her, and to settle the question of peace separately.

Today this policy is being conducted under new conditions, now that America has abandoned the old course of Roosevelt and is passing to a new policy, a policy of preparing for new military adventures.

III. THE AMERICAN PLAN FOR THE ENTHRALLMENT OF EUROPE

The aggressive and frankly expansionist course to which American imperialism has committed itself since the end of World War II finds expression in both the foreign and home policy of the United States. The active support rendered to the reactionary, antidemocratic forces all over the world, the sabotage of the Potsdam decisions which call for the democratic reconstruction and demilitarization of Germany, the protection given to Japanese reactionaries, the extensive war preparations, and the accumulation of atomic bombs—all this goes hand in hand with an offensive against the elementary democratic rights of the working people in the United States itself.

Although the United States of America suffered comparatively little from the war, the vast majority of the Americans do not want another war, with its accompanying sacrifices and limitations. This has induced monopoly capital and its servitors among the ruling circles in the United States to resort to extraordinary means in order to crush the opposition at home to the aggressive expansionist course and to secure a free hand for the further prosecutions of this dangerous policy.

But the crusade against communism proclaimed by America's ruling circles with the backing of the capitalist monopolies leads as a logical consequence to attacks on the fundamental rights and interests of the American working people, to the fascistization of America's political life, and to the dissemination of the most savage and misanthropic theories and views. Dreaming about preparing for a new, a third world war, American expansionist circles are vitally interested in stifling all possible resistance within the country to adventures abroad, in poisoning the minds of the politically backward and unenlightened American masses with the virus of chauvinism and militarism, and in stultifying the average American with the help of all the diverse means of anti-Soviet and anti-Communist propaganda—the cinema, the radio, the church, and the press. The expansionist foreign policy inspired and conducted by the American reactionaries envisages simultaneous action along all lines:

(1) Strategical military measures;
(2) Economic expansion; and
(3) Ideological struggle.

Realization of the strategical plans for future aggression is connected with the desire to utilize to the utmost the war-production facilities of the United States, which had grown to enormous proportions by the end of World War II. American imperialism is persistently pursuing a policy of militarizing the country. Expenditures on the United States Army and Navy exceeds $11,000,000,000 per annum. In 1947–48 35 percent of America's budget was appropriated for the armed forces, or 11 times more than in 1937–38.

On the outbreak of World War II the American Army was the seventeenth largest in the capitalist world; today it is the largest one. The United States is not only accumulating stocks of atomic bombs; American strategy says quite openly that it is preparing bacteriological weapons.

The strategical plans of the United States envisage the creation in peacetime of numerous bases and vantage grounds situated at great distances from the American continent and designed to be used for aggressive purposes against the U. S. S. R. and the countries of the new democracy. America has built, or is building, air and naval bases in Alaska, Japan, Italy, South Korea, China, Egypt, Iran, Turkey, Greece, Austria, and western Germany. There are American military missions in Afghanistan, and even in Nepal. Feverish preparations are being made to use the Arctic for purposes of military aggression.

Although the war has long since ended, the military alliance between Britain and the United States and even a combined Anglo-American military staff continue to exist. Under the guise of agreement for the standardization of weapons the United States has established its control over the armed forces and military plans of other countries, notably of Great Britain and Canada. Under the guise of joint defense of the Western Hemisphere, the countries of Latin America are being brought into the orbit of America's plans of military expansion. The United States Government has officially declared that it has committed itself to assist in the modernization of the Turkish Army. the army of the reactionary Kuomintang is being trained by American instructors and armed with American material. The military circles are becoming an active political force in the United States, supplying large numbers of Government officials and diplomats who are directing the whole policy of the country into an aggressive military course.

Economic expansion is an important supplement to the realization of America's strategical plan. American imperialism is endeavoring, like a usurer, to take advantage of the postwar difficulties of the European countries, in particular of the shortage of raw materials, fuel, and food in the Allied countries that suffered most from the war, to dictate to them extortionate terms for any assistance rendered. With an eye to the impending economic crisis, the United States is in a hurry to find new monopoly spheres of capital investment and markets for its goods. American economic assistance pursues the broad aim of bringing Europe into bondage to American capital. The more drastic the economic situation of a country is, the harsher are the terms which the American monopolies endeavor to dictate to it.

But economic control logically leads to political subjugation to American imperialism. Thus the United States combines the extension of monopoly markets for its goods with the acquisition of new bridgeheads for its fight against the new democratic forces of Europe. In saving a country from starvation and collapse, the American monopolies at the same time seek to rob it of all vestige of independence. American assistance automatically involves a change in the policy of the country to which it is rendered; parties and individuals come to power that are prepared, on directions from Washington, to carry out a program of home and foreign policy suitable to the United States (France, Italy, and so on).

Lastly, the aspiration to world supremacy and the antidemocratic policy of the United States involve an ideological struggle. The principal purpose of the ideological part of the American strategical plan is to deceive public opinion by slanderously accusing the Soviet Union and the new democracies of aggressive intentions, and thus representing the Anglo-Saxon bloc in a defensive role and absolving it of responsibility for preparing a new war. During the Second World War the popularity of the Soviet Union in foreign countries was enormously enhanced. Its devoted and heroic struggle against imperialism earned it the affection and respect of working people in all countries. The military and economic might of the Socialist state, the invincible strength of the moral and political unity of Soviet society were graphically demonstrated to the whole world. The reactionary circles in the United States and Great Britain are anxious to erase the deep impression made by the Socialist system on the working people of the world. The warmongers fully realize that long ideological preparation is necessary before they can get their soldiers to fight the Soviet Union.

In their ideological struggle against the U. S. S. R., the American imperialists, who have no great insight into political questions, demonstrate their ignorance by laying primary stress on the allegation that the Soviet Union is undemocratic and totalitarian, while the United States and Great Britain and the whole capitalist world are democratic. On this platform of ideological struggle—on this defense of bourgeois pseudo-democracy and condemnation of communism as totalitarian—are united all the enemies of the working class without exception, from the capitalist magnates to the Right Socialist leaders, who seize with the greatest eagerness on any slanderous imputations against the U. S. S. R. suggested to them by their imperialist masters. The pith and substance of this fraudulent propaganda is the claim that the earmark of true democracy is the existence of a plurality of parties and of an organized opposition minority. On these grounds the British Laborites, who spare no effort in their fight against communism, would like to discover antagonistic classes and a corresponding struggle of parties in the U. S. S. R. Political ignoramuses that they are, they cannot understand that capitalists and landlords, antagonistic classes, and hence a plurality of parties, have long ceased to exist in the U. S. S. R. They would like to have in the U. S. S. R. the bourgeois parties which are so dear to their hearts, including pseudo-socialistic parties, as an agency of imperialism. But to their bitter regret, these parties of the exploiting bourgeoisie have been doomed by history to disappear from the scene.

Th laborites and other advocates of bourgeois democracy will go to any length to slander the Soviet regime, but at the same time they regard the bloody dictatorship of the Fascist minority over the people in Greece and Turkey as perfectly normal, they close their eyes to many crying violations even of formal democracy in the bourgeois countries, and say nothing about the national and racial oppression, the corruption and the unceremonious abrogation of democratic rights in the United States of America.

One of the lines taken by the ideological campaign that goes hand in hand with the plans for the enslavement of Europe is an attack on the principle of national sovereignty, an appeal for the renouncement of the sovereign rights of nations to which is opposed the idea of a world government. The purpose of this campaign is to mask the unbridled expansion of American imperialism, which is ruthlessly violating the sovereign rights of nations, to represent the United States as a champion of universal laws, and those who resist American penetration as believers in an obsolete and selfish nationalism. The idea of a world government has been taken up by bourgeois intellectual cranks and pacifists, and is being exploited not only as a means of pressure, with the purpose of ideologically disarming the nations that defend their independence against the encroachments of American imperialism, but also as a slogan specially directed against the Soviet Union, which indefatigably and consistently upholds the principle of real equality and protection of the sovereign rights of all nations, big and small. Under present conditions imperialist countries like the United States of America, Great Britain, and the states closely associated with them become dangerous enemies of national independence and the self-determination of nations, while the Soviet Union and the new democracies are a reliable bulwark against encroachments on the equality and self-determination of nations.

It is a noteworthy fact that American military-political intelligence agents of the Bullitt breed, yellow trade-union leaders of the Green brand, the French Socialists headed by that inveterate apologian of capitalism, Blum, the German social democrat, Schumacher, and labor leaders of the Bevin type, are all united in close fellowship in carrying out the ideological plan of American imperialism.

At this present juncture the expansionist ambitions of the United States find concrete expression in the Truman doctrine and the Marshall plan. Although they differ in form of presentation, both are an expression of a single policy, they are both an embodiment of the American design to enslave Europe.

We thus see that America is endeavoring to build a western bloc not on the pattern of Churchill's plan for a United States of Europe, which was conceived as an instrument of British policy, but as an American protectorate, in which sovereign European states, not excluding Britain itself, are to be assigned a role not very far removed from that of a forty-ninth State of America.

The Marshall plan strikes at the industrialization of the democratic countries of Europe and hence at the foundations of their integrity and independence. And if the plan for the Dawes-ization of Europe was doomed to failure, at a time when the forces of resistance to the Dawes plan were much weaker than they are now, today, in postwar Europe, there are quite sufficient forces, even leaving aside the Soviet Union, and if they display the will and determination, they can foil this plan of enslavement. All that is needed is the determination and readiness of the peoples of Europe to resist. As to the U. S. S. R., it will bend every effort in order that this plan be doomed to failure.

The assessment given by the countries of the anti-imperialist camp of the Marshall plan has been completely confirmed by the whole course of developments. In relation to the Marshall plan, the camp of democratic countries have proved that they are a mighty force standing guard over the independence and sovereignty of all European nations, that they refuse to yield to browbeating and intimidation, just as they refuse to be deceived by the hypocritical maneuvers of dollar diplomacy.

The Soviet Government has never objected to using foreign, and in particular American, credits as a means capable of expediting the process of economic rehabilitation. However, the Soviet Union has always taken the stand that the terms of credits must not be extortionate, and must not result in the economic and political subjugation of the debtor country to the creditor country. From this political stand, the Soviet Union has always held that foreign credits must not be the principal means of restoring a country's economy. The chief and paramount condition of a country's economic rehabilitation must be the utilization of its own internal forces and resources and the creation of its own industry. Only in this way can its independence be guaranteed against encroachments on the part of foreign capital, which constantly displays a tendency to utilize credits as an instrument of political and economic enthrallment. Such precisely is the Marshall plan, which would strike at the industrialization of the European countries and is consequently designed to undermine their independence.

The Soviet Union unswervingly holds the position that political and economic relations between states must be built exclusively on the basis of equality of the parties and mutual respect for their sovereign rights. Soviet foreign policy and, in particular, Soviet economic relations with foreign countries, are based on the principle of equality, on the principle that agreements must be of advantage to both parties. Treaties with the U. S. S. R. are agreements that are of mutual advantage to both parties and never contain anything that encroaches on the national independence and sovereignty of the contracting parties. This fundamental feature of the agreements of the U. S. S. R. with other states stands out particularly vividly just now, in the light of the unfair and unequal treaties being concluded or planned by the United States. Unequal agreements are alien to Soviet foreign trade policy. More, the development of the Soviet Union's economic relations with all countries interested in such relations demonstrates on what principles normal relations between states should be built. Suffice it to recall the treaties recently concluded by the U. S. S. R. with Poland, Yugoslavia, Czechoslovakia, Hungary, Bulgaria, and Finland. In this way the U. S. S. R. has clearly shown along what lines Europe may find the way out of its present economic plight. Britain might have had a similar treaty, if the Labor Government had not, under outside pressure, frustrated the agreement with the U. S. S. R., the agreement which was already on its way to conclusion.

The exposure of the American plan for the economic enslavement of the European countries is an indisputable service rendered by the foreign policy of the U. S. S. R. and the new democracies.

It should be borne in mind that America herself is threatened with an economic crisis. There are weighty reasons for Marshall's official generosity. If the European countries do not receive American credits, their demand for American goods will diminish, and this will tend to accelerate and intensify the approaching economic crisis in the United States. Accordingly, if the European countries display the necessary stamina and readiness to resist the enthralling terms of the American credit, America may find herself compelled to beat a retreat.

[From speech by G. Malenkov printed in December 1, 1947, issue, page 1, of For a Lasting Peace, For a People's Democracy]

The great historic victories won by the Soviet Union during the war were possible only due to the preliminary preparations for defense made by our country under Comrade Stalin's leadership in the prewar years. It would be a mistake to imagine that a victory of such historic importance could have been achieved without preliminary preparations for active defense by the entire country, or that such preparations could have been effected in a short space of time, say in 3 or 4 years.

To withstand the blows of such an enemy as Hitler Germany, to repel this enemy, and then inflict utter defeat on him, required, apart from the unexampled bravery of our troops, the possession of armaments that were quite up to date and, moreover, in sufficient quantities, and of a well-organized system of supplies, also available in sufficient quantities. To make that possible one had to possess metals, fuel, a developed engineering industry, grain, and cotton. But in order to have all of this our country had to be transformed from a backward agrarian country into a historic and up-to-date industrial state. This historic transformation was effected in the course of the three 5-year plan periods, beginning with 1928.

Even prior to its participation in the Second World War, the U. S. S. R. possessed the minimum of material resources necessary to meet the basic requirements of the battle fronts. These material resources were created as a result of the fulfillment of three 5-year plans of national economic development by our country and our party under the leadership of Comrade Stalin. Thereby was established the economic base of the U. S. S. R. that could be used for the conduct of a victorious war.

[From speech by G. Malenkov, printed in December 1, 1947 issue, p. 3, of For A Lasting Peace for a People's Democracy]

One is the policy pursued by the Soviet Union and the new democracies. The foreign policy of the Soviet Union and of the democratic countries is designed to undermine imperialism, secure a stable democratic peace among the nations and generally strengthen amicable cooperation among the peace-loving nations.

In following this line, our foreign policy is supported by the increased international significance of the Soviet state and the new democracies.

The other trend in international politics is headed by the ruling clique of American imperialists. In their efforts to consolidate the position which American monopoly capital gained in Europe and Asia during the war, this clique has taken the path of outright expansion, of enthralling the weakened capitalist states of Europe and the colonial and dependent countries. It has chosen the path of hatching new war plans against the U. S. S. R. and the new democracies under the banner of combating the Communist menace. The clearest and most specific expression of this policy pursued by American capital is provided by the Truman-Marshall plans.

Such are the two trends in present-day international politics.

The wise Stalin foreign policy of the Soviet Union, both prior to the war and in the course of its conduct, enabled us correctly to utilize the contradictions existing within the imperialist camp, and this was one of the important factors making for our victory in the war.

We proceed from the fact that the coexistence of two systems—capitalism and socialism—is inevitable for a long period of time, and we follow the line of maintaining loyal good-neighborly relations with all states manifesting a desire for friendly cooperation on the condition that the principle of reciprocity is observed and that obligations undertaken are fulfilled. The U. S. S. R., true to its international treaties and obligations, pursues this policy with the utmost consistency and firmness.

But at the same time we are prepared to repel any policy hostile to the Soviet Union, no matter from what quarter it comes.

The CPSU (B) devotes much attention to problems of foreign policy and shows special concern for the selection and proper training of cadres capable of putting into effect the party's line in the sphere of foreign policy.

With regard to countries that have proven true friends and loyal allies of the Soviet state—the new democracies—the U. S. S. R. is always prepared to come to their assistance, and actually does so by rendering them extensive aid and firmly defending their interests.

The U. S. S. R. and the new democracies pursue a policy of unswerving support with regard to colonial and dependent countries fighting for their national liberation from the yoke of imperialism.

One of the major results of the Second World War is the strengthening of the U. S. S. R. and the establishment in a number of countries of new democracy systems under the leadership of the working class.

The defeat of Germany and Japan signify the weakening of the imperialist camp and the further aggravation of the general crisis of the capitalist system. Of the capitalist countries the United States of America emerged from the war considerably strengthened, while her partners, Great Britain and France, were weakened by the war.

In a situation in which America's chief competitors, Germany and Japan, have been removed and Great Britain and France weakened, the United States of America adopted a new openly expansionist policy aimed at establishing American world supremacy.

After the war, Soviet public organizations received extensive possibilities actively to participate in international trade-union and other democratic organizations, and to develop friendly contact with national democratic organizations in the vast majority of countries.

The active participation of the Soviet trade-unions and other public bodies in international democratic organizations is of assistance to our fraternal Communist parties in their struggle for the unity of the labor and democratic movement abroad. Our participation counteracts the splitting activities of the right-wing Socialists and other enemies of unity, facilitates the growth and consolidation of progressive organizations, and, at the same time, strengthens the international influence of the U. S. S. R.

Our cultural and political contact with democratic organizations in various countries, exercised in different forms, helps to spread the truth about the Socialist state, strengthens the influence of the Soviet Union, and facilitates the activities of democratic organizations.

[From editorial printed in December 1, 1947, p. 1, issue of For a Lasting Peace, For a People's Democracy]

In the past few weeks all the political and diplomatic activity of the United States Government has been aimed at facilitating the preparations for a new war to win world domination for American imperialism. The United States delegation at the UNO General Assembly frenziedly resisted the efforts of the representatives of the Soviet Union and the countries of the people's democracy to curb the warmongers. With the vigorous support of their English, South American, French, and other vassals, the Americans are steadily digging under the foundations of UNO, in an effort to turn it into an executive organ of the United States State Department.

On orders from the American reactionaries the Fascist provocateurs in Brazil and Chile have broken off diplomatic relations with the Soviet Union and other countries of the people's democracy, thus preparing the ground for an unbridled anti-Soviet and anti-Communist campaign, which in its turn would facilitate the preparation for war.

The American imperialists are hurriedly building up a military arsenal in Europe in preparation for their military adventure. That is why they have split up Germany. They are restoring the industrial might of western Germany, by transforming the Anglo-American zone—Bizonia—into their protectorate which is entirely in the hands of the American militarists and their assistants—the German imperialists who are dreaming of revenge.

A new government has been formed in France on instructions from Washington, a government which aims through Draconic measures to destroy the French democratic and labor organizations. In Italy the de Gasperi government is forming a bloc with the Fascists to start a crusade against the labor organizations.

At the same time the American imperialists, supported by the British laborites, are making feverish military preparations. They are establishing strategic bases in Greece, in the Near and Middle East; are opening new military bases in Greenland, on Alaska; are extending the existing bases in Iceland, in Japan, in Korea; are sending troops and munition to China.

In an effort to mislead the politically backward sections of the population the warmongers have started a new campaign of lies and slander against the vanguard of the defenders of peace, against the Soviet Union, the countries of the people's democracy, the Communist parties, and against all active champions of peace.

The imperialists and their lackeys are frightened at the development and power of the world democratic movement, which is headed by the working class and its vanguard—the Communist parties. The forces fighting for peace and democracy are growing daily, and their resistance to the onslaught of the Anglo-Saxon imperialists is increasing. The more insistent the American imperialists are in their efforts to enslave the European countries economically, and to deprive them of their national sovereignty, the more consistent and resolute the resistance of the popular masses to the attempts to transform Europe into an American colony.

The valiant troops of the Greek Democratic Army, who are setting heroic examples in the struggle for freedom and independence, are frustrating the intentions of the Anglo-American warmongers to enslave the Greek people and to convert Greece into a springboard for a new war.

The French workers, united in the General Confederation of Labor, have exposed and branded the Marshall plan as an odious plot of a handful of United States industrial and finance magnates to enslave France. The mass strikes in Marseilles, Paris, and other French cities demonstrate that the anti-French and antilabor plot of the French bourgeoisie, who are acting on orders from Washington, is meeting with powerful resistance of the working class and other sections of the French people.

The workers of northern Italy who have unanimously opposed the Fascist provocations, have proved to the whole world that they are able to resist the treacherous plots of the American flunkey, De Gasperi.

The popular movement for peace is spreading to all countries. The people want peace. The peoples of Europe are ready to fight for peace, for freedom, and their national independence, which is now threatened by American-British imperialism, with the same determination displayed by them in the struggle for their liberation from Hitler Fascist slavery.

Communists who showed examples of heroism, courage, and selflessness in the struggle against the Hitler invaders, rallied and led the masses and won victory in a number of countries. There is no doubt whatsoever that today, when the ranks of the Communist Parties have increased, when the Communist Parties have developed politically, and grown stronger organizationally, when their influence among the popular masses has spread and taken deeper root, the Communists will be able to expose the instigators of war and to defend the freedom and independence of their countries.

[From the declaration released by the conference of Communist Parties at Belgrade, p. 1 of November 10, 1947, issue of For a Lasting Peace for a People's Democracy]

Under these circumstances it is necessary that the anti-imperialist, democratic camp should close its ranks, draw up an agreed program of actions and work out its own tactics against the main forces of the imperialist camp, against American imperialism and its British and French allies, against the right-wing Socialists, primarily in Britain and France.

[From editorial in November 10, 1947, issue, page 1, of For a Lasting Peace, For a People's Democracy]

The imperialist and antidemocratic camp has intensified its propaganda and preparations for a new war. The Anglo-American imperialists continue to impose and reinforce the monarcho-fascist regimes in the countries dependent on them; continue to wreck the democratic organizations of the working class, to use corrupt politicians, known for their criminal ties with the Fascist Hitlerite regimes.

The policy of enslaving Europe economically, the preparations for a new war, the destruction of the democratic forces are veiled with hypocritical phrases about saving western democracy.

The Anglo-American imperialists boast about their democracy; their press, cinema, literature depict the domination of the handful of industrial magnates as a model example of democracy. However, genuine democracy is possible only where the people possess real political power, where the people can use this power against the landlords and capitalists. What democracy can there be in the United States of America today when the imperialist bourgeoisie, holding the reigns of political power, is the supreme master of all the tools and means of production? There is not very much of a difference in England and France, where parties, which call themselves Socialist parties, are in power.

The right-wing Socialists, slavishly devoted to the imperialist bourgeoisie, resort to pseudo-socialist demagogy, cover up and justify the bandit actions of the American imperialists.

The imperialist and antidemocratic camp is counterbalanced by the anti-imperialist and democratic camp, headed by the U. S. S. R. and the countries of the new people's democracy: Yugoslavia, Bulgaria, Poland, Czechoslovakia, Rumania, Hungary, Albania.

The countries of the new democracy, which have recently thrown off the yoke of their oppressors together with their Anglo-American imperialist masters, have introduced socio-economic and political reforms such as go to show that the people themselves in these countries are governing the country's life and promoting its development along the path to socialism.

These countries have become genuine democratic, independent, and sovereign states.

In contrast to the policy of the imperialist camp, the U. S. S. R. and the countries of the new democracy stand for peace and international cooperation on democratic principles.

The experience of the war and that of the postwar period has shown that henceforth the bourgeoisie of Europe have definitely taken the path of betrayal of the national interests and rejection of the sovereignty of their countries. This same experience has shown that the working class, headed by the Communist parties, is the most consistent leader of all the patriotic and democratic forces who defend the sovereignty and independence of their country.

[From editorial, November 10, 1947, issue of For a Lasting Peace, for a People's Democracy]

The Communist Parties everywhere can, and must, take upon themselves the role of leader and organizer of the popular masses in the struggle for a lasting peace, for a people's democracy.

The journal For a Lasting Peace, For a People's Democracy will exert every effort to help the Communist Parties rally their peoples into a powerful united camp, closely brought together by their vital interests in the struggle against the imperialist and antidemocratic camp.

Our journal will help the Communist Parties exchange experience, will help strengthen the mutual contacts and fraternal solidarity of the working peoples of the different countries in their great struggle for a lasting peace and a people's democracy.

The journal also sets itself the task to further elaborate questions of the great and invincible theory of Marxism-Leninism, the concrete application of this theory and its theses by the Communist Parties in conditions of the given country.

Among the important tasks of the journal is that of reporting on the activities of the Communist Parties to consolidate the democratic and patriotic forces of the people for struggle against the danger of a new war, on the achievements of the democratic forces in each country.

We shall conduct a struggle against bourgeois ideology, against opportunist and revisionist theories propagated by the enemies of the working class.

The journal will carry material showing the experience of socialist construction in the U. S. S. R., the experience of state and economic construction in the countries of the new democracies, material reflecting the activity of the democratic forces in all countries.

From the pages of our journal will resound the voice of the peoples against the warmongers.

We warmly salute all democratic and patriotic forces of the peoples who are fighting for the honor, freedom, and national independence of their countries.

We salute the fraternal Communist Parties, which are heading the struggle of all the anti-Fascist, freedom-loving elements against the Anglo-American plans of expansion to enslave Europe.

For a lasting peace, for a people's democracy.

Tragic Lesson of the Czechs

EXTENSION OF REMARKS
OF
HON. TOM STEWART
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Tuesday, March 2 (legislative day of Monday, February 2), 1948

Mr. STEWART. Mr. President, I desire to place in the Appendix of the CONGRESSIONAL RECORD an outstanding editorial which appeared in the Wednesday, February 25 issue of the Chattanooga News-Free Press, published at Chattanooga, Tenn. This editorial is entitled "Tragic Lesson of the Czechs."

It points out that Russia has now taken care of the liberties of the people of this one-time democracy, the little state that was set up by Woodrow Wilson and others following World War I, and the editorial observes that probably the Czechs are worse off than they were during the German occupation which occurred a few years ago when the late Neville Chamberlain appeased Hitler at Munich.

This is communism on the march. It is time for America to wake up. As the editorial observes, one cannot play with communism any more than a child can play with fire.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRAGIC LESSON OF THE CZECHS

Nine years ago when Hitler ranted at the helpless Neville Chamberlain at Munich and took the Sudenteniand of Czechoslovakia as the price of a short-lived "peace in our time," the world trembled on the brink of war and "liberals" everywhere screamed for other folks to start fighting.

Germany's gobbling up of the Sudeten was one of the initial steps in Hitler's program of ruthless aggression, but, inexcusable as it was, the Nazis could at least argue that this area was inhabited by Germans. The fighting in World War II started a few months later when the Nazis extended their aggressions to Poland, but the outrage of Munich still rankled in the mind of the democratic world and was at least an important contributory casus belli.

Now, in a couple of days of terrorism, Communist agents of the Soviet Empire have taken over all of Czechoslovakia and converted it into a police state, and not an effort has been made by the rest of the world to stop them. What would be the use? Everyone seems to recognize the futility of opposition.

Yet poor old Chamberlain was denounced and ridiculed for appeasement.

Few of the alleged liberals who cried so loudly for Hitler's blood will be heard in condemnation of the Communist rape of Czechoslovakia. Many of them condemn those who do protest against the Red annexations of first one country and then another as warmongers.

To be frank about it, nothing but war could save Czechoslovakia now, just as nothing but war could have saved Poland, or Yugoslavia, or Hungary, or Bulgaria, or Romania—all victims of the brutal aggressions of the mobsters of Moscow; and the world has no stomach right now for such a war. Not even those who most wholeheartedly hate the Communist reign of banditry are ready to go to war to stop it—not many, anyway.

This absence of warlike fervor is not hard to understand.

In the first place, except for the United States, the western nations that fought Germany are too weak to fight today. In addition, these nations are strongly infected with leftism, including communism and the milder forms of this ideological disease. Non-Communist leftists talk a lot about liberty, but they don't look with abhorrence on loss of liberty as real believers in the free way of life do.

Our own Government's appeasement of the Soviets, in which the victims of these conquests were practically handed to the aggressors, has dulled American preception of the Russians' guilt. Until comparatively recently Americans who showed concern over Russian aggressions were brushed off as Roosevelt haters.

Then, too, we have just fought a great and disastrous war to rid the world of aggression, and we now find the world in worse shape than it was in when that war started. So what would be the use of fighting for the same thing again?

There is also much fear that another war would be the end of what we know as civilization—as well it might.

Even so, there will be war if the Reds push their aggressions too far. Just how far too far is, however, is very uncertain.

There is one significant lesson in the fall of Czech freedom: A few months ago there was a rash of apologists for Czechoslovakia in this country. Writers and speakers of alleged liberal leanings were busy explaining that the Czechs had found a way to cooperate with the Russians and still retain their liberty. Czech cooperation with the Commies was "voluntary" and the Commies respected and would continue to respect the freedom of the Czechs, these pundits said.

Of course, the Czechs had nationalized industries and adopted other measures that were Communist in nature. But these were presented by the apologists as really necessary and progressive steps. The Czechs were great lovers of liberty, we were assured. In fact, it was strongly hinted that they were such great lovers of liberty that the Commies knew they'd better not try to get tough in that country.

Well, the Commies have now taken care of Czech liberties and the Czechs are as bad off as they were during the German occupation. Maybe worse.

The lesson is the one that children have to learn about fire—you can't play with communism.

Czechoslovakia's warning to the world is that the people who are determined to stay free had better find some way of stamping out their own Communist fifth columns. They have the same objective everywhere that they had in Czechoslovakia.

The Case for Stassen

EXTENSION OF REMARKS
OF
HON. EDWARD J. DEVITT
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Friday, February 27, 1948

Mr. DEVITT. Mr. Speaker, Life magazine this week carries a splendid article about Presidential candidate Harold E. Stassen which I am sure the membership of the House will be interested in reading. I include the article as part of my remarks:

THE CASE FOR STASSEN—HE COULD SWING THE INDEPENDENT LIBERAL VOTE THAT THE REPUBLICANS WILL NEED TO WIN THE PRESIDENCY

(By Roscoe Drummond)

The frankest way to make the case for Harold Stassen as the next United States President is to begin by making four admissions; Govs. Thomas E. Dewey, of New York, and Earl Warren, of California, have each had greater administrative experience; Senator ROBERT A. TAFT, of Ohio, has had greater legislative experience; Gen. Douglas MacArthur has had greater military experience; Senator ARTHUR VANDENBERG, of Michigan, has had greater experience in foreign affairs.

To make these honest admissions is in keeping with the candor of Stassen's approach to politics. It will not surprise Mr. Stassen to see the case for his candidacy opened with these unpolitic admissions. His attitude is unique. Few Presidential candidates have admitted during campaigns that they did not know everything about everything. Honest humility is a very rare quality in politics.

But these admissions, fair and factual as they are, do not damage the Stassen candidacy. Stassen's record easily stands scrutiny; he need not campaign by minimizing his competitors. The plain fact is that Stassen's total experience excels that of any one of his opponents. Certainly he has had far more foreign-policy and military experience than Governor Dewey. Three times governor of Minnesota, he has had far more administrative experience than Senator Taft. In the military field his 2 years of combat service under Admiral Halsey have given him a fuller military background than any other civilian presidential aspirant. Stassen may not have the intimate foreign-policy experience of Senator Vandenberg, but he was one of the strongest members of the American delegation to the UN San Francisco Conference. And he is the only candidate for the Republican nomination who has dealt with Stalin at first-hand, as well as the only one who has made the grand tour of postwar Europe.

Thus Harold Stassen exceeds all his competitors in sum-total experience. He is not a specialist candidate for the nomination. To his supporters it seems an objective fact that he is the best-equipped candidate available to the party and the country.

Harold Stassen has practiced the art of government nearly all his life. In 1928 his burly, overalled father, Farmer William Stassen, accepted the post of Dakota County Republican chairman with the understanding that Harold, then 21, "would do all the work." Stassen, now 40, has been doing political work—and succeeding at it—ever since.

Physically, in hulk and agility—he is 6 foot 3 and weighs 210 pounds—Stassen is molded along the lines of Gene Tunney, and he plans his campaigns far ahead, as did Tunney, with a plan for the 11th round as well as the first. A big man, he has only

a faint trace of paunch. He has light, thinning blond hair; large, steady blue eyes, and a quickness of manner and movement that belie his size-17 collar and size-12 shoes.

His suits, always double-breasted, always blues and browns, are usually store-bought, picked from a rack. He always keeps his coat on, however small or informal the group, and always keeps it buttoned, however hot the day. He does not diet to keep down his weight, but he has not gained or lost more than a pound since the end of the war. He is a light breakfaster, with one egg when he has a heavy schedule; his big meal is in the evening. He drinks coffee heavily all day long, but he doesn't smoke and he rigidly limits his social drinking.

Stassen's intimates and his audiences—he usually attracts large crowds—find him disarmingly candid, direct, and likable. He is rarely witty, but this is not fatal in a politician or a President. George Washington was pretty humorless, and Franklin Roosevelt's satiric cracks were offensive to many. Stassen is not a great orator or a gifted phrasemaker, but he does have the knack of clarity, presenting complex matters simply. On the platform he does not act: he stands erect and still, using a short, upward gesture with pointed finger. His vigor, his clarity, and his obvious supreme confidence in the American future are the qualities that hold his audiences.

The most discerning tribute to his character comes from Washington correspondents, those skeptics who are alert to detect artificialities in public men, but who have noticeably avoided ironic criticism of Stassen. The reporters never ridicule Stassen, and this is a rare tribute in itself.

During Stassen's recent 6,000-mile tour by plane through 12 Southern and Western States, this item appeared on the detailed itinerary furnished by his staff to the accompanying correspondents, "Quiet day in Denver. Morning church, afternoon hike." To the press, that had all the earmarks of a bid for the religious vote and an invitation to the photographers. But it developed that that was just the way it was, with no publicity. And in last summer's American Legion parade up Fifth Avenue in New York City, when most State governors, politicians, and celebrities rode in huge Cadillacs, Stassen footed it all the way—in the Minnesota ranks, without ballyhoo.

FROM FARM TO STATE CAPITOL

Besides his physical well-being, Stassen enjoys remarkable mental and spiritual balance. This gives him a simplicity that is never forced and a detachment that helps him appraise himself objectively. A radio correspondent recently confronted Stassen with Arthur M. Schlesinger, Jr.'s searchingly critical review of his new book, Where I Stand. He wanted to know what Stassen thought of the review. "What do you think?" Stassen asked. The radio commentator said he thought a lot of it was valid. "I think so, too," Stassen replied.

Stassen's balanced view of himself, his reserve of good health and his understanding of plain people are inevitable products of his breeding and upbringing. His parents, through whose blood run strains from Norway, Czechoslovakia, and Germany, were hard-working, successful truck farmers in West St. Paul when Harold, the third of four sons, was born on April 13, 1907, and they still operate their farm today. His brother, William, is a sheet-metal worker, brother Elmer a grocer, and brother Arthur a State employee; his tall, attractive sister, Mrs. Rollin Crawford, manages his St. Paul office.

The Stassen family had to work to live. In 1921 his father fell ill. Harold delayed going to college and took over the family farm for a year. Then, to support himself for 6 years at the University of Minnesota and its law school, Stassen worked at every kind of odd job—grocery clerk, pan greaser in a bakery, conductor on the Chicago, Milwaukee, St. Paul & Pacific Railroad. Working people are not just statistics to him; they are people he has worked with.

When Stassen became attorney of Dakota County in 1930, he heard that distressed dairy farmers were talking of using violent methods to get fair prices for their milk. He attended a farmers' meeting to see what could be done. "Block the highways, spill the milk," one speaker urged the gathering. "If the county attorney gets in the way, run him out."

But Stassen would not be run out. He pushed his way to the platform and announced, "I'll prosecute any act of violence which is committed." But he also said, "If you will appoint me your attorney, I'll represent you without fee and do everything I can to help you get justice." He did. There was no violence. He got milk prices upped 30 cents per 100 pounds—with no increase to the consumer.

The sensible humanity of his approach gave the voters of Minnesota confidence in Stassen. As a result he was able to carry the GOP to victory three times in his State, winning in spite of the national trend that kept reelecting Roosevelt and coattail riders of the New Deal. As governor he replaced a socialistic, class-conscious Farmer-Labor administration with a progressive, solvent, and humane Republican administration which ultimately won even the support of labor leaders. The top command of the A. F. of L. supported him in 1940, and both the A. F. of L. and CIO leaders supported him in 1942—although he had never amended by one particle his Minnesota labor-peace law (in its provisions a forerunner of the Taft-Hartley Act), which they had earlier called the Stassen slave law.

HE GAVE MINNESOTA INDUSTRIAL PEACE

In Minnesota Stassen showed that he could create a political climate favorable to both labor and capital. He earned the respect of the greatest number on both sides in the old labor-management controversy. As an advocate of free enterprise, he worked to guarantee the citizen protection against abuses by both capital and labor, with further guaranties of security against unemployment and old age.

Stassen put an end to four terms of Farmer-Labor government in Minnesota at a time when the State was experiencing the most serious industrial unrest in the whole United States and faced the prospect of class strife of ominous intensity. He dealt with the trouble-making Communist leaders by appealing directly and persuasively to the unemployed they were trying to mislead and by correcting the conditions which were breeding radicalism. Shortly after his inauguration an organized mob marched on the capitol to protest against relief methods. Stassen did not call on the police. He invited their spokesmen to state their case in his office. After listening, he went with them to address the mob from the statehouse steps. The crowd booed. After the booing died, he said, "That's one nice thing about this country. You can boo your officials without getting pushed up against a wall and shot." Then he discussed the relief problem frankly, admitting some faults and pledging to do his best to correct them. He was cheered when he finished—and he carried through his promised reforms, to the dismay of the Communist leaders.

Harold Stassen created a new atmosphere and was rewarded with the greatest popular pluralities ever given a Minnesota Governor. But his major achievement was that he operated without rancor and without turning the clock back to reaction. He founded an honestly progressive administration with manifest good will toward all groups.

The argument of the people who now back Stassen is that he could do the same job on a national scale; that he would be the most effective instrument with which the Republican Party would terminate in 1948 four terms of New Dealish government in the Nation.

It is easy enough to show that Harold Stassen is, in the old nominating phrase, "a true man of the pee-pul." He is unpretentious, a man of plain and homely tastes, a good family man, well educated but not overeducated, well dressed but not overdressed—all characteristics that the American voters traditionally are supposed to like. And it is easy to show that he has the qualities of moderation that the voters respect—the plain piety of an honestly religious man who does not need to end every address with an invocation; an honest liberalism without any of the radicalism that Americans have learned to suspect; and honest conservatism in the best sense, of preserving the fundamentals of the American system.

These are all sound qualities. But are they enough?

One great political lesson of our times is that the voters will sacrifice every other consideration in a candidate for a single condition: the capacity for imaginative leadership. In Stassen's judgment the three great tasks for American leadership are:

1. To keep the American system of modern capitalism strong and stable, to avoid any serious economic crash, to make sure that free enterprise includes humanitarianism.

2. To provide a firm, calm, and consistent conduct of foreign policy calculated to defeat totalitarian concepts in the world—without war.

3. To face frankly the reality that if the spread of totalitarian concepts cannot be stopped without war, then the Nation must maintain its victorious leadership through war.

Stassen has said to Americans and Europeans, and he told Stalin himself during their conversation in the Kremlin, that America's "free capitalistic system, wisely regulated but not unduly burdened," is capable of avoiding crises and crashes, recessions and depressions. Stassen knows that the United States can do most to build a secure peace by remaining strong at home.

He would bring to the great tasks of the Government the humanity of approach that has given him his international reputation as a liberal. In the winter of 1945 he gave his name and assistance to the Committee To Aid the Families of General Motors Strikers. He knew this action would bring criticism; he knew it would cost him political support. But he would do it again.

He argues: "Anyone who investigated the facts would agree on the impelling humanitarian importance of granting this aid.

"Veterans of World War II who had just returned from service, particularly if they had served as privates or seamen, had no accumulation of war bonds or wartime savings. If they were ambitious and went to work for General Motors soon after their discharge and were caught in the strike, they had no resources to fall back on. Because they were unemployed due to a strike, even though it was no fault of their own, they were ineligible for unemployment compensation.

"Thus the veteran across the street who was taking it easy and did not try to go back to work was drawing his unemployment compensation of $20 a week steadily, but the veteran who had gone back to work and was thrown out of his job by the strike could not draw unemployment compensation."

"We must," he says, "never permit the left wing to claim a monopoly on humanitarianism."

The Republican Party must nominate an electable as well as a capable Presidential candidate. Stassen supporters believe that his prospects of winning are better than

those of the other candidates. The preeminent reason is that Stassen has shown that he has a compelling appeal to the nonparty or independent voter. The independent vote, which the Republican Party lost in every Presidential election since 1928, is obviously indispensable to a Republican victory. Only a few die-hard old guardsmen now fail to see this.

INDEPENDENTS WOULD VOTE FOR HIM

One such unconvinced Republican in Iowa recently cross-examined Stassen during the course of a small private dinner. After hurling all kinds of critical questions at him, the conservative began his next question with this statement: "There is a man in my neighborhood who I am certain is a Democrat. I know he has been a Democrat for 25 years. He told me the other day that if you were nominated he would vote for you." He paused and then concluded in accusatory tones, "Mr. Stassen, how do you account for that?" No doubt it does appall such Republicans to think that their candidate could appeal to other than traditional Republican voters, but if their candidate doesn't do so, it is obvious that he is not going to be elected.

That is the central problem of the Republicans; their appeal must reach beyond traditional Republican ranks to win. And the Roper public opinion polls in Fortune magazine have shown that of all the possible candidates of both parties, Stassen stands highest with the independent voters.

His supporters believe that President Trumans' weaknesses would stand out most vividly in contrast to Stassen's strength. In the campaign, Mr. Truman would be tied to his mimeographed hand-outs and the speeches prepared for him, while Stassen could exhibit, as he does in his public appearances and his packed Washington press conferences, his full mind and quick grasp of matters.

Stassen 's young in body and mature in mind. He possesses the mental and physical vitality needed to deal calmly but tirelessly with the press of problems at home and abroad. It has been argued that he is too young for the Presidency, but if he goes to the White House in January 1949, he would be only 14 months younger than Teddy Roosevelt who took office at 42. His election would almost certainly assure the country and his party of 8 years of sustained leadership over a most critical period. The evidence of Mr. Roosevelt's impaired physical strength at Yalta, disclosed in James E. Byrnes' and Edward Flynn's recent books, underlines how needful it is that the Nation have an administration likely to continue strong and virile.

Is Stassen too "radical"? His "radicalism" is actually fictitious, based only on charges circulated mostly by old guardsmen who want to head him off. He knows and frankly says that neither the Nation nor the Republican Party can turn the clock back; at the same time he sees socialism a monumental failure in Europe. That is the extent of his "radicalism."

He advocates a taxation ceiling of 50 percent. On this point he says, "Let me make it clear that when I say that not more than 50 percent of a person's income should be taken from him, I mean not more than 50 percent of his total income, including that portion which comes from tax-exempt bonds or capital gains. But I strongly believe that a government which demands more than half of the total fruit of a citizen's labors, or ingenuity, or inventiveness or other income is a government killing the future of its average citizen and weakening the long-range strength of its economic system."

A FEET-ON-THE-GROUND INTERNATIONALIST

Is he a disloyal Republican? Stassen has always worked with and through the Republican Party, not around it or outside it. On one occasion, it is true, he has opposed particular party leaders, as when he first sought the governorship of Minnesota in 1938. What Stassen said then he would say today: "I look about this hall," he used to tell his audiences, "and I see men and women whom I know to be Democrats. I see others whom I know to be Farmer-Laborites. I see others who have never taken an active part in politics. I know that you have all gathered here in full realization that my candidacy shall be Republican. The men and women in every walk of life have everything in common with each other and nothing in common either with the radical racketeers on one extreme or the selfish reactionaries on the other. The time has come when the voters of this State must take a temporary vacation from their party and unite in a crusade to bring about a wholesome and necessary change in our government."

He has consistently supported major Republican policies despite particular differences. The tax-reduction bill and the Taft-Hartley Act of the last session of Congress are good examples. He disagreed with some provisions of the tax bill; the Taft-Hartley law contained some restrictions he opposed. After both were passed, he opposed the President's tax veto and defended the Taft-Hartley bill almost as strongly as Senator TAFT himself.

Is Stassen too advanced an internationalist, too much of a global stargazer? The record reveals him as a pretty careful, feet-on-the-ground internationalist. He unqualifiedly accepts the premise that the United States cannot secede from the world, that America cannot maintain its own prosperity and security if there is insecurity and chaos abroad.

He is completely aware that Russia and Russia's totalitarian concepts are acting to suffocate human freedom. He told Stalin that the Kremlin might as well realize now that Russia would lose out on its two major hopes—that the American economic system would fall into depression and that the Communist Party could successfully infiltrate the American people or the American Government.

One of Stassen's outstanding qualities is his foresight. In 1942 he called for the early creation of a UN organization before President Roosevelt had lifted a finger to prepare the way. Furthermore at the San Francisco Conference, which drafted the UN Charter, he led a fight within the American delegation to keep the veto out of the Charter. He yielded only in face of the State Department's contention that the American Government was bound by the Yalta agreement. It was on his initiative that a provision was approved by which members of the UN are free to defend themselves collectively against aggression, a provision which is an essential balance against the use of the veto by an aggressor.

In his Jefferson, Iowa, speech of last May he urged that for the next 10 years "10 percent of our total production of goods and food" be used to aid the stricken economies of the world. This was a month before the administration unfolded the then vague Marshall plan. He urged that it "not be a sharpster lending program, not * * * a lightheaded give-away program, but a practical, sound, long-visioned businesslike approach."

Stassen is devoting himself to learning all he can about all of America—its problems, its needs, its hopes, its possibilities—from the vantage points of every State of the Union, instead of from the single vantage point of Washington. Stassen knows America and all its people as few in public or private life do today. He knows the qualified leaders whom he could later call to public service.

Since his release from the Navy, he has devoted about 16 hours a day to doing two things: earning his living and introducing himself to the country. He gets about 50 speaking invitations a week, 75 to 100 letters a day. He often speaks for nothing; he lectures professionally to some extent, his fees ranging from $500 to $1,000 a lecture. Through these activities, plus selling some dozen mass-circulation magazine articles a year, he nets an average annual income of about $42,000. He doesn't need to be in politics to make a livelihood.

Stassen finances his political expenses from his own earned income. The additional costs of his wide-ranging preconvention campaign have been defrayed largely by the Minnesota Finance Committee whose major funds come from small contributions ranging from $1 to $100. Another committee in Minnesota takes contributions up to $1,000; and now preliminary finance committees have been set up in New York, Chicago, Philadelphia, Boston, San Francisco, St. Louis, Los Angeles, and Portland. The average contribution to his campaign is about $14.60 per contributor.

Stassen will bring to the Republican 1948 convention a minimum of 100 to 130 pledged delegates. He may pick up another 50 delegates from the South and West. But delegate speculation is obviously premature this early, particularly when the Presidential nominating primaries are only a few weeks away. The primaries will be stern tests this year, weeding the men from the boys, and there is good reason to predict that Stassen will show some extraordinary strength. The primaries will not be cut and dried, because Stassen has refused to negotiate any of those private little agreements under which the leading candidates usually stay out of each other's back yards.

His invasion of Ohio is a typical exhibit of his cool political audacity and his hard common sense. He is certain to break through the Taft forces in Ohio to pick up at least a few delegates, and perhaps as many as a dozen. He cannot lose anything; he may win new prestige. But this is not his only motivation—he firmly believes in the American direct-primary system. He thinks the people should have a chance to nominate their Presidents as well as to elect them. And he believes that the American people should have a direct opportunity to pass on his candidacy. He is content to abide by the result. For Harold Stassen does not want to master and manage the people of his country but to serve them.

The Late Hon. Clarence E. Hancock

EXTENSION OF REMARKS

OF

HON. HADWEN C. FULLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. FULLER. Mr. Speaker, the recent death of our former colleague, Clarence E. Hancock, is mourned by all the Members of the Congress, as well as by his family and a host of friends.

He was outstanding in this body, exceedingly able and withal kindly and generous of heart. When I first entered the Congress a few years ago, on more than one occasion I leaned on his advice and counsel, and benefited greatly from his wisdom.

His congressional district adjoins mine on the south, and many of his problems were my problems. No man could have been more kind in his assistance.

Clarence Hancock was a Member of the House for nearly 20 years, and was

ranking minority member on the great Judiciary Committee. Not only was he at all times soundly American as he influenced the destiny of our great Nation, but no problem of any constituent was too small for his time and effort. He endeared himself to untold thousands of the people of his district by his devotion and interest in what concerned them individually and collectively.

His decision to retire from active service in the Congress on January 3, 1947, came as a blow to all of us. His health at that time was very poor, and he had more than justification in reaching his decision, but there are few men with the courage and character of Clarence Hancock and he could ill be spared.

The affection with which his memory is held, the long record of achievement in public life, are enduring monuments to his name.

What builds the Nation's pillars high
And its foundations strong
What makes it mighty to defy
The foes that round it throng?
No gold, but only men can make
A people great and strong;
Men who, for truth and honor's sake,
Stand fast and suffer long.
Brave men who work while others sleep
Who dare while others fly—
They build a nation's pillars deep
And lift them to the sky.

Accountancy Profession Attacked

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. HOLIFIELD. Mr. Speaker, under law to extend my own remarks in the Appendix of the RECORD, I include the following article by the National Society of Public Accountants entitled "Accountancy Profession Attacked":

ACCOUNTANCY PROFESSION ATTACKED—H. R. 2657 SEEKS TO RESTRICT THE PRACTICE OF ALL PUBLIC ACCOUNTANTS BEFORE AGENCIES OF THE FEDERAL GOVERNMENT

H. R. 2657 was introduced by the Honorable JOHN W. GWYNNE, Member of Congress from the Third District of Iowa, on March 20, 1947. The bill was referred to the Judiciary Committee by the Speaker of the House. The chairman of the Judiciary Committee appointed a subcommittee to conduct hearings, and appointed as chairman of the subcommittee, Mr. GWYNNE, the author of the bill. Hearings by the subcommittee began July 9, 1947, and were discontinued; however, hearings were resumed on January 26, 1948. The provisions of H. R. 2657 may be summarized as follows:

This bill is entitled, "Administrative Practitioners Act," however, it seems to have two separate and distinct purposes.

First, it provides for the creation and appointment of a credentials committee, whose duty shall be to register lawyers to practice before the various governmental agencies and bureaus. This is of some great advantage to the legal profession, especially to those lawyers who desire to practice before a number or all of the various governmental agencies or bureaus, and if such is the intent, of course, it will cause no particular injury to the members of the accountancy profession. However, there seems to be no justification for the creation of another bureau to regulate practice before governmental agencies and incur additional expenses to the already overburdened taxpayer. The necessity for the creation of an additional bureau has not been explained.

Secondly, and this is the provision to which the accountants take exception, the resolution requires all persons, lawyers or nonlawyers who practice before governmental agencies, first to obtain credentials from the so-called Credentials Committee. This section of the bill certainly abridges the right of accountants to practice before the Treasury Department, as well as other agencies. It has, for its purpose, the creation of a monopoly for lawyers in certain forms of practice dealing with fact and not legal matters and it certainly deprives the existing bureaus and agencies of the right to determine the qualification of the individual practicing before such agency or bureau. Therefore, it discriminates between members of the legal profession and the accounting profession in such a manner as to be of no discernible benefit to the public.

Section 3 of the bill further provides that there shall be created a Credentials Committee of five members, three of whom shall constitute a quorum, four to be designated by the Attorney General of the United States with the approval of the President, from among officers otherwise serving in the executive branch of the Government, and it further provides that they must be confirmed by the Senate; one other member shall be appointed, but the bill specifically states that he must be a representative of the legal profession, and it further provides that four must hold or be eligible to hold credentials as provided under section 5. This provision in itself, could deny to the accounting profession the right of having a representative on the Credentials Committee, as most of the individuals today, holding executive positions are members of the legal profession.

Under the provisions of the bill as now written, it would place the members of the accounting profession in the position of having to serve as employees of the legal profession in tax matters. In other words, it could be, by regulation or otherwise provide that the preparation of income-tax returns could be construed as practicing law, and an accountant, unless he was permitted by the Credentials Committee, could not prepare income-tax returns. However, in the preparation of income-tax returns, accountants are dealing with facts and not legal matters. In the examination of returns by the Treasury Department, the accountant deals with facts and not legal questions. In cases wherein a controversy exists between the Internal Revenue Bureau and the taxpayer, these matters are settled in conference by the accountant and the internal revenue agent, or the conferee in the office of the internal revenue agent in charge, and if no settlement is arrived at as a result of a conference, then the accountant attempts to settle the matter with the technical staff. Up o this point, the accountants are dealing with facts. If no settlement is made with the technical staff, a 90-day letter is issued, and, of course, it becomes a legal matter, as the controversy must be tried before The Tax Court of the United States. Where can a lawyer be of any assistance to the taxpayer during these proceedings? The accountant is dealing with accounting and tax matters of which he is especially skilled, while the majority of the legal profession have little or no knowledge of accounting or tax matters.

Under our code of ethics, accountants are not allowed to split fees, therefore they must charge the taxpayer direct and if the taxpayer be required, which H. R. 2657 would make mandatory, to hire a member of the legal profession, the taxpayer would be required to pay double or triple the amount for the service that he receives, which will still have to be handled by the accountant, and for which the member of the legal profession could render little or no service. This will be admitted by the majority of the members of the legal profession.

This is not the first attempt to regulate practice before the agencies of the Government. The Congress of the United States, on June 11, 1946, enacted the Administrative Procedure Act, which allowed the agencies to determine for themselves to what extent taxpayers and others might be represented by nonlawyers. As far back as 1884 the Secretary of the Treasury prescribed by rules and regulations for those who would be recognized as agents or attorneys practicing before that department, and at the present time enrollment of individuals to practice before the Treasury Department is governed by Circular No. 230, and we submit that there has been no complaint, either on the part of the practitioner or the taxpayer up to this date, and the Government seems to be getting on very well with its present program. It has been admitted by many of the courts that tax practice as far as the taxpayer has been concerned has, to a large extent, been turned over to the accounting profession, for the reason that a finding or a determination in a tax controversy is largely a matter of accounting facts which are distinguishable from legal interpretation. However, this bill goes even further than the Treasury Department. It would prohibit traffic representatives of the various chambers of commerce from practicing before the Interstate Commerce Commission; it would prohibit farm agents and others from appearing before the Department of Agriculture and also prohibit members of labor organizations from appearing before the National Labor Relations Board. In other words, it would prohibit any one not licensed by the credentials committee from appearing before any of the agencies of the Government because H. R. 2657 provides in section 2 that "practice means any form of appearance or participation in any agency proceeding other than that of a witness."

We have no objections to that part of the bill which provides for a Credentials Committee to register lawyers and make it unnecessary for any particular lawyer to be admitted to practice before a multitude of agencies, but the bill does not stop there; it goes further, and would bring all practitioners within its purview. It would appear that the purpose of this bill would be to convert all agencies of the Government into "quasi courts" in which lawyers would have a superior right to practice. We can only judge the future by the past, and when we look back to the time when Congress changed the name of the Board of Tax Appeals to the Tax Court of the United States, and provided that that court, by rule and regulations, could determine who could practice before them, we now have a condition where only lawyers are eligible to practice before the Tax Court of the United States, unless the individual passes a legal examination prepared by members of that court and hence nonlawyers are finding it difficult to practice before that court while a member of the bar does not have to pass any examination.

This bill certainly discriminates unduly between lawyers and accountants, in that a lawyer may be enrolled on a showing that he is a member in good standing of the bar and that he is engaged in the active practice of law, irrespective of his qualification, and upon making that showing, which any attorney can do, credentials must be immediately issued to him. On the other hand, an accountant or nonlawyer must first obtain a certificate from the agency in question, after undergoing an examination and investigation, and thereafter must be governed by the whims of the Credentials Committee, which has discretionary power as to admission. All rights and privileges of lawyers

are carefully safeguarded. Disbarment proceedings must be instituted and a court proceeding "de novo" must try and determine the facts; an accountant or nonlawyer, may be disbarred by the agency and his credentials are immediately revoked by the committee, as the present bill does not provide for a hearing or trial of a nonlawyer or an accountant.

The purposes of this bill are clear: It creates a monopoly for certain lawyers residing in Washington and New York to practice befor the agencies of the Government. The public certainly is not protected by reason of that fact. Members of the accountancy profession should immediately obtain a copy H. R. 2657 by writing to your Congressman, and certainly the members of our profession should inform your Member of Congress that you are viciously opposed to the passage of this bill, for if this bill is enacted into law, the accountancy profession, insofar as practice before governmental agencies is concerned, is done for. On the other hand, if the legal profession is attempting to do something to regulate their own profession in providing qualified lawyers to appear before the various governmental agencies, then they certainly should provide in this bill that lawyers be required to take the same examination as accountants before they are permitted to practice before agencies of the Government. This is fair and is the American way of doing things. The bill has, for its purpose, the creation of a monopoly for certain members of the legal profession, and certainly places a heavy additional burden upon the American taxpayer, in that taxpayers will be required to pay double fees for the same service they are now receiving. It has been stated that there are more lawyers per capita in this country today than there are medical doctors by two to one, and the bar association has been very active in the past few years creating additional courts and agencies of Government, all of which have for their purpose providing employment for the members of the legal profession, and yet this overcrowded profession is continuing to turn out from the various schools of our country, more and more lawyers, until it has reached the point where the public can no longer absorb them. What we need today, are fewer and better trained lawyers, and if the Congress will spend as much time in investigating the public pay rolls as to needless and useless members of the legal profession, and eliminating that expense, as they are putting into this bill, the taxpayers will receive a substantial reduction in the cost of Government.

This bill can be of no benefit to the public. It only adds to their already hard financial burden, and when it's all said and done, Congress should consider the public before the enactment of any legislation. Accountants cannot stand idly by and see themselves legislated out of business, we must stand together and fight this bill or any similar class legislation that will restrict or discriminate against our profession or any group of our citizens.

Whereas there has been introduced in the Eightieth Congress of the United States a bill entitled "This action may be cited as the Administrative Practioner's Act," said bill being designated as H. R. 2657; and

Whereas it is the purpose and purport of H. R. 2657 to set up or cause to be established a committee, which by the terms and provisions of H. R. 2657, would have arbitrary and dictatorial authority and power to legally prevent, restrict, and discriminate against taxpayers and citizens of these United States, in the lawful pursuit of their business or profession in such a manner and to such an extent as to prevent and prohibit qualified persons from appearing before agencies or bureaus of the Government, as agents or representatives for citizens or taxpayers; unless such person possess the qualification or professional standing as may be determined by the committee in their absolute discretion; and

Whereas the enactment into law of H. R. 2657 will cause undue hardship and irreparable damage to the public accountants of the United States and its territories, and to all other citizens similarly situated, and to the public generally, in that it will deny and deprive all, except certain members of the legal profession of their constitutional right to engage upon their business or professional duties in appearing on behalf of those citizens and taxpayers who have business with the agencies or bureaus of the Government, the character of which is exactly or similar to the duties and responsibilities which they now perform and assume on behalf of citizens and taxpayers who desire and do employ their services in the several States and Territories of these United States, all of which they are entitled to and privileged to do under the Constitution of the United States; and

Whereas H. R. 2657 discriminates against the accounting profession and all other professions in favor of and creates a monopoly for certain members of the legal profession: Now, therefore, be it

Resolved by the National Society of Public Accountants in annual convention assembled in St. Louis, Mo., this 15th day of August 1947, That we condemn and oppose the passage of H. R. 2657 or any similar resolution or measure as class legislation and discriminatory against the accounting and other professions, in that it has for its purpose the creation of a monopoly for certain members of the legal profession and a denial to the public accountants and others similarly situated of their constitutional rights and guaranties to engage in business or pursue their profession; be it further

Resolved, That a copy of this resolution be sent to each and every Member of the Congress of the United States and to all public accountants of the United States and its territories.

H. E. ALFORD, *President.*

Attested:

GEO. L. LA COSTE,
Executive Secretary.

Germany's Share in the Marshall Plan

EXTENSION OF REMARKS
OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following article that appeared in the Central European Observer, London, England, on February 6, 1948, by Jean Pajus:

GERMANY'S SHARE IN THE MARSHALL PLAN

(By Jean Pajus)

Two of America's foremost experts on foreign affairs, Secretary Marshall and Sumner Welles, have stated their views on European recovery. They have also told us about some of the inherent dangers involved in the revival of the German economy. These views are most pertinent to the Nationwide discussions now going on and they must serve as guides for our program of helping Europe.

Secretary Marshall, speaking to the Nation from Chicago on the eve of his departure for the London Conference of Foreign Ministers, November 18, 1947, told us why we must restore Germany. "The restoration of Europe involved the restoration of Germany," he said. "Without a revival of German production there can be no revival of Europe's economy. But we must be very careful to see that a revived Germany could not again threaten the European community."

Secretary Marshall stressed the importance of controlling the German economy by reminding us that the implementation of that policy raises a most difficult and complicated problem, because "there is an imperative necessity for 'safeguards' to insure that the economic power of Germany shall not be used by a future German Government as a weapon for the furtherance of exclusively German policies." However, Secretary Marshall has not told us yet how to solve this complicated problem.

Former Under Secretary Sumner Welles was more critical as he grappled with the problem. He says: "The Germans are still dangerous. The Marshall plan is not worth the paper it is written on so long as the western democracies do not obtain a guarantee against renewed aggression from Germany; so long as the Ruhr coal and steel are not integrated in the whole western economy and so long as they benefit Germany only."

No doubt the American people will applaud Secretary Marshall when he tells them to be careful, because certainly no one wants to make the same mistakes all the time.

Perhaps the American people will listen more carefuly to former Under Secretary Welles for the simple reason that he is a little more explicit on the score of safeguards because he singles out coal, steel, and Ruhr as the most important factors in the Marshall plan. It is interesting to note that Secretary Marshall speaks of guaranties against German aggression. What do these words mean in practical terms? Since neither the Secretary nor the former Under Secretary have spelled out the details of the safeguards—or the guaranties—we believe the following comments and questions will be pertinent to the discussion:

1. WHY SELECT 1936?

When we say that the restoration of Europe involves the restoration of Germany—what kind of a German economy do we want to restore? The Germany of the thirties or the Germany of the twenties? What year are we going to use as a yardstick?

More than a year ago the British and American economists agreed that 1936 will be the year upon which to base the revival of German industry. The arguments used by these economists were:

a. That 1936 was the last year before Germany began intensive rearmament.

b. That 1936 was a normal year, marked neither by a depression nor by a boom.

In the spring of 1947, former President Herbert Hoover, after a hurried trip to Germany, also selected 1936 as a basis for German production.

On August 29, 1947, the experts of the United States and the United Kingdom Governments agreed to raise the level of German industry to that obtained either in 1938 or in 1936. For instance, in the case of chemical industry, the year 1936 was selected, to which was added 42 percent.

While Secretary Marshall did not specifically single out 1936, it is expected that 1936 will be used as a basis for the revival of German industry. The facts are: in 1936, Germany was working hard towards preparing for war; her iron and steel industries made a better showing than the record year of 1929. The output of pig iron rose to 15,303,000 tons and ingot production advanced to 19,158,000 tons, compared with a production of only 5,751,000 tons in 1932.

That year, too, under the impetus of large armament orders, the production of machinery established a new record and reached the prewar high of 1938 in tonnage. Industrial production of 1936, as a whole, was 80 percent over 1932. The truth is that 1936

was merely a continuation of 1935 which set the whole rearmament program in motion.

Nineteen hundred and thirty-six was the fourth year of Hitler's regime, a year in which Germany made it amply clear to the world at large that it intended to attain the political mastery of Europe. Considering, therefore, that Germany's foreign economic policy was aimed primarily at weakening the economic strength of the countries which the Third Reich regarded as potential obstacles to the carrying out of its aggressive policies, the fundamental question is why 1936, or for that matter, any Hitler year was selected as the year upon which to base the revival of the German industry?

What makes this question more crucial is the statement made by another former Under Secretary, Dean Acheson, on June 25, 1947, the man who had much to do with the elaboration of the Marshall plan. Speaking about Europe's recovery, Acheson said: "Putting in working order the German production is considered by the American Government as the cornerstone of the plan which the European countries will be able to elaborate within the framework of the Marshall plan." The American people are entitled to know how the German economy of 1936 can offer them the proper guaranties or safeguards against renewed aggression, and whether such an economy can serve as the cornerstone of the Marshall plan.

2. SHOULD THE GERMAN ECONOMY BE RESTORED?

Perhaps some will say that the Germany of the twenties was a peaceful Germany because, after all, it was the Germany of the Weimar Republic and of the Social Democrats. Before we decide to restore the economy of the twenties, it is pertinent to state plainly the economic realities of those times.

In 1926 the German Republic appointed an inquiry commission to make a thorough analysis of the German economy. The inquiry lasted 5 years. The commission was composed of members of the German Parliament, industry, agriculture, trade-union leaders, and economists. The most important work, from our point of view, was done by a subcommittee charged with the task of making a most exhaustive inquiry into the workings of the German iron and steel industries. The findings of the committee were signed unanimously by all its members and subsequently published by the German Government.

No effort was spared by the subcommittee on iron and steel to ascertain the true facts of the German economy. All official data of the German Government were available to it; the leading directors and top managers of the German iron and steel trusts appeared before that committee to give testimony. Top union leaders presented their point of view and, indeed, no effort was spared to arrive at a correct conclusion regarding the functioning of the German heavy industry.

The unanimous opinion expressed in that report was that the German iron and steel industries could not subsist unless they received tremendous subsidies in the form of protective tariffs, freight rebates, and direct Government subsidies. Even these costly measures did not suffice to sustain the heavy industries for, in the course of the hearings, the steel makers and industrialists flatly asserted that the major German trusts could not even survive without support derived from the activities of the international cartels.

With reference to the domestic prices for German steel, the leaders of the German cartels frankly admitted that the German consumer was forced to pay double the world market price for German products in order to sustain Germany's export of steel. The report also brought out the startling fact that the German iron and steel industries were financed by a dangerous overstructure of largely short-term indebtedness.

Nor did the report overlook the political aspects of the relations between the heavy industries and the German Government. In its analysis of the German heavy industry of the twenties, the Commission revealed that the industry, in order to obtain the subsidies from the government, had to maintain a strong influence over the German Government. Because the heavy industry was constantly afraid of losing the government subsidies, it was forced to exert all its pressure upon the German Government to embark upon policies which would make the existence of a large German steel industry necessary, regardless of economic justification. This constant pressure of the German industry finally resulted in a policy of aggression, since of necessity military consideration forced the German Government to override all sound economic judgments. In other words, the Weimar Republic became the ally of Pan-German industrialists. What happened after the advent of Hitler is too well known to both Germany and the world at large. Thus the Weimar Republic served the interests of the industrialists well.

As soon as they realized the possibilities of nazism, the industrialists made use of Hitler's chauvinism to further their aims. If history, therefore, is any guide, it is clear that a restoration of the iron and steel industries of the twenties, as now contemplated, will inevitably restore the conditions which have, time and again, forced the German iron and steel industries to play the role of the strongest promoter of the forces of aggression. The question again therefore is: Can we take the German economy of the twenties as a guidepost or as the cornerstone of the Marshall plan?

3. HOW DID GERMANY BUILD UP HER HEAVY INDUSTRIES?

The answer is, she did it with coal. Coal was the heart of the German economy of both the twenties and the thirties. It was the source of nearly all the country's energy, including that expressed in electric power and liquid fuels. In addition, it was of primary importance as a commodity, particularly with respect to coke, chemicals, and other products—the basis of her industrial economy of the twenties which enabled her to overcome her enemies in World War I and without which she would not have been able to build her war machine of the thirties.

A quick glance at Germany's consumption of coal during the years of preparation for war will suffice to explain Germany's power. It is estimated that the consumption of coal within Germany, in hard coal units, increased from 116,000,000 tons in 1933, to 197,000,000 tons in 1943. During the same period, coke consumption increased from 16,000,000 tons to 41,000,000 tons. Most of these increases were related to war preparation.

Taking the Ruhr as a separate unit, the following picture is obtained. In 1937, the Ruhr produced 128,000,000 tons of hard coal, of which 88,000,000 tons was bituminous coke and coal. This is striking evidence of the tremendous importance of the Ruhr as the backbone of the German industrial structure.

In 1937 Germany produced 106,000,000 tons of coking coal, yet her requirements were only 63,000,000 tons, or approximately 60 percent of the total. Most of the remainder was exported. The same year the reported coke production was about 41,000,000 tons, of which about thirty-two millions were produced in the Ruhr region. In other words, about 77 percent of the entire coke production originated in the Ruhr region.

To indicate the importance of the Ruhr as the center of Germany's war-machinery structure, it will suffice to mention that in 1937 the Ruhr contained 80 out of 113 metallurgical coke plants and 11,050 out of 14,471 coke ovens in Germany.

In the field of heavy chemicals, as a result of this tremendous concentration of coke capacity in the Ruhr, Germany was in a position to produce by 1943, 70 percent of crude benzol, crude tar, ammonia, and sulphur produced in German-occupied Europe.

Should Germany be allowed to retain such a share of the European production of by-products of the coke industry?

4. COAL FOR GERMANY'S NEIGHBORS

An analysis of Germany's exports in 1937 reveals that she exported 2,564,000 tons of steel and imported 545,000 tons of steel. Had this exported steel been made in other countries; that is, Belgium, France, or Holland, and had Germany only supplied the coal or coke to these countries for the production of the same steel, it would have been necessary to export about the same quantity of coal as steel, or, in terms of coke, Germany would have had to export about 2,000,000 tons of coke more than she exported. How much Germany's neighbors depended on her for coal products is revealed in a study of Germany's 1937 export of coal and coke to France, Belgium, and Luxemburg, Italy, and Sweden—all recipients of the benefits of the Marshall plan:

German exports of coal and coke

To—	Hard coal	Coke	Production of steel ingots and castings
France	8,045,000	2,338,000	7,893,000
Belgium	5,325,000	96,000	3,863,000
Luxemburg	56,000	2,567,000	2,510,000
Italy	7,930,000	169,000	2,099,000
Sweden	632,000	873,000	1,106,000
Total	21,988,000	6,043,000	17,473,000

Source: Statistical Yearbook, League of Nations—1942-43—Geneva.

The steel capacity of these countries has not changed much since 1937; they are willing and able to produce the same steel products. Nor has the coal situation changed for the better; if anything, it is worse because no other supplies of coal are available. Consequently, if these countries are to produce their 1937 quota—which is not asking them too much—they will have to import about 18,000,000 tons of coking coal for steel ingots and castings, and probably additional tonnages for related products.

Will these countries obtain the necessary coal to produce their steel products or will Germany be allowed to retain the coke and prevent the neighboring countries from producing what they are able to produce?

5. VICIOUS CIRCLE OF GERMAN EXPORTS

It is claimed in most responsible quarters that the restoration of German industry will benefit the European economy. The advocates of this theory maintain that the revival of the Ruhr will substantially alleviate our financial burden.

If this theory is to be proved correct on all points, the Ruhr should be developed to its maximum capacity and should logically absorb all of its coal production. In this case, very little would be available for its neighbors. Eventually, but not immediately, the Ruhr will succeed in producing tremendous quantities of steel products, machinery, and chemical products for Europe. These products could, theoretically, be purchased by Germany's neighbors provided they had the dollars to pay for them. But Germany's neighbors have no dollars to pay, nor can they expect to have them in the near future, because they can obtain dollars only if they can produce goods for export. In order to produce for export, Germany's neighbors need coal to manufacture goods which they could sell for dollars with which to pay for German products. In other words, it is a vicious circle. The sad truth of the matter is that Germany's neighbors have neither the markets nor the dollars, because for the past few years the United States has replaced the German market in Europe. The

former buyers of German goods have no money to pay for either American or German goods, so that the deficit in German production for exports is largely theoretical. So long, therefore, as Europe has only a very restricted market, and so long as Europe is short of raw materials, very few new markets can be created for German goods.

Europe's postwar economic situation is such that the shortage of raw materials, particularly food and above all, coal, is greater than the shortage of machinery. As between manufactured goods and coal, the latter could bring dollars much faster, provided it were available.

The advocates of the restoration of the German economy for the benefit of European recovery overlook another very important tendency of our times, namely, autarchy. All the western countries are now anxious to make ends meet by concentrating their credits in order to buy food. Each nation is desperately trying to become as self-sufficient as possible in order to export as much as possible and to derive enough dollars to buy essentials. Today, the competition for the sale of manufactured goods is very great. This means that all western nations are competing for the same raw materials and all are trying to increase the production of their own industries. In other words, all European nations are anxious to export manufactured goods, rather than to import.

As there is no lessening of that trend, it is inevitable that:

(a) Germany—assuming that she is able to produce the goods—will encounter greater competition than before the war.

(b) Assuming that Germany is in a position to export the manufactured goods—which is very unlikely—it is hard to see that the western European nations will stand by and allow Germany to dominate the European export market again. This will create a tremendous political problem as well as an economic one, unless it is deliberately so willed by the United States.

But the most important question has yet to be answered, namely: How will the western nations pay for the German goods? One hates to think that the only alternative will be credits from the United States to enable the western nations to buy from Germany. If this is true, then it follows that Germany:

(a) will recover first, and

(b) the American taxpayer will foot the bill.

A further corollary will be that Europe will have to plan its economic life with a view to providing the market for German goods and with a view to becoming an exporter of raw materials for Germany. This does not make sense; this is not what Europe fought for, and such an economy cannot provide the western nations with a livelihood.

6. WHY SUBSIDIZE GERMAN STEEL?

This leads us to another important problem involved in the European recovery—priorities. Which economy should be rebuilt first? The German or the western European? If the Ruhr is to be rebuilt first, where will it get the ore which it does not have in abundance? Before the war, Germany, because of her control of the international steel and coal cartels, was in a position to import French and Swedish iron ore for the Ruhr blast furnaces. This enabled Germany to become the blacksmith of Europe in the interwar period. If the Ruhr is to be rebuilt first, it follows that France, for instance, will have to send to the Ruhr her iron ore, bauxite, phosphates, etc. If she is forced to do so, she will retard her own economy, which is exactly what happened in the thirties, and with disastrous results.

Between 1935–38 the French iron and steel industries imported from Britain and Germany approximately 1,300,000 tons of coal per month.

Britain is no longer in a position to ship any coal to France. Germany, plus the Saar, have been shipping in recent months an average of 208,000 tons a month, or one-sixth of the prewar shipments of coal to France. The lack of supplies of coke and coal has affected the French steel industry very badly, with the results that her steel production is only working about 50 percent capacity. The French experts have produced all the data to prove that if France could receive 1,000,000 tons of coal per month from Germany her output of consumer goods would so rise as to completely change her economic life. They claim that France would be in a position to produce her own machinery and her own tractors and farming equipment, thus eliminating the extremely costly import of these goods from the United States—imports for which France must find dollars, and which she has not. These experts have also produced all the evidence to show that France will need at least an additional 7,400,000 tons of coke to achieve the stated goal of her 1951 steel production.

Nor did the French overlook the most important problem—the cost of producing a ton of steel. A legend has grown that Germany can produce steel products cheaper than her neighbors. As discussed earlier in point 1, if the western nations had studied the report of the German Inquiry Commission (1926–31), they could easily have discovered that Germany's cost of production was not cheaper. They would have realized that so long as the domestic consumer in Germany was willing to pay for Germany's exports of steel goods, the German industry could boast of alleged cheaper production. But those times are gone. So is the German republic which made it possible. Times have changed now, and it is the American taxpayer who will be called upon to finance the reconstruction of the Ruhr steel. It is only fair therefore that the cost of production in Germany and western Europe be compared. This was done by the French experts at the Paris conference and the figures they adduced are most startling.

They show that the cost of production of one ton of Thomas steel in the Ruhr area is 86.3 prewar marks, whereas the same ton of steel can be produced in the Lorraine mills for 53.3 prewar marks. Moreover, the experts claim that the Lorraine mills require less coke than German mills. If this claim is true—and it can be checked easily—the problem of priorities assumes a totally different character and it is quite in order to ask: Should the American taxpayer be taxed heavily in order to subsidize the more expensive German steel mills?

The most elementary common sense—let alone economic sense—would suggest that the goods essential to the European recovery be produced at the lowest possible cost. By the same token, it is elementary economics to send one ton of coke from Germany to France and let the French produce a ton of steel rather than force France to send three tons of ore to the Ruhr in order to produce one ton of steel there. Moreover, contrary to allegations that French are short of labor, it takes little manpower to produce steel and the French have that manpower.

An attempt to answer the all-important question of priority was made by the Harriman committee. On page 16 of the report released November 12, 1947, the following recommendation is made: As between steel production in Germany and an equivalent steel production in France, the priority should go to the latter. This recommendation is in line with one of the fundamental principles of the Marshall program which calls for the full utilization of the available production facilities of the 16 nations.

7. WHY FAVOR GERMANY?

It would appear thus far that the demands of Germany's neighbors will, in theory, be taken care of. According to the Paris economic recovery program, steel production of the 16 nations and western Germany will, in 1951, have increased by 20 percent compared with 1938. The total production of these countries will rise from 45,500,000 tons in 1938 to 55,400,000 tons in 1951. The major question, however, is how this program will be met. No doubt, the steel-producing nations are able and willing to increase their 1938 output. They can do it provided they receive an adequate supply of coal and coke from Germany. Every effort is being made to provide machinery, raw materials, food, and other supplies which are required to increase the Ruhr coal production. Indeed, the coal production has received the highest priority at the Paris Conference. A quick glance at the requirements of coal-mining equipment of all categories will reveal that the Paris Conference has allocated for this purpose a total of $3,563,000,000, covering a period of 4 years, to the following countries: Western Germany, $1,414,000,000; United Kingdom, $1,042,000,000; and France, $656,000,000; the rest going to other countries.

Taking into account that the Ruhr mines were newly equipped in the period 1922–26, and that in the thirties and during World War II the process of mechanization proceeded further, an investment of so large an amount—40 percent of the total—is bound to favor Germany more than any other country. Meanwhile, the iron and steel industries of France, Belgium, Luxemburg, and Sweden are still in a quandary as to whether they are going to get the coal and coke. Their coal deficit is estimated at 12,500,000 tons, and at this juncture the prospects of obtaining it are not bright.

Since the Paris report does not tell us how these countries will make good their coal deficit, it is clear that only a greater rate of carbonization in western Germany and a higher proportion of hard coke exports from the Ruhr can meet the legitimate demands of the industrial nations of the Paris Conference.

8. WESTERN EUROPE MUST GET PRIORITY

A preview of things to come is provided in the report on German exports for the next 4 years, submitted to the Paris Conference by the American and British bizonal authorities. It is reported that in 1951, western Germany will export 5,500,000 tons of coke. Her total production in 1951 is given at 29,000,000 tons. In this connection, it is pertinent to point out that in 1938 western Germany produced 36,700,000 tons of coke, which is nearly 8,000,000 tons more than the slated production for 1951. If the proposed export of 5,500,000 tons of coke in 1951 remains the final target, it will constitute the greatest blow to Germany's neighbors. Since Germany in 1929 exported 10,000,000 tons of coke, and in 1938—a time of intense war preparations—she was still able to supply her neighbors with 6,000,000 tons of coke, one is completely at a loss to explain the low production and the low export of coke for 1951. Only one interpretation is possible—the military authorities in western Germany do not agree with the recommendations of the Harriman committee which give to France priorities in production of steel.

Nor is this all the bad news the reports of the Paris Conference reveal. The same reports have it that the military authorities plan to extract 16,000,000 tons of ore in western Germany in 1951. Since the total production in Germany in 1936 was 6,900,000 tons of ore, and the highest under the Hitler regime was 11,000,000 tons, the net effect of the 16,000,000 tons program will be that Germany will embark on a new autarchy program.

If this became a reality, then we will witness a repetition of the German economy of the thirties when Goering tried to make Germany economically self-sufficient. The Nazis called the system "autarchy." The system was economically unsound because it was costly to Germany but not to Goering,

for money was no obstacle to him, so long as he was in a position to develop certain German industries essential to preparing for war. The tremendous cost involved in setting up the Hermann Goering Works is a typical example. The cost of extracting iron ore was, by our standards, prohibitive. However, from the point of view of the German war lords, it was sound since it enabled the German war machine to obtain more steel. In any case, if Germany is allowed to produce 16,000,000 tons of iron ore, this can mean only one thing—Germany will need all the coal and the coke she can produce in order to fabricate the steel products from her own iron ore. This in turn means that Belgium, France, Sweden and the other countries will not get the coke to enable them to exploit their own steel capacity.

In other words, while Germany today is consuming 6 out of every 7 tons of coal produced there, under the proposed program she will become the greatest competitor in western Europe for coal and other vital raw materials, instead of resuming her role as the chief supplier of coal to western Europe.

Meanwhile, what are the western European heavy industries going to do without the needed coal? Surely, this cannot be the intent of the Marshall plan.

Coal and the Railroads

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. KELLEY. Mr. Speaker, with permission to extend my remarks, I am including an editorial appearing in the current issue of the United Mine Workers Journal. This editorial deals with the use of oil and coal for power purposes by our American railroads. We have heard so much recently about the shortage of oil for heating purposes, and this editorial throws some light upon what is in store in the future for the consumers of oil. It is not an encouraging picture by any means.

For anyone familiar with the coal industry it is difficult to understand why large carriers of coal should discontinue the use of coal for locomotives. The question arises as to why these coal-carrying roads substituted oil for coal when it was within the realm of possibility that they could have designed locomotives driven by electric current produced by powdered coal. I believe a recent news item indicated that the Chesapeake & Ohio Railroad was experimenting with such a locomotive, and it sounds like good common sense. Users of oil for heating purposes would be smart to convert their plants to coal, for instance, by using the stoker-fed furnace. This would eliminate a lot of discomfort and worry next winter and in the winters beyond. I hope my friends in the East will read this editorial and give some thought to it.

COAL CONSTITUTES 22 PERCENT OF ALL RAILROAD FREIGHT BUT CARRIERS ARE GIVING COAL THE BOOT

The coal industry is the best customer of American railroads. In 1947 railroads hauled 9,088,216 cars of coal, 520,000,000 tons of the total of 677,000,000 tons. Coke freight totaled 732,019 cars, making a grand total of 9,820,235 cars or 22 percent of the total of 44,503,349 of all railroad car loadings.

Coal loadings in 1947 established a new record, topping all other commodities, 13.5 percent over 1946 and coke 24.7 percent over 1946.

The average layman and the professional advocates of reciprocity would naturally think that the railroads in turn would do something for the coal industry. But the facts reveal that the railroads are converting from coal to oil as rapidly as delivery of Diesel engines will permit.

In this change-over the railroads are not only contributing to decreased coal consumption when normal conditions return but are also the largest single contributing factor to the present day oil shortage.

Spokesmen for the petroleum industry assert that the increased use of Diesel oil by the railroads since 1940 has been sevenfold—from 1,000,000 barrels to 7,000,000 barrels. The petroleum industry estimates that if the present ratio of purchases of Diesel engines by the railroads continues, supplanting coal-burning locomotives, Diesel oil consumption by the railroads will increase to 90,000,000 barrels in 1952.

Six hundred and six new Diesel locomotives were put in service in 1947. At present there are 1,192 Diesels on order, as against only 30 steam locomotives and 4 electrics. As compared with last year, Diesel orders have more than doubled while steam locomotive orders have decreased one-half. Diesel locomotives are being turned out on a mass-production basis—around 120 a month.

On the southwestern railroads Diesels are first choice by reason of the absence of coal production. But certainly this is not true of the railroads serving our geography north of Alabama and Tennessee and east of the Mississippi and the western intermountain States.

When the railroads embarked upon the transition from steam to Diesel locomotives oil was plentiful. Diesel oil like the small sizes of coal—stoker coal for example—was offered below cost of production. But, again like stoker coal with the widespread sale of stokers, Diesel oil now accounts for such a large portion of the petroleum industry's production that the industry must receive a price that will not only pay production costs but return a profit. Consequently, both small sizes of coal and Diesel oil now command a price comparable with other oils and sizes of coal.

The economy advantage that was the first consideration in the railroads' use of Diesels has now been largely dissipated and coal is available f. o. b. the mines cheaper than Diesel oil on a comparable haulage cost, B. t. u. ton-mile basis.

The railroads are constantly importuning the coal operators and the UMWA to fight waterpower development and pipe-line construction for gas and oil that would eliminate coal and oil traffic. In other words, the railroads are anxious and vigorous in their endeavors to hold down the consumption of pipe-line oil and gas and electricity generated from water power for domestic and industrial consumers in order to maintain their freight haulage, but railroads are unwilling to continue to use coal to generate motive power.

It is a paradox that puts the railroads on the spot and a commercial indictment that they cannot answer.

Locomotive-manufacturing companies that have heretofore engaged in the production of steam locomotives are wondering what to do with their equipment. Representatives of these companies have placed before the Joint Army-Navy Munitions Board a program for the purchase of military steam-powered locomotives in order to save the manufacturing facilities of these plants for wartime production. The steam-locomotive producers assert that when and if war should come, the demand for oil would be so great from our fighting forces that it would be necessary for the railroads to replace Diesel engines with steam-powered locomotives. These companies have $35,000,000 of equipment and no orders. So they want to know whether national defense requirements are such as to make it feasible for the Government to keep their stand-by capacity in productive condition.

The leadership of the coal industry have ever humbled themselves to the railroads. Prior to passage of the Bituminous Coal Act in 1937, the railroads practically dictated the purchase price of railroad coal. The operators intrigued, scraped, and bowed, used political influence, and every other conceivable contact to get railroad orders on a production-cost basis.

Coal-industry leaders have been unable to convince the railroads of the practicality and necessity of reciprocal trade. On the other hand, such large companies as General Motors, Fairbanks-Morse, and others engaged in the manufacture of automobiles and varied products have been able to sell the railroads Diesel engines on the strength of the freight these companies furnish the railroads.

Here again is a demonstration of the evils of monopoly control. As an example, General Motors could not swing railroad purchases of Diesels on the shipment of automobiles alone. But since GM makes Frigidaires and a varied line of other products which railroads compete for the shipment of, GM is consequently able to turn the trick.

Freight rate hearings before the Interstate Commerce Commission have proven time and time again that coal is the most profitable freight hauled by the railroads. Coal carriers like the Chesapeake & Ohio and the Norfolk & Western earn money when other railroads are going in the red.

Since 1940 coal freight rates have increased 45 cents a ton, or $24.75 per 55-ton car. We do not believe that railroad costs have increased this much.

But regardless of increased expenses incurred by the railroads and recognizing the fact that greatly increased coal production is a leverage for an increased earnings ratio for railroads, we do not believe that the latter is totally responsible for the large earnings of such coal-carrying railroads as the Norfolk & Western, whose earnings increased from $22,733,409 in 1946 or $3.88 a share to $32,292,608 or $5.58 a share in 1947, and the Chesapeake & Ohio, whose earnings increased from $28,372,066 or $3.54 a share in 1946 to $35,387,327 or $4.44 a share in 1947. Certainly the earnings of these railroads demonstrate the profitability of coal freight. And we think unduly high rate increases are to be credited as a big factor.

So the next time you read a railroad advertisement in the newspapers telling all about how the railroads cooperate with industries on their lines, just remember to reflect on the kind of treatment the railroads are handing the coal industry plus the fact that coal production in any period of great demand is always hampered by an inadequate railroad car supply, which in the past has contributed to increased conversion from coal to oil and gas.

Vandenberg's Lead

EXTENSION OF REMARKS
OF
HON. EDWARD J. DEVITT
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. DEVITT. Mr. Speaker, herewith is an editorial from this morning's

Washington Post entitled "VANDENBERG's Lead" which I ask be included in the Appendix to the RECORD as an extension of my remarks. It is a good, sound editorial and well written.

VANDENBERG'S LEAD

ERP has now been transformed into a bill which on enactment will be called ECA—the Economic Cooperation Act. The story of the transformation is familiar enough. Last June 5 Secretary Marshall electrified the world by suggesting that the Europeans get together and submit to the United States a program for the revival of Europe as "a working economy." In due course the program arrived in Washington. It was screened by the country's best brains. To the Senate Foreign Relations Committee fell the role of hammering out a bill. Under Senator VANDENBERG's chairmanship the committee spent 5 weeks in public hearings and 10 days in continuous executive sessions. The bill that grew out of all this work and which was introduced yesterday by Senator VANDENBERG is submitted to the Senate with the unanimous recommendation of the seven Republicans and six Democrats making up the committee.

The occasion is appropriate to say (and the applauding Senate recognized it) that Senator VANDENBERG has proved himself the model of the vision and courage that he bespoke after Secretary Marshall's declaration. If Marshall was the prophet, VANDENBERG has been the engineer of the heroic adventure, and now he is undertaking the pilot's job. He got the barque off yesterday with an allocution in part narrative and in part advocacy, and the whole was shot through with an apocalyptic sense of history in the making.

There will be a disposition in Congress to quibble over the details of ECA. Particularly, as the Herter committee makes clear, an effort is brewing to whittle down the amount. Originally this was $6,800,000,000 for 15 months after April 1. The figure was the result of rigorous pruning by the executive agencies of Europe's proposals for $8,400,000,000 as well as a realistic appraisal of domestic availabilities. The committee decided to launch the plan on a timetable which would permit early review. Thus the first authorization would be for five billion three hundred million instead of $6,800,000,000, and for a year of operation instead of 15 months. Senator VANDENBERG pleads that this figure should be left untouched. The figures, he admits, are not sacred. We ourselves would say they are an exercise in faith. But in the light of the powerful credentials they possess, unless the Appropriations Committee can strongly prove them wrong, let's give them the benefit of any doubts for the time being. Next January is not long to wait for the accounting with so much at stake.

The plea was advanced with compelling power. The debate is taking place while the enemies of the plan in what Senator VANDENBERG calls the •Soviet police empire are moving heaven and earth to frustrate it. They are bent upon breaking up the embryonic chain of ERP Europe. Italy is the most exposed, if not the weakest, link, and the drive to communize Italy is now on. Nothing would hearten the Italians more than the early and triumphant passage of the Economic Cooperation Act. The aid afforded by this bill is needed desperately to prop them up, not by way of what Senator VANDENBERG calls a sterile dole, but for the purpose of fitting them and their neighbors into an integrated continental system. Italy has been in the van in the preparatory work to unite Europe.

Unity—that is the concept of ECA. To put the nations of Europe on their individual feet while the Colossus is on the march would be to increase their value without mitigating their defenselessness. Unity is the only strength in today's momentous contest. It is the thing that Soviet Russia most fears. Senator VANDENBERG sees this requirement with a clarity that has been nourished by actual experience of diplomacy with Soviet Russia. He reminded Congress that the continuity of our assistance is made dependent on the deepening of intra-European cooperation. The central body in Europe with which the ECA will work can be made into the nucleus of a new Europa if we insist that it shall be equipped with an international staff operating a sort of peace production board. Only such an entity will give Europe and us any safeguard against the advancing hordes of the Slav aggressor. The Vandenberg speech was a mobilization call expressed with deep seriousness and minus heroics. If it is not heeded, there is no doubt that another kind of mobilization will be forthcoming.

Reserve Corps' Importance in Nation's Defense

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks in the RECORD I would like to include the following address which was delivered by me to a group of Reserve Corps men at Chattanooga, Tenn.:

Upon the 28,000 Army and Air Force Reserves in Tennessee and upon the hundreds of thousands of other Reserves throughout the Nation rests a great responsibility—perhaps we should call it an opportunity—in connection with the formulation and disposition of vital national-defense questions.

RELATIONSHIP OF RESERVE CORPS TO NATIONAL DEFENSE

We are all concerned today with the question of national security and of vital importance are these matters which are before Congress, or which may come before it affecting national security.

To begin with let me first give you a picture of your relationship, collectively and individually, to the national-defense program. Perhaps you know this already. No doubt most of you do. But it is so basic, so very important a point, that it cannot be repeated too often. The Organized Reserves now number well over a million people, with slightly more enlisted men than officers. Just what are all of you supposed to do? Just where do you fit in in the national-defense scheme? Well, let's look back a bit.

RESERVE CORPS PAPER UNITS AFTER WORLD WAR I

After World War I we had an Officers' Reserve Corps organized into units of officers only, and these were essentially paper units. There were about 3,000 enlisted Reservists who enlisted primarily as a means to secure commissions. No enlisted men were assigned to units nor was any equipment provided for training. As late as 1940 the Officers' Reserve Corps had a strength of about 100,000. Only about 6,000 of these were from among the 200,000 officers who served in the First World War. So you can see that in a period of about 21 years the Officers' Reserve Corps decreased insofar as war-trained officers are concerned from 200,000 to 6,000.

The rest of the 100,000 Reserve officers we had when Pearl Harbor was bombed were principally ROTC graduates, as no doubt many of you are. By Pearl Harbor day over 80,000 of these 100,000 had been called to active duty to augment the officer personnel of the Regular Army and National Guard.

Now, here is the problem that developed. By December 7, 1941, even the paper officer units of the Reserve had been entirely dissipated. The fact is, not one of the Reserve units as such was ever called to duty during the entire war. Actually, because many of the officers on duty had been promoted, no appropriate vacancies existed in the units to absorb them even if they had been returned to their former Reserve-unit assignments.

WAR DEPARTMENT ESTIMATES TOO CONSERVATIVE

What had happened was that War Department planning for officer strength had been too conservative. The Department had provided in all components a strength of about 135,000 officers. But some 800,000 were needed. Here, then, was a lesson from the last war affecting the reserves vitally, that required corrective legislation in this Congress. Such legislation is now in the mill, and I will tell you about it a little later.

What I have just been over very generally is the backdrop for what we have today. I am intentionally skipping over how the Reserves contributed to the winning of the war. All of you know about that, much better than anyone else. I will just remind you of General Marshall's remark that—and I quote—"Just what we would have done in the first phases of our mobilization and training without the Reserves I do not know. I do know that our plans would have had to be greatly curtailed, and the cessation of hostilities on the European front would have been delayed accordingly." Certainly there's no need to expand on that.

SITUATION IN EIGHTIETH CONGRESS

Now, what situation faces the Reserves in the present Congress? Some very important legislation is now pending before the Committee on Armed Services and the House of Representatives that will affect each one of you here this evening. Incidentally, I think it is a safe statement that this Congress has already initiated more basic Reserve legislation, with more far-reaching effects on the Reserves, than any previous Congress.

INACTIVE-DUTY TRAINING BILL

We have, for example, one bill that I know many of you are curious about. It is the so-called inactive-duty training-pay bill. We call it H. R. 3227, the number meaning, by the way, that 3,226 other bills had been introduced in the House of Representatives before it came along. I mention this so you can understand that there are a relatively large number of legislative items confronting a Congressman.

This inactive duty training pay bill, as you may know, contemplates giving inactive duty training pay, for the first time, to the Army Reserves, thereby giving them the same status in this respect as Marine Corps and Navy Reservists and the National Guard.

This measure will cost the American taxpayer, if it is enacted into law, somewhere around $117,000,000 a year. That is a lot of money. However, the Reserves must be kept active if we are to have an adequate national defense program and equity requires the compensation of Army Reserves on the same basis as Navy Reservists, Marine Corps Reservists, and the National Guard.

This bill was voted out of the Armed Services Committee favorably and I made a vigorous effort to have it passed by the House of Representatives before it adjourned on July 26. A companion bill had already been passed by the Senate.

PRESENT STATUS OF MEASURE

The Rules Committee has not granted a rule on the bill and it will be brought up on the floor of the House shortly. Even though considerable debate may develop in the House because of the cost this legislation will incur, I think we can get it through and that, reasonably soon, you fellows and the thousands of other Army Reserves will be receiving inactive duty pay.

You can easily compute how much pay you will get from this bill if and when it becomes law. The bill specifies that inactive duty pay will be at the rate of one-thirtieth of 1 month's base and longevity pay for each training period of two or more hours. Neither you nor I want to see these funds wasted. I am glad to say that the program is to be very closely administered, and the law was written with that in view.

HOW THE BILL WILL OPERATE

To be paid, you will have to belong to a class A, class B, or class C unit—or else be a certain type of specialist, such as a pilot, a radar technician, a doctor, and so on, who can be paid even though assigned outside such units. If you belong to a class A unit—four of them have been activated in the country so far—you can have 48 training periods a year, or about one a week, for which you can be paid. If you are in a class B or class C unit you will get half as much as the fellows in class A units or 24 training periods for which you can be paid annually.

The Army expects this legislation to cost about $35,000,000 in 1948. Twenty million of it will go to the Ground Forces, and about fifteen and a half million to the Air Forces. Eventually, as reserve units are activated and advanced into class B and class A status, the cost is expected to reach about $117,000,000 a year.

RESERVISTS RETIREMENT BILL

Another bill came out of the Armed Services Committee this session which also will affect every reserve here tonight. The so-called retirement bill known to us in Congress as H. R. 2744, reported late in the first session of the Eightieth Congress by the Armed Services Committee, is to be considered this week by the House. It is likely to be passed, although it is somewhat more controversial than the inactive duty training bill.

Tied in with this bill is the Regular Army retirement plan and also a program by which inefficient and substandard Regular officers will be eliminated. But what concerns you particularly is that part of the bill which sets up for the first time a retirement program for Army, Navy, Marine Corps, and Air Force reservists. Of course, the bill also applies to the National Guard. The end result of the legislation is that if you stay with your reserve training until you are 60 years old and qualify under detailed standards specified in the bill, you will receive a retirement income from the Federal Government. It will be computed similarly to that received by Regular officers of the Services. The formula by which your retirement income will be computed is not exactly simple.

HOW IT WILL AFFECT YOU

Take the base pay, plus the longevity pay, of the highest grade you anticipate attaining in the reserve, then take 2½ percent of that. Multiply the result by the number of years you will have served on active duty. Then add to that total one-half of 1 percent multiplied by the number of years of inactive duty you will have had. What comes out is your retirement pay. It will be relatively substantial for an officer in the grade of colonel who has had some 25 or 30 years of service. For an officer, the average annual benefit will be about $1,300 a year, beginning at age 60. For an enlisted man it will average about $500.

For your officers to buy such a 60-year retirement income from an insurance company beginning at age 20 and maintained on a 30-year payment basis, you would be out about $300 a year. So you can see that this legislation will be worth, on the average, about $300 a year to each Reserve who stays active and qualifies for retirement under the terms of this bill.

This program will cost the taxpayers about $50,000 in 1949. By 1957 the War Department estimates the cost to be about one and one-half millions a year. Some estimates are much higher. The President's Budget Bureau, for example, thinks the cost will be very much higher than the War Department estimate.

However, the program is, in my opinion, still warranted, even though it may become expensive. It dovetails closely into the concept of the inactive duty pay bill. By providing inactive duty pay, we hope the Reserves will stay active while they are young—that is, when the weekly or bimonthly inactive duty pay checks from Uncle Sam mean a good deal. Retirement programs seem rather distant and unrealistic to most young men; they are likely to worry more about the present than the future.

By the time a fellow gets around 30 or 35 years old, he begins to think about his future, his insurance, his retirement, his established personal estate. Around this time, too, he begins to lose interest, if he has been successful, in the comparatively small income he can derive from the inactive duty pay. In here steps in the retirement program. It offers the Reservist the equivalent of a $300 a year retirement policy if he will remain active as a Reserve officer.

I think these two programs are excellent. The fact is, they are absolutely necessary in my judgment, if we are to avoid severe attrition in the Reserves and an expensive turn-over of officers during the peacetime years.

UNIVERSAL MILITARY TRAINING

Another bill you may have heard something about is the universal military training bill which was reported to the House on the last day of the session. At this point it is sufficient to say only that the bill would require all qualified young men between the ages of 18 and 20 to undergo military training to fit them to contribute to the protection of the country in time of emergency. I do not know whether the Congress will enact universal military training into law or not. But I can certainly assure you that I am going to make a strong effort to get it passed. For I think that universal military training is a vastly important and absolutely imperative element in the national security program. And you realize, of course, that it is also exceedingly important for the healthful development of the Organized Reserves and the National Guard.

OTHER MEASURES

There are a great number of legislative matters in the mill and for that matter enacted into law during the last session but I do not want to extend this summary too long. It suffices to say that we passed 59 laws affecting the armed forces which is one out of six of all laws passed by the Congress last session.

Now, in conclusion, I want to emphasize that you men here this evening are, whether you will it or not, representative of one of the most important elements of the Nation's defense. I mean this sincerely. A lot has been said about it and written about it lately. And it is definitely true. We in Congress have initiated legislation which we believe will help you keep active in the reserve components. If you do not, then the Nation is certain to be hard put to maintain an effective defense establishment. I agree completely and unreservedly with the remark of the President's Advisory Commission on universal military training when it said that military weakness "is a passport to aggression."

RESERVE CORPS, BACKBONE OF REGULAR SERVICES

The Regular Army, the Regular Navy, the Regular Air Forces, and the Regular Marine Corps are but one element, and the smallest element, I may say, in our defense structure. Upon you Army reservists and other civilian components hinge the efficacy of the Regular services in repelling aggression. I know you can perform, if given the materials and incentives necessary for your peacetime training. We are working vigorously in the Congress to give you just that. If you have any suggestions to improve what we have done or have not done, I trust you will let me and others in our Tennessee delegation in Congress have them. We are as determined as you are to insure that our armed forces and their civilian components are properly and sufficiently equipped to meet any crisis in the world that may arise.

Thank you very much for giving me the opportunity to make these remarks to you.

The Human Side of Politics

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Hon. James A. Farley at Colgate University, Hamilton, N. Y., on February 17, 1948, at the opening of the university's 1948 series of lectures in human relations:

THE HUMAN SIDE OF POLITICS

For more than a quarter of a century I have carried in my pockets a definition of politics which has been an inspiration and a comfort in hours of striving and stress. I am not certain of the identity of the author beyond the fact that his name is Oliver. I believe that the sentences are the product of Andrew Oliver, the younger, scholar and founder of the Political Journal, rather than of his father, Andrew Oliver, the Colonial political leader, who was hanged in effigy on his appointment as stamp officer for the crown and at whose grave in Boston in 1774 patriots cheered when his coffin was lowered into the ground. Both father and son had postgraduate courses in the hard school of practical experience, which would have given either of them the background for the lines I quote:

"Politics is the most hazardous of all professions. There is not another in which a man can hope to do so much good to his fellow creatures—neither is there any in which by a mere loss of nerve he may do widespread harm—nor is there another in which he may so easily lose his own soul—nor is there another in which a positive and strict veracity is so difficult. But danger is the inseparable companion of honor. With all the temptations and degradations that beset it, politics is still the noblest career that any man can choose."

As they say in the precise language of academic halls, Mr. Oliver said a mouthful. I can attest to that out of instructive, if at times trying, experience gathered in 35 years of active political life. For the past 4 years I have been an interested observer on the sidelines where I have learned much that escaped me when I was in the rough and tumble of town, county, State, and national arenas. In these later years I have been urged, now and then, to expound my political philosophy. While I am not a philosopher, except as the passage of years promotes contemplation and reflection on one's way of life, I do have some knowledge of politics.

If you would know politics, look about you. I do not entirely subscribe to the dictum that the proper study of mankind is man; I would raise our eyes higher to the contemplation of a divine and beneficent Providence, but for the politician there is no study more rewarding than the cultivation of his fellow men

in each and every walk of life. Only through knowledge of his fellows can a man hope to lead or influence them. A love of his fellow men helps, but, it is to be regretted, is not essential since it can be so readily simulated.

The hazards of politics, I have often thought, are not campaigns and elections, as might be commonly supposed, but rather the human element, the very nature of the animal that engages in politics. Ambition, love, jealousy, hate, and the many emotions and reactions man is heir to frequently affect the course of the nation and of the world more than principles or circumstances or events. This was so from the dawn of time, is true today, and will ever be in the history of man's search for perfection.

Moses, first of the great leaders, had the wisdom of a statesman and was perhaps the only political leader who kept all his campaign promises, as Pharaoh learned to his sorrow. Yet, he was not without opposition even from within his own family. Miriam and Aaron, his sister and his brother, spoke against him. He saw other tribes bitter with jealousy against his tribe and his own tribe envious of his preeminence. He knew the worldly considerations by which some of his followers were moved as told in the story of the children of Reuben and Gad, who sought permission to remain in the land of Gilead because the country was well suited for the raising of cattle, instead of passing over the Jordan into the promised land with the other children of Israel. He was disturbed over the lack of faith in the people and their readiness to lapse into idolatrous ways. Frequently he meditated on these weaknesses and pondered on ways of combating these threats to national existence. One of his ways was the preparation of a farewell address, which precedent undoubtedly influenced that great Moses of the west, George Washington, when he closed his career by offering a political valedictory for the instruction of his countrymen.

Moses was not without weaknesses of his own, not the least of which was vanity. It will be remembered that at the encampment at Kadesh, where Moses and Aaron were bidden by God to speak to the rock, Moses said to the murmuring people, "Hear now, ye rebels: shall we bring forth water out of this rock?" and he smote the rock twice with his staff so that it gushed forth water. Like many a politician who has followed them, the brothers failed to recognize their subordinate position. At that moment they felt they were the leaders of the people, forgetful that it was God who led the tribes out of Egyptian bondage and fed them in the wilderness for 40 years. Moses and Aaron paid dearly for this sin, being denied the honor and privilege of leading the children of Israel into the promised land.

Vanity, the insatiable sixth sense common to man but most highly developed in politicians, has ruined many a political career, as has vaulting ambition. Reluctance to relinquish power, particularly where the hand is feeble and the mind is tired, is fraught with danger to parties and to the Nation. This weakness is often the salvation of courtiers and coat-tail riders. In the vital relay of politics, every lap of which measures the progress of man, the torch of leadership must be passed on to trained younger men. If younger men are not trained to take over leadership, the party and the Nation are weakened, with the danger that the race may be lost.

Politics is no place for the timid man; he who hesitates will lose the election. Frequently the man in public life is called upon to make split-second decisions, usually in the heat of campaigns or in times of crises in office. While it is true, delay solves some problems, the man who puts off decisions too long finds his career crushed by the weight of the accumulated heap. And politics is no place for the corrupt or dishonest. Sooner or later, evil deeds rise to confound the guilty. In my time I have been criticized for helping men who have betrayed their trust. Somehow I could never feel anything but pity for them. I have no capacity for hate and but little for censure. I feel that a man found wanting in political honesty suffers enough in standing revealed as a weakling, unworthy of the reliance placed in him by his friends and the electorate. I have sympathy for him as one has a sympathy for the afflicted, but without any trace of the admiration that goes for the latter.

In the final analysis, the politician has nothing to offer but his word. If he tells the truth and keeps his word, he gains the devotion of his friends and the respect of his enemies. Men may and do have honest differences. More often than not there is something to be said on both sides of a question. Compromise is the usual measure of political progress. This does not mean that principles or ideals are to be raised or lowered in any skirmish; they can and should be nailed to the mast.

The man who does not tell the truth is distrusted and shunned, and rightfully so. There are those whose first instinct is not to tell the truth even when it best serves their own purposes just as there are those in whom the dog of ambition is pursued by a rabbit of conscience. Truth is by far the easier as well as the most respected course. I had an early lesson in this from Charles E. Murphy, leader of Tammany Hall, whom many of you might regard as a strange preceptor. I approached him after Alfred E. Smith was first elected Governor of New York, after a campaign in which I played a small part. I felt entitled to the post of secretary to the State Industrial Commission. My sights were not, I modestly felt, fixed too high. Mr. Murphy told me that while he was impressed by my earnestness and ability, he felt I lacked experience for the place, and that it should go to someone else. I was a bit bitter for a time, but as disappointment died, the more reasonable Mr. Murphy's attitude seemed to me. As a result I have never concealed the truth from an applicant for a position. In the end I always found him grateful as I was.

In the rare instances where one cannot tell the truth, because he is bound by his word not to reveal confidences or advance information, it is not necessary to become involved in complicated evasions or falsehoods. Again the easier method is to acknowledge that you are sorry but just can't answer the questions. The passing of one's word is the execution of a sacred bond. It is so with most men in political life as it is with the great majority of men everywhere.

In politics, it is well to start at the very bottom rung of the ladder, because each rung gained has its delights, and the loftier the climb, the more gratifying the view from above. The usual first step is bringing voters to the polls. There is no better way to meet people in the district than by offering them a favor. This develops courtesy and ability to meet people. The second step is ringing doorbells to solicit votes for a candidate or party. Here salesmanship and personality are developed. If the young man attracts the notice of his superiors he is given greater responsibilities either within the party organization or in public service or both. He may rise in responsible but appointive administrative posts; he may work into the ranks of the king makers, or he may travel by the elective rung to the highest office in his city, county, State, or Nation. In mention of the highest office within the gift of our fellow countrymen, I am glad that each passing year brings us nearer to the ideal where any American mother, regardless of race or creed, can look into the crib holding her child and say to herself, "Some day he may be President of the United States."

Where the opportunities are limitless so are the capacities for service. Nothing has given me greater pleasure in my years in politics than the services I was able to do for the people as a whole or as individuals. To this day I find, wherever I go, someone is always taking my hand to thank me for a service I have usually forgotten. The services I have given will ever be a source of joy to me. Those in academic life among you know too well that money is not the highest reward; that the metal of service outshines gold.

Heretofore, for the most part, I have confined myself to approaching politics from the viewpoint of the individual. I now propose to consider politics from the viewpoint of groups of individuals or parties. It is fitting and proper that we should be governed by political parties. From the dawn of self-government in Greece it was natural that political parties should vie for the management of the government.

It is not surprising that parties should take color and appeal from their leadership. However, it should not be forgotten that parties have basic principles, which differ sharply. These basic principles are constantly being renovated by the play of social and economic forces and by the interplay of conditions and events within the party and within the country.

In our own country we have two parties with more or less fixed ranks of the party faithful and a large number of independent voters who swing from party to party under the attraction of personalities or party platforms, or the pressure of forces or events, but often out of disappointment with the performances of the party in power. This is, I am convinced, as it should be. As a lifelong Democrat, I am a firm believer in the two-party system and feel it would be a tragedy if either the Democratic or the Republican Party were to pass from the national scene.

I believe that men and women should seek to correct what they dislike in the party from within the party. In my own case I strongly opposed the majority of my party on the issue of a third term. I am still opposed to a third term. But I am not opposed to the Democratic Party. I participated in the national convention that voted for a third term and by that participation bound myself to accept the will of the majority. While I resigned from the Cabinet, not wishing to embarrass the administration by remaining in a high position, I voted the Democratic ticket. Again in 1944, when my opposition had increased rather than lessened, I voted the Democratic ticket because I had once more participated in the national convention where I and others like me were overwhelmingly voted down.

I was not then happy in the Democratic Party, but I could not bring myself to enter the Republican Party for the sole purpose of defeating the party to which I owed so much and which I had helped to put in power. Nor could I form a third party merely to have a yard of my own to play in because the big boys wouldn't play my way. We have a third party today, formed by one who wouldn't play according to the rules in the Republican or the Democratic Parties. I, for one, don't want a third party in this country. The two great political parties help our Nation by promoting unity. A third party can only promote minority rule and tend to leave the country the prey of demagogs and malcontents.

Disappointment and discontent should not promote cynicism, for the bitter cynic loses his friends and damages his soul. Not all aspirants can win nomination and only one candidate can win the election. While defeat is not pleasant, it is seldom fatal and there is always another election on the horizon. Those disappointed over failure to

gain an appointment should remember office-holders are mortal.

I am reminded of the story of the persistent office seeker who rushed to a former State senator, the late Pat McCarran, on learning of the death of an official: "Can I take Flanagan's place?" he pleaded. The senator, wearied by previous entreaties, snapped, "It's all right with me if you can square it with the undertaker."

Discontent is a more virulent disease. Its invasion of the pride is far more serious. Often it is the harder to bear because it entails ostracism of a sort. Once a man strips himself, or is divested of the powers of his office, he frequently finds those he regarded as friends pass him by and those for whom he did most know him not. It is not a pleasant experience, although there are some who hold it to be a great developer of character. In my own case I was saved from cynicism by the firm knowledge I was right and by the kind words of the many who sought me out in my travels to commend my action or to give thanks for services I had rendered. I shall ever be grateful to them.

As I favor the two-party system, so am I opposed to the one-party system in vogue in some nations where it is proclaimed as true democracy. I do not want to confine my participation in government to voting "ja," "yes," "aye," or "da" to the whim of any totalitarian overlord. The party should be the servant of its members, not their master. It should be open to all who wish to join it, not an exclusive society of assassins. And it should be competing for national good will, not dictating the way of life.

In concluding, I should like to dwell on Oliver's statement that politics, with all its faults, is still the noblest of careers. It may appear, as Robert Louis Stevenson said, "Politics is perhaps the only profession for which no preparation is thought necessary." Yet no other is so essential for the distribution of temporal happiness and the preservation of the freedoms and liberties that make our way of life.

Plato and after him Aristotle held the good politician in high esteem. In fact the latter placed him at the topmost step of a graduated sort of heaven he evolved in the vast cathedral of his mind. It may be that the highest step is not crowded or even empty as has been suggested to me. If so, then let it be said of us we are reaching for the ideal state and coming ever nearer. I am supremely confident man will solve his problems; that the future is bright though the day be dark.

He who chooses politics as a career will have the experience of ages to guide him in reaching for higher if unattainable goals. In extending his grasp he may give his name to an age when it may shine brightly for all time. For those to whom such fame is denied, there is comfort in knowing that we are providing experience to be drawn upon by those to come. We are the progenitors of the perfect rulers of the future, men in whom thought and action are delicately balanced and from whose rule political blessings will flow.

Bipartisan Foreign Policy Stifles Opposition

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. SHAFER. Mr. Speaker, the victory of Henry Wallace's personal candidate in the Bronx, N. Y., election last week was interpreted in many ways by Congressmen and commentators, but most of them agreed on one point: The so-called bipartisan foreign policy is wilting away.

I have little confidence in Henry Wallace. His domestic policies proved to be fallacious and ill-timed, and he has been noted more as a coat-tail rider in the field of foreign policy than for any contributions of his own.

However, by attacking the so-called bipartisan foreign policy, he has hit on a basic issue that has increasingly threatened to split both major parties asunder in recent years.

The truth is, the people are frustrated by any so-called bipartisan foreign policy such as we have had in recent years. A spokesman for the minority party—the Republicans until a little more than a year ago—presumed to speak for millions of Americans who were of the same minority party, but it was doubtful if these millions of Americans went along with the spokesman. Yet, to keep from splitting the party wide open, they had to acquiesce.

As a result, the so-called bipartisan foreign policy has become more and more an instrument for repressing the people and a device to prevent both sides of any issue in the field of foreign affairs to be discussed.

A bipartisan foreign policy does more than stop politics at the water's edge. It stifles discussion in Congress, by the two national committees and by political leaders and people throughout the country. It gives to most thoughtful Americans a feeling of futility. You can fight one machine, as long as you have a machine, however small it may be, but when you find yourself up against two machines you are apt to retreat.

In a nation as big as this one, with as many varying interests, there must be opportunities for discussion and for voting on every part of every issue, whether in the field of domestic or foreign policy. Any other course, by means of which two or three men become the self-proclaimed spokesmen for millions of Americans and commit them to a course they do not like, is suicidal to representative government. It is frustrating, anomalous, and, in fact, as deadening in the affairs of government as any blight that ever attacked a farm crop.

Let the people know and let the people debate and let the people decide. That, or some similar slogan, should be the watchword of the American people. If the people are fully informed as to what is happening all over the world—and they never have been currently informed in the past 15 years as to what is cooking—they can make sound decisions. Lacking full information, they naturally are confused and bewildered—and can be handled by demagogues.

Franklin D. Roosevelt was the architect of the so-called bipartisan foreign policy and full responsibility for it must be laid at his door. He carved it out as insurance against being attacked for his foreign-policy blunders in the fourth-term campaign. He did it so subtly that some Republicans now even claim that they started the bipartisan foreign policy.

As an instrument to help keep the hush-hush on foreign-policy debates and to assure his reelection, the ailing Roosevelt and the little group around him found the bipartisan foreign-policy strategy good. It stifled potential opposition from the only effective place from which it could come—the Republican Party.

Later, of course, international bankers and other predatory groups saw that it would help them, too, in their designs on the American people and the American Government. The Communists, you will remember, were all for the bipartisan foreign policy—as long as its adherents were for shipping billions of dollars worth of goods and materials to Russia, long after war was over.

The people in those days who opposed the bipartisan foreign policy were accused of being Fascists. Now, the ones who oppose the bipartisan foreign policy sometimes are accused of being Communists. The groups that want to rule America, whether meaningly or not, have adopted the Communist technique of smear.

Relationship Between Cities and Federal Government

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks, I wish to include an address which I made at the National Conference on Government of the National Municipal League at Nashville, Tenn. The address is as follows:

Mr. Chairman, the relationship between the Congress or the Federal Government and the cities of the Nation is considerably more complex than the average citizen appreciates. It is only natural that with the development of technology that cities and the Federal Government should become more interrelated in their governmental functions. In these days, the Federal Government and the cities have a joint and common interest in air-line transportation, streets, housing, schools, and commerce. The problem that vexes both Congress and city officials is arriving at a proper line of demarcation between the activities which should be wholly in the hands of the cities and those which should also be the concern of Congress and the Federal Government. It is axiomatic that democracy works best when it is close to the people. The town-meeting plan can be the nearest approach to pure democracy that we have in this country.

On this premise, I think we will all be in agreement that those matters which can be handled by either the local municipality or by the Federal Government should be left with the local group. This will preserve and develop the maximum of initiative and responsibility at local levels which is the healthiest possible attitude for a democracy.

But before going into the implications of Federal participation in city affairs, let us first examine the instances in which the Federal Government is taking a part in municipal matters and also look at some of

the further proposals for Federal participation that have been made recently.

GROWTH OF FEDERAL SERVICES TO CITIES

According to a survey made by the National Resources Committee, only 14 services were performed by the National Government for urban communities in 1875. By 1900 the number had risen to 30; 47 more had been added by 1920. During the depression years, 42 new activities were begun. This great growth of direct Federal-municipal contacts during the depression resulted from the cities' need for aid and the States' inability to furnish it. The National Government then moved in to supply the necessary help. During the Second World War, with its resulting emergency conditions, many departures were made from the traditional way of doing things, and this was true in the field of Federal-city relations, where many new relations were established. During the past 50 years the new activities which the National Government has undertaken for cities have in few instances been replacements for old functions, because in the great majority of cases the old functions have been retained by the Federal Government. There are now more than 100 agencies of the Federal Government, including bureaus, boards, and independent establishments, which are concerned in one way or another with municipal activities.

INDIRECT FEDERAL SERVICES

Many of the activities undertaken by the Federal Government involve no formal agreements or even informal understandings with the cities—they are, in other words, relatively indirect. In this category are included those agencies which collect information concerning municipal affairs. For instance, the Bureau of the Census publishes an annual volume on city finances. Studies and surveys made by the United States Office of Education have proved of great value to local school officials. The Public Roads Administration conducts research on the best methods of street construction; the studies of the United States Public Health Service are of great significance to local health departments. There are many other instances of such indirect Federal aid to cities. During the 1930's, Federal-municipal relations were, for the most part, of this casual or incidental nature, arising from the necessity for close contact between governmental levels of administration. This aid took the form of statistics, research, information, and advisory services. During the period the number of direct contacts and services with cities was also increased.

At this point may be mentioned the way in which the Federal Government during the Nation-wide depression of the 1930's assumed responsibilities which would otherwise have fallen on the State and municipal governments. An extensive relief program was set up which saved the States and cities from having to provide for hundreds of thousands of unemployed workers. In addition, the States and cities were given direct grants from the Federal Government for public works projects involving relief labor.

DIRECT FEDERAL SERVICES

There are a number of ways in which the Federal Government is in direct contact with the cities. Perhaps the best known example of this is in the field of law enforcement. The Federal Bureau of Investigation of the United States Department of Justice maintains an elaborate fingerprint file of millions of known criminals. The facilities of this system are available to local law enforcement officials upon request. FBI agents also cooperate in several other aspects of crime detection. The local police departments of course give assistance to the Federal agency in turn, and a semiannual publication of the FBI, Uniform Crime Reports, is based on information furnished by local police departments.

Another area of close contact between the two levels of government is that of public personnel. The United States Civil Service Commission has prepared standard tests for the use of municipal officials. Many of the Federal grants to the States are conditioned upon administration by trained State and local personnel. For instance, the United States Public Health Service requires that every city receiving public health funds directly must have a properly trained full-time health officer and an adequate number of trained assistants. The qualifications for these officers were determined by the Public Health Service and the Conference of State and Provincial Health Officers. In addition, there are a number of in-service training programs conducted by agencies to provide advanced training for local as well as Federal employees.

There are many other agencies whose work is concerned with local conditions. For instance the State and municipal employment agencies work with the United States Employment Service to reduce unemployment.

An important change in Federal-municipal relations has taken place as regards street construction. Federal funds have been made available to the States for highway construction for the last 30 years, but until 1932 it was specifically stated that none of the Federal funds and none of the matching funds supplied by the State could be used for the construction of city streets. In 1934 the reversal of Federal policy was made complete by an Executive order decreeing that one-fourth of the emergency highway grants must be used for municipal street construction. The latest Federal highway program has an allowance for city street construction.

WAR PERIOD DEVELOPMENTS

The Office of Civilian Defense established many local defense councils and eventually was provided with the means of enforcing its regulations. Loans of Federal equipment to localities were conditioned upon the acceptance of Federal rules. The Office of Defense Transportation received cooperation from many cities on its list of suggested revisions of traffic regulations in order to save tires, gasoline, and time.

The major problems occurred, however, in the cities in which war industries were concentrated. Housing was at a premium, schools were overcrowded, medical and recreational facilities were inadequate. The Federal Government assisted in this crisis by authorizing an extensive war housing program, and by providing grants to permit cities to expand certain of their regular services to take care of their increased populations. A National Committee for Congested Production Areas was created and charged with the task of coordinating Federal, State, and local activities in the crowded urban centers.

LEGISLATION OF EIGHTIETH CONGRESS AFFECTING CITIES

Housing and rent control: A matter which is necessarily of great importance to any community is the manner in which its citizens are housed. Of recent years there has been an attempt all over the country to improve the living conditions of our people, especially of low-income families living in slum districts of our cities. There have, of course, been programs designed to improve the lot of rural residents, but the demand for new housing has been concentrated largely in the cities. Low-rent housing and slum-clearance projects have been initiated or seriously considered in many municipalities. But, as you members of the National Municipal League are well aware, more than the mere recognition of a housing problem is required in a community if concrete attempts at solution are decided upon. The biggest hurdle is probably that of financing the project.

Today we are facing the fact that the United States, the richest nation on this earth, does not have decent homes to offer its veterans. It must have been a bitter pill for these men to swallow when they returned from the battlefields and found that while we had made all sorts of advances in means of carrying on war our housing production methods showed little advancement over the methods of the horse-and-buggy era. The housing facilities of our cities were strained to the utmost during the war by the influx of defense workers. Now the war is over, but the crisis in housing is still with us. Our millions of veterans have returned to civilian life and are now trying to establish themselves or to pick up where they left off when they were called into service. Many of these veterans are married and have children. No one questions that they are entitled to a decent place to live. But, nevertheless, the Bureau of the Census has reported that between 30 and 40 percent of the married veterans of this country are living in single rooms or have been forced to share living accommodations with in-laws or other relatives, a most unsatisfactory arrangement for all concerned. It was also found that many of these veterans were making salaries or wages which would not justify the expenditure of more than $6,000 for a house. You and I know that with prices as they are right now you can't get much of a house for $6,000. This does not alter the recognized fact that the veteran is entitled to the best that we can give him—at a price that he can afford to pay. The veteran does not want to be given special privileges by any government, either Federal or local, but he does want a fair deal. Unfortunately, it is not only veterans who are being forced to live in cramped, miserable quarters; there are thousands of nonveterans in the low-income group who should be provided with more adequate housing facilities.

Who is to take care of all this? Whose responsibility is it? The municipality is, of course, the unit most immediately concerned. But this is not a condition which prevails in only a few scattered cities—it is a state of affairs which can be found in nearly every city in the country. For this reason and because of its serious nature, it is a problem which must be of concern to the Federal Government—at least to the extent of giving assistance to the local governments in attempting to resolve it. Let us now take a look at what the Eightieth Congress has done or failed to do in the field of housing.

One of the most significant pieces of legislation proposed to the Eightieth Congress for its consideration was the Taft-Ellender-Wagner bill. This bill contained provision for public aid to localities for low-rent housing for low-income families; encouragement of private investment in rental housing by setting up a system of Federal insurance; establishment of a more adequate program of farm housing; aid to cities for the clearance of slum areas; additions to the existing aids to home financing; and a program of housing research aimed at reducing the cost of housing. The bill was supported and endorsed by many organizations. It was felt that this would be one great step forward in giving the veteran and the low-income families the sort of housing which they should have.

But what happened? The Senate Banking and Currency Committee reported the bill out on April 24, but the leadership in the Senate did not see fit to bring the measure to a vote before the end of the session. A companion measure in the House was not reported by the committee to which it was referred.

The net result of certain other activities of the Eightieth Congress has been to toss the problem of rent control back into the laps of the various State and local governments. Several bills were introduced dealing with the subject. Senator HAWKES, Republican of New Jersey, introduced a measure calling for periodic increases in rents; Senator BUCK, Republican, of Delaware, in-

troduced S. 590, which provided for a 10-percent rent increase with all controls to be dropped at the end of a year; Senator WHERRY, Republican, of Nebraska, introduced a bill asking outright repeal of rent controls. The bill introduced by Representative WOLCOTT, Republican, of Michigan, which was eventually passed and became law, extended rent control to March 1, 1948, except that "voluntary" increases of 15 percent were allowed if the tenants signed leases extending beyond 1948.

Thus, unless the Congress takes some action before the first of next March, the rent-control problem will be squarely up to the State and local governments. They will have to decide whether the landlords are entitled to increased rents, or whether the landlords are already receiving an adequate return on their investments.

There were a few bits of legislation—of rather minor importance in view of the pressing need for major action in this field—which did become law. On February 28, President Truman sent a message to the Congress asking for an appropriation of $50,000,000 so that the Federal Government might be able to fulfill its commitment to supply a certain number of Army barracks or civilian wartime structures for conversion into temporary-housing units to rent at an average price of $30 monthly. A sum of $35,000,000 was appropriated for this purpose. An amendment to the National Housing Act of 1937 was approved which allows local governments to receive Federal funds to the amount of $5,000 and the actual cost of construction. Perhaps the most important contribution of the Eightieth Congress was the approval of the President's reorganization plan which placed all Federal housing activities under one responsible head. Even this was opposed by the House.

In addition to the bills which were passed or passed over, as the case might be, four separate committees were set up to investigate various aspects of the housing situation.

Federal aid to education: During the first session of the Eightieth Congress, 21 bills proposing Federal aid to the States for education were introduced. One bill (S. 472), introduced by Senators TAFT, THOMAS of Utah, ELLENDER, HILL, SMITH, COOPER, TOBEY, and CHAVEZ, is on the Senate calendar after having been reported out of committee. It would authorize $150,000,000 for 1948, $200,000,000 for 1949, and $250,000,000 for 1950, and each year thereafter to aid the States, Territories, and the possessions of the United States in financing their public, elementary, and secondary school systems, and to more nearly equalize school opportunities throughout the States. In order to be eligible for Federal aid the State itself must spend 2.5 percent of its average annual income for a 5-year period, an amount equal to the annual national average. No Federal control over schools receiving aid under this act is permitted.

In the House the McCowen subcommittee of the House Committee on Education and Labor reported favorably on one educational aid bill (H. R. 2953), but no report came from the full committee. This measure would provide somewhat larger sums than the Senate bill and would provide a minimum of $3 per child to all States, whereas the Senate bill would apportion the funds on the basis of need. In other respects the two measures are quite similar.

Disposal of surplus airports: The provisions for the disposal of surplus airports, airport facilities, and their equipment were contained in a bill which was introduced by Senators MCMAHON and BALDWIN, and which eventually became Public Law 289. By its terms disposition may be made to States, political subdivisions, municipalities, or tax-supported institutions without monetary consideration to the Federal Government. Certain conditions, such as restrictions on use of United States property and reservations during an emergency, are imposed.

Water pollution control: Passed by the Senate late in the session, this bill (S. 418) provides that the Surgeon General of the Public Health Service and the Federal Works Administrator in cooperation with other Federal agencies, State water-pollution agencies, and interstate agencies, and municipalities involved, shall prepare comprehensive programs for water-pollution control projects. The bill carries an authorization of $100,000,000 annually for: (1) grants-in-aid to local governments and other public bodies for engineering reports, plans, and for construction of treatment works; and (2) loans to industrial enterprises for engineering reports, etc. Five million dollars would be available annually to State and interstate agencies for studies and investigations; and $12,000,000 annually for advances to States or municipalities to aid in financing the costs of activities preliminary to construction of water-pollution control projects. Four bills introduced in the House on this subject failed to come to a vote.

Technical information and services: A bill introduced by Senators FULBRIGHT and AIKEN, reported in the Senate on June 27, authorizes the establishment in the Department of Commerce of a clearinghouse for the collection, dissemination, and exchange of scientific, technical, and engineering information. Such information would be available to Federal, State, and local agencies as well as to business, industry, and the general public.

IMPLICATIONS OF DIRECT FEDERAL AID TO CITIES

The original method by which the Federal Government made contact with the cities was through the medium of the State. We have already seen an example of this method in the appropriation of Federal funds to the States for highway construction, with the provision that a certain portion be spent for construction of city streets. But increasingly in periods of emergency the Federal Government has made grants directly to the cities, thus bypassing the State governments and potentially modifying the traditional Federal-State-municipal relationship. As a rule, Federal grants have carried no unreasonable restrictions but there is the possibility that this new policy might be the beginning of greater and greater Federal control of municipal affairs by means of conditional grants from the Federal Treasury. That this is desirable is highly debatable and the development of the new pattern has aroused considerable comment among students of government about "the new federalism." Furthermore, the authority and power of the State governments are impaired by this procedure. There are also important political considerations in the situation, frequently found, in which the same major political party does not control Federal, State, and city government.

Due to the development of present-day science, especially in fields of transportation and communications, we will never again see the day when the cities and the Federal Government operate in watertight compartments. I think there must be joint interest and participation in many governmental functions. Nevertheless, the lack of initiative on the part of some local officials that has resulted from Federal participation is most disturbing. "Let's wait until we can get a Federal grant" or "The project is too big for us—let's get Uncle Sam to help," are expressions frequently voiced by some local officials. This tendency to pass the buck has had very damaging results. I am glad that statesmanship and self-restraint on the part of both Federal and local officials are checking this unhealthy trend.

Local self-government is a cherished part of our democratic process. It must be preserved. Wise and strong local governments go far toward assuring a sound national government. People of a democracy are made more capable of carrying on their cities if they participate actively at the local levels. They can if they will handle most problems better than some bureau of the central government, and they will be the stronger by having found their own solutions. Therefore, let us hope that when the job can be done at home or at Washington, that it will be done at home.

The people are going to have good service. Let us not mistake this fact. They demand this whether it comes from the city council or from the Congress. The challenge is, therefore, to give them the best service locally. This is part of the program of the National Municipal League, and I am delighted to see that you are on the road to success. I see on all hands a renewed interest and faith in local government. The extent to which people are interesting themselves in State and local affairs is most encouraging. They are doing this not by crying out against the invasion of States rights, but by getting down to the business of intelligent government themselves. This means improving the caliber of local officials, bringing charters and constitutions up to date, public discussion, and an active-citizen interest. Local governments can be restored to their place in the sun. If local officials and the citizens are willing to shoulder the heavy burden of local self-government, it will be done.

European Recovery Program

EXTENSION OF REMARKS

OF

HON. PETE JARMAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. JARMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Evening Star of March 1, 1948:

THE TIME TO ACT IS NOW

The Senate debate beginning today on the European-recovery program—the Marshall plan—is of vast importance to the future of America and the world. At stake in it is the security of free men and free nations everywhere. If they are to be safe, if they are to perpetuate their way of life, if they are to deal effectively with the creeping menace of Soviet totalitarianism, then the final vote in Congress must be a resoundingly affirmative one.

The proposition involved is an either-or proposition. Either the United States and like-minded lands will work together in doing the job that needs to be done, or they will be taking the risk of being picked off, one by one, by a tyranny quite as black and aggressive as any mankind has seen in modern times. Politically, economically, militarily, the situation thus offers only one choice to democracies in their right minds. It is to act in unison, on time and on the grand scale required, to insure their common survival against the common peril now confronting them.

As far as the United States is concerned, this means that there must be at this stage the promptest possible favorable action on the Marshall plan. Without such action, the participating European countries cannot hope to achieve the stability they must have to save themselves from eventual Soviet dominance—a stability vital not merely to them, but to our own long-term American future and to the happiness and peace of the entire world as well. Chairman VANDENBERG of the

Foreign Relations Committee, together with the unanimous voice of the committee itself, has left no room for doubt on that score. Nor has he exaggerated the urgency of the situation in solemnly warning that "time is of the essence" and in indirectly appealing for an end to the Senate debate and an affirmative vote by March 15.

Senator VANDENBERG'S profoundly well-informed counsel ought certainly to be heeded. The Marshall plan has been so thoroughly studied and discussed for months past that neither the Senate nor House can have justification for getting bogged down in a protracted debate. As the latest events in Czechoslovakia and Finland make clear, the Kremlin, like time, is waiting for no man, least of all for any Senator or Representative who may be addicted to the dangerous luxury of dilly-dallying. The hour is here for action. History is moving too fast and too portentously to permit America and the rest of the free world to conduct themselves on a too-little-too-late basis.

What To Do About Water

EXTENSION OF REMARKS

OF

HON. NORRIS POULSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. POULSON. Mr. Speaker, at the present time there is an unknown quantity of water flowing down the Colorado River into the Gulf of Mexico—water which means so much to the Southwest, principally California and Arizona. It is true, there is a dispute as to who has the prior rights to this water. While we are making our various charges, both States are suffering for lack of water and there are untold numbers of kilowatts of hydroelectrical power going to waste because the issue remains unsettled. Because we in California realize this, we earnestly ask the Congress to request the Attorney General to start suit immediately to determine these water rights. Many of us have introduced legislation to that effect.

The editorial which I am enclosing is one of several such editorials written by Mr. Lester E. Claypool, of the editorial staff of the Los Angeles Daily News. Mr. Claypool has recently spent several weeks in Arizona talking with the various leaders, getting their opinions, and this editorial is evidently the result of that expedition and is a good argument for the passage of this legislation which is now before the Judiciary Committee.

WHAT TO DO ABOUT WATER

Public officials and many leading residents of Arizona are considerably perturbed about what they have been led to believe California proposes to do with Colorado River water.

Such phrases as "California is at it again," "California wants to hog the water," "California refuses to negotiate," are heard on all sides in the State to the east.

Actually the people of Arizona have been misled in some instances and in others they lack an unbiased understanding of the situation. They have been encouraged in their position by certain Colorado newspapers, especially in Denver. It is so easy to take the position that a great, sinister city (meaning Los Angeles, of course) is about to rob, if it hasn't already robbed, a poor struggling community (meaning Arizona).

Arizona has some rightful claim to Colorado River water. There is no doubt that the central Arizona project may require some of it. There may be other projects there that are entitled to water on the basis of economic and population needs. These needs should not be met on the basis of who can yell the loudest or who can distribute the most convincing propaganda. Water is something more than votes or semantics.

Arizona lays great store by the fact that more of the Colorado River lies in that State than runs through California and claims ipso facto that Arizona contributes much and California little to the stream. If the stream's route and locale were the determining factors, most of the water could rightfully be claimed before the river gets to Arizona. Fortunately they are not.

The law on riparian rights is too complicated for an editorial, either here or in Denver, or, for that matter, in Phoenix. But this much is known to any intelligent layman who has ever studied water problems at all. The right to water, in every civilized nation that has legislated about it, stems from beneficial use and potential beneficial use.

Courts have held time and again that a stream coursing through a farm, but which has its source and mouth elsewhere, is only partially and incidentally the property of the owner of that farm. He is entitled to a just portion, provided he puts it to an admitted beneficial use, but no more.

Use by people to drink, to bathe, to wash, to cook and to operate business and industry is the most beneficial use to which water can conceivably be put. Next to that is the use of water for livestock. And of course use by people includes putting out fires, irrigating land, sprinkling lawns, when there is plenty, and a dozen other things that could be named.

To determine the extent of beneficial use it is necessary only to estimate the number of people, the kind of society they live in and what would happen if they ceased to get water. Los Angeles County alone probably has a larger population than that of the other six States in the Colorado River basin. Person for person the people here are no better and no more deserving than those elsewhere. But 5,000,000 people (in southern California) add up to a greater need than 3,500,000, which is more or less the population of all the other States concerned.

Gov. Earl Warren has repeatedly offered to negotiate, personally or via his agents, with officials of Arizona. He has even proposed arbitration after efforts at negotiation failed. Neither proposal has been accepted and if Arizona persists in maintaining its present attitude, litigation is all that is left and that we all deplore. But it must be settled.—L. E. C.

Kind Words for Congress Prove Popular

EXTENSION OF REMARKS

OF

HON. ALBERT J. ENGEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. ENGEL of Michigan. Mr. Speaker, late in December of last year Wally Boren, who writes Wally's Wagon column in the This Week magazine, which appears as a supplement in so many of the Nation's Sunday newspapers, saw fit to turn one of his columns into a comment on Congress. In his usual humorous, easy-going manner he made the point that maybe all Congressmen were not thieves and nitwits; that maybe Congress was not solely to blame for all the many problems that face our country.

With Wally Boren's permission, early in January I inserted that column in the Appendix of the CONGRESSIONAL RECORD. The results, Wally says, were quite startling, so much so that he decided to write another column as a kind of follow-up on the same subject. It appeared in This Week Sunday, February 29. It is equally good and for the benefit of those who may not have seen it Sunday I am, again with Wally's permission, including it here:

I guess I have joined the immortals an' gone an' got my name in the history books.

Do you remember that piece I wrote back in December—to the effect that maybe Congress wasn't entirely to blame for the country bein' busted, blasted, an' hardly worth savin'? An' how I thought somebody better say a kind word for the Senators an' Representatives?

Well, let me tell you what happened. I started in gettin' letters from lots of them—an' both Democratic an' Republican too.

Herman, the mailman, got worried.

"Wally, you must be a grain speculator," Herman said to me. "Nobody honest gets 30 to 40 letters a day from Congressmen."

So I showed Herman some of the mail. "They're just so grateful for a little appreciation it makes your heart ache," I told him. "Here—Congressman PRIEST, f'r instance, writes me: 'Here in the House of Representatives right now you could have all 435 votes for anything you wanted!' "

"Jee-pers!" Herman's eyes bulged, "A word of praise must hit a Congressman like a quart o' benzedrine!"

"Yep," I tell him. "An' look here, Senator KILGORE wants to treat me to a meal in the Senate Restaurant. An' Congressman CASE wants to send what I said out to a guy in his district in South Dakota. An' Congressman CHIPERFIELD writes me two pages. So does Senator PAT MCCARRAN, of Nevada.

"Congressman ENGEL of Michgan an' Senator MCMAHON, of Connecticut, an' the Atom Commission, both want to put what I said in the CONGRESSIONAL RECORD——"

"Oh, oh—that does it!" Herman throws up his hands. "You know what's goin' to happen to you, don't you? About 25 or a hundred years from now, some history professor will get around to readin' what you done. An' he will go put it in the history books. After that, there will be one more date to bedevil kids with.

"Yessir, them kids off in the dim future will be recitin': '1492 Columbus discovered America; 1620 the Pilgrims landed; 1865 Lincoln was shot; 1947 some dope defended Congress.' "

"Hey," I say to Herman, "That'll make me unpopular with millions of kids!"

"You shoulda thought of that," says Herman. "My advice for a man who is speakin' to posterity is to keep his mouth shut."

WALLY BOREN.

Investigation of Dr. Edward U. Condon

EXTENSION OF REMARKS

OF

HON. JOHN E. RANKIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. RANKIN. Mr. Speaker, I am submitting this partial report on the Condon case. The Members would be shocked

beyond measure if they could read the full report in this case.

The partial report reads as follows:

REPORT TO THE FULL COMMITTEE OF THE SPECIAL SUBCOMMITTEE ON NATIONAL SECURITY OF THE COMMITTEE ON UN-AMERICAN ACTIVITIES

When the Committee on Un-American Activities was reorganized in January 1947, it adopted an eight-point program of investigation. The fourth point of that program stated: "Those groups and movements who are trying to dissipate our atomic bomb know-how for the benefit of a foreign power will have the undivided attention of our committee agents, as well as those who are seeking to weaken other aspects of our national security." While your subcommittee is fully aware that it is not our responsibility to detect and counter the espionage activities of foreign countries in the United States, nevertheless in our continuing investigation of the extent and character of communism here, we necessarily have to check on the activities of Soviet agents, because of the integration and tie-up between so-called domestic Communist activities and that of the official Soviet Government.

That the Soviet Union and her satellite nations have been desperately attempting to not only secure our complete atomic know-how, but also to weaken or destroy our hold of this important knowledge, is plainly evident to this subcommittee. As the full committee is aware, for over a year now agents of the committee have been assigned to special investigations in this field, and, while their investigation is not yet completed, the subcommittee feels that it should submit a preliminary report, particularly on one aspect of this matter which is of such importance that it demands immediate attention. It has to do with Dr. Edward U. Condon, Director of the National Bureau of Standards. From the evidence at hand, it appears that Dr. Condon is one of the weakest links in our atomic security. In substantiation of this statement, the subcommittee respectfully submits the following information:

PERSONAL HISTORY AND EDUCATION OF DR. EDWARD U. CONDON

Dr. Edward U. Condon, Director of the National Bureau of Standards, was born at Alamogordo, N. Mex., on March 2, 1902. On November 9, 1922, he married Emilie Honzek, an American-born woman of Czechoslovakian descent. Dr. Condon is a graduate of the University of California, having received an A. B. degree from that institution in 1924 and a Ph. D. in 1926. During the years 1926 and 1927, Condon studied at the Universities of Munich and Gottingen, in Germany. In 1928 Dr. Condon was a lecturer on physics at Columbia University, in New York City. In 1929 Condon was a professor of physics at Princeton University, and during the years 1930 to 1937 he was associate director of the physics department at the institution. From September 1937 through November 4, 1945, Dr. Condon was employed by the Westinghouse Laboratories at Pittsburgh, Pa. While with the Westinghouse Laboratories, where he was employed as director, Condon was a consultant on war research projects being performed at the radiation laboratories of the Massachusetts Institute of Technology, Cambridge, Mass., and the University of California, at Berkeley, Calif. Condon is principally regarded as a theoretical physicist, which involves radar, nuclear physics, radioactive tracers, mass spectroscopy, and the elastic properties of metals. On November 5, 1945, Dr. Edward U. Condon was appointed Director of the National Bureau of Standards. Dr. Condon was recommended by Henry A. Wallace, who was then Secretary of Commerce. The Bureau of Standards is a bureau in the Department of Commerce.

In addition to the employment mentioned above, it should be noted that during the year 1940, Condon was a member of the National Defense Research Committee and that during the year 1941, he was a member of the Roosevelt Committee on Uranium Research. During the Seventy-ninth Congress, Dr. Condon was Scientific Adviser to the Special Committee on Atomic Energy. In July 1946, Dr. Condon was a member of the President's Evaluation Committee which was formed for the purpose of observing the effects of the atom bomb test made at Bikini Atoll. Condon has also served as an adviser to the National Advisory Committee for Aeronautics.

INFORMATION REGARDING THE NATIONAL BUREAU OF STANDARDS

The National Bureau of Standards is the principal agency of the Federal Government for research in physics, mathematics, chemicals, and engineering. It acts as custodian of the Nation's basic scientific standards and serves Government and industry in an advisory capacity on any scientific and technical matters in the physical sciences. The Bureau's direct appropriations for the fiscal year totaled approximately $6,800,000 which was supplemented by approximately $10,800,000 in funds transferred by the Army, Navy, the National Advisory Committee for Aeronautics, the office of the Secretary of Commerce, the Bureau of the Census, and other Federal agencies.

The bulk of the Bureau's work is conducted at its laboratories in Washington, D. C. However, it has several field testing stations located at various points within the United States and its territorial possessions. Included in the research work presently being conducted by the Bureau of Standards is the field of radio propagation, which relates to guided missiles. In conducting its radio-propagation activities, the Bureau of Standards maintains field stations in Sterling, Va.; Adak, Alaska; Punnene, Maui, T. H.; Palmyra Island; Guam Island; Trinidad, British West Indies; and Las Cruces, White Sands proving ground, N. Mex. Research projects engaged in by the Bureau of Standards at the present time concern atomic energy, radar proximity fuses, instrument-landing systems, and radiosonde. During the year 1947, the Bureau of Standards conducted research work on classified projects for the War Department, the Navy Department, and the Atomic Energy Commission.

With reference to the work performed under the auspices of the Atomic Energy Commission, it should be noted that the background for this activity extends to the early years of the twentieth century, for in the atomic energy field, the National Bureau of Standards has had the responsibility for conducting basic research, associated with the scientific standards, the physical constances and properties of substances, and methods of measurement and instrumentation. The atomic-bomb project itself originated in the Bureau in 1939.

Other national defense work carried on by the Bureau of Standards during the year 1947, particularly for the Army and Navy, consisted of basic studies of the properties of electro-magnetic radiation in connection with communication and radar activities, the development of related instrumentation, and radio-propagation research. The Bureau also conducted special research regarding jet fuels, the design and construction of new types of optical-range finders, and methods of retarding gun erosion.

The Bureau of Standards is one of the most important national-defense research organizations in the United States. Because of this, it has become the target of espionage agents of numerous foreign powers.

The subcommittee has in its possession a list of employees of the National Bureau of Standards who have been cleared by the Atomic Energy Commission to perform work on atomic projects. Because of the fact that this list contains restricted data, it is not being included in this report. However, it is to be noted that when this list was issued at the end of November 1947, the name of Dr. Edward U. Condon was carried in a pending status. This list contains the names of all of those persons who are qualified to work on atomic energy projects from a loyalty standpoint. The fact that the name of the Director of the Bureau of Standards was carried in a pending status by the Atomic Energy Commission as late as November 1947, becomes a matter of serious concern to us when it is recalled that he had, as early as 1941, held several important positions in the United States Government which related to the development of atomic energy. For instance, in 1941, he was a member of the Roosevelt Committee on Uranium Research, and in July 1946 he was a member of the President's Evaluation Committee which, as stated previously in this report, was formed for the purpose of observing the effects of the atom bomb test made at Bikini Atoll.

It is of interest to note that in May 1947 Dr. Condon reorganized the Bureau of Standards and set up 14 separate divisions. Despite the fact that he had not been cleared to perform work on atomic energy projects for the Atomic Energy Commission, he appointed himself head of the Atomic Physics Division, one of the divisions involved in the reorganization.

That the Atomic Energy Commission had reason to doubt the loyalty of Dr. Condon is evidenced by a letter, the original of which the subcommittee has in its possession, which letter was dated July 11, 1946, and is addressed to a Member of Congress, who at that time was a member of the Joint Committee on Atomic Energy of the Congress. This letter was written by a person who held a high post in the security division of the Manhattan project, and who is now a ranking official of the Atomic Energy Commission. The first paragraph of this letted is quoted in part as follows:

"Attached is a very hurried attempt which may be of some help. Unfortunately, the ——— group has loaded me down in preparation for Friday's meeting. May I suggest that you demand Dr. Condon's record of the FBI. It would be enlightening."

The associations of Dr. Condon and his wife have been cause for great concern to the agencies charged with the security of the United States. Dr. Condon, knowingly or unknowingly, entertained and associated with persons who are alleged Soviet espionage agents, and persons now reported to be under investigation by a Federal grand jury. So serious have Dr. Condon's associations been, that on May 15, 1947, J. Edgar Hoover, Director of the Federal Bureau of Investigation, sent a confidential letter to W. Averell Harriman, Secretary of Commerce. The letter is quoted in part as follows:

"The files of the Bureau reflect that Dr. Edward U. Condon has been in contact as late s 1947 with an individual alleged, by a self-confessed Soviet espionage agent, to have engaged in espionage activities with the Russians in Washington, D. C., from 1941 to 1944.

"Mr. and Mrs. Condon associated with several individuals connected with the Polish Embassy in Washington, D. C. Among these are Mrs. Joseph Winiewize, wife of the Polish Ambassador; Virginia Woark, a clerk employee of the Polish Embassy; Helen M. Harris, secretary of the Polish Embassy; and Ignace Zlotowski, former counselor of the Polish Embassy and presently a Polish delegate to the United Nations.

"Helen Harris is identified as a former secretary to the American Soviet Science Society during the time it was known as Science Committee of the National American Soviet Friendship Society. She went to work for the Polish Embassy in the fall of 1946.

"Zlotowski is identified as a nuclear scientist who studied under Joliet Curie, known member of the Communist Party. He was

ex-secretary of the American Soviet Society. It is known that in February 1947, Zlotowski purchased 270 books on atomic energy which had been published by the Department of Commerce.

"It is also known that Mr. and Mrs. Condon were in contact with several other persons closely associated with this alleged Soviet espionage agent. It is also reliably reported that in March 1947, Zlotowski offered the use of the Polish diplomatic pouch to scientific groups as a means of transmitting scientific material outside the United States, dissemination of which had to be restricted because of security reasons by military authorities.

"Zlotowski was in contact with Anatole Gromov, First Secretary of the Soviet Embassy who has since returned to Russia. Mrs. Emily Condon applied for passports for European travel in 1926, and passport for travel to Russia in 1945. Passports were withdrawn. Condon issued passport 276319 on October 11, 1946, to travel and study in Germany, France, Holland, Italy, Czechoslovakia, Great Britain, Denmark, and Switzerland. He applied for passport June 4, 1946, to Russia which was issued but was later canceled by the Army."

There are other instances in which Dr. Condon and his wife have been guests at the home of persons who are attached to the Embassies of Soviet satellite nations. Also present were the representatives of official Soviet agencies.

We have previously stated herein that the Bureau of Standards, because of its importance to the national defense, has become a focal point for espionage agents attached to foreign governments. For a great many years, the Bureau of Standards has been visited by representatives of many foreign governments.

In order to accommodate foreign visitors, shortly after his own appointment as Director of the Bureau of Standards, Dr. Condon appointed Demetry I. Vinogradoff, a Russian-born scientist, as the liaison representative of the Bureau. Vinogradoff, prior to his affiliation with the Bureau of Standards, was employed by the Westinghouse Laboratories at Pittsburgh, Pa. During the wartime years, he was in charge of liaison between the Westinghouse Electric Co. and the representatives of the Soviet Purchasing Commission.

During the period July 1936 through March 31, 1947, a total of 238 visitors and 64 delegates from foreign nations, including Russia and Poland, visited the National Bureau of Standards. During this period, a total of 39 Russians and 3 Polish nationals visited the Bureau. Among these visitors were the naval attaché and the assistant naval attaché of the Russian Embassy, and 3 representatives of the United Nations Relief and Rehabilitation Administration. Since March 1947, a total of 666 persons representing foreign governments have visited the Bureau. Very few Russian or Russian satellite-nation representatives are included in this number. The reason for the decline in the number of Russian visitors to the Bureau of Standards is unknown to the subcommittee. However, it should be noted that during the month of December 1946, Demetry I. Vinogradoff, liaison officer of the Bureau of Standards, made arrangements with F. T. Orekahov, the first secretary of the Russian Embassy in Washington, D. C., to discuss the problem of exchanging books, pamphlets, and other written material. The arrangements for the discussion were made by Vinogradoff at the request of Dr. Condon, and it was agreed that the discussion between Orekahov and Vinogradoff would be informal because, otherwise, it would be necessary to obtain a clearance from the State Department.

It is also known that Vinogradoff has been in close touch with Capt. A. F. Belikov, assistant naval attaché of the Russian Embassy.

Your subcommittee would like to point out to the full committee that the exchange of scientific material with the Soviet Union is a one-way street, and that our Government is pursuing a dangerous and foolish policy of making scientific data available to the Soviet Union, since they will not permit us to inspect any of their bureaus, nor will they exchange any information with us. Early last year, the chairman of the committee, Mr. THOMAS, disclosed that the Soviet Union, acting through its fronts, had secured hundreds of thousands of patents from our patent office and our present investigation along these lines reveals that even today they are continuing to order thousands of patents. We are convinced from the information we have that what the Soviet Union is actually doing is setting up her own patent bureau by obtaining all of ours, at the rate of 10 and 25 cents each We should like to point out that the Russian Government has refused to give the United States a single patent since 1928.

Your subcommittee, by a very diligent investigation, has determined that Dr. Condon has in the past 5 years been in personal contact and communication with a number of individuals who are American citizens, but who are members of the Communist Party. There is no evidence in our possession that Dr. Condon is a member of the Communist Party, however, but as a member of the Executive Committee of the American-Soviet Science Society, which is affiliated with the National Council of American-Soviet Friendship, Inc., and which was recently cited as a subversive organization by Attorney General Clark, he has lent his name and influence to one of the principal Communist endeavors in the United States.

The extent to which he has aided and abetted this Communist front is illustrated by the following letter, dated March 7, 1946, addressed to certain employees of the National Bureau of Standards by Samuel Gelfan, for the membership committee of the American-Soviet Science Society:

("American-Soviet Science Society, affiliated with National Council of American-Soviet Friendship, Inc., 114 East Thirty-second Street, New York 16, N. Y., Murray Hill 3-2082, March 7, 1946)

"———— ————,

"National Bureau of Standards, United States Department of Commerce, "Washington, D. C.

"DEAR ————:

"It has been suggested by Dr. Condon, who is a member of our executive committee, that you might be interested in the activities of our society and membership in same.

"We are, therefore, enclosing a brief statement concerning the objectives and activity of our organization, and under separate cover are also mailing you a copy of our latest bulletin.

"Sincerely yours,

"SAMUEL GELFAN,
"For the Membership Committee."

In response to this letter 10 scientists of the Bureau of Standards joined this subversive organization. The subcommittee is cognizant, however, of the implied pressure which Dr. Condon, as Director of the Bureau, applied to his subordinates, and therefore it should not necessarily reflect upon these 10 employees. It does, however, indicate the dangerous extremes to which Dr. Condon has gone in an effort to cooperate with Communist forces in the United States.

Speaking before the Fifth Annual Scientific Institute March 5, 1946, Dr. Condon stated, in speaking of Russia:

"We must welcome their scientists to our laboratories, as they have welcomed ours to theirs, and extend the base of scientific cooperation with this great people. Of course, we must behave this way toward the scientists of all nations. I only mention Russia because it is right now the target of attack by those irresponsibles who think she would be a suitable adversary in the next world war."

This subcommittee is in possession of no evidence or information which indicates that the Soviet Government has in the past, or will in the future permit the scientists of the United States in their laboratories or to make available to them any information of any scientific importance. Any Government official who is not aware that the Soviet Union is bent upon the Stalinization of the world, is not qualified to hold a strategic position which affects the security of the United States.

CONCLUSIONS AND RECOMMENDATIONS

In considering the case of Dr. Condon, we wish to emphasize that what is involved is not a question of freedom of speech or research. The ruthless rush of Stalin through Europe, in the opinion of this subcommittee necessitates a revision of the policy and thinking of this Government and the people of the United States, regarding communism. We should bear in mind that the Government is charged not only with the administration of public affairs, but it is also charged with the security of the people and the institutions of the United States. Whether we like it or not, we are now engaged in a great epochal struggle; not a struggle with guns, because the Communists don't fight that way. They didn't take over Czechoslovakia with guns, they merely employed the strategy of getting a few men in the government and then a few more, and then they took over the entire government without firing a single shot or calling out a single regiment of soldiers.

They are conducting exactly the same kind of campaign in other countries. In this country they haven't gotten as far as they have in Czechoslovakia, but they got pretty far, because they got a man as Vice President of the United States, and he is now their candidate for President, and he is the same man who recommended Dr. Condon as Director of the Bureau of Standards.

It is the unanimous opinion of this subcommittee that Dr. Condon should either be removed or a statement should be forthcoming from the Secretary of Commerce setting forth the reasons why he has retained Dr. Condon, in view of the derogatory information which he has had before him.

We further recommend that the full committee address a communication to the President of the United States, calling to his attention the fact that the situation as regards Dr. Condon is not an isolated one, but that there are other Government officials in strategic positions who are playing Stalin's game to the detriment of the United States. It should also be pointed out to the President that the evidence before our subcommittee and the evidence which we are sure should be available to him, indicates very strongly that there is in operation at the present time in the United States an extensive Soviet espionage ring, and to permit this ring to continue, in view of the high atomic prizes which they are seeking, is folly, and can only lead to ultimate disaster.

We recommend that all of the evidence in the committee's possession be forwarded to the President for his consideration.

Water

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. POULSON. Mr. Speaker, I am asking permission to insert in the REC-

ORD this advertisement which was placed in all of the metropolitan papers in Los Angeles, to show the serious fight we are facing in southern California. Water is the only obstacle in the path which will threaten in any way the future growth of southern California. This advertisement was inserted and paid for by the Los Angeles city-owned department of water and power. It gives the story in a very concise fashion. It also shows the need of passing certain legislation which is now before the Judiciary Committee of the House.

WATER?

The serious drought prevailing throughout all of California and the Southwest, resulting in rationing of water in some communities and agricultural areas, has aroused concern in the minds of many people as to the local supply.

There is no prospect of curtailment of water use in the city of Los Angeles in 1948.

LOS ANGELES HAS WATER TODAY

Because of the foresight and courage of the people of Los Angeles throughout the past 45 years, the city has an adequate water supply for the needs of today.

Originally, the Los Angeles River basin was the sole source of water—a source sufficient for a population of not more than 300,000 persons.

Envisioning the future growth of the community, the citizens of Los Angeles, in 1905, began to plan importation of additional water supplies. In 1913 the aqueduct bringing in the waters of the Owens River was completed. In 1940, the Mono extension to this system was finished, assuring supplies for almost 2,000,000 population from these sources.

Again, because of evidence of continuing and accelerated population growth and industrial expansion, the citizens of Los Angeles led the movement to bring in water from the Colorado—a movement leading to formation of the Metropolitan Water District of Southern California, serving more than 3,000,000 persons in areas from San Diego to Santa Monica on the coast, and extending inland to the Sierra Madres.

BUT WHAT ABOUT TOMORROW

Adequate water supplies for the future, in the city of Los Angeles, and throughout southern California, depend upon the vision, and the courage, and the acts of the citizens of today.

The 1947 rainfall in the Los Angeles area was the lowest on record. Below-normal precipitation in the Owens Valley-Mono Basin area caused the storage reservoirs of the department of water and power to be filled to only 56 percent of total capacity. After 35 years of operation, the population has just about caught up with the local and aqueduct supplies. In case of prolonged drouth, and for the future, the Colorado River is the city's only available source of additional water.

Upon the basis of allocation of water provided in the Colorado River compact, and succeeding agreements, Los Angeles and her sister communities have invested or committed $550,000,000 in water and power developments depending on Colorado River water. The city's rights and the rights of all southern California are now in jeopardy, because the State of Arizona is seeking authority to divert water from the river—water for which our developments have been designed and built.

Arizona is demanding a greater share of water, which would be taken from California's share of lower-basin supply. All efforts to settle interstate disputes over the river waters by arbitration and negotiation have failed. Since the basic difference between the States is in interpretation of the agreements apportioning water in the Lower Basin States of Arizona, California, and Nevada, the city of Los Angeles has joined other California agencies with water rights in the Colorado, in asking Congress to make it possible to secure an interpretation by the Supreme Court of the United States.

Protection of our existing water rights is essential to the future domestic, industrial, and agricultural development of Los Angeles and southern California. That future rests in the Colorado—our last waterhole.

CHEAPER THAN DIRT

Despite its being brought into the city from high-mountain areas hundreds of miles distant, water supplied to the people of Los Angeles through their municipal water system is literally "cheaper than dirt." It costs, delivered to the city's homes and industries, less than 5 cents a ton—slightly more than 240 gallons. And you use it by the cupful—or tubful—in any quantity desired—at any hour of the day or night. Los Angeles municipal water rates are among the lowest in the Nation among cities dependent upon imported supplies.

LOS ANGELES CITY-OWNED
DEPARTMENT OF WATER AND POWER.

Universal Military Training Should Be Enacted Immediately

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks, I include the column of Alfred Mynders, Next to the News, in the Chattanooga Times of February 28, 1948, which includes a letter on the urgency of Congress adopting universal military training, written by Col. Louis D. Hutson, United States Army, retired. The column is as follows:

NEXT TO THE NEWS
(By Alfred Mynders)

Col. Louis D. Hutson, United States Army, retired, was with MacArthur in the Philippines when war broke over the western world, was wounded on Bataan, and was for 3 years a prisoner of the Japanese. Now a resident of Chattanooga, Colonel Hutson has been impressed during the last 2 years with the record of Mr. ESTES KEFAUVER in Congress and especially with Mr. KEFAUVER'S advocacy of universal military training. One who has known the bitterest of war experiences gets a respectful hearing when he warns his country of what may come again.

Colonel Hutson's article makes vivid and interesting reading, and is as follows:

CHATTANOOGA.

To the EDITOR OF THE CHATTANOOGA TIMES:

During the recent war years while I was absent overseas in the Army, and since my return to the States in 1945, Chattanooga has been the official residence for myself and family. As a war veteran of two wars and a Chattanoogan by adoption, I feel qualified to express my opinion concerning the candidacy of ESTES KEFAUVER for Senator from Tennessee.

During the period I have resided in this State I have followed with interest the activities of Congressman KEFAUVER. I believe him to be a sound man in matters of business interest, veterans' affairs, and national policy. His attitude towards labor appears to be fair and impartial. As a representative of his district, it is his duty to protect the interest of all the citizens and not just one class. I believe he has done this to the best of his ability and conscience.

Recently, certain opposing interests have attempted to aline Congressman KEFAUVER with the communistic elements in the United States. This smear campaign has not detracted from the greatness of Congressman KEFAUVER'S stature, nor damaged his fine reputation. To the contrary, I believe it has benefited him to the extent of arousing the people's resentment and sympathy.

Congressman KEFAUVER has declared himself in favor of universal military training and has pressed for passage of this in Congress. I feel that he is justified in his actions on this matter.

This is a most controversial issue and is being violently opposed by certain groups and elements in the United States. Some of this opposition comes from people who are definitely aligned with the subversive communistic elements or are out-and-out Communists. Nothing would please those people more than to defeat the proposed training bill.

The fact that Congressman KEFAUVER is working hard for the passage of this bill speaks for itself. Lack of preparedness in our country will do more to foster, to bring on that ghastly debacle, that cataclysm of war, than any other single factor in the causes of war. With the histories of the last two wars before us, each brought about by lack of preparedness, and short-sightedness of our people, we still hesitate to take steps to prevent another—another war more horrible and vastly more devastating.

Our lack of preparedness is but an open invitation to an aggressor nation to attack—an invitation that will strike with lightning speed when he is assured that our defenses have dwindled, and victory is his for the taking. Our only check on his ambition is strength, strength in military preparedness. The cost is heavy, but will amount to only a small trickle of dollars, as compared to the tidal expenditures, to the sea of dollars that will flow in the event of war.

"I do not believe that universal training will prevent another war. I do not believe that the exponents of this training think so, either. It is but one of the many steps necessary in being prepared.

There are other steps more important.

Those of us who face realities are convinced that World War III will be won or lost in the air. The nation that has superiority in the air, in both offense and defense, will win that war. We must not only have weapons in defense to check the sudden undeclared attack of an aggressor, but we must have superior offensive air weapons to inflict reprisals and defeat upon the attacker. Our research, development and production of these instruments and weapons must be more advanced than any other nation—if we are going to survive.

The state of the world today is such that the realities and facts should not be ignored by our people and their representatives in Congress.

The four main veterans' organizations have endorsed universal military training. Military training is a builder of character, a builder of healthy bodies. Aside from the necessity of this training as a preparedness measure, the youths of our country will be much better citizens for a brief period of training of both their bodies and minds. Military training inspires obedience to law and order, something our youth can stand a lot of.

I have stated that the next war will be won or lost in the air. What need, then, for universal military training? The answer is quite simple.

While it is possible for modern air attacks to demolish, destroy, and demoralize the

enemy, yet it holds no power to take and occupy enemy territory. Large bodies of organized, trained troops are going to be needed for this purpose. There will be no time to train these forces after the shooting starts. It will be at least a year before they could be organized and trained. Action in the next war will be fast. Troops must move immediately into the areas demolished by the air force, to seize, to consolidate, to mop up, if necessary, and to hold and occupy the ground.

Millions of trained men will be needed for this purpose.

In addition to Congressman KEFAUVER'S backing of universal military training, he has shown that he is a firm friend of the veteran. He has consistently voted in favor of bills beneficial to the veterans. It is to be noted and highly commended, that he is one of the authors of a bill recently passed in Congress authorizing increases to veterans and their dependents who are taking educational training under the GI bill. * * *

Congressman KEFAUVER is a very likeable and personable man and when elected to the Senate will uphold the dignity and integrity of his great State. The voters of Tennessee will be well represented in the Senate when they elect ESTES KEFAUVER.

LOUIS D. HUTSON,
Colonel, United States Army (retired).

Soil Conservation Cannot Be Postponed

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. JENSEN. Mr. Speaker, under leave to extend my own remarks in the Appendix of the RECORD, I include therein a speech by myself delivered at the National Convention of Soil Conservation District Commissioners, at Des Moines, Iowa, February 27:

SOIL CONSERVATION CANNOT BE POSTPONED

Mr. Chairman and fellow Americans, I am pleased to talk to so many "doctors of the soil." Welcome to Iowa.

Modern soil conservation is probably the most significant agricultural development of the times. It is proving itself the only practical way by which any real permanency can be assured for our cultivated land.

From time immemorial, regardless of race or creed, humans have known that their existence and welfare are derived from the natural resources with which they have been surrounded. And yet only recently have we Americans seen fit to use these treasures which the Maker has so generously bestowed on us. And, gentlemen—you, the directors, commissioners, and supervisors of soil conservation districts are the first to fully accept the responsibility of conserving the soil and water resources of a nation, and to cure our sick soil. That is why I address you as "doctors of the soil."

Compare, for example, Greece as a world power before the coming of Christ with that of her present plight. Greece has squandered her resources and now lies weak and exhausted. Man has left a terrible pattern of ruin across the pages of history in Asia Minor, Africa, Europe, China, and India.

United States is the youngest of the major nations in the world today. In less than 200 years of its existence it has become the most progressive, prosperous, and powerful country on the globe. Its rise to the pinnacle of supremacy can be attibuted to two major factors: 1. The abundance and diversity of its resources; and 2, its principles of constitutional government. How long can America continue to maintain its enviable position of world superiority? The answer hinges on how effectively the United States utilizes its natural resources from now on, together with how tenaciously it clings to the principles of government which has served it so well. I believe we can have a free and democratic government as long as we maintain resources to properly feed, clothe, and house our people, and give them a reasonable opportunity to succeed on their own initiative. Soil and water conservation is indeed America's most basic problem. The major responsibility for conserving the soil and water resources of our Nation rests on your shoulders.

THE LAND SITUATION TODAY

There once was a time when there was so much productive land that people saw no need for concern over the possibility of its decline. But that time is past. General lack of information about the erosion problem, until recent years, was reflected in an almost total absence of concern anywhere for the condition or welfare of our productive land—the most indispensable resource we have. But we do have, at long last, a highly effective soil-conservation program under way in the United States. What is needed is increased speed—more technicians in the Soil Conservation Service to help farmers in soil conservation districts.

Looking at the world situation, wherever there is productive land, hunger is an unnecessary, costly outgrowth of inadequate farm methods, ignorance, and lack of decision on the part of nations to take up vigorously the job of erosion control and soil betterment—that is to say, soil conservation to save their source of food and raiment. Soil conservation in the modern sense is not just controlling erosion; it's that and whatever else needs to be done to keep the land permanently productive while in use. It is not just terracing, contouring, strip cropping, and crop rotations; it is that and draining land where it's too wet, applying water where it's too dry, and so on.

That is why I want to point out with all the emphasis at my command the extraordinary need now for improving and maintaining the productivity of our limited and shrinking area of productive land. If soil conservation does not soon become a major factor in our national and international deliberations, decisions, and actions, the alternative can scarcely be less than widespread world food shortages in the not too distant future. No one really believes, I am sure, that the United States can feed the world from its limited supply of cropland. We can help, but we can't do the whole job indefinitely. If we let much more of our good productive land run down the rivers to the sea, the time could come when there would no longer be quantities of food to export.

UNITED STATES NEARS DANGER LINE

The United States is somewhat better off, of course, than most nations from the standpoint of area of productive land, chiefly because of its rich heritage of good soil. But there is no cause for complacency; for we, too, have come all too close to the danger line as the result of careless land use. We now have left in the United States only about 460,000,000 acres of high-grade cropland, as well as can be determined from erosion surveys. That is slightly more, on the basis of present population, than the 3 acres per person it is estimated are required to meet the food and other requirements per person, including soil-sustaining crops, plus some land to take care of industrial, clothing, and other needs. Unfortunately, all but about 100,000,000 acres of this 460,000,000 acres is subject to erosion, poor drainage, and other forms of soil impoverishment.

About a fourth of our good cropland (some 115,000,000 acres (is being damaged at a critically rapid rate by erosion. It ought to be protected—and must be—during the next 10 to 15 years, or not later than by 1960. Still another large area of cropland, estimated at some 115 to 120 million acres in extent, should, for the same reason, receive adequate protection not later than 1970. And we cannot afford to neglect the additional millions of acres on which erosion is beginning or is likely to begin at any time. We should never again allow ourselves to overlook the recent findings of our over-delayed erosion research which, among numerous discoveries, has shown that accelerated erosion sometimes proceeds a thousand times faster than natural erosion under the protection of trees and grass.

PRODUCTIVE SOIL AND HEALTH

We have made great strides in medical science, health, sanitation, lowering mortality rates, and prolonging life. In the final analysis, however, it is the good soil of our fields and pastures on which we must rely for survival and good health. Land stripped of its productive topsoil down to raw, unprocessed subsoil, not only produces less but what is produced is generally of lower nutritional value, and may be lacking in some of the essential food elements. Although the subsoil may contain as much of the major elements of plant nutrition (except nitrogen and organic matter) as the topsoil, as revealed by chemical analysis, they are frequently unavailable to the plant. If the major elements of nutrition are unavailable, probably the minor nutritional elements, as copper, cobalt, etc., also are unavailable in the raw material.

So soil conservation of the kind that fights to hold the topsoil, as well as to improve lands depleted of plant nutrients, is a national must. Delay in getting ahead with this job—even 1 year's delay—is probably the most unwise act that a nation can be guilty of, for this crime leads surely and rapidly to the gravest kind of national danger. I have a word which, to my way of thinking, fits the crime against our precious soil. That word is "soilicide." We of this generation can and must stop it.

SOIL-CONSERVATION DISTRICTS

Modern soil and water conservation, practically applied with the full cooperation of farmers and ranchers, is beginning to catch up with the land-depletion problem. This is being done through farmer-organized and farmer-directed soil-conservation districts, with the Soil Conservation Service furnishing technical assistance. The program is supported by other aids, such as educational help from State extension services, by research carried on by the Service in cooperation with State agricultural experiment stations, wildlife conservation organizations, and by credit and conservation materials supplied by numerous public and private agencies.

It has been shown that there is no shortcut method for getting the job done, no quick and easy way to do it. The damage that has been done to our land over more than 150 years cannot be cured overnight. In order to assure the continued productivity of our agricultural land, every acre must be adequately treated—which means treatment according to the need of the land and its use according to capability for producing the various crops, whether it is corn, wheat, grass, or timber. This has been proved to be the first basic principle of sound soil conservation.

Highly effective conservation of soil and water is being done through sound land planning and treatment by the farmer and the soil conservationist working cooperatively out on the land, field by field, in every pasture and woodlot, in every gully, and over every piece of idle land. Moreover, this means a diversified type of production that

fits the needs of the land, and gives people more of the nutritious food they need. This program is flexible enough to be responsible to changing market or other demands, such as the present food-producing emergency, and it gives us the basis for the permanent maintenance of the soil to support a permanent agriculture and a permanent nation, and this is exactly what the present national program of soil conservation is doing, and can continue to do with increasing speed.

Farmers and ranchers of the 48 States, Puerto Rico, and the Virgin Islands have formed about 2,000 soil-conservation districts already. Additional districts continue to be voted in by the farmers. They now cover more than a billion acres and 4,500,000 farms and ranches, or three-fourths of all the farms and ranches in the country. Alaska and Hawaii also now have district laws.

These districts, as you know, are managed by local farmers, locally selected. There are now between 9,000 and 10,000 district governing officials who thus are giving unselfishly of their time and energies in the furtherance of soil conservation throughout the country. They are on nobody's pay roll and are obligated to no group, no individual, and to no State, Federal, or other outside authority. They draw on the support and facilities of everybody who can contribute something to district progress, including business establishments and civic organizations, schools, banks, churches, railroads, newspapers, and so on. These districts, in my judgment, come nearest to representing farmer control of their own agricultural affairs of any plan ever developed anywhere down across the whole history of mankind here on earth. Nothing has ever even approached this district movement for getting a common need like soil conservation attended to promptly—effectively.

Also, it is the best possible way of getting permanency into our conservation efforts. So, when any of the authority which the 48 States have legally granted the districts is taken away from them and given to some other agency or group, I don't care what agency or group it may be, you thereby undermine and emasculate the districts and disloyally, whether consciously or unconsciously, sabotage and hurt the people of the United States of America.

I have been interested in soil conservation a long time—since I watched the gullies form in our Iowa corn fields after every rain. I've talked with a great many district supervisors—read their letters—I have had personal contact with many employees of the Soil Conservation Service. I've never heard a hint on any of their part to bring soil conservation into politics. What they are doing is this—they are fighting to retain the best means yet found to get permanent soil and water conservation applied to the lands of our country promptly and efficiently. For that I compliment you—don't give up ever—it is a fight to save America. Politics is not involved—everyone is for soil conservation. No one should play politics with our precious soil. That would be "soilicide" in the nth degree.

As you know, I introduced H. R. 4417—the national land policy bill—so that through soil conservation districts soil and water conservation could be applied to the lands of our country faster. My bill recognizes that more technical on-the-farm help is needed in addition to more education and research in soil conservation. It provides for more funds for the Extension Service to get the needed educational job done. It provides for a conservation timetable to guide districts, the agencies cooperating with them, and the Congress in making appropriations to get the soil conservation job done on time.

In addition to providing for necessary surveys, research, education, and technical on-the-farm assistance, grants-in-aid are to be made on the basis of the need to get the job done. By grants-in-aid I mean machinery, seeds, trees, and other conservation materials, but no payments in cash to farmers. There are a great many farmers who don't need grants-in-aid. They have, either on their own farms or can readily obtain, all the conservation materials they need. But, in every State, many more in some than others, there are farmers who don't have and can't get what they need to finish the job of conserving their land. We have millions of acres of poor land on which farmers are trying to make a living. I can't describe it better than to call it sick land. When one is sick he needs help—just as does this poor badly eroded land.

Furthermore, the excess run-off water and silt from these badly eroding lands contributes to damage on neighboring downstream lands. It is the responsibility of the Government to assist these farmers in preventing run-off and stopping erosion. When the damage has been repaired by the farmer with needed Governmental assistance no further grants need be made.

H. R. 4417 makes grants-in-aid for soil conservation a responsibility of the Soil Conservation Service. I have been asked frequently, "What about the Agricultural Conservation Program or the Production and Marketing Administration, popularly known as the AAA?" They aren't mentioned in the bill and there was never any attempt to harm them in the least. We need to retain county and community committemen to handle crop loans and numerous other services necessary to maintain a prosperous agriculture which is basic to national prosperity just as productive soil is basic to farm prosperity. Hence, high-productive soil is basic to permanent national prosperity. So, as Don Berry, of Indianola, Iowa, says, "This is a program that counts everybody in."

SOIL CONSERVATION WORK IS MOVING FASTER

According to the annual report of the Chief of the Soil Conservation Service for the fiscal year ending June 30, 1947:

The conservation of our remaining productive land is still our most urgent farm problem. Proper land management and treatment of land is the base on which other phases of our agricultural program must rest. Improved breeds and varieties; hybrid seed; insect and disease control; better machinery and more efficient cultural methods; scientific feeding, grazing, and management of livestock; and improved marketing practices are of the utmost value, of course, but they are of only temporary value to the farmer who is losing his soil and wasting his water. The price of agricultural commodities means little to the farmer who does not and cannot produce efficiently because of excessive erosion and run-off of the rainfall. The land—productive land—is basic.

We now have much of the information needed to put American agriculture on a permanent, self-sustaining basis. And we have made enough progress toward getting the right kind of conservation farming measures in use on farm and range land to point the way. The major part of our soil-conservation job, however, is still ahead of us—and it is an urgent job, demanding immediate attention. Postponement means a more difficult and expensive job, and for some land it means oblivion insofar as further cultivation is concerned.

"Progress in getting soil conservation on the land was greater during the fiscal year 1947 than in any previous year," the report says.

Continuing, the Service report says:

"During the year 1947 we put more than twice as much conservation work on the land as during 1945 and increased the 1946 record by more than 25 percent. In 1947 some 127,000 farm plans were made that covered about 36,000,000 acres, and conservation treatment was completed on more than 20,000,000 acres. In addition, soil-conservation practices were spread to thousands of neighboring farms and ranches. * * * The supervisors of most districts are taking a more active interest in administration of the districts and in other ways of helping to speed up the work. Farmers in districts are working together far better than ever before."

A NEW AGRICULTURAL TECHNIQUE

Soil conservation, as practiced by trained and experienced soil conservationists today, is a technique in land use and protection that was never previously employed in any general way anywhere. It is not only the cheapest and most effective way of protecting farm land from impoverishing erosion; it is the only practical way to keep cultivated and grazing land permanently productive. Such other methods as the old single-practice method of terracing have failed to the extent of permitting millions of acres to be ruined for any further cultivation.

We have learned this modern way of conserving our soil and water resources since 1934. It is just 12 years since the first soil-conservation district was organized. Complete conservation plans have been made covering more than 200,000,000 acres of farm and ranch land in districts throughout the United States to date. The land treated under these plans now totals more than 100,000,000 acres. The cost to the Federal Government for assistance in getting this much done has been about $185,000,000. That is proof that the job is being done cheaply and efficiently.

Being on the Appropriations Committee of the House of Representatives has made it necessary for me to closely scrutinize Federal appropriations. The time may come, and soon, that our national income will shrink to the point where it will not yield the revenue from taxes to support such a tremendously large Federal budget as we now have. When that happens we will be looking for reductions that can be made and those programs that get the most good for the money spent will be least affected. The figures show that the national income is always approximately seven times the farm income. That is why we must of necessity maintain a high farm income. Farm income comes from production and production springs from the land.

There is no Federal, State, or local agency that duplicates the work of the Soil Conservation Service. This is the only agency that works with individual farmers, out in their fields, pastures, woodlots, gullies, and idle lands to develop and carry out soil and water conservation farm plans. It is the only agency that makes scientific soil conservation surveys and land capability maps for use to guide, scientifically, the development of detailed farm plans for soil and water conservation and for application of the needed practices to the proper kinds of land appropriately used for adaptable crops and cropping systems. In most communities the Service technicians are the only experienced and trained personnel available to help farmers properly apply soil-conservation practices.

The technical aid that this Service furnishes to farmers and ranchers in soil-conservation districts—accurate conservation surveys to determine land capability, detailed conservation farm plans, and technical assistance in applying conservation practices on the land according to its needs—is the vital key to an adequate and permanent soil- and water-conservation program. And there is no other group of technicians trained to do these jobs.

We must stop erosion on this land. We must stop the mining of the soil. We must stop bad land use and bad water management now.

We must prevent dust bowls and gullying and give to every acre of farm land in the United States the treatment it needs to protect it and make it productive and keep it

productive, and we must use it for the crop it is best fitted to produce.

These are more of the reasons that I introduced H. R. 4417, known as the national land-policy bill, on July 26 last year. H. R. 4417, you will recall, was designed to provide for a national land policy based on the conservation of our soil and water resources, the orderly development and protection of the Nation's agricultural lands, and for other purposes. Here are some of the important things that H. R. 4417 would do if enacted into law:

First, it would establish a new national land policy, recognizing the conservation of soil and water resources and the orderly development and protection of the Nation's agricultural lands as a basic consideration of American agriculture. Just as a prosperous agriculture is the basic essential to national welfare and prosperity, so productive land is essential to a prosperous agriculture. However, not since pioneer days has the United States Government had a definitely stated and publicly accepted land policy.

In the second place, H. R. 4417 would safeguard the interests of the Nation and of the people of the United States in the conservation of America's land and water resources upon which the Nation and the people depend for their wealth and—in the end—for their very existence.

Third, H. R. 4417 would get the basic conservation job done in time to prevent further large-scale irreparable damage and loss to America's agricultural land, and this is a vital consideration.

Fourth, H. R. 4417 recognizes the urgency and the size of the conservation job. Land damage in the United States still is proceeding at a faster rate than conservation. In other words, our progress is still too slow, although we have a program that is unmistakably proving its worth, and is making progressively faster progress.

The fifth point is this: This bill recognizes the interrelationship of soil conservation, drainage, irrigation, land use, soil fertility maintenance and improvement, control of sedimentation, conservation, and proper management of water, and flood prevention on agricultural lands. We must keep in mind that any work to maintain and improve soil fertility is ineffective without corresponding work of soil and water conservation.

No one has yet been able to induce the flow of water in rivers to stop at State lines. Yet it has been proposed that we adopt a program, administered by States, to retard silt and prevent excess run-off. How can 48 States effectively administer a program of flood prevention on the lands of this country in cooperation with the Army's flood control work on the streams. I believe it essential that flood control and flood prevention programs be planned and carried out on a watershed or river valley basis. We are beginning to make progress in the Missouri Valley under the Pick-Sloan plan. Soil conservation districts are involved and they have already shown in the Little Sioux River watershed in northwestern Iowa that they can cooperate in getting permanent flood prevention in the valley.

For the sixth point, H. R. 4417 would recognize the technical nature of the job ahead. There is no more uniformity in land and water problems than there is in the landscape. Conditions, as we all know, vary with almost every field we cross.

My seventh point is the provision of this technical assistance to farmers and ranchers in handling their soil and water conservation work.

My eighth point is that increased educational work in conservation is necessary and would be provided for under this bill. This would be provided largely through the Federal and State Extension Services.

My ninth point is that this bill would provide grants-in-aid, but no cash payments, wherever such grants-in-aid are necessary to supplement the contributions of the farmers themselves in dealing effectively with their physical land and water problems.

When I say "no cash payment," I mean the Soil Conservation Service will not give benefit in cash payment which has nothing whatever to do with the triple A compliance payments. In short, my bill H. R. 4417 provides a plan to speed up the conservation of our soil and water resources and for flood prevention in the most economical way that can be devised in the opinion of a great majority of our people.

Tenth, by making this work available through soil conservation districts and other authorized districts, H. R. 4417 would stimulate self-government, strengthen the soil conservation districts of the United States, and give more local farmer control of soil-conservation work.

My eleventh point is that this bill would assure a conservation program of technical excellence based on fact-finding surveys and research carried on in cooperation with the State Agricultural Experiment Stations, thus bringing to the solution of soil and water conservation problems the methods and materials found to be best adapted to the areas in which the work is to be done.

The twelfth point is that H. R. 4417 would provide for rapid completion of a conservation survey of the Nation's farm and ranch lands. This type of analysis provides the factual basis on which present-day soil and water conservation operations are carried out.

My next point is—and this is extremely important—that this bill provides for the development and protection of new agricultural land. You will recall that of the more than 420,000,000 acres now in crop production, many millions of acres should be retired to grassland or woodland use.

Finally H. R. 4417 recognizes the desirability of having all technical action programs and grants in aid programs involving conservation, drainage, water development, and flood prevention on farm and ranch lands technically directed by one agency. This would include the technical aspects of irrigation work on the land as well as the development of new agricultural lands. This bill would assign that responsibility to the Soil Conservation Service. In assigning these basic responsibilities to the Soil Conservation Service the bill recognizes the agency of Government that has pioneered in the development of effective soil-conservation measures, as well as in the procedures for getting them applied with full farmer understanding and without any semblance of regulation.

Soil conservation cannot be postponed. It is everyone's wish that there be no more wars. We had plenty of good, nutritious food produced from highly fertile land in winning World Wars I and II. Let us always be ready and have a storehouse of productive land or in event of another war we will not be so fortunate.

Yours is a great responsibility. Yes; even more, you have a grave responsibility, my friends of the Soil Conservation Service, for America is looking to you to keep our soil healthy and productive so that we and our children may be happy, healthy, and prosperous, and that our Nation under God may be preserved.

Reciprocal Trade Agreements

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks, I wish to include in the RECORD the following editorial which appeared in the New York Times of Tuesday, March 2, 1948, entitled "Five Tests—What Now?":

FIVE TESTS—WHAT NOW?

For 14 years the Hull Reciprocal Trade Agreements Act has been the economic keystone of this country's foreign policy. The act will expire a few weeks hence. Yesterday President Truman urged its extension for an additional 3 years. He could do so on the sound ground that foreign trade is necessarily a two-way process and that it is more essential today than ever before to strengthen the economic ties between those nations—the democratic nations—which are the chief beneficiaries of this legislation.

Including its original enactment, the Hull trade program has come before Congress on five occasions: In 1934, and again, for a renewal of its powers, in 1937, 1940, 1943, and 1945. The Senate votes on these five tests have shown:

1934: Democrats for, 51; against, 5; Republicans for, 5; against, 28.

1937: Democrats for, 56; against 9; Republicans for, 0; against, 14.

1940: Democrats for, 41; against 15; Republicans for, 0; against, 20.

1943: Democrats for, 41; against, 8; Republicans for, 18; against, 14.

1945: Democrats for, 38; against, 5; Republicans for, 15; against, 16.

Meantime, in the same years, the votes in the House of Representatives have shown:

1934: Democrats for, 269; against, 11; Republicans for, 2; against, 99.

1937: Democrats for, 278; against, 11; Republicans for, 3; against, 81.

1940: Democrats for, 212; against, 20; Republicans for, 5; against, 146.

1943: Democrats for, 193; against, 3; Republicans for, 163; against, 26.

1945: Domecrats for, 205; against, 12; Republicans for, 33; against, 140.

What do these figures show? They show that with the single exception of the war year 1943—when there was a general disposition in Congress to follow the President's leadership in foreign affairs—the Republican Party in Congress has consistently opposed the Reciprocal Trade Agreements Act; that on no occasion in any peacetime year has the Republican Party in either branch of Congress cast a majority of its votes in favor of this legislation; and that its majorities against have usually been almost unanimous.

The forthcoming test will provide an interesting and particularly timely answer to the question of how far the Republican Party has emerged from prewar isolationism—in its thinking on international economic issues—in this election year.

John L. Lewis and 1948

EXTENSION OF REMARKS

OF

HON. WILBUR D. MILLS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. MILLS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast by George E. Reedy:

For weeks the country has been watching the "cold" war in Europe. It has been so engrossed that it has failed to note the war of nerves in our own back yard. But it is there and ready to burst out any day now.

The kingpin of our domestic war of nerves is stormy John L. Lewis, boss of the United

Mine Workers. Lewis has never let a year go by without creating at least one crisis. Nineteen hundred and forty-eight promises to be no exception.

Most of the operators have resigned themselves to a major strike, complete with Shakespearean quotations. They are ready for the eyebrow waggling and table thumping that always goes with a Lewis campaign.

Their only difficulty is that they don't know where and when he will strike. He has already passed up one excellent opportunity. But that isn't any sign he intends to pass it up permanently. There are other days coming.

The issue of the coming strike is already known. It is Lewis' demand for a $100-a-month pension to miners over 60 years of age. He asks that it be paid out of the health and welfare fund, which is financed by a royalty on coal.

The operators have refused. They claim that such a demand would require an increase in the 10-cent-a-ton royalty. Therefore, they have begun a Nation-wide survey to form a counter offer that will be presented in the near future.

Under the Taft-Hartley Act, Lewis must notify the Federal Mediation Service 30 days before he takes his men out on strike. Yesterday was his first chance to do so, as he does not have the right to terminate his present contracts until March 30.

Of course, everyone is looking for John to defy the law. He has branded it a "slave labor act" and charged that it is unconstitutional. At the very least, he will put it to a stiff test and try to get it knocked out in the courts.

Government officials are watching the situation very closely. In the first place, a soft coal strike would damage the Nation's economy considerably. In the second place, it would call into effect a major section of the Taft-Hartley law.

This is the provision designed to give the country some protection against paralyzing strikes in basic industries. It permits court injunctions to stall off strikes for 80 days. So far this section has not been given a real test.

Lewis, of course, will give it that real test. No other section of the act affects him so vitally. He has to find out where he stands and this is as good a time as any other. He will have an excellent chance to prove his power.

Government authorities have already made it clear that they will put up a fight. They want no part of a break-down in the country's coal supply in the midst of a diplomatic crisis. That would be a drastic blow to American foreign policy.

However, officials cannot forever prevent the miners from striking. The Taft-Hartley Act puts a limitation on the number of days the union can be enjoined. But they do hope they can put a strike off to late spring.

At that time the need for coal will be less desperate. Lewis then can use his power only against the operators. He cannot make the public suffer. Perhaps this time the strike can be confined to an economic struggle between the miners and their bosses.

St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. CLARENCE E. KILBURN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. KILBURN. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include herein an editorial from the Watertown Times, Watertown, N. Y., February 28, 1948. It, of course, is a great disappointment that this bill was recommitted but since that action was taken, I think the enclosed editorial reflects pretty well the feeling of those of us who have been so strong in advocating the St. Lawrence seaway and power project.

The editorial follows:

SEAWAY POSTPONEMENT

On motion of Senator H. ALEXANDER SMITH, of New Jersey, the St. Lawrence seaway resolution has been recommitted to the Foreign Affairs Committee for further study. Strong advocates of the seaway, notably Senator WILEY, of Wisconsin, and Senator AIKEN, of Vermont, opposed the motion strongly but without avail. The vote was 57 to 30.

This vote probably does not represent the relative strength of seaway advocates and opponents in the Senate. There is good reason to believe that some of those who voted for recommittal would have voted in favor of the seaway resolution had there been a show-down vote. But they thought it better strategy to keep the resolution alive rather than to invite almost certain defeat in a show-down vote at this time.

It is not correct to say, as some Washington correspondents write, that the seaway proposal has been "scuttled" as a result of this Senate vote. It has not yet been defeated As a matter of fact, it has not been voted upon. The effect of the recommittal vote is simply to postpone a decision to some later time.

This means, evidently, that no attempt will be made to revive the proposal during the present session of Congress. Proponents realize that chances of passages will be better after the Presidential election. But both Senators AIKEN and WILEY promise that the fight will go on. The seaway is not dead by any means.

When the seaway proposal was first advanced to the floor of the Senate, chances for passage appeared bright. But proponents underestimated the strength of the powerful railroad and utility lobbies. The most intense kind of a campaign was put on to switch the votes of those who might otherwise have been favorable and the campaign was successful.

The opposition of Senator IRVING M. IVES of this State was also most damaging. When a representative of the State destined to benefit the most from the seaway and the resulting power development did everything he could to defeat it, the effect was bound to be bad.

By the same token, Governor Dewey's silence was unfortunate. True, Dewey is on record for the seaway but his failure to speak out when it would do the most good together with the position taken by his protégé, IVES, gave the impression to some western Senators that Dewey was not too much concerned one way or another.

These were the handicaps the advocates of the seaway faced, the strong opposition of the Republican Senator from New York, the silence of Governor Dewey, the activity of the railroad and power lobbies, the heavy appropriations needed to implement the Marshall plan and the fact that the seaway got involved in Presidential year politics.

There will be disappointment among those who had hoped that at last the seaway might be authorized but it may be a different story next year. Not only will a President be elected this fall but also a new Congress. The new Congress may be much more favorable to public projects of this nature than the present one and the selfish lobbies may not exercise the influence then that they do now.

We must carry on the fight and we must go to the grass roots as Senator AIKEN suggests. The people are for the seaway. Even the people of Buffalo, a public opinion poll showed, are for it. We must find a way to bring public sentiment to bear on our legislative representatives, both in Congress and the State legislature.

We have found it necessary to stage a strategic retreat but the issue is still far from decided.

Mikolajczyk Tells of the Beginnings of the Polish Satellite State Amid a Scene of Soviet Bullets

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, I wish to include in my remarks two additional articles of the former Prime Minister of Poland, Mikolajczyk, as printed in the Milwaukee Sentinel. They continue to tell the story of the tremendous pressure used by Russia to set up its satellite state in Poland under the leadership of the Soviet agent, Bierut, as the new President of the Polish satellite state.

Following are the two articles:

(By Stanislaw Mikolajczyk, former Prime Minister of Poland and president of the Polish Peasant Party)

(Installment XX)

Back in London after a discouraging trip to Moscow in the fall of 1944, I reported my failures to the Polish Cabinet and the Polish underground.

There remained one ray of hope, President Roosevelt. After Winston Churchill told Commons "important progress was made toward a solution of the Polish question"—which was not the truth—and then blamed my government's difficulties on the fact that we would not accept the Big Three's callous division of Poland, I wired Roosevelt:

"Mr. President," I wrote, "you probably have heard of the recent transactions at Moscow from Ambassador Harriman, and you know of the great pressure put on us to recognize the Curzon line as the future frontier between Poland and Russia.

"I think you appreciate, too, how terrible would be the injury to the Polish nation if, after all the losses it has suffered in this war, it would be then forced to suffer the loss of one-half of its territory.

EFFORTS IN VAIN

"I tried to persuade Marshal Stalin and Prime Minister Churchill to permit us to retain at least the Lwow area, with its oil and potash, for it is a region that never belonged to Russia. But my efforts were in vain.

"Before I make my final decision, I would like to know your attitude. I remember your own feelings about our retention of the Lwow area, as expressed at our last meeting."

LETTER FROM F. D. R.

Ambassador Harriman brought me a letter from President Roosevelt, after the latter's election, incorporating answers to both notes I sent to him.

"I have constantly in mind the problems you are facing in your endeavors to bring about an equitable and permanent solution of the Polish-Soviet difficulties and particularly the questions which you raised in your message of October 26," Roosevelt wrote.

"I am giving below in broad outline the general position of this Government in the

hope that it may be of some assistance to you in your difficult task.

"1. The United States Government stands unequivocally for a strong, free and independent Polish state with the untrammeled right of the Polish people to order their internal existence as they see fit.

"2. In regard to the future frontiers of Poland, if a mutual agreement on this subject including the proposed compensation for Poland from Germany is reached between the Polish, Soviet and British Governments, this Government would offer no objection. Insofar as the United States guaranty of any specific frontiers is concerned I am sure you will understand that this Government in accordance with its traditional policy, cannot give a guaranty for any specific frontiers.

"3. If the Polish Government and people desire in connection with the new frontiers of the Polish state to bring about the transfer to and from the territory of Poland of national minorities, the United States Government will raise no objection and as far as practicable will facilitate such transfer.

"4. The United States Government is prepared, subject to legislative authority, to assist insofar as practicable in the postwar economic reconstruction of the Polish state.

"Very sincerely yours,

"FRANKLIN D. ROOSEVELT."

I submitted the British and American notes to the Polish Government in London and, by radio, to the desperate men who were fighting the Germans in Warsaw.

PROTESTS IGNORED

The NKVD was continuing to arrest and, in some cases, execute Polish underground fighters immediately after the Red Army and the Poles liberated the cities of Poland. My protests to Moscow were being ignored.

We knew, too, that Britain and the United States were in no mood to back our demands. The London government would soon become completely isolated. And taking all these things into consideration, I resigned as Prime Minister on November 24, 1944.

I was succeeded as Prime Minister of the Polish Government in exile by Tomas Arciszewski, veteran Socialist, who had spent most of the war in the Warsaw underground. Arciszewski took office November 29, 1944, in an atmosphere of deepening despair for Poles at home and abroad.

LUBLIN RECOGNIZED

On December 15 of that year, Prime Minister Churchill's changed outlook on Poland was endorsed by Commons. The Kremlin on January 5, 1945, recognized the Lublin Poles as the official government of Poland.

Stalin now received Churchill and Roosevelt at Yalta for what turned out to be the final meeting of these three, who were among the most powerful individuals in history.

In the case of Poland, Churchill and Roosevelt either yielded again to Stalin or strengthened decisions they had secretly reached at Tehran.

The Polish government in London promptly rejected the Yalta decisions on Poland on the ground that the Polish government, which was recognized by every other country except Russia, had not been consulted in the matter of its postwar fate.

At the beginning of March 1945 leaders of the Polish underground, consisting of all recognized parties except the Communist Party, were asked by representatives of the Lublin government to go to Moscow for political conversations concerning the future of Poland. They were promised on the word of honor of a Russian general that they would have safe conduct in Russia and permission to go thereafter to London and then return home.

On March 27, Vice Premier Jan Jankowski, speaker of the underground parliament, Puzak, and Col. M. Okulicki, former commander of the home army, met Colonel General Invanov in the suburbs of Warsaw. They did not return from the meeting.

On the following day 13 more Polish leaders, including the chairmen of the parties represented in the underground, journeyed to the same meeting place. They, too, did not return.

From London we announced to the world on April 6 that Soviet promises of safe conduct had been broken, that the 16 leaders had been arrested and disappeared.

Molotov finally admitted to Eden and Secretary of State Stettinius, at the San Francisco Conference, that Russia was holding the men.

The charge against them was announced the next day, May 5, by Tass, which stated officially they had been guilty of "diversionary tactics in the rear of the Red Army" and were awaiting trial.

CHURCHILL PESSIMISTIC

On June 11, I received an invitation from the Big Three to go to Moscow for consultations. I accepted on the 12th and Moscow immediately announced that the trial of the 16 Polish leaders would begin on the 18th.

I saw Churchill before I left for Moscow and found him deeply pessimistic about the future of Europe.

This is why I agreed to return:

1. Inside Poland, the Russians were arresting, shooting, and deporting thousands of members of the Home Army and the underground—with the servile agreement of the Communist Lublin Government.

2. Russia was dismantling and shipping to the U. S. S. R. a great number of Polish factories;

ONE HUNDRED AND FIFTY THOUSAND FACE SLAVERY

3. There were 150,000 members of my Peasant Party battalion in extreme danger of being annihilated or sent into Siberia and slavery, as was the fate of 40,000 other Home Army men.

4. The 5,000,000 Poles living in that section of Poland which had been given to Russia by Yalta, had to be rescued and removed to safety.

5. I knew of the impending Potsdam Conference and, knowing that the Lublin Poles would agree to anything Russia proposed, I wanted to make my independent voice heard there.

(Installment XXI)

My return to Warsaw on June 26, 1945, to take my place as second deputy prime minister and minister of agriculture in the Communist-dominated Polish provisional government filled me with mingled emotions.

Fresh in my mind were our last hours in Moscow, hours of countless frustrations and the ever increasing clarity of the fact that Russia had no intention of living up to promises it signed jointly with the United States and Great Britain.

FEARS PLAIN TO SEE

Subtly, terribly, the Poland which had been guaranteed its independence was becoming an isolated ally dominated by Russia. Soviet influence pervaded us. Indeed, in one of the final meetings during the formation of the government, Boleslaw Bierut, who was to be president of Poland, spoke in Russian during a statement to the representatives of the Big Three.

"Please translate what this Pole is saying," I asked.

Ambassador Harriman's own fears, and those of British Ambassador Clark-Kerr, were plain to see. Harriman especially kept mentioning to Bierut and the Russians that the Yalta agreement provided that there must be a free and unfettered election in Poland as soon as possible.

PROMISE IN POCKET

At last the new government took off for Warsaw in Russian planes. In my pocket I held a signed agreement calling for freedom of the vote and the press, a promise by the new government to remove the Red army from Poland, an amnesty for those brave Polish underground army men who, having seen so many of their colleagues arrested by the Russians, were still in hiding, and six seats for independents in the 19-seat provisional administration.

We landed at Okecie airport, outside Warsaw, and my heart swelled at the sight of countless thousands of Polish people.

They called for a speech and as I moved to the microphone, filled with emotion, Bierut—and the three NKVD men who always stood at his side—stopped me for a moment.

"When you speak," Bierut hissed to me, "you must address these people, at first, by saying 'Obywetele.'" It is a salutation that is older even than "comrades." I turned my back on him, took the microphone, and began, "My sisters and brothers."

The ceremonies at the airport ended, we drove into the city. It was a sight that shocked me beyond expression. Warsaw was an eternity of rubble, and the sweet, sick smell of the dead that lay under the debris filled the world.

In the Ghetto alone, the Germans had killed more than 100,000 Jews. Nearly a quarter of a million other Poles had perished in the uprising.

DRIVES TO SEE WITOS

On the second day at home, I drove to Krakow and to the village of the old and ailing president of the Peasant Party, Mr. Witos. The village lay only 40 miles outside of Krakow but the trip took 12 hours. The roads were jammed with Red Army troops returning from Germany and western Poland, carrying with them loot of such quantity and variety as to defy description.

Many were drunk. Some who had captured German or Polish automobiles drove them crazily and often crashed. Some of the victors dragged along German and Polish girls.

I found Witos sick and pessimistic. Three times Premier of Poland and one of democracy's greatest voices in the history of our country, he lived in poverty and continuing peril.

I reported the results of the Moscow meeting to him, the mock trial and stern sentences which had been handed down to 14 of the 16 leading Polish patriots, and my fruitless appeals to Molotov for their release.

On the same day I was to learn that instead of our possessing nearly a third of the seats in the provisional government, we now had less. Two Communist members had been added to the government without the consent of the United States and Britain.

Our increasingly pathetic efforts to avert the growing catastrophe that was overtaking "liberated" Poland began the following day in Krakow when I met with Peasant Party leaders of that area.

The street in front of the meeting place had been filled with tens of thousands of Poles as we entered the conference. But when I stepped out of the place that night the street was empty and ghostly. Not a living person stirred.

I thought it odd, but I stepped into my open car and started away. And then I realized there was indeed life in that street. A flaming burst of machine-gun fire swept over my head, and in the light from the gun I could see that Red Army troops and Polish security police were standing with their backs against the walls of the buildings * * * as far as the eye could see.

I drove down that 600-yard street with the shots streaking just over my head. They could have killed me easily, of course. But they had their instructions. This canopy of fire they placed over my head as I drove along was to be simply a warning.

READY FOR ANYTHING

On the following day, at the first meeting of the new government on Polish soil, I let President Bierut and the others know that I was aware of the significance of the gun play.

"I see you have warned me," I said, "but if you think you can frighten me, you're mistaken. I was warned long before I got back to Poland. I'm prepared for anything."

I had contacted my mother as soon as I returned to Poland, and I soon flew to Poznan to see her. It was our first meeting since the day I left in August 1939, to join the Polish Army that was about to be attacked by both Hitler and Stalin.

On the same day that I saw my mother, I spoke in Poznan's Place of Freedom before 60,000.

POSITION DIFFICULT

I thought the Potsdam Conference might enable the independent members of the provisional government to state their case to American and British leaders. But whatever we were able to tell them was overshadowed by concessions which the Russians later forced upon us.

My position was extremely difficult there. Bierut and the others, acting on instructions from the Kremlin, set out to antagonize President Truman and Prime Minister Churchill and, after Churchill's defeat in the British general elections, Prime Minister Attlee.

At Potsdam it was agreed "the U. S. S. R. undertakes to settle the reparation claims of Poland from its own share of reparations."

Here is but one result of that decision:

In mid-August 1945, after the Americans and British had left Potsdam, the Polish Government was abruptly ordered by Stalin to come to Moscow for consultation.

There, Molotov told us that our share of the reparations which Russia planned to extract from Germany (15 percent) would total $500,000,000.

"Poland is luckier than the Soviet Union," Molotov told us. "You get this amount in addition to the $6,000,000,000 you've already received."

"What $6,000,000,000?"I asked, startled.

"Don't you understand?" he asked coldly. "Poland has given eastern Poland to Russia. The Polish property left there totaled $3,500,000,000. You receive from Germany an area whose property is worth $9,500,000,000. So it is clear that you have gained $6,000,000,000.

"Just a moment," I said. "You say the property in the new western part of Poland is worth $9,500,000,000. But don't you remember that you've stripped it of its factories, railroads, plants, homes, livestock, and everything else you could transport?"

Molotov scoffed. "Oh, that has only amounted to about $500,000,000," and abruptly adjourned the meeting.

The Late Clarence Hancock

EXTENSION OF REMARKS
OF
HON. WILLIAM T. BYRNE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. BYRNE of New York. Mr. Speaker, I knew Clarence Hancock when he was a student at Wesleyan in 1905, and our friendship continued down through the years until it was very greatly strengthened when I came to Congress in 1937 and became a Member of the House Committee on the Judiciary.

Clarence was always very popular with his school and college mates, and was the center of all reunions. I had considerable contact with him when he was the corporation counsel of the city of Syracuse, and his fine application to his duty marked him as an outstanding lawyer and public servant. He became the ranking member of our committee and we looked forward to his chairmanship in the event his party came into the majority.

His character was of the loftiest, and with a high sense of love of home, country, and friends, I know of no man who was held in higher respect than he.

In my humble judgment our country never had a more loyal and conscientious public servant than our dear, departed Clarence Hancock, and I extend my deepest sympathy to his devoted widow and son.

The Effect of Inflation on Endowed Educational Institutions, Charitable Organizations, and Hospitals

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. REED of New York. Mr. Speaker, a cry is going up from our endowed institutions, especially from our universities and colleges, that inflation is reducing the purchasing power of the income from their endowments. I fear that the economic principles which some of the complaining institutions have been teaching during the past 14 years are coming home to roost.

I recall, vividly, an article entitled "Endowments in Jeopardy" which appeared in the Atlantic Monthly, December 1937, page 737, which reminds me that the March 1948 issue of the same outstanding magazine carries an article relating to the same subject by the distinguished president of Williams College, James Phinney Baxter.

When Germany started the printing presses to flood the nation with fiat money, the purchasing price of the income from endowments went down until even the endowments of the educational institutions almost vanished.

The deficit financing of the Government by the New Deal has had much the same effect in the United States. The proposed Marshall plan, if carried out as planned, will inflate prices and rapidly whittle away the endowments of our universities and colleges. Yet, my mail indicates that many educational leaders condemn those of us who resist waste, extravagance, and reckless spending, believing as some of us do that a solvent government is of more worth to the world than a weak, insolvent one.

Under unanimous consent I am inserting a survey made by eminent men showing the effects of inflation in Germany after World War I:

THE EFFECT OF INFLATION ON ENDOWED EDUCATIONAL INSTITUTIONS, CHARITABLE ORGANIZATIONS, AND HOSPITALS

THE VULNERABILITY OF ENDOWED INSTITUTIONS UNDER INFLATION

Endowed institutions of all kinds stand in a particularly vulnerable position with respect to inflation. Endowments given to institutions are granted by their donors either in the form of investments from which the institutions in question draw the income, or are turned over in the form of outright payments which the institutions themselves invest. (Sometimes it may be a combination of the two.) In the former case, business precaution has been responsible for the fact that such investments usually are in high-grade bonds of Government or corporations of a category termed "gilt edged," the yields from which may be expected to be steady over the years. If institutions are called upon to invest or reinvest money or securities given to them outright not only business precaution but law restricts their investments to securities having as small an element of speculation as possible, which again means in effect high-class securities bearing a fixed rate of interest. It should be further added that a large proportion of endowments are inviolable, meaning that the principal must be kept intact, leaving only the income for use by the recipient of the endowment.

Now, it is just this type of investment that is affected most disastrously by inflation. It pays by contract a fixed percent which remains unchanged even though the purchasing power of the sum so paid has fallen practically to nothing. And for this very reason the face value of the securities themselves falls precipitously and little if anything can be realized from their sale. This is in contradistinction to common stocks, which pay on earnings and hence whose yields and face value go up during an inflationary period though not nearly so much as the purchasing power of the currency unit declines.

DEPRECIATION OF THE ENDOWMENTS OF THE UNIVERSITY OF FRANKFURT

A striking effect of the German inflation on endowments of educational institutions may be noted in a table which lists the face value of the 38 inviolable endowments which constituted the main support of the University of Frankfurt, first in 1922 just before inflation became uncontrollable and then after revalorization. It should be noted that under the German revalorization law (February 14, 1924) the currency was stabilized on the approximate basis of 1,000,000,000,000 paper marks to 1 gold mark, and furthermore in this general revalorization law certain types of securities were decreed to be worth more than that at which they were currently quoted. Thus, Government and other high-grade bonds were revalorized at 2½ to 12½ percent of their face value (according to qualification), savings bank deposits at 10 percent, and mortgages at 25 percent. Under this dispensation it will be noted in the table (which on account of its length is appended hereto) that less than 15 percent of the face value of these endowments was recovered and that the one endowment (Jakob Schiff) which returned better than 50 percent was due to the fact that 57 percent was invested in American railroad bonds. It should be further noted that 11 of the endowments were revalorized at less than 10 percent and 3 of them at 2½ percent or less.

THE STROOF ENDOWMENT

Another example is worth citing at considerable length because it is not extreme but is typical of what happened to endowed institutions—educational, charitable, and medical—as a result of Germany's experiment with inflation. Its parallel will also be found in other European countries, the extent of the ensuing disaster being contingent on the degree and severity of the course of inflation in the individual countries concerned.

In 1921 there died in Germany one Dr. Stroof, who being a public-spirited man, in his will endowed the University of Frankfurt with the sum of nearly 8,000,000 marks for the purpose of fostering research. The only condition imposed was that certain employees of Dr. Stroof should be paid pensions out of this fund amounting to approximately 666 marks a year. The first installment to the university consisting of 1,000,000 marks

in inconvertible Reich Treasury notes was paid in January 1922. By that time the German inflation characterized by ever larger issues of currency irredeemable in gold was under way, and so the 1,000,000 marks in question was worth only 25,000 gold marks—or about $5,950 at the prewar rate of exchange. One month later, a second installment of 1,000,000 marks in treasury notes was paid, but by that time it was worth only 22,000 gold marks ($5,236). Again in March 1922, a third installment—this time of 1,250,000 marks—was transferred to the university, yet this larger sum was worth only 18,000 gold marks ($4,284). No payments were made for the next 13 months, but in April 1923 Prussian State bonds with a face value of 450,000 marks were turned over to the fund. By that time the uncontrollable phase of the German inflation had been reached and the entire sum was equivalent in value only to 86 gold marks ($20.46). In May 1923, the fund received 700,000 marks in treasury notes, but this amount—nearly twice as large as the sum paid 1 month earlier—was worth only 90 gold marks ($21.42), and in July an installment of 171,000 marks in treasury notes had a value of only 2.6 gold marks (about 62 cents). The final chapter was written when in December 1923, the last installment of 3,250,000 marks in treasury notes was paid. This installment, it will be noted, was about three times as large as any previously made and yet it was worth only thirty-eight one hundred millionths of a single gold mark, or such an infinitesimal fraction of 1 cent in American money as almost to defy computation.

Put into the following tabular form the figures become even more startling:

	Face value of installments	Gold value of installments	Approximate value in American money (prewar rate of exchange)
	Marks	*Marks*	
January 1922	1,000,000	25,000	$5,950
February 1922	1,000,000	22,000	5,236
March 1922	1,250,000	18,000	4,284
April 1923	450,000	86	20.46
May 1923	700,000	90	21.42
July 1923	171,000	2.6	0.618
December 1923	3,250,000	0.000000038	(?)
Total	7,821,000	65,178.6+	15,512.498+

It should, of course, be understood that whatever the value with relation to gold marks, the various installments had at the time they were paid into the fund, these steadily depreciated, and, in fact, they all reached the level of the value of the final installment of December 1923. In short, by December 1923 the gold value of the entire Stroof endowment shrank to such an infinitesimal fraction of a single gold mark that for all practical purposes it was completely wiped out.

An ironical aftermath may be found in the fact that the university was still bound to pay the small pensions of the Stroof employees and, in fact, after the revalorization of the mark, had to do so out of the small remnant of funds still left to the institution even though the Stroof endowment itself had been inflated out of existence.

THE CASE OF THE THERESIAN ACADEMY OF VIENNA

This institution, equivalent in standards to an American high school, was founded in 1778 by the Empress Maria Theresa and by 1914, and through funds added to its original endowment, had approximately 8,000,000 crowns (about $1,600,000). At the beginning of 1925 when the Austrian crown was finally stabilized after the inflation period on the basis of about 14,400 paper crowns to 1 gold crown, this endowment was discovered to have a value of just over $112 as compared with $1,600,000 in 1914. Under this severe loss the school was no longer able to care for needy but deserving students. It had to take with little discrimination only students who could pay their own way, and besides it had to curtail its plant and equipment in every possible manner even to the extent of renting unused rooms and turning the school stables into garages which were rented to outsiders.

THE THIERS FOUNDATION

While the course of inflation in France was not nearly as severe as in Germany or Austria, the franc being stabilized in 1925 at about one-fifth its prewar value, nevertheless it was sufficiently severe to cause tremendous losses particularly to those whose living was derived from fixed incomes. The case of the Thiers Foundation was a typical case in point. This institution was founded by Adolph Thiers, the first President of the French Republic, as an aid to students in obtaining the highest instruction in law and medicine and also to qualify them for doctors' degrees in literature and science. It received the income from a fixed capital fund invested in government bonds and in coal mine securities. The institution had already had its income severely curtailed during the war through the occupation of the French coal mine area by the German armies. But after the war the rising tide of inflation so depleted the purchasing power of its income that it became necessary to secure permission from the State to sell the jewels of Mme. Thiers which were conserved for the foundation in the Louvre museum. Even though this sale nearly doubled the foundation's capital, the purchasing power of the increased income was little more than one-seventh of the purchasing power of its original prewar income and left the institution close to the brink of insolvency.

CHARITABLE AND WELFARE INSTITUTIONS AND FOUNDATIONS

So far we have cited only examples relating to educational institutions. The consequences of inflation are equally disastrous upon charitable and welfare institutions of all kinds. For instance, the city of Frankfurt like nearly all German cities possesses numerous institutions of this character supported largely by trust funds (contributed by philanthropic citizens) which under the law have to be invested in mundelsicher securities, i. e., highest grade state, municipal and corporation bonds, paying fixed rates of interest. In 1914, foundations for the care of children and young people possessed assets of about 922,000 marks, and foundations for the poor possessed assets of approximately 5,372,000 marks. But when these assets were revalorized at the beginning of 1925, the assets of the former had shrunk to about 112,000 marks and the latter to 655,000 marks, these sums being in each case about 12 percent of the 1914 assets. The highest amount recovered in any of the individual foundations was 37 percent and in many cases the rate of recovery was 5 percent or less of the original amounts. Tables showing the details relating to these foundations are appended. Obviously the drastic curtailment of the income and assets of these foundations under inflation meant that the poor, the aged, and the destitute had to be denied the help they needed.

HOME FOR THE AGED AND INFIRM (FRANKFURT)

Nowhere are the disasters of inflation upon the poor and aged more strikingly brought out than in the case of the Home for Aged and Infirm in Frankfurt. Again it should be reiterated that this is only one typical case selected at random out of many.

This institution was founded in 1816 and was originally a workhouse, but later developed into a home into which aged men and women (to the number of 300) purchased a life residence out of their meager savings and, in addition any additional savings which they possessed were entrusted to the institution which paid them interest on it. These entrance fees and savings funds constituted the main portion of the working capital of the home, and consequently under inflation it found itself utterly unable to provide for its inmates or to pay the small amounts of interest due them from the savings which had been entrusted to it. Furthermore, as inflation progressively advanced, great pressure was brought upon the home to aid more and more people who themselves were rendered poverty stricken by the disastrous economic conditions which inflation was producing. Obviously the home had to refuse further aid, no matter how necessitous the circumstances.

An idea of the astronomical character of Germany's inflation may be visualized in the fact that the food bill for the home in the fiscal year 1923–24 reached a total of 23,293,366,276,337,266 paper marks (the item for black bread alone was 2,986,973,878,061,080 paper marks), while it cost 10,246,434,361,231,396 paper marks to supply heat for the establishment. The income from all investments during this year, reckoned in paper marks, covered less than 3 percent of the food bill alone. And whereas in 1914 the income of the home from its investments amounted to more than two-thirds of its total receipts, in 1923–24 it was less than one-seventieth of the total. In short, the home itself became dependent upon the city of Frankfurt for aid, and hence lost its character as a self-supporting institution, whose large and growing endowments had enabled it to meet an expanding need in the community.

WELFARE INSTITUTIONS IN AUSTRIA

Endowments of charitable and welfare institutions in Austria fared worse than those in Germany, because, even though in the former currency depreciation did not go so far as in the latter, Austria did not revalorize as did Germany. Without going into detail, a survey made in 1927 shows that only about 6 percent of the charitable institutions in Vienna in 1914 still remained, that their capital and revenues were only 1 percent of the 1914 total and that they were rendering assistance to only 2 percent of the people cared for in 1914.

THE SITUATION IN THE UNITED STATES

With the above examples in mind can it be doubted as to what would happen under inflation to endowed institutions in the United States? Whether they are educational, welfare, or charitable institutions the result would be utter disaster.

Consider first that over one-half of our higher education is being carried on by privately supported colleges. Consider also that the endowments of such institutions total over $1,500,000,000. Consider, finally, that endowments of this character are considered to be of such great social importance that in the words of E. W. Kemmerer: "We protect many of them by special laws which restrict the investment of trust funds to a limited and supposedly safe field of investments. In these restrictions, high-grade bonds and mortgages are favored, and common stocks are usually disfavored. This policy is enforced both by law and by traditional public opinion." (Endowments in Jeopardy, the Atlantic Monthly, December 1937—p. 737.)

For example, six of our best-known endowed educational institutions are Harvard, Yale, Princeton, Cornell, the University of Chicago, and the University of Pennsylvania. As of 1936 the total endowments of these

universities reached a total of $355,000,000. Of this total about $311,000,000 was invested in securities, and of this sum approximately $213,000,000, or nearly 69 percent, was invested in fixed income securities such as bonds and mortgages as against only $98,000,000 invested in equities consisting mostly of common stocks. This 69 percent is an average, be it said, for Princeton University has nearly 83 percent of its invested endowment in fixed securities and Harvard has over 72 percent of its endowment so invested.

While this example covers only educational institutions, the type of investment made by charitable institutions is of an exactly similar character and would be subject to the same disastrous consequences under inflation.

And once these endowments were impaired or destroyed, how would they ever be restored. To quote Professor Kemmerer again:

"In the face of our large and growing governmental control of business, in the face of increasing resort to highly progressive income, inheritance, and gift taxes on the part of both our National Government and the States, taxes whose combined rates in the higher brackets are already the highest of any advanced country in the world, and in the face of the commonly neglected fact that inflation continually pushes all taxable incomes into higher and higher brackets, although the real or purchasing power value of these incomes may be actually declining—in the face of such facts, who will restore the endowments of these educational institutions if they are greatly depreciated or destroyed by inflation?"

To sum up, then, the ultimate threat of inflation to endowed institutions is as expressed in the words of Professor Kemmerer:

"Excessively burdensome government debts are usually not paid by taxation. The political resistance to taxes adequate for the purpose becomes too strong. Such debt burdens are usually reduced to politically workable proportions by inflation. The burden is thereby shifted largely from vigorously protesting taxpayers who have votes by the millions to bondholders and other 'economic royalist' creditors whose numerical protest at the ballot box is weak. In this class belong our privately endowed colleges, universities, scientific research institutions, and hospitals. In America the greatest and most irreparable damage that unsound monetary policies and Government financing by inflation threaten is the undermining of these great public-welfare institutions."

Sources: The greater part of the material presented above was derived from the following sources:

1. Inflation and After, Philip G. Wright (published by the Duke University endowment).

2. Inflation, E. C. Harwood and Donald G. Ferguson, American Institute of Economic Research.

3. Endowments in Jeopardy, Prof. E. W. Kemmerer, Atlantic Monthly, December 1937.

TABLE I.—*Inviolable endowments of the University of Frankfurt-am-Main*

[Values in marks]

Name of endowment	Face value of investments in 1922	Revalorized value, 1928	Percent recovered
Leo Gans	999,353.10	132,708.92	13.28
Karl Kohn	51,200.00	625.00	1.22
Ladenburg	37,353.57	4,321.82	11.57
Cohnstaedt	17,075.79	1,842.16	10.79
Adickes	29,651.98	3,630.88	12.24
Merton	300,000.00	37,500.00	12.50
Neufville	100,000.00	12,000.00	12.00
Ellinger	6,937.90	850.85	12.26
Economic Institute	46,000.00	2,875.00	6.25
General Welfare Institute	100,000.00	12,500.00	12.50
Flersheim	1,200,000.00	147,500.00	12.29
Fade	100,000.00	12,500.00	12.50
Wolf	10,200.00	1,250.00	12.25
Kotzenberg	300,000.00	67,438.12	22.48
Anonymous	175,426.35	16,500.00	9.41
Bethmann	250,000.00	31,250.00	12.50
Hauck	100,000.00	12,500.00	12.50
Emden	136,000.00	3,400.00	2.50
Braunfels	537,757.00	69,721.10	12.97
Edinger	350,000.00	43,750.00	12.50
Anna Edinger	250,000.00	124,999.00	50.00
Oppenheim	250,000.00	16,025.00	6.41
Sulzbach	257,464.60	32,141.15	12.48
Speyer	653,909.20	236,198.93	36.12
Budge	257,464.60	32,197.04	12.51
Jakob Schiff	329,000.00	206,500.00	62.77
Beit von Speyer	257,464.60	32,197.04	12.51
Ludwig Braunfels	30,304.00	3,015.45	9.95
Lucius Meister	726,961.00	58,809.99	8.09
Neher	102,984.00	12,887.00	12.51
Passavant	252,270.20	37,833.90	15.00
Tornow	462,520.00	3,711.85	.80
Varrentrapp	107,000.00	16,275.00	15.21
Weinberg	606,475.20	38,349.75	6.32
Wertheimer	100,000.00	24,995.33	25.00
Jugel	1,111,343.45	106,508.43	9.58
General Welfare Institute	2,000,000.00	225,000.00	11.25
Bardorff	1,225,366.62	167,095.01	13.64
Total	13,827,483.46	1,989,403.77	14.39

Source: Inflation and After, Philip G. Wright, Duke University endowment fund.

TABLE II.—*Foundations for the care of children and young people in Frankfurt*

Name of foundation	Assets		Percent recovery
	1914	1925	
Kroger	5,319	14	.26
Katzenstein	101,346	20,988	20.71
Marx	1,056	6	.57
Tatzerath	2,320	14	.60
Feist	73,535	4,697	6.39
Kroger	2,571	642	24.97
Neufville	11,800	62	.53
Bachmann	5,700	512	8.98
Kroger	2,571	321	12.49
Grenendeich	857	107	12.49
Hoeklin	500	62	12.40
Lehnemann	1,560	387	24.84
Henrich	447	64	14.32
Stempel	51,000	5,634	11.05
Kaufmann	115,000		
Knodt	120,000	34,008	28.34
Lindheimer	25,516	3,118	12.22
Salomer	20,000	2,500	12.50
Infants Home	210,000		
Heidelbach	90,000	27,175	30.19
Thorwart	50,000	5,656	11.31
Treser	5,562	4	.07
Strauss	25,345	5,565	21.96
Total	921,999	111,536	12.10

Source: Inflation and After, Philip G. Wright, Duke University endowment fund.

TABLE III.—*Foundations for the poor and for welfare work in Frankfurt*

Name of foundation	Assets		Percent recovery
	1914	1925	
Schumann	113,905	17,800	15.63
Ettling	40,735	54	.13
May	63,766	15,450	24.23
Siebert	25,062	3,135	12.51
Ehinger	548,670	54,488	9.93
Stiebel	10,300	1,250	12.14
Siesmayer	2,000	250	12.50
Hiller	10,456	1,256	12.01
Kratz	44,841	16,643	37.12
Von Reinach	60,000	765	1.28
Von Rothschild	127,320	14	.01
Von Rothschild	31,315	1	
Rosenlecher	17,040	2,129	12.49
Sakermann	5,075	134	2.64
Von Schwartzhopf	703	75	10.67
Steffens	4,312	438	10.16
Steuernagel	155,800	18,110	11.62
Rucker	954,197	158,994	16.66
Speyer	480,000	120,000	25.00
May	12,200	1,518	12.44
Margarethen	58,750	8,874	15.10
Textor	45,887		
Schmey	286,924	53,373	18.60
Heister	341,121	30,000	8.79
Zeh	657	69	10.50
Miedinger	331,464	18,221	5.50

TABLE III.—*Foundations for the poor and for welfare work in Frankfurt*—Continued

Name of foundation	Assets		Percent recovery
	1914	1925	
Middle class fund	7,841		
Lindheimer	326,797	40,000	12.24
Welfare fund	56,206	5,082	9.04
Clauer	198,545	12,520	6.31
Heussenstamm	150,000	25,252	16.83
Home for the aged	1,136	164	14.44
Scherbins	270,008	32,205	11.93
Frank	20,000	2,250	11.25
Hamburger	122,183	9,312	7.62
War survivors	437,000	5,437	1.24
Total	5,372,216	655,515	12.20

Source: Inflation and After, Philip G. Wright, Duke University endowment fund.

The New Plan for European Recovery

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. GWINN of New York. Mr. Speaker, I am proposing a new plan for European recovery. The Marshall plan originated in Socialist Europe. It is admitted that the Europeans devised it so that the Socialist elements in our own State Department would continue to finance their Socialist cabinets abroad.

Without exception, American political dollars have helped to entrench the Socialist elements, and defeated our friends who fought for freedom against socialism.

Ever since VE-day they have deceived Americans into a kind of pathetic trust that our political dollars delivered to Marxist state Socialist planners would reestablish freedom, politically, socially, and economically. They also played upon our fear and sentimentalism, even our hatred of communism, as a means to peace, reconstruction, and freedom to the nations. We have acted up to now in ignorance of the facts and against all reason and logic. Our failure is as revealing as it is tragic.

Look at Soviet Poland where we handed Mr. Bierut and his camarilla $448,000,000 since VE-day, while he and his fellow Socialists delivered Poland to the Soviets. Look at Soviet Czechoslovakia, where Mr. Klement Gottwald received $257,000,000 before he crushed, only yesterday, the Czech nation under the hammer and the sickle. Today her Communists and Socialists have united to work for the same boss. Look at the Soviet Hungary of Mr. Rakosi and Soviet Albania. Above all, remember how we strengthened Tito, until he made his tyranny complete in Yugoslavia with the help of $303,000,000 in American goods and services.

This total of $1,053,000,000 speaks with a mighty voice of what mere dollars will do, to Europe and to us, if we permit this self-defeating and treacherous policy to continue. No billions of dollars can change the basic truth that a Socialist planned economy can only operate in an absolute police state. So far, without

exception, it has merged into communism without a fight.

Since that is the underlying drift in this twentieth century, we must tell both our own people and Europe that unless the creative and productive genius of free men and women is again released, there can be no economic recovery. A plan, therefore, that finances Socialist governments instead of free individuals in commerce and trade is no plan at all for Americans.

When I felt compelled to vote against the so-called interim aid to Europe in the special session, December 1947, I had earlier voted both for the British gift of $3,750,000,000 and for the gifts of $400,000,000 to Greece and Turkey. Our party voted for these immense gifts because it was sincerely hoped that these billions, together with all the other billions of dollars previously given, would provide the freedom-loving people of these nations with still another breathing spell. They needed it in order to recover their own freedom from the groups of political and economic tyranny found in power when they returned to their own homes after fighting tyranny abroad.

No such resurgence of freedom has taken place. On the contrary, Socialist cabinets are actually in control of every western European country except Holland, Belgium, Portugal, and Switzerland. The whole European economy is fast becoming that of a controlled statism, operated according to the false and pernicious bible of Karl Marx. What sense is there in making fine distinctions between their socialism and outright communism?

Take Great Britain, the land of Adam Smith, where a Marxist cabinet has led the nation ever further down the treacherous and liberty-killing road of not less but more nationalization. Winston Churchill has stated that the Socialist cabinet squandered $700,000,000 of the American loan in Egypt and India alone. Sir William Darling, of the British Parliament, has repeatedly pointed out that the money from America helped the British Socialist Government to inaugurate a 5-day week, higher wages, shorter hours, and a British brand of slow-down, feather-bedding, underproduction, price fixing, currency control, and inflation with general compulsory management of trade and commerce, including the land itself. In brief, free England is abjectly subject to a handful of planners in London.

The lamentable end result is an economic situation which the London Economist just recently called bankruptcy. Its editors explained that the Socialist planners had used the previous gifts of $4,750,000,000 from America to live and to spend on a scale out of accord with Britain's real economic position.

And what guaranty is there—

The Economist asked—

that the Marshall plan may not be used in the same way?

Mr. Speaker, the guaranty on the basis of experience is that it will be used the same way.

Instead of loaning, trading or giving as free American men and women to the free men and women of England to strengthen their individual freedom we weakened it and abandoned our own ideals in all our dealings with them.

Because our whole postwar policy for world recovery was built on the utterly false and self-defeating principle of supporting temporary socialist cabinets with billions of dollars, our assistance has failed miserably in arousing the freedom instinct in the peoples of Europe. Where are the free democracies of the west? Not England, not France, not Italy?

Witness the failure in France, a nation which did not, by comparison, suffer any extensive material destruction from World War II. One would think that the $2,260,000,000 which we Americans recklessly but hopefully sent to France, would have resulted in a great productive and economic renaissance in the French people. Instead, France is just gasping for another billion dollar transfusion from America. And then another, and yet another.

For more than three post-liberation years, the French cabinets fixed an artificial value on currency. Farmers could not produce food at the Government ceiling prices, nor would they accept the inflated francs in exchange because they could not get what they wanted and needed for their farms and families. So they simply quit shipping food to Paris and other cities. During 1946–47, the French farmers took more than a million acres out of wheat production. The cities starved because the socialist government deceived them into thinking they could work 5 days a week and slow down and yet be rich with Government price fixing and issuance of currency to pay higher wages. This man-made French starvation American taxpayers have been deceived into financing. This despite the fact that half of our own American people are already struggling with a family economy which has reached the breaking point and should not be forced to pay taxes for such outlandish purposes.

Yet M. Leon Blum and other notorious foes of economic freedom flew into Washington, D. C., to tell their dishonest sob stories of a bleeding France. France was not bleeding. She was simply mismanaged and corrupted by promises that the city people would not have to work hard any more and that purchasing power could be created by printing more money.

Look at Scandinavia, which we Americans some years back were told to regard as "the middle way." The idea was that the Scandinavian countries had proved, alone among all the nations, how it was possible to reap all the blessings of socialization without paying the price of economic tyranny. The heroic resistance in Denmark and Norway against nazism seemed to prove that these Scandinavians would never yield an inch of their freedom.

Now let us read a paragraph of the almost incredible law which the Norwegian labor cabinet pressed through the Norwegian Parliament with the help of the Communists.

The law reads:

The King or whomsoever he shall authorize shall make such regulations as are found to be necessary to regulate and control: (a) Prices, profits, and gains of all kinds; (b) production, distribution, and all other economic enterprise, for the purpose of counteracting harmful competitive activity, or other economic conditions which shall be held to be unreasonable or harmful to the public interest, or to advance a rational organization of the (national) economic life.

To the extent to which it is found necessary to further said aims, the King or whomsoever he shall authorize may inter alia also make regulations of the following kind:

(1) Forbid producers to curtail or stop production, distribution, or other economic activity.

(2) Decree that new plants must not be erected nor existing plants expanded without his approval, or that production, distribution, or other economic activity must be parceled out among the producers according to the directives hereunder, or that the production in any plant must be curtailed or stopped.

(3) Decree that producers produce certain articles or perform certain services at the prices stipulated and fulfill other conditions which are decreed. No order made hereunder shall vary the purposes for which any plant shall be organized.

This law in one of the stoutest and most highly regarded of the 16 nations is now typical of all of them with few exceptions. Their laws are as totalitarian in economics as any human logic can conceive and write.

Individual freedom is gone. Inventiveness, creativeness, imagination is dead. The State is all and over all. And certainly it would be foolish to expect that human nature would care to exert itself under such an economic slave system. The truth is that as long as the Marshall plan is going to operate on the basis of government-to-government control, you can write off European recovery as impossible and a bad dream. No man or woman will for long endure hard work and austere living just for the sake of keeping Marxist bureaucrats satisfied.

The new plan for recovery encourages and supports the elements in rebellion against statism, and not the elements of oppression inherent in the socialism most of the 16 countries now have.

Let me quote the recent words of Mr. Sigurd Hoel, until recently a leading Socialist intellectual of Scandinavia:

They are clamoring for the state. The state must take over. The state must take over everything. In the end, the state takes us over. And then I must say that I prefer to be exploited and suppressed by a person rather than by the state.

Such people who fight for freedom are our only friends. We should finance them because we can trust them.

Instead of that we have financed our actual and potential enemies throughout eastern Europe and now all our friends there are silenced.

If we continue to finance the same forces, our enemies of freedom in western Europe, we shall have not one friend left on the Continent. And we shall deserve it.

However, since the anti-Marxist freedom forces of Europe—farmers, business-trade and shipping people, builders, teachers, clergy, and professional people—today are close to or in some nations exceed 50 percent of the population, they will soon take the lead, if we do not defeat them. It is perfectly

superfluous to point out that it is the men and women of these creative groups that built European civilization into its former greatness. They can do it again. They are worth financing.

So if it is freedom and recovery we are after in western Europe, it is now clear that the Marshall plan of government-to-socialist-government controlled funds contradicts the very purpose we seek to accomplish. This House therefore must write a completely new bill, embodying the principle of individual economic responsibility, free individual self-assertion in things economic without the deadly encroachments of state planning. To do otherwise is to deny our own faith and abandon those in Europe capable of making a recovery.

The new plan invites the free movement of men and materials from us to the people of Europe as distinct from their temporary socialist overlords. We ask them to join with the free peoples of North and South America in a crusade for the rebirth of free economy on both sides of the Atlantic.

I emphasize the point about getting the South American nations to take an active part in this recovery crusade as full and equal partners with Europe and the United States.

It is imperative that such nations in South America which have essential contributions to make to the exports of food, fuel, and fertilizer to Europe, at long last, be invited to the expanded circle of the cooperating ERP countries. Political considerations demand such an arrangement. The economic reasons are equally obvious. Otherwise, we may soon see the Secretary of State appear on this Hill with a Marshall plan for the Western Hemisphere. And what insolence it would be to expect the other nations of this hemisphere to advance credit and adjust their prices for the benefit of a program in which they have no voice whatever.

Now turning to the new plan itself. It follows quite closely the suggestions of the 16 nations in their Paris meeting in the fall of 1947. A careful examination of the Paris report by the CEEC—State Department Document 2930, European Series No. 28—leads to the astonishing discovery that the 16 European nations did not come to us, asking us to foot the whole bill.

They offered to carry much of the financial burden themselves. They did not expect any American lend-lease.

On page 51 of the above-mentioned Paris report we read that the European nations proposed to meet part of the expenses by "the expenditures of other financial resources by the participating countries." Inasmuch as these countries have a total amount of gold and dollar assets of $13,312,000,000 as reported by the International Monetary Fund the 16 nations will be able to reduce requirements by $1,000,000,000 from the $6,800,000,000 total, originally proposed.

When the public was finally told that Switzerland has $2,620,000,000 in assets, Netherlands $1,481,000,000, Belgium $1-016,000,000, it seems apparent that $5,-800,000,000 of new financing is an ample over-all figure for the first 15 months.

Next, we find that the Europeans expect to finance certain of their ERP purchases "by the repatriation of capital after the restoration of internal financial stability"—ibid., page 54. Now, inasmuch as our own Treasury has informed us that it has found $750,000,000 of hoarded assets held by Europeans here, such assets are available to meet the different and respective countries' purchases within the ERP. To the $750,000,000, we can add a further $750,000,000 of hoarded assets, which can be found in Europe itself, once the vast amount of billions of hidden assets again come out of hiding.

Although the Paris report states that it does not propose to give solutions for the payment problem—ibid, page 50—it does makes the observation about the International Bank that "the bank's recent report shows the important part which it should be able to play"—page 54. The Paris meeting expected that $918,000,000 for equipment, other than agricultural and mining machinery, for 1948 might be financed by "loans from the International Bank or other credit operations." So the new plan looks to the World Bank to lend $800,000,000 for capital goods, the "private investment" which the Paris report hopes for—ibid, page 54—would certainly be forthcoming.

The European proposals for financing some of the recovery expenses by their own financial resources, by hoarded assets, by loans from the World Bank and other credit operations, including private investments, should all be written into the new bill. We simply take the 16 nations' own proposals.

When steps have been taken to invite the South and Central American export nations to partnership in ERP and assurance given them that their own needs of heavy equipment and plants will become an integral part of an over-all export program carried on by this country price adjustments and credits in Central and South America might well rise to a $500,000,000 total on the purchases by European nations of food, fertilizer and fuel.

A similar amount of $500,000,000 may be deductible for sinking prices in our own country in 1948–49 as compared with the prices of July 1, 1947, upon which the ERP figures were built. World conditions, market and production conditions, and the needs of our own people demand that our prices go down within the next half a year. If they go up, our own domestic economy will burst at the seams and the whole ERP may have to be called off.

The new plan provides that $1,500,-000,000 for American purchases of strategic materials required for our stockpile of which we are dangerously short, such as tin, chrome, manganese, nickel, copper, lead, zinc, bauxite, and so forth, be purchased so as to contribute to the recovery program. This sum can be made available by a readjustment in the armed forces budget and if passed, as it no doubt will be, requires no new appropriation.

Another $1,000,000,000 credit should be provided by the United States through the Export-Import Bank, so that the European nations could feel that the whole cooperative effort is on a mutually responsible basis. Above all, the ERP must on every turn and in every chapter, be written so as to make maximum use of direct trader-to-trader contact. Regular prewar trade channels must be given a maximum chance to operate. We do not want another UNRRA hierarchy with thousands and thousands of highly paid bureaucrats and experts, who excel in self-importance because they lack any true motivation of real service in the cause of free trade among free peoples.

Finally, $500,000,000 shall be set aside as a gift of the American people to relieve suffering and hunger wherever it may appear. This contribution shall be distributed through the regular established channels for the distribution and administration of charity. If required we propose the organization of World Relief, Inc., a private organization comparable to the Red Cross to which private gifts would be made and supplemented by Congress when required. The unadvertised, unheralded good that has come from person to person giving and that will continue to come from such giving where the spirit of the giver may go with the gift will do the good for the morale required above all else for this suffering world. A bill to carry out this plan will be offered presently.

It will be designed to furnish a living, tangible example of American faith in the workings of free men through the regular channels of trade, commerce and giving between the citizens of two hemispheres.

To summarize:

Total demand for European recovery for 15 months	$6,800,000,000
Deduct resources mentioned by the European countries in Paris report	1,000,000,000
Leaving	$5,800,000,000
Repatriation of capital hoarded by Europeans found by U. S. Treasury in United States of America	$750,000,000
Leaving	5,050,000,000
A further sum hoarded in Switzerland and other countries of Europe available when confidence is restored	750,000,000
Leaving	4,300,000,000
International Bank loan as expected by Paris report	800,000,000
Leaving	3,500,000,000
Western Hemisphere loans outside the United States of America	500,000,000
Leaving	3,000,000,000
United States of America purchase of strategic materials for defense (no new appropriation required)	1,500,000,000
Leaving	1,500,000,000

United States of America subscription to capital of Export-Import Bank	1,000,000,000
Leaving	500,000,000
Gift for relief of hunger through private channels	500,000,000
Leaving	0

Hon. Frank B. Keefe

EXTENSION OF REMARKS
OF
HON. JOHN JENNINGS, JR.
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. JENNINGS. Mr. Speaker, our colleague, the Honorable FRANK B. KEEFE, from Wisconsin, during his almost 10 years as a Member of the House has achieved a national reputation.

His thorough knowledge of the fiscal affairs of the country, and his power in debate have made him widely sought as a speaker. He has championed Republicanism and Americanism in all parts of the country. The following editorial which I include as a part of these remarks is a fitting tribute to FRANK KEEFE:

[From the Daily Northwestern, Oshkosh, Wis., February 16, 1948]

TALK OF KEEFE FOR VICE PRESIDENT

At an overflow gathering of Republicans of the Sixth Congressional District, held Saturday evening at Fond du Lac, with a banquet at the Retlaw Hotel, the major speaker of the occasion, Senator HENRY C. DWORSHAK, of Idaho, paid high tribute to the record of FRANK B. KEEFE, of Oshkosh, Representative of the Sixth Congressional District, and sincerely and vigorously suggested that Mr. KEEFE would make an excellent Vice President of the United States.

In fact, he told interviewers that the Idaho delegation to the Republican National Convention, to be held next June at Philadelphia, intends to propose the name of the Oshkosh Member of Congress for that position. Mr. KEEFE recently delivered a speech in Idaho and made such a deep impression that the decision to place his name among the candidates for Vice President was the result.

The Idaho Senator said that, of course, Mr. KEEFE would be out of the running if a midwestener should be nominated for President by the GOP convention.

The Sixth District Congressman, who introduced Senator DWORSHAK in terms of high praise for his courageous record of opposition to the huge appropriations sought by the New Deal administrations, indicated surprise at the mention of his name for Vice Presidential place, but added that he had heard of talk in various parts of the country linking him with the Vice Presidential candidacy and expressed appreciation for that consideration, remarking that stranger things than that have happened.

Senator DWORSHAK and Congressman KEEFE became Members of the Seventy-sixth Congress in the same year, 1939, and the Oshkosh man long has been a hard-working Member of the House Appropriations Committee, endeavoring to hold down administration appropriations to essentials and force the practice of economy in Government.

In advancing the idea of Mr. KEEFE for Vice President on the GOP national ticket, the Idaho Senator declared he knew of no one better qualified for the Vice Presidency, or even the Presidency, and that the Oshkosh Representative has been a fearless crusader for honest government and the American way of life.

He said further that it has been hard to accomplish anything against New Deal opposition in the hectic New Deal days, that most of the difficult work of reducing appropriations and bringing about economy in the Federal Government is done in committee rooms and it is there that Mr. KEEFE has been a tower of strength.

In introducing the Idaho Senator, Representative KEEFE stated his conviction that the Republican Party is the only one that can solve the problems ahead. He said he liked his job in Congress because of the work there is to do.

The suggestion of Mr. KEEFE as a Vice Presidential candidate brought expressions of approval on the part of many of the Republicans at the Lincoln Day dinner and produced a greater realization than ever that the Oshkosh man occupies a prominent place at Washington as a veteran national legislator and is widely esteemed for the services he has performed both on a district and on a national basis.

In his address Senator DWORSHAK charged the New Deal administration of national affairs with being inconsistent and illogical as to foreign policies, and the result has been a serious delay in the establishment of peace. It was his assertion that the claim that American foreign policy is bipartisan is an error.

"In some instances," he said "Congress has been permitted to give its approval to prearranged plans, but the lack of information as to details of the secret agreements negotiated at Tehran, Yalta, and Potsdam has placed full responsibility for failure of foreign policy squarely upon the New Dealers."

One of the features of the dinner meeting, in which over 600 were served and the overflow had to be accommodated in dining rooms other than the main one, was the opportunity given supporters of several rival candidates for the GOP nomination for President to be heard in boosting their favorites.

William J. Campbell, of Oshkosh, who is a candidate for delegate at large at the State Presidential preference primary to be held April 6, spoke for Gen. Douglas MacArthur for President and urged a delegation pledged to him as Wisconsin's favorite son. He said MacArthur would not get this country into war and that no military man chosen President has ever done that.

Lester Bradshaw, of Milwaukee, put in some good words for Gov. Thomas E. Dewey, of New York, emphasizing the New York Governor's opposition to Communists.

William G. Van Pelt, of Fond du Lac, paid compliments to Harold Stassen, former Governor of Minnesota. He said Stassen makes his own decisions and that these decisions have proved right. The people, he declared, know exactly where he stands on the issues and as Governor he made a record for cutting the Minnesota State debt and the property taxes. He is also for fewer Federal employees.

Brooklyn's Congressional Delegation and Palestine

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. MULTER. Mr. Speaker, the Brooklyn congressional delegation has long been aware of the desperate situation in Palestine and, while doing everything possible to improve conditions there, they very regretfully have watched them get worse.

We were pleased to have our efforts supported by Borough President John Cashmore, who, among other things, took the time to make a special trip to Washington to visit the President and to urge upon him the implementation of the United Nations decision, and the modification of the embargo on arms to the Jewish militia in Palestine. Mayor William O'Dwyer also has vigorously urged the same action.

Last week our efforts were fortified by the issuance of a statement by Paul E. Fitzpatrick, chairman of the Democratic State Committee, in which he urged the New York State congressional delegation to actively support a program to sustain and make effective the United Nations decision to set up a Jewish state in Palestine, and to modify the arms embargo. He also urged that the British Government be informed that our Government intended to vigorously urge and support partition, and the sending by the United Nations of a voluntary police force to save the peace.

Yesterday I was very happy to be able to accompany the Brooklyn congressional delegation to the State Department with a delegation led by Mr. Nathan Dinkes, president of the Brooklyn division of the American Jewish Congress, and Mrs. Henry A. Baron, president of the Women's Division of the same organization.

Our arguments were bolstered by a petition which was submitted to the State Department for transmission to the President, which contained upwards of 165,000 signatures of American citizens residing in Brooklyn. Christians and Jews signed the petition because they realize that this is no longer a Jewish question but rather one of worldwide peace.

A Time for Brave and Honorable Men

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial which appeared in the Syracuse Herald-Journal of Friday, February 20, 1948:

A TIME FOR BRAVE AND HONORABLE MEN

Delivering the first of the Colgate University 1948 series of lectures on human relations, former Postmaster General James A. Farley staunchly defended the American two-party system.

With obvious reference to current political fireworks set off by Henry Wallace, he argued that a third party "can only promote minority rule and tend to leave the country the prey of demagogues and malcontents."

He has even less use for the one-party system as exemplified in Soviet Russia. A political party, he said, "should be the servant of its members, not the master * * * it should be open to all who wish to join it, not an exclusive society of assassins."

All this is sound common sense, in the best American tradition. Jim Farley has always been a very clean, plain spoken person and he was in good form at Hamilton.

It will be recalled that he broke with the late President Roosevelt and left Washington because he did not believe in violating the American two-term tradition and hence could not go along with the third-term movement. But he didn't organize a third party.

In his Colgate address, he remarked that politics is no place for a timid man or for the corrupt or dishonest. Every thoughtful American will say amen to that. In these parlous times, democratic America must have bold, brave, and honorable men, and many of them, if our free way of life is to survive.

Minnesota Towns Hit by Oil Shortage

EXTENSION OF REMARKS
OF
HON. JOSEPH P. O'HARA
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. O'HARA. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following from the St. Paul Dispatch:

MINNESOTA TOWNS HIT BY OIL SHORTAGE

All Minnesota communities with fuel-oil shortages have now been sent supplies except one, and that will have oil by tonight.

That report came from the office of James W. Clark, State fuel oil conservator, today when it was announced that continued warm weather had further relieved the shortage.

Clark said 231 towns in the State have now called for and received oil, all except Maple Plain, which will get supplies late today. The 231 towns in this State were compared with 108 in Wisconsin which had fuel-oil shortages. Clark said the figures prove that it was imperative for the State government to step in and try to organize relief.

Present supplies of oil-shortage towns do not mean that the critical situation is over, according to Clark. He said the towns now have oil but only the weather will decide how long they will last.

Joseph N. McIntyre, city conservator, said calls for fuel oil at his office have now fallen to 40 or 50 per day.

McIntyre said he plans to attend a meeting scheduled by the Northwest Petroleum Association at noon Friday in the Radisson Hotel, Minneapolis, at which plans will be made to inaugurate the new reconversion plan there.

Minneapolis residents who can't get fuel oil will be allotted 50 gallons. In return they must sign an affidavit that they will reconvert to other fuels. This plan has not been adopted in St. Paul. The city conservator said he plans to attend the meeting to learn what the oil companies will do for St. Paul.

International Falls closed down its emergency fuel oil office today and advised consumers to get fuel through their dealer.

At 10 a. m. the Minnesota Highway Department received the following reports from district stations:

Willmar: 1 below; winds 58 miles an hour; visibility, zero.

Crookston: 4 below; winds 45 miles an hour; 1 inch of new snow; no visibility.

Brainerd: 4 below; winds 45 miles an hour; 1 inch of new snow; visibility poor.

Morris: 8 below; winds 48 miles an hour; no visibility.

Duluth: 4 below; winds 35 miles an hour; sleet; highways icy.

Thief River Falls: 9 below; visibility zero; all schools closed.

In North Dakota the State highway department warned motorists not to attempt to travel in the eastern half of the State where many highways were reported blocked.

The weather bureau said the cold wave is headed eastward across the country and probably will extend to the Atlantic Coast by Saturday. It is expected to cover States as far south as Oklahoma and Arkansas.

The observers said the cold air mass is moving so rapidly that it may last only a few days, although present indications are that it will hang over the North Central States through Saturday, with a slight rise in temperature Sunday and Monday.

Louisiana Investigation, House Resolution 462

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, March 1, 1948

Mr. BROOKS. Mr. Speaker, this Congess appropriated the sum of $188,000,000 last year for the purpose of investigating income-tax cases. It appropriated an unusually large amount in order that the Treasury Department might have sufficient money, without stinting, for this purpose. The representation was made that if ample money was given additional men would be trained and put to work on this type of investigation. I am informed that men have been trained and are now at work in all parts of this country. They have this job to do and I think generally they are active and doing a creditable work.

This resolution would change this. It would bring to an investigating committee of the House this type of problem. It would create the precedent of passing separate resolutions to investigate individual cases. It would substitute untrained investigators for trained ones. It would place upon the already burdened shoulders of this Congress additional problems with the consequent additional harassment and irritations. It would, in my opinion, substitute politics for equity and justice. It is therefore a bad policy—and unfortunate precedent.

Someone may say that perhaps the Justice Department should be investigated, or it may be the Treasury Department is falling down on the job. Should it be felt that this is the case, I submit that H. Res. 462 is not the way to handle the job. A general investigation by the committee of the Department would not begin with the investigation of one tax return. On the contrary, it should begin with an investigation of the over-all procedure used by the Department, its efficiency, and its methods. It should, if this be the intent, check the qualifications of the personnel together with its background and its training. Nothing of this character is intended by the instant resolution.

This resolution came into being as a result of a great political campaign in Louisiana. Out of the heat of the campaign charges developed and they were brought to the floor of this House. They were picked up by the Appropriations Committee Treasury Department Subcommittee, and made the subject I am told of an hour-and-a-half hearing. The gentleman from Illinois [Mr. DIRKSEN] interrogated Commissioner Schoeneman, chief of the Internal Revenue Bureau, for a long period of time. This testimony was taken in secret session; and although many requests have been made to inspect it, no one save the committee to this hour have been permitted to read those remarks taken down within the sanctum of the Subcommittee on Treasury. Upon the basis apparently of this secret record, the gentleman from Illinois [Mr. DIRKSEN] makes speeches on this floor and statements referring to the secret testimony. This shows the unfairness of this type of procedure.

The normal way for handling income-tax violations is through the Treasury Department. In my judgment, we should not try to substitute for the work of the Treasury an investigating committee of the House of Representatives.

Endorsement by Episcopal Church of Civil Rights Report

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following letter which I have received from Mr. Allen M. Taylor, chairman, legislative committee, Department of Christian Social Relations, Diocese of Long Island, Brooklyn, N. Y.:

DEPARTMENT OF CHRISTIAN
SOCIAL RELATIONS,
DIOCESE OF LONG ISLAND,
Brooklyn, N. Y.

The Honorable ABRAHAM J. MULTER,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: At a recent meeting of this department, which represents the Episcopal Church of Long Island in these matters, it was decided to inform you of our endorsement of certain legislation currently pending before Congress and urge you to give it your support.

Full endorsement was given to the Report of the President's Committee on Civil Rights, particularly the sections on antilynching, antipoll tax, a permanent Federal employment practices act; especially it is recommended that serious consideration be given to implementing section I, subsection 3, the Right to Freedom of Conscience and Expression.

Approval of the President's 10 points on inflation was given, especially the controls of consumer credit, commodity exchanges, rents, rationing, price and wage ceilings; a stand also was taken against reduction of income taxes.

It was recommended that the European recovery program be implemented promptly, in sufficient quantity, and regardless of the political set-up of the recipients.

Your support, also, is urged for the bill H. R. 2910, "to authorize the United States during an emergency period to undertake its fair share in the resettlement."

Also the bill H. R. 4418, "to provide for the naturalization of persons legally in the United States."

Our endorsement of the above is based, we believe, on the Christian principles of the worth of the individual, the security and welfare of all the people, and the peace of the world. As Christians, therefore, as well as Americans, we urge you, as our elected representative, to work for the passage of this legislation.

Respectfully,

ALLEN M. TAYLOR,
Chairman, Legislative Committee.

Palestine

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement issued by Hon. Paul E. Fitzpatrick, chairman of the Democratic State Committee, in connection with a four-point program submitted to the New York State congressional delegation with reference to the lifting of the United States embargo against the shipment of arms to Jews in Palestine:

Support of the United Nations' partition of the Holy Land by lifting the United States embargo against the shipment of arms to Jews in Palestine is essential to world peace, Paul E. Fitzpatrick, chairman of the Democratic State Committee, declared today in a four-point program submitted to the New York State congressional delegation.

Such positive action, Mr. Fitzpatrick pointed out, would go far toward backing up President Truman's declaration February 12 that the United States is supporting the UN settlement, and would reinforce Secretary George C. Marshall's statement the day before that no change in our policy of support is contemplated.

Emphasizing that American troops are neither necessary nor desired, the New York State chairman strongly urged that the United States also support UN proposals for a voluntary police force, and clearly warn Great Britain against any "scuttling" of the partition.

His recommendations supplemented a proposed joint resolution introduced in the New York State Legislature Tuesday by the Democratic Party, calling on Congress to lift the arms embargo.

Mr. Fitzpatrick's complete statement follows:

"The New York State Democratic Committee is heartily in accord with President Truman's statement that the United States support the United Nations' settlement of the Palestine issue. We welcome the assurance from Secretary of State George C. Marshall that this Government contemplates no change in support of that decision.

"We are convinced that such support is essential to the future if not the very life of the United Nations as an instrument for the peaceful settlement of disputes. We also believe, however, that such support must be positive and real for those defending the United Nations' decision against aggressors who would ignore that decision and nullify it.

"We therefore respectfully but strongly recommend that the members of the New York State delegation in Congress actively support a program that would—

"1. Bolster the United Nations in this, its first important decision, lest its effectiveness for peace be destroyed.

"2. Lift the United States arms embargo so that Jews can defend the decisions of the United Nations within Palestine against Arab aggression.

"3. Inform the British Government clearly that this Government will not tolerate scuttling of the partition.

"4. Support proposals by the UN Palestine Commission made to the Security Council that a voluntary police force be sent into Palestine. It is not necessary to send United States forces, for Palestine does not want American troops.

"The New York State Democratic Committee sincerely believes that the above program is the only real way to back up President Truman and reinforce Secretary Marshall, in their aim to safeguard the United Nations and world peace."

Was Adam Irish?

EXTENSION OF REMARKS
OF
HON. THOMAS E. MORGAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. MORGAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I am pleased to include one of a series of statements prepared for American Brotherhood Week by Richard Ginder. The statements were released under the sponsorship of the National Conference of Christians and Jews.

It is my belief that the spirit of brotherhood can only become a reality through the cooperation of all mankind.

WAS ADAM IRISH?

(By Richard Ginder)

You remember Adam, don't you? Eve's husband. The first of all men to walk the earth.

Was he Irish or Polish?—English or German?—black or white?

It's an interesting question, isn't it?

To tell the truth, the Bible doesn't say anything about his race or his nationality. Adam was a man. It makes that point very clear. He had a body and a soul especially created by the good God. And it was his soul that gave him his immense dignity. It made him a human being. It was the seat of his power to think and control his actions, to recall the past and imagine the future.

He gave the animals their names and ruled over them. Because of his human powers, he would always be able to throw a saddle over a horse, confident that the roles would never be reversed—that no horse would be able to get a saddle across his back.

Was he Protestant, Catholic, or Jewish? Adam wasn't any of these. The Jews didn't come into existence as a religious people until many thousands of years after Adam; and Christianity didn't develop until thousands of years after the days of Abraham. Not that Adam didn't worship God. No, indeed. He was a deeply religious man. He accepted God's revelation with simplicity, and although he sinned mightily against his Lord, there is a solid opinion that he repented that sin and that he is happy with God in heaven right now.

But why the talk about Adam? Because it is through him that we are literally made cousins. We are all kin one to another. We all have the same grandparents—maybe a great, great, great to the nth degree, but still, we're all members of the same human family.

Some of our cousins are Irish and some are Swedes; some are Syrian; some are Japanese. What of it? We'll never know, in this life, the color of Adam's complexion. The Bible is wisely silent on this point.

As for our religion, over here in America, at least, we're all divided up among Catholics, Protestants, and Jews. Whatever our creed, each of us is sincerely convinced that ours is the belief God wants us to follow. And we know that conscience, if we follow it, is going to lead us straight to God our Heavenly Father.

These considerations are presented in view of American Brotherhood Week extending from February 22 to 29. It's a time for renewing our convictions on the very real brotherhood of man through the blood of Adam and Eve, under the spiritual parenthood of the Almighty God in heaven.

Truth of National Service Life Insurance Surplus Should Be Told

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. SHAFER. Mr. Speaker, the National Underwriters, in its issue of February 20, carries an editorial which in substance states that President Harry S. Truman estimates the surplus of national service life insurance will reach $7,300,000,000 by June 30, 1949. I figured you and the public might be interested to know how this is being accomplished.

Bear in mind that the NSLI was organized to pay death claims resulting from war service. It was only these claims that the private insurance companies could not afford to pay. NSLI was given a "blank check" on the Federal Treasury for the purpose of keeping the company solvent. As far as life insurance agents and the public were concerned, that was all.

Now, it is revealed that the total claims attributable to war were not paid from this fund, but from the Federal Treasury in whole. Only deaths coverable by the private life insurance companies were charged to NSLI. This resulted in about $3,000,000,000 expense, so I am informed, charged to the Federal Treasury, which should have been charged to the NSLI fund.

In fairness to the taxpaying public and to the insurance fraternity, I would like to see that the Federal Treasury is reimbursed for the fake robbery that has occurred before NSLI is permitted to declare a surplus of any kind and distribute a dividend.

The life insurance men of the United States were the main supporters and backers of NSLI on the principles of its organization. The present accumulation of dividends and the tremendous amount

of publicity on this subject make unrealistic and unfair results as compared to the present accomplishments of life insurance companies. The public has been led to believe that insurance sold by private companies could be much cheaper than it really is, if the companies were willing to forego profits. And this publicity comes from Government sources at the very time the private companies still do most of the contact work in connection with NSLI.

Mr. Speaker, the insurance men of this country—the companies, the agents, and the men who work on debits and earn their living by selling insurance—deserve better than they have been getting from Uncle Sam on the NSLI deal. The people ought to know the truth about how certain agencies have used double bookkeeping to make the public think that something is true that is not true at all. Congress ought to get to the bottom of this insurance mix-up and see to it that the people get the whole truth and nothing but the truth.

European Recovery Plan

EXTENSION OF REMARKS
OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. HOLIFIELD. Mr. Speaker, the European recovery plan, commonly known as the Marshall plan, will be considered soon by Congress. Senate bill 2202 has been reported from the Committee on Foreign Affairs of the Senate. Under unanimous consent, I include in the RECORD an informal summary analysis of this bill. It was prepared by the Committee for the Marshall Plan to Aid European Recovery. This committee is composed of a broad, representative cross section of prominent Americans. The Honorable Henry L. Stimson, former Secretary of War, is the national chairman.

SUMMARY ANALYSIS OF S. 2202, THE VANDENBERG-CONNALLY BILL

FEBRUARY 25, 1948.

1. ADMINISTRATION

The bill establishes an Economic Cooperation Administration headed by an Administrator of Cabinet rank who is in charge of the program. In Europe there is to be a special ECA mission in each country, reporting to the Administrator. The head of each such mission will rank immediately after our Ambassador or Minister, and will assure performance of ECA operations.

The Administrator and the Secretary of State are required to keep each other informed of current and prospective actions of mutual interest, both in the United States and abroad. Any disagreements that cannot be settled between them will be referred to the President for decision.

The bill also establishes a special representative with the rank of Ambassador to act as our representative at the continuing organization to be established by the participating countries. He may also be designated United States representative on the Economic Commission for Europe. He is to work in cooperation with the chiefs of the ECA missions.

The Administrator is responsible for determining whether aid shall be made available on a cash, credit, or grant basis, or in return for materials for stockpiling. In making these determinations, he is to act in consultation with the National Advisory Council, of which he is to be a member. The determinations are to be based on the character and purpose of the assistance, and on ability to pay. The administration of credits decided on by the Administrator is to be handled by the Export-Import Bank with funds allocated for the purpose by the Administrator.

The Secretary of State, after consultation with the Administrator, is responsible for negotiating the agreements provided for in the bill.

The bill provides for a bipartisan Public Advisory Board to advise the Administrator and also for a Joint Congressional Committee to make a continuous review of programs of United States economic assistance to foreign countries.

2. SCOPE, PERIOD, FINANCING

Countries eligible to participate include the 16 nations (with their dependent areas) which signed the Paris report plus any other European country (including the occupation zones and Trieste) that adheres to the joint recovery program.

The bill authorizes the continuance of the program to June 30, 1952. It authorizes an appropriation of $5,300,000,000 for the first year after enactment. It likewise authorizes an advance of $1,000,000,000 from the RFC to be repaid from appropriations.

Three billion dollars of the first appropriation are to be charged against the expenditures of the fiscal year 1948 even though expended during the fiscal year 1949.

3. COMMODITIES AND PROCUREMENT

The bill authorizes the Administrator to make available any commodity or service (except merchant vessels: see below) that is needed for the program.

The Administrator may furnish commodities procured by the United States Government or may make funds available to the participating countries or their agents to be used in making purchases from private suppliers, under approved supply programs.

Commodities or services may be procured either in the United States or elsewhere.

4. LOCAL CURRENCY

Under the bill the participating country will put into a special account the local currency equivalent of goods and services made available as a grant. Each agreement with a participating country must provide that the country will use these funds only in ways agreed to by the country and the Administrator. The disposition of the balance remaining on June 30, 1952, must be approved by Congress.

5. COOPERATION WITH UN AND OTHER INTERNATIONAL AGENCIES

In addition to the duties of the special representative (see above), the bill authorizes the Administrator, in the President's discretion, to perform his functions or any part of them "by acting in cooperation with the United Nations or with other international agencies." The President is also authorized to use the services and facilities of UN or its affiliated agencies, and to pay for such services from ECA funds. The President is to transmit copies of his reports to Congress to the Secretary General of UN and agreements are to be registered with UN as required by the charter.

6. BILATERAL AND MULTILATERAL AGREEMENTS

Each participating country must agree to promote industrial and agricultural production, to establish sound currency and a valid rate of exchange, to cooperate in stimulating international trade, to make efficient use of all available resources, including assets of its nationals in the United States, to facilitate transfer of materials for stock-piling, to set up special local currency accounts, to publish reports on operations, and to furnish information.

7. PROTECTION OF THE DOMESTIC ECONOMY

In providing for procurement of commodities in the United States, the Administrator is to minimize the drain on United States resources and the impact on the domestic economy, and must avoid impairing the fulfillment of the vital needs of the people of the United States.

To the maximum practicable extent, petroleum is to be procured outside the United States, and the installation of petroleum-consuming equipment is to be discouraged, where alternative practices are feasible.

When long-supply United States agricultural commodities are being procured for transfer by grant, proportionate quantities of the various types of such commodities are to be procured, where practicable.

8. MISCELLANEOUS PROVISIONS

A. Strategic materials

The bill provides that the agreements with recipient countries should include the supplying of raw materials for stock piling by the United States, under reasonable agreed conditions. It also provides for the use of funds to enlarge productive facilities for such raw materials in the recipient countries for such purpose. It also provides that such materials may be applied in payment for aid.

B. Joint continuing organization

The Administrator is to encourage the joint continuing organization of the participating countries to establish a follow-up system to insure that each country is making efficient use of its resources.

C. Guaranty of private investments

The bill provides that up to 5 percent of the total funds appropriated may be used to guarantee the exchange convertibility of funds realized from investments made by United States investors in projects approved by the participating country and by the Administrator. The guaranty is limited to the amount of the investment and applies only to currency conversion, not to business losses.

D. Ships

The bill permits the Administrator, with the approval of the President, to put into operating condition not more than 300 surplus dry-cargo vessels, and to charter these ships to participating countries.

E. Termination of assistance

Assistance will be terminated if a country does not abide by its agreement (and if no other remedial action is feasible) or if, because of changed conditions, assistance is no longer consistent with the national interest of the United States.

NOTE

The Export-Import Bank is a United States Government corporation established "to aid in the financing and to facilitate exports and imports and the exchange of commodities between the United States * * * and any foreign country or the agencies or nationals thereof."

Its loans are supposed to offer reasonable assurance of repayment, and are repayable in dollars, with interest.

The National Advisory Council on International Monetary and Financial Problems was established by the Bretton Woods law. Its members include the Secretary of the Treasury (Chairman), Secretary of State, Secretary of Commerce, Chairman of the Board of the Export-Import Bank, Chairman of the Board of Governors of the Federal Reserve System. The function of the NAC is to coordinate all our foreign fiscal policies. The United States executive directors of the International Bank and the International Monetary Fund attend all meetings of the NAC.

The Housing Problem

EXTENSION OF REMARKS
OF

HON. MARGARET CHASE SMITH

OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mrs. SMITH of Maine. Mr. Speaker, housing for veterans, housing for war workers who are returning to their homes, housing for couples who have been living with their in-laws continue to be problems unsolved.

As a member of the Naval Affairs Congested Area Committee, I saw many war-housing projects developed and knew considerable about housing problems, so while there is a serious shortage of housing, I have been watching the disposal of some of these war-housing projects.

I visited Redbank Village when in Portland and talked with several members of the Redbank tenants' council so that I could get first-hand their reasons for wanting the sale of these houses postponed.

The Lanham Act was a wartime measure. It authorized housing and other projects that would help municipalities carry the burden arising from war production. This act calls for the disposal of temporary housing, but Redbank Village is of permanent construction and the houses are in excellent condition, so I asked the Federal Works Agency under what authority these are to be sold, and request that the reply of the Administrator of the Housing and Home Finance Agency be inserted herewith.

Following Mr. Foley's letter is one received from Rev. Charles W. Crooker, chairman of the disposition committee, which is confirmation of my discussion with him. I believe this will be helpful to others interested in the proposed disposition of public war housing.

HOUSING AND HOME FINANCE AGENCY,
Washington, D. C., January 29, 1948.

Hon. MARGARET CHASE SMITH,
House of Representatives,
Washington, D. C.

DEAR MRS. SMITH: I have your letter of January 20 requesting information as to the jurisdiction of the Redbank Village housing project in South Portland, Maine, in consideration of prospective disposition of the project.

Redbank Village was built as a permanent war housing project under the provisions of the Lanham Act, which covers both temporary and permanent war housing, and it is under the jurisdiction of this agency. I believe from your inquiry that you are particularly interested in the policy and procedure in effect in disposing of the permanent war housing projects, and I would like to take this opportunity to outline for you the circumstances upon which our policy for moving ahead with the sale of these projects is based.

Considerable attention was given, during the first session of the Congress last year, to the disposition of war housing. Hearings were held before both the House and Senate Banking and Currency Committees. The House of Representatives passed H. R. 3492, a bill which would have made it mandatory to sell all the projects within a very short period of time, to give an absolute first preference to veterans in the disposition of the housing, to subdivide large projects into the smallest feasible units of sale, and to require that all sales be for cash. As a result of these hearings and of the passage by the House of H. R. 3492, it was our conclusion that our policies should conform with the wishes of Congress as expressed in these hearings and by the passage of the bill referred to.

While the Lanham Act, which is the basic legislation under which this housing was built, does not require disposition of the permanent housing within a given time limit, it does state in section 4 that it is the policy of the act that housing provided under it may be disposed of as expeditiously as possible. Subsequent amendments to this basic legislation as well as discussions with the congressional committees seem to indicate clearly that we should dispose of this housing just as rapidly as the resources and staff at our disposal will permit. Our revised policies are set forth in Public Regulations No. 1, copy of which is enclosed for your information.

We are attempting to proceed with the present policy of sales in as orderly a manner as possible and with the least disruption to present occupants. Because of wartime restrictions that were in effect at the time this housing was built, problems will arise in connection with its sale for private residential purposes which will delay disposition of many projects for varying periods of time. It is important, however, that we move ahead with sale of projects which do reach the stage where offerings can be made if we are to succeed in meeting a schedule of final disposition within a reasonable period of time.

The Redbank Village project is expected to reach the stage where sales offer may be made by late spring or early summer of this year. Before such offer is made, however, full opportunity will be afforded the community for discussions locally with public housing administration officials regarding the plans or problems affecting the sale, as required by Public Regulation No. 1. We have already been in touch with the South Portland Housing Authority in connection with the problems involved in the disposition of the Redbank Village project. Enclosed is a copy of our letter of January 2 to Mr. Frank Preti, chairman of the South Portland Housing Authority, on this matter. You will note that we have taken steps to assure full and proper consultation with the city government and the South Portland Housing Authority toward working out a plan of disposition for the Redbank Village project which will be in the best interests of all concerned.

Sincerely yours,

RAYMOND M. FOLEY,
Administrator.

SOUTH PORTLAND, MAINE,
January 27, 1948.

Hon. MARGARET CHASE SMITH,
House Office Building, Washington, D. C.

DEAR MRS. SMITH: At your request, the disposition committee of the Redbank Tenants' Council has asked me to send you the following facts which we hope will be useful to you.

1. Over-all housing picture in Portland area:

Among the 4 Government housing projects in the Portland area, 420 families moved out during the year 1947. Out of that number, only 67 moved because they had purchased homes of their own. I happen to know personally of several families who have bought well outside the city limits. One hundred and ninety-five of the 420 moved out because they were unable to pay their rent, were evicted, or had a change in employment which caused them to move.

Among the 759 applicants for admission to these projects during 1947, 390 gave as their reason for applying that they had been living with another family, were in overcrowded quarters, or were living in substandard housing; 129 of the 759 applicants had been evicted from their former residence because it had been sold to someone else. Since no one but veterans can be admitted to these projects, it is safe to assume that most of these applicants had first choice in buying the homes from which they were evicted, but were unable to make the purchase.

In Redbank, of the 500 resident families, 64 have no children at all, 188 have 1 child, 130 have 2 children, 56 families have 3 children, 41 families have 4 children. The other 21 families have 5, 6, or 7 children. To take this out of the realm of statistics, it is certain that by next year the number of families with 2 or less children will be substantially increased. In short, the overwhelming proportion of residents in Redbank are young veterans who are just starting their families. If they should be forced to move during the present shortage of housing, they would have extreme difficulty in finding a decent place in which to bring up their families.

Finally, a reasonable estimate of the average income of Redbank families is $2,000. I hope these figures give a fairly clear idea that the average veteran is not in a position to buy a home at the present time. I have little doubt but what most of the houses in Redbank could be purchased within a short time after being put up for sale. What disturbs me is that only the more fortunate financially would be able to purchase, while the average as represented by most of the present population would be left to scramble for what was left over. As a Christian minister, I am violently opposed to the attitude, "Let the common people take what's left."

2. The financial risk involved:

Although we have no figures to prove it, I think it is obvious that a large proportion of these young families are not settled or secure enough to be asked to take the risk of purchasing a home. If Redbank is offered for sale while the total housing picture is still chaotic, many of these families will buy in desperation and thereby jeopardize their financial future. In addition, several leading bankers have announced privately that the banks in this area have almost reached their limit in the amount of money they are able to loan veterans for the purchase of homes.

3. Constructive alternatives to immediate sales:

Redbank was designed to be and ought to be a pioneer type of community. It is laid out as a unit, with the streets running in more or less concentric circles around the community building, playground, and school as the focus. It has had since the early shipyard days an active and vigorous Tenants' Council, which supervises the use of the community building, sponsors recreational and cultural activities, and acts as representative for the tenants in all affairs which concern them. It is democracy at its best. In a community which has had to face the problem of a gigantic turnover of population, the tenants' council has kept Redbank from becoming just a place where you hang your hat and has helped maintain a real unity of spirit. Redbank is also a place where, by necessity, the neighbors must live in very close contact with one another. Every house contains two families, with the exception of the barracks, which contain four. If this village were sold piecemeal, the residents, instead of focussing their attention on those things which are for the welfare of the whole community, would be preoccupied in their own private interests. Finally, these houses are best adapted to those families in the relatively low income group. Yet it is just these people who will be least able to buy.

For a long time I have been interested in the idea of the residents of Redbank organizing into a mutual ownership corporation. As you perhaps know, this is a nonprofit or-

ganization in which the residents buy the whole community on a cooperative basis. By pooling their resources, they are able to have a far more satisfactory home than for the same amount of money elsewhere. The advantage of mutual housing is two-fold. First, it enables families in a low-income group to own their homes who otherwise could not. Second, it would perpetuate the unity and democracy that already exists. We are entering an age where we must learn to pool our resources for the common welfare or else end in chaos. What better way to pioneer that new age than by a group of average people pooling their resources so they can have more adequate housing?

Another constructive possibility for Redbank which would not break its unity is that of low-rent housing. If the time ever comes when Maine passes the necessary enabling legislation, the existence of Redbank would be a wonderful opportunity to destroy one substandard dwelling in this area for every housing unit in this village. People in the very lowest income group would have an opportunity to bring up their children in a wholesome environment.

4. Summary:

We are opposed to the sale of Redbank this spring (1) because it would create too great a hardship; (2) there are far better methods of disposal than merely a quick cash sale.

Finally, let me point out that since Redbank is a paying proposition from the Government point of view, the only loss caused by a delay would be a loss of the theoretical principle that the Government ought to get out of the housing business.

Sincerely yours,

Rev. CHARLES W. CROOKER,
Chairman, Disposition Committee.

Request for a Statement of Expenditures for Germany

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. SADOWSKI. Mr. Speaker, on Saturday I sent the enclosed request to the President of the United States, the Secretary of State, to the House and Senate members of the Foreign Affairs Committee on Appropriations.

Now that we are embarking on a continuing program of spending billions of dollars in Europe and Asia, we should at least know where this money is going and where we have spent our previous billions. I have read the report prepared by the Case committee on Germany, and I must frankly state that this report is poorly prepared, misleading as to facts, and in no way supplies the information that all of us are entitled to have. I hope that this information that I requested will be made available to the Members of Congress quickly. My request follows:

In order to give full and thorough consideration to the Marshall plan and to the program of European recovery, I believe that the following information should be made available to every Member of Congress:

1. Total American expenditures for occupying Germany since VE-day to comprise:

(a) The disease and unrest program;

(b) The purchases of food and raw materials bought in the United States and foreign countries;

(c) Expenditures incurred by the import-export program of the United States zone;

(d) Expenses incurred by the United States authorities in transporting and importing from foreign countries, of food and raw materials to Germany.

2. Total value of surplus materials turned over to the Germans by the United States since VE-day (original value and for how much it was sold).

3. Total value of credits granted by the various United States Government agencies to Germany since VE-day.

4. Total value of German exports, the proceeds of which are to be charged to our expenditures and credits in Germany since VE-day.

5. If American private loans and/or investments have been granted to Germany since VE-day, what is their approximate value?

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. CHAUNCEY W. REED
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. REED of Illinois. Mr. Speaker, I have before me an editorial that I have taken from the Harvard (Ill.) Herald of Thursday, January 22, 1948, which I am inserting in the RECORD.

You will note, sir, that the editor of the Harvard Herald fears that Members of Congress do not or may not read editorials such as this which appear in country weeklies. Indeed, but for the fact that my attention was especially directed to this editorial I, too, may have missed it. Mr. Speaker, now that I have read it, however, I commend it to you and to our colleagues for we shall soon be confronted with this problem in legislative form.

I think it is of more than passing interest to note that Harvard, Ill., is a thriving community of about 3,500 inhabitants and is known as the dairy capital of the United States.

VIEW OF MARSHALL PLAN

One of our newspaper magazines published in New York says that only 54 percent of this Nation's farmers know what the Marshall plan is. We'd say that's a pretty good percentage. If more than half the farmers in our Harvard area have taken the time to read and find out how the Government proposes to spend $17,000,000,000 in 4 years to try and put Europe on its feet, then we can express an opinion on a subject in which a good share of our readers are interested.

This is one of those country weekly editorials which we hope the Congressmen and other politicians will read. But they probably won't. Nevertheless, if we don't air our views, and this terrifically important plan becomes law, who can we blame first but ourselves? Timidity, after all, is democracy's most insidious evil. So we shall speak up, clearly, we hope, and to the point.

Thinking of our own country first, the outpouring of these billions will naturally make our present inflation worse. How can it possibly do otherwise? We have inflation now, and we don't like it. It is taking all our earnings, leaving little or no room for savings. And currently we are sending some $2,000,000,000 worth of aid to Europe and Asia annually. This deliberate act of charity is partly responsible for today's dollar-a-pound butter.

If we had any assurance that the Marshall plan would really be the answer, we might be inclined to risk further inflation. But we haven't. The $400,000,000 loan to Greece and Turkey is not restoring those tiny countries very fast. Greece still has its civil war. Turkey, if she appreciates the funds, hasn't bothered to inform us of her progress. And our three and one-half billion loan to Great Britain, what of that?

The Marshall plan means 4 years of charity; 4 years of delay in the restoration of Europe's character. There is surely a better, more direct way of getting food to the starving Germans and Hungarians than this grandiose scheme. We say, let's beat down this proposal and ask for a saner one.

Civil Rights Program

EXTENSION OF REMARKS
OF
HON. TOM MURRAY
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. MURRAY of Tennessee. Mr. Speaker, I wish to call to the attention of the Membership of the House a timely editorial entitled "South No Longer in Bag for Truman," which appeared in the Jackson Sun on February 26, 1948, a fine newspaper published in my home city of Jackson, Tenn.

This splendid paper has always loyally and actively supported all democratic nominees and is intensely interested in the principles, traditions, and success of the Democratic Party. The editorial in question ends with the paragraph:

If Truman persists in clinging to his civil-rights program, it will be useless, we think, for him to campaign for the electoral votes in the South.

I believe that the Democratic national leaders must now realize that the revolt or the resentment in the South over President Truman's civil-rights program is quite serious. At first some of our leaders were saying that the revolt would soon die down in the South since only a few "hot-headed southerners were getting off a little steam," and that the opposition in the South would soon cease.

In the interest of party harmony and success I hope that President Truman will not be a candidate for the Democratic nomination for President at the National Democratic Convention to be held in Philadelphia next July, and that the convention will nominate for President either Senator Harry Byrd, Secretary of State George Marshall, Chief Justice Fred Vinson of the United States Supreme Court, or Senator Millard Tydings.

The editorial in the Jackson Sun is as follows:

SOUTH NO LONGER IN BAG FOR TRUMAN

A delegation of southern governors, incensed over President Truman's civil-rights declaration, his intention to try to get the 10 points enacted into law, and his avowed purpose of seeing them written into the Democratic platform at the national convention this year, called upon Senator MCGRATH, of Rhode Island, chairman of the National Democratic Executive Committee, with a view

of getting retraction, but met with dismal failure.

Whereupon these Democratic governors from the South gave expression to the following sentiments:

"We feel we are expressing the firm conviction of our people when we say that the present leadership of the Democratic Party has deserted the principles of government upon which the Democratic Party was founded."

This statement represents the studied sentiments of accredited representatives of the Southern Governors Conference recently held at Tallahassee, Fla. It represents an open split on the part of a representative group from the South speaking with real authority. It is a declaration that the solid South is no longer in the bag for Truman.

When the governors of these Democratic States describe the party leadership as unfit and as a violation of the traditional party principles, the declarations cannot be dismissed as mere twaddle.

If Truman persists in clinging to his civil-rights program, it will be useless, we think, for him to campaign for the electoral votes in the South.

Presentation of Air Force Association Medal to Irving W. C. Hamlin

EXTENSION OF REMARKS
OF
HON. WALTER E. BREHM
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. BREHM. Mr. Speaker, on Saturday, February 14, 1948, an incident occurred which to my way of thinking brought signal honor to Lancaster, Ohio, which is the county seat of Fairfield County, which is one of the five counties comprising the Eleventh Congressional District, which I have the honor to represent. On that day Mr. Eugene M. Zuckert, Assistant Secretary of the United States Air Force, visited Ohio University at Athens, Ohio, where he addressed the advanced air corps and other ROTC students as well as faculty members and the general public.

The high light of Mr. Zuckert's visit was the presenting of the Air Force Association Medal to the most outstanding Air ROTC student at the university. This is where Lancaster, Ohio, figures into the proceedings. It so happens that living in Lancaster and attending Ohio University is a young man 23 years of age by the name of Irving W. C. Hamlin, who was the recipient of that valued medal. Mr. Hamlin is a graduate of the Lancaster High School and was attending Dennison University at the time of his entry into the armed services in July 1943. He served as a rifleman in the Seventy-first and Twenty-ninth Infantry Divisions, and was a private first class on his discharge in December of 1945. He will graduate in June from the university and plans to remain in the Air Force after graduation and make it his life's work.

The point I am trying to make, Mr. Speaker, is that so long as men like Mr. Hamlin, who have come up through the ranks and without any pull or special favor, arrive at the heights to which this young man has arrived by sheer ability, that those of us who are so dependent upon our American youth can relax with assurance that the future of America will be in good hands.

I offer my congratulations to Irving as well as to his parents, Mr. and Mrs. Horace J. Hamlin, on their good fortune in having such a distinguished son.

Universal Training as Nation's Great Necessity

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following article I wrote which appeared in the Brooklyn (N. Y.) Eagle on February 29, 1948:

UNIVERSAL TRAINING AS NATION'S GREAT NECESSITY

After the report and the recommendations of the President's Advisory Commission on universal training many bills were introduced in Congress. The one receiving most discussion is that on the Union Calendar in the House, known as H. R. 4278, entitled "The National Security Training Act."

At the present time it seems unlikely that the bill will be brought before the House for action at this session. That being so, some people may say that we can postpone discussion of this proposed law. It is my thought that the discussion, at least about the principle involved in the law, should be encouraged now in order that public opinion may be carefully formulated. In this article I do not intend to discuss the various details by which the principle is to be effectuated. There will always be a difference of opinion as to what is the best method of effectuating a particular plan, even by the supporters thereof. The details can be worked out later. The important thing to do first is to determine upon the principle. In order to arrive at a proper conclusion it is important that we first understand the subject.

On December 19, 1946, President Truman appointed the Advisory Commission on Universal Training, and on December 20, 1946, said to the members of the Commission:

"I want our young people to be informed on what this Government is—what it stands for—its responsibilities. And I think the best way to do this is through a universal training program. I don't like to think of it as a universal military training program. I want it to be a universal training program, giving our young people a background in the disciplinary approach of getting along with one another, informing them of their physical make-up, and what it means to take care of this temple which God gave us. If we get that instilled into them, and then instill into them a responsibility which begins in the township, in the city ward, the first thing you know we will have sold our Republic to the coming generations as Madison and Hamilton and Jefferson sold it in the first place.

"Then go outside the executive branch and talk to leaders in the House and Senate. I want you to be known as the President's Advisory Commission on Universal Training.. I want that word 'military' left out. The military phase is incidental to what I have in mind."

CONCERN FOR SECURITY

When the Commission unanimously reported to the President under date of May 29, 1947, it said, in part, as follows:

"In your original charge to us, and in subsequent discussion with you, it was clear that your concern for the security of our country penetrates beyond the aspects of military organization into those deeper attributes of character and physical and mental fitness which must be the basis of effective service by the citizen to his country.

"Universal training cannot be evaluated except in its relation to, and its effect upon many other activities. Hence, with your approval, we have considered international, economic, educational, medical, and religious implications. We have envisaged possible types and risks of future war; and have studied the various requirements of military strategy to avoid these risks if possible and to overcome them if necessary. We have sought and secured information, ideas, advice, and criticism from individuals and organizations of many types and interests, and have given most serious consideration to all the problems involved.

"Out of these studies we have come to a clear, unanimous, and strong conviction about the course which our country should follow in respect to universal training in the foreseeable future. We recommend this course as a wise and prudent investment in American security, liberty, and prosperity."

Universal military training has been urged upon our country many times in the past, and by leaders whose sincerity of purpose was beyond dispute. Among them, history tells us, were George Washington, Thomas Jefferson, Alexander Hamilton, and James Monroe. Present-day leaders in political life, regardless of party affiliation, have also taken a firm stand in favor of a universal training program. It is not a political issue. I trust it will never become one.

Not the least of those who have taken a position in favor of universal military training are former Secretary of State James F. Byrnes, present Secretary of State George C. Marshall, former General of the Army Dwight D. Eisenhower, and John Foster Dulles.

SETS FORTH PURPOSES

The Committee on Armed Services, in reporting the bill referred to above, sets forth its purposes as follows:

"The purpose of this bill is to provide for the common defense by requiring all young men between the ages of 18 and 20 to undergo a period of training which will fit them to contribute to the protection of the country in time of emergency.

"The young men liable for training under the terms of this bill, although they shall be legally deemed to have military status, shall not be members of the armed forces, shall be subject to no duty other than training, and shall be liable to bear arms for the United States only in the event of a national emergency so declared by Congress and the President, and by the enactment of a new conscription act. They shall not be subject to the Articles of War, nor to the Articles for the Government of the Navy, but to a special disciplinary code as outlined below in this report."

It is my feeling that most persons who are opposed to universal training as presently proposed would soon become earnest supporters of the program if they took the time

to read and analyze the report of the President's Advisory Commission, which, incidentally, is on sale by the Superintendent of Documents, at the United States Government Printing Office, Washington 25, D. C., for 75 cents. The Commission heard witnesses for and against the program. It gave as careful and as full consideration to the opponents as to the proponents. No phase of the problem has been overlooked.

My own position in favor of the early enactment of the program is based not upon emotion reactions but upon fact and upon reason.

ANTICIPATES MUCH MAIL

I have no doubt that immediately after the publication of this article I will receive much mail, urging me to change my position. I hope that those who take the time to write me on the subject will at least first acquaint themselves with the full contents of the report and of the proposed legislation, and then, after having done that, I hope they will not simply say to me that they are against the program, but that they will set forth their reasons.

The subject is one about which either side can easily get emotional and oratorical and end up with flag waving. People who approach the problem that way do not do justice to either side.

I am just as anxious as every other good American that world-wide peace be made the order of the day, that war be banished from the earth.

I am certain that the United States will never be an aggressor nation. I am just as firmly convinced, however, that the same cannot be said of Soviet Russia. It matters not whether you refer to Soviet Russia's policy as defensive aggression or just plain aggression. The fact is that she is gobbling up Europe as fast as possible, peacefully when the people succumb without fighting back, and at the point of a bayonet when they attempt to resist.

Despite that, our country alone and through the United Nations is ready and willing at any time to sit down around the conference table with Russia in an effort to bring about world disarmament. Only one who utterly ignores the facts, however, will think for 1 minute that Russia would ever agree to such a plan. She is armed to the teeth today and will continue to be so armed, not because she is afraid of attack from the outside, but because her leaders are imbued with the insatiable desire to conquer the world. In Soviet Russia every man, woman, and child from 16 to 50 is subject to the most rigorous military training program, every person being fitted into a niche, whether they like it or not, where their every daily effort is utilized to support the totalitarian dictatorship and its world-wide aims. That is the danger that we face. That is the danger that we must prepare against.

HAS NO SUBSTITUTE

Of those who oppose universal military training I ask the question: "What will you substitute in its place so that these United States may remain so strong that no country will dare attack us?"

To those who say the next war will be an atomic war, against which that is no defense, I say we must leave that to the scientists and military experts. We must at least give those working with the civilian authorities, placed in charge of the proposed universal training program, the opportunity to train our youth in that defense. There is nothing in the proposed program which intends to teach our youth that by learning to march they will be able to defend our country. It will be a modern program, teaching modern methods.

To those who say it will regiment our youth and take them away from religious beliefs and concepts, I say that the program encompasses the moral and religious aspects of training and may bring forth a more religious youth, rather than a less religious youth. It is well to note here that more than 50 percent of our American population are not affiliated with any church or synagogue. More youths in the armed services of our country attended religious services than civilian youths. Under the proposed program even those with no religious affiliation will at least be submitted to good moral training.

WOULD NOT DEPRIVE OTHERS

To those who argue that a universal training program will be expensive and that, instead of spending the money for that purpose we should spend it for education, health, housing, unemployment insurance, social security, and any or all of the other social services and welfare projects that a great democracy should foster, the obvious answer is: Not one penny must be taken from any of those programs for universal training. At the same time we must assume the additional burden of universal training. The universal-training program is not intended as a substitute for any other program, or for part of any other program. It is a supplement to all of them. It is not urged as a cure-all, but as a necessary incident and as but a part of an over-all national security program.

To those who say, Let us rely on the United Nations for world peace, I say, when the United Nations is so constituted that no country can exercise a veto power and that all countries will submit in a democratic way to decisions of the United Nations, arrived at in a democratic way, and when the United Nations is implemented with a police force sufficient to prevent aggression by any and all nations, then we can disband our program for universal training.

Let me conclude with the following quotation from the last paragraph of the report of the President's Commission:

"We recommend the adoption of universal training because we are convinced that weakness on our part not only involves our country in grave risks but also weakens the United Nations, on which rest our hopes for lasting peace. A weak and irresolute America is an invitation to failure. A strong and resolute America is the best guaranty for our safety and for the success of the United Nations."

Poem by Former Lt. Sidney B. Gault

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. BRYSON. Mr. Speaker, my attention has been called to the following beautiful and inspiring poem which appeared in the 1948 January issue of the United States Air Services magazine. This poem was written by a young man, former Lt. Sidney B. Gault, of the Air Forces, whose home is in Spartanburg, S. C. I take pleasure in submitting these inspiring words for inclusion in the CONGRESSIONAL RECORD:

FROM HIGH ATOP THE SPIRES OF SPACE

From high atop the spires of space I've seen
The murky dawn give way to morning's birth.
I've watched the fingers of the sun stretch out
To rouse from lethargy the sleeping earth.
I've sailed my ship on silvery wings above
The vast expanse where men and beast belong,
And, hovering there in calm serenity,
I've heard angelic choirs burst forth in song.

At night, in shimmering moonlight, I have soared
Above the overcast that hides earth's face;
And frolicked o'er its fluffy blanket top
To dance and skip across its downy lace.

I've scaled, with ease, the breathless slopes of air
To poise, in peace, above the burnished sod;
And wondered why the foolish rushing throng
Paused not to heed the handiwork of God.

—*Sidney B. Gault.*

Mr. Marshall, How About Those Planes for China?—Congress Is Entitled To Have the Facts

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, last week the press of the country carried a startling story to the effect that the United States had been sending bombers and fighters to China under a secret agreement. This morning, before the House Committee on Foreign Affairs, the Honorable William C. Bullitt, formerly Ambassador to Moscow, testified that such was not the fact. The Times-Herald, in a feature article by Mr. Frank C. Waldrop, likewise questions the statement by Mr. Marshall and indicates just what has transpired so far as planes to China are concerned. Under permission to extend my remarks I include the article by Mr. Waldrop which appeared in this morning's Times-Herald:

CHINA'S PLANES

(By Frank C. Waldrop)

Either Air Force Secretary Symington or State Secretary Marshall is trying to kid the public. Maybe they're in it together.

In any case it is a dirty, defenseless trick and here's hoping somebody in Congress has the courage to call the pair of them to the witness stand for an explanation.

Perhaps you saw a United Press story headlined in last Saturday's Times-Herald, thus: "United States bombers, fighters sent to China."

That headline and the story following were utterly misleading, utterly unjustified, utterly false in emphasis, though neither the United Press nor this newspaper had any way of knowing that to be the case at the time.

Frankly, the reading public is entitled to know that the UP and not only this but the newspapers of the country, generally, were by that story made the victims of a shabby piece of misdirection. The true emphasis would have had to say aid to China has been stopped, not begun. Here is a chronological history of the actual case:

1. Back in December 1945, Mr. Truman and T. V. Soong, for China, came to a general agreement that the United States would furnish air aid to Chiang Kai-shek.

2. On the basis of that agreement, our air experts worked out a deal to equip Chinese with eight and one-third air groups, consisting of 1,071 combat planes, plus spare and replacement parts, ammunition, and so forth. Marshall himself approved the final form of the agreement jointly with Chiang, while Marshall was in Nanking on the President's mission of supposed aid to China.

3. In August 1946, Secretary Marshall ordered the sending of further equipment under that agreement to be stopped.

It was stopped. It has never been resumed. Thus, the commitment by the President of the United States of December 1945 was broken.

Congress ought to find out why.

As to the details of execution of the agreement up to the time Marshall ordered it broken, here are further facts:

We promised the Chinese 1,071 planes, plus parts and ammunitions. We delivered them 158 planes which would not fly. We delivered them 304 planes that would fly but for which we furnished no spare parts or replacements. We earmarked 135 more planes but did not actually deliver them. We counted in still more planes that had been given to China in the course of the war with Japan and were no longer serviceable.

And there the contract stopped. No further allocations of planes. No deliveries of spare parts or ammunition at all.

To keep aloft those few planes which could be flown, the Chinese have had to cannibalize their meager air force, that is, take parts off one plane to equip another.

The over-all deal, as such, has never been executed.

General Marshall's attitude toward China is undoubtedly the most peculiar feature of his record in public office, to date.

The recognized government of China is that of Chiang Kai-shek. We recognized it years and years ago. This recognized government, with which we have long since exchanged ambassadors, has been at war with the Communists from the day it started, something more than a generation ago.

In between, it fought a war with Japan into which we were finally drawn and in which we delivered the victory. But the war with communism has kept right on going.

To help the Communists, Russia gave Chiang's enemies vast stores of Japanese weapons and equipment captured during Russia's brief and phony war with the already defeated Japs.

Obviously, if we cared at all about keeping China out of Russian hands, our cue was then and there to give Chiang the kind of help he needed, namely, weapons and not kicks in the teeth.

But General Marshall, as head of a special mission to China, let himself be influenced to give Chiang a kick in the teeth because Chiang would not surrender any part of his country's sovereignty to Russia.

It would be interesting to know who influenced Marshall to make that fatal boner, as now all the world knows it to have been.

No man on earth can square Marshall's attitude on China with common sense, in view of his attitude on Europe.

In Europe, he asks the American taxpayers to spend seventeen thousand million dollars, plus, to keep the Reds from conquering any more territory.

In China, he asks the only government we recognize, to surrender to the Reds and let them help govern, which is merely opening the gates wide to Stalin and everybody knows it.

Who led Marshall into that trap? How did the great military man come to make that boner? Why has he let this fake story of air-power aid to Chiang go unexplained?

Congress should find out.

The St. Lawrence Seaway

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, March 3 (legislative day of Monday, February 2), 1948

Mr. WILEY. Mr. President, I ask that the text of a radio address I broadcast over Wisconsin stations be printed in the Appendix of the RECORD. The St. Lawrence seaway battle continues, in spite of the recommittal of the bill to the Senate Committee on Foreign Relations on February 27, last.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE ST. LAWRENCE SEAWAY BATTLE GOES ON

Fellow citizens of Wisconsin, the battle for the St. Lawrence seaway will go on.

The seaway suffered only a temporary setback in the Senate on February 27, when, by a vote of 57 to 30, it was decided to recommit the resolution to the Foreign Relations Committee for further study.

This vote followed many days of intensive debate which explored all the phases of this bill. It was my pleasure and privilege to manage this nonpartisan resolution on the floor of the Senate. It had previously been my responsibility to serve as chairman of the Foreign Relations Subcommittee which held hearings on the resolution and which reported it favorably to the full committee.

WISCONSIN'S ENDORSEMENT OF SEAWAY

I wish that each of my listeners might have been with us during the hearings, during the discussion in the Foreign Relations Committee and on the floor of the Senate as this great project—so vital in the national interest—was discussed. I know, however, from the many fine communications from all over our State, that the people of Wisconsin followed this issue with the closest and keenest attention.

I am grateful for all the magnificent letters and wires which poured into my office before, during, and after the debate. Wisconsin rallied virtually unanimously behind this important objective. Farm groups, labor unions, businessmen's clubs, associations of commerce, mayors, county supervisors, the Great Lakes Harbors Association, the Deep Waterways Commission, and countless other individuals and leading organizations wrote and telegraphed me. They expressed the almost unanimous conviction of our State that this great project is necessary for the national welfare.

OUR PURPOSE TODAY

It is not my purpose at this time to review in detail the record of the seaway battle, because you are familiar wtih it. "What is past is but the prologue" anyway. I do want to discuss some of the brief high lights of our effort and then to submit a suggested answer to the big question, "Where do we go from here?"

OUR ACCEPTANCE OF RECOMMITTAL MOTION

First, it should be said that we accept the recommittal vote without rancor and without bitterness. We fought as hard as we could for this objective, but now that the decision has been reached, we accept it, although only as a temporary set-back. "Truth crushed to earth will rise again." The forces of progress, though temporarily halted, are irresistible, and move ever forward.

SEAWAY REQUIRED FOR NATIONAL INTEREST

Throughout the seaway debate, it was my purpose to point out that this great project is necessary in the national interest, for national defense, for national economic benefits to agriculture, business and labor, for the development of 2,200,000 horsepower of needed electrical energy. I stated that what the Senate needed and what all America needs was the vision, without which we are told, "a people perish," the vision to see that this project is needed now and for the future. It is needed today to handle the expanding needs of our Nation of 145,000,000 people, and will be needed even more in the future when America will have 160,000,000 and then 200,000,000 people.

History will render the final verdict on the decision of the Senate to recommit the resolution. I hope that history will not be too harsh in its judgment of the men who unfortunately voted to defer this project.

You and I know that the St. Lawrence seaway is the largest single untapped natural resource left on the North American Continent. We know that no man ever progressed who did not use the talents the good Lord gave him. No nation ever prospered which did not use its natural resources, its coal, its iron, its minerals, its oil, and its great rivers. Now that the Mesabi iron range is nearing depletion, because of the tremendous amounts of ore we have extracted from it, we felt that it was urgent that the seaway resolution pass, so that through this great natural artery, we could import Labrador ores to maintain our midwestern steel industry at its present location.

MIDWEST DESPERATELY NEEDS SEAWAY

It was pointed out in the debate that the 50,000,000 people of the land-locked inland empire of America desperately need this seaway. The economic health of the Middle West, the bread basket of America, requires this seaway. We of the Middle West have given unselfishly of our resources to the Nation. We of the Middle West have voted for projects which we felt were vital to the economic health of other regions. But, unfortunately, when it came to voting as a loan the sum of $720,000,000—the combined United States and Canadian cost for both the seaway and the power project—other sections of our Nation were less willing than we had been, to build a vital project, a self-liquidating project.

EXCUSES AND PHONY THINKING AGAINST SEAWAY

Throughout the debate, I am frank to say, every sort of excuse and smoke screen was devised to postpone the resolution. We heard fear expressed on the floor of the Senate, the fear of the eastern ports, the fear expressed by representatives of other means of transportation that the seaway would hurt them. To answer this fear, we tried to implant faith—faith in our country, faith in our future to prove that not only would this seaway not hurt present economic interests, but that it would contribute to their economic health.

We heard synthetic thinking, questioning the mass of documents supporting the seaway—questioning the costs, the channel depths, the constitutionality and countless other features which had been proved and proved again in the past.

We have no regrets for what we did. We fought for hour after hour, day after day on the floor of the Senate, contesting the claims of the opposition. My colleague, Senator AIKEN, of Vermont, and I spoke over the radio on behalf of the seaway. We prepared statements for the press to spread truth and light on this long-debate issue. We were in continuous contact with Federal agencies and private organizations and individuals to mobilize the facts.

WHERE DO WE GO FROM HERE?

Now that the seaway resolution has been recommitted, the question remains—"where do we go from here?" What does the future hold for the St. Lawrence seaway?

You and I have no crystal ball, but we can foresee something of the future.

It is a fact that the St. Lawrence seaway resolution cannot be revived in the Eightieth Congress. However, we are not going to lose any time in crying over spilt milk meanwhile. Looking toward the future, we are going to mobilize still more facts from the finest authorities in the land, from the United States Corps of Engineers, from the Department of Commerce, from the United States Maritime Commission, the State Department, from business, labor, and farm groups. We are considering the possibility of asking for the establishment of a special Presidential commission impartially and objectively to study this project in the light of our current and future needs.

SEVERE OPPOSITION STILL EXPECTED

But we know the battle will not be an easy one. The opposition is not going to be easily convinced. I respect the sincerity and the integrity of my colleagues, but as I have candidly stated to them on the floor of the Senate, there are unfortunately some who have "eyes to see but do not see, and ears to hear but do not hear."

In 1949, the grounds for their opposition will undoubtedly have changed somewhat, as they have in the past. The opponents will have new arguments against the seaway. Just because we have accumulated more facts, they are not going to be won over automatically. You and I know that if we mobilize all the literature that has already been developed on the seaway, it would fill a warehouse. But even if we have five warehouses full of facts, it probably could not convince an opponent whose judgment had been foreclosed.

FAITH IN CONGRESS' ULTIMATE VOTE FOR SEAWAY

But we have sufficient faith in the intelligence, in the reason, in the understanding of the Members of the United States Congress and of the American public that when they are presented with the true facts of the situation, they will accept this project as being necessary in the national interest.

WHAT MIDWEST WANTS

Just what do we of the Midwest want?

1. We want to continue to grow in population and in economic health.

2. We of the Middle West do not want to see idle factories, lines of jobless men developing, because the Middle West is placed at an economic disadvantage in this highly competitive age as compared with the advantages enjoyed by the eastern and Pacific seaboards.

3. We of the Middle West do not want to see America finding herself, in the event of some future national emergency, unprepared, lacking adequate shipbuilding and ship-repair facilities, such as could be enjoyed through the seaway. We do not want to see our beloved America critically short of sufficient electrical energy to produce modern implements of defense and to support every industry.

All of the signs, however, point to these unfortunate results—idle factories, unpreparedness—unless we of this generation demonstrate the vision to prevent them by building the seaway.

WHAT CAN WE DO FOR SEAWAY?

Now, what can you and I do to help bring the seaway into completion?

The first and most important thing, I feel, is not to become discouraged over this setback and the previous reverses which we have suffered. Throughout the history of human progress, pioneers have always temporarily suffered the taunts and the set-backs by men who lacked vision.

But the pioneers who built this great country had faith in themselves and in the future—the faith that, we are told, moves mountains. The men who built the Suez Canal, the Panama Canal, who pioneered with the automobile, the steam engine, the railroads, the airplane—these men and women would not admit defeat. They would not give power to defeat by accepting it, and therefore they triumphed. So, too, we shall triumph because progress, although stayed, can never be defeated.

OUR MISSIONARY JOB TO PROMOTE SEAWAY

But you and I each have a missionary job also. It is up to us to think, talk, and act for the St. Lawrence seaway, not only in our own State, among those who may still be unconvinced on the facts, but in all sections of the Union. Each of us has colleagues, friends, business and other acquaintances, relatives in other States of the Union. Each of us should take it upon himself or herself to conduct a constant educational campaign to present the facts in this matter, to point out the fact that it is to the economic self-interest, not only of Wisconsin, Michigan, Minnesota, the Dakotas, but of the people of all the 48 States, to enact this resolution.

We believe in our cause and we are reminded of a familiar verse:

"Then conquer we must,
When our cause it is just.
And this be our motto,
In God is our trust."

CONCLUSIONS

Wisconsin this year celebrates the centennial of its admission into the Union. We had hoped that the St. Lawrence seaway might have been begun in this, the opening year, of Wisconsin's second century of statehood. The seaway will have a wonderful impact on every last community and hamlet of our State, on every citizen, every group—accelerating progress, increasing prosperity.

Our hopes, our dreams, our faith will yet be fulfilled. The battle for the St. Lawrence seaway goes on. We are not discouraged, we are not defeated. We are in this fight until victory is finally achieved.

Stand united, stand with faith, my fellow citizens and this magnificent 2,300-mile artery will yet be constructed.

Justice and truth shall prevail. Forward, Wisconsin. Forward, America.

The Partition of Palestine

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Wednesday, March 3 (legislative day of Monday, February 2), 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD excerpts from an address which I delivered before a rally of the American Emergency Zionist Council, at the Manhattan Center, New York City, N. Y., on March 1, 1948, concerning America's obligation to support United Nations' decision to partition Palestine.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

The problem before the United Nations is crystal clear. Shall its decisions be honored and carried out—particularly by member nations—or shall they be ignored as "scraps of paper," again by member nations?

Similarly, the problem before the United States is equally clear. Shall it use its great influence to strengthen the United Nations, particularly in reference to such decisions as it took the initiative to make, or shall it use its influence in undermining the authority of the United Nations and thus hasten its complete disintegration?

Any action suggested or any suggestion made which can cause a deviation from this clear policy which has been ours in relation to the United Nations and which policy has been in the minds and hearts of the American people for years should be considered contrary to America's well-being.

It is all right to have committees to investigate, committees to follow up, and committees to report, but never should any committee be considered as a medium for deciding a reversal of policy once that policy has been decided and has become accepted by the vote of other nations. For America to recommend anything contrary to decisions made when other nations have agreed is a step toward a reversal of an international agreement. That step should not be a one-sided action.

America has both officially and sentimentally stood so long for the restoration of Jerusalem and the return of the Jews to Palestine that that policy cannot be given up without shocking the conscience of all of our people. America's ideological fight, running over 150 years, has been a fight which has said that democracy has a right to be in the world and that democratic ideals must be respected. We have built our whole theory around the Monroe Doctrine which has now evolved into the notion of unity in our hemisphere for defense purposes, based on the idea and with the ideal that imperialism is a thing of the past, that colonialism is bad, that people have a right to be independent and a right to work out their own destinies without hindrance from the outside. Therefore, America has stood for the policy of protection for small states and she has accepted the theory that is basic in international law, that states, no matter what their size, have equality in the sisterhood of nations. We assumed that when the ideal of a mandate was set up that the first duty of the state which held the mandatory power was to administer affairs within the mandate so that it could become capable of an independent existence. Logically and ideologically, therefore, America should stand for the decisions which have been made throughout the years in regard to Palestine. The big question is not whether the Jewish national state shall be set up now. It is, Shall we go back upon our pledged word and a decision made in accordance with the machinery which we have pledged ourselves to support?

The American people know that if we are to sustain international law, deliberation before action, and respect for promises made and covenants entered into, they must sustain the action of any institution set up to operate in accordance with the theories of a peaceful process.

The final analysis of a peaceful process always results in a compromise on the theory that compromise is better than the alternative. This still leaves room for future struggle for right and change. But to let opportunity after opportunity go by to make strong the deliberative action is a mistake.

The United Nations has acted in regard to the Palestinian question. Their action

was, of course, a compromise. Neither side had its absolute way. But it did afford a new start for peaceful institutional building and the age-old striving for a national home for the Jews saw the light. All forces the United States has should now be used to unite with all of the nations that supported it in the United Nations decision to maintain that decision for the sake of a future world organization.

A Jewish national state is an insignificant thing, indeed, compared to the proper functioning of a world organization. To go back on the Jewish national state merely retards for the time being the inevitable. But to turn our backs on world-wide action and the pledged word of the nations of the earth in formal deliberation may destroy all the progress we have made toward world organization and the peaceful settlement of disputes for generations. If man loses faith, now, in nations' ability to cooperate with each other to make decisions and to stand by those decisions, when will we have a chance again to move forward toward what has been the desire not only of nations but the prayer of the people of the world since the concept of progress dawned on man?

America must marshal those nations which voted to support the United Nations decisions. There is no retreating from that stand. We cannot afford in this generation a Corfu affair which destroyed the hopes of the last generation.

We hear echoed on all sides that if we do not give aid to Europe democracy is at stake. I say, if America and the nations of the world do not stand by their pledged word, world organization is at stake. And without world organization democracy ultimately may fail because democracy rests upon the peaceful process and so does world organization.

Palestine, United States, and Security Council: What Now?

EXTENSION OF REMARKS
OF
HON. OLIN D. JOHNSTON
OF SOUTH CAROLINA
IN THE SENATE OF THE UNITED STATES

Wednesday, March 3 (legislative day of Monday, February 2), 1948

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that there be inserted in the Appendix of the RECORD a copy of an address delivered last evening by Dr. Israel Goldstein, chairman, World Confederation of General Zionists, and chairman, United Palestine Appeal, speaking before the Palaver Club, of Washington, D. C., and also remarks I made in presenting Dr. Goldstein to this group.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

Senator JOHNSTON of South Carolina. It is my rare privilege this evening to present as our speaker one of the outstanding Jewish leaders in the entire world and a truly great world citizen. Dr. Goldstein graduated from the Jewish Theological Seminary in 1918 and received the degree of doctor of Hebrew literature from the Jewish Theological Seminary of America in 1927. In 1945 he was awarded a doctor of divinity degree. He is at the present time an able leader of numerous organizations. He serves as chairman of the United Palestine Appeal, cochairman of the United Jewish Appeal, chairman of the World Confederation of General Zionists, and president of the Jewish Conciliation Board of America. He is the former co-chairman of the Commission on Religious Organizations of the National Conference of Christians and Jews, and a former president of the Zionist Organization of America. He is the public representative on the Committee of the United States Department of Labor, Wage and Hour Division, on Meat, Poultry, and Dairy Industry.

He is the former president of the Synagogue Council of America, a former chairman of the Jewish section of the Interfaith Committee for Aid to the Democracies.

In his honor the British War Relief Society has established the Dr. Israel Goldstein Children's Nursing Home in England. On the occasion of his fiftieth birthday in 1945, the Jewish Theological Seminary of America established in his honor the Dr. Israel Goldstein lectureship.

The Dr. Israel Goldstein Children's Home in Lyons, France, has been dedicated in his honor. In Palestine a large tract of land has been named for him by the Jewish National Fund of America. He is the author of two books, a Century of Judaism in New York, a very scholarly work published in 1930; and Towards a Solution, published in 1940. He is a contributor to Encyclopaedia Britannica and to the Universal Jewish Encyclopedia.

Today, Palestine is the most serious trouble spot in the entire world. I believe that our speaker this evening is better equipped to discuss the interest of the Jewish people and the interest of the United States in the peaceful solution of the Palestine problem than any other American. I therefore take pride and pleasure in presenting Dr. Goldstein.

Dr. GOLDSTEIN. Was November 29 a fool's paradise? I do not think so.

No Jew felt then that the Jewish people got all it was entitled to get from the UN. The area allotted to the Jewish state was whittled down to one-eighth of what had been contemplated by the Balfour Declaration. But it was a sacrifice which the Jewish people felt was worth making because it was the final compromise and it was worth making, because it was final, because it was a settlement at last, because it meant that in that area, small as it is, there would be at last a Jewish state so that in the future no alien hand could bar any Jew from his homeland, and so that the Jewish people, after 19 centuries of abnormality, would have at last a place, a voice, a name in the councils of the nations.

No one expected that the Arabs would meekly submit to the November 29 vote. It was anticipated that the Arab League would try to make trouble, but it was also anticipated that the Arab states would be slapped down at the first attempt to sabotage the decision of the UN, slapped down by stern warnings from the great powers, especially from the United States, and sobered by serious international planning for an international force. And it was also expected that if the Arabs in Palestine itself would make trouble, the Haganah could handle them, since it would have no difficulty in securing arms from those states who voted for partition, and especially from the United States, which was the leader of the propartition forces.

No one expected that the British mandatory government would take an active part in helping to bring about the partition plan, but the British spokesman was taken at his word when he said that his Government would be loyal to the UN, would not obstruct its decision.

No one delved into the legal technicalities of whether the UN Assembly vote was a recommendation or a decision. It was taken for granted that it had the force of a decision. Otherwise it would have made no sense to appoint a commission on implementation and it certainly would have made no sense to bring the Security Council, the acting body of the UN, into the picture, a step which was taken after considerable debate in which the opponents of the resolution who resisted the tie-up with the Security Council, were defeated.

No one assumed that the active interest of the United States delegation in the closing days of the debate was a hastily improvised benevolence. It was no secret that in the State Department there was considerable opposition, that in the President's mind there had been some doubts, opposition and doubts which had to do with Middle East oil, with uneasiness over the possibility of a war with Russia, and with reluctance to contemplate the possibility of America's participation in an international force. But the doubts and the misgivings were overruled by President Truman and Secretary Marshall—overruled with open eyes—and the United States not only cast its vote in favor of the partition plan but by casting its vote firmly and with strong advocacy influenced other states who were looking to American leadership.

This brief orientation helps us to evaluate what is happening now.

Is our Government backing down from its firm position of November 29, and why? This is the main question.

We could, if we had the time, spend some of it in arraigning the Arab states, members of the UN, for blatantly defying international policy, but it would serve no useful purpose since our castigations would fall on deaf ears. We should, if we had enough time, draw up an indictment against the British Government for shamelessly conniving with the Arab saboteurs of the UN. The facts have been presented by the Jewish Agency in an official memorandum. This British alliance with erstwhile Hitlerites will be exposed again and again until the civilized world fully understands that we are witnessing the moral decline and fall of a once great empire, an ignominious descent, from Balfour to Bevin. But we should not be diverted too long by that theme, for we have a more profitable theme to consider, more profitable because more amenable to correction.

Our main purpose is to evaluate the attitude of our own Government. It is our duty to do so as American citizens and because our Government's attitude is the key to the attitude of the Security Council. The supermodesty and self-effacement of those American officials who say "The United States is only one member of the UN; we shall do whatever the UN decides" will not fool anyone. The United States cannot, out of one side of its mouth, declare that it is ready with its billions of dollars to put western Europe on its feet, and declare out of the other side of its mouth that it is insignificant and helpless. When the United States wants something strongly enough, it knows how to get it, or at least how to try to get it. If it cares enough about the Palestine question, our Government can speak quite effectively to Great Britain and to the Arab States, who need us more than we need them.

I am sorry to have to point the accusing finger at my own Government, but I believe with all my conscience that I am rendering a patriotic service in doing it because what is involved is not only the fate of the Jewish people but the honor of the United States and the future of the United Nations.

American Jews yield to no one in their concern for American national interests. We don't have to proclaim our patriotism. It is an open book, our record in peace and in war. A propaganda campaign has been sedulously promoted, in part no doubt by the oil companies, and has apparently persuaded

high quarters in Government that the implementation of the partition plan for Palestine will jeopardize America's access to the Middle East oil supply and that therefore our national interest is at stake. Mr. Harold Ickes is a greater expert on oil problems than Mr. Forrestal and as much of a patriot. He and many others do not consider that our national interests are being jeopardized. The Arab States need American dollars so desperately that in the final test they will all do what Ibn Saud, the strongest of them, is doing, not permitting ideology to interfere with business. American oil companies, making huge profits out of Middle East oil on which they are probably not paying taxes to our Government, are naturally eager to keep the Arabs as sweet as possible, but their private interest is not to be confused with our national interest.

Our highest national interest at the present juncture in world affairs is to keep the UN, the one remaining hope of world peace, from becoming bankrupt, discredited, and defunct, as it would become if its first great moral decision becomes a scrap of paper. That is why I believe we are performing a patriotic duty when we criticize our Government in the hope of correcting a hurtful trend.

I accuse my Government of having contributed to the deterioration of the Palestine situation. By failing to utter a single word of rebuke to the Arabs in Palestine and to the Arab states around Palestine who were openly defying the UN, our Government seemingly condoned their misdeeds. By failing to criticize Great Britain's obstructionism, our Government encouraged British tactics of pettiness, spitefulness, and connivance with the aggressor. Why should the United States have hesitated to talk up to Great Britain, a recipient of billions of dollars of American aid, and a suppliant for billions more? By imposing an embargo on arms to Palestine which, obviously, helped the Arabs and hurt the Jews, our Government, doing this thing which it was not called upon by the UN to do, emboldened the Arabs, heartened the British, and handicapped the Haganah. Though it was not the intention, this was the effect.

Had our Government acted as it should have acted, things in Palestine would never have come to this pass.

And now, having been partly to blame for the deteriorated situation, our Government, speaking through its delegate to the Security Council, gives the impression of being intimidated by the very difficulties it has had a part in bringing about. Or is that impression of Mr. Austin's speech unfounded? Nothing would please us more than to be told that it is an unfounded impression and that the speech and the resolution presented by the United States delegate to the Security Council does not mark any change in the Government's November 29 position. Perhaps we shall be told that our Government, having discovered that the UN Assembly has only the legal right to recommend partition, but not to enforce it, is trying to find a legal way to bring about partition and the way is to have the Security Council deal with the threat to peace and security, which it has the legal right to do, summon an international force of some kind to safeguard peace and security in and around Palestine, so that while it is holding the Arabs in check, a Jewish state can be brought into being by the Jews themselves in cooperation with the UN Commission on Implementation. Thus, the legal limitations of the UN Assembly would be observed and yet the purpose of its November 29 vote would be served. How gratifying it would be to hear that this, indeed, is the President's interpretation of Mr. Austin's resolution before the Security Council. But in the absence of such an interpretation one can only wonder why the legal technicalities were raised by the United States when, as a matter of fact, the mandatory power itself treats the UN vote of the 29th as a decision, when it states it will give up the mandate on May 15 and turn over the Palestine administration to the UN Commission. Why does Mr. Austin propose that the Palestine question be studied again and consulted about again after it has been so painstakingly studied, consulted about, and settled by the UN. Why, after the compromise solution of November 29, does the American delegate now suggest an attempt be made to compromise even this compromise, which can only mean at the expense of the Jewish part of Palestine?

On the face of it, one cannot escape the conclusion that our Government seems to be backing down from its position of November 29, seems to be suggesting delay in implementation, and seems to be hoping that the irreducible Jewish minimum may be reduced with a view to appeasing the Arabs. If that is so, then the American people have got to speak up to our Government and say both clearly and firmly "The final compromise was made on November 29. Further delay in implementation will bring further deterioration. Our Government dare not back down, for if it does back down in the face of Arab force, it will be driving the first nail into the coffin of the UN."

If the charitable view of Mr. Austin's resolution is the correct one, it should become evident soon enough. The first evidence should be a decision by the State Department to permit the shipping of arms to Palestine. At the same time our Government should take the leadership and initiative among the Big Five in the Security Council to the following end: (1) To establish that there is a threat to peace and security in the Palestine situation; (2) to authorize the Haganah as the Jewish militia in the part assigned to the Jewish state; (3) to place the port of Telaviv immediately under Jewish control; (4) to proceed with the organization of an international force of some kind, even if it be composed of regular troops or volunteers, is necessary for safeguarding the borders and preventing external aggression, to organize and equip such a force, and thus to create the conditions which will permit the Jewish state to come into being.

Munich, 1948

EXTENSION OF REMARKS
OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Wednesday, March 3 (legislative day of Monday, February 2), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial from the Manchester (N. H.) Evening Leader, March 2, entitled "Munich, 1948." This editorial is particularly significant in view of the current critical world situation.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MUNICH, 1948

The history of our times is being decided now. With sledge-hammer blows, today's policies are shaping the kind of world we are going to live in.

We are faced with the immediate necessity for deciding whether we want a world of international law and order, or of anarchy and violence. Once we make our decision, we must take whatever steps are necessary to give it fulfillment.

A decision not supported is no decision at all. It is only a confession of indecision and weakness. In making our choice we must realize that more than a statement of preference is required. There must also be adequate physical evidence that we mean exactly what we say.

This is no simple selection. Neither is this a simple world. Appeasement and moral retreat might save us inconvenience temporarily. Side-stepping issues will enable us for the moment to avoid drastic measures imposing fresh burdens.

But that is not the way to peace. Today's indifference can mean tomorrow's destruction. Momentary gain is at the risk of permanent loss.

Our policy can be determined as much by uncertain inaction as by decisiveness. History will not wait, while we waver, tormented by doubts and fears.

Absence of a firm stand will have sad effect upon our natural allies. We can suffer isolation that will be the result of the loss, one by one, of those countries whose interests are akin to our own—until at last we remain in terrifying solitude.

By now, we should have learned that appeasement is not the road to security. Feeding the demands of dictators only whets their appetites for more.

The philosophy of Munich will not be any more successful or realistic in 1948 than in 1938.

The Nazi timetable in the thirties was the Rhineland, the Saar, Austria, Sudetenland, Czechoslovakia, Danzig, Poland. The Communist timetable in the forties is Estonia, Latvia, Lithuania, Yugoslavia, Bulgaria, Poland, Czechoslovakia—with Finland, Austria, Greece, Italy, and France marked as the next stops on its fire-breathing express.

Part of our problem is a direct inheritance from the Munich of 1938. Czechs, remembering how they were betrayed at a conference with Hitler—to which neither they nor the Russians were invited—have little confidence in the word of the western powers.

Once again we are sowing seeds which will sprout the poisonous weeds of distrust. The crisis abroad, from Prague to Palestine, is part of the same world picture. Our friends can well be dismayed at the sight of our moral retreat while Russia marches ahead.

Integrity is indivisible. Honor is not a cloak worn in some instances and discarded in others. Other countries can feel that if we repudiate a decision of the United Nations when it suits our interests, we might desert them similarly at some future date.

The validity of international judgments must be upheld, or else it will be the end of the United Nations. We will have made the change from united action and peace to anarchy and war. Reassurance must be given that our policies are built upon concrete determination and not upon fleeting words.

In today's crisis, neither fulsome speeches before the Security Council nor polite letters of protest will avail. Diplomatic regrets after the deed is done will have no more potency now than when Hitler set the pattern.

We must evidence, so that the world will know beyond any question, that our hearts are as brave and our strength as alert as our words are full of promise. The Government and people of the United States should join in some clear program, such as:

1. Joining with the other free nations in an agressive stand in the Security Council for the maintenance of democratic ideals. Life and significance must be given to the judgments of the United Nations—whether it be in connection with Greece, Korea, or Palestine—lest otherwise speeding history run the UN down and destroy this instrument for international cooperation.

2. Providing all necessary aid, in military supplies, food, and finances, to the remaining independent countries of Europe and Asia. The Marshall plan must be carried forward.

3. Bringing our military strength up to the state of preparedness dictated by current conditions. Our air power particularly should be enlarged with both heavy, long-range bombers and speedy fighters. Universal military training should be initiated for a 5-year period, to be continued or ended then as circumstances at that time should recommend.

4. Coupling these moves with a steadfast will for peace. Defense preparations should not be confused as a desire for war. To this end, having made our resoluteness known, we should initiate proposals within the United Nations which will lead to eventual general reduction of armaments. While we should arm as long as other nations undermine peace, we should evidence our readiness to join in universal disarmament.

5. Added to this, the American people should elect an administration next November, regardless of party, which will have the character to project some comprehensive policy along the lines summarized here.

This program is not offered as a complete and final thing. All that we seek and urge is a wedding of faith and courage into a single policy of action which will bring hope for peace to liberty-loving people throughout the world.

The Hour of Crisis in Palestine

EXTENSION OF REMARKS
OF
HON. GUY CORDON
OF OREGON
IN THE SENATE OF THE UNITED STATES

Wednesday, March 3 (legislative day of Monday, February 2), 1948

Mr. CORDON. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "The Hour of Crisis in Palestine," published in the Washington Evening Star of February 25, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE HOUR OF CRISIS IN PALESTINE

The conflicting interpretations which have been placed upon Ambassador Austin's address to the Security Council on the Palestine issue are the best evidence of the lack of clarity, if not the lack of candor in the statement itself.

Yet this is not a matter in which there should be any ambiguity, or in which words should be used to say one thing when something else is intended. There is good reason to believe the problem of Palestine and the method of its solution will directly affect the welfare and the security of the United States. If that is so, then it seems obvious that the American people should not be led into any course of action unless they fully understand what it is that they are doing and what the consequences are apt to be.

It is not easy to get this full understand- from Mr. Austin's statement. When his remarks are read carefully, however, their meaning and significance seem clear.

Mr. Austin begins by saying that the Security Council can and should act on the first request made by the General Assembly in connection with its recommendation for partition of Palestine. This request was that the Council "take the necessary measures as provided for in the partition plan for its implementation."

The most important of these necessary measures calls upon the Council "to take such action as the Security Council may deem proper with respect to either the Jewish or the Arab state if by April 1, 1948, a provisional council of government cannot be selected for that state, or, if selected, cannot carry out its functions." If this language means anything it means that the Security Council is asked to implement the partition plan. Mr. Austin, speaking for this Government, says, "We believe it is clear that the Security Council can undertake the above-mentioned measures," and he plainly indicates his belief that this should be done.

Mr. Austin next takes up the question whether the disorders within Palestine and the threats of armed resistance to partition by other Arab states constitute an actual or threatened breach of the peace. It is not necessary to review his arguments in this respect, for it is perfectly evident that both an actual and a threatened breach of the peace are present in Palestine.

If the Security Council finds this to be the fact, Mr. Austin declares, then it is required by the UN Charter to act, and the action which he clearly contemplates is the use of force to maintain peace in Palestine. Furthermore, Mr. Austin adds, if the Security Council decides that armed force is necessary, the United States "would be ready to consult under the Charter with a view to such action as may be necessary to maintain international peace."

In the next phase of the address Mr. Austin attempts to make a distinction between the use of armed force to maintain peace and the use of armed force to enforce partition. The Council, he says, has the power and the duty to do the first; it has no authority to undertake the latter.

This is equivocation, for the distinction is meaningless. Under whatever guise force is employed the intended result would be the same—the implementation of partition. There should be no misunderstanding about this, and it is regrettable that Mr. Austin was not more candid in his discussion of the point. For if the Arabs resist partition, as they say they intend to do, and if the United Nations sends an armed force to Palestine to maintain peace, the result is going to be a war between that armed force and the Arabs. It might prove to be a minor war or a serious one, but in either event the American people should not be led into it unless they know what is being undertaken and are prepared to go through with it.

In the Star's view, the most disturbing aspect of this long step toward a commitment to use American troops in Palestine is the failure of the administration to bring out into the open all of the factors and risks involved. Mr. Austin rests his case squarely and wholly on the proposition that we must support the United Nations in any decision made. This is a very important consideration, for it can hardly be doubted that a refusal by the United States to support a Security Council decision in this matter would be a very heavy blow to the United Nations. But there are other important considerations involved, and there ought to be some opportunity to bring them forward for public consideration.

One of these has to do with the oil of the Middle East. A war with the Arabs might close that source of supply. If so, how vital is this oil to the recovery of western Europe under the Marshall plan? And how vital would it be to us in the event of war with Russia?

Any mention of oil in this connection is apt to be condemned as a placing of sordid economic considerations ahead of considerations of justice and humaneness. But that is not the case. If this oil really is vital to our security or to the security of the western world, that is a consideration which has a significant bearing on what our course of action in Palestine should be. And it is a consideration which ought to be fully explored.

A second and even more important consideration involves the wisdom of opening Palestine and the Middle East to penetration by Russian troops. We propose to spend billions of dollars to keep Russia and her satellites out of western Europe. We are already spending hundreds of millions of dollars and incurring a risk of war to keep them out of Greece and Turkey. Yet under the apparent intent of Mr. Austin's proposal a United Nations force consisting primarily of Russian and American troops would be sent into Palestine. Once there they would outflank Greece and Turkey, and if they came in through Iran and Iraq or Syria the Russians could be expected to insist on maintaining troops in those countries to insure their lines of supply.

This might not be such a serious consideration if the good faith of the Russians could be relied upon; if it were reasonable to assume that their aim really is to uphold the United Nations and not to secure a foothold in the Middle East pursuant to the historic Russian ambition to expand in that direction. But can it be assumed that the Russians would act in good faith? We can see what has just happened in Czechoslovakia. We have a measure of their good faith in what has happened to joint undertakings in Germany and in Korea. Clearly, it would be folly raised to the nth degree to go into this undertaking with the Russians in any expectation that they will not act in furtherance of their own interests. If we invite the Red army into Palestine we had better consider carefully how we are going to get it out after the fight with the Arabs is over.

There may be other considerations of national interest at stake in this matter. But these are the principal ones. And if they are not given the consideration they deserve before we commit ourselves to any course of action in Palestine, we can expect the people of this country, when they learn the facts from bitter experience, to react in a manner which can do great injury to the best interests of all concerned.

Appellate Tribunal in Income-Tax Cases

EXTENSION OF REMARKS
OF
HON. EDWARD J. DEVITT
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1948

Mr. DEVITT. Mr. Speaker, today I have introduced a bill which will have the effect of giving residents of the District of Columbia the right to use the Circuit Court of Appeals for the District of Columbia as an appellate tribunal in income-tax cases. An anomalous situation is presented by the present wording of the Internal Revenue Code as it pertains to appeals from the United States Tax Court. The statute provides that such appeals are reviewable by the circuit court of appeals for the circuit in which the internal revenue collector's office is located. Residents of the District of Columbia file their tax returns with the collector at Baltimore. Residents of Washington must, therefore, appeal their tax cases from the Tax Court in Washington to the Circuit Court of the Fourth Circuit. This requires the taxpayer to go to Richmond, Va., or Asheville, N. C.,

in order to argue his appeal. Why should he be obliged to do this when the United States Circuit Court of Appeals for the District of Columbia is located in his home town?

The bill which I have filed today gives the taxpayer the choice of filing his appeal in the circuit in which the internal revenue collector's office is located or in the circuit court of appeals for the circuit in which his principal place of business or principal office is located. In addition to making such appeals more convenient for the residents of the District of Columbia, it also makes the appellate courts more convenient for taxpayers in other sections of the country whose business organizations are creatures of the law of Delaware or some other State, but who maintain their principal place of business at a point far removed from the place of incorporation where, under the present statute, it is necessary to file such an appeal.

Economic Sanctions

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include a leading editorial which appeared in the Boston Post March 1, 1948, entitled "Economic Sanctions":

There are numerous reliable evaluations of the economy of the Soviet Union. These evaluations differ in many details but they are agreed upon one thing—the Soviet Union is striving to rebuild its heavy industry to produce war materials in quantity as a primary objective and to produce consumer goods as a secondary objective.

Today the three great powers at present opposing Soviet entry into the political vacuum of central Europe are agreed upon a protest against the seizure of Czechoslovakia and the inexorable pressure upon Finland. The protest is in the form of a polite diplomatic memorandum telling the dictators of the Politburo what they already know—that the western powers disapprove of Soviet tactics and Soviet unilateral action in central Europe.

More positive action must be taken if the Russians are to be stopped here and now before these tensions manufactured in the Kremlin result in war, a war no one wants and for which no one but the Russians are prepared.

Soviet ships are frequently seen in west coast harbors loading machinery and raw materials, exports from the United States to a nation which is a sworn and implacable enemy of the democratic way of life. Great Britain has a trade pact with the Soviet Union and is similarly engaged in exporting machinery and other primary industrial equipment to the Soviet Union.

In the so-called cold war of ideologies, the power of economic sanctions brought to bear upon the Soviet Union has been underestimated. The seizure of the entire Czechoslovak state, with its highly developed industrial complexes, is ample proof that the Russians are desperate for an efficient productive political entity within the sphere of Soviet domination. It is the use of economic sanctions that the Russians fear most.

Without the help of instruments, heavy equipment, and electrical generating equipment from outside of the Soviet Union it is not possible for the Russians to build an atomic fission plant like those at Oak Ridge and Hanford. Only the superb technical, industrial, and engineering might of the United States made it possible here. Industrially the Soviet Union is more than 50 years behind the United States.

It would seem, on the basis of these facts, that our foreign policy as it affects the Soviet Union should encompass an embargo against shipment of electrical generating equipment, instruments, heavy machinery, raw materials, railroad equipment, and rails to Russia.

It is possible to appraise the effect of economic sanctions applied against the Soviet Union. There is the case of Japan. The United States armed Japan for the eventual attack upon Pearl Harbor. If economic sanctions had been applied against Japan at the time of the Manchurian incident, even at the time of the attack upon Shanghai, the Japanese could not have gone to war. The claim by Japanese statesmen that the embargo finally applied against shipments to Japan precipitated the war has been disproved over and over again. The embargo was seized upon as justification for the attack.

Notes of protest to the Soviet Union are without merit, without force, and lack effect. Economic isolation of the Soviet Union, even breaking off diplomatic relations, would be far more effective in the present state of affairs.

When the people of the Soviet Union feel the pinch of world disapproval in their already depressed standard of living, there is hope for the counterrevolution, and not until then.

Let's Face It

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 2, 1948

Mrs. DOUGLAS. Mr. Speaker, we cannot let matters in Palestine drift.

If we are to maintain our moral leadership within the United Nations, we cannot continue our present course of vacillation. We must act at once to support partition.

Under permission to revise and extend my remarks, I wish to include a speech which I made on September 25, 1947, at the Hollywood Bowl in Los Angeles, Calif.:

LET'S FACE IT

History will record that World War II began in 1939. (For the Jews in Europe, World War II began 6 years earlier.) For the Jews in Europe, World War II began in 1933.

They were the first victims of Germanic sadism. It was their shame, grief, and despair that sounded the first alarm.

In the German plan for world domination, the first battle was fought against this helpless minority. The remnants of that minority have found no peace. It is 2 years after the defeat of the German armies and yet, they have found no peace. Two years after the war's end, and 250,000 of these miserable human beings find themselves still behind a barbed wire fence. For them freedom is still a word that has no meaning. Freedom means more than the dubious privilege of existing from day to day.

After 14 years, fundamental human rights are still denied them. Daily they watch their skills and talents and hopes rot away, while we ease our conscience with investigations and recommendations. We now have charts and graphs showing just how much the dignity of man can endure. Oh, yes—we keep a close watch on the patient. Periodically we take his pulse to reassure ourselves that the individual is still worth saving. And then we smugly consign our findings to the first convenient pigeonhole and put aside the ugly thought that we are perpetuating Hitler's crime until the hue and cry for the next report.

For those Jews who are fortunate, or unfortunate enough, as you please to view it, to be outside these reconstructed 1947 concentration camps, they are condemned to live in countries with proven anti-Semitic records; where the suspicion is ever present that one's neighbor may have been the informer or the murderer of one's loved ones.

Even in those countries where there was very little or no antisemitism before the war, the Jewis are met with sullen hostility and stubborn resistance when they seek to reestablish themselves.

The bloodstream of Europe is still poisoned with Hitler's propaganda.

Poverty and misery create new hate when the survivors returning to their homes, rightfully ask that their property be returned to them.

And for those who are rash enough to try and escape, they are beset on the high seas by their legal protector—beaten, gassed, murdered—and as a final indignity, returned to the land that for them is filled with graveyards, gas chambers, and human furnaces.

At the war's end, the Jews asked only that they be allowed to survive as free men in the land pledged to the Jewish people; that they might regain dignity; once more learn to hold up their heads.

If the statesmen of the world agreed that the Jews had a need of Palestine after World War I, how much greater is the need after World War II.

Palestine is the natural refuge.

But that refuge was closed to the Jews in 1939 by the British white paper. That refuge remains closed today.

In 1939, in the white paper, Great Britain broke the terms of the mandate.

Because of the impending war and the open collaboration between certain Arab leaders and the Germans, Great Britain sought to buy Arab loyalty from the Axis powers. The price was Jewish lives. The Jews were caught in 1939 power politics.

At the war's end it was to be expected that the mandatory power would hasten to repair the mortal injury to the people and the land entrusted to its care—that the doors of Palestine would be opened.

No one should forget that in 1939, had the doors of Palestine not been closed in the face of thousands of fleeting Jews, they would be alive today.

It should not be forgotten that thousands of Palestinian Jewish volunteers served in the Army, Navy, and Air Force on our side. It shouldn't be forgotten that when Montgomery's army was cut off from supplies, it was the Palestinians who manufactured the guns, the clothes, and spare parts that were needed.

It should not be forgotten that the Palestinians were not afraid to stand by the Allies even though they were but a small community surrounded by a hostile Arab world where neutrality thinly veiled pro-Axis sympathy and collaboration.

The white paper of 1939 did not buy Arab friendship. The Mufti fled to Berlin from where he directed the Arab fifth column.

Now that the war is over, it was to be expected that the doors of Palestine would be opened.

But the doors remain closed while the mandatory power proceeds, in the face of international agreements, to turn the Jewish homeland into another German ghetto.

Why? Why is this? Why has it happened? Why has a great nation so debased herself?

That is for Great Britain to answer.

But this I do know, and we must face it. The United States has as yet made no concrete contribution to the solution of the Palestinian problem.

We have talked. We have protested. We have sat on commissions. We have made reports and recommendations. We have shed tears. But we have done nothing concrete. It is easy enough to blame Great Britain, but it is high time we took an active hand ourselves in the solution.

If we had done something besides talk and advise, it might have been a different picture today.

Palestine cannot be isolated from the rest of the world. The world's problems must be settled in terms of people as the United Nations Charter affirms.

The United States is committed to uphold the Charter.

If the welfare of people is our high goal, and I believe it is, Palestine is as good a place to begin as Greece.

The United States has a legal and a moral responsibility in seeing that the terms of the Paletinian mandate are carried out. The United States endorsed the Balfour declaration of 1917. Great Britain was granted the mandate by the League of Nations in 1922.

The United States entered into a treaty with Great Britain establishing the British mandate over Palestine in 1924.

These international agreements are still valid. The charter of the United Nations guarantees their validity.

Great Britain hasn't sovereign power over Palestine. She can't do just as she pleases in Palestine.

Great Britain was granted the mandate over Palestine by 52 nations for the specific purpose of "establishing in Palestine a national homeland for the Jewish people."

In the Palestine mandate, approved by the Council of the League of Nations on the 24th of July 1922, it stated that, "recognition has thereby been given to the historical connection of the Jewish people with Palestine and to the grounds for reconstituting their national home in that country."

The British Government was made responsible "for placing the country under such political, administrative, and economic conditions as will secure the establishment of the Jewish National Home," and, with this end in view, was enjoined to "facilitate Jewish immigration" and "encourage * * * close settlement by Jews on the land."

The Arabs agreed to this mandate. They sat at the peace table.

An agreement was reached in 1919 at the Peace Conference between Emir Feisal and Dr. Chaim Weizmann. The terms of the agreement provided for the close cooperation between the Arabs and Jews in the building of a Jewish homeland.

And why shouldn't they have agreed. Palestine was to be carved from what had been the Turkish Empire before World War I. The Arabs were to receive over 1,000,000 square miles of that empire and the Jews 40,000 square miles. That contract with the Arabs has been kept.

The contract with the Jews has been broken.

The ink was hardly dry on the mandate when the Trans-Jordan was cut away from the land promised the Jews and closed to Jewish immigration.

In 1939 Palestine itself was virtually closed to Jewish immigration.

Yet the rights guaranteed the Jews under the mandate were very specific.

On the strength of international agreements and faith in these international agreements, the Jews of the world gave money to build the Jewish homeland in Palestine.

The men and women who have gone there have made the desert bloom. They have built cities, and universities, libraries, and scientific laboratories. They have brought health and new life to a feudal land, raised the standard of living of the native population.

The Jewish return to Palestine is unique in the history of colonization. They did not steal the land from the natives for a few dollars and then exploit them as cheap labor. They paid dearly for desert and marsh land from Arab chiefs and then they allowed the peasants who primitively tilled the soil for these Arab chiefs to remain on the land until they had time to find a new home. The Jews did not drive the Arabs from Palestine.

In the years between 1920–40, the Arab population doubled in Palestine, while in neighboring Trans-Jordan, over three times the size of Palestine, the Arab population remained static and impoverished, even though it too was under British mandate.

The Arabs in Palestine today enjoy a higher standard of living than in any part of the Arab world.

How then can the doors any longer remain closed in face of the Jewish record in Palestine and the needs of the Jews in Europe.

That is the question the United Nations must now answer for it has been put to them. The tragedy of Palestine and European Jewry is in their hands. They will speak for the conscience of the world.

The Jewish Agency for Palestine does not come before the bar of world opinion, hat in hand, as a new supplicant. They ask only that promises made be fulfilled; that commitments undertaken be completed; that international law be upheld; that a solemn international treaty not be treated as a scrap of paper.

The United Nations this spring called a special session to consider Palestine. A special committee on Palestine was set up. That committee has now made its report.

On 11 points there was unanimous agreement by the 11 members of the committee.

What was the first of those 11 points? I quote:

"The mandate for Palestine shall be terminated at the earliest practicable date."

The committee also unanimously reported:

1. The question of Palestine is of extreme urgency.

2. Immediate action must be taken to alleviate the plight of the survivors of European Jewry.

There was also a majority and a minority report. The majority report was signed by seven members, the minority signed by three members. Australia, abstained from voting but agreed to abide by any United Nations decision.

The majority recognized the legality and justice of an independent Jewish state.

It recommended (1) partition and (2) that the doors of Palestine be opened.

The majority report of the United Nations Special Committee on Palestine reflects the justice we can and must expect tomorrow.

Even though the Jewish homeland now outlined in it is but a small part of the territory guaranteed to the Jews by the world.

Even though for a second time Palestine is to be partitioned, the action committee of the Jewish agency has accepted the United Nations majority report as a basis of discussion. It has accepted the report with heavy heart to show it good faith. It did so to show its willingness to work toward world peace.

Secretary Marshall, speaking for the United States, in his opening address to the United Nations, endorsed the majority report and pledged United States support for the solution of the Palestine problem at this session of the General Assembly.

The United Nations Charter demands that the nations "establish conditions under which justice and respect for obligations arising from treaties and other sources of international law can be maintained."

Recommendations, resolutions, and advice to Great Britain are not enough.

The United Nations must take whatever action is necessary to make the majority report a reality.

Action must be based on legality and justice—not on Arab favor and oil. The Jews must not be caught again in power politics, 1947 power politics.

The United States must be willing and prepared to shoulder her share of the responsibility.

If Palestine must be policed until such time as independent Arab and Jewish states are established, the United States must be willing and prepared to lend a helping hand.

If Great Britain is unwilling or unable to share this responsibility, then it is up to the United States and the United Nations to see that the United Nations recommendations are put into effect.

We do not raise our voice tonight so much against the British or so much for the Jews as we do in support of justice that we may get on with the building of peace.

A Tribute to the Jewish War Veterans of the United States

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1948

Mr. JAVITS. Mr. Speaker, I consider it a privilege to insert in the CONGRESSIONAL RECORD the glowing tribute to the Jewish War Veterans of the United States which follows, on the occasion of their fifty-third anniversary; and I consider it an honor to be a member of that organization:

A TRIBUTE TO THE JEWISH WAR VETERANS OF THE UNITED STATES

(By Harry H. Schlacht)

The Jewish War Veterans of the United States represents the patriotic voice of American Jewry.

Our Nation salutes the Jewish War Veterans of the United States on their fifty-third anniversary.

The JWV has a glorious tradition.

It has rendered service with honor and distinction.

It has ever been on guard to preserve our priceless heritage.

The JWV is dedicated to God and country.

The Jewish War Veterans of the United States was founded on April 20, 1896, by men who fought with the Union Army during the Civil War.

It is today the second oldest veterans' organization in the United States.

It is headed by Brig. Gen. Julius Klein, a fearless fighter for freedom.

How proud the heritage of these noble men.

How inspiring the task which confronts them.

The Jewish War Veterans are pledged—

To maintain true allegiance to the United States of America.

To foster and perpetuate true Americanism.

To combat whatever tends to impair the efficiency and permanency of our blessed institutions.

To uphold the fair name of the Jew.

To fight his battles whenever unjustly assailed.

To combat the powers of bigotry and darkness.

To instill the love of God, country, and flag in all.

To preserve the doctrine of justice for all men.

To preserve the doctrine of universal liberty.

To preserve the spirit of comradeship.

To preserve the honored memories of Jewish war dead.

The Jewish War Veterans have always fought with head, with hand, and with heart for the country they love, for the institutions they cherish, and for the principles that gave it birth.

Let us unfold the scroll of the fighting Jews.

The Jews have played a glorious role in the development of American history since the birth of our Nation.

They have been identified with our colonial growth and helped finance the revolution.

They have served with gallantry under the leadership of Gen. George Washington.

They have fought in all the wars of the Republic.

They have won the highest commendation from every President of our Nation.

Let us call the roll of these gallant Jews in freedom's holy cause.

We see them at Valley Forge when the spirit of the American people hung low, and only the stout of heart stood fast and constant by Washington.

Of the 3,000 Jews in all the Colonies, 4 of them were lieutenants, 3 majors, 6 captains, and many in the ranks.

Lt. Col. Isaac Frank was aide-de-camp to General Washington.

Haym Salomon dedicated his entire fortune of $640,000 to the young Republic and later died impoverished.

We see them in the War of 1812.

We see Uriah P. Levy, commander of the brig-o-war *Argus*, run the British blockade and destroy 21 British merchantmen.

With tongue and pen Commander Levy succeeded in effecting the abolition of bodily punishment in the United States Navy.

He died a commodore, then the Navy's highest rank.

We see them in the Mexican War, the fight for Texas, and in the Seminole wars. Again the fighting Jew in action.

Again the healing Jew—in the person of Surg. Gen. David Deleon.

We see them in the Civil War rallying under the inspiration of Abraham Lincoln.

Of the 200,000 Jews then in the United States—10,000 saw active service, 7 received the Congressional Medal of Merit.

Frederick Knefler of Indiana rose to the rank of major general.

Edward S. Solomon was brigadier general. President Lincoln named Leopold Newman of New York a brigadier general while he lay dying of battle wounds received at Chancellorsville.

We see them in the Spanish-American War with William McKinley striking the shackles of bondage from a neighboring people and bringing forth an island republic.

America accepted the challenge of Spanish tyranny.

"Remember the *Maine*."

Fifteen Jews were on the ill-fated battleship. Sgt. Maurice Joost, of California, was the first to fall in the attack of Manila.

Five thousand intrepid Jewish volunteers gladly answered the call of their President.

We see them in World War I with Woodrow Wilson fighting to make the world safe for democracy.

Two hundred and fifty thousand Jews were in uniform, constituting 5 percent of the fighting forces.

Ten thousand Jews held commission ranks, and 1,000 Jews were cited for valor in action.

The greatest epic of courage ever to come out of that war—the exploits of the "Lost Battalion"—was a demonstration of conspicuous bravery.

We see them in World War II with Franklin D. Roosevelt fighting to make democracy safe for the world.

First American penetration of German soil was made by the Third Armored Division, commanded by Maj. Gen. Maurice Rose, who gave his life for his country.

First Japanese battleship hit in the war was the *Haruna*, bombed by a plane piloted by Capt. Colin Kelly, whose bombardier was Sgt. Meyer Levin.

First American assault boat to hit the shore of France on D-day was commanded by Lt. Abe Condiotti.

First four-medal winner in the American Army in World War II was Lt. Morris Berenson.

There are scores of Americans of Jewish faith whose names will live forever in the archives of our Government.

Travel where you may through American cemeteries on a thousand battlefields, travel where the delicate poppies carpet the earth with their rich red blossoms or in the glistening white stones rising from the flower-strewn mounds—

One beneath the cross of Christianity, and one beneath the star of David. Jew and Christian—pillowed in eternal glory.

They have fought, they have bled, they have worshipped, they have died together.

So hail, JWV—lovers of liberty—on this your glorious fifty-third anniversary.

Play your martial music, unfurl your battle-scarred colors, for you have demonstrated the truth that the American Jew is a patriot.

May your deeds fill your hearts with renewed patriotism.

May your deeds fill your minds with renewed resolves—that America shall ever be free.

May you continue to spread your ideals and may you help bring nearer to humanity the realization of Isaiah's dream of universal peace.

Guard blessed America.

God bless America.

Postal Employees Deserve Salary Increase

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. KEFAUVER. Mr. Speaker, a large amount of mail has been received in my office in recent months concerning the measures which are pending before your committee to increase the salaries of postal employees. I have also talked with a number of representatives of postal organizations about the matter and after close study it has become apparent to me that some wage adjustment is necessary.

The need and importance of such an increase was vividly demonstrated when I found that during this Eightieth Congress more than 40 bills have been introduced in the Senate and House of Representatives proposing increases ranging from a minimum of $480 a year to a maximum of $1,000 a year in postal salaries. This fact alone indicates that postal employees are not being adequately compensated.

As of February 1, 1948, the Bureau of Labor Statistics reported the cost of living to be 69 percent above the August 1939 level. To raise the salaries of postal employees to meet this increased cost would mean that we would have to increase their salaries 35 percent above the 1939 average, or slightly more than $850.

A recently released report from the same source shows that food costs on December 15, 1945, stood at 141.4 points, or 41.4 points above the 1935–39 level, as compared with 202.7 points on November 15, 1947. Thus, it was revealed that food costs have risen 43.4 percent in that period. These experts further estimated the continuing rise in the over-all cost of living to be 2 points each month at the present time. This would mean the increase in the cost of living from December 15, 1945, to January 1948 is 27.3 percent. Therefore, the wages of the postal employee have been cut by that amount for this period. Their take-home pay has been seriously reduced and corrective action is imperative.

Workers in industry have, through strikes, secured necessary wage adjustments. But postal employees and all Government workers, since their salaries are fixed by law, must appeal to Congress for relief.

Some facts that shed an interesting light on the subject are as follows:

Wages in retail trade have increased nearly 70 percent since 1939.

In manufacturing, the wages have increased 100 percent.

In coal mining they have gone up 175 percent.

In the postal service, 20 percent.

As against these incomes, the price of all items have climbed 65 percent above the 1935–39 level.

It is important that we secure and retain the high caliber of personnel which has brought the United States postal service to the unique position it now holds. It has become increasingly clear to postal officials that they cannot hope to recruit new personnel on the entirely inadequate entrance salary of $2,100 per annum. Actually, in terms of the purchasing power of the 1939 dollars, these people are receiving a wage of about $23.38 per week. This, if you please, before withholding tax and retirement deductions. Twenty-three dollars and thirty-eight cents was far from a sufficient wage in 1939, and the 1948 equivalent is even more grossly inadequate. New postal employees are required to serve a period of 11 years before reaching the maximum salary of $3,100. Under these conditions the job of carrying the mail has ceased to hold the promise of security it once offered to those potential applicants who pass the civil-service examination and otherwise meet the necessary requirements. I am convinced that if we are to maintain a high standard of efficiency and morale in the postal service, salaries must be made more attractive.

It is true that many new entrants in the postal service are attempting to augment their postal wages with income from outside employment. This action on their part results in many instances in a diminishing interest in the postal service.

Not only is there the danger of our mail service being impaired by the possibility of inadequate performance by overtired men who are trying to hold down two jobs, but we must also realize that in too many instances these men are leaving the postal service for other jobs that offer higher salaries. This sort of situation is one that inflicts considerable expense on the Government. A good deal of money is spent to train a postal recruit and before there is time to collect on the investment the new man becomes disillusioned. He gives up any idea he might have had about a postal career and sells his services elsewhere.

In addition to this, in a good many other cases we find the wives of workers invading the labor market so that through their efforts the strain on the family budget may be lessened to some extent.

This sort of existence is not good for the family. There can be no normal home life when the father and mother must combine their energies to support the family. We constantly are being reminded that special attention should be given to the prevention and control of juvenile delinquency—the Nation's No. 1 social enemy.

Gentlemen, the elimination of this grave problem must begin in the home. If we are to have healthy, normal youngsters we must provide them with the proper environment. Parents who must constantly spend their time worrying about the family's financial condition cannot give their children the guidance they so vitally need.

The last increase granted to postal employees effective January 1, 1946, was designed to at least partially assist them in meeting the then prevailing living costs. Actually this did not accomplish its purpose for as I have pointed out earlier, increases in prices continued, and according to these statistics the need for a salary adjustment for this group is greater now than ever before.

The postal service forms a large group of our most reliable public servants. The service they render is essential to the well-being of our Nation. This Congress has the opportunity to recognize and reward this faithful and untiring service in a highly justified manner. I sincerely hope this committee will favorably consider a permanent salary increase of not less than $800 per annum for postal employees.

What Shall We Do About the Marshall Plan?

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1948

Mr. JUDD. Mr. Speaker, under leave to extend my remarks I include the following address given on February 2, 1948, before the Economic Club of Detroit.

The plainest fact we face today is that we don't have one world, as we had hoped we would have. We have two worlds. Men and nations are split straight down the middle. Politically, economically, ideologically, and spiritually.

We don't believe in the same things and, therefore, are not pursuing the same objectives.

People can reach agreement no matter how far apart they are in the beginning if both sides want good relations. But if, for whatever reason, either side does not want agreement, then there is no way you can get them together just by negotiation.

The second plainest fact is that we cannot go on indefinitely as two worlds. We must become one world. This planet is too shrunken. Modern means of communication and transportation are so efficient, we are so dependent on each other for all sorts of raw materials and manufactured commodities, for economic as well as security reasons, that it is inconceivable we can go on indefinitely as we are.

And that brings us to a third plain fact, that there are only 2 ways by which the two worlds can become one. One is by conquest; the other is by agreement.

It seems to me there have been in all history but two basic forms or philosophies of government; one is the philosophy perhaps best described as dictatorship. It may be dictatorship by a man or by a party. We have seen recent examples of that abroad, some nearer home. It may be dictatorship by a class, ranging from the aristocracy to the proletariat. It may be dictatorship by a race, the Nordic race, the Yamato race, etc. Or it may be dictatorship by a bloc, economic or otherwise. This is the form democracies have tended to develop.

The key characteristic of a dictatorship is that it tolerates no opposition. One group imposes its will, and the opposition has no rights.

Over against that is the other basic philosophy of government which I would describe by the word "federation"—federation of all the classes, all the races, all the blocs, working for the good of all as the way to promote the good of each. It provides a mechanism by which one group can come to power and govern—you have got to have some way by which one group or another gets power to govern. But there are certain rights reserved for the opposition which the man or group in power cannot override, cannot suppress. Perhaps the most important right reserved for the opposition is the right to try to become the governing power.

Today's two worlds must move either toward dictatorship by one over the other or toward some sort of voluntary federation.

Mr. Stalin understands perfectly that they must come together. He wrote 20 years ago:

"It is inconceivable that the Soviet Republic can exist for an indefinite period side by side with western imperialist states." (By imperialist he means, of course, non-Communist states.)

He recognizes the split frankly. Why should we imagine it isn't there? He added: "Ultimately one or the other must conquer." He apparently thinks the only way we can get together is by conquest. You and I don't believe in or want that method. We don't want conquest of us by them, but we are not in the least interested in conquest of them by us.

Our task then in the year 1948, at this great crossroads in history, is to try to get the two worlds together by agreement; try to get a set of circumstances where there is more to gain for both sides by coming together in common acceptance of certain mutually agreed upon rules of behavior than there is by continuing disagreement or by conquest.

On the street corner we have red and green lights. No matter how unlike the cars and the drivers, we have agreed we are all going to follow a certain pattern of behavior—we will all stop when the light is red and we will all go when it is green. That doesn't mean we cease being capitalists and Communists, Republicans and Democrats, Catholics and Protestants and Jews, rich and poor. We maintain our different ideas and goals, but we have agreed that it is mutually beneficial, it is to everybody's advantage for everybody to stop when it is red and go when it is green.

Can we get these two worlds together on some such basis—mutual agreement as to the traffic rules by which life and intercourse, exchange of goods, personalities, and ideas are to be carried on on this planet? If we cannot, then we are doomed to another war, with little hope our system can survive even if we win that war.

To achieve that agreement is the job of our foreign policy.

Well, how have we tried to do it heretofore? Our policy for 2 years prior to VJ-day and for a year and a half thereafter was to try to do it by appeasement. Our leaders assumed that the only way we could get along with Russia was by yielding to her. They feared that not to appease her might lead to war; and we didn't want war. So we appeased. It was a policy that led to unmitigated disaster. Appeasement of aggression by an expanding military dictatorship always leads to disaster. Show me one exception.

We tried to appease the Japanese militarists. We thought we could buy them off by shipping scrap iron and oil for them to use against China. Did it lead to peace with Japan? No; it led straight to war.

England and France didn't want war with Hitler. So they appeased him—with other people's territory. They tried to buy him off by giving him part of Czechoslovakia. Did it lead to peace with Hitler? No; it led straight to war.

Russia tried to get peace with Hitler, as you have all read in the documents recently released, by giving him other people's territory—in this case, Poland's. Did it lead to peace? No; it led straight to war.

Appeasement of aggression always leads either to abject surrender or to resistance, by war, if necessary, and we will not abjectly surrender.

Despite tragic lessons, our leaders at Yalta and elsewhere committed the incredible folly of risking everything on one gamble—namely, that by yielding to Russia, we could get the confidence and good will of the politburo. They thought the way to get security for our Nation and peace for the world was to insist on believing that the tough realists in the Kremlin aren't really Communists—they are just Jeffersonian Democrats. The results of such naive folly are apparent.

When at last the sound instincts of the people rebelled against further attempts to get peace by sacrificing our principles and other people's territory, Henry Wallace accused America of getting tough with Russia, of provoking her to aggressive action against other countries. That is plain distortion of the truth. Our change of attitude was the too-long-delayed consequence, not the cause of Russia's aggression.

What are the facts? On VJ-day the United States had the greatest military strength any country in history ever had—in the air, on the land, on the sea, and under the sea. If we had had a single grain of imperialism in our national soul, if we had had a single design on Russia or on anyone else we could have imposed our will. If we had had a grain of imperialism in our national soul, we would have. They were all scraping the bottom of the bar-

rel and our strength was at an all-time high. But what did we do with our military superiority? We tore it all to pieces and threw it away in 6 months. Does that look like imperialism? And yet we are the one accused of getting tough.

Somebody will say, "We could afford to do that because we had the super ace, the atomic bomb." Well, what did we do with that? We said, "Russia, we will give that to you, too, subject only to the condition that any use you make of atomic energy be under the full inspection and supervision of an international commission, without any vetoes—just the same as any use we make of atomic energy, our own invention, our own Oak Ridge, will be under the full inspection and supervision of that same international commission, without any vetoes by us either."

Actually that was the most radical, the most far-reaching proposal any strong, sovereign, victorious nation ever made in history. And it was made by so-called reactionary, capitalistic Uncle Sam.

How can anybody be taken in by charges that we are the ones getting tough? Look at the deed.

We went further. We turned our faces in the other direction while Russia destroyed the independence of half a dozen countries in Eastern Europe, whose independence had been proclaimed to the world as the reason for the war in the first place.

We accepted her thesis that in order to be secure she had to impose her will on almost a hundred million people in Eastern Europe who are not Russians.

We went even further. In order to assure her that we would not interfere with what she was doing in Eastern Europe, in flagrant violation of her pledges under the Atlantic Charter, we threw the Charter out of the window. One of its two authors, our President, publicly repudiated it, said it wasn't an official document, just some notes.

Did such appeasement lead to better relations? No. They got steadily worse. Surely it is clear that appeasement is not the way to get agreement.

What next? We finally woke up with a start in March 1947, when the British Government belatedly realized that it could not carry all its obligations, and it dropped the Greece mess in our laps almost on 24 hours' notice. We had to move on from the appeasement stage. If we yielded there to Soviet pressure, the Mediterranean would soon be a Russian lake. Because if Greece were to go down, Turkey would be outflanked and would go down within a year and all the Middle East would go with it.

Then Italy and France would go. Actually Greece would have been taken over by the Communist minority in March, Italy in April, and France in May or June, if we had not acted. The timetable was all set up. Without vigorous help from us nothing could have stopped Russia from gaining effective control of the whole Mediterranean area last year.

Then England would have been neutralized, as she almost was at the end of the last war by the rocket bomb alone. She couldn't move under her own power, and she couldn't again be a base for us as she was in the last two wars.

Then Germany would have been effectively encircled and the battle for Europe would have been over.

For the crux of the struggle in Europe is which way Germany is to go. We know who defeated the Germans. But we won't know who won World War II until it is clear who wins the Germans—wins their minds and hearts. They occupy a strategically advantageous central position, they have great mineral resources, and they are 68,000,000 people with a real genius for organization. They have unusual abilities along scientific and mechanical and inventive lines. They have proved twice in our lifetime they have the capacity to commit themselves to an idea, and, no matter whether it is good or bad, pursue that idea with singleness of purpose and with extraordinary efficiency and devotion. Which way are the Germans to go? That will largely determine the fate of Europe.

Stalin couldn't get western Germany by direct action short of war. So he set out to get it by a flanking movement beginning in Greece. If it hadn't been for our taking the strong stand we did in Greece—inexcusable as it was that we should have made the Tehran and Yalta deals which gave Russia the Balkans and the chance to put such pressure on Greece—the fact remains that in a few months all of Europe would have been under the control of Russian satellites. That, of course, was one reason Marshall couldn't get anywhere with Molotov and Stalin at Moscow last spring. Why should they enter into any agreement that would limit their freedom of action with respect to Germany, if within a few months, as they expected, they were going to have Germany in the bag—by our default?

So when almost a year ago we moved on from the appeasement stage to the resistance stage, the so-called Truman doctrine—it wasn't just the fate of a few little Greek peninsulas at stake. The fate of Turkey, the fate of Italy, the fate of France, England, and Germany, the fate of Europe were at stake. That meant the fate of north Africa was at stake. And that meant the security of South America was involved. Dakar is only half as far from the bulge of Brazil as is the United States. Our own security, even in the Western Hemisphere, was involved.

But the Truman doctrine could give only a temporary respite. It was a sort of hold-that-line policy. It bought us a little time.

When I was a boy out in Nebraska we had a couple of bad prairie fires. The first thing we did was get out a team of horses and dig a furrow across its path. Can one furrow of moist, black soil stop a prairie fire? No. The heat of a blazing prairie fire is so fierce it will jump over a narrow furrow. But you can use that furrow as a base from which to start a backfire against the main fire—that way you can stop it.

The Truman doctrine was merely such a furrow. From it we had to start a backfire, which is the principle involved in what has been called the Marshall plan: help resist further expansion of the area of tyranny and dictatorship; at the same time, assist expansion of the area of freedom and federation.

We must stop, if possible, the alarming spread of slavery and the contraction of liberty which have been going on during the last 20 or 25 years. We must reverse those trends and resume the trends in the other direction that prevailed from 1776 to 1931.

That is the idea behind the European recovery plan. We are now in the midst of a great national debate on the course we should adopt, a course which will determine our future for years and decades to come.

It seems to me we can reduce the problem to two sets of calculated risks.

First, if we don't promptly carry out some program of helping these European nations get on their feet, so that they can become sound economically and strong in the sense of presenting a united military barrier to Russian aggression either from without their borders or from within, then they will go down one by one; and most of Europe will be under the effective control of the Soviet Union, and so will much of Asia by the end of this year.

If we do carry out such a program, there is a chance the 16 western European nations can be saved, and an area of freedom preserved from which it can perhaps penetrate back into eastern Europe, until ultimately the Soviets will crack. Their whole system is so immoral, so cruel, that it must crack eventually. But we can't sit down and wait for that to happen. That would be like saying, "Don't worry about the flood. A flood always goes down." Certainly, but I don't want it to take my house with it. A fire, too, always burns out. But that gives me no consolation if it first destroys my city.

If we don't give assistance to these nations, there is no hope. If we do, there is hope. Therefore, we should give it.

That is the way you would reason if you consider only the first set of alternatives.

But there is a second set of calculated risks which cannot be ignored. They rise from the plain fact that we can't carry out this huge program without weakening the United States—at least temporarily—draining its limited resources, putting a severe strain on our own economy.

It isn't the money that is so important. If we should be left without friends and allies, the cost in taxes for our own armaments each year would be greater than the whole contemplated cost of the European recovery plan for 4 years. We originally thought our budget for defense this year would be about six or seven billions. Before we were through, it was eleven. If Europe goes down, it will be eighteen billion by next year. And still more the next year; don't make any mistake about that.

It is the drain on our resources that is most dangerous—the necessity to export materials and commodities already in short supply, the increase in inflationary pressures that raises prices and lowers standards of living here, causing unrest and upsetting our whole economy. These are far more serious than just the dollars involved.

If, by doing this, we can succeed in producing a compensating increase in the strength of those countries—which will add to our own security, reduce the burdens for our own armaments, and preserve and expand the area of freedom with which we can trade in the future—then it is a justifiable risk, even a sound investment.

On the other hand, if we don't succeed, and at the end of 1952 when American aid ends, those nations still go down, or are still economically unsound and insolvent, then all we will have done is endangered, perhaps destroyed our own soundness—and not have done them any long-term good in the process.

In this kind of a world, somebody somewhere has got to stay free, somebody has got to stay strong, somebody has got to be able to hold aloft the torch of freedom to which people can at least look with hope until the day comes when they themselves can once more rally to it. The United States is their only hope and we dare not allow it to falter.

I was in Europe last fall. Our committee visited 22 countries, and in each we talked with the cabinet or some of its members. One of the most instructive visits was in Sweden. They adopted a sort of Marshall plan right after the war. They had come through the war years unscathed, in fact had prospered. They had a praiseworthy humanitarian urge to help their neighbors, and a sense of special obligation, as have we, because they had been spared the horrors and the destruction of war and invasion. Besides it would be good business to get the economies of their customers functioning again. So they embarked upon a plan to help Norway, Denmark, Finland, and others recover. They made loans and grants which represented more in proportion to their national wealth than seventeen billions is in proportion to ours. But they now find they got in too deep, and they have to come to us to bail them out.

Well, if the United States miscalculates and gets in too deep, who will or can bail us out? That is the hard risk we cannot ignore.

How can we resolve this second set of calculated risks? It seems to me that if we

can be reasonably sure of a better than 50–50 chance of success, then we ought to make the effort because the risks in allowing Europe to go by default are plain and inescapable and exceedingly grave.

If there isn't a better than 50–50 chance of success, then we have no right to take such a gamble. Instead we should do everything possible to keep our country strong, sound, and solvent—and hope the Soviet-dominated part of the world cracks up before we do.

How can we estimate the chances of success?

There are about five criteria which seem to me the most important, probably the minimum that must be met if there is to be a better than 50–50 chance of success.

The first is this:

No matter how much we put in, the European recovery plan cannot succeed unless these 16 nations in Europe are willing to make a far more vigorous and aggressive attack upon their own economic problems, both individually and collectively, than most of them have been willing to make up to the present.

Just to restore France as she was, to restore England as she was, to restore Norway and Italy, and so on, as they were, won't be good enough, because most of them were unsound before. The war merely revealed how badly they were running downhill, and accelerated the rate. Western Europe was not self-sustaining even when it was able to trade with eastern Europe, which is the surplus area of Europe.

If Europe, when it was all together, was not basically sound economically, what is it now with eastern Europe cut off? And how can the western European nations recover, if each of the 16 insists on remaining a separate individual economic unit?

We talked about this to almost every cabinet group we met in Europe. Frequently I said something like this: "Many people seem to think that the main reason America is strong today is just because we have a large population, great resources, and were spared the destruction of war. Those are important, but the single biggest reason is because of the system our forefathers had the sense to establish, a system under which we have 48 separate political units, but only one economic unit.

"My State is Minnesota. We have high-grade iron ore, but we can't get prosperous on iron ore unless we can get it with good coal. We don't have coal in Minnesota. Where is the coal? In West Virginia, a thousand miles away.

"Why were we able to grow so strong? Because the iron ore from Minnesota and the coal from West Virginia can get together in Pittsburgh and Cleveland and Detroit and Gary, Ind., without going through three or four sets of currencies and customs barriers, with delays, confusion, and loss of time and money at each."

If the basic system which has prevailed in Europe is continued it will be impossible for any amount of money or goods poured into Europe to cure the situation. It is like giving a sick patient palliative transfusions and no real remedies. He looks a little better after each transfusion but when they end he collapses.

Will the countries take the steps necessary to remedy their underlying maladies?

Last fall when I was there I had serious doubts about it. For example, I was more discouraged in England than almost anywhere else. We talked with Mr. Bevin and other members of the British Cabinet. Mr. Attlee was away that week end for a vacation. We talked, among other things, about coal production, because that is the crux of the situation today, just as coal was the major factor that enabled the enterprising Britishers of yesterday to build the greatest empire of all time. Someone has rightly said that England could become great because it is an island lying on a bed of coal.

It was their coal that enabled them to make steel from their iron ore, to build ships, and power the ships, and send their products, manufactured more cheaply by coal than others could make them by hand, to the ends of the earth, exchange them for raw materials, bring them back, process them with coal and send them out again. Besides they had surpluses of coal which they could export to Sweden in exchange for iron ore, to Norway for wood pulp and sardines, to France for textiles and silks and wines, to Italy for fruits, vegetables, olive oil, to Denmark for butter, eggs, bacon, and so on.

Then England failed to mine enough coal. The production rate has been steadily falling for many years. To be sure most of the best beds have been worked, the seams are narrow and crooked and the mines are deeper, but there is still plenty of coal in England for two or three hundred years.

One reason for the acute crisis is that during the six war years, thousands and thousands of British boys, instead of following their fathers into the mines, went off to war. They encountered the hazards of battle but at least they could be in the fresh air. Many of them are not willing to go back into the coal mines.

But more important and basic has been the long-standing opposition of British labor leaders and miners to mechanization of the mines. That was understandable, though shortsighted. They remembered the long years of unemployment when they were on the dole. So they fought against any machinery that would increase production, because a machine might put a man out of work. As a result coal production went down and down and the price went up. They didn't realize they were pricing their coal out of the world market as against coal produced by machines, until they would have, not a few miners, but most of the industry out of work.

Our American miners by and large also opposed mechanization, but they had a tough leader who went into their conventions year after year, slugged it out with them and won by sheer force of vision and courage. He cooperated with management to mechanize the mines until today the American miner produces four to five tons a day, while the British miner can seldom produce one ton. The American miner has become one of the best paid workers in the world as a result. John L. Lewis gets enough brickbats so that he ought to have a bouquet when he deserves one.

There is another reason for England's troubles. The Labor Party for decades advocated nationalization of the mines. That was supposed to cure all the problems. But could anyone expect the owners to put their money into improving the mines if they might then be taken over at a confiscatory rate?

The different policies, economic and political, in our two countries has produced this illuminating set of figures; more than 70 percent of the net profits of American coal mines in the last 20 years has been plowed back into improvement of the mines; in England less than 20 percent. That tells the whole story.

Why did capital not act in the normal way in England as it did in America? Because there was no incentive. Neither men nor money will work without incentive. The state then resorts to compulsion, and it always ultimately fails.

The labor groups in England focused their attention so completely on getting a more equitable distribution of goods and money that they forgot that first you have to produce or there isn't anything to distribute—except cold, hunger, and want. Like many reformers, in their emphasis on the weaknesses of the capitalistic system they forgot its very great strength, its capacity to get production.

The first requirement in England and in Europe is greater production. Lack of that is the cause of most of their troubles which it is proposed to remedy by the Marshall plan. Now can they get the productive mechanism going? We asked Mr. Bevin what they were doing about this. He said they had just reduced the hours of work from 47 to 40 a week. They had promised it, and they had to do it. That is a strange way to begin increasing production.

When he said, "We must have your help," we made bold to ask, "Mr. Secretary, do you really think we can go back to the people of the United States and persuade them they must work harder to save England than the English are willing to work to save England?"

He was asking for the gold buried in Kentucky. But far more essential for their recovery is the coal buried in England.

On the basis of the state of affairs in England in September, I could see little hope. You can't save a patient no matter how much medicine you pour into him if he hasn't the will to do the things necessary for his recovery.

The British have a magnificent negative courage. One always comes away with the highest respect and admiration for their unbelievable ability to endure. But what they need is more than negative courage to endure. They have got to regain a positive imaginative courage to correct.

Contrast their leadership with that in Holland. One night we talked to the Dutch cabinet, and a leading minister said to us, "Imagine the difficulty of my position. I am a Labor Party leader. I am a Socialist. I have worked all my life to get my party into power so that we could reduce hours, increase wages, improve working conditions, and carry out the reforms for which we have campaigned. And then we come to power at a time when Holland is on her back, and I have to go down to my own party's convention and tell them we can't shorten the hours of work per week. We have got to lengthen them. We simply can't carry out our promises. We have to put them aside until Holland is restored."

He had political courage. He had the realism to subordinate dogma to facts. Holland's difficulties were about as great as England's but her leaders had the will and the courage to attack those difficulties positively and Holland has bounced back surprisingly.

Look at the cabinet of Belgium. Of all the cabinets we visited, this one was to me the most impressive. The average age of its members is 42. Most are veterans of the war. The Deputy Prime Minister is about 38. The Minister of Labor is 32. They weren't sitting down resigning themselves to their difficulties—just pulling their belts tighter. They were grabbing hold of the difficulties with imagination and vigor. As a result Belgium has recovered more rapidly than any other country, even though she too was occupied 5 years.

Fortunately, for whatever reason, some of the leaders in England woke up about September to the fact that the United States couldn't save them unless they were willing to work harder and more realistically. They modified their dogmas somewhat, set aside some of their program, instituted some incentives, and as a result every week since, with the exception of thet Christmas holiday, there has been an increase in coal production. There is real hope in the situation today as there wasn't last fall.

Look at France for a moment. We talked to members of the French cabinet about closer economic cooperation in Europe. Mr. Ramadier was Prime Minister—a fine, genial old gentleman and scholar. He said, "Of course, these things ought to be done, we know that, but it is very difficult to do them. France is an old country and we have great traditions." Everywhere we found that the greater a nation's past, the more it is ham-

pered by its traditions. That, too, is understandable. We know they can't accomplish all the changes overnight or in a year or in a decade, but they never can change at all, or even survive, unless they are willing to start, and start now.

I ventured to say, "Mr. Prime Minister, we in the United States have some traditions, too. We are not a young republic. We are the oldest of the republics. What is our No. 1 tradition—our most deep-rooted and firmly held tradition? It is this: Don't have anything to do with Europe. You expect us to reverse our strongest tradition, but you aren't willing to attempt to modify your own traditions."

We talked about the problem of getting Germany back into production. It is admittedly a tough question. If we had been through what they have at the hands of the Germans, we doubtless would feel as they do. I don't blame them for the way they feel, but the fact remains they cannot solve the problems with their emotions and fears.

The Belgians and the Dutch fear the German military just as much as France does, but they are facing the problem with their heads, rather than with their hearts. They know if the Germans aren't permitted to go back to work at industrial production, turning out steel and machinery and chemicals and fertilizer, France, too, cannot recover, Belgium and Holland cannot recover—Europe cannot recover. To wreck German industry isn't just destroying Germany; it is destroying themselves, too.

For the Ruhr is more than a German asset. The Ruhr is a European asset. Western Europe simply cannot become a sound economic organism until the Ruhr is put to work, producing manufactured goods to ship abroad to get foreign exchange to buy the foods and raw materials Europe must have to live. Western Europeans must find other ways than destruction of Germany to get the security they properly want and need.

They are at last beginning, I believe, to wake up to the hard fact that their choice is not between allowing the Germans to produce or not allowing them to produce. Their choice is between having the Germans produce with and for western Europe, or having them produce for Russia. If western Europe and ourselves do not permit, even assist the Germans to get on their feet to produce the goods of peace, do not succeed in tying their economy in with western Europe's so it is more profitable for them to go along with the peaceful democratic nations of the world than with the totalitarians, then the unrest in Germany will grow until it becomes uncontrollable by us, communism will win, and the Germans will be put to work with their production used by and for the Soviet Union.

The Germans will either be working with the free nations, or they will be working for the Soviet. That is the only choice France has.

In summary, the question in western Europe is not whether they are to get together or not get together. The question is whether they will get together voluntarily on some basis of federation, or be eventually gotten together involuntarily on the basis of dictatorship.

The 16 free nations and western Germany are now like our 13 colonies were. Either they will hang together, or they will hang separately.

Eastern Europe too was made up of nations that were very nationalistic. Bulgaria was very jealous of her complete independence, economically as well as politically. So was Poland, and so were the rest of them. Believe me, they are not independent now. The wheat from Bulgaria, the oil from Rumania, the coal from Poland, all go where the Soviet Union decides. They are already one economic unit and are moving rapidly toward, in effect, political union, whether they like it or not. With Russia's own great manpower and resources and those of the eastern European nations working as one economic unit they have an enormous advantage over divided Western Europe. The western nations will either get together voluntarily and stay free, or they will be gotten together involuntary and be slaves.

We can't succeed in producing economic recovery, no matter how much money and goods and effort we put in, unless they themselves are willing to make a more determined collective attack on their problems. I think there is now a 75-percent chance that they will do it. They have gotten a glimpse of what goes on behind the iron curtain. They have seen the strength and the intentions of their own Communist minorities. They desire freedom now as never before. I think they are willing to make the necessary effort—if they have hope of assistance. On this first criterion I think our aid program is justified—and necessary.

The second condition necessary to give ERP a 50–50 chance of success is that Asia be kept free too, because if Asia is lost to the Soviets, in my judgment, we will lose ultimately in Europe also.

As China goes, so will go Asia. I talked about the situation in China when I was with you last, 3 years ago. Today, as then, the key question is not whether we are going to help the Chinese; it is whether they are to be in a position to help us; whether we are going to be able the keep the Chinese free and on our side in the struggle between the two worlds.

I am willing to hazard the prediction that future historians will agree that World War II from the beginning was a war more than anything else to determine who is going to control the development of Asia.

Suppose we go into the Marshall plan in Europe and we succeed even better than anybody expects. What do we have? Still two worlds: On one side Russia with her satellites; and on the other these 16 countries of Europe, the United States, Canada, Australia, and a few others—two great armed camps. Who holds the balance of power? The billion and a quarter people who live in Asia.

The crucial question of the twentieth century is this: Which way are the people of Asia going? With the free world, as overwhelmingly they prefer? Or in helplessness and despair with the totalitarian police state world?

Lenin understood that. He wrote about 1921 that the final decision would be made by the millions in Asia. In contrast, our Government's actions, or inaction, indicate it considers that what happens in Asia is of relatively little or no concern to us. Some of our key leaders have systematically built up and encouraged the widely-held attitude that if the Chinese Government—exhausted by 8 years of war against Japan and 2 against a Communist rebellion—can't solve its problems, let the Communists take over.

But for what did we fight the last war, pray tell? If China and Asia are not to be free then it would have been better for us to have them under Japan than under Russia. If China is not to be free, then the war against Japan was not only useless—it was criminal—because we are left with less security than before we resisted Japan.

If Russia is to be the strongest power in Europe, it would have been better for us to have Japan dominant in Asia rather than to have Russia the strongest power in both Europe and Asia.

One hundred thousand American boys died to win victory in the Pacific and it is all but thrown away in two and a half years by bungling, or worse, in our own Government, especially in our State Department.

When in history did a nation ever lose so much as we have lost by drift, indecision, default, and folly since VJ-day?

If China doesn't have the right kind of help from us quickly, she will collapse or be taken over by the Communists, just as Greece, Italy and France would have months ago if they had not had very decisive help—and as they and others will still collapse without help from us.

The State Department spokesmen say these European countries can't recover without help. Then they say that we can't help China until she recovers. That is precisely like saying to a desperately sick man, "You get well first and then we will give you the penicillin." But China cannot recover until she has help.

Conditions are indeed bad in China. During every prolonged invasion anywhere there is a break-down of morals and of morale, along with economic and political deterioration. Our own South didn't look very good, either, after Sherman got through with it. It took it 50 years to recover from 1 or 2 years of occupation.

But the Chinese had 8 years of invasion and occupation by the Japanese—8 years of disruption of their economy, their communications, their society. Eight years in which their people were taught that the ancient vices were now virtues, that it was patriotic and therefore honorable to cheat and steal and defraud the invader. Then the war ended and some Americans naively imagined those new habits could be reversed overnight—just like turning off the faucet that gives hot water and turning on another and getting cold water.

China has got to have help or it cannot resist the Communist inroads at a time when the Government and the economy are so weakened. If China goes down, then Russia will have control, through her ruthlessly efficient Communist fifth column, of the greatest body of manpower on earth, occupying the strategically advantageous central position—the hub—in Asia, just as Germany is the hub in Europe.

Then the rest of east Asia can be taken under the Soviet wing almost at will. The assassination of Mr. Gandhi removed almost the last remaining bulwark in that land against extreme violence and confusion which would leave the country so divided and chaotic that a disciplined handful of Communists with a program of attractive promises can take over. In no country they have seized does the hard core of Communist rulers constitute more than 2 or 3 percent of the people.

Then Korea will go.

Three months ago in Korea I talked one night to Mr. Kim Koo, who from about 1905 to 1945 was the head of the Korean Government-in-exile in China. After VJ-day, he was able to come back to Korea.

I said to him, "What should America do now? We have delayed 2 years hoping we could get agreement with the Russians that would reunite Korea, but cooperation with them hasn't worked here any better than anywhere else. Should we delay longer, waiting for the UN Commission to see what it can do? Should we go ahead in south Korea anyway, hold elections, set up a defense force and try to get the country on its feet and withdraw our forces? Or what?"

He studied a minute and then said, "It doesn't make any difference what you do now. There isn't any way to get Korea so that she can be independent and secure and self-sustaining, until you solve the Communist problem across the border in Manchuria."

He knows that if Russia controls Manchuria, the Communists, when we leave Korea, will take it over too.

Japan also will go. I talked one night for an hour and a half with General MacArthur, one of the greatest men I have ever met. He said he was no longer worried about Japan as such. What kept him awake at night, he said, is the situation in China.

All we do in Japan will stand or fall on what happens in China. Japan's problem now is basically economic. She simply doesn't have the raw materials to enable her to live without access to those of Manchuria, China, and other parts of Asia. She must either be supported indefinitely by us, or she must be able to restore much of her prewar pattern of trade with the Asiatic Continent, which she can never do if it is kept in chaos or is cut off by the iron curtain, as north Korea is cut off from south Korea and eastern Europe from western Europe.

So we have either got to go back on our pledges, turn over the Japanese to Russian control, and abandon the western Pacific, or else we have got to subsidize Japan with hundreds of millions of your dollars each year and defend her with your boys. Don't make any mistake about that.

We disarmed Japan. We wrote into her new constitution she never again can go to war. Therefore she can't have an army. What happens when we walk out? Why, of course, the Soviets take over.

The Japanese are realistic. They are about to write us off as a bunch of politically immature incompetents when it comes to handling our foreign relations. They are resigning themselves to what now seems to them almost inevitable.

Then the Philippines will go. Let no one imagine the Philippine Republic can ever become self-sustaining or secure, or long remain free, if the continent off which it lies and on which it must depend for most of its future trade is controlled by the Soviets.

Still further, how can the Marshall plan get England and Holland on their own feet and off the American taxpayers' back if East Asia is under the Soviets? They would not have been solvent before without their trade with the Far East. It was its tin, rubber, spices, oil, etc., which gave them most of the dollars they had then and lack of which forces us to supply them now. Does anyone think we are going to be able to stop subsidizing the British and the Netherlands in 1952 if they have not been able to restore, on a mutually beneficial basis, something like their prewar pattern of trade with those areas formerly their colonies?

Most important of all, Russia will have a far better chance of defeating the recovery program in Europe, if she can get first China and then East Asia under her control so she can focus her efforts more boldly and aggressively against our efforts in Europe.

We seem intent on making the same mistake a second time in one decade—the mistake of thinking that what happens in Europe is more important to us than what happens in Asia; or thinking that events in Asia are less likely to get us into war than those in Europe.

But we did not get into the last war in Europe. Hitler did not move against us until Japan had attacked us so he knew we would have to fight a two-front war. And Japan did not attack us until she thought she had China broken so she wouldn't have to fight a two-front war.

The tough men in the Kremlin are hardly so dumb as to get themselves into a two-front war. They are most unlikely to risk a showdown with us in Europe unless they can first get satellites and security along their Asiatic border so that if war comes they won't have to fight on two fronts.

It may well be that our single best hope of preventing World War III is to keep Russia compelled to divide her forces, her attention, her efforts between her east and her west. If she can beguile us into looking in the other direction until China goes down—as all our left wingers and their dupes have tried for several years, and successfully, to persuade us to do—then Russia can concentrate all her attention and her efforts on defeating recovery in Europe, which she has officially announced she is determined to do. My guess is that under such circumstances she can probably succeed. I don't like this conclusion but I cannot escape it.

So our choice in Asia is not between helping the present Chinese Government, and something better. I wish it were. Our choice is between the Chinese Government and the Communists—which is infinitely worse.

Right after Pearl Harbor the United States Congress passed a bill appropriating $500,000,000 for China. It wasn't a loan; it was an outright grant. It was passed with little debate and without a dissenting vote.

Why? Because there was a good government in China? An efficient government? A noncorrupt government? No, indeed. It was the very same government that is there now—the one we are being told is too bad for us to support or associate with. It was passed because we desperately needed China on our side.

Well, is an independent and friendly China less vital to our security now than then? I think not.

If it hadn't been so humiliating, it would have been comical to witness the great United States that had been supplying the Japanese militarists against China now practically down on its knees, pleading, "Please, China, please hang on, hold the Japanese three long years until we can rebuild our sunk navy, capture the islands one by one, develop the B-29 and the atomic bomb and then bring our superior power to bear on Japan."

China bled herself white buying that time for us—and now gets pushed aside allegedly because her Government isn't as democratic or efficient as we would like. China's weaknesses today are in large part the result of her loyalty, not of her disloyalty. Some of them are badges of honor, not of disgrace.

The Chinese leaders whom we now label Fascists or reactionaries are mostly those who warned Chiang Kai-shek we would throw China down. Now we insist that he kick them out. How can he kick them out when they were right? They urged after Pearl Harbor that he concentrate on eliminating the Communists, and let us fight the Japanese. After all, we were the ones who had made the money selling Japan the scrap iron and the oil—why not let us do the fighting?

But Chiang and most of his people believed our Government's promises; they assumed we would stand by them after the war as they had stood by us during the war. China is disintegrating today largely because of that misplaced faith.

But my primary concern is not for the Chinese. They know how to "eat bitterness." Somehow they will pull through. Besides they have clear consciences; they haven't betrayed anyone; they can sleep at night.

My greatest concern is for my own country. How much more will it cost us—in money and resources and men—to keep western Europe free, or even ourselves, if China and Asia go down?

In the long run we need them worse than they need us. Almost everyone in Asia sees that clearly. They wonder why we fail to, why a nation with all the aces insists on playing them so badly, or even throws them away.

I doubt that ERP can succeed in Europe if Russia gets control of China—which means Asia—as Russia will if we don't help effectively and at once.

An intelligent and immediate program of aid to China consisting of moral support, surplus munitions, American personnel for military training and advice at all levels, dollars to balance China's international payments, stabilize her currency, and loans for specified development projects would not cost more than a billion and a half dollars. If that billion and a half for China should make the difference between success and failure of the proposed seventeen billion for Europe, it would seem to me a good investment.

It is to save money, not to waste it, that I believe we must make a real effort to keep China independent and on our side.

The third criterion necessary to give ERP a 50-50 chance of success, in addition to vigorous collective effort by the European countries and prompt action to save the Far East, is that we get an organization to administer the program that can and will do it on a hard-headed, businesslike, efficient basis. Its personnel must have warm hearts but completely cold heads.

Money, materials, and good will alone won't do the job. We have to have top-notch men who will actually get the coal mines producing coal, get the railroads running, get the steel plants and the fertilizer factories producing, the fertilizer out on the fields, and so on.

There are plenty of Americans who have that administrative know-how. But there are not many in old-line Government agencies. And no one need expect that they will come in and work under such agencies. The old-line agencies are not set up and staffed to administer. They are set up to make studies and prepare reports, to consider and evaluate, to formulate policies and general plans.

Then, again, they operate on the seniority basis, or, as we call it, the senility basis. Every normal man wants to get ahead in life, and if you are in an outfit organized on the seniority basis, the one thing that is necessary for you to get to the top is just this: To live long enough.

Well, that is not quite true. You also must make no enemies. And what is necessary to make no enemies? You must never have an idea. You can't get ahead if you have ideas, if you exercise initiative and imagination.

In any bureaucratic organization operating on the basis of seniority there is a premium on conforming and a penalty on imagination, initiative, drive. This job can't be done by any such Government agency. It will require the very best executives America has to make it succeed.

I never can vote for this proposal if it is placed in or under one of the regular old-line departments or agencies, because they are not set up or trained or equipped to do it. They have to deal with other governments in traditional methods. Their main concern must be to avoid incidents or hurting feelings.

The administrator of this program has to deal with other governments and foreign business or industrial organizations on a basis of hard-headed efficiency and results in tons of food and steel. If it is not done that way, the resources and strength of the United States will be squandered and the desired results still not obtained, the people over there still not saved. I think we will get such an administrative set-up in the law—if the administration will cooperate and appoint top-notch men.

My fourth criterion is this: 'We must be willing to put in enough to win.

Would you like your doctor to say: "You have pneumonia, and you are mighty sick. I will give you a million units of penicillin, but I am telling you in advance that if you don't get well on the one million, I won't give you any more."

We don't say when we go to war. "We will spend $100,000,000,000, and if we don't win with that, we will quit, we will surrender."

When the President comes to us and says it has to be $17,000,000,000 or nothing, I can't accept that without careful scrutiny—because the $17,000,000,000 figure is merely the sum of about 17 other figures—one for each of 16 countries plus western Germany. Until each of those amounts is explained and justified to us, obviously the sum of them cannot be accepted.

So I do not know just what the proper estimate is. But I am convinced that if we are prepared to put in whatever it takes, it will

cost us less—rather than more—assuming the other criteria are also fulfilled.

That is, if we are willing to put in twenty or twenty-five billion if necessary to win, I don't think it will actually take $12,000,000,000. There are far larger reserves in those countries than are now visible. Farmers in France and Italy are not going to bring out their grain, their hogs, or chickens to sell for paper money when there isn't anything to be bought with it that they want, and as long as its value is steadily depreciating. But once there is hope of revival, of stability, of factories being put into operation turning out goods they want and need, you will find enormously greater resources than expected in commodities, in industry and initiative, and in productive capacity, both agricultural and industrial.

Russia hangs over their heads day and night. They are not sure who is friend and who is enemy even in their own countries. You can't expect them to be too bold in standing up against the Communists, unless they are reasonably sure they will be supported effectively. If we are willing to stay in and pitch until we win, I am confident they are stronger than either we or they realize. Together we can win if we go all-out. If we are not prepared to do that, I doubt that it is wise to start.

There was a very wise man who once said, "If you are going out to war and you find the enemy has 20,000 men and you have only 10,000 men, you'd better not get into that battle. Better try to resolve your differences some other way.

"If you are planning to build a house, first decide whether you have enough to complete it. If not, better not start at all."

His name was Jesus. He is usually thought of as a sentimentalist. Actually He was a hard-headed realist. We must have men in government with His wisdom and practical good sense.

The other day I participated in a forum on this issue, and one of my colleagues said, "We should attempt this recovery program even if we fail. It is better to try it and fail than not to try it at all."

I cannot agree for a moment. We had better not try it at all than try it and fail. That is inexcusable. It does no one any good, and can bring disaster. If we are not prepared to make a go of it, then let's not start.

And now the fifth criterion. We must move on to another stage in our foreign policy—from appease, then resist, then assist to reorganize and strengthen the United Nations.

At best, the ERP buys time—holds back the dictatorship world to give the free world time in which to try to get organized on a better, sounder basis. Will we use that time to get the United Nations re-formed, with its charter revised or amended so that it can take on the job of resisting aggression anywhere which we are compelled to assume in this emergency? We had to do it when Greece and Turkey were threatened. We have to do it now when Italy, France, and others are threatened. We are at present the only Nation with the resources and strength to do it. So we have to do the best we can. But we haven't the resources or wealth or strength to carry on this policeman's job indefinitely—and we haven't the wisdom. Furthermore, if we try to do it indefinitely the rest of the world will come to hate us in the process.

If we can win a little time, a breathing spell, and if we use that time to exercise positive, vigorous, imaginative leadership to get the nations together on a workable basis, since the present United Nations structure has proved not workable, then I think the program makes sense. We must get the world organization so it can handle emergencies like these—in the name and in the strength of humanity, not of just one or a few nations. We must get it with Russia if possible—without her if necessary.

Stalin and his Politbureau apparently think that we think we cannot get along without Russia, and we act as if they were right. I am convinced that if and when we demonstrate to the Russians that we and the other free peoples of the world can work without them, we will soon find we will be able to work with them.

Probably 80 percent of the people of the world is still willing and able to come along on such a program of organizing to resist further expansion of the area of slavery and dictatorship and to assist expansion of the area of freedom and federation. But they can't do it without our full participation—yes, our active initiative and leadership.

We went into the United Nations with the idea that the veto would be used only to block any possibility of the organization getting out of hand and making war unjustifiably on any member. We were so decent ourselves, and so naive, that we couldn't imagine any nation's leaders coldly planning to use the veto, not to block war, but to block peace. Actually the devil himself could not have thought up a more diabolically ingenious device by which any one of the Big Five with perfect legality and without reproach could use the veto to prevent the making of peace. Russia hasn't used the veto once to block war. She has used it over a score of times to block measures or decisions that were steps in the direction of peace.

We have got to get an organization with laws and a policeman which the peaceful nations can use to prevent aggression and make peace, and not one which a nonpeaceful nation (if one of the Big Five) can use to protect aggression and block peace.

The United States cannot carry this load indefinitely, or very long. Even this emergency program will be a terrific strain. If out of it comes 80 percent of the world organized on a workable basis of voluntary federation, then it will be a good investment, one of the best bargains in history. Without such a result we will have postponed, perhaps, but not prevented the crack-up.

I do not think war with Russia is inevitable, as so many assume. I do not think it is at all probable—if the United States and the nations still free prove worthy in this great crisis and challenge.

The Marshall plan alone is not enough. It is just one important component of the sound over-all foreign policy and program that we must develop and carry through with skill and efficiency if we are to win this political war so as to avoid an atomic war with unforeseeable destruction, if not extermination. No component is more important than getting the world organization reformed either under article 109 or article 51, so that it can function as it is clear the present structure is not functioning. Will we have the wisdom and the greatness to rise to this occasion?

We started out with the big five. China was included out of recognition of the great strength, and moral insight, the great fortitude and endurance she had contributed in holding the line almost alone for 13 years—and because of her enormous potentialities. Actually she was too exhausted to carry much of the load, so it really was the big four.

Then we discovered France was far more broken and divided than generally realized. She had to have help rather than give help. So it was really only the big three.

Then we discovered England was also desperately weakened. She has only a couple of deuces left, although she still plays them masterfully as if they were all aces. So in reality there are only the big two—the two worlds with which I began.

It must become the big one. Is it to be by Congress? Or by agreement?

I am convinced it can be by agreement. Whenever enough of the peaceful governments and peoples of the world get together on a basis that makes clear to the Kremlin that Russia doesn't need to go to war to get security or satisfaction of any legitimate grievances she may have, and that she can't succeed even if she does go to war—at that point agreement becomes more advantageous for Russia, for her own sake, than attempted conquest—and I believe she will come along.

She will still be what she is, yes, but will agree, along with the rest of the world, to stop when the light is red and go when the light is green.

She will come along, not because of anyone's persuasion or bribing or secret deals, as were tried before, but because there is more for her to gain by agreeing than by disagreeing.

As we stand at this great crossroads in our foreign relations, most people are asking, "What is the Kremlin going to do?" That really isn't the place to look. For the decisions in the Kremlin still depend on the decisions in Washington.

And, thank God, the United States is one of the few remaining places on this earth where common people just like ourselves still can determine what the decisions are to be in their Capital City.

And who can do more to shape the views and attitudes of our people toward the expanding role our Nation must assume than those who day in and day out have charge of the training of the minds and hearts of the Nation's children? How great indeed is your opportunity—how terrible your responsibility.

The Ruhr and European Unity

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1948

Mr. JAVITS. Mr. Speaker, in the current talk on the revival of German industrial production as it relates to the European recovery program, the practicability of a renewed German military machine striking yet a third time for world conquest should be constantly before us. A balance between productive usefulness, and a renewal of grave danger to the world's security must somehow be struck. Present thinking is in the direction of internationalization of the industrial productive resources of Germany, concentrated in the Ruhr. The following editorial from the New York Herald Tribune is illuminating on this issue:

THE RUHR AND EUROPEAN UNITY

Governor Dewey, in his Lincoln Day address, again called attention to one of the critical phases of a European settlement which American statesmanship has thus far failed to confront. "It was nearly 4 years ago," said Mr. Dewey, "that I proposed that the Ruhr be internationalized to prevent a revival of German militarism and that it then be started full blast as a servant of the people of Europe."

This concept is one which has widespread support within Europe. The nations of the western portion of the continent still fear Germany. They recognize that a recrudescence of German militarism is not a present danger; what they fear is that Germany may be built up, under predominantly American auspices, as a servant of the west and then abandoned, by some turn in American policy, to become its master. The American proposal for a long-term military alliance against Germany is a step toward

meeting this fear, but, in the existing political and economic chaos of the world, it does not carry full conviction to peoples who have seen the Nazi blitzkrieg sweep through their own lands; who, like the French, have been invaded from the east three times within three-quarters of a century.

Internationalization of the Ruhr poses many problems, to be sure. The desire of the Russians to participate is one of them, and a very thorny one. But when so much of the rest of western Germany is being organized without the Russians, and when the latter are already exploiting eastern Germany, it hardly seems that Russian objections should be considered a major stumbling block to the establishment of a western regime in the Ruhr. The dangers of a further fragmentation of Germany, with the possibilities of increasing nationalist tensions there and of weakening the economic structure of the already shattered western zones, must also be taken into account. But surely it is not beyond human ingenuity to internationalize the economic control of the Ruhr without decentralizing the political aspects of Germany beyond a practicable point. Moreover, the Ruhr should be made to work for Germany as well as for western Europe; its production should be available for obtaining foreign exchange for the other, less highly industrialized portions of the occupied territories.

Such a solution of the Ruhr problem would be a long step toward meeting French fears, which have thus far been largely ignored. It would also permit the participation of Belgium and the Netherlands, nations which have voiced some annoyance over the fact that they have not been consulted about a German settlement. It would give a solid core of partnership to a union of western Europe and stimulate progress toward that desirable goal. Above all, it would provide the form of control that would best combine a useful Germany with a safe Germany. Governor Dewey deserves credit for bringing this issue into the spotlight of the campaign.

The European Trade-Unions Are the Strata Through Which the Communists Will Seek To Wreck ERP; the American ERP Agency Must Contain Representatives of Free Trade-Unionism Working Shoulder to Shoulder With Representatives of Industry and Engineering Skill

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EXTENSION OF REMARKS

OF

HON. CHARLES J. KERSTEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, an Associated Press report from Helsinki, Finland, under date line of March 2, states that Finland's Communists today began organizing factory and trade-union meetings to support a military pact with Russia.

The Communists already have possession of the police in Finland and they are attempting to take over the trade-unions of that unfortunate country. The Communists make their most vital and forceful appeals to the workers of any country, promising them the millennium.

Recently Mr. Vino Leskinen, on a lecture tour in Sweden, told of the long-term efforts of the Communists to take over the trade-unions in Finland. He stated that he thought the trade-unions of the Finns could be taken over only by foreign intervention.

It becomes increasingly apparent that it should be the basic policy of our program of aid in the reconstruction of Europe that sound American trade-unionists should participate with the representatives of management, industry, engineering, and agricultural skill. We know that the Communists will attempt to wreck our efforts and that one of their main efforts will be in the trade-unions of Europe.

I wish to include in my remarks an excellent article set forth in Labor's Monthly Survey published by the American Federation of Labor on this subject:

THE ISSUE IS FREEDOM

As Soviet pressures move toward a climax in Europe, the American Federation of Labor is more than ever aware of the grave issues involved. A war is on, a cold war waged by the Soviet Union against our democratic way of life with its guaranties of individual rights and human freedoms. The Soviet objective is to bring free peoples under Moscow's police state, where every individual is subject to the will of the dictator, enforced by spies, police, prisons and the concentration camp, and where there is no recognition of basic personal rights or liberties. In the economic field, it is a struggle to end the system of free enterprise and free unions, and substitute the Communist system of party-controlled industry, where industrial managers are servants of the politbureau and unions have become merely transmission belts to carry the will of the dictator to the workers and get compliance. In countries under Soviet control, there is no such thing as a free union or a free election of union officers. Collective bargaining is unknown.

As the Soviet imperialistic purpose has unfolded in these postwar years, workers in all parts of the world have been roused to its true meaning for them. Although many were at first confused by Soviet propaganda and misuse of the word democracy, there have been strong groups in the trade-union movements of different countries who recognized the real issues from the start. Today free unions, alarmed for their safety, are coming forward to join together for common ideals and purposes, and to protect their freedom against a common enemy.

As the largest and strongest free union movement in the world, the American Federation of Labor recognizes its responsibility to help those unions who are daily struggling against the Communist menace at their very doors. This we owe to our own members as well, for our ultimate danger here in America is as great as that of free workers anywhere else. Moscow has its trained fifth column agents working in the Americas as in Europe and Asia, and is training more Quislings to replace or reinforce the Browders, the Fosters, and the Eislers of today.

A. F. OF L. AIDS FREE UNION MOVEMENT

Because the urge for freedom and self-government comes from people themselves and cannot be imposed from above, the federation's task is to give help where it is asked. This we are doing. Our work began during the war, when we organized relief for trade-unionists who were victims of totalitarian persecution in Europe and China, and tried to maintain relations with them even through the underground.

Today we are answering calls from millions of workers abroad who are giving all they can to save and rebuild their democratic organizations. Our representatives are working from three centers, helping with food, friendship, information, union supplies. In Tokyo, we are giving guidance in techniques of collective bargaining and education in trade-unionism. From our German center, we are aiding workers in Germany and Austria as they rebuild the once strong democratic union movements Hitler tried to destroy. In these two countries, a free trade-union movement is the cornerstone of democracy and the best guaranty against nazism, militarism, and communism. We do not seek to influence the type of union organization, but give wholehearted support to their freely elected officers. Cut off for 12 years from international union movements, these workers hungered for news of union experience. We have distributed literature, given supplementary food, helped to set up rehabilitation camps for young people, addressed forums and labor colleges. Our representative says: "If these movements continue under the idealism which governed them in the past, they will be the force to keep these countries free."

Our center in Brussels works with representatives of 30,000,000 unionists in 20 European countries, and has been effective in clearing up confusion caused by misleading anti-American propaganda of the Soviet Union. Our representative reports that European unions see in the Marshall plan the hope for economic recovery by democratic methods, a means of unifying Europe for mutual progress, a way to preserve free trade-unionism, and escape the new despotism that threatens them. To many, the AFL has become a strong partner in the struggle for justice, human values, peace, and democracy. By our own declarations on principles of genuine trade-unionism and against communism and our efforts to get declarations from the United Nations on freedom of association and human rights and against slave labor, we have tried to help them maintain courage and vision. The unions of western Europe are still free and democratic, although Communists have become leaders in some unions, supported by other members whose guidance comes from Moscow. In France and Italy, Communists in political parties and in the unions seek to control the labor movements by a system of terrorism, violence, and a gangster machine which prohibits free voting. In France, more than a million workers have broken away from the Communist leadership and set up a free union movement, the Force Ouvriere. In Czechoslovakia, the Communists, through their control over the trade-unions, the police, and the army, have seized the government and have overpowered President Benes, who insisted on rule by law and parliamentary procedures. The seizure of this country which struggled for democracy is a humiliation to all who believe in democracy.

HEMISPHERE LABOR CONFERENCE OF THE AMERICAS

At Lima, Peru, January 10 to 13, representatives of 14,000,000 workers in 16 American countries took forward steps in international labor organization. Representatives of the federation, the railway labor executives, and the machinists of the United States of America participated in the Inter-American Trade Union conference. Because all delegates represented free trade unions, frantic efforts were made by Communists and the government-dominated unions in Argentina to sabotage the conference, but efforts to misrepresent its aims, arouse opposition and create disorder were of no avail. The meeting exceeded all expectations in number of union movements represented, unity of purpose and constructive decisions. It was acclaimed by immense crowds of workers. By unanimous vote the delegates set up the Inter-American Confederation of Labor to become the permanent organization of free trade-unions in the Western Hemisphere. Delegates expressed as their common goals: To assure workers' right to organization and collective bargaining; to build strong effective trade-unions, guided by dem-

ocratic principles and subject to no outside control; to raise living and working conditions for all workers of the Western Hemisphere and especially those of Latin American countries which have long been depressed; to work for the maintenance of individual liberties and the establishment of permanent peace based on democratic principles. "We want a democratic Inter-Americanism without imperialism," said the United States of America delegation. They emphasized the importance of autonomy for each union group, and independence of trade-unions from control by political parties and governments. The constitution of the new federation bars from membership all totalitarian organizations and groups dominated by them.

Deeply conscious of the world-wide struggle of workers to maintain their freedom, the delegates passed resolutions to promote and strengthen world organization of free unions. They called for organization of a new International Federation of Trade Unions free from Communist domination. They also recommended that all transport and metal workers' unions affiliate with the International Transport Workers' Federation and International Metal Workers' Federation, respectively, thus strengthening the two pre-war international trade-union secretariats which still remain free. This action puts American labor in the forefront of the move to rebuild a genuine democratic world labor movement. Railway unions of the United States of America have already joined the International Transport Workers' Federation.

Bernardo Ibanez, of Chile, is president of the new confederation; George Meany and Bert Jewell, of the United States of America, and representatives of eight other countries are vice presidents. Serafino Romualdi, of the A. F. of L., is secretary of relations. As its contribution to the new organization, the federation has made him its Latin-American representative to devote full time to its affairs.

CONFERENCE OF FREE UNIONS IN MARSHALL PLAN COUNTRIES

The American Federation of Labor has steadfastly refused to join the Communist-dominated World Federation of Trade Unions because it is clearly an instrument of Moscow's foreign policy, unable to act independently or to promote the welfare of workers. The need for a genuine international organization of free unions is now keenly felt by the workers of many countries. For one thing, democratic unions in the Marshall plan countries want an opportunity to participate in promoting the European recovery program. They need an organization through which they can cooperate. Without the active cooperation of free unions, such an international undertaking could not hope to reach its goal of reconstruction and progress toward world peace and security.

As far back as last October, the federation proposed a conference of unions in the Marshall plan countries. This conference has now been called for March 8 in London. It can provide a means for rallying and activating the democratic forces that can save European civilization.

THE MARSHALL PLAN BEFORE CONGRESS

President Green appeared before both Senate and House committees to express the federation's wholehearted endorsement of the plan. We want to see a fully adequate program enacted by Congress, without crippling amendments. We are deeply concerned that workers shall have a full chance to participate and contribute to the plan's successful operation. President Green said: "I cannot emphasize too strongly that American labor can perform a basic and distinguished service in this program. We are the only national group that can communicate directly, forcefully, and convincingly to a parallel group in these 16 countries to secure the cooperation of workers essential to the success of the program." He urged that an advisory committee of representatives of functional economic groups, including industry, agriculture, labor, transportation, and finance be set up to assist the Administrator, and a similar committee to work with the executive in Europe. He insisted that the right of wage earners everywhere to join trade-unions of their own choosing be assured, for the purpose of promoting their program. Without this right, democratic institutions are impossible. Germany and Austria must share in the recovery, he said, and dismantling of their factories must stop at once, so they can get production under way in time to supply the needs of the program.

"Economic rehabilitation of Europe is in the interest of all wage earners," he said. "Soviet opposition * * * clearly reveals its rule-or-ruin policy. The American Federation of Labor understands that the European recovery program requires sacrifices and self-discipline on the part of United States citizens. We stand ready to make these sacrifices and to assume new responsibilities. We cannot shut our eyes to the fear and hunger that are the daily portion of those human beings who are close to armed Soviet aggression. We cannot stand by and watch the lights of freedom go out in those lands from which our forefathers came."

On February 17 the Senate Foreign Relations Committee unanimously approved a bill authorizing a 4-year European recovery program with $5,300,000,000 for the first year's operation. This sum provides the minimum amount which experts consider adequate. It will cost our country less than 22 days of World War II.[1] Prompt passage of this bill and its companion in the House, without crippling amendments or reduction of funds, will be essential to meet the April 1 deadline when temporary relief for these countries runs out.

FREE TRADE-UNIONS ARE THE BASIS OF A DEMOCRATIC SOCIETY

Workers are the largest group of citizens in most industrial countries. The meaning of trade-unionism in today's struggle for freedom and representative government is clearly illustrated in the statement below by Fritz Tarnow, an outstanding leader of the democratic trade-union movement in pre-Hitler Germany. Active under the Weimar Republic, forced to flee during Hitler's regime, he has now returned to help build a democratic Germany and aid free unions in their struggle against communism. He speaks from the experiences he has lived through, and represents a large number of German unionists. He shows why a free labor movement constantly struggles to realize and maintain democracy, and his statement, clearly specifying what democracy is and what it is not, will do much to clear up confusion caused by Soviet misuse of the word.

FRITZ TARNOW DEFINES DEMOCRACY AND UNION FUNCTIONS

Fritz Tarnow is zonal secretary of trade-unions in United States zone of Germany.

I. "The trade-unions represent the social and economic interests of the employed persons in the economy, the state, and society. The trade-unions declare themselves independent of the state, of private as well as public enterprise, and of the political parties. They declare themselves politically neutral, but they expect the political parties to pass legislation designed to further the interests and demands of the trade-unions with each party itself determining the relationship between itself and the trade-unions.

"The trade-unions fight for the basic human rights and freedoms of all those who respect the rights and freedoms of others. The safeguarding of the rights of man can only be attained within a democratic state in which all power emanates from the people and all organs of the state are subject to control by the people.

II. "As the existence and activities of trade-unions can be secured only under the freedom of a democratic regime, the fight for the realization of democracy is among their most important tasks.

"By democracy, the trade-unions understand a social order which guarantees the constitution of the state and constitutional institutions:

"1. A representation of the people chosen in general and free elections and having the exclusive right of legislation and the right to institute and dismiss governments;

"2. Freedom of opinion and its expression in speech and in writing, freedom of organization and assembly as well as the freedom to act according to one's religious and philosophical beliefs. These freedoms do not exclude restrictive measures against such activities as are directed against these freedoms or menace their existence. Measures of this kind, however, are admissible only if decreed by regular legislation, and their execution is reserved to the organs of the normal administration of justice.

"3. The obligation of the state to protect life and property of every citizen against arbitrary encroachments, searchings of his house and seizure of his property, which must only be carried through in accordance with existing laws and upon legal order. In cases where immediate police action is necessary, judiciary approval must be procured within 24 hours.

III. "In order to counteract the spiritual confusion caused * * * through the abuse of the word 'democracy', and in order to help to understand the difference between democratic and nondemocratic regimes, the trade-unions explicitly name the following as characteristic of an antidemocratic regime:

"1. Wherever the state leadership has seized power without the free elections by the people, and evades the control of the freely elected representation of the people—there is no democracy.

"2. Wherever plebiscites and elections are carried through without there being freedom of opinion and its expression in speech and writing; wherever a free and independent press is not permitted; wherever the means to shape public opinion are monopolized and at the exclusive disposal of the state authority and the ruling group, thus rendering democratic elections impossible—there is no democracy.

"3. Wherever criticism of state policy is prohibited, persecuted, and threatened with reprisals—there is no democracy.

"4. Wherever the executive power of a state is linked to a monopolized and privileged party, while other parties and movements are prohibited or suppressed—there is no democracy.

"5. Wherever there exists a secret political state police which stands outside the laws and the normal administration of justice, and which can terrorize the population without control through a democratic representation of the people—there is no democracy.

"6. Wherever there are concentration camps, forced labor and similar institutions, in which the ruling group is at liberty to deprive persons of their freedom without laws and legal judgment, where people are authorized by the executive power to maltreat and torture the prisoners in their power, to destroy their health and kill them without being called to account for it—there is no democracy.

"By thus pointing out some of the essential characteristics, every one of which suffices to recognize a regime which is in sharp contradiction to democracy, and which in shape of the criminal Nazi state has evoked the deepest horror and the contempt of the whole civilized world, the German trade-unions

[1] Expenditures from July 1940 to June 1946 to cover 1,364 days of war. Source: U. S. Treasury.

dedicate themselves to a true democracy of freedom, humanity, and respect for the dignity of man."

Mexican Trade Agreements

EXTENSION OF REMARKS
OF

HON. DANIEL A. REED

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. REED of New York. Mr. Speaker, the recent hearings before the Committee for Reciprocity Information concerning the so-called Mexican trade agreement were probably considered successful by the State Department. The purpose of these hearings was to hear complaints of exporters who felt that Mexico was applying restrictions on our shipments to that country. I cannot agree that in our democracy we will provide opportunity for exporters to be heard while domestic producers, farmers, and laborers are not allowed the same privilege.

Under leave to extend my remarks, I submit the following letter which I received concerning this matter and also extracts from a brief filed with the Committee for Reciprocity Information:

FEBRUARY 19, 1948.

Hon. DANIEL A. REED,
Acting Chairman, Ways and Means Committee, House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN REED: Since your committee will soon be considering whether or not to recommend amendments to or termination of the Reciprocal Trade Agreements Act, we felt that you would be interested in the enclosed brief presented to the Committee for Reciprocity Information on behalf of the American producers of fluorspar in connection with the currently proposed negotiation of a reciprocal trade agreement with Mexico.

The State Department announcement of these proposed negotiations with Mexico denies to American producers interested in imports from Mexico their absolute right, under the Reciprocal Trade Agreements Act, to appear and present their views before any trade agreement is negotiated or concluded with any foreign country. The State Department announcement invites only exporters to present their views, and states that the negotiation is limited to a revision of schedule 1 of the 1942 Mexican agreement—that is the Mexican concessions.

This is obviously an attempt to mislead the American public and to deny American producers interested in imports an opportunity to appear and present their views. Mexico terminated the 1942 trade agreement and abolished schedule 2 thereof effective December 20, 1947. It is obviously impossible to negotiate a revision of a tariff schedule that does not exist under a trade agreement that has been terminated by Mexico.

Our argument, briefly, is that since Mexico terminated the agreement on December 20, 1947, the President should, and at least morally is bound to, terminate his proclamation of December 28, 1942, which gave effect to the American concessions granted under that terminated agreement. If the President desires to negotiate a new trade agreement with Mexico under the Reciprocal Trade Agreements Act, he should announce that intention and publish a list of United States commodities on which tariff concessions will be considered, and thus give American producers interested in those commodities an opportunity to appear and present their views.

The President has no authority under the Reciprocal Trade Agreements Act to negotiate a limited agreement with Mexico by saying that we will give you the same concessions which we gave you in 1942 if you will give us a new set of concessions from your December 1947 tariff schedule which provides higher rates of duty.

The American producers of fluorspar have an absolute right to appear and present their views as do millions of other American producers, but this right is being denied them by the President and the State Department.

We have presented this brief to the Committee for Reciprocity Information but since the fluorspar producers are interested in imports and not in exports it is probable that the Committee for Reciprocity Information will refuse to consider it since they have limited the privilege of presenting views to exporters.

Very truly yours,

JOHN BRECKINRIDGE.

SUMMARY OF VIEWS

1. Mexico terminated the 1942 reciprocal trade agreement in accordance with the terms of article XVIII thereof on December 20, 1947, by abolishing schedule I of the agreement and publishing a new tariff schedule raising the rates of duty.

2. As a result, United States tariff concessions under the now-terminated Mexican agreement should no longer be permitted to remain in effect.

3. The President, under the intent of the Reciprocal Trade Agreements Act, should have terminated, on December 20, 1947, his proclamation of December 28, 1942, giving effect to the tariff reductions covered in the now-terminated Mexican agreement, thus restoring the tariff rates effective in 1942.

4. The reduction in the duty on low-grade fluorspar from $8.40 to $6.30 per long ton agreed to under the Mexican trade agreement was made ineffective by Mexico's termination of that agreement.

5. The proper current rate of duty on low-grade fluorspar is that prescribed in paragraph 207 of the Tariff Act of 1930—$8.40 per long ton.

6. It is impossible to negotiate a revision of schedule I of the Mexican agreement, as announced by the State Department, since that agreement was terminated and schedule I abolished and replaced by a new tariff schedule with higher rates of duty.

7. Any trade-agreement negotiation with Mexico must necessarily involve a revision of Mexico's new tariff schedule published in December 1947 and must necessarily be based on a reciprocal revision in United States tariff rates in effect in 1942 prior to the now-terminated agreement and properly in effect today.

8. The real intent, though not expressed in the State Department's public notice of December 30, 1947, apparently is to negotiate an entirely new trade agreement. The intent is to negotiate with Mexico an entirely new set of concessions to be granted by Mexico from the new and increased tariff rates recently imposed in the new tariff schedule in consideration of the President's failure to terminate, as contemplated by the Reciprocal Trade Agreements Act, the concessions made to Mexico in schedule II of the now-terminated 1942 agreement.

9. The President has no authority to negotiate such an agreement based on an unauthorized failure to terminate his proclamation of December 28, 1942, without giving those Americans interested in imports from Mexico an opportunity to express their views as to the concessions to be offered.

10. The President should terminate forthwith his proclamation of December 28, 1942, as required by Mexico's termination of the 1942 trade agreement and thus restore the 1942 rates of duty.

11. Thereafter the State Department should issue a new public notice announcing intention to negotiate a trade agreement with Mexico and list the commodities on which the United States tariff concessions will be considered.

In 1942 the United States and Mexico negotiated a trade agreement in which each country agreed to reciprocal tariff reductions or bindings on certain commodities imported from the other. The tariff concessions on each side were supposed to be roughly equivalent in value and conditioned on the continued effectiveness of the concessions on the other side.

This agreement was signed on December 23, 1942, and the respective tariff concessions became effective January 30, 1943, for a basic period of 3 years and thereafter subject to continuation indefinitely by mutual consent or termination by either government on 6 months' notice (art. XVIII).

The basic period of 3 years expired January 30, 1946. As early as the latter part of 1945 Mexico notified the United States of her desire and intent to revise and increase the tariff rates covered by the agreement. Mexico felt it essential to increase these tariff rates but could find no means of doing so without terminating the 1942 trade agreement with the United States. After long, closed-door negotiations, during which the United States tried to dissuade Mexico from terminating the agreement, Mexico, about July 1947, notified the United States of her positive intention to increase her tariff rates and terminate the agreement. This was not made public but Mexico finally did, effective December 20, 1947, unconditionally terminate the agreement by increasing the tariff rates on Mexican concession items (schedule I of the agreement) to rates equivalent to those prevailing in 1942 prior to the agreement (Decree of Mexican Government published December 15, 1947, in the "Diario Official" and effective December 20, 1947). Prior to that Mexico had already greatly increased her tariff rates on most products imported from the United States and not covered by the agreement.

By the terms of the agreement, this action by Mexico terminated the agreement and the President of the United States should have terminated his proclamation of December 28, 1942, thus restoring the 1942 tariff rates on United States concession items (schedule II of the agreement). However, the President has not taken this action. Only the reduced tariffs on United States concession items (schedule II) are being collected by the United States customs officials.

After a foreign trade agreement negotiated under the Reciprocal Trade Agreements Act has been terminated, there is no authority for the continued effectiveness of a Presidential Proclamation fixing the United States tariff rates covered by the terminated agreement. The authority of the President to proclaim modifications in tariff rates and other customs treatment is limited by the Reciprocal Trade Agreement Act to "such modifications * * * of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder."

There is no, and since December 20, 1947, there has been no, "foreign trade agreement" requiring the customs modifications contained in the President's Proclamation of December 28, 1942, which covered customs modifications previously required by the terminated Mexican agreement. It therefore necessarily follows that continued effectiveness of the tariff reductions fixed in this proclamation is without any basic au-

thority. It is the President's moral and ethical duty to United States producers affected, if not his legal duty, to terminate forthwith his proclamation of December 28, 1942, and thus restore the affected tariff rates to the legal rates fixed by the Tariff Act of 1930 or an existing and effective foreign trade agreement.

The Reciprocal Trade Agreements Act does not specifically state that the President shall terminate a proclamation when the foreign-trade agreement to which it relates has been terminated. The act merely states that:

"The President may at any time terminate any such proclamation in whole or in part."

Undoubtedly this is the basis of the President's failure to terminate the proclamation covering the terminated Mexican agreement. However, this does not satisfy the President's obligation to the American producers affected by the unauthorized tariff reductions nor his obligation to Congress and to the American public to carry out the intent of Congress as expressed in the Reciprocal Trade Agreements Act and to collect the proper customs duties.

That Congress intended termination of any proclamation issued by the President on the basis of a particular foreign trade agreement immediately upon termination of that agreement, either by the foreign government (Mexico in this case) or the United States, seems too clear to require argument except for the President's recent inaction in so completely ignoring that intent. The Reciprocal Trade Agreements Act provides that:

"Every foreign trade agreement concluded pursuant to part III shall be subject to termination, upon due notice to the foreign government concerned, at the end of not more than 3 years from the date on which the agreement comes into force, and if not then terminated, shall be subject to termination thereafter upon not more than 6 months' notice."

It would take a warped sense of justice to argue that because the act merely says, "The President may * * * terminate any such proclamation * * *" the Congress meant that the agreement to which the proclamation gave effect could be terminated without at the same time terminating the proclamation. Also, to argue that Congress intended the termination provisions to apply only to a termination by the United States and not to a termination by a foreign country would take a warped sense of justice and would be an insult to the millions of Yankee traders in the United States and in Congress. No Yankee trader ever gave X an automobile for a dog and let X retain the automobile after X had taken the dog back.

Mexico has terminated the agreement with the United States and taken back the tariff reductions granted under that agreement, yet the President has not terminated his proclamation. The customs officials are still collecting only the reduced import duties specified in the terminated Mexican agreement. Is this proper merely because Congress put too much reliance in the good faith and common, Yankee trading sense of those who would administer the act and said "may" instead of "shall" terminate any such proclamation?

To hold that it is proper or to hold that the President is not required to terminate a proclamation giving effect to a particular foreign trade agreement when that agreement is terminated would be holding that the Congress intended all tariff reductions negotiated by the President to remain in effect permanently even after all foreign countries had terminated the trade agreements providing for such tariff reductions. In other words, every existing trade agreement could be terminated by the foreign (governments) contracting parties and still all the United States tariff reductions agreed to in those terminated agreements would remain permanently in effect if the President so desired. Certainly Congress did not so intend. A serious person could hardly argue that Congress did not intend to require the President to terminate the tariff concessions involved when the agreement providing for such concessions is terminated by the foreign government involved.

The duty on low-grade fluorspar (containing not more than 97 percent calcium fluoride) was set at $8.40 per long ton in the Tariff Act of 1930. This rate of duty was reduced to $6.30 effective January 30, 1943, by Presidential proclamation of December 28, 1942, under the 1942 trade agreement with Mexico. Since this trade agreement was terminated by Mexico effective December 20, 1947, the only authorized rate of duty is $8.40 per long ton. Yet the customs officials are collecting only the $6.30 rate because of the President's failure to terminate his proclamation.

The fluorspar producers of the United States are being injured by the failure of the customs officials to collect the full rate of duty fixed in the Tariff Act of 1930. Also every American taxpayer is being injured by the failure of customs officials to collect the full amount of the authorized tariff rate on fluorspar and other products covered in the now terminated Mexican agreement. The fluorspar producers respectfully urge that the President immediately terminate his proclamation and instruct the customs officials to collect the full rate of $8.40 on all future importations of low-grade fluorspar.

Any negotiation with Mexico should be the negotiation of an entirely new trade agreement. Intention to conduct such a negotiation should be announced by the State Department and all interested persons (including those interested in imports from Mexico) given an opportunity to express their views.

Department of State press release No. 968 of December 13, 1947, states:

"The United States has consented to this action (termination of agreement) in recognition of the acute need of the Government of Mexico to correct the imbalance in its trade relations with the United States and to afford a more reasonable measure of protection for Mexican industries until such time as the negotiations for a more definitive schedule I mentioned above can be concluded.

"Those negotiations will be undertaken immediately following the termination of the United Nations Conference on Trade and Employment now in session at Habana, and will be conducted pursuant to the Trade Agreements Act and in accordance with the procedures established thereunder. The customary public notice of intention to negotiate will be issued, and interested parties invited to submit views to the Committee for Reciprocity Information in writing and orally at public hearings. The contemplated negotiations will include, for the present, changes in schedule I only."

The public notice mentioned in the above quote was issued by the State Department on December 30, 1947, but only exporters were invited to submit views. The American public interested in imports from Mexico were not invited to submit views. This notice stated that such negotiations are to be limited to "the revision of schedule I of the trade agreement."

This is obviously an attempt to negotiate an entirely new trade agreement with Mexico based on the tariff reductions proclaimed by the President under the terminated agreement of 1942 in return for a new set of concessions from the new and higher Mexican tariff schedule. The purpose of this misleading attempt is apparently to deny that portion of the American public interested in imports from Mexico their absolute right under the Reciprocal Trade Agreements Act to appear and present their views as to what tariff concessions should be offered to the Mexican Government.

It is impossible to conduct a negotiation such as the State Department has announced to the public. To attempt to so mislead the American public is an insult to their intelligence.

Schedule I of the trade agreement does not exist. Mexico has terminated the trade agreement, abolished Schedule I and has published an entirely new tariff schedule for all items listed in the old schedule I. How can the State Department negotiate a revision of something that does not exist?

Obviously any negotiation with Mexico must look to an entirely new trade agreement and must necessarily be based on the now effective Mexican tariff schedule and the United States tariff schedule effective in 1942 and properly applicable today since termination of the Mexican agreement on December 20, 1947. The American public should be so advised and given an opportunity to present its views on any revision of the legal rates of 1942.

It is respectfully suggested that the President should terminate his proclamation of December 28, 1942 and thus restore the legal rates of duty effective in 1942, and that the State Department should issue a new public notice of intention to negotiate a trade agreement with Mexico, publishing therewith a list of commodities on which United States tariff concessions will be considered. This would give, as required by the Reciprocal Trade Agreements Act and Executive orders issued thereunder, those Americans interested in imports notice of the commodities on which concessions by the United States will be considered and an opportunity to express their views on each such commodity.

Without first giving any interested person, including those interested in imports, an opportunity to present his views, the President has no authority, in a trade agreement with Mexico, to agree to grant Mexico the same concessions which had been granted in 1942 under a separate and terminated trade agreement; or, to put it another way, to agree with Mexico, in return for a new set of concessions from Mexico, to fail to terminate his proclamation of December 28, 1942, as was intended by Congress and clearly contemplated by the wording of the Reciprocal Trade Agreements Act.

The Reciprocal Trade Agreements Act provides that:

"Before any foreign trade agreement is concluded with any foreign government or instrumentality thereof under the provisions of part III of this title, reasonable public notice of the intention to negotiate an agreement with such government or instrumentality shall be given in order that any interested person may have an opportunity to present his views to the President, or to such agency as the President may designate, under such rules and regulations as the President may prescribe."

It is thus apparent that the President has no authority to conduct the announced negotiation with Mexico without first giving all interested persons an opportunity to express their views. Those persons interested in imports from Mexico have not been given such an opportunity.

Address Before St. David's Society of Washington

EXTENSION OF REMARKS

OF

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1948

Mr. DAVIS of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address

made by me before the St. David's Society of Washington, D. C., on March 1, 1948:

I bring you greetings tonight from the Welsh people of Wisconsin's Second Congressional District. Tonight, hundreds of Welsh-Americans are meeting in Wisconsin communities like Cambria, Wales, Dodgeville, Rewey, and Waukesha to celebrate St. David's day, just as their fathers and their grandfathers have done for many, many years. There will be Welsh food, and Welsh stories, but most of all, there will be the singing of the old Welsh songs.

For centuries, England has tried to assimilate Wales, but without success. For over 100 years, Welsh people have lived in Wisconsin. Their Welsh blood strain has been diluted by intermarriage with the Scotch, the Irish, the Germans, and the Scandinavians in Wisconsin, but through this more than a century in America, the Welsh of Wisconsin have steadfastly refused to be assimilated. It is all the more remarkable when you realize that the Welsh language has never been taught in our schools of Wisconsin, the Welsh tongue is seldom heard in our church sermons today, and the Welsh traditions have prevailed only because they have been handed down from father to son, and from mother to daughter.

The first Welsh came into Wisconsin in 1840, 8 years before Wisconsin became a State. They settled in the section of the State which I now represent in Congress, and they found their homes in the rolling hills, the moorlands and along the rivers and lakes of our district because this new land reminded them of home. They gave many of our communities the names of their homes in Wales. One such settlement in my home county is called Wales. Many of the other names are familiar to you people too, for we have Welsh Prairie, Jerusalem Prairie, Peniel, Ixonia, Bangor, Davis Corners, Somerset, and Sussex.

Unlike the German and Scandinavian peoples, who poured into Wisconsin in its early days, we never had large Welsh immigrant stock in Wisconsin. A census taken in 1905, for example, showed that in our entire State we had only 2,811 native Welshmen who had come to America, and they had 10,603 American-born children. That such a small group of people coming into a strange land could make so lasting an impact on the new country is proof enough of their character and leadership.

While the Germans and the Scandinavians spread over our entire State, the Welsh settled in colonies together and many of the farms in my district today are owned and farmed by direct descendants of those early Welshmen who came to our State shortly after 1840. As a result, many of us of Welsh blood are related to folks in all the surrounding area, and we have family kinships that are unknown in many States where settlers tarried for a time and then moved on.

In fact, that brings to my mind something that happened when I ran for Congress in a special election in our district last year. A friend of my opponent came over to my county and started campaigning against me among the farmers of southern Waukesha County. He soon discovered that he wasn't making much headway, and finally he asked the reason why.

"Well, I'll tell you," an old Welsh farmer in the town of Vernon said. "GLENN DAVIS is related to just about all the folks around here, and them that ain't related to him are related to his wife."

The Welsh came to Wisconsin originally for two reasons. Probably nine-tenths of those who came between 1840 and 1850 were dissenters, Calvinistic Methodists, Baptists, and Congregationalists, who objected to paying tithes for the support of the state religion in Wales. Other factors in causing Welsh people to leave home and come to Wisconsin were economic conditions, and dissatisfaction with landlords.

Due in great part to the Welsh influence, Wisconsin never has had the slightest direct relationship between church and state. And our farmers are widely known as hardy, independent folks who own and operate their own acres. So in Wisconsin the children of Welsh families found the freedom and choice of life that caused their forefathers to leave the homeland.

One of the settlements which sprang up in the section that I now represent in Congress is Cambria. A thriving little community of about 1,000 persons, it is distinctly Welsh. A survey made there a few years ago revealed that 60 percent could speak the Welsh tongue. But even if the native language had been forgotten, and folklore no longer was passed on, their names would still betray their nationalistic origin.

For the survey revealed there are 33 Jones families, 20 Williams families, and many Rowlands, Roberts, Edwards, Thomas, Hughes, Davies, Owens, Morris, and Evans families in Cambria. For many years it was customary to distinguish among the many Jones families by adding to their full names some Welsh word that described where they lived—a handle for distinction, they called it. Some of the words, translated into English, mean hilly slope, big woods, brick house, and highest mountain.

Tonight at the Hughes Restaurant back in Cambria, the Welsh people will be celebrating St. David's Day, just as you are here in Washington. Probably only a handful of them actually have seen Wales, but the tradition and the songs of the homeland live on, nurtured by a love of land their fathers recalled.

For many years the Welsh language was heard every Sunday in Sunday schools and churches of these Wisconsin Welsh settlements. Today it is only in three communities that Welsh sermons are preached, and there only at irregular intervals. But it was not until 1920 that the Welsh churches lost their separate identities. In that year the Welsh congregations of Wisconsin affiliated with the Presbyterians as an independent Welsh synod. For the most part, church services now conform with those of other Presbyterians.

But in all this gradual change, there has been one thing that the Welsh have retained without any deviation. That, of course, is their singing. This love of music and of poetry, the Welsh have passed on to their children and to the entire State. All Welshmen try to attend at least one Gymanfa Ganu, although sometimes the Welsh have trouble getting inside the building because there are so many Irish and Germans and Scandinavians already inside to listen to but not participate in the music. Most of these singing festivals are led by trained choirmasters brought in from Milwaukee or Chicago, and the affairs last for hours, with time out only for the serving of delicious foods.

Many of Wisconsin's sons of Welshmen have gone on to earn national fame, and with pardonable pride, I would like to mention a few of them.

There was Evan A. Evans, of Baraboo, who was appointed Federal judge at Chicago by President Wilson and has served there with distinction for 30 years. William A. Jones, of Mineral Point, served as Commissioner of Indian Affairs during the administrations of Presidents McKinley and Theodore Roosevelt. Joseph E. Davies, of Watertown, whose father was a Welsh minister and whose mother was a poetess, was ambassador to Russia under President Franklin D. Roosevelt and his book on Mission to Moscow later was made into a movie. The Reverend Jenkin Lloyd Jones, of Madison, was head of the Abraham Lincoln center in Chicago and his son, Richard Lloyd Jones, a newspaper publisher, is generally credited with having brought about the preservation of Lincoln's birthplace at Hodgenville, Ky., through a series of articles written when Jones was associate editor of Collier's magazine. Peter Houston, who came to the Welsh settlement at Cambria, Wis., with his parents in the early 1840's, invented the folding film roll of Kodak, later purchased by George Eastman. All of you have heard of another Wisconsin Welshman, Frank Lloyd Wright, of Spring Green, admitted to be one of the world's outstanding architects.

I have spent considerable time talking to you about the part that Welshmen have played in Wisconsin's early development. I have done so intentionally, because I felt this probably was the one new bit of information I could bring you on St. David's day.

But no discussion of anything Welsh on this day would be complete without mention of the patron saint of Wales that we honor with our attendance here tonight. The Irish may have their St. Patrick and the Scotch may have their St. Andrew, but today is the Welshman's day, for this is St. David's day.

Recently I put a little item in my news letter to the folks back home in my district, telling them of your kind invitation to attend this dinner tonight. But something went wrong in the typing of that letter, and when the folks back home received it they discovered to their horror that Welsh had been spelled W-e-l-c-h. I don't have to tell you that I heard about that letter from many of my constituents. One of them wrote me that it was not only a shame but a blasphemy for a Welshman to misspell that word, and he closed his letter with this crackling remark: "Always remember that we are a people, and not a grape juice."

One of the reasons that the Welsh are a people, and never have been assimilated by conquesting races, has been the steadfast devotion through all the years to the principles of religion. And, of course, it is because of St. David that this is true.

It is unusual, however, that so little should be known today about this patron saint of over 2,000,000 native Welshmen and countless descendants of Welshmen throughout the entire world. Although historical facts may be lacking, Welsh traditions are rich in stories about St. David. But one thing we do know from history, and that is that it was St. David who saved Wales from the beliefs of religious fanatics; and his canonization about 1120 by Calixtus II at the personal urging of King Henry I, represented a tribute to the leadership of one man who brought about final victory in his land for Christ over a host of pagan deities.

Today, the history of Wales stands as a shining hope for the rest of the world. Again pagan forces are seeking to roll across Europe and subdue many peoples in a godless system called communism. Poland, Hungary, Rumania, Yugoslavia, Albania, and now Czechoslovakia already have fallen before the onrushing forces of communism, and Finland may be the next victim. But the history of Wales leads us to hope that the religion, the culture and the democratic beliefs of once-free people of those European countries may still survive under foreign rule and one day emerge into the light of freedom again.

For just as in Wales the majority of the citizens never embraced the beliefs of the invaders, so do we believe that in the majority of nations now under the heel of communistic rule, the people themselves are not in sympathy with communism. That is the reason behind the move in Czechoslovakia. In May, that nation would have held a free election which no one doubts would have tossed out the Communist leaders who now have seized power. The Commies had to move fast or lose out by democratic processes.

Unless past examples are a poor guide, the iron curtain will fall on the Czechs now, and we will hear very little of actual happenings in that unhappy nation in the next

months. Non-Communist political opposition will be liquidated, certain Czech patriots may face imprisonment or death on false charges to remove them from the political scene, and the oppression and terrorism of a police state is ahead for the people of Czechoslovakia. It is a sad future for the decent, God-fearing, traditionally democratic people of the little nation that Woodrow Wilson created out of World War I.

The Russian Government speaks of true democracy under communism. Let us recall a recent cartoon by Bob Ripley that aptly shows how much freedom and liberty a Russian has today, compared with Americans. Ripley pointed out that no Russian citizen may own land, be tried by a jury, choose his own job, absent himself from work, strike, picket, employ labor, travel, own jewelry, ring a churchbell, or be friends with a foreigner. He is forbidden freedom of speech, freedom of assembly, freedom of religion, and freedom of soul. That is the kind of thing that Russians call true democracy. We know it for what it is, slavery under a police state.

Welsh people can sympathize with those under the domination of communism, for they too were oppressed for many years. But many were able to come to America, and when the Declaration of Independence was signed, there were no persons more proud or more freedom-loving than those sons of Wales who were among the leaders in formation of our American Republic.

It is to America today that liberty-minded people of all the world look for inspiration and leadership. Great Britain is in no position to be a world leader today. She is waiting for another David Lloyd George to come out of Wales and lead her back from the pits into which the present Socialist government has hurled her.

And as the world sees the forces of communism battling against religious, democratic peoples, the world too is waiting for someone with the spirit and courage of another St. David to carry the banner of right through to final victory. Ultimately, we know and trust, the forces of Christianity will win out and after these trying times that the world no faces, we may emerge into a day of peace and happiness, where a man's right to liberty, and his chance to worship his God according to his own conscience will go unquestioned. To that cause, and to the speeding of that day, all of us who take our hope from the history of the people of Wales pledge our strength and our united support.

Communist Plans for American 1948 Elections

EXTENSION OF REMARKS
OF

HON. CHARLES J. KERSTEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, in the June 1947 number of the magazine called Political Affairs is an official Communist plan for the 1948 American elections. The monthly magazine Political Affairs is published by the New Century Publishers, 832 Broadway, New York, N. Y., and is designated in its title as "a magazine devoted to the theory and practice of Marxism-Leninism." The publication Political Affairs was formerly known as The Communist. The change in name occurred in December-January, 1944–45. The last issue of The Communist was in December of 1944 with Earl Browder as editor, Eugene Dennis as associate editor, and V. J. Jerome, managing editor. This was designated as volume 23. The first issue of Political Affairs was January 1945, with Earl Browder as editor, Eugene Dennis as associate editor and V. J. Jerome as managing editor. This was designated as volume 24.

A perusal of the names of the contributors to the various numbers of The Communist and Political Affairs will indicate that it is an organ used by leading Communists from everywhere. The names of Togliatti, William Z. Foster, Smirnov, and other well-known Communists will be found among its contributors.

The article to which I would like particularly to refer is contained, as I previously stated, in the June 1947 issue. It is by Alexander Bittleman. The title of the article is "Problems of Peace, Democracy, and National Independence."

Bittleman is a chief theoretician of the Communist Party in the United States and is a chief writer on theoretical political matters. It is my understanding that everything he writes is approved by Moscow in advance. For years he has been a leading member of the political committee of the Communist Party. On January 14 of this year he was arrested as an alien and is now, as I understand, out on $5,000 bond.

By quoting a portion of his article, I should like to illustrate the Communist line as laid down in June of 1947 to be used by American Communists for the 1948 American elections. Bittleman's article is a severe criticism of Earl Browder's book War or Peace With Russia. The article was written after Browder had deviated from the official Communist line. Bittleman speaks with the authority of Moscow in dictating the path of the American elections for 1948. I quote from his article as follows:

In the face of these facts as distinct from Browder's fictions, what is the problem of a "joint" American-Soviet peace? It certainly cannot mean the "joining" of the Soviet policy of a democratic world peace with Wall Street's policy of world domination. It can only mean that the American people have to combat, check, and defeat Wall Street's policies, expressed and enforced by Truman, Vandenberg & Co. It can and must mean, further, that the American people have to consolidate a democratic and anti-imperialistic coalition capable of materially influencing and, eventually, determining the policies of the American Government in the direction and in favor of a democratic and people's peace. Thus and only thus will the American and Soviet policies begin to be "joined." But then the product of this process will tend to be not just a "joint" American-Soviet peace but a democratic and people's world peace. And this is exactly what is dictated by the national interests of the American people as opposed to the selfish imperialist interests of the American monopolies.

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ROOSEVELT, TRUMAN, AND THE PEOPLE'S COALITION

* * * * *

What about the Truman doctrine? Is that also in accord with Roosevelt's foreign policies, according to Browder? This doctrine did not just fall down from heaven, but was a culmination and full development of an imperialist line of aggressive struggle for world domination which Truman had been following for a long time. True, he was following that line under the pressures of the more extreme imperialists and reactionaries—Dulles, Vandenberg & Co.—but he was following that line, the "get tough with Russia" line, which contains all the elements of the Truman doctrine.

THE 1948 ELECTIONS

* * * * *

To Marxists and responsible anti-Fascists and progressives generally, the exact forms in which the people's anti-Fascist and anti-imperialist coalition (to be strictly differentiated from Browder's fictitious monstrosity) will participate in the 1948 election struggles, are still under discussion. Why? Conditions are much in flux and changing almost daily as far as the rapidity of political realinements is concerned and as far as the moods of the people are concerned. Many surprising developments, favorable to the cause of the people's coalition, may yet take place between now and the 1948 elections. But it is equally obvious to responsible anti-Fascists and pro-Roosevelt progressives that the forces of the people's coalition will have to act as an independent political force—a democratic, progressive, anti-Fascist, anti-monopoly, anti-imperialist force—in the election struggles of 1948; that the forces of this people's coalition must strive to bring into existence a pro-Roosevelt progressive united ticket for 1948; that the people's coalition must make the election struggle of 1948 a major stage in the process of consolidating a third, a people's antimonopoly party in the United States.

* * * * *

Wallace said, when asked in London if he will support the Democratic Party in 1948, "I shall be campaigning in 1948 with all my power, but I will be campaigning for the ideals of one free world and the men who best express these ideals. I hope, but I cannot guarantee, that they will be on the Democratic ticket." (New York Times, April 12, 1947.) Thus spoke a leader, a fighter for the Roosevelt policies, who is in no hurry with the creation of a third party or even ticket, but who is determined that the people shall have the opportunity to support in the 1948 elections Roosevelt men and policies whatever the party ticket, even though he hopes it may be the Democratic Party ticket. Wallace is in no hurry to leave the American people, as Browder is, with no choice but Truman.

* * * And these new developments are operating powerfully among the masses of the people to produce large scale independent political action, to stimulate the growth of independent people's and labor's political organizations, to create conditions favorable for the further growth of that new political realinement called the people's antimonopoly coalition, to create favorable opportunities for a united, pro-Roosevelt, progressive ticket in 1948, and for the consolidation of a third, a people's party.

Furthermore, for Marxists there can be no question of the objective necessity and need for a third, a people's party, in the shortest possible time. Only such a party can make fully effective in the political life of the country the objectives and policies of the people's antimonopoly and anti-imperialist coalition.

* * * * *

The question of the exact forms of political and party organization to be created and adopted by the people's coalition in the national elections of 1948 is one of major importance, and is now being discussed very intensely in the ranks of the coalition. It is becoming clear that whatever will be the final decision by the basic forces of the coalition, the objective need and possibility for a

third, a people's ticket in the national elections of 1948 is becoming ever more urgent and favorable. It is also becoming clear that the forces of the people's coalition must therefore concentrate their energies on creating all necessary conditions—political and organizational—for the launching of such a ticket in the 1948 elections.

Naturally, this does not prejudge any of the tactical questions of form or alliances which the coalition forces will finally decide upon. Much will be happening all the time. But one question needs decision now. It is the question of creating all necessary political and organizational conditions for the successful launching of a third, a people's ticket in the national elections of 1948. It is necessary to decide now that the main efforts, all efforts, of the independent forces in the coalition must be directed toward creating the conditions for a third ticket. We must make absolutely sure that when the people of this country decide * * * they will find a people's ticket or a people's party through which to express themselves in the national elections of 1948.

Thus, Mr. Speaker, it is clear that the official Moscow line has directed that a third party be formed in the United States. This is because the Democratic Party has finally recognized the mortal danger in alliance with the Communists. The Republican Party has recognized at all times that you cannot make a political alliance with the Communists. The grand design of Roosevelt to win the Communists by appeasement has proven a gigantic failure. The grand design was taken in by the grander design of Stalin.

The events in Czechoslovakia are just the latest instance of proof that you cannot cooperate with the Communists.

The American people should know that the official Moscow line is to formulate a third party and that that line was laid down as early as June 1947, by the American Moscow agent, Alexander Bittleman.

America's Historic Goals

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Wednesday, March 3 (legislative day of Monday, February 2), 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article entitled "America's Historic Goals," written by President James B. Conant of Harvard University and appearing in Think magazine for February 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICA'S HISTORIC GOALS

(By James B. Conant, president, Harvard University)

A number of writers have recently emphasized that the problem of getting on with Russia is basically a problem of the vigor of our own society—our own fitness to survive. Few would deny that our survival in turn depends on a vigorous demonstration in the next decade that we can make our form of democracy function even in a war-torn world. This in turn means imaginative and bold policies both abroad and at home; a realization of our international responsibilities as a great power, and a satisfactory development of our internal economy; above all, a realization of the unique nature of American democracy and a determination to move a few steps nearer our historic goals.

All of which is admittedly a large order. To discuss all the problems implicit in even this brief summary of the challenge before us would require a volume of many pages. I propose in this short article to consider one group of questions which seems to me central to all discussions of the future of this country. What are the historic goals of the United States? That is, what sort of society do we wish to develop in the next few decades here in the United States? If this society is to be continuous with our past development and a reflection of our traditional aspirations, we must know what are the basic ideals of American democracy and how we can further their realization.

I have referred to the uniqueness of American democracy. To my mind we rarely do justice to this fact. Of course, on many counts the evolution of our political and legal systems may be considered as only a slight variant of a much wider pattern. We share with Great Britain in particular many ideals, traditions, and even details of operating a democratic government. Representative government, universal suffrage, and free elections are in this century the basis of all truly democratic governments. All nations which have this minimum in common are drawn together in this period of history as never before. But without in the least weakening this vital international link, we would do well to emphasize the special nature of the ideals which characterize us as a nation. These have arisen from our history and should, if we meet the challenge of our day, point the way for the next stage of our journey.

Our Nation, unlike almost any other nation, has not arisen from a state founded on military conquest. Therefore, we have nowhere in our tradition the notion of an aristocracy entitled to rule by right of birth. Run through the other democratic nations of the world and, if you recall their history, you will see how striking is our exceptional origin and growth. Neither political nor economic nor social privilege comes to one by right of birth according to our American ideals. On the contrary, the members of each new generation are supposed to start from scratch. Merit alone should win.

The cynical may shrug their shoulders and say this is theory—the facts of modern American life are far different. Granted; but such comments betray a failure to understand that in an open society like ours ideals represent goals toward which men and women may move by concerted action. They never can be reached in practice, almost by definition, but we can readily recognize whether we are moving toward them or retreating. Our American ideals in part correspond to the goals of all democracies; in part they represent a special contribution to the world. If we are to survive, we must make these ideals explicit by our actions; words alone will not suffice.

The United States has developed its greatness as a Nation in a period in which a highly fluid society overran a rich and empty continent; one of the highly significant ideals of the American Nation has long been equality of opportunity. This concept may well represent an exportable commodity sorely needed by the other democracies of the world today. There is considerable reason to believe that the absence of this idea in France and Italy, for example, has been responsible in no small measure for the large inroads of communistic philosophy and the subsequent sympathy with Soviet foreign policy. To the degree that we can demonstrate in the next few years that this unique American ideal is no mere myth or legend, we may both contribute to the stability of other nations and forward our own democracy along its historic path.

Our free, tax-supported schools represent in concrete form those special ideals which characterize this country. Our educational system of universal education with its emphasis on flexibility and careers open to the talented is unlike any other either now or in the past. Our public schools are the sinews of our democracy. We must keep them strong. The machinery of our democratic form of government must likewise be vigilantly maintained. Our educational system, our political institutions, and our social ideals form a closely interwoven pattern. Equality of opportunity could be realized only in a political democracy; it would have meaning only in a competitive society in which private ownership and the profit motive were accepted as basic principles.

I hardly need remind the reader that a a competitive society, which each generation draws nearer to the goal of equal opportunity, is not to be had just for the asking, nor is it just a question of economics. There are few today who would deny that economics, politics, and social ideals are thoroughly interwoven. The history of this century has taught all thinking men that neither do modern industry and trade proceed in a vacuum nor do human beings behave in reality like economic symbols. The problem of morale exists in almost every working group in our society.

As never before, business needs men who appreciate the responsibilities of business to itself and to that unique society of freemen which has been developed on this continent. Such men must understand not only the practical workings of business organizations but also the economic and social climate in which business operates. Management and labor share with the statesmen whom we elect to office the responsibility for our future. Less directly but ultimately to an equal degree, so do those who guide our vast system of public schools. They should be statesmen, too. Professional men and leaders of opinion, particularly members of the bar and the press, are likewise heavily involved in this question of our survival. Cannot all these people, indeed the majority of our citizens, subscribe to a common set of postulates as to what we desire to accomplish in the coming years? The goals of equality of opportunity, a minimum of class distinction, a maximum degree of individual freedom, and a wide distribution of centers of initiative are inherent in the American creed. If the United States is to continue as a vigorous and healthy republic of freemen, it must continue to move toward these historic goals.

The going will be tough; no one can gainsay that. Statesmanship will be required not only in affairs of state, but in other vital areas. I have in mind two in particular, not usually associated together: industry and education. One may reach this conclusion from the following considerations.

The future prosperity of America depends on the capacity of its economy to remain dynamic while providing satisfying employment for all capable of employment. Perhaps you will all agree to that. But every year some two or three million boys and girls mature and enter our society looking for jobs. We believe they are all entitled to a fair chance. Our schools are to a large degree ladders of opportunity.

In short, our educational system must guide and educate a diversity of talent for the best interests of the Nation. Particular emphasis should be placed on the word "guide" in the preceding sentence because the process of helping people to determine the activity for which their abilities best qualify them is of great importance at all levels of our schools and colleges. I may state parenthetically that we are beginning

to have sound knowledge as to how such guidance can be provided.

Now it is obvious that the best minds of the country should be devoted to a study of the many problems arising as a consequence of our endeavors through industry and education to keep our society prosperous, strong, and democratic. It is at this point that I believe our universities have a special contribution to make. The methods of certain of the social sciences have already been developed to a point where studies of society by competent scholars can provide basic information to assist the leaders of industry and of education. Both fundamental investigations as to the nature of man and society and immediate studies of specific problems are required.

The morale of a small group of men or a large nation (if it is a free nation) depends in no small measure on agreement as to the ends for which all labor. If we can agree on the goals toward which we desire to move, the knowledge and skills of our younger social scientists and scholars can be mobilized as never before to assist the peaceful development of the Nation. Without expecting any miracles I have confidence that in the years ahead our universities can play a major role in assuring that in the future American society will be a strong, vigorous, and united body of freemen.

What Time Is It, Buddy?

EXTENSION OF REMARKS
OF
HON. DWIGHT L. ROGERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1948

Mr. ROGERS of Florida. Mr. Speaker, under leave to extend my remarks, I wish to include an editorial in the Palm Beach Post, West Palm Beach, Fla., written by Charles Francis Coe, editor and publisher, entitled "What Time Is It, Buddy?" This is a very timely and thought-provoking article:

WHAT TIME IS IT, BUDDY?

By "Buddy" we mean every citizen of this Republic.

Whether you swing a 1 pound hammer or a 10-ton pile driver, you are asked that question. There looms on your doorstep a hydra-headed monster that is possessed of two things. The first is the power to destroy you. The second is the willingness to use that power.

For 15 years, you have steadily been jockeyed into the shadow of the ominous thing called inflation. While you labored and saved, this giant grew fat on the idiotic mental gymnastics of crackpots in power.

Your home became surrounded by bureaus. Your doorstep sagged under the weight of incompetents in sudden glory. The dollar you saved would buy less and less of the things you saved to buy. While you deposited it snugly in the bank, this giant inflation calmly invaded it.

He did not steal the dollar bill from the vault, of course. He just let it lay there and grow smaller and smaller in purchasing power. The dollar you placed there a year ago is not worth nearly as much today as it was when you placed it there.

Yet you saved it. You sacrificed to make that deposit. You, hand in hand with Uncle Sam, saved that dollar by application of your sweat, your intellect, your integrity, and your faith in the American way of life. As scaly a group of speculators, chiselers, mountebanks, and sheer incompetents as ever assaulted the body politic, has robbed you while you slept.

The attrition of your liberties has kept pace with the shriveling of your savings. Rubber money has been used to smoke screen this devilish operation. Now, what time is it?

While you have a watch, you had better look. We beg of you to look. We beg of you to fire your soul with the spirit which made this free people. We beg of you to realize that sacred trusts are in the management of men with so little sense that their whole thinking apparatus would be lost in the palm of an anemone.

Into that vacuum of intellectual powers has crept the inevitable political connivance which fattens upon the lethargy of the people. What time is it, Buddy? We will tell you what time we think it is. But your opinion is the one we seek, primarily.

It is time you awakened to the destruction of your property values. It is time you recognized that between worker and manager there is a relationship which must not be transgressed by greed. It is time you realize that rising prices are the direct gift of inadequate government in the patriotic sense and excessive government in the political sense.

It is time that we heard again the ominous roll of drums, thunder of the guns, moans of the anguished. It is time that we fired our spirits to the defense of our homeland, so that these horrendous sounds may not encroach again upon our homes and families.

It is time that we dismissed every school teacher, from primary to college, who repudiates the Constitution of the United States and its Bill of Rights. It is time that we rose in peaceful but irresistible power, just as there rose our forefathers before us. It is time we uproot from high places the sycophants and satellites who obscure the road to continuing freedom.

It is time we give heed to our children; time we assume again the burden of self-government; time we read plainly the all too plain signs of political bartering, while our Republic stands too near the flames; time we turn again to the simple faith and stalwart courage of our founders; time we kick out our regional hatred, racial disputations, religious bigotry; time we turn our faces to the God of Liberty who has so faithfully guarded our democracy in days agone.

It is time, Buddy, that we compare again the fruits of communism with our own lot in life; the simple, direct statements of the early patriots, with the double talk of the current crop of political plunderers. It is time that we, you and you, and you, who make America, face a few bald facts.

We stand to be taken over by political polluters. Our wages to be set by bureaucratic nitwits, our prices to be set by bureaucratic dimtops, our hours of labor, manner of labor, privilege of labor, to be set by goons and disbrained profiteers who garb themselves in the habiliments of the godly but grub themselves with the abandonment of special privilege.

You do not care what time it is, Buddy? Then turn your back to our war dead. Cast your insubstantial shadow across the grave of freedom. Sneer at our flag. Tread upon our sacred institutions. Cast aside your home, your life insurance, your savings, in whatsoever form they may be.

In that event, unfurl your banner of selfishness, taunt your offspring with the lyrical lie of communism. Sing your litany of lust. Let it flow upon the ears of Americans. Join the throng who forgot what time it was in Russia, Italy, France, Germany, China, Japan. Join the blinded throngs who deserve no liberty because they know not how to defend and preserve it.

Throw away your watch. There is no time but the moment. All is well without your vote. All is good and fine, and true and permanent. The pathway for your children's feet is paved smoothly. Your obligation to God and country is a myth.

What time is it, Buddy? In reverence, in affection, in prayerful sincerity, we make bold to suggest to you, Buddy, that it is time you found out what time it is.

CHARLES FRANCIS COE.

Soil Conservation of the Future

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, the soils of the United States have been continually depleted in fertility since the first settlers arrived in our country.

In many sections the soil fertility has in effect been mined by the crop practices followed. In other sections, where livestock farming has prevailed, the losses of soil fertility have been greatly reduced. However, in the greatest livestock and dairy sections there has been and now is a constant loss of the mineral elements like phosphates and potash, although in many of these sections the nitrogen content of the soil has been maintained by the raising of clovers, alfalfa, and other legumes.

While the problem of soil conservation has been dramatized the past few years, the fact still remains that soil fertility is not being maintained.

A bill introduced by our colleague from Illinois, the Honorable EVERETT DIRKSEN, H. R. 4752, is an approach to this soil-fertility problem that merits our consideration and approval.

At this point I include table 12 from Bulletin 607 by the New Jersey Agricultural Experiment Station:

TABLE 12.—*Annual balance of plant nutrients in soils of the United States, 1930*

	N	P	K	CA	Mg	S
	Tons	*Tons*	*Tons*	*Tons*	*Tons*	*Tons*
Losses (harvested crops, grazing, erosion, leaching)	22,899,046	4,221,302	50,108,560	68,185,730	24,557,881	12,043,911
Additions (fertilizers and liming materials, manures and bedding, rainfall, irrigation waters, seeds, nitrogen fixed)	16,253,862	1,447,835	5,151,076	12,561,673	4,040,813	9,029,690
Net annual loss	6,645,184	2,773,467	44,957,484	55,624,057	20,517,068	3,014,221

All figures subject to change and correction.

ANNUAL BALANCE SHEET

By deducting the annual net additions from the annual net losses of plant ingredients, we are able to ascertain the annual net loss from our inventory. This is indicated in table 12.

The annual additions and losses are summarized in table 12. The figures show that our soils are suffering enormous losses of the six important plant nutrients. The significance of these figures will become more clear if we bear in mind that such credits as atmospheric precipitation apply to about three-quarters of our land area. On the other hand, the losses of plant nutrients are relatively much greater from land used for the growing of harvested crops and the more intensive types of livestock grazing. Attention should be called, in the first place, to the net losses of calcium, potassium, and magnesium. The removal of these elements involves a gradual rise of soil acidity. With the loss of the basic substances of which these elements are a part, there is a more intense loss of phosphorus. Indeed, too much stress cannot be laid on the fact that our soils are suffering a net annual loss of about 3,000,000 tons of phosphorus—or almost 10 times as much as is supplied by chemical fertilizers. It is well known that in some countries where the cumulative losses of basic materials have not been made up by liming, marling, and so forth, there has been a striking increase in soil acidity, a serious loss of phosphorus, and a marked shrinkage in the size of domestic animals.

The net annual loss of nitrogen, indicated at about 6,500,000 tons, is really much greater insofar as our cropland is concerned. An assumed annual loss of 10,000,000 tons of nitrogen in our agricultural land would be a reasonably conservative estimate. This would be equivalent to more than 30 times the amount of nitrogen supplied by chemical fertilizers.

The losses of the plant nutrients mentioned, as well as of sulfur, are of such a character as to call for the prompt adoption of measures which would offer to us assurance of more or less effective conservation and of a lessening drain on our resources of plant nutrients. Changed methods of soil management, which would include proper provision for lessening the losses due to erosion and leaching, would represent a major conservation measure. Such changes in our soil- and crop-management systems as would permit a lessening in the run-off, an increase in the amount of water stored in the soil, an increase in the area occupied by legumes, an increase in nonsymbiotic nitrogen fixation, and a decrease in the excessive oxidation of organic matter would almost, if not quite, permit the elimination of the annual deficit in respect to our soil-nitrogen resources.

It is hoped that the data recorded, even though they be preliminary and very general in character, will draw attention to a situation which is of major economic and social significance. They should be a helpful contribution to the effective use of our soil and land resources.

In compiling and organizing the information given in this bulletin, the writer had the help of a group of technical and clerical assistants, to whom he feels deeply indebted. Much of this work would not have been possible without the aid which was received from CWA, ERA, and WPA. The loyal cooperation and the friendly help of the county, State, and Federal personnel of these administrations are herewith gratefully acknowledged.

The Dirksen bill would provide the machinery to correlate the findings in the soil studies of the various State experiment stations.

HOW SECTION 32 FUNDS ARE DISTRIBUTED

Mr. Speaker, the following official table indicates the use that is being made of section 32 in the Eightieth Congress:

Exportation and domestic conservation of agricultural commodities—Approved programs and obligations by commodities (July 1, 1947, to Jan. 31, 1948)

	Approved programs as of Jan. 31, 1948	Obligation incurred	
		July 1, 1947, to Jan. 31, 1948	During January 1948
Purchases for direct distribution:			
Apple, fresh	$2,445,000.00		
Pear, fresh	393,750.00		
Apple, peach, prune, raisin, dried	4,850,000.00	$2,569,715.09	$1,453,697.76
Fig, dried	1,220,000.00	992,055.15	992,055.15
Grapefruit juice, canned	3,500,000.00		
Irish potato	6,250,000.00	3,632,464.42	514,603.48
Sweetpotato	1,500,000.00	548,837.61	61,692.53
General vegetable	1,125,000.00	119,047.39	3,957.02
Egg	750,000.00	608,771.46	172,570.44
Prior year transportation costs	157.12	157.12	
Total	22,033,907.12	8,471,048.24	3,198,576.38
Exportation: Cotton	2,000,000.00	1,407,784.82	263,411.22
Diversion:			
Cotton:			
Insulation	1,000,000.00	813,625.00	345,000.00
Paper	200,000.00		
Pear, fresh	135,000.00		
Irish potato	1,000,000.00		
Total	2,335,000.00	813,625.00	345,000.00
Administration of marketing agreements	700,000.00	335,875.00	62,500.00
Other administrative expenses	1,060,000.00	754,269.12	83,811.47
Total	1,760,000.00	1,090,144.12	146,311.47
Grand total	28,128,907.12	11,782,602.18	3,953,299.07

Source: U. S. Department of Agriculture, Production and Marketing Administration.

Delaware Selected for National Chicken Production Contest

EXTENSION OF REMARKS

OF

HON. J. CALEB BOGGS

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1948

Mr. BOGGS of Delaware. Mr. Speaker, a matter of interest to housewives throughout the Nation and to all those engaged in the production of chickens is the fact that after 3 years of intensive experimentation, the final stages of the National Chicken-of-Tomorrow Contest are now under way.

As every chicken producer in the Nation knows, the over-all objective of the program, of this search for that barnyard bird now known as the chicken-of-tomorrow, is to produce poultry which will be in a better position to compete with other foods for a place on the country's dinner table. It is to produce a meatier, broader-breasted chicken having a larger proportion of flesh to bone. As a result of this National Chicken-of-Tomorrow Contest, we are also certain to see completely new methods in the production and marketing of poultry meat.

The State of Delaware is proud to have been selected as the site for this contest. It will be staged at the University of Delaware's agricultural experimental station, located at Georgetown, Del., from March 24 to June 24, 1948. Although many other States were extremely active in their efforts to obtain this national contest, the National Chicken-of-Tomorrow Committee selected Delaware because of its superior facilities and established leadership in the production of chickens.

Mr. Speaker, this is no idle statement. Let us consider these facts for any substantiation which may be needed. More commercial broilers are produced annually in the State of Delaware than in any other State in the Union. In fact, during the past several years Delaware has produced nearly one-fourth—between 20 and 24 percent—of the entire number of commercial broilers placed on the market in the United States. The size of this industry in Delaware may be further emphasized by pointing out that approximately 60 percent of Delaware's agricultural income is from the production of chickens. In Delaware the income from this industry has reached the amazing total of about $65,000,000 per year. The Delaware broiler is rapidly becoming known from coast to coast.

It is no accident, Mr. Speaker, that Delaware is the leader in the broiler-production industry. It has achieved that top ranking position because of its easy access to large marketing areas, because of the high quality of feed avail-

able there, because of its tremendous hatchery facilities, and because Delawareans by long experience have developed the all-important know-how.

According to Professor A. E. Tomhave, chairman of the Delaware Chicken-of-Tomorrow Committee and head of the department of animal and poultry industry at the University of Delaware, this Nation-wide contest will provide valuable data concerning hatchability, rate of growth, feathering, feed consumption, percentage of mortality and culls—all of which are of the utmost importance to the successful production and marketing of chickens.

Professor Tomhave also points out that this event will focus attention of the entire poultry industry upon Delaware during the next few months, for in the finals of this 3-year-long national contest will be 40 chicken breeders from 26 States. As a matter of fact, poultrymen in 44 of our States have actually participated in the State and regional contests conducted during 1946 and 1947.

This contest is also an educational program and has had the effect of turning the country's hen houses into a Nation-wide chicken-breeding laboratory.

During last month each of the 40 finalists from 26 different States shipped into Delaware 720 hatching eggs. Two days ago these were set, and they will be hatched on March 22. For the following 12-week period they will be reared at the University of Delaware's experimental substation under identical conditions. Then, on June 22 and 23, the entries will be judged. The prize-winning breeders will be announced in the Chicken-of-Tomorrow Field Day at Georgetown, Del., on June 24, 1948. This field day will be a gala affair, attended by an estimated 1,000 out-of-State visitors as well as editors of poultry magazines and farm-news radio broadcasters. An interesting educational program and a display of both live and dressed specimens of birds entered in the contest will be among other features of this closing event of the 3-year chicken-of-tomorrow program.

Delaware is indeed proud of its achievements in the chicken industry and proud of its selection as host to the Nation's outstanding and most successful chicken breeders.

Humility Begets Greatness

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 3, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following article which appeared in the Lynn Telegram-News, Lynn, Mass., Sunday, February 29, 1948:

HUMILITY BEGETS GREATNESS

It is representative of ecclesiastical leaders that their shining temporal and spiritual achievements remain comparatively obscure through the years and duly deserved recognition often comes belatedly. The lives of the saints reflect such a circumstance.

And yet they who so dedicate their lives would not have it any other way. Of all the virtues practiced so militantly, they practice none more constantly and faithfully than that of humility.

Today, people of all faiths throughout the Nation, and abroad, recognize the great spiritual and temporal leadership of Archbishop Richard J. Cushing. His amazing talent, and seemingly unlimited capacity, for benevolent leadership and organization was not dormant during the earlier years of his life but was exercised with such humility that the greatness of it was not readily discernible.

But humility begets greatness and thus the greatness of Archbishop Cushing emerges into full view.

Rev. Arthur V. Lyons was among the people of Lynn for 18 years. But his ecclesiastical duty was performed so unobtrusively that his real stature was not recognized.

No clergyman in this city's bright history epitomized more benevolence and humility as clearly as Father Lyons while he was curate at St. Joseph's Church. He assisted in the latter years of his curateship in the administration of the parish with the late pastor, Rev. Michael J. Welch. Yet, while he became endeared to people of all faiths in the community, it is only now that the real stature of the devoted priest emerges.

Today, Father Lyons is archdiocesan director of cemeteries and business manager of the Pilot, official weekly Catholic publication in the archdiocese.

Each assignment in itself is a tribute to Father Lyons' executive ability. As archdiocesan director he will reorganize and supervise 68 cemeteries embracing vast acreage of land. A burial lot is a hallowed recess in the eyes of every Catholic family. The scope of Father Lyons' duties as director might be estimated from the fact that there are some 20,000 burials a year in the 68 cemeteries which he supervises including the 21 on the North Shore. The detail attendant on current interments, together with care of graves of the faithful departed through the years, constitute a project of immense proportion. Already Father Lyons has acquitted himself admirably in this directorship.

As business manager of the Pilot, Father Lyons participates actively in the publication of a periodical which brings the weekly news into more than 60,000 Catholic homes in the archdiocese. Again, guiding the destiny of the 119-year-old Pilot constitutes a highly important undertaking in itself and such an undertaking benefits by Father Lyons' store of business acumen.

Archbishop Cushing called a devoted curate to the two important administrative posts and Father Lyons has responded with the same zeal and humility which characterized his 18 years of priesthood in Lynn. But as ecclesiastical duty called for administrative and financial attributes it is learned that he possesses a lore of such matters as well as innate piety.

Father Lyons may continue the demanding tasks of his duties with the knowledge that the entire archdiocese joins the city of Lynn in a full measure of constant support of his mission.

American Youth Makes Its Choice Between the Two Parties

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 3, 1948

Mr. BRADLEY. Mr. Speaker, in order that the Members may understand just what type of Americanism the younger members of the Republican Party are advocating, I take pleasure in presenting herewith the principal part of an address made by Mr. Ralph Becker, chairman of the National Young Republican Federation, before the Republican Women's Study Club of Long Beach, Calif., on February 16, 1948:

We have been living in an era of indifference toward politics on the part of many people. These people flatly refuse to participate in public affairs in any way whatsoever, and some of them will not even vote. They are perfectly willing to let the business of government go by default to second-raters or even to racketeers and criminals. Strangely enough, they are usually men and women of action—in business or professions or service, lawyers, doctors, engineers, and the like. They are unquestionably able people and otherwise good citizens. Yet while they flatly refuse to have anything to do with politics, while on election day many of them insist on going out and playing golf or indulging in some other form of personal amusement at social get-togethers, they will invariably make speeches to the effect that the country is "going to the dogs," that political parties "have no leadership," that "there ought to be a law," and "why doesn't somebody do something about it."

These people look down on the business of government as something which is not worth their time or their effort, as something which is not quite honest and perhaps not even clean. They have an idea that people in politics don't wash behind the ears. To them government and politics is something which operates on the wrong side of the tracks. Personally, I feel that these people are relics of the past. They are not living in the present time. They are living in the realm of thought of days gone by when politics and government could be mere incidentals to personal life.

Interestingly enough, however, there is a different attitude on the part of young people today, and by the phrase young people of today, I refer specifically to the Young Republican Group; people who are in their 20's and 30's. We have an attitude which is entirely different because we young people have been brought up under entirely different circumstances from those of our fathers. We have been brought up during the period of the most intense warfare between ideas which the world has ever seen.

* * * * *

In addition to that, we young people have been exposed to a rough war between the free-enterprise capitalistic system on the one hand and the novel ideas of communism and socialism on the other. On the domestic front, during the nineteen thirties, the New Dealers loudly predicted that our free-enterprise system was through, that capitalism was passing from the earth, that our society would never again be the same. This was in contrast to the economic theory with which the country had grown up, the theory that our prosperity was based primarily upon our system of free-enterprise capitalism. We young people could not help being exposed to this warfare of ideas between free enterprise and left-wing theory. We had to think about these things and reach conclusions for ourselves. We were striving to make our way in the world and, unlike some older people, we had no established pattern of thinking, no established habits of living to carry us through without further mental effort.

And on top of all these troubles at home, we have been exposed to catastrophic events in the field of international affairs, which have also been accompanied by a warfare between ideas. At the present time not only do we have the propaganda of Soviet Russia to the effect that communism is superior to free-enterprise capitalism; we have also

just been through the period of the Hitlerite and Mussolini dictatorships, which in their turn advocated new and startling ideas. They advocated the Nietzsche doctrine that there were supermen and superraces in the world which were destined to rule the rest of the people; and we had to think that one over, too. Were there indeed supermen and superraces who were destined to rule the rest of the people in the world; or is there a real basis, as set forth in our Constitution, for individuals of all kinds, types, races, colors, and creeds, to live together in reasonable harmony on a foundation of principles of fair play and mutual respect? And don't forget too that Hitler and Mussolini proclaimed that dictatorship was the only efficient system of government; that the democracies were decadent and bound to disappear from the earth as outmoded relics of the past. We had to think all these things over because we have our own future to work out. And we gradually came to realize that all these ideas were basic to the working out of our own destiny.

Thus out of this warfare between ideas, this rough and tumble battle of conflicting ideologies to which we young people were exposed in the plastic years of life, two significant conclusions emerged. The first conclusion was this: Government is the basic factor, of more importance by far than anything else in everyone's life. It is the pattern of government which, more than anything else, sets the pattern for the life of the individual. Look at the miserable life of the people today in Soviet Russia. Think of what the people in Germany went through, and are still going through because of Adolph Hitler's dictatorship. And look at the relative prosperity and stability which we enjoy in this country under our form of government. If we look at all these things we simply must come to the conclusion that government, its form and administration, is, far more than anything else, the basic factor in everyone's life, the thing which gives direction to the life of the individual, the thing which either enables the individual to work out his own destiny and make the most of his own opportunities, or keeps him in chains. So we young people came to the conclusion that we had better take a hand in this business of government, if we wanted to help shape our own future and destiny.

The second conclusion which we came to is that government is not something which just happens all by itself. The business of government is not something which just appears mysteriously out of nowhere. On the contrary, it is something which is based on the laws of human nature. It is set up and run by people, and the participation of people in public affairs we call politics. The result is that, as we young people decided to take an interest in the business of government, we necessarily also decided to take an interest in politics. Just as the pattern of our individual lives depends more upon our system of government administration than upon anything else, so the caliber and tone of our government administration depends upon political leadership. In its turn, the leadership in ordinary politics depends upon the type of people who get into it. We young people have come to the conclusion that we must continue to produce leaders, real leaders on the political scene who can eventually improve our government administration. After all, the demand for leadership in public affairs is not equalled anywhere else. Unless the leaders among the people become also the leaders in politics and in government, we cannot expect the best results in government administration, nor the best results for us as in our individual lives.

That means that we young people have been squarely up against the problem of choosing between one of the political groups in this country and, thus in the main, to choose between the Republican and Democratic Parties. So let me state frankly some of the things which we Republicans stand for, as I see it. Some of these things you will find in party platforms. Some of them you may find only between the lines. Some you will find only in the feelings of people. But there are differences between the two major parties and I will try to explain them as I undertsand them.

First, we Republicans stand, beyond any question, for a republican form of government, that is, representative "democracy" where the people choose their own leaders to represent them. Nobody can question our stand on that.

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Second, another thing we Republicans stand for is the two-party system. We are flatly and unalterably against the one-party systems of Soviet Russia, Germany, and Italy. We are also against the multiparty system, which prevents any single issue from being squarely presented on a yes-or-no basis to the people. One great trouble with the governments of certain European countries during these past decades is that the prime minister or chief of state is selected by a parliament composed of a number of different parties. The cabinet, in its turn, is composed of a coalition between those parties. If the cabinet falls, there is no new election by the people, and the people have no chance to express themselves. Instead, the hodgepodge parliament selects another prime minister and he selects another coalition cabinet, which is another hodgepodge of ideas. Hence no administration can present or pursue a clear, distinct philosophy and give it a chance to work out. Instead, each one necessarily becomes a conglomeration of ideas, compromise, and intrigue. It tends to prevent any clear issue from being put to the people. Let's not delude ourselves. Issues have to be decided on a yes-or-no basis sooner or later. Ideas have to be worked out. Either they are good or they are not so good, and the more the process of working out ideas is delayed, the more confusion and chaos result. This is what the multiparty system does. It prevents the presentation of simple issues to the people and the crystallization of ideas.

* * * * *

Third, another thing which we Republicans stand for is free-enterprise capitalism or individualism, as opposed to communism, socialism, and other left-winged theories. Let there be no mistake about that. We believe in the capitalistic system, without reservations, and we are not ashamed to say so. We do not believe in dictatorship and central planning. We do not believe in the cartel systems of state-sponsored monopoly which are in vogue elsewhere in the world. We want free-enterprise capitalism; we believe in individual incentive, initiative, and responsibility. We don't want to compromise with these things, and we are not ashamed to say so. It has weaknesses, but none which cannot be corrected. It is that system, combined with the political stability provided by our Constitution, which has given this country its great prosperity, its high standard of living for the average fellow, that high standard of living and opportunity for prosperity and happiness which, so far as I know, is unequalled elsewhere on the face of the earth.

Let me explain a little more what I mean by free-enterprise capitalism, because those words have been kicked around a good deal in the last few years, and I am afraid many of the people who do the kicking don't understand what they are talking about. By free-enterprise capitalism, I mean an economic system where government regulation is kept to the necessary minimum to prevent crime, fraud, monopoly, and other economic practices which are inimical to the public welfare. We simply have to have that kind of government regulation in order to be able to live together on a basis of fair play, mutual respect, and harmony. But free-enterprise capitalism is diametrically opposed to a system where economic controls are imposed so as to set up a system of central planning. It is diametrically opposed to the idea of the service state, or the welfare state, which runs everybody's life on the theory that people are incapable of taking responsibility for their own lives and working the problems of everyday life out for themselves; the theory that the state must plan, service, and control everyone's life. We are against that. That is what they have in Russia, Germany, and Italy. It is what they are tending to in England today, and that is what the Democrats have been telling us we have to have here. But we Republicans don't want it. We want free-enterprise capitalism, not paternalism, central planning, and abdication of responsibility by the individual.

Fourth, we Republicans stand for the use of careful thinking and sound methods. We do not believe that a political party should trot out any half-baked, wildcat scheme as a basis for Government action, just because it will make good headlines in the newspaper. Every time some hairbrained idea is tried, it costs the taxpayers money, upsets people's lives, and accomplishes very little.

* * * * *

We were exposed to a lot of things like that in the thirties. It is hardly necessary to mention more than a few. We had, for instance, the gold-buying scheme, that is, the theory that as the price of gold was increased the price of commodities would automatically increase. Wonderful, wasn't it? The only trouble with it was that it wouldn't work. It was contrary to the views of the sound economists and it cost the American taxpayers large sums of money. Then we had the NRA. In its time that, too, made good headlines. Indeed, the newspapers screamed with publicity about the NRA when it was in vogue. It was going to save the world; but it, too, was a colossal failure, simply because it didn't work. It would have been repealed if the Supreme Court had not pointed out that it did not fit our dual system of government. It cost the American taxpayers large sums of money; it disrupted American business and, in effect, ripped the controls out of our economy at a critical time; and it finally disappeared in a haze of confusion and disillusionment, leaving a sorry wake of disruption in business.

That is not the style, the method, or approach of us Republicans. We do not believe that the objective of a political party is to dazzle the public by any means at hand, regardless of how dishonest, superficial, or unsound those means may be, in order to obtain their votes. Frankly, we believe that the business of government is a much more serious thing. The result is that our method of approach to the business of government is one of an effort to use careful thinking and sound workmanlike methods. To be sure, no man or group of men has any mortgage on good ideas or the right answers to the problems of modern life. We Republicans cannot claim, any more than anyone can claim, that we always get the right answers, rather than to dazzle the public for shallow political purposes; and we believe that we can only obtain the right answers to the pressing problems of today and every other generation, by trying to use careful thinking and the use of sound, workmanlike methods.

Now, these are some of the things for which the Republican Party stands, as I see them: (1) A Republican form of government; (2) the two-party system; (3) free-enterprise capitalism; and (4) realistic thinking and sound workmanlike methods. These are things which all we young people have been thinking a great deal about, for, as I said earlier, we are more interested in government and in politics than our prede-

cessors were some 20 years ago. And as we interest ourselves in politics, we must make a decision as to which political party we prefer. In the main this boils down to a choice between the two major parties. Which one are we going to choose? Before we can decide that, we must ask ourselves exactly what we believe in.

Without any question we are in favor of our Republican form of government and the two-party system. But the last two principles of the Republican Party which I have described, that of free-enterprise capitalism and the use of realistic thinking and sound workmanlike methods, have a special appeal to young people. Let me explain these as I see it.

Youth has high aspirations. It wants to see the world become a better place in a great many respects, and it does not want to suffer the dismal pain of disillusionment and frustration. And this is where we come to the Republican Party. The Republican Party also wants to see the world become a better place; but it does not believe that that objective can be accomplished through the use of sloppy thinking, half-baked methods, and shallow political expediency. The use of methods of that kind can, in the long run, only bring to young people disillusionment and frustration. The objectives of youth can be realized only through the use of careful thinking and sound workmanlike methods.

Now what about this other Republican principle, free-enterprise capitalism, or individualism as I like to call it? Here is how we young people feel about it, as best I have been able to ascertain.

We young people do not want to subordinate ourselves to the state. We want opportunity, and we are not afraid of responsibility—the things which are afforded by individualism. So believing, we simply cannot affiliate ourselves with the Democrats, because they are the political bedfellows of the Communists and left-wingers, and the advocates of central planning by the Government. If we are to keep faith with ourselves, with our desire for opportunity, and our willingness to take responsibility, our destiny lies with individualism and the Republican Party. We don't want to kid ourselves. We are all interested in own own economic future, and in carrying out our own destiny. We do not believe that Utopia is just around the corner and that we can get in without any trouble and even without an admission fee by leaving all responsibility to the state. We do not believe that there is any easy road to success and fulfillment. We are willing to do our share of the work. So, if we are to follow these principles, which are basic to the ideals, the hopefulness, and enthusiasm of youth, we must necessarily stick to the Republican Party. Only through its faith in the ordinary individual, and its basic approach of careful study of facts, realistic thinking, and sound workmanlike methods, can youth realize its dreams and accomplish the things of which it is capable.

Housing for Veterans

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 3, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following resolution of the general court of Massachusetts memorializing the Congress of the United States to enact into law the Taft-Ellender-Wagner bill, facilitating the construction of housing for veterans of World War II and others:

Resolutions memorializing the Congress of the United States to enact the Taft-Ellender-Wagner bill, so called, facilitating the construction of housing for veterans of World War II and others

Resolved, That the General Court of Massachusetts memorializes the Congress of the United States to enact into law the Taft-Ellender-Wagner bill, so called, facilitating the construction of housing for veterans of World War II and others, as provided therein; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth.

In house of representatives, adopted, February 19, 1948.

LAWRENCE R. GROVE,
Clerk.

A true copy.
Attest: F. W. COOK,
Secretary of the Commonwealth.

"Why I Am for MacArthur"—Article by Hon. Arthur H. Vandenberg, of Michigan

EXTENSION OF REMARKS
OF
HON. MAX SCHWABE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like at this time, to present a magazine article written by a great American statesman who has frequently demonstrated a selfishness willingness to place the good of his country above personal thought and feeling.

Some of us have read his speeches on the floor of the Senate and been swayed by their logic.

I refer to Senator ARTHUR H. VANDENBERG, of Michigan, chairman of the Committee on Foreign Relations, and frequently mentioned as a candidate for the Republican nomination as President of the United States.

The magazine article written by the Senator appeared in Collier's magazine on February 12, 1944, and presented sound and logical reasoning for his position on the need of these United States for inspired leadership in the crisis existing at that date.

I feel that the reasons advanced for Senator VANDENBERG's position as taken in his article 4 years ago are as sound today as they were when the article appeared, though the nature of the crisis then, and the crisis existing today are technically different.

The article was entitled "Why I Am for MacArthur."

Mr. Speaker, the text is as follows:

WHY I AM FOR MACARTHUR

(By ARTHUR H. VANDENBERG, United States Senator from Michigan)

All right, Collier's, I'll answer your question. I'll tell you why I favor Gen. Douglas MacArthur for the Republican nomination for President of the United States. It's the first time I have put it down in black and white. I have not wanted to say or do anything which might embarrass a great friend, a great soldier, a great citizen, and a very great American.

But with so much at stake, 1944 ought to be a year of plain speaking and, with a number of MacArthur critics now significantly busy trying to head him off, I think I am entitled to state why, with the greatest respect for other distinguished and available Republicans, I am for MacArthur—not only because I believe him to be the strongest candidate but, more important, because I believe he would make the strongest President in the tough days that lie ahead.

First let me clear up my own status in this affair. If circumstances have seemed to identify me prominently with a MacArthur movement, it is entirely the result of the circumstances. I speak for no organization. Most emphatically I do not speak for MacArthur. I speak only for myself. It all started as the result of a casual newspaper interview 1 year ago. Since then I have spent about half of my time answering "MacArthur mail."

Apparently there are thousands of kindred spirits up and down the land. Doctor Gallup and other temperature-takers have spectacularly found that out, and it's an amazing phenomenon in view of the total lack of any sort of an organized MacArthur campaign.

To one and all I have said one simple thing. MacArthur can only be nominated as the result of a pure draft (which no American can refuse, no matter what he says ahead of time). It cannot come from any ordinary, preconvention, political methods. It can only come through the free decision of a free convention and in response to a spontaneous demonstration of popular faith. He can have no part in the campaign.

A MIRACLE IS ALWAYS POSSIBLE

The politicians tell me such miracles do not happen. But I saw Mr. Justice Hughes nominated that way in 1916 and I have seen other miracles in this democracy since Pearl Harbor. Besides there is such a thing as destiny and there still is such a thing as logic.

It may not happen. But that is beside the point. You have asked me why I am for MacArthur. Here is the answer to your question. This is what I think—win, lose, or draw:

First: The American people will be thinking more about the election of a Commander in Chief next November than about the election of a President as such. That will be their conscious or subconscious thought. If the war is over in Europe (which, pray, it may be), there will still, and even more significantly, be the war in the Pacific. I judge that President Roosevelt himself agrees with me about this, in view of his adroit and subtle suggestion that he wants to substitute a fourth term "Win the War" slogan for his three term New Deal trademark. When it comes to politics, you will never go far wrong by taking a leaf out of F. D. R.'s book. He intends to run primarily as Commander in Chief. He expects the people to vote for a Commander in Chief.

Well—

Need I go on? Should we not offer the people a better Commander in Chief—not merely for political reasons, but fundamentally for the sake of the war effort? Isn't that our paramount business? By common consent, is there any greater soldier in the world than MacArthur? Could there be a more eligible Commander in Chief? And won't this be even more emphatically obvious if, by next November, we are concentrating on wiping Japan from the Pacific map?

Suppose the Republicans nominate an eminent civilian without war experience, how impressive will he be as prospective Commander in Chief against Roosevelt's "Win

the War" appeal and against swapping horses, etc.? Must we not wholly answer the patriotic anxieties which will dominate the minds of all our people—in particular the anguished hearts of 10,000,000 fathers and mothers of 10,000,000 soldier sons and daughters? Must we not answer with a wholly competent Commander in Chief? How could we successfully turn mass electoral attention to the dreadfully important domestic issues, which ought to control next November's decision, unless we first get over this hump?

My correspondence suggests that many of our good people think MacArthur is so good a soldier that he ought to stay where he is. They think he is too badly needed as a field commander in the Pacific war to be drafted into the Presidency; but they only unwillingly confirm my point. If he is indispensable to us as a four-star general, then we simply give our country and the United Nations the maximum use of his tremendous military genius when we promote him to commander in chief and thus give him total sway over the military decisions which we think he is so incomparably qualified to make. He would not be deserting Bataan, which he would never do, if he is promoted by the American people from general to commander in chief; he is simply given supreme command. He is released to his maximum utility. He can then deliver the goods without handicap or hamper. This isn't politics, It is vital, vivid service to humanity.

LET'S GET ON WITH THE WAR

In response to all questions about his own future, MacArthur consistently has been content to say, "Let's get on with the war!" It is a torch in his soul. Isn't he getting on with the war? And how! If he becomes commander in chief, as I conceive the situation, he would never, for an instant, leave his present responsibilities until the final moment when, without the slightest campaign participation on his part, he would become the President of the United States. Then he would accept more responsibility, not less. He would enlarge his responsibility but he would leave none behind.

MacArthur is the son of a great soldier. He was born in peril and, for his country's sake, he has lived in peril almost ever since. He was a great soldier in the First World War. He led and personified the tremendous Rainbow Division in France. He was gassed. He was wounded twice. He was decorated 13 times for extreme bravery under fire. He was cited seven additional times for bravery. I quote just one citation:

"He displayed indomitable resolution and great courage in rallying broken lines and in reforming attacks, thereby making victory possible. On a field where courage was the rule, his courage was the dominant feature."

Whatever else we do, and regardless of 1944 vicissitudes, let's not forget our history or our debt. Against this unparalleled record, the petty, little slingshots of today deserve nothing but the contempt they so richly merit. Let's not befoul our own pantheon.

MacArthur subsequently became a great peacetime Chief of Staff, so great that President Roosevelt reappointed him, which was without a precedent. His demands upon Congress were replete with prescient pleadings for modern arms—motorized and aerial—to prepare against the day of judgment. He was an exceptional administrator, an important quality not to be ignored in the current discussion. He became a great generalissimo in the Philippines where he organized the defenses of the new commonwealth. His record in World War II is an equal epic.

It is not too much to say that he became the living symbol of our own bruised but indomitable hopes in half a world when our fortunes were at lowest ebb. Never has a commander done so much with so little. His critics can spread all the petty smears they please. Against them, he will stand upon the horizon like a monolith of honor, courage, devotion and achievement.

I can't help but think that's the kind of commander in chief Mr. and Mrs. John Q. Public would like to choose when, pursuant to the formula dictated by President Roosevelt himself, the next campaign is settled on a win-the-war basis. At any rate, that's the kind of President I want when he is to become our new commander in chief. And that's the kind of candidate I want to stand as F. D. R.'s opposite number on the ballot. And that, Mr. Editor, is my reason No. 1 in response to your question.

Now for reason No. 2: Anyone who has any practical familiarity with Washington knows that the next President of the United States must make hard, harsh decisions every day of his administration when the time comes to put this country back on its postwar feet. Many of our postwar tasks will be even more trying to men's souls than the war itself if we are to renew free institutions and free enterprise. The next President will have to consult solely the independent welfare of our whole citizenship. He can never flirt with pressure groups, no matter how powerful politically. He can never yield to special pleaders for special privilege in any direction. He must have but one unselfish devotion. He must travel the undeviating line of duty. We shall need a Gibraltar in the peace just as desperately as we need it in the war, an American Gibraltar personified at 1600 Pennsylvania Avenue. Probably it is a one-term job, with no thought of the consequences.

I may be wrong about it, but I sometimes wonder whether this characteristic (in sufficient quantity) can stem from ordinary, political soil. At any rate, this I know: I know that MacArthur has been making hard, life-and-death decisions all through his sturdy career. Then he has been seeing these decisions through to a conclusive finish. I know that MacArthur is the embodiment of loyalty to our American destiny at any cost. The proof stands on the record.

I know that he is as devoid of political entanglements as he was of reinforcements at Bataan. I know that he would come to the White House with no thought or purpose except to serve America, at home and abroad, in the climax of his devoted career. Any racketeer of any sort would last about 1 minute in his presence. I know that he has never shirked a tough job in his life or compromised with it. He is granite in the face of duty.

WHAT I'D LIKE TO VOTE FOR

That's not my enthusiasm speaking. It is the voice of time and events. I know that his training and experience produce an integrity of character which will persist in any assignment he accepts. I'd like to vote for integrity of character. It means more to me than a thousand campaign promises. Isn't that what America needs? Isn't it?

MacArthur would be nominated as a Republican, and that's appropriate because he comes of Republican stock. Of course he would play team ball because no one knows better than he that it is finally the team that counts, and I would expect him, on the basis of the record, to put together the best team we have seen in many a day. He has the know-how because he has dealt with Government all his life. But my view of it is that he would be elected, in this emergency, as something vastly more than a Republican in any narrow, partisan sense. He is utterly detached from our party schisms and our party feuds and our interparty divisions. More than any other Presidential possibility, he would be elected as a great, unifying American who would win his country's unified support by deserving it. The very nature of his draft, void of any obligation save to his country, would dramatize and implement his selfless dedication. That's the kind of President I want next time and, incidentally, perhaps that's the reason so many southern Democrats tell me that he is the one Republican nominee who could crack Mason and Dixon's line. And I know plenty of northern Democrats, including one of the biggest, who feel the same way about it.

Now let's come down to reason No. 3, Although MacArthur has been a soldier all his life, I never knew a man in whom spiritual values are more predominant. He is infinitely more than a soldier. This is important because the family hearthstone means more to us, in our ideology, than battlefields; and it means infinitely more to him. He once said at a reunion of his Rainbow Division, "No one desires peace as much as the soldier, for he must pay the greatest penalty in war."

THE KIND OF PRESIDENT I WANT

I repeat that spiritual values rule his mind. This blossoms in every speech he ever made (and, by the way, he has an incomparable gift of tongue) and in every statement he ever uttered. I recall his thrilling, sanctified radio message from the hard-pressed Philippines to the little church in Arkansas where he was confirmed as a boy—the message sent on a beleaguered Easter morning—a message eloquently suggesting that we need God on our side in this titanic struggle and humbly asking for His aid. I find everlasting consolation and assurance in this simple Christian's reliance upon divine grace.

That's the kind of President I want, Mr. Editor.

In my opinion, such a President will never go far wrong. I would not for an instant suggest the absence of this quality in others. I simply certify to its abundant reality in the MacArthur character.

When a group of Canadian newsmen recently interviewed MacArthur—off the record—he talked frankly with them for some 2 hours. They couldn't report what he said, but one of them did print the opinion that he rivaled even Churchill in his command of our common language (which would be the final British compliment) and that he quoted constantly from three favorite authorities—the Bible, Adam Smith, and Abraham Lincoln. I know of no better key to his thinking on sociology, on economics, and on the realities of life in the pattern of American ideals. Meanwhile, the Republican national platform will spell out the details. We ought to be able to agree upon those authorities. At any rate, that's the kind of President I want.

No, it doesn't answer all the detailed questions regarding national policies upon which one might wish more specific enlightenment. But I have come to believe that the basic characteristics of a man are more important than campaign promises, and I think I know this man from days of old.

It is unfortunate that MacArthur cannot stump the country. It would be a landslide. But he can't. He must stay where he is. He must just "get on with the war." But answering for myself, I assert my complete confidence in a superlatively fine American mind which has developed on sound American doctrine and which certainly knows—the hard way—what our position, at home and abroad, must be in the postwar world.

No one could be more a "citizen of the world," with an experience and vision that roam the hemispheres; yet no one could have more faithfully dedicated a loyal lifetime to his own United States. Yes; that's the kind of President I want in lieu of a fourth-term dynasty.

Oh, I am familiar with much that is being said—and make no mistake—often being deliberately propagandized by those who politically fear this powerful personality. Envy and malice and fear have always chosen shining targets. MacArthur has been pursued by them all his life—and never with so much at stake as now. I'm familiar with

some of the often earnest but mistaken prejudice against him (such as always rises against any formidable Presidential probability).

For example, I have heard from some bonus marchers whom he, in line of duty, was ordered to evict from Washington—once more doing his hard, tough duty under orders which a soldier must obey. But I haven't heard that he was responsible for the loss of a single life in the way he did the job. I haven't heard that he delegated this repugnant task to some subordinate. But I have heard, in person, from one of the top commanders of that bonus army that he is for MacArthur—as am I—and that he is prepared to go anywhere, any time, to prove that, even in that tragic hour, MacArthur was a soldier's soldier and the soldiers' friend.

Anyway, he faced and did his hard duty to his Government on an assignment not of his own choosing. Let's separate his duty from the event itself. On that basis, it simply helps to clinch my point. On that basis, I'll say again that's the kind of President—tried by fire and by the acid test—I want, and that the country needs next year.

I have heard it said—perhaps for want of some better brick to throw—that historically General McClellan made a poor nominee and that General Grant made a poor President. So what? Does that forever bar every other general? Any such analogy is ridiculous, pro or con.

It would be just as logical to speak of General Washington or General Andrew Jackson as exhibits to the contrary. And how about the fact that the military was the background for almost every President from Hayes to Taft, during great epochs in our national life? Yes; and Gen. Leonard Wood would have been elected President in 1920 instead of Warren Harding if he could have been saved from a few of his misguided friends.

I venture the prediction that when 10,000,000 of our fighting sons are home again, every President for two generations to come will have been a stalwart figure in this fighting war. I do not run from such a prophecy. I think it is sound democracy. Who has better earned the right? Who has better kept the faith? Who has better served the Republic? Who better knows what America is worth? In my view, MacArthur is richly endowed to be the monitor in this regard. This isn't militarism. It is the exact opposite, because no one hates war quite so much as its own veterans. It isn't militarism; it is practical citizenship.

LET THE PEOPLE SPEAK

I constantly hear it said that a "pure draft" of a Presidential nominee is impossible. Maybe so. Certainly if General MacArthur is nominated, it will be a "pure draft" so far as he is concerned. But that does not alter his eligibility—and I am discussing only that theme at the moment. It will remain for the Republican National Convention, which I hope may be dominated by uninstructed delegates who sit in a truly deliberative party parliament to determine whether this eligibility is greater than that of any of the other distinguished and able Republicans who will be similarly weighed. It will be for the people, meanwhile, to speak their minds.

That is what I am doing, Mr. Editor, in answer to your question. I think I know at first hand something about what the next Presidency will require. I believe that General MacArthur has what it takes in full measure. He is a composite of all our necessities. He is unique in respect to many of them. He has the maturity of vast experience, yet he is in his physical and mental prime. If nominated, he will be elected. If elected, he will bring a great mind, a great heart, a great capacity, and a great devotion to the proud leadership of a great Nation. And now—on with the show. And may the best man win.

Greek Royalists Make Us Uncle Sap

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1948

Mr. BENDER. Mr. Speaker, under leave to extend my remarks in the RECORD, I want to include the following article by William L. Shirer in the New York Herald Tribune, February 22, 1948:

GREEK ROYALISTS FOUND SNIPING AT UNITED STATES MISSION AND REPORTERS—POLITICOS IN POWER, SHIRER SAYS, CALL AMERICANS REDS, USE SAME ARGUMENTS AGAINST THEM AS COMMUNISTS DO; ATTACKS SEEN AS EFFECTIVE

(By William L. Shirer)

Those extremely able, calculating, hard-boiled, and not-too-scrupulous Royalist politicos who run Greece, which President Truman said last week was "still a free country," must really subscribe to the gag about the United States being good old Uncle Sap.

At the moment last week when the President was asking Congress for more millions to bolster the Greek Army's war against the guerrillas, whom it outnumbers 10 to 1, the right-wing forces in control of Greece were actively conducting a two-pronged campaign against the American-aid mission and against most of the American correspondents in Greece, whose insistence on reporting the facts has so alarmed the Royalists that they have begun to resort to tactics which Americans, who are footing the bill in Greece, ought to know of.

These are matters which Mr. Truman did not touch on in his second quarterly report on aid to Greece and Turkey last week. But the intelligence I get from responsible Americans in Greece—not to mention from Greeks—is so startling that perhaps it should be passed on.

DIRECTLY TO THE BOSS

Responsible American reporters for every conservative American newspaper have already grown accustomed to being called Communists by the reactionary clique which dominates Greece. But they may not have been prepared for a new tactic which the Greek Government recently has used in an attempt to prevent American newspapers and radio from publishing and broadcasting the truth.

This consists of the Greek Government complaining directly to the correspondent's boss in the United States.

I know of one case where the Greek Ambassador, Vassili Dendramis, wrote to the American employer of one of the best of our reporters in Athens, complaining of the journalist's "exaggerations" and "complete distortions of the truth." If the Greek Ambassador, unmindful of the American tradition of press freedom, thought that in this case he might bring about the correspondent's recall, he was sadly mistaken. I am glad to report that the employer in this case fully backed his correspondent.

There may be need of solidarity among our press and radio executives, for the American reporters in Athens feel there may soon be an attempt by the Royalist clique, which is becoming impatient for a Royalist dictatorship, to remove all the fearless correspondents.

The treatment of thes American correspondents has become a scandal, and I am surprised that the President and the Congress are not more concerned about it. If the American taxpayer is to continue to cough up the money to keep Greece going he at least has the right to be informed by his own press and radio of what is going on there. The official State Department reports are of not muct help.

Our correspondents in Greece work under great difficulties. The Greek Government constantly thwarts their efforts to travel around the country to see what is up. It obstructs their work in dozens of ingenious ways. It stoops to having agents spread malicious slander about correspondents whose stories displease it.

HOPE TO FRIGHTEN MISSION

The purpose of the right-wing attack on the American mission in Greece apparently is to make it afraid to take a firm line in cleaning up the corruption and the injustices of the present regime. How effective this campaign has been may be judged by the fact that 90 percent of the American personnel of the mission wan. to come home by June 30, when their contracts run out.

Amusingly enough, but indicative of the mentality of the Greek Royalists whom we keep in power, one charge against the American mission is that it is full of Communists—the very people President Truman says we're spending our millions to fight in Greece.

Recently, the Royalist newspaper Estia suggested that the American mission had become infiltrated by Communists and that the American Federal Bureau of Investigation should come to Greece to investigate. Commenting on an airfield which the Americans were building for the Greeks, Estia expressed the sarcastic hope that the field was not being constructed by "Americans who are Communist-minded, like so many American mission members."

Experiments turned out on investigation to be nothing more than the honest and sincere efforts of our mission to get food, medicine, and blankets to the half-million starving Greeks.

Finally, my informants in Greece report the supreme irony of all. They find that since the first of the year the propaganda line of the Communists and of the dominant Royalist Populist Party in regard to America has become almost identical. Both charge the United States with interference in internal Greek affairs. Both say that Washington is trying to use the Greek people to further its own ends.

The Communist line is well known, but it will come as a surprise to many to learn that the group we support in Athens because it is against Communists is now also plugging the thesis that the United States is trying to establish a puppet government in the Greek capital so that Greeks will fight America's war against the Soviet Union.

This was expressed in part recently by Greece's second-largest newspaper, the Royalist Vrathini. "If one observes the notices," it observed, "being issued to the Greek Government by American Administrator Dwight P. Griswold, one must conclude that these were formulated in Tokyo, addressed to the conquered Japanese or some other gangster-dominated country. * * * Ironically, these tactics are being used by a people who surrendered Europe to the worst of enemies and now are trying to win the war which was lost at Yalta and Potsdam. * * * Further, the Americans, and our other allies, are chiefly to blame for the misery, devastation and loss of life in Greece during the last year because of refusal to give the Greek army sufficient arms for use against the bandits in the hills."

One might reply, of course, that we already have given the Greeks $172,000,000 worth of arms and that Maj. Gen. William G. Livesay, military adviser to the American Aid Mission, recently said that the arms and equipment of the Greek army are superior in every respect to those of the guerrillas.

But, as the President rather ruefully admitted, in fact, last week, this equipment has not done much good. Is Greece, perchance, a bottomless pit?

Tinkling Cymbals and Sounding Brasses

EXTENSION OF REMARKS
OF
HON. JOHN BELL WILLIAMS
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 2, 1948

Mr. WILLIAMS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Lincoln County Times of Brookhaven, Miss.:

TINKLING CYMBALS AND SOUNDING BRASSES
(An editorial by T. P. Brady)

The eyes of our Nation are upon the South. Mississippi has spoken and the Nation is looking to ascertain what Alabama, Georgia, Tennessee, Florida, and all the other Southern States are going to do. The Nation knows the South gave it the true Democratic Party. It knows that we are the heart and soul of that party and that we alone can now save it from destruction. The sneers of northern Democratic political bosses are fading from their faces. The slurs of northern writers and news commentators are being silenced. Northern "raw deal" Democrats realize now that the true Jeffersonian Democrats throughout the Nation are aroused, united, and determined to purge the party of its un-American leftists. With wondering eyes they peer to see if a united South can accomplish this purge.

Their sneers and slurs will be abandoned, but in their place appeasement, threats, and coercion will be substituted and utilized. The selection of Representative WILLIAM M. COLMER, of Mississippi, as ex officio chairman of a committee of southern Democratic Representatives consisting of 12 members has convinced the most dubious that 30,000,000 white southern Democrats are determined and will not be denied their constitutional rights by 3,000,000 Negro Democrats of the North; 76 of the 108 southern Democratic Congressmen have promptly responded to the demand of their 30,000,000 constituents, and the other 32 will do likewise without having to be shown the expediency of such a response. This committee of southern Congressmen, through its chairman, Representative COLMER, today will endeavor with Gov. Strom Thurman, of South Carolina, chairman of the southern governors committee, and Governors Laney, of Arkansas; Cherry, of North Carolina; Jester, of Texas; and Tuck, fo Virginia, to convince J. HOWARD MCGRATH, national chairman of the national Democratic Party, that 14 Southern States will be denied their constitutional prerogatives, and 30,000,000 white Jeffersonian Democratic citizens their constitutional rights by President Truman's vicious four-point anti-southern program.

It is proposed that this gallant gesture should be made, but it is a futile one. Today J. HOWARD MCGRATH will not sneer at nor slur these 12 Jeffersonian Democrats. He will smile and smile and blandly assure them he will be glad to discuss their requests that President Truman withdraw his four recommendations for the enactment of anti-segregation, antipoll tax, antilynch, and FEPC Federal legislation with the titular head of the Democratic Party. That will end the gesture. President Truman knew of the Southern Governors Conference. He also knew of the scheduled meeting with Chairman MCGRATH and the 12 southern Congressmen, and either fearing this meeting, or indifferent thereto, he has flown to Haiti and today is in conference with more distinguished dignitaries upon more important matters on a well-timed vacation.

Upon the Missourian's return, the northern Democrats with their Negro cohorts will initiate their machine strategy. Appeasement will be their first line of attack, and realizing this will fail, then threats will be forthcoming followed closely by coercion. We are not deceived; we cannot be placated with baubles. We realize we were recently given a Vice President and this bauble has availed us nothing. We cannot be intimidated and we cannot be coerced. We are the Democratic Party and we are going to remain so. We are furthermore determined to purge the Democratic Party of the canker that is slowly eating into its vitals before our party is utterly destroyed.

Any representative of any Southern State, be he United States Senator, Congressman, governor, Presidential elector, committeeman, or what not, who does not realize this fact or for any reason whatsoever fails to do all within his power to block these four vicious, discriminatory proposed Federal enactments and purge his party of these mongrelizing elements which will destroy it, is not worthy of bearing the name of a southerner or a Democrat. The mongrel Democrats of the northern wing will utilize, in their coercive strategy, the tinkling symbols of the South. These tinkling symbols consist first of a few misguided educators, religious fanatics, and racial minority groups who have been inoculated with Russian Soviet philosophy which did not take, but did produce an unhealthy pink rash. Many of this number are conscientious in their misguided diluted beliefs. They are easily recognized and will be quickly reconverted or silenced.

A second group of tinklers are more formidable. It is composed of selfish and frequently benevolent southern Democrats who do not appreciate the seriousness of this crisis and who have capitalized on northern Democratic assistance in many forms, and on southern tradition, utilizing often a controlled Negro vote for their selfish interest or ambition. This group will have to be reckoned with. If they will not conform to our idealogy and customs voluntarily then they must be forced to do so.

A third group consists of the so-called intellectual Negroes. In this group can be found a few who honestly realize that the abolition of segregation and the poll tax would produce a catastrophe in the South for white and Negro alike. The majority, however, because of the rash, politically expedient promises of the northern Democrats, have adopted these futile promises as their dearest objectives. The thought of mating a vulture with an eagle, contrary to the laws of God and nature, is appealing to them. Just as they left the Republican Party when they were promised these Utopian privileges, contrary to said laws of God and nature, after carpetbag days, so they will leave the northern Democratic Party for the Communist Party when it promises the same or something even more attractive. The eyes of communistic Russia are upon the South today. God have mercy on the South and the United States if the northern Democrats should franchise the Negro and the Communist Party assimilate them. As the iron curtain has fallen over the mongrelized communistic nations of Europe, so will it then fall over and encircle these United States.

As for the sounding brasses which will blow from the North, they will shout and scream party loyalty when they do not even know the meaning of the words. Northern Democrats will thus endeavor to deceive and mislead conscientious, misguided, loyal, southern Jeffersonian Democrats. Millions of dollars furnished by northern Negro Democratic organizations under the control of Walter White, the Negro secretary of the National Association for the Advancement of Colored People and the titular head of 763 branches of Negro youth councils which has a paid membership of 350,000, augmented by funds from un-American racial minority groups in the North and even the Communist Party are at their command to keep the brasses blowing throughout the South and Nation. Federal patronage and Federal projects are within the control of the left northern wing of the party which will affect thousands upon thousands of southerners. They too, will be sounding off. Coercion in its most sinster forms will be the instruments of destruction used by the northern sounding brasses!

But, in the last analysis, the solution and answer to this great crisis which faces the South and our Nation will hang on one question. That question is—Does the true Democratic Party have the leadership to cope with this problem? Are the descendants of Thomas Jefferson, Andrew Jackson, Sam Houston, Jefferson Davis, Robert E. Lee, John C. Calhoun, Claiborne, Pinkney, and the thousands of other true Democrats, who gave us this heritage and party, strong enough and willing enough to fight and if necessary die for the preservation of their party? Do the true Democrats of the South value their honor, their heritage, the sanctity of their homes, the protection of their mothers, wives, sisters, daughters, and sweethearts more than mercenary, selfish benefits which will be offered in barter for these priceless traditions and heritage?

The answer to this question has never been doubted. Thirty million white Democratic citizens will rise as a man and our brothers in the North and West who believe as we believe, who trust as we trust, and who love their country as we do, will rally to our aid and this malignant canker will be eradicated. A regeneration of true democracy must and will come to our party, the American Democratic Party of sovereign States and our Government, a union of these sovereign States, will be protected and its continuation insured.

National Defense

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 3, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following resolution of the General Court of Massachusetts:

Resolutions memorializing the Congress of the United States to enact legislation and to provide adequate appropriations for the preservation of the security of the Nation, by the creation of the world's strongest Air Force and Air National Guard and for the creation of a National Science Foundation for scientific research, to make available scientific discoveries and knowledge for the information and guidance of officials responsible for our national secuirty

Whereas In World War II the value and importance of the Regular Air Force and Air National Guard as component parts of our national defense and security program were demonstrated, and in the development of said air force, the need for scientific study in the field of science related to national defense and security was demonstrated and continues to exist: Therefore be it

Resolved, That the General Court of Massachusetts hereby memorializes the Congress of the United States to enact legislation to provide for the world's strongest Regular Air Force and Air National Guard and to provide for an adequate appropriation of funds to permit this to be done; and be it further

Resolved, That the General Court of Massachusetts hereby memorializes the Congress of the United States to enact legislation providing for the establishment of a National Science Foundation, with the appropriation of sufficient funds to encourage scientific research to be conducted which shall be made available to the directors of the armed forces and insure national security in the future; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officers of each branch of Congress, and to the members thereof from this commonwealth.

In house of representatives, adopted, February 12, 1948.

LAWRENCE R. GROVE, *Clerk*.

In senate, adopted, in concurrence, February 19, 1948.

IRVING N. HAYDEN, *Clerk*.

A true copy. Attest:

F. W. COOK,
Secretary of the Commonwealth.

Tolerance

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. FOOTE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 3, 1948

Mr. FOOTE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I should like to include an article published in today's issue of the Washington Times-Herald telling of the friendship between the new archbishop of Baltimore and a Jewish tailor of New Britain, Conn., which I believe is a splendid example of tolerance:

NEW BALTIMORE ARCHBISHOP HONORS EARLY JEWISH MENTOR

NEW BRITAIN, CONN., March 2.—Forty-five years ago Samuel Greenberg, a Jewish tailor, encouraged a little boy called "Frankie" to study for the Catholic priesthood.

The boy, devoted to the neighborhood tailor who used to put patches on the seat of his pants, is now the Most Reverend Francis P. Keough, 56, new archbishop of Baltimore.

Sam and his wife have just returned from Baltimore where they were honored guests at the elevation ceremony.

This is the story Sam, now 75, told today in his little Seneca Street shop:

"When I heard 'Frankie' was to be made an archbishop, I did not suspect I would be beside him at his consecration. Then an invitation came.

"I borrowed money from my daughter, and my wife, Sonia, and I got on the train. When we arrived, a priest met us at the station and ushered us to a pew set aside especially for us."

The aged tailor continued:

"When Keough passed by our pew, flanked by all those church dignitaries, he stopped and said: 'Hello, Sam.' I was so amazed I was scared."

That was not all the bishop did for his old friend. He kept the Greenbergs in Baltimore for a week, expenses paid—and provided kosher meals throughout the visit.

We Have a Federal Power Policy

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 3, 1948

Mr. HORAN. Mr. Speaker, for the past many months I have heard any number of voices raised on this floor to the effect that we need a Federal power policy for the United States. What most of them have meant, I am sure, was that they wanted a different power policy. But in working toward that end, they have contrived to spread the impression that there was no present, organized Federal policy on electric power.

Since there has been so much said on this subject by those who want to change our Federal power laws to their own designs, it should be in order at this time to insert into the RECORD the full text of a declaration and petition on Federal power policy, agreed to by the Northwest Public Power Association, which is the organization comprising all local public power distribution agencies in the Pacific Northwest, at its recent convention at Lewiston, Idaho.

This document is important chiefly because it points up the fact that we do have a Federal power policy; that, while it has some faults, it is effectively working in the people's interest; that it has been developed over a period of some 65 years—or since the advent of electric power; and that any attempt to tamper with it should be made in at atmosphere of caution and due regard for the precedents and principles which have been established for so long.

I do not say that I necessarily agree with each and every point outlined in this declaration. I am deeply gratified, however, that the association apparently tried to allow for such differences of opinion by stating broad general principles, rather than specific limitations.

As an example, the March 1948 issue of Rural Electrification magazine in its discussion of the declaration, points out that—

The association delegates recommended regional and national control with a maximum degree of home rule consistent with national objectives and propose local representation on advisory and administrative boards and councils.

The magazine goes on to comment:

Proponents of a Columbia Valley Authority and Representative WALT HORAN'S competing proposal differ on these points in pointing out the advantages of their bills. The NWPPA declaration doesn't mention either bill, and makes a studied effort to incorporate the advantages of both proposals.

It is only by such willingness to allow for the different points of view that we can ever evolve a firm and acceptable Federal power policy. It is the all-or-nothing attitude of extreme partisans which makes for continuing controversy and confusion.

I cannot urge too strongly that every Member of this body who is interested in the conservation and development of our country's electric power potential read this document carefully. I urge them that in so reading they recognize that the sponsoring organization is the chosen representative and duly-elected voice of the hundreds of thousands of citizen-owner-customers who have their money and their future invested in the power distribution systems which serve them.

Every citizen has a stake in the evolution of our Federal power policy. Federal power revenues already are committed to the repayment of more than $1,000,000,000 in subsidies to reclamation and other natural resource development, in addition to the liquidation of the investment in Federal power plants themselves. Federal power plants already have increased the taxable valuation of newly developed sections of the country by hundreds of millions of dollars. Federal power plants gave us the electric energy which won the war of production and is winning the production battle for peace.

The Federal power goose has been laying golden eggs for many years, to the benefit of all our people. Let us think long and cautiously before we allow any man to swing an ax over its head.

Mr. Speaker, under leave to extend my remarks, I include the declaration and petition of the Northwest Public Power Association relating to Federal power policy at this point in today's RECORD:

THE FEDERAL POWER POLICY

(A declaration and petition of the Northwest Public Power Association, Inc., Vancouver, Wash.)

The public power systems of Washington, Oregon, Montana, Idaho, and Alaska represented by delegates in convention at Lewiston, Idaho, this 6th day of February 1948 as members of the Northwest Public Power Association, a nonprofit service corporation in the State of Washington

Declare and publish certain fundamental principles and considerations relative to the continued formulation of a sound Federal power policy to the end that such policy may guide and render more effective the Federal power program, and furthermore do

Petition the Congress of the United States to preserve intact these principles and to strengthen this policy by means of legislation providing administrative coordination, legislative consistency and more business-like financing.

I. PREAMBLE

The furnishing of electric energy has developed since 1882 into the second most important public utility function of government, second only to the furnishing of safe domestic water supply. To help meet this need for electric energy the Congress has evolved over the past half century a Federal power program. This program has demonstrated the constitutional authority of the Congress to generate electric energy at flood control, navigation, irrigation, and other multipurpose projects, including the right to construct supplementary fuel-burning generating plants and the transmission lines necessary for the marketing of such electric energy. The Congress has also recognized the importance of the role of electric energy in increased national production, both in time of war and peace, and secondly, the role of rural electrification as a means to greater agricultural production and for the improvement of the general welfare, and thirdly, the role of the Federal power program as an integral part of the broader program for the conservation and development of the natural

resources. By these actions the Congress has assigned to various Federal agencies the important public-utility responsibility of supplying adequate supplies of electric energy. In certain sections of the Nation, and particularly in the Pacific Northwest, the Federal Government is the predominant supplier of electric energy. And it is as a guide for the conduct of the Federal power program that the Congress has written into law and has frequently reiterated the fundamental principles which constitute our Federal power policy.

II. BASIC PRINCIPLES

We favor the continued formulation and implementation of the Federal power policy based on the following four historic principles:

A. To encourage the most widespread use of electric energy.

B. At the lowest possible rates to consumers.

C. Consistent with sound business principles.

D. With preference to public bodies and cooperatives.

III. RIVER BASIN DEVELOPMENT

We favor the policy of the Congress, long established in law, providing for the development by the United States Government as rapidly as practicable of all the potential hydropower of our rivers as an incident and principal self-liquidating factor in the broader program of controlling the floods, aiding navigation, providing irrigation, and for other conservation purposes. In the planning of multipurpose river projects due consideration and proper weight shall be given to the preservation or relocation of the fish and other marine and wildlife, and to the scenic and recreational values of the area.

IV. NATURAL RESOURCE DEVELOPMENT IN THE PACIFIC NORTHWEST

We recommend that the natural resources of the various States be developed on a regional and national basis. We urge that the development in the Pacific Northwest be executed in accordance with the broad outlines laid out in the following detailed reports:

A Pacific Northwest Regional Planning Commission Report issued by the National Resources Committee in May 1936.

B. Proposed Program of Development of Columbia Drainage Basin, issued December 17, 1943, by the Northwest States Development Association consisting of the Governors of Washington, Oregon, Idaho, Montana, and Wyoming.

C. Advance Program of System Development, 1948–54, preliminary report issued by the Bonneville Power Administration October 1947, as amended and endorsed by the Columbia Basin Interagency Committee in November 1947 and issued in final form February 6, 1948.

D. Development of Resources and of Economic Opportunity in the Pacific Northwest, published in October 1942 by the National Resources Planning Board.

V. LOCAL AUTONOMY

Where the natural resources of a State or a region are proposed for development by a Federal agency, we recommend a maximum degree of home rule consistent with national objectives, and that this policy shall be implemented by means of local public hearings, and by local representation on advisory and administrative boards and councils.

VI. THE BONNEVILLE ACT

We endorse the Bonneville Act as amended, and we recommend in addition the following amendments:

A. The Bonneville Act should be amended so as to enable the Bonneville Power Administration to employ the revenues for maintenance, operating and administrative purposes, and secondly to set aside revenues in excess of operating, maintenance, and administrative expenses, interest and debt amortization charges, and to employ such surplus revenues for capital purposes, including investment in transmission lines, substations and related facilities except major transmission facilities into an area not previously approved for service in connection with an appropriation act.

B. We recommend that the Bonneville Act be amended to authorize the Bonneville Power Administration to borrow capital loan funds from the United States Treasury for the construction or replacement of transmission lines, substations, and related facilities.

C. We recommend that those provisions of the Government Corporation Control Act relating to business-type budgets be made applicable to the Bonneville Power Administration. In addition to the financial controls in the Government Corporation Control Act, the Congress in reviewing the business-type budget may reject the proposed expenditure of borrowed capital loan funds for the construction of major transmission facilities into an area not previously served by the Administration.

D. The Bonneville Act should be amended for the purpose of designating the Bonneville Power Administration as the exclusive marketing agency for surplus electrical energy generated at Army constructed flood control or navigation dams in the States of Washington and Oregon and on the Columbia River and its tributaries, and from such Bureau of Reclamation hydroelectric facilities as the Secretary of the Interior shall designate.

E. We recommend that the Bonneville Act be amended for the purpose of authorizing and directing the Bonneville Power Administration to determine power rates and schedules for the repayment of Federal investment in power facilities, both subject to approval of the Federal Power Commission, and that in making such determinations the Bonneville Power Administration shall set rates and repayments on a system-wide basis rather than on an individual project basis, provided that payments should otherwise conform to existing laws. In other words, two or more related projects may be considered as a unit.

VII. FLOOD CONTROL ACT OF 1944

We endorse and urge the retention of section 5 of the Flood Control Act of 1944, and furthermore urge the extension and application of the provisions of section 5 of the act to all other flood-control and navigation projects constructed or in future to be constructed by the War Department. We oppose most vigorously any proposed legislation which seeks to eliminate the benefits of section 5 of said act. The applicable section of the Flood Control Act of 1944 reads as follows:

"SEC. 5. Electric power and energy generated at reservoir projects under the control of the War Department and in the opinion of the Secretary of War not required in the operation of such projects shall be delivered to the Secretary of the Interior, who shall transmit and dispose of such power and energy in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles, the rate schedules to become effective upon confirmation and approval by the Federal Power Commission. Rate schedules shall be drawn having regard to the recovery (upon the basis of the application of such rate schedules to the capacity of the electric facilities of the projects) of the cost of producing and transmitting such electric energy, including the amortization of the capital investment allocated to power over a reasonable period of years. Preference in the sale of such power and energy shall be given to public bodies and cooperatives. The Secretary of the Interior is authorized from funds to be appropriated by the Congress, to construct or acquire, by purchase or other agreement, only such transmission lines and related facilities as may be necessary in order to make the power and energy generated at said projects available at wholesale quantities for sale on fair and reasonable terms and conditions to facilities owned by the Federal Government, public bodies, cooperatives, and privately owned companies. All moneys received from such sales shall be deposited in the Treasury of the United States as miscellaneous receipts."

We further urge the amendment of section 5 by striking the last three words "as miscellaneous receipts" and adding the following language "to appropriate accounts and funds credited to the respective Federal agencies."

VIII. BUS BAR SALE

We oppose any proposed legislation requiring the sale of hydroelectric energy from Federal projects at the bus bar.

IX. PREFERENCE TO PUBLIC BODIES AND COOPERATIVES

We recommend that the Department of the Interior in carrying out the policy of the Congress requiring that preference in the sale of electric energy be given to public bodies and cooperatives should be required to construct or purchase electric transmission lines, substations, and related facilities necessary to deliver the energy at wholesale to the load centers of the public body or cooperative at their required voltage.

X. ENERGY SALES BY THE FEDERAL POWER COMMISSION

We oppose any proposed legislation requiring or permitting the Federal Power Commission to market electric energy or to exercise authority over contracts for the sale of energy by any Federal agency. We believe that as a police or regulatory agency, the Federal Power Commission should be excluded from the proprietary or business side of the Federal power program. The quasi-judicial functions of the Federal Power Commission preclude, under our theory of the separation of governmental powers, the annexation of proprietary or managerial authority such as selling energy or passing on power sales contracts.

XI. RETAILING OF ENERGY BY THE FEDERAL GOVERNMENT

We favor the policy of the Congress in limiting the marketing authority of Federal agencies to wholesale accounts. In accordance with this policy the retailing of electrical energy by any Federal agency should be discontinued as rapidly as practicable. Furthermore, we believe that no Federal marketing agency should sell power to private industries within the distribution area of any public body or cooperative unless expressly requested by such public or cooperative body.

XII. RURAL ELECTRIFICATION

We urge the most expeditious electrification of the 2,250,000 unelectrified farms of this Nation. To this end we urge that the Congress adopt a policy of granting appropriations to the Rural Electrification Administration sufficient to make available capital-loan funds to REA borrowers in all cases where the project is determined to be financially feasible on a self-liquidating basis. Secondly, we urge adequate appropriations for the cost of processing these loans. Thirdly, we endorse the program of the Agricultural Research Administration for research in the rural utilization of electricity, and urge that the Congress appropriate sufficient funds to carry out this program. Fourthly, we disapprove of any riders or restrictions on the making of loans to REA borrowers for the construction or purchase of generating facilities. We feel that the rural-electrification program should be executed with dispatch in the interest of increased agricultural production and for the

purpose of reducing the inconveniences of rural living.

XIII. NATIONAL DEFENSE

We consider an adequate supply of electric power as a critical element in the national defense, and we must point out that the present Nation-wide power shortage is a definite indication of military weakness and unpreparedness. We note that in the recent war, the strength of our enemies and of our allies was largely in proportion to their supply of electric energy. We note that our War Production Board translated large military orders into electric-power demand and then ordered the building of defense plants in areas where electric energy either was available or could be made available. The War Production Board regarded the electric-energy supply as more important than any other production factor except manpower. Under the War Production Board we installed the remaining Bonneville Dam generators and diverted two Shasta Dam generators to Grand Coulee. This was done for increased war production. We believe that this Nation, strictly from concern for the national defense, should install generating facilities at such a rate that we shall always have a reserve of at least 10 percent excess generating capacity above peak loads. We deplore the lack of a national military policy providing for adequate supplies of electric energy. To correct this deficiency we urge that the Congress by law require the Secretary of the Defense, through his National Security Resources Council, and in cooperation with the Federal Power Commission and other agencies, to conduct continuing surveys of our national electric-energy requirements for war production and to make annual or more frequent reports to the President and to the Congress with recommendations for the meeting of such electrical requirements.

XIV. FUEL CONSERVATION

We urge the development of the potential hydroelectric sites of the Nation as a measure for the conservation of fuel oil and other expendable energy sources, the timing of such development to be governed by the financial feasibility of each project or group of projects.

XV. SOUND BUSINESS PRINCIPLES

Inasmuch as the operation of Federal hydroelectric facilities, transmission lines, and substations is a business of proprietary function, we believe that these activities should be managed and financed on a businesslike basis. Firstly, the management of an electric system requires a business type of administrative structure preferably with most of the attributes of a corporation. Secondly, we recommend that the following provisions be made for the orderly financing of the Federal power program:

1. That accounting and budgeting practice should clearly distinguish capital and operating accounts.

2. That each Federal power agency should be required to repay the reimbursable costs of the projects on the basis of the useful lifetime of each project or group of projects.

3. That each Federal power agency should be authorized and directed to borrow capital loan funds and to use its revenues in order to carry out its public-utility responsibility.

XVI. REGULATION OF THE ELECTRIC UTILITY COMPANIES

We recognize that private electric companies in performing public-utility functions are operating under special privileges granted by the various units of government. They are given governmental power to condemn private property, they are granted franchises and certificates of convenience and necessity and are given the use of highway right-of-way. We recommend that the Congress order a comprehensive investigation of the electric public-utility industry for the following purposes:

1. To determine the effectiveness of present governmental regulation, Federal, State, and municipal.

2. To determine the extent of propaganda, political and lobbying activity of the private electrical companies.

3. To determine the efforts being made by the companies to thwart and discredit municipal and cooperative electric systems.

4. To determine the extent to which the electric public utility industry is meeting its public utility responsibility.

5. To determine the extent to which the purposes of the Public Utility Holding Company Act have been carried out by the Securities and Exchange Commission.

This investigation should be made by the Federal Trade Commission and should be in addition to the surveys now required by law to be made by the Federal Power Commission and in addition to any military surveys which the Congress may require of the Secretary of the Defense.

XVII. ADMINISTRATIVE COORDINATION

We recommend that the responsibility for administrative coordination of the Federal-power program be placed in two agencies as follows: The Federal Power Commission to be assigned all authority with respect to the policing and regulation of certain activities of both private and public power systems. With respect to the Federal power program the Federal Power Commission should be assigned uniform authority reviewing the allocation of the cost of Federal projects to power and other purposes, secondly the requiring of a uniform system of accounts and accounting practices, thirdly approval of rate schedules, and fourthly consultation in connection with project and market surveys if made by any agency other than the Federal Power Commission.

On the other hand, we recommend that the Department of the Interior be assigned the responsibility for coordinating the proprietary or business component of the Federal power program, particularly with respect to the marketing of electric energy and the construction of electrical facilities. Under this policy neither the Army nor the Federal Power Commission would be enabled to market energy. Nor would the assignment of coordinating responsibility in the Department of the Interior preclude the granting of a measure of local autonomy within the various regions.

The Department of the Interior would also be in the best position to coordinate hydroelectric development with the other objectives of multipurpose projects. As the Department primarily concerned with the conservation and development of natural resources, this Department would best insure that the Federal power program would be conducted as an integral part of the national conservation program.

XVIII. LEGISLATIVE COORDINATION

The recognition of the Federal power program as a component part of the national conservation program would suggest that one committee in each House of Congress be assigned to the study of legislation relative to conservation, including all power matters. Under the same concept the present laws relating to the Federal power program should be recodified at the time of the next revision of the United States Code and placed under title 16, Conservation.

XIX. SOUND ENGINEERING

We believe that a sound Federal power program requires a close coordination among three factors.

1. Continuing load studies: To provide sound estimates of future electrical loads.

2. Engineering studies: To plan the construction of facilities for generating and delivering the power to the various electrical regions of the Nation.

3. Congressional appropriations: To meet the construction costs and operating expenses of the various Federal power agencies.

If the load studies and the engineering studies are sound, we believe that appropriations based thereon will be sound.

We further submit that technological considerations dictate that within the various electrical regions high-voltage transmission lines should be constructed to interconnect the various electric-power plants with one another and with the various load centers of the electrical region together with high-voltage interregional tie lines.

XX. CONCLUSION

We respectfully submit that most of the desirable elements of a sound Federal power policy already exist in the form of Federal laws. These laws are scattered at present and should be brought together. Administratively a large measure of coordination is already being effected through the Department of the Interior. Further coordination is needed. The vigorous prosecution of the rural-electrification program, of multi-purpose-project construction, and the building of transmission lines is necessary not only as a means for the increase of our peacetime productive capacity but likewise for the strengthening of our national defense. The sale of electric energy from multi-purpose projects, furthermore, facilitates the carrying out of many other conservation activities. Electricity in many respects is the paying partner. We in the Pacific Northwest are generally happy over our experience with Federal construction of multi-purpose projects and transmission lines as well as with the administration of the Bonneville Power Administration in wholesaling the energy to the load centers of public bodies, cooperatives, and other large users of energy. We consider this pattern of administration and construction to be highly effective. We would like to see a more businesslike administrative structure and a more businesslike method of financing. The most critical accounting analysis also reveals that this approach enables us to enjoy low-cost energy, development of our natural resources, and therewith the satisfaction that the Federal Government will be repaid its entire investment in the power facilities together with interest.

School-Lunch Program

EXTENSION OF REMARKS

OF

HON. EDWARD G. ROHRBOUGH

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1948

Mr. ROHRBOUGH. Mr. Speaker, under leave to revise and extend my remarks, I include the following letter which I received recently from Celia Ferrell, secretary of the Hattie Harden School Mothers' Club, of Salem, W. Va., concerning the school-lunch program:

SALEM, W. VA., *February 29, 1948.*

Hon. EDWARD G. ROHRBOUGH,
Member of Congress,
Washington, D. C.

DEAR SIR: At the regular monthly meeting of the Hattie Harden School Mothers' Club on February 18, 1948, a resolution was passed by that organization deploring Congress' action in reducing the appropriation for the school lunch from the $81,000,000 allotted for that purpose during the previous year to the $65,000,000 appropriated for the fiscal year 1947-48.

We understand that this reduction was actuated by Congress' desire to economize. And while we consider this desire laudable when not carried to the extreme, we feel, and feel most strongly, that a reduction in funds which vitally affects the health of the Nation's school children, many of whom are inadequately fed at home, is a false economy, indeed. We therefore go on record as advocating that for the fiscal year 1948–49, the amount be increased to a sum commensurate to meet the needs of the increased school enrollment and the rising cost of living

So, as mothers with the interests of both our own children and other mothers' children at heart, we are appealing to you for support of this vital measure. We trust that you will not let us and the children down.

Very truly yours,

HATTIE HARDEN SCHOOL MOTHERS' CLUB,
By CELIA FERRELL, *Secretary*.

The Plot Thickens

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, Februcry 24, 1948

Mr. REED of New York. Mr. Speaker, the New Deal sold the United States to Soviet Russia; it sold Poland to Russia; it armed Tito; it armed Japan; and now the same crew of despoilers is asking for $12,000,000,000 to further lower our prestige abroad and also weaken our whole economy at home through an accentuated inflation of prices which is bound to result from the Marshall plan.

Under leave to extend my remarks, I am including the following article by Dorothy Thompson in the Washington Star March 3, 1948:

UNITED STATES FOREIGN POLICY SEEN CRUMBLING AS RUSSIA BUILDS FORTRESS EUROPA

(By Dorothy Thompson)

The fact is that our foreign policy is crumbling to bits.

In Czechoslovakia another most valuable piece of Europe has fallen away. Others will follow in due time.

The eastern zone of the German Reich is long since lost to communism and Russian revolutionary-imperialism, a fact of far greater long-range consequence than last week's events in Czechoslovakia. For Germany will not remain forever divided into two patterns of civilization; it will all be one or the other.

Eastern Europe was lost at Teheran, Yalta, and by agreements regarding the disposition of Allied armies. When General Patton was forced to halt his troops an hour's march from Prague and to stand helpless while some 2,500 Czechs were slaughtered in a last battle with the SS, waiting for a Russian tank corps to travel 300 miles from Berlin, the certainty of last week's events was fixed.

ASSIGNED TO RUSSIAN SPHERE

Czechoslovakia, as Dr. Benes' memoirs clearly show—and like Poland—was simply assigned to the Russian sphere. That it becomes, as a result, a totalitarian Communist state is logical. Belated expressions of outrage and sympathy leave this columnist cold. The Czech people do not want communism; true. Neither did they, nor the Poles, want to be disposed of like so much rubbish. What have the wishes of peoples got to do with anything, today?

Until a year ago, it was positively dangerous for any writer in this country to criticize whatever arrangements had been made. Pressure did not even come from the Government, but from organized claques in the public. To be pessimistic, to utter any warnings, to criticize the structure of the United Nations—above all, to question the measures for Germany—was interpreted as tantamount to treason against peace.

But the chickens always come home to roost.

This columnist went down to Washington to testify against the Italian peace treaty. That testimony is on the record, I presume. I said the treaty would cost the west the loss of Italy, and I stand by it. While we tried to hold Greece we laid Italy wide open to Tito and the Russians. We gave the Italian Communists the opportunity to win back Trieste and Venezia Giulia for Italy. Do you think Stalin would not force Tito to cough up this loot for a Communist Italy? What would frontiers matter in an all-Communist Europe?

If Italy goes, Greece, Palestine, and the Middle East are lost.

GERMANS OFFERED IDEA

Similarly only Stalin can restore to Germany all or part of the Prussian lands lost to Poland.

Does Stalin have to worry about Poland if he has a Communist Germany?

And what do we and the rest of Europe offer Germany? Perpetual military occupation? Incorporation in a European confederation? On what terms?

I believe I know something about the German mind. Germans can live almost without food, almost without shelter. But they cannot live without an idea. A bad idea, to the Germans, is better than no idea.

The Russians offer them an idea—a place in a tangible scheme. They also, and very importantly, offer them individual atonement. Any Nazi can wipe out his past record by joining the Communist Party.

The Russians are building a system—a "Fortress Europa." While the west talks about a European confederation, the Russians are making one. The Russians long have been prepared for what they are doing. But all our moves are last-minute reactions to the Russian initiative. Back in 1943 Winston Churchill proposed (as a war aim) a council of Europe, a confederation. It was turned down in our State Department. Why?

Our Government has never told us the why of any measures it has taken.

Export of Oil

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1948

Mr. HESELTON. Mr. Speaker, I am grateful to the chairman of the subcommittee, the gentleman from Nebraska, for his courtesy in obtaining permission for me to extend my remarks at this point in the RECORD. I regret that an executive committee meeting detained me so that I could not take advantage of the time allotted to me.

First, I wish to report with very real regret that I have received a message from Mr. David Bruce, Assistant Secretary of Commerce, that—

The position of the Department of Commerce on the export of petroleum products to Europe remains unchanged.

I interpret that to mean that the refusal to release any of the reserve items for transportation to the Northeast and Midwest applies to exports to any country and, consequently, I have abandoned my hope of a solution of our problem along these lines. I believe it would have been a most constructive solution if the Department had been willing to act as requested, but I recognize it must discharge its responsibilities as it deems best. I think it is crystal clear that we must now accept the discharge of our full responsibility, and I hope this will take the form of prompt enactment of House Joint Resolution 323, as reported by the House Committee on Interstate and Foreign Commerce.

Next, I want to discuss briefly an amendment I wish to offer during the course of the reading of the appropriation bill now being debated, H. R. 5607. I have furnished the chairman and ranking member of the committee with a copy of this amendment and have, also, discussed it with the clerk of the committee. I have sent a copy to the gentleman from Oklahoma [Mr. MONRONEY] because of his concern as to whether this form of an amendment is entirely wise. I want to repeat that I shall join gladly with him or with anyone else in perfecting the language of these amendments so that no hardship or uneconomic action may result.

My sole objective is to make certain that we will not have a recurrence of the very unfortunate action at the marine hospital in Boston last December when the heating units were converted from coal to oil at substantial expense and cannot now be reconverted without long delay and further expense. I know you will recall that with two burners operating that hospital is consuming a much-needed type of fuel oil at the rate of 1,200 gallons a day. This is not only an economic waste but an exhibition of the poorest kind of judgment, for which no explanation or apology has ever been made.

The bill contains a substantial appropriation for the Federal-aid airport program. I have discussed the matter with Mr. H. A. Hook, Assistant Administrator for Airports, by telephone this afternoon. He advises me that it would be almost impossible to give me full information as to the building program, but he thinks approximately 60 buildings are involved, most of them relatively small. I understand the largest is to be located in Seattle. The function of the Civil Aeronautics Administrator is to determine whether the plans submitted are appropriate and reasonable, and I do not think any particular stress has been laid upon the wisdom of installing new oil-burner units.

I have, also, discussed the item covering the boiler at the Washington National Airport, to which brief reference is made at page 415 of the hearings. Mr. P. F. Steiner, assistant airport administrator, told me that this boiler heats partially by oil and partially by coal. It is mainly

intended to provide heat for five new hangars. I understand that the work has been actually completed and that there has been no substantial change in the type of heating since 1947. However, Mr. Steiner did advise me that the method of heating had been changed twice since 1944, largely depending upon fuel conditions. Mr. Steiner does not feel that this would be of any great moment, relatively speaking. While I can agree with him as to that, on an over-all basis, I still feel that when individuals are urged to conserve and when some homes and buildings are actually cold, it is incumbent upon the Federal Government, through its agencies, to set the example of conservation and to undertake no conversions or new installations unless they are certain that they can obtain an adequate supply without diminishing the supplies available for providing citizens and industries.

I cannot help but refer to the fact that we now know that The Alaskan Railroad contemplates placing Diesel engines to the number of 33 in operation. While justification is sought in the argument that such engines must be operated through the tunnels, it remains the fact that the ordinary three-unit Diesel engine is said to consume on an average run from 800,000 to 1,250,000 gallons of Diesel oil in a year. At a minimum, this is more than the total consumption of 433 domestic oil burners or a maximum of 625. I am further informed by a reliable person that quite recently a streamlined Diesel unit was placed in operation on that railroad, which had to be abandoned because the engine was found to be too heavy for the tracks. It has been suggested that inquiry should be made as to whether the railroad did not originally own the coal mine and then leased it, and that a further inquiry should be made as to the comparative price of coal under railroad ownership and under this lease.

It is my deep conviction that adoption of this amendment cannot conceivably do any harm, and it may do a great deal of good in terms of the threatened recurrent fuel-oil shortages in the coming years. Basically, it is only a warning to the several agencies to present a thoroughly satisfactory case for any such conversion or any new installation. I have supreme confidence that the several subcommittees of the Appropriations Committee will see that any such requests are thoroughly considered and authorized if they are in the interests of the Nation as a whole.

I hope very much that the members of the subcommittee will see fit to accept this amendment as was the case when we had the independent offices appropriation bill and the deficiency appropriation bill before us.

The amendment follows:

On page 74, line 23, after the word "law", insert a new section 502: "That no part of the appropriations contained in this act shall be used for the purpose of converting any coal heating units to oil or natural gas in any federally owned or rented buildings in or outside the District of Columbia, or for the installation of oil heating units in any new construction."

And renumber section 502.

Put Europe on a Production Basis

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 3, 1948

Mr. MACKINNON. Mr. Speaker, under leave to extend my remarks, I include an editorial from the Hennepin County Review, Hopkins, Minn., which appeared on February 19, 1948. This editorial is a constructive analysis of the original Marshall plan and it is based on sound judgment. I commend the thoughtful suggestion to my colleagues. The editorial recognizes the need and the merit of sound reasonable assistance to Europe without falling into the fallacy of the hysterialists who demand that the highest suggested amount be appropriated practically without inquiry and without any restrictions for administration by an agency without experience. There is a need for haste, but there is room for inquiry. There is a need for money, but the future need will be less and will be met more willingly if we prescribe reasonable precautions to prevent this from becoming a European WPA.

The editorial is as follows:

WHOSE STRATEGY?

The Wallace people are now urging the Truman people to bury the hatchet so far as the Presidential race is concerned and "concentrate" with them in the job of electing progressive Senators and Representatives.

Whether this turns out to be a good idea or not depends on who the Wallace high command decides to support for the congressional seats. If they make it their rule that no candidate for Congress can be supported unless he denounces the Marshall plan, then the idea certainly can be regarded a Communist Party idea. There will be many progressive candidates for Congress this year, including some incumbents, whose progressive records on all domestic issues have been 100 percent and who are also supporting the so-called Marshall plan. To oppose these candidates simply because they support the Marshall plan will be for the Wallace people to admit their strategy is being formed by the Communists.

It is the wish of the Soviet Government at Moscow to smash the Marshall plan. If this is done it means we will pull out of Europe, leave Europe to its misery and the influence of Russia. So it becomes the duty of American Communists to oppose the Marshall plan. If opposition to the Marshall plan then is a must for all candidates for Congress who get the support of the forces behind Henry Wallace, the deep suspicion that the Communist influence is the principal influence behind the Wallace candidacy will indeed be pretty well grounded.

This is going to be a mighty interesting angle to watch, and the ultimate policy in this respect will pretty well tell the story as to who is who on the top levels of strategy in the Wallace headquarters.

Some sort of a Marshall plan is a must in the present Congress. It is the moral obligation of the world's breadbasket to help feed the starving millions of Europe, and to assist them intelligently in putting themselves on a production basis at the earliest moment. Many who have some fault to find with the Marshall plan as it is presently shaping up are freely accused of preaching the "'Commie' line." This should not deter them from putting their views plainly before their representatives at Washington.

The plan in principle is good, but it must not be twisted and distorted until it becomes simply a glorified hand-out to those countries whom we can depend upon to trade with us and to boycott Russia. Within such a dishonest framework it can never accomplish any lasting benefits, but on the contrary is certain to add to the continuing woes of the world in general and Europe in particular.

Here's one item on which we can go along with Joseph Lincoln Ball: a little less than $262,000,000 worth of tobacco for the beneficiaries of the Marshall plan in the first 15 months.

Italy—Stalin's Target No. 1

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 3, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Mario P. Alfieri, from Plain Talk for February 1948:

ITALY—STALIN'S TARGET NO. 1

(By Mario P. Alfieri)

Upon returning to the United States from Rome after nearly 2 years, I was quite surprised by the lack of accurate information Americans have about Italy. The average American with whom I have talked considers Italy a washed-up, demoralized country whose starving people we are expected to feed. Americans don't object to feeding starving Italians, but they usually fail to see how any possible good could come to the United States by so doing. They fail to see Italy's importance in that strategic "no man's land" between two worlds that are ideologically opposed. They have never been told of communism's plan for Italy as the No. 1 target in the conquest of the western world.

Despite the optimistic reports of many of our columnists and Government officials that the political tide in Europe has now turned in our favor, the Communist Party in Italy has never lost ground; it has steadily gained. The best that can be said at present is that its rate of progress has been reduced. The Communists are generally acknowledged to control 30 percent of the votes. Even if they gain no more, they will be the strongest single party in the first parliamentary elections of the new Italian Republic, to be held this spring. I am sure that, if the Communists in Italy are not checked within a few months, they will surge to complete control by next summer. The European recovery program is Italy's last hope. If it fails, the Italian people will resign themselves to their fate, a fate which millions have already accepted.

In cold reality, we have tragically and unwittingly and indirectly sponsored communism in Italy, yet there is still hope of turning the tide if the United States acts speedily and intelligently. We paid the bill, but the Communists are taking over. Our occupation was temporary, but that of Russia is designed to be permanent. The omnipresent Red shadows are now gradually emerging from the background. The showdown is near.

The time for that showdown had to be delayed until Allied troops had departed. Meanwhile, the Communist position has been consolidated and strengthened, not only in Italy, but throughout the international Red periphery. In 1946, and until late in 1947, Communist political and economic sabotage in Italy was limited and camouflaged to a degree sufficient to steer internal developments more or less in the direction desired, while forcing responsibility for ineffective

government and economic and financial chaos upon the Communists' political opponents. The plan has been brilliantly successful.

While the United States said with innocent faith to a liberated Italy, "Rehabilitate yourself democratically, and you will be left in peace in a world that wants peace," Russia gazing through the refocused lenses of world revolution, saw Italy for what it really is—a geographical, psychological, and spiritual gateway to world conquest. Russia knows that the Italian boot offers access for world revolution into Europe, Africa, and the entire West.

More than a year ago—in November 1946—I attended a Communist meeting in Rome. The audience was told that Henry Wallace had already organized the third party in the United States. Within 2 months that piece of information was widely disseminated in Italy. The official act would be a mere formality, said the Italian Communists in 1946. The implication was that the United States was trying to stop communism in Italy, but that it couldn't even stop communism at home.

On February 6, 1947, identical public forums on the topic, Where Is America Going? were held in all 52 of the Communist Party's sectional headquarters in Rome. I attended the meeting in the Piazza Bologna area. When the principal speaker, Avv. Natoli, had finished, I am certain that the crowd would have lynched me on the spot had they known that I was an American.

The audience was entirely convinced that Italy's plight was caused by an international conspiracy of United States capitalists. The new and tremendous industrial establishment of the United States can survive and prosper only by a program of imperialism and expansionism, the speaker said. Without such a program, a terrible economic depression would soon be precipitated. All unfavorable postwar developments in Italy were due to the United States master plan to secure a stranglehold on the economic structure of the world. Even UNRRA was depicted as a United States instrument for suffocating Italian industrial rehabilitation.

In one night, in Rome alone, more than 10,000 easy-to-convince people had heard the same story. But the program didn't stop there. Within a few days it was repeated at every Communist headquarters throughout Italy. The next day, the hundreds of thousands of Communist "cells" took up the torch. Each cell member promotes in his daily life the gospels he hears at headquarters. Virtually every working-class Italian, therefore, is subjected to organized, carefully prepared propaganda. It is especially effective because it is delivered at close range, by plain people, by the friends and neighbors of millions of unsuspecting victims.

In any central square, on almost any night, two cell members open an argument between themselves. The conversation gets lively. The crowd gathers. And the subject is "Where Is America Going?" Who wins every point of the argument? You guessed it—the Communist Party, the same party that prepared the "impromptu" conversation.

To bolster and steer the activities of the Red cells, various leaflets and publications containing vicious anti-American propaganda are given a limited distribution. But, very shrewdly, the Communists have maintained relatively moderate tone in the attacks on the United States in their official daily press organs. By this method the man in the street hears the awful "truth" from outside sources, not clearly identified as Communist, and the official Communist allegations therefore appear reasonable and authentic. The same strategem has served to conceal from American observers the true intensity of anti-American propaganda.

Communism became the dominant political force in Italy during the war. While the Allies were gradually liberating the peninsula from the Nazi-Fascist, the Italian underground, in the form of partisans, was slowly organizing itself into political as well as military forces. Russia, while still fighting for survival on the eastern front, did not fail to recognize a golden opportunity to establish a Communist beachhead in northern Italy. Communist agents with Communist finances found little difficulty in organizing the majority of the partisans under the Red banner. That 1944 beachhead has now engulfed all of northern Italy and extended itself deep into southern Italy. It has paid enormous dividends to Russia.

After the liberation, Communist partisans or their families were skillfully implanted in all fields of economic, political, and social endeavor in the north. They took many leading roles in the police force, local government, organized labor, transportation, commerce, and agriculture. Before it was realized, the Reds were supreme in the rich industrial and agricultural heart of the nation. The partisan associations of different political color were gradually reduced to relative unimportance. In accordance with our naive principles of those days, the AMG drew no political lines.

Complete regiments of Communist partisans were transferred directly into the Public Security Forces, Italy's national police structure. The Communists became the strongest force in organized labor, a mighty political weapon. At first gradually, then at a rapidly accelerating rate, the non-Communist officials were eliminated from the General Confederation of Italian Workers (CGIL) and the National Association of Italian Partisans (ANPI), until Communist domination became Communist monopoly early in 1947. Members of the CGIL are now effective Communists whether they like it or not. The ANPI will eventually become a 100-percent Red front.

The number of partisans has probably doubled since the liberation. ANPI officials simply issue false documents to their faithful. The Italian Youth Front and Democratic Union of Italian Women, with centers in every city and commune, are also well organized and financed. No similar anti-Communist movements of significance exist to compete with them.

As the 1946 elections approached, Italy's new democracy seemed to be making commendable progress. The Allied Commission in Rome was quite pleased with itself. The Communists were avoiding political agitation and demonstrations which might have interfered with the elections, for they knew that only after the elections would Allied control be relinquished.

The complacent Allied Commission decreed that all Americans stay away from all voting places in order to permit the Italians to do it in their own way. That gives a fair idea of the absolute lack of apprehension about communism that existed in Italy among American forces during 1946. Yet competent, though disregarded, observers had reported months before the elections that the Communists had carefully planned a deliberate campaign to sell out the government of which they were to become a part, and to sabotage all efforts for the democratic rehabilitation of Italy.

The elections came, and a new republic was born. The Demo-Christians, a left-of-center, anti-Communist party headed by Alcide De Gasperi, polled roughly 40 percent of the votes, about the same percentage as the Communists and the Socialists combined. The Communists were in third place. "I told you so," was a common expression in Italy after the results were known. "Italy will never go Communist." Yet 4,000,000 people previously wary of communism had voted the Red ticket.

Few of us at that time stopped to think that the Communists already held the real power—the power to paralyze industry, commerce, and transportation. We remained oblivious to this fact for a long time because we were half blind, and because Palmiro Togliatti, Italy's Red chief, has administered his power by prescribed doses only. His policy has been guided by two broad considerations: (1) the Italian Communists were rapidly building up popular support as a democratic party, and open attempts to sabotage recovery would have meant loss of votes; (2) international communism was advertising itself as "true democracy," and aggressive tactics in Italy, still outside the iron curtain, would have hastened the advent of the United States "containment of Russia" policy.

While the Communists were building support among the masses, they obstructed all governmental efforts toward economic recovery. Throughout the country, the people were approached at close range by members of Communist cells and offered guidance and assistance. Sharecroppers were told that "the land belongs to those who work it." Hundreds of small local groups of sharecroppers were led in uprisings and the land was appropriated. In the factories, the Communists clamored for workers management councils. In local government (where non-Communist communal councils were in office), they formed their own councils of the people to "democratically represent the workers and their interests to the competent authorities." The people were constantly told that their insufficient rations and sad economic situation were the fault of the reactionary government.

From the very first the Reds advocated the doubling of wages and all-out worker benefits which they knew to be impracticable and conducive to an inflationary economy. Nevertheless, this portrayed the Communist members of the coalition cabinet as the only real champions of the working people.

In the late summer of 1946, when the weak De Gasperi government was faced by a runaway financial situation, a new Treasury Minister, the conservative Corbino, outlined an excellent anti-inflationary plan. It never advanced beyond vague plans and speeches, for the Reds opened a full-scale offensive. Not only were Corbino's policies condemned, but a wild cry went up for higher wages and for payment of a bonus to all workers. Strikes and demonstrations, controlled by CGIL, broke out like a rash.

The average citizen understood nothing about inflation. All he knew was that the Communists wanted to give him bread and work, while the Government sought to take it away. The Communists held the Finance Ministry and controlled sources of revenue. The Government's program was paralyzed. Corbino finally resigned in disgust, and the hapless cabinet collapsed after him. The Communists had won a tremendous victory.

Ever since the Corbino affair, the Communists have successfully manipulated labor and the general economic front for their own purposes. The fact that they took over control of all local government in Milan in a demonstration during the last week of November 1947 is a clear indication of their strength in Italy's industrial capital. The Milan incident was only a dress rehearsal, designed to test the Communist military apparatus.

Manipulation of food supplies is helping communism to catch on in the South. The northern cities, where local government is dominated by the Reds, always got their bread and pasta ration on schedule. In other cities, like Naples and Bari, where a rightist local government had been voted into office, rations would not be delivered. When Naples and Bari were finally starved into agitation, the Communists came to their aid, denounced the local administration and forced the Rome government to make emergency provisions to meet the situation. The Reds took all the credit and enrolled many new Communists.

The stories of mass starvation in Italy are exaggerated. Italy, like England, is greatly in need of austerity measures. But no country in Europe has as much food or other consumer goods to offer in its markets. Apparently limitless stocks of meats, cheeses, and vegetables are always available in countless neighborhood shops and outdoor markets. To the superficial observer, Italy is a land of plenty. But the vast majority of the population eats poorly, and a large part are definitely underfed. The official ration is too low to meet minimum subsistence requirements. And the average Italian does not have the purchasing power to buy a sufficient quantity of the proper food from the only available source, the black market.

For more than 2 years the government has been warning that it intends to confiscate war profits, convert all currency with new issue, impose a high tax on personal wealth, etc. The result of such an all-talk-no-action policy has been to goad the paper-rich minority into buying everything they can, and consuming far above their normal requirements. This free spending is constantly contributing to the spiraling inflation. A sound financial program would have stopped it long ago.

Certainly that which Italy has could be made to go much further. More people should be better fed and better clothed. But before such a program can be realized, the lira must be stabilized, the economic structure strengthened, and reconstruction accelerated. But who is to wield the steel broom? After more than 2 years of floundering, the Italian Government, hopelessly stalemated by incompatible extremes, has gotten nowhere along these lines. The Communists are doing all they can to deepen the economic chaos, and ironically, they are receiving the cooperation of their mutual enemies, the neo-Fascist fronts.

As long as Italy's government is weak, the fanatical, greedy residue of fascism will remain among its subversive elements. The neo-Fascists do serve as a definite threat to public order and they have contributed to undermining political and economic stability. But they are now weakly organized and poorly financed, and they lack party discipline and outside support. The successful modern dictator must be "democratically minded" and clever enough to convince the people that only he can bring them freedom and well-being. So today there are only two potential dictators in Italy worth considering. Giannini, the monocled playwright boss of Italy's monarchic-reactionary, rightist conglomeration called the Qualunquists (L'Uomo Qualunque or Common Man front) is one. The other and immeasurably the stronger is Togliatti, the Red boss, who has proved conclusively that communism is not an ideology, but cold and calculating tyranny that opportunistically shapes its policy in accordance with the public pulse.

The Demo-Christians, the only real force opposing communism, are a relatively weak party. They have but a small following in the Communist-controlled north. In the south they are weaker than the Qualunquists and other rightists combined. Their vote failed to match that of the Reds even in Rome, where they are the Vatican-directed rallying point against communism.

Togliatti's anti-Vatican propaganda has been calculated to show that Communists are among the most ardent of Catholics. The official Communist propaganda is therefore always pro-Catholic, but anticlerical. Leading clergymen are depicted as fellow-conspirators of United States capitalists in their plot to enslave the working classes. That is why the Vatican has chosen to attack communism, Togliatti explains.

By their use of independent tabloid-type periodicals, the Communists have carried on a vulgar and sacrilegious campaign against the clergy. Obscene caricatures show priests committing shameful deeds; their brothers in sin are usually Mussolini, greedy industrialists, or American capitalists. Don Basilio, the worst of these scandal sheets, set the pace in 1946 when it first dared to caricature the Pope himself.

The prime reason why it is important to the Kremlin to gain domination over Italy is because the ancient gray-walled Vatican stands inside Rome. Long before the United States was aware of it, the Catholic Church had identified the demagogic tyranny which called itself communism and sought to rule the world by starving the human spirit and reducing the human body to a commodity.

The Vatican intelligence service is the best in the world. And, like any supreme authority, the Vatican is well equipped to recognize its enemies and to mobolize its worldwide resources for resistance. Russia wants Italy just as it wants Austria and France, but it also wants Italy because through Italy it can get to the Vatican in a direct and physical sense. Make no mistake about it, once Togliatti has delivered Italy, the iron curtain will eventually be drawn around and over the Vatican, and the most important anti-Communist force in the world will be neutralized. But that is not all. Through Moscow's new concept of extraterritoriality, the Vatican may conceivably be converted into a puppet Kremlin outpost: There would have to be a change of personality, of course, but such a maneuver would nevertheless be very effective for spreading propaganda to Communist-dominated countries. Possibly this has a connection with the Soviet policy of would-be religious tolerance.

A second reason why Stalin has signified Italy as a primary target is the fact that Mussolini's almost perfect police state structure still exists there, merely waiting for a new dictator and a partial change of staff. Italian police are of two broad categories—military police (Carabinieri), with jurisdiction over civilians, and straight civilian police (Forse di Publica Secureza). There is no regional police autonomy; all final police authority emanates directly from the office of the Ministry of the Interior in Rome, though the Ministry of War retains limited jurisdiction over the Carabinieri. Such military and civilian interrelationship of police authority makes for total and absolute centralization of control over all phases of Italian life. It gives any potential dictator a police-state structure that controls not only all civilians but also the military.

Secret agents exist in both arms of the police force. Their lists of special informants could easily be converted into an organization such as Mussolini's dreaded OVRA. The process is already underway. Telephone tapping is a past art which the secret agents do not leave neglected. How well I know it. Many restaurants and other public places are still lined with microphones. Though most of them have been dropped from the "active list" for the present, the whole system perfected by the Fascists could be easily shifted back into high gear.

In general the police forces are now functioning democratically, because all political factions are still represented. But the Communists are infiltrating the lower ranks rapidly. The formality of switching the top men will be simple in the event that the Communists succeed in gaining control of the Ministry of the Interior.

There is only one key to control of Italy—the Ministry of the Interior. It provides and controls all Italian police, it also administers, polices, and regulates all elections—a perfect formula for one-party supremacy. As the strongest party the Communists would have the right to this ministry. And one year after they took it over Italy would be a strong-arm, one-party police state.

This totalitarian police structure seems to me the most overlooked, but nevertheless the most critical information about Italy. The Italians are ignorant of it because they have never known another system, and the Americans have just failed to look.

At the close of the war no people were more anxious to try democracy than the Italians. With the United States, the greatest of all democracies, present to guide and to help, optimism and hope were high. But in little more than 2 years the Italians have again resigned themselves to the old ideas of dictatorship, patronage, corruption, deceit, and fear. Communism, once the most hated of all systems, has emerged as the most powerful public force in Italy.

The odds have turned against us, but democracy may still win if we really get down to business. Swift, decisive, and authoritative action is needed—a good program and, above all, good men. The second-raters, the joy riders, the blind, and the indifferent have been there long enough.

We should try to help Italian industry by sending larger numbers of skilled industrialists directly into Italian factories. Their job would be to arrange for delivery of needed equipment, factory by factory, and to stay at the plant long enough to see it in use. We should assign agricultural experts, province by province, to supervise the distribution of fertilizer and equipment. We should have crop estimators there to measure the results.

We should help Italy to stabilize its currency, something we failed to do in 2 years of occupation. Money in circulation has officially increased more than 250 percent; no one knows how much counterfeit money has been printed. There are many other things we should do, but most of all we should launch a strong pro-American propaganda campaign, designed not only to counteract the Communist propaganda against us, but to let the Italians know of our help to them and of the benefits of democracy. The truth of words should be backed up by the truth of action.

There are only a few months left in which to act.

Opposes Women in the Navy

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 1948

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks, I am inserting in the RECORD a letter written by a disabled Navy veteran to the editor of the Washington Star of March 2, 1948, in which the veteran expresses his views with reference to S. 1641:

OPPOSES WOMEN IN THE NAVY

To the EDITOR OF THE STAR:

Not that I think it will do very much good, but I'd like to add my 2 cents' worth to the almost unheard voice of protest about the Navy's enlisted men being sold down the river at last Wednesday's hearing on the WAC-WAVES bill, now under consideration by the House Armed Services Committee (Subcommittee on Organization and Mobilization).

The most junior of the five persons testifying at that hearing was packing four twinkling stars. It's been so long since any of them had direct, man-to-man conversation with any enlisted men that they seem to have forgotten how they think. This may serve to refresh their collective memory a little.

The enlisted men of the Navy are bitterly opposed to the inclusion of a regular female complement in their service, and with good reason. They admit that the WAVES did a good job during the war, but think that

they should go home now. A poll taken by Our Navy Magazine last fall proved this beyond a shadow of a doubt. The main arguments advanced against it are:

1. If the WAVES cannot be placed on an equal footing with men in all matters (and they obviously cannot) there is no valid reason for them to be given equal pay, rate, and privilege.

2. The WAVES, by reason of their sex, will not be available for much assignment outside the continental limits of the United States, thereby cutting down the chances of shore duty for men in our fleet.

3. The passage of this legislation (S. 1641) would keep many male members of the service from steady routine advancement from one pay grade to the next highest. The WAVES cannot meet the same requirements for advancement required of men. For example: For a man to advance from first-class petty officer to chief petty officer, he must serve at least 3 years as first class, 1 year of which shall be served at sea. How does Admiral Denfield propose to get around that if he intends to place women on an equal footing with men in the Navy? An interesting sidelight on the rate situation is that there are 1,787 enlisted WAVES on active duty, of which only 68 do not hold petty-officer ratings.

4. Passed off as it may be by some people, it is the traditions of the Navy and of the sea that keep many men in the service for 20 or 30 years. The history of the Naval Establishment is weighed down with such traditions as "Men make the Navy and the Navy makes men," "Iron men and modern ships," "Men of the sea," the time-honored belief that women and ships don't make a good mixture, and many others of a similar type. Perhaps it's romanticism or even foolishness but the fact remains that a great number of sailors believe in it.

5. A great many women's organizations are opposed to the measure for moral reasons, and, as a reminder to the Congressmen on the committee, these women vote.

The Navy Department seriously should consider these arguments before going all out for a permanent female complement, as should Congress. They may build up their immediate strength, but it's highly probable that each woman brought in will mean a man lost, and it still takes men to sail and fight ships, regardless of what arguments Navy top rankers can muster in favor of S. 1641.

A DISABLED NAVY VETERAN.

Federal Highways

EXTENSION OF REMARKS
OF

HON. FRED L. CRAWFORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. CRAWFORD. Mr. Speaker, a few days ago an appropriation bill cleared through the House carrying certain appropriations for building and maintaining highways.

Throughout the United States the people who use the roads are now paying tremendous sums of money into the Federal and State treasuries in the way of automobile and truck license fees, and State and Federal taxes on gasoline and lubricating oils.

I repeat, when these payments are taken as an aggregate they constitute extremely large sums of money. From day to day more trucks and more automobiles are being registered, and this fact in addition to the fact that we have substantial highways already constructed, many miles of which are in a first-class state of repair, are facts which take on great significance when considering appropriations for building highways and maintaining highways.

In my opinion, Prof. John S. Worley, of the University of Michigan, is one of our outstanding authorities on highway problems. He has just released a statement dealing with the question of how much Federal highway funds are needed. I submit his statement for the information of those who are interested in this subject:

NO FEDERAL HIGHWAY FUNDS NEEDED

(By Prof. John S. Worley, University of Michigan, Ann Arbor, Mich.)

At this time—February 1—there are three bills before Congress which provide for annual Federal appropriations ranging from $300,000,000 to $500,000,000 for highway improvements, the periods for which such appropriations would run varying from 3 to 5 years to "in perpetuity." The adoption or rejection of any one of these proposals should depend upon whether or not such help is needed from the Federal Government and upon whether the public benefits would justify the cost.

The proponents of such legislation claim that the war traffic did great damage to paving surfaces—a plausible statement. The writer, during the period since the war, has driven over the main highways of a majority of the States, without finding evidence of the destruction which has received such emphasis. Questioning of those in position to know likewise brought forth no evidence to support such a claim. If a few short stretches of road, 1 or 2 miles in length, were damaged, this was likely due to poor construction or soft subgrade.

It has been said that the "extensive damage" was due to a large volume of traffic and excessive loads. The official statistics of motortruck traffic, private and for hire, as reported by the ICC for the years 1939 to 1945, indicate that there was little, if any, increase in the ton-miles passing over the highways. During the war period, five States increased their allowable axle loads to 18,000 pounds and their gross loads to conform with those of adjoining States. A total of 11 States granted, as a temporary war measure, an increase in gross loads. In a few instances special permits were granted for larger loads, but this was unusual. Neither the volume of traffic nor the size of loads during the war period support the theory that they had a damaging effect upon our highways.

MAINTENANCE HAS GONE ON

Superimposed upon the claim of destruction of our highways by war traffic is the claim of deferred maintenance. During the war period (1942 to 1945, inclusive), passenger-car-miles totaled 1,397,000,000 compared with 1,970,000,000 for the 4 years just preceding the war. We have already seen that there was no material increase of truck traffic. But the amount spent for highway maintenance has a bearing upon the subject. The Public Roads Administration reports that for the years preceding the war (1938 to 1941, inclusive) the cost of administration and maintenance was $2,922,000,000 and for the 4-year war period (1942 to 1945, inclusive) it was $3,206,000,000. In light of the foregoing, it is difficult to see how deferred maintenance, if any, could have been a significant amount.

Then we hear that the construction of additional highways was stopped during the war. This is partially true. However, the Public Roads Administration reports $3,503,000,000 spent on new construction for the 4 years preceding the war and $1,877,000,000 during the years 1942 to 1945, inclusive. Totaling the two, observe that for the 4-year war period there was spent for the construction and maintenance of roads and streets $5,173,000,000, compared with $6,495,000,000 for the 4 years just preceding the war. Attention is called to the fact of an increase in costs particularly during the last 2 years of the war.

Among the other reasons advanced for large Federal appropriations for highways is the desire to build safety into our roads and streets. Motor vehicle accidents are our No. 1 headache. Safety should be a dominant factor in the design and construction of roads and streets. However, a study of highway accidents frequently shows that they are caused by something other than the physical characteristics of the road and that the expenditure of large sums of money is not necessary to correction.

MILITARY ASPECT IMPORTANT

The development of a highway plant capable of meeting our future military needs furnishes more justification for the appropriation of Federal funds for highway purposes than all others. The location of the improvements, their nature, and the cost as it pertains to national defense are subjects for military determination. However, it is reasonable to suppose that they will largely be confined to and consist of the improvement of the existing interstate highway system, the length of which is less than 40,000 miles.

A highway system to meet our permanent future domestic needs is of great importance. Currently, improvements are needed for exit and entrance to our urban areas—not the improvement of every road, but rather, the main arteries of travel. The length of a road and the nature of its improvements will depend upon each particular situation and the size of the urban community. With few exceptions, these improvements will be needed for cities of 50,000 population or more. Of these there are 188 in the United States.

Then there are expressways, grade separations, and detours which should be built. Rural roads not immediately adjacent to or entering cities of less than 50,000 population are, as a rule, sufficient for current needs. Some natural-resource arteries, as well as some farm-to-market roads, need to be built or improved. But all of these are local projects—the benefits are for the citizens of the community or State and they should pay the full cost of construction and maintenance.

HIGHWAY PLANT ABOUT ALL PAID FOR

An examination of highway financing sheds some interesting light upon the subject. As of January 1, 1947, we had a road and street system which cost approximately $32,000,000,000. There is, however, a $1,173,000,000 outstanding State-highway indebtedness and an estimated $2,066,000,000 county- and city-highway indebtedness. That is to say, we have a $32,000,000,000 plant for future use, all of which has been paid for, with the exception of an indebtedness of approximately 10 percent.

As of this time, we have a highway system which largely meets our domestic needs. Its cost has largely been met by current highway revenues. The additional improvements during the next 27 years will probably not be more than those of the last 27 years, in which the present system was constructed. Our present system of taxation is such as to provide annual highway revenue in excess of that of past years. This highway revenue will be further increased by an increase in the number of vehicles using our roads.

The foregoing analysis can lead to but one conclusion, that, excepting for military purposes, we are not in need of Federal funds to provide a highway system which will be in keeping with our social and commercial

needs. The bills before Congress should be amended to provide only funds for the improvement of the interstate highway system and roads located within Federal reservations.

Tax Reduction

EXTENSION OF REMARKS
OF

HON. WALTER C. PLOESER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. PLOESER. Mr. Speaker, I want to extend the following address made in my district recently by a friend of mine Mr. Albert E. Schoenbeck:

ADDRESS DELIVERED TUESDAY, FEBRUARY 24, 1948, BEFORE THE TWELFTH WARD REPUBLICAN CLUB, 4704 HAMPTON AVENUE, BY ALBERT E. SCHOENBECK, ATTORNEY, AND MEMBER OF THE ST. LOUIS CIVIL SERVICE COMMISSION

Mr. Chairman, neighbors and friends, in a national election year, possibly no problem of the Federal Government can be considered wholly nonpolitical. If, however, there is any domestic issue upon which both major parties should now agree, it is that the Federal individual income-tax law should be revised and the tax rates reduced.

America needs a tea party, not a social affair for gentle ladies, but a blood and thunder protest of the 1775 variety when American men and women, sick of taxation without representation and tired by years of fruitless waiting for action by the British ministry, finally took things into their own hands by dumping His Majesty's tea smack into the Atlantic Ocean.

For 2½ years now, the American people have been waiting for sensible revisions in the individual income tax law and substantial cuts in the confiscatory, wartime rates. During the war, although some grumbled, most Americans were willing to pay abnormally high taxes. They felt that in doing so, they were in some measure helping in the conflict in which their sons and daughters, brothers, sisters and friends were sacrificing the comforts of home, good-paying jobs and even their lives. But the war is now over. It has been over for 2½ years, and for that long the American people have been waiting for a cut in wartime tax rates.

In 1946, the American people voted for tax reduction. That was one of the clear-cut issues of that congressional campaign, and the overwhelming manner in which Americans turned out the "ins" and voted in the "outs" was conclusive evidence of their feelings. They wanted their taxes cut.

And so when the Eightieth Congress organized in January 1947, the very first bill introduced into the House of Representatives, H. R. bill No. 1, was a tax-relief bill. You are familiar with its fate. After being passed by both Houses of the Congress, it was vetoed by the President. Later in 1947, a second tax-relief bill was adopted by Congress but it too was vetoed by the President. The House voted to override the veto, but a corporal's guard of hold-over Senators—it only takes one more than one-third of those voting—voted to sustain the veto. Thus, for 2½ years, the fulfillment of the desire of the American people for tax relief has been thwarted by the President and a handful of Senators.

Now there is a new tax bill before the Congress, House bill No. 4790, known as the Knutson bill and hopefully entitled "The Revenue Act of 1948." The bill, after being recommended by the House Committee on Ways and Means, was enthusiastically passed by the House of Representatives by a vote of 297 to 120. That is 19 more votes than necessary to override a Presidential veto. It is now in the Senate where it, as its ill-fated predecessors, must run the gantlet. There are some indications that the bill may be amended in the Senate. If it is, it will have to go back to the House for passage there. And then, of course, will come the most rugged part of its journey into law, the trip through the White House.

The Knutson bill, if enacted, will do three things. It will reduce the wartime rates of the individual-income tax. It will give relief from the high cost of living to all taxpayers, particularly those in the low-income brackets. It will equalize the tax burdens of married couples in common-law and community-property States.

Each one of these things sorely needs to be done. Certainly the wartime rates of the individual-income tax must be reduced to again encourage the initiative, skill and ingenuity of the American people. The present rates are so high and so quickly ascend to confiscatory levels that it is almost impossible to take home more than a limited amount of pay. For regardless of how high a man's wages nominally are, when he goes to the paymaster's counter on pay day, he learns that the tax collector has been there ahead of him and has cut a big piece off the check. If the following week he works harder and longer, and then once more makes his way to the paymaster's counter, he again finds that the little man with the big hands has been there first and has grabbed an even bigger chunk from his check. The tax collector is never satisfied; the more you make, the bigger percentage of your pay he takes. You can't win.

The ultimate effect of these confiscatory tax rates is to limit, arbitrarily, what a man can make. Abraham Lincoln in an address before striking shoe workers in New Haven, Conn., told the men that he believed in the right of workingmen to strike, but went on to add:

"I don't believe in a law to prevent a man from getting rich; it would do more harm than good. So while we do not propose to war upon capital, we do wish to allow the humblest man an equal chance to get rich with everybody else. When one starts poor, as most do, in the race of life, free society is such that he knows he can better his condition; he knows that there is no fixed condition of labor for his whole life."

We need to replace the present theory of limited incomes, bound by confiscatory taxes, with the concept of freedom of opportunity for all. The young people of America have a real stake in seeing that this is done and done quickly.

Although an economic philosophy of limited incomes for all was temporarily accepted by Russia, it was soon abandoned as unworkable. Certainly, the disciples of the Kremlin in our midst should not be permitted to saddle us in times of peace with a tax policy that destroys rather than builds nations. High on the list of factors which have made America great has been our national concept of free enterprise. This concept is founded in part upon two Christian principles. As a people, we recognize the fact that to some have been given five talents, to others, two, and to some, one; we also recognize that every laborer is worthy of his hire. The Soviet-born theory of leveling all incomes would strike down those principles.

For too long now too many Americans, fully realizing that the bigger their pay checks the bigger percentage of them is grabbed by the tax collector, have been saying: "What's the use?" and "Let's not work any longer since we're working for the tax collector anyway." That philosophy cannot longer continue without harming the character of the American people. When individual income-tax rates are so high that they place a premium upon laziness, poor work, and lack of ingenuity, they can morally bankrupt a people. Economic bankruptcy usually follows moral bankruptcy. Point to a good-for-nothing loafer and you usually point to a penniless bum.

The Knutson bill would permit the worker to receive a larger share of his earnings, and in doing so it will encourage his normal and healthy desire to get ahead in life and to better provide for himself and his family. The bill grants reductions in the rates of taxation ranging from 30 percent in the low-income brackets to 10 percent in the high-income brackets. Persons with annual net incomes of $1,000 or less after exemptions would receive a 30-percent reduction in their tax. Persons with incomes of $1,000 to $1,400 after exemptions would receive a reduction of from 30 percent to 20 percent in their tax. Those with net incomes of from $1,400 to $4,000 after exemptions would receive a reduction of 20 percent in their tax.

Those having net incomes of $4,000 after exemptions would receive a reduction of 20 percent in the tax on their first $4,000 of net income after exemptions and of 10 percent in the tax on any remaining net income. Now, although you will find that even with these reductions, your taxes will still be high enough, at least it will be some encouragement to get these reductions.

The second reason that the Knutson bill should be enacted into law is that it will give relief from the present high cost of living to all taxpayers, particularly in the low-income brackets. Every man and woman present is keenly aware of the tremendous rise in the cost of living which has occurred since 1939. If the period of 1935 to 1939 be considered as reflecting the normal cost of living, and a price index of 100 is assigned to that period, then based upon the same index, the cost of living has risen until by March 1946, it was 156 percent, and by November 1947 it was 165 percent. And although the wages of many have increased in the same period, there is substantial evidence to show that individual income after taxes has not kept pace with the cost of living.

"On a per capita basis and in 1947 dollars, income after taxes has shrunk from an average of $1,285 in the first quarter of 1946 to $1,188 in the fourth quarter of 1947, a drop of nearly $100." (Report, House Committee on Ways and Means on H. R. 4790, p. 35.) And while wages and prices have continued to spiral, people whose incomes are fixed, those who are retired or aged, those who are blind, have suffered.

It is time that relief from the high cost of living be given all taxpayers, particularly in low-income brackets, and the one way to give it without increasing the inflationary forces of new wage increases is to cut taxes. The American breadwinner who saves a dollar from the tax collector has a dollar of greater worth than one given him in a wage increase.

The Knutson bill increases the personal exemption of every taxpayer and for each of his dependents from $500 to $600 per year. This will put dollars into the pockets of the American people—real dollars, not cheaper dollars—and surely all of us could stand a few more real dollars today. The bill grants an additional exemption of $600 to a taxpayer who is 65 years of age or over. If both the husband and wife are 65, each receives that exemption. An extra exemption of $600 is granted to a taxpayer who is blind. Certainly these humanitarian aspects of the bill are justified to aid those of our aged and blind who are taking care of themselves under the severe handicap of the present cost of living. This, then, is the second good reason why the bill should be enacted.

There is a third reason: The bill extends to married couples in common-law States, such as Missouri, the same advantage of being able to split their income for tax purposes as is now enjoyed by couples in 13 community-property States, such as California.

At present, married people in Missouri and other common-law States, whose net income is greater than $4,000 per year pay from 3⅓ percent to 40 percent higher Federal income taxes than married couples in community-property States. This is obviously unfair. Federal income taxes should fall equally upon people of like income in all 48 States, and the Knutson bill will cause them to do so. Incidentally, there is an advantage for single persons under this feature of the bill, for inasmuch as the maximum standard deduction for married couples is increased to $1,000, the standard deduction for a single person is likewise increased to $1,000.

Here are three examples of what the Knutson bill, if enacted, will do to the income taxes of various individuals:

1. A single person who has no dependents whose net income is $150 per month now pays a $247 tax per year; under the bill, he would pay $173 per year, a saving of $74.

2. A married person who has two dependents whose net income is $250 per month now pays a $190 tax per year; under the Knutson bill, he would pay $80 per year, a saving of $110.

3. A married person whose wife and he are both over 65 years of age and whose net income is $150 per month now pays a $152 tax per year; under the bill, he would not have to pay any Federal income tax, a saving of $152.

These, then, are some of the things which the Knutson bill will do. Although it is just a step in the right direction of revision of the individual income-tax law and substantially lower rates, it is at least a step. Let's hope that it does become the Revenue Act of 1948. Surely the President and a few Senators have made us wait too long for this needed revision and reductions in rates. It once took the Boston Tea Party to get rid of taxation without representation; possibly it will take a national election to get rid of it now. But, whether it does or does not, we shall not have to wait too much longer for tax relief.

The Continuance of Veterans' Flight Training Is Vital to Both Civilian and National Defense

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. EVINS. Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to include several letters from constituents and others who are greatly interested in the continuance of the veterans' flight-training program under the Servicemen's Readjustment Act of 1944. These letters are representative of numerous communications received from students, instructors, operators, and officials of educational institutions—all appraising the benefits of the veterans' flight-training program and the need for continuance of aviation instruction during this the air age of America.

The letters are as follows:

THE AMERICAN LEGION, POST NO. 5,
Nashville, Tenn., February 26, 1948.

Hon. JOE EVINS,
Congressman, Old House Office Building, Washington, D. C.

DEAR JOE: I understand that the House Veterans' Affairs Subcommittee, under Chairman RAMEY, of Ohio, is considering the matter of continuing or discontinuing appropriations for flight training under the GI bill.

I want to urge that you lend your efforts to have this training continued and the necessary appropriations made therefor.

There are 63 of these schools in Tennessee, 56 percent of them owned by veterans. They have 473 employees, 256 of which are veterans.

Twenty-five percent of the gasoline-tax revenue accruing to the Tennessee bureau of aeronautics comes from these operations, and this money is used to improve air fields in the State.

These flight-training schools in Tennessee represent an investment of $3,500,000.

Personally, I think the veterans who want to take up pilot training under the GI bill should have the right to do so.

I am in favor of a continued program of flight training for the youth of our country, because we are going to have to call upon them to furnish the manpower for these National Guard squadrons, flying fighter planes when the present World War II veterans become too old for this type of flying.

Appreciating the kind consideration you have always given our requests, I beg to remain,

Very truly yours,
RICHARD D. GLEAVES.

FEBRUARY 11, 1948.

Hon. JOE EVINS,
United States Congress,
Washington, D. C.

DEAR SIR: We are writing on behalf of the flight-training program, and appeal to you for support for the continuation of this phase of training under the veterans' GI bill of rights.

At the beginning of flight training we prepared ourselves and equipped our school for a program of 7 years' duration, which required a considerable investment.

To suddenly stop this program would be catastrophic to every individual and business interested in progressive aviation.

Our veteran graduates have maintained a high sense of responsibility during and after completion of these courses at our school. Approximately 95 percent of our graduates have gained employment in the aviation industry. Some have established flight schools operating under Veterans' Administration contracts.

This company last year paid more than $7,000 in licenses and Federal and State taxes; paid a gross pay roll to 100 percent veteran employees of more than $23,000.

The value of this training to the veteran, and of them in turn to our country's defense, cannot be expressed in dollars if there is ever another national emergency.

We respectfully urge you to support the continuation of flight training under the GI bill of rights.

Yours very truly,
KNOXVILLE FLYING SERVICE, INC.,
MELVIN M. CAYLOR, *President.*

TENNESSEE AVIATION ASSOCIATION,
Clarksville, Tenn., January 19, 1948.

Hon. JOE EVINS,
Representative from Tennessee,
House of Representatives,
Washington, D. C.

DEAR MR. EVINS: According to a recent Associated Press release, President Truman has recommended to Congress that the GI bill of rights (Public Law 346) be amended to eliminate courses of study which are not constructively vocational. The writer of this press article has interpreted the President's views on courses which are not constructively vocational to include the GI flight-training program.

I wish to emphasize the importance of this training program to the economic structure of the aviation industry of the United States. In anticipation of a full 7-year program, flight operators throughout the country have increased in number four-fold in the past 2 years and have made heavy investments which cannot be financially realized unless the program follows through a normal development and recess in a natural sequence. An unnatural, abrupt termination of such a vital phase of the aviation industry would indeed be a catastrophe.

In behalf of the aviation operators of Tennessee, and in behalf of the thousands of veterans who desire the course, I am urging you to defend the GI flight-training program.

Sincerely yours,
BUFORD B. LEDBETTER,
President.

(Enclosure: Copy of letter from Dr. C. H. Gilmore, director of research, Department of Education, State of Tennessee, Nashville, Tenn.)

STATE OF TENNESSEE,
DEPARTMENT OF EDUCATION,
Nashville, February 25, 1948.

Mr. BUFORD B. LEDBETTER,
President, Tennessee Flight Operators Association, Clarksville, Tenn.

DEAR MR. LEDBETTER: I have been informed that the Veterans' Administration is taking the position that flight instruction is largely avocational and the major vocational opportunity is as commercial air-line pilot. I am unable to go along with this position. In the first place I feel that ground-school and flight training have an important bearing on one's concept of world geography and world problems. As coordinator of the civilian pilot-training program, the Navy War Training Service, and as director of aviation education in the State department of education, I found that relatively few people teaching geography even in college really had a clear understanding as to what the airplane has done, not only to the size of the world, but also to the development of new routes of travel. It is my opinion that many high-school students who have had aviation training have a better understanding of these problems than most adults.

I have every confidence that aviation is going to continue to develop as a great industry The pilot end of aviation is only one of the vocational opportunities available. However, ground and flight training are an important phase of education of individuals who hold positions in related areas. For example, in my experience as director of aviation education, I only found one man in Tennessee who had a rather thorough understanding of aviation insurance. He got his stimulus and basic understanding by virtue of the fact that he had had flight training. As a result of his knowledge of the problem his company was given the contracts for all of the insurance under our State programs because of his ability to work out satisfactory policies and continually reduce the cost of the premiums.

In my opinion, every aviation mechanic and every person working around an airport should have as a part of his training flight experience. He not only has a better understanding of what is involved in his job, but in practically every case is more enthusiastic and is a better salesman for the service which he is rendering.

Yours very truly,
C. H. GILMORE,
Director of Research.

WILKS FLYING SERVICE,
Fayetteville, Tenn., January 21, 1948.

The Honorable JOE L. EVINS,
House of Congress, Washington, D. C.

MY DEAR MR. EVINS: Reports say that according to the President's speech of the 12th of January, the GI program for flying may be eliminated. This is causing me, as well as thousands of other airport operators, great consternation, after all our efforts to bring our fields and equipment up to meet the strict demands of the Veterans' Administra-

tion. They alone have caused us to spend what seems an uncalled for amount of money on our projects.

We operators have been told that we can train a man to fly at an expense far less than the Government can through the Army or Navy. That alone is something to think about. In training these boys now, we are aiding to promote aviation to its place in the industries of America today, as it should be. We feel, too, that if we train these boys to fly now, they will be better qualified to meet the needs of Uncle Sam, if and when the occasion arises again, and we all feel sure that it will.

Then there is this viewpoint, if it wasn't for the GI program, many of our boys and girls would not be able to take the many courses in aviation that they are now afforded. If you could only hear the opinions of some of the veterans who have taken these courses, you would see that there is no need for question as to whether the program should be continued.

I am writing you this, hoping that my letter will help you to see our viewpoints on the matter, and what it means to us. When the matter is brought up in Congress, I hope that you will give it your ultimate attention.

Very respectfully yours,

CLYDE W. WILKS.

HARRIS FLYING SCHOOL,
White Pine, Tenn., February 16, 1948.

Hon. JOE EVINS,
House of Representatives,
Washington, D. C.

DEAR SIR: At present there is a bill before the House of Representatives to amend the GI bill of rights and exclude flight training thereunder, or to give the Veterans' Administration full authority to approve or disapprove a veterans' request for flight training.

Either amendment to the GI bill would be a serious detriment to aviation and an unfair decision to the veteran. I sincerely hope that any amendment to the bill taking away part of the training program and privileges under the GI bill will not pass. Although it is true that I have a pecuniary interest in this matter, as I earn my living by teaching flight training, I am against the exclusion of flight training for many other reasons.

Everyone knows that the world political affairs are more unsettled now than during the period preceding the last war, and I feel that during such times flight training is exceedingly important. The Veterans' Administration now terms flying as a "frivolous avocation," but it was not considered so when we were flying troops and cargo for the war effort. Preparedness seems to be the only answer against aggression. I was an Army pilot during the last war and I well know the importance of proper training.

Most all flight operators in the country have expanded their operations accordingly to take care of the veterans' training program and much of our investments will be lost if the training is terminated on such short notice. I hope that you will see fit to oppose this amendment.

I thank you for your time in reading this letter, and I wish you the best of health and success.

Respectfully yours,

ROBERT C. HARRIS,
Manager.

FAYETTEVILLE, TENN., *February 18, 1948.*

The Honorable JOE L. EVINS,
House of Representatives,
Washington, D. C.

MY DEAR MR. EVINS: I have heard and read about the act being brought about in Congress to wipe out the GI flight-training program. This, in my point of view, is rather a drastic thing to do, when you stop to think of all the things that are being done to promote aviation in America today. The Government is asking for greater air power, they're helping to build bigger and better airports all over the country, they're teaching boys to fly in various contracts and spending lots of money different ways to help support aviation. Then, why should they attempt to damage the other part that is being done by cutting out the one most important way they do have to create interest in aviation. Most small airports anyway will be greatly damaged by the discontinuation of the GI program, many to the extent that they will be forced to close. Every airport today is doing its best to promote the good will of aviation and without the ones that will have to close much of this will be discontinued too.

I am a veteran of the Second World War and I entered a course of flight training for a commercial license so that I may be able to fly for hire and, by doing so, have a means of support. I flew on this program until my entitlement exhausted and now I am still training on my own resources. I am happy for those boys that can train on the GI program and I know it means a lot to them. I, knowing from experience just what the program did for me, would hate to see the program taken from them.

Very respectfully yours,

AUSTIN WILLIAMS.

Compulsory Military Training

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Thursday, March 4 (legislative day of Monday, February 2), 1948

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement dated October 1, 1947, issued by the Senator from Ohio [Mr. TAFT] in opposition to universal compulsory military training.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AGAINST UNIVERSAL COMPULSORY MILITARY TRAINING

On my recent trip I have been asked several times my position on universal compulsory military training. As I understand it, no one is proposing to conscript men for service in the Army, but only for training. Therefore, the question has no relation to the problem of securing enough men for the Regular Army.

The question of universal compulsory military training is of course directly connected with our foreign policy and the armed forces necessary to maintain it, which I discussed at Tacoma.

It cannot be justified merely as a method of education unless we are prepared to turn over to the Federal Government and the Army an active part in conducting the education of our youth. I have always regarded the local administration of education as one of the foundations of American freedom. Each community must retain the right to decide how their children shall be educated, if we wish to avoid the dangers of a totalitarian state.

I set forth at Tacoma what I thought should be the keystones of our foreign policy. The first principle of any American Government, in my opinion, should be to maintain peace as long as world conditions do not threaten the freedom of the people of the United States. In my opinion that has not been the guiding principle of our foreign policy in the last 15 years. I do not feel confident it is the guiding principle of our Government today.

Secondly, I believe our foreign policy should be built around the United Nations, changing the whole emphasis of the organization to the establishment of law, and equal justice under law, and on the new Pan-American Treaty. We should join in giving the United Nations an adequate military force.

Third, we should fight the ideology of communism in the United States and do everything reasonably effective for other countries to help their people fight communism, including loans effective to increase their productivity.

Fourth, we should make peace with Germany and Japan and permit them to develop a self-supporting economy, with military restraint to prevent their developing any new power to make war.

For all of these purposes, for the present, we must maintain an Army, Navy, and Air Force strong enough to resist any attack on the United States by any combination of nations; and while the Russian attitude remains what it is, we had better retain the atomic bomb.

I do not agree that our Army, Navy, and Air Force have fallen to pieces, and I am supported in this by competent observers. Our military machine is still the most powerful in the world unless we want to fight the Russian millions in eastern Europe. If we cannot maintain adequate armed forces with an expenditure of ten and a half billion dollars a year, then we must have an inefficient management of the Army and Navy. We know that is not so.

We want the most expert, best trained, and best equipped armed forces in the world to meet the contingencies of modern warfare. This Congress has already taken the most important steps in that direction by unifying the armed services under one department of national defense, and modifying the seniority system in the Army to provide for greater promotion by merit. The greatest essential of defense is brains and organizing ability.

To secure such an Army we need the best research for military purposes. We have provided money to secure it.

We want the best organized intelligence service. The unification law attempts to provide it.

It is also desirable that we have organized reserves to back up the million and a half men in the armed forces. I have never felt, however, that universal compulsory military training is the best method of providing such reserves. Many military experts agree with that position. Universal compulsory military training would train about 1,000,000 boys a year at an expense of two or three billion dollars. The training of most of them would be superficial.

Nor would we have need for 10,000,000 half-trained men of military age, much of their training out of date, unless we were again forced to invade Europe or Asia with mass armies. It would take 2 years to get the new and up-to-date equipment necessary for such an expedition, which would give time to train effectively by the most modern methods applicable to the war conditions then existing men who would actually compose such an expeditionary force.

For defense we need as reserves a much less number of technically trained men. I believe they could be secured on a voluntary paid basis through a National Guard organization more closely coordinated than heretofore with the National Military Establishment. If physical training is the result sought, it could be obtained through the stimulation of physical education programs in all of our schools, assisted by the Federal Government.

We should explore every possibility of providing such an expert technical reserve by the best possible means and not plunge into a huge bureaucratic organization required for universal compulsory military training by the Army. The expense of that organization alone might lead to the skimping of vital appropriations for the Regular Army and Navy, for research and for intelligence service. In my opinion it would not as well serve the purposes of our foreign policy as the organization which I have outlined.

Furthermore, I believe the adoption of universal compulsory military training by the United States would force the same policy on every nation in the world and prove an obstacle to peace. In the end I think it would encourage war rather than discourage it.

The Marshall Plan

EXTENSION OF REMARKS
OF
HON. C. WAYLAND BROOKS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Thursday, March 4 (legislative day of Monday, February 2), 1948

Mr. BROOKS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "University of Chicago Professor Tells Off Harvard on Marshall Plan," written by George Weller and published in the Chicago Daily News of March 2, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNIVERSITY OF CHICAGO PROFESSOR TELLS OFF HARVARD ON MARSHALL PLAN

(By George Weller)

CAMBRIDGE, MASS.—A farm-bred teacher from the University of Chicago boldly gave Harvard the hotfoot last week end.

Charging in substance that the Marshall plan has become a gigantic export racket, Prof. Theodore Schultz, head of Chicago's department of economics, provided Harvard's dominantly pro-Marshall faculty and students with their stiffest criticism in months.

Schultz's challenge, that the Marshall plan is actually an adventure in state-trading contrary to American principles, has set Cambridge buzzing.

SEES PROFIT MOTIVE

The Chicagoan told meetings of both students and professors that well-heeled lobbies of industrialists and farmers were backing the European recovery program for profits rather than for European recovery.

The Marshall plan in operation, if not in inspiration, is prolonging artificial "prosperity" by Government buying of surpluses at inflated prices, Schultz charged.

The views of this Midwesterner, who is known for leading the "oleomargarine revolt" at Iowa State University, broke with star-shell effect at Harvard because only Communist or Wallace opposition to the Marshall plan has so far gained much hearing.

The Ambassadors of France, Britain, and the Netherlands are lecturing here in favor of European aid.

DUMPING OPERATION

Schultz threw discord into this chorus of agreement by charging that the Marshall plan is actually a vast dumping operation aimed to relieve a glut of farm and industrial products and head off price declines.

Schultz agreed with Harvard's distribution expert, Prof. Seymour Harris, that many American middlemen, besides manufacturers and farmers, are planning to get their slices of Marshall money before aid leaves American shores.

ADVANCE ORDERS

The Chicago teacher said he knew cases where European governments had placed advance orders with American exporters for filling only if Marshall aid is voted. Such conditional orders encouraged lobbies to push the Marshall plan through Congress, he suggested.

The Marshall plan is causing another split in American foreign policy, Schultz pointed out.

While American delegates at the Habana world trade conference are fighting subsidies and dumping, the Marshall plan is promoting state-supported exports on a colossal scale, Schultz warned.

The Battle for Bread

EXTENSION OF REMARKS
OF
HON. ARTHUR CAPPER
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Thursday, March 4 (legislative day of Monday, February 2), 1948

Mr. CAPPER. Mr. President, I send to the desk and ask unanimous consent to have printed in the Appendix of the RECORD an article by Dr. Clinton N. Howard, editor of Progress magazine, and general superintendent of the International Reform Federation, of Washington, D. C., which will appear in the March 1948 issue of that magazine under the title "The Battle for Bread."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE BATTLE FOR BREAD

The first engagement in the battle for bread launched by President Truman led by "Commander" Charles Luckman, the soap king, ended in a fiasco. When this top $300,000 per year salaried industrialist took over, the first order he issued to feed a hungry world was a slice of bread less per day at every American table. There was also to be a similar sacrifice made by the chickens and cattle, but not by the brewers and distillers, who with 6,000,000 gallons of surplus whisky in Government bond, and an output of 86,000,000 barrels of beer, were pouring 150,000,000 bushels of food grains into the vat and still for home consumption, while the President proclaimed that we were 50,000,000 bushels short on our pledged allotment to feed the starving in Europe.

THE SECOND BATTLE

The distillers were summoned to the White House for a conference, and under heavy pressure agreed to a voluntary holiday of 60 days' shut-down, which was proclaimed as a patriotic sacrifice and a saving of at least 100,000,000 bushels of food grains for bread. But the second engagement ended in another fiasco worse than the first, as no restriction was placed upon the industry in the purchase of enormous supplies of food grains prior to the shut-down, while the surplus of whisky in bond kept the consumption at par, so that at the end of the voluntary 60-day holiday, which expired on Christmas, the industry shot their 2,500,000 allotment per month up to 6,000,000 from the surplus they had purchased in the unrestricted market from December 1946 to the 25th of October, 1947, when the distillery holiday went into effect.

Not a bushel of grain was saved for human food despite the sacrifice of the children, the poultry, the hogs, and cattle. The fact is that the 67,000,000 bushels of grain used in 1947 was the equivalent of 4,500,000,000 loaves, or 1,100,000,000,000 slices of bread. The only effect of the Luckman plan was to increase the cost of these essential commodities to the consumers at home and reduce the quantity of grain for export abroad. Thus the second battle for bread was a worse defeat than the first.

THE THIRD BATTLE

The third battle began when the Senate passed the bill to revive the war powers of the President to extend the 2,500,000 allotment. When this bill reached the House Banking Committee the wet chairman, WOLCOTT, of Michigan, had the bill pigeon-holed by his committee and went West. Still the battle for bread raged in both Houses.

KANSAS TO THE RESCUE

In the meantime Congressman REES, of Kansas, a trustee of our Federation, introduced a bill in the House to stop the use of grain for the manufacture of intoxicating liquors for 1 year; and Senator CAPPER, another of our trustees, introduced a similar bill in the Senate, February 20, now before the Senate Committee on Banking and Currency. These two bills brought a joint meeting of the House and Senate Banking and Currency Committee, which reported favorably Senator FLANDERS' Senate bill, Senate Joint Resolution 186, extending the war powers of the President to limit the use of food grains by the distillers to 2,500,000 bushels per month, while the normal consumption for distillers is five to six million bushels per month, and the brewers 8,000,000 bushels.

VICTORY IN SENATE COMMITTEE

After several hours of debate this bill, with certain discretionary powers to the President, extending the 2,500,000-bushel limitation to the distillers until October 31, 1948, passed the Senate on February 26. It now goes to the Banking and Currency Committee of the House, where its chances for favorable action are not so good. Indeed, there is no telling when and whether the chairman of the House committee, Mr. JESSE WOLCOTT, will agree to a vote. But progress in the battle for bread has been made, and can be won if the members of the committee hear from back home.

The editor sat in the gallery of the Senate yesterday and listened to the debate, led by Senator BARKLEY, Democrat, of Kentucky, and Senator MYERS, Democrat, of Pennsylvania. There were many surprising statements, but the most surprising of all was by Senator MYERS (Catholic, of Philadelphia), "As for me, I think it would be better to stop all distilling now; not to the extent of 2,500,000 bushels of grain, but entirely. I do not think distilling is necessary. If the situation is so critical that we need to have the grain, then I, for one, would immediately say that we should not allocate for any distilling purpose." Let the Protestant Members take notice.

"OUR DAILY BREAD"

That is what the Son of God taught his church to pray for—our daily bread. That is what the world is starving for—our daily bread. That is what the little children in many lands are crying for—our daily bread. Bread is the one universal food on which the world depends.

The prayer may be interpreted to include food, but bread is the one essential and universal element in food. Almost every other kind of food is dependent upon grain from which comes our bread, without which we would have a limited supply of milk, meat, eggs, and butter, which make up a large part of the food supply of the world. Grain is the one basic commodity upon which the life of humanity depends.

NOT ME, NOT MINE—US

A failure in the grain crop means famine, disease, disorder, death, and completely upsets the social order unless the shortage is supplied by some more favored and prospercus nation. That is exactly the situation in which the nations find themselves today. Their hands are stretched across the sea saying to the United States, "Come over into Europe and help us." The United States is the only hope of the dying nations of Europe who are faced with famine, haunted by hunger, disease, destitution, and ravaged by war. The "us" in our Lord's prayer includes them.

It seems that every agency in America today is responsive to that prayer except one—the liquor interests. They know only one prayer, "Give us this day our daily drink," even if it should take the bread out of the mouths of the starving millions across the sea. It offers them a choice between hunger and hooch; hunger for them, hooch for us.

With several years' supply of whisky now on hand, and millions of gallons more in Government bond, the distillers are moving politics and perdition to increase their supply at the cost of human hunger, using up the substance of bread at this very moment on the basis of 6,000,000 bushels of grain per month to answer their prayer for prosperity, for profits, for surplus, for that which is not bread, and satisfieth not, for which their victims spend their money, despite the woes pronounced upon their business by Almighty God. In coast to coast full-page ads they ask, "Is prohibition coming back?" You can bet your bottom dollar it is, and soon.

Civil Rights Agitation

EXTENSION OF REMARKS
OF
HON. TOM STEWART
OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Thursday, March 4 (legislative day of Monday, February 2), 1948

Mr. STEWART. Mr. President, I ask unanimous consent to place in the Appendix of the CONGRESSIONAL RECORD an editorial entitled, "From the Grass Roots, the South Is Acting," printed in the Nashville Banner, at Nashville, Tenn., on March 1, 1948.

This editorial very forcefully expresses the feeling of the majority of the people of my State and probably the entire South toward the so-called civil-rights planks.

It is a source of deep regret among the southern Democrats that this misnamed civil-rights agitation should have been brought before the Congress. It can do nothing except create racial strife at a time when national unity is indeed most important.

It is my sincere and earnest hope, as it is the hope of all other southerners I am sure, that this situation can be relieved, because there is not a single plank in the entire list that is needed or is even desirable. The people of the South, both black and white, are working out their own problems, and in the past 25 years have made most remarkable progress.

I commend two Tennessee Congressmen, the Honorable WIRT COURTNEY, of the Seventh Congressional District of Tennessee, and the Honorable TOM MURRAY, of the Eighth Congressional District of Tennessee, for their outspoken denunciation of this unnecessary agitation.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FROM THE GRASS ROOTS, THE SOUTH IS ACTING

There's no misreading the grass-roots sentiment of the South where Mr. Truman and his force bill of reconstruction are concerned.

The tide stirred by these vicious planks—again disinterred by vote-desperate titular leadership to recapture the leftwing vote—swells as each passing day gives the southern people new opportunity to speak their mind about it. The outburst of indignant protest was spontaneous. In formal resolutions crystallized out of that sentiment they are now acting in unison, laying the ground work for climactic action in November.

Down at Somerville, in Fayette County, the voice of Tennessee democracy was heard, a forerunner of district-wide, State-wide action in denunciation of the reconstruction move. The people are not, in that, being led. They are leading, and what they are saying will be heard clear to Washington, D. C.

They do not expect Mr. Truman and his political tacticians—blind and indifferent to the realities of this southern sentiment—to alter in any degree their vicious program of force; a program of contempt and abuse that follows perfectly the pattern designed during 15 years of New Deal treatment of the South and its Democratic constituency. It is just as well that this is the reality of the case, and Mr. Truman's unswerving devotion to that force principle recognized for what it is; for retraction of it in a moment of expediency would only hold it in abeyance until its sponsors secured (if they secure) the opportunity to put it over on the South. The South is acting to assure against that betrayal, and there is only one way to do that.

This is a grass-roots movement, the people of the South having detected the monstrous character of an FEPC proposal, and attendant force bills transgressing both the letter and the spirit of the Constitution. The people of the South are tired of being pushed around, subjected to abuse, invaded by a constant influx of odd characters bent on reforming it to suit their own designs of reconstruction. They don't want that from any source, and are outraged that this endless inquisition stems from interloper elements using their own party to accomplish it.

Two Tennessee Congressmen, WIRT COURTNEY and TOM MURRAY, speak the sentiment of their State and their Southland, when they joined southern delegations denouncing at Washington the Truman force bill. Voters of their districts commend the forthrightness of their position.

In sheer desperation to match Wallaceism with Wallaceism—if not actualy outdo that outright pinko amalgam in social and socialistic operation—Mr. Truman chose to throw the South overboard as a sacrifice to the political gods of radicalism. He did that deliberately.

The South sees that. It is acting in the light of what it sees.

International RFC

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA

IN THE SENATE OF THE UNITED STATES

Thursday, March 4 (legislative day of Monday, February 2), 1948

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the RECORD a letter I have received from William H. Krieg regarding the international RFC.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INDIANAPOLIS, *February 16, 1948.*

Hon. HOMER E. CAPEHART,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: I have read with great interest not only the newspaper accounts and various complimentary editorials, but also a complete reprint of the address which you delivered before the Illinois State Bar Association last Saturday, February 7, concerning your plan now commonly referred to as the "International RFC."

Your plan is simple, brilliant, and so far as I know, without a flaw. Our activities in foreign relations since the end of World War I, have been a dismal failure. The billions we have spent and given away in treasure, man work hours, and energy to our foreign friends have been without benefit to us. Certainly we have learned our lesson that the American dollar given to help others has paid us nothing good in return. It has given the recipients of our wealth a feeling of animosity and ingratitude, and has in no way stopped or possibly even hindered the machination of those people in the world who seek power and authority by force of arms. Are our memories so short that we fail to recollect that when we tried to collect the first war debts which were decently made and honestly received, but indecently and dishonestly repudiated, we were known throughout the world as Uncle Shylock?

Why repeat the same mistakes through the medium of the Marshall plan?

While I am perfectly in favor of helping starving peoples to avoid death by starvation, and freezing peoples to avoid death from the cold, I am unwilling to lend $1 in Europe or elsewhere for business purposes except on a business basis. The Marshall plan is not businesslike; your plan is. The salutary feature of your plan is that it will permit the economy and industrial recovery of Europe through dealings between the individual businessman of Europe and the individual businessman of America, rather than foster monopolistic buying on the part of our Government for goods to be delivered to European governments which, in turn, will sell the merchandise, or give it away to their own nationals. Such is proposed in the Marshall plan.

I have discussed your "International RFC" with possibly 25 business and professional men in my own community, and each one is in favor of your plan and against the Marshall plan, with one exception. One man raised the objection that your plan would require the French, for example, to force its nationals to sell or hypothecate their investments in America and to take in exchange therefor French francs in order to provide the dollars for the French Government to invest in the capital of the RFC. This man was opposed to our Government causing the French Government to "confiscate" its own nationals' property.

This objection is ridiculous and the answer is simple. In the first place, the French Government would not be asked to confiscate its nationals' wealth, but rather the French Government would exchange the official money of France for the dollars owned by its nationals. This is less drastic and autocratic than our own Government's repudiation of the gold standard.

Under the Marshall plan, my own Governernment, by way of taxation, will confiscate my dollars to give away to Frenchmen and the other 15 governments. It's high time that our own Government had some regard for the confiscation of the earnings of the American citizens by way of income and other taxes. Certainly it would be fair and

more equitable for the Frenchman, for example, to exchange his dollars for his own Government's francs to help himself, his Government, and other Frenchmen, than for my Government to confiscate my dollars for the purpose of helping Frenchmen and the French Government through the Marshall plan.

I apolcgize for the length of this letter, but thought it my duty as an American to tell you what's in my mind and heart on this important issue.

I wish you total success in persuading your colleagues in the Congress of the United States to pass legislation embodying the principals of your wonderful plan and in defeating the Marshall plan as now proposed.

Sincerely,

WILLIAM H. KRIEG.

Depreciation to Fore as Inflation Problem

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES

Thursday, March 4 (legislative day of Monday, February 2), 1948

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Depreciation to Fore as Inflation Problem," by George Ericson, editor of the financial pages of the Christian Science Monitor, from the Christian Science Monitor for February 21, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEPRECIATION TO FORE AS INFLATION PROBLEM

(By George Ericson)

The question of depreciation is one which has a most important bearing on taxes, profits, and dividends. Therefore, it should commend itself to the attention of all students of our economy despite the fact that it appears to be largely an accounting procedure problem. The reason for the emergence of this question to a more prominent place on the basket of national thinking is the inflation of currency visible in the loss of dollar purchasing power.

This shrinkage in dollar value has reached a point where competent authorities are urging business in general to take account of the need to set aside an adequate portion of earnings to replace worn or obsolescent fixed assets.

DEPRECIATION CHARGES HELD INADEQUATE

Thinking among businessmen on this subject has been sharpened in recent months because of extremely high replacement costs. It is estimated that current depreciation charges are hardly more than enough to take care of half the money required to replace worn-out facilities. Therefore companies have had to go out in the capital market to maintain their equipment at full efficiency or to meet increasing demand.

This has resulted in business expenditures for durable equipment or fixed assets running recently at a rate well in excess of $20,000,000,000 a year. Despite the fact that union spokesmen repeat that corporate profits are too high, the earnings of a great many concerns have not been in available cash, but were largely absorbed by the higher dollar inventories and investment in higher-cost plant and equipment.

The question then arises as to what extent earnings currently reported are being overstated in view of the fact that depreciation charges are generally based on original cost. Such a situation could mislead employers, employees, and the public as well, since partly fictitious profits would be reported unless adequate provision is made for higher replacement costs. The tax laws and Treasury regulations based on them are regarded by many executives as a deterrent to proper reserves for depreciation.

MORE TAXPAYER DISCRETION SOUGHT

It is to be noted that there has been very little change in the attitude of the Bureau of Internal Revenue toward depreciation and its uses since 1913 when taxation of income by the Government came into being, unless it has been to reduce taxpayer discretion. Prior to 1934, it was the policy of the bureau to allow, within limits, business judgment to decide the rate of depreciation on capitalized assets. But in that year a rule was adopted which placed the burden of proof flatly on the taxpaying concern to justify whatever depreciation rate was used. Designed to expand revenues, its effect was to cut sharply the allowed annual rate of depreciation and to extend the life expectancy base of certain assets.

Much of industry today is irked by the abandonment of the old rule. It feels that this rule, whereby depreciation deductions taken by taxpayers "will not be disallowed unless shown by clear and convincing evidence to be unreasonable," was entirely proper, fair and not against public interest. This would be in the interest of soundly dealing with the rise in replacement costs and of stimulating capital expansion. Another proposal is that the Government permit a special tax-free replacement reserve, such allowance to be authorized for a limited period, say, of 3 to 5 years.

TREASURY POLICY MODIFICATION ASKED

The last suggestion receives the support of the Brookings Institution, which urges that any tax-free credits to replacement reserves must be used in not less than 8 or 10 years. The institution thinks the time has arrived for a modification of Treasury policy on depreciation and offers three changes for consideration: (1) Large initial depreciation; (2) accelerated rates, especially on new investments in machinery and equipment; and (3) greater taxpayer discretion in fixing depreciation allowances.

Both Nos. 1 and 2 were in use during the war under the sanction of the Office of War Mobilization and Reconversion, which said in September 1944 that such action "would induce many companies to hazard new ventures, thereby increasing employment. It would give a real incentive to companies to keep our industry ahead of the rest of the world technologically." Great Britain also permitted high initial depreciation allowances in the Income Tax Act of 1945. The adoption of No. 3 would not be disadvantageous to the Government, since any immediate declines in revenue would be offset in later years. Moreover, it would tend to induce management to adopt more rapidly the latest improvements and so tend to increase production.

NEED TO RECOVER CAPITAL VALUE

While there are some objections by certain industrial firms and by the Government to adjusting depreciation policy to allow for shrinkage in the dollar, it is generally admitted that capital is fully recovered only, as George Terborgh says, when the recovery is equal to the original investment in terms of purchasing power. Industry must set aside enough of its income to maintain its efficiency and ability to produce.

Today, generally speaking, business is setting aside depreciation reserves on the bases of original purchase price. Yet today it costs far more, twice and in some cases three times as much, to renew or replace plants and machinery as it did originally. Hence it is plain that under such a policy taxes are being levied on a portion of profit which is not an actual profit, since it contains a certain percentage of unrecognized depreciation.

Security holders who buy stocks of these concerns whose net income has not been properly shrunk by deduction of sufficient depreciation for obsolescence or depreciation are being duped. Keen eyes eventually discern such practices. And whether a depreciation policy which aims at a realistic provision for its own physical perpetuation is recogniz d for tax purposes or not, it is good accounting procedure and, better still, common sense. Senator CAPEHART and Representative GRANT of Indiana recognize the need for legislation on this subject and are proposing a liberalization of the revenue law so that true income and not capital will be taxed.

Statehood for Hawaii

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Thursday, March 4 (legislative day of Monday, February 2), 1948

Mr. MARTIN. Mr. President, I call the attention of the Senate to an editorial entitled "Question of Hawaiian Statehood," from the Chester (Pa.) Times of February 21 last. I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

QUESTION OF HAWAIIAN STATEHOOD

(This is the second of several editorial articles having to do with a recent western trip by the editor of the Chester Times.)

On the day of our arrival in Honolulu, Senator CORDON, of Oregon, was completing his official visitation with the expectation of reporting back to the Public Lands Committee of the United States Senate, which has present consideration of Hawaiian statehood.

There was a gigantic luncheon affair with 600 present to hear not only Senator CORDON, but also JOSEPH FARRINGTON, Island delegate to Congress, and a distinguished vacation visitor, Gen. Mark Clark. It was an impressive affair. Those in attendance were alert, cheerful people, who, in our language, may be described as typical Americans. That description goes also for the sprinkling of persons of oriental descent, aggregating about one-tenth of the attendance.

There was the same good-natured banter characteristic of a civic gathering on the mainland (as it is always referred to on the islands) Senator CORDON was relaxed and friendly. His audience understood that he could make no official commitment, but we have the word of A. A. (Bud) Smyser (older brother of the Chester Times' Dick Smyser) that Senator CORDON had become convinced that Hawaii is ready for statehood. Smyser, as a reporter on the Honolulu Star-Bulletin, had been a shadow of Senator CORDON throughout his visit.

Following the luncheon the writer greeted JOE FARRINGTON with whom he had served as a reporter on the Philadelphia Public Ledger back in 1919 and 1920. In a few minutes we were in an automobile with FARRINGTON and Senator CORDON driving back from the Waikiki Beach resort where the luncheon had been held, en route to the historic Hawaiian capitol building where temporary offices had been established for Sen-

ator CORDON. The Oregon Senator, who in private life was a small-town Oregon attorney, spoke repeatedly of his favorable impressions of the islands, and particularly of its whole-hearted friendliness and hospitality. He had been the recipient of much testimony including the voices of a limited few who feel that Hawaii should wait still longer before being admitted as the forty-ninth State. CORDON has found, however, overwhelming favorable evidence.

There are more than one-half million people living in the islands which produce well over 90 percent of America's pineapple. They provide about one-seventh of America's sugar. In 1946 Hawaii's effective buying income averaged $5,400 per family. That is considerably larger than the average family's buying income on the mainland. Last year Hawaii paid, in Federal taxes, more than were paid by 14 States.

A repeated argument against statehood is the diversified population—Hawaiian, Chinese, Japanese, Caucasian, Korean, Filipinos—all kinds of people, but it is amazing how they live together happily.

There is the testimony of Admiral Nimitz: "Before World War II, I entertained some doubt as to the loyalty of the American citizens of Japanese ancestry in the event of war with Japan. From my observation during World War II, I no longer have that doubt." The performance of AJA (meaning Americans of Japanese Ancestry) troops on European battlefields particularly substantiates Admiral Nimitz' evidence.

It is not the purpose of this article to make a formal case in behalf of Hawaiian statehood. The fact remains that for nearly a half a century, as a Territory of the United States, Hawaii has pleaded for statehood and today stands on the threshold of achievement. The House has already approved the measure for statehood, so final decision is up to the Senate.

For more than a fortnight on the islands, meeting numerous friends of long duration, we asked questions to bring out frank opinion. The fact that Harry Bridges of the longshoremen's union has organized field workers into a gigantic combine is the basis of much concern. The objection is not to the labor organization, but to the judgment that too much power is given the CIO leader due to his control of shipping, which obviously is vital to Hawaii's economy. However, the independence of the mixed population in Hawaii is dramatically proven by the fact that following a long and costly strike among sugar workers, a similar strike among the pineapple workers failed miserably in 5 days. They (a large population of oriental descent) simply wouldn't go along.

The two daily newspapers in Honolulu are the Evening Honolulu Star-Bulletin with 80,000 circulation and the morning Honolulu Advertiser with 50,000 circulation.

This observer admits that, vacation or no vacation, he is unable to restrain an overwhelming impulse to make it a busman's holiday and acquaint himself with the inside workings of the available newspapers.

Undoubtedly because of the fact that the islands are 2,200 miles from the United States, there is a strong tradition on the part of both newspapers to emphasize local news to a greater degree than many newspapers, on the mainland. That doesn't mean that international and national affairs are not given reasonable coverage.

As the publisher of a newspaper which holds its distinctive place within a few miles of Philadelphia, we can testify as to the desire for local news. The newspapers of Honolulu actually are more adequate publications in serving their community than the average newspaper in cities of similar size in the States. The Honolulu newspapers proved an inspiration to this "visiting fireman."

Delegate FARRINGTON is devoting 99 percent of his energies in quest of statehood and the favorable vote of the House of Representatives was undoubtedly a personal tribute. It might be mentioned that in private life Mr. FARRINGTON is the controlling owner of the Honolulu Star-Bulletin and prior to his taking office he was an active newspaper executive.

Our Forests

EXTENSION OF REMARKS

OF

HON. JAMES W. TRIMBLE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. TRIMBLE. Mr. Speaker, the Members of this great body are almost unanimously, if not unanimous, in favor of conservation of our natural resources. Among those resources is our timber. In our State we have the Ozark National Forest, and I have received the following information, which I requested, from Mr. Paul H. Gerrard, forest supervisor of the Ozark National Forest, Russellville, Ark., and which I will include in the RECORD as a part of my remarks:

DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
OZARK NATIONAL FOREST,
Russellville, Ark., February 25, 1948.

Hon. JIM TRIMBLE,
House of Representatives,
Washington, D. C.

DEAR MR. TRIMBLE: The report of the Chief of the Forest Service for 1947 deals mainly with the Nation's water resources. It ties in so closely with the water problems and what the people in Arkansas are attempting to accomplish in the Arkansas, White, and other river basin areas that I thought you would be especially interested in it.

The act of June 4, 1897, creating the national forests states in part: "For the purpose of securing favorable conditions of water flow and to furnish a continuous supply of timber for the use and necessities of the citizens of the United States." The 1,000,000 acres of the Ozark and 1,400,000 acres of the Ouachita National Forests are a stabilizing influence on the flow of headwater streams of our most troublesome rivers. They also provide water for some of our main cities; namely, Little Rock, Fort Smith, and others. Forest Service policies and management on the national forests in Colorado affect the Arkansas River as well as the private land. Hence, the sections "How Forest and Range Treatment Affect Watersheds" and "National Forest Watersheds", will be of interest to those desiring a comprehensive flood control program on the lower Arkansas.

Along with watershed management, we have timber, grazing, and wildlife management, as well as recreation and other special uses. In other words, we are operating on a multiple use system, devoting the land to its most productive use or uses, correlating these so as to provide maximum benefits to the greatest number of people. Other Forest Service activities include research, cooperative assistance to the State in fire control, providing tree seedlings, and farm forestry. (A total of $161,000 Federal funds were provided for these cooperative projects.) These are covered in the report. Also attached is a brief statement of forest facts for Arkansas.

Like other people, we have many problems in administration of the national forests in addition to trying to obtain full value for the taxpayer's dollar which we spend. Hence, any suggestion or comment you have to offer concerning the forest or ways and means of increasing benefits to the people will be gladly received.

Very sincerely yours,
PAUL H. GERRARD, *Forest Supervisor.*

Facts and figures, fiscal year 1947, national forests

	Ozark	Ouachita	Total
Area, Arkansas (acres)	683,316	1,308,742	2,292,058
Area, Oklahoma (acres)	----------	167,000	167,000
Receipts (timber, grazing, special use, etc.)	$298,207	$386,744	$684,951
Forest products cut (thousands of board feet)	19,423	38,801	58,224
Forest fires (number)	172	245	417
Acres burned, United States land	2,028	3,242	5,270
Roads maintained (miles)	1,220	1,631	2,851
Recreation developments	17	15	32
Game refuges (number of areas)	5	4	9
Acres	41,200	103,240	144,440
Number of deer	9,000	4,000	13,000
Number of elk	150	None	150
Number of turkey	150	250	400
Recreation visitors [1]	163,000	125,000	288,000
Hunters, fishermen, and trappers	29,000	25,200	54,200
25 percent receipts to counties:			
Arkansas	$74,552	$85,742	$160,294
Oklahoma	----------	$10,944	$10,944
Rate returns per acre	$0.075	$0.065	----------

[1] Includes hunters, fishermen, and trappers.

COOPERATION WITH STATE

Division of forestry

Fire control: In fiscal year 1947 some 11,083,000 acres protected, at a cost of $344,384, of which $158,589 was Federal funds, balance from State and private sources. In calendar year 1946 (1947 data not yet available) 59,980 acres protected land burned, or 0.5 percent, whereas 11.8 percent unprotected land burned. State now extending protection to new areas.

Nursery—Tree seedlings: Seedlings totaling 5,500,000 produced and distributed by State forester. Federal funds supplemented those of State. Demand for seedlings exceeding supply and State forester is increasing production.

Extension service

Federal funds helped to provide one farm forester for on-the-ground technical council in proper management of small woodlands; 109 owners assisted, involving 12,000 acres timberland, 1,292,000 feet of forest products, with value of $24,740.

Game and fish commission

Cooperative game studies concerning number of deer and distribution on White Rock and Sylamore. Also deer-browse or game-management study on Sylamore district; 350 deer on forest trapped for stocking various areas in State; no forest-service cooperative funds involved.

FOREST EXPERIMENT STATIONS

Ozark branch, Harrison: Research forest-management practices with upland hardwoods. Also forest-grazing, game-management, and red-cedar studies.

Crossett branch, Crossett: Research forest-management practices with pine, includes farm woodland.

Southern station, New Orleans: Forest survey, northwest Arkansas; dry-kiln course, cooperation Arkansas lumbermen; wood utilization, cooperation Arkansas lumbermen; lumber production, Arkansas mills.

Wages Lost Through Strikes

EXTENSION OF REMARKS
OF
HON. GERALD W. LANDIS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. LANDIS. Mr. Speaker, the wage earners who were on strike in 1946 lost a total of $920,000,000—at the rate of $8 per day—in comparison to $281,600,000 lost in 1947. The $920,000,000 would have given 1,277,777 old people $60 per month for 1 year.

The State of Pennsylvania led the list with a loss of $160,800,000. Michigan and Ohio tied for second with a loss of $84,800,000 each. Indiana lost $43,760,000. Workers in Indiana industries that lost the most through strikes were: Automobile, $12,320,000; iron and steel, $11,280,000; machinery, $6,248,000; electrical, $4,936,000; and those in mining lost $4,912,000.

Workers in Indiana's largest industrial cities lost the following amounts: Indianapolis, $5,400,000; Gary, $5,304,000; East Chicago, $3,128,000; South Bend, $1,376,000; Evansville, $249,600; and Terre Haute, $148,000.

The following shows the loss of wages through strikes in 1946 by States:

States	Stoppages	Workers	Man-days idle	Loss in wages at $8 per day
Alabama	118	121,000	2,060,000	$16,480,000
Arizona	20	6,980	257,000	2,056,000
Arkansas	40	14,300	226,000	1,808,000
California	246	258,000	6,090,000	48,720,000
Colorado	26	26,200	590,000	4,720,000
Connecticut	86	59,200	3,160,000	25,280,000
Delaware	17	5,890	95,000	760,000
District of Columbia	29	21,800	180,000	1,440,000
Florida	42	17,200	152,000	1,216,000
Georgia	61	27,700	540,000	4,320,000
Idaho	13	3,290	33,100	264,800
Illinois	438	339,000	9,040,000	72,320,000
Indiana	171	178,000	5,470,000	43,760,000
Iowa	66	40,700	561,000	4,488,000
Kansas	33	31,400	290,000	2,320,000
Kentucky	165	138,000	2,960,000	23,680,000
Louisiana	50	29,000	372,000	2,976,000
Maine	22	10,500	44,800	358,400
Maryland	53	80,700	1,400,000	11,200,000
Massachusetts	266	111,000	3,230,000	25,840,000
Michigan	311	248,000	10,600,000	84,800,000
Minnesota	55	45,100	873,000	6,984,000
Mississippi	26	14,600	147,000	1,176,000
Missouri	168	63,800	1,700,000	13,600,000
Montana	15	11,300	223,000	1,784,000
Nebraska	19	15,500	235,000	1,880,000
Nevada	9	2,260	17,000	136,000
New Hampshire	23	5,540	130,000	1,040,000
New Jersey	247	193,000	6,530,000	52,240,000
New Mexico	15	5,870	103,000	824,000
New York	679	432,000	9,350,000	74,800,000
North Carolina	66	14,400	452,000	3,616,000
North Dakota	9	4,250	61,000	488,000
Ohio	396	450,000	10,600,000	84,800,000
Oklahoma	42	16,800	329,000	2,632,000
Oregon	45	21,400	272,000	1,376,000
Pennsylvania	639	877,000	20,100,000	160,800,000
Rhode Island	45	11,400	257,000	2,056,000
South Carolina	19	10,200	388,000	3,104,000
South Dakota	7	2,300	13,700	109,600
Tennessee	131	64,900	1,110,000	8,880,000
Texas	97	94,800	2,010,000	16,080,000
Utah	17	16,700	782,000	6,256,000
Vermont	7	2,600	16,100	128,800
Virginia	108	72,200	1,240,000	9,920,000
Washington	79	49,600	884,000	7,072,000
West Virginia	150	229,000	5,600,000	44,800,000
Wisconsin	91	73,700	4,820,000	38,560,000
Wyoming	10	10,600	205,000	1,640,000

Sixty-four-dollar question: How much did the labor leaders lose in wages in 1946?

Rent Control and the Veteran

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mrs. DOUGLAS. Mr. Speaker, last Sunday and Monday several thousand veterans, members of all national veterans' organizations, assembled here in Washington to urge action by Congress to help solve their serious housing problems.

Veterans are as a group the most acutely affected by the housing shortage. The Census Bureau in October 1947 reported that in April 1947 about 27 percent of all occupied dwelling units contained a veteran household. About 14 percent of such dwelling units contained doubled-up families as compared with only 4 percent of the nonveteran households. About 2,764,000 married couples, or 8.3 percent of all married couples in private households, were living doubled up in April 1947. This represents an increase of about 50 percent over the corresponding number, 1,846,000, who were living doubled up in 1940.

The Housing Expediter, in his testimony before the House Committee on Banking and Currency, stated his studies showed that monthly rents on dwelling units decontrolled under the 1947 act had on the average rise about 70 percent—the individual increases varying from very little up to over 300 percent.

Veterans are having to compete for these uncontrolled accommodations, including newly-built units, and when fortunate to get shelter at all they are forced to pay exorbitant rents.

The Senate on February 24 passed a bill continuing the requirement that newly-built rental units must first be offered for rent to veterans. But the law provides no limit on what rent the owner can demand of the veteran. Many newly-built rental units are being legally rented to nonveterans because within the required 30-day period no veteran who can afford the outrageous rents can be found. What a farce.

Furthermore, the Senate in the new law proposes to exempt from rent control rooms in private homes. This is to enable home owners who are mostly nonveterans to gouge veterans, both single and married, who are forced by the housing shortage to live in furnished rooms. This open season on veterans will especially hurt those trying to make ends meet on veterans' allowances while attending colleges and universities.

The Senate, in continuing the inflationary lease device, further hurt veterans. Under the 1947 act such leases had to be made with tenants who were in possession. Under the new law the Senators provided that new tenants—most of whom will be veterans—can also be stuck.

The Senators, on the initiative of Senator MILLIKIN, of Colorado, provided that landlords may willfully flagrantly violate the rent law without any criminal prosecution or punishment. The Senate in its effort to pass a law which controls rents, in name only, also denied the Housing Expediter the necessary authority to sue for treble damages those landlords who illegally overcharge.

The Senate bill allows landlords to evict tenants without notice to the Rent Administration and without an adequate waiting period where eviction is sought for reasons beyond the tenants control, such as for occupancy by the owner or a relative, a new purchaser, or to alter the accommodations or to withdraw the unit from the market.

The assembled veterans, recognizing these shortcomings of the proposed rent bill, unanimously passed the following resolution:

RENT CONTROL

Whereas rent controls are scheduled to expire on April 1 unless Congress acts to further extend it; and

Whereas thousands of families will be thrown into economic chaos following termination of controls; and

Whereas hundreds of thousands of veterans and their families will be left homeless if the eviction provisions of the law are terminated; and

Whereas the passage of the T-E-W bill will not relieve the rental problem for several years: Therefore, be it

Resolved, That the National Veterans' Housing Conference hereby goes on record demanding that Congress immediately enact a strengthened rent-control law that will be in effect until the housing shortage has been relieved. And that the bill contain provisions for adequate enforcement, strengthened provisions against evictions, and the elimination from the pending bill of the clause permitting landlords to remove their properties from the rental market for the purpose of creating a false surplus.

Hon. William M. Whittington

EXTENSION OF REMARKS
OF
HON. WILLIAM M. COLMER
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. COLMER. Mr. Speaker, some days ago the Honorable WILL M. WHITTINGTON, the able and distinguished Representative from the Third Congressional District of the State of Mississippi, announced that he would not be a candidate for reelection to the office in which he has so long and ably served.

This came as a distinct shock to his many friends and admirers in and out of Congress. And while it is customary to wait until a man is dead to pay tribute to his virtues, I want to depart from that custom and place this flower in his lapel while he is enjoying the fullness of life.

WILL WHITTINGTON came to Congress from that rich delta section of Mississippi designated as the Third Congressional District on March 4, 1925, and he has served with ability and distinction in this body continuously since that time. Prior to his service here, he served as a member of the State senate in the State legislature

of Mississippi where his ability, sound judgment, and forceful character made him a leader of that body even as he has become a leader in the Nation's legislature. Few men in the Congress of the United States today enjoy the respect and confidence of their fellow members more than does our able colleague. This is no accident. WILL WHITTINGTON has risen to this place of eminence in Congress because of his ability, hard work, and attention to the Nation's business. He is recognized as an outstanding authority on flood control. For several years during the Democratic administration he served as chairman of the Flood Control Committee of the House of Representatives, and has been largely responsible for much of the constructive program of flood control in the Nation. His capacity for hard work is apparently limitless, and I doubt if any Member of this body has been more conversant with and made a more studious effort to study the many bills which have come to the floor for consideration and enactment. His deep sense of conscientious duty has impelled him to meticulously study the various bills which came up for consideration. His Delta district, which has profited so enormously as the result of his representation here, and the country at large, can ill afford to lose his services at this time. But WILL WHITTINGTON has arrived at the conclusion, reluctantly I am sure, that after these long years of service, he is entitled to enjoy his remaining years in his beloved delta section of Mississippi where he can devote his time to his plantation, and enjoy his friends and the companionship of his family.

Mr. Speaker, in this connection I submit the following from a number of editorials which have appeared in the press lauding the efforts of our colleague who will leave us with the respect and best wishes of his colleagues on both sides of the aisle:

[From the Greenwood (Miss.) Morning Star of January 3, 1948]

WHITTINGTON WON'T BE CANDIDATE AGAIN, RETIREMENT TO BE AT EXPIRATION OF TERM—BIG SHOES TO FILL

The citizens of Greenwood and the Third District of the State of Mississippi and the Democratic Party as a whole will have big shoes to fill when Representative WILL M. WHITTINGTON writes finis to his career as a Congressman at the expiration of his present term.

Only last summer Mr. WHITTINGTON, known throughout the State and the Nation as one of the most powerful and influential men in the House of Representatives, turned down requests from Mississippi supporters to enter the race for a United States Senate post. His long record of service and legislation caused strong support to swing to the drive to urge him to run in the November election for the senatorial seat left vacant by the death of Theodore Bilbo, but he rejected the bid to run.

As the head of the powerful Democratic caucus during past administrations the Greenwood Representative has long been regarded as one of the powers in the Democratic Party. His record in flood-control legislation, compiled under his leadership as chairman of the vital committee, speaks for itself.

At present he is a ranking member of the Committee on Public Works and a ranking member of the Committee on Highways. He also compiled a long record of work in tax and revenue legislation.

The last paragraph of Mr. WHITTINGTON'S statement of yesterday characterizes his every thought according to men associated with him: "The welfare of my district, State, and country always came first with me as a public official, and will continue first with me as a private citizen."

Representative WILL M. WHITTINGTON, veteran Congressman from Greenwood and this district, announced yesterday that he would retire as a Member of Congress at the expiration of his term and would not be a candidate for reelection.

Mr. WHITTINGTON made the following statement in announcing his retirement: "I shall be 70 years of age next May. I would like to retire as a Member of Congress at the expiration of my term. I shall not, therefore, be a candidate for reelection.

"The people of the Third District have been kind and generous to me. I am deeply grateful for election and reelection for 24 years.

"The welfare of my district, State, and country always came first with me as a public official and will continue first with me as a private citizen."

[From the Jackson (Miss.) Daily News of January 18, 1948]

A WORK WELL DONE

Congressman BILL WHITTINGTON, veteran House Member from the third district, is one of the few men in public life who has accomplished practically everything he started out to do at the beginning of his political career. To put Old Man River under control in its devastating sweep from Memphis to the Gulf was his main objective and engineers regard that as practically accomplished. All the levees along the river have been rebuilt, enlarged, and strengthened. Protection of the Yazoo delta from inundation was another objective. Four of the largest flood-control dams in the Nation have been authorized along the tributaries of the Yazoo, two of which are completed and two others are well under way. Some other objectives were in his program and they have been given the stamp of approval by Army engineers and now await appropriations. BILL WHITTINGTON has had a long and honorable career.

He shows good common sense by deciding to retire gracefully, before he becomes old and useless, like some men in public life, and it is certain he will retire gratefully, holding in keen appreciation the honors showered upon him.

[From the Memphis (Tenn.) Commercial Appeal of January 20, 1948]

HE HAS SERVED US WELL

Announcement by Representative WILL WHITTINGTON that he will not seek reelection to Congress is a reminder to the entire Mississippi Valley, as well as sections elsewhere, of the tremendous debt they owe him.

His departure from the House will deprive it of its foremost flood control expert and one who labored indefatigably in behalf of all areas where floods are prevalent. His is no mere legislative knowledge. When he entered Congress more than 20 years ago, he was already an advanced student of flooding rivers. He knew the flood propensities of China's Yellow River and Egypt's Nile as well as he did the Mississippi. Through all the years following he studied zealously to add to that knowledge until he became the most proficient member of the House on the subject. It was knowledge which served him invaluably during the many years he was Chairman of the old Flood Control Committee.

He has served Mississippi with dignity and well. He was unselfish in laboring for sections outside of his own State. He has displayed fine qualities of statesmanship. He has worked without regard for hours or personal discomfort.

His retirement is a matter of personal decision. It is the choice of a man who can seek rest with finest of conscience.

[From the Jackson (Miss.) Daily News of January 4, 1948.]

BILL WHITTINGTON

No man in the political history of Mississippi ever served the Commonwealth more capably, faithfully, and energetically than Congressman W. M. WHITTINGTON, of the Third District, who announces that he will retire at the expiration of his present term.

When BILL WHITTINGTON leaves the Halls of Congress 1 year hence it will be a distinct loss to the State and Nation.

The lower House of the national lawmaking body has 435 Members, but its actual work is handled by a body of not exceeding 40 Members, and BILL WHITTINGTON happens to be among that 40. He has, since almost the beginning of his long tenure of office, been one of the most influential Members of the House, and as chairman of the Committee on Flood Control he framed and piloted the passage of legislation that has placed the Father of Waters under control and the Southland is no longer afflicted with disastrous floods.

Our Third District has always been ably represented in Congress. Mr. WHITTINGTON'S immediate predecessors were two truly great men, Gen. Thomas C. Catchings and Benj. Humphreys. The latter's son served a short term after his father's death and was succeeded by Mr. WHITTINGTON who is now completing his twelfth term in the body.

The Marshall Plan

EXTENSION OF REMARKS

OF

HON. PETE JARMAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. JARMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Evening Star of yesterday.

REAL, GRIM, AND URGENT

Senator VANDENBERG has not strayed into a land of hobgoblin make-believe in appealing to Congress for swift adoption of the Marshall plan to help stop World War III before it starts. The dark realities of the hour fully justify the note of alarm and urgency in his eloquence. A ruthless and vaultingly ambitious tyranny—the tyranny of Red totalitarianism—is on the march. If it is allowed to keep marching, then the chances are that on some tomorrow, not many years from now, there will be a titanic death struggle between it and what is left of the earth's free nations, meaning chiefly our own.

This danger is as real as life. It is not part of some bad dream that jittery or emotionally unstable men are dreaming in the night. It exists just as surely as the Soviet Union itself exists, and it threatens not only the whole of free western Europe, including Britain, but America as well. One by one, Poland, Rumania, Bulgaria, Hungary, Yugoslavia, Albania, and Czechoslovakia have succumbed to it, and Finland now is in the process of going the same way. Unless the

non-Communist lands unite against it, therefore, and make effective use of such imperative measures as the Marshall plan, France and Italy may be the next to fall. Then, as Mr. VANDENBERG warns, the iron curtain would be clamped down all the way to the rims of the Atlantic, the British Isles would be almost hopelessly vulnerable, and our own country—with precious few allies left in a largely hostile, Red-dominated world—would have to prepare for the eventuality of either abject capitulation or total war.

If there are Americans—in Congress or out—who are inclined to scoff at warnings of this sort, they owe it to themselves and their country to think twice about the matter, and to think soberly and long. They would be well advised, certainly, to read with the greatest care such searching and well-documented reports as the one just published by a subcommittee of the House Committee on Foreign Affairs. Dealing with the strategy and tactics of world communism, it makes a thoroughly persuasive case for the thesis that the Soviet dictatorship—representing the most backward and oppressive system of the age—is working toward one goal only, and that that goal is universal dominance through universal revolution. To that end, operating through Communist fifth columns in all lands, the men of the Kremlin have been systematically seeking to promote chaos in the west in preparation for what they believe to be inevitable—namely, a final catastrophic war culminating in the overthrow of capitalism and the triumph of Red totalitarianism on a global scale. In short, according to the report, they are dedicated to objectives of extreme violence and, unless firmly countered now, will pursue those objectives even to the point of setting off a world-wide explosion.

That is why Mr. VANDENBERG is completely right when he says that "aggressive communism threatens all freedom and security in the Old World or the New when it puts free peoples anywhere in chains." That is why every wide-awake American must agree with his solemn warning that if there are risks in adopting the Marshall plan, the risks of rejecting it, or whittling it down, would be far greater. Of itself, of course, it cannot be the answer to everything. But it is an indispensable key part of all that the democracies must do together now to cope with the immense danger before them. The situation is not an imaginary one. The Soviet Union has made it very real, very grim and very urgent.

The St. Lawrence Seaway Project

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Friday, February 27, 1948

Mr. LANE. Mr. Speaker, I wish to include herein a copy of my radio address over Station WMEX, Boston, Mass., on Thursday, March 4, 1948, on the St. Lawrence seaway project:

Fellow citizens of Massachusetts and New England, the St. Lawrence seaway project is a threat, and a challenge, to all people who make their living in New England.

This twin project, designed to provide a channel for ships traveling between Europe and the Great Lakes of our Middle West and to provide for hydroelectric power, will cut off our region and reduce it to economic serfdom.

Boston is a major port. It is nearer to Europe than any other port on the Atlantic seaboard. Through it come the raw materials which are the lifeblood of our industries, and the westbound freight which is a vital part of our transport business. Boston is also an export outlet to Europe. Its strategic position along the routes of travel and trade is a "natural." By land, by sea, and by air, this hub of New England is the western terminal for trans-Atlantic traffic.

But for 25 years those behind the St. Lawrence seaway project have been trying to put it over on the unsuspecting public of the United States. From time to time they change the emphasis. First it is essential for navigation. Then it becomes a power imperative. Later on it is termed a "must" for national defense. When these arguments fail to break down our resistance, they try to scare us into it by using the word "depression" and representing the project as a means for creating jobs. Lately, in view of our huge national debt, they try to prove that this white elephant—whose eventual cost might reach a billion dollars—will pay for itself through tolls.

They do not mention the blow to Atlantic coast shipping and railroads. Or the taxes to be levied on New England, for instance, for the purpose of bypassing its economy and turning its industrial cities into ghost towns with a past instead of a future. They do not even extend to us the comfort that such a project might help to solve our soil-erosion and flood-control problems. They simply say to New England, "You are finished, through, hand over your business to the Middle West, and retire to your rocking chair and your memories."

The initial cost of this project to the people of the United States would be $500,000,000, but our experience with the Panama Canal, and other such developments, is that the final cost is several times that of the original estimate.

Who is behind this fantastic proposal, anyway? Year after year it crops up with a persistency that will not admit defeat. Middle western interests are the chief sponsors. The Great Lakes cities want to be ocean ports. They propose a 27-foot channel for the St Lawrence, so that seagoing vessels could bring and take goods directly from foreign ports to such inland cities as Cleveland, Detroit, Milwaukee, and Chicago. They also claim that the iron-ore deposits in Wisconsin and Minnesota are running out. To counter this, they must develop low-grade ores at great expense or transport available ores by water from Labrador and Newfoundland.

So, advocate a 27-foot channel, whereas the ship channel already in use at Boston is 40 feet, at Montreal 32 feet, and at New York 42 feet.

Behind the gaudy camouflage is the intent to develop a channel to accommodate ore boats and not oceangoing steamers. No publicity has been given to the fact that ocean and inland steamship companies are either indifferent or hostile toward the project. Ocean shipping experts say that their ships are not designed for operation on calm waters with a swift current in narrow channels and at low rates of speed. Their hulls, engines, and steering gear are not built for this type of service. Insurance on ocean shipping using these canals would be at a very high rate, so as to make the movement of larger vessels on the canals uneconomical.

In addition, ocean and inland steamship operators alike know that the shortness of the season on the St. Lawrence route cancels out any advantages to be gained by an enlargement of the canal system. For any shipping interests using this route can only benefit from expenditures on it for part of the year. During the winter months it is ice locked, and traffic has to be carried by rail to the ice-free ports on the Atlantic coast.

Furthermore, the Great Lakes are fresh water, and the St. Lawrence, up to the rapids, is salt water. Great Lakes steamers are not equipped to convert salt water to fresh water for their boilers, and the cost of operating Diesel engines on the lakes is prohibitive.

Coming down to the question of the ability of the project to pay for itself, note the results of a recent survey. On a traffic estimate of 4,000,000 tons during the open season tolls of six to fifteen dollars a ton would be required, without a Government subsidy. The bill in the United States Senate would limit the tolls to $1.25 a ton. This would only produce a revenue of two and a half million dollars each year. But the actual cost of operating the seaway would run from $25,000,000 to $62,000,000 annually. Self-liquidating? Impossible. A Government subsidy would be necessary to make the project pay its way, and that would mean more money taken from our pockets. We already have railroad and east coast port facilities to handle this flow of commerce. It does not seem sensible that we should junk them in favor of this grand illusion.

Supporters of the St. Lawrence seaway claim that it is necessary for national defense, both as an artery of transport and as a source of hydroelectric power.

A channel depth of 27 feet is inadequate for modern navigation needs. The modern oil tanker, for example, draws well over 30 feet when fully loaded. Those in favor of this project are trying to sell it to public opinion on a minimum-cost base. They know that once the authority for it is granted the plan will be revised to call for a 35-foot channel, and maybe more, at a cost running into billions.

Consider the history of the Panama Canal, to see what I mean. Original estimates called for an expenditure of $200,000,000. It cost over four hundred million. In order to improve it as a lock canal, with greater depth and width and larger locks, we would now have to pay close to two and a half billion dollars.

Ships using the St. Lawrence waterway would eventually depend upon some 50 locks in all. A determined enemy attack by air, hitting one out of six locks exposed to destruction, would put the waterway out of commission.

From surveys made at Panama, we are warned that a lock canal, even with improvements, would still be deficient in resistance to modern weapons and could be destroyed by sabotage. We are considering the building of a new sea-level canal at Panama, or Nicaragua, as the only safe type to meet national-defense requirements. However, it is impossible to construct a sea-level canal between the Great Lakes and the Atlantic Ocean, along the St. Lawrence.

To defend the lock system of the St. Lawrence seaway, we would have to divert a large portion of our armed forces, together with their guided missiles, robot planes, and atomic bombs. It would therefore burden us with additional responsibilities.

As the proponents for the St. Lawrence seaway jump from argument to argument, trying to establish a solid base for their claims, they finally wind up with a brief for the hydroelectric power to be gained from it. What started out as a seaway becomes a public power development shared, strangely enough, by Canada and the State of New York.

As the Quebec Chronicle Telegraph stated on December 1, 1947: "To sum up, the new project is a power scheme. Its advantages should be judged wholly on that basis, and its costs should be borne entirely by those communities which would benefit from the additional provision of power."

Personally, I have always favored such public power developments as the Tennessee Valley Authority, to develop more and cheaper electricity from the flows of waters in our rivers. I have consistently worked for the establishment of a Merrimack Valley Authority to benefit the people and the industries of this area. The over-all, integrated project for the full utilization of a river is tied in with flood control, the prevention of soil erosion, the elimination of pollution, and to generate power for our homes and factories.

As a Congressman from Massachusetts, I am disturbed by the slow but steady migration of our industries, as they leave New England to locate in the South, where they are serviced by a full supply of low-cost power.

The lack of adequate power in New England became noticeable during the war. Recurring shortages in the supply of coal and fuel oil, during the post-war period, have underscored our dependence on outside sources from which we want to free ourselves.

New England has the potential water power, which it should develop for its own use.

Under the proposed seaway plan, New York would be given sole ownership of the project's power, and control of its distribution. This does not suit New England's regional needs.

Furthermore, in the event of any future national emergency, such a concentrated power plant would be a prime target for an enemy. He would only have to destroy it, and in doing so, seriously curtail production in haf of the Atlantic Seaboard States. To my mind, we've got to disperse our installations, as the best method of defense. It is time that the many smaller river projects, like the Merrimack, be developed, rather than the few big ones whose break-down would paralyze the Nation.

What the St. Lawrence seaway would do to the railroads and shipping of the New England coastal States, is sad to contemplate. It would result in unemployment. It would sidetrack our development.

Those who would make us a dependency of another region, miscalculate the enterprise and independence of New Englanders. They overlook the fact that more GI's are settling in New England and California than in any other sections of the country. Plainly, these young men and women believe that they will have a future here. So must we.

Alert to our own needs and untapped resources, we refuse to support the St. Lawrence seaway. We will not become the end of the line, when our position on the map shows that we are a natural transfer station on air, land, and sea routes between the heart of America and the nations of Europe.

But something more than passive resistance to the seaway is necessary. Unless we actively oppose it we shall wake up some day to find this extra burden saddled on our backs—forevermore.

The soundest criticism is that which is constructive. We resist the St. Lawrence project and counter with a better plan, and that is a demand for the long-overdue development of our home resources—meaning New England's waterpower.

We already have rail and shipping facilities which connect Europe, through us, to the Middle West. We shall improve on that service when our economy is strengthened by a cheap and abundant supply of hydroelectric power made in this region.

New England's answer to the stubborn challenge of those who sponsor the St. Lawrence seaway is this:

We shall produce the power we need, from our own waterways, and we shall do it first.

Strength in Our Soil

EXTENSION OF REMARKS
OF
HON. WILLIAM C. COLE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. COLE of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Joseph, Mo., Gazette:

STRENGTH IN OUR SOIL

Awakening of the American people to the importance of their farm products in the diplomatic struggle for American security and world democracy has been accelerated by E. H. Taylor, associate editor of the Country Gentleman and one of the country's leading authorities on American land policy.

"Without the products of our soil," he said in a recent speech before the Soil Conservation Society of America, "the European recovery program or any other effort to stay the march of communism in Europe will be impotent." He believes, not only that food production on American farms must be stepped up now to ease the foreign policy crisis, but that the United States must back its show of military power in world affairs by increased food production if it is to maintain its security.

His plea is, of course, for conserving the country's soil resources. The food reserves upon which the American people have depended in all wars to make them strong are now gone. The fertility of the soil is being used up more rapidly than it is being replaced.

He put the question to the American people in these words: "Shall we repeat the folly of past nations that now 'whisper out of the dust'? Or shall we realize, in time, that a stock pile of productivity, stored in the soil, is as necessary to the national security as a stock pile of bombs or other weapons?"

Saving and adding to the fertility of the nation's soil calls for no more than carrying out a land-use program which every progressive American farmer knows all about. But what the farmer needs is not the know-how, but the support of a national soil policy that will recognize his place in world recovery and encourage and reward him accordingly. He needs to be protected from the Congressman who last year foolishly cut down the Federal appropriation for soil conservation instruction and technical help. He needs statesmanship in Washington.

Ownership of Tide and Submerged Lands

EXTENSION OF REMARKS
OF
HON. HOMER R. JONES
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. JONES of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement I made before the Joint Senate and House Judiciary Committee on S. 1988 and H. R. 5443:

Mr. Chairman and gentlemen of the committee, I represent the First Congressional District of the State of Washington and appear today to present a brief statement in support of the passage of proposed legislation incorporated in Senate bill 1988. I have introduced a similar measure in the House, namely, H. R. 5443, believing that this legislation when passed will provide the equity and justice undeniably due the State of Washington and all other States wherein title to tide and submerged lands has been or may be contested, and where a cloud has been cast upon the status of inland waters and the lands beneath them.

Mr. Chairman, you have been informed by the Office of the Commissioner of Public Lands of the State of Washington the revenues from oil and gas permits have not been large and the potentialities thereof are as yet unknown. However, in consideration of the port and harbor developments, the fishing industry, other industrial activities, and the possibilities of further mineral production, the State of Washington certainly has a stake and a duty to defend all trusts imposed upon it. The State of Washington, Mr. Chairman, ranks eleventh among all the States in the area of inland waters lying within a State boundary. Computations by the General Land Office of the Department of the Interior indicate these inland water areas to be 1,215 square miles, out of a total area within the State's boundaries of 66,836 square miles.

The incongruity of the existence of any claim other than the State of Washington to the tide and submarginal lands covering thus so vast an area, Mr. Chairman, must be emphasized. The existence of any cloud on titles to these inland waters must not be permitted. The Constitution of the State of Washington, pursuant to an enabling act of Congress approved on February 22, 1889, and proclaimed by the President in Proclamation No. 8, dated November 11, 1889, cited in Twenty-sixth Statutes 1552, provides specifically as follows: "Declaration of State ownership: The State of Washington asserts its ownership to the beds and shores of all navigable waters in the State up to and including the line of ordinary high tide in waters where the tide ebbs and flows, and up to and including the line of ordinary high water within the banks of all navigable rivers and lakes."

In consideration of this ratified statement of ownership and the uncontroverted fact that all States were admitted to the Union on an equal footing in all respects whatsoever, the incongruity I have referred to that the title of any State to tide and submerged lands should be questioned, is obvious.

Therefore, Mr. Chairman and gentlemen of the committee, faced as we are with the decision of the Supreme Court in the case of *United States* versus *California*, which decision can be considered only the first of an extensive series of similar decrees yet to come unless there be enacted clarifying legislation as provided in the bill before you—I urge that favorable report be given by this committee to S. 1988. The ultimate passage of this measure will dispose of the myriad of problems as to titles and equities in the manner suggested by the Supreme Court in the statement: "We cannot and do not assume that Congress, which has constitutional control over Government property, will execute its powers in such a way as to bring about injustices to States, their subdivisions, or persons acting pursuant to their permission."

The passage of S. 1988 or the similar companion House measures germane to this subject will be consistent with this statement of the Court, Mr. Chairman, and will eliminate the now existing confusion in titles and rights which has resulted and which will continue to exist in the absence of this subject legislation.

I earnestly urge upon you, Mr. Chairman and members of the committee, immediate favorable consideration of the measure.

The Late Honorable Clarence Hancock

EXTENSION OF REMARKS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. ROONEY. Mr. Speaker, all our hearts were saddened by the passing of our dear friend and former colleague, the Honorable Clarence Hancock, who while in Congress represented the Thirty-sixth Congressional District of New York.

As one of the younger Members from the State of New York, I did not have the years of personal association and contact with him that some of my other colleagues have had. However, during my service here I soon realized that he was a man of the very highest character and one who possessed those attributes that endeared him to all who had the privilege of knowing him. He was benevolent and kind and considerate of others and won the friendship of the entire membership of the House. His district, the State of New York, and the Nation have lost an able and faithful public servant.

Salary Increases for Federal Employees

EXTENSION OF REMARKS
OF
HON. HOMER R. JONES
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. JONES of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement I made on Federal employee salary increase legislation befor the House Committee on Post Office and Civil Service, March 3, 1948:

Mr. Chairman and members of the committee, I appreciate the opportunity of appearing in support of legislation providing an increase of not less than $800 a year in the base pay of employees of all Federal departments and agencies and the government of the District of Columbia. I want to call your attention, particularly, to two bills which I have introduced on this subject, namely, H. R. 4727, which I introduced on December 15, and H. R. 4773, which I introduced on December 17 of last year.

As one who during the course of his career has worked for wages, I can appreciate just how difficult it is for the honest, faithful, and efficient employees to make ends meet under present cost-of-living conditions. Government pay has fallen behind the rising cost of living to such an extent that thousands of employees are compelled even to do without the bare necessities of life. Recent trends in the commodity markets to the contrary, we all know that there has been no decline in the cost of living in recent months or weeks, and if we may judge by the recent increase in the price of semifabricated steel, there is not likely to be any serious reduction in the cost of living in the near future.

I would say to my colleagues who sit as members of this subcommittee that the need for higher pay has reached the state of a virtual emergency, insofar as Federal employees are concerned. Evidence of this fact can be gained by reviewing a schedule of increased indebtedness incurred by postal employees as determined from reports of the postal credit unions for the years 1945, 1946, and 1947. I should like to incorporate the schedule into the record at this point. I should call your attention, in so doing, to the fact that it pertains to a period following the most recent legislation on the subject. It is my understanding that the totals of this report are already in the record of these hearings, having been introduced by Mr. E. C. Hallbeck, legislative representative of the National Federation of Post Office Clerks. The whole schedule, however, I believe, is of primary importance to the considerations of this committee, for the breakdown by cities conclusively demonstrates that the condition is not confined to a particular locality but prevails throughout the Nation.

The increasing indebtedness of postal employees as determined from reports of postal credit unions for the years 1945–47

	Dec. 31, 1945		Dec. 31, 1946		Dec. 31, 1947	
	Number loan accounts	Total loans	Number loan accounts	Total loans	Number loan accounts	Total loans
Louisville, Ky.	345	$40,856.25	391	$62,655.66	466	$81,687.50
Indianapolis, Ind.	406	83,275.15	496	150,155.46	579	211,130.65
Chicago, Ill.	3,176	471,302.87	3,517	599,947.35	4,136	803,738.46
Nashville, Tenn.	491	128,670.95	613	300,974.80	682	352,544.42
Cincinnati, Ohio	127	17,661.00	147	21,294.00	183	27,852.00
Buffalo, N. Y.	246	41,599.83	266	55,726.68	346	85,177.80
Houston, Tex.	380	90,634.63	480	102,952.39	553	127,523.12
Norfolk, Va.	81	12,506.16	125	22,439.24	151	28,919.58
Los Angeles, Calif.	742	277,962.46	1,023	507,955.72	1,700	915,017.86
St. Louis, Mo.	1,224	199,132.15	1,384	291,592.35	1,687	454,319.42
New York, N. Y.	251	14,747.81	293	32,042.99	466	71,071.40
Total	7,469	1,378,349.26	8,735	2,147,736.64	10,949	3,158,982.21
Cleveland, Ohio	440	45,596.71	481	67,114.41	574	81,954.64
Oakland, Calif.	788	270,046.31	868	399,819.87	1,003	651,728.10
Boston, Mass.	1,850	180,150.00	2,200	201,635.00	2,488	289,450.00
San Francisco	675	133,187.79	975	176,452.11	1,300	232,709.73
Grand total	11,222	2,007,330.07	13,259	2,992,758.03	16,314	4,414,824.68

The emergency condition thus indicated is so acute, Mr. Chairman, that I believe you will agree with me that the need now for increased pay is undebatable. The only problem is to ascertain how much will be needed to bring Government employees back to something approximating their economic position before price increases robbed them of so much of their buying power.

Now, Mr. Chairman, in submitting this plea for higher pay, I do not confine my remarks to the employees who receive an annual salary but I earnestly urge equivalent relief for those whose compensation is at an hourly rate. I would exclude from present consideration those whose pay is fixed by wage boards. I would suggest, further, that the wage rates for the hourly employees be advanced 40 cents an hour.

Government salaries and wages have been slow to rise. The first raise for per annum employees was in the form of overtime, and therefore, actually not a salary increase. When the basic rates for employees under the Classification Act were finally raised, the war was nearly over; Germany had capitulated and the price rise was already on its way upward. That first increase became effective July 1, 1945. A year later another raise was granted, but pay rates still lagged behind prices. Neither increase restored the 1939 buying value of rates of pay. This purchasing power must be restored at once in order to enable Government employees to live in accordance with decent American standards.

A year and a half has passed since the second increase, but the passing months have served only to emphasize its insufficiency and the need for increasing pay without further delay. Taking the years immediately prior to the outbreak of the war as the standard of measurement of value of the income of Government employees, and assuming that $1 bought a dollar's worth of the commodities they need, it is evident that it has been difficult—yes impossible—to meet the demands, in many cases, of even a subsistence plane of living.

Measured by the official price index of the Bureau of Labor Statistics, the buying power of a dollar had shrunken to approximately 60 cents by the end of 1947. Thus, a Government employee has 60 cents to spend today as compared with $1 before the war. But that is his buying power as measured by the combined effect of all prices. When he buys food, the situation is even worse. And this is what confronts the married man who is the support of a family. By December 1947, his dollar for food alone was worth only 48 cents.

How much should pay be increased to provide some semblance of relief in the face of such an emergency? Why do I suggest $800? I have selected that figure because it can be substantiated factually as the minimum amount that would provide a reasonable addition to existing pay rates to bring them to a bare cost of living basis.

Of course, Mr. Chairman, there are several ways to approach the problem of determining how much the increase should be. Cost of living appears to be the most direct and sound method of ascertaining the amount pay should be raised. It may be pointed out that some of the arguments that may be used for workers in commerce and industry lose their force or significance when applied to Government workers. The latter cannot relate their request for salaries or wage increase to increased productivity, disproportionate profits of an employer, or industry's ability to pay.

It is true that Government employees' take-home pay has shrunken disastrously and that salaries and wages of persons employed in industry have advanced considerably. To relate the whole problem of the Government worker directly to the over-all cost of living provides the most direct method, as well as one which would cut across the variations in the plane of living, personal obligations and responsibilities, and those other factors that differentiate the single person from the married, and the person with no dependents from the man who must support a wife and children.

The $800 figure which I am urging as the minimum annual increase for Government employees has been determined on the basis of the average salary of $3,000. From July 1946 to the end of 1947 the price index of the Bureau of Labor Statistics, which is used to measure living costs, rose from 133.3 to 167.0. It has been estimated that prices have undergone a further increase since the end of the year, with the result that the rise in living costs since July 1946 has been about 27 percent. To bring the salaries of Government employees up to a bare cost of living level, it will, therefore, be necessary to add 27 percent to existing pay rates. Twenty-seven percent of the average annual salary is slightly more than $800. I believe that an $800 increase will be fair to all employees, since it represents a figure based on average pay for the whole group.

It is reasonable to expect Mr. Chairman, that when further measures are taken by the Congress to control the upward advance of prices, these legislative actions will not halt the current advance abruptly, nor will prices drop appreciably below the present level for some time to come. To bring about such a decrease too rapidly would be dangerous to many phases of our national economy. This was recognized when Congress acted recently on the anti-inflation measure. Even if control is gained over the price rise, the Government employee—or any other worker—will still have a buying power far below that of prewar days. This is, in my opinion, evidence that basic pay rates should be raised at once and that $800 added to current rates provides an amount that will represent a minimum need for months to come.

I was delighted to learn that Mr. William Green, the president of the American Federation of Labor, had appeared before this subcommittee in support of this legislation and while I did not have the opportunity to hear his statement, if one may judge from the newspaper accounts, he made a very impressive argument in favor of substantial increases. His statement that "The way to get most efficient, economical, and high-quality work is compensation that will enable employees to live in accord with American standards and save for future needs," has my complete approval. Speaking as he does for more than 7,000,000 taxpayers, I believe he was voicing a collective opinion reflected throughout America on this subject.

Present day postal and Federal salaries are not sufficiently high to attract the best qualified people to Government employment and when that condition exists the public welfare must suffer. We should attract the highest type of people to Government service and it is not sufficient to offer them merely a subsistence wage that allows them to live in a state of shabby aristocracy, content in the knowledge that they are performing a service for all of the people.

It is my considered opinion and I wish to repeat what I have already stated, that the legislation to be enacted should be permanent legislation, providing for increases in the basic salary, and that such legislation should be retroactive at least until January 1 of this year in order to allow these employees to pay some of the debts which they have accumulated during the past year. I further believe that the long-established principle of enacting separate legislation for postal and other Federal employees should be continued. My information is that previous attempts to solve this problem by means of a single bill have led to difficulties of administration which should be avoided.

I, therefore, urge the enactment of legislation providing for a base pay increase of not less than $800 per annum for all employees of the Federal Government and the Government of the District of Columbia.

In addition to this, I urge an increase of income, or increased pay, for those employees not under wage boards, who are paid on a per hour or per diem basis of 40 cents per hour.

Furthermore, I would oppose any legislation which has for its purpose the absorption of any pay raises by: (1) Reduction in force; (2) extension of hours of work; (3) downgrading or reclassification for the purpose of saving money.

I urge my colleagues of the subcommittee to make an early report to the Committee on Post Office and Civil Service so that we may take prompt action to correct the present situation, and while I am not one to suffer from the pangs which accompany a "pride of authorship," I hope you will give earnest consideration to H. R. 4727 and H. R. 4773.

Extension of Aid to China

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following telegram from Gen. Douglas MacArthur:

MARCH 3, 1948.

From: CINCFE, Tokyo, Japan, signed "MacArthur."

To: The Honorable CHARLES A. EATON, chairman, Committee on Foreign Affairs, House of Representatives, Washington, D. C.

Information: Department of Army (CSUSA).

I am grateful to the Committee on Foreign Affairs of the House of Representatives for the confidence reflected in its desire that I appear before it to give my views on American policy in the extension of aid to China. The pressure of my operational duties in the administration of Japan especially at this time of change in the Japanese Government, however, renders it impracticable for me to leave my post. And even were it otherwise, I gravely doubt that I could give constructive and helpful advice as to details involved in pending aid proposals, which I have not seen nor had any opportunity to study. China, as you perhaps know, is a theater of United States Navy control, outside the scope of my existing authority. I have no representatives there, and, apart from general background knowledge, such detailed information as has been made available to me has been derived largely by indirection. Exhaustive investigations of the Chinese situation have been made by responsible United States officials, but these studies are not within my channel of information or command, and in consequence I am not adequately familiar therewith. I have, furthermore, not had the opportunity to visit China for many years. With this background, you will readily perceive I am not in a position to render authoritative advice with reference to the myriad of details on which a definitive policy for this particular area must necessarily rest.

In general answer to your specific questions, I can say without the slightest hesitation that a free, independent, peaceful, and friendly China is of profound importance to the peace of the world and to the position of the United States. It is the fundamental keystone to the Pacific arch. Underlying all issues in China is now the military problem. Until it is resolved, little progress can be expected toward internal rehabilitation, regardless of the extent of outside aid. Once it is resolved, however, there is little doubt but that China's traditional resiliency will provide the basis for rapid recovery to relative stability.

The Chinese problem is part of a global situation which should be considered in its entirety in the orientation of American policy. Fragmentary decisions in disconnected sectors of the world will not bring an integrated solution. The problem insofar as the United States is concerned is an overall one and can only be resolved on the broadest possible global basis. It would be utterly fallacious to underrate either China's needs or her importance. For if we embark upon a general policy to bulwark the frontiers of freedom against the assults of political despotism, one major frontier is no less important than another, and a decisive breach of any will inevitably threaten to engulf all. Because of deep-rooted racial and cultural and business ties, we are prone to overconcentrate on happenings and events to our east and to underemphasize the importance of those to our west. America's past lies deeply rooted in the areas across the Atlantic but the hope of American generations of the future to keep pace with the progress of those of the past lies no less in the happenings and events across the Pacific. While fully availing ourselves of the potential to the east, to our western horizon we must look both for hope of a better life through yet untapped opportunities for trade and commerce in the advance of Asiatic races, and threat against the life with which we are even now endowed. For beyond horizon upon the outcome of the ideological struggles in which opposing forces are now engaged and the restoration of political, economic, and social stability, rests war or peace, assurance or threat, hope, or fear.

The international aspect of the Chinese problem unfortunately has become somewhat clouded by demands for internal reform. Desirable as such reform may be, its importance is but secondary to the issue of civil strife now engulfing the land, and the two issues are as impossible of synchronization as it would be to alter the structural design of a house while the same was being consumed by flame. Friendly and searching as our interest may be in the reformation of China's institutions and practices to bring them closer into line with our own concept of liberty and justice, and right and wrong, the maintenance of China's integrity against destructive forces which threaten her engulfment is of infinitely more immediate concern. For with the firm maintenance of such integrity, reform will gradually take place in the evolutionary processes of China's future.

The flow to China of military supplies surplus to our own requirements has been resumed. Additional material support should be measured in equitable relation to such global aid as may be determined upon in the orientation of American policy, without underrating the strategic importance to us, as to the world, of a free and peaceful China, without ignoring her impoverishment and fatigue in consequence of so many years of violent struggle over her soil, without failing accurately to assess her potential in the stability and advancement of our own future standard of life, and without neglecting to recognize our long and friendly relationship, well tested through years of peace and years of war.

In the determination of our global policy care must, of course, be exercised to avoid commitment of our resources beyond what we can safely spare—the sapping of our national strength to the point of jeopardy to our own security—and the overburdening of

our people beyond their capacity to maintain a standard of life consistent with the energies with which they are naturally endowed. For it would be illogical for us to yield our own liberties in the safeguard of the liberties of others—to forfeit our own heritage of freedom in securing the freedom of others. No less illogical would it be to extend our material aid beyond hope of reciprocal repayment through contribution in one form or another to human progress. For it would not serve our purpose merely to create in return for our sacrifice a condition of indigence and mendicancy elsewhere, to become a brake upon human advancement.

It is one of the traditional characteristics of the American people that in time of great crises they have never failed to rise to masterful height to meet the challenge of the time. Never before has our wise, fearless, and positive leadership of a confused world been more needed as a stabilizing influence. Never before have the American people been more ready to assist others if it be a purposeful sacrifice. For we on American soil bare before the eyes of the entire world the working of a way of life which, despite the veil of confusion and disorder and self-serving ambition, is the cherished hope and goal of all mankind. Let us above all else preserve it.

Schedule of Vested Property Returned as Included in Return Orders as at February 6, 1948

EXTENSION OF REMARKS
OF

HON. LINDLEY BECKWORTH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. BECKWORTH. Mr. Speaker, I include in the CONGRESSIONAL RECORD some information which has been furnished me by the Alien Property Custodian.

SCHEDULE OF VESTED PROPERTY RETURNED AS INCLUDED IN RETURN ORDERS AS AT FEBRUARY 6, 1948

Enrique Kummerfeldt, a/k/a Enrique Kummerfeldt Koops; a/k/a H. Kummerfeldt: 362 shares of common capital stock and $26,426 in cash.

David Jona: A one-fourth interest in a patent.

Fritz Hohenemzer: $7,753.68 in cash.

Helene Zentgraf: $3,442.54 in cash and life interest in trust.

Georges Joseph Christian Simenon: Copyright and royalties in the amount of $8,483.79.

The First National Bank of Chicago, administrator with the will annexed of the estate of Alfred Quensel: $30,861.84 in cash.

Rudolf A. Sems: $1,658.96 in cash.

Clarence A. Hearley: A one-half interest in a patent.

Lawrence Harbury: A patent.

Henry J. Beal: $111.76.

Joachim Kolbe: 9 patents.

Rose Latino, Agnes Latino, Frank Latino, Biagie Latino, Carmela Latino: $1,229.37 in cash and real estate.

Stephanie Schybilsky Posament: $2,666.49 in cash.

Josephine M. Lorsch: $14,197.57 in cash.

Henri Wouter Jonkhoff: Four patents.

Underwood Corporation: 59 patents.

Emma Lochner: $12,853.58 in cash.

Herman H. Frischer: 7 patents.

Karl W. Posnansky: A patent.

Raoul Roland Raymond Sarazin: Three patents.

Joseph Mahler: A patent.

The Sanodarm Co., Inc.: A patent.

Francoise Seignobosc: Copyrights and royalties in the amount of $2,198.87.

Raymond Saulnier: 11 patents.

Standard Brands, Inc.: A patent.

Titan Co., Inc.: A patent.

Hensea Corp.: $16,264.14 in royalties and 40 percent interest in the property.

American Chain & Cable Co., Inc.: A patent.

Antonina Vallentine Luchaire: Copyrights and royalties in the amount of $23,182.63.

Builders Iron Foundry: A patent.

Shell Development Co.: A patent.

Ottmar Loew (formerly Ottmar Makoto Loew): A one-half interest in a patent.

Ellis Miller: 4 patents.

Eastman Kodak Co.: A patent.

Rolf Bie: A patent.

Dr. August von Borosini: A patent.

Radio Corp. of America: A patent.

Kislyn Corp.: 7 patents.

Charles N. Ehrlich: A patent.

R. Hoe & Co., Inc.: A patent.

The Light Conditioning Co. of America, Inc.: A patent.

Pyrene Development Corp. (formerly Pyrene-Minimax): A patent.

Herbert Raymond Loder: $5,776.36 in cash and a life interest.

Albert H. Stronstorff: A patent.

Societe Nationale des Chemins de fer Francais: $207,199.61; $30.04; $613.21; $111,487.43; $4,817.70 in cash; $52,000 Kingdom of Belgium 6 percent bonds and $80,000 Kingdom of Belgium 6½ percent bonds; and other miscellaneous property.

Clair L. Farrand: A patent.

Andrew A. Kramer: A patent.

Dr. Walter R. Hearst (formerly Dr. Walter Herz): A patent.

Maywood Chemical Wks.: 9 patents.

The Singer Manufacturing Co.: A patent.

Jackson & Perkins Co.: 2 patents.

The Celotex Corp.: 2 patents.

Christian Heinrich Hofsess: $128.50 in cash.

Walter M. Weis: A patent.

Bagpak, Inc.: 2 patents.

The Bates Manufacturing Co.: A patent.

Celanese Corp. of America: A patent.

Petrolite Corp., Ltd.: A patent.

Rudolph Waldman: A patent.

Rudolph Grodetzky and Paul Schleissner, co-partners, doing business as Uneeda Notions Manufacturers: A patent.

Emil Zipper: 3 patents.

Verne Haas: A patent.

International Shoe Co.: A patent.

California Spray-Chemical Corp.: A patent.

Walter H. Lowston: A patent.

Hans Lewin: 2 patents.

Ingersoll-Rand Co.: A patent.

James P. Robinson: A patent.

The Philippine Manufacturing Co.: 6 patents.

Arno Brasch: 5 patents.

Gaston Desagnat: 6 patents.

Arnold Janowitz: A patent.

Paul Nickelsberg: A patent.

Franz Schatzky: A patent.

Arthur M. Seligman: 7 patents.

Delamere Co., Inc.: A patent.

Norbert Bernheimer: A patent.

Max Jacoby: A patent.

Inter-Allied Patent Corp.: A patent.

Harriot Daly Sigray: $40,827.36 and $4,985.02 in cash, and life interest in trust, remainder interest under will, and bequest of personalty and one-fourth interest in residue.

E. A. M. Biering: $67,066.55 in cash.

Elizabeth P. King: $9,058.12 in cash and an interest in real estate.

Amalie Frese: $874.69.

Emil Reichert: 19 shares of stock and $126.79.

Julien Dungler: Two patents and $16,960.

Anemostat Corp. of America: One patent.

Nichibei Kinema Co.: 135 Japanese films.

Erica and Hagbarth Rotheim: Six patents and $1.

Aaron & Dautch: $266.50.

Kremer & Leavitt: $237.32.

John L. Nicholas: $246.83.

Barbara Gwiazdowski: One copyright and $218.36.

Sophie Carpenter Gordigiani: $7,696.69 and interest in two trust estates.

Babette Brehm: $167 and a one-ninth interest in real property.

Staatsbedrijf der Posterijen Telegrafie en Telefonie: One patent.

Alfred Edouard Lamarthe: One patent and $4,138.98.

Gaston Fleischel: 13 patents.

Serge Koussevitzky: $4,208.10 and one copyright.

Erminia Binda: $5,362.46 and real property.

Leslie Co.: One patent.

Kurt M. Vogel: 13 patents.

Carolyn Kent di Rcbilant: $599.31 and $22,213.59, real property and securities.

Elizabeth Lewin: One patent.

Societe Normande de Produitz Chimiquez: Two patents.

Isaac Frenkel: One patent.

Diedrich and Anna Burgdorff: $8,834.26.

Laura Guenebaum-Oppenheim: $7,802.65 and interest in a trust.

Heberlein Patent Corp: Six patents.

Puiseux, Boulanger et Cie, Societe en Commandite par Actions (formerly known as Michelin et Cie): 14 patents.

Oesterreichische Magnesit A. G.: Six patents and 1,886 shares of $100 par value preferred stock.

Rafael Gimenez Ruiz Makati, Rizal: One patent.

Walter C. Voss: Seven patents.

Ella Miller: One patent.

Anna Andreyev: One copyright and $790.56.

Jeanne Marguerite Badaire: One copyright and $526.68.

Etienne Gilson: Two copyrights and $1,372.83.

Marie Eugenie Decourbey Goguel: One copyright and $868.98.

Martha Loeb Bonatz: $2,675.15 and interest in a trust.

Gisela Altschul: $1,626.21.

Yettchen Behr: $1,853.01, one $1,500 United States Treasury 2¾-percent bond, and interest in one trust.

Max Hoch: Nine shares of stock, and $657.

Era McMurtrie Licari: Interest in one trust and $1,490.14.

Louis Marx & Co., Inc.: One patent.

Ludvik Rasch: Two patents.

Nicholaus Per Mathiesen: One patent.

Millicent Drake: $15,948.67; 5 shares valued at $600; 7 shares valued at $897; 3 paintings and 21 pieces of jewelry.

Franz Vasarhelyi: One patent.

Consolidated Amusement Co., Ltd.: 105 Japanese films.

Adelma Dennini: Three parcels of real property; $13,817.14.

List of larger title claims based on claimants' valuation

Aktiebolaget Vargos	$120,375.00
Ater Jorskringa Aktiebolaget	201,230.00
Ernest E. Bing	60,960.00
Grete Blas	50,000.00
Charles Bruening Co., Inc	85,146.16
Forsakringsaktiebolaget	176,250.00
General Aniline & Film Corp	12,193,190.98
Societe de Prospection	411,000.00
SA des Ateliers Brullie Freres	90,000.00
Societe des Usines Chimiques Rhone Poulenc	333,255.00
Hongkong & Shanghai Banking Corp	64,911.15
Hope & Co., Continental Handels Bank	349,771.02
Hermann H. Kind	89,074.11
Carl Schreiner	107,187.76
Shanghai Power Co	920,456.39
Brandjorsokrimeaktiebolaget Veritas Svenska	215,781.00
W. Sobernheim	137,624.12

Shanghai Power Co	$211,318.51
James F. Egan	187,179.74
Jean Jobert	150,000.00
Societe Rodiaceta	2,500,000.00
Compagnies Reunies des Glaces	190,000.00
Hans Biederbach	68,405.48
Everett Arion	62,000.00
Fanny Palmer	100,000.00
Establissments & Laboratories Georges	51,033.94
Bruno Carl Reinicke	250,000.00
Bank Waldenswil	100,000.00
Leo Zittman	148,000.00
Sterling Carr	66,892.65
Combined Investment Corp	187,500.00
Alexander C. Dencks	62,000.00
Frank A. Chambers	184,111.42
Nagamo Kaku	75,000.00
H. M. Garibaldi	170,453.23
Karl Wurth	77,484.03
Hong Kong & Shanghai Banking Corp	70,000.00
Louis Pieroni	192,000.00
Homer L. Loomis	152,000.00
Annette Schlubach	105,000.00
Shinzaburo Sumida	70,000.00
Daizo Sumida	50,000.00
Ina Luisa Gurau	165,000.00
Eller Moltke Huitfeldt	50,000.00
Industrielle Maatschappij Activit N. V	136,000.00
Ruth Francke	200,000.00
Ottilie Francke Muller	200,000.00
Title Guarantee & Trust Co., Temp. Admr. Est. Emma A. C. H. Schraeder	86,000.00
Elektro Kemisk A/S	1,500,000.00
Hermine K. Hassencamp	58,000.00
Ellen Biddle von Stackelberg	166,000.00
L. Z. von Vietinghoff	175,000.00
Banco de Sicilia	173,000.00
Max Philippsohn	67,000.00
Yuri Yojuna	100,000.00
Otto Hass	560,000.00
David Kamerman	70,000.00
Dr. Leonardo Cerini	50,000.00
Irene Albert	493,000.00
Servo-Frein Newandre S. A	82,400.00
Superflexit	97,337.71
Ford Motor Co	63,345.57
Helmut Legerlotz	500,000.00
Nordisk Insulin Laboratorium	600,000.00
Societe des Usines Chimique Rhone Poulenc	170,606.00
Maria J. von Tongeren Boers	54,618.15
Societe Anonyme de Manufacture et Produits Chimiques de St. Gobain	190,000.00
Latvian Cargo & Passenger Steamship Line	1,184,187.01
Nils Erik Lenander	75,000.00

Sampling of larger debt claims filed

	Amount alleged to be owed
J. P. Morgan & Co	$91,305,600.00
Do	59,633,400.00
Do	20,000,000.00
Rudolf Steiner	344,800.00
Stanco, Inc	255,489.30
Bank of American National Trust & Savings Association	992,251.37
Guaranty Trust of New York	176,738.00
Lee Higginson & Co	1,133,364.71
Light Claus	8,000,000.00
John Henry and Dora Kahn	172,549.03
Joseph Z. Dalinda	1,390,000.00
Standard Vacuum Oil Co	439,843.75
Franz Oppenheimer	663,421.23
Siegfried Beeber	286,303.00
Broadway Exchange Corp	353,819.83
General Petroleum Corp	1,159,920.74
Guaranty Trust Co. of New York	4,587,925.00
Bank of America	1,315,274.38
Do	2,112,181.57
Do	1,066,160.47
Do	2,283,979.24
Do	992,251.37
Maj. William L. Luxton	$2,000,000.00
Manufacturers Trust Co	928,495.89
Do	845,792.70
Do	2,379,557.79
Do	984,230.19
Do	2,119,433.09
Do	1,380,830.29
Waide C. Hiberly	416,509.31
Hongkong & Shanghai Bank Corp	200,000.00
Do	373,805.35
Hermann Hummell	250,000.00
International Silk Guild, Inc	578,425.60
Japan Cotton & Silk Trading Co	500,000.00
Shirley Johnson	800,000.00
National City Bank of New York	16,694,726.44
Do	5,230,438.54
Do	6,318,185.46
Do	2,412,395.00
National Shawmut Bank of Boston	535,338.67
Do	735,996.89
Do	1,562,891.14
Do	1,448,607.99
Do	1,176,726.23
Do	1,098,587.00
Do	1,098,587.00
Do	1,098,587.00
Do	1,098,587.00
Do	1,098,587.00
Do	1,098,587.00
Do	1,098,587.00
Do	843,556.94
Do	1,098,587.00
Do	1,448,607.99
Do	1,562,891.14
Do	1,098,587.00
Do	1,098,587.00
Do	1,448,607.99
Do	1,562,891.14
Do	1,098,587.00
New York Trust Co	1,237,335.37
Wilhelm Roth	442,000.00
Silesian-American Corp	3,216,130.18
61 Broadway Corp	595,972.16
Eric M. Warbury	1,955,495.53

A Thinking Citizen's View of the Marshall Plan

EXTENSION OF REMARKS
OF

HON. MAX SCHWABE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, recently the Gallup poll reported that a majority of citizens who know about the Marshall plan are for it. Under leave to extend my remarks, I insert an excellent, thought-provoking letter received this morning from a young man in my district, Mr. Perry Ewing, Jr., of Columbia, Mo., explaining why he is against the Marshall plan. I dare say that the random poll above mentioned did not include many who had given serious thought to the plan but instead accepted the administration's propaganda on the radio, in the press, and in the movies. I quote:

COLUMBIA, MO., *March 1, 1948.*

Congressman MAX SCHWABE,
New House Office Building,
Washington, D. C.

DEAR MR. SCHWABE: It is gratifying to have the privilege to write to one of the lawmakers in this land of ours and express my heartfelt views on one of the major decisions now being considered there in Washington, the Marshall plan.

Some time ago you sent me a questionnaire, contained therein and the last question was "Do you favor enactment of the Marshall plan?" I am sorry to say that I neglected at the time to return this questionnaire to you. Then and now I am still against the enactment—the Marshall plan.

Here is why I am against it. It is not sound economy. It is not sound politics. It is not good business. It is not good international public relations. It constitutes a weak foreign policy. It would invoke a burden of sufficient magnitude on the American people to weaken America as a nation, draining twenty billions in national resources, labor, transportation, and all the other complexities involved in such an undertaking of this magnitude.

It is not sound economy because the coal, iron, grain, and raw materials can never be replaced and we will be weakened as a future producing Nation. Our future lies in a strong economy here at home and exploitation of our national resources now means less in the future. I am thinking of America now and her future position as a world power.

It is not sound politics because American goods delivered under the Marshall plan go to various foreign governments, who in turn sell our products to their citizenry. The French peasant and the Italian office worker have to pay for the American goods. Were I in their position I would feel embittered toward a country who supposedly promises to give, then through my own country charges for those commodities. Where the money goes makes little difference when I have little money to buy with and each meal is a hardship. I would not like it.

It is not good business because of our uncertain position at home. Our Army has practically evaporated and our Air Force and Navy are far below good protective strength. If we pour billions into certain European countries will we ever get any returns? I doubt it. If after spending three billion in Italy, some agressor nation decides to bring Italy into its sphere of influence, either by invitation, civil uprising, or outright walking in and taking over our three billion has definitely strengthened the resources of that aggressor nation. Should such a thing occur I don't think the United States could or would do anything about it. Our present policy in Palestine leads us to believe this would be the case. I can see where half the Marshall plan's appropriations could go this way and we would sit by and watch.

We paid for World War II in dollars and commodities to the tune of more than all the rest of the participants combined. We went to war because of German aggression. The 3 years since the war have brought a greater change in the map of Europe than all the years preceeding the war—and don't forget China and Asia on the other side.

The administration of the Marshall plan both here and abroad would be a gigantic task. I feel sure that graft, politics, and favoritism would run rampant in those foreign countries where this multitude of goods went.

Now, just suppose this vast amount of American wealth were used to strengthen economically such countries as Canada, Brazil, Mexico, and our other neighbors here in the Western Hemisphere, I believe we would have a greater bulwark against aggressor expansion and we could figure on some returns in aid. Economically and militarily in the event we are again faced with participation in a global war, this time it would be for our very way of life.

There is no way short of war in stopping Russian expansion in western Europe and in Asia for that matter. Diplomacy, compromise, and fair dealing, as we think of

them, are not in the Russian vocabulary. With them any means justifies the end.

Were I sitting in the Kremlin, I would like nothing better than to see the Marshall plan enacted. It would and will sweeten the plums on the European tree which I would be about to pick. If I could get all the wealth of America scattered in Europe, then control that Europe, there would be no need for me to worry about the potentialities of America as a dominant force in world affairs.

I am speaking as a taxpayer now. I would rather give my additional taxes that will be imposed upon me if the Marshall plan is enacted to the Canadian Government than pay them to the Collector of Internal Revenue here and have him turn them (indirectly) over to Russia.

Thanks for listening.

Sincerely yours,

PERRY EWING, Jr.

How Loud Is the Farmer's Voice?

EXTENSION OF REMARKS

OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 27, 1948

Mr. TEAGUE. Mr. Speaker, I feel sure that many Members of Congress will want to read the article which appeared in the February issue of the Southern Agriculturist magazine entitled "How Loud Is the Farmer's Voice?" It is a careful analysis of the work done by the farm organizations here in Washington by officials of the three largest farm groups—Farm Bureau, Grange, and Farmers Union.

Wayne Darrow, who publishes his Washington Farmletter as a private weekly report for agriculturists and other businessmen, supplied the editors of the Southern Agriculturist magazine with most of the information about the farm organizations and how they present the opinion of their group on legislation pending in Congress. Mr. Darrow, a Texan from the district I represent, is highly qualified to report on agricultural matters and it is a pleasure to commend him for this careful study of farm organizations.

Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the article entitled "How Loud Is the Farmer's Voice?" which was published in the February issue of the Southern Agriculturist magazine:

HOW LOUD IS THE FARMER'S VOICE?—THE LANGUAGE OF THE CROSSROADS IS CLEAR AND AUTHORITATIVE BY THE TIME IT REACHES WASHINGTON—WILL CONGRESS LISTEN TO YOUR SPOKESMAN?—AND WHAT WILL HE SAY?

(By the editors of Southern Agriculturist)

The power of organizations is the greatest influence on Federal legislation. Sometimes this power is used rightly—sometimes not. How is the power you lend your farm organization used? In your name, all manner of laws are passed, rulings made, programs built.

Politically, the farmer has come of age in the last 20 years. He has done it through organization.

His strength is at the grass roots, but his voice is heard clearly in the halls of Congress, in the White House study, and in the corridors of the south Agriculture Building.

The farm spokesmen most recognized in Washington are the Big Three general farm organizations—Farm Bureau, Grange, Farmers' Union.

Next to them in importance, notably on specialized marketing issues, are the National Council of Farm Cooperatives and the National Cooperative Milk Producers' Association.

The Big Three have a combined membership representing about 1,250,000 of the 4,000,000 farmers whose primary occupation is farming. Farm Bureau claims 1,275,000 members; Grange, 825,000; Farmers Union, 145,000. Outsiders estimate the farmers represented by each in the rough ratio of 7-3-1: Bureau, Grange, Union.

Next to the Midwest, the South is the stronghold of the Farm Bureau. There the Grange and Farmers Union are weak. The South, with about half the total United States farm population, has only one-quarter of the total Big Three farm organization membership.

Yet the South, with its strong southern farm bloc in Congress, for years has swung a preponderant weight in national farm affairs, despite the inclination of many Southern States to ignore the lead of their national group.

Like labor, agriculture is only about 40 percent organized. Add in co-op membership and it won't run above 50 percent. And like organized labor, organized agriculture is badly split. Farm leaders find it hard to agree on more than a few things.

In spite of family quarrels, and of being a minority group in society, agriculture is no longer the Nation's underdog. The Big Three can point with pride to a long list of laws—mostly constructive—to the fast-growing co-op movement, to strong influence in local affairs, and to its farm lobbies, rated the most potent in Washington.

Farm Bureau has the most influence in the Capitol, but not as much as a few years ago. The Grange has come to the front fast, especially since Republicans captured Congress.

Farm Bureau's setback—perhaps only temporary—is chiefly due to antagonisms aroused among some Congressmen and in other farm groups by its hard driving pressure politics. The Bureau overplayed its very strong hand.

Led for years by likable Ed O'Neal, of Alabama, with tireless Ray Ogg doing the spadework, the Bureau pressed hard to win its points, knew all the tricks of the trade, and used them.

The Farm Bureau now has a new president. The resignation of O'Neal, the Alabamian, was accepted last December, and an Iowan, Allan Kline, who had been vice president, was elected to sit in the top chair. R. E. Short, of Arkansas, was elected vice president.

What Kline's new leadership may mean can only be a matter of conjecture this soon. Moreover, the Farm Bureau is anything but a one-man organization, and it's not likely to undergo any violent changes in its system or "tactical warfare" just because the venerable O'Neal has departed and someone else is the chief.

On the other hand, Kline, although a comparatively silent sort of man in the past, is generally believed to be more liberal in his views than his predecessor from Montgomery—and some effect of this newer farm philosophy is likely to be seen, sooner or later, in the principles and practices of the Bureau.

Even more specific, there's a decisive geographical difference in these two men's background. Alabama is definitely not Iowa, not even agriculturally speaking, and this presidential hop from Montgomery to Des Moines may be an important factor in the Bureau's future.

But the way the Farm Bureau gets things done isn't going to change. It's a highly efficient organization. It puts in its best licks back among its county membership. There, in each Congressman's district, the fires are laid and nourished by the local farm bureaus. In Washington, the Farm Bureau lobby waits just long enough for the Congressmen to feel the fire getting hot—then it moves in to get action.

The American Farm Bureau Federation threatens no Congressman's political life—that's done back home.

Farm Bureau communication lines from grass roots to Washington are fast, and the whole pressure system is remarkably effective. On a more limited scale, Farmers Union uses the same tactics.

The Grange communication lines into Washington operate more slowly, and pressure politics are avoided. The Grange makes a point of never asking Congressmen to vote its way. Its lobbyists simply explain the organization's position, and let it go at that.

The Grange swings political power, just the same. Throughout the long Democratic regime, its leadership has rated here as predominantly Republican. This is natural since its membership is heaviest in the normally GOP dairy, poultry, livestock, and fruit and vegetable areas of the Northeast, Lake, and Midwest States, and the Pacific Coast. When the GOP took over Congress the Grange just naturally had the inside track.

National master of the Grange is Albert Goss, as quiet and cautious as Ed O'Neal was colorful and bold, or as Farmers Union's Jim Patton is forceful and eloquent.

Two southerners have great influence in National Grange headquarters in Washington: Fred Bailey, publicity director, and ex-newspaperman from Texas, and Dr. J. T. Sanders, legislative representative, a former professor of economics at Oklahoma A. and M. College.

Farmers Union influence in Congress is mostly through left-wingers—of whom only a handful remain. This is one reason the union cut its Washington staff to one man—Russel Smith, a Georgian. (The Grange has 14, the Farm Bureau, 9.)

Where the Bureau is rich, and Grange well-off, the union is poor. It is small in membership, and its dues are low. Its ideal is the family-type farm, and it champions the small farmer.

Second oldest of the three, founded in Texas in 1902, Farmers Union's greatest strength is in the Great Plains. North Dakota is its No. 1 State. This may explain its radical tradition, for it is the plains that gave birth to populism, the farmer-labor movement, and the late Senator George Norris, "father" of TVA.

In Washington the union and its dynamic, young Coloradan president, Jim Patton, have strong backing from labor and liberal groups in the East. Some see this as the union's weakness—charge that it's stronger in New York City than in the Corn Belt.

Yet this backing, plus its plains strength and Patton's strong personality, have given the Farmers Union a national influence out of all proportion to its membership.

Patton himself is an eloquent speaker, a master of the bell-ringing phrase. Some examples:

"Every dollar of every price boost gives roughly 90 cents to those farmers who are better off and 10 cents to those who most need increased income * * * the children and the land are the long-time victims of rural poverty * * * while prices must be protected, something more needs to be done."

Grange leaders believe that the Farm Bureau's new president, Kline, thinks more nearly as they do on the fundamental differ-

ence between the two organizations—the part government should play in farm affairs.

The Farm Bureau would have the Government go much further in underwriting farm prices, and consequently regulating farm production, than would the Grange. The Grange sees the primary responsibility on the farmer, with the Government coming into the picture only when conditions get beyond control of the individual.

In the 1930's the Grange took little interest in AAA and other programs the Farm Bureau pushed. The Grange is old, conservative, and not easily excited.

The chief things Grange and Farm Bureau agree on are the new market research program, marketing agreements, protection for co-ops and the need for soil conservation—but there's complete disagreement on methods. The Farmers Union would also agree on these same things.

The Farm Bureau would abolish the Soil Conservation Service and turn it over pretty much to the Extension Service and state experiment stations. It has four bills in Congress to do this.

Bot' Grange and Farmers Union are fighting this—they always team up against the Farm Bureau on its tie-up with the Extension Service. They claim this is unfair public subsidization of one farm organization to the exclusion of the others.

Goss, however, at last November's annual session of the Grange at Columbus, Ohio, made a statement about soil conservation that deserved more attention than it got. It was plainly critical of the present system by which soil conservation work is carried on.

"One of our most serious domestic problems," he admitted, "is the continual drain on our soils largely through erosion. While we have made wonderful progress in soil conservation as compared with the past, we must recognize," he added, significantly, "that a system which pays cash bonuses to farmers for doing what good farmers ought to do anyway, and which does not reach land owners who persist in allowing their soils to wash away, can hardly be considered the basis for a sound, permanent program."

On the other hand, the Grange is fighting against and the Farmers Union is supporting the Farm Bureau fertilizer bill. This would expand Government fertilizer manufacture and distribute it cooperatively on a demonstration basis. Bureau and Union want more fertilizer and think it proper for the Government to help get it. Grange isn't against more fertilizer, but thinks private industry can supply it, and sees the bill as a step toward State socialism.

The Grange stands for accepted things like conservation, research, and hard money. It's not unprogressive, but moves cautiously. It makes much of its fraternal rites and local social affairs.

At the other extreme is the Farmers Union, which prides itself on having advanced ideas on most subjects. In McNary-Haugen days it went for cost-of-production. In New Deal days it fathered crop insurance and took the old Farm Security Administration under its wing.

During the war it urged full production by complete use of all land and labor down to the last sharecropper and Government contract with farmers to assure fair dealing. Now it advocates a cradle-to-the-grave farm program that promises more than any long-range program yet offered.

Between these two extremes stands the Farm Bureau, which comes nearer in its outlook to representing the business farmer than the others. This isn't to say the Bureau doesn't have many small farmers—perhaps more than any other organization—nor that the majority of Grange and Farmers Union members aren't business farmers.

It's simply that Farm Bureau councils seem most concerned with the economic needs of the growing class of business farmers.

Looking to the future, all three are more or less haunted by the farmer's fear of surpluses, but their responses are different. Farm Bureau would control production through AAA. Grange would adjust production by lowering price supports for surplus commodities. Farmers Union would avoid surpluses altogether by having the Government underwrite full industrial employment, consumption, and farm income.

On price supports, the Farm Bureau would keep them high; the Grange would have them low, but adjustable up or down; the Farmers Union would have the Government guarantee annual prices agreed upon every year by representatives of agriculture, consumers, and the Government.

All would push markets to the limit, but their limits differ. Farm Bureau would subsidize exports, but not domestic consumption. Grange opposes export subsidies, but in a pinch might agree to subsidize food for low-income groups. Farmers Union would do both. It sees no limit until hunger is banished from the earth.

As to farm programs, all three will fight to keep the Commodity Credit Corporation as the giant bank for farm price support. All would retain the farm credit system, but the Farm Bureau and Grange would make it independent of the Department of Agriculture. The Farmers Union would liberalize it, and slant it more to the needs of the small farmer.

All three back soil conservation, but vary on methods. All favor extension work, but the Grange and Farmers Union would divorce it from the Farm Bureau in States where there is a close tie-up.

Farm Bureau and Farmers Union believe in local farm program administration by elected farmer committees. The Grange, perhaps because it sees less need for Government programs, is lukewarm on this.

The Grange is the most conservative as to lowering tariff barriers and freer world trade; Farmers Union is the most liberal. All three agree in hearty support of Food and Agricultural Organization as the one United Nations agency which is agriculture's own. They see it as a means of improving world food production and distribution and of spreading agricultural know-how to all.

Each believes it is fair toward organized labor, but labor leaders usually rate the Farm Bureau and Grange as hostile. Farmers Union is outright prolabor. The view is growing among all, however, that labor is the farmer's chief customer, and that labor's record in support of farm measures is good.

The total different farms represented by members in southern agriculturist States, as claimed by each organization—subject to small reductions in Farm Bureau figures in a few States because of contributing members in towns and cities, and of scattering but unorganized Grange members unreported in a few States—are:

	Farm Bureau	Grange	Farmers Union
Alabama	55,111	----------	1,000
Arkansas	40,012	400	2,000
Florida	6,201	----------	----------
Georgia	45,922	----------	----------
Kentucky	37,170	----------	----------
Louisiana	7,919	----------	500
Mississippi	36,691	----------	----------
North Carolina	55,785	7,000	----------
Oklahoma	7,550	2,100	28,000
South Carolina	8,452	2,300	----------
Tennessee	27,823	1,200	500
Texas	18,653	2,000	1,500
Virginia	17,552	1,700	----------
West Virginia	13,227	1,200	----------
Total	378,068	17,900	33,500

Civil Rights Controversy

EXTENSION OF REMARKS
OF
HON. HENDERSON LANHAM
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. LANHAM. Mr. Speaker, under leave to extend my remarks, I am introducing into the Appendix of the RECORD a most thought-provoking article written recently by Wright Bryan, editor of the Atlanta Journal, Atlanta, Ga.

I am in hearty accord with what Mr. Bryan says with the reservation that I favor a white primary if such can be maintained within the framework of our Federal Constitution.

The article follows:

THE SOUTH HAS ONE BEST ANSWER IN CONTROVERSY OVER CIVIL RIGHTS

(By Wright Bryan)

The South can, if it will, make a more effective answer than any yet sounded to the clamor from other sections for forcible protection of civil rights.

That answer will come through actions, not words.

The South can see to it that Negroes are protected in their lives and property, their freedom of person and of speech, as well as other citizens are protected.

The South can insure its Negroes equal justice through police authorities and courts.

The South can grant to qualified Negroes the right to vote in all elections and deny the franchise to individual Negroes only on the same basis that unqualified white persons are denied it.

The South can provide for its Negroes education and public-health services and economic opportunity which will raise the living standards of all our people, white and black.

SOUTH MUST LEAD

The South can do all those things through its own leadership and with its own methods.

In many places and in many ways the South is moving toward those goals. Progress has been made and is being made—but not enough.

Until the South does those things for itself, we can expect to be the target of outside criticism and of unworkable plans for securing civil rights by Federal fiat.

Many of those outside demands are made for cheap or dangerous political purposes. No wonder the South denounces them.

Some of them, it must be conceded, are made by sincere and well meaning people who do not understand the effect of such controversy.

HERE IS TRAGEDY

The tragedy of it is that this insistence on sudden and forcible over-turning of deep-rooted customs, customs for which good reason exists, encourages and provides ammunition for political demagogues and self-serving apostles of violence.

It helps nobody but the hatemongers.

At the same time it makes immeasurably more difficult the task of southern men and women of good will who strive to deal with conditions fairly and justly and helpfully.

It arouses in some of them, and in many of the people with whom they must work, a spirit of antagonism instead of a spirit of cooperation.

They cannot afford, however, to let irritation and anger deflect them from their task.

The South must press forward for itself.

The best answer, the only effective answer the South can make to what is being said elsewhere is to set our own house in order.

POLITICIANS HAVE CHANCE

Southern political leaders who actually are as aroused as they claim to be can accomplish more by working within the South for improvement of our own conditions than by name-calling and threats of vengeance.

One of the clearest statements yet made of their need was in an editorial of the Arkansas Gazette, which said:

"There is still time, however, for the South to give an affirmative answer to its critics. We can do this by substituting intelligent, concerted action for the lip-service we have all too frequently given our own ideals of fair treatment for the Negro race. We can accept, without reservation, the special responsibility that falls upon the dominant race and discharge it in good faith, giving the Negro educational, economic, and political opportunities not because we are forced to but because we recognize his right to them. In this way, and only in this way, can we justify the principle of social segregation to which we are dedicated."

Tax Revision a Must in the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. CHARLES R. ROBERTSON

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. ROBERTSON. Mr. Speaker, it is imperative, if this Nation is to remain strong and hold its leadership, that we must not lose sight of one very important fact that stands out in this confused situation of the national viewpoint.

There are so many things to think about in our now complex society, there are so many people demanding so much of government, there are so many people demanding a further concentration of power in Washington, and apparently a refusal to accept the responsibility that goes with citizenship of a State.

In this confusion, no more important matter must claim the attention of the American society than the revision of taxes. If the Nation is to grow and expand and employ labor and hold its place under our system of profits, we must have profits. Money must be rewarded, whether it be in the hands of a laborer or an investor, because it is the sum total of investors' money which makes expansion of American business, and this makes for permanent employment. And more than that, it makes for added employment. And so the question, Mr. Speaker, to me is clear-cut. The Nation must have tax relief. That is a must for the Eightieth Congress.

Under unanimous consent, I include the following editorial taken from the Bismarck Tribune, Bismarck, N. Dak., of March 1, 1948:

TAX REVISION NEEDED

No truer words were ever spoken than those uttered recently by Gwilym A. Price, president of Westinghouse Electric Co., when he said: "If the dynamic business pace which this country has experienced since the end of World War II is to continue, there is a very real need to stimulate the investment of equity or venture capital in industry."

Everyone with common sense will agree with this since continued expansion is vital to the successful operation of the capitalistic system. It is the only way we can insure jobs and maintain a high standard of living.

As Mr. Price points out, investment capital now is taxed twice; first as a corporation tax and second as a tax on the individual who receives dividends. His proposed remedy is to exempt from tax liability dividends received by stockholders.

A better way would be to exempt corporations from taxation on that portion of their income paid out as dividends. It might require a bigger tax-collecting machine to do the job, but it would be fairer and would have the added benefit of making every individual fully aware of the taxes which he pays.

In any event, regardless of the way it is done, we must find some practical method of keeping the investment system going. The alternative is eventual changes in our basic system of operations.

The Palestine Question

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the very interesting and timely statement of Harold L. Ickes, former Secretary of the Interior, entitled "Man to Man":

MAN TO MAN

(By Harold L. Ickes)

The question of Palestine involves more than giving the Jews the abbreviated homeland that has been promised them. The good faith and honor of the British Empire is involved. More important still, from our point of view, the good faith and honor of this country is involved.

Nor do these tell the tale. The very life of the United Nations and its promise for world peace, even though at times feeble, may depend upon what happens in Palestine during the next few months.

Every American knows that the Balfour Declaration, issued at the end of the First World War, promised Palestine to the Jews as a homeland. This was underwritten by the United States. Moreover, it had the approval of the Arab leaders of that day. Then during the late war, Great Britain, by its iniquitous white paper, brought to a stop the immigration into Palestine. The United States meekly acquiesced in this betrayal.

Then the Arabs, when the Allies had freed them from the Ottoman Empire, became truculent. They insisted that a stop be put to Jewish immigration into the Holy Land. There was a time, after the latest defeat of Germany, when Great Britain and the United States, acting in concert, or even separately, might have grasped this Arab nettle firmly and insisted upon enforcing the original agreement as expressed in the Balfour paper. But these two strong nations stood with quaking knees before a few weak Arab tribes.

A commission of inquiry composed of British and Americans visited Palestine. Bevin had promised that if this commission should make a unanimous report, Great Britain would agree to it. It did make a unanimous report, but again Great Britain broke faith. The United States, through President Truman, pretended to accept this report, at least to the extent that 100,000 homeless Jews be at once admitted to Palestine. But President Truman, if he meant what he said, did nothing to make good on his promise.

Then the question came before the United Nations, which set up another committee consisting of representatives of some of the smaller nations of the world. This committee visited Palestine and recommended that there be created two independent states, one Jewish and one Arab. This proposal was accepted by the United Nations, including Russia. The Jews were willing to take the half loaf instead of the whole one that had been promised.

Ever since this agreement the Jews have been calling for action. They have wanted the United Nations to send to Palestine at least a token police force, which, of course, would include Russians. However, the UN continues to sit supinely while the only action taken by the virile United States has been to refuse the Jews the right to purchase arms for the defense of the territory that the United Nations has decreed should be theirs. But the Arabs, who are the aggressors against Palestine, are able to buy arms to use against the Jews.

Here is an international scandal of the first order. Here is weak indirection. Again is the United States in default of its good faith and honor. Again has a road to a hell on earth been paved with good intentions. Meanwhile, President Truman pretends to be supporting the partition of Palestine. He represents to the Jewish leaders in the United States that he favors redressing the wrongs of their people.

But this cannot be real, because it is the Secretary of Defense, James V. Forrestal, who, under cover, to be sure, is leading a belligerent fight for the Arabs. It is Secretary Forrestal, who, in whispered conversations with congressional leaders on the Hill and at cocktail parties, is attempting to defeat the supposed objective of his chief, the President, with respect to Palestine.

If President Truman is sincere in his concern for the shrunken Palestine as a homeland for the hapless Jews of the world, he will call in his Secretary of Defense and tell him sternly that he will either be loyal or get out. He will also tell Mr. Forrestal that he does not credit the statement that he made to the press last week that he is not opposing the partition of Palestine, because he has been doing that very thing.

And in his opposition, he has the enthusiastic support of at least part of the staff of Secretary of State Marshall, which is also attempting to run with the hares while hunting with the hounds. President Truman is entitled to loyalty in his own Cabinet, just as Secretary Marshall is entitled to loyalty in his Department. Neither is getting it. But either can put a stop to disloyalty, if that is what he wants to do.

Secretary Forrestal is trying to defeat the legitimate aspirations of the Jews for reasons of security, which in this instance means the oil of the Middle East, particularly that in Saudi Arabia. But where, I venture to ask Secretary Forrestal, would the Arabs be able to sell their oil for dollars except to American companies, and how long would Saudi Arabia be able to exist economically if it were not for the royalties that it gets for its oil?

The War Menace

EXTENSION OF REMARKS

OF

HON. ALBERT GORE

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. GORE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a thoughtful letter from Dean

A. W. Smith, of Tennessee Polytechnic Institute, Cookeville, Tenn.:

TENNESSEE POLYTECHNIC INSTITUTE,
Cookeville, Tenn., March 1, 1948.

Hon. ALBERT GORE,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE GORE: Russia must be stopped now. This is a mighty duel between her and the United States. Dillydallying will be fatal. It may mean war of the most vicious character with us making the first move in the dark. The day of ethics in war has gone. When one deals with the devil he must use devilish means.

The United Nations cannot work with the present world condition. That organization is based on democracy and Russia does not fit into it top side or bottom and cannot. It is ridiculous to think of a dictatorship playing democracy. If Russia were knocked out, the rest of the nations would immediately join the UN and it would work at least for years to come. Nothing, perhaps, will keep peace forever.

When Russia says she must have security she means against us and that means she must control Europe, Africa, and Asia.

The time and method used by us in the next war cannot be made known to the American public nor discussed publicly in Congress. The destiny of every American is in the hands of the Government and that Government must act largely without his knowledge or previous consent. I do not want to know what is being done but I do want to know that the Government has the knowledge, the courage and determination to strike when and where unheralded, if necessary, to make us secure.

When we lose there will be no trials. Nothing but calling of names and crack of rifles. We are in it up to our eyes and we must see the world through. We are the only ones who can. The world is praying not so much to God as to America.

Good luck.

AUSTIN W. SMITH.

Helpless Finland

EXTENSION OF REMARKS
OF
HON. JOHN B. BENNETT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. BENNETT of Michigan. Mr. Speaker, under leave to extend my remarks, I include an editorial in this morning's Washington Post entitled "Helpless Finland." Finland's tragic difficulty today arises primarily from the vicious unilateral treaty that was forced upon her by the Russians prior to the end of World War II.

The editorial follows:

HELPLESS FINLAND

Finland's helplessness makes the Soviet insistence upon a military alliance with Finland a tragic joke. Under the peace treaty the thousand-mile frontier with Russia was so rearranged that Finland could neither attack Russia nor defend herself from Russia. In the south, Karelia, the traditional gateway, is now Russian; in the center, the Finnish waistline was so narrowed as to make it easy for Russia to cut the country in two; in the north, the Russians made adjustments allowing of swift control. In addition the Gulf of Finland was Russified, and the capital at Helsinki was put within Russian cannon's reach by acquisition of a military base at Porkkala. Yet the Russians insist on new military guaranties. The reason lies in the Stalinist fear-struck phobia militarily to consolidate the territory behind the iron curtain and to bludgeon oppositionists into compliance or silence.

It is sad to see all independence in process of extinguishment in a country which raised itself after its liberation, consequent upon the First World War, into an ideal commonwealth. In 1939, when Russia fell upon Finland, the decline started, for Finland suffered great losses in manpower and resources. The decline was accelerated by the fresh travail incurred when Finland was dragged into a new war with Russia after the German assault upon Russia. Since the peace the Finns, perhaps the hardest working people in the world, have been trying to pay the reparation bill imposed by Moscow. They were resigned to the task, and the Soviet Union, so far as can be discovered, had nothing to complain about. But the Soviet seemingly cannot afford even the possibility of a tug-of-war behind the iron curtain. Even the nominal independence left to Finland is something that cannot be tolerated. As one country after another is ground under the Slav heel, the lesson for the free world is clear. It is to unite before it is too late. The Kremlin will not be satisfied as long as there is any liberty left anywhere.

Pay Raises for Federal Employees

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. GARMATZ. Mr. Speaker, under leave to extend my remarks, I wish to insert my testimony before the House Committee on Post Office and Civil Service, advocating favorable action on pay-raise legislation for Post Office Department and other Federal employees:

Mr. Chairman, during the past few weeks I have received a great many communications from my constituents, stressing the need for legislation to grant salary increases to postal workers, as well as other Federal employees.

Whenever the cost of living rises, as it has been doing for the past few years, we know that persons living on fixed incomes suffer most. While some workers are able to secure raises to offset the higher living costs, those persons whose salaries are fixed by law, have a difficult time in keeping up with the rising prices.

The last increase in salary seemed adequate at the time, but soaring prices have far outstripped increased wages. The trend in living costs is definitely upward, and likely to remain so. The tremendous loss in buying power in the last few years has created undue hardships on the majority of Government workers.

In a great many cases, salaries are not sufficient to provide even the bare necessities of life. Many Federal employees have found it necessary to cash their bonds and use what little savings they had. Many have had to secure outside employment, in addition to their Government work. The present inadequate salaries deny them their rightful participation and their equitable share in the material and social prosperity of our times.

It is true there has been a slight decline in food prices within the past few weeks, but the decline has been so slight that it is insignificant. Furthermore, this small decline has been more than offset by the rise in the cost of other consumer items, such as clothing, fuel, household products, etc.

We expect efficient work from Federal employees. But they certainly cannot do their best work when they are living under an economic and financial strain, or when they are compelled to hold more than one job to make ends meet.

We cannot expect Government employees to hope and pray that prices will return to normal, or prewar levels. There is no indication that they will. Workers in private industry resort to strikes to gain an increase in wages, but Government workers cannot do that. They must wait patiently until the realization dawns on the Members of Congress that if we wish to maintain governmental efficiency, we must grant living wages. They are asking, and have a right to expect, a salary that will permit them to live according to our American standards.

I am sure that statistics have been cited many times during these hearings and that they will prove the need for salary increases.

I am convinced that an increase of not less than $800 is fully justified at this time; and feel that in the consideration of appropriation bills for the coming fiscal year, sufficient funds should be appropriated to provide for the increases.

It is my sincere hope that the committee will approve a bill to make possible the much-needed salary increases.

Water Power "Sparks" a Town

EXTENSION OF REMARKS
OF
HON. ROBERT E. JONES, JR.
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. JONES of Alabama. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following article, which appeared in the magazine section of the Christian Science Monitor of February 28, 1948; and a letter I received from Mr. P. O. Davis, Director of Extension Service, Alabama Polytechnic Institute, Auburn, Ala., dated February 28, 1948:

WATER POWER "SPARKS" A TOWN—DECATUR, ALA., RISES FROM SLUMP AND BECOMES "SUCCESS STORY"

(By Sidney Ross)

Towns go bankrupt for various reasons. It happened to Decatur, Ala., a community of some 20,000 residents hugging the Tennessee River, in the northern part of the State.

It happened in 1931. Decatur, already staggering from the effects of the depression, just folded up when its one real industry, the Louisville & Nashville Railroad repair yards, closed. Employing 2,000 people whose pay checks literally supported the town, when the L. & N. moved away the glimmering hopes of Decatur's citizens went with it.

Not only the industrial workers and the business people of Decatur, but the hard-bitten "one crop" farmers were ready to call it quits. Many families packed up and moved away.

That was before Tennessee Valley Authority.

It's different now. Today the amazing transformation of this small southern city can be written in three short words: "TVA—Success Story."

Today Decatur, Ala., is a thriving and enthusiastic community with tremendous confidence in itself and its future. As Barrett

Sheldon, editor-publisher of Decatur's one newspaper—the Daily—puts it—"TVA showed us how to get up again after being knocked on the floor for what looked like keeps."

"It wasn't magic," continued Mr. Shelton, "TVA made us want to help ourselves. We have done just that."

TVA means many things to Decatur, and for that matter to all of the communities, large and small, in the shadow of the broad Tennessee River, which has been harnessed and put to work by the great Government project.

To the worker it has meant a job, because TVA has brought navigation to the Tennessee River and attracted varied industries employing many hundreds of people to Decatur.

To the housewife it has meant a better life, with cheap power and the resultantly phenomenal increase in use of modern electrical appliances.

To the farmer it has meant electric lights perhaps for the first time in his life, and soil conservation and new agricultural markets.

To the mother it has meant better conditions for her children.

To the occupant of low-lying land it has meant an end forever to the concern of flood.

Actually, all of these things are not separate. They are like the fingers of a hand working cooperatively and complementing each other—applying to every one alike, child and adult, farmer and businessman, worker and banker.

Most people think of TVA as synonymous with cheap power. Yes, TVA means that. But as the proprietor of a store on Decatur's Second Avenue explained: "They can take the power out of TVA if they want to. Just leave us the flood control and health improvement."

The store proprietor made this comment at the time last summer when the rampaging Mississippi and Missouri Rivers were wreaking destruction upon wide areas of the Middle West.

In 1934 (the first year of Decatur's coexistence with TVA), there were 29 industries in Decatur, employing 1,420 workers, with a total pay roll of $1,060,000.

The last report available as this was written was issued on September 1, 1946. It showed 81 industrial establishments, giving employment to 4,275 men (and women), Negro and white, with a total annual wage of $7,481,646, a better than 700 percent increase.

Bank deposits highlight an even more startling contrast. In 1933, Decatur's citizens were able to put away the none-too-impressive sum of $291,736. But during 1946, the bank-deposit slips added up to $17,154,462.

To Maynard Layman, Decatur Daily agricultural editor and effervescent one-man chamber of commerce for his home town, TVA's greatest accomplishment has been its sociological effect in transforming the thinking patterns of the people.

"In pre-TVA years," asserts Mr. Layman, "our people had one-track minds. Nobody much cared about the farmer, and the farmer didn't see further than his one crop—cotton. We thought only in terms of industry—factories. Now we think of farmer and industry in the same breath."

The result has been a healthy integration of farm and city economy. The farmer used to sweat out his 5-cent cotton and was at the mercy of the mills. The best that he could get for himself was a pair of overalls, no shoes. He got poorer and poorer and nobody had a solution.

"Look at this," said Mr. Layman, shuffling through a litter of papers, and finally coming up with his latest yearly agricultural report. "During 1946, farmers in the Decatur area received the sum of $15,644,219 for farm products marketed or processed through Decatur plants. Since TVA, the farmer has been really introduced to livestock and dairy herds; to better care of the soil, providing not only a longer staple (better grade) cotton, but also a diversification of crops."

Let's take a look at industry since TVA. Suppose we examine the case of the Ingalls Shipbuilding Corp., which located in Decatur in 1934 on what had been an old cotton patch.

Why did Ingalls, which thus became Alabama's first industrial development on the Tennessee River, choose Decatur? There was a good skilled-labor supply available from pre-TVA days, but without the new navigational facilities linking the city with the Gulf of Mexico, 1,300 miles away.

The Ingalls organization's 600 workers are busy these days turning out self-propelled river barges for the French Government. The barges are loaded in half sections on ships, floated to the Gulf, and then transported across the Atlantic.

Or examine the Southeastern Metals Corp., which operates the biggest aluminum press in the South. Southeastern began in 1945. Although it made Army canteens under contract for a while, it wasn't a war baby that grabbed big money and then quit.

From Army canteens they turned to Boy Scout camping kits. These days they're stamping out thousands of complete household utensils every week, from dishpans to dippers. They employ mostly women with no previous industrial experience.

Southeastern was started from scratch. Ask R. A. McMasters, vice president of the firm, why they picked Decatur to locate their plant and this is his answer:

"Sure, it was our home town. But more important, it had cheap power. Because of navigation on the river, we can get our raw product directly from Reynolds Alumium at Lister Hill, Ala., which exists itself only because of TVA. We used to get all of our household wares from the East. We're the first aluminum household-products manufacturer in the South. We sell our products not only locally (at a saving to our people), but also all over the United States of America, and for export.

Looming up impressively by the river is the gleaming white concrete colossus that is the Alabama Flour Mill, which opened for business in 1941, and which grinds approximately 1,200 barrels of brand-name flour per day.

"The reason we have to keep on fighting for TVA," says editor-publisher Barrett Shelton of the Decatur Daily, "is not because TVA is a failure, but because it has been successful. From its very inception we have had to practice eternal vigilance."

ALABAMA POLYTECHNIC INSTITUTE,
EXTENSION SERVICE,
Auburn, Ala., February 28, 1948.

Hon. ROBERT E. JONES, Jr.,
Member of Congress,
Washington, D. C.

MY DEAR BOB: In talking to the home demonstration council here recently, about which you wrote me, I first called attention to a statement made by President Truman in his message to Congress that in 1946 per capita farm income was $779 against $1,288 for nonfarm people.

This means that during 1946 when farm production in the United States hit its peak to date the nonfarm person had an income of better than $3 for each $2 per farm person.

There are several ways which farmers can increase their income, but the best one is higher production per person with a fair price per unit.

Farmers increase their production by expanding their acreage per person or by increasing the volume per acre or per animal. This, of course, involves shifts from crops to livestock and a greater use of machines.

On the matter of land, we found that in the United States and Canada the per capita amount of cropland is 3½ acres, of which 3 produces for our use and one-half for export.

Russia has 2 acres of cropland per capita; Europe, except Russia, 1 acre; China, one-half acre; Japan, one-fourth acre.

These figures explain why people of the Orient can never have a diet of meat, milk, and eggs. They don't have that much land.

A diet of meat, milk, and eggs requires four to eight times as much land as a diet of grains.

Incidentally, one-fourth acre in sugar beets or sugarcane will produce as many calories as an average person should consume in a year.

I then gave them a few facts about rural health, quoting from Secretary Anderson that during the Second World War the rejection rate for farm people for military service was 53.4 percent compared to an overall of 43 percent; and that in the 18–19 age group farmers were turned down at a rate 40 percent higher than for all others based upon physical defects alone.

The women were interested in a survey conducted by Successful Farming on Why Don't Farm Boys Marry Earlier? Answers from farm people were as follows: (1) 32.5 percent unwilling to live on farms; (2) 28.1 percent said farm girls go to cities at the usual marrying ages, with the result that farm boys don't have a chance to meet either farm girls or city girls; (3) 23.5 percent said farm boys postpone marriage because they are kept too busy on the farm; (4) 9.3 percent mentioned financial insecurity.

Distaste of women for farm life is accented by a poll of Iowa farmers, published in Wallace's Farmer.

Only 46 percent want their daughters to marry farmers, although 66 percent want their sons to farm. Main objections mentioned by farm wives were outdoor work and lack of conveniences.

Similarly the Farm Journal (February 1947) reports a survey of college girls by Dr. Hazel M. Cushing of Washington State College. Only 24 percent of the girls with farm backgrounds and 6 percent of the city girls prefer to marry farmers. Most of the girls in each group would marry farmers if all else were equal, but this would demand that the farmer have as much education as his college wife, devote himself mainly to cash crops and keep away from poultry farming. In other words they wanted to live on farms with high incomes and less drudgery work for wives.

During the discussion I referred to some statistics presented recently by Dr. O. E. Baker, of the University of Maryland. Dr. Baker has spent much of his life studying people along with geography. In a recent article he predicted that the population of the Orient a century hence will be double that of today, with a half billion more in Russia and her satellites, but fewer in the remainder of Europe, and much fewer in the United States.

With every good wish, I am
Sincerely yours,

P. O. DAVIS, *Director.*

The Holloway Plan

EXTENSION OF REMARKS
OF
HON. L. MENDEL RIVERS
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. RIVERS. Mr. Speaker, the Holloway plan, known as the naval officer pro-

curement plan, is a most comprehensive and well conceived means of obtaining officers for the United States Navy. This plan not only utilizes the United States Naval Academy at Annapolis but 52 colleges throughout the Nation as a means of obtaining the best possible officer material for the navies of the future.

Fleet Admiral Nimitz, on September 15, 1947, commended this program to all the personnel of the Navy. I need not remind the Members of the House of the contribution made to the winning of the war by this the greatest of our modern-day admirals.

I commend knowledge of the Holloway plan to all Members of the House, and under leave to extend my remarks, I hereby include herewith the letter from Admiral Nimitz, along with a summary of the Holloway plan:

THE HOLLOWAY PLAN (NAVAL OFFICER PROCUREMENT PLAN)—A SUMMARY VIEW AND COMMENTARY

NAVY DEPARTMENT,
OFFICE OF THE CHIEF
OF NAVAL OPERATIONS,
Washington, D. C., September 15, 1947.

To the EDITOR, UNITED STATES NAVAL INSTITUTE PROCEEDINGS, ANNAPOLIS, MD.:

Although the postwar system of procuring and training officers for the United States Navy has been in effect for some time, I believe that there is still considerable misapprehension among the public and even among some naval personnel as to its operation.

Hence I read the present article with interest, and I am glad that the Naval Institute Proceedings is publishing such a complete and definitive exposition of the plan, its purpose, and its procedure. I hope that it will be read by all naval personnel, and that it will be reprinted by newspapers and other media for the general information of the public as well.

Sincerely,

C. W. NIMITZ,
Fleet Admiral, United States Navy.

Comment by many having knowledge of the United States Navy's new plan for training officers has dealt, on numerous occasions, with categories and phases of particular interest to the group addressed. This is natural and very much in order.

However, questions asked and comments made by people within and without the service indicate that the over-all and general understanding of the plan can be greatly improved. And full understanding by the Navy and by the interested public is essential to effective implementation.

The opportunity to know this plan well, in both policy and administrative areas, has been accorded me by circumstance. The object of this paper is to assist in attaining a widespread understanding of the Holloway plan by presenting here, in an overview, the entire plan. The perimeter of the summary and comment is calculated to encompass all parts and categories and to show the plan's pattern with all its features simultaneously brought to light in integration.

GENERAL OBSERVATIONS

Fundamentally and in all its phases our postwar officer education and procurement plan is one of integration. Superimposing any group above another, or introducing blocs of special categories in the line is not envisioned.

The first nationally screened input of regular NROTC midshipmen enters the 52 NROTC institutions this fall. Graduation for them is 1951; 2 years' service as ensigns, United States Navy, is completed by all, after which some return to civil life and some enter upon regular Navy careers in 1953. Career men as lieutenants (junior grade), together with Naval Academy contemporaries, go to general line school about 1956 and become available for assignment at senior watch and division level in 1957-58. At that time high-grade university men, adequately seasoned, matured in, and pointed for active naval service, in appreciable number will appear as regular officers of experience—flight section leaders, destroyer engineer and gunnery officers, flag lieutenants, and so on, fully correlated in assignments with their Naval Academy brethren. In other words, 10 years are involved to see the pipe line filled, and integration accomplished as planned. The Department and the Service must be patient and tenacious to see the plan through for a decade to prove it, as time surely will.

The Marine Corps participates fully in the plan. Some 17 percent of all the students of each NROTC unit of the program may in their junior and senior year select the Marine Corps training; each NROTC unit has one or more marine officers as assistant professors of naval science, and marine officers are assigned as professors of naval science in charge of the unit in several instances. Marine Corps integration in the program is close and complete.

BACKGROUND

Immediately after the war the Navy Department embarked upon three important projects:

I. Demobilization, in which we separated some 3,000,000 officers and men from the naval service in 12 months.

II. Preparation of a force operating plan envisioning an eventual naval strength of approximately half a million men and 50,000 officers.

III. Personnel procurement and training plans to implement this force operating plan.

Ready on VJ-day was a plan calculated to supply the officers for a four to five hundred thousand man Navy by channeling all new officer material through 2 years at the Naval Academy after 3 years of college. The Navy Department did not elect to adopt this plan, and set up the Holloway Board to study and recommend the form, system, and method of education of naval officers. The Board consisted of the following members: Rear Adm. James L. Holloway, Jr., United States Navy, senior member; Dr. James P. Baxter, president of Williams College; Dr. Henry T. Heald, president Illinois Institute of Technology; Capt. (now Rear Admiral) Felix L. Johnson, United States Navy; Capt. (now Rear Admiral) Charles D. Wheelock, United States Navy; Capt. (now Rear Admiral) Stuart H. Ingersoll, United States Navy; Capt. John P. W. Vest, United States Navy; Capt. Arthur S. Adams, United States Navy (retired), (now provost of Cornell University); Commander Charles K. Duncan, United States Navy; and Commander Douglas M. Swift, United States Navy, member and recorder.

Studies indicated that the annual input required to maintain the officer strength envisioned for the postwar Navy could be obtained in general terms in three ways:

1. The channeling of all career officers through the Naval Academy in a reduced 2- or 1-year course designed to follow 2 to 4 years in civilian college;

2. The building of a second Naval Academy, at the same time expanding our present plant here at Annapolis; or,

3. Utilizing the NROTC and the Naval Academy, maintaining the 4-year undergraduate pattern in each category.

Scheme 1, that is, converting the Naval Academy to a graduate or semigraduate institution, was rejected. Rejection was unanimous on the part of the Board because of the importance all members placed on the 4-year undergraduate pattern in a single institution. The record of the Naval Academy in developing, in students together there for 4 years at undergraduate level, a permanent desire for naval service was also an important consideration.

Scheme 2, that is, construction of an additional Naval Academy, was rejected because of the delays involved in establishing such a plant and expanding the existing one. Furthermore, it was deemed wiser that the Naval Academy at Annapolis, with its history and traditions, be the single institution representing in its contribution the ultimate in professional and personal standards, and a principal binding force in the creation of loyalty and ideals of service in the Navy as a whole.

Scheme 3 was recommended and adopted because it employs methods that have been proven in the case of the Naval Academy throughout its history, and also in the case of the NROTC (and its closely associated V-12 and Midshipmen School programs) both before and during World War II. This scheme also provides flexibility in that, by means of varying the input of career officers from the NROTC line, changes in personnel requirements can be best accommodated. It permits employment of the short-term commission on an eminently fair and advantageous basis in connection with the Regular (fully subsidized) NROTC student, which has the advantage of providing a continually replenished reservoir of young and experienced Reserve officers composed of those who return to civil life after their 2 years' service. It further provides the great number of junior officers needed in active service without launching an unnecessarily large number upon permanent careers, an arrangement serving to greatly lessen forced attrition and accompanying waste and expense of retirement in an officer's highly productive years.

OUTLINE OF THE HOLLOWAY PLAN

Part I

There are essentially three parts to this plan. The first deals with the undergraduate phase of officer procurement. The two major and fundamental lines of procurement are the Naval Academy and the NROTC. This is stressed because it is sometimes overlooked that the Naval Academy is incorporated in and as much a part of the Holloway plan as is the NROTC.

Other sources of initial procurement are:

(A) The Naval aviation college program, in which the candidate selected for flight training may attend any college of his choice for 2 years, followed by 2 years of flight training and active service in fleet aeronautical organizations. This program is currently carried at diminished numbers, as experience and review indicate desirability of taking the NROTC and Naval Academy graduate alike into flight training after a year or more of service in the fleet, as the basic and major method of obtaining aviation officers. (Entry into the NACP has been suspended for the fiscal year 1949 in accordance with ALNAV No. 179.)

(B) Commissioning a limited number of particularly qualified graduates of any college or university. (This to include unsubsidized NROTC students.)

(C) Commissioning directly a substantial increment of enlisted men annually.

Part II

The second major part of the plan deals with the education and training for officers transferred into the Regular Navy after World War II. This part of the plan is now being implemented vigorously by the Bureau of Naval Personnel and is mentioned solely to round out the picture and to indicate the firm integration envisioned; integration in precedence, in spirit, and in professional and academic education.

Part III

Part III of the Holloway plan deals with the graduate education of permanent commissioned officers, and it likewise is now in the process of Departmental implementation in all essential features. This phase is mentioned here because it plays an important part in the over-all integration of officers from all sources. I regard its fundamental cornerstone to be the General Line School for all officers, regardless of source, upon the completion of their fifth to eighth year of commissioned service. At this time maturity has developed, actual experience in the field renders the reaffirmation of professional subjects significant to a higher degree, and there exists a greater opportunity for mutual social and professional understanding than at any prior period in the officer's career.

Before discussing the details, the advantages, and the contributions envisioned of the two major sources of procurement, that is, NROTC and United States Naval Academy, and the integration of these, we might profitably recapitulate the departmental action in approving the plan. On October 30, 1945, the Secretary of the Navy approved the Holloway board report in general terms as follows:

The total output of the Naval Academy (less those who fail to meet aptitude requirements during the probationary commissioned service) will be utilized to provide career officers for the Navy.

Career officers required annually in addition to those obtained from the Naval Academy will be obtained from the other sources provided under the Holloway plan; this means that numbers required additional to those from the Naval Academy for purposes of career will be drawn principally from the NROTC graduates completing their 2-year short term commission commitment. Legislation incorporating NROTC features of the plan passed both Houses of Congress unanimously and was signed by the President and became law on August 13, 1946.

The plan providing for the education and training of the Reserve and temporary officers transferred to the Regular Navy was approved for immediate implementation.

That part of the report concerning the graduate education of naval officers was approved in principle, with the direction that such action be taken now and at later dates as would best effect the accomplishment of the plan.

NROTC

The selection of candidates to go, under Navy subsidy, to the 52 NROTC institutions is geographical, and is basically that employed in screening for the V-12 during the war, with which is combined the bilateral selection on the part of the college and individual wherein the latter selects his college, presents his Navy certificate and his secondary-school credits, and in turn is selected by the college of his choice. This unique provision has been accepted wholeheartedly by all the colleges and universities of the program. The first national screening, early in 1947, covered some 50,000 young men, of whom 10,000 passed high enough to be presented to the State boards and from whom the State boards selected some 3,000 to enter the institutions as freshmen in the fall of 1947. This indicates the high quality of officer material we should get. It is agreed that this input can be considered not simply the subsidization of boys who would go to college anyway, but that it will represent in effect an increase in the total number of outstanding youths of our country who are able to go to high-grade institutions.

The stipend paid the NROTC student selected for the program (regular) under discussion is a good one compared with undergraduate scholarships in force throughout the United States. In addition to $50 per month the student receives his books, tuition, and laboratory fees. Out of this amount the student must clothe, house, and feed himself. If that is insufficient, he must obtain funds either from home or by working at college. It was interesting to observe on a recent visit to an eastern university that quite a few of the NROTC students were waiting on table in the dining hall, and that many of these students indulge in this type of self-help rather than lean heavily on home assistance. This is pointed out to correct an erroneous impression held in the service and other circles that the $50 a month is over and above board and lodging. Substantial though the sum may be, it is insufficient in most schools to carry a boy through unless he makes additional effort or receives home assistance. I believe this scholarship is the optimum in view of the benefit imparted to the country through the higher education of more worthy youths than would otherwise be the case, and in the return given the Navy in the form of 2 years' active service in the fleet as Regular officers, followed by service either as career officers or as Reserve officers.

The advantages to the NROTC subsidized student can be summed up somewhat as follows: He can go to the civilian college of his choice (subject, of course, to his own negotiation and his acceptance by that college). He receives one of the best undergraduate scholarships in existence. He is limited as to the courses he takes only in that in his first 2 years he must satisfy certain fundamental conditions in mathematics, physics, and English, and must take during the 4 years some 24 semester hours of naval professional studies. This means that, except in very difficult courses in engineering schools and colleges, the student has great freedom of choice; he can take pre-law, or a professional course at undergraduate level, or general academic, as he may choose, subject only to minimum requirements to ensure his reasonable and immediate usefulness as a junior officer in his 2 years of active service. To use a common expression, he is to a certain extent having his cake and eating it too, in that he is obtaining an excellent civilian education and preparation for civilian life at Government expense, with the power of decision as to following a civilian career or a naval career (unlimited in the first instance, though limited as to naval career by selection and need on the part of the Navy), though he does give 2 years' active service in the fleet and appreciable service in the Reserve in return for the Government stipend.

While the NROTC source of procurement for the Navy may be considered to represent an optimum return to all interested parties, it is nevertheless true that, unless it was a plan of positive merit and advantage to the Naval Service, it is not conceivable that it would have been proposed and adopted. It is in this area of advantage to the Naval Service that much misunderstanding lies. Those who evolved this plan believe that the integration of the best type of college and university man from the outstanding institution associated with the NROTC will be of positive benefit to the Navy; benefit in that there will be associated, in the permanent and career officers, outstanding young college men of diverse and superior educational background representing a wide and catholic range of interest, imposing and introducing a critical sense of values, frankly unregimented in a professional sense, but so equipped withal by practical experience on summer cruises and a modicum of essential nomenclature (that is, language of naval equipment, method, and custom) as to permit their immediate and reasonable usefulness as junior officers in the Fleet and their development into capable senior officers as well.

In accepting the above advantages and conditions, those evolving the plan had no thought of establishing extensions of the Naval Academy in the civilian college campuses. They recognized essential differences from the Naval Academy in that professional content of education and training, financial support, and commitment and obligation to the Navy are not as all-embracing. These differences were recognized and considered desirable as productive of a healthy and dynamic spirit for incorporation in the naval service.

Another contribution offered by the NROTC will be an active Naval Reserve composed of young officers of superior talents and a high order of education who have had 2 years' active service in the fleet; this will represent a Reserve of effectiveness and dynamic capacity unequalled in the history of this country, or of any country. We will have young men—later, older, and mature men—in the Naval Reserve and in civil life with naval associations based on life in the fleet with those officers who go on in their career and later become senior commanders, administrators, and policy makers. There are mutual understandings and sympathies created by this which will continue through the life of those concerned.

UNITED STATES NAVAL ACADEMY

The conditions of education and incorporation into the Service of the NROTC, and the envisioned contribution to the Navy have been outlined. It is in order that the contribution of the Naval Academy to the service be considered next.

The following is quoted from the Superintendent's statement to the Board of Visitors in 1947:

"We believe the role of the Naval Academy to be more important than at any other time in its history. We believe the Naval Academy should represent the ultimate in professional and personal standards, and that it and its graduates should be a tremendous binding force in the creation of a solidarity of loyalty and ideals of service in the Navy as a whole."

I am convinced of the paramount importance and essentialness to the service of this role. I conceive the contribution of the Naval Academy to be both spiritual and professional. The daily life of the Academy is one of discipline, frugality, and subordination of personal freedom, all pointed to ideals of devotion to duty and responsibility to country. The role of the austere life in connection with training and leadership and character is well recognized by students of military education and leadership. The Naval Academy is an undergraduate institution which no man should enter unless he wishes to make the Navy a life career. It is a known quantity in having a capacity to inspire large groups and high percentages of graduates of intelligence and character to stay in the Navy in years of comparative penury and hardship, and to be available in the hour of war.

West Point and the Naval Academy face squarely this question of instilling a permanent desire for military and naval service, and have achieved a great measure of success. This professional esprit must continue to permeate the services as the touchstone and binding force in loyalty and devotion to the public interest.

Statistical evidence of the Naval Academy graduate's capacity and readiness for devotion and self-sacrifice in line of duty is available so that he who runs may read. Forty-six Naval Academy classes (classes of 1901 to 1946, inclusive) served in World War II. Six and three-tenths percent of all these graduates in service were killed in combat. The classes graduating during the 10 years prior to Pearl Harbor, who furnished such a large number of destroyer, submarine, and air squadron commanders (that is, field officers), lost 12 percent killed in combat. The classes

of 1934, 1935, 1936 lost in action 12 percent, 14 percent, and 16 percent, respectively.

A factor contributing strongly to the Naval Academy's role is its singleness of purpose and the fact that it stands alone in this purpose. This was previously mentioned in discussing the board's rejection of a second Naval Academy. I am completely convinced of the value to the naval service of maintaining the one Naval Academy at Annapolis that can inspire continuity of tradition and professional excellence, and can serve as an important factor of correlation for the Navy's undergraduate education. I cannot forbear to remark in passing that this value and this factor would be almost entirely defeated by converting the Naval Academy to a graduate or semi-graduate institution.

We should include for recognition, among the factors developing the Naval Academy's role, the manner in which its candidates are selected.

The method of screening and obtaining candidates for the NROTC is one of which I approve, but I do not favor putting all our eggs in one basket insofar as methods of initial procurement are concerned. Just as I believe that there is health, vigor, and dynamic characteristic to the integration of superior young officers of different categories (the NROTC and U. S. N. A.), so do I think that there is merit to different types of selection. The system of congressional appointments has advantages which I hold most important. The participation and the interest on the part of the Members of Congress is of great importance in maintaining our best American traditions, and I am not sure that a purely mechanical and academic aptitude test, if such tests were the only one employed for the Navy as a whole, would produce the optimum. It is undoubtedly true that many of our effective leaders, civic, professional, and otherwise, matured slowly but with considerable firmness for the long drag, and would not, at the ages of 17 to 21, have shown in the top brackets if subjected to some of the testing methods currently employed. Even so, any candidate nominated by the Congress is in strong competition academically with his alternates and must attain high standards physically.

The Congress has made available for enlisted men of the Navy and Naval Reserve a larger number of annual appointments to the Naval Academy than at any prior time. This represents another healthy influx and method of selection. In selecting candidates for the examinations to enter the Naval Academy, commanding officers base their decisions not only on their evaluation of the candidate's academic aptitude, but also upon his moral integrity and the elements of character and leadership exhibited.

The financial status of the midshipman at the Naval Academy is an important factor in his development. Having accepted a disciplined life of restricted personal freedom and one pointed not for a civilian pursuit but solely for professional career in the Navy, and in pursuance of this having figuratively burned his bridges behind him, the midshipman, United States Navy, is supported financially by the Government. His pay is $78 per month, with a ration allowance of $1 a day—or in pay and emoluments, over $100 per month. Even though this amount is adequate for his full support, frugality and modesty of circumstances must characterize the conditions of life of the midshipmen at the Naval Academy. For that reason many of us feel that the Academy is basically one of the most democratic institutions in the world, and in that area is a genuine contribution. Once through the gates of the Naval Academy, the young men stand on their own feet, receiving identical stipends, in a life where no one knows or cares what one another's social or economic background may have been.

The curriculum, professional and academic, figures importantly in the Naval Academy's role in representing the ultimate in professional and personal standards. In the field of curriculum the Naval Academy stresses a broad basic education to include the fundamental sciences, the humanities, and the fundamentals of professional education (including aviation as a basic category such as navigation and seamanship), and gives considerable effort and time in the academic calendar to leadership and the study of human relations. Encompassed within a disciplined life of subordination and a high order of effort, it is pointed completely to the naval life.

Personnel in whom the professional side is strongly developed, and who are charged, furthermore, with great moral responsibility in effecting genuine integration, have a paramount need for effectiveness in human relations and leadership. I hold the thought that warmth and sincerity of feeling oriented to devotion, self-sacrifice, and loyalty, are basic, but that they must be supplemented by technique in the psychological area.

INTEGRATION

The basis of integration lies in the nuances of mutual emulation and respect. Each source of young officers contributes to the body of naval officers as a whole. The experience of the Marine Corps has been that loyalty to corps, to service, and to the country is the over-riding feeling, and the undergraduate school from which each officer came is of small moment. Sophomoric prejudices are not characteristic of high-grade personnel; mutual appreciation and enthusiasm are characteristic of people of intelligence and character.

Precedence among officers upon being initially commissioned is established by integration in the truest sense of the word. The detailed method of accomplishing this is set forth in a Navy Department directive. Furthermore, the Navy's new promotion law is so drawn as to provide equity and assurance of opportunity to career officers for promotion and assignment, regardless of source of initial entry.

The contributions to the service envisioned for the two major sources of entry—that is, the NROTC and the Naval Academy—are set forth under the appropriate captions above. The contributions are presented, not for invidious comparison in detail, but to indicate the areas of individual development available and stressed. Great merit would appear to be in the firm integration in the service of the fine but different qualities of each. It is doubtful that in one institution or category, and in one curriculum, there could be attained at once and at the same time the qualities which can be contributed on the one hand by the NROTC graduate and on the other hand by the Naval Academy graduate.

Today, of our regular and permanent officers, totaling some 20,000, about 11,000 are graduates of the Naval Academy and some 9,000 come from other schools and sources. Thus the problem and necessity for genuine integration confronts us on a grand scale, in addition to those pertaining to initial entry in the postwar period. All is in the same administrative problem being solved by genuine integration, equality of opportunity, and fairness in assignment. A contributing measure to this over-all solution is part II of the Holloway board report providing for raising of transferees to a five-semester college level and assigning them at the earliest practicable opportunity to the general line school. The Navy, in its personnel distribution, is making great sacrifices in order to implement this program, which represents a moral commitment. The Navy recognized that many young men who obtained commissions and served well during the war and then have become career officers in the Navy, missed much of their undergraduate college work. The five-semester program is calculated as the optimum to restore to them a balance in this respect. By the same token, the general line school is calculated to round out professional education and to serve as an affirmation of practical experience in the field.

ULTIMATE SYNTHESIS

Professional competence, particularly in the role of command and in association with operations, is a sine qua non in the line officer. It is of paramount importance in the senior officer operating at policy level and exercising high command involving naval and military statesmanship and important administration. This is for two fundamental reasons. First, professional competence, acknowledged and confirmed by continued sea or field assignments appropriate to age and rank, is required to insure the confidence of the service as a whole. Secondly, and closely allied with the first, sea or field experience is essential for creation of balance and a sense of values, professionally speaking. And this last, in all matters of administration and policy, must be integrated at high level, if direction and implementing measures are to be thoroughly objective.

From the springboard of professional knowledge and ability, our officers, particularly upon and after attaining command rank, must operate effectively in manifold areas in addition to the technical, tactical, or operational. To mention a few, there are personnel research, public relations, foreign commissions, legislative and congressional liaison, organization and direction of research, instruction, and education, all types of administration, duty with Reserve components, fiscal control, and planning at high level involving historical, political, sociological, and economic perceptiveness of the highest order. All these are things to which a diverse intellectual input into the Line of the Navy should contribute, through creation of a synthesis of thinking, expression, and experience which will serve to improve the capacity of the corps of officers as a whole.

The Navy's extensive educational plan for officers is intended to combine and further develop professional competence, practical experience, and a capacity for original thought in attaining the over-all professional synthesis. The program extends throughout the officer's career, encompassing all the technical and operations phases and graduations of the Naval Service appropriate to his time, age, and rank. It progresses from the General Line School, previously referred to as the cornerstone of professional integration, through exchange with other Service schools up through the Armed Forces Staff College, the Naval War College, and finally to the National War College. In this field of education and development the graduates of no institution can be considered in competition with graduates of other institutions. Assignment and performance are entirely dependent upon the intellect, the character, the industry, and the enthusiasm of the individual officer.

Letter From Commandant of Soldiers' Home, Chelsea, Mass.

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I

wish to include herein a letter received from Mr. Lawrence F. Quigley, commandant of the Soldiers' Home, Chelsea, Mass., concerning H. R. 5180, a bill to increase the amount of Federal aid to State or Territorial homes for the support of disabled soldiers and sailors of the United States:

THE COMMONWEALTH OF
MASSACHUSETTS,
SOLDIERS' HOME,
Chelsea, February 26, 1948.

Hon. THOMAS J. LANE,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: On August 4, 1939, President Roosevelt signed a bill which increased the allowance made by the Federal Government to State soldiers' home and hospitals. The increase was from 33⅓ cents to 66⅔ cents per veteran per diem. The original bill called for an allowance of $1 per day; however, there was a compromise to 66⅔ cents. This was the first increase these State homes had received since their inception in 1888. At that time the 33⅓ cents from the Federal Government covered two-thirds of the total cost of maintenance.

The increased contribution of 66⅔ cents per day covered only 25 percent of the actual cost of maintenance of the Massachusetts Soldiers' Home, which I think was true of the 29 homes in the other 26 States that maintain them.

In 1943, another bill was introduced requesting $1 per day, approximately 36 percent of the cost. A compromise was again effected, and a bill was passed allowing 83⅓ cents per day per veteran, which was about 29 percent of our cost at that time.

Since that time, in view of rising costs and added demands on the services of the State soldiers' home, bills have been introduced for additional aid. Such bills came before the Congress in 1946 and 1947; however, the Veterans' Administration did not react favorably to them; and the Congress prorogued both years before any action was taken on same. Thus, in spite of ever-ascending maintenance costs, we are still receiving 83⅓ centes per veteran per day, which is approximately 15 percent of the present daily cost of $5.64.

Last year the expenses of the Soldiers' Home in Massachusetts were $716,500.05. We were reimbursed to the extent of $109,-264.10, by the Federal Government for the members on the Federal rolls as accepted by the Veterans' Administration. This left a net cost to the State of Massachusetts of $607,235.95 for the care of its veterans.

The 26 States that maintain State homes and hospitals for veterans care for a large number of veterans who come within the scope of the Veterans' Administration facilities. Their maintenance cost, on an average, is $8 to $9, in comparison with our $5.64. If these States were not caring for these cases, the entire cost would have to be borne by the Federal Government. The States should be reimbursed for at least half of the cost for the maintenance of veterans in the State home and hospital, particularly in view of our lower maintenance cost and the large saving to the Government.

A bill has been introduced in this session of Congress, H. R. 5180, for further reimbursement to the States, requesting an increase from the present allotment of $300 to $912.50 per veteran per annum (from 83⅓ cents to $2.50 per day). A companion bill is also being introduced in the Senate. These bills have a great deal of merit as the increase in cost of maintaining these homes and hospitals has been exceptionally large, with inflated prices and higher wages for employees, as well as greatly increased demands on our services from Spanish War veterans and World War I veterans, as well as the vast number of World War II veterans now in need of care and treatment.

Your assistance in the passage of this bill would be greatly appreciated by the States and the soldiers' home and hospitals. It would be much-needed relief to the State taxpayer for the Federal Government to assume a more equitable share of the cost of this essential service to our veterans.

Yours very truly,
LAWRENCE F. QUIGLEY,
Commandant.

Labor-Management Relations

EXTENSION OF REMARKS
OF
HON. WAT ARNOLD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. ARNOLD. Mr. Speaker, the March 6 edition of Collier's magazine contains an article by Senator ROBERT A. TAFT, entitled "Toward Peace in Labor"—sets forth the necessity for cooperation between labor and management, and the results thus far attained since enactment of the Labor-Management Relations Act. Under leave to extend my remarks in the RECORD this article is quoted in full:

TOWARD PEACE IN LABOR
(By ROBERT A. TAFT, United States Senator from Ohio)

Last September an enterprising new company purchased a few LST ships from the Government. It planned to carry loaded truck trailers from New York City to Albany. Since up to 50 trailers might be loaded on an LST, the new company was able to make a very attractive proposition to New York shippers. It meant a saving on gasoline, wear and tear on their trucks and the time of 50 drivers. The shippers readily took advantage of it.

It looked like a profitable business until the Teamsters Union demanded that the shippers pay its members "stand-by time" for the full time it took to ship the trailers to their destination. There would be no saving to the shippers if they had to pay both the new company and the teamsters for carrying their freight to Albany. The ships lay idle and the Trailership Co. found itself stopped before it had started.

The Longshoremen's Union had counted on the new Trailership venture to supply work for some of its members. It promptly struck the port of Albany, refusing to permit any ship in that port to be moved. The object of the strike was to force the shippers to use the new trailerships. Large quantities of perishable food, much of which was destined for European consumption, could not be moved.

The shippers immediately filed charges with the National Labor Relations Board alleging a secondary boycott on the part of the longshoremen and a feather-bedding practice on the part of the teamsters. The Board first proceeded against the longshoremen and at once obtained a restraining order in the Federal district court. The strike was over and the port opened the following day. The Board then prepared its complaint against the teamsters. That union, however, realizing that the Board meant business, rescinded its demand for "stand-in pay." The converted LST ships started to haul trailers from New York City to Albany.

Prior to June 22, 1947, no legal remedy existed for the shippers, the Trailership Co., or any other business confronted with similar difficulties. On that date the Labor-Management Relations Act was passed over President Truman's veto. Perhaps the most carefully drawn of any of its provisions were those outlawing the secondary boycott. This case is by no means an isolated instance of the operation of the new law.

In Pennsylvania the Rural Motor Express Co. operated as a connecting carrier between two large interstate terminals. This small company's employees refused to join a union of truck drivers. The union then resorted to the tactics used so successfully before passage of the new law. The drivers at the connecting terminals refused to handle the goods carried by Rural Motor Express.

The shippers had to divert their shipments by a longer route, and Rural Motor Express had no business. It filed a charge with NLRB. The drivers' union did not wait for the issuance of a formal complaint against it.

The boycott was stopped, and it agreed in writing not to reinstitute it. Rural Motor Express is again operating as a connecting carrier.

TEAMSTERS PICKET HATTERS

In New York City during the October strike at American Railway Express, a group of hat manufacturers hired independent truckers to haul their products to terminals outside New York City for shipment to their customers. The Teamsters Union sent pickets into the hatters' district of the city, who suggested to the independent truckers that they not load the hatters' products. The hatters' association filed charges with NLRB and instructed their lawyers to file a suit for damages under another section of the new law. The NLRB sent investigators into the district, and the pickets were removed before nightfall.

Are unions calling off their secondary boycotts and jurisdictional strikes because of possible court injunctions or cease-and-desist orders obtained by NLRB, or because the new law gives the injured party a right to sue and collect damages out of union treasuries grown rich by wartime dues? The unions aren't saying, but neither remedy would exist but for the Labor-Management Relations Act of 1947.

Hundreds of examples of such boycotts were presented to the Senate Committee on Labor and Public Welfare. Each of them imposed unjust hardships on innocent third parties. No witness appeared before our committee to defend this racketeering practice. Perhaps the best proof of the act's effectiveness is in the infrequency of such disputes in the news today. Where they have occurred, the filing of a charge with the NLRB, and the commencement of its investigations, has usually resulted in their elimination.

The Taft-Hartley law was passed over the President's veto by a vote of 431 to 83 in the House of Representatives, and 68 to 25 in the Senate. Not only did practically all the Republicans vote for the law, but more than a majority of the Democrats in Congress voted to override the veto of the Democratic President. This public opinion has been reflected in the attitude of many labor union members. I have countless letters from them, and many of them have come to see me personally to say that they approve the law because it protects them against the arbitrary actions and orders of those who control the unions.

Of course, after the bill was passed, there were plenty of protests, as witness these samples in my mail: "Today (May 13, 1947, the day the bill first passed the Senate) is just as much an infamy as Pearl Harbor."

"I am 100 percent against your slave labor bill."

The authors of the act were accused of attempting "to take away from workers" all the

gains and rights they have won in the last 10 or 12 years.

But all labor letters were not hostile when the bill was passed, and today I hear many commendations. For example: "The majority of the rank and file of labor endorses the Taft-Hartley Act." The law is described in another letter as "a guardian of the basic rights of every American." In personal conversation union men have spoken of the new law to me as labor's bill of rights. And so on.

The greater part of the new law's provisions have only been in effect since August 22, but it is already possible to assess their value. Hardly a day goes by without proving how wrong the law's opponents were in their dire predictions as to its effect. In order that the Congress might be kept informed on the day-to-day operation of the new law, we created a study committee and charged it with the responsibility of watching its administration. As a member of that committee, I have been able to observe how the new law has been meeting its objectives.

PUBLIC IS BETTER PROTECTED

I think it is fair to say that nearly all of the many amendments made to existing labor laws by the new act have worked satisfactorily to promote justice between employers and employees and between labor union leaders and their members. At the same time greater protection has been given to the public, and the number of strikes has decreased.

The committee has requested anyone who feels aggrieved to appear before it, state the case and suggest amendments, but at this time we see no reason for recommending amendments to the 1948 session.

The Wagner Act made it easy for employees to obtain representation by a union. They merely voted for the union at a Government-conducted election. If the union proved unsatisfactory, however, the only way for the employees to get rid of it was to vote in another union. The NLRB refused to recognize a petition for no union. We were assured by the union leaders that it was only the employers who ever wanted to discharge the union as bargaining agent, but we nevertheless provided that when 30 percent of the employees informed the NLRB that they no longer desired the union to represent them, an election would be held.

Apparently the union leaders were wrong. Statistical releases by NLRB at the end of the first 60 days of operation under the new statute disclosed that 18 percent of the petitions for elections were filed by employees to obtain decertification of the union that had been representing them.

After twice reversing itself on the issue, the NLRB on December 6, 1945, ordered the Packard Motor Car Co. to bargain with a union of its foremen, and a new source of dues dollars became available to the unions. Union after union rushed into the field in a national campaign to organize supervisory employees.

Foremen are, of course, management's representative on the production line. In addition to their duties of supervision, they occupy a key position in labor-management relation. They communicate management policies to the worker and in turn inform management of the worker's problems and grievances. Their unionization had the effect of aligning them directly with the workers they were paid to supervise.

This was especially true when they joined the same union as that to which their production employees belonged.

ADVERSE EFFECT ON PRODUCTION

The ultimate result of such a policy would be the socialization of industry. Not only would such a result bring a stop to the further investment of capital in productive plants, but it would have an immediate effect on the discipline of employees and, therefore, on the production so necessary for our prosperity and for the welfare of the workers themselves.

One example testified to before our committee was the experience of the Jones & Laughlin Steel Corp. After its mine supervisors were organized by the United Mine Workers, disciplinary slips issued by the underground foremen fell off by two thirds and the accident rate in each mine doubled. The new law neither prevents foremen from organizing nor an employer from bargaining with their organization. But in relieving the employer from the governmental compulsion of bargaining with them, the law removes the provisions of the Wagner Act which required a foreman to serve two employers. The foreman is responsible to the employer and not to the men whom he supervises.

We were told that by taking away the Government's protection of foremen's unions, we would encourage such employees to strike. The only strike of any importance involving supervisory employees in recent months was the one at the Ford Motor Car Co. That strike started before passage of the new law when the company declined to renew its contract with the foremen's union. The strike ended soon after the Congress voted to override the President's veto.

During recent years there has been an increasing demand by unions that employers contribute to a welfare fund. While many of such funds have had a laudable purpose, the need for some control to insure participation by the employees for whose benefit they were intended soon became apparent. The new law provides such protection by requiring that they be trust funds administered jointly by the employer and the union, with annual audits. Payments from such funds are further strictly limited to such purposes as medical care, pensions, and disability and sickness benefits.

All of the dire predictions that the act would destroy welfare funds have been completely disapproved. The only difference is that the rights of the individual employee in the benefits of the fund are now guaranteed.

In a number of ways the new law attempted to restore an equality of bargaining power between unions and employers. Under the Wagner Act only the employer was required to bargain in good faith and sign a contract covering the terms of an agreement when reached. That duty now exists on both sides of the bargaining table.

Unions were also made subject to suit in the Federal courts for violation of their contracts. Care was taken to protect union members from any personal liability. Judgments may only be collected from the union treasuries. The only argument advanced against this provision was that it subjected unions to harassment by suits. Of course this was always a specious argument. There has been no harassment by lawsuits.

A good deal of fear has been expressed that the law is being bypassed by contracts which exempt the unions from liability. Such a fear arises out of misunderstanding of the purpose of the law and of the contracts which have been made. Of course, a contract which entirely exempts the union from any responsibility at all is not a contract. A union which insists on such a clause is engaging in an unfair labor practice and the employer may file charges with the Board. On the other hand, I see no reason why a union should not protect itself against liability for which it is, in fact, not responsible, such as that caused by insurgent members entering into a "wildcat" strike.

There has been one extremely important development attributable to this provision. While seeking to exempt themselves from direct liability, they have undertaken expressly to do all they can to prevent the unauthorized "wildcat" strikes which have so much delayed the development of greatly needed postwar production. In return for the employer's promise to exempt the union from suit for violations of contract over which the union has no control, unions have agreed to take definite steps to end "wildcat" strikes.

For example, the International Harvester contract with UAW-CIO and the Murray Body Corp. contract with that union both provide that in the event of a strike unauthorized by the union, it will immediately so state in writing on the company's bulletin boards and direct the strikers to return to work.

TOO MANY DUTIES FOR THE BOARD

Under the Wagner Act the NLRB acted in a capacity of prosecutor, judge, and reviewing court. Its field lawyers tried the cases, its trial examiners heard them and made recommendations, and the Board itself reviewed the evidence and issued its orders. That such a many-sided role was productive of great abuse was clearly evident from the testimony presented before our committee year after year.

The new law created a General Counsel appointed by the President and confirmed by the Senate and gave him responsibility for the prosecution of cases. The Board now functions like a court.

The new law makes no attempt to regulate the internal affairs of unions except as they may affect the right of a workman to secure and hold a job. A union may still refuse membership for any reason it chooses or expel a member without governmental restraint. However, it cannot require the employer to discharge the worker denied or expelled from membership even if it has a union-shop contract unless the reason for such denial or expulsion was nonpayment of initiation fees or dues.

I am still receiving a considerable volume of mail from individuals all over the country who have been discharged pursuant to closed and union-shop contracts. Many of their cases are pathetic. They are from people who have been expelled from the union for conduct unbecoming a union member. Opposition to any plan of the union leader, supporting the unsuccessful candidate for union office, requesting an accounting of union funds, supporting a political party which the union has decided to oppose, turning out more production than the standard set by the union, and criticism of the government of Soviet Russia are among the many instances of conduct unbecoming a union member.

Investigation of such complaints discloses that the discharges were pursuant to contracts entered into prior to the passage of the new law. The law, of course, did not affect existing contracts. But none of these reasons can cost a worker his job after those contracts have expired. A closed shop cannot be renewed or now entered into. A union-shop contract must first be authorized by a majority vote of the employees to be affected by it.

At the present time a determined stand is being made by some unions which have enjoyed the closed shop in the past against any modification in their status. A printers' union has refused to bargain at all because no contract can legally provide for a closed shop. As a matter of fact, these same unions could by vote of their members provide for a union shop and they would get practically every protection for their union which they desire.

The closed shop has been prohibited by the railroad labor law for many years, but the railroad labor unions are among the strongest in the country. Suggestions have been made that a closed shop should be permitted by vote of the members, but I feel that this is a question of principle on which I, at least, would not be willing to compromise. A closed shop in a few industries has not done great harm, although it has undoubtedly limited apprentices and cut down the number of men available in the particular trades to a point which is contrary to the public interest, particularly when an increase in production is desirable.

If, under authorization of law, the closed shop continued to expand to cover most of American labor it would be a serious detriment to the freedom of the American people. A man no longer could start work in that particular occupation to which he was best suited unless some labor union was willing to admit him into the charmed circle. It would tend gradually to freeze employment just as did the guilds of the medieval cities, a condition which accounted largely for their decline in importance.

Many States have prohibited the closed shop by initiative or by statute. As long as we provide an effective substitute in the union shop without the restrictions on freedom, I do not believe we should compromise on the closed-shop question. I might say, however, that I don't think Congress intended that this provision extend to local building-trade unions whose work is, in fact, intrastate in character. The status of such unions ought to be left to the State law.

CONDITIONS TO SAFEGUARD DEMOCRACY

The Wagner Act provided many benefits for labor unions and not one of these benefits has been taken away by the new law. Congress has, however, conditioned the enjoyment of these benefits by requiring union officers to file certain information before they may seek the services of NLRB. It was believed that democracy in unions could best be achieved by making it possible for union members to learn how and by whom their unions were being run. Thus, unions are now required to make a detailed statement of the procedures used in the conduct of their affairs to the Secretary of Labor, and also furnish a financial statement to each member.

A third requirement which has received much attention in the press is the one making it necessary for union officers to make non-Communist affidavits. Unions having officers who cannot sign such affidavits are handicapped and many of their members are suffering hardships. They cannot go to the Government or the courts to obtain reinstatement and back pay when they are discharged for union activity.

The answer for them is obvious. Get rid of such officers. That is exactly what has happened already in a few cases. I am told by my Canadian friends that a number of the Communist officers of labor unions driven out of the United States have come into Canada, and are trying to get into the unions there.

Little attention has been given to that portion of the act establishing an independent Federal Mediation and Conciliation Service. The old United States Conciliation Service was a part of the Department of Labor. When a strike occurred, either the union or the employer frequently requested that a conciliator be sent in to help them work out a settlement. The conciliator usually first tried to find out the issues by talking privately to each side. He would then try to arrange a meeting of the parties and suggest middle grounds upon which they could agree.

The successful conciliator was one who could obtain the confidence of both the employer and the union. That is the only way for him to learn the real issues causing the strike. Since the Department of Labor was expressly created to advance the cause of unions, conciliators coming from that Department were frequently handicapped by the belief on the part of employers that they would not act impartially.

The new law gives them an independent status in an agency headed by a director appointed by the President and confirmed by the Senate. To advise and assist the director a panel of 12 members is created. To this panel the President must appoint 6 persons outstanding in the field of management and 6 outstanding persons in the field of labor.

The new law stresses the duties of the service in the prevention of disputes. Mr. Ching, the newly appointed director, expressed very well the intent of Congress when he recently stated that he wished to be judged not by the number of fires he put out, but by the infrequency of fires which occurred.

OBJECTIONS ARE NOT SPECIFIC

The CIO called it a "wreck labor bill," a "ripper law to get unions," "treason," "crucifixion," and "butcher shop legislation." The A. F. of L. has referred to it as "evil," "vicious," "offensive," "infamous," and "reprehensible." They have threatened to spend millions of dollars to defeat every Senator and Congressman who voted for it. Of course, they do not specify the particular matters to which they object because if they did their arguments could be easily answered and the union members themselves would be even more in favor of the specific provisions of the act.

Eighty percent of the unfair labor practice charges filed with NLRB since the new law went into effect are against employers under the sections retained from the Wagner Act. This demonstrates very clearly the ridiculousness of the charge that labor has been emasculated. It also indicates that employers are not rushing in to take advantage of the new rights given them. There has been no harassment of unions by lawsuits. On November 1 there had been less than 20 suits brought against unions in all of the United States since passage of the new law.

The union leader whose interest is in promoting the interest of his members has found nothing in the law to interfere with his proper and normal method of negotiating with the employer for them. There have been a number of contracts of high importance to the unions entered into since passage of the new law. A study of such contracts does not show that the employees have lost anything. Every union newspaper stresses new gains for their members. For example, newspapers of the United Rubber Workers, CIO, announcing the new contracts in the rubber industry carried this headline: "Master contract wins many gains."

"You can't legislate labor relations," the labor leaders told our committee. The same statement was repeated by many of the so-called experts who testified before us this year and in prior years. It became a sort of axiom advanced to meet the public demand for curbs of the many union abuses of power.

Of course, this overlooked the fact that labor relations had not been legislated in the Clayton Act, the Norris-LaGuardia Act, and the Wagner Act. The only difficulty was that these laws operated only against the employer, and for practical purposes were construed to protect labor-union leaders against action by anyone designed to prevent excesses in their demands or their actions. Naturally, extremists among the labor unions took advantage of the special privileges given by these laws, and even the more reasonable leaders had to follow them or lose their positions. Organized labor became a big business, without the responsibilities placed by law on all corporations and employers.

The arbitrary power asserted by many labor-union leaders created a strong public resentment against their action, which was reflected in the overwhelming demand for revision of the labor laws.

The Labor-Management Relations Act of 1947 has been in effect but a short time. It has been a period of comparative industrial peace. I am not enough of an optimist to believe that such is a permanent state of affairs. Most of the contracts expire during the next 6 months.

It must be remembered that the new act in no way interferes with the right of men to strike for better hours, wages, or working conditions. It is based entirely on free collective bargaining, which means that if an agreement cannot be reached there may be no work done.

Most of the public seem to feel that strikes should be prohibited by law. They do not realize that if strikes are prohibited some method must be found to fix a fair wage, by arbitration or otherwise. That means that in the long run the Government must appoint the arbitrators and must finally assume the responsibility of fixing a wage pattern. If the Government fixes wages, the argument for fixing prices cannot be fairly met. If prices are fixed it means rationing and a complete control of distribution. That is the end of a free economy.

Gandhi Paved Way for This

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. KELLEY. Mr. Speaker, under permission to extend my remarks I am including an editorial appearing in the current issue of Labor. The editorial really requires no comment from me, as it makes its point better than I could. However, we might do well to reflect on the fact that India, always considered so backward, has come forward with a constitution carrying social justice to such an extent, while certain expressly stated provisions of our own Constitution are given mere lip service.

GANDHI PAVED WAY FOR THIS

Perhaps we focus our eyes too much on Europe when we decide the world is slipping backward. If we look in the other direction we can see an inspiring sign of progress.

India, whose 330 million people about equal the population of all European nations put together, is adopting a new constitution, patterned after the American model, and in some respects going even further forward.

Gandhi, India's frail saint, is dead, but he paved the way for this charter of the nation for which he won freedom.

Long ago, Gandhi defied ancient and ironclad tradition and prejudice. He went among the 60 million "Untouchables," the outcasts of India, and pleaded their cause. If anyone but Gandhi had done it, he would have been torn limb from limb by the prouder "castes."

Now the new constitution forbids oppression of Untouchables. They can mingle freely with the other people of India, and rise in the social and economic scale, according to their individual abilities.

The constitution promises "justice, liberty, equality, and fraternity" to all Indians, regardless of caste, race, religion, or sex.

The American and other constitutions have made similar pledges, but India's adds something new.

It commits the government to see that all the people have a chance to make the kind of a living which will lead them out of the dire poverty they have suffered in the past.

In other words, India plans a constitution which will contain a "full employment" pledge, and more.

The government is to provide, in a vast country now sunk in ignorance, "free education for all children until the age of 14, within 10 years."

Americans can take pride in the fact that a man educated at Columbia University in New York, Dr. B. R. Ambedkar, headed the committee which wrote this constitution. It's the kind of document which would have gladdened the hearts of the forefathers of the United States.

What Is the Administration Policy?

EXTENSION OF REMARKS
OF

HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. RICH. Mr. Speaker, the record of Harry S. Truman as President is an astonishing series of contradictions and inconsistencies, which have spread, multiplied, and confounded the confusion in which his administration was begun. The same pattern of changes, contradictions and inconsistencies prevails in major policy matters and minor executive and administration actions. "Foot-in-the mouth," and "off again, on again, gone again" tactics are so frequent they seem typical of the Truman administration. In view of this record the question may and should be raised as to whether the Truman administration has any fixed policies. Truman policies are far too often like one-way railroad tickets—"good for this train and this day only." Such a condition in Government is dangerous to this Nation. It leaves Congress and the people confused and in the dark as to ultimate administration intentions.

In order to get a clear picture, or at least the clearest possible picture of these inconsistencies and this confusion, it actually is necessary to divide these inconsistencies into categories. I first want to deal with prices—rationing, inflation.

Let us consider price control and rationing:

After VJ-day in August 1945, rationing of most consumer goods was ended. On January 31, 1946, President Truman criticized a proposal of Mr. Henry Ford 2d that price controls be removed because they were stifling America's ability to produce. The proposal, said President Truman, could not be accomplished without inviting wild inflation.

On June 29, 1946, President Truman vetoed the OPA extension bill asserting it would lead to disaster. On July 11, 1946, in a statement on the OWMR seventh report, he asserted that the ground which we had won against inflation would be irretrievably lost without a workable price-control law. On July 25, 1946, after a 25-day hiatus without price-control legislation, President Truman signed the substitute OPA bill—reluctantly, he said, because it failed to assure maintenance of stable prices. If the measure failed to halt inflation, he said:

> I shall have no alternative but to call Congress back into special session * * * to enact * * * such legislation as we need to save us from the threat of economic disaster.

On September 5, 1946, President Truman said he had no intention of calling a special session of Congress to consider OPA or anything else. He said he thought Members of Congress were entitled to campaign without interference. Anyway, he said, no emergency existed which called for an extra session. On September 12, 1946, President Truman indicated that he had no intention of requesting additional legislation to support the administration's "hold-the-line" program. He also indicated that he had ample powers to combat inflation.

On October 3, 1946, President Truman and OWMR Director Steelman joined in issuing a solemn warning that another depression might be just around the corner, possibly as soon as early next year, if prices and wages continued to soar.

On November 9, 1946, President Truman summarily terminated all price and wage controls, except those on rents, sugar, and rice:

> I am convinced that the time has come when these controls can serve no useful purpose. I am, indeed, convinced that their further continuance would do the Nation's economy more harm than good.

On November 17, 1947, President Truman requested of the Congress, which he had called back into emergency session, authority to impose consumer rationing on products in short supply which basically affect the cost of living, end authority to establish price ceilings on products in short supply which basically affect the cost of living or industrial production.

Now let us look at Mr. Truman's police state policies—or should I say his supposedly antipolice state policies:

On October 16, 1947, President Truman said at his press conference that controls, including those over rents, represent police state methods even in wartime.

Yet on November 17, 1947, in his personal message to Congress, President Truman called for the renewal of the very types of controls which he had condemned as those of a police state.

In asking for renewal of price controls, consumer rationing controls, inventory controls, wage controls, and so forth, President Truman was advocating returning to the police-state methods of the Office of Price Administration, the War Labor Board, the War Production Board—with a bigger and more colossal Federal bureaucracy than had flourished in wartime, with hundreds of thousands of police agents prying into the daily lives of millions of American people.

Senator HARRY F. BYRD, Democrat, of Virginia, said President Truman was proposing the "greatest economic regimentation of our home affairs ever suggested in time of peace." He asked what assurance there was that the regimentation would not become permanent, with the result that free enterprise "will stagnate and die a slow but sure death if businessmen lose control of their own business, and competition is eliminated."

Now let us consider meat controls, and the President's shifting policy in connection therewith:

During the summer and fall of 1946, it was obvious the black market in meat, which was threatening the health and welfare of the Nation, was actually being protected by the administration's policies.

A White House statement of May 3, 1946, to clarify the confusion created by President Truman's remark in his press conference the previous day, made it clear President Truman stood for the continuance of price control on meat, regardless of the outcome of efforts to control the black market by reinstatement of marketing quotas.

Efforts by Democratic leaders to persuade President Truman to end meat controls were unavailing. On September 24, 1946, President Truman refused again to remove meat controls.

> I happen to know of my own knowledge something about the meat situation. * * * In July and August, when there was no price control on meat, meat was abundant. Now there is price control and meat is short. It is natural, therefore, for the people to blame the shortage on price control. This line of reasoning is wholly wrong.

On September 26, 1946, President Truman read to his press conference a long analysis of the meat situation in which he asserted that the Congress and not the renewal of price control was responsible for the meat shortage.

On October 10, 1946, at his press conference, President Truman refused to say whether Executive action in the meat situation was imminent.

On October 14, 1946, President Truman removed all price controls on meat, effective October 15. Admitting there were millions of cattle and hogs on farms and in feed lots, President Truman claimed the reason why there was a meat shortage was easily answered.

The reason was not price control. Said he:

> The real story is a simple one. The responsibility rests squarely on a few men in the Congress.

Let us now consider the strange and deviating policy on food prices:

On October 16, 1947, President Truman said the idea that exporting grain caused higher prices was misinformation. He claimed the country had always exported a third or more of its crops and that current export was not out of line with what it always had been.

The fact, as shown by crop export reports of the United States Department of Agriculture, is that in the drought years 1934–36 this country had to import wheat. In the years between 1936 and World War II, exports did not average as high as 10 percent of production. Last year, when the country had a record crop, 400,000,000 bushels were exported from a 1,156,000,000-bushel production.

Again on October 5, 1947, in a radio address on the food problem, President Truman claimed that "most of the upward pressure on prices is a result of competition among Americans for scarce goods. The success of our food-saving program will help to reduce these inflationary pressures."

But if the conservation of 100,000,000 bushels of grain, which was the administration's program, would reduce inflationary pressure, it is difficult to understand why the export of 400,000,000 bushels should be practically disregarded as a factor in the rise of prices.

Here is the strange shifting policy of the administration on the question of inflation:

In his personal message to the "emergency" session of Congress on November 17, 1947, President Truman presented an undefined 10-point program which he said was necessary to check inflation, including restoration of price control and rationing.

Yet most of the powers needed to control inflation are already in President Truman's hands and have been there all along.

What causes high prices? The causes are easily identified. Among them the most important are: insufficient production to meet demand; high governmental spending; governmental deficit spending, inflation of the currency; inflationary effects of war activities and abnormal exports which reduce the supply of available goods; and crop shortages.

The President twice vetoed tax-reduction bills which would have increased consumer purchasing power and which also would have encouraged maximum production.

He has had it in his power to reduce high Government spending but has chosen instead to recommend the biggest budget in any peacetime year of our history.

He has had full power to limit exports, but has not done so.

On November 21, 1947, when the President's attention was called to the fact that he had control powers which he had not used, President Truman replied that the administration never made what he called complete use of every power granted by Congress.

Now, what was his course concerning consumer-credit controls?

President Truman's views on continuation of consumer-credit controls were presented in a letter to Federal Reserve Chairman Marriner S. Eccles, dated June 5, 1947. The President stated that he desired legislation to permit continuing such controls, but—

> If the Congress does not see fit to provide the necessary legislative authority, it is my intention to vacate the Executive order because I do not believe that such regulation should rest indefinitely in peacetime on emergency or war powers after the Congress has had ample opportunity to consider the subject.

At his press conference on July 24, 1947, however, President Truman said that he might not necessarily lift consumer credit controls in case Congress refused to authorize their extension.

As Representative WOLCOTT, chairman of the House Banking and Currency Committee, said:

> If I can read the English language, the President said he would remove those controls unless he got specific peacetime authority from Congress. The President should not make such statements unless he is going to follow them through.

Congress enacted a law, which President Truman approved on August 8, 1947, terminating after November 1, 1947, the consumer-credit controls but providing that they might be exercised in wartime or any national emergency declared by the President.

On November 17, 1947, President Truman requested Congress to restore consumer-credit controls.

Mr. Speaker, labor problems still beset this Nation. How has Mr. Truman handled the labor situation?

President Truman's chameleonlike course on labor problems has varied from almost capricious light-heartedness to drastic severity.

On August 16, 1945, 3 days after Japan's surrender, President Truman, brushing aside the Little Steel formula, said:

> I am therefore authorizing the WLB to release voluntary wage increases from the necessity of approval on condition they will not be used in whole or in part as a basis for seeking an increase in price ceilings.

On September 25, 1945, President Truman expressed optimism on the labor situation and was sure Secretary of Labor Schwellenbach would succeed in ending the current wave of strikes.

On October 8, 1945, at a press conference near Tiptonville, Tenn., President Truman lightly dismissed the current strike wave as a reaction from the war effort—he was not worried about it at all.

On October 10, 1945, in his remarks at Gilbertsville, Ky., President Truman referred to the labor situation in these words:

> We are having our little troubles now, a few of them. They are not serious. Just a blow-up after a let-down from war. * * * Now let's all go home and go to work. Cut out the foolishness.

On October 29, 1945, President Truman canceled all his planned trips for the next 6 weeks so that he might deal with the pressing problems of the labor situation.

On November 1, 1945, President Truman told groups of delegates to the Labor-Management Conference that unless labor-management peace was established, the whole country would suffer and the country's leadership in world affairs would be imperiled.

On January 21, 1946, President Truman stated:

> We are having our troubles now as a result of turmoil and dissatisfaction with wages and hours and conditions of work. But I am not a pessimist. * * * I am not alarmed.

On January 31, 1946, as work stoppages in industry across the Nation grew, due to the strike of 750,000 steel workers, President Truman said that the general labor situation was improving all the time.

On February 7, 1946, deeply involved in confusion over the steel strike, which was already 18 days old, President Truman insisted the situation would not interfere with his plans for a vacation in Florida and a cruise in southern waters. He had not forgotten how to do business by telephone. Then, on February 8, 1946, President Truman canceled all plans for the vacation and cruise.

A rising tide of wage demands against an immovable price ceiling quickly doomed Mr. Truman's hopeless politico-economic philosophy which had persisted during the winter of 1945–46. With 1,400,000 persons on strike, including General Motors, and the steel strikes, the President was forced to contradict his boost-wages-hold-prices command.

On February 14, 1946, the President announced a new wage-price policy to settle the steel strike. In return for an 18.5-cent-an-hour wage increase he approved a $5-a-ton price increase.

On May 4, 1946, President Truman released a reconversion report which described the 34-day-old strike of 400,000 soft-coal miners as a national disaster damaging the reconversion program so seriously it would take months to retrieve the losses.

On May 25, 1946, President Truman appeared before Congress to demand immediate legislation granting him emergency powers to break strikes against the Federal Government, including authority to draft strikers into the armed forces.

Behind the President's extreme demand lay the following situation revealed by Senator WAYNE MORSE in the Senate on May 27, 1946—CONGRESSIONAL RECORD, volume 92, part 5, page 5801:

> Mr. MORSE. Is the Senator from California aware of the fact that before noon on Saturday (May 25) the White House knew that the railroad workers were willing to go back on the basis of the report of the President's own emergency board * * * that when the President of the United States spoke Saturday afternoon at 4 o'clock he did not tell the American people that fact?

On June 11, 1946, President Truman vetoed the Case bill, condemning the measure as hitting at symptoms and ignoring the underlying causes of industrial strife, and charging that it would force men to work under compulsion for private employers in a peacetime economy.

On January 6, 1947, President Truman in his State of the Union message called for legislation to outlaw indefensible jurisdictional strikes and require binding arbitration of disputed labor contract terms.

On June 20, 1947, President Truman vetoed the Taft-Hartley bill.

Now, Mr. Speaker, let us look briefly at the administration's changes of policy on the labor fact-finding boards.

On December 3, 1945, President Truman requested Congress to pass legislation authorizing the appointment by the President of fact-finding boards similar to the emergency boards provided for under the Railway Labor Act to make thorough investigation of all facts deemed relevant in labor controversies.

The President in the same message announced that he was appointing such fact-finding boards for the General Motors strike, and on December 31, 1945, he appointed a fact-finding board for the steel strike.

Although the steel fact-finding board was given until February 10, 1946, to submit its report, President Truman preempted its jurisdiction and, on January 16, 1946, the White House announced that President Truman would offer his own solution to the disputants.

By taking the decision out of the hands of the fact-finding board, President Truman made it impossible for the board to continue on the course he had outlined for it.

The inconsistency of the President's fact-finding plan was revealed in the President's own statement of January 18, 1946:

> The fact-finding board * * * has reported to me informally. It has not had the opportunity to go into the merits of the case very fully, as it would have done if there

were legislation now on the books for a cooling-off period. Nevertheless, after hearing the board and after long consideration, I believe that the suggestion made by me of * * * 18½ cents per hour is fair.

Then there was the Victory Day pay reversal.

In the flush of victory following the defeat of Japan, the President let himself in for another contradiction of orders.

On August 14, 1945, the White House issued this order:

The President amended Executive Order No. 9240 (issued by F. D. R., regarding holidays) to declare August 15 and 16 legal holidays for premium pay purposes under the order. (New York Times, Aug. 15, 1945.)

The confusion was so great, particularly for contractors operating on a cost-plus-fixed-fee basis, that the White House revoked it next day with the following explanation:

The President merely excused Government employees from work on those two days. The second statement, "making today and Thursday legal holidays for premium pay purposes," was issued in error. (New York Times, Aug. 16, 1945.)

Out of the confusion rose the millions of dollars question: Who should pay for the White House blunder? The answer was simple—the taxpayer.

Now, let us look at the ability-to-pay theory.

During the General Motors strike of 113 days in the winter of 1945–46, President Truman made a tragic blunder in lining himself up with a socialistic contention which turned out to be a hoax.

It was tragic because it showed clearly the President's confused economic thinking. It was tragic also because it undoubtedly lengthened the strike by supporting a rigged issue so absurdly false that both sides finally threw it out the window in order to reach a settlement.

To the consternation of many of his official family, President Truman fell completely for the canard that "ability to pay" should be the yardstick of wages, and that General Motors should open its books for the application of this yardstick.

On December 20, 1945, the President declared:

Ability to pay is always one of the facts relevant to the issue of an increase in wages. It is essential for the fulfillment of its duty for the board (appointed by him) * * * to examine the books of the employer. (New York Times, December 21, 1945.)

On March 24, 1946, when R. J. Thomas, then president of UAWA, added his doubts to a deluge of doubts at Reuther's ability-to-pay theory, Reuther publicly announced that his demand for General Motors to open its books "was just a maneuver to win public support and get the company over a barrel"—New York Times, March 26, 1946.

It was Mr. Truman who was left over a barrel. He slipped as unobtrusively as possible off the barrel, and never advocated the "arithmetic of the books" for any future wage settlements.

Now, Mr. Speaker, let us take up the case of that sterling New Dealer and friend of the Kremlin, Henry Wallace.

On September 12, 1946, a speech which was to be delivered by Henry Wallace at Madison Square Garden was read by reporters with surprise because, despite its assertions that our policy had been too harsh toward the Russians and that a more conciliatory policy was necessary, it stated:

When President Truman read these words he said that they represented the policy of the administration.

President Truman was therefore asked, at his press conference on September 12, 1946, whether this endorsement applied to the whole of Mr. Wallace's speech or just the paragraph in which it appeared. President Truman replied that it applied to the whole speech. He was then asked whether he regarded the Wallace speech as a departure from the policy of Secretary of State Byrnes. No, President Truman replied, he thought they were exactly in line.

On September 14, 1947, President Truman was forced to repudiate his endorsement of Mr. Wallace's speech. In a special press conference he attempted to explain that in expressing his approval of the Wallace speech he had not conveyed the thought he had intended to convey. What he had intended to express, he said, was that he approved the right of Mr. Wallace to deliver the speech. He did not intend to indicate, he said, that he approved the speech as constituting a statement of the foreign policy of this country.

President Truman's efforts to straighten out this mess soon became a farce. Mr. Wallace released to the press a letter he had submitted to President Truman under date of July 23, 1946, urging definite guarantees to Russia which would be tantamount to appeasement. President Truman had attempted to prevent the publication of this letter, but was not able to do so.

On September 18, 1946, after a conference with President Truman, Mr. Wallace reported:

The President and the Secretary of Commerce had a most detailed and friendly discussion, after which the Secretary reached the conclusion he would make no public statements or speeches until the Foreign Ministers' Conference in Paris is concluded.

Despite this understanding, on September 20, 1946, President Truman announced at a press conference:

I have today asked Mr. Wallace to resign from the Cabinet. It had become clear that between his views on foreign policy and those of the administration * * * there was a fundamental conflict.

It had taken an ultimatum from Secretary of State Byrnes to make it clear to President Truman how great the "fundamental conflict" was between Mr. Wallace's views on foreign policy and those of the administration.

This discussion now brings us to the problem of foreign affairs.

Let us look first at export control.

On April 15, 1947, President Truman requested that Congress revise the Neutrality Act so as to permit barring of exports to aggressors. Under existing law, he said, the Government is obliged to "treat aggressor and aggrieved, peacemaker and trouble-maker, alike in the matter of permitting American manufacturers to supply them with arms, ammunition, or implements of war." President Truman said such impartiality "is no longer consistent with this country's commitments and requirements."

Meanwhile, President Truman made no move to exercise the export controls he had had all along, to halt the export of food and other goods to Communist-dominated territory, while he asked millions of dollars to fight the spread of communism in other directions.

On November 21, 1947, President Truman said he saw no reason to stop the shipment of the United States' industrial equipment and heavy machinery to Russia. President Truman admitted that a Soviet Purchasing Commission in this country has been allowed to purchase heavy machinery—allegedly for the repair of Russian hydroelectric dams destroyed by the Germans during the war.

With regard to cancellation of lend-lease debts, on August 30, 1945, President Truman recommended to Congress the cancellation of nearly $43,000,000,000 due the United States for lend-lease materials supplied to the Allies during the war.

Senators VANDENBERG and TAFT, among others, pointed out that whereas termination of lend-lease operations on VJ-day had put the United States in a favorable bargaining position for coming economic negotiations, the President's statement on cancellation of lend-lease debts had destroyed that bargaining position.

On September 6, 1945, President Truman shifted his ground, stating:

We must recognize that it will not be possible for our Allies to pay us dollars for the overwhelming portion of the lend-lease obligations * * * but this does not mean that all lend-lease obligations are to be canceled.

The secret pledge to the Arabs is another phase of the administration's shifting foreign policy.

On September 26, 1945, President Truman vigorously denied that any commitment had been made for the United States by the late President Roosevelt at a post-Yalta meeting with King Ibn Saud, of Saudi Arabia, as claimed by Arab leaders. No such commitment had been made, said President Truman; he had looked carefully for it.

Then, on October 18, 1945, Secretary of State James F. Byrnes, confronted by Arab leaders with a facsimile of the document, which they threatened to publish, found and made public Mr. Roosevelt's letter to his great and good friend, King Ibn Saud, pledging that he, as Chief Executive of the United States, would take no action which might prove hostile to the Arab people.

In addition to these cases I have enumerated, there are several other miscellaneous instances, all pointing up the fact that the administration does not know one day what it will do the next. Take the calling of the special session.

On July 10, 1947, President Truman said at his press conference that he saw no necessity for a special session of Congress in the immediate future.

On August 14, 1947, President Truman again said at his press conference there were no circumstances on the horizon which would necessitate his calling a special session of Congress before the regular session in January.

As late as September 12, 1947, aboard the U. S. S. *Missouri*, President Truman was reported as still unconvinced of the need for a special session of Congress.

On September 29, 1947, President Truman met with congressional leaders and later held a press conference. He stated that while a special session of Congress was thoroughly discussed, he did not propose that one be called, and asked only that key congressional committees meet at the earliest possible date to consider problems of European relief.

On October 21, 1947, President Truman asked congressional leaders to meet with him on October 23 for "a further discussion of foreign aid."

At the October 23, 1947, meeting with congressional leaders, President Truman announced that he was calling Congress back into session. He did not consult with these leaders as to the advisability of calling Congress back to Washington. On the contrary, he was all prepared with a statement announcing his decision, with the date set and everything.

Government controls are another vital subject on which Mr. Truman swings about like a weather vane.

Out of one side of his mouth President Truman called for ending Government controls.

On October 30, 1945, in announcing a new wage-price policy, President Truman urged that we "get away as quickly as possible from Government controls."

His wage-price policy, however, moved in the direction of more rather than less Government controls.

Still pursuing the contradictory policy of pushing wages up while insisting that prices need not be increased, President Truman was forced to revise his wage-price policy again and again.

On February 14, 1946, in announcing still another wage-price policy, President Truman said:

> I trust that the Congress will: (1) Extend the stabilization statutes without amendment, and will do so with all possible speed * * *; (2) extend the subsidy program for another full year; (3) enact promptly the Patman bill to establish price controls over housing * * *; (4) extend promptly the Second War Powers Act.

After abandoning price and wage controls in 1945 and 1946, on November 17, 1947, Truman asked Congress for their restoration along with several other controls.

Subversive employees and communism offer still another example of constant Presidential vacillation.

On February 28, 1947, President Truman wrote in a letter to former Gov. George H. Earle, of Pennsylvania:

> People are very much wrought up about the Communist bugaboo, but I am of the opinion that the country is perfectly safe so far as communism is concerned—we have too many sane people. Our Government is made for the welfare of the people, and I don't believe there will ever come a time when anyone will really want to overturn it.

On March 22, 1947, President Truman issued an Executive order providing for the investigation of the loyalty of Federal employees. "The presence within the Government service of any disloyal and subversive person constitutes a threat to our democratic processes," said President Truman. He asked Congress for $25,000,000 which he said would be necessary to rid the Government of dangerous disloyalists.

A short time earlier, on March 12, 1947, President Truman had launched his Truman doctrine for the containment of communism, and had requested that Congress appropriate $400,000,000 to aid Greece and Turkey against totalitarian—Communist—aggression.

On April 3, 1947, at his press conference, President Truman confirmed the views he had expressed in his letter to Mr. Earle, saying again that he has no fear that the Communist Party will take over the American Government.

The Ickes-Pauley incident offered still another example of shifting Presidential policies.

After Secretary of the Interior Ickes had testified on the unfitness of Edwin W. Pauley for the post of Under Secretary of the Navy, to which President Truman had nominated him, reporters questioned President Truman at his press conference on February 7, 1946. President Truman asserted then that Mr. Ickes had not consulted him prior to his testimony on Pauley.

According to Mr. Ickes, Ickes told President Truman he had been called to testify on Pauley, and President Truman said:

> Of course you must tell the truth, but be as gentle as you can with Ed Pauley.

At his press conference on February 15, 1946, President Truman substantially confirmed the statement of Mr. Ickes and admitted that he had told Ickes to "be kind to him"—Pauley.

This vacillation of policy has continued up to the present time and there is evidently no reason to suppose it will not be so while Mr. Truman remains in office. On Thursday, December 11, the President flatly told a news conference the Republican proposal for partial regulated relaxation of the antitrust laws would never go into effect as long as he is President.

On Friday, running true to form, a White House spokesman told reporters the relaxation of antitrust laws is acceptable to the President.

Mr. Speaker, when the President of the United States issues such a succession of orders in conflict with one another in a storm-tossed world, how can the people have any confidence that he knows what he is doing, and where he is heading the Ship of State?

Mr. Truman's reversals have been so many and so glaring we would be risking the future of ourselves and our country if we should continue blindly and unquestioningly to follow his contradictory commands.

If he will not or cannot straighten out his thinking, we had better lose no time straightening it out for him—or we will all be on the rocks together.

Dr. Joseph F. Thorning

EXTENSION OF REMARKS
OF
HON. THOMAS L. OWENS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. OWENS. Mr. Speaker, I desire to place in the RECORD an article written by Dr. Joseph F. Thorning, associate editor of World Affairs, on Correct Terminology as an Aid to Peace. Dr. Thorning, or Father Thorning, as I am prone to call him, because he is a Catholic priest, is one of the outstanding authorities of the Nation on Pan-American relations. He has just returned, after having been invited to make an address at the inauguration of President-elect Romulo Gallegos of the Republic of Venezuela. By your gracious consent, Mr. Speaker, and with the approval of our wonderful Chaplain, Rev. James Shera Montgomery, Dr. Thorning will offer the opening prayer before the House on Pan-American Day, April 14, 1948.

I have had the extreme pleasure of reading Dr. Thorning's very excellent article, which discusses the habit which radio commentators, newspaper editors, lecturers; yes, also Congressmen, have of describing the Soviet Union as Russia." I suggest that the Members of the House read the message. It will be time well spent. I ask that the article be inserted in the RECORD at this point.

CORRECT TERMINOLOGY: AN AID TO PEACE

(By Dr. Joseph F. Thorning, associate editor of World Affairs)

"Words are weapons" is only a half-truth. Words are much more than weapons. Rightly used, they have a magic that can create understanding and good will. Above all, they should be employed in such wise that they can penetrate any artificial walls built up by governments against and around the people who are forced to exist behind curtains of misinformation and hate. Under such circumstances, the right words can develop right thinking and decent feelings toward millions of human beings who have no control over the totalitarian régimes which are exploiting them. In the contemporaneous world, words can and should be the building blocks of peace.

One of the most fundamental suggestions that can be offered in the domain of language is that radio commentators, newspaper editors, lecturers, and politicians forego the slovenly habit of describing the Soviet Union as "Russia." Geographically or politically, there is no such body politic as "Russia." Why not examine official maps for the correct designation? Across huge slices of territory in Europe and Asia the student can read the letters, "U. S. S. R." or "The Union of Soviet Socialist Republics." The obvious abbreviation is "The Soviet Union."

This truth is recognized in every official interchange of notes between the U. S. S. R. and the United States. Secretary of State George C. Marshall and the Assistant Secretary of State for political affairs throughout the globe, the Honorable Norman Armour, are careful to use the correct terminology. Indeed, State Department practice is firmly established in this regard. There is every reason why our citizens, who wish to be exact, should note standards of correctness which aim at better understanding among peoples.

In the United Nations, Messrs. Andrei Vishinsky and Andrei Gromyko are invariably introduced as the Soviet delegates, not as the Russian representatives. This is sound procedure, because there is no such entity as Russia listed on the roster of the United Nations. Reporters and newscasters from the world organization, therefore, have a special obligation not to change the record by introducing talk about Russia and the Russians. It is as easy as it is correct to say the Soviet Union and the Soviets. The New York Times correspondents at Lake Success do this quite consistently, although radio and wire-service correspondents are not quite so accurate. Generally speaking, the radio commentators are worst offenders.

Looking to the future, we should be anxious not to build up a bogey in the minds of the people of the United States. When radio listeners hear that "the Russians" or "Russia," which necessarily connotes "Russians," have denounced our Government at Lake Success or at Moscow, it is almost inevitable, it seems to me, that millions of people will jump to the conclusion that "Russia" and "the Russians" are our enemies. Actually, they deserve our friendship as we would like to merit theirs.

In this connection a recent piece in the New York Times Magazine: The Politburo Tries a New Tack, by H. R. Trevor-Roper, invites attention. This Oxford don leads off by mentioning "the Soviet Union" and "the Soviet Government." His single use of the term "Russia" is correct. He is writing about the pre-Soviet body politic. When Mr. Trevor-Roper employs the term "Russian," it is linked with "communism." To my mind, this is precise diction.

In another passage of the same article, the Oxford scholar indicates how unrealistic it is to speak about Soviet policy without a thorough consideration of the dialectical materialism of Karl Marx. Mr. Trevor-Roper writes as follows:

"Marxism after all is more than a theology and a political technique. It is a gigantic intellectual system that claims to explain and answer every problem. It analyzes the past and prophesies the future, and, it must be admitted, its analyses and its prophecy, although often erroneous in detail, have permanently affected the study of politics."

Marxism is the common bond among totalitarian followers of the party line throughout the world. The dialectical materialism of Marx constitutes the essence of the new religion, whose headquarters happen to be the Kremlin in Moscow. Just as there are millions outside the Soviet Union who profess their faith in Marxism, so there are millions of Russians who continue to believe in God and consequently are not Marxists. "Russian" and "Marxist" are not convertible terms. Indeed, it is safe to claim that the majority of people, victimized by the Soviet Politburo either in the Soviet Union or in the Soviet-dominated eastern European states, are not fanatical adherents of Marxian philosophy. Most of the farmers of the Baltic region and of the Balkans believe in the rights of conscience, freedom of speech, the right to own private property, and the traditional values of family life. It is wrong to classify them with the Soviet clique, temporarily in control.

The international character of Marxism, as contradistinguished from Russian culture, may be elucidated by a few simple questions. Is Eugene Dennis a Russian? Are William Z. Foster and Earl Browder Russians? Are Jacques Duclos, Maurice Thorez, and Marcel Cachin Russians? Can it be claimed that Gerhart Eisler, recently convicted in a United States court, is a Russian? Are Palmiro Togliatti and Luigi Longo Russians? Is Matyas Rakosi, who seized the Government of Hungary, a Russian? Or are the Marxist totalitarians in the Far East Russians?

Some radio commentators try to defend their use of the term "Russia" by claiming that "the aim of Soviet Moscow is precisely the same as that of Czarist Moscow and St. Petersburg—that of establishing a supreme central authority."

To be sure, numerous elements of Russian imperialism remain active in the Soviet Union. There is a line of historical continuity. The Soviet commissars, like the Czars, tend to expand their conquests toward the Baltic and the Mediterranean ports. The masters of the Kremlin, like Peter I and Catherine II, are eager to exploit the Orthodox churches for the purposes of territorial aggrandizement and political domination. One could easily give additional items in a catalog of policies that coincide as of yesterday and today.

Is this the whole story? Are not the most formidable elements those that have organized fifth columns in every nation on the face of the earth? Can it be contended that Peter I and Catherine II, autocrats of all the Russias, systematically trained nationalist leaders and agitators for Asia, Africa, Australia, Europe, and the Western Hemisphere?

Was it the aim of Czarist Moscow and St. Petersburg to establish a supreme central authority, not simply for all the Russias but for the world community?

Failure to calculate these facts has caused Mrs. Vera Micheles Dean, of the Foreign Policy Association, to produce an inadequate evaluation of Marxism and the Soviet Union. The very title of her book, The United States and Russia, is misleading. A true description of the U. S. S. R. is reserved for the subtitle. This clear subordination of the Soviet Union to a nonexistent Russia is no accident. Marxist sympathizers in the United States are prone to talk about "Russia" and "the Russians." Mr. Henry A. Wallace and Senator CLAUDE A. PEPPER are two spokesmen for appeasement who rarely, if ever, mention the Union of Soviet Socialist Republics.

Does any thoughtful reader imagine that this choice of language is not deliberate, although incorrect? With such radiant diction, Marxist apologists in our country try to plead the cause of the clique that runs the Soviet Union. The interests of the Soviet Politburo and the Russian people, it may be noted, do not often coincide.

Why not be realistic as well as exact in this sphere of semantics? The distinction between tyrants and their slaves can and should be recorded every time that we mention the Soviet Union and the Russian people. By precise language we can safeguard our own security and, at the same time, maintain a friendly attitude toward the non-Soviet Russians.

Truth depends upon accuracy of expression. Furthermore, fairness to all concerned demands that there be no name-calling. This is a case where the rulers of the Soviet Union have themselves chosen their own titles and their own descriptions. They are the self-proclaimed leaders of a federation which, avowedly, aims to embrace the world with its peoples. That is the gospel according to Marx, Lenin and Stalin. The constitution of the U. S. S. R. was drawn up with explicit provisions for the incorporation of all other political entities. Numerous people in Europe and Asia are already painfully aware of the operation of this doctrine. We are talking about a condition, not a theory.

The case was clearly put by Mr. Hanson W. Baldwin, of the New York Times. Explaining the peril of withdrawing United States troops from Europe, Mr. Baldwin wrote as follows:

"The assumption that evacuation is a solution stems from another erroneous assumption—that the Soviet Union as a national entity, rather than communism, as an international force, is the real opponent of the West."

Mr. Alexander Kerensky, whose Social Democratic government was overthrown by the Bolsheviks, should know something about Soviet techniques and Soviet foreign policy. On more than one occasion, he has called for an end to "this mischievous business of confusing the Soviet Union with Russia, the objectives of world communism with Russian national interests."

Although "soviet" originally meant "council" and, therefore, was a term without sinister connotations, it has gradually assumed new significance. Does not the verb, "to sovietize," mean "to collectivize"? Are not "the soviets" known today as "the collectivizers"? Forcible collectivization is the notion that soviet conveys in the contemporaneous world. Nothing of that kind is regarded as desirable by the Russian people. As Mr. Kerensky pointed out, "nowhere has hatred of totalitarian communism become as sharp as within Russia."

Since the Russian people are among our best allies, it is wrong, ethically as well as semantically, to confuse them with the Soviet oligarchy Mr. Cyrus L. Sulzberger, European correspondent of the New York Times, knows this. As a result you can search through his dispatches in vain for any loose talk about Russia or the Russians. In fact, Mr. Sulzberger is rather emphatic in his use of the complete title of the Soviet Union, "the U. S. S. R." He has seen enough totalitarian Marxists outside the U. S. S. R. to realize that Marxism cuts across all national boundaries and all racial groups.

Another writer who is conscientious about his language is Prof. Arnold J. Toynbee, director of international studies at the Royal Institute and professor of international history in the University of London. University and college professors in the United States could benefit by this example.

Neither educators nor radio speakers nor newspaper reporters can excuse themselves on the vague grounds of common usage. The good reporters and the best correspondents usually try to make the correct usage clear, exact, and paramount. Only when the accurate expressions have been established and emphasized do they have resort, for variety's sake, to any other phrase or term. Every one in the field of public relations has an obligation to strive for good usage, accuracy of expression, precise truth, and peace education. Good will, like truth, depends upon the right words.

America Trails Britain on the Road to Ruin

EXTENSION OF REMARKS

OF

HON. ROBERT J. TWYMAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. TWYMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Chicago Daily Tribune of March 2, 1948:

AMERICA TRAILS BRITAIN ON THE ROAD TO RUIN

Britain as long as 35 years ago began a program of social betterment for its poorer people. The Government share of the cost was obtained by taxes on individuals in the higher income ranges. Professor Pigou, of Cambridge University, pointed out in a paper in 1927 that the savings available for investment in capital were 25 percent smaller in 1925 than in 1911. The reduction in the fund available for investment was almost the identical amount of the increase in the expenditures for social services.

The Conservative Party which came into power in 1931 did not interrupt the decay of

British industry. The first duty of a politician is to stay in office. The so-called Conservatives provided more and more social services and did it by raising taxes higher and higher, chiefly by levying upon the upper ranges of income and upon business.

When Franklin D. Roosevelt sought to soak the rich he could always show that the British were soaking the rich even harder. When Roosevelt proposed and obtained a heavy tax on earnings retained by corporations for development, he got the idea from Britain. Fortunately, it took only 2 years for Congress to perceive the lunacy of punishing companies which held back profits for expansion and development.

Although our undistributed profits tax was repealed in 1938, tax rates on personal incomes and on corporations were raised during the war to new peak levels. The wartime excess-profits tax has been repealed in the United States, but taxes on business and the upper brackets of individual incomes have been retained and are higher than those which before the war reduced the flow of capital into British industry to a trickle.

Employing British economic policies, the United States has choked off fresh productive investment. People who formerly would have bought common stocks each year now are obliged to sell part of their holdings to live. Last year only a little more than half a billion dollars of new risk capital was obtained by American corporations. The Government last year collected and spent $80 for every dollar that went into risk capital. In these taxes, especially upon the investing class and upon business, the Government eats up the money that would otherwise be available for expansion and improved production.

In Britain today can be seen the end result of the taxing and spending policies followed for some years in the United States.

So Runs the World

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mrs. ST. GEORGE. Mr. Speaker, under leave to revise and extend my remarks in the Appendix of the RECORD, I include an editorial from Plain Talk:

SO RUNS THE WORLD

It is difficult to resist the temptation to leaf through the New Year editorials of our great newspapers for 1944 and 1945 and 1946 and 1947, on the threshold of another decisive year in the continuing twilight of civilization, marked by the break-down of the London Peace Conference.

If you would explore the wilderness in which our mighty leaders of opinion and molders of policy have been wandering during these 4 years since the fatal Teheran Conference in December 1943, go and consult their writings and statements on the eves of each New Year. You will either be nauseated by the pollyanna praises sung to the "peace-loving" Kremlin or you will be crushed by the blindness of our pathfinders who thrive on dispensing optimism to the millions.

Now that the harsh truth is beginning to dawn even on the most deluded among our mentors, it is more than ever necessary to tell the people the one fundamental truth which has been carefully hidden from them all these years, and which is still wrapped in the foggy columns of our commentators and official spokesmen.

This truth is that we have not been engaged since VJ-day in the making of peace. We have in reality been engaged in the unmaking of the secret peace framed, signed, and sealed at Teheran, Yalta, and Potsdam.

This bitter truth must and will come out. The few who had the vision to see it and the courage to say it must get a hearing. The secret peace was made behind the backs of the peoples of the world, while men were still dying on the battlefields for its sake; it was made in an atmosphere filled with the propaganda fumes generated by the most massive and expensive propaganda machinery ever foisted upon a free world.

The secret peace, for which the Government of the United States must bear the major responsibility, cannot be matched in the long list of Carthaginian peace settlements in the history of man. Since the days of tribal chieftains, Parthian despots, Mongol invaders, and conquering Caesars, there has never been a peace as dishonorable, as treacherous, as irresponsible, as inhuman, and as short-sighted as the one negotiated by the little men with big names who crossed the Atlantic to meet the Moscow satraps and brought them ever-increasing offerings at the expense of humanity.

We sold sovereign and intrepid Yugoslavia, after encouraging her resistance against the Nazi invaders, into the bondage of Soviet totalitarianism;

We agreed to the dismemberment of Poland, in the absence of her legally constituted representatives, when her sons were falling by the hundreds at Monte Cassino;

We then betrayed the legitimate Polish Government, with which we had solemnly fraternized, to the new Tartary;

We surrendered to Stalin's executioners Bulgaria and the democratic, anti-Fascist leaders of her people, after they had negotiated a provisional peace with us before the fall of Hitler;

We let down, similarly, the liberty-seeking forces in Rumania and Hungary, condemning them to servitude under ruthless foreign dictatorship;

We turned over to the mercies of that merciless power the three Baltic nations, Estonia, Latvia, and Lithuania, whose independence we had proudly and publicly vouchsafed during the war itself;

We gave Russia the city Königsberg, which the Russian people had never claimed and do not wish;

We allowed the Red Army to occupy Prague, by the grace of diplomatic pressure and not because of military exigencies, so as to enable Moscow to hold a dagger at the vitals of Europe;

We nodded approval when the junta in the Kremlin dismembered and shackled the remainder of Finland;

We trampled upon the very soul of humanity when we consented to feed into the Soviet maw, by force if necessary, many hundreds of thousands of refugees and runaway Russians who, in their quest for freedom, had left or deserted the tyranny in their homeland;

We presented to Russia, gratis, the Kurile Islands, a vital link in the American defense system between the Aleutians and Japan;

We delivered, behind the back of our ally, China, control over two of her major strategic ports;

We encouraged the Chinese Communist satellites of Moscow to seize most of Manchuria, which contains more than one-half of the resources of all of China, and stood by when the Red Army had looted that province;

We betrayed the trust of the long-enslaved people of Korea by arbitrarily cutting their country in two and throwing the developed, industrial north into the lap of the new enslaver.

And in a supreme gesture of appeasement, we helped establish exclusive Soviet possession of eastern Germany as far as Berlin, arming Stalin with an ace weapon against us.

The American people were not consulted in the perpetration of this none-too-complete catalog of misdeeds which constitutes the framework of the secret peace we are now trying to dismantle, and many of those on our national scene who have had a hand in fashioning that monstrosity are continuing to befuddle the issue.

Already voices are being raised that the blame for the collapse of the London conference, convoked to draft peace settlements for Germany and Austria, must be laid upon the instrument employed—the Council of Foreign Ministers. Already the misleaders of yesteryear are putting the emphasis on the procedure for the settlement of the differences, and not upon the differences themselves. We are asked to believe that the Council of Foreign Ministers could not solve the differences in public, but that the time-honored diplomatic means of private negotiations could produce an enduring peace. Nothing can be further from the truth.

The real issue is: How can we unmake the secret peace by which we have let an incendiary loose in the premises of civilization? The real and only question facing us is: How can we drive the marauder out of Europe and make him return to his own preserves?

It cannot be repeated too often that genuine peace will not be established until the area of freedom is restored. We must dissolve the chains we have forged in the secret peace, chains in which a dozen nations are now languishing. We must undo the crimes of Teheran, Yalta, and Potsdam. We must liberate those whom we have helped to fetter. And we must do more than render lip service to the battle cries of justice and freedom before the light of a lasting peace will begin to glimmer on the horizon of a world in chaos.—I. D. L.

Power and Water Shortage in California

EXTENSION OF REMARKS
OF
HON. JOHN J. ALLEN, JR.
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mr. ALLEN of California. Mr. Speaker, under leave to extend my remarks, I include a letter addressed to the members of the Oakland Chamber of Commerce by its president concerning the water and power shortage in California. The letter sets forth rather forcefully the severity of the situation and the measures which the people of California are taking to voluntarily meet the situation. Every person in the community is called upon to curtail his use of electrical energy at home and at work.

The tremendous need of California to conserve the water in its mountains for use for irrigation is again emphasized. The completion of present and future power projects must be hastened.

The letter from James H. L'Hommedieu, president of the chamber of commerce, is as follows:

FEBRUARY 11, 1948.

To Oakland Chamber of Commerce Members:

The power shortage is critical and you are urged to join in widespread plans to conserve electricity.

An appeal has been made to the public, and your chamber of commerce, upon unani-

mous action of the board of directors, is urging chamber members to make a special effort to assist during the indefinite period of crisis.

William H. Park, a vice president of this chamber and district manager of the Pacific Gas & Electric Co., appeared before the board at its latest meeting and explained that farmers, due to the lack of rain and snow, are now using more than 200,000 horsepower to pump water for the irrigation of crops. This immense load, to which is added increased population requirements, usually occurs in May instead of February, thus taking an unexpected drain at this time.

The recent light rains offered no appreciable relief, and how long the shortage will continue is entirely dependent upon the weather, Mr. Park said. He pointed out that the company is sacrificing income in urging power conservation, and added the observation that prosperity in California is dependent on crops, crops dependent upon water, and water takes from electric power. Cooperation now will accrue to the benefit of all later.

Therefore, I urge upon you the following voluntary means of curtailing power use:

1. Discontinue illumination of all outside signs and floodlights.

2. Reduce window lights by 50 percent by reducing window illumination wattage either by lamp or floodlights by one-third, and extinguish all window lights at 8 p. m. Avoid use of electricity as much as possible between 4 and 8 p. m., the peak-load hours.

3. Reduce inside lights to the limits of safe and efficient operation.

4. Light no unused rooms. Use appliances as briefly as possible.

5. Use electricity as sparingly as possible.

Yours sincerely,

JAMES H. L'HOMMEDIEU,
President.

Abide With Me

EXTENSION OF REMARKS
OF

HON. FRANK B. KEEFE

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. KEEFE. Mr. Speaker, on February 14 I was privileged to listen to one of the most beautiful programs featured by the National Broadcasting Co. and its affiliated stations. This particular program was the one hundred and seventieth of a series entitled "Home Is What You Make It." The program dramatized the World Day of Prayer and was entitled "Abide With Me."

This program is sponsored in cooperation with the American Home Economics Association, the General Federation of Women's Clubs, the National Congress of Parents and Teachers, and the United Council of Church Women. The narrator on the program is Mr. Ben Grauer. The script for the program is written by Mr. Lou Hazam, and it is directed by Mr. Jack Kuney.

In my humble opinion this series, Home Is What You Make It, is making a very effective contribution to the solution of many of the perplexing problems that confront us. The specific program of February 14 was so impressive that I felt it should be preserved in the permanent records of the Congress.

Mr. Speaker, my thanks go to the National Broadcasting Co. and those cooperating with it in the presentation of this series. Under unanimous consent, I include the script of this program as part of my remarks:

Jesus: And I say unto you, ask, and it shall be given you; seek, and ye shall find; knock, and it shall be opened unto you. For every one that asketh receiveth; and he that seeketh findeth; and to him that knocketh it shall be opened.

(Chorus)

"Holy, holy, holy! Lord God Almighty!
Early in the morning our song shall rise to Thee!
Holy, holy, holy! merciful and mighty!
God in three persons, blessed Trinity!"

Announcer: The sounds of prayer, spoken in myriad tongues throughout the world, have but a few hours ago faded away. The seventy-first World Day of Prayer, sponsored on the first Friday of Lent by the United Council of Church Women, has become history. And while the strains still echo in the hearts of those who knelt under shade trees to mark this day, in thatched-roof chapels, in kraals, in cathedrals, from the Fiji Islands at the edge of the international date line, to St. Lawrence Island in the cold Arctic, Home Is What You Make It, brought to you by the National Broadcasting Co., and its affiliated independent stations, pauses to salute the significance of this glorious day with a special program dedicated to the miracle of prayer, entitled "Abide With Me."

Narrator: With a chain of strength, the World Day of Prayer has linked the globe. On continent, on island, unnumbered people, in 1,068 languages and dialects, together proclaimed their trust in God. Thus on a day in February, in the third year of the Atomic Age, twentieth century, Anno Domini, modern man, creator of the machine which has made him self-sufficient in almost all things, admits, like the men who came before him, he cannot live by bread alone.

This is not strange. This is not new. It has always been so from the beginning. And if you will bear with us some 30 minutes, we will lift your heart with the glory and wonder of it.

We begin with a clap of thunder; because here, we are told, is where man began blindly to lift his eyes beyond himself and search for an ally against the things which thwarted him. To the rugged mountains, to the all-powerful sun, to the mysterious lightning, the roaring waterfall, and to that crashing thunder, man raised his voice in his first pathetic calls for help.

Man: O loud-voiced one, help me, help me.

Narrator: A kind of prayer, this a prayer born of ignorance and fear, but not less a prayer. And as man increased his dominion over the fish of the sea, and over the fowl of the air, and over the cattle, and over all the earth, he began attributing spirits to natural wonders. And in time named the spirits and endowed each with godhood. And to these he prayed.

In Egyptian.

Egyptian: Thy dawning is beautiful in the horizon of heaven, O living Aton, beginning of life. When thou risest in the eastern heaven, thou fillest every land with thy beauty; for thou art beautiful, great, glittering, high over the earth; thy rays, they encompass the lands, even all thou hast made. Thou art Ra, and thou hast carried them all away captive.

Narrator: In Assyrian.

Assyrian: In Heaven who is great—thou alone art great. On earth who is great—thou alone art great. When thy voice resounds in heaven, the gods fall prostrate. When thy voice resounds on earth, all the genii kiss the dust.

Narrator: In Aztec, to the corn god.

Aztec: Our mother the earth goddess, whose food is on the nine plains, goddess of the seven ears, arise, awake. The yellow blossom has flowered. The white blossom has burst open.

Narrator: In Indian, at the foothills of the Himalayas.

Indian: From unreality take me into reality, from darkness into light, from death take me into immortality. May the supreme Pranava gratify me with knowledge.

Narrator: Politely, in ancient Chinese.

Chinese: I, the Emperor, had respectfully prepared this paper, to inform the spirit of the sun, the moon, the five planets, the spirit of the stars and of the clouds, the spirit of the four seas and the great rivers, and the spirit of the present year: That on the first day of next month we shall reverently lead our officers and people to honor the great name of the god Shag-Ti. That you will exert your spiritual power.

Narrator: In Greece, where many gods peopled Olympus, the relationship between gods and men was close and familiar. From one of these gods, Euripides, the playwright, sought council thusly:

Euripides: O thou that stayest the earth and hast thy firm throne thereon, whosoever thou art, unfathomable to human knowledge, whether thou art Zeus or the necessity of Nature, or the mind of man, to thee I raise my voice.

Narrator: And Socrates prayed to the horned deities, before his friend Phraedus, thus:

Socrates: O beloved Pan and all ye other gods of this place, grant to me that I may be made beautiful in my soul within and that all eternal possessions be in harmony with my inner man. May I consider the wise man rich, and may I have wealth as only the self-restrained man can endure. Do we need anything more, Phraedus? For me, that is prayer enough.

Narrator: Many prayers to many gods, but perhaps none compared with the prayers that sprang from the heart of man when at last he found one God through Moses.

Moses: Thou shalt have no other gods than Yaweh.

Narrator: In the days that followed Moses, prayers to God—God whom we came to know better with the passing of years—were separately born to take their place as psalms in the Old Testament for men to echo to the end of time. And perhaps nowhere in the writings of man can words be found more beautiful and moving than these God-plucked ones. Listen:

Psalm 46.

Voice: God is our refuge and strength, a very present help in trouble. Therefore will not we fear, though the earth be removed, though the mountains be carried into the midst of the sea; though the waters thereof be troubled, though the mountains shake with the swelling thereof. The Lord of hosts is with us.

Narrator: Psalm 1.

Second voice: Blessed is the man that walketh not in the counsel of the ungodly, nor standeth in the way of sinners, nor sitteth in the seat of the scornful. He shall be like a tree planted by the rivers of water, that bringeth forth his fruit in his season; his leaf also shall not wither; and whatsoever he doeth shall prosper.

Narrator: Psalm 27.

Third voice: The Lord is my light and my salvation; whom shall I fear? The Lord is the strength of my life; of whom shall I be afraid? Though a host should encamp against me, my heart shall not fear: though war should rise against me, even then will I be confident. One thing have I asked of the Lord, that will I seek after: that I may dwell in the house of the Lord all the days of my life.

Narrator: Psalm 33.

Fourth voice: Rejoice in the Lord, O ye righteous; for praise is comely for the upright. Praise the Lord with harp; sing unto

him with the psaltery and an instrument of ten strings. Sing unto him a new song: play skillfully with a loud noise, for the word of the Lord is right, and all his works are done in truth.

Narrator: And then He came, Jesus the Christ. And He taught men not only a way of life to guide theirs, but taught them how to pray. For it is written in the Gospel of St. Luke, chapter II:

Bible voice: And when it came to pass that, as he was praying in a certain place, when he ceased, one of his disciples said unto him, Lord, teach us to pray, as John also taught his disciples. And he said unto them:

Jesus: When ye pray, say, Our Father which art in heaven, hallowed be thy name. Thy kingdom come. Thy will be done, as in heaven, so on earth. Give us day by day our daily bread. And forgive us our sins; for we also forgive every one that is indebted to us. And lead us not into temptation; but deliver us from evil.

Narrator: From His day until ours man has never ceased praying to Almighty God. In diverse ways and in all the many tongues, in poetry, in song, in sculpture, in painting, men, thirsty for His love, have prayed to Him. And found in prayer—

Woman: A way to lift up my heart to God.

Man: A sort of meeting place between God and me.

Second woman: A ladder I can climb to reach Him.

Second man: It's how I talk to God—in petition, for intercession, as thanksgiving, worship, in adoration, as meditation, prayer is a key to the Christian life, the fire we kindle by which we warm our soul.

It fell as nourishment for a hungry world from the lips of our Christian fathers—like St. Augustine—

Augustine: Watch Thou, dear Lord, with those who wake or watch or weep tonight, and give Thine angels charge over those who sleep. Tend Thy sick ones, O Lord Christ. Rest Thy weary ones. Bless Thy dying ones. Soothe Thy suffering ones. Pity Thine afflicted ones. Shield Thy joyous ones. And all for Thy love's sake. Amen.

Narrator: And as it did the saint, prayer clothed the warrior with invisible armor.

Second narrator: It is the year 1587. Sir Francis Drake prepares to dash into the harbor of Cadiz to put the strength of his English vessels against the armada might of Philip II. Aboard his vessel, to God and God alone, he raises his voice.

Drake: O Lord God, when Thou givest to Thy servants to endeavor in any great matter, grant us also to know that it is not the beginning but the continuing of the same until it be thoroughly finished, which yieldeth the true glory; through Him that for the finishing of Thy work laid down His life. Amen.

Narrator: This same prayer, in all the churches of England, was prayed during another crisis—the spring of 1941.

Oliver Cromwell, lying on his deathbed in 1658, sent one of the most unusual prayers to heaven recorded in history.

Cromwell: Lord, though I am a miserable and wretched creature, I am in covenant with Thee through grace. And I may, I will come to Thee, for Thy people. Thou has made me, though very unworthy, a mean instrument to do them some good, and Thee service; and many of them have set too high a value upon me, though others wish and would be glad of my death. Lord, however Thou dost dispose of me, continue and go on to do good for them. Teach those who look too much on Thy instruments to depend more upon Thyself. Pardon such as desire to trample upon the dust of a poor worm, for they are Thy people, too. And pardon the folly of this short prayer, even for Jesus Christ's sake. And give us a good night, if it be Thy pleasure. Amen.

Narrator: Lord Nelson gave the signal for the Battle of Trafalgar, and retired to his cabin to pray this way:

Nelson: May the great God whom I worship grant to my country and for the benefit of Europe in general a great and glorious victory, and may no misconduct in anyone tarnish it; and may humanity after victory be the predominant feature in the British Fleet. For myself individually, I commit my life to Him that made me; and may His blessing alight upon my endeavors for serving my country faithfully. To Him I resign myself, and the just cause which is entrusted to me to defend. Amen. Amen. Amen.

Narrator: Men have crystallized their prayers in the form we call poetry. Quiet men, like Thoreau, the hermit of Walden Pond.

Thoreau: Great God, I ask Thee no meaner pelf than that I may not disappoint myself; that in my action I may soar as high as I can now discern with this clear eye.

Narrator: Lord Byron.

Byron: Father of Light! To Thee I call; my soul is dark within; Thou who canst mark the sparrow's fall avert the death of sin.

Thou who canst guide the wandering star, who calm'st the elemental war, whose mantle is yon boundless sky, my thoughts, my words, my crimes forgive; and since I soon must cease to live, instruct me how to die.

Narrator: Shakespeare put this thankful prayer into the mouth of Henry V after the Battle of Agincourt:

Henry V: O God, Thy arm was here; and not to us, but to Thy arm alone ascribe we all. When without stratagem, but in plain shock and even play of battle, was ever known so great and little loss on one part and the other? Take it, God, for it is none but Thine.

Narrator: But to match the great poets—and they are numberless—who put their thoughts of God to rhyme, is a woman, whose name is lost but whose simple, disarming poem for grace perhaps strikes the most responsive chord of all:

Woman:

Lord of all pots and pans and things, since
I've no time to be
A saint by doing lovely things of watching
late with Thee,
Or dreaming in the dawnlight or storming
heaven's gates,
Make me a saint by getting meals and washing up the plates.
Altho I must have Martha's hands, I have
a Mary mind;
And when I black the boots and shoes, Thy
sandals, Lord, I find.
I think of how they trod the earth, what time
I scrub the floor;
Accept this meditation, Lord, I haven't time
for more.
Warm all the kitchen with Thy love, and
light it with Thy peace;
Forgive me all my worrying, and make all
grumbling cease.
Thou who didst love to give men food, in
room or by the sea,
Accept this service that I do—I do it unto
Thee.

Narrator: Just as poets have molded their praise of God in words, men have been moved to worship Him in music. William H. Monk was so inspired by these words of the Reverend Henry Leyte that in 10 minutes he was able to put them to a melody that has come down through a hundred years as one of the best-loved of all our hymns. Listen:

Leyte:

Abide with me; fast falls the eventide;
The darkness deepens; Lord, with me abide.
When other helpers fail, and comforts flee,
Help of the helpless, oh, abide with me.
Swift to its close ebbs out life's little day;
Earth's joys grow dim, its glories pass away.
Change and decay in all around I see;
O Thou, who changest not, abide with me.

Hold Thou Thy cross before my closing eyes;
Shine through the gloom, and point me to
the skies.
Heaven's morning breaks, and earth's vain
shadows flee.
In life, in death, O Lord, abide with me.

Narrator: Strangely enough, the reverse procedure has bequeathed us equal dividends. It was another minister—with a name as American as Smith—who, in 1832, when his eyes fell upon the British anthem, picked up a scrap of paper and wrote the words to the anthem we know as America. Perhaps you never realized it before, but when you sing America, you are actually singing a prayer. See for yourself:

Voice:

Our fathers' God! to Thee,
Author of liberty,
To Thee we sing:
Long may our land be bright
With freedom's holy light;
Protect us by Thy might,
Great God, our King!

Narrator: Truly in the words of the ninth psalm:

Psalmist: I will be glad and rejoice in Thee: yea, my songs will make of Thy Name, O thou Most Highest.

Narrator: Not only poets and song-makers, not only warriors of old, but all manner of men and women have turned to God in prayer. Ludwig van Beethoven:

Beethoven: We must praise Thy goodness, that Thou has left nothing undone to draw us to Thyself. But one thing we ask of Thee, our God, not to cease Thy work in our improvement. Let us tend towards Thee, no matter by what means, and be fruitful in good works, for the sake of Jesus Christ our Lord. Amen.

Narrator: Lady Jane Grey, who sought the throne of England before her execution on Tower Hill:

Lady Jane: O Merciful God, be Thou to me a strong tower of defense, I humbly entreat Thee. Give me grace to await Thy leisure, and patiently to bear what Thou doest unto me; nothing doubting or mistrusting Thy goodness towards me; for Thou knowest what is good for me better than I do. Therefore do with me in all things what Thou wilt; only arm me, I beseech Thee, with Thine armor, that I may stand fast. I am assuredly persuaded that all Thou doest cannot but be well; and unto Thee be all honor and glory.

Narrator: On the tomb of Livingstone, the famous missionary, are inscribed there, his words:

Livingstone: May Heaven's richest blessing come down on everyone, American, English or Turk who will heal the open sore of the world.

Narrator: Washington, concluding his farewell speech:

Washington: I consider it my indispensable duty to close this last solemn act of my official life by commending the interests of our dearest country to Almighty God, and Thou who have the superintendence of them to His Holy keeping.

Narrator: Abe Lincoln was a deeply religious man. From youth he was taught to pray by his stepmother, and spent hours reading from the Bible with her. An everlasting source of inspiration through the trials and troubles that were his fate. As he said himself:

Lincoln: I have been drawn to my knees many times by the conviction that I had no place else to go.

Narrator: The humbleness of Lincoln before God is best exemplified, perhaps, not in

his Gettysburg address nor his many speeches that have about them that biblical feeling, but in this simple prayer, uttered on the porch of the White House, when he could no longer stand the sound of the cannon from the second battle of Bull Run:

Lincoln: O Thou God, who heard Solomon in the night when he prayed for wisdom, hear me now. I cannot lead this people without Thy help. I am poor and weak and sinful. O God, who didst hear Solomon when he cried for wisdom, hear me, and save this Nation.

Narrator: And in our last great crisis, as our troops assaulted the beaches of Normandy on D-day, it is to the same God that President Franklin Delano Roosevelt asked the Nation to join him in prayer. Here, thanks to the magic of radio, is an actual recording of the beginning of the prayer he made on that fateful day:

Roosevelt: In this poignant hour, I ask you to join me in prayer.

Almighty God: Our sons, pride of our Nation, this day have set upon a mighty endeavor to preserve our Republic, our religion, our civilization, and to set free a suffering humanity. Lead them straight and true, give strength to their arms, stoutness to their hearts, steadfastness in their faith. They will need Thy blessing; their road will be long and hard. For the enemy is strong. They may hurl back our forces. Success may come with not rushing speed, but we shall return again and again and we know that by Thy grace and by the righteousness of our cause, our sons will triumph.

Narrator: And so it has ever been since the first time man raised his eyes from his food and wondered—

Man: Who has given me this sweet, and given my brother dust to eat?

Narrator: And found God. Since has man lifted his heart to Him. And because he does—in the words of Tennyson—

Tennyson: More things are wrought by prayer than this world dreams of.

Narrator: Sufficient testament of this is the life of the leader whose great soul was freed, just the other day, by an assassin's bullet—Mohandad Karamchand Gandhi:

Gandhi: Prayer has saved my life.

Narrator: There are his own words.

Gandhi (continuing): Without it, I should have been a lunatic long ago. Prayer came out of sheer necessity. The more my faith in God increased, the more irresistible became the yearning for prayer. Life seems to be dull and vacant without it.

Narrator: The conscience of Gandhi will never be stilled. Nor will the conscience of man as long as he, of his only will and volition, for the sake of all men, does as millions did a few hours ago, during the World Day of Prayer—raised a million voices to ask:

Voice: Father of all mankind, grant us faith to look with fearless eye beyond the chaos of our world and time, knowing that out of this shall rise, lifted by Thy grace, peace with justice and a time of brotherhood.

Narrator: And——

Second voice: Vouchsafe unto us the will to work together. May our deeds reflect the mind of Christ.

Narrator: And——

Third voice: Throughout the earth may that which we profess come alive in human relations. May we serve Thee better and love Thee more, that Thy kingdom may come on earth as it is in Heaven.

Narrator: On this 14th day of February—though the World Day of Prayer is over—it is still not too late to pray. It is never too late to pray. We have but to remember the Thief on the Cross:

Biblical voice: And he said unto Jesus, "Lord, remember me when Thou comest into Thy kingdom." And Jesus said unto him,

Jesus: "Verily I say unto thee, today shalt thou be with me in paradise."

Announcer: You have just heard the one hundred and seventieth program of Home Is What You Make It, saluting the World Day of Prayer and entitled "Abide With Me."

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12. Henry David Thoreau (1817–62).
13. Lord Byron (1788–1824).
14. Woman's poem, anonymous.
15. Beethoven (1770–1827).
16. Lady Jane Grey (1537–54).

The Late Honorable Clarence E. Hancock

EXTENSION OF REMARKS

OF

HON. WALTER A. LYNCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1948

Mr. LYNCH. Mr. Speaker, it was a distinct shock to me when I learned of the death of our former colleague, Hon. Clarence E. Hancock, of Syracuse, N. Y. He was one of God's noblemen, possessing a charm of personality that was most unusual. His quiet manner and his unobtrusive way won him many friends. His ability was outstanding and his clear thinking and convincing speech established him as a debater of rare talent.

I met him when I first came to Washington in the Seventy-sixth Congress and our casual acquaintance developed into a sincere friendship which I shall always cherish.

Clarence Hancock was a splendid representative of the people in his community. The State of New York and the United States lost a truly distinguished citizen in his death.

Medical Care for Veterans Big Problem for Country

EXTENSION OF REMARKS

OF

HON. EDWARD H. JENISON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. JENISON. Mr. Speaker, without doubt one of the most serious problems facing the country at the present time, and a problem certain to grow more serious with the passing years, is that of providing adequate medical care for our war veterans. I desire to call the attention of the Congress and the country as well to a survey of the problem published in last Sunday's New York Times, together with an editorial on the same subject in the same issue:

[From the New York Times of February 22, 1948]

MEDICAL CARE FOR VETERANS BIG PROBLEM FOR COUNTRY—POLICY SET UP IN 1924 HELD UNREALISTIC TODAY—LACK OF PERSONNEL STRESSED

(By Howard A. Rusk, M. D.)

Periodically 25 of the Nation's top medical specialists meet in Washington as the national consultants' committee to the Administrator of Veterans' Affairs to determine policy and discuss problems of veterans' medical care. At their meeting in October and again in January two of the principal items on the agenda were the need for more personnel and the feasibility of placing a fixed ceiling on the number of hospital beds that the VA will operate.

Today, the VA operates a total of 103,189 beds, and has 5,649 beds closed because of inability to obtain personnel. Their patient census is 95,652 in their own hospitals and 13,949 in Army, Navy, State, and civilian contract hospitals. Of the 109,601 patients (as of January 15, 1948), however, 66 percent are non-service-connected, that is, the disabilities for which they are hospitalized have no relationship to their military service.

There are 18,026 veterans awaiting admission to VA hospitals, of which only 88 are definitely service-connected and 446 are presumed service-connected on the basis of available evidence. The remaining 17,492 have disabilities that were not incurred in service.

The hospitalization policy in VA hospitals, as dictated by existing laws, is that veterans with service-connected disabilities shall have admission priority, but that veterans with non-service-connected disabilities may be admitted if, by their own statement, they are unable to pay for hospital care and if a bed is available in an existing facility.

POLICY ESTABLISHED IN 1924

This policy was established by Congress in 1924 when there were empty beds in VA hospitals. A secondary factor was that a large number of veterans, especially those with mental disorders and tuberculosis, were unable then to obtain care in civilian hospitals within their own communities.

Since 1924, however, the picture has changed considerably. There were only 4,000,000 veterans then; today there are 20,000,000. Because of the quality of medical care at that time, fewer veterans sought admission; today more and more veterans, as they realize that the VA medical services are second to none, are applying for care. The VA had empty beds then and personnel to staff them; today VA hospitals are crowded, and Dr. Paul Magnuson, new VA Medical Director, has said it is impossible to staff more than 120,000 beds and keep the quality of medical care at its existing high level.

The VA now has 126 hospitals and Congress has approved the building of 91 more at a cost of $1,000,000,000. Many of these new hospitals are necessary to replace existing outdated hospitals situated in areas so geographically remote that it is impossible to staff them adequately. Others are necessary as replacements for the temporary wartime Army and Navy hospitals that the VA has taken over. Biggest factor in the building program, however, is the policy of furnishing free medical care to non-service-connected cases.

In defense of the VA, it should be made clear that this policy is not one developed

by the VA, but results directly from congressional action. Although a veteran with a non-service-connected disability to be admitted must sign "No" to the question, "Are you financially able to pay the necessary expense of hospital care?" and is liable to a fine amounting to $10,000 for swearing a false affidavit, the VA has neither the legal right to question nor the machinery to investigate such affidavits.

It is common knowledge that many non-service-connected cases now in VA hospitals have signed such statements, although they could well afford to pay for medical care. Not a single such case has ever been prosecuted. Of the few instances the writer has been able to find in which the Government has recovered funds to pay for hospital care, one was the case of a veteran who died in the hospital and was found to have left an estate valued in excess of $250,000.

"AVAILABLE BED" QUESTION

Nor has there ever been, from the VA's standpoint, a satisfactory interpretation of the words "if a bed is available in an existing facility." The policy, it appears, has been to permit available beds to be filled with non-service-connected cases and then to construct new hospitals ostensibly to accommodate veterans with service-connected conditions.

That the medically indigent veteran should receive care from the VA regardless of the origin of his disability seems logical, for it gives the patient a sense of dignity in that he feels it is a right he has earned, rather than charity. If he cannot pay for care nor receive it in a VA hospital he would, of necessity, have to be cared for in a local or State hospital as a free patient. It is merely a matter of the taxpayer paying from either his right or left pocket.

This is particularly true for psychiatric and tuberculosis patients who constitute 60 percent of all VA patients and approximately half of whom are not service-connected cases, for experience has shown that only a small percentage of such patients, either veterans or civilians, can afford the cost of care. Dr. Daniel Blain, chief of the VA Neuropsychiatric Service, has said that the neuropsychiatric services in VA hospitals have reached the saturation point. He pointed out that approximately the same number of neuropsychiatric cases were being discharged as were being admitted, but warned that even though more beds were made available, personnel could not be found to staff them.

The same need for personnel exists in all types of medical service. Another serious factor to be considered is that if the VA continues indefinitely to build more hospitals, civilian hospitals will be faced by even more serious personnel shortages than exist today. There is simply just not enough trained personnel to go round.

The fundamental question is whether the VA shall continue to build hospitals primarily for non-service-connected cases. The national consultants, pointing out that the present policy establishes an elastic ceiling that is subject to many diverse pressures, has said: "It is the opinion of this group of consultants to the Administrator of Veterans' Affairs that a definite ceiling should be put on the number of beds to be provided in VA hospitals, and that such a ceiling, in the opinion of this group, should not exceed the 140,000 beds already authorized by Congress."

PERSONNEL INADEQUATE

They further warned: "It will be practically impossible to find adequately trained personnel to operate this number of beds, when, at the present time, 5,649 beds are already closed solely because of lack of personnel. Secondly, to attempt to go beyond this ceiling would further deplete the number of trained individuals available to meet civilian needs."

Dr. Magnuson was even more conservative and said that 120,000 beds represented, in his opinion, the maximum number of permanent beds the VA could operate and give top-flight medical care without disturbing the balance between VA and civilian hospitalization.

Although Congress is appropriating funds for the building of new hospitals that will be filled primarily by non-service-connected cases, many of whom are able to pay for their medical care, it has never, by formal action, made the Federal Government responsible for complete care of all veterans. Nor does examination of congressional records indicate that such was ever the intent. The present situation has arisen as a result of a policy adopted in 1924, which was expedient then but unrealistic and unwise today.

It is a policy that should be examined carefully by Congress unless it is the express intention that the Government should assume full responsibility for medical care for all veterans regardless of service connection or the individual's ability to pay.

VETERANS' MEDICAL CARE

[From the New York Times of February 22, 1948]

In other columns of this newspaper today Dr. Howard Rusk, who is a member of the National Consultants Committee to the Administrator of Veterans' Affairs, discusses the crisis that daily grows more acute in VA hospitals resulting from the hospitalization of veterans with non-service-connected disabilities. Such veterans amounted to 66 percent of VA's 109,601 patients on January 15.

Non-service-connected cases are handled by the Veterans' Administration under an act of Congress passed in 1924, when there were many empty beds in VA hospitals and 4,000,000 war veterans on the rolls. At that time large numbers of veterans were unable to obtain adequate care in civilian hospitals near their homes. The medical service provided then also was not of a high caliber and there was no great demand from the veterans for admission to a veterans' hospital. Today the picture is entirely different. There now are 20,000,000 veterans on VA's rolls. VA medical service is equal to, or superior to, that of most private hospitals. There is a demand that far outstrips the VA's ability to supply the care. Yet the 1924 policy still stands.

It is time—we agree with Dr. Rusk—that Congress took a long look at the problem of hospital care of veterans and set a definite and realistic policy. Does Congress intend that the Veterans' Administration should assume full responsibility for hospital care of all veterans regardless of service connection or the individual's ability to pay? If it does, then many more hospitals will have to be built and private practice will have to be raided for the personnel to man them. If it intends only that service-connected cases be handled, or those and cases where the fundless veteran otherwise would have to enter some other public institution, then that position should be stated clearly, and the Veterans' Administration given the investigatory powers and means to keep out of its hospitals those veterans who could afford a private institution.

The problem is a complex one, involving a present shortage of medical personnel, the veteran's right to treatment in a veterans' hospital instead of the charity ward of a private hospital if he is ill, no matter what the connection with service of his illness, and the fact that long psychiatric or tubercular treatment is beyond the financial capacity of a large percentage of veterans. It is a problem that is the responsibility of Congress, not that of the Veterans' Administration, and one that should be faced promptly before the present strains become greater.

Slum-Clearance Activities of Hon. Robert F. Wagner, of New York

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EXTENSION OF REMARKS

OF

HON. CHARLES W. TOBEY

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Friday, March 5 (legislative day of Monday, February 2), 1948

Mr. TOBEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article appearing in yesterday's Washington Star about the activities of our colleague the Senator from New York [Mr. WAGNER] relative to slum clearance.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ON THE OTHER HAND—SENATOR WAGNER UNDERTAKES ONE MORE SERVICE FOR SLUM DWELLERS

(By Lowell Mellett)

One of the grand old men of the United States Senate, ROBERT F. WAGNER, of New York, has just turned in one of his characteristic jobs. He was asked back in September by Chairman GAMBLE, of the Joint Congressional Committee on Housing, to undertake a study of the broad problem of slum clearance for the benefit of the committee.

He could have replied that he had been studying that subject the greater part of his adult life and that the results of his study are embodied in the Taft-Ellender-Wagner bill. This is a bill passed last year by the Senate, but never permitted by the House leadership to reach the floor.

The Senator, however, did not make that reply. Instead, he accepted the assignment and undertook to gather some further facts for Representative GAMBLE. His health these days not being as good as it might be, he conducted the study by mail. He sent questionnaires to the governors of all the States, to the mayors of all cities of 50,000 or more, and to a certain number of prominent citizens throughout the country.

SUMMARIZES REPLIES

His report, just made public, summarizes the replies received. It contains statements such as this from Mayor De Muro, of Passaic, N. J.:

"Slums wreck people and slums not checked can wreck a city. * * * It is hard to say in dollars what it costs a child to be raised in filth, disease, and vicious moral surroundings."

And this from Mayor Palmer of Miami, Fla.:

"After people have suffered long and unreasonably they lose faith. They also lose perspective. They reach the point of desperation, when they are willing to listen with sympathy to social orders incompatible with our democratic institutions."

When we think of slums we are apt to think only of the larger cities, particularly of New York. But the Senator received from the mayors these estimates of the families in their cities living in slum or substandard housing:

Los Angeles, 58,400; San Francisco, 38,678; Waterbury, Conn., 4,000; Jacksonville, Fla., 17,000; Atlanta, 40,000; Chicago, 100,000; Peoria, Ill., 4,500; Louisville, 25,000; New Orleans, 50,000; Baltimore, 50,000; Boston, 45,000; Fall River Mass., 6,200; Detroit, 68,000; Saginaw, Mich., 9,000; Minneapolis, 11,000; Kansas City, 42,000; Omaha, 10,000; Camden, N. J., 11,864 (of which 3,919 are unfit for habitation); Newark, 38,423; New York, 450,-

000; Utica, N. Y., 2,500; Fargo, N. Dak., 200; Cincinnati, 75,000; Cleveland, 25,000; Bethlehem, Pa., 4,400; Philadelphia 83,703; Providence, R. I., 12,000; Charleston, S. C., 6,200; Memphis, Tenn., 45,000; Dallas, Tex., 33,369; Fort Worth, Tex., 22,583; Charleston, W. Va., 8,000; Madison, Wis., 600.

HOW FIGURES WERE REACHED

The mayors reached their figures by various methods. Mayor Allen of Hartford, Conn., arrived at 10,000 by taking into account the 3,500 veteran families living in rented rooms, trailers, and tourist cabins, the waiting list of the local housing authority, and the lack of repairs in lower rental accommodations.

The Senator's questionnaires included this one: "In your opinion, is private enterprise in a position now or in the foreseeable future to provide decent housing, new or old, for all low-income families at rents or prices within their ability to pay?" Of the governors 3 said "yes" and 23 said "no." Of the mayors, 7 said "yes" and 70 said "no."

In the House, nevertheless, the disposition seems to be to pass the Taft-Ellender-Wagner bill—if the House leaders allow it to reach the floor—with all provisions for slum clearance stricken out. TAFT says he will fight to keep those provisions in.

Protection of Civil Rights

EXTENSION OF REMARKS
OF
HON. WILLIAM E. JENNER
OF INDIANA
IN THE SENATE OF THE UNITED STATES

Friday, March 5 (legislative day of Monday, February 2), 1948

Mr. JENNER. Mr. President, by request, I present and ask to have printed in the RECORD copy of a letter addressed by Mr. Clarence C. Smith, of Indianapolis, Ind., to the President of the United States.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INDIANAPOLIS, IND., *March 2, 1948.*

His Excellency, the Honorable HARRY S. TRUMAN,
President of the United States of America, White House, Washington, D. C.

DEAR SIR: Constantine Consistory No. 25 AASRFM, NMJ, United States of America, Inc. (Prince Hall affiliation) deeply appreciates your official actions in favor of full civil rights to all citizens of the United States of America. The execution of your program will be the greatest advancement of democracy in this country since the emancipation of slaves and bestowing the right to vote upon women. Such an expansion of the application of the principles of equality will make it impossible for communism or any other un-American ideals of government to get a foothold in our great country.

We are proud of the firm, courageous and intelligent way you face and combat the foes of this righteous movement. The time will come when the significance of your actions will be understood more completely and appreciated more greatly than it is today.

You are right. The foes of your program are wrong. You demonstrate greatness. They demonstrate smallness. You are not afraid for all men to be free. They are. You have faith in all humanity. They don't. You know that if democracy continues to hesitate, to doubt the righteousness and wisdom of applying itself to all people right now, it not only stultifies itself before the whole world but the security of government of the people, by the people and for the people is greatly threatened at the most inopportune time in all history.

God bless you in your good work. We believe that He will keep you steadfast and crown your civil-rights program with victory.

As an additional token of our appreciation enclosed herewith is an invitation extended to you to attend our annual grande affaire on March 6, 1948. Also a program.

Very respectfully yours,

CLARENCE C. SMITH,
Thirty-third Degree, Commander in Chief.

Good Ways to Ruin

EXTENSION OF REMARKS
OF
HON. ZALES N. ECTON
OF MONTANA
IN THE SENATE OF THE UNITED STATES

Friday, March 5 (legislative day of Monday, February 2), 1948

Mr. ECTON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a short article by Wheeler McMillen entitled "Good Ways to Ruin," published in the Pathfinder of February 25, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOOD WAYS TO RUIN

(By Wheeler McMillen)

How dangerous is it to support good purposes? Is doing good really the road to ruin?

For long years the American people have supported public schools. They thought education was a good. They believed that literacy was essential to self-government.

At first, it was enough to provide schoolhouses and instructors able to teach the three R's. If parents chose to take advantage of what was offered to their children, that was their privilege; if not, there was no penalty. Because some parents were negligent and because education was good, compulsory attendance laws were passed.

Then, because a little education was good and more must be better, high schools were built. The age for compulsory attendance was pushed upward. The cost of education climbed upward.

Who can say whether 6, or 8, or 12 years of compulsory public schooling at public expense is exactly the right amount? How about 14 or 16 years? That very question is being asked now. Universal college education may not be many years ahead, free to all except the taxpayers. Then, no doubt, because it is good, some will wish to make it compulsory.

Certainly no one doubts that education is good. But at what point shall we cease charging this good thing to the taxpayer?

Health, also, is a good thing. So the United States and the States now spend increasing sums to insure that the public shall be healthy. This seems to be a good investment. The sick are not productive. They may become public charges. Perhaps much more should be spent for health.

But where does public health leave off and private health begin? All health must equally be a good; and since it is a good thing, should not everybody have it? Why not give free hospital and medical service to everybody, including the taxpayer?

Cleanliness, undoubtedly, is a very good thing. Why not free soap for everybody? A cake a week, sent postage-free from Washington and delivered by the postman? For that matter, since cleanliness is good, how about having the postman give free baths, too? Or, better yet, compel everybody to take the free baths?

Then, since soap is soap and dishes also get dirty, how about free soap powder too? Most women say they hate to wash dishes. Surely it would be a good idea to relieve them of this drudgery. So, why not have the postman who brings the soap powder wash the dishes, too? That would make a lot more good, steady Government jobs.

One can see that this idea has possibilities. Find enough good purposes that ought to be accomplished, pass laws to charge the costs to the taxpayers' and you can build up quite a lot of government. All this could be done without passing a single law for any bad purpose.

In addition to doing the things which must be done, Government is increasingly implored to undertake other things for the good of the country.

Taken individually, each such proposal might appear worthy. We might discover that if the things were done many would benefit, few or none would be harmed, and in the long run the Nation would be richer.

"This is not an expense; it is an investment." Ask any member of the Appropriations Committee how often he has heard those words.

Yet, to spend public money for all the good things, even for those which really might prove to be investments, could easily cost the taxpayer another day's work out of his week; or maybe his whole week.

Well-meaning people with the best of intentions can do infinite harm to their debt-burdened country now by demanding that Congress provide funds for more good purposes. They can push the United States on into bankruptcy.

No one needs to urge bad laws now to ruin the country. Just give us enough expensive good ones.

Pay Raises for Postal and Other Federal Employees

EXTENSION OF REMARKS
OF
HON. CECIL R. KING
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. KING. Mr. Speaker, on Thursday, March 4, I appeared before the Committee on Post Office and Civil Service in support of legislation that would give our worthy postal and Federal employees a much-needed increase in salary of $1,000 per year.

My statement to the committee appears below:

Mr. Chairman, although I am the author of H. R. 4806 and H. R. 4807, which would provide a permanent increase of $800 per annum to postmasters and employees of the postal system and other Federal employees, I am here today to urge this distinguished committee to report favorably on H. R. 4704 and H. R. 4705, authored by the Honorable JOHN D. DINGELL, of Michigan. These bills are identical with S. 1848 and S. 1849, and provide for a permanent increase in salary for postal and Federal employees of $1,000 per annum.

I am advised that the Senate bills were introduced by the chairman and ranking minority member of the Senate Civil Service

Committee after appropriate hearings on the subject of increases in salary for postal and other Federal employees, by a duly appointed subcommittee.

Many Members of Congress have introduced bills providing for salary increases, but these bills were based upon information secured from sources available to individual Members. However, since the Senate bills represent the efforts of a committee of Congress, every respect should be given to its findings as a basis for legislation. For this reason, I appear here today in support of legislation other than my own.

The problem before this committee is tragically and fundamentally simple. Everyone agrees that the postal worker is the most underpaid employee in the country today. All that seems to be in doubt is the amount of increase in salary that should be given these worthy public servants to breast this tide of engulfing inflation.

The research of Senator LANGER'S subcommittee reveals that $1,000 per annum is a modest amount when we are confronted with the actual facts. He found that, all things considered, in line with what has taken place in industry, postal employees and other Federal employees should receive an increase of $1,160 per annum rather than $1,000.

It is not new to this committee that the starting wage for a letter carrier and postal clerk is $2,100 per annum, with take-home pay even less when we consider retirement deductions. The average gross salary for all employees in the field service of the postal system is approximately $2,708 per annum.

It does not take much research to determine that these postal employees cannot keep abreast of their economic needs with today's runaway prices—notwithstanding the recent commodity market adjustment, for the trend in prices is still upward as witness the recent increase in the price of steel. Yet, while it is generally agreed that there is a continuing rise in the cost of living, particularly in the cost of basic necessities, many people do not appreciate the full extent of the inflationary trend. When anyone says that the cost of living has risen, a certain number of percentage points, or that the index of the Bureau of Labor Statistics indicates a certain percentage of increase, we are very much interested. We tend, however, to counterbalance the price increase in our own minds by giving consideration to certain wage increases which others have received during the period when prices were rising, and on a basis of the figures, have a rather uneasy feeling as to the many conclusions that are drawn therefrom. Every housewife knows, for example, that despite Bureau of Labor Statistics figures, showing that the cost of living has risen only by some 64 percent since 1939, measured by her own purchases, the increase has been considerably greater. A dollar just hasn't the purchasing power that it should have, and all of the experts' figures will not convince her otherwise.

Just how true this is may be demonstrated from the following statistics gleaned from the Guarantee Survey for November 26, 1947. Let it first be understood that the Guarantee Survey is not a group of long-haired theorists, hired to prove a particular point, but a regular monthly business survey published by the Guarantee Trust Co., of New York, a banking institution with more than $2,000,000,000 of assets. If there is any bias whatever it certainly would not be in the direction of the average wage earner, either as an individual or as a group. Rather, the survey is a factual study prepared for the guidance of the business and investment world which must at all times have the benefit of accurate information. This survey then may be considered as reliable as human frailty will allow with a reasonable margin of error. According to this survey, "of special interest in connection with the President's observations concerning wage-price relationships is the latest official report on workers' earnings and the cost of living. This indicates that the average weekly earnings of factory workers rose from $24.54 to $46.32 in June 1945, but that the benefit to workers was halved by the rise that took place in the cost of living during the same period, despite wartime price controls. In terms of 1939 dollars, the average wage rose from $24.54 to $34.10. Between June 1945 and September 1947, money wages increased further, from $46.32 to $50.42; but the cost of living rose more rapidly, with the result that wages in terms of 1939 dollars declined from $34.10 to $29.46. During the entire period from 1939 to September of this year, money wages more than doubled; but four-fifths of the increase was offset by the rise in the cost of living, leaving an advance of 20 percent in real wages or purchasing power."

Thus it will be seen that despite an increase of almost 100 percent in weekly wages, the real wage of factory workers has increased only $4.92 or 20.4 percent during the period between June of 1939 and September of 1947. In the case of the postal worker, however, the story is altogether different. He not only fails to show an increase in real wages, but has actually suffered a reduction in real wages of $10.01 per week, or a decrease of more than 24 percent during the period between June 1939 and September 1947. Assuming the enactment of legislation to provide for an increase of $1,000 per annum, or $19.23 per week before taxes or retirement deductions, the actual increase in real wages contrasted to 1939 would be exactly $1.17 per week.

Postal workers, therefore, are not at all unreasonable when they request the Congress to take early steps to adjust postal salaries to present-day conditions. Even the increase of $1.17 per week would not restore post office employees to the positions enjoyed in June of 1939.

Cuts in the Veterans' Administration

EXTENSION OF REMARKS
OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a letter which I have received as chairman of the Committee on Veterans' Affairs from the national commander, American Veterans of World War II, concerning the proposed cuts in the Veterans' Administration:

AMVETS OF WORLD WAR II,
Washington, D. C., March 4, 1948.

The Honorable EDITH NOURSE ROGERS,
Chairman, House Committee on Veterans' Affairs,
Old House Office Building,
Washington, D. C.

DEAR MADAM CHAIRMAN: As the chartered spokesmen for the Veterans of World War II, AMVETS are unalterably opposed to the pending butcher-knife blitzkrieg against Veterans' Administration personnel which Gen. Carl M. Gray, Jr., the Administrator of Veterans' Affairs has himself called drastic.

While sympathizing with the Administrator in his budgetary predicament, AMVETS believes that all other avenues of economy should be explored before resorting to meat-ax method that can result only in impaired service to veterans and even more chaotic morale within the Veterans' Administration itself.

In this connection, AMVETS wishes to commend heartily the constructive and humane action of the House Veterans' Affairs Committee for its forward-looking resolution of March 3, 1948, urging General Gray to hold his reduction in abeyance until such time as a more detailed review of the problem is possible.

By this action, the House Veterans' Affairs Committee has given a demonstration of thoughtful public service that is worthy of high praise as an example of congressional guidance and solicitude.

On the basis of reports from its own service officers throughout the country, AMVETS feels that if the present VA reduction program is followed it will create either tremendous backlogs of nonadjudicated cases or, worse, increase the volume of sloppy adjudication of veterans' claims.

For example, one VA official in the New York office has testified that the proposed slashes will reduce his vocational guidance staff for the aid of disabled veterans under Public Law 16, from 250 to 85, requiring each man to be responsible for a thousand cases in that area, an obvious impossibility.

AMVETS have long been convinced that the Veterans' Administration could better stay within its budget and better provide service to veterans by the outright abolition of its branch offices.

First of all, such a course would return death claims and insurance cases to regional offices where they would be more accessible to individual veterans with better service resulting.

Second, such a move would help preserve a larger staff, at less cost, on the adjudication and operational levels by ridding VA of high-classified administrative jobs of doubtful need in branch offices.

In many instances, the present personnel reduction plan contemplates weeding out Grades 6, 7, and 8 at regional office levels. It's the old story of lopping off the people at the point of contact with the veteran to preserve the job entities of higher-ups.

One example of this situation can be found in a regional office that has recently come to our attention: This office now has four rating boards; it has between 1,000 and 1,200 cases per month. Computing this on a 20- or 21-day month and an 8-hour day, the 4 boards now existing could give an average of only 10 minutes consideration to each case.

Under the present reduction plan one board would be eliminated from this office, leaving but three, although the case load will in no way diminish; therefore, the cases will get 7½ minutes consideration or, of necessity, a tremendous backlog will build up.

Considering that experienced service officers of the veterans organizations feel the average time for consideration of average cases must be 30 minutes in order to do full justice and to be sure the law and all facts are given consideration, it would be a rank injustice to the veteran clients to establish a condition in which average consideration cannot exceed 7½ minutes.

Therefore, AMVETS urges you to consider the non-essentiality of VA branch offices bearing in mind not only that such action would obviate the personnel economies envisioned and make death and insurance claims more accessible but also that such action, once and for all, would end the vicious practice of shifting every reduction in force onto the lowest and most functional levels to safeguard the jobs of remote administrative personnel in the higher grades.

All these proposals conform with mandates of the last AMVETS national convention in Columbus, Ohio, which condemned the financial mismanagement and unnecessary cost in branch office operations and urged establishment of three area offices having the same function and authority as the central office.

Copies of both resolutions are enclosed for your information.

Yours sincerely,

EDGAR C. CORRY, Jr.,
National Commander.

Resolution 31

AMVETS condemns the present financial mismanagement and unnecessary costs resulting therefrom at the branch-office level of Veterans' Administration, since this draws away from the operating levels funds which are necessary to the proper service to veterans. This is aimed, particularly, at the present conditions which are, in many instances, preventing the payment of transportation to veterans who require physical examinations, or counseling and guidance at Veterans' Administration regional offices.

Resolution 36

Be it resolved in AMVET convention assembled at Columbus, Ohio, October 2–5, 1947, That the Congress of the United States and the Administrator of Veterans' Affairs be memorialized to abolish Veterans' Administration branch offices, by returning the functions of same to the regional offices, and that in the place of branch offices there be established three area offices having the same functions and authority as the central office, these three area offices to be located as follows:

I. In the northern area, centrally located to serve the Northeastern States plus a portion of the Middle Western States.

II. To be located centrally to serve the Southern States and a portion of the Southwestern States.

III. To be centrally located to serve the far West States plus a portion of the Midwestern States.

ERP: It Is No Alternative to Armament Race

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, I am including as part of my remarks an article by Mr. Wilbur J. Brons, writer in the Chicago Journal of Commerce, on February 28, 1948:

ERP WAS ASSUMED TO BE ALTERNATIVE TO ARMAMENT RACE

If the architects of American foreign policy had not carried over into the postwar period their wartime habit of cultivating a new international folklore, they probably would not now be up against the problem of explaining away some obvious inconsistencies.

In retrospect, it seems likely that we would have been a good ally of Russia without having propagated the fairy tale that Stalin had become a champion of a common brand of democracy. Having taken that line, however, our State Department is confronted with the current necessity of convincing us that the Soviet Man of Steel never really changed at all.

Similarly, official propaganda for the European recovery plan now turns out to be as full of holes as a blue ribbon Swiss cheese. For example, the major argument in favor of ERP has been that it was an alternative to something too horrible to contemplate. In other words, we were confronted with a choice.

We were told that by providing the sinews of the cold war we could prevent the hot war that would inevitably ensue when all of Western Europe had gone Communist. On that basis, $17,000,000,000 for a 5-year program of European economic aid was an A–1 bargain in any man's reckoning. Following this line, Army Secretary Royall even went so far as to intimate that ERP was about the only thing that could save us from immediate rearmament and another draft army.

Millions of American citizens sold themselves on ERP on the basis of that reasoning. They now learn, to their dismay, that military men do not believe we can underwrite European economic recovery without being prepared for trouble. According to Washington reports, these men have informed the Senate Armed Services Committee that ERP means we must also step up our spending for military preparedness about 100 percent.

The new budget with which Congress is currently wrestling calls for some $11,000,000,000 of military appropriations. To bring the figure to the level the military men regard as safe would mean to increase it to $22,000,000,000.

There is, of course, nothing sacred about military estimates of what will be needed for defense. The military arm is traditionally careless of dollars. But the fact that military men do not believe we have a choice between ERP and turning the country once more into an armed camp demonstrates that Congress has been on sound ground all along in not wanting to be pushed into the recovery program on a take-it-or-leave-it basis.

No other nations on earth, so far as we have been able to discover, apologizes for putting self-interest first. But in the United States intelligent self-interest seems to be as reprehensible now as it was before Pearl Harbor when it was pointed out that lend-lease was not an alternative to war, but a downhill road into the conflict.

Housing's Straw Man—The Taft-Ellender-Wagner Bill

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement entitled "Housing's Straw Man—The T-E-W Bill," Henry M. Propper, executive vice president of the National Committee on Housing:

The National Committee on Housing is a citizen organization of leaders in all related fields which devotes itself to constructive activity for the building of better homes and communities and to impartial and objective study of the many problems involved.

For 2 years Congress has been stalemated on housing legislation in the face of a persisting shortage of homes which for gravity and sheer magnitude surpasses anything in the Nation's history. At last count more than 100 housing bills are pending in House and Senate. For the most part they represent attempts to flank the Taft-Ellender-Wagner comprehensive housing bill—by now a sort of "West Wall" around which so furious a battle has been fought that any question of the bill itself or its current value has been overlooked in the heat of the struggle. It is no minor skirmish when Senator TAFT is accused of following the Communist Party line for sponsoring a piece of housing legislation and then the finger is put on his accusers by President Truman as a lobby which has shown a ruthless disregard of the public welfare. (Herbert U. Nelson, spokesman for the National Association of Real Estate Boards, has since apologized publicly for his crack at the senior Senator from Ohio, but the President's charge, while it did not produce the congressional investigation he asked for, probably had some connection with the indictment which the Department of Justice obtained a few weeks later accusing NAREB of conspiring to fix real estate commissions.)

These incidents more or less typify the sort of battle royal which has been fought over the T-E-W bill from the time of its first introduction in the fall of 1945. Conceived as a bipartisan measure to take housing out of politics, the bill was the product of much politics, the bill was the product of much more thorough-going study than is common with legislative formulations. It blazed a number of new trails. For the first time a genuine attempt was made to tackle the Nation's housing problem in its entirety, not just rehousing low-income families living in city slums, but also farm housing; the housing of moderate-income families; basic research into housing's many problems; rebuilding decaying older sections of cities; fostering investment in housing by large insurance companies and similar groups, and not least important, gathering together under one permanent central agency the Federal Government's money, diffuse, and frequently competitive housing interests and activities.

Battles have been waged over every one of these proposals and reached a peak of white-hot ferocity in the clash over the bill's provisions for continuing the Government subsidized public housing program initiated first as a PWA project in 1934 and formalized into a definite Federal program under the United States Housing Act of 1937. To the real estate and residential-construction industries, the mortgage bankers and the manufacturers of building materials, this is socialized housing. It spells the end of the free enterprise system and must lead inevitably to state socialism. To many labor unions, housing, civic, religious, and welfare organizations and liberal groups generally, it is the only way to make adequate, safe, and healthful homes available for low-income families.

A 2-YEAR FIGHT

So the battle lines were drawn when the bill was introduced more than 2 years ago. Each side has had its successes, the pro-T-E-W bill forces winning a favorable Senate vote in the closing days of the Seventy-ninth Congress in the spring of 1946 only to be blocked by the opposition when the bill came to the House. At the last session (the first of the 80th Congress) the bill barely got out of committee in the Senate by a 7 to 6 vote, and made no headway whatever on the House side of the Capitol.

Now those battle lines have grown fast. More than that, the T-E-W bill has itself become a symbol, a standard for rallying the forces of good and evil. To one side all who favor it are reds, bureaucrats, or long-haired visionaries who would destroy the American way of life; to the other, those who oppose

it are grasping, predatory, selfish individuals and groups of great power ready to thwart all human progress for their own enrichment.

BILL NOW A SHELL

The sad fact is that today they are fighting with undiminished fury over a straw man. As a comprehensive over-all housing program, the T-E-W bill is by now pretty much an empty shell. Of its 13 divisions, or titles, as they are called, only 3 can be said to have much point or purpose in dealing with the immediate emergency or the long-range need for housing. The other 10 titles either have been enacted into law or are obviously ill-advised under present conditions or no longer fit the situations with which they were intended to deal and therefore need comprehensive restudy.

No matter what the angle of approach, housing is a highly complex, technical subject and likewise any legislation dealing with it. Little wonder then that the T-E-W bill's 112 pages covering the entire housing front have proved too big a mouthful for popular digestion, leaving the battle to be fought with slogans, catch phrases, and name-calling.

Let's look at the bill, title by title:

Title I is really a preamble which sets forth a Government housing policy and purpose in broad general terms, and like most preambles, offers little reason for specific quarrels. For the purpose of this review, therefore, it can be rated of little importance.

SOME PROVISIONS ENACTED

Title II. This title would establish a single permanent agency of the Federal Government under which would be gathered rather loosely its many housing-related activities. Such a single agency had been set up on a temporary wartime basis in 1942 by executive order of President Roosevelt but would have lapsed within 6 months after the end of the war emergency. Substantially the same purpose has been accomplished under President Truman's Reorganization Order No. 3 which became operative in July 1947. Over the hard-fought opposition of real-estate, home-building, and other interests, a permanent central housing agency was established under the general procedure enacted by Congress for the reorganization of Government agencies when the Senate refused to join the House in disapproving the plan within the required 60-day period following its presentation. Watered down somewhat from the formula originally provided in the Taft-Ellender-Wagner bill and therefore not altogether acceptable to housing purists, the Housing and Home Finance Agency as set up by the President's reorganization order can accomplish the major intent of title II. Even the most ardent Taft-Ellender-Wagner bill supporter would be unwilling to fight, bleed, or die for what is left.

Title III. During the defense and war emergency periods a number of the Government's housing-related agencies were shunted around and new ones created to the point where their legal genealogies and relationships became pretty badly tangled. This title, largely administrative and legalistic, seeks to untagle these lines and reestablish the status of the agencies. President Truman's Reorganization Order No. 3 covered much of what title III undertook to accomplish and therefore this title, too, can be dismissed as unimportant.

ONE NONCONTROVERSIAL SECTION

Title IV is important but relatively noncontroversial. It provides for governmental research and studies in the housing field, where both are greatly needed. In the original version of the bill, the research title seemed to some building-material manufacturers and university research centers to threaten an invasion of their territories or a duplication of their efforts. Subsequent modifications allayed most of these fears, making title IV one of the very few over which there has been no knock-down and drag-out fight. The need for basic studies and research in housing is greater than ever.

Title V is another of those administrative and legalistic affairs intended in this instance to facilitate the mortgage-insurance operations of the Federal Housing Administration and the federally chartered savings and loan associations. Almost all of the modifications proposed have been enacted into laws in separate bills so that what remains of title V need give no one sleepless nights.

Title VI was intended to help supply an answer to the housing problem of that great in-between group which exists between the lowest-income families eligible for Government subsidized housing and the families that have enough income to buy or rent adequate housing in the open market—the so-called no-man's land in housing. Further liberalization of mortgage credit is the method proposed with special encouragement for so-called mutual or cooperative housing undertaken by trade-unions, limited-dividend companies and similar groups. However estimable in purpose, the idea of further liberalizing mortgage credit for housing economists, analysts and groups as soon as the bill was introduced. They contended that mortgage money was the one essential to a large-scale housing program which was in abundant supply. Title VI of the Taft-Ellender-Wagner bill, they said, would serve only to feed the inflation already evidencing itself.

OPPOSITION WELL FOUNDED

Events of the past 2 years have proved this opposition more than well founded. The Government's housing credit program of insuring 90-percent mortgage loans under the Federal Housing Administration and the well-intentioned 100-percent housing loans to veterans under the GI bill of rights, was capitalized promptly in the form of higher costs and thus contributed largely to the present inflation in construction. If the recent anti-inflation talk heard in Washington at both ends of Pennsylvania Avenue, is any criterion, this fact is now being recognized, if somewhat belatedly. In any event, put T-E-W title VI down as one section of the bill that we will do much better without.

Title VII—yield insurance——was intended to open the door to what has long been talked of almost as a housing nirvana—the building of moderate rental apartments on a long-term investment basis instead of as a speculation. The arguments in favor of the investment approach are unassailable whether from the standpoint of the tenant or the community except that we have been unable, so far at least, to develop a formula that will attract large-scale investors as distinguished from real-estate speculators. Under title VII, insurance companies were to be attracted on the theory that direct investment in apartment houses as owners, builders and operators would provide an unusually suitable outlet for their funds. Since they would be interested in the security of their investment and assured long-term income, they would produce better housing and be satisfied with a moderate but certain return instead of seeking quick speculative profits. The principal objection of insurance companies, savings banks, and similar institutions has always been that as trustees for the funds of policyholders or depositors they could not in conscience accept the risks involved in long-term real-estate investments.

PROVIDED GOVERNMENT INSURANCE

Title VII was designed to remove the risks by having the Federal Government guarantee under an insurance scheme that such investments would produce a return of not less than 2¾ percent annually. If not, it would make up the difference or take over the projects. But the plan also put a ceiling of 4 percent on the profit from such housing project investments and lodged fairly strict supervisory authority in the Government. In 1944 when the plan was worked out with insurance company representatives, it looked pretty good to a number of important companies. By 1946 and 1947 they had lost all interest and were going ahead on their own. Spokesmen for leading companies have stated flatly that they would not operate under the yield-insurance plan if enacted. Without the active interest of the insurance companies, yield insurance is a dead duck and so we can mark title VII off the list.

The next title, No. 8, deals with urban redevelopment, one of the most pressing and difficult problems confronting American cities—a problem that seriously burdens municipal finances and presents a very real threat to their future. Essentially, urban redevelopment is a problem in city planning rather than housing, although many confuse the two, particularly "housers." It arises from the fact that almost all American cities have grown and continued to grow on the edges in ever-widening rings while the older central areas suffer more and more from blight and decay. Older residential areas keep slipping down hill until they become slums. Older business districts go the same way. The disease is progressive and may in the end prove fatal since it saps real-estate values and tax revenues.

The only known cure is to replan and rebuild the blighted areas, but is almost impossible to apply in the ordinary course of economic events. Centrally located city land is high-priced land even though it is burdened with hopelessly antiquated or perhaps boarded-up buildings. These structures also add to the price. And it costs plenty to tear down the old buildings to clear the way for new construction. Put all these factors together and you have a land acquisition cost so high that it is virtually impossible to set up an economically sound rebuilding plan in terms of the current reuse value of the land. A number of States and cities were at long last beginning to face up to urban redevelopment in the years just before the war, but for the most part their efforts served only to demonstrate that no plan could accomplish very much without offering some way of absorbing the difference between the cost of buying up the blighted areas and their reuse value.

INVOLVES HUGE SUMS

The sums involved in urban redevelopment are so huge that few cities or States can even think in terms of the amounts required to write down the land cost to the point where rebuilding for residential, business, or any other use is feasible. Therefore, they looked to the Federal Government and title VIII was devised to provide loan funds and a subsidy of up to 50 percent of the land cost. Of course the subsidy grants would be hedged about with all sorts of restrictive conditions, Federal supervision, and requirements for matching local contributions of various kinds, all of which added up to one of the most involved and intricate formulas ever devised even in the housing field. Some State and municipal officials don't want Federal aid because of the "dictation from Washington" which it may involve, but many would welcome it as the only practical way out of their urban redevelopment dilemma.

At the moment very little can be done about actually clearing and rebuilding blighted city areas. Any plan that requires tearing down an existing dwelling, even the

poorest slum tenement, must be postponed until other housing is available into which to move the families that are to be displaced. But every urban redevelopment job is loaded with legal and technical difficulties and requires a tremendous amount of planning and preparation. It is none too soon to work out a program or formula so that cities may know what help they are to get, if any, and can start making definite plans though their execution may be 2, 3, or 4 years off. Title VIII then is still something to think about and merits prompt action.

Title IX is the villian of the piece in the eyes of the real estate, home-building, and allied industries. This is the title which would continue the public subsidized housing program initiated under the United States Housing Act of 1937 by which the Federal Government made loans and subsidy grants to municipalities and other local governments to provide housing for low-income families. About 200,000 family dwelling units of the Nation's total of 40,000,000 have been built under the program and the new bill proposes an additional 500,000 units to be built over a 4-year period.

This particular fight has been going on for years. It has its roots in the fact that historically, in good years and in bad, a sizable part of the population could not afford safe, healthful, adequate housing, including a substantial proportion of families who could stand on their own feet insofar as food, clothing, and other essentials were concerned—but not housing. As our standard of living progressed upward, so did our ideas of what was a minimum standard of safe, adequate and healthful housing. Inevitably the typical slum tenements of Boston, Chicago, Cleveland, New York, and other cities suffered more and more by comparison. Private enterprise never could and cannot now build new homes for this portion of the population as a straight business proposition. Its contention has been that the normal economic process by which it builds for those who can afford to pay makes the housing vacated by these families available to those lower down the economic ladder and so the process of upgrading the housing of lower income families goes on continually.

HELD TO BE NO ANSWER

That answer never satisfied the civic, welfare, religious leaders and others who kept hammering away at slum housing. They insisted that by the time housing came down within reach of low-income families, it was slum housing and as slum housing went on almost indefinitely. The social ill effects of substandard housing, its toll in lives due to fire and health hazards, its disease and crime-breeding potential, its crippling effect on family life, all were stressed along with the burdens, financial and social, which these ills imposed on the rest of the population. Government subsidy to make up the difference between what these families could afford to pay and the cost of adequate housing was the only rational answer to their view. In the progressive economic and social climate of the 1930's, the program was initiated which provided something less than 200,000 family dwelling units, but an attempt to extend the program in 1939 encountered mounting opposition which continued to grow during the war years.

WASTE AND INEFFICIENCY CHARGED

With the introduction of the T-E-W bill at the war's end, the fight really assumed major proportions and has continued unabated ever since. Behind the more generalized attack of the real estate, home building and other industries which labels public housing as socialistic or communistic, are specific charges of waste Government funds, competition with private enterprise, inefficiency in operation and administration, and using public housing for political purposes. These have been aired in congressional hearings and investigations, in the press and on the radio. Whether any of the charges have been proved or disproved depends pretty much on individual emotional slants and the will to believe. That there have been a number of instances of all these malpractices is undoubtedly true. It is equally true that many of the local housing authorities which plan and manage the public-housing projects have been efficient, economical and nonpolitical in their operations. (All building is done under contract by private construction firms.) These local housing authorities are in almost all instances agencies of the local municipal government and by and large it may be said that where local municipal administration is good, the work of the housing authority will also be of a pretty high order. The 500,000 additional units proposed in title IX of the T-E-W bill would be developed and operated by local housing authorities as under the United States Housing Act of 1937.

NEEDS PERSIST

To the building and real estate industries all the rest of the T-E-W bill is a cloak fashioned by the public housers to cover title IX coupled with the further villainy of trying to masquerade it as an emergency measure which will help house veterans in the current acute shortage. The latter half of that charge is not without substance. The T-E-W bill was devised as a long-range program and few of its provisions would have had any beneficial effect on the immediate situation even if it had been enacted promptly when introduced. Put that down as a tactical blunder on the part of the bill's supporters. It does not alter the basic fact that many thousands of low-income families—veterans and others—are unable to obtain adequate homes. And as the price spiral in construction continues upward, their chances become even dimmer. The low-income veteran in the northern half of the country wants to rent a house or apartment for somewhere between $30 and $50 a month. That is the most he can afford. Many nonveteran families can afford no more. This year's record home building provides nothing for either at anywhere near that price. Both the immediate problem of homes for veterans who cannot afford today's prices and the permanent problem of housing low-income families have to be faced. Sooner or later the issues present in title IX must be fought out and determined.

FARM HOUSING PROGRAMS

Titles X and XI deal with farm and rural nonfarm housing and were included to make good what was perhaps the most glaring omission in the United States Housing Act of 1937. That measure, while it spoke of housing generically, was framed in terms of urban conditions and needs—yes; even big-city conditions and needs—and offers no workable basis for extending public-housing assistance to the rural and farm population. When this lack became apparent, some attempts were made to provide subsidies for farm housing which produced a few houses but proved conclusively the practical impossibility of bending the big-city program to fit farm conditions. For the T-E-W bill the Department of Agriculture prepared a farm housing program while still another program was devised for rural nonfarm housing. Like the rest of the bill, these titles are the product of 1944 thinking in terms of prewar farm conditions which many thought would return after the war's end. Today's farmer is quite another person living under totally different economic conditions.

Not that all tenant farmers, share croppers, and tillers of scabby hillside patches have become wheat kings, but obviously farm housing needs now are not what they were before the war. Likewise the 1940 housing census statistics used in formulating the program are by this time completely meaningless. The very least that can be said about Titles X and XI is that they need complete restudy.

The two remaining titles, numbers XII and XIII, need not delay us long. The substance of Title XII providing regulations for the disposal of Government-built war housing has been covered in a bill passed at the last sessions. Title XIII consists of a series of perfecting and administrative provisions important to lawmakers and lawyers but scarcely to anyone else.

SHOULD SEPARATE ISSUES

Just where does that leave the T-E-W bill? Actually it leaves three titles which merit serious consideration: the research section, title IV; the urban redevelopment section, title VIII; and the public housing section, title IX. To speak of it as a comprehensive housing bill is obviously inaccurate. Worse than that is the confusion which is created in the minds of sincere people. At least two of the three remaining sections embody policies and programs on which there is sharp conflict of opinion, more or less reasoned in the case of urban redevelopment and highly emotional in the case of public housing. Decisions of some sort should be reached promptly—almost any decision would be better than the present stalemate. And the surest way to reach those decisions, to strip away much of the present lack of understanding and confusion would be to dump the T-E-W bill overboard. Then these three remaining sections could be fought out individually. The time, thought and painstaking effort that went into the preparation of the T-E-W bill have not been wasted. As nothing else could, discussion of the T-E-W bill hammered home the fact that housing is not a problem of low-income families alone but of all the housing of all the people; perhaps even more important, it stressed the relation of all housing to the growth and development of communities, and pointed up the need for long-range planning and programing. These ends have been served and the accomplishment can be put down to the credit of the T-E-W bill.

In the final analysis, the American electorate will decide how much, if any, public subsidized housing it wants; how much it wants the Federal Government to bail out our cities. These decisions can be made more soundly and more quickly if the issues are clear cut.

Coal-Mine Fatalities

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith a very enlightening report from the United States Bureau of Mines which appeared in the March 1, 1948, issue of the United Mine Workers Journal:

SIXTY-FOUR THOUSAND ONE HUNDRED AND SIXTY-FIVE COAL MINERS KILLED AND INJURED IN 1947 WHILE SAFETY LEGISLATION IS STYMIED

American coal miners paid a terrible price in 1947 to provide the Nation with an abundance of coal, the highest peacetime production in history. A toll of 1,165 killed and

63,000 injured, with figures on the permanently and partially disabled still to be compiled, tells the story of the continued maiming and slaughter of American coal miners.

Nothing could be more obvious from the shocking record of 1947 than that the Federal Congress must enact police powers for Federal coal mine inspectors to enforce the standards of the Federal Mine Safety Code. The appalling toll of dead and injured reflects only too clearly the laxity of State enforcement and the 'nadequacies of State safety laws.

By way of comparison with previous years, the 1947 total of killed and disabled is the highest since the war year 1944, when 64,990 miners, or 825 more than last year, were casualties on the production front.

Revealing of the rampant negligence and laxity is the fact that there were 6 major mine disasters in 1947 which snuffed out the lives of 179 men. This ghastly record is worse than that of any of the war years, including 1943 when 8 major disasters claimed 175 lives.

Following the old pattern, falls of roof and face claimed the highest number of lives, 545. Haulage accidents, ranking second, resulted in 213 fatalities. Explosions—local and major—took 188 lives, compared to 32 in 1946.

Despite all the ballyhoo last year about 1946 establishing an all-time low as regards accident frequency in American coal mines, it now comes to light that while numerically, fewer miners were hurt and killed in 1946 than in the preceding war years, actually the fatality rate, based on man-hours of exposure, was the same as in 1945 and the nonfatal rate in fact was higher.

Preliminary figures of the United States Bureau of Mines, which take into account all time spent underground portal-to-portal, disclosed that the fatality rate per million man-hours of exposure was 1.1 in 1945 and 1946. The injury rate was 64.25 in 1946 compared to 60.32 in the preceding year and 59.06 in 1944.

Statistically, nearly two-thirds of the men employed in anthracite and bituminous coal mines have been killed or injured in the past 5 years. Following is the record of lost-time injuries and fatalities for the years 1943 to 1947 inclusive:

1943:
- Fatal accidents 1,451
- Nonfatal accidents 64,594
- Total accidents 66,045

Twenty-six permanent total disabilities; 1,287 permanent partial disabilities; 8 major disasters with loss of 175 lives.

1944:
- Fatal accidents 1,299
- Nonfatal accidents 63,691
- Total accidents 64,990

Seventeen permanent total disabilities; 1,293 permanent partial disabilities; 4 major disasters claimed 94 lives.

1945:
- Fatal accidents 1,079
- Nonfatal accidents 59,350
- Total accidents 60,429

Five major disasters, 68 lives lost.

1946:
- Fatal accidents 974
- Nonfatal accidents 56,800
- Total accidents 57,774

Two major disasters, 27 lives lost.

1947:
- Fatal accidents 1,165
- Nonfatal accidents 63,000
- Total accidents 64,165

Six major disasters took a total of 179 lives.

The United States Bureau of Mines announced that fatality figures for the years 1945, 1946, and 1947 are incomplete. In fact, like production figures, the Bureau apparently is never able to secure from State mining departments the complete totals covering fatal and nonfatal accidents.

1947 coal-mine fatalities, by State and cause

State	Underground									Shaft	Opencut	Surface	Grand total
	Falls of roof	Falls of face	Haulage	Gas or dust explosions	Explosives	Electricity	Machinery	Other causes	Total underground				
Alabama	18	5	5			2	3		33	1			34
Alaska								1	1				1
Arkansas			1						1		1		2
Colorado	3	1	5				1		10		1	3	14
Illinois	27	3	15	141	2	2		1	191	2	4	8	205
Indiana	19	2	4	10	1	1			37		3	1	41
Iowa	1		1						2	3			5
Kansas	3								3				3
Kentucky	100	3	20	1	10	4	3	2	143			4	147
Maryland	5								5				5
Michigan		1							1				1
Missouri	1								1	1	1		3
Montana	1		1						2				2
New Mexico	1								1				1
North Dakota											1		1
Ohio	17		11				1	1	30		4	2	36
Oklahoma	4					2			6		1		7
Pennsylvania (bit.)	73	1	43		1	5	2	3	128	1	13	7	149
South Dakota													
Tennessee	12	1	4				1		18			1	19
Texas													
Utah	3	1	4				1		9			3	12
Virginia	26		8		2	1		5	42			1	43
Washington	1						1		2				2
West Virginia	118	8	71	1	5	7	11	7	228		6	17	251
Wyoming	2	1	2					1	6				6
Total bituminous	435	27	195	153	21	24	24	21	900	8	35	47	990
Pennsylvania (anthracite)	81	2	18	35	8	3		7	154	1	6	14	175
Grand total	516	29	213	188	29	27	24	28	1,054	9	41	61	1,165

Comparison of fatalities by cause at United States coal mines in 1947 and 1946 [1]

[Number killed]

	Bituminous coal		Pennsylvania anthracite		Total	
	1947	1946	1947	1946	1947	1946
Underground:						
Falls of roof or face	462	445	83	104	545	549
Haulage	195	164	18	21	213	185
Gas or dust explosions:						
Local	7	3	2	2	9	5
Major	146	27	33		179	27
Explosives	21	12	8	8	29	20
Electricity	24	24	3	3	27	27
Machinery	24	27		1	24	28
Shaft	8	8	1	1	9	9
Miscellaneous	21	24	7	13	28	37
Total underground	908	734	155	153	1,063	887
Stripping or open-cut	35	22	6	9	41	31
Surface	47	44	14	12	61	56
Grand total	990	800	175	174	1,165	974

[1] All figures are subject to revision.

Major disasters at United States coal mines in 1947

Date	Mine	Nearest town	Number killed	Cause
Bituminous:				
Mar. 25	Mine No. 5	Centralia, Ill.	111	Explosion.
Apr. 30	Spring Hill	Terre Haute, Ind.	8	Do.
July 24	Old Ben No. 8	West Frankfort, Ill.	27	Do.
Anthracite:				
Jan. 15	Nottingham	Plymouth, Pa.	15	Do.
Apr. 10	Schooley	West Wyoming, Pa.	10	Do.
Dec. 11	Franklin	Wilkes-Barre, Pa.	8	Do.

The Work of the Subcommittee for Displaced Persons

EXTENSION OF REMARKS
OF
HON. JAMES G. FULTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 3, 1948

Mr. FULTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

PREPARATORY COMMISSION, INTERNATIONAL REFUGEE ORGANIZATION,
December 1, 1947.

Hon. JAMES G. FULTON,
Foreign Affairs Committee of the House of Representatives, Washington, D. C.

DEAR MR. FULTON: A copy of your report to Congress giving your views and conclusions on the operations of IRO and, in the larger sense, the displaced-persons problem, has just been delivered to me. May I say that it is the most accurate, objective, and constructive statement that I have encountered in 4 years of work in this field. The shortcomings of our efforts are not high lighted for sensational purposes and our accomplishments are adequately and fairly recognized. It is not a sob document but a rational presentation of an intricate, moral and social problem worthy of consideration and action on the part of those who share our political creed.

It is only right that I should advise you that as of January 1, 1948, our United States zone operation will effect a further reduction in personnel. The present staff of 675 persons will be reduced to 590. We will not suffer particularly in operations but it does reduce the amount of manpower that can be devoted to such programs as Child Welfare and to supplementary services. We are reviewing the program assignments of the voluntary agencies in an endeavour to achieve more effective coverage of these areas of operations.

I enclose herewith a recent information product of our office and will send along others under separate cover. I believe this document has value and meaning for use in educating the people of our country as to who and what the displaced persons are.

May I again say that your visit, discussions and observations on the United States zone operations are a source of encouragement and satisfaction to those of us who live and work so intimately with this problem and these people.

Sincerely,

PAUL B. EDWARDS,
Chief of Operations.

The Poll Tax

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. BENDER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter on the poll tax which I have received from the Hon. Virgil H. Goode, Commonwealth's attorney of Franklin County, Va. Mr. Goode has served four terms as a member of the general assembly of Virginia and he knows from first-hand experience just how the poll-tax system works in a poll-tax State.

FEBRUARY 10, 1948.

Hon. GEORGE H. BENDER,
House Office Building,
Washington, D. C.

DEAR MR. BENDER: I wish to acknowledge your letter of February 3, 1948, relative to your bill, H. R. 29, which has for its purpose the abolishment of the infernal poll tax, now being imposed upon the citizens of seven southern States. I think if your bill could be enacted it would be one of the greatest blessings that could ever happen to the people of the South.

I represented my county for four terms in the general assembly of Virginia, and was recently elected Commonwealth's attorney of Franklin County, and as an office holder, I am in favor of abolishing the poll tax, but I would say that 90 percent of the office holders are not in favor of abolishing the poll tax, because it is used as a means of perpetuating themselves in office.

I certainly trust that your bill will be enacted into law this session so that the people of the South would have the privilege of voting for Federal officials under this new law.

Wishing you success with this bill, I am,
Yours very truly,

VIRGIL H. GOODE.

United Nations

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. HESELTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by the gentleman from Maine [Mr. HALE] at Yale University on February 13, 1948:

Mr. Chairman, in the remote epoch before Adolf Hitler flung his Wehrmacht at the Poles, it was a favorite practice of rhetoricians to paint word pictures of gray and cynical old men sitting in Parliaments and Chanceries voting away the lives of brave and beautiful young men in the name of national aggrandizement or glory. The rhetoricians must now paint an entirely new set of pictures. The statesmen of the future may be as gray, as cynical, and as unprincipled as those of the past but, whatever else they will do, they will not sit safely in their parliaments and chanceries while young men fight wars. In the wars of the future they are going to be killed, and the chances are that they will be killed a little sooner than the brave and beautiful young men. And this, as far as I am concerned, is as it should be. Members of Congress would do well to consider that they can die atomic deaths fairly early in the course of another conflict.

If this were a class in constitutional law I would pose to you the question just how we would conduct a war if the President, all his Cabinet, and the majority of the Members of Congress were wiped out in one air attack over Washington. Who would vote the appropriations? Where would we get the new President if all his statutory successors were annihilated? Should we amend the Federal Constitution to provide for the eventuality of a virtual annihilation of the Federal Government? Can Congressmen function as such if dispersed in their home towns communicating only by radio and telephone and television? These visions of national anarchy flit through the mind of a Congressman when he contemplates future wars.

I have talked to very serious thinkers who seriously urge that our great American cities be fragmented and dispersed over the continent, the larger cities to be 30 miles long and half a mile wide, so as to be less vulnerable targets. I do not think that Congress would get much support in public opinion for a program so preposterous and so expensive. I just don't think that New York and Chicago, Pittsburgh, and Detroit can be transplanted in this way. It is true that we can put the aircraft industry underground and the munition factories in the mountains. We could have a score of blast furnaces in each of the Rockies. Mount McKinley would shelter a thousand, and there is always the Mammoth Cave. But you must still raise crops where the sun and the rain will reach them. Human beings have not yet conditioned themselves to a permanently subterranean life. What good would it do to put the aircraft industry underground if all the people who work in the aircraft factories have to live above ground and be killed? Man is still a supraterranean animal, and unless you can give him a supraterranean future he might as well have none at all.

The Romans had a phrase for this idea. They used to say that it was no use propter vitam causas vivendi perdere—for the sake of living to lose all the reasons for living. Our problem is to preserve not merely vitam but the causas vivendi as well. And the problem cannot be too often or too boldly stated.

And consider the budgetary aspect of the situation. Ten billion, in round figures, for defense this year. But the President's Air Policy Commission, writing of survival in the air age, correctly points out that we have no adequate air policy and are not beginning to spend enough on aviation. By 1952 we must be spending 18 billions annually for defense, three times the whole cost of government in 1939. I hear politicians reproached for being unwilling to face these simple facts. It may be that they are. Probably all leaders need a certain amount of leading. That is where you come in. Everybody would like to be living in the days not merely before Hiroshima but before Coventry and Guernica as well, but it will do no good. We have got to learn our history this time. It's the one course we can't afford to flunk.

There is no doubt a case for saying that that homo sapiens should follow the course of the great saurians and more recently of the marsh hen, not to mention the more familiar dodo. Without wishing to be cynical and without being cynical in fact, I might say that the case for man's survival does not seem to me today so good as it did when I was a college undergraduate. In the two wars and the period of the dictatorships in Europe, men have certainly exhibited an incapacity to deal with their problems which few men of my age suspected in their youths. When other great mammals have been unable to adjust to their environment, they succumbed and are remembered only as fossils. Perhaps man who is after all only an exceptionally gifted mammal can ask for no better fate. But if we were agreed upon the mood of despair, we shouldn't have taken the trouble to come here at all. We are agreed that we are going to try to do something

about it. We are still continuing the experiment of the man whose birthday we observed only yesterday, to see not merely whether any nation conceived in liberty can long endure, but whether men who love liberty can endure to compose such nations.

What is the remedy? It is no doubt world government. But that will not help us much unless we know what we mean by world government and how we propose to obtain it. Otherwise this resounding phrase will deceive and repel and not elucidate or persuade. Indeed I am rather afraid that the phrase has already done a good deal of harm. It suggests that somehow we can suddenly slough off national governments and substitute for them a parliament of man sitting I know not where, ordaining the future of all men everywhere. I do not believe anything of the sort. The people of the United States will not suffer themselves to have their domestic lives regulated by the vast majorities of the human race which live on the continent of Asia. I do not envisage any world society which in any foreseeable period will supersede all existing governments. I do envisage an authority supranational in character with powers adequate to the maintenance of peace. I mean by this the prevention of aggression, the disposal of armed forces, the control of atomic weapons, and of other instrumentalities capable of exterminating lives on this planet. And this supranational authority must be an authority acting upon individuals and not merely on nations.

How is such an authority to be brought about? Shall we begin now by suffering the United Nations to follow the League of Nations, and calling a convention to create a new supranational organization which shall succeed where these have failed? I do not think so. I think that we must take the United Nations as a basis and proceed to give it greater powers. This was the idea which animated a group of us in introducing a concurrent resolution (H. Con. Res. 66) which we introduced on the 9th of last July, "That it is the sense of the Congress that the President of the United States should immediately take the initiative in calling a general conference of the United Nations pursuant to article 109 for the purpose of making the United Nations capable of enacting, interpreting, and enforcing world law to prevent war."

I believe that action can be obtained on this or some similar resolution at the present Congress. The House Committee on Foreign Affairs has promised to give it consideration immediately after the completion of the hearings on the Marshall plan. In the meantime there is in the House a movement afoot to introduce a more concrete resolution specifically advocating the elimination of the veto right by a permanent member in the Security Council but only in matters of aggression and armament for aggression, the prevention of armament for aggression, and the establishment of an international but tyranny proof world police force. The contemplated definition of aggression is to be "an attack by weapons of violence by a state or its citizens against the recognized territory of a member state." Such a resolution might deal even more specifically with armament quotas, vote revisions in the Security Council, etc. In any legislative body one must be governed by practicalities but the more powerful the expression of opinion we can obtain, the better. This is not a matter in which we need fear a certain measure of opportunism. Since the introduction of House Concurrent Resolution 66 everything internationally speaking has gone wrong. The Council of Foreign Ministers broke up. Our relations with Russia have steadily deteriorated. If the Marshall plan does not lead toward a closer union of the 16 participants it will prove to be what its enemies have been calling it—"operation rat hole."

If by a determined policy the Politburo will cooperate in revising the Charter of the United Nations, it is so much the better. But with or without Soviet cooperation, we must strive for a world society. I am not at all hopeful of getting Soviet cooperation. Still if we can be firm enough to convince the Kremlin that we have the strength and the will to resist their aggression, its leaders might decide that it would be worth while to come along.

In the formulation of opinion in this country, and in the world at large, organizations like yours can do immense good. My congratulations go to Cord Meyer for his fine book, Peace or Anarchy.

The American Legion, which has sometimes been thought of as being on the chauvinistic side, has made a most constructive contribution on the subject. Its executive committee in November 1946 adopted a resolution recommending three amendments to the United Nations Charter: First, reorganization of the Security Council and the World Court with a more effective representation of the nations and a final decision by majority vote abolishing the veto in all matters involving aggression or preparation for aggression; second, delegation to the Security Council of adequate powers to suppress aggression and prevent preparation therefor; and finally the establishment of a strong world police force to support the powers of the Security Council.

Senator TAFT has commended the Legion's suggestions, and I should be pleased if the party platform of my party were to adopt proposals of this character.

I should like also to commend the good work of those citizens, notably in Massachusetts, who have caused various towns to recommend action along these lines. Several towns in Maine are, I believe, preparing to take similar action at town meetings next month.

An almost vulgar publicity is now given to the fact that time marches on. We cannot move too soon or act too firmly. The mobilization of public opinion is a great undertaking, but I believe that you will find it singularly responsive to effort. Let me say as a practicing politician that women are particularly good at any organization or mobilization of opinion. Most politicians will agree that they are better than men.

Help us in the Congress all you can, and we in turn will try to help you for the survival of our species in a world society that will justify its survival.

Palestine—Are We Going to War Over It?

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, there has been considerable misunderstanding of the issues and implications involved in the Palestine partition matter. The Arabs and Jews today are at war as a result of a recommendation made by the United Nations Assembly on November 29, 1947. The purpose of the United Nations is to maintain peace in the world. The action by the Assembly has resulted in war. Mr. Speaker, there appeared in the Janesville (Wis.) Gazette a pertinent editorial in the March 1 issue of that paper. Under leave to extend my remarks, I am including it at this point:

WILL WE FIGHT FOR PALESTINE?

Are the American people prepared to send American soldiers, sailors, and airmen to Palestine to carry out the terms of the partition which the United States has forced upon the United Nations? Zionists declare that partition is a fait accompli, but new states are created in only two ways: by agreement of the populations concerned, or by force of arms. There is no agreement. Therefore, the projected Zionist state must be set up by force.

Will Americans supply the force? British forces are now leaving Palestine and will be out by May 15.

By our pressure-tactics we forced France, Liberia, Haiti, Greece, Ethiopia, and the Philippines to vote with us for partition of Palestine—against their will—and thus earned their disapproval and aroused opposition among our good friends. At the same time and by the same act the United States, which had been held in high esteem by the Arabs, has thus inspired hatred where we previously had friendship. And those same Arabs control the oil wealth for which the Soviet Union hungers.

Make no mistake, those Americans, Jew and non-Jew, who want the establishment of a new Jewish state are not backward in their insistence upon American money, American arms, American ships, and American men to guarantee peaceful partition of Palestine. They are short-sighted. They will not admit the inevitable consequences.

There are many facets to this distorted political picture, including the Greek problem, the British withdrawal from Palestine, the oil, the opposition now uniting the entire Arab League, and the UN powerless to carry out the proposition which we placed before it—powerless because it has no military force with which to enforce partition.

Zionism is the cause of a new political Jewish state. Zionists are those who are determined to establish it, regardless of the consequences.

Judaism is the ancient religion of the Jews, a great moral force which has influenced men for centuries.

Zionism is based upon the hope of a Jewish nation in Palestine, a national home for Jews of all nations.

To the non-Zionist Jew his patriotism, his allegiance is to his own homeland, wherever he is a citizen. His faith in Judaism is as the faith of other religious men in their own religions—it has nothing to do with the political concept of a Jewish national state.

We in the United States, however, have been put in a very precarious position by the action of the administration in forcing upon the United Nations the partition of Palestine. Since we insisted that the Jewish state be established by dividing up Palestine into Arab and Jewish territory, we are more responsible for its security than any other of the United Nations.

It must be remembered that 6,000,000 Jews were killed by the Nazis during the war and that thousands of others in Europe hope to find a home in Zionist Palestine. Many of these are in a hopeless condition, suffering, impoverished, dependent, hungry.

Among the agencies trying to help them is the United Jewish Appeal, now seeking $283,000,000. Part of this fund will be used for relief, but much will be used to transport Jews to Palestine, where they cannot enter legally. Part will be used to buy arms to fight the Arabs, part to establish the Zionist national state.

It argues that "establishment of a new Jewish state was not merely the plan of American Jewry but had become an integral part of the foreign policy of the United States."

Julian Venezky, national chairman for regions of the United Jewish Appeal, declared that development and defense of the new Jewish state were "not merely the expression of the will and hope of the Jewish people but a matter of the foreign policy of the United States Government."

"American leadership in the program for the partition of Palestine into Jewish and Arab states," he said, "placed the United Jewish Appeal's drive in the position of backing up the accepted and official policy of our Government in the same way that we have embarked on the Marshall plan and other policies to sustain democracy in other parts of the world."

Eliezar Kaplan, treasurer of the Jewish Agency for Palestine, declared that the appeal for American funds would cover the cost of transporting 75,000 immigrants to be sent to Palestine this year because he was "confident transportation would be supplied by the United States Government."

He added that "the United States will be asked for loans and for surplus arms for the defense of the new Jewish state in Palestine. A small token international force in Palestine would make the Arab states think twice before attacking the Jewish state." The Zionists expect that private contributions for the new Jewish state must be supplemented by public funds, that our Government "or some appropriate agency must make it possible for the Jews of Palestine to secure without delay the arms and equipment they need for self-defense."

Many Americans who have proved their racial and religious tolerance, including a minority of the Jewish community, do not accept these assumptions. They support the American embargo on further armament sales to Palestine. Those who oppose Zionism risk being called anti-Semitic, however sincere their sympathy in behalf of Jews and all other human beings.

We are solicitous for the welfare of all peoples, including the homeless Jews of Europe, but cannot see a solution in the Zionist program.

As the well-known Minneapolis editor, Carroll Binder, has said, "if such a state could be created without harm to the rest of the world, I would support rather than oppose the Zionist proposals."

The two political parties have paid lip service to Zionism, courting Zionist votes. Pro-Zionist resolutions have been passed in Congress. Mr. Truman and Mr. Dewey have tried to force the British to allow immigration of 100,000 Jews into Palestine, against avowed Arab opposition.

Now, however, British soldiers will be recalled. Will American armed forces replace them? Will American taxpayers pay for protection of Jew from Arab and of Arab from Jew?

Until now it was easy to non-Jewish Americans, both tolerant and intolerant, to pass the buck to the British who were in control of Palestine. Now it is the problem of the United States and the United Nations.

Career diplomats and our foreign consulars in the Middle East have warned our State Department not to take this fatal step, but we forced partition, willy-nilly.

It is a problem now before the UN. We have not made our position clear—for we insisted upon partition, calling for security in Palestine by UN armed forces when the UN has no such forces.

We have jeopardized the world position of UN. It is worth watching from day to day.

Hon. Pete Jarman

EXTENSION OF REMARKS
OF
HON. ROBERT E. JONES, JR.
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. JONES of Alabama. Mr. Speaker, I have included in my extension of remarks a newspaper article, issued by the Daily News Bureau which appears in prominent newspapers throughout the country, making an appraisal of the fine work of my distinguished colleague the Honorable PETE JARMAN. It is my high privilege to offer this article for the RECORD in order that it might come to the attention of the Members of the House who universally hold him in esteem and value the great work he is rendering our Nation.

ALABAMA'S JARMAN IDEAL CONGRESSMAN

(By Mac Lowry, Atlanta Journal Bureau)

WASHINGTON, February 14.—PETE JARMAN, sixth-term Democrat from Alabama, is a Congressman's Congressman. The phrase would fit several gentlemen on Capitol Hill, but it fits none any better, at least, than JARMAN.

JARMAN has courage, charm, and political know-how. He is a winner. He is about an 85 percent regular on partisan votes. His position as president of the Jefferson Islands Club means that he is just about the best Democratic "mixer" in the House.

But he would not be a Congressman's Congressman if he did not have something else—the political security which enables him to represent, in his own words, "the best interests of my whole country." When his convictions are stirred, JARMAN scorns the silent gentlemen "running for reelection" at his side.

A veteran of many years in the House puts it this way: "Pete goes along until the pinch comes and then moves out in front."

Representative JARMAN moved out in front last November when the House Republican leadership took what he thought was an unnecessarily long time to get a vote on the interim aid bill.

How long, he asked, would the Foreign Affairs Committee "continue this laborious, boring, unnecessary tweedledee and tweedledum?"

PETE JARMAN "tweedledeed" and "tweedledummed" the House until Capitol observers began digging into the record of this 55-year-old Alabama Congressman who was already in his sixth term. How had they missed him before?

When the interim aid bill finally came up for debate, the ranking Foreign Affairs Committee Democrat turned much of the floor work over to JARMAN.

The Alabamian, with the South in his mouth, a broad smile, and an inexhaustible fund of charm, talked and laughed many of his Democratic neighbors out of the fertilizer amendment and other restrictions to the bill.

"Mr. Chairman," he said, "the farmers of Alabama also need great amounts of fertilizer. The farmers of Alabama are also confronted with the unfortunate shortage of fertilizer to which reference has been made. The farmers of Alabama have also been misled into believing that shortage of fertilizer results largely, if not entirely, from the relief program.

"I yield to no man in my desire to appropriately represent the farmers of my district, but let us assume they are men with four sides, square men, and the farmers of my district are as square shooters as there are in the world. I do not want to represent just one of those sides. I believe that in voting for this amendment to eliminate fertilizer and farm implements from this bill I would be voting for one of the four sides of that farmer only."

The Jarman charm and political skill are such that while this homily was being delivered the gentlemen from Mississippi, Georgia, South Carolina, and other Southern States did nothing but beam at their colleague from Alabama.

JARMAN'S confident support of the administration's foreign policy—his record since lend-lease days is 100 percent—and his ability to draw his colleagues along are the products of two separate developments in the life of a congressman.

One began in Tuscaloosa, Ala., in 1938, when JARMAN, then running for his second term in Congress, heard Adolf Hitler make a vitriolic attack on the Czech president, Eduard Benes. JARMAN returned to Washington the following January with the aim of getting on the Foreign Affairs Committee, something he had only vaguely considered when his fellow Alabamian, Speaker Bankhead, had suggested it the previous term.

In 8 years on the House Foreign Affairs Committee JARMAN has traveled around the world, represented the House in South American republics and been in every European country outside Russia, Yugoslavia, and Albania.

He has vigorously defended the State Department, not only in major foreign policies but in such unpopular efforts as its overseas information program. When the House "Taberized" the Voice of America last summer JARMAN went out of his way to support even the much-ridiculed circus ladies in the State Department's traveling art show.

"We have circus ladies like that in this country," he said, "without embellishment, without making propaganda of it, and without, of course, emphasizing the defects, too.

"The serious effort of this program is to present * * * to the rest of the world a true picture of America."

His colleagues listen to JARMAN in a wholly different frame of mind from that they accord official witnesses, because they see in him the proven product of native American politics.

JARMAN'S father, Peter Bryant Jarman, was sheriff, tax collector, and probate judge of Sumter County, Ala., for 30-odd years. In his last county race the elder Jarman said:

"I have been in politics for more than 30 years and, so far as I know, there has never been a vote stolen or bought for or against me—that is the strongest compliment I could pay to this county."

"My father would have known if one vote had been bought, too," Representative JARMAN says today, in speaking of the man who was a greater political influence on his son than such Alabama intimates as the late Speaker Bankhead and the State's present Senators, LISTER HILL and JOHN SPARKMAN.

After graduating from the University of Alabama in 1913, PETE JARMAN tutored under his father in the probate office of Sumter County. When World War I came he attended the first officers' training camp and went overseas as a first lieutenant. He returned September 2, 1919, having been wounded in France.

His veteran's status was one motive for his appointment as assistant examiner of accounts of the State of Alabama by a man his father had opposed, Governor Kilby. His American Legion and National Guard activities helped him again in 1931 when he beat two strong rivals for secretary of state.

In 1934 JARMAN made his one unsuccessful race for Congress, losing out by only 2,717 votes to the incumbent, who had not been opposed since he had beaten William B. Bankhead 20 years before.

His potency at the ballot box assured, JARMAN bided his time until the retirement of the encumbent, serving in the meanwhile as State comproller under appointment from Gov. Bibb Graves. In 1936 JARMAN snowed his opponent under, 7 to 1.

In 30 years of political experience JARMAN has been aided immeasurably by a fund of good spirits. The list of organizations he has joined reads like a cross section of American life. None, perhaps, is more revealing of his current status than the Jefferson Islands Club, sponsor of President Roosevelt's many "harmony" sessions down on Chesapeake Bay.

JARMAN is president of the organization, which now will use St. Catherine Island, 59 miles from Washington, its old clubhouse having burned down in 1945. Vice presidents include such Democratic notables as Sam Rayburn, Alben Barkley, Millard Tydings, Jesse Jones, Bernard Baruch, Leslie Biffle, and Breckinridge Long.

The tongue-in-cheek objects of the club form almost a poem on the Democratic political spirit of which PETE JARMAN is the congressional denominator:

"For the purpose of supporting, defending, and advancing the fundamental principles of government enunciated by Thomas Jefferson.

"To provide a clubhouse with suitable surrounding and comforts where members may assemble, discuss, and promote Jeffersonian philosophies, to the end they may become controlling in Federal and State Governments."

The Importance of the Marshall Plan and Strengthening the United Nations

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. HOLIFIELD. Mr. Speaker, under leave to extend my remarks in the Appendix of the CONGRESSIONAL RECORD, I include an editorial which appeared on February 25, 1948, in the Daily News of Los Angeles, Calif.

I wrote this editorial in response to an invitation from Mr. Manchester Boddy, the editor of the Daily News.

The title of the editorial is "The Importance of the Marshall Plan and Strengthening the United Nations":

(Perhaps no issue before the American public has been so widely investigated, explained, and debated as the Marshall plan. Practically every Member of Congress had an opportunity to study the implications and problems involved in it at first hand, both in Europe and behind closed doors in official Washington. There has been ample time for deliberation and mature consideration. Soon the hour will strike when our Representatives in Congress must stand where all can see them and vote in support of or for the defeat of the Marshall plan. Today we hear from the Honorable CHET HOLIFIELD, Member of Congress from Los Angeles' Nineteenth District. Congressman HOLIFIELD is a Democrat serving his third term in Congress, to which he was first elected in 1942.)

Why is the European recovery plan which is commonly called the "Marshall plan," important to the butcher, the baker, and the haberdasher, on the main streets of our Nation?

Why should we continue paying high taxes in order to send food, machinery, and medicine across the oceans?

First, I will define my conception of the type of assistance to be given, and the main purposes of the Marshall plan.

(a) A plan to furnish 16 western European nations such food, machinery, medicine, and supplies as we can spare from our economy. These 16 recipient nations are composed of nations who have voluntarily expressed a willingness to cooperate with each other and with the United States in a program of mutual economic assistance.

(b) The purpose of extending this aid to these war-ravaged nations is to (1) restore normal economic functions within each nation and to facilitate the normal commercial exchange of area surpluses between all cooperating nations; (2) to strengthen existing constitutional governing bodies within each nation, so that government based on the principle of majority rule may be maintained and developed along democratic lines.

Let me state at once that I would prefer that our assistance to other nations be channeled through a functioning United Nations. Until the United Nations adopts the democratic principle of majority rule in place of the absolute veto by a single member nation, its function is frustrated. In the absence of a functioning United Nations, and until several Charter improvements are made, I believe we are justified in joining with groups of nations in mutual assistance programs. While this type of mutual assistance is not within the formal framework of the United Nations, it is certainly in harmony with the spirit of regional assistance groups permitted by the United Nations Charter.

The attempt to classify the so-called Truman doctrine plan of intervention in Greece with the Marshall plan as being the same is both deceitful and unjustified. The difference is important.

The Truman doctrine bypassed the United Nations by sending both arms, soldiers, and civilian supplies to Turkey and Greece. It was a unilateral move on the part of the United States with the acquiescence of the Greek Government.

It was in direct contradiction to the principle of multilateral solution purposed in the Charter.

The Marshall plan is a civilian rehabilitation program (no arms, no soldiers) arranged by mutual agreement between 17 nations, and is clearly in harmony with the United Nations purpose of peaceful, multilateral solution of international problems.

I voted against the Truman doctrine, and shall vote for the Marshall plan, if it conforms finally to the principles outlined.

We spent over $200,000,000,000 to win the war against the totalitarian nations of Germany, Italy, and Japan. We won the war, but our goal of world peace has not been achieved. Neither do we have any assurance that a totalitarian ideology of another kind will not spring from the chaos of Europe's ruined cities to replace the ideology destroyed.

Until the goal of world peace is achieved, our task is not finished. Unless we press on to finish the job, today's cessation of active war will be only the interlude between World War II and World War III.

On VJ-day, the United States found itself the strongest military nation in the world. We also had become the greatest industrial producer of all time.

The rest of the world, both victors and vanquished, were either crippled by physical destruction or bankrupt. Most of the European nations were both crippled and bankrupt. The mantle of world leadership was, therefore, thrust upon us.

It seems to fit us poorly, and the "new look" is still a bit uncomfortable. We have been loath to wear our new mantle with either the ease of experience, or confidence in our ability to fill the new role.

We must not bury our heads in the sands of yesteryear isolationism, but we must accept world leadership, because in this shrunken world we live or die together. Universal peace is inextricably dependent on a stable economic world. Unless western Europe is rehabilitated, her nations cannot resume their functions in international commerce and she cannot maintain or develop free constitutional governments.

Without world trade between free nations, we shall soon find ourselves in a domestic depression. We exported $14,000,000,000 worth of goods in 1947, and we imported $5,000,000,000 worth of goods. A better balance is necessary for world stability. This balance can be attained only through increased production abroad.

Unless stability is reestablished in western Europe, we shall see a totalitarian ideology arise from the wreckage of World War II. First Europe and then Asia will be melded into the Soviet orbit. Free governments and free commerce will disappear from four-fifths of the world's surface. And we shall be alone.

We shall be, for a short time, a free enterprise, constitutional island in a totalitarian world. I specifically say, "for a short time," because our constitutional liberties and our free-enterprise economy would soon be forfeited in the attempt to defend ourselves against a hostile world.

The cost of the Marshall plan in dollars may be 2½ percent of our national annual income each year, for a few years. It may total 6 percent of the amount we spent in the recent war. In comparison with the cost of World War II, and the potential cost of a Third World War, the cost of the Marshall plan is relatively small.

Let us be truthful and admit that there is no guarantee that the plan will be successful. Our wisest statesmen and economists frankly said: "The Marshall plan is a calculated risk, a gamble for world peace."

The American people, through their Congress, must make the decision soon. If we fail to accept the responsibility of world leadership, what will be the evaluation of history? What will the alternative be?

We are reaching against time, and the unknown factor of psychological reaction of desperate people. Our philosophy of freedom is competing with the slave philosophy of totalitarianism which thrives best in the soil of economic chaos.

We are racing against the deadline of atomic discovery in foreign laboratories.

The Moral Crisis Facing Our World Today

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. BENDER. Mr. Speaker, it is commonplace to talk in terms of crisis today. The world has become accustomed to the use of scare words, and it has become hard-boiled and cynical about them.

Yet no other word than crisis will do to describe the circumstances in which we find ourselves at this moment in world history. We are passing into one of the most important periods in the records of mankind, and the traditional guides which have charted the course of human conduct in ages gone by are impatiently pushed aside. Those who worship science and ignore humanity are ruling the roost. Their emphasis upon materialism has turned the world toward a mad race to accumulate power and wealth, no matter what may be the ultimate cost.

This is the moral crisis which confronts us at the opening of the atomic age. It is the same challenge that was flung at the world when the industrial revolution broke upon western Europe at the end of the eighteenth century. We failed to meet the issue then, and unless we reshape our thinking and our living today, we shall fail to meet it now.

Gilbert Chesterton once said:

> Christianity has not been tried and found wanting. It has been found difficult and not tried.

It is time to try it and to practice it if we are to survive.

What is the situation which confronts us today? We stand at the dawn of an era when the struggle of man to obtain his daily bread will no longer be the burdensome task it has always been before. The hours of work for the average man have been reduced from the daily 16 they were in the seventeenth century, the 14 they reached in the eighteenth, 12 in the nineteenth century to 8 and less than 8 in our time. The scientists tell us that 1 pound of uranium 235 has the energy equivalent of 20,000,000 pounds of coal or 10,000,000 pounds of gasoline. They are looking forward to the release of vast quantities of this revolutionary fuel power within the next 25 years. The hours of work which must be performed by men with this new resource at their command may diminish still further, if we use our power wisely.

If we can harness the potential power of this energy to the task of making the world a better place in which to live, we may establish heaven on earth. But if we do with atomic energy what we did with TNT, what we did with aviation, we may well succeed in destroying the earth itself. The use we make of this great power will determine the future of our civilization, and the decision we make must be a moral and an ethical decision.

Where shall we obtain the insights to reach this wisdom? Where shall we find the guidance we need to create peace on earth? There is one place, and only one where men have found the eternal truths we must have. That place is in the realm of religious idealism. Brotherhood, love, equality, happiness, kindliness, consideration for our fellowmen, help for the hungry, the weak, the sorrowing, justice for all, mercy, humility—these are the messages of religion. These are the teachings of Christ and of the prophets. These are the lessons of the Sermon on the Mount. Blessed are the meek—not blessed are the powerful and the cruel; blessed are the poor—not the rich and the arrogant.

What are the ingredients of happiness which all men seek? Surely, we have seen enough of the superficially successful to realize that neither wealth nor power can lead to personal contentment. Surely, we have watched humble, simple men and women who devote their lives to helping others around them achieve the happiness and peace which are more significant than anything else in life. The motives of religion move these people to action.

What is true for individuals must come to be equally true for nations. No country has long survived with dignity and worth when it chooses to abandon the quest for human betterment and seeks to impose its will upon the world. The lesson of the Old Testament is as valid today as it was in the days when Assyria and Tyre and Babylon bestrode the earth. Those who live by the sword must perish by the sword. Those who wish to live must live in accordance with the laws of God.

We need today a religious reawakening. We need a reassertion of the religious yearnings we have noted in history. The spirit of men like Abraham Lincoln who drew his inspiration from the Bible, the courage of women like Joan of Arc who drew her strength from religious zeal can rebuild our world and lead us bravely into the atomic age.

Nothing less will fortify us for the world of the future. We must be prepared not only to die for the principles of humanity we cherish, we must also prepare to live for them, and by them. If we do, we shall create a braver, better world for our children. Only the wisdom of the ages, expressed in religious idealism, can point the way. If we are to survive we must walk in their paths and let Him teach us His ways.

Russia Still Has Our Ships

EXTENSION OF REMARKS
OF
HON. ALVIN F. WEICHEL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, February 23, 1948

Mr. WEICHEL. Mr. Speaker, in the Times-Herald of March 5, 1948, under Associated Press dispatch from Yokohama, it is stated that two more lend-lease tankers have been returned to the United States by Russia at a time of critical world shortage, of such vessels, yet she had 95 American merchant ships. During the hearings last summer it was disclosed that the Commerce Department was rushing oil and petroleum products to Russia during 1945, 1946, and 1947, and that there was a great shortage of fuel oil, gasoline, and petroleum products in the United States, beginning in June 1947. At that time in June, seven of these tankers were loading gasoline and petroleum products at the docks on the western coast and at the same time the Department of Commerce was testifying of the great shortage of oil and petroleum products in the United States, especially during the coming winter of 1947–48. These were vessels paid for by the taxpayers of the United States, yet the President of the United States knowing through the Department of Commerce and from other sources and presently testifying of the great oil shortage, gave custom's clearance to these American-owned tankers to carry gasoline and petroleum products to Russia. These were the ships owned by the United States and there comes with poor grace at this time after the oil shortage of all winter, a dispatch from Yokohama saying the Russians had delivered two American tankers at Yokohama where American crews could get them and that others will be delivered in the near future.

However, I find from the Los Angeles Examiner of January 22 of this year, that a tanker paid for by the American taxpayer, the Russian name being *Kolhoznik* and formerly the *Charles Wilkes* of the United States merchant marine, is transporting petroleum products from the west coast of the United States to Russia. The ship was pictured in the California Los Angeles Examiner and the news item read:

> SHIPS OF A DIFFERENT COLOR
>
> Observers at yesterday's ceremonies dedicating California's milk ship noticed how different ship cargoes can be. While millions of cans of milk were being loaded on the *Golden Bear*, destined for Italy, Greece, and France to aid undernourished victims of World War II, not many yards away the *Kolhoznik* was taking on United States oil for Russia.

This is the American-owned ship *Charles Wilkes* under the authority of the President of the United States, carrying petroleum products to Russia making for the expansion of communism while petroleum products are short in the United States.

Mr. Speaker, for nearly 3 years this same program has continued on with the use of the American taxpayers' ships, carrying goods and machinery to Russia, paid for by the American taxpayer, all assisting to make Russia strong to build its empire of communism over the protest of American citizens.

Churchill's Speech 2 Years Ago Is Found Borne Out by Events

EXTENSION OF REMARKS
OF
HON. JAY LeFEVRE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. LeFEVRE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article by Mark Sullivan taken from the New York Herald Tribune of today.

Mr. Speaker, about 2 days ago I received a letter from a constituent of mine

reminding me of those good old days when on Main Street we found horses instead of jeeps and you never heard the words "Fascist" or "Communist." Of course, I believe all of us would appreciate such a calm and peaceful setting again—but the world moves on—and, unfortunately, not in the right direction. Our ambitions are to make the world such that our children and our grandchildren might have the same opportunities to live and develop in a free world, at least with opportunities equal to those that most of us and our parents enjoyed. I cannot believe that the ordinary, common run-of-the-mill people anywhere in the world want war, and certainly I do not believe that the American people would ever want what goes with an atomic war and experience here the destruction of our cities, homes, and industries, plus the death and suffering of our people.

That is why our people did not accept favorably the speech of Winston Churchill given 2 years ago in Missouri. To go back further than that, our Postwar Economic Policy and Planning Committee, after our return from Europe and visit to Russia in the fall of 1945, reported directly to President Truman and urged him, from information gained, to stop trying to appease the Russians and to deal firmly from then on. But no; the administration followed a be-nice-to-Russia policy, and the American people must know that the foreign policy of this Nation is the responsibility of the President.

The article follows:

CHURCHILL'S SPEECH 2 YEARS AGO IS FOUND BORNE OUT BY EVENTS—MARK SULLIVAN CITES MISSOURI ADDRESS COINING PHRASE "THE IRON CURTAIN," RECALLS HOW IT SHOCKED NATION, LINKS IT TO CURRENT NEWS

(By Mark Sullivan)

WASHINGTON, March 4.—This is written on the eve of March 5, and deals with that date. Only the year is not 1948, it is 1946. It is about the speech Winston Churchill made at Fulton, Mo., exactly 2 years ago, with the events that have taken place since—and especially the events taking place this very day which almost sensationally bear out much that Mr. Churchill said.

For recalling the Churchill speech, an easy identification is the phrase he there uttered. "The iron curtain," now made memorable by millions of quotations that have carried it into the common tongue and for recalling what Mr. Churchill described and forecast, to our then surprise and dismay, the best beginning is to quote the passage in which Mr. Churchill used his history-making phrase: "* * * an iron curtain has descended across the Continent (Europe). Behind the line lie all the ancient states of central and western Europe * * * all lie in the Soviet sphere and all are subject * * * not only to Soviet influence but to a very high and increasing measure of control from Moscow. * * * The Communist Parties, which were very small in all these eastern states of Europe, have been raised to prominence and power far beyond their numbers, and are seeking everywhere to obtain totalitarian control."

SPEECH SURPRISED UNITED STATES

For the effect of surprise that Mr. Churchill's speech had upon us, one reason was that he described something which had taken place without our noticing it. Another reason, for both the surprise and the dismay, was that the actuality he pictured was so contrary to the ideal for which we had fought the war, the ideal of liberation and independence for all countries and peoples.

Our emotion went beyond suprise and dismay, it included resentment. After Mr. Churchill had made his speech, as his train rolled eastward from Missouri, Time magazine recorded a poignant scene: "The old man read the papers that were brought him, his pink face lengthening, his blue eyes hardening at the angry editorial comment his speech had aroused."

For the unfavorable reaction to his speech, a reason given was his proposal for a continuance of the intimate relationships which during the war had existed between the British and American armed forces, amounting to a suggestion of permanent military cooperation. But neither that, nor even his suggestion of an ultimate common citizenship was the real reason for our resentful mood. Under ordinary circumstances, so far as we disapproved that, we would have laughed it off.

What really accounted for our resentment was the intrusion of Mr. Churchill's speech upon our comfortable feeling, common at the time, that we were going to cooperate with Soviet Russia, even appease her so much as might be necessary, to the end of peace in a unified world. That course was accepted by most of our people, was urged upon us by many spokesmen, was advocated as the proper policy of government—Henry Wallace was still in the Cabinet and 6 months later was able to persuade President Truman to approve a speech by him advocating a be-nice-to-Russia policy.

That easy-going comfort, Mr. Churchill's speech disabused. He further intruded upon our comfort by calling attention to our responsibility, never a popular thing to do:

"The United States stands at this time at the pinnacle of the whole world. It is a solemn moment for the American democracy. With primacy in power is also joined an awe-inspiring accountability to the future. As you look around you, you must feel not only the sense of duty but also feel anxiety lest you fall below the level of achievement."

ONE YEAR LATER

Almost exactly a year after Mr. Churchill's speech, the sense of responsibility caught up with us and accountability was accepted, in the address of President Truman to Congress in March 1947, in which he said we would give help to countries striving to keep their independence against aggression by totalitarian power, and specifically recommended aid to Greece and Turkey, then under acute pressure from Russian communism.

On the second anniversary of Mr. Churchill's speech, the chief activity of our Government, in the administration and in Congress, is centered about defense of western European nations against aggression by Russian communism. It was epitomized in the report of the news last Wednesday, March 3, on the radio program Three Star Extra. It is nearing approach to what Mr. Felix Morley expressed as a "show-down between the United States and Soviet Russia."

Civil Rights for All

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. PATTERSON. Mr. Speaker, the past few weeks have seen a great deal of public display and agitation because of the President's recommendations on civil rights.

On February 2, the President sent to Congress a message outlining his views on civil rights. Civil rights can only be interpreted as those rights which should be available to all of our citizens. Most of us seldom stop to realize that many of our people are deprived of the rights which the majority of us take very lightly. I speak, of course, of those of us who, because of race, creed, or national origin, meet different amounts of discrimination. Practically the entire southern delegation in the Congress has become aroused over the President's advocacy of equal rights for all. In essence, that is what the program is—equal rights for all of our citizens.

We read in our newspapers and hear over the radio almost daily the word "democracy" and the blessings which are provided by this system. The American people have become smug with the feeling that our Nation does provide equal justice to all. Such is not the case. Is it equal justice when a Negro is deprived of the sacred ballot? Is it equal justice when many of our citizens of various races or colors are delegated to slum areas? Is it equal justice when job opportunities are not available to some of our citizens for these same reasons? It would be nonsensical to continue evading the fact that this great Nation does not grant equal justice to all. We cannot remain as ostriches with our heads in the sand.

The program the President recommended is not new. It has been before other sessions of Congress and has failed of passage. In this Eightieth Congress there are bills covering all of the points mentioned by the President. It is my hope that favorable consideration will be given to them in the coming months. The three classifications which are the greatest bars to equal citizenship are these: The inability to get vigorous prosecution of persons suspected of lynching, the inability of many of our citizens to vote in various parts of the country, and the inability to attain employment commensurate with ability for many of our citizens.

These three practices can only be stopped by enactment of legislation by Congress. A bill to allow Federal prosecution of those accused of lynching has been favorably considered by a congressional subcommittee and will soon be before the House for action. The passage of this measure will grant protection to our colored citizens in the South who have been in the past years the subject of mob rule and thus deprived of their rights before a court.

The Senate will soon consider legislation setting up a Fair Employment Practice Commission. This Commission would operate along the lines of the one now in operation in New York State. We in Connecticut, have a similar agency for protection against employment discrimination. Surely the chance for employment, and the opportunity for advancement, is a part of any civil-rights program. This legislation is necessary to grant a greater share of our democ-

racy to those now deprived of many of its rights and privileges.

The third major bill being considered by the Congress is that concerning the abolition of the poll tax. Most of our Southern States require the payment of a poll tax as a requisite for voting in general elections. This device is used to bar the Negro from participation in elections because most of them in the South cannot afford to pay this tax. Injustice becomes greater as nonpayment each year makes for accumulation of the tax, so that it would be necessary for the southern Negro to pay large sums of money for the privilege of voting.

These are the three major legislative measures which, if enacted into law, would guarantee equal justice to all of our citizens. If such a program is not adopted by the Congress, we in America will aid in the growth of communism here in this country. Communistic tendencies are fed by flames of despair and injustice. During the past war thousands of American boys died to bring democracy to all the people of the world. It is pure mockery to deprive the families of many of those who died, of their share in democracy.

All during my service in the Marine Corps I worked and fought side by side will men of all races and creeds, and with many of our colored boys who fought so valiantly for the cause in which they believed.

We are currently engaged in a program of appropriating billions of dollars to combat the menace of communism abroad. This menace has grown and will continue to grow in this country if these conditions are not corrected. We, as the strongest and richest Nation in the world, can and must provide equal opportunities for all our citizens—opportunities for education and employment in particular.

How can a man truly represent the people of his district when less than 10 percent of them have had the opportunity to vote at the election in which he was chosen? This is not democracy. It is not fair play. It is not equal justice. We must abolish these practices in America if we are to remain free and remain strong.

Extend Hand of Welcome to Additional Greek Nationals

EXTENSION OF REMARKS
OF
HON. ROBERT TRIPP ROSS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. ROSS. Mr. Speaker, I have introduced a bill today to increase the immigration quota for Greece an additional 5,000 for each of the next three fiscal years. I believe it is in our national interest and in the interest of world peace and humanitarianism that we increase the Greek quota by this number at this time.

The United States has extended a helping hand to the people of Greece in their fight for economic rehabilitation. We have joined with Greece in her valiant effort to prevent outside forces from imposing a communistic regime upon the Greek Nation. Our economic and friendly relations should be and would be broadened by permitting this additional number of Greek nationals, the great majority of whom will be parents, children, or brothers and sisters of American citizens, to immigrate to the United States within the next 3 years. This friendly and humanitarian gesture on our part would stiffen the back of every Greek citizen in his fight against communism.

There are now in the United States approximately 300,000 persons of Greek origin. We all know that the Greek is marked by his thrift, industriousness, and self-sufficiency. Likewise, the Greek is established as possessing in the highest degree the most desirable qualifications of law-abiding citizenry. They have made fine citizens and have exhibited the highest degree of loyalty to the United States and its form of government and its institutions.

The people of America from its inception have been privileged to sense the needs of humanity and historically have dealt with them in the Christian spirit. This has been manifested by extending every reasonable aid to the maintenance of family ties of those who have come to our shores. Approximately 30,000 close relatives of American Greeks have filled visa applications to come to the United States. Under the present quota, only 308 will be permitted to enter yearly. Although the additional number proposed for admission is relatively small, it will bring together thousands of American-Greek families.

The paralyzing effect of economic distress following the havoc and ravage of war has been intensified by the deplorable internal civil strife now prevailing in Greece. Communist guerrilla depredations have made untold thousands homeless, helpless, and public charges on the already creaking economy. The effect of this measure would be to provide alleviation of such suffering where relief is mostly needed. That would be in harmony with our broad policy toward Greece, and should prove in a substantial degree a blow to Communist terrorism.

The Greek people have probably contributed more than any other to the arts and sciences and to the culture of the world, but, basically, they are a producing, a working people. These additional Greeks are needed in America today. Not only will broken families be joined, but as have those who have already made America their home, these industrious people will make invaluable contributions to the strengthening of our American way of life and to the progress of America.

The Flat Top Is Still a Handy Sort of Thing, Even in Modern Warfare

EXTENSION OF REMARKS
OF
HON. EDWARD H. JENISON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. JENISON. Mr. Speaker, never in our peacetime history were the problems of national defense so important to our safety as they seem to be at the present time. For this reason I desire to call special attention to an article by William H. Harrison, published in last Sunday's Washington Star, entitled "The Flat Top Is Still a Handy Sort of Thing—Even in Modern Warfare." Mr. Harrison emphasizes a point vital to our security in what military strategists choose to call the foreseeable future. His conclusions are worthy of earnest consideration by those charged with the responsibility for maintaining our defense establishment at a level adequate to meet the demands of the uncertain world in which we find ourselves. Mr. Harrison's discussion follows:

THE FLAT TOP IS STILL A HANDY SORT OF THING—EVEN IN MODERN WARFARE

(By William H. Harrison)

In terms of the foreseeable future, aircraft carriers—large and small—are here to stay. Stated another way, although considerable doubt may be cast on the Navy's plan to build them on a super scale, ranging from 60,000 to 80,000 tons, they will be of vital importance to us in any war likely to break out within the next 10 or 15 years.

REVELATION OF HARD WORK

After that—after 15 years, say—conventional carriers conceivably may be as obsolete as the whalebone corset, made so by the development of intercontinental atomic rockets, guided missiles, supersonic space ships, and the numerous other horrendous devices being predicted by the push-button experts for the world of tomorrow. Meanwhile, through, until that world is more clearly in sight, we had better not neglect our carrier power. It is insurance we cannot afford to let lapse; it is the heart—as was once the battleship—of the great naval strength we must have for a balanced system of security in the troubled age ahead.

This conclusion is based on a wide variety of opinions expressed to the writer by some of the world's best and most experienced naval airmen during 10 days aboard the U. S. S. *Leyte* on the Atlantic Fleet exercises now nearing an end in the vicinity of Panama. The exercises, one of the largest since the close of the war, began on February 9 when the 27,000-ton Essex-class *Leyte* and its sister ship, the *Philippine Sea*, set out from Quonset Point, R. I., later to rendezvous with 15 destroyers and 3 cruisers for a majestic southward movement in support of amphibious Army and Marine landings on Vieques Islands, a few miles east of Puerto Rico.

To a landlubber observer the exercises were at once a revelation of the hard work involved in keeping the Navy trim in peacetime and a convincing demonstration of the carrier's overshadowing role in the employment of seapower. Nothing new—tactically or strategically—had any part in the exercises. The pattern was the same as that used against the Japanese in the Pacific.

The sole objective was training—to keep old hands from losing their touch and to give new oncs experience.

Ten days aboard the *Leyte* would be enough to persuade any relatively soft-living civilian that the operating Navy, even in peacetime, is no bed of roses. A carrier of this type is a beautiful thing, but it is not home. The food aboard is good; the officers' staterooms are comfortable; the crew's quarters are clean and sleepable; the medical, dental, and sick-bay facilities are excellent; libraries and soda fountains are available; there are frequent movies on the hangar deck, and every night the chaplain speaks a brief but impressive prayer over the public-address system. Yet to be a part of this is not like being in your own house with your own family. You are just one among about 1,800 individuals (the wartime complement is approximately 2,900), and a goodly portion of these—junior officers and men—are green hands.

NOT WITHOUT RISKS

Psychologically, such a way of life can be occasionally trying, especially when you have to spend 6 weeks or more at sea with perhaps only one short shore leave. As for the physical end of it, it certainly is not restful. There is always brain-and-muscle work to be done on every deck. During the exercises from Quonset to Puerto Rico, for instance, there were days when many officers and men averaged only 2 or 3 hours' sleep a night: there were days, too, when general quarters' calls—summoning all hands to battle stations—were sounded frequently, entailing on-the-double climbing, roughly equivalent to running up a skyscraper.

Further the exercises were not without risks. Over 11,000 postwar landings have been made on the *Leyte* without a single fatality or serious injury, but there have been some losses on launching and in the air, and a crack-up is always possible when the planes come in. The writer saw more than a few of the *Leyte's* 90-odd fighters and bombers crash on deck in a way that made the pilots' escape seem near-miraculous. And during the same period a flyer was lost from the *Philippine Sea* and another saved in the water by the *Leyte's* helicopter—a highly serviceable and reassuring machine, likely to be attached to all carrier task forces in the future for intership mail deliveries, personnel transfers, and rescue work.

These factors—the risks, the hard work, the boredom that can come during a long stay at sea—all are accepted as an inescapable part of peacetime Navy life. In spite of them, perhaps because of them, the morale is reasonably high During the exercises down to and off Puerto Rico, the spirit aboard the *Leyte* was a lively and cheerful one, expressing itself in many ways, not least of all in a progressive improvement in operations. At first, for example, owing to the rustiness of some and the inexperience of others, the movement and spotting of planes added up to a mediocre performance; but a couple of days later the picture was one of near-perfection, with flight-deck officers and crewmen working together with such swift grace and precision that planes were being launched at 10-second intervals—a rate the Navy says is faster than any land base can achieve with single takeoffs.

The *Leyte's* impressive showing is attributable to a long list of individuals, notable among them being Capt. E. R. Peck, the commanding officer; Comdr. J. R. Van Evera, executive officer; Comdr. W. E. Hastings, operations officer; Comdr. V. L. Hathorn, air officer; Lts. R. J. Zender and A. F. Francheschi, flight and hangar deck officers, and flying officers like Commander Al Boyd—all veterans of the Pacific war and all experts on naval air. These men and several others of equal rank and experience aboard, having lived and fought with carriers for a long time, speak with authority on the subject, and it is significant that their opinions vary, though there is common agreement that ships like the *Leyte* will be a security essential for many years to come.

One can find on the *Leyte* a few senior officers—none named here—who favor the earliest feasible merger of naval aviation and the United States Air Force, an arrangement that would place carrier and land-based operations under a single over-all command. Most others aboard, however, believe in a continued separation, but they do not deny that after the "foreseeable future" has come and gone, the present set-up may be senseless.

ADMIRAL DUNCAN'S VIEWS

As for super flat tops there is no fixed opinion, but there seems to be considerable coolness to the idea, with some holding that the 45,000-ton *Midway* class is less efficient than the *Essex* class, and that to build ones of 60,000 or 80,000 tons would be a dubious venture.

But to Vice Adm. Donald Bradley Duncan—aboard the *Leyte* with his staff as a kind of "guest" and over-all observer and evaluator of the exercises—it seems surprising that anyone should argue against the giant carrier. As former Deputy Chief of Naval Operations (air) and now commander of the Second Task Fleet, he is emphatically for it. He does not like to use the word "super" in describing it. As he told the writer, there is nothing fantastic about it; "it is simply the logical development of a proven weapon—the weapon of seagoing naval aviation." Moreover, "its sole purpose is to extend and improve upon the usefulness and power of that weapon; it is not meant to supplant, it is meant to complement, other services."

As one of the Navy's most competent and war-seasoned airmen, Admiral Duncan considers it "ridiculous" for anybody to set an arbitrary limit on the size of carriers or to get excited over the Nimitz thesis that they might be used to deliver atomic weapons against vital enemy targets many hundreds of miles inland. As he sees it, if the size-worriers had had their way in times past, the United States would have third-class ships today. Further, what sense is there in resisting the idea of the Navy's extending its attack-reach if to do so will improve the security and over-all striking power of the Nation?

Admiral Duncan is not a static thinker. He is quite willing to admit that the grim art of warfare is going through a period of revolutionary change. Nor does he rule out the possibility—the seemingly remote possibility—that in another 15 years or so something like submarine-carriers may have to replace the surface type. For the present, however, he has his feet on the ground. He wants flat tops of any size required to do the job that needs to be done to keep America safe—the job of offense and defense, of being ready at all times to support expeditionary forces, seize outlying bases, fend off transoceanic attack, carry the fight to the enemy, and keep the supplies and manpower flowing overseas wherever or whenever necessary.

The Duncan view, in essence, is the view held by virtually all naval airmen. After 10 days of seeing them in action aboard the *Leyte*, a civilian observer, no matter what his preconceived notions, finds it difficult not to feel and believe pretty much the same way.

Men, Take Hold

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. FOOTE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. FOOTE. Mr. Speaker, it was my privilege on Sunday, February 29, 1948, to hear a sermon by the Reverend James Curtis Fahl, pastor of the Metropolitan Presbyterian Church, at Washington, D. C., his subject being Men, Take Hold. It deals with the problems of the day in a masterful manner. Under leave to extend my remarks in the Appendix of the RECORD, I wish to include the sermon of the Reverend Fahl, as follows:

MEN, TAKE HOLD!

Text: "For He has made known to us in all wisdom and insight the mystery of His will, according to His purpose which He set forth in Christ as a plan for the fullness of time, to unite all things in Him, things in Heaven and things on earth." Ephesians 1: 9 (revised standard version).

Events of the past week have caused many to search their hearts and to question the faith by which they have been living. Has our Nation been following an effective foreign policy since the cessation of hostilities? Can the democratic way of life stand up against the onslaughts of communism? Or have we simply seen a further demonstration of the ability of a disciplined minority to outmaneuver an undisciplined and apathetic majority? Certainly thoughts like these have run through the minds of many earnest Christians as they have learned of the bloodless communistic coup d'état in Czechoslovakia.

It was a vicious reminder to me of a conversation that I had with a former German soldier in the Saxony city of Bitterfeld in June of 1945. This big young man had lost a leg in the fighting on the eastern front so perhaps he did not have an unprejudiced mind where the Russians were concerned. Since he spoke English well and I understood a little German, we talked together several times in the drugstore where he worked. One day he said to me most earnestly: "If America and England are not very careful, Russia will be on the Rhine inside of 10 years." In the intervening 3 years, Russia has truly progressed a long way toward the Rhine. To straighten out her battle line she is now making demands upon Finland, the last of her neighbors from whom she has not gained the treaty rights she has desired. In such a situation what must be the response of Christian men and women?

As earnest Christian men and women, we may sincerely differ radically as to the necessary response. Dr. Wilbur LaRoe, Jr., moderator of our Presbyterian General Assembly, told 350 laymen and ministers on Friday night that "Our Christian culture is being threatened today as never before." Certainly, it is only the part of wisdom to recognize that we cannot be at ease in Zion. Opposed as any one of us is, instinctively—and for many of us through bitter experience, to a further trial of arms, we must recognize that such an outcome is not beyond the realm of the possible. Several months ago, a man high in the councils of our Nation—who had been given abundant opportunities for gaining knowledge upon which to make his observation made three statements to his colleagues in a closed meeting: (1)It is my firm convic-

tion that Russia does not want to fight soon; (2) I further believe that she is physically incapable of waging all-out war now, nor will she be able to do so in the immediate future; (3) but, after everything about Russia has been said, don't overlook the fact that Russia is partly Oriental and some day to save face, she might feel forced to fight.

To avoid such a possibility, should we as Christians then pull back behind our twin shore lines? On the face of it, any thinking man or woman would answer that query with a resounding "No." But we must remember that Let the Rest of the World Go By is a song whose sentiments are beloved by many Americans other than honeymooners. Despite the sometimes enchanting prospect of having no relationship with any other nations, it is a delusion at best that is worthy of our supposedly less-rational friends at St. Elizabeths and other mental hospitals. Isolation? The hard-headed realist must admit that there is no spot in America that is out of range of guided missiles which our probable enemies could conceivably construct and loose upon us. If matters of the spirit and the mind still appeal to us who have received the glorious heritage of freedom in America, then we cannot isolate ourselves from the sufferings and strivings of other peoples. Moderator LaRoe pleaded with us Friday night to be concerned about the 20,000 democratic, freedom-loving Poles who tried to flee from that dictatorship-ridden land, and who are now languishing in forced-labor camps and mines. He urged us to be sympathetic with the handful of Argentine students who recently published a manifesto of protest in which they asked for support to resist the efforts of the Peron government to dictate the course of study at their university. Isolation? No!

If not isolation, then what? At least two different responses can be made to the ideologies and nations that threaten our Christian culture. Conceivably, many people who are sincerely devoted to the cause of Christ, and actively endeavoring to live up to that cause, will choose each one. It would seem that many of the 2,000,000 Presbyterians (Reformed) in Hungary will adopt an attitude of acceptance and compliance toward the communistic government which has ruled that nation since early last summer. These Christians in Hungary and our Christian friends in Czechoslovakia, accustomed through long generations of being dominated, know that one can live a life of some usefulness despite unwelcome rulers. Making religion more a personal, interior, pietistic matter than we of activistic America can accept or understand, they can still be loyal to Christ according to their lights. Their faith is one reason why they can accept an unpleasant and antagonistic government. For they would accept with us the binding truth of Paul's statement to the church in Ephesus: "For He (God) has made known to us in all wisdom and insight the mystery of His will, according to His purpose which He set forth in Christ as a plan for the fullness of time, to unite all things in Him (Christ), things in heaven and things on earth." Who are we to insist that one can be a faithful Christian only if he can enjoy either the protection of the active nonintervention of a friendly government in his practice of his faith?

What then should be our response to the visible threat to our Christian culture? We cannot isolate nor insulate ourselves from it. Making our religion simply an interior matter of religious exercise and soul development and cultivation seems to be foreign to our nature. How about an active attack against these threats where we see them? Let us remember that the threat of our Christian culture of a completely secular and pagan culture is not confined to the efforts of communistic materialism under the sponsorship of the little men who make up the Politburo in Moscow. The seeds of decay of our Christian culture are present right here in America. Russia is simply more obvious in her attack upon our Christian culture. From recent events we should learn that the Communists mean what they say when they breathe out threats and slaughter. Twenty-nine years ago a rough young deputy headed the 30 Communists who had just been elected to the Czech Parliament. When Deputy Gottwald was asked what the Communists purposed to do now that they had received the recognition of public office, he replied in this fashion: "You ask what we purpose to do, I answer you that we mean to break your necks. I mean that literally, if we ever have the opportunity." Perhaps 29 years is not too long to wait for political triumph which enables the victor to become such a terribly accurate prophet. We should now be able to disabuse our minds of the easy fiction that there are different varieties and kinds of Communists. They all own one final allegiance and take orders from one headquarters. What can Christians do to effectively oppose the further encroachments in Europe which threaten to engulf the entire Western World?

As the best and simplest answer to the powers and persons who threaten our Christian culture, we can simply quit playing with being followers of Christ. In this line, the most significant promise our church has of truly going to work on this matter of being living witnesses for Christ lies in the newly organized national council of Presbyterian men. For generations we have unrealistically set aside the highest offices of our churches for our men and then they have been treated as purely honorary positions. During the late war, while I was serving in Europe with an armored division—and, incidentally wondering quite often what madness had led me to forsake the pleasures and comforts of my family—I received one letter from my wife which made a deep impression upon me. After telling me that I was missed daily, she wrote this: "But I know that you would be desperately unhappy if you were still here. This morning I looked around in church and the congregation was made up entirely of old people, mostly elderly women, and children."

Too often, that is the basic reason why our Christian witness is so ineffectual. There are not enough men sufficiently touched by the saving power of Christ to follow His imperious bidding to attempt great things for Him. It is, therefore, tremendously significant that this new Council of Presbyterian Men has been called into being under the permissive guidance of our dynamic and courageous moderator. February 12 to 14 will go down in Presbyterian annals as days of tremendous importance. During those days 370 laymen from every corner of our land met in the Palmer House in Chicago to organize the new council and elect its first officers, including Dr. Charles J. Turck, president of Macalester College, St. Paul, Minn. Moderator LaRoe sent the gathering off to a glorious start when he gave the keynote address the first night on the subject, What the Presbyterian Church Expects of Its Laymen. At the outset of his address, Mr. LaRoe said:

"We have come here for no light purpose. You and I are here because we are aware of what conditions are in the world and because we believe that the world is crying for spiritual leadership to rescue it from its present chaos and bring freedom and the abundant life to countless millions who have surrendered their freedom for bread or rice or who, without voluntarily surrendering their freedom, are nevertheless the virtual slaves of dictatorial governments.

"The alternatives which face us as we gather here today are so plain that we can all see them:

"1. Surrender to the dictators, which you and I will never do as long as there is a drop of blood left in our veins.

"2. War, that horrible un-Christian thing which produces such unspeakable cruelty and suffering and which often seems but to lay the foundation for more wars.

"3. The principles of the Christian religion. * * *

"The first thing that I would say to you as your moderator, therefore, is that you and I have got to take the church far more seriously than we have, looking upon each local church as a fortification on freedom's battleline, each minister as a general in the army of Christ, and each leading layman as an important officer in that army. * * *

"My second point, then, is that we must become convinced that our job is the building of Christian communities and that the church is the agency or instrumentality which we use to make more effective the building of Christian communities."

Men, take hold! Too long we have been content to think and act as though the church were composed of women, children, and a sprinkling of men. No war was ever won by a handful of men. We are engaged in a more desperate struggle today than at any time in our history. The Church of Christ calls out to the finest and strongest men that it has need of them. But these men need what the Church stands for, too. We all stand powerless in our own strength. It is our earnest faith that God in His wisdom purposes to unite all things in Christ. With that faith to sustain us, Christ to lead us, and the full unity of all men and women of good will as our goal, let us take heart and take hold. We need to quit fiddling around with being part-time followers of Christ. We simply cannot give Him sovereignty over a portion of our lives—reserving the rest for our selfish indulgences and self-satisfactions. To take the Christian faith seriously we need to outlive, outgive, and outbelieve those who would project ideologies and cultures that would destroy Christianity.

What we need is more men like Gov. Luther Youngdahl, of Minnesota. You who have Scandinavian blood in your veins and you who come from our great Midwest can be proud of this fine, stalwart governor. When he saw his State overrun by the gambling craze, he saw an opportunity for a tremendous housecleaning. The infamous one-armed bandits—slot machines to you—we don't follow the gambling vernacular, which were taking $7,000,000 a year from Minnesota were the object of his campaign. Early in the campaign in the legislature, the St. Paul Council of Churches sprang to his aid and through this council, the State Council of Churches got behind the campaign. The tremendous popular support of the Governor's antigambling legislations was so marked that the bills passed both houses of the legislature by overwhelming margins. Once the legislation was passed, it began to be strictly enforced. The Association of Sheriffs had the full backing of the Governor and his popularity so they cracked down wherever slot machines were found. One year after the clean-up Minnesota still has no slot-machines. The feeling is general in Minnesota that the slot-machines are out as long as Youngdahl is in. But Youngdahl is no negative person—as no true Christian is. His main aim is the enrichment of human lives. Agreeing with General MacArthur that our primary need is for spiritual regeneration, he believes this must take place through the home, the church, and the school.

The Governor has definite convictions about Christians. He believes that they must learn to work together. His second conviction is that Christians must apply their religion to life. Addressing the Minnesota pastors' conference not long ago, the Governor summed up his convictions in his closing words: "The church can have the kind of society it is willing to tolerate, or the kind of society it is willing to fight for."

This is a fight we are engaged in. Men, take hold, a good fight requires all the manpower that we can muster. This is our task—to live each day with the moral earnestness with which the reformed alcoholic prays, as he clenches his fists: "God, deliver me from alcohol for 24 hours." With that spirit, and abiding faith in God's rule, let us make each day a day for working and fighting that our Christian culture may stand up against all the onslaughts of all persons who would attack it.

Italian Immigration Quota Backlog Should Be Used Now

EXTENSION OF REMARKS
OF
HON. ROBERT TRIPP ROSS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. ROSS. Mr. Speaker, I have introduced a bill today which provides that the annual immigration quotas for Italy for the fiscal years 1949 and 1950 shall be increased by an amount equal to the unused Italian quotas for the past 10 years.

As is known, the Italian quota is fixed at a total of 5,802 immigrants a year—a quota which is less than that of any other of the European nations which have much smaller populations than that of Italy. During the war the quota was completely suspended. The suspension blocked the entry for permanent residence into the United States of approximately 34,000 Italians.

Because of the tragic conditions in which Europe finds itself, the United States has already liberalized its rigid immigration laws to help solve the pressing problem of the refugees. Legislation to permit additional large numbers of displaced persons to enter the United States is now under consideration. This bill would in a measure fall under this category and would give to Italian refugees the same facilities accorded to other refugees. The same humane considerations which have motivated the United States to open the doors of mercy of America to the disinherited who roam from nation to nation, should induce them to make the same gesture to the disinherited of Italy who go without any means from one region to another.

Among the resources of Italy, the greatest is her manpower which has raised the Italian worker to the pinnacle of productive ability. There are not fields of endeavor which the Italian worker cannot render fertile. There are not dangers which the Italian worker is not ready to meet with the audacity of the pioneer. For the Italian, work is a mission; better still, a religion to which he devotes himself with a fervor which has no equal.

Italians have been outstanding in the professions, but fundamentally they are workers, producers, and builders. American Italians have made notable contribution to the progress and growth of the United States. They are the best of citizens.

America is giving so much proof of seriously wanting to help Italy rehabilitate herself and take her place among the great democratic nations of the world. The proposed bill would contribute to integrate the program which America intends to carry out to help Italy and neutralize the diabolic influence which seeks to spread chaos in a nation of 45,000,000 inhabitants, which can render so many signal services to the cause of peace, to the order and security of the world.

The history of our country shows that the American people have had a phenomenal growth in the spiritual as well as the material, in the cultural as well as technical field because we have welcomed freedom-loving immigrants. By serving as a haven for these people yesterday, we helped ourselves to our fortunate position of today. By serving as a haven for them today, we will be strengthening our national democratic foundation for an even better tomorrow.

Let us admit now this relatively small additional number on the basis of using the backlog immigration quotas unused in the years of war. Let us be the first to welcome them, so that we will have the first choice of their skills and talents.

By permitting these additional Italians to immigrate to the United States, we will be helping our Nation's economy. The progress and prosperity of our country have always been inseparable from a growing population. Only by securing a substantial addition of fresh blood and new life will we insure the continued growth of our economy.

It is not proposed that immigration requirements be relaxed in any manner. Every applicant should be screened to prevent the infiltration of Communists. A preponderance of the admitted will be close relatives of American citizens of Italian origin. In all fairness and justice, and in the interest of the furtherance of Italian-American amity, this bill should receive favorable consideration by the Congress.

The Late Honorable Clarence Hancock

EXTENSION OF REMARKS
OF
HON. JOHN C. BUTLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 3, 1948

Mr. BUTLER. Mr. Speaker, it is with a deep sense of a great personal loss that I express my humble tribute to the life and character of my departed friend, the late Representative Clarence Hancock. It was my privilege and honor to know him and to have been associated with him. The people of New York State and the entire Nation lost the service of a true and able statesman when he answered the last call. Mr. Hancock served the Thirty-sixth District of New York with honor and distinction, and during his entire public service he kept the welfare of his constituency uppermost in his mind. He was held in the highest esteem by his colleagues and those who knew him well. He was one of the finest and noblest men it has been my pleasure to know. He was indeed a true and loyal friend and his memory will always be an inspiration.

Purchase of United States Patents by Russians

EXTENSION OF REMARKS
OF
HON. HENDERSON LANHAM
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. LANHAM. Mr. Speaker, it has been called to my attention that the Russians are still being permitted to obtain data on United States inventions.

The Congress has repeatedly requested that this information be denied the Soviets but for some unexplained reason it appears that it is still going on.

In this connection I am introducing into the Appendix of the RECORD a newspaper clipping by Edward Nellor and sent to me by Mr. Daniel Lee McWhorter, of Summerville, Ga. This article calls attention to the fact that the Reds can buy our patents but refuse in return to give us any information.

It seems entirely illogical and absurd when all the world stands in fear of the perfection of the atom bomb by the Russians, to permit them to have access to our inventions.

The article follows:

CONGRESS PROTEST IGNORED—REDS CAN BUY UNITED STATES PATENTS; GIVE US NO INFORMATION

(By Edward Nellor)

WASHINGTON, February 17.—Patent-hungry Russians still are raiding the American storehouse of industrial know-how with the latest order for data on United States inventions totaling 480, this reporter has learned.

Despite Congressional demands that the Reds be barred from buying United States patents for 25 cents each, the Department of Commerce continues to insist that present laws force officials to fill all Soviet orders which, according to a recent statement by Representative J. PARNELL THOMAS, Republican, New Jersey, often total 600,000 at a clip. The United States has received no patent information from the Soviets since 1927.

The latest order has not been completely filled, the Patent Office told this reporter. The order placed by the Four Continent Book Corp., of New York was honored to the extent of 80 patents, since the organization's credit totaled only $21.50. The corporation has been notified that its funds are exhausted and officials expect a new check to be forthcoming momentarily to cover the cost the remaining 400 patents desired.

The Four Continent Book Corp., exposed in March of last year as being sub-

sidized by the Soviet Government, masquerades as a rare-book importing firm. According to THOMAS, the corporation is engaged in "legalized espionage" and is a Red-front organization associated with AMTORG, the Soviet purchasing agency in the United States. A search of records at the time of disclosure showed that the corporation is registered as an agency of the Soviet Union and that vast sums of money reach it annually at the direction of the Kremlin. In one 6-month period last year $333,676 came from Moscow for the corporation's use.

One other subject is troubling the Office of Technical Service in Washington. This Bureau of the Department of Commerce handles patents and other technical reports, including declassified atomic-energy data, as well as wartime secrets wrested from the Germans and Italians. The Allies, with the exception of Russia, agreed to pool all of these discoveries. Blocking the Reds from sharing is difficult, the Office of Technical Service admits.

The Russians have already tipped their hand in circumventing the patent roadblock. Reports by the United States agency are printed once each month. A list of captured patents on foreign developments is available to anyone in the United States or in the other nations sharing in the program. The OTS states that it watches for requests from Reds for the data. "but you can't check every letter."

The number of patents and reports in the hands of American patent officials is staggering. Requests already have been made for 100,000 of them.

The atomic data, as it is declassified by the Senate Atomic Energy Commission, is transferred by the Office of Technical Information. Not all of this is released for publication by the OTI, but in most cases it is shared with Canada and Great Britain, codevelopers of the atomic bomb.

Salary Increase for Federal Employees

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

PORTLAND, OREG., *March 3, 1948.*
Hon. HOMER ANGELL,
Member of Congress,
Washington, D. C.

DEAR MR. ANGELL: I earnestly request you to support and vote for a salary raise for Federal employees when it comes up. I work in post office branch of the Federal service.

I am in hopes that we can make the goal of $1,000 per year increase without having the clause in a bill of a termination date for this increase in salary, like the one that was reported from the House committee which was a whole lot less than we should have of $1,000.

I believe that when high cost of living decreases to the extent justifying less salaries that should be time enough to think about any termination dates, or not any salary cuts unless by a bill and act of Congress.

I am sending with this letter a budget of our living cost. You can see for yourself that our present salaries are not anywhere near enough to keep up a home with a family and children in high school.

If it was not for my wife working my postal salary would not near meet the expenses, and I believe that there are many besides myself that has the same problem.

I believe that $1,000 is not too much to ask under the present living.

I again request you to do all in your power to bring about for passage of no less an increase above mentioned.

Yours very truly,

———— ————.
Clerk, Post Office, Portland, Oreg.

P. S. It is also my wish for you to show this budget to other Members of the House, whoever is against this amount of increase it might change their minds.

BUDGET

	Per month
Payments on home	$51.00
Groceries	95.00
Telephone	3.74
Electric (average)	8.50
Clothing (average)	15.00
Transportation	10.00
Paper	1.50
Music for children	3.50
Fuel	10.00
Milk	8.50
Car expenses	15.00
Payments on personal loans	27.70
Insurances, all types	26.95
Taxes on home	8.60
Miscellaneous	15.00
Total	299.99
My salary after Federal deductions (not including State income tax)	248.00
My wife's	83.60
Total salaries	331.60
Expenditures above	299.99
Balance left of 2 salaries	31.61

This leaves only $31.61 balance with both of us working and part of that is spent.

Social Security in Reverse

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 4, 1948

Mrs. DOUGLAS. Mr. Speaker, we passed a resolution last week, House Resolution 296, which should have been entitled "Social Security in Reverse."

The Washington Post and the St. Louis Post-Dispatch have this to say about the bill the Republicans offered to the House. The Eightieth Congress has broken faith with the promises made in campaign platforms on the all-important subject of social security.

Under premission to extend my remarks in the RECORD, I include the articles:

[From the St. Louis Post-Dispatch of March 1, 1948]

TURN THE CLOCK BACK?

By more than 5 to 1, the House has voted to exclude 500,000 to 750,000 workers from social security. The affected employees include door-to-door salesmen and persons who do piecework for industry in their homes—some of the least secure Americans against the hazards of unemployment and old age.

The House resolution purports to maintain the status quo, which led Representative HELEN GAHAGAN DOUGLAS to say: "We never need legislation to maintain the status quo. Legislation is required only to create change, which may be either forward or backward. * * * I have grown accustomed to the sight of this Congress turning back the clock—crippling where they dare not repeal, boring away like termites in an effort to undermine the progress of the preceding 14 years."

This highly industrialized and urban country is beset by lurking terrors of individual insecurity. Social insurance is one of the costs of maintaining such a society. It is also a stabilizing force and a source of purchasing power to prevent another collapse like that of 1929–33.

The House brushed all this aside. It is up to the Senate, which has shown much less desire to turn back the clock, to defeat the resolution.

[From the Washington Post of March 5, 1948]

SOCIAL SECURITY

The Gearhart bill, passed by the House on Friday, would have the effect of denying protection under the old-age and survivors' insurance program of the Social Security Act to about 500,000 to 750,000 employees and their dependents whom the Supreme Court recently held to be entitled to such protection. The employees involved are so-called outside workers—salesmen and others working on a commission basis or under contract—who, although perhaps not employees in the narrow, old-fashioned sense of the term, are, nevertheless, dependent upon employers for their livelihoods. The pending bill would nullify the Supreme Court's decisions and invite endless litigation over definition of the term "employee" in respect not only of the Social Security Act but doubtless of the Fair Labor Standards Act as well.

The expressed purpose of the bill, according to its title, is "to maintain the status quo in respect of certain employment taxes and social-security benefits pending action by Congress on extended social-security coverage." It would do this by excluding from coverage anyone who is not an employee under the "usual common-law rules applicable in determining the employer-employee relationship." But, as the minority members of the Ways and Means Committee pointed out in their report, the title is grossly misleading; so far from maintaining the status quo, the measure would deny coverage to persons assured it by judicial interpretation of the Social Security Act.

This would be a contraction of the act running directly counter to the expansion of its protection which Congress ought to legislate without any more delay. As President Truman said when he vetoed a similar bill last summer, it "proceeds in a direction which is exactly opposed to the one our Nation should pursue. * * * We must not open our social security structure to piecemeal attack and to slow undermining. We must, instead, devote our energies to expanding and strengthening that system."

The Republican Congress Has Failed the People

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 3, 1948

Mr. SABATH. Mr. Speaker, under leave to extend my remarks in the RECORD, I insert an address I made over radio

station WIND, in Chicago, Ill., on Friday, February 27, as follows:

Good evening, ladies and gentlemen, from time to time it has been my privilege to speak to you over the facilities of this station for the purpose of reviewing the trend of our national affairs.

As I do so again today I want to frankly emphasize the vital importance of the election of 1948. Seldom, if ever, have such crucial issues hung upon the decision of the people as those which will be resolved by your votes next November and intervening primary elections.

Speaking out of an experience in our Nation's Capitol that goes back for 42 years—longer than that of any other Member—I say to you solemnly that the citizens of our country, through the exercise of their privilege of franchise, hold in their own hands the power to determine not only their own well-being during the next 4 years, but the future state of our national economy and the peace of the world as well.

Some political sage once remarked that the people always get the kind of government they deserve; in other words, that the character of government reflects the interest or the neglect of their own welfare shown by the people in the only manner or means at their command, namely, through the ballot.

When voters fail to vote, when they do not make use of the sole weapon in their possession to influence the conduct of their public servants, they surrender the field of battle to their enemies. When the people fail in their duty to themselves then the special interests, the monopolists, the economic robber barons, the foes of labor and their army of lobbyists move in to take control away from the average man.

The present Congress is a perfect example of this truth. In the first place, the Republican majority came into control of both Houses by a vote of less than one-third of the electorate. Just think of that. At the last congressional election in November 1946 there were more than 91,000,000 potential voters in the United States, yet the fact is that only 34,000,000 voted. This means that more than 57,000,000 did not vote. This shameful neglect of citizenship responsibility explains—but it does not excuse—the conduct of the present Republican Congress. This is government by minority—supremely contemptuous of the will and rights of the majority of people.

The Republican Congress stands indicted today by its own record. It has consistently flouted the public interest. It has refused to legislate inflation controls to reduce the high cost of living. It has failed to stamp out the hoarding, black marketeering, and profiteering that blocks the construction of adequate, decent low-cost homes. It has failed to enact public-health laws that would help the average family meet medical and hospital expenses. This record of the Republican Congress was written, mind you, in the face of the Republicans' promises in 1946 to remedy all those conditions.

Instead of enacting a program of relief of the people, the Republican Congress has enacted the Taft-Hartley slave-labor bill. It passed the Knutson bill—drafted and forced through the House by big business. This Republican tax bill will put from $25,000 to more than $100,000 into the pockets of persons with very large incomes. But the only benefits to the litle fellows, with meager incomes of $2,000 or less, will be a mere $38 a year. This is one example how the Republican Party is betraying the average citizen. If they could be fair with the people, they would have passed a bill that would afford relief to those that need and deserve it most instead of giving it to the wealthy that need it the least.

REPUBLICANS ASSURED AMERICAN HOUSEWIVES REMOVAL OF PRICE CONTROLS WOULD REDUCE PRICES AND ELIMINATE BLACK MARKETS

And here is another even greater act of betrayal: During the 1946 campaign the Republican Party promised and assured American housewives that the removal of price controls would bring about an ample supply of meats, foods, and other living necessities at reduced prices and eliminate the black markets. They promised that private builders would be able to construct low-cost homes for exservicemen and hundreds of thousands of others in need of decent living quarters. You radio listeners know those promises were not kept; in fact, prices and the cost of living have increased by over 30 cents on every dollar since 1946.

President Truman, on the other hand, heeding the plight of the consumer, called the Eightieth Congress into special session and presented a 10-point program to relieve the cost of living—providing for the reenacting of the OPA and rationing in order that those of low incomes would not be deprived and prevented from obtaining needed foods and necessities of lifre.

Up to this time the Republicans did nothing to relieve the deplorable situation, except that some of their leaders suggested the people eat less, but instead authorized the manufacturers, producers, and big business to enter into voluntary agreements to control prices. It seems ridiculous to me to expect industry to voluntarily reduce their great profits. It is like the owner of a flock of sheep relying on a pack of wolves to protect them.

Yes; and at the same time they are exempting combines and corporations from the Sherman Anti-Trust Act, which will further encourage them to control and fix their prices to their heart's content.

BUSINESS ENJOYING ITS HIGHEST PROFITS AT THE EXPENSE OF 18,000,000 WHITE COLLAR WORKERS

In the meantime, the trusts, combines and industrial czars have and are enjoying an orgy of the highest profits in their existence at the expense of the consumer, particularly the 18,000,000 white-collar workers in this country earning $25 a week or less, the pensioners and others living on modest fixed incomes who are suffering the most. These men and women and their children are being deprived of a decent living and are being forced to exist on the barest and poorest of foodstuffs and necessities because they cannot afford to pay the high prices, while the profits of industry have skyrocketed as much as 50 to 100 percent during 1947.

Again during the current session the President urged relief for the American consumer, and again the Republican majority refused to take action. But the President's firm stand for an investigation of speculators and gamblers in grains and other foodstuffs finally resulted in the first break in the market. A few of these reductions have been temporarily passed on to the consumer, but there is no assurance that prices will go down to reasonable levels unless Congress will act, and, up to this day, the Republicans have not indicated that they intend to reduce the high cost of living or act against another rise in exorbitant prices.

COMPARE PRESENT-DAY PRICES WITH THOSE OF 1946

I invite you to compare present-day prices with those of 1946 on all kinds of meats, butter, milk, cheese; yes, on all foodstuffs as well as wearing apparel, shoes, and other commodities that the Republicans and the National Association of Manufacturers promised would be reduced.

The Republican Party has again proven that its platform pledges and campaign promises are worthless. They promised that so-called free enterprise and the natural law of supply and demand would eliminate the black markets and relieve the consumer. But instead they made a holiday for the professional manipulator, the speculator, and the hoarder. They opened the way and have encouraged a greater black market in steel, lumber, textiles, and in almost every major industrial field that existed under OPA. Actually free enterprise is not free. The distribution of commodities and materials, and their prices, are controlled by the big manufacturers and manipulators but, the small independent businessmen, who cannot afford to pay the unreasonable black market extra-profit charges, are frozen out of the market along with the average consumer.

The Republican Party's promises that "free enterprise" would be able to break the bottleneck in housing construction has been proven as false as all the rest of its promises. They bottled up the Wagner-Ellender-Taft Housing bill for nearly 2 years, which would make possible the building of low-cost homes on a large scale. And the Republican bankers have further restricted the construction of homes by demanding a higher rate of interest under title 6 of the Housing Act.

With no issues to go before the people, the Republicans are resorting to badgering politics in trying to mislead and confuse them by labeling and smearing every Democrat and Progressive with being a Communist. Instead of legislating relief from high prices so that people can buy sufficient and decent food, they are only interested in the big financiers and industrialists who have and are contributing lavishly to their campaign funds to enable them to repeat their deceptions of the 1946 campaign. But the people are awakened and by their votes, I am confident, will rebuke them in the coming election.

There you have the record of the Republican betrayal of the people. Now you know how little Republican promises are worth. I feel that the citizenry owe it to themselves as well as to the country to drive out of office all those Republicans who have shamefully betrayed them. They should start to register so that they will be in position to vote at the next election to elect men who have proven that they can be trusted and who will not lead them astray as they were in 1946 by the Republicans who are controlled by the avaricious Wall Street combines, trusts, and war profiteers who, in the last year—yes, in the last year alone—have extracted from your pockets $27,000,000,000 in profits, or nearly $200 from every man, woman, and child in the United States.

Hold That Crimson Tide

EXTENSION OF REMARKS

OF

HON. J. VAUGHAN GARY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. GARY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article printed in the January 1948 alumni bulletin of the University of Richmond, Richmond, Va.:

HOLD THAT CRIMSON TIDE

(By J. VAUGHAN GARY, '12, Congressman, Third District of Virginia)

You and I have an expression we sometimes use when we want to give emphasis to an opinion: "I'll tell the world."

That's what you and I, Mr. and Mrs. America, need to do today. Tell the world about the American way of life. Of free enterprise. Of equal opportunity. Of all the blessings that are ours in this land of the free.

Unfortunately, that is exactly what we are not doing. Like so many clams on the seashore, we remain mute while on another shore the exponents of another way of life, a political and moral philosophy foreign and repulsive to most of us, are sending forth a mighty chorus of propaganda and misstatement.

Unless the Voice of America is heard abroad—and soon—Russia will win, hands down, the cold war which is being waged relentlessly behind the iron curtain. And if Russia wins that cold war, we will have to fight with bombs and bullets in a World War III that will be more horrible than any holocaust the mind can imagine.

We must tell the world about America. We must combat Russian propaganda about our dirty capitalistic system with the true story of free enterprise, with accurate word pictures of the living conditions of free American citizens. If we can get the truth to the peoples of Europe we can hold back the tide of Russian domination. If we let the Communist program of misrepresentation and vilification go unanswered, all Europe will be in the embrace of the Russian bear.

During the current session of Congress I shall do everything in my power to win converts for the State Department's information and cultural program. I shall insist that we appropriate not less than the $31,000,000 asked last year to carry the Voice of America into oppressed nations of Europe. When the Congress last year cut the recommended $31,000,000 to $11,000,000, it for all practical purposes made an appropriation of $20,000,000—the amount saved—to the Russian Communist Party.

We must stop kidding ourselves. There's nothing subtle about the Russian way of spreading its dominion. The plan follows closely the pattern executed by the late and unlamented Adolf Hitler. The Soviet plan is simply to stir up strife and create chaos in smaller European nations, one after the other. Then, having created the chaos, the Russians make use of this unrest as an excuse for moving in. Doesn't that sound familiar?

Although the Russian intent is obvious, doubly obvious to persons who were privileged as was I to visit in Europe this summer, we in America are making little or no effort to curb the Red tide which is sweeping the Continent. And, let me emphasize this, whatever we do, if it is to be effective, must be done now. The United States must exert her leadership in bringing light into darkest Europe and in bringing food and warmth to peoples which are pitifully hungry and cold.

I visited 10 European countries this summer as a member of the House Appropriations Committee's Subcommittee on the State Department. Although the purpose of this trip was to visit United States embassies rather than to study economic conditions, I was constantly brought face to face with conditions of abject poverty.

These conditions applied even to our cousins in England, those conquerors who have not yet tasted the fruits of victory. For them I have only admiration and affection. Living frugally amidst the rubble of war, they are accepting their hardships with courage and are rigidly enforcing their rationing system. I was told there was no black market in England and I believe that statement to be true.

I saw nothing alarming in the "social experiment" in England. As a matter of fact, the nationalization of industry had not proceeded as far as I had been led to believe. As an American long accustomed to public ownership of utilities, and rigid control of other utilities not actually owned by the Government, I found nothing shocking or even revolutionary in the English program. The British frankly described Government ownership of the coal mines as an "experiment" prompted by the extreme shortage of this most necessary fuel and the inability of owners, because of lack of funds, to modernize the mines and step up production. There was no evidence of any intention to expand the program but, to the contrary, elections held while we were in London indicated a trend in the opposite direction.

Coal and steel hold much of the answer to the riddle of European recovery. But two other twins, hunger and despair, may crush Europe before the giants of the earth can produce the goods which will bring prosperity. In the Ruhr Valley, one of the world's richest industrial areas, I literally saw the spectre of hunger. The British are doing as good a job as they can under the circumstances, but it is not good enough.

It is true that 152 out of 157 coal mines which were in operation prior to the war are now being worked. But it is equally true, appallingly true, that production is only 30 percent of normal. Similar conditions exist in the steel mills. I saw men doing manual labor, the hardest kind of manual labor, who were weak, emaciated, actually cadaverous in appearance. I talked to one gaunt steel worker who told me he was 40 pounds underweight.

Give them food and the workers of the Ruhr and other hungry European countries will step up production almost to the prewar normal. If they remain hungry they will remain inefficient. Absenteeism will increase. So will the accident rate. Aside from the humanitarian motive, it is sound business to feed the starving.

Let me say, in passing, that I have no illusions about the Germans. They are by nature a militaristic people. Let them work. Make them work—but don't permit them to rebuild their war industries. I am in thorough sympathy with the French fear of German military resurgence and in accord with their insistence that the German Nation never again be permitted to build instruments of war.

Space limitations will not permit me to touch, other than hurriedly, on conditions I found in other countries visited by the subcommittee. In Italy I was assured by responsible spokesmen for the Government that "Italy will never go Communist, for the same reason the United States will never elect a Huey Long to the Presidency."

Although we have no Ambassador in Spain and do not recognize the Franco government, we maintain an embassy there. This Nation escaped the ravages of war and at the present time is engaged in a building program more extensive than that of any other nation visited by us.

Recovery would not be difficult in Turkey and Greece but for the fear of Sovietism, which is forcing these nations to spend 50 percent of their income for defense.

In conclusion, as one who has seen at first hand the effect of communistic doctrine on a weary, a hungry, and a misinformed Europe, let me urge that we make the voice of America heard in every land and that we bolster our story of prosperity with visual evidence—food for the starving. In this critical time in our history we cannot afford to do less.

If we would save ourselves, we must first save Europe.

Clarence Hancock

EXTENSION OF REMARKS
OF
HON. VITO MARCANTONIO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. MARCANTONIO. Mr. Speaker, Clarence Hancock was one of our ablest Congressmen. He had earned the respect of all of his colleagues irrespective of their political affiliations. Further, he was a good friend. I was fortunate to count him as my friend. I shall always remember his friendship as one of the most cherished rewards that I have received out of my service in the House of Representatives.

Palestine

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. FOOTE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. FOOTE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to include the following editorial from the New Haven (Conn.) Journal-Courier, a newspaper founded in 1756, dealing with the present situation in Palestine:

A TOUGH DECISION

The technically sound but practically indecisive United States position on Palestine, as stated by Delegate Austin, can mean only one thing; asking a restudy by the Security Council indicates that President Truman still stalls in agonized indecision. This country, the statement said, will not impose partition by force, but will join in any United Nations effort to safeguard international peace and security.

There seem to be only three courses open now. The first and most obvious is enforcement of the partition decision, made largely through United States influence. The second is a continuation of UN trusteeship. The third is abrogation of the partition and reopening of the whole question, which would be to "eat crow," appease the Arabs and set in motion violent political repercussions.

There are considerations of policy and politics beneath the surface of the major powers' attitude toward enforcement. This Government, for example, has to think about such things as the oil that the Arabs sell us, and the possible result of Soviet participation in enforcement. It must weigh the demand for lifting the embargo on arms for the Jews against the opposition to such shipments by Britain, which is still the mandatory power.

But these considerations, and those of other countries, seem trivial compared to what will happen to Palestine and the UN if partition is not enforced. It is quite evident what will happen if nothing is done. The Jews will have a bad time of it, even if they are supplied with arms after the British leave. They will be greatly outnumbered by an international army of invading Arabs.

UN prestige will receive a heavy blow. The Palestine question finally found Washington and Moscow in agreement. That was encouraging. But if the UN is to bow before the first challenge of its first major decision, it may collapse like the League of Nations—only much faster.

It seems certain that the blustering Arab front would dissolve before any concerted show of power. By modern military standards, the Arabs' equipment is primitive. Their threats and saber-rattling are directed toward the nations that are their best customers. It is unlikely that, in a showdown, they would want to cut themselves off from their major source of revenue.

But any enforcement action must come through the UN. If individual governments should intervene, the present suspicions and ambitions would increase. They might sow the seeds of World War III. So there is only one choice. The UN must act, and act quickly.

We are not informed as to whether the UN has considered Sumner Welles' recent suggestion that a Palestine force be formed from the regular establishments of five or more intermediate or smaller nations. This solution, if practicable, would solve one United States difficulty—that our currently reduced forces are not adequate to send a sizeable contingent to Palestine. But whatever the Security Council's decision, it must be made quickly and it should be a courageous one. Further indecision and stalling can hardly mean anything but loss of face for the UN, division of opinion at home and a greater embroilment of clashing interests in Palestine.

Gasolines and Motor Fuels

EXTENSION OF REMARKS
OF

HON. JOHN W. HESELTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. HESELTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter from C. E. Paden, president, Lubri-Gas International, Inc., and an article from the National Petroleum News of December 17, 1941:

LUBRI-GAS INTERNATIONAL, INC.,
Chicago, Ill., March 3, 1948.

Hon. JOHN W. HESELTON,
House of Representatives,
Washington, D. C.

DEAR SIR: I have just noted a news item concerning your ideas regarding premium and regular grade gasolines and motor fuels, as well as the changing of motor oil every thousand miles or so. I want to compliment you on the fact that I think you have started an idea and proposition that should be thoroughly investigated—and the public thoroughly and fully advised concerning gasolines.

Without a question the biggest graft that has ever been put over on the American public is ethyl gasoline. No one could have put it over but the Standard Oil Co., and the only difference between ethyl and regular, if you get the truth of matters, is that in perhaps 15 or 20 percent of high-compression engines in automobiles, leaded gasoline will prevent the knock. However, if this percent of automobiles were properly timed they would not need ethyl. You are quoted as saying in the news article that I read, "Information from industrial sources show that premium is no better than regular for ordinary driving, and actually worse on hills." Oftentimes ethyl lead gas causes a chemical reaction in the fuel to which it is added, and actually makes for a poorer gasoline so far as quality and mileage are concerned.

To give you an idea of some of the graft and unfair charges connected with the Standard Oil Co. and the ethyl-lead proposition throughout the country—all through the OPA set-up the OPA permitted oil dealers to sell ethyl gasoline at a premium price, but there never was any genuine ethyl in any pump in the United States. Oftentimes there was no lead in the gasoline. There is a lot of gasoline being sold in the United States under the name of ethyl that is not genuine ethyl gasoline.

We ourselves use gasoline to convey lubricating oil to the piston rings and cylinders, and when we add our oil to the gasoline, which may be regular, ethyl, or Diesel fuel, we do not in any way change the specifications of the gasoline. But through lubrication, which is carried to the working parts of the engine by the fuel, we do, of course, give the consumer more for his money.

I have had Lubri-Gas for over 30 years. Since 1925 the Standard Oil Co. and the Ethyl Corp. have learned that by simply taking lead they could make from 1 to 1½ cents per gallon more on their gasoline. Years ago the public would not pay the price to suit these oil companies, so they put 1 cubic centimeter of lead into all gasoline, and this was known as Q gasoline. A lot of gasoline today contains lead, but the refiner uses this lead to bring his gasoline up to a regular grade, or a premium grade. He should not be allowed, and no retailer should be allowed, to charge a premium price, because a chemical, which in this case is lead, is added to the gas to make it conform with specifications of their competitors.

If all gasolines were the same when they were made, and then if the refiner wished to add something of value, or use the gas to carry something to the engine that would be of value, then he would be entitled to make a reasonable charge for it.

Now the major oil companies have two sources of supply for lead—the Du Pont Co., who have always manufactured the lead up until January 1, 1948, for the Ethyl Corp., and the Ethyl Corp. The major oil companies are taking down the name "ethyl" as trade name and setting up their own grades, leaving the independent refiner handicapped, because he will have to continue using ethyl as a premium name. If the public knew that this name "ethyl," and the name of the major oil companies, was just a name they were paying for, they would save millions of dollars yearly.

The value of high-octane gas in automobile engines today is absolutely nil, as any car manufacturer will testify. Ask any car manufacturer if the car he builds must have premium gas to operate, and he will tell you "No." They will operate on any grade of gasoline. You never see any of the automobile factories advertise. Finally the use of lead in any gasoline is very injurious to the working parts of the engine. I think the Society of Automotive Engineers would tell you that the use of Ethyl gasoline causes corrosion, causes a scale and crust around the valves causing them not to seat properly, and in many cases if there is too much lead in the gas, actually will destroy the working parts of the engine.

We have consistently fought the use of lead and leaded fuels, but we are not able to tell the public that they are being defrauded when they are buying premium gasoline. You understand that in aviation engines, high-octane gas is O. K., yet our Government did not allow the training schools of our Air Corps the price to buy premium gasoline. After all, when you come to figure the actual B. t. u. values of the fuel, there are no more miles in a gallon of gasoline than there is in a gallon of kerosene, but our carburetors do not handle it so easily, and the American public wants to get started in a hurry.

You will not get the oil companies to inform the public concerning the difference between regular and premium gasoline. It will take an announcement of some kind about gasoline through our Bureau of Standards, or something, to get the public to stop wasting their money.

I have a lot of material along this line, and if, at any time, it would be of value to you, same can be prepared and submitted to you.

Yours very truly,
LUBRI-GAS INTERNATIONAL, INC.,
C. E. PADEN, *President.*

[From the National Petroleum News of December 17, 1941.]

65-OCTANE GOOD 'NUFF TO RUN MANY LATE MODELS, OPA SAYS

"Many late-model cars can operate without undesirable knocking on gasoline with an octane rating as low as 65. Third-grade gasoline with an octane rating as low as 60 is quite satisfactory for older cars, and for several of the latest models."

This is the opinion of engineering consultants to the Consumer Division of the Office of Price Administration, which has issued the following press release:

"The Consumer Division of the Office of Price Administration today branded as exaggerated and misleading the recently circulated contention that reduction of the octane rating of regular gasoline from 75 to 70 would reduce gasoline mileage by as much as 10 percent.

"Engineering consultants of the Division termed 'particularly absurd' the statements that such an octane reduction would for the country as a whole increase gasoline consumption by 5 percent.

"The estimates of the industry that a reduction of regular gasoline from 75 to 70 would cost $250,000,000 should be turned around, engineers of the Consumer Division report. Motorists are now wasting millions of dollars every year in burning higher-grade gasolines than are required by their cars.

"They point out that octane ratings for most regular gasolines were increased from 70 to 75 within only the last 3 years. Only a few of the latest models require a gasoline with an octane rating as high as 75.

"In a very few cases a simple and inexpensive change in ignition timing would be required to eliminate objectionable knocking on 70-octane fuel. If this adjustment is correctly made, the resulting loss of power and economy would be too small to be detected by the drivers of these cars.

"Most cars will operate as efficiently on fuels with a 70-octane rating as they do on higher-octane fuels. Many late-model cars can operate without undesirable knocking on gasolines with an octane rating as low as 65.

"Third-grade gasolines with an octane rating as low as 60 are quite satisfactory for older cars, and for reveral of the latest models.

"Gasoline with an octane rating higher than needed by the car will not give added power or improved car performance in any respect, engineers state.

"Our tanks and military planes will require large quantities of gasoline with high octane ratings. This means that there will be a heavy war demand for high-grade gasoline and the tetraethyl lead used to increase octane, or antiknock quality, in gasoline.

"In addition, two materials—chlorine and lead—used in the manufacture of tetraethyl

lead are scarce, being in wide demand for essential military and other defense uses.

"Motorists may help relieve the pressure on tetraethyl supplies by avoiding the use of gasoline with octane ratings higher than necessary, the Consumer Division points out.

"A slight amount of 'pinging' on rapid acceleration or under heavy loads on hills is not harmful to a car, Division engineers comment. In fact, auto mechanics often listen for a slight 'pinging' to indicate that the spark is adjusted to give maximum gas mileage."

Address of Hon. William E. Borah, of Idaho, on January 7, 1938

EXTENSION OF REMARKS
OF
HON. W. J. BRYAN DORN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Friday, March 5, 1948

Mr. DORN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered in the Senate of the United States by Senator Borah on January 7, 1938:

Mr. BORAH. Mr. President, this measure, in a slightly different form but embodying the same principles, came to this body about 25 years ago. At that time I was a member of the Judiciary Committee of the Senate and was appointed by the late Senator Nelson, chairman of a subcommittee to pass upon the measure, particularly its constitutional features. I shall not at this time go into the history of the action of the committee at that time. It may be necessary to do so later in order to throw light upon some features of this matter. It is sufficient now to say that I reached a conclusion as to the merits of the bill, which conclusion I still entertain.

Heretofore I have confined my remarks upon this bill largely to the question of its constitutionality. Those questions still interest me, and probably I shall discuss them later. Today, however, I desire to address my attention for a time to the policy involved in this measure. Assuming for the purpose of the argument that we have the constitutional power to pass such a measure as this, I desire to invite the attention of the Senate to the wisdom of doing so. I think it only a little less important, perhaps no less important, than the constitutional question itself.

Notwithstanding anything that has been said or that may be said to the contrary, this is a sectional measure. It is an attempt upon the part of States practically free from the race problem to sit in harsh judgment upon their sister States where the problem is always heavy and sometimes acute. It is proposed to condemn these States and the people in them because it is claimed that they have failed properly to meet and adjust this most difficult of all problems. No more drastic condemnation could be offered by a measure than that which is offered by the measure now before the Senate.

It proposes to authorize the national Government to enter into the States, and to take charge of and prosecute as criminals the duly elected officials of the States, from the governor down. It proposes that the Federal Government shall be the sole judge of the guilt or innocence of State officials.

In my opinion that requires a review of some unfortunate history, and the recalling of some unpleasant facts. These States are not to be pilloried and condemned without a full presentation of the nature of the task which fate and circumstances imposed upon them, and not without a complete record as to the weight and difficulty of the task, what has been done, and with what good faith it has been met. I shall contend that the southern people have met the race problem and dealt with it with greater patience, greater tolerance, greater intelligence, and greater success than any people in recorded history, dealing with a problem of similar nature. Let us inquire what it is that the South has had to do, how it has done it, and what reason there is now, after 70 years of great effort, to pass censure or condemnation of those great States and that great people.

Paraphrasing the language of one of the most eloquent of men, when the Confederate soldier pulled his gray cap over his brow, and lifted his pallid and tear-stained face for the last time to the graves which dotted the hills of old Virginia, and started on his slow and painful journey home, what was he to find? What were the problems, what was the task, what were the conditions which confronted him? His home was destroyed, his plantation devastated, his help gone, his money worthless, his civilization imperiled. This was the condition in addition to the other problem with which we are more particularly concerned today, and which confronted the South as it entered upon its great task of rebuilding.

I shall not go into details as to the reconstruction period. I recall it sufficiently and only that we may understand something of the antecedents of this problem and something as to the good faith and the ability with which it has been met. I recall a single instance in the way of illustration. When Congress met in December 1865, the then leader of the House—perhaps the most complete master of the House of Representatives that history records—Thaddeus Stevens, outlined the program with reference to the then pending situation. Among other things, he said:

"The future condition of the conquered power depends upon the will of the conqueror."

He said further that the conquered provinces were to be admitted as States—

"Only when the Constitution has been amended so as to secure the perpetual ascendancy of the party of the Union"—

The Republican Party—

"Every government is a despotism. * * * The Constitution has nothing to do with it [the program]. * * * I propose to deal with you [the South] entirely by the laws of war. * * * The conquered people have no right to appeal to the courts to test the constitutionality of the law. The Constitution has nothing to do with them or they with it."

Thus they were to take up the work of rebuilding and of carrying the race problem with the threat of having all constitutional guaranties withdrawn.

Mr. President, I have always felt that in many respects the reconstruction period is the most regrettable page of American history. Had Abraham Lincoln lived through his second term, it probably would have been the most readable page, one of the noblest pages in all history. It would have been characterized by wide sympathy, by breadth of understanding, and by that wisdom which flows from the heart as well as the brain, which passeth all understanding. It would have been free from that blind partisanship which disregards constitutions and constitutional limitations as well as national honor and national unity.

A short time before the Great Emancipator was removed from the scene he had outlined his views on reconstruction. What a different story would have been written had those views prevailed. What a different national life would have been lived had those views obtained. But before his body had reached Springfield the committee had met and had determined upon the complete rejection of the entire policy theretofore announced by the dead President. Ben Butler's views superseded those of Abraham Lincoln; and a more tragic thing could not happen in a crisis confronting a nation. These measures with reference to reconstruction therefore were written from the standpoint of partisanship not unmingled with a desire to punish.

The measure now before the body embodies the same principle upon which those measures were founded. The same arguments are made in support of the pending measure, to wit, that the southern people are to be distrusted and are incapable of local self-government.

We know now what those measures in those days did. They retarded and frustrated the coming together of the people of the different States. They gave us the solid South. They separated us politically, which separation continues until this day. They implanted a sense of bitterness in the minds of those people, not because of what had happened upon the field but because of what happened in Congress.

It is not in the interest of national unity to stir old embers, to arouse old fears, to lacerate old wounds, to again, after all these years, brand the southern people as incapable or unwilling to deal with the question of human life. This bill is not in the interests of that good feeling between the two races so essential to the welfare of the colored people.

Nations are not held together merely by constitutions and laws. They are held together by mutual respect, by mutual confidence, by toleration for conditions in different parts of the country, by confidence that the people in the different parts of the country will solve their problems; and that is just as essential today as it was in 1865 and 1870.

In the beginning, Mr. President, I reject the pending measure as fundamentally not in the interest of the white people of the South, not in the interest of the black people of the South, not in the interest of national unity nor of national solidarity, not in the interest of eliminating crime. History has proven that it will be a failure, and those who suffer most will be the weaker race.

Mr. President, the race problem is the most difficult of all problems, and, in addition to the conditions which I have outlined briefly, the southern people had placed upon them the race problem under circumstances and conditions never before experienced by any people, so far as I know, in recorded history. In addition to and on top of all other problems the South had to grapple with the race problem. How well has it dealt with it?

At the close of the Civil War there were a little over 5,000,000 white people in the South; there were 3,500,000 Negroes. In Mississippi there were 100,000 more colored people than white people. In South Carolina there were something like 150,000 more colored people than white people. There were the two races, living upon the same soil, now equally free under the Constitution, one of them untrained and unschooled in the affairs of state, and untrained in citizenship. The problem had to be met. Was it easy of solution? Can one conceive of a more difficult problem placed before a people? I wish we could place ourselves in their position. It will help us to be sympathetic, sane, and just.

I call attention to some facts which lead up to the question of lynching. History shows that in the North in 1889, 1 Negro in every 185 was in jail; in the South, 1

in every 446. In the North the percentage of Negro prisoners was six times as great as that of the native whites, in the South four times as great.

Monroe S. Work, of Tuskegee College, has said:

"There is a much higher rate of crime among the Negroes in the North than in the South."

That speaks volumes for the southern Negro and no less for the whites.

Professor Johnson, of Fisk University, has said:

"The rate for Negroes is much higher in the Northern States than in the Southern States as to crime. Judging by the figures alone, for a 10,000-Negro population, the commitments were 88 in the South, 283 in the North."

In a volume entitled "Negro Housing" published in 1932, I find the following:

"The extent of property ownership by Negroes has in the past been greater in the South than in the North."

It will be disclosed that in some of the Southern cities the percentage of Negro ownership of homes runs as high as 45 percent of the Negro population; in other places as high as 30 to 39 percent of the Negroes own their own homes.

In a bulletin issued by the Department of Agriculture in 1930 we find the statement that the value of land and buildings of farm property owned by Negroes increased from 1910 to 1930 as follows, giving the round figures:

	Percent
Virginia	58
North Carolina	140
Georgia	11
Florida	29
Louisiana	142
Texas	97
Mississippi	68
Alabama	41
Oklahoma	54
West Virginia	37

I mention these figures to show the progress of the Negro throughout the South in an economic way, for, after all, only in proportion as he acquires property and economic power can he hope to be secure in his political rights. That is just as true of the white man as of the colored man. And in proportion that he advances in education, in the acquisition of property, and in the acquisition of economic rights, in that proportion he will come to be regarded as an essential factor of the southern civilization, and treated as such; and to accomplish that has been the aim of the southern Negro, encouraged and assisted by the white people of the South.

I shall now read from a little volume to which I called attention a few days ago during the debate on the farm bill, a volume written by Gerald W. Johnson, who, I have been informed, is one of the editors of the Baltimore Evening Sun. He has written a remarkable volume upon the questions which pertain to the southern portion of the country. On page 8 of the volume he says, referring always to the South:

"The problem of public education, for example, has not been solved. It is further from solution in the South than in any other region. But when one considers that the South has to teach more Negro children than there are children of all kinds in New England; and when one notes that it is spending far more of its total income on schools than is spent by any other region, its effort, even though but half successful, must command respect and admiration."

They must educate more Negro children in carrying this load than all the children of New England, and they are doing so; and by educating them they are fitting them for citizenship, schooling them against crime, and they are laying the only sure foundation there is for the extinguishment of crime among the Negroes. They are laying at tremendous cost the foundation for the good citizenship of the Negro, and while lynching can never be justified, nevertheless there is no more successful approach to the ending of lynching than through education, through bringing both races to understand their responsibility to society. I know of no finer sense of duty than that displayed by the South in the help it gives the Negro in bettering his condition as to property, as to economical strength, and as to education.

I read again from this able writer:

It has been the fashion in some quarters to assume that the Southeast has remained almost completely inert in the presence of its social problems. This is far from the truth. A mere glance at the educational statistics of the region is enough to dissipate the impression that the Southeast has been indifferent or lethargic in this respect. The State of Florida, for example, spends 5.76 percent of its total income for school purposes, and North Carolina 4.38 percent; this is the largest percentage that is spent for similar purposes by any other States save the Dakotas. * * * The Southeast spends 3 percent of its total income for higher education, the highest percentage in the Nation. It enrolled more high-school students in 1930 than the whole country did in 1900, and there are more accredited high schools in this region than there were in the United States at the end of the century. Its present army of 60,000 high-school graduates annually represents an increase of 500 percent within the last 2 decades.

I pause to say that if we knew as much about the South and what they have done and are doing as we pretend to know, we would not be so free to criticize. It is a horrible thing to see the body of a Negro burned to a crisp, swinging from the limb of a tree; it is a horrible thing to have a daughter or son, perhaps a mere child, snatched from your homes, carried into hiding, perhaps murdered. These are our problems, pressing for consideration, and they are making as determined an effort to clear the stain from the honor of the South as are we to rescue our honor in the North. "Why beholdest thou the mote that is in thy brother's eye and considered not the beam that is in thine own eye."

During the last session of Congress we had under consideration in the Committee on Education and Labor what is known as the educational bill, and, of course, it vitally affected the Negro people of the South, and they appeared in great numbers before the committee. At that time Senator Black, now Justice Black, was chairman of the committee. The most difficult problem was to work out absolute protection for the colored children in the enjoyment of the fund proposed to be set up. I must say that I never knew a person more meticulous, more determined, more vigilant to protect the colored students in the enjoyment of that fund than was Justice Black. I was impressed with the fact that there was a determination upon his part to reach the Negro at that point in his life where he could best serve him not only with reference to general citizenship but as to the reduction of crime. Mr. Johnson states further in this volume:

"The most conspicuous characteristic of the southern population, however, is its biracial character. A group of 8,000,000 people of a different color from the other 17,000,000 is a feature so startling that it may be expected to attract more attention than perhaps it deserves.

* * * * *

"The inevitable result has been enormous waste of the Negro's potential value to the social structure. Not all of this is the fault of the white South by any means. The hasty and ill-advised effort made in the sixties to project the newly emancipated slaves into a political and social position they were not prepared to occupy has made any realistic treatment of their position extremely difficult. Not only did it create appalling prejudices but it erected very substantial legal barriers against any direct and forthright approach and forced southern political and social polity into a sinuousness that has been productive of a thousand evils.

"This is, however, water over the dam. What confronts the Southeast today is the problem of making the best possible use of 8,000,000 blacks.

* * * * *

"Only comparatively recently has any considerable effort been made to treat the disease, rather than to alleviate its symptoms—or, rather, only recently has the idea begun to spread that perhaps there isn't any organic disease, but only a series of functional disturbances. Since the turn of the century the Southeast has been making real, if not always adequate, efforts in the field of Negro education. With the rise of the Negro in the cultural and economic scale there has come also an appreciable reduction of the rigor of civil and social disabilities. And with both there is a strengthening belief that perhaps the traditional approach to this situation has been faulty."

Everywhere we find a determination to find the right way. The Negro is there. He is there to stay. The South knows that he is there to stay, that he is a part of the wealth of the South. We in the North may be interested in the Negro politically. We care little about him economically. But he is an indispensable factor in the economic development of the South. They can and will do for him far better without our interference or advice than with it.

Mr. President, the Negro has had a hard road to travel ever since he was given his freedom. A hundred-and-odd years of slavery afforded poor training for citizenship in the most advanced of nations. Almost overnight he went from slavery to take up the obligations of a free man in a free country; but, everything considered, he has done well; his advancement has been marked. Restricted, not by the Constitution of his country or the decisions of its highest courts, but restricted, almost cabined and confined, by the iron laws of society, nevertheless he has made progress. And where has that progress been greatest? In the South. In spite of prejudice, and statements to the contrary, facts and figures show it has been greatest in the South. In the acquisition of property and economic advancement generally the Negro has fared better in the South than elsewhere.

It is true, as is contended here, that at times he has suffered from mob violence in the South, but it is equally true that he has suffered from race riots in the North. But in all things which make for the advancement of the race as a race, the North has no advantage over the South in the story of the advancement of the Negro. We have shown no greater patience, no greater tolerance, no greater ability to deal with this race than have our brothers of the South. And now, because there is the power, because there are the votes, because it is possible to do so, it is proposed to call these great States and these people before the bar of public opinion and, after 70 years of arduous effort on their part, condemn them as unfit and unwilling to deal with this great problem, condemn them for having failed in the essential principle of home government, of home rule. After these 70 years, and after 150 years, taking the Government's history as a whole, we now come to the time when we are asked to say that home rule or local government has

broken down in a number of the States of the Union. We call these States and these proud people to judgment before the whole world and spread upon the records of the Congress our condemnation, our judgment that in the most vital things of free government they have failed.

Broken down. Why? Because eight Negroes were lynched last year. There were 20 kidnaping cases in the United States last year. After all the efforts of the States and all the efforts of the Federal Government, taking charge of those who crossed State lines, we still had 20 kidnaping cases as against the 8 lynching cases in the South. Is that an indication that the South is not in good faith and with honorable effort trying to protect the colored race and to give it the same protection that it gives the white race?

Lynching is the one crime, Mr. President, that is distinctly and markedly on the decrease in the United States.

I shall take time to read briefly some facts and give some figures.

Prof. Charles S. Johnson, of Fisk University, says:

"Taking the period of 1889 to 1893 as 100 percent, it is of interest to note that every 5-year period has shown a decrease in the total number of individuals lynched."

He then gives the figures showing that from 1924 to 1928 there was a decrease of Negro lynching amounting to 84.8 percent. He concludes by saying:

"It will be discovered from the accompanying graphs and tables that at the present rate of decrease lynching will apparently cease to be a problem in race relations due to its disappearance."

Further, he says:

"In the 30-year period from 1889 to 1918, inclusive, there were 2,522 Negroes lynched.

That is about 84 a year.

He then calls attention to the fact that in 1924 the number had dropped to 16. Last year the number was 8. In many of the Southern States lynching has practically disappeared. Virginia had only 1 case in 10 years. West Virginia had none during the past 5 years. South Carolina had none during the past 3 years. Oklahoma had 1 in 10 years. North Carolina had 2 in 7 years. Arkansas had 3 in 9 years. Maryland had 2 in 10 years, and none for the past 3 years.

I call your attention to a statement from the great Tuskegee Institute located in the State of Alabama. It reads:

"There are a number of interesting features to be noted. From 1882 to 1885 there were more whites lynched than Negroes. Concerning the decline of lynchings in the United States, I call attention to sheet No. 2, 'Lynchings, white and Negroes, by periods, 1882–1936.' You will note that there has been a steady decline in the number of lynchings for each of the 10-year periods, 1887–96 to 1927–36. Judging from the trends shown in this table, there is every reason to believe that there will be a further decline in lynchings.

"There are probably three major factors that have contributed to this decline. The first of these is the tendency for frontier characteristics in the South to disappear (lynching was a special characteristic of the frontier in America, both in the West and in the South). Second, the breaking down of isolation in the South by increased facilities: (1) Rural free delivery; (2) more telegraph offices; (3) more telephones in small towns and rural areas, and (4) recently the radio and paved roads. Third, increasing agitation within the South during the past 40 years against lynchings. This has resulted in an increasing sentiment against the evil. This sentiment has expressed itself in the increasing efforts to prevent lynchings.

"From 1914 to 1919 the number of persons lynched was much greater than the number of persons prevented from being lynched. From 1920 to the present the number each year prevented being lynched has greatly exceeded the number lynched.

"These facts and trends seem to indicate unquestionably that there will continue to be a decline in lynchings in the United States. Not only in these statistics but in many other ways is there employed a growth in the humanitarian attitude of the American people. This growth, I believe, has paralleled the development of educational and social agencies, all of which bid fair to rid this Nation of the barbaric practice of lynching."

In other words, the problem is being met, the problem is being solved, and it is being solved in the way that America solves her problems when they are local and of a local nature; and that is through the activity and the cooperation and the determination of the people themselves.

Mr. President, suppose Congress passes this bill; suppose it becomes a law; where must we go for its enforcement? The bill may be passed by votes from other States, but for its enforcement we must go to the juries in those communities which we condemn. The bill may be passed in the theoretical atmosphere of Washington, but it must be enforced down among the people in the realistic atmosphere of the southern States. There will be the southern district attorney, the southern judges, the southern juries, and they must be depended upon for the enforcement of the law. Do Senators think they will more likely enforce the law when they have been condemned in the sight of all the world, and in face of such condemnation, than when they are appealed to from the standpoint of the sense of duty of their State and their sense of duty of citizenry?

We get back, after all, to the people themselves for the enforcement of the law. We have had an experience in this country showing that we cannot enforce a law when public opinion is not behind the law. The only way in which we can hope to have the law enforced is by the method that is now pursued by the southern people—that is, to educate the people up to an understanding that it is to their interest and to their honor to maintain law and order in their communities—and that they are doing.

Some years ago a great southerner discussed this question, and I cannot refrain from calling attention to some of his language. It seems to me fair, just, and so in accordance with the sentiments of the true patriot that it is worth while for us to stop and hear the voices of those who are wrestling with the problem at home.

Mr. Henry W. Grady said:

"Nothing, sir, but this problem and the suspicions it breeds, hinders a clear understanding and a perfect union. Nothing else stands between us and such love as bound Georgia and Massachusetts at Valley Forge and Yorktown. * * *

"I thank God as heartily as you do that human slavery is gone forever from American soil. But the freeman remains. With him a problem without precedent or parallel. Note its appalling conditions. Two utterly dissimilar races on the same soil—with equal political and civil rights—almost equal in numbers, but terribly unequal in intelligence and responsibility. * * * Under these, adverse at every point, we are required to carry these two races in peace and honor to the end.

"Never has such a task been given to mortal stewardship."

Is that not true? Can we find anywhere in history a task such as was assigned to the southern people at the close of the Civil War, with slaves for 100 years released, free as they should have been, but given the power to participate in politics without any training and without any experience? It was beyond their capacity, as it would have been beyond the capacity of any race immediately to assume in full, and properly discharge, the duties of citizenship. But those were the conditions which confronted the South, and with which they have been dealing.

"The resolute, clear-headed, broad-minded men of the South * * * wear this problem in their hearts and brains, by day and by night. They realize, as you cannot, what this problem means—what they owe to this kindly and dependent race—the measure of their debt to the world in whose despite they defended and maintained slavery.

"If you insist that they are ruffians, blindly striving with bludgeon and shotgun to plunder and oppress a race, then I shall sacrifice my self-respect and tax your patience in vain. But admit that they are men of common sense and common honesty, wisely modifying an environment they cannot wholly disregard—guiding and controlling as best they can the vicious and irresponsible of either race * * * admit this, and we may reach an understanding without delay."

Let us admit that the South is dealing with this question as best it can, admit that the men and women of the South are just as patriotic as we are, just as devoted to the principles of the Constitution as we are, just as willing to sacrifice for the success of their communities as we are. Let us give them credit as American citizens, and cooperate with them, sympathize with them, and help them in the solution of their problem, instead of condemning them. We are one people, one Nation, and they are entitled to be treated upon that basis.

Mr. President, I now turn briefly to another feature of this measure. I shall discuss it later in more detail, referring to court opinions. But I call attention to this feature now which must be of concern to every Member of this body, to everyone who believes in our dual system of government. This bill as it is drawn—observe my language—this bill as it is drawn strikes at the very heart, at the very life of local self-government. I ask Senators to reread the bill in the light of that assertion. It would place a construction upon the fourteenth amendment never contemplated by the men who wrote it—in fact, specifically rejected by them—and which, in my opinion, a fair construction in no sense sustains.

The bill openly and professedly declares in effect—and that is the theory upon which it rests—that the people in these States are either unwilling or unfit to maintain the most ordinary principles of organized society, and that in the face of the facts which I have shown, that they are really solving the problem.

Permit me to say here before I go further that I make no contention but that the fourteenth amendment has forever placed it beyond the power of any State to deny any person the equal protection of the laws, or to deprive any person of life, liberty, or property without due process. I recognize also that the State acts and speaks through its officers, legislative, judicial, and executive. I am not going to take refuge in technicalities, but I contend for what I believe to be a fundamental principle, and that is that while you may call a State thus acting and thus speaking to account, you cannot take jurisdiction over or deal with acts and deeds not done by the authority and by the direction of the State. It must at all times be State action. You cannot deal with acts under the fourteenth amendment not done by and under the authority and direction of the State. The dereliction of an officer in violation of the laws of the State, in disregard of the sworn duty exacted of him by the State, and subject to punishment by the

laws of the State, cannot by any possible construction, either in law or in conscience, be the act of the State. To establish any such principle would be to undermine and break down the integrity of every State in the Union. If a State may not be entrusted exclusively with the authority and relied upon to exercise the authority to punish those who violate its own laws, public or private persons, then there is no such thing as local government, because the State is deprived of the very instrumentality by which it maintains State integrity.

Since this proposition first came before Congress the Senators from the Southern States have borne the brunt of the debate. They have been made to feel the criticism of those who look upon opposition as mere local prejudice. We are all prone to consider the race question as peculiarly a southern problem, and we leave our southern friends to deal with it without very much sympathy or interest. But assuming that we are going to continue this narrow and selfish course, when we come to read this bill it is found that it goes an arrow's flight beyond any race question. The way it is drawn and its legal terms lift the bill out of the region of the race question into the region of governmental principles.

I do not contend, of course, that the authors of the bill or its supporters are taking advantage of the horror which we all feel toward the crime of lynching to strike a blow at our dual system of government, but that is precisely what is happening; that is precisely what will happen in view of the manner in which the bill is drawn. The constitutional feature of this bill under its terms is just as vital to Idaho as to Alabama; it is of just as much concern to Massachusetts as to Georgia. If the Federal Government can send a United States marshal into the State of Tennessee to arrest a sheriff because he has failed to protect a colored man from violence, it can, under the same principle, send a United States marshal into the State of New York to arrest a sheriff, or other officer on whom the duty is imposed, because he neglected to protect the life of a citizen against the violence of thugs. It is just as much the duty of the State to protect the citizen from violence not under arrest or not assailed by three but by two or one. The Constitution does not classify crimes. It does not say that lynching is subject to the terms of the Constitution and that death by the act of thugs is not.

What does this bill provide? There is not a word in it which indicates that the failure to protect in any instance was due to the fact that the prisoner was a Negro. There is no provision indicating that the States of the South or their officers maintain one rule of conduct for the Negro and another for the whites. There is nothing to the effect that the laws of the States favor the whites and do not favor the Negro. There is no indication or intimation in the bill that the failure of the officers to act was due to the fact that his prisoner was a Negro. This bill is not based in its terms upon discrimination against the Negro, because of unequal treatment of the Negro, but upon the theory the States have broken down in maintaining order and protecting life. That is not a local question but a national question. If the States no longer protect life and property not because of discrimination but because of failure to execute laws regardless of race then we have a great national problem to be met by constitutional amendment. The fourteenth amendment does not cover any such question.

In all the cases which are cited in the briefs sustaining this measure there will be found a specific provision in the statutes concerning the failure of the officer to act being due to the fact that the party in interest was a Negro. There is no such provision in this bill. This is a general proposition, dealing as much with one race as with the other. Let me read from the bill:

"SEC. 3. Whenever a lynching of any person or persons shall occur, any officer or employee of a State or any governmental subdivision thereof who shall have been charged with the duty or shall have possessed the authority as such officer or employee"—

That would include the Governor and all his subordinates in the executive department—

"to protect such person or persons from lynching and shall have willfully neglected, refused, or failed to make all diligent efforts to protect such person or persons from lynching and any officer or employee of a State or governmental subdivision thereof who shall have had custody of the person or persons lynched and shall have willfully neglected, refused, or failed to make all diligent efforts to protect such person or persons from lynching, and any officer or employee of a State or governmental subdivision thereof who, having the duty as such officer or employee, shall willfully neglect, refuse, or fail to make all diligent efforts to apprehend, keep in custody, or prosecute the members or any member of the lynching mob, shall be guilty of a felony and upon conviction thereof shall be punished by a fine not exceeding $5,000 or by imprisonment not exceeding 5 years, or by both such fine and imprisonment."

Where is the provision there that deals with the lack of equality between the races or discrimination as to the races? There are no provisions in the bill requiring a showing that the failure of communities to protect a person was due to the fact that he was a Negro. In all the cases cited, there will be found a statute specifically requiring a showing that the officer refused to act or failed to or did not act because of the fact that race was involved and that a Negro was the person involved.

Let us carry this a little further. It is the first duty of a State, is it not, to enact laws to provide officers to protect life, liberty, and property? That is the first duty of every State. Suppose that a man is killed by thugs, we will say, in one of the great cities, without mentioning any particular one—and while the South lost eight Negroes by lynching last year the North lost hundreds because of acts of violence committed by thugs—and suppose that the State failed to take proper action under its laws and by its officers to protect the citizen on the highway or in his home against the acts of thugs; may we not, under the principle of law invoked in this bill, send an officer into that State to take charge of those police officers? What is the distinction in this bill between violence committed by a combination of thugs and violence committed by those who are combined into a mob? We are somewhat at a disadvantage in discussing the bill, because its authors have been entirely silent in presenting those features, and I am having to present it upon the briefs which I have read.

I think it might not be out of place here to call attention to another matter. The proponents of the bill are undoubtedly maintaining that the Federal Government will protect men in the South better than will the local communities. They are undoubtedly basing the entire measure upon the proposition that the Federal Government will execute the law. Well, we have the Federal Government in control of the city of Washington, which now, if not the first, is at least the second capital city of the world which is most plagued with crime. Seventy-five people here have been robbed of their property in one night. How close the police were I do not know. I understand the police escaped being robbed.

We can all recall instance after instance published in the papers of young women disappearing and their bodies being found outraged and the criminals never being intercepted. Why is there any reason to believe that the Federal Government can enforce criminal laws better than can the State governments? The enforcement of law and the punishment of crime depends upon the will and purpose of the community where the crime is committed. Those advocating this bill are on a venture. They are going to take the responsibility away from the people in the South; they are going to say to them, "You are not qualified or willing to do the work; we are going to do it." Where is the record which shows that they will do it? What is the record?

We have now at the head of the crime department, if I may call it that, in the Department of Justice, perhaps the greatest specialist in the world in the running down of crime and criminals; we have a Federal kidnaping law by reason of the fact that kidnaping crimes generally pass State lines; but last year, 1937, there were 20 kidnaping cases in the United States, with the State and Federal Governments both working, and Mr. J. Edgar Hoover says that there never will come a time when there will not, in all probability, be kidnaping in the United States; that it is impossible to wipe out the crime; that so long as greed and the appetite for money are found in the human system, there will be kidnaping. Mr. Hoover very frankly states that it is impossible to wholly wipe out such crimes. They can be reduced to a minimum and lynching has been reduced to a minimum in the South.

Coming back to our Capital as an example of Federal enforcement, I read from a local paper:

"The criminals of Washington are taking $30,000,000 a year from the citizens of this city."

They are being deprived of life, liberty, and property, certainly without due process of law as that term is applied here. And the men in charge of the District seem to have thrown up their hands; they do not know how to deal with the situation. Yet, the Federal Government is in control here; the Federal Government is back of them. They are not by any means doing as well as are the people of the Southern States in meeting the crime problem.

Mr. President, we are dealing with the race problem. We need not blind our eyes to that fact. And the race problem is a problem which does not readily yield to legislative solution, to the rigid demands of the law. Take, for instance, the colored girl who, under great handicaps, has earned the right to be employed by her Government upon an equality with everyone else. She goes with a certificate of competency from the Civil Service Commission to one of the departments here in Washington—here in Washington, under the aegis of the Federal Government—and when she enters the door and her color is discovered, she is told that the place is filled, which is probably false. That happens not once but many times. She suffers injustice at the hands of her Federal Government. But that is a race question, and no law was ever made tight enough or strong enough to remove all its harshnesses and to eliminate all its injustices. Only the patient process of education, the uplifting power of religion, the tolerant, noble-minded men and women who give their thoughts to the cause, can remove or mollify such injustices or such harshnesses. And that is being done; it is being done in the South; that result the South is achieving; the record so shows; and the people of the South are entitled to our commendation and not our condemnation. They are entitled to our cooperation and support.

This, Mr. President, is another compromise with a vital principle of our dual system of government. It is bartering the future for the supposed and transient demands of the present, and at a time when the present is taking care of the problem. It is another instance in which our confidence in our scheme of government is not strong enough to say to all races, all creeds, all groups, and all factions: "Your problems, however serious, are subordinate to the principles of this Government; and you must work them out within the compass of the long-tested and well-accepted principles of democracy."

Every American must feel a slight sense of guilt, if not a sting of remorse, when he reads the Premier of Italy's reference to the bellowing herds of democracy, to free institutions as the decadent breeding grounds of insincerity and confusion. The fundamental principles and precepts of popular government are not in doubt. There is no confusion there. The confusion arises when we depart from those principles. It was the embodiment of the precepts and principles of popular government in the Constitution of the United States which put confusion to rout in this country, gave ordered liberty to the people, and strength and direction to government. For centuries prior to the declaration that the powers of government are derived from the consent of the governed, and the dedication of a new continent to that sublime conception, there had been nothing but confusion, nothing but turmoil and misery, nothing but brute force and enslaved masses. And all that will happen again if the advocates of arbitrary power, now inveighing against free institutions in the presence of their assembled slaves, have their way and the world again comes under their sway. Contrast the conditions of those periods with the period since the adoption of the Federal Constitution, with its establishment of law and order, the spread of contentment and happiness among the masses, with its unprecedented progress in the arts and the sciences, and you not only have your answer to those whose sole right to rule rests upon the law of force, but you have the most powerful appeal that can be made by mortal man to those who would compromise or weaken the safeguards of popular power.

I am perfectly aware, as we all are, of the tide which seems to be running against popular government everywhere, of the base betrayal of the people in many countries where they once had at least some authority and hoped for more, of that profound egotism which regards as of no significance the bitter experience of men and women in their long quest for liberty. But against all these things, if we have the confidence in our form of government which we profess, we can place, not theory, not hopes, not ideals merely, but 150 years of achievement, of demonstrated popular rule, with its wealth of human happiness and human progress. How puny and hollow and fleeting in comparison are the achievements of usurped power, every hour of whose existence depends upon the continued suppression of human liberty.

And, Mr. President, in conclusion, the progress, the development, and the advancement of the South, including the last 70 arduous years, her history from Washington and Jefferson down, rich with the names of leaders, orators, and statesmen; her soil, her sunshine, her brave and hospitable people, her patient and successful wrestling with the most difficult of all problems, are all a part of the achievements of our common country and constitute no ignoble portion of the strength and glory of the American democracy. I will cast no vote in this Chamber which reflects upon her fidelity to our institutions or upon her ability and purpose to maintain the principles upon which they rest.

Clarence E. Hancock

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 24, 1948

Mr. CELLER. Mr. Speaker, I knew Clarence Hancock well. His integrity and sincerity were impressive. Both on the floor of the House and in committee meetings, I found him always to be a man of understanding, a man with a well-tempered and disciplined mind. He richly deserved the high regard in which we all held him.

Now that he is gone we remember more vividly his acts of kindness and sympathy. We remember him with an affection which, though not always expressed, must nonetheless have been felt by him. It is more than the formal regret we feel at his passing; it is rather a sense of personal loss, a sense that life in some measure has narrowed.

Communism

EXTENSION OF REMARKS

OF

HON. WILLIAM C. COLE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. COLE of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast by Jack Beall, who is heard at 6:45 p. m., eastern standard time, each Saturday over the American Broadcasting Co.'s network:

For the past several weeks I have been discussing the topic of basic loyalties. I think I have shown rather conclusively, by its own documents, that the Communist International is the general staff of a mass conspiracy, in more than 60 countries of the world, to prepare the way for bloody revolution, when the time comes, and for setting up of revolutionary governments, which will be puppets of the Soviet Union. There is no doubt, from the documents which I have read you—the documents of the Communist International—that they expect and demand that the Communist parties, in the different countries, be subservient to the Comintern and that individual members of those parties do the will and bidding of the Comintern—even to the point of committing treason against their own countries.

I have shown the tight, centralized control of the American Communist Party and other parties by the Comintern, wherein they give up all autonomy and independence. They hand over to Moscow the complete power to annul and set aside any decision of a national party which Moscow may not like. I have shown how they slavishly follow all twists and turns of the party line from the Kremlin and even how Stalin could intervene in their own party elections, set aside the will of a majority and put in his own candidate, although that candidate was in a small minority. I have shown how, after one short, sharp struggle, the American party learned its lesson and agreed thereafter to accept the long-distance dictation of Stalin as transmitted through the mouth of the Comintern representative to this country. The titular heads of the American party and the decision formally reached by the party can be overturned by this single Comintern representative—a shadowy, behind-the-scenes character, who never, never exposes himself to more than a handful of the top leaders. Now, with all this apparatus for transmitting power impulses from the Kremlin throughout the world, there is one circuit which is still open. It may be presumed that the officers of the party obey the mandates from Moscow, but what about the rank-and-file party members themselves? Do they carry out orders? Do they follow through? Are they dependable fifth columnists of this world conspiracy?

I suppose the best answer to that is to look about you. If you can pick up a newspaper without seeing at least 5 percent of it devoted to the doings and activities of Communists all over the world it is a quiet day on the Red front.

Something you must hold in mind is the fact that in this country the actual party members are not very numerous. No figures exist as to the exact number of card-holding members, but I have never seen a larger number than 100,000 mentioned. Of course, for every card-holding member there are upward of 10 nonmembers—fellow-travelers, sympathetic liberals, confused intellectuals, who are willing to do the bidding of the party and who front for its various activies. Still, it is all moved by that nucleus of 100,000. How do they do it? How do they make such a huge splash in the news and in the affairs of this country; how are their activities and their impact so disproportionate to their numbers?

The main answer, to my mind, is in their discipline. The fact that they are backed with a leadership and almost unlimited funds, from abroad, is not to be discounted. But, without the party discipline, this would not mean so much. So let's take a look at this thing called party discipline.

It is party discipline which permits them to fulfill their boast that, given just 2 percent of the membership of almost any organization, they can take it over and control it. They all take orders from above; there is no dissent from those orders. They are not vulnerable, from the standpoint of listening to reason or argument. They have their orders, they know what they are supposed to do; their higher command knows what it wants and they go to it.

One of the major sins within the Communist Party is what they call deviation. The line is marked out for them—they toe that line, they follow that line, without having to think. All the thinking is done by somebody else. The dedicated Communist is almost never assailed by doubts; he is almost never torn by considerations of human decency, of honor, of morals. Robot-like, his energies are freed for the task in hand. Fanaticism, aided by lack of ordinary deterrents, contributes to an almost frictionless drive.

But it takes discipline, in the first place, to produce this. And that discipline is rigidly inculcated from above, almost exactly like a military organization.

The program of the Communist International states that the world Communist Party is a "revolutionary organization, bound by iron discipline and strict revolutionary rules of democratic centralism." And what sort of obligations does the Communist Party member take? The following statement appears on the 1938 membership card:

"The undersigned declares his adherence to the program and statutes of the Communist International and of the Communist Party of the United States of America and agrees to submit to the discipline of the party and to engage actively in our work."

Earl Browder, when he initiated 2,000 recruits to the party, back in 1935, had them take this pledge:

"I pledge myself to rally the masses to defend the Soviet Union, the land of victorious socialism. I pledge myself to remain, at all times a vigilant and firm defender of the Leninist line of the party, the only line that insures the triumph of Soviet power in the United States."

Please note this adherence to the program and statutes of the Communist International—which calls for treason against one's own government, in the interest of defending the Soviet Union and of achieving the triumph of Soviet power in the United States.

Benjamin Gitlow, one of the early organizers of the American party, says this, speaking of what it means to submit to the discipline of the party:

"When an American citizen joins the Communist Party he throws himself under the discipline of the party and he must do whatever the party directs him to do * * * It is like joining the marines. Those who join the marines are soldiers and whatever commands their superior officers give, the marines and soldiers must carry out * * * The Communist Party and the Communist International are not organized on a democratic basis; they are organized on a military basis. The Communist International runs the world Communist movement, from the top down. In other words, the leaders of the Communist International give the orders and the Communist parties, all over the world, must carry out those orders or be expelled."

Speaking of the American party, he added that once a decision is made by the leadership "that decision becomes law, becomes tantamount to a political command given by a general, and has to be carried out explicitly." If it is not carried out, then the disobedient one has to suffer the penalties of party discipline.

The penalties for breach of party discipline are about what they would be in the army. They range from bawlings out, all the way through expulsion from the party, down to sentence of death for high treason. And I mean just that. Death is the penalty, in many cases, where Communists in the secret apparatus, those engaged in the secret, illegal work of the party "turn sour," as it is called, and tell too much of what they know of the party, or threaten to tell. That's what happened to General Krivitsky, who had been in the intelligence service of the Soviet Army. He was found dead, right here, in a Washington hotel room. There was some mystery about it. Suicide was indicated, also. But there seems to be little doubt in leftist circles that he was killed by the agents of the Soviet secret police, right in the Capital City of the United States. If you doubt that these secret police agents are here, I refer you to the testimony of Louis Budenz, who says that he met and talked to them, on several occasions, when he was editor of the Daily Worker.

Incidentally, there are all sorts of rumors going around Washington that the Russian secret police have been active in this neighborhood recently and that the disappearance of certain people who knew too much was not accidental. Nothing has appeared in the papers. I am not prepared to state it as a fact. I can only pass it on as a rumor that killings on the order of the Krivitsky case have recently occurred.

But I can state on my own knowledge that Victor Kravchenko, the author of I Found Freedom, walks daily in fear of his life.

One of the prime mysteries of the day is the disappearance of Julia Stuart Poyntz, a former American school teacher, who had been drawn into the Communist Party, was very active in it, and had even gotten into the secret, illegal apparatus of the party. She was suspected of going "sour" and one day she simply disappeared, in thin air, while walking down a street in New York.

Sometimes, the offense is not so heinous. It can be simply that some leader guessed wrong on how the party line from Moscow might swing. That is why they hang on words of Pravda and Izvestia, searching it for hidden meanings. Otherwise they might suddenly find themselves out of power, or guilty of some minor heresy which could be used by enemies to undermine them in the councils of the party. Mr. Budenz says he has seen Earl Browder "look like he was struck with a most intense fright, on more than one occasion" and Jack Stachel "looks like somebody is chasing him all the time."

"This fear is not of America, it is not even a sense of fear of imprisonment in America" says Budenz. "It is this peculiar shadow in back of those people that puts fright into their hearts. Maybe it is a feeling of their obligation to the Soviet dictators. I am not going to analyze it, but it does represent a sense of fear."

Life magazine carried recently a remarkable piece about a Communist, how he got into the party, what made him tick, and what he expected to get out of it. If you read it you will probably remember the part about when he was on the fringes of the party, he was given laborious jobs, given things to do which were graded upward in difficulty and in ways of testing his undeviating loyalty, his unthinking obedience to those above him. When his leaders were satisfied that he could stand the gaff and never, never deviate, never try to think for himself, he was admitted as a party member. He had been seasoned by the process through which the Communist International hopes to test and season its members against the day when a strong, disciplined nucleus can lead a revolution in this country. They have no use for the summer soldier. They do not go out for mere numbers. They want seasoned, toughened fighters, who won't weaken, who won't let them down, when the going gets rough. And they expect it to get very rough, indeed, when "comes the revolution."

The article also described how difficult it was on those who did not measure up. Those who weakened were smeared with every known insult and accusation of depravity. They were cast aside into nether darkness; all former comrades turned against them. These are methods of party discipline, too. The Life article goes on to state that, usually, there are only two courses open to such a person who has been excommunicated from the party—a mental crack-up or going into very active opposition.

I know some former Communists who had to make the choice and they tell me how their lives had been almost wrecked by their expulsion. They felt the most intense pain from their changed mode of life—after their entire waking moments had been dedicated to revolutionary work, even forsaking family and former friends and living, sleeping, eating nothing but the party over many years.

It is all part and parcel of the discipline of the Communist Party to force those who become enmeshed to stay in, and to galvanize others into further activity so that they may escape disciplinary action.

And again I say, if you doubt the effectiveness of the party whip—look about you and consider whether the party members have been busy and have been carrying out their assignments from Moscow. Never, in human history, have so many been pushed around by so few.

Analysis of the Civil Service Retirement Act of 1948

EXTENSION OF REMARKS
OF
HON. EDWARD H. REES
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. REES. Mr. Speaker, as chairman of the Committee on Post Office and Civil Service, I have been asked by Members of Congress to present for the RECORD an analysis of the Civil Service Retirement Act of 1948. This act, Public Law 426 of the Eightieth Congress, makes extensive revisions in the Federal civil-service-retirement system. In response to these requests, I am explaining the main provisions of the law.

INCREASED ANNUITIES

The new act increases the annuity of those already on the retirement rolls by 25 percent, or $300, whichever is less. The retired employee has a choice of taking the increase or keeping his old rate and naming his wife to receive upon his death an annuity equal to one-half of what he is receiving under the old law. The amount his wife may receive, however, cannot exceed $600. The married female annuitant has the same right to name her husband as survivor-annuitant.

AGE AND OPTIONAL RETIREMENT

The new law does not change the conditions in connection with age and optional retirement after certain periods of service. These remain as before, briefly:

The employee must retire at age 70 if he has at least 15 years of service.

The employee may retire at age 60 with 30 years of service.

The employee may retire at age 62 with 15 years of service.

The employee may retire at age 55 with 30 years of service on a reduced annuity.

Employees who are involuntarily separated after 25 years of service may retire and receive an annuity reduced by ¼ of 1 percent a month for each month the employee is under age 60.

Employees who leave the Federal Government prior to retirement age may not start receiving annuities until 62 years of age.

COMPUTATION OF ANNUITIES

A simple basic formula is provided in the act to be used in computing the annuity of each person. When the average salary for the highest five consecutive years of Federal service is $5,000 or more, the individual's annuity is computed by taking 1½ percent of that average multiplied by the total number of years of service. The product of that simple computation is the annuity. If the 5-year average salary is less than $5,000, take 1 percent, add $25, and multiply by the total years of service.

WIDOWS' AND CHILDREN'S BENEFITS

Husbands retiring under the act may provide an annuity for their widows equal to 50 percent of their own life annuity by taking a reduced annuity at the

time of retirement. This reduced annuity is equal to 90 percent of the regular life annuity to which he would be entitled, reduced by three-fourths of 1 percent for each full year, if any, his wife may be under age 60 at the time he retires. However, this annuity would not be reduced below 75 percent of the full annuity.

Unmarried employees in good health may, upon retirement, elect to receive a reduced annuity during their lifetime and provide a survivor's annuity to anyone having an insurable interest in them.

If the father dies while in active service and leaves both a widow and children the widow will receive an immediate annuity. Each child will receive an immediate annuity. This latter annuity will be one of the following, whichever is the least: (1) 25 percent of the amount which would have been due the father; (2) $360; or (3) the amount obtained by dividing $900 by the number of surviving children. If, however, the father dies as a widower, or the mother dies a widow, each surviving child will receive an immediate annuity amounting to one of the following, whichever is the least: (1) 50 percent of the amount which would have been due the parent; (2) $480, or (3) the amount obtained by dividing $1,200 by the number of children entitled to annuities.

When a retired employee dies and leaves a widow but no children who qualify for annuity benefits, his widow will receive an annuity beginning at her age 50 if he provided one for her when he retired by naming her as his survivor-annuitant. That is the only way this widow can get an annuity on the Government service performed by her husband.

If the deceased annuitant leaves a widow and one or more children who are entitled to benefits, the widow will be in line (like the widow of the man who died in active service) for a monthly check based on the existence of the children. She will receive this benefit until she dies, remarries, or reaches age 50. This annuity will be equal to 50 percent of her husband's basic annuity (excluding any portion purchased by voluntary contributions).

When the annuitant is survived by both his widow and a child (or children) the child who qualifies for such benefit with respect to age and dependency will receive an immediate annuity consisting of one of the following, whichever is least: (1) 50 percent of the annuity payable to the widow; (2) $360; or (3) the amount obtained by dividing $900 by the number of children involved.

When an annuitant dies as a widow or widower (the other spouse being deceased), each surviving child gets payments immediately. Each child will be entitled to one of the following, whichever is the least: (1) 50 percent of the basic annuity the deceased person was entitled to; (2) $480; or (3) the amount obtained by dividing $1,200 by the number of children involved.

Children's benefits terminate when the children reach age 18 (unless physically or mentally incapable of self-support), marry, or die. In cases in which several individuals (children, or widow-and-child combinations) are receiving survivor benefits, when the benefit to any one of the children ceases or the widow dies, the payments to the remaining children are recomputed on the basis of the new number of survivors involved.

When an employee member of the retirement system dies there will be money in the fund to his credit. Whether it can be paid right away to the beneficiary he has named—or to his estate—depends on whether he leaves a surviving widow or children entitled to immediate or future annuity payments.

If he does not leave a widow or children, his beneficiary will receive, in the form of a lump-sum payment, everything in the fund to the employee's credit with interest, regardless of how long the worker was employed. If the deceased person leaves a survivor entitled to an immediate annuity, or a future annuity at age 50, the question of a lump-sum payment of an unexpended balance cannot arise until we see, after all survivorship payments are made, whether anything remains in the fund.

If the employee dies leaving a widow or other survivor, or both, entitled to any benefit, there will not be a lump-sum payment due anyone if the annuities which are paid wipe out the total credited to the deceased worker. If, however, there is any balance left because the survivors' payments cease—on account of remarriage or death, for instance—that unexpended balance will go to the beneficiary or the estate.

REFUNDS AND DEPOSITS

If a person leaves, or is separated from the Government with less than 20 years of civilian service to his credit and before becoming eligible for optional retirement, he can get a refund of the money to his credit in the fund. If he served more than 1 year, he will also get the interest on his deductions; if he served 1 year or less, no interest will be paid.

Military service is not counted in computing this 20-year period for refund purposes.

If a person has served 20 years or more in Federal civilian work, he is not entitled to a refund of his account money; he is entitled to an annuity at age 62.

If a separated person has over 5 years' but less than 20 years' civilian service to his credit, he has a choice of either taking a refund or leaving the money in the system for annuity purposes.

If a person leaves the service and takes his refund, and then returns to the Government, he is not required to repay the money he withdrew.

If such a person wishes to repay his refunded money, there will be an interest charge.

GENERAL PROVISIONS

Employees' contributions are increased from 5 to 6 percent, effective the first day of the first pay period after June 30, 1948.

The tontine charge, which was a $1-a-month assessment against the retirement accounts of employees, is eliminated except in the cases of persons separated prior to April 1, 1948.

All years of Federal service may be counted toward retirement, including periods of service performed overseas under authority of the United States Government, and periods of service in the Army, Navy, Marine Corps, and Coast Guard. However, when some part of the Federal career was in work for which no deductions were made, that person's annuity will be somewhat lower if he does not make deposits covering that period.

The effective date of the act is April 1, 1948, except for: (a) increase in deduction rate which is the first day of first pay period after June 30, 1948; (b) interest rate, January 1, 1948; (c) survivor benefits, February 28, 1948; (d) involuntary separation after 25 years of service, July 1, 1947.

Colleges for Freedom

EXTENSION OF REMARKS

OF

HON. MAX SCHWABE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, under leave to extend my remarks I include a significant portion of the chapter on education and government from the recent noteworthy book, Colleges for Freedom, authored by Dr. Donald J. Cowling, retired president of Carleton College, Northfield, Minn., and Carter Davidson. For many years Dr. Cowling has been recognized throughout the Nation as one of the foremost educators of our time. For this reason his views with respect to the dangers inherent in our educational system, if Federal aid is adopted, should be entitled to great weight. His views on Federal aid are as follows:

In 1918 there was submitted to Congress a bill proposing an appropriation of $100,000,000 a year for education, to be distributed among the States upon a plan involving a dollar of State money for every Federal dollar. This would have meant that a small group in Washington would control the spending of $200,000,000 a year in the field of education in this country. This was at that time about 20 percent of our entire national budget for education. The proposal was a menace to the future of our free institutions and sooner or later would have involved dictation from Washington. The sponsors of the bill, of course, disclaimed having any such thought, but they overlooked the inescapable law that the source of support inevitably becomes the source of control.

Having this situation in mind, President Nicholas Murray Butler in his annual report for 1921 to the trustees of Columbia University made the following statement: "One of the most noteworthy of recent developments in American life is the zeal with which machinery is designed and built ostensibly to serve various public interests and undertakings, but in reality to control them.

Perhaps in no other way is the decline of faith in liberty so clearly marked. * * * When anything appears to go wrong, or when any desirable movement seems to lag, a cry goes up for the creation of some new board or commission, and for an appropriation of public funds to maintain it in reasonable comfort. An infinite number of blank forms must be filled and an infinite number of records must be kept, classified, and audited at steadily mounting cost. * * *

"So far as education is concerned, there has been overorganization for a long time past. Too many persons are engaged in supervising, in inspecting, and in recording the work of other persons. There is too much machinery, and in consequence a steady temptation to lay more stress upon the form of education than upon its content. Statistics displace scholarship. There are, in addition, too many laws and too many precise laws, and not enough opportunity for those mistakes and failures due to individual initiative and experiment which are the foundation for great and lasting success.

"It is now proposed to bureaucratize and to bring into uniformity the educational system of the whole United States, while making the most solemn assurance that nothing of the kind is intended. The glory and the successes of education in the United States are due to its freedom, to its unevennesses, to its reflection of the needs and ambitions and capacities of local communities, and to its being kept in close and constant touch with the people themselves. There is not money enough in the United States, even if every dollar of it were expended on education, to produce by Federal authority or through what is naively called cooperation between the Federal Government and the several States, educational results that would be at all comparable with those that have already been reached under the free and natural system that has grown up among us. * * * It is universally acknowledged that the unhappy decline in German university freedom and effectiveness, and the equally unhappy subjection of the educated classes to the dictates of the political and military ruling groups, were the direct result of the highly centralized and efficient control from Berlin of the nation's schools and universities.

"For Americans now to accept oversight and direction of their tax-supported schools and colleges from Washington would mean that they had failed to learn one of the plainest and most weighty lessons of the war. It is true that education is a national problem and a national responsibility; it is also true that it has been characteristic of the American people to solve their most difficult national problems and to bear their heaviest national responsibilities through their own action in the field of liberty, rather than through the agency of organized government. Once more to tap the Federal Treasury under the guise of aiding the States, and once more to establish an army of bureaucrats in Washington and another army of inspectors roaming at large throughout the land, will not only fail to accomplish any permanent improvement in the education of our people, but it will assist in effecting so great a revolution in our American form of government as one day to endanger its perpetuity. * * * The true path of advance in education is to be found in the direction of keeping the people's schools closely in touch with the people themselves. * * * Unless the school is both the work and the pride of the community which it serves, it is nothing.

"A school system that grows naturally in response to the needs and ambitions of a hundred thousand different localities will be a better school system than any which can be imposed upon those localities by the aid of grants of public money from the Federal Treasury, accompanied by Federal regulations, Federal inspections, Federal reports, and Federal uniformities."

Since 1918 repeated attempts have been made to persuade Congress to appropriate vast sums for the current support of education along the general lines first proposed, except that the matching feature—a State dollar to go with each Federal dollar—has been dropped and repudiated as involving too obvious Federal control. The case for Federal aid to education has been admirably formulated and may now be regarded as having reached its final stage. It is doubtful whether any future presentation will be more convincing. The bills now submitted to Congress are based on surveys and studies conducted by competent persons who are close to the problems involved—a little too close, perhaps, for the widest perspective.

The claim that Federal aid is needed rests basically on the acknowledged inequalities of educational opportunities to be found in the various States. It is pointed out that many of the poorest States have the largest percentage of children and that the percentage of tax money that goes for education is largest in some States which notwithstanding this effort are able to maintain only substandard schools. It is further pointed out that the freedom of individuals to live where they please spreads the handicaps of poor education beyond State lines and involves every State in concern for the educational facilities of every other, thus creating a truly national responsibility.

In these presentations no emphasis is placed on the fact that, in spite of the inequalities pointed out and other weaknesses in our schools, the United States through its system of decentralized control and local responsibility has developed more widespread educational opportunities and has enabled a larger percentage of its population to profit by them and at higher levels than has been possible in any large nation under any other system. Nor do the proponents of Federal aid make clear that no State is devoting an impressive amount of money to education if considered as a percentage of its total income rather than of the tax dollar. If States and local school districts should become convinced that no Federal funds will be available, it is not unreasonable to believe that local interest and initiative would still continue to improve their schools.

The basic argument against Federal aid for schools is that it would place in the hands of those in political authority the power to transform our whole way of life. Certain controls are conceded to be necessary from the start—joint responsibility in the preparation of educational plans for each State with authority resting with the United States Commissioner of Education for final approval according to standards which he determines; for regional representatives of the Federal agency and for financial accounting to it of all money spent, and for annual reports covering the educational results achieved. These controls involve supervision not only of funds supplied by the Federal Government but of State funds as well. Dr. John J. Tigert, president of the University of Florida, formerly United States Commissioner of Education, for 8 years in charge of administering the funds of the Federal Office of Education, has pointed out the menace inherent in all proposals for permanent Federal aid to education:

"We have shown that Federal aid to the schools must be attended by Federal control under present conditions if we are to avoid general waste and misuse of these funds. We have also pointed out that Federal control will tend to become greater and that centralized operation of the schools is a menace to our institutions and ideals. * * * If we turn over to the Federal Government the responsibility of the operation of our schools, we have forged the weapons whereby some able and self-seeking individual may some day transform our political, social, and economic system." In a later statement (1940) he says: "There is grave danger that somewhere along through the years, in the oft-recurring crises that inevitably confront us, someone may be tempted to take up the weapons which have been forged by the entrance of our Government in the field of education and use them as a way of affecting the thoughts of 20,000,000 children in the elementary schools and 6,000,000 in the high schools, with the result that a new idea of government, a new social order and a new economic order will be formed far from our present ideals."

The recent proposal of the present administration that a universal training program (the word military to be omitted) be established to give our young people a background in the disciplinary approach of getting along with one another and to inform them on what this government is, what it stands for—its responsibilities—a national program for the indoctrination of all youth by the Army—would seem to leave little to the imagination as to what would happen now if those responsible for this proposal had authority over the schools of the country.

It would be nothing short of a national calamity to have a few men in Washington given the authority, in connection with this recent proposal or any other plan, to control the thinking of the people of this country. There is no man competent to think for the United States—no three or four men competent to do so, no fifty or a hundred—no thousand or ten thousand men who should be given the right to compel their fellow citizens to follow their modes of thought or to support their conclusions. The whole idea of having a few people do the thinking and having the rest become followers and loyal subjects is repugnant to the spirit of America and contrary to its fundamental ideas. All such proposals represent theories of social control diametrically opposed to those upon which this country was founded and upon the basis of which we have made such wonderful progress in the comparatively few years of our national life.

The fundamental assumption of our Government is that there is no sovereignty anywhere except the sovereignty of the individual. As Lincoln said, "No man is good enough to govern another man without that other's consent." Oswald Spengler, who profoundly disbelieves in our form of government, in his book, the Hour of Decision, written a few years ago, says that "this whole crushing depression is purely and simply the result of the decline of State power." Much of the political machinery set up in the world in recent years is based on the same conviction—a denial of the sovereignty of the individual and the assumption that a few people have the right to use the instrumentalities of government to force their ideas upon their fellows and compel their submission. There is nothing new in these procedures. They are based on old ideas which have been repeatedly tried and have always resulted in privileges for the few and in slavery, or at least submission, for the mass of the people.

The ideas upon which this country was founded have never yet had a fair trial, so far as the world as a whole is concerned. Even in our own country their application has been limited and in part thwarted by the rapid development of our industrial life, involving constant and in many respects radical changes in social relations and in the distribution of wealth. But in spite of

all this, a life of freedom and of reasonable prosperity for the masses of our population has been achieved to a degree beyond that attained by any other nation. We shall in time see more clearly than we do now the application of our democratic principles to the industrial, financial, and social problems that confront us, and with that increased understanding will come fresh confidence in our basic conceptions and a larger life for all our people.

In the meantime, let us not seek to find a solution of the material problems that confront us by reverting to ideas which have been tried out time and again and which have resulted not in the enlargement of life but in its degradation. The ideal of individual liberty and the rights that go with it—the right to think being the most important of all—are more precious than any material advantage that could possibly be secured by their sacrifice. We must not barter our freedom for any material prosperity, nor for any easy and quick solution of the problems that trouble us today.

Thinking based on integrity and good will is our hope for the future—liberal education based on religion and made effective through democratic society. The freedoms we have cherished—intellectual and spiritual, political and economic—are an essential unity, and the understanding of this unity and of its implications for ourselves and for the world is the concern of our American colleges—for freedom.

Father of Oregon Geology

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Anita Hamlin from the Sunday Oregonian of February 25, 1948:

FATHER OF OREGON GEOLOGY—THOMAS CONDON, PREACHER-SCIENTIST, FOUND FAME 'MID ROCKS AND FOSSILS OF STRANGE, WILD LAND IN THE WEST

(By Anita Hamlin)

Everyone is agreed that childhood is a period glorified with sensations of taste, smell, touch, seeing, and hearing.

No doubt even small Thomas Condon, later to be known as the father of Oregon geology, poked tentatively at the limestone quarry near his home, more from boyish curiosity than scientific insight. Perhaps he even evoked scoldings from his parents for sucking on rocks like any other small boy. Assuredly his interest in geology, however vague, began early.

We are told that Thomas Condon was born in Ireland, later was transplanted to New York. He was goaded by an unceasing appetite for knowledge and was given to exploring the historic revolutionary fortifications near the city. He even went rabbit hunting in Central Park, at that time a wilderness, which proved he had all the tendencies of normal boyhood, despite the germinating seed of genius.

At 18 he was working, studying, teaching, and in his leisure hours devoting his energy to gathering fossils in the hills and quarries, as well as studying geological formations. He acquired theological training at Auburn Seminary, thereby establishing a "mental set" for the news that ministerial assistance was needed in Oregon. With youthful enthusiasm he packed up his bride and probably well-loved fossils for a clipper-ship journey around Cape Horn.

This was the year 1852, and when the Condons arrived in San Francisco, the gay little city was just beginning to put forth the tinsel for which it became famous.

Oregon beckoned. Trappers, miners, and formers were finding here a paradise of furs, gold, and fertile soil, but scientific resources had been overlooked. People were busy clearing land, felling trees, building homes, planting crops, starting schools, organizing churches, and subduing the Indians. The Condons of psychological extroversion and physical necessity participated actively in these endeavors.

For 10 years the Condons lived in western Oregon, and then, desiring a more needy field for his ministerial work, Condon brought his family to The Dalles, at that time head of navigation on the Columbia. There the rough-and-tumble mining crowd on their way to the gold mines of eastern Oregon and the Army boys from the local military post contributed a great deal to the local color, but probably did little to edify the solid citizens of the region.

Whether the intellectual Condon found conditions to his liking is a matter of conjecture. Nevertheless, during the years his friendships ranged from illiterate and necessarily profane teamsters to scientists and the cultured groups. He knew saloon keepers and gamblers by their first names, and upon these he could count for $20 gold pieces toward any charitable cause he sponsored. Dan Handley, Catholic proprietor of the plush Umatilla House, made provision in his will for a sum of $500 to be paid Condon's church at the death of the former.

"Thomas Condon's sermons were deep," recalled William Condon, nephew of the well-known minister-geologist. The nephew related that his uncle's exhortations lacked poetic fancy, but rather stressed the great and simple truths as he saw them. He spared neither effort nor words to make his point clear. His text usually followed the pattern of outline, with proper elucidation of each point. He would break his discourse into sections with the words 'firstly, secondly, thirdly,' and 'in conclusion.'"

Thomas Condon is said to have lived the gospel that he preached. His mission in life seems to have been the religious interpretation of science. As a scientist, he probed the geological history of the earth before the birth of mankind; as a minister he sought to explain creation, to supplement what we read in Genesis. He did his utmost to effect a marriage of the theory of evolution with religious concepts.

Professor Condon's daughter, the late Mrs. E. C. McCormack, had this to say of her father's scientific endeavors:

"An Army officer returning from an expedition against hostile Indians brought Mr. Condon his first eastern Oregon fossils from the Crooked River country. These fossils aroused the keen interest of the student of nature, and in 1862 or 1863 he obtained permission to accompany a party of cavalry carrying supplies to Harney Valley. They returned by way of old Camp Watson on the John Day River, and here Mr. Condon found his first fossils, in the now famous John Day Valley.

"These glimpses of this fossil field only served to make him eager for more, and as soon as the Indians had been subdued and it was safe to venture among those hills and ravines without an Army escort, Mr. Condon spent his vacations exploring in the John Day country. On one of these trips he found and named Turtle Cove, which has since proved to be one of the richest fossil beds in the valley. He employed young men to spend their summers collecting the fossils exposed by the wear of winter storms. He made friends with the rough teamsters who drove the great Government freight wagons from Fort Dalles to the Army posts in the wilderness. As these teamsters returned with empty wagons they often brought a few rocks or a fine box of fossils for their new friend at The Dalles.

"In a few years Mr. Condon found in his possession a large quantity of valuable material that must be classified and described. But he was without scientific books, was thousands of miles from the great libraries and museums of the East, and far from other scientists with whom to confer."

At the time the United States Government was making a geological survey of the 40th parallel (which includes an area 100 miles wide connecting the geology of the great plains to the east of the Rockies with that of the Pacific Coast and California). Clarence King, leader of the survey, reached The Dalles. Mutual interest brought the two geologists together, and one might imagine the friendly Condon playing gracious host and holding forth till the wee hours on the geological growth of Oregon, while his guest studied with enthusiasm the fossil collection now housed in the Condon Museum at the University of Oregon.

VISITORS BRING EASTERN VIEWS TO WESTERN ISOLATION

Another visitor to the Condon home was a Mr. Blake, an eastern geologist. The first specimens to reach the Atlantic coast were some fossil leaves which Condon presented to Blake, and which later fell into the hands of Dr. Newberry of Columbia College, New York, a specialist in fossil botany. Arnold Hague, also associated with the 40th parallel survey, brought to Condon's western isolation some of the spirit of scientific endeavor being carried on in the East.

The Condon home stood on the site now occupied by the Van Dellen Lumber Co. at Third and Laughlin Streets, The Dalles. In 1871 at the time of the fire which demolished a large section of the business district, Condon's many friends exhibited their affection for him when they converged on his house in order to save it, as well as the cabinet which contained his precious fossil collection.

William Condon remembers the human skulls with the mark of a scalping knife on them which terrified his boyish imagination. There was a wealth of Indian artifacts and arrowheads beautifully executed, so many in fact that he salvaged three-fourths of a five-gallon oil can of them for play purposes after they had been discarded by his uncle.

CONDON ENTERTAINS TRAVELERS WHO VISIT THE DALLES

Oregon was now coming into her own. The first transcontinental railroad sped at what was then considered an incredible speed to the Pacific Northwest. Large parties of ultra moderns from the East did the fashionable thing by coming on a sightseeing tour to the Columbia River. Often they were obliged to spend the night in The Dalles, and what could be more interesting than whiling away the hours in the home of the local geologist who made stories about earth formation and fossils so entertaining? And what good conversation it furnished these ladies and gentlemen of culture when they returned to their homes.

In 1870 Condon shipped his first boxes of specimens to the Smithsonian Institution at Washington and from there they were sent to the Philadelphia Academy of Sciences for examination by the experts. Other educational centers to receive mementos of Oregon's Paleozoic age were Columbia College, the recipient of fossil leaves; American

Museum of Natural History, shells; Yale, fossil mammals.

Well diggers discovered the first fossil horse in the Pacific Northwest in 1866, and this was announced in a lecture by Condon. Later an account was published in the Oregonian. Although Condon is credited with the discovery of a miniature three-toed horse by later geologists and historians, he makes no mention of this in his book, The Two Islands.

An amusing anecdote was related by Will Condon regarding one of his uncle's acquaintances. It seems that this Irishman had formed the habit of drinking often from a jug. When the geologist asked him the nature of his refreshment, the man replied that it was alcohol in which a scorpion was preserved. The drinker downed the remainder of the fiery liquid, then presented the scorpion to Mr. Condon for his natural-history collection.

Will Condon remembered pieces of white quartz and similar material containing brilliant gold fragments which fell into the hands of his uncle, but they had no value to him other than scientific.

Among Condon's published geological works are The Rocks of the John Day Valley, which appeared in the Overland Monthly, May 1871, and The Willamette Sound, printed in November 1871, in the same magazine. The Two Islands, a full-length book on Oregon geology, written for the layman, was published in 1902 when the writer was 80 years old. For nearly half a century this has formed the basis for study of Oregon's most ancient history.

Regarding the first two works mentioned above, Condon's daughter wrote: "These two papers fairly represent Mr. Condon's strength as a constructive geological worker. They indicate his ability to begin at ocean level and by means of mountain upheavals, marine and lake sediments, fossil leaves and bones, and volcanic outflows, to reconstruct and make wonderfully vivid the geological past of a new country."

She also wrote: "It gave Mr. Condon real pleasure to sit down beside a rough block of sandstone with only the corner of one glistening tooth in sight, to pick and chip and chisel until another tooth and part of the jaw were seen, to continue with careful skill until the beautiful agatized molars were laid bare, to work patiently on until there stood before him no longer the shapeless mass of stone but a fine fossil head to add its testimony to the record of the past. But it gave him greater pleasure still to work with rough unpolished human character and discover the glint of gold hidden under the rough exterior. The book of nature was indeed fascinating, but did not appeal to him as did the work with men. He had the artist's eye for seeing the beautiful in character and the enthusiasm of a sculptor for shaping rough, faulty, human nature until its beauty reflected the divine."

Mrs. McCormack summed up her father's theory of uniting the scientific with the religious in this way: "To Mr. Condon the theory of evolution presented to the human mind a wider conception of God than the world has ever known. It involved a plan of unthinkable grandeur, beginning with the smallest, simplest things gradually unfolding into more complex life, often interrupted by some great unturning of nature, but never losing the continuity of purpose, the steady progress toward the culminating glory of all: The spiritual life of man."

Condon longed to spread the truth (a relative matter in any circumstance) about the earth's creative process to the young people who had come with their parents to make a home in the wilderness. This missionary zeal in scientific clothing, together with the growing needs of a family ripe for education, led him in 1873 to leave his pulpit at the Congregational Church and accept a place with the faculty of Pacific University, Forest Grove. In 1876 he accepted the chair of geology and natural history at the University of Oregon.

Besides changing to a new teaching post in 1876, the year became memorable to Condon through his discovery of fossil bird bones in the Silver Lake region of southeastern Oregon. The same site has yielded some of the finest mammals in the State.

Oregon was now passing from the growing pains of pioneering to a more mature development. People talked of industrial development and statehood. The prospector shaking his pan of gold dust was becoming an important figure in the scheme of things. When the question of coal was broached, when families began to wonder if their land had the right geological formation for artesian well water, when cement rock, copper or limestone was needed, but no one knew where to find it, they said: "We'll ask Thomas Condon. He'll know." And he did. He shared his extensive knowledge with them. Advice was free for the asking. He analyzed specimens of everything sent him and in turn brought specimens to others when he traveled to fill lecture engagements.

LECTURES: OFTEN GIVEN STUDENT OF OREGON GEOLOGY

He was a frequent passenger on the old river boats and the snail-paced trains. His destination was often Portland, where he would address the cultured city fathers; or a college where the audience was eager and fresh and interested; or the State fair, where the farmers congregated with prosaic matters of livelihood on their minds.

His summers were spent at Nye Brook cottage on the ocean, and there on the beach he would hold an "informal" not unlike that conducted on the shores of Galilee centuries ago, though the text for discussion was slightly different. Members of his audience perched on rocks, on driftwood. His daughter said: "He with his tall alpenstock in his hand, his broad hat and loose raglan coat, made a picturesque figure standing in their midst. Perhaps he talked of the three beaches, the one upon which they stood, the two old geological beaches so plainly visible in the ocean bluff just behind them. * * * But the most common picture, the one that makes the Condon cottage at Nye Brook an almost sacred spot for some, was the party strolling homeward from a morning on the beach—especially at low tide. They always stopped beside his door to show their treasures. There were baskets, tin pails, and all sorts of packages filled with curios gathered on the morning walk; one had a rare shellfish, another an unusual fossil, some had sea moss, others only a group of bright pebbles, while a few proudly exhibited their water agates. All had their eager questions and his kindly helpful interest never failed. * * *

INTEREST OF CONDON SPREAD OVER MANY SUBJECTS

"Mr. Condon's love for knowledge was not confined to natural science, for his interests were broad as the universe. To him, human history began with the men of preglacial age, and he sought eagerly for every ray of light that archeological research could throw upon the old cave dwellers of prehistoric times. He studied all primitive peoples, their religion, industries, and social development, and endeavored to trace their relationship to common ancestry. There were but few obscure nations of the world in which he was not deeply interested: he knew their past history, their present political condition and struggles for liberty. He prized the history of our Aryan ancestors and treasured their old Vedic hymns as among the first bright glimpses of the human soul in reaching out for its Creator. The religion, art, and literature of the Egyptians, Arabians, Persians, and Greeks were to him a source of great pleasure. He followed the lives of noted statesmen. * * * All great religious movements, including the higher criticism and the relation of science were matters of absorbing interest. And yet there were but few who knew and loved Oregon's trees, shrubs, and wild flowers so well as he. * * *

"He was the pioneer geologist who by his own original research caught the first glimpse of Oregon's oldest land as it rose from the ocean bed; he saw the seashells upon her oldest beaches; watched the development of her grand forests; saw her first strange mammals feeding upon her old lake shores; he listened in imagination to the cannonading of her first volcanos and traced the showers of ashes and great floods of lava. He followed the creation of Oregon step by step all through her long geological history and then entered with enthusiasm into the industrial and educational development of her present life."

More than a scientist, Condon was, if the testimony of his associates may be accepted, an understanding person, who knew how to ally himself with his fellow human beings.

"Come in," he said once to a friend, "when your cup is effervescing and let us enjoy the overflow." That simple injunction expressed warmth and hospitality.

In the memorial bulletin issued by the University of Oregon in 1907 were these words written by Joseph Schafer: "He was by endowment a poet. It was nearly impossible for him to be commonplace for a moment."

His turns of expression showed a subtle humor. For instance when he was particularly happy over the arrival of the Rocky Mountain nautilus specimen he invited someone in to "help him hurrah." On this same occasion he whistled a happy little tune, then remarked. "Oh, the tune inside of me is too big for my whistle."

Condon's students, who, if they are living, are probably in their seventieth or seventy-fifth summer, must surely have found it difficult to believe that Oregan was once twin islands and an inland sea, but if he said so, it must be true as gospel, for the great man knew. "He was one convincing Irishman," they probably reminisce, as they pull on a long cigar and settle comfortably for an after-dinner doze.

Civil Service Booklet Text Explains New Retirement Act

EXTENSION OF REMARKS

OF

HON. JOHN W. HESELTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 5, 1948

Mr. HESELTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the first installment of a series of interpretative articles by an able Washington reporter, Jerry Kluttz, in connection with the recently passed Retirement Act. I shall continue these extensions until they are completed and then shall have them reprinted in a single article. If any of my colleagues wish to obtain some of these reprints for distribution, I shall be glad to have them advise my office, and I will arrange for such reprints.

I do want to take this opportunity of making a brief comment as to the title of the act, Langer-Chavez-Stevenson Retirement Act. I think all of us realize the immense amount of intelligent effort which our able colleague the gentleman from Wisconsin [Mr. STEVENSON] devoted toward the preparation and enactment of this law. This was true not only this year, when the other body approved the law, but last year when he pioneered in this field and obtained overwhelming support of his colleagues in committee and on the floor. It is due to no fault of his that the act did not become law in the last session. I think it could be justly stated that this is the "Stevenson act."

Jerry Kluttz's article follows:

CIVIL SERVICE BOOKLET TEXT EXPLAINS NEW RETIREMENT ACT

(By Jerry Kluttz)

The Washington Post today begins publication of the full text of the Civil Service booklet that explains in detail the new Langer-Chavez-Stevenson Retirement Act. The law affects in some way about 1,500,000 Government employees.

The booklet is eagerly sought by tens of thousands of Federal workers. More than 15,000 requests for it have been received by this writer. Each of them will be filled within the next week or 10 days.

Civil Service is overwhelmed by the demand for the booklet. It has the resources to print 50,000 copies, which it thought would be ample to fill the need. But it has had requests for upward of half a million copies. The individual written requests now on file for single copies will be filled, but Civil Service has been forced to turn down Treasury, Agriculture, Federal Security, Army, and many other agencies that sought a copy for each of their employees.

Because of the enormous demand for the booklet and because many persons who are seeking it may be disappointed, the Washington Post is glad to publish the text in installments beginning today. We suggest that Federal workers clip and save this and the installments to follow and make a booklet for themselves.

THE NEW RETIREMENT ACT

The Langer-Chavez-Stevenson Act changed some of the basic features of the original retirement act; it made some additions to the old system, and it also eliminated some of the former provisions.

The new law provides that for separations on or after the 1st of April, 1948, a minimum of 5 years of Federal civilian service is needed to qualify for any annuity benefits. Military service cannot be substituted for civilian work in connection with this minimum.

The new law increases the deductions from salary for retirement purposes from 5 to 6 percent, effective with the first pay period after June 30, 1948. Interest on deductions of active employees was lowered from 4 to 3 percent as of the beginning of 1948.

AGE CONDITIONS REMAIN

The new act did not change the conditions in connection with age and optional retirement after certain periods of service. These remain as before, briefly:

The employee must retire at age 70 if he has at least 15 years of service.

He may retire at age 60 with 30 years of service.

He may retire at age 62 with 15 years of service.

He may retire at age 55 with 30 years of service; in this case, however, his annuity will be scaled down from that which he would get if he were age 60, and, once set, does not change as time goes on.

An immediate annuity is available, under certain conditions, to employees who leave the Government after 25 years of service. This applies to a person who is separated through no fault of his own (in a reduction in force, for example).

As an illustration, an employee with 26 years of Federal service to his credit toward retirement is separated from the Government on account of a cut-back in personnel; he can get an immediate annuity regardless of his age at the time he is laid off.

A somewhat similar provision of law was in effect for a temporary period ending June 30 last year (the Forand Act). This portion of the new law was made retroactive to July 1, 1947.

The amount such a person receives will not be a full annuity if he is less than 60 years old. It will be scaled down at the rate of one-fourth of 1 percent per month (3 percent per year) for each full month under 60 at the date of separation.

After April 1, there is but one age at which annuity starts for those people who work for the Government for at least 5 civilian years and then leave before reaching retirement age. That age is 62. In the past, anyone who earned the right to a future annuity by virtue of 5 years' employment could elect to start getting his annuity payments at either age 55 or 62, depending on whether he had been dropped involuntarily or resigned. Now, the reason for separation does not matter, and the discontinued service annuity, as we call it, starts at age 62.

In connection with this, the Langer-Chavez-Stevenson Act says that if a person serves at least 5 civilian years, but hasn't reached the 20-year mark, he has the choice of taking a refund of all the money to his credit in the fund (including interest) or leaving it in the fund for annuity purposes when he reaches age 62. If he takes the refund, he is out of luck so far as the annuity is concerned.

DISABILITY RETIREMENT

One must have completed at least 5 years of civilian Government service to be eligible for disability retirement, but in this case the annuity payments start immediately, regardless of age. There are two good points under the new law, and one which is not so favorable, so far as the disability annuitants are concerned.

First of all, a good point is that any employee who is undergoing hospital treatment when he is separated from his agency, or who is hospitalized at any time during the 6 months after his separation, can delay making his application for disability retirement for as long as 6 months after hospitalization ends. This is a break for those folks whose illness or incapacities prevent them from making their annuity arrangements with us right away.

With respect to those who join, or are already on, the disability rolls, it is no longer necessary for any of them to have annual physical examinations after they get to be 60 years old. Under the old system, such examinations could be ordered each year until the annuitant reached 70. The Government will save money on this new provision, and we won't bother these annuitants after age 60.

The one new feature of the act which is not so attractive with respect to the disability annuitants is this: Heretofore, when such an annuitant made a recovery, and became employable but was not able to obtain Federal employment, that person could be treated as having been involuntarily separated. His disability annuity stopped, and he then became eligible for reduced annuity benefits at age 55, or regular annuity at age 62. The new act takes away this age 55 provision; hereafter, if such an individual is unable to get Government employment he must wait until age 62 for the regular annuity to start.

One of the nice thing about the 1948 act is the way it eases much of the figuring of the retirement income. There is now a simple basic formula which is used in computing the annuity of each person. This is it: When the person's average salary for his highest five consecutive years of Federal service is $5,000 or more, we merely take 1½ percent of that average and multiply by the total number of years of service. The product of that simple computation is the annuity.

If the person's 5-year average salary is less than $5,000, we take 1 percent of it, add $25 to that, and then multiply by the total years of service. The result is the annuity which is payable to the former employee.

Formula: When best 5-year average salary is $5,000 or more.

Example: Average is $6,000; all service after August 1, 1920, is covered by deposits; 30 years of service.

Take 1½ percent of salary	$90
Multiply by years of service	×30
Annuity	2,700

Formula: When best 5-year average salary is less than $5,000.

Example: Average is $4,000; all service after August 1, 1920 is covered by deposits; 30 years of service.

Take 1 percent of the salary	$40
Add $25	25
	65
Multiply by years of service	×30
Annuity	1,950

The Displaced-Persons Problem Cannot Be Wished Away

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 1, 1948

Mr. CELLER. Mr. Speaker, the Senate Judiciary Subcommittee recommends an emasculated immigration bill which only ostensibly appears to attack the displaced-persons problem. Its terms, however, are such as to indicate clearly that the bill is only being used as a gesture to answer criticism of inaction. It no more solves the problem than does inaction.

From the original proposal of the admission of 400,000 displaced persons in 4 years, 100,000 to be admitted yearly, the Senate subcommittee recommends the admission of 100,000 in 2 years, 50,000 to be admitted each year. It recommends that half of the displaced persons admitted under the bill be persons whose native countries have been annexed. What does annexation mean? Would it not exclude natives of Germany, natives of Poland, Rumania, Bulgaria, Hungary, though such natives may be in displaced-persons camps. Does it provide any assistance to those who are presently stateless or those who do not want to return to Russian-dominated countries?

Or are annexation and domination synonymous? This business of annexed countries—whatever it may mean—can

be used for deliberate racial and religious debarment.

Fifty percent must be farmers and be employed on farms in this country. In other words, 50 percent of the DP's are barred and penalized if they are not farmers. This is done, apparently, in a confused concept of self-interest. We need carpenters, lathers, tailors, plumbers, mechanics, domestics, doctors, dentists, scientists, and unskilled labor. Both the A. F. of L. and the CIO have testified in favor of the Stratton bill which contains no such restrictions.

The bill further permits entry of persons who have assurance of housing and jobs in the United States without displacing citizens. The labor organizations are not worried about loss of jobs. Their leaders testified that immigration creates jobs. Our immigration laws provide that applicants must give guaranty that they will not become public charges. Protection already exists and I cannot see how any declaration of secured homes and jobs is susceptible of proof. What does displacing a citizen mean? If a job is available, does that mean it must be offered first to a citizen? Does the same apply to available housing? The immigrant under the Senate bill must report quarterly—like a criminal on parole. If the immigrant loses his job for any cause is he subject to deportation?

Also, there appears to be a serious constitutional question involved in the requirement which makes it mandatory for the alien to report periodically after entrance to the country. This may conflict with the constitutional provision according to equal protection of the law.

It is further provided that if the 50,000 yearly allotment is not exhausted then the remaining number lapses. The intent is obvious to whittle down to even a smaller number than the 100,000 the bill calls for. If 50,000 DP's cannot be processed under the very restrictive conditions then the unfilled numbers lapse and are not carried over to the next year.

Referring to the matter of annexation in the proposed Senate bill, there is a grievous political mistake in the sense that preference is given, as I stated above, to DP's and displaced orphans whose place of origin or country of nationality has been annexed by a foreign power. This apparently is an attempt to recognize the annexation by Russia of the Baltic states of Estonia, Latvia, and Lithuania. It also recognizes politically the annexation by Russia of that portion of Poland east of the Curzon line. This inference is emphasized on page 55 of the report issued by the Senate Judiciary Committee.

There has never been any treaty or any agreement ratified by the Senate involving such territorial changes. As a matter of fact we still recognize these three Baltic States as independent and still have their accredited representatives in Washington.

The bill is not a solution. It does not even answer the question of why the American taxpayer must continue to pay for keeping large numbers of DP's in camps when the admission of 400,000 in a 4-year period could dissipate the problem without costing the Government any money at all. Under this bill, an unhealthy percentage will still remain in our camps; the taxpayer will still carry the burden of their support; the United States will not be taking its fair share; the rehabilitation of the DP's into useful, secure people remains academic. When the powerful United States so hems its humanitarianism with restrictions as to render it meaningless, then how will less economically favored countries respond?

It is sincerely hoped that the House subcommittee on immigration with the wealth of testimony before it given by General Eisenhower, former Secretary Patterson, Attorney General Clark, General Marshall, the A. F. of L., the CIO, the religious groups, including Protestant, Catholic, and Jewish will not produce so barren a bill that fails to meet even the edges of the problem.

Rent Control

EXTENSION OF REMARKS
OF
HON. KENNETH S. WHERRY
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Friday, March 5 (legislative day of Monday, February 2), 1948

Mr. WHERRY. Mr. President, I ask unanimous consent to have placed in the Appendix of the CONGRESSIONAL RECORD a radio broadcast delivered this week by the Senator from Washington [Mr. CAIN] to his constituents in Washington State on the subject of rent control. The junior Senator from Washington State prepared his address in condensed version to explain both sides in the matter to his State over a network of 28 radio stations. The talk is worth the consideration of all of us.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

After an absence of several months from the air it is good to begin again a series of weekly reports to the State of Washington. During the first session of the Eightieth Congress I discussed with you each week some of the problems which confronted, and were being considered, and acted upon, by your Congress. I endeavored to keep partisan politics out of the discussions. As best I can I shall endeavor to pursue this practice on this coming broadcast and on those to come. There are so many interesting and important problems to think about, in a factual and objective way, that there should be little cause or need for spending time on their political aspects.

Before making some observations on several of the issues of the moment in which you have a particular concern, I want to express my appreciation, and that of my staff, for the happy and cordial and reasonable relationship which has been established between us and most of you. Your letters and telegrams and telephone calls, which come in ever-increasing numbers, are replied to just as rapidly as time will permit. I think, for example, that we have recently received more than 5,000 communications from Washington State on the subject of rents alone. Many of these inquiries have not yet received a reply. All of them will be acknowledged in due time.

Just a thought by way of preface. The longer we have been in the Senate the more conscious we have become of the distance which separates the Congress from you at home. Your representatives, both in the Senate and in the House, are 3,000 miles away. It is all too easy for us to lose some of the contacts at home which we treasure and respect. These reports will be of material assistance in bridging that gap which distance has created. If there are particular subjects and things you would like to have us talk about, please let me know. Some of us will often disagree about matters of policy and procedure but these differences will be the more easily compromised and satisfied if we have a personal interest and relationship with each other. Many of us will often be in complete agreement and the intended broadcasts will encourage and permit us to see eye to eye on matters which are of mutual concern to you and me and to our State and Nation.

Now for some business: From a score and more of big problems I should like to talk now about rents. This situation affects most of you, many of you individually and all of you collectively. We should probably first bring you up to date on what is happening to the question of, "Should there be continuing Federal rent controls in this country," and if the decision is affirmative, "What sort of a rent-control law ought to govern in American for the next year or 14 months?"

As most of you have read and been told, the Senate recently passed a Rent Act for 1948. This bill resulted from several weeks of intensive hearings and more than 11 hours of continuing debate on the floor of the Senate. The approved measure was forwarded to the House on Wednesday, February 25.

While the Senate was busy with its rent hearings and debate, the House was busy with other matters. The House passed a resolution which merely extended the Rent Act of 1947 for 30 days. The Senate necessarily concurred in this resolution because the Rent Act of 1947 would have expired on the last day of last month if the House didn't see fit to take any action on the 1948 Senate proposals. For the reason of this resolution you are still operating under the law of 1947, which was to have expired on February 29. The House is now considering what action it thinks ought to be taken after the extended 30-day period has run its course. The House can write its own bill or it can approve the Senate bill, or it can amend the Senate bill in any way the House sees fit. I hazard a guess that the House of Representatives will add some liberalizing amendments to the Senate bill. The amended measure will then go to conference and in turn be passed by both Houses of the Congress and probably signed by the President.

Everybody in America ought to be concerned by what your Nation does with the problem of rents, because the problem involves prevailing housing shortages and the field of private property. There are more than 14,000,000 housing units in more than 600 defense areas in America under rent control today. If the Congress continues a rent-control law, as there is every reason to believe that it will, these millions of apartments and housing accommodations will continue under control. Let us bear in mind also that some 8,500,000 individuals presently offer accommodations for rent throughout this Nation. These are factors that emphasize the impact of rent control upon the American people.

Ironically the American property owner represents the only segment of our society under control. How long shall we defend and support a system which is part slave and part free? Thinking people think this

an interesting question. The proposed law of 1948 is essentially a continuing improvement over the law of 1947. The coming law will undoubtedly continue the right of tenant and landlord to sign a voluntary lease for an increased rent figure not to exceed 15 percent.

Local advisory rent boards, of which there are a number in Washington State, will be urged to do a more thorough job of examining conditions within their respective areas of influence in order that these boards may intelligently recommend to the National Rent Administrator that given defense-rental areas promptly should be decontrolled or that the rent structures within their areas should be raised or that prevailing rent levels in certain areas are adequate and ought to be continued. If these local rent advisory boards do a thoroughly competent job and if the Federal Rent Administrator gives consideration to, and takes action on, their recommendations, I think that the 1948 law can be effectively administered.

The law presumes that local advisory boards and the Federal Administrator will move in the direction of decontrol as rapidly as conditions warrant. It has generally been admitted by everybody in authority that too little emphasis has been placed on decontrolling rent areas since the end of the war.

It is probably a fact that the subject of rent controls is as highly controversial as any problem which presently confronts your Congress. Special pleaders in most instances are either vehemently in favor of far more stringent controls than the Senate has recommended, or they are totally in opposition to controls of any character. These are natural positions for interested persons to take because those who speak for the average renter in America are only concerned with keeping rents at a low level, while those who have their money invested in the field of rental facilities are chiefly and naturally desirous of managing their own properties as they had always done in the years before the war.

There is yet another group which presently ought to be interested in the national rent problem, but this group either knows nothing about the subject or isn't very much interested by what it does know. These are mostly home owners who are not affected by restrictions placed on others. In part we direct these observations at them because in years to come they may become either tenant or landlord.

Rent controls possess one virtue. They can maintain rents at an artificially low level. The less a family pays for rent the more that family can pay for other things.

This virtue, however, can often possess a resulting vice. If the landlords of America can't take in enough in rent to pay for their cost of operation and maintenance, their properties depreciate in value and the services which tenants have a right to expect are often either diminished or cut off altogether.

The problem before the Congress is to endeavor to make certain that rents are adequate to provide upkeep and services of a reasonable character and that rent levels don't go up too rapidly or too far. This is no small task to attempt by legislation.

Regardless of the virtues which rent controls may possess it has become completely obvious that the prevailing shortage in rental accommodations will never be corrected for as long as this Nation continues rent controls. Building construction has been tremendously accelerated in the last year but not much of this construction has been for rental purposes. You are certain to be interested in knowing that we are and have been constantly losing ground in the national effort to place more and more rental accommodations on the market. The reason is clear and simple enough. Investors aren't willing to venture their capital in creating rental units which may have restrictions placed upon them, and far too many of those who have offered their facilities for rent in recent years have either converted their premises for commercial purposes or they have sold their rental properties outright to others who use them for other purposes. Since 1940 more than 4,000,000 rental properties have disappeared from the rental market for the reasons stated. However much someone may believe in the theory of rent controls he ought to be conscious of the obstacle rent control is to the creating of rental accommodations.

We speak of rent control as something which America has labored under since early in the war. That term is both misleading and inaccurate. In tens of thousands of cases America has suffered from a rent freeze which was anything but proper control. Control means that a property owner ought to benefit from a rent income which reflects the items included in his cost and maintenance, and he ought to have a fair return. A freezing of rents simply means that these necessary items aren't taken into consideration.

For the first time the Congress is actually concerning itself with a rent control problem. The proposed 1948 law declares that no property owner shall be required to operate his facilities at a loss and that every property owner is entitled to a fair return on his investment. It rather horrifies one to know and understand that we have thought it necesary in this country to pursue a contrary course in recent years.

It has never occurred to some people that thousands of our citizens have been expected to subsidize other thousands of citizens because of the rent freeze which took hold beginning in 1941. Generally people understand that hardship cases were to be given relief by the Federal Rent Administrator and his many agents. It is true that relief has been granted to thousands of property owners but other thousands haven't been granted relief commensurate with their losses. The reason is this: The Rent Administrator used 1939 as a base. In considering a hardship application he would let the property owner use the best of any two operating years since 1939 as the measure of relief which the property owner was entitled to. If there were not any two best years, and often the property owner has operated at a loss since 1939, he could only be given relief which would result in his losing no more money than he lost in his two best years. This vicious circumstance has actually operated in your country for years. The Congress is completely determined to see that it doesn't happen in the future.

I am among those Senators who think that rent controls have largely outlived their usefulness and who absolutely believe that we can't solve our rental shortage unless we get rid of rent controls. Nearly every Senator I know agrees with my latter premise, but a majority of the Senate and House of Representatives think the time isn't yet here when the controls can be taken away. All of us are therefore in agreement that if a rent-control law is to be continued for probably 14 months, that the law must be more pliable and more effective and more fair than any law we have had before this time.

History tells us that rent controls have practically wrecked and always depreciated the field of private property in the nations where it has been tried. It will do precisely for us what it has done for others if we permit it to continue too long. If there is to be a rent-control law in 1948, let us hope for a good law, but, more importantly, let us look for an end to the need for any rent-restrictive measures, and to the need for abusing property rights. In the long run we will suffer badly if these restrictive measures continue.

I hope you have enjoyed this conversation with me. Certainly I have enjoyed being with you again. Time having disappeared, I will keep the subject of post offices and the Marshall plan for a coming broadcast. At the moment I am going back to the floor to take part in that gigantic foreign-relations debate which is intended to help us understand how far America can go in helping other nations without visiting serious damage and lasting injury on the United States.

Federal Housing

EXTENSION OF REMARKS
OF
HON. BRIEN McMAHON
OF CONNECTICUT
IN THE SENATE OF THE UNITED STATES

Friday, March 5 (legislative day of Monday, February 2), 1948

Mr. McMAHON. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD the transcript of a discussion between the Senator from Alabama [Mr. SPARKMAN] and New York City Housing Commissioner Robert F. Wagner, Jr., on the subject of housing, over the American Broadcasting Co. network.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

Mr. SPARKMAN. Today some 1,500 veterans of World War II were in Washington asking some very pointed questions of Congress.

These veterans wanted to know when they were going to have a chance for a decent home and a normal family life.

They wanted to know why the Republican majority of the Congress has not passed a comprehensive housing bill.

It all boiled down to this. For 2 years they have waited patiently for housing to become available at prices to fit a veteran's pocketbook.

Today they asked when something was going to be done to get that housing.

Robert F. Wagner, Jr., chairman of the city planning commission of New York City, a veteran, and the son of the distinguished New York Senator who has been a pioneer in fighting for low cost housing, was one of the leaders of that meeting.

Bob, can you tell us something about the veteran's housing conference?

Mr. WAGNER. Senator SPARKMAN, I'm glad to get the veteran's story across to the people of the country. To put the veteran's plight in its proper perspective let me go into a little ancient history on the housing problem.

America has had a housing shortage for a long time. By that I mean there haven't been enough decent homes to go around at prices that most people could afford. For more than a decade, the number of new families formed each year has been greater than the number of new housing units that were built.

Even during the depression we had a basic housing shortage, but we didn't realize it because families were so hard up that two or three of them moved into one place to save money. This was bad, but because these people couldn't afford to go out and try to

rent a separate home of their own, we didn't notice that we had a housing shortage.

Then the war came along. Millions of our young men were taken from their homes and into the armed services. The population shifted in many areas of the country. And people began to make enough money to be able to stop doubling up and move into separate homes of their own.

Meantime, new housing construction was held to the minimum necessary to the war effort.

Mr. SPARKMAN. That's right. We channeled all of our materials into the war effort. Outside of war housing, construction was stopped. And I remember that even with millions of our young men in barracks here and millions more serving overseas, housing was still mighty tight in the United States.

Mr. WAGNER. That's the story, all right. So when the fighting stopped and our servicemen returned to civilian life, they were greeted with huge banners saying, "Welcome Home," but after the welcome was over we found that the homes weren't there. Pretty soon the "Welcome Home" signs were taken down and all the veteran could see was that "No Vacancy" sign which greeted him everywhere.

Mr. SPARKMAN. We did make a start toward solving the problem, but it was a tremendous task. More than 2,500,000 families were formed faster than new homes were built.

Mr. WAGNER. One reason we didn't do more was that a major portion of the housing legislation requested by President Truman has never been passed. All during the Republican-controlled Eightieth Congress, the veterans have been given promises that the long-range housing bill, now known as the Taft-Ellender-Wagner bill would be passed. But nothing happened.

Mr. SPARKMAN. That's right. A bill which bears the name of the Republican Senatorial Policy Committee chairman has been bottled up by his own policy committee.

Mr. WAGNER. And that's why I am in Washington today and why those 1,500 other indignant veterans were here. We want to know why that measure isn't passed so that we can get more rental housing, lower cost housing, and public housing for the lower income groups that can never be served by private builders.

Mr. SPARKMAN. Well, the Democratic leadership wants that bill passed, but unfortunately, we don't have control of the Congress at this time. The Republicans are working on their own bill and I supposed you fellows talked about the Republican housing bill at your session today.

Mr. WAGNER. Yes; we did. In some aspects the bill is pretty good. It incorporates quite a few of the provisions of the Taft-Ellender-Wagner bill and the measures urged by President Truman in his recent housing message. But there are several important omissions, and particularly two which I feel should be emphasized now.

Mr. SPARKMAN. I think I can guess what you are going to say. The Republican proposal leaves out provisions to get better rural housing and it also does nothing about the 125,000 units of public housing for lower income groups which the Taft-Ellender-Wagner bill proposes to build each year during the next 4 years.

Mr. WAGNER. I suppose you're specially interested in rural housing, since you come from a predominantly rural area.

Mr. SPARKMAN. Yes; I am interested in rural housing; also in slum clearance. I'm interested in them both. Too many people forget that we do have rural slums in the United States as well as city slums. We should act to clean them both up. We have need for better rural housing in my State and also for more public housing projects in the cities.

Mr. WAGNER. I can certainly emphasize the need for it in the cities. I know how badly it is needed from my own experience in New York City.

Mr. SPARKMAN. Well, the report your father has just completed shows that it is badly needed throughout the Nation. He polled governors, mayors, and civic leaders all over the country and nine out of ten of them said the need for housing for low-income families is acute and that Federal aid is needed to get this housing. I hope that the report will have some effect on the Republican leadership. Why, the mayors of 78 cities representing 41 percent of the city population, estimated that 1,800,000 housing units in their cities need major repairs or lack decent plumbing facilities. And of 230 replies, 206 state that they do not expect private builders to be able to meet the needs of low-income families in the foreseeable future. That shows the need for Congress to act.

Mr. WAGNER. I agree with you. This public housing doesn't compete with private enterprise. But it's awfully important in making good, healthy citizens out of people who grow bitter and disillusioned from living in the slums.

Mr. SPARKMAN. That's what a lot of the mayors wrote your father. For example, Mayor David Lawrence, of Pittsburgh, wrote that every city is "endangered by the growth of slums and the failure to provide decent homes for our citizens." And Mayor Perrine Palmer, Jr., of Miami, Fla., wrote: "Let's stop for once and for all this understandable discontent that leads to even a consideration of philosophies strange to American ideals."

Mr. WAGNER. In my city many of the members of low-income groups have no immediate hope for decent housing other than public housing. Many live in festering slums and it is among people like them that communism and radical ideologies find a fertile recruiting ground.

Mr. SPARKMAN. I think that is one of the reasons why everyone should support the Taft-Ellender-Wagner bill.

Mr. WAGNER. Getting away from the problem of more and adequate housing for a moment, veterans who are lucky enough to have a place to live now are worrying about what is going to happen to rent control when the present temporary 1-month extension is over.

Mr. SPARKMAN. I am hopeful that we will finally get a bill which will keep a fairly effective control on rents until the pressure is eased. The Senate bill continues pretty much the present set-up until April 1949. But it does work one bad injustice on the tenants who signed the so-called voluntary 15-percent rent increase leases under the present law. These people are only protected until April 1949, while persons who sign such leases in the future will be protected until the end of 1949. I hope that the Republican majority will see fit to correct this injustice. I also wish that the Republicans would give the Housing Expediter more power to police the rent-control law. But I do believe that Congress will give tenants better protection than no rent control at all and considerably more protection than the original Republican proposals would have provided.

Mr. WAGNER. Of course, if the Republican Congress had passed the Taft-Ellender-Wagner bill last year we would be much closer to the condition all of us want to see—when the supply of housing is great enough to do away with the need for rent controls.

Mr. SPARKMAN. I think we would also be making progress on a matter which I believe is just as important as the volume of housing—and that is the cost.

Mr. WAGNER. That is certainly a major point. In 1947 nearly 1,000,000 housing units were added to the Nation's supply. But less than 15 percent was rental housing. And most veterans should be renting at this time and not buying a home until later.

Mr. SPARKMAN. That is quite true. Many of them are working on small salaries and have no idea what their future income is likely to be.

Mr. WAGNER. And veterans in general have no business buying a $15,000 house or paying $70 or $80 a month rent. They just aren't making that kind of money. In fact, it's not just veterans who find the prices of new homes too high today. Millions of others also see new housing selling or renting at prices far beyond their means.

Mr. SPARKMAN. President Truman warned against the danger of housing pricing itself out of the market in his message to the Congress the other day. He pointed out how construction fell off after the last war when prices got so high in 1925 that people just couldn't afford to buy.

Mr. WAGNER. The way to keep the building industry in a continued state of good health is for it to produce homes at prices which the mass market can afford. One of the important points of the Taft-Ellender-Wagner bill is the provision it contains to expand research on new housing methods and the other efforts it provides to lower housing costs.

Mr. SPARKMAN. The Democratic administration is in full support of those measures. What sort of session did you have with the Republican congressional majority at your meetings today?

Mr. WAGNER. Well, we got a lot of promises. What one Congressman or Senator didn't promise, another did. Senator TAFT said he was going to try to get public housing back into the McCarthy bill. The only trouble is that veterans have been getting those promises ever since the Eightieth Congress convened more than a year ago and yet the legislation never materializes.

I think veterans have been mighty patient. We've put up with a standing-room-only sign for two long years. We remember how the country spent money during the war and how it built barracks for us in a hurry. Now we're back in civvies and paying taxes to reduce the debt of those expenses necessary to win the war, and we're tired of being told that the Nation doesn't have the money or the energy to do anything about housing.

This Republican Congress loves to talk about economy. What sort of economy is it which squanders the hopes of veterans for decent lives in decent homes because it might cost a few million dollars?

The young people of the country made great sacrifies during the war. I don't think they should be asked to keep on making them forever.

And we want a better answer than the Republican real-estate lobby line that there is no housing shortage, just an overconsumption of existing space that could be ended by junking rent controls and letting rents go sky high. Many of our veterans are young, but they're not young enough to be fooled by that one.

I hope that this Congress passes an adequate housing bill. If it doesn't, I think veterans will see to it that the next Congress is composed of men who will do something about decent housing for veterans.

We're tired of promises. We want results.

Mr. SPARKMAN. You will get them if the Congress adopts the Taft-Ellender-Wagner bill. And if this Republican Congress doesn't do it, I think we'll have a Democratic Congress on the job in 1949 and then you'll see some real results in the field of veterans' housing.

Position of Hon. C. Wayland Brooks, of Illinois, on the Marshall Plan

EXTENSION OF REMARKS
OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, March 5 (legislative day of Monday, February 2), 1948

Mr. MARTIN. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a copy of the remarks of Mr. Cedrick Foster, the able radio commentator, delivered over the Mutual Broadcasting System, on March 3, 1948.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This is Cedric Foster reporting to you from Boston.

Today in Washington, as the Ambassador from Czechoslovakia resigned in order to fight for the freedom of his country from Communist rule—as Secretary Marshall and Secretary Forrestal asked that financial aid for military purposes be given to Greece and Turkey—today in Washington, as these events occurred, the United States Senate was to receive an amendment to the Marshall plan—one which called for the United States to assume the initiative in the creation of a supreme international council apart from the United Nations.

This amendment was the result of a meeting by 14 revisionist Republican Senators. OWEN BREWSTER, of Main, called it an "offensive-defensive alliance," but the blueprint of it was drawn up by Senator BALL, of Minnesota. The gist of the duties of this supreme international council would be to call out armed forces in cases of aggression, cases which would be determined by a majority of the permanent members and a grand total of 7 out of the 11 members. Thus we have a proposal whereby the veto power is eliminated and whereby the United States is asked to sound out other nations as to their willingness to participate; with the Soviet Union, if possible; without the Soviet Union, if necessary.

One of the strongest opponents of the Marshall plan in its broad and unlimited scope is United States Senator C. WAYLAND BROOKS from the State of Illinois.

Despite the fact that he won the Distinguished Service Cross and the Navy Cross and was wounded seven times in the First World War, "CURLEY" BROOKS has long been known as an isolationist. He is not an isolationist in the commonly-accepted interpretation of the word which means that he is like an ostrich with its head buried in the sand. "CURLEY" BROOKS is an isolationist only in the sense that he does not believe that the Federal Government should pour uncountable millions of dollars into Europe when he is convinced in his own mind that the money will not be properly expended and that the whole venture will become, to use his own words, "operation rat-hole."

Through a curious line of reasoning, which many people employ, "CURLEY" BROOKS' isolationism has been characterized as appeasement of the Soviet Union. Those who assail his beliefs have charged that he is following the Russian line, but nothing could be further from the truth. In fact, it is so far from the truth that no less a person than Andrei Vishinsky named the distinguished Senator from Illinois as one of the leading anti-Soviets in the American political scene.

Some weeks ago, I reported on this broadcast that Senator BROOKS had laid particular emphasis, in a statement which he made on the Marshall plan, on the need for obtaining production in Europe if the continent is to survive the ravages of postwar inflation and ills. The Senator from Illinois believes, and firmly so, and I believe, that it is only right that his sincere views be presented to the American people. He believes there is no use in sending money to Europe unless that money will beget production of goods by European countries, and through that production, a revival of world trade—trade which will allow the countries of Europe to support themselves in years to come without a constant draining of American resources.

In a recent address "CURLY" BROOKS declared that the American people have been and still are the most charitable people on the face of the earth. "To be generous, even amazingly generous," he continued, "is magnificent. But to be stupidly generous is akin to sin." Senator BROOKS then pointed out:

"We must remember constantly that we are only 7 percent of the world's people; we occupy only 7 percent of the earth's surface; and in our bumper years we produce only 12 percent of the world's food supply. We are already carrying the largest national debt ever carried by any people supposed to be solvent—the largest debt in the history of mankind. The average American citizen today is already working 3 days out of 10 to pay his taxes, and he is working the other 7 days to pay the ever-increasing cost of living.

"This heavy burden," Senator BROOKS continued, "is carried not only to support our own Government but to support socialistic governments abroad—governments who foster and follow policies of socialistic schemes, price fixing, rationing, regulations, restrictions, unbalanced budgets, and false values of currencies."

In that statement, of course, you have the very nub and heart of the economic beliefs and political beliefs of the Republican Senator from the State of Illinois. You may agree or disagree with his thesis, but it is impossible not to take cognizance of some of his words because he strikes home through vulnerable spots in his opponents' armor. In amplification of his stand, Senator BROOKS declares:

"Since the Socialist government of Great Britain gained power, it has taken the mines, the railroads, communications systems, and other industries, including more than 2,500 farms, from their owners. If you add up the total amount that they paid these owners, it would just about equal the four billion four hundred million which we gave them in the British loan and in credits a little more than a year ago. They now announce that they are instituting their socialistic health and hospital program that will guarantee government hospitalization, medical and health care—literally from the cradle to the grave—at an annual cost of about seven hundred million a year.

"No one can complain about costly socialistic schemes being carried out in any country if their economy can support it. But to adopt programs at our expense which retard private initiative, while we are taxing our people to rehabilitate the sponsors of the programs, that is quite another matter. What we are actually engaging in is vast and far-reaching socialism at the expense of the American taxpayer. We are doing this at a time when our Veterans' Administrator declares that many of the badly needed veterans' hospitals in America could not be built because of the lack of essential material and the ever-increasing cost."

The clinching argument advanced by Senator BROOKS is simply this: "To consider the plight of these countries as temporary is the wrong approach. As long as we guarantee their constant deficits of 'balance payments,' they are not going to change their course, and they are not going to meet their own problems. Their problems are those of incentives to work and to produce to the maximum. Even that would not meet their difficulty completely, for no matter how much they produce, if they continue to take the proceeds of that production and devote it to the extension of their socialistic practices, they will never close the gap of their 'balance of payments,' and we will merely continue to pay for their trade deficit indefinitely."

Senator BROOKS has a solution to the problem which America faces in the rehabilitation of Europe. His criticism is not destructive analysis. He sees what he believes to be the way out. He is against the State Department and the military controlling the funds going to Europe under the Marshall plan. In condemnation of the State Department and the military, "CURLY" BROOKS declares they "stood startled, stunned, and confused when we were struck at Pearl Harbor, following the policies which they had advocated. Then it was that we had to call the experts of American industry, labor, and agriculture to provide the industrial genius, the labor, and the food to produce the essentials to bring our enemies to their knees. The creation of incentives to work and to produce in western Europe and to apply the proceeds of that production to support stable currencies, balanced budgets, and stable governments is a major operation like our operation in the war. It demands the leadership of the best brains in America in agriculture, industry, and labor to administer this program.

"We believed then, and we believe now, that American dollars will not save Europe. Production and hard work, plus the proper application of the proceeds of that work and production, will constitute the sound bulwark against the miseries of communism. We hear altogether too much talk about needing a third force in Europe, halfway between the totalitarianism of Russia and the free enterprise system of the United States. This is called democratic socialism.

"But if we continue our unprecedented undertaking of rebuilding our former enemies and many of our former allies by constantly paying the trade deficits as they develop their so-called democratic socialism—if we do this—it will mean a drain so constant and so heavy upon the free enterprise system of America that we, too, will finally be drawn into the depths of despair, we, too, will be bound by the mesh of rules, regulations, and controls that form the chains that presently bind the energies of the countries of Europe.

"None of us wants to see people starve, but since we are limited and cannot feed all the hungry, clothe all the naked, fire all the furnaces and hearthstones of the world, we want to help those who will intelligently help themselves. We want to help people who will work, produce, and take steps to meet their own difficult problems. It is to our advantage to have a strong, prosperous western Europe. But in our future contributions we must insist upon having intelligent, sound, constructive management so that, while helping them, we may preserve our own Republic, so that we may preserve our own way of life to which our forebears and we of the present, living and dead, have made such tremendous contributions.

"We hate oppression and we would like to extend human liberties. But we must remember that to preserve our own form of government, our own solvency, and our own security—these are the major challenges of this day."

As I said a moment ago, there will be many who agree and who disagree with Senator C. WAYLAND BROOKS of the State of Illinois, but his views command attention and serious consideration. Senator BROOKS poses a very

fine and exact question when he asks, in effect, what recks it if we pour money into Europe if in so doing we finance socialism and if the production attained is used to further advance that theory of government instead of closing the gap in the trade deficit? If in the asking of that question, "CURLY" BROOKS is labeled an isolationist, then he is perfectly willing to stand or fall.

While Palestine Burns

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 26, 1948

Mr. SABATH. Mr. Speaker, the procrastination on the part of our State Department on the recommendation of the United Nations is being severely criticized by nearly every outstanding newspaper in the United States.

I have read many of the editorials on this subject, but the one that I am inserting, under the leave granted me, appeared in the Chicago Sun-Times on March 5, 1948, and impressed me to a greater degree than most of the others.

Consequently, I am inserting this editorial and at the same time I hope the President and the Secretary of State will not permit the small inner clique, consisting of Secretary of Defense Forrestal, Loy W. Henderson, Director of the Office of Near Eastern and African Affairs, and a few others, who are more interested in two of the oil companies than they are in the destruction of the lives of hundreds of people, the future of the United Nations, and the peace of the world, to continue to misinform and mislead them and nullify the President's action and assurances.

The editorial follows:

WHILE PALESTINE BURNS

Now that the three big powers have spoken on Palestine, the need for immediate Security Council action on the General Assembly's recommendation for partition is urgent.

Not only the fate of Palestine, but the prestige of the United Nations is involved. If the Arab world, by force and threats of force, can successfully defy a decision adopted by more than two-thirds vote of the Assembly, then the future of the UN as a strong and effective peace organization will be clouded with uncertainty.

Unfortunately, the American delegation has not offered positive and clear leadership toward firm execution of the Assembly's partition plan. Even if there had been better plans there would have been strong reason for backing it up. Partition seems the fairest possible plan. It was accepted after months of impartial study by a UN commission. Our own Government took the lead in securing its adoption by the Assembly last fall.

Delegate Warren Austin told the Council that we still support partition, but his fuzzy approach to what the Council should do about it reflected the State Department's struggle with itself over the conflicting claims of middle eastern oil, strategy, rivalry, and loyalty to the UN.

While he proposed that the Council formally accept the Assembly's request that it implement the plan, Mr. Austin argued that the Council could implement it only by peaceful measures, which are now demonstrably inadequate.

Then he went on to suggest formation of a Big Five committee to do two things: (1) To determine whether peace is threatened and (2) to seek conciliation between the Jews and Arabs.

Under point No. 1, if the Council found that peace is indeed threatened, it could then consult on whether to supply armed forces. But meanwhile Palestine is burning. The leisurely pace set by the American policy left Russia an opening and Russia is taking advantage of it.

Mr. Gromyko says there is no need for another committee. He proposes that the Council accept the task of implementing partition. And that delays be short-cut by direct Big Five consultations on the question of peace enforcement. He rightly says that more talk about conciliation is futile, and urges that the Big Five decide within 10 days whether a threat to the peace exists.

If the American policy makers in Washington are wise they will now drop their doubts and hesitations and press for UN action with all possible speed. Time is running out in Palestine. Disorders increase daily. Every hour's delay increases the likelihood of utter chaos when the British lay down their mandate on May 15.

The debate at Lake Success over the Council's power to impose what Mr. Austin called a "political settlement" has been reduced to absurdity by Britain's own statement that she regards the UN's Palestine Commission as the legal successor government to her administration.

This is not a case of imposing political conditions on a sovereign state. It is a case of the world community assuming temporary jurisdiction over a trusteeship which the trustee has resolved to give up.

The purpose of UN administration is to make possible the peaceful transfer of sovereignty to the people of Palestine, organized in two independent states. The UN Commission declares that this cannot be accomplished without the aid of an outside armed force. The UN's moral and legal responsibility to supply that force is clear.

There might be objections if the people of Palestine were a sovereign state. But they are not. Until May 15 Britain will exercise that sovereignty. After May 15 nobody will exercise it unless the UN takes over.

Essentially, the Security Council is asked to do in Palestine what it already has agreed to do in Trieste. There the council accepted a request of the big powers that it govern and police an area of special international concern.

When Trieste came before the Council, doubts were raised about the legal position. They were resolved on the ground that the UN Charter clearly intended that the Council should exercise general peace-keeping powers so long as it acted in accordance with the basic purposes of the UN. The Council took jurisdiction over Trieste by a vote of 10 to 0, the United States voting in the affirmative.

If there was a good case for such action in Trieste there is a better one for it in Palestine. For in this case it is the General Assembly, representing the preponderance of world opinion, which requests action, and not merely the drafters of the Italian peace treaty. In this case the U. N. is asked to intervene in an area which has been an international responsibility for 25 years. The UN's obligations are reinforced by Britain's inability or unwillingness to carry the responsibility any longer.

The issue is not whether members of the Security Council have authority to intervene in Palestine. The issue is whether they have the will to do so. All who cherish the UN have but one possible course—to back to the limit the General Assembly's recommendation for partition.